UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS
FIRST SESSION

VOLUME 119—PART 5

FEBRUARY 26, 1973 TO MARCH 6, 1973

(PAGES 5251 TO 6698)

NOV 25 1974

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1973

AUTHENTICATED
U.S. GOVERNMENT
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United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93^d CONGRESS, FIRST SESSION

SENATE—*Monday, February 26, 1973*

The Senate met at 11:30 a.m. and was called to order by Hon. DICK CLARK, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, in whom our fathers trusted, keep ever before us the vision of "one Nation under God, indivisible, with liberty and justice for all." Enable us to serve Thee in fulfillment of this holy commitment. Make us kindly in thought, gentle in word, generous in deed, industrious in daily work. Teach us that it is better to minister than to be ministered unto, better to give than to receive, better to forget ourselves than to assert ourselves. Help us to walk humbly with Thee in service to this Nation. And unto Thee, O Lord of love and justice, be glory and praise forever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 26, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DICK CLARK, a Senator from the State of Iowa, to perform to the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CLARK thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bill in which it requests the concurrence of the Senate:

H.R. 1975. An act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, February 22, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent to waive the call of the calendar of unobjected-to measures under Senate rule VIII.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MR. NIXON'S REMARKABLE CHINA POLICY

Mr. MANSFIELD. Mr. President, in the New York Times for Friday, February 23, 1973, there appeared a column by Mr. James Reston entitled "Mr. Nixon's Remarkable China Policy." Remarkable it is.

I ask unanimous consent that this well-written article, which gives due credit to President Nixon for his remarkable initiative in undertaking a new stance toward China, be incorporated in the RECORD at an appropriate point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. NIXON'S REMARKABLE CHINA POLICY

(By James Reston)

WASHINGTON, February 22.—The Kissinger-Chou conversations in Peking have made progress mainly because the two men have been faithful to the agreement they made at the very beginning of their talks last year: "Get the principles straight first, and the practical problems can then be sorted out at leisure."

They agreed on the principle that Taiwan was a part of China and that the political future of that island was a question to be settled by the Chinese themselves.

They agreed on the principle that the political future of Vietnam should be settled by the contending parties in Vietnam after a cease-fire. The continuing withdrawal of American troops, arms and prisoners has undoubtedly contributed to the success of Mr. Kissinger's latest visit to Peking.

They agreed on the principle that a new peaceful order should be established in Asia, that all disputes should be settled by peaceful means, and that their agreement on these principles was not directed against any other country, meaning, of course, the Soviet Union.

Having settled this much, though both sides are eager to "bring about the normalization of relations" while the aging leaders of the Peking Government are still in power, neither side has insisted on the urgent settlement of the practical problems. No deadline, no hidden deals.

Peking obviously wants the United States to withdraw all its troops from Taiwan—they number only a few thousand whose main job has been, not to defend Taiwan but to assist in supplying the American expeditionary force in Vietnam—but Chou En-lai has not attempted to insist on a specific date for their departure.

At the same time, Chou En-lai has said in the past that his Government would not establish an official mission in Washington as long as the Chinese Nationalists occupy the Chinese Embassy here on Woodley Road. Nevertheless, he has agreed to establish a "liaison office" here and permit the U.S. to do the same in Peking.

This agreement implies much more than it says explicitly. It does not establish formal diplomatic relations, but it authorizes the creation of a diplomatic presence of unlimited size in both capitals, with diplomatic immunity for the members of both missions, and "a concrete program of expanding trade as well as scientific, cultural, and other exchanges."

Presumably the members of these missions will be restricted in their travels around both China and the United States—as U.S. and Soviet diplomats still are in these two countries—but the modestly named new "liaison offices" will in effect be diplomatic missions in everything but name.

The fact that Mao Tse-tung held a two-hour conversation with Mr. Kissinger, which was conducted according to the joint communique "in an unconstrained atmosphere . . . earnest, frank and constructive," is of great symbolic importance.

This gives the approval of China's legendary leader to the dramatic turn in U.S.-Chinese relations from hostility to normality. It is a reminder to the Soviet Union that the U.S. wants to work with China, the Soviet Union and Japan on the peaceful reordering of state relations in the Pacific—and this is a point of some importance to the leaders in Peking who feel threatened by substantial Soviet armies and nuclear weapons on their northern border.

The way is now open for the President to dramatize his "even-handed" policy between Peking and Moscow by inviting Chairman Brezhnev of the Soviet Government to the United States. Later in the year, the Japanese

Emperor will also be visiting this country, leaving only the personal rancor between the leaders of the United States and India to be resolved.

President Nixon, who personally started this "opening to China" during his conversations with former President Charles de Gaulle in 1969, is thus moving with admirable skill and purpose to turn the cease-fire in Vietnam into a more enduring general settlement in Asia, and to transform the initiatives of his first term into enduring achievements in his second.

All this is still in a preliminary and fragile state and will need a great deal of understanding and cooperation from the Congress, particularly on aid to North Vietnam and trade with Japan, before it is stable.

But Mr. Nixon is now clearly embarked on the most constructive American enterprise abroad since the Marshall Plan in Europe after World War II. Like the Marshall Plan, which led to the reconstruction of a peaceful Europe, it aims at nothing less than the reconstruction of a peaceful Asia, and for this he needs and deserves the gratitude and support of his fellow-countrymen.

ORDER OF BUSINESS—INTRODUCTION OF A BILL

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire to be recognized?

Mr. TAFT. No, Mr. President. I thank the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Virginia is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the orders for the recognition of the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) and the junior Senator from West Virginia (Mr. Robert C. Byrd) be reversed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

REPORT ON THE ECONOMIC STABILIZATION PROGRAM—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Clark) laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking, Housing and Urban Affairs:

To the Congress of the United States:

The accompanying report of the Economic Stabilization Program covers the last quarter of 1972—the final months of Phase II and a period of marked economic progress.

As the year 1972 neared its end, the picture of improved conditions was unmistakably clear. The economy gathered strength, employment reached an all-time high, the rate of unemployment dropped, real earnings rose significantly after several years of sluggishness, and the rate of inflation was lower.

Overall, the goals of Phase II were either achieved, or results were close to the targets. Food prices were an exception, and remedies in the form of increased production and supply are being sought in that area. Wage-price controls, however, can be only a part of the program to combat inflation. Reductions in Federal spending and a responsible fiscal and monetary policy must be the main elements of the anti-inflation effort, and I intend to continue pressing for them.

To preserve our gains and to prepare the country for a full return to the competitive marketplace of peacetime, I instituted Phase III of the Economic Stabilization Program earlier this year. Under the Cost of Living Council, this modified system has the resources to guard against the still-present threat of inflation. I am determined that we shall lower the rate of inflation to 2.5 percent or less by the end of 1973, and I am prepared to use the tools at my disposal to reach this goal.

The American people clearly want the rate driven as low as possible, and I believe we can do so if the Congress will extend the Economic Stabilization Act for another year beyond April 30 and if we can obtain the full cooperation of all segments of our society.

Richard Nixon.

The White House, *February 26, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Clark) laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Alexander P. Butterfield, of California, to be Administrator of the Federal Aviation Administration, which nominating messages were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

Mr. ROBERT C. BYRD. Mr. President, how much time remains to me?

The ACTING PRESIDENT pro tempore. The Senator from West Virginia has 2 minutes remaining.

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Under the previous unanimous-consent order, the Senator from Virginia (Mr. Harry F. Byrd, Jr.) is recognized for not to exceed 15 minutes.

(The remarks Senator Harry F. Byrd, Jr., made at this point on the introduction of S. 988, the Shenandoah Wilderness Act, are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

RULES OF PROCEDURE OF THE COMMITTEE ON FINANCE

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the Record for today the rules of the Committee on Finance.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Committee on Finance

RULES OF PROCEDURE

Rule 1. *Regular Meeting Days.*—The regular meeting day of the committee shall be the first and third Wednesday of each month, except that if there be no business before the committee the regular meeting shall be omitted.

Rule 2. *Committee Meetings.*—(a) Except as provided by section 13(a) of the Legislative Reorganization Act fo 1946 as amended by section 102(a) of the Legislative Reorganization Act of 1970 (relating to special meetings called by a majority of the committee) and subsection (b) of this rule, committee meetings, for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the chairman.

(b) In the absence of the chairman, meetings of the committee may be called by the ranking majority member of the committee who is present, provided authority to call meetings has been delegated to such member by the chairman.

Rule 3. *Presiding Officer.*—(a) The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member who is present at the meeting shall preside.

(b) Notwithstanding the rule prescribed by subsection (a) any member of the committee may preside over the conduct of a hearing.

Rule 4. *Quorums.*—(a) Except as provided in subsections (b) and (c) nine members shall constitute a quorum for the conduct of business.

(b) Notwithstanding the rule prescribed by subsection (a), one member shall constitute a quorum for the purpose of conducting a hearing.

(c) Once a quorum as prescribed by subsection (a) has been established for the conduct of business in executive session, the committee may continue to conduct business so long as five or more members are present.

Rule 5. *Reporting of Measures or Recommendations.*—No measure or recommendation shall be reported from the committee unless a majority of the committee is actually present and a majority of those present concur.

Rule. 6. *Proxy Voting; Polling.*—(a) Except as provided by section 133(d) of the Legislative Reorganization Act of 1946 as amended by section 106(a) of the Legislative Reorganization Act of 1970 (relating to limitation on use of proxy voting to report a measure or matter), members who are unable to be present may have their vote recorded by proxy.

(b) At the discretion of the committee, members who are unable to be present and whose vote has not been cast by proxy may be polled for the purpose of recording their vote on any rollcall taken by the committee.

Rule 7. *Order of Motions.*—When several motions are before the committee dealing with related or overlapping matters, the chairman may specify the order in which the motions shall be voted upon.

Rule 8. *Bringing a Matter to a Vote.*—If the Chairman determines that a motion or amendment has been adequately debated, he may call for a vote on such motion or amendment, and the vote shall then be taken, unless the Committee votes to continue debate on such motion or amendment, as the case may be. The vote on a motion to continue debate on any motion or amendment shall be taken without debate.

Rule 9. *Public Announcement of Committee Votes.*—Pursuant to section 133(b) of the Legislative Reorganization Act of 1946 as amended by section 104(a) of the Legislative Reorganization Act of 1970 (relating to public announcement of votes), the results of rollcall votes taken by the committee on any measure (or amendment thereto) or matter shall be announced publicly not later than the day on which such measure or matter is ordered reported from the committee.

Rule 10. *Subpoenas.*—Subpoenas for attendance of witnesses and the production of memoranda, documents, and records shall be issued by the chairman, or by any other member of the committee designated by him.

Rule 11. *Open Committee Hearings.*—To the extent required by section 133A of the Legislative Reorganization Act of 1946 as amended by section 112(a) of the Legislative Reorganization Act of 1970 (relating to limitations on open hearings), each hearing conducted by the committee shall be open to the public.

Rule 12. *Announcement of Hearings.*—The committee shall undertake consistent with the provisions of section 133A of the Legislative Reorganization Act of 1970 (relating to public notice of committee hearings) to issue public announcements of hearings it intends to hold at least one week prior to the commencement of such hearings.

Rule 13. *Witnesses at Hearings.*—(a) Each witness who is scheduled to testify at any hearing must submit his written testimony to the chief counsel not later than noon of the last business day preceding the day on which he is scheduled to appear. Such written testimony shall be accompanied by a brief summary of the principal points covered in the written testimony. Having submitted his written testimony, the witness shall be allowed not more than ten minutes for oral presentation of his statement.

(b) Witnesses may not read their entire written testimony, but must confine their oral presentation to a summarization of their arguments.

(c) Witnesses shall observe proper standards of dignity, decorum and propriety while presenting their views to the committee. Any witness who violates this rule shall be dismissed, and his testimony (both oral and written) shall not appear in the record of the hearing.

Rule 14. *Audiences.*—Persons admitted into the audience for open hearings of the committe shall conduct themselves with the dignity, decorum, courtesy and propriety traditionally observed by the Senate. Demonstrations of approval or disapproval of any statement or act by any member or witness are not allowed. Persons creating confusion or distractions or otherwise disrupting the orderly proceeding of the hearing shall be expelled from the hearing.

Rule 15. *Broadcasting of Hearings.*—(a) Broadcasting of open hearings by television or radio coverage shall be allowed upon approval by the chairman of a request filed with the chief counsel not later than noon of the day before the day on which such coverage is desired.

(b) If such approval is granted, broadcasting coverage of the hearing shall be conducted unobtrusively and in accordance with the standards of dignity, propriety, courtesy and decorum traditionally observed by the Senate.

(c) Equipment necessary for coverage by television and radio media shall not be installed in, or removed from, the hearing room while the committee is in session.

(d) Additional lighting may be installed in the hearing room by the media in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(e) The additional lighting authorized by subsection (d) of this rule shall not be directed into the eyes of any member of the committee or of any witness, and at the request of any such member or witness, offending lighting shall be extinguished.

(f) No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be subjected to radio or television coverage, all equipment used for coverage shall be turned off.

Rule 16. *Amendment of Rules.*—The foregoing rules may be added to, modified, amended or suspended at any time.

DESIGNATION OF SUBCOMMITTEES BY THE COMMITTEE ON FINANCE

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a press release which I have made explaining the appointment of six important subcommittees to expedite the flow of legislation on behalf of the Committee on Finance.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

FINANCE COMMITTEE ESTABLISHES SIX SUBCOMMITTEES

Following is the text of a statement by Honorable Russell B. Long (D., La.), Chairman of the Committee on Finance, United States Senate, announcing the appointment of six subcommittees:

In view of the tremendous workload of the Finance Committee, which has been growing in recent years, it is the Committee's plan to establish these six subcommittees whose purpose would be to bring additional information to the full Committee and to expedite the flow of legislature:

1. A Subcommittee on International Trade;
2. A Subcommittee on Health;
3. A Subcommittee on Private Pension Plans;
4. A Subcommittee on State Taxation of Interstate Commerce;
5. A Subcommittee on Foundations; and
6. A Subcommittee on International Finance and Resources.

Two years ago the Committee established a Subcommittee on International Trade, with the Honorable Abraham Ribicoff as Chairman. Under his leadership, that Subcommittee has done an excellent job in the past two years in its oversight function of gathering information and pinpointing problems on many facets of this country's international economic position. These include our position in world trade, the international monetary crises, and other matters.

Today the Subcommittee has begun hearings on the role of multinational corporations in the world economy. I know that the Subcommittee on International Trade will, under Senator Ribicoff, continue its excellent work which has been such a valuable contribution to the Committee.

In my view, health care and health care financing will be a continuing and growing area of concern during the 93rd Congress. The Finance Committee has jurisdiction over health care programs, involving well over half of the Federal health budget. Significant provisions included in H.R. 1, enacted last year, will affect the Medicare, Medicaid and maternal and child health programs in hundreds of ways.

I am pleased to announce that the Honorable Herman E. Talmadge will serve as Chairman of the new Subcommittee on Health which we are establishing. This Subcommittee on Health can serve the Finance Committee and the Senate as a valuable source in bringing information and analysis concerning our health programs to our attention.

The Finance Committee has exercised a consistent leadership role in health care legislation, as well as in legislative oversight activities in the past, and I am sure that the work done by Senator Talmadge and the Subcommittee on Health will enable us to enhance and continue those roles.

For example, a prime area of anticipated oversight activity would concern the professional standards review organizations, to be established under an amendment of Senator Wallace F. Bennett of Utah, which holds the promise of making more of an impact on improving the quality of care and reducing unnecessary utilization of care than any other legislative proposal in recent years. The Subcommittee will aid in assuring that implementation conforms to Congressional intent.

Another area deserving of detailed study relates to private pension plans. The Congress has traditionally regulated private pension plans through the tax law. The new Subcommittee on Private Pension Plans will look into the question of whether the present law and regulations provide for adequate plans and whether legislative changes would be desirable.

Senator Gaylord Nelson will serve as Chairman of the new Subcommittee on Private Pension Plans.

In recent years, the Committee has become aware of a number of problems in the area of State taxation of interstate commerce. Legislative proposals concerning this subject have been introduced in the Senate and House, and the House several years ago passed a bill on this subject. Many States have entered into a compact to promote the uniform taxation of interstate business.

The issues involved in Federal legislation include jurisdiction with respect to taxing businesses operating in interstate commerce, allocation and apportionment of income, consolidation of income of affiliated corporations, and Federal action with respect to the Multi-State Tax Compact.

The Committee felt it was appropriate to establish a Subcommittee on State Taxation of Interstate Commerce to study the issues pertaining to this subject. The work of this Subcommittee should be invaluable in legislative consideration in this area. Senator Walter F. Mondale will be serving as Chairman of this Subcommittee.

The Tax Reform Act of 1969 established a whole new set of rules applicable to charitable contributions and to the operation of charitable organzations, the key to which is found in the differentiation between public charitable organizations and private foundations. The legislation was designed to insure that the tax benefits conferred on private foundations result in a reasonably commensurate public benefit, without special benefit to the substantial contributors to such organizations.

The Committee is establishing a Subcommittee on Foundations, to study the effect of the 1969 legislation on the support and operation of private foundations. The Subcommittee will look into the question of whether any areas of abuse remain, and the extent to which the legislation was more restrictive than necessary in order to accomplish the objective assuring public benefit from the tax benefits.

The Subcommittee on Foundations will be headed by Senator Vance Hartke.

Finally, the Committee has jurisdiction over a number of international matters other than trade: taxation of overseas income, foreign investments, energy, the Sugar Act, and additional international matters. The actions of the United States can have enormous impact on other nations—either strengthening them or disrupting them. We must therefore keep in mind the principle of international cooperation when we act in these areas of the Committee's jurisdiction. The Committee is establishing a Subcommittee on International Finance and Resources that will be looking into these various international matters.

Senator Harry F. Byrd, Jr., will chair that Subcommittee.

COMMITTEE ON FINANCE
MEMBERS OF SUBCOMMITTEES

Subcommittee on International Trade

Abraham Ribicoff, Connecticut, Chairman.
Herman E. Talmadge, Georgia.
Gaylord Nelson, Wisconsin.
Walter F. Mondale, Minnesota.
Lloyd Bentsen, Texas.
Paul J. Fannin, Arizona.
Carl T. Curtis, Nebraska.
Clifford P. Hansen, Wyoming.
Bob Packwood, Oregon.

Subcommittee on Health

Herman E. Talmadge, Georgia, Chairman.
Vance Hartke, Indiana.
J. W. Fulbright, Arkansas.
Abraham Ribicoff, Connecticut.
Walter F. Mondale, Minnesota.
Clifford P. Hansen, Wyoming.
Robert J. Dole, Kansas.
Bob Packwood, Oregon.
William V. Roth, Jr., Delaware.

Subcommittee on Private Pension Plans

Gaylord Nelson, Wisconsin, Chairman.
Abraham Ribicoff, Connecticut.
Harry F. Byrd, Jr., Virginia.
Lloyd Bentsen, Texas.
Carl T. Curtis, Nebraska.
Robert J. Dole, Kansas.
William V. Roth, Jr., Delaware.

Subcommittee on State Taxation of Interstate Commerce

Walter F. Mondale, Minnesota, Chairman.
Gaylord Nelson, Wisconsin.
Lloyd Bentsen, Texas.
Clifford P. Hansen, Wyoming.
Bob Packwood, Oregon.

Subcommittee on Foundations

Vance Hartke, Indiana, Chairman.
J. W. Fulbright, Arkansas.
Mike Gravel, Alaska.
Carl T. Curtis, Nebraska.
Paul J. Fannin, Arizona.

Subcommittee on International Finance and Resources

Harry F. Byrd, Jr., Virginia, Chairman.
Vance Hartke, Indiana.
Mike Gravel, Alaska.
Robert J. Dole, Kansas.
William V. Roth, Jr., Delaware.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 10 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro temport. Without objection, it is so ordered.

THE PROPOSED SALE OF U.S. GOLD

Mr. HARRY F. BYRD, JR. Mr. President, recently there have been press reports that our Government is considering selling some of its dwindling gold supply.

It was only a few years ago that the United States had $24 billion in gold. That supply has now been reduced to a figure of roughly $10 billion. The reserve got so low and the demand on the Nation's gold supply became so great that a little less than 20 months ago the Government decreed that foreign banks could no longer exchange dollars for gold, which had been the case up to that point.

In recent days, there has been a further deterioration in the American dollar. It has formally been devalued again. Yet the run on the dollar continues in many areas of the world, and it is in the hope of stemming a further run on the dollar that the Government is considering selling some of its relatively small gold supply.

Mr. President, I hope the Government will consider very carefully before doing so. It will not solve the problem. It is not going to solve anything. I think it is desirable that the Nation keep what gold it has left.

Gold has been the most important element of exchange between nations for 4,000 years. I do not think that is going to change overnight. I believe it would be a mistake to further reduce our gold supply.

The reason there is a run on the dollar is that other nations of the world, which hold $65 billion in American dollars, are concerned about the high rate of inflation in our Nation. They are concerned about the mounting and continued deficits that our Government has been running. As a result, they put less value on the dollar. Trying to stem this tide with a few billion dollars of gold is not going to accomplish its purpose. Besides, it will further deplete the Nation's gold supply.

What needs to be done is to get the Nation back on a sound financial basis. It is not now on a sound financial basis. Liquid liabilities to foreigners total $65 billion.

During the current fiscal year, we will have a Federal funds deficit of more than $34 billion, as estimated by the administration. There is a further deficit in hand for the upcoming fiscal year which begins July 1.

So the way to stem the run on the dollar, the way to cease finding it necessary to devalue the dollar, and the way to keep the dollar from deteriorating worldwide, is to put the Government's financial house in order.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEN IN UNIFORM AND PATRIOTISM ARE BEING SYSTEMATICALLY DOWNGRADED AND RIDICULED

Mr. GOLDWATER. Mr. President, for a long time now—in fact, ever since disappointment and frustration over the Vietnamese war hit its peak—the men in uniform and patriotism have been systematically downgraded and ridiculed. These attitudes on the part of some liberals in Congress and in the media were a constant attendant to massive assaults on something called the military-industrial complex. I am sure all the Members of the Senate remember when it was popular not only to accuse the military of assorted crimes but also to think all the worse of men who served their country in Vietnam. This campaign got so disgraceful and unpardonable at times that even the families of men killed in Vietnam were sometimes subjected to harassment and crank telephone calls.

What I am getting at is the fact that the ridiculing of the military and the downgrading of patriotism apparently became such an important factor in the "liberal chic" while the war was going on that many of our friends on the left did not know when to "cool it." And when those valiant American POW's began returning home as the result of a peace agreement arranged by President Nixon, the public acclaims for the men who served without complaining proved just too much for some antimilitary Nixon-haters in our society. Even though these included many of the people who yelled the loudest for peace at any price and used the plight of the POW's as a pawn in their repeated attempts to force the Nixon administration into abject surrender in Indochina, they could not bear to see the man in uniform once again become the hero of the hour.

Mr. President, I am shamed to note that these unrelenting and unfeeling critics of the military even managed to cast a shadow over one of the happiest, most joyous events in the history of our Nation—the return of the POW's and their reuniting with their families.

Consequently, the Washington Post took the lead on February 21 with an unbelievably tactless and phony article to the effect that the POW homecoming had been orchestrated by the Government. The article hinted broadly that every word spoken by men returning to their homeland after 6 and 7 years imprisonment by the Communists were dictated by the military. As Robert Maynard, ombudsman for the Washington

Post described it, the homecoming was "a military-managed event down to the last 'God bless America.'"

Mr. President, there can be no doubt that the Government and its military services went all out to make the returning POW's comfortable and happy. The American people, I am sure, would have had it no other way. These men suffered greatly for this country. Whether the liberals and the Washington Post felt the war was justified is entirely beside the point. To suggest that men arriving home after the kind of ordeal that these men underwent would be part of a public relations trick is to do them the greatest injustice possible. What is more, I doubt if there is a single concerned American who watched those men arrive and heard their emotion-choked words believed that they were not speaking from the heart.

The whole sorry spectacle of a prominent newspaper depicting this glorious event as some kind of self-serving plot cooked up by the Government was summed up perfectly by Capt. Howard E. Rutledge when he said:

> It surprises me that anybody would question someone saying "God bless America."

Mr. President, I am happy to say that our POW's were not so beaten down by Communist prison camps that they lost the will to fight. Consequently, two Navy captains who made patriotic statements upon their release at Clark Air Base in the Philippines called a news conference on February 23 in Portsmouth, Va., to put the "lie" to the Maynard story and explain precisely what occurred. Capt. Jeremiah A. Denton, Jr., whose words stirred the emotions of a grateful nation said that he had perhaps 15 minutes to consider what he wanted to say. Capt. James Mulligan, Jr., said he also had only a few minutes to put together what he thought was in the hearts and minds of most POW's. Another conference was held at the Balboa Naval Hospital in California. There, Navy Capt. James B. Stockdale put it right on the line when he said:

> We were offended that anyone would think we would be used in any form of organized programming or orchestration. At no time have I ever been given words to say.

Mr. President, Captain Denton who said the Maynard article was the "one sour note in our homecoming," had some advice for the Post ombudsman which might be useful for other anti-Nixon, antimilitary spokesmen who would like to cast a pall over one of this Nation's most shining hours. Captain Denton said—

> If Maynard meant, entirely meant, what he said . . . I am sorry for him and pray he will come off it. Most Americans from what we have read in the press and what we got in personal letters and telegrams to us see some sunshine now and we certainly see a lot of it. And I am asking Mr. Maynard to come out and enjoy it.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate the following letters, which were referred as indicated:

REPORT OF ARCHITECT OF THE CAPITOL (S. Doc. No. 93-6)

A letter from the Architect of the Capitol, transmitting, pursuant to law, his report of all expenditures during the period July 1, 1972, through December 31, 1972 (with an accompanying report); ordered to lie on the table and to be printed.

REPORT OF SECRETARY OF THE SENATE (S. Doc. No. 93-7)

A letter from the Secretary of the Senate, transmitting, pursuant to law, a report on the receipts and expenditures of the Senate, for the period from July 1, 1972, through December 31, 1972 (with an accompanying report); ordered to be printed and to lie on the table.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. CLARK):

A resolution adopted by the City Council of San Leandro, Calif., expressing dissatisfaction with the U.S. Postal Service; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PERCY, from the Committee on Government Operations, without amendment:

S. 590. A bill to require that future appointments of certain officers in the Executive Office of the President be subject to confirmation by the Senate (Rept. No. 93-47). Referred to the Committee on Foreign Relations, by unanimous consent, and when reported by that committee, it be referred to the Committee on Armed Services and the Committee on Banking, Housing and Urban Affairs.

Mr. PERCY. Mr. President, I am today filing, on behalf of the Government Operations Committee, the committee's report on S. 590. This bill was ordered reported by a unanimous vote of the committee on January 26. The chief cosponsor of the bill is the very distinguished chairman of the committee, Senator ERVIN, and the bill is also cosponsored by Senators BROCK, CHILES, JAVITS, METCALF, MUSKIE, ROTH, and SAXBE.

Mr. President, I ask unanimous consent, notwithstanding any previous agreement, that the bill be referred to the Foreign Relations Committee, and that when reported by the Foreign Relations Committee, that it be referred to the Committee on Armed Services for a period not to exceed 30 days.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, the bill will be referred to the Committee on Foreign Relations and, when reported, will then be referred to the Committee on Armed Services for a period not to exceed 30 days.

Mr. PERCY subsequently said: Mr. President, with respect to the order that was entered this morning that S. 590, which was to be referred to the Committee on Foreign Relations, when reported by the Committee on Foreign Relations be referred also to the Committee on Armed Services for a period not to exceed 30 days, I ask unanimous consent that it also be referred to the Committee on Banking, Housing and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. RANDOLPH (for Mr. CRANSTON) from the Committee on Labor and Public Welfare, with amendments:

S. 7. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities and for other purposes (Rept. No. 93-48).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. STAFFORD, from the Committee on Public Works:

Russell Field Merriman, of Vermont, to be Federal Cochairman of the New England Regional Commission.

The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. SYMINGTON. Mr. President, from the Committee on Armed Services, I report favorably the nominations of 11 temporary promotions in the Naval Reserve to the grade of rear admiral; four in the Army to the grade of lieutenant general; in the Army Reserve two to be major general, 13 to be brigadier general; and in the Army National Guard three to be major general and 18 to be brigadier general; the nomination for confirmation of Lt. Gen. Robert E. Pursley, USAF, in that grade; the appointment of 26 permanent major generals in the Army; one appointment to vice admiral in the Navy; and that the following be placed on the retired list—two in the grade of lieutenant general in the Army, one in the grade of lieutenant general in the Marine Corps. I ask that that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, in addition, there is one in the grade of captain in the Navy while serving as Commanding Officer of Service School Command in San Diego, Calif.

For the Army Reserve there are 45 to colonel, 98 to lieutenant colonel, six appointments in grade of lieutenant colonel; and for the National Guard there are 12 to colonel and 69 to lieutenant colonel—total of 230.

In the Army there are 420 permanent promotions to grade of colonel; one permanent promotion to lieutenant colonel; five permanent promotions to major, and 24 permanent promotions to captain for a total of 450.

For the Marine Corps, 128 Naval ROTC graduates for permanent appointment to grade of second lieutenant in the Marine Corps; 114 to permanent colonel, USMC; 79 permanent colonel, USMCR; 68 temporary colonels, USMCR; 273 permanent colonels, USMC; 118 permanent lieutenant colonels, USMCR; 368 temporary majors, USMC; 640 temporary captains, USMC; 394 permanent first lieutenants, USMC; 345 temporary first lieutenants, USMC; 119 temporary CWO–4's, USMC; 17 temporary CWO–3's, USMC; 58 temporary CWO–2's, USMC, for a total of 2,721.

Out of a total of 14 nomination reference lists there is one list, Nomination Reference and Report No. 84, containing 36 Army Reserve and National Guard nominations for promotion.

Senator Thurmond had hoped to report this particular list. He is absent from the city today on official business and he did not wish to delay any action by the Senate on these Reserve nominations. This particular list, therefore, is included as I have already indicated.

EXTENSION OF TIME FOR FILING REPORT OF SPECIAL COMMITTEE ON AGING

Mr. CHURCH. Mr. President, on behalf of the Special Committee on Aging, I ask unanimous consent that the time for filing its report, "Developments in Aging, 1972, and January-March 1973," be extended from February 28 to April 2, 1973. This additional time is needed to consider new developments, including the legislation on the Older Americans Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARRY F. BYRD, JR.:

S. 988. A bill to designate certain lands in the Shenandoah National Park, Va., as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. CURTIS (for himself and Mr. Hruska):

S. 989. A bill to provide for the construction of wells and other facilities necessary to provide a supplemental water supply to the lands of the Mirage Flats Irrigation District, Mirage Flats project, Nebr., and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. CURTIS (for himself, Mr. Hruska, Mr. Hughes, Mr. Pearson, and Mr. Dole):

S. 990. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. GRIFFIN:

S. 991. A bill to amend the Federal Meat Inspection Act to permit States to impose inspection, marking, labeling, packaging, and ingredient requirements that are more stringent than Federal standards. Referred to the Committee on Agriculture and Forestry.

S. 992. A bill to amend the Natural Gas Act in order to expand the jurisdiction of the Federal Power Commission under such act. Referred to the Committee on Commerce.

By Mr. MONDALE:

S. 993. A bill to authorize the Secretary of the Interior to issue rights-of-way and special land use permits for the construction of pipelines in the State of Alaska under certain circumstances, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONDALE (for himself, Mr. Abourezk, Mr. Bayh, Mr. Bible, Mr. Biden, Mr. Church, Mr. Clark, Mr. Dole, Mr. Hart, Mr. Hughes, Mr. Humphrey, Mr. Javits, Mr. McGovern, Mr. Moss, Mr. Pastore, Mr. Pell, Mr. Randolph, Mr. Schweiker, Mr. Sparkman, Mr. Stevens, and Mr. Tunney):

S. 994. A bill to amend the Public Health Service Act to provide assistance for kidney transplantation, hemodialysis, and related facilities and services needed for comprehensive treatment of patients suffering from chronic renal disease. Referred to the Committee on Labor and Public Welfare.

By Mr. MONDALE:

S. 995. A bill to restore the postal service seniority of Elmer Erickson. Referred to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 996. A bill to provide that in determining the amount of retired pay, retirement pay, or retainer pay payable to any enlisted man, all service shall be counted which would have been counted for the same purposes if he were a commissioned officer. Referred to the Committee on Armed Services.

S. 997. A bill to amend the District of Columbia Traffic Act, 1925, to provide for the removal, impoundment, or immobilization of motor vehicles;

S. 998. A bill to authorize the Public Service Commission of the District of Columbia to conduct a study with respect to the desirability and feasibility of requiring the installation of meters in taxicabs in the District of Columbia; and

S. 999. A bill to transfer the title of the Robert F. Kennedy Stadium to the United States, to authorize the Secretary of the Interior to operate and maintain such stadium, to increase certain District of Columbia taxes to pay for such stadium, and for other purposes. Referred to the Committee on the District of Columbia.

S. 1000. A bill to amend the Immigration and Nationality Act to provide for the expeditious naturalization of certain former alien employees of the United States who have been admitted to the United States for permanent residence. Referred to the Committee on the Judiciary.

S. 1001. A bill to amend title 38, United States Code, to increase the statutory rates for anatomical loss or loss of use. Referred to the Committee on Veterans' Affairs.

By Mr. McINTYRE:

S. 1002. A bill for the relief of Giuseppe Paul Pinton. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself, Mr. Brock, Mr. Curtis, Mr. Dominick, Mr. Fannin, Mr. Fong, Mr. Goldwater, Mr. Hansen, Mr. Hruska, Mr. McClellan, Mr. Thurmond, and Mr. Tower):

S. 1003. A bill to provide more effective means for protecting the public interest in emergency disputes involving the transportation industry, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. McGOVERN:

S. 1004. A bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. Referred to the Committee on Agriculture and Forestry.

By Mr. CASE:

S. 1005. A bill to amend the National School Lunch Act, as amended, to assure that the school food service program is maintained as a nutrition service to children in public and private schools, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. DOMINICK:

S. 1006. A bill to amend the Public Health Service Act to extend the provisions of Section 601 thereof, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. PEARSON:

S. 1007. A bill to provide for increased foreign commerce involving small businesses. Referred to the Committee on Commerce.

By Mr. McINTYRE:

S. 1008. A bill to extend certain laws relating to the payment of interest on time and savings deposits and to make clear that Federal banking statutes do not prohibit depository institutions from offering negotiable order of withdrawal services in connection with certain interest-bearing deposits. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. METCALF:

S. 1009. A bill to establish the Missouri Breaks Scenic Recreation River in the State of Montana. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

S. 1010. A bill to amend the Wilderness Act (78 Stat. 890) to preserve the unique and irreplaceable ecological values of wilderness areas by providing for the termination of the application of mining and mineral leasing laws to, and of continuous mineral prospecting activities in, such areas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself and Mr. Abourezk):

S. 1011. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes;

S. 1012. A bill to provide for the creation of the Indian Trust Counsel Authority, and for other purposes;

S. 1013. A bill to provide for financing the economic development of Indians and Indian organizations, and for other purposes;

S. 1014. A bill to amend certain laws relating to Indians; and

S. 1015. A bill to establish within the Department of the Interior the Indian business development program to stimulate Indian entrepreneurship and employment, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 1016. A bill to provide a more democratic and effective method for the distribution of funds appropriated by the Congress to pay certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 1017. A bill to promote maximum Indian participation in the government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; to encourage the establishment of local Indian school control; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. TUNNEY:

S. 1018. A bill to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games and to evaluate and formulate recommendations concerning such participation. Referred, by unanimous consent, to the Committee on Commerce; and, if and when reported by that committee, to the Committee on Foreign Relations.

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S.J. Res. 69. A joint resolution to authorize and request the President to issue annually a proclamation designating July 20 of each year as "National Space Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARRY F. BYRD, JR.:

S. 988. A bill to designate certain lands in the Shenandoah National Park, Va., as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. HARRY F. BYRD, JR. Mr. President, I introduce today a bill to designate portions of the Shenandoah National Park as wilderness area. This area has the kind of incomparable beauty which nourishes the soul through enjoyment of the natural bounties bestowed upon Virginia. It has sustained me in this way—and it certainly sustained my father, who returned to the Blue Ridge Mountains time after time to be restored in mind and body by the solitude of these ancient mountains and valleys.

Most of my colleagues and constituents will recall that I sponsored an identical measure in the 92d Congress, S. 2158. That matter died in committee. I am hopeful that a better fate awaits this renewed measure.

Many outstanding individuals and groups interested in the preservation of our natural heritage are to be commended for inspiring this legislation. Without the devoted support of these individuals, many of whom are young Americans just beginning to make their voices heard, we in Congress could never have achieved the successes of recent years in the environmental field.

The concept of wilderness areas is an important one in the last third of the 20th Century. As our population increases and becomes more dense throughout the country, it is imperative that we set aside some of our most beautiful countryside in its natural state.

Under the statute authorizing the establishment of wilderness areas, a wilderness is defined as "an area where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain."

We need such areas. We must not permit the headlong expansion of population, settlement, and mechanization to destroy our natural heritage.

We must remember that we are, all of us, only visitors on this earth.

It is not ours to destroy.

This wilderness would be preserved in eight different areas within the park. These units would encompass 72,280 acres or 37.9 percent of the park's 193,539 acres.

These figures are based on the national park study made in 1970. It is my understanding that revisions are being considered to increase the acreage to be included in the wilderness area. I would favor any feasible increases in the wilderness area within the park. I certainly hope this will be the case and I am sure the committee will give close study to suggestions made to expand the scope of the present proposal.

In closing, Mr. President, I must say that, as a Virginian and a native of the splendid Shenandoah Valley, I believe that no finer piece of legislation could be passed than to insure that this vast acreage be preserved in its natural state.

By Mr. GRIFFIN:

S. 991. A bill to amend the Federal Meat Inspection Act to permit States to impose inspection, marking, labeling, packaging, and ingredient requirements that are more stringent than Federal standards. Referred to the Committee on Agriculture and Forestry.

STATE MEAT STANDARDS

Mr. GRIFFIN. Mr. President, today I am introducing a bill to make sure that the Federal meat inspection law is not interpreted so as to abrogate enforcement of stricter standards imposed by State law.

Last fall, the Sixth Circuit Federal Appeals Court ruled that Michigan ingredient standards for meat products had been preempted by enactment of a weaker Federal statute. The bill I introduce now would make clear that by setting Federal minimum standards, Congress did not intend thereby to lower or eliminate higher standards of consumer protection already available under State laws.

For the past 20 years Michigan has permitted only skeletal meat to be used in communited meat products, such as hot dogs, sausages, and luncheon meats. Michigan also requires a minimum 12 percent protein content in such meat products.

By contrast, the existing Federal statute sets no minimum protein standard whatever, and, contrary to Michigan law, permits the use of such animal byproducts as snouts, lips, spleens, udders, salivary glands, stomachs, and other organs.

To add insult to injury, unless relief is forthcoming from the effect of the Sixth Circuit Court decision, Michigan consumers will be forced to pay at least as much, if not more, for inferior meat products, according to price comparisons compiled and made available by the Michigan Department of Agriculture.

Several States in addition to Michigan, have meat marketing standards which provide more consumer protection than the Federal law. Those States are Massachusetts, Connecticut, Maryland, Nevada, New York, and California. If the interpretation by the Sixth Circuit Court of Appeals should apply across the country, the higher standards of those States would also be wiped out.

Fortunately, some recognition of the need for relief from this situation has already been registered in Congress. In the closing days of the 92d Congress, at the urging of Michigan officials and consumer representatives, the House Agriculture Committee amended a bill to authorize increased Federal funding for meat inspection, so as to provide that States such as Michigan would not be penalized for maintaining stricter ingredient standards than those prescribed by the Federal statute. Unfortunately, the bill as so amended did not become law.

Michigan consumers received further encouragement when, shortly after the Appeals Court decision was handed down, the Associated Food Dealers of Michigan formally recommended that its 2,300 member stores buy only meat products which conform to Michigan standards.

But a legislative solution is needed at the Federal level. Of course, it may be more convenient for a company which markets its product in many States if only uniform national standards are in effect. But when a new Federal law operates to wipe out higher State standards that have been in effect for a long period of time—without so much as a price benefit to consumers—it is time to take a closer look.

Indeed, it is an appropriate time to recognize that all wisdom is not concentrated on the banks of the Potomac River in Washington, and that it just could be a wiser course for the Federal Government to follow, rather than destroy, the example set by Michigan.

Mr. President, it is my hope that the Congress will promptly consider and enact the simple but urgently needed legislation I have introduced today.

By Mr. GRIFFIN:

S. 992. A bill to amend the Natural Gas Act in order to expand the jurisdiction of the Federal Power Commission under such act. Referred to the Committee on Commerce.

NATURAL GAS SHORTAGE

Mr. GRIFFIN. Mr. President, the most serious fuel problem facing this country today is our diminishing supply of natural gas.

For several years annual gas production has exceeded new discoveries of natural gas and if current demand continues, our available domestic supplies will satisfy only about two-thirds of the anticipated demand for natural gas by 1980.

Since nearly one-third of the Nation's energy needs is supplied by natural gas, any shortage will place a severe strain on other fuels such as oil.

Unfortunately, the Midwest and other parts of the country are already experiencing the effect of a natural gas shortage because of Federal regulatory policies. This regional shortage was a contributing factor to the recent fuel oil crisis in the Midwest and the shortage will get worse unless steps are taken to assure uniform Federal regulation over the pricing and distribution of natural gas.

Back in 1938 when Congress passed the Natural Gas Act, it gave the Federal

Power Commission jurisdiction to regulate only interstate sales of natural gas. At the time of enactment there was an abundant supply of gas and the principal concern focused on protecting consumers against excessive rates due to costly interstate gas lines and distribution facilities. It was generally accepted that the production, transportation, and consumption of gas within a single State did not require Federal regulation.

However, the lack of regulation over intrastate sales has enabled the major producing States to outbid other areas and consume nearly one-third of all the gas produced in the United States. In some instances today the wellhead price of gas destined for intrastate delivery is double the price of gas sold in the interstate market.

As a result many States, including my own State of Michigan, that are primarily dependent on interstate supplies have been forced to curtail new and existing service because of the imbalance in supply.

Furthermore, much of the gas sold in the intrastate market is used for boiler fuel. This use of natural gas is very inefficient in that only about 30 percent of the energy potential of gas can be converted into electricity. On the other hand, there is a 75-percent energy efficiency in using natural gas for home heating.

In a speech before the Canadian Gas Association last summer, the past chairman of the American Gas Association, Mr. Ralph T. McElvenny, pointed out that—

> Boiler fuel for the electric industry took 3.5 trillion cubic feet of gas in 1969, a 50% increase in four years. This 3.5 trillion would serve the requirements of more than 20 million residential gas customers.

Mr. McElvenny concluded that—

> It is neither possible nor desirable for the gas industry to attempt to supply all of the industrial and boiler fuel users now clamoring for gas.

He also took note of the problem caused by the intrastate-interstate distinction and suggested that the FPC would probably be given greater responsibilities over the end uses of gas and the allocation of gas among markets.

Mr. President, last year I introduced legislation to give the Federal Power Commission jurisdiction over intrastate transportation and sales of natural gas.

Today I am introducing similar legislation to provide a more equitable distribution of the Nation's gas supplies. This bill would also give the FPC jurisdiction over all direct sales to commercial and industrial users.

Some have urged Federal decontrol of wellhead prices for interstate gas to encourage exploration and provide more supplies for the interstate market.

However, I am not convinced as yet that complete deregulation will produce the best results in terms of more discoveries and more efficient end use of natural gas.

While further study must be given to the need for additional exploration incentives, passage of my legislation will be of immediate help in allocating our available natural supplies on a more equitable basis.

Mr. President, it is my hope that prompt congressional consideration will be given this proposal during the current session of Congress.

By Mr. MONDALE:

S. 993. A bill to authorize the Secretary of the Interior to issue rights-of-way and special land use permits for the construction of pipelines in the State of Alaska under certain circumstances, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. MONDALE. Mr. President, on February 9 of this year, the Court of Appeals for the District of Columbia in Wilderness Society against Morton enjoined the Secretary of the Interior from issuing rights-of-way and special land use permits for construction of the trans-Alaskan pipeline from the Prudhoe Bay area to Valdez, Alaska.

The decision has radically changed the situation which the Congress and the Nation face on the question of how the massive oil reserves in the Prudhoe Bay region of Alaska will reach the "lower 48" States. Prior to this decision, a primary justification of the oil companies and the Department of the Interior for issuing the necessary permits for construction of the trans-Alaska pipeline was the quicker speed with which oil could be delivered through a pipeline built across Alaska to the port of Valdez, as opposed to a pipeline built across Canada to Edmonton and ultimately to Chicago.

Testifying before the Joint Economic Committee in July of 1972, Secretary of the Interior Morton stated that:

> The nucleus of my decision to grant the Alaska route is based on the urgent need to bring North Slope oil and gas into the American marketplace as rapidly as possible.

The court of appeals decision has radically changed the basis of that decision, and we in Congress must respond to this mandate. I am introducing legislation today which would provide authorization for construction of oil and gas pipelines using the Canadian route, thereby bringing energy resources to the fuel-starved Midwestern and Eastern States.

THE COURT OF APPEALS DECISION

The decision of the court of appeals was based on a very simple premise: that the applications for permits submitted by the Alyeska pipeline consortium, which seeks to build a 789-mile pipeline across Alaska, failed to comply with section 28 of the Mineral Leasing Act of 1920. This section provides for a 50-foot right of way in addition to the width of the pipeline itself for any pipelines which cross federally owned land. The Alyeska pipeline would cross 640 miles of such land.

It is clear that any pipeline which would convey the Prudhoe Bay oil economically to the United States will require far more than the 50 feet of right-of-way that the Mineral Leasing Act stipulates. The court of appeals met this issue squarely, and six of the seven judges rejected any arguments that this violation of the act could be waived in the absence of congressional action. The court stated:

> Great cases are called great, Mr. Justice Holmes said 70 years ago, "not by reason of their real importance in shaping the law of the future, but because of some accident of immediate overwhelming interest." The same may be said about the present litigation over the Alaska pipeline. These cases are indeed "great" because of the obvious magnitude and current importance of the interests at stake: billions of gallons of oil at a time when the nation faces an energy crisis of serious proportions; hundreds of millions of dollars in revenue for the State of Alaska at a time when financial support for important social programs is badly needed; industrial development and pollution of one of the last major unblemished wilderness areas in the world, at a time when we are all becoming increasingly aware of the delicate balance between man and his natural environment.
>
> But despite these elements of greatness, the principles of law controlling these cases are neither complex nor revolutionary . . . Congress, by enacting Section 28, allowed pipeline companies to use a certain amount of land to construct their pipelines. These companies have now come into court, accompanied by the executive agency authorized to administer the statute, and have said, "This is not enough land: give us more." We have no more power to grant their request, of course, than we have the power to increase congressional appropriations to needy recipients . . . Congress intended to maintain control over pipeline rights of way and to force the industry to come back to Congress if the amount of land granted was insufficient for its purposes. Whether this restriction made sense then, or now, is not the business of the courts. And whether the width limitation should be discarded, enlarged, or placed in the discretion of an administrative agency, is a matter for Congress, not for this court.

Because the court ruled that the Mineral Leasing Act controlled in this case, they decided not to adjudicate the serious questions raised by the appellants in the case regarding the compliance, or lack thereof, of the Department of the Interior's final environmental impact statement, issued on March 7, 1972, with the requirements of the National Environmental Policy Act of 1969. In particular, the court declined to rule on the appellant's claims that the environmental impact statement failed to adequately consider the feasibility of building a pipeline through the Mackenzie Valley of Canada, and ultimately to Chicago, as the means of delivering the Prudhoe Bay oil to the "lower 48" States.

In so doing, the court stated that—

> Our holding that the Special Land Use Permit for construction purposes is illegal under the Mineral Leasing Act makes it impossible to construct this pipeline until Congress decides to amend the Act. All parties have conceded this fact . . . *Should amendment of the Act take several years, the analysis of environmental, economic and other costs in the present Impact Statement may become outdated.* (Italic added)

The court of appeals, by basing its decision on an act which we in Congress must amend, has rendered substantially ineffective the principal basis of the Alyeska oil companies and Department of the Interior—the time advantage of the Alaskan route—for preferring the trans-Alaskan over the trans-Canadian pipeline route.

RELATIVE TIME OF CONSTRUCTION

Interior Department officials and the Alyeska consortium group have consistently favored the trans-Alaskan pipeline route because of its ability to transport oil to the United States more quickly than the Canadian alternative. A variety of figures have been offered by the opposing parties in this long controversy. The boundaries of these time estimates range from 2 to 5 years longer for construction of a Canadian pipeline. However, in responding to written questions posed by the Senator from Wisconsin (Mr. PROXMIRE) last July, the following answer was given by Secretary Morton:

> Question 3(b). Regarding the alleged 3 to 5 years delay alluded to [should the Canadian route be chosen], did you consider legal delays involved in the trans-Alaska route while the matter is litigated in the courts?
>
> Answer. Of course. The litigation on the trans-Alaska route is very near its end. I am advised that the matter should be finally settled at the trial court level in September and by next spring at the Court of Appeals level.

Clearly, in estimating a 3- to 5-year delay resulting from choice of a trans-Canada alternative the Secretary had assumed the quick end of the trans-Alaska litigation and the beginning of construction within the near future. As a result of the court decision of February 9, this is no longer the case.

Furthermore, other estimates had previously indicated only a 2-year delay should the trans-Canada alternative be chosen. Again, these estimates were made before the recent Court decision. This decision has made it highly likely that if work is begun immediately on intensive study of the trans-Canada alternative, such an alternative would cause no net time delay in delivery of north slope oil to the United States.

ENVIRONMENTAL FACTORS

With the relative time advantage previously enjoyed by the trans-Alaska alternative now largely destroyed, urgent consideration should be given to the more harmful environmental consequences of building the pipeline across Alaska to Valdez.

A Coast Guard report released in early 1972 estimated that up to 5.8 million gallons per year of crude oil might be dumped into the Pacific as a result of the heavy tanker traffic which would transport the oil from Valdez, on the south coast of Alaska, to a point in the Pacific Northwest.

The trans-Alaska route would also raise the very serious danger of seismic disturbances along the route, which could result in a major ecological disaster should the pipeline rupture. In contrast, the trans-Canada route poses neither of these dangers.

Substantial damage to rich fishing grounds off the Gulf of Alaska and damage to wildlife along the course of the pipeline also pose substantial hazards in the trans-Alaska route.

The Department of the Interior's own environmental impact statement, which since its inception had been biased in favor of the trans-Alaskan route, nevertheless indicates in its summary volume that the trans-Canada alternative is preferable from an environmental viewpoint. Numerous environmental groups have concurred in this conclusion, and urged completion of a trans-Canada route as preferable to the Alaskan alternative.

CONSUMER COSTS

All parties involved in this controversy have stated that a primary difference between the trans-Alaskan and the trans-Canada routes would be the different areas of the country to which the resulting oil flow would be delivered. Construction of the Alaskan route would result in the oil flowing to the west coast, while construction of the Canadian route would mean that the Middle West and Eastern States would be the primary beneficiaries.

There seems little doubt that the trans-Canadian alternative would serve those regions of the country where the need for energy products is greatest. The fuel crisis which the Midwest and East have experienced this winter are stark testimony to the near-term insufficiency of current sources of supply in these areas.

However, the real questions to be addressed are the relative long-term needs of the various regions of the country. Since full flow from any pipeline would probably not be realized until 1980 or thereafter, energy needs at that point in time are the prime factor for consideration.

As with environmental considerations, the Department of the Interior's own Environmental Impact statement admits that the Alaska pipeline would bring about a surplus of oil on the west coast last until the early 1980's. Other sources contest this claim, but Secretary Morton in answering written questions submitted by Senator PROXMIRE last July admitted that even if the west coast did have a crude oil deficit by the early 1980's, the deficit of the Midwest would be "several times" that of the west coast.

Of more immediate concern to Midwestern and East consumers, however, is the relative cost of crude oil in the various regions of the country. At the current time, a barrel of crude oil costs almost 20 percent more in Chicago than it does in Los Angeles, and 25 percent more in New York than in Los Angeles.

This difference represents millions of added dollars for consumers in the Midwest and on the east coast. Construction of the Alaskan pipeline route would only add to the imbalance of crude oil prices, making west coast prices even cheaper in relation to Midwest and Eastern prices. On the other hand, construction of the Canadian pipeline would help over the long run to relieve the excessively high costs of crude oil in the Midwest and the east coast and help to bring the cost of energy products more in line with the lower prices currently enjoyed by west coast residents.

NATIONAL SECURITY

All participants in the debate over the methods by which the Prudhoe Bay discoveries should be piped to the United States agree that we should to the maximum extent possible lessen our reliance on unstable Middle Eastern sources of oil supply. Indeed, this is one of the prime justifications for quick development of the North Slope fields. However, the basis on which the major oil companies and the Department of the Interior have argued that these national security interests dictate the construction of the trans-Alaskan route are faulty.

Secretary Morton, in his testimony last July, stated that:

> The security argument is based on the larger interests of the nation as a whole. It is on this basis that the trans-Alaska route is preferred; it would deliver North Slope oil sooner, and thus reduce dependence on Eastern Hemisphere oil during the critical 1975–1985 period.

The national security argument, therefore, is largely based on the argument that the trans-Alaska route could deliver oil more quickly. However, as I have indicated above, the court of appeals decision largely makes that latter argument inoperable, and hence draws into question the basis of the Department of the Interior's national security argument.

In addition, the Department of the Interior's analysis completely ignores the fact that the oil and gas reserves estimated to be recoverable from the Canadian northern wilderness areas are potentially as large as the reserves in the North Slope area of Alaska. The choice of a trans-Canada route—into which the Canadians could eventually tie their production—would greatly encourage exploration of these vast resources in Canada. By contrast, construction of a trans-Alaska route would discourage such exploration and development.

The Alaskan oil and gas fields, although extremely significant, contain nowhere near enough reserves to make the United States self-sufficient in energy production. Even with full exploitation of the Alaskan field, by 1980 we will depend on foreign sources for 47 percent of our oil. However, the emphasis in our national energy policy should be to encourage the development of these foreign oil sources which are secure—such as those in Canada—in preference to those which are inherently insecure—such as those in the Middle East.

Development of a trans-Canadian pipeline would, therefore, encourage the development of major oil and gas fields in Canada which would help lessen our reliance on Middle Eastern sources of supply; development of the Alaskan alternative would hinder this Canadian development. Therefore, national security interests would dictate construction of the trans-Canadian route.

Finally, national security considerations must take into account regional dependence on insecure foreign oil supply sources. The best estimates are that the Middle West and the East will continue to be at least 20 percent more dependent on insecure sources of supply—primarily the Middle East—than will the west coast. Construction of a trans-Alaskan pipeline would only exacerbate this situation, leaving us by 1980 or 1985 in a condition in which the Midwest and the east coast would be highly dependent on Middle Eastern sources of supply.

COSTS OF CONSTRUCTION

Advocates of the trans-Alaska pipeline route have contended time and time again that the costs of construction of a trans-Canadian pipeline through the Mackenzie Valley would be significantly greater than costs of constructing an Alaskan route. These estimates have often been skewed by the differing time assumptions for construction, in which lower costs have been attributable to the Alaskan alternative because of the presumption that earlier commencement of construction would be possible for that alternative. The court of appeals decision makes such comparisons unrealistic.

Using the estimates made in an Interior Department memo of March 27, 1972, and factoring out the differential costs assumed for greater delay of the Canadian alternative, the cost differential between the two routes is small indeed. There is little doubt that a natural gas pipeline will be built from Prudhoe Bay to Chicago, to deliver the huge amounts of natural gas which are present in the Prudhoe Bay area to the midcontinent United States.

The cost of sending both oil and gas to Chicago, according to the Department of the Interior, would be an estimated $8.9 billion. The cost of sending gas to Chicago and oil to the west coast—through an Alaskan pipeline—is estimated at $8.65 billion, a net difference of only $250 million.

Cost differentials are therefore very small, if indeed they exist at all. They certainly pose no substantial deterrent to construction along a trans-Canadian route.

LEGISLATION IS REQUIRED

The court of appeals decision of February 9 makes it clear that legislation will be required to allow construction of either a trans-Alaska or a trans-Canada pipeline.

A careful examination of the relative merits of the two routes, however, leads to the unmistakable conclusion that the trans-Canada routing is the preferable alternative. The legislation which I am introducing today will attempt to achieve implementation of this routing within the shortest possible time.

First, the legislation states that notwithstanding the Mineral Lands Leasing Act of 1920, and section 28 thereof, the Secretary of the Interior is authorized to issue rights-of-way and special land use permits as are necessary for the construction, operation, and maintenance of pipelines for the development of the natural gas and oil resources of the Prudhoe Bay area in Alaska. These permits could be granted along the shortest feasible route between Prudhoe Bay and the border between Canada and Alaska.

Second, the legislation directs the Secretary of the Interior to initiate an intensive investigation of the feasibility of the trans-Canadian route, in accordance with the provisions of the National Environmental Policy Act.

Finally, to emphasize the vital need to maintain the quality of our environment—the bill reiterates specifically that rights-of-way and special land use permits may be issued by the Secretary of the Interior only after he has complied with all applicable provisions of the National Environmental Policy Act.

The effect of this legislation would be to begin intensive feasibility explorations of the Canadian route. Once a full survey were done of that alternative—and if such an alternative were declared to be in compliance with the National Environmental Policy Act—this legislation would provide authority for the Secretary of the Interior to issue all necessary permits and rights-of-way to begin construction of a trans-Canadian route.

The Canadian Government has in the past indicated its willingness to cooperate to the fullest in the investigation and development of a viable route across Canada to bring Prudhoe Bay oil to the "lower 48." These indications of interest have consistently been thwarted by the bias of the Department of the Interior and the Alyeska oil companies toward the trans-Alaskan route.

With the recent court of appeals decision, however, the principal claimed justification for the trans-Alaskan—the alleged time advantage accorded that route—has disappeared. The legislation I am offering today gives us the opportunity to explore at the earliest possible date the environmental feasibility of the trans-Canadian route, and gives authorization to proceed with construction as soon as all such questions have been satisfied.

The Eastern and Midwestern regions of the United States desperately need the North Slope oil which they can only get through a trans-Canadian pipeline. This pressing need—coupled with the general superiority of the trans-Canadian route—means that quick legislative action to authorize such a route would provide an important stimulus in our attempts to solve our Nation's energy crisis.

Mr. President, I ask unanimous consent that the text of this legislation appear at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 993

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Notwithstanding section 28 of the Mineral Lands Leasing Act of 1920 (30 U.S.C. 185), and any regulations issued pursuant to that section, the Secretary of the Interior is authorized to issue such rights-of-way and special land use permits as are necessary for the construction, operation, and maintenance of pipelines for the development of the oil and natural gas resources in the vicinity of Prudhoe Bay in the State of Alaska, along the shortest feasible direct route from Prudhoe Bay, Alaska, to the border between the State of Alaska and Canada.

SEC. 2. Within 60 days of passage, the Secretary of the Interior, in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), is hereby directed to initiate intensive investigation of the feasibility of a trans-Canadian pipeline route as the means of transporting the oil and natural gas resources of the Prudhoe Bay region in the State of Alaska to the United States.

SEC. 3. Such rights-of-way and special land use permits as authorized by section 1 may be issued by the Secretary of the Interior only after he has complied with all applicable provisions of the National Environmental Policy Act.

By Mr. MONDALE (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BIBLE, Mr. BIDEN, Mr. CHURCH, Mr. CLARK, Mr. DOLE, Mr. HART, Mr. HUGHES, Mr. HUMPHREY, Mr. JAVITS, Mr. MCGOVERN, Mr. MOSS, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, Mr. SCHWEIKER, Mr. SPARKMAN, Mr. STEVENS, and Mr. TUNNEY):

S. 994. A bill to amend the Public Health Service Act to provide assistance for kidney transplantation, hemodialysis and related facilities and services needed for comprehensive treatment of patients suffering from chronic renal disease. Referred to the Committee on Labor and Public Wefare.

KIDNEY TRANSPLANT ACT OF 1973

Mr. MONDALE. Mr. President, today I am introducing the Kidney Transplant Act of 1973 for myself and Senators ABOUREZK, BAYH, BIBLE, BIDEN, CHURCH, CLARK, DOLE, HART, HUGHES, HUMPHREY, JAVITS, MCGOVERN, MOSS, PASTORE, PELL, RANDOLPH, SCHWEIKER, SPARKMAN, STEVENS, and TUNNEY.

The legislation seeks not only to provide comprehensive treatment for those suffering from chronic renal disease, but offers a sound fiscal approach to this nationwide problem.

This is not the first time we have considered kidney disease legislation. In the 92d Congress, we enacted H.R. 1, amendments to the Social Security Act. This was a significant effort toward alleviating myriad problems associated with medicare and social security. One section of H.R. 1 was devoted to the treatment of chronic renal disease and provided substantially complete coverage of medical expenses for those under social security. This provision has been regarded by some as a possible prototype for attacking other disease entities.

Despite the import contribution made by the kidney provisions of H.R. 1, I believe further action by Congress is warranted to insure that our humanitarian concern shall not be thwarted by problems of financing. A front page article in the January 11, 1973, issue of the New York Times reports cost estimates as high as $1 billion a year for the treatment of chronic renal disease under this program. These estimates are predicated on the cumulative costs involved in hemodialysis, a medical procedure which involves a machine outside the body functioning as an artificial kidney.

Each year new patients will suffer renal failure and will be added to those whose lives have been saved through hemodialysis. While H.R. 1 provides substantial coverage of medical expenses for those needing hemodialysis or transplantation, it does nothing to organize the logistical network and public information system necessary for a national transplant effort. Unlike hemodialysis, the costs involved in transplantation are nonrecurring rather than cumulative. A successful transplant is not only far less expensive, it is healthier for the patient and enables him to lead a far more normal life. Thus, my bill, by making transplants widely available, would permit us to greatly reduce the cost of the new social security provisions.

The principal features of the bill include, first, assistance to individuals:

Grants would be made by the Secretary of Health, Education, and Welfare to States to assist in the care and treatment of persons suffering from chronic renal diseases; these grants would cover both the cost of kidney transplantation and hemodialysis.

Each State would have to provide appropriate assistance to all residents who are suffering from chronic renal disease;

One hundred percent of the costs of care—including transportation—would be covered, less any amounts available from public or private insurance or assistance—such as medicare, including the new provisions of H.R. 1—and any amounts which can reasonably be paid by the patient;

Fee schedules for transplantation and hemodialysis would be provided;

Payments would be made available for the care and transportation of living donors.

Second, the bill authorizes the Secretary to make grants to public or nonprofit entities to establish renal failure centers which would:

Provide a comprehensive range of services to kidney disease patients, including kidney transplantation facilities and a hemodialysis program which covers home as well as center dialysis;

Be affiliated with university medical centers;

Have a capacity to carry out a minimum of 50 transplants per year and to maintain at least 20 patients at any one time on dialysis.

Third, grants could also be made for:

Construction of facilities for short-term organ preservation and regional tissue typing;

Public and professional education and training to increase the supply of donor kidneys; especially from cadavers;

Developing of logistical systems for collecting, preserving, and transporting donor organs;

Extended care facilities for transplantation recipients for both post and preoperative care.

Planning, development, and operation of professional training programs in transplantation, dialysis, renal center management, and related fields.

I have stressed transplantation in this legislation because it is the most effective means we have of treating chronic kidney disease. Although hemodialysis also has a definite place in the treatment of chronic renal failure, it can no longer be considered the preferred long-term treatment. First, hemodialysis is both physiologically and psychologically unsatisfactory because it forces the patient to depend on the availability of a machine. Second, hemodialysis is a far costlier procedure than transplantation.

Approximately 55,000 persons die each year in the United States of kidney disease. Of these, 7,000 to 10,000 are regarded as ideal or suitable for transplants or dialysis. Dr. John Najarian, professor and chairman of the department of surgery at the University of Minnesota, and one of the most outstanding kidney transplant surgeons in the world, has said:

> I can catgorically state that all ideal patients should be transplanted.

Dr. Najarian's confidence is founded on the impressive results being achieved at the University of Minnesota. Their 4-year success rate for kidney transplants is in the 70-percent range for cadaver donors and in the 90-percent range for closely related, live donors.

Several cogent reasons for the emphasis on transplants were given by Dr. Benjamin Burton, of the National Institutes of Health, in the December 1971 issue of the Annals of Internal Medicine, where he said:

> Maintenance dialysis alone, without transplantation, would at best be a dismal solution for irreversible kidney failure because of the need for continued, repetitive treatments for the life of the patient, because of the not infrequent failure to restore the patient to physiologic life, and—last but not least—because of its high and continuous cost.

Unfortunately, other kidney disease legislation enacted in the past has not sufficiently recognized these points. To date, we have tended to place too much emphasis upon hemodialysis as a treatment for kidney disease. Where transplantation has been considered, the complex systems needed to make it a feasible national approach have not been provided for in the legislation. I have tried to correct this with the Kidney Transplant Act of 1973.

Techniques to control severe kidney disease—both kidney transplantation and chronic hemodialysis—continue to improve, and this is especially true of transplantation. Therefore, each year, larger numbers of patients with severe kidney disease will be considered valid candidates for these procedures. For example, Dr. Najarian is already engaged in experimental work transplanting kidneys into diabetic patients, a group which heretofore had not been considered a good risk for transplantation. Dr. Najarian's work is described in a February 18, 1972, Medical World News article.

Other experimental work being carried on at the University of Minnesota promises to help solve the problem of kidney shortages. A front page article in the December 1, 1972, issue of the Minneapolis Tribune describes the successful shortage of frozen canine kidneys and subsequent transplantation into dogs.

A number of social and economic problems, such as counseling and transportation need to be met. An excellent overview of the societal problems associated with kidney transplantation is provided in an article by Roberta G. Simmons and Richard L. Simmons of the University of Minnesota in the summer 1971 issue of Social Problems. They discuss the factors involved in the selection of patients for transplantation and what elements in the health care delivery system prevent all persons who need a transplant from receiving one.

Of even greater eventual importance than research on improved forms of therapy is the research needed to understand the causes of the diseases which lead to end-stage renal failure so we can learn to prevent them. Preventive medicine, of course, is the ultimate goal of all medical research. Useful as treatment methods are, they do not contribute to the improved health of mankind as dramatically as does the prevention of disease. Furthermore, preventive medicine is relatively inexpensive. The value of preventive medicine is discussed in a thoughtful article by Lewis Thomas, M.D., which appeared in the December 9, 1971, issue of the New England Journal of Medicine.

Just as further research is needed to prevent the onset of disease, additional funding must be provided to finance research into the mechanisms of immunology, a field of medicine which promises to hold the key to successful transplantations. As Harold Schmeck, Jr., pointed out in his November 12, 1972, article in the New York Times:

> The purely surgical problems of transplantation were solved long ago. The remaining great barrier is immunological.

This article is part of a three part series on immunology. The other two articles appeared in the New York Times on July 31, 1972, and May 15, 1972. Another article of general interest on immunology appears in the January 1973, issue of Scientific American and was written by Abner Notkins and Harry Koprowski.

The costs associated with the life-prolonging techniques of transplantation and hemodialysis vary according to individual needs and the institution at which the procedures are carried out, but in all cases these forms of treatment are very expensive. Initially, the costs involved in a kidney transplant are approximately $15,000 if there are no unusual complications, and up to $1,000 per year, thereafter, to cover the costs of examinations, drugs, and so forth. On the average, however, treatment subsequent to transplantation would probably cost far less. An article by Lawrence Altman in the January 18, 1973, edition of the New York Times noted that—

> (S)uccess with more kidney transplant operations and technological advances in the artificial kidney machine are among the factors that could reduce costs.

On the other hand, hemodialysis is far more expensive: hospital dialysis costs $35,000 to $40,000 per year; dialysis in an ambulatory care facility generally runs between $14,000 and $20,000 or more per year; and home dialysis, the least expensive form of dialysis, runs between $12,000 and $20,000 the first year—for purchase of equipment, training, et cetera—and $4,000 to $6,000 per year after that.

On the basis of these comparative costs, it can be seen that transplantation is more economical by a factor of 5 or 10 times, depending on the number of years that the patient lives. There are, however, even greater advantages than mere dollar savings. Transplantation offers the patient a dramatically more successful chance of recovery. Patients with kidney transplants live relatively normal lives, with full restoration of bodily functions. Those undergoing hemodialysis must be "plugged" into their artificial kidney for 8 hours, three times a week, and often have significant physiological limitations.

My legislation would also lead to lower and less variable costs for these procedures, through the encouragement of improvements in techniques and through economies of scale. This is one reason for the stipulation that the renal failure centers must have a capacity to carry out a minimum of 50 transplants per year and to maintain at least 20 patients at any one time on dialysis. Fee schedules will also be provided to insure that costs are kept as low as possible.

A special problem that must be faced in kidney transplantation—and other types of organ transplantation—is the pressing need for a larger supply of donor organs. In some cases, patients in need of a kidney have a close relative who can donate one of his kidneys. Often, this is not feasible and a cadaver kidney must then be found.

With continuing improvements in transplant technology we should be able to reduce very substantially reliance on living donors. This would eliminate the twin risks to the live donor—first, from the surgery itself and, second, from the possibility that he might one day have his remaining kidney damaged.

Unfortunately, cadaver kidneys are not often available and many people who need a transplant must wait long, uncomfortable months before a suitable donor can be found. Consequently, we must insure an increased supply of these kidneys by encouraging people to sign organ donor cards and improving systems for collecting, preserving, and distributing these donated organs.

Some regional programs in organ procurement, preservation, and tissue typing have already been initiated. For example, there is a program in the New York City area which was recently described in an article in the Journal of the American Medical Association—February 21, 1972.

This article illustrates what can be done to improve the supply of donor kidneys and also describes the problems now faced in obtaining donor organs. My bill would do much to alleviate this frustrating and tragic situation. In my proposal, grants may be made for the construction of facilities for short-term organ preservation and regional tissue typing which would increase the length of time potential donor kidneys could be preserved and increase the availability of donor kidneys.

Further research is needed in all methods of treatment for end-stage renal failure. Transplantation immunology research is needed to improve methods of preventing rejection of the kidney. The results of this research will also be of benefit to those studying transplantation of other organs and disorders of the immunologic reaction system. Hemodialysis research should result in improvements in the technique and in greater knowledge of what substances in the blood cause uremia. Other techniques which might be utilized in removing waste products from the body should be further explored, such as a technique known as peritoneal dialysis and the use of a material that can be swallowed to absorb waste materials into the intestines.

I have discussed some of the problems faced in the treatment of kidney disease to emphasize the importance of the Kidney Transplant Act of 1973. I am glad that passage of H.R. 1 will provide relief to those suffering renal failure. It, however, deals only in a fractional manner with the total problem. The act I propose today is a comprehensive plan, covering all aspects of the enormously complex situation we face in the treatment of chronic kidney disease. I urge swift consideration and passage of this important bill so that kidney disease control can progress in a coordinated way.

Mr. President, I ask unanimous consent that the text of the bill and of a number of the articles to which I referred be printed in the Record.

There being no objection, the bill and articles were ordered to be printed in the Record, as follows:

S. 994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Kidney Transplant Act of 1973".

Sec. 2. The Public Health Service Act is amended by inserting after title X the following:

"TITLE XI—CARE AND TREATMENT OF CHRONIC RENAL DISEASE

"GRANTS FOR ASSISTING IN THE CARE AND TREATMENT OF CHRONIC RENAL DISEASE

"Sec. 1101. (a) The Secretary may make grants to States and, with the approval of the State health authority, to political subdivisions or instrumentalities of the States under this subsection for the purpose of assisting in the care and treatment of persons suffering from chronic renal disease.

"(b) Payments under this section may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of underpayments, or overpayments, in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of this section.

"STATE PLANS

"Sec. 1102. (a) Any State which applies for a grant under section 1101 shall submit with its application a plan for the approval of the Secretary. Such plan or modification thereof shall be approved only if such plan—

"(1) provides for assistance to all persons residing within such State who are suffering from chronic renal disease and meet treatment criteria established by the renal failure center at which the patient is to be treated;

"(2) provides for the payment of 100 per centum of the costs of transplantation, hemodialysis or other techniques and of related services for the care of the chronically ill renal patient, less the amounts paid by public agencies or by public or private health insurance and less any amounts which can reasonably be paid by the patient, as determined pursuant to regulations;

"(3) gives adequate assurances that such State will devote adequate funds to the administration and enforcement of such plan;

"(4) provides for coordination of services rendered under this program and other State administered programs including aid to the medically indigent under title XIX of the Social Security Act, and the Vocational Rehabilitation Act;

"(5) provides fee schedules for transplantation, hemodialysis and related procedures;

"(6) provides for payments for the costs of care of living donors less the amounts paid by public agencies or by public or private health insurance; and

"(7) provides that the State agency will make such reports to the Secretary in such form and containing such information as the Secretary shall from time to time require.

"(b) For the purposes of this section, the term 'costs' includes, but is not limited to, both pre- and post-operative expenses for physicians' services, hospitalization, drugs, transportation, mental health services, and any necessary expenses of relatives required to accompany patients or donors.

"SUPPORT OF RENAL FAILURE CENTERS

"Sec. 1103. (a) The Secretary may make grants to public or private nonprofit entities for the establishment, construction, and operation of renal failure centers which will provide, or arrange for, complete renal transplantation facilities, hemodialysis, and home hemodialysis.

"(b) Each renal failure center shall be affiliated with a university medical center and shall have the capability to provide a minimum of fifty transplants per year and to maintain a minimum of twenty patients on dialysis for long-term treatment or in preparation for home dialysis or while awaiting transplantation or evaluation.

"GRANTS FOR TRANSPLANTATION FACILITIES

"Sec. 1104. (a) The Secretary may make grants to public and private nonprofit entities for the construction or improvement of facilities and the operation of systems, including public and professional information and training programs, for the collection and short-term preservation of organs, regional tissue typing, hemodialysis, and extended care facilities for transplant patients and donors."

Sec. 3. (a) Part (D) of title VII of the Public Health Service Act is amended by redesignating section 769B as section 769C and by adding immediately after section 769A the following new section:

"GRANTS FOR TRAINING IN THE CURE AND TREATMENT OF CHRONIC RENAL DISEASE

"Sec. 769B. (a) The Secretary may make grants to any public or private nonprofit entity—

"(1) to plan, develop, operate, or assist in any approved professional training program in the fields of transplantation, dialysis, nephrology, immunology, and management of renal failure centers with regard to chronic renal disease, including the related medical, social, and administration problems; and

"(2) to provide for fellowships and training grants to professional personnel to participate in kidney disease and related programs."

(b)(1) Section 769C, as redesignated by this Act, is amended by striking "and 769A, and 769B".

(2) Subsection (c) of such section is amended by striking "or 769A" and inserting in lieu thereof "769A, or 769B".

Sec. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

[From New York Times, Jan. 11, 1973]

Program To Aid Kidney Victims Faces Millions in Excess Costs

(By Richard D. Lyons)

Washington, January 10.—Congress and the White House may have to decide whether the lives of 5,000 Americans are worth Federal outlays of $1-billion a year.

This profound ethical question may eventually arise because of a series of events here last year that only recently came to light.

Hundreds of millions of dollars a year in excess costs are likely because of an under-estimation of long-range outlays for an obscure provision of a law enacted last fall with almost no Congressional opposition or debate.

The alternative to the outlays, which now are estimated to be $1-billion annually in the nineteen-eighties, might well be the deaths each year of as many as 5,000 Americans suffering from acute kidney disease.

At issue are cost estimates for a provision of H.R. 1, the omnibus Social Security bill, which was among the many bills passed on the eve of Congressional adjournment last October.

As signed into law by President Nixon, the provisions, starting in July, will offer partial financial coverage under the Medicare program for the often very high cost of treating some kidney diseases, which strike more than 50,000 Americans yearly. Virtually every American is eligible for coverage, even those under 65.

But the eventual cost was apparently unknown to many of the Congressmen who passed the measure 61 to 9 in the Senate and 305 to 1 in the House.

Original cost estimates ranged from $35-million to $75-million in the first fiscal year of operation. The debate record in both houses shows that the highest estimate was $250-million in the fourth year.

Yet calculations made by Federal experts after passage set first-year costs at $135-million, rising to $1-billion annually a decade from now. Some experts believe that even these may be conservative.

"We in Congress had no idea that costs would be anywhere near that large," said Representative Paul G. Rogers, Democrat of Florida, who voted for the bill.

A spokesman for Senator Quentin N. Burdick, the North Dakota Democrat who co-sponsored the key amendment that put the kidney coverage in the bill, said "he never would have gone on the amendment had he known that it was going to cost that much."

BENNETT NOT SURPRISED

Senator Wallace F. Bennett, Republican of Utah, the only legislator who spoke out against the kidney provision when it was introduced, said today, "I can't say I'm surprised. Congress is always passing bills without good long-range cost estimates."

But two Democratic co-sponsors of the amendment, Senators Russell B. Long of Louisiana and Lawton Chiles of Florida said that they had been fully aware of the costs and had backed the plan anyway because, as Mr. Chiles put it, "It's better than having people die needlessly."

The comment points to questions beyond the bare economic issues such as: How does a nation balance its tax money against the lives of its citizens, and, How could Congress possibly repeal a law and by doing so knowingly let people die?

Additionally, the aftershocks of kidney benefit costs may significantly affect future health legislation. The outlays may deter Congressmen from voting similar benefits for sufferers of other costly diseases such as muscular dystrophy and hemophilia. Also, the financial impact could spur enactment of a broad national health insurance program.

A reconstruction of the case is possible through discussions with officials at the Department of Health, Education, and Welfare, Congressional aides and Congressmen plus a series of confidential cost estimate documents.

The key amendment to include the kidney disease provision was introduced on the Senate floor on Sept. 30 by Senator Vance Hartke, Democrat of Indiana. The co-sponsors were Senators Long, Burdick, Chiles, and Robert Dole, Republican of Kansas.

Mr. Dole said at the time, "I have lived quite well for the past 25 years with only one [kidney] . . . and have a rather close-at-hand appreciation of the dangers and burdens of kidney disease and injury."

WHAT LAW PROVIDES

The amendment, now law, extended Medicare's financial benefits to anyone insured under the program, stating:

"Medicare eligibility on the basis of chronic kidney failure shall begin with the third month after the month in which a course of renal dialysis is initiated and would end with the 12th month after the month in which the person has a renal transplant or such course of dialysis is terminated."

In a speech on the floor, Mr. Hartke said: "Final cost estimates for this vital amendment are now being worked out. Preliminary estimates indicate an annual cost of approximately $250-million at the end of four years, with the first full-year cost at about $75-million."

In response to a question about the financial estimates, a spokesman in Mr. Hartke's office said yesterday that the Senator had obtained the data "from the Bureau of Health Insurance in the Social Security Administration."

Here there is some variance. Gordon Trapnell, director of health insurance studies for the Social Security actuary, insisted yesterday that higher estimates had been arrived at in his office.

David R. McKusick, an aide to Mr. Trapnell, said, "The 1985 cost that we have projected would be well above $1-billion." He added that the higher estimates had been known to members of a Congressional conference committee that met in October to resolve House and Senate versions of H.R. 1.

ESTIMATE IS RAISED

After passage, H.E.W. announced that the first-year cost, that is the fiscal year 1974, would be $125-million. This has since been raised to $135-million.

This prompted Dr. Ronald M. Klar, a special assistant for health policy development in H.E.W., to state in a Nov. 27 memorandum:

"Because of the extensive public and political concern about chronic renal disease, much attention has been devoted to Section 299 I. Included in most of these reports has been the mention of $125-million as the annual cost of treatment benefits. Unfortunately, I am satisfied that this statement is inaccurate and misleading.

"The $125-million figure comes from the Senate Finance Committee report projecting the first year costs. The error is not with the amount itself, but with the probable assumption that the costs would remain at about this level for subsequent years except for price changes. Clearly, this is not the case."

MEMO 18 PAGES LONG

The 18-page memo, which contains 12 pages of data, concluded that the cost in the 10th year would be $954-million.

The difference is partly explained by the accumulation over a period of years of the costs for treatment of persons who otherwise would have died. Thus, Federal outlays would pay not only for treatment of people newly developing acute kidney disease but also for treatment of those whose lives had been prolonged.

According to Dr. Klar, costs of dialysis range from $5,000 to $31,000 a year. Dialysis is the cleansing by machine from the blood of impurities that failing kidneys are unable to remove. If they are not removed the body in effect poisons itself. A few persons whose kidneys failed 13 years ago are still being kept alive by dialysis treatments.

In discussing the moral and financial questions surrounding the kidney provisions, Scott Flemming, Deputy Assistant Secretary of H.E.W. for health policy development, said, "Our society has to address itself to the question of the devotion of resources to the prolongation of life."

[From Annals of International Medicine, December 1971]

PLANNING FOR THE FUTURE IN CHRONIC KIDNEY DISEASE

During the last decade and a half, two dramatic therapies for irreversible kidney failure have come to maturity: hemodialysis with artificial kidneys and renal transplantation. Both were experimental at first and are not yet regarded as full optimal methods, but they are probably here to stay. During 1970 in the United States approximately, 1,100 new patients were placed on chronic intermittent dialysis (1) and over 900 renal transplant operations were carried out (2) thus the clandestine experimentation in occupied Holland during World War II by Dr. Williem Kolff and the heroic surgical undertaking with twins in Boston in 1953 by Dr. John Merrill have led to their broad use in care of end stage kidney disease.

Dialysis and transplantation are not competitive but mutually supportive and dependent. The uninformed speculations of earlier years as to "which will win out in the long run" only showed a lack of comprehension of their potential. The availability of a much-needed supportive and substitute treatment like dialysis indeed made it possible to develop and improve renal transplantation to its present level. Even when we are able to deal more successfully with the rejection phenomenon (which still prevent renal transplants from becoming a routine procedure with *predictable* outcome in individual cases), dialysis will be needed. It will still support patients with kidney failure until a suitable donor or cadaver organ can be obtained, restore them to physicologic near-normalcy in preparation for surgery, support the newly grafted organ in case of need, and serve as the safety net if the graft is ultimately unsuccessful.

Maintenance dialysis alone, without transplantation, would at best be a dismal solution for irreversible kidney failure because of the need for continued, repetitive treatments for the life of the patient, because of the not infrequent failure to restore the patient to physiologic life, and—last but not least—because of its high and continuous cost. Ever since 1967, when attempts were made to explore the national problem of kidney disease (3) and to draft specific plans for a country-wide solution to irreversible kidney failure (4), it has been obvious that the potentials of dialysis and transplantation could not be considered independently. Their roles must be closely intertwined if cost-effective use of these highly expensive therapies is to be obtained.

Two recent papers in the *British Medical Journal* are highly germane to this urgent problem. The first by Branch and associates (5), deals with the incidence of uremia and the requirements for maintenance hemodialysis in Britain, where an attempt has been made in recent years to provide dialysis or transplantation, or both, for all patients, except the oldest, under the National Health Service.

These workers conducted a painstaking survey for uremic patients, of all practitioners of a district in a mixed urban and rural area of South Wales, as well as in this district's one large hospital. They found that, during the 3-year period of survey, among the uremic patients presenting themselves 14 were suitable candidates for treatment by maintenance dialysis or renal transplantation. This is a rate of about 39 persons per million per year under the age of 60 (and 28 per million per year under 50). It is of interest that in the United States the number of patients suitable for dialysis is about 38 million per population per year.

The second paper, by Farrow, Fisher, and Johnson (6), describes an elegant mathematical model that they developed to assist in planning the requirements of a combined dialysis and transportation center. This model can be used to predict the ideal numbers of patients (for cost-efficient use of facilities) in the dialysis unit, in the associated ward, and at home on dialysis—all in conjunction with an active effort in renal transplantation. This model can be adapted for units of different size and can be primed with data from one unit or with pooled data from an entire country. This paper describes a particularly elegant and valid statistical method that is also a rational, integrated plan for treatment of chronic renal failure via a combination of dialysis and transplantation; it is highly recommended reading.

A similar scheme was recently proposed independently at the Symposium on the Current Status of Artificial Organs for Clinical Transplantation sponsored by the Transplantation Society (New York University Medical Center, 9–10 September 1971) (7). During this symposium Dr. Belding Scribner, of the University of Washington, who had ushered in the era of prolonged maintenance dialysis in 1960, proposed a new broad and logical picture for dealing with irreversible kidney failure. A salient feature of his "plan for life" beyond the point when irreversible renal failure is about to become symptomatic is the avoidance of any approach that might interfere with ultimately successful transplantation. Dialysis is an essential component in this scheme. The patient is not allowed to deteriorate into uremia before resort to dialysis or transplantation. He is taught to dialyze himself at home before his status becomes critical; he is never transfused with blood (to cut the risk of eventual immune reactions after transplantation); he is placed on home dialysis pending the finding of a suitable donor organ and its transplantation. Once there are indications of graft rejection, the failing organ is removed early (rather than endangering the patient with heroic attempts at immunosuppression), and the patient is returned to home dialysis to wait for another matched donor organ.

In most of its features this "plan for life" is consistent with the model proposed independently by Dr. Farrow's group in Britain. The features of both plans must be considered carefully and sympathetically by any group in the United States that will undertake to plan, on a regional or larger scale, for a rational, effective, and economically feasible scheme for the saving of lives of patients with progressive, irreversible renal failure. (BENJAMIN T. BURTON, PH.D., *National Institute of Arthritis and Metabolic Diseases, National Institutes of Health, Bethesda, Md.**)

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[From Medical World News, Feb. 18, 1972]

KIDNEYS FOR DIABETICS

A diabetic patient *can* get a new kidney—and may gain years of life with it. This is the conclusion of Dr. John S. Najarian, chief of surgery at the University of Minnesota, and his colleague, professor of medicine Frederick C. Goetz. Quietly, over the past few years, the team has been lining up donors—many of them relatives—and transplanting kidneys in juvenile-onset diabetics whose own kidneys have been ravaged by the vascular lesions characteristic of the disease.

Previously, doctors have hesitated to do this transplant because of the diabetic's healing problems, not to mention scarring and the patient's generally debilitated state. Says Dr. Goetz: "It was Dr. Najarian's rationale that whatever the evidence in animals, there is no proof in humans that the lesions would necessarily return in the new organ, and if they should, no reason to think that they would accelerate beyond the normal course—taking five, perhaps ten years to do their damage."

Thus, Dr. Goetz told the recent meeting of the Diabetes Association of Greater Cleveland meeting in that city, a total of 21 diabetic patients in or approaching terminal uremia have now received new kidneys. And sixteen of them have survived longer than six months. Five of the 16 "successes" have now survived for more than two years—to Dr. Goetz, a "short-term" achievement. Ten lead essential normal lives, reported the internist, while two are still "seriously handicapped," and the remaining four are somewhere in between.

Using serum creatinine measurements as a physiologic index of success, the Minnesota team determined that 12 of the 16 surviving patients now have essentially normal levels—from 0.6 mg% to 1.5 mg%. Three patients have slightly elevated levels, ranging up to 2 mg%, and one has a level of 5 mg%, indicating a "chronic immunity reaction."

Wound healing was no great problem in the series, and no special medications were used to promote it, says Dr. Goetz. As for the basic disease state, the postoperative patient needed "moderately or sharply more" insulin, but otherwise was unchanged. Of course, immunosuppressants were administered to protect the transplant.

The Cleveland discussants weren't the first to ask the obvious question: If a kidney can "take" in a diabetic patient, why does it almost always fail when grafted along with the pancreas and attached duodenum? There is no clear answer to the question, says Dr. Goetz.

The 11 so-called double transplants he and surgeon Richard C. Lillehei have done may have been handicapped by the use of cadaver organs. But if pancreas function is a measure of success, so were these transplants. Enzyme content was normal in patients in the series. But the fact that he didn't need exogenous insulin was no consolation to the longest-lived recipient. A year after the transplant he went into a severe depression and failed to take his immunosuppressants. In a fortnight he was dead.

As for the rest of the 11 double-transplant cases, only two patients lived six months and five were dead in less than a month. Five died following sepsis plus kidney complications; one from sepsis alone; one from renal complications alone; and one each from acute necrosis of kidney and duodenal graft, duodenal perforation and sepsis, pulmonary embolism and ruptured aneurysm of the iliac artery.

In each case, uremia had been controlled postoperatively with hemodialysis. All patients were on immunosuppressants. Those with complicating retinal disease were no worse after surgery. And out of the six patients who survived a month or more, three converted from the childhood to the adult form of the disease.

The Minnesota researchers have recently turned their attention to retinopathy because next to the kidney, they regard it as the most serious disease problem. Two pancreatic transplant cases have shed light on this pathology. Both were young women with a creatinine clearance of 30 ml or more a minute, rapidly advancing eye changes, and some evidence of kidney damage. After transplant, one patient complained of pain over the transplant area in the first week. The pancreas was removed and the graft was found to have impaired vasculature. But there was no sign of tissue rejection.

The second graft was also removed and found impaired. And the eye problems of both patients continue—though with no further deterioration. If one could achieve a long enough survival with the pancreas transplant, and the retinopathy were curbed, the operation could be pronounced beneficial. "So we continue our work," says Dr. Goetz. One final problem: Immune rejection is not an all-or-nothing process. The duodenum may suffer from necrosis and the kidney may be rejected, while the pancreas remains immune.

[From the Minneapolis Tribune, Dec. 1, 1972]

"U" RESEARCHERS REPORT PROGRESS IN PRESERVING ORGANS FOR TRANSPLANTS

(By Lewis Cope)

The University of Minnesota medical researchers have used kidneys that had been frozen at 8 degrees below zero in five highly successful transplants in dogs.

"This is a major advance toward the goal of organ banking," Dr. Richard C. Lillehei, a professor of surgery who performed the world's first pancreas transplant in 1967, said Thursday.

The aim is to perfect techniques so that human organs can be stored for months or even years at 321 degrees below zero, then used as needed for transplant. This could help greatly in solving the shortage of available organs for such operations.

The animal tests were done in Dr. Lillehei's lab by Dr. Alberto Rebelo of Luanda, Angola, who came to the university for advanced training.

He has worked under the direct supervision of Dr. Ronald Dietzman, an assistant professor of surgery who worked out some of the complex techniques including the use of a special microwave oven for thawing the organs.

Dr. Dietzman said some researchers elsewhere have reported isolated cases of limited successes with frozen kidneys. He explained that these kidneys did produce a little urine after they were transplanted, but they didn't work well.

"Our work is the first time that a team has had repeated successes with its technique, and where the kidneys have worked well enough to sustain life," he said.

If the research continues to go well, both Dr. Dietzman and Dr. Rebelo said, the use of freeze-stored kidneys for transplants in humans should be possible within five years or less.

In the dog experiments, Dr. Rebelo said, a kidney was removed from a dog, frozen to 8 degrees below zero, then thawed about 15 minutes later and transplanted back into the same dog.

Putting the kidney back into the same animal (called an auto-transplant) avoided the problems of rejection, and allowed the researchers to concentrate on how well the thawed organ itself was working in the animals.

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*The views expressed by this note are the author's own. No official support or endorsement by the National Institutes of Health is intended or should be inferred.

For the first two weeks the dog lived with both the thawed kidney and his second, normal kidney.

This gave the thawed kidney a chance to adjust before taking over the full job of filtering poisonous wastes out of the animal's bloodstream. In human transplant cases, an artificial kidney machine sometimes is used for a similar period to give a transplanted kidney a chance to adjust.

Then, the dog's normal kidney was removed, and the previously frozen kidney took over the full job of sustaining life in the animal.

"The kidneys have worked very well in every way we could measure them in these five dogs, and the dogs have been very healthy," Dr. Rebelo said.

The animals were sacrificed a week later so the doctors could study the kidneys in detail. They were found to be normal.

More dogs now will receive transplants with organs that have been frozen to 8 degrees below zero, and they are expected to live out long lives, Dr. Rebelo said.

Dr. Dietzman explained that organs must be frozen to 321 degrees below zero to stop all enzyme activity in the cells and allow long-time storage. At this temperature, biological activity stops and an organ can be stored for years as easily as for days.

He said that just learning how to freeze organs to below zero showed that the technique was basically right, and now it must be perfected to get down to the super-cold range.

The problem with freezing any organ is this:

When water turns to ice it expands. There is water in each of the thousands and thousands of microscopic cells in a kidney or any other organ. If this water was allowed to turn into big icy crystals, they would expand and rip apart the delicate cells.

The researchers found that if they freeze the organ either too slow or too fast causes destruction, but that cooling (with liquid nitrogen running through coils) at 4 degrees a minute was just right.

Several drugs—DMSO, steroids and others—were used as a sort of anti-freeze in the freezing process, to make the ice form in tiny particles rather than big chunks.

The doctors credited Dr. Edmund Graham and Dr. Bo G. Crabo in the College of Agriculture, who pioneered the freezing of animal sperm, with much of the basic research that made the move to organ freezing possible.

"I'm also excited about the basic knowledge we have learned about protecting cells that are under stress," Dr. Dietzman said. This might, for example, help lead to better ways of protecting cells under the stress of shock following a heart attack, he said.

[From Social Problems, Summer 1971]

Organ Transplantation: A Societal Problem

(By Roberto G. Simmons and Richard L. Simmons, University of Minnesota)

As a new medical technology, organ-transplantation has created unanticipated adjustment problems for the government, the general public, medical organization, and the patient and his family. This paper attempts to specify some of these problems with a focus on kidney transplantation. Several mechanisms seem to prevent suitable patients dying from kidney disease from being treated at a transplant or dialysis center. Lags in communication between local and university physicians, limitation in number of transplant centers, severe national financial shortages prevent many patients from being treated. Arbitrary factors such as state of origin or socioeconomic status restrict many patients from being able to receive financial help or themselves afford these expensive therapies. Normative uncertainties related to the donorship of organs also increase the stress of this therapy for physicians, patients, and their families.

Technological advances in medicine, as in other fields, often outstrip the resources and social organization necessary for their optimal use. Organ transplantation is clearly a prototype, and a typical example of this "cultural lag," as originally formulated by Ogburn (1922). Changes have occurred in the "material culture," i.e., in technology, but appropriate modifications in the social structure and in public attitudes have failed to keep pace.

Consequently, as a major new medical technology, transplantation may solve important health problems, but in turn it creates unanticipated adjustment problems for the government, the general public, medical organization, and the patient and his family. The purpose of this report is to analyze these "adjustment problems," to identify the elements of the "cultural lag" and to describe the social consequences of transplantation.

The analysis will focus on kidney transplantation, and the related technological advances of hemodialysis,[1] since renal transplantation is the only type of organ transplantation that has moved from the realm of experimentation to therapeutics; that is, it is the only type that can be considered a viable cure. According to Kidney Transplant Registry statistics (1969), 81 percent of those patients who have received a kidney from a living brother or sister have survived two years post-transplant with functioning kidneys. "Two years" is the arbitrarily designated period beyond which the patient is felt to be "cured," with a good chance for a normal life-expectancy.

Many of the stresses that may be associated with large scale heart, lung, and liver transplants in the future can be predicted now by a study of kidney transplantation. Some of the problems to be discussed will be unique to transplantation (e.g., the utilization of the organ donor resource); while others are relevant to any technological advance in medicine (e.g., lags in communication within the medical world, shortage of social funds, and normative ambiguities both in the larger society and within medicine itself).

CONSEQUENCES OF TRANSPLANTATION FOR THE SOCIETY

Modern technological advances in medicine have significant consequences for the organization of medical care and its availability to the public. Therapies like organ transplantation, open-heart surgery, and cancer chemotherapy move medicine one step further toward bureaucratization, organization, and specialization that is charcteristic of almost every sphere in modern industrial society, particularly those influenced by technological advances. Medicine is becoming more of a specialized team operation and less of a relationship between an individual family doctor and patient. The private family physician often is replaced by enormous hospital complexes, group practices, specialty clinics, bureaucracies of nurses, technicians, and highly qualified specialists (Rosenblatt and Suchman, 1964).

To the metropolitan, working-class patient who is accustomed to visit hospital clinics, treatment in a kidney transplant, or cancer chemotherapy center may be just another step in the customary pattern. To the middle-class or small-town patient who is used to more personal contact with a family practitioner, however, the mode of treatment may seem very new. He is accustomed to being referred to individual specialists for specific ailments, but here he is referred to a hospital and a large, somewhat impersonal and constantly shifting medical team. Table 1 shows the organization of the renal transplant team at the University of Minnesota. The patient in the hospital may be under the care of six or seven physicians at once and be aided by a variety of special nurses, technicians, and therapists. The central therapeutic event, the transplantation operation itself, requires 12 people—two operating teams, one for the donor and one for the recipient.

After discharge the successful transplant patient returns to the hospital for tests and visits a clinic which is attended at the University of Minnesota by a surgeon, the surgical house staff, a nurse who coordinates the inpatient and outpatient care, her assistant, the clinic nurse, a psychiatrist, a social worker, and a dietician and her assistant.

Reinhard (1970) indicates that heart transplant teams may be even larger. For one particular heart transplant performed at the Texas Heart Institute, Reinhard estimated that over a five-day period 141 persons were involved in one official capacity or another; 21 were physicians.

In addition to the personnel, special facilities, laboratories, and pharmaceutical supplies are also needed. For renal transplantation, the artificial kidney (dialysis) machines are the most obvious and the most expensive of these special equipment needs.

Only relatively large hospitals can support so many personnel and special facilities. Transplantation, therefore, like other advanced medical technologies, tends to concentrate in a number of large centers throughout the country. Large cities and university areas are more likely to have such centers than are smaller cities and towns. This restriction of transplant centers is extraordinarily important when the availability of medical resources to patients is considered. What type of patients are likely to be cared for there? How do patients from various social strata and from communities all over the United States flow to these few centers? How does the individual uremic patient come to be treated at one of these transplant centers?

Lag in medical organization and communication

The optimal flow of patients to the centers of transplantation seems to be affected by a communication barrier between these centers and local referring physicians, as well as by a scarcity of facilities. It was estimated in 1967 that some 50,000 patients a year die of uremia, 7,000 to 8,000 of which were considered ideally suited for hemodialysis or renal transplantation (The Cost of Life, 1966. Gottschalk, 1967). However, due to lack of facilities and resources, treatment was available for only 1,000 new patients and 750 previous dialysis patients in 1967.

Therefore, many patients must die of a potentially curable disease. These statistics suggest that an overload of applicants is forcing kidney transplant centers to reject many candidates. There is also some evidence, however, that the flow of suitable patients to some centers is blocked at certain points. In Minnesota, for example, despite the fact that many patients with primary renal disease continue to die, who would respond to dialysis or transplantation, the renal failure centers are not over-crowded with applications. Medically eligible candidates are not being denied treatment because of shortages of facilities. Surgeons at another center report that they have virtually no applicants from one entire area of the state they service.

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[1] Hemodialysis refers to the purification of a kidney patient's blood by means of an artificial kidney machine. The kidney patient is "hooked-up" to a dialysis machine by means of a semi-permanent shunt, or U-shaped tube, one end of which is inserted into a vein and the other into an artery in his arm or leg. Approximately twice a week, for a period of from seven to 15 hours each time, the patient's blood is cycled through the machine, where it is purified, and then returned to his body.

Referring physicians are apparently not sending all possible candidates to renal failure centers. The reasons for this have not been systematically investigated, but several channels of speculation are open. Without question, the technological potential seems to have outstripped the communication networks in medicine, as well as the resources. (See Coleman, Menzel, and Katz's study (1959) of the social processes affecting physician's adoption of a new drug.)

The diagnosis of uremia has traditionally evoked a feeling of hopelessness in most physicians. Palliative treatment was all physicians had to offer until recently, and such attitudes are not easily cast off. In addition, it is likely that many physicians are unaware of (a) the success of kidney transplantation and dialysis, (b) the categories of patients who can benefit, (c) the presence of the nearest center, and (d) the fact that some centers are not overcrowded. Even if the physician is aware of the therapeutic success of the procedures, he may be afraid the patient will be denied treatment. He may believe that the patient is too old, or that children cannot be dialyzed, or that the sacrifices in travel and expense are too great for the family.

The centralization of these specialized resources may act as a further deterrent to the referral process. It is always difficult for physicians to refer patients to persons and hospitals where they have no personal acquaintances among the professional staff. Most physicians have developed ingrained patterns of referral which are seldom varied. For most medical problems, the physician's local mutual referral network is adequate (Freidson, 1963). Most specialists can be found within a reasonable distance to participate in this network. On the other hand, the physicians within the centralized university center form their own networks and do not usually refer patients to local non-university doctors (Kendall, 1965). University physicians tend not to participate in local medical society activities. Thus, the local doctor, even within easy distance of the large medical center, may be unacquainted with many university physicians. As distance from the university center increases, personal contacts naturally decrease. Paradoxically then, it appears that there are not enough facilities for all uremic patients, yet in some areas of the country there is under-utilization of such facilities because the patient and his doctor are effectively unaware of the availability.

The effect of a patient's class background upon his chances to be referred for transplantation is another point for investigation. It has been shown that people from the lower class utilize medical services less than middle or upper class members (Rosenblatt and Suchman, 1964). Yet, if the lower class patient seeks medical care in a large city, he is likely to attend the large hospital clinic or veteran's hospital where referral to a transplantation center is probable. Perhaps investigation would show that it is the lower class patient from outside of the metropolis, from the small towns and cities, who will be the last to benefit from this type of medical advance.

In summary, social factors governing the dissemination of accurate information concerning medical innovation, and social factors affecting the interrelationships between centralized medical centers and referring physicians, would appear to play a large role in whether a patient will live or die.

At present, in the United States, the mobilization of the cadaver donor resource is also restricted by many of the same factors that prevent a uremic patient from being referred to a transplant center. Lags in medical organization and communication affect the availability of organs for transplantation, since a high percentage of such organs must come from cadavers. The role of the local referring physician is again crucial. The family physician cares for a high percentage of potential cadaver donors. It is usually he who first approaches the family with the suggestion of donation. However, the possibility of donation may not occur to him. Secondly, he may not have enough of an acquaintanceship with a transplant center for referral to be psychologically easy. In addition, he may find it difficult to approach the family. In some centers, the dying patient must be transferred to the transplant center in order to ensure rapid use of the organs after death is pronounced. Particularly if the distance is great, the physician may be unwilling to subject the grieving family to long-distance travel. The fact that transplant centers are limited in number means that many potential donors will be excluded because of the distance.

In other centers, the transplant service sends a team to the local hospital to remove the organ and rapidly transport it back to the transplant center. In such situations, the local physicians and hospital authorities must be willing to undergo considerable inconvenience. The frequently over-taxed community doctor must await the transplant surgeons and then help them mobilize the hospital facilities. The hospital must be willing to clean and set up a surgical suite, reserve some personnel to help, and sometimes disrupt schedules and rules to satisfy the necessary procedures and time pressures. Future technological advances in organ preservation and organ banks may alleviate some of the difficulties, particularly the problems of time pressure and donor travel.

Although the organizational links between the transplant centers and the local medical communities are problematic, new regional organizations among many different transplant centers in several states are emerging (Bethesda Conference Report, 1968; Crosbie, 1970; Pierce, 1970; Sadler, 1970; Schmeck, 1970). Computers and teletype terminals are used in these regional organ-procurement centers to decide which potential transplant recipient in the region is best matched to a new cadaver donor. The organ may then be transported by automobile, special flight, or truck to the required transplant service, or one of the patients may be moved.

It appears relatively easy for transplant programs, that are already highly innovative, to solve their problems by establishing new, efficient, technologically complex organizational links much more difficult for organizational links to be forged between the more innovative transplant programs and the less innovative, highly entrenched local medical communities. This lag in communications and organization limits the number of uremic patients who arrive at the transplant centers, and also the number of cadaver organs available for their treatment.

Lag in allocation of financial resources

The best known and most significant way the society lags behind the technological potential of transportation involves the allocation of adequate financial support. The report of the Committee on Chronic Kidney Disease to the Bureau of the Budget in September of 1967 recommended an expenditure of $800 million to $1 billion for the first six years (1969–75) for training, facilities, and care of kidney patients (Gottschalk, 1967), with the goal of treating all indicated patients.

This is the estimated price of treating terminal kidney disease. If transplantation of other organs also achieves success, these costs will skyrocket. For example, if heart transplant technology improves enough to treat 22,000 patients annually, the cost could easily increase to $220 million a year (Ad hoc task force, 1969). As additional medical technologies develop, the government will be increasingly confronted with a fundamental decision: is it possible for this society to allocate major sums of money to saving lives of the previously incurable?

Funds are needed not only to train more personnel and set up more centers, but to support existing facilities. Dialysis at a hospital center costs approximately $14,000 a year; home dialysis requires $10,000 to $12,000 the first year when equipment is purchased, and about $4,000 yearly after that (Bethesda Conference Report, 1968; Frye, 1969). The cost of a kidney transplant averages about $13,300, plus $200 to $1,000 in yearly follow-up costs (Gottschalk, 1967); and the cost of a heart transplant averages $18,700. However, with complications, charges can run as high as $100,000 for any organ transplant (Reinhard, 1970).

At present, without a comprehensive national program, the collection of such funds can cause major difficulties for governmental agencies, hospital, and patient. Most patients cannot afford to pay for such treatment, particularly after years of chronic illness. Some of the cost for renal transplantation is paid by federal research grants to the institution, but research funds will be withdrawn as the procedure becomes a therapeutic reality. Insurance pays some of the transplant cost, but the Arthur D. Little Report (1969) estimates conservatively that approximately only eight to ten percent of the American population is adequately covered by insurance for transplantation. Table 2 lists other sources of funding for heart and kidney transplants and for dialysis. However, these present sources cannot begin to cover the actual need.

Patients in some states can turn to government agencies for major help in paying their bills under Title 19 of Medicaid (Kidney Disease Services, 1969), but, many states have interpreted Title 19 in such a way that dialysis and transplant patients are excluded completely or almost completely. Even if Medicaid is available in the home state, the cost of transplantation can threaten whatever financial security a patient has. In order to qualify for Medicaid in Minnesota, for example, a patient has to pass a minimum means test. His earnings must be below the poverty level (less than $2200 a year plus $500 for each child). The lower-middle and middle-class patients would be expected to suffer most from such requirement.

The tendency for transplant centers to be concentrated in relatively few medical facilities has many important, unanticipated consequences. As in the case of the University of Minnesota, the limited number of transplant centers that exist must service many surrounding states. Yet these hospitals cannot afford to continually absorb the costs of patients from states with less liberal interpretation of Title 19. The losses from unpaid bills on the transplant service can be a severe financial strain for the hospital. Such transplant services are now being forced to reject all out-of-state applicants except those who can afford treatment.

Thus, unless national financial planning keeps pace with the available technology, patients will be denied treatment on arbitrary bases, such as their state of origin or their financial status. These geographical discrepancies are further widened by the fact that there are eight states that have set aside funds to pay for residents' transportation and dialysis expenses (Little, 1969). It appears much better to be suffering from terminal kidney disease in Illinois, than in Idaho or Wyoming, where few public funds seem available.

The goal here is not to review all the present sources of transplantation funding. Instead, it is an attempt to illustrate how technological potential has outstripped the allocation of financial resources with the result that the patients may be denied treatment for arbitrary geographical and social reasons, while hospitals, patients, and local agencies are subject to great financial strain. Most of the extent dialysis and transplantation facilities have been financed largely by federal research funds, yet it is unlikely they will be used to the equal benefit of all citizens. If financial shortages persist, kidney patients who are able to pay for treatment will have an increasing advantage. It would be an oversimplification, however, to perceive a middle-class bias on the part of physicians as the major cause of this situation. Although class bias may exist, the organizational and societal pressures will be much more powerful factors in the overselection of patients able to pay.

The concentration of new medical technologies in a few large hospital complexes appears to penalize those patients who are geographically removed from such centers. It has also been suggested that local physicians may be less likely to refer such patients and that funding is frequently more difficult to obtain for them.

Whether society can and should reallocate the large sums of money necessary to support organ transplantation, in the face of many other needs, is a question of value-priorities. A clear ordering of societal priorities has not emerged inside or outside the government; therefore, the extent to which this new technology will be supported is still problematic. In actuality, there is some conflict, both within the medical world and in the larger society over the policy of funding organ transplantation. Some physicians object to enormous sums being spent on transplantation to the jeopardy of other health needs, particularly the basic health needs and adequate nutrition of the poor (Allgower and Gruber, 1970; Fox, 1970; Norman 1969).

The low success-rate and high cost of heart transplantation has made this area particularly subject to attack both by prestigious medical leaders and the new medical left (Fox, 1970; Wright, I. S., 1969). Others argue that this society could afford to pay for all of its medical needs, if social and health problems were given a higher priority, relative to defense needs, than is now the case. The problems of funding organ transplantation must be seen in the larger context of a general scarcity of resources in medicine; a shortage of physicians, particularly outside the urban areas; rapidly rising hospital costs and patient bills; and discussion of national health insurance and reorganization of medical care.

Lags in the normative and legal system

As a result of organs transplantation, new situations have arisen both within the medical world and in the larger society for which there are no clear norms or rules. There is a gap between the technological advance and the extent formal laws and informal norms governing its application. In some cases the existing regulations and customs inhibit the full development of transplantation potential. In many areas, there is considerable uncertainly and conflict over the proper course of action.

PATIENT SELECTION

In the medical sphere the selection of patients for dialysis and transplantation demonstrates this normative uncertainty. Once the patient passes the hurdle of the referring physician and arrives at the transplant or dialysis center, he still must be accepted for treatment. In those areas where the communication gap between university and local physicians is closing faster than the resource gap the number of referred patients frequently exceeds the tolerable load. How is the crucial decision made, who will live and who will die?

Physicians have few established norms to help them decide how to reject patients for life-saving treatment (Schreiner and Maher, 1965:551). As members of the transplant team from Duke University formulated the problem:

"Thus far, the available literature has contained little more than . . . general philosophical statements regarding problems and experiences surrounding the selection of donors and recipients for renal transplantation . . . Although we believe that our own approach to the problem has been consistent with the general philosophy . . . we anticipate that some experienced physicians may not agree with the manner in which such a philosophy was applied in each patient. Indeed, in a number of situations, we found that we were often uncertain ourselves as to the correctness of our decision" (Hays and Grunnells, 1969).

One attempt to create such norms was the establishment of an anonymous lay board to select patients for the new dialysis procedure (Alexander, 1962). Such boards, designed in part to select persons whose lives have the most social value, would be expected to reject the underemployed, the worker whose job is "less important," the person who has few family ties or obligations, the man with a history of deviance of any sort (Schreiner, 1966). However, most of these boards have been discontinued letting the burden of selection fall onto the doctors themselves (Abram, 1969; Katz and Procter, 1969).

Many centers have set up "universalistic" medical criteria, i.e., standards that apply to all, regardless of social background. The aim may be to choose those patients who are expected to have the least complicated medical course, patients within certain age limits, or patients with specific disease constellations, or only patients with living related donors.

However, many programs appear to introduce less universalistic criteria into the selection process. Psychological and social variables have been stressed, it is predicted that lower-class patients will be at a disadvantage. There are many points at which a lower-class person can be blocked from treatment. As mentioned earlier, he is less likely to seek treatment. If the lower-class person does not attend a major hospital clinic but visits a local physician, he may be less likely to be referred to a transplant center, due either to the doctor's unconscious class bias or to his fear that the costs will be too great. If the patient originates from the "wrong" state, the costs may actually be too high.

In addition, once such a patient arrives at the transplant or dialysis center, his chance might be affected by the physician's unconscious bias toward more middle-class, "respectable" patients, toward patients more like the doctor himself. Hollingshead and Redlich (1958) have indicated such a middle-class bias in the psychiatrists' treatment of mentally-ill patients, as has Sudnow (1967) in the attention given by medical personnel to dying patients.

Aside from unconscious bias, certain conscious factors should reinforce the trend toward the over-selection of middle-class patients. Particularly in the choice of dialysis patients, a great emphasis has been placed on reserving treatment for patients intelligent and stable enough to cooperate with the treatment (Stickel, 1966; Livingston, March, 1970). In a survey of 87 dialysis centers, Katz and Proctor (1969) indicate that 97 percent of the centers believe willingness to cooperate with the treatment is an important criterion for selection, and 82 percent usually use intelligence as an indicator for such cooperation (Table 3). There is less agreement on the necessity for a psychiatric evaluation of the patient, or on the importance of the patient's "social worth" or his financial resources, although many centers utilize such criteria (Abram, 1968). Three-quarters of the centers regard likelihood of vocational rehabilitation to be important (Table 3). It is reasonable to assume that more highly educated middle-class patients are more likely to exhibit this high intelligence and to be seen as able to be vocationally rehabilitated.

In fact, Katz and Proctor's (1960) survey of current dialysis centers shows that 91 percent of dialysis patients are white, 45 percent have at least one year of college education (in comparison to only 18 percent of the general U.S. adult population) and 60 percent of the patients had incomes (before dialysis) at, or above, the U.S. median family income. Crane's (1969) preliminary data on heart transplantation indicate a slightly bias in the direction of middle-class patients also.

There is significant discomfort and uncertainty, however, over the use of psychological and sociological variables for selection (Abram, 1968 and 1969). Given the fact that psychiatric prediction is difficult and that uremia can cause both reversible intellectual impairment and episodic psychotic behavior, it is unclear whether the psychiatrist can predict the reaction of a severely ill patient to medical therapy accurately enough to refuse him life-saving treatment.

If the shortage of places becomes more severe as patients are increasingly referred for transplantation, such social factors might be expected to play an increasing, though controversial, role in the selection process.

SOCIETAL NORMS CONCERNING CADAVER ORGANS

The patient's opportunity to receive a transplanted organ is limited not only by the scarcity of personnel, hospital beds, and financial support. Transplantation also requires the unique resource of human organs. For the kidney transplant, a significant proportion of these will be provided by relatives. However, there is still a shortage of cadaver kidneys; patients may wait for years on dialysis. If transplantation of other organs proves successful, the need will be enormous (Ad Hoc task force, 1969; Bethesda Conference Report, 1968).

The unprecedented need for this type of resource has created another situation in which appropriate medical and social norms are lacking, and laws are absent. When can a potential donor be defined as dead? What protections are there for the powerless? What are the physician's ethical responsibilities? Under what conditions can a person donate his body? Should a family agree to donate the organs of a dying member?

It is possible that in the future, organ donation will become customary. Norms will emerge such that the family and physician of a dying patient feel a social obligation to consider this donation. At the present, a favorable attitude based seems to exist in certain population segments, from such norms might eventually develop.

A Gallup poll taken in January, 1968 indicated 70 percent of the adult American population claims to be willing to donate an organ upon death. The higher the subject's education, the more willing he was to donate. Little difference was found between members of the Catholic, Protestant, and Jewish religions. The more negative attitudes of the less educated correspond with research on the attitudes of blue collar and white collar persons toward medicine. Blue collar subjects in New York City were less knowledgeable about illness, less likely to take preventative medical precautions, less acceptant of the sick role, and more important, more skeptical about the efficacy of medical care (Rosenblatt and Suchman, 1964).

Many articles have been written detailing the ethical dangers of transplantation. One major concern has been that the poor and powerful will be exploited as donors for more advantaged citizens (Kass, 1968). Fear of undue pressure to donate and less good medical care of the dying patient has also been expressed. Whether the lower classes share this concern is not known, but the fear that one's threatened death will be met by pleasure rather than vigorous treatment by physicians has been treated humorously in the popular culture. One of the humorous buttons worn reads "Drive Carefully, Dr. Barnard is waiting."

Underlying ambivalence toward donation undoubtedly exists, along with the general positive attitudes of 70 percent of the population. Gallup has projected this 70 percent into 80 million persons, a vast source of potential donors. However, a basic positive attitude, while necessary, is not sufficient to ensure adequate donation or conveyance of potential organs to the location where needed. First of all, in a few states, an individual does not have the legal right to will his organs to medicine (Ersek, *et al.*, 1969; Sadler *et al.*, 1969). In these states, and in cases where the person has not previously expressed an opinion about donation, donation depends on the willingness of the next of kin to give the organs at a moment of grief. Since the organs of elderly patients are not useful, the death of a potential donor is almost always a sudden tragedy for the family, as in the case of a relatively young person who has become the victim of an accident. It is during this highly emotional time that the decision to donate must be made. It is probably much more difficult for the family of a dying patient to donate organs for transplantation, than for a healthy individual to will his own body parts.

The legal limitation to donating one's own body is one limitation that is being rapidly erased. In only one year, 42 states have enacted the uniform Anatomical Gift Act which allows persons to will their organs for transplantation merely by signing a wallet-sized card with two witnesses (Sadler, *et al.*, 1970; Schmeck, 1970). These cards have actually elicited considerable interest. *Modern Medicine,* a magazine which is sent to 210,000 physicians, received requests for 190,000 donor cards from physician and medical societies after an issue publicized the uniform donor card. There is a considerable difference however, in the motivation necessary to actually sign this card and that required simply to express a positive attitude on a Gallup poll. It is not known how many potential donors actually will sign the cards and carry the wallet identification necessary to inform medical personnel of their willingness.

More important, even if a number of persons carry these cards, there will still be great logistical problems in identifying such donors and in contacting a transplant center rapidly enough (Wolstenholme, 1966). The next of kin will probably still have to inform the local physicians of the dying patient's wishes, the local physicians and hospitals will have to be motivated to identify donors and to expend effort in setting the process in motion.

A more rational and rapid way to tap the potential source of organs would appear to be a widespread change in the law which would permit the state, at least in certain cases, to remove organs without family permission (Castel, 1968; Duckeminier and Sanders, 1968; Wolstenholme, 1966). Israel, France, and Sweden have had similar laws (Crosbie, 1970; Wright, I. S., 1969). In Virginia, in cases falling within his jurisdiction, the medical examiner can give permission for the use of organs for transplantation without the consent of the kin or prior consent of the individual, if there is not enough time to notify the kin, and if the family has no known objection (Pierce, 1970). Unclaimed bodies are particularly likely to be considered under this law. Although some organized resistance to extending this type of law might develop (Crosbie, 1970; Wright, I. S., 1969), the general positive attitudes toward organ donation might permit ultimate passage in many states.

Thus, advances in medical technology are constrained not only by the failure of medical communication and resources to keep pace, but also by the laws formulated in earlier situations (Castel, 1968). Other societies also are facing these legal problems. Cortesini in 1966 notes the constraint against donors created by a 1940 Italian law prohibiting removal of any organ from a living person that would permanently diminish his physical integrity (Wolstenholme, 1966).

MEDICAL NORMS CONCERNING POTENTIAL DONORS

Medical Norms Concerning Cadaver Donors—Because of the widespread ethical concern about the treatment of the dying donor, new medical norms have emerged, and most centers have drawn careful guidelines. The physicians have expressed both the overwhelming need to protect the dying patient and the obligation to the prospective recipient not to ruin unnecessarily the relevant organ. Early definitions of death, which depend on the heart's cessation, threatened to encumber transplant technology (Stickel, 1966). Under the leadership of Beecher at Harvard Medical School, new definitions of brain death have been advanced in order that the circulatory system of the body can be maintained until the time of transplantation (Moore, *et al.*, 1968; New Dimensions, 1969).

Although many physicians seem less bothered by the problem of identifying irreversible brain death than are laymen (Crosbie, 1970), there are still wide differences of opinion among doctors as to what precautions are justified and important. This is an area of great normative uncertainty (Hamburger and Crosnier, 1968; Vaux, 1969; Visscher, 1970). Some physicians do not use the electroencephalogram (EEG) routinely and some physicians believe the EEG should be flat for three or four hours; while others insist on 24 to 48 hours (Savage, 1969; Silverman, *et al.*, 1969). In some centers the heart and lung machine must be turned off after death is declared; in others, these machines are discontinued only after the organ is removed (New Dimensions, 1969; Silverman, *et al.*, 1969).

To avoid conflict of interest, it has generally been agreed that the prospective donor should be cared for by a group other than the transplant surgeons, and that the transplant team cannot be involved in the declaration of death (Merrill, 1968). The situation, however, is a more complex one than is often recognized. No one questions the fact that a donor's own chance for life must be protected, and the transplant team should not be allowed to hasten the process of death. However, should the neurologists and transplant team be allowed to consult each other before the donor's death concerning the treatment that will benefit the organ to be donated?

If the fluid balance of the patient is neglected, as occurs sometimes with hopeless patients, the patient will die with a useless kidney. Should the transplant team be allowed to question this type of inadequate therapy? Usually what is good for the kidney will be good for the patient (Stickel, 1966). Whatever the benefits, however, that might accrue to the dying donor himself, some discomfort and uncertainty has been expressed concerning the institution of any therapy designed primarily to benefit the needed organ (Stickel, 1966).

In much of the discussion of this problem, the larger context has been ignored. The question is not simply when should a perspective donor be declared dead, but how long should any apparently hopeless patient be treated by extraordinary means? Transplantation has alerted the society to an already existing problem, and this may be the reason physicians seem to be less disturbed by the issue than are outsiders who are less aware of existing practices. Patients whose brains are destroyed have routinely died in the past, not because their bodies could not be kept alive for a longer period but because extraordinary care was not instituted (Brim, 1970).

In fact, frequently the unconscious brain-damaged donor is kept alive longer, rather than less long, because of transplantation. If the hoyeless patient had not been selected as a donor, some of the extraordinary treatment would have been discontinued: (a) the respirator machine would have been turned off, (b) corrective fluids and blood transfusions would not have been used, and (c) cardiac massage would not be utilized if the heart stopped. For the cadaver donor, all of these extraordinary measures persist until brain death can be declared, sometimes prolonging the comatose "life" for two to three days.

Medical Norms Concerning Living Unrelated Donors—One method of alleviating the kidney shortage and avoiding of the cadaver problems would be to utilized unrelated volunteers. However, the lack of clear norms governing such a situation has discouraged many centers from utilizing this source.

Penal volunteers were used at one time at one center as unrelated kidney donors (Crosbie, 1970). The practice was discontinued on the grounds that "the use of penal volunteers, however equitably handled in a local situation, would inevitably lead to abuse if accepted as a reasonable precedent and applied broadly" (Starzl, 1966).

Most other centers have refrained from using unrelated living donors due to ethical considerations of this type and to the failure of such kidneys, up to now, to function any better than cadaver kidneys. However, the University of California Hospitals in San Francisco have used and studied living unrelated volunteers (Sadler, 1969). In one year three public appeals for volunteer donors generated calls from 200 persons; 22 became serious volunteers and 17 were considered to be without psychological or social problems.

Seventeen additional donors a year is not an inconsiderable number for a transplant program. However, at the moment, many transplant surgeons are unsure whether it is ethical to subject an unrelated person to a nephrectomy and the small risk of his life and health involved. Fellner and Schwartz (1970) believe that the medical profession has an undue distrust of the motives of such potential donors.

If living unrelated donors are used more widely, the issue of whether they are to be paid will become a significant one. Hamburger, President of the Transplantation Society, recently sent a letter to the French Ministry of Health urging an international convention that would forbid the purchase and sale of organs. He notes the danger of black mail, of unfair advantages of the poor and the captive, and of coercion in nations where personal liberties are not protected. However, the reaction to this letter at the First International Symposium on the Socio-Medical Aspects of Organ Tranplantation at Houston, Texas, March, 1970, indicates that this area is also one of normative uncertainty. Many strong opinions were voiced on both sides of the question. One clergyman noted that in the American culture "he who pays, gets" and indicated that no stance should be taken on this issue (also see Savage, 1969).

In contrast, other members of the Symposium noted that most transplant facilities have been heavily supported with public funds. If scarce places on these programs are filled by persons who can afford to purchase an organ, there will be even less opportunity for the poor to secure treatment, even though they have contributed to the taxes that support the program. The prices for organs are likely to involve thousands of dollars. If there is an opportunity to secure such high prices, voluntary donations of organs both from relatives and cadaver families might be expected to dry up.

The issue would be completely different if the model of blood donation were imitated, and if the government, hospital, or insurance company paid for the organ instead of the individual (Stickel, 1966). However, given the current shortage of funds to pay patients' bills and to expand transplant programs, it appears unlikely that sizeable amounts of money could be allocated to organ purchase in the near future.

Medical Norms Concerning Related Donors—There is also considerable uncertainty and controversy among physicians regarding the use of related donors. The attitude of the staff towards the ethics of donation, and the physician's own role in this area seems to vary from institution to institution. In one institution, the policy has been to discourage living donors. At that center, it is considered unethical to allow the sacrifice of a normal organ with the jeopardy of a normal life (McGeown, 1968). The danger of family "blackmail" and involuntary consent on the part of the donor have been emphasized (Brewer, 1970; United Nations, 1970).

Other centers try to restrict their patients to those with living related donors because they wish to devote the limited resources of equipment, money, and personnel to the cases that have the best prognosis. Such centers are aware of the Kidney Transplant Registry statistics (1969) showing that 81 percent of patients with sibling donors survive two years post transplant with functioning kidneys, in comparison to only 40 percent of the patients with cadaver kidneys. Still other institutions accept patients regardless of their donor source, and expend either more or less effort in obtaining a family donor. If no donor can be found, a cadaver is then used.

The Minnesota kindey transplant program falls in this category, placing great emphasis on securing related donors if possible.

In those programs where related donors are used, the transplant surgeon may find himself in a difficult position; asking a relative to donate a kidney is stressful for the doctor and virtually unparalleled in his experience. In a fundamental sense the situation is contrary to medical norms and role-expectations. *Primum non nocere*, "first of all, do no harm," is a traditional medical norm. The doctor's task is to help cure patients. Yet in this situation, he must ask a person to assume a surgical risk and to undergo a major operation with no physical benefit for himself. Although no deaths or major complications have been reported because of organ donation, and the statistical risk is small, physicians fully recognize that as more donors are used, such problems will occur. The risk of the operation to the patient's life has been calculated to be 0.05 percent and the long-term risk 0.07 percent (Hamburger and Crosnier, 1968).

While attempting to influence a potential donor, the doctor is placed in an ethical or role conflict between his obligation to the donor and his commitment to save the life of his patients. Although the dilemma has been widely discussed (Hamburger and Crosnier, 1968, Wolstonholme, 1968; Stickel, 1966), no clear norms have emerged to guide the doctor, except for the necessity of "informed consent." It is agreed that the prospective donor must be informed about the degree of risk and the inconveniences that will occur. There is no consensus, however, concerning the degree of effort a doctor should exert to secure a family donor, nor about the method he should use (Hamburger and Crosnier, 1968).

Some centers have routinized the selection procedure and institutionalized psychiatric review boards to reject any prospective donor whose ambivalence and anxiety appear too great, and whose volunteering is considered more the result of family pressure than individual desire (Hamburger and Crosnier, 1968; Stickel, 1966). In some programs, the policy has been to make it difficult for the donor to volunteer. In such programs a given member of the team tries to talk him out of donation (Pierce, 1970) or the donor is not accepted until he has asked to donate many times (Korsch, oral communication, March 1970).

The Minnesota service does not force family members to beg to donate; nor has the onus of intervention been removed from the nonpsychiatric physicians and surgeons responsible for patient care. They are the ones who must advance the idea of family donation and explain both the need and the risks.

At such a center, where a large number of both cadaver and related kidneys are transplanted, there appear to be strong structural pressures on the doctor to resolve the conflict in favor of the recipient and to press hard for a family donor. The surgeons and nephrologists are likely to have had much more contact with the patient than with the donor before any decision is made, and they expect this differential contact to persist. Because of their greater exposure to the patient, they are likely to be extremely motivated to save his life. In addition, the doctor is constantly reminded by his own experience that the recipient will do twice as well with a related kidney as with a cadaver kidney. Almost all of his patients with related kidneys do well, and more than half of the cadaver recipients return sooner or later with irreversible kidney rejection. The small risk to the donor appears less real to the physician, especially if there have been no problems on his own service.

Despite any strong bias in favor of the recipient, direct solicitation of a prospective donor can be extremely uncomfortable. The physician is conscious of the norm against exerting undue pressure but has no clear normative guidelines. What is undue pressure in a specific case? If the potential donor expresses doubts, at what point should the doctor respond by informing him he should not donate?

Merton (1957) suggests that one mechanism for resolving role-conflict is to abridge the role-set, to cut off role-relations with one of the conflicting parties. Such a mechanism has developed at this center. The role-relationship between the doctor and the potential donor has not been eliminated, but contact is kept to a minimum during the decision-making period.

This pattern, as it has emerged allows the physician to urge donation by family members, while enabling him to avoid direct confrontation with potential ambivalent donors. The doctors inform the adult potential recipient (and perhaps the spouse) of the great need to secure a biologically related donor to increase the chances of functional survival. In this way the doctors communicate the statistical urgency of the problem without applying direct pressure on the donor. This task is left to the recipient himself. This tactic appears to alleviate some of the physician's discomfort about his ethical role. However, it may place the patient in an uncomfortable position since he has to request his family to save his life. The degree of stress on the patient in this situation remains to be investigated.

However, this emergent pattern has not been formally institutionalized. Therefore, the doctors' role differs somewhat from case to case, partially due to their own uncertainty about the correct course and to situational differences. The physician may come into contact with a prospective donor who is visiting the patient, or a family may request a consultation.

If a family member consents to be a donor, the procedure followed by most centers appears to be more uniform and routinized. Blood and tissue typing will be carried out to determine compatibility with the recipient. The donor will also receive a thorough medical work-up to assure that his kidneys are normal and that his general health is adequate for donation. He will also be informed about the nature of the operative risk and discomforts. If at this time he decides he does not wish to donate, the doctors at most centers will give him a medical excuse to avoid embarrassment in facing the recipient (Hamburger and Crosnier, 1968).

According to current studies (Fellner and Marshall, 1968, 1970; Eisendrath, 1969), the family donor often experiences feelings of greater self-esteem and, in fact, may think of himself as something of a hero. If kidney donation enhances the donors self-esteem, then some of the ethical problems about the morality of taking from one individual to give to another might be less urgent. On the other hand, Simmons *et al.* (1970) indicate that the donor decision-making process is a significant stress for the families involved, and in particular for the nondonor—the relative who could donate but does not volunteer to do so. Conflict between family members is noted, although some of these conflicts appear resolved once the transplantation is successful.

ORGANIZATIONAL RESPONSES TO AMBIGUITY

The ethical and normative uncertainties raised by transplantation and donation have generated an unusual amount of organizational activity (Page, 1970; United Nations, 1970). On the national level, hearings on the issues have been held in Congress (Schmeck, 1969); Senator Walter Mondale (1968) has proposed establishing a Commission on Health, Science and Society to consider the ethical, social and financial implications of transplantation. Within the medical world international and national symposia on transplantation have been held (Bethesda Conference Report, 1968; Wolstenholme, 1966; Silverman, *et al.*, 1969), and many blue-ribbon panels have been set up to establish ethical guidelines for physicians within existing specialty organizations (Shelly, 1968; Silverman *et al.*, 1969; Wright, I. S., 1969; Corday, 1970; Frye, 1969).

The effect and efficacy of such organizationally-set guidelines is unknown. The extent to which they inhibit inadvisable procedures on the one hand, or technological advance on the other hand, remains to be investigated. Whether or not they will be institutionalized is also an open question. In general, despite all the groups which have met, most of the difficult ethical problems related to organ transplantation remain unsettled.

SUMMARY

In summary, it appears that the organization of societal and medical resources, the communication patterns between university and local physicians, the state laws, and the medical and societal norms lag behind the technological potential of transplantation. The limitation in number of transplant centers creates a special problem of moving potential patients, donors, and organs from outlying communities to these centers. The economically disadvantaged patient from such an outlying community would appear to be the one who suffers most from the shortage of facilities and resources and from the communication gaps within medicine. He is probably the least likely to receive dialysis or transplant treatment.

Some of these problems of "cultural lag" could be solved by more technological advances. Improved tissue-typing and methods of long-term storage of organs could mitigate the cadaver organ shortage and allow all organs to be put to the most efficient use. Implantable artificial organs could eliminate the entire donor problem.

In the interim, patients are being denied needed treatment because of scarce resources; and physicians are experiencing uncertainty as a result of the lack of clear norms and regulations. Whether the society can affect changes in the needed areas within a short period of time, in the face of many other compelling demands, remains to be seen. In the future, more and more expensive technological advances in medicine can be expected. Whether the society can respond effectively to these opportunities is an open question.

Table 1.—*Personnel of a Transplant Center*[1]

Director Transplantation Center (surgeon).

Administrative Assistant: (Nurse), Secretary.

Director Transplantation (surgeon): 1 surgical fellow, 1 full time resident, 2 full time interns, 2 part time surgical staff, 4 part time residents.

Director Hemodialysis (Nephrologist): 1 Assistant Director, Head nurse, 6 nurses, 3 technicians.

Nursing Service.

Head nurse: 12–16 nurses and practical nurses.

Special Laboratories.

Histocompatibility Testing: Director, 3 technicians.

Anti-Lymphocyte Globulin Manufacture and quality control: 1 physician, 3 technicians.

Assigned Consultants: Psychiatrist, Social Worker, Dietician, Pediatrician, Neurologist, Otolaryngologist, Orthopedist, Ophthalmologist.

Consultant Services: Nuclear Medicine, Diagnostic Radiology, Radiotherapy, Pharmacy. Vocational Rehabilitation, Physical Medicine, Occupational therapy, Blood Bank, Hematology, Microbiology, Laboratory Medicine.

Table 2A.—*Public Sources of Funding for Dialysis and Kidney Transplantation*

National Institute of Health Research Grants to Medical Centers.

U.S. Public Health Service Grants and Contracts to Medical Centers.

Title 19 Medicaid.

Title 18 Medicare.

Vocational Rehabilitation Program.

Regional Medical Program.

Special State Legislation for financial support of renal patients.

State Crippled Children's Services.

Public Law 89–749 (Section 314 d and e)—Support given directly to kidney disease programs.

Veterans' Administration Hospital Funds and Benefits—primarily for veterans and family.

Table adapted from Kidney Disease Services, Facilities, and Programs in the United States. Washington, D.C., United States Government Printing Office (Public Health Service Publication No. 1942, May), 1969.

Table 2B.—*Sources of Payment: For Cardiac Transplant Patients*

(36 cases)

Source of Funds*	*Amount*	*Percent*
NIH	$238.281	36.3
Private Hospital Insurance	93,873	14.3
Blue Cross-Blue Shield	49,164	7.4
Medicaid	29,476	4.4
Hospital and/or Private Philanthropy	214,993	32.6
Patient or Family	7,672	1.1
Other	25,614	3.9
Total	659,073	100.0

* The distribution of funds is based on information collected as of February, 1969.

Table adapted from: Ad hoc task force on cardiac replacement, National Heart Institute, Washington, D.C. United States Government Printing Office, 1969.

Table 3.—*Importance of Selection Criteria Used by 87 Hemodialysis Centers*

(Percent of centers believing the Criterion to be important and using such a criterion frequently.)

Medical Suitability (good prognosis with dialysis), 97.

Absence of Disabling Disease (other than that of rental origin), 95.

Age, 82.

Sex, 3.

Willingness to Cooperate in Dialysis Regimen, 96.

Intelligence (as related to understanding treatment), 82.

Psychiatric Evaluation, 55.

Social Welfare Evaluation of Patient and his Family, 44.

Patient: Judged Congenial, Likeable by Staff, 22.

Social Welfare Burden of Patient's Dependents if not Selected, 25.

Patient's Demonstrated "Social Worth", 32.

Patient's Future Social Contribution, 42.

Likelihood of Vocational Rehabilitation, 74.

Financial Resources for Patient's Treatment, 36.

Research Potential of Patient for Staff, 15.

Primacy of Application for Vacancy Available in Facility, 54.

Table adapted from A. Katz and D. Procter: "Social Psychological characteristics of patients receiving hemodialysis treatment for chronic renal failure: Report of questionnaire survey of dialysis centers and patients during 1967," Washington, D.C., United States Government Printing Office, (July), 1969.

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[From the New England Journal of Medicine, Dec. 9, 1971]

NOTES OF A BIOLOGY-WATCHER—THE TECHNOLOGY OF MEDICINE

(By Lewis Thomas, M.D.)

Technology assessment has become a routinue exercise for the scientific enterprises on which the country is obliged to spend vast sums for its needs. Brainy committees are continually evaluating the effectiveness and cost of doing various things in space, defense, energy, transportation and the like, to give advice about prudent investments for the future.

Somehow medicine, for all the 60-odd billion dollars that it is said to cost the nation, has not yet come in for much of this analytical treatment. It seems taken for granted that the technology of medicine simply exists, take it or leave it, and the only major technologic problem in which policy-makers are interested is how to deliver today's kind of health care, with equity, to all the people.

When, as is bound to happen sooner or later, the analysts get around to the technology of medicine itself, they will have to face the problem of measuring the relative cost and effectiveness of all the things that are done in the management of disease. They make their living at this kind of thing, and I wish them well, but I imagine they will have a bewildering time. For one thing, our methods of managing disease are constantly changing—partly under the influence of new bits of information brought in from all corners of biologic science. At the same time, a great many things are done that are not so closely related to science, some not related at all.

In fact, there are three quite different levels of technology in medicine, so unlike each other as to seem altogether different undertakings. Practitioners of medicine and the analysts will be in trouble if they are not kept separate.

1. First of all, there is a large body of what might be termed "nontechnology," impossible to measure in terms of its capacity to alter either the natural course of disease or its eventual outcome. A great deal of money is spent on this. It is valued highly by the professionals as well as the patients. It consists of what is sometimes called "supportive therapy." It tides patients over through diseases that are not, by and large, understood. It is what is meant by the phrases "caring for" and "standing by." It is indispensable. It is not, however, a technology in any real sense, since it does not involve measures directed at the underlying mechanism of disease.

It includes the large part of any good doctor's time that is taken up with simply providing reassurance, explaining to patients who fear that they have contracted one or another lethal disease that they are, in fact, quite healthy.

It is what physicians used to be engaged in at the bedside of patients with diphtheria, meningitis, poliomyelitis, lobar pneumonia and all the rest of the infectious diseases that have since come under control.

It is what physicians must now do for patients with intractable cancer, severe rheumatoid arthritis, multiple sclerosis, stroke and advanced cirrhosis. One can think of at least 20 major diseases that require this kind of supportive medical care because of the absence of an effective technology. I would include a large amount of what is called mental disease, and most varieties of cancer, in this category.

The cost of this nontechnology is very high, and getting higher all the time. It requires not only a great deal of time but also very hard effort and skill on the part of physicians; only the very best of doctors are good at coping with this kind of defeat. It also involves long periods of hospitalization, lots of nursing, lots of involvement of nonmedical professionals in and out of the hospital. It represents, in short, a substantial segment of today's expenditures for health.

2. At the next level up is a kind of technology best termed "halfway technology." This represents the kinds of things that must be done after the fact, in efforts to compensate for the incapacitating effects of certain diseases whose course one is unable to do very much about. It is a technology designed to make up for disease, or to postpone death.

The outstanding examples in recent years are the transplantations of hearts, kidneys, livers and other organs, and the equally spectacular inventions of artifilicial organs. In the public mind, this kind of technology has come to seem like the equivalent of the high technologies of the physical sciences. The media tend to present each new procedure as though it represented a breakthrough and therapeutic triumph, instead of the makeshift that it really is.

In fact, this level of technology is, by its nature at the same time highly sophisticated and profoundly primitive. It is the kind of thing that one must continue to do until there is a genuine understanding of the mechanisms involved in disease. In chronic glomerulonephritis, for example, a much clearer insight will be needed into the events leading to the destruction of glomeruli by the immunologic reactants that now appear to govern this disease, before one will know how to intervene intelligently to prevent the process, or turn it round. But when this level of understanding has been reached, the technology of kidney replacement will not be much needed, and should no longer pose the huge problems of logistics, cost and ethics that it poses today.

An extremely complex and costly technology for the management of coronary heart disease has evolved, involving specialized ambulance and hospital units, all kinds of electronic gadgetry and whole platoons of new professional personnel, to deal with the end results of coronary thrombosis. Almost everything offered today for the treatment of heart disease is at this level of technology, with the transplanted and artificial hearts as ultimate examples. When enough has been learned to know what really goes wrong in heart disease, one ought to be in a position to figure out ways to prevent or reverse the process, and when this happens the current elaborate technology will probably be set to one side.

Much of what is done in the treatment of cancer, by surgery, irradiation and chemotherapy, represents halfway technology, in the sense that these measures are directed at the existence of already established cancer cells, but not at the mechanisms by which cells become neoplastic.

It is a characteristic of this kind of technology that it costs an enormous amount of money and requires a continuing expansion of hospital facilities. There is no end to the need for new, highly trained people to run the enterprise. And there is really no way out of this, at the present state of knowledge. If the installation of specialized coronary-care units can result in the extension of life for only a few patients with coronary disease (and there is no question that this technology is effective in a few cases), it seems to me an inevitable fact of life that as many of these as can be will be put together, and as much money as can be found will be spent. I do not see that anyone has much choice in this. The only thing that can move medicine away from this level of technology is new information, and the only imaginable source of this information is research.

3. The third type of technology is the kind that is so effective that it seems to attract the least public notice; it has come to be taken for granted. This is the genuinely decisive technology of modern medicine, exemplified best by modern methods for immunization against diphtheria, pertussis and the chilhood virus diseases, and the contemporary use of antibiotics and chemotherapy for bacterial infections. The capacity to deal effectively with syphilis and tuberculosis represents a milestone in human endeavor, even though full use of this potential has not yet been made. And there are, of course, other examples; the treatment of endocrinologic disorders with appropriate hormones, the prevention of hemolytic disease of the newborn, the treatment and prevention of various nutritional disorders, and perhaps just around the corner the management of Parkinsonism and sickle-cell anemia. There are other examples, and everyone will have his favorite candidates for the list, but the truth is that there are nothing like as many as the public has been led to believe.

The point to be made about this kind of technology—the real high technology of medicine—is that it comes as the result of a genuine understanding of disease mechanisms, and when it becomes available, it is relatively inexpensive, relatively simple, and relatively easy to deliver.

Offhand, I cannot think of any important human disease for which medicine possesses the capacity to prevent or cure outright where the cost of the technology is itself a major problem. The price is never as high as the cost of managing the same diseases during the earlier stages of no-technology or halfway technology. If a case of typhoid fever had to be managed today by the best methods of 1935, it would run to a staggering expense. At, say, around 50 days of hospitalization, requiring the most demanding kind of nursing care, with the obsessive concern for details of diet that characterized the therapy of that time, with daily laboratory monitoring and, on occasion, surgical intervention for abdominal .catastrophe, I should think $10,000 would be a conservative estimate for the illness, as contrasted with today's cost of a bottle of chloramphenicol and a day or two of fever. The halfway technology that was evolving for poliomyelitis in the early 1950's, just before the emergence of the basic research that made the vaccine possible, provides another illustration of the point. Do you remember Sister Kenney, and the cost of these institutes for rehabilitation, with all those ceremonially applied hot fomentations, and the debates about whether the affected limbs should be totally immobilized or kept in passive motion as frequently as possible, and the masses of statistically tormented data mobilized to support one view or the other? It is the cost of that kind of technology, and its relative effectiveness, that must be compared with the cost and effectiveness of the vaccine.

Pulmonary tuberculosis had similar episodes in its history. There was a sudden enthusiasm for the surgical removal of infected lung tissue in the early 1950's, and elaborate plans were being made for new and expensive installations for major pulmonary surgery in tuberculosis hospitals, and then INH and streptomycin came along and the hospitals themselves were closed up.

It is when physicians are bogged down by their incomplete technologies, by the innumerable things they are obliged to do in medicine when they lack a clear understanding of disease mechanisms, that the deficiencies of the health-care system are most conspicuous. If I were a policy-maker, interested in saving money for health care over the long haul, I would regard it as an act of high prudence to give high priority to a lot more basic research in biologic science. This is the only way to get the full mileage that biology owes to the science of medicine, even though it seems, as used to be said in the days when the phrase still had some meaning, like asking for the moon.

[From Journal of the American Medical Association Dec. 21, 1972]

The Preservation of Human Cadaver Kidneys for Transplantation

(By Robert E. McCabe, Jr., M.D., and Hugh P. Fitzpatrick, M.D.)

(Note.—Figures and tables referred to are not printed in the Record.)

Since the institution of the first regional program in hemodialysis in 1960,[1] an increasing number of patients have been accepted for treatment throughout the United States. In the New York metropolitan area, approximately 700 patients are currently under treatment at 30 dialysis centers. Many of these patients are candidates for a renal allograft and have a relative willing and able to donate a kidney; more than 200, however, are less fortunate and are currently awaiting a cadaver transplant.

With such a large number of patients on the cadaver waiting list, it is not unusual for an individual to undergo twice-weekly hemodialysis for one to two years before a kidney becomes available. In considering mortality statistics, with more than 100,000 deaths per year in New York City, such an acute shortage of salvageable organs seemed inconsistent with the potential supply, especially when short-term kidney banking is now a clinical reality.[2-4]

Since we had proven capability in successful preservation of human kidneys,[5] and did not yet have a formal transplant program, it seemed appropriate for us to publicize the urgent need for viable organs and to alert the medical profession in the methods and results of organ procurement, preservation, and transplantation. Such a program has required centralized tissue typing, training of adequate technical staff in renal preservation to take call on a 24-hour basis, and close cooperation between multiple dialysis units and the transplant centers.

We have encouraged tissue typing of an expanding recipient pool from multiple dialysis units at the New York Blood Center on peripheral leucocytes collected from defibrinated blood by the microdroplet technique of Terasak.[6] The ABO and HL–A phenotypes are stored in a computer. After the donor's ABO and HL–A phenotypes are entered, the computer has been programmed to print out all mismatches. We have also encouraged each dialysis unit to send a monthly collected specimen of serum to the blood center for the cross match. All potential recipients with a positive cross match to a potential donor have been automatically excluded from consideration for transplantation.

The preservation system is a Belzer organ-perfusion apparatus, consisting of a membrane ozygenator, pulsatile pump, two perfusion chambers, filter, and heat exchanger. The perfusate, maintained at 8 C, consists of type-specific cryoprecipitated plasma to which penicillin, hydrocortisone, dextrose, insulin, manitol, and magnesium sulfate are added according to the method of Belzer. The pH is maintained at 7.4 by regulation of carbon dioxide flow into the membrane. All kidneys are placed on the unit at a pulse rate of 60 beats per minute and a systolic pressure of 60 mm Hg. More than 300 human kidneys have been preserved with this system for a maximum of 50 hours throughout the United States. This is adequate time to complete the tissue typing, including the cross match and to permit preoperative preparation of the recipients. Transplant operations may therefore be performed semielectively, simultaneously, in sequence, at multiple institutions.

We have elected, in this congested area, to transport the kidneys to the preservation laboratory by police car or helicopter rather than attempt to remove the preservation unit to the donor hospital, as practiced in other smaller metropolitan areas. A transport box (Fig. 2) was thus devised after the method of Terasaki and consists of a presterilized one-half gallon wide-mouth polypropylene container, two prepackaged and sterilized intestinal bags and a styrofoam box filled with ice. In this manner cold flushed kidneys can be transported in a sterile container from the donor hospital to both the preservation laboratory and to the recipient hospital. Although warm ischemic time is most critical and must be kept less than 90 minutes, cold ischemic time is far less critical and may well approximate 12 to 24 hours.[7, 8] This is adequate time for transporting kidneys over widely separated geographic areas.

When we hear of a potential kidney donation, the preservation laboratory is alerted and makes the necessary arrangements for tissue typing of the donor at the blood center usually from peripheral leukocytes but on occasion from an antigen prepared from a lymph node or from spleen or kidney biopsy in the absence of peripheral blood. The Belzer perfusate and the preservation unit are set up by the technical staff, while the harvesting surgeons supervise donor maintenance in cooperation with the staff of the donor hospital until death has been pronounced.

Special care is used during donor nephrectomy to handle the ureter gently, to preserve adequate periureteral fat, and to protect the kidney from vascular injury in case of an anomaly. In all cases attempts are made to convert a double artery or vein into a single vessel by taking a cuff of the appropriate vessel.

After harvesting, the kidneys are transported in ice to the preservation laboratory for banking and testing. If flow is less than 50 ml/min at a systolic pressure of 60 mm Hg, if pH falls, or perfusate serum glutamic loacetic transaminase or lactic dehydrogenase levels rise, preservation is considered inadequate, and the kidneys are discarded. Such pretransplant physiological evaluation of the kidneys has proven very important in allograt survival rates.[9]

During the past year, we have been fortunate enough to harvest 30 kidneys from ten different hospitals in three adjacent states (Table) through close cooperation between the astute staff at the donor hospitals and the preservation laboratory. All were patients who had sustaind irreversible brain damage from head trauma, subarachnoid hemorrhage, hypoxia with cardiac arrest, or a cerebrovascular accident. Consent for organ donation was obtained in advance of cardiac arrest from the nearest relative and from the local medical examiner when indicated. During the agonal state vigorous rehydration with blood, plasma, and saline solution was encouraged. Phenoxybenzamine hydrochloride, 100 mg., and heparin soduim, 10,000 units, were ad-

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Footnotes at end of article.

ministered before donor nephrectomy to reduce the effects of warm and cold ischemia.

Of these 30 kidneys, only 20 were deemed satisfactory for subsequent transplantation. Recipients from five different hospitals were selected primarily on the basis of tissue typing but secondarily on urgent need and duration on the waiting list. Those patients who had previously rejected a kidney from a related living donor were given special priority when other parameters were equal.

Ten kidneys were not used because there was not an appropriately matched recipient[2] or preservation was considered inadequate.[3] Of these eight, three were deemed unsuitable for transplantation because of vascular anomalies in association with poor flow on the preservation system. Of the 30 kidneys, nine had such arterial or venous anomalies, but no double ureters were encountered.

An excellent preservation resulted in nine cases, in that there was prompt function following revascularization and post transplant dialysis was not necessary; an additional eight were considered good with delayed restoration of renal function after a brief period of acute renal failure. Two were classified as fair results because of complications related either to preservation or to reimplantation and rejection. One kidney failed to function and revealed a fulminating cortical necrosis at transplant nephrectomy; one additional transplant was rejected within one month for a short-term graft survival rate of 84%. Of the 20 patients to receive transplants, three have died from long-term complications of surgery, two with a functioning allograft. Sixteen recipient, of 80%, currently have a functioning allograft, the longest for nine months. Since the period of risk in these patients is two years, it is too early to predict long-term graft survival. such a high graft-survival rate has been possible because of physiologic evaluation of graft viability while with the preservation unit, as well as improved techniques in tissue typing and recipient selection. Such excellent results also attest to the medical and surgical expertise of the recipient transplant teams.

In reviewing our first year's results we have been heartened by the unique cooperation shown by so many institutions; yet we have been equally disappointed and frustrated on numerous occasions when viable organs were lost by delay or inability to otbain consent from the nearest relative or reluctance by the responsible physician to push intravenous fluids or to declare the patient dead, even though the patient was areflexic, maintained with a respirator, and had a flat electroencephalogram.

Consequently, we have established stringent criteria for organ donation. These are the following:

(1) Consent from family and medical examiner (if indicated).

(2) No known preexisting kidney disease, hypertension, or malignancy (except for a brain tumor).

(3) Serum creatinine level less than 3 mg/100 ml on the day of death.

(4) Warm ischemic time (from cardiac arrest to removal of kidneys) less than 90 minutes.

(5) Satisfactory flow on the perfusion system without a rising perfusion pressure, falling pH, rising enzymes.

(6) An appropriate recipient selected primarily on the basis of tissue typing.

Although we have salvaged four out of ten kidneys when cardiac arrest occurred before arrival of the surgical team at the Donor Hospital, we feel the yield is not worthy of the effort and now discourage organ donations when we must await cardiac arrest. It is readily apparent that many of our medical colleagues have of necessity redefined "death" in order to provide us with viable organs. Our criteria for neurological death, namely, (1) apnea for three minutes while off respirator in presence of normal arterial Po_2 and Pco_2, (2) areflexia, including cold calorics, and (3) flat electroencephalogram at maximum gain for 24 hours, have now been widely accepted not only by most internists and neurologists in our area but by hospital administrators as well. We will not accept kidney donation from such a patient, however, until at least two internists, neurologists, or anesthesiologists have pronounced neurological or brain "death."

We also encourage optimal donor maintenance by rehydration with plasma and saline solution in order to push the central venous pressure above 10 cm of water. Because of splanchnic pooling so often associated with neurological death, 500 to 1,000 ml of plasma and 1 to 3 liters of saline solution or lactated Ringers solution may be required before there is an acceptable cardiac output. After such hydration, most potential donors can be weaned from all vasopressor substances. Urinary output can usually be maintained above 100/hr throughout the agonal state by infusing furosemide, 40 mg and manitol, 25 gm. Such donor maintenance assures us of viable organs, with good flow on the preservation system, and a postransplant operative course free of acute renal failure that might mask an unsuspected rejection crisis.

Most internists have one or more patients in their practices with terminal renal disease. They are vaguely aware of the potentials of cadaver transplantation and are showing increasing interest in organ procurement, as is the general public. It is these dedicated physicians, with a vested interest in their patient's welfare, who have provided us most contacts for organ donation. To provide kidneys to the large number of people now awaiting a transplant is time consuming to any busy practitioner. There is no question, however, that the rewards justify the effort. To ask for an autopsy is expected; to ask for organ donation, which is a "sterile autopsy," should be an equal customary procedure, accepted by public and physicians alike in the active promotion of medical science. In view of current techniques in organ procurement and immunosuppressive therapy we feel it is more humane and far more economic to provide these many patients a cadaver transplant rather than maintain them with long-term hemodialysis.

Although the acute shortage of salvageable organs persists, we have established workable methods and procedures during the first year of our program, have made valuable contacts with multiple institutions, and have succeeded in promoting a cooperative effort in organ procurement on a regional basis. As a result of our initial experience, we anticipate and are encouraging a regional approach to organ procurement coordinated through the New York Blood Center and sponsored by the New York Metropolitan Regional Medical Program. By broader utilization of existing facilities, and with widespread community and professional support, an increasing number of kidneys are being made available to the organ pool. In the near future we consequently anticipate a substantial reduction in the duration a dialysis patient must await a cadaver transplant.

NONPROPRIETARY AND TRADE NAMES OF DRUGS

Phenoxybenzamine hydrochloride—*Dibenzyline*.

Furosemide—*Lasix*.

Dr. Albert Rubin, Rogosin Laboratories, New York Cornell Medical Center, and Dr. Marilena Fotino, Director of the Leucocyte Laboratory of the New York Blood Center, cooperated in this program.

FOOTNOTES

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[3] Kiser WS, Magnuson MO, McLaughlin TC, et al: Preservation of human cadaver kidneys for transplantation. *J Urol* 105: 779–783, 1971.

[4] Tenaka N. Stevens LE, Teraski PI: Storage and Transport of 83 human kidneys by simple hypothermia. *Transplantation*, to be published.

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[8] Eilert JB, Eggert DE, Deriacki DJ, et al: Kidney graft storage after surface cooling. *Arch Surg* 102:197–198, 1971.

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[From the New York Times, Nov. 12, 1972]

IMMUNOLOGY THE KEY TO A TRANSPLANT ERA

(By Harold M. Schmeck Jr.)

WASHINGTON, Nov. 11.—They are as various as humanity itself, but they all have something desperately important in common. They are all living on time borrowed with living tissues from someone else.

These are the several thousand men, women and children whose lives have been saved, at least for the time being, by transplantation.

They are all beneficiaries of a rapidly advancing realm of science that is crucial to many aspects of human health—immunology, the study of the body's natural reactions to almost everything from poison ivy to cancer.

Immunology, in fact, determines the success or failure of a transplant. Whether the new organ is a heart, liver or kidney, the body's normal internal defenses respond by attacking and destroying it because the body sees the transplant as foreign.

This assault is the work of specialized cells and substances whose roles are only now coming to be understood. The assault is implacable and deadly to the foreign tissues.

Indeed, there have been many failures. Transplants are successful only because doctors have found ways to call a trust with the immunological defenses. But the truce is imperfect and often just temporary. And today research workers are trying to establish a lasting solution.

Transplant patients and immunology are of particular interest right now for reasons scientific, political and economic.

Changes in the Social Security law signed recently by President Nixon give Medicare coverage to workers of any age, or their dependents, who require kidney transplants or regular treatment by artificial kidney machine. The changes become effective next July.

Late in the last session of Congress Senator Wlater F. Mondale, Democrat of Minnesota, introduced a separate bill to aid kidney patients. He plans to introduce it again next year.

All this is expected to increase the number of transplants that are performed, and the number is already large. An international registry maintained jointly by the American College of Surgeons and the National Institutes of Health shows that more than 11,000 kidneys have been transplanted altogether. Of these, 4,500—nearly half of the total ever transplanted—are functioning today and keeping their recipients alive.

SOME DRAMATIC SUCCESSES

Considering that these figures include the early days of transplantation, when the normal expectation was failure, current totals are impressive.

The transplant numbers for other organs are far smaller, but include some dramatic successes such as the four heart transplant patients who are now entering the fifth year of borrowed life and the five liver transplant patients who have passed the one-year mark.

All of these represent partial triumphs over the immunological defense system and evidence that lives can be saved long before the last scientific word is written on the subject.

The purely surgical problems of transplantation were solved long ago. The remaining great barrier is immunological.

Although immunosuppressive drugs have made modern transplantation possible, some experts believe that these chemicals cannot carry progress much further. Scientists are searching for ways of making the body tolerate a transplant without drugs and for better ways of matching the recipient with the best potential donor.

Specific tolerance, the holy grail of the transplantation immunologist, is a state in which the person who has received a new organ such as a heart or a kidney would simply accept it as "self" and not be forever imperiled by the threat of rejection.

This has been achieved experimentally in animals, but not—at least not intentionally—in man. Indeed, the very concept of immunological tolerance has come under debate in recent months.

CHALLENGE TO CLASSIC VIEW

"There is occurring a radical restructuring of our understanding of immunological tolerance," said a recent report from the National Institute of Allergy and Infectious Diseases, a major sponsor of immunology research.

The classic view is that the "tolerant" individual simply does not have the capacity to recognize the specific transplanted tissue as foreign. More recently, evidence has been found to suggest that the tolerant body still has immunologically active cells that could attack the foreign tissue but that they are prevented from doing so by an active blocking mechanism.

This issue is still unsettled. Evidence supporting each concept was presented this fall at the Fourth International Congress of the Transplantation Society.

Experts at that meeting said it was likely that both concepts were right in a sense—that unresponsiveness in the classic sense could exist under some circumstances and that blocking of the immunological attack might protect a transplant in others.

Dr. Paul Russell of Harvard Medical School, president of the Transplantation Society, sees evidence in patients he and his colleagues have studied that suggests tolerance is a rational goal. Repeated tests of long-term kidney transplant survivors show that some of them become less and less reactive to their transplants with the passage of time, he said.

What relation these cases bear to true tolerance in the classic sense is unclear, but they offer hope through the implication that something that occurs naturally might, in the future, be achieved by design.

RESPONSE TO REPEATED TRANSPLANTS

A report just published by scientists at the University of California at Los Angeles runs counter to classic theory in a related matter involving the response of the body to repeated transplants.

The scientists, Drs. Gerhard Opelz, Max R. Mickey and Paul I. Terasaki, studied the data from several hundred cases in the United States and abroad in which patients received second kidney transplants after first ones had been rejected. Classical theory, they noted, would have predicted rejection of the second kidney at least as rapidly and probably more rapidly than the first.

In fact, however, there was one group of patients whose second transplants survived significantly longer than the first. They were individuals whose first transplants were rejected slowly over the course of several months.

The doctors concluded that these patients' immunologic rejections to the first transplant were somehow conditioning their bodies to be more receptive to the second.

One obvious implication is that if this was indeed happening and if the mechanism could be thoroughly understood it might be possible to do it on purpose for the patients' benefit. Even if that did not prove practical. the ability to predict which patients would or would not react in this way would be valuable.

One major thrust in transplantation research during the last decade has been the effort to define human solid tissue types in a way analogous to blood types. Other means of matching the tissues of donors and recipients have also been sought to minimize the rejection problem.

The ideal case is a transplant from one of a pair of identical twins to the other. Their tissues are genetically the same. There is no immunologic barrier between them.

INITIAL SUCCESSES IN 1954

In fact kidney transplants from twin to twin, starting in 1954, gave the field the initial successes on which everything since has rested.

But transplantation would have remained a curiosity of no real medical importance if it had not been possible to expand its usefulness beyond identical twins. Hence the interest in immunosuppressive drugs and ways of typing and matching tissues.

The typing system most widely used today has been developed over a period of almost a decade through the contributions of many scientists here and abroad. It is called the HL-A system, a designation some scientists say derives from the words "Human Leukocyte-A." Leukocytes are white blood cells, and they are thought to have all the markers of tissue type that are found in solid tissues.

HL-A typing is done by a series of blood tests, but the system has proved to be far more complex than the universally used ABO system of red blood cell types.

After all the time and internatiional effort devoted to the system, it still appears to have some major limitations and there is considerable debate over its usefulness in predicting the success of a transplant between two unrelated persons.

Dr. Jean Dausset of the University of Paris, a major figure in European tissue typing and a principal pioneer in developing the system, says it is of value in the light of his considerable experience. His data show that the better the match in tissue type the better the chance of success.

But data from Dr. Terasaki's laboratory at U.C.L.A., where most tissue typing in the United States is done, tells a different story.

He says there is a strong correlation when donor and recipient are close relatives. A perfect or nearly perfect match almost always predicts success.

But among unrelated persons he finds little or no correlation. A good match in tissue types does not necessarily predict a good result, nor a bad match a poor one.

There is no obvious explanation for the fact that Dr. Dausset's reports of kidney transplantation in Europe give the HL-A system higher marks than does Dr. Terasaki's data in the United States. But even many of those who believe the system will ultimately prove sufficient concede that it is not so at present. Some believe the HL-A system will prove to be only the tip of the immunologic iceberg.

Dr. Fritz H. Bach, his wife Marilyn and their colleagues at University of Wisconsin think HL-A typing misses some important things for reasons to be found in recently discovered details concerning the immunological defense system.

Their studies, in carefully inbred strains of mice, suggest that two main classes of immunologically active cells "see" things in somewhat different ways.

The two classes are called B cells (for bone marrow) and T cells (because they are influenced by the thymus gland). The B cells are the precursors of antibodies. These are proteins that seek out and interact with specific foreign substances in the blood and therefore would detect the tissue type markers that are detectable through the blood tests used in the HL-A system.

But the T cells, too, are key factors in the immunological defenses and can set in motion a chain of events capable of destroying transplanted tissue. If their "view" of things is not represented in the current blood tests, this would leave important gaps in the tissue profile that the typing tests reveal.

These gaps are presumably not so important in matching two closely related persons. Tissue types are determined by heredity. It seems reasonable to expect that, in a brother and sister who are perfect HL-A matches, the unknown factors also match because they are carried along in the heredity process. In unrelated persons there is no necessary reason why this should happen.

BONE MARROW TRANSPLANTS

Evidence that there is, indeed a difference between the significance of perfect matches in siblings—brother or sister—and in the nonrelated pairs comes from a field of transplantation that is considered particularly important today. This is bone marrow transplantation—in a sense the ultimate transplant, because bone marrow is the key immunologic tissue.

A group led by Dr. E. Donnall Thomas at the University of Washington, Seattle, has achieved some remarkable successes recently with bone marrow transplants in which the donor-recipient pairs were siblings who matched perfectly in terms of both the HL-A system and another widely used test called the mixed leukocyte culture test.

But, as the group reported to the Transplantation Society a few weeks ago, there were failures even in these seemingly perfectly matched pairs. Furthermore, Dr. Thomas said during a recent interview that he knows of no case in which a bone marrow transplant was successful when the match was less than perfect.

In most persons other than identical twins a bone marrow transplant is an all-or-nothing situation because failure of a marrow transplant means death of the patient.

Such a patient may die because he lacks functioning bone marrow, key tissue in blood formation and immunological competence. He may also die because the grafted marrow, being immunologically active itself, will react against the recipient—its new host—if there is a discrepancy in tissue characteristics. This is called graft versus Host disease.

In the Seattle group's latest reported series of eight patients treated with bone marrow transplants for a deadly condition called aplastic anemia, one died because the engrafted marrow was rejected; one died a few hours after the transplant because of a severe infection that had sent him into shock four hours before he received the new marrow, and two died of graft versus Host disease, even though donor and recipient were perfectly matched according to tests available today.

Clearly, the matching is less than perfect.

The hopeful part of the story, however, concerns the four other patients tested in Seattle. They are all alive and appear to be out of danger so far as their fatal disease is concerned. Two are well into their second year. One is about to pass the first anniversary of his transplant and the fourth has passed six months. While there is no guarantee of permanent success, the crucial period is thought to be the first 100 days and all four are well beyond this.

The anemia for which they were treated involved complete failure of native marrow function, a disaster that virtually halts the patient's production of blood. The usual end result is death from hemorrhage or infection.

Dr. Thomas said patients with marrow failure as complete as these almost never recover. This leaves marrow transplantation as the only hope, but he knows of no successes elsewhere to match these four.

Marrow transplantation is particularly important because in theory it could be used to treat a broad spectrum of grave illnesses and inborn defects. For medical scientists it seems likely to teach many lessons concerning immunology as well as important disease states.

The scientist from Seattle believes part of the problem for the marrow transplant patients is that most of them have received blood transfusions during the course of their treatment before a transplant was considered. He believes this may sensitize the patient and make a successful transplant more difficult.

TYPING OF PATIENTS SOUGHT

Several of the pioneers in the field of marrow grafting, including the Seattle group and a team on the East Coast led by Dr. George Santos of Johns Hopkins University, are trying to persuade doctors to have potential bone marrow recipients typed and classified in advance to see whether a suitably matched brother or sister is available.

For those to whom this last-ditch form of treatment seems both possible and warranted the strategy is to minimize blood transfusion whenever possible in the hope of giving a future marrow transplant a better chance.

Almost by definition these are all desperately sick people. There is no time to be lost. Hence the need for typing and matching in advance.

With roughly the last two years, the Seattle group has identified 26 patients who might have benefited from marrow transplantation but who died before it could be done. One of the most recent was a boy in New York City who was in the last stages of aplastic anemia in September.

The typing and matching had been done. The donor was available. They were scheduled to fly to Seattle on a Friday. On Thursday night, only hours before they were to leave, the boy suffered a brain hemorrhage and died.

Aplastic anemia is by no means the only reason for which marrow transplantation has been attempted in man. Almost a decade ago, Dr. George Mathé of Hospital Paul Brousse near Paris obtained encouraging results in one patient using bone marrow transplanation against acute leukemia. The doctor also is reportedly doing marrow transplants for aplastic anemia with some good responses.

Leukemia is a cancer of the blood-forming tissues, of which bone marrow is the most important. It would seem a likely candidate for this kind of treatment and several medical teams have tried it.

Unfortunately there have been many cases in which the leukemia has recurred after the transplant. In two and possibly three treated by the Seattle group, the leukemia has appeared in the transplanted marrow itself weeks or months after the transplant.

Altogether, according to a report to a meeting of the International Society for Experimental Hematology in Milwaukee earlier this fall, there have probably been about 500 attempts to transplant bone marrow throughout the world.

Dr. Mortimer M. Bortin of Mount Sinai Hospital, Milwaukee, said the largest number of documented cases had been attempts to treat leukemia.

To date some of the most heartening successes have come in treating children born with serious defects in their own immunological defense systems.

Some of these children have been almost totally naked of any such defenses and therefore have been prey to terrible infection and early death from causes that would leave a normal person unmarked. In others the defects have been more circumscribed but still deadly.

The two classic cases were two little boys given marrow transplants in 1968, one by a team at the University of Minnesota led by Dr. Robert A. Good and the other by Dr. Bach and his colleagues at the University of Wisconsin.

For the first time, genetically determined inborn errors of metalbolism have been fully corrected by a process of cellular engineering." Dr. Good said several years later in a report that covered these cases.

Now, four years after the transplants, the two boys are still healthy and are doing well in grade school, one in Connecticut and the other in upstate New York.

EIGHT OF 14 SINCE 1968 SURVIVE

The transplant registry estimates there have been at least 14 marrow grafts to correct immune deficiency from 1968 through early this year and eight of these are surviving more than a year after the operation. There have been 11 additional cases in which the grafts themselves did not take.

Among recent animal experiments that illustrate the ultimate potential promise of bone marrow transplantation are a series done in collaboration by a group at New York University led by Dr. Felix T. Rapaport and one at Mary Imogene Bassett Hospital in Cooperstown, N.Y., led by Dr. J. W. Ferrebee.

They have worked with a colony of beagle dogs maintained for many years at the hospital. Through careful analysis, the tissue types of these dogs have been worked out far more thoroughly than has been possible to date in man.

By choosing pairs that match perfectly—some littermates, other not—the scientists have achieved 17 consecutive successful marrow transplants. Furthermore, once the bone marrow transplants were functioning, the animals also proved tolerant to kidney transplants from the same donors.

Experience to date with all kinds of transplants in man at centers in many countries show that lives can be saved without waiting for the final word to be written on the subject of transplantation immunology. Yet these is also evidence that the long-range results are best at those centers where the immunological barriers are taken most seriously.

Dr. Norman Shumway's heart transplant team at Stanford University, for example, is responsible for more than half of the heart transplant patients who survive today. Sir Michael F. A. Woodruff of Edinburgh, an internationally known figure in transplantation and president-elect of the Transplantation Society, remarked recently that he thought a large measure of the Stanford group's success could be attributed to their concern for the patient's immunological problems.

By Mr. PACKWOOD (for himself, Mr. Brock, Mr. Curtis, Mr. Dominick, Mr. Fannin, Mr. Fong, Mr. Goldwater, Mr. Hansen, Mr. Hruska, Mr. McClellan, Mr. Thurmond, and Mr. Tower):

S. 1003. A bill to provide more effective means for protecting the public interest in emergency disputes involving the transportation industry, and for other purposes. Referred to the Committee on Labor and Public Welfare.

TRANSPORTATION CRISIS PREVENTION ACT

Mr. PACKWOOD. Mr. President, I send to the desk for appropriate reference the Transportation Crisis Prevention Act of 1973, on behalf of myself and Senators Brock, Curtis, Dominick, Fannin, Fong, Goldwater, Hansen, Hruska, McClellan, Thurmond, and Tower.

Mr. President, 1 year ago this month, this great body came within three votes of endorsing permanent mechanisms to deal with crippling emergency labor disputes in the transportation industries. On February 8, 1972, through action I initiated, Senators were given their first opportunity to register their views and their votes on this vital issue.

Our debate on that day, however, was conducted in a mood of crisis. A nationwide port shutdown was threatened; a strike was already in progress on the west coast and was being averted elsewhere only through Taft-Hartley 80-day cooling-off injunctions. Immediate action was needed to meet that threat. Ad hoc crisis legislation was presented and many of my colleagues were understandably reluctant to amend that legislation in the substantial way I proposed without a more extended opportunity for debate.

Thus, this body did on February 8 what it had done so many times in the past decade, and what it did so hastily again 2 weeks ago, just hours into a Northwest rail shutdown. Congress approved ad hoc emergency legislation to end a critical transportation tie up. Consideration of permanent remedies to take Congress out of the arbitration business was once again postponed. Mr. President, I ask unanimous consent to include at this point in the Record a summary of emergency intervention legislation enacted by Congress during the last 10 years to deal with critical transportation labor disputes.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Ad Hoc Congressional Legislation To Prevent or End Transportation Strikes Since the End of World War II

During the post-World War II period, ten special laws have been enacted to prevent or end threatened or actual strikes in the transportation industries. The ten laws involved seven separate disputes, six in the railroad industry and one in longshoring. The first statute, in 1963, dealt with a railroad dispute on fireman manning and other work rules, which led to a strike in 1964 anyway. The legislative action in 1963 marked the first time since 1916, and the first time under the Railway Labor Act, that the Congress imposed a statutory settlement for a rail dispute. Three of the ten ad hoc laws were passed in 1967, to prevent a nationwide rail strike by six shopcraft unions. Another three of the statutes were enacted in 1970, two of them again involving rail shopcraft unions. The eighth instance of special federal legislation occurred in 1971, to prohibit a strike or lockout in a dispute involving railway signalmen. The ninth ad hoc enactment, passed in February 1972, dealt with a protracted West Coast dock dispute. The most recent emergency law, in February 1973, ended an hours-old strike of commuter and freight rail lines in the Northeast.

The following chronology summarizes the background and provisions of the ten ad hoc statutes. It is noteworthy that six of the ten laws were passed in the last three years.

1. Public Law 88–108, approved August 28, 1963 (77 Stat. 132). Established a seven-member arbitration board to make a decision binding on both parties (Class I railroads and five operating brotherhoods) with respect to (1) use of firemen on diesel locomotives, and (2) the size of road and yard crews. These were the two primary issues in dispute. Directed the parties to immediately resume collective bargaining on all other (secondary) issues not covered by the arbitration provision. This dispute, began in 1959, progressed for several years without settlement through procedures within the Railway Labor Act and then outside the Act.

This law prevented a threatened nationwide railroad strike scheduled to begin at 12:01 a.m., August 29, 1963. The action marked the first time since 1916 that the Congress imposed an ad hoc legislative settlement for a rail dispute.

The parties failed to reach agreement on the secondary issues which Public Law 88–108 did not settle by arbitration. A two-day strike resulted, on April 8 and 9, 1964, involving the Illinois Central Railroad and 5,000 members of four operating brotherhoods (engineers, firemen and enginemen, conductors and brakemen, and trainmen). The strike was terminated through intervention of the U.S. Secretary of Labor. An agreement reached through the mediation efforts of a government-appointed panel was tentatively approved April 22, 1964, and signed by the parties June 25, 1964.

2. Public Law 90–10, approved April 12, 1967 (81 Stat. 12). Delayed for 20 days (until May 3, 1967) a nationwide rail strike scheduled for April 13, 1967, by six shopcraft unions against most of the nation's major rail lines, accounting for over 95 percent of total rail mileage in the United States. The unions were the boiler makers, machinists, sheet metal workers, electrical workers, railway carmen, and firemen and oilers. The issue in dispute was wages. Recommendations of Emergency Board No. 169 had been rejected by the unions and all other procedures under the Railway Labor Act had been exhausted.

During the 20-day delay period, the President appointed a three-member special mediation panel which reported to the President April 22, 1967. The report included a mediation proposal for disposition of the dispute, but this recommendation failed to effect a settlement.

3. Public Law 90–13, approved May 2, 1967 (81 Stat. 13). Delayed for an additional 47 days, until June 19, 1967, a threatened nationwide strike by the same six shopcraft unions against most of the nation's Class I carriers, with the understanding that President Johnson would offer a plan to settle the controversy "within a few days."

On May 4, 1967, the President in a message to Congress recommended special legislation to resolve this dispute and the brotherhoods agreed to withhold unilateral action for a reasonable period of time. When it appeared that enactment of legislation might be delayed, the brotherhoods on July 11, 1967 withdrew their commitment against unilateral action, effective July 15.

4. Public Law 90–54, approved July 17, 1967 (81 Stat. 122). Ended a two-day series of sporadic work stoppages on July 16–17, 1967, affecting various carriers throughout the nation. The striking organizations were the six shopcraft unions involved in the impasse which occasioned enactment of Public Laws 90–10 and 90–13 (items 2 and 3 above). This was the first nationwide rail strike since 1946.

Public Law 90-54 also provided a procedure for final disposition of the dispute by a five-member Special Board, which issued its report and determination on September 15, 1967. The Special Board's determination was not modified by the parties in subsequent conferences and became effective October 16, 1967.

5. Public Law 90–203, approved March 4, 1970. Enacted to prevent a nationwide rail strike scheduled to start at midnight March 3, 1970, in a dispute between carriers represented by the National Railway Labor Conference and four shopcraft unions (machinists, electricians, boiler makers, and sheet metal workers). Prohibited strike or lockout for 37 days, until April 11, 1970.

This dispute already had caused a one-day strike on January 30, 1970 by 48,000 members of the four shopcraft unions against the Union Pacific Railroad. On the day of the strike the Class I rail carriers announced a national lockout. A temporary restraining order was then issued by the U.S. District Court for the District of Columbia, prohibiting both the nationwide lockout and the strike against Union Pacific.

Issues in the dispute were wages and work rules. Contract negotiations had begun in November 1968. Emergency Board No. 176 had been unable to resolve the dispute.

6. Public Law 91–226, approved April 9, 1970. Provided a settlement for the labor dispute between the carriers and the four shopcraft unions indicated above, in item 5. Established as the contract the terms of a memorandum of understanding, dated December 4, 1969, agreed to by all negotiators for the disputant parties, although subsequently ratified by the general membership of only three of the four unions involved. Failure to ratify by the fourth union, the sheet metal workrs, had prevented the memorandum of understanding from going into effect.

7. Public Law 91–541, approved December 10, 1970. Extended until March 1, 1971, a prohibition against strike or lockout in a dispute between Class I carriers and four rail unions (operating employees, except engineers; railway clerks; dining car employees; and maintenance of way employees). Provided a 5 percent pay increase for the employees involved, retroactive to January 1, 1970, and a 32-cent hourly increase (approximately 8½ percent) retroactive to November 1, 1970.

This legislation ended a one-day nationwide walkout of 400,000 rail employees in December 10, the third nationwide rail strike since the close of World War II; the other such strikes occurred in 1946 and 1967.

Issues in this dispute were wages and work rules. The dispute had resulted in an earlier one-day strike, on September 15, 1970, which was halted by temporary restraining order of the U.S. District Court for the District of Columbia. President Nixon at that time appointed Emergency Board No. 178. The Board issued its report and recommendations on November 9, 1970. The carriers accepted the Board's recommendations but the brotherhoods rejected them. The brotherhoods subsequently struck on December 10, upon completion of the 30-day statutory "cooling off" period after issuance of the Board's report.

Three of the four unions settled with the carriers in February 1971. The fourth brotherhood, the United Transportation Union, did not settle until after a selective strike of 10 railroads during July and August 1971; this strike ended August 3.

8. Public Law 92–17, approved May 8, 1971. This legislation halted a two-day nationwide strike, May 17 and 18, 1971, precipitated by a walkout of 10,000 railway signalmen (mechanics working with electrical and electronic devices). This was the fourth nationwide rail strike since the end of the second World War, the earlier such strikes occurring in 1946, 1967, and December 1970.

Public Law 92–17 prohibited strike or lockout until October 1, 1971. It provided for a pay increase of about 13½ percent for the employees in the dispute (5 percent retroactive to January 1, 1970, and 30 cents an hour—approximately 8½ percent—retroactive to November 1, 1970).

The issue in this dispute was wages. Procedures under the Railway Labor Act were exhausted after Emergency Board No. 179 issued its report and recommendations on April 14, 1971, and the 30-day "cooling off" period thereafter had expired on May 14. The carriers accepted the Board's recommendations but the union (Brotherhood of Railroad Signalmen) rejected them. The union struck at 6:01 a.m. local time on May 17.

The dispute was settled with ratification by members of the union on November 24, 1971 of a contract providing for a 46 percent wage increase over a 42-month period, subject to approval by the Pay Board. The contract followed the pattern of wage increases negotiated by other rail unions in 1971, plus a 4 percent skill differential.

9. Public Law 92–235, approved February 21, 1972 (86 Stat. 40). This ad hoc law, the only one of the ten special strike-related pieces of legislation enacted since the end of World War II which did not deal with a rail impasse, would have ended a dispute on the West Coast docks through abritration, failing prior settlement. President Nixon signed the measure "as a symbolic gesture" since the dispute had been resolved by the parties two days earlier, on February 19. Labor Secretary J. D. Hodgson said that the legislation would be needed in the event that the West Coast longshoremen resumed their earlier strike. A renewal of the walkout was possible since ILWU President Harry Bridges said his union had agreed with the East Coast International Longshoremen's Association to strike simultaneously if the terms of either settlement were reduced by the Pay Board.

The February 19 agreement ended the longest port strike in the Nation's history. It began July 1, 1971, ended October 6 under an 80-day Taft-Hartley injunction, and resumed January 17, 1972. The 18-month agreement between members of the International Longshoremen's and Warehousemen's Union and the Pacific Maritime Association covered 13,000 longshoremen at 24 West Coast ports. Issues in the tie-up included wages, guaranteed annual income, and also a jurisdictional dispute between the ILWU and the Teamsters Union over loading cargo containers in off-dock warehouses and freight stations.

10. S.J. Res. 59, approved February 9, 1973. This law ended a 1½ day strike of the Penn Central Railroad by the United Transportation Union (UTU), which began at 12:01 a.m. (EST) on February 8. By midday of February 9, the 28,000 striking members of the UTU had returned to work and the Penn Central was back to "full and normal operation" of freight and passenger service. The struck facilities, which represent the nation's largest rail system, consist of over 20,000 miles of track in 16 States comprising the northeast quarter of the U.S. as well as two provinces in Canada, and carry an estimated 20 percent of all freight traffic in the United States.

The dispute concerned work rules, specifically, the size and composition of train crews. The dispute was initiated when the carrier, administered by trustees under Section 77 of the Federal Bankruptcy Act, attempted to eliminate by attrition some 5,700 trainmen jobs by reducing the size of its train crews from three (conductor and two brakemen) to two (conductor and brakeman). In June 1971 the carrier served notice on the UTU, pursuant to Section 6 of the Railway Labor Act, of this intent, and the two parties began negotiations on the issue (called the "crew consist" issue). All procedures under the Railway Labor Act, including the creation of an emergency board, No. 180, were exhausted without effecting a settlement. The strike erupted when the carrier attempted to promulgate its program of reducing train crews from three to two trainmen.

S.J. Res. 59 extends for 90 days, until May 9, 1973, the period for negotiations with respect to the dispute. Strikes, lockouts, and unilateral work-rule changes are prohibited during the 90-day interval. S.J. Res. 59 requires the Secretary of Transportation to submit to the Congress, not later than 45 days after the law's enactment, a report providing a comprehensive plan for the preservation of essential rail transportation services in the Northeast sector of the nation. The statute also provides that, not later than 30 days prior to its expiration on May 9, the Secretary of Labor shall submit to the Congress a full and comprehensive report containing the progress, if any, of negotiations between the parties, and any recommendations for solution of the dispute that he may deem appropriate.

Source: Economics Division, Congressional Research Service.

Mr. PACKWOOD. Our most recent emergency behind us, Mr. President, we now have the opportunity for an extended debate—an opportunity to look at the permanent remedies I am proposing in detail, in an atmosphere of deliberation rather than haste, and without the threat of crisis hanging over our heads.

Or should I say, without the threat of imminent crisis hanging over our heads. All Senators are no doubt aware that the west coast longshore contract, the nationwide teamsters contract, and virtually all major railroad contracts expire simultaneously on July 1. This leaves the potential of a nationwide rail and trucking shutdown, along with the possibility of closed west coast ports—all on July 1.

Mr. President, the paralysis which would result from simultaneous tieups in these industries is difficult to comprehend. With 4 more months in which to act on this vitally necessary permanent legislation, let us face our responsibilities squarely, and get on with the task. Come July 1, the public will be long tired of the excuse that we have not had the time to do the job properly.

I ask unanimous consent to have the text of the Transportation Crisis Prevention Act, along with a section-by-section analysis of the bill, printed immediately following my remarks.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 1003

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Transportation Crisis Prevention Act of 1973".

CONGRESSIONAL FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds—

(1) that free collective bargaining continues to be the best and most effective system for resolving labor-management disputes consistent with a free society, and must be preserved and strengthened;

(2) that present procedures for dealing with national emergency disputes in the transportation industries tend to encourage resort to governmental intervention rather than utilization of the collective bargaining process to resolve them;

(3) that present procedures for dealing with disputes in the transportation industries, in general, have proven insufficient to prevent serious disruptions of transportation services.

(b) The Congress declares it to be the purpose and policy, through the exercise by Congress of its powers to regulate commerce among the several States and with foreign nations and to provide for the general welfare, to encourage collective bargaining and to assure so far as possible that no strike or lockout in a transportation industry or a substantial part thereof will imperil the national health, safety, or economy, or the health, safety, or economy of a substantial sector of the Nation—

(1) by providing a single set of procedures for dealing with emergency disputes in the transportation industries;

(2) by establishing procedures which will encourage the parties to make effective use of various private collective bargaining techniques to resolve disputes;

(3) by establishing procedures which will both protect the public interest and recognize the interests of the parties involved in the disputes;

(4) by providing the President with appropriate means for dealing with transportation emergency disputes;

(5) by amending the Railway Labor Act to lessen reliance upon governmental machinery or intervention for adjusting grievances and for collective bargaining in the railroad and airline industries;

(6) by establishing a special commission to study free collective bargaining in this country, including industries particularly vulnerable to emergency disputes, and make appropriate recommendations to preserve and strengthen free collective bargaining in American industry; and

(7) by making other appropriate changes in the labor-relations laws affecting transportation.

TITLE I—AMENDMENTS TO THE LABOR-MANAGEMENT RELATIONS ACT, 1947, RELATING TO EMERGENCY DISPUTES IN THE TRANSPORTATION INDUSTRY

Sec. 101. (a) Title II of the Labor-Management Relations Act, 1947, is redesignated as title II, part A.

(b)(1) Section 206 is amended to read as follows:

"Sec. 206. Whenever in the opinion of the President of the United States, a threatened or actual strike or lockout affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, will, if permitted to occur or to continue, imperil the national health, safety or economy, or, when the strike or lockout is in an industry subject to part B of this title, imperil the health, safety or economy of a substantial sector of the Nation, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendations. The President shall file a copy of such report with the Service and shall make its contents available to the public."

(2) Section 208(a) is amended to read as follows:

"Sec. 208. (a) Upon receiving a report from a board of inquiry, the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lockout or the continuing thereof and if the court finds that such threatened or actual strike or lockout—

"(1) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations or engaged in the production of goods for commerce; and

"(2) if permitted to occur or to continue, will (i) imperil the national health, safety or economy, or (ii), when the strike or lockout is in an industry subject to part B of this title, imperil the health, safety or economy of a substantial sector of the Nation—

it shall have jurisdiction to enjoin any such strike or lockout, or the continuing thereof, and to make such other orders as may be appropriate: *Provided,* That when such petition is sought to enjoin a strike or lockout in an industry subject to part B of this title it shall be heard and determined by a three-judge district court in accordance with section 2284 of title 28, United States Code."

(3) Section 208(c) is amended by substituting a semi-colon for the period at the end thereof and adding the following: "except that where the proviso in section 208(a) is applicable, appeal shall be to the United States Supreme Court in accordance with section 1253 of title 28, United States Code."

(4) Section 209(a) is amended to read as follows:

"Sec. 209. (a) Whenever a district court has issued an order under section 208 enjoining acts or practices which imperil or threaten to imperil the national health, safety or economy, or imperil the health, safety or economy of a substantial sector of the Nation, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences, with the assistance of the Service created by this Act. Neither party shall be under any duty to accept, in whole or in part, any proposal of settlement made by the Service."

(c) Section 212 is hereby repealed.

Sec. 102. Title II of the Labor-Management Relations Act, 1947, is hereby further amended by adding a new part II B at the end of part II A to read as follows:

"PART B—ALTERNATIVE PROCEDURES FOLLOWING INITIAL EIGHTY-DAY COOLING OFF

"Applicability of This Part

"Sec. 213. This part shall apply only to the following transportation industries: (1) railroads, (2) airlines, (3) maritime, (4) longshore, and (5) trucking.

"Sec. 214. (a) If no settlement is reached before the injunction obtained pursuant to section 208 of this Act is discharged, the President may, within ten days, invoke any of the procedures set forth in section 217, 218, or 219. The President may proceed under these sections in such sequence as he may deem appropriate until it is certified by the Secretary of Labor that the dispute is settled: *Provided, however,* That the President may only invoke the procedures of a new section immediately upon the termination of the procedures of the previously invoked section and that the procedures of a section may be invoked only once during a dispute.

"(b) The President may, if he deems it consistent with the purposes of this Act, terminate any procedures invoked under section 217 or 218. He may thereafter proceed under another of sections 217, 218, or 219.

"(c) If the procedure set forth in section 219 is invoked, the President may not, in the same dispute, invoke subsequently the procedures of section 217 or 218.

"Sec. 215. The President shall immediately notify the Congress of each choice of procedure, unless the Congress has adjourned or is in a recess in which such case notice shall be transmitted as soon as Congress reconvenes.

"Sec. 216. If the President does not choose to invoke any of the procedures set forth in sections 217, 218, and 219 of this Act, the President shall submit to the Congress a supplemental report including such recommendations as he may see fit to make.

Additional Cooling-off Period

"Sec. 217. The President may direct the parties to the controversy to refrain from making any changes, except by agreement, in the terms and conditions of employment for a specified period of not more than fifteen days from the date of his direction. During such period, the parties shall continue to bargain collectively and shall engage in no strike, lockout, or other economic coercion. The board of inquiry may continue to mediate the dispute with the assistance of, and in close coordination with the director of the Federal Mediation and Conciliation Service.

Partial Operation

"Sec. 218. (a) The President may appoint a special board of three impartial members to determine whether and under what conditions a partial strike or lockout in lieu of a full strike or lockout in an entire industry or substantial part thereof could take place without imperiling the national health, safety or economy, or the health, safety or economy of a substantial sector of the Nation.

"(b)(1) If the board makes a determination that there are conditions under which a partial strike or lockout can take place in accordance with the criterion specified in subsection (a) it shall state, in writing, the reasons for its determination, and issue an order specifying the extent and conditions of partial operation that must be maintained: *Provided*, That the board shall not issue any order which imposes a significantly greater economic burden on any party than would be caused by a total cessation of operations.

"(2) If the board makes a determination that a partial strike or lockout cannot take place in accordance with such criterion, it shall submit a report to the President.

"(c) The parties shall not interfere by resort to strike, lockout or other economic coercion with the partial operation ordered by the board. The board's order shall be effective for a period determined by the board, but not to exceed one hundred and eighty days.

"(d) The board's order or any modification thereof shall be conclusive unless found arbitrary or capricious by the district court which granted the injunction pursuant to section 208 of this Act.

"(e)(1) The board shall issue its order no later than thirty days from the date of its appointment by the President, unless the parties, including the Government, agree to an extension of time, but such extension shall reduce pro tanto the maximum effective period of the board's order.

"(2) On notice to the parties, the board may at any time during the period of partial operation modify its order as it deems necessary to effectuate the purposes of this section.

"(f) Until the board makes its determination and during any period of partial operation ordered by the board no change, except by agreement, shall be made in the terms and conditions of employment, and no strike, lockout, or other economic coercion shall take place except as may be provided by order of the board. If the board determines that the implementation of any particular term of the existing terms and conditions of employment is inconsistent with the conditions of partial operation, it may order the suspension or modification of that term but only to the extent necessary to make it consistent with the conditions of partial operation.

"(g) The following rules of procedure shall be applicable to the board's functions under this subsection:

"(1) Notice of Hearing.—Upon appointment by the President the board shall promptly notify and inform all parties, including the Government, of the time, place, and nature of the hearings, and the matters to be covered therein.

"(2) Hearing To Be Public.—The board shall hold public hearings, unless it determines private hearings are necessary in the interest of national security, or the parties, including the Government, agree to present their positions in writing. The record made at such hearing shall include all documents, statements, exhibits, and briefs, which may be submitted, together with the stenographic record. The board shall have authority to make whatever reasonable rules are necessary for the conduct of an orderly public hearing. The board may exclude persons other than the parties at any time when in its judgment the expeditious inquiry into the dispute so requires.

"(3) Participation by Board in the Hearing.—The board, or any member thereof, may, on its own initiative, at such hearing, call witnesses and introduce documentary or other evidence, including a plan for partial operation, and may participate in the examination of witnesses for the purpose of expediting the hearing or eliciting material facts.

"(4) Participation by Parties in Hearing.—The parties, the Government, or their representatives shall be given reasonable opportunity; (A) to be present in person at every stage of the hearing; (B) to be represented adequately; (C) to present orally or otherwise any material evidence relevant to the issues including a plan for partial operation; (D) to ask questions of the opposing party or a witness relating to evidence offered or statements made by the party or witness at the hearing, unless it is clear that the questions have no material bearing on the credibility of that party or witness or on the issues in the case; (E) to present to the board oral or written argument on the issues.

"(5) Stenographic Records.—An official stenographic record of the proceedings shall be made. A copy of the record shall be available for inspection by the parties.

"(6) Rules of Evidence.—The hearing may be conducted informally. The receipt of evidence at the hearing need not be governed by the common law rules of evidence.

"(7) Requests for the Production of Evidence.—The board shall have the power of subpena. It shall request the parties to produce any evidence it deems relevant to the issues. Such evidence should be obtained through the voluntary compliance of the parties, if possible. In case of refusal to obey a subpena, the board may request the Attorney General to invoke the aid of any district court of the United States or the United States courts of any territory or possession within the jurisdiction of which such person is found or resides or transacts business and such court shall have jurisdiction to issue to such person an order requiring such person to appear or to produce evidence, if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question, and any failure to obey such order of the court may be punished by said court as a contempt thereof.

"(h) If a settlement certified by the Secretary is reached at any time during the hearing, the board shall adjourn the hearing and report to the President within ten days the fact that a settlement has been reached and the terms of such settlement.

"(i)(1) Members of the board shall receive compensation at the per diem equivalent of the rate for GS-18 when engaged in the work of the board as prescribed by this Act, including travel time, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

"(2) For the purposes of carrying out its functions under this Act, the board is authorized to employ experts and consultants or organizations thereof as authorized by section 3109 of title 5, United States Code, and allow them while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently, while so employed.

"Final Offer Selection

"Sec. 219. (a)(1) The President may direct each party to submit a final offer to the Secretary of Labor within three days. Each party may at the same time submit one alternative final offer. The Secretary of Labor shall transmit the offers to the other parties simultaneously.

"(2) Final offers shall include only mandatory subjects of collective bargaining, unless the parties agree to include one or more nonmandatory subjects on which they are in specific mutual agreement. Any non-mandatory subjects included in a final offer, without such specific agreement, shall be stricken from the offer and shall be (i) disregarded by the panel in making its selection, and (ii) excluded from the terms of the contract, should such final offer be selected by the panel.

"(3) If a party or parties refuse to submit a final offer, the last offer made by such party or parties during previous bargaining shall be deemed that party's or parties' final offer.

"(4) Any offer submitted by a party pursuant to this section must constitute a complete collective bargaining agreement and resolve all the issues involved in the dispute, except as provided in subsection (2).

"(b) The parties shall continue to bargain collectively for a period of five days after they receive each others' offers. The Secretary of Labor may act as mediator during the period of the final offer selection proceedings.

"(c) If no settlement has been reached before the end of the period prescribed in subsection (b) of this section, the parties may within two days select a three-member panel to act as the final offer selector. If the parties are unable to agree on the composition of the panel, the President shall appoint the panel within two succeeding days: *Provided*, That where there is an allegation under subsection (d) of a mistake in an offer, the panel shall be selected, as provided in this subsection, after the issue is resolved.

"(d)(1) Where a party alleges that it has made a mistake in an offer submitted under subsection (a)(1) and desires to correct the mistake, it shall submit a request to make such correction to the Secretary of Labor within five days after the Secretary has received the offers. Upon receipt of such request the Secretary shall promptly notify all parties of the time and place of a hearing on the request, and the matters to be covered.

"(2) Where the Secretary of Labor on the basis of clear and convincing evidence either on the face of the offer or in past negotiating history finds that: (i) a clerical mistake has been made in such offer, or (ii) a party has by mistake failed to express or has incorrectly expressed any term or terms intended to be expressed in such offer, he shall permit correction of the offer in accordance with his findings.

"(3) The Secretary of Labor shall provide an opportunity for a prompt hearing, giving the parties an opportunity to present their positions. In those instances where the parties agree that a mistake has been made, the Secretary shall make a finding within one day from receipt of the request. In all other instances the Secretary shall make a finding within four days.

"(e) No person who has a pecuniary or other interest in any organization of employees or employers or employers' organizations which are involved in the dispute shall be appointed to such panel.

"(f) The provisions of section 218(h) and

218(i) (1) and (2) of this Act shall apply to the panel.

"(g) The panel shall conduct an informal hearing in accordance with section 218(g) of this Act insofar as practicable, except that—

"(1) the Government shall have no right to participate; and

"(2) the thirty-day period in which the panel shall complete its hearing and reach a determination shall commence with the receipt of all offers by the Secretary or the expiration of the three-day period, as provided in subsection (a), whichever occurs first, but in no case shall the panel close the hearing until five days from the date of its appointment as provided in subsection (c) herein. If the procedures of subsection (d) are utilized, the panel may extend the time period for reaching a determination for a peroid no longer than that which is certified by the Secretary as having been utilized in carrying out the procedures of subsection (d).

"(h) The panel shall at no time engage in an effort to mediate or otherwise settle the dispute in any manner other than that prescribed by this section.

"(i) From the time of appointment by the President until such time as the panel makes its selection, there shall be no communication by the members of the panel with third parties concerning recommendations for settlement of the dispute;

"(j) The panel shall entertain applications for intervention from any persons asserting an interest because of a conflicting claim to all or any portion of the work involved in the dispute subject to these proceedings. Such application must be filed within five days from the time of appointment of the panel as provided in subsection (c) herein. The panel, thereafter, may, in its discretion allow such applicant to participate in the hearings, under rules established by the panel, solely for the purpose of presenting views in support of either of the final offers previously submitted.

"(k) Beginning with the direction of the President to submit final offers and until the panel makes its selection, there shall be no change, except by agreement of the parties, in the terms and conditions of employment, and no strike, lockout, or other economic coercion shall take place. In no instance shall such period exceed thirty-three days, except as is provided in subsection (g) (2) for an extension of time no longer than that which was necessary to resolve an issue under subsection (d).

"(l) The panel shall not compromise or alter the final offer that it selects, except as provided by subsection (a) (2). Selection of a final offer shall be based on the content of the final offer and no consideration shall be given to, nor shall any evidence be received concerning, the collective bargaining in the dispute, including offers of settlement not contained in the final offers.

"(m) The panel shall select the most reasonable, in its judgment, of the final offers submitted by the parties and shall state, in writing, the reasons for its selection. The panel shall take into account the following factors:

"(1) past collective bargaining contracts between the parties, including the bargaining that led up to such contracts;

"(2) comparison of wages, hours, and conditions of employment of the employees involved, with wages, hours, and conditions of employment of other employees doing comparable work, giving consideration to factors peculiar to the industry involved;

"(3) comparison of wages, hours, and conditions of employment as reflected in industries in general, and in the same or simillar industry;

"(4) security and tenure of employment with due regard for the effect of technological changes on manning practices or on the utilization of particular occupations;

"(5) the views in support of either final offer of any additional persons permitted to intervene in the proceeding as provided by subsection (j) herein; and

"(6) the public interest, and any other factors normally considered in the determination of wages, hours, and conditions of employment.

"(n) The final offer selected by the panel shall be deemed to represent the contract between the parties. Its terms shall become effective upon notification to the parties of its selection.

"(o) (1) Any part aggrieved by a determination of the Secretary under subsection (d) relating to the correction of a mistake, or challenging the selection of a final offer by the panel, may file an appeal within five days after such selection by the panel. The United States Court of Appeals for the District of Columbia shall have sole jurisdiction over such appeals, and shall advance them on its docket and expedite their disposition. The filing of such an appeal shall not stay the effect of the terms of the final offer, unless the court specifically grants preliminary relief prior to issuing its final order on the appeal.

"(2) The determination of the Secretary concerning correction of alleged mistakes shall be conclusive, unless found by the court to be arbitrary or capricious. If the court finds the Secretary's determination arbitrary or capricious, it shall remand the case to the panel for reconsideration of the choice of final offers. Upon remand, the panel shall make an expeditious redetermination as to which offer is the most reasonable, taking into consideration the ruling of the court.

"(3) The determination of the panel as to selection of a final offer shall be conclusive, unless found by the court to be arbitrary or capricious or remanded as provided in (2) of this subsection. A redetermination made following remand shall be conclusive, unless found by the court to be arbitrary or capricious.

"(4) The judgment of the court affirming or setting aside, in whole or in part, the Secretary's determination regarding an alleged mistake or the panel's selection of a final offer shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(5) Notwithstanding selection of a final offer by the panel, and judicial review of that selection, if any, any term of a final offer in force between the parties that is found under appropriate procedures not to be in accordance with applicable law may be set aside or modified accordingly.

"Sec. 220. (a) Any board or panel established under part B of title II of this Act may act by majority vote.

"(b) A vacancy on any such board or panel shall not impair the right of the remaining members to exercise all of the powers of such board or panel. In the case of a vacancy due to death or resignation, the President may appoint a successor to fill such vacancy.

"Sec. 221. Whenever the term Government is used in title II of this Act, it shall be deemed to mean the United States Government acting through the Attorney General or his designee."

TITLE II—AMENDMENTS TO THE RAILWAY LABOR ACT

Sec. 201. Subject to the provisions of section 202(b) of this title, the National Mediation Board is abolished, and its functions shall be assumed and carried out by the Federal Mediation and Conciliation Service and the National Labor Relations Board, as specified in subsections (f) and (g) of section 202 of this title.

Sec. 202. The Railway Labor Act is further amended as follows:

(a) Section 2 seventh of title I is amended to read as follows:

"Seventh. No carrier, its officers or agents, or representatives shall change or seek to change the rates of pay, rules, or working conditions as embodied in agreements or arrangements except in the manner prescribed in such agreement or arrangements or in title I, section 6 of this Act, as amended."

(b) (1) Section 2 eighth of title I is amended to substitute "National Labor Relations Board" for "Mediation Board" where the latter appears.

(2) Section 2 ninth of title I is amended as follows:

Substitute "National Labor Relations Board" for "Mediation Board" where the latter appears;

(c) Section 3 first (i) of title I is amended by striking the period following the words "upon the disputes" and inserting thereafter: ": *Provided, however,* That all such disputes shall no longer be referred to the Adjustment Board commencing sixty days after the effective date of this amendment to the Act.

"All such disputes which are not so referred within such period and all such disputes arising thereafter shall be submitted to final and binding arbitration in accordance with the following procedure. Upon failing to reach a satisfactory adjustment at the level of discussion hereinbefore mentioned, the parties shall within five days seek to reach mutual agreement on the selection of an arbitrator. If the parties fail to reach agreement within such period, the Federal Mediation and Conciliation Service shall submit to the parties a list of five qualified arbitrators. Each party shall alternately reject a different arbitrator named on the list until one arbitrator remains who shall thereupon arbitrate the dispute. To the extent that the parties are unable to agree to the rules for arbitration, including the distribution of costs, the arbitrator shall make all necessary rules therefor.

"All disputes which have been referred to the Adjustment Board may be removed by the grievant to the arbitration process herein if the dispute is not then being heard by the Adjustment Board.

"The aforementioned method of arbitration shall prevail with respect to such disputes unless the collective-bargaining agreements between the parties contain no-strike, no-lockout clauses and provisions for grievance machinery terminating in final, binding arbitration.

"The Adjustment Board shall be dissolved after it has processed to completion all of the disputes before it or upon two years from the effective date of this amendment to the Act, whichever first occurs. If all the disputes before the Adjustment Board have not been processed to completion by the time of the Board's dissolution date, all such disputes shall be removed by the grievant to the arbitration process hereinabove described.

"The National Mediation Board shall continue to carry out such of its functions and duties as are required by the existence of the Adjustment Board until the Adjustment Board has been dissolved as provided in this section and shall carry out the functions prescribed in section 6 as provided therein. After the expiration of its functions, the National Mediation Board shall be dissolved."

(d) Section 3 second of title I is amended by adding the following language at the end of the first paragraph following the words "jurisdiction of the Adjustment Board.":

"The provisions of paragraph (i) of this section, as amended, shall apply in the same manner and to the same extent with respect to system, group, or regional boards of adjustment."

(e) Section 3 second of title I is amended by adding the following language at the end of section 3 second following the words "awards of the Adjustment Board.":

"No dispute which has not been referred to a special board of adjustment by the effective date of this amendment to the Act may be referred to such special board thereafter."

(f) Section 4 second of title I is amended by striking the word "mediation" in the third sentence of paragraph second and inserting the word "representation."

(g) Section 4 fifth of title I is amended to read as follows:

"Fifth. The National Labor Relations Board shall assume and carry out all functions of the National Mediation Board relating to the determination of bargaining representatives, including duties particularized in title I, section 2 eighth and ninth of this Act, as amended. In carrying out such functions, the National Labor Relations Board shall give great weight to intepretations made by the National Mediation Board prior to this amendment of the Act."

(h) Section 4 of title I is further amended by adding the following paragraphs after paragraph fifth:

"Sixth. All functions of the National Mediation Board which in the judgment of the President are primarily related to mediation shall be transferred to the Federal Mediation and Conciliation Service, except for the mediation functions specified in section 6, second.

"Seventh. All unexpended appropriations for the operation of the National Mediation Board that are available at the time of the dissolution of the Board shall be apportioned between the National Labor Relations Board and the Federal Mediation and Conciliation Service by the President according to the relative needs of each based on the division of functions prescribed herein."

(i) Section 6 of title I is amended to read as follows:

"Sec. 6. First. Carriers and representatives shall give the other at least sixty days written notice of an intended modification or termination of agreements or arrangements affecting rates of pay, rules, or working conditions. The party desiring such change or termination shall simultaneously notify the Federal Mediation and Conciliation Service of the existence of the dispute, except as otherwise provided in paragraph Second for the first intended modification or termination after the effective date of this amendment to the Act. Upon notification, the Federal Mediation and Conciliation Service shall commence appropriate mediation efforts. The parties shall continue in full force and effect, without resorting to strike or lockout or other economic coercion, all the terms and conditions of the existing agreement or arrangement for a period of sixty days after such notice is given or until the expiration date of the agreement containing the rates of pay, rules, or working conditions sought to be changed, provided such agreement exists, whichever occurs later.

"Second. For the first, and only the first, intended modification or termination after the effective date of this amendment to the Act of agreements or arrangements having no fixed termination date:

"(a) Sixty day notices may not be served before:

"(1) a date fixed by agreement of the parties which may include an agreement reached prior to this amendment to the Act, or, if the parties cannot agree on a date,

(2) a date set by the National Mediation Board. In making its decision, the National Mediation Board shall take into account the probable intention of the parties as revealed by custom and practice with respect to past adjustments of rates of pay, rules and working conditions. The Board shall make its decision concerning the appropriate date within 14 days of receipt of a petition by the party seeking to serve such notice. In no case may the National Mediation Board set the date after which the first sixty-day notice may be served at more than two years from the effective date of this amendment to the Act.

(b) The party serving the sixty-day notice shall simultaneously notify the National Mediation Board of the existence of the dispute. Upon notification, the National Mediation Board shall commence appropriate mediation efforts.

(c) Where the notice period is set pursuant to subsection (a) of this paragraph, either by agreement of the parties or by the National Mediation Board, the parties shall, notwithstanding the expiration of a sixty-day notice period, continue in full force and effect the terms and conditions of existing agreements or arrangements, and shall not resort to strike, lockout, or other economic coercion, until the National Mediation Board certifies that its mediatory efforts have failed; *Provided,* That such period may not exceed the earlier of:

(A) two years from the date the National Mediation Board receives a sixty-day notice of intent to modify or terminate an agreement or arrangement, or

(B) three years from the date the National Mediation Board receives a petition seeking permission to serve such sixty-day notice.

The National Mediation Board shall:

(1) Use its best efforts to bring about an amicable settlement by the parties through mediation;

(2) Immediately upon determining that its mediation services have been unsuccessful, endeavor to induce the parties to submit their controversy to arbitration;

(3) If one or both of the parties refuses arbitration, immediately notify the parties that a certification that mediatory efforts have failed will issue after thirty days, or such shorter period as the National Mediation Board shall set, unless within that period the National Mediation Board finds that the parties have agreed to arbitrate.

(d) The parties shall bargain collectively with respect to any intended modification or termination of agreements or arrangements affecting rates of pay, rules, or working conditions, which means that the parties shall have the mutual obligation to meet at reasonable times and confer in good faith with respect to rates of pay, rules and working conditions or the negotiation of an agreement and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession."

(j) Section 201 of title II is amended by striking the words "except the provisions of section 3 thereof,".

(k) Section 202 of title II is amended (1) by striking the words ", except section 3 thereof,", and (2) by adding the following language after the end of the first sentence therein:

"The functions and duties of the National Labor Relations Board, as prescribed in title I, section 4, shall apply as well to carriers by air and their employees or representatives."

(l) Section 204 of title II is amended by striking the period following the words "upon the disputes" at the end of the first sentence and inserting thereafter ": *Provided, however,* That if the parties, by mutual agreement elect to discontinue referrals to such adjustment boards and such election has been certified by the Secretary of Labor, no such disputes shall be referred to an adjustment board but shall thereafter be handled through arbitration in the manner specified in title I, section 3 first (1) as amended. Notwithstanding any other provision of this Act, the costs of adjustment board procedures and the compensation of all board members shall be borne entirely by the carriers and labor organizations involved and upon dissolution of the National Mediation Board, its responsibilities and functions in relation to the selection of members of adjustment board shall be transferred to the Federal Mediation and Conciliation Service. Upon election of the parties to discontinue referrals to adjustment boards and certification of the Secretary of Labor as provided in this section, existing adjustment boards shall be dissolved after they have processed to completion all of the disputes before them.

TITLE III—SPECIAL FREE COLLECTIVE BARGAINING STUDY COMMISSION

Sec. 301. The Special Free Collective Bargaining Study Commission is hereby established. The Commission shall be composed of seven members all of whom shall have a background by reason of education or experience in labor relations.

(a) The Commission members shall be appointed by the President for a term not to exceed two years.

(b) The Commission members shall receive compensation at a rate of up to the per diem equivalent of the rate for GS–18 when engaged in the work of the Commission, together with any necessary travel and subsistence expense.

(c) The Commission shall be authorized to study collective bargaining in American industry, including industries particularly vulnerable to national emergency disputes, and including problems brought to the Commission's attention by the Secretary of Labor. The Commission's studies shall include, but shall not be limited to—

(1) the ways and means by which the collective-bargaining process might be improved, altered, revised, or supplemented so as to avoid or minimize strikes and lockouts which affect an entire industry, or region, or a substantial part thereof;

(2) the effectiveness and usefulness of various forms of medication, conciliation, arbitration and other possible procedures and methods for aiding or supplementing the collective-bargaining process;

(3) the administration, operation, and possible need for revision of laws relating to collective bargaining;

(4) the adequacy of current legislation in encouraging workrule arrangements that maximize productivity;

(5) such other problems and subjects which relate in any way to collective bargaining, strikes, or lockouts as the Commission deems appropriate.

(d) A vacancy in the membership of the Commission shall not affect the powers of the remaining members to execute the functions of the Commission, and shall be filled in the same manner as the original appointment was made. The President shall designate a chairman and a vice chairman among its members.

(e) In carrying out its duties, the Commission or any duly authorized subcommittee thereof, is authorized to hold such hearings or investigations, to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, to make such expenditures as it deems advisable. The Commission may make such rules respecting its organization and procedures as it deems necessary: *Provided, however,* That no recommendation shall be reported from the Commission unless a majority of the Commission assent. Subpenas may be issued over the signature of the chairman of the Commission or by any member designated by him or by the Commission, and may be served by such person or persons as may be designated by such chairman or member. The chairman of the Commission or any member thereof may administer oaths to witnesses. The cost of stenographic services shall be fixed at an equitable rate by the Commission. Members of the Commission, and its employees and consultants, while traveling on official business for the Commission may receive either a $50 per diem allowance or their actual and necessary expenses provided an itemized statement of such expenses is attached to the voucher.

(f) The Commission is empowered to appoint and fix the compensation of such experts, consultants technicians, and staff employees as it deems necessary and advisable. The Commission is authorized to utilize the services, information, facilities, and personnel of the departments and establishments of the Government.

SEC. 302. The Commission shall, within a period of two years from the date of the appointment of its members, report to the President concerning its findings. Such report shall also contain any recommendations for dealing with problems caused by any weaknesses in the collective bargaining process, including any recommendations for legislation which the Commission deems necessary to the solution of such problems.

TITLE IV—MISCELLANEOUS PROVISIONS

Suits by and Against Representatives

SEC. 401. (a) Suits for violation of agreements or arrangements between carriers or common carriers by air and their employees or the representatives thereof, as those terms are defined in the Railway Labor Act, or between any such representatives, may be brought in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to the citizenship of the parties.

(b) Any representative of employees, as defined in the Railway Labor Act and any carrier or common carrier by air, as defined in the Railway Labor Act, shall be bound by the acts of its agents. Any such representative may sue or be sued as an entity and in behalf of the employees whom it represents in the courts of the United States. Any money judgment against such representative in a district court of the United States shall be enforceable only against the organization as an entity and against its assets, and shall not be enforceable against any individual member or his assets.

(c) For the purpose of actions and proceedings by or against representatives in the district courts of the United States, district courts shall be deemed to have jurisdiction of a representative (1) in the district in which such organization maintains its principal office or (2) in any district in which its duly authorized officers or agents are engaged in representing or acting for employee members.

(d) The service of summons, subpoena, or other legal process of any court of the United States upon an officer or agent of a representative, in his capacity of such, shall constitute service upon the representative.

(e) For the purposes of this section in determining whether any person is acting as an agent of another person so as to make such other person responsible for his acts, the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling.

REPEAL

SEC. 402. Sections 5, 7, 8 (both), 9 and 10 of title I, and sections 203 and 205 of title II of the Railway Labor Act, as amended, are hereby repealed.

INAPPLICABILITY OF THE NORRIS-LA GUARDIA ACT

SEC. 403. The provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", shall not be applicable to any judicial proceeding brought under or to enforce the provisions of this Act.

RIGHTS OF EMPLOYEES

SEC. 404. Nothing in this Act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this Act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this Act.

RAILROAD UNEMPLOYMENT INSURANCE

SEC. 405. (a) Section 4(a-2)(iii) of the Railroad Uemployment Insurance Act of 1938, 52 Stat. 1098 as amended, is further amended by deleting the words "subject to the provisions of subsection (b) of this section," at the beginning of the paragraph; by adding "(1)" between the words "was" and "due"; deleting the remainder of the paragraph after "employed," and adding the following language: "or (2) due to his failure to make a good faith effort to report for work and perform his assigned duties: (A) because of a stoppage of work due to a strike or (B) because of the existence of a picket line at an establishment, premises or enterprise."

(b) Section 4(b) of the Act is hereby repealed and sections 4(c), 4(d), and 4(e) are redesignated as sections 4(b), 4(c), and 4(d), respectively.

APPROPRIATIONS

SEC. 406. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEPARABILITY

SEC. 407. If any provision of this Act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

TRANSPORTATION CRISIS PREVENTION ACT OF 1973—SECTION-BY-SECTION ANALYSIS

Section 1. Contains the short, or official title of the Act, "Transportation Crisis Prevention Act of 1973."

Section 2. Contains a declaration of Congressional findings, purpose and policy. The purpose and policy is to assure so far as possible that no strike or lockout in the transportation industry or a substantial part thereof will imperil the national health, safety or economy, or the health, safety or economy of a substantial sector of the Nation.

TITLE I—AMENDMENTS TO THE LABOR-MANAGEMENT RELATIONS ACT RELATING TO EMERGENCY DISPUTES IN THE TRANSPORTATION INDUSTRY

Section 101(a). Redesignates Title II of the Labor-Management Relations Act as Title II, Part A.

Section 101(b)(1). Amends section 206 of the Labor-Management Relations Act so as to provide that the national emergency provisions of section 206 apply to a strike or lockout in the railroad, airline, maritime, longshore or trucking industries if such strike or lockout imperils the health, safety or economy of a substantial sector of the Nation.

Section 101(b)(2). Amends section 208(a) of the Labor-Management Relations Act so as to permit the issuance of an injunction when a strike or lockout in the railroad, airline, maritime, longshore or trucking industry would imperil the health, safety or economy of a substantial sector of the Nation.

A proviso recognizes the special nature of the transportation industries by requiring that a petition to enjoin a strike or lockout in the railroad, airline, maritime, longshore or trucking industry must be heard by a three-judge district court rather than by a single district court judge.

Section 101(b)(3). Amends section 208(c) of the Labor-Management Relations Act so as to provide for direct appeal to the United States Supreme Court for review of an order or orders of a three judge district court in a case involving the transportation industries.

Section 101(b)(4). Amends section 209(a) of the Labor-Management Relations Act so as to provide that, when an injunction is issued in a case involving a transportation industry labor dispute which imperils the health, safety or economy of a substantial sector of the Nation, the parties to such a labor dispute must make every effort to adjust and settle their differences with the assistance of the Federal Mediation and Conciliation Service.

Section 101(c). Repeals section 212 of the Labor-Management Relations Act thus making the national emergency provisions of the LMRA applicable to all transportation industries.

Section 102. Amends Title II of the Labor-Management Relations Act by adding a new Part II B (sections 213–221) as follows:

Section 213. The new Part II B applies only to the railroad, airline, maritime, longshore and trucking industries.

Section 214. This section empowers the President to invoke new procedures providing for an additional cooling-off period, partial operation and/or final offer selection within 10 days after an injunction obtained pursuant to section 208 of the LMRA is discharged if no settlement has been reached by the parties. The new optional procedures may be exercised in such sequence as the President deems appropriate until it is certified by the Secretary of Labor that the dispute is settled. However, only one of the optional procedures may be exercised at any one time and each may be invoked only once during a dispute.

Subsection (b) provides that if either the additional cooling-off period or the partial operations option is exercised, it may be terminated before the procedure is completed and the President may then exercise another of the three optional procedures.

Subsection (c) makes it clear that if the final offer selection option is exercised, the President may not thereafter invoke either the additional cooling-off period or the partial operation option.

Section 215. This section requires the President to notify Congress of each optional procedure which he invokes.

Section 216. This section requires that if the President does not choose to invoke any of the three optional procedures, he must submit a supplemental report to Congress which includes such recommendations as he may see fit to make.

Section 217. This section provides the President with the option of an additional cooling-off period of 15 days during which period there would be continued bargaining between the parties. No changes could be made, except by agreement, in the terms and conditions of employment during the 15-day period and the parties would be precluded from engaging in a strike, lockout or similar activity. The board of inquiry appointed pursuant to section 206 could continue to mediate the dispute along with the director of the Federal Mediation and Conciliation Service.

Section 218. This section provides the President with the option of partial operation of a transportation industry. The President is empowered to appoint a special board to determine whether and under what conditions a partial strike or lockout could take place without imperiling the national health, safety or economy, or the health, safety or economy of a substantial sector of the Nation.

Subsection (b) provides that if the special board determines that a partial strike or lockout is feasible, it shall issue an order specifying the extent and conditions of partial operations. If a partial strike or lockout is not feasible, the board shall submit a report to the President.

Subsection (c) precludes the parties from interfering by resort to strike or lockout with a partial operation ordered by the special board. The board's order may be effective for up to 180 days.

Subsection (d) provides that the board's order is conclusive unless found to be arbitrary or capricious.

Subsection (e) requires the special board to issue its order within 30 days from the date of its appointment unless all parties, including the Government, agree to an extension of time. Any extension would reduce pro tanto the maximum effective period of the board's order. The board may modify its order, on notice to the parties, at any time during the period of partial operation.

Subsection(f) requires the status quo to be maintained while the board is making its determination and during any period of partial operation ordered by the board, unless otherwise provided by order of the board. The board may suspend or modify any existing term or condition of employment to the extent necessary to make it consistent with the conditions of partial operation.

Subsection (g) prescribes rules of procedure applicable to the special board's functions. Any party or any member of the board can present to the board a plan defining the strike or lockout action that would be consistent with the public interest. The board, after appropriate hearings in which the Government would be a party to protect the public interest, could adopt or modify the plan.

Subsection (h) provides that if a settlement is reached during the course of the board's hearing, the board shall adjourn and report to the President.

Subsection (i) prescribes the compensation of members of the special board and authorizes them to employ experts and consultants to assist them in performing their functions.

Section 219. This section provides the President with the option of a final offer selection. Each party would be directed to submit a final offer to the Secretary of Labor within three days. Parties may also submit one alternative final offer. Final offers may contain only mandatory subjects of collective bargaining unless non-mandatory subjects are specifically agreed upon by the parties. If any party fails to submit an offer, the last offer made during bargaining would be deemed its final offer. Each final offer submitted must constitute a full resolution of the controversy.

Subsection (b) requires the parties to meet and bargain, with or without mediation by the Secretary of Labor, for a period of 5 days after they have received each other's final offers.

Subsection (c) provides that if a settlement has not been reached within the 5-day period, the parties have 2 days within which to select a three-member panel to act as the final offer selector. If the parties cannot agree to a panel, the President shall appoint the panel within two succeeding days.

Subsection (d) provides that where a party alleges it has made a mistake in an offer submitted under subsection (a) it shall submit a request to make the correction to the Secretary within five days of his receipt of the offer. The Secretary will hold a prompt hearing with an opportunity for the parties to present their positions. The Secretary on the basis of clear and convincing evidence will permit correction of the offer.

Subsection (e) makes it clear that no "interested" person shall be appointed to a final offer selection panel.

Subsection (f) provides that if a settlement is reached while the panel is conducting its informal hearing, the hearing shall be adjourned and the panel shall report to the President. This section also prescribes the compensation of members of the panel and authorizes them to employ experts and consultants to assist them in carrying out their functions.

Subsection (g) provides for the conduct of an informal hearing to determine which of the final offers constituted the final and binding resolution of the issues. The Government does not have a right to participate in this hearing. The hearing must be completed and the panel must reach its determination within 30 days from the time that the Secretary has received all of the offers.

Subsections (h) and (i) make it clear that the panel's function is limited to choosing the more reasonable of the final offers. It may not meditate or otherwise settle the dispute otherwise than as provided for and it may not communicate with third parties concerning recommendations for settlement.

Subsection (j) provides for permissive intervention in the panel hearing by any person asserting an interest because of a conflicting claim to all or any portion of the work involved in the dispute. An application for intervention must be filed within 5 days from the time the panel is appointed. Intervention is permitted solely for the purpose of presenting views in support of any of the final offers previously submitted.

Subsection (k) provides that the status quo is to be maintained until the panel makes its selection of the final offer.

Subsections (l) and (m) make it clear that the panel may not compromise or alter the final offer that it selects and that it must select the most reasonable of the offers. Subsection (m) also specifies certain factors which shall be taken into account by the panel in reaching its decision.

Subsection (n) provides that the final offer selected by the panel shall be deemed to represent the contract between the parties.

Subsection (o) provides for initial review of decisions affecting offers by the D.C. Court of Appeals. Appeals must be filed within five days after the panel selects a final offer. The Secretary's rulings on mistake corrections will be reviewed in the same court on an arbitrary or capricious standard. Normal Supreme Court review of the D.C. Court of Appeals is provided. Any provision of a final offer which is found not in accordance with applicable law may be set aside or modified.

Section 220. This section authorizes special boards and final offer selection panels to act by majority vote.

Subsection (b) makes it clear that a vacancy on a board or panel does not prevent the remaining members from exercising all of the powers of the board or panel. The President may appoint a successor in the case of a vacancy due to the death or resignation of a board or panel member.

Section 221. The term "Government" as it is used in Title II of the Labor-Management Relations Act is deemed to mean the United States Government acting through the Attorney General or his designee.

TITLE II—AMENDMENTS TO THE RAILWAY LABOR ACT

Section 201. This section transfers the functions of the National Mediation Board to the Federal Mediation and Conciliation Service and the National Labor Relations Board. The Mediation Board is then abolished after it has carried out such of its functions and duties as are required by the existence of the National Railroad Adjustment Board and by the provisions for initial modification or termination of agreements or arrangements with no fixed date in the amended section 6 of title I.

Section 202(a) Amends section 2 Seventh of the Railway Labor Act to provide that the rates of pay, rules or working conditions as embodied in agreements or arrangements may not be changed or sought to be changed by a carrier, its officers or agents or representatives except in the manner set forth in such agreements and in Title I, Section 6 of the Railway Labor Act.

Subsection 202(b). Amends section 2 Eighth and 2 Ninth of Title I of the Railway Labor Act to transfer to the National Labor Relations Board representation functions of the National Mediation Board.

Subsection 202(c). Amends section 3 First (i) of Title I of the Railway Labor Act to provide for the discontinuance of the referral of disputes described in that subsection to the Adjustment Board and for their submission to final and binding Arbitration in accordance with a prescribed procedure. The parties have 5 days to select an arbitrator. If they cannot agree, the Federal Mediation and Conciliation Service submits to the parties a list of five qualified arbitrators. One is selected through a process of alternate rejection and he arbitrates the dispute. If the parties cannot agree to the rules for arbitration, the arbitrator makes the necessary rules.

Disputes which have been previously referred to the Adjustment Board but are not presently being heard by the Board may be removed by the grievant and submitted to the arbitration process.

The statutory arbitration process set up herein shall prevail unless the collective bargaining agreements between the parties contain no-strike, no-lockout clauses and provisions for grievance machinery terminating in final, binding arbitration.

Section 202(d). Amends section 3 Second of Title I to make it clear that the arbitration process also applies with respect to system, group or regional boards of adjustment.

Section 202(e). Disputes which have not been referred to a special board of adjustment by the effective date of this amendment may not be referred thereafter.

Section 202(f). Amends section 4 Second to provide that the Mediation Board may designate one or more of its members to exercise the functions of the Board in representation proceedings.

Section 202(g). Amends section 4 Fifth to provide that the National Labor Relations Board shall assume and carry out all functions of the National Mediation Board relating to the determination of bargaining representatives, including duties particularized in Title I, section 2 Eighth and Ninth of the Railway Labor Act, The National Labor Relations Board will give great weight to interpretations made by the National Mediation Board.

Section 202(h). This subsection adds paragraphs Sixth, Seventh and Eighth to section 4 of Title I. These new paragraph transfer the mediation ,functions of the National Mediation Board to the Federal Mediation and Conciliation Service, provide for the transfer of cases from the Board to the Service and provide for the apportionment of the unexpended appropriations for the operation of the National Mediation Board between the National Labor Relations Board and the Federal Mediation and Conciliation Service.

Section 202(i) Amends title I, section 6 to change procedures for giving notice of intended modification or termination in railroad and airline agreements or arrangements. Parties must give each other 60-day notice of intended modification or termination of their agreements or arrangements, and simultaneously notify the Federal Mediation and Conciliation Service, which will commence mediation efforts. The status quo must be maintained until expiration of the agreement or arrangement, or of the 60 days, whichever is later.

Special arrangements are made for the first modification or termination after amendment of the Act of agreements or arrangements with no fixed termination date. No 60-day notice may be filed until a date agreed to by the parties or, failing agreement, set by the National Mediation Board. The Board must make a decision within 14 days of a request by a party. The NMB cannot set the date more than two years after this amendment to the Act. When the 60-day notice is filed, the NMB begins mediation efforts. The status quo must be maintained after filing of the 60-day notice until the NMB certifies that its mediation efforts have failed, but that certification must come within two years from filing of the 60-day notice or three years from the request to file a notice, whichever comes first.

Section 202(j). Amends section 201 of Title II to extend the provisions of section 3 of Title I to the airline industry.

Section 202(k). Amends section 202 of Title II to provide that any duties, requirements, penalties, benefits and privileges prescribed and established by the provisions of section 3 of Title I shall be extended to the airline industry. The subsection further provides that the functions and duties of the National Labor Relations Board with respect to representation proceedings shall apply to the airline industry.

Section 202(l) Amends section 204 of Title II to provide that parties may, by mutual agreement, elect to discontinue referrals of disputes to adjustment boards and thereafter handle them through arbitration.

TITLE III—SPECIAL FREE COLLECTIVE BARGAINING STUDY COMMISSION

Section 301. This section establishes a Special Free Collective Bargaining Study Commission to study collective bargaining in American industry, including industries particularly vulnerable to national emergency disputes, and including problems brought to the Commission's attention by the Secretary. The Commission is empowered to study all the factors affecting labor relations and to make recommendations to the President as to the best way of remedying the weaknesses of collective bargaining.

Section 302. This section prescribes that the Commission shall report to the President concerning its findings within a period of 2 years from the date of the appointment of its members. The report shall contain recommendations for legislation if appropriate.

TITLE IV—MISCELLANEOUS PROVISIONS

Section 401. This section permits suits for violations of collective bargaining agreements or arrangements in the air and rail industries in any Federal district court having jurisdiction of the parties. It does not establish an alternative remedy for disputes cognizable under the grievance arbitration procedure established under section 3 of the amended Act. Section 3 provides the exclusive remedy for such claims and grievances. The courts will continue to exercise jurisdiction over suits based on alleged violations of the Railway Labor Act.

Subsection (b) makes representatives suable in their capacity as such. Money judgments against representatives are enforceable only against the organizations they represent.

Section 402. Repeals sections 5, 7, 8 (both), 9 and 10 of Title I, and sections 203 and 205 of Title II of the Railway Labor Act.

Section 403. The Norris-LaGuardia Act is made inapplicable to any judicial proceeding brought under or to enforce the provisions of the Transportation Crisis Prevention Act of 1973.

Section 404. Makes it clear that no employee may be enforced to work without his consent; nor shall the quitting of labor by an employee in good faith because of abnormally dangerous conditions for work at the place of employment of such employee be deemed a strike under this Act.

Section 405. This section amends and repeals certain provisions of the Railroad Unemployment Insurance Act. This will eliminate the payment of unemployment benefits to striking employees in the railway industry and to those employees who fail to make a good faith effort to report for work and perform assigned duties because of a strike or picket line.

Section 406. This section authorizes such sums to be appropriated as are necessary to carry out the provisions of the Transportation Crisis Prevention Act of 1973.

Section 407. This section contains the usual separability provisions.

By Mr. McGOVERN:

S. 1004. A bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. Referred to the Committee on Agriculture and Forestry.

THE WATER AND SEWER GRANT PROGRAM

Mr. McGOVERN. Mr. President, by an overwhelming margin, mayors of cities and towns in South Dakota have placed water and sewer improvements as their first priority in a long list of needed community capital improvements.

In the catalog of Federal categorical grant and loan programs arbitrarily and illegally cut back and terminated by the Office of Management and Budget over the past several weeks, the water and sewer grant program stands out as the one which will have the most harmful effect on cities and towns in South Dakota.

Well over half of the mayors of 115 cities and towns in South Dakota with a population of 500 or more responded to a survey about the effect of Federal program cutbacks and eliminations on their programs. Of those responding, 69 mayors said water and sewer improvement was one of the five greatest priorities. Twenty-four said it was the highest priority.

The Environmental Protection Agency is promulgating regulations which will require cities and towns to make expensive capital additions to their water supply and waste treatment systems to clean up streams and lakes.

It is unfair, especially to small communities in rural areas with shrinking tax bases, for the Government to require them on the one hand, to live up to these very necessary antipollution requirements, and on the other to deny them the financial assistance to do so.

The bill which I introduce today is another of several which have become necessary to force the administration to do what Congress clearly intended that it do. It would simply require, instead of authorize, the Secretary of Agriculture to provide grants for water and sewer projects under the Consolidated Farm and Rural Development Act.

Congress enacted this program by an overwhelming margin. It has been a good program. The grant program, combined with the water and sewer loan program, has enabled many small communities to provide safe central drinking water systems and modern waste treatment systems that they otherwise could never have afforded.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1004

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended by striking out the words "is authorized to" and inserting in lieu thereof the word "shall"; and (2) by inserting after the word "grants" the words "in the amounts specified in appropriations Acts".

SEC. 2. The first sentence of section 306(a)(6) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(6)) is amended by (1) striking out the word "may" and inserting in lieu thereof the word "shall"; and (2) by inserting after the word "grants" the words "in the amounts specified in appropriations Acts".

By Mr. CASE:

S. 1005. A bill to amend the National School Lunch Act, as amended, to assure that the school food service program is maintained as a nutrition service to children in public and private schools, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. CASE. Mr. President, today I am introducing legislation to restore the Department of Agriculture's authority to regulate the sale of competitive food products, such as cakes and soda pop, in the school lunch cafeteria.

Last year in an amendment that passed the Senate, I sought to restore this authority to the Department of Agriculture after it was deleted from the school lunch amendments approved by the Agriculture Committee.

My amendment was deleted in conference; in fact, even a much weaker House amendment that provided for "nutritious" competitive foods was dropped from the final measure.

I agree with Senator ALLEN, chairman of the Subcommittee on Agriculture Research and General Legislation, that "proper nutrition is the primary purpose" of the school lunch programs. I also believe the Federal Government must insure the integrity of these programs if they are to accomplish the goals Congress has set.

Allowing local schools, under pressure from vendors and fundraisers, to set their own rules will ruin any effort to improve the nutritional quality of the school lunch program.

Our efforts must be directed to making the school lunch program a model of good nutritional practice and encouraging the fullest participation by students.

Accordingly, the measure I am introducing today, in addition to eliminating the language in the 1972 act allowing the sale of competitive foods, provides cash grants to education departments or comparable agencies in each State to enable schoolchildren within each State to participate in programs which increase their knowledge of the nutritional value of foods and the relationship of nutrition to human health. The Department of Agriculture, also, is authorized to carry out research and development projects to develop materials and techniques for the innovative presentation of nutritional information to schoolchildren.

This will be a step forward in restoring the vitality of the national school lunch and school breakfast programs.

Mr. President, I ask unanimous consent that a portion of the debate on the 1972 school lunch amendments be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Mr. CASE. Mr. President, I call up my amendment No. 1433, as modified.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. CASE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with; that the amendment be printed in the RECORD; and that the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15 strike out all after line 22, over to and including line 13 on page 16.

On page 16, line 14, strike "SEC. 8" and insert "SEC. 7."

Mr. CASE. Mr. President, the amendment is offered also by the Senator from Minnesota (Mr. HUMPHREY), whose name unfortunately was omitted by mistake in the printing of the amendment. It is also offered by myself, as well as by Senators AIKEN, BENNETT, TUNNEY, BURDICK, MOSS, MAGNUSON, MCGOVERN, JACKSON, MUSKIE, and HART. If other Senators would like to have their names added to the amendment, they may ask me and it will automatically be done.

Mr. President, this amendment, cosponsored by Senators AIKEN, HUMPHREY, BENNETT, TUNNEY, BURDICK, MOSS, MAGNUSON, MCGOVERN, JACKSON, MUSKIE, and HART will strike the language reported in the Senate version of H.R. 14896. At the present time vending machines are permitted in school cafeterias if they are part of the school lunch program, but vending machines are not permitted for the distribution of competitive food items. However, vending machines are permitted outside the cafeteria for distribution of items such as soft drinks, if the school so permits.

I ask this amendment be accepted without any desire to cut off entirely the use of vending machine devices. These are in wide use now and my amendment would have no effect at all on their continued use. Indeed, the fact that this legislation authorizes $40 million for school equipment, some of which will be spent on vending devices, makes clear there is no effort to discontinue their present use.

The purpose of this amendment is to retain the integrity of the existing school lunch program, and nothing more.

Mr. President, under current law the Secretary of Agriculture has authority to regulate competitive food services. The Senate version of H.R. 14896 would remove this authority from the Secretary and, in effect, leave the question of competitive food services up to the States and local school districts. School lunch directors are fearful they would be forced to allow vending machines in school cafeterias. Certainly this would weaken their effort to provide balanced and nutritious meals for all children.

The House version of H.R. 14896 would allow competitive food services to offer the sale of "nutritious food through vending machines—where the proceeds of such sales will inure to the benefit of the schools or of organizations of parents approved by the schools and (where) such sales will not substantially interfere with the (school lunch) programs so authorized."

Unfortunately, there is no workable definition of "nutritious foods" which could well mean "empty calories" and there would be substantial pressure not only to install such machines but, also, to use them to the advantage of fund-raising organizations.

In my view we should retain the existing system while continuing to improve the quality of meals offered in the national school lunch program.

Returning to the original language of the School Lunch Act does not foreclose the option in the hands of the Secretary of Agriculture to allow certain exceptions. For example, senior high school students may desire soft drink machines in school cafeterias and if, in the Secretary's opinion, there is no sound reason to prohibit soft drink machines, the authority exists for him to take action.

Now, however, I think it is best to proceed as we have in the past and safeguard as well as we can the school lunch program. I urge the adoption of my amendment.

Mr. President, I cite my friend, the Senator from Vermont (Mr. AIKEN) on this, and he will back me up, I am sure. They want the Secretary to have the exercise of this authority.

Mr. AIKEN. Mr. President, probably in some sections school authorities would come under considerable pressure to install vending machines.

Mr. CASE. Mr. President, I thank the Senator from Vermont. Whenever one finds that he is on the same side as the Senator from Vermont, he usually finds himself to be quite comfortable. I am quite comfortable in this instance.

This is not an antivending machine amendment at all. It is quite possible to have vending machines. The Secretary has permitted them in numerous instances under the existing law. And that would still stand if my amendment were to be adopted.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the American Dental Association in support of my amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN DENTAL ASSOCIATION,
Washington, D.C. August 14, 1972.

Hon. CLIFFORD P. CASE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CASE: Enclosed is a partial bibliography of sources and explanatory material on the relation between sugar-rich foods and dental decay to document the statements in our letter to you of August 8, 1972. We hope this material is of use in restoring proper regulatory authority over competing food services and vending machines in this country's school systems.

Sincerely,

CARL A. LAUGHLIN, D.D.S.
President, American Dental Association.
EDDIE G. SMITH, D.D.S.
President, National Dental Association.

PARTIAL BIBLIOGRAPHY

The relationship between sugar-rich foods and dental decay was positively established and recorded in the Journal of the American Dental Association, in a well documented study published in 1953 by the Council on Dental Health and the Council on Dental Therapeutics of the American Dental Association.

Because of the Associations' responsibility for safeguarding the dental health of the American public, the Councils were charged to document the known or potential hazards to dental health resulting from the frequent consumption of sweetened beverages and other sugar-containing substances. The Councils concluded:

"From the health point of view, it is desirable especially to have restriction of such use of sugar as is represented by the consumption of sweetened carbonated beverages and forms of candy which are of low nutritional value. The Council believes it would be in the interest of the public health for all practical means to be taken to limit the consumption of sugar in any form in which it fails to be combined with significant proportions of other foods of high nutritive value."

The report may be found in the October, 1953 issue of the Journal of the American Dental Association, p. 387.

Since that report, several independent studies have added to and amplified the conclusions reached by the Associations Councils. A partial listing of the most recent studies follows:

William Davis, D.D.S., Lincoln, Nebraska: *The Physical Character of Food as a Dietary Factor in Dental Caries Control;* The Chronicle of the Omaha District Dental Society, Volume 33: Feb. 1969, Pages 179–180.

Eleanor J. Edmonds: *Diet and Dental Health;* Texas Dental Journal, Volume 88: May, 1970, Pages 21–22.

T. H. Grenby, BSC, Ph.D.: *Some Aspects of Food and Dental Caries;* Chemistry and Industry, Volume 28: September, 1968, Pages 1266–1270.

R. L. Hartles, Ph.D., DSC: *Dietary Modification as a Means of the Control of Dental Caries;* Dental Health, Volume 10; Autumn, 1971, Pages 47–51.

P. B. V. Hunter, BDS: *Sugar and Dental Decay;* School Dental Service Gazette, Volume 30: October 1970, Pages 59–60.

William H. Keeler, MD, MPH and John E. Higgins, D.D.S., Roanoke, Virginia; *The Indiscriminate Distribution of Sweets to Children as Favors or Captive Purchases;* Journal of American Dental Association, Volume 75: October, 1967, Pages 903–907.

Ernest Newbrun, D.M.D., Ph.D.: *Sucrose, The Arch Criminal of Dental Caries;* Journal of Dentistry for Children, Volume: 36, July-August, 1969, Pages 239–248.

Abraham E. Nizel, D.M.D., MSD: *Dental Caries: Protein? Fats and Carbohydrates;* A Literature Review, New York Dental Journal, Volume 35: February, 1969, Pages 71–81.

J.D. Palmer, BDS, LDS: *Dietary Habits at Bedtime in Relation to Dental Caries in Children, British Dental Journal,* Volume 13: April 6, 1971, Pagse 288–293.

Solomon N. Rosenstein, D.D.S.: *Systematic and Environmental Factors in Rampant Caries;* New York State Dental Journal, Volum 32: November, 1966, Pages 400–406.

Gordon Stevenson, MS: *Present Status of Programs to Control Dental Caries by Combining Lactobacillus Counts and Dietary Restriction of Carbohydrates;* Journal of Dental Education, Volume 35: June, 1971, Pages 41–42.

G. B. Winter, MB, BDS, FDS, DCH: *Sucrose and Carcinogenesis;* British Dental Journal, Volume 124: May 7, 1968, Pages 407–411.

USE OF VENDING MACHINES IN SCHOOL LUNCH CAFETERIAS

Mr. HUMPHREY. Mr. President, I rise in support of the Senator from New Jersey's amendment. I joined as a cosponsor in offering this amendment because total removal of the Department of Agriculture's authority to regulate competitive food services in schools where school lunches are offered is not the answer. The committee amendment would totally remove the current authority of the Department of Agriculture to issue such regulations. The amendment which Senator CASE is offering would restore—or maintain—existing law on the matter, which for the present, is what I believe should be done.

Many of us recognize the desire on the part of high school students and some local school officials to further the use of vending machines in schools. However, we also recognize that unless such a move is carefully handled, the entire school lunch program can be easily subverted.

As Senator Case has indicated, vending machines are now permitted in schools, in a limited fashion. They are permitted in offering certain school lunch items and are also permitted outside school cafeterias as it relates to soft drinks and the like.

Removal of the Department's existing authority to regulate this matter would likely subject local school officials to an onslaught of pressure by local vending machine owners to invade school lunchroom with food items containing "empty calories" and other items which contribute little or nothing to meeting the daily dietary needs of students.

I have received close to 300 telegrams and letters from school food service officials in opposition to the Senate Committee amendment.

The House passed version of this bill contains a provision to permit the use of vending machines in offering "nutritious" foods, with the proceeds from such sales going to student organizations or the schools themselves. The House language also requires that such sales will not substantially interfere with the school lunch programs. In that the terms "nutritious food," and "substantially interfere with" are not defined in the House bill, I am concerned about altering existing law with that language as well.

It would seem to me that the Secretary of Agriculture has all the authority he currently requires to either restrict or permit the use of these machines in schools without making any changes in the law, including permission to use such machines to offer "nutritious" foods—the specific criteria for which he should determine, not Congress.

I believe the Senate should support the amendment being offered by Senator Case and keep existing law intact on this matter. The Secretary should then be urged to examine this matter carefully to determine to what extent, if any, current regulations concerning the use of these machines should be liberalized in keeping with the basic dietary objectives of the school lunch program.

Mr. President, I want to point out that in the State of Minnesota, while we do permit vending machines, they are only permitted during what they call the school lunch hour because of the concern of school authorities over the lack of what we call nonnutritional food items. An effort has been made to keep the school lunch program a real nutritional program.

Mr. Case. Mr. President, I thank the Senator from Minnesota.

Mr. Allen. Mr. President, among other things section 10 of the Child Nutrition Act of 1966 requires the Secretary of Agriculture to prescribe such regulations he he may deem necessary relating to the service of food in participating schools and service institutions in competition with the programs authorized under that act and the National School Lunch Act.

As a result of the statutory language and the legislative history as contained in Senate Report 91-641, the regulations promulgated by the Secretary of Agriculture effectively prohibit the operation for profit of food services or vending machines, in competition with the nonprofit school lunch program.

Section 7 of H.R. 14896, as approved by the House of Representatives, amends section 10 of the Child Nutrition Act of 1966 to provide that regulations governing school food programs permit the sale of nutritious foods through vending machines where the proceeds of such sales will inure to the benefit of the school and such sales will not substantially interfere with the programs authorized.

In its consideration of the bill now before the Senate the Senate Committee on Agriculture and Forestry adopted a subcommittee recommendation to rescind the statutory authority of the USDA to regulate the sale of food items in competition with programs authorized under the Child Nutrition Act and the National School Lunch Act.

In so rescinding this authority, the committee intends to leave the regulatory authority regarding competitive food services up to the States and local governments.

In its report the committee indicated that it did not wish to imply that it disapproved of the regulations issued by the USDA pursuant to their statutory authority. However, the committee did feel that the wide range of conditions which prevail around the country can best be taken into account by State and local authorities.

Under no circumstances is it the intent of the committee to expressly authorize competitive food services being served in competition with the school lunch and school breakfast programs.

Under the committee language, each State and local jurisdiction has the full right to adopt whatever regulation it deems appropriate under those local conditions which exist. Further, each State and local jurisdiction may continue the existing prohibition with respect to competitive food services. The committee is entirely silent in this area.

In essence, under the amendment adopted by the Committee on Agriculture and Forestry, each State or local jurisdiction is free to act in its own best interest and in the best interest of the children who participate in the school lunch and school breakfast programs.

Mr. President, the amendment now before the Senate would, in effect, continue the authority for the Federal Government to control from that level such food services which are complimentary, supplementary or even in competition with the regular lunch and breakfast programs.

Although proper nutrition is the primary purpose of the programs the Committee on Agriculture feels that this can best be accomplished at the local level.

I hope the amendment will be defeated. In other words, the committee bill would allow that decision to be made by the local school authority. The local school authority would decide whether peanuts, candy, or other food items could be sold in the school building.

As it is now, the Secretary promulgates rules that withdraw from the States and local governments the authority to decide this question.

So the committee recommended and the bill reported by the Committee on Agriculture and Forestry would leave that authority in the hands of the local authority. It does not require that other items be sold over the counter or through vending machines, but it does permit the local school board to decide the question, to prescribe the rules, and set the conditions as to the items that may be sold.

It occurred to me it would be a whole lot better for a child to be able to purchase an apple, a bar of candy, or peanuts, or other food items in the school cafeteria, rather than to spend it on cigarettes or worse items which he might do if he wanted to spend his money somewhere else for something other than the school lunch program.

Possibly many children would not want to participate in the lunch program but would prefer to bring a sandwich from home and might want a soft drink or a bar of candy to go with the food that is brought from home.

Under the present regulations, the Secretary sets rules that forbid local governments, local school boards having their own regulations. Many of these counter sales or vending machine sales inure to the benefit of an athletic association or a student organization. Many of them inure to the benefit of a band. If the local school people want to permit the sale of nutritious school items there in the school for whatever purpose they want to have it, let the local people decide how they are going to run the program, without specific directives from Washington.

I understand the chairman of the committee, the Senator from Georgia (Mr. Talmadge) received a number of communications from high school students saying they need the funds from these operations to carry on extracurricular activities at the schools, and we hear a lot of talk about letting the students in our high schools and colleges have some little say, some little part of the action, some little right to decide some of these questions.

Here we cut them off, here we cut off the taxpayers and the school boards and the students, if the amendment of the distinguished Senator from New Jersey is agreed to. Local authorities would have no control over whatever, except upon leave of the Secretary of Agriculture, whether nutritious food items outside the school lunch program may be sold in the schools. That does not sound like fair play to me. Leave these local matters to local control and local decisions. The amendment of the Committee on Agriculture and Forestry merely leaves this question for decision by the local authority and takes that out of the hands of the Federal Government.

Mr. Cotton. Mr. President, will the Senator yield for a question?

Mr. Allen. I yield.

Mr. Cotton. I understand the Senator makes plain the authority involved, but has the Secretary of Agriculture or has any Secretary of Agriculture tried to keep these vending machines out of the schools?

Mr. Allen. Yes, sir.

Mr. Cotton. In other words, in this present year are there schools not permitted to have them?

Mr. Allen. The Senator is correct. That is my understanding.

Mr. Cotton. On what ground would it be? Would it be that the profit is made by someone who should not make the profit?

Mr. Allen. No; I have not seen the grounds, but I assume the grounds would be that if the child had a candy bar he might not go in and eat a school lunch. I assume that is the reason.

Mr. Cotton. I thank the Senator.

Mr. Case. Mr. President, I yield myself such time as I may require, and I yield to the Senator from New Hampshire for a question.

Mr. Cotton. I thank the Senator.

The Presiding Officer. The Senator from New Hampshire is recognized.

Mr. Cotton. I find myself still a little confused. It would be my own feeling that it is a good thing to have people have access to peanut bars and candy, for the reason suggested; it is better than marihuana or something else. But it is not clear to me whether the exercise of the authority of the Secretary has been to keep them out or to forbid private profit to be made, or what the Secretary has heretofore done that my friend from New Jersey wants to change.

Mr. Case. I would be happy to give the reasons as far as my experience and knowledge go. We are talking about an experience that has existed. My amendment would retain the present situation and present authority of the Secretary of Agriculture. As far as I know that authority has never been exercised capriciously or to the disadvantage of any school or any school district.

The matter of the kinds of things that are permitted has been decided by the Secretary under broad guidelines, and I think well, insofar as it is possible for school children to buy things in the hall right outside that are not permitted to be bought in the cafeteria. But to permit the purchase of things that are not a part of the school lunch program by permitting them to be sold in vending machines in a school cafeteria seems to be unwise. As the Senator from Vermont sagely commented before, school districts in his State and school districts in my State are very happy to have it handled by the Secretary of Agriculture so they are immune from the kinds of pressure from profit-making institutions that are not in the interest of the children.

Mr. Cotton. I gather, then, that these vending machines have been allowed in the building, but not in the lunchroom?

Mr. Case. That is exactly right.

Mr. President, if I have any more time, I yield to the Senator from Kentucky.

Mr. Cooper. Mr. President, the Senator from Alabama makes a persuasive case for local rights and also the right to let children make their choice. Nevertheless, I support the amendment of the Senator from New Jersey for this reason: We have worked with the school lunch program and also the school breakfast program. Their purpose is to prevent hunger and, beyond that, to provide nutrition for them. I know the experience of the town I live in, and I am sure it is true of others, and the wonderfully nutritious food that has been provided there. It is human nature for children to like candy bars, and to bypass a nutritious lunch and buy a candy bar. If we had no school lunch program, I would not object to that, but it seems to me we are compromising the effort of this Nation to provide nutritious food for children by providing competition for the food served in the lunchroom. If they want to, they can still buy it out in the hall.

By Mr. DOMINICK:

S. 1006. A bill to amend the Public Health Service Act to extend the provisions of section 601 thereof, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. DOMINICK. Mr. President, I introduce for appropriate reference a bill to extend and amend the Hill-Burton Act, which expires June 30 this year. As all of my colleagues are aware, the administration is not seeking an extension of this program. Their position is that continued Federal support for hospital construction is unwarranted in view of the fact that hospital occupancy rates are declining in many areas of the country. I recognize that there is an oversupply of hospital beds in many areas. In fact, a recent study by the General Accounting Office estimates that by 1975 there will be 872 too many beds in the Denver, Colo., area. I am sure that situation exists in many metropolitan areas.

On the other hand, there are many areas of my State where more hospital beds are needed. There are rural areas where patients must be taken 50 to 60 miles to the nearest hospital of any kind, let alone a good one. I know this situation exists in many of the Western States, Apalachia, and the South. And, these small rural communities are the ones who have the least resources to support hospital construction or modernization projects. For them, there may be no alternatives if Hill-Burton is not extended.

So, I am proposing legislation to extend the Hill-Burton program for 3 years, with the following changes. First, before an application which would result in an increased number of hospital beds in an area could be funded by each State Hill-Burton agency, it would first have to be approved by the State and areawide comprehensive health planning agencies involved. Hopefully, this would help assure that new hospitals beds will not be constructed unless they are needed, and that new beds will be located where they are most needed.

Each State Hill-Burton agency is now required to prepare and update annually a 5-year plan showing the projected number of hospital beds as well as the projected need for each service area within the State, and must certify that additional beds are needed before a Hill-Burton application entailing new beds can be approved. To this extent, it may be said that it would be duplicative to give comprehensive health planning agencies similar authority. But I think such action is nevertheless justified. First, despite the certificate of need requirement in the existing law, hospitals have been built and expanded with Hill-Burton funds where the need was not demonstratable. To require comprehensive health planning approval as well should get the message across clearly that Congress means business about limiting Hill-Burton assistance to areas where the needs really exist, not where the most sophisticated grant application writers are.

Second, I feel that effective health planning is absolutely crucial at this point in time. I felt it was crucial when the comprehensive health planning legislation was enacted. While CHP agencies have done a good job as far as determining what the health needs in different areas are, they have been hampered by their lack of authority to make decisions stick. Just so much can be accomplished through the power to cajole. I can cite examples in my State which make this painfully clear. This bill would give CHP agencies some teeth with regard to Hill-Burton assisted medical facilities. Hopefully, CHP will be further strengthened when Congress considers legislation this year to extend the program beyond June 30. It should be noted also that CHP's role under this provision would not be limited to one of simply determining where there is a need for additional beds. If the Hill-Burton application involves new beds, the State and areawide CHP agencies would review the entire project to see how it fits into the local and overall health picture in the State, and to make sure that it would be consistent in all respects with State and areawide plans developed by those agencies.

Although I would expect increasing reliance on the loan and loan guarantee provisions of Hill-Burton, I think direct construction grant funds should be available for those communities which have inadequate resources to utilize the loan and loan guarantee alternatives.

Second, this bill would authorize annual allotments to the States to assist Hill-Burton funded facilities in meeting their obligations under section 603(e)(2) of the act to provide "a reasonable volume of services to persons unable to pay." Because of its ambiguity and the fact that escalating costs in the health care industry have made the provision of free care a difficult proposition under any circumstances, this requirement has caused a lot of problems, particularly in hard-pressed rural areas. The Department of Health, Education, and Welfare's proposed guidelines to clarify "reasonable volume" have done little to resolve the problems. Whatever the level of free services they are required to provide, Hill-Burton-assisted hospitals are faced with the unsatisfactory situation where they either have to absorb the increased costs or pass them on to paying patients through higher charges for services.

Given current costs of health care throughout the United States, neither alternative is acceptable. Many hospitals, particularly those in rural and inner-city areas, simply cannot absorb such increases. Medicare and medicaid reimbursement regulations do not permit hospitals to include charity care as part of operating expenses for purposes of reimbursement. I question whether it is equitable, or even feasible, to expect patients who are paying their own hospital bills to absorb any more increases. Low medicare and medicaid reimbursement formulas have already forced such patients to absorb part of the costs of treating medicare and medicaid beneficiaries. There seem to be significant numbers of poor people who fall into cracks in the medicaid program. For example, migrant workers are frequently ineligible for medicaid due to State residency requirements, even though they meet the medicaid income guidelines. The result has been that they have been denied needed medical care, or the hospitals have been forced to pass on the costs of treating them through increased charges to paying patients.

Accordingly, until some form of national health insurance is enacted to assure everyone financial access to health care, I think the Government has a duty to assist Hill-Burton hospitals in meeting this requirement that they provide a reasonable volume of services to those unable to pay.

Mr. President, I ask unanimous consent that the bill I am introducing today be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1006

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 601 of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "section 600" and inserting in lieu thereof the words "this title".

(b) Section 601(a) of such Act is amended to read as follows: "(a) for the fiscal year ending June 30, 1974, and each of the next two fiscal years—

(1) $25,000,000 for grants for the construction of public or other nonprofit facilities for long-term care;

(2) $70,000,000 for grants for the construction of public or other nonprofit outpatient facilities;

(3) $15,000,000 for grants for the construction of public or other nonprofit rehabilitation facilities."

(c) Section 601(b) of such Act is amended by inserting immediately after "1973" the following: "$45,000,000 for the fiscal year ending June 30, 1974, and for the next two fiscal years."

(d) Section 601(c) of such Act is amended by inserting immediately after "1973" the following: ", $50,000,000 for the fiscal year ending June 30, 1974, and the next two fiscal years."

(e) Section 601 of such Act is further amended by adding at the end thereof the following new subsection—

"(d) For the purposes of assisting facilities providing services required under section 603(e)(2), $50,000,000 for the fiscal year ending June 30, 1974, and for the next two fiscal years."

SEC. 2. Section 602(a) of such Act is amended by adding at the end thereof the following new paragraph—

"(3) For each fiscal year the Secretary shall, in accordance with regulations, make allotments among the States from the sums appropriated under section 601(d), on the basis of population, the financial need, and the extent of the need for the services required under section 603(e)(2), of the respective States.".

SEC. 3. Section 605 of such Act is amended by adding at the end thereof the following new subsection—

"(f) No application for assistance under this title for a project which would result in an increased number of hospital beds in an area shall be approved unless such application has been reviewed and approved by the appropriate areawide health planning agency established pursuant to section 314(b) of such Act (or, if there is no such agency in the area, then to such other public or private nonprofit agency or organization, if any, which performs similar functions), and only if such assistance will be provided in accordance with such plans as have been developed pursuant to section 314(a) of such Act."

SEC. 4. Section 625 of such Act is amended by adding immediately after "1973," the following: "and the next two fiscal years,".

SEC. 5. Section 631 of such Act is amended by striking the word, "two", and inserting in lieu thereof the word, "five".

By Mr. PEARSON:

S. 1007. A bill to provide for increased foreign commerce involving small businesses. Referred to the Committee on Banking, Housing and Urban Affairs.

THE JOINT EXPORT ACT

U.S. BALANCE OF TRADE: A DISCOURAGING PICTURE

Mr. PEARSON. Mr. President, the deteriorating condition of both the U.S. balance of trade and balance of payments has become a source of alarm. The balance-of-payments deficit amounted to more than $29 billion in 1971 and increased by $13 billion in 1972. The balance-of-trade deficit, which appeared for the first time this century in 1970, grew in the same brief 2-year period from $1 billion to $6.4 billion.

This deterioration has contributed to two international monetary crises and two successive devaluations of the U.S. dollar within the past 15 months. It has sharply diminished this country's role as the dominant world power in economic affairs. It has contributed to imbalances in the system of international trade and monetary exchange which leave governments and businessmen uncertain about the future course of world trade.

While this situation is an extremely complex one demanding comprehensive response on the part of the United States, clearly one of the most urgent problems is presented by our unfavorable balance of trade. In each of the years 1965, 1966, and 1967, the adjusted average trade balance of the United States was a surplus of about $5 billion. This shrank to a surplus of about $1.5 billion in 1968, became negligible in 1969, and turned to a deficit of about $1 billion in 1970. In 1971 the deficit reached more than $2 billion. And in 1972 it leaped to a record-shattering $6.4 billion. In addition, the U.S. share of world exports dropped since the year 1960 from 20.5 percent of the total to about 16.5 percent in 1971.

The trade deficit has continued to worsen despite actual and prospective grain sales to the Soviet Union. Exports in 1971 were only about 2 percent higher than in 1970 while imports rose by nearly 15 percent—much faster than the rise in our gross national product. The gap between imports and exports widened in 1972. This situation has raised questions about the capacity of our economy to adjust to changed conditions in a newly competitive world. It has strengthened opposition to the U.S. foreign assistance programs, which for the past decade have rested on a strong foreign trade position and has resulted in new pressures for the protection of American industries and workers.

Sweeping import quota legislation has been introduced in Congress and negotiations for voluntary restraints on certain goods shipped to the United States are quietly carried on by the administration in foreign capitals. Proposed restrictions on U.S. investments abroad and on the transfer of technology from domestic corporations to foreign subsidiaries are daily under discussion in Washington. President Nixon has announced his intention to submit to Congress legislation seeking authority to adjust import quotas up or down in relation to negotiations with our trading partners in Europe this fall. There are indications that leaders of American labor, business, and agriculture may back him in this enterprise. This would be a welcome sign of consensus that our deteriorating foreign trade position merits the concern of all sectors of the American economy.

The United States cannot again indulge the economic isolationism of the 1930's, and expect to remain the leader of the free world. The United States must seek positive solutions to the balance of trade problem. Rather than fall back on the ancient practices of tariffs and protectionism, we must search for programs which will enable American firms to gain a greater share of world markets. The time has come to overcome our present difficulties by taking bold measures which will strengthen, rather than isolate and weaken, the American economy.

THE NEED FOR EXPORT EXPANSION

Only about 4 percent of American companies export goods or services and these are for the most part the large corporations, many of them multinational. The remaining 96 percent of U.S. firms, large and small, compete with each other and foreign corporations for domestic business, neglecting possibly lucrative markets in the developed and developing nations. Yet these firms comprise the bulk of the employers of our Nation. Their hiring policies are a key to the level of domestic employment, as well as the income available to the huge majority of American consumers.

Statistics used by the Federal Reserve Board demonstrate that as many as 69,000 new employment opportunities would be created in this country if new export sales brought only a $1 billion increase in the annual receipts of small- and medium-sized companies. Because of their size, these firms include minority-owned enterprises in the inner cities and a large number of enterprises in rural America. The new job opportunities created in connection with production for export by these firms would serve the cause of achieving balanced economic growth in our Nation.

The expansion of export activity by small and medium-sized businesses would also serve to stimulate the creativity of American industry. Foreign trade is a two-way street an reports from experienced traders tell of gains in product improvment and manufacturing techniques brought home by American companies from foreign markets. In turn, we know that small firms tend to be the most inventive ones in our own economy. During the years 1946–65, American firms employing less than 500 workers accounted for more than two-thirds of all the major inventions in this time span. The cross-fertilization of small industry competing in world trade offers a rich resource for maintaining America's technological leadership.

THE NEED FOR EXPORT ASSOCIATIONS

Isolated from overseas commerce, yet faced with rising competition from abroad, the management of small firms have rarely sought out on their own initiative the information they require to weigh the costs and benefits of exporting. Independent and proud of their own products, small businessmen may feel inhibited about taking steps for export cooperation, because they fear their own firms would be swallowed up in some large corporate group. Even in those cases where a small firm has inquiries from overseas buyers, it may well decide to ignore them because of the expense associated with finding out what steps are required to sell to such buyers. The result is an inertia which works against the whole concept of exporting.

To overcome this inertia and bring small and medium-sized companies together to begin export cooperation, a catalytic agent is required. This agent is the export group manager. His ability to perform in the export market, and his fairness and reliability in balancing the interests and sensitivities of member companies, will be a critical factor in determining the success of a joint export group. In the legislation I am discussing, the role of the export group manager is central.

Any approach to this subject should also recognize the skepticism with which most small businessmen tend to view export promotion legislation. They have heard a lot about exporting in the past, but often they have stopped listening. The Webb-Pomeraine Act, the Joint Export Association, the Domestic International Sales Corporation—DISC—and a host of other Government cheerleading activities to stimulate small businessmen have raised expectations during relatively brief outbreaks of national concern over foreign trade. But when the period of crisis passed, small businessmen found themselves unaffected—and often disappointed.

Nevertheless, the Government must not cease its efforts to make export trade attractive to small and medium-sized businesses if our present difficulties are to be overcome. Past disappointments should not prevent us from taking new initiatives for the future.

THE JOINT EXPORT ACT

Mr. President, I am introducing today legislation to meet some of the problems faced by small and medium-sized companies as they undertake export operations. The bill I propose would encourage the formation of joint export groups comprised of at least 3 but not more than 20 firms, each having a maximum gross income of $60 million annually over the previous 5 years.

The group, or association, would be composed of firms "which have not actively engaged in substantial export sales operations." This language reflects the purpose of the bill; that is, to bring new companies into the export field, rather than simply offering incentives to those already involved in exporting.

INCENTIVE GRANTS AND LOANS

The bill would authorize incentive technical assistance grants and loans to meet "start-up" losses incurred by joint export groups. Some of these funds could be used to secure expert legal advice and assistance, and to finance management seminars relating to export market analysis, export marketing, channels of export distribution, the development of common catalogs and other appropriate information. To qualify for grant assistance, members of a joint export group would have to pay not less than $500 in "honest money" into a common escrow account. Grants would be made for a period of 1 year and could not exceed the total amount in the common escrow account, or $100,000, whichever is less.

Loans, at a rate of interest not to exceed the average annual interest rate on all interest-bearing obligations of the United States having maturities of 20 years or more, would be available to joint export groups. The amount of the loan could not exceed the amount of capital paid by the members of the association to employ management and other personnel, and to provide working capital for the group's operations. Both these loans and the technical assistance grants could be obtained only once by any group or its successor.

OTHER PROVISIONS

Other provisions of the bill deal with the certification of eligibility of small businesses which desire to participate in joint export groups, the formation of joint export groups as DISC's, and the treatment of losses incurred by member companies as ordinary business losses, deductible from gross income. An annual appropriation for the incentive loan and grant programs is authorized in an amount not to exceed 25 percent of the dividends paid as capital stock of the Export-Import Bank. This provision ties the Government's financial commitment under the bill to the level of export financing activity, thus helping to insure a flexible, but sensible, funding policy.

THE U.S. JOINT EXPORT AGENCY

To administer these programs, a small, highly skilled agency, which would be called the United States Joint Export Agency, would be created. The function of this Agency would be to bring together small businesses interested in exporting, and provide management training and assistance in developing useful ties with Federal agencies, financial institutions, and marketing organizations. A principal function of the USJEA would be to assist joint export groups in identifying broad product lines which would take shape according to the demands of export markets.

Section 4 of the bill sets down in broad terms the duties of this USJEA. In summary, it would be authorized to:

First, foster the development of United States export associations;

Second, survey and identify small businesses which possess undeveloped export potential;

Third, obtain operating and other business information from such small businesses and from any other person engaged in exporting;

Fourth, provide technical assistance and advice, and financial support through grants and loans;

Fifth, provide institutional leadership to bring together small businesses who are interested in entering into joint export arrangements; and

Sixth, establish and conduct programs for the development of technical, professional, and managerial skills necessary to the establishment and operation of U.S. export associations.

The key to success for an agency with such duties lies in obtaining the necessary export personnel to provide constructive assistance and guidance. Experienced export managers are in short supply in the United States, and it is evident that the training functions described in paragraph 6 and the institutional leadership described in paragraph 5, will have to begin with the agency itself. It will be necessary to obtain the complete cooperation of the Commerce Department, the Small Business Administration, and professional export managers working in the private sector to create a USJEA which can fully implement the authority provided by the bill.

For its own principal source of guidance, each joint export group would rely in the early stages—perhaps for the last 2 years—on the USJEA. If successful, the group would begin to function on its own, using profits from export sales of member companies to meet its costs. According to the bill, a group may organize itself as a Domestic International Sales Corporation—DISC—and would be encouraged to do so. However, a group may elect to defer this option until it has achieved a level of exports to justify the time and expenses of creating a DISC.

The question has often been raised whether small businessmen are really interested in exporting. An honest, emotionless answer is that most of them are not. They weigh decisions about "going foreign" in profit and loss terms, and in most cases the profits appear fleeting and the losses obvious. Yet in a recent survey of the managers of small California corporations, 70 percent responded in the affirmative when asked if they would be interested in exploring the possibility of international trade.

The same survey also reveals that the small business leaders feel that their lack of adequate information about exporting is the most significant factor in inhibiting initiatives toward foreign markets. On the basis of this survey, one may discern a changing outlook among small businessmen, as they respond to pressures from larger corporations to grow or be absorbed, and one which senses that foreign markets, at least in some cases, offer an avenue of greater expansion.

CONCLUSION

The USJEA, then, would be the spearhead of a long term Government effort to reach out into the domestic economy, identify firms and products which have export potential, and bring them together for successful export cooperation. The conditions for such an effort are prospective. Campaigns to promote export activity by the Department of Commerce and other agencies have increased public awareness of problems related to foreign trade. A more restrained public attitude toward dollar devaluation has allowed the President greater flexibility to adjust our monetary policies in favor of exports.

The critical question is whether government will respond to these conditions in a way that provides small and medium-sized U.S. firms outside the export market with an effective reason for entering that market. This is not only a matter of removing existing difficulties, such as the ambiguities of the Webb-Pomeraine Act or the short supply of qualified export managers. It is also a matter of mobilizing for export trade the resources of a nation which has not in recent years concerned itself about this kind of activity.

The failure of past attempts to stimulate exports has brought the United States to a balance of trade crisis. The President's Commission on International Trade and Investment Policy concluded that this Nation can no longer afford to indulge short term export expansion measures. This is especially true in the case of those 96 percent of U.S. firms which now operate outside the export market. These firms must not only be made aware of their potential role in heading off a crisis, they must have the same kind of legal, technical, and managerial talent available to the large multinational corporations. They must be able to join together to conduct overseas sales operations if this talent is to be used efficiently. My bill provides, at minimal cost to the taxpayer, a means by which Government can bring these incentives to bear in the interest of a vital economic future for the Nation.

By Mr. McINTYRE:

S. 1008. A bill to extend certain laws relating to the payment of interest on time and savings deposits and to make clear that Federal banking statutes do not prohibit depository institutions from offering negotiable order of withdrawal services in connection with certain interest-bearing deposits. Referred to the

Committee on Banking, Housing and Urban Affairs.

Mr. McINTYRE. Mr. President, the bill that I am introducing today attempts to deal with a newly developing practice within the financial community and also extends for an additional year the authority to Federal regulatory agencies to regulate the amount of interest which can be paid on savings deposits.

In recent months, mutual savings banks in two States, Massachusetts and New Hampshire, have established a new type of 30-day savings account whereby through the use of instruments called negotiable orders of withdrawal, depositors may receive interest on third party payment accounts.

Because of the introduction of this new form of withdrawal from savings accounts, the issue has been raised concerning whether all financial institutions should not be granted the same right to offer this service to their customers.

In view of the fact that these negotiable order of withdrawal accounts—NOW accounts—are of relatively new origin, I feel that the bill I am introducing will provide a forum for the Financial Institutions Subcommittee to examine this question in connection with hearings scheduled for March 20 to 22 on the continuation of Regulation "Q."

It is my understanding that NOW accounts, while operating in a manner similar to a checking account, are distinct from checking accounts in several ways.

A negotiable order of withdrawal is drawn not on a demand deposit as is a check but is drawn on an interest bearing account and, in effect, is a replacement for the need of presenting a passbook in order to withdraw funds. This method of withdrawal removes the need and inconvenience for a depositor to personally present his passbook to the depository institution in order to withdraw his savings funds.

NOW accounts also differ from conventional checking accounts in that their use is limited to individuals and are not offered for commercial purposes.

In view of the fact that in several aspects a negotiable order of withdrawal instrument does serve a role similar to a conventional check but also draws interest on the balance in the account, it would seem that individual depositors would find this type of service extremely attractive.

The bill that I am introducing would amend several Federal laws to make it clear that all Federally regulated financial institutions—commercial banks, mutual savings banks, savings and loan associations, and credit unions—could offer this type of service to their depositors. It should be noted, however, that the legislation does not require any financial institution to provide such service, but simply makes it clear that this individual financial institution can offer this service to its customers if it so desires and that such accounts operate in accordance with Federal banking laws.

The section of the bill dealing with regulation of interest rates extends for 1 year what is commonly referred to as Regulation "Q". This legislation was passed by Congress in 1966 to assure that thrift institutions would have the ability to attract deposit funds for investing in the mortgage market. By authorizing flexible Regulation "Q" authority, Congress intended to provide a continuing source of funds to thrift institutions and to the mortgage market for the construction of needed housing.

Regarding the sections of the bill directed toward NOW accounts, I would like to make it clear, Mr. President, that I consider those sections more in the form of draft legislation designed to develop a dialogue concerning the proper role for these types of accounts to play.

The dialog concerning this subject should center on whether or not the thrust should be towards expansion of the NOW account concept rather than prohibition which is the case in a piece of legislation that has recently been introduced in the House.

The important feature in a NOW account is that the depositor receives interest on a third party account, and this appears to me at this time to be a positive step to be considered in extending individual third party payment systems to all financial institutions and should be an attractive new feature well-received by consumers.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1008

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out "1973" and inserting in lieu thereof "1974".

Sec. 2. Section 19(i) of the Federal Reserve Act (12 U.S.C. 371a) is amended by adding at the end thereof the following new sentence: "Nothing in this paragraph shall be construed as prohibiting payment of interest on a deposit with respect to which the bank may require the depositor to give notice of an intended withdrawal not less than 30 days before the withdrawal is made, even though in practice such notice is not required and the depositor is allowed to make withdrawals by negotiable instrument for the purpose of making payments to third persons or otherwise."

Sec. 3. Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by adding at the end thereof the following new sentence: "Nothing in this subsection shall be construed as prohibiting payment of interest on a deposit with respect to which the bank may require the depositor to give notice of an intended withdrawal not less than 30 days before the withdrawal is made, even though in practice such notice is not required and the depositor is allowed to make withdrawals by negotiable instrument for the purpose of making payments to third persons or otherwise."

Sec. 4. Paragraph (13) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757) is amended to read as follows—

"(13) in accordance with rules and regulations prescribed by the Administrator, (A) to sell to members negotiable checks (including travelers checks) and money orders, and to cash checks and money orders for members, for a fee which does not exceed the direct and indirect costs incident to providing such service and (B) to allow its members to make withdrawals from their share accounts by negotiable instrument for the purpose of making payments to third persons or otherwise; and".

Sec. 5. The last sentence of section 5(b) (1) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464) is amended to read as follows: "An association may allow holders of savings accounts to make withdrawals from such accounts by negotiable instrument for the purpose of making payments to third persons or otherwise as long as the association retains the right to require the advance notice referred to in the third sentence of this paragraph."

By Mr. JACKSON:

S. 1010. A bill to amend the Wilderness Act (78 Stat. 890) to preserve the unique and irreplaceable ecological values of wilderness areas by providing for the termination of the application of mining and mineral leasing laws to, and of continuing mineral prospecting activities in, such areas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

PROTECTION OF THE WILDERNESS SYSTEM

Mr. JACKSON. Mr. President, I introduce for appropriate reference a bill to amend the Wilderness Act (78 Stat. 890) to preserve the unique and irreplaceable ecological values of wilderness areas by providing for the termination of the application of the mining and mineral leasing laws to, and of mineral prospecting activities in, such areas; and for other purposes.

Mr. President, the amendment I introduce today is simple both in text and effect; its contribution to the preservation of our natural heritage is, however, great indeed.

The Wilderness Act of 1964 contained a controversial provision (section 4(d) (2)) which provided for the continued applicability of the mining and mineral leasing laws to the wilderness areas for a period of nearly 19 years—until January 1, 1984—after the adoption of the act. My amendment would terminate the application of those laws and prohibit further mineral prospecting or exploration activities in wilderness areas. The amendment would prevent new mineral locations and the creation of new claims and private property rights in wilderness areas. Existing valid rights, established either before or during the 8½ years since the enactment of the Wilderness Act, would not be affected; patents could continue to be issued on all claims established prior to the adoption of the amendment I propose today.

Section 4(d) (3) of the Wilderness Act which permitted the exemption for mining and mineral location and leasing activities has always been controversial. Twice—September 6, 1961, and April 9, 1963—the Senate passed wilderness bills which did not grant such an exemption. The mining and mineral leasing laws were first afforded a grace period of applicability in the wilderness system by the bill reported by the House Committee on Interior and Insular Affairs on July 2, 1964, and passed by the House on July 30, 1964. The House bill provided for the continued applicability until January 1, 1990, of the mining and mineral leasing laws to wilderness areas within national forests.

Wilderness areas within the national

parks and wildlife refuge and range systems are already protected from mining and mineral location activities under the existing statutory authority of the Secretary of the Interior for maintenance of those systems. After a long conference, it was finally agreed to reduce the grace period from 25 to 19 years—that is, until January 1, 1984.

Mining and mineral location and leasing activities within the national wilderness preservation system are not required for the economic well-being of the mining industry or for the material comfort of all of us who depend upon the products of mining. The wilderness system today constitutes less than one-half of 1 percent of our country's total acreage. In addition, the rapid development of our Nation's land insures that, in the years ahead, fewer and fewer areas will qualify for inclusion in the system. Our Nation's mineral wealth is not confined to this tiny fraction of our land base. That wealth can and should be obtained elsewhere.

This conclusion is not new; it was voiced in the report of the Senate Committee on Interior and Insular Affairs on S. 4, the Senate's version of the Wilderness Act (Senate Report No. 109, 88th Congress, 1st session, p. 13):

> The greatest effect which S. 4 will have on the mining industry—and it does not affect any existing private rights—is in relation to the approximately 14.3 million acres of national forest areas—an almost miniscule fraction of the Nation's 2,271,304,320 acres of land area in the 50 states . . . In view of the vast unexploited land areas of the Nation that remain . . . the majority of the committee does not feel the mining industry will actually be injured by the bill.

Mr. President, if an immediate termination of the applicability of mining and mineral leasing laws in the wilderness system as of the date of enactment of the Wilderness Act of 1964 would not have worked a hardship upon the mining industry, then certainly the amendment I introduce today in the first month of 1973 cannot now seriously impair the activities of that industry. My amendment, at midnight on the day of its enactment, would close all wilderness areas to further appropriation or disposition under the mining and mineral leasing laws. The amendment would not, however, affect any existing rights established either before or since the enactment of the Wilderness Act. Patents could continue to be issued on all claims established before the date of enactment of my amendment. Only new mineral locations and new mineral exploration activities would be prevented.

I also wish to emphasize that this amendment would in no way adversely affect the security of our Nation in terms of any national emergency. Section 4 (d)(2) of the Wilderness Act directs the Secretary of the Interior to develop and conduct, in consultation with the Secretary of Agriculture, recurring surveys by the Bureau of Mines and U.S. Geological Survey to determine the mineral values present in the national forest wilderness areas. The results of these surveys are required to be made available to the public and submitted to the President and Congress. This is not an idle section; surveys have been developed and submitted. Therefore, should this Nation ever be faced with a national emergency which can be met only by the extraction of minerals within the national forest wilderness areas, with the knowledge gathered through surveys required by section 4(d)(2), the Congress could act to make those minerals available for mining. Short of such an emergency, only mineral surveying, not mining or mineral location activities, should occur in those areas. And this my amendment would assure.

The Wilderness Act of 1964 embodied the recognition of the unique environmental values of our Nation's rapidly dwindling wilderness and provided a mandate to us all to preserve those values. If we are to allow continued mineral locations, continued expansion of mining rights, within the wilderness, then the purposes declared in the Wilderness Act mandate will not be fulfilled. Mining and mineral-location activities—both actual and proposed—upon present and potential units of the national wilderness preservation system have generated major conflicts between industry and environmentalists.

Many of these conflicts have become national in scope—conflicts over the Glacier Peak Wilderness, Wash., copper; the Boundary Waters Canoe Area, Minn., nickel; the Three Sisters Wilderness, Oreg., pumice; and the Blue Ridge Primitive Area, Ariz., oil and gas. Whether or not, in each and every one of these cases, the threat to wilderness posed by the creation of mining rights and of eventual mining is truly real or would ever be fully realized, the perception of such a threat is totally real. And, I believe, few would argue that the sum total of these actual or potential incursions of mining in the wilderness does represent an unwarranted risk for natural environments which may never be duplicated by man.

The incompatibility of wilderness and mining activities and the increasing reluctance of the public and the Government to countenance such activities within the national wilderness preservation system is best exemplified in a recent ruling by the U.S. District Court for Minnesota granting an injunction against all mining activities, including mineral exploration, in the Boundary Waters Canoe Area:

> It is clear that wilderness and minings are incompatible. Wilderness exists because man has not yet intruded upon it. As the United States was settled and frontiers vanished, wilderness disappeared except for inaccessible or otherwise then commercially useless areas. As of today but few true wilderness areas remain. Once penetrated by civilization and manmade activities, it cannot be regained for perhaps hundreds of years. The recovery period is meaningless for generations to come. The destruction is irreversible. So with mining . . . [it is an] anathema to all wilderness values. . . .
>
> It is argued that mere prospecting and drilling is in the nature of a minor interference. It is nevertheless an encroachment upon wilderness, what with its heavy machinery, the noise of its operation, necessity for water or land transportation, base camps, communication lines, etc. Further, prospecting is only worthwhile if something is found, and it would follow as an *a fortiori*, that removal of the ore is the next step requiring further encroachment and as this court stated earlier knocking out the very heart of the Boundary Waters Canoe Area. (Izaak Walton League v. St. Clair, 4 E.R.C. 1864 (1972))

Mr. President, the 19-year exemption for mining and mineral location and leasing activities granted in the Wilderness Act presents us with not just an environmental problem, but an economic problem as well. The conflicts between the mining industry and the environmentalists over almost every proposal to take advantage of the exemption and the increasing reluctance of the Federal Government to process, write the required environmental impact statements on, and approve such proposals suggests that the public will not tolerate mining in wilderness areas and the government will respect the public will.

Thus, we will be faced with the difficult economic problem of buying back these mining rights which we continue to permit to be established. Each year the exemption continues, more mineral locations are made and the bill which the Federal Government will eventually pay for maintenance of the wilderness system grows. Just as the environmental problem posed by this exemption is soluable, so, too, is the economic problem. I believe the amendment I propose today is the solution to both these problems.

The disputes engendered by attempts to obtain mining rights in national forest wilderness areas is another example of the need to reform our mining laws. The principal law—the mining law of 1872—is now more than a century old. In its time it was a worthy legislative achievement, but today it is clearly outmoded. It encourages the establishment of mineral and property rights on our public lands which are uncertain at best. At worst, it provides a means for individuals whose primary interest is not in mineral development and production to obtain use of the public lands for other purposes. It provides no simple way of prohibiting such misuse of the law or of erasing dormant claims which remain as clouds-on-title. In short, it encourages the establishment of property rights on our public lands which in far too many cases are unrelated to our Nation's material needs or the viability of our mining industry.

These rights do, however, take precedence over and threaten the environmental and recreational values of public lands and do frustrate any attempt to manage those lands for environmental, recreational, or other important economic purposes. The possibility of unimpeded creation of new rights under the 1872 law threatens many of our wilderness areas and, in doing so, serves no national interests. Thus, if those of us in Congress are really committed to addressing the question of reform of the mining laws, we can make a good beginning by passing the amendment I propose today.

Mr. President, on January 11, 1973, I introduced S. 316, the Eastern Wilderness Areas Act, to expand our wilderness system and to make that system and its natural environment more accessible to the vast majority of American people who live and work in the massive manmade environments of our Nation's eastern cities. However, expansion of the wilderness system will achieve little of worth if the system itself is degraded and the purposes for which it was established are undermined by incompatible activities. In my view, mining, mineral location, and mineral exploration are incompatible activities.

Their continued existence in national forest wilderness areas and laws which encourage new mining claims in these areas must be terminated. The amendment I introduce today would effect that termination, and is no less important to the concept and reality of the wilderness than the proposed Eastern Wilderness Areas Act and the numerous other measures which have been introduced to increase the size of the wilderness system.

Manmade environments can never substitute for the spiritual, educational, esthetic, recreational, and scientific values which the wilderness embodies. Our children and our children's children should be given the opportunity to experience the wilderness and seek those values. Only we can preserve that opportunity for them and passage of this amendment is a critical step we must take if we are to do so.

I ask unanimous consent to have the text of the bill printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 4(d) of the Wilderness Act (78 Stat. 890) is amended as follows—

(a) Strike paragraph (2) thereof and insert in lieu thereof the following new paragraph (2)—

"(2) In accordance with such program as the Secretary of the Interior shall develop and conduct in consultation with the Secretary of Agriculture, national forest wilderness areas shall be surveyed on a planned, recurring basis consistent with the concept of wilderness preservation by the Geological Survey and the Bureau of Mines to determine the mineral values, if any, that may be present; and the results of such surveys shall be made available to the public and submitted to the President and Congress."

(b) In paragraph (3) thereof—

(1) strike "December 31, 1983" wherever it appears and insert in lieu thereof the date of enactment of this amendment; and

(2) strike "January 1, 1984" and insert in lieu thereof the date of the first succeeding day after the date of enactment of this amendment.

By Mr. JACKSON (for himself and Mr. Abourezk):

S. 1011. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes;

S. 1012. A bill to provide for the creation of the Indian Trust Counsel Authority, and for other purposes;

S. 1013. A bill to provide for financing the economic development of Indians and Indian organizations, and for other purposes;

S. 1014. A bill to amend certain laws relating to Indians; and

S. 1015. A bill to establish within the Department of the Interior the Indian business development program to stimulate Indian entrepreneurship and employment, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, for myself and the junior Senator from the State of South Dakota (Mr. Abourezk), I introduce by request several bills relating to Indian affairs which were submitted and recommended by the Department of the Interior in the 92d Congress and were included in the message of the President on Indian policy in the 91st Congress.

The Committee on Interior and Insular Affairs held hearings on all but one of these measures in the 92d Congress, and the bill to establish an additional position of Assistant Secretary in the Interior Department was passed by the Senate.

These measures are generally favored by the Indian people although it is my understanding that there are some reservations with respect to some of the provisions. It is hoped that early hearings can be held on the bills to give the Indian community and other interested persons an opportunity to present their views to the Congress with respect to this legislation.

By Mr. JACKSON (for himself and Mr. Abourezk):

S. 1016. A bill to provide a more democratic and effective method for the distribution of funds appropriated by the Congress to pay certain judgments of the Indian Claims Commission and the Court of Claims, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

INDIAN JUDGMENT FUNDS DISTRIBUTION ACT OF 1973

Mr. JACKSON. Mr. President, I introduce for myself and the junior Senator from South Dakota (Mr. Abourezk) appropriate reference the "Indian Judgment Funds Distribution Act of 1973."

The proposed measure offers an alternative method for the processing of numerous judgment awards made to Indian tribal groups by the Indian Claims Commission or the U.S. Court of Claims. These payments, for the most part, represent additional compensation to the tribal groups for land sold by them to the Federal Government in the past at prices considered to be grossly inequitable in relation to the value of the land.

While serving in the House of Representatives, I was pleased to have been one of the original sponsors of the act of August 13, 1946 (60 Stat. 1049, 1055) which established the Indian Claims Commission. This special Commission was established to provide a forum for the adjudication of all claims by Indian tribes against the United States that existed on the date of the act. Prior to the creation of the Commission, Indian tribes were required to follow the slow and laborious procedure of obtaining special jurisdictional acts from Congress to authorize such claims to be heard before the U.S. Court of Claims.

I shall not elaborate on the fact that the Indian Claims Commission failed to complete its work during the original lifespan authorized by Congress. While Congress has authorized several extensions to the Commission's life, the net effect has been a prolonged delay in the adjudication of the Indian cases and ultimate cash awards to the tribes on the successfully prosecuted cases. The Commission appears to be functioning at a more desirable pace at the present time, and it is bringing to conclusion many of the cases pending before the Commission.

Under current congressional policy, a tribal group receiving a judgment award is required to obtain authorizing legislation from Congress to specifically permit the distribution of the judgment funds to their duly enrolled members and to expend a portion of the funds for purposes which will benefit the tribal membership as a whole—education, community development, and so forth.

While this procedure served a useful purpose in the past, the procedure now places an undue legislative burden on the Senate Interior and Insular Affairs Committee, and limits the committee's capacity to address its energies and resources to the substantive issues related to the Indian's historical relationship with the Federal Government.

The processing of specific judgment bills during the 92d Congress accounted for approximately 50 percent of the committee's legislative workload on Indian-related matters. In this connection, the subcommittee's consideration of Indian measures resulted in 40 bills being enacted into public laws; 21 of these public laws related to Indian judgment awards. These 21 measures accounted for 11 days out of the 23 days of hearings conducted by the subcommittee on Indian measures. In addition to the time devoted to judgment bills by the subcommittee, the full committee spent many hours in the consideration of these measures prior to ordering them reported to the Senate.

Furthermore, the lengthy process of approval of plans for distribution of judgment funds by the Secretary of the Interior, his submission of a legislative proposal to Congress, the holding of hearings on such proposals, and so forth, has caused long delays, in some cases over several years after judgments have been awarded, until their distribution. The majority of Indian tribes need the funds for constructive purposes, and can ill afford those unnecessary delays.

The Indian Judgment Funds Distribution Act which I introduce today would serve to accomplish the desired objective of freeing-up valuable committee time to be devoted to more substantive issues in the field; and to speed up the processing of Indian judgment awards and making the needed funds available to Indian people.

The major provisions of the proposed measure follow:

Within six months following the appropriation of funds to pay each Indian judgment, the Secretary of the Interior is required to submit to the Congress a Recommended Plan for the distribution of such funds to the affected tribal group.

Copies of pertinent tribal documents, including copies of transcripts of public hearings held by the Secretary concerning the Indian judgment, shall accompany the Plan.

A statement of tribal expression indicating the degree of tribal support for the Plan shall be made available to Congress. Such statement should specify any alternative methods for distribution of the judgment funds proposed by any members of the affected tribe.

Prior to final preparation of the Plan, the Secretary shall:

(1) consider any formal resolution or expression made by the affected tribe concerning suggested distribution plan formulated by the Indians, and

(2) establish an official hearing record to include testimony of the leaders and members of the tribal group receiving the judgment award. Such hearing shall be held at a time and an area or areas which shall best serve the convenience of the Indian people.

The enrollment criteria of the affected tribe receiving a judgment award shall accord with the principles of due process and equal protection, *Provided*, that this clause shall not be deemed to authorize the Secretary to alter the tribal rolls of persons who are clearly designated as recipients of such funds.

A significant portion of the distributable funds shall be set aside to serve the common interest of the tribal membership.

Congress shall have sixty calendar days to review the Plan for distribution of judgment funds.

Such plan shall become effective upon the expiration of the sixty day period.

The full sixty day period, or any portion thereof, may be waived by Committee resolutions. In such case, the Plan shall become operative on the date of the waiver approved by Congress.

The Plan may be disapproved during the sixty day period by an adverse Committee resolution passed by either House of Congress.

Following passage of a Committee resolution disapproving a Plan, the Secretary shall propose legislation within thirty calendar days to accommodate the distribution of the funds.

Whenever, for any reason, the Secretary is unable to prepare a Plan for the distribution of an Indian judgment, he shall be required to submit to Congress a report or proposed legislation to effect distribution of the funds.

The "significant portion of the net distributable funds" for program purposes is deemed to be twenty per centum of such funds unless otherwise warranted for the affected tribal group.

Mr. President, I believe the proposed measure is necessary for the continued improvement of the social and economic conditions of Indian people. I propose to move quickly on this matter in the Senate Interior and Insular Affairs Committee.

By Mr. JACKSON (for himself and Mr. ABOUREZK):

S. 1017. A bill to promote maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; to encourage the establishment of local Indian school control; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

INDIAN SELF-DETERMINATION AND EDUCATIONAL REFORM ACT OF 1973

Mr. JACKSON. Mr. President, I introduce for myself and the junior Senator from South Dakota (Mr. ABOUREZK) for appropriate reference the "Indian Self-determination and Educational Reform Act of 1973." The measure will accomplish two major objectives for the benefit of Indian people. First, the bill will add a realistic dimension to the contemporary promises of "self-determination" for the Indian people. Second, the bill will bring about a much needed reform of our Government's responsibility for providing financial assistance to certain Indian children enrolled in public school districts throughout the Nation and will authorize new programs and funds to enhance the educational opportunities for Indian youth and adults.

As a consequence of the trust responsibility and an enduring historical-legal relationship with the United States, Indian people have undoubtedly received more special Federal assistance through various social and economic efforts than any other group of citizens in this country. Yet, when we examine the results of these endeavors, we find that the socioeconomic condition of the Indians continues to stand out in stark, shameful contrast when compared to the non-Indian population. Admittedly, many of these Federal efforts have not been sufficiently funded to mount a frontal assault on the social and economic ills that continue to hold the Indians in the chronic grip of poverty.

Moreover, any realistic review of past as well as current Federal efforts to improve the well-being of Indian people, with minor exceptions, will reveal two basic shortcomings:

First. The direct Federal Indian service programs of the Bureau of Indian Affairs and the Indian Health Service have been planned, implemented, and administered almost entirely by Federal officials with little Indian involvement and participation.

Second. Indian people have been given only token opportunities to influence the delivery of State and local services to their communities even though such services may have been heavily subsidized by Federal funding.

These circumstances have had a twofold negative impact upon the Indian people and their communities. First, it has deprived the Indians of perhaps the best opportunity to develop administrative, business, and community leadership skills absolutely crucial to the realization of self-government. Second, it has denied to the Indian people an effective voice in the planning and tailoring of programs and services to meet the real, felt needs of their communities.

Because tribal governments and Indian people have been relegated to passive consumers of various Federal, State, and local programs, such programs have achieved only marginal results over the years and, regrettably, have fallen far short of achieving highly desirable goals and objectives.

Despite the continuing Federal domination of Indian affairs, the Indian people have never surrendered their desire to control their relationships, both among themselves and with outside forces. This desire has been eloquently stated by spokesmen for numerous Indian tribes and organizations as it was once expressed in our Declaration of Independence. In short, the Indian people want to become genuinely involved in the forces, decisions, and activities which affect their individual lives, families, and community well-being.

I believe it is long past time for the Congress to respond to these legitimate desires by "restoring" certain rights and prerogatives to the Indian people which will afford them greater opportunities for genuine self-determination and control over the direct Federal Indian service programs. In addition, this response must extend to those programs; that is, education, which are conducted through local governments and institutions with Federal subsidy.

The proposed legislation will neither surrender nor absolve the United States of its responsibilities to the Indian people, but will invite them to share the task of determining how these responsibilities may best be fulfilled.

The bill I introduce today is a response to such requests by the Indian people for a greater voice over their own destiny. My proposed measure would provide the statutory authority to assist Indians in the implementation of a realistic Indian self-determination policy. In addition, the educational reform provisions of the bill provide several new programs and financial resources designed to enhance education opportunities for Indian youth and adults to enable them to assume more responsible leadership roles as self-determination gains momentum in Indian communities.

TITLE I

Title I of the proposed measure would authorize the Secretaries of the Interior and Health, Education, and Welfare, upon the requests of Indian tribes, to enter into contracts with tribal organizations so that these organizations may plan, conduct, and administer projects under a number of Federal Indian service programs which are within the jurisdiction of the respective departments. In addition, it would provide grants to Indian tribal organizations for planning, training, evaluation, and other activities specifically designed to make it possible for such organizations to enter into these self-determination contracts.

Authorized, as well, would be the detail of personnel—including commissioned officers of the Public Health Service—from the two departments to assist the tribal organizations to fulfill their contract or grant responsibilities. Finally certain Federal contracting requirements which have, in the past, proven to be particularly onerous to Indians attempting to enter into contracts with the governments could be waived by the respective Secretaries at their discretion.

Mr. President, I am pleased to remind my colleagues in the Senate that the provisions of title I of this measure were previously endorsed by the Indian people when it appeared as S. 3157, the Indian Self-Determination Act of 1972, in the 92d Congress. During the previous Congress, the administration transmitted several bills designed to implement their Indian self-determination policy. The former ranking minority member of the Committee on Interior and Insular Affairs, Senator Gordon Allott, and I sponsored S. 3157 as an alternative to the administration's legislative package on this subject. During hearings on all of these measures, spokesmen for the major Indian organizations expressed a preference for S. 3157 over the administration's proposals. In addition, administration officials testified that enactment of S. 3157 would be of assistance to them in achieving their objectives in the Indian field.

On June 28, 1972, the committee ordered S. 3157 favorably reported to the Senate; the measure was approved by the Senate on August 2, 1972; and was referred to the House of Representatives. The House failed to consider S. 3157 during the 92d Congress and the measure died at the conclusion of that Congress.

TITLE II

Title II of the legislation I am introducing is aimed at providing better Federal assistance to local public schools in fulfilling their responsibility to education, eliminating defects in the existing Federal assistance for Indian education in public schools, and creating new programs and resources to better carry out the Federal Government's responsibility for Indian education, whether it be in public schools or in federally administered schools. Central to title II, as in title I, is the assurance that the Indian tribes and people will have the greatest opportunity to shape these efforts and to share in the administration of the programs and services.

Title II of the bill has five parts providing programs in the field of Indian education.

Part A is, in effect, a substitution for the educational contracting authority contained in the Johnson-O'Malley Act of 1934 (48 Stat. 596), as amended. It provides a formula for contracts between the Secretary of the Interior and States or Indian tribes to assist local school districts in educating Indian children; defines the responsibility of local school districts in Indian education; and delineates the educational services for which the funds provided in the act may be used. Authorized appropriations for part A will not be substantially greater than the current appropriations for Johnson-O'Malley.

Part B is directed toward preparing better qualified personnel, professional, and subprofessional, to serve Indian children in public, private, and Federal schools and to increase the qualifications of existing personnel. It authorizes grants or contracts for institutions of higher education and public and private nonprofit organizations for such training purposes. Indians are given a preference for such training; $10 million is authorized for the first fiscal year and $15 million for each of the next 2 fiscal years.

Part C authorizes Federal assistance in the construction, acquisition, and renovation of school facilities in public school systems which serve Indians on or near Indian reservations. Certain standards are set in this regard, including a requirement that the Indian tribe or tribes affected will be consulted by the Secretary. The authorized appropriation for part C is $30 million for each of the first 3 fiscal years and such sums as necessary for each fiscal year thereafter.

Part D establishes an Indian youth intern program for summer employment in order to enhance the educational opportunities of Indian youth and to assist him in exploring and participating in activities related to his future choices of possible careers. The authority sets certain criteria for both the employer and the intern. Part D authorizes $10 million for the fiscal year and $15 million for each of the next 2 fiscal years.

Part E provides funds to the Secretary of the Interior for grants and contracts with appropriate nonprofit institutions and agencies for research and development in the field of Indian education. The authorization for part E is $2 million for the first fiscal year and $3 million for each of the next 2 fiscal years.

Part F directs the Secretary of the Interior to present to the 94th Congress proposed programs for improving the general field of Federal responsibility for Indian education and which are to span the spectrum of that field, including adult and continuing education; vocational and technical career education; early childhood development; and special and higher education. $750,000 is authorized for part F.

Part G provides general standards and requirements related to title II.

The primary, beneficial impact of title II will be the effect it will have upon the administration of educational programs for Indians under the authority of the Johnson-O'Malley Act.

Since assuming the moral and legal obligation for the education of the American Indian, the Federal Government has employed a meld of religious mission schools, Federal schools, and State public schools. In the early years of the Federal-Indian relationship, the Indian mission school was the major agency of Indian education. While these mission schools still play a role in Indian education, they are no longer viewed as a Federal means of fulfilling a Federal responsibility. Shortly after the Civil War, the Federal Government shifted its emphasis in meeting this responsibility to Indian boarding schools, on and off the reservation. With the passage of the Indian Citizenship Act of 1924 and the concomitant right of the Indians to a free public school education, the State public school system began to play a major role in Indian education. Today, two-thirds of all Indian children are educated in the State public schools.

One of the major sources of Federal support for these children is the Johnson-O'Malley Act of 1934 enacted to provide financial assistance to local school districts enrolling Indian children.

It is ironic that the act was not intended as a prop to Indian self-determination, but rather a transfer of Federal responsibility. The early history of the act indicates that the original intent was not to provide a service to the local Indian community or to support local control.

Its original intent was twofold. First, the act was designed to transfer the responsibility for Indian education from the United States to the States. Johnson-O'Malley funds provided financial inducement to public schools to educate Indian children by attaching a dollar sign to each Indian child. Early appropriations were made based upon the number of Indian children enrolled in the district.

The second objective of Johnson-O'Malley was to facilitate the assimilation policy then current in the Bureau of Indian Affairs by encouraging enrollment of Indians in public schools. Consequently, Johnson-O'Malley provided a means for the Federal Government to pay the States for the burden of educating and "civilizing" the Indian population. The law was clearly not intended to support "self-determination" of the Indians in the programs provided, except as passive recipients.

In the past few years, some major questions and criticisms have evolved regarding administrative policy of the BIA in implementing the Johnson-O'Malley Act and the use or misuse of such funds by the local public school districts.

Since enactment of Johnson-O'Malley, there has never been a succinctly defined policy regarding the implementation of the program. The vagueness and ambiguity of the act has resulted in varied and inconsistent administrative procedures within the Bureau of Indian Affairs, the State education agencies, and the local school districts. The absence of a clear, concise policy which defines compliance and programmatic responsibilities of the school districts administering these programs has produced a long history of inefficient and ineffective programs which have not met the special needs of Indian children.

More importantly, it has resulted in an almost complete absence of Indian involvement in the administration of the program. The last decade has seen an increased demand from Indian people for more involvement in the decisions which affect their lives and the lives of their children. Presently, there is a great concern and dissatisfaction in local Indian communities regarding the misuse and inadequacies of Johnson-O'Malley programs and the lack of Indian participation.

Despite the inefficiencies which have characterized much of the Johnson-O'Malley administration, Congress has provided substantial funds for carrying out the program. Appropriations for fiscal year 1973 for Johnson-O'Malley and budget requests for fiscal year 1974 were each approximately $25 million. What appears to be needed is legislation to correct the deficiencies in the present program under Johnson-O'Malley and, at the same time, to provide Indian tribes and people the opportunity to direct or influence the use of Johnson-O'Malley funds in school districts educating their children.

Part A of title II will guarantee that these goals are met. Taken with the rest of the title, I sincerely believe that enactment of the bill will result in the reform of the faults in the Federal effort in carrying out its responsibility for Indian education.

Mr. President, it is my firm conviction that this proposed legislation has the general support of the Indian community and that it will prove to be a major milestone in our relations with the Indian people. I urge its enactment.

By Mr. TUNNEY:

S. 1018. A bill to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games and to evaluate and formulate recommendations concerning such participation. Referred, by unanimous consent, to the Committee on Commerce; and, if and when reported by that committee, to the Committee on Foreign Relations.

Mr. TUNNEY. Mr. President, I today introduce a bill which would create a National Commission on the Olympic Games.

Following last year's Olympic games in Munich, the Senate adopted legislation which I introduced to create such a commission, but the bill was never acted upon by the House of Representatives. After extensive conversation with athletes, administrators, and athletic organizations, I am reintroducing this bill, because of the widely held belief that the need for review remains imperative to the interests of millions of aspiring young American athletes.

In Munich, the Olympic ideal of peace and friendship through sporting competition was permanently bloodstained by the assassination of the 11 Israeli athletes. Yet the entire Olympiad was a chaos of administrative bungling, inflexibility, and petty nationalism. United States athletes were hamstrung by these inefficiencies, and they and athletes from around the world were unfairly treated by officials who clearly were more interested in politics than in fair and impartial judging of the various competitions.

Many have called for the abolition of the games. I remain steadfast in the belief that we can achieve the Olympic ideal. But we must not allow the memory of the Munich Olympics to fade. Indeed, the recollection of the tragic events in Munich should strengthen our resolve to insure that future Olympics will more nearly approach that ideal, and that the U.S. effort is the best we can make, both as a country and individually.

Clearly, the time, energy and efforts of the individual competitors, in many cases amounting to a virtual lifetime of work, should not be wasted, corrupted and overshadowed by events irrelevant to the competition itself.

The proposed Olympic Commission would be composed of nine members appointed by the President. It would review all facets of U.S. participation in the Olympics and make recommendations to the President and to Congress concerning the future of our Olympic effort. If continued participation is recommended, the Commission is to formulate specific proposals governing such participation.

Specific factors are to be considered in the formulation of the Commission's proposals. It is to evaluate the role of the U.S. Olympic Committee—USOC—in international sports and in administration of the U.S. Olympic program. The Commission is further instructed to consider the objectives of the Olympics, the administration of the games, policies concerning selection and development of Olympic participants, and arrangements which will protect the best interests of the athletes in training for, traveling to, and competing in the games.

The Commission is given powers to appoint a staff and fix its compensation, to procure services, to hold hearings, and to request records and other information from governmental and private organizations.

The membership of the Commission would be limited only by the fact that no more than two past or present officers or directors of the USOC or any other national sports group may serve as members. This will insure that a majority of the Commission will be able objectively to consider all of the conflicting viewpoints and claims which will be presented, and to create recommendations without preconceptions about any particular alternative.

It is my hope that the President will appoint members from various groups in the field of amateur sports, including athletes, coaches, and administrators, as well as members of the general public who have shown a particular interest in the Olympics or amateur sports. I believe that there should be at least one member with a legal background who can deal with the many legal intricacies involved in Olympic issues. Such breadth and diversity of membership would go a long way in guaranteeing that the Commission's deliberations would be successful.

The bill provides for an appropriation from general revenues. Cost of this Commission should not exceed $1 million. The pay of the members of the Commission is set at $100 a day in addition to reimbursement for expenses incurred.

I would like to elaborate briefly on the specific factors to be considered. The first and most important would be a thorough evaluation of the structure and policies of the USOC. The USOC is presently charged with exclusive jurisdiction over all matters relating to the Olympics in the United States by the terms of its Federal charter. Much of the criticism of the U.S. effort in past Olympics has centered on the role of the USOC. Many organizations, such as the recently formed Committee for a Better Olympics, have committed themselves to seeking restructuring of the USOC.

Indeed, the USOC itself has taken some steps toward internal reorganization. Within the past 2 weeks, it has appointed several well-known Olympic athletes to its Board of Directors and Executive Board. Such self-corrective action is a commendable step toward the broad reform which will be required if we are going to improve our Olympic program. More sweeping action is needed and this must come from a representative and independent commission.

The Commission is also directed to review the selection process of athletes, coaches, and officials for the Olympic team. The selection process has been marred in the past by jurisdictional disputes, political factors, and personal friendships. If we are to compete in the Olympics, we must commit ourselves to selection of the best athletes, coaches, and officials. Anything else is a betrayal of the competitors and the American public, which regards the Olympic team as its national representative.

Development and training programs for athletes must also be considered. The haphazard approach of the past is clearly inadequate. The efforts of the vast millions of our young people in amateur sports all too often pale before the concerted efforts of other nations to develop and train their athletes. We ask too much of our athletes if we ask them alone to sacrifice time, employment opportunities, and families to train for Olympic competition.

The Commission should further consider arrangements for training and participation in the Olympics by those selected to compete. Athletes should not be subjected to administrative harassment and inflexibility as they have been too many times in the past.

Finally, we must review areas over which the United States does not have direct control. A good example is the conduct of awards ceremonies, which has been criticized for excessive nationalism. The International Olympic Committee controls this and many other policies. Although the United States cannot unilaterally change such policies, we can make a comprehensive evaluation and framework for future action by American representatives within the IOC.

It is essential that Congress take immediate action on the Olympic question. Although 1976 seems distant, it is a relatively short time if we are to act effectively before the next Olympics. It is for that reason that I have proposed a deadline of August 1974 for the Commission's report to the Congress and the President. This date is approximately 18 months before the 1976 Winter Olympics. In the limited time available, I submit that my proposal provides the most effective way to generate a comprehensive and reasonable evaluation of our Olympic program.

U.S. Olympian Ken Moore eloquently summarized his conception of the Olympic ideal in the September 18 issue of Sports Illustrated:

> In Mexico and here the village had been a refuge, admittedly imperfect, from a larger, seedier world in which individuals and governments refused to adhere to any human code. For two weeks every four years we direct our kind of fanaticism into the essentially absurd activities of running and

swimming and being beautiful on a balance beam. Yet even in the rage of competition we keep from hurting each other . . .

That ideal was severely damaged in Munich. We can resurrect it if we act now. If we delay, we risk further deterioration and possible destruction of the Olympics as a means of promoting that ideal. We risk further national discord over the conduct of our Olympic program. And most important, we risk further waste of the dedicated efforts of those who take part in the Olympic games.

We cannot afford further delay. Reports of renewed conflict between the AAU and the NCAA, this time over player participation in the United States-Russian basketball series, demonstrate the need for immediate action. If we do not act, we can count on this organizational rivalry to hamstring our efforts to prepare for the 1976 games. The creation of the National Olympic Commission which I have proposed is the first and most effective step which we can take to reform our Olympic program, and I strongly urge the Senate to take that step by passing this bill.

Mr. President, I ask unanimous consent that the bill I introduce today under the title "National Olympic Commission Act of 1973" be printed in the Record at this point and also that it be jointly referred to the Commerce Committee and the Foreign Relations Committee, that it be referred to the Commerce Committee first, and when, as, and if, reported by the Commerce Committee, it then be reported to the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1018

A bill to create a National Commission on the Olympic Games to review the question of United States participation in the Olympic games and to evaluate and formulate recommendations concerning such participation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Olympic Commission Act of 1973".

Sec. 2. The Congress hereby finds and declares that—

(1) serious problems have arisen in the conduct of the Olympic games, both summer and winter, which have led to widespread and continuing criticism of certain aspects of the games and the manner in which the United States administers its preparation for and participation in the games;

(2) the participation of the United States in the Olympic games has a substantial effect on commerce between the United States and other nations, and such participation involves many issues relating to the area of amateur sports which have a substantial and continuing effect on interstate commerce, such as jurisdiction over various areas of amateur sports and training and development of amateur athletes;

(3) an evaluation is required of the form of organization and the means by which the United States can participate most effectively in the Olympic games and provide leadership in accomplishing action to assure that future games will be organized and conducted in a manner which will contribute to the achievement of the high ideals of the games and promote international friendship and good will through athletic competition between individuals; and

(4) the establishment of a National Committee on the Olympic Games would provide an effective means of determining constructive action toward accomplishing these goals and preparing specific legislative proposals which would command broad public support.

Sec. 3. There is hereby established a National Commission on the Olympic Games (hereinafter referred to as "the Commission").

Sec. 4. The Commission shall be composed of nine members who shall be appointed by the President of the United States. Such members shall be selected with the purpose of assuring objective consideration of all viewpoints. No more than two members of the Commission at any one time shall be an officer or director, past or present, of the United States Olympic Committee, or of any other national athletic association or federation.

Sec. 5. The President shall designate a Chairman from among the members of the Commission. Any vacancy on the Commission shall not affect its powers and shall be promptly filled.

Sec. 6. The Commission shall review the participation of the United States in the Olympic games, and, if it recommends that such participation should be continued, shall also recommend the form of organization by means of which the United States should participate in the Olympic movement and shall present specific proposals for any legislation required to implement its recommendations. In formulating its legislative recommendations, the Commission shall take into account—

(1) the objectives of the modern Olympic movement and the extent to which those objectives are being met;

(2) the manner in which the Olympic games are administered, with particular attention to the views of those who participate in those games as athletes, coaches, officials, or otherwise, or who have attended such games in any other capacity;

(3) the role which the United States Olympic Committee has played in international sports and the manner in which the United States participation in the Olympic games has been organized and administered by that committee;

(4) the policies which would assure the selection on a fair and equitable basis of the best qualified athletes, coaches, managers, trainers, and other officials and which would provide the maximum opportunity for persons to develop their athletic skills and participate in international athletic competition; and

(5) the arrangements which will best protect the interests of the individual athletes during the period of their training for, travel to, and participation in the games.

Sec. 7. The Commission shall submit to the President and to the Congress a final report of its findings and recommendations not later than August 1, 1974.

Sec. 8. Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classfication and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals; and

(3) hold such hearings, sit and act at such times and places, and administer such oaths, as the Commission or any subcommittee or any three of the members thereof may deem advisable.

Sec. 9. Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Commission is further authorized to request from any public or private organization or agency and from the United States Olympic Committee any information deemed necessary to carry out its functions.

Sec. 10. Five members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

Sec. 11. Members of the Commission shall receive $100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

Sec. 12. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Sec. 13. The Commission shall cease to exist thirty days after the submission of its final report.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 7

At the request of Mr. Randolph, the Senator from Delaware (Mr. Biden) was added as a cosponsor of S. 7, a bill to amend the Vocational Rehabilitation Act, to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes.

S. 316

At the request of Mr. Buckley, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 316, the Eastern Wilderness Areas Act.

S. 335

At the request of Mr. Church, the Senator from Missouri (Mr. Eagleton) was added as a cosponsor of S. 335, a bill to promote development and expansion of community schools throughout the United States.

S. 368

Mr. STAFFORD. Mr. President, the following Senators have joined me as cosponsors of S. 368, the Uniform Special Services Pay Act of 1973, which I introduced on January 16, 1973: the Senator from Texas (Mr. Bentsen), the Senator from California (Mr. Cranston), the Senator from Pennsylvania (Mr. Schweiker), and the Senator from Texas (Mr. Tower).

Mr. President, I now ask unanimous consent that the following Senators be added as cosponsors: The Senator from Tennessee (Mr. Baker), the Senator from Nevada (Mr. Bible), the Senator from Tennessee (Mr. Brock), the Senator from New Mexico (Mr. Domenici), the

Senator from Colorado (Mr. DOMINICK), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Oregon (Mr. HATFIELD), the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Rhode Island (Mr. PASTORE).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 467

At the request of Mr. RANDOLPH, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 467, a bill to extend the Public Works and Economic Development Act of 1965, as amended, for 1 year, and for other purposes.

S. 519

At the request of Mr. TAFT (for Mr. SCHWEIKER) the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 519, the Veterans Drug and Alcohol Rehabilitation Act.

S. 576

At the request of Mr. DOMINICK, the Senator from Arizona (Mr. FANNIN) and the Senator from New Mexico (Mr. MONTOYA) were added as consponsors of S. 576, a bill providing for separate offense and consecutive sentencing in felonies involving the use of firearms.

S. 800

At the request of Mr. MCCLELLAN, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 800, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for the compensation of innocent victims of violent crime in financial stress; to make grants to the States for the payment of such compensation; to authorize an insurance program and death benefits to dependent survivors of public safety officers; to strengthen the civil remedies available to victims of racketeering activity and theft; and for other purposes.

SENATE CONCURRENT RESOLUTION 13—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF HEARINGS ON THE SUDDEN INFANT DEATH SYNDROME

(Referred to the Committee on Rules and Administration.) Mr. MONDALE submitted the following concurrent resolution:

SENATE CONCURRENT RESOLUTION 13

Resolved by the Senate (the House of Representatives concurring), That there be printed two thousand additional copies of part 1 of the hearings held by the Subcommittee on Children and Youth of the Senate Committee on Labor and Public Welfare entitled "Rights of Children, 1972 (Examination of the Sudden Infant Death Syndrome)", dated January 25, 1972. Such additional copies shall be for the use of the Senate Committee on Labor and Public Welfare.

PAR VALUE MODIFICATION ACT—AMENDMENTS

AMENDMENT NO. 19

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. DOMINICK submitted an amendment intended to be proposed by him to the bill (S. 929) to amend the Par Value Modification Act.

AMENDMENT NO. 20

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. PROXMIRE (for himself, Mr. HOLLINGS, Mr. STEVENSON, Mr. HARRY F. BYRD, JR., Mr. ERVIN, and Mr. ALLEN) submitted an amendment intended to be proposed by them jointly to the bill (S. 929), supra.

INTRODUCTION OF AMENDMENT TO ESTABLISH A FISCAL YEAR 1974 SPENDING CEILING AT $265 BILLION

Mr. PROXMIRE. Mr. President, on behalf of myself and the Senator from South Carolina (Mr. HOLLINGS), the Senator from Illinois (Mr. STEVENSON), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from North Carolina (Mr. ERVIN) and the Senator from Alabama (Mr. ALLEN) I send to the desk an amendment to the devaluation bill (S. 929), which would establish a ceiling on fiscal year 1974 spending at $265 billion. This is an amount or level which is almost $4 billion below the level President Nixon established for "outlays" or spending in his new budget.

WHY DEVALUATION BILL IS AN APPROPRIATE VEHICLE

I have chosen to offer a ceiling amendment on the devaluation bill for several important reasons.

First of all, I believe we need a spending ceiling and need it this year. I will discuss why in some detail shortly.

Second, if a ceiling amendment is to have any meaning and significance, it must be debated and passed early in the calendar year. It should be on the books long before June 30, the start of the new fiscal year, if that is possible. The devaluation bill is to be before us shortly and would make it possible to establish a ceiling early in the year.

Third, the Joint Committee on the Budget has made some tentative and preliminary proposals concerning a congressional budget ceiling and the need for congressional institutions and procedures to support it. So have a number of individual Members of Congress.

But all of these proposals look to next year. They would merely set up the machinery by which a congressional ceiling could be established. But it would not be until fiscal year 1975—or a year from now—before a specific proposal to set a specific ceiling on a specific budget would come before us.

I think, however, that the crisis is now. I think we should act not.

Finally, the devaluation bill is an appropriate instrument for a ceiling amendment. Devaluation is the result of inflation at home. And that inflation is related to the Federal budget. Devaluation makes sense only in the context of a tough anti-inflation policy here at home. Therefore, this bill is a proper instrument on which to vote a domestic spending ceiling. There are other bills, of course, but they may well come before us far too late.

WHY WE NEED A SPENDING CEILING

We need a spending ceiling, first and foremost, because President Nixon's budget is a very, very high budget. In consultation with a number of my colleagues I find that they believe a ceiling below the President's proposed spending level is a realistic one. I believe that $265 billion is enough.

President Nixon's $268.7 billion budget is 7.5 percent and $19 billion higher than fiscal 1973 spending. It is $22 billion and 9 percent more than President Nixon originally proposed for fiscal year 1973.

It is $85 billion more than President Johnson's highest budget. And they called President Johnson a big spender.

For all of these reasons, this budget is too high. It should be cut. Both the President and the Congress must practice fiscal responsibility this year.

So we need a ceiling because the $268.7 billion proposed in the new budget is too high.

A CONGRESSIONALLY IMPOSED CEILING HELPS SOLVE CONFLICT BETWEEN CONGRESS AND THE PRESIDENT

If Congress establishes a ceiling and sticks by it, it removes any genuine argument the President has for impounding funds.

If Congress establishes a fiscally responsible ceiling, then Congress, in my view, has the right to determine spending priorities, and the President has both the duty and responsibility to carry them out and to carry them out faithfully.

There appears to me to be three different reasons why Presidents impound funds.

One of them is to protect the economy and to protect the dollar in times of fiscal crisis. That, I believe, is a justifiable reason for the President to cut spending on his own.

A second reason a President cuts spending or impounds funds is because a program is obsolete or does not work. No one would say that if the reason for a program ends—if $100 million for a particular project is not needed—the President should continue to spend the funds merely because Congress has appropriated them. Thus, as a management function, the President has the right to cut funds or to impound funds or to fail to spend funds.

A third reason Presidents do not spend money is that they just do not like a particular program. This I believe is an improper reason for the President to impound money. But this is certainly the main reason why President Nixon is cutting many of the specific programs he is cutting—OEO, public housing, REA, manpower training, and others. But he is doing it under the guise of fiscal responsibility.

CEILING DESTROYS PRESIDENT'S ARGUMENTS FOR IMPOUNDING

In the absence of a spending ceiling, the President's right to impound funds on grounds of fiscal responsibility is undeniable. This is especially true with raging inflation at home and dollar devaluation abroad.

But if Congress establishes a ceiling, then the President would no longer be justified in freezing funds which Congress has authorized for the poverty program, for farm disaster loans, for REA, for low-income housing, for water pollution control, for health, for manpower training, and other programs, merely on the grounds that he and his supporters do not like them.

This is not to say that those programs cannot be improved or that they should not be examined. They should be. Congress itself may want to improve on some of them. But the point is that if Congress establishes a ceiling then we also have the right to establish the spending priorities.

In those circumstances I believe the President would have no leg to stand on. If he did not like those programs, it would be incumbent upon him to come to the Congress and ask for a change in the law before he cut those programs or impounded the funds.

And I think that any student of the budget would agree that there are any number of specific programs—even programs that many of us support in principle—in which construction changes could be made to both save money and make them more efficient and effective. But legislative proposals should be made and authority sought before they are killed by administrative action.

If we establish a fiscally responsible ceiling, then the President would, in my view, be politically responsible and end the arbitrary impounding of funds.

But until a ceiling is established and the budget is under control, the President has Congress over a barrel and we ought to be intelligent enough to realize it.

If Congress is going to go to the mat with the President over priorities and the impounding of funds, we must first set our house in order and limit spending.

Then our views and our priorities make sense. Without a ceiling, the President is bound to win the budget struggle.

Mr. President, I send the amendment to the desk and ask that it be appropriately referred.

Mr. STEVENSON. Mr. President, I am today joining with the Senator from Wisconsin (Mr. PROXMIRE) to introduce legislation establising a firm ceiling of $265 billion on Federal spending for fiscal 1974.

Over the last 4 years, including fiscal year 1973, budget deficits have totaled $74 billion, and $106 billion has been added to the national debt. During that time Congress has cut nearly $21 billion from appropriations requests submitted by the President—but the cuts have not been sufficient, nor have they all been in the right places.

Last week's announcement of the rapid rise in consumer prices underscores the threat of continued inflation and the need to bring Federal spending under control.

It can be brought under control, and we can meet our pressing domestic problems at the same time, provided we have the will to reorder our fiscal priorities.

The President has submitted a budget for the coming fiscal year of $268.7 billion with a $12 billion deficit—another deficit. The amendment to the devaluation bill which we are introducing would establish an absolute ceiling on Federal spending of $265 billion.

Congress could cut the President's spending proposals for fiscal 1974 by $3.7 billion, as we propose, and still fund worthwhile domestic programs such as the Water Quality Control Act, the Rural Development Act, the emergency employment program, and additional national initiatives for improved health services, education, or day care centers.

Substantial sums could be cut from the defense budget. The cost of the Vietnam war was $6 to $7 billion last year. But instead of a large cut, the President has given us a $4.6 billion increase in the defense budget—in effect an $11 billion increase after allowances for decreased military spending in Vietnam.

A reduction of military personnel levels by 200,000 could by itself reduce Federal spending by about $3.6 billion. In 4 years 500,000 troops have been withdrawn from Indochina, and yet the President for fiscal 1974 proposes a force level reduction of only 55,000. For fiscal 1973 the reduction is only 40,000.

Additional savings are possible in the Trident submarine ballistic missile system, for which $1.5 billion is provided for fiscal year 1974. Potentials for additional substantial savings exist in the B-1 advance manned strategic bomber program for which the President budgets $473 million, in the $768 million Minuteman 3 MIRV project, the $400 million for research on prohibited ABM defenses, the $657 million for another nuclear aircraft carrier. Nearly $9 billion is budgeted for defense research and development, an increase of $900 million in and almost twice the Federal funds for research and development on all civilian programs.

No other nation would be extravagant or foolish enough to acquire Trident submarines at five times the cost of already developed Poseidons—or nuclear carriers at several times the cost of multiple-purpose, small carriers. The United States could augment its national security by spending less on superfluous weapons and more on education and health.

Foreign military aid and space are additional areas where substantial savings could be accomplished.

Several billion dollars could be saved by phasing out the $6 billion annual general revenue sharing program. It makes no sense for the Federal Government—which faces a $12 billion budget deficit—to give away $6 billion of tax revenues to State and local governments which in the aggregate face a surplus of $12 to $15 billion.

These cuts and others could be made without jeopardizing either our national security or our ability to meet domestic needs. Such cuts in the President's budget could reach $12 to $15 billion for the coming fiscal year, and if these cuts were made now they would result in even greater savings in future years.

The President has not brought the ax down in these areas. He has brought it down on improved health services, better education, day care centers, and pollution control. Cuts of the magnitude I have listed would allow restoration of such cuts and leave room for new Federal initiatives—as, for example, a general aid to education program or for health maintenance organizations and catastrophic illness protection.

All this is possible within a $265 billion budget ceiling. And the reductions in spending for the military, for space and foreign aid, off-set partially by increased spending for "people" programs, would dampen the inflationary pressures unleashed by the President's relaxation of wage and price controls and, with some local dislocations, nationally put more people to work.

This is possible, but there is no guarantee it will be done. The question is whether Congress has the will to do so. In order to budget rationally, Congress must restructure its procedures.

Last Monday I introduced with Senators MATHIAS, ERVIN, and McGOVERN S. 905, the Congressional Budgetary Review Reform Act. S. 905 would require Congress each year to set an outlay ceiling and revise its appropriations process to insure that the ceiling could not be exceeded without good reason. This would be accomplished through a single omnibus appropriations bill whose total outlays could not exceed the ceiling. It could be amended on the floor only by amendments which deleted funds in an amount at least equal to any funds added. Under this procedure, Congress would be compelled to weigh the costs and benefits of one program against those of another within the constraints of limited available resources.

Unless the Congress commits itself to such a self-imposed discipline, it will end up going along with extravagances of the President, adding its own, and in the end exceeding any realistic ceiling it imposes early in the session. If it exceeds its own ceiling it will in effect authorize impoundments by the President, or it will be compelled to raise the ceiling.

If we are dead serious about combating inflation, controlling spending, and reordering our priorities, Congress must adopt not only the $265 billion ceiling amendment Senator PROXMIRE and I are introducing, but also a new congressional procedure for determining fiscal priorities and living within a self-imposed limit on outlays.

NOTICE OF OVERSIGHT HEARINGS ON RURAL DEVELOPMENT

Mr. CLARK. Mr. President, it is my intention as chairman of the Rural Development Subcommittee on Agriculture and Forestry to hold a series of oversight hearings on the administration and implementation of the Rural Development Act of 1972.

At 1 p.m. on March 1, my subcommittee will hold one of these hearings to hear witnesses from the National Association of Regional Councils. Other public witnesses will be heard from in other hearings planned for later in March.

It is my wish that all public witnesses who might like to be heard from on this matter at the later hearings contact the staff of the Senate Committee on Agriculture and Forestry.

NEWSMAN'S PRIVILEGE HEARINGS RESCHEDULED

Mr. ERVIN. Mr. President, I wish to announce that the Subcommittee on Constitutional Rights has rescheduled 2 days of hearings on the newsman's privilege legislation. Due to the forthcoming hearings this week in the full committee, the sessions originally scheduled for February 28 and March 1 have been rescheduled for March 13 and 14. The March 13 session will begin at 10 a.m. in room 318, Russell Senate Office Building; the March 14 session, at 10 a.m. in room 1202, Dirksen Senate Office Building. Further information may be obtained by contacting the Subcommittee on Constitutional Rights, 225–8191.

ADDITIONAL STATEMENTS

INADEQUATE GRAIN-MOVING SYSTEM

Mr. YOUNG. Mr. President, many people have been proposing that farm programs, particularly price support programs, be abolished and they be replaced by a completely free market system for farm commodities and especially grains.

From serious farm depressions and other sad experiences, we should have learned long ago that a completely free market system for grains and some other commodities just has not worked and would not work now.

One of the major reasons why an entirely free market system would not work is our totally inadequate transportation system. The Minot Daily News, one of North Dakota's best daily newspapers, recently had an excellent editorial on this subject entitled "Inadequate Grain Moving System." Mr. President, I ask unanimous consent that this editorial be printed in the RECORD as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INADEQUATE GRAIN MOVING SYSTEM

As we surmised months ago, the Russians moved through international trade channels to bargain with many dealers to shake loose tremendous supplies of grain from U.S. stores, long before the U.S. government got involved.

They did this not wanting to disclose to any nation, nor to any international grain exporter, the magnitude of their grain shortage.

By the time American farmers became aware of the "big wheat deal," the arrangements for purchase of great supplies had been made by the Russians with the exporters, and with ocean shippers.

All that remained was for the exporters to arrange for moving the U.S. grain from warehouses and from farmers' bins to the seaports. While one exporter went about his business attempting to deliver on the order he had received, others were quietly doing the same. Probably none of them realized how many were involved.

Meanwhile our government did what it could to facilitate the big deal, releasing large stores of government-owned grain and calling for delivery of grain to which it had title. It was reasonable, wasn't it, to figure that the old grain should be moved out of storage first? Probably no one fully appreciated what a strain there would be on transportation and other marketing services. For it was hardly realized how much grain was involved or how long the demand would continue.

If the Russians had set out deliberately to demonstrate how poorly equipped the U.S. transportation and marketing system is, to handle a really extraordinarily massive movement of grain, they could not have planned it better to show the inadequacy. Our own wheat farmers, of course, are not surprised. For even in an average year of production, and the desirability of getting cash grain to the market where the price is, we have seen the perennial shortage of grain cars at the primary shipping points. We have been having boxcar shortages for 50 years and we still have them.

As a result farmers who feel they are entitled to cash in on high prices that exist just now, can't get anybody to take the grain they have. It is useless for people in Washington, or anywhere, to boast about the advance in grain prices, and how well off producers suddenly are, when the shipping and marketing system works no better than it is working right now.

Furthermore it is useless to talk about putting wheat producers back into a so-called free market, doing away with our government-aided supply management system, when rather clearly transportation and marketing facilities remain inadequate to meet their theoretical task. There can be nothing resembling a free market for grain in this country until it is possible to put grain efficiently and quickly where the demand is.

At this point, no doubt, the railroads, the terminal elevators and the exchanges will be saying that they would not be in this shape if we had a free market all along. The plea is weak. The system of the so-called free market never did work very well. At least it did not work to the farmer's benefit enabling him to sell grain on the day when he wanted to sell it at the price prevailing that day. It did not serve the grain buyer at the primary market very efficiently either. It did not work when grain could not be accepted and shipped because most of the grain cars were off in Florida or Louisiana carrying other freight, or standing empty on sidings in far-off places.

The plea for the free market is weak also when one considers that there just could not have been any really tremendous grain deal with the Russians or anyone else in this 1972–73 marketing year, had it not been for the fact that there is a government grain storage program.

This is not the first year, of course, that movement of government-owned grain has tied up transportation at a time when it might have been nice to see a lot of cash grain go to market, and at a time when farmers were in position to haul it on firm roads. The simple fact is, we do not have a grain transportation system in this country which would justify return to a free market. And, as we have already said, we never did have.

Mr. YOUNG. Mr. President, most North Dakota country elevators now, because of the shortage of boxcars and trucks to haul this grain, are not buying any grain at all. In fact, country elevators will not even quote a price to farmers because they cannot make delivery.

Mr. President, recently at a hearing of the Senate Agriculture Committee on the serious boxcar situation, I asked the Interstate Commerce Commission to provide me with information regarding how many covered hopper cars and boxcars each railroad had 5 years ago and how many they have now. I ask unanimous consent that a letter from the ICC signed by Mr. Rupert L. Murphy, Commissioner, and the tables he enclosed, be printed in the RECORD as a part of my remarks.

There being no objection, the letter and tables were ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 14, 1973.

HON. MILTON R. YOUNG,
U.S. Senate, Washington, D.C.

DEAR SENATOR YOUNG: In response to a question asked by you during the recent hearing before the Agricultural and Forestry Subcommittee, I have obtained information on the performances of major carriers and principal owners of boxcars and covered hoppers as to the number of cars installed and retired during the period 1968 through 1972. The attached tabulation will indicate the ownership of these types as of January 1, 1968, the number of such cars installed new and rebuilt during the five-year period of January 1, 1968 through December 31, 1972, the number of such cars retired during the same period and the ownership as of January 1, 1973.

Your attention is directed to the fact that in the covered hopper category the majority of the carriers have installed more cars than they have retired. However, an exception to this is the Seaboard Coast Line Railroad, which carrier installed only 300 and retired 1,426. The only other carrier having fewer acquirements than retirements is the Southern Pacific, which carrier acquired 200 and retired 231.

However, where plain boxcars are concerned the trend is quite reversed. You will note that the retirements in practically every instance greatly exceed the number of cars installed with only three exceptions. One of these exceptions is the Southern Railway, the statistics on which show a total of 4,196 being installed and 2,738 being retired. The footnote to this carrier's performance somewhat explains the situation. Another exception to the rule is shown as the Missouri Pacific, installing 2,251 and retiring 1,571; and the other exception is the St. Louis Southwestern, installing 1,851 and retiring 638. You will note that the total retirements on the carriers shown exceed installations by over 94,000 cars. While the Penn Central had by far the greatest loss of ownership of plain boxcars during this period, it is interesting to note that many of the grain-carrying roads show drastic losses in their plain boxcar ownerships.

I sincerely hope that this is the type of information you wanted, but if any additional data is required, it will be gladly furnished.

Sincerely yours,

RUPERT L. MURPHY,
Commissioner.

Railroad	Owned, Jan. 1, 1968	Installed new and rebuilt, 1968–72	Retired, 1968–72	Owned, Jan. 1, 1973
COVERED HOPPERS (LO)				
B&O	3,464	1,065	753	3,776
C&O	2,784	635	193	3,226
E-L	1,500	279	258	1,521
N&W	5,620	2,000	563	7,057
PC	10,160	2,687	1,748	11,099
ICG	4,250	1,150	188	5,212
L&N	3,524	1,404	138	4,790
SCL	14,089	300	1,426	12,963
Sou	6,719	1,900	177	8,442
CNW	3,673	374	[1] −365	4,412
Milw	2,354	928	[1] −133	3,415
BN	9,427	3,602	275	12,754
SOO	739	1,416	[1] −25	2,180
ATSF	13,222	1,589	403	14,408
CRIP	4,452	1,410	258	5,604
SP	3,827	200	231	3,796
UP	6,515	3,025	498	9,042
KCS	1,225	290	127	1,388
MKT	1,181	313	33	1,461
MP	6,360	2,029	566	7,823
SLSF	2,148	592	[1] −271	3,011
SLSW	1,743	2,061	65	3,737
Class I, U.S. total	118,960	30,735	8,023	141,672

Railroad	Owned, Jan. 1, 1968	Installed new and rebuilt, 1968–72	Retired, 1968–72	Owned, Jan. 1, 1973
PLAIN BOXCARS				
B&O	11,220	0	4,682	6,538
C&O	9,120	0	3,526	5,594
E-L	9,083	265	1,444	7,904
N&W	20,201	141	7,979	12,363
PC	50,780	8,812	25,826	33,766
ICG	25,714	330	9,581	16,463
L&N	7,819	1,809	3,814	5,814
SCL	10,065	184	5,230	5,019
Sou	11,175	4,196	[1] −2,738	18,109
CNW	26,341	0	2,468	23,873
Milw	11,436	725	[1] −3,163	15,324
BN	62,781	608	15,813	47,576
SOO	6,604	100	2,166	4,538
ATSF	26,214	2,000	10,308	17,906
CRIP	11,361	102	3,078	8,385
SP	31,783	5,650	16,263	21,170
UP	23,763	3,370	8,821	18,312
KCS	2,290	0	1,521	769
MKT	4,305	1,050	1,472	3,883
MP	14,250	2,251	1,571	14,930
SLSF	5,228	1,161	1,870	4,519
SLSW	4,402	1,841	638	5,615
Class I, U.S. total	427,206	39,068	133,347	332,927

[1] Negative retirement indicates increase in ownership in excess of new installations, resulting rom reclassification or transfer of equipment purchase or lease of used equipment, etc.

Note: For the purpose of this summary statement, all data is on basis of present merged lines.

Mr. YOUNG. Mr. President, it is particularly interesting to note that the total retirement of plain boxcars by carriers exceeds their installation of new cars by 94,000. Thus, we have 94,000 less plain boxcars now than we had 5 years ago. There has been some increase in the installation of covered hopper cars, but far from enough to offset the loss in plain boxcars.

Thus, during this 5-year period when our gross national product has been increasing, and our needs for transportation increasing year after year, the capacity of the rails for transportation has been decreasing. It is little wonder that we are facing a crisis in our ability to move huge amounts of grain with the more than doubling of our export sales in the last year.

The western railroads generally are building more hopper cars which are the most efficient and cheapest way of handling the transportation of grain. Most of these railroads, too, have modernized their whole system so they can handle more freight with fewer cars. The opposite, however, is true of other lines, and a good example is the Penn Central.

Railroads serving North Dakota, such as the Burlington Northern, have only 50 percent of their own cars available to them for hauling grain. The total cars they have available, including cars of other lines, represent only 70 percent of their ownership. This points to one of the major problems facing western railroads. Many of the eastern lines not only build few new cars but, further, they are holding for excessive periods of time boxcars which belong to railroads serving my area.

Our export sales of wheat this year are estimated at 1.1 billion bushels. This is approximately double our previous 5-year average. We have greatly increased our sales of other grains at the same time. These sales commitments, if they can be fulfilled, will not only help farmers to dispose of large surpluses of grain, but will improve our serious imbalance of payments with the rest of the world by as much as $2 billion.

Mr. President, there has been a sizable increase in transportation capability by trucks, made possible by our much better highways, and particularly the Interstate Highway System. Largely through the persistent and effective efforts of the late Senator Allen J. Ellender, chairman of the Senate Subcommittee on Public Works Appropriations, our water transportation capability increased immeasurably. Ironically, while he was fighting for this increased capability, he was severely criticized for Federal expenditures on waterway development.

Mr. President, it is obvious that our entire transportation system is not keeping pace with our ever-expanding economy.

IMPORTANCE OF THE OEO LEGAL SERVICES PROGRAM

Mr. MONDALE. Mr. President, many actions of the Nixon administration over the course of the past few weeks have attempted to weaken this Nation's commitment to social and economic justice.

Perhaps none of these actions has been as destructive, however, as the recent moves on the part of Acting OEO Director Howard Phillips to dismantle the legal services program in defiance of a clear congressional mandate for its continuance.

The issues posed by these actions go beyond the legal services program itself. These affect the Nation's commitment to equal justice under law for all members of our society. Legal services has always been and remains a cornerstone in this commitment to equal treatment in our courts of law, and we in Congress must attempt to insure that the legal services program is not so robbed of personnel and staff morale that any independent corporation we might establish becomes ineffective.

Mr. President, in an incisive column in the Washington Post, David Broder discussed the importance of legal services and the seeming commitment of this administration over the course of a number of years to this program. I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

POLITICAL GAIN: BILLING IT TO THE POOR

(By David S. Broder)

Whatever its shrewdness as a political tactic, the Nixon administration's retreat from welfare reform and its willingness to abandon or dismember the program of legal services for the poor is undercutting the moral and logical base of its own design for reshaping domestic policy.

That is a sweeping statement, I realize, but it is the only conclusion one can draw from a consideration of the contradictions between the premises of the President's program and the actions he is sanctioning today.

A convenient starting point from which to see what has happened is a paragraph of Daniel P. Moynihan's new book, "The Politics of a Guaranteed Income," in which Mr. Nixon's first-term domestic counselor discusses the three "strategies" available to the government to assist the poor in America.

One was the "services strategy," the direct provision or financing of a wide variety of programs aimed at meeting the needs or improving the opportunities of the poor. As Moynihan notes, this was "quintessentially the approach of political liberalism in the middle of the 20th Century."

The second was the "legal strategy," the use of the courts and the legal process to end discrimination and obtain equal access to all public programs and facilities. This approach, carried out by both private organizations and the government, was embodied, among other places, in the legal services program of the anti-poverty agency, the Office of Economic Opportunity.

The third was the "income strategy," the transfer of money to the poor via the simple mechanism of taking-in-and-paying-out, with the goal of enabling the poor to obtain, through the marketplace, the goods and services they most valued for themselves.

Given this choice of options, Mr. Nixon's domestic strategy unfolded in clear and logical terms.

In his first years as President, we saw Mr.

Nixon slowing the growth rate of domestic service programs, while putting increasing reliance on the income and legal strategy. His own words are worth recalling.

In his 1969 welfare reform message, he said: "I propose a new approach that will make it more attractive to work than to go on welfare, and will establish a nationwide minimum payment to dependent families with children. I propose that the federal government pay a basic income to those American families who cannot care for themselves in whatever state they live."

In his poverty program reorganization message of that same year, Mr. Nixon proposed that "the office of legal services . . . be strengthened and elevated so that . . . It will take on central responsibility for programs which help provide advocates for the poor in their dealings with social institutions. The sluggishness of many institutions at all levels of society in responding to the needs of individual citizens is one of the central problems of our time," he said. "Disadvantaged persons in particular must be assisted so that they fully understand the lawful means of making their needs known and having those needs met."

In the light of that history, what can one say about Mr. Nixon's current domestic policy? He has carried forward his campaign against the "services strategy" full blast and in his new budget is proposing not just the slowdown, but the abolition of dozens of programs designed to provide services for the poor.

But what has happened to the other two strategies that were to substitute for it? The incomes strategy has been abandoned by Mr. Nixon. There is no welfare reform or minimum-income proposal in his budget, and none is likely to be forthcoming.

As for legal services, the outlook is equally grim. Having frustrated Congress's efforts to create an independent, nonpolitical Legal Services Corporation by insisting on personal control of its board of directors, Mr. Nixon is now presiding over the destruction of the existing OEO legal services program, which has been signally successful in obtaining equal access to government benefits for its poor clients and which enjoys the strong support of the organized bar.

At the same time, he is continuing the other phases of his decentralization program by proposing to go beyond general revenue-sharing into a broad range of subsidies to local governments, for them to use as they wish.

In effect, he is telling the poor, "Don't came to Washington with your problems. Get what you need from your local government."

To do that to the poor, without giving them the financial or legal resources to wage the fight for their rights in those thousands of local communities, is not a strategy for achieving social justice and simultaneously reducing the power and influence of the central government.

It is a callous sacrifice of the minority who are poor to the political tactic of attempting to create a Republican majority from the many who are complacent comfortable.

It is a disillusioning spectacle for those of us who thought Mr. Nixon was attempting something more worthy.

RESOLUTION EXTENDING THE NUTRITION COMMITTEE

Mr. PERCY. Mr. President, I was pleased to join the distinguished chairman of the Select Committee on Nutrition and Human Needs (Mr. McGOVERN) and my other colleagues on the select committee in support of the Rules Committee resolution.

The chairman (Mr. McGOVERN) last Thursday very ably summarized the committee's solid record of achievement and its very ambitious agenda for the coming year. I shall not cover the same ground, but I do want to emphasize two or three important points.

First, I believe the select committee offers perhaps the best example we have of the successful exercise of Congress power to set the Nation's priorities and to oversee the execution of a set of policies by the executive branch designed to achieve congressionally defined goals.

There is a lot of talk these days about how the Congress must regain the power it has allowed to drift to the Executive and must reassert its power to shape the fundamental outlines of public policy. You only need to look at the Select Committee on Nutrition and Human Needs for a case study of how Congress can assume the initiative and leadership in policymaking which the Constitution intended it to have.

A glance at the budget for food assistance and child nutrition programs will reveal how sucessful this committee has been in leading the war on hunger and malnutrition in this country.

Second, there is simply no other committee or subcommittee in the Congress which is examining the vitally important questions relating to the quality of food supply and of our own personal diets which the select committee is studying. And answers to these questions may not only mean better health and a longer life for all of us, but may also mean less public and private expenditures on health care in this country. It has been estimated that we can save $30 billion on health care annually through proper nutrition.

We need, in short, a national nutrition policy which will assure us that all Americans get enough to eat as well as the right things to eat.

A national nutrition policy is not just an agricultural issue or a social welfare issue or an educational issue or a health issue; it is not an issue which is just of interest to consumers or one which affects just the food industry. A national nutrition policy involves all these areas and cuts across the jurisdiction of several Federal agencies and Senate committees. And that is why we need the select committee.

NEWSMEN'S SHIELD LEGISLATION

Mr. MONDALE. Mr. President, as the Senate Judiciary Committee's Subcommittee on Constitutional Rights holds hearings on the subject of newsmen's shield legislation, the need for strong protection becomes more and more apparent.

The legislation which I and eight other Senators have introduced seeks to implement this need for strong and effective protection, while at the same time giving potential access to confidential information only in very limited cases of extreme emergency.

Mr. President, a recent editorial in the St. Paul Dispatch frames these issues in an excellent perspective and effectively conveys the reason for enacting legislation of the type which I have proposed. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SHIELDING NEWS SOURCES

The Supreme Court's ruling that the First Amendment does not protect newsmen from being forced to testify about the sources of their material and the subsequent spate of judicial actions against reporters have made necessary the passage of so-called newsmen's shield legislation.

Several bills have been or will be introduced, including one by Sen. Walter Mondale, D-Minn. Mondale's bill strikes a sensible balance between two factions—one which would give newsmen absolute privilege and one which would give them no protection whatsoever.

First, it should be noted that "newsmen's shield" is a misnomer. Actually, it would be the newsmen's sources who were being shielded, not the newsmen. And it would be the public that would benefit because without protection many news sources would dry up. There is a long history of retaliation against people who talk openly to the press about the shortcomings of government, for example.

Mondale's bill would allow newsmen to protect the anonymity of their sources except under very precise and limited conditions. In order to force a reporter to testify, the government or any other person seeking to learn of a newsman's secret sources and unpublished information would have to prove "by clear and convincing evidence" that four conditions exist.

The conditions would be that there was probable cause to believe the newsmen had information about a specific crime, that the court in question had clear jurisdiction over the probable crime, that the information could not be obtained by any other means and that there was imminent danger of foreign aggression, espionage or threat to human life which couldn't be prevented without disclosure.

This would give reporters protection against fishing expeditions by grand juries and against being used as an investigating arm of the government, but would not give reporters the right to withhold knowledge of a serious crime. Realistically, this is the type of protection needed. The bill also puts the burden of proof where it belongs: on the party seeking the information.

Some danger to newsmen and their sources would remain, in that the final decision on whether the government had proved its case would be up to the courts—and many judges have shown considerable antagonism toward the press of late. A law granting absolute privilege would eliminate that danger, but the granting of absolute privilege seems extreme. Perhaps some safeguards against judicial prejudice could be devised by Mondale or his co-sponsors.

The Nixon Administration has said that no shield law is needed; that the guidelines laid down by former Atty. Gen. John Mitchell are sufficient protection. The fact that four reporters have ben jailed and that several more face charges indicates that the guidelines have not helped. Also guidelines are of a temporary nature and can be changed at the whim of any of Mitchell's successors.

In rendering its decision, the Supreme Court invited Congress to make a law protecting the confidentiality of news sources. The invitation should be accepted.

THE PAST, PRESENT, AND FUTURE OF THE NEW ENGLAND SHOE INDUSTRY IS STILL DARK UNLESS WE ACT

Mr. McINTYRE. Mr. President, Maxwell Field, the executive vice president of the American Footwear Industries Association recently delivered a most incisive and meaningful speech concerning the deplorable situation facing the shoe industry in New England.

Mr. Field points out that in Massachusetts, Maine, and New Hampshire alone, 120 shoe manufacturing plants have closed and nearly 22,000 workers have lost their jobs in the last few years.

There are many reasons for this serious problem but head and shoulders above all other reasons is foreign competition. Mr. Field points out that every single additional shoe made for the growing American population has come from foreign producers. Today, one out of every three pairs of shoes we wear is made in a foreign shoe factory.

This is by far and away the overriding reason that the American shoe industry is faced with closing factories and the American shoe worker is faced with job insecurity.

Now, I am not opposed to foreign trade. We must have trade throughout the world to keep our factories going and our workers employed. I am no isolationist in this area.

But, I do believe, and I believe this strongly, that we must consider such industry's problems and where we find a situation such as we see in shoes we must act. Our workers are being forced to compete with foreign workers who, in some instances, are paid less than 10 percent of American wages.

I have proposed legislation that would provide foreign manufacturers a share of the American shoe market and even a share of the growth of the American market.

I do not want to see the foreign producer take over the market completely, force American workers out of their jobs, force businesses into bankruptcy and cause serious economic dislocations in the towns and cities of our Nation.

I urge my colleagues to study the facts and figures presented by Mr. Field.

Mr. President, I ask unanimous consent to insert Mr. Field's remarks in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE NEW ENGLAND SHOE INDUSTRY—PAST, PRESENT, AND FUTURE

(By Maxwell Field, Executive Vice President-Secretary, American Footwear Industries Association)

Mr. Chairman, Distinguished Guest, and Friends, it is a pleasure for me to address so illustrious a group of bankers, all vitally interested in the development of New England and the future progress of its great shoe industry.

I am also happy to be back "home" here, having only moved from Boston to Washington this past summer where the shoe association offices have been relocated.

With two speakers on your program to discuss a rather complex industry, beset with many problems but still a major factor in the region's economy, I shall push on in order to complete my talk on schedule. I intend to "say it like it is"—to quote the advice given to me by my good friend—and yours—Henry Allen when he extended the invitation to be your speaker.

THE AMERICAN SHOE MANUFACTURING INDUSTRY

New England has always been the leading region in this industry, although its share of the market has been declining. To understand the reasons why, let's first describe the total industry in the United States.

The American shoe industry is an eight billion dollar industry, based on retail sales in 1972. This total includes sales of about 530 million pairs of American-made shoes plus additional sales of 285 million pairs of imported foreign footwear—valued at over $825 millions of dollars! Thus imports accounted for a hefty 35 per cent share of the U.S. market!

It should be noted that these footwear sales are of non-rubber footwear—thus excluding canvas sneakers, rubbers and rubber boots, etc. The rubber footwear industry has been identified by government agencies as a separate industry and it is so recognized by shoemen. Its annual retail volume in 1972 is estimated at $1.2 billions! Furthermore, a score of these plants operate in New England and employ an estimated 10,000 workers.

The American shoe manufacturing industry reported factory sales in 1972 of about $3 billions, with production of about 530 million pairs—of non-rubber footwear. Over 205,000 shoe workers were employed in some 900 shoe plants operated by 520 companies. An additional 45,000 workers are employed in machinery, tanning and other shoe supply companies.

Shoe manufacturing is concentrated in twelve states. Pennsylvania is the largest producing state, having overtaken Massachusetts several years ago. Third in size is New York, followed by Missouri and Tennessee, then Maine and New Hampshire.

Now let's take a hard look at your region.

NEW ENGLAND'S SHOE INDUSTRY: PAST AND PRESENT

The shoe industry, from the birth of our nation, has always played a major role in the economy of New England.

In the home and handicraft stages from 1635 to 1750, in the 100 year period which followed of the ten footer shops and the "putting out" system, and finally, in the factory and mass production stage from Civil War days to the present, New England played the dominant role in this industry. Through every period of history, in years of wars, of depressions and prosperity, New England manufacturers were able to meet all competition in the trade.

Beginning in the Sixties, however, outside influences buffeted this industry—and others like textiles and apparel, steel, etc.—and stopped most of its members from showing real progress. And in truth, caused many to retrench and eventually go out of business.

This influence, of course, was Foreign Imported Footwear!

Let us first put into focus the size of the shoe manufacturing industry in this region.

New England's share of shoe volume in 1972 is estimated at 140,000,000 pairs, or 26% of total U.S. output. In the mid-Sixties, its share was 33–35 per cent with output over 200 million pairs annually!

The factory value of 1972 shoe shipments is estimated at slightly under $800 millions—still a very respectable volume.

Some 250 shoe plants are currently operating in the region. Workers number approximately 56,000, with over 50 per cent being women. An additional 21,000 workers are employed in supply companies, whose products are used by shoe manufacturers.

Massachusetts' shoe industry has some 115 plants and currently employes about 20,000 workers. But this is a shocking 35% decline from its level a decade ago!

It is the result of some 70 factory closings since 1967 with a direct loss in employment of over 11,400. These were mostly small to medium size companies, producing women's low priced footwear, and it is this type of footwear that foreign imports have hit the hardest!

Massachusetts has been the worst affected state due to imports. Is it any wonder that current unemployment in the Commonwealth continues to increase and is at over 7%?

The shoe industry in Maine is the Number One employer of all manufacturing industries. Currently, 76 shoe factories employ almost 18,000 workers—and the total for the leather and leather products industry numbers 21,000 workers.

In 1972, Maine's shoe output is estimated at 33 million pairs, valued at $225,000,000.

Maine in the past four years has really been hurt—both by competition from imports of women's and men's sport type shoes, but also by fashion changes which turned the public "off" from buying moccasin types—Maine's greatest production gainers in the Fifties and early Sixties.

In the past 6 years, we've counted 28 factory closings with a loss of 5,560 workers. At the present time, I am pleased to note, there have been completed or are in various building stages, some five *new* plants operating in this state.

New Hampshire's shoe industry is third or fourth largest in this state. It has current employment of over 11,000 in 55 plants. It suffered the loss of 4,800 workers from 22 factory closings from 1967 to 1972.

But enough of bare statistics. It is only because I am addressing a group of bankers, the more intelligent leaders in our business community, who are accustomed to dealing with figures, that I dare throw this barrage of figures at you. But they do tell the story good or bad!

You've heard, I am sure, the old pun "Figures do not lie, but liars do figure". Well, at a recent Statistical conference, one of the officers declared in a talk: "If all statisticians were laid end to end, they would all be dead!"

Let me briefly describe other important characteristics of the domestic shoe industry.

The shoe industry is made up of a large number of small and medium-sized producers. The Big Four only account for 24 per cent of the national gross—with no real increase noted in several decades. In actuality, our largest producers during the Sixties expanded sales and profits by diversification programs—of buying companies in other industries with greater profit potentials. In the same period, major shoe chain operators expanded sales by opening more stores, of course, but veered away from acquiring shoe manufacturers and also diversified by merging with non-shoe retail organizations.

The shoe industry is volatile, marked by a larger number of failures or factory closings, or migrations, than is found in most other manufacturing sectors.

The shoe industry is a wage intensive industry. Labor costs equal 24 to 35 per cent of the wholesale price. Hourly wages average $2.64—which the highest wage of any state being the $2.93 in Massachusetts.

This fact of America having the highest wage rates in the world is the major reason why American shoe manufacturers cannot compete with foreign producers. The average hourly wage rates in the United States, including fringes, is now $3.11. Comparable wage rates, including fringes, are $0.21 in Taiwan, Brazil $0.34, Spain $0.57, Japan $1.09, $1.45 in the United Kingdom and $1.70 in Italy.

Also, the shoe industry has a record for being one of the least profitable industries in our economy. It operates on the very narrow profit return of 2–4 per cent, after taxes, on net dollar sales!

However, as I hardly need explain to a group of bankers, our manufacturers do enjoy a good return on invested capital. With a large number of turns of working capital in a year, therefore, profits can be favorable. And to quote one of your own bankers, recently retired, E. Morton Jennings, Jr. in his excellent book "Bank Loans to Shoe Manufacturers":

"As a genereal rule, the average men's shoe company turns over its working capital five times a year, and women's shoe factories ten times a year".

Finally, there are a number of very successful shoe manufacturers continuing profitable operations in New England, as well as in other shoe states. They are characterized as "specialty" producers—or by others, as "fashion" leaders. These producers have a track record of making more each year of the "right" shoes better merchandised to their market than their competitors.

I am proud to note that one of the most successful shoe entrepreneurs is your other speaker: Ronald Ansin.

THE NEW ENGLAND SHOE INDUSTRY: THE FUTURE

The future of the New England shoe industry during the Seventies, and beyond—like that of the American Footwear Industry—is directly dependent on the policies and programs of the Federal Government and of the U.S. Congress!

The entire growth of the American shoe industry during the decades of the Fifties and Sixties, thru 1972, was taken over in toto by foreign imports!

Just think of it: To-day, one pay for every three pairs sold is a foreign product. This plain fact spells fewer American factories and fewer jobs here in this country in 1973 and every year in the future that shoe imports remain unrestricted! And the plants and workers in the three New England states: Massachusetts, Maine and New Hampshire, will continue to bear the brunt of these losses!

Our government has approved very low tariff duties, and has no restrictions on foreign footwear imported from such key low wage countries as Spain and Italy, Japan, Taiwan and South Korea, and more recently Brazil. The importers and retailers selling these foreign shoes enjoy a far greater markup than on domestic shoes, thus providing the added incentive for these companies to expand each year their sales—and profits.

Naturally, a number of domestic shoe manufacturers in more recent years have supplemented their sales by importing shoes in order to service their customers' demands for either lower-priced, or shoes with more fashion features, than they can produce in their own plants. With only one or two exceptions, they have not purchased outright any foreign plants—but many, I am sure, have made investments in them to assure delivery of their orders.

Also in recent years, important technical and machinery developments have enabled a group of American producers to expand their operations by "running ahead" of their foreign competitors in the specialty products they have developed and are producing. These processes, primarily, have reduced costs by eliminating or combining jobs. The potential for such developments are great when one realizes that 200 distinct operations are carried on in a single establishment producing such staples as Men's Goodyear Welt shoes.

The Shoe Industry, currently under the leadership of our American Footwear Industries Association, and supported by the major producers and suppliers, is embarked on multi programs to: Improve Marketing and Fashion know-how, develop Manufacturing Standards and improve Productivity; to sharpen up on Management techniques, and to expand our National Affairs programs!

The balance of my remarks will be devoted to the latter program.

The shoe associations, spearheaded by top industry leaders, have worked hard and long at considerable costs, to secure favorable action by Presidents Kennedy, Johnson and Nixon to control the rate and quantity of foreign footwear imports. We attempted in these years, also, to secure enactment of Orderly Marketing legislation, of the Mills bill, and currently we are on record in favor of the Burke-Hartke bill.

During the past several years also, our Association and Industry leaders have been waiting for the President to reach a decision on action to break a 2–2 Tariff Commission ruling in the Shoe Industry's Escape Clause case. The Commission undertook this Escape Clause investigation under direct orders of the President and its deadlocked decision was issued in January 1971.

Under the Trade Expansion Act of 1962, the Administration can either take favorable action on this Escape Clause ruling by the United States Tariff Commission, and increase tariff duties or declare the industry eligible for adjustment assistance, or it can take side with the two Commissioners who voted in the negative, and take no action!

More recently, we attempted to secure the same treatment for footwear—in the form of voluntary agreements with key exporting nations—which President Nixon granted to both the steel and textile industries! Our friends in Washington tell us that we didn't have enough political clout—which means not enough votes to count in the elections.

We shall never give up on this effort—actually we are redoubling our efforts in this 93rd Congress.

Just so long as exporting nations continue to subsidize their countries' shoe exports to the United States—and these subsidies take various forms and they are substantial . . . Just so long as these foreign nations continue their ban on importing American shoes . . . The AFIA will stay in this fight!

Personally, I have more confidence than ever in our industry being granted positive action and some measure of import controls on foreign footwear. The 93rd Congress, Democratic controlled, will listen more to labors' claims on loss of jobs due to foreign competition. The Burke-Hartke Act, supported by AFL–CIO and opposed by both the U.S. Chamber of Commerce and the National Association of Manufacturers, as well as multi-national corporations and international bankers, will be extensively amended before it is in its final form for floor consideration, debate and vote. Either this bill, or other trade legislation, or even a new Nixon measure calling for some moderate restraints on international trade, will eventually be enacted.

My optimism is based on these facts:

1. For 1972, the adverse balance of trade of over $6.4 billions points up the need for the Administration to take positive action to stem imports—especially from Japan and Common Market countries. Imports will never go away by themselves. Foreign countries need to "dump" their government-subsidized products on American shores to boost their economies. Also, they represent too much profits for *American retailers!*

2. The Adjustment Assistance program has been insignificant and plans to retrain workers have been a failure. About $10 million to date have been parcelled out to a handful of manufacturers—mostly shoe companies in New England—and a few thousands of unemployed workers.

Not much more can be expected under current laws.

3. Labor union leaders, next to minimum wage legislation, are demanding trade controls to save American jobs and will give all-out support to the Burke-Hartke bill. And our shoe industry, and scores of other trades, will join in this battle in order to survive in the trade wars of the future.

4. Administration leaders are currently working on new trade legislation for enactment in this Congress to give the President the bargaining authority needed to launch a new round of negotiations with the Common Market and other nations. Already, newspaper stories in the "New York Times" and "Washington Post", among others, all trial balloons undoubtedly, have reported on attempts to strengthen the Administration's position by offering concessions to industries hurt by imports. One proposal is to "agree to establish criteria for imposing temporary quotas or other measures to allow time for affected industries to adopt to changing competitive conditions". This is quoted from an editorial "Protectionists Try Again" in Business Week's January 13, 1973, issue.

CONCLUSION

I close this talk by offering some personal opinions on New England's future. As one who has spent his lifetime here—and loved every day of it—as well as worked his lifetime in the most traditional and oldest of all industries in the region, perhaps they will prove helpful. I hope so.

New England has been over-studied: by government agencies who have accomplished nothing, both state and federal; as well as by banks, trade organizations and newspapers.

New England needs better PR. Who needs a headline every month like this one in the Sunday New York Times of January 7, 1973: "New England: System, Creaking With Age, Is Held In Need of Overhaul". And just who is going to overhaul it?

We all believe in better communications. But which agencies, and companies are taking positive action to get together state leaders, labor leaders, industrialists, and others, to get everyone involved in organizing a program of ACTION. State laws need overhauling, more economy in government is a must, taxes must be lowered.

New England will always need a strong manufacturing base to improve its economy. To say that this region should be mostly a Service economy is nonsense. And one can't keep on depending on government contracts to keep its R&D plats on Route 128—and elsewhere—running.

New England has a good Labor force—with good productive workers. But they are paid wages higher than in the newer regions of the South and Southwest. These costs must be lowered where they are not offset by higher productivity. And the union leaders must be made to believe this and take action to save jobs—and to even expand the number of jobs.

New England is the nation's greatest center for learning for R&D—for training future leaders. The future of all these colleges is tied in with New England's progress—or lack of it. Their collective brainpower should be turned to additional areas—to help rebuild a stronger economy in this region.

Finally, look to yourselves, as every New Englander should, man and woman, to work to-gether for a better place to live and work. If a major industry—like Footwear—has an Imports problem that can only be solved at the National level by the Administration and the Congress, every New Englander should demand of his Senators and Representatives, of his Governor and state representatives, that they take all-out action collectively to represent their constituents. For by protecting the "other guys" jobs, they may be protecting their own in the long run.

There will always be a shoe industry in this country! How large it will be in New England—how many plants will remain operating and how many jobs they provide for shoe workers in Massachusetts, Maine and New Hampshire—will depend on all the factors I've outlined above.

My challenge to New England is a call for Leadership in Action.

We need these leaders now—at home and in Washington—working to-gether to rebuild and revitalize a great region—larger by far, than many nations in the world!

ESTONIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, February 24 marks the 55th anniversary of the declaration of independence of the Republic of Estonia. This talented and long-suffering people gained independence in 1918 with the expectation that their nation would finally be able to take its permanent place in the family of free nations. Fate, however, dictated otherwise, and in 1940 Estonia was forcibly incorporated into the Soviet Union.

Friends of Estonia throughout the world mark the anniversary of Estonian independence with pride in Estonia's heritage and in the undying commitment of Estonians to freedom.

Mr. President, we are blessed with liberty in a land enriched by the contributions of Estonian Americans. On this occasion we pay renewed homage to the brave people of Estonia and to all who keep faith with them.

MINNEAPOLIS CHILDREN'S HEALTH CENTER AND HOSPITAL

Mr. MONDALE. Mr. President, as chairman of the Subcommittee on Children and Youth, I am painfully aware of the inadequacy of medical services for children in this country. There is no question that children have special medical needs that demand the highest quality and most immediate care available.

In Congress we are all seeking, as we have been for some time, the means of meeting the health crisis of this affluent Nation. We have observed that, despite our great resources, many needy persons go unserved because of the inefficiency of our health delivery system.

For example, we have on the books a law that would provide medical diagnosis, screening, and treatment of every poor child in this country. We have a system of maternal and child health centers which have demonstrated their ability to reduce infant mortality, and yet we know that thousands and perhaps millions of children in this country do not receive the health care they require.

Minnesota has for many years been a leader in the provision of health care to residents of the State and of the Nation. The University of Minnesota Hospital and Medical School, and the Mayo Clinic, are only two of the outstanding medical institutions in the State.

I am pleased to report that once again Minnesota is pioneering in the vital field of health care. A new and promising Children's Health Center and Hospital has opened in Minneapolis. The center will be operated jointly by several hospitals which will combine their resources in order to provide the best possible services to children with needs ranging from routine physical examinations to major surgery. I am convinced that this consolidation of facilities will provide new and needed opportunities for children with health problems, and serve as a model that will inspire other communities to evaluate and improve their own facilities.

I request unanimous consent to place in the RECORD a copy of an editorial about the center which recently appeared in the Minneapolis Tribune.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CHILDREN'S HEALTH CENTER

As staff and board members prepare to put the new Children's Health Center and Hospital in Minneapolis into full operation next week, there is an unmistakable feeling evident among them that they are about to launch an important addition to the Upper Midwest's great medical institutions. There is ample reason for this buoyant attitude. The center is equipped and staffed to offer complete medical care for children, all the way from routine physical examinations to major surgery. Top-flight pediatric specialists and technologists have already joined the staff. The outpatient facilities are large and fully equipped, and the children's dental clinic is the only one of its kind in the Upper Midwest.

Dr. Robert Laur, deputy administrator for preventive and consumer services in the Department of Health, Education, and Welfare, who visited the center recently, said this week that he was particularly impressed by the center's idea of combining total services in a single setting, including emphasis on the patient's mental and emotional health at all stages of his treatment. Laur said Children's still may have to face some "problem areas," particularly in regard to some of its innovations, because "anyone who is pioneering will uncover problems." But these, he said, will be overcome if the founders "sustain their enthusiasm."

The opening of Children's will permit hospitals that have small or inefficient pediatric units that they would like to close to do so. Already Northwestern and Abbott hospitals have announced plans to close their units, which total 63 beds, Children's will have 100 beds at the outset.

Founders of Children's have long felt that the city needed a facility that would provide in one place the pediatric equipment and expertise needed for the comprehensive care of children. The idea is supported by many pediatricians—a spokesman for the center said last week that "some of the finest pediatric surgeons in the country will be practicing here almost exclusively." Physicians in other fields also have shown an interest in Children's, as evidenced by the fact that as of last week 250 doctors had applied for hospital staff membership.

Children's was built for $10 million of which $5.5 million was raised from contributions and $4.5 million by selling bonds. James Miles, board chairman, said the center wants to raise more money from contributions so the bonds can be paid off, enabling the center to reduce its bills to consumers by about 10 percent. It is the center's objective, Miles said, "to provide optimum care at minimum cost."

It was 30 years from the time the idea of a children's hospital was conceived until the time it was built. There were financial setbacks and some opposition (it was planned earlier for 200 beds, which some people thought were more than needed). Now the way is clear for Children's to fulfill the dreams of its founders. We wish it success.

CONSERVATION OF HELIUM

Mr. CURTIS. Mr. President, helium is a rare and precious commodity. It has an irreplaceable need in cryogenic transmission of energy, in magnetohydrodynamics, and in other technologies which must be developed before the end of this century. The Department of the Interior has signified its importance in the environmental impact statement filed by the Department in cancellation of contracts made for conservation of helium.

The Department of the Interior, in that impact statement, estimates that recovery of helium from "possible and speculative gas reserves," in the future, will cost from $50 to $700 per thousand cubic feet. Recovery from the atmosphere is estimated to cost "in the range of $1,000 to $3,000 a thousand cubic feet."

In the helium conservation program just canceled a pipeline runs from Bushton, Kans., to the Government's storage field at Cliffside, Tex. Helium has been transported for storage through this line for more than 10 years at a cost, to the Government, of less than $12 per thousand cubic feet. Since cancellation of this one storage contract, the Government has closed the valve on its pipeline and each day, more than 2 million cubic feet of helium are vented into the air. Litigation over the canceled contract and efforts to effect a storage agreement suitable to the Government are yet to be completed. In the meanwhile, a precious source is arbitrarily being dissipated.

On January 25, Senator HRUSKA and I asked the Secretary of the Interior to open the valve and take the wasting helium to storage. We asked him to do this without delay, and to accept it without prejudice to either party in litigation. We asked him to do this in the interest of conservation and to let the determination of title be subordinated to the need for conservation. I am inserting our letter of request which is, as yet, unanswered.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 25, 1973.

Hon. ROGERS MORTON,
Secretary of the Interior, Department of the Interior, Washington, D.C.

DEAR MR. SECRETARY: This will refer to our prior correspondence about conservation of helium with particular reference to your letter of January 22 to Senator Curtis on the matter of storing helium now being vented at Bushton, Kansas.

We are apprised of the status of litigation involving the several contractors and we have no desire to propose any action which might affect, in any way, the prosecution of these matters.

Our question, which is yet unanswered, is why the helium now being vented cannot continue to be stored without prejudice to either of the parties before the Court of Claims? To store the helium would avoid waste of a scarce and essential element and, to store without prejudice to the parties, will not affect the litigation.

As you may know, Senator MCCLURE made this same proposition to Undersecretary Whitaker during hearings on his confirmation.

We believe this merits immediate attention and action.

Sincerely yours,
ROMAN L. HRUSKA,
CARL T. CURTIS,
U.S. Senators.

HEARINGS ON THE REPORT OF THE NATIONAL WATER COMMISSION

Mr. CHURCH. Mr. President, in recent weeks a number of my colleagues in the Senate have made statements on the floor expressing their concern over the review draft of the report of the National Water Commission.

The National Water Commission was created by the act of September 26, 1968, to conduct a 5-year study of national water resources problems and programs and to report to the Congress and the President on its findings and recommendations. At its inception, the Congress granted the Commission the broadest of mandates to consider the full range of Federal water policy. The Commission, furthermore, was designed to have the greatest possible independence from the interests and biases associated with existing agencies and programs. For example, active officers or employees of the United States were precluded from being commissioners, and the staff of the Commission has no tenure beyond the completion of the report.

It is essential for the Commission to complete its study without Federal interference, and to deliver to the Congress a report based upon its best judgment of the information which it has gathered in public hearings and from its consultants and advisers. I believe it would be most inappropriate for the Congress to hold hearings or take any action on the substance of the Commission's study prior to completion of its report this spring or summer.

The review draft which the Commission has recently circulated as a basis for public comment, however, has led to considerable concern over the ultimate impact of the study upon Federal water policies. There is no doubt that many of the findings and recommendations, if they were adopted as Federal policy, would profoundly change the role of the Federal Government in the development of the Nation's water resources.

Federal participation in water resource development predates the Constitution in origin and it has been a major influence for many years. Particularly in the arid West, where water development profoundly affects all social development, State and local governments have been staffed to compliment the Federal programs. If major changes are made in these programs, considerable readjustments will be necessary not only in State and local water agencies, but in the entire outlook for western States.

The Commission has made a conscientious effort to afford opportunities for State and local government representatives and the public at large to comment upon its preliminary views. The report was far too complex and too broad in scope, however, for careful analysis and discussion within the constraints of the time which had to be imposed.

It is essential that the implications of the Commission's final recommendations become well known and widely understood and that the people who would be affected are given adequate time to make their own comments. Above all, it is essential that the recommendations not be permitted to become de facto policy simply because they have been proposed.

Unless the Congress promptly acts upon the report when it is transmitted, it will compound the uncertainties which already plague the Federal water resources programs. The Congress must provide adequate opportunity for all views to be heard and should formally state its own conclusions. The Federal agencies, the States, and the public will then have a basis for an orderly planning.

Mr. President, I can assure my colleagues that it is the intention of the Senate Committee on Interior and Insular Affairs, which has jurisdiction over the National Water Commission Act, to provide an opportunity for public comment and to report to the Senate on the Commission's recommendations.

I have written to the chairman of the Commission, Mr. Charles Luce, requesting his best judgment of when the Commission will be prepared to testify on its final report. I intend to schedule hearings before the Subcommittee on Water and Power to receive the Commission's testimony at the earliest appropriate date.

I ask unanimous consent that the text of my letter to Chairman Luce be included in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., February 22, 1973.

Hon. Charles F. Luce,
Chairman, National Water Commission,
Arlington, Va.

My Dear Mr. Chairman: I have been following the progress of the Commission's work with interest, and I am aware that you are nearing completion of your final report to the Congress and to the President. The review draft of your report which was recently released for public comment includes many findings and recommendations concerning the fundamental policies of Federal water resources programs. Consequently, a great deal of interest has been shown both in your recent public meetings and in Congressional comment. I have no doubt but that the Commission's final report will raise issues of significant concern to the public and to the Congressional consideration.

Under the provisions of the National Water Commission Act, the Commission's tenure terminates on September 26, 1973. It is my intention to schedule a hearing before the Subcommittee on Water and Power Resources of the Senate Committee on Interior and Insular Affairs after the report has been transmitted to the Congress. I am hopeful that hearings can be held prior to the expiration of the official term of the Commission.

To facilitate the tentative choice of a hearing date, please advise me of your present schedule for the completion of your report and your best judgment as the earliest date that the Commission will be prepared to present its views to the Subcommittee.

Sincerely,

Frank Church,
Chairman, Subcommittee on Water and Power Resources.

HIDDEN FREQUENCY INTO DARK WORLDS

Mr. DOLE. Mr. President, an interesting article regarding a special radio broadcasting system was recently brought to my attention. This broadcasting system was developed for visually handicapped people in order that they may hear what the sighted read daily.

The second service of its kind is presently functioning in Lawrence, Kans., servicing more than 600 visually handicapped. The article, "Hidden Frequency Into Dark Worlds," by Ken Harwood, found in the February 15 issue of the Kansas City Star, explains this extremely valuable broadcasting system. I ask unanimous consent this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Hidden Frequency Into Dark Worlds

(By Ken Harwood)

Lawrence, Kans.—From 8 a.m. until 10 p.m. every weekday there's always something going on in a little kitchen of an old house near the University of Kansas campus. The activity is not cooking, as one might expect. It's radio broadcasting, a special brand at that.

Sudler House shelters the university's architectural services in its living room and Audio-Reader, a radio reading service for the blind, in the kitchen and pantry area.

In these unlikely surroundings 12 hours of daily broadcasting are produced for a select audience of more than 600 blind listeners in a 100-mile radius of Lawrence. To be eligible for the free special receiver to pick up the Audio-Reader broadcasts, a person must be certified as blind by the state or a doctor's statement saying the person is unable to read.

Staffed by volunteers and students at K.U., Audio-Reader broadcasts complete stories from printed sources such as newspapers, magazines, and books. A primary purpose of the service is to provide in-depth information and interpretation to the blind from the print media.

Audio-Reader, begun in Oct. 1971, was the second service of its kind in the country. It operates on the subfrequency of a campus radio station, KANU. Its signal cannot be picked up by a conventional radio receiver.

Brad Canfield, Audio-Reader director, said last week that Radio Station KMUW in Wichita was studying the possibility of starting a similar service for the blind in its listening area. Canfield said it could be the beginning of a state-wide network. But there are some problems which Audio-Reader must overcome before plans can be made for a network. The primary problem is finances.

Since its inception, Audio-Reader has been supported totally by an anonymous donor in Lawrence. Canfield said the service could not continue to operate indefinitely from those funds and he has requested the State Legislature to provide $51,000 a year for the station operations.

With state funds Canfield said the broadcasting day could be lengthened and the service could move from its cramped kitchen quarters into an office trailer. Without the funds, the future of Audio-Reader could be, at best, uncertain, he said.

Lack of sufficient funds has produced several dilemmas for the service, including a severe shortage of recording tape, a necessity for station operations. Most of the programs are taped in advance of the scheduled broadcast time by the volunteer readers.

Many of these recordings, which would normally be saved for re-broadcast or used by other stations in the nation, must be erased to accommodate the new daily load of recording which the small kitchen-studio handles.

Despite these problems, Canfield is enthusiastic about the service and has set a committee to work on a new program format. A survey will be sent to all listeners "to gain a better understanding on our part of what their needs are," he said.

Presently, the average broadcast day includes four hours of readings from Kansas City and Topeka newspapers, a noonhour show of potpourri suitably titled "The Kitchen Sink," "The Best-Seller Hour," short stories, "Sleuth or Consequences," an adventure hour and an hour of old radio dramas called "Those Thrilling Days."

The readers for Audio-Reader are volunteers from Lawrence and students at K.U. who can receive up to two hours of course credit for their work. Most students see it as something more than work.

"Talking constantly into a microphone for one full hour is not an easy thing to do," a student said. "But its not too bad when I stop to realize that I am fortunate just to be able to see the material I am reading."

THE ENERGY CRISIS

Mr. MONDALE. Mr. President, during the course of this past winter, fuel shortages have crippled parts of the Midwest, including parts of my State of Minnesota. The causes of these shortages, and the long-range ability of our country to avoid future shortages, are complex issues which need immediate attention.

A recent editorial in the Minneapolis Tribune has given us wider insights into the complexity of this area. Most importantly, however, this editorial stresses the urgent need for in-depth studies of the long term implications of our energy needs. Surely there can be no more needed task at this time than the undertaking of this type of effort, in order to insure that the implications of the energy crisis and the long term steps best needed to solve our Nation's energy needs are fully understood by policymakers at all levels of government.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEEPER ROOTS OF THE ENERGY CRISIS

A vocabulary of alarm is used these days to discuss energy, to some extent rightly so. But it is important to separate the short-run, local questions of resource management from the long-term questions of supply, price and environment. It is equally important to realize that on the horizon are large, potentially alarming issues that have little to do with energy, but much to do with the economic consequences of energy demands.

"Shortage" and "crisis" are among the words often used. They were applied appropriately to the problems some Minnesotans faced this winter and may face again before spring. A lack of heating fuel inevitably creates worries that conventional sources of energy are drying up and that alternatives are urgently needed. Such worries are justified for the situation that will exist many years from now. But the recent petroleum shortage resulted from a mixture of bad planning, national import restrictions and supplier responses to demands for other kinds of fuel, which impeded heating-oil distribution.

Alarm words would seem inappropriate to describe foreseeable oil supplies. Although expert opinions differ on the extent of the energy crisis, some experts believe the crisis for this country should be defined in terms of an increasing dependence on oil imports.

One iconoclast on the subject is M. A. Adelman, an oil expert and economist at Massachusetts Institute of Technology. Adelman's reverence toward the oil companies and the State Department is about the same as William Buckley's toward George McGovern. "The 'world energy shortage' is a myth," he writes in Foreign Policy magazine. Adelman points out that crude oil is, and always has been, in oversupply. He argues that reserves are abundant for many years to come, that oil companies have merely been "tax collectors" for producing countries and that the oil monopoly, not demand, has caused artificial shortages and artificially high prices.

One need not accept all of Adelman's views to recognize in them the deeper roots of the energy problem. Whatever the price-supply relationship, the United States is relying increasingly on external fuel sources. From 23 percent now, mostly Canadian and Venezuelan, U.S. oil imports will probably rise in a decade to 50 percent of the annual total consumed. Much will come from the Middle East.

Steady, large oil purchases by the United States (and Europe and Japan) will build correspondingly large currency reserves in the treasuries of Middle East countries. Their reserves will grow because they will have trouble finding enough offsetting Western exports to buy. Saudi Arabia alone, for example, is expected to have foreign-exchange reserves of $30 billion by the 1980s. As the Wall Street Journal recently observed, that is about the amount of money, in similarly mobile reserves, whose flow into different currencies helped bring about the world monetary shakeup of 1971.

Other ominous projections can be made for effects of changing trade patterns in energy. There are problems in balance of payments, environment and world politics, all of which could have adverse effects on the United States. It would be a mistake to draw pessimistic conclusions on the evidence available. But it is important to recognize the large scale on which those problems are developing, and to marshal the expertise to deal with them. On a national level, such studies are being organized by the National Security Council under Henry Kissinger's direction. We hope a similar process will take place internationally, in a forum larger than that of the past, which has been dominated by the oil-company and producing-country organizations.

CASE STUDY FOR A CONSUMER PROTECTION AGENCY: INFANT CRIBS

Mr. PERCY. Mr. President, over 4 years ago, the Government officially recognized that infant cribs endanger small children. An estimated 200 crib strangulations per year confirm that recognition.

I am pleased to be able to report that the Food and Drug Administration has informed me that it will finally propose comprehensive mandatory infant crib safety standards within the next few weeks. I welcome any FDA action which will spare the precious life of one child and preserve the joy of one family.

In 1970, the National Commission on Product Safety reported that infant furniture ranks among 16 unreasonable hazards found in and around the home; 1971 FDA statistics reveal some 23 reported infant deaths in 14 States—not including populous New York and California—attributable to poor crib design. These figures were derived from coroners' reports which frequently do not even break down statistics to the product-related cause, in this case faulty crib design.

Until now, even the lifeless forms of tiny babies could not arouse immediate Government action. Hopefully now the FDA will enforce urgent compliance with all proposed safety recommendations.

It has taken a long time to perceive the obvious. Crib slats which are spaced too widely apart allow an infant's flexible body, but not his head, to slip through. Yet, the voluntary slat spacing standard observed by some companies remains 3¼''. Many manufacturers do not even observe that standard. FDA tells us that as many as 15 percent do not comply, but a preliminary student report submitted to me covering some 50 crib models sold today at retail stores in the Metropolitan Washington, D.C. area shows that more than 50 percent exceed that industry guideline.

The infant crib retains many hazardous features. Sharp edges protrude around and inside the crib. Structural design is often weak. Infants strangle between crib sides and ill-fitting mattresses. Unsound latching devices, unfinished wood surfaces, and low rail heights threaten the child. The FDA plans to address all these problems through its new standards. It has taken 4 years to reach the inevitable conclusion that stiff regulation is needed.

A government's purpose is to serve its people. We have defined the need. Infants need protection. Either the Government protects infants, or it deprives them of needed protection by not acting. Too many mothers and fathers have suffered the needless heartbreak of Government inaction.

Throughout this episode several factors stand out as to which there is no disagreement: the FDA has had full authority to issue regulations; both Congress and the FDA share a deep concern for child safety; nothing prevents safety regulation implementation; new safety features demand no new technology. To those who say further studies are needed, I say interim corrective measures are crucial.

Unfortunately, some crib makers have not put child safety above economic gain. Government has not acted with dispatch. It has reacted all too slowly, and the cost is tragic.

I admire the timely response of FDA Commissioner Charles Edwards when this problem was finally brought to his personal attention. The record of the agency, however, was woeful. Four years and hundreds of deaths later, we are just on the verge of having minimum crib standards to assure infant safety. Nothing was lacking save the will to act.

As an indication of the need for urgent action, I would like to read a letter recently received by me from Mrs. Peter Valentino of De Land, Fla., who tells about the near-tragedy which almost took the life of her 14-month-old son—attributable to too-wide spacing of crib slats:

DEAR SENATOR PERCY: I am writing you concerning the enclosed newspaper article I read today in the Orlando *Sentinel Star*, Orlando, Florida.

After reading the article I gasped with all-too-familiar horror and also with relief that maybe someone, somewhere will do something about the cribs we lay our babies in and all the other dangerous products on the market for babies.

I am a 26-year-old housewife and mother of one child, a 14-month-old boy. We searched carefully for a good, safe, economical crib for our baby before his birth. We settled on a $30.00 Welsh crib with 3¼ inch slat spacing (supposedly a "safe" spacing). We then bought a $20.00 Sears crib mattress for the baby. I put the padded crib bumpers around the sides of the crib to protect him from bumping his head or possibly getting caught between the slats. We then felt that we had provided our newborn with a safe, secure crib. (Approximate total cost—$55.00.)

But, at around 6 months old, I went into my baby's room and found him hanging out of his crib, between two slats, feet first. He was all the way out of his crib up to his underarms. Evidently he must have slid out sideways, then by the grace of God, he turned on his stomach in time for the width of his underarms to stop him from strangling, as the child in the article did.

He was completely unhurt, laying there asleep hanging from his crib. It was a horrible, frightening sight, but I felt so fortunate and thankful that he was unharmed.

Senator Percy, it is obvious that industry standards are *not* safe enough. Something must be done.

The cribs are only the beginning of the many unsafe, dangerous products on the market. My husband and I have been shocked at the products made for babies that could be "deadly."

Another product that we found extremely dangerous was pacifiers. We feel they should be carefully studied by the FDA and some strict standards set on their production. I am enclosing two examples. These are two different kinds of pacifiers that my child was able to take completely apart by the time he was 6–8 months old. He did it very simply by gripping the nipple with his teeth (gums) and pulling on the handle. As you see, both kinds are advertised as being safe, unbreakable. This is a dangerous untruth of advertisement. A baby could easily choke to death on any of the loose parts. I hope you can see the danger.

Senator Percy, the danger of cribs, pacifiers, and many other baby products is widespread, and undoubtedly something must be done.

Just because the death rate is not high does not mean the danger does not exist. I am sure there are thousands of mothers like myself who daily find their children in similar dangerous situations before it is "too late." Believe me, sir, the death statistic is not the only example that can be used as to the unsafety of these products.

If there is any way we as parents and consumers can be of help to you, please let my husband and I know. I hope you and the FDA can help those of us who are deeply concerned about the safety of our children.

Sincerely,

MARY JANE VALENTINO.

Mr. President, I ask unanimous consent to include two outstanding articles on this subject by Robert Hey of the Christian Science Monitor—one of the finest in-depth investigative reporters covering matters of substantial interest to consumers across the country. I am particularly impressed by the consistent coverage the Monitor has given to consumer protection activities in the Congress and in the agencies of Government.

I would also include at this point another excellent piece on this subject by the Washington Post's Morton Mintz—who must deservedly rank as the dean of reporters in the area of consumer safety.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Jan. 27, 1973]

INFANTS PERILED BY SLATS SET TOO FAR APART—BAN THOSE UNSAFE CRIBS NOW, PERCY URGES FDA CHIEF

WASHINGTON.—The Food and Drug Administration has received a congressional push to put a stop to the manufacture of unsafe infant cribs.

The push comes from Sen. Charles H. Percy (R) of Illinois in a letter to FDA commissioner Charles C. Edwards. He is trying to push the agency into requiring quickly that the slats on wooden cribs be so close together that infants cannot stick their heads through and strangle.

In 1970, the National Commission on Product Safety estimated that 200 infants may be killed each year by strangulation due to unsafe cribs. The commission identified wooden cribs as one of 16 unreasonable household hazards.

Although the problem first was identified four years ago many wooden cribs with slats too far apart for safety still are being made—5 percent or more of the total wooden crib production. Neither federal law nor government regulation prevents unscrupulous manufacturers from making and selling these cheap cribs, although most new cribs adhere to a voluntary industry standard of 3¼ inches apart.

But the efforts of consumer-oriented citizens and public officials to force unsafe cribs from the shelves has been frustrated by difficulty in getting government agencies to act.

PRESSURE WHERE NEEDED

To Senator Percy it is a classic example of why the American consumer needs to be represented in government circles by an independent consumer protection agency. Such an agency would spur other government agencies to action by making certain the consumer's voice is clearly heard among the oft-clamorous voices of industry.

A consumer-oriented agency would be able to sustain pressure for needed action on a government regulatory agency, it is felt, far more effectively than can a senator whose attention is divided in several dozen directions simultaneously.

Last year a bill to establish such a consumer protection agency passed the House, but narrowly was filibustered to death in the Senate. Senator Percy was one of the proposal's chief backers.

This year consumer advocates will try again to establish such an agency; they foresee a fairly good chance of success.

Early in March the Senate subcommittee on executive reorganization is expected to hold hearings on the proposed agency. At that time Senator Percy will make the case that the crib situation is a classic argument for establishment of such a consumer-oriented agency.

ULTIMATE RESPONSIBILITY

Ultimately the new Product Safety Commission, which Congress established last year, will be responsible for determining the safety of most consumer products, including cribs. But the new commission does not officially come into being until March 1 of this year. As of this writing, commission members have not yet been named, although that is expected imminently.

Establishing a new government organization, selecting its staff, and having it become familiar with major issues are so time consuming that it would be many months—perhaps even several years—before the commission could get around to issuing rulings requiring that cribs be made safely.

Neither Senator Percy nor other consumer advocates think it necessary to wait that long, while some parents unknowingly continue to buy unsafe cribs and put their infants in them.

PROMPT RULING SOUGHT

Therefore, Senator Percy is trying to get the existing Food and Drug Administration, now responsible for crib safety, to issue a ruling promptly.

In his letter to FDA's Commissioner Edwards Senator Percy notes that 15 percent of cribs checked by FDA inspectors failed to meet the voluntary standard of 3¼ inch spacing between crib slats. "My own casual observation of what's being sold," the Senator wrote, "particularly in urban ghetto areas . . . leads me to believe that the percentage of hazardous cribs on the market is considerably higher than that found by your investigators."

Senator Percy's letter is in direct reply to one of last November by Mr. Edwards. The commissioner said then that "the Food and Drug Administration will move rapidly to develop and publish a proposed regulation on slat spacing . . . just as soon as the appropriate minimum spacing dimension can be determined from anthropometric studies."

But that study, the Senator's staff has found out, is not to be completed until August.

"What I'm getting to," writes Senator Percy, "is why do we have to wait?"

[From the Christian Science Monitor, Feb. 20, 1973]

TOUGH BABY-CRIB STANDARDS—FDA ACTION SOON

(By Robert P. Hey)

WASHINGTON.—The U.S. Government is about to require that unsafe baby cribs be banned from the marketplace.

The action will come in the form of a directive from the Food and Drug Administration setting a number of safety standards for cribs, including the crucial one: a narrower distance between vertical slats on crib sides.

The action, soon to be announced, comes in the wake of prodding by Sen. Charles H. Percy (R) of Illinois and after stories about unsafe cribs appeared in a number of newspapers, including this one.

The principal safety problem has been that there is too much space between the vertical side slats of some cribs, which permits infants' bodies to slip through. Because heads cannot slip through, however, strangulation can result.

PROBLEM IDENTIFIED

The problem first was identified in 1970 by the National Product Safety Commission, which estimated that 200 infants are killed by strangulation each year due to unsafe crib design. The commission labeled unsafe wooden cribs one of 16 unreasonable household hazards.

Thus far it has taken the federal government almost three years to require that all cribs be safely designed and made. The FDA is circulating a draft of its proposed cribs safety standards: It is expected to be made public in a few weeks.

The draft sets the maximum distance between slats at 2¼ inches—the distance recommended by FDA's bureau of child safety.

If the FDA follows its recent procedures, the mandatory safety standards may be in effect within a few weeks.

In the opinion of consumer advocates, leaving the problem for the baby-furniture industry to solve has not worked. That is why Senator Percy prodded the FDA earlier this year in search of government action.

Following the product safety commission's report in 1970, industry representatives agreed on a voluntary standard of 3¼ inches between side slats. But by the FDA's count, 15 percent of cribs subsequently made did not conform to this standard. Additionally, an aide to Senator Percy spot checked cribs in several Washington area stores recently and found that about 50 percent did not conform to this voluntary standard.

Therefore the Senator prodded the FDA for prompt standards. He was concerned that crib-safety issue might languish for several years while the new Product Safety Agency was becoming acquainted with this and other consumer issues. Established by Congress last year, the new agency this spring is to assume responsibility for crib safety and other product safety issues.

Senator Percy has received a return letter from the FDA explaining that data received from several surveys and studies now "have provided us with appropriate technical data to develop meaningful safety requirements for cribs." The FDA letter concludes, "We believe the Food and Drug Administration is moving as rapidly as possible to develop comprehensive safety requirements for cribs."

However, sources insist it was the Percy letter and the press stories that prodded the FDA into prompt action. According to one informed estimate, the FDA action probably was speeded up by two or three years.

The proposed FDA standard for slat spacing of 2¼ inches is stiffer than even consumer advocates had hoped for. If that is the final standard it would appear to eliminate the strangulation problem.

As proposed, the FDA standard would govern a number of other safety areas. Among other things it would require that there be no splintered wooden areas; no sharp hardware; no toys, decorations, or other attachments that do not meet federal safety standards.

And there is good news for perspiring fathers charged with assembling cribs. Under the proposed standards, each packaged crib must contain assembly instructions, parts, drawings, and specification.

[From the Washington Post, Feb. 21, 1973]

INFANTS, INCHES AND CRIB SAFETY

(By Morton Mintz)

A safety standard intended to prevent babies from strangling between the slats of their cribs is expected to be formally proposed by the Food and Drug Administration within a few weeks.

The FDA plan was disclosed yesterday by Sen. Charles H. Percy (R.-Ill.), who has crusaded for such action. The plan was also confirmed by the FDA.

As many as 200 infant deaths a year were attributed to faulty crib design by the National Commission on Product Safety in its final report in 1970. The FDA has cited much lower figures but relied, Percy protested, on a search of often incomplete coroners' reports.

The key to the problem is the width between the slats. The voluntary industry standard specifies a maximum of 3¼ inches. At least 15 per cent of all cribs sold fail to meet even that standard, Percy said.

In the Washington area, more than 50 per cent of the cribs sold violated the industry standard, according to a preliminary report on a survey cited by the senator.

The FDA standard, which has yet to receive final approval, is expected to make a 2⅜-inch spacing—almost an incher narrower—mandatory. A 2¼-inch width was recommended by a research team at the University of Michigan, but the FDA's Bureau of Product Safety said that tooling with which to meet that standard was lacking. The bureau also said there would be no loss of safety from 2⅜ inches.

The research team, in a study for the FDA, found that of 67 diapered infants up to 6½ months old: 38 (57 per cent) had a compressed buttocks diameter of 3¼ inches or less, 23 (34 per cent) 3 inches or less, 6 (9 per cent) 2½ inches or less, and 1 (1.5 per cent) 2¼ inches or less.

The danger of strangling arises when the infant slips feet-first through the slats.

The FDA standard, in addition to limiting maximum space between the slats, is expected to set minimum heights for rails, standardize interior dimensions, provide specifications for release mechanisms and other safety devices, regulate paint and surface coatings, eliminate "toe holds" for climbing out of cribs and forbid sharp edges and protrusions.

The Bureau of Product Safety said that it would submit the proposed standard to FDA counsel Peter Barton Hutt within three weeks. If Hutt's office approves the standard it would be published in the Federal Register for comment and then adoption.

The FDA retains jurisdiction over product safety until activation of the Commission on Product Safety. President Nixon signed a law creating the commission last Oct. 28 but has yet to name its chairman and four members. He is reported to be planning to do so this week.

Percy said that implementation of the FDA proposal would be a "significant step forward." He previously has condemned "the agency's persistent unwillingness . . . to set minimum safety standards for infant cribs."

As for manufacturers, he said some have been "callous. . . . willing to risk tragic injury by indecently cutting corners" to save the lumber adequate slats would require.

A TRIBUTE TO HARRY S TRUMAN

Mr. CHURCH. Mr. President, on Tuesday, February 6, when Members of this body rose in tribute to the late Harry S Truman, I was in Idaho and, therefore, could not participate. I would like to take this opportunity to pay tribute to one of America's finest statesmen.

From the small Missouri town of Lamar, where he was born, to the highest public office in this land, Mr. Truman was the kind of citizen who makes democracy work. He was a farmer, a railroad employee, a mail clerk for a newspaper, a bank bookkeeper, and a clothing store operator. From these humble beginnings, which molded his characteristic earthy style, Harry Truman became a U.S. Senator, a Vice President, and then the President of this Republic.

During his 10 years of service in the Senate, Harry Truman won recognition as chairman of the Special Committee To Investigate Contracts Under the National Defense Program. His alacrity saved the American taxpayer millions of dollars by exposing waste and corruption in procurement contracts. The relish and zeal with which he pursued his senatorial tasks made him most reluctant to leave the Senate. But destiny had much greater things in store for this Missourian. Three months after his election as Vice President, Franklin Roosevelt died, and Harry S Truman succeeded him as President of the United States.

History will accord our 33d President a prominent place for his contribution as President. During his first term in office, he was obliged to make some of the most difficult decisions of this century. America was still at war when Harry Truman entered the White House. But momentous occasions have often produced able and distinguished leadership. Harry Truman was no exception. In fact, the direction he gave set our national course for a generation to come.

Within his first 6 months as President, Mr. Truman presented to the Congress his "Fair Deal." Out of this prescription for social reform, the Nation was to adopt housing legislation to attack urban blight. The farm program was improved, social security was expanded, and the minimum wage was raised. His Presidency brought a new sensitivity toward the Federal Government's role in the field of civil rights.

His foreign policy soon established Harry Truman as a world leader. During his era, he called upon the generous instincts of the American people in creating public support for the Marshall plan. Harry Truman secured this country's participation in the United Nations, and sought to uphold its writ with the Armed Forces of the United States in Korea.

Americans will remember Harry Truman as much for his forthright and unassuming manner as for the accomplishments of his administration. They will remember him for his honesty and commonsense, which never failed him during the turbulent times he held the helm.

Thus, while historians record the momentous decisions of the Truman era, his contemporaries are more likely to recall the Harry Truman of Lamar, the man of humility and humanity, who once led them well.

CONTINUATION OF OEO

Mr. MONDALE. Mr. President, I am pleased to join in cosponsoring Senate Concurrent Resolution 12, introduced by the distinguished Senator from Wisconsin (Mr. NELSON) and the distinguished Senator from New York (Mr. JAVITS), expressing the sense of the Congress that the President continue OEO operations and the administration of its many vital programs, and that he submit a revised budget request to provide funding for OEO through fiscal year 1974.

The recent actions of OEO Acting Director Howard Phillips are yet another illustration of the administration's disregard of congressional intent and a blatant example of their willingness to act illegally to foster their own policy priorities.

In recent weeks, Mr. Phillips—who has not been confirmed, as required by law, by the Senate—has placed many programs on a month-to-month funding basis, has fired top officials in OEO's Legal Services programs, and has begun to phase out programs without congressional approval.

Last year, Congress made its intent clear that OEO programs would be continued at least through June of 1974. Now, in February of 1973, the administration is attempting to dismantle OEO programs without any consultation of Congress. These actions have been taken without submitting the name of the OEO Acting Director for senatorial advice and consent, and without submitting an executive reorganization plan, as required by law.

The impact of these actions on programs throughout the Nation will be disastrous. In Minnesota the OEO Community Action programs—which would be eliminated under the President's budget proposal—are estimated to serve over 210,000 persons. Yet these actions, affecting millions nationwide, are taken by this administration without observing either congressional prerogatives or the law.

With this concurrent resolution, we make a firm beginning in Congress drive to reclaim its authority in the area of OEO funding. Other legislative remedies may be necessary. Whatever is done, however, will require quick and effective action, if we are to save a program which has helped bring hope to millions over the past 8 years.

Mr. President, the Washington Post has accurately set out both the administration's disregard for the Congress and the need for congressional action to save OEO. I ask unanimous consent that the Post editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 22, 1973]

OEO: CATO STRIKES BY NIGHT

Ever since the administration appointed Howard Phillips to be acting director and dismantler of the Office of Economic Opportunity, its zeal to destroy that office has become less and less seemly. Consider two recent disclosures concerning the way the present heads of the organization think and operate. The first is a highly self-revelatory comment allegedly made by Mr. Phillips to Ted Telzlaff, the fired head of the Legal Services program, last summer.

"Every country needs its Cato . . . Well, I'm going to be this country's Cato. Carthage was destroyed because it was rotten. I think Legal Services is rotten, and it will be destroyed."

The second is an internal OEO memorandum discussing strategies for handling Congress as the process of dismantling OEO is accomplished. The memorandum says: "Thus, unless a focus on OEO is politically desirable, program transfers and shutdowns should be prompt, before the opposition musters strength (or will) to put Humpty Dumpty together again." And, again, the memorandum calls for "a swift and successful dismemberment" of OEO by June 30, before there is time for "congressional opposition to gather and develop a legislative counterstrategy."

Despite a statement from OEO that the memorandum was nothing more than a staff paper reflecting the views of only one man, the events set in train by Mr. Phillips since his assumption of the office a couple of weeks ago, suggest that the main lines of thought embodied in his personal statement and in the congressional strategy paper are rapidly being put into practice. Without going through all the gory details of the dismantling, a few examples of what has happened during Mr. Phillips' brief tenure will demonstrate the pattern.

On January 29, Mr. Phillips sent out a directive announcing the phase-out of the grants under section 221 of the Economic Opportunity Act, which provide general support for the Community Action Agencies. The President's fiscal year 1974 budget contains no item to support the Community Action Agencies (CAAs). In the same directive, Mr. Phillips forbade community action directors to use OEO funds to travel, presumably to hinder them from getting together to generate any kind of protest against his course of action. The directive also suspended appeals and hearing procedures generally provided in cases of refusals to refund. And, over in Legal Services, although there are promises that the administration will ask again for a corporation to shelter the program, the people in the field are being held on such a short financial tether that their morale is cracking. Some programs are borrowing money and others are closing down.

If bamboozling the Congress while Catoing the poverty programs and the hopes of the poor are indeed the aims of Mr. Phillips' program, then his efficiency and his success rival any governmental accomplishments we have seen in this town in a long time. Never mind that Congress may have intended something else, that the President's budget message seemed to promise continued Legal Services and never mind that workers are losing their jobs and the poor are losing hope. Under the Phillips assault, the walls are tumbling down.

But, that doesn't seem to be what Congress intended. Over the years, Congress has tightened up the broad discretion originally delegated to the director of OEO with respect to CAAs to the extent that last year in authorizing fiscal '73 and fiscal '74 funds it also specifically earmarked local initiative—that is, basic support for the Community Action Agencies—for both fiscal years. And the Duration of the Program section of the act mandates the director to carry out the program, including Community Action, through June 30, 1975. Never mind the intend of Congress, though, the strategy paper takes care of all of that. Give Sen. Norris Cotton (R-N.H.) "courtesy advice only." Give Sen. Warren G. Magnuson (D-Wash.) courtesy advice because he is "not thoroughly acquainted with programs and concerned about duplication of HEW and labor activities."

There is touch-up strategy for a number of members of both Houses but mainly there are the admonitions to "avoid confrontation between the constitutional powers of the President and the Congress," to take the issues through the appropriations committees rather than those with legislation jurisdiction and, above all, to "present the Congress with a *fait accompli*." There is also arrogance and at least the appearance of lawlessness. There is impoundment and the apparent avoidance of the procedures Congress has set up for the reorganization of the government.

In a word, there is a brazen usurpation of the powers of Congress and as crass an assault on its prerogatives as we can imagine. All of this is being done by an administration which came to power on a law and order theme and by a director who has yet to utter a word of testimony before a congressional committee in confirmation hearings or elsewhere. The question finally comes down to whether the Congress has either the will or the initiative to stop this modern day Cato in his tracks. If it does not, it is not just the powers and the pride of the Congress that will have suffered—though suffer they surely will—it will be the poor who are blasted all over the landscape and it is our national decency and the quality of the fabric of the lives of all the rest of us that will have been severely eroded.

EXTENSION OF THE EDUCATION OF THE HANDICAPPED ACT

Mr. DOLE. Mr. President, I am supporting my colleague from West Virginia (Mr. RANDOLPH) in his bill to extend the Education of the Handicapped Act, public Law 91–230. I have only to look at the accomplishments made possible in my own State of Kansas to assume this position. Similar accomplishments to those of Kansas have also resulted in other States.

Kansas has an estimated 58,000 handicapped children. In fiscal year 1972 alone, approximately $2.5 million in Federal dollars went to Kansas to assure that these handicapped children would receive the special education services they need. Still only about 50 percent of those 58,000 children are receiving necessary special services.

In addition to the money Kansas and other States receive under part B of this act which assists them in delivering appropriate classroom experiences for the full range of handicapped children, the Federal support to Kansas made possible the establishment of a model preschool program and a model learning disability center. These programs aim at radiating their impact throughout the State to serve handicapped preschoolers and learning disabled children. An instructional media and materials center, which provides the specialized instructional methods and materials for handicapped children and their teachers, is busy responding. Research and demonstration support to the University of Kansas has resulted in the development of extensive and proven curriculum materials for immediate use by educators in training handicapped children to achieve basic social and personal living skills.

Federal aid both to the Kansas State Education Agency and to our colleges and universities in support of training special education personnel made possible the emergence a cadre of highly skilled special educators—an essential link in educating handicapped children.

Kansas needs our continued commitment to educational opportunity for handicapped chidlren, as do all of our Nation's States.

PEACE DEPENDS ON AMERICA'S INTENTIONS

Mr. CHURCH. Mr. President, residents of Caldwell, Idaho, Diane and Michael Jones, recently returned from Vietnam after spending 2 years there at a civilian rehabilitation center sponsored by the American Friends Service Committee in Saigon. Diane Jones expressed her views of the Vietnam cease-fire in a recent article in the Intermountain, Idaho, Observer, which I should like to share with my Senate colleagues.

I ask unanimous consent that her article be printed here in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE VIETNAM CEASE-FIRE: PEACE DEPENDS ON OUR INTENTIONS

(By Diane Jones)

What are the prospects for the settlement which President Nixon has declared will "bring peace with honor to Vietnam and Southeast Asia"? Henry Kissinger has called the ceasefire "fragile" and according to the press many leaders, including Idaho's Sen. Frank Church, are not convinced that the present ceasefire necessarily means an end to the war; they are waiting to watch the developments of the next few weeks. After years of fighting, most Vietnamese people desire peace more than anything else, but there was no cheering and dancing in the Saigon streets when the ceasefire was announced. The Vietnamese have seen other ceasefires come and go, and they, too, are waiting to see what happens.

For most Americans the major significance of the peace agreement seems to be that the U.S. is finally pulling out of the conflict and American P.O.W.'s are returning home. But is our government really pulling out? Though U.S. troops must be withdrawn within 60 days of the signing, thousands of U.S. civilians are staying behind in South Vietnam to take over many functions which U.S. military personnel once performed. Last November 25th the *New York Times* reported that the U.S. Department of Defense was planning to maintain on government contract 10,000 civilian advisors and technicians in the South after a ceasefire. According to the *Times* civilians were being hired for jobs that range from operating logistics computers for the Saigon army to training South Vietnamese Air Force pilots and repairing the complex military communications system left behind by the U.S. At the time the article was written, about 5,000 of these civilian advisors had already arrived in Saigon and others were being flown in almost daily. Although Article 4 of the peace agreement states broadly that "the United States will not continue its military involvement . . . [in] South Vietnam," the prohibition against advisors to the armed forces only specifically includes "military advisors." The wording of the agreement therefore apparently leaves a loophole for the U.S. to continue services to the Saigon army by employing civilians.

Many of the new civilian advisors are ex-military men, as the *Los Angeles Times* reported on November 29th. An Australian acquaintance who was in Bangkok in October reports that he stayed in a hotel full of American Air Force men from South Vietnam who were being "converted to civilian status" and were scheduled to be returned to Vietnam. Civilians have been known to carry out military efforts for the U.S. in the past, as in Laos when civilan Air America pilots were running secret bombing missions long before the air war there was made known to the public. The buildup of U.S. civilian advisors to the Saigon armed forces is unpleasantly reminiscent of the early 1960s, when increasing use of military advisors in Vietnam slowly pulled America into direct participation in the war.

Besides maintaining a large American presence in the South, Nixon declared in his ceasefire announcement speech that the U.S. will continue to recognize the Thieu regime as "the sole legitimate government of South Vietnam" and will continue sending aid to that government. This is in spite of the fact that the ceasefire agreement was signed by all parties to the peace talks and implies equal status for the Saigon and Liberation Front governments. Nixon's statement in favor of Thieu seems opposed, at least in spirit, to the agreement, which provides that "foreign countries shall not impose any political tendency or personality on the South Vietnamese people."

In case the ceasefire breaks down and Thieu finds himself in trouble, U.S. troops and, more importantly bombers will not be far away. Many of the troops withdrawn from Vietnam have been sent directly to bases in Thailand, and the Navy has recently increased its force off the coast of Vietnam Dr. Kissinger stated in his press conference on the ceasefire that the maintenance of these forces depends on the "war situation" and implied that there are no plans to reduce them.

Since, as it has been said many times, the success of the ceasefire depends almost entirely on the spirit in which it is carried out, let us consider the attitude of the man in Saigon which the U.S. has chosen to continue supporting. Although President Nixon announced that Saigon gave its full support to the peace agreement, later press reports indicate that Thieu does not intend to bend very far in order to keep the peace. A January 24th wire service article quoted Thieu as saying that his 120,000 man police force and his million man army will *never* be disbanded. Three days later a French press source reported that Thieu had ordered police and army to "shoot on sight" any Communist before *or after* the ceasefire. Thieu's order, as one might guess, goes directly counter to the peace agreement, which specifically prohibits "all acts of reprisals and discrimination against individuals or organizations that have collaborated with one side or the other." The agreement also indicates that within a period of time all Vietnamese forces in the South, including Saigon's will be at least partially demobilized. Repeatedly Thieu and his spokesmen have predicted that the ceasefire will not work. Thieu has also stated that only a strong army will be able to protect South Vietnam and that if the war continues South Vietnam will get help from many nations. When asked if he would get help from the U.S., he replied, "Let's see in a few days."

In evaluating our hopes and fears for the ceasefire, it may be useful to recall briefly a similar ceasefire agreement signed 18½ years ago at Geneva. Like the present agreement, that one was to provide for the self-determination of the South Vietnamese people. However, as the *Pentagon Papers* tell us, shortly after the signing the Eisenhower administration decided that the agreement—which the U.S. had promised to respect—was a "disaster" and plans were approved to throw full support behind the French-installed Diem government in the South. The result was that in 1956 Diem, with powerful American backing, refused to cooperate in organizing the nationwide elections that had been provided for in the Geneva agreement. The reason the U.S. supported Diem in undermining the elections was that, as Secretary of State Dulles said, it was "undoubtedly true that elections might mean unification of Vietnam under Ho Chi Minh." In other words, Ho, who fought both the Japanese and French, was a national hero, and despite the fact that he was a Communist he would have won a fair election with ease. It was at that point that the U.S. decided to step in and try to alter the balance of power in Vietnam, and 16 years of bloody and indecisive warfare ensued. Now, in 1973, we have again reached a point at which the U.S. can decide either to step out completely and allow the Vietnamese to work out their future, or to remain in, continue to support one faction, and try again to determine the future for them.

The Vietnamese tell us that they fought 1,000 years to rid themselves of Chinese domination and 100 years to throw out the French. As long as there is any attempt at foreign control of their society, whether by Chinese, French or Americans, the fighting will go on. The sooner all foreigners are out, completely out, the sooner the Vietnamese will be able to make their own peace.

SENATOR BUCKLEY COMMENTS ON THE SENATE

Mr. PERCY. Mr. President, the distinguished Senator from New York, Senator Buckley, has written an article in the National Review in which he describes, quite captivatingly, his impressions of this honorable body.

Senator Buckley, who took office 2 years ago, has written from the point of view of a newcomer and a self-described "innocent" at that. He has written with a charm and freshness of outlook that those of us who have been here longer sadly tend to lose as time passes.

The Senator's account of his initial reactions to the Senate stirred in me memories of my own first days here.

I recalled, for example, how I used to roam about the floor of this Chamber to follow the course of debate—an activity prompted by my hearing impairment—until my colleagues kindly moved my seat from the far reaches of the Chamber, where freshmen usually are put, to a more central location.

But Senator Buckley's article is enjoyable not only for its human interest. It is also worth while for its discussion of our structures and procedures. The Senator asserts that our ever-increasing workload lies at the heart of our problems and he offers an innovative approach to dealing with the work: Placing as much of our legislative business as possible on a 2-year cycle.

Mr. President, I commend Senator Buckley's article to my colleagues. I think they will find it delightful and instructive. I thank the Senator, whom I hold in the highest regard, for having written it.

A slightly abridged version of Senator Buckley's article appeared in the February 11 Washington Star-News. A column by James J. Kilpatrick commenting on Senator Buckley's article appeared in the same issue. I ask unanimous consent that both articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

A Report on 2 Years in Wonderland

(By James J. Kilpatrick)

James Lane Buckley came to the United States Senate two years ago. Until that very day, hour, and moment, he had held no political office of any sort. Yet he had achieved the unthinkable: Running on the Conservative party ticket, he had won the seat held in other years by such luminaries as Robert Kennedy.

Now Buckley has written a small reflective essay, published in the current issue of National Review, and reprinted on page 3 of this section, commenting upon the institution of the Senate. He likes it. But after two years, he still views the Senate with the grave perplexity of Alice playing croquet with the Queen.

Buckley's piece is certain to become a classic in its field. He is awed by the Senate, but it is the awe of a child at a zoo. He approaches his elders as innocently as Little Miss Marker invading a crap game. What, he wonders, is this marvelous device? Why, James, that is called a unanimous consent agreement.

In the thickets of the committee system, the junior senator from New York came to appreciate the staggering volume of business that courses through the Congress. He learned, as other newcomers have learned before him, the pervasive influence wielded by committee staffs. He discovered that the focus of a bill can disolve like the smile of the Cheshire Cat. He found that bills did not always mean what they seemed to mean.

In Alice's Looking-Glass World, as the Queen explained, "It takes all the running you can do, to keep in the same place." So, too, with the Senate. Buckley remains amazed at the phenomenon of the legislative flash-flood. One day the floor is quiet. The next day some bill comes along that may involve "new programs that will have an enormous impact on American society, on the States, or on the economy—programs that in time may grow into multibillion-dollar commitments."

"Yet many of these bills," says Buckley, "will be enacted with little real examination by most of the senators who will have to vote yea or nay on them, and with less than adequate comprehension of what the bill involves."

Buckley is among the most modest men in public life. Respectfully, as becomes a church soloist addressing 99 prima donnas, he pleads for adequate staff and adequate office space. "At the root of most of the problems of the Senate is the enormous expansion of federal activities in recent years." The senator who tries conscientiously to keep up with his job soon discovers that a week of only seven days is too short. He needs help that the present system does not provide.

He advances a novel suggestion, to place as much of the legislative business as possible on a two-year cycle: Let committees work on bills in the odd-numbered years, affording ample time for hearings and for public education; and let the two houses vote upon the reported bills in the even-numbered years.

For all the frustrations—Buckley finds his days are splintered every morning before he has time to look at them whole—the Senate offers even the newcomer a chance to mold public policy. To be sure, "it is not an institution to which the impatient should gravitate." But the senator who masters his job can feed his ideas "into the nation's informational bloodstream." The Senate, he concludes, is all in all "a good place to be." And those who know this quiet and thoughtful senator from New York may agree that it is good to have him there.

NOTES OF AN EARNEST FRESHMAN

(By Senator JAMES L. BUCKLEY)

On Jan. 22, 1971, Jacob Javits, pursuant to custom, escorted me down the center aisle of the United States Senate Chamber. Vice President Agnew swore me in, and I was handed a pen with which I entered my name on the books of the Senate. I then walked a few steps to my desk on the Republican side of the aisle. I had become the junior senator from the state of New York. Or, as senatorial courtesy has it, the distinguished and honorable Senator from the great State of New York.

Rarely has anyone, distinguished and honorable—or otherwise—entered the United States Senate so innocent of the mechanisms of a legislative body or of the impact of politics on the legislative process. Prior to my election I had never held public office or participated in any organized political effort other than the third-party mayoral and senatorial campaigns of the brothers Buckley.

Shortly after my election Clif White, my campaign manager and guide into the political world, organized a private dinner with a few of the senior Republican senators so that I might acquire a better feel for the life I was about to enter.

I had hoped to get specific advice on how to go about the job of being an effective senator. What I got instead were affable assurances to the effect that anyone capable of winning election to the Senate would find no difficulty in getting along once in it. This was all, in its own way, reassuring; but I did not emerge from that dinner with the motherlode of hard, practical information that would help me thread my way through the complexities of the senatorial life.

The first formal business for a senator-elect is the meeting with the Sergeant at Arms and the Secretary of the Senate, who give you the basic housekeeping instructions, take from you sample signatures for franking privileges, and explain insurance and retirement benefits, as well as such perquisites as the right to a District of Columbia license plate, numbered according to one's rank in the Senate pecking order.

At that meeting I was presented with three books: The Rules and Manual of the United States Senate; an exegesis thereof by the chief parliamentarian, Dr. Floyd Riddick; and the Congressional Directory for the second session of the prior Congress. I determined to spend the next few weeks mastering the parliamentary rules, but soon bogged down in their intricacy.

I would learn to my relief that the Senate operates in a reasonably free and tolerant manner, and that much of its business is conducted not so much by the rule book as by continuing recourse to unanimous-consent agreements. Those who do know the rule book, however, are equipped, at critical moments, to take the parliamentary advantage.

New senators learn that they are expected to carry the principal burden of presiding over the Senate. For someone like me, who has never presided over any function or even scanned Robert's Rules of Order, the prospect seemed ominous. It wasn't all that difficult, however, because sitting immediately in front of the Chair is one of the three parliamentarians, who whispers up the appropriate instruction. The most difficult task is to learn the identity of 80 or 90 brand new faces, together with state of origin, so that one can recognize the Senator from So-and-so without any excessive or obvious fumbling.

During this orientation period, I introduced myself to the Senate Republican leadership—to Minority Leader Hugh Scott, Minority Whip Bob Griffin, Chairman Gordon Allott of the Republican Policy Committee, and Chairman Margaret Chase Smith of the Republican Conference.

One important call was at the office of Senator Wallace Bennett, chairman of the Republican Committee on Committees, in order to learn how committee assignments were made, and to register my preferences. The process is in fact mechanical. Once the minority vacancies on the various committees become known, the Republican members of the incoming class line up in order of seniority, and take their pick. Each senator is appointed to two major committees, and often to one or more minor ones. My own initial assignments were to Public Works, Space, and the District of Columbia.

II

It was in committee work that I first came to appreciate the enormous volume of business that courses through the Congress, and its implications. It is not unusual to find meetings or hearings involving as many as three committees or subcommittees of which one is a member scheduled for the same time, each involving business of some importance.

One either spreads himself thin by putting in token appearances at each, or devotes himself to one meeting, relying on an overworked staff member to keep abreast of what is going on in the other two. I have yet to be convinced that there isn't somewhere in the bowels of the Capitol a computer programed to arrange as many conflicting appointments as possible.

The committee system constitutes a delegation of responsibility for legislative work in designated areas. It should not be assumed, however, that a given committee will be representative of the Senate as a whole. Senators naturally tend to gravitate to those committees that interest them most or whose work is most important to their particular constituencies, and a committee can become as "mission-oriented" as an executive agency.

Given the broad range of viewpoints represented on each side of the aisle, the requirement that each committee have a majority and minority membership roughly comparable to that of the Senate as a whole is no guarantee that it will reflect the political spectrum in any other sense. Thus committee reports are too often "selling documents" that do not provide other senators with the kind of balanced information needed to help them reach a reasonably educated opinion regarding a particular bill's merits.

It isn't long—especially if controversial and complex legislation is being worked on—before a newcomer senses the enormous influence wielded by committee staffs. These are usually heavily loaded in favor of the majority party, in terms both of outlook and of availability to committee members. Time and again, after new points are raised in committee, the staff will disappear to return the next day with what is often a significantly new or considerably refocused bit of legislation.

It can be extraordinarily difficult for committee members, even those particularly concerned with the legislation in question, to keep up with what is happening to it. There simply isn't time for a member to rethink and reconsider every interlocking provision of a complex bill each time a substantive change is made—hence the heavy reliance on staff. Furthermore, committees often work under enormous time pressures to report out particular pieces of legislation by certain deadlines which at times are set not so much by the natural rhythm of the legislative process as by political considerations.

Thus major legislation is often rushed through committee, reported out on the floor of the Senate, and put to a vote with few senators fully understanding it. It must be understood that it is virtually impossible for a senator to keep up with most—let alone all—of the significant legislation being considered by committees other than his own. I do not refer to legislation that grabs the headlines and occasions national debate: A senator has to examine such legislation in some detail if only to answer his mail and reply to reporters' questions. It is, after all, by his positions on conspicuous legislation that he establishes his political identity.

Most of the bills considered by the Senate are relatively inconspicuous—though by no means unimportant. They may involve new programs that will have an enormous impact on American society, on the states, or on the economy; programs that in time may grow into multibillion-dollar commitments. Yet many of these bills will be enacted with little real examination by most of the senators who will have to vote yea or nay on them, and with less than adequate comprehension of what the bill involves.

The average senator simply does not have sufficient legislative help to get a proper analysis of every bill that issues from the legislative mill. Too many bills are called to a vote before the ink has dried on the explanatory report. Thus, all too often a senator's vote is based simply on a summary description of the bill (which can be totally inadequate), plus whispered conversations with colleagues who may or may not have detailed information as to its content—all in the 15-minute period allowed for voting after the bells ring to summon him to the floor.

Technically speaking, any senator can insure that adequate time is allowed for debate of any bill. He can simply register his refusal to agree to a unanimous-consent agreement limiting the time allotted for debate. This presupposes, however, that he has had enough advance warning of the particular mischief at hand to record a timely objection to any agreement to which he is not a party. It also presupposes that he will be able to educate and energize a sufficient number of his all-too-preoccupied colleagues to assure himself of sufficient floor support to make the effort worthwhile.

I recall one case in my own experience—although there are, unfortunately, many more—that dramatizes the pressures under which the Senate operates.

In early 1971, Gov. Daniel Evans of Washington suggested the need for legislation to cope with economic disasters; it would be similar to existing legislation designed to cope with natural disasters. The law he proposed would be narrow in its focus, providing relief on a short-term, emergency basis to help communities ride out sudden econmoic catastrophes.

Two bills incorporating this approach were introduced, and hearings on them were held by the Public Works Committee. Several months later the committee met in executive session to consider the legislation as revised by staff after the hearings. To the astonishment of at least some, the draft bill differed in fundamental respects from both of the measures that had been introduced.

The basic concept had shifted from bringing maximum effort to bear on specific emergency situations to an amorphous bill that would also cover areas of chronic unemployment or chronically low economic activity for which there already existed 30 or 40 other federal programs. The definition of areas which could be made subject to the legislation was such that even a neighborhood could qualify for the most exotic kinds of federal help.

Nevertheless, this basically new legislation was approved in a single day by the full committee, and reported out. The legislation was then rushed to the floor of the Senate, debated before a largely empty chamber, and put to a vote—all within a day or two of the time printed copies of the bill and of the accompanying committee report had become available to senators. This legislation opened up a whole new area of federal intervention it carried no price tag; and it was approved by senators only a few of whom had any grasp of its scope.

This rush of business with little or no time allowed for legislative pause thought, or deliberation brings to mind another aspect of the Senate's current way of conducting its affairs. I speak of the phenomenon of the amendment—printed or unprinted—offered from the floor with little or no notice, which can cover the range from purely technical corrections of statutory language to the most far-reaching changes in the legislation under consideration.

There is usually little check on the scope of amendments that can be offered from the floor, and no opportunity for the relevant committees and their staffs to study them so that some measure of expert analysis can be brought to bear in arguing their merits for the benefit of the Senate—always assuming other senators are on hand to hear the debate. Thus all too often, especially when the Senate is operating under unanimous agreements severely limiting the time for debate on amendments, they are apt to be adopted or rejected on the basis of their emotional or political appeal.

So it was with the floor amendments that last October added $4 billion, or more than 27 percent, to the cost of the Welfare Social Security bill reported out by the Senate Finance Committee; the amendments that added, in one day's time last June, almost $2 billion to the HEW-Labor appropriations bill. Surely there is a better way in which to conduct the nation's vital legislative business short of the highly restrictive rules that obtain in the House.

III

All of which brings me to certain observations about the Senate today.

At the root of most of the problems of the Senate is the enormous expansion of federal activities in recent years. A recent study by the Association of the Bar of the City of New York found that the workload of members of Congress has doubled every five years over the past several decades. The Congress, like the Federal Government itself, is simply trying to handle more business than it can digest. The results too often are waste, conflicts, inconsistencies, and superficiality.

Once upon a time Congress was in session only six or seven months a year. There is every reason to believe that during these months there was time and opportunity to think, to study, to argue, and to come to educated conclusions. As the volume of work increased, the Congress was able to cope by extending the length of its sessions. But now, as a result of the explosion of federal activity, resulting from the War on Poverty and other programs of the 1960s, it is conceded that Congress is in session essentially on a year-round basis.

One consquence of these increasing demands on senators' time is that it can no longer be said of the Senate that it is a club, exclusive or otherwise. Members once were able to spend unhurried time together, to get to know one another and develop a sense of fraternity, while working toward common goals in a highly civil environment.

I do not mean to suggest that all of this disappeared. Real friendships and a sense of belonging do develop, but the sense of community which must once have existed has certainly been dissipated by the preoccupations that tend to keep senators concentrating in their own separate concerns, except as their work requires them to come together. It is difficult, in fact, to come to know members of the opposition party who do not happen to serve in one's committees.

Whether the situation can be changed, only time and a differently constituted Congress will tell. But even assuming that the volume of business can be held at present levels, there remains the fact that each senator has only so many hours per day to devote to his job.

A senator must be able not only to bring effective judgment to bear on his legislative duties, but also to maintain contact with his own constituency so as to find out what are the real problems people are faced with, and what are the real effects of the legislation he has helped enact.

All of this, in turn, takes adequate staff and office space. Mundane as this may seem, one quickly finds that staffing and space can become important factors in determining just how good a job he is going to be able to do.

A new senator from a state like New York quickly learns that the Senate places great emphasis on the equal sovereign dignity of each individual state; which is a polite way of saying that when it comes to allocating rooms and funds, senators from the larger states invariably feel shortchanged. It should be kept in mind that the volume of work that must be handled by a senator's office depends largely on the size of his constituency. I speak of handling mail and constituent problems (the so-called case work), which have been increasing at an enormous rate as the Federal Government has become more and more intrusive into its citizens' lives.

It is of course true that each senator bears an equal legislative responsibility and needs equal facilities to keep track of legislative matters and to help him do his individual and committee work. But this doesn't explain the disparity (or lack thereof) in space and staff allowances. In my own case, for example, staff members directly involved in legislative matters are less than one-fifth of the total.

IV

Committee problems, time problems, space problems . . . it would seem from my description that a senator's lot is not entirely a happy one. There are, of course, compensations, not the least of which is the pervasive air of civility and mutual respect with which the business of the Senate is conducted. But even the extraordinary civility and respect that are the hallmark of the institution cannot overcome organizational and structural complexities that make a difficult job even more difficult.

What, if anything, can be done about the even increasing work load that is at the heart of the Senate's problems? I am not so romantic as to believe that we can dismantle the Departments of HEW and HUD in the immediate future and return most of their functions to the states and localities.

Therefore another approach to restructuring the work and the flow of business in the Senate must be considered if senators are to be able to use their scarce time more effectively, and if they are to bring a maximum degree of thought to bear on legislation.

One useful approach might be to place as much of the legislative business of the Congress as possible on a two-year cycle. One year might be devoted to debate and action on bills reported out of committee the prior year, and to the holding of public hearings to assemble information for committee consideration in the succeeding year. (Ideally, both of these activities, which are of a very public nature and which tend to attract headlines, would be scheduled in non-election years, so that the participants would not needlessly be distracted from the business at hand. There are, however, technical difficulties with this.) The alternate years would then be available for detailed consideration in executive session of new legislative proposals without arbitrary deadlines requiring hurried, patchwork approaches to important bills, and for the important work of legislative oversight.

A system that would require committees to report out legislation one year, and to have that legislation considered on the floor the next, would allow ample time for special-interest groups, for the public at large, and for members of individual senatorial staffs to digest what it is that the senator will be asked to vote upon when the legislation reaches the floor.

It would also provide a period within which amendments could be introduced sufficiently in advance of debate to enable the members of the relevant committees to study them and, to give the Senate as a whole the benefit of their expert assessment.

Whether the appropriation process could also be placed on a biennial basis, I do not know, and of course, any fundamental reordering of business would have to make special provision for the handling of emergencies. But if the work of the Senate could be organized in some such manner—and I see no reason why it is necessary to enact routine legislation every year instead of every other year—then conflicts between committee hearings and executive sessions could be eliminated or greatly reduced, the members of the Senate would have time to participate more fully in floor debate, and it ought to be possible—at least every other year—to adjourn the Congress early enough to provide senators with a greater opportunity to return to their states to listen and to observe.

No discussion of possible changes in the way the Senate goes about its business would be complete without further mention of the committees.

As I have already pointed out, although the Senate relies heavily on its committee system for the conduct of its business, there is no assurance that the membership of a committee will reflect the views of the Senate as a whole. Thus it will very often happen that legislation that is highly controversial in nature will be reported out unanimously, or with appended minority views that are more concerned with details of the legislation than with is basic merit. This means that in too many cases the report which accompanies a new bill is not nearly as informative as it ought to be, and fails to alert the Senate as a whole to its controversial features.

This is especially true of committees that have a tradition of trying to iron out all differences of opinion within the committee so that legislation may be reported out unanimously. This practice has a certain utility in that it results in a genuine effort within the committee to reach reasonable compromises among conflicting views.

Yet I wonder if the interests of the Senate are necessarily best served by this drive to consensus; for it encourages a sense of commitment to the end product, which inhibits any public expression of misgivings by individual committee members. Thus the Senate is apt to be deprived of the candid insights of those senators who are best informed about the weaknesses of the legislation in question.

It might be desirable to require that every committee report outline as objectively as possible the principal arguments for *and* against each new legislative proposal, even when the bill is in fact unanimously supported by the entire committee. I also feel that whenever a member of a committee has strong reservations about any feature of a proposed bill, he has an obligation to the Senate to spell them out in a minority view printed in the committee report.

V

I have often been asked whether I find work in the Senate frustrating, and whether I have found any surprises. I have not found the work frustrating because I had few illusions as to what a very junior member of the minority party could accomplish on his own. Nor have I experienced any really major surprises, although I was not at all prepared for the enormous demands that would be made on my time, seven days a week, or for my loss of anonymity (the unsurprising result of six hundred or so thousand well-deployed dollars on television advertising during my campaign, reinforced by periodic meetings with the press since election).

Early on, I was struck by the number of extracurricular demands on a senator's time, especially one who lives as close to millions of constituents as does a senator from New York: invitations to speak which for one good reason or another cannot be declined, ceremonial visits, people with problems whom one must see and cannot refer to staff, people in the Federal Government to get to know, and so on. The day begins to be splintered into all kinds of pieces even before the business of legislative work begins.

One thing that in my innocence I had not anticipated was the intensely political atmosphere that prevails within the Senate, the great impact of purely political considerations on specific actions taken by individual senators.

It may well be, of course, that mine was an unusual introduction to the institution, as at least a half-dozen of my colleagues were beginning to jockey for position in the presidential race within months after I had been sworn in. This had an inevitable influence on how they orchestrated their performance in the Senate.

Also there was the fact that the Senate was controlled by one party and the White House by the other; and as the presidential elections approached, the political atmosphere palpably intensified.

But these unusual considerations notwithstanding, I early learned that many senators tend to cast their votes with a view toward minimizing future political controversy or embarrassment. When a senator's vote is clearly not critical to the fate of a bill, it is often deployed for future political convenience on the grounds that it "wouldn't count anyway." Thus the Senate will often cast a lopsided vote on questions on which public opinion and the real opinion within the Senate is much more evenly divided.

There may be another reason why the opinion of the Senate—even when accurately recorded—is very often at odds with what I, at least, take to be the current mood of the American people. Without having researched the point, I suspect that the Senate incorporates a cultural lag of 10 or 15 years; that it is out of phase by a period approximately equivalent to the average tenure of its membership.

A decade or so ago, the Senate was considered by some to be a backward, conservative body whose Republican-Southern Democrat coalition lay athwart progress and the will of the people. Others viewed it as a necessary brake on the rasher impulses of the House of Representatives.

Today the situation is quite the reverse. The liberals in the Senate are clearly in the majority, and they do not reflect the growing public skepticism over federal initiatives; and today, for example, it is the House which tends to blow the whistle on the excessive spending approved by the Senate.

There is a reason for this cultural lag, if indeed it exists. A member of the House of Representatives is up for election every two years and studies the views of his constituency with particular care. Also, because each member of the House represents a relatively compact area, his constituency tends to be more homogeneous than a senator's and there is less of an impulse to cater to the fringe groups within it.

A member of the Senate, on the other hand, represents an entire state incorporating a multitude of conflicting claims and interests. For better or worse (I suspect the latter) a senator tends to pay a disproportionate amount of attention to the loudest voices, to editorial writers and commentators, to the pressure groups. Furthermore, once in office, he tends to stay there.

Thus a senator may be less sensitive than a representative to basic shifts in the underlying mood of the electorate as a whole.

These, then, are the random impressions of the United States Senate by one of its newest members: It is a deliberative body in which there is too little time to deliberate. It is a place where a senator is entitled to free haircuts (although he is expected to tip the barber a dollar) in a barbershop which keeps a shaving mug with his name on it.

It is a place where on each desk there is a little inkwell, a wooden pen with steel nibs, and a glass bottle filled with sand with which to blot writing, and where on either side of the presiding officer's desk is a spittoon and a box of snuff.

Yet it is also a place where the rules of civility are still observed, and the rights and independence of each individual still respected. It is a place where many of the major decisions affecting the shape of our times are made; a place where even the least of its members may have a hand in making them.

It is, all in all, a good place to be.

DELAWARE STATE SENATE REQUESTS SUPPORT FOR VOCATIONAL REHABILITATION

Mr. BIDEN. Mr. President, on January 23, 1973, the Delaware State Senate passed a resolution urging Delaware's congressional delegation to support the important vocational rehabilitation programs operating in Delaware.

Delaware's vocational rehabilitation programs which had expended under title IVA funds face cutbacks because of the $2.5 billion annual ceiling established last year for the matching grants. Consequently, Delaware's title IVA funds have been reduced from approximately $22 million to an annual allotment of $6,783,250. If the Nixon administration follows its new more stringent requirements for the States' matching funds, Delaware's funds like those of other States may be even further reduced. Although fiscal restraints on the title IVA funds are necessary to bring under control the burgeoning costs of title IVA funding, it is unfortunate that such worthy programs like vocational rehabilitation are being so adversely affected.

Accordingly I have cosponsored the Rehabilitation Act of 1973—S. 7—which would provide funds for Delaware's much-needed vocational rehabilitation programs. This bill which will be reported today by the Labor and Public Welfare Committee was passed by both the Senate and the House last year. The President pocket-vetoed the measure, however, thus preventing it from becoming law.

The President's opposition to the bill is especially distressing, because of his otherwise strong emphasis on getting people off the welfare rolls—which is what the vocational rehabilitation programs are intended to do. I think that it is unfair for the President to call upon our citizens to develop self-reliance and then deny them the means of achieving it.

Mr. President, I ask unanimous consent that the Delaware State Senate Resolution 18 in its entirety be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE RESOLUTION NO. 18: MEMORIALIZING THE DELAWARE CONGRESSIONAL DELEGATION TO OPPOSE THE PROPOSED REDUCTION IN FEDERAL FUNDING IN THE AREA OF VOCATIONAL REHABILITATION

Whereas, a large number of Delawareans are concerned and affected by the proposed cutback of Federal funding in the area of Vocational Rehabilitation; and

Whereas, a number of former welfare recipients have for a period of time been off the welfare rolls and involved in meaningful, constructive programs of rehabilitation; and

Whereas, the "Something for Something" program has enabled persons to earn their own living and become responsible citizens and taxpayers; and

Whereas, those persons involved in the program have been earning a measure of self-respect and dignity as active participants; and

Whereas, if the Federal spending level is not maintained these persons will be forced to return to humiliating welfare rolls.

Now, therefore, be it resolved by the Senate of the 127th General Assembly of the State of Delaware that the members of the Senate strongly urge the Delaware Congressional Delegation, namely Senators William V. Roth, Jr. and Joseph R. Biden, Jr., and Representative Pierre S. DuPont, IV, to oppose the proposed Federal spending cutbacks in the area of Vocational Rehabilitation and in addition to support measures that will bring this vitally needed funding to Delaware.

Be it further resolved that the members of the Delaware Congressional Delegation incorporate a copy of this Resolution into the Congressional Record or into the record of any committee hearings that may be established when said committee holds hearings on the matter of Federal funding for Vocational Rehabilitation programs.

Be it further resolved that a copy of this memorial be mailed to Senators William V. Roth, Jr., and Joseph R. Biden, Jr., and Representative Pierre S. DuPont, IV, at their Senate and House Offices in Washington, D.C.

CRITICISM OF AMERICA

Mr. BROCK. Mr. President, a country's spirit is one of its most valuable resources, and I have been concerned in recent years that strident criticisms of America by certain leftist groups has had the effect of damaging the confidence of our people in America.

In a recent column which appeared in the Washington Evening Star and Daily News, Writer Jenkin Lloyd Jones stated with great clarity and eloquence the falseness of one important aspect of these criticisms.

Mr. President I believe that Mr. Jones' words deserve the attention of all of us, and I ask therefore unanimous consent that they be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star and Daily News, Feb. 10, 1973]

IT'S TIME TO RESELL AMERICA

(By Jenkin Lloyd Jones)

In his inaugural address Jan. 20, President Nixon said: "Amercian youngsters have been taught to be ashamed of their country, ashamed of America's record at home and of its role in the world."

This is a bit of hyperbole. We have a lot of patriotic—even mindlessly patriotic—kids. But no younger generation in our history has been subject to such hate-American drum rolls from the left. It has had its effect. America has some reselling to do.

Our lift-up-the-heathen and turn-back-the-conqueror complexes are old. The first sprang, perhaps, from the smugness of evangelical Christianity, but the fashionable idea among pseudointellectuals that the heathen was deliriously happy until the missionaries showed up is baloney. Most primitive societies were and are characterized by cruelty, oppression, rampant disease and early death.

We hated imperialism. Perhaps it was, as cynics have pointed out, because we thought we ourselves had plenty of land for all time. We did annex Puerto Rico, the American Virgin Islands, Hawaii, Guam and the Philippines and—oh yes—the Canal Zone. These were small city lots compared to the vast ranches being taken over by the European powers.

If we or some European power hadn't built the canal, Panama today would be a swampy province of Colombia. As repeated referenda have shown, you couldn't drive the Puerto Ricans and Virgin Islanders away with a stick. Hawaii is a proud state. Guam and the trust territories would like to be one. The Filipinos had no problems getting their independence for whatever good it did them.

What European power would have walked off from a conquered Mexico? Or a Cuba controlled by our armies? We promulgated the Monroe Doctrine to keep Latin America from being carved up, as Africa was, by the empires.

So our land-grabbing record, considering our capability, is the cleanest of any great power in the history of nations.

We plunged into World War I because most Americans believed that Kaiser Bill and old Franz Josef represented antique autocracies. They did, too, and the rape of Belgium was not imaginary. Of course, the czar on the other side was as bad but we didn't have much truck with him because he folded just as we got in.

In retrospect, maybe we should have let Britain and France go down. The Germans would certainly have squashed the Bolsheviks. But the Germans, themselves, let Lenin back into Russia in order to confound the czar. And what kind of a Europe would have evolved from a dominant imperial Germany?

Then we got into World War II. The Japanese were trying to catch up in the imperial game, and a collision was inevitable. For all their lofty talk of the Greater East Asia Co-Prosperity Sphere they proved not gentle conquerors. And Hitler was unspeakable. So we bled again and certainly turned the balance.

We may have been naive in Tehran, Yalta and Potsdam but we were plainly and cynically double-crossed. Neither Franklin Roosevelt nor Harry Truman dreamed of giving the Russians permission to capture and hold Central Europe.

We gave back to the Japanese the strategic Bonins and Ryukyus, while Russia grabbed and held South Sakhalin. Yet America has been the exclusive target of leftist demonstrations in Japan.

We entered Korea in what was technically a United Nations "police action." The non-Communist part of the old nation was about to be gobbled by the Red armies from the north. The U.N. Security Council approved the action. Russia, you remember, had temporarily left the council in a pout and couldn't veto the resolution. But good old Uncle Sam was left to carry the fight.

We spent the blood and the treasure. The gobbling was halted.

The Reds turned to Southeast Asia. An effort to take over Malaysia by guerrilla action and terror was finally stopped by British and native troops.

So the next move was an attempt to destroy the government of South Vietnam, first using indigenous revolutionaries called the Viet Cong, supplied with weapons from the north. Later the whole North Vietnamese army came down. We waded in. It proved to be a Grimpen Mire that cost America 46,000 dead, 130,000 wounded and $140 billion.

But the effort by the Communist strategists to make a fief of all Southeast Asia is on ice, at least for a while. We cannot know how long it will stay on ice. But there remain independent non-Communist governments in that part of Asia against the plain intentions of the Red hierarchy.

In the face of all this, last month the World Council of Churches, claiming to represent Christianity in 90 countries, issued from Bangkok a resolution urging Nixon to get out of Vietnam forthwith and denouncing the "arrogance of imperialist power." When was the last time the WCC issued a resolution that could have been remotely displeasing to Hanoi, Peking or Moscow?

As Joseph Goebbels demonstrated, untruths loudly proclaimed and endlessly repeated will eventually be largely believed.

That's why America had better get back to teaching the next generation some American history.

U.S. NEWS & REPORT GIVES ACCOUNTING OF AMERICA'S NEW ROLE IN SOUTH VIETNAM

Mr. CHURCH. Mr. President, the respected conservative weekly, U.S. News & World Report, in its February 26 edition, sets out the details of America's new role in South Vietnam. U.S. News states the situation this way:

> It is a role that is changing drastically in size and scope—but not in its basic goal of keeping the country afloat.

And an extensive, expensive floating operation it already is and will continue to be.

I ask unanimous consent that U.S. News & World Report's accounting of our activities—civilian and military—in South Vietnam be printed here in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The New Role of United States in South Vietnam

Saigon.—Now that the shaky cease-fire is starting to take hold, America's new role in South Vietnam is becoming clear:

It is a role that is changing drastically in size and scope—but not in its basic goal of keeping the country afloat.

Gone completely is any effective American military might on the ground. Still here are mountains of dollars in American money and thousands of civilian officials to oversee its spending.

And arriving daily: more American officials to monitor the truce independently of international supervisors. Also: civilian technicians to handle hundreds of former military jobs the Vietnamese cannot yet do themselves.

Emphasis on the withdrawal of U.S. troops—down to about 15,000 men in mid-February—blurs the fact that America continues to have more civilian officials and to spend more money here than in any other nation in the world—and unless Congress snaps shut the purse, the U.S. will continue do so into the foreseeable future.

By the end of March, the deadline for a complete troop pullout, the number of uniformed Americans in South Vietnam will be cut to about 250.

THOSE WHO STAY

Several thousand American civilians will remain—some working directly for the U.S. and some for private companies holding Government contracts. The U.S. will spend more than 500 million dollars a year in economic aid here, plus millions for other American-financed projects.

Prospects that U.S. civilians would be stationed in North Vietnam as well are still far distant, despite the three-day visit of presidential aide Henry Kissinger to Hanoi to discuss a potential 2.5-billion-dollar U.S. reconstruction program in the North.

A communiqué issued on February 14 called for "a new relationship" between the two countries and reported formation of a joint economic commission. Experts on Indo-China are convinced, however, that Hanoi's suspicion of outsiders makes it highly unlikely that Americans would be welcome in North Vietnam for any lengthy period.

The U.S. military presence in South Vietnam—which four years ago totaled more than half a million men—soon will be composed mainly of Marine guards at the U.S. Embassy, of small teams attempting to track down GI's missing in action, and of 50 to 60 Embassy military attachés. Attachés will have three primary duties:

To gather intelligence, the same as their counterparts in other embassies; to act as liaison officers to the International Commission of Control and Supervision, which is to police the truce; to manage delivery of replacement military equipment permitted South Vietnam under the cease-fire.

Most other U.S. activity in the South will be in the hands of civilians for the first time since the early 1960s.

A major duty of the new civilian set-up will be to keep a direct eye on cease-fire violations through about 45 State Department officers who were rushed into South Vietnam to staff new American consulates in the cities. Although assigned to "general political and economic reporting," they will concentrate on observing truce developments, keeping track of North Vietnamese troops still in the country and watching for signs of activity by the Viet Cong's National Liberation Front.

The U.S. Central Intelligence Agency, which has long played an important role in Vietnam, also is expected to maintain its current level of operation. The agency is said, however, to have cut back over the past year such programs as public safety and "Phoenix"—a U.S.-aided campaign to eliminate the Viet Cong underground. "Phoenix" will be continued by the Saigon Government, reportedly with some CIA assistance, but with no open link to the U.S. as in the past.

Air America, a contract airline widely reputed to be financed by the CIA, will expand its activities. Officials explain that Air America will take over many jobs formerly assigned to U.S. military helicopters, including delivery of mail and classified documents and transporting officials.

THE JOB GOES ON

Efforts to improve the lives of South Vietnamese civilians, a program handled previously by CORDS—Civil Operations and Rural Development Support—will be transferred to a new organization named the "Resettlement and Reconstruction Directorate." Top CORDS officials will shift over to the new agency, which will have only about 300 Americans, compared with more than 1,000 in CORDS a month ago and several times that number three years ago.

Programs include aid to agriculture and public health, land reform, refugee relief and a drive to boost capital imports and investments.

The number of civilians working in Vietnam for the U.S. Government or on U.S.-financed contracts is expected to range between 5,000 and 6,000 over the next six months, compared with a peak total of 9,600 civilian contract workers in early 1969.

Contract civilians will handle maintenance, logistics and training, jobs formerly performed by the U.S. military. They include such diverse work as keeping sewage plants functioning, assembling aircraft, programing computers and teaching aircraft-instrument repair.

About 125 companies work on contract for the U.S. in Vietnam. Contracts now in force exceed 250 million dollars.

Among the prime contractors are Lear Siegler, a California-based company with numerous Air Force, aircraft and aerospace-systems contracts; NHA, a Texas construction and technical-services firm, and Page Communications Engineers, specialists in electronic-communications installations and operation.

TRAINING VIETNAMESE

Sources in Saigon emphasize that contract workers are "true civilians," not military men who ostensibly resigned from service to don immediately civilian clothing. Many are retired military men. Some already live in Vietnam with their Vietnamese wives.

Officials also insist that there is nothing clandestine in hiring civilians to help the South Vietnamese armed forces. Says one American:

"These men being hired are not mercenaries. Vietnam needs technicians and administrators, not combat advisers."

Other officials concede that whether civilians will "train" South Vietnam's military men for combat in violation of truce terms is partly a matter of definition. According to these Americans, the equipment that civilians will repair, assemble and maintain includes weapons, and it is only a short step from teaching South Vietnamese soldiers how to assemble a weapon to demonstrating how it is used.

"LOW LEVEL" VIOLATIONS

Will all this American activity result in Communist accusations that the U.S. is ignoring the truce? One veteran U.S. official answers: "You can bet your bananas that it will."

This official claims that nothing the U.S. is doing is against cease-fire procedures. A European diplomat in Saigon argues the other way. He contends that the U.S. is violating the spirit, if not the letter, of the truce agreement—but that it does not matter. The reasoning behind this view:

For the next several months, at least, there will be low-level violations by all parties to the cease-fire. Communist and South Vietnamese forces will engage in occasional land grabs and harassment. North Vietnam will continue to infiltrate men and eqiupment into the South on a minor scale. The U.S. will wink at the ban on technical training.

As long as violations are not extreme and do not give either side a decisive edge, there will be no serious complaints. The truce would be in trouble only if the contest for territory goes against the Saigon Government or the Communists are shut out politically in the South.

Ranking Americans in Saigon make this point:

U.S. involvement and U.S. money no longer can buy major influence with the Government of President Nguyen Van Theiu. "There are times," says one American, "that I almost wish there was some truth to Communist complaints that Thieu is our puppet."

STRONG INFLUENCE

The U.S. Embassy will continue to be by far the strongest outside influence in Saigon. But it will have nowhere near the dominant role it had when U.S. troops were carrying the lion's share of the fighting. According to one knowledgeable American:

"We have relied here on a carrot-and-stick policy. But we don't have the stick any more, and our carrot is not too attractive. We do not have as many goodies to hand out."

Yet some thoughtful Vietnamese see the situation differently—and they worry. Their fear is that once all American prisoners of war are returned from Communist POW camps, the U.S. will be so wearied by the Indo-China war that it will turn away from Saigon, withdrawing both dollars and civilian workers—leaving the country to sink or swim alone in the still unresolved conflict with Hanoi.

THE BIG TEST OF THE WAR

Mr. BIDEN. Mr. President, in his usual perspicacious fashion, David Broder has written a column about the most meaningful aspect of the cease-fire agreement in Indochina.

Mr. Broder writes:

> In the end, for most of us, the only goal we could see in Vietnam was the sight we finally saw on our television screens early Monday morning: the return of the prisoners.

And, Mr. Broder aptly concludes:

> The test of this country's character will be its willingness to see that such men are not "left alone" to face the consequences of the war we sent them off to fight.

Mr. President, I ask unanimous consent that the Broder article, published in the Boston Globe for February 14, 1973, is printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG TEST OF WAR COMING

(By David Broder)

WASHINGTON.—In the end, for most of us, the only goal we could see in Vietnam was the sight we finally saw on our television screens early Monday morning: The return of the prisoners. By the end, the men whose captivity was caused by the war had become the only cause for continuing the war.

Irrational as it was, that was our goal, and the tears of relief at their return were genuine—perhaps the first positive shared emotion about Vietnam the people of this nation have experienced in a decade.

They are coming back, and so, too, are the remaining American troops in Vietnam. And then, we are told, it will be over; at least, no more Americans will be fighting there, and we can begin to let it slip from our memories. Those who served there may have a harder time.

I spent the weekend reading a disturbing book about the Vietnam veterans. It's called "No Victory Parades: The Return of the Vietnam Veteran," and it was published last spring by Murray Polner, a historian and educator.

Polner conducted interviews with more than 200 Vietnam veterans, wrote case studies of nine of them and drew some speculative conclusions.

What he says is something we all know, but prefer not to think about. This war, the longest war in our history, was also the least democratic war of our century. There was no equality of sacrifice. The children of the affluent—those in college or with subsidized early marriages—were, for most of the war, exempt from military service. Those who fought were, as Polner says rather cruelly, "our new expendables."

While they were out in Vietnam fighting, those of us at home began to change our minds about the cause in which they had been committed.

When the Vietnam veterans have come home, they have found themselves, too often treated not as men who had made an extraordinary sacrifice for their country, but as chumps who had been suckered into playing a game the rest of us smart guys had figured out was rigged.

The POWs are in a different category, of course. They have been the focus of so many hopes for so long that they will be lionized—perhaps more than they want to be. President Nixon's example in insisting that their family reunions should be private occasions, not public ceremonies attended by public men, is a lesson everyone can heed.

But the longer-range problem, not just of the POWs but of all the Vietnam veterans, is one that will require more than restraint and sympathy from the rest of us.

It was perhaps best put by Capt. Max Cleland, a triple amputee who lost both arms and his right leg at Khe Sanh, whose 1970 testimony to a Senate committee is quoted in Polner's book.

"To the devastating psychological effect of getting maimed, paralyzed, or in some way unable to reenter American life as you left it." Capt. Cleland said, "it added the psychological weight that it may not have been worth it; that the war may have been a cruel hoax, an American tragedy, that left a small minority of young American males holding the bag."

The test of this country's character will be its willingness to see that such men are not "left alone" to face the consequences of the war we sent them off to fight.

EUROPEAN SECURITY CONFERENCE AND ITS POSSIBLE ADVERSE EFFECTS ON LITHUANIA

Mr. BROCK. Mr. President, on February 16, Americans of Lithuanian origin and descent commemorated two anniversaries—the 722d anniversary of the founding of the Lithuanian State, and the 55th anniversary of the establishment of the modern Republic of Lithuania on February 16, 1918.

Lithuania's independence lasted only until 1940, when the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union. The United States and other great Western powers have steadfastly maintained a policy of nonrecognition of this forceful incorporation of the Baltic States into the Soviet Empire. This nonrecognition policy must continue, especially, in view of the Soviet proposed European Conference on Security and Cooperation. As indicated in the published preliminaries of the Conference the Soviet concept of the security of the European States has one primary prerequisite: That the territorial integrity of the states and inviolability of their frontiers be maintained.

The recognition of the territorial "status quo" in Europe would violate the right of self-determination of the peoples and the nations of Eastern Europe. It would be tantamount to world ratification of the infamous Molotov-Ribbentrop Pact of 1939, and would extinguish for all time the small candle of hope in the darkness of totalitarian oppression.

Today, the United States stands on the threshold of the most meaningful and potentially rewarding era in the history of mankind. For the first time in the last 50 years, global peace is attainable. However, global peace is only the first great objective of our Nation, we must also seek the attainment of freedom and justice for all oppressed nations. For even if the countries of the world cease hostilities toward one another, the unresolved legacies of the Second World War must be confronted; the status of the Baltic nations must be once and for all—equitably resolved. Furthermore, let us not be fooled that world peace can be attained by sacrificing the inalienable rights of the people of Lithuania and the other Baltic nations.

Even now, Lithuanians raised under the yoke of communism are risking and sacrificing their lives in defiance of the Soviet regime, seeking religious and political freedom for their country. The unsuccessful escape attempt of the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstration by thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations, demonstrates their thirst for freedom at any price.

The 89th U.S. Congress during its second session adopted House Concurring Resolution 416, urging the President to direct the question of the status of the Baltic countries in the United Nations and other international forums.

The time is now, to present to the public at large and the Government of the United States the grave concern shared by Lithuanian Americans and the people of Eastern and Central Europe over the approaching Soviet proposed European Conference on Security and Cooperation.

THE DISMANTLING OF OEO

Mr. McGOVERN. Mr. President, on February 22 I joined with 29 other Senators in introducing a bipartisan resolution to express the sense of the Congress that the OEO programs should continue in operation through fiscal 1974.

The President made a commitment to continue these programs for that period of time by signing, last September 19, the Economic Opportunities Amendments of 1972.

Yet the OMB budget cutters were at the same time secretly at work in a different room in the White House laying plans to dismantle OEO.

These programs—especially legal services—were designed to help the poor help themselves—a major theme of Mr. Nixon's inaugural address. And yet the administration's proposed budget takes away from the disadvantaged many of the tools they need to follow Mr. Nixon's admonition.

We are told that many of the programs championed by Presidents Kennedy and Johnson did not work and thus should be junked.

The broad indictment is doubtful for two reasons.

First, many of the programs the administration proposes to scrap have been poorly administered, as Secretary Lynn admitted in his confirmation hearing—poor administration is hardly the fault of the legislation or the programs' beneficiaries.

Second, many of the programs have worked well in certain areas and not others—these are hardly grounds for discontinuing entire programs.

I hope that the administration will turn its extensive management resources to true reform instead of mere destruction. I further hope that the administration will honor the commitment made by the President last September.

Mr. President, I ask unanimous consent that a Washington Post editorial on this subject dated February 13, 1973, be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The OEO: Dismantling Hope

The Office of Economic Opportunity is going to be dismantled because the administration thinks that by and large it has been a failure. An acting director, Mr. Howard Phillips, has been appointed and this is how he expresses his (and presumably the administration's) point of view: "I think in many ways OEO has had a negative impact . . . When we spend public dollars, we have to decide not merely whether they're being spent effectively, but whether there are some ways in which they've been harmful. And to the extent that we have promoted the welfare ethic out of OEO . . . then I think OEO has done a great disservice to this country." So the office is to be spread around the feleral government and its most important parts, the community action agencies around the country, are to be pretty much set adrift. There are a number of people around who think this policy is neither wise nor humane and we are among them.

So, evidently, is the OEO's own Office of Operations which seems to have taken a different view in the "Utilization Test Survey" of 591 community action agencies released just last month. After looking at whether the agencies had been doing their jobs in mobilizing resources for the poor and helping the poor to achieve self-sufficiency, the report stated that the administration's emphasis had produced "closer working relationships between CAAs and state and local governments, which offer genuine help in making the decentralization of government succeed during the next few years." The report also asserted that "even at this early stage in the project [the utilization survey], the picture clearly shows that the administration's re-direction of Community Action was on target."

The report underlines the first reason for thinking the administration's new policy is wrong. Americans are an impatient people and often want instantaneous results from large and complex governmental endeavors with little or no tolerance for shakedown periods and experimentation. Premature judgments of failure are often the result. But as the OEO evaluation of the CAAs demonstrates, time was working on the side of the program and after eight years, seemed to be making steady progress toward achieving its goals. Yet, although the agency was indeed moving toward enlarging the self-sufficiency of the poor and obtaining institutional change to benefit the poor, Mr. Phillips thinks the programs have tended to "erode the kind of normal majoritarian democratic safeguards that are incident to the electoral process" and that it is wrong to "treat the poor as a class apart with interests separate and distinct from those of society as a whole."

To our way of thinking, Mr. Phillips has got it just backward. Long before OEO came along, the poor were a class apart because they were poor and powerless and because our "normal majoritarian democratic safeguards" left them that way. OEO programs, and particularly the community action program were designed to help remedy that. The programs were designed to give the poor some stake in their own destiny, and in the society, and to enlarge significantly their ability to help themselves. And that, despite Mr. Phillips' assertion that the programs have promoted the welfare ethic, is just what OEO's own evaluation says they were beginning to do well.

Anyone who has the slightest familiarity with the program knows that one of its major benefits has been what it has done for people. It has uncovered—from the ranks of the poor themselves—several new layers of leadership in communities around the country. It has given people the opportunity to develop skills that help them participate in the management of their own communities and of their own lives. It has given thousands a new sense of their own dignity and worth and some stake in the society. There clearly have been excesses, mistakes and false starts. But the gains in terms of human growth and the institutional achievements documented in the OEO study destroy both the factual and the philosophical underpinnings of Mr. Phillips' arguments.

In his cheerfully assumed task, he will be dismantling a powerful vehicle for human hope.

THE ENERGY CRISIS

Mr. BROCK. Mr. President, evidence is mounting that our Nation is on the brink of a serious crisis in its ability to produce enough energy to provide for our needs.

The vastness and complexity of modern America makes this problem one of vital concern for all citizens, for the results of failure will be felt by us all.

Recently, Mr. A. J. Wagner, Chairman of the Tennessee Valley Authority, delivered remarks before the Northside Kiwanis Club, in Knoxville, Tenn. These remarks give a valuable insight into the developing energy crisis, and represent the conclusions of one of the most knowledgable men in this field.

Mr. President, I believe Mr. Wagner's remarks deserve wide currency, and I ask unanimous consent that the address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Energy and the Future

Energy is vital to man's survival on earth. His ability to command and use energy, in one form or another, more than anything else has lifted him from a starvation existence in the swamps and caves of pre-history to the comfortable life we know today.

Oil and gas shortages of recent weeks have underscored our dependence on energy and created fresh interest in what is commonly called "The Energy Crisis":

In Denver, Colorado, high schools were on a three-day week to conserve fuel. One plant sent its 700 employees home when it ran out of fuel in bitter cold, even after operating for weeks with 45° temperature in the plant in an effort to conserve gas.

In West Virginia, Illinois, Mississippi, and elsewhere factories were shut down when fuel tanks went dry.

Jet fuel became so scarce at New York's JFK airport that some planes couldn't make scheduled nonstop flights across the country.

Towboats with barges of coal were docked for days because there was no oil to run their diesel engines.

Atlanta's ice storm, earlier this month, at its peak knocked out electric service in nearly 150,000 homes, leaving them without light, heat, or power.

These and similar incidents serve as reminders of our dependency on energy—and the threat of national impotence without it, even for a short while. But it is much more consequential, much more far-reaching than the inconvenience and discomfort that accompany such brief and temporary interruptions.

Last year Britain's coal mines struck for six weeks, shutting off coal supplies to her power plants. As the strike wore on, 15 percent of her electric generating capacity had to shut down. Entire residential and business districts were blacked out for as much as nine hours a day. Home and businesses went dark and cold. Industries curtailed production, then closed. By the sixth week, *three million* Britions were out of jobs. It was calculated that if the strike had continued two weeks longer, 20 million workers—two-thirds of the entire work force—would have been idled. England's industry would have been stopped dead.

Yet even a near-disaster such as Britain experienced is little more than a hint of our total dependence on the heavy use of energy—as gas, oil, coal, or electricity. Virtually everything we do, everything we use is touched by our use of energy in one way or another. The walls of our homes and the roofs over our heads needed electric power to manufacture and to construct. Our homes and our morning coffee are heated with electricity, or gas, or oil, or coal. Gasoline drives us to work in an automobile that required great quantities of energy for its manufacture.

There are countless illustrations of this energy-dependence. But it is brought home most forcibly in an example cited by scientist-authors Lawrence Rocks and Richard Runyon in their new book, *The Energy Crisis*. They point out that only 1 percent of this country's industrial energy is expended on the farm; yet that 1 percent of our energy permits us to feed 100 percent of our population. Then they calculated that "The Energy output of all 200 million Americans as biochemical energy is equal to the energy now employed on the farm."

In other words, it would take the muscle-power of every man, woman and child in the Nation to replace the work of the tractors, harvesters and other energy users that now produce the bountiful food supply of our farms. There would be no one left to build our homes, make our clothing or anything else. Even worse, there would be no one to manufacture the chemical fertilizers and insecticides we now use. And without them farm food production would be cut in half.

I have dwelt at such length on the essential place of energy in our lives because we all—every one of us—need to be aware of the consequences of running out. And, as I will discuss later, we *can* run out. It is not inevitable, but it is possible. And if we do run out of energy, any life worth living will run out, too.

This is why Rocks and Runyon introduce their book with these words:

". . . the most profound issue we face today is an impending power shortage. Most other environmental problems are theoretically solvable: Pollution can be largely abated by the same science that created industry, and substantial percentages of materials can be recycled, and thereby held in perpetuity. But energy cannot be recycled.

"Our energy deployment capabilities and their consequences will supersede all other environmental, economic, and political issues before this decade has passed."

A realistic appraisal of the future must also recognize that *the need for energy, the public demand for it, will continue to grow both in this Nation and around the world.*

For a good many years, now, our use of energy in the United States has doubled about every 10 years. Our living standards—the quality of life we read so much about today—are a direct reflection of that growth. In this country, for example, the energy used in industry amounts to about 10,000 watts per person, the equivalent of 100 slaves working for each of us continuously. In India, by contrast, the figure is 500 watts—or five slaves. Our living standards reflect the difference.

Energy use will continue to grow in this country primarily because I do not believe Americans will readily lower living standards. Quite the contrary! We strive for more, not less, quality in our lives.

In addition, the cleaner environment we all want will require more energy for such purposes as to recycle materials, run waste treatment plants, and to make the equipment used in pollution control facilities.

The citizens of India, China, Africa and the many "have-not" nations around the world are all seeking better food, clothing, shelter, education, and health. All of these basics require energy.

Quite apart from our increasing *per capita* demands, there are more people on the earth every year and these new families want warm homes, refrigerators, washers, driers, televisions, automobiles and all the other things we have. While population growth *rates* are declining, in the United States, our total population is still increasing about 1 percent every year. Worldwide the figure is higher.

So we are faced with a world full of more people every year, each one using more energy than the year before. And, as you read and hear daily, energy use even in present day quantities, is presenting us with serious problems of air and water pollution that must be corrected.

Some are suggesting that we solve this dilemma by cutting back on our use of electricity. They often illustrate by pointing out that we could do without electric toothbrushes, electric carving knives and other similar gadgets. True, we could. But that wouldn't even scratch the surface of the problem. For example, a whole family can run its toothbrushes for a year on the electricity generated by less than a pound of coal.

If we really want to make significant cutbacks in electricity consumption, we will have to take more drastic actions, such as do without hot water, live in colder homes, stop production of aluminum and many chemicals basic to our economy. We will have to close down or slow down the industries and businesses that give our people jobs. These are the really heavy users of electricity.

Any wasteful uses of energy—electric or otherwise—should, of course, be abanadoned. And we could do much with better insulation and improvements in other building and industrial practices. But I believe that if all such actions that the public can accept were taken, it would result in a saving of less than 10 percent. This is little more than one year's growth, and then we are right back where we started.

Thus it is clear as crystal that if we want to maintain anything approaching our present living standards, we must find ways to provide increasing amounts of energy in the years ahead. The question is: "Where will it come from?"

At the present time the United States gets about 40 percent of its energy from oil, 31 percent from gas, 25 percent from coal, 3 percent from water power, and 1 percent from nuclear plants. (These, of course, are the *basic sources*. About 9 percent of this energy is used by the consumer as electricity, a proportion which is increasing rapidly. But it must be recognized that electricity is a *form* of energy, not an original *source*.)

How well can these basic energy sources meet our needs in the years ahead? While estimates vary widely, depending on assumptions made as to future rates of use and as to undiscovered reserves, the figures for fossil fuels run about like this, for reserves *in the United States*, matched against out national needs.

Oil, 15 to 20 years.

Gas, 30 to 40 years (some estimate as low as 12 years).

Coal, 200 to 300 years (if used to synthesize oil and gas at present growth rates).

Note that while 40 percent of the energy we are now using comes from oil, we have only enough in this country to last another 15 or 20 years. Of course that period can be extended, as could others, by imports from foreign countries. And, as you know, some of this is being done. But it is probably not in the national interest to depend on foreign sources for something so vital to our national well-being as our energy supply.

In any case, one fact is clear and incontrovertible. Fossil fuels, both in the United States and in the world, are finite and limited in their amount. When they are used up, they are gone forever. Respectable estimates forecast that, if we continue to increase use of fossil fuels at present rates, all of the coal, oil and gas will be gone by the middle of the next century—just a lifetime away. (Because of the valuable chemicals they contain, we will ultimately need them for other purposes and we ought not to use them for simple fuels any longer than is absolutely essential.) We simply must have other energy sources—and time is running out!

Water power, even if it were all developed, could supply only about 5 percent of the world's present energy needs. Tidal power, wind power, and geothermal power could not provide significant help by presently known technologies. The same is true of direct solar energy.

Nuclear fusion, the power of the hydrogen bomb, could solve the world's energy problems virtually for all time. But the technology for harnessing it still eludes us and no time-forecast for success is possible.

As you have perhaps observed, the energy problem really breaks down into three time periods: First, the period covering the next decade or so; second, the period reaching into the beginning of the next century; and, finally, the long-term future.

In the near term, we must continue to rely on fossil fuels. We simply have no workable alternatives yet available. There will be problems of supply, of price, of air and water pollution—all severe and all interrelated. We will have to solve them as best we can. But we can't continue indefinitely because we will run out.

Through the balance of this century and into the next, it seems clear to me that we have no choice but increasingly to turn to nuclear fission reactors—the type that we and others are now building—to meet our energy needs. They present us with problems too, but I believe they are being solved. Even here, the kinds of reactors now being built would exhaust this Nation's economically recoverable uranium supply within a few decades.

That is why President Nixon, looking to the long-term future in his Energy Message in June 1971, proposed a program to build this Nation's first breeder reactor. And that is why we in TVA, backed by the utility industry generally, have committed ourselves fully, along with the AEC and Commonwealth Edison Company, to its construction and operation here on the Clinch River, near Oak Ridge.

The breeder reactor, utilizing uranium and plutonium in its fuel has the unique ability to produce more fuel than it consumes! It can extend the life of our uranium reserves by about 100 times, solving our basic energy source problem for many centuries and giving us time to perfect nuclear fusion technology or perhaps something even better.

Truly, as the President has said, the breeder is "our best hope today for meeting the Nation's growing demand for economical clean energy. . . ." It must be developed for safe, dependable, economical operation, compatible with a clean environment. This is the purpose of our demonstration plant.

The problems of energy supply are not easy for the layman to understand. They are so highly technical and so far-reaching in their implications and interrelationships that even few "experts" can fully grasp them in their total scope. But we all need to, in fact we must, understand their essentials because our survival depends on energy—in tremendous quantity, at prices we can afford, and produced without significant damage to our natural environment.

These are the essentials:

Energy is vital to our survival.

The amounts we need and use will continue to grow, and more and more of it will be used in the form of electricity.

Its cost will go up but we must hold its price at a level we can afford.

Fossil fuels must serve as our major source in the near-term future. But our fossil reserves are running out and we must find alternates.

The only feasible alternative presently available is nuclear power.

Light water fission reactors must continue to be built, to serve into the next century.

The breeder reactor must be perfected to conserve our available uranium. It will replace the present types of nuclear reactors, and it will solve the problem of basic energy source for many centuries.

At the same time, we need to push research on fusion reactors, direct solar energy and other even better methods for meeting our energy needs far into the future.

These are some of the critical issues that the public must understand. These are the courses of action we must support and follow. Life depends on it.

IDAHO PROTEST OVER MEDICARE PAYMENT HIKES

Mr. CHURCH. Mr. President, President Nixon's recent announcement to raise coinsurance and deductible amounts for medicare beneficiaries would have devastating effects on the 20 million Americans who qualify and participate in this program.

Under present law, medicare patients pay the first $72 of their hospital charges and nothing thereafter until the 61st day in the hospital. From the 61st through the 90th day, older Americans are subject to a daily charge of $18.

However, President Nixon's proposal would make the elderly pay for the actual hospital room and board charges for the first day plus 10 percent of all subsequent room and board costs. This proposal, alone, could saddle older Americans with an additional $345 million charge for hospitalization.

As for doctors' services under medicare, the President would raise the deductible from $60 to $85 and increase coinsurance amounts from 20 percent to 25 percent of the balance.

All of this means that the elderly would pay an even more burdensome portion of their health bill. In practical terms, the existing deductible and coinsurance amounts deter many seniors from seeing doctors because they do not have the initial $60. If the Nixon plan is accepted, each senior will have to ask himself if he is $85 sick before deciding to see physicians.

Medicare stands in danger of becoming another broken promise. In 1966 medicare started out paying more than 50 percent of the health bills of older Americans and this year it only paid 42 percent. Should the Nixon recommendations be carried out, medicare may pay well below 40 percent of their health bill.

In some circles this action by the White House is viewed as punitive and is taken as a means to reduce the impact of the 20 percent social security increase passed last year over stiff White House opposition.

Whether or not this explanation is true, I am glad to see that more and more people are learning of the proposed drastic cuts and are marshaling opposition to them. In this regard, an article in the February 11, 1973 Idaho Statesman, by Larry Evans, President of the Boise Club, National Council of Senior Citizens, does an excellent job of explaining the current state of affairs. Mr. President, I ask unanimous consent that the article may appear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROTESTS URGED ON MEDICARE PAYMENT HIKES

(By Larry Evans)

The serious cutbacks in Medicare, housing and social services called for in President Nixon's proposed budget made public on Monday, January 29 make it extremely urgent once again that older Americans move quickly into the offensive to protect the hard-won gains we have achieved in the past.

The President wants legislation to make Medicare patients pay more than twice as much as they now pay for an average hospital stay. In addition, he asks for a substantial increase in the out-of-pocket doctor Part B, insurance.

This means denial of needed health services to a vast number of men and women who can barely meet out-of-pocket payments, now charged, due to the rising costs of living.

The cost to the patient of the average financed Medicare stay in a hospital, now about 13 days, would rise from the present $72 to almost $200 if the planned legislation goes into effect next January. Such a rise would be intolerable.

Mr. Nixon's request to Congress completely ignores the recommendations of the 1971 White House Conference on aging, which called for making medical care available to all Americans, including the elderly, without deductibles or other payments.

The President told the White House Conference delegates he would not permit their recommendations to gather dust in the national archives.

A resultant meeting of the 50-man Board of the National Council of Senior Citizens issued a statement saying: "Nixon was clearly prepared to say anything before the presidential election so he could win favor from elderly voters, but now that he has got four more years in office, he is seeking to balance the budget on the backs of the elderly poor."

He wants to maintain the Social Security payroll tax as it is—thus making available for other purposes $1.6 billion a year now going to support benefits that Mr. Nixon would abolish. The purpose is to build up surpluses in the Social Security trust funds so as to show a paper reduction in the federal budget deficit.

This would be a deceitful misuse of the Social Security trust funds!

The President seems to be pulling out all the stops to win public approval for a campaign to scrap most of the progressive social programs enacted during the 60s and even some of the programs before that.

Mr. Nixon says that Congress is spending too much money. This, no doubt appears to be true to all taxpayers. However, the real problem is the priorities on which the money is being spent. For example, Nixon's budget for the U.S. Department of Defense shows an increase of $4.7 billion despite the pullout from Vietnam. While defense spending gets a big boost, old people are asked to pay nearly $1 billion more for out-of-pocket Medicare and Medicaid costs.

Now Mr. Nixon asks that 23 million aged and disabled beneficiaries be used to trim $893 million from the projected costs by increasing Medicare and Medicaid costs. The new proposal would add $345 million to hospital costs to Medicare patients.

Now the elderly pay $72 for the first 60 days in the hospital. The new proposal would make Medicare patients pay for the hospital room and board charges for the first day and 10 per cent thereafter. With approximately five million Medicare patients being hospital patients for an average year, the sum could become astronomical.

Mr. Nixon proposes to (1) raise the deductible for doctor bills under part B from $60 to $85 and (2) increase the patients coinsurance costs from 20 to 25 per cent of the balance. A Medicare patient now pays $168 of a $600 doctor's charge. Under the new proposal the payment for the patient would be $213.75.

Social services affected by the administration's proposal for 1974 include the Office of Economic Opportunity; Senior Opportunity and Services; Research Development and Evaluation; Community Action Operations; Health and Nutrition; Community schools; Migrants and Seasonal Farmworkers, and Legal Services. Among those affected would be approximately 11 million senior citizens.

We urge all senior citizens to oppose these drastic measures by writing to your senators and congressmen and stating your views on the matter. Talk to your relatives who might have to aid in your upkeep if these things materialize. Ask your legislature to adopt a memorial to Congress protesting the proposed action. Make all the contacts possible, since it appears that there might be as much of a fight as there was to get Medicare on the books.

If we can afford to increase the budget by billions for defense, billions for a space program, when both the war and the moon visits are no more, is it not reasonable to ask for an increase in social benefits instead of asking for cuts?

IMPOUNDMENT: A NEW PHENOMENOM?

Mr. HRUSKA. Mr. President, if one were to listen only to recent criticisms of the President's budgetary moves, one could easily come away with the impression that impoundment is a dangerous new phenomenom introduced by a President intent on centralizing power. This is pure nonsense.

What President Nixon is trying to do in his impounding is to restrain Federal spending. If we continue to spend in the future as much as we have spent in the past, the budget would, in the space of 20 years, top 1 trillion dollars. The Nation cannot allow this to occur. The President is continuing the shift toward a New Federalism which started with general revenue sharing. Whether the New Federalism succeeds or not depends in a large part on what we in Congress do. We must regain our fiscal responsibility.

Is impoundment a new phenomenom? An editorial in the February 16, 1973, edition of the Omaha World-Herald looks at the historical facts. The editorial concludes that impoundment is by no means revolutionary. It labels any claim that it is as "deceptive and hypocritical." With that I wholeheartedly agree.

Mr. President, I ask unanimous consent that the following article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

So What Else Is New?

Some of the complaining Democratic senators would have us believe President Nixon is trying to over-throw the government and uproot the Republic by refusing to spend some of the money Congress has appropriated.

Sen. Edmund Muskie said Nixon's defense of the impoundment of certain funds reminded him of a speech by the president of the Philippines which sought to justify the elimination of the national legislature.

Sen. Lawton Chiles said Nixon has proceeded as if he had "a divine right" to decide what to spend and what to save.

These and similar commentaries portray the President as an unprincipled usurper of powers beyond the constitutional reach of the executive branch. They appear to seek to give the impression Nixon has embarked on a radical new course of government that will destroy the principle of the separation of powers and usher in a monarchy.

Such protests conveniently overlook 170 years of presidential practice. Impoundment of appropriated funds has been going on in the executive branch since 1803, when Thomas Jefferson declined to spend $50,000 on gunboats because the situation on the Mississippi River had quieted down.

In more recent times, Harry Truman impounded funds Congress had voted to expand the Air Force; Dwight Eisenhower held up an appropriation connected with the Nike-Zeus antimissile system; John F. Kennedy refused to spend additional money Congress had voted for B70 bomber development; Lyndon Johnson held back billions from domestic programs to try to curb the inflationary effect of Vietnam escalation.

These are just a few specific examples. They do not give a detailed picture of the impoundment practiced by recent presidents.

Figures compiled by the White House and made available by Sen. Roman Hruska show that Nixon's 1973 impoundment of 3.5 percent of the budget is one of the lowest figures in recent history. The percentage of funds frozen by presidents has gone as high as 8.7 under Eisenhower, 7.8 under Kennedy and 6.7 under Johnson.

The complaining senators also tend to overlook or disceetly ignore that on at least two occasions Congress has written provisons giving at least tacit approval of the principle of impoundment. The occasions were the enactment of the Anti-Deficiency Act of 1905 and an omnibus appropriations act in 1950.

Congress can legitimately question the President's priorities in spending and stand up stoutly for favorite programs which are threatened.

But it is deceptive and hypocritical for Congress to discuss impoundment as if it were a new-found prerogative of a revolutionary president. History says it isn't.

FEDERAL ASSISTANCE POLICY CHANGES IN SOUTH DAKOTA

Mr. McGOVERN. Mr. President, the late Mies Vanderohe, one of the world's great architects, designed his buildings with a simple creed in mind. That creed read: less is more. That may be a fine motto for an architect and his building. But it is a bitter pill for a mayor and his city especially when "less" means money and "more" means responsibility. Yet that is exactly the proposition handed America's mayors under the concept of the New Federalism: less money, more responsibility.

When the Congress enacted the administration's revenue sharing proposal, all of us were confident that we were voting for a vigorous new means of assistance for our cities. But now it appears that what we voted for was an underfunded substitute for previous Federal participation in the growth of communities across the Nation. The systematic cuts in a growing number of categorical programs are not only diluting the impact of revenue sharing. They are weakening the long term ability of the mayors to deal effectively with the needs of their cities.

Neither I nor the rest of my colleagues ever intended limited revenue sharing to do battle with unlimited cuts in grant programs. But that is apparently the situation we are in today and mayors throughout the country are voicing their objections. Mayors in South Dakota have some strong opinions of their own.

South Dakota is the most agricultural State in the Nation. We have only 12 cities with a population of 5,000 or more. But even our small cities are expressing their bewilderment over the cuts in the categorical grant structure. Their opinions are revealed in a survey recently completed by the South Dakota development group.

In January of this year, I formed the group and made one of its primary assignments the monitoring of Federal assistance policy changes and their impact on South Dakota.

The survey they have taken indicates that significant reductions in grant programs will not be warmly received in South Dakota. In a summary to the report, the South Dakota development group makes two very important points:

1. South Dakota mayors generally approve of the overall concept of revenue sharing as long as there are no substantial reductions in existing grant programts.

2. Although the mayors are unsure about the fate of categorical grants and uncertain about the future of revenue sharing, they are firm in the opinion that continued federal assistance is a must.

The first of these findings has particular relevance since many grant programs are already being dismantled. A provision in the revenue sharing law itself makes it clear that existing State aid should not be cut back once revenue sharing funds are available. In fact, section 107b, the maintenance of effort provision, says that if States do not maintain current levels of assistance, the State allotment of revenue sharing funds will be apportionately reduced.

Mr. President, if it is wrong for the State to use revenue sharing as an excuse for reducing aid to their communities, what makes it right for the Federal Government to do the same thing?

The National Journal reports that Governors, mayors, and county officials formed a coalition that was largely responsible for congressional approval of revenue sharing, but only after the administration assured them that the appropriation for the program was new money and not a substitute for other forms of Federal aid. The broad cuts now underway among grant programs suggests that the confidence the mayors put in those assurances may very well have been misplaced.

DEVALUATION OF THE DOLLAR

Mr. BROCK. Mr. President, a great many analyses of the recent devaluation of the American dollar have appeared since February 12. One of the most informative was an article by Ray Vicker, chief European correspondent for the Wall Street Journal.

In clear and understandable language, Mr. Vicker explores the economic dangers which are signaled by the devaluation move. With clarity, he identifies the necessity of controlling inflation and increasing productivity in order to solve our long-range trade and economic problems.

Mr. President, I believe his article deserves wide currency, and I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

No Hurrahs, Please, for Devaluation

(By Ray Vicker)

London.—Despite the initial wild enthusiasm on the New York Stock Exchange yesterday following Monday night's 10% devaluation of the dollar, the fact remains that devaluation definitely spells a weaker clout for America abroad.

The markdown in the dollar's value not only affects America's ability to intervene in situations abroad like Vietnam (perhaps a good thing), but it also will have a weakening effect on the U.S. position in the Middle East and could change the American stance in a number of other trouble spots.

There's one school of thought in Europe, in fact, that believes that from now on U.S. devaluations may come every year or two, Latin American style. And that henceforth America will have to pay more attention to Arab claims in the Middle East because of the weight of oil imports from Arab lands on the steadily weakening U.S. dollar.

Since it is the dollar's image that reflects American power abroad, psychology is heavily against the U.S. as a world leader as long as its dollar is ranked as little more than a piece of paper. In Frankfurt, West Germany, last weekend, the prostitutes around the railroad station were crediting only two marks to the dollar, the equivalent of a 36% devaluation. Certainly there should be a moral somewhere in a situation where even these ladies of easy virtue are scorning the dollar except at a huge discount.

NEWSPAPERS HAVE A FIELD DAY

European newspapers, too, are having a merry time ridiculing the U.S. and its anemic dollar. The Sunday Times, a London weekly, had a cartoon of an American flag hanging at half-mast, dollar signs replacing the stars on the flag. The Observer, also of London, had one of the Statue of Liberty holding a handful of dollars instead of a torch. The caption read: "Dollars for Sale."

In the U.S., in contrast, the average man hardly seems to realize what is happening in the monetary area. The gobbledygook being spoken and written about the effects of Monday's devaluation, the second in 14 months, illustrates the ignorance of many Americans concerning its meaning. It's almost as if a brainwashing process were underway—the voice of the used car salesman describing in glowing terms the battered model with chipped paint sitting in the lot out front.

Devaluation, for instance, is presented in some quarters as a good thing, a purge that will remove all the ills from the American system. You hear that devaluation will improve U.S. exports, reduce imports and improve American competitiveness abroad. Little is said about the fact that it may increase the prices of many of the things you buy. And that it may reduce the prices of everything sold abroad. This is supposed to be good?

Foreign trade is nothing more than the exchange of goods between nations with dollars providing the numeraire for evaluating relationships of those goods. Are you better off when you get less for your dollars? Ask the corner grocer how he likes a situation where prices of his purchased merchandise rise while prices of what he sells declines.

Then ask yourself: If devaluation is such a beneficent device, how come some of the Latin American nations aren't rolling in prosperity? Some of them seem to devalue about once a year, perhaps oftener in leap year. Also ask yourself: How come the nations that are revaluing their currencies upward—Japan, Germany and Switzerland—really are rolling in prosperity, with living standards marching steadily up and up?

Could it be that the strength of a currency has something to do with prosperity in a nation? Of course it has. The external value of a currency is merely a reflection of the strength (or weakness) of the economy behind that currency. Japan, Germany and Switzerland have strong currencies because over the last decade they have been successful in steadily increasing productivity at a faster rate than the rise in manufacturing prices. Undoubtedly, the yen is much stronger valued today, perhaps by as much as 15% or 20%. This increase in its real value could not have occurred without the steady rise in productivity by the eager beaver workers in Japanese plants.

The weakness of the American dollar stems from weaknesses in the American economy which, fortunately, do show signs of being corrected. The biggest weakness was unchecked inflation through recent years. When a currency loses value within a country, the weakness appears in its external value, too. Foreigners note that the currency buys ever-smaller amounts of goods, so they lose respect for the currency. When this happens with the American dollar, the typical American reaction is to show resentment against those foreigners who question their almighty dollar. Yet those same Americans note that a bottle of beer which cost 25 cents a few years ago, may cost 50 cents now, while the five cent cup of coffee has moved to ten cents, 15 and then to 25 cents in some corner beaneries.

It used to be that the father of a household could give Junior a dollar for a movie. Now the typical reaction from Junior at that is likely to be: "Dad, what can I do with only a dollar?"

His scorn for the dollar, if you want to call it that, is the same scorn you encounter overseas today as the declining value of the dollar has come home to more and more people abroad. Devaluation won't correct the basic weakness any more than Dad can check the declining value of his dollars merely by deciding that henceforth he will give Junior two dollars where he used to give him one. Only the containment of inflation coupled with increases of productivity can do that.

The U.S. is making some progress in this direction. But, with a $70 billion overhang of surplus dollars abroad in hands of central banks, that correction is likely to take a couple of years before the dollar moves from weakness to strength. If you owe a bill of $10,000 at a downtown store, you might help your credit if you agree to repay a net of one hundred dollars a week. But even after many weeks of repayments your credit still might not be very good around town.

With a currency, a devaluation might conveniently lessen the debt load. This alone won't help much if inflation is allowed to continue out of control. In fact, the devaluation may lull a nation into erroneously believing that the malaise is being corrected. Should anti-inflation weapons then be relaxed, the devaluation then may contribute to further weakening of the currency.

So when somebody tries to sell you a bill of goods concerning the alleged benefits of devaluation, look at it closely, and pay attention to those hidden price tags which affect you directly. This goes even if you don't ever travel to a foreign land.

AN OFTEN-HEARD CLICHE

One of the cliches you often hear is that U.S. exports and U.S. imports each only amount to 4½% of Gross National Product; therefore foreign trade and the overseas dollar is of little consequence to the stay-at-home American. This overlooks the fact that big multinational corporations have invested over $85 billion in the book values of factories and facilities abroad. The true value of these holdings is likely to be closer to $250 billion.

The movement of foreign funds into the American stock market may affect equities, too. Monetary factors may have a major bearing on such movements. Obviously, any American devaluation cancels our profits for any foreign investor or adds to his losses according to the percentage of the devaluation. Few people want to shift money into a foreign market if they fear that the currency of that country is headed for a fall. Any one who knows anything at all about Wall Street realizes that the volume of funds pushing into or moving out of the market affects prices of shares in that market. It might be difficult to separate monetary factors and blame them alone for the recent downturn in the American market. Adverse psychology about America's inflation played a role, too. But often it does seem as if the U.S. market dips on adverse monetary news. It's certain that such news does not stimulate a market pickup.

Then, take the matter of imports. What matters here is the amount of imports which you want in your home, not the abstract percentage of a GNP which involves services as well as goods. With imports totaling $56 billion in 1972, it is evident that many Americans must be purchasing Sony radios and television sets, Swedish furniture, Volkswagen automobiles and other items. Any devaluation means that prices on such purchases are likely to rise.

Your reaction to the political effects of a devalued dollar depends upon your feelings about America, itself. Today, many Americans are negative about their own country, pessimistic about chances for whipping inflation, about better distribution of the wealth, about politicians in Washington and about where America is going. Gloom and doom prophets may view another devaluation as endorsement of their general views about America.

THE OLD ORDER CHANGETH

A weak dollar certainly weakens America's ability to lead the Free World. We still are Number One, but the troops in the ranks no longer are afraid to question any orders which might be given. In 1944, America, with an assist from Britain's brilliant John Maynard Keynes, practically dictated the form and context of the world's monetary system during negotiations at Bretton Woods, New Hampshire. When the present system is overhauled, there is likely to be less dictation, more compromise.

On trade, the U.S. now is being challenged by a rising Japan and by a slowly coalescing Common Market. Elsewhere the U.S. is discovering it can't swing its weight around as much as it might if it had a strong dollar behind its actions.

People sometimes forget that a strong currency may be more vital than a fleet of gunboats in certain international situations. Russia certainly has suffered because its ruble has never become an accepted international currency since it won't convert into anything of value. Mainland China may act like an emerging power. Until it gets a currency which means something outside of China it probably won't be much of a factor in international economic affairs. When Britain's pound sterling started to sink, Britain lost much of its influence in world affairs, too. Naturally, one might question whether sterling declined because of Britain's declining power or vice versa. It appears that they declined together.

Fortunately, America still has some way to sink before any comparisons may be made with the decline of Britain from the second half of the 19th Century to the second half of the 20th. There's no reason why that downslide can't be halted in the U.S. through determined efforts to increase productivity and contain inflation.

It won't be achieved by hailing devaluation as a panacea for the ills which beset this country.

LESSON OF VIETNAM

Mr. CHURCH. Mr. President, several falsehoods are a legacy to our involvement in the Vietnam civil war. The first is that bombing works. As St. Louis Post-Dispatch correspondent Richard Dudman points out, however:

> In the case of the Nixon bombing, morale seemed to remain high and North Vietnam's fighting ability seemed to continue strong despite the air raids and the mining of the harbors. It is more likely that Hanoi was influenced by a major U.S. concession—dropping of the demand that all North Vietnamese troops be withdrawn from the South.

Other "myths," as Dudman shows, need to be eradicated before they become national lore. American assistance did not insure a non-Communist friend, but an unpopular regime to "stay in power in a small and backward country halfway around the world;" American bombing as an antiseptic tool of warfare is not supported by the American people. According to Dudman:

> It appears to have been the on-and-off character of (the) bombing that headed off a crescendo of opposition when (the President) no longer could point to a declining troop level to prove that he was "winding down" the war.

Mr. President, I ask unanimous consent that Dick Dudman's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows.

THE LESSON OF VIETNAM

(By Richard Dudman)

WASHINGTON.—When a war congeals into history, it is time to total up the dead, wounded and missing and the dollar cost to the taxpayers.

Those tasks have been done quickly for the second Indochina war—as well as figuring the total tonnage of bombs dropped, which turns out to be more than three times the total in the World War II—even though the peace is not yet secure and the B–52s are still bombing Laos.

Another task, possibly more important than adding up these statistics, is setting for the lessons learned by the United States Government and the American people from this 12-year military intervention in Southeast Asia.

The lessons are valid and persuasive, but whether they are misrepresented and used to convey a false understanding of the American experience will determine in part whether the nation's military withdrawal from Vietnam will be permanent.

One myth already adopted by the Administration and believed by many Americans is that bombing works. The Gallup Poll reported that 57 per cent believed that the 12-day Christmas bombing of Hanoi and Haiphong helped bring about the peace settlement.

Henry A. Kissinger and other White House officials did not make that outright claim, but they implied that the facts would speak for themselves. There was a negotiating deadlock, the terror bombing was ordered, the talks were resumed and came to a satisfactory conclusion.

Others disagree, President Lyndon B. Johnson abandoned the bombing of North Vietnam in 1968 after trying more than three and one half years to pound Hanoi into calling off its part in the struggle to control the South. His Secretary of Defense, Robert S. McNamara, had concluded much earlier that the bombing had not been effective in stemming infiltration or in forcing the other side to a political settlement.

In the case of the Nixon bombing, morale seemed to remain high and North Vietnam's fighting ability seemed to continue strong despite the air raids and the mining of the harbors. It is more likely that Hanoi was influenced by a major U.S. concession—the dropping of the demand that all North Vietnamese troops be withdrawn from the South. There is also the unknown element of pressure from Russia and China.

Other falsehoods seem to have been accepted by the Nixon Administration, but not by the American people. One of these is that American assistance, with occasional bombing if necessary, can help a friendly but unpopular dictator stay in power in a small and backward country halfway around the world. The Gallup Poll shows most Americans believe President Thieu cannot withstand Communist political pressures. In that coming struggle, 79 per cent oppose sending U.S. troops and 71 per cent oppose further bombing.

Mr. Nixon seems to have concluded also that, while sending U.S. troops to Asia spells political disaster, the American people will stand for almost anything in the way of bombing. On the contrary, it appears to have been the on-and-off character of his bombing that headed off a crescendo of opposition when he no longer could point to a declining troop level to prove that he was "winding down" the war.

As the lessons of the war are pondered, it is vital to separate fact from fiction. In no other way can future entanglement, in Indochina and elsewhere, be avoided.

ANNIVERSARY OF THE BIRTH OF THE HUNGARIAN POET ALEXANDER PETÖFI

Mr. DOMINICK. Mr. President, the 19th century has given to history many outstanding poets and writers on the subject of freedom, patriotism, and representative government.

An outstanding example for a poet consumed by passion for these ideas both for his people and all humanity, a poet which has a timely message for us even today, is the Hungarian poet Alexander Petöfi.

First, he is one of the few Hungarian writers who, through his exceptional qualities, broken through the linguistic barriers which the uniqueness and isolation of the Hungarian language imposes upon the knowledge of these writers in the western world.

Although translations are particularly hard to make in his case, where the uniqueness of style which is simple yet remains elusive in other languages, Petöfi is still known to Germans, Slavs, Frenchmen, and also to Americans and British alike, at least to those who care for reading foreign literature. There are several translations of his major poems into English, some as old as 125 years, and others rather recent.

Petöfi is a great lyricist. In the words of the late Prof. Remenyi from Western Reserve University:

> Petöfi's poems show that no unintegrated experience ever affected the manner and matter of his work. The alternation of the obvious and the unexpected in his poems, their revolutionary, patriotic, humanitarian, idyllic, buoyant, or mocking tone, the correctness of his visual and auditory images, the honesty of his feelings, which was antithetical to mellifluous sentimentalism, the freshness of his heart and mind, the impeccable character of a man whose youth was in contrast to his poetic maturity—all these qualities served values of lasting significance which no "modern trend" of creative or critical writing could dim.

Petöfi is also known to us as a major figure of the Hungarian war of independence of 1848–49, as the youth whose recital of his new National Song on March 15, 1848, commenced the revolution that was to free Hungary temporarily of Hapsburg rule, and despite its temporary defeat through Russian intervention, led to the 1867 compromise and to the recognition of Hungarian statehood by the Hapsburgs themselves.

He is the poet who becomes an officer and fights in the battle for the freedom of his country, and also for the cause of freedom in Europe everywhere. His commander is a Polish general, Jozef Bem, who also embraces the cause of Hungarian freedom as part of a general freedom fight of the peoples against tyranny in Europe.

And finally, the death of Petöfi on the battlefield in the battle against the tsar's forces in Transylvania, which makes him a national hero, remains a message to free peoples everywhere that only total devotion and commitment to the cause of democracy and freedom will be able to provide for the retention and further development of the freedom enjoyed or sought.

It is not by coincidence that the 1956 Hungarian fight for freedom started with the demonstration before Petöfi's statue in Budapest, and that even the Communist regime made strained, but massive steps, of claiming Petöfi for himself. Of course, it was in vain, for Hungarians as well as others who are familiar with his poetry know that his love of freedom and nation would have never tolerated any cooperation with the Muscovite leadership that still keeps Hungary in its grip.

DEFENSE AGAINST EXECUTIVE USURPATION OF LEGISLATIVE PREROGATIVE

Mr. BIDEN. Mr. President, on Monday, February 19, 1973, the Washington Post carried on its editorial page a particularly incisive article written by my distinguished colleague from North Carolina (Mr. Ervin) refuting President Nixon's assertion of the right to impound money for programs authorized and funded by Congress. Long regarded as an authority on constitutional law, Mr. Ervin legitimately perceives this to be a gross infringement upon the constitutional responsibility of the Congress to make the law.

Our Founding Fathers knew from painful experience the danger of a too powerful Executive. They therefore took much care in the delineation of powers and functions among the three branches of Government. Nowhere in the Constitution can it be inferred that the President "is empowered to amend legislative determinations by impoundment actions or otherwise."

In cutting off funds for legally established programs, the President effects an "item veto" enabling him to usurp the legislative prerogatives of Congress in direct opposition to the Constitution. It has been claimed by administration apologists that because former Chief Executives have impounded congressionally appropriated money, it is proper for this practice to continue. But as Mr. Ervin so aptly states,

> The perpetuation of illegal acts in the present, cannot be justified by invoking as precedent the legal aberrations of the past.

It is imperative that Congress take decisive action to halt this violation of its functions before it devolves into much less than the coequal branch of Government it must continue to be.

Mr. President, I ask unanimous consent that this notable article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 19, 1973]

A Brazen Seizure of Power

(By Sam J. Ervin Jr.)

The Judiciary subcommittee on Separation of Powers and an ad hoc Subcommittee of the Government Operations Committee have completed five days of hearings on a subject that relates directly to a constitutional crisis in our nation—the question whether the Congress will remain viable, or whether the current trend toward executive usurpation of legislative power will continue unabated until we have a presidential form of government.

Executive impoundment of legally-appropriated funds is only one in a long line of executive usurpations of legislative power which the Congress has condoned by its acquiesence. Indeed, the Separation of Powers Subcommittee has investigated several of the most serious instances, including abuse of the pocket veto power, use of executive agreements to circumvent the constitutional role of the Senate in treaty-making, exercise of lawmaking power through the issuance of executive orders, and the refusal to provide information and testimony to the Congress under the guise of "executive privilege."

The executive branch has seized power brazenly because the Congress has lacked the courage and foresight to maintain its constitutional position. It has failed to equip itself physically to carry out its legislative duties independent of the executive branch, much less to perform its important function of overseeing the activities of the executive branch in administering the programs it has enacted. Moreover, as individuals, too many of us in the Congress have found it more comfortable to have someone else—the President—make the hard decisions and relieve us of responsibility.

Impoundment of appropriated funds is not a new concept. The Separation of Powers Subcommittee conducted hearings almost two years ago during which it revealed that over $12 billion was then being impounded. The practice has expanded since that time and is now being used to terminate or cripple certain programs enacted by the Congress, including the Rural Environmental Assistance Program (REAP); the water pollution control program which the Congress authorized over the President's veto; and the timely allocation of highway trust funds. It is clear that these impoundment actions were undertaken not to save money, but to enable the President to make national legislative policy in contravention of the constitutional responsibility of the Congress to make law. In truth, he uses it to effect an item veto which clearly is not authorized by the Constitution.

The President has been quoted as saying that he has the constitutional right to duty to impound. The Constitution that I read has not a syllable giving the President any such authority. It is elementary that the Congress posesses all legislative power under the Constitution, and the President is not empowered to amend its legislative determinations by impoundment actions or otherwise.

However, administration witnesses appearing before the subcommittees have attempted to justify presidential impoundments by saying that the practice has occurred since the administration of President Thomas Jefferson and that such precedents have rendered it legal. Suffice it to say that the perpetration of illegal acts in the present cannot be justified by invoking as precedent the legal aberrations of the past.

The same witnesses also argue that the Anti-Deficiency Act sanctions presidential impoundments. That Act and its legislative history shows that it was specifically designed to prevent undue expenditures in one portion of the year, or in the carrying out of a project which would compel Congress to pass a deficiency bill. It was also intended to save money by making it unnecessary to expend all funds when a given project could be completed for fewer dollars than were appropriated. It cannot be argued that the Act contains any implied authority to impound funds to cancel or curtail a program merely because a President deems it undesirable and decides to give effect to his policy over that of the Congress. Indeed, the arguments advanced by the executive branch are self-serving statements sanctioned neither by the Constitution nor by the statutes enacted by the Congress.

The Impoundment Control Bill, S. 373 which is cosponsored by more than half of the Senate, requires the President to notify the Congress of impoundment actions, and requires him to cease such action unless the Congress has affirmatively approved it within 60 days. To my mind, the President should welcome the passage of this bill, because it would give him an opportunity to convince the Congress that it has over-funded specific programs and would give the Congress an opportunity to reassess its priorities and to rearrange them if such action seems desirable.

Let me emphasize that neither I nor my colleagues who are cosponsoring this bill desire that the executive branch expend the taxpayer's money foolishly. Indeed, I have always favored a balanced federal budget and have voted to uphold the President's veto of certain money bills when I felt the Congress had been extravagant. However, I do not believe that impoundment constitutes a cure for the nation's fiscal and economic woes, even as a practical matter.

In any event, even a lofty motive like the control of inflation, although proclaimed by the President himself, cannot render constitutional an action which inherently is unconstitutional.

Impoundment amounts to government by decree, and if the practice is permitted, the collective voice of 535 members of Congress could be overridden by one man. That would be government without law.

HERBICIDES AND WEEDS

Mr. HRUSKA. Mr. President, an exciting discovery has been made by a University of Nebraska agronomist which could lead to, among other things, extensive savings in the use of agricultural chemicals. The discovery by Dr. Lowell Klepper, assistant professor of agronomy, involves a simple technique which determines what herbicide will kill which weed. Up until now, the process of testing weedkillers has been very lengthy and expensive for chemical firms.

Furthermore, Dr. Klepper's technique also may have significance in cancer research and in finding ways of increasing the food value of crops. But the immediate benefit will be a new generation of weed control chemicals that selectively eliminates specific weeds without harming the environment.

Dominick Costello, farm editor for the Lincoln Star, wrote of the discovery in the February 15 edition of the newspaper. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Lincoln (Nebr.) Star, Feb. 15, 1973]

Simple Test May Be Breakthrough

(By Dominick Costello)

A test so simple that it can be performed in anyone's kitchen and that may lead to cheaper food, cheaper agricultural chemicals and even discoveries in cancer research was demonstrated at the University of Nebraska Wednesday.

Using a minnow bucket, several glass beakers and some bits of leaves from young wheat plants, Dr. Lowell Klepper demonstrated a simple technique that can select a specific herbicide for a specific plant.

"It can tell us whether the herbicide will kill the plant, it can reduce the cost of chemical application, reduce the danger to the environment and greatly reduce the cost of developing new chemicals to control weeds," the assistant professor of agronomy said.

GREAT POSSIBILITIES

"This technique will make it possible to develop a chemical weed control for local weeds under local conditions anywhere in the world at a very low cost. The technique is so simple that it can be performed in the ordinary kitchen with a bit of training," he said.

Klepper made the discovery of the test for herbicides while seeking ways to increase the protein content of wheat.

"It was a simple case of looking for one thing and discovering another. You might call it a managed accident," he said.

Scientists have known for years that various chemical compounds could kill specific plants but until now they did not know why. The weed killers that have been developed to date have been discovered by a trial and error method involving many years of testing in greenhouses. The new test can be performed in a few hours.

NITRITE IS KEY

In the process of nitrate utilization by plants, which occurs throughout their life, nitrate must be reduced to ammonia so that amino acids can be formed. These amino acids are the building blocks of protein essential to human and animal nutrition. Nitrite is an intermediate form of nitrogen in this reduction process and is not normally detected in plant tissue because it is reduced very rapidly to ammonia. Herbicides block this reduction of nitrite.

According to Klepper, after herbicide treatment the plant loses control of its carefully designed enzyme system and generates sufficient nitrite to kill itself. This is because nitrite is poisonous to the plant. The nitrite accumulates only briefly, then is rapidly converted into a different form of nitrogen and disappears.

"It is a perfect way of murdering a plant. The evidence can disappear in as little as 90 minutes in some plants," Klepper explained.

Klepper said that there are wide variations in the effect of various chemicals on various plants. By running a series of tests using the newly developed technique it should be possible to develop specific chemicals that will kill one undesirable plant and leave other plants in the field unaffected by the plant.

MANY APPLICATIONS

The new information may have many applications in further research in other scientific fields.

Scientists attending the demonstration excitedly discussed various possibilities ranging from cancer research to finding ways of increasing the food value of crops. The immediate benefit will be a new generation of weed control chemicals that selectively eliminate specific weeds without harming the environment.

Scientists believe the long-term effect of the new-found knowledge are virtually unlimited.

Klepper, who has worked on various wheat-related research projects in Mexico, has been in Lincoln at the university exactly one year.

"We will be checking with you next year on this date to see what else you have come up with," said NU President D. E. Varner at a special luncheon for newsmen and NU officials.

INDIA'S MESSAGE

Mr. CHURCH. Mr. President, unusual reporting of the current scene in India has made its way back to America through the columns of syndicated columnist Tom Braden. He traveled to a prisoners of war camp about 200 miles northeast of Delhi, he has indicated his respect for the strength of India's armed forces, and he discusses India's position in the balancing of world power vis-a-vis Peking, Washington, and Moscow.

Mr. President, I ask unanimous consent that Tom Braden's three columns from India that appeared in the Washington Post be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 3, 1973]

Jingoism in India?

(By Tom Braden)

New Delhi, India.—After 25 years of independence, India has, at last found something to be proud of. I watched a half-million Indians expressing their pride here the other day and, when it was all over, I couldn't help asking a question I should have thought impossible to ask: Is this nation becoming jingoist?

Preposterous, you may say. India was born of nonviolence and has been preaching peace to the rest of us since the end of World War II. Consider then what I saw here on India's Republic Day.

To begin with, a half-million people flocking into a city on bicycles, rick-shaws, bullocks, motorcycles and bare feet is astonishing. If you envision a Poor People's March, a circus, an astronaut homecoming and a Notre Dame-Southern California football game all come to town on the very same day, you get a general idea. But you have to replay the image and put some of the people in Western clothes, some in pajamas, some in bright and beautiful saris and some in gunny-sacks.

Now, let me try to give you an idea of what those people came to see. The Indian army was British-trained, but in ability to put on a colorful show, it must long ago have surpassed its teacher. Perhaps the Grenadier Guards of Queen Victoria's day were as colorful; a crack U.S. Marine Corps drill team might be as precise. But neither ever possessed a camel corps, the animals craning their necks an inch higher in unison as their riders reach the saluting point and the command, "Eyes right!" Nor Gurkhas in three-cornered hats with steel knives gleaming at the belt. And what army still deploys cavalry, has elephants in reserve for heavy work back of the lines and parades them both on Independence Day?

Nor is this spit and polish. Those men passing by are veterans of Pakistan. The tanks and airplanes are by and large Indian-made. The people watching are so proud of it all that tears swell their eyes.

But to get back to the preposterous question. Is India going jingoist? Have its neighbors cause for fear?

On the day before I watched the army on parade, I had a chat with the secretary of the defense ministry, a soft-spoken man with large, kindly eyes who talked like a philosopher, dresses in the Nehru style and puffs reflectively on a pipe. His name is K. B. Lal. He thought my question amusing.

"Where would we go?" he asked. "What reason would we have for going? In 1962, the Chinese attacked us on the border. We lost territory. But we do not go there. We do not even raise the question. We are willing to let the past be past."

Then why does India maintain an army of more than one million? "Because," said Lal, "Indian has a long border which it will defend."

Lal has a reputation for frankness and I believe he told me what he thought. I also believe that countries which worship armies tend to use armies. By chance, I ran into Lal again after I had witnessed India's armed strength on parade. I congratulated him. He laughed, a small deprecating laugh. "I hope it did not impress you so much that you will not believe my words."

I told him the truth. I said I didn't know and I don't. But I have an opinion, and a guess. My opinion is that there never should have been a Pakistan. My guess is that if India gets any more trouble from Pakistan, there won't be.

[From the Washington Post, Feb. 10, 1973]

A Visit With Pakistani POW's

(By Tom Braden)

Rorkee.—In one of India's 50 POW camps, Pakistan prisoners are treated so well that soldiers of India's army who were moved into tents to accommodate the foe, have some reason to be jealous.

I say this with authority because on the morning of Feb. 6, I became the first reporter in more than 7 years to be admitted to any of India's POW camps.

The invitation came suddenly after repeated requests. Did it come because the Red Cross had rejected a charge that India was mistreating prisoners and replaced the man who made the charge? Or do I owe the invitation to Swaran Singh, India's minister for external affairs, after I had mentioned that, according to The Washington Post, India's treatment of prisoners was suspect?

In any event, within days my wife and I were entering a prison near Rorkee, which is about 200 miles northeast of Delhi, inspecting any room we wished to inspect, talking with anyone with whom we wished to talk.

There are more than 4,000 prisoners at Rorkee and together or separately, we talked to about 40, chosen on the spur of the moment and at random. Three escorting officers were always in sight though usually out of earshot. I am not certain whether the prisoners knew they were to be visited, but they seemed so surprised at seeing a couple of American civilians that I doubt it.

Space permits a brief summary of three conversations. First, Miss Nasim Akhtar, a civilian Pakistani doctor whom I guessed to be in her late 20s. Miss Akhtar's long black hair hung over a bright blue sari and she was dispensing medicine to civilian prisoners when I asked her if she would talk for a moment.

She had been visiting her school teacher sister in East Pakistan when war broke out. Threatened with assault, she says, by the Bengali militia, the Mukti Bahini, the two women sought protection from Pakistan's army and surrendered when surrender came. She said she was well treated and her appearance would have belied another answer. I was sorry I had asked her about going home. She cried.

A Pakistan artillery captain, plump for a soldier, but possessed of boyish good looks, introduced me to his wife and children whom he had brought from West to East Pakistan only to join him. The family is living in a long barracks, shared with three other families. He said he was well and had enough to eat. "When," he asked in school-precise English, "do you anticipate the immediate repatriation of me and of my family?"

I also talked with a Pakistan private, a member of an infantry regiment who still possessed part of his uniform. (Most have worn out and been replaced by Indian-issue denims). He sleeps on the floor of a barracks with about 20 others. There is a working electric fan hanging from the ceiling and each man has five blankets. "There is," he said "nothing to do." The camp commandant had recently given him a new basketball.

To live behind barbed wire must be deadening. I have looked at it twice; once in the desert during World War II where Italian prisoners were held by the British; again in Texas where Americans guarded Germans. This camp is better than the temporary British camp in Africa, and almost equal to the more permanent structure Americans built.

Prisoners have radios, a tiny library, athletic equipment, a store, mail, and medical facilities staffed by their own doctors.

There is nothing pleasant about it. They have been here a year and two months and they want to go home. It is hot, dusty and boring. I was sorry that our visit made them think something "big" was up. The only "big" thing I have to report is that India is treating its prisoners—in this camp at least—with the decency which the Geneva Convention prescribes.

[From the Washington Post, Feb. 13, 1973]

India: Are We Getting the Message?

(By Tom Braden)

Bombay, India.—"I have a feeling," said Sen. Charles McC. Mathias (R.-Md.) as he left this city the other day, "that these people are trying to send us a message and that if we don't pay attention to it we may lose India for another generation."

The phrase "lose India" is not like the phrase "lose China" which was so widely used in the '40s and '50s, subject to the same counterargument. "We never had China," was the Democrats' response to Republican charges of losing it. Republicans cannot respond that we never had India. In terms of such intangibles as loyalty and affection and example, we did have India, and Mathias is right when he expresses the fear that we may lose it.

Does it make any difference that India no longer considers the United States as her prime protector and friend? Does it make any difference that Soviet consular officers and commercial attaches are everywhere here, turning up at folk festivals and product exhibitions in distant villages, the most difficult of access?

Does it make any difference that India's military command considers evidence that China is provoking and paying for rebellion among tribes along its northeast frontier to be hard?

Ten years ago, these facts would have been cause for alarm in the United States and there would have been much talk about not letting down the world's newest and largest experiment in democracy. Today, obsessed with our own rapprochement with China and Russia, we seem to be looking the other way.

But some kind of balance sheet must sooner or later be stuck here on the subcontinent because India's ambitions seem destined eventually to clash with those of China and the United States will have to make up its mind which way it wants to go.

There is, for example, the problem the northern frontier. In 1962, the Chinese grabbed a lot of territory which India long considered to be its own. India is not saying anything about recovering that territory, but a noticeable hard glint comes to the eyes of Indian military leaders when the subject is mentioned.

And how can it not be mentioned; the endless argument between India and Pakistan over who owns Kashmir still constitutes an unsettled problem. Any settlement which favors India—or for that matter, any attempt to settle the problem by ignoring it, which also favors India—is certain to evoke Chinese displeasure, and perhaps Chinese intervention.

In short, it could happen that all hell will break loose between India and China and that the Soviets will then intervene. Does Dr. Kissinger's new balance of power for the East envision the United States as providing a counterweight on the Chinese side?

Some balance-of-power formula must be devised to keep India safe and to prevent it from an attempt to ensure its own safety by building nuclear weapons. Nuclear knowledge is already there; money is not. India's leaders assure every questioner that the subject of building nuclear weapons is not even being considered. In the next breath, they admit that they are under pressure to build nuclear weapons.

It would be wrong, it seems to me, if in drawing up its balance sheet the United States permitted the current infatuation with China to blind us to difference in ideology. From an equally impoverished base, China has developed more rapidly than India. It is entitled to admiration for the end achieved.

But the United States has been a great respecter of means as well as ends. India has attempted to pull itself up from poverty and refugees, pestilence and population by democratic means.

It has succeeded remarkably well. That it has not succeeded as rapidly as China is only a reminder of an old American principle; that decent and humane means are in themselves a worthwhile end.

SOUTH DAKOTA LEGISLATURE OPPOSES CUTS IN RURAL PROGRAMS

Mr. McGOVERN. Mr. President, the Legislature of the State of South Dakota has gone on record requesting the President to restore the rural electric and telephone program, the rural environmental assistance program, and the water bank program.

The members of the House of Representatives and the Senate of South Dakota are close to the people they represent. Nearly all of those members are home every weekend during their legislative session, which has been in session since the middle of January.

They speak with great knowledge of the concerns and wants of the people of South Dakota. Recently, I had the honor of addressing both the house and senate of our State legislature.

I hope that the President, as well as the Members of this body, take to heart the expressions of concern from the people of South Dakota, as embodied in the concurrent resolution urging reinstatement and release of impounded funds for REA, REAP, and the water bank.

Last week, by an overwhelming margin, the Senate passed a bill which would direct the President to restore the rural electric and telephone program. The House, by a similar margin, passed legislation which would require the reinstatement of the REAP program. The Senate Agriculture Committee has reported that bill out for a floor vote, with an amendment which would likewise restore the water bank.

I call on the Senate to enact the REAP-water bank restoration bill by an overwhelming majority when it comes to the floor in a few days. Such an expression of congressional intent is needed; indeed, it is what the Legislature of the State of South Dakota would have us do.

In order that my colleagues may know what the people of my State are saying about these cutbacks, I ask unanimous consent that the resolution of the South Dakota Legislature be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION No. 504

A concurrent resolution, petitioning the President of the United States to reinstate and release all impounded funds to implement the Rural Environmental Assistance Program, the Water Bank Program, the Rural Electric Loan Program and the Rural Telephone Loan Program

Be it resolved by the House of Representatives of the State of South Dakota, the Senate concurring therein:

Whereas, the Rural Environment Assistance Program (REAP) has served to enhance and protect our Nation's natural environment; and

Whereas, the Water Bank Program has been highly beneficial to the preservation and enhancement of the Nation's waterfowl population; and

Whereas, the historic low interest federal loan program to the rural electric and rural telephone associations has contributed immeasurably to the economy and progress of our Nation's rural areas; and

Whereas, these programs, singly or collectively, have enabled the American farmer and rancher to increase the production of food for this nation and the world some sixty-four per cent since 1947; and

Whereas, this increased productivity, resulting in great measure from the application of electric energy made available through the REA low-interest, long-term loan program, has made it possible for each farmer to produce enough food for fifty-two others; and

Whereas, termination of the REA lending program threatens many rural residents with deterioration, if not actual loss, of modern telephone service essential to the orderly marketing of their produce; and

Whereas, all of these programs have been summarily terminated by the present national administration, thereby threatening the farmers' capacity to continue to produce at such high levels of efficiency:

Now, therefore, be it resolved, by the House of Representatives of the Forty-eighth Legislature of the state of South Dakota, the Senate concurring therein, that the legislative assembly of the state of South Dakota petition the President of the United States to reinstate these programs immediately and release any and all impounded funds in order to provide for the full implementation of the aforementioned programs; and

Be it further resolved, that copies of this Concurrent Resolution be transmitted by the Chief Clerk of the South Dakota House of Representatives to the President of the United States and to each member of the South Dakota Congressional Delegation and Secretary of Agriculture.

Adopted by the House, February 5, 1973.

Concurred in by the Senate, February 15, 1973.

SALUTE TO LITHUANIANS

Mr. TUNNEY. Mr. President, this month Americans of Lithuanian descent together with Lithuanians throughout the world, are commemorating the 55th anniversary of the Declaration of Independence of Lithuania. These people have engaged in a long and fearless struggle against tremendous odds in an effort to gain independence for their country. I would like to join my colleagues in saluting these courageous people.

Lithuania has been subjugated to foreign control for all but 22 years of its existence. Yet the spirit which prevailed in 1251, when the Lithuanian principalities were united into one kingdom by Mindaugas the Great, has never ceased to unite these people. Following World War I, a democratic government was established in Lithuania. The taste of freedom was savored for less than a quarter of a decade. Invading German and Soviet armies crushed the entire structure of Lithuania's democracy, but force alone could not conquer the spirit of freedom. Throughout the war, the people prayed for the reestablishment of peace and independence. With the defeat of fascism, a new form of tyranny gripped the Baltic nation. Stalin moved rapidly into Lithuania, and the tiny country became a satellite of the giant Communist power.

No amount of terror and oppression has succeeded in destroying the hope of Lithuanians than they will one day be able to live in a democratic state once again. Individual liberty remains their goal. I share the dream of Lithuanians all over the world that one day we may again witness the joyful celebration of a free, democratic government in Lithuania.

UNITED STATES-CUBAN TIES: TIME FOR A CHANGE

Mr. McGEE. Mr. President, in yesterday's Washington Sunday Star, February 25, there appeared an excellent editorial outlining reasons why this Nation should move to establish ties with Cuba.

I find myself in full agreement with the assessment of the editorial writer relative to this issue. It is imperative, in my mind, that this Nation continue the road to rapproachment. This effort should not be limited only to our relations with Soviet Russia or with the People's Republic of China. It must be applied to all nations in the world; whether they be large or small; whether they are at the center stage of international attention or not.

While I applaud the President for his conduct of international relations, particularly in his efforts at detente with Russia and China, I believe the time has come for the United States to begin looking to our neighbor in the South and initiate serious efforts toward restoration of political and economic relations with Cuba.

The world has changed immensely in the last 12 years. And with this change must come a realization on our part that all vestiges of the past must be erased as we launch a new era of international detente at all levels, not just at the so-called superpower level.

I ask unanimous consent that the Sunday Star editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNITED STATES-CUBAN TIES: TIME FOR A CHANGE

The time has now come for President Nixon to abandon some of the fixations and fictions about Cuba that obsess the administration and begin serious consideration of a new policy leading toward restoration of political and economic relations with the Communist island nation.

Let us review the bidding: Nixon already has made peace with the Marxist giants, Russia and China. The State Department has now negotiated an agreement with Fidel Castro that hopefully will terminate Cuba's role as a haven for U.S. skyjackers. It has always been apparent that Cuba has never been isolated by the American policy and the sealing-off resolutions of the Organization of American States.

This leaves only the question of the extent to which Castro's Cuba supports revolution and represents a threat to the other nations of the Americas. And it has long been evident that the Havana regime was never very effective at the business of exporting subversion and is now giving little more than lip service to the aspirations of native revolutionaries who once were trained and financed by the Cubans.

As to the presence of Russian military forces in Cuba, the best information is that there are less than 5,000 technicians there. The submarine base at Cienfuegos has never been used by the Soviet nuclear submarines, and it really makes no difference: A nuclear-powered submarine does not need a base. The three Russian subs stationed off the East Coast of the U.S. (compared to 14 or so U.S. subs in the North Atlantic approaches to Russia) are serviced by tenders.

Nixon's last public utterance on Cuba was made in a Star-News interview in November 9 when he said, "There will be no change, no change whatever, in our policy toward Cuba unless and until—and I do not anticipate this will happen—Castro changes his policy toward Latin America and the United States."

Well, perhaps the accord on hijackers is a major change such as the President sought in Cuban policy. In point of fact, Castro's denunciations and fiery words mean very little to the United States and Latin America so long as he is unable and unwilling to ship out guerrilla forces and agents to try to overthrow OAS governments.

The United States gets at least as severe verbal treatment from other Latin governments with which we do maintain relations—Chile and Panama come to mind—as from Fidel Castro.

The existing policy, it now seems to us, has outlived the realities. Communist Cuba is not friendly, but it does cooperate with the United States on a number of fronts already: Postal and phone service exist; the airlift of exiles has been resumed; weather and commercial aviation information is exchanged; United States airlines fly across Cuba using an approved air lane; Cuban athletes have appeared on American soil for the Caribbean olympics in Puerto Rico.

Furthermore, the other Latin nations are beginning to waver and move toward rapprochement with Hanana. Mexico never broke relations. Chile and Peru have resumed them. Some of the new OAS members in the Caribbean were not subject to the OAS resolution consigning Cuba to pariah status. And others, such as Venezuela, Ecuador and perhaps Panama, seem ready unilaterally to resume relations with Cuba.

There cannot be any advantage for the United States in remaining aloof when all our European allies have never ceased trading with Cuba. A nation as powerful as the United States can lose little by having normal relations with a country of whose leaders it does not approve. Of course, it takes two to tango; Cuba's Castro would have to be willing to accept a return to normal relations. But the ease with which the Swiss diplomats did the legwork between Washington and Havana to produce the hijack agreement is an indicator that the two neighbors could go a few steps beyond toward restoration of the relations that were severed in 1961.

For President Nixon, the Cuban question no doubt has personal as well as policy facets. Mr. Nixon, indeed, is one of the few U.S. government officials who has ever met Castro face-to-face and he did not find the flamboyant prime minister particularly attractive. But that was back in 1959 when Castro was in the first flush of his seizure of control in Cuba, with his star in the ascendancy, and Mr. Nixon's eminence as vice president under Dwight D. Eisenhower was on the wane.

Today it is Mr. Nixon who is sitting on top of the world while Castro has become a backwater politician, no longer the mover and shaker of world events as he once was. It is not necessary that Mr. Nixon or Castro admire one another in order for the U.S. to accept the fact that it is anachronistic to pretend the 8 million people of Cuba exist in a vacuum.

The Cuban question also may raise personal problems for Mr. Nixon in other ways. For one thing, the President unquestionably feels an empathy with the Cuban exiles and even a sense of debt to them because of the Bay of Pigs fiasco. But while that abortive invasion was conceived by the Eisenhower-Nixon team, it was launched by the Kennedy administration. And Senator Edward M. Kennedy, the sole surviving Kennedy brother, has long since urged that U.S. policy toward Cuba be re-explored and reassessed. If a Kennedy can risk the wrath of the Castro-hating exiles, it should be at least as possible for the President.

Inevitably, with the Asian war at an end, Mr. Nixon will be turning his attention more and more to the Third World of Latin America and Africa. It is unfortunate that he has not had the time before this to become more interested and involved with the Latins. Theirs is an area about which the President is not overly informed, and his one sharp recollection is that he was nearly killed by a riotous mob in Venezuela in 1956.

But all Latins are not alike, and monumental changes have taken place. So it is with Cuba. Fidel Castro and Cuba today are not the same as they were 12 years ago. The world is now made up of different equations, and Cuba is one of them.

There no doubt would be a host of problems to solve, such as the expropriated U.S. properties, the Russian military presence, the U.S. base at Guantanamo Bay, the sale of Cuban sugar to the U.S. and the problem of the 300,000 anti-Castro exiles living in the United States. But the missile crisis and the Bay of Pigs are ancient history now. We believe President Nixon and his advisors should now turn their full attention to Cuba. The nation that can accommodate itself to a peace agreement with North Vietnam surely can do the same with the shabby dictatorship of Castro. He is, after all, far from the only dictator in Latin America. He may not even be the most dangerous dictator there.

PROPOSED AMENDMENT TO U.S. CONSTITUTION

Mr. HARRY F. BYRD, JR. Mr. President, last month I again introduced a proposed amendment to the U.S. Constitution which would require that Federal judges be reconfirmed by the Senate every 8 years instead of holding lifetime appointments.

I first presented this proposal during the last Congress. A hearing was held—the first hearing on this subject in our history—by the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee.

Interest has been growing in this proposed amendment. It has been endorsed by the State legislators of Michigan and Alabama, and by the chief justice of the State of Indiana.

Editorial comment on the question of fixed tenure for Federal judges also has been made in a number of newspapers. I am today asking unanimous consent that several of the editorials which have appeared since the subcommittee hearing be included in the Extensions of Remarks.

The editorials to be included were published in the Dothan, Ala., Eagle, the Staunton, Va., News-Leader, the State in Columbia, S.C., in Newport News, Va., the Daily Press, and the Progress-Index in Petersburg, Va.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Dothan (Ala.) Eagle, Jan. 16, 1973]

A Worthy Change

In a Constitutional amendment co-sponsored by Senator Allen of Alabama and Senator Strom Thurmond of South Carolina, Senator Harry F. Byrd, Jr., of Virginia has proposed again that Federal judges be reconfirmed by the Senate every eight years instead of holding lifetime appointments.

In something of an understatement, Senator Byrd said "there is widespread dissatisfaction with the existing system, under which some judges are exercising dictatorial powers."

Senator Byrd, as is his nature, isn't trying to slip anything by anybody, and that includes the judiciary.

"Should the Constitutional amendment I have proposed be acted upon favorably by the committee," he said, "the ensuing debate in the Senate and House will help to direct additional public attention to what I believe is one of the most serious problems in our democracy today.

"Should the Congress approve the amendment, the forum of debate would be opened in the 50 State legislative bodies, and a true sounding of the feelings and opinions of the people would be possible. Regardless of the ultimate outcome of this national debate, I believe that it would encourage thoughtful scrutiny of the whole question of the proper role of the judiciary in a modern nation committed to the principles of separation of powers and checks and balance.

"The amendment I have introduced simply provides a method by which the courts might be made more accountable to the people.

"The philosophy of this proposal was perhaps best expressed by Thomas Jefferson when he said:

" 'In questions of power, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution.' "

The lack of vindictiveness in the Byrd heart, though the Senator has undoubtedly been as aggravated as anyone else by this and preceding courts, is evidenced in two facts: One, the amendment would not affect any justice or judge sitting prior to its ratification; Two, separate legislation will be offered to retire any justice or judge at full pay in the absence of reconfirmation.

"This," explained Senator Byrd, "is the basic mechanism which I'm suggesting."

Congress should let this go to the people for decision, for it is something affecting them more and causing them more concern than Congressmen dream of.

[From the Staunton (Va.) News-Leader, May 21, 1972]

Byrd Submits Powerful Case

> (There is widespread dissatisfaction with the existing system, under which some judges are exercising dictatorial powers. Should the Constitutional amendment I have proposed be acted upon favorably by the committee, the ensuing debate in the Senate and House will help to direct additional public attention to what I believe is one of the most serious problems in our democracy today.—Sen. Harry F. Byrd Jr., I-Va.)

Sen. Byrd was undeniably correct in reminding the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee on Friday of "widespread dissatisfaction" with the judiciary—the federal judiciary. He delivered a powerful and lengthy address to the subcommittee on behalf of the amendment he proposes to abrogate life tenure for federal judges and require reappointment (and reconfirmation) after eight years of service.

This amendment, if approved by Congress and ratified by three-fourths of the states, would provide a check on the federal judiciary that does not now exist. Its absence in the political climate of the late 1780s may have justified life tenure, but the situation today is so different that adoption and ratification of the Byrd amendment is definitely needed.

Why? Even in the days when the republic's system of representative government was being framed, Thomas Jefferson, as Sen. Byrd reminded the senators, said this:

In questions of power, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution.

Has the federal judiciary, or any of its judges, been guilty of the mischief by fallible man which Jefferson foresaw? It definitely has, which accounts for the strong dissatisfaction which exists and for the introduction of Byrd's proposed amendment.

The mischief has been the departure of some judges, and if the Supreme Court under Chief Justice Warren, from the Constitutional function of interpreting law to arrogation of the legislative function of making law. Furthermore, strained technicalities have frequently been mustered to reverse the convictions of criminals, to the denigration of society's protection from this element. Some of the federal judges have notoriously become arrogant and defiant of any exposure of their illogic, of their failure to uphold police and lower courts in clear cases of guilt, and thereby endanger the people's rights to safety in their homes and on the streets.

Sen. Byrd told the subcommittee: "It is a most difficult undertaking to seek to strike a reasonable balance between the principle of judicial independence and the principle of accountability of public officials. Nevertheless, I think the effort is worth making."

He used Virginia's system of naming her judges and of reappointment to illustrate how possible and reasonable it is to provide the necessary check on the judiciary's performance of its duties. This state's experience has resulted in such careful selection of justices of the Supreme Court of Appeals that none has ever failed of reappointment. Few judges of Virginia courts of record have ever failed of reappointment and confirmation.

"The experience of Virginia indicates that any fears of lack of independence on the part of judges who are subject to legislative reconfirmation are without foundation," declared Byrd. Only 47 of the 50 states give judges life tenure, he told the subcommittee, and he quoted various authorities and political science of past and present to buttress his contention that federal life tenure should be ended.

Sen. Byrd's proposal can be expected to lie over until after the November election, as neither party will want it to become a campaign issue. His masterful presentation of the case for the amendment, his notable persistence and effectiveness in righting governmental policies and courses of action which are contrary to sound, basic principles, are promise that the amendment to end life tenure for the judiciary ultimately will be adopted. It accords with a large body of sentiment in the nation and the people usually prevail at last.

[From the State (S.C.), May 22, 1972]

Judges' Life Tenure Challenged By Byrd

It is fitting that a Virginian, Sen. Harry F. Byrd Jr., should be initiating an effort to eliminate life tenure for federal judges. It was an earlier Virginian, Thomas Jefferson, who warned in vain that the federal judiciary would prove to be that agency of government most to be feared within the American federal system.

Senator Byrd is not proposing to curb the power of the courts, nor does he seek to interfere with their judicial or financial independence from the legislative and executive branches. What he does propose is that federal judges be subject to reconfirmation by the Senate every eight years rather than being given what amounts to life tenure.

In passing, it should be noted that South Carolina, in keeping with 46 other states, requires fixed terms for judges, as well as other public officials. The State Constitution of 1895 specifies that "no person shall be elected or appointed to office in this State or life or during good behavior."

At the federal level, however, a judge's life tenure is subject only to the improbable recourse of impeachment. Such indefinite tenure might not be so bad in itself, but the nation has witnessed increasingly in recent years the truth of what Senator Byrd said Friday to the Senate Judiciary Committee:

"Judges who are accountable to no one are invading the sphere of the elected representatives of the people, handing down decisions which have great impact on the lives of the citizenry . . . In all too many instances the federal courts have gone well beyond the sphere of *interpreting* the law, and into the domain of *making* the law."

It is this obvious lack of judicial restraint which concerns Senator Byrd and should concern Americans generally. As he put it, "this situation is basically inequitable and contrary to the spirit of democracy."

The Byrd proposal, which would simply provide a mechanism for a periodic (eight-year) evaluation of a judge's performance, seems a reasonable restriction on what sometimes appears an overweening desire of certain judges to ride roughshod over judicial precedent, American tradition, and the popular will.

"Why should any official in a democracy," Senator Byrd asks, "have lifetime tenure. In the modern world, only kings, queens, emperors, maharajahs—and United States Judges—hold office for life."

Senator Byrd's proposal calls for a constitutional amendment, thereby insuring full deliberation by the Congress, the states, and the people before such an important change could be wrought. It is a proper approach to a pressing problem.

[From the Daily Press, Va., May 24, 1972]

More Regal Than King

One of the real problems in our form of government has been that the federal courts have not been as free of politics as they were intended to be. It would be impossible to completely divorce a human institution from politics, but it was fervently wished by the framers of the Constitution that this one could at least remain relatively so.

It has not worked as well as they had hoped—not ever—and the gap between ideal and reality has never been more obvious than it is today, when the U.S. Supreme Court persists in bewildering and contradictory decisions and the lower courts try to be more regal than the king.

The credibility of the courts in the eyes of the public has been seriously weakened, and thus their capacity for moral influence also has been depleted. The public is going to demand some form of reform, and it is time we all recognized that.

This being the case, the problem is to develop a means of achieving the original aim—independent courts, as free of political influence as possible, but still subservient to the law set in the Constitution and created by Congress, which is the supposed expression of the public will. Law is, after all, dynamic and not static; it is the rules by which men choose to govern themselves. The Supreme Court does not have access to Mount Sinai, nor should it attempt to write dictionaries the way it has in recent years.

It may be, in the long run, that the structure of the court system must be altered and, if it does, a highest court composed of the chief justices of all the states has real merit. However, the time has not arrived for such an organic change, even though some early solution to existing problems must be found.

Virginia Sen. Harry F. Byrd, Jr., has proposed a constitutional amendment which would limit the terms of Supreme Court justices and all other federal judges to eight years, eliminating the present appointment for life so long as they maintain "good behavior." We have serious misgivings about tampering with the life tenure of Supreme Court judges because this was the major factor which was supposed to make them independent. However, quite simply, it has never worked, and this is especially obvious today. Furthermore it tends to solidify the justices into their positions long after their usefulness has passed, and even their behavior can get pretty bad at times. The high court, beginning with Chief Justice John Marshall, has undertaken a broadening interpretation of its own powers and privileges, has bent laws all out of shape and has, on occasion, even declared the opposite of what the law plainly says.

Such arrogance cannot be defended on the theory that the legislative process is too slow. That determination is to be made by the voting public, not by the courts.

Consequently, the approach recommended by Senator Byrd is a good interim measure. It is similar to the system under which Virginia courts of record are filled, and these have become models of honesty and justice. Generally, the judges in these courts can count on life tenure, although they must face periodic review by the Virginia legislature.

Senator Byrd has aptly described the court problem as one of maintaining a "fine balance" between judicial accountability and judicial independence. And so, it must be, if public confidence in the federal court system is to be restored.

[From the Petersburg (Va.) Progress-Index, June 15, 1972]

Plan Is Sound on Its Merits

In the first congressional hearing ever held on the subject, Senator Harry F. Byrd offered as a remedy for "excessive judicial activism" a proposed constitutional amendment to subject federal judges and Supreme Court justices to reconfirmation every eight years. Since the requirement would not apply to judges now in office, the proposal could not be called an attempt to punish those who are under criticism.

The case for the Byrd proposal can be briefly summarized by his own words: "Why should any official in a democracy have lifetime tenure? In the modern world, only kings, queens, emperors, maharajahs and United States federal judges hold office for life."

If this sounds like an aphorism or a candidate for the dictionaries of quotations, it is also the literal truth or something very close to it with regard to public offices having important bearing upon policy.

No one thinks the Byrd proposal is going anywhere. The senator was grateful for the opportunity to voice his view but had no expectation that Senator Birch Bayh, chairman of the Senate judiciary subcommittee, would show continuing interest in the proposal.

Too bad it cannot be considered on its own merits, outside the context of current concern. The policy advocated would be in line with that followed by the states, in which no one seems to think, to quote comments from opponents of the proposal, that the clock of Anglo-American legal traditions has been turned back 300 years or that renewable terms are a destructive device for limiting the independence of judges.

If the occasion were one of planning a form of government instead of considering a proposed amendment, perhaps the opponents would favor terms and reconfirmation almost as a matter of course. As matters stand, the best hope for a reform which is so highly recommended by its own merits may be that the federal judiciary would take a turn toward conservatism which would move liberals to call off their fire against any proposed change.

The most important argument raised against the Byrd proposal for specified terms and periodic confirmation of judges is that it would plunge federal judges into politics and would subject them to the whims and hazards of the same. This may have surface plausibility, but no evidence is cited that the thousands of judges who are appointed for specified terms operate as political creatures or are any less mindful of their judicial responsibilities than are federal judges who are appointed for life.

PROBLEMS IN FEDERAL DRUG LAW ENFORCEMENT

Mr. RIBICOFF. Mr. President, the magnitude of today's drug crisis mandates an effective, coordinated Federal response on both the supply and the demand sides of the problem. Only by stemming the supply of heroin and other narcotic and dangerous drugs through vigorous law enforcement can we ever hope to curb demand by channeling large numbers of addicts and abusers into treatment programs.

At present, Federal enforcement efforts are severely undercut by a proliferation of agencies and programs with no overall coordination. The result has been sharp rivalry and often bitter feuding between the two primary enforcement agencies—the Bureau of Narcotics and Dangerous Drugs—BNDD—in the Justice Department and the Bureau of Customs in the Treasury Department—as well as a generally disorganized, bureaucratic response to the Nation's No. 1 law enforcement problem.

I have introduced S. 942, a bill to reorganize all Federal law enforcement efforts related to trafficking in narcotics and dangerous drugs within a new division of the Federal Bureau of Investigation.

I would like to call the attention of my colleagues to four recent articles which describe various elements of the present drug law enforcement problem. Articles from Newsday and the Los Angeles Times describe the administration's growing concern with the overlapping of Federal enforcement jurisdictions and its consideration of the solution contained in my bill: Centralizing drug enforcement in the FBI. Another article from the New York Times describes the difficulties faced by the New York City Police Department in apprehending the suspects on its own "100 major narcotics violators" list. Finally, an article in yesterday's New York Times Sunday Magazine describes work performed by BNDD agents in New York City. Although this last article deals with a relatively low-level drug trafficking case, and does not explore the rivalry between BNDD and Customs in the larger cases, it does demonstrate the difficulty and danger of drug undercover work and the dedication of the agents who perform it.

I ask unanimous consent that these articles be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Newsday, Feb. 15, 1973]

A ROLE FOR THE FBI IN DRUG FIGHT?

(By Russell Sackett)

WASHINGTON.—Sometime with the next three weeks the White House will decide what role if any, it wants the Federal Bureau of Investigation to assume in narcotics enforcement, according to sources in the Nixon administration's drug control program.

Newsday has learned that, at the request of the President, acting FBI Director L. Patrick Gray III has submitted a proposal for an FBI takeover of federal drug enforcement—an area which Gray's predecessor, the late J. Edgar Hoover, regarded with deep distaste, and avoided.

Gray is known to have reservations of his own, among them apprehension about opposition of local police forces and the public toward the creation of a "national police force." Nevertheless, the provisions recommended in his report, which was submitted two weeks ago, reflect a traditional FBI distrust of the existing narcotics enforcement agencies.

Such information as has leaked out of the closely guarded White House deliberations has already inflamed old resentments in the ranks of the Bureau of Narcotics and Dangerous Drugs (BNDD), the agency which would be most drastically affected by the FBI proposals.

Among the provisions of the Gray proposal:

The FBI would assume absolute control over federal enforcement in the "hard" drug area—heroin, cocaine, etc.

Narcotics would become one operating section of the FBI, parallel on an organization chart with divisions such as criminal, organized crime, espionage, security.

Present federal narcotics agents applying for transfer to the FBI would be required to undergo a screening inspection.

Transferring agents would be governed by present FBI personnel practices and would be removed from Civil Service.

Administrative officials from existing narcotics enforcement agencies would not automatically be transferred "in grade"; they, too, would be stripped of Civil Service status and possibly demoted in authority.

Narcotics officers rejected by the FBI, or electing not to transfer, could remain in the BNDD, whose only jurisdiction would include "soft" drugs—"pills and pot." BNDD, in short, would eventually be disbanded.

While House acceptance of Gray's proposal as the solution to jurisdictional disputes in narcotics enforcement is by no means a foregone conclusion. Once regarded as the solution preferred by President Nixon, it is now one of several options being considered by an administration task force headed by Roy Ash, the new director of the Office of Management and Budget. The task force will make its recommendations to the President in the near future.

Overhaul of the drug enforcement program has been given top priority by the Nixon administration. The President's immediate aim is to establish a highly visible federal presence at the street level.

The pro-FBI argument stresses the bureau's power, prestige and resources—not to mention its immense congressional support. The bureau, with nearly 10,000 agents, dwarfs the BNDD, which has fewer than 1,500. The FBI's statistical and laboratory facilities are superb.

"What could be more natural than to have the No. 1 enforcement agency working on the No. 1 crime problem in the United States?" said one of the plan's proponents. "In fact, most people probably assume the FBI enforces drug laws already."

The numbers argument is also cited by persons bitterly opposed to an FBI takeover. Said one opponent: "Instead of making the narcotics program more visible, the program could easily be lost in that bureaucracy."

Concurrent with the White House deliberations, Sen. Abraham Ribicoff (D-Conn.) is preparing a bill that would consolidate enforcement under the FBI. Although bearing some similiarity to the Gray proposals, the Ribicoff bill, due to be introduced by the end of next week, is expected to call for stripping the U.S. Customs Service's drug enforcement functions from the Treasury Department and placing them in the FBI. Customs, like the FBI, has enormous political support on Capitol Hill, and, according to one authoritative Senate spokesman, "There's no way Congress is going to trim Customs' powers or take Customs out of the Treasury. That would be a major mistake."

Gray's memorandum is said to skirt a showdown with Customs, calling for the draft of a letter of agreement between the FBI and Customs in matters involving share jurisdiction on narcotics. Customs alone has broad search and seizure powers at borders and ports of entry.

Further complicating deliberations at the White House and on Capitol Hill are the internal politics of federal enforcement. Gray, once considered Nixon's sure choice to become permanent FBI director, is now considered less than an even bet for the job. Gray has been criticized by both sides for the way he conducted the investigation of the Watergate affair, and almost certainly would be challenged when his name comes up for Senate confirmation. His loss of White House stature is considered a major obstacle to adoption of his drug proposals.

A name once again being mentioned for the post is that of Myles Ambrose, assistant attorney general in charge of the Office of Drug Abuse Law Enforcement, former commissioner of Customs and a Nixon favorite. Adding to the confusion, Ambrose is on record at the White House as adamantly opposed to Pat Grays drug takeover proposals.

[From the Los Angeles Times, Feb. 15, 1973]

TAKEOVER BY FBI OF DRUG WAR STUDIED

(By Ronald J. Ostrow)

WASHINGTON.—A scholarly Justice Department official, who usually is drafting anticrime legislation or conferring with the legal community, last week was flying over the Arizona-Mexico border.

Donald E. Santarelli also spent some time during the week on the ground questioning Bureau of Customs and Bureau of Narcotics and Dangerous Drugs agents in Phoenix, Yuma, Tucson and Nogales.

Santarelli was trying to learn what the agencies face in their war on illicit drugs. The results of his efforts will be shared with three other members of a committee working on a drastic overhaul of the nation's antinarcotics machinery.

DETAILS DISCLOSED

Santarelli would not discuss the committee's work, but other knowledgeable sources provided details.

Probably the most controversial proposal the committee is considering would turn the drug fight over to the FBI, an agency that has been involved only indirectly in combating narcotics.

Other steps the committee is weighing include stripping the Treasury Departments Customs Bureau of its drug responsibilities and transferring them to the narcotics bureau, setting up a new narcotics division in the Justice Department or merging three department antidrug operations into one unit.

AGENCY RIVALRIES

Such actions would be far more important than quadrennial bureaucratic shuffling. They could reduce agency rivalries that Administration officials concede have badly hampered the narcotics fight. They could also signal a higher priority for the effort than even the White House has assigned to it.

Santarelli and his colleagues—Geoffrey C. Shepard, an aide to John D. Ehrlichman, the President's chief domestic adviser, Edward L. Morgan, who recently moved to the Treasury Department from the White House, and Mark Alger, chief of general government programs for the Office of Management and

Budget—will report their findings to a Cabinet-level committee.

It is made up of Roy L. Ash, OMB director, Atty. Gen. Richard G. Kleindienst and Treasury Secretary George P. Shultz.

The high-level consideration being given to revamping anti-narcotics programs points up the increasing dissatisfaction with wasteful duplication and conflicts that Administration officials say have resulted from the present structure.

Turning over the problem to the FBI because of that agency's reputation for investigative skill and freedom from scandal would be an ultimate solution, Administration sources said.

But several federal law enforcement officials questioned the wisdom of such an assignment, contending that the bureau has had little experience in the long-term undercover relationships that such work entails.

"Maybe in five years the FBI would be the best narcotic-chasing agency ever, but in the interim we would suffer," one official said. "It's a different business than what the FBI is in."

Acting FBI Director L. Patrick Gray III, meeting with the committee last month, presented what one official described as "a severe set of terms and conditions involving manpower, control, standards and training" that should be met if his agency took on the job.

SURVEY ORDERED

Last June, about six weeks after Gray took over the FBI, he directed the bureau's inspection division to do a survey of the organization on the narcotics problem. The survey found, among other things, that all but four of the 59 special agents in charge of the FBI's field offices opposed taking on the narcotics fight.

As a result of the survey, however, Gray did increase the bureau's liaison with other law-enforcement agencies working to disrupt illicit narcotics traffic.

Sources familiar with the committee's work think the chances of the FBI taking over the drug fight are less than 50-50.

Instead, they believe, the committee will recommend creating a single enforcement agency, drawing from the Bureau of Narcotics and Dangerous Drugs, the Customs Bureau and the Office of Drug Abuse Law Enforcement. A Justice Department unit set up a year ago to drive heroin pushers off the streets.

PRIME EXAMPLE

The single agency would also include the National Narcotics Intelligence Center, which was created last year.

The prime example of overlapping and conflicts cited by officials familiar with the problem occurs between the Customs Bureau and the Narcotics Bureau.

Though the heads of both agencies conducted a series of meetings last year to improve cooperation, the rivalry at the street agent-level still causes problems, officials said.

"When cops risk their lives they want to make a case," an official of one agency said. "The only way to remove the conflict is to make them agents of the same outfit."

[From the New York Times, Feb. 23, 1973]

POLICE COMPILING A LIST OF 100 MAJOR NARCOTICS VIOLATORS

(By John Darnton)

In December, 1971, shortly after being appointed deputy police commissioner, William P. McCarthy ordered the intelligence section of the department's narcotics division to compile a list of the "100 major narcotics violators" in New York City.

The list is now being revised to incorporate new information. The revision says something about the frustrating effort to put high-level narcotics traffickers behind bars.

Thus, the new version will again include Ray Daniels, from Raleigh, N.C., who rose from a shoeshine boy under the pseudonym of the deceased gangster "Dutch Schultz" to rule a vast Bedford-Stuyvesant "combine" that Brooklyn District Attorney Eugene Gold said grossed more than $1-million a year and supplied about 12,000 addicts a day.

VULNERABLE TO ARREST

Daniels is now serving a 5-to-15-year prison sentence on a narcotic conviction. But his name is kept on the list because his case is coming up for appeal and because the operation he founded is still thriving.

The list also includes a man known as "Big Robbie" (His name is being withheld here because he has never been arrested on a narcotics charge). As a financier of top narcotics transactions in Harlem Big Robbie's ability to evade the law is legendary. He has interests in a rent-a-car business on Seventh Avenue and commutes from a house in Teaneck, N. J., that he bought for $58,000 and renovated at a cost of $36,000.

Before Commissioner McCarthy's order, the Police Department, which for years had elaborate "family" charts depicting the structure of organized gambling, had virtually no system for gathering intelligence on narcotics.

The term "major violator" was something of a misnomer. The people on the list, Commissioner McCarthy emphasized in his order, were not to be the kingpins of the heroin trade—the financiers, importers and large-scale wholesalers.

These men, many in the top echelons of organized crime, many never even coming in contact with the narcotics whose shipments they sponsor, were deemed too "insulated" to be caught.

Instead, Mr. McCarthy wanted names of people who were, in his words "vulnerable to arrest."

INDIVIDUAL ENTREPRENEURS

That meant largely the distributors, who act as the essential middlemen. Functioning for the most part as individual entrepreneurs, they receive high-grade heroin, cut it down in their "mills" and relay it downward through their autonomous organizations. Because the operations extends to the street level, it is open to infiltration and rife with informants.

For years, these people operated under a virtual immunity of official neglect. Federal agencies concentrated on traffickers one notch higher, and the police focused on street-level pushers.

The names for the list was culled at a series of conferences with top officers in the field in early 1972. One-hundred and fifty were agreed upon. The list then was reduced to 100. Seventeen of them had no "B numbers"—that is, no prior arrest records—but after research on aliases, that number was reduced to three.

About 60 per cent of those on the list are black, and 40 per cent are white among them 20 per cent Spanish-speaking—a reflection of the growing role in heroin trafficking by emigré Cubans.

NONE ARE ADDICTS

Virtually all are reported by the police to have some kind of organization, ranging from a cadre of several trusted associates to a large, salaried staff of "lieutenants" and several dozen factory and street workers. Almost all are deemed capable of dealing at the kilo level (2.2 pounds), and some at the multikilo level. None are believed to be addicts themselves.

The purpose of the list was twofold.

First, it accompanied an important shift in the division's arrest strategy, away from the street-level addict-pusher and toward the higher avenues of supply.

Secondly, the list was to serve as a communication. More than 200 copies were distributed, to police precincts, to the five District Attorneys and to other law enforcement officials. In theory, if a major violator was arrested almost anywhere in the state on any offense that led to fingerprinting, the State Investigation and Intelligence Service in Albany would notify the department's Criminal Justice Bureau within a matter of hours.

Then, when the suspect appeared in court for arraignment, a member of the bureau and the division would be on hand with his dossier, the aim is to intervene so that the judge and prosecutor would not free him on probation, set low bail or allow him to plea-bargain his offense down.

In the revision, 13 names have been dropped. Only five of the 13 are in jail or prison—and the single most severe sentence is eight to 25 years. The police say that most of these names that were eliminated were because they have dropped out of sight, lost contact with their source of supply or were fugitives on other charges. One gave up the narcotics business and went to college, the police say.

Over the year, there were 57 arrests or summonses involving 44 major violators that led to 22 indictments.

TWENTY-FIVE DRUG CHARGES

Forty of the arrests were made by the Police Department, but only 25 of these involved narcotics charges. Only four of them were for Class A felonies (sale or possession of over a pound of narcotics), in which conviction brings imprisonment of 15 years to life.

Law-enforcement officials say that conviction of major narcotics traffickers require months, if not years, of investigative work. They say that "observation sales"—in which policemen observe but do not actually participate in narcotics transactions—are frequently too shaky for conviction. For an air-tight case, they say the division strives for two or three "buys" by an undercover policeman.

Even after he is apprehended, the high-level dealer has resources at his command, the police contend. He has large sums of money, for potential bribes. He can usually post bail speedily, but if he can not, the money will be forthcoming from associates who fear to have him in police custody.

He can hire expensive lawyers, adept at obtaining court delays and finding loopholes in cases that frequently turn upon complex constitutional issues.

Following are eight men who represent a cross-section of the list. The descriptions of their operations (in italics) are taken from the Police Department document. The information in their profiles comes from police surveillance and intelligence reports, court records and sources within the narcotics division. All of them are known to Federal and other narcotics investigatory agencies to be major narcotics dealers.

Thomas Burnside

Subject operates a cocaine operation in the area of 116th Street between Lenox and Seventh Avenues. Subject does not handle drugs but supervises the distribution and handles the money.

The police say that under the nicknames of "Blue" and "Fats," Thomas Burnside is the mastermind of a cocaine ring that involves interstate transfer of personnel. To staff it with street workers, he has imported over the years perhaps as many as 100 people—mostly women—from his hometown of Greenville, S.C., the police say. Their distinctively flashy style of dress is instantly recognizable to policemen along 116th Street, where they are said to congregate near the Jimmy Daniels bar.

The operation is so businesslike that each worker is compelled to contribute $25 a week into a mutual bail fund, the police say. When they have been arrested several times, and their effectiveness is impaired, their transportation back home is paid.

One dealer has the reputation among the police of being so fast at her trade that she is able to turn over $8,000 a week in sales of $10 "caps."

A partner of Burnside's is a man said by the police to be his stepbrother, Sherman (Shack) Cobb.

Burnside had four arrests before he began to accumulate a narcotics record here in 1970. In April, 1971, he pleaded guilty to attempted criminal possession of a dangerous drug in the fourth degree, a low felony. Then he withdrew his plea and tied up his case in court until October, 1972, when he jumped bail.

Recent reports have placed him in South Carolina. Meanwhile, the police say, his operation is being run by Shack, who is said to have just purchased a new home in Greeneville.

Joseph DiPalermo

Subject associates with Carmine Galente. He was involved in a $12-million international conspiracy and is now out of jail. Confidential information is that he is presently involved in a large-scale narcotics operation in Manhattan.

DiPalermo is known in and out of the Mafia as Joey Beck. A long-time henchman of Lucky Luciano, Vito Genovese, and Galente (an underworld gunman) he is the man whom Joseph Valachi meant to kill at Atlanta Penitentiary in May, 1962. Valachi mistakenly killed someone who looked like him—an act that led to his role as the Cosa Nostra informer.

DiPalermo has a criminal record dating from 1928. In 1950 he was convicted in connection with the counterfeiting of $1-million in American Express traveler's checks and sentenced to seven years in prison.

In 1959, "DiPalermo" was convicted with Genovese and 13 others in Federal Court here in a multimillion-dollar narcotics conspiracy case. It was this conviction that put him in the Atlanta Penitentiary.

Last August, Leonard (Junie Boy) Musillo was shot once in the head with a .32-caliber bullet on the corner of 29th Street and Park Avenue South. He died the following day.

The man charged with the shooting was Louis Garcia, who was reportedly owed $10,000 by Musillo. Musillo had been the subject of two undercover police buys; the investigation was geared toward reaching DiPalermo through Garcia. With Musillo's death, it was aborted.

Jesse Gray, Jr.

Subject operates in the area of West 123d Street and Seventh Avenue, in the area of the Gold Lounge and the Shalimar Bar. He has been arrested for possession of one kilo of cocaine. He deals in heroin and cocaine on a large scale.

On June 26, 1972, when he was 22 years old, Jesse Gray, Jr. was arrested by a Manhattan North narcotics detective. He was charged with having made three separate heroin sales, totaling a pound, to an undercover policeman in a bar.

The police had been investigating Gray, who had been arrested before, for six months. The police say he was suspected of dealing at the half-kilo level using bars and apartments in Central Harlem, and of running a cutting mill in an apartment at 130 West 123d Street.

The police say that apartment was raided upon his arrest and yielded $35,000, several weapons, a small amount of cocaine and three codefendants.

Five days before his arrest, according to police intelligence, Gray was shot in the left shoulder while standing on 110th Street. A witness to the shooting identified his assailants from pictures as two men being sought for questioning in the murders of two policemen.

Gray, is still in jail, held on $60,000 bail, after pleading guilty to a B felony on Nov. 14. He is due to appear in court shortly on a motion to withdraw his guilty plea.

Reached for comment in Albany, Gray's father, who is a State-Assemblyman and former Harlem rent-strike activist, said that law enforcement should attack the heroin problem at the highest level, that "the system" should rehabilitate its slum victims, and that the traffic could not exist in Harlem without "the protection and endorsement of the police."

"Unless there's a large section of police among the 100 [major violators], something's wrong with the 100," he said.

Curtis Newell

Subject is a major violator and lives at 132–35 Sanford Ave., Flushing. He frequents the Queens area and Harlem.

The police say that Curtis Newell deals in heroin and cocaine in the 108th, 109th, and 114th Precincts in Queens. They contend his operation is supported by two "stash" men, four workers, one lieutenant and a supplier. One of his underlings they add, is among the 10 most-wanted men in the Southern District.

Newell's police "yellow sheet" shows 21 arrests dating from when he was 17, most of them for gambling.

The police say that during a long investigation last year a patrolman managed to purchase three-quarters of a kilo of cocaine from two of Newell's associates, but not directly from Newell. Newell offered heroin, the police say, but the buys never came through because of a shortage of heroin at that time.

In September, search warrants were signed for two Queens locations, one of them Newell's Sanford Avenue apartment. The police say more than $28,000 was seized, but no weapons or drugs. Newell and his two associates were arrested and Newell was charged with bribery, conspiracy and possession of a forged instrument.

Newell was arraigned in Criminal Court and his bail was set at more than $200,000. After his indictment he was rearraigned in Supreme Court in Queens nine days later and his bail was set again—this time at $20,000. The judge, Bernard Dublin, has no recollection of anyone saying that the man who appeared before him was considered a major narcotics violator.

Charles Ashley

Subject is known to this department and resides at 112 West 80th Street. He frequents 80th to 90th Streets on Columbus Avenue and supplies the area with heroin . . . Information has been received to the effect that subject operates large cutting factories in that area.

Charles Ashley's long police record, dating back to Cleveland in 1960, contains numerous arrests under the alias of Willie Nelsen. He is 45 years old.

Although Ashley's operation is concentrated on the Upper West Side, he has recently been spending much of his time in the Times Square area and is reported to be working for a well-known pimp.

Last month, the police say Ashley was driving a 1973 Chrysler across the intersection of Amsterdam Avenue and 73d Street. A patrolman there became suspicious, because the car was dirty and damaged and approached the car, which sped away.

After a chase in car and on foot, Ashley was seized. He was found, according to the police report, to be carrying a loaded and stolen .38-caliber handgun and a stolen Social Security card and driver's license. There was also, in formal police language, "white powder alleged to be cocaine."

He was booked, arraigned and held on $5,000 bail pending a hearing, and the powder was analyzed by the police laboratory. The report said it was cocaine, 52 grains of it. Had there been 2.7 more grains it would have been ⅛ of an ounce—the minimum amount necessary for a felony charge.

James Fabbraio

Subject is M/W/30 and operated in the 23d and 25th precincts in Manhattan. He deals mostly in kilos of heroin and has other people transport the drugs. He is never in possession. He associates with the Italians of Pleasant Avenue.

Fabbraio gives his occupation as mechanic, self-employed. The police say he drives an Eldorado Cadillac, goes to expensive night spots and lives in a comfortable house at 183 Hillside Avenue, Leonia, N.J.

He also frequents establishments near Pleasant Avenue—the six-block stretch in East Harlem that is known as a cradle for Mafiosi.

Until November, Fabbraio had at least six arrests on his record, on varying charges. Then in August, 1972, the police say he was found sitting in a car on Bailey Place with some $325,000 worth of securities stolen from Hayden Stone, Inc., arrested and released on $100,000 bail.

There was not, however, a single narcotics arrest. Despite this, he was listed by the police as a major violator.

Three months ago Fabbraio was arrested with six others by the Royal Canadian Mounted Police in Toronto. They were charged with possession of five kilos of heroin, purchased in Lebanon for $3,500 a kilo and salable in Canada at $6,000 each. Fabbraio is free on $50,000 bail.

Frank Masullo

This subject is listed as M. V. (major violator) No. 62 and lives at 433 Park Avenue South. He is a large supplier of heroin and speed in the East Village area. He operates the top floor loft at his residence. He deals only to known connections.

Masullo, only 32 years old, five feet, five inches tall weighing 135 pounds, was known to the drug subculture around St. Marks Place. The police say he was surrounded by attractive, long-haired young women who worked for him as dealers, from the Park Avenue South loft and a later address at 261 West 20th Street.

Masullo has had a series of arrests, mostly for policy involvement. He is now free on $6,000 bail, stemming from an arrest in August of last year on charges of criminal possession of a dangerous drug in the third degree, a C felony, and two Class A misdemeanors for narcotics paraphernalia.

A few months earlier on Feb. 12, a breathless, anonymous call came to the police. The caller said: "There will be a transaction of speed at the Henry Hudson Hotel, Room 2304, in about 20 minutes . . . A dealer named Frank will be there."

Without time to obtain warrants, three detectives from the Eighth Division burglary-larceny squad took up position in a room across the hall. Out walked Masullo, they said.

The police say that inside the room there were no narcotics, but a scale and a spoon. Masullo had $8,000 on him and a key to a locker in Penn Station containing a metal briefcase that held another $8,000, the police added.

A midnight transaction that was to involve from four to eight pounds of amphetamines never took place, and Masullo—his file forwarded to the Internal Revenue Service—walked out of the police station a free man.

Nicolas Castlegrande

Subject has been arrested by this department for possession of over 15 ounces of heroin and for possession of over one ounce of heroin. Subject operates and runs his mill in the Bronx. Subject is also a gambler.

When he was convicted of bookmaking in 1945, after five previous convictions, the judge in Bronx Magistrates Court said Castlegrande did not "deserve any consideration" and sentenced him to six months in the workhouse.

Since then the police say he has risen to become part-owner of Maria's Red Lantern Restaurant at 1053 Allerton Avenue, the Bronx.

For some time, his movements have been watched by members of the narcotics division. Eventually, he allegedly made two separate sales to an undercover man—each of them ⅛ of a kilo for $4,800.

On Jan. 24th, Sgt. John Reynolds and Patrolman Vivian Doran went to his home at 1166 East 215th Street to arrest him.

According to the police, Castlegrande offered them $250 now and $250 later to let him go. They refused. He then offered $250 now and $750 later, they say. They say they again refused. He offered to take them to his restaurant to settle a price there, at which point he was taken to the 46th Precinct and the charge of bribery was added to the others.

[From the New York Times Magazine, Feb. 25, 1973]

HOW 01 (AND 07 AND 02) AND SOME OTHER NARCS BUSTED TOM, DICK, AND HARRY

(By Fred C. Shapiro)

Drug pushers call them narcs and worse; watchers of old television serials call them T-men, which they haven't seen since 1967 when the Bureau of Narcotics was transferred out of the Treasury Department and merged with the Bureau of Drug Abuse Control (formerly of the Department of Health, Education and Welfare) into the Department of Justice. They call themselves special agents of the Bureau of Narcotics and Dangerous Drugs. Whatever you want to call them they are a growing breed of young, ambitious men (and one or two women) in what is all too obviously—and tragically—a major American growth industry: narcotics law enforcement. The size of the Federal antidrug force in New York has more than tripled over the past five years, and early this month, to climax this growth, the bureau moved to a new headquarters in a recently completed modernistic office building at 555 W. 57th St. Sixteen of the 21 "street" groups assigned to New York work out of the 18th and 19th floors there today. This report on one of these groups was compiled just before the bureau moved uptown from the crowded old Federal building at 90 Church St., a squat, block-square edifice the bureau shared with miscellaneous offices of the Post Office Department, the Internal Revenue Service, the Secret Service and the Alcohol, Tobacco and Firearms unit of the Treasury Department.

Two preconditions of this article were set down by Daniel P. Casey, the bureau director for the New York region. First, I could not identify any of the agents by name, nor could I describe them closely enough to blow their covers. Second, I could not precisely identify the subjects of any investigations and arrests I saw, a precaution taken not in the "Dragnet" cliché "to protect the innocent," but rather to keep from hazarding the prosecution of the guilty. Within those limitations, however, Casey was willing—anxious, in fact—to allow me behind the scenes. "I think we have a great group of men doing a great job," he said, "and I have no compunction, within the framework of protecting them, over letting the public know about it."

To begin with, a tour of the Bureau of Narcotics and Dangerous Drugs' "inside" facilities. Supporting the teams of narcotics agents on the streets are an analysis laboratory staffed by 14 chemists who, through spectroscopy, gas chromatography, and other less exotic chemical tools, can quantitatively analyze even trace amounts of narcotics within several hours (and in many cases offer clues to their source); and intelligence division, which collects, updates and correlates information on suspects and drugs; a fugitive division, which has its own "Ten Most Wanted" list of narcotics suspects and bail jumpers; a base radio control manned by operators who check licenses and phone numbers with Albany and the New York Telephone Company and transmit listings on them within minutes to the men on the street (the bookcase of the base radio office also contains a number of varied research tools, including a Paris telephone directory, in case that should prove handy); a compliance division, which oversees, primarily not with narcotics agents but with Federal criminal investigators, the production of legitimate pharmaceutical firms to guard against diversion of legal drugs into illegal channels, and finally, a division of the anonymous inspectors, the "narcs' narcs," who guard against internal corruption in the entire operation.

Inside the office, each of the New York street groups is assigned to a desk-lined cubicle that is partitioned off from others according to various command divisions. Each of the groups has a number that it takes from its division—the third team in division five, for example, would be group 53—and each man in the group takes a subordinate number—the eighth man in 53 would respond to base radio's call for 5308.

There is no Group 53. Publication of the true number of the group, Director Casey felt, would make its agents subject to identification by anyone with sufficient perseverance and short-wave radio.

But call the group 53. Twelve agents, ranging in age from the mid-20's to late 30's, and a supervisor whose call number on base radio would simply be 53. Fifty-three, himself, is a 46-year-old black man who lives in Brooklyn. He came into Federal service in 1959 as an inspector for the Food and Drug Administration and transferred through the Bureau of Drug Addiction into B.N.D.D. There is also a secretary, an 18-year-old girl who answers the group's three phones, types out 53's reports and transcribes occasional field notes that the agents dictate into cassettes.

The supervision that 53 exercises over the day-to-day operations of his men, so far as I was able to observe it, is pretty much after-the-fact, in the preparation and editing of agents' reports and analysis of their work and potential. In fact, the only direct order I heard him give during the better part of the week I spent with the group was a laconic direction that "any of you guys who don't have snow tires on your car better get them."

In his partitioned-off cubicle, 53, impeccably dressed in a blue business suit and a conservative tie, projects a first impression of a model "front-desk" black promoted to managerial level by a large corporation mindful of a need to present an interracial image. With 12 years' experience in chasing drugs, however, 53 earned his promotion in May of 1971 with more than three times the street experience of any agent in his group. As he puts it, though, his chief function in the unit is not to advise an agent of what he might be confronted with in the streets—"that's something nobody can predict for you"—but to predict what reaction his men can expect from the bureau's regional and division directors. "By this time, I have a pretty good sense of what we can do on our own, and what we'd better ask authorization for." In addition to his supervisory work 53 still gets back to the streets from time to time, "when the investigation is up in Harlem or a black neighborhood."

"Dressed like that?" I asked. Fifty-three fingered the lapel of his suit and shrugged. "Why not? I have bought lots of dope dressed just like I am now, in Hart Schaffner & Marx."

The group supervisor's preference for Hart Schaffner & Marx is, however, not shared by his senior agent. In more ways than color and dress, 5301 (or 01, for short) is something else again. Where 53 seems relaxed, expensive and dapper, 01 is wary, constrained and ultramod. Long-haired and sideburned, he affects clothes that carefully cultivate the "with-it" image this agent works to project—both on and off duty. Quite obviously the bureau has come a long way from the old days of the Bureau of Narcotics when Treasury agents shared with F.B.I. men the unhappy distinction of being the squarest crew cuts in law enforcement. As recently as three years ago, in fact, a juror's offhand comment to the effect that a narcotics agent appeared more villainous than the man he locked up had been enough to provoke a "get-your-hair-cut-and-spruce-up" order throughout the New York office. Sprucing up in the conventional manner would be something of a problem for 01 today, however, since he admits to owning only two suits, one of them velvet and the other the one he donned more recently to accompany 53 to the wedding of a fellow agent. I asked 01 if he had encountered any racial problems working under a black man, and he seemed genuinely surprised by the question: "I don't see him as a black man. He is a beautiful guy. If he weren't my boss, I'd still want to spend time with him socially."

O-One is very much a "by-the-book" agent, and the book that he operates by is the bureau's Agents Manual, a white, loose-leaf binder containing several hundred pages—and nowhere in any of them does it say anything about permitting a reporter to look in on undercover and surveillance procedures. "An order is an order," 01 said as we walked to his car, "and if Casey authorized it, I'll do it, but you have to admit that every damn drug pusher and wholesaler in the country is going to study your piece to learn how we operate."

I agreed this was a possibility, but pointed out that it certainly had been considered by his superiors. "Well," allowed 01, "for a favorable story, I guess they figured it would be worth it." I asked the agent what made him think that the story I would eventually write would be favorable to the bureau. He countered that with a question of his own. What made me think he would allow me to see anything that might reflect discredit on the bureau or its procedures?

I pointed out that I already had, that despite the agency's vaunted emphasis on "security," I had been taken on a tour of the offices and introduced to a number of agents, although as yet nobody had even asked me for press credentials. "For all you really know," I told 01, "I might be an agent of the intelligence-gathering arm of organized crime."

On the narcotic agent's somewhat belated demand, I produced my New York City Police Department press card (and the next day, as I subsequently learned, the Bureau of Narcotics and Dangerous Drugs ran a background and credit check on me; to the present day, however, the agency has not thought to verify this assignment. It was, therefore, in an air of mutual suspicion that we reached 01's bureau car, a late-model hardtop convertible parked—and ticketed—in a no-parking zone. "We turn these in and they're taken care of," he said grudgingly. "The tickets we get on our personal cars, though, we have to pay for ourselves."

We pulled out into traffic before 01 retrieved a hand microphone from the glove compartment. "5301, Code 8," he broadcast at the first traffic light. "Code 4" was the terse reply over the radio speaker. "I've told him that I'm in the car on the air," 01 said, "and Code 4 is the acknowledgment." After another minute, he continued, choosing his words carefully: "The call you—or rather we—always listen for is 0–0. That's emergency." There were no 0–0's during the time I spent with the 53 group, and the only one that 01 himself was able to recall was transmitted last Oct. 12 when a cocaine buy went bad and a 25-year-old agent, Frank Tummillo, was killed and his group supervisor, Thomas Devine, critically injured in a shootout at the 42d Street Sheraton Motor Inn. "That brought a lot of agents up short," 01 conceded. "Sometimes we tend to forget that this is one cops-and-robbers game they play for keeps."

The "game" that the 53 team was playing that afternoon was the surveillance of a suspected dealer working out of a candy store in the South Bronx. An S.C.I. (special confidential informer, in bureau parlance) had passed the word that retail pushers were making trips to the rundown neighborhood to purchase Z's (ounces) and even occasional K's (kilograms) of cocaine, the current narcotic of choice in New York's more fashionable neighborhoods—the result, bureau agents believe, of the film "Superfly," which glamorized an ultra-cool coke seller. Several 53 men had been staked out for several hours in cars at varying distances from the candy store, and one member of the team, 09, working undercover, was waiting in a bar just down the street for the arrival of the informant who would set up an introduction. Then, if things worked out, 09 would buy the cocaine, which would then become the evidence against the seller. Whenever possible, the bureau likes to have at least two proven narcotics purchases before it goes into court.

As soon as he pulled into the area and parked by a hydrant about a block and a half away from the candy store, 01 took over responsibility for the mission. For the most part, however, his command was a loose one. Other agents of the 53 team were in much better positions to monitor the suspect establishment and the bar where 09 sat nursing a beer, and to act, if necessary, according to their training and previously worked out assignments. ("In this business, you work with people long enough to know what they expect you to do in a crisis," another agent, 5308, explained later. "If you do something they find unacceptable, they let you know, but if you aren't corrected, then you go ahead and do your job the best way you see fit, and it usually works out.")

On the afternoon that the 53 team staked out the Bronx candy store, 01 made two command decisions. He sent one of his men into the bar where 09 was waiting to see if he was still all right (he was), and he ordered two other men, in another staked-out car, to tail the car of a nattily dressed man who walked out of the candy store carrying an attaché case. "Make it a loose tail, though," he radioed them. "Better to lose the small fish than to let the defendant get the idea we're out here." "Defendant?" I asked 01. "Isn't that a little premature?"

"Until we get a case on him, he ain't no defendant," the agent conceded, "but he will be. I was out in California on a special detail a few months ago, and out there they call their subject 'the crook' or 'the bad guy' over the radio."

It was going to take the better part of the afternoon before the cocaine deal either took place or fell through, and in the meantime there was little to do but wait in 01's car with only a distant view of the doorway of the candy store. "This is really the biggest part of this job, sitting in cars waiting for things to happen. It's murder if you get a partner who doesn't like to talk."

Fortunately, I had drawn a partner who did like to talk. Depending on circumstances, 01's speech patterns slipped easily from the argot of the narcotics underworld into the distinctive jargon employed by cops among themselves. When he relaxed between these two poles, however, out came traces of a Brooklyn accent. Underneath the long hair, the mod clothes, the badge and the gun, there turned out to be an ambitious 28-year-old kid from Bensonhurst who was still working off the monthly payments on a student loan for his master's degree in accounting.

What kind of job was narc for a nice Jewish accountant, I asked him. That had been his mother's question, he recalled, quoting her plaint when he joined the bureau; "When all the other mothers talk about their sons, the doctors, and their sons, the lawyers, what am I supposed to say, 'my son, the cop'?" Now, four years later, apparently that's exactly what 01's mother does say, since a few minutes later he mentioned that among the other people his mother had been bragging to was the family dentist: "Since she told him, every time he gets me into the chair, he wants to talk narcotics."

O-One had first become interested in the job while working as a temporary customs inspector at Kennedy Airport during the 1966 summer vacation. "One of the other guys on that job had been a Federal narcotics agent who had quit to enter law school, and he told me a lot of great stories about the work. I applied that summer and took the test but at that time, when there were only 300 Federal narcotics agents, the bureau wasn't hiring, so I went back to graduate school and worked part time as an accountant with a C.P.A. firm. The work wasn't the sort of professional challenge I had expected, though, so when I finished school, I made another try at the bureau, and since by then I had a master's degree going for me, it took me on.

"In those days, the agents' school hadn't been set up yet. The morning I was sworn in, they gave me a gun and a badge, and that was it. I was an agent. We had 50 men here then, and of course I was really anxious to prove myself to them. A few days later, when I was all by myself in the office, the Secret Service called with a tip that drugs were being dealt through a phone number over in Brooklyn. I called the number and set up a buy right away for that night—the money, I remember, had to come out of somebody's pocket because in those days we didn't have anybody from the fiscal branch after 5 P.M.—and I went out and handed it over and took what the guy gave me, which he said was speed and something else, a white powder which he called blue dot LSD. I was proud of myself until I got back and found out from the lab that the 'blue dot LSD' was really only aspirin—you take aspirin and put iodine on it and it comes up blue. The speed was phony, too."

O-One did two things about that swindle. First, he went back to Brooklyn and got his (or rather his fellow agent's) money back. "I staked out in the candy store across the street from the boy's house until he came out. When he saw me coming, he took off, with me right after him. 'You keep, running,' I yelled to him, 'and you could get hurt,' and he stopped, which was lucky for him."

In the drug underworld, the selling of counterfeit narcotics—a fairly frequent practice—is termed a "burn." The second thing 01 did about his first case was to try to prevent being burned again. On his own initiative, he began familiarizing himself with the chemical and physical aspects of the more exotic hallucinogens and other uncommon drugs, to the point that "now, if they have a lab case, if somebody is putting out something really weird, my name usually comes up."

I asked 01 whether his familiarity with illegal drugs had been entirely academic, or if he had ever tried any of them himself—purely in the line of duty, of course.

"Not once, either on or off duty," he insisted. "I've had to hold joints in my hand when I was undercover, but I never smoked even one." Isn't it difficult to avoid smoking grass or taking drugs undercover? "You don't understand the nature of the job," 01 said. "We don't pose as users, or even low-level user-pushers. We're supposed to be dealers, and the real dealers, if they're good dealers—trustworthy to the people they deal with—aren't users. Hell, if these guys even suspect that somebody they deal with is using the stuff, they'll cut him right off because he's become vulnerable."

Under present social conditions, I observed, drugs, and particularly marijuana, were becoming difficult to avoid. I pointed out that at most of the parties I had been invited to recently, pot had been passed around freely. What was a Federal narcotics agent supposed to do in similar social circumstances? "Walk out of there as soon as he can, get to a phone, and make a report," 01 said. And if he didn't? "Well, for one thing he'd be violating his oath," was the reply. "And for another, he'd be taking a pretty big chance, because for all he knows somebody else at that party could be an agent—maybe not one of us, but say a city narcotics detective he doesn't know. If that guy reports him as being present, and he hasn't covered himself with a phone call, he's out of a job."

During the last few sentences, the boy from Bensonhurst had been supplanted by the cop, so I wasn't surprised when 01 asked me, neither circuitously nor subtly, if I wanted to tell him more about the parties I had been going to, who had given them and where the pot had come from. I declined of course, pointing out that I was supposed to be getting information from him, and not vice versa. "O.K.," 01 replied without rancor, "then you can put down that I get information from defendants the same way you're getting it from me. I rap and swap stories with them, too."

With that understanding, 01 told me of some of his adventures as a two-five man—"which is what we call the agent working undercover. I'd rather be two-five than command. The undercover guy knows what's going on; he's the one who's making it happen." One such mission he didn't enjoy, however, was a hashish bust on which he was literally—not figuratively—burned by a defective KEL, a small concealed radio transmitter broadcasting to his backup men in a nearby surveillance car. "There I was in this guy's place with $200,002—the $2 was mine—in my pocket and this overheating KEL strapped to my lower abdomen. I had to sit there for five hours to set up the buy and keep up a nonchalant conversation while I burned. It was murder." Couldn't he have done something about it—gone to the bathroom and removed the transmitter? "Perhaps I could have," 01 said, "but I had to remember the damn thing was also my protection and insurance for the Government's two-hundred grand. So I decided I had to stay there and burn. Later after the bust, they took me over to Beekman Hospital to remove the KEL, and the large black hole it left on my body shook the doctors. I didn't like looking at it much myself, to tell you the truth."

While we were talking, however, the mission we were monitoring from a block and a half away went down the drain when the dealer-suspect "made" (i.e., correctly identified) one of the staked-out 53 cars. "When I mentioned cocaine," 09, the undercover man, would report later, "he jerked his thumb toward the window and said, 'Watch what you say, those are cops out there.' I figured that was that, there would be no buy, and I'd better protect my cover. I said, 'Cops? Christ, let me out of here,' and I took off." O-One had even further cause for disappointment when he got the report of the two agents he had assigned to follow the car of the man with the attaché case: "We followed him down to Manhattan without any problem, and when he parked on 96th Street, we staked out on the other side of the street and watched his car for about an hour and a half. Then, would you believe it, a truck double-parked outside of us for about two minutes, and when it pulled away, the guy's car was gone, too."

For the time being, until the case was reassigned to another team, the suspected dealer in the candy store and his purported customer, identified through his license plate as a suspected small-time pusher, would become just another pair of entries in the folders of the bureau's Intelligence Division.

On the trip back downtown, 01 drove like a man unconcerned with traffic-law enforcement, at any rate, pointing out various places in Manhattan where he had made cases, and detouring to show me the new West 57th Street headquarters: "We'll have facilities there we've been dreaming about for years—pens for holding prisoners, security precautions, even protected off-street parking." I said I imagined this would be an improvement over the old headquarters, which was designed without provision for prisoners—agents had to double park on Church Street and bring them in handcuffs through the lobby entrance. "It sure will be," he said, "and yet even now things are much easier on us than they were four years ago when I started. If you had told me then, or even two years ago, that I would have a car with air-conditioning, that I wouldn't have to swelter in the summer surveillances with the windows rolled up to muffle the radio speakers, I wouldn't have believed you. And the old-timers on the job when I broke in in 1968 used to think they'd made progress because the bureau didn't run out of money every so often and pass the word to hold up on buying gas for the cars.

"You know," the agent said, "I never got into politics before, but in November I cast my first vote for Nixon because he's giving us the money and the men to do this job. And in the next four years, I believe he'll get rid of most of the Weak Annies in the courts, too."

Weak Annies? "That's what we call most of these judges. In this work I don't think I have any quarrel with anybody but them. Do you know what it's like to risk your life on a job and then see a guy walk? I made a good undercover buy in Manhattan a few months ago, and the guy made a plea and got off with 30 days—20, with time off for good behavior. Hell, he didn't serve enough time to finish a copy of The Reader's Digest. Hang around us for a while and you'll hear a lot about Weak Annies."

He was right; I did hear a lot about Weak Annies as the 53 team planned its next operation and cleaned up the paperwork on the old one. Narcs grumble about it, but paperwork is inescapable in their job. Not only are agents responsible for the personnel and expense forms common to all Federal bureaucracies, they also fill out evidence reports, daily work reports, surveillance reports and separate fiscal forms for money advanced as a "flash roll" to be shown, but not passed, to pushers. They must also account for money actually used to buy drugs; even if it is seized in the arrest it is tied up indefinitely as evidence. In addition, 09, as the two-five man, had to make out an extensive "Undercover Report."

In the office, 09 turned out to be a 30-year-old former bread salesman—"That's still my cover; ask me anything about bread"—who was originally discouraged from a law-enforcement career because he was too short for the Philadelphia Police Department.

O-Nine is part of the majority of men in the group who have served in the armed forces. Three had been officers: 11 a lieutenant in the Coast Guard, 06 a captain in military intelligence in Vietnam and 10 an Air Force radar captain. Two of the nonveterans are former teachers: 04, who taught social studies in a private school before coming on the job, and 05, the group's only black agent (not counting 53 himself, of course), who taught school in Nashville.

Inside the office, 05 is relatively restrained, buttoned-down in appearance. On the streets, however, he maintains an interesting cover: "Everybody thinks I'm half crazy. Anytime I see somebody watching me, I do something weird, pull out a deck of cards, for instance, and start dealing to people who aren't there. The last guy I busted, even after I flashed the badge and put the cuffs on him, he just couldn't believe I was the law. He thought I was just acting crazy. When I finally convinced him, he went a little crazy himself."

Since coming from Detroit several months ago, 05 has been successful in drawing several of his white colleagues from 53 into the narcotics scenes in Harlem and Bedford-Stuyvesant. He and 01, in particular, have teamed up on a number of occasions. "We call ourselves Blackman and Robinstein," 01 interjected. "I tell people that I know this Jewish cat looking to make a score," 05 went on, "and hell, if I vouch for him, they buy it. They don't care if he's white as long as he has the money, and one guy told me last month he liked dealing with Jews because there wasn't going to be any bull—about the money. There are a lot of white guys now copping dope from blacks."

O-Five is happy enough in his work; it's when he's off duty that he finds it tough. "In New York it seems to be better, but in Detroit it seemed like every damn place I might want to go at night turned out to be the sort of place I'd have to work undercover. The real hassle about this job and being black—"

"Here comes the N.A.A.C.P. message," another agent in the office called out.

"No," 05 shook it off. "No message. Just that staying away from narcotics in a social situation is a lot harder for a guy like me than it is for these white guys."

The primary way that narcotics agents, white and black, keep clear of "narcotics in a social situation" is to socialize almost exclusively among themselves, getting together in each other's homes or at bureau affairs—the New York regional office sponsored a Christmas party, for example, $29 per couple at a Long Island roadhouse—or occasionally through functions of F.C.I.A., the Federal Criminal Investigators Association, a professional brotherhood to which agents of all Federal law-enforcement agencies, with the exception of the F.B.I., belong. In fact, 5311 met his wife at one such mixer. She had come to one of the parties at the invitation of one of her friends, a secretary to an Alcohol, Tobacco and Firearms unit at 90 Church St. "Anyway," 11 said, "she knew right away what my job entailed. She had some reservations about it, too, when we first started getting serious."

It may not be part of the 10-week curriculum at the school for agents in Washington, but one way or another, narcs soon come to realize that their new career inevitably involves a breaking of old ties. Part of it may be the hours. "I just don't get the time to see my old friends any more," 08 said. The basic cause for estrangement, however, seems to be the nature of the work. "Once people become aware of who you are and what you do," 02 said, "it seems like everybody turns you off; they don't want to talk to you." Another agent told of a tavern he used to visit occasionally near his Long Island home: "These people found out what I did, but nobody said anything until we had a big case out there—you may remember it; we tore up a guy's house looking for hidden narcotics—then those people said to me, 'You work for those goons?' I said I did, and nobody talked to me after that."

The social problem is, of course, hardest on the minority of bachelor agents in 53. Not all women are as understanding as 11's wife about the job's hours and the work's demands. O-One, for example just broke up with a girl he had been seeing for some time because "in the end, she just couldn't stand the hours and the broken dates." Now that he is dating around again, 01 spends many of the free evenings he manages to salvage at a Brooklyn discothèque where his fellow regulars think he is "some sort of swinging accountant." When does he tell a girl what he really does? "Just about the time I get close enough for her to spot the gun." At least partially because it is less conspicuous, 01 wears under his shirt at the waist a 9-mm. automatic, which is smaller than the .45-caliber pistols preferred by most nacotics agents, particularly the married ones who presumably don't have the problem of concealing their armament from inquisitive young ladies. The 9-mm. automatic has yet to be fired away from practice ranges. "But that isn't to say I haven't employed it," 01 points out. "I can name two pushers who will think twice before they grab for the weapon of another Federal agent."

When he does find time for dates, 01 can at least afford them. Narcotics agents are paid from $9,053 for GS–7 agents just out of school to $18,737 for top-grade GS-13 men, plus increments of up to $3,000 in payments for the 20 hours of overtime expected each week (and most agents put in much more). Promotions are also relatively rapid. O-One, for example, is a GS-12 ($15,866, plus the $3,000 over-time increment) after only four years on the job.

High pay is one way that the bureau guards against the high potential for corruption. The other is less pleasant. Narcotics agents are frequently reminded that their work is constantly subject to monitoring, not only by a chain of supervisors, but by "the inspectors," a special division of agents who have access to each team's reports. Whenever members of 53 have difficulties with their office telephones—not infrequently—they suspect that the anonymous inspectors are tapping their lines. Each man is also aware that any of the members of the team—perhaps even his own partner—could well be a planted inspector. The bureau also has a less trusting attitude about the custody of the narcotics its agents have seized than, say, the New York City Police Department, which recently discovered the loss from its property room of more than 400 pounds of drugs, including 81 pounds of heroin from the celebrated 1962 "French Connection" case. Federal seizures are kept in the safe of the bureau's chemical laboratory and spot-checked by analysis if they are removed from the rotary-locked containers in which they are taken to and from court.

Perhaps because of the accountability they constantly face, B.N.D.D. agents are somewhat patronizing when they speak of their colleagues in the New York Police Department's Narcotics Division—or at least they were until a few weeks ago when the Federal agents had to go out and arrest their own man in the "French Connection" case, a Bureau of Narcotics supervising agent who had handled the Federal end of that investigation. This agent had retired in 1967 in the early stages of a probe into what then Attorney General Ramsey Clark had called "significant corruption" in the bureau, and he was indicted on a charge of conspiring to sell narcotics since that time. Of the "French Connection" book itself, the members of the 53 team—and probably all B.N.D.D. agents—have read it or seen the movie, and they object to what they consider to be an inaccurate portrayal of narcotics investigations. "If the book's supposed to tell everybody how we operate," 01 says, "how come it hasn't helped a lot of its readers stay out of our hands? I find 'The French Connection' in most of the pads we bust into." A more deeply felt—if less cited—cause of criticism, however, is the "Connection's" subordination of the Federal investigatory role to the municipal one. Actually, according to the narcs, it is the other way around, and they do turn over to local police information on some of the small-time pushers and addicts they consider too insignificant to warrant Federal investigation.

Living as they do under common professional and social disciplines, narcotics agents—and their families—tend to develop a deep loyalty to each other. The first thing I was shown when we returned to 90 Church Street after the Bronx surveillance was a photocopy of a letter to Bureau Director John Ingersoll from Sam Tummillo, the father of the agent shot to death last October: ". . . Please believe me, Mr. Ingersoll, when I say that you lead a fine, dedicated group of men. . . . We are very proud that Frank was one of them. . . ."

When it comes down to it, in fact, the narcs speak condescendingly even about agents of the Federal Bureau of Investigation, whom they call "Feebs." "Those guys investigate crimes only after they happen," one of the men on the 53 team pointed out, "while we go out and get right in the middle of things."

As might be expected from men who work together, socialize together and have plenty of time on surveillances to reason together, the agents of the 53 team are in general political accord. However they dress or act, narcs as in the case of 5301, tend to become political conservatives. There is a group liberal, however, 02, a 28-year-old Putnam County resident with a military background: "I didn't want you to think everyone in this outfit was a conservative," he said. "Ordinarily I keep my views pretty much to myself, but I don't try to hide them." Certainly 02 didn't see any conflict between his politics and his profession. I fact, he added, "You know who inspired me to apply for this job? Ramsey Clark, in his book 'Crime in America.' You know, the way he states the problem of the ghetto, that's the fact of life and I think he was absolutely correct in what he said about the failures of the correction institutions in this country."

If not uniformity, then at least a strong preponderance of opinion also exists when the 53 team talks about drugs. B.N.D.D. agents, it is obvious, are convinced of the social necessity of protecting the public from exposure to drugs—and to make sure they stay convinced, the bureau assigns, as part of an agent's inservice training, attendance at "clinics" where narcotics and their effects are extensively examined and discussed. So at least their opposition to narcotics is not an unsophisticated one. In their undercover work and in conversations with defendants they arrest, the men of the 53 team have heard all the arguments for decriminalizing drugs, down to marijuana. However, only one agent, 12, the newest graduate of the bureau school, favored legal pot. Two others took no personal position—"That's up to the politicians," one said. "Whatever they put on the books, I'll enforce"—but the others, led by 53 himself, argue bitterly against even this liberalization: "Maybe I am death on any kind of drugs," the supervisor said. "Where I live, I see how they enslave people. What's to gain by legalizing pot? After they legalized alcohol, did we have any fewer alcoholics? Sure, there are a few potheads who don't move up from marijuana, but they're just a small percentage of those who do." O-Four the former private-school teacher, says: "I don't think I could see a kid walking down the street smoking a reefer without wanting to knock it out of his mouth."

There was no dissent, however, when it came to pushers. To a man, the group and its supervisor denied any sympathy for those they investigated and sought to arrest. Those who sold, bartered or gave away drugs should be quarantined away from society, for life if necessary, and the only exceptions who would receive consideration—and not much consideration at that—would be those who turned informer. If several of the narcs harbored slight qualms about Governor Rockefeller's proposal to sentence even the most minor pushers to life, without possibility of parole, this opposition was not voiced as a matter of principle so much as enlightened self-interest. If no mercy were in the offing, what would be the inducement to inform? And, although the New York State law would not be applicable to Federal defendants, minor pushers, not knowing whom they were being arrested by, might choose to shoot it out rather than take a chance on a lifetime in jail. For himself, however, 01 is willing to accept the risk: "I came on this job four years ago when the mandatory minimums [five to 20 years for the first felony sale; 10 to 40 years for subsequent ones] were in effect, and we were more effective then, before the Weak Annies were given discretion in sentencing." Condemning pushers in the abstract was one thing; I wondered, however, how the 53 group reacted to defendants in the flesh, and in the second case I followed, I found out.

Like almost all narcotics investigations, it started with an informer. This aspect of the case was closed to me. The Bureau of Narcotics and Dangerous Drugs may be talking to the press these days, but it still doesn't talk to anybody, not even other law-enforcement agencies, about its informers, referring to them even in internal bureau memoranda only by code numbers. "I don't care what kind of clearance you have from the front office," 01 said, "I won't discuss informers with you. It's too easy to get them killed."

How does the Bureau get informers? Obviously, some are "walk-ins," revenge-minded volunteers or bounty hunters seeking pay for services rendered. Far more common, however, are the turned defendants. From a drug suspect's first minute under arrest until his appearance for sentencing, he is under almost unremitting pressure to "flip," and at least on the lower echelons of the narcotics underground, a majority do. Once released by the courts on parole or probation, many will try to weasel out of their obligations (and agents of the 53 team spend a few hours each week calling former defendants to remind them—not very subtly—of their promises and the hold that the courts still retain on them). Even with the best intentioned informers, however, the leads are usually sketchy. Large-scale narcotics dealers are well aware that between Federal and local agencies, more than a thousand agents and police are abroad in New York City, and they screen themselves accordingly with layers of middlemen.

In this case, the informant had scored cocaine in a Brooklyn pizza shop, and he was "persuaded" to put an undercover agent next to the youth who had vouched for him and so cleared his drug purchase. In bureau terms, this second youth would then become an "unwitting"—i.e., a source of information unaware that he is connecting an agent into the narcotics pipeline. The actual purchase of the cocaine was arranged through a young college dropout I'll call Tom. Tom was the homosexual lover of the actual peddler, pseudonymously Dick, who was apparently thinking of expanding his operations from retail to wholesale. Tom and Dick by themselves would hardly be worth the time of the 53 team. Its target was Dick's unkown supplier, whom I may as well call Harry.

The agent assigned to climb this ladder was 5307, at 36 the oldest agent in the group with the exception of 53 himself. A little more than two years ago, 07 was a computer programer living comfortably with his wife and two daughters in a Denver suburb. "I'd had it with computers, and I felt I had to get away. I'd always been interested in law enforcement—I was an auxiliary policeman—and one day I heard on the radio that this bureau was recruiting agents, so I applied," 07 said. He took a $4,500 pay cut when he began his training, and he still isn't making as much as he did as a programer. "What the hell," he said, "the car and the television set were paid for, and now I could afford to do what I wanted."

For this operation, 07's two-five cover was that he was the operator of a unisex haircutting parlor in Westchester with a large clientele of cocaine-habituated patrons who had just been cut off from their prior connection by a county bust. O-Seven would play the part of his would-be replacement, eager to cash in on the market. But, credibly suspicious of a possible burn, his purchases in Brooklyn would be limited to smaller quantities, an ounce or so, until he was sure the cocaine there was "the right kind"—i.e., undiluted enough—for his Westchester clientele. After calling Tom to set up the first such undercover buy—Tom would call Dick and the two would be waiting with the cocaine in front of the pizza shop at 9 P.M.—07 seemed no more apprehensive about the mission than a salesman about to call on a prospect. I asked the agent whether he had told his wife he was going undercover—he had—and whether she worried about what might happen to him on the job. "She's not the worrying kind," he said. "Anyway, I don't think I'll be in any more danger out there in Brooklyn than I am walking in this neighborhood. Some winter, a chunk of ice blown off the top of the World Trade Center is going to kill somebody."

As he spoke, 07 methodically emptied out his wallet, removing everything that could conceivably identify him with the bureau—or even Government employment. Standing on the desk before him was a roll of bills bound with rubber bands, $500 in 50's and 20's, their serial numbers all recorded. After stowing away his identification cards in his bureau-issued attache case, which also contained his handcuffs and other items of regulation equipment on the job, 07 stowed the roll of money in his pocket and looked around for someone to lend him dinner money before begainning the trek to Brooklyn.

By the time 07 drove up to the pizza shop—having first stripped his bureau car of its radio and anything else that might give away its two-five role—his fellow members of the 53 team had staked themselves out nearby, and when the two-five car pulled away from the curb with Tom and Dick inside, three cars of agents fell in behind it. For the first block, anyway, the operation had all the appearances of a parade, and then, at the first traffic light, 01 turned his car to the left and 08 fell in behind the target vehicle. At each intersection, the agent immediately behind the two-five car radioed a position report, and when 07 himself turned left, 01, who had raced along a parallel route, was waiting to take up the tail again. "There isn't a chance in a thousand they'll discover they're being followed," the senior agent said as he drove easily behind the target car, "but we follow this routine just in case." Then, noticing that 09's car had come up behind his, 01 pulled around the two-five car, turning off a minute later to begin another pareliel loop.

The 53 team had hoped that Tom and Dick would lead them to Harry, or at least to where Dick had cached his drug inventory. No such luck. After driving around until Dick had satisfied himself they weren't being followed, 07 was directed to park on a side street (as he did so, two of the 53 agents, with walkie-talkies, continued the surveillance on foot) and there, inside the parked car, the deal went through. After Dick had carefully counted the money, he handed over a cellophane envelope from his pocket and directed 07 to drive to an intersection several blocks away, where he and Tom ducked out of the car and lost themselves in a crowd. Fifty-three-team men scrambled after them but too late to pick up their trail.

Still, the basic "buy" had gone off well, and the narcs were in good spirits as they rendezvoused at a drive-in stand several blocks away. In the parking lot, 01 took a few grains of white powder out of the cellophane envelope and dropped them into a minuscule vial containing a pink liquid. "This is our field-testing unit for narcotics," he said. "Don't ask me what the liquid is, though. All I know is that if it turns blue, we have narcotics; if it doesn't turn blue, we still may, but it'll take a full lab run-through to detect it." The liquid did turn a deep shade of blue, and 07 was warmly congratulated with hard slaps.

Two nights later, the 53 team returned to Brooklyn and went through the same procedure again, this time buying two ounces of cocaine, but coming no closer to identifying Harry. I asked 01 why he didn't tap Dick's telephone. "We don't tap indiscriminately," he answered. "It depends on the quality of violator—and these guys aren't worth the headache. Beginning with 53, a tap has to be approved all the way up through this bureau, then at the United States Attorney's office and finally by the Attorney General, and only then can we even ask the court to issue the warrant. Everybody thinks we tap phones whenever we feel like it. Well, I feel like it now; it would save us a lot of legwork, but it would take at least four days to get through the paperwork, and it just isn't worth it."

The 53 team eventually got to Harry by busting Tom and Dick on the third time around in Brooklyn. Even more than the "buy" operations, the bust entailed preparations—beginning with the application to the court for the arrest warrants. Further, since these arrests were not being made simply for their own sake, but more fundamentally as a tactic to get to Harry and the source of the cocaine, 07 and several other members of the group spent a good deal of time planning them in order to exert the maximum psychological pressure on Tom and Dick. Other agents were sent out on the morning of the bust to put the two men under surveillance in the hope that they might connect with the still unidentified Harry before they met 07 at the pizza shop. O-Two agreed. "I don't feel sorry for this kid," Tom's house. "This is nothing," 08 said after several hours. "Try spending 20 hours on the street with us some night. The houses jump up and down, and the trees do a jig." As the hours passed, the discussion became relatively philosophical. "It must be a pretty rough job raising kids these days," said 08, a bachelor. "It scares me thinking about it." O-Two agreed. "I don't feel sorry for this kid," he said. "When the time comes, he'll get what's coming to him. The ones I feel sorry for are his parents. I'm sure they don't know what he's been doing, and I can't help picturing them sitting in there together, a happy family, and I know that tonight this family is going to be destroyed. This is when the power of the job gets to me."

By this time, the two agents had learned a good deal about Tom. "He's hooked on something more than narcotics," 02 said. "He's on a cops-and-robbers trip. I think he's role-playing."

"Well, if playing robber is his bag," 08 said, "we'll see how well he performs tonight when we start playing cops."

That time was not far off. Tom and Dick didn't detour to meet their connection. They came separately to the pizza shop, got into the car with 07 and drove off. The following agents moved in this time as soon as the two-five car parked on a side street. The bust had been programed to exert the maximum amount of psychological pressure on the two subjects, and it did. One minute Tom and Dick were sitting comfortably in the car of their "customer," and the next minute, before they fully comprehended what was happening, they were pulled from the vehicle, shoved roughly against it, searched and handcuffed together by gun-wielding, shouting strangers who appeared to know not only their names but their backgrounds, and, more to the point, their current profession of pushing cocaine. When it came to role-playing, Tom and Dick were relative amateurs; narcs, on the other hand, are professionals. Without an overt threat or even a brandished fist, they impressed a palpable menace upon their audience of two. Even the required recitation of the Miranda warnings—"You have the *right* not to answer questions"—became by the implication of its emphasis a direction to answer questions. Within a very few minutes, the two-five team, its prisoners handcuffed in the back seat of 04's car, was on its way to a nearby apartment house to call on Harry.

Conceivably, at this point, the 53 team could have returned to headquarters for a search warrant. On the other hand, there is something called a "consent search." Tom and Dick were cooperating; the agents would take them up to Harry's apartment, stand out of sight of the door and have them ring the bell. If Harry opened the door voluntarily for his two associates, he would also unwittingly permit the agents to enter legally—and to look around for drugs. This is a decided oversimplification actually; chapters of law casebooks have been devoted to what can and cannot be done in such searches. The legalities aside, however, this is what was done in this one:

Dick rang and identified himself, but the door was not immediately opened. There was at least a minute's delay, and during it the agents flattened against the wall outside the door listened impatiently to voices and the sounds of motion coming from inside the apartment. When the door was finally tentatively opened, the narcs burst through it, knocking the man who answered it (not Harry, as it turned out) against a wall and upsetting a room divider.

Actually, all 11 agents working the mission ran through the door as soon as it was cracked; it was only after he got fully into the apartment that 02, the last agent through remembered to return and collect Tom and Dick who had been left unguarded but still handcuffed in the hallway. By the time they were brought into the two- bedroom apartment, too, the 53 team had the situation in hand. The man who had answered the door had picked himself up from the floor and was submitting to search. On a living-room couch, a man and a woman, delicatessen sandwiches still in their hands, sat staring into the muzzles of the agents' guns. O-Nine was checking out the apartment's closets, while in the bedroom 10 was —with some difficulty—handcuffing another mans' hands behind his back. This prisoner did prove to be Harry. "All right, I know my rights," he kept insisting. "Will you shut up?" 10 shouted at him. "Just shut up and listen to them anyway."

Harry was the source, all right; with him in the bedroom, agents found a chemical scale and a quantity of white powder that they hoped would test out as a narcotic. Under analysis, however, it proved to contain only the same innocuous chemical that had been used to dilute the cocaine purchased from Tom and Dick. Whether Harry had flushed his drugs down the toilet in the minute it took the agents to effect their entrance (quite possibly there was a password that Dick didn't tell them about) or whether his inventory had been exhausted by the sales to 07, no cocaine was found on the premises. Unfortunately for Harry, however, there was something else in plain sight in the living room—marijuana. With his cocaine profits, he was throwing a pot party.

The bottom line of a New York narc's work was filled in on the 14th floor of 90 Church St. In a large room, scores of colorful plastic one-armed writing chairs stood in neat rows upon a green rug. Up front, there was a blackboard, for in the mornings the room was the site of the bureau's in-training instruction. At other times, it was sort of a classroom, too. Here, narcotics prisoners began the processing that would lead them into the courts and—some of them anyway—into a Federal penitentiary.

It was almost 11 before Tom, Dick, and Harry and the two men and the woman who were in Harry's apartment when the agents crashed in were brought to the 14th floor of 90 Church—the men handcuffed, the woman (a bewildered 18-year-old, really) not. Behind them, in Harry's Brooklyn apartment, the 53 team had left several agents, including 01, who would greet the remainder of the arrested peddler's guests with his badge and gun. Again there was a legal search problem. In theory, 01 lacked probable cause for more than an external frisk for weapons on these late arrivals. While performing this, however, he asked the subjects pleasantly enough whether they minded being searched. The six stunned latecomers at Harry's party invariably gave a form of consent—several just shrugged—and 01 thereupon proceeded to turn out their pockets. In two cases, he found something. One guest turned out to have a single dose of cocaine wrapped in a $10 bill, and the other, a New York City school teacher, stared incredulously at a half-smoked—and probably wholly forgotten—joint that came out of his pocket. "You stupid jerk," 08 said a little pityingly as he dropped the cigarette into an envelope. "You're being busted and you'll probably lose your job, and there isn't enough marijuana in this to buzz your ears."

The four "clean" guests were turned loose by the 53 team, but the two unfortunate drug possessors soon joined the rest of the party on Church Street's 14th floor. There the prisoners were fingerprinted, photographed and interviewed, and the men strip-searched (since no matron is available to the bureau in the evenings, this indignity would not be visited upon the woman until later when she was logged in at the Women's House of Detention on Rikers Island).

The question to be resolved on the 14th floor, really, was whether each of the defendants (they had, at last, come to earn this title) would flip and agree to become informants. The following morning, in court, they would be represented by lawyers, and so for that matter would the narcs—by United States Attorneys. This processing, then, would be the last occasion that the agents would have to deal with the prisoners person-to-person. They made the most of it, passing out cigarettes freely and conducting the fingerprint-photograph-search procedure with as much gentleness and consideration as possible. Gradually and sporadically, a dialogue began to develop. "Man," Harry conceded as he wiped the fingerprint ink off his hands and waited to be photographed, "you really scared the ---- out of us when you crashed through the door."

"I'll let you in on something," 01 responded. "You weren't half as scared as we were. We never know what's on the other side of the door."

There were really two separate interviews for each defendant. The first was strictly background—education, occupation, prior convictions, etc.—and the answers were recorded by the agents on B.N.D.D. forms. The second interview, to see if the defendant would—or possibly might—"flip," was a private affair. Each prisoner was led unobtrusively from the room by an arresting agent and talked to quietly on a bench outside. His responses, if they were recorded, were not written down in his presence, and by this time I knew better than to ask the results.

Finally, the agents sorted among themselves responsibilities for driving the male prisoners over to the nearby Federal House of Detention and the woman out to Rikers Island. It was after midnight on Friday, and for most of them the weekend was pretty well shot. The next day, Saturday, was going to have to be spent over at Brooklyn Federal Court, and in cleaning up the required surveillance, undercover and daily work reports.

O-One was depressed—in part because he'd had to break another date, and in part, he conceded, because of the mixed results in the Brooklyn case. "No matter how we eventually come out in court," he said before dropping down to the 13th floor to pick up his messages, "this wasn't the best arrest we've had by a long shot."

A few minutes later, however, when he joined me and some of the other agents of the 53 team—which seemed reluctant to break up even at that late hour—in the lobby of the Federal Building, 01 was holding a phone message in his hand and had regained his cheerful, self-confident demeanor. "Hey, you remember the hash case," he said to the other agents as they walked through the cavernous old building lobby to the street. "The guy got eight years today." There was a murmur of congratulations. "Better than that," 01 says, "he was remanded—he went in right from court."

"Hey, way to go," another agent said. O-One held out his hands, and for just a second the echo of hand slaps reverberated around the gloomy, echoing lobby of the old Federal Building.

POSSIBLE TRIALS IN HOSTILE COUNTRIES UNDER THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, an argument often used against ratification of the Genocide Convention holds that U.S. citizens, especially servicemen, could under the terms of the convention be held subject to trial by hostile countries in a way which is not possible at the present time.

I would like to show why this argument reflects a misunderstanding of the situation. Perhaps the use of an example from recent history will show this clearly. If, for example, the North Vietnamese wished to try American servicemen, they had all the possibilities of doing so under a convention already in force and ratified by this country, the Geneva Convention of 1949. One provision of that convention is the requirement that countries punish for war crimes and extradite for such crimes to one another. If, therefore, the North Vietnamese wished to try American servicemen for war crimes, they could do so without the Genocide Convention, which adds nothing to their power. The charges most likely to be brought against servicemen would be under the Geneva Convention and not under the Genocide Convention.

There are additional conditions in the terms of the Genocide Convention which make it unlikely that it would be used against American servicemen. No objective observer could reasonably construe the actions of a combat soldier as being done with the intent to exterminate a people as a whole, and the presence of such an intent is a requirement for a true finding of genocide under the convention.

Another protection has to do with extradition. The United States would be obligated under the convention to extradite only in accordance with extradition treaties in force. There is also the further safeguard that before extradition takes place, an American court has to find that the evidence is sufficient to justify bringing a charge of genocide.

For these reasons, as well as the many others I have mentioned in the past, I believe the United States should ratify the Genocide Convention immediately. To put off doing so can only depreciate our standing among nations dedicated to world peace and order.

LARRY HALL RETIRES

Mr. EAGLETON. Mr. President, the head of the Jefferson City, Mo., Associated Press Bureau, Mr. Larry Hall, recently retired.

Larry Hall is a reporter's reporter—diligent, honest, fair. His job was to "get the news," not to try to "get" an individual.

The highest praise I can recite of Larry Hall is to compare him well and favorably to the late Herb Trask of the St. Louis Post-Dispatch. Larry Hall was a close friend of Herb Trask and will know that this is, indeed, high praise.

I ask unanimous consent that a column about Larry Hall, published in Joseph News-Press of January 28, 1973, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Larry Hall, a Good Newsman, Leaves the AP

Testimonial dinners have become rather commonplace in this era of earlier retirements. But there was one last Tuesday night that was out of the ordinary and we consider it as a privilege to have been able to attend.

The honoree was Larry Hall, dean of Jefferson City newsmen, who was retiring from the Associated Press on his 60th birthday. The tributes paid to Larry were not only numerous and glowing but they were sincere. They came from people high and low in state government and from his news associates.

Perhaps the name is not familiar with you. It should be well-known for Larry has had hundreds of bylines in the News-Press and Gazette as a result of his 28 years of experience as head of the Jefferson City bureau of the Associated Press. He had covered the administrations of seven Missouri governors including the incumbent Kit Bond. No other bureau chief in the AP can cite a longer record.

It isn't so much that Larry has held the position so long. It's that during that time he has held the respect of everyone who came into contact with him. Political figures didn't always like what he wrote. But they didn't dare question his sincerity. His accuracy was striking. Nobody ever said he was misquoted for Larry's reputation was such that nobody would have believed it anyway.

Missouri's was the third legislature that Larry had covered. He started in Lincoln and went to Omaha when the bureau was moved there. Later he was sent to Kansas and then to Jefferson City.

Among the assignments Larry has had through the years was the visit of Winston Churchill to Fulton in 1946. He also did a great amount of work on the Greenlease kidnap case in 1953. He was brought to Kansas City to correlate the many sides of the story, which had points of origin in St. Louis, where the suspects were arrested; from Kansas City, where the kidnaping and slaying took place; and from St. Joseph where the kidnapers lived and where the body of the victim was found. Later, Larry was one of three newsmen who witnessed the execution of the slayers in the gas chamber of the Missouri state penitentiary.

Tributes were paid to Larry on Tuesday night by Governor Bond; the immediate past governor Warren E. Hearnes; by Fred Moen, chief of the Kansas City bureau of the AP and Larry's immediate superior; and Keith Fuller, vice president and assistant general manager of the Associated Press, New York.

Gifts to Mr. and Mrs. Hall ranged from a nameplate on his old desk in the AP office to a big outboard motor and a check for $1,000. Presentations were made by such figures as Mrs. Carolyn Bond, the First Lady of Missouri; Proctor N. Carter, former director of the Missouri Division of Welfare; Judge Sam C. Blair, former Cole county circuit judge; and Paul Adams, executive secretary of the Missouri Transportation and Development Council.

Although Larry is retiring from the AP he isn't going to be put in mothballs. He has been named as an instructor in a special course in legislative reporting to be taught in the University of Missouri school of journalism at Columbia, only a 30-minute drive from Jefferson City. There he can share his talents with young people seeking to break into newspaper work.

All the nice things said about Larry at the dinner were true. He deserved all the praise. His health was such that he did not want to go on at the pace which he had maintained through the years but Larry isn't over the hill by any means. We wish him well in his work with M.U.

ADDRESS OF RICHARD H. CLEM, GRAND ORATOR OF THE GRAND LODGE OF ALABAMA

Mr. SPARKMAN. Mr. President, recently at the 152d annual meeting of the Grand Lodge of Masons for the State of Alabama, an oration was delivered by Mr. Evans Crary, Jr., Grand Master of the Grand Lodge of Florida. The address was scheduled to be delievered by Richard H. Clem, Grand Orator of the Grand Lodge of Alabama. However, Mr. Clem had a bad accident in his family that kept him away from the engagement. It was requested of Mr. Crary that he deliever the message which Mr. Clem had prepared. I ask unanimous consent that the address may be printed at this point as part of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows.

Address of Grand Orator

M. W. Brother Evans Crary, Jr., Grand Master of Florida, and a past Grand Orator of Florida, was asked by M. W. Grand Master Paul E. Bradford to deliver the address of the Grand Orator in the absence of the Grand Orator due to a serious accident in the family; the address having been prepared in advance by Brother Richard H. Clem. At the conclusion of this eloquent address continued applause and standing ovation were the reactions of those present.

Most Worshipful Grand Master, Grand Lodge Officers, distinguished guests, my brethren all. We are told there comes in every man's life, honors and opportunities unearned and undeserved. Such, Most Worshipful Sir, has been the case in my life this year when you afforded me the honor of serving you and this Most Worshipful Grand Lodge as Grand Orator. New acquaintances and friendships have been an exhilarating experience. And, most of all, the greatest blessing has been to personnally witness across the state that true cement of brotherly love and affection that unites us into the most ancient and honorable fraternity to man. All in all, the experience has been one of immeasurable growth for me. And even though I were able to break the bonds of frailty and mortality and by Divine Providence granted the privilege of living years beyond those of normal man, I could never repay this great fraternity for the wealth of spiritual good it has afforded me. This year has been the crowning experience of them all, and it is my prayer that I have been able to reflect upon those with whom and for whom I have labored, a small portion of the immense blessing they have showered upon me in the name of Freemasonry.

Surely the day will soon come when the Great Light that illuminates our pathway as Masons, will illumine the pathway of all mankind and the whole world can know the blessing of dwelling together in peace and brotherly love. Brethren, it is on this subject that I would like for you to think with me for a few minutes today.

In the midst of rushing daily through life and meeting all of it's demands, we are prone to forget that the great blessing of peace and the privilege of being able to go about living our lives without the fear of oppression is a gift of Almighty God. It was earned by prayer and supplication and won by the blood, sweat and tears of our undaunted forebearers and compatriots who were willing to give their all in the face of relentless onslaughts of those who would overthrow our system of democracy and impose atheistic, dictatorial rule over us.

I shudder every time I read about the vile mobs of long-haired protesters burning their draft cards, desecrating the flag and shouting their defiance and dedication to the overthrow of the very system of government that allows them the auspicious freedom to speak out and act against it. What a paradox! They demand "freedom", and yet, with the same breath, vow to destroy that which gives them freedom! Under their constitutional right of freedom of speech, they go about their deleterious way, unmolested and protected by the sacred document they seek to destroy.

How long, brethren, will God continue His blessing and protection of a nation that condones moral turpitude and allows the Madeline Murray O'Hairs', the Angela Davis' and hundreds of other avowed atheists and communists to censure the worship of God, public prayers and Bible reading? How long can we as Masons, stand silently and watch such audacious rabble roam our streets and contaminate the minds and lives of our children? Of course they don't want to fight for freedom. They want that blessed privilege handed them without any sacrifice or responsibility on their part whatsoever. This wretched philosophy infuriates every God-fearing, true American and pricks his conscience to see it go on unrestricted and unopposed.

One of the greatest pieces of journalism ever penned on the subject of patriotism was written by Kirke L. Simpson on November 11, 1921, when the whole nation paid tribute to the Unknown Soldier of World War I. I would like to share with you a small portion of that magnificent account of an event in an era when men held sacred their beloved America and deeply honored those who gladly took-up arms in her defense and made, or were willing to make, the supreme sacrifice in order that their posterity might live and love in peace, without fear of oppression.

"Washington, Nov. 11, 1921. Under the wide and starry skies of his own home-land America's unknown dead from France sleeps tonight, a solder home from the wars.

Alone, he lies in the narrow cell of stone that guards his body; but his soul has entered into the spirit that is America. Wherever liberty is held close in men's hearts, the honor and the glory and the pledge of high endeavor poured out over this nameless one of fame, will be told and sung by Americans for all time.

Scrolled across the marble arch of the memorial raised to American soldier and sailor dead, everywhere, which stands like a monument behind his tomb, runs this legend: "We here highly resolve that these dead shall not have died in vain."

The words were spoken by the martyred Lincoln over the dead at Gettysburg. And today with voice strong with determination and ringing with emotion, another president echoed that high resolve over the coffin of the soldier who died for the flag in France.

Great men in the world's affairs heard that high purpose reiterated by the man who stands at the head of the American people. Tomorrow they will gather in the city that stands almost in the shadow of the new American Shrine of Liberty dedicated today. They will talk of peace; and of the curbing of the havoc of war.

They will speak of the war in France, that robbed this soldier of life and name and brought death to comrades of all nations by the hundreds of thousands.

All day long the nation poured out its heart in pride and glory for the nameless American. Before the first crash of the minute guns roared its knell for the dead from the shadow of the Washington Monument, the people who claim him as their own were trooping out to do him honor. They lined the long road from the Capitol to the hillside where he sleeps tonight; they flowed like a tide over the slopes about his burial place. They choked the bridges that lead across the river to the fields of the brave, in which he is the last comer.

At the arch where the choir waited the heroic dead, comrades lifted his casket down and, followed by the generals and the admirals, who had walked beside him from the Capitol, he was carried to the place of honor. Ahead moved the white-robed singers, chanting solemnly. Carefully the casket was placed above the banked flowers and the Marine Band played sacred melodies until the moment the President and Mrs. Harding stepped to their places beside the casket.

Mr. Harding showed strong emotion as his lips formed the last words of the address. He paused, then with raised hand and head bowed, went on in the measured, rolling period of the Lord's prayer. The response that came back to him from the thousands he faced, from the other thousands out over the slopes beyond, arose like a chant. The marble arches hummed with the solemn sound.

Then the foreign officers who stand highest among the soldiers and sailors of their flags came one by one to the bier to place gold and jeweled emblems for the brave above the breast of the sleeper. Already, as the great prayer ended, the President had set the American seal of admiration for the valiant, the nation's love for brave deeds and the courage that defies death, upon the casket. Side by side he laid the Medal of Honor and the Distinguished Service Cross.

High and clear and true in the echoes of the guns, a bugle lifted the old, old notes of taps, the lullaby for the living soldier, in death his requiem. Long ago some forgotton soldier poet caught its meaning clear and set it down that soldiers everywhere might know its message as they sing to rest:

"Fades the light
And afar
Goeth day, cometh night,
And a star,
Leadeth all, speedeth all,
To their rest."

The guns roared out again in the national salute. He was home, the Unknown, to sleep forever among his own."

This, my brethren, is the epitome of patriotism in it's highest form. The President of the United States leading not only the thousands present but the whole nation in the Lord's prayer. He was leading them in supplication and thanksgiving unto God for the blessing of freedom and honoring perpetually, the memory of those who died to make freedom possible.

What do you suppose President Harding and those world leaders would say today about our acquiescence when Mrs. O'Hair presented 27,000 letters to NASA demanding the public censure of the astronauts who read to the world a Christmas message from the Bible while their spacecraft orbited the moon in December 1968?

How do you suppose they would have reacted when, through a court of justice, the avowed communist, Angela Davis was released completely exonerated after hearing over one hundred witnesses testify to her connection in the ignominious plot to free her "soul-brother" from prison and in the process the life of a judge and other innocent people was taken?

Do you suppose in those days those stinking, filthy thousands of draft card burning, adulterous, war protesters would have been given permission to camp on and completely destroy the Mall grounds in Washington while the taxpaying citizens forfeited some one million dollars to pay for the restoration of the damaged grounds?

I believe the answers to these questions are clearly obvious. You and I have sat back and watched those who would permit such outrageous events take high offices of public responsibility. We shake our heads in complete disgust and disbelief, yet we are not willing to get-up and do something about it. Yes, we surely are fed-up with news media making heroes of admitted subversives, anarchists, revolutionaries and criminals, and at the same time, condemning law enforcement when such people are brought to the bar of justice. We cannot condone the Supreme Court decisions which have turned criminals and traitors loose on our society by virtue of some infinitesimal legal technicality after their guilt has been proven beyond the shadow of a doubt! We detest the communist inspired propaganda that says it is wrong to use napalm to end the war in Viet Nam, but if it is a fire bomb thrown here at home by some protester, we are supposed to understand the deep provocations. Yes, we are sickened of riots, marches, protests, demonstrations and confrontations with mobs composed of people who are intellectually incapable of living and working in our society. We are angered with the cynical attitudes toward patriotism as demonstrated by these mobs and most recently on national television by some of the United States' participants in the summer olympic games. We are tired of seeing and hearing politicians with no backbone when our nation, founded by God-fearing patriots and under His leadership, is the greatest nation ever to exist.

Yes, we are sick and tired of all these things. But I ask you, brethren, what are we doing about it? Better yet, let us ask ourselves what we can do about it. How can you and I as Masons turn this nation back to old fashioned patriotism and back to a fear of God and keeping His Commandments? The answer does not lie in throwing rocks or bombs or carrying signs with the mobs in the streets. Nor does it lie in the so-called "liberalistic interpretations" of our Constitution or granting unlimited "freedom" without corresponding responsibility.

I submit that the answer lies in the hands of every Godfearing, honest, hard-working, tax-paying citizen who shares his load of responsibility by serving his community; who supports his church with his time, money and influence; who does not hesitate to express to elected officials his anger or disagreement when he feels led to do so or to voice his approval when those officials stand-up and fight for those noble and honorable issues that elevate society and uphold the pride and dignity of our nation.

Where does this member of the so-called "silent majority" get such awesome power to control who leads this country and how it is to be led? He gets that power at the polls! He gets it when the time comes to cast his ballot for those who will make the laws, interpet the laws, render decisions and guide the destiny of our local and national governments. At the polls, my brethren, the common, ordinary citizen can literally thunder his voice and feelings in opposition to those who would destroy our nation by submitting to the contemptible demands of subversives and the irrational and illogical shouts of mobs and atheists. Politicians run for office, but you know, they can't get there without the vote of the people which is made up of the votes of the "little man".

This, my brethren, is what we can do about it. The next time you hear our national anthem and watch the stars and stripes raised against the background of an azure sky, I admonish you to pause and say a little prayer of thanksgiving to God for permitting us the privilege of living in this great country and for perpetuating its existence. For when, and only when, we turn back to Him, can we be assured that our government of the people, by the people and for the people, shall not perish from the earth!

A proper motion was made and duly seconded that the full text of this oration be included and made a part of the Proceedings, and the same carried.

A motion was made by Bro. A. Brooks Tanton and duly seconded that the Grand Orator's Address be released to the press, and the same carried.

A motion was made by Most Worshipful Past Grand Master James L. Lawson and duly seconded that a copy of the Grand Orator's Address be sent to the Dean of the Alabama Delegation to the United States Congress with a request that it be included in the Congressional Record, and the same carried.

THE INTERNATIONAL TRAFFIC IN CONVENTIONAL ARMS

Mr. CASE. Mr. President, the Arms Control and Disarmament Agency has submitted to the Congress an interim report on the international transfer of conventional arms. A final report will be submitted at midyear.

These reports—the first of their kind—are required by Senator Roth's amendment, section 302 of the Foreign Relations Authorization Act of 1972. As a result of the Senator's initiative, the Congress and the public will have a much better grasp of the often-overlooked side of the international arms race.

We are all aware of th nuclear arms race that has cost us so much since World War II. Fortunately, with the approval of the United States and the Soviet Union of an ABM treaty and an interim agreement limiting strategic weapons, we have taken a good step toward stabilizing and reducing the level of danger and terror the acquisition of nuclear arms has brought the world.

However, the world has made very little progress toward control of the international trade in conventional arms. That is a multi-billion-dollar business, and it is growing steadily, with no signs of abating.

According to the interim report, prospects are that international arms trading will proliferate in the period ahead as some of the more developed countries move up to new generations of weapons and start looking for markets for old equipment. As this happens, meaningful controls will be still harder to achieve.

Several important points on the scope and character of the international trade in conventional points are made in the report.

Yearly world arms trade increased from $2.4 billion in 1961 to $6.2 billion in 1971. Arms transfers among developed countries stayed relatively level during the 11-year period. Most of the increase was in grants and sales to developing nations, particularly in areas of conflict and confrontation.

The world's leading arms giver and seller is the United States, which transferred $22.7 billion in conventional arms during the 11-year period. The annual dollar volume of U.S. transfers tripled during that same period. At present, the United States is the source of more than one-half the world arms trade in terms of dollar value.

The Soviet Union is in second place with an estimated $14.8 billion in conventional arms transfers during the 11-year period. In 1961, the Russians sent forth an estimated $839 million in arms. Shipments climbed steadily since then, to an estimated $1.5 billion in 1971.

Other nations are making a big business of sending arms throughout the world. The purveyors and the recipients are engaged in a contest marked by perpetually shifting imbalances and by great cost to those who should not be so burdened.

Mr. President, I believe my colleagues would find this interim report enlightening.

While I cannot put the entire report in the Record, I would like to have inserted at the conclusion of my remarks a portion of particular interest dealing with the obstacles to negotiation on conventional arms transfers and the alternative routes to limitation now under study.

I would also like to insert in the Record following my remarks an illuminating and informative article, "Now: A Worldwide Boom in Sales of Arms," from the January 22, 1973, edition of U.S. News & World Report. The article cites one expert who believes that the international weapons trade is likely to double again between now and 1980.

The U.S. News & World Report article concludes—

> In short, while world leaders talk hopefully of a "generation of peace," the world goes right on buying and selling at a record rate.

There being no objection, the material was ordered to be printed in the Record, as follows:

Chapter VI: Obstacles to Negotiations on Conventional Arms Transfers

Although the international community has made significant progress in negotiations dealing with weapons of mass destruction, little progress has been made since World War II on controls of conventional arms transfers. Even the modest and circumscribed initiatives that have been made so far in this area have received meager support and sometimes vigorous opposition.[1]

This can be explained to some extent by the nature of the weapons themselves. The widespread belief that nuclear weapons, because of their awesome destructive power, represent a unique threat to the survival of mankind has resulted in general acceptance by the international community of the need to make progress on nuclear disarmament. Partly because of the unprecedented dangers posed by such weapons, most non-nuclear states supported the Non-Proliferation Treaty, which prohibits nuclear weapons transfers, despite the strong misgivings of some that its provisions discriminate against states without nuclear arms. One reason that restrictions on conventional transfers have been the focus of such little concern is that conventional arms do not approach nuclear weapons in the magnitude of their threat to mankind. A closely related and perhaps even more important reason is the fact that conventional weapons are already present in most, if not all, nations and are being used every day to promote a wide variety of national objectives.

In general, the biggest obstacle to progress in the field is the attitude held by supplier and recipient states alike that restrictions on their right to supply or receive arms might limit their ability to achieve important national objectives without bringing them any compensating advantages. Confronted with these attitudes, even those states which favor such restrictions tend to doubt whether arms transfer controls can be achieved.

SUPPLIERS

Suppliers generally have had strong reservations about abandoning what they believe are valuable means of achieving political, strategic, and economic objectives.[2] The reservations have been reinforced by differences in supplier states' foreign policy goals, ideological orientations, economic motivations, and domestic pressures. Several of the initiatives that have been proposed in recent years have failed because one or more supplier states felt that unilateral advantages over rival suppliers could be realized by continuing to transfer arms. Proposals for restraints in particular regions as well as United Nations embargoes have often been ignored or rendered ineffective by the self-interest of individual suppliers.[3] Past failures to reach agreements among supplier states of course do not necessarily mean that a convergence of interests among the relevant suppliers toward a recipient or recipient region will not permit effective restrictions in the future. But opportunities to negotiate such restrictions may occur only rarely and may be related either to the resolution of a conflict or to a common concern among suppliers that a conflict will escalate and seriously threaten national interests.

A further obstacle to agreements among suppliers, which may grow in importance, results from an increasing emphasis on economic considerations—both domestic and foreign—in supplier arms transfer policies. Not only is there increasing concern over the domestic economic impact of defense industry, but some supplier governments are attaching greater importance to the balance of payments benefits of arms exports. In such cases, the economic impetus to transfer arms tends to weaken the political arguments for restraint. If the current condition of international economic competition continues, commercial rivalry could become an increasingly important obstacle to arms transfer arrangements among supplier states.

RECIPIENTS

Recipients generally have been more vocal than suppliers in their objections to controls on arms transfers. In the view of many recipient states, restrictions on transfers affect the most important of their sovereign prerogatives, the right to provide for the national defense. Because most developing countries depend almost entirely upon imports for their military needs, the prospect of transfer restrictions may seem to threaten these prerogatives. Always sensitive to attempts at control by outsiders, many recipient governments have regarded proposals for limiting the flow of arms as one technique by major powers to exert influence over recipients. In this light, recommendations by suppliers that recipients should spend less on defense and more on economic and social development are viewed as paternalistic interference with the sovereign right to set national priorites.

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[1] See Chapter V and Annex C for a description of those initiatives.

[2] Chapters III and IV of the final report will discuss the political/military and economic objectives of suppliers' transfer policies.

[3] See Chapter V and Annex C for a description of past proposals for supplier arrangements.

Many recipients insist that any controls on arms transfers would impair their ability to meet legitimate defense needs.[4] They contend that their military requirements are only imperfectly understood and appreciated by those who favor placing restrictions on transfers. Some argue that arms transfers can be stabilizing and that curbing transfers would have adverse and unpredictable effects.

Most recipients have pointed to the discriminatory nature of many arms transfer control proposals. Because these proposals limit arms imports but do not restrict the armaments of arms-producing states, recipients claim such controls would be unequal in application and only serve to perpetuate a condition of imbalance. The Indian representative stressed this discrimination theme in his opposition to the Danish arms transfer registration initiative of 1968: "Since the proposal is not concerned with the question of production of conventional arms, directly or indirectly, it could only confer a unilateral military advantage on industrially advanced nations." The Argentine spokesman noted that "while the arms race among the Great Powers goes on with the production of sophisticated weapons of mass destruction, the states with lower levels of industrial capacity are expected to subject themselves to a discipline that undoubtedly introduces further limitations on their sovereignty."

Several recipients have objected to arms transfer controls because of asymmetries between themselves and their neighbors. Those without the technical capability to manufacture arms at home point out that restrictions on imports would place them at a disadvantage next to more advanced rivals with their own production capabilities. It is also frequently argued that a limitation on transfers would give states that have security guarantees from major powers an unacceptable advantage over adversaries that do not have powerful allies. According to this line of argument, controls on arms transfers would compromise the independence of nonaligned developing countries by forcing them to seek major power protectors.

Still others oppose any measure which fails to distinguish between "legitimate" and "illegitimate" uses of force. During the 1968 U.N. debate, the Egyptian delegate said:

"There is the fact that a mechanical approach to the question of the provision of arms to States in local wars, which would result in the equating of people struggling for independence and self-determination and States defending their territorial integrity with those who oppose peoples struggling for their independence, is not in accordance with the principles of the Charter. A mechanical approach to this question would result in an inequality in favor of the culprit party and in imposing restrictions to the detriment of the wronged party."

In addition, many developing countries are against consideration of conventional arms transfers on the grounds that the nuclear arms race is the principal threat to world peace, not the import of armaments by Third World countries, and that discussions of restrictions on the arms trade only divert attention from the more urgent task of nuclear disarmament.

GROWING NUMBERS OF SUPPLIERS AND SUPPLIES

The general reluctance of most suppliers and recipients to limit their freedom of action in the arms transfer field is the major, but not the only, obstacle to international controls. One problem which is likely to become more acute in the future results from the growing numbers of arms-producing countries. In the case of small arms and other light weapons, proliferating sources of supply pose severe, perhaps insurmountable, obstacles to any agreement on transfers.

Several developing countries, as well as more industrialized states, are now capable of manufacturing their own light weapons—automatic rifles, submachine guns, mortars—and ammunition. Apart from problems arising from the sheer number of potential suppliers, the wider political and ideological diversity of this enlarged group of suppliers would present serious barriers to supplier restraint.

For major, high-cost weapons systems, such as combat aircraft, tanks, missiles, and warships, the picture is somewhat different. In the case of jet combat aircraft, over 90 percent of the transfers to the Third World have been supplied by four producers—the U.S., the USSR, the United Kingdom, and France. However, it does not necessarily follow that a four-power supplier agreement would shut off the flow of advanced aircraft. Several other countries have, or will soon have, the capability to manufacture such aircraft and their availability as possible sources of supply—whether or not they would actually be willing to fill a supply vacuum—would have to be taken into account in any supplier arrangements.

The number of potential suppliers of the whole spectrum of conventional weapons will increase further as the more developed recipients acquire new generations of weapons and look for markets to dispose of their aging equipment. The tremendous volume of weapons that will become obsolete in recipient inventories within the next few years, and the economic pressures to reclaim some of the original purchase costs through resale, strongly suggest that a number of developing countries will join the ranks of arms suppliers, thus adding to the difficulties of devising effective controls.

Chapter VII: Possibilities and Recommendations for Limiting Conventional Arms Transfers

This chapter (to be included in the final report) will provide an anlysis of various possibilities and recommendations for limiting conventional arms transfers, including those which have been proposed by governments or suggested outside of government circles.

Approaches to be examined will include both bilateral and multilateral agreements among arms supplier and/or recipient states. Arrangements applicable on a worldwide as well as a regional basis will be considered. The analysis will address controls over selected categories of arms, as well as more comprehensive controls over arms transfers—including both quantitative and qualitative restrictions.

This analysis, which will include consideration of the major advantages and disadvantages of various approaches to the control of conventional arms transfers, is intended to provide a framework within which future United States policy alternatives can be considered.

Now: A Worldwide Boom in Sales of Arms

Buying and selling of military weapons around the world is surging to record levels—and no end to the boom is in sight.

At latest count, international trade in aircraft, missiles, ships, tanks, small arms and other hardware totaled nearly 7 billion dollars a year.

That is about doube the amount sold a decade ago and does not count billions in arms given away free each year, mostly by the United States.

What's more, says one leading arms expert, the weapons trade is likely to double again by 1980, approaching the 15-billion-dollar mark.

Big-power play. It is a fiercely competitive business, with the U.S., the Soviet Union, France and Great Britain the principal suppliers.

"International anarchy" is the way one authority describes the competition, with each nation setting its own rules, offering equipment on generous credit terms, moving in quickly when another seller pulls out of the market for diplomatic or other reasons.

It is a business, too, which has seen many of the small private dealers all but squeezed out of the market.

Private sellers who deal chiefly in small arms and ammunition account for about 200 million dollars annually in sales. The great bulk—about 97 per cent—is sold by one government to another or by large private manufacturers, with the encouragement and blessing of their governments. The rapid growth in the arms trade comes at a time when nations all over are sinking more and more of national incomes into their military establishments.

Arms and men. In 1971, according to the U. S. Arms Control and Disarmament Agency, 120 nations spent 216 billion dollars on defense, an increase of 82 per cent since 1960. Over the same span, the number of men under arms worldwide increased from 19 million to 23 million.

It is the developing nations that are the main purchasers of weapons from the industrialized countries, accounting for about 4 billions of annual sales. Nations of the Middle East, India and Latin America are the principal buyers.

The chart on page 52 gives some idea of how much is sold by the chief arms makers and who their major customers are—as well as can be determined in a field wrapped in secrecy.

The figures were compiled chiefly by "U. S. News & World Report" correspondents based overseas and with the aid of experts within the United States Government.

The U.S. sold 2.8 billion dollars' worth of arms in the year ended June 30, 1972, up from 2.1 billion the preceding year. The Soviet Union sold an estimated 2.2 billions' worth in 1972.

The "Big Four" suppliers accounted for about 90 per cent of the sales, with the rest divided up mostly among Sweden, Canada, Belgium, Israel, West Germany, Italy and Czechoslovakia.

Aircraft lead off. Warplanes are the No. 1 sales item, accounting for roughly half the arms sold. Tanks and armored vehicles, ships, missiles and ammunition are other big-selling items in international markets.

Why the urge to sell more arms? One reason is purely economic—to improve a country's balance of payments, or to help a particular industry. Often though, officials say, sales are regarded as a matter of "national interest"—that is, to improve the seller's influence in the purchasing nation.

Russia, for example, supports Iraq, the United Arab Republic, Syria and Libya, not for ideological reasons, but to gain a foothold in the Mediterranean basin. It also is in a position to threaten oil supplies to the U.S. and the Far East. The U.S. supports Israel, Iran and Saudi Arabia, not only to offset these Soviet moves, but to counter the growing Russian presence in the western section of the Indian Ocean.

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[4] Chapter III of the final report will discuss the perceived political/military utility of arms transfers to recipient governments.

In recent years, the mix of "giveaways" and sales of U.S. arms has moved sharply in the direction of sales.

From 1950 through 1965, this country gave away 31.7 billion dollars of military goods to other nations—and sold just 6.5 billion.

Since 1965, however, the U.S. has provided 4.5 billions in military aid while selling 11.1 billions' worth of hardware.

The arms network. The U.S. arms-sale network involves about 10,000 military and civilian attachés around the world. Through these "agents," the U.S. learns what the "customer" wants. Transactions themselves are generally handled on a government-to-government basis.

Before a big transaction has been signed, more than a dozen agencies within three Cabinet departments may get involved.

At the Pentagon, a special agency must approve a sale. Then another one seeks credit for the buyer through the U.S. Treasury or major private banks.

At the State Department, one agency gets involved in licensing exports, while a host of others determines such things as whether the sale is in the nation's best interests, or whether it involves the transfer of military secrets.

For other nations. Elsewhere among arms-selling nations—

For France, the manufacture of arms is vital to its economy. Only automobiles and textiles rank ahead of arms among its exports.

The French arms industry provides jobs for 270,000 people, of whom 15 per cent are involved in producing arms for export. There are enough orders now on the books to keep the industry busy for years.

Of late, however, incoming orders have been declining, even as deliveries of arms have been rising. What worries many French officials is that recent "breakthrough sales" in Latin America and the Middle East, as one expert recently put it, "may have been one-shot affairs that will not continue in the future."

In the Persian Gulf region, the French sales pitch is based on the offer of well-trained Pakistani personnel, experienced with France's Mirage aircraft, to provide technical help in flying and servicing the supersonic jets.

In Europe, French arms salesmen offer to share technical know-how with customers if they sign contracts to buy French aeronautical products.

For Great Britain, the arms trade, according to a London economist, is " no longer just a welcome shot in the arm to the balance of payments. In many sectors of the defense industry, it has become vital to staying in business."

Britain's arms sales, estimated at 700 million dollars in 1972, have doubled since 1965, when the country began overhauling its whole overseas sales effort. Now Britain is challenging France to regain its former position as the world's third-biggest arms-trading nation.

A major change: making sure that a new weapons system has a potential for foreign sales before the Government buys it for the country's own defenses.

Old marketing methods have been revamped, and sales campaigns intensified. Embassy posts, for example, have been created in five key capitals—Washington, Paris, Bonn, Canberra and Ottawa—to deal specifically with arms trading.

Exhibitions of British wares are put on at major international air shows. Weapons' capability is demonstrated in Britain and abroad for foreign buyers.

Twice a year, a comprehensive catalogue is published, showing what equipment is available.

Another move increasing arms sales:

Since coming to power in 1970, Britain's Conservative Government has lifted embargoes on arms deals with South Africa and Spain.

In West Germany, where the Government's policy has been to restrain arms sales to other countries, a build-up in volume is expected in years ahead. * * * Wherever there is trouble in the world, officials say, Czech arms usually can be found. When terrorists can find weapons nowhere else, they can always turn to Omnipol.

Arms on the cuff. Most *suppliers* sell arms on fairly liberal credit terms. Russia, for example, offers loans for military purchases at an annual interest rate of 2 to 2½ per cent for periods of six to 12 years. French and British deals generally involve loans of 5½ to 6 per cent.

The U.S. charges one half of 1 per cent above the cost of borrowing by the U.S. Treasury, which now comes to about the charges leveled by the French and British. The repayment period is six to 12 years in most areas.

It's in the Middle East where the market for arms is growing most rapidly—even though some Western nations claim they have imposed restraints on sales to the region.

In Italy, newspapers a few months ago published reports that military equipment, including armored cars, were being sold to Libya. Italian authorities first denied these reports, then later admitted they were true—and, in fact, that an agreement had been reached a year earlier to provide military arms to Libya.

France insists it will not sell offensive weapons to any of the Mideast belligerents. It has, however, sold 114 Mirage fighters to Libya—which is a staunch supporter of Egypt.

The arms-trade business can produce some ironic situations in the Mideast.

Israel has a 500-million-dollar line of credit with the U.S. for the purchase of weapons in its struggle against surrounding Arab nations.

Yet Great Britain, a close ally of the United States, is reportedly in the process of concluding a 236-million-dollar deal with Israel's chief enemy, Egypt, for Cairo's acquisition of light tanks, patrol boats, armored cars, short-range antiaircraft missiles and helicopters.

Two good customers. Among Middle East nations, Iran and Saudi Arabia represent perhaps the largest arms markets for the immediate future. Both are building their forces rapidly to fill the vacuum left by the British withdrawal from the area.

Iran's Air Force has already taken delivery on more than 100 U.S.-made Phantom fighter-bombers, valued at around 340 million dollars. It has placed orders with Britain for somewhere between 700 and 800 tanks.

There are reports that Bell Aerospace Company is negotiating the sale of 580 helicopters to Iran at a cost of 720 million dollars.

From the Soviet Union, Iran is buying jeeps, trucks, personnel carriers and artillery and air-defense systems.

Saudi Arabia signed a 350-million-dollar contract earlier this year for the purchase of Northrop Corporation's supersonic F-5 fighter-bombers. It is setting aside another 145 million for its Navy—in all likelihood for the purchase of patrol boats and possibly some submarines from the U.S. The French are reportedly negotiating an 80-million-dollar tank deal.

In both Iran and Saudi Arabia, rapidly rising revenues from oil production are providing the wherewithal to spend more heavily on arms.

In Iraq and Syria, it is the Soviet Union that is the chief arms supplier. One authoritative estimate is that Russia has sold more than 500 million dollars of arms to Iraq since the 1967 war, and roughly the same amount to Syria.

"Back to strong exports." As arms experts see it, competition is going to get tougher in the years ahead—with the U.S. a formidable foe. One assessment from Paris:

"The end of the war in Vietnam, along with the Soviet-American agreement to limit strategic nuclear weapons, is expected to bring the U.S. back more strongly into the export of conventional weapons.

"Many of the sophisticated weapons developed by the U.S. for the war in Vietnam will then become available for sale to buyers around the world."

In short, while world leaders talk hopefully of a "generation of peace," the world goes right on buying and selling weapons at a record rate.

FEDERAL GRANT-IN-AID PROGRAMS

Mr. STEVENSON. Mr. President, during fiscal 1974, Federal grant-in-aid programs, exclusive of general revenue sharing, will provide State and local governments with nearly $40 billion. In the aggregate these programs are eloquent testimony to the viability of our Federal system.

There is room for improvement. State and local governments have complained with justification about the proliferation of narrowly based categorical programs, the redtape and time delays involved in the application and approval process, and the lack of flexibility in use of the funds.

I believe that these concerns are legitimate and that they can be met without resorting to the blunderbus of general or special revenue sharing which would have the Federal Government abrogate its responsibility for national objectives by simply giving away Federal revenues.

The community development block grant program, passed by the Senate last year in S. 3248, the omnibus housing bill, is an excellent example of the type of constructive reform I have in mind. If that legislation had been enacted, several narrowly based categorical grant programs, each now requiring separate applications and administrative structures, would have been folded into a single community development program. Funds for the program would have been allocated to units of general-purpose local government on a formula basis so that cities would have known in advance the amount of money to which they were entitled, thus allowing more rational planning.

To receive the funds, a community would submit for approval a single greatly simplified application. The application would show broadly, and not in excruciating detail as presently required, how the community intended to use the funds to meet its own urgent community development needs and to achive the objectives of the legislation. The legislation set three objectives each community would have had to pursue on a priority basis: Meeting the housing needs of families who might reasonably be expected to seek housing in the community, particularly families with low- and moderate-income; second, preventing and eliminating slums and blight and upgrading neighborhoods; and third, improving and upgrading community services and facilities to meet the social needs of residents in areas affected by community development activities. After the first year, the application would also contain an evaluation by the applicant assessing its efforts to achieve the objectives set forth in its previous application. If the application met the requirements, the funds would then be disbursed.

I helped to write the community development legislation and strongly supported it. I continue to believe in its concept and look forward to its enactment during this session of Congress.

Federal grant-in-aid programs can be improved without being emasculated as the community development example demonstrates. And we in Congress must continually examine both existing and new programs for ways to improve their administrative effectiveness and efficiency.

In this regard, the International City Management Association recently appointed a management criteria task force to study how Federal programs could be made more manageable for local government. The task force has now reported and has made several recommendations applicable to legislation establishing grant-in-aid programs. Most of these recommendations were reflected in the community development legislation which I have mentioned.

I ask unanimous consent that a list of the ICMA's recommendations be printed in the Record at this point, and I commend them to my colleagues.

There being no objection, the recommendations were ordered to be printed in the Record, as follows:

LEGISLATION FOR GRANT PROGRAMS SHOULD

1. Leave the designation of "chief administrative officer" to each locality.

There is a tendency among legislators and federal administrators alike to assume that the title "mayor" is synonymous with a locality's chief administrative officer. Legislation and administrative regulations, thus, specify "mayor" when chief administrative officer is intended. Or they specify "chief administrative officer" when it is not clear who occupies that position in a given community. In localities with the council-manager plan, the chief administrative officer is usually the city manager, while in cities with a strong mayor, that function is performed by the mayor.

Insensitivity to this critical distinction often causes very unfortunate misunderstandings in cities with the council-manager plan. The mayor is contacted, or delegated responsibility, when the city manager should have been contacted and given responsibility. The result is often strained local internal relations.

Legislation and regulations both should be sensitive to the need for specifying the local official concerned. As an illustration, the legislation involves the day-to-day administration of local government—as with most categorical grant programs—and it is relevant to the "chief administrative officer" of the locality, it should have this definition: "chief administrative officer to be designated by each locality." The same basic definition should be used in all administrative regulations where appropriate.

2. Indicate the formula for grant distribution, including both the basis for recipient selection and the percentage of required local matching funds where applicable.

Cities initiate federal grant application on the basis of their assessment of city need, eligibility and the prospects of success in receiving a commitment. From the perspective of municipal officials, the criteria for recipient selection and the basis of fund distribution is extremely loose, and is too often determined by administratively established criteria. The legislation or the congressional committee reports accompanying legislation should include distribution formula and criteria for program selection. The block grant formula principle currently being discussed for revenue sharing provides a sound design for categorical aid as well.

The current system benefits those cities which have the resources and staff to play the grantsmanship game, leaving the great bulk of cities without monies they legitimately need and more than legitimately deserve based on what we preceive as the federal grant program objectives.

3. Indicate performance standards to be met.

It is not the intention of the Task Force that legislation include a step-by-step evaluation procedure or performance measure. But it is necessary and desirable that the Congress give some indication of what is expected from legislatively supported programs as noted above. This can be done in addition through committee reports which accompany legislation and provide a basis for development of administrative regulations and procedures. The more a committee report includes, the easier it is for not only the implementing agency, but also local governments, to know what the general intent of a program is. Part of the committee report might be a set of statements through which the Congress describes how it will evaluate whether or not a program has met their intents and purposes.

4. Be flexible to allow for varying conditions.

One of the major virtues in the federal intergovernmental relations process is that different situations require different types of response in working to achieve a common objective, thus a federal grant program with generally or specifically defined purposes can be achieved through multiple strategies and devices given the different constraints and resources of the recipient communities. It is desirable to encourage this kind of innovation and flexible approach within some clearly understood limits. A major criteria proposed by the Task Force is to maintain flexibility to accommodate the unique and different requirements of local governments.

5. Channel money through the states only if it is a statewide program of statewide impact and only if state contributes financially to the program.

6. Channel money directly to the agency or (level of) government responsible for the program.

Some of the more recently designed grant-in-aid programs, such as the Law Enforcement Assistance Administration, have tended to rely on state government for the substantive administrative efforts. To a certain extent this reliance has some virtues. It eliminates the necessity of the federal regions having to deal with the grant applications of thousands of small units of local government. It is the feeling of the Task Force, however, that reliance on the states creates more problems than it solves administratively. It means that an additional level is already added to the tangled federal system. Approval, fund draw-down, and technical assistance in such programs must be orchestrated through three and sometimes four levels of government. For large cities in many states this is a needless impediment in an already tangled intergovernmental situation. Such programs assume an understanding, administrative competence, and commonality of purpose lacking in the vast majority of the states. Such programs give the states power in a situation in which they contribute no funds and little intrinsic sympathy with cities' problems.

It is suggested that the federal government rely on its regions to administer its grant-in-aid programs, especially with regard to medium and large size cities, and that the federal government use existing general purpose sub-state districts for dealing with small cities and SMSAs. Adding addition layers of government between the federal and the local levels should be avoided.

7. Channel money so as to be coordinated by the general purpose government of primary interest.

Perhaps one of the major problems faced by general purpose local government today is knowing about and coordinating the expenditures of public funds—federal, state, and local—within its jurisdiction. As many studies have indicated: 1) few, if any, cities know what money is being spent within its boundaries, and 2) that as things stand, it is impossible to find out precisely how much federal money is being spent.

The problem created for management is quite straight-forward: money that does not pass through general purpose local government weakens attempts at systematic planning.

The solution is to channel all funds directly through the city's chief administrative officer for review, comment and sign-off. Attempts are being made to do this. In selected model cities, the U.S. Department of Housing and Urban Development has developed Planned Variations on city-wide expenditures of HUD funds. One of the variations is chief executive sign-off. Other agencies are considering similar arrangements. HEW is planning similar arrangements.

It is now time for the Congress to begin drafting legislation that recognizes the importance of adopting this concept of chief executive sign-off.

8. Encourage coordination and systematic management at the local level.

A number of current administrative efforts by the Department of Housing and Urban Development are designed to encourage coordination and systematic management at the local level. Specifically, Annual Arrangements and Planned Variations are both designed to help chief administrative officers coordinate their delivery of services, financed in part from federal grants, and properly plan for long-run management. Both are based upon existing grant programs. But both reward cities for taking the time to engage in thoughtful planning and systematic management.

Annual Arrangements involved prior negotiation between HUD and cities on a group of specific potential grants. Once arrived at, the Arrangement becomes the city's blueprint for making application for the specific grants, with the knowledge that if the applications are acceptable the grant funds are available. Annual Arrangements were specifically designed by HUD to prepare cities for the Community Development Block Grant program, currently before the Congress.

The Community Development Block Grant is one example of the kind of legislation that would encourage systematic management and coordinated planning in city government. It is the consensus of the Task Force that legislation in the future to developed along the lines of the proposed Block Grant for Community Development. And it is the consensus that where possible, administrative agencies be given clear authority to undertake programs similar to Annual Arrangements and Planned Variations.

9. Centralize intra-and inter-agency administration of applications to facilitate local development and submission of multi-purpose applications on related programs.

One of the more frequently heard complaints about the federal administration of categorical grants is that one agency, or one sub-agency, does not know what the other agency, or sub-agency within the same department, is doing. Similar kinds of grants in different departments are not coordinated. Similar grants within agencies are not coordinated either. The result is that to deal with a specific problem with several components, it is often necessary for a city to make a series of grant applications within one agency or between federal departments. The result again is an inability to plan.

Integrated grant applications that deal with a single problem should be encouraged in the development of legislation. Today, attempts at integration are very small, and usually due to administrative—rather than congressional initiative. The Office of Management and Budget's Integrated Grant Administration (IGA) program is one administrative initiative.

The Congress should begin to design legislative packages that require single application procedures coordinated by a lead federal agency for dealing with the same problem area in a local jurisdiction.

THE IBO IN NIGERIA: A TIME OF RECONCILIATION

Mr. McGEE. Mr. President, it has been only 3 years since the Nigerian civil war ended. As many recall, there was considerable sentiment in Congress and across the country for U.S. intervention on the Biafran side of that conflict. The issues involved in the conflict were surrounded by a mist of emotionalism.

However, in yesterday's—Sunday, February 26—edition of the Washington Post there appeared an article by Jean Herkskovits that provides us with a penetrating assessment of Nigeria 3 years after it was rent by civil strife.

The author concludes the article by noting the Nigerians have:

> Already made extraordinary progress on the problem which seemed overwhelming in 1970: postwar reconciliation. If they can maintain their new understanding of each other and apply it to their other challenges, they have a better chance than the greatest optimist could have hoped three years ago to create a Nigeria successful in their own eyes, important to Africa and to the world.

I believe it becomes increasingly apparent that this Nation must, at times, withhold hasty judgment of events as they occur around the world. As in the case of Nigeria, caution and restraint proved to be the most reasonable aproach our Government could have taken on an issue that was extremely emotional and heart-rending.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IBO IN NIGERIA: A TIME OF RECONCILIATION

(By Jean Herskovits)

The writer, associate professor of African history at the Purchase college of the State University of New York, has been a frequent visitor to Nigeria since 1958 and recently spent seven months there.

James Aneke, an Ibo now in his late 20s, spent the two and a half years of the Nigerian civil war inside the ever-shrinking Biafran enclave, driving an official's car. He says with honesty that he was a loyal Biafran during the war. Now, with equal honesty, he calls himself a Nigerian. He is not unusual in this.

His was a frequent pattern: Very bright, he had only five years of primary school because his father could not pay further school fees. Now he was responsible for his own wife and children and for his parents. Their village was some 25 miles from Enugu, once capital of Biafra and now capital of the East-Central State. He had no permanent job when he drove me around the country; unemployment, a problem throughout Nigeria, is especially severe in the former war zones. Now he is a driver for the East-Central State Marketing Board. "When I got the appointment paper," he told me, "I nearly run mad because of happiness."

When I asked him how his relatives had come through the ordeal, he said, "All alive, thank God." I had heard that over and over in Iboland in 1970, the summer after the war ended: "We have very little, but thank God we're alive." These responses referred to family in the African sense; not just husband or wife and children but as many as 50 or 60 people.

It is not that no one died: The very young, the very old, the very poor surely did. Sometimes whole families did. We may never know accurate numbers, nor have them corrected for peacetime mortality rates. The population of Biafra was some 15 million; Nigeria as a whole has perhaps 60 million. Any number of deaths is too high but they did not approach wartime estimates, which ranged up to 6 million. One recent educated guess put the figure at 600,000, Biafran and Nigerian, military and civilian. There was no genocide, and that fact partially explains the reconciliation.

IBO EVERYWHERE

By the time we were through, James Aneke and I had visited 11 out of the 12 states whose creation in 1967 spurred the Biafran secession. We had been in almost every major northern city where anti-Ibo rioting and killing had broken out in 1966.

No doubt Aneke's cordial reception everywhere owed something to my presence; in many places I had friends, and they took special care to make arrangements. But the interest and even warmth surprised him. They often surpassed the automatic Nigerian extension of hospitality to strangers. The Hausa who gave him a place in their rooms did not have to show him the town in the evening. It all seemed to him—not just to me—to express something about being one country again.

"Excuse me but I want to go look for my brother." That became a refrain. The "brother" was usually some man from Aneke's extended family or from his village. And usually they found each other. One was at the Nigerian Defense Academy at Kaduna, which had been the capital of the former Northern Region and now housed the government of the North-Central State. An Ibo, of course, he was being trained as an officer in the Nigerian army. Traveling in the Benue-Plateau State, we found another studying in the new university at Jos, and others trading in Oturkpo. There were young men with semi-skilled jobs in Calabar in the South-East and Benin in the Mid-West; others were working in Lagos. In other words, Ibo were all over Nigeria.

"REABSORBING" THE IBO

But James Aneke's extended family and friends from villages near his own could not alone measure the Ibo presence throughout the country. What of those he only knew of, the Ibo intelligentsia and those holding government jobs before the war? These were men who played key roles in planning for Biafra and running it. Gen Yakubu Gowon, the Nigerian head of state, had announced total amnesty at the end of the war. He meant it, and since he was popular from having led the country to victory and unity, he was able to enforce it.

Restoring the academics to suitable posts was not much of a problem. More difficult was what to do with senior civil servants. Their peers on the federal side pointed out none too gently that they had hardly been loyal to Nigeria. The practical problem was even more sticky: What would happen to the non-Ibo who had taken their places working on Nigeria's side for more than three years?

After some months' deliberation, very much the Gowon style, those Ibo over 55 were retired (many have gone into business, successfully acquiring government contracts from federal and state governments all over the country). Less senior ones were simply "reabsorbed" into the service, as the Nigerians put it. Even with the Biafran army, Nigeria "reabsorbed" most junior officers and retired their seniors, some with and some without benefits. Only 30 officers remain in detention.

There are also new appointments. Almost all state governments are recruiting Ibo for permanent posts, something rare for the prewar regional governments. Ibo are now in the civil service of the Mid-West, Lagos and South-East states, in all six states of the former North, and they are there in the hundreds. Some states have sought Ibo teachers; the South-East now has Ibo magistrates. The Federal Public Service Commission recently recruited 150 graduates, all Ibo, from the University of Nigeria at Nsukka in the East-Central State.

In that state, of course, Ibo hold all important posts. Most of them were Biafrans. Although the civilian governor chose the federal side during the fighting, almost all his commissioners were active in the Biafran effort. These men object to the criticism, mostly from outside the country, that the East-Central government is somehow not "Ibo" enough. It could not be more so, they argue, and they resent the implication that they are not working hard enough for the best interests of the Ibo people.

Ibo are back at jobs in federally run corporations, and on newspapers (including those in Kaduna and Benin). Ibo engineers and executives have returned to foreign businesses and banks. Ibo-owned transport companies have trucks plying the roads to and from northern cities. A company owned by the East-Central government has the contract to rebuild bridges on the road leading north from Lagos.

THE RIVERS PROBLEM

The one exception to this amity is in the Rivers State, especially Port Harcourt, the capital. In Port Harcourt, next to Lagos the country's most important port, some 80 per cent or more of the population before the war was Ibo. It is a city of the 20th Century, which is when the Ibo arrived there, coming in time to own over 90 per cent of the land. Except for Port Harcourt, however, the Ibo had not lived in much of the Rivers State. There and in the South-East State are some 5 million people—Ijaw and Ikwerre and Ibibio and Efik and others, and they had long bridled under Ibo domination, as many of them bridled when the Ibo included them in Biafra.

Ibo control of Port Harcourt with its lively prosperity had particularly irritated the Rivers people who claimed the land had been theirs for generations. The vast oil resources found in the Niger delta and offshore in the '60s, and the economic boom they brought to Port Harcourt, increased the tension; would the new wealth go to the Ibo?

The Rivers people, however, despite their resentment of Ibo power and money, had not automatically offered their allegiance to the federal government in the conflict with Biafra. Most had chosen the Nigerian side, but they had been pulled in both directions. True, the federal government had just given them their own state, for which they, like the other "minority" peoples who make up some 50 per cent of Nigeria's population, had been agitating for years. They would no longer feel themselves so outnumbered. And with their own state they could have some control over the oil coming from beneath their land.

But there were also the 1966 massacres in the northern cities. Directed mainly against the Ibo, they engulfed others killed as Ibo though they were not. Some Rivers people who had lost relatives believed that they had no choice; they had to go with the Biafrans. Families split, some supporting Biafra and some Nigeria. Some had members who fought and governed for each side.

There was more bitterness in the Rivers than anywhere else. The Biafran occupation wasn't easy for non-Biafrans; then came the federal liberation, or as some saw it, yet another occupation. (Tired and hungry Ikwerre villagers north of Port Harcourt said in August, 1970, "What the Biafrans didn't take the federals did." After a pause one of them had added, "But we were always Nigerians.") Finally had come a Rivers State government, run (at last, some said) by Rivers people, but hampered by the needs of a continuing war.

THE "ABANDONED PROPERTIES"

After the war, Port Harcourt was a hollow empty city. If Ibo were not being forcibly prevented from returning, they were being actively discouraged. Almost three years later, it was the one place where serious tensions remained; it was the one place that aroused Ibo apprehension. Ibo laborers and stewards and even some traders had gone back and had met no harm, but Ibo landowners and businessmen still made tentative ventures, not wanting to risk even an overnight stay, unless it were with friends. Some still did have friends.

When James Aneke had gone north with me, only his parents had worried. As we entered Port Harcourt, he was a bit nervous himself, an Ibo keenly aware of the bitterness there toward his people. Once in the city, however, he relaxed quickly as he found that, yes, there were Ibo going about their usual—if small-scale—business. Soon he was to be exuberant over our visit, for the Rivers friends I was staying with were living in and wanted to buy a house that belonged to a successful Ibo enterpreneur and former politician for whom he had once worked.

The fate of such "abandoned properties" is the real issue now. When the Ibo left the North and the Mid-West, when they left Calabar in the South-East, the states set up "abandoned properties" authorities which collected and banked rents, returned properties after the war, or paid compensation. But nowhere was the issue so touchy or so critical as in Port Harcourt, and nowhere was it dealt with less smoothly or equitably. The Rivers argument was simple: "We cannot be tenants in our own capital." Many non-Ibo in Nigeria understood the Rivers problem, and many Ibo came to understand it, but few of either still have patience after all this time.

They are joined in their impatience by a few Rivers people themselves. "We either have to give back the properties and let them do with them as they choose, or we must pay compensation. Fair compensation. But to do little or nothing is unfair and unjust, and it doesn't help Port Harcourt either," said one Rivers man, now in the federal government.

Capital is desperately needed today in the Ibo's East-Central State. The Ibo have come far on that energy for which they are famous, and the federal and state governments have poured in money. But the war affected East-Central's resources as it did those of the other war-torn states, and the federal government has demands on it from 12 sides. Income from the Port Harcourt properties could rehabilitate large extended families, and it could produce many jobs. Ibo agree that they will not be the ones to start any future trouble in Nigeria. But they pause, and say that Port Harcourt does rankle, and that if trouble were to start somewhere else, this is the only issue that could pull them in.

Some think it is a problem for Gen. Gowon, since he created the states. An Ibo official—one of the few who openly opposed secession from the start and nearly died in detention inside Biafra—quotes a proverb: "A small boy may shoot an arrow, but the arrow was made by a big man." Others insist that if the states are to mean anything, the Port Harcourt problem must be left in Rivers hands—that is, those of the military governor, a navy frogman who took office at age 24, and whose main preoccupation is golf. But the Rivers problems, for all their severity are confined to one of Nigeria's 12 states.

A CHANCE OF SUCCESS

Americans who remember the photographs and the passion of the war have a problem understanding the reconciliation. But Nigerians, including ex-Biafrans, know that the causes of the fighting were very complicated. They know what has happened since it ended. Most of all, they know that they have many concrete reasons to want a strong, stable, united country.

In New York City late in 1972, a Nigerian publisher and the Nigerian consul general met at a dinner party. The publisher was Ibo and had spent the civil war inside the Biafra he had believed in; the consul general was Hausa, then as now an official spokesman for the "One Nigeria" he believed in. Nonetheless, they shook hands and settled into amiable conversation, just as James Aneke and non-Ibo he had met all over Nigeria had done.

Wherever such encounters take place, the talk soon turns to the future. Nigerians, who have long been self-critical, know that they have many problems yet to solve. Their loudest complaints are still about corruption, and their most animated conversations are about to return to civilian rule, inflation, unemployment and fair distribution of the country's oil-based wealth.

But they have already made extraordinary progress on the problem which in 1970 seemed overwhelming: postwar reconciliation. If they can maintain their new understanding of each other, and apply it to their other challenges, they have a better chance than the greatest optimist could have hoped three years ago to create a Nigeria successful in their own eyes, important to Africa and to the world.

EDUCATION PROGRAMS FACE PROBLEMS

Mr. PEARSON. Mr. President, the administration's fiscal year 1974 budget request has caused considerable controversy in Congress. I share many of the concerns voiced by my colleagues, and feel that a critical examination of the budget will be in order. Prior to that, however, two education programs face immediate problems during the remainder of fiscal year 1973. Specifically, I am referring to proposed reductions in funds under title I of the Elementary and Secondary Education Act, and title I of the Higher Education Act.

The revised budget for fiscal year 1973 provides no floor under title I, ESEA. This provision—that no district may receive less funds than in the previous year—was specifically provided in the 1972 supplemental appropriation, as it has been every year since 1967. Its removal for the remainder of this year will seriously affect many local school districts.

The inequity of this situation is demonstrated by reviewing its impact on a district's planning and budgeting. In Kansas, for example, the removal of the floor means that program support will be reduced by more than a million dollars. Even the most conservative school districts budgeted for this year on the basis of 90 percent of last year's funding. The planned reduction would mean that ESEA title I programs would be funded at 75 to 80 percent of the fiscal year 1972 budget. In one school district, this would affect 200 employees, whose jobs could be terminated by mid-April. When added to the impact of terminating program benefits to schoolchildren, this creates an intolerable situation.

For these reasons, I would hope that the Senate in considering the Labor-HEW funding for the remainder of fiscal year 1973, will specify that a floor be placed under ESEA title I funding.

University Community Services, funded under title I of the Higher Education Act, is a second program which needs our attention. Although the administration claims that the program "has not been able to define a mission for itself independent of other Federal programs," my experience has been to the contrary. HEA title I funds have been responsible for assisting many Kansas communities to resolve some of their most critical problems. Contacts between academic institutions and smaller communities have also been facilitated by this program.

Congress saw fit to provide $15 million for HEA title I in the vetoed HEW appropriations bill. The budget request for fiscal year 1973 is $5.7 million, and the fiscal year 1972 funding level was $9.5 million. Again, I believe it crucial to provide for ongoing services at a level at least equal to that available in fiscal year 1972.

Mr. President, I have emphasized these two specific programs because I feel that they would be inordinately harmed in the remainder of fiscal year 1973 if special precautions are not taken. I intend to be in communication with the administration, and will also convey my position to it. In the meantime, those of us in Congress must take special cognizance of these ongoing programs. To abandon them in the middle of the year is unacceptable.

COMMUNITY HONORS BLACK JOURNALIST

Mr. TUNNEY. Mr. President, Jessie Mae Brown Beavers, a distinguished southern California journalist, recently celebrated her 24th anniversary on the Los Angeles Sentinel, whose masthead she graces as women's editor.

Ms. Beavers has enjoyed and continues to enjoy an outstanding career in journalism. Her professional ability and her outstanding public service have helped build a positive image for black people and have strengthened the community immeasurably.

Her contributions have been recognized by many groups and organizations. She has received the Outstanding Woman in Journalism Award from Women in Communications—Theta Sigma Phi—the Arch Angel Award from the Central City Business Association and the President's Council on Youth Opportunity Award.

Recently the members of the Los Angeles community gathered to pay a well-deserved tribute to Ms. Beavers.

At this time I would like to add my personal congratulations and gratitude for her outstanding personal and professional contributions. I also ask unanimous consent to have printed in the RECORD an account of the recent tribute paid to Ms. Beavers, which appeared in the January 31, 1973, editions of the Los Angeles Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMMUNITY HONORS BLACK JOURNALIST

(By Elevyn De Wolfe)

"This honor is long overdue," said Antoinette Atkinson, addressing more than 800 leaders and members of the black community who gathered Sunday at the Beverly Wilshire to pay tribute to journalist Jessie Mae Brown Beavers.

The "special edition" salute to the women's editor of the Los Angeles Sentinel not only recognized a media expert "on whom we all at some time seem to call upon for encouragement and recognition," but also a catalyst and activist dedicated to bridging the gap in racial and ethnic communication.

One by one, friends approached the microphone to speak with warmth and gratitude about Jessie Mae Beaver while in the audience a legion of admirers listened and cheered, including an impressive male contingent—George Beaver, Tom Bradley, Gilbert Lindsay, Federal Judge David Williams, Lloyd Covington, Dr. Leroy Weekes and Edward Atkinson.

SMILES, TEARS

Later, the youthful and attractive honoree (whose husband, mother and three children were also present) smiled through tears. "Now I know why they save the eulogies 'til after you're gone. It's a hard thing to go through."

The Rev. J. Raymond Henderson, minister of the Second Baptist Church, spoke of a little girl he watched grow up in a family deeply committed to helping others. "I used to call her my little brown sugar. How sweet she still is."

Mrs. Ruth Washington, managing editor of the Sentinel and wife of its publisher, said: I can't believe Jessie has been on our staff for 24 years." She credited Mrs. Beavers with many imaginative and innovative features, including annual awards designed to unify a diversified group of black women. "I think of her as the voice with a smile and rare ability to bring people together."

Municipal Court Judge Vaino Spencer said that "recognition is a need as basic as food, shelter and love. Jessie has recognized this need. She has been an instrument of constructive change in the quality of life in our community."

BLACK BEAUTY

Mrs. Leontyne King, who has been repeatedly on the 10 best dressed list of the black community, remarked on Mrs. Beavers' efforts to dramatize beauty and glamor "not only in recognizing the black society's best-dressed but in pointing up the importance of good grooming in workshops for young people. She has helped build a positive image and pride among blacks."

Inez Kaiser and Ursula Murell (introduced by program chairman Thelma Houston) added their comments about Mrs. Beavers' far-reaching influence on the national scene and her personal involvement in furthering the cause of adoption "beyond the boundaries of race, color or creed."

In a humorous poem, Gertrude Gibson Penland summed up the honoree as "disarming and charming."

"My friends always kid me about being late," said Mrs. Beavers over coffee earlier in the week. "I feel I do better cramming and juggling appointments. Better to show up late than not at all. When everyone is groping for identity, the media plays an important role in showcasing and promoting the good that's being done."

The founder of Los Angeles chapter of Media Women (a national association of black journalists), Mrs. Beavers bemoaned the fact that "when it comes to the umbrella media, I'm afraid our community has been sorely overlooked." Citing a marked improvement in metropolitan press coverage of minority affairs, Mrs. Beavers said "there is a vast number of people in our community who look to daily papers for recognition."

For her efforts in the field of communication as well as volunteer service, Mrs. Beavers has been the recipient of many honors including the Outstanding Woman in Journalism Award from Women in Communications (Theta Sigma Phi), the Arch Angel Award from the Central City Business Assn. and the President's Council on Youth Opportunity Award.

Mrs. Beavers credits her mother (Mrs. Arnetta Hoyt Brown) for shaping her present values. "She used to tell us to be pleasant, honest and never settle for mediocrity. She impressed on us the fact that it doesn't hurt to go a step beyond and help others—it doesn't take a millionaire to be a philanthropist.

"My three brothers and four sisters have always been involved in community work so as a journalist I've had the advantage of a built-in stringer system in my family. They keep me informed."

During student days at Los Angeles High School and later at UCLA, this native Californian had a column on What's Going On With the Younger Set published in the old California Eagle. She worked for the Eagle before joining the Sentinel.

As a young matron with three small children she was active in Jack and Jill and was kicking up her heels at the Moulin Rouge as a member of the charity-oriented Turnabouts. "Today I lean toward the 'forgotten areas' like the Stovall Foundation for senior citizens, the oldest of our charities which started out 40 years ago as the Outdoor Life and Health Center for respiratory ailments at the present site of the City of Hope."

Another major concern is her work with the Lullaby Guild of the Children's Home Society and the orientation workshops for volunteers she has conducted for Chicanos and blacks at County USC Medical Center.

THE BOXCAR SHORTAGE

Mr. JACKSON. Mr. President, on behalf of the senior Senator from Washington (Mr. MAGNUSON) and myself, I wish to congratulate the Committee on Agriculture and Forestry and its Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, for the prompt attention and diligence shown in bringing Senate Resolution 59 to enactment. The State of Washington is vitally concerned in the problems of transportation of grains and in the impact of boxcar shortages upon all users of the railroads.

Certainly the shortage of railroad freight cars and the ineffective utilization of existing freight cars has repeatedly been a problem affecting the harvest of agricultural commodities in the State of Washington. Further, the shortage of boxcars has been such a long-lasting and predominant problem for the forest products industry, as well as many others, that the matter has come to the attention of the Committee on Interior in relation to the supply of lumber and plywood and it has been the subject of detailed hearings over a considerable period of time before the Committee on Commerce. In fact, during the previous Congress, there was created by the Commerce Committee a Special Subcommittee on Freight Car Shortages.

Senator MAGNUSON and I were both pleased to note in the remarks of the Senator from Kentucky (Mr. HUDDLESTON), the chairman of the subcommittee, that there is a recognition of the need for construction of additional freight cars, a matter which comes under the jurisdiction of the Commerce Committee. This need was specifically placed before the Senate last year when, by a vote of 81 to 0, this body passed a bill, S. 1729, designed to provide railroads with financial assistance to expand their rolling stock, especially boxcars.

In the present circumstances, faced with tieups in ports and apparently throughout the rail systems, because of the shipments of grain to the Soviet Union, I believe we want to be as helpful as possible. But in doing this, we certainly would not want to upset or divert the allocation of freight cars to other shippers having regular and annual heavy demands for such boxcars. This was clearly stated in a letter dated February 2, 1973 from the Forest Industries Council to the chairman of the subcommittee. I should like at this time to quote here the pertinent portions of this letter which set forth the concerns of the forest products industry:

> From the standpoint of all of the paper, lumber, plywood and other forest products industries, the issue of shortages of boxcars is a familiar one. The forest products industry is one of the largest users of freight cars and periodically we face great difficulties in obtaining adequate rolling stock to meet the demands for paper, lumber and plywood shipments. It was for this reason that we strongly supported the bill—S. 1729—which last year passed the Senate by a vote of 81–0. It is for this very reason also, at this time, that we call your attention to the needs of the forest products industry as being of equal importance to the economy of the country.
>
> Certainly we would not want to see freight cars diverted from paper, lumber and plywood mills throughout the Nation in order to solve a temporary problem for grain shippers. This would simply compound traffic difficulties in other segments of the economy. In helping to resolve the problems of the grain shipments, therefore, we urge the subcommittee to protect at the same time other products and commodities having a legitimate claim, long established, for efficient and adequate rail transportation services.

I believe that these concerns are valid which is why I felt that Senate Resolution 59 had to encompass the problems of other shippers and other interests that would be affected directly by recommendations of the special committee which this resolution urges be appointed by the President of the United States. The forest products industry collectively represents, as shippers, the largest single source of revenue to the railroads in the United States.

It is appropriate to stress, at this point, that forest products shippers account for at least one-sixth of the total freight use of the railroads in the United States. For example, roughly 86 perecnt of the total mill volume of the paper industry goes by rail. In the lumber industry we estimate that about 78 percent of all lumber, plywood, and other wood products travel by railroad. The problems of availability and efficient use of railroad freight cars, therefore, are of vital concern to all timber, pulpwood, paper, lumber, plywood and other wood products producers.

The purpose of the amendment was to make sure that the special committee described in the resolution be composed of the appropriate shipping interests most affected by solutions to the current grain shipping problem. It provided specifically that the special committee include a representative from the forest products industry which has a vital stake in the efficient utilization of railroad freight cars, the central problem to which this resolution is addressed.

THE 160-ACRE LIMITATION

Mr. METCALF. Mr. President, the leading national authority on the acreage limitations of Federal reclamation law is Prof. Paul S. Taylor, of the University of California at Berkeley. Professor Taylor remembers what the Congress set forth as policy. He keeps track of the violation of the law, and the several judicial opinions concerning it, including the momentous decision of Federal Judge William D. Murray last year that 55 years of administrative nonenforcement of a valid law does not invalidate the law. Congressional Record, volume 118, part 28, page 37564.

Early this year Professor Taylor testified before the National Water Commission in Phoenix. There he discussed the law and its nonenforcement in the context of the review draft of the Commission, which has tentatively recommended termination of acreage limitation upon payment of a modest fee by large landholders which have benefited from their violation of the law.

Professor Taylor's testimony can be of value to Members of Congress and the officials charged with enforcement of this statute. I ask unanimous consent to insert at this point in the Record Professor Taylor's testimony.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Acreage Limitation Provisions of Reclamation Law

1. My name is Paul S. Taylor. At this hearing I represent Friends of the Earth on the subject of the National Water Commission's review draft recommendations on the acreage limitation provisions of reclamation law. Between 1943 and 1952 I served as consultant on this subject in the Interior Department under Presidents Franklin D. Roosevelt and Harry S Truman. In 1958 the United States Supreme Court in its unanimous decision upholding acreage limitation cited my article entitled "Excess Land Law: Execution of a Public Policy," Ivanhoe v. McCracken, 357 U.S. 275 at 292; 64 Yale Law Journal 477)

2. The provision of reclamation law, the removal of which the review draft recommends at the excess landowners' option for a modest fee, reads as follows:

"No right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner, and no such sale shall be made to any landowner unless he be an actual bona fide resident on such land, or occupant thereof residing in the neighborhood . . ." (32 Stat. 389; 43 USC 439)

3. The United States Supreme Court has stated the purpose of acreage limitation on water deliveries to private lands with unmistakable clarity. It says:

"As to the claim of discrimination in the 160-acre limitation, we believe that it overlooks the purpose . . . (It) was designed to benefit people, not land. It is a reasonable classification to limit the amount of project water available to each individual in order that benefits may be distributed in accordance with the greatest good to the greatest number of individuals. The limitation insures that this enormous expenditure will not go in disproportionate share to a few individuals with large land holdings. Moreover, it prevents the use of the federal reclamation service for speculative purposes." (357 U.S. 275 at 297)

4. In the mid-forties when the question before Congress was whether to remove acreage limitation from the California Central Valley Project—and Congress declined to do so—then-Secretary of the Interior Harold L. Ickes put the issue this way:

"It is the age-old battle over who is to cash in on the unearned increment in land values created by a public investment . . . (T)heir principal objective is to avoid application . . . of the long-established reclamation policy of the Congress which provides for the distribution of the benefits of great irrigation projects among the many and which prevents speculation in lands by the few." (Ickes to Editor Frank Clarvoe, San Francisco News, Oct. 31, 1945)

5. In viewing with disfavor the provisions of law to assure widespread distribution of the benefits of reclamation and landownership, the review draft of the National Water Commission follows in the footsteps of others seeking to weaken or remove them. One of these was California Governor Ronald Reagan's Task Force on the acreage limitation, chaired by a man experienced as attorney for a giant corporate landowner, and a majority of whose members professed opposition to the principles of the law. Former Senator George Murphy introduced a bill in 1969 to give effect to the Task Force's recommendations, saying the law was "unrealistic, uneconomic, unjust and obsolete." Congress took no action. Earlier Congressman Clair Engle undertook the task of undermining acreage limitation law, with modest success in passage of the Small Reclamation Projects Act of 1956. (70 Stat. 1044) Payment of a moderate interest charge was substituted for disposal of excess lands under reclamation law.

6. As preface to undertaking his task, Engle told Congress: I grant you, you start kicking the 160-acre limitation and it is like inspecting the rear end of a mule: You want to do it from a safe distance because you might get kicked through the side of the barn. But it can be done with circumspection, and I hope we can exercise circumspection. (Hearings before Interior Subcommittee on Irrigation and Reclamation on H.R. 104 et al, 84 Cong., 1 sess., 70 (1955).)

Passage of the bill in the Senate, which at first killed it, was helped by an "error"—somebody, somehow, failed to honor the customary courtesy request of the chief Senate opponent of the bill to be notified when it reached the floor a second time. (102 Cong. Rec. 13659 (1956).)

7. Another step toward undermining present law was the 1970 Public Land Law Review Commission chaired by former Congressman Wayne N. Aspinall, of Colorado. The Aspinall Commission recommended that agricultural use of land "should not be burdened by artificial and obsolete restraints such as acreage limitations on individual holdings, farm residency requirements, and the exclusion of corporations as eligible applicants." Apparently the review draft holds similar views.

8. Apparently the Commission's review draft is indifferent to, or discounts the importance of distributing benefits "in accordance with the greatest good to the greatest number," as stated by the United States Supreme Court. Likewise, private speculation in incremental values founded upon use of a public water resource. Agricultural land values promptly multiply five to ten times with the coming of water. Then, with transformation of the same lands into cities—likewise dependent upon the coming of public water—private receipt of "unearned increment" becomes monumental.

9. In the 92nd Congress bills were introduced to recapture such windfall profits from excess lands for the benefit of the public treasury which so largely creates them. They proposed administration of excess lands by a Reclamation Lands Authority empowered to preserve open spaces and curb urban sprawl. They proposed—in the land grant tradition of Abraham Lincoln—to allocate a portion of the windfall profits to the support of public education. Seven Congressman and four Senators sponsored these bills. The recommendations of the review draft would destroy the opportunity for any such constructive measures to improve public finances and the environment. (H.R. 5236 et al; S. 2863.)

10. The review draft apparently relies heavily on a contracted study by Harry J. Hogan, entitled "Acreage Limitation in the Federal Reclamation Program." This study, in commenting on the above bills, denies that the public treasury can recapture windfall profits the public investment creates. It states:

"A landowner has a right to be compensated . . . for what the market determines it to be worth . . . The advent of project water is typically discounted long years before the arrival of the water on the project lands. This being the case, the Federal Government in purchasing the pre-project lands would pay close to a price for land that reflected its post-project value; there would be very little, if any, profit on resale with which to finance land resettlement or anything else." (Pages 289–90)

11. One wonders whether the author of the study has read the law itself. As enacted in 1926 it certainly does *not* corroborate his interpretation that an owner of excess lands "has a right to be compensated for what the market determines it to be worth," including anticipation of the "arrival of water." On the contrary, the law prescribes a price determined *"without reference to the proposed construction of the irrigation works."* (43 U.S.C. 423e; emphasis supplied)

12. The contract study claims support for its interpretation of law as meaning "market price" rather than price "without reference to the proposed construction of the irrigation works." The study says:

"Of 100 sales in 1971 in Region 2, in which land prices seemed to be current market value or close to it, only 6 were disapproved by the Bureau because the sales price was in excess of pre-project values." (Page 290)

13. Failure of reclamation administrators and owners of excess lands to observe the law the administrators are sworn to uphold is neither new nor infrequent. Here are a few examples:

Example No. 1: Acreage limitation's twin requirement-residency. "National policy, as expressed in the reclamation law, is to provide homes for people. Homes are possible only where speculation and monopolization are not possible. . . . The residency requirement in Section 5 is a second expression of that national policy . . . Failure to enforce residency subverts the excess land limitation . . . The fact that residency has not been required by the Department of the Interior for over 55 years cannot influence the outcome of this decision. Failing to apply the residency requirement is contrary to any reasonable interpretation of the reclamation law as a whole, and it is destructive of the clear purpose and intent of national reclamation policy. It is well settled that administrative practice cannot thwart the plain purpose of a valid law." Yellen v. Hickel, Partial Summary Judgment, No. 69-124-Murray, U.S. District Court for the Southern and no such sale shall be made to any land- District of California, Nov. 23, 1971. (Cong. Rec., vol. 117, pt. 35, p. 46232.)

Example No. 2: Imperial Valley, California. In 1933 Interior Secretary Ray Lyman Wilbur decided *not* to apply acreage limitation to Imperial Irrigation District under the Boulder Canyon Project Act of 1928.

Three years earlier, on November 4, 1930, Secretary Wilbur's Executive Assistant, Attorney Northcutt Ely, wrote a contrary view:

"The Reclamation Law's limitation of 160 acres to a particular owner presents a serious problem, in view of the fact that this, being an existing project, includes many farms with larger area. I see nothing to do but enforce it unless the Imperial Irrigation District can get new legislation. In any event, enforcement of this requirement would undoubtedly have a salutary effect on suspected speculative activities in that locality." (171 ID 528)

In 1945 Interior Secretary Harold L. Ickes applied acreage limitation to Coachella Valley served by an extension of facilities serving Imperial Valley under the same Boulder Canyon Project Act. (171 ID 533) In 1964 Secretary Stewart Udall decided that acreage limitation applies to Imperial Valley as well as to Coachella Valley. (171 ID 496)

Long before, in 1944, Attorney Northcott Ely repeated to Congress his 1930 belief that acreage limitation applies to Imperial Valley, to the Salt River Valley, and to Central Valley of California, but that no enforcement of the law on any of these projects should be expected. He told Congress:

"If no action were taken at all as to Central Valley, I imagine that the course would be exactly as it has been on the Salt River project and in Imperial Valley: that the law would remain on the books, the prohibition of delivery of water to holdings in excess of 160 acres . . . If they were permitted to come into the districts, the law would simply have to be ignored, as it has been on these other supplemental water projects." (Hearings before Senate Commerce Subcommittee, 78 Cong., 2 sess., on H.R. 3961, 632)

As to Imperial Valley, the issue is now before the Circuit Court of Appeals. One Federal Judge, who said acreage limitation does not apply, denied the request of landless persons to appeal his decision, saying they have insufficient interest in the issue. Another Federal Judge in the same District Court, who said the twin requirement of residency does apply, heard both landless and landowners alike, each representing its own interest. (322 Fed. Supp. 11 (1971); 335 Fed. Supp. 200 (1971)) "Land to the landless" has been a slogan in the movement for federal reclamation. (Harrison Gray Otis, Ninth National Irrigation Congress, 1900, 240)

Example No. 3: Salt River project, Arizona. In 1949 Republican Congressman Donald L. Jackson, of California, described to Congress the failure of bureaucrats to require law observance on the Salt River project:

"It is true that under reclamation law, each individual ownership is entitled to 160 acres of irrigated land. However, in the Salt River area alone . . . About 32 percent of the irrigable land . . . is held in excess ownership."

True, the Bureau of Reclamation says that the 160-acre law will be enforced if the Arizona project is built. But we know that this law has never been enforced there. There is no reason to believe it will be enforced in the future. Rather, there is every reason to believe that it will not be enforced . . . the idle land now held by the big landowner will immediately increase in value 6 to 10 times." (95 Cong. Rec. 10128 (1949))

Republican Congressman Jackson was corroborating and elaborating what Democratic Senator Sheridan Downey had said earlier on the floor of the Senate:

"I should like to say to the Senators from New Mexico and Arizona that we know there is a widespread evasion of the 160-acre limitation in their States. As a matter of fact there is very little attempt to enforce it." (90 Cong. Rec. 9500. Dec. 15, 1944)

The recommendations of the review draft of the National Water Commission are that we should assure the success of protracted nonobservance of the law.

14. The contract study made for the National Water Commission on acreage limitation dismisses the "family farm" as an agrarian myth," and recommends the law's abolition on grounds that we need more efficiency. How large must farms be to attain efficiency? How is efficiency to be defined? What are the effects to be upon consumers? Are environmental damages from so-called efficiency to be weighed, or are these to be rejected? These questions have been dealt with recently by Philip M. Raup, Professor of Agricultural Economics at the University of Minnesota. Testifying before Congress in 1972 he said:

"The large farm appears to be efficient, cost-conscious, and the source of much of our efficiency in agricultural production. But . . . If there are only large farms, the potentials for collusion, market sharing, restrictions on entry of new firms, and outright supply control are enormously increased.

"It is a part of our mythology of large firms that they are efficient. But the key question is: efficient at what? For very large farms, the answer is clear: At the exercise of market power . . . The ultimate ability of large-scale firms to externalize costs is measured by their capacity to pass on cost-of-production increases to consumers. It is this possibility that poses the most serious long-run threat from large-scale firms in agribusiness . . . The effects of concentration in agriculture are quite likely to drive up the relative price of food, in the long run." ("Needed research into the effects of large scale farm and business firms on rural America." Testimony before Monopoly Subcommittee of Senate Small Business Committee, March 1, 1972)

15. The issue of farm size eligible to receive water needs to be seen in reasonable perspective. California may be taken as an example. In some counties, it is true, average size of irrigated farm exceeds 160 acres—even the 320 acres allowed to man and wife under present interpretations of the law. For example, the average in Imperial County is 494.3 acres, in Kern County it is 466.6 acres, and in Kings County it is 383.1 acres. These counties lie generally in water project areas where ownerships are especially large. But the average for the state at the same time stood at only 127.8 acres. (Census of 1964) Advance sheets of the 1969 census show an average size of 141.8 acres, or 18.2 acres below the 160-acre limit and 178.2 acres below the allowance of 160 acres each to man and wife.

16. The answer to questions of efficiency become even clearer as one leaves statistics to examine the ground itself. The *California Farmer* of September 18, 1971 does this. The result is worth reading:

"What happens when irrigation water is introduced into the arid area? Does the 160 acre limitation help or hinder? What does farming become under imposed conditions?

Southern Tulare County may not give a final answer, but it is old enough so there is a pattern of farming emerging . . . .

Short term financing has become almost routine. Methods to make agriculture profitable are working. Economies of big production are in evidence. Also, the economies of the small producer are there. Farm planning has been brought to engineering perfection. Production costs have been held if not actually reduced.

In short, farming in southeast Tulare County has taken on a new glamor under the 160 acre limitation rule, or so it would seem. This has been done even in the face of the accusation that the limitation was throttling, rather than helping, agriculture.

The limitation rule actually appears to be solving long term financing problems for many owners. . . .

Ray Cawelti . . . is a skilled mechanic and green thumb artist, as well as a beginning owner of 20 acres of producing trees. This, too, may be an advantage of many ownerships and cooperative farm management. Capable persons, such as Cawelti, can have ownership hopes and ambitions which large acreage owners deny their workers.

The quality of living, too, in this new water area is good and has become available to many people. . . .

In this operation, efficiencies usually attributed to large acreages can be met and perhaps surpassed for an owner of less than 160 acres, while the quality of country living is increased.

The barren land of southeast Tulare County is fast becoming a profitable garden with high quality country living."

Hartt Porteous, Is this a New Era in California Agriculture? California Farmer, September 18, 1971.

17. The review draft apparently attaches little value to the "quality of living" described in the California Farmer. Instead of welcoming its emergence under the 160-acre limitation in 1971, the review draft apparently chooses to accept the contract study's conclusion that disappearance of balanced rural society is "inexorable." (Page 284) Clearly its disappearance is more likely without, than with, protections such as acreage limitation.

18. The contract study, and the review draft likewise, apparently is indifferent to private monopolization of land. The study prints without comment the fact that in a single water district on the west side of California's Central Valley, a single landowner (under two corporate names)—the Southern Pacific owns 108,789 acres. (Page 308) This amounts to 65 percent, or about two-thirds of the entire project area.

19. The Southern Pacific favors the Reagan Task Force recommendation that owners of more than 160 acres be given the option of avoiding the law by paying back part of the subsidy received. On March 4, 1969 the Southern Pacific stated:

"We believe that the 160 acre limitation has become antiquated in the light of improved modern farming techniques and that it tends to stultify the efficient development of California farm land. Consequently, we strongly support proposed legislation, along the lines suggested recently by Governor Reagan's Task Force, which would substantially increase the amount of the present acreage limitation, perhaps with a provision that those receiving water on such additional land would not be entitled to any subsidy but would have to pay full interest charges." (Comptroller General of the United States, Report to the Congress, "Questionable Aspects Concerning Information Presented to the Congress on Construction and Operation of the San Luis Unit, Central Valley Project." February 12, 1970, pages 16, 17)

The recommendations of the review draft appear to be in the same spirit. Whether this serves the public interest as well as it serves the special interest is a very different question. Opposition to acreage limitation from owners of excess lands has been general and sustained from 1905 to date. The limitation was accepted in 1902 only because Congress would not open the treasury and release the public water to private landholdings on any other terms.

20. The contract study upon which the review draft apparently relies, states that "the primary effect of the acreage limitation lies in justifying authorization of the Project . . ." (Page 284) Nevertheless, both contract study and review draft apparently conclude that on all "existing reclamation projects" the owner of excess lands should be allowed to remove this justification by paying some fraction of the subsidy that brought him water. (Review draft, 5–57) This reasoning is a nonsequitur. If Congress relied upon this justification when it authorized the projects in the first place, what reason is there for removing the justification now? It is more logical to make the justification valid by enforcing the law now.

21. Neither the contract study nor the review draft provides information on how much, or how little, the owner of excess lands on existing projects would pay into the treasury to avoid acreage limitation law. The reader is left to imagine for himself the specific meaning in dollars, project by project, of the draft's language:

"These four proposals would not fully recapture the subsidy granted to irrigation water . . . But . . . are thought to go as far towards recapture as is practicable." (5–57)

22. It is beyond dispute that the *legitimate* interests of excess land owners are to be recognized and protected. But the *dimension* as well as the *character* of these interests *should be recognized and weighed* when public policy is at stake.

23. One aspect of these interests is the windfall profits conferred by bringing public water to private lands. An early official study concluded that these amounted to an increase in land value of more than seven times. (Hearings on S. 912 before Senate Public Lands Subcommittee, 80 Cong., 1 sess., 205 (1947)) Another measure of benefits conferred upon landowners on existing projects is the subsidies received. Congressman Donald L. Jackson, of California, speaking of a Central Arizona Project under discussion in 1949, estimated the subsidy in these words:

"Irrigation features of the proposed project would cost $420,010,000, according to the Bureau.

"As 420 farms contain 55 percent of the irrigated land, it is therefore proposed to give them 55 percent of the irrigation benefits . . .

"This is an average of about $550,000 for each of the 420 farms. Just 420 individuals would receive this immense benefit. It would certainly appear to me, Mr. Speaker, that when it is proposed to spend more than half a million dollars of public money for each one of a favored few Arizona landowners, or speculators, Congress should step in and put an immediate halt to any discussion of any such proposal." (95 Cong. Rec. 10128)

24. Another and more recent estimate, attributed to unpublished studies by the Bureau of the Budget, places the subsidy unrepaid to the treasury at from $600 to $2,000 per acre, depending on variations in project costs. (Joseph Alsop, "And the Rich Get Richer," San Francisco Examiner, November 20, 1964.) Is it unreasonable to expect from the National Water Commission some definite figures, project by project, estimating how much it is "practicable" to recapture, and in the public interest to accept from owners of excess lands seeking release from acreage limitation law?

25. Perhaps no one better than Jack O'Neill—himself an owner of some hundreds of acres on the west side of California's Central Valley—has clarified the reasonableness, if not generosity, of present law. Harry W. Horton, Chief Counsel of Imperial Irrigation District testified to Congress in 1958:

"Let us lay the cards on the table with respect to Jack O'Neill. I will give you my own opinion of Jack O'Neill's willingness to sign the 160-acre limitation. He thinks if he gets water for 10 years on there without having to sell it, he can make enough money out of it so he can afford to sell the land at any old price. That is my own opinion of Jack O'Neill's willingness to back the San Luis project and accept the acreage limitation." (Hearings before Senate Interior Subcommittee on Irrigation and Reclamation, 85 Cong., 2 sess., on S. 1425 et al., 87, 88. (1958))

In other words, the law as presently administered to allow owners of excess lands ten years' use of public project water on their entire landholdings, can be viewed as not only fair, but as generous to those who comply with *present* law.

26. In the process of reclamation we are giving away not only public money, which the review draft understands *in respect to future projects*, but the *public water resource itself*. Is this resource to be had simply for the taking and in unlimited quantity? Two examples of getting the public water for the taking are conspicuous. One of these began three-quarters of a century ago; the other is beginning now.

27. Irrigation of Imperial Valley, California, began from a cut in the silted bank of the Colorado River made by enterprising and speculating men. From this beginning came not only crop production, but also ever greater demands for help from the public treasury, the monopolization of landownership, and unending resistance to observance of acreage limitation law and public policy. The ultimate outcome of all this has been the creation of a polarized society filled with tensions, not a homogeneous community with "great equality of condition," of the kind that for 200 years has furnished what Daniel Webster has called "the true basis most certainly of popular government."

28. A second example, now at its beginning, is the irrigation of land using public waters pumped by diverters from the Columbia River. In this manner Boeing Co. has begun to irrigate a remote 100,000-acre site in eastern Oregon. Apparently a first 1,820-acre unit is now in operation under a plan to lease to tenants. (Seattle Post Intelligencer, August 1, 1971) The implications to society of this development deserve careful scrutiny and evaluation.

29. The review draft states:

"The water users on some modern reclamation projects . . . repay no more than ten percent of the construction costs attributable to irrigation, the remaining costs being borne by the federal government . . ." (5–54)

In face of this huge subsidization, the review draft responds with curiously inconsistent remedies:

(1) As to the *future*, it recommends no more subsidies to irrigation.

(2) As to the *past*, however, it is willing to make permanent the failure of law observance and enforcement on big land holdings upon payment of whatever sum may be "practicable," however small. Why not, instead, enforce the law? We all agree it should be enforced on the streets.

(3) It is apparently willing to let anybody continue to take public water without limit and for free.

30. In his "Breaking New Ground" Gifford Pinchot, a right-hand man of President Theodore Roosevelt in founding the conservation movement early in the century, tells of the laying of cornerstone principles by the Conservation Conference of Governors. Reciting the Governors' resolutions he writes:

And the Declaration added this pregnant sentence:

"We agree that the sources of national wealth exist for the benefit of the People, and that monopoly thereof should not be tolerated." (Page 351)

The review draft abandons this fundamental principle by offering encouragement to land and water monopoly. The principle is no vague declaration of faith, but one on which to build publicly-planned land-use, preserve open spaces, check urban sprawl, and apply windfall profits in the land grant tradition to beneficial public purposes. These opportunities, now before the Congress, are not to be rejected lightly in favor of land monopolization.

The contrast in viewpoint between the review draft of the National Water Commission and the Committee on Water of the National Academy of Sciences—the highest scientific body in the nation—is striking. In his preface to the latter's 1966 report the chairman states: ". . . the management of water resources has evolved * * * to a stage where planning should center upon the needs of people rather than upon water *per se*." (Gilbert F. White, Preface to "Alternatives in Water Management," National Academy of Sciences, National Research Council, Report of Committee on Water. 1966). The report of the Committee states:

"Water planning should relate more to man's activities, needs, desires, and ability to manage water than to water itself. . . . The effects of water decisions considered thus far have to do with the total net benefits to society, regardless of who receives benefits or who is adversely affected. A different dimension, too long neglected as a matter of systematic analysis has to do with the distribution of benefits among persons . . . there should be explicit consideration of the distributional effects of water decisions . . . water management would be improved by . . . recognizing the social as well as the physical consequences . . ." (Pages 13, 29, 48).

It is strange that the review draft is content to place final decision on the distribution of so much public water in the hands of a relatively few very large landowners who get hold of it, either through government projects or on their own, by simply taking it in whatever quantities they may wish. (An example of critical comment on the National Water Commission is a statement by Senator Lee Metcalf, of Montana, inserted in Cong. Rec., vol. 116, pt. 28, p. 38245.)

31. No one saw the dangers of water and land monopolization more clearly than President Theodore Roosevelt. Acreage limitation was written into the National Reclamation Law at his insistence. In 1911 at the Commonwealth Club in San Francisco he told a main reason:

"I wish to save the very wealthy men of this country and their advocates and upholders from the ruin that they would bring upon themselves if they were permitted to have their way. It is because I am against revolution; it is because I am against the doctrines of the Extremists, of the Socialists; it is because I wish to see this country of ours continued as a genuine democracy; it is because I distrust violence and disbelieve in it; it is because I wish to secure this country against ever seeing a time when the 'have-nots' shall rise against the 'haves'; it is because I wish to secure for our children and our grandchildren and for their children's children the same freedom of opportunity, the same peace and order and justice that we have had in the past." (7 Transactions of the Commonwealth Club 108 (1912–13))

32. Finally, Friends of the Earth takes seriously the motto "Not Man Apart." Man is not safely to be separated from such fundamentals of his environment as the use

of water and land. The review draft, by favoring the termination of acreage limitation at the option of large landholders assigns high priority to alleged efficiency in crop production—a very limited criterion—and gives very low priority to man's "quality of living."

AIRPOWER IN SOUTHEAST ASIA

Mr. GOLDWATER. Mr. President, as the United States enters the first year of peace in nearly a decade, it becomes clear that the war in Southeast Asia has finally been brought to a successful conclusion largely by the judicious application of air power. There now seems little doubt that the strategic bombers of our SAC bomber fleet employed in a classic strategic role have brought the North Vietnamese to near capitulation.

In the air campaign from December 11 to 29, 1972, B–52's from bases in the South Pacific struck repeatedly at the military-industrial concentration of Hanoi and Haiphong. According to DoD sources reconnaissance shows that 80 percent of North Vietnam's electrical power capacity was wiped out. The country's petroleum and gasoline supply was more than 25 percent destroyed and every major military facility in the North was hit once and many were struck repeatedly.

Given this recent success, one cannot but conclude that had the United States bombed strategic targets in North Vietnam in the mid-1960's—as was advocated by some senior air commanders—as heavily as it did in December 1972, the war would have been concluded long ago.

It seems that in all wars we tend to forget lessons of the wars and suffer through the same costly, bloody learning situations again. Let us hope that the strategic bombing lesson of the 12 days in December does not escape us as we plan for the future. Airpower, specifically strategic airpower, can be decisive when applied against strategic targets—industrial and military—in the heartland of the enemy regardless of the size of the nation.

I ask that an article and an editorial appearing in the February issue of the Air Force magazine on the subject appear at this place in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE B–52: THE PHOENIX THAT NEVER WAS

(By John L. Frisbee)

As this is written, it is too early to say whether Linebacker II, the December bombing campaign against military targets in North Vietnam, reached one of its primary objectives—to persuade the North Vietnamese that a reasonable negotiating position is in their best interests. But at least the North Vietnamese have returned to the negotiating table, probably at the urging of the Soviets, who reportedly have been impressed by President Nixon's tough stance in the fact of mounting criticism both here and abroad.

As to the military effectiveness of Linebacker II, there can be no question. The impact of the twelve-day bombing campaign on North Vietnam's ability to renew large-scale offensive operations in the South is judged to have been equal to that of Linebacker I. That earlier bombing campaign in the North lasted from shortly after the start of North Vietnam's invasion of the South at the end of March until October 23—or nearly seven months. Most of those sorties were flown by Air Force and Navy tactical fighters.

The vastly more concentrated, more effective Linebacker II was, of course, a result of the increased use of B–52s, hitting targets largely in the Hanoi-Haiphong area. Against heavily defended area targets, such as railroad yards, airfields, military supply sites, repair depots, and port facilities, there is no substitute for the massed firepower of heavy bombers.

From an operational point of view, the effectiveness of Linebacker II, spearheaded by the B–52s, is not remarkable. There are, however, some remarkable aspects that have been minimized or ignored by most reporters and commentators and by political critics of the effort.

First, the B–52 campaign of December has been touted by people who obviously did not consult the history of air warfare, as the heaviest bombing attacks on record. That they were not, though a lot of ordnance was dropped in a relatively short period. At the same time, many of these people have lamented what they call the "devastating" destruction and "insufferable" casualties inflicted by the B–52s. How do these judgments on the weight and casualties of Linebacker II, repeated so often that they are widely accepted as fact, stack up?

The exact number of casualties is not known and may never be. Hanoi, not noted for missing any propaganda tricks, has claimed that 1,300 persons were killed and 1,260 wounded. Contrast that to the estimated 135,000 killed in the February 13–14, 1945, attacks on Dresden by 1,300 RAF and AAF bombers.

The remarkable thing is that there were so few casualties in North Vietnam, where many targets were actually within cities or on their outskirts. This is a tribute to the professionalism of USAF aircrews and the quality of their equipment. And to the policymakers' and planners' determination to hold casualties and collateral damage to a minimum.

But there is something even more remarkable. Five years ago, few airmen would have believed that the SAM defenses of Hanoi and Haiphong could be penetrated repeatedly by heavy bombers without disastrous losses. More than a decade ago, Nikita Khrushchev asserted that ICBMs and surface-to-air missiles had made the manned bomber obsolete—a bird on the verge of extinction. Apparently that view was shared by President Kennedy and Secretary of Defense McNamara. The notion has gained advocates over the intervening years.

That Hanoi-Haiphong is the most heavily defended area in the history of air war is so obvious that it has become a cliche. Those defenses, not attacked since October 23, were probably at their highest state of operational readiness at the start of Linebacker II. Yet, in 735 B–52 sorties between December 18 and 30, only fifteen B–52s were downed by SAMs—a loss rate of barely more than two percent. The loss rate of F–111s and other tactical fighters was considerably lower than that. Not one B–52 was shot down or—so far as we can determine—damaged by a MIG, although there were several MIG attacks.

During World War II, the average of bombers lost to flak and fighters in both major theaters was one aircraft for each *sixty-four* sorties. That included targets lightly defended or not defended at all—and there were not effective SAMs. Over Hanoi and Haiphong, one B–52 was lost to SAMs for each *forty-nine* sorties. But World War II bomber losses on such heavily defended targets as Berlin, Schweinfurt, Regensburg, and Ploesti (World War II analogs of Hanoi) ranged from ten to thirty percent *on a single mission*.

Skeptics who have downgraded the manned bomber and scoffed at the need for a follow-on B–1, take note. It's a sure bet the Soviets have. SAC's aircrews and their B–52s—the only strategic weapon system tested in a modern SAM/electronic warfare environment—have proved that they can penetrate SAM and fighter defenses and hit their targets. That is the essence of deterring both nuclear and large-scale conventional war.

It's not a bad idea to keep in mind the performance of the B–52s during Linebacker II—and the far greater operational clout of the B–1 that must replace the aging B–52s—as we watch our numerical superiority in land- and sea-based missiles trickle down the drain.

The bomber is not a Phoenix that has risen from the ashes of its obsolescence. It was never obsolete.

B–52's OVER HANOI

(By Robert Hotz)

A savage, significant, strategic air war was fought over North Vietnam during the last days of December. While the bombs were still falling and before the issue was decided, a gigantic international propaganda campaign was mounted by Hanoi and its sympathizers to distort both the nature and results of that decisive effort that led specifically to the cease-fire agreement and an official end to the shooting war in Vietnam.

There is ample hard evidence to prove what happened in North Vietnam during those 12 December days and nights. But this evidence is being withheld from the American people by their own government because of sincere, although we think mistaken, political reasons. Certainly the people of North Vietnam know what happened. The Hanoi government is aware of the crippling military/industrial damage it suffered and the sharpness of the prod that sent it back to serious peace negotiations.

With only the enemy's version of this significant battle being publicized around the world, we think the American people are in danger of drawing erroneous conclusions about the effectiveness of their military power and the role of diplomacy. For make no mistake, it was the swift massive destruction of their war-making potential and economy that sent the Hanoi negotiators back to the Paris peace table for serious business and not the siren song of able Henry Kissinger's Pied Piper diplomacy.

To understand what happened, it is necessary to look back to the summer of 1972 when the Hanoi government first appeared willing to turn the Paris conference charades into serious negotiations aimed at a genuine cease-fire. Its massive spring military offensive was in a shambles (The Military Reversal, Oct. 30, 1972, p. 7). Its summer offensive couldn't begin. Its vital arteries for war supplies had been severed by the mining of Haiphong and other ports and the new technology of the aerial interdiction campaign. Its only toutable victory in the field at Quang Tri had turned pyrrhic with the successful South Vietnamese counterattack.

With Hanoi at this military nadir, its Communist partners, China and the Soviet Union, shelved their own deadly struggle temporarily to join in a massive re-supply effort. Soviet ships clogged Chinese ports; the rail lines through southeastern China were jammed with cars of Russian and Chinese equipment heading toward Hanoi. The rail lines in North Vietnam were knocked out by air attacks, but the supplies ozzed south by truck and sampan until by October Hanoi felt strong again. The serious peace negotiations turned "frivolous," and Mr. Kissinger had to take to TV again in mid-December to tell the American people that peace was no longer "just around the corner."

Hanoi must have anticipated a U.S. resumption of bombing after it left the conference table. It was probably prepared to absorb the relatively light damage that the laser-targeted fighter bombers could inflict in the thick monsoon weather that usually blankets the north during the winter. But Hanoi was apparently totally unprepared for the swift and lonely decision taken by President Richard M. Nixon to unleash the massive, weather-penetrating weight of the 200-airplane B–52 iron bomb fleet based in the Far East. For 11 days, with only a 24-hr. pause at Christmas, the B–52s pounded military targets in the north from dusk to dawn. About 1,000 sorties were flown, each dumping 24 tons of iron bombs with radar-guided precision that was astonishing by any standards other than laser-guidance.

It was a savage air battle. The initial B–52 sorties were not tailored specifically to the new targets because of the swiftness of the orders. The B–52s were in action less than 24 hr. after the President made his decision. Hanoi marshaled its air defenses quickly. With the SAM stockpiles replenished and a two-month respite from defense-suppression attacks, it responded fiercely. B–52s began to be hit.

It was the first full-scale ECM war between massive offense and massive defense. As we noted earlier (Avionics' Dynamic Thrust, Feb. 21, 1972, p. 9), electronic warfare is a matter of flexible and skillful tactics as well as hardware, and the Hanoi air battle proved it. Both sides improvised tactics and equipment as the tide of battle surged. Hanoi tracked strobes from B–52 ECM emissions, triangulated sources, computed flight paths and then fired salvos as great as 100 SAMs along the bombers' predicted path. Some hits were scored. The North Vietnamese also relayed tracking data from remote radars to SAM sites whose radars were being jammed. New frequencies were used. B–52 losses reached a peak on the third and fourth days when six were lost.

The attackers were also changing their tactics. They abandoned their traditional stream for simultaneous approaches around the compass that foiled flight path prediction. Jamming techniques were more skillfully applied. Fighter-bombers attacked the SAM sites between B–52 raids.

By the fifth day, the northern defenses were beginning to sag and no B–52s were lost for two full operational days. Only random losses were experienced during the rest of the campaign.

By Dec. 28, the northern defenses were shattered, and B-52s roamed the skies with impunity. Hanoi could no longer track B–52s with its radar, get MIG–21 interceptors off their airfields or launch any significant SAM defense. The damage to the north was devastating. Virtually all industrial capacity was gone. Power generating plants and their transmitting grids were smashed. Gas and oil storage dumps were burned-out shells. Railroad marshaling yards looked like lunar landscapes. Roads and canals were clogged with shattered transport. SAM storage areas, tank, artillery and truck parks were pulverized. Military traffic dwindled to a trickle.

There are hundreds of aerial photographs in the Pentagon that authenticate this crippling damage, as well as the precision of the bombing of military targets. These pictures show some minor spillage of bombs into nearby civilian areas, but they refute the claims of "carpet bombing" of urban areas.

On Dec. 30, Hanoi decided to resume serious peace negotiations; the cease-fire is gradually being established, and U.S. prisoners of war are on their way home.

The American people, who have had so much of their blood and treasure squandered in futile, ineffective military effort in Vietnam, deserve to know that the war was finally ended by two decisive, effective applications of military power. And the lonely President, who made these unpopular but effective decisions, deserves their thanks for putting a period to this sad chapter of American history.

"POLICE DIGEST" POLICEMAN OF THE YEAR AWARD COMMITTEE

Mr. TUNNEY. Mr. President, Lt. Donald L. West, an outstanding California law-enforcement officer, has recently been named a member of the Police Digert Policeman of the Year Award Committee.

This is a most richly deserved honor for Lieutenant West. In his 11 years with the police department of Ontario, Calif., Lieutenant West has proven himself to be a dedicated and resourceful officer, highly skilled not only in police techniques, but in the art of community relations.

As a member of the Police Digest Policeman of the Year Award Committee, he will participate in selecting the man or woman whose performance of duties and personal qualities best reflect credit on the law-enforcement profession.

It is only fitting that an officer whose own abilities reflect such strong credit on his profession be chosen to help select the award winner.

The award is being sponsored by Police Digest magazine, published quarterly in Baltimore, Md. I believe such a contest, by spotlighting outstanding performance in law enforcement, can make a substantial contribution to our criminal justice system.

Serving with Lieutenant West on the award committee will be Pvt. James W. Cooke, Jr., of the U.S. Capitol Police; Chief James F. Ahern, former New Haven, Conn., police chief; Sgt. Charles C. Adams, of the Baltimore, Md., Police Department; Detective Beverly Parrott, of the Hollywood, Fla., Police Department; Capt. Vance M. Bingaman, of the Phoenix Police Department; Capt. Elwood L. Mowday, of the New Castle, Del., County Police; Lt. Gilbert E. Bollinger, of the Tennessee Highway Patrol, and Detective Earl R. Katsch, of Pikesville, Md.

NEWS SOURCE PROTECTION

Mr. EAGLETON. Mr. President, on February 15 I introduced the News Source Protection Act (S. 870) because I believe that unless news sources are able to rely on a newsman's promise of confidentiality investigative reporting will be severely handicapped and the public ultimately deprived of information which it should have. Particularly where stories about corruption in Government and criminal activity are concerned, confidential sources are the lifeblood of reporting.

Two articles which appeared recently in Missouri publications consider the critical role which a free press plays in our society and the importance of source protection to the free press. I ask unanimous consent that these articles be included in the RECORD. The editorial "An Officer of the Constitution" originally appeared in the December 1972 issue of Acres, U.S.A. "Hello, I Can Blow the Lid Off That . . .," appeared in the Kansas City Times on February 16, 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AN OFFICER OF THE CONSTITUTION

Peter Bridge, the former reporter for the *Newark News,* is now out of jail. He was released, his integrity still intact. He was sent to jail on the order of a Judge because he refused to reveal his sources of information. Bridge had written about a housing scandal in a scandal ridden county, and this was no-no stuff. The powers that be wanted to know the leak, and accordingly a Grand Jury demanded the source. Bridge refused—thus his stay in the clink.

This brings us to an important point.

The Courts have long held that an attorney is an officer of the Court. Communications he has with clients and sources of information are "privileged." No court will make an attorney reveal his source of information because the accused must be permitted confidence in his defender, or there will be no justice.

Still the Supreme Court has ruled that a reporter must tell his source of information. As Carl T. Rowan has aptly put it, "Even Supreme Court Justices are human, and some of them have been harpooned so painfully by the press that they too won't mind seeing an erosion of the First Amendment protections of the press."

The important point *Acres U.S.A.* would like to make is that there is a First Amendment, and that because of this First Amendment the newspaperman is an officer of the Constitution exactly the way an attorney is an officer of the Court.

The Founding Fathers saw the need for a free press, not to protect the press, but to protect the people. Without a free press, would the world ever learn of a Watergate scandal? What about the Pentagon Papers? What about the Butz grain deal? Throw enough men like Peter Bridge in jail, make them give up their notes, and we'll all learn how soon the newsman finds himself without sources, and how soon he becomes entirely useless to the public.

"Only a free and unrestrained press can effectively expose deception in government," wrote Justice Hugo L. Black as part of his concurring opinion in the historic decision favoring *New York Times* on publication of the *Pentagon Papers*. "And paramount among the responsibilities of a free press is the duty to prevent any part of the government from deceiving the people and sending them off to distant lands to die of foreign fevers and foreign shot and shell. In my view, far from deserving condemnation for their courageous reporting, *The New York Times, The Washington Post* and other newspapers should be commended for serving the purpose that the Founding Fathers saw so clearly. In revealing the workings of government that led to the Vietnam War, the newspapers nobly did precisely that which the founders hoped and trusted they would do."

This is fine. But Peter Bridge and *Newark News* are not *The New York Times* and *The Washington Post*. The farm paper and the rural daily in the sticks aren't metro voices with money and lawyers. *The Newark News* is now out of business. The small county daily and the struggling farm papers can be put out of business just as easily. Only one thing can save the voice of a free press now that the high court has ruled against the "privileged" character of the reporting game.

The press and the public must assert and reassert the simple fact that a reporter is an officer of the Constitution. Congress must re-establish the First Amendment of the Constitution in all its substance. Time for this is growing short. Indeed, unless the American people face the fact that a free press protects them from tyrants at every level, the cheap, shoddy tactics we've seen of late—especially in the re-election campaign—will become workaday stuff, nationally, locally, even in the organizations to which we belong.

"HELLO, I CAN BLOW THE LID OFF THAT . . ."

(By Harry Jones, Jr.)

Look behind many journalistic exposes of corruption, unethical conduct, fraud and other varieties of hanky-panky in government, business or other entities that are vulnerable to evil and you will often find what newsmen call a "confidential source."

Perhaps the judges who seem so intent on jailing newsmen in an effort to pry loose confidential information and the lawmakers who would allow the judges to continue this practice should know a little more about the nature of these "sources" and the relationship they have had with newsmen over the years.

Some valuable sources of information for the media do not crave anonymity. Some even supply information in anticipation of the glory of it. But often as not a person becomes a valuable source of information only upon the assurance that the newsman in whom he is confiding will never make his or her identity public.

There are many reasons for this. The most common is the fear of losing one's job. Some seek anonymity to avoid jeopardizing an important relationship with someone else, personally or professionally. Others fear physical reprisal, even death, and sometimes with justification.

MOTIVES DIFFER

A source can be anybody—a prominent citizen, a bum, a high or low ranking law enforcement official, a big-time or petty crook. Usually the source is on the inside or at least the periphery of an organization or operation that deserves exposure.

Their motives for relaying a specific piece of information to the media may be noble or nefarious. One source may have a sense of righteous indignation ("My boss hired the Mafia to do thus-and-so, and I feel dirty knowing about it and not telling") while another may be purely vindictive ("My partner double-crossed me. Want the goods on the s.o.b.?")

"Hello, I have some information that can blow the lid off such-and-such. Interested?" a newsman may hear over the telephone unexpectedly. (People are always trying to blow the lids off things.)

"Yes," is the inevitable reply.

But soon in the conversation comes the familiar line: "Can I trust you to keep my name out of this?" Unless there are extenuating circumstances that make this request out of the qeustion, the reporter replies, "Of course," and means it.

Protecting a confidential source is one of the first rules a cub reporter learns. And a familiar if not entirely accurate axion in the news business goes: "An investigative reporter is no better or worse than his sources."

Once the source has passed on what he knows, or thinks he knows, the reporter attempts to verify its accuracy through other sources and, best of all, reliable documents. Sometimes this proves a hopeless chore and nothing is written. Other times the source's information proves accurate, the expose is written, the public is thereby alerted and maybe even indictments and convictions result.

All because someone somewhere decided to telephone a newsman about something the newsman might never have heard of otherwise.

Examples are abundant. A nurse in an old folks home who can no longer tolerate the shabby treatment the home's owner inflicts on her elderly patients. A factory worker who knows his employer is making an unsafe product for the public. A federal agent bound to secrecy by the bureaucracy but who quietly blows the whistle on a city official over whose indiscretions his federal office has no jurisdiction. A lawyer who can point his finger to records proving that a judge before whom he practices (and thus must not offend) is fixing traffic tickets.

TOTALITARIAN TREND

Sources for years have justifiably been putting trust in newsmen not to reveal their identities. Any reporter who can't keep a confidence soon loses the trust of his readers, editors, coworkers, and potential sources. Should he deliberately break a confidence, he might as well pack up his trench coat and go into a new line of work.

But now various judges in various courtrooms have begun to threaten newsmen with contempt of court charges and indefinite stays in jail if they refuse to reveal the name of a confidential source. Some reporters already have gone behind bars rather than break a confidence. More surely will follow them to jail.

"Freedom of the press!" is the usual cry uttered in protest, but too many in the public couldn't care less. "Freedom to do what?" some ask. "To smear poor Spiro Agnew again? Phooey on the press. They're just trying to sell newspapers."

Those who take an apathetic attitude toward this new, totalitarian trend in the courts overlook the fact that it is the public more than the press that is the victim. The newsman may wind up incarcerated. But the public could eventually find itself imprisoned in its own ignorance of what is going on in the world. That's called tyranny. Ask Red China about it.

The reporter can do without his sources and still make a living, even if it is only to rewrite the obfuscations of government handouts or the superlatives of public relations firms. Izvestia's staffers eat well.

But what is the reading and listening public going to do when it slowly begins to realize that fewer and fewer rascals are being exposed by the media, that Big Government, Big Business, Big Labor and Big Crime are getting away with more and more every day?

That is precisely what will happen. It may well be happening already. Consider the quandary in which a potential "confidential source" now finds himself. Until now he simply has had to ask: "Can I trust you not to reveal my name?" But now he must ask a far weightier question: "Can I trust you not to reveal my name even if it means you have to go to jail and stay in jail to protect me?"

Most newsmen are going to say "yes" to this too—and mean it. But what a burden this puts on the source as he tries to envision what could happen with a reporter—whom he may know only by reputation—standing in a solemn courtroom defying a judge in black robe and overbearing scowl, then going to jail for an indefinite stay, knowing that all he has to do to get out is break his word to his source.

That takes a lot of faith, brother.

LOST CAUSE?

Today, all over the country, men and women are sitting on explosive information wondering whether they dare call the Star or Post or Times or Gazette or channels 1, 2 or 3 about it. Maybe it's about some skullduggery or consumer fraud or even some imminent danger.

If they don't call, the evil probably will persist or worsen. If they do call, they could suffer harmful consequences if their identities become known to the wrong person. Just how far, they must be wondering, can we trust these newsmen now? Will all of them go to jail for a principle that the source may not even fully comprehend?

Too many of these persons, it stands to reason, may well conclude: "Oh, to hell with it. Why take the risk? I'm not calling anybody about anything. I wouldn't go to jail for him. Why should I expect him to go to jail for me?"

And so—unless this trend is stopped—there will be fewer calls, fewer tips, fewer exposes of fraud and corruption, more fraud, more corruption and more government tyranny over everyone, not just the media.

DECLARATION OF INDEPENDENCE OF THE REPUBLIC OF ESTONIA

Mr. TAFT. Mr. President, February 24 marked the 55th anniversary of the declaration of independence of the Republic of Estonia. In 1918, after years of dictatorial tyranny, the Estonians proclaimed and won their independence. Tragically, the proud and accomplished people of Estonia were to enjoy their rightful freedom for a mere two decades.

After World War II, Estonia, as did other Baltic States, fell victim to Russian colonial imperialism and was forcibly incorporated into the U.S.S.R. Oppression and violation of human rights and liberties, which have been a trademark of the Soviet Union, have been numerous and serious in the non-Russian nations of the U.S.S.R., such as Estonia.

Now, three decades later, this captive nation is still waiting in vain for liberation from Communist slavery. So long as this be true the United States must reaffirm its policy of freedom and self-determination for all peoples of the world.

The oppressed citizens of Estonia and the many Estonian Americans, who have adopted this country as their own, will rededicate themselves to the principles of liberty by commemorating February 24 as Estonian Independence Day. Let us as a free people of a democratic nation recognize Estonia's deprivation of independence and join her in the fervent hope of their eventual restoration.

EXCHANGE CLUB FREEDOM SHRINE

Mr. JACKSON. Mr. President a major public service project of the 1,100 Exchange Clubs of America is the yearly dedication of a permanent freedom shrine by each of the local clubs.

The freedom shrine is a collection of 28 exact photograhic reproductions of such historical documents of our heritage as the Declaration of Independence, the Gettysburg Address, the Bill of Rights, and many others.

This project helps to assure that at thousands of locations these documents provide a graphic reminder of key historical moments when the freedom we all cherish has been advanced.

Mr. President, the Exchange Club of Tacoma, Wash., has provided such a freedom shrine for the officers and men of the Fort Lewis Army Base near Tacoma. During the dedication of that shrine, the commander of the base was Lt. Gen. Willard Pearson. General Pearson has since assumed command of V Corps Headquarters in Frankfurt, Germany. He was deeply impressed by the Exchange Club's Fort Lewis dedication and the impact of the freedom shrine. As a result he has asked the Exchange Club of Tacoma to provide a second such shrine to be placed on permanent display at that headquarters building in Germany.

I am very pleased to report that this request has generated great enthusiasm and excitement in Tacoma since it will become the first freedom shrine to be dedicated outside the United States by any Exchange Club.

Mr. Jack Kalina, the president of this organization, has informed me that with the cooperation of the American Express Co. the new shrine will be dedicated within the next 6 weeks.

In conclusion, Mr. President, I would like to add how very proud I am of the activities of these thousands of Exchange Club members throughout America, and specifically those who have undertaken this noteworthy project from my own home State.

These fine people have found an excellent means of expressing their love of this great country and its continuing effort to provide a shining example of freedom and self-government to all the world.

SENATOR PERCY'S REPORT ON ASIAN TRIP

Mr. PERCY. During the recess, from November 26 through December 23, I traveled extensively in the Far East to gather information for the Senate Committee on Foreign Relations and to update my knowledge of conditions in a number of countries. I am submitting herewith, for the Record, a summary of my observations and experiences in each country, although some of the information I gathered was classified and cannot be reproduced in a public document.

In East Asia today, one is profoundly impressed with the dynamism and initiative of the Japanese people whose economy is thriving and whose foreign reserves are soaring. Also impressive is the rate of economic development achieved by other nations of Asia, most notably by Taiwan, Hong Kong, South Korea, Singapore, Malaysia, the Philippines, and Indonesia.

On the other hand, one is distressed by the obvious deterioration of civil liberties and democratic institutions in many countries which are sometimes described as "the nations of free Asia." The developments in these countries do not inspire confidence or bode well for the future of freedom.

JAPAN

In my discussions with officials of the Ministry of Foreign Affairs and the Ministry of Finance, with the director of the Japan Economic Research Center, and with such industrialists as the president of Sony, I found assurance that the United States and Japan are now on the road to a new era of interdependence and cooperation.

My meetings in Japan convinced me that American business and agriculture have one of the greatest opportunities in history for developing an entirely new market in Japan with the potential of employing over 1 million American workers and accounting for up to $10 billion in exports to Japan by 1976, the 200th anniversary of America's independence.

Few countries offer the United States a market with over 100 million people whose per capita gross national product is $3,000 and where real growth exceeds 10 percent per year.

The Japanese market is growing rapidly, while at the same time exhibiting great stability. Japan has a stable government which believes firmly in the free enterprise system. Japan imposes few if any restrictions on the repatriation of profits.

The attractiveness of Japan as an investment possibility for U.S. business and agriculture is further enhanced by the fact that the Japanese Government is actively encouraging imports in order to reduce its trade surplus to manageable proportions and in order to reduce domestic inflationary pressures.

To this end Japan has taken impressive steps in recent years to dismantle an elaborate protectionist apparatus. The Government of Japan recognizes that these walls must be torn down if the prosperity of Japan is to continue. A failure to remove discriminatory barriers that still exist against certain American products could seriously endanger future relationships between the two great economic powers.

The unique genius and energy which the Japanese have displayed in increasing their exports over the past two decades has begun to be applied in increasing imports. The Japanese Government clearly recognizes that a high standard of living for its people depends on two factors: Achieving high wage levels for its workers while at the same time attempting to bring consumer prices down.

Japan offers American businessmen a unique opportunity to benefit and learn from its successful experience in bringing labor and management into a partnership with the goal of competing effectively in world markets.

The Japanese Government has taken important steps to encourage the entry of foreign retailers into the Japanese markets by easing restrictions and making it possible for 100-percent U.S. ownership and control of retail firms. I have strongly urged such American companies as Sears Roebuck, Montgomery Wards, J. C. Penney, and other retailing leaders to take advantage of these new opportunities. I would hope it would be in their own economic best interest. I know that it is in our national interest. Our recent devaluation step makes the market for American made goods even more attractive.

I frankly feel that Japan could do much more to open up her markets to U.S. business, but at the same time I must concede that she has made considerable progress in this area since my last visit in 1969. There is no other country where diligent and imaginative efforts by American businessmen could contribute more to the achievements of equilibrium in our balance of payments. Following is a list of products which would have the highest sales potential in the Japanese market. I have urged American manufacturers of these products to explore this new potential opportunity for exports that the United States vitally needs. The need in Japan has been demonstrated and we have a unique ability to fill this need for:

Data Communications Equipment Including Mini Computers.

Air and Water Pollution Monitoring and Control Equipment.

Analytical and Testing Instruments.

Input and Output Computer Peripherals.

Electronic Components.

Advanced Materials Handling Equipment and Automatic Assembly Line Design, Development and Equipment.

Medical Engineering Equipment.

Avionics and Ground Support Equipment.

Nuclear Power Generation Equipment.

Household Electrical Appliances.

Equipment Related to Processing Metallic Powder.

Sporting and Leisure-Time Equipment.

Hydraulic Process Control Equipment and Components.

Advanced Food Packaging and Cold Chain Equipment and Systems.

Sewage Cleaning Plants, Incinerators, Garbage Collection and Disposal Systems.

Total Energy Systems.

Hotel and Restaurant Food Handling Systems.

Electronic Computer Software.

Oceanographic Equipment.

Numerical Control Machine Tools and Accessories.

Laundry and Dry Cleaning Equipment.

Welding Equipment and Machinery, Testing Instruments and Supplies.

Oil and Gas Pipeline Equipment and Related Technology.

Materials for Housing and Building Construction.

High Performance Waste Water Treatment Equipment for the Electroplating Industry.

Precision, Power and Hand Tools.

Industrial Security and Safety Equipment.

Vending Machines.

Both Japan and the United States recognize that change is essential in our trading relations. The current imbalance in our bilateral trade must be reduced dramatically in order to stave off the steadily increasing pressure for across-the-board protectionist legislation—legislation which would do irreparable damage to both economies.

At the same time I believe that Japanese businessmen can find very attractive investment opportunities in the United States. Japanese investment in the United States presently comes to only $250 million in comparison to Canada's $3 billion, Great Britain's $4 billion, and The Netherlands' $2 billion. The latter high investment levels demonstrate the high potential which America offers to Japanese businessmen as well. I was assured in my conversations with Japanese officials that every effort will be made to encourage Japanese businessmen to make such investments.

One other indication of the seriousness with which the Japanese Government is approaching our bilateral trade problems is its decision to reduce exports of the products of 24 industries, a reduction which could amount to anywhere from $500 million to $1 billion in the current year. I commend President Nixon and Prime Minister Tanaka for the long-range, broad understandings which the two governments have reached—understandings that offer unprecedented opportunities. I also commend Deputy Vice Minister for Foreign Affairs Tsurumi and Ambassador Robert Ingersoll for their follow-up efforts toward increasing the volume of U.S. imports into Japan.

I have long favored close Japanese-American relations. But good friends can speak with candor. I tried to do this at

Shimoda in September 1969 in an address entitled "Toward a Solid Foundation in Japan-United States Trade." I felt so strongly about the warnings which I issued then that I made a personal representation at that time to then Foreign Minister Aichi. The Nixon shoku should not have come as any surprise. I said 2 years ago that changes in economic policy were necessary and desirable, and I have fully supported the approaches taken by the administration. These moves have laid the foundation for a firm and lasting relationship between the United States and Japan.

While the problems which exist today in United States-Japanese trade relations tend to obscure the considerable community of interest between our two countries in the broader fields of international politics and security, the degree to which these interests coincide is not fully appreciated in either country. A conscious effort by the leaders of both governments to identify and to call attention to these interests might provide added incentives to resolve trade issues in a manner which will not obstruct cooperation between the United States and Japan in broader matters of public policy. A continued interchange of ideas between business and financial leaders in Japan, Europe, and the United States is also essential so as to avoid misunderstandings through lack of communication and to take advantage of the new opportunities that lie ahead for strengthening our economic interrelationships.

SOUTH KOREA

I arrived in Seoul soon after the new authoritarian constitution had been approved in referendum by 91 percent of the people. There can be no doubt that the drastic measures of the Government, outlawing opposition and conducting a massive propaganda in favor of the referendum, were responsible for the final dimensions of the landslide. Though the percentage would not have been as high there is no doubt in my mind that the constitution would have been ratified by a substantial margin had opposition been permitted. My questions as to why it had not been permitted were never satisfactorily answered.

The day of my arrival the Martial Law Command had announced the lifting of the 6-week ban on classes at colleges and universities. It was apparent that the Government now felt secure and was no longer concerned with organized opposition from students. However, students told me that they deeply resented the fact that no opposition to the referendum was allowed. They spoke to me in muted tones. Martial law was later suspended, on December 13.

The press is completely controlled, and there were no American newsmen resident in Korea. Newspapers and broadcasts were dominated by reporting of the meeting of the third South Korean-North Korean Coordinating Committee meetings which started in Seoul the day after I arrived. Vice Premier Park Shung-chul of the Democratic Republic of Korea headed a 25-member delegation from Pyongyang.

In addition to the coordinating committee meetings, the North-South Red Cross talks are continuing on an intermittent basis, and I discussed them at length with Ambassador Lee Bum-suk, chief of South Korea's delegation. He said that he was putting his primary emphasis on the need to reunite families, north and south. He felt that the talks should adhere to humanitarian concerns and keep clear of political questions.

President Park had emphasized to me that in all talks with the North Koreans it was his intention to proceed with a phased approach designed to reduce mistrust and misunderstanding. First, he was concerned with establishing contacts and reaching agreements on humanitarian questions; then, discussion of nonpolitical exchanges, with political problems to be handled last if trust and understanding had been achieved on the less complicated issues.

South Korean Foreign Minister Kim Yong-sik told me that the coordinating committee meetings are conducted in a cordial but businesslike atmosphere. He said there was a desire on both sides to normalize relationships. Prime Minister Kim Chong-pil said the talks serve the useful purpose of reducing tensions and possible avoiding miscalculations. It is significant that in 1972 there was only one incident at the demilitarized zone and no fatalities, whereas in previous years there had been hundreds of incidents and hundreds of fatalities.

While the very fact that talks between South and North are going on is encouraging, it was not clear to me whether, given their understandably cautious attitude regarding the north, officials of the Seoul government will be asking any less of the United States in terms of military assistance, troop presence, or diplomatic backing in the years ahead. When one notes the strength of the South Korean economy and military establishment, it is only reasonable to wonder whether the levels of U.S. support could be gradually reduced.

I found President Park Chung-hee to be a firm, powerful, resourceful man who is conscious of keeping power tightly in his own hands. He feels the necessity of living in a well fortified palace and is accompanied by a substantial number of security troops.

President Park said he had tried to control corruption in South Korea by taking stern measures with cabinet ministers, bureaucrats, bankers, and military personnel.

In my talks with Korean leaders I emphasized the necessity of reducing the U.S. balance-of-trade deficit with Korea. I suggested to Prime Minister Kim Chong-pil a goal of $250 million in U.S. exports to South Korea. Considering Korean exports to the United States and U.S. military and economic assistance to Korea, I consider this a reasonable goal.

Some of the more promising items which the United States can export to Korea are textile machinery, machine tools, marine equipment, heating and cooling equipment, scientific measuring and control devices, and electrical machinery. In addition, there is the possibility of continued expansion of U.S. agricultural exports to Korea.

In general, Korean officials responded favorably to my proposal that imports from the United States should be increased. I emphasized the importance of an increase in American exports to Korea on the basis that our military and economic assistance to Korea costs the U.S. taxpayer more than $400 million annually, that the presence of U.S. military forces in Korea contributes about $180 million to our balance-of-payments deficit annually, and that our balance-of-trade deficit with Korea is about $250 million when aid-financed U.S. exports are excluded.

Deputy Prime Minister Tae Won-son expressed his satisfaction with South Korea's economic achievements since 1960, noting that exports had grown from $32 million to $1.75 billion in that period. He said that real growth in gross national product had averaged 10 percent over the past 10 years. He said that Korean manpower was literate and responsive to training opportunities, and that, therefore, Korea was able to take over additional labor-intensive processing industries from the developed countries more interested in capital-intensive industries.

Tae predicted further industrialization in shipbuilding, petrochemicals and electronics. He said that the average annual increase in exports during the past 10 years was 41 percent and that South Korea expected to achieve a goal of $10 billion in exports during this decade. The economic progress of South Korea in recent years has been most impressive.

Vice Minister Lee Jae-sul of the economic planning board stated flatly that Korea was morally obligated to buy more from the United States.

Just as I was so favorably impressed with the skill of Ambassador Ingersoll in Japan, I felt in Korea that Ambassador Habib was a superior representative of our country, serving in the best tradition of the Foreign Service.

HONG KONG

Over a weekend in Hong Kong, I was briefed by Consul General David L. Osborn and his associates and had a productive discussion of Asian affairs with members of the American press corps arranged by Maynard Parker, Newsweek's bureau chief.

Hong Kong continues to have general prosperity and its stock market continues to be bullish. Tourism, construction and banking have reached record levels of activity, although export growth has slowed somewhat since 1969.

Foreign investment is persistently sought by the Hong Kong government, and there are now 500 American firms, more than 100 in manufacturing, in the colony. The total U.S. investment there is now almost $500 million.

The Hong Kong construction boom offers attractive markets for materials handling equipment, construction supplies and equipment, and hotel supplies. Although labor supply is tight and business costs—especially rents—are high, Hong Kong continues to provide a good business environment with low tax rates and stability to American firms.

Numerous retail stores owned and operated by the People's Republic of China are doing a very high volume of trade.

Comparable stores handling U.S. goods offer excellent opportunities for further trade expansion.

SOUTH VIETNAM

In Saigon I felt that politicians and citizens, even newspapers, were more free in expressing differences with the regime than they were in South Korea.

Of special interest was an opinion survey recently completed throughout South Vietnam with a sampling of about 1,850 urban and rural people. The survey showed widespread support for the withdrawal of American forces, a feeling that security had increased, and heavy backing for a standstill cease-fire to end the war. This is not surprising since Vietnamese casualties, both North and South, were higher in 1972 than in any previous year.

Land reform is showing some success and tax collections are up sharply, enabling the government in Saigon to do more for individual provinces. There are now more aggresive, abler, and younger men in some of the ministries. Exports are rising, having already doubled to $24 million in 1972 and are expected to reach the $50 million level in 1973. It is conceivable that South Vietnam could become self-sufficient in even such vital areas as food, fertilizer, and cement within 5 years.

Nevertheless, inflation continues to be a serious problem. Prices rose 15 percent in 1971 and 25 percent in 1972.

The leaders of South Vietnam said that when peace was achieved, a rapid economic development would be possible with OPIC guarantees and loans from the Export-Import Bank. They were counting heavily also on President Nixon's projection of $7.5 billion for the reconstruction of Indochina, but I cautioned them that this would be the total amount from all countries, not solely a U.S. contribution. All major powers, including China, Japan, the U.S.S.R., and East and West European countries should participate in the restoration of Indochina.

In a lengthy discussion with Foreign Minister Tran Van Lam, who had said publicly that Saigon would not sign a peace agreement unless all North Vietnamese troops were withdrawn from the South, I expressed my view that continuing U.S. assistance to South Vietnam would be in jeopardy if Saigon refused to sign. In the agreement signed on January 27, Saigon yielded on this point. I told him that the people of the United States would not accept a continuation of the war, and that in my judgment 99 percent of the American people supported President Nixon's efforts to end the war now through a negotiated settlement.

In Saigon I reviewed terms and conditions of the settlement which was still in negotiation, and immediately upon my return to Washington I discussed these matters with Dr. Kissinger at the White House. Now that the details of the agreement are publicly known, and the documents signed, one can understand the complexity and difficulty of the negotiations. We should be grateful to Dr. Kissinger and Ambassador Sullivan who, in a great display of persistence, perserverance and ingenuity, struggled through the maze of contradictions to find a settlement in which all four parties could agree.

Some seek to pick apart the terms and ambiguities of the agreement, but there could not be absolute precision in the definition of every point. The spirit in which the parties carry out the provisions will be more determining than the provisions themselves. It is of special importance that all parties now act in good faith to maintain the cease fire and work out the political arrangements which can provide self determination for the South Vietnamese people.

The satisfaction of all parties to the agreement, and the claims of victory by both Hanoi and Saigon, make clear the brilliance of the terms concluded. For the American people there is total withdrawal of our forces and the return of our men held prisoner.

I have visited Vietnam four times during this war, and I have seen courage, suffering, power and destruction. As the war ends, I think of all the families who have lost loved ones in the jungle of Cochinchina, the Annamese highlands, over Tonkin, and in the China Sea. I think, too, of the combatants of all nationalities who have been disabled in this terrible conflict, of the missing in action and their families, of the men who have endured months and years of grim prison life, and their families, of the civilians who have died, who have been maimed and who have had to leave their native villages under threat or under fire. But we are grateful today for the joy of our prisoners of war and their families who are, at long last, reunited.

THAILAND

Steps are now being taken in Thailand to restore constitutional government and move gradually away from martial law conditions, but it may be a slow process. At the same time the insurgency continues in the northeast, on a scale greater than on previous visits, although the government response is said to have become stronger and better coordinated. It would appear, however, that even if there were no outside encouragement and aid, discontent with the responsiveness and efficiency of the government's performance at the local level and among minorities will continue to fuel an insurgency, which is already strong enough to survive on local resources.

Actually Thailand had some characteristics of strength: The population is relatively homogeneous, the economy has solid potential, and the free enterprise system is viable in every way. The presence of 42,000 American military men is also reassuring to the Thai Government given their continuing concern over events in Laos and their uneasiness about Peking's objectives in Southeast Asia.

I was briefed on the narcotics trade which is based on the extensive opium poppy cultivation by hill tribesmen in the north. The Thai Government, in cooperation with U.S. and U.N. agencies, is making a determined effort in some areas to foster crop substitution and to halt illicit drug traffic. There have been some important seizures of heroin and a number of arrests of key traffickers in drugs, but these operations are still limited.

Because of a number of previous trips to Thailand, my stops in Bangkok were only in transit and, therefore, my briefings by Ambassador Leonard Unger and members of his staff were relatively brief.

BURMA

Burma is still coping with the insurgencies—both Communist and ethnic—which have plagued the country for over 20 years. At this time perhaps only 40 percent of the land area of Burma is under firm government control week after week and, while these insurgencies do not now threaten the existence of the government, they do require massive commitment of the limited resources of the regime to military activity at the expense of other sectors.

I was told that profits from the narcotics trade support the insurgent groups particularly in the northeast where the hill tribes have grown opium poppies for at least 200 years. Some 400 tons of opium are produced annually, almost all of it in areas not under firm government control. In Rangoon and other areas held securely by the government, antinarcotics measures have been largely successful; the government has encouraged crop substitution, has razed poppy fields, prosecuted traffickers, and intercepted drug shipments. Drug abuse is no problem among ethnic Burmans.

Food prices rose dramatically in November and December, and supplies of meat and rice have diminished drastically. Sugar is also very scarce, and is rationed. Fish is the most readily available of important foodstuffs, and poultry to a more limited degree.

The black market flourishes under these conditions, apparently with acquiescence of the socialist government. The government's cooperative stores are unable to meet demand.

There seems to be no interest in family planning. While the birth rate is extremely high, large families are a status symbol and are encouraged by the government. With an area almost as large as the State of Texas, Burma is the largest country on the mainland of Southeast Asia, and the government considers a larger population to be desirable. The current population is about 28 million.

In Rangoon, I had the opportunity to talk with U San Maung, former Burmese Ambassador to the United States; U Kyaw Nyun, chairman of the Union of Burma Bank; Dr. Mehm Thet Zan, head of the Union of Burma Applied Research Institute; and extensively with U.S. Ambassador Edwin Martin, the knowledgeable Deputy Chief of Mission John Lacey, and others of the embassy staff. In Mandalay, I was briefed at the U.S. Consulate by Consul Carl Taylor.

PHILIPPINES

I arrived in Manila the day after the assassination attempt against Mrs. Ismelda Marcos, First Lady of the Philippines, and the luncheon which had been scheduled at the Palace had to be cancelled. However, it was arranged for me to visit the President and Mrs. Marcos with Ambassador Byroade at the hospital the following day. When we arrived, Dr. Robert Chase, who had just arrived from the United States, was with President Marcos at Mrs. Marcos' bedside. Dr. Chase told me later that the emergency surgery had gone well, and that Mrs. Marcos' injured hand would be all right in time.

In another room at the hospital, I had the opportunity to meet at length with President Marcos who, in 1966, had echoed my call for an Asian Peace Conference to seek solutions to the political aspects of the Vietnam war. He reiterated his feeling that there was inadequate institutionalized liaison among the nations of East Asia, and said he would continue to strive for high-level meetings on subjects of regional concern and interest.

President Marcos defended his imposition of martial law, saying there had been a rightwing plot to assassinate him. He claimed that martial law in the Philippines was quite benign as compared to martial law in other countries, stating that there were no tanks in the streets, no excessive military presence, and that the vast majority of the Filipino people were enjoying a quite normal life. He explained as a dilemma the urgency of moving Philippine society toward real reform under the very liberal type of democracy that had developed, with all its bureaucratic delays, corruption, and apparent inability to clean its own house.

President Marcos stated that he hopes to return to a state of normality as quickly as possible, and he identified land reform as a top priority objective for the Philippines. He said that his program would benefit some 700,000 tenants on privately owned rice and corn lands, and might cost $1 billion. However, Marcos did not feel the Philippines had the resources to accomplish such a land reform, and he suggested that Japanese and American aid funds should be concentrated on this project.

Among the reforms in Marcos' "New Society" are decrees and orders forbidding foreign travel except on government business—intended to save $70 million a year in foreign exchange—a pay increase for sugar workers, the banning of movies which glorify crime, reorganization of government departments, new ground rules for dismissing civil servants, the seizure of public utility companies, reform of the tax structure, the confiscation of firearms—about half a million weapons have been rounded up—and calling on all local officials to avoid open displays of wealth.

The new Constitution, which was to be adopted by referendum on January 15, 1973, would replace the system of Senate, House, and popularly elected president with a unicameral parliamentary system whose members—with 6-year terms—would elect a President to serve as a symbolic chief of state and a Prime Minister to head the Government. The prime minister would have the option of dissolving the national assembly at any time and call an election, and would have the power to appoint all judges.

However, before the national assembly would be elected, there would be an "interim" assembly which would not be convened until President Marcos called it into session. He could continue to rule by decree until he decided otherwise.

I questioned President Marcos about corruption in the Philippine Government, and he acknowledged that it was considerable. He said a number of bureaucrats had already been fired, that more would follow, and that very senior people would be removed if guilty. We also discussed economic development and ways to close the economic gap between the very rich and the very poor.

In addition to my meeting with President Marcos, I was able to confer privately with a leader of the opposition who was fervently opposed to the new constitution which he said negated the principle of checks and balances by concentrating nearly all powers in the office of the Prime Minister and taking nearly all powers away from the national assembly. The question which he and other observers raised about the prospective demise of democratic institutions suggested that while greater stability may be the short-term result of Marcos' reforms, there may be genuine cause for concern about the cohesiveness of the Filipino body politic.

I had stopped off in Honolulu to receive a briefing by Adm. Noel Gayler, Commander of the U.S. Forces in the Pacific.

While in the Philippines I visited the immense Subic Bay Naval Base, the largest naval support base in the Pacific, where I was given a briefing by Rear Adm. John Dick. The base employs 30,000 Philippine workers and has a complement of more than 5,000 U.S. Navy personnel. It is located on the western side of Luzon, almost 50 miles north of Manila.

The ship repair facility at Subic Bay is especially impressive, and it can accomplish almost any task required of a major U.S. shipyard; as many as 50 ships can be under repair at a single time. Also impressive is the Naval Air Station at Cubi Point which is the primary support base for the 7th Fleet's attack carrier striking force.

INDONESIA

On this visit to Indonesia, I became even more conscious of the potential strength of that country as a major influence in Southeast Asia. A nation of 121 million people spanning an archipelago of 2,500 islands, Indonesia—if a stable and constructive force in the area—could make significant contributions to regional harmony and development.

Already Indonesia takes a leading role in regional cooperation as an active member of the Association of Southeast Asian Nations—ASEAN—and Foreign Minister Adam Malik told me that ASEAN might expand after peace is achieved in Vietnam by welcoming to membership North and South Vietnam, Cambodia, Laos, and Burma. He thinks it would be especially desirable to bring North Vietnam into the regional association in the interest of developing greater mutual understanding and trust and perhaps to wean Hanoi away from the influence of Peking and Moscow.

One recalls with satisfaction Indonesia's initiative in May 1970 in convening the Djakarta conference on Cambodia, which brought 11 Asian nations together.

In my meeting with President Suharto, he said that Indonesia realizes that the achievement of peace and stability in Vietnam is important to the stability and development of all Southeast Asia, including Indonesia, and that is the reason Indonesia has accepted the role, responsibilities and risks of participating in an international supervisory force in Vietnam.

The government of Indonesia, while including many civilians in the cabinet, is under strong military control and the military dominates the bureaucracy down to the village level. The parliament has very limited authority and the presidency is not directly responsible to the parliament.

A leading critic of the government said that the Army's restrictions on political activity are intended to maintain control over all elements of the government. He said that the government wishes to devote all the nation's energies to development, but he warned that the people will become increasingly alienated if conventional political life is suppressed indefinitely. He claimed that press freedom was indirectly curbed by competition from government newspapers and pressures brought against advertisers. Corruption, he said, is increasing while 99 percent of Indonesians remain poor.

President Suharto agreed that there was corruption which adversely affects public confidence in government, but he said he was convinced that reports of corruption were inflated far beyond the reality of the situation. He pointed to success in increasing government revenues from domestic sources, saying that the 5-year plan goal of increasing revenues had actually been achieved at the end of 3 years.

Foreign Minister Malik noted that Indonesia had been fairly successful in stabilizing its currency and overall price structure, but had not provided sufficient incentives to farmers to produce more food. Indeed, while I was in Indonesia, the Government announced that 1.5 million tons of rice had been imported for the 1972–73 fiscal year; the blame for the rice shortage was put on the long dry season which severely limited rice production.

Some Indonesians blame the rice crisis on the Chinese, claiming that the Chinese exploit the economy at the expense of native Indonesians, but responsible observers maintain that Indonesians of Chinese origin make substantial and constructive contributions to the nation's economy.

Gen. Domo Pranoto, Vice Speaker of the People's Consultative Assembly and a police brigadier general, said that the rice shortage, which led to a doubling of prices within the past 2 months, was Indonesia's No. 1 current problem. He said that it affects everyone and makes people resentful of government and military personnel who had continued to receive rice at well below the market price. He cited as an important factor in the rice crisis the inadequacy of transportation of rice from areas where it is relatively abundant to areas where it is short. Bali, which has a good rice supply and price structure, does not export rice to other parts of the country, such as East Java, where the situation has been critical.

In general the Indonesian economy is doing very well, and continued growth is indicated. Public and domestic private investment, as well as foreign investment—especially Japanese—are increasing. Manufacturing, forestry, mining, oil, and electric power are important growth industries. Although Indonesia's imports are growing at a rate of 15 to 20 percent a year, U.S. exports to Indonesia are growing at a slower rate and the U.S. share of the market has declined gradually since 1969, as Japan's share has increased.

AUSTRALIA

During a 3-day visit to Sydney and Canberra, I found everyone intensely interested in the new labor government policies of Gough Whitlam, the first Labor Prime Minister of Australia in 23 years. The day after my arrival he broadcast a speech to the nation in which he acknowledged Australia's "abiding relationship" with the United States and characterized the American people as "the most generous, most idealistic people in history." This was from the same Australian leader who had vigorously denounced U.S. military activity in Vietnam and was particularly critical of U.S. resumption of bombing in December 1972.

Whitlam also warmly endorsed Australia's continued participation in the ANZUS Treaty with New Zealand and the United States, but said that Australia must be more self-reliant. "Australians," he said, "are now mature enough to know that in the modern world nations like Australia have no guaranteed protection, so we look to ourselves, to protect ourselves."

The Whitlam government's first act was to abolish conscription, and Whitlam declared publicly that the No. 1 objective of his administration would be to strengthen Australian-Indonesian relations. He said that the future of the two nations is indissolubly linked together, and that the relationship is crucial to the future of the Southwest Pacific and the East Indian Ocean region. He also moved quickly to normalize relations with China and to place new emphasis on the problems of education, transportation and health.

In the economic sphere, I was pleased that the Prime Minister intends to encourage imports in a variety of product lines, which is a marked departure from the Labor Party's protectionist positions of the past. Actually, Australia is the eighth largest U.S. export market, and the United States is Australia's second largest customer. We have a favorable balance of trade with Australia, although the U.S. share of the Australian market—more than 20 percent—has slipped slightly as Japan's share has increased.

I had visited Sydney once before, 18 years earlier, but this was my first opportunity to see Canberra, the beautiful capital of Australia. It was of special interest to me, because the original city plan of Canberra had been conceived by Walter Burley-Griffin, the distinguished architect from Evanston, Ill., who lives only a few miles from my own home.

An extensive visit with the new Prime Minister was possible following a dinner given by U.S. Ambassador and Mrs. Rice.

CONCLUSION

Recent developments have made apparent the fragility of democratic institutions in East Asia. Repressive measures, be they temporary or continuing, have completely reordered the political process in a number of countries; such measures if retained too long historically have sown the seeds for eventual counteractions destructive to the political stability of countries in question.

If the United States continues to provide massive military assistance to such governments, there is a feeling that a very real danger exists that the United States will share the blame of authoritarian regimes and will invite grassroots antagonism for its role. American military involvement with such regimes must be kept to such a level that the United States is not perceived as the sponsor or protector of undemocratic governmental processes.

The revival of democracy in the area would require the restoration of the integrity of the legislative process, the abjuring of the use of martial law for political objectives, and real efforts to close the economic gap between the very rich and the very poor, to strengthen education at all levels and to combat corruption in government.

In East Asia I was disturbed by some existing political conditions at the same time that I was encouraged by economic conditions. The potential for economic development is great, and the potential for U.S. investment and trade is considerable.

The cease-fires in Indochina, the rapprochements with China and the dialog between North and South Korea set the stage for better relationships in the Far Pacific and East Asia. Contributing also to amelioration of longstanding hostilities are regional economic collaboration as exemplified by the activities of the Asian Development Bank and regional political consultation as seen in the meetings of the Association of Southeast Asian Nations—ASEAN—and the Asian and Pacific Council—ASPAC.

I am encouraged by the interest of the leaders of several nations—such as President Suharto of Indonesia, President Marcos of the Philippines, and Prime Minister Tanaka of Japan—in broadening the scope of participation in Asian regional associations and conferences. Surely, more nations should become involved in the discussions of Asian cooperation in all fields, since security and development goals can only be reached in a climate of general peace and mutual trust.

With the end of hostilities in Indochina, the nations of East Asia have a new opportunity to achieve their nation-building potential. It is in the interest of all the developed nations to assist them. The Asian Development Bank, the International Monetary Fund, the World Bank, and international consortia, formed to achieve specific goals, all have important roles to play.

In peace the constructive work of development can move forward more rapidly and its success will contribute to the maintenance of peace.

ALBERDI-SARMIENTO AWARD—1972

Mr. GOLDWATER. Mr. President, the center for Latin American studies of Arizona State University has inaugurated a new series of publications entitled "The Annual Alberdi-Sarmiento Award Lectures" to further friendly relations between the United States and Latin-American countries. The award was established in 1950 by Dr. Alberto Gainza Paz, publisher of the world famous Buenos Aires newspaper, La Prensa. It it given annually to a distinguished journalist, writer or public figure of the Americas as an expression of hemispheric friendship.

The coveted award for 1972 was won by Donald Marquand Dozer, formerly of the University of California at Santa Barbara and only the second scholar from the United States to win the award. Dr. Dozer's lecture, entitled "The Challenge to Pan Americanism," is a work which should be read by all persons interested in the future of inter-American cooperation. It is my distinct privilege to ask for unanimous consent for Dr. Dozer's award lecture to be printed in the RECORD.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

THE CHALLENGE TO PAN AMERICANISM

(By Donald Marquand Dozer)

You have made me very happy by selecting me as the recipient of this distinguished Alberdi-Sarmiento award presented annually by La Prensa, and I want to express my deep appreciation for it. I accept it not so much as a personal honor but as a tribute to the Americanist sentiments of the distinguished personages for whom this award is named, and I offer in acknowledgement some observations on the general theme of Pan Americanism.

The emergence of the United States of North America as a new member of the society of nations almost two centuries ago not only represented a logical fulfillment of the idea of nationalism which had produced the new nation-states of Western Europe but inaugurated a movement of universal anti-colonialism or fragmentation of empire. The United States in breaking away from its European mother country, England, challenged the economic basis of the imperialist system by throwing open its ports to the commerce of the world and calling for the adoption of a system of universal free trade. In organizing its new government the United States set an example of (1) a written constitution; (2) a republic, that is, a national government that would be operated by citizens and that would be incapable therefore of taking the kind of uncontrolled, self-important actions which the British monarchy had taken under King George III; and (3) a government organized on the federal principle, that is, with power remaining in the local or component parts of the nation and with a central government endowed with only a limited authority. The men whose views prevailed in the convention at Philadelphia in 1787 which drafted the Constitution of the United States challenged centralist theories of government which were embodied in their day in absolute sovereigns, and they set up barriers to prevent the encroachment of central government upon the fundamental rights of the States and the people of the States. The Constitution which they signed was, in James Madison's words, "a happy combination in this respect: the great and aggregate interests being referred to the national, the local and particular to the State legislatures." Over a century later the perceptive English observer Lord James Bryce accurately described the United States as "a Commonwealth of commonwealths, a Republic of republics, a state which, while one, is nevertheless composed of other states even more essential to its existence than it is to theirs."

The innovation of a written constitution specifically defining the ambit of governmental authority and binding its officials to limited action has since been followed by many other peoples. Republicanism, which was conceived as a barrier against absolutist governments, has been largely overwhelmed by new forms of democratic populism which seek to impose their own authoritarianisms. The federal system as a third innovation of the United States represented an attempt to reconcile the fragmenting effects of the nationalist movement with the need for a limited form of central government. The precedents for it were few, consisting principally of the examples of the federation of the city-states of ancient Greece and the Swiss Confederation, and it was recognized as a highly complicated system difficult to administer. But it was the system best designed to serve as a median ground or compromise between the centripetal and the contrifugal forces in society; it was the best means of maintaining local strengths and values while at the same time avoiding arbitrary and authoritarian controls. It was a system that admirably met the needs of the thirteen states that originally created the United States, and it made a nation that was deemed to be susceptible of indefinite expansion through the voluntary incorporation of other states. In accordance with this principle of federalism the United States has extended itself to include the present fifty states.

In establishing this type of government based upon the federative principle, the founders of the nation advanced beyond the monolithic and primitive political pattern represented by monarchy. They did not dispute the principle that in every nation there must be come unlimited power and authority, but they placed this power and authority in the central government only for certain defined purposes and left in the States and in the citizens of the States the exercise of all other such power and authority. The Union, therefore, would present a pluralistic aspect rich in potentialities for unique development of each unit and therefore stronger in its totality than a unitary or consolidated nation would be.

The constitutional system to which the people of the United States committed themselves not only preserved local self-government but at the same time established a strong union. In the matter of the relationship between the national government and the States the United States was, in Thomas Jefferson's phrase, an "unconsolidated" unity. Out of many came one—e pluribus unum—but the Constitution created a unum which was severely circumscribed. In the Constitution the United States devised a middle way between a benumbing centralism on the one hand and a fatal disintegration on the other.

As the new states of Latin America emerged into independence they too wrote out explicitly their new frames of government. As they had successfully resisted the monolithism or attempted monolithism of the Spanish Bourbons they hoped that, by establishing constitutional limitations upon national government and by imposing upon it a system of checks and balances, they might prevent the rise of new national monolithisms in America. They conceived it to be both their patriotic and their moral duty to oppose the concentration of power in any individual or any group, whether political, economic, or ecclesiastical, and to work for the largest possible diffusion of power consistent with public order and general prosperity. Supplementing the factor of limited government some of them, notably Mariano Moreno of Buenos Aires, insisted that progress, which was their objective, would be best promoted by a free market and an enlightened public opinion. They were primarily concerned with expanding the area of voluntary behavior.

As a result, all the new nations of Latin America except Brazil, Haiti, and Mexico on two occasions, preferred republican over monarchial institutions. They also adopted the federal system modeled upon that of the United States, because they expected it to provide a workable alternative to the centralistic authoritarianism of Bourbon Spain against which the Spanish Americans had rebelled. José Gervasio Artigas, for example, who was the original champion of federalism in southern South America, used the Articles of Confederation and the Constitution of Philadelphia as models for his proposed federation of the provinces of the La Plata area in 1813. Evidences of the influence of the federal constitution of the United States were found in the first constitution of Venezuela. The constitution of 1824 in Mexico created a federal type of government. Especially noteworthy was the influence of the United States constitution upon Juan Bautista Alberdi, the architect of the Argentine constitution of 1853. In his Bases y Puntos de Partida para la Organización Política de la República Argentina Alberdi acknowledged his indebtedness to the constitutional principles of the United States. The system of states united to form a national government or United States therefore became common in the American hemisphere.

In the broad sweep of history no principle is more obvious than that over the course of many decades and centuries institutions and systems undergo radical transformations without changing their names. In the case of the United States its commitment to free trade was early abandoned, and at subsequent periods in its history it has imposed tariff rates among the highest in the world. A written constitution still regulates the political life of the nation, but as a result of direct political action and authoritarian judicial decision it has become a far different document than it was at the beginning of our national history. As a consequence the systems of republicanism and federalism have been deplorably weakened. How have these changes come about, and how are they affecting Inter-American relations?

As the Latin American peoples struggled to achieve national identity after their successful struggle for independence from their European mother countries, they associated nationalism with the caudillo, who made himself the symbol of the nation and was acclaimed as such. He was a guarantor of order which was a prerequisite to progress. This concept of nationalism as identical wtih governmental centralization has carried over into the twentieth century and in its less sophisticated form remains exemplified in national leaders such as the late Rafael Trujillo Molina in the Dominican Republic, the late Anastasio Somoza in Nicaragua, and Fidel Castro in Cuba. But more prevalent than this belief in caudillismo is the tendency to identify nationalism with powerful central administration, one not necessarily associated with a charismatic leader. Certainly among the intellectuals and the policy-makers in modern Latin America governmental centralization is conceived to be the essence of nationalism. The nationalism which they aspire to create and strengthen must and, in their judgment, can be brought about only by the positive action of central government. But the old nationalism symbolized by the caudillo and the new nationalism which demands strong central authority require the submergence, in large measure, of the village economy, local cultures, the concept of a patria chica, and even family allegiances.

The Monroe Doctrine, as originally promulgated by President James Monroe in 1823, sought to defend the right of the independent nations of the American hemisphere to establish and maintain republican and federal systems of government as opposed to the monarchical system of Europe. This same basic ideal nobly motivated James G. Blaine when as Secretary of State of the United States he took the lead in activating the modern Pan American movement in 1889. His creed of Pan Americanism looked toward the establishment of a congeries of American nations organized on the basis of republican institutions and entitled as of right to juridical equality in a cooperative inter-American system. He also advocated, though unfortunately unsuccessfully, the creation of an Inter-American customs union, an idea which would not take shape until 1960 in the Latin American Free Trade Association, but without the participation of the United States.

These were solid foundations on which to erect a harmonious structure of Pan American cooperation: (1) republican institutions, (2) the federal principle recognizing maximum autonomy in the component parts of the system, and (3) Inter-American free trade. But they were soon shattered by the aggressions of the United States into Cuba and Puerto Rico and the new policy of imperialism announced by President Theodore Roosevelt in his corollary erroneously affixed to the Monroe Doctrine in 1904. Under this corollary the United States undertook to exercise, in Roosevelt's words, "an international police power" over nations in the Western Hemisphere which were guilty of "chronic wrongdoing or an impotence which results in a general loosening of the ties of civilized society." To this policy Roosevelt and his successors until 1930 gave a moral gloss, representing it as a policy of governmental humanitarianism. Under Woodrow Wilson Latin American policy became a new theology, intended as he said to force the Latin American peoples "to elect good men as presidents."

This new orientation of United States policy toward Latin America occurred at a time when United States domestic policy and its constitutional system were themselves undergoing a radical transformation. Indeed it may be suggested that these two phenomena had a casual connection one with the other. Republicanism as a political principle was thrown on the defensive by the Populist agitation of the agrarian and debtor classes during the late 1880's and the 1890's demanding stronger action by the central government on their behalf and enforced redistribution of wealth for their advantage. To this agitation the political response was the Progressive movement of the early twentieth century, which resulted in the enormous aggrandizement of the powers of the central government, particularly the establishment of conditions for executive absolution. Theodore Roosevelt largely ignored the limitations imposed upon the President by the Constitution and both advanced and acted upon the theory, as he himself declared, that the President can do anything that the Constitution does not forbid him to do. He thus virtually resurrected the theory of executive prerogative which in earlier centuries had rendered kings unchallengeable, by their parliaments and their subjects. Under the constitutional clause which declare the President to be the Commander-in-Chief of the Army and Navy, presumably in times of both peace and war, his powers have been further radically extended during World Wars I and II, and the President since 1900 has, on his own authority and without congressional authorization, repeatedly dispatched the military, the naval, and now the air forces of the nation to many foreign countries ostensibly for the protection of the interests of the United States.

With this enormous aggrandizement of presidential powers, verging upon executive absolutism, the federal theory has been eclipsed and the balance of power has shifted sharply from the states and other local governments to the central government. This shift has been brought about largely by the expansion of the taxing powers and the police powers of Washington with the result that the United States can fairly accurately now be labeled no longer a federal but rather a unitary nation.

The movement of societies from federalism to unitarism, from dispersed authority to centralized authority, from the primacy of the individual to the primacy of the state has become a worldwide phenomenon in this twentieth century. In the United States the attempt is made to justify it quite inaccurately as a logical and virtually inevitable expression of the liberal movement of our times. As individual citizens have always been obliged to defend their individualism from the tyranny of central authority, say these self-styled liberals, they now control central authority and are using it beneficially in their own behalf. As government has traditionally based its claims to power upon the need for maintaining order and protecting the national security, now as an agent of the people it must dedicate its efforts to the advancement of the social and economic welfare of citizens.

The great innovation of the French Revolution after 1789 was to suggest that political liberty to be meaningful must be coupled with the economic and social conditions of men and that government must make it itself the source of both social and individual good. It must dedicate itself to the conscious mitigation of the results of inequality and must create a homogenous society of individuals equal in opportunity, wealth, and power. The state must convert itself therefore into an agency of social betterment and reform.

The socialist implications of this French Revolutionary doctrine were developed by François Noël Babeuf who became the leader of the Societé des Egaux and sought to overthrow the Directory in its Manifeste des égaux. They advocated the nationalization of land and industry as necessary to complete the Revolution begun in 1789. Their doctrine of equality called for the abolition of both riches and poverty. Under this doctrine, which Robespierre defined as the "despotism of liberty over tyranny," government would charge itself with making people behave according to the wisdom of those who were exercising the responsibility of governance. Absolutism, they argued, is not evil if it is socially minded. Tyranny is not tyranny if it is motivated by humanitarianism. Only by means of benevolent absolutism can citizens be taught the true meaning of liberty and be enabled to enjoy its blessings.

The legacy which the French Revolution left to the nineteenth century was socialism. The word socialism first came into use in both England and France around 1825. It aimed at a complete transformation of society by substituting social for individual control. From the beginning socialism warred against individualism. The early socialists, Fourier and Saint-Simon in France and Robert Owen in England, worked out intellectual blueprints which they thought would rationalize society and would bring complete harmony to mankind. But all the plans of the socialists led to the authoritarian organization of society. They thus accepted the paradox that they must employ the methods of dictatorship to do good. By authoritarian methods they would guarantee freedom. Happiness on earth can be achieved, they insisted, only by a thorough-going social transformation presided over by government. Under this system citizens must be "other-directed," that is controlled by external authority and dependent upon the collective will for all their individual and social values.

The objective of making the people happy, Karl Popper has observed, is a dangerous one. "It leads invariably to the attempt to impose our scale of 'higher' values upon others in order to make them realize what seems to us of greatest importance for their happiness." [1]

Such was the course of the French Revolution which began with a quest for human perfection through governmental action and ended in an emperor. The doctrine of the unrestrained and immediate sovereignty of the people was transformed by unnatural theories of social welfare into a doctrine of dictatorship. The logical product of an excessive intrusion of government into political life is a Napoleon and a unipartite or monolithic political system. "This is the curse on salvationist creeds," writes J. L. Talmon of the Hebrew University in Jerusalem, "to be born out of the noblest impulses of man and to degenerate into weapons of tyranny." [2] By their perverse alchemy freedom is transformed into slavery.

In economic life it means the creation of a state which promises the security of a supine citizenry. In a broader sense it means a reverse of at least one process which occurred in the transition from the feudal to the modern age. Sir Henry Maine first pointed out in his Ancient Law, published in 1861: "The movement of the progressive societies has hitherto been a movement from Status to Contract." In that transition sometime in the later Middle Ages the man who was required, for example, to follow the cobbler's trade in a highly stratified medieval society or to maintain fealty to his feudal lord became free to move about and to establish new contractual relationships. He acquired Gewerbefreiheit or freedom of occupation and trade. One mark—perhaps the principal mark—of the new age was that an individual or a group of individuals might now enter freely into contractual relationships with other individuals. A man became indeed a free man, liberated from his former feudal servitudes. The new laissez-faire liberalism rested upon a contract basis, greatly expanded to comprehend almost all phases of man's work and man's relationships in the western world.

This change from a compulsory economy to one of contract, as Pitirim Sorokin of Harvard has explained, began in the thirteenth century and culminated in the nineteenth century and the early twentieth century, which, he declares, "constituted the golden age of contractual society." During that period western society "was a well-ordered contractual house inhabited by free men governed by free agreement . . . . The capitalist contractual system," he continues, "produced an enormous number of signal achievements, such as the increased efficiency of labor and machines, the extraordinary multiplication of technological inventions, a fundamental improvement in the material standard of living, . . . the elimination of autocratic, coercive governments and . . . their replacement by democratic political regimes, with the government contractually elected, contractually limited in its power, contractually bound to respect the inalienable rights of the citizen—his liberty, his equalities, and his individualism. . . . The rights and duties of every individual were definitely fixed and mutually limited. . . . Even the army in many countries became contractual to a notable degree. . . . Contractual government is a more precise definition of so-called democratic political systems—of government of the people, by the people, and for the people." [3]

The transition which seems to be taking place now is from contract back to status, but to a status defined in terms of the interests of individuals as members of a social or economic or even a political class and maintained under the guaranty of government. The power of the nation is being extended in behalf of such classes even though it thus limits the contractual freedom of individual citizens. The authoritarianism of the Middle Ages, which yielded to the right of free contract many centuries ago in the western world, is being restored under the aegis of government and on a much more widely generalized basis.

Interpersonal relationships which are based upon status, that is, upon fixed social and economic station in life, whether they are merely tolerated or actually fixed by government, embody a kind of servitude which limits individual freedom of choice and action. The effect is to introduce new social rigidities and pressures and so to limit the range of choices open to individuals. Under it each man has his appointed place, works under coercive rule, and has his apportioned share of food, clothing, and shelter. The struggle for freedom has historically been a quest for mobility. This struggle is being defeated in our time by the immobilities of a new system of status, imposed and maintained by government.

These are some of the results that have been produced in our modern society by the ideas and action programs of the socialist reformers working shrewdly and sometimes clandestinely and conspiratorially over the past half century. They are rooted in collectivist patterns of thought, and they are concerned primarily with the organization and mechanics of national society conceived as an organic entity, that is, with its structure and pattern rather than with the moral and social customs of individuals.

In the last third of the nineteenth century some Latin American societies hoped to find a key to progress in a new intellectual movement, Positivism, which was developed by the French philosopher Auguste Comte. For them it became a new Enlightenment, promising a rational solution to their problems. Comte proposed to apply to society the empirical and experimental methods, that is, the "positive" methods of the natural sciences, in order to find laws as invariable as gravitation and the conservation of energy to which society could be made to respond. He envisaged as an ideal society a "dictatorial republic" (his own phrase) which would be directed by savants in accordance with scientific principles and would be organized under a system of social planning conceived as a logical structure and following a pattern as rigid as Newtonian mechanics. Positivism repudiated all philosophical, metaphysical, and spiritual considerations in its exclusive preoccupation with the allegedly real and concrete. Positivism transformed political economy and indeed the whole of politics into sociology, and it reinforced the centralistic, materialistic, and authoritarian trend in liberalism.

The creed of Comte, though it is no longer specifically identified with him, still fixes the thought mold of many Latin American intellectuals, and for them it has been newly vitalized by overlayers of Marxism. Positivism as developed by Comte, though apparently not so thoroughly economic as socialism, yields the same end results. As an ideology and a system of statecraft it points toward the same societal consequences but without resorting to the violent methods of the Marxists.

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The Marxists, going beyond the Comtians, insist that the problems of human life are basically economic and can all be solved by economic means. Few of our people, including our so-called intellectuals, appreciate how all-pervasive the communist ideas of Karl Marx have become in our society. They accept uncritically, for example, his charges as to the sinfulness of profit making, the communist indictment of the system of private capitalism, the rigid determinism of the economic factor in history, the Marxist analysis of the class structure of society, from which many go on to accept also the Marxist postulate of a necessary struggle between classes, the inevitably of the triumph of socialism in human society, the necessary elimination of the upper and middle classes and the proletarianization of society, the need for the increasing politicization of all phases of life, and even Marx's labor theory of value, which, it can be safely asserted, is no longer defended by any reputable economists.

The advent of the dogmas of Comte and Marx ended the age of chivalry and ushered in the age of social engineering. They perverted humanism into a mechanical process and insisted that better things could be produced for more people under government direction than under a system of individual initiative and freedom. Juan Bautista Alberdi warned against the consequences of these dogmas in his significant La Omnipotencia del Estado es la Negación de la Libertad Individual in 1880 as follows:

"The nation is free to the extent that it does not depend upon a foreign nation; but the individual lacks freedom to the extent that he depends upon the all-powerful and absolutist State. The nation remains free when it absorbs and monopolizes the liberties of all its citizens: but its citizens then are not free because the government has taken away their liberties."

These dogmas have nevertheless been widely accepted in our modern world, and their application explains many of our current problems in inter-American relations. If, as has been long assumed, centralization of power has been a curse, why do formulators of modern policy offered increased centralization as the solution to these problems. Those who preach the goal of integrated nationhood for the Latin American nations often fail to appreciate to what extent their goal, if achieved, would destroy the essentially healthy pluralistic elements in the national societies of Latin America and substitute for them a more or less totalitarianized centralism. The national consensus implicit in their goal of national integration will in fact be scarcely distinguishable from the abominated dictatorships of the past which have similarly striven, though by possibly different methods, for a high degree of national conformity. In the resistance to the pressures for the achievement of this goal is rooted much of the anti-United States sentiment in Latin America. The resisters consider that the national purpose will be better served by preserving the richness and diversity in the national ethos than by the imposition of a more or less contrived national cohesiveness.

The initial assumption of policy-makers that Latin America is an area of undeveloped or at least underdeveloped peoples and nations is an invidious basis for policy formulation, implying, as it does, an exclusive Anglo-American yardstick as to what constitutes development. The culture gap between the United States and Latin America is not a gap between developed and undeveloped nations but rather a gap between the two cultures, Anglo-American and Latin American, which are products of processes of cultural differentiation occurring over a period of many centuries.

Latin America can be considered an "underdeveloped" area in the sense that it does not share fully in the advantages of modern economic progress. Large portions of it have not yet felt the taming hand of man. But Latin America is not underdeveloped in the sense that it lacks high civilization and culture. The United States itself, if viewed from some of the cultural pinnacles of man's achievement in the past, can be considered in certain respects to be still an underdeveloped society. Fortunate, for it! For if it were fully developed there would be nothing more for the people of the United States to do.

The underdevelopment with which Latin America is now charged is in essence a moral or social underdevelopment, and this cannot be overcome by aid programs administered by the United States. Nor can it be corrected by central planning, public works, and regimentation carried out by Latin American governments. A sense of social responsibility which does not result from controls imposed by governments is the great need of both the United States and Latin America. "The dignity and glory of a nation," declared Argentine President Sarmiento, cannot be calculated "except on the basis of the dignity of the condition of its subjects, and that can be obtained only by raising moral character, developing intelligence, and predisposing it to the proper coordination of all of man's faculties." The fact is that political leaders have failed to inspire the individual, moral regeneration that is required. They have construed the "crisis of values" as a mere crisis of structures which can be solved by changing systems. As they have sought to solve the problems of Latin America by material expedients, judging rightly that in those they find the only malleable substances with which they can concern themselves, they have diverted attention from the other far more serious task. The "reforms" which they are seeking to introduce into these countries do not touch the basic problem of the social or moral matrix. Nor can they, for this condition lies beyond the power of government to influence except by the example which it sets of public virtue, official restraint, and scrupulous adherence to legal and constitutional prescriptions.

When Latin American governments, whether civilian or military, undertake thus to dominate their own national economies they assume a formidable task. Many of the skills and facilities which they require to move their countries into the modern industrial age are the property of foreign private business and can be obtained only at a price. The system of government controls over the economy which they favor means necessarily state capitalism like that of Soviet Russia and Cuba, where the only capitalist is the state. But under such a system, government using the people's money will still have to buy foreign technology for the government as such is as deficient in foreign technology as are the people. The paternalistic government instead of private entrepreneurs will make itself the channel through which foreign technology will be introduced into the country, but it will still have to pay a price and in the process perhaps bankrupt itself or mortgage itself to foreign companies.

But the job that needs to be done in these countries cannot be done by governments. It can be assisted by governments which are actuated by real concern for the welfare of their countries, and it can be impeded by governments, as the existing serious restrictions upon individual enterprise, free commercial bargaining, exchange controls, and other expressions of statist distortion conclusively demonstrate. It may even be questioned whether governments, at least the types of governments likely to be placed in power by current electorates in most of the countries of Latin America, can act as effective catalytic agents in sparking the incentives among their people that are essential to progress. For in the current state of Latin America, wracked by internal and external pressures, torn between the competing forces of totalitarianism and individualism, and plagued by unmet and seemingly insatiable market demands, governments are being buffeted about excruciatingly. If they assume or attempt to exercise the powers which they are expected by their people and by outside advisers to assume and exercise, they will necessarily become more totalitarian than Fidel Castro. Is that what is wanted? Policymakers may sit in Washington and painstakingly work out blueprints for the reconstruction of Peru or Bolivia or Brazil, and ambassadors looking out from embassy windows may speculate on methods of achieving the good society according to their own Washington or New York backgrounds, but these blueprints and speculations have produced and will continue to produce results inimical to stability, prosperity, and ultimate progress in these countries. And when implemented by government action in Washington with financial leverage which appears like blackmail to Latin Americans, these pressures for change assuredly create serious division within the hemisphere.

The policies of the 1960's in Latin America have discouraged affirmations of individual and national independence and instead have deliberately created new conditions of dependence. They have done little to enhance the confidence of Latin Americans in their ability to handle their own problems of national development. Alberdi wrote that every country forms its own characteristics from its habits of industry and its moral approach to wealth. For these characteristics no other country can be held responsible.[5] As a result, the possibility of maintaining an open society in many of these countries is being severely limited. By disparaging the process of private capitalism and by substituting for it a statist economy some Latin American governments are denying their peoples the means of life and growth, the instrumentality for effecting truly revolutionary change in their societies. Instead, the effort must be made to discourage the growth of the belief among Latin Americans in centralization, hyper-organization, standardization, and mass uniformity and to lead them into a natural, human, balanced, and diversified experience, toward the creation of conditions within which a free market economy and the institutions of private capitalism can develop and flourish. These conditions will not inevitably flow from the mere restoration of a free market. We must believe that the needs of the Latin American peoples can be supplied within the context of private capitalism, but capitalism is no more inevitable than socialism; indeed it seems far less inevitable in the modern world of the 1970's. But unless it is given impetus and is clearly identified with freedom the Latin American nations may become completely closed societies. Many of them are already far advanced in that direction; they no longer can claim in fact to belong to the "free world."

Pan Americanism requires that Anglo-Americans and Latin Americans, instead of engaging in sterile conflict or, worse, operating in separate spheres independently of each other, collaborate in reciprocally helpful ways. The Pan American ideal to which all the American nations have long and repeatedly subscribed envisages a hemisphere of nations which are committed to the following five principles: (1) respect for the territorial integrity of each nation, (2) the juridical equality of each nation in the inter-American system according to the principles of federalism, not totalitarianism, (3) repudiation of balance-of-power arrangements in the Americas, (4) non-intervention by each nation in the internal affairs of every other American nation, and (5) voluntary

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cooperation among them to attain their common economic, cultural, and social aims. On these principles there exists a general consensus among the peoples and nations of the Americas.

The Latin American nations have repeatedly stressed the necessity of economic cooperation particularly in their collective relationship with the United States. The ideal of Pan Americanism logically demands the removal of all customs restrictions between and among the nations of the Americas and the establishment in their place of a hemispheric free-trade association. In a world of large competing economic blocs the nations of Latin America in particular cannot expect to succeed separately in improving their economic position vis-á-vis other nations. They cannot compete with those nations unless they cooperate with each other and become economically integrated through free-trade agreements facilitated originally by governments but thereafter self-operating.

The attitude of the United States toward cooperative action among the American nations on matters of customs duties and trade has been equivocal. Such cooperation was advocated by Henry Clay as a part of his American system in 1820; it was proposed by Senator Stephen A. Douglas in 1861; and it was included in the instructions to the United States delegation to the Washington conference of eighteen American nations in 1889–1890. Through this latter conference, the first of the Pan American conferences, rejected the proposal of a Pan American customs union it endorsed the system of commercial reciprocity which represented a significant step in the direction of reduction of trade barriers, but even this limited effort was terminated by the United States in 1894.

Two conflicting objectives have motivated much of the policy planning of the Latin American governments since World War II. The first has been the objective of balanced national development, which has seemed to call in most cases for an expansion of industry, including heavy industry. In some countries of Latin America the conception of national development has been narrowed down since 1950 into industrialization forced upon the nation through tax incentives, high tariff protection, and import and exchange controls, all of which have tended to produce closed national economies and to require a continuing flow of grants or soft loans. The resulting industries, insulated from outside competition, operate at high cost and often are required to use only expensive materials supplied by other protected local industries. Limited in sales to small home markets they cannot effect economies in production. The emphasis that has been placed upon industrialization primarily for domestic consumption has led to neglect of agriculture and export markets, has created serious foreign exchange problems, has increased the burden of accumulated foreign indebtedness, and has weakened the attractiveness of the economy to foreign investment. Hence the term balanced looks toward an unattainable national autarchy, and the term national necessitates the adoption of restrictions upon business relations with foreign nations.

The emphasis placed upon the promotion of industry has determined almost inevitably the second objective, which has been and continues to be the elaboration of procedures that will create production-oriented economies. But the production which is favored by this design is not national production, but rather only industrial production, to the neglect of other sectors of the national economy and has led to the ignoring of the interests of consumers. Since many of the industries can only be sustained by policies of governmental paternalism, their protection imposes penalties upon all domestic consumers, including consumers of the products of national industry, and has created, in large part, the stresses and strains from which some of the Latin American nations suffer.

Those nations which have made economic autarchy their objective thus refuse to recognize the advantages of integration, and they persist in thinking in terms of an atomistic world structure of disparate states each one limiting itself to its own productive and technological processes. The methods which they use to attain these objectives include the issuance of fiat money, the encouragement of inflation, subsidies to domestic producers, bounties on exports, tariffs and other restrictions on imports, and governmental manipulation of exchange rates.

It is not to be assumed that governments have embarked willingly upon this course of action, or that they necessarily seek a closer integration of their own people deliberately for nationalistic reasons, or that they wish to separate their own people from other peoples, or that they are acting out of aggressive impulses toward neighboring nations. On the contrary they have acted defensively and have pursued the only course which has remained open to them in the face of the limitations imposed upon their economies by the master nations and the international bankers. Their resort to currency inflation, for example, must be viewed as a protest against the gold standard which has been imposed upon them by foreign powers. In the quandary into which these nations have been consequently plunged, governments have come forward with nationalistic solutions and in doing so have strengthened the processes of statism.

The participation of the United States in the Common Market arrangements in Latin America was recommended as early as 1964 by the Subcommittee on Inter-American Economic Relationships of the Joint Economic Committee of Congress in Washington as a means of "extending the economic gains of private enterprise and the international division of labor." As our people pour out their sweat for the relief and well-being of Latin American countries, government policies in Washington prevent reciprocal contributions to our own relief and well-being from those same countries. The fear that other countries will dump their products upon us to the detriment of our economy has been shown by economists to be an unreasonable fear. The United States should, in its own self-interest if for no other reason, encourage the development of a strong economy in each of the Latin American nations. But this encouragement should be given in the form of quiet, dependable, non-governmental assistance based upon the trust, understanding, and mutual respect which must exist among good neighbors. Though almost all the Latin American nations can improve their economic, as well as their social conditions through some diversification of their production, none of them, with the possible exception of Brazil, can hope to achieve the condition of autarchy which the United States has gained because of its wide variety of natural resources. Nor should they aspire to do so, for all the nations of the hemisphere will prosper through the development of complementary economies. Each nation should be encouraged to produce what it can most profitably and most easily produce. The objective of balanced national economies should therefore be discarded in the interest of fuller cooperation in production and consumption.

It is difficult to see how, without the participation of the United States, a hemispherewide free-trade association or common market can fulfill the reasonable expectations of its creators. Is it not probable that the establishment of unrestricted trade relations among all the nations of the American hemisphere will eliminate the necessity of foreign aid? The removal of the existing import restrictions of the United States alone on Latin American goods, it is estimated, would result in increased sales by the Latin American countries amounting to as much as 1.7 billion dollars annually and produce a tremendous development of Latin America and a vast outflow of United States private capital to that area. Secretary of State William P. Rogers informed the Latin Americans at a meeting of the Organization of American States in San José, Costa Rica, on April 15, 1971, that the Nixon administration would "initiate consultations with members of Congress with a view to early introduction of legislation to grant developing countries generalized tariff preferences on a wide range of products, including the 500 items requested by Latin America." But this interesting offer died aborning. Instead, when President Nixon announced his new economic policy in August 1971 imposing a ten percent surcharge on imports into the United States in an effort to correct his nation's unfavorable balance of trade he announced it as applicable to the entire foreign world and failed, unfortunately, to exempt the Latin American nations from its effects although they could be charged with none of the blame for his nation's plight.

United States policy toward Latin America is too narrowly conceived. The ideological underpinnings of inter-Americanism during the 1960's have taken the form of national socialism and its variant forms. If it was anticipated by policy makers north and south that this system would serve as a sufficient platform for common inter-American action they badly miscalculated. In espousing policies which necessitated the enlargement of central power and its welfare responsibilities they encouraged the disparate nationalisms which now abound in the Western Hemisphere and discouraged feelings of fraternity and neighborliness among them.

What, then, can the United States government do to assist the peoples of this most crucial of world islands in the present posture of world affairs? It will do enough if it will only cease to do the wrong things. It can do more than it is now doing for Latin America by doing less. The emphasis which the United States places upon central power only strengthens the appeal of Marxism. The historic fact is that Latin America's plight has in general worsened as the forces of federalism and localism have weakened. The aggrandizement and proliferation of the agencies of central control in these countries has not brought with it better government nor an alleviation of misery and poverty. As the distinguished Colombian statesman-writer Hernán Echavarría Olózaga has observed, Centralism has always been the worst enemy of democracy and of personal liberties. The more powerful the state the weaker are the rights of citizens. All monarchical and dictatorial regimes have been centralistic; all the great democracies are decentralized.[6]

The alternative, decentralization or federalism, is a political system which best accommodates the fact of social and economic diversity with the need for the maintenance of law and order in society. "The most important contribution of the United States," according to a distinguished Venezuelan educator, "is not liberty but federalism, which insures liberty."

All the evidence suggests that the Latin American countries do not need new forms of social organization. They need only to liberate the forces of individual initiative and to allow them to expand. These will produce new forms of popular capitalism, the voluntary cooperative mobilization of capital, and dozens of other processes of wealth formation.

Footnotes at end of article.

What is needed is a maximization of individualism, a relaxation of controls, a decentralization of authority, the restoration of conditions which give free play to personal incentives, and the encouragement of cooperative productive effort.

If I may say so, the ills of Latin America can only be cured and its problems solved by the establishment there of open societies, replacing the cramped and pinched societies which now exist, and by the consequent release of the energies of its people who will be thus freed from the shackles of governmental restrictions to develop their societies in every way that the native ingenuity of their people can devise.

What is needed is a reconsideration of the conditions of change in Latin America. The objective that is sought must be harmony rather than unity, recognizing the fact of a hemisphere in which differences may exist without serious conflict. If we start with an assumption of differences—differences of language, culture, historical development—we can more intelligently grapple with the problems of future relations. The thing that is required is the wisdom that knows how to accommodate cultural differences, how to sacrifice logic to reality when necessary, how to inspire Latin Americans, through their own efforts, to move their societies forward into the new day, and how to accept the fact that not all the problems of mankind are susceptible of human solution.

The United States and Latin America must march together in the modern world. Together we represent a potential of incalculable magnitude. To reach the essential Pan American goal will require not just an open pocketbook but all the ingenuity, imagination, and sympathetic understanding that all the peoples of the Americas and their leaders can muster.

FOOTNOTES

[1] Karl R. Popper, *The Open Society and Its Enemies* (London, 1949), II, 224.

[2] J. L. Talmon, *The Origins of Totalitarian Democracy* (New York, 1960), p. 253.

[3] Pitirim A. Sorokin, *The Crisis of Our Age: The Social and Cultural Outlook* (New York, 1957), pp. 170–171.

[4] Domingo Faustino Sarmiento, *Obras*, XI (Buenos Aires, 1896), p. 35.

[5] Juan Bautista Alberdi, *Escritos Posthumos*, I, *Estudios Económicos* (Buenos Aires, 1895), pp. 18, 65–68.

[6] Hernán Echavarría Olózaga, *El Sentido Común en la Economía Colombiana* (Imprenia Nacional, Bogotá, 1958), p. 329.

PENSION REFORM LEGISLATION

Mr. TAFT. Mr. President, those of us in the Senate know that the current pension reform movement had its genesis in large measure with Frank Cummings, formerly minority counsel to the Senate Labor and Public Welfare Committee. Mr. Cummings played an important part in focusing on the problem of pension protection and formulating an appropriate legislative response.

On Thursday, February 22, 1973, he testified before the House Ways and Means Committee. Because of the experience which he has had in developing pension reform legislation, I believe that his testimony will be most helpful to those of us who seek reform in this critically important area.

I, therefore, ask unanimous consent that his testimony be inserted at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

THE PRIVATE PENSION SYSTEM: THE CASE FOR REASONABLE REFORM

(Testimony of Frank Cummings*)

I. Introduction: The Types of Complaints Against the Private Pension "System"

The major premises of any serious pension reform bill are these generalizations: Too few participants who work "under" private pension plans actually get a pension; and too many who work long years—10, 20, 25 or more years—get nothing. They get nothing because far too few plans provide reasonably attainable vested non-forfeitable interests, and many provide no vesting even after long years of work, unless the employee actually reaches retirement age in the employ of the same employer. And Americans no longer typically do that—instead, they are mobile, moving from job to job, and forfeiting pension after pension along the way.

That is the vesting side of the controversy.

But there is also a funding side: There are too many plans in which the pension "promise"—even if vested—is so woefully underfunded that, if the employing enterprise should terminate, it might as well be no promise at all.

To give you some idea of the sorts of cases which keep turning up with increasing frequency, here are seven case histories quoted verbatim from a recent Report of the Senate Labor Subcommittee (S. Rep. No. 92-634, 92d Cong., 2d Sess. 87–88 (1972)):

"Case Number 1—Underfunding

"A large steel mill engaged in the production of iron and steel materials maintains a pension plan with total assets of $19½ million. However, its accrued vested liabilities are in excess of $66 million. In the event of plan termination, under its current financial structure, less than ⅓ of accrued vested benefits could be paid through available pension assets. This plan started in 1950, and the employer is funding only current benefits costs.

"Case Number 2—Vesting

"This employer is a nation-wide department store whose pension plan contains no vesting provisions prior to qualifying for early retirement. Early retirement requirements consist of age 55 and 15 years of continuous service, or age 50 and 20 years continuous service. Under the terms of plan eligibility, any worker of the thousands employed who would terminate employment prior to attaining age 50 will forfeit all benefits, not withstanding the number of years of employment.

"Case Number 3—Vesting

"An aircraft manufacturer in the Midwest established a pension plan providing for vesting of benefits at a combination of age plus service to total 60. This results in a new employee, who begins to work at age 20, to be required to work 20 years to receive vesting at age 40. Conversely, an employee hired at age 50 would only be required to work 5 years to vest at age 55. This vesting formula is a deterrent to employers to hire older people because of the shorter vesting period required.

"Case Number 4—Portability

"Mr. X began employment for a Midwest meat-packing company in 1927, at one of the employer's two plants in the same city. During World War II, he was sent to work in the other plant in the city because of the need to fulfill government contracts. He remained there until 1965 when the plant closed. The employer would not permit him to transfer back to the former plant as a regular employee, but only as a casual and intermittent laborer at the former plant. When the plant was closed, Mr. X was paid a total of $231.55 for his accrued pension benefits, despite 38 years of continuous employment with the same employer. Since he was reemployed in his old plant as a casual laborer, he was not eligible for any pension benefits after 1965. In 1970, he was dismissed because he was overage at 65. He did not receive any pension benefits. In sum, this employee was dismissed at age 66 after 43 years of continuous employment with the same employer and with no benefits to him except $231.55, paid to him in 1965. Had he been permitted to carry his pension benefits and credits from both plants with the same employer, which were located a few streets apart, Mr. X would have been eligible for a pension.

"Case Number 5—Vesting

"The pension plan of a large cotton-milling company provides for vesting at age 55 with 20 years of service. Although the accrued vested liabilities were less than $5 million, the pension fund contains over $30 million in assets. This obvious overfunding is attributable to the stringent vesting provisions which drastically reduced eligibility for benefits.

"Case Number 6—Overfunding

"This pension plan belongs to one of the largest retail food chains in the United States. As of December 31, 1969, the pension plan assets' value totaled $118 million, and total accrued vested benefits were $60 million. The plan's vesting requirement is age 50 and 20 years of service.

"Case Number 7—Vesting

"A large hardware manufacturer purchased a manufacturing plant in 1958 at Trenton, New Jersey. At the time of purchase, the plant maintained a pension plan to which the employer was contributing 18½¢ per hour. The plan contained vesting provisions. The new owners negotiated a new contract with the union representing the workers and eliminating the vesting and fixed funding by the employer. In 1970, the company relocated the plant to the Midwest to cut production costs. None of the 333 employees were allowed to go to the new plant, despite the fact that some of them were within a few months of retirement eligibility. Of the employees, 8 were over 65 years of age and were permitted to retire. The remaining workers were dismissed and received no pension benefits whatsoever. Of these, 175 employees were over 40 years of age; 32 of them had in excess of 30 years of service. With respect to fund assets existing at the time of acquisition in 1958, the employer has consistently claimed that all rights by union and employees were relinquished when the contract was renegotiated in 1958."

As you can see, these cases deal primarily with vesting and funding (and I include the subject of "reinsurance" as an aspect of any realistic solution to the funding problem).

The other side of the pension controversy has to do with fiduciary standards and the prohibition of unethical conduct and conflict of interest in the handling of pension funds—of which the most notable recent case history involved the deposit of vast pension reserves of the United Mine Workers Welfare and Retirement Fund in a non-interest bearing account in a bank owned by The United Mine Workers of America. *Blankenship v. Boyle*, 329 F. Supp. 1089 (D.D.C. 1971), 337 F. Supp. 296 (D.D.C. 1972).

Faced with these and certain other difficulties in obtaining real security from the private pension plan system, many employees have sought solutions on an *individual* basis, and on occasion, devices have been found which are of some help, but here the strictures of the Internal Revenue Code are sometimes less of a help than a hinderance. A pension on an individual basis faces these alternatives: (1) if an employee contributes his own money, he loses the tax advantages of Sections 401–404 of the Code; (2) if the employer pays for it, it will most often be discriminatory in violation of Section 401, and so those advantages are likewise lost; (3) as of this year, the IRS is taking one more step to demolish an individual's option to do his own pension planning, by charging the individual with immediate constructive receipt of any compensation he elects to defer by using a "salary reduction agreement" providing for employer contributions to a pension plan in the same amount as the salary reduction (Proposed Treas. Reg., 37 Fed. Reg. 25938 (12–6–72)); (4) which still leaves the employee the option of a simple deferred compensation agreement, without tax deferral for the employee *unless* the plan is either unvested (which risks forfeiture) or unfunded (which risks non-payment) (Rev. Rul. 60–31, 1960–1 Cum Bull. 174).

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* Mr. Cummings, is a partner in the Washington, D.C. law firm, Gall, Lane, Powell & Kilcullen, and a lecturer at Columbia Law School, Columbia University, New York City. He was formerly Minority General Counsel of the Senate Labor and Public Walfare Committee. He is also a Public Member of the U.S. Labor Department's Advisory Council on Employee Welfare and Pension Benefit Plans.

So what is needed is some new, comprehensive, and humane re-thinking of our overall approach to private pensions.

Doubtless there will be some cost in any new approach, but we already pay a substantial cost whenever we let a worker retire without adequate resources—a cost in welfare and related programs, in loss of purchasing power in a significant segment of our economy, and in loss of morale and productivity. Surely there is some cost in pension reform, but it needs to be evaluated against the benefits to be gained as a result. And the cost need not be high.

But if we are going to pay *any* cost for reform of the private pension system, we ought to make sure we get our money's worth.

Before getting into the details of legislation, however, we ought to examine, first, where we are in the current legal framework.

II. CURRENT LEGAL REQUIREMENTS

A. Internal Revenue Code

1. General Rules

The Code now grants three significant tax advantages to a "qualified" pension plan which, together, constitute a gigantic "bonus" from our tax laws. The employer gets a tax deduction for his contribution to the plan (Int. Rev. Code § 404). The employee, for whose benefit the contributions are made, gets a tax deferral—that is, he is not taxable on the money contributed on his behalf until a much later time when he retires (a time when his tax bracket is much lower) (Int. Rev. Code §§ 402, 403, 72). And the trust fund itself may accrue income, dividends, and capital gains, without any tax whatever on its own income or growth. (Int. Rev. Code §§ 401, 501(a)).

All this the government grants to private pension plans because these plans serve a socially useful purpose.

But do they? Some do, but many do not, and they *need not* in order to remain "qualified" under the Code. For absent special circumstances, the Code requires *no vesting at all* until the employee actually retires, and no funding beyond payment of current service costs plus an amount equal to "interest" on unfunded past service liabilities (he need *never* fund those liabilities at all) Rev. Rul. 69–421, Part 6(d)). And so the irony is not only that the Studebaker plan could pay only 15 percent of *vested* benefits to employees when its South Bend plan shut down in 1964 (*Private Pension Plans, Hearings Before the Subcommittee on Fiscal Policy,* Joint Economic Committee, 89th Cong. 2d Sess., pt. 1, at 126, 128 (1966)), but also that the very same thing—and worse—can still happen, without loss of tax qualifications, and not matter how "mature" the plan is. For Studebaker's plan had some vesting (10 years and age 40) (*id.* at 125), and funding of past service liabilities over 30 years (*id* at 106), but the plan was only 15 years old (*ibid.*).

Studebaker's plans had vesting and funding, but it *need not* have so provided. A plan can be 100 years old and *still* not have funded past service costs; it may provide no vesting at all; and in either event—or *both*—the plan would still remain "qualified" under the Code.

2. "Special" Rules

There *are* some exceptions, and some of the exceptions are much better than the rules themselves. For example, a. *Teachers*:

Teachers and some public employees have special annuity provisions under § 403(b), and one need only examine the development of the college professors' retirement system (TIAA–CREF) to see what a well-vested and well-funded multi-employer retirement system can be.) *Hearings Before the Subcommittee on Labor, Committee on Labor and Public Welfare, U.S. Senate, on S. 3598,* 92d Cong. 2d Sess., pt. 2, at 475–79, (1972)).

b. "Mom and Pop" Enterprises: If a "mom and pop" business sets up a plan, early vesting may be required—*not* because vesting as such is mandatory, but because in this situation, the absence of vesting may give pensions only to the owners, in violation of § 401's antidiscrimination provisions. *Otherwise,* vesting is not required. In short, a plan may qualify under the Code even if its lack of vesting is grossly unfair to employees—so long as it is *equally unfair* to the owners.

3. "Prohibited Transactions"

The Code *does* touch upon fiduciary standards, in the sense that it contains a list of prohibited transactions (§ 503). But this does not prohibit the trust, for example, from investing in the securities of the employer, which results in subjecting the plan to the same risks as if it were *unfunded*—if the employer collapses, so does the plan.

And even if the Code *did* prohibit effectively all seal-dealing, what would be the remedy? If a beneficiary complains and the plan is disqualified, the *fund* loses its tax exemption, and the employee loses even more of his retirement security.

B. The Welfare and Pension Plans Disclosure Act

Setting aside the bonding requirements (which were added to the Act after its original passage and have no real effect on "who gets what"), this law creates a whole set of disclosure requirements, and a whole agency full of files, but under it, a plan can do *just about anything,* so long as it is "disclosed"—and believe it or not we have had Congressional investigations which turned up all sort of misappropriations of pension funds, which were, in fact, "disclosed" in the sense that the actions of the trustees were duly filed under this act. Indeed, even when the Labor Department discovers inadequate disclosure in a case such as this, the remedy is simply to ask the plan to amend its disclosure forms to add additional information—which in turn rarely does the individual pension participant any good. See *Hearings Before the Permanent Investigations Subcommittee, U.S. Senate Committee on Government Operations, on Diversion of Union Welfare-Pension Funds of Allied Trades Council and Teamster Local 815,* 89th Cong. 1st Sess. 482 (1965); S. Rep. No. 1348, 89th Cong. 2d Sess. 27 (1965).

C. Securities Acts

Some time ago, there was a developing interest in pension plans, particularly profit-sharing retirement plans, insofar as they created "securities" under various securities act. *SEC v. Variable Annuity Life Ins. Co.,* 79 Sup. Ct. 618, 359 U.S. 65 (1959), *reversing* 257 F.2d 201 (2d Cir. 1958); *Prudential Ins. Co. v. SEC,* 326 F.2d 383 (3d Cir. 1964), *cert. denied,* 377, U.S. 953 (1964).

But in the interest in pension plans has been somewhat diminished, with two exceptions, by later amendments. The recent SEC study sums it up as follows (*Institutional Investor Study, Report of the Securities and Exchange Commission, Summary Volume,* H. Doc. No. 92–64, Part 8, at 69–70 (1971)):

"During the period of time covered by the study and up to the passage of the Investment Company Amendments Act of 1972 [Pub. Law 91–547 (1970)], the Federal securities laws also were of major importance for pension-benefit plans. Amendments contained in the Investment Company Amendments Act have the effect of reducing substantially the impact of the securities laws on these plans.

"Although interests of participants in plans meet the definition of 'security' under the Securities Act of 1933, prior to passage of the Investment Company Amendments Act, the Commission generally did not require plans to register under the Securities Act. If, however, amounts exceeding employer contributions were invested in the securities of the employer, registration was required. This position has, in effect, been codified by the Act. Former section 3(c) (13) of the Investment Company Act of 1940 exempted from that Act trusts funding qualified plans; however, separate accounts maintained by insurance companies funding qualified plans were not similarly exempted. In this area, the Commission required registration under both the Securities Act and the Investment Company Act except to the extent exemptions were made available by rules 3c–3 and 6e–1 under the Investment Company Act and rule 156 under the Securities Act.

"The Investment Company Amendments Act exempts interests or participation in trusts and insurance company separate accounts funding qualified plans from the registration provisions of the Securities Act and the Securities Exchange Act of 1934 and from the registration and regulatory provisions of the Investment Company Act with two exceptions. Interests or participation in trusts and separate accounts funding H.R. 10 plans must be registered under the Securities Act, and interests or participations in single trusts or separate accounts funding the plans of a single employer under which an amount in excess of the employer's contribution is allocated to the purchase of securities of the employer must be registered under the Securities Act. For these purposes, securities of affiliated companies are considered securities of the employer, but interests or participations in trusts or separate accounts themselves are excluded from the class of employer's securities."

None of this affects "how much" or "how soon", except indirectly insofar as it affects freedom of investment, and it affects that very little.

Outside the area of *registration* requirements of the Securities Act, there *has* been some litigation concerning the application of *fiduciary* standards in these laws, and that controversy continues. See *Local 734 Bakery Drivers Pension Fund Trust v. Continental Illinois National* Bank, Dkt. No. 72 Civ. 2551 (N.D. Ill. 1972); and the general discussion in Panel Discussion, *Conflicts of Interest and the Regulation of Securities,* 28 Business Lawyer 545 (1973).

D. National Labor Relations Act

Again, we have peripheral regulation, but not really affecting the central issues under discussion here. Pensions are a mandatory bargaining issue (*Inland Steel Co. v. NLRB,* 170 F.2d 247 (7th Cir. 1948), *cert. denied on* *this issue,* 336 U.S. 960 (1949), *affirmed on other grounds sub nom. Communications Assn.* v. *Douds,* 339 U.S. 382 (1950)), although recently the benefit levels of those already retired turned out to be only a permissive bargaining subject (*Chemical Workers v. Pittsburgh Plate Glass Co.,* 30 L. Ed. 2d 341, 78 L.R.R.M. 2974 (1971))—a distinction which I suspect will turn out to be more technical than real.

We also know that a plan cannot, on its face, limit participation on the basis of union membership or lack of it (*Kroger Co.,* 164 N.L.R.B. 362 (1967), *enforced in part,* 401 F.2d 682 (6th Cir. 1968), *cert. denied,* 395 U.S. 904 (1969)), but such a restriction is again more apparent than real, as one generally can limit plans to "hourly paid", etc., and get the same result.

The *real* discrimination—against all but those employees who manage to stay with one employer until retirement age—is not covered by the act.

E. Other Statutory Provisions

One could go on and on, reviewing what law there is on this subject. There is section 302(c) of the Labor-Management Relations Act, which exerts some limits on fiduciary practices, insofar as they fall within the context of "bribery" of a union official. There is title VII of the Civil Rights Act, which has generated considerable litigation lately concerning sex discrimination in the benefit structure of benefit plans (different retirement ages, discrimination as to maternity benefits in the context of "disability" insurance, etc.).

And there are innumerable State laws, and the State common law in every State, which have some influence in this area.

But I have yet to find *any* law now on the books which has any really substantial impact on vesting, funding, reinsurance and fiduciary standards, so we are breaking new ground—at least in the United States, although there are other nations which are far ahead of us (see *e.g.,* the Ontario Pension Benefits Act, 1965, c. 96, as amended).

III. THE PROPOSALS

Last year there were dozens of pension reform bills, but none passed, though one—S. 3598—was favorably reported from the Senate Labor and Public Welfare Committee.

This year, we have roughly the same array of bills.

A. The Senate Labor Committee Bill

The so-called Williams-Javits bill, now S. 4, is pending in the Senate Labor and Public Welfare Committee. It has 52 cosponsors, and it seems probable that it will pass the Senate soon (an identical bill—S. 976—has been introduced in the House and was referred to the Committee on Education and Labor).

Short of purely tax features—which under the Constitution (Art I, § 7, cl. 1) must originate here—S. 4 is probably the most comprehensive of the pension reform bills.

S. 4 contains the following major provisions:

1. Vesting (S. 4, Title II, Part A).

The bill would require that every pension plan (with minor exceptions) (§ 104) provide for vesting (non-forfeitability) on a deferred graded schedule: After 8 years of service, 30% vesting; and 10% more vesting each year until 100% vesting is required after 15 years of service (§ 202).

Although the general vesting requirements would be prospective only (requiring vesting only of credits earned after the effective date of the act), the vesting schedule would be retroactive for employees over the age of 45. (§ 202(a)(2)).

Alternative vesting schedules found by the Secretary of Labor to provide comparable benefits to a majority of participants are permitted, nevertheless (§ 202(c)), and one might assume that a flat 10-year vesting standard might qualify in some circumstances.

2. Funding (S. 4, Title II, Part B).

The funding schedule fixed as a minimum by the bill should create no problem for any existing pension plan which is funded in a reasonably sound manner at the present time. The requirements of the bill are: first, to fund current service costs currently (§ 210(b)(1)); and second, to fund unfunded past service costs over a 30 year amortization schedule (§ 210(b)(2)).

Most sound pension funds are funded substantially as well already. See Accounting Principles Board Opinion No. 8, of the American Institute of Certified Public Accountants (eff. 1/1/67). The minimum standard set by the Internal Revenue Code, however, permits a somewhat weaker funding schedule—current service costs plus a sum equal to "interest" on unfunded past service costs. The difference, I believe, will not be a substantial cost problem, and, in consequence, there has been relatively little controversy concerning this requirement.

3. "Portability" (S. 4, Title III).

While the bill has a title called "portability," it is important to distinguish between the provisions of this title and the more widely heralded popular notion of "portability" which appears in so many political speeches.

More often than not, the word "portability" has been used as a shorthand designation for whatever solution is being currently advocated for the problem of pension forfeiture arising from labor mobility. As the rhetorical theory goes, people move from job to job, and their pensions ought to be "portable" so that they can take them along as they move.

That is not really what the portability title in this bill is all about. On the contrary, the problem of forfeiture is dealt with primarily in the vesting title, or else it is not dealt with at all.

What, then, does this portability title do? It creates a clearinghouse for the transfer of the current discounted value of pension credits which are *already vested.* (§ 301(a)). An employee leaving a job having earned a vested pension credit would be entitled to transfer the current (discounted) value of that vested pension credit into a central federal clearinghouse, where he could leave it until retirement, or else, when he takes another job with a pension plan tied into the clearinghouse, that credit could be transferred to the new job, into the new plan, to purchase whatever credits that much money is worth. (§ 302–05).

It is voluntary, under the bill, in two senses: first, the plan (that is, the company and/or the union) need not tie into the clearinghouse at all (§ 301(a)). Second, even if the plan ties into the clearinghouse, the individual participant in the plan is given the option of transferring credits through the clearinghouse, or simply leaving his vested credits in the plan where he earned them. (§§ 302, 305).

In short, I see no sensible way to object to this portability scheme as written. If you don't like it—forget it.

4. Reinsurance (S. 4, Title IV).

This title would create a federal pension "reinsurance" program (actually "insurance,"," and not "reinsurance," unless the basic benefits are already funded by insurance contracts) to guarantee payment of the vested pension rights, whether or not the fund has sufficient assets to pay them.

The classic problem, to which this title is the famous (or infamous) Studebaker shutdown in South Bend, Indiana a decade ago in which long-service Studebaker employees with vested pension rights forfeited 85 cents on the dollar of their pension entitlements.

While the bill undertakes to reinsure pension rights earned both after and before the effective date of the act (§ 401), the amount of reinsurance is limited to 50% of an employee's highest monthly wage, or $500 a month, whichever is less (§ 402(b)).

The bill sets the initial premium rate at 0.2% of unfunded vested liabilities (§ 403(b)(2)), subject revision later on the basis of experience. (§ 403(b)(3)).

One might argue that this premium rate, which is only an initial estimate, will not be sufficient to cover anticipated pay-outs, because the reinsurance scheme is itself an invitation to set up "collapsible plans" and then have the reinsurance plan pay off. Another feature of the bill, however, ought to be a substantial deterrent to such a practice—the bill contains a subrogation scheme. That is to say, when a plan terminates with insufficient funds to pay vested benefits, the reinsurance fund will pay the difference—with no delay upon any controversy over whether or not the collapse was a "sham." But once those benefits are paid, the reinsurance fund is entitled to recover from the general assets of the employer, based upon a formula set forth in the bill, a proportion of the benefits paid out, depending upon whether or not the employer was solvent, and the degree to which he was solvent, at the time the plan was terminated (§ 405).

5. Fiduciary Standards (S. 4, Title V).

There is no longer very much controversy over this title of the bill. It is practically a carbon copy of a similar bill introduced last year on behalf of the Nixon Administration (S. 304, 92d Cong.), and is in all respects just about the same as bills introduced by Senator Griffin (S. 2486, 92d Cong.), and Congresman Dent (H.R. 1269). Indeed, if this title were cut loose from the rest of the reform package, it would probably pass with ease (See S. Rep. No. 92–1224, 92d Cong., 2d Sess. (1972)). Such a legislative step, however, is most unlikely, in view of the current massive effort to pass the whole package all at once.

The approach of the fiduciary standards title (which applies to all employee benefit funds, not just pension funds) (§ 510) is two-fold: first, to list a set of prohibited transactions; and, second, to impose a federal prudent man rule.

Without listing all of the prohibited transactions, one may say about them, generally, that they itemize a set of transactions involving "parties in interest"—persons affiliated with the fund, the employer, or the union—and with minor exceptions prohibit any loan, gift or other business transaction between the fund and any party in interest.

Once such prohibited transactions are out of the picture, the general conduct of a fund's affairs is left to the "prudent man" standard. That standard, however, does impose a degree of professionalism upon the trustee, for he is charged with performing his duties "with the care under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims."

6. Enforcement (S. 4, Title VI).

The bill vests public enforcement authority in the Labor Department. That is to say, the Labor Department may initiate enforcement. But such enforcement, when initiated by the Labor Department, must come by way of a lawsuit in the federal courts (§ 601).

Similarly, a private citizen who has an interest in a pension plan may likewise bring an action in the federal courts, either to enforce fiduciary standards or the terms of the plan itself, and it is the federal courts which will decide (§§ 603–04). What they will decide is a matter of federal law, thus preempting the 50 state laws now dealing with the subject (§ 609). The court is given authority to award attorneys fees as part of recovery, not only to a plaintiff who wins, but to the fund, if the plaintiff loses—which ought to be a substantial deterrent to frivolous lawsuits. (§ 605(a)(1)).

B. The Dent Bills (H.R. 2, H.R. 462)

Congressman Dent, Chairman of the General Labor Subcommittee of the House Education and Labor Committee, is currently holding hearings on two bills he has introduced—H.R. 2, and H.R. 462.

Together, the two bills are quite similar to S. 4, with certain obvious differences.

The most obvious difference is that the "package" is split in half, while the subject of pension reform is—or at least ought to be—dealt with as a unit, if possible, H.R. 2 covers Fiduciary Standards and Disclosure (Title I), Vesting (Title II), and Funding (Title III). H.R. 462 covers "portability" (Title I), and plan termination insurance (Title II).

A few comments on the specifics of these bills are:

1. As to H.R. 2

(a) *Coverage:* The bill does not exclude State and Municipal plans (§ 101(b)). I recognize these plans have their weaknesses, but question the wisdom of covering them under the same bill with private plans, for there *are* significant differences (not the least of which is that a State, which has taxing power and exists in perpetuity, is much less subject to termination).

(b) *Vesting:* After a phase-in period, the bill requires 100% vesting after 10 years, with no graduation. (§ 203(b)). The disadvantage of any flat period for 100% vesting is that there will always be cases—tragic ones—where an employee will "just miss" (an employee laid off after 9 years, 11 months and 29 days). The advantage of graduated vesting (as in S. 4) is that an employee may "just miss" *something*, what he "just misses" is only a little bit more than what he "just got."

2. As to H.R. 462

(a) *Portability.* This program (Title I) is mandatory (not voluntary, as in S. 4). While this may be a legitimate long-run objective, I suspect that only a voluntary program is feasible at this time.

(b) *Plan Termination Insurance.* By severing this from the vesting and funding provisions of H.R. 2, the bill suggests that the Government *might* undertake to reinsure without regulating. That, in my judgment, is a prescription for disaster, for it would unite collapsible funds, with the Government picking up the tab, and would, in effect, put a premium on insolvency.

C. The Rule of 50 (Last Year's H.R. 12272)

Last year this Committee held brief hearings on an Administration proposal, H.R. "Keogh" (plans for the self-employed) by 12272, which would have (a) liberalized increasing the maximum annual contribution from $2500 to $7500; (b) permitted corporate employees with no plan coverage to contribute tax-deductible dollars to individual retirement accounts (to a maximum of $1500 annually); and (c) required vesting under the "rule of 50"—50% vesting when age and service were equal to 50.

1. As to tax-deductible contributions.

The proposal is sorely needed, but the $1500 limit on corporate employees cannot be justified when the limit on the self-employed would be $7500. Why not make them both $7500?

I question, moreover, the consistency of the IRS on this whole matter. As noted above, the Treasury has just proposed to knock out "salary reduction plans" (which heretofore permitted an employee to agree to a salary reduction and then have the employer contribute the amount of the reduction to a qualified plan (without current taxation to the employee). Isn't that the *same thing* as H.R. 12272 would permit by a direct employee contribution? In short, the President asks Congress to qualify *direct* employee before-tax contributions, while the Treasury proposes to prohibit *indirect* before-tax contributions. It strikes me that Treasury is going in opposite directions at the same time.

2. *The Rule of 50 for Vesting:* This proposal is better than nothing—but not very much better. It has these deficiencies, in my judgment:

(a) *No Funding:* The bill required no funding. It's like saying to a plan: "You must make a promise—but you don't have to keep it."

(b) *Limited Early Vesting:* The early working years go for nothing under this standard, because it places primary emphasis on *age*. Which in turn implies—

(c) *An Incentive for Age Discrimination:* Why hire a 45 year old, who will vest in 3 years, when you can hire a 20 year old who won't vest for 15 years (assuming he stays for 15 years—which on the average is unlikely)?

Older workers have *enough* trouble in the employment market. It makes no sense to add additional incentive for age discrimination.

(d) *Small Pension from Last Employer:* And even so, what does the older worker earn? Vested rights to the pension credits he earns from his *last* employer *only*. The early years go for nothing. Why not, instead, vest a little with each employer, so that the "little bit more" which the last employer provides will suffice, when combined with other pensions earned previously?

In short, what is needed is early, "age-neutral" vesting.

IV. COSTS

The Senate Labor Committee retained a Baltimore actuarial firm to analyze the potential cost impact of the graded vesting formula, and the results have been published. (S. Rep. No. 1150, 92d Cong., 2d Sess. 149–150 (1972)).

The summary of these results, as they appear in the actuarial report, is as follows:

RANGE OF INCREASE IN PENSION PLAN COSTS FOR MANDATORY VESTING PROVISIONS

	Present vesting			All plans
	None	Moderate	Liberal	
Percentage of pension plan members covered under such plans	23.0	56.0	21.0	100.0
Range of present plan cost as a percent of payroll	1.8–10.4	2.2–11.8	2.2–11.9	1.8–11.9
Range of increase in cost as a percent of payroll:				
1. 30 percent at 8 years, graded, no past service vested	.2– .6	0– .2	0– 0	0– .6
2. 30 percent at 8 years, graded, all past service vested	.2– 1.4	.1– .3	0– 0	0– 1.4
3. 30 percent at 8 years, graded, past service vested for members age 45 and over	.2– 1.2	.1– .2	0– 0	0– 1.2
4. Rule of 50, no past service vested	.2– .7	0– .3	0– .2	0– .7
Range of increase in cost as a percent of present plan cost:				
1. 30 percent at 8 years, graded, no past service vested	3.0–25.0	0– 6.0	0.0– 1.0	0.0–25.0
2. 30 percent at 8 years, graded, all past service vested	5.0–53.0	1.0– 8.0	0.0– 1.0	0.0–53.0
3. 30 percent at 8 years, graded, past service vested for members age 45 and over	5.0–44.0	1.0– 6.0	0.0– 1.0	0.0–44.0
4. Rule of 50, no past service vested	3.0–28.0	0.0–12.0	0.0– 5.0	0.0–28.0

S. 4, therefore, is assumed to increase costs *at most* 1.2% of payroll (for a plan with no vesting now), and to increase costs relatively little or not at all for plans with liberal vesting now; "moderate vesting" plans would incur a cost increase of 0.1% to 0.2% of payroll.

Obviously, in an economy in which wages have increased more than 5% per year in recent times, this cost is manageable. Just as obviously, the relative cost of the President Nixon's proposal (the "rule of 50") is much less—about half. One may judge for himself, of course (and Congress, for itself) whether the extra cost of S.4 is worth it.

There have been other studies, but they do not vary greatly. The Labor Department recently published a study, *"Analysis of the Cost of Vesting in Pension Plans,"* by Howard Winklevoss, a Professor at the University of Pennsylvania. His conclusions are set forth in so many variables that they cannot be summarized, but the following comments in the Winklevoss Study are worth noting:

"Cost Differentials Among Vesting Provisions "the differential cost among the R–50 [Rule of 50], F–10 [Full vesting in 10 years], and G–15 [Graduated to 100% in 15 years] vesting provisions, for the initial assumptions of this research, which are summarized on pages 43 and 44, were not found to be significantly different. The R–50 vesting provision was found to be consistently less costly than the other two provisions, but not by a significant amount. On the other hand, the number of employees who terminated with vested benefits under the simulated experiments were approximately twice as great for the G–15 vesting provision as opposed to the R–50 or F–10 provisions, the latter two having approximately the same number of vested terminated participants. Thus, one can conclude that the principal difference among the R–50, F–10 and G–15 vesting provisions rests with the number of employees who obtain a partial or full vested benefit and the age of these employees rather than with the cost of each vesting provision. The only limitation to this conclusion is the entry age assumption of active employees. This important assumption and its effect on the above conclusion is discussed subsequently.

"These results suggest that the choice among these three vesting provisions can be based on criteria other than their respective cost. For example, if one wished to minimize the complexity of the vesting provision itself and provide vesting on the basis of service only, the F–10 vesting provision would appear most satisfactorily to meet this objective. On the other hand, if the objective were to maximize the number of terminating employees who are entitled to some degree of vesting in their accrued pension, the G–15 provision would clearly be the most appropriate choice, although obtained at the expense of added complexity. Finally, if one wished to maximize the number of older employees entitled to a vested benefit, yet still maintain a functional relationship with service, the R–50 vesting provision would appear to be the proper choice. Interestingly enough, this provision also compromises on the complexity aspect by providing a five-year grading schedule versus a ten-year grading schedule under the G–15 provision and no grading under the F–10 provision."

2. Reinsurance

The initial premium under S. 4 for reinsurance is set at 0.2% of unfunded vested liabilities, and later changes are permitted on the basis of experience. Because of the subrogation formula (discussed below), I believe the cost would go down, not up.

The premium is paid by the fund, but obviously, as a cost to the fund, it goes into the funding calculation, and so it is ultimately borne by the employer.

3. Ameliorating Factors

The cost estimates, computed actuarily, are not absolutely reliable, because they assume certain "constants", and nothing under human control and subject to human judgment is ever that constant.

The two principal variables are variances and delays.

a. Variances Under S. 4

S. 4 contains several provisions allowing variances—both from vesting (§ 216) and from funding (§ 217) standards.

The vesting variance provision allows the Secretary of Labor to defer application of the required vesting schedule for up to five years if he finds that its application "would result in increasing the costs of the employer or employers contributing to the plan to such an extent that substantial economic injury would be caused to such employer or employers and to the interests of the participants or beneficiaries in the plan" (§ 216(a)).

The funding variance provision allows the Secretary of Labor to waive the contribution requirement in any year in which he cannot be made, but the deficiency must be made up in five years, and no more than five annual waivers are allowed (§ 217).

b. Delays Under S. 4

In addition to the variances, S. 4 provides delays in its own applicability. Title II (vesting and funding) does not become effective until three years after the Act becomes law (§ 701(b))—so that a plan might combine the three-year delay with a five-year variance and not go over to vesting until eight years after enactment (*if* the plan can show the requisite need).

4. Hidden Costs

On the opposite side of the economic fence, I would guess that the actuaries who made the cost analyses also failed to take account of a number of potential hidden costs inherent in the bill, of which the most significant is reinsurance subrogation.

It is no secret that many a conglomerate has gobbled up a smaller company and immediately discontinued its pension plan, leaving vested and other benefits without adequate funding. The new bill has the effect of reinsuring the unfunded vested benefits of such a terminated plan, but of requiring a solvent company—one which terminated a plan at its own convenience—to refund the federal reinsurance benefits, based on a ratio between the company's net worth and the reinsurance benefits paid (§ 405). The effect is to force an acquiring or merging company to include unfunded pension cost in the calculus of assets and liabilities used to determine the selling price of an enterprise.

V. CONCLUSIONS AND RECOMMENDATIONS

No law or amendment to law can solve all of the problems in this field. A bad law or a misconceived law can make things worse—or delude workers into believing they are protected when they are not (which would *not* be an improvement).

What would a good law be? And what is the proper role of tax law within that framework?

A. Premises

I proceed on the following premises:

(1) If you want to regulate, do it directly, by substantive regulatory control and not by tax qualifications.

(2) If you want to create incentives for voluntary conduct, tax is an excellent vehicle.

B. Substantive Non-Tax Regulations (S. 4)

Following those guidelines, I conclude that the problems sought to be dealt with by S. 4 cannot be dealt with effectively by tax law. They involve private rights—rights in dispute between private parties. If you want a man to vest in a pension, and if you want to require that the pension be funded, then you need *a law which permits the persons benefited to complain* and to get relief. The mere threat that the plan may lose tax qualifications is no consolation to the plan's beneficiary.

Indeed, we saw cases last year where the IRS's inadequacies became all too apparent, even as to the limited rules under Code § 401. In one case, the employer had failed to make *any* funding contributions for a number of years—not even monies to cover current service costs, as currently required by the IRS. Yet the IRS had ignored the matter entirely. Why? The answer is obvious. The IRS's principal function is collecting taxes—and *rightly so*. The employer made no contributions, so he took no deductions for contributions, and so the government lost no tax revenues because of the employer's default. Why should IRS complain?

Only a non-revenue agency (e.g., the Labor Department), whose business it is to protect the rights of beneficiaries, under a regulatory non-tax statute, can function effectively as to *these problems* (vesting, funding, reinsurance, fiduciary standards).

C. Needed Tax Incentives

Nevertheless, tax reform in the pension field *is* needed—sorely needed—to solve critical problems which are beyond the scope of S. 4 and can only be solved by tax incentives.

The two most serious problems beyond the scope of S. 4 are: First, the 50 percent of the work force not covered by any pension plan (mostly employees of small employers); and second, the vast numbers of employees in high-mobility employment (such as engineers), who, although they are often "covered" by corporate pension plans, rarely vest and will not be helped by *any* pending vesting bill, because they regularly change jobs every five years or even more frequently than that. The most promising solution as to *both problems* is in the *individal* before-tax retirement act, such as President Nixon proposed last year in H.R. 12272.

Let the engineer, who cannot vest under his corporate pension plan, contribute *his own* money to *his own* "plan", and get a tax deduction for the contribution (within limits).

Let the employee of the small business without a company plan contribute *his own* money to *his own plan* on a deductible basis.

That is the only effective way to solve the remaining coverage problem, and only this Committee can start that ball rolling.

Should it be done? Can the nation afford the revenue loss?

We are already paying the cost of widespread destitution in old age. We pay it in welfare costs and all sorts of public assistance to older people who worked hard during their earlier years, who had pride in themselves and in their abilities, but who nevertheless are unable to provide for themselves any longer.

Why not give them the *dignity* of being able to live in their retirement years on money *they earned?*

That is what we do, to a very limited extent, under Social Security, but we all know very well that Social Security, at best, will never provide much more than a bare subsistance income level.

Why should we condemn the typical middle-class American, who has lived his whole working life on a middle-class income, to be thrown, suddenly at the age of 65, into the very bottom of our economic barrel?

There is no better, more fundamental, more humane allocation of our resources than this.

And whose resources are we talking about, anyway? This is not welfare—reallocating money from the rich to the poor. This is simply giving a man the use of *his* money, which *he* earned, but giving it to him *when he needs it most*, and letting him pay taxes on it *then*.

Tax reform is always a puzzle to the average American. He ordinarily hates "loopholes" because they offer him nothing but a reason to be angry at someone else—the oilman, the securities investor, and so on.

But retirement is part of *every* American's expectations. Take the fear out of it, put some security and dignity in it instead, and this Committee will have earned the abiding gratitude of the entire nation.

DRUG ABUSE

Mr. GURNEY. Mr. President, on Tuesday, February 20, I introduced legislation which, if enacted would provide an effective method for dealing with one of this Nation's most serious problems, drug abuse. The principal purpose of my legislation is to stop the trafficking in hard drugs.

Just as important as stopping sellers and addicts is the job of preventing young men and women from becoming drug users. Needless to say, the best protection begins at home.

The proprietary association produced a pamphlet that was written for the explicit purpose of protecting children against drug abuse. A synopsis of the pamphlet appeared in the February 1973 issue of the Reader's Digest. The article entitled, "How To Protect Your Children Against Drug Abuse," should be read by the parents of every child.

Mr. President, I ask unanimous consent to have this fine article printed in the RECORD.

There being no objection, the article

was ordered to be printed in the Record, as follows:

How To Protect Your Child Against Drug Abuse

(By Richard Earle)

(A practical, step-by-step program for parents, based upon what doctors, psychologists and drug-abuse educators have learned)

You're a parent and you're afraid. Every day, it seems, you hear new stories about drug abuse among children. And the age of youthful abusers seems to get younger and younger.

Will the problem touch your youngster? Almost certainly. Just about every child in America is going to have at least one friend who is experimenting with drugs. In most cases it will be this friend—and not a professional "pusher"—who will tempt your child.

If you get hysterical when this happens, you will almost certainly do more harm than good. But you *can* do something about the problem. And the responsibility rests directly on your shoulders.

Because, despite the millions of dollars being spent on drug-education films, pamphlets, school seminars, etc., it is increasingly clear to experts in the field that the only *effective* drug education takes place in the home.

But how to go about it, you ask? And when to start?

You can't possibly start too early. It is a basic psychological truth that the years before youngsters are ready to enter school are the years in which they most readily acquire *from their parents* the habits and attitudes that determine how they will react to most of life's future challenges. Just as you instill habits of personal cleanliness, safety and consideration for others, so you can impress healthy attitudes toward the proper use of medicines.

Whenever, for example, your family doctor writes a prescription for you or your children, call attention to the fact that he *always* gives precise instructions about taking it—how much, how often and when to stop. Point out that most medicinal drugs require a doctor's prescription because indiscriminate use may cause extremely harmful reactions. Also explain that some medicines, such as aspirin, are permitted to be sold without a prescription only because they can safely relieve common, minor ailments and that even these products must always, under strict government regulations be labeled with clear directions for proper use because they, too, may be harmful if taken too frequently or in too large a dose. Read aloud the instructions, emphasizing the parts starting with the words "Warning" or "Caution." Explain such phrases as "Do not exceed recommended dosage" or "If the condition persists, discontinue use and consult a physician."

Be especially careful to set a good example whenever you take any medicine. Let your toddlers see that you read all the label instructions before you open the container. Let them watch you count out or measure the recommended dosage.

When your children move from your protective cocoon into the competitive school world, stresses multiply. Trying to do well in their studies, they may grow panicky when tests approach. Children of either sex may suffer emotional storms if popularity eludes them. In such circumstances, the hope of gaining self-confidence or mental peace through proffered drugs becomes hard to resist. But you can help them through this temptation if, during their pre-school years, you help them develop effective habits of coping with the swirling emotions that stress sets loose.

Some children react to frustration by throwing tantrums; others bottle up their emotions and literally stew in their own juices. To steer your youngsters away from these self-defeating over-reactions, start by taking their fears and angers and resentments seriously. Explain that adults experience similar emotions, but show how one can cope by diverting them into less destructive channels.

If a playmate has hurt your child's feelings, for example, soften his anger by saying, "When people are mean to me, I feel sorry for them. They must be feeling pretty bad themselves to act so mean." If your child spills his milk or his paints, reduce his feelings of inadequacy by saying, "When I do something wrong, I try to think of all the things I do right."

If you repeatedly demonstrate to your children such non-destructive ways of venting their feelings, they will develop the habit of using them—and similar inventions of their own—whenever they come up against strong emotional stress. And with that habit firmly established before they enter school, they will be far less likely to seek escape from real problems through the illusions that are all that drugs can offer.

Once in school, they may be barraged by claims from classmates and older children that, far from being harmful, drugs offer a magical way of escaping into a wonderful, worryfree world of heightened abilities and feelings. As young as nine or ten a child may fall easy prey to such fantasies unless he is armed to resist. Thus, this is the ideal time to broaden and strengthen your earlier training. And the best way to accomplish this is by inviting your children to join you in exploring the real effects of drug abuse.

Before you do so, study up on drugs so that you will not, for example, describe marijuana as if it produces the extreme effects of heroin. Such a mistake is almost certain to undermine your children's confidence in everything else you say. Read and encourage the reading of some of the many articles and books on the drug problem now being published. Although you should be able to recognize the slang names of drugs, use the formal "official" names yourself—to help reassure your children that your knowledge is based on solid, scientific fact.

Do not allow these first explorations to turn into head-of-the-family lectures. Let the subject of drug abuse come up naturally. News reports of drug smugglers' arrests, for example, may provide the opportunity to ask your children why they think so many young people have been turning to illicit drugs. Hear them out fully before you voice an opinion of your own; they may reveal why they themselves *might* experiment with drugs. As early as possible, try to get onto the specific hazards of drugs. Your children may surprise you by the extent and the accuracy of their knowledge. But what they say will also reveal what they don't know and thus enable you to cite hazards of which they may have been unaware.

When your children become old enough for their school's drug-education classes, invite them to tell you about—and even to criticize—what they're being taught. You will probably find it easy to agree on the great dangers of LSD and heroin. But in discussing marijuana you will face a much tougher problem. The argument will be made that, although millions of people now smoke it, researchers have been unable to find any firm evidence that it leads to physiological dependence. You would do well to concede this point. But in doing so, point out that those who repeatedly seek a sense of well-being from smoking marijuana may develop a psychological dependence almost as difficult to break away from as a physiological addiction.

Be careful, however, not to stress too many *unproved* dangers of marijuana. If you do so, your children may come to feel that they have been lied to, especially if they or a friend should try it once or twice and find the experience fairly tame. They may then draw the conclusion that they have been misled about the risks of *all* drugs, and make the dangerous mistake of trying to find out the facts about other drugs for themselves, by experimentation.

No matter how successful your program may seem to have been, there will be times when your children's behavior may make you wonder if they are experimenting with drugs. The ordinarily cheerful and outgoing child may become moody and secretive, the bright child's school grades may plummet or the energetic child may suddenly become lethargic. Before you conclude that these are symptoms of drug abuse, however, remember that adolescence and even pre-adolescence are periods of profound hormonal changes which, in many children, bring forth the very manifestations that are worrying you. So, watch your children, but don't accuse them. To do so mistakenly could destroy the trust in you that you have worked so painstakingly to build. (Keep in mind, too, that long hair and sloppy dress don't necessarily have anything to do with drug use.)

If you should find out that your child has experimented with marijuana once or twice, don't panic. Experimentation in even a healthy child is not something to get unduly upset about. Above all, don't let him assume that he's now a "hardened drug user" and must try everything.

On the other hand, should you verify that one of your children is regularly using drugs, scolding and threats are worse than useless. For he'll be scared over what the drugs are doing to him—so desperately scared, in fact, that subconsciously he may want to be found out and prevented from going further. Remember, he is neither a criminal nor an ingrate. He is sick and needs treatment that parents alone cannot give him. That help can best come from a physician, preferably one who is experienced in treating drug users and to whom your youngster will feel free to tell those things he might not dare tell you.

Beyond all else, don't give up on your drug-entrapped child. Like thousands of other children, he can be saved by prompt treatment and go on to become an upstanding, clear-minded and fully competent adult.

SOME DRUGS COMMONLY ABUSED

Drug name	Slang name	How used	Effects and dangers [1]
Marijuana	Pot, tea, grass, Mary Jane, weed, smoke, boo.	Smoked in "joints," "sticks," "reefers," pipes, eaten in food.	Euphoria, increased pulse rate. High doses may lead to reduced motivation, impulsive behavior, anxiety, bring on psychotic reactions.

Footnote at end of table.

SOME DRUGS COMMONLY ABUSED—Continued

Drug name	Slang name	How used	Effects and dangers[1]
Hashish	Hash	Smoked, eaten	Like marijuana, but about six times as strong. Tendency to hallucinate after high doses.
LSD, mescaline, psilocybin	Acid, sunshine, peyote, mesc	Swallowed (capsules, liquid, sugar cubes), injected.	Hallucinations, unusual hilarity, intense anxiety, impairment of normal motivation, some prolonged psychotic reactions. Occasional recurrence of hallucinations with no new drug taken.
Amphetamines, methamphetamines	Speed, bennies, dex, hearts, greenies, pep pills, crystal.	Swallowed (tablets), sniffed as crystal, injected.	Abnormal alertness and aggressiveness, loss of appetite, paranoid activities, acute depression as dose wears off ("crashing"), rapid tolerance build-up.
Cocaine	Coke, C., dust, snow, speedballs (when mixed with heroin).	Sniffed or injected	Hyperactivity, paranoid activities, possible convulsions.
Barbiturates	Reds, yellows, blue heavens, barbs, downs	Swallowed (tablets or capsules), injected	Sluggishness, faulty judgment. Physically addictive. Danger of death from overdose, especially in combination with alcohol.
Tranquilizers	Quieters, downers	Swallowed (capsules)	Drowsiness, nausea. Possible physical dependence from excessive doses over long period of time, with withdrawal symptoms, including convulsions.
Heroin	H., horse, skag, junk, stuff	Sniffed, injected just under the skin ("skin popping") or into vein ("mainlining").	Euphoria, then drowsiness. Likelihood of physical addiction with painful withdrawal or death from overdose.

[1] The effect of any drug depends, among other things, on its strength, the amount taken, the manner and freqeuncy of use.

SOCIAL SERVICES CUTBACKS

Mr. MONDALE. Mr. President, on Thursday, February 15, the Department of Health, Education, and Welfare issued proposed new regulations for federally assisted programs in the areas of day care, aid to the elderly, mental retardation, juvenile delinquency and other social services. If implemented without change, these new proposals will do nothing less than cripple thousands of vital human service programs across the country. Their overall impact was perhaps best summarized by Allen Jensen, an official of the Council of State Governors, who described them as a smoke screen for cut-backs in programs that really benefit people.

PROTEST TO WEINBERGER

Based on some early reports of what these regulations might contain, I drafted a letter to Secretary Weinberger—which 46 Senators signed—stressing our grave concerns. For the benefit of the public and for the benefit of my colleagues, I shall ask unanimous consent that a copy of the letter we sent and of the proposed regulations be printed at the close of my remarks.

WEAKENESSES IN THE PROPOSAL

Mr. President, the regulations which were finally issued are even worse than the early reports suggested. While I have not yet completed a final analysis of all of these proposed changes—and I intend to speak again on this subject when my review is complete—just a cursory view reveals many of the serious weaknesses contained in these recommendations. Consider just a few.

First, these regulations seek to repeal existing provisions which permit the use of privately contributed funds—from charitable organizations such as the United Way of America—to make up the required local or state match in these cooperative Federal-State programs. As our letter indicated, this would seriously undermine our excellent existing private-public partnership approach to human problems. Former Health, Education and Welfare Secretary Elliot Richardson said that these kinds of cooperative efforts should be encouraged rather than discouraged, and I agree with him.

Second, these proposed regulations would repeal the current use of "in kind" contributions for the non-Federal match. Permitting the non-Federal match to include donated space, equipment or services is not only fair, it is essential to the continued operation of many existing programs.

Third, by limiting services for former welfare recipients to 3 months, and by barring aid to potential welfare recipients with incomes more than 1⅓ times the welfare level, these proposed regulations undercut our efforts to help individuals move from reliance on welfare benefits to a position of financial independence. Indeed, this highly restrictive new proposal appears to create just the kind of notch problem that the administration led us to believe it was concerned about removing. For example, under this new definition, former welfare recipients appear to be denied eligibility for day care just after that day care has permitted them to find employment and leave the welfare rolls. Unable to afford adequate care for their children, they are likely to be forced back on welfare. This is precisely the kind of mixed up incentive system which traps people in poverty. It works at cross purposes with a philosophy which I believe we all share.

Fourth, these proposals remain silent on the critical question of standards for federally assisted day care. By so doing, they raise serious questions about whether the Federal interagency day care standards—which establish minimal protections for children in federally assisted day care and which have been in effect for the last 5 years—will continue to apply. In the HEW press release describing these proposals—but nowhere in the proposals themselves—it was stated that revised Federal day care requirements are being considered, will be completed in the near future and will become effective. Whether this in fact will occur remains to be seen. And whether those proposed revisions will meet the legal requirements in the Economic Opportunity Act that any revised standards be no less comprehensive than existing day care standards—also remains unclear. Questions such as these involve such sensitive issues as adult-child ratios in day care are too important to be left in limbo.

Fifth, the restrictive list of permitted activities appears to exclude worthwhile existing programs, such as those engaged in the treatment of alcohol and drug-related problems.

Sixth, by requiring quarterly—and in some instances more frequent—reports on each person receiving aid, the new regulations threaten to drown the social services program in redtape.

NATIONAL IMPACT

As an excellent editorial in the Washington Post pointed out recently—

> These regulations are a reversion, almost to the point of parody, to the worst traditions of an ingrown and paternalistic bureaucracy. . . . Boom days are ahead for the paper industry and for the legion of minor clerks who will crank the wheels inside this large new welfare machine. But for that part of the population which is poor, and may actually need help, the outlook is not so jolly.

And these regulations involve more than just a backward step into unnecessary bureaucracy and confusion. They also constitute an effort to cut back spending for desperately needed social programs by anywhere from $600 million to $1 billion. That same Washington Post editorial said it well:

> As a budget device, the new regulations amount to impoundment by red tape. Although the authorization is $2.5 billion, Mr. Nixon's budget provides only $1.9 billion for next year. The Administration is clearly counting on the weight of the regulations to prevent the states from obtaining their full allotments.

The administration apparently has accurately assessed the extent to which these regulations will save mony. On the basis of earlier, less restrictive draft regulations at least 25 Governors reported that their service programs would be seriously hurt.

Consider for a moment the specific kinds of services that these proposed regulations seek to eliminate. Governor Dale Bumpers of Arkansas recently described the impact of these proposals on his State:

> To give you an example of the effect it would have on our mental retardation pro-

> grams, when I was elected we had fewer than 20 community facilities caring for a little less than 400 children.
>
> In the past year and a half . . . we have expanded that to 82 facilities caring for over 2,000 children.
>
> Quite frankly, with the guidelines prohibiting the use of private funds and the further restrictions . . . we will probably wind up closing virtually every one of the new ones we have started in the past year and a half.

Georgia Governor Jimmy Carter has reported similar problems. Apparently the repeal of authority to use privately contributed funds in Georgia will force the closing down of scores of federal-state programs, cause the loss of three thousand jobs, and put hundreds of individuals temporarily back on the welfare rolls.

And the philosophy behind these proposals runs absolutely counter to the administration's rhetoric about returning decisions to the state and local levels. A recent statement by the National League of Cities and the U.S. Conference of Mayors stated quite correctly that—

> The proposals appear to run counter to over-all administration policy which aims toward decentralization, toward strengthening local government capacity and toward affording localities greater flexibility to utilize and adapt federal programs in accordance with local needs.

MINNESOTA IMPACT

In the State of Minnesota alone, these regulations would have a disastrous impact. Estimates indicate that human programs in Minnesota would lose $20 to $22 million as a result of these regulations. Some 13,000 adults and 24,000 children receive social services every month in Minnesota, and estimates suggest that these regulations could result in a reduction of over 50 percent in those currently being served. Specifically, it is estimated that these regulations would result in cutbacks of the following programs:

Two million dollars cut in day activities centers for retarded children;

One million, five hundred thousand dollars cut in detoxification centers;

Social services to the aged would be cut in half;

Other mental health services would lose $1.3 million; and

A total of $4 million would be cut from services in the area of alcohol and drug treatment, migrant day care, pilot city, legal assistance, corrections, and blind services.

Minnesota has some of the most sensitively run, highest quality day care programs in America—and they would be dealt a crippling blow by these proposed revisions.

Greg Coler, executive director of the Greater Minneapolis Day Care Association, estimates that 95 percent of the over $2 million worth of day care provided by his organization would be lost if privately contributed funds could not be used as local match. And after sampling half of the 1,200 children his organization serves in day care programs, Mr. Coler reports that an estimated 60 percent would be ruled ineligible if these new regulations took effect.

Gary Winget, executive director of the Greater St. Paul Council for Coordinating Child Care provides similar documentation of the severe impact these regulations would have on programs in St. Paul. Mr. Winget estimates that under these proposals, Ramsey County would lose up to $1.2 million in Federal and private day care programs annually, eliminate up to 528 children in low income and target area families from day care programs, and force an unknown number of working parents with marginal incomes off of employment and on to AFDC.

Finally, the highly successful HELP program at the University of Minnesota—through which 300 to 400 AFDC mothers and 400 to 500 other disadvantaged individuals are receiving college education—is seriously threatened. Forest Harris, director of this excellent program, reports that he has been informed by the State department of welfare that these new regulations may make it impossible to continue providing the books, tuition, child care, and transportation which makes it possible for these welfare receipients to continue their education.

MORE INFORMATION NEEDED

Preliminary analysis and reports such as these convince me that major revisions must be made in these proposed regulations. And Secretary Weinberger has indicated a willingness to listen to those of us who see the need for change. In his statement describing these proposals he said:

> Out of this kind of dialogue we hope we can develop a set of regulations that will put most decision-making closer to the point where services are used and which will permit available resources to be used effectively for those who need them most.

I believe citizens throughout the country should respond to the Secretary's invitation. I urge everyone interested in this issue to write to both the Secretary and to me indicating their views on these proposals, their estimates of what it might mean to programs they are associated with, and their recommendation for change.

In order to further the public dialog the Secretary has called for, I ask unanimous consent that a number of newspaper articles be printed at this point in my remarks, along with the proposed regulations, the letter I mentioned earlier, and an excellent memorandum describing the impact of the proposed regulations, prepared by Miss Judy Assmus of the Washington Research Project Action Council.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

FEBRUARY 14, 1973.

Hon. CASPAR WEINBERGER,
Secretary of Health, Education, and Welfare,
Washington, D.C.

DEAR MR. SECRETARY: We are extremely concerned about reports that forthcoming social service regulations may make fundamental changes in the operation of federally-assisted programs in the fields of day care, aid to the elderly, mental retardation and juvenile delinquency.

In particular, we would like to register our strong opposition to the reported administrative repeal of existing provisions which permit the use of privately contributed funds—from charitable organizations such as the United Way of America—to make up the required local or state match. This proposed change would seriously undermine the excellent, existing private-public partnership approach to human problems. These kinds of cooperative efforts should be encouraged rather than discouraged.

Such an extreme change in the existing social services program is unwarranted. Fears of an uncontrollable budget in this area were resolved by the $2.5 billion ceiling on Title IV–A which the Congress adopted last year. And less extreme proposals for dealing with isolated examples of abuse have been offered by individuals such as former Secretary Richardson. We are attaching for your information a copy of a letter Secretary Richardson sent to Representative Wilbur Mills last October concerning this issue.

In addition, we would like to express our concern about other parts of the reported new regulations such as those which would repeal the current use of in-kind contributions for the non-federal match, deny day care eligibility to former welfare recipients just after this day care program has permitted them to find employment and leave the welfare rolls; and raise serious questions about whether the Federal Inter-agency Day Care Standards—which establish minimum protection for children in federally-assisted day care and which have been in effect for the past 5 years—will continue to apply.

We respectfully request that we be informed in advance about any proposed changes in areas such as these, and that if and when any changes are proposed they be available for public comment and later revision.

With warmest personal regards.

Sincerely,

Jacob K. Javits, Abraham Ribicoff, Adlai E. Stevenson III, Birch Bayh, Edward W. Brooke, Clifford P. Case, Alan Cranston, Thomas F. Eagleton.
Mike Gravel, Vance Hartke, William O. Hathaway, Harold E. Hughes, Edward M. Kennedy, Gale W. McGee, Thomas J. McIntyre.
Walter F. Mondale, Bob Packwood, James Abourezk, J. Glenn Beall, Jr., Clinton N. Burdick, Frank Church, Peter H. Dominick, J. W. Fulbright.
Philip A. Hart, Mark O. Hatfield, Walter D. Huddleston, Hubert H. Humphrey, Charles McC. Mathias, Jr., George McGovern, Lee Metcalf.
Frank E. Moss, Gaylord Nelson, Claiborne Pell, Jennings Randolph, Robert T. Stafford, Robert Taft, Jr., Harrison A. Williams, Jr., Joseph M. Montoya.
Edmund S. Muskie, Sam Nunn, Charles H. Percy, Richard S. Schweiker, Ted Stevens, John V. Tunney, Dick Clark, Stuart Symington.

STATEMENT BY CASPAR W. WEINBERGER, SECRETARY OF HEALTH, EDUCATION, AND WELFARE

The proposed regulations on social services we are issuing tomorrow attempt to bring some order out of what was promising to become a chaotic situation. It became apparent last year that without strong effort at the Federal level, expenditures by the States for social services would soar out of control. While expenditures for FY 1972 were $1.71 billion, estimates for FY 1973 totalled $4.65 billion and projections beyond that were even higher. One State projected FY 1973 expenditures 140 times more than their FY 1972 expenditures.

The Congress took one step in the Revenue Sharing Act to remedy the situation by placing a ceiling of $2.5 billion on Federal expenditures for social services. It remains for the Department of Health, Education, and Welfare, working within the limitations imposed by the Congress, to provide for social services at the local level in the most efficient way possible. We believe our proposed regulations strengthen the role of State agencies in managing the program.

We are proposing elimination of requirements which are not based on legislative mandates or necessary for proper and efficient administration. We are also reducing overlap with other Federally-supported programs and specifically identifying for the first time the Federally recognized services for which Federal cost-sharing will be authorized.

We have formalized eligibility determination and redetermination at specific intervals and we have required that service plans for individuals and families be prepared and authorized in advance and reviewed periodically for need and effectiveness.

I emphasize that these are proposals only, submitted for public comment. We encourage comment from all interested and concerned individuals and organizations and will give each careful review and consideration.

We have already circulated these proposals to all States and many other concerned groups, and also to the Advisory Commission on Intergovernmental Relations.

Out of this kind of dialogue we hope we can develop a set of regulations that will put most decision-making closer to the point where services are used and which will permit available resources to be used effectively for those who need them most.

HEW NEWS RELEASE, THURSDAY,
FEBRUARY 15, 1973

The Department of Health, Education, and Welfare today proposed new rules concerning Federally-supported social services which allow States to concentrate services on population groups most in need of them, and give States more options in determining services to be provided.

The proposal relates to Congressional passage last October of the Revenue Sharing Act, which places an annual limit of $2.5 billion on Federal matching funds to the States for social services under Titles IV and XVI of the Social Security Act. With the exception of child care, family planning, foster care, mental retardation activities, and alcoholism and drug prevention programs, at least 90 percent of such funds must be for services to welfare recipients or applicants. Each State's allotment is based on its population in relation to the national population.

The proposed new regulations also define services eligible for Federal cost sharing, and set new limitations on the use of Federal funds for services to people not on Federal-State welfare rolls.

The regulations are designed to permit States to manage more effectively available social services resources within constraints of the new law. Certain services formerly mandated by regulation become optional, giving the States more flexibility in choosing what services they wish to provide welfare families and individuals. However, family planning, protective, and foster care services for children would continue to be Federally required. The regulations also give increased emphasis to services that help people on welfare move toward self-sufficiency and employment.

Most Federally recognized services would continue to receive 75 percent Federal cost-sharing, with States providing the other 25 percent of costs.

Prior to the congressionally-imposed ceiling on Federal funds, social services had experienced a rapid cost escalation. In fiscal year 1970, $522 million in Federal funds was spent to match social services provided by States. By fiscal year 1972, Federal expenditures had grown to $1.71 billion, and estimates last August by States for Federal matching for FY 1973 totalled $4.65 billion. Following passage of the new law, the States estimated a Federal spending level of $2.2 billion in FY 1973, since approximately half the States will not spend up to their allotted ceiling.

The proposal spells out the services and activities that are Federally recognized and for which Federal sharing will be authorized. Expenditures that some States are including currently as social services would be excluded. Disallowed costs would include those for subsistence and health care (except diagnostic)—now matched for eligibles under Medicaid. States will not be able to provide services on a group basis. The current practice allows persons with relatively high incomes to receive services because they live in target areas such as Model Cities.

The proposal defines individuals eligible for services as those on State welfare rolls or those who are likely to become welfare recipients within six months, and those who have been welfare recipients within the past three months. One of the criticisms of the current rules is that individuals can be provided services if they might be expected to become welfare recipients in the forthcoming five-year period.

The proposal eliminates Federal matching for funds privately donated to States. All monies used as the States' share in gaining a Federal match must be from public appropriations.

Services required by the proposal for eligible families with dependent children (AFDC) are:

Family Planning, including medical supplies and services.

Foster care services for children.

Protective services for children, to prevent neglect or abuse. Optional services for AFDC families are:

Day care services, when related to the parent's gaining employment.

Educational services, limited to helping a family member secure educational training (but not paying for that training).

Employment services (other than the Work Incentive Program) which will help a person get a job.

Health-related services, limited to helping the person or family find needed health care, but not paying for the actual care or medical service.

Homemaker service, aimed at helping the family stay together, when no one in the family is able to provide the necessary housekeeping and home management services.

Home management training services, which teach the head of family how to manage a household, prepare food and rear children.

Housing improvement services, aimed at helping the family obtain or retain adequate housing (not to include costs or moving, renting, buying or repairing).

Transportation services to make possible travel to and from community facilities and resources where needed services are available.

Optional services for eligible aged, blind and disabled clients are:

Day care services for adults.

Household chore services.

Educational services (help to secure educational training but not to cover cost of the training).

Employment services.

Family planning services, except supplies and medical services.

Foster care for adults.

Health-related services which help persons to gain medical care but which is paid for under other programs.

Home delivered or group hot meals.

Home management instruction, Homemaker services.

Housing improvement services, but not to include payment for repairs or moving.

Protective services for adults.

Special services for the blind, including mobility and self-care training.

Transportation services helping a person get to and from needed community facilities.

The proposed regulations do not refer to Federal standards for day care outside the child's home. Revised Federal day care requirements, which are equally comprehensive but more clearly defined and enforceable than the 1968 requirements now in effect, are currently under intensive review. The revised requirements will be completed in the near future, and will become effective as soon as final clearance and approval procedures are completed.

Interested parties have 30 days from the date of publication in the Federal Register in which to suggest changes in the proposed regulations. Comments should be sent to the Administrator, Social and Rehabilitation Service, DHEW, 330 C Street, S.W., Washington, D.C. Comments will be available for inspection on Monday through Friday of each week from 8:30 a.m., to 5:00 p.m., in Room 5119, Mary E. Switzer Memorial Building (formerly HEW South Building), Area Code: 202 963–7361.

FEDERAL ALLOCATIONS FOR SOCIAL SERVICES

	Revenue Sharing Act, sec. III	Total used in fiscal year 1972[1]	August 1972 estimates by States for fiscal year 1973	November 1972 estimates by States for fiscal year 1973[2]
Total	$2,500,000,000	$1,684,626,297	$4,647,729,000	$2,151,312,004
Alabama	42,140,000	11,697,990	135,000,000	41,900,000
Alaska	3,901,750	4,208,286	18,971,000	5,746,000
Arizona	23,351,250	2,748,375	6,304,000	2,751,000
Arkansas	23,747,250	3,273,092	8,750,000	10,500,000
California	245,733,250	198,627,102	272,999,000	245,733,250
Colorado	28,297,500	18,908,219	29,782,000	24,097,000
Connecticut	37,001,750	9,399,607	22,912,000	37,001,750
Delaware	6,783,250	12,456,577	26,361,000	7,556,758
District of Columbia	8,980,250	10,479,067	20,520,000	9,714,983
Florida	87,149,500	42,708,788	113,572,000	87,127,000
Georgia	56,667,000	32,415,041	206,472,000	57,524,260
Hawaii	9,712,500	847,787	2,588,000	2,588,000
Idaho	9,076,250	1,544,330	24,871,000	8,500,000
Illinois	135,076,500	188,381,187	211,603,000	136,830,502
Indiana	63,522,250	6,532,771	14,775,000	14,775,000
Iowa	34,612,500	9,536,046	12,809,000	13,500,000
Kansas	$27,109,000	$6,210,788	$7,414,000	$7,789,000
Kentucky	39,607,000	12,709,163	30,024,000	30,024,000
Louisiana	44,661,250	29,505,717	34,875,000	36,894,000
Maine	12,354,000	6,536,643	6,665,000	9,13 ,000
Maryland	48,695,250	20,946,731	415,721,000	46,512,000
Massachusetts	69,477,000	23,035,756	95,952,000	69,477,000
Michigan	109,036,000	28,039,828	108,912,000	108,500,000
Minnesota	46,774,250	26,587,809	72,375,000	46,774,250
Mississippi	27,169,000	1,833,678	269,393,000	27,100,000
Missouri	57,063,250	12,839,259	16,910,000	15,923,000
Montana	8,632,000	2,959,094	3,270,000	3,270,000
Nebraska	18,308,750	7,352,176	12,564,000	12,564,000
Nevada	6,327,000	1,616,274	1,980,000	1,980,000
New Hampshire	9,256,500	2,824,174	4,857,000	4,857,000
New Jersey	88,446,250	36,930,431	415,944,000	86,810,000
New Mexico	12,786,000	3,680,005	32,404,000	12,786,000
New York	220,497,250	588,929,342	854,850,000	220,497,250
North Carolina	62,597,750	19,470,389	50,904,000	49,635,000

Footnotes at end of table.

	Revenue Sharing Act, sec. III	Total used in fiscal year 1972[1]	August 1972 estimates by States for fiscal year 1973	November 1972 estimates by States for fiscal year 1973[2]
North Dakota	$7,587,500	$3,325,453	$3,957,000	$3,957,000
Ohio	129,457,750	19,517,429	92,050,000	92,050,000
Oklahoma	31,623,000	14,060,341	48,496,000	31,623,000
Oregon	26,196,500	25,297,779	25,153,000	26,196,500
Pennsylvania	143,180,250	51,293,723	106,469,000	100,323,000
Rhode Island	11,621,500	6,623,499	15,802,000	11,621,500
South Carolina	31,995,250	6,031,298	176,224,000	37,308,236
South Dakota	8,152,000	2,377,347	2,929,000	2,929,000
Tennessee	48,395,000	13,835,427	227,625,000	48,395,000
Texas	$139,854,750	$53,500,629	$179,468,000	$136,601,000
Utah	13,518,500	4,084,438	5,250,000	5,250,000
Vermont	5,546,750	2,433,568	2,599,000	5,500,000
Virginia	57,195,250	16,262,983	31,954,000	32,344,000
Washington	41,335,750	34,308,934	90,571,000	49,937,015
West Virginia	21,382,250	7,373,914	16,771,000	16,035,000
Wisconsin	54,265,750	37,937,301	58,500,000	54,265,750
Wyoming	4,142,000	590,692	608,000	608,000

[1] Adjusted to include Federal auditor corrections and claims from previous year; other adjustments not reflected in State data make national total $1,710,000,000. State Expenditures for Public Assistance Programs . . ." prepared by the Office of Financial Management, SRS.

[2] Lesser of estimate or allocated share of $2,500,000,000 which has been adjusted for certain States on the basis of 1st quarter expenditure levels in accordance with sec. 403 of the Social Security Amendments of 1972.

NOTICE OF PROPOSED RULE MAKING

(Department of Health, Education, and Welfare, Social and Rehabilitation Service (45 CFR Parts 220, 221, 222 and 226), Service programs for families and children and for aged, blind, or disabled individuals: Titles I, IV (Parts A and B), X, XIV, and XVI of the Social Security Act)

Notice is hereby given that the regulations set forth in tentative form below are proposed by the Administrator, Social and Rehabilitation Service, with the approval of the Secretary of Health, Education, and Welfare. The amendments in general revise, combine and transfer to a new Part 221 the regulations for the Family Services and Adult Services programs (in Parts 220 and 222) and purchase of services (in Part 226). The revisions eliminate several administrative requirements; reduce the number of required services—in recognition of the limitation on Federal funds avaliable for service expenditures—and increase the number of optional services; specify the goals to which services must be directed; clarify the State agency's responsibility for determination and redetermination of eligibility for services; shorten the period of eligibility for former and potential recipients; amend the provisions on Federal financial participation to add the limitations imposed by recent legislation and to clarify the proper scope of Federal funding; and require written agreements for purchases of services.

The proposed regulations do not affect current provisions in Part 220 applicable to the work incentive program (WIN) and to child welfare services (CWS). Amendments to those portions of Part 220 will be published separately.

It is the intent of the Department to maintain in the final regulations the effective dates that are specified throughout the proposed amendments.

Prior to the adoption of the proposed regulations, consideration will be given to any comments, suggestions, or objections thereto which are submitted in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue, S.W., Washington, D.C. 20201 within a period of 30 days from the date of publication of this Notice in the Federal Register. Comments received will be available for public inspection in Room 5121 of the Department's offices at 301 C Street, S.W., Washington, D.C. on Monday through Friday of each week from 8:30 a.m. to 5 p.m. (area code 202-963-7361).

Dated February 12, 1973.

P. J. RUTLEDGE,
Acting Administrator, Social and Rehabilitation Service.

Approved: February 13, 1973.

/s/ CASPAR W. WEINBERGER,
Secretary.

Chapter II, Title 45 of the Code of Federal Regulations is amended as follows:

(1) Part 220 is revoked, except for sections 220.35, 220.36, and 220.61(g) (relating to the WIN program under title IV-A of the Social Security Act), and sections 220.40, 220.49, 220.55, 220.56, 220.62, and 220.65(b), and Subpart D (relating to the CWS program under title IV-B of the Act). The content of the revoked provisions is revised and transferred to a new Part 221, which, to the extent indicated therein, shall be applicable to the WIN and CWS programs under such Part 220.

(2) Parts 222 and 226 are revoked, and their content is revised and transferred to the new Part 221.

(3) Part 221 is added to Chapter II to read as follows:

Part 221—Service Programs for Families and Children and for Aged, Blind, or Disabled Individuals: Titles I, IV (Parts A and B), X, XIV, and XVI of the Social Security Act.

SUBPART A—REQUIREMENTS FOR SERVICE PROGRAM

Sec.
221.1 General.
221.2 Organization and administration.
221.3 Relationship to and use of other agencies.
221.4 Freedom to accept services.
221.5 Statutory requirements for services.
221.6 Services to additional families and individuals.
221.7 Determination and redetermination of eligibility for services.
221.8 Individual service plan.
221.9 Definitions of services.
221.30 Purchase of services.

SUBPART B—FEDERAL FINANCIAL PARTICIPATION

Titles I, IV-A, X, XIV and XVI

221.51 General.
221.52 Expenditures for which Federal financial participation is not available.
221.53 Expenditures for which Federal financial participation is not available.
221.54 Rates and amounts of Federal financial participation.
221.55 Limitations on total amount of Federal funds payable to States for services.
221.56 Rates and amounts of Federal financial participation for Puerto Rico, the Virgin Islands, and Guam.

Titles I, IV-A, IV-B, X, XIV, and XCVI

221.61 Public sources of State's share.
221.62 Private sources of State's share.

Authority: The provisions of this Part 221 issued under section 1102 49 Stat. 647 (42 U.S.C. 1302).

Federal financial participation is available for expenditures under the State plan approved under title I, IV-A, IV-B, X, XIV, or XVI of the Act with respect to the administration of service programs under the State plan. The service programs under these titles are hereinafter referred to as: Family Services (title IV-A), WIN Support Services (title IV-A), Child Welfare Services (title IV-B), and Adult Services (titles I, X, XIV, and XVI). Expenditures subject to Federal financial participation are those made for services provided to families, children, and individuals who have been determined to be eligible, and for related expenditures, which are found by the Secretary to be necessary for the proper and efficient administration of the State plan.

The basic rate of Federal financial participation for Family Services and Adult Services under this part is 75 percent provided that the State plan meets all the applicable requirements of this part and is approved by the Social and Rehabilitation Service. Under title IV-A, effective July 1, 1972, the rates are 50 percent for emergency assistance in the form of services, and 90 percent for WIN Support Services, and effective January 1, 1973, the rate is 90 percent for the offering, arranging, and furnishing, directly or on a contract basis, of family planning services and supplies.

Total Federal financial participation for Family Services and Adult Services provided by the 50 States and the District of Columbia may not exceed $2,500,000,000 for any fiscal year, allotted to the States on the basis of their population. No more than 10 percent of the Federal funds payable to a State under its allotment may be paid with respect to its service expenditures for individuals who are not current applicants for or recipients of financial assistance under the State's approved plans, except for services in certain exempt classifications.

Rates and amounts of Federal financial participation for Puerto Rico, Guam, and the Virgin Islands are subject to different rules.

SUBPART A—REQUIREMENTS FOR SERVICE PROGRAMS

§ 221.1 General.

The State plan with respect to programs of Family Services, WIN Support Services, Child Welfare Services, and Adult Services must contain provisions committing the State to meet the requirements of this subpart.

§ 221.2 Organization and administration.

(a) *Single organizational unit.*

(1) There must be a single organizational unit, within the single State agency, at the State level and also at the local level, which is responsible for the furnishing of services by agency staff under title IV, parts A and B. Responsibility for furnishing specific services also furnished to clients under other public assistance plans (e.g., homemaker service) may be located elsewhere within the agency, provided that this does not tend to create differences in the quality of services for AFDC and CWS cases. (This requirement does not apply to States where the title IV-A and title IV-B programs were administered by separate agencies on January 2, 1968.)

(2) Such unit must be under the direction of its chief officer who, at the State level, is not the head of the State agency.

(b) *Advisory committee on day care services.* An advisory committee on day care services for children must be established at the State level to advise the State agency on the general policy involved in the provision of day care services under the title IV-A and title IV-B programs. The committee shall include among its members representatives of other State agencies concerned with day care or services related thereto and persons representative of professional or civic or other public or nonprofit private agencies, organizations or groups concerned with the provision of day care.

(c) *Grievance system.* There must be a system through which recipients may present grievances about the operation of the service program.

(d) *Program implementation.* The State plan must provide for State level service staff to carry responsibility for:

(1) Planning the content of the service programs, and establishing and interpreting service policies;

(2) Program supervision of local agencies to assure that they are meeting plan requirements and State policies, and that funds are being appropriately and effectively used; and

(3) Monitoring and evaluation of the services programs.

(e) *Provision of services.* The State plan must specify how the services will be provided and, in the case of provision by other public agencies, identify the agency and the service to be provided.

§ 221.3 Relationship to and use of other agencies.

There must be maximum utilization of and coordination with other public and voluntary agencies providing similar or related services which are available without additional cost.

§ 221.4 Freedom to accept services.

Families and individuals must be free to accept or reject services. Acceptance of a service shall not be a prerequisite for the receipt of any other services or aid under the plan, except for the conditions related to the Work Incentive Program or other work program under a State plan approved by the Service.

§ 221.5 Statutory requirements for services.

(a) In order to carry out the statutory requirements under the Act with respect to Family Services and Adult Services programs, and in order to be eligible for 75 percent Federal financial participation in the costs of providing services, including the determination of eligibility for services, the State must, under the Family Services program, provide to each appropriate member of the AFDC assistance unit the mandatory services and those optional services the State elects to include in the State plan, and must, under the Adult Services program, provide to each appropriate applicant for or recipient of financial assistance under the State plan at least one of the defined services which the State elects to include in the State plan.

(b)(1) For the Family Services program, the mandatory services are family planning services, foster care services for children, and protective services for children. The optional services are day care services for children, educational services, employment services (non-WIN), health-related services, homemaker services, home management and other functional educational services, housing improvement services, and transportation services.

(2) For the Adult Services program, the defined services are chore services, day care services for adults, educational services, employment services, family planning services, foster care services for adults, health-related services, home delivered or congregate meals, homemaker services, home management and other functional educational services, housing improvement services, protective services for adults, special services for the blind, and transportation services.

§ 221.6 Services to additional families and individuals.

(a) If a State elects to provide services for additional groups of families or individuals, the State plan must identify such groups and specify the services to be made available to each group.

(b) If a service or an element of service is not included for recipients of financial assistance under the State plan, it may not be included for any other group.

(c) The State may elect to provide services to all or to reasonably classified subgroups of the following:

(1) Families and children who are current applicants for financial assistance under title IV-A.

(2) Families and individuals who have been applicants for or recipients of financial assistance under the State plan within the previous three months, but only to the extent necessary to complete provision of services initiated before withdrawal or denial of the application or termination of financial assistance.

(3) Families and individuals who are likely to become applicants for or recipients of financial assistance under the State plan within six months, i.e., those who:

(i) Do not have income exceeding 133⅓% of the State's financial assistance payment level under the State's approved plan; and

(ii) Do not have resources that exceed permissible levels for such financial assistance; and

(iii) In the case of eligibility under title IV-A, have a specific problem or problems which are susceptible to correction or amelioration through provision of services and which will lead to dependence on financial assistance under title IV-A within six months if not corrected or ameliorated; and

(iv) In the case of eligibility under title I, X, XIV or XVI, have a specific problem or problems which are susceptible to correction or amelioration through provision of services and which will lead to dependence on financial assistance under such title, or medical assistance, within six months if not corrected or ameliorated; and who are

(a) At least sixty-four and one-half years of age for linkage to title I, or title XVI with respect to the aged;

(*b*) Experiencing serious, progressive deterioration of sight that, as substantiated by medical opinion, is likely to reach the level of the State agency's definition of blindness within six months, for linkage to title X, or title XVI with respect to the blind; or

(*c*) At least seventeen and one-half years of age and, according to professional opinion, are experiencing a physical or mental condition which is likely to result within six months in permanent and total disability, for linkage to title XIV, or title XVI with respect to the disabled.

(4) Aged, blind, or disabled persons who are likely to become applicants for or recipients of financial assistance under the State plan within six months as evidenced by the fact that they are currently eligible for medical assistance as medically needy individuals under the State's title XIX plan.

§ 221.7 Determination and redetermination of eligibility for services.

(a) The State agency must make a determination that each family and individual is eligible for Family Services or Adult Services prior to the provision of services under the State plan.

(1) In the case of current applicants for or recipients of financial assistance under the State plan, this determination must take the form of verification by the organizational unit responsible for development of individual service plans with the organizational unit responsible for determination of eligibility for financial assistance that the family or individual has submitted an application for assistance which has not been withdrawn or denied or that the family or individual is currently receiving financial assistance. This verification must identify each individual whose needs are taken into account in the application or the determination of the amount of financial assistance.

(2) In the case of families or individuals who are found eligible for service on the basis that they are likely to become applicants for or recipients of financial assistance under the State plan, this determination must be based on evidence that the conditions of eligibility have been met, and must identify the specific problems which, if not corrected or ameliorated, will lead to dependence on such financial assistance or, in the case of the aged, blind or disabled, on medical assistance.

(b) The State agency must make a redetermination of eligibility of each family and individual receiving service at the following intervals:

(1) Quarterly for families and individuals whose eligibility is based on their status as current applicants for or recipients of financial assistance. (This redetermination may be accomplished by comparison of financial assistance payrolls or eligibility listings with service eligibility listings.)

(2) Within 30 days of the date that the status of the family or individual as a current applicant for or recipient of financial assistance is terminated.

(3) Within six months of the date of the original determination of eligibility and of any subsequent redetermination of eligibility for families and individuals whose eligibility is based on the determination that they are likely to become applicants for or recipients of financial assistance.

(4) Within three months of the effective date of this regulation for families and individuals receiving service on the basis that they are former applicants for or recipients of financial assistance.

§ 2218. Individual service plan.

(a) An individual service plan must be developed and maintained on a current basis by agency staff for each family and individual receiving service under the State's title I, IV-A, X, XIV or XVI plan. No service, other than emergency assistance in the form of services under the title I-A plan, may be provided under the State plan until it has been incorporated in the individual service plan and a service may be provided only to the extent and for the duration specified in the service plan. The service plan must relate all services provided to the specific goals to be achieved by the service program. It must also indicate the target dates for goal achievement and the extent and duration of the provision of each service. For the purposes of this part, the specific goals to be achieved are limited to:

(1) Self-support goal: To achieve and maintain the feasible level of employment and economic self-sufficiency. (Not applicable to the aged under the Adult Services program.)

(2) Self-sufficiency goal: To achieve and maintain personal independence, self-determination and security, including, for children, the achievement of potential for eventual independent living.

(b) The service plan must be reviewed as often as necessary to insure that only appropriate services are provided to recipients but in any event once every six months. At the time of each review the need for and effectiveness of all services must be reassessed and progress toward achievement of goals must be evaluated and recorded.

(c) Service plans for families and individuals who are deterimned to be eligible for service on the basis that they are likely to become applicants for or recipients of financial assistance under the title I, IV-A, X, XIV or XVI plan may include only services which are necessary to correct or ameliorate the specific problems which will deal to dependence on such financial assistance or medical assistance to aged, blind or disabled persons under the title XIX plan, as identified at the time of eligibility determination or redetermination.

(d) Whenever the provider of services specified in the service plan is not located within the organizational unit responsible for the maintenance of the service plan, there must be a written authorization for the provision of the service which specifies the service to be provided and the individuals to whom it will be provided. No authorization for the provision of service may cover a period longer than six months but authorizations for additional periods may be made subject to the review requirement in paragraph (b) of this section. No provision of service may be authorized at cost to the State agency if it is available without cost to the State agency.

(e) Efforts to enable individuals and families to clarify their need for services, to identify and make choices of appropriate services, and to use services effectively (i.e., supportive counseling) are assumed as an integral part of development and maintenance of the individual service plan.

§ 221.9 Definition of services.

(a) This section contains definitions of all mandatory and optional service under the Family Service program and the defined services under the Adult Services program (see §§ 221.5 and 221.6 of this chapter).

(b) (1) *Chore services.* This means the performance of household tasks, essential shopping, simple household repairs, and other light work necessary to enable an individual to remain in his own home when, because of frailty or other conditions, he is unable to perform such tasks himself and they do not require the services of a trained homemaker or other specialist.

(2) *Day care services for adults.* This means personal care during the day in a protective setting approved by the State or local agency.

(3) *Day care services for children.* This means care of a child for a portion of the day, but less than 24 hours, in his own home by a responsible person, or outside his home in a family day care home, group day care home, or day care center. Such care must be for the purpose of enabling the caretaker relatives to participate in employment, training, or receipt of needed services, where no other member of the child's family is able to provide adequate care and supervision. In-home care must meet State agency standards that, as a minimum, include requirements with respect to: the responsible person's age, physical and emotional health, and capacity and available time to care properly for children: minimum and maximum hours to be allowed per 24-hour day for such care; maximum number of children that may be cared for in the home at any one time; and proper feeding and health care of the children. Day care facilities used for the care of children must be licensed by the State or approved as meeting the standards for such licensing.

(4) *Educational services.* This means helping individuals to secure educational training most appropriate to their capacities, from available community resources at no cost to the agency.

(5) *Employment services (non-WIN under title IV–A and for the blind or disabled).* This means enabling appropriate individuals to secure paid employment or training leading to such employment, through vocational, educational, social and psychological diagnostic assessments to determine potential for job-training or employment; and through helping them to obtain education or training at no cost to the agency.

(6) *Family planning services.*

(i) For Family Services this means social, educational, and medical services to enable appropriate individuals (including minors who can be considered to be sexually active) to limit voluntarily the family size or space the children, and to prevent or reduce the incidence of births out of wedlock. Such services include printed materials, group discussions and individual interviews which provide information about and discussion of family planning; medical contraceptive services and supplies; and help in utilizing medical and educational resources available in the community. Such services must be offered and be provided promptly (directly or under arrangements with others) to all individuals voluntarily requesting them.

(ii) For Adult Services this means social and educational services, and help in securing medical services, to enable individuals to limit voluntarily the family size or space the children, and to prevent or reduce the incidence of births out-of-wedlock. Such services include printed materials, group discussions and individual interviews which provide information about and discussion of family planning; and help in utilizing medical and educational resources available in the community.

(7) *Foster care services for adults.* This means placement of an individual in a substitute home which is suitable to his needs, supervision of such home, and periodic review of the placement, at least annually, to determine its continued appropriateness. Foster care services do not include activities of the home in providing care or supervision of the individual during the period of his placement in the home.

(8) *Foster care services for children.* This means placement of a child in a foster family home, or appropriate group care facility, as a result of a judicial determination to the effect that continuation of care in the child's own home would be contrary to the welfare of such child; services needed by such child while awaiting placement; supervision of the care of such child in foster care and of the foster care home or facility, to assure appropriate care; counseling with the parent or other responsible relative to improve home conditions and enable such child to return to his own home or the home of another relative, as soon as feasible; and periodic review of the placement to determine its continuing appropriateness. Foster care services do not include activities of the foster care home or facility in providing care or supervision of the child during the period of placement of the child in the home or facility. A foster care home or facility used for care of children must be licensed by the State in which it is situated or have been approved, by the agency of such State responsible for licensing homes or facilities of this type, as meeting the standards established for such licensing.

(9) *Health-related services.* This means helping individuals and families to identify health needs and to secure diagnostic, preventive, remedial, ameliorative, child health screening, and other needed health services available under Medicaid, Medicare, maternal and child health programs, handicapped children's programs or other agency health services programs and from other public or private agencies or providers of health services; planning, as appropriate, with the individual, his relatives or others, and health providers to help assure continuity of treatment and carrying out of health recommendations; and helping such individual to secure admission to medical institutions and other health-related facilities.

(10) *Home delivered or congregate meals.* This means the preparation and delivery of hot meals to an individual in his home or in a central dining facility as necessary to prevent institutionalization or malnutrition.

(11) *Homemaker services.*

(i) For Family Services this means care of individuals in their own homes, and helping individual caretaker relatives to achieve adequate household and family management, through the services of a trained and supervised homemaker.

(ii) For Adult Services this means care of individuals in their own homes, and helping individuals in maintaining, strengthening, and safeguarding their functioning in the home, through the services of a trained and supervised homemaker.

(12) *Home management and other functional educational services.* This means formal or informal instruction and training in management of household budgets, maintenance and care of the home, preparation of food, nutrition, consumer education, child rearing, and health maintenance.

(13) *Housing improvement services.* This means helping families and individuals to obtain or retain adequate housing. Housing and relocation costs, including construction, renovation or repair, moving of families or individuals, rent, deposits, and home purchase, may not be claimed as service costs.

(14) *Protective services for adults.* This means identifying and helping to correct hazardous living conditions or situations of an individual who is unable to protect or care for himself.

(15) *Protective services for children.* This means responding to instances, and substantiating the evidence, of neglect, abuse or exploitation of a child; helping parents recognize the causes thereof and strengthening (through arrangement of one or more of the services included in the State plan) parental ability to provide acceptable care; or if that is not possible, bringing the situation to the attention of appropriate courts or law enforcement agencies, and furnishing relevant data.

(16) *Special services for the blind.* This means helping to alleviate the handicapping effects of blindness through: training in mobility, personal care, home management, and communication skills; special aids and appliances; special counseling for caretakers of blind children and adults; and help in securing talking book machines.

(17) *Transportation services.* This means making it possible for an individual to travel to and from community facilities and resources, as part of a service plan.

§ 221.30 Purchase of services.

(a) A State plan under title I, IV–A, X, XIV or XVI of the Act, which authorizes the provision of services by purchase from other State or local public agencies, from nonprofit or proprietary private agencies or organizations, or from individuals, must with respect to services which are purchased:

(1) Include a description of the scope and types of services which may be purchased under the State plan;

(2) Provide that the State or local agency will negotiate a written purchase of services agreement with each public or private agency or organization in accordance with requirements prescribed by SRS. Effective April 1, 1973, all purchased services must be provided under agreements which meet the requirements of this paragraph. A written agreement or written instructions which meet the requirements of this paragraph must also be executed or issued by the single State or local agency where services are provided under the plan directly by the State or local agency in respect to activities added by reorganization of administrative structure, redesignation of the State or local agency, or otherwise, occurring after February 15, 1973, or are provided by any public agency as to which a waiver of the single State agency requirement pursuant to section 204 of the Intergovernmental Cooperation Act is granted after February 15, 1973. These written purchase of service agreements and other written agreements or instructions are subject to prior review and approval by the SRS Regional Office, to the extent prescribed in, and in accordance with, instructions issued by SRS;

(3) Provide that services will be purchased only if such services are not available without cost;

(4) Provide that purchase of services from individuals will be documented as to type,

cost, and quantity. If an individual acts as an agent for other providers, he must enter into a formal purchase of services agreement with the State or local agency in accordance with subparagraph (2) of this paragraph;

(5) Provide that overall planning for purchase of services, and monitoring and evaluation of purchased services, must be done directly by staff of the State or local agency;

(6) Provide that the State or local agency will determine the eligibility of individuals for services and will authorize the types of services to be provided to each individual and specify the duration of the provision of such services to each individual;

(7) Assure that the sources from which services are purchased are licensed or otherwise meet State and Federal standards;

(8)(i) Provide for the establishment of rates of payment for such services which do not exceed the amounts reasonable and necessary to assure quality of service, and in the case of services purchased from other public agencies, are in accordance with the cost reasonably assignable to such services;

(ii) Describe the methods used in establishing and maintaining such rates; and

(iii) Indicate that information to support such rates of payment will be maintained in accessible form; and

(9) Provide that, where payment for services is made to the recipient for payment to the vendor, the State or local agency will specify to the recipient the type, cost, quantity, and the vendor of the service, and the agency will establish procedures to insure proper delivery of the service to, and payment by, the recipient.

(b) In the case of services provided, by purchase, as emergency assistance to needy families with children under title IV–A, the State plan may provide for an exception from the requirements in paragraph (a)(2), (4), (7), and (8) of this section, but only to the extent and for the period necessary to deal with the emergency situation.

(c) All other requirements governing the State plan are applicable to the purchase of services, including:

(1) General provisions such as those relating to single State agency, grievances, safeguarding of information, civil rights, and financial control and reporting requirements; and

(2) Specific provisions as to the programs of services such as those on required services, State-wideness, maximum utilization of other agencies providing services, and relating services to defined goals.

SUBPART B—FEDERAL FINANCIAL PARTICIPATION

Titles I, IV–A, X, XIV and XVI

§ 221.51 General.

Federal financial participation is available for expenditures under the State plan which are:

(a) Found by the Secretary to be necessary for the proper and efficient administration of the State plan;

(b)(1) For services under the State plan provided in accordance with the individual service plan to families and individuals included under the State plan who have been determined (and redetermined) to be eligible pursuant to the provisions of this part;

(2) For other activities which are essential to the management and support of such services;

(3) For emergency assistance in the form of services to needy families with children (see § 233.120 of this chapter); and

(c) Identified and allocated in accordance with SRS instructions and OMB Circular A–87.

§ 221.52 Expenditures for which Federal financial participation is available.

Federal financial participation is available in expenditures for:

(a) Salary, fringe benefits, and travel costs of staff engaged in carrying out service work or service-related work;

(b) Costs of related expenses, such as equipment, furniture, supplies, communications, and office space;

(c) Costs of services purchased in accordance with this part;

(d) Costs of State advisory committees on day care services for children, including expenses of members in attending meetings, supportive staff, and other technical assistance;

(e) Costs of agency staff attendance at meetings pertinent to the development or implementation of Federal and State service policies and programs;

(f) Cost to the agency for the use of volunteers;

(g) Costs of operation of agency facilities used solely for the provision of services, except that appropriate distribution of costs is necessary when other agencies also use such facilities in carrying out their functions, as might be the case in comprehensive neighborhood service centers;

(h) Costs of administrative support activities furnished by other public agencies or other units within the single State agency which are allocated to the service programs in accordance with an approved cost allocation plan or an approved indirect cost rate as provided in OMB Circular A–87;

(i) With prior approval by SRS, costs of technical assistance, surveys, and studies, performed by other public agencies, private organizations, or individuals to assist the agency in devloping, planning, monitoring, and evaluating the services program when such assistance is not available without cost;

(j) Costs of advice and consultation furnished by experts for the purpose of assisting staff in diagnosis and in developing individual service plans;

(k) Costs of emergency assistance in the form of services under title IV–A;

(l) Costs incurred on behalf of an individual under title I, X, XIV or XVI for securing guardianship or commitment (e.g., court costs, attorney's fees and guardianship or other costs attendant on securing professional services);

(m) Costs of public liability and other insurance protection; and

(n) Other costs, upon approval by SRS.

§ 221.53 Expenditures for which Federal financial participation is not available.

Federal financial participation is not available under this part in expenditures for:

(a) Carrying out any assistance payments functions, including the assistance payments share of costs of planning and implementing the separation of services from assistance payments;

(b) Activities which are not related to services provided by agency staff or volunteers, by arrangement with other agencies, organizations, or individuals, at no cost to the service program, or by purchase;

(c) Purchased services which are not secured in accordance with this part;

(d) Construction and major renovations;

(e) Vendor payments for foster care (they are assistance payments);

(f) Issuance of licenses or the enforcement of licensing standards;

(g) Education programs and services that are normally provided by the regular school system;

(h) Housing and relocation costs, including construction, renovation or repair, moving of families or individuals, rent, deposits, and home purchase;

(i) Medical, mental health, or remedial care or services, except when they are:

(1) Part of the family planning services under title IV–A, including medical services or supplies for family planning purposes;

(2) Medical examinations for persons caring for children under agency auspices, and are not otherwise available; or

(3) For medical (including psychiatric) diagnostic assessments necessary to the development of a service plan for an individual;

(j) Subsistence and other maintenance assistance items even when such items are components of a comprehensive program of a service facility;

(k) Transportation which is provided under the State's title XIX plan;

(l) Effective January 1, 1974, costs of employment services (non-WIN under title IV–A provided to persons who are eligible to participate in WIN under title IV–C of the Act, unless the WIN program has not been initiated in the local jurisdiction; and

(m) Others costs not approved by SRS.

§ 221.54 Rates and amounts of Federal financial participation.

(a) *Federal financial participation at the 75% rate.*

(1) For States with a State plan approved as meeting the requirements of Subpart A of this part, and that have in operation an approved separated service system in accordance with § 205.102 of this chapter, Federal financial participation at the rate of 75% is available for all matchable direct costs of the separated service system, plus all indirect costs which have been allocated in accordance with an approved cost allocation plan and with the requirements of OMB Circular A–87.

(2) For States with a State plan approved as meeting the requirements of Subpart A of this part, but that do not have in operation an approved separated service system in accordance with § 205.102 of this chapter, the rate of Federal financial participation is governed by the regulations in Parts 220 and 222 of this chapter as in effect on January 1, 1972, for all matchable direct costs of the services program, plus all indirect costs which have been allocated in accordance with an approved cost allocation plan and with the requirements of OMB Circular A–87.

(b) *Federal financial participation for purchased services.*

(1) Federal financial participation is available in expenditures for purchase of services under the State plan to the extent that payment for purchased services is in accordance with rates of payment established by the State which do not exceed the amounts reasonable and necessary to assure quality of service and, in the case of services purchased from other public agencies, the cost reasonably assignable to such services, provided the services are purchased in accordance with the requirements of this part.

(2) Services which may be purchased with Federal financial participation are those for which Federal financial participation is otherwise available under title I, IV–A, X, XIV, or XVI of the Act and which are included under the approved State plan, except as limited by the provisions of subparagraph (3) of this paragraph.

(3) Effective March 1, 1973, Federal financial participation is available for a new purchase of services from another public agency only for services beyond those represented by fiscal year 1972 expenditures of the provider agency (or its predecessors) for the type of service and the type of persons covered by the agreement. A new purchase of service from another public agency is any purchase of services other than a purchase for the type of service and the type of persons covered by an agreement that was validly subject to Federal financial participation under title I, IV–A, X, XIV, or XVI prior to February 16, 1973.

Example: The welfare agency makes an agreement for purchase of services from another public agency. In the year ended June 30, 1972, there was no purchase arrangement, and such other agency expended $100,000 in non-Federal funds in furnishing the type of services to the type of persons covered by the agreement. In the year ending June 30, 1974, Federal financial participation will be available only to the extent that the expenditures of such other agency for these purposes from non-Federal sources are expanded. If the total expenditures are $100,000 or less, there will be no Federal payments. If the total expenditures are over $100,000, Federal financial participation will be available only in the excess over $100,000. Thus, if total expenditures are $200,000, the Federal share at 75 percent of expansion would be $75,000. For a new purchase in the period February 16 through June 30, 1973, for the purpose of computing the Federal financial participation for the remainder of the fiscal year ending June 30, 1973, the total fiscal year 1972 expenditures of $100,000 are prorated. Thus, if the new purchase went into effect on April 1, 1973, Federal financial participation for the April-June 1973 quarter would be available only in the excess over $25,000 for that quarter.

(4) The provisions of subparagraph (3) of this paragraph also apply to services provided, directly or through purchase, by:

(i) any public agency as to which a waiver of the single State agency requirement pursuant to section 204 of the Intergovernmental Cooperation Act is granted after February 15, 1973, or

(ii) the State or local agency, as to activities added by reorganization of administrative structure, redesignation of the State or local agency, or otherwise, occurring after February 15, 1973.

§ 221.55 Limitations on total amount of Federal funds payable to States for services.

(a) The amount of Federal funds payable to the fifty States and the District of Columbia under titles I, IV–A, X, XIV, and XVI for any fiscal year (commencing with the fiscal year beginning July 1, 1972) with respect to expenditures made after June 30, 1972 (see paragraph (b) of this section) for services (other than WIN Support Services, and emergency assistance in the form of services, under title IV–A) is subject to the following limitations:

(1) The total amount of Federal funds paid to the State under all of the titles for any fiscal year with respect to expenditures made for such services shall not exceed the State's allotment, as determined under paragraph (c) of this section; and

(2) The amounts of Federal funds paid to the State under all of the titles for any fiscal year with respect to expenditures made for such services shall not exceed the limits pertaining to the types of individuals served, as specified under paragraph (d) of this section.

Notwithstanding the provisions of paragraphs (c)(1) and (d) of this section, a State's allotment for the fiscal year commencing July 1, 1972, shall consist of the sum of:

(i) an amount not to exceed $50 million payable to the State with respect to the total expenditures incurred, for the calendar quarter beginning July 1, 1972, for matchable costs of services of the type to which the allotment provisions apply, and

(ii) an amount equal to three-fourths of the State's allotment as determined in accordance with paragraphs (c)(1) and (d) of this section.

However, no State's allotment for such fiscal year shall be less than it would otherwise be under the provisions of paragraphs (c)(1) and (d) of this section.

(b) For purposes of this section, expenditures for services are ordinarily considered to be incurred on the date on which the cash transactions occur or the date to which allocated in accordance with OMB Circular A–87 and cost allocation procedures prescribed by SRS. In the case of local administration, the date of expenditure by the local agency governs. In the case of purchase of services from another public agency, the date of expenditure by such other public agency governs. Different rules may be applied with respect to a State, either generally or for particular classes of expenditures, only upon justification by the State to the Administrator and approval by him. In reviewing State requests for approval, the Administrator will consider generally applicable State law, consistency of State practice, particularly in relation to periods prior to July 1, 1972, and other factors relevant to the purposes of this section.

(c)(1) For each fiscal year (commencing with the fiscal year beginning July 1, 1972) each State shall be allotted an amount which bears the same ratio to $2,500,000,000 as the population of such State bears to the population of all the States.

(2) The allotment for each State will be promulgated for each fiscal year by the Secretary between July 1 and August 31 of the calendar year immediately preceding such fiscal year on the basis of the population of each State and of all of the States as determined from the most recent satisfactory data available from the Department of Commerce at such time.

(d) Not more than 10% of the Federal funds shall be paid with respect to expenditures in providing services to individuals (eligible for services) who are not recipients of aid or assistance under State plans approved under such titles, or applicants for such aid or assistance, except that this limitation does not apply to the following services:

(1) Services provided to meet the needs of a child for personal care, protection, and supervision (as defined under day care services for children) but only in the case of a child where the provision of such services is needed in order to enable a member of such child's family to accept or continue in employment or to participate in training to prepare such member for employment, or because of the death, continued absence from the home, or incapacity of the child's mother and the inability of any member of such child's family to provide adequate care and supervision for such child;

(2) Family planning services;

(3) Any services included in the approved State plan that are provided to an individual diagnosed as mentally retarded by a State mental retardation clinic or other agency or organization recognized by the State agency as competent to make such diagnoses, or by a licensed physician, but only if such services are needed as part of an individual service plan for such individual by reason of his condition of being mentally retarded;

(4) Any services included in the approved State plan provided to an individual who has been diagnosed by a licensed physician as a drug addict or alcoholic, but only if such services are needed by such individual under an individual service plan as part of a program of active treatment of his condition as a drug addict or an alcoholic; and

(5) Foster care services for children when needed by a child under an individual service plan because he is under foster care.

§ 221.56 Rates and amounts of Federal financial participation for Puerto Rico, the Virgin Islands and Guam.

(a) For Puerto Rico, the Virginia Islands and Guam, the basic rate for Federal financial participation for Family Services and WIN Support Services under title IV–A is 60%. However, effective July 1, 1972, the rate is 50% for emergency assistance in the form of services.

(b) For family planning services and for WIN Support Services, the total amount of Federal funds that may be paid for any fiscal year shall not exceed $2,000,000 for Puerto Rico, $65,000 for the Virgin Islands, and $90,000 for Guam. Other services are subject to the overall payment limitations for financial assistance and services under titles I, IV-A, X, XIV, and XVI, as specified in section 1108(a) of the Social Security Act.

(c) The rates and amounts of Federal financial participation set forth in § 221.54 (a) and (b) of this chapter apply to Puerto Rico, the Virgin Islands and Guam, except that the 60% rate of Federal financial participation is substituted as may be appropriate. The limitation in Federal payments in § 221.55 of this chapter does not apply.

Titles I, IV–A, IV–B X, XIV, and XVI

§ 221.61 Public sources of State's share.

(a) Public funds, other than those derived from private resources, used by the State or local agency for its services programs may be considered as the State's share in claiming Federal reimbursement where such funds are:

(1) Appropriated directly to the State or local agency; or

(2) Funds of another public agency which are:

(i) Transferred to the State or local agency and are under its administrative control; or

(ii) Certified by the contributing public agency as representing current expenditures for services to persons eligible under the State agency's services programs, subject to all other limitations of this part.

Funds from another public agency may be used to purchase services from the contributing public agency, in accordance with the regulations in this part on purchase of services.

(b) Public funds by the State or local agency for its services programs may not be considered as the State's share in claim-funds are:

(1) Federal funds, unless authorized by Federal law to be used to match other Federal funds;

(2) Used to match other Federal funds; or

(3) Used to purchase services which are available without cost.

In respect to purchase of services from another public agency, see also § 221.54(b) of this chapter with respect to rates and amounts of Federal financial participation.

§ 221.62 Private sources of State's share.

Donated private funds or in-kind contributions may not be considered as the State's share in claiming Federal reimbursement.

[From the Washington Post, Feb. 16, 1973]

HEW DEFENDS NEW CUTBACK RULES

(By Austin Scott)

Proposed new rules for federal social service programs—which drew anguish protests from day care, welfare and senior citizen groups—represent an attempt to prune back as painlessly as possible, Health, Education and Welfare Department officials said yesterday.

But an hour after HEW Secretary Caspar Weinberger met with reporters to explain the new rules, a group of 46 senators including 13 Republicans, sent him a letter opposing them.

"Such an extreme change in the existing social services program is unwarranted," their letter said.

Led by Sen. Walter F. Mondale (D-Minn.), the group was particularly opposed to one new rule that knocks out the three federal dollars now available for every dollar of private contributions to run mental health centers, prison rehabilitation and other social services programs.

"This proposed change would seriously undermine the excellent private-public partnership approach to human problems that now exists," the senators told Weinberger. "These kinds of cooperative efforts would be encouraged rather than discouraged."

The debate is a continuation of one that started last fall, when HEW then-Secretary Elliot Richardson wrote to President Nixon saying a runaway social services program was threatening to bankrupt the federal treasury.

Operating with few rules, almost no monitoring, and wholesale abuses, particularly in large states like California, Illinois and New York, the program threatened to drain $6 billion from the federal treasury in 1973.

"I was convinced someone was paving roads with it, but we never could find that," Weinberger said.

Late last year, Congress clamped a $2.5 billion ceiling on the program.

Weinberger argued at the news briefing that HEW was trying to shape the most coherent program possible within the limits Congress set, an approach that resulted in cutting many options from states and local groups.

"The thing that really bothered us was the unfocused nature of it," said Weinberger. "We had no idea who these were really benefiting."

"Now we want to be very specific about what the funds are to be for," added Philip Rutledge, acting administrator of the Social and Rehabilitation Service Administration. "We are saying since there is a ceiling and states have to be more careful, we are trying to give them more of an option."

Weinberger commented on a number of the options lost:

Five-year-old federal standards on the maximum numbers of children that can be cared for in day care centers by each adult have been thrown out.

HEW spent two years and better than half a million dollars devising a set of "Model Day Care Codes" which Rutledge said might be approved by the time the new rules take effect, perhaps as early as April 15.

The model codes would be advisory, not binding, and recommend double the number of children per adult over the old federal standards.

Day Care groups have argued that allows more "warehousing," with less attention to each child's needs.

The federal matching of private donations is gone, although matching for state and local government money remains.

"Some substantial abuses had grown up, or at least were quite possible," Weinberger said.

The private groups which got federal matching money to run their own programs were not supervised by the government, Weinberger said.

A lot of services for welfare families, the blind and the aged states now must provide will become optional, depending on state preferences.

There was a very broad opening for states to provide services to people who may not have been in need at all," Weinberger said.

Block certification, which allowed people to take part in a program because they lived in a designated area, is out.

Weinberger said it allowed too many people who didn't need the programs to take part in them anyway.

There is no re-allocation formula, which would allow money unspent by one state to go to another state. This was prohibited by Congress, Weinberger said.

"I hope they're (the new rules) going to cut back on the things that don't benefit the people that most need them," he said. ". . . With limited resources, it seems very desirable for that money to go to those most in need." He emphasized that the rules issued today are not necessarily in final form. "We don't have a closed mind on anything here," he said.

[From the New York Times, Feb. 16, 1973]

NIXON AIDES SEEKING TO CUT STATE SOCIAL PROGRAMS BY $800 MILLION

(By Richard D. Lyons)

WASHINGTON, February 15.—The Nixon Administration moved today to narrow such state social programs as day care and health and employment services and cut Federal outlays for them by $800-million in the fiscal year 1974.

The states had sought almost $6-billion in Federal aid for their social service programs for next year. Congress had imposed a $2.5-billion ceiling but the Administration now proposes spending only $1.8-billion in Federal funds, down from $2.6-billion in the current fiscal year.

Caspar W. Weinberger, Secretary of Health, Education, and Welfare, said that the Administration's move, in the form of proposed changes in rules for the services, had been made to eliminate abuses in which states had received social service grants and then applied the funds to other uses.

He said that some of the "horror stories" included "the making of documentary films" and the payment of salaries for prison guards from social service funds.

"I was convinced that some of the states were paving roads with the money," he told a news briefing.

Administration officials have complained in recent months that many states have been making a run at the Federal Treasury by seeking Federal payment for many services that had previously been paid for with state funds.

New York, for example, received $88-million from the Federal Government for social services in the fiscal year 1971, with the amount soaring to $588-million last year, according to Federal statistics. The amount Albany had sought for the fiscal year 1973 was $854-million, but the state will receive only $220-million for the fiscal years 1973 and 1974.

New Jersey received $20-million in the fiscal year 1971, had asked for $415-million for the fiscal year 1973 but will receive only $86-million for the current and next fiscal year.

The H.E.W. move came in the form of proposals by the Department's Social and Rehabilitation Services to set new guidelines for what services could be funded with Federal money and who would receive them.

SENATORS ATTACK PROPOSALS

The proposed changes in regulations, which will be printed in the Federal Register tomorrow and could go into effect with some amendments in about two months, were immediately attacked by 46 Senators, including 13 Republicans.

The Senators said in a statement that the changes "would seriously undermine the excellent private-public partnership approach to human problems that now exists."

"These kinds of cooperative efforts should be encouraged rather than discouraged" the statement said.

The Senators took particular exception to a proposed change that would forbid the use of private funds to be included as part of the state or municipality's matching funds.

At present, a private agency may donate, for example, $100,000 to a day care center. The city or state could then apply to the Federal Government for $300,000 from Federal matching funds for the day care center, since the matching formula has been $3 in Federal money for every $1 in local money.

[From the Washington Post, Feb. 18, 1973]

THE SOCIAL SERVICES FUND

Things are never quite what they seem, in the long struggle over the federal Social Services fund. The public has fallen under an impression that Mr. Nixon is drastically cutting federal outlays on social welfare, and rapidly returning broad discretion to the states. Neither half of that impression happens to be true, in the case of the massive Social Services fund, but it suits the purposes of neither the administration nor its critics to say so out loud. In fact, the Social Services fund has evolved into a careless and unintentional kind of revenue-sharing. The administration's desperate attempts to control it have nothing to do with the ideological warfare over the Great Society. To the contrary, they offer a highly instructive premonition of the troubles that President Nixon may have with his further experiments in revenue sharing.

The Social Services fund has had a bizarre history. An obscure item in the budgets of the 1960's, it offered states three-fourths of the cost of certain services to help people get off, or keep off, welfare. The fund ran to $366 million a year when Mr. Nixon took office. But then the California state government perceived that, if viewed with imagination (and sympathy), half the state's budget might be considered to be social services. The federal fund started to shoot up in 1970, with 40 per cent of it going that year to one state—California, where a Republican governor was running for re-election and did not care to raise taxes. Then New York began to see the potential in this interesting fund. From state to state, word spread. Congress had never put a limit on the fund. The Treasury was obliged to pay three-fourths of the cost of any state or local program that met the definitions set by the Department of Health, Education and Welfare. HEW's definitions turned out to be strangely loose and inviting. The Social Services fund paid out $800 million in fiscal 1971, and $1.9 billion in 1972. The states' applications shot upward as they grew increasingly audacious in shifting large parts of their routine budgets onto the federal Treasury.

At the beginning of last year, the administration originally budgeted only $1.2 billion for this fund in fiscal 1973. But the states' demands totaled twice as much by last May, and by June they came to $5 billion. HEW urgently warned the White House, but the White House told the department to keep quiet and do nothing. The President, it might be recalled, was then running for re-election and wanted no trouble with governors. Later in the summer Jodie Allen, an economist at the Urban Institute, published the figures. In a flurry of embarrassment the President and Congress hastily agreed to place a limit of $2.5 billion a year on the fund.

The current stage of the controversy began last week when HEW brought out new regulations for the Social Services fund. These regulations are a reversion, almost to the point of parody, to the worst traditions of an ingrown and paternalistic bureaucracy. A state can extend services to an individual person, under this program, only after a social worker has drawn up a "service plan" for that person, proving his eligibility, listing what services he is to receive, showing how they will lead to "goals" and setting "target dates for goal achievement." And it all has to be reviewed every six months. Boom days are ahead for the paper industry and for the legion of minor clerks who will crank the wheels inside this large new welfare machine. But for that part of the population which is poor, and may actually need help the outlook is not so jolly.

As a budget device, the new regulations amount to impoundment by red tape. Although the authorization is $2.5 billion, Mr. Nixon's budget provides only $1.9 billion for it next year. The administration is clearly counting on the weight of the regulations to prevent the states from obtaining their full allotments.

One sad and revealing provision in the regulations prohibits states from using private funds, donated to voluntary social agencies as matching money in this program. In his first term, Mr. Nixon talked much about the crucial role of the volunteer in American society. Apparently the idea also is fading.

The collision between the states and the Nixon administration over the Social Services funds has nothing to do with the New Deal or the 1960s. The fund took off upward under the Nixon administration, which deliberately exploited it as revenue-sharing to certain key states. It then flew out of control altogether. Now the administration is trying to recapture it by drawing up regulations of a density and detail calculated to discourage states from using it. The next question is whether this melancholy experience does not foreshadow the mistakes still to be made in President Nixon's other revenue-sharing ventures.

[From the Washington Post, Feb. 12, 1973]

CUTBACKS PLANNED IN SOCIAL SERVICES

(By Austin Scott)

The Nixon administration is preparing to make major changes in the way the federal government supports programs in day care, aid to the elderly, mental retardation, juvenile delinquency, and other social services.

Although new social services regulations aren't scheduled to be announced by the Department of Health, Education and Welfare for another week or so, some affected groups have obtained copies and are gearing up for a fight.

Rep. Bella Abzug (D.-N.Y.), a vocal supporter of day-care centers, denounced the new proposals as 'unconscionable," and said she will call for congressional hearings into their effect on day care. Arkansas Gov. Dale Bumpers said parts of them are "patently absurd."

While the proposed new regulations would change the ground rules for federal aid to a number of important social services programs, most of the comment so far has been aimed at their effect on day care.

As written now, they would eliminate existing mandatory federal child care standards, and end the $3 in matching money that the federal government gives for every $1 private contributions. However, they would permit the government to continue matching, 3 for 1, state and local funds.

That end to the federal matching of private money applies to all the programs, not just day care, and it is what Bumpers termed "patently absurd."

"To give you an example of the effect it would have on our mental retardation program," he said, "when I was elected [in 1970] we had fewer than 20 community facilities caring for a little less than 400 children.

"In the past year and a half . . . we have expanded that to 82 facilities caring for over 2,000 children.

"Quite frankly, with the guidelines prohibiting the use of private funds and the further restrictions . . . we will probably wind up closing virtually every one of the new ones we have started in the past year and a half."

"It's such a bad law I can't conceive of it standing," he said. "I have heard they expect to save $1 billion. My guess would be they'll save $2 billion with the guidelines as they are now."

Among the changes in the proposed regulations are:

Quarterly recertification of applicants for some programs, instead of the yearly recertification.

Tightening day-care eligibility requirements. Current rules allow day care for children who have been on welfare within the past two years, or are prospects for welfare in the next five years. The new ones change those figures to three months and six months, respectively.

Elimination of the "special need" category, allowing services for the handicapped regardless of income.

Elimination of federal money for code enforcement, to make sure state standards are being enforced.

Setting of a maximum income figure for day-care eligibility that in some states works out to below the poverty level for a family of four.

HEW officials point to their plans to increase the amount of money spent on day care, and the number of children covered.

Federal budget estimates show one portion of the government's support for day care jumping from an estimated $82 million under the Work Incentive Program in Fiscal 1973, to $204 million in Fiscal 1974 which will begin July 1.

Some child-care groups, however, are convinced the dropping of federal standards will mean more "warehousing" of children with little attention paid to their education or other needs.

The new regulations drop all reference to existing federal interagency regulations about the ratio of children to adults at day-care centers.

Instead, a set of HEW Model Day Care Codes, currently on Secretary Caspar Weinberger's desk, recommends approximately twice as many children per adult as the standards now in effect.

The opening pages of the Model Day Care Codes indicate they are to be used as guidelines for states to draw up their own codes, but are not requirements.

"It's all a matter of money," said the source who gave a copy of the proposed regulations to The Washington Post, and who asked not to be identified.

The key thing to remember is that most experts say the child-to-staff ratio accounts for 75 per cent of all the costs. They were spending $800 million for day care at the end of fiscal 1972. If you double the child-to-staff ratio, as they're proposing, that's a saving of $300 million."

"These regulations are unconscionable," said Rep. Abzug. "They effectively shut out children from middle income families from federally assisted day care, and they will substantially reduce the number of senior citizens eligible for vitally needed services."

An advance copy of the proposed regulations was floated by the Council of State Governments in November for that group's reaction.

"We are quite sure that the states will have major objections to the denial of the use of private funds for matching," said Allen Jensen, a special assistant on human resources to the group.

"They feel this is a way to have community involvement and community participation in delivering these services."

Jensen estimated that private donations along with the three federal dollars that can now be given for each private dollar, supply about $55 million worth of day-care services around the country.

The private money comes from many sources, including charitable organizations such as United Way, and even bake sales or garage sales conducted by the day-care centers.

Along with eliminating such federal fund matching, the new proposals also eliminate federal matching for the value of "in-kind contributions," such as when furniture or a building are donated.

A number of experts are saying that politics is playing a heavy role in the federal matching section of the new regulations.

They point out that the government's proposed policy is opposite the position taken by former HEW Secretary Elliot L. Richardson when he said to several members of the House last summer that he supported federal matching for private donations.

The proposed policy, however, does go along with a directive from the Senate Finance Committee, which said during last year's debate over welfare reform that this kind of matching should be stopped.

There are predictions that federal matching for private money will be reinstated before the regulations become final, and the administration will make its real fight over the elimination of federal standards, and a new ban it proposes to place on transferring social services money to other state programs.

"It's a foolish (HEW) Secretary who ignores a directive from the Senate Finance Committee," said one source, "but they'll be able to say they tried, and the real money is saved in other places."

"They certainly tighten up everything all along the line in terms of eligibility, definitions, and range of authority," said Elizabeth Wickenden, professor of urban affairs at the City University of New York.

"The two most severe restrictions in them are the direct result of Senate Finance Committee instructions to the Secretary . . . All of this I think is quite consistent with the current philosophy of the administration. They have on one hand loosened up insofar as the state decision-making is concerned . . . And on the other hand they've tightened eligibility on who can get the service."

HEW ISSUES NEW SOCIAL SERVICE REGULATIONS—OPPONENTS PREPARE TO PUSH FOR MODIFICATION

HEW last week claimed its proposed new regulations for Federally funded day care and other social services will give states more options, but others viewed them as hard-line and restrictive.

The regulations issued Friday will "allow states to concentrate services on population groups most in need of them" and "give states more options in determining services to be provided," according to an HEW news release.

Some social welfare leaders, in and out of Congress, disagreed and prepared to challenge the proposed rules published in the *Federal Register* Feb. 16.

The HEW news release description of the regulations was termed "a smokescreen" by Allen Jensen, special assistant to the Council of State Governments.

"In fact," said Jensen, "the regulations put far more restrictions on services than the current regulations do."

On the basis of earlier, less restrictive draft rules, Jensen said at least 25 governors had told him their service programs would be seriously hurt.

Mary Keyserling, former director of the Labor Department Women's Bureau, said the regulations would be "most devastating" to the working poor with incomes between $4,000 and $6,000. The new rules on income eligibility would mean that "just when they work their way out of poverty, they are not eligible for services," she said.

Bipartisan efforts are being taken in Congress to change the regulations.

The rules were published for 30-day comment without significant change from the version summarized in *DCCD Reports Extra Edition*, Feb. 12. Under the regulations:

Eligibility for services is limited almost exclusively to current recipients of, or applicants for, welfare assistance.

Private donated funds and in-kind contributions from private sources are prohibited from being used as a state's share to obtain Federal matching money.

Tight restrictions are placed on the purchase of services from other agencies.

Subsistence assistance and most health services are not eligible for Federal matching support.

Most day care may be provided only if it will enable a parent to work. Day care as a protective or child welfare service, or in certain instances like the absence or incapacity of a child's mother, may also be provided to eligibles.

In-home day care must meet state standards and out-of-home care must be licensed by the state, but the regulations eliminate a requirement in current regulations that out-of-home day care comply with Federal Interagency Day Care Requirements.

In what appears to be a sudden Administration shift, not evident in the regulations, HEW is expected to require out-of-home day care to meet a revised version of the Federal Interagency Day Care Requirements.

DCCD Reports learned that, at the last minute, a paragraph was added to the HEW news release on the regulations saying revised day care Requirements will be issued soon.

The addition, absent from earlier drafts of the news release, is believed to have been prepared to ward off Congressional opposition to the lack of Federal Requirements.

The revised Requirements, written primarily by HEW's Office of Child Development, have been stalled in the Office of Management and Budget since last August. They were expected to die there.

These revised Requirements, which the news release describes as equally comprehensive but more clearly defined and enforceable than the 1968 Requirements now in effect," would require, according to the most recent draft available, one care giver for every seven children ages 3 to 4½ and one care giver for every 10 children ages 4 to 6½. Current requirements stipulate a ratio of one adult for every five children ages 3 to 4 and one adult for every seven children ages 4 to 6.

Some states contend ratios in current Requirements are too stringent and costly for them to meet, but some child welfare specialists maintain that low child-staff ratios are necessary to prevent damage to children.

On the proposed new regulations, 43 Senators, led by Sens. Walter Mondale, D-Minn.) and Jacob Javits (R-N.Y.), wrote to HEW Secretary Caspar Weinberger to protect the cutoff of private funds and to express concern over restrictions, eligibility and lack of Federal Requirements.

The signers include 13 Republicans, among them such usually stalwart members as Sens. Peter Dominick (Colo.) and J. Glenn Beall, Jr. (Md.).

Rep. Bella Abzug called the regulations disastrous," and said they would lead to warehousing of children. She has called on House Education and Labor Chairman Carl Perkins to hold public hearings on their effect on day care.

HEW and the Office of Management and Budget, which had a strong hand in writing the regulations, said that they are necessary to curb abuses in the programs and to focus on programs and people who would benefit the most.

"We cannot allow states to finance their whole state governments with this money," said one OMB source. "It's time to dig in on this program and go off in a better direction the next time."

The proposed regulations are expected to have these effects:

Arkansas Gov. Dale Bumpers was quoted as saying that approximately 60 of his state's 82 mental retardation centers for children would be closed down.

The prohibition against donated funds would cut out about $55 million in funds for day care now used as state match.

A staff assistant to Georgia McMurray, Commissioner of New York City's Agency for Child Development, estimates that more than half of the 33,000 children in Agency programs would not be eligible for Federal reimbursement under the regulations. "In many cases," she said, "without day care the others will have to go back on welfare, costing the city two and one-half times what day care costs."

She said the administrative costs and time involved in determining and redetermining eligibility are "prohibitive."

One Pennsylvania state source said that of the 14,000 children in IV-A day care in the state, only 2,000 would be eligible.

DCCD Reports Extra Edition (Feb 12) presented a look at the new regulations. Additional requirements include:

Federal reimbursement is not available for subsistence assistance and other maintenance assistance items even when they are part of a comprehensive program of a day care facility.

There is no mention of community planning, information referral, staffing and training and mobilization—terms under which 4-C organizations have been funded in the past. HEW staff who worked on the regulations said that these and other services not specifically mentioned could be reimbursed only if a state could show they were necessary for the "proper and efficient administration of programs and with HEW approval."

Reimbursement for most health-related services would be restricted to placement, and would not cover the cost of providing services.

Homemaker service is defined as "care of individuals in their own homes and helping individual caretaker relatives to achieve adequate household and family management . . ."

State day care advisory committees are required, but local advisory panels are no longer required and there is no requirement that parents sit on state committees.

Services may be purchased from other agencies only if they are not available without cost.

Comments on the regulations may be made for 30 days. They should be sent to the Administrator, Social and Rehabilitation Service, Department of Health, Education and Welfare, 330 C St. SW., Washington, D.C. 20201.

SOCIAL SERVICES

Inserted into this NLC Washington is a special piece on social services. Because of the present uncertainty of the final federal regulations affecting federal reimbursement for social services, the following information regarding the various types of social services or social services for a recipient group is not to be interpreted as official federal description of social services activities which can be funded under the Social Security Act.

Specifically designed for use at the NLC social services seminars, the piece explains and illustrates some of the services that have been funded by social services authorizations of the Social Security Act. Since HEW is still drafting changes in these social service regulations, it is not yet known exactly what services can be funded under the federal social services programs in the future and which will be mandatory and which optional.

THE $2.5 BILLION CEILING ESTABLISHED

The Social Services program authorizations were changed by amendments to the Social Security Act included in the revenue sharing bill and the Social Security and Welfare Bill (HR 1) enacted in 1972. The program was changed by establishing a limit of $2.5 billion federal matching funds for social services available to States according to a formula based on population instead of open-ended appropriations.

GOAL-ORIENTED SERVICES

Titles I, X, XIV, XVI, and part A of Title IV of the Social Security Act authorize federal matching payments to states for providing social services to applicants for welfare, present, former and potential welfare recipients. These social services are generally defined in the Act as follows:

For families with dependent children they are: "Services to a family or any member thereof for the purpose of preserving, rehabilitating, reuniting, or strengthening the family, and such other services as will assist members of a family to attain or retain capability for the maximum self-support and personal independence. [Section 406(d)]

For the aged, blind and disabled, they are any services which "help them to attain or retain capability for self-support or self-care" and services "likely to prevent or reduce dependency." [Section 1063]

HEW has drafted proposed regulations intended to increase the public accountability for social services by establishing planning and reporting requirements to create a goal-oriented social service system which has as its mission reducing the barriers to attaining and maintaining maximum capability for self-support, self-care and personal independence for recipients of social services.

KINDS OF SOCIAL SERVICES

Child care and family planning services, foster care for children, treatment of drug addicts and alcoholics, and services for the mentally retarded would continue to be available, as under present law, for applicants for and "present, former and potential welfare recipients." Further descriptions of these categories are given in the following pages:

Family Planning	2
Foster Care for Children	3
Child Care	4
Treatment for Mentally Retarded	5
Treatment for Alcoholism and Drug Addiction	6

At least 90 percent of the federal funds spent for social services other than those above must be used for social services for individuals who are applicants for or recipients of welfare cash assistance and no more than 10 percent for "former and potential welfare recipients. Examples of these social services are given in the following pages. They might be:

Transportation service	6
Meals on Wheels and Senior Centers	7
Health-related services	8
Legal Services	8
Housing Improvement	9
Protective Services for Adults	9
Home Management Service	10
Employment Services (NON-WIN)	10
Day Care for Adults	11
Foster Care for Adults	11
Protective Services for Children	12
Homemaker Services	12

Funds for social services related to the WIN program are authorized in addition to the $2.5 billion ceiling and at a federal matching rate of 90 percent. Approximately $200 million is expected to be available in fiscal year 1973 for social services under the WIN program.

FAMILY PLANNING

Mrs. H. was only 30 years old. Yet she looked—and felt—much older. Mrs. H. had had 11 pregnancies during her 30 years. Four of the children had died. Her husband was an auto worker, had been laid-off and the family was on welfare.

"I had never heard of family planning until my last baby was delivered," Mrs. H. told a caseworker. "They told me about it at the hospital. Now we don't have to worry all the time and my mother doesn't have to worry about me having more babies."

Mrs. H. is now taking steps to avoid having more children. She has profited from advice and referrals of the local social service agency.

Description of service

The problem of unplanned and unwanted child bearing among low income families and individuals has received increasing recognition over the past five years. The relationship between high fertility and economic dependency, poor maternal and child health and family planning services in public programs.

Mandatory Service

Under Title IV-A of the Social Security Act, state welfare departments must offer family planning services to current, former and potential AFDC recipients and these services must now be "provided promptly (directly or under arrangements with others)." A penalty will be imposed for failure to offer and provide services to applicants and current recipients of AFDC. H.R. 1 authorizes 90 percent federal matching for Title IV-A family planning services (in contrast to 75 percent federal matching for other services). Under Title XIX, all States with Medicaid programs are now required to include family planning services and supplies as one of the basic medical services available to all persons covered by the program. The federal matching rate for family planning under Medicaid has also been raised to 90 percent.

Family planning services include medical and social services, medical examination, diagnosis and prescription, laboratory tests, contraceptive drugs and supplies, group and individual instruction, and follow-up. Subsidized programs enable low income persons, i.e., those who are not able to afford the services of a private physician, to have access to fertility control services.

Population Service

The population in need of subsidized family planning services is diverse. It includes welfare recipients, other poor groups, the "near poor" who have marginal or fluctuating incomes. These are the people who may slip into and remain in serious economic dependency through unplanned and unwanted child bearing.

How services are provided

In the private sector these services are provided mostly by private physicians in their offices. In the public sector family planning services are usually organized in a clinic setting which may be associated with a hospital, health department, or neighborhood health facility, or which may be free standing. In these clinics the services of physicians nurses, social workers and paraprofessionals are combined for the most efficient and effective use of professional time. Such organized family planning services are financed generously through private donations, federal projects grants, and to some extent state and local medical assistance and social services programs.

Gaps in Services Network

There remain large gaps in the service delivery network. Fully one-half of all U.S. counties are without family planning services of any kind and many established programs are inadequate to meet the need.

FOSTER CARE FOR CHILDREN

Judy is a ten-year-old who was born with clubbed hands and feet and alimentary abnormalities. Her mother is divorced and living on AFDC. There was no facility for remedial treatment for Judy in her rural area so she was placed in a stable foster home in a large city with excellent medical and rehabilitative facilities.

Judy has lived in the foster home for ten years, regularly going back home to spend vacations with her family. Surgery, therapy and training have given Judy use of her hands and she is able to walk.

Current plans are to return Judy to her natural family for good by next summer. She will still have to make occasional trips to a nearby city for continuing treatment and therapy, however.

Judy and her family both profited from the foster home experience. If she had been left in the home, Judy would have had no future. This family has been assisted so that they can manage the job of adequately caring for their child.

Description of service

The breaking up of a home is not a pleasant thing. Many of the social services work to keep the home unit together; foster care separates the home unit. There are some cases, however, in which the child is better off separated from a family. Whether the separation is due to ignorance or simple neglect, abuse, abandonment, illness or emergency, the service should be available to children. The intent is that children where parents are not capable or willing to properly care for them are given substitute home environments.

Foster care elements

Foster care provides care for a temporary or extended period in an agency-supervised home for children whose parents are unable to care for them adequately because of social, emotional or health problems of children and/or parents and who can benefit from family life experiences. Elements of the program include: 1) exploration to determine appropriate service, development of a plan for service, and preparation for placement; 2) work in behalf of or directly with children during placement (including provision of the essentials of daily living, such as shelter, meals, clothing, arrangements for education, recreation, religion, medical-dental care; child care, e.g., service payments for foster parents; social work and other treatment services, such as psychiatry, psychology, special education; 3) work with parents while child is in placement; 4) postplacement activities during readjustment period; 5) foster family home recruitment, study, and development.

How services are provided

Foster care may be provided by a state agency or purchased through a private agency which can provide services for individual or children with special needs that the public agency cannot adequately provide for. It is the responsibility of the state department of public welfare to give leadership in planning, establishing and maintaining adequate foster family care services throughout the State, under both public and voluntary auspices.

State Responsibility

The State provides direct services, is responsible for licensing of agencies, and licensing of foster homes and the promotion of standards of foster family care service throughout the State through the development of requirements for licensing of agencies, consultation to all child welfare agencies in accordance with the needs of the individual agencies and skilled supervision to child welfare units directly under the administrative control of the state department.

CHILD CARE

Mr. T. came home from Viet Nam paralyzed. Doctors said he would never walk again. Mr. T. had a wife and six children to support. And there seemed to be no way.

The couple requested day care services of the state agency so that Mrs. T. could transport her husband, who was paralyzed and in a wheel chair for therapy several times a week.

With extensive physiotherapy, Mr. T. improved and is now able to walk with crutches.

Mrs. T. worked in the day care center as an assistant teacher for about four months while her youngest daughter was enrolled. She then enrolled in a medical technician course and has subsequently accepted a position in the field.

Today Mr. T. is on his feet. Thanks to the day care cure, so is his family.

Description of service

Day care is a very special service for children who must have supplementary care during part of the 24-hour day by adults other than their parents. They need this care because, for some reason, their parents are unable to provide care and supervision on a full-time basis. These parents do retain responsibility for their families, but need to delegate a part of this responsibility to others. Day care, thus, is a service that keeps children in their own homes and promotes the stable functioning of their families.

Individual Treatment

Since day care is a part-time substitute for parents in their responsibility for child rearing, the distinguishing feature must be a degree of excellence surpassing all other daytime programs for children. In whatever setting the care is provided—a center, the home of a neighbor, in the child's own home, or in a family day care home—the measure of excellence will be revealed by the degree to which the child is treated as an individual and the extent to which the care he receives meets his particular needs.

"Provides Needs of a Child"

The new social services amendments to the Social Security Act defined child care services as those "provided to meet the needs of a child for personal care, protection and supervision, but only in the case of a child where the provision of such services is needed (A) in order to enable a member of such child's family to accept or continue in employment or to participate in training to prepare such member for employment, or (B) because of the death, continued absence from the home, or incapacity of the child's mother and the inability of any member of such child's family to provide adequate care and supervision for such child."

The draft regulations state that "child care services mean care of a child for a portion of the day, but less than 24-hours in his own home by a responsible person, or outside his home in a family day care home, group day care home or day care center. . . ."

Elements of the Program

Among the elements that child care service programs are:

1) exploration to determine most suitable arrangements for the child and parents; 2) work in behalf of or directly with children in day care (including provision of facilities and the essentials of daily living, as required); a daily program of care and educational activities; health supervision; transportation; work with family day care mothers; 3) work with parents, to help them make best use of day care and to cope with problems in child development and rearing; 4) family day care home recruitment, homefinding, and development (and licensing).

All child care services must meet the requirements of the 1968 Federal Interagency Day Care Requirements which apply to all federally aided child care programs.

How services are provided

State and local social services agency personnel may directly provide these services but in many cases contracts for such services with other public, private non-profit or private agencies may be involved.

TREATMENT FOR MENTALLY RETARDED

Eight-year-old Gay spent most of the first six years of her life in an institution crib. She never learned to walk too well and childhood games and toys were not part of her world.

A retarded child, Gay was placed in a state institution when she was a baby because her parents could not care for her. But two years ago a couple took Gay into their home and started raising her with the same individual love and attention their other seven children have received through the years.

Now Gay not only walks, but runs and plays with other children in the neighborhood. She attends a special education class and has a remarkable memory, according to her foster parents.

Description of service

Most of the state plans serving the mentally retarded are ultimately designed to bring the individual out of the institution, to have him contribute to his own support, and to reduce the drain on state and federal dollars for his maintenance.

Examples of Programs

Examples of programs for the mentally retarded include:

One State is developing a broad continuum of community services—group homes, diagnosis and evaluation centers, day care and work activity centers, and transportation.

Eight family resource centers for the retarded have been developed in another State. The specific aims of the centers are to: (1) coordinate intake, referral, placement, and follow-up services for all retarded persons in the catchment area; (2) provide comprehensive client and family supportive services necessary to prevent institutionalization and insure successful community adjustment—including client and family counseling and guidance, homemakers services, etc.; (3) coordinate residential placements in both specialized facilities as well as in other community living arrangements (apartments, boarding homes, foster care, etc.); (4) provide recreational opportunities and other social group services to retarded children and adults; and (5) coordinate a program of community supervision and guidance of retarded children and adults by volunteer citizens (the so-called Citizen Advocacy Program). In addition, the family resource centers are purchasing direct services (developmental day care, adult developmental services, etc.) from community agencies and thus acting as area-wide agencies for supervising continuity of services. State matching funds are provided by the State Office of Mental Retardation.

How services are provided

In recent years, contractual agreements have been developed between state public welfare and mental retardation agencies either by administrative action of a combination of administrative and legislative action. Generally, these contracts have been for the provision of community services to retarded children through Titles IV-A and/or the delivery of services to retarded adults through XIV and XVI of the Social Security Act. The state divisions responsible for MR services often supervises the program and furnishes the matching funds either directly through appropriated funds or indirectly through local public and private sources.

TREATMENT FOR ALCOHOLISM AND DRUG ADDICTION

Mrs. H. was the mother of five healthy children. Her husband had abandoned her. She spent much of her time in the depths of depression and she drank excessively. The family's problems did not go unnoticed. A neighbor referred the family to the community "Office on Problem Drinking."

Within 24 hours of referral, a caseworker from the county welfare department arranged for the children to receive medical care they urgently needed. The community mental health center indicated that the alcoholic mother needed treatment. The mother was admitted to the state hospital chemical dependency treatment unit. To help keep the family intact, homemaker services were provided so that the children received care and supervision while their mother was hospitalized.

Now Mrs. H. has been discharged and continues to remain sober and is able to care for her own children.

Description of service

Treatment of alcohol and drug addicted persons requires a complex of service in order to rehabilitate them and bring them to their maximum level of self-sufficiency. Such services might include (but are not limited to):

Information and referral services.

Early detection and evaluation.

Crisis intervention services.

Therapeutic treatment including:

Counseling: individual, group and family.

Therapy: individual and/or group.

Activity therapies.

Personal care including:

Foster care.

Day care.

Care in small group homes.

Transitional services in facilities such as rehabilitation units and halfway houses which offer comprehensive services.

Assistance in receiving vocational and educational rehabilitative services.

Community follow-up services including ongoing supportive services for the individual and family.

How services are provided

Current applicants or recipients of financial assistance.

Previous applicants or recipients of assistance during the last six months.

Persons likely to become recipients or applicants of assistance.

Medically or economically needy persons as defined in the State plan.

Proposed regulations state that:

The individual must have been diagnosed by a licensed physician as an alcoholic or drug addict;

Social services provided must be needed as part of an individual service plan for an active treatment program.

The state welfare agency may provide the services directly or through contracts with other state and local agencies such as the state alcoholism or drug agency, the department of mental health, community agencies or other.

TRANSPORTATION SERVICES

80-year-old Mrs. J. had heard of the programs at the community center for the aged. She wanted very much to go but it was too far to walk and she simply could not squeeze the money from her small monthly pension.

Then she heard of the local Senior Citizens Mobile Service. The service provided transportation to 1,606 different seniors. Appointments for trips were scheduled a day ahead and the central office was able to communicate with the van driver by two-way radio, allowing last-minute change and emergencies to be handled.

Mrs. J. simply made plans to go to the center twice a week and made reservations with the driver. "I feel 10 years younger," she told a center worker recently. "and I've made so many friends."

Description of service

Lack of means to move around a community can isolate a healthy and physically mobile person as completely as if she were bedridden. Most older people don't drive. Taxis are too expensive for many of them. Public transportation either does not exist or is extremely difficult for them to use. It, too, grows more expensive every day.

As a result, many people do not use available social services or facilities because they cannot reach them. Transportation may be needed related to child care programs.

Shopping Difficulty

Small neighborhood shops, easy to reach on foot, have disappeared in many communities. Today's supermarkets are often located at distances too great for many older people to reach by walking, particularly with heavy packages to carry home. And so nutrition suffers.

Financial problems may reach an unnecessary crisis when people have no way to get to a social security or public assistance office.

Escort

Some older people need an escort on trips either because of physical frailty or, in some areas, because they are afraid—with reason—to venture out alone.

The handicapped children and adults need transportation service.

MEALS ON WHEELS AND SENIOR CENTERS

Mrs. S. Lived alone. She had a son and a daughter with a total of five grandchildren but all lived on the other side of the country. When Mrs. S. was referred to the caseworker, she was low in spirits and impoverished. She simply did not have the energy to shop and prepare meals for herself. And she was too proud to ask others for help.

She didn't have to swallow her pride to participate in the local Meals on Wheels program for needy-elderly shut-ins. Meals of meat and vegetables, potatoes or noodles, salad, fruit or jello, bread and butter, milk and dessert were prepared in the cafeteria of an Alcoholism Treatment Program. The meals are delivered to Mrs. S.'s home at the cost of only 35 cents a meal. Mrs. S. also learned from the case worker that she can catch a mini-bus to a local high school where hot lunches are served every school day for 20 cents. Mrs. S. really prefers to ride to the school, according to the case worker. That way, she gets to see her newly-made friends who also eat there.

Description of service

Persons with disabilities of old age and poverty suffer numerous difficulties, including physical and social isolation, poor health, lack of money, inaccessibility of services, lack of transportation, difficulty in shopping for food and other necessities, poor dietary habits, excess leisure time, feeling of uselessness and not being wanted.

The Meals on Wheels, the Congregate Feeding Programs and programs to encourage community participation are services aimed at reducing these problems.

How services are provided

Programs such as these are provided by many different kinds of organizations: official or voluntary health and welfare agencies, non-profit and profit. Increasingly the more common form of service delivery is the multifunction senior citizen program which is under (religious and non-sectarian) private auspices and along with support from fees and United Funds receives funding through government grants and contracts.

Under the current proposed regulations to the Social Security Act relating to home delivered and congregate meals payment will be made for service that covers preparation and delivery (but not the cost of the food) of at least one hot meal daily to an individual in his home or in a central dining facility. The regulations also provide for payment for recreational and leisure time services to the aging, and to encourage their participation as volunteers in community agencies and organizations.

HEALTH-RELATED SERVICES

Mr. K., age 80, Austrian-born and financially independent, has lived alone all his life and has no known relatives. He was referred to the project by a local ophthalmologist who found Mr. K's blood pressure so high a stroke was feared. The doctor wanted immediate hospital placement to reduce the blood pressure to avoid a stroke and prepare Mr. K. for cataract surgery.

Not knowing this man or his immediate needs, the caseworker and homemaker went together to discuss the doctor's recommendation. After some discussion, Mr. K. agreed to enter the hospital and the team members assisted him in preparation for and admittance to the hospital, including transportation.

Visits were continued regularly to cement the relationship with the client. After the blood pressure deceased he had cataract surgery and was placed in a nursing home. The caseworker assisted him in enrolling for social security medical benefits so he will have this resource to cover a prostatectomy.

Description of service

Many who are receiving public aid have chronic disease and disability, and because of these conditions have special health needs. The health care system generally does not work very well for many people, particularly the disadvantaged, disabled and elderly. Physician house calls and other home health care is almost non-existent. Barriers to health care are created by a person's lack of knowledge of where to go, lack of transportation, long waits in physicians offices and clinics, and impersonal care.

Health-related services call for personalized attention, regular and frequent contacts by a social worker, a paraprofessional or a volunteer under professional supervision. A person is helped to get proper health care, to follow the prescribed health regimen, and to make use of community, facilities that will help maintain independent functioning. It requires continuing liaison with physicians and nurses to facilitate mutual patient planning, work with the patient to overcome medical ignorance and lack of proper use of health care, securing of transportation and escort service for patients who otherwise could not get to health care and, generally, supplying much needed personalized attention and help.

How services are provided

Service is provided on an outreach basis—to people in their own homes usually upon the initiative of the agency. Such service is a basic responsibility of case work staff of a department of public welfare, shared with the vocational rehabilitation and aid to blind programs. Private organizations, such as visiting nurse associations and senior citizen services have proved effective in providing these supportive services for health care.

LEGAL SERVICES

Mrs. H. 79, lives alone in a crowded apartment. She has three children who do not live close to her and another son, now deceased. Her son's will specified that under certain circumstances Mrs. H. was to receive a monthly sum of money. But funds had never been released to her.

Her eligibility worker had discussed the legal problems with her and initiated some correspondence to attorneys with little result. The agency's legal consultant was then informed and initiated correspondence to the court. A hearing was scheduled; however, the matter was settled out of court prior to that time. Since the monthly payment was less than the amount mentioned in the will, the agency's legal consultant was again called in. Upon his recommendation the amount offered was accepted for the client, with the stipulation that the amount could be changed if, at a later date, her living expenses and circumstances changed.

Arrangements have been made for the checks to be sent to Mrs. H's local bank where she will report to sign the check and have money deposited to her checking account.

Description of service

While each legal service agency is properly unique in order to reflect the particular needs of its community, in general they provide legal counseling and representation to individuals and groups across a broad spectrum of legal problems in order to assure that the rights of individuals are protected. The major eligibility exclusions are those cases that are fee-generating, matters in which the State or community has an obligation to furnish counsel to the indigent, and those persons who exceed the financial standards. Some examples of cases that a legal service office might have are counsel and representation in landlord/tenant issues, in actions concerning public agencies, in consumer issues, in divorce and family matters, and in commitment procedures.

The great majority of problems brought to legal services offices involve domestic relations, economic difficulties and property matters.

How services are provided

While local sponsorship of a legal services program is a decision made locally, clearly the endorsement of the local bar association is an essential ingredient for success. While not a legal requirement, the contribution of some local funds is a useful device to insure local support. Some examples of sponsorship are model cities agencies, multicounty agencies (in rural areas), legal aid societies (usually supported by United Funds and/or local funds), tenants organizations, county or city government, and private, not for profit agencies developed especially for this purpose.

HOUSING IMPROVEMENT SERVICES

Mrs. B. is a 50-year-old woman who has had a long history of mental problems. She has always been in a protective environment, either voluntarily or involuntarily. She has a difficult problem in relating to people and; therefore, was referred to the State Social Service Staff.

By working with the Housing Specialist, funded with social service funds, the staff was able to encourage and effectively have Mrs. B. participate in new social situations as elementary as apartment hunting and contacting real estate agents. They were able to locate a standard apartment which pleased Mrs. B. Since she has rented this apartment, furniture was given to her. She is very happy that her home is now totally "her own." As Mrs. B. was never in a living situation where she was responsible for utilities, etc., Social Service is working on the basic budgeting techniques and household management.

Mrs. B. is quite willing to accept her new responsibilities; and with continued work with her, the agency is certain that she soon will be able to become independent in household management.

Description of service

An estimated one-third of public assistance payments is spent for housing by low-income families. In contrast, the proportion of income most families spend for shelter ranges from 12 to 17 percent. A large number of poor families including public assistance recipients live in substandard private housing. The ability to overcome the barriers of lack of knowledge of housing assistance available through other public programs, improving relationships between landlords and tenants and encouragements to report housing code violations are major factors in improving housing services to these families.

Elements of Service

Housing improvement services include helping individuals locate quality housing at an acceptable price and securing assistance in home maintenance and minor repairs. It also involves attempts at improvement of landlord-tenant relations including explanation to the tenants of their responsibilities and staff reporting and encouraging families to report housing code violations.

How services are provided

State and local public welfare agencies can use social services funds to employ housing specialists and housing aides who have had special training or experience in housing.

PROTECTIVE SERVICES FOR ADULTS

The P's lived in an old dilapidated two-room house with a tar paper covering on the outside. There was no telephone. The nearest neighbor was one and one-half miles away. Mrs. P. had multiple sclerosis and stomach ulcers. She was blind in one eye. She got around by rocking a short-legged kitchen chair in such a way as to walk it across the floor. She is a recipient of AND (Aid to the Disabled) and receives $34 per month. Her husband was employed by a farmer who provides him with free rent in the shack in which they live. Mr. P. also worked for the farmer for such income in kind as milk and eggs. It seems that his employer had managed to keep Mr. P. in debt to him for many, many months. Upon referral, the county welfare caseworker stated that Mr. and Mrs. P. were mentally retarded, socially retarded, and had poor judgment in managing their affairs, especially financially.

The case aide and homemaker helped the P's move into a four-room modern house with a carpet, refrigerator, a lawn, and the modern conveniences.

They arranged for Mrs. P. to have a complete medical work-up at the hospital. As a result of conferences with the Adult Services Field Supervisor, the home care provision was used in meeting Mrs. P.'s needs. Effective September 1, 1968, Mr. and Mrs. P. will begin receiving $180 per month to provide for care in the recipients' own home rather than in a nursing home.

The caseworker and the homemaker are cooperating in a project to teach Mr. P. how to keep the house and take care of Mrs. P. whose multiple sclerosis is not improved.

Description of service

Adults, particularly elderly adults, can need protective services just as much as children. The kinds of service are not identical although often similar, but the need can be as urgent for an older person as for a child. Protective services means the systematic use of social, health and legal services and resources for and on behalf of seriously impaired adults, persons who are abused, isolated or exploited and who have no persons ready, willing or able to assist them.

How services are provided

Since protective services covers a broad range of services for the elderly, including housing, health, and mental health services to obtain other community resources, finance assistance and homemaker services, the opportunities for providers are equally broad. The program may be run essentially from one office which contracts with other agencies. The program may be one that provides a combination of purchase of service and direct provision.

HOME MANAGEMENT SERVICES

Mrs. M. is an attractive, pleasant 35-year-old woman with 11 children who is separated from her husband. She has been on public assistance for almost 2 years and was recently referred to the Social Service Unit for help, with her household management, child care problems as well as finding her a decent home. A Social Service Caseworker became actively involved with the family and helped to organize the household. The fact that a worker was visiting at least once or twice a week to see what help was needed was very supportive for Mrs. M. She felt someone cared and made a greater effort to find adequate housing and kept her present house in order. The children were given specific chores of their own including cleaning and child care. With the help of the Field Staff Mrs. M. was able to find an 8-room house that she could afford and that was in good condition. The Social Service Caseworker got beds, furniture and a refrigerator for the family. She said she couldn't thank us enough for what we have done and that surely "the good Lord" and the Relocation Agency was watching over her.

She is now employed and can manage to continue working because her house is in order.

Description of service

Disorganization in family life is closely associated with conditions of poverty, disadvantage and neglect. It is likely to be transmitted from one generation to another. Service which provides help in home management can be a first step in breaking the cycle of poverty. The service calls for a combination of social service and family education.

Improves Understanding

A mother is helped to improve capability in preparing nutritious meals, in maintaining a clean and comfortable home, in family relationships and child-rearing. Where there is a father in the home, both mother and father are helped in understanding money management and in sharing the discipline and supervision of children. Otherwise, a single parent is supported and strengthened to give the children a good home.

Individually and in groups the heads of families are helped to cope with the everyday problems of living: home maintenance, consumer knowledge, health care, family relationships (parent-child, teen-age problems, etc.) and community participation.

How services are provided

This kind of service is provided by a variety of governmental and private organizations including family service agencies, mental health centers, neighborhood and multi-service centers, Department of Agriculture and university extension services.

EMPLOYMENT SERVICES—NON-WIN

Mrs. W., a young woman with a 5-year-old son, was living in temporary housing at the time of her referral to Social Service.

With the help of a caseworker, arrangements were made for Mrs. W. and her son to move into public housing. Mrs. W. paid for the moving expenses out of her own money.

Once moved, Mrs. W. was assisted by the caseworker by being referred to several employment programs. One referral resulted in her being able to obtain a part-time job in the dietary department of a local hospital.

Mrs. W. now manages her own life and has no current need for social services, or for public assistance.

Description of service

Many effective job programs have been those that rehabilitate the physically handicapped. Recent legislation and administrative action have encouraged similar efforts for those who are socially and economically disadvantaged, and mentally handicapped. To place into jobs recipients of Aid to Families and Dependent Children (AFDC), Congress established under the 1967 Social Security Amendments the Work Incentive (WIN) Program.

The current proposed regulations for social services under the Social Security Act allow for payment for employment service that is not part of WIN to enable "appropriate individuals to secure paid employment or training leading to such employment, through vocational, educational, social and psychological assessments to determine potential for job training or employment"; also, there is allowance for "vocational rehabilitation service (other than medical or subsistence items) as defined in the Vocational Rehabilitation Act, when provided pursuant to an agreement with the State agency administering the vocational rehabilitation program." It provides, also for vocational education and training where the Work Incentive Program has not been initiated in a local jurisdiction or is inadequate in size and scope to meet the needs of the appropriate individuals."

How services are provided

The principal agencies providing these services are the welfare department, the vocational rehabilitation agency and the employment service, and with the potential for coordinating their work with other organizations through the Cooperative Area Manpower System (CAMPS).

DAY CARE FOR ADULTS

Mr. R. had almost forgotten what it was like to smile. It had been a rough life, especially since his wife of 43 years died five years ago. He then moved into a drab apartment in the inner-city. There was nowhere to go, nothing to do. Then Mr. R. was introduced to a senior center that opened up near his home. He was, in his words, "born again."

Dancing and singing in the center's brightly colored, cheerful activity hall thrusts him into a lifestyle that is "like heaven" Mr. R. even took up the violin again—a hobby that once brought joy to his wife. Now he brings joy to others at the center.

Description of service

This is a program for impaired adults (such as the aging, handicapped and mentally ill) to enable them to remain with their families rather to be placed full-time in an institution.

Day Care programs can range from day care centers that provide association and activity with others today hospitals offering diagnostic and treatment services too complex to bring into the patient's home.

Social program

A day care center is primarily a social program for the frail, moderately handicapped or slightly confused older person who needs care during the day, either because he lives alone or to relieve his family and thereby keep him at home. A day hospital is a health care program for a disabled for an ill-aged person who can be treated for part of each day rather than full-time admission to a hospital.

The type of auspices and the staffing will vary depending upon whether the social or the health component is dominant. In the former the staffing and service will be similar to a neighborhood center and the latter like a hospital.

FOSTER CARE SERVICES FOR ADULTS

Many aged, disabled and handicapped persons are not bedridden but need help in the daily routine of living. These people, generally, prefer living with a private family in home-like surroundings and take pride in living outside institutions. Foster care tends to preserve a sense of independence in the aged and handicapped adult.

The basic service is homefinding and supervision after placement to:

(a) locate suitable families; (b) interest each in making a place in their family for an aging or disabled person; and (c) match each foster home (in terms of background of interests, temperament, personality, type, etc.) with a person to be provided foster care. The placement then is supported by special services as needed such as caseworkers, paraprofessional case aides, homemakers and volunteer friendly visitors. The coordinator of these services and the main source of counseling help to both the foster family and the adult-in-care is the caseworker.

How services are provided

Generally foster care for adults is a direct service of a welfare department to provide alternatives of care to recipients. This service may be provided also by a private organization specializing in services to the aging.

PROTECTIVE SERVICES FOR CHILDREN

Gail was 23-years-old at the time of referral. Her infant son had a broken arm and bruises around his face and head. Gail had taken her three-month-old son to the neighborhood clinic where the doctor admitted him to the local general hospital. The hospital personnel referred mother and child to the department's Child Protection Program. The child was placed in a temporary foster home. Gail began having regular sessions with the department's psychiatric consultant. She visited her child in the foster home. Each visit was a little longer, intervals were shortened. Her son was in the foster home 10 months. When he was returned home, a department homemaker was assigned to help Gail with his care and the housework. The Community Service Aide, Homemaker, Child Protection Social Worker and Supervisor were all available to Gail 24-hours per day by phone and to visit her if needed. The child protection social worker counselled Gail for two years. There has been no problem with child abuse in that time.

Description of service

Protective services are casework services initiated by the social work agency in situations where children are neglected, abused, exploited, or permitted to live under demoralizing conditions by their parents or others responsible for their care.

In providing protective services, the agency accepts complaints or referrals from individuals, other social agencies, schools, and law enforcement officials, etc.

Usually someone other than the parent brings children who are neglected or abused to the attention of the child welfare agency. It may be some other agency, public or private, a doctor, a hospital, or a citizen concerned about a child locked in an empty room for 2 days, beaten with the buckle end of a belt, or left cold and unfed to wander in the streets.

Child welfare services can strengthen some families in which these children are found. If the troubled family is discovered early enough these services may prevent many of the social ills that follow when children are deprived of care and protection.

How services are provided

Protective services for children are usually provided by the state or county welfare program.

HOMEMAKER SERVICES

Following the birth of their third child, Mrs. E. developed phlebitis in her left leg and became very depressed as her mother had died with a "blood clot" after childbirth. Because of her depression, Mrs. E. was transferred to the hospital psychiatric unit. The psychiatrist discharge plan called for homemaker-home health aide service until Mrs. E's physical and mental health improved permitting her to resume care of her family.

A homemaker-home health aide, working as a member of the care team and under the supervision of a social worker, was assigned to take care of the children, Mrs. E. and their home. Mr. E., who had been away from his job for three weeks during the family crisis, was then able to return to work.

After a few weeks at home Mrs. E. was able to resume care for her children and home so that homemaker-home health aid service was no longer needed.

Description of service

Homemaker services involve care of individuals in their own homes and helping individual caretaker relatives to overcome specific barriers to achievement of optimum household and family management through services of a trained and supervised homemaker.

The service also helps maintain children in their home.

How services are provided

Providers of the homemaker service include visiting nurse associations and other home health agencies, local welfare departments, and other family and child welfare service organizations under various auspices. Some provide homemaker service as their only service; others provide it for just one age group or problem group as for the aged, children or the sick.

Many States contract with private homemaker services to provide the services. Under this system, a service purchased for a client from another agency will be treated no differently than an agency-provided service, but the purchase mechanism itself will be closely controlled by federal officials.

These materials were produced by the Council of State Governments and its affiliate, the National Legislative Conference, under agreement with the assistance from the American Public Welfare Association. The American Public Welfare Association operated under grant No. 89-P-8006/5-01 from the Social and Rehabilitation Service, Department of Health, Education and Welfare. Inquiries may be addressed to, and limited copies are available from:

Program Director, Council of State Governments, 1150 17th Street, N.W., Washington, D.C. 20036.

PROPOSED NEW SOCIAL SERVICES REGULATIONS, PUBLISHED FEBRUARY 16, 1973

On February 16, HEW published its proposed new regulations for social services. Interested parties have until March 19 to submit comments, after which HEW *may* make changes before putting the new regulations into effect.

The new regulations would seriously affect the quality and quantity of services currently being provided, and would drastically reduce the number of children and families eligible for such services.

The following is a summary of some of the most obvious and serious changes in the regulations.

1. *Eligibility for Services:*

(a) *Definition of Past and Potential Recipients* (Sec. 221.6(c))—Past recipients of AFDC may receive services if they were applicants or recipients within the previous three months, and if they are completing services provided while they were applicants or recipients. (Current regulations make eligible anyone who was a recipient or applicant within the previous two years.) Potential recipients are eligible if they are likely to be dependent within six months—i.e., if their income is not more than ⅓ higher than the state's AFDC payment, if there are no family resources exceeding permissible levels for AFDC, and if the services to be provided will correct problems which otherwise would lead to dependence. (Current regulations make eligible anyone likely to be a recipient within five years, and states have the authority to set their own maximum income levels for eligibility as a potential recipient.)

(b) *Individual Eligibility*—Section 221.8 would end the current authority for group eligibility for services (e.g., any resident of a model cities area, or an OEO-designated poverty area, regardless of individual economic need). The new regulations require a specific individual service plan for each family and individual. Only services included in the individual plan can be provided, for a specified period of time, and those services must relate to one of two specific goals—self-support or self-sufficiency. Service plans must be reviewed at least once every six months "to insure only appropriate services are provided."

(c) *Redetermination of Eligibility*—Section 221.7 requires frequent (to the point of harrassment) redetermination of eligibility for services:

Once every three months for current recipients,

For past recipients, within 30 days of the time they go off the rolls,

For potential recipients, at least once every 6 months,

Within three months of the effective date of the regulations for all former recipients currently receiving services.

2. *Mandatory and Optional Services*—Section 221.5(b) lists only three mandatory services which states must provide to current applicants and recipients—family planning, foster care services, and protective care services (in case of neglect, abuse or exploitation of children). All other services which are currently mandatory become optional under the new Section 221.5—child care services related to work or training, non-WIN employment services, education services, health-related services, homemaker services, home management and other functional educational services, housing improvement services, and transportation services related to a service plan. Other services, which are optional now under the current regulations, are completely eliminated—such as, child care which is not work-related, other education and training services, and legal services.

3. *Day Care* (Sec. 221.9(a)(3)—States are no longer required to provide day care as a mandatory service, but may include it in the state plan as an optional service. However, it must be care necessary to enable a member of the child's family to work or accept training, and only in cases where there is no one else in the family to care for the child. The new draft eliminates the requirements in current regulations that care be "suitable" for the child, that parents be involved in the choice of care and agree to the type of care provided, and that states develop alternative sources of care. It eliminates the current provision that care outside the home must be provided in facilities that meet the Federal Interagency Day Care Requirements, but says only that such facilities must meet state or local licensing requirements. It also eliminates the requirement that in-home care be "reasonably in accord" with standards of the Child Welfare League of America and the National Council for Homemaker Services.

4. *Advisory Committees* (Sec. 221.2(b)—Under the new draft, states would no longer be required to maintain advisory committees for all social services, but they would have to have an advisory committee for day care only. Unlike current regulations which require that ⅓ of these committees be recipients, selected by recipients, the new regulations would not require any participation by recipients of day care services. The authority of the committees is vaguely defined as "to advise."

5. *Purchase of Services*

(a) *Private Agencies*—Section 221.62 absolutely prohibits all private sources of the state's 25% matching share—whether in cash or in kind.

(b) *Public Agencies*—The state welfare agency may continue to purchase services from other public agencies, but Section 221.30(a)(2) requires that all such purchase arrangements are subject to prior review and approval by SRS, with documentation as to type, cost, and quality. Section 221.54(b)(3) limits federal matching after March 1, 1973 to *new* purchases from other public agencies for services beyond those represented by fiscal 1972 expenditures (a move to prevent use of social services funds to refinance state and local service programs). Section 221.30(a)(7) requires assurance that sources from which services are purchased are licensed or otherwise meet state and federal standards.

6. *Hearings Procedures*—Section 221.2(c) eliminates current requirements for fair hearings and appeals in cases of denial or exclusion from programs, or of failure to take into account a recipient's choice. Instead, it requires only "a system through which recipients may present grievances about the operation of the service program."

7. *Public Information*—All public information requirements in current regulations have been eliminated.

8. *Expansion of Services*—All requirements in current regulations for state agencies to extend or improve services, to develop alternative sources of services, or to mobilize resources have been eliminated.

FURTHER CONTINUING APPROPRIATIONS, 1973

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate House Joint Resolution 345, which the clerk will read by title.

The assistant legislative clerk read the joint resolution by title, as follows:

A joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year 1973, and for other purposes.

The Senate proceeded to consider the House joint resolution, which had been reported from the Committee on Appropriations with amendments.

Mr. McCLELLAN. Mr. President, this continuing resolution passed the House of Representatives Thursday, February 22. As passed by the House, House Joint Resolution 345 extends the existing continuing resolution until June 30, 1973, for the activities covered by the Foreign Assistance and Related Programs Appropriation Act, and the Departments of Labor and Health, Education, and Welfare and Related Agencies Appropriation Act. Neither of these bills has been enacted as of the present date. The existing continuing resolution expires Wednesday night, February 28, 1973.

The committee accepted that portion of the House joint resolution providing for the activities financed in the Departments of Labor and Health, Education, and Welfare and related agencies appropriation bill to be continued until June 30, 1973. But the committee amended the resolution to provide that the activities financed in the foreign assistance and related programs appropriation bill continue only until April 30, 1973.

House Joint Resolution 345, as passed by the House of Representatives, proposes to extend the provisions of the current continuing resolution until June 30, 1973, for foreign assistance and related programs for fiscal year 1973. Although an appropriation act containing proposed fiscal year 1973 funding for these activities passed the House of Representatives on September 21 and passed the Senate in amended form on September 28, 1972, it never reached conference because the legislative committees had not agreed on a fiscal year 1973 authorization for military assistance, security supporting assistance, foreign military credit sales, and for Bangledesh relief assistance. Activities financed in the foreign assistance and related programs appropriation bill have been carried on since July 1 under the provisions of a continuing resolution.

The committee has been advised that the Senate Foreign Relations Committee will undertake to secure passage of a fiscal year 1973 authorization bill for those items not presently authorized and that initial hearings on this matter began February 22, 1973. Notwithstanding this, however, it is clear, that no final authorization can be anticipated for these presently unauthorized programs prior to the expiration of the present continuing resolution on February 28, 1973. The committee, therefore, has agreed that the activities in this bill should be continued under the continuing resolution until April 30, 1973, rather than June 30, 1973, as passed by the House of Representatives. Although the chairman of the Foreign Relations Committee requested that funding authority for the unauthorized programs not be extended beyond March 31, 1973, the committee believes that an additional 30 days—until April 30, 1973—should be provided to assure ample time for the enactment of an authorization bill.

The Congress has passed and sent to the President on two occasions an appropriation bill for the Departments of Labor, and Health, Education, and Welfare and related agencies for the fiscal year 1973, and in each instance the bills have been vetoed by the President. The first bill was vetoed August 16, 1972, and the second was pocket-vetoed on October 27, 1972. These activities of these departments have been continuing under a continuing resolution since July 1, last year. There appears to be no sentiment in the House Committee on Appropriations to originate a third Labor-HEW appropriation bill, and for this reason the committee has concurred with the House in extending the continuing resolution for these departments until the end of the current fiscal year.

The committee also amended House Joint Resolution 345 to continue funding for the American Revolution Bicentennial Commission until the end of the 1973 fiscal year. This Commission is without Federal funds at the present time. The appropriation for the Commission was contained in the supplemental appropriation bill which was enacted into law on October 31, 1972—Public Law 92-607. This appropriation and the Commission's authorizing legislation both expired on February 15, 1973. Additional authorizing legislation for the Commission has passed the House of Representatives and is now being considered by the Senate Committee on the Judiciary. Therefore, the committee has recommended an amendment to the resolution in order to finance activities of the Commission at the established annual rate of $6,224,000 until the end of the fiscal 1973.

House Joint Resolution 345 was further amended by the committee to repeal the deadline date contained in the Treasury, Postal Service and General Government Appropriation Act—Public Law 92-351—as further amended by the fiscal 1973 Supplemental Appropriations Act—Public Law 92-607—which would terminate the availability of expenses for Customs preclearance activities.

Public Law 92-351 provided that none of these funds would be available for expenses of Customs preclearance activities after March 31, 1973, in any country which either does not grant to U.S. Custom officers the same authority to search, seize, and arrest which such officers have in connection with persons, baggage, and cargo arriving in the United States or, which does not provide adequate facilities for the proper exercise of this authority. In the fiscal 1973 Supplemental Appropriation Act, this March 31, 1973, date was extended until May 15, 1973, for it was believed that U.S. Customs officers should be authorized search, seize, and arrest authority in connection with preclearance activities in various Canadian cities and Bermuda. It has now been determined that the foreign governments involved will not provide such grants of authority to U.S. Customs officers. Therefore, several members of the Treasury, Postal Service, General Government Subcommittee of the committee have recommended that the May 15, 1973, date be eliminated. Appropriate language to accomplish this is contained in the joint resolution, thereby providing the airlines, the Bureau of Customs, and the Congress with sufficient leeway to further examine the problem and make long-range plans for the preclearance program.

I will be happy to answer any questions which any Member may have in this respect.

Mr. President, I yield the floor so that my distinguished friend, the ranking minority member of the Appropriations Committee, the Senator from North Dakota (Mr. YOUNG), may comment upon the matter.

Mr. YOUNG. Mr. President, I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I ask unanimous consent that my legislative assistant, Mr. Warren Kane, be permitted the privilege of the floor during the consideration of the joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG. Mr. President, the distinguished chairman of the Senate Appropriations Committee, the senior Senator from Arkansas (Mr. MCCLELLAN), has, I think, very ably expressed the opinion of the Senate Appropriations Committee and has also explained what the joint resolution contains. I see no alternative for Congress except to pass this continuing resolution. It continues appropriations at the same level as previously authorized. The last action of Congress was on October 26, 1972.

The continuing resolution does not increase appropriations at all. It merely provides for the same level of spending as provided in the continuing resolution of July 1, 1972. The total spending, for example, on foreign assistance activities of all kinds would be $2,229,821,000.

The two amendments which the distinguished chairman mentioned, I think, are necessary.

Mr. President, I hope that the joint resolution is passed.

Mr. INOUYE. Mr. President, for the record I would like to bring to the attention of the Senate the report of the Appropriations Committee on this matter and refer to page 3, under the paragraph entitled "Timely Fiscal Year 1974 Senate Hearings."

On the seventh line, the date "May 1, 1974" should read "May 1, 1973".

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The assistant legislative clerk read as follows:

On page 1, at the beginning of line 3, strike out "That clause (c) of section 102 and that section 108 of the joint resolution of July 1, 1972 (Public Law 92-334), as amended, are hereby amended by striking out 'February 28, 1973' and inserting in lieu thereof 'June 30, 1973' in both instances." and insert the following language:

"That clause (c) of section 102 of the joint resolution of July 1, 1972 (Public Law 92-334), as amended, is hereby amended by striking out 'February 28, 1973' and inserting in lieu thereof 'June 30, 1973' and that section 108 of the joint resolution of October 26, 1972 (Public Law 92-571), as amended, is hereby amended by striking out 'February 28, 1973' and inserting in lieu thereof 'April 30, 1973'.

"SEC. 2. The joint resolution of July 1, 1972 (Public Law 92-334), as amended, is further amended by adding the following new sections:

" 'SEC. 110. Notwithstanding any other provision of this joint resolution, obligations may be increased for the American Revolution Bicentennial Commission at not to exceed the annual rate of $6,224,000 during the period beginning February 16, 1973, and ending June 30, 1973.

" 'SEC. 111. Section 102 of Public Law 92-351 (86 Stat. 474) (July 13, 1972) is hereby repealed.' "

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. If I might have the attention of the distinguished chairman of the Committee on Appropriations, I should like to ask a few questions concerning the intent of the committee with respect to amending the joint resolution.

As I understand the general rule, the amounts appropriated in the joint resolution as amended are determined by reference to the House and Senate versions of the first Labor-HEW appropriations bill for fiscal year 1973, which was adopted by the respective Houses in June of last year.

Mr. McCLELLAN. The Senator is correct—whichever amount is lower. Neither bill having been enacted, on some items there is a difference between the House amount and the Senate amount, and in those instances, as was indicated by the action of the House and the action of the Senate, where we have disagreed on the amounts, then the lower figure is controlling and would be the guide or the ceiling for the expenditure. In other words, we are incorporating the lower amounts in the continuing joint resolution rather than the higher ones.

Mr. MONDALE. I thank the distinguished chairman.

As I understand it, reference is to be made only to the House and Senate bills of last June, and no reference is to be made to either the appropriations for fiscal 1972 or to the administration's budget request for fiscal 1973.

Mr. McCLELLAN. The Senator is correct. The controlling factor is the lower of the two amounts—the amount of the House item and the amount of the Senate item in the appropriation.

Mr. MONDALE. If I might take a few examples, merely to be sure I understand. As I understand the Senator's answers, the continuing resolution now being considered appropriates a total $1.81 billion for compensatory education under title I of the Elementary and Secondary Education Act, and a total of $197 million for the Hill-Burton new hospital construction program.

Mr. McCLELLAN. I believe those amounts are correct, yes.

Mr. MONDALE. Mr. President, I ask unanimous consent that an excerpt from testimony of Health, Education, and

Welfare Secretary Caspar W. Weinberger, before the Senate Committee on Labor and Public Welfare last January be printed in the RECORD, together with the text of the July continuing resolution, and copies of the HEW-Labor appropriations bills adopted by the two Houses of Congress last June. As we know, the compromise between these two bills, H.R. 15417, was vetoed by the President on August 10.

I refer my colleagues to the questions and answers relating to educational expenditures with the then Secretary-designate Weinberger, which I think are instructive.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT FROM TESTIMONY OF THE HONORABLE CASPAR W. WEINBERGER, JANUARY 17, 1973

Senator MONDALE. * * * As I understood your answer, all appropriated educational funds that have been authorized into law—and they could not be appropriated if they were not authorized—must be spent under the mandatory expenditure requirement.

Mr. WEINBERGER. I think the record of the President will show that that has been the case.

Senator MONDALE. Your answer is your understanding that they must be spent?

Mr. WEINBERGER. Under the present law, yes sir.

[Public Law 92-334, 92nd Congress, H.J. Res. 1234, July 1, 1972]

JOINT RESOLUTION MAKING CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1973, AND FOR OTHER PURPOSES

86 STAT. 402

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government, for the fiscal year 1973, namely:

CONTINUING APPROPRIATIONS, 1973

SEC. 101. (a) (1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1972 and for which appropriations, funds, or other authority would be available in the following Appropriation Acts for the fiscal year 1973:

District of Columbia Appropriation Act;

Department of Housing and Urban Development; Space, Science, Veterans, and Certain Other Independent Agencies Appropriation Act;

Legislative Branch Appropriation Act;

Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act;

Department of Transportation and Related Agencies Appropriation Act;

Department of the Interior and Related Agencies Appropriation Act;

Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act;

Public Works for Water, Pollution Control, and Power Development and Atomic Energy Commission Appropriation Act;

Treasury, Postal Service, and General Government Appropriation Act; and

Agriculture-Environmental and Consumer Protection Appropriation Act.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House is different from that which would be available or granted under such Act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority: *Provided,* That no provision in any Appropriation Act for the fiscal year 1973, which makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation, shall be effective before the date set forth in section 102 (c) of this joint resolution.

86 STAT. 403

(4) Whenever an Act listed in this subsection has been passed by only one House or where an item is included in only one version of an Act as passed by both Houses, the pertinent project of activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower: *Provided,* That no provision which is included in an Appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act for 1972, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate.

(b) Such amounts as may be necessary for continuing projects or activities (not otherwise provided for in this joint resolution) which were conducted in the fiscal year 1972 and are listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority—

85 STAT. 716

activities for which provision was made in the Department of Defense Appropriation Act, 1972: *Provided,* That none of the funds made available by this joint resolution shall be used for Exercise Reforger or Exercise Crested Cap or similar dual base exercises;

85 STAT. 482

activities for which provision was made in the Military Construction Appropriation Act, 1972;

ANTE, P. 48. 84 STAT. 2055. 22 USC 2412

activities for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1972, notwithstanding section 10 of Public Law 91-672, and section 655(c) of the Foreign Assistance Act of 1961, as amended;

ANTE, P. 29. 80 STAT. 718. 15 USC 1381 NOTE

activities for which provision was made in the National Traffic and Motor Vehicle Safety Act of 1966, as amended;

activities for continuation of high-speed ground transportation research and development;

42 USC 2701 NOTE. 85 STAT. 627. 85 STAT. 103.
85 STAT. 285

activities under the Economic Opportunity Act of 1964, as amended, for which provision was made in the Supplemental Appropriations Act, 1972; the Office of Education and Related Agencies Appropriation Act, 1972; and the Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1972;

85 STAT. 289

activities for higher education, library resources and educational renewal, for which provision was made in the Office of Education and Related Agencies Appropriation Act, 1972;

activities for social and rehabilitation services, the Office of Child Development, and maternal and child health project grants, for which provision was made in the Department of Health, Education, and Welfare Appropriation Act, 1972, and the Supplemental Appropriations Act, 1972;

activities for work incentives for which provisions was made in the Department of Health, Education, and Welfare Appropriation Act, 1972;

activities of the American Revolution Bicentennial Commission;

activities of the Corporation for Public Broadcasting;

62 STAT. 6. 22 USC 1431 NOTE

activities in support of Free Europe, Incorporated, and Radio Liberty, Incorporated, pursuant to authority contained in the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1477), notwithstanding Section 703 of that Act; and

ANTE, P. 114. 85 STAT. 108. 62 STAT. 1225

activities for which provision was made in the Treasury, Postal Service, and General Government Appropriation Act, 1972, for the National Industrial Reserve established by the National Industrial Reserve Act of 1948 (50 U.S.C. 451-462).

86 STAT. 404

(c) Such amounts as may be necessary for continuing projects or activities for which disbursements are made by the Secretary of the Senate, and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for fiscal year 1973.

(d) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the current rate—

85 STAT. 627—85 STAT. 89—85 STAT. 289—
85 STAT. 103

activities for (1) civil rights education, for which provision was made in the Supplemental Appropriations Act, 1972; (2) emergency school assistance activities for which provision was made in the Joint Resolution of July 1, 1971 (Public Law 92-38); (3) youth development and delinquency prevention for which provision was made in the Department of Health, Education, and Welfare Appropriation Act, 1972; (4) aid to land-grant colleges, grants for construction of undergraduate facilities, undergraduate instructional equipment, equipment and minor remodeling, and research and development for which provision was made in the Office of Education Appropriation Act, 1972; and (5) functions transferred to the Action agency by Reorganization Plan Numbered 1 of 1971 and Executive Order 11603 approved July 1, 1971.

85 STAT. 819. 3 CFR. 1071 COMP., 170

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable Appropriation Act by both Houses without any provision for such project or activity, or (c) August 18, 1972, whichever first occurs.

31 U.S.C. 665

SEC. 103. Appropriations and funds made available or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in subsection (d) (2) of section 3679 of the Revised Statutes, as amended, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 104. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 105. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever, a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 106. No appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity which was not being conducted during the fiscal year 1972.

86 STAT. 404—31 U.S.C. 665

SEC. 107. Any appropriation for the fiscal year 1973 required to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, may be apportioned on a basis indicating the need (to the extent any such increases cannot be absorbed within available appropriations) for a supplemental or deficiency estimate of appropriation to the extent necessary to permit payment of such pay increases as may be granted pursuant to law to civilian officers and employees and to active and retired military personnel. Each such appropriation shall otherwise be subject to the requirements of section 3679 of the Revised Statutes, as amended.

Approved July 1, 1972.

[Public Law 92-571, 92d Congress, H.J. Res. 1331, Oct. 26, 1972]

JOINT RESOLUTION MAKING FURTHER CONTINUING APPROPRIATION FOR THE FISCAL YEAR 1973, AND FOR OTHER PURPOSES

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of July 1, 1972 (Public Law 92-334), as amended, is hereby further amended (a) by striking out "October 14, 1972" and inserting in lieu thereof "February 28, 1973" and (b) by adding the following new subsection and sections, after further amending clause (c) of section 102 by striking "or the sine die adjournment of the second session of the Ninety-second Congress:":

H.R. 15417

(As passed in the Senate, June 19, 1972)

An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1973, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1973, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Manpower Administration, $37,704,000; together with not to exceed $26,989,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which $2,640,000 shall be for carrying into effect the provisions of title IV (except section 602) of the Servicemen's Readjustment Act of 1944 (38 U.S.C. 2001-2002).

MANPOWER TRAINING SERVICES

For expenses necessary to carry into effect the Manpower Development and Training Act of 1962, as amended, $758,554,000, to remain available until June 30, 1974.

EMERGENCY EMPLOYMENT ASSISTANCE

For expenses necessary to carry into effect the Emergency Employment Act of 1971, $1,250,000,000, of which not to exceed $91,766,000 shall be available for program direction and support, administration of the program at the local level, and for agent assistance and statistics, to remain available until June 30, 1974.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and allowances to unemployed Federal employees and ex-servicemen, as authorized by title 5, chapter 85 of the United States Code, and for trade adjustment benefit payments and allowances, as provided by law (19 U.S.C. 1941-1944 and 1952), $475,000,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of benefits for any period subsequent to June 15 of the current year.

ADVANCES TO THE EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

For making repayable advances to the extended unemployment compensation account in the Unemployment Trust Fund, as authorized by section 905(d) of the Social Security Act, as amended, $120,000,000 to enable the Secretary of the Treasury to make such advances: *Provided,* That the Secretary of the Treasury shall make such repayable advances at such times as he may determine, in consultation with the Secretary of Labor, that the amount in the extended unemployment compensation account is insufficient for the payments required by law to be paid therefrom to States.

FEDERAL GRANTS TO STATES FOR EMPLOYMENT SERVICES

For grants as authorized by section 5(a) of the Act of June 6, 1933, as amended (29 U.S.C. 49-49n), including, upon the request of any State, the purchase of equipment, and the payment of rental for space made available to such State in lieu of grants for such purpose, $66,700,000: *Provided,* That any funds granted to a State in the current fiscal year from this appropriation and not obligated by the State in that year shall be returned to the Treasury.

LIMITATION ON GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For grants in accordance with the Act of June 6, 1933, as amended (29 U.S.C. 49-49n, 39 U.S.C. 3202(a)(1)(E)), and for carrying into effect section 602 of the Servicemen's Readjustment Act of 1944, for grants to the States as authorized in title III of the Social Security Act, as amended (42 U.S.C. 501-503), including, upon the request of any State, the purchase of equipment, and the payment of rental for space made available to such State in lieu of grants for such purpose, and necessary expenses for carrying out 5 U.S.C. 8501-8523 and 38 U.S.C. 2003, $820,300,000 may be expended from the Employment Security Administration account in the Unemployment Trust Fund, of which $44,000,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State suant to section 3679 of the Revised Statutes, generally over those upon which the State's basic grant (or the allocation for the District of Columbia) was based, which increased costs of administration cannot be provided for by normal budgetary adjustments: *Provided,* That any portion of the funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

LABOR-MANAGEMENT SERVICES ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Labor-Management Services Administration, $25,202,000.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $48,889,000, of which not to exceed $32,000 shall be transferred to the fund created by section 44 of the Longshoremen's and Harbor Workers' Compensation Act, as amended.

FEDERAL WORKMEN'S COMPENSATION BENEFITS

For the payment of compensation and other benefits and expenses (except administrative expenses) authorized by law and accruing during the current or any prior fiscal year, including payments to other Federal agencies for medical and hospital services pursuant to agreement approved by the Department of Labor; a continuation of payment of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the advancement of costs for enforcement of recoveries in third-party cases; the furnishing of medical and hospital services and supplies, treatment, and funeral and burial expenses, including transportation and other expenses incidental to such services, treatment, and burial, for such enrollees of the Civilian Conservation Corps as were certified by the Director of such Corps as receiving hospital services and treatment at Government expense on June 30, 1943, and who are not otherwise entitled thereto as civilian employees of the United States, and the limitations and authority formerly provided by the Act of September 7, 1916 (48 Stat. 351), as amended, shall apply in providing such services, treatment, and expenses in such cases and for payments pursuant to sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012), $81,992,000, together with such amount as may be necessary, to be charged to the subsequent year appropriation, for the payment of compensation and other benefits for any period subsequent to June 15 of the current year.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $69,207,000.

None of the funds appropriated by this Act shall be expended to pay the salaries of any employees of the Federal Government who inspect firms employing 25 persons or less for compliance with the Occupational Safety and Health Act of 1970.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursement to State, Federal, and local agencies and their employees for services rendered, $44,784,000, of which $9,760,000 shall be for expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive civil service requirements.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for departmental management and $850,000 for the President's Committee on Employment of the Handicapped, $24,156,000, together with not to exceed $797,000 to be derived from Employment

Security Administration account, Unemployment Trust Fund.

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Department of Labor, as authorized by law, $100,000, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to such agency for payments in the foregoing currencies.

GENERAL PROVISIONS

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

This title may be cited as the "Department of Labor Appropriation Act, 1973".

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health and, except as otherwise provided, the Community Mental Health Centers Act (42 U.S.C. 2681, et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (Public Law 91–616), and the Narcotic Addict Rehabilitation Act of 1966 (Public Law 89–793), (80 Stat. 1438), $743,823,000, of which $181,491,000 shall remain available until June 30, 1974, for grants pursuant to parts A, C, and D of the Community Mental Health Centers Act.

SAINT ELIZABETHS HOSPITAL

For expenses necessary for the maintenance and operation of the hospital, including clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, $30,664,000, or such amount as may be necessary to provide a total appropriation equal to the difference between the amount of the reimbursements received during the current fiscal year on account of patient care provided by the hospital during such year and $58,307,000.

HEALTH SERVICES PLANNING AND DEVELOPMENT

To carry out titles VI and IX, sections 314(a) through 314(c), and except as otherwise provided, sections 301, 304, 311, 402(g), 403(a)(1) and 433(a) of the Public Health Service Act; $462,073,000, of which $197,200,000 shall be available until June 30, 1975 for grants pursuant to section 601 of the Public Health Service Act for the construction or modernization of medical facilities, and $2,500,000 shall remain available without fiscal year limitation for payment of interest on guaranteed loans as authorized by section 626 of the Act.

HEALTH SERVICES DELIVERY

For carrying out, except as otherwise provided, sections 301, 310, 311, 314(d), 314(e), 317, 321, 322, 324, 326, 328, 329, 331, 332, 502, 504, title X of the Public Health Service Act, the Act of August 8, 1946 (5 U.S.C. 7901), section 1010 of the Act of July 1, 1944 (33 U.S.C. 763c), section 1 of the Act of July 19, 1963 (42 U.S.C. 253a), and title V of the Social Security Act, $751,295,000, of which $1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided,* That any allotment to a State pursuant to section 503(2) or 504(2) of the Social Security Act shall not be included in computing for the purposes of subsections (a) and (b) of section 506 of such Act an amount expended or estimated to be expended by the State: *Provided further,* That when the Health Services and Mental Health Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further,* That in addition, $4,719,000 may be transferred to this appropriation as authorized by section 201(g)(1) of the Social Security Act, from any one or all the trust funds referred to therein: *Provided further,* That amounts received for services rendered under section 329 of such Act shall be credited to this appropriation.

PREVENTIVE HEALTH SERVICES

To carry out, to the extent not otherwise provided, sections 301, 308, 311, 314(e), 315, 317, 322(e), 325, 328, 353, and 361 to 369 of the Public Health Service Act, the functions of the Secretary under the Federal-Coal Mine Health and Safety Act of 1969 (except title IV); the Lead-Based Paint Poisoning Prevention Act (Public Law 91–695) except section 301; and sections 6–8 and 18–27 of the Occupational Safety and Health Act of 1970; insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft; $159,872,000.

NATIONAL HEALTH STATISTICS

For carrying out, except as otherwise provided, sections 301, 305, 311, 312(a), 313 and 315 of the Public Health Service Act; $18,514,000.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retired pay of commissioned officers, as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C., ch. 55), such amount as may be required during the current fiscal year.

BUILDINGS AND FACILITIES

For construction, alterations, major repair, improvement, extension, and equipment, of facilities of or used by the Health Services and Mental Health Administration, not otherwise provided, $19,457,000 to remain available until expended.

OFFICE OF THE ADMINISTRATOR

For expenses necessary for the Office of the Administrator, $13,126,000.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

There are hereby authorized to be deposited in the "Medical facilities guarantee and loan fund" amounts received by the Secretary from operations under part B of title VI of the Public Health Service Act and such amounts shall be available to the Secretary without fiscal year limitation for carrying out his functions under section 626(a)(1) of the Act: *Provided,* That sums received from the sale of loans made pursuant to section 627 of the Act shall be available to carry out the purposes of that section.

NATIONAL INSTITUTES OF HEALTH

BIOLOGICS STANDARDS

To carry out sections 351 and 352 of the Public Health Service Act pertaining to regulations and preparation of biological products, and conduct of research related thereto, $9,528,000.

NATIONAL CANCER INSTITUTE

For expenses necessary to carry out title IV, part A, of the Public Health Service Act, including construction under grants and contracts and direct construction; $492,205,000 to remain available until June 30, 1974.

NATIONAL HEART AND LUNG INSTITUTE

For expenses, not otherwise provided for, necessary to carry out title IV, part B, of the Public Health Service Act, $300,000,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For expenses, not otherwise provided for, to carry out title IV, part C, of the Public Health Service Act, $46,991,000.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

For expenses necessary to carry out title IV, part D, of the Public Health Service Act with respect to arthritis, rheumatism, and metabolic diseases, $167,316,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND STROKE

For expenses necessary to carry out, to the extent not otherwise provided, title IV, part D, of the Public Health Service Act with respect to neurology and stroke, $130,672,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For expenses, not otherwise provided for, to carry out title IV, part D, of the Public Health Service Act with respect to allergy and infectious diseases, $113,414,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For expenses, not otherwise provided for, necessary to carry out title IV, part E, of the Public Health Service Act with respect to general medical sciences, including grants of therapeutic and chemical substances for demonstrations and research, $183,171,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

To carry out, except as otherwise provided, title IV, part E, and title X of the Public Health Service Act with respect to child health and human development, $130,429,000.

NATIONAL EYE INSTITUTE

For expenses necessary to carry out title IV, part F, of the Public Health Service Act, with respect to eye diseases and visual disorders, $38,562,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

To carry out except as otherwise provided, sections 301 and 311 of the Public Health Service Act, with respect to environmental health sciences, $30,956,000.

RESEARCH RESOURCES

To carry out, except as otherwise provided, section 301 of the Public Health Service Act with respect to the support of clinical research centers, laboratory animal facilities and other research resources, $75,073,000.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN THE HEALTH SCIENCES

For the John E. Fogarty International Center for Advanced Study in the Health Science, $4,666,000, of which not to exceed $500,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

HEALTH MANPOWER

To carry out, to the extent not otherwise provided, sections 301, 306, 309, 311, and 422 with respect to training grants, title VII, and title VIII of the Public Health Service Act, $738,628,000; of which $2,000,000 shall be available for loan guarantees and interest subsidies under part B of title VII and Part A of title VIII, $100,000,000 shall be for grants for construction of facilities (including $20,000,000 for dental teaching facilities) under part B of title VII, and $20,000,000 shall be for grants for construction of facilities under part A of title VIII: *Provided,* That the funds appropriated under part B of title VII and part A of title VIII shall remain available until expended.

Loans, grants and payments for the next succeeding fiscal year: For making, after December 31 of the current fiscal year, loans, grants, and payments under section 306, parts C, D, F, and G of title VII, and parts B and D of title VIII of the Public Health Service Act for the first quarter of the next succeeding fiscal year, such sums as may be necessary, and obligations incurred and expenditures made hereunder shall be charged to the appropriation for that purpose for such fiscal year: *Provided,* That such loans, grants, and payments pursuant to this paragraph may not exceed 50 per centum of the amounts authorized in section 306, parts C, D, and G of title VII, and in part B of title VIII for these purposes for the next succeeding fiscal year.

NATIONAL LIBRARY OF MEDICINE

To carry out, to the extent not otherwise provided for, section 301 with respect to health information communications and parts I and J of title III of the Public Health Service Act, $28,568,000, of which $2,902,000 shall remain available until June 30, 1974.

BUILDINGS AND FACILITIES

For construction, major repair, improvement, extension, alteration, and equipment, including acquisition of sites, of facilities of or used by the National Institutes of Health, where not otherwise provided $8,500,000, to remain available until expended.

OFFICE OF THE DIRECTOR

For expenses necessary for the Office of the Director, National Institutes of Health, $12,042,000.

Appropriations in this Act available for the salaries and expenses of the National Institutes of Health shall be available for entertainment of visiting scientists when specifically approved by the Surgeon General: *Provided,* That not to exceed $5,000 shall be used for this purpose.

Funds advanced to the National Institutes of Health management fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 328 of the Public Health Service Act and for the purchase of not to exceed twelve passenger motor vehicles for replacement only.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses for conducting scientific activities overseas, as authorized by law, $25,619,000, to remain available until expended: *Provided,* That this appropriation shall be available in addition to other appropriations for such activities, for payments in the foregoing currencies.

PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in the Health Professions Education Fund assets or Nurse Training Fund assets, authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302 (c) of the Federal National Mortgage Association Charter Act, $170,000, and for payment of amounts pursuant to section 744(b) or 827(b) of the Public Health Service Act to schools which borrow any sums from the Health Professions Education Fund or Nurse Training Fund, $3,830,000: *Provided,* That the amounts appropriated herein shall remain available until expended.

HEALTH PROFESSIONS EDUCATION FUND

The Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Health Professions Education Fund and the Nurse Training Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year.

GENERAL RESEARCH SUPPORT GRANTS

For general research support grants, as authorized in section 301(d) of the Public Health Service Act, there shall be available from appropriations available to the National Institutes of Health and the National Institute of Mental Health for operating expenses, the sum of $60,700,000: *Provided,* That none of these funds shall be used to pay a recipient of such a grant any amount for indirect expenses in connection with such project.

Office of Education

For carrying out, to the extent not otherwise provided, title I ($1,810,000,000), title III ($171,393,000), and title V, parts A and C ($53,000,000), of the Elementary and Secondary Education Act, $2,034,393,000. For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C. ch. 19), $671,405,000, of which $645,495,000, including $41,450,000 for amounts payable under section 6 and $10,000,000 for complying with section 303(1)(C) shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and $25,910,000, which shall remain available until expended, shall be only for providing school facilities as authorized by section 5 and subsections 14(a) and 14(b) of said Act of September 23, 1950. For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, and section 5 of Public Law 85–905, $143,609,000. For carrying out, to the extent not otherwise provided, section 102(b) ($29,898,000), parts B and C ($444,632,000) D, F ($28,322,000), G ($19,000,000), H ($10,524,000), and I of the Vocational Education Act of 1963, as amended (20 U.S.C. 1241–1391), and the Adult Education Act of 1966 (20 U.S.C. ch. 30) ($75,000,000), $643,460,000, including $16,000,000 for exemplary programs under part D of said 1963 Act of which 50 per centum shall remain available until expended and 50 per centum shall remain available through June 30, 1974, and not to exceed $18,000,000 for research and training under part C of said 1963 Act. For carrying out, to the extent not otherwise provided, titles I ($62,000,000), II, and III ($7,530,000) of the Library Services and Construction Act (20 U.S.C. ch. 16); and title II ($100,000,000) of the Elementary and Secondary Education Act; $184,500,000, of which $15,000,000, to remain available through June 30, 1974, shall be for grants for public library construction under title II of the Library Services and Construction Act.

EDUCATIONAL RENEWAL

For carrying out, to the extent not otherwise provided, titles VII and VIII of the Elementary and Secondary Education Act, part B–1 of the Education Professions Development Act, section 309 of the Adult Education Act, as amended, part IV of title III of the Communications Act of 1934, the Cooperative Research Act (except section 4), the Drug Abuse Education Act of 1970, the Environmental Education Act, and sections 402 and 412 of the General Education Provisions Act, $219,190,000, of which $13,000,000 shall be for educational broadcasting facilities and shall remain available until expended.

EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, $3,000,000, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to such office, for payments in the foregoing currencies.

SALARIES AND EXPENSES

For the necessary expenses of the Office of Education, not otherwise provided, including rental of conference rooms in the District of Columbia; and not to exceed $1,000 for official reception and representation expenses; $68,360,000.

STUDENT LOAN INSURANCE FUND

For the Student Loan Insurance Fund created by the Higher Education Act of 1965, as amended, $29,047,000 to remain available until expended.

PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interests or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717 (c)) $2,921,000, to remain available until expended.

Social and Rehabilitations Service Grants To States for Public Assistance

For carrying out, except as otherwise provided, titles I, IV, X, XI, XIV, XVI, and XIX of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C. ch. 9), $13,369,704,000, of which $46,000,000 shall be for child welfare services under part B of title IV.

For making, after June 15 of the current fiscal year, payments to States under titles I, IV, X, XIV, XVI, and XIX, respectively, of the Social Security Act, for any period during the last fifteen days of the current fiscal year (except with respect to activities included in the appropriation for "Work incentives"); and for making, after April 30 of the current fiscal year, payments for the first quarter of the next succeeding fiscal year; such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the subsequent appropriations therefor for the current or succeeding fiscal year.

In the administration of title I, IV (other than Part C thereof), X, XIV, XVI, and XIX, respectively, of the Social Security Act, payments to a State under any such titles for any quarter in the period beginning April 1 of the prior year, and ending June 30 of the current year, may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which such plan was submitted for approval.

Such amounts as may be necessary from this appropriation shall be available for grants to States for any period in the prior fiscal year subsequent to March 31 of that year.

NUTRITION PROGRAM FOR THE ELDERLY

For carrying out title VII of the Older Americans Act of 1965, $100,000,000.

RESEARCH AND TRAINING ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Social and Rehabilitation Service, and the Social Security Administration, as authorized by law, $8,000,000, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to such Service and Administration for payments in the foregoing currencies.

SALARIES AND EXPENSES

For expenses, not otherwise provided, necessary for the Social and Rehabilitation Service, $60,215,000, together with not to exceed $600,-

000 to be transferred from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as provided in section 201(g) (1) of the Social Security Act.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance, the Federal Disability Insurance, the Federal Hospital Insurance, and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g), 228(g), 229(b), and 1844 of the Social Security Act, and sections 103(c) and 111(d) of the Social Security Amendments of 1965, $2,475,485,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Coal Mine Health and Safety Act of 1969, including necessary travel incident to medical examinations, reconsideration interviews, or hearings for verifying disabilities or for review of disability determinations, $557,788,000: *Provided,* That such amounts as may be agreed upon by the Department of Health, Education, and Welfare, and the Postal Service shall be used for payment, in such manner as said parties may jointly determine, of postage for the transmission of official mail matter by States in connection with the administration of said Act.

Benefit payments after April 30: For making, after April 30 of the current fiscal year, payments to entitled beneficiaries under title IV of the Federal Coal Mine Health and Safety Act of 1969, for the last two months of the current fiscal year, such sums as may be necessary, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

Whenever the Commissioner of Social Security finds it will promote the achievement of the provisions of title IV of the Federal Coal Mine Health and Safety Act of 1969, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105, but such appointments shall terminate not later than December 31, 1973: *Provided further,* That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such title.

LIMITATION ON SALARIES AND EXPENSES

For necessary expenses, not more than $1,256,498,000 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided,* That such amounts as are required shall be available to pay the cost of necessary travel incident to medical examinations, reconsideration interviews or hearings for verifying disabilities or for review of disability determinations, of individuals who file applications for disability determinations under title II of the Social Security Act, as amended: *Provided further,* That $25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and section 221 of title II of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further,* That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the United States Postal Service shall be used for payment, in such manner as said organizations may jointly determine, of postage for the transmission of official mail matter in connection with the administration of the social security program by States participating in the program.

LIMITATION ON CONSTRUCTION

For construction, alterations, and equipment of facilities, including acquisition of sites, and planning, architectural, and engineering services, and for provision of necessary off-site parking facilities during construction, $1,000,000, to be expended as authorized by section 201(g)(1) of the Social Security Act, as amended, from any one or all of the trust funds referred to therein, and to remain available until expended.

SPECIAL INSTITUTIONS

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101–105), $1,696,500.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681, et seq.), $4,694,000.

MODEL SECONDARY SCHOOL FOR THE DEAF

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027), $4,625,000, of which $1,000,000 shall be for construction and shall remain available until expended.

GALLAUDET COLLEGE

For the partial support of Gallaudet College, including repairs and improvements as authorized by the Act of June 18, 1954 (68 Stat. 265), $14,446,000, of which $5,460,000 shall be for construction and shall remain available until expended: *Provided,* That if so requested by the College, such construction shall be supervised by the General Services Administration.

HOWARD UNIVERSITY

For the partial support of Howard University, $58,881,000, including $8,408,000 to remain available until expended for planning and site development of buildings and facilities: *Provided,* That if requested by the University, such planning, site development, and construction of buildings and facilities shall be supervised by the General Services Administration.

OFFICE OF THE SECRETARY

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $13,587,000, together with not to exceed $1,180,000, to be transferred and expended as authorized by section 201(g) (1) of the Social Security Act from any one or all of the trust funds referred to therein.

DEPARTMENTAL MANAGEMENT

For expenses, not otherwise provided, necessary for departmental management, $56,893,000, together with not to exceed $6,846,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein; and not to exceed $29,000 to be transferred from "Revolving fund for certification and other services," Food and Drug Administration: *Provided,* That the period of availability of funds under this title for the Commission on Medical Malpractice shall be extended from June 30, 1972, to June 30, 1973.

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title to the Social and Rehabilitation Service for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. The Secretary is authorized to make such transfers of motor vehicles, between bureaus and officers, without transfer of funds, as may be required in carrying out the operations of the Department.

SEC. 203. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

SEC. 204. None of the funds contained in this Act shall be used for any activity the purpose of which is to require any recipient of any project grant for research, training, or demonstration made by any officer or employee of the Department of Health, Education, and Welfare to pay to the United States any portion of any interest or other income earned on payments of such grant made before July 1, 1964; nor shall any of the funds contained in this Act be used for any activity the purpose of which is to require payment to the United States of any portion of any interest or other income earned on payments made before July 1, 1964, to the American Printing House for the Blind.

SEC. 205. Expenditures from funds appropriated under this title to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, the Model Secondary School for the Deaf and Gallaudet College shall be subject to audit by the Secretary of Health, Education, and Welfare.

SEC. 206. None of the funds contained in this title shall be available for additional permanent Federal positions in the Washington area if the proportion of additional positions in the Washington area in relation to the total new positions is allowed to exceed the proportion existing at the close of fiscal year 1966.

SEC. 207. Appropriations in this Act for the Health Services and Mental Health Administration, the National Institutes of Health, and Office of the Secretary shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand eight hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; rental or lease of living quarters (for periods not exceeding 5 years), and provision of heat, fuel, and light, and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; not to exceed $2,500 for entertainment of visiting scientists when specifically approved by the Surgeon General; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Surgeon General, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 208. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his of her parents or parent.

SEC. 209. No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

This title may be cited as the "Department of Health, Education, and Welfare Appropriation Act, 1973".

TITLE III—RELATED AGENCIES

Cabinet Committee on Opportunities for Spanish-Speaking People

salaries and expenses

For expenses necessary for the Cabinet Committee on Opportunities for Spanish-Speaking People, and the Advisory Council on Spanish-Speaking Americans, $1,260,000.

Commission on Railroad Retirement

salaries and expenses

For necessary expenses of the Commission on Railroad Retirement, established by the Act of August 12, 1970 (Public Law 91-337), $101,000: *Provided,* That the unobligated balance of the appropriation granted under this heading for the fiscal year 1972 shall remain available during the current fiscal year.

Federal Mediation and Conciliation Service

salaries nd expenses

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President; hire of passenger motor vehicles; not to exceed $500 for official reception and representation expenses; and rental of conference rooms in the District of Columbia; $10,650,000.

National Commission on Libraries and Information Science

salaries and expenses

For necessary expenses of the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345) $406,000.

National Commission on Marihuana and Drug Abuse

salaries and expenses

For necessary expenses of the National Commission on Marihuana and Drug Abuse, authorized by section 601 of the Act of October 27, 1970 (Public Law 91-513), as amended by the Act of May 24, 1971 (Public Law 92-13), $1,440,000 to remain available until expended.

National Labor Relations Board

salaries and expenses

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, $50,456,000: *Provided,* That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2 (3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

National Mediation Board

salaries and expenses

For expenses necessary for carrying out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, $2,888,000.

Occupational Safety and Health Review Commission

salaries and expenses

For expenses necessary for the Occupational Safety and Health Review Commission, $5,979,000.

Railroad Retirement Board

payment for military service credits

For payments to the railroad retirement account for military service credits under the Railroad Retirement Act, as amended (45 U.S.C. 228c-1), $21,645,000.

limitation on salaries and expenses

For expenses necessary for the Railroad Retirement Board, $19,822,000 to be derived from the railroad retirement accounts.

United States Soldiers' Home

operation and maintenance

For maintenance and operation of the United States Soldiers' Home, to be paid from the Soldiers' Home permanent fund, $11,596,000: *Provided,* That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army, upon recommendations of the Board of Commissioners of the Home and the Surgeon General of the Army.

capital outlay

For construction of buildings and facilities, including plans and specifications, and furnishings, to be paid from the Soldiers' Home permanent fund, $244,000, to remain available until expended.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 402. Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 403. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 404. The Secretary of Labor and the Secretary of Health, Education, and Welfare are each authorized to make available not to exceed $7,500 from funds available for salaries and expenses under title I and II, respectively, for official reception and representation expenses.

SEC. 405. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 406. No part of any appropriation contained in this Act shall be used to finance any Civil Service Interagency Board of Examiners.

SEC. 407. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 408. The Secretary of Labor and Secretary of Health, Education, and Welfare are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided,* That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

This Act may be cited as the "Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1973".

Passed the House of Representatives June 15, 1972.

H.R. 15417

(As passed in the House, June 28, 1972; ordered to be printed with the amendments of the Senate)

An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1973, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1973, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

Manpower Administration

salaries and expenses

For necessary expenses for the Manpower Administration, $37,704,000; together with not to exceed $26,989,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which $2,640,000 shall be for carrying into effect the provisions of title IV (except section 602) of the Servicemen's Readjustment Act of 1944 (38 U.S.C. 2001-2002).

manpower training services

For expenses necessary to carry into effect the Manpower Development and Training Act of 1962, as amended, and sections 326 and 328 of the Trade Expansion Act of 1962 (19 U.S.C. 1951 and 1961) $719,554,000, to remain available until June 30, 1974: *Provided,* That the amounts appropriated herein for title II, parts A and B of the Manpower Development and Training Act of 1962, as amended, for expenses of the Private Sector On-the-Job Training and the Special Targeting programs authorized under that title shall not be subject to the apportionment of benefits provisions of section 301 of the Manpower Development and Training Act.

emergency employment assistance

For expenses necessary to carry into effect the Emergency Employment Act of 1971, $1,250,000,000, of which not to exceed $91,-

766,000 shall be available for program direction and support, administration of the program at the local level, and for agent assistance and statistics, to remain available until June 30, 1974.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and allowances to unemployed Federal employees and ex-servicemen, as authorized by title 5, chapter 85 of the United States Code, and for trade adjustment benefit payments and allowances, as provided by law (19 U.S.C. 1941–1944 and 1952), $475,000,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of benefits for any period subsequent to June 15 of the current year.

ADVANCES TO THE EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

For making repayable advances to the extended unemployment compensation account in the Unemployment Trust Fund, as authorized by section 905(d) of the Social Security Act, as amended, $120,000,000 to enable the Secretary of the Treasury to make such advances: *Provided,* That the Secretary of the Treasury shall make such repayable advances at such times as he may determine in consultation with the Secretary of Labor, that the amount in the extended unemployment compensation account is insufficient for the payments required by law to be paid therefrom to States.

FEDERAL GRANTS TO STATES FOR EMPLOYMENT SERVICES

For grants as authorized by section 5(a) of the Act of June 6, 1933, as amended (29 U.S.C. 49–49n), including, upon the request of any State, the purchase of equipment, and the payment of rental for space made available to such State in lieu of grants for such purpose, $66,700,000: *Provided,* That any funds granted to a State in the current fiscal year from this appropriation and not obligated by the State in that year shall be returned to the Treasury.

LIMITATION ON GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For grants in accordance with the Act of June 6, 1933, as amended (29 U.S.C. 49–49n, 39 U.S.C. 3202(a)(1)(E)), and for carrying into effect section 602 of the Servicemen's Readjustment Act of 1944, for grants to the States as authorized in title III of the Social Security Act, as amended (42 U.S.C. 501–503), including, upon the request of any State, the purchase of equipment, and the payment of rental for space made available to such State in lieu of grants for such purpose, and necessary expenses for carrying out 5 U.S.C. 8501–8523 and 38 U.S.C. 2003, (4) $800,300,000 may be expended from the Employment Security Administration account in the Unemployment Trust Fund, of which (5) $24,000,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant (or the allocation for the District of Columbia) was based, which increased costs of administration cannot be provided for by normal budgetary adjustments: *Provided,* That any portion of the funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

Labor-Management Services Administration

SALARIES AND EXPENSES

For necessary expenses for the Labor-Management Services Administration, $25,202,000.

Employment Standards Administration

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local services rendered, (6) $49,889,000, of which agencies and their employees for inspection not to exceed $32,000 shall be transferred to the fund created by section 44 of the Longshoremen's and Harbor Workers' Compensation Act, as amended.

FEDERAL WORKMEN'S COMPENSATION BENEFITS

For the payment of compensation and other benefits and expenses (except administrative expenses) authorized by law and accruing during the current or any prior fiscal year, including payments to other Federal agencies for medical and hospital services pursuant to agreement approved by the Department of Labor: a continuation of payment of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the advancement of costs for enforcement of recoveries in third-party cases; the furnishing of medical and hospital services and supplies, treatment, and funeral and burial expenses, including transportation and other expenses incidental to such sevices, treatment, and burial, for such enrollees of the Civilian Conservation Corps as were certified by the Director of such Corps as receiving hospital services and treatment at Government expense on June 30, 1943, and who are not otherwise entitled thereto as civilian employees of the United States, and the limitations and authority formerly provided by the Act of September 7, 1916 (48 Stat. 351), as amended, shall apply in providing such services, treatment, and expenses in such cases and for payments pursuant to sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012), $81,992,000, together with such amount as may be necessary, to be charged to the subsequent year appropriation, for the payment of compensation and other benefits for any period subsequent to June 15 of the current year.

Occupational Safety and Health Administration

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $80,000,000.

None of the funds appropriated by this Act shall be expended to pay the salaries of any employees of the Federal Government who inspect firms employing fifteen persons or less for compliance with the Occupational Safety and Health Act of 1970.

Bureau of Labor Statistics

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursement to State, Federal, and local agencies and their employees for services rendered, $45,240,000, of which $10,216,000 shall be for expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive civil service requirements.

Departmental Management

SALARIES AND EXPENSES

For necessary expenses for departmental management and $890,000 for the President's Committee on Employment of the Handicapped, $24,196,000, together with not to exceed $797,000 to be derived from Employment Security Administration account, Unemployment Trust Fund.

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Department of Labor, as authorized by law, $309,000, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to such agency for payments in the foregoing currencies.

General Provisions

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

This title may be cited as the "Department of Labor Appropriation Act, 1973".

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Services and Mental Health Administration

MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health and, except as otherwise provided, the Community Mental Health Centers Act (42 U.S.C. 2681, et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (Public Law 91–616), and the Narcotic Addict Rehabilitation Act of 1966 (Public Law 89–793), (80 Stat. 1438), and the Drug Abuse Office and Treatment Act of 1972 (Public Law 92–255), $851,525,000, of which $75,000,000 shall remain available until June 30, 1974, for grants pursuant to parts A, C, and D of the Community Mental Health Centers Act.

SAINT ELIZABETHS HOSPITAL

For expenses necessary for the maintenance and operation of the hospital, including clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, $30,664,000, or such amount as may be necessary to provide a total appropriation equal to the difference between the amount of the reimbursements received during the current fiscal year on account of patient care provided by the hospital during such year and $58,307,000.

HEALTH SERVICES PLANNING AND DEVELOPMENT

To carry out titles VI and IX, sections 314 (a) through 314(c), and except as otherwise provided, sections 301, 304, 311 402(g), 403 (a)(1) and 433(a) of the Public Health Service Act; *$510,573,000,* of which $197,200,000 shall be available until June 30, 1975, for grants pursuant to section 601 of the Public Health Service Act for the construction or modernization of medical facilities, and $2,500,000 shall remain available without fiscal year limitation for payment of interest on guaranteed loans as authorized by section 626 of the Act.

HEALTH SERVICES DELIVERY

For carrying out, except as otherwise provided, sections 301, 310, 311, 314(d), 314(e), 317, 321, 322, 324, 326, 328, 329, 331, 332, 502, 504, title X of the Public Health Service Act, the Act of August 8, 1946 (5 U.S.C. 7901), section 1010 of the Act of July 1, 1944 (33 U.S.C. 763c), section 1 of the Act of July 19, 1963 (42 U.S.C. 253a), and title V of the Social Security Act, *$844,797,000,* of which $1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided,* That any allotment to a State pursuant to section 503(2) or 504(2) of the Social Security Act shall not be included in computing for the purposes of subsections (a) and (b) of section 506 of such Act an amount expended or estimated to be expended by the State: *Provided further,* That when the Health Services and Mental Health Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further,* That in addition, $4,719,000 may be transferred to this appropriation as authorized by section 201(g)(1) of the Social Security Act, from any one or all the trust funds referred to therein: *Provided further,* That amounts received for services rendered under section 329 of such Act shall be credited to this appropriation: *Provided further,* That funds contained herein for project grants under title V of the Social Security Act and $19,000,000 of funds under title X of the Public Health Service Act shall be available for obligation only upon enactment into law of authorizing legislation.

PREVENTIVE HEALTH SERVICES

To carry out, to the extent not otherwise provided, sections 301, 308, 311, 314(e), 315, 317, (21)*3.18*, 322(e), 325, 328, 353, and 361 to 369 of the Public Health Service Act, the functions of the Secretary under the Federal Coal Mine Health and Safety Act of 1969, as amended; the Lead-Based Paint Poisoning Prevention Act (Public Law 91–695) except section 301; and sections 6–8 and 18–27 of the Occupational Safety and Health Act of 1970; insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft; $223,872,000: *Provided,* That funds contained herein in excess of current authorization for infectious diseases, for rodent control, and for lead-based paint poisoning projects shall be available only upon enactment into law of authorizing legislation.

NATIONAL HEALTH STATISTICS

For carrying out, except as otherwise provided, sections 301, 305, 311, 312(a), 313, and 315 of the Public Health Service Act; $18,514,000.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retired pay of commissioned officers, as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C., ch. 55), such amount as may be required during the current fiscal year.

BUILDINGS AND FACILITIES

For construction, alterations, major repair, improvement, extension, and equipment, of facilities of or used by the Health Services and Mental Health Administration, not otherwise provided, $19,457,000 to remain available until expended.

OFFICE OF THE ADMINISTRATOR

For expenses necessary for the Office of the Administrator, $13,126,000.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

There are hereby authorized to be deposited in the "Medical facilities guarantee and loan fund" amounts received by the Secretary from operations under part B of title VI of the Public Health Service Act and such amounts shall be available to the Secretary without fiscal year limitation for carrying out his functions under section 626(a)(1) of the Act: *Provided,* That sums received from the sale of loans made pursuant to section 627 of the Act shall be available to carry out the purposes of that section.

NATIONAL INSTITUTES OF HEALTH

BIOLOGICS STANDARDS

To carry out sections 351 and 352 of the Public Health Service Act pertaining to regulation and preparation of biological products, and conduct of research related thereto, $9,528,000.

NATIONAL CANCER INSTITUTE

For expenses necessary to carry out title IV, part A, of the Public Health Service Act, including construction under grants and contracts and direct construction; $492,205,000 to remain available until June 30, 1974.

NATIONAL HEART AND LUNG INSTITUTE

For expenses, not otherwise provided for, necessary to carry out title IV, part B, and Title XI of the Public Health Service Act, $350,000,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For expenses, not otherwise provided for, to carry out title IV, part C, of the Public Health Service Act, $54,000,000.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

For expenses necessary to carry out title IV, part D, of the Public Health Service Act with respect to arthritis, rheumatism, and metabolic diseases, and digestive diseases, $182,000,000, of which not to exceed $320,000 shall be available for 20 additional positions.

NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND STROKE

For expenses necessary to carry out, to the extent not otherwise provided, title IV, part D, of the Public Health Service Act with respect to neurology and stroke, $145,000,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For expenses, not otherwise provided for, to carry out title IV, part D, of the Public Health Service Act with respect to allergy and infectious diseases, $135,000,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For expenses, not otherwise provided for, necessary to carry out title IV, part E, of the Public Health Service Act with respect to general medical sciences, including grants of therapeutic and chemical substances for demonstrations and research, $206,000,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

To carry out, except as otherwise provided, title IV, part E, and title X of the Public Health Service Act with respect to child health and human development, $160,000,00.

NATIONAL EYE INSTITUTE

For expenses necessary to carry out title IV, part F, of the Public Health Service Act, with respect to eye diseases and visual disorders, $45,000,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

To carry out, except as otherwise provided, sections 301 and 311 of the Public Health Service Act, with respect to environmental health sciences, $32,000,000.

RESEARCH RESOURCES

To carry out, except as otherwise provided, section 301 of the Public Health Service Act with respect to the support of clinical research centers, laboratory animal facilities and other research resources, $83,000,000.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN THE HEALTH SCIENCES

For the John E. Fogarty International Center for Advanced Study in the Health Sciences, $6,000,000, of which not to exceed $80,000 shall be available for additional positions and not to exceed $500,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

HEALTH MANPOWER

To carry out, to the extent not otherwise provided, sections 301, 306, 309, 311, and 422 with respect to training grants, title VII, and title VIII of the Public Health Service Act, $927,178,000; of which $2,000,000 shall be available for loan guarantees and interest subsidies under part B of VII and part A of title VIII, $180,000,000 shall be for grants for construction of facilities (including $30,000,000 for dental teaching facilities) under part B of title VII, $2,000,000 shall be for grants for construction of facilities under part G of title VII, and $30,000,000 shall be for grants for construction of facilities under part A of title VIII: *Provided,* That the funds appropriated under part B and G of title VII and part A of title VII shall remain available until expended.

Loans, grants, and payments for the next succeeding fiscal year: For making, after December 31 of the current fiscal year, loans, grants, and payments under section 306, parts C, D, F, and G of title VII, and parts B and D of title VIII of the Public Health Service Act for the first quarter of the next succeeding fiscal year, such sums as may be necessary, and obligations incurred and expenditures made hereunder shall be charged to the appropriation for that purpose for such fiscal year: *Provided,* That such loans, grants, and payments pursuant to this paragraph may not exceed 50 per centum of the amounts authorized in section 306, parts C, D, and G of title VII, and in part B of title VIII for these purposes for the next succeeding fiscal year.

NATIONAL LIBRARY OF MEDICINE

To carry out, to the extent not otherwise provided for, section 301 with respect to health information communications and parts I and J of title III of the Public Health Service Act, $29,068,000, of which $2,902,000 shall remain available until June 30, 1974.

BUILDING AND FACILITIES

For construction, major repair, improvement, extension, alteration, and equipment, including acquisition of sites, of facilities of or used by the National Institutes of Health, where not otherwise provided, $33,480,000, to remain available until expended.

OFFICE OF THE DIRECTOR

For expenses necessary for the Office of the Director, National Institutes of Health, $13,042,000, of which $1,000,000 shall be advanced to the National Institutes of Health management fund for not to exceed 100 additional positions in the central-service activities financed through that fund.

Appropriations in this Act available for the salaries and expenses of the National Institutes of Health shall be available for entertainment of visiting scientists when specifically approved by the Surgeon General: *Provided,* That not to exceed $5,000 shall be used for this purpose.

Funds advanced to the National Institutes of Health management fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 328 of the Public Health Service Act and for the purchase of not to exceed twelve passenger motor vehicles for replacement only.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses for conducting scientific activities overseas, as authorized by law, $25,619,000, to remain available until expended: *Provided,* That this appropriation shall be available in addition to other appropriations for such activities, for payments in the foregoing currencies.

PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in the Health Professions Education Fund assets or Nurse Training Fund assets, authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, $170,000, and for payment of amounts pursuant to section 744(b) or 827(b) of the Public Health Service Act to schools which borrow any sums from the Health Professions Education Fund or Nurse Training Fund, $3,830,000: *Provided*, That the amounts appropriated herein shall remain available until expended.

HEALTH PROFESSIONS EDUCATION FUND

The Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Health Professions Education Fund and the Nurse Training Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year.

GENERAL RESEARCH SUPPORT GRANTS

For general research support grants, as authorized in section 301(d) of the Public Health Service Act, there shall be available from appropriations available to the National Institutes of Health and the National Institute of Mental Health for operating expenses, the sum of $60,700,000: *Provided*, That none of these funds shall be used to pay a recipient of such a grant any amount for indirect expenses in connection with such project.

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For carrying out, to the extent not otherwise provided, title I ($1,810,000,000), title III ($171,393,000), and title V, parts A and C ($55,000,000), of the Elementary and Secondary Education Act, $2,036,393,000: *Provided*, That the aggregate amounts made available to each State under title I–A for grants to local education agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972: *Provided further*, That the requirements of section 307(e) of Public Law 89–10 as amended shall be satisfied when the combined fiscal effort of the local education agency and the State for the preceding fiscal year was not less than such combined fiscal effort in the second preceding fiscal year.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $749,955,000, of which $704,045,000, including $41,450,000 for amounts payable under section 6 and $40,000,000 for complying with section 403(1)(C) shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 3, 1950, as amended, and $45,910,000, which shall remain available until expended, shall be only for providing school facilities as authorized by section 5 and subsections 14(a) and 14(b) of said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 84 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools.

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, and section 5 of Public Law 85–908, $191, 959,000.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, section 102(b) ($29,898,000), parts B and C ($454,682,000), D, F ($38,322,000), G ($29,500,000), H ($10,524,000), and I of the Vocational Education Act of 1963, as amended (20 U.S.C. 1241–1391), and the Adult Education Act of 1966 (20 U.S.C. ch. 30) ($75,000,000), $674,768,000, including $24,000,000 for exemplary programs under part D of said 1963 Act of which 50 per centum shall remain available until expended and 50 per centum shall remain available through June 30, 1974, and not to exceed $28,000,000 for research and training under part C of said 1963 Act: *Provided*, That grants to each State under the Adult Education Act shall not be less than grants made to such State agencies in fiscal year 1971: *Provided further*, That grants to each State under the Vocational Education Act shall not be less than grants made to such States in fiscal year 1972.

LIBRARY RESOURCES

For carrying out, to the extent not otherwise provided, titles I ($62,000,000), II, and III ($7,500,000) of the Library Services and Construction Act (20 U.S.C. ch. 16); title II ($100,000,000) of the Elementary and Secondary Education Act; title III–A ($75,000,000) of the National Defense Education Act of 1958; and title VI ($15,000,000) of the Higher Education Act; $274,500,000, of which $15,000,000, to remain available through June 30, 1974, shall be for grants for public library construction under title II of the Library Services and Construction Act: *Provided*, That the funds for the purposes of title III–A of the National Defense Education Act of 1958 and title VI of the Higher Education Act shall be available only upon the enactment into law of the Education Amendments of 1972.

EDUCATIONAL RENEWAL

For carrying out, to the extent not otherwise provided, titles VII and VIII of the Elementary and Secondary Education Act, part B–1 of the Education Professions Development Act, section 309 of the Adult Education Act, as amended, part IV of title III of the Communications Act of 1934, as amended, the Cooperative Act (except section 4), the Drug Abuse Education Act of 1970, the Environmental Education Act, and sections 402 and 412 of the General Education Provisions Act, $259,240,000 of which $25,000,000 shall be for educational broadcasting facilities and shall remain available until expended: *Provided*, That funds contained herein in excess of current authorization shall be available only upon enactment into law of authorizing legislation.

EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, $5,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such office, for payments in the foregoing currencies.

SALARIES AND EXPENSES

For the necessary expenses of the Office of Education, not otherwise provided, including rental of conference rooms in the District of Columbia; and not to exceed $1,000 for official reception and representation expenses; $69,360,000.

STUDENT LOAN INSURANCE FUND

For the Student Loan Insurance Fund created by the Higher Education Act of 1965, as amended, $29,047,000 to remain available until expended.

PAYMENT OF PARTICIPATION SALES INSUFFICIENCES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interests or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)) $2,921,000, to remain available until expended.

SOCIAL AND REHABILITATION SERVICE

GRANTS TO STATES FOR PUBLIC ASSISTANCE

For carrying out, except as otherwise provided, titles I, IV, X , XI, XIV, XVI, and XIX of the Social Security Act, and the Act of July 5, 1960, (24 U.S.C. ch. 9), $13,344,704,000, of which $46,000,000 shall be for child welfare services under part B of title IV.

For making, after June 15 of the current fiscal year, payments to States under titles I, IV, X, XIV, XVI, and XIX, respectively, of the Social Security Act, for any period during the last fifteen days of the current fiscal year (except with respect to activities included in the appropriation for "Work incentives"); and for making, after April 30 of the current fiscal year, payments for the first quarter of the next succeeding fiscal year; such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the subsequent appropriations therefor for the current or succeeding fiscal year.

In the administration of titles I, IV (other than part C thereof), X, XIV, XVI, and XIX, respectively, of the Social Security Act, payments to a State under any such titles for any quarter in the period beginning April 1 of the prior year, and ending June 30 of the current year, may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which such plan was submitted for approval.

Such amounts as may be necessary from this appropriation shall be available for grants to States for any period in the prior fiscal year subsequent to March 31 of that year: *Provided*, That none of the funds contained herein shall be used for making payments to States for services under titles I, IV (part A), X, XIV, and XVI of the Social Security Act that in the aggregate exceed $2,500,000,000.

WORK INCENTIVES

For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such program, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, and $150,000 for transfer to the appropriation for "Departmental management", $455,133,000, which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes for the current fiscal year.

GRANTS FOR CONSTRUCTION AND STAFFING OF REHABILITATION FACILITIES

For carrying out, to the extent not otherwise provided, section 12 of the Vocational Rehabilitation Act, $20,000,000, to remain available until June 30, 1975: *Provided*, That these funds shall be available only upon enactment into law of authorizing legislation.

GRANTS FOR THE DEVELOPMENTALLY DISABLED

For carrying out, except as otherwise provided, sections 301 and 303 of the Public

Health Service Act, parts B, C, and D of the Developmental Disabilities Services and Facilities Construction Act and the Vocational Rehabilitation Act contingent upon enactment into law of authorizing legislation, $102,825,000, of which $65,000,000 shall be for grants under part C of the Developmental Disabilities Services and Facilities Construction Act, to remain available until June 30, 1975: *Provided*, That grants made from these funds after June 30, 1973, will be for construction only as specified in section 132(a)(3) of such Act; $14,250,000 for grants under part B of the Developmental Disabilities Services and Facilities Construction Act, to remain available until expended: *Provided further*, That there may be transferred to this appropriation from the appropriation "Mental Health" an amount not to exceed the sum of the allotment adjustment, made by the Secretary pursuant to section 202(c) of the Community Mental Health Centers Act.

NUTRITION PROGRAM FOR THE ELDERLY

For carrying out title VII of the Older Americans Act of 1965, $100,000,000.

RESEARCH AND TRAINING ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Social and Rehabilitation Service, and the Social Security Administration, as authorized by law, $8,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such Service and Administration for payments in the foregoing currencies.

SALARIES AND EXPENSES

For expenses, not otherwise provided, necessary for the Social and Rehabilitation Service, $60,215,000, together with not to exceed $600,000 to be transferred from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as provided in section 201(g)(1) of the Social Security Act.

Social Security Administration

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance, the Federal Disability Insurance, the Federal Hospital Insurance, and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g), 228(g), 229(b), and 1844 of the Social Security Act, and sections 103(c) and 111(d) of the Social Security Amendments of 1965, $2,475,485,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, including necessary travel incident to medical examinations, reconsideration interviews, or hearings for verifying disabilities or for review of disability determinations, $1,526,500,000, to remain available until expended: *Provided*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare, and the Postal Service shall be used for payment, in such manner as said parties may jointly determine, of postage for the transmission of official mail matter by States in connection with the administration of said Act.

Benefit payments after April 30: For making, after April 30 of the current fiscal year, payments to entitled beneficiaries under title IV of the Federal Coal Mine Health and Safety Act of 1969, for the last two months of the current fiscal year, such sums as may be necessary, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

Whenever the Commissioner of Social Security finds it will promote the achievement of the provisions of title IV of the Federal Coal Mine Health and Safety Act of 1969, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for hearing examiners appointed under U.S.C. 3105, but such appointments shall terminate not later than December 31, 1973: *Provided further*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such title.

LIMITATION ON SALARIES AND EXPENSES

For necessary expenses, not more than $1,256,498,000 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That such amounts as are required shall be available to pay the cost of necessary travel incident to medical examinations, reconsideration interviews or hearings for verifying disabilities or for review of disability determinations, of individuals who file applications for disability determinations under title II of the Social Security Act, as amended: *Provided further*, That $25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and section 221 of title II of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the United States Postal Service shall be used for payment, in such manner as said organizations may jointly determine, of postage for the transmission of official mail matter in connection with the administration of the social security program by States participating in the program.

LIMITATION ON CONSTRUCTION

For construction, alterations, and equipment of facilities, including acquisition of sites, and planning, architectural, and engineering services, and for provision of necessary off-site parking facilities during construction, $1,000,000, to be expended as authorized by section 201(g)(1) of the Social Security Act, as amended, from any one or all of the trust funds referred to therein, and to remain available until expended.

Special Institutions

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101–105), $1,696,500.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681, et seq.), $4,694,000.

MODEL SECONDARY SCHOOL FOR THE DEAF

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027), $4,625,000, of which $1,000,000 shall be for construction and shall remain available until expended.

GALLAUDET COLLEGE

For the partial support of Gallaudet College, including repairs and improvements as authorized by the Act of June 18, 1954 (68 Stat. 265), $15,082,000, of which $5,460,000 shall be for construction and shall remain available until expended: Provided, That if so requested by the College, such construction shall be supervised by the General Services Administration.

HOWARD UNIVERSITY

For the partial support of Howard University, $58,881,000, including $8,408,000 to remain available until expended for planning and site development of buildings and facilities: Provided, That if requested by the University, such planning, site development, and construction of buildings and facilities shall be supervised by the General Services Administration.

Office of the Secretary

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $13,587,000, together with not to exceed $1,180,000, to be transferred and expended as authorized by section 201 (g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

DEPARTMENTAL MANAGEMENT

For expenses, not otherwise provided, necessary for departmental management, $56,893,000, together with not to exceed $6,846,000 to be transferred and expended as authorized by section 201 (g) (1) of the Social Security Act from any one or all of the trust funds referred to therein; and not to exceed $29,000 to be transferred from "Revolving fund for certification and other services," Food and Drug Administration: *Provided*, That the period of availability of funds under this title for the Commission on Medical Malpractice shall be extended from June 30, 1972, to June 30, 1973.

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title to the Social and Rehabilitation Service for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. The Secretary is authorized to make such transfers of motor vehicles, between bureaus and officers, without transfer of funds, as may be required in carrying out the operations of the Department.

SEC. 203. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

SEC. 204. None of the funds contained in this Act shall be used for any activity the purpose of which is to require any recipient of any project grant for research, training, or demonstration made by any officer or employee of the Department of Health, Education, and Welfare to pay to the United States any portion of any interest or other income earned on payments of such grant made before July 1, 1964; nor shall any of the funds contained in this Act be used for any activity the purpose of which is to require payment to the United States of any portion of any interest or other income earned on payments made before July 1, 1964, to the American Printing House for the Blind.

SEC. 205. Expenditures from funds appropriated under this title to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, the Model Secondary School for the Deaf and Gallaudet College shall be awarded to these institutions in the form of lump-sum grants and expenditures made therefrom shall be subject to audit by the Secretary of Health, Education, and Welfare.

SEC. 206. None of the funds contained in this title shall be available for additional permanent Federal positions in the Washington area if the proportion of additional positions in the Washington area in relation to the total positions is allowed to exceed the proportion existing at the close of fiscal year 1966.

SEC. 207. Appropriations in this Act for the Health Services and Mental Health Administration, the National Institutes of Health, and Office of the Secretary shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand eight hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means: advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; rental or lease of living quarters (for periods not exceeding 5 years), and provision of heat, fuel, and light, and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; not to exceed $2,500 for entertainment of visiting scientists when specifically approved by the Surgeon General; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Surgeon General, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS–18.

SEC. 208. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88–352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 209. No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88–352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

SEC. 210. Except for appropriations made under authorities of the Public Health Service Act and Mental Retardation Facilities and Community Mental Health Centers Act, the Secretary of Health, Education, and Welfare may transfer up to 5 per centum of the amount of any appropriation made to the Department of Health, Education, and Welfare in this Act to any other such appropriation, but no appropriation may thereby be increased by more than 10 per centum: *Provided,* That this section shall not apply to appropriations for salaries and expenses of the Social Security Administration, for payments to the Social Security trust funds, or for mandatory expenditures.

This title may be cited as the "Department of Health, Education, and Welfare Appropriation Act, 1973".

TITLE III—RELATED AGENCIES

Cabinet Committee on Opportunities for Spanish-Speaking People

SALARIES AND EXPENSES

For expenses necessary for the Cabinet Committee on Opportunities for Spanish-Speaking People, and the Advisory Council on Spanish-Speaking Americans, $1,000,000.

Commission on Railroad Retirement

SALARIES AND EXPENSES

For necessary expenses of the Commission on Railroad Retirement, established by the Act of August 12, 1970 (Public Law 91–337), $101,000: *Provided,* That the unobligated balance of the appropriation granted under this heading for the fiscal year 1972 shall remain available during the current fiscal year.

Federal Mediation and Conciliation Service

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171–180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President; hire of passenger motor vehicles; not to exceed $500 for official reception and representation expenses; and rental of conference rooms in the District of Columbia; $10,650,000.

National Commission on Libraries and Information Science

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Libraries and Information Science, established by the Act of July 30, 1970 (Public Law 91–345) $406,000.

National Commission on Marihuana and Drug Abuse

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Marihuana and Drug Abuse, authorized by section 601 of the Act of October 27, 1970 (Public Law 91–513), as amended by the Act of May 24, 1971 (Public Law 92–13), $1,140,000 to remain available until expended.

National Labor Relations Board

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141–167), and other laws, $50,456,000: *Provided,* That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

National Mediation Board

SALARIES AND EXPENSES

For expenses necessary for carrying out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151–188), including emergency boards appointed by the President, $2,888,000.

Occupational Safety and Health Review Commission

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission, $5,979,000.

Railroad Retirement Board

PAYMENT FOR MILITARY SERVICE CREDITS

For payments to the railroad retirement account for military service credits under the Railroad Retirement Act, as amended (45 U.S.C. 288c–1), $21,645,000.

LIMITATION ON SALARIES AND EXPENSES

For expenses necessary for the Railroad Retirement Board, $19,822,000 to be derived from the railroad retirement accounts.

United States Soldiers' Home

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' Home, to be paid from the Soldiers' Home permanent fund, $12,591,000: *Provided,* That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army, upon recommendations of the Board of Commissioners of the Home and the Surgeon General of the Army.

CAPITAL OUTLAY

For construction of buildings and facilities, including plans and specifications, and furnishings, to be paid from the Soldiers' Home permanent fund, $2,114,000, to remain available until expended.

PAYMENT TO THE CORPORATION FOR PUBLIC BROADCASTING

To enable the Secretary of the Treasury to make payment to the Corporation for Public Broadcasting, as authorized by section 396 (k) (2) of the Communications Act of 1934, as amended, for expenses of the Corporation, $65,000,000, to remain available until expended: *Provided,* That this appropriation shall be available only upon the enactment into law of authorizing legislation.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18.

SEC. 402. Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 403. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 404. The Secretary of Labor and the Secretary of Health, Education, and Welfare are each authorized to make available not to exceed $7,500 from funds available for salaries and expenses under title I and II, respectively, for official reception and representation expenses.

SEC. 405. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 406. No part of any appropriation contained in this Act shall be used to finance any Civil Service Interagency Board of Examiners.

SEC. 407. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 408. The Secretary of Labor and Secretary of Health, Education, and Welfare are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 409. There is hereby appropriated the sum of $200,000,000 for expenses necessary to carry out the functions of the Office of Emergency Preparedness under the Disaster Relief Act of 1970.

This Act may be cited as the "Department of Labor, and Health, Education, and Welfare Appropriation Act, 1973".

Mr. MONDALE. I thank the distinguished gentleman for his responses.

Mr. JAVITS and Mr. FULBRIGHT addressed the Chair.

Mr. MONDALE. Mr. President, I yield to the distinguished Senator from Arkansas (Mr. FULBRIGHT). I yield the floor.

Mr. FULBRIGHT. Mr. President, I wish to express my appreciation to my senior colleague, the distinguished chairman of the Senate Appropriations Committee, and the members of his committee for their action to extend the continuing resolution funding authority for the foreign assistance items only until April 30.

Last year the Senate defeated one foreign aid authorization bill and a second died in conference because the Senate and House conferees were unable to reach agreement on a provision sponsored by Senator CASE which required that foreign military base agreements be submitted as treaties. The entire foreign assistance program is now being funded through a continuing resolution, although no additional authorizations of appropriations are needed for the economic aid programs, other than for Bangladesh.

The Committee on Foreign Relations has proceeded as expeditiously as possible to consider the President's renewed foreign aid authorization request for fiscal year 1973. However, the bill was not received until February 8, the day the Lincoln's Birthday recess began. And, although the committee wanted to hold hearings on the bill the day the Senate returned from the recess, it acceded to the administration's request that hearings be delayed until after Secretary Rogers appeared before the committee on February 21 to discuss the world situation. A hearing was held on the bill, S. 837, on February 22 and the committee began marking up the bill this morning. The point I wish to make is that the delay in getting a bill to the floor before the current continuing resolution expires is primarily due to the fact that the committee has leaned over backward to accommodate the administration. We are now proceeding as expeditiously as possible and hope to have the bill reported to the Senate within the next few days.

Mr. President, if the Senate Appropriations Committee had gone along with the House and extended the continuing resolution for foreign aid for the rest of this fiscal year the chances for getting an authorization bill enacted would have been destroyed. There would have been no incentive for the executive branch to push for an authorization. They would have had the money they want and been able to avoid any congressional policy restraints.

I might remind my colleagues that there is a provision of law, enacted in 1971, which states specifically that even though Congress may appropriate money for foreign aid, the money cannot be spent unless there is an authorization. Unfortunately, this provision has been waived in every continuing resolution so far, thus making a mockery of what was intended as a protection of the regular legislative process.

The members of the Senate committee are to be commended for their action on the foreign aid items. It will lend strong support to the Foreign Relations Committee's efforts to work out an authorization bill with the House. Again, I thank my senior colleague for his contribution.

I ask unanimous consent to have printed in the RECORD a copy of a letter I sent to the chairman of the Appropriations Committee on this subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 15, 1973.

The Honorable JOHN L. McCLELLAN,
Chairman, Committee on Appropriations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the foreign aid program is now being funded through a continuing resolution which expires on February 28.

Although the general economic aid program has been authorized, the House and Senate conferees on the bill to authorize FY 1973 appropriations for military assistance and credit sales, supporting assistance, and Bangladesh relief were not able to reach agreement last session and the continuing resolution now covers all foreign aid programs, including those already authorized. The Committee on Foreign Relations did not receive the President's renewed authorization request for the four unauthorized items until February 8, the day the Lincoln recess began. The Committee will proceed to act on this bill as expeditiously as possible. There is however, no realistic prospect that both Houses can finish work on an authorization bill by February 28, thus, some extension of the continuing resolution for these programs appears inevitable.

I realize that there will be some sentiment for extending the continuing resolution through the end of the fiscal year. To allow this for the unauthorized program, however, would undercut any possibility of getting an authorization bill enacted. The Administration would have the money it wants but would be able to avoid the Congressional policy restraints that are normally contained in authorizing legislation. The legislative process would be undermined and a precedent set which could cause all committees serious difficulty in the future.

Under the circumstances, I hope that the Senate Appropriations Committee will again uphold traditional legislative procedures as it has in the past on similar issues. I urge that the continuing resolution funding authority for the unauthorized programs not be extended beyond March 31. By this time, I am confident that either an authorization bill will have been enacted or it will be clear that no agreement is possible.

Sincerely yours,
J. W. FULBRIGHT, *Chairman.*

Mr. FULBRIGHT. Mr. President, I wish to add that the Committee on Foreign Relations, meeting this morning, has just reported an authorization bill for fiscal 1973 in this area, which makes it especially appropriate that the Committee on Appropriations limit this continuing resolution until April 30. So I appreciate very much what the Committee on Appropriations has done.

Mr. McCLELLAN. Mr. President, the committee was most favorable to the request of the distinguished chairman of the Committee on Foreign Relations in his objective not to have this continuing resolution go any longer than was necessary to make a redetermination from the authorization as to what Congress was willing to spend in this field. But we did extend it 2 months because we felt that, knowing the processes of legislating here.

Mr. FULBRIGHT. That is right.

Mr. McCLELLAN. We thought we would rather make it 2 months and not have to come back on this in the meantime. If the authorization is passed at the lower rate, a simple resolution will take care of it.

Mr. FULBRIGHT. I appreciate that very much. The committee did report a bill in the same amount as reported last year, which was slightly below the continuing resolution—$1,550,000,000.

Mr. JAVITS. Mr. President, I believe that this matter should take a little more deliberation and consideration than a normal continuing resolution would because, according to the information we have, the administration is giving this particular resolution a different interpretation from what we are giving it. That is clearly spelled out, it seems to me, in the laudable effort of my colleague from Minnesota (Mr. MONDALE), in his colloquy.

The administration has considered the last continuing resolution expiring February 28, 1973 to mean that HEW can spend at the lower of the 1972 House or Senate figures or the President's revised budget or even the 1972 appropriation if that is lower. There is a lot of money involved in these interpretations which we do not agree with. Here is what it involved. For this particular Department, HEW is spending in fiscal 1973 at the rate of approximately $25 billion.

The lower of the House or Senate figures in H.R. 15417 which we have appropriated in the continuing resolution is approximately $28 billion. That is a neat little difference—roughly $3 billion. It extends to every area of Housing, Education, and Welfare Department. It extends into all expenditures for health including the National Institutes of Health and it extends to the point that the Senator from Minnesota (Mr. MONDALE) was talking about the Office of Education and it extends to the so-called social and rehabilitation services.

I would like to put a chart in the RECORD which shows the level at which HEW has been spending in fiscal 1973 and which shows what we appropriated at the lower of the House or Senate figures. It also shows the difference in the figures which comes to almost $3 billion. This difference will be narrowed if HEW decides to spend at the level of the President's revised budget. However, it will still be $2 billion lower than the figure we have appropriated under the continuing resolution.

I ask unanimous consent that the chart be placed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

COMPARATIVE SPENDING LEVELS HEW, 1973

	(Lower of 1972 level or present revised 1973 Budget) HEW spending 1973	(Lower of House or Senate) Congressional level	Difference
Mental health	522, 833, 000	743, 823, 000	220, 990, 000
Health services planning development	147, 795, 000	462, 073, 000	314, 278, 000
Health services delivery	664, 730, 000	741, 973, 000	77, 243, 000
Preventive health services	136, 309, 000	159, 872, 000	23, 563, 000
Health services and Mental Health Administration	1, 552, 755, 000	2, 218, 665, 000	665, 910, 000
Research institutes (total)	1, 405, 070, 000	1, 722, 983, 000	317, 913, 000
Health manpower (total)	426, 553, 000	738, 628, 000	312, 095, 000
National Institute Health (total)	1, 900, 184, 000	2, 540, 340, 000	640, 156, 000
Office of Education	3, 725, 186, 000	4, 267, 160, 000	910, 911, 000
Social and rehabilitation services (total)	13, 225, 880, 000	14, 494, 655, 000	659, 775, 000
I. Health (Health Services, Mental Health and Research Institute)			1, 306, 066, 000
II. Education			901, 911, 000
III. Social and Rehabilitation Services			659, 775, 000
Total			2, 984, 042, 000
Grand total	25, 054, 585, 000	28, 037, 627, 500	2, 984, 042, 000

Mr. COTTON. Mr. President, will the Senator from New York yield for a moment?

Mr. JAVITS. Surely.

Mr. COTTON. I should like to say to the Senator that the matters he is raising are pertinent. There is no desire on the part of the Department of Health, Education, and Welfare and neither on the part, I think, of the administration, to let this continuing resolution go through without frankly informing the Senate of what will happen. After the Senator has finished and sometime during this debate, I am authorized to make a statement for the Department of Health, Education, and Welfare which will clarify the matter and which will probably confirm much of what the Senator has said. I just wanted him to know that I shall make that statement, both on my own part, as I feel the responsibility as the ranking minority member on the subcommittee, and because I find that HEW is of the same mind, that we should not sit here and not indicate what will be the probable actions—what is very likely a certainty, if the continuing resolution is passed in its present form.

Mr. JAVITS. I thank the Senator from New Hampshire very much for that statement. I look forward with great interest to the statement on the part of the administration.

I wish to make this point: We will develop this question, and it has two sides. I mention this now simply so that Senator COTTON will address himself to these two problems.

Mr. COTTON. May I make it crystal clear to the Senator that I am not authorized to speak for the White House. I am authorized to speak for HEW, which I interpret to be about the same.

Mr. JAVITS. The Senator and I will have no further quarrels on that score.

There is an express provision of the law which is present in the General Education Provisions Act, that all amounts appropriated shall be expended in the fiscal year for which appropriated. The administration says it is honoring this provision—and that is the colloquy with the new Secretary of Health, Education, and Welfare, Mr. Weinberger, to which Senator MONDALE referred. So, question No. 1 is: Will the administration stick by that interpretation, which it has been making up to now, meaning that it would have to come to us for recession of any authority or any appropriation which we have made and which we have locked in, as it were, with a provision such as appears in the General Education Provisions Act?

The other question relates to the intentions of the administration in the interpretation of the continuing resolution. The language in the resolution which covers most Labor, Health, Education, and Welfare programs which we thought was very clear and which the colloquy today indicate is very clear—to wit, spending should be at the level of the lower of the Senate or House figures contained in the first Labor, Health, Education, and Welfare appropriation bill is not being followed. The administration, as I understand it, is interpreting the continuing resolution to mean the lowest not of the House and Senate figures but of either the House or Senate or the President's revised budget for 1973—and therefore feels that it has the right to impound or not spend the funds which represent that difference.

Insofar as education is concerned, the amount involved is roughly $902 million. That is the difference between the rate at which they are spending and the rate of the appropriation.

There, Mr. Weinberger gave us the assurance, now stated in Senator MONDALE's colloquy, and it was also stated in a colloquy in the other body respecting the expenditure of education funds. But that still leaves open the question of what is going to happen to the other $2 billion, in the HEW bill. Many of these items we—people like myself and perhaps other Senators in the Chamber—feel should be spent as a proper allocation of the priorities of our country.

That brings me to the key point which I think is involved in this whole issue. I do not contend, and I do not believe it is contended by people who feel as I do, that we should spend more than a decent ceiling would permit. I am rather inclined to think that for fiscal year 1974 that is the way it is going to go—in other words Congress will agree on a ceiling in the area of $268 billion. However the people to decide how and where money within the ceiling is to be spent are we, if the President will sign the bill that we passed. If he does not sign and we override, then it is still the Congress who decides. If we fail to override, then it falls apart, and some continuing resolution must be passed.

So I think it should be made very clear to the country that this whole argument about an expenditure ceiling is a diversion. It is a diversion, because there is no disagreement about an expenditure ceiling but on where the money should be spent.

I think I know Senator MCCLELLAN, the chairman of the committee pretty well. I doubt that, if he can help it, he is going to spend more than the ceiling. I think he is going to do less, and I want to help him. The great constitutional crisis that faces this country is not about the expenditure ceiling. I would hazard the guess that we are all agreed on that, with very few exceptions. I think the question is, who will allocate what that money is going to be spent for?

The President says he wants to increase defense. I think he ought to reduce defense. I think the poor and the unfortunate and the cities without sewers and the projects that are being canceled, in many areas, should not suffer. On the contrary, they should get some degree of Federal help beyond the help which the President wants to give them in his budget.

In short, the President has a right to propose; we have a right to dispose. At least, we have an equal right with the President, and we should not sit by and allow it to be taken away from us. How do we make it good? I think it is by raising this issue right now on this resolution.

We passed a short continuing resolution at the end of the last Congress, and we did it because this seemed to be that little cloud on the horizon which was growing. Now it has grown into a full blown storm. Are we to just go along and extend it until June 30 and let it take its course?

As a Senator of the President's own party and as one who campaigned diligently for him, I think the President of the United States would expect that Senators with convictions equal to his convictions would press them on the floor and try to arrive at some accommodation, in the tradition of legislation and law in this country. In order to do that, I do not see just going along on a nice, quiet Monday with a continuing resolution until the end of the fiscal year, which leaves questions up in the air.

The administration has decided they are going to set the priorities and not we, and they have already done that to some extent. This is the way they construe a continuing resolution even though I and all who have spoken on the issue think they are wrong and are defying the clear statements in the law.

So I think we should seek to make appropriate amendments to this continuing resolution, so that we make clearer what is already clear, and we retain a reasonable amount of control as to how it is going to be interpreted.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. Mr. President, I quite agree with everything the Senator from New York has said. His remarks are always very illuminating and lucid. But he speaks of a condition.

The original Health, Education, and Welfare bill that was vetoed by the President was somewhat above what he had requested. Then, in order to effect the accommodation the second time around, we gave him leeway or flexibility in cutting any program he wanted to by 3 percent, which would have brought him within the amount he had recommended.

The Senator talks about an accommodation. What else can we do? If he persists in vetoing bills and if he persists in freezing funds and cutting out programs, I do not see that there is anything we can do on the floor of the Senate. We can talk all we want about the constitutional rights of Congress and the constitutional rights of the President; but, after all, the final word is his. If he says, "I won't spend the money," I do not think anybody here can make him do it.

Mr. JAVITS. Well, that is technically correct. But that does not take into account the following points: One, the feelings and views of the people of the country, as expressed through us; and two, the fact that a President, and I believe certainly this President, will obey the law. The executive department, as set forth in the colloquy just had, already has said it will obey the law insofar as the General Education Provisions Act which requires expenditures within the fiscal year is concerned.

Therefore, it seems to me we have an option. That option would be to incorporate in the continuing resolution the very same provision which is contained in the general education provisions law. Then we will see if the administration which has interpreted that section to require expenditure as directed by law will extend the principle to other provisions covered by similar law. That is not the case now. The administration does not agree they are up against a statutory obligation as in the general education provisions law in respect of these other programs. We feel they are and that would be one way in which we could proceed.

Another way, if this is to be a struggle between the executive branch and Congress, would be to extend everything only to April 30 and not to June 30. Then, let us see how the country feels as this matter is debated, and as the bill of the Senator from North Carolina (Mr. ERVIN) is considered by the Committee on Government Operations and the Committee on the Judiciary. When I say we must find some way in which we can live together, I have in mind the traditional American process of debate which generally produces results, and I believe the President believes so, too.

If I may lay this before the Senator from New Hampshire (Mr. COTTON), who will give the President's position or the position of HEW, to be more accurate, I would propose consideration by the Senate of two propositions: One, to shorten the period of extension, and that would cover the Labor-HEW part of continuing resolution so that it is synonymous with the April 30 date affixed for foreign aid. The alternative would be to fix our priorities and mandate expenditures as the administration says it will comply with such a mandate which is contained in one of the affected laws, to wit, the General Education Provisions Act.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. YOUNG. Mr. President, I believe there is another alternative, and probably it is the only alternative we have, and that is to pass another Labor-HEW appropriation bill. The first one was vetoed, and then Congress passed another bill which was pocket vetoed, as I recall, after we went home.

But I think the proper thing for Congress to do if it wants to increase funds would be to pass another appropriation bill with a reasonable amount in it. I believe Congress probably would then override a Presidential veto.

This proposal would affect all funds—not only Labor-HEW, but all foreign assistance programs—and give the President a reason for withholding all funds. That would hurt a great deal.

Mr. JAVITS. Mr. President, if the Senator will forgive me, none of these struggles can be fought with powder puffs. If the President of the United States is going to take the responsibility for grinding the country to a halt because of his view of what should be the priorities of expenditures for the United States being observed, then this country is in a pretty bad position.

We have to run the risk if we feel strongly enough about our constitutional authority. There is some risk we have to run, if Congress is willing. It would take the cooperation of a great many Members of Congress.

Second, if you wish to avoid that, we might shorten the time of continuing resolution. Now that the issue has been raised in a vivid way, if we brought the resolution to an end on April 30, 1973, we would give more of an opportunity to resolve this matter than if we go along for the rest of 1973.

I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I would like to direct attention to the fact that there is another and better alternative than even the one suggested by my distinguished senior colleague, the ranking minority member of the Committee on Appropriations. It is not for me to say this, but I am sure my distinguished chairman, the distinguished Senator from Washington, would most certainly emphasize it. I would hope that the Subcommittee on Health, Education, and Welfare, on which the Senator from New York has served, would not be held up by an attempt to pass another Health, Education, and Welfare bill as we go through the long, drawn out process of holding hearings and preparing a bill for fiscal year 1974.

On the other hand, if you write into this continuing resolution amendments—and may I say I would be in sympathy with some of those amendments—but if you write into this continuing resolution amendments you run the risk of it not being accepted by the House. You run the risk of having the 28th day of February go by and experiencing what happened in December 1967 when an OEO appropriation bill was delayed. All the personnel of OEO had to go without their pay until Congress hastened to put through another continuing resolution.

We are forgetting that today the House is starting hearings on a supplemental appropriation bill for fiscal 1973 and that bill should be over here within the next couple of weeks. Amendments can be written into that bill for the programs that the distinguished Senator from New York and others have in mind. If the President sees fit to veto that bill we have the opportunity to vote whether it shall be passed over his veto.

As a practical matter you run a great risk in writing these amendments into the continuing appropriations bill, which all through the years traditionally has been regarded as simply a continuing resolution of the status quo. You run the risk of a holdup on it, which would affect all the programs and the personnel of HEW and Labor Departments being without funds following February 28.

I would protest vigorously against shortening the time of this continuing resolution to April 30 because no one knows better than the Senator from New York the problem we have comparable to 1974. It should be borne in mind that presumably in a couple of weeks, and certainly not a month, the Senate will have the opportunity to work its will without running the risk, on a supplemental bill. I will not take any more time but I will later make a statement on the matters that require explanation.

Mr. JAVITS. I thank the Senator. I yield to the Senator from Washington.

Mr. MAGNUSON. I merely wished to make clear that the continuing resolution, as I understand it, applies to the first Labor-HEW bill that was vetoed, whichever is the lower between the House and the Senate. That means the continuing resolution would apply only to the figures that would be used in the first Labor-HEW vetoed bill, the House or the Senate bill, whichever was the lower. The 13 percent contained in a general provision of the second vetoed bill, therefore, does not apply.

Mr. JAVITS. Mr. President, if the Senator will allow me—there is no one for whom I have greater affection than the Senator from Washington—I was not arguing that at all.

Mr. MAGNUSON. I was just trying to clear the record.

Mr. JAVITS. The department is not spending the total. It is spending at the rate of the President's revised 1973 budget. It is cutting that spending.

Mr. MAGNUSON. Yes. The continuing resolution applies to the first vetoed bill, which would be the lower of the House and Senate figure. In most cases, it was the House figure that was lower than the Senate figure. So if we pass the continuing resolution our intent is clear. What they will do with it, our clear intent, I do not know. I do not know that democracy is ready for a one-man revolution, which is apparently what is happening.

Mr. JAVITS. I am not proposing to write amendments about programs, not at all; I am proposing to deal only with the issue of principle, which deals with mandated expenditures, not in accordance with new programs, but with what we appropriated long ago. These programs are authorized and are not new programs or variations of existing programs.

The second point which seems to me is important is that we cannot fly in the face of reality. The fact is that the administration has taken a given position, and we cannot inveigh against that position and have heated congressional debates on its positions, and then, when the issue comes up, step away from it and let it be, on the theory that we will wait until we pass new appropriations or until the 1974 appropriations are before us.

This is our chance to meet the issue, if we have the feeling or conviction enough to meet it when the issue is before us, and we have the power to do something about it. I think we are weak vessels if we do not meet it.

Finally, my colleague and beloved friend from North Dakota mentioned something about people being hurt. We hear screams all over the horizon by people who are being badly hurt. I hear from practically every municipality in my State, and I hazard the guess that other people do, as well. Housing starts are cut, unless they had a certain kind of commitment, whatever the administration construes that certain kind of commitment to be. Offices relating to the poor are being dismantled. The same is true of health. Colleges are being cut off from research grants, and so forth.

Plenty of people are being hurt, and hurt badly, because we are not setting the priorities; the President is setting the priorities. I do not think that is the way it is supposed to be in this country.

Therefore, with the greatest respect, simply on the basis of the same profound conviction the President shows, and without transgressing upon what I think are problems in the way of expenditure limitations, I think we have to help ourselves when we can. I may stand alone in this—I do not think I will—but certainly the Senate has a right, when the issue is posed, to decide it upon the basis of its judgment.

I heard the colloquy that the Senator from Minnesota (Mr. MONDALE) had with our distinguished chairman of the Appropriations Committee, but the administration has already informed us that it intends to disregard the clear intent of the law except as expenditures may be mandated in education.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. YOUNG. With respect to education, the Department would have great difficulty, or an impossible problem, in estimating how much money each school would get. So I think a short extension to April 30 would be impossible.

Mr. JAVITS. May I make the contrary argument to that? They say they are going to spend all the money we appropriated for education, so they do not have to curtail anything. If we adopt a short extension, they can obligate that money during the short period.

Mr. YOUNG. They could not spend a penny beyond the expiration date of this measure.

Mr. JAVITS. I understand, but I am talking about their planning. That is what the Senator is talking about.

Mr. YOUNG. They could probably allocate the money, but they would not have the money to spend.

Mr. JAVITS. I would be willing to omit the education program. They say they will spend it, so we could omit that.

Does the Senator from Indiana wish me to yield?

Mr. BAYH. Mr. President, I wanted to propound some questions to our distinguished chairman which would take about 2 minutes. I want to make absolutely certain the record is clear, particularly in the area of higher education, about which many of us feel strongly.

I listened with great interest to the colloquy, and I appreciate the frankness of our distinguished Senator from New Hampshire.

Mr. JAVITS. I will yield to the Senator if he wishes me to, but I think that the questions may be materially affected by the information the Senator from New Hampshire (Mr. COTTON) brings us as to what will be the policy of the Department, and I am waiting with great interest to hear it; but I will yield the floor and let the Senator proceed as he wishes.

Mr. COTTON. I wonder if the questions of the distinguished Senator from Indiana would not come with greater force if I made the statement on the floor of the Senate similar to the one I made in the committee, with a trifle more detail.

Mr. BAYH. I am glad to yield to the Senator from New Hampshire. The Senator from Indiana is trying to do one thing. I think the Senator from New Hampshire is performing a service in another area by presenting so very honestly and above board what the position of the administration is and what it will be.

In the final analysis, this is the confrontation—I hate to use that word, but, unfortunately, that is where we are—between the executive and legislative branches. It is going to drag out and I cannot see, in my own mind, how it is going to be resolved. As a member of the legislative branch, I feel, and I think most of us feel, a responsibility for our own conduct, realizing that the least we can do is to be absolutely unequivocal about what we mean. All of us may not mean precisely the same thing. But I think all of us, the Senator from New York, the Senator from Indiana, and certainly the chairman of the committee, would want to be as specific as possible in which we mean so that at least the legislative intent is joined. Then we could have that basis on which to proceed as to the way, in our opinion, we want to go.

If the Senator will bear with me, it will take but a few minutes to propound these questions.

The PRESIDING OFFICER. If the Senator will withhold, there is a committee amendment pending, and after it is disposed of, the Chair will recognize the Senator from Indiana.

The committee amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 2, at the beginning of line 14 change the section number from "2" to "3".

The PRESIDING OFFICER. The question is on agreeing to the last committee amendment.

Does the Senator from Indiana wish to be recognized?

Mr. BAYH. Mr. President, if I may do so, I would like at this time to clarify the record regarding the legislative intent on the issues which we have before us.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. Mr. President, I rise to address several questions concerning the pending continuing resolution to the distinguished and able chairman of the Appropriations Committee, the senior Senator from Arkansas (Mr. MCCLELLAN), so that we in the Senate will have an opportunity to specifically describe what we intend by this continuing resolution. The Senator from Minnesota (Mr. MONDALE) dealt with some of these areas. I would like to deal specifically with some other specific areas. As I understand it, the continuing resolution provides funding for Labor-HEW programs at the lower of the House or the Senate version of H.R. 15417. Thus, for example, I understand that with respect to title I of the Elementary and Secondary Education Act, the continuing resolution appropriates $1,810 million. Is that the interpretation of our distinguished committee chairman?

Mr. McCLELLAN. The Senator is correct.

Mr. BAYH. Mr. President, I thank the distinguished chairman. On the same basis, the appropriation for title III of the Elementary and Secondary Education Act is $171,393,000. The appropriation for impact areas and under Public Law 874 is $635,495,000, and for Public Law 815, $25,910,000 under the continuing resolution we are presently considering. Is that the interpretation of the chairman of the committee?

Mr. McCLELLAN. The Senator is correct. I believe those figures are correct.

Mr. BAYH. Mr. President, I appreciate the concurrence of the chairman. I want to be specific so that we know what our intention is. It is also my understanding that the continuing resolution provides $50 million for equipment and minor remodeling under title III of the National Defense Education Act, and $12.5 million for undergraduate instructional equipment under title VI of the Higher Education Act, and $43 million for college construction. Is that the interpretation of the chairman of the committee?

Mr. McCLELLAN. Mr. President, I am advised that the figures are correct.

Mr. BAYH. Mr. President, I thank the chairman of the committee. I have one last observation to make.

Mr. President, I wish to inquire of the chairman concerning certain educational programs which fall under section 101(b) of Public Law 92-334 for which no appropriation has yet been made. It is my understanding that the proper level of funding for these programs will be considered in the second supplemental appropriations bill for fiscal year 1973. I wonder if the chairman concurs that this is our goal.

Mr. McCLELLAN. Mr. President, the Senator is correct. As reflected in the Senate committee report on the supplemental appropriations bill passed by the Senate on October 12, 1972, the Senator's understanding is correct.

Mr. BAYH. Mr. President, I thank the chairman for his time and consideration in answering the questions I have posed today.

We are going to have differences of opinion here. As I said earlier, I think that the Senator from New Hampshire has been very candid with us. However, I think that those of us in the legislative branch and in the Senate have the responsibility to clarify our intention with regard to the continuing resolution. I for one am willing to pursue whatever action I can to see that the intention of Congress is then fulfilled, at least as far as our differences with the President are concerned.

Mr. President, I yield the floor.

Mr. COTTON. Mr. President, may I say first that speaking as an individual Member of the Senate I am not happy about some of the cuts or withholdings contemplated by the Department, which I assume is synonymous with the administration. I would certainly be prepared to support the variations of the programs. So much for the Senator from New Hampshire, personally.

There can be no question about the intent of the Congress, and certainly the intent of the Senate because on page 2 of the report of the committee, it is perfectly clear that the intent is that the spending level under the continuing resolution is:

> Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House is different from that which would be available or granted under such Act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority.

That refers to the first appropriation bill which was vetoed by the President and not the second which was pocket vetoed. There can be no question that that is the intent of the committee and presumably of the Senate.

Mr. President, Members of the Senate are quite aware that traditionally continuing resolutions have been interpreted as holding ongoing activities in place until such times as a permanent bill becomes law. The terms of a continuing resolution by its own words connotes a continuation and not an enlargement.

If the continuing resolution is passed in its present form, I am authorized to state frankly to the Senate what would be the action of the Department of Health, Education, and Welfare with respect to the continuing resolution.

Prior to the meeting of the full Appropriations Committee, I had a conversation with the budget officer of the Department, who gave me some information which I disclosed to the Appropriations Committee in our session.

Immediately after that session I got in touch with the budget officer so as to make sure that I was correct and that I was authorized to make a statement on the floor of the Senate.

He came to my office, and we had a rather careful review of the situation. He answered all of my questions. And what I am stating now is pursuant to the specific authority of the Department of Health, Education, and Welfare, and, it can be presumed I suppose, that means the administration, although I have had no contact or authority from anyone connected with the White House.

The President's original budget totaled $26.8 billion. The President's revised budget—talking, of course, about the appropriations for fiscal year 1973—reduced that amount to $26.1 billion.

The first vetoed bill, which was sustained, totaled $28.6 billion. The latter bill, which was a pocket veto after the adjournment sine die of the 92d Congress, was in the amount of $27.3 billion. Now, if the continuing resolution is interpreted to mean the lower of either the House or Senate bills as of July 1, 1972, the amount would be $28 billion.

Heretofore, and up to this point, under the authority of the previous continuing resolution adopted this year, the current spending level has been on a basis of $25.7 billion, which was the amount of the appropriations for fiscal year 1972.

If this continuing resolution should pass in its present form, it is the purpose of the Department of Health, Education, and Welfare, for the remainder of the year, to make its expenditures on the basis of the President's revised budget of $26.1 billion.

That means that it is the intent of the Department to spend an additional $400 million for the remainder of the year over its present spending level, because the President's revised budget exceeds the current level by that amount, $400 million-plus, or $1.9 billion less than the lower figure in the original bills of the House and the Senate, passed and vetoed by the President.

That is the declared intent of the Department. But to be entirely frank, and to make sure that the Senate is in full possession of all the facts, further information should be added.

There are at least six programs that have zero appropriations in the President's revised budget that were appropriated for in 1972. They are as follows:

First, higher education facilities construction. It is the intent of the Department to finance that only to the extent of retaining the personnel until the end of the fiscal year, June 30—that is, to maintain the organization but not to make program grants.

The second of these programs, for which no provision has been made in the President's revised budget for 1973, is undergraduate instructional equipment. There again, it would be the policy of the Department to maintain the personnel and the organization, but not to make any grants.

The third rogram—which, parenthetically, is the pet program of the Senator from New Hampshire—is audiovisual equipment and minor remodeling of elementary and secondary schools. There again, it would be the policy of the Department to maintain until June 30 the staffing, but not to make any grants.

The fourth program is the Hill-Burton hospital construction grants. There the spending would be at the rate of the President's revised budget, which I believe is $200 million, whereas under the continuing resolution, if they followed that, it would be $197 million.

The next program for which no provision was made in the President's revised budget is health education profession construction grants. There would be no expenditures made under that program by HEW, if this continuing resolution passes in its present form.

The next program is the nursing education construction grants. Under that, there is no staffing. Like the preceding one, it involves only the question of grants, and no grant could be made until June 30, 1973.

Those are the bare facts of the intent of the Department of Health, Education, and Welfare which is, of course, to pattern its expenditures for the remainder of this fiscal year by a rate of $400 million higher than the current rate, but $2 billion less than the rate referred to as a part of this continuing resolution.

As a practical matter, I should like the record to show—and this is somewhat repetitious—that certainly this is a confrontation between Congress, and its expressed intent in both Houses, and the Executive. However, as a practical matter, I wish to suggest again that while the Senator from New Hampshire may be personally sympathetic to some amendments that might be added to the continuing resolution, such amendments would be completely contrary to all the history and tradition of such resolutions.

Continuing resolutions are designed, first, as a ceiling, and not as a base or a minimum; second, as a means of continuing expenditures under former fiscal years until such time as the appropriating committees of Congress act otherwise.

But it is my understanding that as far as the Senator from New York (Mr. Javits) is concerned, he has indicated that he is not so much interested in amending the continuing joint resolution as he is in shortening the period and perhaps writing it in some more affirmative manner. I must say that it is a little beyond the comprehension of the Senator from New Hampshire how it could be more affirmative than is already written, both in the joint resolution and in the report.

Again, I should like to call attention to the fact that in 1967 there was a delay with a continuing resolution confined only to the OEO. The result was that the time came, and Congress did not act and the employees were without pay. Congress had to hasten, with its face somewhat red, I believe, to revise its position and enact a continuing resolution.

We would run a grave risk if we amended the resolution and the House did not choose to accept the amendment. The date of February 28 could pass, and we would have not one office, but we would have the entire Health, Education, and Welfare and Labor Departments without any money to pay their staffs and do business.

I would again say that I would hope we would not shorten the period because, heaven knows, the Subcommittee on Labor and Health, Education, and Welfare, headed by the distinguished chairman of the committee, the Senator from Washington (Mr. Magnuson), will be spending long hours, long days, and long nights preparing the bill for fiscal 1974. To attempt to pass another bill, a third bill, for the remainder of 1973 would further clog the wheels and, I think, work a greater hardship on those who benefit by the many programs of Health, Education, and Welfare, than would be beneficial.

Again I would say that the proper vehicle for Congress to assert itself in its confrontation—I believe that is the word generally used—but in its relations with the executive, is supplemental. Hearings started in the House today and the bill should be over here in a couple of weeks. That bill, without danger except to a veto, and Congress would then have the opportunity, of course, to work its will on that veto, is the vehicle for any action that the Senate might want to take within the limits, of course, of the authorizations. That would bring to a head the situation as between Congress and the President.

Now, Mr. President, I should like to make clear my interpretation of the concept that continuing resolutions are intended to provide a continuum in the form of an outer limit rather than a detailed, item-by-item appropriation amount. In this regard, I see House Joint Resolution 345 as being no different than any other continuing resolution.

For those who hold that the continuing resolution is the equivalent of a regular appropriation, the amount of which is determined by the lower of the House or Senate versions of H.R. 15417—the bill making appropriations for Labor and Health, Education, and Welfare for 1973 that the President vetoed—I would ask:

If this is the intent of the Congress as a whole, why are we dealing with a continuing resolution rather than a revision of H.R. 15417?

Does the Congress as a whole really intend to confront the President with an appropriation for 1973 that is almost $2 billion over his own budget request—and almost $600 million over the bill that he pocket vetoed last fall?

Given the fact that the fiscal year is already more than half over, is it not unreasonable for the Senate to take a position that the President should spend almost $2 billion over his own budget?

It is my contention that the continuing resolution is just what it says it is, an authority, based on an outer limit, to continue programs already authorized and in place.

In this regard, I have been assured by the Department of Health, Education, and Welfare that, while the President's budget proposes a number of 1972 programs to be funded at a zero level in 1973, any grants or payments needed to keep State and local staff for these programs will be made under the terms of this continuing resolution. In other words, the administration is prepared to at least keep the State and local staff in place until such time as the question of continued funding for these programs is settled through a regular appropriation bill. I assume that this at least keeps the base for these activities in place until the Congress is prepared to deal with the 1974 appropriation bill for the Departments of Labor and Health, Education, and Welfare.

Let me give you some basic facts about the different interpretations under this bill:

First, an interpretation that the spending rate is determined by the lower of the House or Senate bills as they existed last July would result in a spending level of $28 billion for the items covered by the continuing resolution.

The President's budget request for the same items is $26.1 billion, a difference of over $1.9 billion.

Finally, the Department of Health, Education, and Welfare has been spending for these same activities, during the previous continuing resolutions, at a rate of about $25.7 billion. This means that if the President were to spend at his own budget rate under the continuing resolution, the current HEW rate would be automatically increased by about $400 million.

Mr. President, I ask unanimous consent to have printed in the Record a table of programs proposed for termination in 1973 of Labor-Health, Education, and Welfare appropriations, and a fact sheet on the Labor-Health, Education, and Welfare continuing resolution.

There being no objection, the table and fact sheet were ordered to be printed in the Record, as follows:

PROGRAMS PROPOSED FOR TERMINATION IN 1973 LABOR-HEW APPROPRIATIONS

[In millions of dollars]

Program	1972 appropriations	1973 budget	1973 spending level under continuing resolution	
			Grants	Salaries and expenses
Education:				
Grants for construction of undergraduate facilities (title I, Higher Education Facilities Act)	43.0	0	0	
Undergraduate instructional equipment (title VI, Higher Education Act)	12.5	0	0	3
Public library construction (title II, Library Construction Act)	9.5	0	0	2
Equipment and minor remodeling (title III, NDEA)	50.0	0	0	2
Health:				
Medical facilities construction (title VI, PHS Act)	197.2	0	0	2
Health education profession construction grants (title VII, pt B, PHS Act)	140.0	0	0	[1]
Nurse Training Act construction grants (title VIII, pt A, PHS Act)	19.2	0	0	[1]
Community mental health center construction	15.0	0	0	[1]
Health manpower computer technology	3.0	0	0	[1]

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[1] No State or local salary costs

FACT SHEET ON LABOR-HEW CONTINUING RESOLUTION

	Budget authority
Labor-HEW bill (plus items not considered by Congress because of lack of authorizing legislation) (billions):	
1973 Continuing resolution congressional interpretation (lower of House or Senate)	$28.0
1973 original budget	26.8
1973 revised budget	26.1
1973 HEW operating plan (lower of 1972 or 1973 revised budget)	25.7
Outlays (millions):	
1973 lower of House and Senate over original budget	+490.0
1973 lower of House and Senate over revised budget	+790.0
1973 lower of House and Senate over HEW operating plan	+990.0

Mr. MAGNUSON. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield the floor to my distinguished chairman.

Mr. MAGNUSON. Mr. President, as I understand it, from what the Senator from New Hampshire is telling the Senate, and providing figures on the intent of the Department—particularly HEW—that this is what they might want to do in the next 4 months. Is that not correct?

Mr. COTTON. That is correct. May I say to my chairman that——

Mr. MAGNUSON. I want to preface it that way. We should also have in the RECORD what they have not spent in the past 8 months, which runs, as I understand it—in total for the year to about $2 billion. That amount has been or will be frozen in HEW. Now they suggest what they will do—maybe—is to release a little more than they have been releasing for the next 4 months, but this will still provide $850 million less for health and education programs than the previous year. Is that a correct statement?

Mr. COTTON. That is true, except I can say it is not "maybe."

Mr. MAGNUSON. It is their intent. Sometimes the Senator and I have seen that intent disappear or change.

Mr. COTTON. May I say to my chairman, in order to make it clear, that I have never operated without apprising him of what I was going to do; that what I did, as he knows, this morning, was to call the clerk, Mr. Dirks, and the chairman knew all that I was about to say.

Mr. MAGNUSON. We have to pose this intent in the background of the freezing of about eight-twelfths of the $2 billion over the past 8 months. Now the Senator from New Hampshire mentions OEO. He will recall and the Senate will recall that last year in the closing days of the session, in considering a supplemental, we appropriated nearly what the administration wanted. The amount was close to $800 million. We appropriated it, and now we hear that—at least this is what I read, that the new Director of OEO relishes abolishing the whole thing. He used the words something like, "I take it on with relish to abolish it all." After the administration asked us to appropriate the budgeted amount of over $790 million. Then we were accused of spending too much money. If they are going to abolish OEO altogether, and there may be some justification to some of the programs—I cannot agree that all is well with every program—then someone should send up a message to repeal the whole legislative act. But we were placed in the position of appropriating over $790 million at their request. Yet, when we went home, we heard how we were spending too much money and that the budget was too high. Now I find—as I read the newspapers—this man saying that he would relish abolishing all of the OEO.

What is his name? Phillips, I guess.

Mr. COTTON. Acting Director Howard Phillips.

Mr. MAGNUSON. As I have said many times before, I think the sign painter down at HEW and perhaps elsewhere downtown must be the busiest man in town. He must work 24 hours a day—and with many helpers. So I do not think the intent is fair but it puts Congress in this position. Then they say they will not spend it or that they will impound it or they will abolish the whole thing without any regard to congressional intent or enacted public law.

Mr. COTTON. Will the Senator from Washington yield for a moment?

Mr. MAGNUSON. It puts us in the position of being confused on what is going on downtown, and what the intent is for fiscal year 1973 and fiscal year 1974 but there will be another confrontation, I suppose, in the second supplemental. The House is now holding hearings on these additional requests. So I do think that on the whole background of this discussion, we should know how much money is being impounded if it is possible to get a true picture. I have some figures running into the billions which have been impounded, amounts that, in part, the administration asked us to appropriate. This is a procedure I do not quite understand, but maybe I do not understand a lot of things about the present budgetary process that goes on downtown.

Mr. COTTON. Mr. President, will the Senator from Washington yield for a moment? It is my understanding that what the administration is doing and plans to do, with the exception of the community action program——

Mr. MAGNUSON. Yes.

Mr. COTTON (continuing). Is not to abolish the functions of the OEO, including Headstart and these many other programs——

Mr MAGNUSON. Not all the functions, I agree.

Mr. COTTON. Well, practically all the functions would be administered either by HEW, the Labor Department, or the Department of Agriculture. In other words, they are not impounding money for the whole OEO program, not by a long shot, but what they are doing, according to my understanding—and I did not anticipate this colloquy and I cannot talk to these figures—what they are doing is abolishing the community action programs, and that means the impounding or withholding of some of the funds appropriated for OEO.

Mr. MAGNUSON. What I am trying to say is, why ask us to appropriate the money if their intention is not to spend it. We appropriate the money, and they do not spend it. They should not ask us to do that if they have no intention of spending it. Perhaps that intention came about after November elections. I do not know. We provided it before the election.

It is a serious problem.

We get into a peculiar position, particularly with the public, when we are sort of branded as spending too much money. We cut the budget last year, the total budget, by more than $5 billion, and the year before that we cut the budget in total. I understand that the question of priorities is paramount, but the problem is that the administration just holds the money Congress appropriates, anticipating that they are going to do something with the rearrangement of the departments, a reorganization, or the abolishment of something without congressional consent. I hope the new budget for fiscal year 1974 does not include money they do not intend to spend. We could really give it a cut if we knew which amounts or which programs that they would not release the appropriated funds for.

Mr. JAVITS. Mr. President, I have listened with the greatest interest to my colleagues. I have noted particularly the statement of the Senator from Washington. The administration has made up its mind what they are going to spend, and it is at the rate of $2 billion a year less for this activity than we asked them to spend. There is no guess about it, no theory. They will spend less even though the law clearly calls for higher expenditures.

The press is constantly writing about this impoundment struggle, that Congress is impotent. Why is Congress impotent? Because, it is claimed we are afraid to cut, that only the President can cut; so we shift the burden to him. We make a lot of speeches about it, but we really do not mean it; and that is what we are doing here.

The law says the lower of the House or the Senate figures. We think that is clear as the colloquy in the House and the Senate showed. However, here is HEW speaking, stating the administration policy, that they are not going to do anything like what the law states should be done.

The law says that we mandate expenditures at the lesser of the House or the Senate figure in the appropriation bills. HEW tells us it is not going to do any such thing, not remotely. It is going to spend $2 billion less for fiscal 1973. Therefore, it is not going to adjust anything else, defense or any other expenditure, because it does not have to. It is setting the priorities.

So we really have no recourse if we mean business, unless we are going to be intimidated by the fact that salaries are going to be cut off on February 28. Let us remember that the President will suffer from that as much as we, and I doubt that it is going to be permitted to happen. We must have serious and deep purpose that this is a great constitutional question and it must be resolved; that it is not only a matter of cutting expenditures; that indeed we are very likely to cut more than the President has; but that it is a matter of allocation of the expenditure. Congress has to be cut in on the process fully, and we should exercise our power toward that end. That is what this struggle is all about.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. COTTON. I think that in justice to the administration, we should bear in mind that the original HEW bill, which exceeded the President's budget by some $2 billion, was vetoed, and that veto was sustained by the House. The second one—if he used the authority granted in it—could not exceed the President's budget more than half a billion dollars. It was vetoed, but it was a pocket veto, and Congress had no opportunity to act upon it.

What Congress has done, or what is in this resolution, if it went back to an appropriation bill that the President held and pocket vetoed after the adjournment of Congress and Congress never had an opportunity to work its will, would be one thing. But in this continuing resolution the intent which is declared goes back to an amount that was vetoed by the President; and we cannot say that there is a confrontation there between the President and Congress because Congress sustained the veto.

So I think it is a far different breed of cats between the lower figure of the two Houses on the original bill than if we had said the result of the two Houses on the pocket veto bill. I think the position of Congress would be much stronger.

Certainly, I was disappointed. I would have voted to sustain the first veto. I am afraid I could not vote to sustain the second, but we never had a chance on that.

All the arguments that the distinguished Senator from New York is making would be very applicable if this continuing resolution had taken the second appropriation bill, upon which Congress never had a chance to work its will after the veto. It is based on a bill that the President vetoed, and Congress sustained that veto, which I think should be taken into consideration.

Mr. JAVITS. Mr. President, with respect to the remarks just made by the Senator from New Hampshire, it is a fact that this resolution calls for the lower of the House and the Senate figures in H.R. 15417 in the 92d Congress. Our analysis indicates that when you take the lower figure of the House and the Senate—not the conference agreement, but the lower figure of the House and the Senate—it is not as high as the amount in the final version of the first vetoed bill.

Mr. President, I think the thing to do is to bring this matter to issue. Either Congress means what it says or it does not, and that is the only test I see possible under this situation.

The administration says, "If you tell us to spend for given purposes and say that you want us to spend it within the time limited, we will spend it." They said that with respect to education as Senator MONDALE pointed out. Therefore, let us take them at their word. Let us say:

Notwithstanding any other provision of law, the full amounts appropriated under this act for projects and activities shall be made available and obligated or contracted for by the appropriate departments, agencies, corporations, offices and other organizational units of the Government for the period for which appropriated.

Mr. President, that will pose the issue. Do we mean it or do we not mean it? That will require that they follow the law. Like any other Member of the Senate or the House, I would simply abide the result. Members will decide if we intend to tell the administration, "Look, we mean it. We know what you propose to do, but we want these expenditures made."

That is a matter for the majority of the Senate. In that way we test the issue. Members may prefer to let that issue go over until some supplemental appropriation. I do not know when that supplemental appropriation will come about. But we should assert the issue of principle at any time it is open for assertion.

We have taken a grave position. Many Members have heard in this Congress that impoundment goes beyond the limits of what the Constitution meant. The question is also whether the President can cut off whole functions or determine how priorities should be allocated, or work out for all practical purposes a line veto of each individual item.

I do not think I have transgressed on priorities to assume that the chairman of our Committee on Appropriations would be just as willing to keep expenditures under an appropriate ceiling as the President. I am confident he will, and all of us will help him. There is also a method by which Congress could be helped in its constitutional responsibilities, and that is by the administration seeking rescission of appropriations. This has been done with respect to contract authority and certain other of appropriations. It could be incorporated in the supplemental just as easily as additions can be incorporated in the supplemental.

The supplemental would be used to rescind many things the administration has asked us for if we go along with it.

The administration and Congress would do their own cutting acting together.

I would like to address the chairman of the Committee on Appropriations and ask what he would think about such an amendment as I have read where we would simply say: "Look, we are going to extend this to June 30, but we mean it and we want these moneys that have been appropriated spent."

Mr. McCLELLAN. Mr. President, will the Senator repeat his question?

Mr. JAVITS. Yes. The amendment I may propose to the bill, if the chairman will kindly give me his reaction is:

> Notwithstanding any other provision of law, the full amounts appropriated under this Act for projects and activities shall be made available and obligated or contracted for by the appropriate departments, agencies, corporations, offices and other organizational units of the Government for the period which appropriated.

Mr. McCLELLAN. I wish to ask the Senator if this would apply only to the funds involved in the continuing resolution?

Mr. JAVITS. Yes.

Mr. McCLELLAN. Well, let me think for a moment about what is involved here—which is the President's impounding of funds. We are trying to say now—if we make this appropriation we want it all spent for this agency, or for that department. Why not make this amendment general, and apply to all appropriations? Why single out just the Department of Health, Education, and Welfare? There are other departments here that have the same problem. Other appropriations have been made that have been impounded. It occurs to me if Congress wants to take such action it should take it across the board and not just in one department.

Mr. JAVITS. This is the only thing before us now. I simply have to deal with whatever is before us.

Mr. McCLELLAN. The Senator is saying that Congress is going to pass a law sayng that whatever money we have appropriated we expect to be spent, and so direct the President or the administration to do it. I think it should apply to all appropriations and not just one department. I do not know why it could not be voted on in that way and not just one department.

Mr. JAVITS. The reason I feel it is justified in this case is that we already have in one area of this very department, to wit, education, exactly that particular provision, in the General Education Provision Act. Second, I am trying to draw an amendment which is germane to this bill and leave to the Senate consideration of other departments, as the Senate may wish to consider them. This particular provision would be germane to this particular bill. It is something I have thought through.

Mr. McCLELLAN. It is not a limitation on expenditures; this is a directive to provide authority to spend, not a limitation.

Mr. JAVITS. When the Senator says it is not a limitation, the reason I have chosen this course is that it is an alternative to the course of reducing the time within which this continuing resolution shall stay in effect. If the Senator will advise me he prefers the latter course I will embrace it. I have no desire to delay the Senate.

Mr. McCLELLAN. I am sure we will have problems with the continuing resolution, as it is, getting it through before the deadline of February 28. We can complicate it and add amendments here and make it more difficult but we are still going to have to pass it in the Senate and get a conference report, both Houses' agreement to the conference report, and get it to the President by midnight of February 28.

I am trying to get a definite position one way or the other on the overall problem. But I see this proposal as singling out one agency of Government and directing the President to spend appropriations made by Congress. I see this as an overall problem, and not just a problem affecting one department. That is the only question I raise. I think this is something that involves all departments of Government. It is something that should be resolved as to all departments and not just one department.

I do not want to belabor the question. If the Senator wants to offer his amendment, he may, but that is how I feel about it. I do not want to single out one department and say to the President, "Spend the money we have appropriated for this department," and then have the other departments for which we have appropriated money say, "You are discriminating against us. You are not requiring the President to spend the money we need for our programs."

Mr. JAVITS. If I may reply to that, part of the expenditure of the department which is in issue is already covered by a provision of this character. Second, having analyzed the individual items—and these are the items which are before all Members of the Senate—there would be no surprise in such a motion, as far as the Senate is concerned.

I do appreciate the views of the chairman of the Appropriations Committee, and I take them very, very seriously indeed.

May I, therefore, ask the chairman the following question: What would be his attitude toward an amendment which would seek to limit the effect of this resolution to April 30, so we would at least have an opportunity to study through and articulate this point, without having a whole fiscal year go by without batting an eye. At the very least we ought to give ourselves a chance to stay, as the lawyers say, seized of the issue. What would be the Senator's attitude on that?

Mr. McCLELLAN. I think it would be the same as I have expressed. If we are going to do it until April 30 for this department, why not require the same for all departments?

Mr. JAVITS. This is the only continuing resolution I have to work with.

Mr. McCLELLAN. I know, but the Senator could make his amendment apply to all the funds that have been appropriated until April 30——

Mr. JAVITS. I do not think the Senator has listened to me carefully. I said, in lieu of this, without pressing this particular amendment, I would like to have the chairman's view as to extending the continuing resolution—this particular continuing resolution—only until April 30.

Mr. McCLELLAN. I now understand the Senator, and I thank him very much for the clarification.

I have no personal objection to it. It does mean, however, we will have to come back here with another continuing resolution at that time. Another thing is that when we go to the House with this resolution they are going to be very reluctant to accept this proposal. But if that is the will of the Senate, I am not going to seriously protest it. I am going to vote for the resolution as reported by the Appropriations Committee. But this second proposal is a far better proposal, from my viewpoint, than to single out this department and say to the President, "You have to spend all the money there," and forget the others.

Mr. JAVITS. I will say to the Senator from Arkansas that I shall make that motion for the purpose I have stated and let us have the view of the Senate—that is, the amendment to extend through April 30.

Mr. McCLELLAN. That is a matter that should have a rollcall vote on it, and I am sure the Senator would not object.

Mr. JAVITS. No.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOMINICK. It strikes me, in listening to this enlightening discussion, that if we go on the April 30 basis, it is highly unlikely that the appropriation process will have taken place in the House by that time, much less have come over to the Senate for additional action. All we are going to do is put on another continuing resolution on or before April 30.

So although I can understand the impatience of the Senator, a good deal of which I share, nevertheless it seems to me very difficult, from a pragmatic viewpoint, to say that we are progressing by making it April 30 instead of June 30.

Mr. JAVITS. We are progressing as follows: We have a series of hearings on impoundment, jointly being considered by the Committee on Government Operations and the Committee on the Judiciary. The Senator from North Carolina (Mr. ERVIN) has a bill which may very possibly articulate the policy which represents a substantial feeling on the part of the Senate on the question of impoundment. At least we want that without giving up the whole ball game for the rest of the fiscal year.

In short, we are not waiting on appropriations or the appropriation process. What the Senator from Arkansas suggests is that if we are going to do this, perhaps we ought to do it across-the-board, and that is to have the money which is appropriated by the Congress spent. I am impressed with that argument, but the way to keep us in a position where we can do something tangible is not to give up the whole fiscal year. That is why we gave only a short extension last time around.

For those reasons, it would be appropriate, and I intend, to move to limit the continuing resolution until April 30. That will give us a chance, if we can, to develop a policy on impoundment between now and then. If we do not do it, we do not; but if we can, we will try. I shall certainly offer this proposal.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOMINICK. I am not opposed to that, but we have a number of programs for which we have authorized money. Some of them did not get appropriations. However, that is the process of appropriations. What we are talking about here is not authorizing appropriations in the committee on which the Senator and I serve together. What we are talking about is appropriations for those programs. Whether they would stop on June 30 or April 30, the fact of the matter is that the question of impoundment is going to be considered by the Senate, and by the House, I would presume, over and over again, and how do we gain any speed in getting action for funding on which people can rely by cutting off funding on April 30 rather than June 30?

Mr. JAVITS. The difference between the Senator and me is that the Senator thinks I am impatient. I am extremely patient, or I would not go for extending it for a short period of time, but I believe the Senate has to work its will on the issue of who is going to determine the priorities in this country. Therefore it should keep its options open just as it did at the end of the last Congress. This seems to me to be a persuasive reason for not going all the way with a continuing resolution until the end of the fiscal year, which seems to me is surrendering the fact that we can do anything about it and testifying to the allegation, which is made repeatedly, that when it comes to the crunch we are impotent. The Senate will be able to decide whether it does or does not wish to keep these options open. That is the opportunity which the Senate has at this time, in all fairness.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOMINICK. I want the Senator to know I have never said he is impatient. Having worked with him on committee, I have learned, even when we do not agree, that he is not impatient. He is one of the most patient men I know, and a fine legislator.

Mr. JAVITS. I thank the Senator.

Mr. COTTON. Mr. President, will the Senator yield to me?

Mr. JAVITS. I yield.

Mr. COTTON. I must assume, unless I missed some of the Senator's presentation, that he has some real reason for continuing to ignore the suggestion that the Senator from New Hampshire had brought up again and again. We do not have to wait until April 30. There will be an opportunity. There must be, and there is on its way, a supplemental appropriation bill into which the Senate can write any kind of enlargement of the programs, within the limits, of course, of the authorization. That bill, I am told, will be here in a couple of weeks. The hearing has started in the House.

That means that we will get our confrontation with the President and we can write into that bill whatever amounts the Senate desires, and if the House concurs, it goes to the President. If he vetoes that bill, the Congress has the authority to pass it over his veto if it sees fit. That is where we get a settlement. Congress is not impotent, because it seems to the Senator from New Hampshire it is going to get a full opportunity to fulfill the desire to confront the President on this matter of impoundment, rather than to approach it on a continuing resolution, which carries with it so much danger of having the date February 28 come and go.

Mr. JAVITS. Mr. President, I think really in my judgment the decisive answer to that is that the interpretation which the administration puts on the continuing resolution is the very point that we should deal with in the near future. They construe that language in the House and Senate, to allow them to spend less than the lower of the House or Senate notwithstanding the fact that the chairmen of the Appropriations Committees in both Houses say that it should not be so construed.

To fight them on this issue again, Mr. President, I want to shorten the time on the continuing resolution.

I have listened with scrupulous attention to the chairman of the committee and I am not pressing the issue with relation to the fundamental balance of power at this time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call the rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I am advised by the Parliamentarian that the simplest way to raise this issue would be by moving to reconsider the adoption of the committee amendment, and it will be my purpose, if the motion to reconsider is agreed to, to move to strike the date of June 30, 1973, on page 1, line 10, and insert the date of April 30, 1973.

The PRESIDING OFFICER. If the Senator would pardon the Chair a moment, the question is on agreeing to the second committee amendment to the resolution.

Mr. McCLELLAN. Mr. President, reserving the right to object, do I understand that there can be one vote on the motion to reconsider and change the date. Or is it a vote on considering a motion to reconsider and then another vote on a proposal to change the date?

The PRESIDING OFFICER. There would be two.

Mr. JAVITS. Unless the first can be by unanimous-consent agreement.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. Mr. President, I am not going to interpose an objection to the first. I believe that the Senator is entitled to have the Senate works its will on the position he has taken with respect to the date. And in this instance I am not going to interpose any objection. I hope that the change of date will not be sustained. I hope that the Senator's amendment will not be agreed to. However, in view of the critical nature of this issue, I am not going to interpose any objection, so that we might get to a vote.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. The committee amendment that the Chair has put before the Senate has nothing to do with the proposal of the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the second committee amendment to the resolution.

Mr. McCLELLAN. Mr. President, I was responding to what I understood was the request of the Senator from New York, that the committee amendment be reconsidered.

The PRESIDING OFFICER. The Chair is advised that we should dispose of the second amendment first.

Mr. McCLELLAN. Mr. President, has the second amendment not been agreed to?

The PRESIDING OFFICER. Not yet.

The question is on agreeing to the second committee amendment to the resolution.

The amendment was agreed to.

Mr. JAVITS. Now, Mr. President, I represent to the Senate that it is my intention to send to the desk an amendment to strike June 30, 1973, on page 1, line 10, of the pending resolution if the unanimous-consent request that I now propose is agreed to.

Mr. President, I ask unanimous consent that the vote by which the first committee amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Mr. President, reserving the right to object, I state that, in view of the situation, I am not going to insist on two votes. I am going to withhold any objection to the unanimous-consent request and thus give the Senate an opportunity to work its will on the amendment I understand the Senator from New York will offer.

Mr. COTTON. Mr. President, reserving the right to object, under all ordinary circumstances, I would certainly follow any suggestion of the chairman of the Appropriations Committee, for whom I have the profoundest respect. I can understand his purpose. However, I have a certain responsibility today on the floor which does not leave me entirely free to agree.

If the first vote to reconsider is rejected, then that settles the whole matter. I feel I would be constrained to object and to ask for the yeas and nays.

Mr. JAVITS. Mr. President, I have not moved anything as far as I know.

Mr. COTTON. I thought the Senator had.

The PRESIDING OFFICER. The Senator made a unanimous-consent request.

Mr. JAVITS. I understand it is objected to.

Mr. COTTON. I am compelled to object.

The PRESIDING OFFICER. Objection is heard.

Mr. JAVITS. Mr. President, is a motion to recommit the resolution in order?

The PRESIDING OFFICER. The Senator is correct; a motion to recommit the resolution is in order.

Mr. JAVITS. Mr. President, I move to recommit the resolution to the Appropriations Committee with instructions to report the same back forthwith with the following amendment:

On page 1, line 10, strike June 30, 1973 and insert in lieu thereof April 30, 1973.

Mr. COTTON. Mr. President, I ask for yeas and nays.

Mr. McCLELLAN. Mr. President, I will certainly have to oppose this motion to recommit. The committee has already worked its will. I did not object to the unanimous-consent request in the hope that the whole issue might be expedited and settled by a vote on the amendment which the Senator from New York, would offer. However, I certainly oppose recommital of the resolution and will vote accordingly and hope that the committee position will be sustained.

Mr. President, I ask for the yea and nay vote on the motion.

Mr. JAVITS. Mr. President, if the Senator would withhold that a moment, I am advised by the Parliamentarian—and I do not quite exactly know the reason, but I am willing to be guided by it because it does not mean too much—that the proper motion, he thinks, would be a motion to reconsider. I withdraw my motion and ask a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, what will be the effect of a motion to recommit with instructions such as I have stated?

The PRESIDING OFFICER. The Chair advises the Senator that the Senate would be voting on the same thing we have just acted upon.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. ROBERT C. BYRD. Mr. President, would not the Senator accomplish the purpose that he seeks to accomplish by simply moving now to reconsider, and then, after the motion to reconsider is agreed to, and it probably would be, he can then offer his amendment?

Mr. JAVITS. No——

Mr. ROBERT C. BYRD. Otherwise, by moving to recommit, he is doing two things at once—reconsidering and effecting the adoption of his amendment to the Committee amendment after the committee amendment has been agreed to. So I think if he takes it one step at a time, he might get more support for what he is trying to do than if he tries it the other way.

In other words, the Senator is trying to do here indirectly what he might have done earlier directly.

Mr. JAVITS. Mr. President, I wish to explain this situation to the Senate. I was engaged in the Foreign Relations Committee, and these committee amendments have a way of whizzing through pro forma. The leadership was advised that I intended to challenge this issue. I am making the unanimous consent request in order to facilitate the procedure, get one vote, and not open the joint resolution to new amendments, which the chairman of the Appropriations Committee was willing to agree to. I do not see why I should be hobbled because there is an objection to a very reasonable request, which is the request I made and which I am glad to renew.

Mr. ROBERT C. BYRD. Will the Senator yield further?

Mr. JAVITS. Yes.

Mr. ROBERT C. BYRD. Mr. President, the leadership on this side of the aisle was not so advised, No. 1; and, No. 2, the reference which the Senator has made with regard to the adoption of the amendments, and that those amendments would normally be considered as original text, has to do only with the adopting of committee amendments en bloc. The committee amendments were not adopted en bloc. Therefore, the Chair just began with amendment No. 1; it was discussed, it was approved, and he then went to amendment No. 2. What I am afraid the Senator misunderstands is that the committee amendments were not adopted en bloc, and thus to be considered as original text.

Mr. JAVITS. I did not say they were adopted en bloc. I just said usually the committee amendments whiz through, when there is nobody on the floor to say anything about it, in routine fashion.

Mr. ROBERT C. BYRD. But the able Senator did say that Members are normally protected by making the committee amendment "original text for the purpose of amendment." This is normally done when committee amendments are adopted en bloc, and the Senator's statement would imply that the committee amendments, in this instance, had been adopted en bloc whereas they were not adopted en bloc. There were two committee amendments, and the Chair proceeded with them singly. Was not the Senator here when the first committee amendment was agreed to?

Mr. JAVITS. No, I just walked in the door as the Chair said, "Approved." I was downstairs in the Foreign Relations Committee, where we were marking up the foreign aid bill. It just happens that I was engaged, and was unable to be here at the particular moment it was brought up.

So I am trying to follow the chairman's suggestion that instead of having two votes, we have one, by the motion to recommit. If we have one vote, I do not think there are any other amendments to this particular bill to come up after it is reported back. The Senate will manifest its will on one vote, and that will be the end of it.

Mr. ROBERT C. BYRD. The Senator will have difficulty in moving to recommit with instructions. I am saying that if he would move now only to reconsider, I do not suppose there would be any objection to that, and it would give the Senator the opportunity to speak to his proposed amendment ab initio, and get a vote on it.

Mr. JAVITS. There has been no objection to my motion to recommit.

Mr. ROBERT C. BYRD. I understand that. I am just trying to help the Senator.

Mr. JAVITS. I understand. It is hard to make a motion as to one block of committee amendments as a one-shot proposition, as to which Members will now vote substantially, shall they or shall they not extend this resolution to April 30 instead of June 30?

That is all I am seeking, but the Senator from New Hampshire decided, in his own good judgment, that he did not want it that way. But I do not see why I have to go along with that.

Mr. ROBERT C. BYRD. The Senator speaks of a block of committee amendments. There were only two committee amendments. The amendment which the Senator wishes now to amend is the first committee amendment, which has already been agreed to.

Mr. JAVITS. The Senator used the word "block"; I did not. All I said was that in a routine way, committee amendments have the tendency to just go through the Senate perfunctorily. I am not complaining about it, but I am seeking a remedy that I think is most reasonable in my case. I want a substantive vote; I am denied it by the objection to a unanimous-consent request. I have another way to get it, and I want to get it; that is all.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. If the Senator from New Hampshire had not objected, and if the vote had been on the motion to reconsider, and the motion to reconsider carried, then what would have been the parliamentary situation as regards the object which the Senator from New York seeks to attain?

The PRESIDING OFFICER. If the motion to reconsider the first committee amendment is agreed to, the committee amendment is again before the Senate open for amendment.

Mr. COTTON. And if the Senator from New York makes his motion to change the date to April 30, and that fails of passage, then do we have to reenact the first committee amendment?

The PRESIDING OFFICER. The question would recur on agreeing to the committee amendment.

Mr. COTTON. In other words, there are three steps instead of two, and that is why I interposed an objection. But I do not want to be unreasonable. I do not want to deprive the Senator from New York of the opportunity to get his vote on his proposal, which is to change the date to April 30. If it is clear that by withdrawing my objection to his unanimous-consent request to reconsider, we would then vote on his amendment to change the date, and then we have the opportunity to vote on the committee amendment as amended, I am willing to withdraw my objection.

Mr. JAVITS. I thank my colleague very much. I make the unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the first committee amendment.

Mr. JAVITS. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The legislative clerk read as follows:

On page 1, line 10, strike out "June 30, 1973," and insert in lieu thereof "April 30, 1973,".

Mr. JAVITS. Mr. President, we have fully debated this issue. I am prepared to vote. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. Helms). The question is on agreeing to the amendment of the Senator from New York (Mr. Javits) to committee amendment No. 1. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. Cranston), the Senator from Mississippi (Mr. Eastland), the Senator from Iowa (Mr. Hughes), the Senator from Minnesota (Mr. Humphrey), the Senator from Georgia (Mr. Talmadge), and the Senator from Indiana (Mr. Hartke) are necessarily absent.

I further announce that the Senator from Alaska (Mr. Gravel), the Senator from Utah (Mr. Moss), and the Senator from Rhode Island (Mr. Pell) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

Mr. SCOTT of Pennsylvania. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Kentucky (Mr. Cook), the Senator from Michigan (Mr. Griffin), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), the Senator from Idaho (Mr. McClure), the Senator from Ohio (Mr. Saxbe), the Senator from Alaska (Mr. Stevens), and the Senator from South Carolina (Mr. Thurmond) are necessarily absent.

The Senator from Maryland (Mr. Beall) and the Senator from Texas (Mr. Tower) are absent on official business.

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from South Carolina (Mr. Thurmond). If present and voting, the Senator from Oregon would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 24, nays 54, as follows:

[No. 25 Leg.]

YEAS—24

Abourezk
Biden
Brooke
Church
Clark
Fulbright
Hart
Haskell
Hathaway
Hollings
Javits
Johnston
Kennedy
McGovern
McIntyre
Metcalf
Mondale
Muskie
Pearson
Percy
Ribicoff
Stevenson
Tunney
Williams

NAYS—54

Aiken
Allen
Bartlett
Bayh
Bennett
Bentsen
Bible
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Goldwater
Gurney
Hansen
Helms
Hruska
Huddleston
Inouye
Jackson
Long
Magnuson
Mansfield
McClellan
McGee
Montoya
Nelson
Nunn
Packwood
Pastore
Proxmire
Randolph
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Symington
Taft
Weicker
Young

NOT VOTING—22

Baker
Beall
Bellmon
Cook
Cranston
Eastland
Gravel
Griffin
Hartke
Hatfield
Hughes
Humphrey
Mathias
McClure
Moss
Pell
Saxbe
Stennis
Stevens
Talmadge
Thurmond
Tower

So Mr. Javits' amendment to the first committee amendment was rejected.

Mr. JAVITS. Mr. President, I should like to address some questions to the chairman of the Committee on Appropriations, on behalf of the Senator from Pennsylvania (Mr. SCHWEIKER).

Last Wednesday, when the House of Representatives passed the continuing resolution, Mr. MAHON, chairman of the Appropriations Committee, stated that it was intended that:

> The executive branch will proceed under the lowest version of the bill which passed the House and the Senate in June of last year.

Mr. FLOOD, chairman of the subcommittee handling HEW appropriations, stated that:

> The continuing resolution has the full force and effect of an appropriation act. There is no reason to believe that the President's powers to withhold or impound funds appropriated by this continuing resolution are any different than they would be if the funds were appropriated in a regular appropriation bill.

I know that we in the Senate intended that the same thing apply to our bill.

I should like to make sure that this is spelled out clearly in regard to the funds for the capitation grants to the schools of health. As the Senator knows, the language of the Comprehensive Health Manpower Act of 1971 provides mandated expenditures for appropriated funds. However, the schools of podiatry, optometry, veterinary medicine, and pharmacy have been told that though the capitation funds are mandated, these funds are going to be cut 50 percent. I simply do not understand how this can be done under the law. The proposed 1974 budget would do away completely with aid to the schools of pharmacy.

May I ask the Senator if it is his understanding that the VOPP capitation funds are mandated by the continuing resolution?

Mr. McCLELLAN. That is my understanding. I am confident that that is the sentiment of the committee.

Mr. JAVITS. I thank the Senator from Arkansas.

Mr. COTTON. Mr. President, now that the amendment has been rejected, has the committee amendment been readopted?

The PRESIDING OFFICER. The question now recurs on the first committee amendment.

The first committee amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

> At the end of the joint resolution insert the following new section:
>
> SEC. 3. Section 203 of the Budget and Accounting Procedures Act of 1950 (as added by section 402 of the Federal Impoundment and Information Act) is amended to read as follows:
>
> "REPORTS ON IMPOUNDED FUNDS
>
> "SEC. 203. (a) On or before the dates set forth in subsection (c), the President shall transmit to the Congress a report on funds impounded during the periods specified in such subsection containing the following information with respect to each impoundment—
>
> "(1) the amount of the funds impounded;
>
> "(2) the date on which the funds were ordered to be impounded;
>
> "(3) the date the funds were impounded;
>
> "(4) any department or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment;
>
> "(5) the period of time during which the funds are to be impounded;
>
> "(6) the reasons for the impoundment; and
>
> "(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.
>
> "(b) The reports transmitted pursuant to subsection (a) for the second, third, and fourth periods of a fiscal year shall also contain the following information:
>
> "(1) any revisions in the information transmitted with respect to any impoundment for any prior period of the fiscal year, and
>
> "(2) a cumulative statement, by program, activity, or project and by the department or establishment of the Government, of impoundments since the beginning of the fiscal year, including impoundments during the period for which the report is transmitted.
>
> "(c) The first report for any fiscal year shall be transmitted on or before October 15 of such year and shall cover the period through September 30 of such year. The second and third reports for any fiscal year shall be submitted on or before the 15th and 90th days, respectively, after the submission of the Budget for such fiscal year and shall cover the periods through the date of the submission of the Budget and 75 days after such date, respectively. The fourth report for any fiscal year shall be submitted on or before July 15 following the close of such fiscal year and shall cover the remainder of the fiscal year. If on the day of transmittal of any report pursuant to subsection (a), the Senate or the House of Representatives, or both, are not in session, the Secretary of the State or the Clerk of the House of Representatives is authorized to receive such report for the Senate or the House of Representatives, as the case may be.
>
> "(d) The President shall transmit to the Comptroller General of the United States a copy of each report transmitted pursuant to subsection (a) on the same day on which such report is transmitted to the Congress.
>
> "(e) Each report transmitted pursuant to subsection (a) shall be printed in the first issue of the Federal Register published after the date on which such report is transmitted."

Mr. ROBERT C. BYRD. Mr. President, the purpose of the amendment I have just offered on behalf of myself, Mr. MANSFIELD, and Mr. HUMPHREY, would be to require the submission to Congress at stated intervals by the administration of certain detailed information concerning any impoundments that may be made by the administration.

Senators will recall that on October 27 of last year, when the extension of the debt limit bill was before the Senate, the distinguished Senator from Minnesota (Mr. HUMPHREY) offered an amendment to that bill, requiring that the administration promptly send up detailed information concerning impoundments. The word "promptly" was used.

As of January 6 of this year, when House Joint Resolution 1 came over from the House, extending the date for the submission of the budget, no information in pursuance of the amendment offered by Mr. HUMPHREY had yet been submitted to Congress. At that time, I offered an amendment, which was modified by the Senate and later by the House, to require that all information concerning impoundments from last June 30 through January 28 be submitted to Congress by February 10.

The amendment I offer today would remove the word "promptly" and would state, within certain timeframes, the requirements for the submission of detailed information with respect to impoundments made by the administration.

It had been my purpose to offer an amendment requiring submission of such information quarterly, but the Office of Management and Budget requested certain modifications and I have incorporated them in the amendment so that the amendment then would make the following requirements: That the first report for any fiscal year shall be transmitted on or before October 15 of such year, and shall cover the period through September 30 of such year; the second report would require the submission of information concerning impoundments on or before the 15th day after the submission of the budget; the third report would be required on or before the 90th day after submission of the budget; and the fourth report shall be submitted on or before July 15, following the close of such fiscal year and shall cover the remainder of the fiscal year.

In other words, this really requires quarterly reporting without making it mandatory that the report be submitted on the last day of the quarter, but each such report would cover all impoundments as of the last day of the respective quarter. In other words it would give the administration up to an additional 2 weeks beyond the end of a quarter for submission of information concerning impoundments that had occurred during the quarterly period.

Mr. COTTON. In other words, it would be a quarterly report and the President would have up to 15 days to get the information in.

Mr. ROBERT C. BYRD. Up to 15 days.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. Mr. President, the Senator discussed this amendment with me. I think it is entirely worthwhile as a correction in the existing law. But I do wish to have the Senator respond to the following question. Does the Senator intend by his amendment to buttress the implication, which some in the administrator are reading into it, that this represents some acceptance by us, that the present use of the impoundment power is an appropriate one and a proper one under construction of the law and Constitution?

Mr. ROBERT C. BYRD. I do not so intend to buttress that thought on the part of the administration.

Mr. JAVITS. I thank the Senator.

Mr. ROBERT C. BYRD. There is no implication here that Congress is giving its approval to impoundments, as such. Certain impoundments may be necessary and required under the law and may, therefore, be legal, but this lends no such blanket approval. It removes the ambiguity of the word "promptly" by setting a timeframe within which this information would have to be submitted to Congress.

Mr. JAVITS. I thank the Senator.

Mr. McCLELLAN. We have had no opportunity to consider this in committee. Do I understand this would require submission of the first report 15 days after submission of the budget?

Mr. ROBERT C. BYRD. No; the first report in a fiscal year would fall within 15 days after the close of the first calendar quarter in that fiscal year. The first report, therefore, for fiscal 1974 would be due no later than October 15, 1973.

Mr. McCLELLAN. At the end of each quarter; the report would be made at the time or 15 days thereafter. Is that correct?

Mr. ROBERT C. BYRD. Exactly.

Mr. McCLELLAN. It relates to funds that have been impounded. In other words, the report is required to come not later than 15 days after each fiscal quarter.

Mr. ROBERT C. BYRD. Exactly.

Mr. McCLELLAN. I have no objection to it.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. McCLELLAN. The word "promptly" has been given a very generous interpretation. In other words, the Senator would substitute for the word "promptly."

Mr. PASTORE. It is categorical now. Now, it would fall at a time certain. "Promptly" could be construed any way one wishes to construe it.

Mr. McCLELLAN. The Senator is fixing it once a quarter, which is very generous.

Mr. PASTORE. I think it is very good.

Mr. ROBERT C. BYRD. I thank the Senator. My amendment would be both reasonable and specific.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. AIKEN. Mr. President, when President Johnson found the cost of interstate highway construction getting out of hand he suspended the letting of contracts for about 3 months. I think he acted properly at the time. Costs were getting out of hand. I regarded that as a slowdown.

When does a slowdown become an impoundment?

Mr. ROBERT C. BYRD. I do not in this amendment attempt to define the word "impoundment." I am saying that whatever impoundments or budgetary reserves are made by the administration, Congress should be so informed. Under the present law there is no guidance as to how soon Congress will be informed, except as to one's own interpretation of the word "promptly."

As we saw on January 6, no information had been supplied to Congress since last June 30. So without defining the word "impoundments" this amendment would state that the administration would have to inform Congress with respect to whatever budgetary reserves have been set aside, and within a certain specific timeframe, so that Congress would know when to expect such information and could be assured of it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. COTTON. Mr. President, I will not delay the vote by suggesting a rollcall, but I must say I rather regret that the distinguished Senator did not give us an opportunity to consider this thoroughly in the Committee on Appropriations. I will not ask for a rollcall vote but I would like the RECORD to show that if there were a rollcall vote I would be compelled to vote in the negative.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS PROGRAM

Mr. CASE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CASE. Mr. President, I wish to raise a point of clarification with respect to the specific coverage of this continuing resolution. Under section 101(b), can I assume that the phrase "activities for higher education" is intended to include the supplemental educational opportunity grants program?

Mr. McCLELLAN. The Senator's interpretation is correct. This program, previously known as the educational opportunity grants program—EOG—was renamed by the Education Amendments of 1972 but is clearly an ongoing activity. It is, therefore, within the intent of this resolution to provide continued spending authority for the supplemental educational opportunity grants program. Since 1965 this program has extended postsecondary educational opportunities by helping to remove the financial barrier to college for thousands of needy youth. This essential Federal investment must be continued. The pending resolution would provide authority to continue the program at the 1972 spending rate of $210.3 million, which is less than the administration's original fiscal 1973 budget estimate for this item.

SENATOR RANDOLPH URGES CONTINUATION OF SUPPLEMENTAL, EDUCATIONAL OPPORTUNITY GRANT AND NATIONAL DIRECT STUDENT LOAN PROGRAMS

Mr. RANDOLPH. Mr. President, in March 1970, President Nixon stated in his message on higher education that "no qualified student who wants to go to college should be barred by lack of money." On January 29 of this year, the President submitted his budget for fiscal 1974 to the Congress. In that budget the President proposed the elimination of two student aid programs, the supplemental educational opportunity grants and the national direct student loans, necessary to students in need of financial support.

These programs have served thousands of students who might not have otherwise had an opportunity to continue their education at a higher level. The elimination of the supplemental EOG's and direct loans is not in accord with Congress or the President's commitment not to bar any qualified student an opportunity to pursue his education, because of lack of money.

Secretary of Health, Education, and Welfare, Caspar Weinberger stated in testimony before the Committee on Labor and Public Welfare that the administration believes that the new program of basic educational opportunity grants established by the Education Amendments of 1972, combined with the continuation of the work-study program, will meet the need for financial support so necessary to many students who attend institutions of higher education. This was not the belief of the Congress when the Education Amendments of 1972 were passed. Nor was it the intent of the Congress to eliminate any existing student aid program. The President apparently shared this belief when he signed the Education Amendments of 1972 into law.

The law is specifically clear in this respect. Section 411(b)(4) of the Higher Education Act of 1965 as amended reads:

> (4) No payments may be made on the basis of entitlements established under this subpart during any fiscal year ending prior to July 1, 1975, in which—
>
> (a) The appropriation for making grants under subpart 2 of this part does not at least equal $130,093,000; and
>
> (b) The appropriation for work-study payments under section 411 of this title does not at least equal $237,400,000; and
>
> (c) The appropriation for capital contributions to students loan funds under part E of this title does not at least equal $286,000,000.

The new basic grant program was intended to be a base for all financial support to students who pursue a higher education. Other existing programs were designed under the new law to supplement the basic grants, thus offering a greater range of financial aid to all students.

I need not remind my colleagues of the long debate or the many months of study that took place in the last Congress on the issue. The Education Subcommittee held extenive hearings before consideration was given to the drafting of any proposals. Under the outstanding leadership of Senator PELL, chairman of the subcommittee, a workable program was passed by the Senate 88 to 6. There were 21 meetings in conference with the House before agreement could be reached. When the bill was threatened by the addition of busing provisions, many Members felt, as I did, that the education provisions, of which student assitance was an integral part, were of such value and importance that the bill sustained the vigorous debate on busing by a vote of 63 to 15.

These provisions now facing elimination by the President are as important this year as they were last, perhaps even more so. We in the Congress have committed ourselves to providing every opportunity for a better education to our young people. The President set a high priority for greater educational opportunities for all citizens. We must meet this commitment without wavering in our efforts.

The supplemental education opportunity grants and the national direct student loans are vital in this effort. Without them many students may be barred from continuing a postsecondary education. It is my hope that the Congress will continue its commitment to our students and not allow such necessary aid programs to be eliminated.

I urge the President to reconsider his proposals and obey the law as he continues his commitment that he stated in 1970 to the education of our young people. I have conveyed my personal belief to Secretary Weinberger that all programs authorized under the Higher Education Act as amended by the 1972 amendments should be continued. I have also written the chairman of the Appropriations Committee, Senator McClellan, urging that appropriations be made for these programs.

I ask unanimous consent that copies of my letters to Secretary Weinberger and Senator McClellan be included in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., February 23, 1973.
Hon. Caspar Weinberger,,
Secretary of Health, Education, and Welfare, Department of Health, Education, and Welfare, Washington, D.C.

Dear Mr. Secretary: The President's Budget for fiscal year 1974, submitted to the Congress on January 29, 1973, includes a request of $959 million for the new program of Basic Educational Opportunity Grants (BEOG) for students attending institutions of postsecondary education. BEOG was authorized by Sec. 131(b)(1) of the Education Amendments of 1972, P.L. 92–318.

I commend the high level of funds requested for this new program. I am alarmed, however, that the President has eliminated other well established programs of student assistance in the new budget. The abandonment of the Supplemental Educational Opportunity Grants and the Direct Student Loan Program places the future of many young men and women attending college or planning to attend this coming school year in very serious doubt.

A very difficult burden has been placed on students who are, at this time, planning for the forthcoming summer and fall terms of school. Many students, and their parents who have been dependent on the Supplemental EOG's and Direct Student Loans, are questioning if assistance will continue to be available to them. It is basically unfair, in my judgment, to eliminate these programs and outline such drastic changes in student aid without allowing both the students and college administrators the opportunity for an orderly transition. Moreover, there has not developed within the Congress any consensus on the future of the Administration's proposals on student aid. This complicates the position of affected parties even more.

It was not the intent of the Congress in establishing the BOEG to eliminate existing programs of student aid for postsecondary education. The provisions for student assistance, as passed by the Congress and signed into law by the President, are quite clear in this respect. Sec. 411(b)(4) of the Higher Education Act of 1965 as amended reads:

"(4) No payments may be made on the basis of entitlements established under this subpart during any fiscal year ending prior to July 1, 1975, in which—

"(A) the appropriation for making grants under subpart 2 of this part does not at least equal $130,093,000; and

"(B) the appropriation for work-study payments under section 411 of this title does not at least equal $237,400,000; and

"(C) the appropriation for capital contributions to students loan funds under part E of this title does not at least equal $286,000,000."

Many thousands of students who might not otherwise have had the opportunity to continue their education at a higher level, have been served well by the Educational Opportunity Grants and the Direct Student Loan Program and it is my hope that they can continue to be under the new law.

We in Congress, and the people of this Nation in general, have a responsibility to offer the best possible means available for a better and more far reaching education to our young people. With the enactment of the BEOG and the continuation of the Supplemental EOG's and Direct Loans in the Education Amendments of 1972 the Congress made a commitment to guarantee adequate educational opportunity for our young people. The elimination of proven programs such as the Supplemental Educational Opportunity Grants and Direct Student Loans is not in accord with such a commitment.

I strongly recommend the continued implementation and funding of these programs as the law requires. I feel certain that Congress will face its responsibility to our young people in their pursuit of higher education. I have urged the Committee on Appropriations to take the necessary action to insure that funds are appropriated for all authorized student assistance programs for postsecondary education.

With best wishes, I am,
Truly,
Jennings Randolph.

U.S. Senate,
Washington, D.C., February 23, 1973.
Hon. John McClellan,
Chairman, Committee on Appropriations, U.S. Senate,
Washington, D.C.

Dear Mr. Chairman: The Budget proposed by the President for fiscal year 1974 has eliminated funds for the Supplemental Educational Grant and National Direct Student Loan programs authorized under the Higher Education Act of 1965 as amended.

The President, however, requested $959 million in funds for the new program of Basic Educational Opportunity Grants established under the Education Amendments of 1972, P.L. 92–318. Secretary of Health, Education Caspar Weinberger in testimony before the Committee on Labor and Public Welfare expressed the Administration's belief that this new program would adequately replace these existing programs.

There are many students in need of financial aid attending institutions of higher education at this time, and many more will be doing so in the future who can benefit from the Supplement Opportunity Grants and the Direct Loan Program. Students and financial aid officers from my State of West Virginia have communicated to me a great concern that opportunities for students to continue their education will be greatly diminished if these programs are not funded.

It was the belief of the Congress that every opportunity should be made available to our young men and women to pursue their education at a higher level. It was not, therefore, the intent of the Congress in establishing the Basic Educational Opportunity Grant to eliminate existing programs. The law is quite clear in this respect. Sec. 411(b)(4) of the Higher Education Act as amended reads:

"(4) No payment may be made on the basis of entitlements established under this subpart during any fiscal year ending prior to July 1, 1975, in which—

"(a) the appropriation for making grants under subpart 2 of this part does not at least equal $130,093,000; and

"(b) the appropriation for work-study payments under section 441 of this title does not at least equal $237,400,000; and

"(c) the appropriation for capital contributions to student loan funds under part E of this title does not at least equal $286,000,000."

Enclosed is a copy of a letter I am sending to Secretary Weinberger concerning this issue.

When the Committee considers the HEW Appropriations, I urge that careful consideration be given to funding all student assistance programs for postsecondary education as the law requires.

With sincere appreciation for your attention to this request and with warm personal regards, I am,
Truly,
Jennings Randolph.

U.S. Senate,
Washington, D.C., February 23, 1973.
Hon. Warren G. Magnuson,
Chairman, Subcommittee on Labor, Health, Education, and Welfare, and Related Agencies, Appropriations Committee, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Enclosed are copies of letters I have this date sent to Chairman McClellan and Secretary of Health, Education, and Welfare Weinberger concerning the critical situation which is developing in our student aid programs. I wanted you to be aware of this action. Be assured of my desire to cooperate with you and the members of the Subcommittee in every way possible to insure that students are not denied access to educational opportunities.

With all good wishes, I am,
Truly,
Jennings Randolph.

Mr. GURNEY. Mr. President, I intend to support passage of House Joint Resolution 345, because it is apparent that unless we take some action to continue this spending authority, many important programs would literally come to a grinding halt for lack of funds.

Of all Federal agencies, the Departments of Labor and HEW administer programs whose impact are most readily felt by many Americans. Our public education system, job training programs, and health research efforts—these are just some of the programs with which many Americans have daily contact.

We are 8 months into the fiscal year, and we have yet to see enactment of a regular appropriations bill for Labor-HEW. Even more sorely evident is the fact that regardless of congressional action—be it a regular appropriations bill, a continuing resolution, or a supplemental—the amount of funds actually expended is being determined in a number of instances by the executive branch.

It is highly unusual for Congress to appropriate for an entire fiscal year through a series of continuing resolutions. Procedurally, this action has the same force and effect as an appropriation bill, but the limitations involved and the confusion which arises make it clear that this is not a sound way to conduct our financial business.

To illustrate further, I cite as an example that impact aid program—Public Law 874. This program is of particular urgency to my own State of Florida, and I know that a similar situation exists in many other States.

In reading through several recent floor statements on the impact aid program—and particularly those comments made just last Wednesday when the House considered this same resolution we have today—the confusion as to current funding levels is readily apparent. For example, the distinguished chairman of the House Education and Labor Committee, Mr. PERKINS, expressed his understanding of the funding level to be determined by the lowest of the two versions of the first Labor-HEW appropriations bill passed by the House and Senate last June, with no reference to either the 1972 appropriations level or the fiscal year 1973 budget request. Specifically, he quoted the current funding level for impact aid at $635,495,000. This information was affirmed by the chairman of the House Appropriations Committee. This exchange was shortly followed by another Member of the House who understood the funding level to be consistent with the fiscal year 1972 level. A third Congressman based the formula on one of three rates—fiscal year 1972 levels, the budget request for 1973, or the lower version of the first Labor-HEW bill.

According to HEW officials who administer the impact aid program, the current funding level is $415 million, which is the amount requested by the President in his fiscal year 1973 budget proposal.

So we have four different sources giving four different formulas for four different funding levels—all in reference to the same program. Now the point I am making is not simply who is right and who is wrong in this case, but rather that such confusion exists at all among those of us who bear the responsibility for supporting this program.

If this situation were not bad enough, a healthy chunk of those impact aid funds which manage to survive the appropriations process are hatcheted out by Executive impoundment. The squeeze is being felt, of course, by those school administrators and residents of counties across the country which depend heavily on Federal impact aid funds.

Enacted in 1950, Public Law 874 provides Federal funds to approximately 5,000 districts where enrollments are drastically affected by the presence of a Federal project or installation. Funding is made basically in two categories—for class A students whose parents live and work on Federal property, and class B students whose parents live or work on Federal property. Federal property includes those lands owned or leased by the Federal Government which are not subject to local or State taxes.

In States with numerous military installations, or facilities such as Kennedy Space Center or Key West Naval Base or many others in my own State of Florida, this program is of invaluable assistance. For instance there are 27 districts in Florida which received $18,134,000 in impact aid funds in fiscal year 1972. These school districts prepared their 1972–73 school year budgets a year ago, without any indication from Congress or the administration that there would be sizable changes in their funding level. Even as this school year got underway and Congress was still trying to pass an appropriations bill, those school districts continued to operate on the assumption that they would receive their full entitlement for 1973.

The contrary has proved to be true. The administration decided, midway through the school year, to withhold funds for those B category students whose parents are nonuniformed service personnel. This hits particularly hard those districts with a large number of civil service and other nonmilitary Government personnel such as the Kennedy Space Center area in Brevard County. Estimates show, for example, that under current funding levels, Florida stands to lose approximately $2½ million during this fiscal year. In one Florida district which includes Key West, B funds were cut from $256,735 to $102,770. In other words, nearly $154,000 was impounded in one district, a catastrophic loss for the school district which is educating large numbers of children of naval personnel, without getting the usual and normal school taxes from these naval personnel.

Naturally, these school authorities are desperate. With just 3 months remaining in the school year, most districts face a financial crisis if these funds are not released.

The President has emphasized on several occasions his concern for the problems of school financing. We have all heard and read about the property tax situation and various alternative proposals such as the value added tax. Well, the impact aid program is a very integral part of this situation. If we need to take a close look at the impact aid program to make sure that the money is going to those areas where it will do the most good in providing quality education, then let us do just that. But let us approach this question straightforward and alert these districts of possible changes so they will be able to plan their budgets accordingly.

The Federal Government relies on a certain local property tax base to support education. At the same time, it takes away a part of that very same source of finance by renting or buying property in a certain area. The Congress appropriates money and the Executive impounds it. It might well be said of the Federal Government these days that what one branch giveth another branch taketh away.

Obviously, this situation must be rectified. Congress cannot continue shrugging its responsibility and placing the blame on the Executive; the Executive cannot continue acting on its own will and placing the blame on Congress.

We are involved in the lengthy and complicated process of solving our procedural problems. We have held numerous hearings on revising the budget process here in Congress, on the matter of executive impoundment, and on the general question of separation of powers. I have been involved in some of these hearings, and I believe they are a sincere effort to come to grips with these complicated questions. I sincerely hope that the results will be a smoother operating procedure and a clearer understanding of the division of responsibility.

In the meantime, our impacted school districts are facing an immediate crisis. I believe we must honor our past commitments, and I urge the administration to release these needed funds. I hope my colleagues will join me in pressing for this action to assist these communities in providing quality education systems.

Mr. KENNEDY. Mr. President, I would like to have the attention of the chairman of the Committee on Appropriations, and also the Senator from Florida on a matter which was brought up in the Committee on Appropriations, the funding of a nutritional program for our elderly citizens.

As the chairman of the Committee on Appropriations understands, the funding for $100 million has been passed by the House and the Senate on two occasions. Both of these appropriation bills have been vetoed. The Senator from Florida (Mr. CHILES) brought this up in the Committee on Appropriations in response to my letter to the chairman. It was my understanding that the chairman is in sympathy with this program. It now has the support of the administration and the broad support of the membership of this body. Now, the committee feels such funding would most appropriately come in a supplemental appropriation. Is that a fair view of the situation?

Mr. McCLELLAN. If we accepted this appropriation we would be under some obligation to accept other appropriations with different items that are in the same categories that have been voted, but have no appropriation. We should not impose that on this measure. We have a supplemental coming up. I understand the House will pass on it in 2 weeks. At that time we can consider appropriations that have been vetoed.

We have here a continuing resolution and time is running out at midnight on February 28, just 3 days hence. I hope we do not burden this to where we cannot get prompt consideration, action, and agreement. In committee, we did discuss the amendment that the distinguished Senator from Massachusetts has referred to.

I think it was the consensus of the Appropriations Committee that it was a matter which could, and possibly should, be considered in a supplemental appropriations bill. I say to the Senator I am inclined to support it. I know of no reason now why I would not. But, as a matter of procedure and proper accommodation for this continuing resolution, I would hope that he and others who support it and who were asking about it would wait until we get a supplemental appropriation bill. I cannot promise it, but there is considerable likelihood that the Appropriations Committee will report it.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CHILES. Since the Senate had acted on this matter, I did move, in committee, to amend the continuing resolution, but in the discussion that followed it appeared that it would, in effect, be authorizing a new program, because the bills had always been vetoed, and that it would be subject to a point of order and be subject to attack. In the committee, I was receptive to the suggestion that a supplemental bill would be the better place to bring this up. On that basis, I withdrew the amendment in committee. I feel the fastest way for us to act on this proposal would be through a supplemental appropriation bill.

Mr. KENNEDY. I thank the Senator from Florida for the efforts he made in the Appropriations Committee on this matter. One hundred million dollars was provided in the administration's budget for 1973 as well as 1974. The machinery is really in place. The program directors have been trained. Guidelines and regulations have been established. All it is waiting for is the resources, which have been voted on, on two different occasions, both in this body and the other body. I do not know of any program which is more deserving or as necessary as this one, for elderly citizens throughout this Nation have watched with frustration as Presidential vetoes have prevented the implementation of this program for nearly a full year.

The nutrition for the elderly program which I originally introduced in the Senate was passed 89 to 0 by the Senate on November 30, 1971. It was passed in the House on February 7, 1972, and finally was signed into law on March 22, 1972.

Although the administration originally opposed this measure, the President did sign the bill and did request the full appropriations for fiscal year 1973. But the two vetoes of HEW appropriations prevented its implementation.

The continuing resolution passed by the Congress was interpreted by the administration as not to permit the expenditure of funds for this program.

Therefore, it is necessary to include funds to start the program in the supplemental.

The Administration on Aging is ready to begin immediately to implement the program. It has issued regulations and guidelines and conducted training sessions for prospective nutrition project directors.

The nutrition for the elderly program is modeled on the successful pilot programs which were conducted in the past under title IV of the Older Americans Act.

The basic outline is as follows:

First. It would fund nutrition projects assuring one hot meal per day for elderly persons at least five times a week. Each meal would contain a minimum of one-third the recommended daily dietary needs for elderly persons.

Second. The meal would be served in sites accessible to the majority of elderly within the community. Schools, senior citizen centers, churches, and other public and nonprofit private settings would be used.

Third. Outreach services to locate the isolated elderly would be required.

Fourth. The sponsor would provide a setting conducive to the inclusion of other social services as a correlary to the meal itself.

Fifth. Preference for staffing would go to the elderly.

Sixth. Preference would be in favor of low-income persons. Programs also would assure that minority groups would be served in proportion to their numbers in the general population.

The bill had the full support of all elderly groups, of all nutrition witnesses, of all pilot program directors.

It was endorsed by the National Council of Senior Citizens 10th annual convention. Its concepts were endorsed at the White House Conference on Aging.

With the leadership of the Senator from Florida and the concern of the chairman of the Appropriations Committee, I shall not offer my amendment at this time, and hope that it will be included in the appropriations bill next time in committee, or, if not, we will make sure it is offered on the floor.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that sections numbered 3 and 4 be reversed. I refer to the numbering thereof. This is just a technical amendment.

The PRESIDING OFFICER. Is there objection to the amendment? Without objection, the amendment is agreed to.

Mr. McCLELLAN. Mr. President, if there be no further amendment to be offered, I ask for the third reading.

The PRESIDING OFFICER. If there be no further amendment to be offered, the joint resolution will be read the third time.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass? (Putting the question.)

The joint resolution (H.J. Res. 345) was passed.

Mr. McCLELLAN. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes between the two Houses on the amendments of the Senate, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. McCLELLAN, Mr. MAGNUSON, Mr. PASTORE, Mr. BIBLE, Mr. MONTOYA, Mr. INOUYE, Mr. YOUNG, Mr. HRUSKA, Mr. COTTON, and Mr. BROOKE conferees on the part of the Senate.

AUTHORIZATION FOR ADDITIONAL EXPENDITURES BY THE COMMITTEE ON GOVERNMENT OPERATIONS FOR INQUIRIES AND INVESTIGATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 39, Senate Resolution 46.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read the resolution (Senate Resolution 46) by title, as follows: A resolution authorizing additional expenditures by the Committee on Government Operations for inquiries and investigations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CANNON. Mr. President, I ask unanimous consent that Mr. William, M. Cochrane and Mr. John P. Coder of the committee staff, be permitted to be on the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, this resolution would authorize the Committee on Government Operations to expend not to exceed $1,840,328 during the next 12 months for inquiries and investigations.

During the last session of the Congress the committte was authorized to expend not to exceed $1,716,300 for that purpose. The committee estimates it will return approximately $78,075 of that amount to the Treasury.

The pending request includes an increase of $124,028 over last year's authorization.

The Committee on Rules and Administration has reported Senate Resolution 46 without amendment.

Senator ERVIN is chairman of the Committee on Government Operations, and Senator PERCY is its ranking minority member.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. PERCY. Mr. President, there have been considerable discussions about this whole question of minority representation, and I shall certainly not belabor the principles involved other than to say this.

There are a number of arguments on which the claim for adequate staffing for the minority on committees and subcommittees—at least equal to one-third of the amount provided for the majority—rests.

The best support for this position is the Legislative Reorganization Act of 1946 as amended. Section 202(a) provides for appointment of one-third of the professional staff of standing committees by the minority. The spirit of the Legislative Reorganization Act should surely apply to the minority staffs of the subcommittees, which under the law, are now assured of fair consideration in staffing. Section 133(g) of the Legislative Reorganization Act of 1946 as amended provides that "the minority shall receive *fair consideration* (emphasis added) in the appointment of staff personnel pursuant to any such annual or supplemental resolution" providing funds for subcommittees.

The question, then, is what "fair consideration" actually means. One interpretation of "fair consideration" would be that the minority of each standing committee and subcommittee should receive a portion of that committee or subcommittee's funds equal to the proportion of seats the minority party holds in the Senate—43 percent in this Congress—or a portion equal to the relationship of the minority to the majority on the committee or subcommittee in question—

In this case the Permanent Subcommittee on Investigations, which would be 40 percent.

We—the minority Members of the Senate—have chosen to interpret "fair consideration" as being an allocation of one-third of the funds of committees and subcommittees for the minority, and this position is consistent with the Legislative Reorganization Act of 1946. Support for this position was supplied by the Senate very recently in our debate on Senate

Resolution 60, which, of course, provided for the creation of the Select Committee on Presidential Campaign Activities. Section 6 of that resolution provides that the minority members of the select committee shall have one-third of the professional staff of the select committee—including a minority counsel—and such part of the clerical staff as may be adequate.

Though the Senate's discussion about division of the clerical staff of the select committee was rather clouded, I think that the remarks of the distinguished Senator from North Carolina (Senator ERVIN), and the distinguished Senator from Rhode Island (Senator PASTORE), illuminate the intention of the majority with regard to its minority staff. Senator ERVIN offered an amendment—page 3846—that—

> The minority members of the select committee shall have representation on the staff of the select committee equal at least to one-third thereof.

Senator PASTORE, in remarks on the same page, made clear that the amendment offered by Senator ERVIN would provide in effect one-third of the staff of the select committee measured on the basis of the proportion of the total funds for staff that would be made available for the minority. In short, I believe the recent debate on minority staffing for the Senate's newest committee, the Select Committee on Presidential Campaign Activities, provides ample support for the one-third principle for minority professional staff of our other committees and subcommittees and indicates that clerical staff would certainly equal if not exceed one-third of total clerical staff in order to be adequate.

Certainly, Mr. President, I do not think, and I do not believe any Member of this body could argue in fairness and in light of the provision in the Legislative Reorganization Acts of 1946 or 1970, that "fair consideration" could mean as little as 15 or 20 percent of the staff of a committee or subcommittee.

Mr. President, much has been made in our discussions since the convening of the 93d Congress of the need for reassertion of the authority of the Congress vis-a-vis that of the executive branch. I suggest that we view the issue of minority staffing in that same perspective. In seeking adequate support for the minority, we are seeking to strengthen our institution by strengthening our deliberations through better preparation, more thorough investigation, and by a vigorous and fully adequate exercise of our manifold responsibilities for legislative oversight of Federal Government activity.

This argument is very persuasively expressed by a respected Democrat Member of Congress, Representative RICHARD BOLLING of Missouri. In his 1964 book titled "House Out of Order," Congressman BOLLING wrote:

> Without the staff to frame alternative proposals, the minority cannot make its position clear on bills sponsored by the majority. Surely the discussion of alternatives is an important part of the Democratic process, because it informs the public, compels a more careful and penetrating consideration of bills, and in my experience nearly always results in sound legislation.

The minority staffing situation has improved markedly since 1964, but the argument is as valid now as it was then. As recently as last December 5, at hearings of the Senate Ad Hoc Subcommittee on Congressional Reorganization, Common Cause Chairman John Gardner said:

> The ability of Congress to hear and consider both sides of controversial issues is limited by insufficient staff resources for the minority party . . . it would be fair and prudent to implement the Legislative Reorganization Act of 1970 to assure adequate minority party staffing.

Mr. President, this body is obviously organized on party lines. It is in the essence of our system. The majority party goes to great lengths at the outset of each Congress to determine the precise ratios of minority to majority on each of the committees, and these ratios are reflected—though sometimes less precisely—in the membership of the subcommittees. It is frankly rather comical that, after the majority party so carefully delineates the measure of its partisan strength on the committees, that majority members then turn around and argue that the work of the committees and subcommittees is nonpartisan, that one staff—appointed by the majority—is at the service equally of all of the members, whether of the majority or minority party. I say that in full respect and deference to the very highly competent and professional men and women that staff our committees and subcommittees, that there is no such thing as an entirely nonpartisan staff. The committee system is organized and expected to operate on a minority/majority basis, and the minority should have the staff to fulfill its role in our system.

Mr. President, I must emphasize that this is a minority issue, not a partisan Republican one. Were the Democratic Party the minority in Congress, I suggest that it would be in the Democrats' interest to have full implementation of the Reorganization Act. What we are asking for now is full treatment for both sides.

Mr. President, I wish to commend the two subcommittees of our committee on which we have designed a one-third relationship of minority to majority staff, measured by the proportion of total subcommittee staff funds that are available for the minority.

On the Subcommittee on Executive Reorganization, chaired by Senator RIBICOFF, the minority has available $99,552 of the $258,400 total staff funds of the subcommittee, or 38 percent. The minority appoints 5 of the 13 staff members.

On the Subcommittee on Intergovernmental Relations, chaired by Senator MUSKIE, the minority has available $86,768 of the $283,424 for total staff funds, or 31 percent. The minority appoints 5 of the 18 staff members of the subcommittee.

These are the results of the development over time of harmonious working relationships between the minority and majority members of these subcommittees. I believe that both Senators RIBICOFF and MUSKIE realize that the minority staff has strengthened their subcommittees and not hindered or impeded them in their work. Both are to be commended highly for their approach to the minority staffing problem, in the same spirit in which the very distinguished ranking minority member of the Rules Committee, Senator COOK, in debate last week commended the chairman of the Committee on Public Works for conforming to the one-third principle and thus providing fairly for the minority.

Finally, Mr. President, I want specifically to commend the Senator from Montana (Mr. METCALF) who is the chairman of our new Subcommittee on Budgeting, Management, and Accounting. The budget was initially submitted with a disproportionately low amount for the minority. When his attention was called to this problem, the chairman revised his subcommittee's initially submitted budget in order to make available one-third of the funds for minority staff.

The Senator's action is exemplary. It demonstrates the spirit of cooperation that I have found always characterizes his approach to problems. I believe I speak for the ranking minority member of the subcommittee, Senator SAXBE, in saying that the staffing arrangement spelled out on pages 30 and 31 of the report on Senate Resolution 46 is entirely satisfactory. It provides an amount of $45,152 for the minority out of a total staff allotment for the subcommittee of $135,456, or exactly 33 percent. This accommodation was made by the gentleman from Montana (Mr. METCALF) without increasing the total amount of the budget for the subcommittee.

This is an important new subcommittee. It will begin to exercise oversight in a distinct and important area of the legislative jurisdiction of the Government Operations Committee. I commend the distinguished Senator from Montana, and, as a member of the minority of this new subcommittee, express on behalf of the minority members our intention to work with him in every way to fulfill the important mandate of the subcommittee.

Mr. President, I should like to turn my attention to the fourth, remaining subcommittee, on which we have not resolved the proper representation between majority and minority. That is the very important Permanent Subcommittee on Investigations of the Committee on Government Operations. The distinguished Senator from Washington (Mr. JACKSON) has just assumed the chairmanship of that subcommittee. He is known among us as one of our fairest and most considerate colleagues.

I have no doubt that we should be able to work out an understanding between ourselves over a period of time as to fair representation for the minority. However, as matters now stand, there is a 17-percent representation for the minority and an 83-percent representation for the majority.

I submit that, as it now stands, it cannot be considered as fair.

I have offered, after discussing the matter before the Committee on Rules and Administration, to work out as equitable a plan as we can without the necessity of laying off anyone who is competent and who should be retained.

I feel that it would be proven fair if, as vacancies occur on the subcommittee staff, the minority fill those vacancies until we arrive at one-third representation.

I would trust that the Senator from Washington would recognize that if he faces extenuating circumstances and has an unusually able person that he would want to appoint, even though it might be the minority's turn to appoint a staff member, the Senator from Illinois would try in every way to walk in the shoes of the chairman, because we are both concerned about having an effective, proficient, and professional subcommittee staff.

I would think that we would need some assurance that we can agree on what is fair and equitable. I simply submit that 17 percent of that subcommittee staff is not acceptable.

I have also indicated my personal concurrence with the suggestion made by the distinguished chairman of the Committee on Rules and Administration, the Senator from Nevada (Mr. CANNON), that we simply allocate a third of the existing subcommittee staff that could be made responsive to the minority. I look upon the entire staff as being professional. This would be an equitable and fair way to work out the matter, if that could be done. However, I call upon my distinguished friend, the Senator from Washington, before supporting enthusiastically and fully the budget, to respond as to how we might work out a one-third minority staff representation, which is simply taken out of the resolution adopted by the caucus which I feel honorbound to support in every way.

Every appointment that can be made should be made on the basis of professionalism and competence with respect to whatever bipartisan representation is established on the committee or subcommittee. However, I do feel that we need to have some resolution of this question before we move ahead. I hope that we can do it equitably and cooperatively.

Mr. JACKSON. Mr. President, at the outset, I say that the Senate knows the staff on the Permanent Subcommittee on Investigations has been a professional staff. I am very proud to have the privilege of taking over as chairman of the subcommittee from the Senator from Arkansas (Mr. MCCLELLAN), who has served as chairman of this subcommittee since January of 1955.

I would point out to the Senator that I have yet to make a single appointment to the staff. I would hope that we could continue the high degree of professionalism that has existed over the years.

I am sure that the Senator from Illinois has the objective of maintaining a high level of professionalism and nonpartisanship on the staff on whatever we investigate. The whole discussion here boils down to what is fair representation. I would point out to the Senator that in the conduct of an investigation the staff has to be available to all members of the subcommittee. It is to be a professional staff as I view it.

I have been on this subcommittee since January 1953—20 years. And I think I know what needs to be done. I know that if the proper kind of investigation is to be conducted, the staff should be available to all members of the committee and work as a unit.

This requirement is especially needed in the work of any investigating committee, where it is essential that the responsible people not work at cross-purposes.

It will be my intention to see to it that the ranking minority member in particular, and also all other members, are kept currently informed of what we are doing. This is the only way in which we can properly conduct an investigation. I think the obligation of the chairman to the ranking minority member is a special one, because the chairman cannot be talking continuously to every member of the subcommittee. As the Senator from Arkansas (Mr. MCCLELLAN) has done over the years, I intend to keep the ranking minority member, the distinguished Senator from Illinois currently informed.

I do not know what the specific percentage of staff is. I do not know that it is 17 percent. The total amount available to the minority at the present time is $97,920.

Mr. PERCY. Mr. President, will the Senator yield at that point?

Mr. JACKSON. I yield.

Mr. PERCY. The figure of $97,920 just given by the distinguished Senator would represent 13.5 percent. By taking into account his agreement to an additional person at $24,720, that would bring it to 17 percent.

Mr. JACKSON. That addition was only on condition that we could get an understanding. In order to do this I will have to dismiss some people.

I point out to the distinguished Senator from Illinois that I have yet to appoint a single person to this staff. I have not appointed my general counsel. I want to be fair, but there happens to be a limitation, I think, on what one can commit himself to do.

The Senator wrote to me on February 5. He made three points. In response I said that if we could agree on passing the resolution and budget that came from the Rules Committee. I would be willing to put on immediately a minority professional staff member at $24,720, effective on March 1.

I am willing to do that, but I just want to say that this creates problems, and I do not think it is the best way to try to run a staff.

As things move along, I shall be glad to talk to the distinguished Minority Member about individuals. I will assure him that certainly all members of the professional staff will be available to members of the subcommittee.

I would point out to my colleague that there are people who have been on this subcommittee staff over 20 years, some of them 25 years, and I do not know what their politics are; I have not the slightest idea. Some of them antedate the time when the Democrats came to power. Some of them date back to 1953 and even prior to that, when the Republicans. I believe, were in power. I have not asked them their party affiliations.

We are going to have to make some changes in the staff. Just what they will be I do not now know. I shall be very happy to do what I said I would do if we can reach a settlement here, and that is put on one professional, but I would frankly have to make at least one dismissal right away in order to accommodate him.

I yield to the Senator from North Carolina.

Mr. ERVIN. The Senator from Washington has been a member of that committee only a short time longer than I have.

Mr. JACKSON. That is right.

Mr. ERVIN. He was a member of that subcommittee when I came to the Senate in June 1954. I was assigned to the Committee on Government Operations, and placed on the Subcommittee on Permanent Investigations shortly after that time. I have been a member of that subcommittee ever since, although I have not functioned with it during recent years as actively as I had in the past.

But this is the first time since I became a member of that subcommittee in 1954 that a question has been raised as to the political affiliations of any member of the staff of that subcommittee. I, to this day, have no idea as to the political affiliations of any of the members of the staff. During the years that I have served on that subcommittee, I have found that every member of its staff has been anxious and willing to be of assistance at any time that I called on them for assistance.

As I understand the Reorganization Act, the enactment of that act was the first time that members of staffs were given professional standing. For the life of me, if a staff has a good accountant, and he is a professional man who is an accountant, I cannot see that it makes any great difference whether he is a Democrat or a Republican, or belongs to some other party.

Mr. JACKSON. Or an Independent.

Mr. ERVIN. Or George Wallace's party.

Mr. PERCY. Mr. President, will the distinguished Senator yield at that point for a comment?

Mr. ERVIN. Yes.

Mr. PERCY. I think the Senator is attributing to the Senator from Illinois something I never said. I never indicated or inferred that minority members who are to be hired for the subcommittee staff would be Republicans. In fact, on my own personal senatorial staff I do not know the political affiliation of virtually any member of that staff, and never put the question to them.

They would be designated. All I am attempting to establish here is that the minority plays a role in the United States Senate, that we of the minority have had experience ourselves, and that I should think the majority would be pleased, at least to the extent of a third, to have the advantage of minority knowledge of interviewing procedures and techniques and research procedures. It takes a great deal of time and effort to find qualified people. We could search out such people and submit them to a joint personnel group of the Senate, as we do in the Committee on Foreign Relations, and have them approved from a professional standpoint.

Never did I have in mind hiring Republicans for the minority and Democrats for the majority, I do not think we have ever done that. I certainly have never done it.

Mr. ERVIN. May I say to the Senator that I served for a short time on that subcommittee as a member of the minority, and I have served on it as a member of the majority for many years, and I have never asked for the privilege of appointing any member of that staff. I have never felt any necessity for so doing, because the staff is singularly skilled and able, and there is not a single member of that staff who owes his appointment to me, notwithstanding the fact that I have been a member of that subcommittee for almost 19 years.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. JACKSON. I have been on the Democratic side for 20 years, and I have not named a single person to the staff. I never asked the question. We relied on the professionalism that they had on the staff.

I gather that the Senator from Illinois feels the same way about the need for professionalism. But what I cannot agree to here—and I want to make by position very clear—I cannot agree to any quota system. I do not like quotas anyway. I will approach this matter in terms of fairness, I will try to be fair in my judgment, and that is at odds, I believe, with the definition of the Senator from Illinois of what is fair representation, because he takes the position that it should be one-third.

The Senator from North Carolina addressed himself to this question in a letter to the Senator from Illinois on January 29. I ask unanimous consent that that letter be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., January 29, 1973.

Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Chuck: In response to your letter of January 24, 1973, regarding minority staff on the subcommittees of the Government Operations Committee, you may be sure that I will do everything I can to assure that the minority shall be accorded equitable treatment with respect to subcommittee staff positions and space in accordance with the Legislative Reorganization Act.

I do believe, however, that I should point out for the benefit of the members who have received your letter that I can find no language in the Legislative Reorganization Act to support the assertion in your letter that one-third of the staffs of the standing subcommittees be appointed by the minority. In fact, the only mention of subcommittee staff and space is found in Section 202(h) of the Act which provides, in part, that staff members appointed to assist minority members of subcommittees, pursuant to authority of Senate resolutions, shall be accorded equitable treatment with respect to salary rates, assignment of facilities and accessibility of committee records. This provision makes no mention of numbers and refers only to the matters enumerated. Unlike Sections 202(a) and 202(c) which refer to full committee staff only, Section 202(h) makes no mention of numbers and refers only to "equitable" treatment.

Since your letter was passed out at our last meeting, I am taking the liberty of sending a copy of my letter to all members of the Committee. However, I am sure that a suitable arrangement can be worked out regarding minority staff with the subcommittee chairmen.

With kindest regards.

Sincerely yours,

Sam J. Ervin, Jr.,
Chairman.

Mr. JACKSON. I want to assure my friend from Illinois that I want to be fair, but I cannot agree to any arbitrary quota or percentage of the staff that should be assigned to the minority on a subcommittee. And I think there is real question whether the Legislative Reorganization Act has a mandatory stipulation of one-third.

Mr. ERVIN. No; the only provision of the Reorganization Act having any reference to any specific numbers is with reference to the professional staff of a full committee, and it says that there shall be at least six professionals on each full committee, and that two of them shall be assigned to the minority.

Mr. JACKSON. But nowhere——

Mr. ERVIN. And nowhere does it say——

Mr. JACKSON. One-third.

Mr. ERVIN. It deals only with the professional staff. It does not say one-third, and it does not say anything about the other members.

Mr. JACKSON. The clerical staff.

Mr. ERVIN. The clerical staff of the subcommittee or of the full committee.

Mr. METCALF. Mr. President, will the Senator from Washington yield to me?

Mr. JACKSON. I am very happy to yield to the Senator from Montana, who has, of course, distinguished himself in many areas; but in all of his time in the House of Representatives and the Senate, he has taken a special interest in this area, and is a coauthor of the Legislative Reorganization Act. In that context, I would be delighted to have his comments.

Mr. METCALF. I thank the Senator. I was, with the Senator from Oklahoma (Mr. Monroney) a member of the joint committee which prepared the Legislative Reorganization Act, and it followed the exact language of the Legislative Reorganization Act of 1946. The only time that there was any question about one-third was over in the House of Representatives, where, when the Legislative Reorganization Act was up, there was an attempt to say that the minority should have one-third, and that was defeated, and they came back to this proposition of fair representation.

I have been presented a budget for the Budget and Management and Expenditures Committee, which is a new committee. We have tried in a new committee to provide for the one-third stacking demanded by the minority. But here is a committee which has investigatory functions which have existed for years and years.

Mr. JACKSON. The Senator means the permanent subcommittee.

Mr. METCALF. Yes; the permanent subcommittee. It was the whole intent of the Legislative Reorganization Act that we have professionals in the various duties and various jobs that would carry out their professional duties whether or not the Congress changed from one party to another. There is nothing in the Legislative Reorganization Act that says we change those professional staff members or those clerical staff members, except the minimum obligated staff members, four on one side and two on the other, which are provided as a minimum in the act. Of course, the Government Operations Committee has many more than that.

I have looked over the provisions of the Legislative Reorganization Act of 1946 and the Legislative Reorganization Act of 1971 and have gone back over the hearings in which I participated. Other than the words "fair representation," there is nothing in there that says we should have one-third stacking except that we should provide for professional members.

I cannot see how in the world an investigatory committee can continue to work if the professionals change as the minority and the majority change. It seems to me that we have bent over backwards in the new committee to try to acquiesce in the demands of the minority. We have tried to do that because this is new, but here are the old committees with professional standing and their staffs should be permitted to continue as professionals whether there is a change of party or a change of majority and minority.

Mr. PERCY. Mr. President, I ask unanimous consent that a letter I sent to the distinguished Senator from North Carolina (Mr. Ervin), dated February 22, 1973, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., February 22, 1973

Hon. Sam J. Ervin,
Chairman, Committee on Government Operations, Washington, D.C.

Dear Sam: This is with further reference to my letter to you of February 1, concerning the basis for the minority's claim for one-third of the staff of the Government Operations Committee's Subcommittees and your letter to me of January 29.

As you may know, the minority members of the Committee have successfully reached agreement on an appropriate one-third division of the staff with each of the Subcommittees on Executive Reorganization, Intergovernmental Relations, and Budgeting, Management and Accounting. Senator Jackson and I have not yet agreed to an appropriate division of the funds for the Permanent Subcommittee on Investigations.

In this regard, I have had discussions with the ranking minority member of the Rules Committee, Senator Cook, with the Chairman of the Republican Policy Committee, Senator Tower, and with the minority and assistant minority leaders, Senators Scott and Griffin.

They point out that the staffs of the full committees are statutorily divided by giving one-third to the minority and that this principle should apply to the subcommittees as well. Further, they point out that Section 133(g) of the Legislative Reorganization Act of 1946 as amended (found on page 93 of the Standing Rules of the Senate) provides that "the minority shall receive *fair consideration* in the appointment of staff personnel pursuant to any such annual or supplemental resolution" providing funds for subcommittees.

The question then is what "fair consideration" actually means. One interpretation of "fair consideration" would be that the minority of each standing committee and subcommittee should receive a portion of that committee or subcommitte's funds equal to the proportion of seats the minority party holds in the Senate (43 percent in the 93rd Congress), or the relationship of minority to majority on the committee or subcommittee in question (the ratio on the Permanent Subcommittee on Investigations is 40 percent).

We have chosen to interpret "fair consideration" as being an allocation of one-third of the funds of committees and subcommittees to be available for the minority. Support for this position was supplied by the Senate, as you know, by Senate Resolution 60 which provides for the Select Committee on Presidential Campaign Activities. Section 6 of that Resolution provides that the "minority members of the select committee shall have one-third of the professional staff of the select committee (including a minority counsel) and such part of the clerical staff as may be adequate."

Though the Senate's discussion about division of the clerical staff of the select committee is clouded, I gather from your remarks during that debate that you, as Chairman of the Select Committee, would certainly provide the minority professionals with adequate clerical support, which would certainly equal if not exceed one-third of the clerical staff. Indeed, as I read the RECORD (page 3846) I note that you offered an amendment that "the minority members of the select committee shall have representation on the staff of the select committee equal at least to one-third thereof."

"Fair consideration" could not, in my view, be interpreted to mean as little as 13 percent, which is the amount provided for the minority of the full Permanent Subcommittee on Investigations.

Attached is a copy of my last letter to Senator Jackson on our only remaining unresolved problem.

CHARLES H. PERCY,
U.S. Senator.

Mr. PERCY. Mr. President, in that letter, I pointed out that the Legislative Reorganization Act of 1946, as amended, which is found in the Standing Rules of the Senate:

> Provided that the minority shall receive fair consideration in the appointment of staff personnel pursuant to such annual and supplemental resolutions providing funds for subcommittees.

That could not be more specific. I have already enunciated the various ranges which we could cover as to what "fair consideration" is. It could be 43 percent. It could be, in proportion, exactly what the subcommittee itself gets, which is 40 percent, or something in between. It could not, certainly, be considered to be 10 percent or 20 percent. In the latest action, only on the Select Committee on Presidential Campaign Activities, after considerable debate, was it clearly defined as one-third.

But I would only turn to the comments made by the Senator from Montana (Mr. METCALF) to point out that when a new subcommittee was established under Government Operations, after considerable discussion on both sides, it was determined to be fair and equitable for one-third of the staff on that new committee to be designated as minority staff, to be picked and selected by the minority subject to the overall jurisdiction of the staff majority counsel, as I think they always should be. These are two very recent instances where it was made clear that "fair considertaion" was one-third.

I highly commend the distinguished Senator from Montana (Mr. METCALF). I hope that we can resolve this matter by some general understanding. Otherwise, I would simply respectfully have to ask, because this is a matter involving the minority leader, the assistant minority leader and the ranking member on the Rules Committee, all three of whom are necessarily absent this afternoon, that we had better set this matter aside until tomorrow. But I would think that all the majority would require would be that we fully take into account the difficulty faced by our colleague from Washington, that we have this new sense of fairness. I am certain that the Senator from Washington would adhere to the principle that there should be fairness, that the minority can and should make a contribution, wants to make a contribution, but that the measure of the contribution we can make certainly is determined by the amount of staff backup provided.

All I would say is, if we would work toward what we have generally recognized to be fair consideration, that is all we would ask. If as we see these vacancies occur, we could appoint new minority staff—taking into account that the distinguished Senator has not yet appointed a staff member, I think we would move gradually to a condition of fair consideration.

Mr. ERVIN. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield to the distinguished Senator from North Carolina.

Mr. ERVIN. Mr. President, I would agree with my good friend from Illinois that people are elected to the Senate on the basis of parties, that the Senate itself is organized on the basis of parties; but I do not agree that committees are political organizations.

Committees and subcommittees exist in order to study what kind of laws should be enacted for the people of the United States. Laws are not partisan. When the Legislative Reorganization Act was adopted, the reason they recognized the professional standing of certain professionals, was in order that committees might have the benefit of the services of professionals in the formulation of legislation wholly irrespective of partisan considerations.

Frankly, I have stood for fair representation for minorities on subcommittees on which I have been chairman; but I have had this experience, that the minority representatives on a subcommittee are of very little assistance to the committee in its work. As a matter of fact, most of them work in the offices of Senators on the office work of Senators, rather than doing the work of the committee on which they are staff members.

I serve on committees now that I would not even recognize minority staff members if I saw them, because they never come around to the committee.

The remedy for a request of this kind is to increase the staffs of Senators so that they will not have to depend on adding to the staffs by having additions made to committee and subcommittee staffs. Perhaps I should not say these things, but that has been my experience here.

Taking a committee like the Government Operations Committee, which spends a great deal of money, if we give minority representation to equal one-third of everything on the staff, why it will increase the cost of committees tremendously, or we will have a process of attrition which will be of little benefit to the Senator from Illinois, unless he lives far beyond threescore years and ten.

I respectfully submit that we should not arbitrarily undertake to say that one-third of members of all staffs, both professional and clerical, should be apportioned among the members of the committee, purely on a political basis. As the Senator from Washington said, this committee has been in existence for a long time. I have been a member of it since June 1954, and I have never yet ascertained by whom the people on that staff committee were appointed. All I can testify to is that although I have been on that committee during all that period of time, I have never appointed a single one of them.

Mr. METCALF. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield to the Senator from Montana for a comment.

Mr. METCALF. I have been examining the Legislative Reorganization Act of 1946, and the Legislative Reorganization Act of 1971 and the hearings we had.

Permanent committee staffing for minority party members of Senate committees is dealt with in section 110 and section 301 of the Legislative Reorganization Act of 1970. Section 110(a) added section 133(g) to the 1946 act to deal with annual authorization resolutions to provide funds for temporary or investigating staff of Senate committees. It requires that the minority receive "fair consideration" in the appointment of investigating personnel. Section 301 of the 1970 act amended section 202 of the 1946 act to increase by two the minimum number of professional staff personnel on standing committees over the number of positions authorized on January 1, 1971, and to guarantee the availability of professional and clerical staff for minority members.

Under the latter provisions, if a majority of the minority members on the committee so request, two permanent professional staff, and one permanent clerical staff, selected by them "shall be appointed" by the committee. Minority staff shall be assigned responsibilities by the minority, and may be fired only by the minority. Even though all six professional places are filled, appointments requested by the minority must still be made, and shall be allocated to the first vacancy in permanent staff positions occurring thereafter. The minority clerical appointment, under an amendment made by section 5(a) of Public Law 92-136—October 11, 1971—effectively becomes an additional clerical position for the committee, but only if the appointment is made at the request of the minority when no vacancy in the permanent clerical staff exists.

The two minority professionals are not additional appointments, except on a temporary basis, because section 301 increased the authorized positions by two, whereas it did not increase the number of authorized clerical positions. Section 301(d) provides that the positions authorized for the minority by sections 301 (a) and (b) shall not reduce the number of positions previously made available to the minority, nor shall they increase the number of positions available to the minority when the minority already has two professional and one clerical positions. Under section 202(h) of the 1946 act, minority staff shall be "accorded equitable treatment" as to salaries, work facilities, and access to records.

Published sources indicate that, as of December 31, 1971, five Senate committees employed two minority professional staff, and five employed one minority professional staff. Six committees added one clerical staff member during 1971, three of which appear to have done so in order to provide clerical staff to the minority. These figures do not give a completely accurate picture of staff resources available to the minority, however, since they do not indicate what positions had previously been made available to the minority. As far as investigating staff is concerned, the funding resolutions for temporary staff do not indicate how much of the requested funds are to be provided to minority staff. Information on the extent to which minority members of committees do have access to staff, and how minority staff is treated in terms of salaries, et cetera, would have to be developed from inquiries directed to the committees themselves.

In the House, sections 110(b) and 302 provide correlative provisions for staff of House standing committees. As originally enacted, section 110(b) added clause 32 to rule XI. The new clause deals generally with annual funding resolutions for temporary or investigating staff of House standing committees, except for Appropriations which is governed by clause 29 (d) of rule XI. Paragraph (c), as amended on the floor of the House, required that not less than one-third of the funds authorized by the primary or additional resolution for temporary staff be provided for the appointment of staff acceptable to the minority, if the minority so wished. The rule never went into effect, however, because the House deleted the one-third requirement and substituted the "fair consideration" language of the Senate version. The rule does not state any method for the hiring and firing of minority staff.

Section 302 of the 1970 act amended clause 29 of rule XI dealing with the permanent staff of House standing committees. Basically, that provision increased the authorized professional staff of each standing committee by two, and provided for the appointment of professional and clerical staff at the request of the minority. The minority staff procedure provided for House committees is substantially different from that applicable to the Senate where the minority party members of a committee are given the right to hire and fire whomever they choose.

Under the House rule, if a majority of the minority party members of the committee so desire, they may select two persons to be appointed to the professional staff and one to the clerical staff. If the "character and qualifications" of the persons selected are acceptable to the majority of the committee, then those persons "shall" be appointed to the committee staff. If not, the minority may select others until one is found who is acceptable to the majority. The duties of such persons are to be assigned by the minority. Thus, while House committees are given the right to have staff acceptable to them, final authority to hire and fire resides with the full committee. The minority staff provisions do not apply to the Committee on Standards of Official Conduct.

Staff appointments for the minority under clause 29 may be made even though no vacancy on the permanent staff exists at the time the appointments are requested. Such appointments are temporary only, and vacancies in both professional and clerical staff occurring thereafter must be assigned to the minority staff. Unlike the Senate provisions, there is no increase in authorized permanent clerical staff. Section 302(d) makes clear that no decrease in minority staff is intended if the minority already has assigned to it more than the number authorized by section 302; and under clause 29(h), the authorized minority staff is not to be increased if the number authorized by paragraphs (a) and (c) is already assigned to the minority. Paragraph (g) requires that minority staff whether permanent or temporary—appointed under clause 32—section 110(b)—be accorded "equitable treatment" on pay, assignment of work facilities, and accessibility to them of records.

Published sources show that, as of December 31, 1971, 11 House committees employed two minority professional staff, and one committee employed one. Thirteen House committees employed one minority clerical staff, and one had two. As far as temporary staff is concerned, the 1971 primary resolutions of four committees mentioned minority staffing. The reports accompanying the 1972 resolutions of two of those committees, Education and Labor, and Post Office, indicate the gross amount allocated to the minority. The report of Banking and Currency indicates that funds were being requested to hire a professional staff member for the minority. These sources probably do not give a completely accurate picture of the practices of House committees in providing staff resources to minority party members. Even the technical designations of staff members as "professional" or "clerical" do not reflect a consistent practice among committees. As in the Senate, this information would have to to be developed from inquiries directed to the committees themselves.

It must be kept in mind that we are today concerned with staffing for various Senate standing committees under the provisions of the additional annual authorization for funding in excess of statutory limits. The Legislative Reorganization Act itself, of course, provides for the basic staffing of various committees.

Provisions for staff were not changed insofar as the 1970 act was concerned, except to provide that there should be professional staffing. The emphasis was to secure for each standing committee members who were professionally competent to offer continuing assistance to members of the respective committees.

The question we are confronted with today is not provisions for that statutory staff, but for the additional staffing provided by the annual funding resolution which provides for members of staffs of standing committees in addition to statutory numbers.

In 1966, the Joint Committee on the Organization of Congress recommended:

> The Minority shall have fair consideration in staffing selection for committees.

The language carried through to the Legislative Reorganization Act of 1970, except that subcommittees of the Committee on Appropriations were exempt.

Uniformly since 1946, the staffing of committees for temporary, investigating or nonpermanent members of staff whose salaries are paid from Senate contingent funds, pursuant to expense resolutions such as we are considering today, have been under the rule that the minority shall have fair consideration. Neither the statute nor any of the reports have defined what is meant by fair consideration. The Legislative Reorganization Act of 1970 only attempted to insure that a minimum number of members of the staff—six—would be professional members and of that number two could be appointed by the minority and would be subject to dismissal by the minority. None of the Senate's expense resolutions for 1971 mention funds for minority staff. Many members either under the statutory provision or members covered by recurrent annual resolutions have been named either with the acquiescence of or, at the suggestion of the minority and continue to be carried as staff members of the committee.

Mr. SCOTT of Pennsylvania. Mr. President, the Reorganization Act provides, as we all know, for one-third representation on the permanent professional staff. When the act was passed, the staffs were not as large as they are now. Most of the committees have increased the size of the professional staff. The Reorganization Act is being ignored by the addition of professional staff without regard to the rights of the minority. The number of consultants added is not specifically mentioned in the act, but the spirit of a one-third recognition here is clearly expressed and intended. The legislative history shows a great deal of argument along those lines.

Mr. President, the act does say that representation for the minority shall be, as I recall the words, fair and equitable, and it even goes to the point of allowing fair and equitable space allocation. I understand that the Government Operations percentage is only 17 percent, so that we are less than one-half represented. We have 43 percent of the membership. We have 43 percent of the representation. We are given 17 percent, and we are told that if we ask for any more, it will cost more money. It would not cost more money if the representation had been provided from the beginning in accordance with the Reorganization Act. It will ultimately cost considerably less money than initially as attrition is allowed to operate.

The position taken on the part of the majority that the minority has no rights whatever except what the majority wishes to concede to them because they have the votes is thoroughly unfair. It violates our civil rights, among other things. Our civil rights are being violated by some of the strongest advocates of civil rights. We have a civil right to a voice. The Supreme Court says one person, one vote. Here, the majority says 43 percent is entitled to 17 percent. I think we are not practicing what we preach.

It seems to me that it would be fair if we could work out an equitable division. Some committees have done it. I pointed out that the Committee on the Judiciary has worked it out within the confines of the committee. It is most fairly allocated in that committee, in my mind. Some adjustments were made where some subcommittees were less than a third; but, generally speaking, the Committee on the Judiciary, with the largest caseload of any committee in the Senate, found means to work it out. I do not know why it cannot be worked out in other committees on an equitable basis, because the matter is not going to lie still. You cannot bury an issue of fairness. You cannot bury and consign to the depths an issue of fair play. It will always recur, until fairness is made the rule.

I do not know why we pass reorganization acts if we are not going to take them seriously. It seems to me that the fair thing here is perfectly clear; the just thing here is perfectly clear.

Yet, the minority on the Committee on Government Operations is expected to work at a disadvantage, with one-half of the staff it would be expected to have under the act, and we are told that that is the way it is going to be, because the majority has the votes. No better reason is given, other than the cost.

Congress is understaffed now. It has often been pointed out that any agency of the executive branch has a great deal more staff, a great deal more computerization, a great deal more clerical service, and a great deal more clout than the committees which have to deal with it. In some committees we have the situation in which there is no minority staff or one out of 50, or something of that sort. There is a gross underrepresentation.

So I think that, hereafter, every time somebody talks about discrimination, we on this side of the aisle ought to be prepared to point out the kind of discrimination under which we have to exist in this body; because I do not think we ought to present ourselves to the general public as being people who are concerned about everybody's civil rights except our own.

It seems to me that that is a fair position, a just position, and that we ought to do our best to see that it is the way in which we operate. Certainly, the denial of professional expertise, the denial of professional staff, the denial of adequate clerical staff, is a denial of our right and our opportunity to do the best job we can.

Most Senators on this side of the aisle are not asking for anything other than that which is the absolute minimum to enable them to perform their duties and to respond to their constituents and to respond to the Executive, based upon adequate research, sufficient knowledge, and sufficient assistance in order to perform their duties.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. PERCY. In order to bring this matter to a head—and I think that perhaps both sides have established the best and fairest arguments that can be presented—in view of the fact that the distinguished Senator from Washington has just assumed the responsibility for this subcommittee; in view of the fact that he has stated unequivocally to the ranking minority member, the Senator from Illinois, that he would permit the immediate appointment of an additional minority professional staff member at $24,720, and that he would be fair and equitable; that he recognizes the problems of space, where the minority is confirmed in one small room, with people crowded together; that he has pointed to his own record of fairness in his management of the Committee on Interior and Insular Affairs, and because I have known him over a period of many, many years, I would like simply to move ahead to see whether we could work this out as we go along.

I will try to walk in the shoes of the distinguished chairman of the Permanent Investigating Subcommittee, in recognizing that he has a right to select personnel of his own choosing. But we also have a great desire to preserve the nonpartisan nature of the subcommittee, to preserve the professional nature of the staff, to see that it is a staff working full-time on the work of that subcommittee, because we have a very heavy workload; and that as vacancies occur, as we see the need for personnel changes, we can work out a fair and equitable basis, so that the abilities of the minority can be fully utilized and their energies can be put behind the work of our subcommittee, and we can proceed in the nonpartisan spirit of that subcommittee and its work, which should prevail over all.

Mr. SCOTT of Pennsylvania. Mr. President, I will, of course, abide by the statement made by the distinguished Senator from Illinois. I simply wanted the RECORD to show that all we are asking for is 10-percent less than we would be entitled to if we divided the work as equally as we divide the representation of the Senate, which is 43 percent. The majority has said it does not think we should have more than 17 percent. We think we should have not less than 33 percent. If that can be worked out, it is all right with me.

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to the resolution.

The resolution was agreed to as follows:

Resolution authorizing additional expenditures by the Committee on Government Operations for inquiries and investigations.

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 146, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The Committee on Government Operations is authorized from March 1, 1973, through February 28, 1974, to expend not to exceed $10,000 for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Government Operations, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, to expend not to exceed $1,830,328 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 4. (a) Not to exceed $980,000 shall be available for a study or investigation of—

(1) the efficiency and economy of operations of all branches of the Government, including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public: *Provided*, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of the particular branch of the Government under inquiry, and may extend to the records and activities of persons, corporations, or other entities dealing with or affecting that particular branch of the Government;

(2) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(3) syndicated or organized crime which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions which are in violation of the law of the United States or of the State in which the

transactions occur, and, if so, the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, what facilities, devices, methods, techniques, and technicalities are being used or employed, and whether or not organized crime utilizes such interstate facilities or otherwise operates in interstate commerce for the development of corrupting influences in violation of the law of the United States or the laws of any State, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activities have infiltrated into lawful business enterprise; and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce, and to determine whether any changes are required in the laws of the United States in order to protect the public against the occurrences of such practices or activities;

(4) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety;

(5) riots, violent disturbances of the peace, vandalism, civil and criminal disorder, insurrection, the commission of crimes in connection therewith, the immediate and longstanding causes, the extent and effects of such occurrences and crimes, and measures necessary for their immediate and long-range prevention and for the preservation of law and order and to insure domestic tranquillity within the United States; and

(6) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(A) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(B) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents, and skills;

(C) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(D) legislative and other proposals to improve these methods, processes, and relationships;

of which amount not to exceed $25,000 may be expended for the procurement of the services of individual consultants or organization thereof.

(b) Nothing contained in this section shall affect or impair the exercise by any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(c) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1973, through February 28, 1974, is authorized, in its, his, or their discretion, (1) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (2) to hold hearings, (3) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate, (4) to administer oaths, and (5) take testimony, either orally or by sworn statement.

SEC. 5. Not to exceed $342,828 shall be available for a study or investigation of intergovernmental relationships between the United States and the States and municipalities, including an evaluation of studies, reports, and recommendations made thereon and submitted to the Congress by the Advisory Commission on Intergovernmental Relations pursuant to the provisions of Public Law 86–380, approved by the President on September 24, 1959, as amended by Public Law 89–733, approved by the President on November 2, 1966; of which amount not to exceed $10,000 may be expended for the procurement of the services of individual consultants or organizations thereof.

SEC. 6. Not to exceed $327,500 shall be available for a study or investigation of the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(1) the effects of laws enacted to reorganize the executive branch of the Government, and to consider reorganizations proposed therein;

(2) the operations of research and development programs financed by the departments and agencies of the Federal Government, and the review of those programs now being carried out through contracts with higher educational institutions and private organizations, corporations, and individuals in order to bring about Government-wide coordination and elimination of overlapping and duplication of scientific and research activities; and

(3) the adequacy of present intergovernmental relationships between the United States and international organizations, exclusive of those principally concerned with national security, of which the United States is a member;

of which amount not to exceed $20,000 may be expended for the procurement of the services of individual consultants or organizations thereof.

SEC. 7. (a) Not to exceed $180,000 shall be available for a study and investigation of any and all matters pertaining to budget and accounting measures and operations, other than appropriations, including but not limited to—

(1) the formulation of the budget (including supplemental and deficiency appropriations) and its submission and justification to Congress;

(2) the review and authorization of budget obligations and expenditures by the Congress;

(3) the execution and control of such authorized obligations and expenditures;

(4) the accounting, financial reporting, and auditing of all Government expenditures; and

(5) the evaluation of Federal program performance and fiscal information and management capability:

of which amount not to exceed $10,000 may be expended for the procurement of the services of individual consultants or organizations thereof.

(b) Such study and investigation shall be limited to budgeting and accounting measures and operations of the Federal Government, and shall not be extended to the operations of any State or local government, any business or other private organization, or any individual, except that information with respect to these parties may be obtained on a voluntary basis.

SEC. 8. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 28, 1974.

SEC. 9. Expenses of the committee under this resolution, which shall not exceed in the aggregate $1,840,328, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. There will be no further rollcall votes today.

Mr. President, I ask unanimous consent that there now be a period of not to exceed 30 minutes for the resumption of routine morning business, with statements limited therein to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR AIKEN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, after the two leaders have been recognized, the distinguished Senator from Vermont (Mr. AIKEN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR CURTIS AND SENATOR HARRY F. BYRD, JR., TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, following the remarks of the junior Senator from West Virginia (Mr. ROBERT C. BYRD), the distinguished Senator from Nebraska (Mr. CURTIS) be recognized for not to exceed 15 minutes; that he be followed by the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR), for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD OF TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators tomorrow there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF ADDITIONAL RESOLUTIONS AUTHORIZING EXPENDITURES FOR THE COMMITTEE ON FOREIGN RELATIONS AND THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow the Senate proceed to the consideration of Calendar Order No. 53, Senate Resolution 35, a resolution authorizing additional expenditures by the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of Senate Resolution 35 tomorrow, the Senate proceed to the consideration of Calendar Order No. 54, Senate Resolution 56, the resolution authorizing additional expenditures by the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON THURSDAY, MARCH 1, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 10 minutes, and in the order stated: Senators WILLIAMS, EASTLAND, MAGNUSON, SPARKMAN, EAGLETON, RANDOLPH, JACKSON, MOSS, HARTKE, CANNON, and MUSKIE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until 12 o'clock meridian on Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO CONSIDERATION OF S. 7 ON WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business on Wednesday, the Senate proceed to the consideration of S. 7, a bill to amend the Vocational Rehabilitation Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM WEDNESDAY UNTIL THURSDAY MARCH 1

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Wednesday, it stand in adjournment until 12 o'clock meridian on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

After the two leaders have been recognized under the standing order, the following Senators will be recognized, each not to exceed 15 minutes and in the order stated: Mr. AIKEN, Mr. MCINTYRE, Mr. HATHAWAY, Mr. PASTORE, Mr. ROBERT C. BYRD, Mr. CURTIS, and Mr. HARRY F. BYRD, JR.

After the orders for the recognition of Senators have been consummated, the Senate will take up routine morning business, for not to exceed 30 minutes, with statements limited therein to 3 minutes, at the conclusion of which the Senate will proceed to the consideration of Calendar Order No. 53, Senate Resolution 35, a resolution authorizing additional expenditures by the Committee on Foreign Relations.

Upon the disposition of Senate Resolution 35, the Senate will take up Calendar Order No. 54, Senate Resolution 56, a resolution authorizing additional expenditures by the Committee on the Judiciary.

I would anticipate the possibility of rollcalls on tomorrow. On Wednesday the Senate will take up the bill, S. 7, to amend the Vocational Rehabilitation Act. I would anticipate the possibility of votes on Wednesday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on last Thursday it was the understanding that the further consideration authorizing additional expenditures by the Committee on Banking, Housing and Urban Affairs, would go over until Wednesday of this week. Consequently Senators should be alerted to the fact that the Senate will in all probability take up on Wednesday Senate Resolution Affairs. That is still the understanding 41, the money resolution for the Committee on Banking, Housing and Urban at least.

If the chairman of that committee and others should want to take up that resolution tomorrow after the resolutions making appropriations for the Committee on Foreign Relations and for the Committee on the Judiciary, this would be possible, if it meets with the approval of everyone.

Otherwise we will proceed under the understanding of last Thursday, and the resolution dealing with the Committee on Banking, Housing and Urban Affairs will be taken up on Wednesday.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock meridian tomorrow.

The motion was agreed to; and at 4:41 p.m., the Senate adjourned until tomorrow, Tuesday, February 27, 1973, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, February 26, 1973:

DEPARTMENT OF JUSTICE

William J. Deachman III, of New Hampshire, to be U.S. attorney for the district of New Hampshire for the term of 4 years, vice David A. Brock, resigned.

FEDERAL AVIATION ADMINISTRATION

Alexander P. Butterfield, of California, to be Administrator of the Federal Aviation Administration, vice John H. Shaffer, resigned.

IN THE AIR FORCE

The following named officers for promotion in the U.S. Air Force, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Abeln, Thomas J., [redacted].
Abney, Kenneth L., [redacted].
Adair, Eugene T., III, [redacted].
Adams, William H., [redacted].
Ahlefelder, Henry J., [redacted].
Albright, Howard W., [redacted].
Alldredge, Gordon D., [redacted].
Allen, Charles J., [redacted].
Allen, Dan C., [redacted].
Allen, William E., [redacted].
Allison, Cecil L., [redacted].
Allison, Thayer W., [redacted].
Aly, Charles E., [redacted].
Anderson, Douglas W., [redacted].
Anderson, Gerald W., [redacted].
Anderson, Howard H., [redacted].
Anderson, John P., [redacted].
Anderson, Robert L., [redacted].
Anderson, William E., [redacted].
Anderson, William G., [redacted].
Anderson, William J., [redacted].
Appleby, Ivan D., [redacted].
Archer, Robert G., [redacted].
Armstrong, Donald C., Jr., [redacted].
Armstrong, Larry D., [redacted].
Arnold, Ned D., [redacted].
Arthur, James R., [redacted].
Asbury, Francis L., [redacted].
Ash, Rolland S., [redacted].
Aufdemorte, Lewis G., Jr., [redacted].
Auld, Harry E., [redacted].
Austin, Hugh S., [redacted].
Autery, Clarence R., [redacted].
Axley, John W., [redacted].
Backues, Billy G., [redacted].
Bagwell, James R., [redacted].
Bailey, Charles S., [redacted].
Baillie, Ronald K., [redacted].
Bain, Wilfred C., [redacted].
Baker, James D., [redacted].
Baker, Paul R., [redacted].
Balazs Joe, Jr., [redacted].
Bales, John E., [redacted].
Baliles, Roy K., [redacted].
Baltz, Frederick M., [redacted].
Barber, Paul A., [redacted].
Barlow, Earl C., [redacted].
Barnes, Kyle D., Jr., [redacted].

Barnett, James H., [redacted].
Barnett, Robert W., [redacted].
Barrett, Lis S., Jr., [redacted].
Barry, William R., [redacted].
Barthello, Marc S., Jr., [redacted].
Bastedo, William G., [redacted].
Bearman, Richard S., [redacted].
Beckel, Robert D., [redacted].
Beggs, Conrad L., [redacted].
Belden, David L., [redacted].
Bell Kenneth H., [redacted].
Bell, Robert K., [redacted].
Belli, Robert E., [redacted].
Below, Howard D., [redacted].
Bennett, Robert F., [redacted].
Bennett, William G., [redacted].
Bennington, James H. [redacted].
Benson, Charles P., Jr., [redacted].
Beranek, Orville J., [redacted].
Berg, Raymond A., [redacted].
Bergeron, George L., Jr., [redacted].
Bergstrom, Vernon M., [redacted].
Berkowitz, Jerry G., [redacted].
Bernasconi, Louis H., [redacted].
Best, Charles A., [redacted].
Biancardi, Andrew P., [redacted].
Bice, Don L. F., [redacted].
Bidner, Arthur, [redacted].
Birkner, Harry, [redacted].
Bishop, Joe D., [redacted].
Bissinger, Fred A., [redacted].
Black, Harley S., [redacted].
Black, Robert B., [redacted].
Blanton, John W., [redacted].
Blinn, Donald P., [redacted].
Block, Gerald A., [redacted].
Bloomcamp, Francis W., [redacted].
Boodie, James T., Jr., [redacted].
Bodenhamer, Howard L., [redacted].
Boettcher, Gary G., [redacted].
Bolls, Dillard D., [redacted].
Bomar, Jack W., [redacted].
Bones, James R., [redacted].
Bonifer, Arthur J., Sr., [redacted].
Boothby, Lloyd W., [redacted].
Bornkessel, Donald A., [redacted].
Boughton, Alain G., [redacted].
Bourland, William C., [redacted].
Bower, Richard J., [redacted].
Bowles, William B., [redacted].
Boykin, Luke H., Jr., [redacted].
Brachtenbach, Leo, [redacted].
Bradley, Philip O., [redacted].
Brake, James L., [redacted].
Brammer, Robert L., [redacted].
Brandon, Clifford E., [redacted].
Brandon, William W., II, [redacted].
Brashear, John A., [redacted].
Bratfisch, Carl E., [redacted].
Brehm, Fred E., [redacted].
Brence, Ronald E., [redacted].
Brennecke, Harold J., [redacted].
Brewer, Harry L., [redacted].
Bricker, John C., [redacted].
Briscoe, Henry B., [redacted].
Broadway, Cary L., [redacted].
Broderick, George T., [redacted].
Brodie, Richard N., [redacted].
Brodman, Robert F., [redacted].
Brooks, John R., [redacted].
Brost, Joseph R., [redacted].
Brotnov, Harmon M., [redacted].
Brots, Frederick J., [redacted].
Brown, Donald D., [redacted].
Brown, Frederick D., Jr., [redacted].
Brown, French C., Jr., [redacted].
Brown, James R. [redacted].
Brown, John C., [redacted].
Brown, Joseph K., [redacted].
Brown, Joseph R., [redacted].
Brown, Lawton C., [redacted].
Brown, Peter W., [redacted].
Brown, Ray L., [redacted].
Brown, Stanford E., [redacted].
Brown, Thomas D., [redacted].
Brown, Thomas E., [redacted].
Brown, Thomas S., [redacted].
Brownlee, Charles R., [redacted].
Broz, Alfons L., [redacted].
Brunson, Clarence E., III, [redacted].
Brunstrom, Alan L., [redacted].
Bryan, William G., [redacted].
Buchner, George E., [redacted].
Bulka, Edward G., [redacted].
Bull, George M., [redacted].
Burch, John T., [redacted].
Burch, Robert M., [redacted].
Burdett, Richard F., [redacted].
Bures, Eugene F., [redacted].
Burke, Michael D., [redacted].
Burns, Dale L., [redacted].
Burns, Robert C., [redacted].
Busch, Richard J., [redacted].
Buschmann, Eugene F., [redacted].
Butler, Donald R., [redacted].
Buxton, Mark K., Jr., [redacted].
Buzard, Lyman E., [redacted].
Byrnes, Donn A., [redacted].
Caceres, Jose, [redacted].
Caffery, William J., [redacted].
Cagle, Ned L., [redacted].
Campbell, Billy C., [redacted].
Campbell, Duane D., [redacted].
Campbell, Harold N., [redacted].
Campbell, Jesse W., [redacted].
Cappadona, Nunzio, [redacted].
Carnahan, William H., [redacted].
Carpenter, Donald G., [redacted].
Carruthers, William M., [redacted].
Carson, James M., [redacted].
Carter, Charles H., [redacted].
Carter, Paul D., [redacted].
Cary, John F., [redacted].
Case, Thomas F., [redacted].
Casey, Aloysius G., [redacted].
Cassiday, Donald M., Jr., [redacted].
Catron, Walter L., Jr., [redacted].
Cavanaugh, Robert T., [redacted].
Chabolla, Gilbert A., [redacted].
Charles, William M., Jr., [redacted].
Chase, Alan C., [redacted].
Cheney, Joseph H., [redacted].
Cihak, Edward J., [redacted].
Clarke, Melvin P., [redacted].
Clarkson, Joseph E., [redacted].
Claypool, Robert B., [redacted].
Cobb, Kenny D., [redacted].
Cobb, Truman E., [redacted].
Coburn, Robert B., [redacted].
Cochran, Gomer W., [redacted].
Cocke, William F., [redacted].
Coggins, Edward V., Jr., [redacted].
Colclazier, Robert D., [redacted].
Collins, James Q., Jr., [redacted].
Colvin, Thomas E., [redacted].
Comeaux, Paul C., [redacted].
Conaway, Richard E., [redacted].
Conley, Edward C., [redacted].
Conley, John T., [redacted].
Conn, Henry L., [redacted].
Connolly, Joseph H., [redacted].
Connor, Arthur H., [redacted].
Coogan, Daniel F., [redacted].
Cook, Fletcher M., Jr., [redacted].
Cook, Mark D., [redacted].
Cooper, Billy R., [redacted].
Cooper, Edwin B., [redacted].
Cooper, Kenneth M., [redacted].
Coopland, Victor D., [redacted].
Copeland, H. C., [redacted].
Cornwell, Jimmy L., [redacted].
Corum, Delbert M., [redacted].
Couch, Gerald C., [redacted].
Cowan, James E., [redacted].
Cowgill, Orval A., [redacted].
Cox, Robert G., [redacted].
Coyne, James P., Jr., [redacted].
Craine, Robert L., [redacted].
Cram, Deryl L., [redacted].
Crawford, Van L., Jr., [redacted].
Crist, Jerry A. [redacted].
Crooks, Kenneth E., [redacted].
Crossman, David A., [redacted].
Crowder Roscoe E., [redacted].
Crowley, Eugene N., [redacted].
Crutchfield, Don F., [redacted].
Cullen, William J., Jr., [redacted].
Culp, Gerard H., [redacted].
Cummings, Jack, [redacted].
Cunningham, John T., III, [redacted].
Curtis, Lewis G., [redacted].
Daily, Paul J., [redacted].
Daneu, Joseph E., [redacted].
Danis, Lionel A., [redacted].
Darcangelo, Arcangelo M., [redacted].
Darden, Robert F., Jr., [redacted].
Daubs, Charles E., [redacted].
Daughtry, George D., [redacted].
Davis, James C., Jr., [redacted].
Davis, James L., [redacted].
Davis, John S., [redacted].
Davis, John W., [redacted].
Davis, Owen C., Jr., [redacted].
Davis, Richard N., [redacted].
Davis, William R., [redacted].
Davy, Albert W., [redacted].
Dax, Raymond, E., [redacted].
Deavies, Emmett G., III, [redacted].
Dees, Robert W., [redacted].
Degroote, Albert J., [redacted].
Dehoogh, John C., [redacted].
Delaney, William F., [redacted].
Densmore, Peter K., [redacted].
Dent, Troy J., [redacted].
Deschaines, Carroll E., [redacted].
Devereaux, Alan L., [redacted].
Deviney, Alton H., [redacted].
Dewey, Robert G., [redacted].
Dick, Howard F., [redacted].
Dinger, Don L., [redacted].
Dixon, Clarence, [redacted].
Dixon, Robert E., [redacted].
Dobson, Robert T., [redacted].
Dodson, Charles W., [redacted].
Doglione, John A., [redacted].
Dolan, William G., Jr., [redacted].
Donohue, Frederic M., [redacted].
Doran, Donald A., [redacted].
Dornberger, Billy G., [redacted].
Dorsey, Richard M., [redacted].
Dougherty, Andrew J., [redacted].
Downey, John C., [redacted].
Downing, Morgan A., [redacted].
Draper, George L., [redacted].
Drohan, Frank E., [redacted].
Drugan, William P., [redacted].
Dudash, John F., [redacted].
Duffield, Ned G., [redacted].
Dugan, Michael J., [redacted].
Dugard, George A., [redacted].
Duke, Rodger C., Jr., [redacted].
Dunagan, Eddie D., [redacted].
Duncan, Dean D., [redacted].
Dunn, Clyde F., Jr., [redacted].
Dunn, James M., Jr., [redacted].
Durham, Archer L., [redacted].
Eaglet, Robert D., [redacted].
Eby, Chester L., [redacted].
Eby, David R., [redacted].
Eddington, Robert B., [redacted].
Edgren, Robert D., [redacted].
Edwards, Charles E., [redacted].
Edwards, Ollie H., [redacted].
Edwards, Paul W., [redacted].
Egan, Thomas F., [redacted].
Elkins, Robert W., [redacted].
Elliott, Charles J., [redacted].
Engelbeck, Ranald M., [redacted].
Engelhard, Erich C., [redacted].
Engle, Robert L., [redacted].
Eppinger, Dale L., [redacted].
Erickson, Robert A., [redacted].
Estes, Thomas B., [redacted].
Ethun, Francis W., [redacted].
Evenson, Mervin L., [redacted].
Fabro, Frank P., Jr., [redacted].
Fanning, Robert W., [redacted].
Faurer, Judson C., [redacted].
Fears, Walter H., [redacted].
Ferguson, Edward J., [redacted].
Fike, Tommy J., [redacted].
Finkle, James F., [redacted].
Finlay, Charles C., Jr., [redacted].
Fioritto, Benny H., [redacted].
Fischer, Eugene H., [redacted].
Fish, Stephen B., III, [redacted].
Fisher, Grady F., [redacted].
Fisher, Oliver P., Jr., [redacted].
Flemings, Frederic J., Jr., [redacted].
Flippo, Charles W., [redacted].
Ford, Walter J., [redacted].
Fornell, Gordon E., [redacted].
Foster, James L., [redacted].

Fowler, John F., [redacted].
Francke, Frederick W. III, [redacted].
Frank, Kenneth G., [redacted].
Frankenberg, David C., [redacted].
Frazier, Stephen T., [redacted].
Freaney, Robert E., [redacted].
Fredlund, William A., [redacted].
Frickleton, Patrick J., [redacted].
Frye, Wayne T., [redacted].
Funderburg, Charles E., [redacted].
Funk, Carl F., [redacted].
Gardner, Gilbert D., [redacted].
Gardner, Harvey S., Jr., [redacted].
Gaseor Chester J., [redacted].
Geer, Charles W., [redacted].
Geer, Richard P., [redacted].
Geil, William C., [redacted].
Gentry, Jack W., [redacted].
Geran, Daniel B., [redacted].
Gerblick, Paul, [redacted].
Gerrish, Joseph R., [redacted].
Gibson, Donald R., [redacted].
Gibson, George H., Jr., [redacted].
Gibson, Roderick C., [redacted].
Gibson, William L., [redacted].
Gilmore, Paul J., [redacted].
Gilmore, William R., [redacted].
Gilstrap, Dean O., [redacted].
Ginder, Roy J., [redacted].
Ginn, Robert W., [redacted].
Girard, Joseph H. R., [redacted].
Giuliano, Anthony L., Jr., [redacted].
Glasgow, Warwick H., [redacted].
Glass, Davis H., [redacted].
Gluck, Fred, [redacted].
Goforth, Charles L. III, [redacted].
Goforth. Charles T., Jr., [redacted].
Goldberg, Nathan S., [redacted].
Goodall, Harry A., [redacted].
Goodman, Donald W., [redacted].
Goss, Darr L., [redacted].
Gowans, Robert V., [redacted].
Graeter, Edwin A., Jr., [redacted].
Graff, John A., [redacted].
Grammer. Richard G., [redacted].
Gray, Roger C., [redacted].
Greaves, George H., [redacted].
Green, Joe B., [redacted].
Greene. Leroy V., Jr., [redacted].
Greenleaf, George H., [redacted].
Greenlee, Richard W., [redacted].
Grenzeback, Earl W., Jr., [redacted].
Grieger, William, [redacted].
Griffin, Donald M., [redacted].
Griffin, William E., [redacted].
Griffith, John W., [redacted].
Groover, Charles W., [redacted].
Guenther, Elmer W., Jr., [redacted].
Hadeen, Kenneth D., [redacted].
Hair, Thomas L., Jr., [redacted].
Hall, David M., [redacted].
Hall, Gene F., [redacted].
Hall, John A., [redacted].
Halverson, Arthur J., [redacted].
Hamilton, John S., [redacted].
Hammack, Willis H., [redacted].
Hammerle, Robert C., [redacted].
Hanford, John O., [redacted].
Hannan, Joseph J., [redacted].
Hansard, Joseph F., Jr., [redacted].
Hansard, Lowell A., [redacted].
Hardee, Frank D., [redacted].
Hardin, James T., [redacted].
Hardin, Marion S., [redacted],
Hardin, Thomas H., [redacted].
Harding, James C., [redacted].
Harnly, Myron D., [redacted].
Harp, Solomon III, [redacted].
Harpe, Winfield S., [redacted].
Harris, Carlyle S., [redacted].
Harrison, Everett V., [redacted].
Hartley, Williard W., [redacted].
Hartmann, Arthur J. [redacted].
Hartmann, Edgar C., Jr., [redacted].
Hatchell, Ernest L., Jr., [redacted].
Haydon, Robert E., [redacted].
Heanue, Festus E., Jr., [redacted].
Hendelman, Lewis H., [redacted].
Henderson, Ray T., [redacted].
Henderson, William J., [redacted].
Henderson, William H., [redacted].
Hendrickson, Richard C., [redacted].
Henkel, Paul A., [redacted].
Henney, Rodney B., [redacted].
Henning, Clifford O C., Jr., [redacted].
Hensley, Boyd W., [redacted].
Hepworth, Richard G., [redacted].
Herring, John P., [redacted].
Herrmann, Armin F., Jr., [redacted].
Hickenbottom, Richard, [redacted].
Hildebrant, Verne B., [redacted].
Hillman, Donald W., [redacted].
Hinckley, Fred R., Jr., [redacted].
Hirsh, Leon S., Jr., [redacted].
Hiteshew, James E., [redacted].
Hlavac, Robert J., [redacted].
Hocker, Jesse S., [redacted].
Hogan, Robert C., [redacted].
Hogg, Donald T., [redacted].
Holden, Kenneth L., [redacted].
Holland, William E., [redacted].
Holland, William I., [redacted].
Hope, Joseph J., [redacted].
Hopingardner, Charles D., [redacted].
Hopkins, Thomas G., [redacted].
Horne, Stanley H., [redacted].
Hosking, William D., [redacted].
Howard, Brown G., III, [redacted].
Howell, Nicholas H., [redacted].
Howes, Hal W., [redacted].
Hubbard, David B., Jr., [redacted].
Hubbard, Eben R., [redacted].
Hug, Donald F., [redacted].
Hughes, Wayne, [redacted].
Huhn, Arthur E., [redacted].
Hunt, Warren J., [redacted].
Husted, James T., [redacted].
Hutchinson, Clarence K., [redacted].
Hyde, Garold A., [redacted].
Hyde, John P., [redacted].
Ince, Olin W., [redacted].
Ingram, Robert C., Jr., [redacted].
Ingvalson, Roger D., [redacted].
Irvin, George A., [redacted].
Irwin, Charles E., [redacted].
Irwin, Robert E., [redacted].
Isenberg, Jerome R., [redacted].
Isgrig, Elvin D., [redacted].
Iten, Robert M., [redacted].
Jacobs, Frederick R., Jr., [redacted].
Jacobs, Morton R., [redacted].
James, Avon C., [redacted].
Jarvis, Algin, T., [redacted].
Jarvis, George M., [redacted].
Jensen, Richard B., [redacted].
Jeter, Philip, Jr., [redacted].
Jimenez, Frank I., [redacted].
Jinks, Halcolm R., [redacted].
Johnson, Bradley J., [redacted].
Johnson, Donald S., [redacted].
Johnson, Jerry M., [redacted].
Johnson, Roger E., [redacted].
Johnston, Paul G., [redacted].
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Johnston, Rufus L., [redacted].
Jolly, Donald L., [redacted].
Jones, Howell E., [redacted].
Jones, James E., [redacted].
Jones, Jimmy L., [redacted].
Jones, Robert L., [redacted].
Jonker, Donald E., [redacted].
Jordan, Herbert R., [redacted].
Judy, Jack B., [redacted].
Kahl, Raymond W., Jr., [redacted].
Kahler, Harold, [redacted].
Kahler, Richard E., [redacted].
Kardong, Gabriel A., [redacted].
Karst, Carl F., [redacted].
Kasischke, Martin W., [redacted].
Kastner, Robert E., [redacted].
Katz, Richard E., [redacted].
Kavoomjian, Sarkis H., [redacted].
Keith, Robert C., [redacted].
Keith, Robert M., Jr., [redacted].
Kellum, Donald A., [redacted].
Kelly, Joseph M., [redacted].
Kempf, Peter T., [redacted].
Kendrick, Anthony G., [redacted].
Kennedy, James S., [redacted].
Kennedy, Kenneth H., [redacted].
Kennedy, Russell P., Jr., [redacted].
Kenney, Charles E., [redacted].
Kibler, Austin W., [redacted].
Kiefer, Richard J., [redacted].
Kiel, Robert C., [redacted].
Kienzle, Robert C., [redacted].
Kilborn, Richard F., [redacted].
Kimball, Richard D., [redacted].
Kimbrough, Jack E., [redacted].
Kimsey, Harvey L., [redacted].
King, Billy J., [redacted].
King, Elmer R., Jr., [redacted].
Kirk, Robert C., [redacted].
Klein, Kenneth E., [redacted].
Klein, Philip E., [redacted].
Kline, Adrian L., [redacted].
Kline, Robert E., [redacted].
Kloberdanz, Harold G., [redacted].
Knight, Roy A., Jr., [redacted].
Knowles, Kenneth B., [redacted].
Knox, Kenneth M., [redacted].
Knox, William D., [redacted].
Koble, Dalton L., [redacted].
Koepke, Charles R., [redacted].
Kormondy, Robert C., [redacted].
Kowalski, Gean G., [redacted].
Kramer, Francis J., Jr., [redacted].
Krautkramer, Gordon J. [redacted].
Kriz, William J., [redacted].
Kronebusch, Robert M., [redacted].
Kropp, Ray A., [redacted].
Kunkel, Clifford C., [redacted].
Kutyna, Donald J., [redacted].
Kyrazis, Demos T., [redacted].
Lamb, Jimmy D., [redacted].
Lancaster, Alan H., [redacted].
Lancaster, Jim P., [redacted].
Lance, Richard R., [redacted].
Landers, Billy J., [redacted].
Landry, James R., [redacted].
Langford, Alvin L., [redacted].
Langley, Derwent, Jr., [redacted].
Lansdale, Charles K., [redacted].
Lapos, Thomas J., [redacted].
Lasater, John R., [redacted].
Law, Ralph, [redacted].
Lawson, William E., III, [redacted].
Lee, Ben P., [redacted].
Leffler, Donald D., [redacted].
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Legamaro, Salvatore J., [redacted].
Lemole, Salvatore R., [redacted].
Lenahan, Frank C., [redacted].
Lenz, Walter A., [redacted].
Leskanich, Theodore, [redacted].
Leuthold, Kenneth D., [redacted].
Levell, Edward, Jr., [redacted].
Liddle, Dallas M., [redacted].
Lind, John L., [redacted].
Lindberg, Sidney A., [redacted].
Lindeman, Robert H., [redacted].
Lindsey, Turnage R., [redacted].
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Linberger, Joe G., [redacted].
Link, Gordon H., [redacted].
Lippert, Ludwig E., Jr., [redacted].
Lipscomb, Charles L., [redacted].
Lisella, John F., [redacted].
Lockwood, Frederick S., III, [redacted].
Lother, Joseph S., Jr., [redacted].
Lowell, Robert E., [redacted].
Lukas, Chester C., [redacted].
Lundy, Theodore R., [redacted].
Listig, Sheldon J., [redacted].
Lyne, Thomas L., Jr., [redacted].
MacDougald, James A., [redacted].
Mackey, Gerald F., [redacted].
Macoubray, James G., III, [redacted].
Madden, Richard G., [redacted].
Madigan, Thomas D., [redacted].
Madison, Thomas M., [redacted].
Maginn, George S., [redacted].
Magner, Thomas J., [redacted].
Mahaffy, Craig E., [redacted].
Mahon, Arthur R., [redacted].
Makowski, Louis F., [redacted].
Mall, William J., Jr., [redacted].
Malott, Carrington L., [redacted].
Mangels, Donald K., [redacted].
Manly, Basil, III, [redacted].

Mansfield, Ernest G., Jr., [redacted].
Marcotte, Wayne W., [redacted].
Markarian, Ronald H., [redacted].
Markwood, Calvin H., [redacted].
Marquez, Leo, [redacted].
Marquis, David J., [redacted].
Marriott, William S., [redacted].
Marsh, Gary E., [redacted].
Marsh, Paul F., [redacted].
Martella, Angelo M., Jr., [redacted].
Martin, Donald W., [redacted].
Martin, Samuel H., III, [redacted].
Martin, Victor E., [redacted].
Martin, Walter R., [redacted].
Martinez, Gilbert, [redacted].
Martinie, John D., [redacted].
Martino, Joseph P., [redacted].
Mathews, James R., [redacted].
Mathiasen, Roger J., [redacted].
Mathis, Paul C., [redacted].
Matlock, Marcus M., Jr., [redacted].
Matthews, John H., [redacted].
Matthews, Richard G., [redacted].
Mayfield, Richard A., [redacted].
Maynard, Charles G., [redacted].
McAdoo, William T., [redacted].
McArn, Kenneth H., [redacted].
McCann, Robert D., [redacted].
McClain, Larry D., [redacted].
McClammy, Herbert C., [redacted].
McClellan, Robert J., [redacted].
McClelland, William J., [redacted].
McCollum, William A., [redacted].
McCranie, William J., III, [redacted].
McFeron, Louie O., [redacted].
McGee, Billy R., [redacted].
McGilvary, David R., [redacted].
McGouldrick, Francis J., Jr., [redacted].
McGroarty, Robert P., [redacted].
McHale, Edward M., [redacted].
McHenry, John T., [redacted].
McHugh, John J., [redacted].
McKenzie, Howard E., [redacted].
McLoud, Harold J., Jr., [redacted].
McMaster, Billy C., [redacted].
McNeil, James H., [redacted].
McNulty, Leo C., [redacted].
McPeak, Merrill A., [redacted].
McRae, Milton W., [redacted].
Mehaffey, Wilbur L., [redacted].
Meier, Frederick C., [redacted].
Mersereau, Gage M., [redacted].
Metz, James H., [redacted].
Meyer, Lawrence H., [redacted].
Meyers, Stephen P., [redacted].
Michler, Earl E., [redacted].
Migala, Andrew E., [redacted].
Mihura, Max L., [redacted].
Mikulecky, James T., [redacted].
Milam, Victor L., [redacted].
Miller, Allen D., [redacted].
Miller, Charles E. C., [redacted].
Miller, Donald L., [redacted].
Miller, Howard E., [redacted].
Miller, James C., [redacted].
Miller, Michael M., [redacted].
Miller, Paul B., [redacted].
Miller, Richard W., [redacted].
Mills, Billie B., [redacted].
Millsap, Luther E., [redacted].
Millson, Chris, Jr., [redacted].
Mirth, Joseph D., [redacted].
Misencik, William T., [redacted].
Mitchell, Albert C., [redacted].
Molnar, Lawrence B., [redacted].
Mongeon, Lee A., [redacted].
Monk, John N., Jr., [redacted].
Montemayor, Ernest A., [redacted].
Montgomery, Richard D., [redacted].
Montgomery, Thomas H., Jr., [redacted].
Moon, Lloyd B., [redacted].
Morgan, John A., Jr., [redacted].
Morrison, Joseph S., [redacted].
Morris, Robert L., [redacted].
Morrison, Joseph C., [redacted].
Morrison, Robert G., [redacted].
Mortimer, Norman E., [redacted].
Moser, Richard E., [redacted].
Mulberry, Eugene W., [redacted].
Mullins, James E., Jr., [redacted].
Murphy, James R., [redacted].
Murphy, John T., [redacted].
Murphy, Michael, [redacted].
Murray, Edmond F., [redacted].
Murtaugh, John K., [redacted].
Mutch, Edward E., [redacted].
Myers, Charles W., [redacted].
Myers, Jack W., [redacted].
Myers, Richard H., [redacted].
Nash, John G., [redacted].
Neathery, Herbert L., [redacted].
Needham, Paul E., [redacted].
Neeld, Bobby G., [redacted].
Nelson, Dale G., [redacted].
Nelson, David A., [redacted].
Nelson, Robert W., [redacted].
Nemeth, Richard S., [redacted].
Neubeck, Francis G., [redacted].
Neumann, Nyle C., [redacted].
Nevers, Joseph R., [redacted].
Newlon, Jerry E., [redacted].
Nida, Charles L., [redacted].
Nielson, Roger W., [redacted].
Niemela, John R., [redacted].
Nordeck, Howard R., [redacted].
Norman, Murray A., [redacted].
Norman, Raymond L., [redacted].
Norris, William D., [redacted].
Nuckels, Howard T., [redacted].
Nugent, Robert E., [redacted].
O'Brien, Denis R., [redacted].
O'Brien, Edward J., Jr., [redacted].
O'Crowley, Myles R., [redacted].
O'Derman, Dale L., [redacted].
O'Donnell, Edward F., Jr., [redacted].
O'Donnell, John F., [redacted].
O'Echsle, Edward H., [redacted].
Oetinger, Revilo R., [redacted].
Oexmann, Norval L., [redacted].
O'Gorman, John P., [redacted].
O'Gwynn, William S., [redacted].
O'Hair, Edgar A., Jr., [redacted].
O'Halloran, Leo D., Jr., [redacted].
Ohlinger, Kenneth W., [redacted].
O'Keefe, Robert W., [redacted].
Olesen, Leo E., [redacted].
O'Neal, Joe R., [redacted].
O'Neil, James W., [redacted].
O'Neill, Peter D., [redacted].
O'Neill, Timothy F., [redacted].
Oplinger, Daniel H., [redacted].
Orange, William L., [redacted].
O'Rourke, Edward G., [redacted].
Orr, Kenneth B., [redacted].
Owen, Jesse R., Jr., [redacted].
Owens, Eugene, [redacted].
Padden, Maurice C., [redacted].
Page, Gordon L., [redacted].
Painter, Charles E., [redacted].
Palermino, Jerome J., [redacted].
Papaccio, Philip N., [redacted].
Papaneri, Anthony, [redacted].
Papineau, Francis H., [redacted].
Paradis, Clarence L., [redacted].
Park, Karl S., [redacted].
Park, Maynard L., [redacted].
Patrick, Charles W., [redacted].
Patrick, Richard A., [redacted].
Patterson, Carl E., [redacted].
Patterson, Kenneth M., [redacted].
Patterson, Robert E., Jr., [redacted].
Patton, Billy D., [redacted].
Pedroli, Attilio, [redacted].
Pence, Ray, [redacted].
Pennington, Charles R., [redacted].
Peoples, Paul L., [redacted].
Peters, Charles R., [redacted].
Peters, Jack W. R., [redacted].
Peterson, Donald H., [redacted].
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Peterson, George A., [redacted].
Peterson, Leonard R., [redacted].
Peterson, Milton R., [redacted].
Peterson, Vernon L., [redacted].
Petrie, Walter H., [redacted].
Pettijohn, Max L., [redacted].
Pettus, Harry D., [redacted].
Petty, Edward A., [redacted].
Pfeiffer, Larry C., [redacted].
Phares, Richard W., [redacted].
Phoenix, Robert D., [redacted].
Platenberg, Robert I., [redacted].
Pluenneke, Harold C., [redacted].
Podlesnik, Frank A., Jr., [redacted].
Pogue, William R., [redacted].
Pomeroy, Carwin J., [redacted].
Porter, David L., [redacted].
Porter, William C., [redacted].
Potter, Norwood W., [redacted].
Powers, Elliott, [redacted].
Powers, Jack A., [redacted].
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Powers, Robert J., [redacted].
Powers, Winston D., [redacted].
Pratt, Rex K., [redacted].
Pray, Chelmer G., [redacted].
Preston, Raymond C., Jr., [redacted].
Preyss, Albert E., [redacted].
Price, Henry W., Jr., [redacted].
Priddle, Harland E., [redacted].
Pritchett, Thaddeus C., [redacted].
Prollock, Jack D., [redacted].
Prophett, Abner, [redacted].
Pruitt, Robert F., [redacted].
Pryor, Richard W., [redacted].
Pugh, William M., [redacted].
Pulham, Thomas D., [redacted].
Quigley, Norman P., [redacted].
Radke, Thomas L., [redacted].
Radtke, Derald J., [redacted].
Ralph, Donald B., [redacted].
Ralph, William D., Jr., [redacted].
Ramsey, Robert F., [redacted].
Rankin, Paul L., Jr., [redacted].
Rauhe, Bruce R., [redacted].
Rawlings, Gene D., [redacted].
Ray, Lawrence J., [redacted].
Rayfield, Robert E., [redacted].
Redfearn, Charles W., [redacted].
Reeves, Charles W., Jr., [redacted].
Rega, Michael J., [redacted].
Rehm, Daniel J., [redacted].
Reis, George Jr., [redacted].
Renehan, Patrick L., [redacted].
Renner, Charles F., [redacted].
Renner, William D., [redacted].
Renshaw, Alan B., [redacted].
Rice, Phillip L., [redacted].
Richards, Norman L., [redacted].
Richards, Thomas C., [redacted].
Richardson, Dewey E., [redacted].
Richter, Richard, [redacted].
Riedel, Emil G., Jr., [redacted].
Rigney, James H., Jr., [redacted].
Robbins, George S., [redacted].
Roberts, David L., [redacted].
Roberts, Russell C., Jr., [redacted].
Robertson, John L., [redacted].
Robichaud, Robert P., [redacted].
Rock, Edward T., [redacted].
Rock, James T., [redacted].
Rodda, Ronald J., [redacted].
Roe, Weston A., [redacted].
Roosa, Stuart A., [redacted].
Roosma, John S., Jr., [redacted].
Rose, Justus F., Jr., [redacted].
Roseen, Robert E., [redacted].
Ross, Fredric S., [redacted].
Ross, Troy G., [redacted].
Roth, Henry G., [redacted].
Roth, Paul H., [redacted].
Rouse, Lawrence M., [redacted].
Rowland, John R., [redacted].
Rowley, Charles S., [redacted].
Ruck, Robert L., [redacted].
Ruff, Doyle C., [redacted].
Rupert, Arthur B., [redacted].
Russell, Donald M., [redacted].
Saccone, Joseph D., [redacted].
Sadler, Samuel O., [redacted].
Salisberry, Rex C., [redacted].
Salvucci, Joseph D., [redacted].
Sandfort, Dorrence O., [redacted].
Savage, Myron L., [redacted].
Sawyer, Thomas W., [redacted].
Sayles, Duvahn W., [redacted].
Schier, William E., [redacted].
Schlight, John, [redacted].
Schmidt, Robert H., [redacted].
Schmoker, Leland A., [redacted].
Schoderbek, Stephen E., [redacted].

Schwene, Donald J., [redacted].
Sciples, Francis J., [redacted].
Scott, Raymon C., [redacted].
Seagroves, Jean C., [redacted].
Sedano, John M., [redacted].
Seminare, Louise E., Jr., [redacted].
Sexton, A. D., [redacted].
Sharp, Bradford L., [redacted].
Sharp, John D., [redacted].
Shaw, Ronald G., [redacted].
Shears, Leslie R., [redacted].
Sheehan, Anthony T., [redacted].
Sheffield, Richard E., [redacted].
Shepherd, Charles E., [redacted].
Shepherd, Thomas G., [redacted].
Shimabukuro, Henry, [redacted].
Shinn, David A., [redacted].
Shipe, John R., [redacted].
Shockley, Crawford O., [redacted].
Shrum, Samuel E., [redacted].
Siebert, Leonard J., [redacted].
Singhoff, Forest A., [redacted].
Sirotnak, Eugene J., [redacted].
Skipton, Charles P., [redacted].
Slaughter, Ernest H., [redacted].
Smith, Arthur E., Jr., [redacted].
Smith, Bertrand D., [redacted].
Smith, Bobby G., [redacted].
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Smith, Jeff W., [redacted].
Smith, Joe S., [redacted].
Smith, John B., [redacted].
Smith, Robert D., [redacted].
Smitherman, John A., [redacted].
Smothermon, James P., [redacted].
Snell, Willard H., Jr., [redacted].
Snyder, Phillip D., [redacted].
Sovern, Stanley B., [redacted].
Spencer, Robert C., [redacted].
Sperry, Donald H., [redacted].
Sprague, Roger L., [redacted].
Springer, Robert D., [redacted].
Standerwick, Robert L., [redacted].
Stanley, James R., [redacted].
Stater, Nat A., [redacted].
Stathopoulos, Anthony, [redacted].
Steelman, Donald L., [redacted].
Stephenson, David R., [redacted].
Stephenson, Edgar L., Jr., [redacted].
Stewart, Albert G., [redacted].
Stewart, Ellis C., Jr., [redacted].
Stine, Joseph M., [redacted].
St. Jean, Frederick J., [redacted].
Strasheim, Arnold L., [redacted].
Stringer, Henry D. Jr., [redacted].
Strobaugh, Donald R., [redacted].
Strohl, Thomas M., [redacted].
Stromberg, Ronald D., [redacted].
Stuart, Hudson W., [redacted].
Stuart, Theodore W. A. Jr., [redacted].
Studer, Thomas A., [redacted].
Sturgeon, Jack P., [redacted].
Sturges, John B. Jr. [redacted].
Sugg, Lem D. Jr., [redacted].
Sullivan, Farrell J., [redacted].
Sullivan, Roger H., [redacted].
Surridge, Allan J., [redacted].
Sutherland, Harlan D., [redacted].
Sutter, Bradley, [redacted].
Sutton, Charles A., [redacted].
Sveska, Robert F., [redacted].
Swan, John W., [redacted].
Swanson, Allan J., [redacted].
Swanson, Ronald E., [redacted].
Swick, George E., [redacted].
Swinford, Grant V., [redacted].
Taft, Gene E., [redacted].
Tanner, John D., [redacted].
Taylor, Max O., [redacted].
Teagarden, C. C., [redacted].
Teal, Tom A., [redacted].
Tebo, Jack, [redacted].
Tedeschi, James R., [redacted].
Terlouw, Garret W., [redacted].
Terrell, Bryce H., [redacted].
Terry, Billy W., [redacted].
Terry, Ronald W., [redacted].
Thomas, James C., [redacted].
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Thornton, John D. Jr. [redacted].
Thorpe, Thomas J. V., [redacted].
Throckmorton, Robert W., [redacted].
Thuemmel, John P., [redacted].
Thulin, John H., [redacted].
Thurmon, James A., [redacted].
Tidwell, Marion F., [redacted].
Tiernan, John F., [redacted].
Tietge, Jerry W., [redacted].
Tilson, Philip A., [redacted].
Timm, Robert H., [redacted].
Todd, Robert E., [redacted].
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Trimeloni, Blanca D., [redacted].
Trott, Allen L., Jr., [redacted].
Trott, William R., [redacted].
Truxal, Everett W., [redacted].
Tucker, Joseph E., [redacted].
Tucker, Roger D., [redacted].
Turek, Richard J., [redacted].
Turke, Charles W., [redacted].
Turner, Alex, Jr., [redacted].
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Turner, James A., Jr., [redacted].
Turner, Russell A., II, [redacted].
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Turpen, James R., [redacted].
Uher, Edward L., [redacted].
Ullerich, Julius C., Jr., [redacted].
Ulrich, Myron D., [redacted].
Urschler, Regis F. A., [redacted].
Valenti, Joseph M., [redacted].
Vallance, Donald R., [redacted].
Vanhorn, Boyd L., [redacted].
Vansickel, Daniel P., [redacted].
Vayda, Robert S., [redacted].
Vehling, David R., [redacted].
Vehrs, George J., [redacted].
Velez, Louis E., [redacted].
Vest, Daurice C., [redacted].
Villaret, Albert L., [redacted].
Vito, Carmine, A., [redacted].
Vogt, Donald A., [redacted].
Vontersch, George L., [redacted].
Vorhies, James W., [redacted].
Wackym, Fred N., Jr., [redacted].
Waddle, Dannie T., Jr., [redacted].
Wagner, Louis C., [redacted].
Walden, Ray Y., Jr., [redacted].
Waldron, David L., [redacted].
Walker, Robert E., [redacted].
Wallace, Charles B., [redacted].
Waltman, Gerald, [redacted].
Ward, Robert C., [redacted].
Ward, Robert W., [redacted].
Ware, Joseph M., [redacted].
Watnee, Lloyd H., Jr., [redacted].
Weber, Kenneth L., [redacted].
Weber, Robert R., [redacted].
Weeks, Allen R., [redacted].
Weickhardt, Arthur F., [redacted].
Weiger, William F., [redacted].
Weigman, Richard J., [redacted].
Weissler, Edwin M., [redacted].
Wells, James P., [redacted].
Wenzel, Donald F., [redacted].
West, Bobby P., [redacted].
Westberry, James H., [redacted].
Wetmore, Bruce B., [redacted].
Wheeler, George H., [redacted].
White, Philip J., [redacted].
Whitlow, Homer F., [redacted].
Wicklund, Robert A., [redacted].
Williams, Harold J. M., [redacted].
Williams, Lavern E., [redacted].
Williams, Richard L., [redacted].
Williams, Robert Q., [redacted].
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Williamson, Don I., [redacted].
Wilson, Harold E., [redacted].
Wilson, James R., [redacted].
Windom, Robert W., Jr., [redacted].
Winemiller, William E., [redacted].
Winstead, Guy H., Jr., [redacted].
Wippermann, Donald R., [redacted].
Wisneski, Frank R., [redacted].
Wistrand, Robert C., [redacted].
Witzig, Herman R., [redacted].
Wojahn, John R., [redacted].
Womack, Willis G., [redacted].
Wondrack, Walter M., [redacted].
Wood, Horace E., Jr., [redacted].
Wood, Richard H., [redacted].
Woods, James W., [redacted].
Wotring, John T., [redacted].
Wright, Paul J., Jr., [redacted].
Wright, Thomas W., [redacted].
Wurschmidt, Leo C., [redacted].
Wustner, Lorenz F., [redacted].
Yasuhara, Thomas H., [redacted].
Yates, Ralph A., [redacted].
Yery, Richard T., [redacted].
Young, Edward D., Jr., [redacted].
Young, James F., [redacted].
Young, Keith R., [redacted].
Young, Pearce H., Jr., [redacted].
Youngflesh, Richard D., [redacted].
Zambenini, Robert L., [redacted].
Zoubul, Socrates M., [redacted].

CHAPLAINS

Arrow, Henry D., [redacted].
Barnett, Ike C., Jr., [redacted].
Barstad, Stuart E., [redacted].
Campbell, William W., [redacted].
Castellani, John J., [redacted].
Davis, Paul D., [redacted].
Franks, William D., [redacted].
Grothjan, James K., [redacted].
Harlow, James D., [redacted].
Harms, Sudderth A., [redacted].
Heide, Edwin G., [redacted].
Hermanson, Sheldon E., [redacted].
Hunt, Mansfield E., [redacted].
Larche, Lucien E., Jr., [redacted].
Ledoux, Louis C., [redacted].
Lyngdal, Lloyd W., [redacted].
Lyons, Leo J., [redacted].
Mattison, Walter H., [redacted].
McConnell, Francis P., [redacted].
Moran, Thomas J., [redacted].
Nesbitt, Charles B., [redacted].
Nordstrand, Henry A., [redacted].
Reese, Charles T., [redacted].
Richards, John F., [redacted].
Spencer, Henry L., [redacted].
Taylor, Wayne L., [redacted].
Townsend, James E., [redacted].
Wragg, Paul H., Jr., [redacted].

NURSE CORPS

Cotter, Elizabeth, [redacted].
Eby, Billie B., [redacted].
Epperson, Crystal N., [redacted].
Ladner, Goldie H., [redacted].
Marshall, Louise A., [redacted].
McKenna, Madeline A., [redacted].
Migliorino, Jean M., [redacted].
Moore, Johnena K., [redacted].
Nelson, Alberta P., [redacted].
Norris, Lois J., [redacted].
Parker, Fay D., [redacted].
Ronaghan, James T., [redacted].
Snavley, Joyce M., [redacted].
Truitt, Ernestine S., [redacted].

MEDICAL SERVICE CORPS

Baird, Joseph A., Jr., [redacted].
Corley, Horace A., [redacted].
Edwards, Robert M., [redacted].
Holder, William L., [redacted].
Martin, Everett E., [redacted].
Suchenski, Richard C., [redacted].
Thomas, Russell J., [redacted].
Winney, Charles W., [redacted].

VETERINARY CORPS

Holk, Herbert C., [redacted].
Wright, Albert D., [redacted].

BIOMEDICAL SCIENCES CORPS

Bobo, Carolyn E., [redacted].
Darling, Charles L., [redacted].
Fesenmyer, Mary K., [redacted].
Hall, Giles W., [redacted].
McDonough, John P., [redacted].
Weinberg, Carl J., [redacted].
Williams, William L., [redacted].

WITHDRAWAL

Executive nomination withdrawn from the Senate, February 26, 1973:

FEDERAL AVIATION ADMINISTRATION

Alexander P. Butterfield, of California, to be Administrator of the Federal Aviation Administration, vice John H. Shaffer, resigned, which was sent to the Senate on January 3, 1973.

HOUSE OF REPRESENTATIVES—*Monday, February 26, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let love be genuine; abhor that which is evil; cleave to that which is good.—Romans 12: 9.

Eternal God, our Father, who through the ages hast been seeking to draw men unto Thyself, we thank Thee that in whatever way our feet have walked Thou hast always been with us. Help us to be aware of Thy presence as we live through the hours of this day.

We thank Thee for the lofty experiences which bind us together as citizens of this great land, for homes where love dwells, for churches where we can worship as we desire, for schools of learning where we can grow in body, mind, and spirit, and for our Nation where flies the flag of freedom. Mighty are these principles which can unite us and miserable are the prejudices which separate us. By the common spirit of a common adventure draw us together in understanding and good will that we may build bridges over our barriers, heal our hurts, and make us in truth one nation under Thee with liberty and justice for all.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 2. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Runaway Youth";

S. Con. Res. 3. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Saturday Night Special Handguns, S. 2507";

S. Con. Res. 4. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Juvenile Confinement Institutions and Correctional Systems"; and

S. Con. Res. 8. Concurrent resolution relating to the designation, administration, and expenses of the Joint Study Committee on Budget Control.

PROMOTION AND DEVELOPMENT OF FISHERIES PRODUCTS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, this is a season for cuts in Federal spending. The President is trying to hold the Federal budget within realistic bounds and avoid tax increases. To this most people will say a hearty "amen." But in this procedure there is some bitter along with the sweet. The budget experts do not always think as Congress does on the items which they propose to cut. For instance, Congress has consistently supported research for promotion and development of fisheries products. We consider it an essential aid to the hard pressed commercial fisheries industry of America. Yet this is one of the areas the budget makers now plan to slash. In 1972 $7.5 million was made available for this purpose. Outlays for fiscal 1973 are estimated at $10 million. But the new budget for fiscal 1974 requests only $6.7 million for this important work. Since inflation increases the costs each year the new work level would be far below that of 2 years ago.

There are clear-cut examples of the way in which these funds have been used to research more effective promotion of fishery products.

In Florida there was a longstanding problem in commercial sales of mackerel. Fishermen were selling only about 3 million pounds a year. After extensive research into better ways to package and promote this tasty fish, sales jumped to 11 million pounds a year and are still climbing.

Mullet offers an outstanding example of opportunity for increased sales. At present sales figures on mullet stand at 30 million pounds per year. It is estimated 200 million pounds of mullet are available for marketing each year. There are many of us who enjoy mullet but it just has not caught on in national and world markets. It stands to reason that the right kind of promotion methods can make this a fish eagerly sought after by housewives with resultant profitable sale for the producer and the processor.

Funds from this program have been used to find ways to package scallops at sea. Commercial seafood farming is being tried and shows signs of success. New and better fishing gear has been tested. Marketing and packaging data have proven to be invaluable for the industry as a whole.

It was for these and similar purposes that Congress enacted this valuable research program.

Most areas of food packaging and processing have abundant financial resources with which to test the needs and demands of the consumer. Not so the fishing industry. Profits, when they exist, are too small to allow for massive market and product research programs.

It would be most unfortunate if fishery research now were cut to unacceptable levels. More, not less, needs to be done and this is not the time to reduce funds. Commercial fishermen are vital in the economy of the Nation and their products are vital to the balanced diets of Americans. They need the help which is being provided through research to educate American families to the delights of properly prepared seafood.

It is significant that American commercial fishermen with higher production costs are more and more at the mercy of foreign competition. They need the knowledge and tools of research programs to help them fight back effectively.

I believe the full funding of the Fisheries Development Act is critical to the industry and a realistic fight should be made in Congress to restore funds to a level at least on a par with the 1973 level of $10 million.

STATE OF THE WATERWAYS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the warning flags are up insofar as the "state of the waterways" is concerned. There is a proposed report from the National Water Commission which should be required reading particularly for commercial waterway users in the United States. The seven-member Water Commission apparently is preparing to recommend a series of drastic and far-reaching changes in U.S. water policies.

Created by Congress in 1968 and given an appropriation of $5 million, the Commission was charged with formulating recommendations for national policy regarding waterways to better enable the Congress and the executive branch to devise methods for improving, expanding, and maintaining the Nation's waterways. With that projection, I confess shock and dismay when I find that the Commission plans to recommend that the Federal Government get out of the waterways business and leave the job to local government. Just how a local jurisdiction could possibly finance and construct a multicounty flood control project, a dam, or dredging project is something the Commission does not address itself to.

Probably this omission is for good reason. There seems to be no way the Commission's recommendations possibly could be carried out without chaotic results. The end product of such a scheme would be a patchquilt series of starts and stops on the Nation's waterways; freight rates would soar; navigational improvements would cease; projects would go unfunded; local government would fight local government in an effort to reach financing agreements; and the state of the waterways could deteriorate to unacceptable levels.

I question that any person who seeks the sound development of the Nation's waterways can defend with logic the recommendations of the National Water Commission. Most of us know that more—not less—must be done if the United States is to remain a viable trading Nation. At a time when our balance-of-payments deficit is growing and competition from foreign products faces almost every shipper and operator, we cannot as a nation think that this is the proper moment to leave the lanes of water commerce to chance.

Of further concern to those deeply involved in efforts to improve our waterways are recommendations to impose fees on users at various points along the waterways, with those funds earmarked to pay the cost of improvements made to the waterway system.

The Commission suggests sufficient funding could be developed to pick up the entire tab, but I hesitate to even think of the ton-rate that would have to be levied in order to maintain, let alone improve, existing facilities or construct new ones.

Each of us interested in our waterways system must view these recommendations with grave alarm. It has only been through a cooperative Federal-State-local effort that we have been able to achieve the commendable progress thus far made in waterway development and improvement. But we must not stop here. We must not go back to a "catch-as-catch-can" basis which did not work years ago and will not work tomorrow.

With growing concern over the environment, with flood control and navigation projects to be built and improved, and with so much depending on our waterways, this is the time for increasing, not reducing, Federal programs.

The National Water Commission spent 4 years and $5 million in its studies. It is unfortunate that the resulting report and recommendations are shortsighted and not, in my opinion, in the best interests of the Nation. I am afraid the American people have been shortchanged on this expenditure. The recommendations which are set forth should not be implemented either by law or Executive order, for to do so would be to lose sight of one of the most valuable resources in this Nation—our waterways.

EDA TOO IMPORTANT TO LOSE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am in complete accord with proposals to continue the Economic Development Administration for a minimum of one more year and I have joined the bipartisan effort to accomplish this.

Over the years, the Congress has supported this agency because the work it did was efficient and the programs beneficial to the people of more than 1,100 counties in the United States. As the House knows, I have been critical of many of the programs conceived by various administrations and put forward as experiments in social reform. But I have not been critical of EDA because it works.

My own district in Florida is a prime example. EDA functions primarily through the Northwest Florida Development Council and Economic Development District which is comprised of 11 counties in northwest Florida. Some of these counties are in my district; the others are represented by my colleague, the Honorable DON FUQUA.

The fact that this council crosses county and congressional district lines is one reason it works. It clearly demonstrates that problems know no geographic boundary. Area problems must be solved on an area basis, and this is what is taking place in northwest Florida. If EDA is allowed to die, some of this valuable progress will cease.

Over the years, EDA has assisted my area with almost $4 million in loans and grants, in addition to the staff assistance and technical aid which has been utilized to create 5,000 new jobs for our people. This is a program which works to help people help themselves. We have built port facilities, public buildings, barge terminals, and city halls. We have conducted studies on fishing—a vital industry in my part of the State, and on hardwood, also a major factor in our economy. We have begun to develop a master plan for the entire region and work is going forward on studies to renovate port facilities.

But we now are told the EDA is to be allowed to die and that work like that taking place in my area and in hundreds of other counties across the Nation will stop.

This is an ill-advised move. I am in full accord with the President's plan to abolish wasteful, useless, and nonproductive programs of Government. But I cannot agree that EDA is in this category.

Perhaps there are changes which should be made, but we will not know unless the House and Senate are given the necessary time to study the programs and evaluate them. That is why we seek a 1-year extension of the EDA. In that time, the studies can be completed. We can then act with responsibility to fund those programs which should be continued, to abolish those which should end, and transfer in an orderly manner those programs which rightfully should be delegated to other agencies.

But we cannot simply kill this useful agency and say, in effect, that many people who want to help themselves are to be cast aside in the name of economy. I fully support efforts to get the Federal Government out of areas where it does not belong. But the EDA has demonstrated that it is a good program. It has been successful. It is working and it should be allowed to continue in operation, at least for another full year while further studies can be made on its proper place in Government.

The program has brought together previously fragmented and uncoordinated programs to help rural America. Certainly it is the most effective mechanism yet devised to help in the solution of some of the difficult problems of our Nation. It directs itself at the problems of employment imbalance, income gaps, and standard of living improvements, and all of these are important.

This is the kind of service that Government should render where its services are needed. This is what EDA does. It should be continued.

A THREATENED LIFE STYLE

(Mr. RONCALIO of Wyoming asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, one of the most beloved newsmen in the Rocky Mountain area is Denver Post columnist Red Fenwick, a former resident of my State of Wyoming. Over the years, his sage observations have both informed and entertained readers throughout the West.

He is an old hand in the reporting business, slow and steady on the draw. Thus, when he voices apprehensions about two Plowshare projects under the Atomic Energy Commission, prudent men in the West will listen hard.

Of special interest in his column, which I shall insert in the RECORD, is the reference to the proposed Wagon Wheel project. This proposal calls for five sequential underground atomic detonations to free natural gas in Sublette County. In the last session, I outlined my objections to this program, which makes no sense on hard economic grounds or on the basis of environmental impact.

I urge my colleagues to read this column and to see, amid the wit, the genuine alarm expressed by a man who has made a lifetime career of chronicling the enviable life style of the West, a life style which in the area surrounding the proposed Wagon Wheel detonations is gravely threatened. The article follows:

WHAT PRICE ENERGY?

SPEAKING OF THE FUTURE

(By Red Fenwick)

Now I'll never admit to getting old, but I do hope the President's Commission on Aging comes up pretty soon with something to stop it or slow it down. It's been going around for a long time, and I think I'm in danger of catching it.

Maybe what's wrong with the commission is that there are too many old folks on it. What we need is some young blood and some fresh ideas.

I'd volunteer to serve but, frankly, I just don't feel up to it.

I'm beginning to show a few cracks around the edges, and the original paint job has faded to the point where I repeatedly have to explain to people why they still call me Red.

Well, if you must know, it's my eyeballs, buddy, my eyeballs.

REFLECTION TIME

I can understand why most oldsters spend more time reflecting upon the past than on the future. It's simple: For them there's so danged much more of it than there is future—and it's so much more pleasant to contemplate.

And speaking of the future: I was intrigued last week by two articles in The Denver Post dealing with plans for two underground atomic explosions purportedly to develop supplies of natural gas.

For the benefit of you people who read only The Sunday Denver Post, let me condense part of the two reports, one a syndicated Denver Post-Los Angeles Times article by Philip Fradkin, and the other by Post Writer Glenn Troelstrup.

The first was datelined Pinedale, Wyo., and it said that if all goes according to schedule, that small ranching community will be rocked in the next two years by five nuclear shots in quick succession.

"Each jolt will register about 5 on the Richter scale compared to the 6.4 rating of the San Fernando Valley (Calif.) earthquake in 1971," Fradkin wrote. He then reported the damage expected by the Atomic Energy Commission's experts.

OUTLOOK OF SOME

They anticipate that some roads will crack, bridges will collapse, plaster will fall in homes and cracks will appear in walls. There will be damage to dams, a water tower will be weakened and river and irrigation ditch banks will fail.

All this, of course, in the immediate area so it doesn't concern people outside the area. Those who just happen to live there apparently are expendable.

They expect rock slides 35 miles distant from the blast site. A working mine 50 miles distant will be evacuated, just in case, and a city 75 miles distant (that would be Rock Springs, Wyo.) fears it may collapse into underground mines.

There was no speculation on what effect the five super blasts will have on Yellowstone National Park an equal distance to the north and one of the most sensitive volcanic areas on the continent.

The park is of volcanic origin dating back to 40 million years ago, and lava flows, great cliffs of obsidian glass and the live thermal features of the park today testify to the volcanic relationship.

Yellowstone's major earthquake of 1959 provoked highly increased activity in geysers, some of them long dormant, and converted hot pools into geysers. A mud volcano was angered and became much more active.

ONE CANYON

There is one canyon in the park which traces several major volcanic eruptions in Yellowstone down through the ages, each of which spewed the region with ash and lava and destroyed forests and all vegetation.

Five successive earth shocks each registering 5 on the Richter scale? One right hand by fighter Ron Lyle might not knock out a champion. But five in quick succession would lay any man on his back.

Post Writer Troelstrup reported on a decision by the State Board of Health to postpone a decision on whether to support Project Rio Blanco, a smaller atomic shot in Colorado. Gov. John Love already has said he wouldn't veto the project.

Troelstrup wrote that proponents of the blasts believed that the sequential explosions in Rio Blanco County "would not damage water or oil shale 3,000 feet away."

They also believed that it is "quite likely" gas can be produced from the underground regions after the explosions. They're talking about trillions of cubic feet of gas.

Opponents of the nuclear explosions wanted to know the effect on root systems and wildlife and domestic animals such as cattle and sheep—and on people.

They were assured that there was little chance of anything serious going wrong, and that even if it did the government was prepared in advance to compensate for damages.

For instance, the project's industrial sponsor and the federal coffers would come up with money in three phases. The business firm sponsor of the project, would provide the first $100,000 directly through local claims procedures, the next $11 million would be covered by private insurance underwriters, and beyond that the U.S. government would indemnify up to $560 million.

KNOWLEDGE SMALL

Now I admit that my scientific knowledge of atomic enery could be written on the back of my left hand. But my fears about these two projects and the uncertainties by both the dubs and the experts would cover the face of a dam just before it collapses.

And if either of these projects contaminated the headwaters of the greatest East-West river systems in America, not even the government could buy a drink of water in the U.S. for even a billion dollars.

But there's always good news. It could be that several million years from now, after the radiation has subsided and gone, these giant underground caves formed by atomic fission, might just cradle a new civilization by providing shelter for "Crow Magnum Man."

EAST-WEST TRADE BILL

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, today I am intoducing legislation which authorizes the President to grant—under certain conditions—the Soviet Union and all but one other Eastern European nation the same trade treatment the United States extends to its other trading partners.

This new relationship—designed to encourage understandings which will help insure world peace—is strictly conditional and requires the President to certify such conditions are met. The conditions reflect the key concerns of Congress and the American people. They are as follows:

The United States must benefit no less than each of the Eastern European countries;

The emigration policies of each country must be in conformance with internationally accepted standards on human rights;

The extension of any trade agreement concessions must be fully reciprocal and "important to the national interest of the United States";

There must be formal safeguards against any possible "dumping" of imports from the Eastern European nations; and

The Eastern European nations must agree to settle delinquent debts and unpaid claims owed to the United States.

The bill is written so that any Member is torn between his interest in easing the plight of Soviet Jewry and his desire to see increased East-West trade can in full conscience vote for this bill because it requires emigration policies to be in line with internationally held values on human rights. This is also true of those Members concerned about imports and unpaid debts. At the same time, it permits a major expansion of U.S. exports and greater opportunities for reaching meaningful settlements on political issues.

The bill puts the maximum amount of pressure on the President and the Eastern European nations to make certain a proper framework is built so that all countries involved can move forward as rapidly as possible in developing a new trade relationship and normalizing relations.

Albania is not included because that country is considered within the Chinese Communist bloc.

The text of the bill follows:

H.R. —

A bill to amend section 231 of the Trade Expansion Act of 1962 to permit the extension of trade agreement concessions on a reciprocal basis to products of the Union of Soviet Socialist Republics, Rumania, Hungary, Bulgaria, and Czechoslovakia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 231 of the Trade Expansion Act of 1962 (19 U.S.C. 1861) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of law, the President may enter into a bilateral agreement involving articles of trade and extend on a reciprocal basis the benefits of trade agreement concessions made by the United States to products, whether imported directly or indirectly, of the Union of Soviet Socialist Republics, Rumania, Hungary, Bulgaria and Czechoslovakia when: (1) he determines that such an agreement will result in benefits to the United States fully equivalent to those provided by the agreement to each other such nation; (2) he determines that the emigration policies of such nation are in conformance with internationally-accepted standards on human rights; (3) he determines that the agreement and the extension of such trade agreement concessions would be important to the national interest of the United States and include safeguards against dumping; and (4) when bilateral agreements providing for the payment of outstanding delinquent debts and claims owed to the Government of the United States by such nation are reached. Each determination shall be transmitted to the Congress and then be made public immediately following such transmittal."

POSTAL CORPORATION SALARIES

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GROSS. Mr. Speaker, the Chairman of the Board of Governors of the U.S. Postal Service, Mr. Frederick Kappel, in transmitting to Congress the first annual report of the Postal Service, recommended the removal of the Postal Service salary limitation of $60,000 per year, which is imposed by the Postal Reorganization Act of 1970. Mr. Kappel complained that the "noncompetitiveness" of postal executive salaries "is a major problem in hiring and holding senior managers." I wrote to Mr. Kappel asking for specific details on the executive salary structure of the Postal Service and requesting facts to substantiate his claim that recruitment and retention of qualified postal executives is impaired by salary limitations.

Mr. Kappel referred my request to Postmaster General E. T. Klassen.

The material I received from Mr. Klassen fails to convince me that the salary range of postal executives is not attractive, and I see little, if any, evidence that the present incumbents of these fancy-salaried jobs made any financial sacrifice in accepting employment with the Postal Service.

It is interesting to note that, in addition to the Postmaster General at $60,000 per year, there are 20 positions filled at a salary of $42,000 or more per year—a total of top executives which equals the number of positions authorized by law in executive level II—$42,500—for the entire Federal executive branch. There are three more of these top-salaried positions in the Postal Service which are currently vacant, including the post of Deputy Postmaster General which pays $58,830. It is also interesting to note that certain of these high-salaried postal executives received significant increases in pay by leaving private industry and joining the elite corps of postal executives.

Mr. Speaker, I suggest that this information on postal executive salaries is of general interest to the House and I include it in the Record at this point.

U.S. Postal Service,
Washington, D.C., December 29, 1972.

Hon. Carl Albert,
Speaker of the House, House of Representatives, Washington, D.C.

Dear Mr. Speaker: In accordance with the requirements of the Postal Reorganization Act, I am pleased to transmit the first annual report of the United States Postal Service covering the fiscal year ending June 30, 1972.

1972 was a year of many accomplishments and much progress toward increased quality and efficiency of postal service. We believe this is well documented in the annual report.

There has been a growing and meaningful commitment by postal management to control costs, and yet improve the quality and reliability of mail service. The Governors of the Postal Service are impressed by the strength of management's commitment to succeed in this ambitious program. Mr. E. T. Klassen as Postmaster General is giving the Postal Service great leadership and has our every confidence.

During this first year in which the Board of Governors has had the responsibility for the overall operation of the Postal Service, we have established the authority and responsibility of each level of organization, as well as that which is reserved for the Board of Governors. Periodic reviews of service, operational and financial results were established and procedures for proper consideration of those matters requiring Board approval were instituted.

Consistent with its role for direction of policy and operating controls, the Board has among many actions:

Authorized major capital improvements;

Approved the first issuance of Postal Service bonds;

Seen to it that effective budgeting, accounting, and auditing systems were initiated;

Issued the first major decision on Postal Rate revisions under the Postal Reorganization Act;

Established the Postal executive salary structure; and

Approved the fiscal year 1973 annual budget.

The Board and the management have no illusions as to the tremendous job that faces them in turning this operation around, but we are certain that it can and will be done, given continued good leadership along with time and patience.

There have been a number of resignations in the senior management of the Postal Service during this past year and experience in attracting replacements has proven to us that the non-competitiveness of top executive salaries is a major problem in hiring and holding senior managers. Our experience to date convinces us that the current executive salary limitation, as specified in the Act, must be liberalized if competent management is to be maintained and if this program of Postal Reorganization is going to produce what it must produce in the public interest. We urge that early steps be taken to correct this serious and costly deterrent to Postal performance.

These references to the annual report and to the progress and problems as we see them have necessarily been brief. If it would serve your pleasure, I would welcome the opportunity to review and discuss this important undertaking with you.

Sincerely,

Frederick R. Kappel,
Chairman, Board of Governors.

January 8, 1973.

Hon. Frederick R. Kappel,
Chairman, Board of Governors, U.S. Postal Service, Washington, D.C.

Dear Mr. Chairman: Your letter transmitting to the Congress fiscal 1972 annual report of the U.S. Postal Service discusses one aspect of Postal executive management which is of particular interest to me, and I welcome the opportunity to pursue the matter

I refer to your declaration that:

"There have been a number of resignations in the senior management of the Postal Service during this past year and experience in attracting replacements has proven to us that the non-competitiveness of top executive salaries is a major problem in hiring and holding senior managers."

Any "liberalization" of the current executive salary limitation, as you recommend, would require legislation, and such legislative action should, I trust, be based on hard evidence.

It would therefore be appreciated if you would supply the following information:

1. A current list of all persons in Postal Executive Service levels 20 through 29, together with title, annual salary and immediate previous salary and position.

2. A list of those persons who resigned from executive level positions of the Postal Service since its inception, the reason for such resignation, and any pertinent data which shows salary being the principal reason for leaving the service.

3. A list of vacancies in the Postal Executive Service and the salary range of each such position.

4. A list of fringe benefits or emoluments of office attached to each executive level position in the Postal Service, including the monetary value placed on such benefits. I would also like to know whether cash bonuses are paid to any postal executives, and the value of these bonuses.

5. Insofar as it can be provided without violating confidences, a list of those persons whom the Postal Service was unable to recruit to executive positions by reason of salary limitation alone.

I would also like to know whether it will be the policy of the Postal Service to defer executive level salary increases until March 1974 in line with the President's action under authority of section 225 of Public Law 90–206. While I understand that this law does not cover the Postal Service, I nevertheless am interested in whether the Postal Service will voluntarily adjust its executive level salary policy to that of the rest of the Federal Government.

Sincerely yours,

H. R. Gross,
Ranking Minority Member.

U.S. Postal Service,
Postmaster General,
Washington, D.C., February 12, 1973.

Hon. H. R. Gross,
House of Representatives,
Washington, D.C.

Dear Congressman Gross: This responds to your letter of January 8, 1973, addressed to the Chairman of the Board of Governors, requesting certain information on the Postal Executive System.

The information transmitted is arranged in the order of the questions as they appear in your letter and is valid as of February 1, 1973.

1. Current list of persons in Postal Executive Service levels 20 through 29.

Attachment A lists Headquarters employees with the exception of those in the Inspection Service. (79)

Attachment B lists all Inspection Service employees, including those at Headquarters. (41)

Attachment C lists all other employees in the Postal Service. (35)

Column (8) on Attachments A, B, and C has been identified as the date the person was reassigned, converted or appointed. We have used this column to show the date a Postal Service employee was reassigned within the Postal System, converted from a GS or PS schedule to a PES schedule, or appointed to the Postal Service from the private sector or a Federal Agency. (Conversions from a GS or a PS schedule to a PES schedule all take place on or after February 1, 1971, since that was the date pay schedules were first established under the Postal Reorganization Act.)

Attachment D is a Code Sheet for salary increases and adjustments. Each item is identified by a lower case letter, and, as these items are applicable to an employee, the corresponding letter appears below the employee's name in column (1) on Attachments A, B, and C. Copies of Postal Service Orders 71–1 and 71–25, referred to in the Code Sheet, are included in this Attachment as a ready reference.

2. List of those persons who resigned from executive level positions PES–20 through 29 since the inception of the Postal Service.

Attachment E lists the resignations from the Headquarters staff.

There was one resignation from the Inspection Service. Werner Grosshans resigned the position of Assistant Regional Chief Inspector for Audit, PES–20, Western Region, on October 1, 1972 to rejoin the General Accounting Office in Washington, D.C.

There have been no resignations from other positions in PES–20 through 29 in the Postal Service.

All information referred to above excludes separations of employees entitled to immediate Civil Service retirement.

3. List of vacancies in the Postal Executive Service, PES levels 20 through 29.

Attachment F lists the vacant positions in the Postal Executive Service PES–20 through 29 at Headquarters. There are no unfilled positions in the Inspection Service.

See Attachment G for vacancies in the Regions.

4. List of fringe benefits or emoluments of office attached to each executive level position in the Postal Service.

The only fringe benefits available to employees in the Postal Executive Service are the ones which are available generally to Federal employees by law, and they include principally participation in the Health Benefits, Insurance and Retirement Programs. The monetary value of these programs cannot be stated precisely, but they are the same as would apply for comparable levels of compensation in other agencies. There are no emoluments or cash bonuses awarded to any employee.

5. List of persons the Postal Service was unable to recruit because of salary limitations to the extent this can be done without violating personal confidences.

Throughout the course of my contacts with presently employed executives in whom I was interested for possible executive level positions in the Postal Service, and throughout the activities of others in the Postal Service the activities of others in the Postal Service involved in executive recruiting, our salary limitations have been a serious deterrent to recruitment. I appreciate your sensitivity to the confidential nature of the conversations we may have had with possible candidates for executive positions. While I believe it would be a violation of confidence to list the names of individuals who declined to join the Postal Service, I can assure you that our inability to offer salaries that are competitive with industry levels has been an important factor in the decision of a number of individuals not to join the Postal Service. Moreover, the salary limitations have, in my opinion, prevented us from getting to a point of serious discussion with a number of potential candidates, simply because the pay situation is so clearly unsatisfactory that serious discussions would not seem to offer sufficient promise to be pursued.

In response to the concerns expressed in the last paragraph of your letter, the action of the President under the authority of Section 225 of Public Law 90-206 will apply to the Postal Service insofar as it has the effect of maintaining the maximum salary limitation for postal officers and employees at the present $60,000. The pay of postal employees, however, is generally determined by a process which operates independently of the process used in determining wage schedules for other Government employees. Thus, for example, recent action increasing the compensation of a number of higher paid General Schedule employees—employees occupying positions comparable to many in the Postal Executive category—did not apply to postal employees.

I want to assure you that we will continue to give very careful consideration to any salary increases for employees in levels PES-20 through 29. The Postal Reorganization Act, however, imposes certain clear responsibilities upon us, including its statement that "it shall be the policy of the Postal Service to maintain compensation and benefits for all officers and employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy." 39 U.S.C. 1003. We intend to increase pay in the future in order to carry out this mandate. Moreover, we also intend to take such action as is necessary and authorized to maintain an equitable relationship between the pay of nonbargaining-unit employees and the employees in the bargaining unit.

Sincerely,

E. T. KLASSEN.

ATTACHMENT A

U.S. POSTAL SERVICE, HEADQUARTERS STAFF—PES-20 THROUGH 29

	Current position			Previous position			
Name (1)	Title (2)	Grade (3)	Salary (4)	Title (5)	Grade (6)	Salary (7)	Date reasgd., converted or apptd. (8)
E. T. Klassen	Postmaster General	29	$60,000	Member, Bd. of Gov.		$10,000 p.a. + $300 per day for not more than 60 days per year.	December 1971.
B. F. Balfar (f)	Sr. APMG, Support Group	26	52,500	Vice Pres., Int'l Operations, American Can Company.		50,000	April 1972.
J. P. Blaisdell (f)	Sr. APMG, Employee and Labor Relations.	25	50,000	Self-employed		40,000 to 60,000.	April 1972.
P. N. Carlin (a)	Sr. APMG, Executive Functions	25	46,000	APMG, Planning	PES-24	42,500	April 1972.
M. Comarow (a)	Sr. APMG, Customer Services	25	50,000	APMG, Policy Matters	PES-24	45,000	July 1972.
H. F. Faught (a)	Sr. APMG, Mail Processing	25	50,000	APMG, Mail Processing	Ex. Level IV	38,000	August 1971.
F. E. Batrus (b)	APMG, Exec. Admin	24	45,000	APMG, Logistics and Engineering	PES-24	42,500	March 1972.
E. S. Brower (f)	APMG, Bulk Mail Processing	24	45,000	Mgmt-Recognition, Equipment Inc.		55,000	November 1971.
L. A. Cox (a)	APMG, Law Group and General Counsel.	24	42,500	Solicitor	PES-23	39,418	January 1972.
W. D. Dunlap (a)	APMG, Customer Development	24	42,500	APMG Product Mgmt.	PES-23	39,418	July 1972.
J. T. Ellington (a)	APMG, Planning	24	41,000	Deputy Spec. Asst. to PMG	PES-21	37,000	June 1972.
L. B. Farrell (f)	APMG, Labor Relations	24	45,000	Vice Pres. Industrial Relations W. R. Grace Co.		42,000	July 1972.
R. F. Gould (f)	APMG, Finance	24	44,500	Sr. Vice Pres. Admin. The Rouse Co.		42,000	November 1971.
R. E. Isaacs (a)	APMG, Logistics and Engrg	24	42,500	Dir. Program Mgmt	PES-22	37,000	March 1972.
R. W. Nicholson (f)	APMG, Policy Matters	24	45,000	Vice Pres. and Treas. Corp. for Public Broadcasting.		45,000	September 1972.
A. J. Schneider (f)	APMG, Research	24	45,000	Exec. Vice Pres. Marketing Mobay Chemical Co.		75,000	November 1972.
A. W. Bates (f)	Communications Spec	23	40,000	Editor, Editorial Page, Orange Coast Daily Pilot.		15+ Consulting Fees.	November 1972
R. P. Craig (a)	Deputy General Counsel	23	34,835	Assoc. General Counsel	Pes-21	31,075	January 1972.
R. W. Eidson (b, e)	Dir., Office of Job Evaluation	23	40,000	Dir. of Engineering	Ex. Level V	36,000	November 1971.
W. Eudey (f)	APMG, Employee Relations	23	40,000	Mgr., Hqrs. Facilities, American Can Co.		28,580	August 1972.
J. R. Kadow (f)	APMG, Mgmt Information Systems	23	39,418	Partner, Afthur Anderson & Co.		50,000	September 1971.
R. H. McCutcheon (f)	APMG, Administration	23	39,418	Major General, USAF		33,300	October 1971.
W. J. Miller (f)	APMG, Preferential Mail	23	42,000	Mgr., Manufacturing Operations, GE Co.		46,000	January 1973.
D. L. Ordway (a)	APMG, Product Management	23	37,000	Consumer Advocate	PES-22	33,700	July 1972.
F. M. Sommerkamp (a)	APMG, Delivery Services	23	38,500	Asst. Regional PMG, Southern Region	PES-22	35,385	August 1972.
H. R. Albert (a)	Exec. Asst. for Gov't. Relations	22	36,000	Deputy Exec. Asst. to PMG	PES-21	34,700	October 1971.
R. L. Allen	Program Manager	22	35,100	Dir., Engineering Office	PES-22	35,100	January 1973.
D. W. Berry	Dir., Research and Development	22	37,000	Acting APMG, Research	PES-24	37,000	December 1972.
J. R. Bowen (f)	Controller	22	40,000	Controller, Corning Glass Works		35,000	February 1972.
C. C. Cole (f)	Spec. Asst. to Sr. APMG, Employee and Labor Relations.	22	32,955	Corporate Exec. Dir., Employee Relations, N. American Rockwell Corp.		37,440	August 1972.
A. Eden (b)	Director, Office of Rates and Classification.	22	39,490	DAPMG, Finance & Admin	PES-22	37,000	November 1971.
J. F. Jones (a)	Director, Logistics Office	22	39,600	Mgr., Transportation Services Div.	PES-21	37,000	January 1972.
J. MacKinnon (b)	Treasurer	22	39,490	DAPMG and Treasurer	PS-22	37,000	March 1972.
E. M. Pell	Spec. Asst. to Sr. APMG Employee and Labor Relations.	22	32,955	Dir., Office of Labor Relations	PES-22	32 955	October 1972.
H. P. Belcher (b)	Dir., Technical Planning and Financial Analysis.	21	37,438	Technical Planner	PES-21	32,100	October 1971.
G. R. C. Cavell (a)	Program Director	21	33,491	Non Letter Mail Program Director	PS-20	31,300	October 1971.
E. A. Danz (f)	Mgr., Industrial Engineering	21	31,100	Gen. Mgr., Manufacturing, Recognition Equip. Inc.		28,896	December 1971.
P. A. DelGrasso (e)	Dir., Program Control	21	37,000	Dir., Fiscal Mgmt	PES-21	36,000	October 1971.
W. G. Doak (b)	Mgr., Budget Division	21	38,850	Asst. Controller for Budgets and Programs.	PES-21	37,000	November 1971.
A. P. Hanes (b, e)	Program Director	21	39,600	Dir., Letter Mail Programs	PES-21	36,000	August 1971.
D. R. Harrison (a, b)	Acting Mgr., Accounting	21	31,881	Mgr., Accounting Svcs	PES-18	30,363	March 1972.
H. Letter (a)	Asst. Gen. Counsel, Labor Law	21	40,000	Supvr. Gen. Atty. Nat'l Labor Relations Board.	GS-15	31,554	August 1972.
J. T. Masterson (g)	Spec. Asst. to APMG, Employee Relations.	21	35,000	Asst. to Exec. Director, Civil Service Commission.	GS-15	30,715	August 1971.
A. B. Moss (c, e)	Dir., Office of Manpower Planning and Development.	21	37,000	DAPMG, Manpower Resources and Dev.	GS-17	34,700	October 1971.
T. T. Moore (f)	Dir., Plant Management	21	36,000	Exec. Vice Pres., American Delivery Systems.		32,500	June 1972.
E. W. Smith (f)	Mgr., Process Engineering	21	32,000	Vice Pres., Teleflex Inc.		35,000	September 1971.
R. P Smith (e)	Dir., Systems Research	21	37,000	Dir., Systems Engineering	PS-22	36,000	October 1971.
C. L. Trahern (d, e)	Dir., Office of Procurement	21	37,000	Director, Office of Procurement	GS-17	35,505	February 1971
A. G. Wenchel (a, e)	Judicial Officer	21	37,000	Asst. General Counsel	PES-20	36,000	May 1971.
B. S. Beckler (c, d, e)	Dir. Economic Analysis	20	34,700	Dir., Economics Anal	GS-16	31,539	February 1971.

ATTACHMENT A

U.S. POSTAL SERVICE, HEADQUARTERS STAFF—PES-20 THROUGH 29—Continued

	Current position			Previous position			
Name (1)	Title (2)	Grade (3)	Salary (4)	Title (5)	Grade (6)	Salary (7)	Date reasgd., converted or apptd. (8)
C. R. Brady	Staff Assistant	20	$29,195	Congressional Liaison Officer	PES-20	$29,195	November 1972.
D. L. Cantor	Congressional Liaison Officer (Central Div.).	20	31,075	Exec. Asst. to DPMG	PES-21	31,075	November 1972.
T. W. Chadwick (a)	Consumer Advocate	20	34,500	Mgr., Spec. Projects	PES-18	31,399	September 1972.
C. R. Coulson (a)	Mgr., Plant and Equipment Tech. Mgmt. Div.	20	29,201	Mechanical Engineer	PS-18	27,291	August 1971.
G. C. Davis (a)	Asst. General Counsel, Consumer Protection.	20	29,195	Supervisory Atty. Advisor	PES-18	27,291	October 1971.
J. T. DiLorenzo (d,e)	Asst. General Counsel, Opinions	20	35,900	Asst. Gen. Counsel, Opinions	GS-16	33,451	February 1971.
W. A. Duvall (c,d,e)	Hearing Examiner	20	35,900	Hearing Examiner (Gen.)	GS-16	33,451	February 1971.
E. R. Feagan (b)	Mgr., Budget Estimates and Control	20	35,900	Dir., Budget Div	PES-20	34,700	November 1971.
D. M. Hazard (b)	Mgr., Industrial Mgmt. Division	20	29,582	Mgr., Plant Activation	PES-20	28,173	August 1972.
C. O. Keil (a)	Dir., Office of National Accounts	20	32,400	Financial Planner	PES-18	28,656	September 1972.
W. T. Kite (a)	Sr. Program Manager	20	30,000	Program Manager	PES-18	28,291	November 1972.
J. Lewis (b)	Hearing Examiner	20	37,000	Hearing Examiner, Fed. Trade Comm	GS-16	34,695	October 1971.
W. R. Masters (b,e)	Dir. of Admin., Office of Job Evaluation.	20	37,000	Deputy Dir., Engineering	GS-16	34,407	November 1971.
T. F. Meagher (c,d)	Asst. Gen. Counsel Transp. Office	20	32,848	Sup. Gen. Atty	GS-16	28,317	February 1971.
J. F. McLaughlin (a)	Dir., Support Planning	20	33,726	Sr. Planning Officer	PES-18	29,327	October 1972.
W. O. McWorkman (a)	Mgr., Transp. Planning	20	29,195	Mgmt. Analysis Officer	PES-18	25,219	September 1971.
M. H. Morse (b,c)	Asst. Gen. Counsel, Postal Rates and Mail Classification.	20	36,514	Supv. Atty-Adviser, GSA	GS-16	29,202	September 1970.
M. A. Parham (a)	Dir., Maint. Management	20	29,195	Staff Asst. to PMG	PES-17	22,767	August 1972.
W. A. Sanders (a,e)	Asst. General Counsel Legislative Division.	20	29,195	Supvr. Atty. Adviser	PS-18	27,291	October 1971.
D. E. Sharp (b,c,d,e)	Mgr., Mail Classification	20	32,966	Mgmt. Analysis Officer	GS-16	28,671	February 1971.
A. G. Smith (a)	Dir., Office of Rental Requirements	20	31,120	Mgr., Retail Requirements	PES-91	28,865	September 1972
M. E. Sorte (b,e)	Mgr., Letter Mail Research	20	32,300	Dir., Gen. Research	PS-20	28,900	July 1971.
H. E. Stock (g)	Director, Office of Int'l Postal Affairs	20	34,012	Evaluation Coordinator, ACTION	FSR-2	32,418	Septmeber 1972.
R. E. Stringer (c,d,e)	Dir., Office of Mgmt. Services	20	33,915	Dir., Office of Mgmt. Systems	GS-16	29,627	February 1971.
J. K. Sullivan (b,d,e)	Spec. Asst., Employee and Labor Relations.	20	38,829	Spec. Asst., Industrial Relations	GS-16	35,363	February 1971.
F. J. Thurston (b,e)	Mgr., Bulk Mail and Gen. Research	20	32,300	Dir., Dev. Engineering	PES-20	28,900	August 1971
J. J. Wilson (b, d, e)	Asst. General Counsel Contracts and Property.	20	36,435	Supv. Gen. Atty	GS-16	32,500	February 1971.
S. A. Wisneski (e)	Mgr., Industrial Engineering Branch	20	33,500	Supv. Industrial Engr	PS-20	32,500	August 1971.
R. H. Yattaw (a)	Mgr., Distribution System	20	31,160	Distribution Procedures Officer	PES-18	28,327	September 1971

Note: Salary increases and adjustments codes: (a) Promotion· (b) Merit Increase; (c) Step Increase; (d) Postal Service Order 71-1 (Effective February 8, 1971), Conversion from General Schedule Pay System to the Postal Service Pay System; (e) Postal Service Order 71-25 (Effective November 14, 1971), $1,000 Salary Increase for Most Employees in Grade 13 and Above; (f) Retired or Transferred from Private Sector or Retired from Military Service; (g) Appointed from a Federal Agency.

ATTACHMENT B

U.S. POSTAL SERVICE INSPECTION STAFF, PES-20 THROUGH 29

	Current position			Previous position			
Name (1)	Title (2)	Grade (3)	Salary (4)	Title (5)	Grade (6)	Salary (7)	Date reasgd, converted or apptd. (8)
W. J. Cotter (a)	APMG, Inspection Service	24	$42,500	Chief Postal Inspector	Exec. Level V	$36,000	August 1971.
J. V. I. Conway (a)	Regional Chief Postal Inspector, Western Region.	23	39,000	Deputy Chief Postal Inspector	PS-22	36,000	August 1971.
F. C. Freyer (a)	Regional Chief Postal Inspector, Southern Region.	23	35,909	Postal Inspector in Charge, Chicago Division	PES-21	31,919	June 1972.
R. J. Hickey	Regional Chief Postal Inspector, Eastern Region.	23	38,000	Regional Chief Postal Inspector, New York	PES-23	38,000	January 1972.
E. J. Ingebright (a)	Regional Chief Postal Inspector, New York Region.	23	37,862	Postal Inspector in Charge, New York Division	PES-21	35,385	August 1971.
M. J. McGee (a)	Regional Chief Postal Inspector, Central Region.	23	38,000	Postal Inspector in Charge, Chicago Division	PS-20	36,000	September 1971.
C. A. Miller (a)	Director, Office of Criminal Investigations	22	39,000	Asst. Chief Inspector, Criminal Investigations	PS-21	36,000	November 1971.
R. E. Andersen (a)	Postal Inspector in Charge, San Francisco Division.	21	33,042	Postal Inspector in Charge, Seattle Division	PS-19	31,469	August 1971.
A. C. Anteroinen (e)	Director, Office of Audit	21	37,000	Director, Internal Audit	PS-21	36,000	November 1971.
J. G. Brogan (a, e)	Asst. Regional Chief Inspector Criminal Invest., New York.	21	31,075	Asst. Inspector in Charge, New York Division	PS-18	26,255	September 1971
R. O. Brower (a, e)	Postal Inspector in Charge, Fort Worth Division.	21	31,075	Postal Inspector in Charge, Kansas City Division.	PS-19	28,016	August 1971.
W. L. Culkin (a)	Postal Inspector in Charge, Chicago Division	21	33,461	Asst. Regional Chief Inspector, Security, Central Region.	PES-19	29,743	June 1972.
K. H. Fletcher (a)	Director, Office of Admin	21	31,857	Asst. Regional Chief Inspector-Admin. Southern Region.	PES-18	28,317	June 1972.
A. J. Francis (a, e)	Postal Inspector in Charge, Cincinnati Division	21	31,075	Deputy Inspector in Charge, Atlanta Div	PS-19	28,016	August 1971.
E. M. Hamm (a, e)	Postal Inspector in Charge, New York Div	21	31,075	Deputy Inspector in Charge, N.Y. Div	PS-19	28,016	September 1971..
J. E. Hickey (a)	Postal Inspector in Charge, Boston Division	21	35,571	Asst. Inspector in Charge, Boston Division	PS-19	33,771	August 1971.
R. L. Jackson (a)	Postal Inspector in Charge, Philadelphia Division.	21	31,348	Asst. Regional Chief Inspector, Security New York Region.	PES-19	27,865	August 1972.
L. J. Jacobs (a, e)	Asst. Regional Chief Inspector, Criminal Investigations, Central Region.	21	31,075	Asst. Inspector in Charge, New York Division	PS-18	28,327	September 1971.
E. L. Jacobson (a)	Asst. Regional Chief Inspector, Criminal Investigations, Western Region.	21	33,042	Deputy Inspector in Charge, San Francisco Div.	PS-19	31,469	August 1971.
S. H. Jensen (a)	Postal Inspector in Charge, Los Angeles Div	21	31,605	Director, Burglary and Mail Thefts Division	PS-20	30,100	August 1971.
H. J. Litteral (a, e)	Asst. Regional Chief Inspector, Criminal Investigations, Eastern Region.	21	31,075	Asst. Inspector in Charge, Philadelphia Div	PS-18	26,255	September 1971.
G. C. Ross (a, e)	Director, Office of Security	21	31,075	Security Officer	PS-18	27,291	November 1971.
L. C. Shatzel (a,e)	Postal Inspector in Charge, Chattanooga Division.	21	31,075	Asst. Inspector in Charge, Chattanooga Division.	PS-18	29,363	September 1971.
J. D. Tarpey (a)	Postal Inspector in Charge, Washington Division.	21	33,433	Mgr., Operating Programs	PES-20	31,100	June 1972.
H. O. White (a, e)	Asst. Regional Chief Inspector, Criminal Investigations, Southern Region.	21	31,075	Officer in Charge, Special Investigations Div	PS-18	29,363	September 1971.
C. N. Benson (a, e)	Postal Inspector in Charge, Memphis Division.	20	29,195	Asst. Inspector in Charge, San Francisco Div	PS-18	26,255	August 1971.

ATTACHMENT B

U.S. POSTAL INSPECTION STAFF, PES 20 THROUGH 29—Continued

	Current position			Previous position			
Name (1)	Title (2)	Grade (3)	Salary (4)	Title (5)	Grade (6)	Salary (7)	Date reasgd., converted or apptd. (8)
E. J. Bollie (a)	Postal Inspector in Charge, St. Louis Division	20	$29,743	Asst. Inspector in Charge, Washington Div	PS-18	$28,327	September 1971
C. A. Brannon (a)	Asst. Regional Chief Inspector Aud't, Western Region.	20	29,195	Branch Mgr., Operational Audits, Western Region.	PES-18	25,794	November 1972.
N. R. Brown (a, e)	Postal Inspector in Charge, Seattle Division	20	29,195	Asst. Inspector in Charge, Seattle Division	PS-18	26,255	August 1971.
A. P. Bryant (a)	Special Asst. to Director, Office of Audit	20	36,489	Branch Mgr., Audit, Inspections, Western Rgn.	PE-18	32,435	September 1972.
J. A. Callahan (e)	Postal Inspector in Charge, Atlanta Division	20	37,000	Deputy Inspector in Charge, Atlanta Division	PS-20	36,000	September 1971.
N. A. Crowe (a)	Asst. Regional Chief Inspector, Audit, Central Region.	20	29,416	Internal Audit Area Mgr., Chicago	PS-19	28,106	August 1971.
C. A. Lerable (a)	Mgr., Operating Programs Div., Criminal Investigations.	20	29,195	Asst. Inspector in Charge, Los Angeles Div	PES-18	25,183	June 1972.
B. M. McClanahan (a)	Postal Inspector in Charge, St. Paul Division	20	29,195	Asst. Inspector in Charge, Fort Worth Division	PES-18	26,219	December 1972.
C. E. McGinn (a)	Postal Insector in Charge, Pittsburgh Division	20	28,224	Asst. Inspector in Charge, Wash. Division	PS-18	26,255	September 1971.
W. J. McGuill (a)	Postal Inspector in Charge, Kansas City Division.	20	29,496	Mgr., Career Dev. Br	PES-18	26,219	July 1972.
J. H. Munn (a,b)	Asst. Regional Chief Inspector, Audit, Eastern Region.	20	32,278	Deputy Dir., Internal Audit Division	PS-18	28,327	September 1971.
J. D. Nicholas (a)	Postal Inspector in Charge, Detroit Division	20	30,831	Asst. Inspector in Charge, Fort Worth Division	PS-18	29,363	September 1971.
B. Rubin (a)	Asst. Regional Chief Inspector, Audit, Southern Region.	20	31,565	Asst. Director, Internal Audit Division	PS-18	29,363	September 1971.
A. F. Schefter (a)	Asst. Regional Chief Inspector, Audit, New York Region.	20	33,042	Internal Audit Area Mgr., New York	PS-19	31,469	August 1971.
E. S. Windbigler (a)	Postal Inspector in Charge, Denver Division	20	36,668	Asst. Inspector in Charge, Denver Division	PS-19	34,922	August 1971.

Note: Salary increases and adjustments codes: (a) Promotion; (b) Merit Increase; (c) Step Increase; (d) Postal Service Order 71-1 (Effective Feburary 8, 1971), Conversion from General Schedule Pay System to the Postal Service Pay System; (e) Postal Service Order 71-25 (Effective November 14, 1971), $1,000 Salary Increase for Most Employees in Grade 13 and Above; (f) Retired or Transferred from Private Sector or Retired from Military Service; (g) Appointed from a Federal Agency.

ATTACHMENT C

U.S. POSTAL SERVICE, NEW YORK REGIONAL STAFF, PES-20, THROUGH 29

	Current position				Previous position		
Name (1)	Title (2)	Grade (3)	Salary (4)	Title (5)	Grade (6)	Salary (7)	Date reasgd. converted or apptd. (8)
H R. Larsen (a)	Regional Postmaster General	27	$45,000	Regional Director	PS-21	$36,000	June 1971.
W A. Carroll (a)	Assistant Regional Postmaster General, Mail Processing.	22	39,600	Director, Operations	PS-20	36,000	August 1971.
J. Klegman (a)	Assistant Regional Postmaster General, Support.	21	37,150	Director, Postal Data Center	PS-19	33,771	August 1971.
V. Nottingham (a,c)	Assistant Regional Postmaster General, Customer Services.	21	31,075	Chief, Delivery Services	PS-17	27,365	August 1971.
C. V. Rowland (a)	Assistant Regional Postmaster General, Employee and Labor Relations.	21	36,203	Director, Employee Relations	PES-19	29,500	May 1972.
J. R. Strachan (a)	District Manager, Postmaster	21	37,345	Postmaster, New York, N.Y	PMS-20	34,900	August 1971.
M. Shapiro (a)	District Manager, Postmaster	20	33,670	Postmaster, Brooklyn, N.Y	PMS-19	31,469	August 1971.
E. V. Dorsey (a)	Regional Postmaster General	27	45,000	Executive Assistant to the Postmaster General for Postal Affairs.	PES-22	38,393	July 1972.
F. X. Biglin (e)	Assistant Regional Postmaster General, Mail Processing.	22	37,000	Deputy Assistant Postmaster General (Services).	PES-22	36,000	September 1971.
J. R. Douglass (a)	Assistant Regional Postmaster General, Support.	21	34,650	Controller	PES-19	33,006	November 1971.
J. West (a)	Assistant Regional Postmaster General, Employee and Labor Relations.	21	36,203	Director, Employee Relations Division	PES-19	29,000	May 1972.
C. G. Beall (a)	District Manager, Washington District	20	37,500	Postmaster, Washington Post Office	PMS-19	35,815	September 1971.
W. F. Boiger (e)	District Manager, Boston District	20	37,000	Regional Director, Boston Region	PS-21	36,000	September 1971.
M. Hankin	Assistant Regional Postmaster General, Customer Services.	[1] 19	27,865	Director, Marketing Division	PES-19	19,011	September 1971.
C. B. Gels (a)	Regional Postmaster General	27	45,000	Regional Director	PS-21	36,000	June 1971.
C. L. Carlock (a)	Regional Assistant Postmaster General, Mail Processing.	22	34,500	Director, Controller Division	PES-19	30,500	August 1972.
C. G. Carlson (a)	Regional Assistant Postmaster General, Employee and Labor Relations.	21	36,203	Director, Employee Relations	PES-19	28,000	May 1972.
M. L. Healy (a, e)	Regional Assistant Postmaster General, Support.	21	34,700	Director, Postal Data Center	PS-19	31,469	September 1971.
J. G. Schraer (a, e)	Regional Assistant Postmaster General, Customer Services.	21	31,075	Chief, Organization Management Branch	PS-17	26,432	September 1971.
H. W. McGee (a)	Manager, Chicago District	21	38,850	Postmaster, Chicago, Ill	PES-20	37,000	March 1972.
C. I. Bakewell (a)	Manager, St. Louis District	20	36,668	Postmaster, St. Louis, Mo	PMS-19	34,922	September 1971.
E. E. Cooper (a, b, e)	Manager, Detroit District	20	35,845	Director, Postal Management Branch	PS-20	32,500	September 1971.
W. J. Sullivan	Manager, Cleveland District	20	36,000	Deputy Assistant Postmaster General for Planning.	PS-22	36,000	September 1971.
C. C. Ulsaker (a)	Regional Postmaster General	27	45,000	Regional Director	PES-21	36,000	June 1971.
T. J. Coleman (a)	Assistant Regional Postmaster General, Mail Processing.	22	39,220	Assistant Regional Postmaster General, Support.	PES-21	37,000	September 1972.
J F Applegate	Assistant Regional Postmaster General, Customer Services.	21	36,000	Deputy Regional Director for services, St. Louis, Mo.	PS-19	34,922	August 1971
R. B. Gould (a)	Assistant Regional Postmaster General, Employee and Labor Relations.	21	36,203	Director, Employee Relations Division	PES-19	28,656	May 1972.
G. A. Miles (a)	Assistant Regional Postmaster General, Support.	21	38,930	Regional Controller	PES-19	38,853	September 1972
F.G.E. Huleen (a)	Regional Postmaster General	27	45,000	Regional Director, Seattle Region	PES-21	36,000	June 1971.
R. E. James (a)	Assistant Regional Postmaster General, Mail Processing.	22	37,800	Regional Director, San Francisco Region	PS-21	36,000	July 1971.
J. J. Costello (a)	Assistant Regional Postmaster General, Employee and Labor Relations.	21	36,203	Director, Employee Relations Division	PES-19	28,750	May 1972.
T. J. Donohue (e)	Assistant Regional Postmaster General, Customer Services.	21	37,000	Deputy Assistant Postmaster General, Marketing, USPS Headquarters.	PES-21	36,000	October 1971.
R. H. Pursifull (a)	Assistant Regional Postmaster General, Support.	21	36,675	Deputy Regional Director, Services, Seattle Region.	PS-19	33,771	July 1971.
R. G. Skirvin (a,e)	District Manager, Los Angeles District	21	31,075	Postal Service Officer, San Francisco Regional Office.	PS-16	26,119	August 1971.
G. A. Alasia (a,e)	District Manager, San Francisco District	20	29,195	Director, Logistics Division, Western Region	PES-18	26,750	October 1971.

[1] Grade of position is 21, employee underslotted at PES-19.

Note: Salary increases and adjustments codes: (a) Promotion; (b) Merit Increase; (c) Step Increase; (d) Postal Service Order 71-1 (Effective February 8, 1971), Conversion from General Schedule Pay System to the Postal Service Pay System; (e) Postal Service Order 71-25 (Effective November 14, 1971), $1,000 Salary Increase for Most Employees in Grade 13 and Above; (f) Retired or Transferred from Private Sector or Retired from Military Service; (g) Appointed from a Federal Agency.

ATTACHMENT E

U.S. POSTAL SERVICE—HEADQUARTERS RESIGNATIONS, PES-20 THROUGH 29

Name	Title	Grade	Salary	Reason for resignation
James C. Armstrong	Director, Support Planning Office	20	$34, 500	Return to private life.
Melvin C. Baker	Special Assistant to the Postmaster General	25	50, 000	Return to private life.
Winton M. Blount	Postmaster General	29	60, 000	Return to private life.
Marvin G. Cetron	Technical Planner	20	28, 900	Return to private life.
Vincent F. De Cain	Deputy Assistant Postmaster General	22	36, 000	To accept an appointment with Department of Transportation.
John A. Falvey	Director of Financing	20	29, 900	Return to private life.
Lawrence C. Gayle	Special Assistant to the Postmaster General	24	42, 500	Return to private life.
James W. Hargrove	Senior Assistant Postmaster General, Support	26	52, 500	Return to private life.
Merrill A. Hayden	Deputy Postmaster General	28	57, 500	Return to private life.
Holman Head	Executive Assistant	22	36, 000	Accepting position as Executive Director, Birmingham Area Chamber of Commerce.
James R. Holland	Assistant Postmaster General, Communications Department	24	42, 500	Return to private life.
James E. Josendale	Deputy Assistant Postmaster General, Operations Department	22	36, 000	Return to private life.
Walter W. Kreimann	Director, Maintenance Division	20	32, 500	Return to private life.
Ronald B. Lee	Assistant Postmaster General	24	42, 500	Return to private life.
Henry Lehne	Assistant Postmaster General	23	38, 000	Return to private life.
Joseph D. Luksch	Assistant General Counsel	21	34, 604	Return to private life.
Richard H. Lukstat	Director, Office of Special Projects	20	30, 193	Return to private life.
G. Emerson Markham	Director, Planning Division	20	33, 700	Separation—Appointment in ACTION.
Thomas H. Moore	Director, Office of Employee Services	20	34, 700	Return to private life.
David A. Nelson	Senior Assistant Postmaster General and General Counsel	26	52, 500	Return to private life.
Peter M. Sussman	Director, Office of International Postal Affairs	20	36, 435	Return to private life.
Jeffrey C. Warren	Executive Assistant for Postal Affairs	22	33, 000	Return to private life.

ATTACHMENT F

U.S. POSTAL SERVICE—HEADQUARTERS VACANCIES,[1] PES-20 THROUGH 29

Title	Grade	Salary range
Deputy Postmaster General	28	$44,233 to $58,830.
Assistant Postmaster General, Communications Dept	24	$36,719 to $48,836.
Executive Assistant for Postal Affairs	22	$32,955 to $43,830.
Deputy Special Assistant to the Postmaster General (Communication Services)	21	$31,075 to $41,330.
Director, Office of Public Affairs	21	$31,075 to $41,330.
Director, Congressional Liaison Office	21	$31,075 to $41,330.
Executive Assistant to Deputy Postmaster General	21	$31,075 to $41,330.
Associate General Counsel, Office of General Law	21	$31,075 to $41,330.
Director, Office of ADP Services	21	$31,075 to $41,330.
Director, Office of Employee Services	20	$29,195 to $38,829.
Special Assistant, Support Group	20	$29,195 to $38,829.
Director, Office of Statistical Programs and Standards	20	$29,195 to $38,829.

[1] These positions show no incumbent but are not all necessarily to be filled.

ATTACHMENT G

U.S. POSTAL SERVICE—REGIONAL VACANCIES,[1] PES-20 THROUGH 29

Title	Grade	Salary range
Central region:		
Postmaster, Chicago, Illinois	20	$28,900 to $36,000.
Eastern region:		
District Manager, Philadelphia District	20	$28,900 to $36,000.
District Manager, Pittsburgh District	20	$28,900 to $36,000.

[1] These positions are filled by detail but are recorded as vacant since no permanent assignment has been made to them.

APPOINTMENTS TO REPUBLICAN OFFICIAL OBJECTORS COMMITTEES FOR CONSENT AND PRIVATE CALENDARS

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I have asked for this time for the purpose of announcing my appointments to the Republican official objectors committees for the Consent and Private Calendars.

For the Consent Calendar, the Republican official objectors for the 93d Congress will be the gentleman from Pennsylvania (Mr. JOHNSON), the gentleman from Florida (Mr. FREY), and the gentleman from Ohio (Mr. KEATING).

For the Private Calendar, the Republican official objectors for the 93d Congress will be the gentleman from Michigan (Mr. BROWN), the gentleman from California (Mr. ROUSSELOT), and the gentleman from Ohio (Mr. WYLIE).

DIAL HELP

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, there are a number of new Members of the House in this 93d Congress. So I would like to take this opportunity to tell them something about a very important emergency communications capability that they may not have heard of; and second, I would like to make a progress report on that same single, nationwide, emergency telephone number to those Members who are returning to Congress for yet another term.

Actually, I have been talking about emergency telephone communications in the Congress since 1967. And a lot has happened since then.

In 1967 there were no communities in the United States that enjoyed the luxury of a simple, three-digit telephone number for securing emergency assistance. Instead you had to rely on often involved seven-digit numbers and you had to carefully study your telephone directory to be sure that you called the police emergency number—and the right one, there were usually many—or the fire emergency number, or the number for ambulance service. By the time you figured out whom to call and what the number would be, the emergency would undoubtedly worsen into a crisis.

All of which is unnecessary. Today A.T. & T. has 240 systems in operation serving 20,729,000 where the person in need of emergency help simply dials "911." Independent Telephone Industry—less General Telephone—provides "911" for 46 communities with a population of 348,262. General Telephone services another 13 systems accounting for some 600,000 people. These communities are lucky, they enjoy a single, emergency number that is short, simple, easy to remember, fast to dial. There is no reason that your community could not enjoy what is now available here in Washington, D.C., and in New York City, in Boston, and before the end of this year, in Detroit.

But it is not all large cities that have adopted the "911" emergency number. Huntington, Ind., my hometown with a population of 18,000, was the first city in the Bell system to adopt "911" in 1968. I was there for the ceremonies inaugurating the system. In fact, there are many more small communities which have immediately recognized the value of this communications improvement. I am going to include a list of all the cities now operating on "911" and those that are projected to go on "911" so you will know where your communities stand at present on this issue. I will present that up-dated list in the next few days.

Some of you know that the State of California passed a bill last year requiring statewide adoption of "911" by 1982. Massachusetts has a law recommending adoption and I understand the State of Florida is moving in that direction.

These States and communities are in good company because adopting a single, simply emergency telephone number has been recommended by a number of significant individuals and groups over the past 5 years.

Lee Loevinger, as a Commissioner of the Federal Communications Commission, back in 1967, was one of the movers in getting the idea going. President Johnson's Commission on Law Enforcement and the Administration of Justice had led the way with a recommendation, after noting the bewildering "array of police telephone numbers."

> Wherever practical, a single number should be established, at least within a metropolitan area and preferably over the entire United States comparable to the telephone company's long-distance information number.

Shortly thereafter the Commission on Civil Disorders expressed concern over current emergency communications. Then in 1970 Attorney General John Mitchell added his stamp of approval at the Third National Symposium on Law Enforcement Science and Technology "when he commented that "911" was "already in use in a number of places" and that "there's no question that it would be of help in making it easier for citizens to report crimes to the law enforcement agency."

Just this year the National Advisory Commission for Criminal Justice, Standards and Goals recommended that—

> Every police agency should by 1982 obtain single, universal emergency telephone service and the cost of such service should be borne by the private telephone subscriber.

I have personally been involved in this effort at improving emergency communications since before A.T. & T. announced their program of using "911" in early 1968. I believe I was instrumental in their decision to undertake this public service. My own interest was based on the conviction that the nation that puts men on the moon should be able to provide fast telephone communications in emergencies. If we can devise and support complicated communications systems with the whole world and out into space, certainly we can offer the public something better than an involved, difficult to find and hard to remember seven-digit emergency number—with a different one in each city at that. What we need is uniformity, so that whenever and wherever an emergency arises, the affected person instantly knows the number to call for help. And that is what "911" is all about.

The social benefits of such an emergency system are almost impossible to calculate. Take crime. The indisputable conclusion is that the faster a person who sees a crime or suffers one, calls the police, and gets the right precinct, the greater the possibility of an arrest. This in turn acts as a preventative as well as a control on crime after it has transpired, for the offender can assume that there is a good chance of being caught.

What is true of crime prevention and control is equally true of fire prevention and control, where rapidity of response time is critically important. And the value of rapid response to appeals for help in cases of crime and fire is matched with health emergencies. In all three cases, lives and property are at stake and speeding up assistance can literally mean the difference between life and death, between damage and total destruction.

Now, you must wonder why, after all of this, there are not more cities on "911." Why are not all cities in the United States using this simplified emergency system?

I think I can answer that. It is costly. While A.T. & T. and the independent telephone companies handle much of the initial cost of restructuring the central telephone office equipment in order to handle the "911" calls, the communities themselves have to make sure that those who receive the police, fire, health emergency calls are: First, equipped to receive these calls rapidly; and second, prepared to dispatch the appropriate kind of assistance quickly. In many cities communications systems are very antiquated and getting "911" would not speed up dispatching assistance.

With this problem in mind, I have introduced legislation to assist local communities financially with the costs incidental to the establishment of the "911" emergency number. I think this is a worthwhile investment and if you are interested in cosponsoring this legislation, please contact my office and I shall be glad to add your name to this legislation.

Over the next few weeks besides including in the RECORD the full listing of cities now operating on "911" I will also share with you some of the responses I have received from cities lucky enough to enjoy this service. Some of these may be in your own districts.

THE SUPREME COURT'S DECISION ON ABORTION

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, the Supreme Court's decision on abortion has aroused more controversy in the United States than any other decision announced in the last 20 years. Not since Brown against Board of Education in 1954 has the citizenry of our Nation been so divided.

Many abhor this judicial decision which prohibits States from outlawing abortions during the first 6 months of pregnancy. They believe that this amounts to nothing less than taking the life of an unborn child. Others feel that the Court has completely overstepped its bounds, making an essentially legislative decision.

Many Americans agree with the decision, and feel it supports the proper rights of a mother.

One thing is clear. Each and every American should first read the decision before making up his mind about it. In order to give this decision the widest possible dissemination, I am today placing the full text of the majority and dissenting opinions in the CONGRESSIONAL RECORD, omitting only the footnotes. I urge everyone to read it completely. The material follows:

[Supreme Court of the United States,
No. 70–18]

JANE ROE ET AL., APPELLANTS, *v.* HENRY WADE

On appeal from the United States District Court for the Northern District of Texas

January 22, 1973

Mr. Justice Blackmun delivered the opinion of the Court.

This Texas federal appeal and its Georgia companion, *Doe* v. *Bolton, post* ——, present constitutional challenges to state criminal abortion legislation. The Texas statutes under attack here are typical of those that have been in effect in many States for approximately a century. The Georgia statutes, in contrast, have a modern cast and are a legislative product that, to an extent at least, obviously reflects the influences of recent attitudinal change, of advancing medical knowledge and techniques, and of new thinking about an old issue.

We forthwith acknowledge our awareness of the sensitive and emotional nature of the abortion controversy, of the vigorous opposing views, even among physicians, and of the deep and seemingly absolute convictions that the subject inspires. One's philosophy, one's experiences, one's exposure to the raw edges of human existence, one's religious training, one's attitudes toward life and family and their values, and the moral standards one establishes and seeks to observe, are all likely to influence and to color one's thinking and conclusions about abortion.

In addition, population growth, pollution, poverty, and racial overtones tend to complicate and not to simplify the problem.

Our task, of course, is to resolve the issue by constitutional measurement free of emotion and of predilection. We seek earnestly to do this, and, because we do, we have inquired into, and in this opinion place some emphasis upon, medical and medical-legal history and what that history reveals about man's attitudes toward the abortive procedure over the centuries. We bear in mind, too, Mr. Justice Holmes' admonition in his now vindicated dissent in *Lochner* v. *New York*, 198 U.S. 45, 76 (1905):

"It [the Constitution] is made for people of fundamentally differing views, and the accident of our finding certain opinions natural and familiar or novel and even shocking ought not to conclude our judgment upon the question whether statutes embodying them conflict with the Constitution of the United States."

I

The Texas statutes that concern us here are Arts. 1191–1194 and 1196 of the State's Penal Code. These make it a crime to "procure an abortion," as therein defined, or to attempt one, except with respect to "an abortion procured or attempted by medical advice for the purpose of saving the life of the mother." Similar statutes are in existence in a majority of the States.

Texas first enacted a criminal abortion statute in 1854. Texas Laws 1854, c. 49, § 1, set forth in 3 Gammel, Laws of Texas, 1502 (1898). This was soon modified into language that has remained substantially unchanged to the present time. See Texas Penal Code of 1857, Arts. 531–536; Paschal's Laws of Texas, Arts. 2192–2197 (1866); Texas Rev. Stat., Arts. 536—541 (1879); Texas Rev. Crim. Stat., Arts. 1071–1076 (1911). The final article in each of these compilations provided the same exception, as does the present Article 1196, for an abortion by "medical advice for the purpose of saving the life of the mother."

Jane Roe, a single woman who was residing in Dallas County, Texas, instituted this federal action in March 1970 against the District Attorney of the county. She sought a declaratory judgment that the Texas criminal abortion statutes were unconstitutional on their face, and an injunction retraining the defendant from enforcing the statutes.

Roe alleged that she was unmarried and pregnant; that she wished to terminate her pregnancy by an abortion "performed by a competent, licensed physician, under safe, clinical conditions"; that she was unable to get a "legal" abortion in Texas because her life did not appear to be threatened by the continuation of her pregnancy; and that she could not afford to travel to another jurisdiction in order to secure a legal abortion under safe conditions. She claimed that the Texas statutes were unconstitutionally vague and that they abridged her right of personal privacy, protected by the First, Fourth, Fifth, Ninth, and Fourteenth Amendments. By an amendment to her complaint Roe purported to sue "on behalf of herself and all other women" similarly situated.

James Hubert Hallford, a licensed physician, sought and was granted leave to intervene in Roe's action. In his complaint he alleged that he had been arrested previously for violations of the Texas abortion statutes and that two such prosecutions were pending against him. He described conditions of patients who came to him seeking abortions, and he claimed that for many cases he, as a physician, was unable to determine whether they fell within or outside the exception recognized by Article 1196. He alleged that, as a consequence, the statutes were vague and uncertain, in violation of the Fourteenth Amendment, and that they violated his own and his patients' rights to privacy in the doctor-patient relationship and his own right to practice medicine, rights he claimed were guaranteed by the First, Fourth, Fifth, Ninth, and Fourteenth Amendments.

John and Mary Doe, a married couple, filed a companion complaint to that of Roe. They also named the District Attorney as defendant, claimed like constitutional deprivations, and sought declaratory and injunctive relief. The Does alleged that they were a childless couple; that Mrs. Doe was suffering from a "neural-chemical" disorder; that her physician had "advised her to avoid pregnancy until such time as her condition has materially improved" (although a pregnancy at the present time would not present "a serious risk" to her life); that, pursuant to medical advice, she had discontinued use of birth control pills; and that if she should become pregnant, she would want to terminate the pregnancy by an abortion performed by a competent, licensed physician under safe clinical conditions. By an amendment to their complaint, the Does purported to sue "on behalf of themselves and all couples similarly situated."

The two actions were consolidated and heard together by a duly convened three-judge district court. The suits thus presented the situations of the pregnant single woman, the childless couple, with the wife not pregnant, and the licensed practicing physician, all joining in the attack on the Texas criminal abortion statutes. Upon the filing of affidavits, motions were made to dismiss and for summary judgment. The court held that Roe and Dr. Hallford, and members of their respective classes, had standing to sue, and presented justiciable controversies, but that the Does had failed to allege facts sufficient to state a present controversy and did not have standing. It concluded that, with respect to the requests for a declaratory judgment, abstention was not warranted. On the merits, the District Court held that the "fundamental right of single women and married persons to choose whether to have children is protected by the Ninth Amendment, through the Fourteenth Amendment," and that the Texas criminal abortion statutes were void on their face because they were both unconstitutionally vague and constituted an overbroad infringement of the plaintiff's Ninth Amendment rights. The court then held that abstention was warranted with respect to the requests for an injunction. It therefore dismissed the Doe complaint, declared the abortion statutes void, and dismissed the application for injunctive relief. 314 F. Supp. 1217 (ND Tex. 1970).

The plaintiffs Roe and Doe and the intervenor Hallford, pursuant to 28 U. S. C. § 1253, have appealed to this Court from that part of the District Court's judgment denying the injunction. The defendant District Attorney has purported to cross appeal, pursuant to the same statute, from the court's grant of declaratory relief to Roe and Hallford. Both sides also have taken protective appeals to the United States Court fo Appeals for the Fifth Circuit. That court ordered the appeals held in abeyance pending decision here. We postponed decision on jurisdiction to the hearing on the merits. 402 U. S. 941 (1971).

III

It might have been preferable if the defendant, pursuant to our Rule 20, had presented to us a petition for certiorari before judgment in the Court of Appeals with respect to the granting of the plaintiffs' prayer for declaratory relief. Our decisions in *Mitchell* v. *Donovan*, 398 U.S. 427 (1970), and *Gunn* v. *University Committee*, 399 U. S. 383 (1970), are to the effect that § 1253 does not authorize an appeal to this Court from the grant or denial of declaratory relief alone. We conclude, nevertheless, that those decisions do not foreclose our review of both the injunctive and the declaratory aspects of a case of this kind when it is properly here, as this one is, on appeal under § 1253 from specific denial of injunctive relief, and the arguments as to both aspects are necessarily identical. See *Carter* v. *Jury Commission*, 396 U. S. 320 (1970); *Florida Lime and Avocado Growers, Inc.* v. *Jacobsen*, 362 U. S. 73, 80–81 (1960). It would be destructive of time and energy for all concerned were we to rule otherwise. Cf. *Doe* v. *Bolton, post*, ——.

IV

We are next confronted with issues of justiciability, standing, and abstention. Have Roe and the Does established that "personal stake in the outcome of the controversy," *Baker* v. *Carr*, 369 U. S. 186, 204 (1962), that insures that "the dispute sought to be adjudicated will be presented in an adversary context and in a form historically viewed as capable of judicial resolution," *Flast* v. *Cohen*, 392 U.S. 83, 101 (1968), and *Sierra Club* v. *Morton*, 405 U. S. 727, 732 (1972)? And what effect did the pendency of criminal abortion charges against Dr. Hallford in state court have upon the propriety of the federal court's granting relief to him as a plaintiff-intervenor?

A. *Jane Roe*. Despite the use of the pseudonym, no suggestion is made that Roe is a fictitious person. For purposes of her case, we accept as true, and as established, her existence; her pregnant state, as of the inception of her suit in March 1970 and as late as May 21 of that year when she filed an alias affidavit with the District Court; and her inability to obtain a legal abortion in Texas.

Viewing Roe's case as of the time of its filing and thereafter until as late as May, there can be little dispute that it then presented a case or controversy and that, wholly apart from the class aspects, she, as a pregnant single woman thwarted by the Texas criminal abortion laws, had standing to challenge those statutes. *Abele* v. *Markle*, 452 F. 2d 1121, 1125 (CA2 1971); *Crossen* v. *Breckenridge*, 446 F. 2d 833, 828–839 (CA6 1971); *Poe* v. *Menghini*, 339 F. Supp. 986, 990–991 (Kans. 1972). See *Truax* v. *Raich*, 239 U.S. 33 (1915). Indeed, we do not read the appellee's brief as really asserting anything to the contrary. The "logical nexus between the status asserted and the claim sought to be adjudicated," *Flast* v. *Cohen*, 392 U.S., at 102, and the necessary degree of contentiousness, *Golden* v. *Zwickler*, 394 U.S. 103 (1969), are both present.

The appellee notes, however, that the record does not disclose that Roe was pregnant at the time of the District Court hearing on May 22, 1970, or on the following June 17 when the court's opinion and judgment were filed. And he suggests that Roe's case must now be moot because she and all other members of her class are no longer subject to any 1970 pregnancy.

The usual rule in federal cases is that an actual controversy must exist at stages of appellate or certiorari review, and not simply at the date the action is initiated. *United States* v. *Munsingwear, Inc.*, 340 U.S. 36 (1950); *Golden* v. *Zwickler, supra; SEC* v. *Medical Committee for Human Rights*, 404 U.S. 403 (1972).

But when, as here, pregnancy is a significant fact in the litigation, the normal 266-day human gestation period is so short that the pregnancy will come to term before the usual appellate process is complete. If that termination makes a case moot, pregnancy litigation seldom will survive much beyond the trial stage, and appellate review will be effectively denied. Our law should not be that rigid. Pregnancy often comes more than once to the same woman, and in the general population, if man is to survive, it will always be with us. Pregnancy provides a classic justification for a conclusion of nonmootness. It truly could be "capable of repetition, yet evading review." *Southern Pacific Terminal Co.* v. *ICC*, 219 U.S. 498, 515 (1911). See *Moore* v. *Ogilvie*, 394 U.S. 814, 816 (1969); *Carroll* v. *President and Commissioners*, 393 U.S. 175, 178–179 (1968); *United States* v. *W. T. Grant Co.*, 345 U.S. 629, 632–633 (1953).

We therefore agree with the District Court that Jane Roe had standing to undertake this litigation, that she presented a justiciable controversy, and that the termination of her 1970 pregnancy has not rendered her case moot.

B. *Dr. Hallford*. The doctor's position is different. He entered Roe's litigation as a plaintiff-intervenor alleging in his complaint that he:

"In the past has been arrested for violating the Texas Abortion Laws and at the present time stands charged by indictment with violating said laws in the Criminal District Court of Dallas County, Texas to-wit: (1) The State of Texas vs. James H. Hallford, No. C–69–5307–IH, and (2) The State of Texas vs. James H. Hallford, No. C–69–2524–H. In both cases the defendant is charged with abortion. . . ."

In his application for leave to intervene the doctor made like representations as to the abortion charges pending in the state court. These representations were also repeated in the affidavit he executed and filed in support of his motion for summary judgment.

Dr. Hallford is therefore in the position of seeking, in a federal court, declaratory and injunctive relief with respect to the same statutes under which he stands charged in criminal prosecutions simultaneously pending in state court. Although he stated that he has been arrested in the past for violating the State's abortion laws, he makes no allegation of any substantial and immediate threat to any federally protected right that cannot be asserted in his defense against the state prosecutions. Neither is there any allegation of harassment or bad faith prosecution. In order to escape the rule, articulated in the cases cited in the next paragraph of this opinion, that, absent harassment and bad faith, a defendant in a pending state criminal case cannot affirmatively challenge in federal court the statutes under which the State is prosecuting him, Dr. Hallford seeks to distinguish his status as a present state defendant from his status as a "potential future defendant" and to assert only the latter for standing purposes here.

We see no merit in that distinction. Our decision in *Samuels* v. *Mackell,* 401 U.S. 66 (1971), compels the conclusion that the District Court erred when it granted declaratory relief to Dr. Hallford instead of refraining from so doing. The court, of course, was correct in refusing to grant injunctive relief to the doctor. The reasons supportive of that action, however, are those expressed in *Samuels* v. *Mackell, supra,* and in *Younger* v. *Harris,* 401 U.S. 37 (1971); *Boyle* v. *Landry,* 401 U.S. 77 (1971); *Perez* v. *Ledesma,* 401 U.S. 82 (1971); and *Byrne* v. *Karalexis,* 401 U.S. 216 (1971). See also *Dombrowski* v. *Pfister,* 380 U.S. 479 (1965). We note, in passing, that *Younger* and its companion cases were decided after the three-judge District Court decision in this case.

Dr. Hallford's complaint in intervention, therefore, is to be dismissed. He is remitted to his defenses in the state criminal proceedings against him. We reverse the judgment of the District Court insofar as it granted Dr. Hallford relief and failed to dismiss his complaint in intervention.

C. *The Does.* In view of our ruling as to Roe's standing in her case, the issue of the Does' standing in their case has little significance. The claims they assert are essentially the same as those of Roe, and they attack the same statutes. Nevertheless, we briefly note the Does' posture.

Their pleadings present them as a childless married couple, the woman not being pregnant, who have no desire to have children at this time because of their having received medical advice that Mrs. Doe should avoid pregnancy, and for "other highly personal reasons." But they "fear . . . they may face the prospect of becoming parents." And if pregnancy ensues, they "would want to terminate" it by an abortion. They assert an inability to obtain an abortion legally in Texas and, consequently, the prospect of obtaining an illegal abortion there or of going outside Texas to some place where the procedure could be obtained legally and competently.

We thus have as plaintiffs a married couple who have, as their asserted immediate and present injury, only an alleged "detrimental effect upon [their] marital happiness" because they are forced to "the choice of refraining from normal sexual relations or of endangering Mary Doe's health through a possible pregnancy." Their claim is that sometimes, in the future, Mrs. Doe might become pregnant because of possible failure of contraceptive measures, and at that time in the future, she might want an abortion that might then be illegal under the Texas statutes.

This very phrasing of the Does' position reveals its speculative character. Their alleged injury rests on possible future contraceptive failure, possible future pregnancy, possible future unpreparedness for parenthood, and possible future impairment of health. Any one or more of these several possibilities may not take place and all may not combine. In the Does' estimation, these possibilities might have some real or imagined impact upon their marital happiness. But we are not prepared to say that the bare allegation of so indirect an injury is sufficient to present an actual case or controversy. *Younger* v. *Harris,* 401 U.S., at 41–42; *Golden* v. *Zwickler,* 394 U.S., at 109–110 (1969); *Abele* v. *Markle,* 452 F. 2d, at 1124–1125; *Crossen* v. *Breckenridge,* 446 F. 2d, at 839. The Does' claim falls far short of those resolved otherwise in the cases that the Does urge upon us, namely, *Investment Co. Institute* v. *Camp,* 401 U.S. 617 (1971); *Data Processing Service* v. *Camp,* 397 U.S. 150 (1970); and *Epperson* v. *Arkansas,* 393 U.S. 97 (1968). See also *Truax* v. *Raich, supra.*

The Does therefore are not appropriate plaintiffs in this litigation. Their complaint was properly dismissed by the District Court, and we affirm that dismissal.

V

The principal thrust of appellant's attack on the Texas statutes is that they improperly invade a right, said to be possessed by the pregnant woman, to choose to terminate her pregnancy. Appellant would discover this right in the concept of personal "liberty" embodied in the Fourteeenth Amendment's Due Process Clause; or in personal, marital, familial, and sexual privacy said to be protected by the Bill of Rights or its penumbras, see *Griswold* v. *Connecticut,* 381 U.S. 479 (1965); *Eisenstadt* v. *Baird,* 405 U.S. 438 (1972); *id.,* at 460 (WHITE, J., concurring); or among those rights reserved to the people by the Ninth Amendment, *Griswold* v. *Connecticut,* 381 U.S., at 486 (Goldberg, J., concurring). Before addressing this claim, we feel it desirable briefly to survey, in several aspects, the history of abortion, for such insight as that history may afford us, and then to examine the state purposes and interests behind the criminal abortion laws.

VI

It perhaps is not generally appreciated that the restrictive criminal abortion laws in effect in a majority of States today are of relatively recent vintage. Those laws, generally proscribing abortion or its attempt at any time during pregnancy except when necessary to preserve the pregnant woman's life, are not of ancient or even of common law origin. Instead, they derive from statutory changes effected, for the most part, in the latter half of the 19th century.

1. *Ancient attitudes.* These are not capable of precise determination. We are told that at the time of the Persian Empire abortifacients were known and that criminal abortions were severely punished. We are also told, however, that abortion was practiced in Greek times as well as in the Roman Era, and that "it was resorted to without scruple." The Ephesian, Soranos, often described as the greatest of the ancient gynecologists, appears to have been generally opposed to Rome's prevailing free-abortion practices. He found it necessary to think first of the life of the mother, and he resorted to abortion when, upon this standard, he felt the procedure advisable. Greek and Roman law afforded little protection to the unborn. If abortion was prosecuted in some places, it seems to have been based on a concept of a violation of the father's right to his offspring. Ancient religion did not bar abortion.

2. *The Hippocratic Oath.* What then of the famous Oath that has stood so long as the ethical guide of the medical profession and that bears the name of the great Greek (460(?)–377(?) B.C.), who has been described as the Father of Medicine, the "wisest and the greatest practioner of his art," and the "most important and most complete medical personality of antiquity," who dominated the medical schools of his time, and who typified the sum of the medical knowledge of the past? The Oath varies somewhat according to the particular translation, but in any translation the content is clear: "I will give no deadly medicine to anyone if asked, nor suggest any such counsel; and in like manner I will not give to a woman a pessary to produce abortion," or "I will neither give a deadly drug to anybody if asked for it, nor will I make a suggestion to this effect. Similarly, I will not give to a woman an abortive remedy."

Although the Oath is not mentioned in any of the principal briefs in this case or in *Doe* v. *Bolton, post,* it represents the apex of the development of strict ethical concepts in medicine, and its influence endures to this day. Why did not the authority of Hippocrates dissuade abortion practice in his time and that of Rome? The late Dr. Edelstein provides us with a theory: The Oath was not uncontested even in Hippocrates' day; only the Pythagorean school of philosophers frowned upon the related act of suicide. Most Greek thinkers, on the other hand, commended abortion, at least prior to viability. See Plato, *Republic,* V, 461; Aristotle, *Politics,* VII, 1335 b 25. For the Pythagoreans, however, it was a matter of dogma. For them the embryo was animate from the moment of conception, and abortion meant destruction of a living being. The abortion clause of the Oath, therefore, "echoes Pythagorean doctrines," and "[i]n no other stratum of Greek opinion were such views held or proposed in the same spirit of uncompromising austerity."

Edelstein then concludes that the Oath originated in a group representing only a small segment of Greek opinion and that it certainly was not accepted by all ancient physicians. He points out that medical writings down to Galen (130–200 A. D.) "give evidence of the violation of almost every one of its injunctions." But with the end of antiquity a decided change took place. Resistance against suicide and against abortion became common. The Oath came to be popular. The emerging teachings of Christianity were in agreement with the Pythagorean ethic. The Oath "became the nucleus of all medical ethics" and "was applauded as the embodiment of truth." Thus, suggests Dr. Edelstein, it is "a Pythagorean manifesto and not the expression of an absolute standard of medical conduct."

This, it seems to us, is a satisfactory and acceptable explanation of the Hippocratic Oath's apparent rigidity. It enables us to understand, in historical context, a long accepted and revered statement of medical ethics.

3. *The Common Law.* It is undisputed that at the common law, abortion performed *before "quickening"*—the first recognizable movement of the fetus *in utero,* appearing usually from the 16th to the 18th week of pregnancy—was not an indictable offense. The absence of a common law crime for prequickening abortion appears to have developed from a confluence of earlier philosophical, theological, and civil and canon law concepts of when life begins. These disciplines variously approached the question in terms of the point at which the embryo or fetus became "formed" or recognizable hu-

man, or in terms of when a "person" came into being, that is, infused with a "soul" or "animated." A loose consensus evolved in early English law that these events occurred at some point between conception and live birth. This was "mediate animation." Although Christian theology and the canon law came to fix the point of animation at 40 days for a male and 80 days for a female, a view that persisted until the 19th century, there was otherwise little agreement about the precise time of formation or animation. There was agreement, however, that prior to this point the fetus was to be regarded as part of the mother and its destruction, therefore, was not homicide. Due to continued uncertainty about the precise time when animation occurred, to the lack of any empirical basis for the 40–80 day view, and perhaps to Aquinas' definition of movement as one of the two first principles of life, Bracton focused upon quickening as the critical point. The significance of quickening was echoed by later common law scholars and found its way into the received common law in this country.

Whether abortion of a quick fetus was a felony at common law, or even a lesser crime, is still disputed. Bracton, writing early in the 13th century, thought it homicide. But the later and predominant view, following the great common law scholars, has been that it was at most a lesser offense. In a frequently cited passage, Coke took the position that abortion of a woman "quick with childe" is "a great misprision and no murder." Blackstone followed, saying that while abortion after quickening had once been considered manslaughter (though not murder), "modern law" took a less severe view. A recent review of the common law precedents argues, however, that those precedents contradict Coke and that even post-quickening abortion was never established as a common law crime. This is of some importance because while most American courts ruled, in holding or dictum, that abortion of an unquickened fetus was not criminal under their received common law, others followed Coke in stating that abortion of a quick fetus was a "misprision," a term they translated to mean "misdemeanor." That their reliance on Coke on this aspect of the law was uncritical and, apparently in all the reported cases, dictum (due probably to the paucity of common law prosecutions for post-quickening abortion), makes it now appear doubtful that abortion was ever firmly established as a common law crime even with respect to the destruction of a quick fetus.

4. *The English statutory law.* England's first criminal abortion statute, Lord Ellenborough's Act, 43 Geo. 3, c. 58, came in 1803. It made abortion of a quick fetus, § 1, a capital crime, but in § 2 it provided lesser penalties for the felony of abortion before quickening, and thus preserved the quickening distinction. This contrast was continued in the general revision of 1828, 9 Geo. 4, c. 31, § 13, at 104. It disappeared, however, together with the death penalty, in 1837, 7 Will. 4 & 1 Vic., c. 85, § 6, at 360, and did not reappear in the Offenses Against the Person Act of 1861, 24 & 25 Vic., c. 100, § 59, at 438, that formed the core of English anti-abortion law until the liberalizing reforms of 1967. In 1929 the Infant Life (Preservation) Act, 19 & 20 Geo. 5, c. 34, came into being. Its emphasis was upon the destruction of "the life of a child capable of being born alive." It made a willful act performed with the necessary intent a felony. It contained a proviso that one was not to be found guilty of the offense "unless it is proved that the act which caused the death of the child was not done in good faith for the purpose only of preserving the life of the mother."

A seemingly notable development in the English law was the case of *Rex.* v. *Bourne,* [1939] 1 K. B. 687. This case apparently answered in the affirmative the question whether an abortion necessary to preserve the life of the pregnant woman was excepted from the criminal penalties of the 1861 Act. In his instructions to the jury Judge Macnaghten referred to the 1929 Act, and observed, p. 691, that that Act related to "the case where a child is killed by a willful act at the time when it is being delivered in the ordinary course of nature." *Id.,* at 91. He concluded that the 1861 Act's use of the word "unlawfully," imported the same meaning expressed by the specific proviso in the 1929 Act even though there was no mention of preserving the mother's life in the 1861 Act. He then construed the phrase "preserving the life of the mother" broadly, that is, "in a reasonable sense," to include a serious and permanent threat to the mother's *health,* and instructed the jury to acquit Dr. Bourne if it found he had acted in a good faith belief that the abortion was necessary for this purpose. *Id.,* at 693–694. The jury did acquit.

Recently Parliament enacted a new abortion law. This is the Abortion Act of 1967, 15 & 16 Eliz. 2, c. 87. The Act permits a licensed physician to perform an abortion where two other licensed physicians agree (a) "that the continuance of the pregnancy would involve risk to the life of the pregnant woman, or of injury to the physicial or mental health of the pregnant woman or any existing children of her family, greater than if the pregnancy were terminated," or (b) "that there is a substantial risk that if the child were born it would suffer from such physical or mental abnormalities as to be seriously handicapped." The Act also provides that, in making this determination, "account may be taken of the pregnant woman's actual or reasonably foreseeable environment." It also permits a physician, without the concurrence of others, to terminate a pregnancy where he is of the good faith opinion that the abortion "is immediately necessary to save the life or to prevent grave permanent injury to the physical or mental health of the pregnant woman."

5. *The American law.* In this country the law in effect in all but a few States until mid-19th century was the pre-existing English common law. Connecticut, the first State to enact abortion legislation, adopted in 1821 that part of Lord Ellenborough's Act that related to a woman "quick with child." The death penalty was not imposed. Abortion before quickening was made a crime in that State only in 1860. In 1828 New York enacted legislation that, in two respects, was to serve as a model for early anti-abortion statutes. First, while barring destruction of an unquickened fetus as well as a quick fetus, it made the former only a misdemeanor, but the latter second-degree manslaghter. Second, it incorporated a concept of therapeutic abortion by providing that an abortion was excused if it "shall have been necessary to preserve the life of such mother, or shall have been advised by two physicians to be necessary for such purpose." By 1840, when Texas had received the common law, only eight American States had statutes dealing with abortion. It was not until after the War Between the States that legislation began generally to replace the common law. Most of these initial statutes dealt severely with abortion after quickening but were lenient with it before quickening. Most punished attempts equally with completed abortions. While many statutes included the exception for an abortion thought by one or more physicians to be necessary to save the mother's life, that provision soon disappeared and the typical law required that the procedure actually be necessary for that purpose.

Gradually, in the middle and late 19th century the quickening distinction disappeared from the statutory law of most States and the degree of the offense and the penalties were increased. By the end of the 1950's a large majority of the States banned abortion, however and whenever performed, unless done to save or preserve the life of the mother. The exceptions, Alabama and the District of Columbia, permitted abortion to preserve the mother's health. Three other States permitted abortions that were not "unlawfully" performed or that were not "without lawful jurisdiction," leaving interpretation of those standards to the courts. In the past several years, however, a trend toward liberalization of abortion statutes has resulted in adoption, by about one-third of the States, of less stringent laws, most of them patterned after the ALI Model Penal Code, § 230.3, set forth as Appendix B to the opinion in *Doe* v. *Bolton, post* ——.

It is thus apparent that at common law, at the time of the adoption of our Constitution, and throughout the major portion of the 19th century, abortion was viewed with less disfavor than under most American statutes currently in effect. Phrasing it another way, a woman enjoyed a substantially broader right to terminate a pregnancy than she does in most States today. At least with respect to the early stage of pregnancy, and very possibly without such a limitation, the opportunity to make this choice was present in this country well into the 19th century. Even later, the law continued for some time to treat less punitively an abortion procured in early pregnancy.

6. *The position of the American Medical Association.* The anti-abortion mood prevalent in this country in the late 19th century was shared by the medical profession. Indeed, the attitude of the profession may have played a significant role in the enactment of stringent criminal abortion legislation during that period.

An AMA Committee on Criminal Abortion was appointed in May 1857. It presented its report, 12 Trans. of the Am. Med. Assn. 73–77 (1859), to the Twelfth Annual Meeting. That report observed that the Committee had been appointed to investigate criminal abortion "with a view to its general suppression." It deplored abortion and its frequency and it listed three causes "of this general demoralization":

"The first of these causes is a wide-spread popular ignorance of the true character of the crime—a belief, even among mothers themselves, that the foetus is not alive till after the period of quickening.

"The second of the agents alluded to is the fact that the profession themselves are frequently supposed careless of foetal life . . . .

"The third reason of the frightful extent of this crime is found in the grave defects of our laws, both common and statute, as regards the independent and actual existence of the child before birth, as a living being. These errors, which are sufficient in most instances to prevent conviction, are based, and only based, upon mistaken and exploded medical dogmas. With strange inconsistency, the law fully acknowledges the foetus in utero and its inherent rights, for civil purposes; while personally and as criminally affected, it fails to recognize it, and to its life as yet denies all protection." *Id.,* at 75–76.

The Committee then offered, and the Association adopted, resolutions protesting "against such unwarrantable destruction of human life," calling upon state legislatures to revise their abortion laws, and requesting the cooperation of state medical societies "in pressing the subject." *Id.,* at 28, 78.

In 1871 a long and vivid report was submitted by the Committee on Criminal Abortion. It ended with the observation, "We had to deal with human life. In a matter of less importance we could entertain no compromise. An honest judge on the bench would call things by their proper names. We could do no less." 22 Trans. of the Am. Med. Assn. 258 (1871). It proffered resolutions, adopted by the Association, *id.,* at 38–39, recommending, among other things, that it "be unlawful and unprofessional for any physician to induce abortion or premature labor, without the concurrent opinion of at least one respectable consulting physician, and then always with a view to the safety of the child—if that be possible," and calling "the attention of the clergy of all denominations to the perverted views of morality entertained by a large class of females—aye, and men also, on this important question."

Except for periodic condemnation of the criminal abortionist, no further formal AMA action took place until 1967. In that year the Committee on Human Reproduction urged the adoption of a stated policy of opposition to induced abortion except when there is "documented medical evidence" of a threat to the health or life of the mother, or that the child "may be born with incapacitating physical deformity or mental deficiency," or that a pregnancy "resulting from legally established statutory or forcible rape or incest may constitute a threat to the mental or physical health of the patient," and two other physicians "chosen because of their recognized professional competence have examined the patient and have concurred in writing," and the procedure "is performed in a hospital accredited by the Joint Commission on Accreditation of Hospitals." The providing of medical information by physicians to state legislatures in their consideration of legislation regarding therapeutic abortion was "to be considered consistent with the principles of ethics of the American Medical Association." This recommendation was adopted by the House of Delegates. Proceedings of the AMA House of Delegates, 40–51 (June 1967).

In 1970, after the introduction of a variety of proposed resolutions, and of a report from its Board of Trustees, a reference committee noted "polarization of the medical profession on this controversial issue"; division among those who had testified; a difference of opinion among AMA councils and committees; "the remarkable shift in testimony" in six months, felt to be influenced "by the rapid changes in state laws and by the judicial decisions which tend to make abortion more freely available;" and a feeling "that this trend will continue." On June 25, 1970, the House of Delegates adopted preambles and most of the resolutions proposed by the reference committee. The preambles emphasized "the best interests of the patient," "sound clinical judgment," and "informed patient consent," in contrast to "mere acquiescence to the patient's demand." The resolutions asserted that abortion is a medical procedure that should be performed by a licensed physician in an accredited hospital only after consultation with two other physicians and in conformity with state law, and that no party to the procedure should be required to violate personally held moral principles. Proceedings of the AMA House of Delegates 221 (June 1970) The AMA Judicial Council rendered a complementary opinion.

7. *The position of the American Public Health Association.* In October 1970, the Executive Board of the APHA adopted Standards for Abortion Services. These were five in number:

"a. Rapid and simple abortion referral must be readily available through state and local public health departments, medical societies, or other nonprofit organizations.

"b. An important function of counseling should be to simplify and expedite the provision of abortion services; it should not delay the obtaining of these services.

"c. Psychiatric consultation should not be mandatory. As in the case of other specialized medical services, psychiatric consultation should be sought for definite indications and not on a routine basis.

"d. A wide range of individuals from appropriately trained, sympathetic volunteers to highly skilled physicians may qualify as abortion counselors.

"e. Contraception and/or sterilization should be discussed with each abortion patient." Recommended Standards for Abortion Services, 61 Am. J. Pub. Health 396 (1971).

Among factors pertinent to life and health risks associated with abortion were three that "are recognized as important":

"a. the skill of the physician,

"b. the environment in which the abortion is performed, and above all

"c. the duration of pregnancy, as determined by uterine size and confirmed by menstrual history." *Id.*, at 397.

It was said that "a well-equipped hospital" offers more protection "to cope with unforeseen difficulties than an office or clinic without such resources. . . The factor of gestational age is of overriding importance." Thus it was recommended that abortions in the second trimester and early abortions in the presence of existing medical complications be performed in hospitals as inpatient procedures. For pregnancies in the first trimester, abortion in the hospital with or without overnight stay "is probably the safest practice." An abortion in an extramural facility, however, is an acceptable alternative "provided arrangements exist in advance to admit patients promptly if unforeseen complications develop." Standards for an abortion facility were listed. It was said that at present abortions should be performed by physicians or osteopaths who are licensed to practice and who have "adequate training." *Id.*, at 398.

8. *The position of the American Bar Association.* At its meeting in February 1972 the ABA House of Delegates approved, with 17 opposing votes, the Uniform Abortion Act that had been drafted and approved the preceding August by the Conference of Commissioners on Uniform State Laws. 58 A. B. A. J. 380 (1972). We set forth the Act in full in the margin. The Conference has appended an enlightening Prefatory Note.

VII

Three reasons have been advanced to explain historically the enactment of criminal abortion laws in the 19th century and to justify their continued existence.

It has been argued occasionally that these laws were the product of a Victorian social concern to discourage illicit sexual conduct. Texas, however, does not advance this justification in the present case, and it appears that no court or commentator has taken the argument seriously. The appellants and *amici* contend, moreover, that this is not a proper state purpose at all and suggest that, if it were, the Texas statutes are overbroad in protecting it since the law fails to distinguish between married and unwed mothers.

A second reason is concerned with abortions as a medical procedure. When most criminal abortion laws were first enacted, the procedure was a hazardous one for the women. This was particularly true prior to to development of antisepsis. Antiseptic techniques, of course, were based on discoveries by Lister, Pasteur, and others first announced in 1867, but were not generally accepted and employed until about the turn of the century. Abortion mortality was high. Even after 1900, and perhaps until as late as the development of antibiotics in the 1940's, standard modern techniques such as dilation and curettage were not nearly so safe as they are today. Thus it has been argued that a State's real concern in enacting a criminal abortion law was to protect the pregnant woman, that is, to restrain her from submitting to a procedure that placed her life in serious jeopardy.

Modern medical techniques have altered this situation. Appellants and various *amici* refer to medical data indicating that abortion in early pregnancy, that is, prior to the end of first trimester, although not without its risk, is now relatively safe. Mortality rates for women undergoing early abortions, where the procedure is legal, appear to be as low as or lower than the rates for normal childbirth. Consequently, any interest of the State in protecting the woman from an inherently hazardous procedure, except when it would be equally dangerous for her to forgo it, has largely disappeared. Of course, important state interests in the area of health and medical standards do remain. The State has a legitimate interest in seeing to it that abortion, like any other medical procedure, is performed under circumstances that insure maximum safety for the patient. This interest obviously extends at least to the performing physician and his staff, to the facilities involved, to the availability of after-care, and to adequate provision for any complication or emergency that might arise. The prevalence of high mortality rates at illegal "abortion mills" strengthens, rather than weakens, the State's interest in regulating the conditions under which abortions are performed. Moreover, the risk to the woman increases as her pregnancy continues. Thus the State retains a definite interest in protecting the woman's own health and safety when an abortion is proposed at a late stage of pregnancy.

The third reason is the State's interest—some phrase it in terms of duty—in protecting prenatal life. Some of the argument for this justification rests on the theory that a new human life is present from the moment of conception. The State's interest and general obligation to protect life then extends, it is argued, to prenatal life. Only when the life of the pregnant mother herself is at stake, balanced against the life she carries within her, should the interest of the embryo or fetus not prevail. Logically, of course, a legitimate state interest in this area need not stand or fall on acceptance of the belief that life begins at conception or at some other point prior to live birth. In assessing the State's interest, recognition may be given to less rigid claim that as long as at least *potential* life is involved, the State may assert interests beyond the protection of the pregnant woman alone.

Parties challenging state abortion laws have sharply disputed in some courts the contention that a purpose of these laws, when enacted, was to protect prenatal life. Pointing to the absence of legislative history to support the contention, they claim that most state laws were designed solely to protect the woman. Because medical advances have lessened his concern, at least with respect to abortion in early pregnancy, they argue that with respect to such abortions the laws can no longer be justified by any state interest. There is some scholarly support for this view of original purpose. The few state courts called upon to interpret their laws in the late 19th and early 20th centuries did focus on the State's interest in protecting the woman's health rather than in preserving the embryo and fetus. Proponents of this view point out that in many States, including Texas, by statute or judicial interpretation, the pregnant woman herself could not be prosecuted for self-abortion or for cooperating in an abortion performed upon her by another. They claim that adoption of the "quickening" distinction through received common law and state statutes tacitly recognizes the greater health hazards inherent in late abortion and impliedly repudiates the theory that life begins at conception.

It is with these interests, and the weight to be attached to them, that this case is concerned.

VIII

The Constitution does not explicitly mention any right of privacy. In a line of decisions, however, going back perhaps as far as *Union Pacific R. Co.* v. *Botsford*, 141 U.S. 250, 251 (1891), the Court has recognized that a right of personal privacy, or a guarantee of certain areas or zones of privacy, does exist under the Constitution. In varying contexts the Court or individual Justices have indeed found at least the roots of that right in the First Amendment, *Stanley* v. *Georgia,* 394 U.S. 557, 564 (1969); in the Fourth and Fifth Amendments, *Terry* v. *Ohio,* 392 U.S. 1, 8–9 (1968), *Katz* v. *United States,* 389 U.S. 347, 350 (1967), *Boyd* v. *United States,* 116 U.S. 616 (1886), see *Olmstead* v. United States, 277 U.S. 438, 478 (1928) (Brandeis, J. dissenting); in the penumbras of the Bill of Rights, *Griswold* v. *Connecticut,* 381 U.S. 479, 484–485 (1965); in the Ninth Amendment, *id.,* at 486 (Goldberg J., concurring); or in the concept of liberty guaranteed by the first section of the Fourteenth Amendment, see *Meyer* v. *Nebraska,* 262 U.S. 390, 399 (1923). These decisions make it clear that only personal rights that can be deemed "fundamental" or "implicit in the concept of ordered liberty," *Palko* v. *Connecticut,* 302 U.S. 319, 325 (1937), are included in this guarantee of personal privacy. They also make it clear that the right has some extension to activities relating to marriage, *Loving* v. *Virginia,* 388 U.S. 1, 12 (1967), procreation, *Skinner* v. *Oklahoma,* 316 U.S. 535, 541–542 (1942), contraception, *Eisenstadt* v. *Baird,* 405 U.S. 438, 453–454 (1972); *id.,* at 460, 463–465 (White, J., concurring), family relationships, *Prince* v. *Massachusetts,* 321 U.S. 158, 166 (1944), and child rearing and education, *Pierce* v. *Society of Sisters,* 268 U.S. 510, 535 (1925), *Meyer* v. *Nebraska, supra.*

This right of privacy, whether it be founded in the Fourteenth Amendment's concept of personal liberty and restrictions upon state action, as we feel it is, or, as the District Court determined, in the Ninth Amendment's reservation of rights to the people, is broad enough to encompass a woman's decision whether or not to terminate her pregnancy. The detriment that the State would impose upon the pregnant woman by denying this choice altogether is apparent. Specific and direct harm medically diagnosable even in early pregnancy may be involved. Maternity, or additional off-spring, may force upon the woman a distressful life and future. Psychological harm may be imminent. Mental and physical health may be taxed by child care. There is also the distress, for all concerned, associated with the unwanted child, and there is the problem of bringing a child into a family already unable, psychologically and otherwise, to care for it. In other cases, as in this one, the additional difficulties and continuing stigma of unwed motherhood may be involved. All these are factors the woman and her responsible physician necessarily will consider in consultation.

On the basis of elements such as these, appellants and some *amici* argue that the woman's right is absolute and that she is entitled to terminate her pregnancy at whatever time, in whatever way, and for whatever reason she alone chooses. With this we do not agree. Appellants' arguments that Texas either has no valid interest at all in regulating the abortion decision, or no interest strong enough to support any limitation upon the woman's sole determination, is unpersuasive. The Court's decisions recognizing a right of privacy also acknowledge that some state regulation in areas protected by that right is appropriate. As noted above, a state may properly assert important interests in safeguarding health, in maintaining medical standards, and in protecting potential life. At some point in pregnancy, these respective interests become sufficiently compelling to sustain regulation of the factors that govern the abortion decision. The privacy right involved, therefore, cannot be said to be absolute. In fact, it is not clear to us that the claim asserted by some *amici* that one has an unlimited right to do with one's body as one pleases bears a close relationship to the right of privacy previously articulated in the Court's decisions. The Court has refused to recognize an unlimited right of this kind in the past. *Jacobson* v. *Massachusetts,* 197 U.S. 11 (1905) (vaccination); *Buck* v. *Bell,* 274 U.S. 200 (1927) (*sterilization*).

We therefore conclude that the right of personal privacy includes the abortion decision, but that this right is not unqualified and must be considered against important state interests in regulation.

We note that those federal and state courts that have recently considered abortion law challenges have reached the same conclusion. A majority, in addition to the District Court in the present case, have held state laws unconstitutional, at least in part, because of vagueness or because of overbreadth and abridgement of rights. *Abele* v. *Markle,* 342 F. Supp. 800 (Conn. 1972), appeal pending; *Abele* v. *Markle.*—F. Supp.— (Conn. Sept. 20, 1972), appeal pending; *Doe* v. *Bolton,* 319 F. Supp. 1048 (ND Ga. 1970), appeal decided today, *post* —; *Doe* v. *Scott,* 321 F. Supp. 1385 (ND Ill. 1971), appeal pending; *Poe* v. *Menghini,* 339 F. Supp. 986 (Kan. 1972); *YWCA* v. *Kugler,* 342 F. Supp. 1048 (NJ 1972); *Babbitz* v. *McCann,* 310 F. Supp. 293 (ED Wis. 1970), appeal dismissed, 400 U.S. 1 (1970); *People* v. *Belous,* 71 Cal. 2d 954, 458 P. 2d 194 (1969), cert. denied, 397 U.S. 915 (1970); *State* v. *Barquet,* 262 S. 2d 431 (Fla. 1972).

Others have sustained state statutes. *Crossen* v. *Attorney General,* 344 F. Supp. 587 (ED Ky. 1972), appeal pending; *Rosen* v. *Louisiana State Board of Medical Examiners,* 318 F. Supp. 1217 (ED La. 1970), appeal pending; *Corkey* v. *Edwards,* 322 F. Supp. 1248 (WDNC 1971), appeal pending; *Steinberg* v. *Brown,* 321 F. Supp. 741 (ND Ohio 1970); *Doe* v. *Rampton,* — F. Supp. — (Utah 1971), appeal pending; *Cheaney* v. *Indiana,* — Ind. —, 285 N. E. 2d 265 (1972); *Spears* v. *State,* 247 So. 2d 876 (Miss. 1972); *State* v. *Munson,* — S. D. —, 201 N. W. 2d 123 (1972), appeal pending.

Although the results are divided, most of these courts have agreed that the right of privacy, however based, is broad enough to cover the abortion decision; that the right, nonetheless, is not absolute and is subject to some limitations; and that at some point the state interests as to protection of health, medical standards, and prenatal life, become dominant. We agree with this approach.

Where certain "fundamental rights" are involved, the Court has held that regulation limiting these rights may be justified only by a "compelling state interest," *Kramer* v. *Union Free School District,* 395 U.S. 621, 627 (1969); *Shapiro* v. *Thompson,* 394 U.S. 618, 634, (1969), *Sherbert* v. *Verner,* 374 US. 398, 406 (1963), and that legislative enactments must be narrowly drawn to express only the legitimate state interests at stake. *Griswold* v. *Connecticut,* 381 U.S. 479, 485 (1965); *Aptheker* v. *Secretary of State,* 378 U.S. 500, 508 (1964); *Cantwell* v. *Connecticut,* 310 U.S. 296, 307–308 (1940); see *Eisenstadt* v. *Baird,* 405 U.S. 438, 460, 463–464 (1972) (White, J., concurring).

In the recent abortion cases, cited above, courts have recognized these principles. Those striking down state laws have generally scrutinized the State's interest in protecting health and potential life and have concluded that neither interest justified broad limitations on the reasons for which a physician and his pregnant patient might decide that she should have an abortion in the early stages of pregnancy. Courts sustaining state laws have held that the State's determinations to protect health or prenatal life are dominant and constitutionally justifiable.

IX

The District Court held that the appellee failed to meet his burden of demonstrating that the Texas statute's infringement upon Roe's rights was necessary to support a compelling state interest, and that, although the defendant presented "several compelling justifications for state presence in the area of abortions," the statutes outstripped these justifications and swept "far beyond any areas of compelling state interest." 314 F. Supp., at 1222–1223. Appellant and appellee both contest that holding. Appellant, as has been indicated, claims an absolute right that bars any state imposition of criminal penalties in the area. Appellee argues that the State's determination to recognize and protect prenatal life from and after conception constitutes a compelling state interest. As noted above, we do not agree fully with either formulation.

A. The appellee and certain *amici* argue that the fetus is a "person" within the language and meaning of the Fourteenth Amendment. In support of this they outline at length and in detail the well-known facts of fetal development. If this suggestion of personhood is established, the appellant's case, of course, collapses, for the fetus' right to life is then guaranteed specifically by the Amendment. The appellant conceded as much on reargument. On the other hand, the appellee conceded on reargument that no case could be cited that holds that a fetus is a person within the meaning of the Fourteenth Amendment.

The Constitution does not define "person" in so many words. Section 1 of the Fourteenth Amendment contains three references to "person." The first, in defining "citizens," speaks of "persons born or naturalized in the United States." The word also appears both in the Due Process Clause and in the Equal Protection Clause. "Person" is used in other places in the Constitution: in the listing of qualifications for representatives and senators, Art. I, § 2, cl. 2, and § 3, cl. 3; in the Apportionment Clause, Art. I, § 2, cl. 3; in the Migration and Importation provision, Art. I, § 9, cl. 1; in the Emolument Clause, Art. I, § 9, cl. 8; in the Electors provisions, Art. II, § 1, cl. 2, and the superseded cl. 3; in the provision outlining qualifications for the office of President, Art. II, § 1, cl. 5; in the Extradition provisions, Art. IV, § 2, cl. 2, and the superseded Fugitive Slave cl. 3; and in the Fifth, Twelfth, and Twenty-second Amendments as well as in §§ 2 and 3 of the Fourteenth Amendment. But in nearly all these instances, the use of the word is such that it has application only postnatally. None indicates, with any assurance, that it has any possible pre-natal application.

All this, together with our observation, *supra,* that throughout the major portion of the 19th century prevailing legal abortion practices were far freer than they are today, persuades us that the word "person," as used in the Fourteenth Amendment, does not include the unborn. This is in accord with the results reached in those few cases where the issue has been squarely presented. *McGarvey* v. *Magee-Womens Hospital,* 340 F. Supp. 751 (WD Pa. 1972); *Byrn* v. *New York City Health & Hospitals Corp.,* 31 N. Y. 2d 194, 286 N. E. 2d 887 (1972), appeal pending; *Abele* v. *Markle,* —— F. Supp. —— (Conn. Sept. 20, 1972), appeal pending. Compare *Cheaney* v. *Indiana,* —— Ind. ——, 285 N. E. 265, 270 (1972); *Montana* v. *Rogers,* 278 F. 2d 68, 72 (CA7 1960), aff'd *sub nom. Montana* v. *Kennedy,* 366 U. S. 308 (1961); *Keeler* v. *Superior Court,* —— Cal. ——, 470 P. 2d 617 (1970); *State* v. *Dickinson,* 23 Ohio App. 2d 259, 275 N. E. 2d 599 (1970). Indeed, our decision in *United States* v. *Vuitch,* 402 U. S. 62 (1971), inferentially is to the same effect, for we there would not have indulged in statutory interpretation favorable to abortion in specified circumstances if the necessary consequence was the termination of life entitled to Fourteenth Amendment protection.

This conclusion, however, does not of itself fully answer the contentions raised by Texas, and we pass on to other considerations.

B. The pregnant woman cannot be isolated in her privacy. She carries an embryo and, later, a fetus, if one accepts the medical definitions of the developing young in the human uterus. See Dorland's Illustrated Medical Dictionary, 478–479, 547 (24th ed. 1965). The situation therefore is inherently different from martial intimacy, or bedroom possession of obscene material, or marriage, or procreation, or education, with which *Eisenstadt, Griswold, Stanley, Loving, Skinner, Pierce,* and *Meyer* were respectively concerned. As we have intimated above, it is reasonable and appropriate for a State to decide that at some point in time another interest, that of health of the mother or that of potential human life, becomes significantly involved. The woman's privacy is no longer sole and any right of privacy she possesses must be measured accordingly.

Texas urges that, apart from the Fourteenth Amendment, life begins at conception and is present throughout pregnancy, and that, therefore, the State has a compelling interest in protecting that life from and after conception. We need not resolve the difficult question of when life begins. When those trained in the respective disciplines of medicine, philosophy, and theology are unable to arrive at any consensus, the judiciary, at this point in the development of man's knowledge, is not in a position to speculate as to the answer.

It should be sufficient to note briefly the wide divergence of thinking on this most sensitive and difficult question. There has always been strong support for the view that life does not begin until live birth. This was the belief of the Stoics. It appears to be the predominant, though not the unanimous, attitude of the Jewish faith. It may be taken to represent also the position of a large segment of the Protestant community, insofar as that can be ascertained; organized groups that have taken a formal position on the abortion issue have generally regarded abortion as a matter for the conscience of the individual and her family. As we have noted, the common law found greater significance in quickening. Physicians and their scientific colleagues have regarded that event with less interest and have tended to focus either upon conception or upon live birth or upon the interim point at which the feus becomes "viable," that is, potentially able to live outside the mother's womb, albeit with artificial aid. Viability is usually placed at about seven months (28 weeks) but may occur earlier, even at 24 weeks. The Aristotelian theory of "mediate animation," that held sway throughout the Middle Ages and the Renaissance in Europe, continued to be official Roman Catholic dogma until the 19th century, despite opposition to this "ensoulment" theory from those in the Church who would recognize the existence of life from the moment of conception. The latter is now, of course, the official belief of the Catholic Church. As one of the briefs *amicus* discloses, this is a view strongly held by many non-Catholics as well, and by many physicians. Substantial problems for precise definition of this view are posed, however, by new embryological data that purport to indicate that conception is a "process" over time, rather than an event, and by new medical techniques such as menstrual extraction, the "morning-after" pill, implantation of embroyos, artificial insemination, and even artificial wombs.

In areas other than criminal abortion the law has been reluctant to endorse any theory that life, as we recognize it, begins before live birth or to accord legal rights to the unborn except in narrowly defined situations and except when the rights are contingent upon live birth. For example, the traditional rule of tort law had denied recovery for prenatal injuries even though the child was born alive. That rule has been changed in almost every jurisdiction. In most States recovery is said to be permitted only if the fetus was viable, or at least quick, when the injuries were sustained, though few courts have squarely so held. In a recent development, generally opposed by the commentators, some States permit the parents of a stillborn child to maintain an action for wrongful death because of prenatal injuries. Such an action, however, would appear to be one to vindicate the parents' interest and is thus consistent with the view that the fetus, at most, represents only the potentiality of life. Similarly, unborn children have been recognized as acquiring rights or interests by way of inheritance or other devolution of property, and have been represented by guardians *ad litem*. Perfection of the interests involved, again, has generally been contingent upon live birth. In short, the unborn have never been recognized in the law as persons in the whole sense.

X

In view of all this, we do not agree that, by adopting one theory of life, Texas may override the rights of the pregnant woman that are at stake. We repeat, however, that the State does have an important and legitimate interest in preserving and protecting the health of the pregnant woman, whether she be a resident of the State or a nonresident who seeks medical consultation and treatment there, and that it has still *another* important and legitimate interest in protecting the potentiality of human life. These interests are separate and distinct. Each grows in substantiality as the woman approaches term and, at a point during pregnancy, each becomes "compelling."

With respect to the State's important and legitimate interest in the health of the mother, the "compelling" point, in the light of present medical knowledge, is at approximately the end of the first trimester. This is so because of the now established medical fact, referred to above at p. 34, that until the end of the first trimester mortality in abortion is less than mortality in normal childbirth. It follows that, from and after this point, a State may regulate the abortion procedure to the extent that the regulation reasonably relates to the preservation and protection of maternal health. Examples of permissible state regulation in this area are requirements as to the qualifications of the person who is to perform the abortion as to the licensure of that person; as to the facility in which the procedure is to be performed, that is, whether it must be a hospital or may be a clinic or some other place of less-than-hospital status; as to the licensing of the facility; and the like.

This means, on the other hand, that, for the period of pregnancy prior to this "compelling" point, the attending physician, in consultation with his patient, is free to determine, without regulation by the State, that in his medical judgment the patient's pregnancy should be terminated. If that decision is reached, the judgment may be effectuated by an abortion fre of interference by the State.

With respect to the State's important and legitimate interest in potential life, the "compelling" point is at viability. This is so because the fetus then presumably has the capability of meaningful life outside the mother's womb. State regulation protective of fetal life after viability thus has both logical and biological justifications. If the State is interested in protecting fetal life after viability, it may go so far as to proscribe abortion during that period except when it is necessary to preserve the life or health of the mother.

Measured against these standards, Art. 1196 of the Texas Penal Code, in restricting legal abortions to those "procured or attempted by medical advice for the purpose of saving the life of the mother," sweeps too broadly. The statute makes no distinction between abortions performed early in pregnancy and those performed later, and it limits to a single reason, "saving" the mother's life, the legal justification for the procedure. The statute, therefore, cannot survive the constitutional attack made upon it here.

This conclusion makes it unnecessary for us to consider the additional challenge to the Texas statute asserted on grounds of vagueness. See *United States* v. *Vuitch,* 402 U. S. 62, 67–72 (1971).

XI

To summarize and to repeat:

1. A state criminal abortion statute of the current Texas type, that excepts from criminality only a *life saving* procedure on behalf of the mother, without regard to pregnancy stage and without recognition of the other interests involved, is violative of the Due Process Clause of the Fourteenth Amendment.

(a) For the stage prior to approximately the end of the first trimester, the abortion decision and its effectuation must be left to the medical judgment of the pregnant woman's attending physician.

(b) For the stage subsequent to approximately the end of the first trimester, the State, in promoting its interest in the health of the mother, may, if it chooses, regulate the abortion procedure in ways that are reasonably related to maternal health.

(c) For the stage subsequent to viability the State, in promoting its interest in the potentiality of human life, may, if it chooses, regulate, and even proscribe, abortion except where it is necessary, in appropriate medical judgment, for the preservation of the life or health of the mother.

2. The State may define the term "physician," as it has been employed in the preceding numbered paragraphs of this Part XI of this opinion, to mean only a physician currently licensed by the State, and may proscribe an abortion by a person who is not a physician as so defined.

In *Doe* v. *Bolton, post,* procedural requirements contained in one of the modern abortion statutes are considered. That opinion and this one, of course, are to be read together.

This holding, we feel, is consistent with the relative weights of the respective interests involved, with the lessons and example of medical and legal history, with the lenity of the common law, and with the demands of the profound problems of the present day. The decision leaves the State free to place increasing restrictions on abortion as the period of pregnancy lengthens, so long as those restrictions are tailored to the recognized state interests. The decision vindicates the right of the physician to administer medical treatment according to his professional judgment up to the points where important state interests provide compelling justifications for intervention. Up to those points the abortion decision in all its aspects is inherently, and primarily, a medical decision, and basic responsibility for it must rest with the physician. If an individual practitioner abuses the privilege of exercising proper medical judgment, the usual remedies, judicial and intra-professional, are available.

Our conclusion that Art. 1196 is unconstitutional means, of course, that the Texas abortion statutes, as a unit, must fall. The exception of Art. 1196 cannot be stricken separately, for then the State is left with a statute proscribing all abortion procedures no matter how medically urgent the case.

Although the District Court granted plaintiff Roe declaratory relief, it stopped short of issuing an injunction against enforcement of the Texas statutes. The Court has recognized that different considerations enter into a federal court's decision as to declaratory relief, on the one hand, and injunctive relief, on the other. *Zwickler* v. *Koota,* 389 U.S. 241, 252–255 (1967); *Dombrowski* v. *Pfister,* 380 U.S. 479 (1965). We are not dealing with a statute that, on its face, appears to abridge free expression, an area of particular concern under *Dombrowski* and refined in *Younger* v. *Harris,* 401 U.S., at 50.

We find it unnecessary to decide whether the District Court erred in withholding injunctive relief, for we assume the Texas prosecutorial authorities will give full credence to this decision that the present criminal abortion statutes of that State are unconstitutional.

The judgment of the District Court as to intervenor Hallford is reversed, and Dr. Hallford's complaint in intervention is dismissed. In all other respects the judgment of the District Court is affirmed. Costs are allowed to the appellee.

It is so ordered.

Mr. Chief Justice Burger, concurring.

I agree that, under the Fourteenth Amendment to the Constitution, the abortion statutes of George and Texas impermissibly limit the performance of abortions necessary to protect the health of pregnant women, using the term health in its broadest medical context. See *Vuitch* v. *United States,* 402 U.S. 62, 71–72 (1971). I am somewhat troubled that the Court has taken notice of varying scientific and medical data in reaching its conclusion; however, I do not believe that the Court has exceeded the scope of judicial notice accepted in other contexts.

In oral argument, counsel for the State of Texas informed the Court that early abortive procedures were routinely permitted in certain exceptional cases, such as nonconsensual pregnancies resulting from rape and incest. In the face of a rigid and narrow statute, such as that of Texas, no one in these circumstances should be placed in a posture of dependence on a prosecutorial policy or prosecutorial discretion. Of course, States must have broad power, within the limits indicated in the opinions, to regulate the subject of abortions, but where the consequences of state intervention are so severe, uncertainty must be avoided as much as possible. For my part, I would be inclined to allow a State to require the certification of two physicians to support an abortion, but the Court holds otherwise. I do not believe that such a procedure is unduly burdensome, as are the complex steps of the Georgia statute, which require as many as six doctors and the use of a hospital certified by the JCAH.

I do not read the Court's holding today as having the sweeping consequences attributed to it by the dissenting Justices; the dissenting views discount the reality that the vast majority of physicians observe the standards of their profession, and act only on the basis of carefully deliberated medical judgments relating to life and health. Plainly, the Court today rejects any claim that the Constitution requires abortion on demand.

Mr. Justice Stewart, concurring.

In 1963, this Court, in *Ferguson* v. *Skrupa,* 372 U.S. 726, purported to sound the death knell for the doctrine of substantive due process, a doctrine under which many state laws had in the past been held to violate the Fourteenth Amendment. As Mr. Justice Black's opinion for the Court in *Skrupa* put it: "We have returned to the original constitutional proposition that courts do not substitute their social and economic beliefs for the judgment of legislative bodies, who are elected to pass laws." *Id.*, at 730.

Barely two years later, in *Griswold* v. *Connecticut,* 381 U.S. 479, the Court held a Connecticut birth control law unconstitutional. In view of what had been so recently said in *Skrupa,* the Court's opinion in *Griswold* understandably did its best to avoid reliance on the Due Process Clause of the Fourteeenth Amendment as the ground for decision. Yet, the Connecticut law did not violate any provision of the Bill of Rights, nor any other specific provision of the Constitution. So it was clear to me then, and it is equally clear to me now, that the *Griswold* decision can be rationally understood only as a holding that the Connecticut statute substantively invaded the "liberty" that is protected by the Due Process Clause of the Fourteenth Amendment. As so understood, *Griswold* stands as one in a long line of pre-*Skrupa* cases decided under the doctrine of substantive due process, and I now accept it as such.

"In a Constitution for a free people, there can be no doubt that the meaning of 'liberty' must be broad indeed." *Board of Regents* v. *Roth,* 408 U.S. 564, 572. The Constitution nowhere mentions a specific right of personal choice in matters of marriage and family life, but the "liberty" protected by the Due Process Clause of the Fourteenth Amendment covers more than those freedoms explicitly named in the Bill of Rights. See *Schware* v. *Board of Bar Examiners,* 353 U.S. 232, 238–239; *Pierce* v. *Society of Sisters,* 268 U.S. 510, 534–535; *Meyer* v. *Nebraska,* 262 U.S. 390, 399–400. Cf. *Shapiro* v. *Thompson,* 394 U.S. 618, 629–630; *United States v. Guest,* 383 U.S. 745, 757–758; *Carrington* v. *Rash,* 380 U.S. 89, 96; *Aptheker* v. *Secretary of State,* 378 U.S. 500, 505; *Kent* v. *Dulles,* 357 U.S. 116, 127; *Bolling* v. *Sharpe,* 347 U.S. 497, 499–500; *Traux* v. *Raich,* 239 U.S. 33, 41.

As Mr. Justice Harlan once wrote: "[T]he full scope of the liberty guaranteed by the Due Process Clause cannot be found in or limited by the precise terms of the specific guarantees elsewhere provided in the Constitution. This 'liberty' is not a series of isolated points pricked out in terms of the taking of property; the freedom of speech, press, and religion; the right to keep and bear arms; the freedom from unreasonable searches and seizures; and so on. It is a rational continuum which, broadly speaking, includes a freedom from all substantial arbitrary impositions and purposeless restraints, . . . and which also recognizes, what a reasonable and sensitive judgment must, that certain interests require particularly careful scrutiny of the state needs asserted to justify their abridgment." *Poe v. Ullman,* 367 U.S. 497, 543 (opinion dissenting from dismissal of appeal) (citations omitted). In the words of Mr. Justice Frankfurter, "Great concepts like . . . 'liberty' . . . were purposely left to gather meaning from experience. For they relate to the whole domain of social and economic fact, and the statesmen who founded this Nation knew too well that only a stagnant society remains unchanged." *National Mutual Ins. Co.* v. *Tidewater Transfer Co., Inc.,* 337 U.S. 582, 646 (dissenting opinion).

Several decisions of this Court make clear that freedom of personal choice in matters of marriage and family life is one of the liberties protected by the Due Process Clause of the Fourteenth Amendment. *Loving* v. *Virginia,* 388 U.S. 1, 12; *Griswold* v. *Connecticut, supra; Pierce* v. *Society of Sisters, supra; Meyer* v. *Nebraska, supra. See also Prince* v. *Massachusetts,* 321 U.S. 158, 166; *Skinner* v. *Oklahoma,* 316 U.S. 535, 541. As recently as last Term, in *Eisenstadt* v. *Baird,* 405 U.S. 438, 453, we recognized "the right of the *individual,* married or single, to be free from unwarranted governmental intrusion into matters so fundamentally affecting a person as the decision whether to bear or beget a child." That right necessarily includes the right of a woman to decide whether or not to terminate her pregnancy. "Certainly the interests of a woman in giving of her physical and emotional self during pregnancy and the interests that will be affected throughout her life by the birth and raising of a child are of a far greater degree of significance and personal intimacy than the right to send a child to private school protected in *Pierce* v. *Society of Sisters,* 268 U.S. 510 (1925), or the right to teach a foreign language protected in *Meyer* v. *Nebraska,* 262 U.S. 390 (1923)." *Abele* v. *Markle,* —— F. Supp. ——, —— (Conn. 1972).

Clearly, therefore, the Court today is correct in holding that the right asserted by Jane Roe is embraced within the personal liberty protected by the Due Process Clause of the Fourteenth Amendment.

It is evident that the Texas abortion statute infringes that right directly. Indeed, it is difficult to imagine a more complete abridgement of a constitutional freedom than that worked by the inflexible criminal statute now in force in Texas. The question then becomes whether the state interests advanced to justify this abridgment can survive the "particularly careful scrutiny" that the Fourteenth Amendment here requires.

The asserted state interests are protection of the health and safety of the pregnant woman, and protection of the potential future human life within her. These are legitimate objectives, amply sufficient to permit a State to regulate abortions as it does other surgical procedures, and perhaps sufficient to permit a State to regulate abortions more stringently or even to prohibit them in the late stages of pregnancy. But such legislation is not before us, and I think the Court today has thoroughly demonstrated that these state interests cannot constitutionally support the broad abridgment of personal liberty worked by the existing Texas law. Accordingly, I join the Court's opinion holding that that law is invalid under the Due Process Clause of the Fourteenth Amendment.

Mr. Justice Douglas, concurring.

While I join the opinion of the Court, I add a few words.

The questions presented in the present cases go far beyond the issues of vagueness, which we considered in *United States* v. *Vuitch,* 402 U.S. 62. They involve the right of privacy, one aspect of which we considered in *Griswold* v. *Connecticut,* 381 U.S. 479, 484, when we held that various guarantees in the Bill of Rights create zones of privacy.

The *Griswold* case involved a law forbidding the use of contraceptives. We held that law as applied to married people unconstitutional:

"We deal with a right of privacy older than the Bill of Rights—older than our political parties, older than our school system. Marriage is a coming together for better or for worse, hopefully enduring, and intimate to the degree of being sacred." *Id.*, 486.

The District Court in *Doe* held that *Griswold* and related cases "establish a constitutional right to privacy broad enough to encompass the right of a woman to terminate an unwanted pregnancy in its early stages, by obtaining an abortion." 319 F. Supp., at 1054.

The Supreme Court of California expressed the same view in *People* v. *Belous,* 71 Cal. 2d 954, 963.

The Ninth Amendment obviously does not create federally enforceable rights. It merely says, "The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people." But a catalogue of these rights includes customary, traditional, and time-honored rights, amenities, privileges, and immunities that come within the sweep of "the Blessings of Liberty" mentioned in the preamble to the Constitution. Many of them in my view come within the meaning of the term "liberty" as used in the Fourteenth Amendment,

First is the autonomous control over the development and expression of one's intellect, interests, tastes, and personality.

These are rights protected by the First Amendment and in my view they are absolute, permitting of no exceptions. See * * * v. *Chicago,* 337 U.S. 77; *Roth* v. *United States,* 354 U.S. 476, 508 (dissent); *Kingsley Pictures Corp.* v. *Regents,* 360 U.S. 684, 697 (concurring); *New York Times Co.* v. *Sullivan,* 376 U.S. 254, 293 (Black J, con-curing in which I joined). The Free Exercise Clause of the First Amendment is one facet of this constitutional right. The right to remain silent as respects one's own beliefs, *Watkins* v. *United States*, 344 U.S. 178 196–199, is protected by the First and the Fifth. The First Amendment grants the pricacy of first-class mail, *United States* v. *Van Leeuwen*, 397 U.S. 249, 253. All of these aspects of the right of privacy are "rights retained by the people" in the meaning of the Ninth Amendment.

Second is freedom of choice in the basic decisions of one's life respecting marriage, divorce, procreation, contraception, and the education and upbringing of children.

These rights, unlike those protected by the First Amendment, are subject to some control by the police power. Thus the Fourth Amendment speaks only of "unreasonable searches and seizures" and of "probable cause." These rights are "fundamental" and we have held that in order to support legislative action the statute must be narrowly and precisely drawn and that a "compelling state interest" must be shown in support of the limitation. *E. g., Kramer* v. *Union Free School Dist.*, 395 U.S. 621 (1969); *Shapiro* v. *Thompson*, 394 U.S. 618 (1969); *Carrington* v. *Rash*, 380 U.S. 89 (1965); *Sherbert* v. *Verner*, 374 U.S. 398 (1963); *NAACP* v. *Alabama ex rel. Patterson.*

The liberty to marry a person of one's own choosing, *Loving* v. *Virginia*, 388 U.S. 1; the right of procreation, *Skinner* v. *Oklahoma*, 316 U.S. 535; the liberty to direct the education of one's children, *Pierce* v. *Society of Sisters*, 268 U.S. 510, and the privacy of the marital relation, *Griswold* v. *Connecticut*, *supra*, are in this category. Only last Term in *Eisenstadt* v. *Baird*, 405 U.S. 438, another contraceptive case, we expanded the concept of *Griswold* by saying:

"It is true that in Griswold the right of privacy in question inhered in the material relationship. Yet the marital couple is not an independent entity with a mind and heart of its own, but an association of two individuals each with a separate intellectual and emotional makeup. If the right of privacy means anything, it is the right of the *individual*, married or single, to be free from unwarranted government intrusion into matters so fundamentally affecting a person as the decision whether to bear or beget a child."

This right of privacy was called by Mr. Justice Brandeis the right "to be let alone." *Olmstead* v. *United States*, 277 U.S. 438, 478. That right includes the privilege of an individual to plan his own affairs, for, "outside of areas of plainly harmful conduct, every American is left to shape his own life as he thinks best, do what he pleases, go where he pleases." *Kent* v. *Dulles*, 357 U.S. 116, 126.

Third is the freedom to care for one's health and person, freedom from bodily restraint or compulsion, freedom to walk, stroll, or loaf.

These rights, though fundamental, are likewise subject to regulation on a showing of "compelling state interest." We stated in *Papachristov* v. *City of Jacksonville*, 405 U.S. 156, 164, that walking, strolling, and wandering "are historically part of the amenities of life as we have known them." As stated in *Jacobson* v. *Massachusetts*, 197 U.S. 11, 29:

"There is, of course, a sphere within which the individual may assert the supremacy of his own will and rightfully dispute the authority of any human government, especially of any free government existing under a written constitution, to interfere with the exercise of that will."

In *Union Pac. Ry. Co.* v. *Botsford*, 141 U.S. 250, 252, the Court said,

"The inviolability of the person is as much invaded by a compulsory stripping and exposure as by a blow."

In *Terry* v. *Ohio*, 392 U.S. 1, 8–9, the Court in speaking of the Fourth Amendment stated:

"This inestimable right of personal security belongs as much to the citizen on the streets of our cities as to the Governor closeted in his study to dispose of his secret affairs."

Katz v. *United States*, 389 U.S. 347, 350, emphasizes that the Fourth Amendment "protects individual privacy against certain kinds of governmental intrusion."

In *Meyer* v. *Nebraska*, 262 U.S. 390, 399, the Court said:

"Without doubt, it [liberty] denotes not merely freedom from bodily restraint but also the right of the individual to contract, to engage in any of the common occupations of life, to acquire useful knowledge, to marry, establish a home and bring up children, to worship God according to the dictates of his own conscience, and generally to enjoy those privileges long recognized at common law as essential to the orderly pursuit of happiness by free men."

The Georgia statute is at war with the clear message of these cases—that a woman is free to make the basic decision whether to bear an unwanted child. Elaborate argument is hardly necessary to demonstrate that child birth may deprive a woman of her preferred life style and force upon her a radically different and undesired future. For example, rejected applicants under the Georgia statute are required to endure the discomforts of pregnancy; to incur the pain, higher mortality rate, and aftereffects of childbirth; to abandon educational plans; to sustain loss of income; to forgo the satisfactions of careers; to tax further mental and physical health in providing childcare; and, in some cases, to bear the lifelong stigma of unwed motherhood, a badge which may haunt, if not deter, later legitimate family relationships.

Such a holding is, however, only the beginning of the problem. The State has interests to protect. Vaccinations to prevent epidemics are one example, as *Jacobson* holds. The Court held that compulsory sterilization of imbeciles afflicted with hereditary forms of insanity or imbecility is another. *Buck* v. *Bell*, 274 U.S. 200. Abortion affects another. While childbirth endangers the lives of some women, voluntary abortion at any time and place regardless of medical standards would impinge on a rightful concern of society. The woman's health is part of that concern; as is the life of the fetus after quickening. These concerns justify the State in treating the procedure as a medical one.

One difficulty is that this statute as construed and applied apparently does not give full sweep to the "psychological as well as physical well-being" of women patients which saved the concept "health" from being void for vagueness in *United States* v. *Vuitch*, *supra*, at 72. But apart from that, Georgia's enactment has a constitutional infirmity because, as stated by the District Court, it "limits the number of reasons for which an abortion may be sought." I agree with the holding of the District Court, "This the State may not do, because such action unduly restricts a decision sheltered by the Constitutional right to privacy." 319 F. Supp., at 1056.

The vicissitudes of life produce pregnancies which may be unwanted, or which may impair "health" in the broad *Vuitch* sense of the term, or which may imperil the life of the mother, or which in the full setting of the case may create such suffering, dislocations, misery, or tragedy as to make an early abortion the only civilized step to take. These hardships may be properly embraced in the "health" factor of the mother as appraised by a person of insight. Or they may be part of a broader medical judgment based on what is "appropriate" in a given case, though perhaps not "necessary" in a strict sense.

The "liberty" of the mother, though rooted as it is in the Constitution, may be qualified by the State for the reasons we have stated. But where fundamental personal rights and liberties are involved, the corrective legislation must be "narrowly drawn to prevent the supposed evil," *Cantwell* v. *Connecticut*, 310 U.S. 296, 307, and not be dealt with in an "unlimited and indiscriminate" manner. *Shelton* v. *Tucker*, 364 U.S. 479, 490. And see *Talley* v. *California*, 362 U.S. 60. Unless regulatory measures are so confined and are addressed to the specific areas of compelling legislative concern, the police power would become the great leveller of constitutional rights and liberties.

There is no doubt that the State may require abortions to be performed by qualified medical personnel. The legitimate objective of preserving the mother's health clearly supports such laws. Their impact upon the woman's privacy is minimal. But the Georgia statute outlaws virtually all such operations—even in the earliest stages of pregnancy. In light of modern medical evidence suggesting that an early abortion is safer healthwise than childbirth itself, it cannot be seriously urged that so comprehensive a ban is aimed at protecting the woman's health. Rather, this expansive proscription of all abortions along the temporal spectrum can rest only on a public goal of preserving both embyronic and fetal life.

The present statute has struck the balance between the woman and the State's interests wholly in favor of the latter. I am not prepared to hold that a State may equate as Georgia has done, all phases of maturation preceding birth. We held in *Griswold* that the States may not preclude spouses from attempting to avoid the joinder of sperm and egg. If this is true, it is difficult to perceive any overriding public necessity which might attach precisely at the moment of conception. As Mr. Justice Clark has said:

"To say that life is present at conception is to give recognition to the potential, rather than the actual. The unfertilized egg has life, and if fertilized, it takes on human proportions. But the law deals in reality, not obscurity—the known rather than the unknown. When sperm meet egg, life may eventually form, but quite often it does not. The law does not deal in speculation. The phenomenon of life takes time to develop, and until it is actually present, it cannot be destroyed. Its interruption prior to formation would hardly be homicide, and as we have seen, society does not regard it as such. The rites of Baptism are not performed and death certificates are not required when a miscarriage occurs. No prosecutor has ever returned a murder indictment charging the taking of the life of a fetus. This would not be the case if the fetus constituted human life."

In summary, the enactment is overbroad. It is not closely correlated to the aim of preserving pre-natal life. In fact, it permits its destruction in several cases, including pregnancies resulting from sex acts in which unmarried females are below the statutory age of consent. At the same time, however, the measure broadly proscribes aborting other pregnancies which may cause severe mental disorders. Additionally, the statute is overbroad because it equates the value of embryonic life immediately after conception with the worth of life immediately before birth.

III

Under the Georgia Act the mother's physician is not the sole judge as to whether the abortion should be performed. Two other licensed physicians must concur in his judgment. Moreover, the abortion must be performed in a licensed hospital; and the abortion must be approved in advance by a committee of the medical staff of that hospital.

Physicians, who speak to us in *Doe* through an *amicus* brief, complain of the Georgia Act's interference with their practice of their profession.

The right of privacy has no more conspicuous place than in the physician-patient relationship, unless it be in the priest-penitent relation.

It is one thing for a patient to agree that her physician may consult with another physician about her case. It is quite a different matter for the State compulsory to impose on that physician-patient relationship another layer or, as in this case, still a third layer of physicians. The right of privacy—the right to care for one's health and person and to seek out a physician of one's own choice protected by the Fourteenth Amendment—becomes only a matter of theory not a reality, when a multiple physician approval system is mandated by the State.

The State licenses a physician. If he is derelict or faithless, the procedures available to punish him or to deprive him of his license are well known. He is entitled to procedural due process before professional disciplinary sanctions may be imposed. See *In re Ruffalo*, 390 U.S. 544. Crucial here, however, is state-imposed control over the medical decision whether pregnancy should be interrupted. The good-faith decision of the patient's chosen physician is overridden and the final decision passed on to others in whose selection the patient has no part. This is a total destruction of the right of privacy between physician and patient and the intimacy of relation which that entails.

The right to seek advice on one's health and the right to place his reliance on the physician of his choice are basic to Fourteenth Amendment values. We deal with fundamental rights and liberties, which, as already noted, can be contained or controlled, only by discretely drawn legislation that preserves the "liberty" and regulates only those phases of the problem of compelling legislative concern. The imposition by the State of group controls over the physician-patient relation is not made on any medical procedure apart from abortion, no matter how dangerous the medical step may be. The oversight imposed on the physician and patient in abortion cases denies them their "liberty," *vis*, their right of privacy, without any compelling, discernable state interest.

Georgia has constitutional warrant in treating abortion as a medical problem. To protect the woman's right of privacy, however, the control must be through the physician of her choice and the standards set for his performance.

The protection of the fetus when it has acquired life is a legitimate concern of the State. Georgia's law makes no rational, discernible decision on that score. For under the Act the developmental stage of the fetus is irrelevant when pregnancy is the result of rape or when the fetus will very likely be born with a permanent defect or when a continuation of the pregnancy will endanger the life of the mother or permanently injure her health. When life is present is a question we do not try to resolve. While basically a question for medical experts, as stated by Mr. Justice Clark, it is, of course, caught up in matters of religion and morality.

In short, I agree with the Court that endangering the life of the woman or seriously and permanently injuring her health are standards too narrow for the right of privacy that are at stake.

I also agree that the superstructure of medical supervision which Georgia has erected violates the patient's right of privacy inherent in her choice of her own physician.

MR. JUSTICE WHITE, with whom MR. JUSTICE REHNQUIST joins, dissenting.

At the heart of the controversy in these cases are those recurring pregnancies that pose no danger whatsoever to the life or health of the mother but are nevertheless unwanted for any one or more of a variety of reasons—convenience, family planning, economics, dislike of children, the embarrassment of illegitimacy, etc. The common claim before us is that for any one of such reasons, or for no reason at all, and without asserting or claiming any threat to life or health, any woman is entitled to an abortion at her request if she is able to find a medical advisor willing to undertake the procedure.

The Court for the most part sustains this position: During the period prior to the time the fetus becomes viable, the Constitution of the United States values the convenience, whim or caprice of the putative mother more than the life or potential life of the fetus; the Constitution, therefore, guarantees the right to an abortion as against any state law or policy seeking to protect the fetus from an abortion not prompted by more compelling reasons of the mother.

With all due respect, I dissent. I find nothing in the language or history of the Constitution to support the Court's judgment. The Court simply fashions and announces a new constitutional right for pregnant mothers and, with scarcely any reason or authority for its action, invests that right with sufficient substance to override most existing state abortion statutes. The upshot is that the people and the legislatures of the 50 States are constitutionally disentitled to weigh the relative importance of the continued existence and development of the fetus on the one hand against a spectrum of possible impacts on the mother on the other hand. As an exercise of raw judicial power, the Court perhaps has authority to do what it does today; but in my view its judgment is an improvident and extravagant exercise of the power of judicial review which the Constitution extends to this Court.

The Court apparently values the convenience of the pregnant mother more than the continued existence and development of the life or potential life which she carries. Whether or not I might agree with that marshalling of values, I can in no event join the Court's judgment because I find no constitutional warrant for imposing such an order of priorities on the people and legislatures of the States. In a sensitive area such as this, involving as it does issues over which reasonable men may easily and heatedly differ, I cannot accept the Court's exercise of its clear power of choice by interposing a constitutional barrier to state efforts to protect human life and by investing mothers and doctors with the constitutionally protected right to exterminate it. This issue, for the most part, should be left with the people and to the political processes the people have devised to govern their affairs.

It is my view, therefore, that the Texas statute is not constitutionally infirm because it denies abortions to those who seek to serve only their convenience rather than to protect their life or health. Nor is this plaintiff, who claims no threat to her mental or physical health, entitled to assert the possible rights of those women whose pregnancy assertedly implicates their health. This, together with *United States* v. *Vuitch*, 402 U.S. 62 (1971), dictates reversal of the judgment of the District Court.

Likewise, because Georgia may constitutionally forbid abortions to putative mothers who, like the plaintiff in this case, do not fall within the reach of § 26–1202(a) of its criminal code, I have no occasion, and the District Court had none, to consider the constitutionality of the procedural requirements of the Georgia statute as applied to those pregnancies posing substantial hazards to either life or health. I would reverse the judgment of the District Court in the Georgia case.

MR. JUSTICE REHNQUIST, dissenting.

The Court's opinion brings to the decision of this troubling question both extensive historical fact and a wealth of legal scholarship. While its opinion thus commands my respect, I find myself nonetheless in fundamental disagreement with those parts of it which invalidate the Texas statute in question, and therefore dissent.

I

The Court's opinion decides that a State may impose virtually no restriction on the performance of abortions during the first trimester of pregnancy. Our previous decisions indicate that a necessary predicate for such an opinion is a plaintiff who was in her first trimester of pregnancy at some time during the pendency of her law suit. While a party may vindicate his own constitutional rights, he may not seek vindication for the rights of others. *Moose Lodge* v. *Irvis*, 407 U.S. 163 (1972); *Sierra Club* v. *Morton*, 405 U.S. 727 (1972). The Court's statement of facts in this case makes clear, however, that the record in no way indicates the presence of such a plaintiff. We know only that plaintiff Roe at the time of filing her complaint was a pregnant woman; for aught that appears in this record, she may have been in her last trimester of pregnancy as of the date the complaint was filed.

Nothing in the Court's opinion indicates that Texas might not constitutionally apply its proscription of abortion as written to a woman in that stage of pregnancy. Nonetheless, the Court uses her complaint against the Texas statute as a fulcrum for deciding that States may impose virtually no restrictions on medical abortions performed during the *first* trimester of pregnancy. In deciding such a hypothetical lawsuit the Court departs from the longstanding admonition that it should never "formulate a rule of constitutional law broader than is required by the precise facts to which it is to be applied." *Liverpool, New York and Philadelphia Steamship Co.* v. *Commissioners of Emigration*, 113 U.S. 33, 39 (1885). See also *Ashwander* v. *TVA*, 297 U.S. 288, 345 (1936) (Brandeis, concurring).

II

Even if there were a plaintiff in this case capable of litigating the issue which the Court decides, I would reach a conclusion opposite to that reached by the Court. I have difficulty in concluding, as the Court does, that the right of "privacy" is involved in this case. Texas by the statute here challenged bars the performance of a medical abortion by a licensed physician on a plaintiff such as Roe. A transaction resulting in an operation such as this is not "private" in the ordinary usage of that word. Nor is the "privacy" which the Court finds here even a distant relative of the freedom from searches and seizures protected by the Fourth Amendment to the Constitution which the Court has referred to as embodying a right to privacy. *Katz* v. *United States*, 389 U.S. 347 (1967).

If the Court means by the term "privacy" no more than that the claim of a person to be free from unwanted state regulation of consensual transactions may be a form of "liberty" protected by the Fourteenth Amendment, there is no doubt that similar claims have been upheld in our earlier decisions on the basis of that liberty. I agree with the statement of MR. JUSTICE STEWART in his concurring opinion that the "liberty," against deprivation of which without due process the Fourteenth Amendment protects, embraces more than the rights found in the Bill of Rights. But that liberty is not guaranteed absolutely against deprivation, but only against deprivation without due process of law. The test traditionally applied in the area of social and economic legislation is whether or not a law such as that challenged has a rational relation to a valid state objective. *Williamson* v. *Lee Optical Co.*, 348 U.S. 483, 491 (1955). The Due Process Clause of the Fourteenth Amendment undoubtedly does place a limit on legislative power to enact laws such as this, albeit a broad one. If the Texas statute were to prohibit an abortion even where the mother's life is in jeopardy, I have little doubt that such a statute would lack a rational relation to a valid state objective under the test stated in *Williamson, supra*. But the Court's sweeping invalidation of any restrictions on abortion during the first trimester is impossible to justify under that standard, and the conscious weighing of competing factors which the Court's opinion apparently substitutes for the established test is far more appropriate to a legislative judgment than to a judicial one.

The Court eschews the history of the Fourteenth Amendment in its reliance on the "compelling state interest" test. See *Weber* v. *Aetna Casualty & Surety Co.*, 406 U.S. 164, 179 (1972) (dissenting opinion). But the Court adds a new wrinkle to this test by transposing it from the legal considerations associated with the Equal Protection Clause of the Fourteenth Amendment to this case arising under the Due Process Clause of the Fourteenth Amendment. Unless I misapprehend the consequences of this transplanting of the "compelling state interest test," the Court's opinion will accomplish the seemingly impossible feat of leaving this area of the law more confused than it found it.

While the Court's opinion quotes from the dissent of Mr. Justice Holmes in *Lochner* v. *New York*, 198 U.S. 45 (1905), the result it reaches is more closely attuned to the majority opinion of Mr. Justice Peckham in that case. As in *Lochner* and similar cases applying substantive due process standards to economic and social welfare legislation, the adoption of the compelling state interest standard will inevitably require this Court to examine the legislative policies and pass on the wisdom of these policies in the very process of deciding whether a particular state interest put forward may or may not be "compelling." The decision here to break the term of pregnancy into three distinct terms and to outline the permissible restrictions the State may impose in each one, for example, partakes more of judicial legislation than it does of a determination of the intent of the drafters of the Fourteenth Amendment.

The fact that a majority of the States, reflecting after all the majority sentiment in those States, have had restrictions on abortions for at least a century seems to me as strong an indication there is that the asserted right to an abortion is not "so rooted in the traditions and conscience of our people as to be ranked as fundamental," *Snyder* v. *Massachusetts*, 291 U.S. 97, 105 (1934). Even today, when society's views on abortion are changing, the very existence of the debate is evidence that the "right" to an abortion is not so universally accepted as the appellants would have us believe.

To reach its result the Court necessarily has had to find within the scope of the Fourteenth Amendment a right that was apparently completely unknown to the drafters of the Amendment. As early as 1821, the first state law dealing directly with abortion was enacted by the Connecticut legislature. Conn. Stat. Tit. 22, §§ 14, 16 (1821). By the time of the adoption of the Fourteenth Amendment in 1868 there were at least 36 laws enacted by state or territorial legislatures limiting abortion. While many States have amended or undated their laws, 21 of the laws on the books in 1868 remain in effect today. Indeed the Texas statute struck down today was, as the majority notes, first enacted in 1857 and "has remained substantially unchanged to the present time." *Ante*, at—.

There apparently was no question concerning the validity of this provision or of any of the other state statutes when the Fourteenth Amendment was adopted. The only conclusion possible from this history is that the drafters did not intend to have the Fourteenth Amendment withdraw from the States the power to legislate with respect to this matter.

III

Even if one were to agree that the case which the Court decides were here, and that the enunciation of the substantive constitutional law in the Court's opinion were proper, the actual disposition of the case by the Court is still difficult to justify. The Texas statute is struck down *in toto*, even though the Court apparently concedes that at later periods of pregnancy Texas might impose these selfsame statutory limitations on abortion. My understanding of past practice is that a statute found to be invalid as applied to a particular plaintiff, but not unconstitutional as a whole, is not simply "struck down" but is instead declared unconstitutional as applied to the fact situation before the Court. *Yick Wo* v. *Hopkins*, 118 U.S. 356 1886); *Street* v. *New York*, 394 S. 576 (1969).

For all of the foregoing reasons, I respectfully dissent.

STATEMENT ON IMPOUNDMENT BILL

(Mr. ADAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADAMS. Mr. Speaker, I would like to express my strong opposition to the Nixon administration's impounding and reserving appropriated funds from many social programs to establish a different set of legislative priorities than those created by Congress.

I have already joined many of my distinguished colleagues in the House of Representatives in sponsoring anti-impoundment legislation which would require the President to submit any impoundment request to the Congress to be approved or disapproved within 60 days.

Today, I am introducing a new version of this anti-impoundment legislation. This bill includes language which would prohibit the President from impounding funds for the rest of the fiscal year respecting an impoundment request which the Congress has already disapproved. In other words, if Congress does not ratify the President's request to impound certain funds, those funds will be protected from any further impoundment or reservation for the remainder of the fiscal year during which such impoundment was disapproved.

This clause will prohibit the President from exercising an "item-veto"—by using repetitive impoundments to kill a program which Congress has enacted.

I feel very strongly that we as Members of the House of Representatives should resist the President's usurpation of our legislative authority to enact laws through control over the expenditure of funds. Those of us in Congress should desist from mere verbal criticism of recent presidential impoundments, and work, together, to restore congressional authority and power within the framework of the American constitutional system.

REPORT ON ECONOMIC STABILIZATION PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

The accompanying report of the Economic Stabilization Program covers the last quarter of 1972—the final months of Phase II and a period of marked economic progress.

As the year 1972 neared its end, the picture of improved conditions was unmistakably clear. The economy gathered strength, employment reached an all-time high, the rate of unemployment dropped, real earnings rose significantly after several years of sluggishness, and the rate of inflation was lower.

Overall, the goals of Phase II were either achieved, or results were close to the targets. Food prices were an exception, and remedies in the form of increased production and supply are being sought in that area. Wage-price controls, however, can be only a part of the program to combat inflation. Reductions in Federal spending and a responsible fiscal and monetary policy must be the main elements of the anti-inflation effort, and I intend to continue pressing for them.

To preserve our gains and to prepare the country for a full return to the competitive marketplace of peacetime, I instituted Phase III of the Economic Stabilization Program earlier this year. Under the Cost of Living Council, this modified system has the resources to guard against the still-present threat of inflation. I am determined that we shall lower the rate of inflation to 2.5 percent or less by the end of 1973, and I am prepared to use the tools at my disposal to reach this goal.

The American people clearly want the rate driven as low as possible, and I believe we can do so if the Congress will extend the Economic Stabilization Act for another year beyond April 30 and if we can obtain the full cooperation of all segments of our society.

RICHARD NIXON.

THE WHITE HOUSE, *February 26, 1973.*

TITLE I SURVEY

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, the Committee on Education and Labor for the past few months has been conducting a survey on the effects of the title I, ESEA, program. The response to our questionnaire from school districts receiving title I funds has been overwhelming.

When all of the information from this survey is tabulated, I want to share the complete results with my colleagues. At this time, however, I would like to insert in the RECORD some of the unsolicited comments of local school administrators regarding title I. These comments, which were frequently handwritten at the bottom of our questionnaire, clearly show the need to continue title I:

COMMENTS FROM SCHOOL ADMINISTRATORS WITH RESPECT TO THE TITLE I PROGRAM

Montague Public School System, Turners Falls, Massachusetts: "Primary level student population is showing excellent progress as a result of ESEA Title I."

Scott County School Board, Gate City, Virginia: "Title I funds have been used to provide programs for the educationally disadvantaged that we could not have had without ESEA funds."

Bartlett ISD, Bartlett, Texas: "Title I programs have made enrichment education available to disadvantaged students that would not have become available and will diminish with the reduction of Title I funds. I contend that basic education for the disadvantaged will be severely curtailed by the reduction of Title I Programs."

Carter County R–2 District Schools, Ellsinore, Missouri: "Title I funds are a must for areas like ours."

Glassboro Public Schools, Glassboro, New Jersey: "There is no doubt of the value and necessity of Title I in the Glassboro School District. Substantial educational assistance and measurable gains in the education of children enrolled in the program are evident. The program is well established and needs to be expanded, not eliminated."

Ord Public Schools, Ord, Nebraska: "We are extremely happy with the results from our Title I program. The services provided are a tremendous benefit to the students involved."

Seeley Union Elementary School, Imperial, Calif.: "Our local program has exceeded all expectations for raising the achievement levels of remedial students."

Whitehall Public Schools, Whitehall, Montana: "I believe the Title I programs to be the best of all the ESEA programs funded by the Government."

Wabash Community Unit Dist. No. 348, Mt. Carmel, Illinois: "We in Mt. Carmel feel that our Title I program is *effective*. The children who are placed in the program benefit from the program."

Harrah Public Schools, Harrah, Oklahoma: "Our test results show definitive results that our students are *greatly* benefited through our program. I would be happy to supply data substantiating this statement."

Ames Community Schools, Ames, Iowa: "I do think the funds should be specified and made (or continued) on a categorical basis. Otherwise, funding of a generalized kind would be used for salaries, construction, and capital outlay rather than for the disadvantaged and handicapped."

Richburg Central School, Richburg, New York: "If they (funds) are given to the states we will never see the money unless it is programed like the present ESEA."

Zane Trace Local School District, Old Washington, Ohio: "Considering the limited days of instruction, we feel the program has been very effective."

Middleton Public Schools, Middeltown, Ohio: "Reports from Washington indicate the Office of Education is eriously considering masive cuts in FY '73 and '74 education programs. Apparently among programs in which cuts are being considered are Title I and Title II ESEA and Title III NDEA. These are clearly identifiable programs that have served education well since their inception."

Penn Hills School District, Pittsburgh, Pennsylvania: "In this suburban school district, children of a target area have been helped in many ways with ESEA Title I funds. Based alone upon the number graduating from high school and continuing their education, it could be considered a sucessful program. Every effort should be made to continue education funds that would enhance the possibility of young people attaining sufficient education to become self-supporting citizens."

Ryal Elementary School, Henryetta, Oklahoma: "The allocation for the FY 1972–1973 Title I funds was cut by approximately $5000.00 for this school. If funds were available the Title I program could be better served on an allocation of at least $12,000. This is an excellent program, very effective, and would like to see the program progress."

Earlville Community Unit District No. 9, Earlville, Illinois: "Benefits are measurable, but could be vastly increased if more funds were available."

Ind. Sch. Dist. 861, Winona, Minnesota: "Title I has been very beneficial to our pupils. We have tried to expend the funds very carefully. Title I teachers have received excellent in-service training."

Ashland Public Schools, Ashland, Oregon: "The ESEA Title I money has been a marvelous help to our school children in the only two areas we have used it, namely reading and mathematics."

Sumter County, Americus, Georgia: "As you can tell from the information provided on your form, more than half of our student population qualifies for Title I ESEA programming. However, less than a fourth actually receive the benefits. We feel, though, that our present Title I program has made possible measurable improvement in the reading and math/science skills of our pupils."

Independent School District No. 701, Hibbing, Minn.: "We feel our Title I projects are effective."

Huntsville Independent School District, Huntsville, Texas: "Title I is the best of all government aided programs, and should by all means be continued."

Unified School District, No. 204, Bonner Springs, Kansas: "All aspects of ESEA have been very beneficial to our public schools."

Cameron Parish School Board, Cameron, La.: "This program has met a great need in our parish, and a discontinuation or a reduction in the level of funding would virtually destroy this program."

Jt. School District No. 1, Valders, Wisc.: "I have been much more pleased with our Title-1 Project the last 18 months. It is beginning to do the job."

Kilgore Independent School District, Kilgore, Texas: "The Title I program serves a real and vital need for the children served . . . the number of children and the many services needed by each makes complete success impossible. However, greater success could be reasonably expected if funding were increased and funding practices improved . . . critics of schools stating that the funds are not always used to the best advantage do not realize that official funding comes long *after* programs are approved, by this, the signing of legislation other than continuation funding. Thus schools never know how much money will be available. We find that too often we receive notice late in the school year of additional funds made available and schools may have ten days to draw up a proposal. These can hardly represent the results of very careful study. If we could know that funds were to be made available, say, for five years or so, much greater mileage could be gained from the dollar."

Ind. School District No. 777, Benson, Minn.: "It would be very disappointing to our community and school if the Title I program were discontinued. We feel our Title I programs have been effective in reaching the basic needs of the disadvantaged students in our elementary schools. Our concern is to have some type of follow through program in the high school for the elementary Title I students who will some day be high school students. Because of lack of funds no program is offered at the high school level."

West Point Public Schools, West Point, Ga.: "The importance of Title I funding for 1973–74 cannot be stressed enough. Without supplementary educational activities, as provided by Title I, the disadvantaged child will be unable to attain a satisfactory achievement level."

UFS District No. 1 Unionvale, Hope Farm, Millbrook, N.Y.: "In my estimation we have achieved some startling results in the academic areas because of the availability of Title I funds. We have established a Reading Lab as well as individualized our total reading program. Without Title I funds I doubt if we would have moved in that direction."

Independence Community School, Independence, Iowa: "The programs that we operate are effective, however, the very restrictive nature of the guidelines prevent programs which would accommodate more of our disadvantaged students."

Parker Public School, Parker, S. Dak.: "Please do not discontinue Title I funds, for the first time we are able to program for under-achieving and disadvantaged children, are able to measure their success objectively, and is doing the job well with what funds are available."

Brenham Independent School District, Brenham, Tex.: "The ESEA Title I program has had a tremendous impact upon the progress of this school district in helping us to provide for the special learning needs of many of the educationally disadvantaged children within the district.: Achievements and accomplishments have occurred which would have been impossible without the assistance of Title I.

"We hope that you will exert your influence in extending and increasing the allocations of this beneficial program. The administration and implementation of the ESEA Title I program at the federal and state levels have equaled or surpassed any other federally funded program in which the district has been involved. The areas in which improvement at the federal level could result in improved programs at the state and local levels is the time and levels of funding and certainty of continuation of this program."

Earlsboro Public Schools, Earlsboro, Idaho; "Please, we need to increase the funding of this program to better meet the needs of these children in the smaller schools."

Olton, Ind. School District, Olton, Tex.: "I think this program has been one of the best things that has ever happened to public education, and it would be a disaster to the youth of this nation if we lost Title I funds."

Washington County School System, Sandersville, Ga.: "Title I has been a life saver in our school program."

Lake Placid Central Schools, Lake Placid, N.Y.: "We could effectively broaden the program for disadvantaged children if more funds were available."

Sandusky Public Schools, Sandusky, Ohio: "After watching the improvements educationally that we have been able to make with the students enrolled in our Title I ESEA programs, I would certainly hate to see it become necessary for us to drop these fine programs as the result of not having sufficient funds to continue with these programs."

Bangor Township Schools, Bay City, Mich.: "Title I funding gives parents and the classroom teacher a great deal of say in program and expenditures. This situation is ideal and even though our money has always been small, we feel its impact has been great."

Mountain Grove Reorganized District No. 3, Mountain Grove, Mo.: "Title I funds have been effective in the Mts. Grove schools by reducing the degree of educational deprivation of students and has been very effective in increasing interest of some of the low achieving students."

Winona Municipal Separate School District, Winona, Miss.: "Title I funds are very valuable to the students of our school district. I would like to see more Title I funds made available to the school districts, and I would also like for the local school districts to have more authority in the utilization of these funds."

North Dickinson County School District No. 3, Iron Mountain, Mich.: "We are very pleased with our Title I program and we feel it has made a tremendous impact on our student body. Without these funds we never would have embarked on such a program."

Graves County School System, Mayfield, Ky.: "We have developed a program under Title I in our county that is really getting the job done. We feel that this is a very practical application of the program and one that is having a significant and lasting effect on these students."

Dodds Community Consolidated School District, Mt. Vernon, Ill.: "We feel that Title I has been a good program and should be continued."

LaCenter School District No. 101, LaCenter, Washington: "I Like Title I. I think we have a good, clean program. We've results which tell us we've made progress."

Medfield School Department, Medfield, Mass.: "We support completely the ESEA and NDEA bills. We use Title I ESEA and Title III, NDEA in the areas of reading and math. Title II ESEA is also used to great advantage."

Valley Park School, Valley Park, Missouri: "*All* of our ESEA aid goes only far enough to help in the area of remedial reading. There are other remedial areas needing aid. There are many students presently out of reach.'

Swedesboro Public Schools, Swedesboro, New Jersey: "I think it (Title I) has been the most effective federal funding program of all."

Farmingdale Board of Education, Farmingdale, New Jersey: "The Title I programs have greatly benefited our students."

Greene Central, Greene, New York: "An increase in funds would allow us to do a better job in every way."

Homer Central School District, Homer, New York: "Without this help our district could not have assisted these students. It has been of considerable help to those we have worked with and has given them a chance to take advantage of the opportunities provided by our regular program."

Maysville Independent Schools, Maysville, Kentucky: "Our program is fantastic and we have had many favorable results."

Lakewood Public Schools, Lake Odessa, Michigan: "The funds we now use are very important to our helping the disadvantaged."

Thomas County Board of Education, Thomasville, Georgia: "We *strongly* recommend that Title I ESEA funding be continued!!"

Vienna Public School District No. 55, Vienna, Illinois: "It is believed that our Title I program is effective in that it is accomplishing some good for some students who qualify for the program. If it were not for this, we would not participate in the program."

Russellville Independent School District, Russellville, Kentucky: "If Congress would pass & the President o.k. the amount authorized we could do a good job."

Biddeford School Department, Biddeford, Maine: "Should ESEA (Titles) particularly Title I be phased out, this L.E.A. could not absorb all current benefits . . . Hopefully Congress will not rob these vital Federal Programs to fill the 'coffers' of 'Revenue Sharing.'"

Washington County Board of Education, Hagerstown, Maryland: "We have gained a great deal of expertise in dealing with the disadvantaged child, however, lack of sufficient funding seriously cripples the program."

Dorchester County Board of Education, Cambridge, Maryland: "For a school district such as ours where approximately 35% of the school age children are Title I eligible, the importance of such funds is critical."

Poultney School District, Poultney, Vermont: "Title I ESEA programs are being used effectively for disadvantaged students in Vermont."

Bridgeport-Spaulding, Bridgeport, Michigan: "We are using the money for four year olds in a pre-school program. We have many Mexican-American children enrolling from the migrant stream. Our money is used to develop with them language background so they will be able to compete in school with success. Our program is built around preschool needs with the hope that we can give them the background necessary so that they won't be drop-outs in high school. We also have a very good parent program in conjunction with the Title I pre-school."

Millbury Schools, Millbury, Massachusetts: "Without question ESEA funds have made a tremendous impact on local educational programs. Title I funds have made it possible for us to assist many youngsters who have been performing well below grade level and need individual attention. Please do all that you can to continue and increase future funding."

Blanchester Local School District, Blanchester, Ohio: "May I assure you that federal monies received to fund supplementary programs or to strengthen existing areas of the curriculum have been greatly appreciated. We believe that our Title I ESEA Compensatory Education Program is serving a segment of our elementary school population with qualified personnel that otherwise could not have been implemented by our local Board of Education."

Dover City Schools, Dover, Ohio: "Good program."

Van Buren Community Schools, Keosauqua, Iowa: "This is a very fine program."

Hopkins Public School, Hopkins, Michigan: "This is our first year working with the Title I program and we are very pleased with the reception it has received from parents and students. It is a little early to tell exactly how well the program is working but from reports from parents, teachers and aides things seem to be moving along smoothly with progress being made."

Bergenfield Public Schools, Bergenfield, New Jersey: "I have been associated with Title I since its inception. It is by far the most worthwhile act of all. It provides for all types of disadvantage and has a built-in flexibility that does not restrain the districts in providing the diversified services that are peculiar to each district. Our parents and teachers have overwhelmed us with favorable comments about our programs."

Sandridge School District No. 172, Chicago Heights, Illinois: "We are a small district but can use the money badly because we do have a minority group that should be served with this program."

Riverdale, Mt. Blanchard, Ohio: "This program, if managed properly by local educational agencies, can be a godsend to both the disadvantaged students and the educational agency. Too often the local agencies use it to supplant rather than supplement. At Riverdale we have supplemented the Title I program because we felt it was worthwhile . . ."

West Central School Corp., Francisville, Indiana: "Students served have shown gains in math and language arts achievement."

Litchfield Community Unit No. 12, Litchfield, Illinois: "Title I definitely an asset to school system and needs to be continued and expanded."

Hartshorne Public Schools, Hartshorne, Oklahoma: "I have answered the letter with questions about Title I and I do believe it is an effective program for educationally deprived pupils."

Clear Creek Community, Tiffin, Iowa: "We have statistical proof our programs are effective. We need more funds and fewer restrictions to become more effective with more students. We urge expanded Title I funding, not limitations! Spring allocations for ensuing year."

Pottsville Area School District, Pottsville, Pennsylvania: "The ESEA Title I Programs have achieved a great deal in the past few years for "disadvantaged pupils".

Harlandale Independent School District, San Antonio, Texas: "Programs are effective but not all disadvantaged children are participating because of the limited pupil allocation and the Title I rule of concentration on a specific grade span."

Westport Central School, Westport, New York: "The funds are a tremendous help to small rural schools such as this one."

Solanco School District, Quarryville, Pennsylvania: "Our ESEA, Title I program is very beneficial to the participating students in that a marked increase in achievement is realized." (Letter was enclosed showing data and achievements in reading, language and math.)

Dixon Public Schools, Dixon, Montana: "The ESEA program in our district is quite limited and remedial in nature. It is one which could do us a tremendous service if funds were increased but which would not reflect seriously on our present program if it should fail."

Byng High School, Byng, Oklahoma: "Title I is more effective than all the rest of the title programs in our area."

Flagler Public School, Flagler, Colorado: "The Title I program is the most effective program that the Federal Government is engaged in. More stress should be put on this program even at the expense of some of the other programs. The answer nationally is not a proliferation of programs but in finding the most effective ones and funding them more. With Title I, educators are reaching more children who need special help than any other program."

Culbertson Public Schools, Culbertson, Montana: "Our ESEA Title I program has been effective, however, with the drastic cut in funds the effectiveness of our future programs are in doubt."

Troup County Board of Education, LaGrange, Georgia: "At its regularly scheduled meeting held on January 8, 1973, the Title I Advisory Council for Troup County Schools discussed the impending expiration of the Elementary and Secondary Education Act and Public Laws 81–874 and 81–815. The committee, in its concern for the local Title I program as well as for similar programs in other areas, wishes to express to you its endorsement of the local program and its encouragement for action by Congress to assure funds for the continuation of Title I programs."

Mulvane USD, Mulvane, Kansas: "Without our Title I funds we would have to discontinue some very worthwhile programs, namely remedial reading and remedial math. We would be unable to pick them up with local funding. Our students would suffer."

Lacomb Elementary School, Lacomb, Oregon: "Title I funds have, in my opinion, been very helpful to this school district in providing supplementary help in reading education for those pupils who, for various reasons, evidence either problematic difficulty or show an incipient cluster of reading problems."

Northville Central School, Northville, New York: "Local Title I Programs have been most effective in the area of corrective reading at the primary level."

Clay Central Community School District, Royal, Iowa: "This program has done much to help reading and mathematics levels in our school."

McLaughlin Independent School District, McLaughlin, South Dakota: "Title I is a fine, effective program for our area. We have about 35% Indian students. many of these are educationally disadvantaged children and we are able to provide a well rounded program in kindergarten, Remedial Reading, Upgraded Primary. We are operating two Kintergarten programs, one on the reservation for Indian children and one in our own school and our district would have a hard time funding these programs ourselves. This amount of money we receive is not large, but it enables us to keep our budget going and not have to do much deficit spending. The program gives opportunities to handicapped children and children who are geographically handicapped."

St. Helens Public Schools, St. Helens, Oregon: "We feel that the Title I program is one of the most effective uses of moneys under the Elementary and Secondary Education Act."

VOICE OF DEMOCRACY CONTEST

(Mr. WON PAT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WON PAT. Mr. Speaker, each year the Veterans of Foreign Wars of the United States conducts a Voice of Democracy Contest. The contest is aimed at having young people across our great country articulate, in the form of themes, their feelings about democracy in America. This year, an overwhelming number of secondary school students, over 500,000, entered the contest to compete for the five national scholarships being offered as top prizes. First prize is a $10,000 scholarship, second prize is for $5,000, third prize is for $3,500, fourth prize is for $2,500, and fifth prize is a $1,500 scholarship.

The theme of this year's contest was "My Responsibility to Freedom." Surely at a time when this Nation is seeing our prisoners-of-war return from years in captivity as a result of their fighting to preserve democracy in Southeast Asia, a more appropriate theme could not be found.

It is heartening to note the extraordinarily large number of young people who submitted papers for the contest. Students in recent years have not always received the best press when it comes to their patriotism. I believe that the enthusiastic response to the VFW's contest this year, however, is an excellent indicator that our young people are concerned about the democratic principles which made this country great.

The Veterans of Foreign Wars is to be congratulated for sponsoring this contest for each of the past 26 years.

The winning contestant from each State is brought to Washington, D.C., for final judging as guests of the VFW. This year's winner from the territory of Guam is Miss Lynn Marie Dziedzic. Miss Dziedzic's theme is a most excellent one, and shows a very mature understanding of why America is truly the "Land of the Free." I know that the people of Guam are extremely proud to be represented in this contest by such an intelligent and articulate young lady. I heartily commend her successful efforts and proudly submit her statement for inclusion in the RECORD at this time:

MY RESPONSIBILITIES TOWARDS FREEDOM

(By Miss Lynn Marie Dziedzic)

Freedom is very much a part of any American's vocabulary and lifestyle. At a very young age we desire freedom and as each year passes, this desire grows larger and more intense. Being an American—this is all right. Our personal and national freedoms are a big part of our history.

We are taught how our forefathers struggled to defeat the British and obtain their goal—Freedom!! We then study our country's first great leaders and how they debated many issues in trying to set up our new country—a country free from the Old World and all her old ways. Finally our glorious Constitution was written and soon the Bill of Rights was added. They are two of the most important documents that have ever been written. In them we receive all our basic freedoms and rights.

As Americans we have these freedoms given to us, but too often we take them for granted. We only look for what they can give us. We forget what we must do for Freedom!! Any country which gives its citizens the privileges of freedom also gives them the responsibilities which come in maintaining that freedom. Unless all individuals uphold their part of the responsibility, freedom may come to an end.

As a citizen of the United States I feel my responsibilities for freedom lie not only with myself but also with others. It is impossible to be both completely free and completely alone. How can a person be free to play tennis or make a speech if there is no one to play with or listen to him? We need others to be free, but by being with others our own freedom is limited.

We are not free to do things with others if they don't want to, because, they too, have the right and freedom to do as they wish. We must remember that our freedom ends where another person's freedom begins!!

One of our very basic freedoms is the freedom of speech. However, we must be very careful in using this freedom. Before we say something, we must keep in mind not only our freedom to say what we wish, but also individual morals and the rights of others. We have no right to speak in a way that might unjustly endanger someone or something.

Our country and her Constitution has given us our freedoms. It is unfair to use them to destroy their very source. We are free to speak out about things in our country that we feel are wrong, but must do it in a civilized way and even though we may not like the way something is, we have a responsibility to keep an open mind to others' opinions. Just because you are free to voice your opinion, doesn't mean it will always be right!

This country can not be run on one person's ideas and beliefs. If it were, we would not have a democratic nation, it would be more like a dictatorship.

I feel one of the main things that makes our country so great is the blending together of many beliefs. We have taken ideas from every country in the world and by combining them in one country, we have a truly great nation!

We all must maintain an equal balance between freedom and justice. Without certain limitations, freedom can be dangerous. We should all have respect for authority and order. But who has the authority to decide what is right and wrong? Certain people should have authority over others for the well being of everyone. This authority should not be given to people simply because they are older or stronger or of a certain color or creed. They should earn the right to this authority and if they do earn it, then they should have the respect of others. Many people have authority; in fact, everyone has some authority over something.

Your biggest responsibility lies within yourself. You alone are responsible for preparing yourself to meet and solve the problems of your life, country, and world. Most people in our country get a chance to get a good education—if they want it. We may be forced to attend school but we can not be forced to learn!! Everyone should want to better both himself and his surroundings. This can only be accomplished by understanding new things continuously. You must know how to use your rights and freedoms to their full potential but at the same time, you must not uphold freedom simply for the sake of upholding freedom. You must believe in it and work for it. Remember, your freedom isn't free. You have to pay a price and you must sacrifice for your liberty.

THE SELECT COMMITTEE ON CRIME

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from New Jersey (Mr. SANDMAN) is recognized for 5 minutes.

Mr. SANDMAN. Mr. Speaker, I have joined eight of my colleagues on the Select Committee on Crime to urge the reconstitution of the Crime Committee for the 93d Congress. I am proud to have been a part of the Crime Committee's efforts to expose and seek solutions to crime in this Nation.

The committee has worked with enthusiasm and vigor in attacking crime and its causes in this country. There is a pressing need for the U.S. House of Representatives to have a committee—totally and actively concerned with crime in the United States. Crime remains an issue of vital importance to our citizens. From the streets of Atlantic City to the streets and hills of San Francisco—people are deeply concerned over the rising incidents of crime—muggings, rapes, robberies, and the like.

The U.S. House of Representatives must be actively involved in finding solutions to these problems. As the House is set up today, there is no committee other than the Crime Committee capable of meeting the challenge. It would be unthinkable that the U.S. House of Representatives should fail to keep its only committee dedicated to these pressing issues. Without the Crime Committee there would be a void in this House—until such time as the House is reorganized we must continue to have the services of an investigating committee on crime in this country. We cannot afford to slacken our efforts to eradicate crime for one instance. The Select Committee on Crime is a functioning committee of the House of Representatives. It must continue its work. The people of the United States will not tolerate this House turning its back on crime in this Nation. I urge your consideration and support.

Recently the Select Committee on Crime approved a report, "Conversion of Worthless Securities Into Cash." The report was based on hearings before the Select Committee on Crime which probed the influence of organized criminal activity in the securities fraud area. In our hearings the business practices of that "reputable" credit reporting company, Dun & Bradstreet, gained notoriety. These hearings uncovered a shocking lack of professionalism and accuracy regarding the issuance of credit reports by Dun & Bradstreet. The committee's report deals extensively with this topic and accordingly makes recommendations to correct pertinent abuses.

I would like to introduce a letter to Chairman PEPPER from the president of a New Jersey corporation. The letter describes this corporation's dealings with Dun & Bradstreet where apparently incorrect or unsubstantiated information was incorporated into a credit report on that corporation. It is precisely this type of activity that the Crime Committee publicized at its hearings and which is dealt with in the recommendation of the report mentioned above.

I would like to also insert at this time a copy of an article appearing in the Wall Street Journal which also dealt with the Crime Committee's activities in this important area:

MARK AUTO CO., INC.,
Layton, N.J., February 6, 1973.

Hon. CLAUDE PEPPER,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PEPPER: You and your House Crime Committee are to be commended for the proposed disclosure legislation directed at credit reporting firms. This concern has been fighting with Dun & Bradstreet for years to force the deletion of information in their reports which they could not verify as fact. Because we have, for more than a decade, refused all information to D & B investigators, they have regularly issued reports on this firm which were based on rumor, gossip and pure fabrication.

This information is presented as though it were fact, and readers of it presume it to be accurate and current, which it may or may not be. We have, and still do, suffer financially from these reports which make us appear to be a poor credit risk. By listing select references they can warp the true worth of a firm, distort its credit rating, size, or reputation, then use these distorted images to pressure (blackmail) the firm into providing complete financial information.

When pressed, D & B agrees to delete incorrect or unsubstantiated information from reports, but in a few months it "accidentally" creeps back in. This has happened to us repeatedly. Our attorney has been refused access to D & B files to verify the validity of alleged references listed in current reports. Individuals have this right of access, yet businesses are just as vulnerable to the effects of irresponsible gathering of information. What right has Dun & Bradstreet to peddle false, misleading information about other firms? Their own reputation is hardly something to be proud of, yet these gossip mongers of the business world are considered by old line firms a veritable paragon of commercial virtue. Nothing could be further from the truth, as your Committee has found. Thank you.

Yours truly,

MARK AUTO CO., INC.,
R. G. HUBER, *President.*

[From the Wall Street Journal, Feb. 8, 1973]

CREDIT-REPORT FIRMS MAY HAVE TO DISCLOSE BASIS OF THEIR DATA—HOUSE UNIT PLANS LEGISLATION IN DRIVE TO CRACK DOWN ON MAJOR BUSINESS SWINDLES

(By Carol H. Falk)

WASHINGTON.—The House Crime Committee will urge legislation requiring business credit-reporting concerns such as Dun & Bradstreet to disclose in bold-face type the basis of the information in their reports.

The proposed measure, intended to curb major business frauds, would require the company to state that it couldn't vouch for the information if it hadn't verified the data through its own research.

The committee will also recommend that it be made a federal offense for any company with assets over $1 million to use or exhibit any financial statement, brochure, credit reference or other business report "in such a way as to falsify or defraud."

The recommendations are among those in a report, "Conversion of Worthless Securities Into Cash," cleared by committee members and due to be released in a week or so. The crime panel is an investigative committee and doesn't have power to draw up legislation. Its proposals would have to be referred to a legislative committee for action.

The recommendations stem from findings that "to major frauds" were "unwittingly aided by respectable members of the business community who lent their names and prestige to the swindles," the committee said. In one case, the committee said, the Baptist Foundation of America Inc. "used its own confidence-inspiring name, plus a report on the foundation by the credit-reporting firm, Dun & Bradstreet, to sell its worthless notes to unsuspecting parties."

The example "vividly illustrates the complete lack of diligence by Dun & Bradstreet to report information accurately in its reports," the committee said.

Last night, Dun & Bradstreet officials couldn't be reached for comment on the committee's recommendations.

The second case, according to the committee, concerns Dumont-Datacomp Inc. and discusses how "the prestigious accounting firm of Peat, Marwick, Mitchell & Co. also played a role, albeit unwittingly, in the illegal (stock) manipulation." The committee said it found that Peat, Marwick incorporated a financial statement from another auditor into its own report on Dumont when, "in fact, the independent auditor was involved in the manipulation and his audit was totally fraudulent."

In New York, Victor M. Earle, Peat, Marwick general counsel, said an inquiry by the American Institute of Certified Public Accountants had concluded that Peat, Marwick followed proper professional standards. Peat Marwick had checked that the other auditor was in good standing, and I had disclosed that Peat, Marwick was * * * on this audit report for Dumont, Mr. Earle said.

In 1970, the Baptist Foundation, which never had any formal affiliation with any major Baptist group, was sued by the Securities and Exchange Commission and permanently enjoined from violating registration and antifraud provisions of federal securities laws.

Earlier that year, The Wall Street Journal had detailed some of the controversial foundation's activities. These included dealings with promoters and men with criminal records; the publication of financial statements listing inflated or nonexistent assets; issuing millions of dollars of promissory notes that ended up in default and involvement in two bizarre securities manipulations.

What was then known as Datacomp Service Corp. was one of the recipients of Baptist Foundation notes—in exchange for 100,000 shares of unregistered Datacomp stock. Datacomp's assets were later bought by Dumont Corp. and the foundation wound up with 250,000 shares of Dumont stock.

The committee said it also adopted a recommendation that, if enacted, would "greatly enhance" the Securities and Exchange Commission's "ability to protect the victims of illegal manipulations." A committee statement didn't explain how this would be accomplished, but said, "all too often those defrauded are left with no recourse—the manipulator could very well be in jail—but the funds lost by those defrauded are forever gone." The statement said that the recommendation is designed to "remedy this situation to the benefit of the innocent investor."

The statement, which described the committee's findings in general terms, was issued at a news conference called by committee chairman Claude Pepper (D., Fla.) to plead that the committee, set up in 1969, be authorized to continue its work in the new Congress. Rep. Pepper hinted at some of the forthcoming recommendations and a staff source elaborated on the key proposals.

Mr. Pepper said that also to be released soon are reports on the infiltration of organized crime into horse racing, on drugs in school and on the nation's correctional institutions.

TRANS-CANADIAN PIPELINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, the distinguished Senator from Minnesota, Mr. MONDALE, and I are today introducing identical legislation in the House and Senate permitting the construction of a trans-Canadian pipeline.

I believe the giant oil companies are pushing a trans-Alaska pipeline simply to keep prices grossly inflated in the East and Midwest.

The environmental and economic advantages of a trans-Canadian route are so obvious that Congress should select this route to pipe Alaska's oil reserves to the United States. Specifically this legislation would grant a waiver to the Mineral Leasing Act of 1920 and allow the construction of the Canadian route.

As many of my colleagues know the U.S. court of appeals recently halted construction of the trans-Alaska route citing the Mineral Leasing Act which limits pipeline rights-of-way over Federal land to 54 feet. A right-of-way of several hundred feet is needed for either a Canadian or an Alaska pipeline.

A trans-Canadian pipeline would dramatically lower fuel oil prices in the Midwest and East and help avoid future energy crunches.

Crude fuel oil prices in the Midwest could be lowered from the current price of $3.79 a barrel to $3.40 a barrel if a Canadian pipeline route is built. The estimates of a cost of $3.40 per barrel have been made by Alaska, a consortium which hopes to build the Alaska route.

A Canadian route could dramatically lower crude fuel oil prices and, if the savings are passed on to consumers, substantially reduce the average fuel oil and gasoline bill for millions of Americans living in the East and Midwest.

A Canadian route would also avoid the tremendous environmental damage that an Alaska pipeline would cause.

As many of my colleagues know, the trans-Alaska route transverses the most earthquake prone zone in North America and also requires the shipping of oil from the port of Valdez, Alaska, to the west coast on supertankers. A Coast Guard report has estimated that up to 5.8 million gallons per year of oil were probably dumped into the Pacific.

While I am not specifically endorsing a Canadian pipeline, if a pipeline must be built to pipe Alaskan oil, a Canadian route offers certain advantages.

This legislation also reasserts the need to exhaustively study the environmental consequences of a trans-Canadian pipeline. It would require full compliance with the National Environmental Policy Act of 1969 and direct the Secretary of the Interior upon passage of the bill to initiate environmental studies of the Canadian route.

The purpose of this bill is to put the question to Congress whether they want a trans-Alaska pipeline, which would be an environmental disaster, or a trans-Canadian route which is both environmentally and economically superior.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Rousselot) and to revise and extend his remarks and include extraneous matter:)

Mr. Sandman, for 5 minutes, today.

(The following Members (at the request of Mr. Thornton) and to include extraneous matter:)

Mr. O'Neill, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Aspin, for 5 minutes, today.

Mr. Matsunaga, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Sikes and to include extraneous matter in five instances.

Mr. Gross and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $722.50.

Mr. Findley and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,742.50.

(The following Members (at the request of Mr. Rousselot) and to include extraneous matter:)

Mr. Hanrahan in two instances.

Mr. O'Brien.

Mr. Heinz in two instances.

Mr. Minshall of Ohio in two instances.

Mr. Vander Jagt in two instances.

Mr. Railsback in three instances.

Mr. Sandman in three instances.

Mr. Esch.

Mr. Gerald R. Ford.

Mr. Shoup.

(The following Members (at the request of Mr. Thornton) and to include extraneous matter:)

Mr. O'Neill.

Mr. Culver in six instances.

Mr. Vanik in two instances.

Mr. Flood.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Jones of Alabama.

Mr. Charles H. Wilson of California.

Mr. Aspin in 10 instances.

Mr. Carney of Ohio in two instances.

Mr. McKay in two instances.

Mr. Minish.

Mr. James V. Stanton in two instances.

Mr. Edwards of California in two instances.

Mr. Bingham in two instances.

Mr. Zablocki in two instances.

Mr. Rodino.

SENATE CONCURRENT RESOLUTIONS REFERRED

Concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 2. Concurrent Resolution authorizing the printing of additional copies of Senate hearings entitled "Runaway Youth"; to the Committee on House Administration.

S. Con. Res. 3. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Saturday Night Special Handguns S. 2507"; to the Committee on House Administration.

S. Con. Res. 4. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Juvenile Confinement Institutions and Correctional Systems"; to the Committee on House Administration.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 11 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 27, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV executive communications were taken from the Speaker's table and referred as follows:

478. A letter from the Secretary of Transportation, transmitting a report for calendar year 1972 of outstanding capital assistance, technical studies, and relocation grants entered into under section 4(c) of the Urban Mass Transportation Act of 1964, as amended, pursuant to section 4(d) of the Act (49 U.S.C. 1603(d)); to the Committee on Banking and Currency.

479. A letter from the Chairman, Cost Accounting Standards Board, transmitting a proposed addition to the Board's Cost Accounting Standards entitled "Part 404—Capitalization of Tangible Assets—a Cost Accounting Standard which requires contractors to establish and adhere to policies with respect to capitalization of tangible assets which satisfy criteria set forth in the Cost Accounting Standard," pursuant to section 719(h)(3) of the Defense Production Act of 1950, as amended by Public Law 91–379; to the Committee on Banking and Currency.

480. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; to the Committee on Foreign Affairs.

481. A letter from the Secretary of the Interior, transmitting a report of the Governor of Guam on the status of the Guam Economic Development Fund Act of 1968, covering calendar year 1972, pursuant to section 6 of Public Law 90–601; to the Committee on Interior and Insular Affairs.

482. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize appropriations for additional costs of land acquisition for the National Park System; to the Committee on Interior and Insular Affairs.

483. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed contract with the White Pine Copper Co., White Pine, Mich., for a research project entitled "Evaluation of Resin and Mechanical Roof Bolting Systems for Strata Bound Deposits," pursuant to subsections (a) and (d) of Public Law 89–672; to the Committee on Interior and Insular Affairs.

484. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes; to the Committee on Interior and Insular Affairs.

485. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the comments of the Council on the proposed closure of Plaquemine Lock in Plaquemine, La., by the Army Corps of Engineers, and on the Corps' proposed transfer of the right-of-way to the Louisiana Highway Department for road construction at the site, pursuant to section 202(b) of the National Historic Preservation Act of 1966 (80 Stat. 919); to the Committee on Interior and Insular Affairs.

486. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

487. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to prohibit the making of clad strip from which slugs can be cut for use in coin operated machines and to prohibit misrepresentation as to proof and uncirculated coins; to the Committee on the Judiciary.

488. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end year strength for active duty personnel, to authorize for the Coast Guard average military student loans, and for other purposes; to the Committee on Merchant Marine and Fisheries.

489. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings; to the Committee on Public Works.

490. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works.

Received From the Comptroller General

491. A letter from the Comptroller General of the United States, transmitting a report on the need to establish priorities and criteria for managing assistance programs for U.S. fishing-vessel operators, National Oceanic and Atmospheric Administration, Department of Commerce; to the Committee on Government Operations.

492. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements of the Government National Mortgage Association, Department of Housing and Urban Development, for fiscal year 1972, pursuant to 31 U.S.C. 841 (H. Doc. 93–49); to the Committee on Government Operations and ordered to be printed.

493. A letter from the Comptroller General of the United States, transmitting a report on how the United States finances its share of contributions to the North Atlantic Treaty Organization; to the Committee on Government Operations.

494. A letter from the Comptroller General of the United States, transmitting a report estimating the cost of carrying out the printing requirements of section 302(f)(2) of Public Law 92–225, together with a draft of legislation to amend the Federal Election Campaign Act of 1971 by deleting the requirement for the printing and sale of the annual reports of each political committee by the Government Printing Office, and; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. H.R. 3298. A bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. (Rept. No. 93–21). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 4706. A bill to require the President to notify the Congress whenever he impounds funds or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may approve the President's action or require the President to cease such action; to the Committee on Rules.

By Mr. ASPIN:

H.R. 4707. A bill to authorize the Secretary of the Interior to issue rights-of-way and special land use permits for the construction of pipelines in the State of Alaska under certain circumstances, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CONABLE:

H.R. 4708. A bill to amend the Federal Election Campaign Act of 1971 to require more complete disclosure of Federal campaign funds, and for other purposes; to the Committee on House Administration.

By Mr. DENT:

H.R. 4709. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

By Mr. GRAY:

H.R. 4710. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. HUNT:

H.R. 4711. A bill to amend the Internal Revenue Code to encourage the continuation of small family farms, and for other purposes; to the Committee on Ways and Means.

By Mr. LONG of Maryland:

H.R. 4712. A bill to discourage the use of leg-hold or steel jaw traps on animals in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. LONG of Maryland (for himself, Mr. Roy, Mr. Butler, Mr. Roybal, and Mr. Abdnor):

H.R. 4713. A bill to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Vietnam conflict; to the Committee on Veterans' Affairs.

By Mr. MACDONALD (for himself, Mr. Hawkins, and Mrs. Schroeder):

H.R. 4714. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may approve the President's action or require the President to cease such action; to the Committee on Rules.

By Mr. MEEDS (for himself and Mr. Peyser):

H.R. 4715. A bill to extend the Drug Abuse Education Act of 1970 for 3 years; to the Committee on Education and Labor.

By Mr. MOORHEAD of Pennsylvania (for himself and Mr. Alexander):

H.R. 4716. A bill to amend section 231 of the Trade Expansion Act of 1962 to permit the extension of trade agreement concessions on a reciprocal basis to products of the Union of Soviet Socialist Republics, Rumania, Hungary, Bulgaria, and Czechoslovakia; to the Committee on Ways and Means.

By Mr. MOSS (for himself, Mr. Sisk, Mr. Bell, Mr. Brown of California, Mr. Burton, Mr. Don H. Clausen, Mr. Del Clawson, Mr. Corman, Mr. Danielson, Mr. Edwards of California, Mr. Hanna, Mr. Hawkins, Mr. Goldwater, Mr. Holifield, Mr. Hosmer, Mr. Hastings, Mr. Johnson of California, Mr. Ketchum, Mr. Koch, Mr. Leggett, Mr. Mailliard, Mr. Mathias of California, Mr. McCloskey, Mr. McFall, and Mr. Moorhead of California):

H.R. 4717. A bill to prohibit the imposition by States of discriminatory burdens upon interstate commerce in wine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'NEILL:

H.R. 4718. A bill to terminate the coverage of police officers of the Massachusetts Bay Transportation Authority under the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 4719. A bill to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations; to the Committee on Banking and Currency.

By Mr. PERKINS:

H.R. 4720. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RAILSBACK:

H.R. 4721. A bill to amend title 28, United States Code, to prohibit Federal judges from receiving compensation other than for the performance of their judicial duties, except in certain instances, and to provide for the disclosure of certain financial information; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 4722. A bill to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the Senate and House of Representatives may approve the President's action or require the President to cease such action; to the Committee on Rules.

By Mr. ROUSH:

H.R. 4723. A bill to amend the Communications Act of 1934 to provide grants to States and units of local government for the establishment, equipping, and operation of emergency communications centers to make the national emergency telephone No. 911 available throughout the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 4724. A bill to amend title II of the Social Security Act to provide for voluntary agreements between ministers and their employers to treat ministers as employed persons; to the Committee on Ways and Means.

By Mr. SANDMAN:

H.R. 4725. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Affairs.

By Mr. THOMPSON of New Jersey (for himself and Mr. Perkins):

H.R. 4726. A bill to amend section 8(b)(4) of the National Labor Relations Act, as amended, with respect to strike at the sites of construction projects; to the Committee on Education and Labor.

By Mr. CHARLES H. WILSON of California:

H.R. 4727. A bill to amend the Internal Revenue Code of 1954 to extend certain transitional rules for allowing a charitable contribution deduction for purposes of the estate tax in the case of certain charitable remainder trusts; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII,

45. The SPEAKER presented a memorial of the Legislature of the State of Connecticut, relative to the Liberty amendment; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HALEY:

H.R. 4728. A bill for the relief of Mr. Felice Ukmar, his wife Antonietta, and their daughter Sonia; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 4729. A bill for the relief of Ulkv Gurkan Silverman; to the Committee on the Judiciary.

H.R. 4730. A bill for the relief of Irving M. Sobin Co., Inc., and/or Irving M. Sobin Chemical, Co., Inc., and/or Sobin Chemicals, Inc., and/or Daniel M. Hicks (Inc.); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

55. The SPEAKER presented petition of the Court of Common Council, Hartford, Conn., relative to continuation of the House Select Committee on Crime; to the Committee on Rules.

EXTENSIONS OF REMARKS

OUR NATIONAL EPIDEMIC

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. ALEXANDER. Mr. Speaker, in my recent travels and visits to the high schools and junior highs in the First Congressional District of Arkansas, I noticed a growing interest in and awareness of the drug problem by the students themselves. While the use of drugs has not reached the dimensions there that it has in other areas, an increasing number of secondary school students are daily coming into contact with and experimenting with various types of drugs. Because of the students' interest and concern over this problem, I initiated a drug abuse conference in which 175 students, PTA members, teachers, and counselors from various parts of the First District participated.

We were fortunate to have as our keynote speaker, Dr. John Buckman, associate professor of psychiatry at the University of Virginia School of Medicine. Dr. Buckman, a British citizen who is a native of Poland, is a member of the Governor's council on narcotics and drug abuse in the area of social aspects of drug abuse. He is the author of over 20 articles for various medical journals. I, along with the other participants in the conference learned much from Dr. Buckman and in the next 3 days, I would like to share some of his research findings with you:

[From the Washington Star and News, July 16, 1972]

OUR NATIONAL EPIDEMIC

(By Dr. John Buckman)

The individual, family and social problems of the postwar era are crystalizing into three major reactions in the 70s: violence, social disease and drug abuse.

The postwar generation in the western world, born into great enlightenment and wealth, has become more aware of some overwhelming problems such as the population explosion, pollution, starvation in the midst of plenty and international tension.

The wealthy often have found themselves morally and intellectually bankrupt. The young see themselves as disenfranchised and alienated. The poor have found further justification for refusing to work for slave wages and escaped into increasing the size of the family as a means of welfare support and protection against extermination.

Individual and international paranoia has increased with families and nations escalating their armaments.

In short, for a number of poorly understood reasons, the promised age of plenty has brought with its dawn the fear of hydrogen bomb extermination, fragmentation of the nuclear family and a growing inability to cope with individual and group aggressive impulses.

All this is documented by the increase in self-destructive behavior and other attempts to deal with the uncontrolled and uncontrollable impulses by what is called acting out—activity which serves to diminish tension produced by psychological pain.

This acting out may take many forms. There may be violence towards others or oneself. Sexual freedom may be another form of acting out, in which only during the act of love can the person feel a sense of belonging and lessen the feeling of isolation. For others, sexual union is the acting out of aggressive fantasies, and passing on venereal disease is an aggressive act in disguise.

Other persons may abuse drugs as a form of acting out or as an attempt to achieve a sense of belonging to a group, a subculture or a family of drug users.

Western society as a whole is drug oriented if not actually drug addicted. No one is immune and no one can escape blame.

We have become intolerant of discomfort and pain. We do not accept frustration, depression and disappointment as part of everyday life. We insist on instant solutions, and we find it difficult to postpone gratification.

The pharmaceutical industries have made enormous strides in the past 30 to 40 years, and a number of "wonder chemicals" have eliminated some diseases. By inference, we believe that eventually we will find chemical answers to all human and social problems.

We have invented for ourselves a life style for which neither the human body nor the human mind was designed; and we use chemicals to cope with the unpleasant side effects of this life.

The chemical has become the companion, the panacea but also the instrument of self-deception and the executioner. It also has been a means of expression of individual misery and group conflict. We use chemicals to combat illness, to prolong life, to kill, to promote a feeling of belonging and also to document the claim of being different. We use them to proclaim our freedom and at the same time become slaves. We use them to become more aware and sensitive, but also to numb and to exclude reality. We use them to punish others by provoking guilt, but we also use them to be caught and punished by provoking anger.

But the use of drugs has other, deeper, more primitive and less well understood meanings. Symbolically the drug is a magical substance, often deeply desired but also feared. It is desired for its nutritious and healing properties because often it reduces pain, hunger, anxiety and anger.

By the use of forbidden drugs, some of our early fantasies of omnipotence are revived. We are tempted to see "if we can handle it"—or we play Russian roulette.

Drugs are being used to continue the polarization between the young and the old, the "haves" and the "have nots" and the establishment and the disenfranchised.

There is no simple solution. What is needed is more understanding of the individual and social reasons for drug abuse as well as greater knowledge about drugs themselves.

FIFTY-FIFTH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Monday, February 26, 1973

Mr. GOLDWATER. Mr. President, I ask unanimous consent that a resolution framed by the Lithuanian Americans of the State of Arizona be inserted in the Extensions of Remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian Americans of the State of Arizona, assembled this 11th of February, 1973 in Phoenix to commemorate the 55th anniversary of the restoration of Lithuania's independence, protest—

1. The continuation of the forcible occupation and illegal annexation of the Republic of Lithuania by the Soviet Union, which fact has been officially confirmed by the findings of the Select Committee on Communist Aggression of the House of Representatives, 83rd Congress of the United States,
2. The subjection of the Lithuanian people to alien subjugation, domination and exploitation which constitutes a denial of fundamental human rights, contrary to the Charter of the United Nations,
3. The colonization of the land by the Russians and continuation of their efforts to force to change the ethnic character of the population of Lithuania, thereby committing the offence of genocide,
4. The suppression of religious life in Lithuania by closing the churches and persecution and jailing of priests for religious instruction of youth.

We demand that the Soviet Union shall withdraw its armed forces, administrative apparatus and the imported colonists from Lithuania, thus permitting the Lithuanian people to freely exercize their sovereign rights,

We respectfully express our gratitude to the United States Government for the nonrecognition of the Soviet occupation and annexation of Lithuania,

We respectfully request President Nixon to direct the attention of world opinion at the United Nations and of the other appropriate international forums on behalf of the restoration of sovereign rights of the Baltic people which policy was recommended to the President of the United States by the House Concurrent Resolution 416 of the 89th Congress,

We urgently request our Government to make all possible efforts to have Simas Kudirka returned to this country with his family.

The copies of this resolution shall be mailed to President Richard M. Nixon, Secretary of State William P. Rogers, to both Senators and all the Members of Congress from the State of Arizona and the Press.

OPPOSITION TO HEW-LABOR CONTINUING RESOLUTION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. ESCH. Mr. Speaker, last week I cast my vote against passing the HEW-Labor continuing resolution because I was afraid that there were many among us who, in the haste of passing this legislation, had little idea what the consequences were. It is my firm belief that a better course of action would have been to pass a 30- or 60-day resolution, to give the Congress time to think about what it was doing.

Mr. Speaker, it is clear that now that this resolution has passed, it is very possible that those programs which have been zero funded in the President's 1974 budget proposals will be arbitrarily terminated at the end of this fiscal year. At the same time, it is highly unlikely that the Congress will have developed legislation for the next fiscal year. What Congress has done in passing this resolution, is to have prejudged programs in education and labor for the next fiscal year without making any effort whatsoever to develop any orderly procedure wherein proper analysis and decisionmaking on priorities can take place.

To me, this has represented the height of irresponsibility.

Mr. Speaker, I concur with the President that this country recognizes a spending limitation; but Mr. Speaker, by taking this action the Congress has admitted to itself that it cannot bear the responsibility for doing so.

This hasty action raises a second, equally important, concern. Many of the departments and agencies will be undergoing major and fundamental changes during the next 2 years, and the country will see an extensive restructuring of delivery systems. We should have been more careful to develop an orderly and smooth transition period. The arbitrary stopping of funds at the end of this fiscal year on some programs I believe will be contrary to past interests of effective management practices.

I am hopeful that my colleagues will recognize the need for more care in the future.

AN OUTSTANDING GENTLEMAN

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. DE LA GARZA. Mr. Speaker, the retirement of Mel Laird as Secretary of Defense focuses attention once again on a man who served with distinction in the House before being called to fill one of the highest offices in the executive branch of the Government.

That Mel has many, many friends in this body is no secret. The gentleman from Wisconsin has a knack of making friends wherever he goes. Distinguished by his affable smile and unfailing consideration of others, he is the kind of friend any man would be proud to have.

His outstanding ability is clear to all who know him or have seen him in action. A leader in the House, he never neglected the needs of the people he represented. He contributed to the dignity and effectiveness of this body, being to my mind a shining example of what a Congressman should be like. He continued this dedicated service as a member of the Cabinet and in most trying circumstances in the Defense Department he, in his quiet unassuming manner, again proved his ability to lead and modernize the Government to best serve the needs of the people.

As he leaves Government service, at least for the time being, I know that all Members join in wishing him satisfaction and success in his future endeavors.

LEGISLATION TO EXPAND THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. RAILSBACK. Mr. Speaker, I am pleased to join Congressman BROWN of Ohio in sponsoring legislation to expand the Advisory Commission on Intergovernmental Relations from 26 to 30 members, and to include elected school board officials and elected town and township officials. Such a bill will ensure the representation of the two groups of dedicated public officials who have heretofore been neglected.

In Illinois, there are at least 8,000 persons who serve as public officials on local school boards. They have responsibility over 200,000 employees and 2,300,000 students, and approximately 20 percent of the State's annual budget. Yet, despite their responsibility, Illinois school board officials—as well as school board officials from other States—are not represented on the Advisory Commission on Intergovernmental Relations.

Mr. Speaker, the education of our young people has always been a matter of deep concern to Americans, but in recent months a number of events have thrust education even further into the spotlight as a topic of national debate and interest. Court decisions questioning the traditional methods of financing education have given impetus of a growing debate over the quality of education in the United States, the appropriate responsibilities of the various levels of Government, and the sources of funds for financing education.

Last month, the Advisory Commission on Intergovernmental Relations presented its report, "Financing Schools and Property Tax Relief—a State Responsibility." While I believe this report is worthy of merit, it is unfortunate that elected school board members—who will be affected by the important policy decisions—had no direct representation, and that the members of the Advisory Commission, as they considered various questions, did not have full access to the views and the expertise of the school board members. The legislation I am cosponsoring will ensure that the interests of education are fully represented in future Commission proceedings. The bill would add two members to the commission, who would be appointed by the President from a panel of at least four elected school board officials submitted by the National School Boards Association.

This legislation also provides for the addition of two new members to the Commission, to be appointed by the President from a panel of at least four elected town and township officials submitted by the National Association of Towns and Township Officials. In 1967, there were 17,105 townships in 21 States. While townships vary greatly in the scope of their governmental powers and operations, they all have one thing in common: They continue the traditions of one of America's oldest forms of government. The great value of townships is reflected in Thomas Jefferson's description of them as "pure and elementary republics." Townships keep decisionmaking close to home, insuring greater citizen control over government services which most closely touch their lives.

We hear so much today about the alienation of citizens from their government, their frustrations over government's seeming inability to sense and respond to their needs, and citizens' increasing dissatisfaction as the centers of power move farther from their own neighborhoods. It is especially important then that we maintain and strengthen grassroots units of local governments such as town and townships. The Advisory Commission frequently makes policy decisions regarding the structure and organization of local government units. We must guarantee that the town and township officials have a voice in these decisions. My bill will do this.

Mr. Speaker, passage of the legislation I am sponsoring with Congressman BROWN will enhance the credibility of the Advisory Commission's recommendations and policies. It will also increase the value of the work of this excellent organization. I urge immediate and favorable action.

M. WALLACE RUBIN ELECTED 1973 PRESIDENT OF NATIONAL HOME FURNISHINGS ASSOCIATION

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. GIAIMO. Mr. Speaker, a friend and constituent, Mr. M. Wallace Rubin, has been elected 1973 president of the 10,000-member National Home Furnishings Association. I take this opportunity to congratulate him.

Wally Rubin is a conscientious and hard-working businessman. President of Wayside Furniture Shops of Milford, Conn., his business is the largest retail home-working operation in my State and reflects the very finest merchandising in retailing.

In his acceptance speech, Rubin stated his business philosophy:

> I happen to run my own business on the philosophy that you can't have any long-term profit without perpetual service. I have always been willing to give up short-term profit to provide customer services. That same philosophy will govern my tenure as your President. The challenge will be to profit while serving—but we will serve.

Rubin became Wayside president in 1966, succeeding his father who founded the business in 1928. Rubin has served as president of the Milford Chamber of Commerce, and is a board member of the distribution education programs for both Milford and the State of Connecticut, and the United Fund. Prior to his election as NHFA president, he has served the home furnishings industry in many capacities including membership on the Home Furnishings Council, representative to the American Retail Federation, and chairman of NHFA's Government Affairs Committee.

A GUEST EDITORIAL

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. PARRIS. Mr. Speaker, the subject of Federal aid to impacted areas is of great concern to me and to my constituents. Probably no single proposal before Congress will affect the Eighth Congressional District of Virginia as much as the plan to curtail this much needed program and virtually wipe out this revenue which is badly needed by all school districts involved in the education of children of Federal employees.

I have talked with many of my colleagues about the need for retaining this revenue for local school districts, but to further explain the facts in this case I would like to insert into the RECORD a guest editorial on this important subject which I wrote this past week for publication in the Springfield Independent:

[From the Springfield (Va.) Independent, Feb. 22, 1973]

A GUEST EDITORIAL

(By U.S. Representative STAN PARRIS)

Since the federal income tax was first written into law in 1913, Congress has taken many actions which have directly affected the amount of taxes paid by residents of Fairfax County and of Virginia. However, in my opinion, none of these actions had as much potential for disaster, especially for residents of Fairfax County, as a proposal now before Congress to virtually eliminate the Impact Aid Program.

The Impact Aid Program was begun in 1950. Its purpose is to offset, by direct payments to school districts, the "impact" of federal installations and large numbers of children of federal employees. Under this program in 1972 the school districts in Virginia received $33.9 million. Fairfax County received $11.9 million, or more than a third of the state total which was the highest in the nation per capita.

The total amount of federal money distributed to school districts across the nation by this program last year was $415 million. The proposal now before Congress would reduce this amount to $41.5 million. The amount of money received by Fairfax County is almost 10 percent of the county's budget and if sharply cut back would almost certainly result in an increase in the amount of taxes which you pay.

The attempt to curtail the Impact Aid Program this year was originated by the Nixon Administration; however, it is not a question of partisanship since both President Johnson and President Kennedy also tried to curtail the program. It is a question of where and how the President can best cut federal spending and, make no mistake about it, federal spending must be cut if we are to have any hope of checking inflation, of holding the line against higher prices and higher taxes.

Through the years the Federal Government has piled commission on top of commission, agency on top of agency, so that now we are saddled with an overlapping, overstuffed bureaucracy which spends your tax dollars both freely and frequently. There are literally hundreds of areas where funds can be cut without increasing the burden of taxes which you pay. But the Impact Aid Program is not one of these areas.

If the Impact Aid Program is cut back without the institution of an adequate substitute many school systems in Virginia, including the Fairfax County system, will face financial disaster. Because of the phenomenal growth rate of Fairfax County, where the population has jumped from 96,611 at the time the Impact Aid Program was begun to more than 527,000 at present, the county school system is already operating under great strain. The loss of Impact Aid Program funds at this time just cannot be tolerated.

The fight to keep these funds must be fought on several fronts, but the initial effort began this week before the General Education Subcommittee of the House Committee on Education and Labor which held hearings on the matter. In my testimony before the subcommittee, I pointed out that communities which have a high number of federal installations or federal employees are constantly under the gun because of on-again off-again threats of the loss of federal revenue. I pointed out that these threats are even more disturbing because they always come in the middle of a school year after the education funds in question are already committed.

I advised the subcommittee that I cannot and will not support any curtailment of the Impact Aid Program unless other funds have been made available to local school systems. To do otherwise would place an unbearable burden on the backs of the individual taxpayer. I am confident many responsible congressional leaders share my views in this matter.

Further hearings on the Impact Aid Program will be held later this month by the Subcommittee on Labor, Health, Education and Welfare of the House Committee on Appropriations. I intend to testify at those hearings as well and I have invited several county officials to join me in this testimony. There are those who believe the general Revenue Sharing Plan which passed the previous Congress was to replace, in part, the Impact Aid Program. This has never been my understanding and it is not the understanding of the county officials with whom I have talked. I am hopeful our testimony before this subcommittee can clear up this erroneous impression.

In addition to these efforts I am a cosponsor of legislation which has been introduced and, if enacted, would allow for direct federal payments to local governments in lieu of taxes on federal property located within their jurisdiction. If my colleagues and I are unable to save the Impact Aid Program as it now exists I am hopeful we will be able to institute an alternate program which will provide local school systems with the needed funds.

You, as a taxpayer, have a direct interest in this matter because in the long run it is you who will pay the bill no matter what course is chosen. It is my opinion that, because of the large amount of funds paid directly to Fairfax County, your position will be more secure if we can continue with the Impact Aid Program or with a program that provides an equal amount of federal revenue. If you, as my constituent, are able to correspond with me directly, your views in this matter would be greatly appreciated. Please address your letter to U.S. Rep. Stan Parris, 509 Cannon Office Building, Washington, D.C. 20515.

DONALD W. HURRELBRINK, OF WARREN, OHIO, RECEIVES FREEDOMS FOUNDATION AWARD

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. CARNEY of Ohio. Mr. Speaker, I want to take this opportunity to extend my congratulations and best wishes to Mr. Donald W. Hurrelbrink, of 1115 Perkinswood Avenue, Warren, Ohio. On February 19, Mr. Hurrelbrink was honored by the Freedoms Foundation as the 1972 recipient of the George Washington Award, which is the highest honor bestowed upon an individual by the foundation. He received the award during ceremonies at the Valley Forge Military Academy in Valley Forge, Pa. Witnessing the ceremonies were Mr. Hurrelbrink's two daughters, Mrs. Donna Pate and Miss Janet Hurrelbrink, a sixth-grade teacher at Emerson School, Donna's husband, Lee, principal of Horace Mann School, and the Pate's three children.

A native of Toledo, Hurrelbrink studied at Dana Musical Institute, Warren, and the Cincinnati Conservatory of Music. He began teaching in 1930, and for 17 years taught music in five different school systems in Ohio. He retired in May 1971, after serving as band director at Austintown Fitch High School for 24 years. He continues to direct the Warren junior military band, which has won 20 national military championships and was awarded the Freedoms Foundation's George Washington Honor Medal in the community programs category. Under the direction of Hurrelbrink, the Warren band received international acclaim during its 1971 good will musical tour of six European countries.

The Freedoms Foundation selected Hurrelbrink for "exemplifying the meaning of honesty, sincerity, hard work, and pride, and for instilling the values of sportsmanship, teamwork, and love of country among young bandsmen." The foundation also cited his "43 years of dedicated and tireless service, and his sterling principles of loyalty and integrity." Members of the Warren junior military band as well as other groups under his supervision have been inspired by the high moral character and patriotic zeal of their outstanding leader.

Mr. Speaker, we are proud to have Mr. Donald W. Hurrelbrink and his family as residents of our community.

ESTHER WALKER HONORED

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. EDWARDS of California. Mr. Speaker, on March 16, 1973, the Heritage Section of the city of Santa Clara advisory committee will honor Esther Walker, women's editor of the San Jose Mercury-News and as I cannot personally be present on this happy occasion, I take this opportunity to add my voice to the many others who will participate in the program at the historic Jameson-Brown House at Triton Museum in Santa Clara.

Mr. Speaker, Esther Walker is an outstanding example of an American who has distinguished herself in her chosen career and through it, has directly affected millions of people during her quarter century plus of reporting. In addition, as a private citizen she has been a valuable community resource, always ready for participation in local movements for the benefit of the community.

Although not an outright exponent of women's liberation, Ms. Walker's stated goal is to show women doing things, rather than to portray them as mere socialites. Her high standards along this line have set an example for the whole community. Providing vigorous and enthusiastic support and publicity for a host of volunteer efforts, she has been instrumental in the success of many worthwhile community projects. Typical of her down-to-earth, objective approach to news, while student riots were taking place on campuses across the Nation, she chose to publish pictures of local students participating in a blood drive. Similarly, with respect to fashion reporting—her first love—she is always up-to-date, but never flighty or faddish.

While Ms. Walker has received many awards, from national fashion organizations, from Beta Sigma Phi, and from other well-known groups, I feel that the honor she is receiving from the advisory committee is most appropriate for it recognizes and appreciates what she has contributed, daily and unceasingly, to making our area an interesting and challenging place to live and work.

A 100TH BIRTHDAY FOR PHOEBE THEREASA DRUMM

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. CHARLES H. WILSON of California. Mr. Speaker, Henri F. Amiel said:

> To know how to grow old is the masterwork of wisdom, and one of the most difficult chapters in the great art of living.

Phoebe Thereasa Drumm, of Gardena, Calif., celebrating her 100th birthday on March 16 of this year, can look back on a life lived in wisdom and joy. Born in Grossbeck, Ohio, in 1873, Miss Drumm is the lone survivor of the five children born to Caroline and Jacob Drumm, Sr.

Her childhood and teen years were spent in Mount Healthy, Ohio—surely a good omen—and she received her teacher's certificate at age 18. However, she chose to forgo a career in education to expand her horizons as a traveling secretary with a stocks and bonds company. Her travels led her to Los Angeles, and she has resided in Gardena for the past 20 years. Through her active work with the United Methodist Church there, she has made a great contribution to her community.

Although Miss Drumm has been confined to a Gardena convalescent center since she fractured her hip last year, this mishap has not dulled her appreciation of life. Her many visitors report that, with a twinkle in her eye, she tells them:

> I'm pretty good and thank God I'm as well as I am.

Her mind is constantly active, and she delights in singing the alphabet in reverse and reciting the names of all the Presidents of the United States. Yet she was saddened by the recent passings of Presidents Truman and Johnson.

A merry, tranquil person, Phoebe Drumm is enormously appreciative of every kindness extended to her. And they are many, for she embodies that wonderful optimistic philosophy of Robert Browning's:

Grow old along with me!
The best is yet to be,
The last of life, for which the first was made.

SEARCHING FOR SAGES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. CRANE. Mr. Speaker, if any event remains singular about 1972 it is the fact that American intellectuals have been shown to have been completely out of touch with the reality of their own society.

All through the 1960's it was popular to say that America was on the verge of revolution. Student rioters and demonstrators met with little opposition on the part of college administrators and faculty members. Somehow, these academicians thought that the demonstrators represented the wave of the future.

Intellectuals who had placed their faith in the world of politics, in creating a heaven on earth through social programs and economic reforms, had no belief in enduring standards—even in standards of form, such as majority rule and a belief in free speech. Thus, when student radicals stormed the barricades of civility and of academic freedom, the intellectuals had no defenses. Instead, many joined in the attack which, although they didn't realize it was, an attack upon themselves.

That they did not understand the political feelings of the American people was evident with the results of the November election. More important than this, however, is the fact that they did not understand what young people were really trying to say.

Joyce Maynard, who is 19 and has written a book which will soon be published, discusses the moral relativism and attack on values which she and her generation endured at the hands of our modern, liberal intellectuals.

Writing in Newsweek magazine, she discusses the renewed religious interest of the young. She writes:

> Now . . . Jesus has come out of the closet. The disenchanted and the ones never enchanted in the first place are returning to the fold with a passion their once-a-week religious parents never possessed. It is a sign of many things: An attempt to purify the spirit, to be drenched in holy waters after a drug-filled adolescence . . . What's really going on, though, in the Jesus Movement is our search, for a prophet, for someone who can, for a change, tell us the answers. (The big line I remember from our school days was, "There is no one right answer. What's your opinion?") After so many profound facts and so much loose, undisciplined freedom, it's comforting to have a creed to follow and a cross to bear.

Joyce Maynard and her generation have been cheated by our educational system which has failed to transmit the culture and values of our Western civilization and of our Judeo-Christian tradition. This generation sought answers from their parents and their teachers to the ultimate qustions about life's meaning and purpose. Too often, all they received was the radical chic pronouncements of men and women who could do little more than condemn their country, their tradition and, in effect, themselves, and had nothing affirmative to give.

Youthful nihilism, however, even as a reaction to modern liberalism, is as dangerous as middle-aged skepticism. The frenzy of the 1960's has, hopefully, come to an end. Perhaps the search for meaning and values will return to a more constructive path.

I wish to share with my colleagues the thoughtful article by Joyce Maynard which appeared in Newsweek magazine of December 25, 1972, and insert it into the RECORD at this time:

SEARCHING FOR SAGES

(By Joyce Maynard)

Just about every suburban-born, college-bred boy I know has a hitch-hiking story about "this real great truck driver" he met, the kind of salt-of-the-earth, natural man, who hasn't read a book in twenty years but who, his hitch-hiking passengers tell me, "knows what it's all about." He's usually called Joe or Red, this potato- and beef-hauling Everyman, and his life's a little tragic: he sleeps in the cab of his truck and spends Christmas on the road, staring out at colored lights blinking through frosted windows (he's something of a poet too, Red is) but, tough as it is, his life is simple, honest, free. He is a philosopher of the road who has given the boy—because *this* boy is *special*—some parting nugget of Truth as he lets him out at Exit 1 for New Haven or Exit 23 for Cambridge, some words of wisdom the boy now imparts to me, over coffee and deeply inhaled non-filter cigarettes in the campus grill. I don't mean to sound lofty. I've met my unionized Polonius too and left him convinced at least for a half hour that what he's told me (Life is like pizza . . . Love is a merry-go-round . . .) was more profound than anything I'd got at school,

TRIVIA

We're all in search of sages—my generation in particular. Information surrounds us. Facts about the number of North Vietnamese dead and grams of carbohydrate in Rice Krispies and points lost on the stock exchange and figures on TV-star divorces are drilled into us like lists of vocabulary words for college boards. Oh, the new trend in education, while we were in school, leaned toward "concepts" and away from what were called "specifics." Vagueness—we called it bullshitting—was often easy on our high school essay-question exams. But in spite of the generalities we met with at school, there was a feeling of being over-whelmed by details.

Every succeeding generation has just that many more years of history to study—more Presidents, more planets (Pluto had not yet been discovered when my parents were in school. Neither had DNA). We were bombarded outside the classroom most of all by a media-blitz of magazines, TV sets and car radios. (Only when they are turned off do we notice they've been on.) A whole new area of expertise has been developed—some day it will be a college major: the field of trivia. TV game shows, awarding cars and minks and garbage compacters to the ones who know the most cereal-box-type information, have glorified it for us. Watching those shows, singing along with the car radio (I can recite the ads, even), I am amazed to discover how much I know, without knowing I knew it. I answer bonus questions without thinking, like the reincarnated Bridie Murphy speaking in a dialect she claimed she'd never heard.

All of which cannot help but clutter the mind. It's an unscientific notion that, like a cupboard, the brain has only so many shelves before things start to crowd and fall out, but I often get the feeling that I haven't space left to spread out my thoughts and see what I have. Loose links clanking in my head, and no chain. I long for—capital W—Wisdom. We all do. I think. Teachers were rarely funds of knowledge for us; they seldom knew more than what the textbooks taught, keeping one step ahead, reading the chapters the day before they were assigned. Parents, cautioned in the age of permissiveness not to overburden with advice, and confused themselves, sometimes to the point of despair, could give little. The venerable God died in our youth. (I still remember the cover of Time magazine one week—IS GOD DEAD?; the phrase and the notion were brand-new then, and though he'd never been alive for me in the first place, the idea of his death, the death of one of the few existing sages—even a mythical one—disturbed me.) Indeed, so many of our childhood authority figures made a point of *not* being profound, wary of being laughed at for seriousness by what they took to be a sharp, tough, unsentimental bunch of smart-aleck cynics.

TEACHERS

Actually, we weren't that way at all. My contemporaries surprise me with what is at times their mushiness—their damp-eyed reading of "Love Story," Kahlil Gibran and the thin best-selling books of Rod McKuen's emaciated poetry; their rejection of their parents' Muzak for a just-as-artificially-sweetened kind of pop; their trust in the occult and all things astrological, following the daily horoscope with a faith they never gave, when they were younger and regarded as more gullible, to fortune-cookie prophecies and tea-leaf aphorisms. The absence of true sages—men and women of deep sensibility—leads us to make false gods of rock poets and B-grade philosophers, injecting comic strips and children's books with significance their authors never knew they had. We, who so hated school, are in search now of *teachers*. An apricot-robed, lotus-folded guru with a name too long to fit on one line of a poster, an old man on a park bench (with a beard if possible), a plain-talking, no-nonsense Maine farmer with a pitchfork in his hand, the author of any slim volume of austere prose or poetry (the fewer words he writes, the more profound each one must be)—we attend their words so abjectly, sometimes even literally sit at their feet, waiting for any crumb of what will pass as wisdom to be offered us.

CREED

I remember a show-and-tell day when I was in fourth grade. I brought in a potholder I'd woven, someone displayed a sea anemone and someone else explained the engine of his model car, and one boy brought his rosary beads and his crucifix and took from his wallet a photograph of his priest and himself beside their church. We were all too stunned to laugh at first, but then the giggling started, until we were all hiccupping and one girl had to run off to the bathroom without waiting for a pass, and even the teacher was smiling, because religion was something shameful, the soft underside some of us had, but kept concealed. (Going to church was OK, like going to Brownies. But to speak, as Ralphie Leveque did, of loving God and of the blood of Christ, and Mary's tears and thorns and nails—that seemed almost dirty.)

Now, while the fourthgraders might still giggle, Jesus has come out of the closet. The disenchanted and the ones never enchanted in the first place are returning to the fold with a passion their once-a-week religious parents never possessed. It is a sign of many things: an attempt to purify the spirit, to be drenched in holy waters after a drug-filled adolescence, a form of the new nostalgia, even—almost *camp*. What's really going on, though, in the Jesus movement is our search for a prophet, for someone who can, for a change, tell us the answers. (The big line I remember from our school days was, "There is no one right answer. What's your *opinion?*") After so many unprofound facts and so much loose, undisciplined freedom, it's comforting to have a creed to follow and a cross to bear.

NEWS TRIBUTES TO LYNDON BAINES JOHNSON

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. O'NEILL. Mr. Speaker, Lyndon Baines Johnson, a leader of unshakable courage and personal integrity, launched our Nation on a course of sweeping domestic reform, but foundered on the war in Vietnam. Now, he belongs to the ages, yet his monumental domestic achievements will endure to posterity.

President Lyndon Baines Johnson did not envision a good society; he enacted a program of social and economic progress that would create a Great Society in which all men were really equal; in which the aged would have proper medical attention; in which the people would have more parks and open spaces for recreation; in which the Government would take the lead to clean up air and water pollution; in which every American would have the essentials of life—enough food, a decent home, and adequate clothing.

Though Lyndon Johnson's dreams of wiping out poverty and social injustice were not brought to fruition in his lifetime, they were realistic goals. His many accomplishments in domestic reform speak fully for themselves and have taken their rightful place in the archives of our Nation.

Mr. Speaker, I place in the RECORD the following articles which appeared in the Boston Globe and Boston Herald American:

[From the Boston Globe, Jan. 23, 1973]

JOHN MCCORMACK REMINISCES ABOUT "A TRUE AND GREAT FRIEND"

(By Lucinda Smith)

John W. McCormack, former speaker of the House of Representatives, reminisced last night about Lyndon B. Johnson, his close friend for 36 years.

McCormack referred to Mr. Johnson as "the President" and "Lyndon" as he told of the years they spent together in Washington, beginning in 1937 when Mr. Johnson took a Texas congressional seat.

In 1964, for the first 14 months of Mr. Johnson's term after President Kennedy's death, McCormack was second in line for the Presidency.

McCormack last night said: "During that period we were very, very close. The President kept me informed at all times. I sat in on meetings of the Joint Chiefs of Staff, at the President's invitation; and I was constantly briefed by the President on matters of concern."

McCormack added: "Of course we were always very close well before that time. We were friends in the House and Senate, and we would talk over legislation of importance, such as the Civil Rights Bill."

Mr. Johnson, McCormack and the late Sam Rayburn, a lifelong friend to the Johnson family in Texas and Speaker of the House before McCormack, were constant companions in Washington during Rayburn's terms of office.

"The friendship between the three of us was very, very close," McCormack said last night.

He remembered the first meeting between Rayburn and Mr. Johnson:

"The President told me this story," McCormack said, "while he (Mr. Johnson) was sick in the hospital once, an earlier sickness than his heart attacks . . . he was unconscious at one time. On the day he woke up, there was a man sitting beside him, beside his bed, and the man was half asleep himself with a cigarette in his hand—the cigarette all burned out.

"His eyes were closed . . . this is what Lyndon told me. 'When I woke up,' the President told me, 'this man beside my bed woke up too. I said: Who are you? The man looked at me and said, I'm Sam Rayburn. I served in the Texas Assembly with your father. He was my closest friend.'

" 'If I had a son who was sick in another city, your father would be by my son's bedside. And there was Sam Rayburn beside my bed.' Apparently, it was the first time they met," McCormack said. "I think it's a touching story."

McCormack also told of the last time he talked with Mr. Johnson. "About three weeks ago," he said, "I called him, and he wasn't in, and then he called me back. We spoke for awhile, as we often do." The occasion was McCormack's 81st birthday.

Last night McCormack said: "I am profoundly shocked to learn of the tragic death of President Lyndon Baines Johnson. I extend to Mrs. Johnson and his daughters my heartfelt sympathy and sincere condolences in their great loss and sorrow. LBJ was a great American President whose eminent role in the critical moment of the world's history and whose firm determination that peace and justice and honor should prevail in the world will insure his place in history. LBJ will long be remembered, too, as a great legislator and as the President who advanced the cause of civil rights more so than any other American. LBJ's contribution to the field of education was the most remarkable contribution in history.

"Under his leadership greater advances were made in education than under all the other Presidents since our country began. This has been overlooked in my judgment, and his achievement in this field should be recognized. LBJ despite some thoughts to the contrary, had a dynamic and warm personality. He had a true sincerity in his belief, and he had an indomitable will. He led the American people strongly and surely in an unbalanced world. LBJ was a leader who belonged to the American people. Now he too, like President Truman, belongs to the ages. It is with deep emotion that I must say that I have lost a true and great friend. America has lost a great leader."

[From the Boston Herald American, Jan. 23, 1973]

YOUNGEST TO HOLD POST: L. B. J. SKILLED SENATE LEADER

WASHINGTON.—Whatever the verdict of history on the Presidency of Lyndon B. Johnson, he will be remembered as one of the most skilled leaders ever to serve in the senate.

He was elected minority floor leader by Senate Democrats in 1953 when he was 44, the youngest man ever chosen for the post. He had served just four years in the Senate and 12 in the House.

During the first year he sat across the aisle from "Mr. Republican", Senate Majority Leader Robert A. Taft, another giant in the history of Senate leadership. Taft died in the summer of 1953. The Democrats regained control of Congress in the 1954 elections, and Johnson served as majority leader during the last six years of the Republican Eisenhower administration.

Johnson may have learned something from Taft's mastery of the Senate, but he learned more earlier as a protege of his fellow Texan, Speaker Sam Rayburn, and the late President Franklin D. Roosevelt. He had won White House favor as the only Roosevelt supporter among a number of candidates running for a House vacancy in 1937.

It was in 1955 that he repudiated a fragment of the Taft political philosophy that "The business of the opposition is to oppose" and told fellow Democrats that they must place responsibility above partisanship. And he once wrote that he was an American first, a Democrat second and a Texan third.

As the dominant figures in the Senate and House from 1955 until Johnson became vice president with John F. Kennedy in 1961, the Texas team seemed a strange combination. Rayburn was short, gruff and taciturn. The tall rangy Johnson was talkative, flattering and not disposed to let a potential supporter forget favors.

Despite his skills, Johnson had his critics inside and outside Congress who called him an arm-twister and a wheeler-dealer.

Both Johnson and Rayburn were ready supporters of President Dwight D. Eisenhower on foreign policy issues, although Johnson sometimes grumbled privately that the Chief Executive was responsible for foreign policy and should not ask for a vote of confidence from Congress on some issues in that field. As President, he often resorted to those same tactics himself.

Although there never was a breach between Johnson and Eisenhower, they disagreed on domestic policies and economics, especially after the 1957 recession.

Installed in the Senate leadership with Southern support, it was Johnson who first led the Senate in cracking Southern filibusters against civil rights bills—in 1957 and 1960—that brought the measures to votes without cloture.

Relatively modest measures to break Southern barriers to voting by blacks, they led to passage of the more sweeping civil rights bills of 1964 and 1965.

By Texas standards, Johnson was liberal. The labor movement was eager, when Johnson was the Democratic nominee for president in 1964, to forget his House vote to override President Harry S. Truman's veto of the Taft-Hartley labor bill in 1947.

In private conversations in the Senate, he never seemed to share the dislike of Truman and Rayburn for the then-vice president and now President Richard M. Nixon.

"MY RESPONSIBILITY TO FREEDOM," BY DONALD L. McCAMMON

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. SHOUP. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conducts a Voice of Democracy Contest. This year nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. First prize is a $10,000 scholarship, second prize is $5,000, third prize is $3,500, fourth prize is $2,500, and the fifth prize is $1,500. The contest theme was "My Responsibility to Freedom."

The winning contestant from each State is brought to Washington, D.C., for the final judging as guest of the Veterans of Foreign Wars. The winning contestant from Montana is Donald L. McCammon, 530 Idaho, Helena, and I am pleased to submit the following text of his speech:

MY RESPONSIBILITY TO FREEDOM

A bearded man walks beneath the green branches of a tree. He reaches underneath his dusty leather jacket, takes out a long knife and hacks a blaze on the smooth trunk. He sheaths his knife and silently treads over brown needles. More men follow him; then wagons rumble beneath the large tree. Men, women, and children tread in that explorer's footsteps. Americans moving west carrying their furniture, their clothes, and a vision.

A vision of a land where every person can worship God in his own way. A country where people have a voice in their own affairs. A nation where each man can live without fear of having a government continually watching his tiniest movement.

I am responsible to my forefathers to see that this vision is not dimmed. I must follow in the footsteps of that bearded man and continue blazing trails carrying freedom to every land.

On July 4, 1776, a group of men proclaimed to the world that the thirteen colonies they represented would no longer be ruled by a foreign power. Nearly two hundred years later those small colonies have grown to become fifty states. There are now over 200 million people who call themselves "Americans."

The American people, weathered by many seasons, molded by many races. The eyes are brown, grey, Indian-black, or almond-shaped. But the light in the eyes is the same. A bright light, the light that fredom put there.

It is the responsibility of each individual to keep the light of freedom shining brightly. He must exercise his right to freedom of speech in recognizing problems. He must become involved in government, vote, speak on the issues, and work for the candidate of his choice. He must work to keep freedom alive, for if he sits back in his padded chair and thinks that others will shoulder the load, then the light of freedom will flicker and go out. The nation he lives in will become another Hungary, another Czechoslovakia, a place where freedom is heard only in shadows, whispers, where once were shouts of joy.

You and I are explorers striving to blaze a path encircling the world. A path that would enable each individual to stand forth and proclaim, "I am a free person!"

Franklin D. Roosevelt wrote:

"In the future days, which we seek to make secure, we look forward to a world founded upon four essential freedoms. We shall accept only a world consecrated to freedom of speech and expression—freedom of every person to worship God in his own way—freedom from want—and freedom from terrorism."

That was the world our forefathers were seeing. A vision of a world they could be proud of. A world in which they could think without interference, freely express ideas to others while striving toward a better tomorrow.

The man in the coonskin cap saw that vision as he pushed through a virgin forest. The pioneers saw that vision as they drove their wagons over a high mountain pass. Statesmen saw this vision while they passed laws expanding civil liberties. Soldiers died for this vision as they defended the rights and dignity of mankind.

I envision free people asking, "What sacrifice can I make to further the future of Freedom?"

This is my responsibility to Freedom. To be like Meriwether Lewis, Daniel Webster, and the unknown soldier and continue to blaze the trail they began. I must envision all people grasping hands and working together, building roads around the world to carry the lamp of freedom to all people.

WASHINGTON REPORT

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. MINSHALL of Ohio. Mr. Speaker, under leave to extend my remarks, here is my newsletter for February 1973:

WASHINGTON REPORT OF CONGRESSMAN WILLIAM E. MINSHALL, FEBRUARY 1973

Thrift—or new taxes—which will it be in '73? In the final analysis, the answer may come from American taxpayers. You're the ones who have to foot the bill. Many Members of Congress are angry over President Nixon's proposals to clear away dead wood and underbrush from the forest of Federal expenditures. Others agree with the President that any increase in spending would mean higher taxes and more inflation. Yet a budget that calls for $268.7 billion for Fiscal 1974 cannot be termed pinch-penny, with 47¢ of each budget dollar earmarked for domestic human resources as compared to 30¢ for national defense. *The lines are being drawn for an historic Battle of the Budget.* It may take an overwhelming expression by the taxpayers—like the avalanche of mail in 1957 that turned Capitol Hill around—to let Congress know whether the line should be held on government spending.

Defense Cuts from $5 to $10 Billion may emerge from my Defense Appropriations Subcommittee as we review $77.1 billion of the total $81 billion requested for national security. Of that, some $22.7 billion are locked in for military and civilian pay, another $4.7 billion for retirement benefits. *However, if we were still at the 1968 manpower peak reached during the Vietnam war, that pay figure would be $12.2 billion more.* Although the Fiscal 1974 defense request is the largest ever in dollars, it is only 6.2% of the Gross National Product, the lowest level since 1950 and 3.4% below the 1968 high.

"God Bless America," said the first freed American POW to set foot on U.S. soil—and millions of us echoed his sentiments. Release of our men from Southeast Asian prison camps dramatizes the end of our role in the tragic conflict. All of you who stood firm with me in backing President Nixon's efforts during these agonizing years have a share in the letter I recently received from him: "Now that we have finally achieved peace with honor in Vietnam, I particularly want you to know how much I have appreciated the support you have given during these difficult years to the policies that made that achievement possible . . . in the years to come you can look back with pride on a stern test nobly met."

House Leadership has honored me with appointment to the Board of Regents of the Smithsonian Institution. Chief Justice Burger is Chancellor of the Board which includes in its membership Vice President Agnew, three Members of the U.S. Senate, three from the House of Representatives, and six private citizens. . . I also this year became a member of the all-important House Committee on Committees, in charge of making Republican committee assignments.

To better serve the 23rd District I have opened a new office—in addition to the one in the Federal Building—at 20939 Lorain Road, Fairview Park, telephone 333–9936. I also plan to schedule "traveling offices" throughout the District, times and dates to be announced later.

Minshall bills introduced in this new 93rd Congress cover a variety of subjects. Among them—*Education:* H.R. 814, permit tax deduction of college expenses; H. Res. 69, create a Special Committee on Quality Education; H.J. Res. 95, constitutional amendment banning mandatory school busing; H.J. Res. 93, reverse the Merhige decision by insuring each State's right to control its public schools, including busing . . . *Environment:* H.R. 817, tax credit for homeowners, small businessmen and car owners who install pollution control devices; H.R. 818, tax credits for firms and industries installing such devices; H.R. 2456, include private property under Federal shoreline protection . . . *Foreign Affairs:* H.R. 3916, ban "Most Favored Nation" trade treatment to countries denying right of emigration or charging exorbitant fees from emigrants . . . *Health/Social Security:* H.R. 804, Federal licensing of blood banks; H.R. 820, restore deductions for medical care to persons over 65; H.R. 822, include prescription drugs under Medicare; H.R. 2223, Medicredit, provide medical-dental insurance for all through tax credits . . . *Law Enforcement:* H.R. 807, stronger penalties for use of a firearm in commission of a Federal crime; H.R. 808, Law Enforcement Officers "Bill of Rights"; H.R. 810, create a Federal Judicial Council . . . *Taxes:* H.R. 716, equitable tax treatment of working married couples and single persons; H.R. 812, increase personal income tax exemptions to $1,500; H.R. 816, permit home repair deductions to $1,000 . . . *Other:* H.R. 802, Truth in News Broadcasting; H.R. 811, require financial disclosure by Federal judges; H.R. 3269, limit campaign spending. *Copies of these bills may be obtained from my Washington office.*

THE 55TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. GERALD R. FORD. Mr. Speaker, Saturday was the 55th anniversary of the Declaration of Independence of the Republic of Estonia. I am proud to pay tribute to Americans of Estonian descent and to those Estonians now living behind the Iron Curtain.

Mr. Speaker, the U.S. Government has never recognized the Soviet takeover of Estonia and, indeed, we never should. The Russian occupation is simply a case of naked aggression.

As a Congressman, as an American, and as a human being, I share the concern of men and women everywhere for the victims of this tyranny. The spirit of freedom and independence of 1918 lives among Estonians. So long as free men humbly acknowledge their liberties as derived from God and securely rooted in Him, the fire of freedom and independence shall burn until its brightness ushers in a new era of justice, freedom, and peace for Estonia and for peoples everywhere.

WENDY LYNN HELLERSTEDT: "MY RESPONSIBILITY TO FREEDOM"

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. FRASER. Mr. Speaker, Wendy Lynn Hellerstedt is a 17-year-old Minneapolitan. She attends Edison Senior High School in northeast Minneapolis. A senior, she plans to attend college and hopes to be a journalist.

Ms. Hellerstedt has already demonstrated that she is a writer of ability. Her script on the theme, "My Responsibility to Freedom" and her delivery of it won for her the Minnesota segment of the Veterans of Foreign Wars 1972–73 Voice of Democracy contest. She will now compete here in Washington for one of the five national scholarship prizes.

After reading her essay, I think she should win. But whether she does or not, Wendy Hellerstedt has represented her State and her city well.

Her observations that freedom must be exercised if it is not to die and that a critical nature is fundamental to freedom's survival are too often ignored by those writing about freedom. I am proud and pleased to place in the RECORD Wendy Lynn Hellerstedt's entry in the VFW contest. I know her teachers, her schoolmates and her parents, Emery D. Hellerstedt and Alice C. Hellerstedt of Minneapolis share with me this pride in Wendy's accomplishments.

MY RESPONSIBILITY TO FREEDOM

(By Wendy Hellerstedt)

Almost all Americans realize their freedom, but few of us have a definition for it. Perhaps we cannot define this thing called freedom because we have never really known its opposite—oppression.

Although it is true we have never known strong oppression in America, it would be false to say that we have never known restrictions. The farmer is restricted by the government to some extent in how he handles the land, the businessman must follow some rules, but these restrictions are necessary. Without some government control, there could be freedom for only the very strong. It is these restrictions that make our many freedoms sweet. When someone grumbles about his taxes or traffic laws or whatever, perhaps he should think of his freedom to believe what he wants to, to say the things he wants to say and his right to dream of dreams for himself and try to make them realities.

One would have to agree that this hard-to-define thing called freedom is a precious thing. There have been wars to preserve it, poems to praise it and bodies buried for it. If it is a tangible thing, something I could hold in my hand and feel, then I suppose that my responsibility to it would be to lock it up and keep it safe. I should be very selfish and protective of it for fear that I might lose it. But if freedom is more than an object, if it is something deeper, an idea, an emotion, which I think it is, then my responsibility to it is just the opposite. I should do my best to spread this idea of freedom, to keep it alive in everyone. I should realize that it is not a thing to be selfish with, but a thing to share. Freedom is not meant for one man, or for a hundred men, but for all men, for all nations.

In order to keep freedom alive, I must always utilize the freedoms offered to me. I must use my freedom of press to praise my freedoms, to give others in oppressed nations a taste of my freedom so they may dream of it and strive to obtain it for themselves. I must use my freedom of speech to spread this glorious idea also.

Along with praising my freedom, if I truly love it, I am obligated to criticize it. I must realize that nothing is perfect and I must make it my job to search for injustices that may exist under the guise of freedom. When I see a person, or a people, abused by what they may have been led to believe is freedom, I must take action if true freedom is to be kept alive.

Freedom is a demanding thing—it's very existence rests on our being responsible to it. Many Americans are ignorant of this fact. They suppose that since they were born free, they will die free. But freedom is not a gift, it is more like a heritage to uphold. It wasn't given to us by our ancestors, but rather, it is a result, or symbol, of all their toil and frustration to make the dream of freedom come alive. Freedom must always be cared for and used, lest it die and become just a memory. And how sad a memory it would be, and how heartbreaking it would be to tell our children that we lost freedom because we didn't care enough to try to preserve it.

All that we need to do to preserve our freedom is to use it. So simple a task. We must be concerned citizens, keep informed, vote in all elections, let our voices be heard and the voices of our brothers.

In summary, my responsibility to freedom is to regard it as my own child: to praise it, criticize it and recognize it. It is like a child in many ways. It is something new in an old world and like a child it needs to be cared for, to be kept alive for it is still growing. Without this care, without this responsibility we must all feel for it, the child freedom will die.

WE HAVE HAD ENOUGH SHOOTING

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. LEHMAN. Mr. Speaker, the recent shooting of Senator STENNIS has shocked and saddened us all. Not only many of our prominent political leaders, but also too many of our private citizens have become victims of shooting.

In light of this, I am compelled to ask why the American taxpayer is asked to support the National Board for the Promotion of Rifle Practice.

Eleven Government employees spend $160,000 a year to "promote civilian interest in small arms marksmanship." This activity is deemed so important by the administration that the outlays for this board are scheduled to increase by 44 percent over their 1972 level.

This year Congress must take the lead in reshaping our national priorities. As we pursue this goal, let us consider the nature and the cost of the National Board for the Promotion of Rifle Practice.

LICENSING STEEL SCRAP EXPORTS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. HEINZ. Mr. Speaker, as you well know, steel is the basic material in the manufacture of both consumer and capital equipment. In the United States, steel is the fundamental commodity in industries accounting for approximately one-third of all manufacturing employment. The steel industry itself, with more than 250 companies, directly employs nearly 750,000 Americans.

Since approximately one-half of the metals consumed in the manufacture of steel consists of iron and steel scrap, steel manufacturers are heavily dependent upon scrap dealers and other outside sources for supplies of scrap. This dependency is virtually total in the case of specialty steel companies, which utilize electric furnaces whose metallic charge consists of almost 100 percent scrap. Therefore, scrap iron and steel classifies as a crucial commodity in a crucial national industry.

In the past several months, rising world steel production has boosted foreign demand for U.S. iron and steel scrap to a level 65 percent higher than normally experienced over the past 10 years. Approximately 12 million tons of ferrous scrap exports are projected in 1973 compared with 7.2 million tons in 1972 and an average of 7.1 million tons over the last decade. Domestic steel activity is now beginning to reflect the rapid expansion of the national economy, and with domestic production rising, our own mills and foundries requirements for scrap are moving up as well. Present projections show a domestic industry demand in 1973 for 41.5 million tons of purchased scrap, up from 37 million tons in 1972.

Rising domestic and foreign demand has already resulted in a marked increase in scrap prices within the United States. Currently, the composite price of No. 1 heavy melting scrap, the most widely used grade, is $48.67 per ton, 35.5 percent higher than a year ago. The domestic steel industry projects additional costs resulting from scrap price increases in excess of $500 million this year. Such jumps in costs will be detrimental to the entire steel industry, and in the case of small, individual specialty steel companies, who are 100 percent dependent upon scrap for their continued operations, these huge cost increases may very well be enough to price them completely out of a competitive market. Moreover, because of the importance of steel in our economy these costs will be felt throughout the business and consumer sectors, creating additional inflationary pressures.

In response to these dangerous market conditions, I have written the Secretary of Commerce, the Honorable Frederick Dent, urging the immediate adoption of a program licensing scrap steel as a first step in controlling a rapidly worsening and inflationary market condition. The Export Administration Act of 1972 provides the President authority for export licensing and control when there exist strategic or political reasons, or reasons of short supply. Obviously, with price increases of 37 percent in the last year, short supply conditions exist and immediate steps are necessary to rectify this disturbing and inflationary situation.

I include the text of my letter to Secretary Dent below, along with the Secretary's reply. I also include for my colleagues information a copy of a statement by the American Iron and Steel Institutes. This statement corroborates the need for Government action to protect the domestic steel industry and the domestic economy from further inflationary pressures induced by foreign steel producers.

The material follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 2, 1973.

Hon. FREDERICK B. DENT,
Secretary, Department of Commerce, Washington, D.C.

DEAR MR. SECRETARY: I write to ask the immediate adoption by the Department of Commerce of a program licensing scrap steel exports as a first step in controlling a rapidly worsening and inflationary supply situation affecting the entire specialty steel industry.

Recently, foreign steel interests have been purchasing large quantities of American scrap steel. As the foreign demand for this commodity has increased, the supply available to domestic consumers of scrap steel has diminished, and prices have skyrocketed, thereby creating a disruptive market situation.

In the last year alone the Pittsburgh price of scrap has shot from $38 to $52 per ton. This sharp increase in price, accompanied by a rapid shrinkage of available supply, has proven particularly damaging to the specialty steel industry, which is so vital a supplier to other industries, including our national defense. This industry's continued functioning is 100% dependent upon scrap steel because of the use of electric furnaces in specialty steel production.

Although the Export Administration Act provides the President authority to impose quotas for strategic or political reasons or for short supply control, I do not seek the imposition of export quotas at the present time. However, I urge the immediate adoption of a system of scrap export licensing as a means to monitor and control excess exportation of this critical commodity. Moreover, I feel the Department should immediately invite comment from all sectors of the steel industry to determine the feasibility and desirability of setting actual export quotas.

I might add that I do not lightly take the step of urging export controls on any commodity or product. In general, export controls, particularly if of a permanent nature, can have damaging or costly long-term effects. In the case of scrap steel, however, I believe there are at least two exceptional factors: first, the specialty steel industry, a vital national resource, is totally dependent upon scrap steel for day to day operation, and this constitutes a unique dependence; second, a careful analysis by your department may show, based on my own preliminary evaluation, that export restrictions, in addition to protecting against inflation by reducing cost pressures on specialty steel products, may have the added benefit of reducing foreign steel imports, which cost American jobs and worsen our balance of payments, by forcing foreign steel producers to compete for scrap steel in their own domestic markets.

I urge your closest attention to this problem and immediate steps to rectify a rapidly worsening market condition, and respectfully request an early indication of your department's position.

With every good wish,

Sincerely,

H. JOHN HEINZ III,
Member of Congress.

ASSISTANT SECRETARY OF COMMERCE,
Washington, D.C., February 15, 1973.

Hon. H. JOHN HEINZ III,
House of Representatives,
Washington, D.C.

DEAR MR. HEINZ: This is in further reply to your letter of February 2 directing attention to the sudden rise in ferrous scrap prices in recent months and recommending as a first step the imposition of export controls on ferrous scrap.

The Department is following developments in the scrap market very closely. Preliminary discussions have already taken place with representatives of the steel industry as well as with representatives of the scrap processing industry. We met on January 24 with officials of the steel and ferrous foundry industries to hear their request for limiting the exports of ferrous scrap. Officials of the scrap industry presented their views on this important issue on February 7.

We recognize that the cost of scrap represents a significant part of the total cost of producing raw steel. The impact of higher scrap prices is greatest on companies which utilize electric furnaces and are almost totally dependent on scrap as the source of their raw material.

At the same time, we also recognize that exports account for a large part of the total sales of many U.S. scrap processors, and that exports of scrap make an important contribution to the nation's exports. U.S. exports of ferrous scrap in 1972 totaled 7.4 million tons ($244 million), 17.5 percent greater than in 1971. Record exports of 10.4 million tons occurred in 1970. Both domestic and foreign demand for American scrap have been rising and prices have risen substantially. Estimates of exports for 1973 that have come to our attention range from 8 to 12 million tons.

The Export Administration Act provides authority for controlling exports. The Act states that "It is the policy of the United States to use export controls to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand." Now that we have met with both consumers and scrap processors, we shall make a careful review and analysis of available data on trends in scrap supply, demand and prices to ascertain whether action to control exports is warranted under the criteria of this Act.

Sincerely,

GARY M. COOK,
Deputy Assistant Secretary and Acting Director, Bureau of Competitive Assessment and Business Policy.

STATEMENT OF THE DOMESTIC STEEL INDUSTRY ON GOVERNMENT ACTION TO LIMIT EXPORTS OF IRON AND STEEL SCRAP IN 1973 BY THE AMERICAN IRON AND STEEL INSTITUTE

The domestic steel industry comprises more than 250 companies engaged in the manufacture and sale of steel products. These companies employ over 700,000 persons and operate plants, as well as other mining and production facilities, in 37 states. Annual sales and capital investment of the industry are each in excess of $20 billion. Steel is basic in the manufacture of consumer and capital equipment in U.S. industries which account for approximately one-third of all manufacturing employment.

Iron and steel scrap comprises roughly 50 percent of the metallic input consumed in the manufacture of steel, with blast furnace pig iron the second principal ingredient in terms of volume. While its own operations generate a large portion of its requirements, the industry is heavily dependent on dealers and other outside sources for the balance of its scrap requirements. This applies particularly to the large number of electric furnace plants throughout the country whose metallic charge consists of almost 100 percent scrap.

Scrap purchases of steel companies, together with those of the foundry industry, totalled more than 37 million net tons in 1972. Based on present projections of industry activity, 41.5 million tons of purchased scrap will be needed in the United States in 1973, of which 25.0 million tons, or 60 percent will be required by the smaller companies without blast furnace (pig iron) facilities.

In 1969 and 1970 the steel industry, together with the foundry industry, went through a period in which abnormally high foreign demand for steel scrap resulted in the sky-rocketing of U.S. exports of this vital material. Between April 1969 and March 1970, short-supply conditions in this country, caused by excessive exports, increased the average price of scrap by 57 percent. This price increase inflated steel industry scrap costs by more than $277 million in 1970 alone, excluding the millions of dollars spent in locating new scrap supplies and in modifying steelmaking practices to accommodate usage of lower quality grades.

The short-supply and price conditions experienced in 1969 and 1970 will be even more chaotic in 1973, unless the Department of Commerce acts immediately to limit the exportation of iron and steel scrap. Authority for such action is provided to Commerce under the Export Administration Act of 1972 which says in part:

"It is the policy of the United States to use export controls to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal demand. . . ."

The principal lesson learned from the 1969–1970 experience is that the imposition of export restrictions cannot await the availability of final statistical evidence that abnormally high foreign demand has in fact brought about domestic shortages and inflationary prices. By that time the damage to the economy has occurred. There may be, and usually are, several months between receipt of a foreign order, stockpiling of the material, loading and exportation of the shipment, and evidence of the transaction in published statistics. It appears obvious that the domestic economy would obtain little if any protection under the Export Administration Act if export controls could not be imposed until after a basic industry had sustained service injury and can set forth the statistical data to prove it.

Facts in support of the steel industry's position that the volume of ferrous scrap exports be limited in 1973 are as follows:

1. *Domestic Scrap Price Increases:* In 1972, domestic scrap prices rising in response to accelerated world demand, increased 35%, with 10 percent of the increase occurring in December alone. Although domestic scrap consumption has risen slightly over the past three months, and will show only moderate upward movement in the next three months, the sharp rise in scrap prices indicates that scrap is in short supply in this country, and that it will be in stringent short supply in the Spring of 1973, as commitments to export heavy tonnages then are filled.

2. *Rising World Steel Production.* World steel production is expected to continue the advance begun this year, increasing from 690 million net tons in 1972 to 735 million net tons in 1973. Japan and other steel-producing nations have made it clear that in 1973 they will import larger quantities of steel scrap from the U.S. to maintain or expand their share of world steel trade. Depriving the U.S. industry of this needed material, thereby diminishing its ability to be competitive with other steel producing nations, is not consistent with our national steel trade polcy.

3. *Scrap Export Policies of Major Industrial Nations:* The embargo prohibiting the export of iron and steel scrap from the United Kingdom after August 31, 1972, confirms the rising world demand for scrap. More important, countries previously dependent on the U.K. for scrap have turned to the United States, the only major industrial country now permitting free exportation of these valuable iron and steel units. Other Western European countries and Japan do not permit the exportation of scrap, except under rare circumstances, and then only if home demand is at relatively low levels.

4. *Projections of U.S. Scrap Exporters:* Leaders of the domestic scrap industry openly project that scrap exports will rise to an annual level of 12 million tons for the first half of 1973, including a 150 percent increase in exports to Japan.

Based on economic projections, the domestic steel and foundry industries will need a record level of 41.5 million net tons of purchased steel scrap to sustain the expansion in the economy. Exports of 12 million net tons would require the total delivery of 53.5 million net tons to both domestic and export markets by the scrap industry, an impossible accomplishment in light of recent history. Deliveries at annual rates of 46 million tons in 1969, and during the first half of 1970 created chaotic short supply conditions and inflationary prices. At that time steel mill scrap inventories were reduced to their lowest levels in the decade (see table attached).

During the 1969–1970 period, ferrous scrap exports equalled 22 percent of the total available supply in this country. This data alone does not measure the full impact on domestic consumers. For example, in the 12 months between August 1969 and July 1970, the height of the two-year cycle, exports of 4.1 million tons of No. 1 heavy melting scrap, the key industry grade, were only slightly lower than the 4.4 million tons delivered to the entire domestic steel industry.

Scrap prices rose an average of $13.00 per ton in 1969–1970. Such an increase, applied to 12 million tons of scrap exports would increase foreign scrap acquisition costs by $156 million this year. Yet this same increase applied to the 41.5 million tons of domestic purchased scrap requirements we anticipate this year would raise our costs by $540 million in 1973. This is a measure of the potential impact on the domestic industry, and the basis of our concern.

Exportation of iron and steel scrap in 1973 significantly above the 1972 level of 7 million tons will adversely affect domestic consumers and ultimately the national economy, this year, and in years following. If we cannot obtain our 1973 purchased scrap requirements, our lessened ability to satisfy expanding domestic and export requirements may also produce an increase in the U.S. steel trade deficit, which was over $2 billion in 1972.

The domestic steel industry therefore urges the Department of Commerce to impose limitations on scrap exports under the authority conferred by the Export Administration Act, restricting the exportation of iron and steel scrap in 1973 to 7.0 million net tons, and limiting exports in either half year to not more than 50 percent of total exports for the full year.

ETHNIC POLITICS

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. JAMES V. STANTON. Mr. Speaker, it is now obvious that there will be no Government funding, either in fiscal year 1973 or fiscal year 1974, of the ethnic heritage studies program that was authorized by Congress as part of the Higher Education Act of 1972. The fact is, members of my staff have made inquiry of officials at the Department of Health, Education, and Welfare, and we have been told that the Department did not even submit a request for funds to President Nixon's Office of Management and Budget. Now, I realize that the President is proposing to drop a number of excellent programs already in existence and, therefore, the prospects of winning funds for a new program such as this are slim indeed. I do not intend, despite my longstanding interest in this program, to fight a battle which inevitably I will lose, in the face of heavy resistance from White House budgetmakers. However, I do want to say—for the RECORD, and so that the public might know—that I take an exceedingly dim view of any administration that speaks frequently and volubly in an election year about the merits of an ethnic studies program, only to fall silent once the election has successfully been concluded in favor of the administration. I will conclude by assuring my colleagues that, as soon as there are realistic prospects for success, I shall renew my efforts on behalf of this program, which I feel is so much in accord with American precepts, and which has so much to offer to our young people.

SELECTED DATA ON IRON AND STEEL SCRAP, SHOWING VOLUME OF PURCHASED SCRAP REQUIREMENTS RELATIVE TO TOTAL SCRAP CONSUMPTION AND THE IMPACT OF SCRAP EXPORTS ON SCRAP SUPPLY AND PRICE

	Thousands of net tons							
	Total scrap consumption	Less mill scrap production	Change in mill scrap inventories	Purchased scrap requirement	Scrap exports	Total purchased scrap requirement	Exports as percent of total requirement	BLS scrap price index, 1967=100
1962	66,160	40,645	−352	23,163	5,014	30,177	16.6	95.2
1963	74,620	44,655	−526	29,439	6,217	35,656	17.4	91.7
1964	84,626	52,262	−518	31,846	7,766	39,612	19.6	109.4
1965	90,359	55,213	+215	35,361	6,129	41,490	14.8	112.6
1966	91,583	55,463	+546	36,666	5,774	42,440	13.6	106.6
1967	85,361	52,312	−395	32,654	7,506	40,160	18.7	100.0
1968	87,060	53,545	+89	33,604	6,565	40,169	16.3	93.0
1969	94,816	56,287	−1,330	37,199	9,037	46,236	19.5	110.5
1970	85,559	52,575	+1,116	34,100	10,648	44,748	23.8	138.9 [1]
January-June	(45,152)	(27,125)	(−192)	(17,835)	(5,351)	(23,386)	(22.9)	(146.5)
July-December	(40,407)	(25,450)	(+1,308)	(16,265)	(5,297)	(21,362)	(24.8)	(131.2)
1971	82,567	49,169	+826	34,224	6,478	40,702	15.9	114.6
10-year averages	84,271	51,213	−33	33,025	7,113	40,139	17.7	107.3
1972 estimate	91,000	53,500	−194	37,306	7,200	44,506	16.3	122.1 [1]
January-June	(45,259)	26,125	(−121)	(19,013)	(3,292)	(22,305)	(14.8)	(117.0)
July-December	(45,741)	27,375	(−73)	(18,293)	(3,908)	(22,201)	(17.6)	(127.3)
1973:								
Estimate A [2]	100,000	58,500		41,500	[3] 7,000	48,500	14.4	
Estimate B [4]	94,000	55,500	−2,000	36,500	12,000	48,500	24.7	

[1] Actual.

[2] Based on 10 percent increase over 1972.

[3] Based on government controls limiting exports to 7,000,000 net tons.

[4] Based on no controls on scrap exports. The lower levels of domestic scrap consumption and purchased requirement shown in estimate B result wholly from lower scrap availability to domestic consumers due to expansion of scrap exports.

Source; 1967—6 months 1972 tonnage data, Bureau of Mines, covering steel mills and foundries in the United States.

HEARINGS ON CLEAR AIR ACT

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. ROGERS. Mr. Speaker, on Wednesday, February 28, the Subcommittee on Public Health and Environment will conduct hearings on H.R. 4291, which would extend the funding provisions of the Clean Air Act for 1 year, through fiscal 1974. I believe it would be useful to advise interested Members of the purpose of the hearings.

The hearing is intended only to develop data surrounding the necessity to continue the funding provisions of the Clean Air Act. It is not intended that the regulatory provisions of the act will be under consideration during the hearing or during the subcommittee executive session following the hearing.

Mr. Speaker, the Environmental Protection Agency is presently involved in two complex and controversial proceedings under the act. One proceeding involves implementation of a State plan for California which includes a proposal for gasoline rationing. A second is a proceeding to consider requests of the automobile manufacturers for a 1-year delay in implementation of the 1975 emissions standards. Both proceedings are now in the hearing stage, the latter as a result of a remand from the U.S. Court of Appeals for the District of Columbia Circuit.

Principally for this reason, I believe it is in the best interests of all concerned that the hearing be limited to matters other than these two proceedings.

ANNE JANSS MOURNED

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. EDWARDS of California. Mr. Speaker, on January 22 while helicopter skiing, Anne Janss was killed by an avalanche at Sun Valley, Idaho, and the West lost one of its most talented and remarkable women. Mrs. Janss was a personal friend of mine and of many hundreds of other ski and outdoor enthusiasts. Her death is a huge loss to people who love mountains, rivers, trees, and indeed all of the great outdoors of the Mountain States and Pacific Coast.

Despite the tragic circumstances of her death, I recall Anne, not as the victim of a meaningless accident, but as a fearless challenger of the best that life has to offer. Aware of the dangers involved in helicopter skiing and insistent that the many technical requirements of the sport be met, she introduced many qualified friends to the exhilaration of this experience.

But skiing was only one of many new challenges she ventured to explore and then introduce to others. An enthusiastic outdoors woman, she encouraged and was often the leader in backpacking, camping, and mountain climbing expeditions. Her love of art and music led to the establishment of the Sun Valley Creative Arts Center. Taking up ice skating only 9 years ago, her children almost grown, she became a qualified figure skater. Always she felt that participation in these activities offered both intellectual and emotional benefits far more than the mere achievement of physical skills and she successfully imparted those beliefs to those who came in contact with her.

I know that many people share the feeling of loss that I experience, and will miss her enthusiasm, encouragement, and always helpful participation in the life of Sun Valley. My sympathy goes to Anne's husband, William C. Janss, owner of Sun Valley and to her two daughters and son.

A VERY GOOD YEAR FOR AGRICULTURE

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. RAILSBACK. Mr. Speaker, many times I have addressed this body on the serious and difficult problems which beset the American farmer. Often, I know, I have been quite pessimistic about his future, and showed disappointment in the lack of commitment on the part of our leaders in assisting him with his problems.

Last year my pessimism was reversed and I was encouraged by the remarkable progress that was shown by increases in farm prices, cash receipts, and net farm income. At that time, I inserted an article in the CONGRESSIONAL RECORD entitled, "Agriculture—Midyear Review and Outlook." The article had been issued by the Federal Reserve Board in their excellent publication Business Conditions and reviewed this encouraging situation. I expressed then my personal hope that this trend would continue.

Now it appears that 1972 was indeed a very good year for farmers—the first good year in fact since the Korean war years. A followup article by the same publisher entitled, "Boom Year for Agriculture" summarizes the Midwestern farm situation, farm finances, and the outlook for agriculture in a most optimistic manner. I am pleased farmers were able to enjoy a satisfactory degree of prosperity in 1972, and am hopeful 1973 and future years will be as profitable for them. I include in the RECORD the article "Boom Year for Agriculture":

BOOM YEAR FOR AGRICULTURE

American farmers in 1972 enjoyed a degree of prosperity unknown since the Korean War years. Output of major commodities was at, or near, record levels. Sharply higher prices and increased government payments combined to boost gross farm income in 1972 to a new high of $65 billion, up more than $5 billion from 1971. Despite rising production expenses, realized net income of farm proprietors rose about 17 percent to almost $19 billion, nearly $2 billion above the old record that had stood for a quarter of a century!

About four-fifths of the increase in gross income reflected higher prices. The weighted composite of agricultural commodity prices received by farmers averaged about 12 percent higher in 1972 than in 1971. Stronger domestic demand associated with rapidly rising disposable personal income was primarily responsible for boosting prices, especially for meat animals. Outlays on food by U.S. consumers rose 6 percent in 1972. In the second half of the year, record grain exports and weather-caused harvest delays exerted upward pressure on crop prices.

Food prices averaged sharply higher at the retail level in 1972. Unprocessed farm products have been exempt from government price controls since ceilings were imposed in 1971. In June 1972, however, the Price Commission established maximum profit margins on sales of various raw food products after the first sale. In addition, the Administration suspended quotas on meat imports. These government actions may have had only marginal effects on supplies and prices, but the rise in food prices did slow in the second half of 1972.

Large foreign purchases of grain in the second half of 1972, together with uncertainties over the yield of U.S. harvests, pushed grain and soybean prices up further. Unprecedented Soviet purchases of grain were the major factor in the export market. These purchases totaled more than $1 billion in 1972, thereby exceeding the minimum purchase of $750 million of grain over a three-year period stipulated in the grain agreement between the two nations negotiated at mid-year. Demand for U.S. grain was stimulated by poor crops in several foreign countries, including the Soviet Union.

Direct government payments to farmers exceeded $4 billion in 1972—up $1 billion from 1971 and a new record. Payments under the feed grain program totaled $1.9 billion—nearly double the 1971 amount. (Feed grains include corn, sorghum, oats and barley.) Payments under the wheat program also increased, but at a much slower pace. Higher government payments reflected both a larger acreage "set-aside" and higher rates per acre.

Crop acreage planted in 1972 totaled less than 300 million acres, down 9 million from 1971. Although adverse weather prevailed during the main harvesting season, increases in yields per acre resulted in record harvests for many commodities.

MIDWEST FARMERS GAIN

Cash receipts from farm marketings rose 10 percent or more in 1972 in each of the states of the Seventh Federal Reserve District. Income from each of the major Midwest farm commodities—beef, hogs, dairy products, corn, and soybeans—increased substantially in 1972. Government payments to district farmers were up 60 percent from 1971.

Hog slaughter was down about 10 percent in 1972. But hog prices averaged more than 40 percent above 1971 levels, reflecting both the reduced supplies and a strong consumer demand. Despite rising feed costs, especially late in 1972, profit margins on hog feeding showed marked improvement from year-earlier levels. The ratio of the price of hogs to the price of corn, a rough measure of profitability, was near record levels through most of the year.

Cattle feeders also prospered in 1972, especially in the first half. The slight increase in beef production did not match the substantial gains in consumer demand, and cattle prices averaged appreciably higher throughout the year. Prices of high quality fed cattle reached a record $39 per hundred pounds in mid-1972, up 18 percent from a year before. As beef slaughter increased, prices of fed cattle declined through most of the second half of 1972, but then rose sharply again in December. Feeder cattle prices reached a record high of $50 per hundred pounds in the fall months, up 25 percent from a year before. Higher prices of feeders and feed and lower prices for fed cattle reduced cattle feeder's profits in the second half of 1972.

Dairy farmers' cash receipts rose about 4 percent in 1972. Although milk production increased, strong demand pushed milk prices to an average of $6 per hundred pounds, up about 3.5 percent. Per capita consumption of dairy products rose in 1972 for the first time since 1955. Wisconsin remains the nation's leading dairy state with 14 percent of total output.

Corn and soybean farmers' profits were generally favorable in 1972, a year of unusual developments. Corn supplies were burdensome at the start of the year and prices were depressed. Soybean supplies were moderately smaller than a year earlier, and prices were about the same.

Increased demand for corn and soybeans boosted prices in the first half of 1972. This trend strengthened further during the second half of the year with the announcement of the Soviet grain agreement, and the adverse weather conditions which delayed fall harvesting. In mid-December the soybean price topped $4 per bushel, up $1 per bushel from a year earlier. Corn hit $1.60 per bushel, up 40 cents from the year before.

FARM FINANCE

Rising farm income in 1972 was reflected in large increases in farmers' investments in land, machinery, motor vehicles, home furnishings and other consumer goods. Purchases of farm tractors rose 20 percent over the year-earlier level in retail unit sales. The desire to increase farm size in order to achieve economies of scale in purchasing, production, and marketing activities also encouraged aggressive bidding on available tracts of land.

The gain in investments resulted in increased farm borrowings from commercial banks and other lenders. With loan funds more readily available than in recent years, and with a good record of repayments on existing loans, lenders actively sought farm loans of all types. Farm debt totaled about $71 billion at the end of 1972, up 9 percent from a year earlier. Non-real estate loans made up 60 percent of the increase; the remainder was secured by farmland.

THE FARM OUTLAND

As 1973 begins, the farm economy seems poised for another year of high income. Cash prices of livestock and grains remain near record levels, and trading in futures contracts suggests continued high prices for most commodities. Maintenance of current price levels, however, depends in large degree on continued strength of demand—especially foreign demand. Moreover even if prices remain high, climbing operating expenses and expected sharply lower government payments indicate that net profits may decline from the advanced levels of 1972.

Production plans suggest record output of beef and turkeys in 1973, and output of pork and milk is expected to rise. A survey taken in December showed that farmers intended to farrow 6 percent more sows in the December-May period than a year earlier. If hog producers carry out these intentions, pork supplies during the latter half of 1973 probably will rise by a similar amount. Marketings of fed cattle probably will rise in the first half of 1973, as the increased inventory of cattle on feed reaches marketing weights. If sufficient feeders are available in early 1973, increased marketings likely will be maintained throughout the year.

Because of high prices and modifications in government programs, grain production should expand in 1973. About 12 million fewer acres of land are expected to be set aside in the feed grain program. A large portion of this will be planted to soybeans and corn, particularly the former.

Prospects for rising consumer income in 1973 indicate another large gain for consumer purchases of food. Foreign demand for U.S. agricultural commodities is widely expected to be very strong again next year, but supplies in other major agricultural nations will largely determine whether this occurs. Russia was able to boost grain output sharply following short crops in the mid-1960s, and this could occur again in 1973. In six of the past ten years, Russia has been a net exporter of grain. Other grain-exporting nations will also attempt to boost production.

On balance, the farm sector is expected to record a generally favorable year again in 1973. Production of most major commodities is almost certain to rise. Expected strong demand, both domestic and foreign, probably will offset much of the price-depressing effects of larger supplies. Expanded production, coupled with favorable prices, should boost gross farm income to another record in 1973. The combination of lower government payments to farmers and the persistent rise in production expenses, however, will likely reduce net farm income from 1972's record level.

POLL CONDUCTED BY WISCONSIN DIVISION OF AAA

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. ZABLOCKI. Mr. Speaker, the officers of the Wisconsin division of the American Automobile Association have called to my attention a poll conducted by that organization in June 1972. The purpose of the poll was to determine the position of the members of the Wisconsin division of the AAA on highway matters. The results while not surprising, nevertheless are of interest.

I would like to insert the following

summary of the poll showing the questions, number of responses, and the answers tabulated as to percentages:

HIGHLIGHTS OF WISCONSIN DIVISION AAA MEMBER TRANSPORTATION POLL CONDUCTED IN JUNE 1972

Wisconsin AAA members have shown strong support for improving public mass transportation, but a poll of the 300,000 members demonstrated equally strong opposition to raiding highway user tax revenues to provide aid to public transportation.

General state or federal funds were favored by 72 percent of the voters as the primary source for mass transit subsidies.

While 68 percent favored improving public mass transportation, only 31 percent approved the use of existing highway funds for mass transit.

Stuart B. Wright, AAA general manager, said the poll reaffirmed that the majority of AAA members want the Highway Trust Fund at the federal level and the segregated highway fund at the state level maintained for highway purposes only.

The AAA polled one percent of its master members in a special mail poll late in May and offered all its members a chance to vote by printing the official ballot in the June issue of the Motor News. Results of both polls were similar.

Wright said the 25-question poll was "the most complete, most definitive opinion sampling on transportation issues ever conducted by the Wisconsin AAA."

Peripheral parking lots designed to aid public transportation gained support from 57 percent of the respondents, but only 43 percent approved the use of highway funds to pay for the lots. On financing, 48 percent opposed the use of highway funds and nine percent had no opinion.

Improving existing streets and highways was favored by 85 percent of the AAA members while 68 percent approved constructing new streets and highways as traffic needs dictate.

WISCONSIN AAA MEMBER TRANSPORTATION POLL (JUNE 1972) TOTAL BALLOTS—2,475 (1,853 VIA MOTOR NEWS, 622 VIA DIRECT MAIL)

1. For each item in the list below, will you please check whether or not you think highway funds (gasoline taxes and registration fees) should be used to pay for that item? (Please check 1 box for each item.)

	Yes	Yes (percent)	No	No (percent)	No opinion	Percent
Should highway funds be used for—						
(a) Removal of billboards from highways	729	30	1,612	65	134	5
(b) Control of junkyards	698	28	1,657	67	120	5
(c) Replacement housing for people displaced by highway construction	1,255	51	1,024	41	196	8
(d) State patrol (salaries, equipment, etc.)	1,458	59	830	33	187	8
(e) Motor vehicle air pollution enforcement	1,357	55	936	38	182	7
(f) Driver education	1,411	57	916	37	148	6
(g) Public mass transportation research and experimental projects	812	33	1,490	60	173	7
(h) Purchase of equipment and facilities for public mass transportation	601	24	1,711	69	163	7
(i) Operating expenses of public mass transportation	489	20	1,842	74	144	6
(j) Construction of parking lots at the perimeter of the city, where motorists could park their cars and ride downtown via public transportation	1,049	42	1,201	49	225	9

2. Following is a list of proposals made in connection with local transportation problems. For each one, will you please check whether you favor it, oppose it, or have no opinion about it?

	Favor	Favor percent	Oppose	Oppose percent	No opinion	Percent
(a) Improve existing streets and highways	2,012	85	224	9	149	6
(b) Construct new streets and highways as traffic needs dictate	1,665	67	608	25	202	8
(c) Stop building streets and highways to encourage use of public transportation	709	28	1,445	59	321	13
(d) Increase downtown all-day parking fee to discourage use of automobiles	771	31	1,458	59	246	10
(e) Improve public mass transportation	1,679	68	563	23	233	9
(f) Increase gas tax to provide more money for highways	494	20	1,763	71	218	9
(g) Build parking lots at the perimeter of the city, where motorists could park their cars and ride downtown via public transportation	1,437	58	775	31	263	11

3 For each item in the list below, will you please check whether or not you think the item should be used as a source to help finance the cost of public mass transportation. (Please check one box for each item.)

	Yes	Percent	No	Percent	No opinion	Percent
Should aid to public mass transportation be financed from—						
(a) General State or Federal funds	1,777	72	540	22	158	6
(b) Existing highway funds	760	31	1,561	63	154	6
(c) Sales tax funds	676	27	1,554	63	245	10
(d) Increased gas taxes	396	16	1,932	78	147	6
(e) Funds provided by the communities served by the system	1,719	69	488	20	268	11
(f) Increased fares	839	34	1,280	52	356	14
(g) Other (please specify)						

4. Which of the items listed under 3 do you think should be the primary source for any subsidies for public mass transportation? (Please indicate by writing in the letter preceding that item in 3 Primary source should be item lettered (a)).

AMNESTY

HON. K. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. McKAY. Mr. Speaker, with the war drawing to a close, we again face the question of amnesty for those who chose not to serve in the Armed Forces. Even though conditions in this country are changing, the consideration of unconditional amnesty is premature.

Hundreds of thousands of American young men accepted military service as an obligation of their citizenship. Over 55,000 of those who agreed to serve gave their lives in the course of the conflict. I believe it would be unfair to these young men if we were to extend amnesty unconditionally to those who have illegally avoided their obligations.

There probably are some cases which, upon review, would disclose that repatriation would be justified after certain compensatory duties had been fulfilled. After World War II, President Truman established a special commission to review cases on their individual merit, and a similar solution might hold promise for dealing with the present situation.

But I get the feeling that many who left the country now want to return with a clean slate, with no obligations of any sort to the United States. I cannot support this concept, nor can I rationalize granting repatriation for service in the Peace Corps or other volunteer service. I am unable to equate fighting in Southeast Asia with service in any of the civilian organizations.

The right to choose is an intrinsic part of our heritage. Those who choose to leave the country rather than serve may have been within their rights to make that decision, but they now must live with the consequences. Currently, the consequence is a criminal penalty.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,200 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

IN MEMORIAM: ASA SMITH

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. BRAY. Mr. Speaker, with the passing of Asa J. Smith of Indianapolis, the Hoosier State lost one of its finest and most colorful individuals.

The following tribute was written to him by Mr. Irving Leibowitz, former managing editor of the Indianapolis Times and now editor of the Lorain, Ohio, Journal.

The tribute follows:

WILL WE BE ALWAYS FAITHFUL TO MEN WHO SERVED?

(By Irving Leibowitz)

Asa J. Smith hated fake patriots. He did not like guys who wrapped themselves in the flag for political purposes.

Asa was my hero. He fought the good fight.

A Methodist, he battled the Ku Klux Klan in Indiana in the 1920s. A Republican, he was deputy prosecutor who did much to expose the Indiana highway scandals and convict powerful politicians in his own party. A citizen, he took the dying declaration of a pretty Statehouse secretary and used it to convict Ku Klux Klan Grand Dragon, D. C. Stephenson of a nasty, brutal and sadistic sex murder.

Asa Smith was a conservative Republican, a lawyer, a writer, a politician, a historian, a gentleman and one of the proudest members of the United States Marine Corps, in which he was a private during World War I and a lieutenant colonel in World War II.

You never knew Asa. And you won't now. Asa died in a nursing home in Indianapolis Monday night—the day our prisoners of war returned.

Asa would have loved the simple but eloquent and informal homecoming at Clark Air Force Base we saw on television. No victory parades. No blaring bands.

Just the men walking heads erect down the ramp of the big flying hospital, saluting the admiral, a firm handclasp, saluting the colors, the cheering crowds, the singing children, the unofficial signs, "we love you" and "welcome home, beautiful men," and the words of the first man off the plane, Navy Capt. Jeremiah A. Denton of Virginia Beach, Va., with tears in his eyes, and a choke in his voice, saying: "God bless America."

Some of the men hobbled. Three were carried on stretchers. Some were on crutches. One sick man with a raging fever left his stretcher and marched proudly off the plane.

The sight tore your heart out. The tears we all shed were genuine. Asa Smith would have approved their discipline because it was in the "one for all and all for one" tradition of his beloved United States Marines. Part of the pride of the Marines is that they never forget their men. Semper Fidelis—"always faithful"—is more than a slogan to the Marines. It's a way of life.

Asa Smith felt pretty much the same about the Vietnam War as he did the Korean War—in the end the men whose captivity was caused by the war had become the only reason for continuing the war.

Asa Smith did not believe in sending American men to fight unless and until the country was under attack—or if dictators and bullies were killing innocent people.

Asa believed in the hopes and dreams of America. The America of equality—equality of opportunity, equality before the law, equality of education. But he also believed in another equality—equality of sacrifice.

If America did go to war, he thought the sacrifice should be spread around. He did not like businesses or people prospering while others suffered and sacrificed.

Asa did not understand or appreciate why poors kids were sent off to Korea and Vietnam while so many better off kids were exempt by virtue of going off to college or getting married and living off poppa.

If Vietnam was right, only a relatively few were called in the eleven long years. If Vietnam was wrong, it was a cruel hoax on the men who went.

It is impossible to describe the real Asa J. Smith. He was different things to different people. To women, all women, he was a courtly gentleman. To Marines the world over who served with him, or under him, he was a gutsy, crusty character who would promote a private on the spot for challenging a particularly stupid order. To a reporter like me, he was an honest public official with a fantastic sense of humor who once crashed through my editor's door and demanded (as a joke) that I be fired—"for telling the truth."

Once, when I called Asa Smith a conservative in the paper, he phoned and roared: "I order you to print a retraction. I'm not a conservative, I'm a reactionary."

But he wasn't. He roared like a lion. But he was gentle and kind and had compassion for all people and an appreciation for what America was all about.

The mustard gas attack he suffered at Belleau Woods in World War I finally blinded him for a few years before he died. But he didn't think of himself in those lonely years he spent with his gracious and long suffering wife, Tweedy. His concern was of other men in other wars who came home with psychological and physical wounds.

Asa wanted all of us to keep the faith with these men. He didn't want them to be forgotten, to be considered suckers, to be left alone after the shouting and tumult of homecoming had died down.

He felt that serving your country in war was an extraordinary sacrifice that all of us should remember with more than just sympathy. There just isn't enough you can do, Asa believed, for the men who were prisoners of war, or for the families (especially the sons and daughters and wives), of the men who did not return.

The ecstacy—the pure joy—of seeing the return of our prisoners will soon wear off. We'll turn, naturally, to our routine tasks. But will we forget?

The character of America is embedded in men like Asa Smith, who never forget the men who went, the men who came back and the men who never got back.

The test of a country is how it values its people. Asa would say that for now we have passed with "flying colors." But what about tomorrow? Will we be like Asa Smith—"always faithful"?

THE 500TH ANNIVERSARY OF THE BIRTH OF MIKOLAJ KOPERNIK

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. ZABLOCKI. Mr. Speaker, this past week, Americans of Polish descent paid tribute in honor of the 500th anniversary of the birth of Mikolaj Kopernik.

To millions of Polish-Americans, Kopernik represents one of the most distinguished figures in Polish history. The theories and works of this priest-astronomer started a revolution of scientific ideas which remains relevant to our contemporary understanding of nature.

The Kopernican concept of the sun-centered universe sparked the kind of thought and reexamination of nature that made modern science and technology possible and has influenced the arts, religion, literature, and the social sciences for the past 500 years. It is fitting that we should honor this great scientist. I have, as you know, introduced a joint resolution in the 93d Congress requesting the President to proclaim the week of April 23, as "Mikolaj Kopernicus Week" marking the quinquecentennial of his birth. National recognition of Kopernik would be an expression of sentiment apropos of a nation whose own brilliant strides in space began with this man's discovery.

As we pay tribute to Kopernik in this 500th anniversary year, let us also praise the generations of scientists inspired by him, who through the creative and disciplined exercise of the human mind, have contributed significantly to a half-millenium of progress in understanding the physical universe.

Yesterday the people of the metropolitan area of Milwaukee paid tribute to Mikolaj Kopernik. The 500th anniversary committee of Wisconsin under the direction of the able and untiring efforts of the general chairman, Dr. Edward J. Tomasik, chairman John A. Jukubowski, and cochairman Harold J. Jankowski arranged a most fitting ceremony, banquet, and program. The theme of the evening and of events scheduled throughout this year was embellished even in the entertainment provided by two Polish cultural groups: the Krakow Polish dancers directed by Miss Annette M. Kuligowski and the new life choir directed by Prof. Janusz Oksza-Czechowski.

The president of Polish American Congress and Polish National Alliance, Attorney A. A. Mazewski presented a "Message from Polonia"—to the People of Poland via Radio Free Europe.

The principal speaker, Prof. Edmund Zawacki, University of Wisconsin-Milwaukee, stirred the audience with his commemorative message entitled "The Modernity of Mikolaj Kopernik." While pointing out the many problems and difficulties Kopernik encountered in the 16th century, Professor Zawacki eloquently emphasized that the efforts and achievements of Kopernik should be emulated by all of humanity in coping with our most difficult problems and tribulations of the present day world.

I commend Professor Zawacki's well-researched and prepared remarks to the attention of our colleagues:

The Modernity of Mikolaj Kopernik

(1473–1543)

(A lecture by Edmund Zawacki (University of Wisconsin-Madison) at the Copernican Banquet in Milwaukee, commemorating the 500th anniversary of the birth of Poland's great mathematician-astronomer—Pfister Hotel, Feb. 25, 1973)

Among a great many people in America the name, Copernicus, is rarely if ever associated with Poland or Polish culture. Copernicus seems to be some mighty figure of Latin or Greek antiquity in the misty regions of legend. Yet Copernicus, legend that he has become, was real, was Polish by birth, education, and cultural heritage, and, to a Pole today speaking of Mikolaj Kopernik in his own language, the Latin form, *Nicolaus Copernicus* would sound strange. No one in America speaks of DesCartes as *Renatus Cartesius* for we know he was a Frenchman—and we pronounce his name in French. Perhaps if we all knew that Copernicus was a Pole, his Polish name pronounced in Polish would be standard, too. In any case, given the title of my short lecture tonight, the modernity of the great Polish genius will only be enhanced if we call him consistently by his name in Poland today. It is not a difficult one for American-English habits of speech—Mikolaj Kopernik (pron. Mee-koh-wigh Kohh-pehr-niik)

When in 1543 Mikolaj Kopernik published his masterwork. *De Revolutionibus Orbium Coelestium* (On the Revolutions of the Heavenly Bodies), he established a concept of the universe so tremendously simple that he literally transformed reality for all mankind.

But what changed in Nature when a Polish churchman-astronomer after a lifetime of mathematical labors in pious pursuit of truth, stopped the sun and hurled the earth spinning on its axis around it? Nothing changed in Nature. The change was in men's minds, in man's new understanding of himself, of Nature, and Nature's God. The cosmology not only of medieval Europe but of all preceding ages and the habits of thought, philosophical, scientific, religious, about man, the earth, and God, which had grown up through tens of centuries on the belief that the earth was the special and immovable center of God's Creation, were dealt a genuinely pious and, therefore, mortal blow. The startling new world of modern science was born.

The new Copernican cosmology was, of course, hard to believe. The very idea was ridiculous, contrary to commen sense and the testimony of one's own eyes. Even the stupid could see that the sun rises in the east in the morning, sets in the west toward evening, then circles the earth to repeat the process endlessly. At Mikolaj Kopernik's expense it even occasioned the first scornful "Polack joke" of historical record.

Since the jibe was in Latin, a modicum of skill in classical languages is needed to understand it now. But it is a historical *curiosum* interesting enough to explain.

The *Narratio Prima* (First Account), a survey and summary of the principal features of Kopernik's new astronomy had been written and published with his permission by his pupil, Joachim Rheticus, in 1540, three years before the full work reached print. It excited comment and discussion as might be expected. In 1541, Martin Luther, for example, wrote to a friend, "Der Narr will die ganze Kunst Astronomiae umkehren" (the fool wants to upset the whole art of astronomy), but it was Luther's friend and counselor, the great German theologian and scholar Philipp Melanchthon who, writing to Burcardus Mithobius in the same year, made a now historic Latin jibe in order to illustrate an absurdity (It must be said that the Latin itself is elegant): ". . . *rem tam absurdam ornare, sicut ille Sarmaticus astronomus, qui movet terram et figit Solem* (to adorn such an absurd thing, like that Sarmatian astronomer who moves the earth and stops the sun).

In Melanchthon's scorn the barbed word is *Sarmaticus* used in place of *Polonus*—like "Polack" in English today instead of "Pole". Melanchthon knew the word *Polonus* for a Pole just as well as he knew the scholarly distinction of the University of Kraków in all Europe at the time. And he also knew that the *Sarmatae* were barbarians, described by Herodotus (5th century B.C.) as nomads akin to the Scythians, roaming the southerly lands between the Volga and Don rivers. Dispersed later by the Goths and the Huns, they were long thought erroneously to have been the ancestors of the Slavs and hence of the Poles.

The jibe would have been resented by Kopernik. Conceivably it might even have reached his ears. Many disparaging remarks certainly did, for in his letter to Pope Paul III which he used as the preface to *De Revolutionibus Orbium Coelestium*, he deplores the *morsus calumniatorum* (the sting of the calumniators) and, using a Greek word for emphasis, characterizes, as "mataiológoi" (babblers) those, "who knowing nothing of mathematics presume to pass judgments about it and, by reason of some passage in Holy Scripture badly twisted out of its real meaning, attack and insult my work. I disregard them even to the extent of despising their judgments as uninformed." Obviously, Kopernik felt insulted as a scholar more deeply than as a *Polonus*, but the restrained anger of his riposte is not that of a barbarian.

Still, although Melanchthon wrote in scorn, never has anyone more succinctly described exactly what Mikolaj Kopernik did. In a later century a Polish adage turned the scorn into glory:

Wstrzymal slonce, wzuszyl ziemie,
Polskie wydalo go plemie.
He stopped the sun and moved the earth,
The Polish people gave him birth.

Kopernik's scientific genius—like all genius, perhaps—had something of poetry in it, an intuitive grasp of the simplicity and grandeur of truth. Toward the end of Book I, chapter 10, of *De Revolutionibus Orbium Coelestium*, we see it glowing in his thought:

"For who could in this most beautiful temple (*in hoc pulcherrimo templo*—our solar system) place this lamp (the sun) in a different or better place than that from which it be at one and the same time illuminate the whole? * * * So, indeed, the sun, as if sitting on a regal throne, governs the family of revolving stars."

And Kopernik concluded the chapter in wonder as fervently pious as it is scientific and poetic: "How perfect in very truth is the divine work of the Best and Supreme Maker!"

Distance in time perhaps obscures the curious truth that it was Mikolaj Kopernik in 1543 who gave to the cosmos of his age the basic structure and dynamism that we recognize today also in the atom. In our young atomic and space age the cosmos and the microcosmos are thus scientifically interlocked by the continuity of Kopernik's tremendously simple concept. It would not be far from the truth to say, in fact, that the 400-year process whereby man interlocked *himself* scientifically with both the universe and the atom, began with *De Revolutionibus Orbium Coelestium* in 1543 and culminated in 1951 with another mathematical treatise entitled *Initiation of Thermonuclear Reactions*. The latter is still a top-secret U.S. document.

In 1951, it was an American citizen, Stanislaw Ulam, who perhaps also intuited the cosmic poetry Kopernik found in genuine science. Like Mikolaj Kopenik, Stanislaw Ulam, too, was born in Poland and acquired his methematical insights at a great Polish university. His *alma mater* was the Jan Kazimierz University at Lwów. It was Ulam in his treatise on thermonuclear reactions who made the imaginative mathematical breakthrough that solved the mystery of atomic fusion, the process that goes on inside the sun. By mathematically demonstrating the dynamics and energy of the fusion process, Stanislaw Ulam more perhaps than any other single person ushered all mankind into the glories or the terrors of man-made thermonuclear power.

In our transient 20th-century modernity the prime new scientific fact is that the orderliness and energy of the microcosmos has been revealed and demonstrated. The atom is no longer a philosophical fancy as it was in ancient Greek philosophy. Nor is it a chemical particle as it used to be in our recent pre-atomic physics. The atom is now a knot of energy in space—like our solar system and our whole galaxy. Being so, it is immeasurably more significant for the future of man on this planet than just a new form of gunpowder.

Man suddenly finds himself standing midway between the atom and the universe, interlocked with both. Some of us stand somewhat aghast at the destructive power of the atom—as well we might. The implications—technological, ecological, economic, political, social, moral, philosophical, religious—are, of course, shattering to our previous 20th-century scientistic wisdom.

But—as in 1543 when Kopernik published *De Revolutionibus Orbium Coelestium*—what has changed in Nature?

In the atom as in the universe, nothing. The change is again taking place inside the minds of men, in man's new convulsive reassessment of Nature, himself and God.

With the formula $E=mc^2$, our whole concept of matter has changed, and, by the same token, our concepts of materialism, realism, idealism must also change—particularly and most urgently in political science or political ideology, or whatever else one chooses to call our human fallibility in political habits of thought. Habit and truth are not the same thing. What used to be called *Realpolitik* is turning (by reason of atomic "overkill" capability) into anachronistic folly, while what used to be political idealism is beginning to look like a deeper more genuine realism. In philosophy and religion, the Naturalistic approach (i.e. on the premise: "There is no God the Creator") is finding itself hamstrung intellectually by self-contradiction, a truth demonstrated with remarkable simplicity by J. B. S. Haldane in his book, *Possible Worlds:*

"If my mental processes are determined wholly by the motions of atoms in my brain, I have no reason to suppose that my beliefs are true . . . and hence I have no reason for supposing my brain to be composed of atoms."

Obviously, Haldane's own position is that human reason is the pinpoint on which the image of God the Creator is focused in man, for unless this is true, no genuine insight into the universe is possible. Even in a 500-year retrospect it is much harder to regard Mikolaj Kopernik, for example, as benighted with religious superstition when he exclaimed in pious scientific wonder: "How perfect in very truth is the divine work of the Best and Supreme Maker!"

It bears reminding ourselves—from time to time, at least—that the cosmic glare of the man-made hydrogen fireball is not the divinely made and warmly luminous Copernican sun by which all life on this tiny planet is sustained. Still, Kopernik—were he alive today—would perhaps be the first to acknowledge as the sagacious statesman he also was, that the manmade $E=mc^2$ remains inexorably the light by which peoples and their governments must make moral sense on the planet, earth, from now on, in their behavior toward fellow-peoples and fellow-creatures. Thermonuclear power cannot be compressed back into scientific non-existence, nor can it be caged by man like a beast. It will be with mankind as a blessing to all eternity—or to Doomsday as a curse. Such, *sub specie aeternitatis,* is our new modernity. It began with Mikolaj Kopernik.

What manner of man was Mikolaj Kopernik?

I am not going to trace his life in detail. Suffice it to say that he was a genuine example of the ideal man of the European Renaissance and its Revival of Learning—a man genuinely expert in many fields. For one thing, he was a highly educated man—in mathematics and astronomy at the Jagiellonian University of Krakow; in canon law at Bologna; in medicine at Padua. For another, he was a creative man, extremely busy all his life—simultaneously an efficient administrator of extensive church lands and properties, a skilled artist-painter, a poet and translator, a practicing physician, a soldier of proven courage, a sagacious statesman, an economist blazing modern trails in that social science. Above all, he was a mathematician and astronomer of earth-shaking significance. He was no secluded bookworm.

It is perhaps hard to imagine—given the multitude of activities and daily responsibilities, great and small, occupying him throughout 40 years of intermittent war and peace in Warmia—that Mikolaj Kopernik was simultaneously making carefully selected astronomical observations, testing and refining his postulates for a revolutionary new astronomy, working out the complex mathematics of their proofs, and painstakingly systematizing them into the tremendous simplicity of *De Revolutionibus Orbium Coelestium*—an opus which, as the great French scholar, Alexandre Koyré, observed, "he presents to us . . . in a state of perfection that is the despair of the historian." Truly, one wonders at the power of the man's concentration. Yet he was also, as the Polish peasants of Warmia knew, a warm compassionate healer and friend always accessible to them.

All the accomplishments of this remarkable Canon of Warmia as a churchman-administrator, physician, economist, soldier, statesman, scholar and civic-spirited Polish citizen were on a level that may justly be called great. But as a scientist-astronomer all these qualities of mind, heart and spirit were intensified a thousandfold. The very vastness of the mathematical problem in Kopernik's conception of the heliocentric system would have stunned mere intellect alone. Fortunately, in Mikolaj Kopernik, intellect was sustained by the benign cultural traditions of Poland's Golden Age and a quiet heroism of his own, and in pious pursuit of truth, he dared to undertake that scientific labor. In good conscience and with scholarly calm he challenged the triple tradition, philosophical, scientific, religious, of tens of centuries about the earth and the universe, a tradition he was aware was supported by the universal church of which he was a faithful member.

When he had finished, it is no wonder he could despise the uninformed "critical" judgments of "mataiologi" like Luther and Melanchthon about his work, and politely but firmly assert in his letter to the enlightened humanist Alessandro Farnese (Pope Paul III) that *"Mathemata mathmaticis scribuntur"* (Mathematics is written for mathematicians). Not until almost 70 years after his death was the Catholic Church to make its first move against his book, on the grounds that the relations between man and God were also involved.

As we look back upon Kopernik's scientific achievement today, what we must recognize, of course, is that *sub specie aeternitatis* (under the aspect of eternity) it was more than the culmination of his own career as a mathematician and astronomer; more, too, than a priceless gift to the world of the learning Poland had fostered in the culture of her Golden Age—her laws, her university, her institutions for freedom of person and conscience under law, her Christian neighborliness in the religio-political tradition of her history as a state. In very truth it was a *pulcherrima lampada,* a most beautiful lamp for all mankind.

Today in our atomic age, as mankind stands somewhat aghast midway between the universe and the atom, interlocked with both, there is need for another idea equally simple, dynamic and tremendous—the idea of peace among nations *sub specie aeternitatis,* conceived and elaborated in political science as the *opposite* of war, not its mere absence. Eternity is the new dimension imposed by the atom on political science in our day. Only when this plain truth is accepted and taken into account will the power of the atom become a blessing on this tiny planet, and the cosmic glare of the man-made hydrogen fireball become one and the same with the warmly luminous Copernican sun. The task is no more—*but also no less*—formidable than the one Mikolaj Kopernik five hundred years ago undertook and accomplished.

WTTW–TV RECIPIENT OF ONE OF 16 HIRING GRANTS

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. MURPHY of Illinois. Mr. Speaker, I received notification today that station WTTW–TV — Channel 11 — in Chicago has been selected as the recipient of one of 16 minority hiring grants awarded by the corporation for public broadcasting. The notice mentioned the very real commitment on the part of the station management to make this new program meaningful. I have no doubts that WTTW–TV will use this grant to continue its policy of providing opportunities for job advancement of minority employees.

I am not unfamiliar with the workings of this station. I have been impressed time and again with the timeliness and professionalism of its broadcasts. WTTW provided uninterrupted coverage of the Select Committee on Crime's Drugs in the Schools hearings last September 21, 22, and 23.

Admittedly, the hearings had all the makings of a TV extravanganza—enraged politicians, concerned school administrators, reformed drug addicts reliving their painful descents into the drug culture. But WTTW's overriding concern for dignity and calm prevailed. No theatrical touches were added. The station managers did not deliver academy award performances; they merely provided the facts for public consumption.

At the time of the hearings, one critic commended WTTW for its coverage but expressed the fear that the Chicago hearings would not have concrete results. He feared that the net effect on viewers would be exasperation and frustration.

Five months have lapsed since these hearings and I am pleased to note there have been local as well as national results. For the benefit of my colleagues, I submit a copy of my February 15 letter to the executive vice president and general manager of the station, Mr. William J. McCarter, which details these results:

FEBRUARY 15, 1973.

Mr. WILLIAM J. MCCARTER.
Executive Vice President and General Manager WTTW/Channel 11, Chicago Education Television Association, Chicago, Ill.

DEAR MR. MCCARTER: Prior to the airing of the Select Committee on Crime's September hearings by Channel 11, there was little citizen awareness of the seriousness of the drug problem. Additionally, the Board of Education had never had an opportunity to enumerate its personnel and monetary shortages for the community.

Channel 11 not only devoted air time for the hearings but further contributed by providing a synopsis of the proceedings in the evening for those persons unable to watch television during the day.

Many Chicagoans had read of drug use in the schools and watched isolated television programs about the need to combat it. But never before had persons been exposed to uninterrupted days of testimony by school administrators, law enforcement officials and students enrolled in drug treatment programs.

Chicago parents watched 18 year-old Leona Schlaiss tell of hustling drugs to afford them for herself and Jeffrey Parks remember his combination of dangerous drugs which led to overdose and hospitalization. They told of dealing in lunchrooms, lavatories and on school grounds. Their testimony could not have been more explicit. All admitted their backgrounds were middle or upper middle-income.

As a result of the televised hearings, the Chicago Board of Education spent three months preparing drug proposals for submission to the State Superintendent of Schools. The seven proposals involve curriculum development, staff development and implementation of programs.

All proposals have built-in evaluators to provide periodic checks for effectiveness and possible improvements. The September hearings indicated that the ratio of drug counsellors to students was appallingly low. They further highlighted the fact that in-service training of teachers was desperately needed.

The results of the Chicago hearings in fact go beyond the confines of the city. Crime Committee members introduced legislation to amend the Elementary and Secondary Education Act of 1965 to provide for drug abuse therapy programs on a national basis.

Action to combat drug abuse in Chicago schools would have come eventually without benefit of the televised hearings but the sense of urgency and community awareness would have been lacking. Channel 11 appreciated the need for city-wide exposure of the drug problem in the schools and volunteered their facilities for the hearings. Much of the credit for the results rightfully belongs to the station.

Sincerely,
MORGAN F. MURPHY,
Member of Congress.

A TIME FOR WORLD AND NATIONAL RECONCILIATION

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. RIEGLE. Mr. Speaker, recently Dr. Walter Adams, professor of economics at Michigan State University, presented the following editorial. I would like to share Dr. Adams' view of the significance of the ending of the war and am submitting his editorial for insertion in the RECORD.

EDITORIAL

Much of the commentary on the Vietnam cease fire has taken the form of self-justification, recrimination, or uneasy apprehension. Some observers boast that the United States has forged a peace with honor, and that this constitutes a victory. Others claim that the settlement is little more than a sellout to communism, and believe that we should have fought on to total victory. Still others voice the fear that the cease fire is temporary and unstable—that the Vietnamese will be locked in a bloody civil war for years to come.

As I see it, these observers miss the main point. They ignore the central significance of the settlement, namely that the longest war in American history is finally over. The last of our servicemen are being withdrawn; our prisoners are coming home; and the United States will no longer be bogged down in a bloody and unproductive adventure in the distant jungles of Indo China. Given a similar cease-fire in Laos and Cambodia, this nation—for the first time in more than a dozen years—will be at peace.

Peace in Indo China, however belated and however tenuous, cannot be minimized. Nor can the achievement of the Nixon Administration in negotiating the detente with the Soviet Union and the reconciliation with the People's Republic of China. It means that we can get on with the difficult task of co-existence—the art of living side by side in the same world with nations holding different values and believing in different ideologies. It signifies a recognition that in the atomic age, no nation—however powerful—can afford to strive for victory over its rivals. The only alternative to co-existence is mutual annihilation.

This recognition that co-existence is the basis for national survival in the world arena also has profound domestic implictions. The time has come, I think, to achieve a similar co-existence among rival groups here at home—between black and white, young and old, the haves and the have-nots. Now is the time to fight the disease of polarization among our own people—to combat the divisiveness which leads to escalating extremism—to heal the conflicts which threaten to turn America into another Northern Ireland. With malice toward none, with charity for all, with mature understanding that a house permanently divided against itself cannot stand, we must find the road toward reconciliation and tolerance which alone can assure the survival of all that is great in the American dream.

At least, that's the way I see it.

SESAME OIL

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. KOCH. Mr. Speaker, the following is the third in a series of excellent articles from the New York Daily News which I recommend to my colleagues as an indication of the very serious abuses of New York's medicaid system:

HOW MEDICAID PAID $457,000 FOR SESAME OIL

(By William Sherman)

A 76-year-old Romanian-born physician, Emanuel Revici, announced to the world more than 20 years ago that he had developed a cancer drug. Since then, the doctor has claimed to have invented other drug remedies for alcoholism and narcotics addiction.

His remedies have never received approval from the federal Food and Drug Administration.

So, city officials were dismayed last fall to discover they had paid out $457,000 in medicaid funds for his panacea for drug addiction—injections of sesame oil, sulphur crystals, and other still unidentified compounds at a voluntary hospital here.

The funds went to Trafalgar Hospital, 161 E. 90th St., where Dr. Revici, a short, stout balding man, is a trustee and the director of internal medicine.

There, on the third floor, between 1970 and 1972, according to the records of the Health Department, about 900 medicaid patients were injected with substances bottled variously under the names "Bionar," "Perse," and "425-Rex." The drugs were touted by Revici as a cure for heroin addiction.

Joseph A. Cimino, commissioner of the City's Health Department, said yesterday that the city had been unaware of Revici's activities at the hospital for two years. Dr. Cimino called the experiments "unlawful, potentially dangerous, and inadequately controlled." He added that use of a new drug without FDA approval is a violation of the city's Health Code.

The city had no way of knowing what was going on, Cimino said, because the hospital made no mention of the use of the drugs on addicts.

The Health Department, in its audit last November, was also surprised to find that the city had paid for experiments on 260 addicts who were hospitalized several days each with common colds.

These disclosures came as part of THE NEWS' continuing Medicaid Probe series, an in-depth investigation into abuses in the city's $1.3 billion medical assistance program.

Last Oct. 11, Jerome E. Driesen, the Health Department's director of psychiatry, visited Trafalgar Hospital, and, in a report, said the addicts were admitted for diagnosed diseases they did not have, and that even when a disease was appropriately diagnosed, it was not properly treated in many cases.

"In effect," Dr. Driesen wrote in his official report, "they were all brought in for withdrawal from physiological dependency on narcotics, barbiturates, or even alcohol. Then they were returned to the community without after care."

Recently, a reporter visited Dr. Revici at his office at the Institute of Applied Biology, 144 E. 90th St. He is the scientific director there in addition to his position at the hospital, and it was there that he developed the drugs.

TYPE A BORSCHT?

When asked under what sanction he conducted his experiments, since he did not have FDA approval, the doctor replied, "A state health official told me I could inject borscht into my patients if I wanted to. That was between me and my patients." He declined to identify the official.

Referring to the development of his latest drug, "Bionar," used in experiments on addicts at the hospital, Revici said, "This produces the most amazing results of anything I have developed so far."

Caressing a bottle of one of his drugs in his left hand while he spoke, Revici said, "After several injections, the addicts sat up and said, 'My God, I feel normal again.' "

WORKS 18 HOURS A DAY

He would not disclose the contents of Bionar except to describe it as "butyl-oxyphenol . . . a combination of ether and other things in an oily substance."

The doctor, who lives at 1111 Park Ave., insisted, "I'm not in it for the money. I work 18 hours a day to help people."

Revici, a naturalized American citizen who was licensed to practice medicine in New York in 1947, was born in Romania in 1896. His father was also a physician.

From 1921 until 1941, he said, he participated in research experiments in Bucharest and later in hospitals in France. In 1941, he fled from the Germans to Mexico, where he organized the Institute de Biologica Aplicado in Mexico City, the forerunner of his institute on E. 90th St.

In addition to those offices, the institute also occupies a laboratory at 161 E. 91st St., where experiments in cancer research and other diseases are carried out on white rats and mice.

"My theory of addiction treatment is that withdrawal pains are caused by an imbalance of fatty acids in the body," Revici said. "Too much fatty acid with no heroin to balance it off during withdrawal, and the addict feels pain and the need for the narcotic."

"Once we inject something that will neutralize the fatty acids," he said with a gleam in his eye, the addict feels no pain and loses his need for heroin."

WORKS ON TWO ADDICTIONS

His theory of acid and alkaline imbalance as causing disease and pain has also been applied in his drugs for cancer and alcoholism. In fact, he said, his drug called "Perse" was used to cure both drug addiction and alcoholism.

Several years ago, he injected several thousand addicts with Perse, he said, "and we achieved remarkable results."

The FDA denied him "investigational drug approval," because Perse contained selenium, a metal which is harmful when taken internally. Still, Perse was used in experiments on addicts at Trafalgar Hospital.

"Once we took the selenium out of Perse, we had a drug similar to Bionar, but I didn't perfect it until about a year and a half ago," Revici said.

"After three days of treatment with Bionar, the addict is completely free of any pain and any need for heroin."

Again the doctor emphasized that he would realize "no financial gain" from the drug's sale, and said that he did not even have the patent rights to the drug.

An investigation of Health Department records and the interview with Revici revealed the existence of the Bionar Corp., with an address at 505 Park Ave.

The Bionar Corp., it turns out, is connected with Compudat Scientific Systems and another company called Camin Industries. All three are presided over by Benjamin Payn, a 58-year-old businessman.

A News reporter and a photographer found Payn in his offices at the Park Avenue address.

A smooth-talking, well-dressed man, Payn said that Camin Industries "is a firm in electrocoating and mechanical forming of metals." The company earned $2,449,390 last year, according to its financial statement.

"I met Dr. Revici two years ago and was impressed with his experiments," Payn said.

"He needed money, and we gave him about $100,000 for his research. In return, he assigned us the patent rights for Bionar.

"We took over the financial and commercial interests in the drug, and quite frankly, we did see a large profit potential in it. It is much cheaper than methadone to produce and does not have methadone's addictive qualities."

"I don't expect to make any money out of the drug for awhile," Payn concluded, "and maybe it will never earn any money."

SULPHUR TREATMENT

The treatment of addicts with Dr. Revici's experimental drugs has been stopped at Trafalgar Hospital, according to the Health Department.

But not before an exhaustive investigation by that agency showed that $457,000 in medical funds was paid out.

Investigators for the Health Department found that most of the addicts were "walk-ins off street," and that others were referred to Trafalgar by doctors at Beth Israel Hospital.

Dr. Revici told THE NEWS that in addition to patients treated with Bionar, and a similar drug he called "425" or "425-Rex", 3,000 other patients were injected with sulphur crystals.

"We achieved marvelous results with the sulphur, but then the patients started getting stomach aches, so we had to discontinue it," Revici said.

Among the other drugs found in the third-floor medicine cabinets of Trafalgar by Health Department investigators was a drug labelled "Sleep in Water." Nurses who administered the substance intramusculary said it was "used for sleep."

Another drug found was "F C—12." Mrs. Alice Scott, a registered nurse who works at the third-floor station, said it was "put on bread and then given to a patient to eat to stop abdominal pain."

The nurses said that the drugs, including the Bionar and "425—Rex" solutions, were ordered by Dr. Revici.

Nine nurses on three shifts injected the drugs into the patients last September, two years after the hospital started billing medicaid for the experiments.

An analysis of patients' records by the Health Department last October revealed that several addicts treated with 425 Rex, a drug the Health Department found to be identical to Bionar in composition, exhibited nervousness, insomnia, and vomiting, right up until the time of their release.

FUNDS TRANSMITTED

On Oct. 30, Revici, Payn and the hospital administrator, Leo Lazarus, were called to the Health Department office at 330 W. 34th St. for an informal hearing.

At the meeting, Steven Rosenberg of the Health Department charged that the patients were treated with experimental drugs, and that under city medicaid regulations, the hospital could not be paid for such a program. By then, however, the $457,000 had already been paid to the hospital.

Dr. Rosenberg also charged that the patients were given Bionar before they received treatment for the ailments cited on the bills submitted to the hospital.

On Dec. 12, a second hearing was held, and this time a representative of the city Corporation Counsel's office concluded that the $457,000 should be returned to the city.

PROCESS OF RECOVERY

Now, the city begins the long and arduous task of trying to recover the medicaid money.

Last week, Trafalgar Hospital was quietly suspended from the Medicaid Program, and Health Department officials are still unable to determine the effect of the drugs on the addicts.

"We haven't been able to track down the addicts to find out what happened," said Dr. Cimino, the Health Commissioner.

CONGRESSMAN LES ASPIN MAKES "THE CASE AGAINST ROY ASH"

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. REUSS. Mr. Speaker, our colleague LES ASPIN has written an article for the February 26, 1973, the Nation which speaks to the question of confirmation of the Director of the Office of Management and Budget. The article follows:

THE CASE AGAINST ROY ASH

(By Representative LES ASPIN)

One of the top items on the House of Representatives' current agenda is a Senate-passed bill to require the confirmation of Roy Ash as director of the Office of Management and Budget. The legislation, sponsored by Democratic leaders in both houses and supported by House Speaker Carl Albert, was passed by the Senate on February 5 by a vote of 64 to 17.

House passage is likely, but President Nixon has already let it be known that he will veto the measure. It is not yet known whether the House and the Senate will have the muscle to override the President's veto, which is designed to protect his new budget director from the Congressional scrutiny that the Administration undoubtedly fears. While there is general agreement within the Congress that the OMB director should be subject to Senate confirmation, it is particularly important for Congress to examine the public and private record of Roy Ash. Other new Nixon appointees have been subject to hearings before relevant Senate committees, and to confirmation votes by the Senate itself, but Ash has never been asked to explain a myriad of alleged frauds, lawsuits, insiders' stock dealings and apparent conflicts of interest between his new position as the nation's budgetary czar and his earlier career as founder and later president of Litton Industries.

Litton, once one of America's most prosperous conglomerates, has been sliding steadily downhill since 1967. From an all-time high in October 1967, of $120 per share, its stock has slumped to $10. When problems first cropped up in Litton's business machine division, profits dropped an incredible 56 per cent from the first quarter of 1967 to the first quarter of 1968. But in the face of adversity, Litton always seems to have an "everything's coming up roses" public attitude.

Ash told *Forbes* magazine in 1968, "We've already proved and we'll prove again in the future the virtue of our type of operation." He predicted to *The New York Times* that the firm's growth trend "should resume in fiscal 1969 at the level where it stopped at the end of the first quarter of 1968." Ash's predictions were unfulfilled. Total profits declined in 1970 to $67 million and in 1971 Litton's net earnings sank to $50 million.

But corporate optimism presumably helped the company convince the job-hungry state of Mississippi that it should float a $130 million bond issue to finance what Litton described as "a shipyard of the future" in Pascagoula, Miss. [See "The Litton Ship Fiasco" by Rep. Les Aspin, *The Nation*, December 11, 1972.] Despite Litton's customary euphoria, the shipyard has been nothing less than a disaster. Given the military's habit of fouling up weapons contracts, it comes as no surprise that the Navy poured $3 billion in shipbuilding contracts into Litton's new and untested shipyard, even though the yard was employing a concept of construction (i.e., modular) never before used on warships. The rest of the story is well-known—mammoth cost overruns, long delays, and now a series of negotiations between Litton and the Navy involving $400 million worth of bailout funds for the five-ship Landing Helicopter Assault (LHA) contract. Litton also hopes to produce thirty new destroyers at the so-called "shipyard of the future"; in which case, the LHA farce promises to repeat itself. The Navy is already attempting to cover up $100 million in cost overruns on the new ships and more cost problems are expected.

With its shipbuilding contracts in deep trouble, Litton's 1972 net earnings dipped to a new low of only $1.1 million and the firm's claim to even that amount is suspect. The company, in its annual report, includes as part of its assets an undisclosed sum which it anticipates that the Navy will pay to Litton in claims. The Navy brass thinks Ash and his crowd don't deserve one thin dime; in fact, the Navy is filing its own counter-claims against Litton. The Navy charges that Litton collected excess overhead at the Pascagoula shipyard and temporarily held 10 per cent of Navy payments that were due Litton subcontractors, in order to keep a few extra bucks in Litton's near-empty coffers. In total, the Navy says Litton owes the smaller fry $8 million.

More important than any questions that may be raised about Ash's managerial skill is the conflict between Ash's job as overseer of the Navy's budget and his former position as Litton's chief officer during the time of a tangled and complex series of disputes involving the shipbuilding contracts. The *Washington Star-News* Pentagon reporter, Orr Kelly, recently obtained a copy of the minutes of a meeting between top Navy personnel and Litton officials, including Ash. According to this record, written by an admiral in attendance, Ash threatened—as part of Litton's attempt to heist approximately $400 million in bailout funds which the company needs to pay for its miserable performance on the five-ship program—to go over the heads of Navy officials and take his case to John Connally and the White House. With Litton still trying to grab $400 million in bailout funds, and Ash its former chief executive publicly expressing an interest in the Navy's budget, Ash's conflict of interest is hard to ignore.

Of course, Ash has agreed to sell all of his Litton stock and convert it into a blind trust, but even if he intends to act in the most honorable and upright way, the appearance of potential conflict of interest will still exist. With a founder and former president of Litton Industries controlling the purse strings, no sane Chief of Naval Operations or Secretary of the Navy would impose on Litton a contract settlement which is not acceptable to the company.

But Ash's managerial failures at Litton and the conflicts surounding Litton's disputes with the Navy are really less important than the serious questions that have been raised about his personal integrity. Allegations of fraud, several lawsuits, a questionable land-swapping deal with the federal government, and insider stock trading all add up to a picture of dubious personal conduct. Each of the incidents described below has received wide public attention recently, with *The Washington Post* taking the lead in exploring Ash's earlier wheeling and dealing.

While working at Hughes Aircraft along with Charles (Tex) Thornton from 1949 to 1953, Ash was involved in what Morton Mintz of *The Washington Post* described as an "epic executive suite struggle" over a series of allegedly irregular accounting practices at Hughes Aircraft Division. The result of this dispute has been two major lawsuits—one of which probably will be retried this spring.

Ash's troubles began during the summer of 1951 when one of his subordinates, James O. White, began to notice irregularities in the Aircraft Division's accounting system. White eventually confronted Ash with the irregularities, which Ash had allegedly ordered. Ash, however, temporarily convinced White that the procedures were, in fact, perfectly proper. "Ash is one of the world's great talkers. . . . He will go into oratory . . . that we really weren't cheating the government . . . and that there were even times when I went away believing it," White reportedly said.

Eventually, the disputed accounting methods, involving an Air Force contract, broke into open warfare between Ash and White's immediate superior, C. E. Ryker, manager of the Aircraft Division's accounting. Ryker was upset because Ash was apparently ordering the Hughes accountants to overcredit certain inventory accounts. Simply put, the accountants recorded larger withdrawals of material from the inventory than actually occurred. Hence, Hughes could claim that it was using larger amounts of material to complete its work for the Air Force than was the case. Since Hughes's contract called for the payment of all costs plus 10 per cent profits, Ash's overcrediting of the inventory accounts permitted Hughes to collect extra cash. Ash wasn't kidding—his allegedly phony accounting methods enabled Hughes to collect an extra $43 million on the Air Force contract!

One would expect a corporate executive accused of collecting excess payments from the government to deny the allegation. But not Roy Ash. He conceded to *New York Times* reporter Wallace Turner that he had allowed the collection of $43 million more than Hughes was entitled to receive. But, he claimed, doing so did not violate the terms of the contract; he had set up the special fund simply to hold the extra loot until a contract renegotiation had been completed. (Eventually an embarrassed Hughes Aircraft Company did repay the $43 million to the Air Force.)

Surprisingly, Ash's allegedly devious accounting methods were designed not only to hoodwink the Air Force but also the home office of the Hughes Tool Company. According to White, in preparing monthly reports to the home office, Ash again ordered that the books be juggled to cover up the alleged overcrediting and also to make the Aircraft Division's profits look brighter. "They were entries that were just false entries," White said. "I have heard Roy Ash say, 'make an entry debiting so-and-so and crediting so-and-so,' and half an hour or two hours later or so the entry was in my hand and there were just the figures needed to balance the predetermined profits." Ash ignored White's numerous protests by saying, "You've got to make them. Thornton promised the Tool Company so much money this month and we'll make it. So here's the entry . . . you put it in the book."

Eventually the dissatisfaction among White and other executives in the accounting department was brought to the attention of Noah Dietrich, executive vice president of Hughes Tool and for many years a personal confidant of the tycoon recluse, Howard Hughes. According to Dietrich, Tex Thornton acknowledged the alleged book juggling, explaining that the accounts were adjusted to reflect the 10 per cent profit allowed by the Air Force. Dietrich expressed total dissatisfaction with the Ash-Thornton operation by charging, "You are improperly borrowing money from the Air Force on which you are not paying interest."

When all the top accountants of the Aircraft Division of Hughes Tool threatened to quit, Dietrich summoned Thornton for a showdown. Dietrich quotes Thornton as saying, "Noah, I want to tell you in confidence that we are actually making more than 30 per cent on this contract, and, in order to keep it we are going to hide it some place and the best place to hide it is in the inventory accounts."

In 1962, in connection with another lawsuit, Dietrich provided a deposition to an attorney in which he described the entire accounts' revolt and the alleged irregularities encouraged and managed by Ash and Thornton. In a December 1962 press release, Thornton charged that Dietrich had been "maliciously defamatory" and filed a $40 million slander suit. Twelve thousand Litton employees were informed in a letter from the company that Dietrich had made "irresponsible and malicious attacks" on Thornton (Thornton, with Ash, was a cofounder of Litton). The giant conglomerate declared that the accusation that the Air Force had been overcharged was "completely false."

However, Thornton's slander suit was rejected by a Los Angeles court in September 1966. On the basis of Litton's letter and Thornton's public statements, Dietrich filed a $1 million countersuit accusing Litton and Thornton of libel. After a two-month trial in early 1968, Dietrich was awarded punitive damages of $5 million against Thornton and $1 million against Litton.

After a great deal of complex legal maneuvering, a new trial was eventually ordered. It will probably begin some time later this spring and once again all of the ins and outs connected with the Ash-Thornton scandal at Hughes Aircraft should be aired publicly.

Commenting on Ash's activities at Hughes, one veteran Washington reporter said that "the record, which has never been persuasively refuted, is one of knowing, active falsification of records with the purpose of defrauding the government" by Ash while at Hughes Aircraft.

After Thornton and Ash left Hughes Aircraft in 1953, they went on to found Litton Industries, which would grow to the multi-billion-dollar, yet troubled, conglomerate that it is today. They brought along with them two other men—Hugh W. Jamieson, a former Hughes Aircraft engineer, and Emmett P. Steele, who had been Hughes's lobbyist at the Pentagon. In 1959, Steele sued Jamieson, Thornton and Ash, charging that they had deprived him of his rightful share of Litton stock. Claiming that he was a cofounder of the company, Steele alleged that he was entitled to some of the stock at a price of 10¢ a share—which stock had been sold to Thornton, Ash and Jamieson. The 10¢ stock was now worth hundreds of dollars per share.

The chief issue in the Steele trial, which opened in October 1964, was whether or not Steele was a cofounder of Litton. Charles V. Litton, the owner of the tiny electronics firm which was the first building block of the mammoth empire, testified that he had sold his company to four individuals, one of them Steele. The majority of a California jury that heard the evidence voted to award Steele $7.6 million. But since the jury's vote was 9 to 3, the minimum number permissible under California law, the judge accepted a motion for a new trial.

The new trial, set for September of last year, was delayed when Steele died several weeks before it was scheduled to open. On October 5, a week after President Nixon announced Ash's appointment as director of the Office of Management and Budget, Thornton and Ash agreed to settle out of court for $2.4 million. When questioned about the quick settlement after his appointment to the directorship of OMB, Ash told *The New York Times* that he feared a jury might return a verdict for a still larger sum. "I think when one comes up against a widow and an orphan case as this is, the defendants just have to look at the experience others have had in similar circumstances," Ash told the *Times*. "This is quite a different issue than the merits or the justice of the case."

Ash's problems with the government have not been confined either to the Defense Department or the courts; they also include some questionable wheeling and dealing with the Interior Department's Bureau of Land Management. In late 1969, Ash and Thornton paid $142,000 for 22 acres of land in Point Reyes, Calif.—an area that the Park Service was attempting to acquire as part of a 55,000-acre National Seashore. On December 6, 1969, Ash and Thornton swapped their 22 acres of potential seashore land for 14,145 acres of ranch land in Nevada, adjoining the T-Lazy S Ranch which the two men already owned. While Ash and Thornton thus acquired the Nevada land in 1969 for about $10 an acre, less than a year later land in the immediate area sold for $15 an acre. According to Jerry Hendershot, a Bureau of Land Management official in Nevada, such ranch land is commonly selling today for $25 to $30 an acre. While no one necessarily condemns Ash and Thornton for their clever business dealing, it is interesting to note that of thirty-seven proposed land swaps in Nevada, only one—Ash and Thornton's—was actually permitted by the Interior Bureau of Land Management. (It comes as no surprise that reports are still circulating that Ash and Thornton used a great deal of their considerable political leverage on the Interior Department to force the swap through.) In fact, it is now reliably reported that the Bureau of Land Management no longer permits interstate land swaps. Ash and Thornton were extremely lucky to get in just in time; they appear to have tripled their money in five years.

Since assuming the office of director of Management and Budget, Ash has been slapped with another civil lawsuit, charging him and Thornton with defrauding the owners of some of the businesses Litton acquired during its spectacular growth in the late 1950s and 1960s. While Litton claims that the suit has "no merit," if the massive class action is successful, judgment could result in the awarding of more than $100 million in damages.

The suit has been filed by the estate of John B. Rauen, a Los Angeles industrialist whose Chainveyor Corporation was acquired in 1967 in exchange for Litton's convertible preference stock. The suit charges that Litton manipulated its business to drive up the price of the special preferred stock, thus permitting Ash and Thornton to acquire various new companies for a relatively small number of shares. If the stock had been traded at its alleged "true value," those selling out to Litton would have acquired a larger bloc of the shares.

Ash and Thornton are also charged with breaking a pledge to redeem 3 per cent of the 7 million shares of the convertible preference stock annually. The suit alleges that this was to be done on a graduated price schedule, beginning in 1967 at $51 per share. Unfortunately for businessmen who gave up stock in companies that Litton absorbed, the convertible preference shares are now worth only $15 a share.

To top off Ash's sundry legal problems, disputes with the Navy and questionable land swaps, he may have violated the Securities and Exchange Commission regulation on stock trading by insiders. Federal law prohibits any individual to trade stock on the basis of so-called "insiders' information" that is not available to other stockholders or the general public.

The facts of this case are quite simple: between March and December 1970, according to Securities and Exchange Commission documents, Ash sold 86,797 shares of common stock. At the time Ash was selling these large amounts of stock, evidence was already available—privately but not publicly to the stockholders—that Litton's shipbuilding program in Pascagoula was in trouble.

In May 1969, Litton was awarded the $1.3 billion contract to build nine landing helicopter assault ships. By early 1971 a confidential General Accounting Office staff study based on 1970 data revealed that the LHA program was behind schedule, and at the same time the Navy was also considering canceling four of the nine ships. The cancellation eventually did occur, thus considerably boosting the price per remaining ship. Based on its 1970 findings. the GAO warned that "close surveillance should be maintained over oncoming shipbuilding programs, such as thirty DD963 destroyers, which are scheduled for production in the same shipyard."

As the shipbuilding program slowly sank, Ash was unloading stock rapidly. His largest sales occurred the month before and the month after Litton was awarded a $2.1 billion contract to build the thirty destroyers. Stocks valued at approximately $2.6 million were sold at an average price of $19 a share—higher than the current $10 per share value.

While Ash was unloading huge amounts of stock and problems were mounting on the LHA program, Litton lowered its bid $262 million for the thirty destroyers. Litton's sudden reduction of its bid may indicate that the company was involved in some sort of buy-in. A buy-in, simply stated, is a silent deal between the military and the contractor to sign at a price that they know perfectly well is too low and then eventually renegotiate a higher price at a later date.

During this whole period Ash was painting an optimistic picture of the company's defense business in his annual report to the stockholders: "Our marine operations became profitable in fiscal 1970 and we look forward to continued profits and increased sales during the 70's. We begin fiscal 1971 with long-term contracts in excess of $3 billion for work to be performed in Litton's newest and the world's most automated shipbuilding facilities. . . . The management, scientific, engineering, production and marketing talent now assembled at Litton is the strongest we have ever had."

While no one has accused Ash of dishonesty in the stock sales, his trading deserves to be investigated by the SEC for possible violation of federal law. SEC Chairman William J. Casey has agreed to begin a preliminary inquiry.

In sum, the case that Mr. Ash should not be the director of OMB is impressive. President Nixon, however, chooses to ignore Ash's conflicts of interest and is apparently unconcerned about the serious allegations which have been leveled against him—some of which he freely admits are true.

Mr. Ash's activities obviously deserve additional study by Congressional investigators in an attempt to resolve the validity of many of the accusations and allegations that have been made. If such an investigation were held, it is much more likely that the full and true story of Ash's activities would come to light. Undoubtedly Ash deserves an opportunity to explain to the Congress and to the American people his rationale for many of his questionable actions. It should be an interesting story.

HUNGARIAN POET

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. GUDE. Mr. Speaker, this past January marked the 150th anniversary of the birth of Sándor Petőfi, the great Hungarian poet. A fine program was held last month at Trinity College in the District of Columbia in commemoration of this event. As an honorary patron, I take pleasure in inserting in the RECORD the inspiring invocation of the Rt. Rev. Dr. Zoltan Beky, bishop emeritus, and chairman of the board of directors of the American Hungarian Federation. Bishop Beky, a constituent of the eighth district, Maryland, is one of the foremost civic and religious leaders of the American Hungarian community.

INVOCATION

Almighty God, Creator and Lord of Nations, who have given us this great and good land to live in freedom and prosperity, we give Thee thanks for the precious gift of your love and mercy, the shining star of our Hungarian heritage, the great poet Sándor Petőfi.

We have convened here today to commemorate the 150th anniversary of his birth, to revive in us the gratitude for this great gift of Thee, to us and to our beloved nation of our forefathers, and to all nations of this world, all of which have been created by Thee, God Almighty, Creator and Lord of all Nations, to be free and equal, predestined for freedom, independence and progress.

Thy mercy, o God Almighty, formed many souls and minds in Hungary long before the birth of this young genius, so as to eradiate a warm climate of humanitarian and democratic ideas in the midst of the best of the old country, true love for the common man, acceptance by the great and rich of new responsibilities toward the masses of the poor and lowly. This memorable generation of the Era of Reform, as known in our nation's history, educated the minds and souls in our Hungarian nation, so as to make them ready for the acceptance of even more powerful ideas of the young and courageous men and women who have fully dedicated their lives to the cause of Thy Divine will that men, all men, whom Thy love created to live in freedom, shall not be enslaved by any man, nation or other oppressive power on earth.

Thy Divine love gave the talented child to good and loving parents, opened to him the doors of the ancient educational institutions of Hungary, surrounded him with good friends, teachers and benefactors, who, in spite of all vicissitudes of the time, helped Sándor Petőfi to grow into what is recognized today as the most typical and universal expression of the poetic talents of the Hungarian nation.

We thank Thee, o God Almighty, for the moral courage and intellectual power, for the warmth of the heart and the brilliance of the mind, for the many fine qualities in the poetry and prose of our greatest Hungarian lyricist, Sándor Petőfi. By the power of his pen, the devotion of his soul, his self-dedication to the cause of freedom,—not only of the Hungarian nation but, as he said, to all nations in the world—Petőfi has been all his lifetime Thy true servant, o God Almighty, the only lord whose authority and power has ever been recognized by him above himself. After his death, he became the guiding light for the millions of oppressed Hungarians, the warm and intimate flame deep down in the heart, rekindled secretly by daily ministrations of the faithful.

We convened here today, o God Almighty, as did several generations of our Hungarian forbears, every year, on the 15th of March, to commemorate also the ideas of the first March 15th in 1848, when Petőfi's brave spirit and unfailing genius carried the day for the cause of freedom, equality and fraternity, and for the hopes of a nation. In that day, in 1848, his great poem, the *National Ode*, became the true reflection of Thy work among the nation of Hungarians. And since that day, the 31st of July, 1849, when Thy Divine will, o Lord, made him to sacrifice his young life on that battlefield in his beloved Transylvania, Thy powerful hand opened the hearts and minds of our grandfathers and fathers to accept him and his poetry as their treasured heritage, and so have learned we too, and will, through us, many generations to come, learn the words of the poet, the man and the patriot.

We have been led by Thy great hand, o God Almighty, to this beautiful and free land of ours where we have laws guarding our rights to express our thoughts freely, in speech and writing, as he, Sándor Petőfi demanded in his times. The laws of this country permit us to be mindful of our heritage, and instrumental in the promotion of the causes of freedom, independence and progress not only in our own country but far beyond the borders of these United States of America. Thy laws, God Almighty, have been recognized as the guiding ideals and principles of the constitution and laws of this great country, and they enable us to live and work as servants of the common causes of all mankind,—as Thy true servant, Sándor Petőfi has envisioned the mission of all men on earth.

In these times, o God Almighty, when the beloved country of our Hungarian ancestors is still so far from enjoying the blessings of freedom, when human thought, creativity and the hopes of millions of innocent people are kept under the prohibitive vigilance of the military and political might of an oppressive foreign power, we are grateful to Thee for the many gifts in the poetry of Sándor Petőfi, the ideas of true love, patriotism and self-sacrifice and progress and freedom for all.

As did earlier generations of American Hungarians who joined their forces in the American Hungarian Federation, in churches of various denominations, in cultural and social associations, to be more effective in doing Thy work, o Lord, among Americans of Hungarian descent, we have convened here today in Thy name and Thy service, our God, Lord of all Nations.

Guide us, we pray, o God Almighty, help us to follow the example of this human genius, Sándor Petőfi, in turning his ideas into ripe fruits in your vineyard. For the promise which Thou have given us in the great gifts of the life and art of Thy son, Sándor Petőfi, we praise Thee God Almighty, and Thee alone. Amen.

THE 55TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. SANDMAN. Mr. Speaker, on February 16, Americans of all nationalities joined with the American Lithuanians in celebrating the 55th anniversary of their proclamation of independence. However, in Lithuania itself, the celebration is not so joyous. Although February 16, 1918, marks the date of the Lithuanian Proclamation of Independence, these courageous people are again living under the suppression of the Russians.

The free world must not rest until the Soviets withdraw their army, police, and ruling appartus from Lithuania, so the people of Lithuania may freely elect a government of their own choosing.

On this historic occasion, the most fitting commemoration we can offer to the brave citizens of Lithuania, the heroes who have died in the quest of Lithuanian liberty, and the countless relatives and friends of Lithuania in the United States, is the reaffirmation that the cause of Lithuanian freedom has not been forgotten and the struggle for it will continue until won.

It is my privilege to share with my distinguished colleagues the resolution adoption at a meeting of Lithuanian-Americans of New Jersey, sponsored by the Lithuanian Council of New Jersey, held on Sunday, February 11, 1973, in Newark, N.J. in commemoration of the 55th anniversary of the establishment of the Republic of Lithuania on February 16, 1918:

RESOLUTION

Recall: That the sovereignty and independence of the Lithuanian State, which was restored by the act of the Lithuanian Council on February 16, 1918 and protected by the bloody sacrifice of the Lithuanian people, was recognized by the international community;

That in 1940 the Soviet Union occupied and incorporated Lithuania into the USSR in violation of international law;

That this occupation resulted in acts of genocide, deportation to Siberia, and extermination of about one million Lithuanians;

That these illegal acts still continue to this present day as witnessed by the following acts which received worldwide attention;

The defiant courtroom speech of the sailor Simas Kudirka, following his unsuccessful attempt to escape to the free world on November 23, 1970, and his condemnation in May, 1971 to ten years in forced labor prison;

The self-immolation of Romas Kalanta, a young student and worker, in May 1972, which symbolized the Lithuanian people's protest against the occupying power and their demand for freedom;

The petition of 17,000 Lithuanian religious believers in 1971–1972 to Leonid Brezhnev and Kurt Waldheim, protesting the denial of religious freedom in Soviet occupied Lithuania, under the risk of their personal freedom.

We resolve: to request the President of the United States of America to instruct his delegates at the Conference on European Security and Cooperation in Helsinki to demand the withdrawal of the Soviet Union from the Baltic States of Lithuania, Latvia, and Estonia and permit these people to exercise their sovereign rights in their own lands;

To ask the Congress of the United States for their support of this request.

GRAND AWARD IN THE NATIONAL DEALER SAFETY AWARDS PROGRAM

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. COLLINS. Mr. Speaker, the grand award winner in the 1972 dealer safety awards program for outstanding support of traffic safety was Melvin Roberts, president of Roberts Buick of Dallas, Tex.

Melvin Roberts accepted the award during the 25th annual dealer highway safety luncheon of the National Automobile Dealers Association convention in New Orleans on February 19. Roberts Buick won out over more than 600 dealership entries from every other State.

The top award was presented because of Roberts' comprehensive consumer protection program, which includes 230 human, electronic, and mechanical checks on every new car before delivery, for safety and performance.

In addition to performing the make-ready checks with its extensive diagnostic equipment, Roberts Buick conducts free evening courses in "Mechanics for Moderns," primarily for women, and produces a traveling display on "International Symbols for Safety" for shopping center malls.

Constructed at the dealership, in cooperation with the city of Dallas, Department of Traffic Control, displays of new traffic symbols and signs were presented by Roberts Buick in nine major shopping center malls last fall before an estimated audience of over 850,000 shoppers.

Mrs. Renee Phillips, vice president, and other officials of Roberts Buick conducted safety programs for 42 civic organizations in the Dallas area last year.

A 20-foot-tall "talking" Frosty the Snowman, immediately outside the suburban north Dallas dealership, broadcasts recorded safe winter driving messages, as suggested by the National Safety Council.

In November, Roberts Buick conducted the Texas introduction of the service interval computer, which is programed to notify motorists when a lubrication or tuneup is needed.

In addition, Roberts Buick's 84 employees are involved in a continuing monthly program of personal and departmental awards for safety and performance. "Buckle Up," speed limit, and other traffic safety signs are prominently posted throughout the dealership's driving areas for both consumers and employees.

All of the Roberts' neighbors in Texas are proud of this new recognition of progress. Roberts Buick of Dallas continues to be the pacesetter for greater service and better safety for our automobile industry. I am proud of Melvin Roberts and each and every one of his fine associates.

FREEDOM OF THE PRESS

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. O'BRIEN. Mr. Speaker, I am concerned with maintaining the freedom of the press. While there have been those who have abused this freedom, it is necessary that this freedom guaranteed to our newsmen in the Bill of Rights be upheld. For those who abuse this freedom, punishment under the law is essential just as it is for anyone who violates any of the rights granted to us in the Constitution.

But, the majority must not be punished for the minority, and the press must be allowed the freedom to gain information.

One of the newspapers in my district, the Kankakee Daily Journal, wrote an editorial on Friday, January 26, 1973, regarding the court ruling that a reporter must provide names of confidential sources or go to jail.

The newspaper editorial follows:

SHOULDN'T YOU KNOW?

"Why shouldn't you guys obey the judge just like everybody else" is the reaction of many readers when a court orders a reporter to provide confidential information or go to jail.

Editors and reporters are astounded at their inability to convince a doubting public as to the validity of their stand against the court's using the contempt power to force newsmen to disclose confidential sources.

Most editors quickly point to the U.S. Constitution and its guarantees of free speech and a free press and stand behind reporters who go to jail rather than identify their confidential sources or provide names of their news tipsters.

But the Gallup Poll indicates that 43 per cent of the American public think that a reporter should have no "special rights" of immunity.

One reason that some Americans have not been alarmed at the court gag put on the nation's press is that "we have not always explained ourselves in less than abstract terms," says William F. Thomas, editor of the Los Angeles Times.

"Why are we (the press) so special?" Thomas asked in a recent speech. He suggested that the public information media might get a better hearing at the start by admitting to some imperfections.

"As all the world knows anyway, we have booted some beauties," Thomas said. "Pomposity ill behooves us and detracts and deflects attention from our cause."

Instead of newspapers making "eloquent and penetrating references to the Constitution, to appropriate utterances to the great and famous, and to the public weal," Thomas says the press should remind readers that "we are the public's only source of information, for all practical purposes, except for agencies and people directly involved in whatever it is you want information about."

Thomas suggests:

"If you want to know what the governor did today—without us—you will have to listen to the governor himself, and his friends and opponents.

"If you want to know what happened in the courtroom—without us—you must rely on the judge to explain and evaluate his own actions, and each attorney to do the same—providing the judge will allow you to hear anything at all.

"Without us, if you want to know what happened in city council, you will need press releases from the party involved.

"And so it goes. With all the press' faults, it's hard to visualize an American public that would knowingly permit the stifling of the press, whose main purpose is to inform it, no matter how imperfectly, and leave itself in the position of making judgments on information by press release."

The Los Angeles Times, where Thomas is editor, has won Pulitzer prizes in recent years for stories concerning racial and school problems. If reporters had been forced in those days to reveal the names of informants, these journalistic contributions toward making Los Angeles a better place might never have been written.

"At the time of the riots, can you imagine the people of Watts talking frankly with us about their troubles with the police, or educators talking candidly about the schools there, to mention only a few, if they knew the reporters might be forced to publicly identify them?" asked Thomas.

"The same goes," he said, "for the many businessmen and public officials who provided the leads for stories on the city commission which resulted in indictments, convictions and—we hope—some changes and attitudes there."

Thomas revealed that The Times had fought 30 subpoenas involving its people or information and "staved off" 50 other attempts to obtain Times material.

He said that imposed gag orders from the courts to the press got so bad in California that an appellate court judge was moved to comment:

"It is startling to see the evils of secret proceedings so proliferating . . . that the court could reach the astonishing result of committing a citizen to jail in secret proceedings, could contemplate inquisitorial proceedings against the newspaper reporter for reporting this commitment, and could adopt the position that the district attorney, the chief law enforcement officer in the county, was prohibited upon pain of contempt from advising the public that someone had been sent secretly to jail."

Our point is: each time a judge is able to silence a reporter, the citizenry's right to knowledge is chipped away. Americans have a right, even a responsibility, to know what is going on.

We are not asking for special privilege for reporters, but we do insist that the public has a privilege—a right, if you please—to enter the councils of government. The reporter is no more and no less than the people's representative.

If the people remain mute while their right to information is being curtailed, there is little doubt the fetters will grow tighter.

It is not a matter of "you guys" at the newspaper; it affects all Americans.

BUTLER UNIVERSITY'S GAMMA CHAPTER OF PHI DELTA THETA: A PROUD RECORD OF SERVICE

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. BRAY. Mr. Speaker, it is gratifying and heartwarming in the extreme to receive letters like the following. It speaks for itself, and I am proud to include it in the CONGRESSIONAL RECORD:

INDIANAPOLIS, IND.,
February 3, 1973.

DEAR MR. BRAY: I am a sophomore at Butler University and a member of Phi Delta Theta Fraternity. The press and many people in the news media only seem to recognize and mention the radical and violent actions by students on campus. I would like to tell you, sir, how members of Indiana Gamma of Phi Delta Theta have gone out into the community and helped their fellow man.

Three years ago, David L. Shore, a fraternity brother, died of cancer. Brother Shore came from Rochester, Indiana and was an outstanding football player for Butler as well as an excellent student. In memory of him, we started the David L. Shore Memorial Cancer Fund. The money the Phi's collect goes into Dave's private fund and serves a two fold purpose. Ninety percent of the money goes toward the research of cancer and the other ten percent toward education and advertisement. At the Butler vs. St. Joseph football game, the Phi Delts collected a grand total of $323.23. We have received a certificate from the Cancer Society for outstanding work in the fight against cancer. We have just finished a neighborhood drive and still planning to collect at a basketball game.

The Phi Delts felt a necessity to get involved in the 1972 election. Being new voters and enthusiastic about the 1972 Presidential and Gubernatorial elections, many of us campaigned for Mr. Nixon and Otis Bowen from mid-October to election day. We worked throughout Indianapolis and even made trips to Terre Haute (Indiana State University) and Muncie (Ball State University) to take campaign materials to these headquarters. On election night to mid-afternoon the next day, many Phi's worked down at the City County Building tabulating votes. Our fraternity house, on election day, was used as a voting precinct.

One Saturday, we went out to the Little Sisters of the Poor or otherwise known as the St. Augustine's Home for the Aged. During the morning we put to use some of our talents by painting lawn furniture, cleaning rooms, ceilings, light fixtures, walls, and anything else that was dirty. We even cleaned the kitchen from top to bottom and even straightened the pantry and rearranged all the canned goods in their proper places. In the afternoon, we hosted a Bingo game for the old folks in Lanagan Hall. All the old people, who were present in the house (more than 100), came down to play Bingo. We played twenty-five games with the winners receiving cash gifts and merchandise. It was quite satisfying to see the old folks be so happy knowing that someone cared and was interested in their well-being and that there was not a generation gap.

To beautify the neighborhood around Butler University, the Phi Delts have gone out and raked leaves several times. To help the ecology minded people and fight air pollution, we have had neighborhood drives collecting leaves so that they would not have to be burned and clutter up the air with debris and smoke.

We have worked with Walker Research participating in consumer market studies. We have tested orange juice, hamburgers, carbonated beverages, and aspirin. By participating in these studies and giving our opinions, I feel that we have helped the manufacturers of various products determine what the consumer really wants.

We have held a public survey for the Department of Public Safety. We took a survey to help determine how drinking and driving contribute to traffic accidents.

The Phi's have hosted an Orphan's Christmas Party. We invited children from the Indiana Methodist Children's Orphanage over to the observatory. They learned how the telescope worked and had an opportunity to look out of it. They also took a trip to the planetarium where they learned about the planets in our solar system. That night they ate dinner at our fraternity house. While many of our brothers were playing with the kids, Santa Claus made a surprise visit and gave the kids their presents. The only sad moment came when they had to leave and there were tears in their eyes.

The Phi Delts, just recently, gave money to the Cathy Strange Fund and M.S. Fund.

What lies ahead in our future? The members of Indiana Gamma Phi Delta Theta hope to work down at the juvenile center, have a retarded children's track meet, work with the inner city children, collect for the Ruth Lyons Fund and our own David L. Shore Memorial Cancer Fund, and do anything else that would better our community where we live.

Sincerely,

JAMES BAGNOLI,
Phi Delta Theta, Butler University.

WE MUST BE FAIR TO OUR VETERANS AND TO THEIR DEPENDENTS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. RAILSBACK. Mr. Speaker, last month I was pleased to join Congressman HILLIS and nearly 60 of our colleagues in sponsoring H.R. 2687, a bill to improve the pension system for veterans and their dependents. This legislation provides a $600 increase in their maximum income limitation, so that no veteran would be forced off the pension rolls because of the recent 20-percent increase in social security benefits.

The social security increase was designed by the Congress and signed into law by the President to compensate for increases in the cost of living. I fully supported the increase because I have many senior citizens in my district who need such assistance.

Unfortunately, however, provisions in our current law prevent veterans from benefiting fully by that social security increase—for veterans, benefits are based upon income limits. Thus, when social security benefits are increased, benefits for veterans are decreased. Unless the bill I am cosponsoring is enacted, everyone who draws social security will receive a substantial increase except our veterans. That a social security increase could so adversely affect the pension system now in existence is unworthy of the Americans who have contributed so greatly to our country. We cannot allow this injustice.

If we do not act immediately, over 1.3 million veterans and their widows will have a reduction in their veterans' pensions because of the increase in social security benefits. Another 20,000 will be dropped from the pension rolls entirely unless remedial action is taken.

The bill I am cosponsoring will not only increase the income limitation, but will also liberalize the formula for computing veterans' pensions. The base for veterans with no dependents will be increased by $18 monthly to $148; for veterans with a dependent by $18 monthly to $158; for widows with no children from $87 to $93 monthly; and for widows with children from $104 to $110 monthly. Certainly we cannot deny our veterans and their dependents this minimal monthly increase in their well-deserved pensions.

I have also introduced a second bill which is directed exclusively to World War I veterans. Most of these individuals are now living on very limited incomes and are especially vulnerable to cost-of-living increases. Therefore, my bill H.R. 2400, provides that they receive $125 each month. In addition, the legislation provides that certain retirement income—such as social security benefits—shall not be counted as income when veterans' benefits are computed, and that pensions of World War II veterans who have served overseas shall be increased by 10 percent.

Mr. Speaker, our veterans have served the country faithfully. We must let them know we deeply appreciated their services in the past and are now concerned about their continuing welfare. I urge early and favorable consideration by the Congress of these two veterans' bills.

ENERGY PROBLEMS CLEARLY DEFINED

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. JONES of Alabama. Mr. Speaker, the energy problem facing our Nation tends to be spread among several agencies and areas of private responsibility with result that it is sometimes difficult to grasp the seriousness of the situation.

Our energy problems were recently brought into very clear focus by Chairman Aubrey J. Wagner, of the Tennessee Valley Authority, in an address in Knoxville, Tenn.

Because of the importance of Mr. Wagner's comments, I include them as a part of my remarks at this point, so that all my colleagues may benefit from his excellent statement:

ENERGY AND THE FUTURE

(By A. J. Wagner)

Energy is vital to man's survival on earth. His ability to command and use energy, in one form or another, more than anything else has lifted him from a starvation existence in the swamps and caves of pre-history to the comfortable life we know today.

Oil and gas shortages of recent weeks have underscored our dependence on energy and created fresh interest in what is commonly called "The Energy Crisis":

In Denver, Colorado, high schools were on a three-day week to conserve fuel. One plant sent its 700 employees home when it ran out of fuel in bitter cold, even after operating for weeks with 45° temperature in the plant in an effort to conserve gas.

In West Virginia, Illinois, Mississippi, and elsewhere factories were shut down when fuel tanks went dry.

Jet fuel became so scarce at New York's JFK airport that some planes couldn't make scheduled nonstop flights across the country.

Towboats with barges of coal were docked for days because there was no oil to run their diesel engines.

Atlanta's ice storm, earlier this month, at its peak knocked out electric service in nearly 150,000 homes, leaving them without light, heat, or power.

These and similar incidents serve as reminders of our dependency on energy—and the threat of national impotence without it, even for a short while. But it is much more consequential, much more far-reaching than the inconvenience and discomfort that accompany such brief and temporary interruptions.

Last year Britain's coal miners struck for six weeks, shutting off coal supplies to her power plants. As the strike wore on, 15 percent of her electric generating capacity had to shut down. Entire residential and business districts were blacked out for as much as nine hours a day. Homes and businesses went dark and cold. Industries curtailed production, then closed. By the sixth week, *three million* Britons were out of jobs. It was calculated that if the strike had continued two weeks longer, 20 million workers—two-thirds of the entire work force—would have been idled. England's industry would have been stopped dead.

Yet even a near-disaster such as Britain experienced is little more than a hint of our total dependence on the heavy use of energy—as gas, oil, coal, or electricity. Virtually everything we do, everything we use is touched by our use of energy in one way or another. The walls of our homes and the roofs over our heads needed electric power to manufacture and to construct. Our homes and our morning coffee are heated with electricity, or gas, or oil, or coal. Gasoline drives us to work in an automobile that required great quantities of energy for its manufacture.

There are countless illustrations of this energy-dependence. But it is brought home most forcibly in an example cited by scientist-authors Lawrence Rocks and Richard Runyon in their new book, *The Energy Crisis*. They point out that only 1 percent of this country's industrial energy is expressed on the farm; yet that 1 percent of our energy permits us to feed 100 percent of our population. Then they calculated that "The energy output of all 200 million Americans as biochemical energy is equal to the energy now employed on the farm."

In other words, it would take the muscle-power of every man, woman and child in the Nation to replace the work of tractors, harvesters and other energy users that now produce the bountiful food supply of our farms. There would be no one left to build our homes, make our clothing or anything else. Even worse, there would be no one to manufacture the chemical fertilizers and insecticides we now use. And without them farm food production would be cut in half.

I have dwelt at such length on the essential place of energy in our lives because we all—every one of us—need to be aware of the consequences of running out. And, as I will discuss later, we *can* run out. It is not inevitable, but it is possible. And if we do run out of energy, any life worth living will run out, too.

This is why Rocks and Runyon introduce their book with these words:

"The most profound issue we face today is an impending power shortage. Most other environmental problems are theoretically solvable: Pollution can be largely abated by the same science that created industry, and substantial percentages of materials can be recycled, and thereby held in perpetuity. But energy cannot be recycled.

"Our energy deployment capabilities and their consequences will supersede all other environmental, economic, and political issues before this decade has passed."

A realistic appraisal of the future must also recognize that *the need for energy, the public demand for it, will continue to grow both in this Nation and around the world.*

For a good many years, now, our use of energy in the United States has doubled about every 10 years. Our living standards—the quality of life we read so much about today—are a direct reflection of that growth. In this country, for example, the energy used in industry amounts to about 10,000 watts per person, the equivalent of 100 slaves working for each of us continuously. In India, by contrast, the figure is 500 watts—or five slaves. Our living standards reflect the difference.

Energy use will continue to grow in this country primarily because I do not believe Americans will readily accept lower living standards. Quite the contrary! We strive continually for more, not less, quality in our lives.

In addition, the cleaner environment we all want will require more energy for such purposes as to recycle materials, run waste treatment plants, and to make the equipment used in pollution control facilities.

The citizens of India, China, Africa and the many "have-not" nations around the world are all seeking better food, clothing, shelter, education, and health. All of these basics require energy.

Quite apart from our increasing *per capita* demands, there are more people on the earth every year and these new families want warm homes, refrigerators, washers, driers, televisions, automobiles and all the other things we have. While population growth *rates* are declining, in the United States, our total population is still increasing about 1 percent every year. Worldwide the figure is higher.

So we are faced with a world full of more people every year, each one using more energy than the year before. And, as you read and hear daily, energy use, even in present-day quantities, is presenting us with serious problems of air and water pollution that must be corrected.

Some are suggesting that we solve this dilemma by cutting back on our use of electricity. They often illustrate by pointing out that we could do without electric toothbrushes, electric carving knives and other similar gadgets. True, we could. But that wouldn't even scratch the surface of the problem. For example, a whole family can run its toothbrushes for a year on the electricity generated by less than a pound of coal.

If we really want to make significant cutbacks in electricity consumption, we will have to take more drastic actions, such as do without hot water, live in colder homes, stop production of aluminum and many chemicals basic to our economy. We will have to close down or slow down the industries and businesses that give our people jobs. These are the really heavy users of electricity.

Any wasteful uses of energy—electric or otherwise—should, of course, be abandoned. And we could do much with better insulation and improvements in other building and industrial practices. But I believe that if all such actions that the public can accept were taken, it would result in a saving of less than 10 percent. This is little more than one year's growth, and then we are right back where we started.

Thus it is clear as crystal that if we want to maintain anything approaching our present living standards, we must find ways to provide increasing amounts of energy in the years ahead. The question is: "Where will it come from?"

At the present time the United States gets about 40 percent of its energy from oil, 31 percent from gas, 25 percent from coal, 3 percent from water power, and 1 percent from nuclear plants. (These, of course, are the *basic sources*. About 9 percent of this energy is used by the consumer as electricity, a proportion which is increasing rapidly. But it must be recognized that electricity is a *form* of energy, not an original *source*.)

How well can these basic energy sources meet our needs in the years ahead? While estimates vary widely, depending on assumptions made as to future rates of use and as to undiscovered reserves, the figures for fossil fuels run about like this, for reserves *in the United States*, matched against our national needs:

Oil—15 to 20 years.

Gas—30 to 40 years (some estimate as low as 12 years).

Coal—200 to 300 years (if used to synthesize oil and gas at present growth rates).

Note that while 40 percent of the energy we are now using comes from oil, we have only enough in this country to last another 15 or 20 years. Of course that period can be extended, as could others, by imports from foreign countries. And, as you know, some of this is being done. But it is probably not in the national interest to depend on foreign sources for something so vital to our national well-being as our energy supply.

In any case, one fact is clear and incontrovertible. Fossil fuels, both in the United

States and in the world, are finite and limited in their amount. When they are used up, they are gone forever. Respectable estimates forecast that, if we continue to increase use of fossil fuels at present rates, all of the coal, oil and gas will be gone by the middle of the next century—just a lifetime away. (Because of the valuable chemicals they contain, we will ultimately need them for other purposes and we ought not to use them for simple fuels any longer than is absolutely essential.) We simply must have other energy sources—and time is running out!

Water power, even if it were all developed, could supply only about 5 percent of the world's present energy needs. Tidal power, wind power, and geothermal power could not provide significant help by presently known technologies. The same is true of direct solar energy.

Nuclear fusion, the power of the hydrogen bomb, could solve the world's energy problems virtually for all time. But the technology for harnessing it still eludes us and no time-forecast for success is possible.

As you have perhaps observed, the energy problem really breaks down into three time periods: First, the period covering the next decade or so; second, the period reaching into the beginning of the next century; and, finally, the long-term future.

In the near term, we must continue to rely on fossil fuels. We simply have no workable alternatives yet available. There will be problems of supply, of price, of air and water pollution—all severe and all interrelated. We will have to solve them as best we can. But we can't continue indefinitely because we will run out.

Through the balance of this century and into the next, it seems clear to me that we have no choice but increasingly to turn to nuclear fission reactors—the type that we and others are now building—to meet our energy needs. They present us with problems too, but I believe they are being solved. Even here, the kinds of reactors now being built would exhaust this Nation's economically recoverable uranium supply within a few decades.

That is why President Nixon, looking to the long-term future in his Energy Message in June 1971, proposed a program to build this Nation's first breeder reactor. And that is why we in TVA, backed by the utility industry generally, have committed ourselves fully, along with the AEC and Commonwealth Edison Company, to its construction and operation here on the Clinch River, near Oak Ridge.

The breeder reactor, utilizing uranium and plutonium in its fuel has the unique ability to produce more fuel than it consumes! It can extend the life of our uranium reserves by about 100 times, solving our basic energy source problem for many centuries and giving us time to perfect nuclear fusion technology or perhaps something even better.

Truly, as the President, has said, the breeder is "our best hope today for meeting the Nation's growing demand for economical clean energy . . ." It must be developed for safe, dependable, economical operation, compatible with a clean environment. This is the purpose of our demonstration plant.

The problems of energy supply are not easy for the layman to understand. They are so highly technical and so far-reaching in their implications and interrelationships that even few "experts" can fully grasp them in their total scope. But we all need to, in fact we must, understand their essentials because our survival depends on energy—in tremendous quantity, at prices we can afford, and produced without significant damage to our natural environment.

These are the essentials:

Energy is vital to our survival.

The amounts we need and use will continue to grow, and more and more of it will be used in the form of electricity.

Its cost will go up but we must hold its price at a level we can afford.

Fossil fuels must serve as our major source in the near-term future. But our fossil reserves are running out and we must find alternates.

The only feasible alternative presently available is nuclear power.

Light water fission reactors must continue to be built, to serve into the next century.

The breeder reactor must be perfected to conserve our available uranium. It will replace the present types of nuclear reactors, and it will solve the problem of basic energy source for many centuries.

At the same time, we need to push research on fusion reactors, direct solar energy and other even better methods for meeting our energy needs far into the future.

These are some of the critical issues that the public must understand. These are the courses of action we must support and follow. Life depends on it.

LITHUANIA—WE WILL KEEP OUR PLEDGE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. RODINO. Mr. Speaker, as the years pass in the life of a nation—a nation whose dreams of political, cultural, and religious freedom have been stifled, a nation who, for 55 years now has experienced only oppression and domination, the thirst for peace and for the basic rights so long denied grows ever stronger in the hearts of its people. There is no turning back, no disillusionment, no acquiscence.

The people of Lithuania demand an end to the Soviet violation of their sovereignty. They have never stopped fighting for the right to their territorial integrity and they refuse to cease believing in the justice of their cause. Individuals do not stand silent but continue to risk and sacrifice their lives in defiance of the Soviet regime. We cannot easily forget the unsuccessful escape attempt of the Lithuanian salior, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstrations by thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim at the United Nations.

On July 22, 1922, our Government recognized the independence of the Lithuanian people—an independence which lasted only until 1940 when the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States, placing them firmly under her yoke. We in the United States have never recognized this incorporation and have continued to maintain diplomatic relations with the representative of the former independent Government.

In 1958, at a meeting of the Lithuanian World Congress, we, along with all free nations, were asked "not to be party to any agreement or treaty that would confirm or prolong the sumordination of the formerly sovereign Lithuanian state." Today, 15 years after this request and on the 55th anniversary of the establishment of the modern Republic of Lithuania, I want to assure the Lithuanian people that I will extend every effort to honor our commitment.

On February 11 the Lithuanian Americans of New Jersey gathered in my hometown of Newark to commemorate this 55th anniversary—so dear of all who believe in their homeland. The following resolution was adopted, which I would like to share with you at this time:

RESOLUTION

We, Lithuanian-Americans of New Jersey, gathered in Newark on February 11, 1973, to commemorate the 55th anniversary since the restoration of Lithuania's independence.

Recall: That the sovereignty and independence of the Lithuanian State, which was restored by the act of the Lithuanian Council on February 16, 1918 and protected by the bloody sacrifice of the Lithuanian people, was recognized by the international community;

That in 1940 the Soviet Union occupied and incorporated Lithuania into the USSR in violation of international law;

That this occupation resulted in acts of genocide, deportation to Siberia, and extermination of about one million Lithuanians;

That these illegal acts still continue to this present day as witnessed by the following acts which received worldwide attention:

The defiant courtroom speech of the sailor Simas Kudirka, following his unsuccessful attempt to escape to the free world on November 23, 1970, and his condemnation in May, 1971 to ten years in forced labor prison;

The self-immolation of Romas Kalanta, a young student and worker, in May 1972, which symbolized the Lithuanian people's protest against the occupying power and their demand for freedom.

The petition of 17,000 Lithuanian religious believers in 1971–1972 to Leonid Brezhnev and Kurt Waldheim, protesting the denial of religious freedom in Soviet occupied Lithuanian, under the risk of their personal freedom.

We resolve: To request the President of the United States of America to instruct his delegates at the Conference on European Security and Cooperation in Helsinki to demand the withdrawal of the Soviet Union from the Baltic States of Lithuania, Latvia, and Estonia and permit these people to exercise their sovereign rights in their own lands;

To ask the Congress of the United States for their support of this request.

Thus, let you once again say to the Lithuanian people, we have heard your protests, we have recognized your courageous stand, and we will continue to support you in your difficult struggle to bring freedom, justice and dignity to all your brethren.

OBSCENE RADIO BROADCASTING VI

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. JAMES V. STANTON. Mr. Speaker, over the past several weeks I have inserted into the RECORD several items relating to my efforts on the subject of obscenity in radio broadcasting. The letter to Mr. Frederick M. Coleman, U.S. attorney for the northern district of Ohio, which follows is self-explanatory.

Previous material on this subject appeared in the RECORD on February 5, 6, 7, 8, and 21:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 21, 1973.
Mr. FREDERICK M. COLEMAN,
U.S. Attorney, Northern District of Ohio, U.S. Court House, Cleveland, Ohio

DEAR MR. COLEMAN: On February 15, while I was in Cleveland, my Washington office received from you a mere four-paragraph reply to the four-page letter I had sent you January 30, concerning Radio Station WERE. Your letter, dated February 12, said in its entirety:

In reply to your recent communication, respecting possible obscene broadcasting by Radio Station WERE, I wish to advise you that I have taken the matter under careful consideration. In compliance with your request, I have directed a review of the broadcasts of the Gary Dee show for January 17, 1973, and also the Farley Wheelwright program for the same date.

Following a careful analysis of these broadcasts, I must again decline prosecution based upon a violation of a federal statute.

I shall be happy to discuss with you, or a member of your staff, confidentially, the basis for my decision.

I trust that I have been responsive to your inquiry.

The fact is, Mr. Coleman, that you have *not* been responsive to my inquiry, and I must advise you at this time that I do expect a more extensive reply from you covering all the issues I raised on January 30. I did not, as your letter implies, simply ask that you determine whether certain broadcasts by Station WERE have been in violation of Title 18, United States Code, Section 1464, which states: "Whoever utters any obscene, indecent, or profane language by means of radio communication shall be fined not more than $10,000 or imprisoned not more than two years or both."

Rather, I asserted in my letter to you: "What I need is an explanation of the criteria you use for making the judgment that certain language is, or is not, obscene." I added, in anticipation of what ultimately did become your decision: "In the event that you again decide not to prosecute, I would appreciate a letter from you listing each example of the 'questionable language' (to use your own phrase) that you found in your examination of the (WERE broadcast) tapes, *together with an explanation, in each instance, of why these utterances failed, in your opinion, to meet the legal test of obscenity.*" (Emphasis added.)

I want to state unequivocally that I have no quarrel with your decision not to prosecute. That is a judgment for *you* to make—in line with the responsibility that our Constitution assigns to you, rather than to Members of Congress. But since we are concerned here with a matter of broad public policy, why are you, as a public official appointed by the President with the advice and consent of the Senate, so reluctant to make public the reasons for your decision?

I regret to inform you that I must reject your invitation to a private briefing at which you offer to explain your rationale "confidentially." Both of us are *public* officials. As I explained to you in my letter of January 30 (most of which I reproduce here because I want my own position clearly understood):

I strongly believe it is important that this information be given to the public. There is a great deal of concern among my constituents over the effects that these broadcasts might be having on community mores, and especially over the impact they might be having on children and adolescents. While it is true as some have said, that anyone who feels offended by what he hears over WERE need not listen to that station, I believe this is too glib an answer for me or anyone else to give to the people concerned. Switching off the station does not stop the broadcast. Therefore, if what is being said on the air is indeed adverse to the public interest, we then have a problem affecting the entire community, not merely the sensibilities of certain individuals.

The reason I am asking you to state publicly the rationale for your decisions in this area is that I hold so strongly that it is important for the people of our community to feel assured that their oft-stated grievances are given serious consideration, and that their public officials are responsive to them. Frankly, in the face of a statute so clearly worded as Section 1464, I myself find it difficult to convince my constituents that it is not being violated time and again by some of the broadcasts emanating from WERE.

I fully realize that words like "obscene", "indecent" and "profane", while clear in meaning to the average person, do create semantical problems for lawyers and judges—especially in view of the free speech guarantee of the First Amendment to the United States Constitution. But I am certain that I know the people of the 20th Congressional District, and I have no doubt that they, like people everywhere of average intelligence, would be able to understand why these words might or might not be legally applicable to some of the WERE talk shows, providing that the public officials responsible for the enforcement of Section 1464 were to offer them a thoughtful explanation. Whether they accept the explanations is another matter. But at least they ought to have it.

We are dealing, after all, with a statute which, as you know, has been held by Federal courts *not* to be in conflict with the First Amendment. As the United States Supreme Court observed in the Red Lion Broadcasting Co. case (decided in 1969): "It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."

I submit to you that this is a pronouncement worth keeping in mind, even though it might be argued that Red Lion is not necessarily controlling with respect to the issues that might be posed by a prosecution under Section 1464.

In addition, we have had Federal court decisions *specifically* upholding the constitutionality of Section 1464. I would refer you, for example to Tallman v. United States and United States v. Smith, two cases in Illinois which were decided only last year. Should your research indicate to you that these cases are not helpful in consideration of possible action against Station WERE in Cleveland, perhaps you could explain this too, in your forthcoming letter to me.

Because we are obviously dealing here with an issue which goes to the very heart of our Constitution, it is important that we in public office face up to the challenge. I do not include you in the statement I am about to make, since I know you personally and respect you professionally, but I have no doubt you would agree that there has been too much hand-wringing by Government lawyers who fear they might be entering a thicket of irreconciliable conflicts were they to face this issue squarely. Yet we live with Constitutional tensions day by day in our country. On the one hand—to cite one recurring example—we have the guarantee of a free press, and on the other hand, the guarantee of a fair trial. When the two collide, we do not obliterate one in favor of the other; rather, since we value both of these guarantees highly, we seek to establish a public policy that permits the two of them to coexist—safely if not comfortably.

We are apparently faced with such a situation with respect to WERE broadcasts. Free speech and Section 1464 are not mutually exclusive. The courts have so held. Therefore, WERE must be told and the people must be told—in terms clear enough for both of them to understand—where the rights of one party must prevail and where the rights of the second will supersede. I believe that your letter to me might at least begin the process of accomplishing this. The First Amendment is so strongly rooted in our traditions and in our jurisprudence that I have no fear it will endure whatever action you might take, wether it be in the form of court proceedings or simply an attempt to explain your rationale to the public.

My letter went on to state that I am mindful not only of your responsibility in this area but also that of other public officials, including myself. My duty, specifically, is to determine whether there is a need for additional legislation in this area. Obviously, I cannot discharge my own responsibilities adequately unless you furnish me with the data I requested. As you know, I have written also to the Federal Communications Commission, the House's Chief Legislative Counsel and to your superior, the United States Attorney General. You have received copies of all these communications.

At this time I am awaiting too a reply to my subsequent letter to you of February 9, 1973, which stated:

I would appreciate your informing me as to whether all the tapes you requested of the January 17 broadcasts by Station WERE were made available to you by the station.

Whatever difficulties you may have had in this connection, either with respect to the November 1 or January 17 broadcast days, would be of interest to me, since it is conceivable that legislation might be required to correct these problems.

Therefore, it would be very helpful to me if you could send me a complete report on this aspect of the situation—again, as an addendum to the information I have already requested from you.

May I hear from you soon?

Sincerely,

JAMES V. STANTON,
Member of Congress.

AND NOW, BEEF

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. GAYDOS. Mr. Speaker, we have watched in recent weeks as the heavy shipment of U.S. wheat at a fixed bargain-basement price to the Soviet Union reflected itself in the increased cost of bread and other baked goods to the American consumer.

Now we are seeing what that wheat deal is doing to meat prices, a supermarket area where it is having strong impact. By sending grain prices soaring generally by virtue of the enlarged demand, the deal has made cattle feed higher in cost at the feedlots of the Middle West.

Normally, we are told in a news report from Kansas City, a feedlot steer gains a pound in weight for 24 cents or less in the cost of the grain ration. Today, this figure has mounted to from 28 cents to 35 cents and on less efficient feeding operations to 50 cents a pound.

Moreover, the wheat shipments to Russia now underway in full force have made domestic farm shipping and delivery more difficult and costly. Vernon E.

Meckel, a cattle feeding company executive, is quoted on this point in the Kansas City report. He said:

> Exports are fine and we hope they will continue, but we should realize that the huge sales abroad raise our cost of producing beef.

And what are the prospects for the American housewife and her strained food budget? The Kansas City report contains predictions that beef prices, already a source of stock to the food shopper, will go even higher—perhaps by 20 to 30 cents a pound by the middle of next summer.

Beef prices, it can be added, will carry other meat, poultry, and fish costs along with them because more and more shoppers will be compelled to turn for a time to these alternate products and thus increase the demand for them. We already have noted this overall effect in the stores where, for example, fish now is gaining in price almost at the same rate as steaks and roasts.

This, of course, is bad news not only to the American family but to the inflation fighters here in Washington. But it is news which contains another lesson of marked significance to our troubled Nation because it serves as one more demonstration of what happens when those who deal for us in foreign affairs neglect to understand, let alone protect, our own interests. Did those who made the Russian wheat deal and locked it in on the price which prevailed at the time realize that such an arrangement would send the grain quotations skyrocketing for the domestic consumer and end up as a new drain on family budgets and a sharp worsening of the inflation problem? If they foresaw these consequences and yet went ahead, then they are guilty of having wronged us severely.

I am willing, however, to give them the benefit of the doubt—accept the evidence that they blundered into a bad deal—if they can assure us now that the practice will not be repeated—that, in the future, the American interest will be their chief concern and not that now discredited policy of seeking to gain friends for us overseas by buying them out of the earnings of our people. That super generosity which has carried along since the first foreign aid appropriations has been the source of many other hardships here at home in addition to meat prices which, like the proverbial cow, seem bent on jumping over the moon.

LITHUANIAN INDEPENDENCE DAY

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. MINSHALL of Ohio. Mr. Speaker, it has been pointed out that there is a country in which the 55th anniversary bitter irony in the fact that the only this month, of the Declaration of Independence of Lithuania cannot be observed is in Lithuania itself. This is, of course, because of the continuing occupation and subjugation of that nation by the Soviet Union.

This is in line with the Soviet's continued suppression of human rights, the denial of religious freedom and self-determination. Such has been the case in Lithuania ever since the terrible summer of 1941 when Soviet forces herded over 30,000 Lithuanians into cattle cars headed to the slave labor camps of Siberia. These massive deportations of June 1941, were just the beginning of a long-range Russian plan to assimilate and eliminate the Lithuanian nation, making it an unresisting part of a homogenous Soviet society.

More than 30 years later, though the approach is less blatant, the results are the same. Youth groups, supposedly volunteers, are organized to leave Lithuania to settle in Siberia. The tactics by which these groups are organized range from political pressure to exaggerated claims and promises. All young people who have completed their service in the Soviet Army are encouraged and enticed to stay in Russia rather than return to their homeland.

For those who have completed their sentences in Siberian labor camps, the return to their native land is made extremely difficult. Some who do manage to make it home find life in their native countries so difficult they return to Russia of their own volition. Moreover, many Russians are being brought into Lithuania, especially into the larger cities, so that today the Russian population of some of the major metropolises in Lithuania is reaching the 50-percent mark.

The final outcome is obvious. The Lithuanian people will become a minority group in their own country.

These critical issues of the rights of man must be raised at the forthcoming European Security Conference in behalf of not only our Lithuanian friends, but of all the Baltic nations. And, further, we should continue to insist that the United Nations invoke provisions of the Charter to require the Soviet Union to abide by its obligations concerning colonialism and interference with the sovereignty of other nations. I have called for an expression of this principal in my House Concurrent Resolution 29, which follows:

H. CON. RES. 29

Whereas the United States of America was founded upon and long cherished the principles of self-determination and freedom; and

Whereas these principles, expressed in the sovereign quality of nations, are the very reason for the existence of the United Nations, as set forth in the charter of that world organization; and

Whereas the United States and all other members of the United Nations have solemnly pledged themselves to make these principles universal and to extend their benefits to all peoples; and

Whereas on December 10, 1948, the General Assembly of the United Nations passed the Universal Declaration of Human Rights which was accepted both by the United States and the Union of Soviet Socialist Republics, defining said rights as relating to citizens of all member states; and

Whereas since 1918 Soviet communism has, through the most brutal aggression and force, deprived millions of formerly free peoples of their right to self-determination; and

Whereas the Congress of the United States has unanimously expressed in Public Law 86–90, approved July 17, 1959, its revulsion at the continued enslavement of the peoples of Eastern and East Central Europe who were described by the said public law as captive nations; and

Whereas the Hungarian, Polish, Czech, Slovak, Carpatho-Ruthenian, Latvian, Lithuanian, Estonian, East German, Rumanian, Bulgarian, Albanian, Ukrainian, and White Ruthenian peoples may only look to the United States and the United Nations for the restoration of their national self-determination and political independence; and

Whereas the member nations of the United Nations have failed to bring before the General Assembly for successful discussion the problem of self-determination and political independence of the peoples of Eastern Europe; and

Whereas despite the numerous resolutions passed by the United Nations General Assembly, Russian occupation troops are still maintained in Hungary and the issue of their removal has not come up for discussion in the Assembly since 1962; and

Whereas it is vital to the national security of the United States and to the perpetuation of free civilization that the nations of the world act in concert through the forum of the United Nations in demanding national self-determination and political independence for the peoples enslaved by Communist governments; and

Whereas the Constitution of the United States of America, in article II, section 2, vests in the President of the United States the power, by and with the advice of the Senate, to make treaties and to appoint Ambassadors: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is hereby authorized and requested to instruct the United States Ambassador to the United Nations to request at the 1968 session, that (1) the United Nations insist upon the fulfillment of its charter provisions based on self-determination of all peoples in the form of the sovereign equality of states and condemnation of colonial rule; and (2) the Soviet Union be asked to abide by its United Nations membership obligations concerning colonialism and interference with the sovereignty of other nations through the withdrawal of all Soviet Russia troops and agents from other nations now under Communist rule and through returning to their respective homelands all political prisoners now in prison and labor camps; be it further

Resolved, That the President of the United States is further authorized and requested to use all diplomatic, treaty-making, and appointive powers vested in him by the Constitution of the United States to augment and support actions taken by the United States Ambassador to the United Nations in the interest of self-determination and political independence of these nations.

SELF-REGULATION OF DRUG ADVERTISING ON TV

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. MURPHY of Illinois. Mr. Speaker, in the early days of this country, medicine men stood in the rear of brightly painted horsedrawn wagons and peddled their wares. Their products were guaranteed to eliminate such unrelated illnesses as dyspepsia, baldness, and gangrene. Until recently, it was thought that today's standards and regulations made the outrageous claims of yesterday's medicine men laughable.

But let us look at the facts. Today's television commercials urge you to take a pill to tranquilize or stimulate, to check tired blood, or generally help you cope with everyday anxieties. Occasional insomnia is no longer acceptable, headaches are never mild and a cold must not be permitted to run its course. Healthy 16-year-olds are urged to join the "Geritol generation" and parents are conditioned to repress legitimate outbursts at their children.

The smallest inconveniences and frustrations warrant immediate medicinal relief. One authority warns, however, that since such a large fraction of the promotional material is misleading or deliberately deceptive, the layman should not believe any claims whatever for over-the-counter drugs.

Following nationwide hearings by the Select Committee on Crime or drug use in our schools, the committee strongly urged the television industry to voluntarily regulate advertisements for nonprescription medicines. Committee testimony stressed that children at an early age watch "acceptable" drug use on the television and are later unable to distinguish between necessary and unnecessary medication.

I was thus gratified to learn last week that the National Association of Broadcasters' code review board unanimously approved self-regulation of drug advertising effective September 1. I was particularly interested in the regulations affecting children's contact with drug advertisement. I applaud the elimination of drug advertising during and adjacent to children's programs. Furthermore, I trust that celebrities, authority, and sports figures will confine themselves to drug education rather than the promotion of drug use.

I will closely monitor the code board's steps to restrict drug advertising while, at the same time, lobbying to reinstate funds for drug education spot announcements as well as more lengthy programs.

WHY DO WE AMERICANS WASTE OUR WASTES?

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. VANDER JAGT. Mr. Speaker, Members who are acutely aware of water pollution problems and the need for answers to those problems will be interested in a recent column by Russell Kirk, a leader on conservative thought in the United States. Dr. Kirk discusses a method of recycling sewage wastes which I have long advocated and which I have had the opportunity to encourage in Muskegon County in my congressional district.

Dr. Kirk's article suggests that conservatism, in its historic sense, offers direction to the Nation in solving some of our basic environmental problems. The article, which follows, appeared in the December 29, 1972, issue of the Milwaukee Journal. I would be pleased to provide further information on the subject to Members who are interested.

WHY DO WE AMERICANS WASTE OUR WASTES?

(By Russell Kirk)

As all good farmers have known since the early beginnings of systematic agriculture, the best way to get good crops is to enrich the soil with "waste" products—vegetable, animal and human. That keeps up the balance of nature, too; while nitrates and other modern "scientific" fertilizers may burn out the soil upon which they produce large crops for the short run.

Ever since the privy gave way to modern sewage systems in America, almost all human sewage has been wasted literally—indeed, flushed into our streams, it has polluted and virtually ruined great rivers and lakes. Only today, tardily, are Americans waking to the fact that this is imbecilic policy.

Any Chinese peasant knows that. In China for centuries, peasants have built neat little privies alongside the roads, inviting passers-by to relieve themselves on that property; thus they obtain fertilizer for their fields.

It is so in Japan, too, where every agriculturalist knows that human dung is worth a fortune, over the years. A few years ago, a British merchant, the friend of a friend of mine, living in Japan, happened to pass a Japanese farmer on a narrow path through the fields. The peasant was carrying two big buckets of human excrement, to scatter on his lands.

THE ENGLISHMAN SMILED POLITELY

With dexterity, the Englishmen contrived to squeeze past the peasant without being splashed. He smiled politely at his neighbor and said good morning, as if he had not noticed the awkward burden.

Grateful for the Englishman's courtesy, the Japanese reciprocated in kind. The following morning, the merchant found on his doorstep a reeking crock of dung—a present from the farmer, who thus gave his English neighbor some of the most valuable capital he possessed.

Most Americans laugh at the Hindus' attachment to those famous "sacred cows." What we forget is this: Religious prejudices aside, cattle make possible the existence of the Indian peasant in vast regions. They are more valuable if not slaughtered and eaten.

Not only do they yield dairy products, but their dung fertilizes fields that have been cultivated for thousands of years, it supplies the only cheap fuel for household use in regions that lack wood or mineral resources, and it even constitutes the chief domestic building materials in large parts of India and Africa.

FROM MILWAUKEE, A FINE IDEA

On my lawns in Michigan and round my trees and shrubs, I use Milorganite, an efficient and virtually odorless fertilizer that comes in bags from Milwaukee. It is processed and dried sewage, which the city administration sells on a large scale from its sewage treatment works.

Milwaukee has probably the best municipal services of all sorts of any city in America; yet I am surprised that no other big place has yet emulated this undertaking, which combines disposal of wastes with ecological renewal.

Muskegon, on the other side of Lake Michigan, also pioneers in such endeavors. There the city sprays treated sewage on some 6,000 acres of barren, sandy land owned by the municipality, making all that land profitably arable. There were obstacles at law to this project, but now those have been surmounted.

Chicago, with the world's biggest sewage works, has been trying to spray or plow its sewage-sludge into the derelict strip-mining lands of other counties in Illinois. The crop yield increases immensely when this is done, but there are local objections—chiefly because of stench, which nevertheless may be diminished or eliminated by plowing or proper pretreatments.

In one way or another, all this sewage used to go into Lake Michigan or other waters, destroying fish and other forms of aquatic life.

Private enterprise, rather than government, has led in this reclaiming of "wastes." Take Gerber products, the great canners of baby foods.

Recently I talked with Dan Gerber, the patriarch of the numerous Gerber clan, at his headquarters in Fremont, Mich. Farmers from many miles around sell their vegetables and fruit to Gerber's tremendous plant there, and of course the cannery must dispose daily of masses of vegetable waste.

But Gerber doesn't waste the waste. For the last 21 years, the firm has been spraying all this "waste" upon many fields in the vicinity of Fremont: from 600,000 to one million gallons of it daily.

FIELD SPRAYED 'ROUND THE CLOCK

They spray the soil for two hours, let it rest two hours, and then spray again 'round the clock. They have maintained test wells to check on subterranean water pollution; there is none, nor does all this spraying raise the water table. The fields so fertilized yield vastly better than do fields not so treated, and the waste is disposed of without polluting streams.

Go thou and do likewise, municipalities. The most obvious way to renew the land, and to avoid pollution by such wastes, is to put back into the soil what originally came from the soil in the form of grasses, vegetables and fruits—organic matter.

If we fail to do that, we soon starve the soil, starve ourselves eventually, and face the prospect of drowning in our own wastes. What the organic gardener does with his compost heap, the great city can do profitably, with its sludge.

PSYCHOLOGY OF DRUG ABUSE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. ALEXANDER. Mr. Speaker, in an earlier issue of the RECORD, I share with you an article "Our National Epidemic" written by Dr. John Buckman, an associate professor of psychiatry at the University of Virginia School of Medicine and a noted authority in the field of drug abuse.

Today I would recommend to my colleagues the first part of a paper Dr. Buckman presented at the 24th annual Stoneburner lecture series, February 26, 1971, at the Medical College of Virginia in Richmond. This paper, the conclusion of which will be placed in tomorrow's RECORD for your further reference, gives us a deeper insight into some of the reasons for drug use in our society:

PSYCHOLOGY OF DRUG ABUSE

(By John Buckman)

INTRODUCTION

Drug abuse in this country and, to a lesser extent, in the industrial countries of Western Europe has become one of the major topics of discussion at all levels of society. Volumes are being written about it, millions of dollars are being spent to control it, but comparatively little effort is devoted to deeper understanding of the phenomenon. It has become part of the age long struggle between the young and the old, between the rich and the poor, between the white and the black, and between the lawless and the law abiding. It has certainly added to the polarization between the younger generation and the establishment. It has evoked numerous presidential pronouncements, appointments of congressional committees, and has given birth to new breeds of martyrs advocating legalizing use of all drugs by all adults, plus saviors of national morals and safety on the other side who advocate even stiffer penalties for possession of marijuana. As a result of prolonged and growing publicity regarding the issue of drug abuse, there has been a direct financial benefit to all news media, publishing companies, illicit drug sellers, and pharmaceutical firms.

While all drugs, in fact, are being abused, I shall concern myself only with those drugs which are being abused because of their potential for producing a change of mood and or an altered state of consciousness. This group of drugs has been used since prehistoric times; for example, the cannabis group has been known and written about for some 5000 years. The early man, who largely relied on plants for food and medicine, soon found that a number of plants, when ingested, could produce in him altered states of consciousness, abolition of pain and change in mood. These drugs which we now call hallucinogens or psychedelics were used with great ceremony, and some were thought to be sacred. They were not used with levity but were closely guarded and usually used by priests for purposes like religious sacrament. healing, foretelling the future, communication with the gods, communication with the dead, or foretelling the disposition of the enemy on the other side of the mountain.

MOTIVATION FOR DRUG ABUSE

Berger and Porterfield (1969) state: "Persons may use drugs to obtain one or more of the fololwing goals";

1. To achieve detachment from personal problems and troubles and to produce a state of well-being
2. To establish an involvement with the subculture that offers an identity and an identification in society.
3. To express hostility towards respectable society and as a protest against the injustices and restrictions imposed by the establishment.

Motivational factors may be divided into personal and societal.

Personal

Personal motivation for drug abuse may center around overwhelming intraspsychic conflict, present especially during adolescence and centered around adult sexuality, hostility, dependency-independency issues, and identity diffusion. Secondary factors, arising largely from this first group, may be:

1. Fear of competition and failure
2. Fear of homosexuality
3. Fear of threatening mental illness or disintegration
4. The need to rebel
5. The need to be caught and punished
6. The need to explore the limits of one's body and psyche and to challenge one's resources
7. The need for a hedonistic or orgiastic experience
8. The need to belong to a group or subculture
9. The need for instant relief or instant answers (chemicals produce the most instant change).

Societal

In the last 20 years, the pharmaceutical industries have made enormous strides in alleviating or even curing a vast number of conditions.

The information explosion, the constant bombardment that we experience from all the media of communication have drastically altered our concept of time and space and have us be aware of some enormous problems, like hydrogen bombs, pollution and overpopulation, with the resulting increase in frustration, anxiety and, indeed, despair.

Society is in constant search of escape, one of the quickest temporary means of escape being drugs.

The *television*, from a simple machine, has become the national babysitter, the substitute parent, the teacher, the preacher, the indoctrinator, and almost an extension of our bodies. Children spend an enormous amount of time in front of television before they are old enough to select and judge. Mothers in India may put opium on the children's breakfast and mothers in California may put marijuana on the children's breakfast cereal as a form of tranquilizer. Our children are stuck in front of the television set which then will act as a tranquilizer so that mother can get on with her housework or so that the parents may entertain their friends uninterrupted. On Saturday mornings, for instance, every channel on television is directed at the children, with roughly the same nonsensical horror comics which given the child most bizarre ideas about aggressive behavior. The side effects of television programming are becoming more and more obvious:

1. By the time the child has reached six years of age, he or she may have seen on television over 20 thousand acts of violence. He also learns that violence is all right and that death is reversible because, "if the guy gets killed today, he still comes back next Saturday."
2. The child's fantasies about his own omnipotence are maintained by the fact that he can, at will, change the channel or switch off the program he does not like. Children deprived of communication with their parents or with other children lack the ability to express themselves verbally; their own initiative, inquisitiveness, and exploratory behavior is stifled. They begin to talk in monosyllables and by identifying with the television set, talk in terms of "turning on," "tuning in," "tuning out." "turning off," and "dropping out." This, of course, has also become the language of the new psychedelic generation.
3. Intermingled with the scenes of violence there are news programs or debates which have primarily to do with the bad news of war, murder, arson, rape, robbery, crime, and drug abuse just to mention a few.
4. A third ingredient on television is *the solution* and includes the numerous and very seductive pharmaceutical advertisements to do with drugs which make you feel more tranquil, happier, younger, sexier, and more attractive to the opposite sex. The advertising industry has for many years employed some of the best psychologists in order to find out the psychology of buying and selling. They know that the best way to persuade people to buy is to have the product promise to alleviate some of the sources of suffering and the feeling of inadequacy. Sex, strength, youth, and virility are implied; we are further lulled into a delusional belief that chemicals are necessarily safe.

DRUG ABUSE—SOME IMPORTANT ISSUES

The struggle between the young and the old

This is very deeply symbolized by the present drug culture. One of the issues is not just whether drugs are safe but "who tells whom what to do." Another issue is that the young are unconsciously, at least, convinced that the old are jealous of the strength, youth, and virility of the young people and that they send them to wars to be exterminated.

The stereotype of the drug user

When people talk about drug abuse, the stereotype which is evoked in the imagination is of a heroin addict from the ghetto who may be violent and sexually deviant. At an unconscious level, drug abuse is linked with self abuse; often the punitive over reaction that to do with our suspicions that drug abuse is synonymous with loose sexual practices, forbidden masturbation, and cannibalism. Adam and Lohrenz (1970) document this well in their recent article.

THE VANISHING PRESTIGE OF THE U.S. DOLLAR; AN EXCUSE TO SELL GOLD TO FOREIGNERS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. RARICK. Mr. Speaker, the financial experts continue to tell the American people that gold is inconsequential—that paper money backed by people's confidence is all that is necessary for a medium of exchange.

Again, the experts' rhetoric has backfired. The dollar has been devalued by our leaders twice in 2 years and continues to be unofficially devalued in foreign marketplaces where no one seems to want U.S. dollars. Lack of public confidence in paper money has spurned a new gold rush and the U.S. balance-of-payments deficit continues.

It appears that the experts who tell the people paper has replaced gold as money have done unto Americans as they would not do unto themselves. Americans are denied the right to own gold.

The more accurate purchasing power of the dollar comes from working people who know the worth of money. From Frankfurt, Germany, street walkers have set the exchange rate at 2 marks for 1 U.S. dollar. Things do not just happen, they are planned that way. Our monetary prestige, like our national sovereignty, is under attack and vanishing. Now we are told that the sale of gold owned by Americans may solve the crisis—foreign, perhaps, but not American.

I insert several news clippings:

[From the Washington Post, Feb. 10, 1973]

FRANKFURT FLOOZIES DISCOUNT DOLLAR

FRANKFURT, February 9.—Prostitutes knocked one-third off the price of the dollar today.

Women patrolling the streets around the Frankfurt railway station said they were giving American servicemen only two marks per dollar—36 per cent less than the lowest official exchange rate of 3.15 marks.

[From the Evening Star-Daily News, Feb. 23, 1973]

GOLD SOARS TO $95, DOLLAR VALUE DROPS

LONDON.—Gold leaped to another unofficial price record again today, touching $95 an ounce in early trading on the London free market. The value of the devalued dollar nose-dived in early trading, threatening a new world monetary crisis.

Central banks in West Europe bought up dollars today to support it when it dropped in early trading, and it steadied later. But one London dealer said, "conditions have been fairly hectic, and with the dollar being supported heavily again today we could be in for another crisis."

The gold price later declined in London.

The biggest dollar plunge was in West Germany where it opened at 2.89 and quickly sagged below its 2.835 floor price. The Bundesbank bought up $10 million and propped up the dollar at 2.84 marks to the dollar. One German bank said, "we're back with speculation. Many believe the mark will have to be revalued upwards."

In Paris the franc went lower, with both commercial and financial dollars traded at 4.5000, down respectively from 4.6240 and 4.4950.

(In Washington, the Treasury played down the flurry in European gold and currency markets.

("There's no flap here—no indication of any crisis," a spokesman said.)

The dollar sank in London too. In early trading it took $2.4925 to buy one pound sterling—the highest figure since the dollar was devalued. In Zurich where the central bank has refused to intervene to support the dollar, the dollar dived to 3.11–3.13. In Amsterdam it fell from 3.1715 to 2.8550.

Sterling was 3½ cents higher than yesterday's close of $2.4610. But it dropped back to $2.48 after news of intervention for the dollar in European markets.

In Tokyo, the dollar improved slightly against the floating yen in light trading and closed at 265.55, up .55 from yesterday's closing.

Dealers used words like "frantic" or "hectic" to describe the new gold rush. One said orders were rushing in from all over the world, and that the demand was "heavy."

Early trading today pushed it to ranges between $93 and $95. The official fixing put the price at $89 per ounce, up $2.50 on the second of the day's two fixings yesterday. Gold was at an all time high on the Hong Kong market but the price there was reported as $77.25 an ounce.

Gold prices normally move in pennies or fractions of a cent. This week the price has leaped about $15.60 an ounce and London dealers said orders were flooding in from all over the world in the new gold crisis that almost overshadowed the paper money crisis.

[From the Sunday Star-Daily News, Feb. 25, 1973]

Billions of Dollars Nobody Wants to Keep

(By Richard Longworth)

Brussels.—An ocean of unwanted dollars is sloshing around the world, ready to force yet another dollar devaluation at any moment.

Those dollars were on the move again Friday. The result was that gold prices shot to a record high, the dollar trembled and a French banking official said that "the markets are totally haywire."

If there is any agreement among world money experts, it is that:

The recurring money crises will not end until something is done about these movable dollars.

This solution must be part of an overall reform of the world monetary system, to replace the "Bretton Woods" system which, after 29 useful years, has finally broken down.

This reform already is under discussion. Finance ministers of the "Committee of 20"—a collection of important developed and developing nations—will meet in Washington March 26 for the latest round in reform talks. They hope to have the draft of a reform ready when the International Monetary Fund holds its annual meeting in Nairobi in September.

Whatever is worked out could govern the way the world handles its money for the next 25 years or more. With this much at stake, major differences remain—particularly between the American and the European approaches. Few persons believe any new system can be functioning before next year at the earliest.

The current system began at Bretton Woods, N.H., in 1944, when the Western nations agreed to stabilize world monetary relationships by pegging the exchange rates of their currencies to the then-almighty dollar, which was pegged to gold. The dollar, therefore, became "good as gold" and vice versa. As long as this situation lasted, so did stability.

But year after year, the United States sent more dollars abroad than it took in. These dollars went out for foreign aid, tourism, investment abroad, the stationing of troops around the world, the Vietnam war and other purposes that made America an international spendthrift.

As long as there was a dollar shortage, this made little difference. But over the years, a dollar surplus built up. Suddenly it became apparent that foreigners held too many dollars. If they tried to cash them all at once, they would far outstrip the gold reserves in Ft. Knox.

The United States, in other words, was a potential bankrupt.

In international economics, as in anything else, there is too much of a good thing. As the supply of dollars went up, the demand went down. The respect for the dollar weakened. Foreigners reasoned that if the United States could not pay gold for dollars, what good were they anyway?

Mostly, these overseas dollars were held by investors, speculators, a few oil-rich countries and, increasingly, the huge multinational companies that deal in many currencies. Two years ago, these people became convinced that the dollar was so weak that it eventually would have to be devalued.

No one wants to hold on to a currency that may be devalued—that is, become worth less in terms of both gold and other currencies. So these people quickly transferred their excess dollars toward the strongest currency—the German mark.

Under international monetary rules, nations must support the dollar by buying it at its pegged price. But when the dollar is weak, it is only throwing good money after bad to pay marks for it.

GOLD LINK CUT

So in May, 1971, Germany tried to take the pressure off by revaluing the mark upward by 5 percent. It wasn't enough and, in his historic announcement three months later, President Nixon severed the link between gold and the dollar and allowed the dollar to float down on money markets. In December, 1971, it was dropped another 8 percent—its first devaluation since the 1930s.

Within 14 months, the speculative heat was on again. The United States, after consultation with its allies earlier this month, acted quickly with a 10 percent devaluation. On Feb. 12, the dollar had become worth 23 percent less to America's partners than it was in early 1971.

Was it enough? No banker or economist would bet on it. The ocean of overseas dollars remained—an estimated $70 billion worth. Financiers said some $30 billion to $50 billion of this was "excess currency"—over and above what central banks need to do business. It was this pool that flowed from country to country at the slightest rumor, seeking the strongest currencies, undermining the weakest, causing crises.

Less than two weeks after the latest devaluation, the dollar was under new attack and a London banker moaned:

"Something has got to be done. We can't go on like this."

Something is being done—the reform talks. But results are not in yet on whether they will be soon enough or big enough to prevent still more crises.

[From the State-Times, La., Feb. 16, 1973]

Dollar Devaluing May Change Lives

(By John Cunniff)

New York.—While chances are great that you will barely notice any immediate, perceptible change in your life because of the 10 percent devaluation of the dollar, there are exceptions.

You may be hurt if:

You are dependent upon imported products or parts. If you own a German or Japanese automobile that needs repairs your bill might be higher after the dealer's present parts supply runs out and he needs to import more.

You travel extensively in nations whose currency is now worth more in relation to the dollar. If you are on an unlimited expense account you may not be concerned. But you should be if your account is limited to a daily or total figure.

You send money back to relatives in "the old country." Or you are an American living abroad, perhaps a retiree who receives a Social Security check from home each month.

You work for a company that distributes imported products or which manufactures a product containing imported ingredients. Such a company could suffer a competitive disadvantage, mainly because of higher costs.

You could be helped if:

You work for a company that has been hurt by foreign competition. In theory, at least, your company should now feel a change in competition both at home and abroad.

You are a travel agent whose income depends upon a percentage of a customers' total foreign travel costs.

You are an employe of a recreation or entertainment company, or any other business that could prosper from an increase in foreign travelers whose money is now worth more than before.

You hold stock in a corporation which looks attractive to foreign investors more willing now to invest in the United States, mainly because stock prices have been discounted 10 percent, but also because some companies might become more competitive.

You hold business or property for sale—anything from a tiny work of art to a manufacturing plant—that now could become more attractive to foreigners with capital seeking to make direct investments in the United States.

You are an investor in a U.S. company whose borrowing costs might be reduced because of a return flow of dollars.

Among the signs of a new economic world that called for new currency alignments:

For half a century the United States was known as the producer of automobiles. No other nation or group of them was close. If anything represented American industrial dominance it was the car.

Now there exists an economic entity known as the Common Market, made up of Germany, France, Italy, Belgium, The Netherlands, Luxembourg, Britain, Ireland and Denmark. Twenty years ago their combined auto output was less than a million.

In contrast, these same nations produced more than 10 million units in 1970. Because Britain and Ireland were not members then you may subtract 1.5 million units and still exceed the U.S. total of 6.5 million for the year.

—In the immediate post-World War II years it was often said the most needed exportable of the United States other than its money, was management knowhow.

"Dun's Review," a management magazine, studied current European attitudes toward U.S. managers and their methods and found much disenchantment.

It summarized findings in these words:

"Europeans believe that in their reliance on management methods and techniques, American executives have, in effect, lost their ability to get things done."

[From the State-Times (La.), Feb. 14, 1973]

DEVALUATION OF DOLLAR WILL BE FELT IN STATE

(By Bob Dardenne)

Devaluation of the dollar will have some impact locally.

The United States announced Monday the dollar was devalued 10 per cent, meaning that in foreign countries the dollar is worth 10 per cent less today than it was three days ago.

It also means that foreign goods coming into the Baton Rouge port will cost purchasers here 10 per cent more, and that grains and other U.S. goods leaving Baton Rouge port will cost foreign purchasers 10 per cent less.

To the Baton Rouge consumer of foreign goods, it could mean an increase in prices. That Italian car, that French wine, that Japanese transistor radio—they could all cost more.

Also, one result could be an increase in export activity at Baton Rouge port. The reason? Dr. David Johnson, LSU professor of economics, said, "America products are now cheaper in terms of foreign currencies."

That is one idea behind devaluation. American products become cheaper in foreign markets and foreign products become more expensive in local markets.

Speaking about the devaluation, Louisiana National Bank economist Glenn Coats said it was caused by a $7 billion imbalance of trade—the United States has spent $7 billion more dollars in foreign countries than it took in.

That leaves heavy concentrations of American dollars in foreign countries—principally Japan, where the imbalance of trade amounted to almost half the total, or about $3 billion.

There will be some impact on local banks, Coats said, in that purchasers of foreign goods here will be paying 10 per cent more, and that is 10 per cent more money being drawn from banks here.

To that extent, he said, banks will feel the devaluation. In major import trade areas, banks could be affected significantly, he said.

Local consumers, sooner or later, will feel the effect of devaluation.

Johnson said it is likely that retail prices on foreign goods will go up. It may not be as much as 10 per cent, however, because exporters wil probably cut their prices to keep their products competitive on the U.S. market, the LSU professor said.

It is possible that prices on Baton Rouge's huge stockpile of foreign automobiles will go up.

But Johnson feels the major significance for Baton Rouge will be not on imports, but on increased exports from the port. With U.S. products 10 per cent cheaper, he said, more goods should be shipped out of Baton Rouge.

Port Director William Herbert said it was too early to tell exactly what would happen as a result of the international money move.

Talking about imports, he said he felt the automobile situation would be of major consideration. Cars imported through Baton Rouge go to Arkansas, Mississippi, Texas, Missouri, Kansas and throughout the Midwest, as well as to statewide markets.

"Of course, import prices on the automobiles will go up," he said, but it is too early to tell whether that will affect importation of cars here.

If a consumer has made up his mind to buy a foreign car, he said, 10 per cent more would probably not change his mind.

Using Japan as an example, Coats explained what happens to money from Baton Rouge when it is used to buy foreign goods here:

—A purchaser here buys goods, paying the Japanese exporter 10 per cent more money than he would have paid before. The money is withdrawn from a bank here—10 per cent more than before devaluation.

—The Japanese exporter deposits the money in his Tokyo bank and receives credit for Japanese yen. It is 10 per cent less yen that he would have received earlier, but since he charged the Baton Rouge man 10 per cent more, he is not affected.

—The Tokyo bank takes the check to the Japanese Central Bank (Federal Reserve Bank) and receives yens for the dollars.

—Now the central bank has the Baton Rouge money. With the current imbalance in trade, it would probably already have a large quantity of dollars. Therefore, it would take the dollars and invest them in U.S. Treasury Notes, thereby earning some five and one-half per cent interest and, ultimately, more dollars.

The problem is to get those dollars back to the United States.

Basically, by devaluating, the government hopes two things will occur.

One, the Baton Rouge purchaser might be discouraged from buying foreign goods, and two, foreign countries—Japan, for instance—might take advantage of 10 percent cheaper prices and buy more American goods.

The result, hopefully, would be a decrease in the amount of U.S. dollars in foreign central banks.

THE 55TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 20, 1973

Mr. DONOHUE. Mr. Speaker, I am always honored to take part in this annual congressional program commemorating the anniversary of the declaration of Lithuanian independence.

This program has two primary purposes.

It is held, first, to pay continuing tribute and give continuing encouragement to the brave and gallant people in native Lithuania.

Second, we wish to rededicate ourselves to our original objective of restoring freedom to Lithuania as quickly as possible.

It was 55 years ago when the Lithuanian people proclaimed the return of their independence after centuries of Russian domination.

For 22 years they enjoyed a free, democratic, happy way of life.

Then Lithuania was again and unlawfully invaded by the Soviet Communists who claimed her as a part of the Russian Republic.

This invasion was especially cruel and inhuman. Many thousands of innocent Lithuanians died, thousands of others were deported, families were separated and the culture and economy of your proud country was shattered.

However, despite the sustained Communist efforts to suffocate the national traditions of the Lithuanian people their high spirit and intense devotion to the principles of freedom and democracy still endure. The worst persecutions of the passing years have not weakened their desire for liberty and self-determination. That is one great reason why we are certain Lithuania will yet recover her independence.

I am further confident that the Lithuanian people will one day regain their freedom because they are a nation of Christian beliefs with the faith to persevere in them.

However, we, and all others, who are blessed with freedom must maintain our efforts to encourage them to carry forward their refusal to accept Communist rule.

On this score we can take some pride in the knowledge that the United States continues to recognize the sovereignty of Lithuania, and the other Baltic states, and has steadfastly refused to recognize Communist Russia's claim that they are a part of her territory.

On this special occasion you and I and all other freedom-loving Americans must resolve to make sure that our Government holds firm in continuing criticism and condemnation of Russia's illegal seizure and persecution of the Lithuanian people.

We must also resolve to perseveringly call upon the United Nations and all other free governments to exert every pressure that they can upon Russia to convince the Communist dictators to release Lithuania from their subjugation.

Our common duty is to keep trying to arouse the conscience of the free world to act against Communist tyranny in order to preserve hope and trust in the minds and hearts of the valiant Lithuanian people.

I am certain that if we all persevere in our helpful efforts, the Lithuanian people will have the unyielding courage and the unbending will to regain their liberty and independence and I hope this will be accomplished in the near future.

ARTICLE BY HON. JACOB MISHLER, CHIEF JUDGE OF THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK, ON THE SENTENCING PANEL PROCEDURE IN FEDERAL CRIMINAL CASES

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Ms. HOLTZMAN. Mr. Speaker, the various procedures utilized in the sentencing of convicted defendants constitute a primary area of concern with respect to the judicial administration of criminal justice.

The Honorable Jacob Mishler, chief judge of the U.S. District Court for the Eastern District of New York, has addressed himself to this important issue in a very fine article which appeared in the January 24, 1973, edition of the New York Law Journal. The article details the mechanics involved in and the benefits to be derived from use of the "sentencing panel procedure." The "panel" is actually composed of a sentencing judge, conferring judges, and the chief probation officer who meet to discuss the particular case and considerations to be taken into account with respect to sentencing. Use of the panel procedure in this manner has been helpful in minimizing disparity of sentences.

Because this analysis of the eastern district's efforts to develop a fair and efficient system for the sentencing of convicted defendants will be of interest to my colleagues who are concerned about Federal reform, I insert the article in the RECORD:

THE SENTENCING PANEL PROCEDURE: HOW IT WORKS IN EASTERN DISTRICT

(By Jacob Mishler)

The sentencing panel procedure established in the United States District Court for the Eastern District of New York in 1962 came to the public's attention during recent public discussions on various phases of the judicial administration of criminal justice. The first district to use the sentencing panel was the Eastern District of Michigan (Detroit) in November 1960. No other court has adopted it except the Northern District of Illinois (Chicago) in December 1963. The Supreme Court of Bronx County has recently instituted a pilot program to test this procedure.

The Federal Judicial Center has consented to make a study of the procedure and its effect. The study will include all reports made by the judges of this court from 1967 through 1972. In preparation for this article, my staff examined only the reports from Jan. 1, 1972 to Nov. 3, 1972. This article could not await the professional treatment of the Federal Judicial Center; enough can be garnered from the study of the current year for our purposes.

EIGHTY PERCENT PLEAD GUILTY

To the vast majority of defendants, the sentence to be imposed is the only meaningful step in a long, complicated process. About 80 percent of the defendants plead guilty. For them, from the outset, the only question left is the sentence to be imposed. Judge-shopping has been eliminated in this court since this court embraced the individual assignment system of assigning cases (Sept. 1, 1969). All the defendant has a right to expect is that the judge to whom his case was assigned will impose a sentence not substantially different from that which any other judge of the court would impose. That is also the fond hope of the judges of the court. I believe that the sentencing panel is a valuable tool for the accomplishment of this objective.

The total number of sentences imposed by the twelve judges (nine active, three senior) of the court during the study period was 785. The substantive offenses included armed bank robbery, bankruptcy fraud, bribery, threatening the life of the President, counterfeiting, embezzlement of bank funds, forgery, income tax evasion, interstate theft of goods, mail fraud, narcotics violations, obstruction of justice, selective service violations and smuggling. Almost all the crimes were felonies. Only 380 sentences were the subject of the study for 1972. For a variety of reasons no reports were filed on the remaining sentences.

RISE IN FILINGS

The number of filings has increased from 471 for the fiscal year ended June 30, 1969, to 1,225 for the fiscal year ended June 30, 1972. Our Probation Department personnel has not increased in the same proportion. In an attempt to limit the workload of the Probation Department I requested the judges to dispense with presentence reports where possible. One of our senior judges had permanent chambers at Westbury since prior to Jan. 1, 1972 and he was joined by one of our active judges as of March 1, 1972. The inconvenience of attending sentencing panel conferences at Brooklyn discouraged these judges from continuing their participation in the panel conference.

Turning to the mechanics of the procedure, a schedule of conferring judges is established for the calendar year. Two judges are assigned as conferring judges for each month. The identical pairing of judges is not repeated during the year thus maximizing the opportunity for exchange of views among the members of the court.

The sentencing panel procedure becomes operable when the Probation Department delivers presentence reports (in triplicate) to the sentencing judge. The sentencing judge's office then delivers a copy to each conferring judge together with a form on which he is to indicate his recommended sentence. The presentence reports and the reporting forms are delivered to the conferring judges on the Thursday prior to the scheduled weekly Tuesday conference. The conferring judges record their recommended sentences. After reviewing the probation report, the sentencing judge records his tentative sentence. Until this point none of the judges discuss the case or the sentence.

The sentencing judge and the conferring judges, together with the Chief Probation Officer, then meet to discuss the case. The forms containing the records of the conferring judge's recommended sentences are delivered to the sentencing judge at this conference. The discussion ensues. When there is general agreement the discussion is usually brief. Otherwise it extends to the nature of the crime, the degree of culpability, the age, education and work record of the defendant and whether psychiatric examination should be directed. After sentence is imposed, the sentencing judge files a form with the Chief Judge which contains (1) his tentative sentence, (2) the recommended sentences of the two conferring judges and (3) the sentence imposed.

The initial determination in a substantial number of cases is between *probation* or *prison*. This is usually the critical decision in cases involving juveniles, youthful offenders, young adult offenders and first offenders. The statistical study revealed that in 349 cases out of 380 cases, or in approximately 92 per cent of the cases, at least one conferring judge agreed with the sentencing judge.

In a study to evaluate the effectiveness of the sentencing panel procedure, the degree of concurrence in the length of term of the sentence to be imposed is of interest. In 229 cases out of a total of 380 cases, or approximately 60 per cent of the cases, at least one conferring judge recommended a sentence whose duration fell within a range 20 per cent lower or higher than that tentatively set by the sentencing judge. In many of these cases the recommended sentences of one or both conferring judges was identical with the tentative sentence of the sentencing judge.

An indication of the effect the conference has on the sentencing judge is the number of instances in which the sentencing judge modified his tentative sentence. I do not discount other factors including allocution at the time of sentencing. However, the statistics suggest that the conference does play a part in the final sentence. The sentencing judge changed his tentative sentence in 154 cases out of a total of 380 cases, or in approximately 41 percent of the cases. Of the 154 modified sentences, the sentencing judge increased the term in 32 cases and decreased the term in 122 cases.

The sentencing panel procedure appears to be a helpful tool in minimizing disparity of sentences. Over a period of time the contribution that each judge makes at the conference creates a more consistent blending of the factors that bear on the sentence. The goal sought is not identical sentences for the same crime; such uniformity would deny each defendant individual consideration and personalized treatment. I believe that the sentencing panel procedure will bring about general agreement on the factors that come into play as they apply to the sentence at hand and the weight to be given to each factor. Traditionally, the justification for imprisonment has been (1) the right of society to retribution, (2) the right of society to protection from further anti-social conduct, (3) the deterrent effect a prison sentence has on the defendant or other potential violators and (4) the obligation of society to rehabilitate the defendant and the benefit that will accrue to the defendant and to society from this rehabilitation.

Retribution is considered a base motive and generally rejected as counter-productive. The other concepts are valid considerations. They vary in proportion when applied to different crimes and from defendant to defendant. The goal is uniformity in the application of these elements. We seek general agreement as to whether imprisonment of an income tax evader will deter potential income tax violators and whether it will have the effect in the specific case under discussion; as to whether a young adult convicted of forging stolen checks is a threat to society and whether the chances of rehabilitation of the subject will be enhanced through probation or imprisonment. If that degree of concurrence is accomplished then the sentencing panel procedure will have fulfilled the hopes of the court. But I believe the harvest is greater. The sentencing judge is better informed about the individual to appear before him. The scheduled conference with his associates and the Probation Officer demands that he prepare for it. At the conference the discussion of the subject matter of the presentence report at times suggests alternatives that did not occur to the sentencing judge. This is particularly helpful to newly appointed judges.

The procedure is time consuming. Presentence reports are usually reviewed by the judges over the week end. Conferences take about one to two hours. In a busy court where judges must carefully allocate available time to many competing demands we nevertheless find the time used in the sentencing panel procedure is well spent.

SPACE YOUTH COUNCIL

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the Federation of Americans Supporting Science and Technology (FASST) is presently trying to form a Space Youth Council to help industry and government relate to young people the importance of the space program in general and the space shuttle in particular. FASST is ready and willing to go forward with the Space Youth Council and is confident that the SYC could sport a membership of over 1,000 within the next 3 months. Within a year, the SYC could have a membership of at least 5,000. This could be drawing upon those students who have contributed Skylab experiment suggestions. FASST is also seeking the creation of an Energy Youth Council to which the Atomic Energy Commission has already responded vigorously. Funding will come from the Office of Education in the AEC.

I commend to your reading the following information on the Space Youth Council from Mr. David Fradin, chairman of FASST. I strongly support this program and hope the space community will do likewise with its available funding capacity. The newsletter follows:

Proposal for Space Youth Council—August 16, 1972

PURPOSE

In 1972 there are over 25 million young voters who may or may not support the space program. Armed with over 20 percent of the vote, these young people will ultimately determine the future of America's space program, including the space shuttle. The important thing is that these young people must know and understand the importance of space exploration. The purpose of the Space Youth Council is to help industry and government relate to young people the importance of the space program in general and the space shuttle in particular.

STRUCTURE

The Youth Council should consist of 10 young people geographically located around the country. These 10 people will be selected initially from the FASST membership. The selection will be made by the national officers of FASST and their appointment will be temporary, at least initially. Selection will be made on the basis of references and curriculum vitae.

These 10 members should be directed by a full-time director (a young person) from FASST headquarters in Ann Arbor, Michigan. This full-time executive director will come directly under the responsibility of the president of FASST. A job description of the executive-director is attached. Each Youth Council member will be charged with the responsibility of developing a youth constituency in his region that supports the space program. At a later date, each Youth Council member will be elected from his constituency.

Meetings of the Youth Council should take place at least three or four times a year; perhaps at different locations, for example, Houston, Cape Kennedy, Washington, D.C., Los Angeles, Ann Arbor, etc.

CHARTER INCLUSIONS

A Charter of the Youth Council should include:

Advising how to best relate the space program to young people;

Conducting of youth opinion surveys towards the space program;

Writing and distributing materials on the space program to young people;

Briefing legislators on the space program from a youth point-of-view;

Presenting forums and discussion groups on campus;

Briefing university and high school news media;

Giving news media interviews;

Arranging speeches before youth groups; and

Developing an actual youth constituency in favor of a viable space program.

Annual funding

Executive director	$8,000
Burden (travel, phone, supplies, etc., for executive director)	7,000
Secretarial	5,000
Travel (for 10 SYC members)	12,000
Office expenses (phone, supplies, etc.)	8,000
Total	40,000

The funding should be appropriated quarterly to FASST with 10% of the Annual Funding initially to start the program. If desired, a quarterly accounting will be conducted.

JOB DESCRIPTION

Space Youth Council Executive Director.

QUALIFICATIONS

Young person.

Appropriate references.

Space Program supporter with proven interest and efforts in relating the importance of the Space Program to young people.

Must be approved by the Directors of FASST.

RESPONSIBILITY AND DUTIES

Directs the Youth Council.

Directly responsible to the chairman of FASST.

Arranges the meetings of the Youth Council.

Distributes information on the space program to young people.

Conducts youth opinion surveys towards the space program.

Briefs legislators.

Arranges displays, forums, and lectures on the space program.

Develops with SYC members an actual youth constituency.

SUPPORTERS OF SPACE YOUTH COUNCIL PROPOSAL

Congressman Olin E. Teague, Chairman, Science and Astronautics Committee.

William M. Magruder, Special Consultant to the President.

Dr. George M. Low, Deputy Administrator, NASA.

John P. Donnelly, Assistant Administrator for Public Affairs.

Michael Collins, Director, National Air and Space Museum.

Fredrick C. Durant, III, Director, Astronautics Smithsonian Institution.

William P. Thayer, Chairman of the Board, LTV Corporation.

Carlyle Jones, Vice-President, Aerospace Industries Association.

Col. William Anders, Executive Director, National Aeronautics and Space Council.

VOICE OF DEMOCRACY CONTEST—STATE OF ILLINOIS WINNER

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. HANRAHAN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest. This year nearly 500,000 secondary school students participated in the contest competing for the national scholarships which are awarded to the winners. The contest theme was "My Responsibility to Freedom."

The winning speech from the State of Illinois was written by a resident of the Third Congressional District, Jon G. Matthews, of Lansing, Ill. The text of his speech follows:

My Responsibility to Freedom

(By Jon Matthews)

Every twenty seconds, a child is born in this country. Each one of these children has already been given the second best gift he or she shall ever receive. The first being life itself. They do not know what this gift is as yet. It will never get them any compliments, or give them a class identification with society. Some of these children may never in their lives realize that they ever received such a gift. What is this gift??? In one simple word . . . Freedom.

As the child grows, he uses his life to attain the happiness he is ever seeking. Without freedom life would seem without hope for such joy and happiness.

Different from most forms of happiness, besides love, freedom is not monetary . . . but it does have an upkeep problem. This is my responsibility . . . a responsibility *to* Freedom.

Invisible, like still, motionless air . . . Freedom can be silent and never changing . . . but the air of Freedom can pick up dirt and be tumbled into a hurricane of disaster . . . This is a responsibility of separation . . . of sifting. Just as sifting for gold . . . We can save the valuable patriots who already view our country with a sparkle in their eye, and use them to teach the fallen rocks of society.

Responsibility of Freedom . . . a must . . . a want . . . and I feel that it should be considered a *need!!!*

Education is continuously climbing to an infinite apex. Now is a good time to begin . . . I . . . A . . . C . . . this plan, I contend, could save our country from invisible enemies.

Letter . . . I . . . stands for "individual". That means each of us . . . everyone . . . not necessarily separate . . . but together as *one* "individual." In my contention . . . "a country must be one."

Letter . . . A . . . stands for "American." The name itself rings freedom. But all too often, ears are immune to the music it plays. America must be viewed as a home . . . a dwelling place where each "individual" may live.

Letter . . . C . . . stands for "control." If the "individual", society's whole, can view America as a home . . . this last need is a simple one. Teach the country as a personal thing, not as a space on a map . . . not as a leader of crop producing farms . . . although all of these are important and should have their place.

My responsibility to freedom causes me to deeply feel a need for a plan of procedure. I should like to help see this plan go to work . . . I shall ever strive for . . . individual . . . American . . . control . . .

My responsibility to freedom is in reality a responsibility to myself. Children of all ages have few examples shown to them on how a country should be shown respect. Take for example, Fourth of July. A joyous time of freedom and a truly celebrate holiday. But in fact, today we must have laws governing the sale of fireworks. . . . For commercialism has taken over the spirit of freedom. The birth of our country is only slightly viewed in a sense of happiness and gratitude. Think back to your last birthday. You surely received a present. Well, America is saying. . . . "Give me nothing but the gift of your strength and support of responsibility. . . . And that shall see me live a proud life of eternity." This is not to say that if you do not fly a flag each day, that you are not a patriot. A flag can be seen in the eyes of a true patriot.

The children of today may possibly be the saviors of tomorrow. My responsibility is to that child whom I want to grow up in a free country, like myself. Then his responsibility will be to his child of the world.

Opportunity is a wide aspect left untouched by many young adults. There are so many channels that are open . . . and yet many minds are blocked with a feeling of "bankrupt debt."

I truly do have a debt to my country . . . a gift that shall not be belated . . . a gift of responsibility. (And) that is to keep honor on all that affects or inclines my nature concerning my beliefs . . . Whether they be right or wrong . . . for America is one place where you can be wrong . . . and still live to correct your mistake.

This speech serves as a reminder to all of our responsibility to freedom, the theme on which this country was founded.

THE 55TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. FLOOD. Mr. Speaker, the following are translated remarks by the Honorable Joseph Kajeckas, Chargé d' Affaires of Lithuania, delivered on February 11, 1973, at a commemorative meeting arranged by the Lithuanian-American Society of Washington, D.C., marking the 55th anniversary of Lithuania's Declaration of Independence. In addition, I would like to include following Mr. Kajeckas' remarks an exchange of correspondence earlier this month between the U.S. Secretary of State and the Chargé d'Affaires of Lithuania. The aforementioned remarks and correspondence follow:

TRANSLATED REMARKS

(By Joseph Kajeckas, Chargé d'Affaires of Lithuania)

This year, as in years past, we have gathered to celebrate February 16 as the anniversary of that day in 1918 when the independence of the Lithuanian republic was proclaimed. That declaration in 1918 was the culmination of countless sacrifices and acts of devotion on the part of Lithuanians throughout the world, and it changed the character of Lithuania almost overnight. The Lithuanian was finally the keeper of his own house. His language became the official language of his country. His land was really his own.

And just as the year 1918 changed the face of Lithuania and its life, the year 1940 changed the face of our country and its external life. Overnight, the illegal and armed occupation of Lithuania by the Red Army put an end to Lithuanian territorial sovereignty and all civil rights. There followed the infamous deportations and the heinous Soviet attempts at genocide. But in the midst of deprivations and atrocities, in the midst of crude and cruel attempts to suppress the national life of the Lithuanian people, the love of freedom remains so strong in the hearts of Lithuanians that the Soviet aggressors received, and continue to receive, rude surprises.

I said before that the Soviet occupation changed the external life of Lithuania. I implied that the inner life, the spiritual life of the people, remained steadfastly undaunted. There were countless indications and demonstrations of this over the course of the last 33 years, but perhaps only during this past year has the attention of the world been drawn so dramatically to the unrest that pervades the lives of enslaved Lithuanians who, after a whole generation of Communist attempts at indoctrination and Russification, remain determined to be free.

The self-immolation of Romas Kalanta, followed by the demonstrations and petitions for religious liberty in Kaunas, brought sharply to the public eye the earnestness of young people in Lithuania today who seek the liberty of which their fathers had first been robbed so many years ago. And the events of the past year reminded us all that such a desperate attempt to escape to freedom as that of the sailor Simas Kudirka within the past few years was not an isolated occurrence. In fact, what Kudirka said at his Soviet trial expressed the feelings of those members of his generation who joined in the protests during this past year. He said, when asked if he considered himself guilty, "I do not consider myself guilty since I did not betray my homeland, Lithuania. I do not consider Russia, called the Soviet Union today, as my homeland."

Despite this recent public record of heroism, which attests to the continued loyalty of occupied Lithuanians to their heritage and their determination to be free again, the actual state of Lithuania's chances for regained independence is frequently in danger, even among free-world nations in the West. The Soviet Union has for years mounted a systematic effort to achieve recognition by Western countries of the *status quo* in Eastern Europe, and we can be sure that the Soviets will regard the talks in Helsinki as another opportunity to raise this issue again. At the same time, Russification procedures are constantly being used in Lithuania, as we know both from information in the homeland and from the reports of visitors to Lithuania. It is, therefore, a situation in which the enslaved cannot defend themselves, but must depend on the free not to allow their hopes to be compromised or jeopardized.

The Soviet Union broke the most solemn international pledges and treaties of nonaggression, territorial sovereignty and inviolability with regard to Lithuania. The Soviet Union enslaved Lithuania without pity, ignored the most basic human rights of her inhabitants, and perpetrated crimes against all humanity.

Yet Lithuania is still alive and exists *de jure* in the eyes of the United States and other nations of the free world who refuse to recognize the grotesque illegality of the Soviet Union's occupation and forcible annexation. On this February 16, millions of Lithuanians throughout the free world will join with friends of Lithuania everywhere in the solidarity of hopeful determination that Lithuanians in their oppressed homeland deserve at the hands of any true lovers of freedom.

Some of those friends of Lithuania—numerous United States Congressmen, Governors and Mayors among them—continue to warm the hearts of my people with their support and encouragement. We were especially heartened to note President Nixon's assurance, in his Inaugural Address last month, that—

"We shall support vigorously the principle that no country has the right to impose its will or rule on another by force."

Finally, I would like to share with you today the official greeting that I received on this occasion on behalf of the Government and people of the United States from the Secretary of State, as well as my grateful reply to that message. And as I close I urge you all to keep patience and faith with the great hope that sustained our forefathers and all men who had to struggle to prove themselves worthy of the liberty which they so loved.

Here are the messages:

THE SECRETARY OF STATE,
Washington, D.C., February 2, 1973.

Mr. JOSEPH KAJECKAS,
Chargé d'Affairs of Lithuania
Washington, D.C.

DEAR MR. CHARGÉ D'AFFAIRES: On behalf of the Government and people of the United States of America I am pleased to extend to you and the Lithuanian people greetings and sincere best wishes on the occasion of the fifty-fifth anniversary of the Lithuanian independence.

The Lithuanian people have continued to strive to maintain their national identity and to achieve self-determination. Their efforts toward this end have presented an example of perseverance and spirit to people throughout the world.

We in the United States, a nation which has been enriched by the contributions of its many citizens of Lithuanian background, are particularly aware of the desire of the Lithuanian people to enjoy an independent national life in their homeland and thus I am pleased to convey our greetings.

Sincerely,

WILLIAM P. ROGERS.

LITHUANIAN LEGATION,
Washington, D.C., February 10, 1973.

Hon. WILLIAM P. ROGERS,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: On behalf of the people of Free Lithuania, I wish to thank you most warmly for your message of greetings on the occasion of the fifty-fifth anniversary of my country's Declaration of Independence.

Especially during this past year, there were repeated incidents in my forcible occupied homeland to demonstrate that the people of Lithuania are painfully aware that any peace in the world will always be at best a "selective peace" as long as Lithuania and the other Baltic States remain a symbol of the unfinished business of the Second World War and the unrestrained capacity of the Soviet Union to impose its will on weaker neighbors and other nations.

The Lithuanian people had attained an ethnic identity as long ago as the days of ancient Rome and Tacitus, and the exercise of her national identity played an important part in the shaping of modern Europe. My countrymen are indeed, as you point out, an example of perseverance to the world as they continue to insist on their right to enjoy an independent national life in their homeland. On their behalf I am pleased to express to you and the Government and people of the United States deepest gratitude for the continued support of all Americans who realize that, as Thomas Paine put it so well for all lovers of liberty. "Where freedom is not, there is my country."

Sincerely,

JOSEPH KAJECKAS,
Chargé d'Affairs of Lithuania.

LITHUANIAN INDEPENDENCE DAY

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. HANRAHAN. Mr. Speaker, I would like to add to my remarks of earlier this month regarding the Lithuanian Independence Day.

On February 16, members of the American-Lithuanian community commemorated their 55th anniversary of Lithuanian independence. On February 16, 1918, after more than a century of subjugation by the czarist Russian Empire, the Lithuanian people asserted their right of self-determination, as proclaimed by President W. Wilson, and reestablished an independent state. For 20 years the Lithuanian people were permitted to develop their own political, economic, and cultural life. In 1922, Lithuania became a member of the League of Nations and in effect was recognized as an independent state by the world.

This freedom and prosperity was short lived. As the Nazi-German Armies were advancing against Paris, the Red Army also moved and on June 15, 1940, it attained the goal it could not reach in 1920, that is, the occupation of Lithuania. Under the guns of the Red Army and Soviet terror mock elections were organized, in which only candidates approved by the occupier were permitted. On July 21, 1940, a rubberstamp diet under Communist control formalized the incorporation of Lithuania into the U.S.S.R.

After World War II nations have risen from ruins, and desire a permanent peace, a genuine peace, grounds on justice and respect for human rights. But Lithuania was not allowed to these rights. The Lithuanian people have never accepted the occupation as legally or morally binding and on numerous occasions have voiced their determination to regain independence and freedom.

The Soviet constitutional guarantees of religious freedom are seriously compromised by Soviet actions, for example: The clergy are persecuted and often jailed, churches are destroyed or converted to music halls, warehouses, and even factories. This, though, is not the first time Lithuania suffered religious persecution. In 1414 the Holy Roman Emperor Sigismund and Pope Gregory XII called a council of representatives of all European Christian nations. The Grand Duke—King of Lithuania, Vytautas the Great, sent a delegation of 66 members to protest religious persecution by the Germans-Teutonic Knights. After lengthy and careful deliberation Lithuana was upheld and the armed persecutions stopped.

In February of 1972 the Lithuanians could not send delegations, but they risked their welfare and lives to make their protest known. A petition with 17,000 signatures, asking for religious freedom, was sent to the Secretary General of the United Nations.

Shortly thereafter, in May of the same year, a 20-year-old student, Romas Kalanta, burned himself to death in the city of Kaunas in front of the theater where Lithuania's freedom was formally extinguished.

The incident, which coincided with President Nixon's visit to Moscow, touched off numerous riots, mass demonstrations which involved two or more similar suicides and required the presence of Soviet troops.

These statements reflect some ideas which I feel are significant. They tell the story of the plight of the Lithuanian people and their constant struggle for independence.

MONTE IRVIN ELECTED TO BASEBALL'S HALL OF FAME

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. MINISH. Mr. Speaker, all Members possess a familiar spirit toward their constituents and so our colleagues will understand my joy and pride at the election of Mr. Monte Irvin of Orange, N.J., to Baseball's Hall of Fame. My joy and pride in his achievement are deepened by the fact that I can claim Monte not only as a distinguished resident of the 11th District but a personal friend of many years' standing. In addition to his athletic prowess, Monte's fine personal qualities have won him universal respect and affection.

The Sunday Star-Ledger of February 11, 1973, contained two perceptive articles on this remarkable American who overcame almost insurmountable obstacles to become one of our greatest ballplayers. I should like to insert the articles at this point in the Record:

Baseball Tips Its Cap to Gentleman Monte

(By Charles Q. Finley)

What does being elected to baseball's Hall of Fame mean to a man who was kept out of the big leagues for years because of his race?

Monte Irvin of Orange didn't make the majors until he was 31 years old but still had enough ability to blaze a brilliant record with the Giants.

But Irvin is a sentimental fellow who holds no grudges. Today, at 53, he feels no bitterness.

"When something good happens, people get a particular feeling they don't get at any other time," Irvin said. "But getting into baseball's Hall of Fame means something more than this to me.

"It's like knowing America really is a great country, that there is hope. It's like hearing this country saying to all black people, 'I'm sorry you went through such a painful process. I'm sorry it didn't happen sooner and thank you for being patient.'"

Irvin said what has happened to him should be an inspiration to all blacks who feel hopeless about getting ahead in America.

"I'm not saying they should be complacent, but at the same time they shouldn't panic because there've been dramatic changes for the better in recent years," said Irvin. "I don't believe in the militant's approach that we can't become a living part of this society.

"This is our home and we must keep up our struggle, each in his own way, for justice and opportunity in this land of the free and the brave. We must continue to prepare ourselves for the opportunities when they're offered so we can qualify for them. Hard work and diligence is what's needed now," he said.

Anything relating to sports is bound to have a marked effect on Irvin.

"Sports were always a religion with me and this still holds true today," Irvin explained. "For so many it's been a way of rising up quickly from meager beginnings. It's a way of life for the fans, too, many of whom feel the players are their personal friends.

"It's been just terrific for the fans—they've had unbelievable thrills from baseball. I think this country is much better off because of athletics, particularly baseball. It's been a great escape from the mundane for millions of people."

Baseball was part of Irvin's life even in his childhood. Born in Alabama, his father played baseball in the South and when the family—including 10 children—moved to Orange, sports was a constant family topic.

Irvin attended elementary and high school in Orange. He was an outstanding athlete in high school as was his brother, Milton, who went on to play football at Virginia State. Another brother, Cal, became athletic director at A & T University, Greensboro, North Carolina.

In the days when he played baseball in high school he never even dreamed about playing in the majors, let alone entering the Hall of Fame.

"I never expected to be given the chance to play so how was I to prove what I could do?" Irvin asked.

After two years at Lincoln University, where Irvin again was a bright light on the sports horizon, he went with Mrs. Effa Manley, former owner of the Newark Eagles of the Negro National League, where he remained until he went with the Giants.

It was a momentous step for a black ballplayer in those days.

"I remember well my first real big hit—a major league homerun playing against Dutch Leonard of the Chicago Cubs," Irvin said. "My knees were shaky because I wasn't sure I could hit against a big league pitcher. When I did, it gave me the confidence I needed."

Irvin married his wife Dee 31 years ago, after they met in high school. They have two daughters—Mrs. Pam Fields, a television commentator in Baltimore— and Patty, who teaches in a Brooklyn elementary school.

Mrs. Manley, reached in Los Angeles where she's in retirement, remembers Irvin as "a wonderful gentleman and an outstanding athlete."

"Monte was a member of our team when we beat the Kansas City Monarchs in a seven-game series to win the pennant in 1946," she recalled. I'm very happy to see his future assured because ballplayers' future sometimes don't turn out too good.

"There were a number of truly great black players with our team who were born a few years too early. There were Willie Wells, Leon Day, Leonard Pearson and Nick Bundy, to name a few, some of them possibly the greatest ballplayers who ever lived."

Manny Rivero, who was athletic director at Lincoln when Irvin attended the university, said Monte came to the school "with a good reputation as an athlete and the nickname 'Muggs.'"

"I never did find out why they called him that," he said.

Rivero said Irvin "is the kind of fellow who can get along with everybody." Rivero formed a baseball team at the university in which Irvin played. He said Irvin proved outstanding in basketball, javelin throwing and track at the school.

"I told him he was crazy to quit school and go play baseball," Rivero said. "Now he's in the Hall of Fame."

Irvin said the nickname was picked up in high school "as an affectionate name one of my buddies came up with" and it stuck with him.

"I really don't know the reason for it myself," he said.

For the past five years Irvin has been associated with the Baseball Office of the Commissioner in New York City, a world-wide non-profit governing body for baseball financed by the American and National leagues. He's assistant public relations and promotional director.

Irvin is very enthusiastic about the coming of the Sports Complex to the Meadowlands.

"It will bring jobs and much-needed revenue and recreation," he said. "And there'll be so many spinoff benefits to the entire metropolitan area. I think the building of this complex is of historical significance to the State of New Jersey."

Irvin is deeply disturbed by war, any war. "After a war is over it becomes apparent wars are stupid. After the fighting is done and the turmoil is over I ask 'Why should so many of the young who never really had a chance to live be forced to die? It just plain doesn't seem fair."

But his philosophy of life remains sharply optimistic.

"I believe goodness somehow wins over evil, although sometimes it take awhile," he said. "One thing I could never understand, though, is why some people take a particular delight in making other people miserable when they should be trying to make them happy."

OVERWHELMED IRVIN: FAME ELECTION THE GREATEST

(By Moss Klein)

Monte Irvin is a happy man these days.

Earlier this week Irvin was voted into Baseball's Hall of Fame by the special committee on Negro leagues and it is a distinction deserved and appreciated.

"At first I was delighted to be elected," says the former New York Giant star. "Then I was overwhelmed. When the full impact registered, it was just an indescribably wonderful feeling."

Irvin is the fourth player to be voted into the Hall by the Negro League committee. Satchel Paige was the first, in 1971, and last year it was Buck Leonard and Josh Gibson.

Monte, who has lived in Orange all his life, played for 10 years in the Negro leagues before the Jackie Robinson breakthrough in 1947 finally enabled blacks to play in the majors.

Irvin won two batting championships in those 10 years, batting .422 in 1940 and .386 the following year.

"There were some great players in that league," Monte recalls. "It's a shame that some of them never had the chance to play in the major leagues.

"The conditions were strictly second-rate as far as living accommodations, travel and treatment. After the war, things were a little better but it was still quite a difference coming to the majors."

Sadly, however, Monte was 30 years old by the time he came to the Giants in 1949. Although he was an all-star performer for most of his eight major league seasons, seven with the Giants and the last, in 1956, with the Chicago Cubs, he definitely had spent his better days in the Negro leagues.

Irvin, who has a career average of .293 with 99 home runs, considered his biggest thrill in baseball, up until his Hall selection, to be the 1951 season.

That was the year the Giants made an incredible rush at the presumably safe, league-leading Brooklyn Dodgers, catching their arch-rivals on the final day of the season.

The subsequent playoff resulted in that most famous hit of all time, Bobby Thomson's three-run homer in the ninth inning of the final playoff game which gave the Giants a 5-4 victory and the pennant.

"Just being a part of that team, and that game, was something I'll always remember," Irvin says. It was the most dramatic season, the most dramatic moment, in baseball history.

Monte hit .458 in the World Series, but the Yankees won in six games. In 1954, the Giants defeated Cleveland four straight to become world champions. That series was made famous by Dusty Rhodes' pinch-hitting heroics and Willie Mays' catch on a certain extra-base hit by Vic Wertz that thoroughly demoralized the Indians.

Presently, Monte is the public relations director in the office of baseball commissioner Bowie Kuhn, a job he has held since 1968.

"I enjoy what I do," Monte says. "It enables me to play a role in baseball and, hopefully, to make a positive contribution."

Monte and his wife Dee have two daughters, Pam and Patti, and Monte's work keeps him as busy as he likes.

But he still cherishes his myriad baseball memories, both of the Negro leagues and the majors.

"I loved my life in baseball," Irvin enthuses. "There were great experiences, super people, and wonderful times."

"Being named to the Hall of Fame, though, is the topper to a very satisfying career."

YOUTH CAMP SAFETY

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. PEYSER. Mr. Speaker, last session Congressman DANIELS of New Jersey and I sponsored legislation to provide for the development and implimentation of programs for Youth Camp Safety. Tragically, this bill did not receive passage. We have since reintroduced it (H.R. 1486) and hope that it will receive swift passage in this Congress.

The true crusader in this campaign for improved camp safety has been Mitch Kurman, who lost his son in 1965 due to a lack of safety procedures at the camp his son was attending. Since then, Mr. Kurman has been laboring tirelessly in behalf of camp safety.

On Sunday, February 4, 1973, the Washington Post, in their Potomac magazine section, published an article recounting the battle Mitch Kurman has been waging. It is an outstanding story, written by Coleman McCarthy, a member of the editorial page of the Washington Post and will appear as an excerpt from Mr. McCarthy's book, Disturbers of the Peace, which will be published March 8. Portions of Mr. McCarthy's article follow:

REMEMBERING CHILDREN—A CHILD'S DEATH STARTS A ONE-MAN BATTLE FOR CAMP SAFETY

(By Colman McCarthy)

What is worse for parents than the death of a child? Only this—when the death is accidental, needless and could have been avoided. No parent, whether a Vietnamese mother whose child was killed by American bombing or an American father whose son was killed because of corporate negligence, ever fully recovers. Interior peace, the most valuable kind, is forever gone. One reaction to losing a child needlessly is to push the event from the mind, send it trackless into the inner space of memory where it will remain forever but at least be traveling in a random orbit away from the soul. Bury the dead and let life go on. Another reaction—more rare, more heroic—is to keep the tragedy fresh and current by alerting others that the conditions by which your child was killed still exist. Other children may die needlessly, perhaps yours. This is the vocation of the lantern—lighting it, going out into the darkness of unconcern and apathy, trying to focus on a major national tragedy but illuminating only small corners, not whole rooms. Who listens? Who cares?

A letter came in November 1971 from a Westport, Connecticut, furniture salesman named Mitch Kurman. Handwritten, in sprawling script, he asked if I would consider writing an editorial for The Washington Post supporting legislation for a youth summer-camp-safety bill. The Senate, Kurman's letter explained, had already passed a bill with a unanimous vote of 53–0. The House would soon be debating similar legislation, choosing between a bill that was much stronger than the Senate version and a bill much weaker. Kurman's letter ended by saying that a Post editorial on summer-camp safety would be timely and possibly helpful. Letters asking for editorial support are common but usually they come from a politician—senator or congressman—who has sponsored a particular bill, from a trade association whose interest is totally vested, sometimes from a lobbyist looking out for a client. Here's our bandwagon, the letters commonly say, just hop on, we're going places. Kurman's letter had to be treated with a certain amount amount of cautious skepticism, but it was clearly different from most of the others. It was from a private citizen, on plain stationery, and about legislation that obviously could be of no financial or political benefit to him.

A few days later, after researching the history of summer-camp legislation, speaking with four or five Senate and House staff people, and talking with my editor, the Post ran an editorial. It supported the bill of a New Jersey Democrat, Dominick Daniels, that called for strong safety standards for summer youth camps. These minimum federal standards could then be administered by the states; the latter would receive up to 80 per cent funding from the federal government to administer them. The Daniels bill, presented as a new title of the Higher Education Act, was an effective approach because it provided incentives to let states run their own programs while insuring that nationwide standards would be met. Thus, a camp in one state would have the same minimum standards as a camp a mile across a state line or a camp 2,000 miles across the country.

Many children are sent to safe, well-run camps where supervision is firm and accident prevention is taken seriously. This is not true for all children, however; many are at camps where counselors have little knowledge of dangerous waters or trails, where safety equipment is not provided, where safety and health inspections are rare or nonexistent. The statistical breakdown between safe and unsafe camps is not known. A possible guide is that out of 11,000 camps in the country, only 3,500 are accredited by the American Camping Association, and even then the A.C.A.'s inspections are not strict. Only twenty-six states have legislation concerning sanitation. About fifteen have safety regulations that would be meaningful. Only three or four make reference to personnel. Over the years, Congress had passed all kinds of bills to protect alligators, coyotes, birds, and bobcats but it was not yet concerned about the 250,000 children annually disabled from camp accidents. A week later, the House debated the youth camp-safety bills. It rejected the Daniels proposal and in its place approved an amendment offered by Representative J. J. (Jake) Pickle, a Texas Democrat. This called for a survey of the situation. Three Congresses—the 90th, 91st and 92nd—had held hearings on summer-camp safety, taking testimony from dozens of informed witnesses; but Pickle thought more study was needed and, incredibly, the House agreed. Taking a survey is a favorite Congressional stall, a manaña maneuver that delays and confuses.

For supporters of the Daniels proposal, the backing of another defeated bill meant little. We took the stand we thought was right, but in the end the defeat of the Daniels bill was only another mark in the won-lost columns. In the weeks after, though, I kept wondering about Mitch Kurman. Was the defeat only a passing event for him? Did he go on, as we did, and take up other issues, shelving camp safety until it would come up in a future Congress? The questions bothered me, so I phoned Kurman and asked if I could visit him in Westport. He seemed surprised—"I usually have to go to the press, instead of the press coming to me"—but we arranged a date convenient to both of us.

Mitch Kurman, 48, the grandson of Jewish immigrants and the father of two daughters, is a furniture-manufacturers' representative. He knows what the factories are making and what the stores are selling and puts himself in the middle. The work takes Kurman throughout New England and down the East Coast as far as North Carolina. Self-employed, his office is in his basement; both his wife, Betty, and his father help on the paperwork. Although Westport has the image of a fashionable and smart-set community, the Kurmans live in an unsplashy neighborhood, a few blocks off the Merritt Parkway. Kurman is short, gentle-speaking, and totally gracious. His life since August 5, 1965, has been one of lonely nonadjustment, a vigilance that has tried to disturb the peace that calmly allows 250,000 children to be injured every year and large numbers killed.*

"My son David was drowned in a canoeing accident in Maine that August," said Kurman, seated on the living room sofa. "I am not a wealthy man but I am not pleading poverty either. I guess you might say I am a man of possibly better-than-average means. I did not want David growing up in a goldfish bowl of Westport. I thought it would be good for him to get around. The boy loved to read. He was a fine student and I thought it would be good for him to go off to a camp and learn something about the outdoors. The camp we sent him to was in New York State, run by a YMCA in Rochester. The camp sent us a brochure which I think would satisfy anyone had they looked at it and studied it. I certainly had the utmost confidence in the boy's ability to swim and I certainly did not expect anything like a drowning. I expected adventure. I expected fun. I expected good, hard work, and I expected him to be paddling, which is what I wanted and which is why I sent him there. I did not send him on any expeditionary situation, something to endanger his life."

On August 5, the YMCA group made its way to the west branch of the Penobscot River near Millinocket in Maine. The campers were going down a section of the river called Passamaquoddy Falls when a number of the canoes were overturned by the rough waters and jutting rocks. The YMCA counselor had not supplied the boys with life jackets. "When David was killed," Kurman said, "it took a three-and-half-day search to find the boy's body. The waters the group tried to pass through were a raging hellhole that no man in his right mind would ever attempt. I graduated from Cornell as a biologist and if I was ever told to investigate that water, I would probably sit on a riverbank and write out a report. I would not go into that water. When I went up to look at the waters myself, I learned that the Great Northern Paper Company has a large paper mill in the area. They shoot their cords of pulpwood logs to the mill downriver and in this stretch where David was killed, the logs actually tumble end over end."

Shortly after the accident, Kurman made the first of what would, in six years, be hundreds of journeys to get legislation for camp safety. "Maybe I just should have forgotten about the whole thing," he said. "People tell me I am a little crazy for keeping with this tragedy all these years, since nineteen sixty-five, with no let up. They mean well and they tell me to relax, forget about the past. They ask me how I don't go out of my mind to fight this. The facts are the opposite, though. I'd lose my mind if I knew these conditions existed and didn't do anything. A friend of mine, a kind guy, says maybe a psychiatrist could help me forget about David and about camp safety. He means well but isn't it strange? I don't need a psychiatrist. I'm normal. My friend needs the help. He looks away from the reality."

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At the same time Kurman was going after the state politicians, he was also coming to Washington. A national bill was his goal. In six years, he believes he has seen every senator (or every senator's legislative assistant) and nearly all the representatives. One of those on the Hill visited by Kurman in the early days and who has stayed with him since is Dan Krivit, chief counsel for the House Select Subcommittee on Labor. His subcommittee was the pad from which a youth camp-safety bill would be launched, if at all. "I remember when Kurman first came around," Krivit recalled. "He was emotional. He did all the talking. He made demands. He damned congressmen as do-nothing politicians. God, he came on strong. But I have a rule—that you have to distinguish between the guy who has facts and the guy who has bluster. You can tell soon enough. We see a lot of special-interest people who are mostly big talk with small arguments. The appeal of Kurman was that he had a command of the facts. I was able to check them out pretty quickly and see that he was right."

Another whom Kurman saw in his early trips to Congress was Representative Dominick Daniels of New Jersey. A kindly man who works hard but one of the anonymous herd of low-profile congressmen. Daniels took an interest in Kurman and agreed to hold hearings. In July 1968, he told his colleagues on the opening day of testimony: "This morning we take the first major step forward to provide minimum federal safety standards for summer camps across the nation. We must identify the nature and magnitude of such problems as may exist and consider whether state and local regulations are adequate to deal with them. If we determine during the course of these hearings that a significant problem exists, I pledge that I will do everything in my power to ameliorate the situation. Summer camps deal in what is perhaps the most precious commodity we have—the lives of our youngsters."

Although the hearings were a success and glowing statements of support were heard for the Daniels bill, nothing ever came of them in the way of legislation. Dan Krivit said that "we couldn't muster enough enthusiasm." Kurman was dismayed that Congress did not act, particularly when the American Camping Association—which is not a militant group—endorsed the Daniels proposals. Although Kurman had been around politicians enough by now to know that most of them were banal lightweights, he still had faith that change would come. At the hearing, he finished his testimony by saying: "I want to thank you, Chairman Daniels. I think it is a wonderful thing when an ordinary citizen of this country can go before the representatives that we have and get a hearing such as I have had. It certainly does far, far more for my feelings toward this wonderful country we live in than anything I have ever read in textbooks or anything else, and I want to thank you very much." Dan Krivit, who was present for these words, said that some of the politicians were touched by Kurman's sincerity. "He sounded almost corny, even a little pious. But nobody in the room moved a muscle or shuffled a paper when he spoke."

Daniels and Krivit, as disappointed as Kurman that nothing resulted from the hearings in the 90th Congress, immediately called witnesses for a new set of hearings early in the first session of the 91st Congress. By now Kurman was becoming a wise pool player, alert to all the political angles between which legislation continually caroms. He became a regular visitor to Washington, going up and down the halls of the Cannon office building, the Rayburn building, the new Senate office building and the old Senate office building, spreading out his facts to the politicians and their aides. He found senators more congenial. "They are in for six years, so they are free from the pressure the representative gets. Their constituency is wider also, so they don't have to fear the special-interest groups."

In the House, Kurman was often amazed to find friendly receptions from men and women who "were on the wrong side of every issue I cared about except youth camp safety." On this, they wanted a strong law, and they said so. Following hearings, the best bill to get out of the committee was one calling for a survey. An authorization of $175,000 was requested. This was a weak bill, much flabbier than the Ribicoff bill which was now making its way through the Senate and had, in fact, been voted in the Congress before. Kurman was bitter when the House voted down even the weak survey bill, 152–151.

As though it was decided that a poisonous pesticide should be sprayed once and for all at this bother-some gnat from Westport, H. R. Gross, an Iowa Republican known for his passion for saving the taxpayers' money (though not on defense spending), spoke up. A survey for $175,000? asked Gross. What folly. Gross warned that if the House did not watch out, it would soon be sending federal "wet nurses" to look out for the kids in camp. A columnist for the Washington Star also checked in with his wit. "Maybe someone ought to make another approach" rather than the survey, wrote John McKelway. "Why not let the National Institutes of Health see if it can find a cure for homesickness?" Turning serious, McKelway said that if it wasn't for "that small item of $175,000" it would "probably be safe to say this piece of legislation is the most innocuous thing to have faced the 91st Congress." Kurman had become accustomed by now to the hidden opposition of the Boy Scouts and the private-camp operators but being laughed at was devastating.

Although the public argument against federal legislation for camp safety was that the states could and should do the job themselves, Kurman believed another reason existed also—money. "Let's face it," he said, "safety costs money. Spending money for things like life vests, sturdy boats, qualified personnel, well, it means you have an expense you might otherwise cut corners on. Running a camp is a business. There's nothing wrong with that. Profits aren't evil. They only become bad when you risk lives for the sake of making more money."

Instead of being depressed by the brutal defeat he had taken, Kurman became even more dogged. He kept in close contact with Dan Krivit and Dominick Daniels. Both advised Kurman that not much more could be done in the 91st Congress; let things ride. The only source of encouragement was in two pieces of legislation that were now on the books: the Coal Mine Health and Safety Act and the Occupational Health and Safety Act. Both required that standards be set and enforced by the federal government. If Congress could approve of this kind of "federal interference" that would affect industries with earnings in the tens of billions, why couldn't a camp-safety bill—involving only one industry—be passed also? Even more compelling was another fact: if the employees of the camps were now covered by a federal safety law why not the children? Yet even this encouragement had a bleak side to it. In 1969, Congress had passed a safety-and-health law for coal miners all right, but it had been considering the law since 1951—eighteen years and thousands of dead workers before. Camp safety had only been an issue for six years and the total number of corpses was still only in the hundreds. Have a little patience, Mr. Kurman.

Going to the post for the third time, Daniels held hearings in July 1971. The same facts of tragedy and negligence came out, facts that by now were trotted out like tired dray horses. This time, the House was faced with a choice of five bills, while in the Senate the Ribicoff bill still stood. The scene was quiet until November, Kurman again came to Washington. The pressure was on because it was known that the House would soon debate the camp-safety bills as an amendment to the Higher Education Act. I spoke with Kurman and was amazed at his fullness of hope, that he still talked as if he had discovered the outrage only that morning. "I have faith in Congress," he said. "Do you know that there are a lot of them I've persuaded since the last session?" He ran off a few names, less known to most Americans than the second-string line-ups of baseball's expansion teams. Yet, they were people who had power over our lives. On November 4, the House, working well into the evening, argued camp safety, now known as Title 19 of the Higher Education Act. Kurman had allies who knew their facts and argued forcefully.

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* Statistics on camp fatalities are hard to come by. In 1965, the Mutual Security Life Insurance Company of Fort Wayne, Indiana, made a study of 3.5 million campers, mostly children in organized camps. Between the years 1962 and 1964, 88 death claims were submitted.

Rep. John Dent of Pennsylvania: "Does anybody in this place really believe that these camps in America are all safe and quiet little havens? Let me tell you something. The brochures they have in most instances on these camps are so antiquated that they do not even cover or resemble what the camp looks like when the children are sent there by their parents. Anybody can be hired. No one needs to pass any kind of examination or test of any kind. There is not even a simple qualification or requirement as to their ability for training or anything. A camp is an open place with absolutely no requirements as to who can run them and who cannot run them or who shall be allowed to run them. This is the only place in the whole activity of youth in the entire country where there is not one single federal regulation as to even minimum requirements for safety."

Another voice was from a New York Republican, Peter Peyser. Referring to the arguments calling for inaction or delay, he said, "I must say I am a little amazed by some of the things I am hearing said about camp safety here. There is a problem of camp safety but people seem to be saying, "We do not have any statistics dealing with safety in camps. Statistics are very simple. I have a list right here of thirty-five children killed this past summer, and this is one section of the country. They were all killed in camps; killed in accidents, for the most part, which never should have happened. There were six drownings with no lifeguards on duty. Six were killed in a truck with a teen-age girl driving on the highway, who had no proper license to drive a group of children, and there were no regulations in the camp as to who would or could drive. We have lists from California, New Hampshire, Connecticut, Massachusetts, Minnesota, Oklahoma—I can name all of these states with deaths in this year. There were thousands of accidents."

However persuasive these arguments were, Jake Pickle of Austin, Texas, would have none of it. His opposition remained firm. For one thing, "as an Eagle Scout, I think I know what safety means in any camp . . . Let us not get trapped into supporting the Daniels bill . . . Support my substitute, and then we can have a study and have some facts to determine what to do." Ironically Pickle was now calling for the same survey idea which two years earlier had been voted down by the House and mocked by the Washington Star columnist. "This is progress," Kurman said. "We will eventually have a camp-safety law. Everyone knows this, so the people like Pickle try to poke along in slow motion because they know they can't stop it. I can't give up. I have to keep snapping at them."

The position of Eagle Scout Pickle was based less on the rightness or wrongness of the issue than on what his constituents demanded. Pickle said on the House floor that he had numerous wires from "a dozen or more major camps in my district strongly opposing this measure (the Daniels bill), saying that the states ought to have the right to enforce any such standards."

Coach Darrell Royal, for example, who ran Camp Champion when he wasn't on the gridiron, had wired Pickle. So did the Dallas YMCA "representing many of the YMCAs of Texas."

Pickle did not come on as a Neanderthal who wanted the law of the cave to prevail. Instead, he pictured himself as one who truly cared about the children. "Everyone," he said, "is in favor of camp safety. There is not a man or woman in this chamber who would vote against saving the lives of children. But Mr. Chairman, we must mix in some judgment with our fervor. I think the intent of the committee's legislation is good and I support that intent. However, I think we may be premature in our action today. This legislation would create a new bureaucracy with strong regulations, inspections, and enforcement through fines and injunctions. Mr. Chairman, I will readily admit and even support legislation which might save the life of even one child away at camp. I know in my own mind that there are camps in this country which may need policing . . . I do not think we know enough about the problems of camp safety. I am not certain in my own mind if the bill before us even goes to the heart of the matter. And before we jump with the solution, I think we would be wise first to survey the needs. I think we should first have a comprehensive study to seek out the basics, like how many camps exist, who runs them, what kind of safety training exists for their personnel, what is the true accident record, and all the pertinent questions which must be asked."

H. R. Gross, Mr. Money Saver, was not heard this time around on the idea of the survey, even though the cost was now up to $300,000. As a final irony, Gross joined Jake Pickle and 182 others in voting for the survey amendment of Pickle and against the standards bill of Daniels. Only 166 supported the latter. The survey amendment joined the Ribicoff bill in the Senate and went into conference committee—a parliamentary device where a final bill is drawn up in closed sessions, reconciling differences between House and Senate versions. The Ribicoff bill, while superior to the survey, was still basically weak because it only allowed states to adopt HEW standards, rather than requiring them to do so. Thus, if Texas or any state doesn't want to get in line, it doesn't have to. Indeed, there is small chance they will. Oddly, one Texas congressman who has been friendly to Kurman and who voted against the Pickle survey and for the Daniels bill, was Bob Eckhardt. "I was under a great deal of pressure to oppose the legislation (the Daniels bill) and received many letters from camp owners and directors from all over the Southwest," Eckhardt wrote Kurman. "I cannot tell you how much I admire your fine work. It is most unfortunate that it takes such personal tragedies to wake the country up. I sometimes fear, however that the power of the special-interest lobby groups to defeat pro-people programs is limitless."

I was with Mitch and Betty Kurman in Westport in mid-spring 1972 when the conference committee was wrangling over the Pickle and Ribicoff bills. Kurman was in high spirits, at the prospect that the committee would go along with the Ribicoff approach. "I'm sure they will," he said with excitement. "They know what a long fight this has been. They know what kind of action is needed, and even then the Ribicoff approach is a mild one. I've spoken to every man and woman on the committee at least once, some of them two or three times. They know me." Shortly before lunch, a phone call came from Washington. Kurman took it, and five minutes later came back to the living room, stooped over, silent, slumping into the sofa. "They settled on the Pickle survey bill," he said.

He and Betty were silent for a few minutes, each with their own feelings of sadness. But they had a rage too. "We have a terrific system," Kurman said, echoing his lofty statement in the House hearings five years before. "But money corrupts. Everybody thinks politicians have power but when you talk to the politicians, they say 'What can I do? I'm only one Congressman, I'm helpless too.' You hear that from senators. Imagine, a United States senator saying he's helpless. I remember talking to Hubert Humphrey—he told me there are 'powerful forces' at work against the camp-safety bill. But when I asked him specifically who these powerful forces were, Humphrey had nothing to say. For the first time, he was speechless. It comes down to this. For every profitable industry you have a lobby to protect and a group of politicians to protect the lobby. It's like the new double-protection door locks that are selling so big to keep the thieves out. But the lobbying-political complex keeps the thieves in so that the public never sees them. But they steal and rob from us all the same. They stole our son."

Most of the political defeats recorded in American life are suffered by persons holding or seeking office and who, on election day, are rejected by the voters. But politicians are not the only ones who are struck down by political defeat. Common citizens, obscure, self-supporting, and in debt to nothing but a conscience, are rejected also. Newspapers and news shows are filled with reports on primary campaigns, delegate counts, the pointless polls and the useless speeches, so only occasionally is anyone aware that a struggle involving a lone citizen is going on. The defeat suffered by Mitch and Betty Kurman was filled with frustration, anguish, and gloom, yet personally the Kurmans were not beaten; they held or sought no office and they cared nothing about political parties. In reality, the defeat was one for the American political system, for the goal of participatory democracy that glowing speakers yak about to college students at graduation time. The story of Mitch Kurman suggests that the excitement of selecting a new president may be the smelling salts by which public apathy is revived but it will barely disturb the near-dead feelings of the wealthy industries supported by forceful lobbies and the Jake Pickles.

I continue to get calls and letters from Kurman, and I write to him. Mostly he sends along clippings of camping accidents—six kids killed here because of bald tires on the camp truck that crashed, two drowned there because of no life jackets; one kid sexually molested by a deranged camp counselor who was hired on without background checking, two children killed when they slipped on a rocky ledge that a counselor led them on against the advice of a park ranger. Each story is tragic, and I wonder how Kurman can absorb it all. Each letter and call ends on the same note, that Kurman had recently been to see another congressman and persuaded him about the need for a camp-safety law.

SURVIVAL OF OEO

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mrs. BURKE of California. Mr. Speaker, on Thursday, February 8, 1973, I testified before the Subcommittee on Equal Opportunities of the House Committee on Education and Labor concerning the President's cutbacks and reorganization proposals for the Office of Economic Opportunity.

There is more at stake here than just the proposed decrease in Federal funds. Many operational programs of OEO will actually be closed, not transferred to other line agencies, including most probably the outreach activities which community action agencies have started. Further, the use of community participation to influence local policies affecting the disadvantaged will, most likely, disappear entirely, and the innovative "one-door" approach to health care for the poor that has been the hallmark of community health centers may well be lost as the administration shuffles priorities in health care.

I am including at this point in the Congressional Record a copy of my testimony before the Subcommittee on Equal Opportunities for my colleagues' immediate attention:

TESTIMONY OF CONGRESSWOMAN YVONNE B. BURKE

Mr. Chairman, there is a somber mood which prevades this room today, and it is a mood of sincere and profound concern about the commitment of the present Administration to pursue policies which effectively deal with the problems of the poor, the sick, the homeless, and the jobless.

We have heard the President say in past weeks that "we must reject the mistaken notion . . . that ever-bigger government is the answer to every problem." But, Mr. Chairman, we must ask here today, "What are Mr. Nixon's answers to these problems?"

Mr. Nixon has proposed to abolish the Office of Economic Opportunity and transfer certain of its programs to other federal line agencies, a policy which Mr. Nixon says represents "a pragmatic rededication to social compassion and national excellence, in place of fuzzy follow-through which too often in the past was thought sufficient."

But many operational programs of OEO will actually be closed, not transferred. The out-reach activities which non-profit community action agencies have started and the use of community participation to influence local policies affecting the disadvantaged will, most likely, disappear entirely. And it is less than certain that any of the revenue sharing funds will fill the gap. I would enjoy learning which cities will be receiving more total federal funds under revenue sharing and the proposed 1974 Budget then they are scheduled to receive under this year's budget.

OEO was established to bring about conditions at the local level to help the plaguing problems of poverty and to serve as a coordinated link between human resources of the government and the poor. OEO was established because the line departments—the very agencies to which OEO programs now are being scattered—were both unwilling and unable to deal effectively with low income and minority citizens.

Over the past few weeks, as the Administration's policy regarding OEO and its programs have become increasingly clear, most people have labeled the President's actions as an administrative reorganization. Some have seen it as an end to the federal War on Poverty effort. Yet labeling the Administration's policy as merely reorganization overlooks in what my view is the real nature of the Administration's policy, namely to destroy the unique functions that OEO-sponsored activities have performed.

One example of this attitude is the Administration's decision to eliminate funding for Community Action Agencies and certain other community action operations. This will result in the destruction of most existing Community Action Agencies as they are presently constituted.

If the functions that the OEO-sponsored Community Action programs perform are viewed as being simply another form of government *services* for the poor and disadvantaged—such as a local welfare department's day-care program or payments made for medical services—then it would probably be proper to see the Administration's policy as one of rational consolidation of federal and local services. But OEO's Community Action Agencies are *not* simply providing services to ameliorate the conditions of poverty and they were never *meant* to. They provide much more.

A host of other government programs provide the vast bulk of services and income supplements to the poor. These include Social Services grants under the Federal welfare program, ESEA educational assistance, manpower training programs, Medicaid, and Food Stamps, to name a few. The contribution of OEO's Community Action Agencies is in a very different and much needed and neglected area.

The over 900 Community Action Agencies *consolidate* and *coordinate* the various Federal, state, local and community service programs and activities and make them workable, cohesive efforts rather than scattered and fragmented lunges at various problems of the poor. On the average, approximately 50% of the funds that Community Action Agencies administer come from OEO. The bulk of Community Action Agency sponsored programs have sharply defined goals; the Agency provides the overview and direction. The local agency serves as the mechanism to coordinate the attack on problems the poor face in the area of services.

By eliminating OEO's Community Action Agency funding and forcing them to depend on the revenue sharing pot, the Administration is *not* just shifting administrative responsibility for Community Action Agency functions to local governments. Rather it is, for all practical purposes *eliminating* the major sources of program consolidation and mobilization for institutional change at the local level. Services in the limited sense of Head Start projects or Neighborhood Health Centers will probably continue, although probably in an altered form as other agencies impose their own guidelines on the former OEO programs. However, the unique functions that CAAs performed will disappear. Programs that were once part of coordinated efforts and "sparks" for further logically, linked changes will become simply, dead-end service providers, offering little chance of change in the wider complex of problems facing the poor in Los Angeles. Community Action Agencies such as the FYOA and the Compton CAA will lose the "core" funding from OEO that made it possible for them to coordinate existing programs and mobilize the community to launch out in new directions. At this moment, their future is uncertain, and no substitute has been offered to take their place.

Mr. Chairman, I have had an opportunity last night briefly to review an unreleased OEO developed evaluation of the community action agencies. This evaluation applauds the agencies for their efforts in helping the poor become self-sufficient. This evaluation is entitled *Utilization Test Survey Data for 591 Community Action Agencies, January, 1973*. This evaluation states, and I quote,

"There is now emerging for the first time a national picture of community action achievements in terms of the mission emphasized by this Administration.

"Community action is already producing highly constructive results in both urban and rural communities and the trends indicate that continued effort in this direction will produce substantially greater returns on a small investment.

"Perhaps most surprising is the very substantial mobilization of business and industry resources, especially in rural areas. Total business resources amount to about $75 million. The total emerging picture of Community Action Agencies are rapidly becoming very positive forces in their communities. They can play significant roles in helping communities rise to the challenges of revenue-sharing and other forms of government decentralization."

This then is a far different analysis of the effectiveness of community action operations than the President presented in his recent Budget message. In the Budget, he claimed that "community action has had an adequate opportunity to demonstrate its value to local communities. Little justification for continuing separate categorical funding can be identified." What I would like to know, Mr. Chairman, is on what information and facts did the President rely in making this statement?

In the last few years, OEO programs have increasingly committed themselves to a new area of activity—"self-help" programs. The newly-established Community Economic Development program, formerly called the "Special Impact" program, is the primary example of this new thrust. The Community Development Corporations supported by OEO's Community Economic Development program have been widely recognized as the most successful effort by any organization—governmental or non-governmental—to promote realistic economic development in low income communities, using both seed money and technical assistance to deal with the multiple problems involved in economic development.

In addition to removing the support Community Action Agencies have given these corporations, the Administration has proposed transferring this economic development effort to the Office of Minority Business Enterprises (OMBE) in the Department of Commerce. The combined budget for fiscal 1974 for OMBE and the OEO economic development program shows, however, a net reduction of some $28.7 million in programs designed to support minority businesses. The traditional thrust of OMBE has been one of providing educational and technical assistance to individual businessmen in poverty areas. Contrasted with the corporation's approach, it makes little sense to send an individual businessman into a low-income area with little capital, no matter how much technical expertise to which he may have access.

The community development corporation approach of involving the community in a large project with necessary capital where various components will re-inforce one another has proved itself more successful. The East Los Angeles Community Union, a community development corporation has joint ventured with a housing planning group for a community-based housing project to demonstrate real "urban renewal" supported by the community! It is likely that, placed in OMBE, the community economic development program will become just another half-way and fragmented attempt to aid the poor.

With a transfer to OMBE, what will happen to the needed stress on an approach which uses *all* the resources of the community to create economic development? What will happen to the linkage to the community that the community development corporation supplies?

The next area that I want to talk about is the OEO health programs. The Administration proposes to transfer OEO's health programs, most importantly, Comprehensive Health Services Centers, to the Department of Health, Education, and Welfare. This is, supposedly, to centralize the administration of health programs in one agency. But will the *innovations* of OEO health centers, such as the South Central Multipurpose Health Service Corporation in Los Angeles (which has already seen over a $1 million drop in its budget) be continued or will they be dropped in favor of some different approach?

We already have one indication in the President's fiscal 1974 budget proposal which calls for a de-emphasis on health services delivery with a possible switch-over to Health Maintenance Organization. A total of $147 million for OEO health programs is required in the 1974 Budget for HEW, compared with the 1973 obligation of $165.2 million, a reduction of $18.2 million. When this account of $147 million is transferred to the HEW Health Services Delivery budget of 1974, one discovers a further cut in the overall Health Services Delivery budget of nearly $47 million. Further, the administration is proposing a reduction in the 1973 appropriation of some $45 million, bringing the total net loss to some $110 million.

The innovative "one-door" approach to health care for the poor that has been the hallmark of Community Health Centers may well be lost as the administration shuffles priorities in health care—with the result that the poor, with their very special set of health problems, will suffer. The successful South-Central Community Health Center in Los Angeles services about 500 people per month, and has demonstrated its importance of the community.

Finally, Mr. Chairman, a word about OEO Legal Services. Recent reports and news stories have indicated a definite Administration bias *against* OEO's *Legal Services'* "back-up" centers. Since this committee will soon be dealing with legal services legislation, I would like to make a few observations concerning the role these centers have played in our community and their critical relationship to the rest of OEO's programs.

Two centers in California—the Los Angeles-based Western Center on Law and Poverty, and the University of California at Berkeley's National Housing and Economic Development Law Project—serve as vivid examples of their fundamental value and importance. The "back-up" functions of the Western Center have included assistance in appellate litigation, training assistance, and clinical education assistance to law schools. The recent California precedent setting decision of *Serrano vs. Priest*, declaring unconstitutional California's school financing scheme, was a direct result of Western Center's skill and involvement. Also, the Western Center participated in the case of *Blair vs. Pitches*, wherein the California Supreme Court declared unconstitutional the practice of repossessing personal property upon the mere filing of an action by a creditor without a prior court hearing to determine the validity of the charge. These cases have profoundly altered the law, affecting significantly the lives of thousands of the poor by a single ruling.

The kinds of assistance and services these centers provide to legal service projects and to law schools are badly needed by individual projects and by lawyers who don't have the time or expertise to become proficient in every area of poverty law. The centers also play a role with the rest of OEO's programs. The "back-up" functions of the Berkeley project, for example, are directed at assisting lawyers working with Community Development Corporations. One of the recent successful CDC ventures they contributed to was the Salinas Valley "Strawberry Cooperative." It brought a group of migrant families from average incomes of $3500 per year to nearly $12,000, and provided the basis for future spin-offs of new cooperatives sponsored by the parent "Strawberry Coop."

"Back-up" centers like these fill a special need for Legal Services projects and for programs like Community Development Corporations attempting to help the poor. Efforts to help the poor always face legal problems. In many cases, developments in one area can be applied to others. In general, legal services lawyers cannot, by themselves, provide a broad range of expertise in every facet of "poverty law." The function of back-up centers is to assist by "filling in the gaps" and searching out new ways to handle legal problems faced by the poor. They help make the Legal Services program and all OEO's programs a unified operating system. When this Committee considers the Legal Services Corporation legislation, I would strongly recommend that specific provisions should be made for preserving and protecting the independence necessary to ensure the continual role of these centers.

In closing, Mr. Chairman, I would just like to point out that what I am worried about today is not only the decrease in federal funds. The President's Budget for 1974 represents more than a shift in priorities of spending the federal tax dollar. It demonstrates a radical reorganiaztion of our federal system of government.

This proposed new federalism represents a direct challenge to the institutional changes developed over the last five years in employment practices, education, and in medical and legal professions in improving the access of services to the poor. OEO brought the alienated and disenfranchised into the democratic process, gave them a window to government, provided them with hope at a time when hope was obscure. With the dismantling of OEO, not only the symbol of concern, but the actual involvement and commitment of the government will be suspended

Who will lobby for the poor in communities where the poor have no effective voice in the decisions of government? I urge this Committee to review carefully the full implications of the President's proposal before it accepts the demise of OEO, and to consider the possibility of enacting categorical funding legislation to preserve these programs which have aided the poor.

Mr. Chairman and members of the Committee, thank you very much for your patience and courtesy in allowing me to present this testimony.

DRUG ABUSE EDUCATION

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 26, 1973

Mr. PEYSER. Mr. Speaker, today, I have joined with my distinguished colleague and good friend from the State of Washington, Lloyd Meeds, in introducing an extension of the Drug Abuse Education Act of 1970.

I feel that this act has played an invaluable role in this country's war against drug abuse, and it is absolutely vital that we continue this program.

The moneys that are authorized in this bill are an investment in the fight against the misuse of drugs, and the returns from this investment will be measured in saved lives and saved moneys for drug rehabilitation programs. This program is an intricate part of our continued efforts to curb drug abuse, and it deserves the full support of Congress.

HOUSE OF REPRESENTATIVES—*Tuesday, February 27, 1973*

The House met at 12 o'clock noon.

Dr. Lawrence P. Fitzpatrick, national chaplain, the American Legion, Coin, Iowa, offered the following prayer:

Almighty God, plant our feet this day on a solid foundation that we may truly represent those who have sent us to this office. Give us a backbone of steel that we may stand straight and tall. Give us a voice strong and resonant that we may speak out to defend our Nation when and where she is right and to voice the need for change when and where she might be wrong. May our deliberations this day help bring peace to a world caught up in turmoil. God help us when we do right; God forgive us when we fail.

Be with each of us as we try to carry out the responsibilities that we alone can fulfill. Be with us this day and throughout life. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 345. Joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 345) entitled "An act making further continuing appropriations for the fiscal year 1973, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Bible, Mr. Montoya, Mr. Inouye, Mr. Young, Mr. Hruska, Mr. Cotton, and Mr. Brooke to be the conferees on the part of the Senate.

APPOINTMENT AS MEMBERS OF U.S. GROUP OF NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Chair appoints as members of the U.S. Group of the North Atlantic Assembly the following

Members on the part of the House: Mr. Hays, of Ohio, Chairman; Mr. Rodino, of New Jersey; Mr. Clark, of Pennsylvania; Mr. Brooks, of Texas; Mr. Burton, of California; Mr. Arends, of Illinois; Mr. Devine, of Ohio; Mr. Mathias of California; and Mr. Ruppe, of Michigan.

LEGION HONORS CONGRESSMAN GEORGE MAHON

(Mr. DORN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, the American Legion Award for Distinguished Public Service will be presented this year to our distinguished and beloved colleague from Texas, Representative George H. Mahon, chairman of the House Committee on Appropriations.

The Distinguished Public Service Award has been presented five times in the Legion's history to individuals in public life who have rendered outstanding service to the Nation. Prior recipients are the Honorable Carl Vinson, Georgia; the late Senator Everett M. Dirksen, Illinois; Representative Olin E. Teague, Texas; former Speaker of the House of Representatives John W. McCormack, Massachusetts, and Representative Leslie C. Arends, Illinois.

Announcing the selection of Congressman Mahon as the sixth recipient to be honored by the American Legion, National Commander Joe L. Matthews said:

> Congressman Mahon is being recognized for 38 years of outstanding service to the nation and its veterans as a member of the United States Congress. I can think of no other individual who is more deserving. As Chairman of the House Committee on Appropriations, he has shown compassion and concern for the needs of our sick and disabled veterans and their dependents. He has fought for a strong and viable defense posture for the Nation. George Mahon is a distinguished American patriot and I am delighted that the Legion has accorded him this honor.

Chairman Mahon's career in public life began in 1926 when he was elected county attorney of Mitchell County, Tex. A year later he was appointed district attorney and was subsequently elected to that office three times. Upon the creation of the 19th Congressional District of Texas, Mr. Mahon became a candidate for U.S. Representative from that district and was elected in 1934. He has been reelected at 2-year intervals since that time. Only one Member of the House outranks him in length of service.

Mr. Mahon became a member of the House Appropriations Committee in 1939 and has served as chairman since May of 1964. The Appropriations Committee is the largest committee in the Congress and one of the most powerful. The chairmanship is one of the important posts in government.

Congressman Mahon is chairman of the Joint Senate-House Committee on Reduction of Federal Expenditures and a member of the Joint Study Committee on Budget Control. He is also a member of the Board of Regents of the Smithsonian Institution.

Presentation of the award to Chairman Mahon will be a highlight of the American Legion's dinner honoring the Congress at the Sheraton Park Hotel in Washington, D.C., on February 28. This dinner is a feature of the annual Washington conference, and over 2,000 Members of the Congress, Legionnaires, and guests are expected to attend.

INFLATION-RECESSION TRENDS

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, the economic phenomenon of inflation-recession seems likely to become a classic affliction of Republican administrations. Disturbing trends in this morning's news add to my apprehension that this Republican administration is leading this Nation once again into another round of inflation-recession such as we experienced in 1969–70 and in 1957–58.

To ordinary Americans, inflation-recession means that prices are going up and job opportunities are going down. It means that additional thousands of Americans are going to be out of work and those lucky enough to have jobs are going to pay even more for groceries, rent, and other necessities.

Evidence of these disturbing trends comes today in the form of an increase in the prime lending rate and the fence-straddling by the administration on its wage-guidelines policy and its phase III game plan.

Tighter credit is going to mean less investment by industry and fewer jobs for Americans. The shocking rise in food prices last month has already impelled the AFL–CIO to say that it will ask for commensurate wage increases to make up the difference.

In response, Treasury Secretary Shultz and John Dunlop, the new Chairman of the Cost of Living Council, told the press that the administration would stick to its 5.5 percent wage guidelines—maybe. Meanwhile, the president of the AFL–CIO was also telling the press that administration officials had assured him that the guidelines would eventually be discarded.

Mr. Speaker, these conflicting statements show why this administration's credibility with the American people is at an all-time low.

I hope the Congress will exercise its responsibilities of economic review and make the adjustments that are necessary to guide the Nation away from recession and toward a sound and benevolent economic prosperity.

APPOINTMENT AS MEMBERS OF FEDERAL RECORDS COUNCIL

The SPEAKER. Pursuant to the provisions of title 44, United States Code, section 2701, the Chair appoints as members of the Federal Records Council the following members on the part of the House: Mr. Burlison of Missouri and Mr. Frenzel, of Minnesota.

REPORT OF COMMITTEE ON STUDY OF BUDGET CONTROL

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker and my colleagues, as you know, the gentleman from Oregon (Mr. Ullman), and I are joint chairmen of the Committee on the Study of Budget Control. We have a special order scheduled for this afternoon where this matter will be discussed. I take this 1 minute to call attention to that and say that the prime purpose we will have in the discussion is to ask our colleagues to give to that committee the benefit of their views in connection with a series of hearings which we will conduct.

I proudly announce at this time that 32 rather independent members of this joint committee have come out with a preliminary report that is unanimous. It has to do with bringing together the facts that face us financially and how it got this way, as a good start to finding some solution, but it will all go down the drain, I say, unless we adopt a resolution putting it into effect.

At any rate, we will have a colloquy between the cochairman here, Mr. Ullman and I, as well as other members of the committee in the special order following the bill today.

I hope you will be here to take part in it and appear before the committee, also, to give us the benefit of your views.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 345, FURTHER CONTINUING APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year ending June 30, 1973, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Mahon, Passman, Natcher, Flood, Mrs. Hansen of Washington, Messrs. Addabbo, Cederberg, Rhodes, Michel, and Shriver.

PERMISSION TO FILE A CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 345

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Conference Report (H. Rept. No. 93-33)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.J. Res. 345) "making further continuing appropriations for the fiscal year 1973, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same.

The committee of conference report in disagreement amendments numbered 2, 3, 4, and 5.

George H. Mahon,
Otto E. Passman,
William H. Natcher,
Daniel J. Flood,
Julia Butler Hansen,
Joseph P. Addabbo,
Elford A. Cederberg,
John J. Rhodes,
Robert H. Michel,
Garner E. Shriver,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John O. Pastore,
Alan Bible,
Joseph M. Montoya,
Daniel K. Inouye,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Edward W. Brooke,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference of the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year ending June 30, 1973, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: Extends the expiration date of the continuing resolution for foreign aid to June 30, 1973, as proposed by the House instead of April 30, 1973, as proposed by the Senate. This action is taken most regretfully because of the present situation and attendant circumstances and this is not to be regarded as a precedent. It is not our intention to tolerate this practice in the future.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in a technical amendment of the Senate.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides an annual obligation rate of not to exceed $6,224,000 for the American Revolution Bicentennial Commission during the period February 16, 1973, to June 30, 1973.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which repeals the termination date of May 15, 1973, for Customs preclearance activities included in Public Law 92-351. The conferees are agreed that Customs preclearance activities should be continued at the present level of operations until such time as the matter can be further considered and a long range policy determined.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the President to submit periodic reports on impoundments to the Congress.

Amendment No. 6: Changes section number.

George H. Mahon,
Otto E. Passman,
William H. Natcher,
Daniel J. Flood,
Julia Butler Hansen,
Joseph P. Addabbo,
Elford A. Cederberg,
John J. Rhodes,
Robert H. Michel,
Garner E. Shriver,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John O. Pastore,
Alan Bible,
Joseph M. Montoya,
Daniel K. Inouye,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Edward W. Brooke,
Managers on the Part of the Senate.

REQUEST FOR PERMISSION TO MAKE IN ORDER CONSIDERATION OF CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 345

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order at any time after today to consider a conference report on the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, did the gentleman from Texas not receive permission to file a conference report?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, the answer to his question is, "Yes."

I am now asking unanimous consent that it may be in order to consider the conference report any time after today. We have not yet prepared the report, of course, but we are going to go to conference this afternoon at 3 o'clock. I was asking unanimous consent that it would be in order to consider the conference report at any time after today, which I assume would be tomorrow, because the continuing resolution expires on the 28th of February.

Mr. GROSS. Mr. Speaker, I would say to the gentleman from Texas that I assume there are some Members of the House who might like a little time to ascertain what is in the conference report that is to be filed. So I would suggest to the gentleman from Texas that he come to the House tomorrow with that request if a conference report is agreed upon today.

Mr. MAHON. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. Yes; I yield to the gentleman from Texas.

Mr. MAHON. What will be agreed to in conference, of course, is not completely predictable. The House continued the foreign aid programs and the activities provided for in the Departments of Labor and Health, Education, and Welfare bill until June 30. The other body continued the Departments of Labor-HEW portion of the continuing resolution to June 30, but continued the foreign assistance programs only until April 30. That would be a matter in controversy.

Also the other body added a proviso that makes it mandatory upon the President every quarter to give a report on funds which are being impounded or withheld from expenditures.

The Senate also added amendments providing financing for the American Revolution Bicentennial Commission and deleting the May 15 cutoff date for customs preclearance. That is the extent of the Senate changes.

Mr. GROSS. I would say to the gentleman from Texas that those are highly important amendments that the other body has added. I would think it possible the gentleman from Texas might reach an agreement at midnight tonight, and call the bill up at noon tomorrow with little or no notice to the Members of the House. I would therefore state that if the gentleman from Texas persists in his unanimous consent request that I would be constrained to object. I have no desire to delay House consideration of the expected conference report, but I do want to know what it contains before it is called up for approval.

Mr. MAHON. Mr. Speaker, I withdraw my unanimous-consent request.

OFFICIAL OBJECTORS FROM THE DEMOCRATIC SIDE

Mr. O'NEILL. Mr. Speaker, I take this time to announce the official objectors from the Democratic side.

The official objectors for the Private Calendar will be the gentleman from Massachusetts, Mr. Boland; the gentleman from Georgia, Mr. Davis; and the gentleman from Ohio, Mr. James V. Stanton.

The official objectors for the Consent Calendar will be the gentleman from Arkansas, Mr. Alexander; the gentleman from Wyoming, Mr. Roncalio; and the gentleman from North Carolina, Mr. Rose.

JOINT STUDY COMMITTEE ON BUDGET CONTROL

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate Concurrent Resolution (S. Con. Res. 8) relating to the designation, administration, and expenses of the Joint Study Committee on Budget Control.

The Clerk read the Senate Concurrent Resolution as follows:

S. Con. Res. 8

Resolved by the Senate (the House of Representatives concurring), That the joint committee established under title III of the Act entitled "An Act to provide for a temporary increase in the public debt limit and to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1973", approved October 27, 1972 (Public Law 92-599; 86 Stat. 1324), shall be known as the Joint Study Committee in Budget Control (hereafter referred to in this concurrent resolution as the "joint study committee").

SEC. 2. (a) During the first session of the Ninety-third Congress, the members of the joint study committee shall select two cochairman in lieu of a chairman.

(b) The joint study committee is authorized to procure the services of individual consultants, or organizations thereof, in accordance with the provisions of section 202 (i) of the Legislative Reorganization Act of 1946.

SEC. 3. (a) For the period from March 1, 1973, through the close of the first session of the Ninety-third Congress, the joint study committee is authorized to expend from the contingent fund of the Senate not to exceed $200,000 to carry out the provisions of such title III. Of such amount not to exceed $25,000 may be expended for the procurement of such individual consultants or organizations thereof.

(b) During the first session of the Ninety-third Congress, expenses of the joint study committee paid out of the contingent fund of the Senate shall be so paid upon vouchers approved by either of the two cochairmen of the joint study committee.

SEC. 4. The joint study committee shall submit a final report of the results of the study and review made under such title III, to the Speaker of the House of Representatives and to the President pro tempore of the Senate, not later than the close of the first session of the Ninety-third Congress.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid upon the table.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 23]

Ashley
Badillo
Biaggi
Blatnik
Burke, Calif.
Carey, N.Y.
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Collier
Dorn
Foley
Ford, William D.
Frelinghuysen
Froehlich
Gray
Hansen, Idaho
Harvey
Hawkins
Hébert
Hogan
Hosmer
Howard
Kastenmeier
King
Koch
Long, La.
Lujan
Mann
McCormack
McDade
Mailliard
Meeds
Mills, Ark.
Mollohan
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
O'Hara
Patman
Poage
Price, Tex.
Quie
Rees
Regula
Riegle
Robison, N.Y.
Rooney, N.Y.
Roybal
Ruppe
Satterfield
Scherle
Seiberling
Smith, N.Y.
Stanton, James V.
Steed
Symington
Teague, Calif.
Wilson, Bob
Wilson, Charles, Tex.

The SPEAKER. On this rollcall 369 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FAIR LABOR STANDARDS AMENDMENTS OF 1973

(Mr. DENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I want to announce to the membership that I am introducing a bill today to amend the Fair Labor Standards Act to increase the minimum wage rate under that act and to extend its provisions to additional employees.

This bill is almost identical to the one reported by the Committee on Education and Labor in the last Congress.

The notable differences between the two bills are:

First. The new bill proposes an eventual minimum wage rate increase, in time, to $2 and then $2.20, and the previous proposal was for $2 an hour. However, a year has passed, almost, since that bill was first presented to the House.

Second. The new bill does not contain a provision to provide relief for domestic workers and industries injured by increased imports from low-wage areas. I thought this wise because of the opposition generated from those areas of the country not affected by low-cost imports.

I intend to hold very brief hearings, and any comments or any information Members have the committee will be glad to receive.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

INTEREST EQUALIZATION TAX EXTENSION ACT OF 1973

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 197 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 197

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. LATTA) pending which I yield myself such time as I may consume.

Mr. Speaker, I know of no controversy concerning this rule and, as far as I know, no controversy on the matter in order, and, therefore, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I shall be glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I am glad to note that this is an open rule and commend the Rules Committee for it. As far as those words of commendation are concerned, I hope that I will not have to eat them in subsequent productions by the Committee on Rules with respect to closed rules.

Mr. BOLLING. Mr. Speaker, the Committee on Rules is grateful for the commendations of the gentleman from Iowa.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in view of the colloquy that has just occurred, I might say that this is probably the first time in some 40 years that we have had an open rule on a tax bill. It provides for 2 hours of debate.

Mr. Speaker, it is my hope and, I certainly think, the hope of this House that we can act responsibly, and I hope that if any amendments are proposed to tax bills, and this tax bill in particular, that they will pertain to the subject under consideration. I might say if we do not do that, we will have to take another look at these closed rules in the future as they pertain to tax bills.

Mr. Speaker, I might say that this bill that House Resolution 27 makes in order merely extends for 15 months the interest equalization tax, with a couple of slight amendments, and one of them, I might say, gives the President the authority to increase this tax to 1½ percent, which will make about $85 million more in the U.S. Treasury coming from outside the continental United States. I think it is high time we do just that.

Mr. Speaker, I have no further requests for time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3577, with Mr. SIKES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oregon (Mr. ULLMAN) will be recognized for 1 hour, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 1 hour.

The Chair recognizes the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, before discussing the bill at hand providing for an extension of the interest equalization tax, let me make a few brief comments relative to the international monetary situation.

As you know, in the year before last, this country ran a deficit in its merchandise trade account of $2.7 billion, the first such deficit since 1888. In 1972 the deficit amounted to nearly $7 billion. As a result of this deterioration in the balance of trade and also the large balance of payments deficits over the past several years which piled up more and more dollars abroad—perhaps $70 billion—speculative pressure on the dollar reached a peak in the last few weeks. This pressure reflected the view that the dollar was overvalued, particularly with respect to the German mark and the Japanese yen.

In light of these circumstances, the President found it necessary to devalue the dollar by 10 percent. In addition, there was an agreement to permit the yen to float upward by another 5 percent.

This action was necessary to avoid a complete collapse of the international money markets and to give us some breathing space during which more rapid progress, hopefully, can be made in the international monetary negotiations. While I have grave doubts, I sincerely hope that this second devaluation will be sufficient to hold the line until more fundamental reforms in the monetary and trading systems can be made.

In this connection, I note from the press the administration plans to submit to Congress trade legislation providing authority to the President to deal with our pressing trade problems and to restore balance in our international trade account. The administration has also announced that by the end of next year, it plans to phase out the restrictions we presently have on capital outflows.

Today, we are considering the extension of the interest equalization tax, one of the measures limiting capital outflows. Under the bill as reported by your committee, the tax is continued through June 30 of next year.

Whether the Congress wants to extend the tax beyond that date—either to the December 31, 1974, date requested by the administration or for some longer period of time—is a question which can be settled next year when we are again considering the interest equalization tax.

The exchange rates adjustments, which I have discussed up to this point, are primarily designed to improve our balance of trade, although they also have an impact across the board as well. The interest equalization tax, on the other hand, deals only with capital flows as distinct from movements of goods and services. The control of capital flows at the present time is provided by the interest equalization tax in combination with two other programs: the reduction of direct investment abroad under the Commerce Department's Office of Foreign Direct Investments and restrictions of outflows of funds from banks under the Federal Reserve Board's voluntary foreign credit restraint program.

The interest equalization tax discourages capital outflows from the United States by increasing the cost for foreigners in obtaining capital from U.S. sources. It does this by imposing a tax which has the effect of increasing by three-fourths of 1 percent the interest rate paid by foreigners selling debt obligations or stock to U.S. residents. Under present law, the administration could raise this tax to the equivalent of a 1½ percent additional interest rate or lower it to zero.

The bill before us today extends the interest equalization tax from March 31 of this year until June 30, 1974. Whether it will be desirable to further extend the tax beyond this June 30 date is a decision we can make next year after we have seen what progress has been made in the negotiations on tariff and nontariff barriers.

Under today's conditions, however, a continuation of the interest equalization tax is clearly needed. This is shown by the fact that interest rates in the United States are considerably lower than those abroad. As of October 1972 for example, when the yield on U.S. Treasury bonds was 5.69 percent, the Western European government bond average was 7.19 percent.

For corporate bonds the differential between United States and foreign rates is also substantial. In December 1972, the U.S. rate on high grade industrials was 7.33 percent while the rate in the United Kingdom was 10.40 percent, the rate in France was 8.30 percent and the rate in Germany 8.58 percent.

EFFECTIVENESS OF THE TAX

The question usually raised about this tax is "has it really helped our balance-of-payments position?" I believe it is clear that the tax has decreased the foreign demand for U.S. capital and in this manner made our balance-of-payments deficit smaller than would otherwise be the case.

An indication of the deterrent effect of the tax is shown by the fact that in 1962, just prior to the imposition of the tax, purchases of new securities by U.S. residents from countries which are now subject to the tax were $356 million. In contrast, in 1971 only $3 million, and in the first three-quarters of 1972 $17 million, were purchased by U.S. residents from these countries.

Even though purchases by U.S. residents of securities subject to the tax decreased drastically, the opposite is true of purchases from countries not subject to the tax. These purchases grew from a level of $722 million in 1962 to $1.5 billion in 1971. If this same rate of growth had applied to purchases from countries subject to the tax, the 1971 level of purchase would have been $740 million. This is in contrast to the $3 million which was actually purchased in 1971.

So far I have discussed the effect of the tax in the purchases of new securities. The tax has also discouraged purchase by U.S. residents of outstanding securities held by foreigners. In the 3½ years prior to the enactment of the tax, the net purchase of outstanding foreign securities by U.S. residents amounted to $274 million a year. Since enactment of the tax, U.S. residents have actually been net sellers of foreign securities with net sales averaging $61 million a year.

While the interest equalization tax at best is a solution to only a very small part of our balance-of-payments problem, nevertheless, I think it is clear that we should not abandon it now. The bill, therefore, continues the tax until June 30 of next year. At that time, we will be in a better position to determine whether the tax appropriately fits in with our new program to deal with the balance-of-payments problems or whether it should be allowed to expire.

Apart from the extension of the interest equalization tax, the bill makes only three minor amendments.

The first of these amendments provides that where a domestic company or partnership elects to treat its debt as subject to the interest equalization tax, the value of the debt is generally not to be included in the U.S. estate tax base of a nonresident alien holder of the debt.

The second amendment provides that the stock or debt obligations of a less developed country shipping corporation are not to be excluded from the interest equalization tax by reason of the less developed country exclusion.

The third amendment provides that if a foreign issuer makes a significant investment of foreign funds in the United States, under certain conditions he may issue stock or debt to U.S. persons which will not be subject to the interest equalization tax.

These modifications are all minor modifications which do not in any way decrease the effectiveness of the interest equalization tax. They were all presented to us by the Treasury Department in the appearance of the Under Secretary of the Treasury before our committee.

I urge the adoption of this bill extending the interest equalization tax until June 30 of next year. The tax by itself deals only with a very small part of our international payments problem but it is one which we must continue at the present time if we do not want to worsen our balance-of-payments problems. I urge that you vote for the bill as reported by the committee.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I support H.R. 3577, extending the interest equalization tax until June 30, 1974. The need for a continuation of this tax can be clearly seen by a review of our current balance-of-payments situation which last year ran about a $3 billion deficit and by considering the effects its elimination at this juncture could have on our Government's current efforts to negotiate international monetary reforms.

The interest equalization tax is a balance-of-payments measure designed to equalize the differential between historically lower interest rates of the U.S. capital market and those of Europe. The tax, in effect, provides the equivalent of a 3/4 percent per annum rise in interest costs for foreigners obtaining capital from U.S. sources, either from the sale of debt obligations with a maturity of 1 year or more or from the sale of stock. Its purpose is to increase borrowing costs for foreigners obtaining capital in the United States. It is not a tax to produce revenue since it raises less than $100 million a year, but rather it is being used to influence particular transactions, and to discourage the investment of our dollars abroad.

All of us want to move toward free market conditions in international capital markets by phasing out the interest equalization tax as soon as is practical. In his February 12 statement announcing the revaluation of the dollar, Secretary Schultz noted that the administration intends to phase out the interest equalization tax and the controls on foreign direct investment by December 1974, at the latest.

It is understood that the Federal Reserve Board will consider comparable steps for their voluntary foreign credit restraint program. Secretary Schultz went on to say:

> The phasing out of these restraints is appropriate in view of the improvement which will be brought to our underlying payments position by the cumulative effect of the exchange rate changes, by continued success in curbing inflationary tendencies, and by the attractiveness of the U.S. economy for investors from abroad. The termination of the restraints on capital flows is appropriate in the light of our broad objective of reducing governmental controls on private transactions.

In view of the continued deterioration of our balance-of-trade position, which in 1972 amounted to more than $6 billion, and the efforts to achieve fundamental reform in international monetary arrangements, now is not the time to eliminate the interest equalization tax. Even those witnesses testifying before the committee on the IET, who are opposed to it in principle, generally agreed that it should be continued during this current transitional period while efforts to establish a broader program which can restore a lasting balance in our international payments are vigorously pursued.

The bill before us extends the IET for 15 months, through June 30, 1974. The committee's extension of the tax for only a 15-month period indicates our continuing concern about long-term reliance on devices of this type in contrast to permanent arrangements which go to the underlying causes of our balance-of-payments problems. Hopefully, our efforts toward this end will soon bear fruit. Until they do, however, the IET, the Department of Commerce's foreign direct investment program, and the Federal Reserve Board's voluntary foreign credit restraint program will be relied upon not only to prevent further deterioration of our balance-of-payments situation, but also by our major trading partners as evidence of our sincere intention to redress our balance-of-payments position and as a contribution to continued international financial stability. The three programs are mutually reinforcing with the result that the elimination of one of them—like the IET—would endanger the effectiveness of the others as well as their total effect. This should not be allowed to occur.

We are today concerned about a short-term measure to assist the United States in its efforts to stem the flow of U.S. dollars abroad, while we undertake solutions that deal with the fundamental problems. The Smithsonian Agreement of December 1971, represented an important first step in this process. The subsequent proposals of the United States for international monetary reform, our work with the Group of Twenty—"G-20"—and the revaluation announced recently after consultation with our allies, are important steps indicating that the administration intends to work hard for fundamental solutions. Efforts to make our goods competitive through reducing inflation, both by a restrained budget policy and phase III controls, will be an important part of this effort. Additionally, the President has announced his intention to recommend trade legislation enabling the administration to negotiate with our trading partners for the removal of unfair barriers to the sale of our goods abroad.

All of our endeavors are crucial to a realinement of our balance-of-payments position and the establishment of equilibrium in international economic affairs. As we strive for results from these efforts we must maintain our current tools to deal with the immediate problems. The continuation of the IET for an additional 15 months is important at this critical juncture in our international economic relations.

I, therefore, urge approval of H.R. 3577.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Chairman, 2 years ago during House deliberation of legislation similar to the bill we are today considering, I said:

> One look at the United States balance of payments position should be enough to convince anyone that we need to extend the interest equalization tax.

Unfortunately, those words are as pertinent today as they were in 1971. In 1972, our balance-of-payments deficit was larger than any year prior to 1971, and our trade balance deteriorated about $4 billion from 1971. And the prospects for improving our position in the immediate future are not good. Accordingly, we need to continue measures—such as IET—which have a demonstrable effect on reducing the outflow of U.S. capital.

The tax first became effective in 1964, after the payments balance had been in a deficit position for 6 consecutive years and showed no signs of improvement. The theory was that this tax—which applies to the acquisition of foreign securities by Americans—would increase for foreigners in developed countries, the cost of raising equity in the United States. It would, therefore, help substantially to improve our balance-of-payments position, particularly in periods when our interest rates were low. It should be noted that U.S. interest rates are still lower than those in many foreign countries.

Since 1964, the IET has been extended on a temporary basis every 2 years. It is due to expire on March 31 of this year and the administration in January requested its extension. In the intervening period since January, the dollar has been devalued and new pressures have been applied for a meaningful rearrangement of the entire international monetary system. We all agree that this latter step is crucial to continued economic stability both at home and abroad and are confident that the administration will pursue this effort with renewed vigor and urgency. In the meantime, however, we must continue to insure that our Government has every available tool it needs to combat the balance of payments problem. The interest equalization tax is one of those tools.

The IET, the foreign direct investment program—administered by the Department of Commerce, and the Federal Reserve Board's voluntary foreign credit restraint program all serve to restrain the outflow of U.S. capital and must be continued, at least in the short run, until more basic international monetary solutions can be agreed upon. The elimination of one of these devices will only reduce the effectiveness and impact of the others. Such a result would be as unfortunate as it would be self-defeating.

Mr. Chairman, the Committee on Ways and Means gave careful consideration to the need for extension of the IET and decided that it should be continued for a period less than that requested by the administration. H.R. 3577 provides for an extension until June of 1974. This bill was reported by the committee prior to the recent dollar devaluation and statements by the Secretary of the Treasury announcing that the administration in future months would request the elimination of the IET as part of its effort to reach long term solutions to our balance of payments problem. It should be noted, however, that these solutions have not yet materialized and will not be in effect for some time with the result that for the present and the immediate future the interest equalization tax will continue to be a front line defense against the outflow of our capital. As a result, its continuation is essential.

For these reasons, I urge the approval of H.R. 3577.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, how does this tax apply to purchases of gold in this country, American held gold stocks, or does it apply at all?

Mr. SCHNEEBELI. It does not apply at all because it affects only U.S. purchases abroad of foreign stocks and long term debt obligations. It is only the investment of U.S. money abroad that is affected. This does not affect the purchases here.

Mr. GROSS. What are we doing with the gold stocks we have?

Mr. SCHNEEBELI. I think they are maintained at a pretty constant level of about $10.5 billion for the last several years. To the best of my knowledge, and this is I think under some other committee, our gold stocks have been at a rather permanent and substantial base of $10.5 billion.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from New York.

Mr. CONABLE. Is it not true that we are no longer converting our currency abroad?

Mr. SCHNEEBELI. That is right. The gold stocks we have in the United States are being rather substantially protected. We are not trading in gold.

Mr. GROSS. If the gentleman will yield further, in other words the gold stock we have, approximately $11 billion, is sterile. The gold is sterile and serves no useful purpose?

Mr. SCHNEEBELI. As the gentleman knows, gold remains the basis for our own monetary system.

Mr. GROSS. How can it be a reserve if we refuse to sell gold or if we refuse to back our currency with gold? How can it have that value?

Mr. SCHNEEBELI. I think Congress took action legislatively to prevent a conversion of our gold certificates or our securities into gold domestically.

Mr. GROSS. Oh, there is no question about that, but I am wondering what purpose this despicable gold, as some people call it serves. Why do we have it or maintain it at Fort Knox or the Federal Reserve vaults in New York? Why do we keep it? Why do we not peddle it when gold hits $95 an ounce on the world market?

Mr. SCHNEEBELI. Probably at some future date we may permit a conversion of gold for our currency. We do not do it now.

Mr. GROSS. I would hope before this debate concludes that some knowledgeable members of the knowledgeable Ways and Means Committee would give some of us "ancients" some information with respect to what is being done with this gold, why we have it at all and why we do not get rid of it at $95 an ounce and capitalize on a product we evidently got for $35 or perhaps even $32 an ounce.

Mr. SCHNEEBELI. As I say, this is not within the province of our committee, it is the Banking and Currency Committee, and if any members of that committee are present I would be happy to yield time to them.

Mr. CONABLE. Mr. Chairman, will the gentleman yield further at this point?

Mr. SCHNEEBELI. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I think the point is this. The issue of gold is not relevant to this particular bill. The interest equalization tax does not involve the purchase or sale of gold. In my understanding, on August 15 we suspended a redemption of American currency in gold to the central banks of other countries. It is only suspended however and therefore our gold reserve still remains of some significance. Whether we will ever go back to the redemption of currency in gold or not is a serious question, but pending the determination of that question I think it would probably be unwise for us to speculate with our gold in the money markets in order to take advantage of the current high values.

Mr. SCHNEEBELI. I would like to assure the gentleman from Iowa that I share his concern about our gold problem and about the reliability of our own currency.

Mr. GROSS. If the gentleman will yield, I am intrigued by the fact that the report on page 3 sets forth a table, with respect to gold, and discusses it at some length. Therefore, it must have some relation to this bill.

Mr. SCHNEEBELI. Apparently, as our balance of payments deteriorated, we transferred a large share of our gold abroad, but I think that stopped several years ago.

Mr. ULLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, I support this legislation only as a temporary expedient to measure one form of capital outflow from the United States.

It is contended by the administration that this legislation has worked—that the record discloses a reduction in the form of capital outflow which is taxed by this law.

As far as capital outflow is concerned, this determination is pure illusion. Although tax collections are down—while transactions subject to the tax may be less than they were a year ago—capital outflows from the United States substantially increased by procedures which bypassed the interest equalization tax.

As I stated in my supplemental views, this tax reached less than one-tenth of American capital going abroad—controlling $700 million in taxable investments while direct investment abroad for 1971 reached $7.8 billion, to which must be added the 1971 outflow of $2.1 billion from commercial banks. The 1972 ouflow from all sources is a national secret—it was never disclosed to our committee.

The Department of Commerce has not discouraged direct investment abroad. As a matter of fact, the Department merely maintains an inadequate record of capital outflows in direct investment.

It is shocking, but the administration seems currently dedicated to the proposition that the more American capital invested abroad—the better. The administration suggests that the interest equalization tax may not be necessary during the next year.

I find the administration's policy an incredible inducement to bleed America of its capital—at the very moment that interest rates are propelled upward because of capital shortages on the domestic scene. History clearly demonstrates that a domestic capital shortage is a short-cut to recession and depressed industrial activity and unemployment in the United States.

The Federal Reserve System has proven as impotent as the Department of Commerce in controlling capital outflows handled by commercial banks. I doubt that the Federal Reserve System can provide an accurate listing of capital outflows handled by commercial banks and their foreign subsidiary system.

The recent devaluation is a case in point. Our recent financial crisis was substantially a self-inflicted wound by Americans on Americans. Through our own banking system—with the Federal Reserve looking on—some skilled and privileged Americans attuned to the times, hauled in over a billion dollars in fat and probably untaxed profits created through currency speculation and the devaluation of the American dollar. This miserable American tragedy should not be permitted to occur again. The blood on which these vultures feast is our own.

Where are our senses in this kind of monetary mischief? What kind of fools are we to believe that America is better prepared to meet its current problems and rebuild our economy by transfusing our life-giving capital to other nations which enjoy better economic health than our own?

It is contended by the administration that capital investment abroad has resulted in income distributions in the United States. I defy those who support this contention to prove whether any decent or respectable portion of such income has ended up as substantial tax payments to the Federal Treasury. The fact is that such income is not repatriated—it remains abroad—floating around with $85 billion other Eurodollars ready to light on a tax shelter—or a tax-free island—or in money speculation. These free-floating American dollars invested abroad, which may one day call for American defense, have no patriotism whatsoever—they deserve no protection nor defense at the expense of the American people, if they are confiscated or expropriated.

The bill which we consider today and which terminates on June 30 of next year should be used as a vehicle to provide effective controls over all forms of capital shipments abroad. This Congress should set the conditions, the terms and the circumstances under which capital should move—or when it can move. Capital outflows in any form should not be countenanced, when such outflows contribute to escalating interest rates or a possible recession in the United States. At this moment, common economic sense suggests that export controls should be considered on capital outflows.

If our Nation should persist in dispatching its capital around the world—if we fail to restrain in some way our purchase of foreign assets and enterprise—the action which we fail to take may be taken by other countries.

Canada is currently taking official Government action to curb American investments—Australia is right behind—and these nations are among our best friends.

If we fail to prudently restrain the volume of American capital investment and outflow to other countries, they will enact legislation to accomplish that end.

There are many advantages in an interchange of investment among the nations of this world. Such investment can create interreliance and stimulate trade between nations. But the timing, extent, or concentration of such investments may cause economic imbalance—develop controlled marketing to the detriment of all consumers—and may result in the takeover of specific resources or entire industries by alien purchase.

It is for these reasons that Congress must act to set legislative standards and guidelines to direct the nature, circumstances, and the extent of investment abroad by Americans and investment in America by foreigners.

It is my hope that Congress will utilize the time during which this Act is extended to enact a comprehensive bill on foreign investment and capital movement.

Mr. SCHNEEBELI. Mr. Chairman, I have no further requests for time.

Mr. ULLMAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 3577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Interest Equalization Tax Extension Act of 1973".

(b) AMENDMENT OF 1954 CODE.—Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. EXTENSION OF INTEREST EQUALIZATION TAX.

Section 4911(d) is amended by striking out "March 31, 1973" and inserting in lieu thereof "June 30, 1974."

SEC. 3. OTHER AMENDMENTS.

(a) ESTATE TAXATION OF CERTAIN DEBT WHERE INTEREST EQUALIZATION TAX APPLIES.—

(1) ESTATE TAX NOT TO APPLY.—The last sentence of section 2104(c) (relating to treatment of certain debt obligations for estate tax purposes) is amended by inserting "or section 861(a)(1)(G)" after "by reason of section 861(a)(1)(B)".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to estates of decedents dying on or after January 1, 1973.

(b) REPEAL OF EXEMPTION FOR SHIPPING COMPANIES IN LESS DEVELOPED COUNTRIES.—

(1) IN GENERAL.—Section 4916 (relating to investments in less developed countries) is amended by adding at the end thereof the following new subsection:

"(e) ISSUES AFTER JANUARY 29, 1973, IN CASE OF SHIPPING COMPANIES IN LESS DEVELOPED COUNTRIES.—

"(1) REPEAL OF EXCLUSION.—Except as provided by paragraphs (2), (3), and (4), subsection (a) (2) shall not apply to acquisitions of stock or debt obligations of a corporation described in subsection (c)(1)(B) (relating to certain less developed country shipping companies) which were issued on or after January 30, 1973.

"(2) EXCEPTION FOR PREEXISTING COMMITMENTS.—Paragraph (1) of this subsection shall not apply to an acquisition—

"(A) made pursuant to an obligation to acquire which, on January 29, 1973—

"(i) was unconditional, or

"(ii) was subject only to conditions contained in a formal contract under which partial performance had occurred; or

"(B) as to which on or before January 29, 1973, the acquiring United States person (or, in a case where 2 or more United States persons are making acquisitions as part of a single transaction, a majority in interest of such persons) had taken every action to signify approval of the acquisition under the procedures ordinarily employed by such person (or persons) in similar transactions, subject only to the execution of formal documents evidencing the acquisition and to customary closing conditions, and the acquiring United States person (or persons)—

"(i) had sent or deposited for delivery to the foreign issuer or obligor from whom the acquisition was made written evidence of such approval in the form of a commitment letter, memorandum of terms, draft purchase contract, or other document setting forth, or referring to a document sent by the foreign issuer or obligor from whom the acquisition was made which set forth, the principal terms of such acquisition, or

"(ii) had received from the foreign issuer or obligor from whom the acquisition was made a memorandum of terms, draft purchase contract, or other document setting forth, or referring to a document sent by the acquiring United States person (or persons) which set forth, the principal terms of such acquisition.

"(3) EXCEPTION FOR PUBLIC OFFERING.—Paragraph (1) of this subsection shall not apply to an acquisition if—

"(A) a registration statement (within the meaning of the Securities Act of 1933) was in effect with respect to the stock or debt obligation acquired at the time of its acquisition;

"(B) the registration statement was first filed with the Securities and Exchange Commission on January 29, 1973, or within 90 days before that date; and

"(C) no amendment was filed with the Securities and Exchange Commission after January 29, 1973, and before the acquisition which had the effect of increasing the number of shares of stock or the aggregate face amount of the debt obligations covered by the registration statement.

"(4) EXCEPTION FOR OPTIONS, FORECLOSURES, AND CONVERSIONS.—Paragraph (1) of this subsection shall not apply to an acquisition—

"(A) of stock pursuant to the exercise of an option or similar right (or a right to convert a debt obligation into stock), if such option or right was held on January 29, 1973, by the person making the acquisition or by a decedent from whom such person acquired the right to exercise such option or right by bequest or inheritance or by reason of such decedent's death, or

"(B) of stock or debt obligations as a result of a foreclosure by a creditor pursuant to the terms of an instrument held by such creditor on January 29, 1973."

(2) CONFORMING AMENDMENT.—Section 4916(a)(2) is amended by inserting "(except as provided in subsection (e))" and after "less developed country corporation".

(c) EXCLUSION FOR SECURITIES ISSUED TO FINANCE NEW OR ADDITIONAL DIRECT INVESTMENT IN THE UNITED STATES.—

(1) EXCLUSION FROM TAX.—Subchapter A of chapter 41 (relating to acquisition of foreign stock and debt obligations) is amended by adding at the end thereof the following new section:

"SEC. 4922. EXCLUSION FOR CERTAIN ISSUES TO FINANCE NEW OR ADDITIONAL DIRECT INVESTMENT IN THE UNITED STATES.

"(a) GENERAL RULE.—The tax imposed by section 4911 shall not apply to the acquisition by a United States person of stock or a debt obligation constituting all or part of an original or new issue (as defined in section 4917(c)) which was issued for the purpose of financing new or additional direct investment (as defined by the Secretary or his delegate) in the United States by the foreign issuer or obligor and which qualifies under subsection (b).

"(b) QUALIFICATION FOR EXCLUSION.—In order for any issue of stock or debt obligations to qualify for an exclusion under subsection (a), the foreign issuer or obligor (prior to the issuance of such stock or debt obligations) shall have established to the satisfaction of the Secretary or his delegate, pursuant to rules or regulations prescribed by the Secretary or his delegate, that—

"(1) at least 50 percent of the total funds required for the direct investment involved will come from sources outside the United States;

"(2) such investment will be made for a period of at least 10 years;

"(3) during such 10-year period the aggregate amount of all investments in the United States by the foreign issuer or obligor will at no time be reduced below the aggregate amount of such investments as determined immediately after the investment to which the exclusion applies;

"(4) during such 10-year period the foreign issuer or obligor will comply with such other conditions and requirements as the Secretary or his delegate may prescribe and make applicable to such issuer or obligor; and

"(5) during such 10-year period the foreign issuer or obligor will submit such reports and information, in such form and manner, as may be required by the Secretary or his delegate to substantiate compliance by the foreign issuer or obligor with the requirements of the preceding paragraphs.

"(c) LOSS OF ENTITLEMENT TO EXCLUSION IN CASE OF SUBSEQUENT NONCOMPLIANCE.—

"(1) IN GENERAL.—Where an exclusion under subsection (a) has applied with respect to the acquisition of any stock or debt obligation, but the foreign issuer or obligor subsequently fails (before the termination date specified in section 4911(d)) to comply with any of the requirements enumerated in subsection (b) or made applicable to such issuer or obligor under paragraph (4) thereof then liability for the tax imposed by section 4911 (in an amount determined under paragraph (2) of this subsection) shall be incurred by such foreign issuer or obligor (with respect to such stock or debt obligations) at the time such failure to comply occurs as determined by the Secretary or his delegate.

"(2) AMOUNT OF TAX.—In any case where an exclusion under subsection (a) has applied with respect to an original or new issue of stock or debt obligations, but a subsequent failure to comply with the requirements enumerated in or made applicable to the foreign issuer or obligor under subsection (b) occurs and liability for the tax imposed by section 4911 is incurred by the issuer or obligor as a result thereof, the amount of such tax shall be equal to the amount of tax for which all persons acquiring such stock or debt obligations (as part of the original or new issue) would have been liable under such section upon their acquisition thereof if such exclusion had not applied to such acquisition."

(2) PENALTY.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"SEC. 6689. FAILURE BY CERTAIN FOREIGN ISSUERS AND OBLIGORS TO COMPLY WITH UNITED STATES INVESTMENT EQUALIZATION TAX REQUIREMENTS.

"In addition to any other penalties imposed by law, any foreign issuer or obligor with respect to an original or new issue of whose stock or debt obligations an exclusion from tax under section 4922 applied, but who fails to comply with any of the applicable requirements enumerated in or made applicable to such issuer or obligor under subsection (b) of such section and (under section 4922(c)) incurs liability for the tax imposed by section 4911 as a result thereof, shall, unless it is shown that such failure to comply is due to reasonable cause and not due to willful neglect, be liable (in addition to the liability for tax so incurred) for a penalty equal to 25 percent of the total amount of such tax."

(3) Conforming amendments.—

(A) The table of sections for subchapter A of chapter 41 is amended by adding at the end thereof the following new item:

"Sec. 4922. Exclusion for certain issues to finance new or additional direct investment in the United States.".

(B) The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following new item:

"Sec. 6689. Failure by certain foreign issuers and obligors to comply with United States investments equalization tax requirements.".

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed.

Mr. ULLMAN. Mr. Chairman, there are no committee amendments.

Mr. RONCALIO of Wyoming. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Wyoming (Mr. Roncalio) is recognized for 5 minutes.

Mr. RONCALIO of Wyoming. Mr. Chairman, I have been sitting with my good friend, the gentleman from South Carolina (Mr. Gettys) and I do not mean to involve him in this, because these are my thoughts and not his, but it seems to me, my colleagues, that we are about to pass judgment on a piece of legislation, and I doubt very much if there are 15 Members of the 435 Members of this House who know what we are doing. I doubt very much if we know what we are doing.

I would like to ask the Members, can we say in good conscience that we really know what we are doing?

Mr. Chairman, I know $85 million were earned for the Treasury last year, but I do not know how many billions of dollars in bank loans went to Switzerland without taxation under exceptions in this bill. I want to know how many hundreds of millions of dollars went to Germany and Japan and other countries without taxation, probably being sold off for marks and francs today, and I know what this bill is going to do to attack the problem.

Why do we persist in such cursory treatment of such an important matter? Do we recognize, my colleagues, that we have abandoned our powers and still further allow an erosion of our right to the executive department, in this case the Treasury?

Mr. Chairman, this report says we will let the President determine whether there shall be an interest tax or no tax, and if so what amount. Why do we persist in further derogation of our powers to delegate this to the President again? Here we go again.

Mr. Chairman, I am going to vote against this bill, in the hopes that sooner or later we will return authority to this House, even if it means that we have to start at 8 o'clock in the morning to sweat out the complexities of our money problems abroad, instead of going through the theatrics we engage in today. This is the first open rule from Ways and Means since 1929, but for all the good it does, we might just as well have forgotten about that reform.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I want to commend the gentleman for his statement putting the House on notice as to what is being done here by way of delegating extraordinary powers to the President.

Mr. Chairman, I am sick and tired of listening to Members of Congress, both in the House and in the other body, who continually rave about the usurpation of power on the part of the President. He is not usurping power; the Congress has been giving it to him year after year after year. There is scarcely a piece of major legislation that comes to the floor of the House that does not contain some variation of this language: "If the President deems it to be in the national interest" or "if the President deems it to be in the national security," he can do thus and so.

Mr. Chairman, I have been reading the Federal Register. I recommend to the Members that they take a look at it once in a while and note the "Presidential Determinations" that are being made under delegations of authority such as you are about to continue and approve in this legislation.

Just the other day for instance, President Nixon gave Spain another $3 million on top of $21 million last year despite the law which says an economically developed country may not get more than an additional $500,000 a year in military hardware or military services.

Who gave him this power? The Members of the House and Senate, and the Members are about to do it here again. So stop ranting about usurpation of power on the part of the President.

I am not talking about President Nixon alone. Congress has been doing this for years. It is a power no President ought to have and should refuse if extended to him. However, none of them refuse it.

I thank the gentleman for yielding.

Mr. RONCALIO of Wyoming. I thank the gentleman for his observations and appreciate them very much. I respect the gentleman's years of dedicated effort to make this a better House.

In conclusion, Mr. Chairman, the time has come to quit passing the buck. The buck stops here. The reputation of the House of Representatives is what is in the balance. I am proud of being a Congressman and I want my kids to be proud of it, too, but I do not think this will evolve if we continue to strive for reform, and then ignore the reform as we are doing with this legislation today.

We do this House no good when we pass legislation willy-nilly with erosion of our own authority and delegation of the lawmaking power to downtown bureaucracies, as we do in this bill today.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Sikes, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes, pursuant to House Resolution 197, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 358, nays **23**, not voting 50, as follows:

[Roll No. 24]

YEAS—358

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clay
Cochran
Cohen
Collins
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hays

Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Kluczynski
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCollister
McDade
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills, Md.
Minish

Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shriver

Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Stanton, J. William
Stark
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—23

Alexander
Ashbrook
Byron
Cleveland
Crane
Denholm
Evins, Tenn.
Flynt

Gross
Grover
Hicks
Jones, Tenn.
Ketchum
Mathis, Ga.
Powell, Ohio
Rarick

Roncalio, Wyo.
Roncallo, N.Y.
Rousselot
Runnels
Ryan
Steiger, Ariz.
Symms

NOT VOTING—50

Ashley
Badillo
Biaggi
Breaux
Chisholm
Clawson, Del
Collier
Foley
Ford, William D.
Frelinghuysen
Gray
Gude
Harvey
Hawkins
Hosmer
Howard
Jones, N.C.

King
Koch
Lujan
McCormack
McEwen
McKinney
Mailliard
Mann
Meeds
Mills, Ark.
Mollohan
Murphy, Ill.
Patman
Peyser
Price, Tex.
Rees
Regula
Riegle

Robison, N.Y.
Rooney, N.Y.
Roybal
Ruppe
Scherle
Seiberling
Smith, N.Y.
Staggers
Stanton, James V.
Steed
Symington
Vander Jagt
Walsh
Wilson, Bob
Wilson, Charles, Tex.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. King.
Mr. Mills of Arkansas with Mr. Collier.
Mrs. Chisholm with Mr. William D. Ford.
Mr. Rees with Mr. Bob Wilson.
Mr. Staggers with Mr. Gude.
Mr. James V. Stanton with Mr. Ruppe.
Mr. Koch with Mr. Peyser.
Mr. Biaggi with Mr. McEwen.
Mr. Badillo with Mr. Riegle.
Mr. Ashley with Mr. Harvey.
Mr. McCormack with Mr. Robison of New York.
Mr. Meeds with Mr. Lujan.
Mr. Mollohan with Mr. McKinney.
Mr. Roybal with Mr. Del Clawson.
Mr. Seiberling with Mr. Price of Texas.
Mr. Steed with Mr. Scherle.
Mr. Symington with Mr. Regula.
Mr. Foley with Mr. Hosmer.
Mr. Breaux with Mr. Smith of New York.
Mr. Gray with Mr. Vander Jagt.
Mr. Hawkins with Mr. Mailliard.
Mr. Howard with Mr. Frelinghuysen.
Mr. Jones of North Carolina with Mr. Walsh.
Mr. Mann with Mr. Charles Wilson of Texas.
Mr. Murphy of Illinois with Mr. Patman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

THE NATIONAL CATASTROPHIC DISASTER INSURANCE ACT OF 1973

(Mr. FLOOD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FLOOD. Mr. Speaker, there is a book with which we are all familiar. That book contains a chapter which we know well and cherish deeply. That book is the Holy Bible, and that chapter is Ecclesiastes and the words follow:

> To every thing there is a season, and a time to every purpose under the heaven; a time to be born and a time to die; a time to plant, and a time to reap; a time to kill, and a time to heal; a time to break down, and a time to build up; a time to weep, and a time to laugh; a time to mourn and a time to dance; a time to rend and a time to sew; a time to keep silence and a time to speak.

My time for speaking out has come. Though this be a near revolutionary legislative proposal, and though it is virtually virgin ground being tred here; the time has come for careful and judicious consideration by this body of an all-risk, comprehensive, National Catastrophic Disaster Insurance Act.

For those of us who suffered the wrath of the most disastrous flood in the history of the Republic—Hurricane Agnes—we shall greatly note and long remember her tragic impact. For those of you who were not directly injured, but witnessed the disaster's effects through the media or by noting the enormous amount of recovery legislation passed by the Congress; you will also have reason to remember her impact. But for those who may have forgotten the tragedy, and the suffering, and the misery, a short history follows:

On June 23, 1972, the Greater Wilkes-Barre, Pa., area, the Greater Richmond Va., area, Corning and Elmira N.Y., and portions of seven States were for all intents and purposes destroyed. The list of flooded areas is too numerous to mention. In Pennsylvania alone, the business districts and large portions of residential streets in the cities of Pittsburgh, Harrisburg, Wilkes-Barre, Kingston, Danville, Bloomsburg, Reading, suburban Philadelphia, and scores of others were inundated by rampaging waters beyond anyone's control. The numbers of people evacuated totaled in the millions; the amount of property destroyed in the billions; the families displaced from their place of residence in the hundreds of thousands; and the number of individuals who had insurance against such a happening could be counted on your left hand. No one had insurance. This is a sad fact. In Wilkes-Barre alone, where 100,000 people were evacuated at 5 o'clock in the morning with no warning—where 45,000 of those people were to return to destroyed dwellings—where 1,700 businesses were wiped out overnight as well as countless acres of farmland and rural and vacation homes—in this relatively small area only two individuals had purchased flood insurance. In all good conscience, we can never let this happen again.

In case any of you may have the idea that what I am relating here only cost the people of Pennsylvania and the seven other Hurricane Agnes affected States, you are sadly mistaken. The failure of these disaster victims to have insurance coverage against their losses has caused the citizens of the rest of the 50 States to bear the burden of that recovery through their tax dollars. Furthermore, that disaster has cost the House of Representatives and the other body countless legislative hours and staff hours in the passage of legislation to speed help to these people. It has cost the administration through the Office of Emergency Preparedness, the Farmers Home Administration, the Small Business Administration, and many other Federal agencies which become active in a disaster, an enormous sum of money. The taxpayers of this Nation pay for and are now paying for the over $300,000,000 in Small Business Administration loans as a direct result of the Agnes disaster and this in the Greater Wilkes-Barre, Pa., area alone.

The Farmers Home Administration also provides for disaster loans at low interest and this cost is also borne by the American taxpayer; not to mention the immense administrative staff which must be hired, trained, and kept in existence to process and maintain the SBA and FHA loan programs at the disaster site. Huge grants are neccessitated for many public and private institutions; and those institutions not covered under law and who did not have insurance ended up with nothing—and this included such worthy people as the YMCA, the Catholic youth center, and the Jewish community center in the city of Wilkes-Barre.

I mean in no case to denigrate the massive and inspired Federal relief effort which in large degree saved the Agnes disaster area from even worse catastrophe; however, I merely point out that the costs of a disaster—no matter its geographic location—are borne under the current setup by all of the American people through their hard-earned tax dollars. The costs of a disaster must be borne in one form or another. The present Federal disaster assistance program takes the taxpayers money, runs it through an often unresponsive bureaucracy, and after many discretionary decisions, returns part of it to the taxpayer. Such lack of responsiveness, such discretion and expense, such enormous cost to the Nation's citizens without full valued return is an outrage. In all good conscience, I repeat, we can never let this happen again.

The $64,000 question is, What is the solution? That solution is not as difficult as it may seem at first glance. Clearly what is needed is nothing less than some form of comprehensive national disaster insurance to cover all forms of catastrophe including floods, hurricanes, windstorms of all types, earthquakes, mudslides, and also manmade disasters such as atomic accident. Such a response to the disaster problem—a better than $4 billion problem in 1972 incidentally—would provide a systematic and certain means of making payments available to the homeowner and the businessman as a matter of right, and not on the basis of charity. An insurance approach gives the taxpayer what he wants—protection against loss secured at his own initiative.

In its report to the Congress concerning the Federal disaster program, the administration on January 1 of this year states that its further report, "containing the findings and recommendations of the further study on the feasibility of establishing a more comprehensive disaster insurance program" shall be presented to the Congress on March 1, 1974—1 year from now. I introduce my bill—the National Catastrophic Disaster Insurance Act of 1973—today, February 27, 1973. The need for such a law was graphically demonstrated by 20 feet of water in downtown Wilkes-Barre, Pa., last June—I could not hope to improve on that display of nature's fury to show the acute need for this legislation now. The recent shaking by the well-known earthquake zone near Los Angeles, Calif., merely points out to all of us that this program is needed by the citizens of this Nation now, not 1 year or 2 years from now when no one knows how many countless citizens will have been displaced—their homes and businesses ruined—and without even the benefit of the opportunity to purchase insurance against the possibility of such disaster. Notwithstanding the attractive features of the current flood insurance program, it has been demonstrated to be not working up to par, and indeed provides for no insurance against such common perils as earthquake and catastrophic windstorms. With the bill I introduce today, provision is not only made for all such perils but in addition such coverage is mandated on each and every property and liability insurance policy currently in effect nationwide.

First, this bill creates the Office of Federal Disaster Insurance within the Federal Insurance Administrator's Office in the Department of Housing and Urban Development. Charged with the responsibility of administering this act and implementing a nationwide catastrophic insurance program, the Assistant Administrator to utilize the private insurance sector and secure their cooperation in the administration of this program.

Second, the bill creates a national disaster insurance fund which will act as the pool from which the Administrator shall supervise disbursements for claims under the disaster insurance law, and into which premium payments and other collected funds will be maintained. This national disaster insurance fund would have a tripartite funding formula as follows: First, it would consist of a surcharge to be added on to all property and liability insurance premiums written nationwide with the exception for equality considerations of workmen's compensation, bonds, and health insurance; second, it would further consist of a 1-percent levy upon all repayments to the Farmers Home Administration and the Small Business Administration of their outstanding disaster recovery loans; and third, and it would consist of such sums as may be authorized and appropriated by the Congress. The initial authorization to start the fund would be $1 billion—a sum to be later repaid to the Treasury when sufficient reserves exist in the national disaster fund. Furthermore, the administrator would have full authority, acting through the Secretary of Housing and Urban Development, to issue and purchase Treasury notes and other obligations with a view toward maintaining the fund at a workable and feasible level. As a longstanding member of the House Appropriations Committee, I will personally urge upon that committee the requisite $1 billion appropriation to get the fund off the ground.

The program would work as follows: After a determination of the required surcharge on insurance premiums—and the amount of such surcharge could vary to reflect regional, statewide, or national variations in risk—the Administrator would impose such a surcharge on all such premiums nationwide and immediately there would be an extension of coverage of disaster insurance to each and every property insurance policy nationwide. Such an extension of coverage could be the full amount of property insurance in effect or a percentage thereof, depending on the size of the insurance fund, and would be determined by the administrator. Under no circumstances could such an imposed surcharge exceed 5 percent, and the extension of coverage would reach the full face value of property insurance in effect as soon as the insurance fund became large enough to sustain an anticipated loss.

The States and municipalities would be consulted by the Administrator with respect to the particular kinds of disasters which would be covered under this act; with respect to the nature of and limits of loss or damage to be covered; with respect to the classification, limitation, and rejection of any risks which may be necessary; with respect to the extent to which disaster insurance should be subject to deductibles or coinsurance provisions; and with respect to zoning and other land use provisions.

Indeed, no catastrophic disaster insurance would be made available for any property which failed to meet land use and other ordinances aimed at restricting land development or occupancy in disaster-prone areas. In those areas determined as special catastrophic disaster risk areas, reasonable efforts would be required so as to preclude excessive losses at the time of catastrophe.

Certain safeguards are part of this bill to insure that no duplication of Federal benefits shall exist. No person insured under the Catastrophic Disaster Insurance Act would be allowed to recover Federal funds under the Small Business Administration or Farmers Home Administration loan programs.

Also, should private insurance companies establish a catastrophic disaster insurance program of equal scope as the one presented here before June 30, 1975, the Federal program would cease operation and be supplanted by the private insurance plan.

One last vital point—included in this bill is a clause making benefits retroactive to June 1, 1972. Under no circumstances whatsoever is this a giveaway. It is no more so a giveaway than was the reconstruction of Europe twice after two wars and the anticipated reconstruction of another country after a more recent war. It is no more so a giveaway than the drive toward economic prosperity which resulted in the loans to Lockheed Corp. and the Penn Central Railroad. It is no more so a giveaway than the billions upon billions which this Nation has altruistically poured out to less affluent nations worldwide. It is no more so a giveaway than the farm subsidies, and the airline subsidies, and the shipping subsidies, ad infinitum.

Disaster insurance will soon be part and parcel of all fire and property ininsurance written nationwide; and the victims of the greatest natural disaster in the history of the Republic—the victims of Hurricane Agnes—will have been unjustly, and by a particularly cruel quirk of fate, excluded. It is their real suffering in human and economic terms which is to be the catalyst for action on the part of the Congress in the disaster insurance field. These victims are mostly members of that economic class that is so neglected—the so-called middle class. They have homeowners insurance with mortgages in the best American tradition, and they have a deep and abiding faith in their Government. When their homes and businesses were destroyed and their lives shattered by the Agnes floods, their only response was to immediately begin the tortuous road toward recovery; and when that task of digging out of the mud finally ends, in all good conscience we can never let it happen again. We cannot disappoint their faith. With this in mind, with the fervent prayer that the dark shadow of catastrophe be ever apart from our and our neighbors door; but with the practical knowledge that tomorrow may bring disaster, I maintain that the scope of the law must be made to fit the scope of the disaster—and I ask your support in that effort.

I include the following:

APPENDIX 1—NATIONAL CATASTROPHIC DISASTER INSURANCE ACT

(Figures below relate to the seven state Hurricane Agnes Disaster, seventy percent of the damage of which was in Pennsylvania. Source: Office of Emergency Preparedness.)

AS OF JANUARY 31, 1973

Small business disaster loans	
Home loans:	
Applications	120,285
Approved	$580,475,363
Business loans:	
Applications	11,547
Approved	$389,921,205
Total forgiveness for business and home loans (estimated)	$635,995,000
Farmers Home Administration	
FHA emergency loans:	
Applications	13,588
Approved	$65,648,639
Forgiveness	$21,377,359
FHA rural housing loans:	
Applications	872
Approved	$3,720,140
Forgiveness	$1,774,289
Total property damage (estimated)	
Private	$2,622,764,853
Public	404,439,804
Total	3,027,204,657

APPENDIX 2

Q. Why is this bill needed if the National Flood Insurance Act covers 80 percent of all disasters which occur?

A. There are several noteworthy departures from the flood insurance program: The flood insurance program requires that participants seek out such protection, and the result has been non-participation as evidenced by Agnes. DJF bill includes automatic coverage for all insureds. Further, under flood insurance program, one cannot purchase enough protection—the limitation of $5,000 for the contents within a business is of course absurd. Under DJF bill, one can virtually have coverage up to the face value of his property insurance. In addition, through absorption of the existent flood insurance program, the DJF bill will cover the eighty percent of disaster now under law and also include the twenty percent, e.g. earthquakes which are not covered.

Q. How will one "purchase" disaster insurance?

A. You don't purchase this insurance. Once the administrator determined the amount of surcharge on insurance premiums in your region or state, you are automatically covered as an "extension of coverage" of your existing property insurance.

Q. Won't the addition of a surcharge on existent insurance contracts constitute an interference with those contracts and thus be illegal?

A. No. The surcharge will not take effect until ones insurance premium comes up for renewal. Even though some individuals will not be immediately surcharged, they will be nevertheless covered. When their contract comes up for renewal, they will then be surcharged.

Q. Won't serious inequities exist since people in Vermont will have to pay for California earthquakes, and it is unlikely that people in Vermont will have a disaster which people in California will have to pay for?

A. The bill recognizes differences in disaster risk and empowers the Administrator to charge a varying surcharge on insurance premiums to reflect actuarial risk on a regional or state-wide basis. Thus, it is anticipated that the Los Angeles city dweller can anticipate a higher surcharge than the New York city dweller due to earthquake risk. However, or the service rendered, and with a five percent ceiling on the surcharge, it is well within most people's means.

Q. Couldn't the fund be virtually wiped out by several major disasters one after the other?

A. No. The Administrator can at any time determine that the scarcity of monies in the disaster insurance fund require that only a set percentum of disaster losses be paid. For example, man X has homeowners insurance which he is surcharged two dollars annually for to include him in the national disaster insurance program. He has forty thousand dollars worth of property insurance. The Administrator of the Federal Disaster Insurance Office has determined that due to recurring losses to the disaster insurance fund, only fifty percent "extension of coverage" will be allowed if a disaster should strike in the near future. Man X's home is destroyed in a tidal wave in Oregon the next day. The man has fifty precent extension of coverage on his forty thousand dollar property insurance policy and would thus receive twenty thousand dollars from the disaster insurance fund.

NOTE.—It is anticipated that the disaster fund will begin in this manner, i.e. paying a percentage of loss at first as the fund grows and eventually paying full value of the property insurance as the fund matures.

Q. What kinds of property are included in this program?

A. Homes and businesses, industry and some private institutions included in Public Law 92-385, the Agnes Act. Some structures will be excluded on the recommendation of local authorities, e.g., those which violate zoning laws which are meant to minimize disaster losses, or such other structures which the State and local authorities may determine.

Q. Won't this bill merely protect the playboy who has his beach cottage and can now build where he wishes without fear or financial loss?

A. Stringent land use provisions are anticipated in this bill. Special catastrophic disaster risk areas are to be identified by the administrator and unless reasonable efforts are made at avoiding disaster losses, no insurance coverage shall be allowed.

Q. Can't the private insurance companies provide this type of coverage?

A. While I would hope the answer could be yes, it is no. The risks are too great and the potential loss too huge for private insurance companies to assume this task under current law. The larger the insurance "pool" from which one draws upon to pay out beneficiaries after a disaster loss, the more likely that the pool can absorb losses. A pool such as that envisaged in my bill, coupled with the provision for extension of coverage, should provide adequate padding in case of several concurrent disasters.

Q. What types of insurance premiums is it anticipated will be surcharged?

A. The types of premiums to be surcharged are limited to property and liability insurance with the noted exceptions of motor vehicle insurance which is already covered in 99 percent of the cases because of the comprehensive nature of such coverage, and health insurance, workmen's compensation, and bonds for equity reasons.

Q. How much money will the surcharge develop for the fund?

A. That depends. It depends on what level the administrator determines is feasible, on what the needs of the fund may be—and remember, these can vary on a statewide, nationwide, or regional basis as far as the percentage of surcharge. For example: if the surcharge was on property coverages such as fire, extended coverage, burglary and theft, homeowners, commercial multi-peril, and most of the liability and casualty coverages, the Pennsylvania bureau of regulation of rates and policies estimates the following contributions to the national disaster insurance fund:

[Figures in millions of dollars]

Year	1 percent loading	2 percent loading	3 percent loading	4 percent loading
1973	119.8	239.5	359.3	479.1
1974	126.0	252.0	378.0	504.0
1975	132.2	264.4	396.6	528.8
1976	138.8	276.9	415.3	553.7
1977	144.6	289.3	433.9	578.6
1978	150.9	301.7	452.6	603.4
1979	157.1	314.2	471.2	628.3
1980	163.3	326.6	489.9	653.2
Total	1,132.3	2,264.6	3,396.8	4,529.1

Of course it should be noted that these are not the sole source of maintenance of the fund—the one percent of all funds collected by the Treasury as a result of paybacks from BA and FHA disaster loans are also included as is authorization for an initial one billion dollar appropriation.

A REFRESHING SPIRIT IN THE HOUSE

(Mr. McFALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. McFALL. Mr. Speaker, during the past several weeks, while the House of Representatives has been engaged in organizing the 93d Congress, the leadership team of Speaker CARL ALBERT and Majority Leader TIP O'NEILL has emerged as a vital force for reasoned reform.

This morning, the Washington Post took note of the laudable efforts of the Democratic majority in an editorial aptly entitled, "A Refreshing Spirit in the House." The editorial refers to the "emergence of Speaker ALBERT as a strong, effective, reform-oriented party leader." I am proud to be associated with leadership of such unquestioned ability and foresight. I commend the Post article to you all.

A REFRESHING SPIRIT IN THE HOUSE

In a remarkable show of sustained energy, the House Democratic caucus has just completed a series of reforms which could produce lasting and salutary changes in the structure and operations of the House of Representatives. The goal has been, as Speaker Carl Albert said recently, "to find more effective, more open and more democratic ways to meet our responsibility." Though the full impact of the reforms cannot be measured yet, the Democrats have moved toward that goal much faster and more harmoniously than seemed possible when the 93d Congress convened on Jan. 3.

The thrust of the reforms has been to strengthen the role of the party caucus, to open choice committee and leadership posts to more members, and to make the expanded party and committee leadership more accountable. In its most recent step, the caucus voted last Thursday to create a policy committee composed of the party's House leadership and a cross-section of the rank and file.

Two other reforms advanced last week could have tremendous impact on the way business is conducted in the House. First, the caucus agreed to restrict the use of closed or no-amendment rules for considering bills on the House floor. The new procedure, which will primarily affect tax, trade and social security measures from the Ways and Means Committee, is designed to ensure that amendments backed by a majority of House Democrats can be offered on the floor. Even more revolutionary was the caucus' endorsement of a proposed change in the House rules which would require all committee meetings, including voting sessions, to be open to the press and public unless members of a panel should vote, in the open, to close a particular session. Several House committees have already adopted similar "sunshine" rules, and the all-embracing reform should be approved by the full House without delay.

All in all, the House Democrats have agreed to an impressive body of reforms. Their achievements testify to the majority of the Democratic Study Group as an influential force, and to the emergence of Speaker Albert as a strong, effective, reform-oriented party leader. Perhaps most significant is the changed attitude of most of the committee barons of the House, who are now going along with changes which they had refused to entertain for years. It is not yet certain that this new spirit will survive through the stormy passages of reforming the appropriations process and overhauling the committee structure of the House. But the record so far is heartening to all who favor the rejuvenation of the House as an effective, open legislative body.

WEATHER MODIFICATION IS EXTENSIVE AND SHOULD BE CONTROLLED

(Mr. EVANS of Colorado asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EVANS of Colorado. Mr. Speaker, today, I am introducing a comprehensive weather modification control and regulation bill. The day of the yellow-slickered itinerant who sent up skyrockets while awe-stricken onlookers waited expectantly for rain, has departed.

In an article contained in "Public Administration Review" authored by W. Henry Lambright, of Syracuse University, it was stated that:

> A recent presidential panel called weather modification one of the possible new trend-setting developments of the 1970's. It is now the scientific consensus that man has a sharply limited, but potentially quite significant capacity to affect local weather conditions. He can, in certain cases and under specific conditions, dissipate cold fogs, increase rainfall and convert hail into less dangerous forms of precipitation. There is some evidence he can blunt the destructive power of hurricanes and suppress lightning. He is carrying out research that may someday lead to weather and climate modifications on a large scale.

Mr. Speaker, today modification research projects are being carried out by all major Federal agencies and a number of States, counties, and universities. Additionally, a substantial number of commercial weather modification firms are doing business. Federal projects and lead agencies include: National Colorado River Basin pilot projects, Bureau of Reclamation; national hurricane modification project, National Oceanic and Atmospheric Administration; national lightning suppression project, Forest Service; national cumulus modification project, National Oceanic and Atmospheric Administration; national hail research experiment, National Science Foundation; national Great Lakes snow redistribution project, National Oceanic and Atmospheric Administration; national fog modification project, Federal Aviation Administration.

There are no Federal restrictions or control on this activity although the unending belt of weather clearly is a matter of Federal as well as State concern and responsibility. Some scientists have even halted their experiments, deciding modification of weather was so dangerous on these early experimental stages as to be outside their scope.

Modification is continuing, however. Some 29 States do have laws on the subject, but many of these pertain only to State-sponsored feasibility studies.

There is comparatively little protection for the citizen who does not want his individual rights to natural weather infringed upon.

The art of weather modification is still highly imperfect, but rapid strides are being made on a wide scale. I believe the time has come when we must recognize the perils as well as the possible benefits.

In the 1970 National Research Journal, Ralph W. Johnson, professor of law, University of Washington, wrote:

> But weather modification is not yet a completely operational activity and in its present stage of development the creation of an entirely new and independent regulatory agency for its management would seem premature. At the same time it is certain that the organizational pattern established now is likely to have a substantial effect on the patterns of the future. Care must therefore be taken to assure that the optimum patterns are created now.

I believe modification of the weather is occurring today both at experimental and commercial levels, sufficient to warrant safeguarding both people, property, and the integrity of the experiments themselves.

The bill I am introducing recognizes the individual State's rights in this matter and their concern in the field. While it would require a Federal permit for commercial modification projects, it also requires that the permittee previously obtain a State license.

The bill provides for basic requirements in experiences or education of the operator, and would create a system of bonding of licensees to protect the populace. It is my position we should not subject the people to damaging mishaps which result from mistaken approaches to modification.

The bill adopts extensive portions of present reporting requirements but expands these as well. It provides for suspension or revocation of permits should atmospheric conditions become unsafe or the operator evidence his inability to follow the permit requirements.

Additionally, and over a period of time, the Secretary of Commerce would be required to establish a comprehensive computerized system capable of analyzing weather conditions both natural and modified and also capable of projecting results on natural weather of modification efforts.

This bill also contains a title dealing with the international aspects of weather modification. At the present time there are occasions when U.S. citizens go abroad to modify weather in foreign countries. Also, there have been occasions when our Department of Defense has acted directly at the request of certain foreign countries to engage in water modification over their soil with questions resulting as to policy controls of our civilian government. Tentative efforts are being made to develop international control and oversight. My bill would assist in this important effort.

There is now great difficulty in accurately predicting the outcome of weather modification efforts just as there is great difficulty in proving the degree of results which have been obtained. Court cases are pending which involve disasters allegedly arisen out of weather modification at a time when we have an insufficient body of facts or law on this extremely important subject. I believe we should correct this shortcoming.

Dr. Edith Brown Weiss who is a staff member of Brookings Institution informally conferred with me on numerous occasions since I began work on this bill. Doctor Weiss is working in international weather modification and has delivered scholarly papers on weather modification. She writes:

WASHINGTON, D.C.,
February 26, 1973.

Hon. FRANK EVANS,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN EVANS: As one who has studied the political and legal problems of weather modification for some time, I believe there is a need to enact Federal legislation in the field of weather modification.

Under certain weather conditions, weather modification activities may conceivably be hazardous rather than beneficial. In some cases they may have effects down wind in other areas, even across state borders. Federal legislation could help avoid these problems and help protect those who believe they could be adversely affected by weather modification activities.

I should make it clear that these are my own views and in no way should be attributed to the Brookings Institution, its trustees, officers and other staff members.

Sincerely,

EDITH BROWN WEISS.

COMMENTS ON VISIT OF GOLDA MEIR TO UNITED STATES

(Mr. NIX asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. NIX. Mr. Speaker, I want to take this opportunity to welcome Prime Minister Golda Meir of Israel to the United States. She represents a democratic nation which is the best hope for democracy in the Near East.

We are as a people sympathetic to the goals of Israel and her courageous fight for survival against great odds from 1948 until the present time. Israel is surrounded by nations which seek her life and yet, Israel endures while living in unspeakable tension.

This tension exists because the Arab world will not recognize Israel's right to live. This tension is fueled by incidents such as the mailing of letter bombs to Jews, chosen at random from the directories of organizations dedicated to Israel's survival. We have had some experience with this kind of thing. The British have had more. Random terror dishonors the Arab cause.

The murder of Israeli athletes in Munich by Arab terrorists was not an act of random terror. It was a deliberate act seeking to inflame tension in the Middle East. It succeeded in doing that.

It is against this background that the incident over the Suez Canal front line involving the shooting down of a Libyan plane which had drifted into Israeli air space. The plane was in fact a passenger transport, whose pilot had lost his way and found himself and his aircraft over Israeli military positions. Israeli pilots had tried to radio and/or signal the Libyan pilot to no avail. He did not respond.

At this point it is easy to blame the Israel fighter pilots for firing on the Libyan plane. However, it is only just to note that at supersonic speeds it is all but impossible for Israel pilots to act as mindreaders.

The passengers were victimized by the contributory negligence of the pilot who did not know he was over a war zone, who thought Israel jets were Egyptian Migs and did not respond to perfectly normal attempts to reach him by radio.

This terrible incident took place because of the terrible tension in the Mideast, the maintenance of which is part of the foreign policy of the United Arab Republic.

At long last with the separate visits of an Egyptian official and Golda Meir within days of each other, some of this tension may be alleviated. What is more, we can hope that these meetings with President Nixon may be the first step toward peace and away from the permanent condition of war and near war in the Near East.

I hope that at long last the Arab nations can bring themselves to say that Israel has the equal right to exist. With such a statement there may be a foundation for permanent peace in the near future.

I have long admired the life and work of Golda Meir. It will be wonderful to renew an acquaintance with a very old friend of the United States. I wish her God's speed in her mission for peace.

TRAGEDY IN THE MIDDLE EAST

(Mr. FINDLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, the situation in the Middle East during the past week has been as tragic, and at once remarkable, as any period in recent memory. It is tragic because of the needless shooting down of a commercial Libyan airliner, killing over 100 passengers. The outrage of the Arab world has been acknowledged by the acceptance by the Israelis of partial responsibility for their mistake and their willingness to compensate the survivors and families of the dead. Such a candid admission of responsibility for this act is the hallmark of a great nation.

Even more remarkable, in my judgment, has been the reaction of the Arab world. Although there have been understandable cries for revenge from relatives of those who died, the leadership of the Arab countries has reacted with the responsibility and judgment truly befitting great nations. For the Arabs, such a reaction deserves the gratitude and commendation of all citizens of the world.

Arab leaders, especially Lybia's Col. Muammar al-Qaddafi, are truly on the firing line. It is Arabs who were killed, and Arab families who now demand revenge. The leaders of the Arab nations are confronted with a seething Arab world demanding an eye for an eye. For them to stand solidly on the side of restraint and peace and against an emotional outpouring from their people is truly the essence of statesmanship. No more can it be said that the Arabs do not long for peace.

What is most remarkable to me, however, is the virtual silence of Members of the U.S. House and Senate on this subject. How well I remember the days immediately after the Munich massacre when Member after Member appropriately took the floor to denounce that infamous bloodletting.

The shooting down of the Libyan jet was no less bloody. Many more lives were lost. It was no less an act of national policy. Perhaps it was more so. Yet unfortunately, Members of the House and Senate remain silent.

Our silence is unfortunate because it reduces our credibility in the Arab world. The balanced, even-handed policy the United States has pursued in past years is frustrated by our unwillingness to condemn both sides when the peace is broken in the Middle East.

Soon the Congress will have to consider a military assistance bill containing aid for Israel. In Arab eyes, that aid will be viewed as a sign of our one-sided support for Israel and our total rejection of the legitimate interests and concerns of the Arab peoples.

Such a conclusion would indeed be unfortunate, and I believe wrong. But the silence of the Congress during the last week makes such a conclusion understandable.

PROCEDURES AND GUIDELINES FOR CONSTITUTIONAL CONVENTIONS FOR PROPOSING AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES

(Mr. HUNGATE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HUNGATE. Mr. Speaker, today I am introducing a bill to improve procedures and provide more definite guidelines for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States pursuant to article V of the Constitution. This bill is essentially the same as Senator ERVIN's (S. 215) which passed the Senate by an 84 to 0 vote on October 19, 1971. No substantive changes were made in sections 1, 2, 3, 5, 6, 7, 8, 9, 10, or 11.

Senator ERVIN, in explaining his reasons for the proposed legislation, stated:

> My conviction was that the constitutional questions involved were far more important than the reapportionment issues that had brought them to light, and that they should receive more orderly and objective consideration than they had so far been accorded. Certainly it would be grossly unfortunate if the partisanship over state legislative apportionment—and I am admittedly a partisan on that issue—should be allowed to distort an attempt at clarification of the amendment process, which in the long run must command a higher obligation and duty than any single issue that might be the subject of that process.

In the American Bar Association's Special Constitutional Convention Study Committee Interim Report of August 1972, they state that this legislation "seeks to deal with the manifold issues arising under article V."

The study committee listed such questions to be dealt with as the following:

First. If the legislatures of two-thirds of the States apply for a convention limited to a specific matter, must Congress call such a convention and is the limitation binding on the convention?

Second. When is Congress required to call a convention on the application of the legislatures of two-thirds of the States?

Third. What constitutes a valid application which Congress must count?

Fourth. What is the length of time in which applications for a convention will be counted?

Fifth. How much power does Congress have as to the scope of a convention? As to procedures such as the selection of delegates? As to the voting requirements at a convention? As to refusing to submit to the States for ratification the product of a convention?

Sixth. What is the role of the President and State Governors in the amending process?

Seventh. Can a State legislature withdraw an application for a convention once it has been submitted to Congress, or rescind a previous ratification of a proposed amendment or a previous interpretation?

Eighth. Who is to decide questions of ratification?

Ninth. Are issues arising in the convention process justiciable?

The need for clarifying legislation in this field is selfevident and suggestions as to further possible improvements shall be welcomed.

RESTORING FOOD STAMP ELIGIBILITY TO NEEDY AGED, BLIND, AND DISABLED

(Mr. MELCHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, I have today reintroduced legislation I proposed in Janaury to correct an inequity that is part of the Social Security Amendments of 1972. I am happy that a bipartisan group of my collegues in the House have chosen to join me in sponsoring this legislation.

The new supplemental security income—SSI—program federalizes assistance to the needy aged, blind, and disabled. However, those who participate in the program are prohibited from receiving benefits under the food stamp and commodity surplus programs, even though they may be eligible.

Basic benefits of the SSI program are $130 for an individual and $195 for a couple. The income levels for food stamp eligibility are $178 per month for individuals, after allowances, and $233 per month for couples. These food stamp income guidelines are not decided by pulling figures out of the air; they are carefully calculated to reach those most in need of benefits. To cut off the needy aged, blind, and disabled who are eligible for benefits under one Federal program simply because of their participation in another Federal program is unwarranted and discriminatory.

The legislation introduced today will establish the right of SSI program participants to apply for food stamp and commodity surplus programs if their incomes fall within the guidelines set by these programs. In this small way, I hope we can begin to keep the promise that those who cannot help themselves can live free from want.

LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker, we have concluded the business of the day. The Rules Committee resolutions which were reported by the Rules Committee today will come up tomorrow. They would have taken a two-thirds vote today, but tomorrow they will take a straight majority vote. This includes an addition to the bills on the whip notice, House Resolution 205, the Select Committee on Crime.

On Thursday we will take up the other bill which was on the calendar, H.R. 3298 the rural water and sewer grant program, from the Committee on Agriculture.

We will be waiting upon Mr. Mahon tomorrow if he returns with his conference report on continuing appropriation.

That is the legislation for the remainder of the week.

CAMPAIGN SPENDING AND CONGRESSIONAL TERMS

The SPEAKER pro tempore (Mrs. Schroeder). Under a previous order of the House, the gentleman from New York (Mr. Peyser) is recognized for 60 minutes.

Mr. PEYSER. Madam Speaker, I have called for a special order today on two areas I believe are of the utmost importance to the Members of Congress. I certainly would welcome any comments any of the Members would like to make on what I believe are two very vital issues. One of them deals with the question of campaign spending, and the other one deals with the question of the length of the term of office of Congressmen.

I should first like to talk to the campaign spending issue. We have all just finished the massive paperwork which the campaign spending legislation, that most of us voted for last year, requires.

In the first place, the campaign spending bill we enacted, did not achieve most of its objectives which we had set for it. I shall specifically refer to a number of situations.

One which we were very concerned about was men of wealth being able to control the campaign just through money. We legislated in our campaign spending bill a limit of $25,000 for an individual's family, and we defined the family, as the wife or husband, the parents, the brothers or sisters of the candidate running.

Now, I suppose we thought this was all right and that we were covering all bases. I find out we did not cover uncles. By not covering uncles, it suddenly opened up the situation for somebody who has a rich uncle to have no limitation at all as to the amount of money he could put into a campaign for his nephew.

We also uncovered another situation, that of lending money. Somehow it was felt we were getting control of this situation because presumably nobody in the family could lend money after they had given their $25,000. This is basically true, but we found in a number of situations that money was loaned to political committees, and there was no method as to how the money was to be repaid, no indication of whether any interest would or would not be paid. Therefore, loans made to committees by "friends of the family," so to speak, at the end of the time simply go off the books and disappear, and nobody has any way of knowing whether that money ever will be repaid or, if it is repaid, who is going to repay it.

So we find another very obvious glaring loophole in this regulation.

The regulation did not speak to any limitation on the problems of mailing or on the problems of the use of computer telephone banks, and so we ended up with a situation where someone with a great deal of money could still, in effect, spend unlimited amounts with no real controls as to where the money came from.

Yet this was the whole purpose of the legislation.

Now, there is one other problem—and this is a problem, it seems to me, that all of us should be vitally interested in—and that is the problem of the filing system.

Any of us who went through this campaign—and, of course, we have all the winners here; but winners and losers alike were faced with the same problem—any of the Members who went through this campaign know the problems that were developed in filing for each committee that was in each campaign operation. And the filing went on and on and on.

In my case we filed over 400 reports at the end of this campaign.

Now, this is perfectly ridiculous. This is not providing the public with protection; it is not providing anything, but it is creating a monumental bookkeeping headache that ends up having gross inadequacies, because many of us, in fact most of us, are not accountants and are not bookkeepers, and we end up with all these reports, coming up with a hodgepodge of figures. Frankly, I do not believe it proves anything.

I do not think we should have such a filing system. I think we should file at the end of the campaign, showing where the money came from, and the total amount received, but the current amount of filing we have been going through is costing the taxpayer and will cost the taxpayer millions of dollars in personnel, personnel who are hired to work on these returns, with computers, and with the whole problem of trying to make head or tail of these reports.

To me it just does not make sense, and it seems to me it ought to be changed.

So we come down to the question: What do we do about all this?

At this time I am not proposing any legislation. What I am saying is that the only way we are going to have a realistic control in campaign spending is to set a flat limit on the amount of money that can be spent on a campaign. Above and beyond that limit no moneys may be spent.

It makes no difference, as far as I am concerned, where that money comes from, because at this point there is no point in legislating that a family can only give $25,000 if they can find six different ways of having that family's money get into the campaign anyway.

Thus, I suggest a flat amount. I am not wed to any figure—I would welcome any comments on this—but perhaps we ought to limit the congressional rate to $50,000 and allow franked mailing privileges for the challenger as well as the incumbent for political purposes.

I put that out as purely a suggestion, a trial balloon, to see if anybody has any interest in this type of reform. The present bill which we have on the books, I believe, is ineffectual, costly to the taxpayers, and it basically proves nothing.

Mr. DANIELSON. Madam Speaker, will the gentleman yield?

Mr. PEYSER. I will be glad to yield to the gentleman from California.

Mr. DANIELSON. A moment ago the gentleman referred to filing some 400 pages of reports in his campaign during the course of his campaign. But does the gentleman have any opinion, or would he make any comment on the advisability of having one Federal campaign law preempt the State law so that we need not, after filing our rather voluminous Federal return, then sit down and agonize it all over again on the State return?

Mr. PEYSER. I would totally support that move without any question.

But I think also we should make a change in our present campaign spending law and still do exactly what you are saying. In other words, I think this multitude of reporting is an absolute waste, and whatever we end up with should take over instead of the State filing.

Mr. DANIELSON. I thank the gentleman.

Mr. DEVINE. Madam Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Ohio.

Mr. DEVINE. Madam Speaker, I think the gentleman is doing a service to the House in bringing up this overall subject of election reform. I am afraid we may have gotten into the subject of reform for the sake of reform.

I happen to have been on the Committee on House Administration at the time the hearings were held on this, and I was a cosponsor of an election reform bill.

I think we can all attest to the fact, as the gentleman so well stated, that the reporting provisions themselves have become so burdensome that they have become almost meaningless. We are going to create a storage problem, if nothing else, in order to handle the multiplicity of election return expenditure forms that people do not have the time to look at let alone their having any particular effect on the outcome of elections.

Now, I recognize that John Gardner and his Common Cause look upon election reform as something that is a sacrosanct and something that you cannot touch or look at.

I had the audacity, however, to offer a perfectly harmless amendment in order to correct some inequities in it, and I was castigated by that outfit.

I might say that does not bother me too much. I happen to recognize the problems, and I offered a bill in the last session which would repeal this law and give us all an opportunity to go back and look at the previous one to see if we could not come to some conclusion that might be helpful on this matter.

I will say to the gentleman that I am not sure I agree with him that we should provide franking privileges to candidates for political offices. It opens up an entirely different and unique field which will have to be examined very closely before we get into that area.

Mr. PEYSER. Speaking of the franking privilege, the only thing I was trying to do through that—and as I said at the beginning, I am not wedded to any form at this time—is simply to give an opportunity to the challenger to utilize the mail. This would have to be a qualified challenger at that time. If that is presenting a problem, I can easily withdraw from that position. All I want to do is see a limit established and the elimination of this particular filing privilege.

At this time, if no one has anything else they want to put into the RECORD in the area of campaign spending, I would like to shift briefly to the second part of my request.

Mr. FRENZEL. Will the gentleman yield?

Mr. PEYSER. I will be glad to yield to the gentleman.

Mr. FRENZEL. I do not want to pry too deeply into this, because the elections of 1970 were not covered by the Campaign Disclosure Act of 1972, but I will wager that to get elected the first time the distinguished gentleman from New York spent more than $50,000. I will wager most Members of this body the first time they were elected spent considerably more than that. I simply raise the point that a flat limitation on campaign expenditures is a very nice protective gesture for all of us to keep ourselves from being defeated. Still, unless you allow candidates to spend more than that amount, we will all be here for a long time, which I submit is very comfortable and it is a very nice, warm thought for each of us. However, we ought to think occasionally that candidates ought to have a chance to present themselves and their candidacies to the public for a little more than that since most of us had that opportunity at some point.

Mr. PEYSER. I appreciate the gentleman's remarks.

I think the reason we as challengers at that time ended up spending more money was simply because there were no limitations on what could be spent by either party. We were simply in effect doing whatever we could. It happens in my own race the first time I ran I spent less than half of the amount of money my challenger spent. In other words, he spent twice as much money as I did. I did spend more than $50,000 in my first campaign; I spent $68,000. Still, putting it frankly, if we followed the idea that I have suggested of $50,000 plus two franked mailings, it would have been very easily within that figure, because that franked mailing privilege is worth $10,000 each on a political basis.

Mr. DEVINE. Will the gentleman yield further?

Mr. PEYSER. I yield to the gentleman.

Mr. DEVINE. I would like to take exception to the remarks of the gentleman from Minnesota (Mr. FRENZEL) about the first time candidates run. I have been around here for seven terms and was elected to the eighth term in November, and I recall the first election I ran in the State of Ohio the cost was less than $10,000. In each successive campaign—and I have unfortunately had an opponent each time—it has increased, not because of the desire of the candidates but because the costs of the media and the advertising agencies have gone up.

Now, in the most recent campaign I spent just about between $40,000 and $50,000, while my opponent spent over $100,000 just on committees. So those who holler the loudest about the high expenditures of campaigns are those who are usually the very beneficiaries of these funds that have been spent, and those are the television stations, the radio stations, the newspapers, the advertising agencies, and the novelty salesmen.

So let us get this thing into perspective.

I am not concerned about the reporting provisions because we have in Ohio a tough reporting provision, in fact, much tougher than even the present Federal election law, and everybody has to report every nickel received and every nickel spent, but let us let these people know who are the recipients and the beneficiaries of the funds.

Mr. PEYSER. I thank the gentleman from Ohio.

Another thing that was called to my attention in the campaign spending situation, and one that I would like to put into perspective, and this, once again, does not require a great deal of commonsense, or practically very little, is the practice of the establishment of committees. The reason that committees basically become established is to increase the amount of money for a candidate, and therefore, you establish a committee. In other words, suppose an individual is going to give $6,000 as a contribution in a campaign that cannot be given to one committee because no more than $3,000 can be given. What really happens is that they form two committees, and they give $3,000 to each committee. Now I am sure that does not fool anybody. Yet there is also the factor that one must file reports on these committees. If you establish a committee you file your reports, and then if you establish another committee then you have the same old filing process to go through in order to show what has been spent in the campaign.

Mr. HUNT. Madam Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New Jersey.

Mr. HUNT. I might say to the gentleman in the well that it is not necessary to explain that expenditure of $3,000, because you can have 150 committees with less than $1,000, and never have to report anything. So I believe that you have to view this from another angle because it is my opinion that the whole thing is just a can of worms. I believe it is unworkable, and it certainly needs a complete revision. I believe the present law that we have should be taken under consideration, and gone over by a competent committee, and I stress that, I mean a competent committee, and I mean someone who is not going to try to feather his own nest, or who is running for the Senate, but someone who is going to do an honest job on it. Because you can have all the committees you want, all the advisory committees you want, fishermen committees, firemen committees, housewives committees, and if they are under $1,000 there is no reporting.

So that is the loophole.

Mr. PEYSER. That is obviously a loophole that should not exist. And as far as I am concerned the device that is used to establish all of these committees is not anything more than a sham and a delusion on the public. And I think that it is something that we should address ourselves to, and that we should attempt to control in some way that makes good sense, and makes us honest.

Mr. HUNT. Madam Speaker, will the gentleman yield further?

Mr. PEYSER. I will be glad to yield further to the gentleman from New Jersey.

Mr. HUNT. My people know every cent that I spend, because I publish this in the newspapers. And I told them when I spoke on this subject that this thing is something that is getting out of hand, and it was unworkable, and I said so when I first came on the floor. But now there is a great hullabaloo to get something done, and it is a problem that needs a commonsense approach. But as far as Mr. Gardiner is concerned I believe they had better work on something that they know part of. But now that we have gone through this, now there is all this hollering and bellyaching. Let us get a new proposal, or get the old law revised, and produce something that is workable.

Mr. PEYSER. Madam Speaker, I thank the gentleman for making those comments. It is my hope that this subject can be expanded, particularly with the Members and with the leadership, so that something can come out of this of a very positive nature, and something that will address itself to this problem.

There is one other thing that I would like to talk about briefly, and I will very much welcome comments from the Members on this topic. This is dealing with the length of the term of office of a U.S. Congressman, which is currently set at 2 years. Since 1789 there have been 173 proposals made to lengthen the term of office in the House of Representatives; 171 of them have come since 1869, and since 1928 there have been 110 proposals made to lengthen the term of office of a Member of the House of Representatives to 4 years. Forty-seven proposals have been made since 1963. The most recent study on this subject came from President Johnson. The Johnson proposal advocated it, because the job had changed since the original Constitution was drawn up, and the 2-year term was initiated.

There is no question in my mind that there have been a lot of changes since the Founding Fathers drew up this Constitution. However, they had the wisdom and the foresight to say this Constitution can be changed for the situations which today are calling for a change. We can make reasonable changes. The safeguards are built into this, so that the changes will be carefully considered.

I should say one of the most common comments I get from people in my district, out on the streets, or at meetings, is: "How do you fellows do this running every 2 years? You must be wasting a lot of time when you should be legislating."

My experience in a very limited time here in Congress is that we do waste a lot of time running for office every 2 years. I also would say that the newer Members waste more time than the older Members who feel more secure in their seats. So the ones who are being cheated by this legislation as it now exists are the public; the very people that it was originally designed to protect are now being hurt by this 2-year term.

Originally, communication was a real problem and one of the real reasons for a 2-year term. It forced Congressmen in days of slow or no communication to go back to the people and tell them what they were doing, explaining everything, and having arguments back and forth. Today we do not have any problem of communication. If what we say this mornng is of some newsworthy value in the interpretation of someone, it will be in the papers this afternoon and will be all over the country. I think we no longer have this as a real problem.

What is a real problem is this business of trying to run our campaigns back in the districts, doing the things that as a campaigner we must do, and not doing the work here in Congress that we were elected to do. I think it is time that we again consider what will be, according to my figures, the 174th proposal of doing something about this length of time in office.

I think the most important thing I could say here is that the public is ready for this. The people are ready to see a change here. They no longer have the feeling that they want to be able to grab that Congressman every 2 years and tell him what it is all about. The reason I say this is that last year 96 percent of the incumbents who ran for office were reelected—96 percent of the incumbents who ran for office were reelected. It usually runs an average of around 80 percent, but last year it was up to 96, so evidently the public is generally satisfied with the incumbent, or is at least willing to give him 2 more years.

I think that we also should realize that in the 1970 congressional races we spent over $20 million nationwide. Over $20 million was spent in the 1970 congressional races. I have not seen the figures on this race, but I will certainly be willing to assume that it is going to be at least $5 to $10 million higher than it was 2 years ago, based on the early figures that have come in. I think that this is an absolute waste of money and of time and of commitment to this job to have a 2-year term.

Mr. DEVINE. Madam Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Ohio.

Mr. DEVINE. I do not wish to appear contentious with the gentleman in the well. I think again he is doing a great service to the Congress and to the country to bring up these controversial issues.

I recall a few years back when the late President Lyndon Johnson in one of his state of the Union messages pointed out that in his opinion the Members of the House should serve a 4-year rather than a 2-year term. We had a great deal of study about it, and we had a hearing by the Committee on the Judiciary on this subject, and nothing really happened because it did not emerge from the Committee on the Judiciary. But I was impressed by this particular argument.

The people have set up our branch of Government, the people's branch, and they kind of felt that perhaps the Member here would be more responsive to the wishes of the people back home if he were indeed required to go back to them every 2 years, to vote their convictions and to express their views, and if he were not doing the job he was sent here to do, they could send someone else.

A great many people stated to me that during the time I have been in the Congress, "Congressman, is it not inconvenient for you to have to run every 2 years?" The answer is "yes," it certainly is inconvenient, but we must keep this in mind. A 2-year term in the House was created for the convenience of the public and not for the convenience of the Congressman. I think the fact that the gentleman and I have to run every 2 years means we are looking to see what people are thinking. If we are to bear the title we do literally properly, as Representatives of the people in the Congress, if we are to really represent the people, we will be more responsive if we are required to answer to them each 2-year period.

Mr. PEYSER. I appreciate the gentleman's comments. This has been one of the arguments, as the gentleman is aware, as to why the Congressman should be reelected every 2 years. It is that people should have the opportunity to vote their reaction to the Congressman.

What I am suggesting is: First, in the age of communications as we have today the public very well knows what we are doing all the time; and second, the public seems, based on history, to keep the incumbent in office. Certainly the incumbent almost always is reelected every 2 years. In the last election more than 10 percent of the seats in the House had no contest at all, and in over 40 percent of the seats in the House the incumbent won by more than 65 percent of the vote, and in some of the elections he won by more than 80 percent of the vote.

It seems to me if this is what is happening as a year after year after year situation now, it no longer quite holds up in the same way that the public wants to have that 2-year opportunity to get another crack at the candidate or at the incumbent. In addition, only 80 percent of the people who vote in presidential elections vote in off-year elections, so not all are concerned with the frequent chance to vote.

What I would suggest, and once again I am not introducing any bill or legislation on this point, is merely to get it open so if anyone has any comments on it we can get a feeling as to where we are. Perhaps we might have a 4-year term, and we could have half the House running every 2 years. In other words, whether it was the odd- or even-numbered districts, or however it may be decided, we could have half the House up in 2 years for a 4-year election and then in another 2 years have the other half up. In this way the public would still have an opportunity of expressing its will with the Members and the public would be getting its money's worth out of its Congressmen. I am not saying today the public is not getting its money's worth, but I am just saying they are not getting as much as they are entitled to because the system forces us to get out on the road, and then we cannot be working in Congress where I believe we ought to be working.

There are all sorts of statistics we have compiled that I am not going to run through at this time, showing the percentages in each of the elections, showing again how often the incumbent is returned and again showing the numbers who are not contested. I feel we ought to look at this and address ourselves to this question, and hopefully in the leadership there will come some ideas as to how we can at least have the opportunity as Members to vote on this issue on the floor and, I believe, give the public a break. I look on this as a reform and not a liberalization of the incumbent's rights.

Mr. DEVINE. Madam Speaker, will the gentleman yield for a question?

Mr. PEYSER. I yield to the gentleman from Ohio.

Mr. DEVINE. Madam Speaker, I wonder if the gentleman happens to have any similar statistics as they relate to the other body whose Members are required to run only every 6 years, in a one-third splitoff.

Mr. PEYSER. I am sorry I do not have those statistics on the other body.

Mr. DEVINE. I would hope the Member possibly could provide them in his extension of remarks for this reason. I think it perhaps could be a factor that a number of incumbents have been elected and reelected to the House for the reason that they are required to go back and keep in touch with their constituents and have them decide what the incumbent's performance is. I think an examination in the other body might show a Member might be voting in different ways in the first 2 or 4 years of his term but in the last 2 years before he has to face the voters he might come back to what is closer to the views of his constituents.

I think this is a fact which should be included in these discussions.

Mr. PEYSER. I appreciate that remark. I do not know the statistics, but I will get them and will add them to my remarks on this issue. I think it is a point well taken.

My conviction is, though, that we should be serving a 4-year term. To summarize, as far as I am concerned, we should have campaign limitations on spending. We ought to have elimination of this vast reporting system that has been looked on as a reform, but has proved to be no reform. We ought to put a limit on the spending itself.

When we do those things, I think we will have gone a long way toward helping the public have a Congress which represents them and which can do its job without the encumberances with which we are now faced, in terms of the length of office and campaign spending.

Madam Speaker, I yield back the balance of my time.

INTERIM REPORT BY THE JOINT STUDY COMMITTEE ON BUDGET CONTROL

The SPEAKER pro tempore (Mrs. Schroeder). Under a previous order of the House, the gentleman from Oregon (Mr. Ullman) is recognized for 30 minutes.

Mr. ULLMAN. Madam Speaker, I take this time on behalf of our colleagues, Jamie Whitten and Herman T. Schneebeli, to talk for a few minutes about the joint study committee on budget control. Congressman Whitten is cochairman with me of this joint committee, which was established by legislation last year; Congressman Schneebeli is a vice chairman and serves on the executive committee.

We have issued an interim report which I hope all the Members of the House will read. It has been printed and is a House document, No. 93-13, entitled "Improving Congressional Control of Budgetary Outlay and Receipt Totals—Interim Report by the Joint Study Committee on Budget Controls."

In that report, on page 2 we have a series of tentative recommendations which I think every Member of the House should consider seriously because they involve proposed procedures which would significantly change the fiscal posture of the Congress of the United States.

We are beginning public hearings on these proposals on March 6 in room 1114 Dirksen New Senate Office Building. We invite all the Members to participate in these hearings. This is important enough that it should involve input from all of the Members.

This series of hearings which begins on March 6 in my opinion should be one of the most important in more than a decade. At that time, the Joint Study Committee on Budget Control will consider ways of implementing the tentative recommendations contained in our interim report (H. Rept. No. 93-13).

The Joint Study Committee on Budget Control received a mandate from the Congress last fall—to put Congress budgetary procedures in order so that Congress may participate more fully than is possible under present procedures in the decisions that determine the priorities of this Nation—and it is essential that our final recommendations reflect the considered opinion and judgment of as many Members of Congress as possible.

As a cochairman of this committee, I believe it is necessary to get a clear idea of how Members want to proceed in changing our ways, and how they want to establish mechanisms that will allow us to determine national priorities on our own. We have done a lot of discussing about our prerogatives here in Congress, but unless we were prepared to put our House in order, all the shouting in the world will be wasted. And, the ideas and suggestions that our committee make will not get very far if our recommendations do not accurately reflect the ideas and the commitment of the Members of their body.

Let me very briefly read you from the report the first of a series of tentative recommendations.

> 1. There should be a mechanism for Congress to—
>
> (a) determine the proper level of expenditures for the coming fiscal year after full consideration of the fiscal, economic, monetary and other factors involved—

That is something which we have never done—

> (b) provide an overall ceiling on expenditures and on budget authority for each year.

Last year, when this amendment was adopted by the House, I think most Members and the public generally felt that this kind of procedure had been tried before and was totally out of our reach. Now, with this interim report, I think we must realize that it is within our reach. It is something that Congress should have done long ago, but now we can do it. I continue:

> (c) determine the aggregate revenue and debt levels which appropriately should be associated with the expenditure and budget authority limits.

In other words, early in each session, to bring before the Congress a congressional budget which would involve expenditure limitations and revenue objectives.

The report continues:

> The limitations referred to above should be provided only if Congress also makes provision for a system whereby it can make the decisions on budget priorities that will guide it as to where reductions are to be made in the event that this becomes necessary.
>
> The committee favors provision for limitations on both expenditure and new obligational authority so an impact, to the extent possible, will be felt in the current year (as a result of the expenditure limitation) and also so that control will be obtained over future growth, (as a result of the budget authority limitation). At the same time however, it is essential that Congress develop ways of making its own decisions on budget priorities so that realistic control over the purse can be regained by the Congress, as intended by the Constitution. Any mechanism for establishing these limitations also needs to provide an opportunity to review and make recommendations as to overall tax and debt policies, since these also are an essential part of the Government's fiscal policy.

The report then goes on, in a series of further recommendations, as to procedures. Basically, it would involve a budget committee bringing to the Congress recommendations in the form of a joint resolution for total budget expenditures, new obligational authority and revenues together with how the expenditures would be allocated out to the major programs. Then the Congress would debate the resolution and establish the congressional policy on both spending and revenue. In this way we would have a mechanism for implementing that policy not only as to appropriated spending but also as to the expanding list of backdoor expenditures that have occurred here in the Congress.

The procedures would call both for revenue objectives to be carried out by the Ways and Means Committee and for the appropriation spending limitations to be implemented by the Appropriations Committee and other committees.

There are various devices that we would have to implement this, but one of them—and I think the most important—would be a wrap-up resolution at the end of the session that would call for the Budget Committee to revise, if necessary, its revenue and expenditure recommendations, and then for the Appropriations Committee to properly implement these in a wrapup appropriation bill that would add and subtract from all the various appropriation bills during the year, so that the total could fit within the ceilings established by the Congress.

I should like to yield now to my distinguished colleague from Mississippi, Jamie Whitten, and I wish to say that without the help and cooperation and leadership of the Congressman from Mississippi we could not have obtained this kind of a report, which I consider one of the most meaningful reports in the area of budgeting that has ever been presented to the Congress.

I yield to the gentleman from Mississippi.

Mr. WHITTEN. Madam Speaker, I thank my friend from Oregon, and may I say it has been a pleasure to work with him and with the other members of the committee. I appreciate those kind statements.

I do believe we have something to offer here that is a little surprising. We have a unanimous report from about 32 of the most experienced and most able Members of the Congress. At this point I think it only fitting to insert a list of the names of the members of this committee who have so much to be proud of:

CO-CHAIRMEN

Jamie L. Whitten, *House Appropriations.*
Al Ullman, *House Ways and Means.*

CO-VICE CHAIRMEN

John L. McClellan, *Senate Appropriations.*
Roman L. Hruska, *Senate Appropriations.*
Russell B. Long, *Senate Finance.*
Herman T. Schneebeli, *House Ways and Means.*

Senate Appropriations Committee: John C. Stennis, John O. Pastore, Alan Bible, Milton R. Young, Norris Cotton.

Senate Finance Committee: Herman E. Talmadge, Vance Hartke, J. W. Fulbright, Wallace F. Bennett, Carl T. Curtis, Paul J. Fannin.

At Large: William Proxmire, William V. Roth, Jr.

House Appropriations Committee: George H. Mahon, John J. Rooney, Robert L. F. Sikes, Alfred A. Cederberg, John J. Rhodes, Glenn R. Davis.

House Ways and Means Committee: James A. Burke, Martha W. Griffiths, Dan Rostenkowski, Harold R. Collier, Joel T. Broyhill.

At Large: Henry S. Reuss, James T. Broyhill.

Tô have such a report unanimous is very unusual.

This is an interim report. The recommendations are tentative pending an opportunity for further review and study of the problem. The document shows where we are and how we got that way. Like in a lawsuit, or with respect to any other problem, if one can get agreement on the facts one knows what the problem is. As we come to the Members today we know what the problem is.

If Members will read this report, they will find that some of the pertinent information points to the fact that a large portion of the budget is not subject to an annual coordinated review or control by Congress.

Only about 44 percent of the spending estimate in the 1974 budget, for instance, will channel through the annual review process of the Committee on Appropriations. The balance involves permanent appropriations, trust funds, and various backdoor or mandatory spending which bypasses the annual appropriation process.

I was one of those who voted last year against setting a fixed ceiling on expenditures. I did so because I felt it would be an invitation to the executive branch to pick and choose the projects and activities to be funded and those to be curtailed, eliminated, or canceled Time has shown this to be the situation.

I think we face a very serious problem, in view of the present status of the relationship existing between the people's branch of Government, the Congress, and the executive branch.

This very serious impoundment issue is an important part of our committee's assignment. We are examining it carefully and plan to consider it in our final report. I could speak all afternoon and cite various authorities and various arguments on both sides of the impoundment matter, but be that as it may, if the executive branch should take it upon itself and assume that it had the authority under the Constitution to impound any amount of money any place it wishes to, the fact is the original place of impoundment is the Congress itself, and Congress could in turn determine that it is going to impound the money and not make any appropriation to the executive branch.

Of course, you can see that if such a situation were to occur, it could lead to a complete breakdown in Government.

However, if we can develop an effective budgetary control mechanism and set our own priorities, I believe the impoundment issue should be largely solved. We need to establish ceilings at the beginning of each session and allocate them among the various program categories.

We need a procedure for a wrapup resolution near the end of the session as pointed out by my colleague, the gentleman from the State of Oregon, to make appropriate adjustments in the ceilings and the appropriations after full consideration of the various legislative actions affecting the budget.

I want to repeat that I believe your committee is doing a fine job of working together. They have developed a good report on the problem and proposed tentative recommendations. I am hopeful we can now proceed to develop a satisfactory, workable solution to the budgetary control problem.

I thank my colleague for letting me speak at this time, as I am in the middle of some hearings this afternoon in my subcommittee and I must return as soon as possible.

Mr. ULLMAN. I thank the gentleman for yielding.

Will the gentleman remain for just a few moments, because I think there is a question or two that needs to be directed to him.

I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. I thank the gentleman very much for yielding to me. I will be very brief.

I impose on my friend, the gentleman from Mississippi, first of all to congratulate the committee on the very fine work that they have done. I am much impressed with the guidelines which are contained in the interim report. We all ought to be thankful that men of the caliber of Mr. WHITTEN and Mr. ULLMAN and others are willing to take the lead on this budget problem and to see that it receives the attention it deserves.

I am impressed by an argument of Mr. WHITTEN that the confrontation between the legislative and the executive branch adds a great note of urgency to this task of better budget management.

With that in mind, I am emboldened to raise a question. What has been proposed and considered by the joint committee so far would necessarily not take effect until next year. Yet we have this urgent need which exists today for better fiscal control. I ask the gentleman who is the second ranking member of the Committee on Appropriations if it would not be well for the Committee on Appropriations this year again to consider a single appropriation bill for the entire Federal Establishment? That was done some years ago. It was not an easy task, but it is one way in which the House can exercise better control of the appropriations process than is possible under the present procedure in which we deal with the budget requests on a piecemeal basis.

I wonder if the gentleman will respond to the suggestion that because of the serious confrontation we face with the executive on expenditure control that the House should seriously consider coming out with a single appropriation bill for the next fiscal year.

Mr. WHITTEN. Will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman.

Mr. WHITTEN. As the gentleman pointed out, I am No. 2 on the Committee on Appropriations and not the chairman of it, so I only speak in that capacity.

I think the situation is sufficiently serious for the Appropriations Committee and its members to consider. I do not speak, of course, for Mr. MAHON. I have worked with him for a long time and am very fond of him, and I have the highest admiration for him, but the gentleman knows that I cannot speak for him. However, I know he recognizes the seriousness of the situation. All of us have been watching the developments, and in our various hearings which are underway we have been paying attention to it.

We all are devoting our individual time and attention to what we can do to stop the present standoff that we may have in connection with these bills this year. I for one can say only that it would be my hope that the committee will take a good look at this year's operations to see what we can do in this regard.

We need to do this for several reasons. Each man has his own opinions, but let me say that we are getting expenditures for frills mixed up with investments in our country. The Congress in the interest of protecting our land and soil and natural resources for future generations will have to step into this act in some way with the executive branch, which is making some unwise decisions.

This is just one man's opinion. Somebody else will have a different view. My individual thought is I will be doing what I can to meet the overall problem and to see where we can go from here.

Mr. FINDLEY. If I can make one further comment, it would not be necessary for the Committee on Appropriations to come forward with a single legislative package representing the entire appropriations for the Federal Government all at once.

It could be done piecemeal, but each step could be held in abeyance and the final approval of the appropriation bill could be held up until the process is completed. That would be an alternative way to go.

Mr. WHITTEN. That could be; however, I would call the attention of my friend, the gentleman from Illinois, and he is aware of it in the report, that the problem of control is much broader than just the appropriation bills. We would have to have the various legislative committees which mandate spending also hold up on final action.

As I mentioned earlier, only about 44 percent of the spending in the 1974 budget is associated with items pending before the Committee on Appropriations. The rest involve spending actions pending before other legislative committees or previously mandated in legislative bills, such as the revenue-sharing proposal last year. This provided a permanent appropriation of $30 billion for 5 years. There are also the various trust funds which are not a part of the annual appropriation process.

Mr. FINDLEY. It would only be a partial solution, but a step in the right direction, I would think.

Mr. WHITTEN. We certainly will consider all possible approaches to this year's problem, but we must keep in mind that we are dealing with only about 44 percent of all the budget.

Mr. FINDLEY. I was with the gentleman from Mississippi in opposing the Revenue Sharing Act, and that is one of the reasons that I did oppose it—because it bypasses the appropriation process.

Madam Speaker, I thank the gentleman very much for yielding me this time.

Mr. ULLMAN. I thank my colleagues for their contributions.

I want to add that I heartily endorse the views of my colleague from Mississippi. JAMIE and I have been close personal friends over the years and have worked together on many important matters. Yet, in my judgment, there has been no more significant project than what we are doing together as Cochairmen of the Joint Study Committee on Budget Control. We have been given a great responsibility, and we must succeed. To do so, we need the support of all our colleagues in both Houses. The decisions that the Congress makes on congressional control of expenditures will ultimately affect directy the effectiveness of each and every Member of Congress. If Congress is to be more than a debating society, then we must begin to view the budget process as more than a set of bulky documents which are tossed on our desks each January to be leafed through and pushed aside. We must begin to deal with the total expenditure and priority picture as the heart of our jobs. Congress must tackle the budget as a whole unit, considering the condition of the national economy and the needs of the people, and determine spending and revenue raising priorities. This must replace our present system of piecemeal consideration of programs without systematic regard for competing priorities, log-rolling one program on top of another.

The hearings that begin next Tuesday are most important for all of us, and I hope that we will find widespread interest on the part of all Members in our proceedings.

Mr. SCHNEEBELI. Madam Speaker, will the gentleman yield?

Mr. ULLMAN. I am very happy to yield to my friend, the gentleman from Pennsylvania, who is a vice chairman, a very important member of the Executive Committee, and one of the most faithful attenders that we have.

Mr. SCHNEEBELI. Madam Speaker, I thank the chairman for yielding to me. I would like to commend the gentleman from Mississippi (Mr. WHITTEN) while he is here, for his leadership, as well as that of the gentleman in the well, the gentleman from Oregon (Mr. ULLMAN) who is a cochairman, because I believe they have done an outstanding job. I might say that I have been surprised by the comprehensive and the very effective accomplishments that have been borne to date by the committee, considering the fact that it is composed of 32 members, 16 from both sides, and especially considering the short time within which they have had to operate, and to prepare their first report by February 15. I believe it has been a very satisfying and effective report, and again I say that I have been surprised by the progress to date.

Certainly I believe that most of the Members of the House would want to encourage the furtherance of this program because I think that, granting that we have a lack of control over the budgetary process, I would certainly hate to be one of those Members who has to write home to their constituents and in addition be confronted by them, and say that they do not have any management over the budgetary processes of the Federal Government.

Certainly there has been a sympathetic attitude on the part of the whole group, even though some have been saying, "Well, we have been through this whole thing before, we have tried it before, and it did not work, and I doubt that it will work," and so on.

But I think that we have no alternative except to come up with something constructive, something positive. Frankly, I think that the recommendations that have been worked out to date have been excellent, and it will be the body on which we build the final structure, and I think it bodes well for I believe that we are doing a very good job.

I would also like to stress one other thing. As you know, the two chairmen are both from the other side of the aisle and, as a vice chairman from a different party, I would like to stress that the 32 Members in approving the report are truly working on a nonpartisan basis. This has been wholeheartedly evident from both sides.

It has been very encouraging to see the great attendance, the seriousness of the people, and the fine work which all the Members from both branches of the Congress and from both sides of the aisle have done. I think this is a compliment to our two leaders. They have both been completely unbiased and constructive, and I believe that through them we have done a good job to date in this short time. I think we will continue to do a good job. I think it is a highly important work, and I am sure that we will come up with a good final product.

Mr. ULLMAN. I thank the gentleman for his contributions. I think that the gentleman would agree with me that we should also pay our respects to the distinguished Members of our other body.

Mr. SCHNEEBELI. I certainly do, too, and I believe I said both branches of the Congress.

Mr. ULLMAN. That is correct. Because we have on this committee the ranking members of their Committees on Appropriation and Finance, plus the membership at large who have been exceedingly cooperative, not only in letting us assume the chairmanships over here, but in attending the meetings and giving their support to what we are doing.

Mr. SCHNEEBELI. I, too, believe that their cooperation has been the very most we could ask for.

Mr. ULLMAN. In addition, the meeting where we unanimously adopted the interim report was one of the most heartening meetings that I think I have attended since I have been in the Congress. It was well attended, virtually everybody was there. It was well discussed, and there was unanimous approval of the tentative recommendations which were probably the most significant that could be made as to reorganizing and revitalizing the Congress.

Mr. SCHNEEBELI. I certainly think we are on the right track, and I am certain we are going to continue at this pace, and I think much will be accomplished.

Mr. ULLMAN. I again invite all the Members to participate and call their attention to the fact that hearings will begin on March 6. We invite the Members' participation. This has to be the Members' program. This is not a new committee coming over and taking over some new responsibility. This is providing a mechanism for a committee to come to the Congress so that the Congress can work its will on establishing a congressional budget on reordering our own priorities.

In the final analysis, the only way we can ever really face up to the impoundment issue is for the Congress itself to establish a priority mechanism, and that is what this committee is attempting to do. We invite the Members' participation in our effort.

Mr. JOHNSON of Colorado. Will the gentleman yield?

Mr. ULLMAN. I will be happy to yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. What is the gentleman's committee's statement in terms of how they are going to go about this establishment of priority? The gentleman did not explain that.

Mr. ULLMAN. As I have indicated, the Budget Committee's—and this is only an interim proposal—and my ideas are interwoven, but the interim proposal would lead us into a situation where there was a separate House and Senate Budget Committee, with adequate representation from the tax and appropriations committees, and members-at-large from the legislative committees, that would report early in each session to the Congress a budget, recommending expenditures and revenue objectives, and allowing Congress to work its will on those basic objectives.

The recommendations and the mechanism to maintain budgetary control must apply to all legislative actions which grant budget authority and mandate spending. This includes, for example, recapturing control over expenditure of funds in the pipeline which stem from obligational authority given the

President in past years. We must also assess the future impact of budget actions, projecting costs 3 to 5 years into the future. We must have a mechanism for establishing priorities and for projecting these priorities into the future. The problem is we now pass some vast new spending bills, with small initial costs, without being fully aware of the large, follow-on costs being committed for future years. If we do this in several areas, we find ourselves on a rapidly diverging expenditure cycle where we have trapped ourselves into large spending commitments without having ever considered the total impact upon the economy or whether the economy cannot afford it. A new budgetary control procedure would put all of this back into perspective and allow the Congress itself, rather than the Office of Management and Budget downtown, to impose program priorities and set funding levels.

Mr. FINDLEY. Madam Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Illinois.

Mr. FINDLEY. What I want to reinforce, as I said earlier, is I believe the work of the Joint Committees on the Budget already completed represents a very great step forward for the Congress. I think it is very promising and that greater advancement will come out of it. I do congratulate the gentleman.

As I understand the idea he just voiced, there would be a Special Committee on the Budget in the House and then a separate Special Committee on the Budget in the Senate.

Mr. ULLMAN. The gentleman is correct.

Mr. FINDLEY. But the work of these two committees would be required to come together so that there would be agreement between the House and Senate on a budget resolution?

Mr. ULLMAN. That is right. That would happen in the normal processes of going to conference between the House and the Senate.

Mr. FINDLEY. And before the appropriation process could begin the budget resolution would have to be agreed upon. Am I correct on that? Is that the gentleman's thought?

Mr. ULLMAN. Yes, basically, although I believe procedures can be developed to expedite the process so as not to unduly delay the legislative schedule.

Mr. FINDLEY. I think that is an excellent proposal. The problem I see in it is the length of time that may be required in order to get the agreement of the other body on the budget resolution as well as on the other steps that may be involved in the latter stages of this process.

As the gentleman knows I have had a deep interest in this field. About a year ago I introduced a resolution on the subject and I reintroduced a resolution known as House Resolution 17 this year. In my examination I came to the conclusion it would probably be better not to try to involve the Senate in a budget discipline process but deal only with the institutions of the House and deal with the committee structure as it now exists. I came to that conclusion mainly out of concern that we might use up most of the fiscal year by trying to get agreement on the details with the Senate before we could begin the appropriations process.

I wonder if the gentleman in his work has looked into the timetable question and if he has any estimate as to how soon in the calendar year the Congress could be expected to be ready for the appropriation process.

Mr. ULLMAN. It seems to me budgetary control would not be meaningful unless we can include both branches in the process. Operating unilaterally we would immediately get into all kinds of jurisdictional conflicts with the other body. But it would seem to me the congressional budget debate may very well be the most meaningful debate we have during the year whereby we set forth a congressional budget. The other body would likewise then be faced with a problem in that they would be in the spotlight of the Nation. I think that alone would be enough to get action from them expeditiously, and I hope we can establish a procedure within 60 days which will resolve the issue. We hope that the resolution can be finally passed by about May 1 of each year.

Mr. FINDLEY. Did the gentleman get the feeling from the Senate Members of this joint commission that the Senate Members might be willing to apply a 60-day discipline upon themselves within which they would be required to make an agreement with the House on the budget?

Mr. ULLMAN. The committee has not discussed extensively the problem of timing, but certainly it is in our minds and it will be the subject of detailed discussion when we write the bill.

Mr. ROUSSELOT. Madam Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. Madam Speaker, as a followup to the discussion about the legislation the gentleman from Illinois has proposed, is it contemplated by this joint committee that there clearly would be no appropriation bills completed until final action, by the proposed budget committee is taken by the Senate and the House? Would that discipline be in the legislation as it is now contemplated?

Mr. ULLMAN. Yes. Bear in mind that the fiscal year starts in July. There would obviously be supplemental bills for the current year conforming to prior years budgeting.

Mr. ROUSSELOT. Yes.

Mr. ULLMAN. But it would seem to me and it would be my intention that no appropriation bills for the fiscal year involved be passed until the congressional budget is enacted by both bodies.

Mr. ROUSSELOT. As it is totally accepted by both Chambers of the Congress?

Mr. ULLMAN. Yes. It would not necessarily be a bill requiring the President's approval. It could very well be a concurrent resolution whereby we could bind ourselves. This would be a legislative budget and there would be no reason why, in my mind, it would have to be signed by the President. This would be our action. He would continue to prepare his budget but this would be our action in setting forth our budget and it would not require any approval from downtown.

Mr. ROUSSELOT. I thank the gentleman for clarifying that point.

If the gentleman will yield further, the other thing I would ask is that there also be serious discussion about some method of stopping the continuing resolutions, or the supplemental appropriations which always come to the House even after substantial amounts have been appropriated, unless it is of an extreme emergency nature, if we are going to add some additional discipline into that process to make it more difficult to just add on in a piecemeal fashion.

Mr. ULLMAN. This is one of the problems we must deal with and it is one of the reasons we are having hearings. We hope to get the sentiment expressed on the part of Members so that we can finalize the procedures within the conference.

Certainly, there will be some rules of the House which will have to be amended in the process. This is where we are seeking the views and guidance from the Members.

Mr. ROUSSELOT. I wish to thank the gentleman for taking his time today to try to create some additional discussion on the part of the whole House itself. The one thing that many of us have heard in the last year from many of our constituents and others is that they cannot understand how this House of Representatives and the Senate has not been more responsible in the way that it controls the budgetary process, since under the Constitution we are supposed to control the purse strings.

I thank the gentleman for taking this time today to stimulate some more discussion.

Mr. ULLMAN. I thank the gentleman for his contribution.

I want to express my appreciation to the Chair for extending this time.

GENERAL LEAVE

Mr. ULLMAN. Madam Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

CONGRESS RIGHT TO KNOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR) is recognized for 20 minutes.

Mr. SAYLOR. Madam Speaker, back in the 79th Congress, the first Legislative Reorganization Act was passed effective January 1, 1947. That was 2 years before I gained the privilege of serving in this body. One of the key features of the law was the oversight responsibilities which were placed on each of the standing committees with respect to the department or agencies coming within their jurisdiction. In the case of the Veterans' Administration that oversight responsibility was exclusively in the hands of the House Committee on Veterans' Affairs until the recent creation of the Senate committee.

This oversight provision, in essence, means that the legislative committee should regularly inquire into, and be fully cognizant of, all operations of the department or agency under its jurisdiction. This can be done in many fashions—hearings, questionnaires and formal conferences, correspondence, and so forth. All of these plus many visits to field stations have been used by the House Committee on Veterans' Affairs. I think it is only fair to say that this responsibility has been discharged very well and with considerable effectiveness. This too, has always been done without any partisan bias, but simply on the basis of discharging our responsibility and the Congress basic right to know what is going on in any programs which are appropriated for and legislated for by the respective Houses. Perhaps I should point out, with regard to partisanship, that partisanship as such has rarely existed in the House committee. I believe I can count on the fingers of one hand and have about three left over, the times in which there has been a partisan vote in the committee during the 20-plus years I have served in the House.

The provisions of title 38 which contain the basic provisions of law applicable to the Veterans' Administration were enacted in 1958 on the initiative of the House Veterans' Affairs Committee, but only after attorneys and other representatives of the Veterans' Administration had spent long hours and days in working out final agreement. There was opposition in the agency to this concept, but it is now acclaimed as a basic tool.

Each month the Committee on Veterans' Affairs publishes a wealth of up-to-date statistics on the operations of the VA hospital and medical program. This was resisted by the VA at the outset. Now it is eagerly distributed to all of the field stations and used more or less as a monthly bible.

Beginning in the 83d Congress, the Committee on Veterans' Affairs developed a questionnaire on VA medical activities. These questionnaires were devised from our principal sources: First, from ideas from Members of the committee based on their own visits to VA hospitals and similar visits by members of the staff of the committee. Second, suggestions were solicited from people in the field who were knowledgeable, such as the operators of private hospitals who could give us some basis for comparison between a community operation and the VA. Third, the committee sought questions and suggestions from directors in the field and, lastly, but by no means least, from officials in the Central Office and the Department of Medicine and Surgery. This has been the process in each Congress. The questionnaire in each instance has been previewed and discussed thoroughly by D.M. & S. officials before being sent out. We have sought the independent, unbiased, unvarnished views of each station on a limited number of questions. Until recently, it has always been my impression that the Administrator and the Chief Medical Director welcomed these independent views and usually profited by them; and this is what makes so shocking the recent remarks of the Administrator of Veterans' Affairs, Donald E. Johnson, at his conference for VA directors on January 31. At that time, Mr. Johnson said that he did not want to find any surprises on any of these forms—for instance, referring to the hospital questionnaire—and it is only fair to tell you that I do review them. He then added this ominous note at the end of the paragraph. "If you don't feel secure as to your interpretation of the questionnaires, call us through your area head."

Thus, Madam Speaker, you will note that there is to be only one answer and that is the answer which comes from the Administrator of Veterans' Affairs. Based on recent—sad—experience, I fear that the Administrator's answer will come straight from the Office of Management and Budget. If this policy is to prevail questionnaires will be utterly futile and will be absolutely worthless insofar as enabling the Congress to pass legislation or to properly evaluate programs already in existence. In order that the record may be clear, I will insert at this point the text of the paragraph of Mr. Johnson's address on January 31 so that it may be clear to Members exactly what he said and what he intends to accomplish.

The paragraph follows:

> In the legislative area, you have the same basic responsibility: to support the President's legislative proposals in every way open to you. As to the questionnaires you occasionally receive from the House Veterans' Affairs Committee, I ask that you treat them seriously and responsively. Too many of our stations have not done so, and many of the returns have been carelessly, even sloppily, prepared. As Directors, you are responsible for the information returned. If the job hasn't been treated seriously, the entire results are of little value to the Committee or to us, and many dollars will have been wasted. At the same time, I will repeat what I have said before: I don't want to find any surprises on these forms—and it's only fair to tell you that I do review them. These questionnaires are not your opportunity to make an end run on Central Office, nor are they the proper vehicle for your "it would be nice to have list." Treat them seriously; they can be a very helpful management tool. If you don't feel secure as to your interpretation of the questions, call us, through your Area head.

The Administrator also made an oblique reference, without spelling out his intentions or desires, to "Ten Standard Federal Regions." There are now hospital regions and compensation and pension regions governing the 165 hospitals and 68 regional offices. Does the Administrator plan to merge the VA structure into this standard GSA Federal region?

Speaking at the same conference was the General Counsel of the Veterans' Administration who, following the leadership of the Administrator, devoted himself to quite a bit of explanation of the term "bootleg legislation" or perhaps we should say, "bootleg legislative proposals." I suppose that the General Counsel means that the Veterans' Administration is slipping legislative ideas to the legislative committees of the House and Senate and that these two committees are barren of any thought of their own. Such is not the case, Madam Speaker. It is nothing less than the truth to say that the initiative for most worthwhile legislative proposals have come from the Committee on Veterans' Affairs in the House and the converse of it is that practically all of the legislative proposals have been opposed over the years by the Veterans' Administration.

It comes with a considerable amount of poor taste on the part of the General Counsel to attack the legislative branch by remarks which can only be properly described as snide and irresponsible, when one considers two factors. When he was under consideration for appointment as General Counsel he actively sought and received the endorsement of members of his party in the Congress, including several on the Committee on Veterans' Affairs. Second, prior to being appointed as General Counsel he served for many years with one of the veterans' organizations and he spent a good portion of his time working on the Hill and fully utilizing the opportunities available to him. To use his expression as he describes it, he bootlegged or tried to bootleg many pieces of legislation in that regard and he has in the present job, not been adverse to giving his own private views to selected individuals in the Congress after he became General Counsel.

Pertinent excerpts from the General Counsel's remarks on January 31 follow:

> One form of this activity may be described as the "bootleg legislative proposal." The presentation of such a proposal is accomplished by direct contact with someone outside of the agency. It could be a legislator, a friend on the staff of a legislator or on a committee's staff. It could be someone connected with a service organization or other interest group. The avenues of approach are numerous.
>
> The presentation of a bootleg program is the height of irresponsibility. It is advocated by people who do not want to be on the team—who cannot take "no" for an answer—who place their judgment above the Administrator's and the President's—who subordinate the President's decision to their parochial interests. Such action is reprehensible. I urge you to impress this fact on your staff people.
>
> The Administrator has emphasized his desire that contacts with Congress on legislative or potentially legislative matters be channeled through the General Counsel. When expedience demands direct contact between agency and congressional personnel, a report on such contact should be sent to the General Counsel, where it will be carefully reviewed and filed with related material for future reference.
>
> The other way an employee may act on his own is to be called, or feel compelled, to appear before a congressional committee to present his individual views on a legislative matter relating to the business of the VA. This is a thorny problem, especially when the views of the individual are in conflict with those of the agency.
>
> It seems clear that such an employee has a consitutional right to testify under the First Amendment. On the other hand, the courts have recognized that there can be an exception to this First Amendment right when public criticism of an employer is destructive of staff morale and serves to make working relationships with the agency impossible. In other words, it is recognized that

there may be situations in which disciplinary action might be warranted where an employee publicly criticizes an agency or agency policy. To do so, however, would require a careful and judicious balancing of the employee's rights, as opposed to the problems encountered by the agency. I believe that the circumstances would probably have to be extreme before we would venture into this type of action, unless, of course, there was a continuing pattern of disloyal activity by the employee. Nevertheless, I feel you should be aware of the possibilities.

It has been suggested to me that the remarks attributed to these officials are not their own but rather those dictated to them by some faceless, gutless, hidden wonder in the Office of Management and Budget. I do not know. I cannot believe that to be true, for it would mean that the Administrator and General Counsel of the Veterans' Administration have sacrificed their personal integrity to the holding of their high-paying jobs at the public's expense. If the comments by these two VA officials were really those of the OMB, perhaps the Congress will have to force OMB to backtrack as it did in the recent and infamous rating schedule episode.

I am sure I speak for the entire membership of the House Committee on Veterans' Affairs when I say that we do insist on the Congress' right to know and we expect to obtain the necessary information to legislate intelligently, despite Mr. Johnson and his General Counsel and others in the Government who have like minded views.

FREE TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 30 minutes.

Mr. DUNCAN. Madam Speaker, there are still those who talk about the free trade doctrine as if it should guide us in our search for a trade policy. The notion that every country should devote its economic forces or capital investment to the production of the goods to which it is best adapted is, of course, uncontestable as an objective.

The trouble with the objective is that the world did not grow up economically in that manner and that production and trade have long followed other paths. The world having developed along different lines and having changed course from time for other reasons than obedience to the free-trade doctrine, the present state of equilibrium or disequilibrium in world trade will respond, not to free-trade mandates, but to the same practical considerations, including the political, that have ruled this field for centuries.

Too long it has been assumed that any American industry that cannot compete with imports is relatively inefficient. This is a mindless charge that cannot meet the test of reality. There are many American industries, indeed the majority of them, that cannot compete with imports today; but the reason is not lesser productive efficiency than that of their foreign counterparts.

The American producer, as an international competitor, has become the victim of developments that are far removed from his state of productive efficiency. If we look back a few years we will be able to trace the cause of his discomfiture.

We have to start with the notable fact that it was American economic pragmatism that tore our economy away from its immediate predecessor both here and abroad. Until well into this century the idea prevailed that the best way to achieve lower costs and prices was to keep wages at the lowest level. There was at that time little or no appreciation of the function of wages as the main constituent of consumer purchasing power.

This customary way of seeing wages or employee compensation independently of the market for goods and also as having no visible bearing on business activity was abetted in this country, albeit unwittingly, by the practice of our Census Bureau to classify as industries what were really only a relatively small part of the whole apparatus or productive effort that begins with mining and raw materials of many kinds, extracting or growing them, processing them, fabricating parts, modifying or reshaping them, combining and shipping them to central assembly plants for incorporation into finished goods. Usually it is only the assembling part of the total process that is called the industry.

An example is the automobile industry. By thus mistaking the tip of the iceberg for the whole industry the misconception that labor costs are only those incurred in the last step of manufacturing has been propagated. Thus it could be said that the labor cost in the automobile industry is only 15 to 20 percent of the whole sale value of the final product. This is, of course, very far from the facts. By considering the automobile assembly centers such as Detroit as the "automobile industry" the serious error about the share of the final product being paid out as employee compensation gained headway.

Actually the share that labor compensation represents of the total cost of production will be found, in the absence of monopoly, in the area of 80 percent in the American corporate productive operations.

Were this fact generally known, the part that employee compensation plays in the breadth and depth of the market for goods, would be more widely appreciated. Then it would be less difficult to grasp the difference between our economy as it persisted until well after World War II and other industrial economies as they were at that time.

General perception of this difference was slow in coming and also slow in its acceptance by business and the public. At issue was the persistent tug of war over the division of the product of industry between the owners and the workers. Wages were thought to be a subtraction from profits, and vice versa. It was the Great Depression that brought home the need of money in the hands of the vast majority of the people if the depression was to be turned around. We had abundant productive capacity but lacked effective consumer demand—not simply consumer demand. There was enough of the latter; but it was not backed sufficiently by the power to buy that resides in money in hand.

Cogitation over the difficulty posed by the Depression brought forward the idea that steps must be taken to "prime the pump" so that business could resume its forward motion. It was found that wages could be and were often used as a competitive weapon by employers who were willing to take advantage of the oversupply of labor in relation to demand. To prevent the use of wages for that purpose we first outlawed child labor. Then we established minimum wages with the purpose of preventing precisely that use of wages that was increasingly regarded as counterproductive. It became national policy that wages were to be withdrawn from use as a competitive weapon. We were seeking higher consumer income, not a shrinkage of it, such as wage-cutting would cause. To bolster the line against shrinkage of wages and therefore consumer purchasing power, collective bargaining was underwritten by statute and made obligatory in interstate commerce.

Thus did we bolster our system of mass production against the prospect of beholding our vast productive machine grinding to a halt for want of cash customers. We were faced with the prospect of retreating to the level of a subsistence economy such as existed and still exists in China, India, and elsewhere. Such a prospect had no vocal supporters or promoters here. Quite the contrary. We had tasted the abundance and comforts that our productive system could deliver if only we could get it back on its feet; and we did not look on a subsistence style of living with equanimity.

Whether the measures we adopted would in time have reversed the negative trends and restored prosperity was left undetermined by the outbreak of World War II. The war, however, did accomplish the turnaround. Shortly thereafter the Employment Act of 1946 was passed, by which we reasserted our belief in the importance of the fullest employment to the well-being of our economy. From time to time thereafter we have raised the statutory minimum wages in keeping with rising prices. Thus again did we recognize the link between mass production and an absorptive mass consumption.

Indeed our industrial wages rose substantially during the war years despite the establishment of wage controls, or from $0.66 in 1940 to $1.02 per hour in 1945, an increase of 55 percent. By 1950 the average hourly rate had risen to $1.46, representing another 43 percent increase. We were thus building a wider gap between our wage level and the foreign levels we might soon face in world trade. This unhappy prospect apparently occurred to no one since we pursued in full cry the objective of freeing international trade from tariffs and other barriers.

While it should have been clear that if child labor and sweated labor were countervailing to our economic objectives at home, foreign wages, which were already far below our levels, should pose a similar threat. Instead of recognizing such a threat we enhanced its effects by reducing our tariff on imports. We cut it in time by some 80 percent, thus making it easier for foreign producers, utilizing low wages as a competitive weapon, to penetrate our market.

We, of course, could not legislate for the other countries and they were happy to have us open our market ever wider, as if they needed a wider competitive advantage than they already enjoyed.

We were told by those who pushed for the goal of free trade that we were so far ahead in productivity that our much higher wages would be no handicap. Then apparently they paid no further attention to what was developing.

The other countries had not found it desirable before World War II to adopt our system of production. It was the demonstration of our economic power during the war that so impressed the industrial countries of Europe and also Japan that, with the exception of the Communist countries, they decided to embrace our system themselves. We were happy to help them and did so with a sufficient vigor to convince them that their choice was right.

The rest is pretty much history. In the field of mechanization and automation they took hold and some of them came up very rapidly.

Whereas our output per employee rose 2.1 percent per year from 1950–60 that of West Germany rose by 6 percent, France by 5.4 percent, Italy by 4.5 percent and Japan by 6.7 percent.

From 1960–69 our productivity per employee rose 2.6 percent per year, that of West Germany 4.6 percent, France 5 percent, Italy 6.4 percent and that of Japan 9.5 percent.

From 1950–69 our rise was a total of 46 percent uncompounded, West Germany 106 percent, France 104 percent, Italy 112 percent, and Japan 166 percent, (Statistical Abstract of the United States, 1972, table 1325, p. 811.)

In less than 20 years our industries began to feel the headwinds of the approaching competitive storm. As those countries replaced backward and wornout machinery with bright modern installations their productivity per manhour spurted rapidly upward and their exports began to loom as a veritable menace to many of our industries. The latter, sensing what lay in store, sent representatives abroad to test the investment climate. It was not long before a rising stream of dollar investments in foreign branches was flowing to Europe and elsewhere. Our industries were protecting themselves against the blighting competition by becoming identified with it.

We shipped billions of dollars of modern machinery abroad not only to equip our branch plants but also to native plants in the other countries. If our higher costs could no longer compete successfully in many of the foreign markets our capital could produce goods within those countries and supplement our exports by producing on the spot in foreign markets.

As foreign productivity rose so much more sharply than our own, because the foreign countries were building on a lower base, and as foreign wages remained far behind the rising foreign productivity, our foreign trade did an aboutturn several years before 1970. The facts merely did not come to light because of our statistical practices in casting our trade balance. As if blinded by our enraptured adherence to liberal trade policies we treated as true exports all the billions of dollars in goods that we shipped under foreign aid programs. Thus was hidden the turn of the tide until it swelled beyond concealment. We also recorded our imports in a manner that made them appear about 10 percent less than they actually were. Instead of tabulating them on what they cost us we recorded them on their foreign value, point of shipment. Very few other countries deceived themselves in that manner. After a few years, however, the realities mounted to such a height that concealment could no longer hide our highly weakened competitive position in the world.

While wages did rise, and in recent years more rapidly than our own in percentage, the gap widened in dollars and cents. It will surely be many years before foreign wages will catch up with the rise in foreign productivity. Just so long we will be asked to provide an outlet for foreign goods that find an outlet in their home markets if the employers would emulate our early wage policy as well as they followed our production methods.

Meantime the combined wage-productivity gap is too wide to be bridged by what remains of our tariff. Resorting to currency revaluations will not do what is necessary to remove the overhanging threats of rising imports that cloud our investment climate at home. As a result we do not enjoy the industrial growth on which we depend for new jobs. Yet our labor force is constantly growing at a rapid pace and we are driven to deficit finance in order to prevent unemployment from swamping us. Unfortunately rising deficit financing results in higher production costs. This in turn reduces our competitive standing, thus creating pressure for further currency devaluation or upvaluation by our principal foreign competitors. At the same time it stimulates more foreign investment and less on the homefront.

Such a merry-go-round assures a disrupted foreign trade front that will require more effective therapy than modification of currency exchange rates. Foreign wages and productivity are not under our control. We cannot legislate higher rates for other countries, nor can we control the depletion of mineral resources. This fact explains what is called the energy crisis. Yet these elements affect our trade position more surely than exchange rates.

Therefore we need a form of control over imports that is more responsive, effective, and flexible than the tariff on exchange rates. * * * manipulation. Import quotas expressed in percentage of our domestic demand for particular products represent an instrumentality that has been condemned by a harsh prejudgment born of prejudice and emotion.

Import quotas have been described as deadly to trade expansion and repressive of competition. They need not be either. They represent the most flexible and sophisticated type of trade control among all the instrumentalities that have been relied on in the past. Import quotas can be tailormade to fit particular competitive situations as they exist with respect to particular products and particular areas of the world. They are not as unflexible as the tariff under the force of the most-favored-nation clause. This requires an equal tariff level against all countries, except the Communist-controlled areas of the world. Yet, nothing is more common than different competitive levels among the different countries that ship to us. A tariff that would be suitable for meeting competition from one or more countries might be either too high or too low with respect to other countries. There is no flexibility that overcomes this defect.

The same is true of currency rates of exchange. They are the same toward all countries and cannot be bent to meet the diverse competitive levels of other countries.

We could easily remove the tariff on any goods that might be placed under import quotas, so long as the quotas were in effect. Other countries would be assured a share in the growth of our market for particular products. Thus would the straitjacket effect of quotas be overcome. Moreover, upon showing of cause, quotas can be reopened for liberalization, as has been done in the importation of petroleum and sugar from time to time.

Madam Speaker, I think that we should forget the past prejudices against import quotas and endorse the import quota system as the best form of import control available in the modern world of rapid technological and productivity changes.

I am happy to join with my colleague from Pennsylvania in the introduction of a trade bill that if enacted would put imports into proper perspective. The bill recognizes the need for imports and would permit them to grow as our market for particular products expands. It would not, however, permit imports to perpetrate on us what unrestricted imports have done in the past and are still able to do; namely, penetrating our market without restraint and capturing increasing shares of it in a matter of a few years. We have seen imports come from less than 5 percent of our market in a number of instances and in a few years rise to 10 percent, 15 percent, 20 percent, 30 percent and even higher, bulldozing our employment out of the way as if imports had the right of eminent domain.

Such lack of control can no longer be tolerated. It contradicts our minimum wage system, our obligatory collective bargaining, our full-employment objective, and puts a damper on dollar investments at home in favor of foreign investment. We drive our dollars abroad, and the employment that would take place here takes place abroad. If we had a proper control of imports we would have a better investment climate at home, our industry would return to its earlier eager development of new products and home market expansion without putting restraints on foreign investments.

The bill would protect our market for goods that enjoy American patent protection instead of laying them open to low-wage competition from abroad. Our patent holders would be assured that the market they might develop by dint of investment and extensive effort would be theirs so long as the patent lasted, and could not be spoiled for them by imports that would skim the cream and reap the bonanza, that formerly rewarded American industry when it invested heavily in new industry and new departures from established products.

This is the kind of legislation we need if we are to see our industry and employment bloom again, thus making it possible to employ the many new workers who are destined to come on our labor market year after year.

I urge other Members to study this legislation and to join in its support.

GRAND RIVER WATERSHED COUNCIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CHAMBERLAIN) is recognized for 5 minutes.

Mr. CHAMBERLAIN. Madam Speaker, the State of Michigan and the Grand River Watershed Council, a regional governmental entity serving counties, cities, villages, and townships, has designated the month of April 1973 as Stream Appreciation Month in order to encourage the development of programs which create a better public understanding and appreciation for water resources.

The Michigan Grand River Watershed Council has undertaken a public action program, which they have entitled "Alpha 37," consisting of a promotional 225-mile canoe trip from Michigan Center to Grand Haven, Mich., to focus attention on the values and conditions of local water resources. Their name, "Alpha 37," is derived from the Grand River being Canoe Trail No. 37, as designated by the Michigan Department of Natural Resources, and Alpha is the first letter of the Greek alphabet to correlate with the first 225-mile adventure.

Through their promotional effort, this organization hopes to encourage municipal and private groups to sponsor special activities, such as photography contests, boating trips, seminars, water quality and historical studies to encourage a similar awareness of water resources.

While this particular promotional activity is oriented towards a specific watershed in Michigan's Sixth District, the concern which they have so enthusiastically expresed is one affecting all of us, and I therefore want to share their plan for action with my colleagues. I know that Mr. John H. Kennaugh, executive secretary of the Michigan Grand River Watershed Council, 3322 West Michigan Avenue, Lansing, Mich., 48917, would be most happy to advise interested persons as to the operational details of "Alpha 37." I commend this innovative effort.

FEDERAL INSPECTION FOR RABBITS PROCESSED FOR HUMAN FOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 5 minutes.

Mr. SEBELIUS. Madam Speaker, I appreciate this opportunity to discuss H.R. 4559, legislation to establish Federal inspection for rabbits processed for human food.

The basic objective of the meat and poultry inspection program is to protect the public from death or illness caused by unwholesome meat products. Consumers have responded to this quality guarantee by greatly increasing consumption of meat and meat products covered by the act.

When the first Wholesome Meat Act was passed, beef consumption was 71.3 pounds per capita and in 1909, the first year when poultry consumption figures were calculated, 14.7 pounds of chicken were consumed per person. In 1971, beef consumption reached 113.1 pounds per capita and chicken consumption was 41.3 pounds per capita.

I am hopeful that there will be a similar response by consumers to the wholesome guarantees provided for rabbit meat processing in this legislation.

This is of paramount importance in view of the nutritional quality of rabbit meat and the efficiency of rabbit production. The fact that rabbit meat is higher in protein and lower in cholesterol than other red meats underscores its dietary importance in our health-conscious society. Domestic rabbit is currently being recommended by physicians and is being served in hospitals and sanitariums all over the United States.

With growing concern over an adequate domestic meat supply, rabbit prolificacy and efficiency become important. In fact, three domestic rabbit does and one buck can produce more meat in 1 year than one cow—and at less cost per pound of meat gained. Rabbit production requires only a fraction of the investment and land area required for beef cattle production.

To date, however, the burdensome cost of Federal meat inspection has only curtailed development of the rabbit processing industry and has jeopardized the market for the rabbit producer. For example, Federal inspection costs in the Hill City, Kans., rabbit processing plant amount to about 4 to 4½ cents a pound. Monthly costs range from $1,200 to $2,000. Recently, the cost of production was 86 to 87 cents a pound. Frozen fryers were selling for 79 to 84 cents a pound, and fresh fryers were selling for 82 cents a pound.

In effect, part of the problem facing the rabbit meat industry is that rabbit meat lacks the consumer guarantees of wholesomeness afforded other meat products and the cost of inspected rabbit meat is inflated by the cost of inspection unlike the other meat inspection programs paid for by the State or Federal Government. This legislation will also tighten up the inspection standards for rabbit meat imports.

There has been some concern that mandatory Federal inspection will eliminate the small rabbit producers. This is simply not the case. Quite the contrary, this inspection program is for rabbit processing and does not affect the producer directly. It does, however, insure a more reliable market for rabbit products by establishing a sounder economic basis for rabbit processing and by adding stability to the rabbit processing industry.

There is more than adequate protection for the small processors through exemptions that are provided in the proposed legislation. There are two general categories for exemptions for small operators.

There is a blanket exemption for producer-processors handling less than 250 rabbits annually.

Those handling 250 to 5,000 annually are subject to review but not online inspection. Also, they are required to satisfy minimum sanitary and facility requirements, which are modified to reflect the size of the operation and the investment. This limited exemption includes rabbits processed for local distributon for meal preparation.

In addition, there are exemptions for custom slaughter and personal use and exemptions for requirements which violate specific religious dietary law. And, retailers who process rabbits are exempt as long as they process inspected rabbits.

The 1971 census data indicates that commercial rabbit production totaled 18.5 million pounds with a farm value of $4 million. This represents a primary source of income for many senior citizens, youth and minority groups, and a secondary source of income for small farmers and others with limited resources. In a recent survey of 1,100 rabbit producers for Kansas Food Products, Inc., 58 percent of the respondents had a net income of less than $5,000. Of the 231 who replied, 96 percent of the producers operated a farm business or lived in a rural area or town less than 10,000, and 64 percent raised rabbits for a main or supplemented income, the rest being hobby producers.

It is obvious that this legislation could lay the foundation for a very promising and profitable new industry which could be instrumental in saving the family farm concept and in revitalizing rural and small town America.

Domestic rabbit raising goes hand-in-hand with many other projects. These include such things as truck gardening, making houseplant potting soil, the raising of earthworms for fish bait and other economically feasible projects. In addition, the byproduct market is expanding, particularly in the area of pharmaceutical and biomedical research.

In summary, I feel that it is time to include rabbit processing under the mandatory inspection provisions of the Meat and Poultry Inspection Acts. This would stabilize the rabbit processing industry without forcing undue costs on the small processor who would be exempt. This act would open new doors of opportunity for our senior citizens, our youth, the handicapped, and others in search of gainful employment and economic well-being. This could offer our rural and smalltown areas a new growth industry.

At the same time, the consumer would be guaranteed an increasing supply of a most nutritious and healthful food which is high in protein and low in fat, promising much to a health-conscious society.

TIME MAGAZINE'S 50TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 5 minutes.

Mr. McFALL. Madam Speaker, Time, Inc. is noting its 50th anniversary this winter, and it decided that some substantial labor, as well as celebration, should mark the occasion. The chosen focus of the 50th anniversary editorial project has been "The Role of Congress"—the relationship of the Congress and the executive branch in the years immediately ahead. The primary editorial question here is whether the men, women, minds, and experiences here in Congress have more potential than is now being realized. The editors emphasize that this inquiry is not an attack on the institution or the person of the Presidency, but is an attempt to determine whether the Congress is capable of an enlarged contribution to public policy.

Many assert that the legislative branch has been reduced to a twig, bending its collective will to that of the centralized executive. We cannot allow ourselves to be placed in the curious position of bargaining with the executive branch to be allowed to share with the President those powers inferred upon us by the Constitution.

In the 18th century, de Tocqueville noted the House as "remarkable for its vulgarity and its poverty of talent," at a time when it was dominant. Today, the caliber of individual Members is the highest it has ever been and we are fully capable of carrying out our obligations under the Constitution and we intend to do just that.

Time has done a great service by addressing the many issues involved in executive-congressional relations. Time has held four regional meetings in the past months at which scholars, civic leaders, and Members of both Houses of Congress discussed the difficulties of reasserting congressional authority and remedies. The symposia aimed to determine the extent of the crisis in the balance of power, discuss possible improvements to be made within the Congress, and explore avenues by which journalism might play a positive role in restoring the balance among the three branches of government. This has been an ambitious undertaking, and I am pleased to note the superior collection of essays, analyses and panel discussions that resulted.

Today I am inserting in the RECORD the preface to "The Role of Congress" of Time, Inc., and an essay by Neil MacNeil of the Time News Service, "To Redress the Balance":

Preface to the Role of Congress

(By Hedley Donovan)

This winter marks the 50th anniversary of the launching of Time magazine, and the founding of Time Inc. A half-century may be only a twinkle in history's eye, but these years do represent one-quarter of our national existence—momentous years of war, depression, social and political change, and an onrushing technology. For our company's anniversary we thought we should do some work as well as some celebrating, and as a special journalistic assignment we settled upon "The Role of Congress." Our interest is in the relationship of the Congress and the Executive Branch in 1973 and the years immediately ahead.

The essential point of such an inquiry is whether a democratic society, as originally conceived and successfully developed here over two centuries, still places high value on collective judgment as well as centralized, individual decision making. And in particular, whether the Congress can make a more meaningful and constructive contribution to public policy. Our concern is whether, as many believe, the legislative role is eroding, and, consequently, whether our system of government may be moving out of balance.

This inquiry is not in any way conceived as an attack upon the presidency as an institution or upon Presidents, past or present. Nor do we approach our inquiry as spectators at a contest between the Executive and Legislative branches, rooting for one side or the other and keeping a box score on who is momentarily ahead.

In each of the modern presidencies, no matter what the party line-up or the personal temperament of the President, a situation seems to come sooner or later in which the White House is isolated from congressional advice. We consistently find a feeling on the part of scholars, journalists and Congressmen themselves, that the national legislature is being insufficiently heeded. The voice of Congress may, in fact, be muted by its own institutional shortcomings. But our editorial question is whether the minds, talents and experiences that are assembled in Congress have more to contribute to the public well-being than is now realized. That is Time Inc.'s question, as journalists and citizens. That is our ax to grind.

To Redress the Balance

(By Neil MacNeil)

Time Inc.'s project to re-examine The Role of Congress comes at a moment when in many quarters there is serious question that Congress can continue to survive as a truly viable, independent institution. The federal structure is now undergoing basic change, new change piled on the structural changes of the past century, and this is taking place not only in the tenuous relationship between the Federal Government and the states, but also in the interplay between the President, the Congress, and the Judiciary. The presidency has reached such a stature of political power and personal prestige, largely at the expense of the Legislature, that it now seems impossible for Congress to contest the Executive Branch on equal terms over the management of the Government. Prospects for the future indicate that the President stands to gain even greater power than he now has, unless the 20th century trend can be altered or reversed. There are signs that the President and his branch of the Government may become so all-powerful in the immediate decades ahead that Congress consequently may become merely superfluous.

This is not the way the founding fathers envisioned the Government they designed at Philadelphia in 1787. That Government had Congress at its center and as its first branch. It was Congress that made the laws and set national policy; the President merely administered what Congress decreed. For the first half-century the President did not even dare to veto bills he personally opposed unless he believed that to sign them would violate his oath to uphold the Constitution. Through the 19th century we had what Woodrow Wilson aptly called "Congressional Government." Congress initiated legislation and formulated national policy, and the President approved it or vetoed it, wary of intruding on Congress's deliberations. Today the President initiates legislation and formulates national policy, and Congress modifies, approves or rejects his proposals. A historic reversal has taken place, and that reversal of legislative initiative and policy formulation is only part of the fundamental changes that have taken place in this century.

It is true that there were strong Presidents in the 19th Century. Jackson, Lincoln and Cleveland come immediately to mind, but they were, institutionally, sporadic oddities in the flow of federal power. Each was followed by weaker men in the White House. But in the 20th century came Teddy Roosevelt, Woodrow Wilson, and Franklin Roosevelt, and each in turn enormously added to the President's powers, each building on the other's aggrandizements. (T.R.: "I took the canal zone and let the Congress debate.") By the time of Franklin Roosevelt's death, the President had taken full command of the federal establishment, in foreign and domestic affairs, and reduced even the once powerful leaders of Congress to mere presidential assistants. This is a role they continue to play.

The imperatives of the modern world, both at home and abroad, have made the Presidents who have followed F.D.R.—Truman, Eisenhower, Kennedy, Johnson and Nixon—more powerful, if less arbitrary, than any rulers in history. Today the President dominates national attention. The nation attends his every word and action. The once influential debates of Congress now seem little more than small men bickering. In this historic process, Congress has largely lost some of its greatest strengths: control of the nation's purse strings, control of the use of national force. Congress has been reduced so low that most Americans do not even know the surname of their Congressmen. (A Gallup poll has shown that 57% of Americans don't even know their Congressman's name; only 19% knew anything that their Congressman had done.

The evidence of Congress' figure appears on every hand, not only in its rivalry with the President for hegemony over the federal establishment, but in a somewhat different struggle, with the Supreme Court. It is no secret that Congress failed to deal with either the race question or legislative apportionment until the courts acted, and thereby they invited the Supreme Court into the legislative business. It is true that Congress does have areas of sophisticated competence, notably in such domestic fields as education and medical research, but the significant areas of its growing incompetence are frightening. What they add up to is an inability by Congress to allocate national resources or set national priorities. They take most tangible form in Congressional consideration of the national budget, of the sophisticated weapons systems, of the world power struggle, and of general foreign policy including the control of U.S. war-making.

On the budget, the concession by President Jefferson in 1801, to let Congress make specific appropriations was an enormous enhancement of Congressional power. Today, however, the budget has become so huge as to be incomprehensible, and Congress merely considers the add-ons, not the substance or even the direction of the budget. Congress tends to quibble over the details, the specifics—literally to the point of deciding how many patrolmen should be stationed in Washington's police stations—and does not use the budget as an instrument of directing national policy in a coherent manner. The President and his budget officers have substantively pre-empted the power of the purse from Congress. More than a century ago, Congress separated its consideration of spending and taxation to support that spending, and this has now led to a considerable chaos in these interrelated fields.

On weaponry and the tools of space exploration, the members of Congress neither read nor write the language of commuter, and thus in appropriating the vast sums in these fields, they appear almost helpless before the Executive branch of the Government. Congress tends to vote billions into these operations on little more than the claims of some generals and admirals or the chauvinistic fustian from the incumbent Administration.

On foreign policy, Congress appears today even more impotent. For practical purposes, Presidents have moved away from the treaty-making processes, using Executive agreements and grants-in-aid in their place, and this has undercut the Senate's old dominion in this field. Perhaps more importantly, the Presidents for a half-century or more have taken it upon themselves to use the U.S. military forces as they see fit in the national interest. As early as the 1920s, protests were being made that the President had in fact totally usurped the power of Congress to declare and make war, and the Viet Nam War is but the latest example of these incursions on the powers of Congress. The Viet Nam War has been a momentous humiliation of Congress. The Pentagon papers demonstrated how Presidents manipulated Congress to their own secret purposes. This above all has been turning many American citizens as well as academics, politicians as well as journalists, to the question we are addressing: how to restore to Congress its constitutional functions. It is more than ironic to watch some academic advocates of the strong presidency now reverse field to try to shore up the flagging Congress.

It is not hard, by glancing at the Constitution and the political history of this country, to learn what Congress is supposed to do. It's not hard either to realize that Congress is not doing that well. (The way some of the doomsayers are now talking, including this one, it may be advisable soon to stuff a Congressman and stick him in the Smithsonian Institution among the other extinct species, so that future generations will know what a Congressman looked like.) The problem is to discover what Congress can now do and how it can be helped into doing that well.

Despite protests to the contrary, Congress is not a static place. It is always undergoing change, institutional and personal, for the law of life in Congress, as elsewhere, is change. The place today is not what it was in 1960, and it was not in 1960 what it was in 1950. The Senate filibuster is no longer a deadly weapon. The Southern anti-civil rights bloc and the Congressional farm bloc have been broken. The House Rules Committee has been tamed. Voting procedures and legislative practices have been substantively altered and improved. The question is not whether Congress can change, for it is changing, but whether it can change soon enough and substantively enough to save itself from practical obsolescence. The times and the imperatives of the times are changing swiftly, and Congress is changing slowly, the way the grass grows.

What is needed now is a set of imaginative and persuasive proposals to strengthen Congress institutionally. It would be hazardous to this purpose to chant the familiar and often hackneyed litany of Congressional reform. We need to seek ideas for strengthening the place institutionally in such a way as to attract the support of Democrats and Republicans, liberals and conservatives. These ideas must aim to cure the real ills of Congress and not merely apply BandAids to the symptoms of those ills.

There are obvious areas and ideas to examine. One is the adequacy of the professional staffs of Congress. In institutional terms, it seems incredible, for example, that the House Ways and Means Committee actually has to borrow tax experts from the Treasury Department to write tax laws. One idea is to re-establish the Budget Bureau as a joint agency of the President and Congress. Another is to improve Congress' information-gathering facilities, notably through data processing. The Executive branch now has Congress totally outgunned in this field. A method should be found to deal with the growing tendency of Presidents simply to ignore congressional acts—like presidential efforts to impound billions in congressional appropriations. There have been suggestions of ways to strengthen the congressional committees and the leadership. One of these is to establish the committee chairmen as a policy-making cabinet of Congress, under the party leadership.

An area especially needing attention is the neglect by Congress of its responsibilities to oversee the Executive branch and its execution of congressional intent. Congress passes laws and votes appropriations and then leaves the rest to the Executive branch. Thus the will of Congress can be and is ignored and its actions vitiated. The General Accounting Office was established for this review purpose, but the GAO tends to do little more than hard-check the contract fulfillments of government subcontractors.

A critical area, of course, is the Congress' war powers. Constitutionally, it is conceded that the President has authority to use the American armed forces at his discretion to repel foreign invasion, but Presidents have used their discretion in a far wider manner than this. In a real sense, the President has come to answer to no one—except the electorate every four years—on how he exercises these powers he has assumed. It is not enough any more, even in Congress, to argue that the nation can only speak with one voice, that of the President, in times of overseas difficulties. The role of Congress in this area over the last several decades has been little more than acquiescence.

One has a sense that Congress is far too cluttered with trivial responsibilities to deal adequately with the great questions of national policy. Over the decades, Congress has delegated some of its responsibilities, when these responsibilities came to impede its other, more important work. Back in the 1850s, for example, Congress created the U.S. Court of Claims to take the burden of tens of thousands of claimants off its back. It has created the regulatory agencies for their varied legislative-judicial functions. It has established the Tariff Commission and got rid of the agonies of setting tariff schedules. The time has come to strip away some other impediments to Congress' acting more responsibly as a policy-making, priority-setting body. For example, Congress could abandon its function as city council for the District of Columbia.

An additional area also comes to mind, and that is the neglect of Congress by the press. This is no new thing, especially as regards the House of Representatives. The overall effect of media concentration of attention on the Presidency while largely ignoring Congress has been to encourage what has happened institutionally: the exaltation of the President and the denigration of Congress.

The time obviously has come for a long and hard look at the Congress, with the aim of bringing forward some specific steps that will help Congress help itself, and in so doing help restore the coequality for which the founding fathers aimed.

THE HOUSING AND URBAN DEVELOPMENT ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Madam Speaker, I introduce, for appropriate reference, H.R. 4851, the Housing and Urban Development Act of 1973. I hope it will break the current deadlock between the administration and the Congress on our housing and urban development programs.

As Members know, on January 5, the administration imposed a nearly complete moratorium on the Department of Housing and Urban Development programs of housing assistance to low- and moderate-income families and community development assistance to the Nation's cities and counties. According to the administration, housing subsidy programs will not be resumed pending an extensive reevaluation by the administration, which may take up to 18 months; and community development grants—principally for urban renewal, model cities, water and sewer facilities, and open space projects—will not be available until the Congress enacts the administration's proposal for special revenue sharing for community development. Even then, according to the budget, funds would not be available until fiscal year 1975.

If allowed to stand, the President's moratorium would be disastrous, both for the thousands of families who simply cannot afford decent housing without some subsidy, and for the hundreds of cities, large and small, which cannot eliminate or revive their blighted areas, or provide badly needed public improvements, without Federal grant assistance. It is inconceivable to me that the Congress would consent to the administration's heavy-handed approach in this area.

The Housing and Urban Development Act of 1973 would break this impasse by first, enacting—in slightly expanded form—the community development block grant proposal which was passed by the Senate in the ill-fated 1972 housing bill and reported favorably by the House Banking and Currency Committee; and, second, conditioning the effective date of the block grant proposal on the President's resumption of the HUD housing subsidy programs. Specifically, the new community development block grant program would take effect 60 days after the President certified to the Congress that all housing subsidy funds being impounded had been released and that the housing programs were being carried out.

Enactment of the bill would mean a speedier transition to the block grant approach to community development which both the Congress and the President agreed upon in 1972. It would not, however, mean an end to the administration's reevaluation of our housing programs. That reevaluation will, and should, proceed. In fact, the Congress is willing and eager to join that effort.

But we must recognize that a new approach to subsidized housing will not be agreed to by the administration and the Congress in a matter of a few months. In all likelihood, it will take 2 or 3 years. We simply cannot stop providing housing for needy families for that period of time.

The bill proposes that we continue our present housing efforts, but with important safeguards to avoid the major abuses brought to our attention during the past 2 years. Title II of the bill prohibits assistance under the four housing subsidy programs—sections 235 and 236, rent supplements, and public housing—unless the community in which the housing is to be located—

First, specifically requests the housing units to be provided;

Second, certifies that the housing will be served by adequate public facilities—water and sewer systems, schools, transportation, and other supporting facilities—and

Third, certifies that the housing to be provided fully complies with local building codes and that local authorities have properly inspected the housing to assure compliance.

These provisions are designed to meet two of the most flagrant abuses found in our housing programs: First, the construction of new housing in remote areas not adequately served by transportation, schools, water and sewer, recreational, and necessary commercial facilities; and second, the sale, primarily in inner-city areas, of units which failed to meet even minimum building code standards. Placing responsibility on local elected officials to guard against these abuses will substantially improve the quality of federally subsidized housing and enable these programs to serve the housing needs of thousands of families.

I enclose for the RECORD a brief summary of H.R. 4851 provisions:

THE HOUSING AND URBAN DEVELOPMENT ACT OF 1973

TITLE I—COMMUNITY DEVELOPMENT BLOCK GRANTS

This title authorizes a new Community Development Block Grant Program under which basic HUD physical development programs would be consolidated into a single block grant. The new program would have the following major features:

Authorization—$5.5 billion in contract authority, approved in an appropriation act, would be authorized for the first two years of the program, with limits on obligations of $2.5 billion in fiscal year 1974 and $3 billion in fiscal year 1975.

Distribution of funds—80 percent of the funds would be allocated to communities in metropolitan areas, 20 percent to communities in nonmetropolitan areas; funds would be allocated *among* metropoiltan areas and *within* them to metropolitan cities (central cities and other cities over 50,000 in metropolitan areas) and urban counties (counties of over 200,000, excluding the populations of metropolitan cities and other cities which quality "hold harmless" treatment) on the basis of a 4-part formula (taking into account population, extent of poverty ((doubled), extent of housing overcrowding, and extent of program experience); a metropolitan city or urban county would receive the higher of its formula amount or a "hold harmless" amount (determined by adding its 5-year average of funds received under the consolidated programs to its average NDP grant).

"Hold harmless" provisions would apply to all other communities, both in and outside metropolitan areas, if the locality had undertaken at least one urban renewal or NDP project during the five fiscal years before enactment; if a city's or urban county's formula amount exceeds by at least 35 percent its 5-year "hold harmless" level, the Secretary would be authorized to "phase-in" the full formula amount over a 3-year period; the balance of funds remaining in each metropolitan area, and funds available outside metropolitan areas would be distributed by the Secretary to States, nonurban counties, and localities on a discretionary basis.

Activities for which funds may be used—all activities eligible for support under the existing urban renewal, section 312 rehabilitation loan, basic water and sewer facilities, public facility loan, comprehensive planning assistance, model cities, neighborhood facilities, advance acquisition of land, and open space-urban beautification-historic preservation programs could be financed under the new block grant program; additional activities would include the making of relocation payments, the provision of supporting social services, financing the local share of other Federal grant programs, and the coordination and monitoring of community development activities taking place within the locality.

Recipients of funds and local share—block grants would be made to State governments, counties, cities, and other units of general local government, which could designate special purpose agencies to carry out development activities; the block grant would cover the full cost of approved activities (including reasonable administrative expenses).

Application requirements—block grants may be made only where the applicant (1) identifies its community development needs, (2) describes its planned activities, costs, and locations, (3) formulates a program to provide housing for low- and moderate-income families, and (4) provides, prior to application, full information about the program to those likely to be affected, holds public hearings, and provides citizens an opportunity to participate in the development of the application; in addition, metropolitan cities and urban counties must set a 2-year schedule of activities and formulate comprehensive programs to eliminate or prevent slums and blight and develop properly planned community facilities and supporting social services.

TITLE II—HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

Title II provides that the Community Development Block Grant Program authorized in title I shall not be effective so long as any funds appropriated or otherwise made available for the section 235 homeownership program, the section 236 rental assistance program, the rent supplements program, or the low-rent public housing program are being impounded or otherwise withheld from use for their intended purpose. Such title shall only become effective 60 days after the President certifies and reports to the Congress that all such funds have been released and that the programs for which such funds were intended are being carried out to the full extent of the funds so appropriated.

Title II would also prohibit any housing assistance payments under these programs (except pursuant to contracts entered into prior to the effective date of the Community Development Block Grant Program authorized in title I) with respect to housing units situated in any locality, unless the governing body of such locality—

"(1) specifically requests that such assistance be provided with respect to such units or accommodations;

"(2) certifies that such units or accommodations will be served by adequate public or private community water and sewerage systems, adequate schools, adequate transportation systems, and such other supportive services and facilities as may be necessary to provide a suitable living environment; and

"(3) certifies that such units and accommodations will fully comply with all applicable local code requirements (both during and after construction), and will be properly inspected to assure such compliance by the appropriate local authorities at the time assistance is contracted for (and, in the case of new units or accommodations, at the time construction is completed)."

Request and certifications shall be made in such manner and form as the Secretary of HUD shall by regulation prescribe.

HOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 15 minutes.

Mr. METCALFE. Madame Speaker, recently President Nixon proposed one more cut from our rapidly diminishing program of social services. This new assault on the viability of our communities comes in the form of an 18-month moratorium on all new commitments for low- and moderate-income housing construction. The President has decreed that the Government rescind its traditional responsibility to help provide shelter for those unable to afford decent housing. As a representative from the South Side of Chicago I am all too painfully aware of what these cuts will mean to constituencies like mine around the country. Concerned citizens in Chicago have noted the trend of urban removal and the reclamation of choice land for expensive high-rise developments. In Chicago we have seen the demise of depressed neighborhoods in the name of urban renewal. We have looked with hope at the Federal Government's commitment in the area of housing. Now our hopes are dashed as one more vital lifeblood to our oppressed communities is strangled by Presidential edict.

We are told by the administration that the affected programs have been suspended pending review. While the administration reviews urban development programs, the current housing crisis will grow even more severe. Certainly periodic reevaluation of any Government program is essential to its continued effectiveness, but the termination of badly needed subsidies for a necessity like housing in the interim is callous disregard for the poor. The moratorium decreases the opportunities of the poor for decent shelter and increases their vulnerability to unscrupulous developers. The enormity of profits garnered by speculators from poor people has been well documented. We can only expect a rise in this kind of exploitation during the moratorium.

With good reason the poor question Mr. Nixon's concern for the rebuilding of the Nation's decaying cities. The inclusion of poor and minority peoples does not appear to be a part of the rebirth of the urban centers. As the latest in a line of domestic cuts the housing moratorium may well rekindle the fires of anguish that engulfed our cities in the late 1960's. What then will be the response of President Nixon to the cries of the oppressed?

Let me direct the attention of the Congress to a paper delivered before the United Mortgage Bankers of America by Mr. Dempsey Travis, president of that association. The paper, "Will the New Hudville Mean Mudville for the Central City," eloquently describes the effects and implications of the housing moratorium for blacks and poor people in this country. Mr. Travis attacks the "temporary hold" on subsidizing housing, citing its far-reaching economic impact for the black community. Surely Mr. Nixon is alarmed by the moratorium's disastrous effects on the development of minority enterprise, one of his long-stated goals. As Mr. Travis has predicted, 90 percent of black mortgagemaking firms around the country will fold in the next 18 months of the moratorium; 50 percent of black architects will be forced out of business; and 80 percent of black construction companies will go bankrupt by the end of 1974. It is difficult to comprehend the logic of a policy which terminates an essential to review its effectiveness; which causes ruinous damage to a long-touted goal of the policymaker; which intensifies the suffering of long-suffering people.

I direct the attention of the Congress to the following address by Mr. Dempsey Travis:

THE BLACK COMMUNITY WITHOUT HUD

America's "Ethnic Cripples" for 300 years have just lost their last housing foot in the recent HUD moratorium. The agency freeze effectively eliminates the subsidies for low and moderate income families. In other words, the "Great Society" section of the 1968 Housing Bill has been junked.

Even with the aid of the subsidies, Blacks were more than 100 years behind in the housing race that for them started in 1870. In 1870, white home ownership was 48% of the population. In 1970, 100 years later Black ownership is only 41.5%.

The current 18 month HUD moratorium will add a 25-year deficit to the Black Housing Market. At the same time, the whites will go galloping along with their 2.4 million annual new housing starts, while the establishment is accelerating the housing abandonment crisis in the urban areas through excessive high taxes, poor schools, ineffective police protection—all combining to produce a high crime rate.

The need for a subsidy program is mandatory in a rising rent market where more than 72% of the Black families in America earn less than $10,000 per year. If we can afford to give a $200.00 tax deduction for every child that goes to a private school for families with incomes of $18,000 or under after taxes, how can we think of no subsidies for the poor? For the white community the "Great Society" subsidies in housing is the dessert, but for the Black community the subsidies constitute the whole meal.

For the first time since the 1930's, the United States does not have a plan to house the poor. The reason given for the moratorium explains everything but why the moratorium was applied only to the poor. Surely if "Excessive Dependence" on the Federal Government is "Weakening"—it is weakening to the affluent as well as to the poor.

Moreover, if a year-by-year patch work addition to the programs over three decades have produced an administrative monstrosity, all of the blame cannot be attached to the last few programs added. Surely, if we need an "integrated system of housing and social service at the local level", and we did not have it with housing programs for the poor, we will certainly not have it without housing programs.

None of the reasons given for eliminating subsidy programs are logical and many of the reasons are untrue. One of the assumptions is that if 98% of the buyers for new homes under the 235 program have not been swindled, then we must eliminate the program because 2% have been swindled. There is nothing I can think of that is 100 effective—including religion. (According to the latest figures, only 65% of the people in America have church affiliation and more than half of them belong for the wrong reasons, if we are to judge them by their inhuman behavior toward the Black and the poor.

The absence of the programs will leave the poor no choice but to be swindled again; however, this time, the figures will be inverted—98% will be swindled and 2% will be sophisticated enough to detect the flimflam. In effect, the Federal government has thrown the housing crisis for the Black and the poor back to the wolves.

You can make some logical cases for the moratorium if you give as your reasons a desire to keep low income people as a reservoir for old substandard housing. Then, it makes sense; all housing new and old becomes more valuable. Traditionally, the Black and the poor have provided the last profit in housing before it is torn down. Traditionally, that profit from the poor was greater than the original profit from the affluent for whom the housing was developed. Until the high real estate taxes of the last decade, developers of housing for whites were quite pleased to get a yield of 12% to 14% per annum; whereas, a speculator in old Black apartment housing felt he was being denied his God-given right if he did not get a yield between 22% and 30% per annum.

This type of contrived exploitation could only flourish in a dual system where more than 20 percent of the Black and the Spanish-speaking folk pay in excess of 25 per cent of their income for overcrowded shelter as compared to 9 per cent of the whites.

There has been a lot of comment about how this will hurt the housing industry. That is coated-can-sugar because this can be good business for a lot of people with vested interests. The market for old housing is beginning to slip. Now there will be no more of this trend of poor people moving into new housing. And old substandard housing has had its life extended because code enforcement has been rendered impotent in the budget cutback. Coupled with removal of price and rent controls, any one who has no scruples can make money in housing under the moratorium than he could before. There will be a period of adjustment and redirection and then—the sky's the limit! The "business as usual" philosophy will prevail. The "Black Tax" in housing will have been reimposed at the pre-Great Society levels.

The Experimental Housing Allowance to the tenant that is being supported by the National Association of Real Estate Boards is an establishment position to support absentee ownership in old ghetto apartment buildings. The realtors who were and still are the Architects of white housing covenants see big profits in fostering a dual market based on skin pigment and class.

One of the main reasons for the disruption and protest that occurred in 1966, 1967, and 1968 was housing exploitation and housing deficiencies. The programs that existed prior to 1966 weren't working and were creating as many problems as they cured. The new programs which are now being eliminated showed great signs of hope. This was a big factor in the "cooling of the cities" since 1969. The moratorium will restore the conditions for more exploitation and regression. It is not only UNFAIR, but in my opinion, very dangerous.

The moratorium has been given the appearance of an industry policing action. In other words, we are going to lay off the troops temporarily for a regrouping and a redesigning—But, housing is not a luxury like an automobile, it is a necessity—Not a choice to be produced or not produced—depending on whether the operation is profitable or not. But, there are many familiar facets of this Society which are in need of overhauling, modernizing, and redesigning: the postal service, the rail transportation system, and of course, public education, to name a few. The idea of closing down the post office for a lengthy period while rethinking the problem would cause a National Catastrophe. But, there is more than the misguided application of manufacturing practice to a vital activity of modern government in this. The moratorium has a racist impact and a classist impact that is unmistakable.

The question that has to be answered during the moratorium is not what do we do with the bricks and mortar; there is ample evidence in every major city and suburb that Americans are sophisticated builders. But, the real question that will have to be answered during the moratorium and could possibly be the prime reason for the moratorium is what do we do with Black people who have become dispensable and no longer productive in a computer oriented society. A halt on subsidies will absolutely guarantee that cities will not be rebuilt with their current Ethnix Mix—The Federal and the City fathers have finally concurred in the fact that a city with a 30% to 50% Black population is politically dangerous. The best way certain to stop this trend is to withdraw all the monies in the form of subsidies and all other ancillary services with the results being abandonment; the land is forfeited to the city for taxes to be subsequently sold to an establishment developer who will in turn build for all people who can pay $200.00 for an efficiency and from $400.00 to $600.00 for two and three bedroom apartments which is a 1973 way of saying "For Whites Only".

Black folk have been paying "White Subsidies" all of their lives in the form of land contracts at two and a half to four times the market value, higher food prices, higher insurance premiums, higher interest rates, and somebody is going to pay a higher funeral bill if they bury you in something other than a mass grave. All of these penalties come out of a Black family income that is two-thirds of the average white wage earner.

We might find peace in the Housing Freeze if being thrown to the wolves was an end in itself. But it is not, because we are gnawed, chewed, swallowed, and regurgitated in a time cycle from which no Black family has been able to escape.

EFFECT OF MR. NIXON'S BUDGET ON BOSTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Madam Speaker, I am greatly concerned over the devastating effect Mr. Nixon's austere budget will have on my district. Boston metropolitan area will stand to lose an incredible $82 million if President Nixon's proposed cutbacks in housing, education, community programs, and health centers are allowed to stand.

Last year, Washington sent to Boston $200 million in Federal assistance to pay for such necessary and humanitarian programs like public safety, job training, education for the disadvantaged, and public employment.

Next year, Boston will lose more than half that money. And even the additional $18 million in general revenue sharing payments, as part of Boston's allotment from the revenue sharing program passed last year, will not compensate for the loss in moneys due to Nixon's cost-cutting budget for fiscal year 1974.

The impact on Boston is catastrophic: Nixon's 18-month freeze on Federal financing of housing starts means 5,000 new housing units for the poor and middle-income families will not be built. And those housing starts would have provided jobs for 4,600 construction tradesmen.

The community action program, run all over the city by "Action for Boston Community Development," will expire July 1.

Model cities will exit within a year.

Approximately 5,000 disadvantaged Boston young people will not get jobs this summer under the Neighborhood Youth Corps program because there is not going to be a Youth Corps program any more.

The public employment program has ceased to exist. That means more than 2,400 city workers hired from the ranks of the unemployed and Vietnam veterans will be let go.

Psychiatric and mental health training and research programs at Harvard, Boston State Hospital, and the Episcopal Theological Seminary in Cambridge will be terminated because the money is no longer available through the National Institute of Mental Health.

Four hundred and sixty-three student nurses who receive financial aid, out of a total enrollment of 801, at the Boston University School of Nursing will be forced to find other financial assistance or drop out of school next year because Nixon has massively reduced or eliminated funds for traineeships for nurses.

The moneys which Mr. Nixon will send to Boston under special revenue-sharing bloc grants for job training, community development, law enforcement, education, will be less than the total now being spent on the individual programs they would replace. And it is a lot less than what the administration proposed for special revenue sharing 2 years ago.

Madam Speaker, I think my colleagues in the House will find a similar impact from Nixon's cost-cutting budget in their districts—and then they will be asking the same question I am: "Is this Nixon's panacea for domestic progress?"

At this point in the RECORD, Madam Speaker, I would like to insert an excellent article written on February 19, by Marty Nolan and Tom Oliphant, two fine reporters of the Boston Globe.

Mr. Nolan and Mr. Oliphant have proven themselves to be unusually perceptive and understanding reporters, and in this article they once again live up to the high standards of journalism that keep our citizens informed and aware.

The Boston Globe should be commended for bringing such an important issue to the fore and Marty Nolan and Tom Oliphant should be congratulated for a job well done.

The article follows:

REVENUE SHARING A FRAUD: NO "BONANZA" FOR CITIES AND STATES

(By Martin F. Nolan and Thomas Oliphant)

WASHINGTON.—Revenue sharing is a fraud. An examination of the facts and figures available indicates that the program—now in its first few weeks of operation—is both a fiscal shell game and a philosophical swindle.

The Federal government's supposed bonanza for states and cities eventually will leave states and cities poorer than before.

President's Nixon's centerpiece of his "new federalism" not only raises doubts about the plan's execution, but calls into question the idea itself and the acclaim with which it has been escorted since its debut almost a decade ago.

Once governors and mayors start adding up their budgets, they may conclude that they have been both victims and perpetrators of a massive bunko enterprise, a conspiracy fueled by inertia and high-toned rhetoric.

With one hand, the Federal government is now sending a few billion stringless dollars to states and localities.

But with the other, the Nixon Administration is preparing to take back more than it gives by ending, cutting, phasing out, and emasculating the far larger collection of specific programs of Federal aid to state and local governments.

The results, which will gradually become visible and tangible over the next 18 months, will be a net reduction in overall Federal assistance, despite revenue sharing.

That is not what original proponents of the concept, from both ends of the party and ideological spectrum, had in mind when they advanced it in the mid-1960s.

Nor is it what President Nixon promised would be the case when he embraced revenue sharing in 1969, 1971, and as recently as last year.

Nor is it what the country's governors and mayors were promised when their vital support for the Administration's proposals was ardently solicited four years ago.

Two sets of numbers make the basic point. During the current government fiscal year, which ends June 30, $45 billion is the official estimate of the total amount of Federal aid of all sorts that will go to states and localities.

The following year, the total will dip to $44.8 billion, the first time this has happened in recent history. Just to keep up with inflation—in other words, just to stay at the same real level—one would have expected an increase in Federal aid next year to at least $46.5 billion.

Moreover, the total disbursements from the Treasury that take the form of loans to local governments and states will also drop, from an estimated $1.9 billion this year to $1.6 billion next year.

Meanwhile, regardless of how one feels about the specific forms of Federal aid that are about to go down the drain, the fact is that all the problems at which this aid was aimed continue to cry out for solutions, all of them expensive.

The major change under revenue sharing is that now there will be less money from all levels of government to help solve them.

The system called revenue sharing by the Nixon Administration has two parts.

The first is general revenue sharing. This is the simple disbursement of Federal money to cities, counties and states to do with essentially as they please.

As it works now, it is a five-year program that will have sent $30.2 billion to the hinterlands by mid-1977. Because this fiscal year's outlay is inflated by the inclusion of a retroactive payment going back to the beginning of 1972, next year's payment will drop to $6 billion from $6.8 billion this fiscal year.

After that, outlays will rise ever so slightly for two years—to $6.2 and then $6.3 billion—before falling off steeply to $4.9 billion in the final year.

That is not revenue sharing as first proposed by Walter Heller or even Richard Nixon.

For one thing, the payments don't expand each year with the economy's growth and the tax base's expansion; they shrink.

For another, what is involved is a five-year program, not the earmarking for all time of a fixed percentage of personal income tax revenues for revenue sharing.

That is what President Nixon claimed was essential back in August 1969, when he formally put revenue sharing at the top of his "must" list of domestic legislative proposals.

In his budget for the 1972 fiscal year, Mr. Nixon had proposed that 1.3 percent of the taxable personal income in the country go right to the cities and states. On this basis, the annual payment would have risen to around $10 billion by 1980.

What happened, as has been the case so often during Mr. Nixon's Presidency, was that he failed to win the approval of fiscal conservatives in Congress, and ended up settling for much less than half a loaf.

What's more, in the budget unveiled last month for the coming fiscal year, the President violated perhaps his most important promise regarding general revenue sharing.

As he put it on Feb. 4, 1971, "It would not require new taxes nor would it be transferred from existing programs."

However, his latest budget makes it painfully clear that general revenue-sharing dollars are indeed coming out of funds for existing programs.

For example, in a discussion of the end of grants for local community action agencies, the budget says:

"If constituencies of individual communities desire to continue providing financial support to local community action agencies, general and special revenue-sharing funds could be used."

Even more damning is this sentence in a document prepared by the huge Department of Health, Education and Welfare:

"With the increasing availability of general revenue-sharing funds, it is expected that states and localities will be able to continue the most promising projects and programs formerly supported by Federal categorical assistance programs."

Such statements, blithely ignoring the once sacred pledge, appear all through the latest budget documents.

The second part of the Nixon system, for now still in proposal form, is called special revenue-sharing.

As currently envisaged, this would involve lumping several specific Federal aid programs in a given field into one sum which the states and cities could spend within that field anyway they choose.

The latest Nixon budget proposes such an approach in four areas—education, law enforcement, manpower training, and urban community development.

As originally set forth two years ago, there would have been somewhat more money going to cities and states under special revenue sharing in each field than under the specific programs being replaced. In short, both more freedom and more money was being offered.

Now, however, the whole (special revenue sharing) has become less than the sum of its parts.

In its first full year of operation, the Administration would send $6.9 billion out of Washington under special revenue sharing. However, two years ago, for the same four areas of activity, the proposed total was $7.5 billion, and that was supposed to just cover the amount then being spent under the specific efforts.

Not only have inflation and an increase in the seriousness of the problems in these areas laid a case for greater, not less, spending at all levels of government than was proposed two years ago, but the Administration has also moved to "fold in" even more specific Federal aid programs to the special revenue-sharing pie, while terminating and cutting many others.

The result is an impossibly complex fiscal shell game, in which the Federal aid money has become hopelessly lost. The only thing known for sure about it is that it's shrinking.

Meanwhile, other forms of revenue sharing, under the general heading of fiscal relief, have disappeared from Mr. Nixon's budget plans, or are about to.

One example is welfare reform, once gloriously described as a certain means of getting one exceptionally pernicious monkey off the backs of states and cities. Today, while the budget is silent, intellectuals argue over who killed the corpse.

Another example is the 18-month-old effort to pay states and localities almost all the cost of hiring and training the new employees they will need to perform all the tasks Mr. Nixon wants to shift out of Washington.

About $1 billion will go forth from this city this year for that purpose. Next year, however, Mr. Nixon wants to cut the total in half, and then kill the whole thing the following fiscal year on the specious and largely irrelevant pretext that unemployment in the economy's private sector will no longer be a serious problem.

Finally, there is the fact that the budget for the next fiscal year documents Mr. Nixon's determination to end or cut some $10 billion worth of Federal domestic spending both of the direct and local aid varieties.

Thus, states and cities are going to end up poorer, no matter how you slice up the budget;

The total amount of Federal aid to them will drop.

Special revenue sharing will mean less money than they are now getting under the specific, or categorical, programs.

Federal domestic spending generally will have its growth severely stunted.

And, perhaps most important of all, the costs of adequately dealing with crime, slums, lousy schools, and other by-products of poverty will go on jumping while general revenue-sharing payments drop.

Historically, the entire concept of revenue sharing has been bracketed by American involvement in the Vietnam war. Discussion of no-strings-attached block grants to states and municipalities began late in 1964, when Vietnam was on the periphery of American public concerns.

Now, Americans are just beginning to look at the peculiar procedure by which their representatives have decided to keep stitched the fabric of their Federal form of government. The man most responsible is Walter Wolfgang Heller.

In a memo to President Johnson in December 1964, Heller, then the chairman of the President's Council of Economic Advisers, suggested that an anticipated surplus in the next budget would create a fiscal "drag" upon the economy. The unprecented, high-Federal-spending, low unemployment economy could cough and sputter if idle dollars did not continue to prime the pump of the economy, Heller argued.

But the "surplus" Heller envisioned vanished in the jungles of Southeast Asia. This year's deficit, a continuing hangover from the war, and the Nixon recession, is $24.8 billion.

Even so, throughout 1967, optimism abounded in Washington, in state capitals, in city halls and in both political parties that revenue sharing would mark the beginning of a postwar bonanza of fiscal "dividends."

After leaving the Johnson Administration to return to the University of Minnesota, Heller spoke at the Godkin Lectures at Harvard's Memorial Hall in March 1966. His definition of revenue sharing carefully included the preservation of traditional grants-in-aid from Washington:

"The revenue-sharing plan would distribute a specified portion of the Federal individual income tax to the states each year on a per capita basis, with next-to-no-strings attached. This distribution would be over and above existing and future conditional grants. . . . Conditional grants for specific functions play an indispensable role in our Federalism. They unite Federal financing with state-local performance in a fiscal marriage of convenience, necessity and opportunity."

But in Congress, Republican leaders looked upon revenue-sharing as a convenient means of decimating the New Deal and wiping out the lumbering bureaucracy that had been the target of GOP rhetoric since the 1936 campaign of Alf Landon.

"We will continue to press vigorously for early enactment of a general revenue-sharing measure to replace the existing grant-in-aid programs," the chairman of the House Republican Conference said on the House floor in April 1967. Those prophetic words were spoken by Melvin R. Laird of Wisconsin, who five years later could see his vision emerge closer to reality as he left the job of Secretary of Defense in Richard Nixon's Cabinet.

Heller argued against cutting back on Federal aid programs, telling a joint economic subcommittee in 1967 that "putting the grants in conditional form enables the Federal government to apply national minimum standards, ensure financial participation at the state and local levels through matching requirements, and take both fiscal need and fiscal capacity into account."

This is precisely what revenue sharing does not do today and the Nixon Administration budget openly admits that the program it seeks to cancel—Model Cities, for instance, or community action and poverty programs—be funded with revenue-sharing money.

Heller had argued that states be rewarded for "their fiscal courage, their fiscal efforts." He told the Godkin Lecture crowd at Harvard that states deserve "an A-plus for their tax efforts."

"Since World War II, their quantitative role has been growing steadily. Indeed, they can lay claim to being the country's greatest growth industry," he said.

"Their expenditures have expanded more rapidly than those of any other major sector of the economy, public or private."

The Heller argument for the states was not new, not even at the podium of Sanders Theater in Harvard's Memorial Hall. In 1962, the Godkin lecturer was Nelson A. Rockefeller, governor of New York and his topic was "the future of federalism."

Rockefeller said:

"The striking fact in our domestic political experience since World War II has not been the growth of Federal government—but the far more rapid expansion of state and local government to meet growing social needs."

Both during and after his doomed presidential efforts in 1964 and 1968, the New York governor was the most indefatigable salesman for revenue sharing. Every fellow governor left every governors' conference at various spas burdened down with charts, graphs and fulsome Rockefeller rhetoric on the need for revenue sharing.

Well after being elected to an unprecedented fourth term in Albany, Rockefeller muscled his own congressional delegation as few governors have done on any issue. "It's astonishing," said Rep. Hugh Carey of Brooklyn, who felt the gubernatorial heat because he served on the Democratic side of the House Ways and Means Committee.

But throughout the late '60s, opinion was far from unanimous on revenue sharing. An AFL–CIO spokesman said in 1971:

President Nixon's revenue-sharing proposal is like the ballplayer in the old joke who can't hit, can't run, can't throw and can't field—but looks good in the dugout. The President's plan, too, looks OK in the dugout. It says to states and localities, most of which are hard-pressed for funds: 'Here's a bunch of money. Do something with it, anything.' But when it emerges from the dugout and you get a better look at it, the performance potential just isn't there."

But the labor movement was out-muscled by its former allies among intellectuals. Not only Heller, but such luminaries of the New Frontier as Richard N. Goodwin and Daniel P. Moynihan began writing odes to the nobility and frugality of local government in intellectual journals. Moynihan, of course, became a salesman for revenue sharing when he joined the Nixon White House in 1969.

A few intellectuals dissented. Christopher Jencks of the Harvard Graduate School of Education did so in a 1967 article in the New Republic, "Why bail out the states?"

Focusing on "simply increasing aggregate expenditures" as the fundamental basis of revenue sharing, Jencks wrote that such an increase is always "a prerequisite to improved service, but is by no means a sufficient condition for it."

"State legislatures are less concerned than the US Congress with the general welfare, and more amenable to various special interest groups, ranging from the bankers and the liquor interests to the state education association. The refusal of the legislatures to raise taxes is a symptom of this domination, and the Heller plan, while alleviating the symptom, will leave the basic pathology untouched."

The nation's press chorused editorial approval of revenue sharing, due in part to its eloquent spokesmen and because the clamor of mayors and governors hit close to home. A newspaper editor, no more than a politician, wants to go around urging a rise in taxes.

But the media-type symphony of praise for revenue sharing failed to take into account the shifting fiscal, philosophical and political picture. No better illustration of this laggard attitude could be found than in two different Walter Heller appearances on NBC–TV's "Meet the Press."

On Nov. 27, 1966, the Minnesota professor discussed revenue sharing as well as other economic issues. On February 11, 1973, Heller appeared on the same program and was not asked a single question about revenue sharing, not even on its obvious relationship with the drastically reduced Nixon budget.

On the 1966 program, Heller welcomed the interest of Republican congressional leaders, saying, "economics, like politics, makes strange bedfellows."

That may be the lesson of revenue sharing's first few months of operation. No such enterprise could have succeeded without the support of all branches of all governments at all levels. Ever since the Peloponnesian war, politicians have enjoyed passing the buck from one level of government to the other, as long as the buck belonged to a taxpayer.

The idea of revenue sharing, instead of being ignited by the energy of American government, may instead be a product of political fatigue. As Christopher Jencks argued in 1967:

"Third after four years of struggling with a recalcitrant Congress and an unwieldy Washington bureaucracy, intensely aware that their dreams of 1960–61 are far from fulfilled, many New Frontier graduates have begun to talk about the importance of local initiative and responsibility . . . the result is a bizarre alliance between the troglodytes who sermonize about states' rights and Federal wrongs, the special-interest groups who know it is easier to manipulate state legislatures than the national one, and the fainthearted liberals. This united front may yet carry the day."

DEPARTMENT OF STATE: PROPOSAL FOR CONSOLIDATING HEMISPHERIC AFFAIRS FROM ARCTIC TO ANTARCTIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Madam Speaker, over many years my major interests in the Congress have included the fostering of better relations between the United States and other countries of the Western Hemisphere through the adoption of policies based upon reasoned lines of thought. The unfortunate failure of the Department of State to consult with our hemispheric neighbors on the recent devaluation of the U.S. dollar, which will vitally affect all Latin American currencies, is but one example of the neglect of our true interests and emphasizes again the importance of hemispheric affairs in the conduct of the U.S. foreign policy.

In the Department of State, as listed in the Congressional Directory of 1972, there are two Under Secretaries of State, the Under Secretary of State and the Under Secretary for Political Affairs; and five Assistant Secretaries for African Affairs, East Asia, and Pacific Affairs, European Affairs, Inter-American Affairs, and Near Eastern and South Asian Affairs; and six for Congressional Relations, Administration, Economic Affairs, Educational and Cultural Affairs, International Organization Affairs, and Public Affairs.

Of the Assistant Secretaries of State all have only regional or administrative responsibilities except the Assistant Secretary for Inter-American Affairs whose jurisdiction covers all of the Continent of South America and a large part of North America south of the United States. It is noted that Canadian relations come under the Assistant Secretary for European Affairs although Canada is not a part of Europe, and since the Statute of Westminster, 1931, has been independent.

With the current termination of the Vietnam war and the massive withdrawal of U.S. Armed Forces from Southeast Asia already accomplished and increasing demands for their withdrawal from Europe and Asia, the time is most opportune for a long-overdue demonstration of greater interest in the countries of the Western Hemisphere from the Arctic to the Antarctic. This will include the countries in the strategic Caribbean basin and the vital Central American isthmus.

As the first step in this direction, I would urge the statutory increase by the Congress of the rank of the Assistant Secretary of State for Inter-American Affairs to that of Under Secretary and the transfer of responsibility for Canadian relations from the Assistant Secretary for European Affairs to the proposed new office.

The forthcoming sessions of the United Nations Security Council during March 15 to 21, should dramatize the value of the indicated change in the State Department organization.

MASSACHUSETTS NEEDS EDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Madam Speaker, today the House Public Works Committee is opening hearings on H.R. 2246, a bill to extend for 1 year the authorization for the Economic Development Act.

More than 100 Members of the House of Representatives have joined in sponsoring this important bill. In addition to the broad bipartisan support the bill enjoys, it is significant that this proposal has been cosponsored by every member of the House Public Works Committee, including Chairman JOHN BLATNIK and Ranking Minority Member WILLIAM HARSHA.

I am gratified to see such support demonstrated for the Economic Development Act, for as my colleagues know, the administration has threatened this important job-creating program with termination. For fiscal year 1974 the administration proposes only $20 million for EDA—just enough to cover the administrative expenses of closing down the program.

To end the EDA program now would be particularly unfortunate for Massachusetts and the Fourth Congressional District which I represent, where unemployment continues to be a severe problem. The most recent Department of Labor figures, covering the month of December 1972, show that an estimated 179,000 people are unemployed in Massachusetts. This shocking number translates to fully 6.7 percent of the work force—a figure well above the national average.

In the Boston labor area, which comprises 78 cities and towns, including the towns of Brookline, Newton, Waltham, and Framingham which are in my district, the unemployment rate is 5.6 percent, with 83,400 people out of work. The Fitchburg-Leonminster labor area, also in my district, is burdened with an unemployment rate of 8.8 percent, with 3,700 people out of work in the six cities and towns of this area.

These dismaying figures are compelling evidence that the need for programs like EDA has not diminished. These people need jobs, and I believe that the EDA program, which assists communities in attracting and retraining industrial employers, are of vital necessity in combating the unemployment problem.

Two communities in my district particularly hard-hit by unemployment are relying on the EDA for help. In Gardner, the city hopes to build an industrial park with EDA assistance to serve an area that has an unemployment rate in the vicinity of 8 percent for a long period of time. The community of Gardner has a very precarious tax base, and thus cannot come up with the necessary capital on its own. Its application for an $861,765 EDA grant was rated by the EDA as a top-priority project, but has not yet been funded due to insufficient funds.

The town of Fitchburg has applied for a $278,400 EDA grant as part of the west main trunk line sewer extension project, which would entail the construction of a forced trunkline sewer, connecting to solid waste facilities. EDA assistance in the construction of this pressurized sewer system will make it possible for two financially troubled industries, upon which hundreds of jobs depend, to comply with Federal water pollution control standards, and thus remain in Fitchburg.

Both of these programs present cases where economically depressed communities have legitimate needs for Government EDA funds. Communities in over 1,100 counties across the Nation designated for EDA assistance are in similar straits. As a result of current and proposed administration actions, they face the loss of Government funds that they need to escape the vicious cycle of unemployment.

The current administration effort to kill the EDA program is only the latest in a long series of actions taken to hamper the effectiveness of the program. Just last October the President vetoed H.R. 16071, the Public Works and Economic Development Act, which combined EDA authorizations with a massive accelerated public works program designed to further reduce unemployment. In addition, the administration has consistently asked for appropriations of only a fraction—between 25 and 30 percent—of the amounts authorized for EDA. For example, the EDA appropriation for fiscal year 1973 was $314.2 million, about one-fourth of the $1.2 billion authorized.

EDA funds have also been victimized by impoundment. The recent Office of Management and Budget report to Congress cited impoundments of $2.5 million for EDA planning and technical assistance and $8.89 million for EDA development facilities.

The bill now being considered by the House Public Works Committee essentially continues EDA authorizations at the $1.2 billion level through June 30, 1974. The bill would provide $800 million for EDA public works grants, supplementary grants, and support for the continuation of the accelerated public works impact program. $170 million would be authorized for public works and business development loans. Regional Economic Development Commission programs would be authorized $152.5 million, and authorizations of $50 million would be provided for EDA technical assistance and research programs with another $50 million authorized for EDA growth centers and for bonuses for economic development districts.

This bill would have particular impact upon areas with a large concentration of low-income persons, substantial and continued unemployment, or actual or threatened unemployment as a result of closing or curtailment of a major source of employment.

The unemployment statistics in Massachusetts and in other economically depressed areas of the country speak for themselves. The jobless people in these areas need more than rhetorical calls for "self-reliance." They need jobs.

Madam Speaker, I continue to believe that the best way to quickly reduce unemployment is to provide grants and loans for local government and business construction projects which create immediate construction jobs in areas of high unemployment, and thus, will have highly desirable side effects in creating new employment throughout such areas.

This is the intent of the Economic Development Administration and the public works programs authorized by this bill. It is for this reason that I believe prompt and favorable action on H.R. 2246 is necessary.

I believe that the basic concept of the EDA program—helping communities help themselves—is sound. EDA may need improvement, but it does not need to be abruptly terminated, as the administration has proposed. I hope that my fellow colleagues will follow the leadership of Chairman BLATNIK, my distinguished colleague JOHN MCFALL, and the other members of the Public Works Committee in supporting this important bill.

U.S.S. "CAVALLA" SSN-684

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of South Carolina. Madame Speaker, on February 9, 1973, the newest nuclear attack submarine in our fleet, the U.S.S. *Cavalla*, was commissioned at New London, Conn. The sponsor of the *Cavalla* is the charming wife of our beloved colleague from Illinois, the chairman of the Joint Committee on Atomic Energy and ranking member of the Armed Services Committee, the Honorable MELVIN PRICE.

The principal speaker at the comissioning ceremony was my dear friend and distinguished constituent, Rear Adm. Herman J. Kossler, commandant of the 6th Naval District, which is headquartered in my congressional district. Admiral Kossler had the privilege of commanding the first *Cavalla* during World War II.

In his remarks, Admiral Kossler points out that by using the seas in the past, we have kept wars away from our shores and through our trade with foreign countries, we have enhanced our prosperity and our economic growth. Unfortunately, there are too many people in our country today who take free use of the seas for granted and apparently believe this will continue whether we do anything about it or not. This is very dangerous thinking. For if we do not maintain an adequate and a modern Navy strong enough to keep the sealanes open, we will be unable to maintain our position as the leading country in the world.

Madam Speaker, I am proud to have Admiral Kossler as a friend, Charleston is pleased to have him as a resident. I urge my colleagues to read his thought-provoking remarks delivered at the commissioning of the *Cavalla*.

"CAVALLA" COMMISSIONING FEBRUARY 9, 1973, NEW LONDON, CONN.

Twenty-nine years ago today—I was here in New London—fitting out the first *Cavalla*—and getting her ready to be commissioned—later in the month.

The *Cavallo* was originally scheduled—to be commissioned about 15 March 1944. However in early January—representatives of my crew came to me—and said they thought it would be lucky—if the commissioning could be held on 29 February 1944—thereby making *Cavalla* a leap year boat.

So I wrote a letter to Washington requesting that the commissioning date be changed. And the only reason—I gave in my letter to them—for requesting this change—was that my crew thought it would be lucky—and so did I. To my surprise the request was approved—and *Cavalla* became the only naval ship—to my knowledge—to be commissioned in leap year on 29 February.

And becoming a leap year boat—did seem to make *Cavalla* lucky—just as my crew had predicted. Because less than four months after commissioning—*Cavalla* had not only sighted—and reported the position of a large Japanese fleet—but also had successfully attacked—and sank a Japanese aircraft carrier.

Many of our submarines went through World War II—without ever seeing a major Japanese warship. And here *Cavalla*—had the experience on her first war patrol—of seeing practically every type of warship the Japanese had.

And I might add that *Cavalla*—was on patrol off the coast of Japan—when the war ended—and was one of the 12 submarines—to enter Tokyo Bay for the surrender ceremony. And so *Cavalla's* good luck—had continued right to the end of the war.

I took *Cavalla* back to Philadelphia—and she went out of commission in early 1946—after almost two years of active service. And included in this service—was six war patrols.

I mentioned earlier—that I thought *Cavalla* was the only Navy ship—to be commissioned on 29 February. Likewise I may have been the only skipper—to both commission and decommission the same boat. Incidentally—the *Cavalla* is now on permanent display—at Sea Wolf Park in Galveston, Texas.

I might add that I wrote to Washington—well over a year ago—before the new *Cavalla* was launched—and recommended that the launching date be changed—from the middle to the end of February—in order to make the new *Cavalla*—a leap year boat also. However this time they didn't buy my lucky story—as they did in Washington—29 years ago.

The new *Cavalla* which you see here today—was made possible—only by the close cooperation of Navy men—and skilled members of the civilian shipbuilding industry. In other words it is a product—of the military industrial complex. All Americans should be proud—and should be grateful—that we have such a complex.

The *Cavalla* is a tangible manifestation—of the strength—that our Navy must maintain. I am sure that the officers and men—who will sail in her—will match that strength—with their own determination and courage.

By using the seas in the past—we have kept wars away from our shores—and through our trade with foreign countries—we have enhanced our prosperity—and our economic growth. Unfortunately there are too many people in our country today—who take free use of the seas for granted—and apparently believe this will continue—whether we do anything about it or not. This is very dangerous thinking. For if we don't maintain an adequate—and a modern Navy—strong enough to keep the sea lanes open—we will be unable to maintain our position—as the leading country in the world.

Today as *Cavalla* is commissioned—she becomes part of a great—and a proud tradition—in the maintenance—of the freedom of the seas—and in achieving peace for mankind. The opportunity—and the obligation—to prove herself worthy of this tradition—begins today.

Cavalla's success in meeting today's challenges—will ultimately rest—with the officers and men who man her. They have the responsibility—and the hard work—of preparing her—maintaining her—and ensuring that *Cavalla* is successful—in whatever mission she is assigned. I know they will live up to this trust—and instill in *Cavalla*—a reputation of honor—hard work—and quality—in service to the United States Navy.

Their courage—discipline—and devotion to duty—are qualities we will need as much—to build a peaceful future—as we have needed in the past—in time of war.

Those of us who love our country—are facing the challenge—to strengthen our love of country--love of God—loyalty to family and community—and the willingness to put service above self. At a time when a small minority—has tried to glorify the few—who have refused to serve—it is more important than ever—that we respect the millions—who have loyally stood by their country—when the challenge to freedom—called for service.

Some of the voices we hear today—calling for a weak America—and for an isolationist America—are repeats of past mistakes. The same thinking—that they proclaim today—led an unprepared America—into two world wars—during this century—because it encouraged others to believe—that their aggression would go unpunished.

I believe that our domestic problems—need our very serious attention. However, it is because our armed forces—have been properly equipped—and properly manned over the years—that Americans have been permitted—to live in freedom—and to count their blessings—and their freedom—in hundreds of years. Therefore we can go too far—in diverting military money—to take care of domestic problems.

War has always been—the final result of weakness. And history has proven—that it is much cheaper to remain strong—than it is to have to pay the price—for being weak. Strength commands respect—weakness breeds contempt. And someone once said—that we can't prevent fires—by hating the fire department. Nor can we prevent war—by despising the military.

I don't know what has happened—to our pride in our country—and to our patriotism. Many Americans today—seem to want something for nothing—including their freedom. We must never forget—that when patriotism becomes a dirty word—a nation is ready to be taken to the cleaners.

I've had four different tours of duty—here in the New London area—and it's good to be back again.

My first visit here was 36 years ago—as a student at the submarine school—from January to June 1937. Then I was back to put two submarines in commission—the *Guardfish* in 1942—and the *Cavalla* in 1944. And my last assignment to duty here—which was also my last tour of duty in submarines—was commander of submarine squadron 2 in 1957—16 years ago.

In less than four months I will be retiring—after 43 years in uniform. I have many pleasant memories—of my naval career—but like all naval officers—my first command—is my most cherished memory. *Cavalla* indeed was a fine ship—and a lucky ship. The new *Cavalla*—will also be a fine ship—and a lucky ship.

Thanks for inviting me here today—and permitting me to reminisce—and to recall such pleasant memories.

I would like to close by quoting a part of the letter I received—from Secretary of the Navy Warner—concerning this ceremony today—and I quote:

"Over a quarter of a century has passed—since you commanded the first U.S.S. *Cavalla* (SS-244). Much has changed since then—in the world—and the Navy as well. But the need for dedicated men—to serve in our ships, still remains. This need was met—by those who sailed in the first *Cavalla*—and will continue to be met—by those who will sail in her namesake."

And so—to the officers and men of *Cavalla*—good luck—and may God bless you all.

WHILE CONGRESS SLEEPS, FOREIGN-MADE CRANES SWING OVER CAPITOL HILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Miller) is recognized for 5 minutes.

Mr. MILLER. Madam Speaker, it is tragically ironic that on a day when the House of Representatives votes to curb the flow of American dollars overseas, foreign-made construction cranes are swinging over Capitol Hill.

On the site of the $90 million Library of Congress James Madison Memorial Building, several tower cranes are being erected, the component parts of which are made in France.

While we deplore our mounting balance-of-payments deficit, the United States literally subsidizes foreign manufacturers to build our public buildings right under our very noses.

ESTONIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. Burke) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Madam Speaker, last Saturday, February 24, was a day most dear to Estonian people the world over. On that day, 55 years ago, the Republic of Estonia was instituted and the Estonian people reestablished their independence from czarist Russia.

This event was no small occasion, Madam Speaker. The shackles of oppression had long been worn by the Estonian people and when their statement of independence was pronounced, another blow was struck to the brow of tyranny. This joyous feeling was only experienced for two short decades, however. A new imperialist Prussian regime swallowed this brave new nation, attempting to choke the democratic principles of freedom and self-determination, which the Estonian people had come to love. It is a great testimonial to the fortitude of the Estonian people, Madam Speaker, that this conquest has not succeeded and will not ever succeed. The democratic ideals we so cherish in the United States still live strongly in the minds of Estonians everywhere.

We remember Estonian Independence Day each year to reaffirm our friendship and support for Estonians everywhere in their struggle for freedom. Estonian-Americans have contributed much to American life. We thank them for this today and also look to the future, hoping that one day soon, the sun of freedom will shine again in Estonia.

THE NEIGHBORHOOD YOUTH CORPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Rostenkowski) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Madam Speaker, there was no mention of funds available for the Neighborhood Youth Corps—NYC—for next year in the President's 1974 budget.

The Neighborhood Youth Corps is a 5-year-old inner-city youth employment and training program that has been administered by the Manpower Division of the Department of Labor since 1968. To date, this program has provided jobs for hundreds of thousands of underprivileged young men and women. These young people have been employed, primarily, during the summer months and after school hours, to enable them to earn money to continue their education and to supply them with additional training for their future careers. Without the Neighborhood Youth Corps most of these teenagers would be forced to drop out of high school. It is estimated that 75 percent would be welfare recipients within a year after their leaving school.

I cannot emphasize strongly enough, Madam Speaker, the importance of the NYC for the underprivileged youth of my city of Chicago and every major city in the United States. As an urban-oriented program, the Neighborhood Youth Corps is by far one of the most successful nation-wide youth programs ever to be instituted by the Federal Government.

This year alone, 31,617 young people are participating in the NYC program in Chicago. And 740,222 young people participated nationally. It is estimated that the demand for next year will increase nationwide by 278,769.

If it is the administration's intention to eliminate the Neighborhood Youth Corps or to group it with those programs supposedly covered under "special revenue sharing," I believe that nearly 1 million young Americans will be cruelly cheated out of the chance to build a future for themselves.

THE METRIC CONVERSION ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Fraser) is recognized for 5 minutes.

Mr. FRASER. Madam Speaker, I am introducing today—with 22 bipartisan cosponsors—a bill to establish the international system of weights and measures—the metric system—as the sole system of measurements in the United States.

Almost 200 years ago Thomas Jefferson suggested adoption of the metric system. The United States is the only industrialized Nation in the world still using the "English system" of weights and measures—which the English have already abandoned.

Last year the Senate passed legislation to establish a board to develop a plan for conversion. Since the Constitution states—

> The Congress shall have the power to . . . fix the Standard of Weights and Measures.

This board seems unnecessary. My bill simply directs the Secretary of Commerce to develop and implement a plan. I believe it important that the plan be the direct result of congressional initiative. We keep creating boards and commissions and directives for the President rather than directing the executive branch ourselves.

We are already moving toward a fully metric economy. My intent is to move a little faster, and with a definite plan in mind. The benefits of complete conversion are already acknowledged by business—we will not need dual inventories, we will not need conversion tables, American products will be on a more equal footing in overseas markets.

I hope the House will hold hearings on the adoption of the metric system this year. I hope that both Houses pass a bill which will be sent to the President for his signature. But I also hope we will have the sense not to create something else to conduct the business of the Congress.

I include the text of the bill at this point in the Record:

H.R. 4779

A bill to provide for the conversion of the United States to the metric system

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Metric Conversion Act of 1973."

Sec. 2. The International System of Units (hereinafter referred to as the "metric system") as established by the General Conference of Weights and Measures in 1960 and interpreted or modified for the United States by the Secretary of Commerce is fixed as the sole system of weights and measures in the United States, effective ten years after the date of the enactment of this Act.

Sec. 3. The President shall take such actions as are necessary to assure that the executive departments and agencies of the United States shall convert to the metric system as soon as possible after the date of the enactment of this Act, and shall use the metric system exclusively in all official transactions no later than ten years after the date of the enactment of this Act.

Sec. 4. The Commissioner of Education, in consultation with the Secretary of Commerce, shall develop and carry out a program of public education through the printed, broadcast, and other media—

(1) to inform the public of the conversion of the United States to the metric system as the sole system of weights and measures, and

(2) to assist the public in learning to utilize the metric system in accordance with that conversion.

Sec. 5. (a) The Secretary of Commerce is authorized, under such reasonable terms and conditions as he shall prescribe, to make grants to individuals to defray otherwise nonreimbursable expenses which must be incurred by them for the purpose of acquiring tools or instruments which are necessary to their continued employment in a trade or business (including farming) and which are required as a result of the conversion to the metric system of the United States under this Act. Grants made under this subsection shall not exceed a total of $2,000 in the case of each individual.

(b) The Secretary of Commerce is authorized to consult with, advise, and encourage each sector of the nation, including business and trade, labor, education, and consumers, in the process of a smooth and efficient conversion to the metric system.

BRITISH OPPOSITION TO GREEK JUNTA

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. EDWARDS of California. Madam Speaker, people from many lands who love Greece and who remember with gratitude the sacrifices made by the Greeks in their struggles against Fascist Italy and Nazi Germany have witnessed with despair the support given the present military government of Greece by the Government of the United States, France, the German Federal Republic, and England.

Fortunately in each country there is strong opposition to each government's bizarre support of the oppressive, totalitarian, and cruel Greek junta. This opposition does not advocate interference in Greek affairs to overthrow the military junta, but it opposes vigorously and indignantly its own government's wooing of the colonels.

In Britain, support for freedom and democracy in Greece is centered in the League for Democracy in Greece, and the following describes the current work of their excellent organization:

BRITAIN AND GREECE

The opposition to the Colonels in Britain is very much centered around the League for Democracy in Greece, formed in London in 1945, shortly after the regrettable actions of the British Government toward the end of the war which led to the assumption of power in Greece of a very right wing Government and to the restoration of the Monarchy. Thereby, thousands of those who had shared in the magnificent resistance put up by the Greek guerillas against the Nazi invaders were thrown to the wolves or, worse, into the gaols of Greece as political prisoners.

During over 27 years of unremitting work for the restoration of the democracy that was then so cruelly denied to the Greek people, the League for Democracy in Greece has had the warm support of the British Trade Union and Labour movement, representing millions of workers, of the Co-operatives and Trades Councils and of thousands of individual supporters from among British workers, writers, artists, musicians, members of the academic world—in a word, from the liberal minded British public.

British governments have from time to time prodded the Greek regime about its political prisoners and lack of democracy, but only very gently—a reaction rather to the strong opposition of the British people to the Greek junta.

But in Government and official circles of late there has been an insidious but nevertheless observable change of attitude towards the Greek regime. Relations have gone beyond the mere exchange of diplomatic courtesies. Criticisms have quietened and the embarrassment of the empty Greek seat at the Council of Europe (the regime resigned to avoid the indignity of expulsion) is overlooked.

These closer relations with the junta have been recently enhanced by the holiday taken by our Minister of State for Defence, Lord Carrington in the Aegean which concluded with the so called unofficial visit to Athens and discussions with the Greek Prime Minister, Papadopoulos, and other members of his Government. The League for Democracy in Greece cabled Lord Carrington in Athens hoping that, whilst there, he would raise the question of the political prisoners and, as subsequently reported in the press, he did so and referred to what the Times described as the strong feelings in Britain on this subject. No doubt any embarrassment caused to our Minister of State for Defence in raising the topic was soon dispelled when discussions followed on the sale of arms by Britain to Greece, to which Lord Carrington agreed in principle—a surprising outcome, one might think, to a holiday trip in Greek waters and unofficial courtesy talks in Athens. With almost indecent haste Lord Carrington was followed back to Britain by a high ranking Greek emissary seeking to buy frigates etc. Arms deals are no doubt now well in hand.

David Tonge, who of late has been reporting especially informatively from Athens for the Guardian has pointed out, 12th October, 1972, that the last Minister of National Economy is on record as having said that "The road to his Ministry passes through the Ministry of Foreign Affairs—a dark reference to the regime's insistence that countries which wish to do business here should not expect to criticise the regime."

So, Lord Carrington having made peace with the junta, Lord Limerick from the Board of Trade, is now in Greece—on an official visit this time—and no doubt lucrative deals will be concluded with some of the Colonel's strongest supporters, who are to be found among the wealthy Greek shipowners, bankers, and industrialists, all closely allied with their American opposite numbers.

It is for the League for Democracy in Greece and its supporters to ensure that such deals are not concluded at the price of continued human suffering and torture—now rated very cheaply in far too many quarters. As has been reported by the British press, Congressman Hall protested that McGovern's policy of "cessation of US support for the repressive Government in Greece" will mean a loss of 130 million dollars for the McDonnell-Douglas Aircraft Corporation in Missouri."

It is regrettable to see some Churchmen in Britain joining in the good fellowship now being fostered with a regime which, not only tortures, imprisons and exiles its political prisoners, but constantly denies committing these atrocities despite the irrefutable evidence to the contrary from many sources including, very recently, Mr. Niall MacDermott, Q.C., Secretary-General of the International Commission of Jurists. Archbishop Athmagoras, head of the Greek Orthodox Church in Britain, entertained a few days ago the Archbishop of Canterbury, Cardinal Heenan and others at Grosvenor House to a £7 a head banquet a "Divine Way to spend an evening a la Grecque" as the Guardian aptly described it, 27.10.72. Only a few days earlier, Mr. Niall MacDermott had reported that Greek opponents to the regime banished to remote villages (which include Professor John Pesnazoglou, formerly Deputy Governor of the Bank of Greece and Professor of Political Economy in the University of Athens, and Mr. Anastasios Piparis, a former Director General of the Greek Broadcasting Corporation) were allowed the equivalent of 30p a day with which to maintain themselves! Mr. MacDermott also pointed out that such banishments without trial were a violation of Article 10 of the Universal Declaration of Human Rights.

Unhappily it is well known that the higher dignatories of the Greek Church are firm supporters of the Colonels. But within the Church there are such honourable exceptions as Father Petros Gavales, twice imprisoned and subjected to torture, on one occasion for removing from his Church a picture of the Prime Minister put there by the Police. Father George Pirounakis has been constantly hindered and harassed in his work, and has complained to his bishop about the Church's apparent acceptance of military police involvement in ecclesiastical matters. Last August he complained to Ieronymous, Archbishop of Athens and all Greece and the Holy Synod about their lack of support. One wonders if Dr. Ramsey, who was the official guest and speaker at the Grosvenor House banquet and who accepted a decoration from his host, is as fully aware of the true situation of the Church in Greece as he should be.

The British Government are not alone in their increasing co-operation with the Greek regime. The US Government, which has always been a main support, is now transferring thousands of American families to Greece having adopted Piraeus as the home port for their 6th Fleet. This action removes any doubt which might have lingered in some people's minds that the US Administration, still less the Pentagon, had any serious concern about democracy in Greece and the political prisoners there.

The Guardian, 28.9.72, reported that Bonn and Athens were "mending fences". No doubt this is to ensure that the German Federal Republic, too, gets an economic and political foothold in Greece. West German military aid was also discussed.

As the date for Britain joining the EEC draws close our Government is likely to be more susceptible to Greek pressure the British support for their membership of the EEC and the Council of Europe. This means that the new West European bloc, especially in the light of some strong neo-fascist tendencies within it and of NATO pressures because of Greece's strategic position, will be the more ready to forget the political prisoners and the democratic freedom of the Greek people.

But within Britain there is a great warmth and friendship for the people of Greece, with roots deep in history, and a real sense of gratitude for the sacrifices made by the Greeks in their struggles against fascist Italy and Nazi Germany. This explains the breadth of feeling and concern among all sections of people in Britain at the present fate of the proud Greek nation. We have seen striking reminders of this in the anxious questions in the House of Lords, in the letter published in the columns of the Times from British academics, in the concerns of so eminent a jurist as Lord Gardiner (Lord Chancellor in the Labour Government) and by the many eminent signatories, from so many walks of life, to the Amnesty appeal this year on behalf of the political prisoners and exiles. It also explains the frequent articles in the press, the numerous books published about the Greek situation and the readiness of people to help, like the distinguished Prof. D. F. N. Harrison, who went to Greece and gave his medical service to a gravely sick political prisoner.

Our Trade Union movement has over many years supported the Greek people in their struggle for democratic and trade union rights. Three times within recent months there have been fine examples of solidarity with Greek workers by our trade unions. Concerted action by the National Union of Seamen, The Transport and General Workers' Union, the International Transport Workers' Federation and Mr. Anthony Wedgewood Benn, MP, prevented the "Elikon", a Cypriot registered but, in reality, Greek owned vessel, from leaving Avonmouth Dock until arrears of wages had been met and the ship's crew brought up to strength.

The National Union of Seamen and the International Transport Workers' Federation supported a group of African seamen who left a Greek ship at Avonmouth this month because they were being grossly underpaid. On the 24th of October the officers and crew of the "Gulf Coast" threatened to desert at Avonmouth because of wages and conditions. This ship flew the Cypriot flag of convenience. Its Third Engineer, Andrew Bankhead, a Scot, told the local paper "We have chosen this port to make our stand because of help given here to crews". He claimed that the crew were treated like slaves. They were refused contracts, given poor food and forced to work long hours.

Mr. Alan Sapper, General Secretary of the Association of Cinematograph and Television Technicians was once offered a free holiday in Greece by the junta's emissaries, with every allurement at the Colonels' command. His Union exercised and still does a boycott against its members working on films, other than news films, in Greece—a splendid example of disinterested trade union action. This boycott has been wonderfully effective, and more and more locations for British produced films are being sought in countries other than Greece because of the boycott. Needless to say, Mr. Sapper declined the junta's visit and the Colonels are perhaps now wiser than to offer such entertainment to leading British trade unionists and confine their hospitality to members of the Government, business tycoons and a few of our higher Church dignatories.

The work of the League continues above all to revolve around an amnesty for all the political prisoners and exiles but, in the meantime we press for the release, if only temporary, of sick prisoners, the release of aged prisoners, the betterment of prison conditions and the abandonment of torture and trials by Court martial. Whenever possible we try to arrange for observers to attend trials—this encourages the accused and their lawyers, brings publicity to Greek methods of justice, exposes the junta and undoubtedly results in reduced sentences.

We have organised and shall continue to organise amnesty appeals in this country and in this have been supported, to the chagrin of the Greek authorities, by many eminent people.

We are always alert to the importance of focusing the light of publicity on the junta's activities and have found recently a splendid response from the public media. Also our activities are often brought to the notice of the Greek public by the BBC Greek Service—an invaluable medium of news to Greeks about what is really happening in their own country and of events throughout the world which affect them.

We send delegates to international conferences which deal directly or indirectly with problems created by the junta. We regard it as important to bring to the notice of such international gatherings the implications, for World peace and European security and democracy, of the fascist military dictatorship in Greece.

Through its individual membership and affiliated organisations the League is able to maintain a consistent campaign in support of Greek democracy, in addition to taking special action as developments occur.

We also work to ensure support for the Greek Relief Fund (26, Goodge Street, London WIP IFG) through which financial aid is sent to political prisoners and their families. The continued aid to these Greek democrats is yet another proof of the British people's sympathy for the Greek people.

We regard solidarity with Greek democrats as our prime concern at the same time believing it to be in the best traditions and true interests of our own people and country. The violation of democracy in Greece is an injury to us all and the military build-up in that country is a matter of concern to all who want justice and peace.

NATIONAL STUDENT ASSOCIATION THANKED BY GREEK STUDENT PRISONERS

(Mr. Edwards of California asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. EDWARDS of California. Madam Speaker, last summer Congressman Benjamin S. Rosenthal brought to our attention the resolution passed by the 25th Congress of the National Student Association expressing their opposition to continued American support for the military dictatorship which is now in power in Greece and mandating their resolve to continue to speak out, study, and take action in support of Greek students engaged in resistance to the junta.

In response, I would like to include the following letter addressed to the Student Union of the United States:

Friends: During the Christmas and New Year holidays we send you our sincere greetings.

We send these greetings as a small gesture of appreciation for the effort and struggle which you have exerted to assist our student youth and the people of our country during the difficult days which they are experiencing under the military fascist dictatorship.

We were especially touched by the resolution which you passed at your last Congress of your association requesting the release of all political prisoners.

Your protest and assistance have, for us, special depth and meaning because it shows that there isn't just an America of the military-industrial complex, the America of Nixon who with money, weapons and every other kind of aid, backs up the dictatorship in our country. There is also another America. The America of the toilers and thinkers who believe in the democratic principles of Lincoln and Jefferson.

Dear friends, we request that you transmit our warm wishes and our fighting greetings to all the democratic American students.

With warm greetings,

The Student Political Prisoners of the Korydallos and Aegina Prisons.

STATEMENT UPON INTRODUCTION OF VIETNAM VETERANS DAY RESOLUTION

(Mr. GILMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GILMAN. Madam Speaker, it is with great pleasure that I am introducing today, along with several of my colleagues, a resolution authorizing President Nixon to proclaim a Vietnam Veterans Day, honoring those men who have served and returned to their homes, those men missing in action, and those men who have made the supreme sacrifice of giving their lives for their country.

The necessity of such a day is self-evident. This was an unpopular war, a war which incurred a great deal of suffering, not only on the battlefields, but also. in the hearts of many Americans.

Madam Speaker, this war in Vietnam, unlike any past war in our history, did not leave any heroic glory in its wake. Instead, this war belittled and discredited many of our brave, heroic soldiers who were steadfastly loyal to our Nation.

Throughout our involvement in Southeast Asia, we have criticized and we have been criticized. Now that our negotiations have successfully terminated our involvement, let our internal strife also be terminated by a genuine thanksgiving among the American people. Let there be a Vietnam Veterans Day as a day of remembrance for those valiant young souls who gave their lives in their commitment to their country; let this Vietnam Veterans Day be a day of thanksgiving for those prisoners of war reuniting with their families and friends; and let this Vietnam Veterans Day be a day of blessing, honoring those soldiers who have fought and returned to their homes.

Madam Speaker, before we consider the issue of amnesty for those who refused to fight, let us clearly set forth our priorities. Let us pay tribute to our unsung heroes whose conscience directed them to bear arms in defense of liberty and freedom for the people of South Vietnam.

I ask my colleagues here and in the Senate to join in support of this Vietnam Veterans Day resolution. Do not let our soldiers feel their sacrifices have been in vain. Let us seal the rift this war has caused in so many hearts, by joining together to honor the veterans of our Vietnam war.

The cosponsors of this resolution are: Mr. Fish, Mr. Robison of New York, Mr. Mitchell of New York, Mr. Walsh, and Mr. Wolff.

Mr. Speaker, I have attached a copy of my proposed joint resolution authorizing President Nixon to proclaim Vietnam Veterans Day. I include this resolution in the Record:

H.J. Res. 381

Joint resolution authorizing the President to proclaim a "Vietnam Veterans Day"

Whereas a negotiated peace ended hostilities in South East Asia; and

Whereas arrangements for the fullest possible accounting of Prisoners of War and men missing in action are currently underway; and

Whereas the veterans of the Vietnam conflict have made valiant sacrifices to foster American ideals; and

Whereas we can take great strength, renewed faith and courage from the outstanding service of our veterans; and

Whereas the sacrifices of our servicemen in Vietnam encourage our rededication to the precepts that have made America such a tower of strength among the nations of the world; and

Whereas the thousands of servicemen who have now returned from the Vietnam conflict are deserving of due recognition for their courage and service on behalf of our nation:

Now, therefore, be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating a "Vietnam Veterans Day", honoring those men who have served and returned to their homes, those men missing in action and those men who have made the supreme sacrifice of giving their lives for their country, and to invite and encourage the citizens of the United States, especially veteran's groups, churches, and their affiliated organizations, to observe this day with the appropriate ceremonies and activities.

PROTECTING THE HOME OF OUR FIRST PRESIDENT—GEORGE WASHINGTON

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SAYLOR. Madam Speaker, over the years, the Congress has, appropriately, honored our first President with deeds as well as words.

Twelve years ago, the Congress enacted Public Law 87–362, designed to preserve the view from Washington's beautiful home at Mount Vernon. Washington prized that view from the porch of Mount Vernon; I assume that everyone in this Chamber has made the pilgrimage to Mount Vernon at one time or another, so you too are aware of the inner peace and tranquillity which comes from surveying the historic countryside surrounding Washington's home.

Following the action of Congress to protect the view, over 180 landowners have donated scenic easements on their land to the National Park Service. They too have come to appreciate the uniqueness—to the history of our country—of the areas having a direct esthetic impact on the Mount Vernon area. Two foundations, one led by our former colleague, the Honorable Frances Bolton of Ohio, have donated over half the 6 miles of waterfront lands. The donations made possible substantial completion of Piscataway Park, the newest of the National Parks in the National Capital area.

On three separate occasions since the original act, the Congress has acted to preserve, protect, and expand the area which surrounds and/or, in an esthetic sense, is an integral part of the George Washington homesite.

Three years hence, we celebrate the bicentennial. Mount Vernon will, of course, be highlighted as one of the principal preserved landmarks of the revolutionary period. Its unique historical setting on the Potomac River, which is to be a model for the Nation, makes it mandatory for the Congress to complete the task of preservation.

The Congress had to act hastily to prevent the monumental insult of a sewage plant directly opposite Mount Vernon. And, as the Congress is aware, encroachments on both Marshall Hall on one flank of the park and the marina at Fort Washington on the other flank of the park, were allowed to remain. These modern day monstrosities have disrupted and degraded the character of the park and Mount Vernon itself for years.

I believe it is proper to mention at this point, and publicly thank, the American Horticultural Society, for its recent purchase of George Washington's historic river front farm south of Mount Vernon. Although my information is sketchy, I understand the sale is to be completed tomorrow, and that the Society intends to open the estate to the public. It is also in order at this point to commend again our colleague JOEL T. BROYHILL, who represents the 10th Congressional District of Virginia, for his efforts to preserve that particular property from the clutches of a foreign power some years ago.

In order that Piscataway National Park may be completed for the bicentennial celebration, I am proposing today what I believe is the last legislation needed. This bill will bring the potential encroachments on the park under the full control of the U.S. National Park Service of the Department of the Interior. At the same time, the bill will provide access to the river via the only State road in the area. It will, in this way, provide accessible space for picnicking, biking, and camping, and similar public uses in keeping with the original intent of the Congress. It is my hope that the bill will receive speedy approval of our colleagues in both Houses.

It is fitting and proper that Congress make its own Washington birthday's gift to the Nation by 1976. The legislation introduced today will achieve that goal.

F–14 BEST IN EVERY WAY

(Mr. GROVER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GROVER. Madam Speaker, the recent publicity given the contractual dispute between the U.S. Navy and the Grumman Aerospace Corp over financing of the F–14 aircraft has many people confused.

I should like my congressional colleagues to note three conclusions I have drawn in the matter.

First. The company's estimates were off target in great part because of Government error in projection of inflation increases.

Second. The F–14 is an outstanding weapons system which the Navy wants desperately and our national security demands.

Third. An equitable compromise should be reached immediately.

There is little better endorsement of this great aircraft that can be found than the one given by one of our colleagues, Hon. OTIS G. PIKE, of New York.

The following newspaper articles detail his observations:

[From the Long Island (N.Y.) Daily News, Feb. 10, 1973]

PIKE TAKES A FLIGHT IN F–14—HE CALLS IT "VASTLY SUPERIOR PLANE"

(By Michael Hanrahan)

A swing-wing Navy fighter jet took off from Calverton, L.I., yesterday afternoon and before it traveled a distance of 5,000 feet it was 8,000 feet high and had reversed directions.

One hour later, Otis Pike (D.-Riverhead), climbed down from the cockpit to the Grumman test runway and announced that the F–14 was a "vastly superior plane" to the F–4, the fighter plane now in use by the Navy.

Pike, a former Marine fighter pilot and a ranking member of the Armed Services Committee, flew as navigator in a demonstration flight by Grumman's chief test pilot, Chuck Seweel.

"Grumman has built an obviously very solid, honest, smooth machine," said Pike.

"We flew against the F–4 in tighter turns and quicker rolls," he said. "The F–14 can clearly turn inside the F–4, can clearly run away from the F–4, can clearly outclimb the F–4, and makes split S maneuvers far superior to the F–4."

The Grumman Aerospace Corp., Long Island's largest industrial plant, is in a running feud with the Navy on escalating costs of producing the F–14. Grumman, which says it wants to continue building the plane, says it cannot do so at the contracted price. To do so says a Grumman spokesman, "would put us out of business."

Negotiations in an attempt to reach a compromise are being conducted between the Secretary of the Navy and the company. Congress, will be asked to pass on appropriations for the plane. And the Senate is conducting an investigation into the Grumman claim that it is unable to live up to a contract which was first drawn in 1968.

To date, 22 planes have been delivered to the Navy, with 64 more to be delivered by mid-1974. Grumman contends the order will result in a $65 million loss. The company said it would absorb that amount but is declining to build an additional 48 planes under contract as part of a fifth lot order.

WANT $2.2 MILLION MORE

Company cost experts claim that the Navy will have to pay an additional $2.2 million per airplane on the fifth lot order. The current cost of the F–14 is $16.7 million per craft.

Pike said in an interview yesterday, "I don't think the difference in cost should be the deciding factor in whether or not the Navy gets the F–14. The fact of the matter is the Navy certainly needs it. It is unquestionably the best plane available."

Pike contended that it is impossible for Congress to determine whether the plane is actually worth any particular cost in the terms of dollars and cents. "That matter is up to the Secretary of the Navy and the airplane manufacturing company," he said.

Yesterday's flight was instituted at the request of Pike, who said he never had any doubt as to the performance capabilities of the aircraft.

The last government official to fly in the F–14 was Sen. Barry Goldwater (R.-Ariz.), a brigadier general in the Air Force Reserve. Goldwater flew in the plane on Nov. 29, 1972.

Pike said yesterday that the last time he actually piloted a plane was in 1945, when as a Marine night fighter pilot he flew an F–6FN out of Peking, China.

Pike contended yesterday that the dispute over the F–14, a long-range interceptor jet, will have no bearing on the development of the AX–10, a much smaller close air support for ground troop plane being developed by Fairchild Industries.

[From the Long Island (N.Y.) Press, Feb. 10, 1973]

UP, UP, AWAY, PIKE SAYS F–14 BEST IN "EVERY WAY"

(By Karl Grossman)

The F–14 jet fighter with Rep. Otis G. Pike in the back seat went straight up . . . and up . . . and up . . . like a rocket into the skies over Long Island yesterday.

Its pilot later explained: "We were at 8,000 feet just halfway down the runway."

Then, high in the sky, the airplane made a sharp turn and winged to a patch of ocean south of Long Island for a simulated dog fight.

The F–14 was put up against an F–4, and Pike said later: "It outflew it in every way."

Then the plane headed east, toward Block Island. "I could see Nantucket, and up north the snow on the Catskills," Pike recalled.

After a total of an hour in the sky, the plane landed back at Calverton with a thoroughly impressed but somewhat bloodied congressman-passenger.

"I'm getting a little too old for this stuff," said Pike, 52, a former Marine fighter pilot, as he hopped out. The enormous changes in pressure had left him with "a bloody toothache," he complained. Still, he said, "it was fun."

Fun, obviously, wasn't the object of Pike's ride in the sleek, supersonic Grumman jet plane.

In the wake of months of debate in Washington over the F–14, Pike said he wanted to learn for himself how much the plane is worth in the air.

"It's better than looking at pictures," he said.

And, said Pike after his ride: "Grumman has built an obviously solid, honest, smooth machine."

The craft, he said, "can clearly turn inside the F–4, can clearly fly away from the F–4, can clearly outclimb the F–4." And this was important to know, said Pike, because in Washington "they've been saying it (the F–14) can't do anything the F–4 can do."

And after his ride, said Pike, he was committed "more than ever" to the $16.8 million F–14.

"I'm impressed as hell," said Pike, a member of the House Armed Services Committee.

Grumman and the Navy have been arguing over Grumman's insistence that it be paid an additional $105 million for a batch of 48 F–14's ordered by the Navy.

Pike said yesterday he feels that the Bethpage firm should get at least some of what it wants extra.

Pike said the last time he flew a Grumman aircraft was in Peking, China in 1945.

"It was a Grumman F6FN then," said Pike, an ancient propeller-driven plane compared to the F–14.

Peking, he explained, was his last stop with the F6FN after piloting the craft on 120 combat missions in the Pacific Theatre during World War II.

Even for a former flyer, the F–14 take-off, said Pike, "was just incredible."

"I think they were trying to see if the old man was going to throw up," said the Riverhead congressman.

Grumman's chief test pilot, Chuck Sewell, denied this—with a wide smile. Sewell said he was demonstrating how the F–14 has the attributes of a Short Take-Off-and Landing (STOL) craft, and needs little room to take off and land.

The plane is designed for aircraft carrier work with the Navy, and so this is important, he stressed.

The plane landed at the Grumman-Navy Airfield in Calverton in just 1500 feet.

TEXAS VOICE OF DEMOCRACY WINNER TALKS ON FREEDOM

(Mr. ROBERTS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROBERTS. Madam Speaker, the freedom provided all of us as citizens of the United States of America is our most priceless possession. Throughout our history, Americans have fought and died to preserve this freedom, and we look to the youth of our Nation to preserve it for generations yet unborn.

I am not worried about the future, because I know there are young people like Barbara Ann Massey of Plano, Tex., who appreciates the freedom we enjoy and who realize the responsibilities that go with it.

Barbara is the Texas State winner in this year's Voice of Democracy Contest, sponsored by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary. She is the daughter of Mr. and Mrs. Jimmie D. King of 1812 Fairfield Drive, Plano, Tex., and is a senior at Plano High School.

This outstanding young lady was one of 500,000 students from over 7,000 secondary schools participating in this year's contest. As the winner in State competition, she will now compete with the winners from other States for five national scholarships which are awarded as the top prizes.

Her award-winning broadcast script addresses itself to the theme, "My Responsibility to Freedom," and it is an excellent speech. I am today inserting Barbara Ann Massey's remarks into the RECORD, so that my colleagues may have the opportunity to read this most timely and interesting speech. I am proud to have Barbara as my constituent.

MY RESPONSIBILITY TO FREEDOM

(By Barbara Ann Massey)

I prosper where men strive for justice. I am deeply embedded in the minds of all mankind, no matter how subconsciously hidden. My companions are courage and truth. I represent the struggles of all the centuries, of all the nations. I have many symbols. I am present in spirit in the cracked bell of Liberty. I am present in the welcoming statue in New York Harbor. My birth certificate is the constitution and my degree of achievement is the Bill of Rights. I am the basis upon which the greatest nation the earth has ever known is built. My nickname is liberty. My true name is freedom; my twin brother is democracy, and I am alive and living in the hearts of all mankind, Freedom. It's more than just flag-waving, and firecrackers on the Fourth of July and the way you feel when the Star Spangled Banner is played.

"Give me your tired, your poor, your hungry, your homeless . . ." Freedom. It offers so much and yet it demands respect and it demands responsibility.

A high school yearbook once had this legend under a picture of a group of smiling, happy people, "Friendship is not an opportunity, but a sweet responsibility." The same comparison can be drawn between friendship and freedom. Many are born into freedom. Few realize that with this opportunity comes the responsibility to live and practice freedom. It is the duty of all free people to spread freedom, share freedom, live freedom. In a nation of growing apathy, freedom seems to be a part of a breed of dying words. And yet freedom is more than just a once a year celebration of a few minutes tribute at a ball game. Who can forget the immortal words of President John F. Kennedy? "Ask not what your country can do for you, but rather, ask what you can do for your country."

Is not freedom a part of our country, a part of our heritage? Our country has always been extremely freedom oriented. This country was formed because of the desire for freedom. Our courts of justice and our laws are based on freedom. Our government is based on freedom, even our whole social structure is based on the idea of freedom. This country was conceived in freedom and has prospered on freedom. This is where we come in. It is our responsibility to see that this freedom is continued. Not a stilted, false freedom but the kind of freedom that has made this nation the United States of America. Freedom still reigns supreme in this nation. It is our responsibility and our privilege to carry out freedom. Freedom does not live by itself; it lives through man, and through it—man lives. From every mountainside truly let freedom ring.

THE PRESS: NOT A DIVINE ESTATE

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GROSS. Madam Speaker, there have been numerous shrill cries lately on the subject of the journalist's alleged privilege or right to refuse in any and all cases to reveal the source of a story.

A great deal of this breast-beating is to the effect that newsmen are, somehow, a special breed not subject to the laws that govern their fellow citizens.

In years gone by I spent a considerable part of my life as a reporter, editor, and news broadcaster and in my opinion it is about time to put an end to the claim that those in the news business have some sort of divine right not available to mortal men.

Few journalists of our time have been so honored as Clark Mollenhoff, the Washington bureau chief of the Des Moines, Iowa Register. This Pulitzer Prize-winning reporter who, incidentally, is a lawyer, has written a telling argument in opposition to those who would, by legislative fiat, give journalists blanket immunity from revealing their sources.

This article appeared in the February 24, 1973, edition of Human Events and I include it at this point in the RECORD.

LET'S TAKE A CLOSER LOOK AT "SHIELD LAWS"

(By Clark Mollenhoff)

I am reluctant to support any legislation to change, modify or clarify the 1st Amendment protection of the United States Constitution with regard to freedom of the press.

In the first place, it is impossible to define or limit those covered by the "freedom . . . of the press" clause without doing serious violence to the full meaning of the Constitution. It is not for the protection of the big newspapers and magazines and broadcasting only, but must include the weakest, poorest-financed pamphleteer regardless of beliefs.

This leads to the second point which nearly everyone mentions in proposing "shield" laws. How can it be written so it covers only "newsmen" entitled to protect their "confidential sources" and eliminates the possibility of its use by extremist groups or gangsters as a cover for illegal operations? It should be obvious that any restriction in coverage would be likely to eliminate the pamphleteer, who probably needs protection more than any of the better-financed groups. The underworld would have no problem in financing a newspaper that could meet any standards set in a shield law.

Thirdly, if reporters and editors are only reasonably competent, responsible and understanding of their job, they do not need shield laws to be effective in exposing government corruption and mismanagement or repressive measures.

I have been working as an investigative reporter for more than 30 years and that experience has involved a broad and varied use of "confidential sources." It has involved exposure of scandals from the Polk County, Iowa, courthouse to the White House and essentially every type of city, county, state or federal agency.

I have always protected my "confidential sources," and in only a few instances have been even faced with a choice of whether to reveal the source or risk contempt. The crisis never did materialize.

It is seldom that the crisis does materialize for the thinking reporters and editors who use some sense of responsibility in entering into "confidential" relationships with their sources and the manner in which the information is used.

My experience indicates that it is seldom that responsible editors and reporters need a shield law, and it could hardly be argued that the irresponsible press needs further encouragement. It is the irresponsibility of a few that makes the press vulnerable to the criticism that destroys public confidence.

There is a great deal of sympathy for public officials who are subjected to provably false attacks by other politicians or by the press. The public reactions against "smears" by the political critics or by the press is a proper reaction, and the last thing we need today is a law that could be a further invitation to irresponsibility.

It is a serious business to charge political figures with corruption, mismanagement or to otherwise reflect upon their integrity or competence. Certainly, it is also a serious business to consider clothing the press with a near total immunity that is comparable only to the immunity that members of the House and Senate enjoy in connection with remarks made in Congress.

Hardly a year goes by that we do not see some examples of what for the last 20 years has become known as "McCarthyism" by some member of the Senate or House. We have seen and we have probably deplored the abuse of the constitutional provision that no member of the House or Senate shall be "questioned in any other place" for "any speech or debate in either house."

To pass some of the broader shield laws suggested would in fact clothe all publishers, editors, reporters, columnists and commentators with the same immunity that senators and representatives enjoy to fire charges at public officials on the basis of anonymous "confidential informants."

We should ask ourselves if we really believe that all publishers, editors, reporters and commentators are that much better in their motivations and that much more responsible than the members of the Senate and House we have criticized for "McCarthyism."

We should ask ourselves if an invitation to more irresponsibility is the medicine the press needs in addition to the United States Supreme Court decision in the case of *New York Times vs. Sullivan* that frees us from libel responsibility in all except those instances involving provable malice.

This decision certainly gives all the protection the press needs to cover its unintentional errors and even sloppiness associated with meeting daily deadlines. And the United States Supreme Court is speaking on the Pentagon Papers case gave an added dimension to the news media's right to publish the contents of government papers carrying the highest national security classifications.

The prosecution of Daniel Ellsberg for "leaking" the Pentagon Papers is another problem since he identified himself as the source, and the government through other evidence had pretty well established his identity even before he made the admissions.

It is an irresponsible reporter who writes a story on the uncorroborated statements of a so-called "confidential source," and it is an irresponsible editor who does not insist upon such corroboration as a test of the truth or falsity of the confidential information.

A few unrelated arrests of reporters for failing to reveal "confidential sources" have resulted in a near hysterical atmosphere in which it is quite likely that legislators may be pressured into passing unwise laws.

I say unwise laws because I fear that in the long run shield laws could become the instrumentality for a government control of the press.

That danger comes in the demands of a large number of legislators for a definition of "legitimate newsmen" and "legitimate news media" to be shielded from disclosure of confidential sources. Once the definition is drawn some person or group of persons will have to be empowered to determine who are "legitimate newsmen" and what are "legitimate news media."

Obviously that power must vest in some entity selected by the press, the public or the government. Certainly a public election of those with this power has innumerable hazards, and who in the press would or should be trusted with this authority over his colleagues.

Any government role in naming or selecting the men to make the decision as to who are "legitimate newsmen" has the major drawback of permitting government to have "a little control" over the press.

The Standing Committee of Correspondents is the group that would come closest to being an objective committee, and present standards this group uses certainly would bring complaints from the extremist pamphleteers and propagandists who would undoubtedly be excluded from the definition of "legitimate newsmen."

The broadcasting industry is rightfully concerned that the so-called "fairness doctrine" will be used by this Administration or some later Administration as a vehicle for exerting a government control of radio and television licenses. The speech by Dr. Clay Whitehead gives some concept of the attitude of the Nixon Administration and how it might seek to use the "fairness doctrine" lever against those in the broadcasting industry who displease the Administration.

It is not wise to underestimate the ability of government lawyers to twist and distort almost any law into authority for withholding documents that the executive branch wants to keep secret.

We have seen the Nixon Administration's recent expansion of the claims of "executive privilege" to the point it is blocking Congress, the press, the public and even the General Accounting Office (GAO) auditors from important information on government operations and on the expenditures of tax money.

We have seen how the bureaucrats, often with White House approval, have even twisted the exceptions to the Freedom of Information Act to justify withholding documents from the press and the public. The Freedom of Information Act was passed only a little more than six years ago for the specific purpose of assuring a maximum free access to government information. The exceptions to the act have been expanded and distorted by misinterpretation by government lawyers into a law to suppress information.

It went to the ludicrous extreme where the Office of Economic Opportunity (OEO) and the AID agency refused to reveal such basic biographical information on employes as place of birth, schools attended, and prior places of employment. The refusal was justified by government lawyers on grounds that the Freedom of Information Act authorizes the withholding of personnel records as confidential.

Those of us who were active in amending the so-called "housekeeping statute" (5 U.S.C. 22) recognize the great capacity of the bureaucrats for interpreting any law to provide a justification for nondisclosure of information.

In that case, a law that was written to provide for the custody and preservation of government records had through a series of interpretations by the various attorneys general been turned into the most widely quoted grounds for withholding documents.

How are we to assure that a shield law that is written for the protection of the "confidential sources" of legitimate newsmen will not be turned around and used as an instrument of government control?

As I set out the reasons the press should be wary about a shield law, I do not wish to give the impression that I am downgrading the value of "confidential sources." As one one who has availed myself of information from such "confidential sources," I know such informants are indispensable in our efforts to expose and correct the dishonesty and unfair practices that creep into every government agency from time to time.

My coolness to a shield law is based upon my belief that skillful use of information from confidential sources will usually leave no hint that the original tips came from confidential sources. The full protection of the confidential sources requires that the reporter and his editors handle the information in such a manner that there is no direct or indirect clue as to the source.

Deadlines and the need for a "scoop" are never justifications for failing to check out the information that comes from a confidential source. If the reporter has a true confidential relationship with his source the responsibility is not merely to not use his name, but to in every way possible avoid giving any indication of the identity of the source.

If a thorough job is done of corroborating the informant's story, the story itself need not indicate that it came from a confidential informant.

Over the centuries the only universally recognized confidential relationships have been those of doctor and patient, lawyer and client, husband and wife, and priest and confesser. In each of these four relationships the confidentiality is required for the benefit of the person making the disclosure—the patient, the client, and the confesser and, in theory at least, for the mutual benefit of husband and wife.

In each of those confidential relationships the area of confidentiality protected is carefully circumscribed, and specifically exempted are some statements made in the presence of other parties or information that is to be passed on to third persons.

The major beneficiaires of a newspaper informant's statement that is confidential are the reporter and his newspaper, not the informant.

The question that puts the whole thing in perspective involves the question of what the newspaper would do if a story from a confidential source resulted in a substantial libel suit against the newspaper. Would the newspaper, with its economic base threatened, permit its reporter to remain silent on a confidential source who might be the key to whether the newspaper had acted responsibly or irresponsibly?

It would be difficult to justify using a shield law to protect a reporter's confidential source in a criminal contempt action while refusing to permit the same reporter to protect those sources in a civil libel action against his newspaper, its publisher, or editors.

Finally, it is my deep belief that this is, and must be, a nation guided by laws and not a nation guided by the whims of any man who is temporarily in charge of government or any group of men who are in a position to control public opinion. All men have a responsibility under our laws and our Constitution to give testimony in civil and criminal proceedings and to produce relevant records.

Prof. James Wigmore in his celebrated treatise on evidence declared that "the public . . . has a right to every man's evidence," including that of "a person occupying at the moment the office of chief executive."

"His temporary duties as an official cannot override his permanent and fundamental duty as a citizen and as a debtor to justice," Prof. Wigmore wrote.

Chief Justice John Marshall in *United States vs. Burr* held that "a subpoena may issue to the President" and that the "accused is entitled to it of course . . . whatever difference may exist with respect to the power to compel the same obedience to the process."

In a letter responding to the subpoena, President Jefferson acknowledged the obligation of the chief executive to give testimony, but said he could not journey to Richmond for the Burr trial. However, it was noted that he would be available in Washington for the taking of a deposition.

The press properly criticizes the President for his expansion of the claim of "executive privilege" in a manner that makes his entire White House staff unaccountable to the Congress and to the courts.

It is illogical for the press to assail President Nixon for the power grabs inherent in his expansion of the claim of "executive privilege" at the same time that some segments are asking the Congress for a near total immunity from the process of grand juries, the courts and Congress.

I believe that law enforcement officials should be restrained in the use of subpoenas to compel newsmen to testify or produce records, and should not do it if there is any other alternative. There is a danger of its being used as a tool of harassment against an aggressive press, but the facts will usually speak for themselves in such cases.

The 1st Amendment guarantees of freedom of speech, freedom of press and freedom of assembly have served us well. Our Supreme Court has wisely ruled that radio and television are equally protected by the 1st Amendment, but has rejected expansion to protect reporters' "confidential sources" up to this point.

I have no doubt that the Supreme Court will come up with a protection for "confidential sources" when the fact situation makes it apparent that prosecutors and law enforcement officials are using their power of subpoena to harass and intimidate the press.

In the meantime, the press would do well to be more discriminating and more thoughtful about the cases it pushes in court and the principles that those cases represent. It is well to remember the legal maxim that "bad cases make bad law."

We have shield laws on the books in a number of states providing us laboratories for continuous study of the problems encountered in their administration and enforcement. We should ask ourselves if we are interested in practical solutions, or are we interested in flashy stunting in front of a grandstand.

If we criticize an administration for sloganeering that we characterize as superficial, slick and deceptive gimmickry from the advertising world, we have a greater obligation not to be caught up with equally superficial efforts to make the cry of "freedom of the press" cover all of our sins. The need for a "scoop" is never a justification for rushing to press and failing to corroborate a confidential informant.

While I always feel a degree of sympathy for men who are jailed, I have always found it a good idea to examine the facts in each case before suggesting sweeping changes in the laws.

The banker who is imprisoned for embezzling funds may have been only engaging in the pursuit of his profession of making money in a manner that he regarded as more efficient. I am sure that there is a great deal of sympathy for the imprisoned bankers within the banking community. Yet few would argue that the laws on embezzlement should be changed to encourage the free enterprise system.

Every profession has its renegades. There are doctors, lawyers, bankers and even journalists who deserve to be in jail. Every journalist who shouts "confidential source" and "freedom of the press" is not a John Peter Zenger or Elijah Parish Lovejoy. I am sure that there have been occasions when a so-called "confidential source" was a non-source, and there have been some journalists who have been little more than arms of the underworld.

These are just a few of the things one should keep in mind in determining whether we really need a shield law, and whether it would promote the responsible journalism that is our greatest need today.

THE 150TH ANNIVERSARY OF THE BIRTH OF HUNGARY'S GREATEST POET, ALEXANDER PETŐFI

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GERALD R. FORD. Madam Speaker, recently, Hungarians and Americans of Hungarian extraction marked the 150th anniversary of the birth of Hungary's greatest poet. The American Hungarian Federation and all other Hungarian organizations in the United States and Canada have declared 1973 the year of commemoration for this poet, Alexander Petőfi, and have been conducting memorial programs in his honor. The Washington program took place January 13–14 at Trinity College. My distinguished colleague from Maryland (Mr. HOGAN) was the main speaker.

Petőfi occupies a unique place in world literature. His style was like that of Shelley and Burns, yet simple and of an immediacy which is seldom found in other poets. As a man, he had an ardent love of freedom and was one of the early protagonists of democracy in Hungary. He was a true patriot who sacrificed his life in battle during the Hungarian War of Independence in 1848–49. Petőfi fell at the hands of the invading armies of the Russian Czar, whose troops were called in by the Austrian Emperor when he was unable to defeat the Hungarians led by Louis Kossuth.

Petőfi was a writer of many moods. He was an admirer of nature, of the Hungarian Plains. He was a descriptive writer of the rural life in Hungary, yet also a romantic writer. He was a visionary who foretold the manner of his own death, his future fame, and also the remarriage of his wife. He was a patriot who declared his undying and undivided love for his nation.

Only where freedom and democracy are considered the highest virtues can Petőfi really be understood and appreciated. Only in hearts truly devoted to freedom does his message come through clearly. A beautiful example of Petőfi faith and commitment was provided by Hungarian youth on October 23, 1956, when their demonstration before the statue of Petőfi sparked the glorious, but tragic, Hungarian Revolution.

In this 150th anniversary year of the birth of Petőfi, we pay homage to the poet and patriot, and hope that Hungary may soon live in accordance with the principles he espoused with his life and poetry alike.

PROTECT SENIOR CITIZENS' SOCIAL SECURITY BENEFIT INCREASE

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Madam Speaker, today I am introducing new legislation to guarantee that recipients of social security will not lose any eligibility or entitlement to veterans' pensions, Federal retirement and disability benefits, medicaid, public housing, food stamps, aid to the aged, blind, and disabled, or aid to dependent children as a result of increases in social security benefits.

Under present law, many social security beneficiaries find themselves losing out on payments and assistance which they were receiving as a matter of course prior to the 20 percent social security benefit increase of 1972. This situation is occurring because State and Federal agencies have determined that the social security benefit increase has made many recipients so "prosperous" that they are now either ineligible for valuable programs ranging from public housing to food stamps, or else eligible only for drastically reduced assistance entitlements. Unless the entire social security increase of 1972 is completely "passed-through" to its recipients, that benefit raise threatens to turn into a nightmare for thousands of persons around the country. Senior citizens are being particularly hard hit by this situation.

I first introduced comprehensive pass-through legislation in the 92d Congress, before the 1972 social security benefit increase went into effect. Tragically, only a very limited form of pass-through was enacted into law.

The pass-through provisions enacted by last year's H.R. 1 provide first, that $4 of the social security monthly benefit increases shall be disregarded for the purposes of determining payments made under federally assisted State programs of aid to the aged, blind, and disabled, and second, that no person eligible for medicaid and for aid to the aged, blind, and disabled would become ineligible for medicaid solely because of the 1972 social security benefit increase. This left unprotected those medicaid recipients who were not covered by aid to the aged, blind, and disabled. Even those weak and inadequate pass-through provisions will expire this year, the former in December and the latter in October.

As a result of the inadequacy of current pass-through provisions, thousands of persons across the country are confronted with the fact that they will now receive less total assistance after the 1972 social security increase than they did before it. To permit such a situation to continue would be a cruel hoax upon the citizens of this country, particularly the senior citizens, who are relying on social security and other forms of federally funded benefits to maintain even a minimal standard of living.

The legislation which I am introducing would provide a comprehensive remedy to this disgraceful situation.

State and Federal agencies would be directed to disregard the 1972 social security benefit increase, all cost-of-living increases, and any future benefit increase legislated by Congress, in determining the eligibility and entitlement of social security recipients for all federally assisted programs, including medicaid, public housing, food stamps, aid to the aged, blind, and disabled, and aid to dependent children, as well as veterans' pensions and other Federal retirement benefits. The increased benefits which Congress legislates for the Nation's social security beneficiaries should reach their intended targets without cutting a single dollar from the other forms of public assistance and pensions which the beneficiaries are receiving.

The need for this legislation is becoming critical. In New York City alone, over 10,000 elderly social security beneficiaries have received notices telling them that because they were not receiving aid to the aged, blind, and disabled at the time that H.R. 1 was enacted in the 92d Congress, they are about to lose their eligibility for medicaid, since their increased income from social security puts them over the medicaid eligibility ceiling. They are understandably so upset that many are willing to turn back to the Social Security Administration their hard-fought 1972 benefit increases rather than lose out on the advantages of medicaid.

I am attaching to this statement an article from the New York Post which describes graphically the story of a disabled man and wife in New York City for whom the 20 percent social security increase represents disaster because it has made them ineligible for further medicaid benefits. The article describes them as "growing bitter toward a government which . . . does not care for the welfare of its citizens." Their attitude toward Government policy is far more generous than the treatment which this couple will receive from the Government. When their medicaid benefits are cut off and they are forced to live on $150 a month.

The United States is supposedly the wealthiest nation in the world. Nevertheless, this country has a shocking history of disregarding the needs of the aged, the infirm, the poor, and the hungry. Time and again this Nation expends vast sums on Asian wars or on ventures into outer space, but when the plea is made to improve the lives of the neediest members of our society, many of whom have spent long years in productive work to make America strong, a deaf ear is turned to that request. The administration is lavish in its handouts to our military for ill-advised foreign conflicts and wasteful defense procurement programs, but it does not hesitate to play the miser when the needs of senior citizens, disabled persons, pensioners, and children are involved. It is the responsibility of Congress to bring this distortion of national priorities to an end.

In the hope that the social security increase which we voted for last year will reach its intended recipients in full and without any loss of other forms of public assistance and Federal pensions, I am introducing this legislation.

SECTION-BY-SECTION ANALYSIS

Section 1 amends the Social Security Act to provide that State agencies shall disregard the 1972 social security benefit increase, all cost-of-living benefit increases, and any future general benefit increase in determining eligibility of social security recipients for federally aided State public assistance programs.

Section 2 amends title 38 of the U.S. Code to provide that the 1972 social security benefit increase, all cost-of-living benefit increases, and any future general benefit increase shall be disregarded by the Veterans' Administration in determining eligibility for veterans pensions and pensions paid to surviving dependents of deceased veterans.

Section 3 states that increased social security benefits shall be disregarded for the purpose of determining a person's eligibility for food stamps, surplus agricultural commodities, low-rent public housing, and any other Federal program or federally assisted program. It also specifies that all social security benefit increases shall be disregarded for the purpose of determining the payments to which a person is entitled under any Federal retirement or disability program.

Section 4 provides that all social security benefit increases shall be disregarded by the Federal Government in determining eligibility and payments to be made under the federally administered program of assistance to the aged, blind, and disabled.

Section 5 establishes the effective date of section 1 as March 1, 1973, of section 2 as January 1, 1974, of section 3 as March 1, 1973, and section 4 as January 1, 1974.

[From the New York Post]

No Breathing Room in Medicaid-SS Bind

(By Stephen Gayle)

Although breathing is the easiest thing in the world for most people to do, next month it may cost 58-year-old Dave Towski his life.

A chronic sufferer of emphysema, asthma, bronchitis and heart failure, Towski must have daily dosages of oxygen to keep breathing. But he has learned that as of March 1 it will be his responsibility and not Medicaid's to pay for it. Because his life will depend on money that he does not have, Dave Towski is afraid.

"How can they do this to us, tell me, how?" he asks again and again.

Ironically, Towski's life is being threatened by something the federal government considers a boon to the permanently disabled—a 20 per cent increase in Social Security.

He and his wife Betty, who has already had one breast removed because of cancer and has just undergone an operation for a benign tumor on the other, are no longer eligible for health care under Medicaid because the increase has made their yearly income a few hundred dollars too high.

Together, the Towski receive $330 a month from their disability pensions. "We pay $128 a month for rent," he explains, "and now the oxygen service will cost $53 a month. That only leaves us the magnificient sum of $150 to supply ourselves with food, telephone service, medicine and other things. There isn't even an extra dime left over to go to the movies once a month."

Towski, who lives at 5935 Shore Pkwy. in Brooklyn, was an elevator operator before he was disabled five years ago. Now he is growing bitter toward a government which he feels does not care for the welfare of its citizens.

Because he says the 20 per cent increase will end up costing him 40 per cent more a year. Towski is seeking help from all sources, including his congressman, for himself "and all other people in the same stew."

"Before I had the heart attack in 1965 I worked," he says. "I didn't make much, but I didn't complain either. Luckily I had my teeth and my glasses made before so I don't need those things now. But what I want is the meat instead of the bone the government is throwing me."

VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

(Mr. BROYHILL of North Carolina asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROYHILL of North Carolina. Madam Speaker, each year the Veterans of Foreign Wars and its Ladies Auxiliary conduct the Voice of Democracy Scholarship program in our Nation's secondary schools during the fall term. It is a national broadcast scriptwriting program which provides an opportunity for 10th, 11th, and 12th grade students in our public, private, and parochial schools to think, write, and speak for freedom and democracy.

This year the theme of the program is "My Responsibility to Freedom." This theme focuses the attention of our youth on the principle that freedom is a responsibility and not a license. It calls upon the youth of America to make a personal evaluation of their responsibility in preserving our heritage of freedom.

Students prepare and transcribe a 3- to 5-minute broadcast script addressing their remarks to this theme. Participants are judged on the school, community, district, State, and national levels. This year over 500,000 students in over 7,000 schools participated in this program. State winners are brought to Washington for the final judging as guests of the Veterans of Foreign Wars.

This year the winner from North Carolina is Alan Drum Pike of Sherrills Ford. Alan is an 11th grade student at Bandy's High School and has been active in student government. Alan has served as president of the student council, vice president of his freshman and sophomore classes, and a reporter for the school newspaper.

Alan's remarks serve as a reminder to us all of the need for a personal commitment to the basic values upon which our Nation was founded. Alan reminds us of:

> Our responsibility to restore faith in the ability of our Democratic system to satisfy the needs of all people, and to restore faith in the sincerity of the American dedication to humanistic ideals.

I insert Alan's winning script at this time for your review.

My Responsibility to Freedom

(By Alan D. Pike)

It has been said . . . there are three ways in which a nation can die.

A nation can die of internal strife, of indifference, and of an inability to adjust to change.

A nation can die from internal strife, tearing itself apart—At New York University, members of the "SDS" slip into an auditorium where the Ambassador from South Vietnam is scheduled to speak. They storm the stage, manhandle the Ambassador and flee the hall. The young agitators then proceed to another room, batter down the doors and forcibly prevent columnist James Reston from delivering his speech. —At Tougaloo College in Mississippi students attend a closed-door "defense workshop" to discuss the elimination of mayors and police chiefs, the kidnapping of college authorities, and the instruction of ghetto residents in the use of firearms.

These recent incidents, by no means isolated, are graphic illustrations of a new breed of revolutionary violence that is gravely threatening America . . . the nation that stands for freedom.

A nation can die of indifference, of an unwillingness to face its problems—Every day that passes, increases the potential of our foreign enemies, yet we are neglecting necessary measures needed to keep pace with the growing menace. At the same time internal violence threatens our freedom, yet, no greater threat to freedom exists than in the apathy of millions of Americans, who either don't know or don't care about the problems of this country.

Finally and quite simply, a nation can die of old age—a waning of energy, an inability to learn new ways and adjust to change, which, little by little, causes a nation to lose grip on its future. It is evident today that during the past ten years in many ways our nation has regressed, or at least, not made enough headway against the problems endangering American freedom. There is much discussion about why Rome fell, with the consistent conclusion that it fell because it veered away from old established patterns of citizenship and responsibility. The problem faced by Rome, now faces America: How to hold on to the basic values upon which our nation was founded while adjusting to the change which we cannot escape.

Today, as then, the solution is not to find better values, but to be faithful to those we profess. Then it is my responsibility to uphold the values of my forefathers, values embodied in our freedom, values that we, as Americans cherish—The American Dream . . . justice, liberty, equality of opportunity, the worth and dignity of the individual, brotherhood, and individual responsibility.

The responsibility of all Americans is to restore faith in the ability of our Democratic system to satisfy the needs of all its people, and, to restore faith in the sincerity of the American dedication to humanistic ideals. It is my personal responsibility as an American citizen to meet these challenges constructively, rather than through violence and dissention. It is my responsibility to speak out, I must take advantage of every opportunity to express my opinions about the goals and ideals I believe this nation should pursue, and the actions I feel are necessary to achieve them. I must let my voice be heard, my opinions understood, for it is only through the testing of ideas that we can hope to find immediate and appropriate solutions to the problems confronting us.

Finally, I must examine and evaluate the present performance of our governmental machinery and institutions in light of their responsiveness to the needs of all the people. I must analyze and so recommend those changes in government and institutions which will make them more adaptive to the problems of our rapidly changing society, so that freedom is preserved for my posterity.

I believe, by executing these ideas, that I am fulfilling my responsibility to myself, my country, and most importantly . . . to freedom.

As the late Robert F. Kennedy stated . . .

> Some men see things as they are and say, why.
>
> I dream things that never were and say, why not.

THE EROSION OF CONGRESSIONAL POWER

(Mr. KASTENMEIER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KASTENMEIER. Madam Speaker, I would like to call my colleagues' attention to an historical analysis by the codirector of the Institute for Policy Studies, Mr. Marcus Raskin, brilliant political theoretician, of the critical events of the past several decades generating the present debate about the erosion of congressional power by the executive branch. Mr. Raskin uses the Indochina war as the vehicle for his analysis of this power struggle which now appears to be extending to almost every area of public concern.

The Erosion of Congressional Power

(By Marc Raskin)

America's war in Indochina has brought into focus, the momentous events which led its government into an imperial pattern of behavior. As the United States became the dominant world power in the twentieth century, the American ruling elite found itself legitimizing military incursions while routinizing and rationalizing the Executive's usurped powers of war-making. It whittled down the constitutional authority of Congress and systematically excluded the people from the process of making fundamental decisions on war and peace.

This series of events, which led to the militarization of the American government and a fundamental reliance on force in its relations abroad (and later at home) ran counter to a very different trend in American statecraft which developed after World War I—a trend toward viewing war itself and the making and planning of aggressive war as a *crime*. Such American statesmen as Secretary of State Frank Kellogg signed the Pact of Paris (Kellogg-Briand Pact) on outlawing war. By World War II, American officials, including Presidents Roosevelt and Truman, were denouncing the German and Japanese leaders as war criminals for having made war. A major charge leveled against them was that they had militarized their societies. American leaders proclaimed that the primary peace aims of the United States were the development of the rule of law, the demilitarization of Germany and Japan, and the holding to account of war criminals. Indeed, government officials even said that American citizens in *future* times would be able to hold leaders personally accountable for their actions. To this end the United States proposed resolutions in the United Nations General Assembly and signed and initiated charters on war crimes, treaties (as yet unratified) on genocide, and stern measures against militarism and ultranationalism.

But the Cold War intruded and American leaders began justifying their militarism in the name of defending the "free world" against "aggression"—a process that culminated in the massive and tragic adventure in Indochina. Now that the dead end of such political behavior has become plain, people are beginning to rediscover the other impulse in American statecraft: that of holding leaders accountable to the people and the law for their plans and actions. This may be the major hope of avoiding the terrifying degeneration of American society and its governing processes. The rules and laws fashioned over several generations as the alternative to international terror politics, brushfire wars, preemptive aggressive wars, and nuclear war are laws of personal responsibility which must be incorporated into the domestic law of nations. The irony of American history is that these two trends, that of imperial rule and that of holding leaders to personal account for war-making, principles applied in the flush of victory in 1945, must now stand in direct conflict with each other. The lesson of Vietnam could have been learned at Nuremberg, not Munich. The concept of rules of personal responsibility in public office or among "professionals" is not new. It poses a threat only to those who believe that power should remain untrammeled and that the populace should be held hostage to the wielders of such power. As Karl Jaspers has said, "For wherever power does not limit itself, there exists violence and terror, and in the end the destruction of life and soul."[1]

THE POWER TO WAGE WAR

Members of the Constitutional Convention understood that the power to declare and make war was not an abstraction. It meant the power to impress the young and destroy community, family, and commerce. For precisely these reasons the authority for undertaking war was not placed in the hands of the Executive. Alexander Hamilton, who on other matters favored wide latitude for the Executive, noted that the power to "embark" on war was something which the Constiutional Convention reserved for the Congress:

> In direct contrast to the power of the British sovereign to initiate war on his own prerogative, the clause was the result of a deliberate decision by the farmers to vest the power to embark on war in the body most broadly representative of the people.[2]

Thomas Jefferson wrote to James Madison in 1789:

> We have already given in one example one effectual check to the Dog of War by transferring the power of letting him loose from the Executive to the Legislative body, from those who are to spend to those who are to pay.[3]

From its beginnings, the American form of government generated a built-in area of conflict. If the President had the power to determine foreign policy, suppose the foreign policy which he pursued should end in war, which fell within the power of Congress? In this debate the Hamiltonian view prevailed over the Madisonian: The day-to-day business of foreign policy was left in the hands of the President. However, the limits imposed on Presidential power in this regard were evident in the conduct of the early Presidents. As one recent Senate document has said, "The early Presidents carefully respected Congress's authority to initiate war." The Supreme Court, in an 1801 case, concluded that the "whole powers of war" were "vested in Congress." Historians have pointed out that Presidents Adams and Jefferson declined to act against France despite their conviction that France was invading and destroying American shipping. Hamilton told Adams in an official opinion, "In so delicate a case, in one which involves so important a consequence as that of war, my opinion is that no *doubtful* authority ought to be exercised by the President."[4]

Yet, according to Alexander Hamilton, the President, on his own authority, had the power to "repel sudden attacks." But what was a sudden attack? And on what? The question has never been fully resolved. Hornbook learning in constitutional law supported the idea that the President had the power to respond to a "sudden attack" without prior Congressional sanction. This power was broadened in the famous Prize cases during the American civil war when the Supreme Court ruled in a five-to-four decision that the President had the unlimited power to wage war when another nation waged war directly upon the United States:

> If a war be made by invasion of a foreign nation, the President is not only authorized but bound to resist force by force. He does not initiate the war, but is bound to accept the challenge without waiting for any special legislative authority.[5]

More pertinent than the instance when the United States was under attack was the reverse. When could the United States do the attacking, and, consequently, when was the United States at war? The United States has been involved in military actions every few years since its beginning. Such actions have not been recognized by the Congress as "war," perhaps because Congress is abjured by the Constitution from making aggressive war. When the House of Representatives voted its appreciation of General Taylor at the end of the Mexican War, it declared that the United States had won "a war unnecessarily and unconstitutionally begun by the President of the United States."[6]

The Supreme Court interpreted the war power as one granted to Congress only for the purpose of national defense. The war power was not granted, according to this view, for aggressive purposes. In effect, Congress's war-making power was limited to defensive wars only. In *Fleming v. Page*,[7] Chief Justice Taney, speaking for the Supreme Court, argued that American wars cannot:

> . . . be presumed to be waged for the purpose of conquest or the acquisition of territory . . . [but] the genius and character of our institutions are peaceful, and the power to declare war was not conferred upon Congress for the purpose of aggression or aggrandizement, but to enable the general government to vindicate by arms, if it should become necessary, its own rights and the rights of its citizens.[8]

If the Congress and the people were reluctant to exercise the power to make war, this was hardly the case with the Executive, which saw the use of the military, and the engagement of the military in hostilities, as essential components of foreign policy. Since the Administration of President Washington, the United States has used military force on 150 separate occasions outside the continental United States.[9] However, it was not until the twentieth century that the Executive used the military as a major and, ultimately, predominant tool of foreign policy.

The Congressional war-making power had significantly eroded by the end of the nine-

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teenth century, and finally washed away with the bully actions of President Theodore Roosevelt in Panama in 1903,[10] when U.S. armed forces went beyond the traditional goals of protecting the status quo or punishing insurgents who might endanger American interests. Military force was used purely on Executive authority to establish a government that would serve American economic and military interests. The U.S. intervention in Panama did not pass through the legitimating procedures of Congress.

It was during Theodore Roosevelt's Presidency that the Navy fleet was sent around the world to show that the U.S. was ready for any "eventualities." The fleet was sent over the objections of Congress and in derogation of Congressional power under Article 1, Section 8.

President Roosevelt also gave a broad new interpretation to the Monroe Doctrine.[11] During his administration, various European powers attempted to assert economic claims against Santo Domingo. Roosevelt objected, saying that the Europeans had no right to come to Latin America to collect debts. A popular concept at the time was that disputed debts should be submitted to arbitration before an international tribunal; indeed, in other situations arbitration had been proposed by the United States. But Roosevelt decreed that if Latin American countries could not keep order and pay debts, it fell to the United States to keep order and secure from the debtor nation resources to pay its creditors.

As the list of military interventions suggests, the United States did not shrink from such actions. Indeed, it would appear they were welcomed as a means of showing American interest and interests in the lands of others. No doubt all of them fell within the bounds of imperial propriety, since other nations aspiring to "greatness" carried on in simliar ways. The conflict within China at the time of the Boxer Rebellion, and then later after the nationalist rebellion in 1912, involved the United States in a military intervention that spanned a generation. When in the 1950's, the Republicans charged that the United States had "lost" China, they had in mind the halcyon days of the American military constabulary in China which protected roads to the sea, missionaries, and trading companies.

The guard at Peking and along the route to the sea was maintained until 1941. In 1927, the United States had 5,670 troops ashore in China and forty-four vessels in its waters. In 1933 we had 3,027 armed men ashore. All this protective action was in general terms based on treaties with China ranging from 1858 to 1901.[12]

STRUCTURAL TRANSFORMATION FOR IMPERIAL PURPOSES

To cavort in the world in a grand way required a structural transformation of America's internal governing apparatus. It was during the Wilson Administration that major changes in structure were put into effect. In 1916 Woodrow Wilson proposed that Congress authorize the arming of American merchant vessels against possible attacks from German submarines. The "little band of willful men," led by Senators La Follette and Borah, succeeded in defeating the President's request through a filibuster, but this did not deter Wilson from pursuing his noble ideals. He ordered the ships armed and instructed them to fire on sight at any German submarines. In overriding Congressional recalcitrance, Wilson did not hesitate to point out that he knew he was courting war with Germany.

Wilson's ability to move *against* Congress was bolstered by three separate but related developments. First, his demand for "security" arrangements drew support because he was already carrying on an undeclared war with Mexico. Second, institutional preparations for war had been made with leaders of the major corporate groupings; once it was clear the corporate class was ready to make war, Congress became a mere appendage. To legitimize his actions, Wilson used the Army Appropriations Act of 1916, which provided for the creation of an advisory body to coordinate industries and resources for the "national security and welfare." The Council of National Defense was told by Wilson at the time of its appointment (but before the Congress had declared war) to unite the forces of the country "for the victories of peace as well as those of war." [13] By 1917, the purpose of this committee was to set up the means for purchasing munitions, to rationalize the supply of war materials, and to control prices.

Finally, under the Overman Act, the President was given "more freedom than any of his predecessors had in disposing the Executive establishment to suit himself." [14] In this process, Wilson gave up any pretense of reform or control over the industrial class, since it was held that the cooperation of industry was crucial to the State's effort to make the world safe for a democratic America.

Wilson himself, surrounded by an array of Executive agencies of unprecedented scope, was finally at the center of an organism no man, however vigorous, could in any real sense direct. It was during this period that the limitations of a one-man Presidency began to appear so serious as to call in question the whole institution.[15]

Wilson's "reformism" was felt in the armed forces. Before 1916 the President had been limited in his ability to use the militia. It was Congress which had the power to call up the militia (now the Army and Air National Guard). Both branches were constrained by the Constitution, which limited use of the militia to executing "the laws of the Union, to suppress insurrections and to repel invasions." [16]

According to one Attorney General, George Wickersham, such constitutional language meant that the militia could not be sent into a foreign country. To circumvent this limitation, Wilson developed the idea that the President should have the power to incorporate the National Guard into the Army. The power was granted by the National Defense Act of 1916, which greatly increased the Executive's ability to make war on its own. In the late winter of 1916, Wilson incorporated the National Guard into the regular Army for use against Mexico.

After World War I, American, French, and British interests turned to the question of containing and destroying the Bolshevik revolution. This required Allied intervention, which United States armed forces joined. It did not seem appropriate to think that the United States was at war, or that significant constitutional precepts had been breached. No internal ideological or political forces were organized to stop the American intervention; on the contrary, the Palmer raids against "anarchist," "communist," and socialist dissidents within the United States made the intervention in Russia even more credible. And vice versa. The Democratic intervention in Russia set up the repression at home which saw 10,000 people arrested and deported over one weekend.

But it was Franklin Roosevelt who sealed the casket on Congressional power. Before American entrance into World War II, Roosevelt expanded American interest by taking ninety-nine-year leasing rights from the British in bases at Newfoundland, Bermuda, the Bahamas, Jamaica, St. Lucia, Trinidad, Antigua, and British Guiana, in trade for fifty old U.S. destroyers. Roosevelt *informed* the Congress of this transfer of American vessels and the extension of American imperial power. There was no treaty and hardly an explanation. Edward Corwin has noted that Roosevelt's action violated two statues "and represented an exercise by the President of a power which by the Constitution is specifically assigned to Congress." [17]

Presidential power was greatly enhanced by 1941 when, through lend-lease authorization, the Selective Service Act of September 1940, and the Priorities Statute of May 1941, the President could direct the manufacture of weapons for war and "sell, transfer title to, exchange, lease, lend, or otherwise dispose of" [18] materials to any country in the world which met his terms. Further, he could bring industry under Presidential control—or so it was thought. Roosevelt believed that the war effort would facilitate the implementation of his plans for agriculture. In 1942, when it appeared that Congress would not support his proposed price controls for farm products, he made it clear that he thought parliamentary bodies were of limited usefulness in the twentieth century.

I ask the Congress to take this action by the first of October. Inaction on your part by that date will leave me with an inescapable responsibility to the people of this country to see to it that the war effort is no longer imperiled by the threat of economic chaos. In the event that the Congress shall fail to act, and act adequately, I shall accept the responsibility, and I will act. . . . The American people can also be sure that I will . . . accomplish the defeat of our enemies in any part of the world where our own safety demands such defeat. When the war is won, the powers under which I act automatically revert to the people—to whom they belong.[19]

There are profound ironies in this message. The "war" never stopped, although it was interrupted, until 1950, and the powers have never returned to the Congress, let alone to the people. There was an attempt to uphold some of the implicit power of Congress.[20] But by 1947, in *Fleming v. Mohawk*, the Supreme Court held that when Congress appropriated funds for Executive agencies which the President consolidated on his own authority, such action was considered as "confirmation and ratification of the action of the Chief Executive." [21]

The Supreme Court has not helped to preserve Congressional prerogatives against Executive power. Under the *Pink* case [22] and *Missouri v. Holland*,[23] executive agreements have the same force of law as treaties which have gone through the advice and consent of the Senate. Needless to say, there is little bureaucratic incentive to have "agreements" sent to the Senate for ratification when there is no operational effect on their binding meaning.

The final blow against Congressional power came with the passage of the National Security Act of 1947. Its purpose was similar to that of the legislation Wilson had recommended to Congress when America was going *into* war, not supposedly coming out of it. The preamble to the 1947 Act told the story: It was to "provide an integrated program for the future society of the United States to provide for the establishment of integrated policies and procedures relating to the national security." [25] James Forrestal, who was to become the first Secretary of Defense under the new law, told Congress at the time that legislation provided for the integration of foreign policy with national policy, "of our civilian economy with military requirements." [26]

Secretary of State Dean Acheson, who had promised in 1949 that no troops were to be sent to Europe as part of the NATO treaty (a direct lie), also told the Senate Foreign Relations Committee at the time of the Korean intervention in 1950 that the President had the authority to use armed forces as he saw fit in carrying out American foreign policy and "this authority may not be interfered with by Congress." [27] The Acheson

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Footnotes at end of article.

view coincided with his interpretation of the Truman Doctrine which, as he explained to Congress, was an extension of the Monroe Doctrine; wherever "freedom" was threatened, the military had a right to go on Executive initiative. In 1950 Congress also passed the Central Intelligence Act, which empowered the CIA to keep its budget hidden and to distribute it through other agencies of government. This caused the transformation and pollution of civilian programs, because the legislature could no longer tell whether funds which it voted for particular departments of the government were, in fact, for those departments or for covert CIA or paramilitary operations.

Congress thus found that it was no longer in a position to protect itself from the onslaught of Executive authority and illegal activity. The Senate Foreign Relations Committee has lamented that the Executive now has power of life and death over every living American, to say nothing of millions of other people in the world. It is true, of course, that Congressional power did not erode without Congressional complicity. The Senate had tried to protect its prerogatives with a concurrent resolution on April 4, 1951, which stated that it was unconstitutional to send troops abroad without Congressional approval. But the Executive Office of the President has pointed out that the Congress is responsible for its own abdication of power when it passes legislation requested by the President to create a national emergency. National emergencies allow the President "to take action which would have been possible only under a declaration of war." [28]

Such proclamations were signed by Presidents Truman,[29] Eisenhower,[30] Kennedy,[31] and Johnson.[32] One must remember that Johnson invariably pointed to the Gulf of Tonkin Resolution and to various appropriations bills as proof that Congress had supported and indeed encouraged the actions of the Executive. War, however, is made by those who have operational and political control over armed forces and their supplies. The fact that Congress appropriated funds did not mean that it exercised control over the war or the Executive's power to make war. The Senate's National Commitments Resolution meant that the Senate was a petitioner to the President. The Cambodian invasion of April 1970 meant that the President knew resolutions hardly affected war policies of the Executive and the bureaucracy. And the Department of State's comment on the proposed commitments resolution on March 10, 1969, made clear that it was too late to talk about constitutional controls. The Department stated its opinion to the Senate in these terms:

> As Commander-in-Chief, the President has the sole authority to command our Armed Forces, whether they are within or outside the United States. And although reasonable men may differ as to the circumstances in which he should do so, the President has the constitutional power to send U.S. military forces abroad without specific Congressional approval.[33]

This view not only eroded the explicit constitutional power of war declaration which was reserved to Congress by the Constitution, but it went one step further: It also meant that Congress no longer had the power under the Constitution "To make Rules for the Government and Regulation of the land and naval forces." [34] The idea, so simple and so profound, that there is a distinction between diplomatic and military policy could not be maintained once the national security state saw all forms of diplomacy as a variant of military threat, intimidation, and the actual use of force.

But what about the President? There was an irony to Executive usurpation. While Congress had lost its governing status by the end of World War II, the President also found that his surfeit of newly acquired power had to be delegated to others. The result was creation of a huge bureaucratic apparatus. It took a considerable act of Presidential will to find out what was going on and what sorts of commitments, criminal and otherwise, had been made by the Executive agencies of which the President was nominally in charge. The President and his immediate entourage became, in effect, the brokers for the illegitimate power wielded by such agencies as the CIA.[35] Ad hoc committees threaded the lines of legitimacy and illegitimacy, legality and illegality, in an almost seamless web.[36]

President Kennedy set up the 303 Committee, which reviewed the covert operations that were developed and carried out by the CIA and military in the field, in an attempt to create within the Executive a system of control—*a common law of illegal activities*, as it were—on the basis of "broader" purposes and objectives than the acts themselves. The President's purpose was to control and rationalize the illegal activities which seemed to be bureaucratically rather than Presidentially controlled. Yet the dialectical result of this activity was to force a legitimation of the illegitimate. Furthermore, as the President grasped power for his own survival, it matured into a leaderhip system that was authoritarian in its purpose and operation. Citizens did not learn of such activities or structural change except through accident, blunder, stealth, or the need of one particular group within the national security apparatus to obtain support from the "outside" for its battles at the bargaining table of power; this occurred, for example, when reports were leaked to the press in 1967 about internal debates regarding a new round of military escalation in Vietnam. The Executive branch is ensnared when it must invent rules and "commitments" to protect various parts of the bureaucracy and institutional elements who insist on their view of interest. The President must obtain funds from the Congress by manufacturing arguments and transforming error into para-law and state necessity.

CONGRESSIONAL APPROPRIATIONS AND THE DELIBERATIVE PROCESS

The power of Congress is greatest when the government is small. As the government grows, the role of Congress decreases. There is a separation between administrative and legislative authority. Legislative authority invariably transfers power of administration to the Executive. When a nation decides that it must have social welfare and military programs, the legislative branch, by voting money for such programs, invariably subsidizes huge social systems and classes that depend directly on the managers of the state machinery. Hence, the more money Congress allocates to spend, the less power it wields, since those who spend the money decide how and where it is to be spent. (It is true, however, that the Congressional seniority system permits some members—those who have attained committee chairmanships—to share in the power and direction of resources. Under the present committee and seniority system, members of both houses of Congress act like permanent undersecretaries in the British bureaucracy. In Washington after-hours places, it is said that Presidents come and go, but committee heads stay on forever.)

In the last sixty years, the power of Congress over the appropriations process has been severely curtailed. Prior to enactment of the Budget and Accounting Act of 1921, Congress seemed to have had the power to dictate the shape of the federal budget and the amounts needed by each department. This power, of course, had been conferred in the Constitution. Congress was able to raise and levy taxes, and "all bills of raising revenues" were to "originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills." [37]

The reality of Congressional control has long since evaporated. The Executive now clearly believes it can wage war even in the absence of Congressional appropriations. But the myth of Congressional power proved durable—at least in Congress. In 1967, during one of the many recent Senate debates on resolutions to limit the power of the Executive, Senator George Aiken of Vermont told his colleagues:

> I do not think we can excuse Congress from the situation which exists today. . . . We have reached the point now that if we are interested in retaining our form of government of which we boast so freely and fluently, *we have to do something*; . . . I do not blame the executive branch so much for doing this. I blame them for some of their recent mistakes in the last few years, but nevertheless, Congress has to share the guilt with them because we have been too negligent and too tolerant. (emphasis added) [38]

Aiken insisted that senior members of Congress were at least complicit, and that some had a far more direct responsibility. There was, he suggested, no way to vote funds for the war or advise on it without assuming responsibility for its consequences. By June 11, 1968, however, Congressmen were denying that their vote for appropriations to the military and for the prosecution of the Indochina war meant that they supported the war. Because of that doubt, the Chairman of the House Appropriations Committee, George Mahon of Texas, declared on the House floor that a vote for a supplemental appropriations amendment in support of soldiers who were hurled into battle "does not involve a test as to one's basic views with respect to the war in Vietnam. The question here is that they are entitled to our support as long as they are there, regardless of our views otherwise." [39] A senior Republican member of the House, Paul Findley of Illinois, echoed this view:

> Mr. Chairman, I hope no one reading the *Congressional Record* on this last amendment will jump to the conclusion that the division vote denotes enthusiastic endorsement of present policies in Viet Nam. There is ample evidence not only within the conversation of Members on the floor here today but also in the newspapers of the utter bankruptcy of what is presently being attempted in Vietnam.[40]

Such reticence was hardly new. It can be found in each of the appropriations debates during the years from 1964 to 1971. It was annoying to the Executive, but hardly a crucial problem. There was, however, a political need to keep complaints within bounds, since the Executive was not prepared to open up its policy of continuing military and covert intervention—and the governing structure supporting that policy—to Congressional hectoring and control.

Executive strategy was to present Congress with a *fait accompli* so that it had no choice but to support actions in which American troops had already been committed.[41] Each time Congress accepted this result, its power was reduced even further. Nevertheless, most members of Congress cannot be absolved of complicity. They voted for the construction of bases in Vietnam, conforming to the intentions of the American bureaucratic and military leaders. And, of course, they voted for the weaponry which was used.

The leading members of the House and Senate Armed Services Committees toiled long hours to increase the American military commitment in Indochina. They were not reluctant to prod the Executive apparatus forward, joining with the Joint Chiefs of Staff from time to time in such encouragement. The Special Subcommittee on National Defense Posture of the House Armed Services Committee had long proposed that bombing restrictions on North Vietnam be removed

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and that Haiphong be destroyed. The House and Senate Armed Services Committees favored the use of greater force more quickly and constantly spoke out against "gradualism," hoping that a knockout blow could be struck against the "enemy" in Southeast Asia.[42]

The costs of the Indochina war made it necessary for President Johnson to obtain Vietnam supplemental appropriations. This was the legislative means that the Congress used to express its dissent or assent to the war. There was no way that Congress could regard the money authorized, appropriated, and spent except as funds for building bases which serve as weapons and manpower centers for American supplies. Yet there was colossal naiveté and dazzling ignorance in Congress. Few members comprehended that the activity of the national security bureaucracy was criminal. Blinded by imperium, the Cold War, and the assumption that all governing processes are legitimate, members were oblivious to legal standards which did exist and which could have been enforced. And because those standards were not enforced, there was a presumption of legality to the illegal. There was the acceptance of idealistic pretension in which the citizen and the Congress clothed the national security apparatus, masking the obvious from themselves.

CONGRESS AND PARA-LEGAL PRINCIPLES

As we have seen, the Constitution does not endow Congress with the right to sign over the war power to the Executive, nor does it indicate that appropriation of funds in fact ratifies any action of the Executive. To overcome these obstacles, the bureaucracy developed the language, color, and appearance of legality and ratification as substitutes for constitutional legality and ratification. The language of complicity and ambiguity allows men of power to fool or coopt those who have legitimate authority to say "yes" or "no" but who, in fact, lack the power to do so. To wage aggressive war it became necessary to cloak it in legality that would prove acceptable to Congress and the people.

The national security apparatus (including the President) bombarded Congress and the people with the para-legal idea that the United States had a solemn commitment in Vietnam. Who made that commitment? Was it the CIA or AID?[43] Did it come through solemn treaty?[44] Did it originate in a letter?[45] Was it an afterthought of the Joint Chiefs of Staff? Was this a commitment which flowed from the Gulf of Tonkin Resolution,[46] which seemed to give the President power to respond to attack from the North Vietnamese?

According to the Undersecretary of State, Nicholas Katzenbach, the resolution was the "functional equivalent" of a Congressional declaration of war, even though the floor debate in the Senate and the House made clear that the resolution itself was not "an advance declaration of war." Indeed, the Chairman of the House Foreign Affairs Committee, Thomas Morgan, said the Committee had been "assured by the Secretary of State that the constitutional power of Congress in this respect will continue to be scrupulously observed." [47]

By 1967, after some 600,000 troops were in Indochina, the Senate Foreign Relations Committee sought to define the meaning of the word "commitment," [48] which the Executive now felt could only be met through a great war in Asia. Just as the U.S. delegation to the United Nations refused to define the word "aggression" for more than a decade in the International Law Committee, Katzenbach argued that the meaning of "commitment" should be left vague. Because of the kinds of international involvement which might be deemed necessary by the Executive, he said, it was better to leave formal actions of the United States in the hands of the Executive. Congress would be informed on a continuous basis of the arrangements that had been made. Any policy problems that might arise with regard to fulfilling American "commitments" abroad would be worked out on an ad hoc basis among the senior members of Congress and the Executive departments. They would be settled "by the instinct of the nation and its leaders for political responsibility." [49]

"This "sweetheart" arrangement hardly comported with the struggles between Congress and the Executive with regard to the use of troops abroad. By the time the United States took military charge of the Indochina war, "creative tensions" could no longer be resolved by telephone calls between the leaders of the several branches of government. Irritations became policy differences. And policy differences uncovered realities that only such conservatives as Senators Bricker and Taft had been prepared to face fifteen years earlier, at the time of the Korean intervention and the decision to send American troops to Europe.

The struggle in Indochinna pointed up structural defects in the American governing apparatus which developed from twentieth-century imperial pretensions. It exposed the dirty little secret which had been hidden by bipartisan foreign policy and the phrase that "politics stops at the water's edge." [50] By 1967, Congress was forced to acknowledge that its power with regard to issues of war and peace was ornamental. The most influential legislators, whose military loyalties were unquestionable and who *seemed* to exercise control over the appropriations of the national security bureaucracy, agreed that the United States had no interest in war on mainland Asia. They advised against it. Senators Stennis of Mississippi and Russell of Georgia—as well as Ellender of Louisiana—followed the position of Senator Robert Taft, who advised Presidents against military engagement in Asia.[51] Yet, during Kennedy's administration, once the President ratified the conclusions and operations of the national security apparatus, virtually no Senators, save Gruening and Morse, were prepared to exercise their vote to stop American-initiated war in Vietnam. The powerful, impeccable hawks opposed to the adventure were prepared to override their own sentiments and constitutional responsibilities.

This should not come as a surprise. In the twentieth century the natural inclination of any legislative body dealing with foreign and national security policy is to go along lest it be attacked as unpatriotic. Its major interest is to maintain privilege for its members and acts as a broker between constituents and the bureaucracy. Senators and representatives are prepared to barter power for information, service to constituents, and the security of feeling that they are part of the "ruling club." Legislators must also contend with the narcotic attraction of imperial action for its own sake—a craving which is even stronger among Executive leaders. Once such interests predominated, it was not likely that legislators would challenge Executive national security power with the vigor necessary to defeat Executive usurpation.

As a result, the President was able to fashion or, as bureaucrats say, "orchestrate," the Congress as an instrument ready to accept his national security policies. Except as a debating point against opponents who might stir up the citizenry, The Executive no longer needed to rely on Congressional resolutions for authority to act. If Congress disagreed, the Executive was free to act on its own initiative. For example, Eisenhower, while he sought and received a Middle East resolution from Congress at the time of the American intervention in Lebanon in 1958, did not count on that action as anything but support for an *independent* exercise of power taken on his own initiative.[52] The same was true of Kennedy in the Cuban missile crisis, though a resolution was passed by Congress.[53] The Gulf of Tonkin Resolution was used by Johnson as legitimizing language for actions which came after 1964, although the substance of the resolution had been drafted months before the "provocative incident," and the incident itself was manufactured.[54] Presidential advisers such as McGeorge Bundy wanted a Congressional resolution to legitimate their plan of widescale escalation. The bureaucrats waited for an opportune, and *manufactured*, moment to obtain their resolution. By 1967 there was much grumbling in the Senate that the resolution was otbained fraudulently. And the Fulbright hearings, dealing with the Gulf of Tonkin incident, would seem to bear out that contention. In any case, President Johnson saw the resolution as a way of getting people into line. Had Congress voted no, the President would still have gone ahead. Indeed, the State Department has argued that repeal of the resolution did not change the legal power of the military and the Executive to engage in war.

As long ago as 1951, the State Department enunciated the doctrine that whenever the President determines it is necessary to send troops around the world, he may do so even if that action should involve the United States in war:

> As this discussion of the respective powers of the President and the Congress in this field has made clear, constitutional doctrine has been largely molded by practical necessities. *Use of the Congressional power to declare war, for example, has fallen into abeyance, because wars are no longer declared in advance.* (emphasis added) [55]

These, however, are formal considerations. During the Cold War period, as one Senate Foreign Relations report pointed out, the people and the Senate accepted the notion "that the President has the authority to commit the country to war but that the consent of Congress is desirable and convenient." [56] Political considerations impose still further constraints on legislative objections.

Even when declarations of war are sought from an assembly, they seem to constitute mere technicalities. "Before such a declaration can take place, the country will have been brought to the very brink of war by the foreign policy of the Executive." [57] Once the war declaration is demanded, the managers of the State have already deceived the people and the legislators. If the Congress were to deny the Executive and his bureaucracy a requested declaration of war, once it was requested the Executive would be in the position of a band of thieves who up to that point had engaged in a criminal enterprise. They would have to be stopped, but who would stop them? And where would the alternate source of legitimacy and power to the Executive government be found? If the answer is "the people," then the nation and society are set immediately on a revolutionary course. For its purposes the Executive merely requests complicity from Congress, not agreement. Members of Congress will comply rather than risk internal revolution to stop a war abroad. As a result of Congressional compliance the Executive is able to transform its private war into the *Zeitgeist* of the State and is justified in shedding the people's blood.

Such complicity has made progressives and populists doubt whether Congress can be anything but a collaborator in war-making activity. From time to time (as in 1924 and 1937) they have argued that even Congress should not have the war power: that the war power should reside with the people. The idea that a people should vote to go to war, as a people, as a body, becomes an intimidating concept because it assumes personal responsibility and active citizen-

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ship. In such a framework the personal act of voting means the de-mystification State power and the end of docile acquiescence to that power. The State becomes identical to the people. The more refined classes are reluctant to offer the less refined a choice on questions of mystic communion, such as war by frolic, mistake, or design, offering them instead a choice of different brands of toothpaste.

But if the people do not have the power to declare war and the power of Congress to declare war is dubious, the question of *how* the war-making power is exercised by the Executive has remained one which can be drawn for reexamination by critics and nags at a moment's notice, as a rhetorical lance against the warriors or the Executive. A legal or moral defect is ascribed to the Executive bureaucratic adventure by Congressional critics and popular shirkers when the war is going badly, when too many are informed about it, and when dissidents attempt to capture all legitimate symbols to discredit the war-makers. The dissidents are successful when the war actively poisons the everyday concerns of people. It is then that notions of principle, definition, responsibility, guilt, and punishment become central to the debate of citizens—when they begin to wonder about the political principles which govern their state.

We may note another example of how the para-legal[58] approach distorts perception and undermines democratic principles. On May 4, 1965, the President sent Congress a message asking for a supplementary appropriation. He outlined the actions he had already taken—increasing the armed forces in Vietnam to 35,000, sending supplies and helicopters, increasing the bombings to 1,500 sorties a month, even sending medical supplies to the Vietnamese people. He asked Congress for "prompt support of our basic course . . . resistance to aggression, moderation in the use of power and a constant search for peace. Nothing will do more to strengthen your country in the world than the proof of national unity which an overwhelming vote for the appropriation will clearly show. To deny and delay this means to deny and delay the fullest support of the American people and the American Congress to those brave men who are risking their lives for freedom in Vietnam." But he began this attempt at ratification by saying, "I do not ask complete approval for every phase and action of your Government." In effect, he asked the Congress to vote $700 million retroactively for equipment and forces, and his request was granted through a joint resolution of Congress which authorized the President to transfer $700 million of unappropriated funds to any existing military account. As Francis Wormuth has pointed out, the President asked for a vote of confidence. But there is no such thing as a vote of confidence in an Executive form of government, since there is no way, save impeachment, to give *no* vote of confidence. Furthermore, there is no way that a member of Congress can do more than support a general direction, especially when the direction is described in words that are nonspecific, nonreferential, and imprecise. Can it be legally possible for Congressmen to underwrite a course that does not exist except in the minds of war-makers?

The para-legal method gives the appearance of participation to Congress without reaching the basic questions of law and reality. The military and the national security bureaucracy can report on the success of the war (filling their formal obligations with para-legal language) to the Congressional committees and to the people by using statistical analyses of body counts, number of bombs dropped, number of people moved from one area to another, and so forth. It did not dawn on anyone within the governing apparatus or the Congress (until 1970) that such modes of behavior were, by their nature, criminal enterprises.

Treatment of "refugees" is instructive in this regard. While occassional Congressional committees pointed up the dreadful refugee situation caused by American policy, no one bothered to suggest that the policy was criminal in nature. (And where the policy was not criminal in nature, it had elements of criminal negligence which were undeniable.) By May of 1968, the Senate Judiciary Committee estimated the number of refugees generated by the war at close to four million. Three years later the number was closer to six million. The U.S. budget for fiscal 1968 for care of refugees was approximately $43 million.[59] A Judiciary subcommittee asked the General Accounting Office to conduct a spot check of conditions in the camps in 1967, picking them at random. Less than one percent had sanitation facilities. Less than 45 percent had housing facilities. As the GAO report said, "In large sections of Saigon there are hundreds of thousands of people living in squalor, in subhuman conditions. They sleep in the alleys and in the streets, in courtyards and halls, even in graveyards and mausoleums where bodies have been removed to allow more room."

The question is: Who is responsible? Once Congress learns of such matters, do its members have a positive obligation to correct them and to stop supporting policies which generate such conditions? And if Congress does not assume its responsibilities, does it become complicit? If the power of Congress is not merely an ornamental one, it is not relieved of responsibility. Congress has the right to call Executive officials to testify, under oath, about their activities.

In democratic theory, election absolves the individual official of personal responsibility where he is acting in the name of the state or in an official capacity. In theory he is acting in behalf of the people and their interests. When they discover he is acting against them, they are able to turn him out of office. But this theory does not go to the question of criminal behavior. From time to time, Congress has been graced with criminals or scoundrels, and it has been held that they can be tried under the criminal laws of the United States. It has been held that the Congress may decide the basis of membership in its body, developing and applying any rules that it deems consistent with its constitutional prerogatives. Congress is, therefore, on notice that laws of the land will apply to criminal behavior, and that elected members are not exempt from those laws. It has the power to set its standards of membership. It has developed a code of ethics to which others within the government are expected to adhere. It is able to develop a series of self-limiting actions and laws which will purge it of being drawn into such criminal enterprises as the Indochina war.

The present situation within American society is such that Congress could reassert its constitutional authority to protect the people against the Executive penchant to wage war. There are specific considerations relating to Congress which the public may wish to take into account as it ponders means of controlling and curbing the governing elite's potential for war-making. I will explore these in the context of the impulse for personal responsibility and antimilitarism which emreged in American law and policy at the end of World War II.

It is well, however, to close this chapter on reaffirming Congress's *limited* power to make war. It would seem that even if Congress assented to the Vietnam war, there is nothing in the Constitution to suggest that Congress has unlimited power to vote funds and commit *lives* to military adventures for the purpose of ideological or bureaucratic vindication. As Chief Justice Taney pointed out, it is the genius of American government to be peaceful and not wage war for aggression. The people, then, retain those residual rights to resist usurped power on the part of the Executive or Congressional acquiescence to frolics of war and militarism.

FOOTNOTES

[1] *The Question of German Guilt* (Dial Press, 1947), p. 34.

[2] *Harvard Law Review*, June 1968, p. 1768.

[3] *The Papers of Thomas Jefferson*, 15 ed. Julian Boyd (Princeton University Press, 1955), p. 397.

[4] In *The Viet Nam War: The President Versus the Constitution* in Francis Wormuth, quoting a letter from Hamilton to James McHenry, Secretary of War, May 17, 1798.

[5] 67 U.S. (92 Boack) 635 (1863).

[6] *Documents Related to the War Power of Congress*, Committee on Foreign Relations, July 1970, GPO, p. 76.

[7] Section 50 U.S. 602 (1850).

[8] While there is much evidence that American military actions were undertaken in Vietnam for the purpose of vindicating a clique in the American government who through their decisions and programs involved the United States more and more deeply, it can hardly be said that the rights of American citizens or of the general government of the United States were under attack by North Vietnam or the NLF.

[9] CONGRESSIONAL RECORD, 1st Session, June 23, 1969, vol. 115, pt. 13, pp. 76840–16843.

[10] I do not mean to overlook President Polk who, in his war with Mexico, usurped Congressional power. Abraham Lincoln, then a member of Congress, wrote to his law partner that Polk was setting a precedent for making war at the President's pleasure. The war-making power, according to Lincoln, was given to Congress because "Kings had always been involving and impoverishing their people in wars, pretending generally, if not always, that the good of the people was the object. This our convention understood to be the most oppressive of all kingly oppressions, and they resolved to so frame the Constitution that no men should hold the power of bringing this oppression upon us." (Feb. 15, 1848—Lincoln to Herndon—S10495, July 31, 1957.)

[11] Even the Monroe Doctrine was limited in its application. According to a response by John Quincy Adams to an inquiry from Colombia as to the "manner" in which the United States would resist interference of the Holy Alliance, Adams replied that "the ultimate decision of the question belongs to the *Legislative* department of the Government."

[12] This is to be found in the House Foreign Affairs Committee document put out by the Library of Congress. It is listed in the Appendix to this book.

[13] Rexford Guy Tugwell, *The Enlargement of the Presidency* (Doubleday, 1961), pp. 363–367.

[14] *Ibid.*

[15] *Ibid.*

[16] *Ibid.*

[17] Edward Corwin, *President: Office and Powers*, 3rd ed. (New York University Press, 1961), p. 289.

[18] Tugwell, *op. cit.*, p. 452.

[19] *Papers of Franklin Roosevelt, 1942*, pp. 364–365. Cf. Tugwell, *op cit.*, p. 454.

[20] In *Ex Parte Endo*, a majority of the Supreme Court held that the fact that Congress appropated funds for detention camps for American-Japanese citizens did *not* mean that Congress was ratifying every administrative policy of the detention camp program. According to Justice Douglas, who wrote the majority opinion, support of appropriations by Congress does not ratify all the activities which the Executive might pay for with appropriated funds. Ratification can only occur where there is "precise authority" for a particular purpose. (323 U.S. 283–1944)

[21] 331 U.S. 111, 118 (1947).

[22] 315 U.S. 203 (1942).

[23] 252 U.S. 416 (1920).

[24] [Missing.]

[25] National Security Act of 1947:61 Stat. 495.

[26] The reader should note that the clause is not reversed. The policy of the leaders at that time was that peacetime military requirements were more important than the economy. This view had the effect of transferring power from Congress and the corporate elites to a military and national security bureaucracy. Those on Wall Street and in the corporations who intended to exercise power for their class would have to do so within the national security machinery. But that machinery had purposes, interests, and goals which in many instances were anticapitalist and irrational as related to a traditional definition of corporate capitalism.

[27] Hearings, National Military Establishment, 80th Congress, 2nd Session, p. 28. Also note "The Making of the National Security State", by Robert Borotage, in *The Pentagon Watchers* (Doubleday, 1970), pp. 1–61.

[28] "Background Information on the Use of United States Armed Forces in Foreign Countries," GPO, 1970. Report of the House Committee on Foreign Affairs, prepared by George L. Millikan and Sheldon Kaplan.

[29] No. 2914 on December 16, 1950, and reaffirmed on April 28, 1952.

[30] Executive Orders Nos. 10896 and 10905.

[31] Effective Order No. 11037.

[32] Executive Order No. 11387.

[33] Statement by J. William Fulbright, June 1970.

[34] Article I, Section 8.

[35] Secretary Rusk described such activities as fighting for freedom in the back-alleys of the world.

[36] Whereas bureaucratic military and economic barons need Presidents as their instruments for long-term institutional interests, Presidents think tactically and see bureaucratics as instruments for their policies. During the Eisenhower period, for example, a de-emphasis on formal control over the military (that is, control over defense budgets, pact-making without commitment of troops except in Lebanon) caused the Eisenhower group to rely on the CIA. In one sense, bribery and the threat of total war were the Eisenhower mode of statecraft. Covert activities fit with the Republican need to appear capitalist. What Eisenhower's team was unable to do publicly of its anti-labor and seemingly anti-intellectual ideology, it did covertly through the CIA. The CIA became the conduit and polluter of cultural institutions and labor unions.

[37] Article I, Section 7, of the U.S. Constitution.

[38] 810502, July 31, 1967.

[39] Representative George Mahon, June 11, 1968, CONGRESSIONAL RECORD, vol. 114, pt. 13, p. 16688.

[40] Representative Paul Findley, June 11, 1968, CONGRESSIONAL RECORD, vol. 114, pt. 13, p. 16691.

[41] There is an incredible cynicism here. Concern for American troops manifests itself so long as they are under attack. According to the Cranston hearings on Veterans' Hospitals, the tears of concern very quickly dry up. The unemployment rate is 20 percent among black returned veterans and 13 percent among whites.

[42] *Review of the Vietnam Conflict and Its Impact on U.S. Military Commitments Abroad: Report of the Special Subcommittee on National Defense Posture,* House Armed Services Committee, GPO, August 24, 1968, pp. 6–16.

[43] A report prepared by four senators, including Mike Mansfield, said in 1963: "It should also be noted, in all frankness, that our own bureaucratic tendencies to act in uniform and enlarging patterns have resulted in an expansion of the U.S. commitment in some places to an extent which would appear to bear only the remotest relationship to what is essential, or even desirable in terms of U.S. interests." Quoted in *The Viet-Nam Reader*, eds. M. Raskin, B. Fall (Vintage, 1965), p. 193.

[44] Eugene Rostow, former Undersecretary of State, has insisted that the United States is in Indochina because of the SEATO treaty. The treaty was signed by Australia, New Zealand, France, Pakistan, the Philippines, the United Kingdom, and the United States. Although South Vietnam was not a party to the treaty, a separate protocol was added for its defense. The basis of any treaty is reciprocity. Except for the Philippines, which sent a detachment of troops, paid for by the United States, other nations have done virtually nothing. Furthermore, none has attempted to revivify the SEATO treaty or set in motion any meetings which would result in using the treaty as the justifying instrument intervention. France has specifically exempted itself from involvement in any of the treaty provisions. Under the treaty the only obligation of the parties is to "consult immediately in order to agree on the measures which should be taken for the common defense." Article IV, paragraphs 1 and 2, SEATO treaty.

[45] An objective reading of the famous Eisenhower letter to Diem, which became a coat rack on which to hang every future tragedy in Southeast Asia, leaves plenty of room for a decision to give *no* aid to the South Vietnamese government. Letter and following comments below are from *Vietnam and Beyond*, by Don R. and Arthur Larson (Durham, N.C.: Rule of Law Research Center, Duke University, 1965), as reprinted in *The Viet-Nam Reader, op. cit.*, pp. 100–101:

"We have been exploring ways and means to permit our aid to Vietnam to be more effective and to make a greater contribution to the welfare and stability of the Government of Viet-Nam. I am, accordingly, instructing the American Ambassador to Viet-Nam to examine with you in your capacity as Chief of Government, how an intelligent program of American aid given directly to your Government, can serve to assist Viet-Nam in its present hour of trial, provided that your Government is prepared to give assurances as to the standards of performance it would be able to maintain in the event such aid were supplied.

" 'The purpose of this offer is to assist the Government of Viet-Nam in developing and maintaining a strong, viable state, capable of resisting attempted subversion or aggression through military means. The Government of the United States expects that this aid will be met by performance on the part of the Government of Viet-Nam in undertaking needed reforms. It hopes that such aid, combined with your own continuing efforts, will contribute effectively toward an independent Viet-Nam endowed with a strong government. Such a government would, I hope, be so responsive to the nationalist aspirations of its people, so enlightened in purpose and effective in performance, that it will be respected both at home and abroad and discourage anyone who might wish to impose a foreign ideology on your free people.'

"There are six sentences. The first says that we have been 'exploring' ways and means. The second relates that our Ambassador is being instructed to 'examine' a program with Diem, subject to a condition relating to Vietnamese performance. The third states the purpose of 'this offer,' which can only refer to the offer to 'examine' the assistance program; that purpose is to help build a viable state, which in turn would be capable of resisting subversion and aggression. The fourth sentence is another condition, the making of needed reforms. The fifth sentence expresses a hope, and so does the sixth—hopes for a strong, enlightened, effective, and respected government—hopes that seem poignant indeed today in view of the sordid story that began with the assassination of Diem.

"Where in this highly tentative, highly conditional opening of negotiations and statement of hopes is the 'commitment,' the 'obligation,' the pledging of our word? Even if we seem to have indicated a willingness to do something to help, what is that something—beyond aid in developing a strong, viable state?"

[46] The purpose of the Gulf of Tonkin Resolution was to show that "there was no division among us" at a time "when we are entering on three months of political campaigning." The resolution carried the House 414 to nothing and the Senate 88 to 2. The resolution read that Congress "approves and supports the determination of the President as Commander in Chief, to take all necessary measures to repel any armed attack" on U.S. forces, and to prevent any further aggression. Congress also left it up to the President to determine what necessary steps were needed, "including the use of armed forces," to assist any member of SEATO or protocol state covered by SEATO Public Law 88–408, August 11, 1964.

[47] 100 *Congressional Record* 18,539 (1964).

[48] In 1969 the Senate adopted the National Commitments Resolution, which expressed the sense of the Senate that "a national commitment by the United States results only from affirmative action taken by the Executive and Legislative Branches of the U.S. Government by means of a treaty, statute or concurrent resolution of both Houses of Congress, specifically providing for such commitment." Senate Resolution 85.

[49] *U.S. Commitment to Foreign Powers,* Committee on Foreign Relations, GPO, 1967, p. 72.

[50] Given the geographic extension of the United States, it was hard to know what the meaning of "water's edge" was. Did the Pacific Ocean become an inland lake of the United States because of Hawaii?

[51] These Senators were ever mindful of Senator John Bricker's attempts to limit the arrangement which the Executive made without the consent of Congress. In Bricker's case, his strong move from the right did not develop momentum because of Eisenhower's opposition.

[52] Millikan and Kaplan, *op. cit.*, p. 28.

[53] *Ibid.*

[54] "Extensive interrogation of all potentially knowledgeable sources reveals that they have no information concerning a NVN attack on U.S. ships on 4 Aug. 1964. (the USS Turner Joy)". This statement of the Senate Foreign Relations Committee was contradicted by Secretary McNamara. A later captive naval officer of North Vietnam "contradicted" the earlier report. McNamara said that this captive proved the Defense Department contention that the August 4 attack had taken place. Fulbright then sent for this report. But examination showed that this "source never said that there had been an attack on August 4." The Department of Defense chose not to respond to Fulbright's implication that McNamara fabricated the meaning. It was, of course, the second attack which engendered support in Congress for the Gulf of Tonkin Resolution. Note *Gulf of Tonkin, the 1964 Incidents, Part II, Supplementary Documents to February 20, 1968 Hearing with Secretary of Defense Robert S. McNamara*. Committee on Foreign Relations. GPO, December 20, 1968.

[55] Document of the Congress, entitled *Powers of the President to Send the Armed Forces Outside the United States,* February 28, 1951.

[56] Report of Foreign Relations Committee, S. Res. 85, April 16, 1969, pp. 7–34, at p. 9.

[57] Randolph S. Bourne, *War and the Intellectuals* (Harper & Row, 1964), p. 82.

[58] The para-legal system operates in all nations which flirt with authoritarianism and imperialism. It assumes that there are no limits of behavior for officials in their public role if they are able to adduce a rationale.

[59] The amount per capita was approximately $11 per person, but this figure is deceptive. For example, after each refugee left

the camps he was supposed to receive $43. The Senate Judiciary Committee noted that a "top U.S. adviser to the refugee program [estimated] that 75 percent of this amount was being siphoned off before it reached the people."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. Patman (at the request of Mr. O'Neill), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Ullman, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Gunter) and to revise and extend their remarks and include extraneous matter:)

Mr. McFall, for 5 minutes, today.

Mr. Evans of Colorado, for 5 minutes, today.

Mr. Aspin, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Reuss, for 10 minutes, today.

Mr. Metcalfe, for 15 minutes, today.

Mr. O'Neill, for 5 minutes today.

Mr. Flood, for 5 minutes today.

Mr. Drinan, for 5 minutes today.

Mr. Davis of South Carolina, for 5 minutes, today.

Mr. Owens, for 30 minutes, on February 28.

(The following Members (at the request of Mr. Frenzel) and to revise and extend their remarks and include extraneous matter:)

Mr. Saylor, for 20 minutes, today.

Mr. Duncan, for 30 minutes, today.

Mr. Chamberlain, for 5 minutes, today.

Mr. Armstrong, for 60 minutes, on March 7.

Mr. Sebelius, for 5 minutes, today.

(The following Members (at the request of Mr. Burgener) and to revise and extend their remarks and include extraneous matter:)

Mr. Hammerschmidt, for 1 hour, on March 1.

Mr. Miller, for 5 minutes, today.

(The following Members (at the request of Mr. Breckinridge) to revise and extend their remarks and include extraneous matter:)

Mr. Burke of Massachusetts, for 5 minutes, today.

Mr. Rostenkowski, for 5 minutes, today.

Mr. Fraser, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. Sullivan.

Mr. Yates and to revise and extend his remarks.

Mr. Kastenmeier and to include extraneous matter notwithstanding the fact that it exceeds five pages of the Congressional Record and is estimated by the Public Printer to cost $977.50.

(The following Members (at the request of Mr. Frenzel) and to include extraneous matter:)

Mr. Steelman.

Mr. Roncallo of New York.

Mr. Derwinski in two instances.

Mr. Railsback.

Mr. Gerald R. Ford.

Mr. Buchanan.

Mr. Keating in two instances.

Mr. Nelsen in four instances.

Mr. Goodling.

Mr. Parris in five instances.

Mr. Carter.

Mr. Landgrebe in two instances.

Mr. Duncan.

Mr. Zwach.

Mr. Forsythe in four instances.

Mr. Whitehurst in two instances.

Mr. Collins in two instances.

Mr. McKinney.

Mr. Hudnut in two instances.

Mr. Brotzman in three instances.

Mr. Chamberlain.

Mr. Thone.

Mr. Erlenborn.

Mr. Heinz.

(The following Members (at the request of Mr. Burgener) and to include extraneous matter:)

Mr. Wyman in two instances.

Mr. Hogan in two instances.

Mr. Roncallo of New York in two instances.

Mr. Wydler.

Mr. Kuykendall.

Mr. Fish.

(The following Members (at the request of Mr. Gunter) and to include extraneous matter:)

Mr. Brademas in six instances.

Mrs. Sullivan.

Mr. Reuss.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Annunzio.

Mr. Burton in three instances.

Mr. McKay.

Mr. Hamilton in 10 instances.

Mr. Gaydos in 10 instances.

Mr. Charles H. Wilson of California.

Mr. Roybal in 10 instances.

Mr. Waldie in three instances.

Mr. Dan Daniel.

Mr. Stubblefield.

Mr. Hanna in five instances.

Mr. Bingham.

Mr. Nichols.

Mr. James V. Stanton.

Mr. Evins of Tennessee in four instances.

Mrs. Griffiths in two instances.

Mr. Edwards of California.

Mr. Won Pat.

Mr. Tiernan in two instances.

Mr. Anderson of California in three instances.

Mr. Rangel in three instances.

Mr. Hungate.

Mr. Gibbons in two instances.

Mr. Pickle in two instances.

(The following Members (at the request of Mr. Breckinridge) and to include extraneous matter:)

Mr. Dorn in three instances.

Mr. Andrews of North Carolina.

Mr. Dingell in two instances.

Mr. Burke of Massachusetts.

Mr. Reid.

Mr. Preyer in two instances.

Mr. Gibbons in five instances.

ADJOURNMENT

Mr. BRECKINRIDGE. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 52 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 28, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

495. A letter from the Secretary of Agriculture, transmitting the report of the Federal Crop Insurance Corporation for the 1972 crop year, pursuant to the Federal Crop Insurance Act; to the Committee on Agriculture.

496. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Agriculture for "Animal and Plant Health Inspection Service," for the fiscal year 1973, has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

497. A letter from the Architect of the Capitol, transmitting a report of all expenditures during the period July 1 through December 31, 1972, from moneys appropriated to him, pursuant to section 105(b) of Public Law 88–454; to the Committee on Appropriations.

498. A letter from the Acting Director, Office of Emergency Preparedness, Executive Office of the President, transmitting a copy of the statistical supplement to the stockpile report covering July to December 1972, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act (Public Law 79–520); to the Committee on Armed Services.

499. A letter from the Secretary of State, transmitting a report for fiscal year 1972 on foreign assistance, pursuant to section 657 of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

500. A letter from the Chairman, U.S. Advisory Commission on Information, transmitting the Commission's 26th Report on the information, educational and cultural programs administered by the U.S. Information Agency, pursuant to section 603 of Public Law 80–402; to the Committee on Foreign Affairs and ordered to be printed.

501. A letter from the Secretary of the Interior, transmitting the Annual Report of the Office of Coal Research for 1973, pursuant to Public Law 86–599; to the Committee on Interior and Insular Affairs.

502. A letter from the Chairman, Indian Claims Commission, transmitting the final determinations of the Commission in docket No. 342–A, *The Seneca Nation of Indians, Plaintiff*, and docket No. 368–A, *The Tonawanda Band of Seneca Indians, Plaintiff*, v. *The United States of America, Defendant*, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

503. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the recovery of resources from solid wastes, pursuant to section 205 of Public Law 91–512; to the Committee on Interstate and Foreign Commerce.

504. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 318 of the Communications Act of 1934, as amended, to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programing, and to authorize FM radio translator stations to oper-

ate unattended in the same manner as is now permitted for television broadcast translator stations; to the Committee on Interstate and Foreign Commerce.

505. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to permit immediate retirement of certain Federal employees; to the Committee on Post Office and Civil Service.

506. A letter from the Chairman, U.S. Atomic Energy Commission, transmitting an amendment to the draft of proposed legislation submitted by the Commission on January 30, 1973, to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

Received From the Comptroller General

507. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office in January 1973, pursuant to section 234 of Public Law 91–510; to the Committee on Government Operations.

508. A letter from the Comptroller General of the United States, transmitting a Report on the status of the procurement by the Navy of the F–14 weapon system as of June 1, 1972; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 18. Resolution authorizing the Committee on Banking and Currency to conduct full and complete investigations and studies of all matters within its jurisdiction under the rules of the House or the laws of the United States (Rept. No. 93–22). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 72. Resolution to authorize investigations by the Committee on Agriculture; with amendment (Rept. No. 93–23). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 74. Resolution authorizing the Committee on the Judiciary to conduct studies and investigations relating to certain matters within its jurisdiction; with amendment (Rept. No. 93–24). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 134. Resolution to authorize the Committee on Veterans' Affairs to conduct an investigation and study with respect to certain matters within its jurisdiction (Rept. No. 93–25). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 163. Resolution to authorize the Committee on Interior and Insular Affairs to make investigations into any matter within its jurisdiction, and for other purposes with amendment (Rept. No. 93–26). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 175. Resolution authorizing the Committee on Education and Labor to conduct certain studies and investigations (Rept. No. 93–27). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 180. Resolution authorizing the Committee on Post Office and Civil Service to conduct full and complete investigations and studies of all matters within its jurisdiction under the rules of the House or the laws of the United States (Rept. No. 93–28). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 224. Resolution to authorize the Committee on Government Operations to conduct studies and investigations with respect to matters within its jurisdiction, and for other purposes (Rept. No. 93–29). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 255. Resolution providing for the consideration of H.R. 3298, a bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act (Rept. No. 93–30). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 256. Resolution creating a select committee to investigate all aspects of crime affecting the United States (Rept. No. 93–31). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 257. Resolution authorizing the Committee on the District of Columbia to conduct studies and investigations (Rept. No. 93–32). Referred to the House Calendar.

Mr. MAHON: Committee of conference. Conference report on House Joint Resolution 345 (Rept. No. 93–33). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 4731. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself and Mr. Dingell):

H.R. 4732. A bill to establish a national environmental data system and State and regional environmental centers pursuant to policies and goals established in the National Environmental Policy Act of 1969 and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ASHLEY (for himself, Mr. Seiberling, Mrs. Green of Oregon, Mr. Mazzoli, Mr. Helstoski, Mr. Henderson, Mr. Brown of California, Mr. Koch, Mr. Corman, and Mr. Anderson of California):

H.R. 4733. A bill to amend title 32 of the United States Code to establish a Commission to oversee and improve the capability of the National Guard to control civil disturbances, and for other purposes; to the Committee on Armed Services.

By Mr. BADILLO:

H.R. 4734. A bill to amend the Consumer Credit Protection Act to prohibit discrimination by creditors on the basis of sex or marital status in connection with any extenson of credit; to the Committee on Banking and Currency.

By Mr. BINGHAM:

H.R. 4735. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs) will not have the amount of such aid, assistance, or benefits reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. BROTZMAN:

H.R. 4736. A bill to change the name of the Department of Commerce Laboratories in Boulder, Colo., to the Dwight David Eisenhower Laboratories; to the Committee on Interstate and Foreign Commerce.

By Mr. BROTZMAN (for himself, Mr. Bray, Mr. Buchanan, Mr. Coughlin, Mr. Duncan, Mr. Eshleman, Mr. Forsythe, Mrs. Grasso, Mrs. Green of Oregon, Mr. Hechler of West Virginia, Mr. Ketchum, Mr. Pepper, Mr. Roe, Mr. Shoup, Mr. Thone, Mr. Wampler, Mr. Whitehurst, Mr. Won Pat, Mr. Nelsen, and Mr. Roy):

H.R. 4737. A bill to provide for purposes of computing retired pay for members of the Armed Forces, and additional credit of service equal to all periods of time spent by any such member as a prisoner of war; to the Committee on Armed Services.

By Mr. BROTZMAN (for himself, Mr. Armstrong, Mr. Evans of Colorado, Mr. Johnson of Colorado, and Mrs. Schroeder):

H.R. 4738. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the statehood of Colorado; to the Committee on Banking and Currency.

By Mr. BROTZMAN (for himself, Mr. Bray, Mr. Buchanan, Mr. Coughlin, Mr. Duncan, Mr. Eshleman, Mr. Forsythe, Mrs. Grasso, Mrs. Green of Oregon, Mr. Hechler of West Virginia, Mr. Ketchum, Mr. Pepper, Mr. Roe, Mr. Shoup, Mr. Thone, Mr. Wampler, Mr. Whitehurst, Mr. Won Pat, Mr. Nelsen, and Mr. Roy):

H.R. 4739. A bill to amend title 5, United States Code, to include as creditable service for purposes of civil service retirement certain periods of imprisonment of members of the Armed Forces and of civilian employees by hostile foreign forces, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BROWN of Ohio (for himself, Mr. Mosher, Mr. Miller, Mr. Seiberling, Mr. Stokes, Mr. Keating, and Mr. Vanik):

H.R. 4740. A bill to authorize the Secretary of the Interior to establish and operate a National Museum and Repository of Black History and Culture at or near Wilberforce, Ohio; to the Committee on Education and Labor.

By Mr. BROWN of Ohio (for himself, Mr. Seiberling, Mr. Hastings, and Mr. Mosher):

H.R. 4741. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials and elected town and township officials; to the Committee on Government Operations.

By Mr. BROYHILL of Virginia (for himself, Mr. Hogan, Mr. Gude, and Mr. Parris):

H.R. 4742. A bill to authorize a Federal payment for the planning of a transit line in the median of the Dulles Airport Road and for a feasibility study of rapid transit to Friendship International Airport; to the Committee on the District of Columbia.

By Mr. BURKE of Massachusetts (for himself, Mr. Bray, Mr. Broyhill of North Carolina, Mr. Burleson of Texas, Mr. Hammerschmidt, and Mr. Rhodes):

H.R. 4743. A bill to amend the Internal Revenue Code of 1954 to extend certain transitional rules for allowing a charitable contribution deduction for purposes of the estate tax in the case of certain charitable remainder trusts; to the Committee on Ways and Means.

By Mr. CARNEY of Ohio:

H.R. 4744. A bill to amend the Economic Stabilization Act of 1974, to establish a Food Price Control Commission in order to control the wholesale and retail level of food prices; to the Committee on Banking and Currency.

H.R. 4745. A bill to terminate the authorization of Muddy Creek Dam, French Creek, Pa.; to the Committee on Public Works.

By Mr. CASEY of Texas (for himself, Mr. Bafalis, Mr. Brown of California, Mrs. Chisholm, Mr. Conte, Mr. Denholm, Mr. Donohue, Mr. Duncan, Mr. Flood, Mrs. Grasso, Mr. Hays, Mr. McDade, Mr. Michel, Mr. Morgan, Mr. Moss, Mr. Sisk, Mr. Steelman, Mrs. Sullivan, Mr. Tiernan, and Mr. Won Pat):

H.R. 4746. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 4747. A bill to amend section 1331(c) of title 10, United States Code, to authorize the granting of retired pay to persons otherwise qualified who were Reserves before August 16, 1945, and who served on active duty during the so-called Berlin crisis; to the Committee on Armed Services.

H.R. 4748. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

By Mr. CRANE:

H.R. 4749. A bill to provide certain privileges against disclosure of confidential information and the sources of information obtained by newsmen; to the Committee on the Judiciary.

By Mr. CRONIN:

H.R. 4750. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. DANIELSON (for himself, Mr. Brown of California, Mr. Corman, Mr. Dellums, Mr. Hanna, Mr. Hawkins, Mr. Johnson of California, Mr. Leggett, Mr. Moss, Mr. Rees, Mr. Roybal, Mr. Sisk, Mr. Stark, Mr. Van Deerlin, Mr. Waldie, Mr. Charles H. Wilson of California, Mr. Montgomery, and Mr. Wolff):

H.R. 4751. A bill to amend title 38 of the United States Code to provide that certain social security benefit increases provided for by Public Laws 92–336 and 92–603 be disregarded for the purposes of determining eligibility for pension or compensation under such title; to the Committee on Veterans' Affairs.

By Mr. de la GARZA:

H.R. 4752. A bill to amend the Maritime Academy Act of 1958 in order to authorize the Secretary of the Navy to appoint students at State maritime academies and colleges as Reserve midshipmen in the U.S. Navy, and for other purposes; to the Committee on Armed Services.

H.R. 4753. A bill to amend the cargo preference law; to the Committee on Merchant Marine and Fisheries.

H.R. 4754. A bill to amend the Fish and Wildlife Act of 1956 to authorize the Secretary of the Interior to make loans to associations of fishing vessel owners and operators organized to provide insurance against the damage or loss of fishing vessels or the injury or death of fishing crews, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 4755. A bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are threatened with extinction or likely within the foreseeable future to become threatened with extinction, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 4756. A bill to provide for the conservation and management of fisheries and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DENT (for himself and Mr. Perkins):

H.R. 4757. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes; to the Committee on Education and Labor.

By Mr. DINGELL (for himself, Mr. Grover, Mr. Leggett, Mr. Mailliard, Mr. Biaggi, Mr. Ruppe, Mr. Anderson of California, Mr. Goodling, Mr. Kyros, Mr. McCloskey, Mr. Metcalfe, Mr. Steele, Mr. Studds, Mr. Forsythe, Mr. du Pont, Mr. Mills of Maryland, Mr. Cohen, Mr. Pritchard, and Mr. Towell of Nevada):

H.R. 4758. A bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are presently threatened with extinction or likely within the foreseeable future to become threatened with extinction, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself, Mr. Grover, Mr. Biaggi, Mr. Mailliard, Mr. Anderson of California, Mr. Ruppe, Mr. Kyros, Mr. Goodling, Mr. Metcalfe, Mr. McCloskey, Mr. Studds, Mr. Steele, Mr. Forsythe, Mr. du Pont, Mr. Cohen, and Mr. Pritchard):

H.R. 4759. A bill to authorize the Secretary of the Interior to assist the States in controlling damage caused by predatory and depradating animals; to establish a program of research concerning the control and conservation of predatory and depredating animals; to restrict the use of toxic chemicals as a method of predator control; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself, Mr. Grover, Mr. Leggett, Mr. Mailliard, Mr. Metcalfe, Mr. Ruppe, Mr. Goodling, Mr. McCloskey, Mr. Steele, Mr. Forsythe, Mr. Mills of Maryland, and Mr. Cohen):

H.R. 4760. A bill to provide for the conservation and management of fisheries and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DORN:

H.R. 4761. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

H.R. 4762. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41 et seq.) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. DORN (for himself, Mr. Hammerschmidt, Mr. Teague of Texas, Mr. Haley, Mr. Dulski, Mr. Roberts, Mr. Satterfield, Mr. Helstoski, Mr. Edwards of California, Mr. Montgomery, Mr. Carney of Ohio, Mr. Danielson, Mrs. Grasso, Mr. Brinkley, Mr. Charles Wilson of Texas, Mr. Saylor, Mr. Teague of California, Mrs. Heckler of Massachusetts, Mr. Zwach, Mr. Wylie, Mr. Hillis, Mr. Maraziti, Mr. Abdnor, Mr. Huber, and Mr. Walsh):

H.R. 4763. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the Committee on Veterans' Affairs.

By Mr. ECKHARDT (for himself, Mr. Eilberg, Mr. Helstoski, and Mr. Preyer):

H.R. 4764. A bill to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS of California:

H.R. 4765. A bill to enlarge the Sequoia National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. ESCH:

H.R. 4766. A bill to amend the Education Amendments of 1972 with respect to orders requiring the transportation of students in elementary and secondary schools; to the Committee on Education and Labor.

H.R. 4767. A bill to establish a National Institute of Population Growth and to transfer to the Institute the functions of the Secretary of Health, Education, and Welfare and of the Director of the Office of Economic Opportunity relating to population research and family planning services; to the Committee on Government Operations.

H.R. 4768. A bill to amend the Internal Revenue Code of 1954, to provide income tax simplification and relief for small business; to the Committee on Ways and Means.

By Mr. ESCH (for himself and Mr. Hillis):

H.R. 4769. A bill to provide greater assurance for fiscal responsibility; to the Committee on Government Operations.

By Mr. EVANS of Colorado:

H.R. 4770. A bill to establish a comprehensive system for regulation of weather modification activities and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FAUNTROY:

H.R. 4771. A bill to regulate the maximum rents to be charged by landlords in the District of Columbia; to the Committee on the District of Columbia.

By Mr. FLOOD:

H.R. 4772. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. GERALD R. FORD:

H.R. 4773. A bill to amend sections 112, 692, 6013, and 7508 of the Internal Revenue Code of 1954, for the relief of certain members of the Armed Forces of the United States returning from the Vietnam conflict combat zone, and for other purposes; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 4774. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

H.R. 4775. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

H.R. 4776. A bill to amend title IV of the Social Security Act to allow a State in its discretion, to such extent as it deems appropriate, to use the dual signature method of making payments of aid to families with dependent children under its approved State plan; to the Committee on Ways and Means.

H.R. 4777. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. FORSYTHE (for himself, Mr. Riegle, Mr. Conyers, Mr. Hechler of West Virginia, Miss Holtzman, Mr. Johnson of Colorado, Mr. Melcher, Mr. Mosher, and Mr. Roy):

H.R. 4778. A bill requiring congressional authorization for the reinvolvement of American forces in further hostilities in Indochina; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Ms. Abzug, Mr. Bergland, Mr. Biester, Mr. Burgener, Mr. Burton, Mr. Conyers, Mr. Corman, Mr. Drinan, Mr. Gilman, Mr. Gude, Mr. Hosmer, Mr. Ketchum, Mr. Lehman, Mr. McCloskey, Mr. O'Hara, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stark, Mr. Symington, Mr. Tiernan, Mr. Wolff, and Mr. Won Pat):

H.R. 4779. A bill to provide for the conversion of the United States to the metric system; to the Committee on Science and Astronautics.

By Mr. FREY:

H.R. 4780. A bill to amend title 38 of the United States Code, to promote the care and treatment of veterans in State veterans' homes, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4781. A bill to amend title 38 of the United States Code, in order to extend until June 30, 1979, the authorization for appropriations to assist the States to construct nursing home facilities for veterans; to the Committee on Veterans' Affairs.

By Mr. FULTON:

H.R. 4782. A bill concerning the allocation of water pollution control funds among the States in fiscal 1973 and fiscal 1974; to the Committee on Public Works.

H.R. 4783. A bill to amend section 516 of the Tariff Act of 1930; to the Committee on Ways and Means.

H.R. 4784. A bill to create a special tariff provision for imported glycine and related products; to the Committee on Ways and Means.

By Mrs. GRASSO:

H.R. 4785. A bill to amend title 37, United States Code, in order to provide a special bonus for members of the Armed Forces of the United States who were held as prisoners of war during the Vietnam era; to the Committee on Armed Services.

H.R. 4786. A bill to amend chapter 11, title 38, United States Code, to provide a statutory compensable rating of not less than 10 per centum for any veteran who was a prisoner of war; to the Committee on Veterans' Affairs.

By Mr. GRAY (for himself and Mr. Howard):

H.R. 4787. A bill to amend section 8 of the Public Buildings Act of 1959, relating to the District of Columbia; to the Committee on Public Works.

By Mrs. GREEN of Oregon:

H.R. 4788. A bill to establish an Executive Department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

By Mrs. GREEN of Oregon (for herself, Mrs. Hansen of Washington, Mrs. Sullivan, Mrs. Griffiths, Mrs. Grasso, Mrs. Chisholm, Mrs. Mink, Mrs. Schroeder, Mrs. Burke of California, Miss Holtzman, Mrs. Holt, and Ms. Abzug):

H.R. 4789. A bill to provide a remedy for sex discrimination by the insurance business with respect to the availability and scope of insurance coverage for women; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H.R. 4790. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE (for himself, Miss Holtzman, Mr. Eilberg, Mr. Rosenthal, Mr. Helstoski, Mr. Koch, Mr. Won Pat, Mr. Seiberling, Mr. Conyers, Mr. Mazzoli, Mr. Mitchell of Maryland, Mr. Brown of California, Mr. Thompson of New Jersey, Mr. Rangel, and Mr. Podell):

H.R. 4791. A bill to amend the Economic Stabilization Act of 1970, to direct the President to establish a Rent Control Board which, through the establishment of a cost justification formula, will control the level of rent with respect to residential real property, and for other purposes; to the Committee on Banking and Currency.

By Mr. GUDE (for himself, Mr. Dent, Mr. Badillo, Mr. Macdonald, Mr. Green of Pennsylvania, Mr. Roybal, Mr. Lehman, Mr. Edwards of California, Mr. Dominick V. Daniels, Mr. Harrington, Mr. Fish, Mr. Hogan, Mr. Stokes, Mr. Gilman, and Mr. Hawkins):

H.R. 4792. A bill to amend the Economic Stabilization Act of 1970, to direct the President to establish a Rent Control Board which, through the establishment of a cost justification formula, will control the level of rent with respect to residential real property, and for other purposes; to the Committee on Banking and Currency.

By Mr. HALEY (for himself, and Mr. Saylor):

H.R. 4793. A bill to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HANNA:

H.R. 4794. A bill to amend title II of the Social Security Act, to provide that an individual may simultaneously receive both an old-age or disability insurance benefit and a specially reduced widow's or widower's insurance benefit; to the Committee on Ways and Means.

By Mr. HASTINGS:

H.R. 4795. A bill to provide for the Secretary of the Department of Health, Education, and Welfare to assist in the improvement and operation of museums; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself, Mrs. Heckler of Massachusetts Mr. Hicks, Mr. Meeds, Mr. Moakley, Mr. Studds, Mr. Van Deerlin, Mr. Anderson of California, Mr. Burke of Massachusetts, Mr. Burton, Mr. Foley, Mr. Forsythe, Mrs. Grasso, Mrs. Hansen of Washington Mr. Helstoski, Mr. Kyros, Mr. Roncallo of New York, Mr. Tiernan, and Mr. Bob Wilson):

H.R. 4796. A bill to provide compensation to U.S. commercial fishing vessel owners for damages incurred by them as a result of an action of a vessel operated by a foreign government or a citizen of a foreign government; to the Committee on Merchant Marine and Fisheries.

By Mrs. HECKLER of Massachusetts:

H.R. 4797. A bill to provide that respect for an individual's right not to participate in abortions contrary to that individual's conscience be requirement for hospital eligibility for Federal financial assistance; to the Committee on Interstate and Foreign Commerce.

By Mr. HUDNUT:

H.R. 4798. A bill to amend the Internal Revenue Code of 1954, to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. HUNGATE:

H.R. 4799. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

By Mr. HUNT:

H.R. 4800. A bill to amend the Internal Revenue Code of 1954, to extend certain transitional rules for allowing a charitable contribution deduction for purpose of the estate tax in the case of certain charitable remainder trusts; to the Committee on Ways and Means.

By Mr. HUNT (for himself, Mr. Rinaldo, Mr. Maraziti, and Mr. Ware):

H.R. 4801. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty; to the Committee on the Judiciary.

By Mr. KARTH:

H.R. 4802. A bil to amend title 38 of the United States Code, in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4803. A bill to amend title 38 of the United States Code, to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 4804. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 4805. A bill to exempt from Federal income taxation certain nonprofit corporations all of whose members are tax-exempt credit unions; to the Committee on Ways and Means.

By Mr. KEATING:

H.R. 4806. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. KEATING (for himself, Mr. Frey, Mr. Riegle, Mr. Frenzel, Mr. Mazzoli, Mr. Brown of California, Mr. Stark, Mr. Kemp, Mr. Robinson of Virginia, Mr. Forsythe, Mr. Wyatt, Mr. Thone, and Mr. Collins):

H.R. 4807. A bill to guarantee the right of criminal defendants to a speedy trial and to reduce crime and injustice by improving the supervision of persons released on bail and probation, and for other purposes; to the Committee on the Judiciary.

By Mr. KEATING (for himself, Mr. Mazzoli, Mr. Riegle, and Mr. Brown of California):

H.R. 4808. A bill to amend chapter 235 of title 18, United States Code, to provide for the appellate review of sentences imposed in criminal cases arising in the district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 4809. A bill to limit subsidy payments under the wheat, cotton, and feed grain programs; to the Committee on Agriculture.

H.R. 4810. A bill to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 4811. A bill to amend title 38, United States Code, to provide for the payment of tuition, in addition to educational assistance allowances, on behalf of veterans pursuing certain programs of education under chapter 34 of such title; to the Committee on Veterans' Affairs.

By Mr. KOCH:

H.R. 4812. A bill to amend title V of the Social Security Act to extend for 5 years (until June 30, 1978) the period within which certain special project grants may be made thereunder; to the Committee on Ways and Means.

By Mr. LANDGREBE:

H.R. 4813. A bill to provide for the continuation of programs authorized under the Older Americans Act of 1965, and for other purposes; to the Committee on Education and Labor.

H.R. 4814. A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes; to the Committee on Education and Labor.

By Mr. LENT (for himself, Mr. Rinaldo, and Mr. Vander Jagt):

H.R. 4815. A bill to establish a contiguous fishery zone (200-mile limit) beyond the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. McDADE:

H.R. 4816. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to extend for 3-years the provision for full Federal payment of relocation and related costs for victims of Hurricane Agnes and of certain other major disasters; to the Committee on Public Works.

H.R. 4817. A bill to amend title 38 of the United States Code so as to provide that payments of benefits pursuant to the Federal Coal Mine Health and Safety Act of 1969 shall not be included as income for the purpose of determining eligibility for veterans' or widows' pensions, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McFALL (for himself, Mr. Alexander, Mr. Gonzalez, Mr. Leggett, Mr. Waldie, Mrs. Sullivan, Mr. Tiernan, Mr. Flood, Mr. Davis of South Carolina, Mr. Melcher, Mr. Brown of California, Mr. Perkins, Mrs. Grasso, Mr. Slack, Mr. Bevill, Mr. Edwards of California, Mr. Green of Pennsylvania, Mr. Denholm, Mr. Evans of Colorado, Mr. Dent, Mrs. Chisholm, Mr. Walsh, Mr. Harrington, Mr. Stark, and Mr. Preyer):

H.R. 4818. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. McFALL (for himself, Mr. Montgomery, Mr. Dulski, Mr. McSpadden, Mr. de Lugo, Mr. Rarick, Mr. Hays, Mr. Helstoski, Mr. Evins of Tennessee, Mr. Won Pat, Mr. White, Mr. Obey, Mr. Rosenthal, Mr. Hamilton, Mr. Danielson, Mr. Duncan, Mr. Dickinson, Mr. Steele, Mr. Taylor of North Carolina, Mr. Brinkley, Mr. Fauntroy, Mr. Benitez, Mr. Drinan, Mr. Meeds, and Mr. Lott):

H.R. 4819. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. McFALL (for himself, Mr. Minish, Mr. Charles H. Wilson of California, Mr. Sarbanes, Mr. Brademas, Mr. Burke of Massachusetts, Mr. Dellums, Mr. Thornton, Mr. McDade, Mr. Hicks, Mr. Hechler of West Virginia, Mr. Pepper, Mr. Price of Illinois, Mr. Rodino, Mr. Mathias of California, Mr. Mollohan, Mr. Stubblefield, Mr. Bergland, Mr. Sikes, Mr. Vanik, Mr. Davis of Georgia, Mr. Mazzoli, Mr. McKay, Mr. Thompson of New Jersey, and Mr. Saylor):

H.R. 4820. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. McFALL (for himself, Mr. Pickle, Mr. Nichols, Mr. Zablocki, Mr. Gunter, Mr. Adams, Mr. Casey of Texas, Mr. Ketchum, Mr. Fuqua, Mrs. Mink, Mr. Dellenback, Mr. Badillo, Mr. Fulton, Mrs. Hansen of Washington, and Mr. Rose):

H.R. 4821. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. McFALL (for himself, Mr. Corman, Mr. Rees, Mr. Carney of Ohio, Mr. Staggers, Mr. Hawkins, Mr. Downing, Mr. Lehman, Mr. Stokes, and Mr. Patman):

H.R. 4822. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. MARTIN of Nebraska:

H.R. 4823. A bill to prohibit the exportation of logs from the United States; to the Committee on Banking and Currency.

By Mr. MATSUNAGA:

H.R. 4824. A bill to promote the peaceful resolution of international conflict, and for other purposes; to the Committee on Government Operations.

By Mr. MELCHER (for himself, Mr. Brown of California, Mr. Buchanan, Mrs. Chisholm, Mr. Clay, Mr. Conyers, Mr. Danielson, Mr. Donohue, Mr. Edwards of California, Mr. Fraser, Mrs. Grasso, Mrs. Green of Oregon, Mr. Harrington, Mr. Hechler of West Virginia, and Mr. Helstoski):

H.R. 4825. A bill to repeal section 411 of the Social Security Amendments of 1972, thereby restoring the right of aged, blind, and disabled individuals who receive assistance under title XVI of the Social Security Act after 1973 to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. MELCHER (for himself, Mr. McDade, Mr. McKinney, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mollohan, Mr. Moss, Mr. Riegle, Mr. Rosenthal, Mr. Ryan, Mr. Sarbanes, Mr. Seiberling, Mr. Stokes, Mr. Studds, and Mr. Won Pat):

H.R. 4826. A bill to repeal section 411 of the Social Security Amendments of 1972, thereby restoring the right of aged, blind, and disabled individuals who receive assistance under title XVI of the Social Security Act after 1973 to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 4827. A bill to amend section 39-704, District of Columbia Code relating to the jurisdiction of courts-martial of the militia of the District of Columbia; to the Committee on the District of Columbia.

By Mr. MONTGOMERY (by request):

H.R. 4828. A bill to amend title 38, United States Code, to permit for 1 year, the granting of national service life insurance to certain veterans heretofore eligible for such insurance; to the Committee on Veterans' Affairs.

H.R. 4829. A bill to provide waiver of premiums on national service life insurance policies for certain totally disabled veterans without regard to age limitations; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY (by request) (for himself, Mr. Carney of Ohio, Mr. Teague of Texas, Mr. Danielson, Mr. Wolff, and Mr. Maraziti):

H.R. 4830. A bill to amend section 1481 of title 10 of the United States Code to extend funeral expense coverage thereunder with respect to military retirees who expire while patients in U.S. hospitals; to the Committee on Armed Services.

By Mr. MOORHEAD of Pennsylvania:

H.R. 4831. A bill to establish a congressional Office of Budget Analysis and Program Evaluation; to provide participation by State and local officials and the general public in the departmental budget making process; to provide investigations by the Comptroller General of impoundment reports; to provide legislative oversight and veto of impoundments; and for other purposes; to the Committee on Ways and Means.

By Mr. NICHOLS:

H.R. 4832. A bill to amend title 5, United States Code to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 4833. A bill to provide an annual general outline for the current Federal budgetary and fiscal situation, and for other purposes; to the Committee on Rules.

By Mr. NIX:

H.R. 4834. A bill to define the authority of the President of the United States to intervene abroad or to make war without the express consent of the Congress; to the Committee on Foreign Affairs.

H.R. 4835. A bill requiring congressional authorization for the reinvolvement of American forces in further hostilities in Indochina; to the Committee on Foreign Affairs.

H.R. 4836. A bill to amend section 620 of the Foreign Assistance Act of 1961 to suspend, in whole or in part, economic and military assistance and certain sales to any country which fails to take appropriate steps to prevent narcotic drugs, produced or processed, in whole or in part, in such country from entering the United States unlawfully, and for other purposes; to the Committee on Foreign Affairs.

H.R. 4837. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. PATTEN:

H.R. 4838. A bill to amend the Economic Stabilization Act of 1970 with respect to rent stabilization; to the Committee on Banking and Currency.

By Mr. PEPPER:

H.R. 4839. A bill to amend the Federal Aviation Act of 1958 so as to limit the power of the Secretary of Transportation to delegate his authority to examine medical qualifications of airmen; to the Committee on Interstate and Foreign Commerce.

By Mr. PICKLE:

H.R. 4840. A bill amending the Age Discrimination in Employment Act of 1967 to provide for the nondiscrimination on account of age in government employment, and in Federal Government employment; to the Committee on Education and Labor.

By Mr. QUILLEN:

H.R. 4841. A bill to create a special tariff provision for imported glycine and related products; to the Committee on Ways and Means.

By Mr. RAILSBACK:

H.R. 4842. A bill to amend the antitrust laws to provide that the refusal of nonprofit blood banks and of hospitals and physicians to obtain blood and blood plasma from other blood banks shall not be deemed to be acts in restraint of trade, and for other purposes; to the Committee on the Judiciary.

By Mr. RAILSBACK (for himself, Mr. Brown of California, Mr. Cleveland, Mr. Leggett, Mr. Mann, Mr. McSpadden, Mr. Riegle, and Mr. Thone):

H.R. 4843. A bill to provide for an overall limit on appropriations for a fiscal year, legislative control over impoundment of Federal funds, and modification of the fiscal year so that it coincides with the calendar year, and for other purposes; to the Committee on Government Operations.

By Mr. RAILSBACK (for himself, Mr. Biester, Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. Brown of Michigan, Mr. Broyhill of Virginia, Mr. Carney of Ohio, Mr. McClory, Mr. Preyer, and Mr. Thornton):

H.R. 4844. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Studies of Juvenile Justice; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 4845. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Ms. Abzug, Mr. Badillo, Mr. Burton, Mr. Carney of Ohio, Mrs. Chisholm, Mr. Clay, Mr. Conyers, Mr. Diggs, Mr. Drinan, Mr. Edwards of California, Mr. Fauntroy, Mr. Fraser, Mrs. Hansen of Washington, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Miss Holtzman, Mr. Koch, Mr. Leggett, Mr. Lehman, Mr. Metcalfe, Mrs. Mink, Mr. Mitchell of Maryland):

H.R. 4846. A bill to amend the Voting Rights Act of 1965 to safeguard the constitutional and civil liberties of the citizens of the United States with regard to lawful guarantees of participation in the democratic process; to the Committee on the Judiciary.

By Mr. RANGEL (for himself, Mr. Moakley, Mr. Moss, Mr. Podell, Mr. Rees, Mr. Riegle, Mr. Rosenthal, Roybal, Mr. Stokes, Mr. Wolff, and Mr. Won Pat):

H.R. 4847. A bill to amend the Voting Rights Act of 1965 to safeguard the constitutional and civil liberties of the citizens of the United States with regard to lawful guarantees of participation in the democratic process; to the Committee on the Judiciary.

By Mr. RARICK:

H.R. 4848. A bill to amend the Drug Abuse Office and Treatment Act of 1972 to authorize disclosure of patient records where such disclosure is necessary to effect interstate transfers of probationers and parolees under the Interstate Probation and Parole Compact; to the Committee on Interstate and Foreign Commerce.

By Mr. RARICK (for himself, Mr. Downing and Mr. Ichord):

H.R. 4849. A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. REID:

H.R. 4850. A bill to establish a commission to study and make recommendations on methods for compensating authors for the use of their books by libraries; to the Committee on House Administration.

By Mr. REUSS:

H.R. 4851. A bill to consolidate certain Federal programs relating to housing and urban development into a single program of community development block grants, while continuing and emphasizing existing Federal programs designed to provide housing for low- and moderate-income families; to the Committee on Banking and Currency.

By Mr. RINALDO:

H.R. 4852. A bill to extend benefits under section 8191 of title 5, United States Code, to law-enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

By Mr. ROBERTS:

H.R. 4853. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of a broadcasting station shall be issued for a term of 5 years, and to establish certain rules for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALLO of New York (for himself, Mr. Maraziti, Mr. Rosenthal, Mr. Harrington, Mr. Denholm, Mr. Froehlich, Mr. Lent, and Mr. Brasco):

H.R. 4854. A bill to amend the Trade Expansion Act of 1962 in order to terminate the oil import control program; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself, Miss Holtzman, Mr. Murphy of Illinois, Mr. Stokes, and Mr. Charles H. Wilson of California):

H.R. 4855. A bill to amend title VII of the Housing Act of 1961 to establish an Urban Parkland Heritage Corporation to provide funds for the acquisition and operation of open-space land, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROSTENKOWSKI (for himself, Mr. Hawkins, Mr. Matsunaga, Mr. Moakley, Mr. Murphy of New York, Mr. Stark, and Mr. Won Pat):

H.R. 4856. A bill to authorize the Secretary of Labor to provide for the development and implementation of programs of units of local government to provide comprehensive year-round recreational opportunities for the Nation's underprivileged youth, and for other purposes; to the Committee on Education and Labor.

By Mr. ROSTENKOWSKI (for himself, Mr. Kluczynski, Mr. Metcalfe, Mr. Murphy of Illinois, and Mr. Yates):

H.R. 4857. A bill to amend title V of the Social Security Act, to extend for 5 years (until June 30, 1978) the period within which certain special project grants may be made thereunder; to the Committee on Ways and Means.

By Mr. RUPPE:

H.R. 4858. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Affairs.

H.R. 4859. A bill to designate certain lands in the Isle Royale National Park in Michigan as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4860. A bill to designate certain lands in the Isle Royale National Park, Mich., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H.R. 4861. A bill to amend the act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. Hosmer, Mr. Steiger of Arizona, Mr. Camp, Mr. Dellenback, Mr. Sebelius, Mr. Regula, and Mr. Martin of North Carolina):

H.R. 4862. A bill to establish a national policy encouraging States to develop and implement land-use programs; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. Hosmer, Mr. Steiger of Arizona, Mr. Camp, Mr. Sebelius, and Mr. Martin of North Carolina):

H.R. 4863. A bill to provide for the cooperation between the Federal Government and the States with respect to environmental regulations for mining operations and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. Dellenback, Mr. Sebelius, Mr. Regula, Mr. Towell of Nevada, and Mr. Martin of North Carolina):

H.R. 4864. A bill to amend the Wild and Scenic Rivers Act; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. Hosmer, Mr. Steiger of Arizona, and Mr. Regula):

H.R. 4865. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. Regula, and Mr. Towell of Nevada):

H.R. 4866. A bill to authorize the acquisition of the Big Cypress National Fresh Water Reserve in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SHIPLEY (for himself and Mr. Railsback):

H.R. 4867. A bill to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes; to the Committee on Agriculture.

By Mr. SHRIVER:

H.R. 4868. A bill to amend title 38 of the United States Code, to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. SISK, for himself, Mr. Rees, Mr. Robison of New York, Mr. Roncallo of New York, Mr. Roybal, Mr. Stark, Mr. Talcott, Mr. Teague of California, Mr. Van Deerlin, Mr. Veysey, Mr. Charles H. Wilson of California, Mr. Waldie, Mr. Wiggins, and Mr. Pettis):

H.R. 4869. A bill to prohibit the imposition by States of discriminatory burdens upon interstate commerce in wine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of New York:

H.R. 4870. A bill to amend the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 4871. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4872. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs; to the Committee on Interstate and Foreign Commerce.

H.R. 4873. A bill to assure protection of public health and other living organisms from the adverse impact of the disposal of hazardous wastes, to authorize a research program with respect to hazardous waste disposal, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4874. A bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEPHENS:

H.R. 4875. A bill to suspend the duty on cyclohexanone oxime until the close of December 31, 1973; to the Committee on Ways and Means.

By Mr. THOMSON of Wisconsin:

H.R. 4876. A bill to make permanent the dairy indemnity program, the armed services and veterans' hospitals dairy programs, and the suspension of the butterfat support program; to the Committee on Agriculture.

H.R. 4877. A bill to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes; to the Committee on Agriculture.

By Mr. TIERNAN (for himself, Mr. McKinney, Mr. Quie, and Mr. Sarasin):

H.R. 4878. A bill to amend the International Travel Act of 1961, to provide for Federal regulation of the travel agency industry; to the Committee on Interstate and Foreign Commerce.

By Mr. UDALL (for himself, Ms. Abzug, Mr. Brown of California, Mr. Buchanan, Mr. Corman, Mr. Coughlin, Mr. Danielson, Mr. Dellums, Mr. de Lugo, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Hansen of Idaho, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Kastenmeier, Mr. Leggett, Mr. Mazzoli, Mr. Meeds, and Mr. Moakley):

H.R. 4879. A bill to amend the Interstate Land Sales Full Disclosure Act; to the Committee on Banking and Currency.

By Mr. UDALL (for himself, Mr. Moss, Mr. Murphy of Illinois, Mr. O'Hara, Mr. Owens, Mr. Pettis, Mr. Preyer, Mr. Quie, Mr. Riegle, Mr. Roy, Mr. Ruppe, Mr. Sarasin, Mrs. Schroeder, Mr. Seiberling, Mr. Stark, Mr. Tiernan, Mr. Waldie, Mr. Won Pat, and Mr. Yatron):

H.R. 4880. A bill to amend the Interstate Land Sales Full Disclosure Act; to the Committee on Banking and Currency.

By Mr. ULLMAN (for himself, Mrs. Green of Oregon, Mr. Dellenback, and Mr. Wyatt):

H.R. 4881. A bill to authorize the Secretary of Agriculture to reimburse cooperators for work performed which benefits Forest Service programs; to the Committee on Agriculture.

By Mr. VANDER JAGT (for himself and Mr. Steiger of Wisconsin):

H.R. 4882. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. VIGORITO:

H.R. 4883. A bill to amend the Public Health Service Act so as to add to such act a new title dealing especially with kidney disease and kidney-related diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 4884. A bill to encourage earlier retirement by permitting Federal employees to purchase into the civil service retirement system benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision; to the Committee on Post Office and Civil Service.

By Mr. WAMPLER:

H.R. 4885. A bill to amend title 38, United States Code, to stabilize and "freeze" as of January 1, 1973, the Veterans' Administration Schedule for Rating Disabilities, 1945 edition, and the extensions thereto; to the Committee on Veterans' Affairs.

By Mr. WINN:

H.R. 4886. A bill to amend the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

Mr. WOLFF (for himself, Mr. Davis of Georgia, Mr. Stark, Mr. Stokes, Mr. Bevill, Mr. Donohue, Mr. Boland, Mr. Charles H. Wilson of California, Mr. Jones of North Carolina, Mr. Hawkins, Mr. Reid, Mr. Fulton, Mr. Flood, Mr. Metcalfe, Mr. Esch, Mr. Van Deerlin, Mr. Brown of California, Mr. Adams, Mr. Alexander, Mr. Ketchum, Mr. Buchanan, Mr. Murphy of New York, Mr. Rose, Mrs. Mink, and Mr. McCloskey):

H.R. 4887. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. WOLFF (for himself, Mr. Lehman, Mr. Shoup, Mr. Kyros, Mr. Studds, and Mr. Gilman):

H.R. 4888. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. WYMAN (for himself, Mr. Mann, Mr. Miller, Mr. Hastings, Mr. Cronin, Mr. Powell of Ohio, Mr. McCollister, Mr. Horton, Mr. Cleveland, Mr. Ginn, Mr. Mathias of California, Mr. Whitehurst, Mr. Brown of Michigan, Mr. Goldwater, Mr. Fisher, Mr. Dickinson, Mr. Sisk, Mr. Steed, Mr. Hillis, Mr. Dennis, Mr. Camp, Mr. Myers, Mr. Michel, Mr. Eshleman, and Mr. Burke of Massachusetts):

H.R. 4889. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. WYMAN (for himself, Mr. Findley, Mr. Buchanan, Mr. Haley, Mr. Williams, Mr. Rhodes, Mr. Hamilton, Mr. Walsh, Mr. Keating, Mr. Mann, Mr. Carney of Ohio, and Mr. Roy):

H.R. 4890. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. ZWACH:

H.R. 4891. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported" at all stages of distribution until delivery to the ultimate consumer; to the Committee on Agriculture.

By Mr. BRAY:

H.J. Res. 379. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

By Mr. DANIELSON (for himself, Mr. Bell, Mr. Brown of California, Mr. Burton, Mr. Eilberg, Mr. Gude, Mr. Mazzoli, Mr. Stark, and Mr. Won Pat):

H.J. Res. 380. Joint resolution to direct the Secretary of Transportation to conduct a comprehensive study of the relationship of motor vehicle size to air pollution, fuel consumption, and motor vehicle accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GILMAN (for himself, Mr. Fish, Mr. Robison of New York, Mr. Mitchell of New York, Mr. Walsh, and Mr. Wolff):

H.J. Res. 381. Joint resolution authorizing the President to proclaim a Vietnam Veterans Day, to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself and Mr. Mitchell of Maryland):

H.J. Res. 382. Joint resolution repealing the Military Selective Service Act; to the Committee on Armed Services.

By Mr. MIZELL (for himself, Mr. Bevill, Mr. Breaux, Mr. Broyhill of Virginia, Mr. Buchanan, Mr. Collins, Mr. Robert W. Daniel, Jr., Mr. Duncan, Mr. Fisher, Mr. Huber, Mr. Jones of North Carolina, Mr. Ketchum, Mr. Minshall of Ohio, Mr. Moorhead of California, Mr. Randall, Mr. Sikes, Mr. Snyder, Mr. Spence, Mr. Taylor of North Carolina, Mr. Treen, Mr. Williams, Mr. Young of South Carolina, and Mr. Zion):

H.J. Res. 383. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. NIX:

H.J. Res. 384. Joint Resolution prohibiting U.S. rehabilitation and reconstruction aid to the Republic of Vietnam, the Democratic Republic of Vietnam, or any other country in Indochina until certain conditions have been met, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself, Ms. Abzug, Mr. Brown of California, Mrs. Burke of California, Mrs. Chisholm, Mr. Conyers, Mr. Diggs, Mr. Harrington, Mr. Helstoski, Miss Holtzman, Mr. Koch, Mr. Kyros, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Pepper, Mr. Podell, Mr. Price of Illinois, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Sarbanes, Mr. Stark, Mr. Stokes, Mr. Wolff, and Mr. Won Pat):

H.J. Res. 385. Joint resolution to amend the Economic Opportunity Act of 1964; to the Committee on the Judiciary.

By Mr. THOMSON of Wisconsin:

H.J. Res. 386. Joint resolution designation of the first full week of March of each year as "American Heritage Week"; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.J. Res. 387. Joint resolution to create an Atlantic Union delegation; to the Committee on Foreign Affairs.

H.J. Res. 388. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. ERLENBORN:

H. Con. Res. 126. Concurrent resolution to provide for the printing of 1,000 additional hearings entitled "Year-Round Schools"; to the Committee on House Administration.

By Mr. KOCH (for himself, Mr. Brasco, Mrs. Grasso, Mr. Murphy of New York, Mr. Pike, Mr. Rangel, and Mr. Stark):

H. Con. Res. 127. Concurrent resolution expressing the sense of the Congress with respect to the treatment of Jews in Iraq and Syria; to the Committee on Foreign Affairs.

By Mr. NIX:

H. Con. Res. 128. Concurrent resolution requesting the President of the United States to take affirmative action to persuade the Soviet Union to revise its official policies concerning the rights of Soviet Jewry; to the Committee on Foreign Affairs.

By Mr. JAMES V. STANTON (for himself, Mr. Addabbo, Mr. Carey of New York, and Mr. Wolff):

H. Con. Res. 129. Concurrent resolution expressing the sense of the Congress with respect to providing military training in the United States to the armed forces of certain foreign countries; to the Committee on Foreign Affairs.

By Mr. WOLFF (for himself, Mr. Gilman, and Mr. Denholm):

H. Con. Res. 130. Concurrent resolution providing recognition for Columbus; to the Committee on House Administration.

By Mr. BROTZMAN (for himself, Mr. Chappell, Mr. Stark, Mr. Vander Jagt, and Mr. Young of Illinois):

H. Res. 248. A resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. HAYS:

H. Res. 249. A resolution to provide funds for the expenses of the investigations and studies by the Committee on House Administration; to the Committee on House Administration.

By Mr. NIX:

H. Res. 250. A resolution maintaining U.S. sovereignty, Panama Canal Zone; to the Committee on Foreign Affairs.

H. Res. 251. A resolution Canal Zone sovereignty and jurisdiction; to the Committee on Foreign Affairs.

By Mrs. SULLIVAN:

H. Res. 252. A resolution to declare U.S. sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

By Mr. TEAGUE of Texas:

H. Res. 253. A resolution to authorize the Committee on Science and Astronautics to conduct studies and investigations and make inquiries with respect to aeronautical and other scientific research and development and outer space; to the Committee on Rules.

By Mr. WALDIE:

H. Res. 254. A resolution to authorize the Committee on Banking and Currency to conduct an investigation and study of prices of lumber and plywood; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

46. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to Federal subsidized housing programs; to the Committee on Banking and Currency.

47. Also, memorial of the House of Representatives of the State of Oklahoma, relative to proposed assistance to North Vietnam for the rebuilding of the country; to the Committee on Foreign Affairs.

48. Also, memorial of the Senate of the State of Washington, relative to construction of the pipeline from the North Slope to tidewater in Alaska; to the Committee on Interior and Insular Affairs.

49. Also, memorial of the Legislature of the State of Minnesota, ratifying the proposed amendment to the Constitution of the United States to equal rights for men and women; to the Committee on the Judiciary.

50. Also, memorial of the Legislature of the State of New York, relative to designating November 11, as Veterans' Day; to the Committee on the Judiciary.

51. Also, memorial of the Legislature of the State of Maine, relative to postal service; to the Committee on Post Office and Civil Service.

52. Also, memorial of the Legislature of the State of Wisconsin, relative to continuing the Upper Great Lakes Regional Commission; to the Committee on Public Works.

53. Also, memorial of the Legislature of the State of New Jersey, relative to income tax credits for nonresident State income tax liabilities; to the Committee on Ways and Means.

54. Also, memorial of the Legislature of the State of South Carolina, relative to the capital gains treatment of timber under the Internal Revenue Code; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRONIN:

H.R. 4892. A bill for the relief of the New York Toy Corp.; to the Committee on the Judiciary.

By Mr. DELANEY (by request):

H.R. 4893. A bill for the relief of Salvatore Orlando; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 4894. A bill for the relief of the Southeastern University of the Young Men's Christian Association of the District of Columbia; to the Committee on the District of Columbia.

By Mr. KOCH:

H.R. 4895. A bill for the relief of Mrs. Wallace S. Anderson; to the Committee on the Judiciary.

By Mr. STUDDS:

H.R. 4896. A bill for the relief of Chiu Wong (also known as Roverto Sing); to the Committee on the Judiciary.

SENATE—*Tuesday, February 27, 1973*

The Senate met at 12 o'clock meridian and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, who committest to us the swift and solemn trust of life; since we know not what a day may bring forth but only that the hour for serving Thee is always present, help us to serve Thee in faithfulness each moment of this day. Consecrate with Thy presence the way of our work that Thy way may be made known to us. In all things draw us to the mind of the Master that Thy kingdom may come and Thy will be done among men and nations.

We pray in the name of the Prince of Peace. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, February 26, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination under New England Regional Commission on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nomination under New England Regional Commission on the Executive Calendar will be stated.

NEW ENGLAND REGIONAL COMMISSION

The second assistant legislative clerk read the nomination of Russell Field Merriman, of Vermont, to be Federal Cochairman of the New England Regional Commission.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PRINTING OF PRESIDENT NIXON'S INAUGURAL ADDRESS AS A SENATE DOCUMENT

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the inaugural address delivered by President Richard M. Nixon on January 20, 1973, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Vermont (Mr. AIKEN) is now recognized for not to exceed 15 minutes.

THE NEXT STEPS IN SOUTHEAST ASIA

Mr. AIKEN. Mr. President, yesterday, what could turn out to be one of the most important conferences of the century began meeting in Paris.

While for several years I had predicted that the Paris conferences called to find a peaceful solution to the Indochina war could not be successful, yet on January 27 a cease-fire agreement was signed in Paris and I am delighted that my predictions of several years' standing turned out to be wrong.

Now another and more widely representative conference is being held in Paris and I sincerely hope that any agreements reached this time will be even more far reaching in the search for world peace than the one agreed to last month.

While we cannot be sure as to what agreements may be reached or if they would be effective or not, yet the hopes of the world for an era of peace seem brighter because of the effort being made.

During his visit to the Senate last week, Secretary Rogers said that the purpose of the international conference that opened yesterday—Monday, February

26—in Paris was to "endorse" the cease-fire in Indochina.

A cease-fire is a military agreement.

It is not a peace treaty.

It is not an executive agreement among nations.

It is not the sort of arrangement that is usually ratified by governments or by parliaments.

In Korea, 2 whole years passed between the cease-fire and a political settlement.

Yet going on in Paris at this time we have a conference, convened to "endorse" a cease-fire, well before a stable peace has been established.

The makeup of the conference is unusual, to say the least.

Vietnam is represented by no less than three delegations, the northerners, the southerners, and the Vietcong.

The permanent members of the United Nations Security Council are there: Russia, China, France, the United Kingdom, and the United States.

Then there are delegations from Canada, Poland, Hungary, and Indonesia, the Governments that make up the new International Commission for Control and Supervision, which is now taking up positions at 26 points in Vietnam.

Japan is not at the conference because the North Vietnamese did not want them there.

Germany is not there because Germany is not a member of the United Nations.

Thailand is not there, and undoubtedly wishes it was because that country's security is very much involved in what happens next in Southeast Asia.

The purpose of this conference is unusual.

The mix of delegations attending is rather peculiar.

Yet we may be witnessing something new and rather important in the evolution of diplomacy.

The wars in Southeast Asia resemble the Balkan wars at the beginning of this century.

It is a part of the world where fighting may erupt at any time between all kinds of rivals and enemies.

Perhaps the most fruitless war of this century, World War I, grew out of a Balkan squabble.

Then there was no cease-fire, much less an international conference to "endorse" it.

In that war Russia, France, Britain, Germany, and Austria each suffered more casualties than has Vietnam, even after 25 years of war.

It is real progress when the major world powers find it in their common interest to endorse a cease-fire in a trigger-happy corner of the world.

It is real progress when Russia, China, and the United States, together with many others, collectively decide that some investment in peace is necessary.

The other purpose of the conference is to begin to think about the form that investment in peace should take.

When you come to think of it, there really is not any other practical form than some kind of reconstruction and development program.

It is not that the nations of Indochina, given sufficient help, will become the Japans and Germanys of tomorrow.

It is not a question of ransom or reparations, though the North Vietnamese are likely to use these terms, and there is little we can do about it.

What we are trying to do in Paris today is quite literally what the President says—make an investment in peace.

If there is to be a durable cease-fire not just in Vietnam, but in Laos and Cambodia as well, there must be some presence in the area doing something besides shooting or policing.

There must be some presence, even in Hanoi, that serves to discourage shooting by encouraging something else—rebuilding, to be exact.

What we must remember is that all the big powers want such a presence in Indochina, even in Hanoi.

President Nixon is not acting alone.

The Chinese want a United States presence, even in Hanoi; and it is a safe bet that even the Russians do, too.

And so do the North Vietnamese, though their reasons may be very mixed.

The cease-fire is only the bare beginnings of peace in Indochina.

Without further investment from the big powers, any one or all of them could easily be drawn into further warfare.

The conference is going on in Paris because none of the big powers, not just the United States, but none of them, want to be tyrannized any longer by the warring factions of Indochina.

It is of the utmost importance that the Congress understand the policy reasons behind the President's forthcoming requests for reconstruction assistance.

To argue over the amount of money is one thing.

But, just as we in the Congress authorize legislation before making appropriations in order to set the policy straight, so we must debate and understand the President's policy before haggling over the amount of money he should have.

A few days ago, I received a copy of an article written by Prof. Hans Morgenthau of the University of Chicago.

Professor Morgenthau was an articulate critic of our involvement in Vietnam.

I tended to agree with him in 1966 when he wrote this article and still think he was more right than wrong.

But the paragraph which interested me expressed some homely truths about the importance of getting the policy straight before arguing about the money.

In this article he wrote:

> If the people are unwilling to bear the burdens the security of the country demands, and if the government is unable to impose them, then America will not, and ought not, to remain a great power. A nation which refuses to accept the primacy of foreign policy over domestic politics has doomed itself.

Professor Morgenthau thought our wholesale intervention in Vietnam was a great blunder, that it reflected no major national interest of the United States.

However, that is all behind us now.

Professor Morgenthau was certainly right in saying that our leadership position in the world is doomed if we cannot accept the primacy of foreign policy.

There will be plenty of room for debate and discussion over the form that the reconstruction presence in Indochina should take.

It will take several forms.

South Vietnam is likely to be more receptive to an international presence and an international assistance program than is North Vietnam.

Problems of controlling the finances necessary to maintain that presence are certain to be formidable.

The big powers must insist that reconstruction aid does not serve to fuel guerrilla warfare and will not be used for that purpose.

Yet the Vietnamese, particularly the northerners, are certain to resist efforts of outsiders to control expenditures down to the level of the final user.

To find the solution to this problem will not be easy, but it must be found.

It is going to be very important to make sure that any U.S. funds are spent on U.S. goods and services, the end use of which is reasonably fixed in advance.

By this I mean that any aid we give to Vietnam should be clearly tied to the rebuilding of specific utilities, factories, or municipal services or to specific resettlement of refugees.

I do not expect the President to ask Congress for any large, multiyear authorization.

I could not support that.

In fact, the President should welcome a tight congressional rein on the spending of funds, which might involve quarterly, rather than annual, consultations with Congress.

It is not my understanding that we will be asked to finance any crash programs.

The investment in peace that is needed is one that will be spread out over quite a long period because the reconstruction presence needed in Indochina will be needed for quite a few years.

But I do not want to speculate further on what is going to be asked of Congress.

We will know soon enough.

I do want to focus on the policy question.

An investment in peace means a presence in Indochina, even in Hanoi.

All the big powers, not just President Nixon, want such a presence.

That presence will be called many things by many interested parties.

But the purpose of the presence will be to discourage more war and to encourage more peace.

If all the big powers agree that this is necessary, I think we in Congress should hesitate before saying otherwise.

A few weeks ago on the Senate floor I raised a modest plea for a return to bipartisanship in foreign policy.

I argued that Congress should be the place where the President's foreign policies are analyzed, explained, and defended, not just attacked and investigated.

The question of future aid to Indochina cries out for just this treatment.

If such aid is deemed to be in the interest of all the other big powers in the world in order to move from cease-fire to peace, we here should at least ponder the matter seriously and soberly before taking an opposite view.

The statement I have just made represents my own views.

I have not discussed the matter with any agency of the executive branch of our Government, nor have they with me.

But, as I told this Senate when I spoke here on the floor a couple weeks ago, it helps clear my own conscience to get some of these ideas off my mind and into the CONGRESSIONAL RECORD.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MANSFIELD. Mr. President, I commend the distinguished Senator from Vermont for the temperate statement he has made today, which fits in with his call for bipartisanship several days ago.

I note that on page 6 of his speech the Senator states:

> The cease-fire is only the bare beginnings of peace in Indochina.

How true. And just how tenuous that cease-fire is, of course, is manifest in the fact that in South Vietnam, in Cambodia, and in Laos the fighting is still going on.

So I commend the distinguished Senator for his remarks, because what he does is to raise a flag of caution. What he is primarily interested in, as I am—and I am sure the entire Senate and the total American population—is three things: One, a cease-fire in fact as well as in being; two, the continued withdrawal of all U.S. military personnel from Vietnam, a process which is in operation at the present time—and it is my understanding that the number remaining at the moment is somewhere between 11,000 and 12,000—and, three, the return of our POW's and the recoverable missing in action.

Those are the three most important factors. When we reach those objectives, then I think we can begin talking about assistance, if any such proposal is made, under article XXI of the agreement. But I think that in the meantime we ought to give the man downtown—the President—a chance to work these things through, following this tentative settlement—and that is all it is at the moment. We must try to make certain that there will not be a return to warfare in which we will become engaged and that there is an opportunity to establish a basis for a peace in that part of the world not only for the indigenous peoples concerned but for this Nation as well.

The distinguished Senator says on page 7 of his speech:

> There will be plenty of room for debate and discussion over the form that the reconstruction presence in Indochina should take.

Again, the Senator is correct. There will be a right time for a proposal to be made, based on the circumstances which exist at that time. Those circumstances, to get back to what originally was said, depend on a cease-fire in fact, depend on the total withdrawal of all U.S. military personnel and the release of all prisoners of war and recoverable missing in action.

As the distinguished Senator says in his speech.

> But the purpose will be to discourage more war and to encourage more peace.

The Senator is right. I hope that his speech has been listened to and will be read by those who are interested in that part of the world and our role in it and that they will be aware of the fact that the war is not over; that there is only a tenuous truce; that we still have POW's and recoverable MIA's in North and South Vietnam, in Cambodia, and in Laos; that we still have between 11,000 and 12,000 military personnel to be withdrawn, and that the truce at the moment is at best delicate; it is far from being a cease-fire, in fact.

I would hope we would follow the advice of the distinguished Senator from Vermont; that we would withhold our own fire for the moment, at least, and give the President a chance, based on the facts as they exist and in accord with what I have stated this afternoon, to present to the Congress a proposal, a proposal which I am sure Congress will disect and go into thoroughly, and a proposal on which Congress itself will have to make a judgment, as well as the President.

I thank the Senator for yielding.

Mr. AIKEN. Mr. President, I take this time to thank the majority leader for the remarks he has made and to state that I do not regard the Paris conference as even being a near approach to Utopia. There will be problems and violations of the agreement which has been reached, but we have made one step and I want to make plain that we cannot consider seriously any expenditures for reconstruction, and so forth, until all of our prisoners of war have been released.

Mr. MANSFIELD. Mr. President, I am in accord with the views just expressed by the distinguished Senator. As he knows, for years I have had three objectives, which I have mentioned and which I cannot reiterate too often. I have sought for years to bring about a cease-fire, not only in Vietnam, but in all of Indochina. I have sought for years to bring about the extrication of our forces from Vietnam and Indochina. I have sought for years to bring about the release of the prisoners of war and the missing in action.

These objectives seem—and I emphasize the word "seem"—to be on the way to a final solution, which may well be contingent on the "investment in peace" in all of Indochina. What the President said about an "investment in peace" may well be part of the price of ending this ghastly war, an objective so much desired by all of us and paid for over such a long period of time by over 303,000 Americans wounded in combat, by almost 46,000 Americans killed in combat, by 10,300 Americans dead as the result of nonhostile action, by an overall total of almost 360,000 American casualties in this war.

Concurrent with that human cost is the monetary cost of between $130 billion and $140 billion to date, a cost which will eventually amount to between $350 billion and $450 billion, and which will saddle the people of this Nation well into the next century.

It is good, indeed, that at long last this longest, most tragic and second most costly war in all our history may be coming to an end. In the words of Dr. Kissinger, in his superb exposition at his press conference in mid-January, it is time that "Together with healing the wounds of Indochina we can begin to heal the wounds of America."

Subject to various criteria which I am working on at the present time, I think we ought to give the President's proposals, when and if they come up, every reasonable consideration, because our chief objective, as I am sure it is his, is to bring about, finally, peace and stability in Indochina. It would be our hope and desire to cooperate with the President of the United States in his efforts to embark on the "decade of peace" which he has stressed so often during this administration.

I thank the distinguished Senator.

ORDER OF BUSINESS—INTRODUCTION OF A BILL

The PRESIDING OFFICER. Under the previous order, the Senator from New Hampshire is recognized for not to exceed 15 minutes.

Mr. McINTYRE. Mr. President, I ask unanimous consent that a member of my staff, T. J. Oden, may be permitted to remain on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(NOTE.—The remarks that Senator McINTYRE made at this point on the introduction of S. 1019, to abolish the mandatory oil import quota system, and the ensuing debate, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. HATHAWAY) laid before the Senate a message from the President of the United States submitting the nomination of Byron V. Pepitone, of Virginia, to be Director of Selective Service, which was referred to the Committee on Armed Services.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 8) relating to the designation, administration, and expenses of the Joint Study Committee on Budget Control.

The message also announced that the House had disagreed to the amendments of the Senate to the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year 1973, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. PASSMAN, Mr. NATCHER, Mr. FLOOD, Mrs. HANSEN, Mr. ADDABBO, Mr. CEDERBERG, Mr. RHODES, Mr. MICHEL, and Mr. SHRIVER were appointed managers on the part of the House at the conference.

The message informed the Senate that, pursuant to the provisions of 44 United States Code 2701, the Speaker had appointed Mr. Burlison of Missouri and Mr. Frenzel as members of the Federal Records Council, on the part of the House.

The message also informed the Senate that, pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Speaker had appointed Mr. Hays, chairman, Mr. Rodino, Mr. Clark, Mr. Brooks, Mr. Burton, Mr. Arends, Mr. Devine, Mr. Mathias of California, and Mr. Ruppe as members of the U.S. Group of the North Atlantic Assembly, on the part of the House.

QUORUM CALL—ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against me under the order.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia be recognized now under the order set aside for him and that my time be reserved.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia (Mr. Harry F. Byrd, Jr.) is recognized under the previous order for a period not to exceed 15 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I continue to be alarmed over conditions at the District of Columbia penal facility at Lorton.

The Lorton problem is not new. The residents near the penal institution have lived in fear for years as escape after escape has occurred. Each new report of an escape gives a deeper hue to the already vivid portrait of hapless prison administration.

Escapes at Lorton are the direct result of mismanagement inside the prison. Reports indicate that brutual homosexual assaults have occurred, and that contraband, including drugs and weapons, goes virtually unchecked.

To call this institution a reformatory does the greatest injustice to the word. I am shocked by the deplorable record of this prison.

Steps must be taken now to correct the problems which exist there.

On October 10, 1972, I wrote President Nixon to express my concern over this matter and offered to support legislation, if any is deemed necessary, to correct the situation. I think, however, it can be handled administratively by the government of the District of Columbia.

Mr. President, I ask unanimous consent that these letters be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARRY F. BYRD, JR. Mr. President, the protests against this deplorable prison seem to fall on deaf ears. Bill after bill has died in committee without hearings. Formal letters of protest from the U.S. Attorney's office to the District government go unanswered and even unacknowledged. Even judges lament privately at their helplessness over the problem. Public outrage is constant.

It is easy to understand the frustration from these groups: As long as poor inprocessing practices continue; as long as weapons and drugs continue to flow freely into Lorton via unsearched visitors who may openly consort with prisoners—without proper screens or barriers; as long as no effort is made to train guards properly—the escapes, the attacks, and the danger to the public will continue unabated.

I feel that the proposal of my distinguished colleague, the junior Senator from Virginia, has a great deal of merit. Unless the District of Columbia acts, and promptly, I feel that Senator Scott's legislation providing for a transfer of this facility from District of Columbia control to the Office of the Attorney General should be enacted.

There must be more than a merely cosmetic change at Lorton. The disease must be treated and not just the external symptoms

Lorton must be cleaned up now—either by the District of Columbia government—or by the Federal Government.

Exhibit 1

U.S. Senate,
Washington, D.C., October 10, 1972.

The President,
The White House,
Washington, D.C.

My Dear Mr. President: The recurrent problems at the District of Columbia's penal institution at Lorton, Virginia concern me greatly. I am of the opinion that it is imperative that something be done to alleviate this problem at the earliest possible time.

As you know, there have been more than sixty escapes from Lorton this year, as well as continuous turmoil within the institution. The citizens of Northern Virginia are deeply disturbed by this unrest, and the people of Lorton are fearful.

As the District of Columbia has jurisdiction over this facility, and you as President have the responsibility to appoint the City Council of Washington, D.C., I would be most appreciative if you could make available the facilities of your office to aid in the solution of this problem.

If you feel that legislation is required to overcome the difficulties at Lorton, I shall be most happy to cooperate.

With best wishes, I am

Sincerely,

Harry F. Byrd, Jr.

The White House,
Washington, D.C., October 17, 1972.

Hon. Harry F. Byrd, Jr.,
U.S. Senate,
Washington, D.C.

Dear Senator: I wish to acknowledge and thank you for your letter to the President in reference to the problems at the District of Columbia's penal facility at Lorton. You may be assured your letter will be brought to the President's attention at the earliest opportunity and also shared with the appropriate members of the staff.

With warm regards,

Sincerely,

Tom C. Korologos,
Deputy Assistant to the President.

ORDER OF BUSINESS—INTRODUCTION OF A BILL

Mr. HARRY F. BYRD, JR. Mr. President, I yield the remainder of my time to the distinguished Senator from Minnesota.

Mr. HUMPHREY. I am very grateful to the distinguished Senator from Virginia.

(Note.—The remarks Senator Humphrey made at this point on the introduction of S. 1030, the Fiscal and Budgetary Reform Act of 1973, are printed in the Record under "Statements on Introduced Bills and Joint Resolutions.")

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against the remaining time on my order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock meridian tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM WEDNESDAY TO THURSDAY AT 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until 11 a.m. Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of the two leaders or their designees on Thursday, the following Senators be recognized, each for not to exceed 10 minutes, and in the order stated: Mr. Williams, Mr. Eastland, Mr. Magnuson, Mr. McClellan, Mr. Eagleton, Mr. Sparkman, Mr. Randolph, Mr. Jackson, Mr. Cannon, Mr. Moss, Mr. Hartke, Mr. Muskie, and Mr. Church.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time remains to me under the order?

The PRESIDING OFFICER. The Senator from West Virginia has about 8 minutes remaining under the order. That includes the order for the Senator from Virginia and the Senator from West Virginia and the Senator from Rhode Island.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged against the orders.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any remaining time under the order be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, after the two leaders or their designees have been recognized under the standing order, and after the consummation of any orders for the recognition of Senators which may be entered today, there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein not to exceed 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, upon the completion of orders for the recognition of Senators, there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON STATUS OF THE PROCUREMENT OF THE F-14 WEAPON SYSTEM

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a confidential report on status of the procurement of the F-14 weapon system (with an accompanying report); to the Committee on Government Operations.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of New Jersey; referred to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION No. 29

"A concurrent resolution memorializing the Congress of the United States to enact legislation that would provide full Federal income tax credits for nonresident state income tax liabilities, and would reduce by a proportionate amount Federal grants to such taxing states or their political subdivisions

"Whereas, Many thousands of commuting residents of the State of New Jersey, are increasingly finding themselves the growing victims of added tax burdens arbitrarily imposed by the municipalities or states in which they work; and

"Whereas, These commuting workers, already carrying the full burdens of taxation in their own state and the selective taxes of other states, are now also required to shoulder the additional obligations of nonresident income taxes without commensurately sharing in the benefits derived therefrom, and without enjoying any representation in the legislative bodies levying such taxes; and

"Whereas, Such a system of double taxation is both contrary to the spirit of the federal constitutional principle of equality of citizenship, and inimical to the processes of interstate commerce; now, therefore

"Be it resolved by the Senate of the State of New Jersey (the General Assembly concurring):

"1. The Congress of the United States be, and it is hereby, respectfully memorialized to give earnest consideration to the enactment of legislation that would permit full tax credit deductions from Federal tax liabilities by nonresident taxpayers for taxes on earned income paid to another state or to any of its political subdivisions; and the Congress also enact legislation that would reduce, by an amount proportionate to the rates of nonresident taxes, federal grants to those political entities which tax the earned incomes of their nonresident working populations.

"2. Copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives and to each member of the Congress of the United States from the State of New Jersey."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Public Works:

"SENATE JOINT RESOLUTION 13

"Enrolled Joint Resolution Memorializing Congress and the President of the United States to continue the Upper Great Lakes Regional Commission

"Whereas, 36 Wisconsin counties within the upper great lakes region possess similar human and natural resource characteristics important to addressing problems and potentials of economic development; and

"Whereas, the upper great lakes region of Wisconsin has experienced chronic unemployment and underemployment and has lagged behind most other regions of the country in meaningful economic growth and resource development; and

"Whereas, regional economic development under joint sponsorship of the federal government and states has demonstrated the potential to improve the quality of life for millions of Americans; and

"Whereas, considerable progress has been made by existing regional development commissions in planning for future economic advances, an accomplishment evidenced in the upper great lakes regional commission 5-year regional economic development plan and 5-year program; and

"Whereas, the program of the upper great lakes regional commission has demonstrated the effectiveness of state-federal cooperation in regional resource development; and

"Whereas, regional economic development is an essential supplemental effort to the concept of federal revenue sharing, an effort that assures much needed attention to areas that evidence similar characteristics of economic depression; and

"Whereas, the concept of multistate economic development regions has fostered cooperative, innovative interstate approaches to human, economic and environmental problems and policies; now, therefore, be it

"Resolved by the senate, the assembly concurring, That the legislature of the state of Wisconsin recognizes the desirability of continuing regional economic development programs authorized by Title V of the Public Works and Economic Development Act of 1965; and, be it further

"Resolved, That the legislature of the state of Wisconsin respectfully urges congress and the national administration to extend the life of the upper great lakes regional commission so that its work and potentials may be adequately evaluated and its potential fully realized; and, be it further

"Resolved, That duly attested copies of this resolution be transmitted to the president of the United States, to the secretary of the U.S. senate, to the chief clerk of the U.S. house of representatives, to the governors of the 29 Title V states and to every member of the congressional delegation from Wisconsin, Minnesota and Michigan."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, with an amendment:

H.R. 2107. An act to require the Secretary of Agriculture to carry out a rural environmental assistance program (Rept. No. 93-49).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

H.R. 3694. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended (Rept. No. 93-50).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McINTYRE (for himself, Mr. Stafford, Mr. McGovern, Mr. Ribicoff, Mr. Pastore, Mr. Kennedy, Mr. Pell, Mr. Hathaway, Mr. Abourezk, Mr. Brooke, Mr. Hart, Mr. Cotton, Mr. Weicker, Mr. Nelson, Mr. Muskie, Mr. Proxmire, Mr. Hughes, Mr. Williams, and Mr. Mondale):

S. 1019. A bill to terminate the oil import control program. Referred to the Committee on Finance.

By Mr. BUCKLEY:

S. 1020. A bill to insure international cooperation in the prosecution or extradition to the United States of persons alleged to have committed aircraft piracy against the laws of the United States or against international law. Referred to the Committee on Foreign Relations.

By Mr. CURTIS:

S. 1021. A bill to amend section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, so as to increase from 50 to 80 per centum the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under such sections, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. HARTKE:

S. 1022. A bill to increase from $240 to $480 per year the amount of earned income which will be excluded in determining eligibility for and amount of benefits payable to individuals under the Federal program for supplemental security income for the aged, blind, and disabled, established by title XVI of the Social Security Act. Referred to the Committee on Finance.

S. 1023. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide a program for the accreditation of law enforcement agencies. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. Randolph):

S. 1024. A bill to promote the peaceful resolution of international conflict, and for other purposes. Referred to the Committee on Foreign Relations.

My Mr. METCALF (for himself, Mr. Mansfield, Mr. McGovern, Mr. Abourezk, Mr. Humphrey, Mr. Moss, and Mr. Hathaway):

S. 1025. A bill to improve the Nation's energy resources. Referred to the Committee on Commerce.

By Mr. CHILES:

S. 1026. A bill for the relief of Carmello Solarino, his wife, Natala Grasso Solarino, his sister, Giorgetta Solarino Aleppo, his brother-in-law Giuseppe Aleppo, his nephews, Orazio Aleppo and Edoardo Aleppo, and his niece, Maria Teresa Aleppo. Referred to the Committee on the Judiciary.

By Mr. CURTIS (for himself, Mr. Bennett, Mr. Fannin, and Mr. Tower):

S. 1027. A bill to amend the National Labor Relations Act with respect to refusals to bargain. Referred to the Committee on Labor and Public Welfare.

By Mr. CURTIS (for himself, Mr. Bennett, Mr. Fannin, and Mr. Tower):

S. 1028. A bill to amend the National Labor Relations Act to require a vote by employees who are on strike, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. TAFT:

S. 1029. A bill to provide, in cooperation with the States, benefits to individuals who are totally disabled due to employment-related respiratory disease and to the surviving dependents of individuals whose death was due to such disease or who were totally disabled by such disease at the time of their deaths. Referred to the Committee on Labor and Public Welfare.

By Mr. HUMPHREY:

S. 1030. A bill to establish a Congressional Office of Budget Analysis and Program Evaluation; to provide participation by State and local officials and the general public in the departmental budget making process; to provide investigations by the Comptroller General of impoundment reports; to provide legislative oversight and veto of impoundments; and for other purposes. Referred to the Committee on Government Operations.

By Mr. HARTKE (for himself, Mr. Weicker, Mr. Pastore, Mr. Pell, Mr. Williams, Mr. Kennedy, Mr. Ribicoff, and Mr. Case):

S. 1031. A bill to designate a national network of essential rail lines; to require minimum standards of maintenance on such lines; to create a not-for-profit corporation to acquire and maintain rail lines in the Northeast; to provide financial assistance for rehabilitation of rail lines; and for other purposes. Referred to the Committee on Commerce.

By Mr. BAYH:

S. 1032. A bill to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McINTYRE (for himself, Mr. Stafford, Mr. McGovern, Mr. Ribicoff, Mr. Pastore, Mr. Kennedy, Mr. Pell, Mr. Hathaway, Mr. Abourezk, Mr. Brooke, Mr. Hart, Mr. Cotton, Mr. Weicker, Mr. Nelson, Mr. Muskie, Mr. Proxmire, Mr. Hughes, Mr. Williams, and Mr. Mondale):

S. 1019. A bill to terminate the oil import control program. Referred to the Committee on Finance.

Mr. McINTYRE. Mr. President, I am introducing a bill today cosponsored by 18 colleagues to abolish the mandatory oil import quota system.

This quota was first imposed by President Eisenhower by Executive order in 1959 through authority granted under section 232 of the Trade Expansion Act of 1962, as amended. This section authorizes the President to limit imports of any article that is being imported into the United States in such quantities as to threaten to impair the national security.

This oil import quota has now remained in effect for the last 14 years, and its existence has consistently been defended on the need for our country to maintain sufficient domestic production capabilities to avoid undue reliance on foreign sources for our petroleum needs.

However, in the intervening 14 years, a number of events have taken place which seriously challenge the rationale for continuing this quota program.

During the latter half of the 1960's, it became increasingly clear that the original justification for the quota, that is, a self-sufficient domestic production capability, was being severely eroded. The fact of the matter is that it was becoming increasingly apparent that this country was losing its production capabilities and that imports of foreign oil in substantial quantities would be necessary to meet demand.

In 1969, President Nixon created a Cabinet-level task force to study the oil import system, and, in February of 1970, a majority of the task force recommended to the President substantial changes in both the method and direction of import controls.

In summary, the task force report recommended the removal of the quota and its replacement with a tariff.

It has now been 3 years since that report was received by the President but yet the quota remains.

Of particular concern to that task force study was the cost to the consumer for maintenance of the quota and the task force found that the yearly cost was approximately $5 billion.

Mr. President, the facts are quite simple. Domestic production of crude oil in the United States has reached its maximum level, and, in fact, is declining somewhat; while, at the same time, demand for oil is increasing at a substantial rate.

Domestic refining capacity in this country is operating at near capacity levels yet no new refineries are presently being constructed. Even if construction were to begin today, it would be several years before new refineries could be operational.

The bill that I am introducing today is uncomplicated in nature but very far reaching in effect. State simply, it says that after June 30, 1973, no import quotas or other nontariff trade restrictions shall be imposed on the importation into the United States of crude oil or oil products. This bill, however, does not prohibit the President under his existing authority contained in section 232 of the Trade Expansion Act from imposing a tariff. The date contained in this bill is June 30, 1973. But it should be noted that the exact time contained in the legislation is of secondary importance to the need of establishing a date certain for abolishing the quota.

Mr. President, this identical bill has also been introduced in the House of Representatives by Congressman Silvio Conte and presently has over 100 cosponsors.

The issue is clear. The oil import quota system has outlived its usefulness. This country's national security does not require its continued existence. A tariff could perform the same function and would be much more equitable to the consumers of this country. The President's own Cabinet-level task force reached these same conclusions.

The fact of the matter is that the quota is falling under its own weight. It cannot be logically justified any longer, and it should be removed immediately.

We must face the fact that we cannot provide sufficient crude oil within the United States to meet the demand. We must be developing new concepts to deal with the realities of our present energy situation. As long as the quota remains in effect, the citizens of this country will continually be plagued and threatened with shortages of petroleum products.

This winter the shortage was in heating oil and it is anticipated that this summer it will be gasoline.

It is certainly clear to me that the national security is not enhanced when the citizens of this country must continually suffer shortages of essential products in order to maintain the continued existence of a self-defeating quota system.

The tragedy is that the legislation being introduced today is totally unnecessary. The President presently has the authority under existing law to remove the quota and, if it is found necessary, to establish reasonable tariffs to protect this country's economic security. His own Cabinet-level task force study recommended this approach. And it must be done now.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) is amended by adding at the end thereof the following new subsection:

"(e) On or after June 30, 1973, no import quota or other nontariff trade restriction shall be imposed by or pursuant to law with respect to the importation into the United States of petroleum and petroleum products."

Mr. HATHAWAY. Mr. President, I want to commend the Senator from New Hampshire (Mr. MCINTYRE) and other Senators who have cosponsored his legislation, and other Senators who have not as yet cosponsored it but are in favor of his legislation, and also Mr. CONTE, the Member of the House who is the chief sponsor of similar legislation there, and the many cosponsors in the other body, for bringing this matter before the Congress.

THE OIL IMPORT QUOTA SYSTEM'S IMPACT ON NEW ENGLAND

Mr. President, I rise to address this body on a subject of long and continuing concern to me—the oil import quota system and its harsh impact on my area of the country, New England. As a direct consequence of this ill-conceived quota system, Maine and the other New England States have been forced to deal with recurrent shortages of home heating oil in the winter months and have suffered as well the burden of some of the highest fuel costs in the country. Ending this inequitable and illogical mandatory oil import quota system is an essential step toward bringing a measure of relief to New England, and to other parts of the country as well, and toward achieving a rational energy policy for the future.

During my 8 years in the House of Representatives, the Members of Congress from New England evolved an unfortunate annual ritual. Every winter our offices would be flooded with complaints about shortages of home heating oil. Every year we would meet with administration officials and demand that something be done about these shortages, which were obviously a result of the artificial constraints imposed by the oil import quota system. Every session of Congress we all sponsored legislation to abolish that system and end the unnecessary hardship and undue expense it imposed on the people of New England.

Now, in the course of my first couple of months in the Senate, the New England States have been confronted with the worst heating oil crisis in their history. Numerous dealers in Maine and throughout the area have been left entirely without oil for periods of time, necessitating emergency measures in some cases, and to this day none of these dealers have adequate assurances of a continued supply sufficient to meet the needs of their customers. Temporary suspension of the quota on No. 2 heating oil has brought only partial relief, and the fact that controls are scheduled to be reimposed on May 1 has prevented the finding of any permanent solution to the problem. What is more, this grudging and short-term concession on No. 2 oil has done nothing to meet the needs of 20 percent of Maine's households—many inhabited by low-income familes—which are heated with kerosene, a fuel in desperately low supply.

This situation cannot continue. No longer are heating oil shortages just a New England problem. They are a problem nationwide. This year there were acute shortages of home heating oil experienced throughout the Midwest, and as far west as the Rockies. The spectacle of schools and factories closing for want of heating oil, and homes going cold, is not a pleasant one, and the American people must no longer be forced to endure this unwarranted hardship.

I submit that the Mandatory Oil Import Quota System is the crux of the problem. For years the system has operated to limit artificially the supply of oil to this country and to keep oil industry prices and profits high. Oil import quotas have restricted the supply of cheaper foreign oil coming into the United States and have concentrated that supply in the hands of the major oil companies, to be sold at higher domestic prices. The present administration has continued the program, despite the 1970 recommendation of its own cabinet task force on oil import controls, headed by the present Treasury Secretary, George Shultz, that the controls be abolished.

All evidence suggests that the oil import quota system operates to fix prices and limit supply, and not to promote national security—the official justification for the program. In fact, national security has suffered in the course of the program's existence. With the high guaranteed income handed to them by the quota system, the oil companies have had no incentive to find new sources of oil or expand their production.

Instead, domestic reserves have been depleted, domestic exploration and new discoveries have fallen off, and no new refineries have been built on the east coast—rather, eight have closed down.

What more graphic evidence do we need of the fallacy of the national security rationale than the fact that the United States, under the current oil import quota system, cannot even get through a moderately cold winter such as this one without a supply crisis. How could we possibly cope with a real national emergency?

It is time and past time that the oil import quota system be abolished. If the administration will not take the necessary action, then the Congress must.

No longer should New England be forced to suffer the burden of winter heating oil shortages. No longer should this country have to exist on an oil shoestring, when vast supplies are readily available from abroad at terms far more favorable to the American consumer than those he currently receives.

I am pleased to cosponsor this legislation to end the mandatory oil import quota system, and I hope that the Congress will act swiftly on this matter.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. HATHAWAY. I yield to the Senator from New Hampshire.

Mr. McINTYRE. I just want to say that I am delighted that the junior Senator from Maine is now joining forces with us here. In the Senate we have been periodically, as he well knows from his membership in the House, taking up the cudgels on behalf of ending what we consider to be a government policy which works a very great hardship on the people of the States that we represent. I am happy to inform him today that we now have joining us in this effort the Senator from Michigan (Mr. HART) and the Senator from Iowa (Mr. HUGHES), our two distinguished colleagues from Wisconsin (Mr. PROXMIRE and Mr. NELSON), the Senator from Minnesota (Mr. MONDALE), and the two distinguished Senators from South Dakota (Mr. MCGOVERN and Mr. ABOUREZK), all of them agreeing with us that the mandatory oil import quota system has virtually fallen, as I said in my remarks, of its own weight, and to also make the observation, for the benefit of those concerned, that this is a bipartisan move. The quota has not been found failing on just one side of the aisle, Republican or Democrat; it is an absolutely bipartisan move to get rid of this mandatory system.

We have witnessed over the past 3 or more years a constant losing attempt by the Oil Policy Committee and by the Office of Emergency Planning to prop the system up. We have seen exceptions and exemptions. Now we are in a position where we are in the midst of a moratorium, I believe, where they are attempting once again to keep the whole thing from collapsing.

I know the Senator's colleague from Maine feels the same way, as does the Senator from Massachusetts. The Senator from Rhode Island (Mr. PASTORE) has made his statement and he had to leave to testify. I hope we can bring to the attention of the country, with the help of our fellow legislators, the fact that the burden of the prohibition against foreign oil imports has now become archaic. It is now no longer proper to say that this is in the interest of national security. What we who represent the consumers of

New England and of the Middle West want is some help. We want an intelligent policy to deal with this oil problem.

The time has come. And that is why I have introduced the bill, hoping that it will add a new impetus to what my friend, the Senator from Maine (Mr. HATHAWAY), will agree is a matter of concern to New England and the entire country.

Mr. HATHAWAY. Mr. President, I agree wholeheartedly with the distinguished Senator from New Hampshire.

I would like to point out in concluding my remarks that it is really a bitter irony that, at the same time the President is impounding funds for worthwhile programs for the poor, he is perpetuating this oil quota system which is a bonanza to the rich. The oil companies receive at least $5 billion of subsidy from the oil import quota program, and added to that is the oil depletion allowance, which gives them another $1.5 billion or more. I find this particularly ironic.

Mr. CURTIS. Mr. President, our country is facing a real energy crisis. Our farmers are going to face a shortage of fuel for tractors. Railroads are already curtailed because of insufficient diesel fuel. Cities and entire States have been in a crisis situation because of the shortage of fuel oil for heating homes, and we hear talk about gasoline rationing.

A few weeks ago the distinguished senior Senator from Kentucky (Mr. COOK) observed to an assembly of State regulatory commissioners his prediction that the 93d Congress will be known as the Energy Aware Congress. This statement has my full endorsement.

I believe that we now have become aware of the growing disparity between energy supply and energy requirement. I am convinced that its scope, and the serious nature of its confrontation, will obsess many Congresses to follow this, the 93d. And I know that it will take the fullest cooperation of Congress, the Executive, the vast industry engaged in production and distribution of energy, and the citizens who consume energy, to achieve the results which will sustain an acceptable way of life.

It is not my nature to be pessimistic about the combined talents of this great Nation. Crisis has, many times in our history, begat a discipline and a dedication unmatched in the recorded history of any other nation. I do not believe we are going back to the caves to hover over a smoldering fire for light and heat. Yet, according to a report made by a committee of the House of Representatives, wood supplied 70 percent of the energy consumed in the United States at the turn of the 20th century.

We have come a long way. We are surfeited with comfort—the good life. The essence of its ease, the reduction of its labors, the rapidity of its travel, and the tempering of its seasons are the result of an ever increasing consumption of energy. During each decade of our lives we have doubled the use of energy over that of the decade preceding. From wood to coal, to oil, to natural gas, we have become almost totally reliant upon fossil fuels for energy. Water power and nuclear generation today make up about one-tenth of the energy supply—coal and petroleum products the other 90 percent.

The two prior Congresses have produced a rather elaborate record from some 30 hearings in various committees of the Senate and the House of Representatives. The state of the art in energy production and distribution and means toward solution of the problem of supply have been illustrated. I will not recite their findings beyond the repeat of some of their most important statistics:

First. The domestic deliverable reserve of crude petroleum is about a 15- to 20-year supply.

Second. The domestic deliverable reserve of natural gas is a little more than a 10-year supply.

Third. Coal is more plentiful—a domestic reserve of 200 to 500 years, measured by different concepts of use, but of which much coal cannot be utilized under present environmental limitations.

Fourth. Nuclear generation of electricity coming on line in volumes far short of goals anticipated in the 1950's and the 1960's. A short fall, by 1980, of half the nuclear energy projected during those years of intensive and expensive research and development is noted here.

Fifth. Fusion and solar energy are both laboratory realities but years of additional development are needed to bring them on line.

So, the doubling of energy supply in the decade of the 1970's over the 1960's seems out of reach at this time. From what we now know, we just cannot get from here to there.

Much we can do. Maybe we cannot do enough to meet the outside limits of our ability to consume—but perhaps enough to meet our reasonable needs.

If we were today to double the domestic price of crude petroleum and of natural gas, I, for one, do not believe we will, by so doing, double the domestic supply of crude petroleum and natural gas. But we know that price is the determinant in whether fossil fuels from deeper wells and offshore rigs can reach our market.

We know that dry holes cost just as much to drill as producers.

We know that prudent land-use practices and pollution abatement devices which can maximize the use of coal increase the cost per ton.

We know that foreign nations will price their products in the energy market for all that the market will bear. Domestic and offshore production and domestic refining capacity provide a secure supply. The more distant sources are both politically and geographically less responsible.

We know that, despite its first blush of popular appeal, no agency of the National Government can search for and produce supplies of fuel as efficiently or as inexpensively as can their counterparts in the private sector.

The Government cannot be both the referee and the quarterback in the energy business.

We are today on notice. We have not been shielded from this reality. Energy producers have spoken out. The immediate problem of fuel supply is one of redirection to overcome the displacement of coal and higher sulfur crude oil by environmental prohibitions.

Hollis Dole, who served so credibly as the energy resources expert of the Department of Interior since 1969, has for the past 4 years warned repeatedly that America's energy binge is over.

We have been urged to be efficient, to conserve, to explore, and to develop new reserves. This we must do unstintingly. Let us accelerate our moves in every direction which is prudently calculated to improve reserves or to create new supplies. And let us not overreact in our outreach for new supplies and new techniques. A little measure of commonsense can avoid a lot of panic.

Commonsense will bring into balance the opposing forces of irrationality. These forces declare a policy of absolutes—on the one hand, of the purest air and water, and of nature untrammeled by human use. These absolutes, on the other hand, seek unrestrained use of material goods to satisfy all of mankind's wildest fancies.

None of us will fail to turn over every stone which may lead us to new sources of energy. Exploration for fossil fuels as well as the development of the breeder reactor, geothermal, solar, and fusion power must all be wisely exploited. The demand is such that all of these are, at this time, a part of the total objective. And there are other means which can make a significant and proportionate contribution to this objective.

Mr. President, this energy crisis is so great that I believe that the Congress should pursue every angle that promises any hope of relief for the American people. Even if we could import all the petroleum that we needed, it would still be a bad national policy and would make our problems of balance of payments beyond what our economy can stand. We need greater production in the United States.

In the tax-writing field it is time that demagoguery be dispensed with and that we write tax laws that are in the public interest. It is in the public interest to encourage the exploration, finding, and developing of all energy resources available in our land. Many speeches have been made on the subject of "depletion" by those who have neither knowledge nor concern about the public interest from the standpoint of our energy needs.

We need to build the Alaskan pipeline and do it now. If necessary the Congress should pass an act directing that it be done. I believe that by advanced technology and care and concern we can meet our problems of preserving our environment without bringing the American economy to a halt, and that is what has been taking place recently.

For many years I have been an advocate of the production of motor fuel from alcohol made from farm crops. In addition to having surpluses available, we have millions of acres of land that could be in production. American agriculture is entitled to operate at full capacity in order to contribute to the overall needs of our economy.

Some of the leadership in the petroleum field have in the past very blindly opposed any effort, or even discussion of motor fuel made from alcohol made from farm crops. That is no longer the case. I was very pleased to read the interim report of the U.S. energy outlook for the years 1971 to 1985 by the Other Energy Resources Subcommittee of the National Petroleum Council. Chairman was Mr. Olaf A. Larson of the Gulf Research and Development Co.

This report is most enlightening. It is a landmark document. It contains some information and a suggested program that the Congress ought to take note of and follow through on.

One of the problems that has always existed in connection with motor fuel made from alcohol made from grain has been the cost.

These cost estimates are not final. In the first place, the technology that will come about from a program that is actually in operation will reduce costs. Secondly, it is believed by many good researchers that there is a new approach waiting. For instance, a process can be developed that will separate the protein from the starch in wheat. The protein can be used for human food and will have a very high value. In the past, the protein in connection with making alcohol has been treated as a low-cost residue. That need not necessarily be the case. The alcohol can become the byproduct and thus greatly reduce the overall cost.

Mr. President, I wish to read a portion of this report from the National Petroleum Council to which I referred:

Energy From Agriculture

United States agriculture provides a major resource of renewable industrial energy. Production in excess of priority requirements for U.S. food, feed and fibers is possible through year 1985 and as projected to year 2000, barring natural disasters or national emergencies. The production of cereal grains and their conversion through fermentation to usable ethyl alcohol; the collection and use of such residues as straws, corncobs, hulls and shells for energy; the growing of crops specifically for energy; and the conversion of animal waste by-products into energy are all possibilities.

Agriculturally derived industrial energies would normally be more expensive than traditional fuels such as coal, gas, oil and water (hydroelectric). However, the future expected energy requirements and predicted shortages of low-cost traditional fuels to meet these requirements and the continued increase in fuel costs could change the future role of agriculture as a source of industrial energy. Many of the oil-rich countries have high population growth rates and are short on foods. Thus the possibility exists of exchanging excess agricultural materials, particularly the cereal grains, for oil.

Extensive research is needed and warranted to resolve the technical, economical, marketing and social phases of these complex agricultural resource possibilities.

AGRICULTURE—INDUSTRIAL ENERGY POTENTIALS

The efficiency of U.S. agriculture has advanced so fast that for several decades crop production, except in times of international conflicts, has exceeded the demands. Average farm production per acre has increased about 80 percent since 1940, largely due to better yielding seeds and greatly improved know-how. Thus, to meet U.S. crop needs, we plant less acres and require fewer farmers. Chances are small that present population will live to see famine conditions in the United States.

Agriculture provides a major source of renewable energy. Forests, cultivated crops and pasture land may be used repeatedly under proper management.

Agriculture production is subject to weather, diseases, insects and other natural conditions which cannot be completely controlled. However, major advancements have been made, and these advancements will continue. The inventory of land available for agriculture is continuously decreasing because of its removal from crop production for highways, housing, reservoirs, recreation and many other nonfarm uses. Growth in these nonfarm uses is expected to continue in the future, at least in line with population growth, but to date these losses have had negligible effect on agricultural productivity.

Normally, U.S. agriculture provides food, feed and fiber, and these uses result in the highest financial return. However, significant energy from U.S. agriculture in excess of our own requirements for feed, fiber and other priority needs could be made available from cereal crops, forests, agricultural by-products and residues (i.e., straws, bagasse, hulls, shells, corncobs) and from animal wastes. Costs of collection and utilization in competition with commonly used energy sources have, to date, resulted in only minor usage for industrial energy. However, the increasing demands for U.S. industrial energy, the requirements for pollution abatement and the needs for rural assistance could make agriculture a significant factor in the future general energy situation. The major potential sources are individually reviewed. The studies are limited to U.S. requirements and present exports.

Cultivated crops

About 360 million acres or 16 percent of all U.S. land (2,260 million acres) are now used for cultivated crops. This is about 60 percent of the land that could be used for this purpose. Normally, the best yielding land is cultivated.

Cereal grain production per acre for the past decade has varied, but on an average has increased over 3 percent annually. This increase has exceeded the growth rate of the U.S. population and export demands, and the amount of cultivatable land used has decreased in this period. Based on U.S. requirements for the predictable future, there is a potential source of industrial energy from crops that could be produced on these unused acres. Land lost to non-crop use could be significant in the long-range picture if diversion continues at the present rate. This loss is expected to total about 20 million acres by 1985. Fortunately, most of this has been land not suitable for cultivated crops.

A logical sequence of energy conversions is to use the idle land to produce cereal grain, which is largely carbohydrate, and convert the grain by fermentation to ethyl alcohol—a convenient combustible fuel. The conversion of carbohydrate to ethyl alcohol by fermentation is technically feasible, and ethyl alcohol is usable as a motor fuel. One hundred million of the unused acres with an average yield of 70 bushels of grain per acre (approximately 3,900 pounds) would be equivalent to about 18 billion gallons of alcohol, or over 20 percent of the 86 billion gallons of motor fuel consumed in the United States in 1970. The energy equivalent of ethyl alcohol is about 12,000 BTU/pound or 80,000 BTU/gallon (gasoline approximately 135,000 BTU/gallon).

The cost of this ethyl alcohol would be considerably higher than present petroleum motor fuel costs. However, when evaluated against assistance to many U.S. regional economies, improved air pollution control and engine performance, fermentation alcohol must be considered in any future industrial energy considerations.

A summary report on the production of alcohol from wheat cereal grain is included with this study.

The possibility of bartering these large quantities of cereals for such traditional energy fuels as oil must also be considered. Many of the international surplus petroleum countries need food. Thus, a higher industrial energy return might be received per pound of agricultural raw material.

Forests and woodlands

About 25 percent of all U.S. land is now classified as forest and woodland. This includes parks, wildlife refuges and recreational. A century ago wood supplied about 70 percent of all U.S. industrial energy. Today it supplies less than 2 percent. On a total energy basis, this is a reduction of over 50 percent.

The capability of U.S. forests to meet future needs for lumber, for paper pulp and for paperboard is now questionable. In the past two decades, U.S. and export requirements have increased an average of 3.9 percent annually, and this rate is predicted to increase. The approximately 50 million tons of U.S. pulp now produced annually is expected to double by 1985. Extension of the wood supplies through increased recycling of waste paper; utilization of tree limbs, wood bark, sawdust and other by-products; increased growth rates by fertilization; use of better yielding species of trees; more efficient forest management; and increased yields of end products per unit of raw material may delay the time of serious shortages. However, shortages are predicted before the end of this century.

Wood supplies in the United States offer only minor potentials for additional industrial energy, and wood cannot be considered an important raw material in the long-range future U.S. industrial energy requirements.

Agricultural residues and fiber crops

The weight of collectable agricultural residues such as straws, shells, hulls, corncobs and similar materials from present U.S. agricultural production is large, amounting to over 195 million tons annually. Heat equivalent of these residues would be in the order of 3,000 trillion BTU's. (The 1971 U.S. energy consumption is about 70,000 trillion BTU's.)

These residues are now located throughout all 50 states. (No significant quantities of residues are now in collected form.) Collection costs and delivery to regional power plant locations would normally vary from around $10 to about $15 per ton. Heating values of the residues are in the order of 8,000 BTU/pound or about 60 percent the heating value of bituminous coal.

Thus, agricultural residues are a potential source of large amounts of energy but could not now compete economically with such fossil fuels as coal and oil. Collection facilities and the power plants for significant usage do not presently exist.

The growing of crops specifically for energy fuels is also a possibility. Yields of different fiber crops vary by several hundred percent. The probable maximum yield in selected U.S. regions is about 20 tons of dry matter per acre per year. With this yield, production costs per ton of dry matter would be in the order of $10. The heat of combustion per ton would be about 15 million BTU's. Thus, a ton of dry matter at $10 would be equivalent to coal at about $17 per ton on a comparative BTU basis. U.S. land that could produce 20 tons of dry matter per acre is limited. Normal yields of 50 percent of this weight are more realistic.

Animal wastes

Domestic livestock wastes in the United States currently total about 2.03 billion tons per year (about 325 million tons of dry matter) and are increasing with population and economic growth. Disposal of these wastes is a serious economic and environmental problem. Many research studies are in progress, but economically acceptable solutions have not been resolved. However, such quantities of organic wastes could be a significant factor in future long-range energy considerations. The total heat equivalent of these wastes after adjusting for water evaporation would be in the order of 1,600 trillion BTU's.

Gases

Potentially, agricultural residues, fiber crops and animal wastes could be converted into gases for fuel or for chemical synthesis. These gases could be produced through fermentation or through pyrolysis of the wastes.

Fermentation of a ton of dry residue would yield in the order of 10,000 cubic feet of gas having a heating value of about 500 BTU/cu. ft. A raw material cost of $10 to $15 per ton would thus be equivalent to $1.00 to $1.50 per thousand cubic feet of gas with a heating value of 500,000 BTU's per thousand. Fermentation of the 520 million tons of residues could produce in the order of 2,600 trillion BTU's.

Pyrolysis of a ton of residue would yield in the order of 6,800 cubic feet of mixed gases with a net heating value of about 150 BTU/cu. ft. A raw material cost of $10 to $15 per ton would thus be equivalent to $1.50 to $2.25 per thousand cubic feet of gas with a heating value of only 150,000 BTU's per thousand. The 520 million tons of residues could produce in the order of 530 trillion BTU's.

Neither the fermentation nor pyrolysis procedures appear to be economically competitive with established fossil fuels as a source of industrial energy for the foreseeable future. However, removal of many of these wastes is a must for pollution control, and any financial return is a profit. It is thus possible that disposal through fermentation may result in significant future contributions to the U.S. industrial energy supply.

INDUSTRIAL ALCOHOL FROM WHEAT

The conversion of the starch and sugars to ethyl alcohol is shown in Figure 1.

$(C_6H_{10}O_5)_n + nH_2O = nC_6H_{12}O_6$

Starch Dextrose

$C_{12}H_{22}O_{11} + H_2O \longrightarrow 2\,C_6H_{12}O_6$

Maltose Dextrose

$C_6H_{12}O_6 \longrightarrow 2\,C_2H_5OH + 2\,CO_2$

Dextrose Ethyl Alcohol Carbon Dioxide

Figure 1. Conversion of Starch and Sugars into Ethyl Alcohol.

Thus, 180 pounds of dextrose theoretically should yield 92 pounds of alcohol. For starch, the theoretical yield of alcohol is 0.568 pounds per pound of starch. In actual practice, yields generally are about 90 percent of theoretical.

Alcohol production is directly related to the starch in the grain. If, as shown in Table XIV, the respective starch content of a hard wheat and soft wheat is 64 and 69 percent (moisture-free), the maximum alcohol that could be produced from a 60-pound bushel would be 21.8 and 23.5 pounds. Translated to a 14-percent moisture basis and a practical 90-percent yield of alcohol, the anhydrous alcohol obtained per bushel would be 16.9 and 18.2 pounds respectively, or 2.53 and 2.75 gallons.

The cost of ethyl alcohol from wheat depends on many conditions, such as location, regional labor rates and type of wheat used. Past studies have shown that a practical-size grain fermentation plant could process about 20,000 bushels per day. Such a plant at current prices would cost about $14.0 million to construct. Anhydrous alcohol production would be about 17.2 million gallons from 6.6 million bushels of wheat. A representative cost estimate is shown in Table XV.

The wheat cost per gallon of alcohol would depend directly on the wheat price as shown in Table XVI.

TABLE XIV.—AVERAGE PERCENTAGE COMPOSITION OF SURPLUS CEREAL GRAINS [1]

Grain	Starch	Protein	Oil	Fiber	Minor constituents [2]
Hard wheat	64	14	2	2	18
Soft wheat	69	10	2	2	17
Dent corn	72	10	5	2	11
Sorghum	71	13	3	2	11

[1] Moisture-free basis.

[2] Minerals, sugars, pentosans, and vitamins.

TABLE XV.—FERMENTATIVE CONVERSION COST OF 190° PROOF ALCOHOL FROM WHEAT (EXCLUSIVE OF COST OF WHEAT)

Item:	Cost/per gallon [1] (cents)
Base conversion cost	30.9
Depreciation ($1.4 million/year, 10 years, 17.2 million gallons)	8.1
Total	39.0
By-product feed credit (6 pound/gallon alcohol at $60 per ton)	18.0
Net	21.0
Conversion cost [1] of 200° proof alcohol:	
Alcohol (1.048 gallons at 21.0)	22.0
Cost of dehydration	2.2
Total cost, exclusive of wheat, profit, packaging and sales expenses	24.2

[1] Dwight L. Miller, "Industrial Alcohol from Wheat," Nationa Wheat Utilization Conference (Nov. 5, 1969); adjusted for cost increases to date.

TABLE XVI.—EFFECT OF WHEAT COST ON ETHYL ALCOHOL COST

[Basis: 2.6 gallons 200° proof alcohol/bushel]

Wheat price/bushel	Alcohol cost/gallon,[1] cents		
	Wheat	Conversion	Total [2] base cost
$1.00	38.5	24.2	62.7
$1.25	48.0	24.2	72.2
$1.50	57.7	24.2	81.9

[1] Dwight L. Miller, "Industrial Alcohol from Wheat," National Wheat Utilization Conference (Nov. 5, 1969); adjusted for cost increases to date.

[2] These costs do not include profits, packaging, and sales expenses.

Ethyl alcohol has been used as component in U.S. motor fuels on a limited scale only. Alcohol will give acceptable blend and handling performance, provided the blend contains at least 10-percent anhydrous alcohol (by volume). Lower blends might also be used with dual and more expensive fuel systems. The basic problem has been unfavorable economics. Legislative action that would require the use of alcohol blends with the alcohol produced from cereal grains (i.e., wheat) would be required for a significant volume motor fuel alcohol market.

The effects of such a legislative market are tremendous. It would require 3.4 billion bushels of cereal grains annually (the 1968 cereal production of wheat, corn and sorghum was approximately 1.57, 4.37 and 0.74 billion bushels respectively) to produce the 9.0 billion gallons of anhydrous alcohol (10-percent blend). This alcohol would cost more than $5.6 billion to produce from $1/bushel grain. Approximately 500 fermentation plants with a total capital investment on the order of $7.0 billion would also be required. (Present total installed plant capacity is only 15 to 20 million bushels). About 28 million tons per year of by-product feed would be produced.

The significant effects of this 28 million tons of by-product feed on the markets for other grains and cereals have not been evaluated. These high-protein by-product feeds would not fill the gap left by removal of a high proportion of feed grain from the market. These by-product feeds would also compete with such materials as soybean meal, cottonseed meal and other feed protein concentrates. Basically, there would be an excess of protein feeds but not enough carbohydrate energy.

Mr. President, I am very heartened at this report from the petroleum industry. I have always been an advocate of greater uses of farm products through chemistry. In the Farm Act of 1956, I secured the passage of an amendment which called upon President Eisenhower to appoint a commission to recommend the greater industrial uses of farm products. It was known as the Welsh Commission. The members of the Welsh Commission were: J. Leroy Welsh, Karl D. Butler, George H. Coppers, Charles R. Sayre, and Frank J. Welch. The Executive Director of that Commission was the distinguished Wheeler McMillen, who was then the editor of the Farm Journal. Among other things that report said in its summary:

SUMMARY OF THE REPORT

In Public Law 540, the 84th Congress established a five-man bipartisan Commission charged with the duty of making recommendations designed to bring about the greatest practicable increase in the industrial use of agricultural products.

In carrying out this assignment the Commission obtained the assistance of 188 of the country's outstanding leaders in agriculture, industry, and science, drawn from a wide range of private and public agencies. The 18 task groups or special committees in which they were organized represented all the agricultural products useful or potentially useful in industry. In addition, a number of technical experts served the Commission as consultants or staff members, and the United States Department of Agriculture and other Government organizations were unstinting in providing help and information.

THIS IS THE PROBLEM

American farmers have succeeded so well in the necessary effort to increase their efficiency that they now consistently outrun the capacity of the economy to consume what they produce.

To cope with this situation, which has widespread disrupting effects on markets, Government has resorted to costly programs for restricting land use, controlling production, and disposing of surpluses.

Though population is growing and living standards are rising, the productive capacity of our agriculture promises for many years to keep increasingly ahead of both.

An increase in exports seems unlikely as other countries become more and more self-sufficient.

It is widely agreed that American agriculture should for many reasons be kept at high levels of production and efficiency. Since there seems to be little prospect of a sufficiently large expansion of food markets in the next decade to use all the excess, the question becomes:

Can the economy develop profitable industrial markets capable of absorbing enough of the excess farm production to minimize, possibly even to eliminate, the need for costly restrictions, supports, and surplus-disposing operations?

THIS IS THE ANSWER

The Commission believes the answer is an emphatic "Yes," provided the necessary steps are taken to make possible and encourage such a development.

This conclusion is based on painstaking study, including the testimony of the scores of individuals with wide experience in the practical and scientific aspects of product utilization who made up the task groups and committees.

To make possible and encourage such a development there are four main needs.

The first is a sufficiently sharp sense—lacking so far—of the importance, the possibilities, and the urgency of the industrial utilization approach to farm surplus problems.

The second need is a greatly expanded program of fundamental and applied research—physical, chemical, biological, economic—to learn far more about the nature of agricultural raw materials and to determine what existing or new industrial products and processes might profitably use them. This work would not end in the laboratory; in promising cases it would go through the development stages of pilot-plant experiment and trial commercialization, which must precede full commercial use. The research and development program would mobilize the efforts of many scientific institutions—private, public, State, Federal, and perhaps even some in other countries; and in some cases the Government would share the cost of the research with private industries.

The third need is to insure, through fellowships, scholarships, grants, and other means, that much more scientific talent is trained for and channeled into this neglected field of farm product research and development than it has engaged so far.

The fourth need is to provide in certain cases, suitable financial incentives during a temporary trial or development period—for example, new products or processes that are expensive to launch or that seem less promising than alternative uses of risk capital, or that might lead to especially rapid disposal of surpluses.

The initial step in launching such a program is sound legislative action by Congress.

WHAT INDUSTRY HAS DONE

The expanded program of utilization research and development proposed by the Commission would enable agriculture to do what industry, with its bigger, better-integrated units and larger resources of money and men, has long been doing.

Industry is currently investing at least $3 billion a year, 3 percent of gross sales, in research. The result is obvious in a constant flood of new and improved products—fabrics, plastics, building materials, surface coatings, detergents, chemicals, and many others.

Many of these so-called miracle products of modern research have provided the foundation for vast new industries and the stimulus for new consumer demands. Most of the products are based on non-agricultural raw materials (particularly chemicals derived from petroleum), which are chemically taken apart and rebuilt (synthesized) in new forms. This search by industry is continuous, systematic, and intensive.

By contrast, agriculture spends not over $375 million on research—about 1 percent of gross sales; and most of this goes to improve and increase production. Federal and State governments spend $190 million of the total, of which no more than $18 million goes for utilization research.

So in recent years agriculture has been researched out of a good part of its natural markets. Nearly half the market for natural fibers—cotton, wool, flax, silk—has been taken over by synthetic fibers. Two out of three pairs of shoes are now made partly or wholly of leather substitutes. Two-thirds of the soap has been replaced by detergents, which do not use natural fats. Much of the paint and varnish bypasses linseed and other vegetable oils.

AGRICULTURE CAN DO

Raw materials produced by farmers are made of chemical components just as are most of the nonagricultural materials used to make the products mentioned. Coal and petroleum, in fact, are plants that died a long time ago.

Farm-produced materials, too, can be modified, tailored to particular needs, taken apart and recombined to make new products with new properties—plastics, films, fibers, coatings, and all the rest.

But with few exceptions materials from the farm have not had the intensive and systematic laboratory attention that has been given to those from other sources. When utilization research in agriculture has had the benefit of adequate expenditures and large teams of workers, the results have been outstanding—as in the case of commercial methods for producing penicillin, frozen concentrated fruit juice, nylon from corn cobs, various products from soybeans.

But because in the past food was never abundant enough, because manpower had to be released from the farms to run industry, because great wars created great necessities, most of the research funds in agriculture have always gone into production research—with revolutionary results in such fields as plant and animal breeding, control of diseases and pests, soil management, mechanization.

Partly because of the success of these efforts the time has come to create a better balance by giving more attention to utilization research.

The problems are not fundamentally different. Scientific brains of the kind that have so greatly expanded industrial markets can accomplish similar results with farm-grown materials.

But the problems are knotty, and it is not enough to learn from research that this or that agricultural product would be good for certain industrial uses. Other questions are equally important. Can it compete with products from nonfarm sources, giving as good results at less cost or better results at a cost not too much higher? Will the price remain fairly stable? Will an adequate, reasonably steady flow of supplies be available? Can they be obtained without too much trouble? Can the quality be depended on? The possibility of favorable answers to such questions as these, which determine market acceptance, also depends to a large extent on research.

WITH A DYNAMIC APPROACH

The Commission's Report outlines 106 broad fields of research and development, including hundreds of product uses, that seem to promise fruitful results.

The proposals are drawn from the reports and recommendations of the task groups and committees, which repeatedly emphasized the need for an approach to farm-product utilization as dynamic and imaginative as that which characterizes the best work in industry.

The products dealt with include cereal grains, cotton, oilseeds, meat and animal byproducts, tobacco, wool and mohair, dairy products, sugar, fruits, vegetables, edible tree nuts, white potatoes, poultry and eggs, crop residues, forest products, and new crops.

A few promising new crops get special attention largely because of their possibilities as new sources of farm income and as replacements, for industrial use, on a certain amount of land now growing foods or feeds in surplus supply. Not many years ago soybeans were unknown in this country. Now they are a mainstay of farming in large areas. There are literally hundreds of thousands of wild plants about which nothing is known regarding potential uses.

The Commission also made a detailed study of the possibility of utilizing surplus grain for the manufacture of alcohol for industrial uses, for conversion to butadiene to make synthetic rubber and for blending with gasoline as motor fuel. From the evidence now available, it was not possible to reach any clear-cut conclusions in favor of a large-scale program of this sort at this time.

In the case of industrial alcohol and butadiene, however, the picture is sufficiently promising to warrant extensive research for accurate determination of costs. This could be carried out by reactivating a number of alcohol and butadiene plants, some publicly and some privately owned, that are now idle.

Another promising possibility in this field is the further development of processes for converting corn into alcohol, with protein as a byproduct. The protein could be sold for food or feed at relatively high prices, which would make it possible to provide starch for alcohol at relatively low prices.

BASED ON SOUND LEGISLATION

Following the instructions of Congress, the Commission drew up specific recommendations for achieving the objectives it proposes. Seven of the 10 recommendations deal with points previously discussed in this summary—participation by many public and private institutions in an effective research network; fostering basic research; grants, fellowships, and scholarships to increase the supply of scientists; Government-industry sharing of research costs; research and development work with new crops; commercial-scale trials of new products; economic incentives.

The other three recommendations are concerned with financing and administration.

The amount now available for industrial utilization research in the United States Department of Agriculture is $16,145,000. The Commission recommends that this be increased at least threefold, with additional sums for new crops, development and trial commercialization, and incentives.

It recommends that in lieu of direct appropriations, 15 percent of the annual gross receipts from customs revenues be allotted for the industrial utilization program. This would be in addition to the 30 percent from the same source now available to the Secretary of Agriculture, under Public Law 320, for other designated purposes.

For the administration of the program, two alternative recommendations are made.

The first is to establish a five-member nonpartisan Agricultural Research and Industrial Board to be appointed by the President with the advice and consent of the Senate. This Board would allocate funds, make contracts with research institutions, and direct and coordinate the program but would not itself engage in research.

The second alternative is to place the responsibility for the program in the Department of Agriculture, under a director with the title of Assistant Secretary of Agriculture who would be in charge of research and education within the Department and would coordinate all agricultural research in the Federal Government. The proposed board would in that case be appointed by the President but would be responsible to the Secretary of Agriculture.

In proposing this pattern of procedures, the Commission had in mind the need to achieve effective results as promptly as possible, to maintain and expand the excellent research operations of the Department of Agriculture and the land-grant colleges and experiment stations, to make effective use of the talent and facilities of other institutions, and to add as little as possible to the structure of government.

Mr. President, the far-seeing report of the Welsh Commission has not been implemented as it should, yet some progress has been made. I ask unanimous consent to have printed in the RECORD an article from the Omaha World-Herald of February 20, 1973, entitled "Wheat Uses 'Unlimited'."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAPER, TIRES, DRESSES: WHEAT USES "UNLIMITED"; KERNEL SPLIT IN FOUR

HUTCHINSON, KANS.—Many new uses for wheat are the result of a major breakthrough in wheat studies, Far-Mar-Co., Inc. announced Monday.

Dr. Wayne Henry, director of research and development at the Hutchinson-based grain cooperative, said the housewife of the future may serve her family wheat pancakes sweetened with wheat syrup, read a morning paper made from wheat, put on her new wheat dress and drive to work in a car with tires of a wheat base.

Far-Mar-Co. began research two years ago to discover new applications so wheat growers would receive greater returns.

It is conservative to estimate, Henry said, that the process could bring up to $4.08 for a bushel of wheat now priced at $2.

"It's the biggest thing to happen to us in a generation," said Jim Gunn, executive secretary of the Kansas Association of Wheat Growers. The association and the Kansas Wheat Commission asked Far-Mar-Co. to do the research.

The excitement concerns the discovery of a process for removing from the wheat kernel its four components—gluten, starch, bran and germ—and, uniquely, to do so without major physical chemical or nutritional damage to the components.

The feat, Henry said, opens "unlimited potential" for the application of each component.

Gluten, for example, is primarily used by the baking industry, helping to provide elastic mass but now, Far-Mar-Co. says, it can also be used in the manufacture of plastics, detergents, and rubber products.

Japan, Germany, Canada and Australia export to the United States an estimated total of 20 million to 25 million pounds of gluten annually at about 30 cents per pound, he said. Kansas wheat men think Far-Mar-Co.'s process can stop gluten imports.

Far-Mar-Co. announced it hopes to have constructed and in operation before the end of the year a $700,000 building engineered to process 1,000 pounds of wheat per hour.

E. L. Hatcher, chairman of the National Wheat Institute, Washington, said the institute has recommended that the U.S. Department of Agriculture approve the release of $500,000 in a special institute fund to support Far-Mar-Co. in continued research.

Henry estimated it will be five years before the discovery has an effect on the wheat industry.

Mr. CURTIS. Mr. President, in the current Congress and in several preceding Congresses, I have introduced legislation to provide a tax incentive for the use of alcohol made from grain in our motor fuels. I ask unanimous consent that a copy of my bill, S. 616, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

(See exhibit 1.)

Mr. CURTIS. Mr. President, in summary I would like to stress the fact that our energy crisis is real and it is here. It is my opinion that unless a wise national policy is adopted, based on full production of energy, the United States could become a second-rate nation. We need to pursue every program that will contribute to a solution of our energy shortage such as the Alaskan pipeline. Tax incentives must be reinstated for great exploration and development of our energy resources. Nuclear powerplants should be built and not delayed. An intensive research and development program for solar energy should be undertaken. Full use of existing agriculture surpluses and full use of our entire agriculture potential should be developed for the purpose of making a distinct contribution to our motor fuel supplies as well as for the purpose of serving agriculture.

Mr. President, I yield the floor.

EXHIBIT 1

S. 616

A bill to amend the Internal Revenue Code of 1954 to provide for a reduced rate of tax for gasoline which contains grain alcohol and no lead

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 4081 of the Internal Revenue Code of 1954 (relating to manufacturer's excise taxes on gasoline sold for highway use) is amended to read as follows:

"SEC. 4081. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of—

"(1) 1 cent per gallon on gasoline containing 10 percent alcohol made from farm crops and containing no lead; and

"(2) 4 cents per gallon on any other gasoline.

"(b) RATE REDUCTION.—On and after October 1, 1977, the tax imposed by this section shall be 1½ cents per gallon and shall be imposed only on gasoline described in subsection (a)(2)."

Mr. PASTORE. Mr. President, I am pleased to join with my distinguished colleague from New Hampshire in cosponsorship of a bill to abolish the oil import program. I have long favored the removal of controls on oil imports—of both crude oil and products—because I strongly believe that the import quota system has simply not achieved its purposes.

For States like Rhode Island, where nearly 80 percent of the buildings are heated by oil, and for regions like New England, where over 70 percent of the buildings use oil heat, the program has proven to be costly and inefficient.

We are told that import controls are necessary to develop our domestic reserves and refining capacity so we will not have shortages. Well, for years, we have had the program, and for years we have paid high prices for products; the President's own Cabinet task force, which recommended abolition of the program, estimated that the average annual consumer cost in Rhode Island alone was $29 million and the per capita cost was $32—or $128 for a family of four.

After years of paying inflated prices, what has been the result? This year we have a severe supply crisis that threatened runouts and shortages; the refiner supplying the major portion of fuel oil to Rhode Island cut back sharply on deliveries. A catastrophe that would have affected the health and safety of many thousands in my State was averted only by the arrival of unusually warm weather in late January and by the action of the President on January 17, completely decontroling imports of No. 2 fuel oil for the first 4 months of this year.

The President's action is a clear admission of the failure of the oil import program. It is a clear admission that the present system is bankrupt. It is clear evidence that the quota system must be abolished.

The oil import program was created under delegated authority from the Congress. I believe we should act here and now in Congress to dismantle this outmoded system.

Mr. President, as an example of the widespread support for our position, I ask unanimous consent that a column by James Collins, from the February 17 issue of Oil Daily be inserted at the conclusion of my remarks. Mr. Collins, who has been no supporter of the New England position, states:

> It is becoming clearer with every passing day that more and more redtape and new systems to control oil imports will only be self-defeating, for they will leave in Government hands decisions that should now be made by an industry unleashed from governmental restraint.

I congratulate the Senator from New Hampshire for his leadership on this issue and am pleased to join in cosponsorship. I hope that at long last the Congress will act on this vital legislation.

ENLIGHTENED POLICIES FOR ENERGY NEEDS

Mr. WEICKER. Mr. President, I am delighted to join with the distinguished Senator from New Hampshire in introducing legislation to abolish the mandatory oil import quota system.

The home-heating oil shortage faced by Connecticut consumers is only one aspect of a widespread crisis. Shortages of various petroleum products in many regions of the United States clearly demonstrate that present policies are counterproductive. We cannot continue to operate contrary to the realities of our present and future oil resource capabilities.

A policy that was set forth in 1959 is not doing the job in 1973. While we might hope for Executive action, it has nevertheless been 3 years since a Cabinet-level task force recommended substantial changes in oil import policies. The proposal being introduced today would do nothing more than bring the substance of these recommendations to fruition.

The time to act has arrived. We are not merely faced with oil distributors who have to reject a homeowner's plea for heating oil—in the dead of winter. We are faced with hospitals, in Connecticut for example, that are paying 16 percent more for oil at a time when they are under enormous pressure not to raise charges to patients. We are faced with a drain on No. 2 heating oil because it is being consumed by the electric companies, who use it to dilute high-sulfur domestic crude oil. Low-sulfur foreign oil is not available, and yet recent antipollution laws now require low-sulfur content in oils consumed by these companies.

While we must act now to alleviate a crisis of untold dimensions, I likewise believe that we must no longer simply react to the growing energy crisis. It is imperative that we mount a national campaign to determine enlightened policies and rational sources of inexpensive, clean, and available energy for tomorrow's needs.

Mr. KENNEDY. Mr. President, I am pleased to join with the distinguished Senator from New Hampshire (Mr. McIntyre) and other concerned New England and Midwest Senators in introducing once again legislation aimed at the abolition of rigid clamp on oil import quotas.

The current crisis is not new to New England residents. It is only the latest evidence of the exhaustion of a system that no longer works.

For the past several years, the products of the oil import quota system have been oil shortages and high prices.

Yet, each year, we find the administration proclaiming its continuing allegiance to the antiquated concept of restricting imports to protect domestic oil companies who have been profiting from this system since 1959. The people paying for the system have been the consumers of America and particularly the consumers of New England.

The Cabinet task force on oil import control reported in 1969 that the national per capita cost of the oil import program was $24. The cost to consumers in Massachusetts was $35 a person; in New Hampshire, $39; in Maine, $41; and in Vermont, $45.

The Nation's consumers on the whole were paying more than $5 billion a year in extra costs to support the program, according to the task force report.

And yet, the supply of home heating oil has consistently been inadequate. Today, even the major oil companies acknowledge that imports of home heating oil are necessary to meet the demands of American consumers.

Domestic producers, operating at full capacity cannot meet domestic demands. And the recent hearings of the Senate Interior Committee have demonstrated that the situation is not improving.

The crisis earlier this year was produced mainly by the failure of the administration to permit an adequate supply of home heating oil imports at a time when those supplies were available and at reasonable prices.

Looming ahead is an almost assured shortage of gasoline during the summer months and once again domestic supply is inadequate to meet those needs. The Oil Daily today reported that gasoline stocks are 33 million barrels shy of last year's level.

I ask unanimous consent that this article be printed in the Record.

A recent meeting of an ad hoc policy committee of the New England congressional caucus with a White House energy adviser confirmed the fact that, during 1973, there will be a shortfall of some 600,000 barrels per day in petroleum availability.

Action must be taken now to meet the short-term requirement for an adequate supply of oil for this summer's gasoline requirements and for next winter's home heating oil needs.

In order to avoid a home heating oil shortage in the northeast next winter, there must be the possibility for long-term contracts with overseas suppliers. However, the present scheduled reimposition of import controls on May 1 has prevented any long-term contracts to be made with European suppliers.

It is only by lifting those import restrictions permanently that these contracts can be made. And that is the only way we can act now to avoid the damaging pattern of recurring home heating oil shortages.

I ask unanimous consent to insert in the Record a recent statistical assessment of the supply situation provided by the New England Fuel Institute as well as my recent testimony to the Senate Interior Committee and to the Cost of Living Council.

There being no objection, the material was ordered to be printed in the Record, as follows:

Gasoline Stocks Down by 33 Million Barrels

(By Jim Drummond)

Houston.—Are U.S. gasoline inventories 33,155,750 barrels beneath the "barely adequate level?

An independent refiner's mathematics suggest this.

He looks for a six or seven percent increase in domestic demand for motor fuel as Detroit turns out more millions of low-compression, high gasoline consuming cars.

Oil Daily's figures indicate the nation had an average of 223,243,000 barrels of gasoline in storage in the four weeks ended last Feb. 9. The comparable number a year earlier was 240,750,000 barrels.

If the 1972 figure is increased 6.5 percent, a compromise between the six and seven percent range, it becomes 256,398,750 barrels, or 33,155,750 barrels larger than the most recent 1973 figure.

U.S. motor fuel supplies began to tighten late last spring when companies and others who normally had been sellers of gasoline became buyers.

"The public never felt the worst pinch but wholesalers and retailers did," the independent refiner said. "Service stations shut down temporarily—and a few, permanently—in scattered areas. A products pipeline closed."

Inventories are down this year because the petroleum industry, preoccupied with a distillate shortage, never had a chance to rebuild them, and because of a new and more ominous factor—lack of sufficient crude oil.

The crude shortfall, attributed in some quarters to lagging productability worldwide, adds to catchup problems which include failure of U.S. refining capacity to grow as rapidly as products demand and a transportation jamup which finds crude pipelines full and barges and tankers scarce, the independent said.

By contrast, products pipelines like the Williams Brothers system which are dependent on crude-short inland refineries were reported limping along at reduced flow rates.

In the independent's opinion, the only way out is to find some way to curtail demand. Higher prices, if permitted, might do it:

"Wholesale gasoline prices are rising. If street prices follow suit and get high enough, the fellow with the big station wagon-and-trailer rig might stop taking those long vacation trips to Florida and Canada."

Soundings indicate major companies will be competing for gasoline supplies in the marketplace again this year, the independent said. Whether foreign product will fill much of the U.S. gap isn't clear yet to his company.

"Not much foreign gasoline is available yet," he reported. "How much will be later is questionable—there are demand problems abroad, too. What can be found now is priced four to five cents a gallon above the domestic products."

SIX DOLLAR RESID

More than one cargo of low pour residual fuel having 0.3 percent sulphur content is said to have been sold at $6 a barrel in New York harbor.

The price, about $1 a barrel above most postings, underscored reports low sulphur black oil is scarcer than distillates on the Eastern Seabord.

Importation of foreign residual at the Gulf Coast at a laid down price of 16.25 cents a gallon before terminaling was seen proof of a scarcity so severe exchanges are difficult if not impossible to come by.

"It obviously would have been more advantageous to land this product on the East Coast and swap it for Gulf Coast product, saving the freight," a bulk marketer said.

Two cargoes totaling about 400,000 barrels were said to have been brought to a gulf port from the Mediterranean. One headed for an upriver terminal on the Mississippi.

"Terminaling charges of 15 to 20 points and 25 points duty would have brought the cost of this distillate to about 17 cents a gallon before it entered barges," the marketer said. "With barge rates much above normal, the cost at its destination would be several cents higher still."

If Phase III of federal price controls was supposed to be a signal for petroleum industry prices to move upward as a unit, it didn't work. They rode off in all directions, a partial tabulation of wholesale products postings by individual companies suggests.

Most of the changes were so-called increases in distillates which restored some but not all of the frozen-out peak in the market's annual peak-and-valley pattern. There were a smaller number of gasoline adjustments featuring a widened differential of two cents a gallon between regular and premium. Heavy fuels, raised to ceilings or nearly to ceilings before Phase III arrived, were given a belated flip by some suppliers.

Distillate "increases" ranged as high as 1.2 cents a gallon, the figure which Mobil achieved in the Midwest by adding 0.75 cent a gallon and erasing a summer discount of 0.45 cent on Number 2 oil and kerosene. In the East, where the discount was 0.30 cent, its total adjustment came to 1.05 cents a gallon.

Texaco, Exxon and Sun arrived at 1.05 cent totals by the same route. Total Leonard made a one cent increase and eliminated jobber discounts. Shell, Murphy and Clark settled for one cent, which Clark called an average rack price adjustment. Gulf asked only 0.90 cent more from all classes of trade, and ARCO, only 0.80 cent, including cancellation of a 0.30 cent discount. . . .

GASOLINE PRICES, REGULAR GRADE ON OR ABOUT FEB. 2

City	DTW	Pump ex taxes
Albuquerque	19.1	26.9
Atlanta	18.33	26.4
Baltimore	18.68	25.9
Birmingham	18.5	25.9
Boise	19.4	26.9
Chicago	19.6	27.7
Cincinnati	19.6	26.9
Cleveland	19.6	26.9

City	DTW	Pump ex taxes
Columbus	19.6	26.9
Dallas	16.5	23.1
Detroit	17.9	24.9
Houston	16.3	22.9
Indianapolis	18.4	25.9
Jacksonville	18.9	25.9
Kansas City, Mo	19.6	26.9
Los Angeles	17.7	24.9
Miami	19.0	25.9
Milwaukee	18.25	25.9
Minn./St. Paul	19.6	27.9
New Orleans	17.5	24.9
New York	20.1	26.7
Newark	18.69	27.9
Oklahoma City	18.9	26.4
Omaha	19.6	27.9
Philadelphia	18.8	25.9
Phoenix	18.8	24.9
Salt Lake City	18.5	25.9
San Francisco	18.4	25.9
Seattle	17.55	25.4
Tampa	18.98	25.9
Tulsa	18.8	26.2
Washington	18.78	25.9
Wichita	19.6	26.9

NEW ENGLAND FUEL INSTITUTE,
Boston, Mass., February 16, 1973.

To: All Members of the Board of Directors.
From: Charles H. Burkhardt.
Re: Statistical Assessment of the Supply Situation.

New England Fuel Institute is closely monitoring the supply situation and we refer you to our bulletin of February 8th. We have had only one request for supply assistance from a distributor between February 1st and the 15th. This concerned low sulphur heavy oil. The distributor did not have enough to take care of two utility companies he supplied. The distributor in question applied for an import license (since no quota tickets are required), to bring in No. 2 oil so that the utilities might be kept operating. We do not know the final outcome as it came up only yesterday. It was obvious the supplier would attempt to import No. 2 to meet the deficiency of low sulphur resid. We suggested that he get the two utilities to apply for a variance as he did not want to do this himself.

Production of No. 2 home heating oil during the week ending December 29th and February 2nd broke all time weekly records. 20,966,000 barrels were produced during the week ending December 29th and 22,315,000 barrels of distillate were produced the week ending February 2nd.

Actually from December 1st, 1972 to the week ending February 2nd, 1973, U.S. refineries produced 29,978,000 more barrels of Distillate fuel oil than they did during the comparable period a year earlier. This year's total for the period was 280,914,000 barrels as against 250,936,000 barrels of distillate oil produced during the previous year's comparable period.

While these production statistics are encouraging, when we compare them with the present supply picture, which is the result of soaring demand for distillate, they take on a different complexion and we can readily comprehend just how inadequate such record production is, in face of the record breaking demand.

For the four weeks average, ending February 2nd a year ago, distillate stocks (inventories) East of the West Coast were 155,782,000 barrels. For the four weeks average ending February 2nd of this year, distillate stocks, East of the West Coast, were 128,627,000 barrels. East Coast distillate inventories this year were down 27,155,000 barrels over last year.

For the single week ending January 27th, distillate fuel oil stocks (inventories) East of the West Coast, dropped to 125,360,000 barrels and for the next week ending February 2nd, had further dropped to 121,188,000 barrels. If you refer to our bulletin to the Board of Directors of February 8th, you will note that it states, that if distillate inventories drop to 70,000,000 barrels there would not be enough in the pipe, shipping and transportation lines to supply the nation and severe shortages will be at hand for certain areas at the end of the supply lines, (Mid-West and Maine). Note that as of February 2nd, we were only 51,000,000 barrels from the point of disaster impact.

Much will depend on the weather, but the real villain is *Demand*. In December, U.S. demand for petroleum products of all types rose to a new record level of 18.1 million barrels per day. This is 7.7% higher for all petroleum products than a year ago; however distillate heating oil had the greatest increase in demand, 12.8% over a year ago; residual demand was up 7%; gasoline, 5.7%; kerosene, 1%.

Because of inadequate crude oil supplies, refiners averaged 11.9 million b/d of product. Measure that against the new record level demand of 18.7 million b/d and you can see what the situation is! Imports at present are the only answer.

Refined product inventories during the month of December declined *twice* the usual seasonal average and by the end of that month, stocks of all major products were sharply below the level of a year ago. What is more important—crude oil stocks at the end of December were at their lowest level in six years.

The situation, to put it mildly, is not good, and there has to be some realistic short term remedies or there will be a crisis impact that will affect all refined products; gasoline, heating oil, kerosene, jet fuel and resid.

The ecologists have had their day and may be leading us to doom. We cannot build refineries—we cannot build deepwater offshore terminals—we cannot complete the Alaskan pipeline—we cannot drill for offshore oil—we cannot burn coal or high sulphur residual oil at any time—we cannot stave off disaster, unless this changes!

The emotional binge of the ecologists and anti-pollutionists is now historically running parallel and analogous to the disaster of the prohibition era. Which, as a result of an emotional and hysterical movement, saw the legitimate liquor industry given over to racketeers, hijackers, bootleggers, smugglers, etc.

We are now seeing an American energy supremacy being given over to foreign nations where it will be held hostage to the highest bidders and will be prohibited from developing its own resources in its own land. All this is completely unnecessary. It could easily be eliminated if a rational balance was struck between our energy needs and our needs for reasonable ecological standards.

STATEMENT BY SENATOR EDWARD M. KENNEDY ON THE DOMESTIC OIL SHORTAGE

Mr. Chairman: I appreciate the opportunity to appear before the Senate Interior Committee this afternoon on the oil import quota system and the domestic oil shortage. At the outset, I want to express my personal belief that these series of hearings undertaken by the Committee are crucial to awakening the Congress to the energy crisis the nation is facing today.

The Chairman deserves the appreciation of the Senate and the nation for his leadership in this area. And these hearings already have borne fruit by encouraging the Administration to assign to this issue a new priority.

I also appreciate the opportunity to present to the Committee the Governor of the Commonwealth of Massachusetts, Francis Sargent. Governor Sargent will be able to enlighten this Committee concerning the recent outrageous situation that Massachusetts faced, when a major oil company demanded that air quality standards be lowered or schools, utilities and industries would go without heat.

I believe these hearings will demonstrate that the present oil import quota system was a major accomplice to the poor planning of the oil industry in generating a critical oil shortage this year.

I do want to take this opportunity to bring to the attention of the Senate Interior Committee some of the recent history surrounding this program which makes clear that the present oil shortage is not a one-time aberration.

For years, the oil import quota system has proved inequitable to American consumers, inadequate to American heating needs, and incapable of promoting our national security.

A system that can present Massachusetts citizens with the choice between clean air or home heat is a system that is not in the national interest. A system that finds the United States in the dead of winter trying to scrape up enough oil to heat its homes, its schools and its hospitals is not in the national interest. And a system that picks the pockets of consumers to boost the profits of oil companies is not in the national interest.

I would urge the Committee to examine closely the Cabinet Task Force Report on Oil Import Controls which issued its report three years ago.

On the question of cost, the Task Force concluded that the system was costing consumers $5 billion a year; by 1980 8½ billion. And it found that the consumers of the Northeast were footing most of the bill. The Cabinet Task Force on Oil Import Control reported in 1969 that the national per capita cost of the oil import program was $24. The cost to consumers in Massachusetts was $35 a person; in New Hampshire, $39; in Maine, $41; and in Vermont, $45.

On the question of national security, the Task Force concluded: "The fixed quota limitations that have been in effect for the past ten years, and the system of implementation that has grown up around them, bear no reasonable relation to current requirements for protection either of the national economy or of essential oil consumption. The level of restriction is arbitrary and the treatment of secure foreign sources internally inconsistent. The present system has spawned a host of special arrangements and exceptions for purposes essentially unrelated to the national security. . . ."

And the Task Force was emphatic that the restrictions on Canadian imports, whether of Canadian crude or of finished products, made absolutely no sense in terms of national security. In fact, they are probably more secure than shipments by sea from Texas.

The present oil import quota system had a single presumed justification, the alleged relationship to the protection of national security.

The Cabinet Task Force found that relationship did not exist. Yet its report has been gathering dust on the shelves of this Administration since its publication.

On the question of supply, I would urge the Committee to recognize that the present domestic oil shortage has had numerous predecessors. In September, 1970, there was a shortage of residual fuel oil in Massachusetts. I recall calling the major oil companies and urging them to divert cargoes to Boston because we had schools and hospitals in danger of running out of oil. A year later, the Office of Oil and Gas of the Department of Interior in Washington confirmed what we in New England knew we had endured.

Its report read: "In September of 1970 the continuing tight supply of residual fuel oil reached alarming proportions in the New England area, and in Massachusetts in particular. A constant series of price increases from mid-1969, affecting homes, schools, utilities and industry . . . reflected a serious possibility of a shortage of oil. . . . The New England area, being over 90 percent dependent on imported residual fuel oil primarily from the Caribbean area, faced a critical short supply position, particularly if an abnormally cold winter would hit the area."

In 1970, the Administrators of the oil import quota system had their fingers crossed and their eyes on the weatherman, for they were gambling that it would not be an abnormally cold winter.

This year, they gambled again; but this year they lost. And New England and the midwest have suffered the consequences.

In New England, of an approximate population of 11,900,000 people, 9,045,600 use oil for heating purposes.

Yet the pleas for additional imports of home heating oil went virtually unanswered throughout 1972. New England representatives were asking as early as last April for adequate levels of imports of home heating oil and the building up of low sulphur residual oil reserves. And our request continued month after month. The response from the Administration was ". . . that there shall continue to be an adequate supply of home heating oil to consumers in all areas in District I."

That was not achieved.

In September, we saw a minimal increase of 5,000 barrels a day in #2 oil imports, retention of the Western Hemisphere limit and a 10 percent allowance on borrowing from 1973 imports.

We protested that policy then. We said that New England winters hit hardest in the first three months of the year and if people were borrowing from their 1973 allotments, we were going to run short.

And we noted that in September distillate stocks were 10% lower than in 1971 and the proposed additional imports would not even make up that deficit. By the end of December, that deficit had risen to 34 million barrels.

Yet all we saw was a tinkering with the machinery and an increasing protest that everything that could be done was being done. Then, the facts overwhelmed the explanations. Schools were closed in midwestern cities, homes in several instances were in danger of losing their heating supply and in New England virtually every local oil distributor had his allotment rationed.

Mr. Chairman, this proposal would help relieve the current shortage but it is not the long term answer. If we do not take steps now, we will simply describe this year's shortage as the 1972–73 crisis while we are struggling with the same set of facts a year from now.

Today, we have a deficit in stocks of home heating oil of nearly 26 million barrels. And there is a deficit of 7 million barrels in residual oil of which 6 million is in District I.

By waiting until January 17 to lift the oil import restrictions on home heating oil and then by limiting the relaxation to a few months, the President assured the continuation of a crisis situation for the remainder of this winter. For our stocks are still low and the 3½ month suspension presents an added difficulty to the task of finding large supplies of home heating oil in the middle of the winter. Most European refineries insist on long-term contracts and the temporary nature of the current relaxation in controls prevents those contracts from being made.

That is why I introduced, along with Senator Stevenson and some 21 other cosponsors from both the east and midwest, an emergency resolution on the present fuel shortage.

It would do the following:

First, it would lift all controls on the importation of No. 2 home heating oil into Districts I–IV, the states east of the Rockies, through April 1, 1974. This provision would permit long-term contracts be made with European refineries and would enable oil not only to be imported this year; but also it would help avoid a crisis next winter.

Second, the Resolution would have lifted all controls on the importation of crude oil for 90 days following enactment. This would enable additional supplies of crude to be imported to insure an adequate supply to domestic refineries. Immediate increases in crude could, for example, be made available to midwest refineries from Canada. There remains, according to Canadian government sources, an estimated annual average of 150,000 barrels per day in spare pipeline capacity.

Mr. Chairman, this proposal would help relieve the current shortage but it is not the long term answer. If we do not take steps now, we will simply describe this year's shortage as the 1972–73 crisis while we are struggling with the same set of facts a year from now.

And I should emphasize that it is not only a shortage of home heating oil and low sulphur residual oil. For this spring and summer, there is every indication that there will be severe gasoline shortages as well.

And to add to the burden of oil shortages, there will be continual increases in the price of oil. We already see the major oil companies seeking to take advantage of a situation they were substantially responsible for creating. Most majors have raised prices on No. 2 oil by an average of 8 percent and in Boston closer to 10%. The increased cost of more than a penny a barrel at the wholesale level means more than $50 million more this year for New England and $150 million for the northeastern states, if it is permitted to remain. I would hope that this price rise will be rescinded by the Cost of Living Council which, in response to our requests, has scheduled hearings next week.

As a long-term solution to the domestic fuel shortages, the decisions we take with regard to the oil import quota system form only one part, but they are an essential part.

First, I believe there must be an end to the oil import quota system. This system does not meet our national security needs. It creates regional inequities and it forces the consumer to pay the price of protecting the profits of oil companies.

Second, in accomplishing this phase-out, the immediate step should be permanent decontrol of the importation of No. 2 distillate (home heating oil) into the U.S. and total removal of the Western Hemisphere purchase limitation on those imports. It is unfair for a single region of the country to bear the weight of a national program. And, no one surely can argue that we can solve New England home heating oil needs with domestic supplies.

Third, another immediate action should be establishment of an energy free zone between Canada and the U.S. for both crude and finished products and similar action throughout the Western Hemisphere for crude oil. No greater national security risk exists in the physical transportation of oil from these nations to the U.S. than in the shipment of our own domestic oil to the East Coast.

A single action such as abolishing the oil import quota system will provide an important first step toward developing an intelligent national energy policy that meets our fuel needs while recognizing the demands of environmental protection and reasonable prices to the consumer, but it is the most important first step.

We must provide government with full access to industry books on the demand for oil, the location of their home heating oil and other stocks, the quality of those stocks, and the cost of production.

We must examine the possibility of national security shortage reserves of oil.

We must examine the possibility for public rather than private development of oil and gas reserves, particularly on public lands.

We must examine how to provide additional refineries in keeping with environmental requirements.

We must examine ways to improve the security and safety of tankers and terminals.

All of these factors deserve attention as part of the deliberations of this Committee.

But while this is taking place, there should be one thing that is crystal clear. The current oil import quota system must be ended. And it should be ended now.

Mr. KENNEDY. Mr. President, I sought over a month ago to achieve some immediate relief from the import restrictions by introducing a joint resolution to suspend the restrictions on home heating oil controls through next winter's home heating season and to suspend crude oil controls for 90 days following enactment. Some 28 Senators joined me in this effort. A similar resolution was introduced in the House of Representatives by Congressman BURKE of Massachusetts.

There is a tremendous need to reassess our national energy policies on a long-term basis and to establish policies that will insure adequate supplies for our domestic needs without creating critical environmental problems. However, there is no reason for any delay in abolishing an oil import quota system that is no longer meeting its own objectives and that is no longer in the national interest.

By Mr. BUCKLEY:

S. 1020. A bill to insure international cooperation in the prosecution or extradition to the United States of persons alleged to have committed aircraft piracy against the laws of the United States or against international law. Referred to the Committee on Foreign Relations.

Mr. BUCKLEY. Mr. President, I introduce for appropriate reference a bill to insure international cooperation in the extradition to the United States of persons alleged to have committed aircraft piracy against the laws of the United States or against international law.

The bill, simply stated, would prevent any foreign air carrier of a country, which fails to extradite to the United States, upon the request of the United States, any person alleged by the United States to have committed or attempted to commit aircraft piracy where the action occurred within the jurisdiction of the United States from continuing to operate within this country.

I want to emphasize that it is extradition and not prosecution that is at the heart of this bill. The mere prospect of prosecution by a foreign government will not necessarily serve as a deterrent to a hijacker, especially if he expects the country of his destination to be politically sympathetic to him. It is, for example, quite conceivable that a hijacker could be prosecuted for hijacking—thereby allowing the foreign nation to say it was acting in good faith—but that his penalty could be so lenient as to make the conviction simply a matter of legalistic formality. Only the sure knowledge that extradition—and only extradition—will follow any hijacking to any nation will deter hijackers.

The basic purpose of this legislation is to exert pressure on foreign governments to cooperate with the United States in bringing an end to a series of hijacking occurrences which have jeopardized the life and limb of innocent victims and in some unfortunate instances led to their injury and death.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1020

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 1372 of title 49 of the United States Code is amended by substituting a semicolon for the period at the end thereof and adding the following: "Provided, That no permit shall continue in force, and no permit shall be issued, to a foreign air carrier which operates in any nation which does not agree to extradite to the United States, or does not extradite to the United States, upon request of the United States, any person alleged by the United States to have committed or attempted to commit aircraft piracy in violation of subsection (i) of section 1472 of title 49 of the United States Code where the act of piracy complained of has occurred within the jurisdiction of the United States."

By Mr. CURTIS:

S. 1021. A bill to amend section 301 of the Federal Meat Inspection Act, as amended, and section 5 of the Poultry Products Inspection Act, as amended, so as to increase from 50 to 80 per centum the amount that may be paid as the Federal Government's share of the costs of any cooperative meat or poultry inspection program carried out by any State under such sections, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. CURTIS. Mr. President, I am today introducing a bill similar to one I sponsored during the 92d Congress which was adopted unanimously by this body but was not approved by the House of Representatives. The purpose of this bill is to raise the Federal contribution to the maintenance of State meat inspection programs from 50 percent, as it is now, to 80 percent. This would apply not only to meat inspection programs but also to poultry inspection programs.

In addition, the bill I introduce today provides that any cooperative arrangements for meat and poultry inspection under the Talmadge-Aiken Act, Public Law 87–718, shall be equal to the highest percentage contributed to any State under the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The present law provides that a State may maintain a meat inspection or poultry inspection program if it meets the standards set by the Federal act and if the Federal Government finds that the State's program is equivalent to the Federal program. Under that program, most of the States conduct a State meat inspection program as well as a poultry inspection program.

In the Meat Inspection Act of 1967 was a provision that if a State chose to discontinue its meat inspection program, the Federal Government would take it over. In that case, of course, 100 percent of the cost would fall upon the Federal Government. We are living in days when the States are facing many budgetary problems. Some States already have elected to discontinue their meat inspection programs.

It is believed that if this Federal contribution were raised from its present 50 to 80 percent, the States would refrain from discontinuing their meat inspection programs and, very likely, it would save money for the Federal Government. That is the purpose of this bill.

I cannot overemphasize how important it is to have the States share in this program and how they can do a job equivalent to the Federal system and at the same time tailor the operation of their inspection programs to meet the needs of their smaller communities and their smaller processors.

The second part of this bill, which amends the Talmadge-Aiken Act, provides that in States where Federal meat or poultry inspection is performed by State-employed inspectors, the Federal Government shall provide 80 percent of the funds. I believe this would be desirable since it would help keep State programs in operation, eliminate the difference between State and Federal systems, and help keep the total cost of meat and poultry inspection from becoming much more costly.

Mr. President, I hope the Senate will once again act swiftly on this legislation.

By Mr. HARTKE:

S. 1022. A bill to increase from $240 to $480 per year the amount of earned income which will be excluded in determining eligibility for and amount of benefits payable to individuals under the Federal program for supplemental security income for the aged, blind, and disabled, established by title XVI of the Social Security Act. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, one of the longstanding injustices in our social security system has gone uncorrected and unresolved for years, and it exists today as it has for years. It is an injustice which applies to persons receiving social security benefit payments who also receive supplemental income from welfare.

As social security payments are increased in order that those who live upon such payments may live better, the supplementary income is reduced by the amount of the increase in the social security payment.

Thus, because of this financial flimflam, millions of persons receiving social security payments do not benefit one cent from an increase in such payments.

In such case, Mr. President, the beneficiary is not the individual whom Congress intended to benefit but the State treasury.

For public welfare recipients it works this way, Mr. President. The administering welfare authorities establish a person's need for assistance by considering approved budgetary items, let us say at $130 a month, the exact amount of the Federal payment under the new supplementary security income plan for the aged, blind, and disabled. This same needy person received $80 a month as a disability insurance beneficiary.

From this you might think the person would then receive $130 plus $80 or $210 a month. But this is not the case. According to welfare practice, regularly received income must be considered in determining the amount of a welfare payment and used to reduce the amount of the payment. Social security payments are treated as regularly received income.

Our welfare recipient who has an established need for $130 a month and a social security payment of $80 a month does not have a total monthly income of these two amounts combined. Rather, the $80 social security payment is subtracted from the $130 established need for aid, and the needy person gets $50 aid grant—the difference between the established need and the social security payment. However much the social security payment may be increased up to $130 a month, the needy person only will get a total of $130 a month. As the social security payment is increased—as intended by Congress to raise the living standards of social security beneficiaries—the amount of the aid grant is reduced by the amount of the increase.

The person who receives social security payments and a welfare grant reads in the paper or learns from television or radio that Congress has increased the amount of social security payments and he happily anticipates having increased income.

He receives his welfare and social security checks and discovers to his great discouragement and disappointment that, though his social security check is larger than before, his welfare check is smaller, and he is no better off financially than before.

For years, Mr. President, I and others in the Congress have been aware of this most unjust and unfair situation and have introduced bills to exempt increases in social security payments from being considered as income available to meet a person's needs when he must apply for public welfare.

It has always seemed most ironic to me that although the Social Security Administration has oftentimes approved and even sponsored legislation to increase social security payments, this very same Federal agency has always opposed and actively disapproved all bills that would have made sure that such increases actually were received by beneficiaries—that such increases were actually available to beneficiaries as additional income to meet constantly and catastrophically rising living costs.

Now, Mr. President, I am today introducing a bill that proposes a new method for assuring that social security beneficiaries who must also apply to public welfare receive at least a substantial portion of any future increase in social security payments.

The Hartke bill would provide relief for adults who must live on public welfare, in the following manner:

Section 1612(b)(2) of title VI of Public Law 92–603 (H.R. 1) provides that $20 a month of income from any source is to be exempt from meeting the needs of an aged, blind, or disabled recipient of aid.

This means, Mr. President, for aged, blind and disabled persons who receive social security payments as well as welfare grants, $20 a month of the social security payment will be exempt, the welfare grant will not be reached each month by this $20 amount.

My bill would double the amount of this exemption of income from any source. It would change the present amount in section 1612(b) (2) from $20 to $40 a month, thereby making it possible to free $40 of a social security payment or social security payment increase from claim and absorption by the State.

My bill would make sure, Mr. President, that when we increase social security payments because they are far too low, that social security beneficiaries do, in fact, get at least $40 of the increase if they also receive public welfare as adult needy recipients.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1022

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1612(b) (2) of title VI of the Social Security Act (as enacted by section 301 of Public Law 92-603) is amended by striking out "$240" and inserting in lieu thereof "$480".

SEC. 2. The amendment made by the first section of this Act shall take effect on January 1, 1974.

By Mr. HARTKE:

S. 1023. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide a program for the accreditation of law enforcement agencies. Referred to the Committee on the Judiciary.

ACCREDITATION PLAN FOR LAW ENFORCEMENT AGENCIES

Mr. HARTKE. Mr. President, today the question of adequate protection for life and property is a serious one for all Americans. The cries for law and order continue, but too little has been done to insure that the citizens of this country are adequately protected. The problem of protection will not be solved by a bumperstrip war against crime. It will be met only through the application of the most sophisticated methods in the fight against crime.

The bill I am offering today was originally introduced in the first session of the 92d Congress. Since the authorization for the Law Enforcement Assistance Administration expires this year it is anticipated that there will be considerable debate in the Congress as to its successes and failures. What I view as one of the shortcomings of the LEAA program is that there has not been sufficient concentration on developing the professionalism of the men and women who serve in the law enforcement agencies of the country. All too often exorbitant amounts of money have been spent on purchasing "hardware," that is, equipment, and weapons for every possible contingency, and little emphasis has been on providing the necessary training to function in the highly volative situation law enforcement officers often find themselves engaged in. We need a new direction in the fight against crime.

The bill I offer today is designed to give that direction. The bill seeks to establish a national accreditation program for police departments, to guarantee that the law enforcement agencies in this country are truly professional agencies. I introduce this bill because the citizens of our Nation are entitled to the best law enforcement protection possible. Today, we realize that standards of recruitment, selection, training, and operations must be upgraded to insure citizens of uniform treatment and justice. Consequently, every effort must be made to further professionalize the Nation's police departments by urging them—where needed—to strive for new standards of excellence.

In 1967, the President's Commission on Law Enforcement and the Administration of Justice recommended the establishment of State commissions on standards to assist in improving the quality of law enforcement in this country. Although there have been some efforts in that direction, the vast majority of the States have taken little or no action to comply with the recommendations of the study. It is a national tragedy that most States in this country do not have any form of substantive law enforcement standards legislation. It is the clear need for professionalization in the field of law enforcement that causes me today to introduce this legislation which I hope will be the impetus for a national effort to achieve heightened stature for law enforcement agencies throughout our country.

My proposal provides for the establishment of a national accreditation commission comprised of nationally prominent figures in the field of law enforcement the primary function of which would be to establish guidelines for use in determining the relative caliber of police departments. These guidelines would be administered by a regional accrediting commission which would examine municipal, county and State police organizations to determine if they meet certain minimum standards. The concept of the establishment of regionally administered standards is by no means a new or novel idea. For example, the late Director of the FBI, J. Edgar Hoover, recommended the establishment of national uniform standards to achieve police excellence. Also, Mr. James F. Ahern, former police commissioner of New Haven, Conn., recommended in a speech before the Democratic national policy committee that—

> A major step in the professionalization of law enforcement would be creation of a national institute of police standards. The institute would direct federally supported experimentation in law enforcement and draft and distribute a set of voluntary standards in such areas as police recruitment, training, operating procedures, organizational design, conduct, and ethics.

Mr. Ahern felt that such a professional organization is needed to provide leadership and guidance to the thousands of police departments in this country.

In line with Mr. Ahern's thoughts the program I am proposing would initially be voluntary, but eventually departments that do not meet the requirements of the regional accreditation panels would become ineligible for Federal funds.

As previously stated, the national commission would be comprised of national prominent figures in the field of law enforcement and related academic areas. This commission would be able to draw on their professional experience and training to develop national guidelines for the regional accrediting agencies to implement. Of course, it is impossible for any national commission to develop clear and concise rules which would be applicable to each and every law enforcement agency in the country. Consequently, the national commission would develop guidelines which the regional panels would implement in light of their knowledge of regional and local circumstances.

It is imperative to state at this point that my proposal is not intended, nor does it create a national law enforcement body to control the functions and responsibilities of State and local law enforcement agencies. The commission—national and regional—will be constituted of academicians and officials who are completely independent of the control of the Federal Government. The members of the commission will be prominent figures in the field of law enforcement and related areas who are willing to give of their time to assist in developing professional standards for law enforcement agencies.

A vital feature of this legislation is the inclusion of criteria that most law enforcement officials consider important to any evaluation of a police department's caliber. These criteria are not meant as the exclusive means for evaluating the professionalism of a police department but will be an important part of the evaluation process.

First, there must be standards established in the area of recruitment and selection practices of police departments. This would, in all probability, include establishing minimum standards of education and aptitude for police work. The role of the law enforcement officer in present-day America makes many more demands than in the past. Yet, very little has been done to insure that the law officer is suited by education to his post. Educational standards set by many police departments in the Nation require less than a high school education. A 1961 survey by the International Association of Chiefs of Police revealed that of the over 300 departments surveyed, 24 percent had no minimum educational requirements and less than 1 percent required any level of college preparation. There has been very little change in those figures in the past 10 years, even though two major national commissions have stressed the need for a better educated and more professionally trained law enforcement officer.

A recent publication cited the problems facing police departments in this country and stressed that—

> Failure to overtake or at least keep pace with the rising educational standards in other occupations means that law enforcement officials will have to be drawn from the minority of the population least educated, least talented, and least qualified to assume the responsibilities of modern law enforcement.

Another example of the glaring deficiency in most police department recruitment programs has been their failure to permit lateral movement of police officers, the process of permitting a law enforcement officer to transfer from one jurisdiction to another without losing his rank and accrued benefits.

Another area of obvious importance is that of training programs for recruits and inservice personnel. Any accrediting panel should inquire into the scope and extent of training programs, the nature of the course and the quality of instruction, and the extent of the training in general with respect to the particular problems the local jurisdiction faces. A recent study found that fewer than 15 percent of all law enforcement agencies provide immediate recruit training for officers. In far too many jurisdictions, officers are simply handed a revolver and a ticket book and assigned to an older officer to glean what training and experience they can. Where formal training programs do exist, they range from a few days to several months. Unfortunately, the training given is largely outmoded and not structured to the needs of current-day law enforcement. The tendency has been to train an officer so that he responds mechanically to problems rather than as a skilled professional. We must make a commitment that no longer will we put individuals in our tension-ridden communities with little training to face the problems that are part and parcel of his daily tasks.

One area that deserves utmost consideration is an examination of the compensation and benefits that are provided for the officers. This is a problem I have recognized before and have introduced legislation to supplement police salaries. As the late Director of the FBI, J. Edgar Hoover, stated, the fact that the beginning pay for a police officer is under $7,000 nationwide is a national disgrace. Inadequate compensation has been a significant factor in failing to entice and retain competent persons in the law enforcement area. The existing pay scales continue to prove incapable of attracting men who can more adequately meet the high standards that are required by the present conditions in our society, but little has been done to rectify this deplorable situation.

Administrative organization of police departments must also be examined. The size of police departments in many cities is such that too many departments are administrative disaster areas with haphazard delineation of responsibilities and very poorly established chains of command. The existence of such poorly organized agencies makes it extremely difficult for police officials to be responsive to the problems of officers, and for officials to insure that the highest ethics and integrity are maintained.

Last, but by no means of minor importance, it is imperative that serious consideration be given to an examination of the community relations training programs and efforts of police departments. The changes in the urban structure of our society necessitate that the new enforcement officer increase his function from the traditional police role to a wider and more expanded relationship with the public at large. This requires that the police officer be sufficiently trained in working with, and understanding groups with which he comes in daily contact. Unfortunately, the police officer has had to deal with the results of our many social ills. Societal ills such as inadequate housing, unemployment, and poor education have made the always difficult job of the police officer even more trying today. A failure to recognize the need for enhancing the training and work in the area of police-community relations could unfortunately negate all other advancements made in upgrading the status of law enforcement agencies.

In conclusion, the citizens of this country deserve and desire a new standard of excellence in law enforcement to guarantee protection for all citizens. The legislation I am introducing can be the impetus for a national effort to raise law enforcement to truly professional status. The public demands no less.

Mr. President, I ask unanimous consent that a copy of this bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1023

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting immediately after part E the following new part:

PART F—ACCREDITATION OF LAW ENFORCEMENT AGENCIES

"SEC. 471. It is the purpose of this part to encourage the improvement of law enforcement agencies of the States and units of general local government on a voluntary basis by providing for a program of accreditation and financial assistance to the States and units of general local government having agencies that are accredited pursuant to this part.

"SEC. 472. (a) There is hereby established in the Law Enforcement Administration a Commission on the Accreditation of Law Enforcement Agencies (hereinafter in this part referred as to the 'Commission') composed of nine members to be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are officials in the field of law enforcement for the Federal Government, for any State, for any unit of general local government, or experts and teachers in the field of law enforcement. In making appointments under this section, the President is requested to give due consideration to appointment of individuals who, collectively, will provide appropriate geographical balance on the Commission.

"(b) The term of office of each member of the Commission shall be six years, except that—

"(1) the members first taking office shall serve as designated by the President, three for a term of two years, three for a term of four years, and three for a term of six years, and

"(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

"(c) The President shall designate one of the members of the Commission to serve as Chairman and one as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

"(d) Any vacancy in the Commission shall not affect its powers and shall be filled in the same manner and subject to the same limitations as the original appointment was made.

"(e) Five members of the Commission shall constitute a quorum.

"(f) In the exercise of its functions, powers, and duties, the Commission shall be independent of the Attorney General, the Administrator of the Law Enforcement Administration, and all other offices and officers of the Department of Justice.

"SEC. 473. (a) The Commission is authorized to—

"(1) establish criteria for the accreditation of law enforcement agencies of the States and units of general local government, including provisions for such criteria for each appropriate class and type of law enforcement agency, after giving consideration to the following factors—

"(A) recruitment and selection practices, including minimum educational qualifications, minority group selection allowances, and the criteria for lateral movement into the law enforcement agency;

"(B) the availability and quality of training programs for new law enforcement personnel, existing personnel of any such agency;

"(C) the quality of the physical facilities of such agency and the availability and the contemporary nature of the equipment and support services of any such agency;

"(D) minimum acceptable rates of compensation for such personnel, and the availability of workmen's compensation, health insurance, death benefits, and other benefits available to such personnel;

"(E) the number of on-the-line personnel of such agency in relation to the population of the State or unit of government which that agency serves;

"(F) minimum adequate management practices and a model of organizational structure for any such agency; and

"(G) the quality of the community relations program, including the amount of training of law enforcement personnel in such program and the accessibility of law enforcement personnel of the agency to the public;

"(2) establish national and regional accrediting associations composed of law enforcement officials who are representative of all levels of the work personnel of the agency being accredited;

"(3) provide for the establishment of accrediting boards by the regional accrediting association, one of whose members, in the case of a law enforcement agency of a unit of general local government, is representative of a law enforcement agency of the State in which that agency is located;

"(4) provide for the general policy with respect to accrediting such agencies, including the manner of establishing accrediting boards by regional accrediting associations and the daily rates of compensation to be paid association and board members, except that in no event shall such compensation exceed $100 per day;

"(5) make grants in accordance with section 475; and

"(6) perform such other functions as are necessary to carry out the purposes of this part.

"(b) The Commission shall submit interim reports to the President and the Congress as it deems advisable to keep the Congress fully informed of the establishment of criteria for, and the process of, accreditation under this section. The Commission shall submit, as part of the report of the Administration as required under section 519 of this Act, a report setting forth the activities of the Commission and such recommendations including recommendations for additional legislation as it deems advisable in each calendar year.

"SEC. 474. (a) There shall be a full-time staff director for the Commission who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at a rate to be fixed by the President not in excess of the rate prescribed for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code. The President shall consult with the Commission before submitting the nomination of any person for appointment to the position of staff director. Within the limitations of its appropriations, the Commission may appoint such other personnel as it deems advisable, in accordance with the provisions of title 5 of the United States Code, and may procure services as authorized by section 3709 of such title 5 but at rates for individuals not in excess of the daily rate prescribed for GS–18 of the General Schedule.

"(b) The Commission may accept or utilize services of voluntary or uncompensated personnel.

"(c) The Commission may constitute such advisory committees within States composed of citizens of that State and may consult with Governors, attorneys general, and other representatives of State and local governments, and private organizations, as it deems advisable.

(d) Members of the Commission, and members of any advisory committees shall, for the purposes of chapter 11 of title 18, United States Code, be deemed to be special Government employees.

"(e) All Federal agencies shall cooperate fully with the Commission in order to assure that the Commission may effectively carry out its functions and duties.

"(f) The Commission, or on the authorization of the Commission any subcommittee of three or more members, may, for the purpose of carrying out the provisions of this Act, hold such hearings and act at such times and places as the Commission or such authorized subcommittee may deem advisable. Subpenas for the attendance and testimony of witnesses or the production of written or other matter may be issued in accordance with the rules of the Commission as contained in section 5 of this Act, over the signature of the Chairman of the Commission or of such subcommittee, and may be served by any person designated by such Chairman. The holding of hearings by the Commission, or the appointment of a subcommittee to hold hearings pursuant to this subsection, must be approved by a majority of the Commission, or by a majority of the members present at a meeting at which at least a quorum of five members is present.

"(g) In case of contumacy or refusal to obey a subpena, any district court of the United States or the United States court of any territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or is domiciled or transacts business, or has appointed an agent for receipt of service of process, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce pertinent, relevant, and nonprivileged evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

"(h) Each member of the Commission shall have the power and authority to administer oaths or take statements of witnesses under affirmation.

"(i) The Commission shall have the power to make such rules and regulations as are necessary to carry out the purposes of this part.

"SEC. 475. (a) The Commission is authorized to make grants to any State or any unit of general local government in accordance with the provisions of this section if such State or unit of general local government has been accredited pursuant to section 473.

"(b) No grant shall exceed 25 per centum of the amount of the funds received by such State for operating purposes and not for distribution to units of general local government, or received by such unit of general local government under part C of this title in the fiscal year preceding the fiscal year in which the grant is made. If a unit of general local government is accredited under this part and has not recived a grant under part C of this title for that preceding fiscal year, the Commission shall determine the amount to which such unit of general local government is entitled under this part after giving consideration to units of general local government of a similar size that have received grants under such part C.

"(c) Any State or unit of general local government that has been accredited pursuant to section 473 and desires to receive a grant under this part for any fiscal year, shall submit an application to the Commission at such time, in such manner and containing or accompanied by such information as the Commission may reasonably require.

"SEC. 476. It is the intention of the Congress that the national and regional accrediting association and accrediting boards established by such associations shall be totally independent of any officer or agency of the Department of Justice or any other department or agency of the Federal Government.

"SEC. 477. There are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1974, and $1,000,000 for the succeeding fiscal year.

"SEC. 478. Except the provisions of sections 510, 511, and 516(a) of title I, the provisions of part G of this title, relating to administrative provisions, shall not apply to this part."

(b) Section 601 of such Act is amended by inserting at the end thereof the following new subsection:

"(m) The term 'law enforcement agency' means any police department, sheriff's office, or other similar law enforcement agency of a State or a unit of general local government as determined pursuant to criteria established by the Commission of Accreditation of Law Enforcement Agencies."

(c) Parts F and G of title I of such Act are redesignated as parts G, H, I, and J, respectively.

SEC. 2. Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following—

"(131) Members of the Commission on Accreditation of Law Enforcement Agencies."

By Mr. HARTKE (for himself and Mr. RANDOLPH):

S. 1024. A bill to promote the peaceful resolution of international conflict, and for other purposes. Referred to the Committee on Foreign Relations.

THE PEACE ACT

Mr. HARTKE. Mr. President, today Senator RANDOLPH and I are introducing a bill to establish a Department of Peace as an executive department of the Government. Identical legislation is being offered in the House of Representatives by Congressman MATSUNAGA.

This proposal represents a call to a new idealism, an idealism which holds that future wars can be avoided only if we care enough to try.

The Department of Peace proposal has been offered previously but many Congressmen and Senators have felt that acceptance of such a proposal was inappropriate because of our involvement in Southeast Asia. I did not agree with that proposition then nor do I agree now. Suffice it to say that those who saw our involvement in Vietnam as an obstacle to the establishment of a Department of Peace no longer have that excuse for failing to support our bill. Furthermore, recent action by the executive branch indicates that the time is propitious for a Department of Peace bill. The President has informed the Congress of the need for a reorganization of executive departments. Thus it would seem highly desirable, before any reorganization is complete, serious consideration be given to the need for a Department of Peace. It is in this spirit of change that I call upon the Congress and the President to rethink our policies for bringing about world peace and call upon the Congress to take up the mantle in providing the direction for a truly "peacemaking" policy throughout the world.

It would be the purpose of the new Department to develop long-range policies for peacekeeping; for presently there is no institutional advocate for peace in our Government, while those agencies and departments which view the application of force as the most efficient way to settle international disputes abound.

The bill has three titles: Title I establishes a Department of Peace, specifies what present agencies will be transferred to it, outlines the duties and structure of the Department, and sets forth the administrative provisions under which the Department will operate. Title II creates an International Peace Academy which would have the responsibility of training individuals in the science of peacekeeping. A new joint committee of Congress, with seven members drawn from both the Senate and the House, is established by title III, to be called the Joint Committee on Peace and International Cooperation.

Five specific responsibilities are assigned the new Department; they are:

First. The Department is to develop and recommend to the President appropriate plans, policies, and programs designed to foster peace.

Up to the present time, there has been no such broad assignment given to any Federal agency. It is true that we have not been without peace plans, peace policies, and peace programs. But they arise in various quarters under a variety of circumstances and they exist without the close coordination a single department will give. Nor has there been authority located in a specific position to do what the second mandate asks.

Second. The Department will exercise leadership in coordinating all activities of the U.S. Government affecting the preservation or promotion of peace. To exercise such leadership, of course, will require the close cooperation of the Department of Peace with the other departments, which in most cases have activities falling within the description.

Third. The Department will cooperate with the governments of the other nations in research and planning for the peaceful resolution of international conflict, and encourage similar action by private institutions. Here there are two significant elements, neither of which is presently a statutory responsibility of any agency—peace research, and the encouragement of attention to this area by private institutions.

The fourth mandate brings under the Department of Peace responsibility for aiding the interchange of ideas and persons between private institutions and groups in the United States and those in other countries.

The fifth is similar—to encourage the work of private institutions and groups aimed at the resolution of international conflict.

Agencies whose functions would be transferred to the new Department include: the Agency for International Development, the Peace Corps, the Arms Control and Disarmament Agency, and the functions of the International Agricultural Development Service, now in the Department of Agriculture. The President may also transfer additional responsibilities to the new Department, if he determines that the functions of any other office or agency are pertinent to the objectives of the Peace Department.

It has rightfully been said that "wars occur because people prepare for conflict, rather than for peace." It is time that this country set itself to the hard task of keeping the peace. It should not be the fate of every generation of Americans to endure wars which we are told are necessary to our national security, or to save face or to maintain our role as a world leader.

On February 7, 1969, I introduced similar legislation. This bill differs from that prior effort in a number of ways, chief among which is the elimination of language which could have posed a conflict between the new Department and the legitimate functions of the Department of State.

Mr. President, the tragedy of Vietnam highlights the need for a new approach to the resolution of international conflicts. Let us not be lulled by the possibility of achieving peace in Southeast Asia into thinking that we have no need for a permanent peacekeeping agency. Our proposal recognizes past failures and presents a reasoned alternative to what some would view as the inevitability of war.

I ask unanimous consent that a copy of the bill, establishing a Department of Peace, be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1024

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Peace Act".

DECLARATION OF PURPOSE

SEC. 2. The Congress declares that the United States has an urgent and continuing responsibility to seek international peace and has undertaken obligations to seek international peace under the Kellogg-Briand Pact of 1929, the Nuremberg Charter of 1945, and article I, paragraph 1 and article II, paragraphs 3 and 4, of the United Nations Charter. It is the purpose of this Act to meet these responsibilities and obligations and to provide the means to seek and achieve the peaceful resolution of international conflict.

TITLE I—DEPARTMENT OF PEACE

ESTABLISHMENT OF DEPARTMENT

SEC. 101. There is hereby establish at the seat of government, as an executive department of the United States Government, the Department of Peace (hereafter referred to in this Act as the "Department").

FUNCTIONS OF THE DEPARTMENT

SEC. 102. (a) The Department shall be responsible for carrying out the purposes of this Act. In achieving such purposes, the Department shall—

(1) develop and recommend to the President appropriate plans, policies, and programs designed to foster peace;

(2) exercise leadership in coordinating all activities of the United States Government affecting the preservation or promotion of peace;

(3) cooperate with the governments of other nations in research and planning for the peaceful resolution of international conflict, and encourage similar action by private institutions, a research division shall be established for this purpose;

(4) encourage and assist the interchange of ideas and persons between private institutions and groups in the United States and those in other countries, a cultural exchange division shall be established for this purpose; and

(5) encourage the work of private institutions and groups aimed at the resolution of international conflict.

PERSONNEL OF THE DEPARTMENT

SEC. 103. (a) There shall be at the head of the Department a Secretary of Peace (hereafter referred to in this Act as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) There shall be in the Department an Under Secretary of Peace, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary of Peace (or, during the absence or disability of the Under Secretary, or in the event of a vacancy in the office of the Under Secretary of Peace, an Assistant Secretary of Peace or the General Counsel, determined according to such order as the Secretary shall prescribe) shall act for, and exercise the powers of the Secretary, during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary. The Under Secretary of Peace shall perform such functions as the Secretary shall prescribe from time to time.

(c) There shall be in the Department four Assistant Secretaries of Peace and a General Counsel, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions as the Secretary shall prescribe from time to time.

(d) The Secretary is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the purposes and functions of this Act.

(e) The Secretary may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

TRANSFER OF FUNCTIONS TO DEPARTMENT

SEC. 104. (a) There are hereby transferred to the Secretary all functions which were carried out immediately before the effective date of this title—

(1) by each of the following agencies or offices:

(A) the Agency for International Development;

(B) The Arms Control and Disarmament Agency; or

(C) the Peace Corps;

(2) by any components of such agencies or offices; or

(3) by the Secretary of State insofar as such functions from an agency, office, or component referred to in paragraph (1) or (2).

(b) There are hereby transferred to the Secretary all functions which were carried out immediately before the effective date of this title—

(1) by the International Agricultural Development Service, Department of Agriculture; or

(2) by the Secretary of Agriculture, insofar as the function relates to functions transferred under this subsection from such Service.

(c) Section 2 of the United Nations Participation Act of 1945 (22 U.S.C. 287) is amended by inserting at the end thereof the following new subsection:

"(h) The Secretary of Peace shall advise the President with respect to the appointment of any person to represent the United States in the United Nations, or in any of its organs, commissions, specialized agencies, or other bodies."

(d) The functions, powers, and duties of the Secretary of State, and the other offices and officers of the Department of State, relating to specialized agencies as defined in article 57 of the United Nations Charter, are transferred to the Secretary of Peace.

(e) Within one hundred and eighty days after the effective date of this title, the President may transfer to the Secreary any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to functions transferred to the Secretary by the preceding subsections of this section.

TRANSFER OF AGENCIES AND OFFICES

SEC. 105. (a) All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Bureau of the Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 104 are transferred to the Secretary. Except as provided in subsection (b), personnel engaged in functions transferred under this title shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(b) The transfer of personnel pursuant to subsection (a) shall be without reduction in classification or compensation for one year after such transfer.

(c) In any case where all of the functions of any agency or office are transferred pursuit to this title, such agency or office shall lapse.

ADMINISTRATIVE PROVISIONS

SEC. 106. (a) The Secretary may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to the Secretary by this title, delegate any of his functions to such officers and employees of the Department as he may designate, may authorize such successive redelegations of such functions as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions.

(b) The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space, central services for document reproduction, and for graphics and visual aids;

and a central library service. The capital of the fund shall consist of any appropriations made for the purpose of providing capital (which appropriations are hereby authorized) and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. Such fund shall be reimbursed in advance from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus found in the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain such fund.

(c) The Secretary may approve a seal of office for the Department, and judicial notice shall be taken of such seal.

(d) In addition to the authority which is transferred to and vested in the Secretary by section 104, as necessary, and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote facilities;

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) messing facilities;

(4) motion picture equipment and film for recreation and training; and

(5) living and working quarters and facilities.

The furnishing of medical treatment under clause (1) and the furnishing of services and supplies under clauses (2) and (3) of this subsection shall be at prices reflecting reasonable value as determined by the Secretary and the proceeds therefrom shall be credited to the appropriation from which the expenditure was made.

(e) (1) The Secretary is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury of the United States in a separate fund and shall be disbursed upon order of the Secretary.

(2) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities, and from any other property held by the Secretary pursuant to paragraph (1), shall be deposited to the credit of the fund, and shall be disbursed upon order of the Secretary.

(f) The Secretary is authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, such advisory committees as may be appropriate for the purpose of consultation with and advice to the Department in the performance of its functions. Members of such committees, other than those regularly employed by the United States Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under section 103(e), and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(g) (1) The Secretary is authorized to enter into contracts with educational institutions, public or private agencies or organizations, or individuals for the conduct of research into any aspect of the problems related to the programs of the Department which are authorized by statute.

(2) The Secretary may from time to time disseminate in the form of reports or publications to public or private agencies or organizations or individuals such information as he deems pertinent on the research carried out pursuant to this subsection.

(3) Nothing contained in this subsection is intended to amend, modify, or repeal any provisions of law administered by the Department which authorize the making of contracts for research.

TECHNICAL AMENDMENTS

SEC. 107. (a) Section 10(d)(1) of title 3, United States Code, is hereby amended by inserting before the period at the end thereof a comma and the following: "Secretary of Peace".

(b) Section 101 of title 5, United States Code, is amended by inserting at the end thereof the following:

"The Department of Peace."

(c) Subchapter II of chapter 53 of title 5, United States Code (relating to executive schedule pay rates), is amended as follows:

(1) Section 5312 is amended by adding at the end thereof the following:

"(13) Secretary of Peace."

(2) Section 5314 is amended by adding at the end thereof the following:

"(54) Under Secretary of Peace."

(3) Section 5315 is amended by adding at the end thereof the following:

"(92) General Counsel, Department of Peace.

"(93) Assistant Secretaries of Peace (4)."

(4) Section 5317 is amended by striking out "34" and inserting in lieu thereof "36".

ANNUAL REPORT

SEC. 108. The Secretary shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Department during the preceding fiscal year.

SAVING PROVISIONS

SEC. 109. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this title, by (A) any ageny or office, or part thereof, any functions of which are transferred by this title, or (B) any court of competent jurisdiction, and

(2) which are in effect at the time this title takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, by any court of competent jurisdiction, or by operation of law. operation of law.

(b) The provisions of this title shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this title; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this title shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this title had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this title, shall abate by reason of the enactment of this title. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this title, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this title. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this title takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this title—

(A) such agency or office, or any part thereof, is transferred to the Secretary, or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secretary, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this title).

(d) With respect to any function transferred by this title and exercised after the effective date of this title, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the department or officer in which such function is vested pursuant to this title.

(e) Orders and actions of the Secretary in the exercise of functions transferred under this title shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this title shall apply to the exercise of such function by the Secretary.

(f) In the exercise of the functions transferred under this title, the Secretary shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

CODIFICATION

SEC. 110. The Secretary is directed to submit to the Congress within two years from the effective date of this title a proposed codification of all laws which contain functions transferred to the Secretary by this title.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 111. (a) This title, other than this section, shall take effect ninety days after the enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a), any of the officers provided for in subsections (a), (b), and (c) of section 103 may be appointed in the manner provided for in this title, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this title. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Department pursuant to this title.

TITLE II—INTERNATIONAL PEACE ACADEMY

ESTABLISHMENT OF ACADEMY

SEC. 201. There is hereby established within the Department the International Peace Academy (hereafter referred to in this Act as the "Academy"). The Academy shall furnish training and instruction to prepare citizens of the United States for service in positions or programs relating to the field of promoting international understanding and peace.

OFFICERS, STAFF, AND INSTRUCTORS

SEC. 202. (a) The Secretary may appoint or assign, on a full- or part-time basis, such officers, staff, and instructors as the needs of the Academy require.

(b) The Secretary may assign or detail, on a full- or part-time basis and with the consent of the head of the United States Government department or agency concerned, any officer or employee of the executive branch of the United States Government to serve on the faculty or staff of the Academy. During the period of his assignment or detail, such officer or employee shall be considered as remaining in the position from which assigned or detailed.

SUPERVISION OF ACADEMY

SEC. 203. The supervision and charge of the Academy shall be under such officer or officers as the Secretary may appoint for or assign to that duty, and under such regulations as the Secretary may prescribe.

BOARD OF TRUSTEES

SEC. 204. (a) There is hereby established within the Academy a board of trustees (hereafter referred to in this Act as the "board") which shall advise the Secretary on the operation of the Academy. The board shall be composed of—

(1) the Secretary (ex officio);

(2) two officers of the Department designated by the Secretary;

(3) two Members of the Senate, of different political parties, appointed by the President of the Senate;

(4) two Members of the House of Representatives, of different political parties, appointed by the Speaker of the House of Representatives;

(5) the Chairman of the Atomic Energy Commission, or his designee;

(6) the Chairman of the Federal Council on the Arts and the Humanities, or his designee;

(7) one member from the National Academy of Sciences, to be appointed by the President after consultation with the President of the Academy;

(8) two educators of prominence appointed by the President;

(9) two prominent persons associated with the advancement of world peace, appointed by the Secretary; and

(10) the United States Ambassador to the United Nations.

(b) Members of the board shall be appointed for two-year terms and shall be eligible for reappointment.

(c) The board shall visit the Academy annually. With the approval of the Secretary, the board or its members may make other visits to the Academy in connection with the duties of the board.

(d) The board shall inquire into the morale and discipline, the curriculum, instruction, physical equipment, fiscal affairs, academic methods, and other matters relating to the Academy that the board decides to consider.

(e) Within sixty days after its annual visit, the board shall submit a written report to the President of its action, and of its views and recommendations pertaining to the Academy. Any report of a visit, other than the annual visit, shall, if approved by a majority of the members of the board, be submitted to the President within sixty days after the approval.

(f) Each member of the board may be allowed travel expenses, including per diem in lieu of subsistence, in accordance with the provisions of section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

ADMISSION OF STUDENTS

SEC. 205. (a) The authorized number of students at the Academy shall be one hundred and fifty.

(b) The Academy shall operate as a coeducational institution and students shall be selected for admission to the Academy on the basis of merit, as determined by a competitive examination to be given annually in each State, the District of Columbia, and the Commonwealth of Puerto Rico, at such time, in such manner, and covering such subject matter as the Secretary may prescribe.

(c) No individual shall be eligible for admission to the Academy unless he is a citizen of the United States who has been awarded a bachelor's degree upon graduation from a college or university located in the United States or a degree which the Secretary determines is generally recognized as the equivalent of a bachelor's degree upon graduation from a college or university located in a foreign country.

STIPENDS AND TRAVEL AND TRANSPORTATION ALLOWANCES

SEC. 206. Each student of the Academy shall be entitled to receive—

(1) a stipend in an amount determined by the Secretary to be within the range of stipends of fellowships payable under other Government programs providing for the education or training of graduate students; and

(2) reasonable travel and transportation allowances, including transportation for his immediate family, household goods, and personal effects, under regulations prescribed by the Secretary, but such allowances shall not exceed the allowances payable under section 5723 of title 5, United States Code.

COURSE OF INSTRUCTION AND TRAINING

SEC. 207. (a) The course of instruction and training for students at the Academy shall be prescribed by the Secretary, shall be for a period of one year, and shall, insofar as consistent with the purposes of this title, be acceptable for credit toward a graduate degree at accredited colleges and universities. In prescribing such course of instruction and training, the Secretary shall provide that special emphasis be placed on such studies as will best prepare students for leadership in the nonviolent resolution of international conflicts and in the promotion of international understanding and peace Upon satisfactory completion of the prescribed course of instruction and training, students shall be awarded a Federal certificate of participation.

(b) The course of instruction and training at the Academy shall, during each year of its operation, be organized as prescribed by the Secretary, except that one month of each such year shall be devoted to annual leave for all students.

AGREEMENTS BY STUDENTS

SEC. 208. Each student selected for admission to the Academy shall sign an agreement that, unless sooner separated, he will—

(1) complete the course of instruction at the Academy; and

(2) accept, if offered, an appointment as an officer or employee of the United States or, in the discretion of the Secretary, employment with an international organization or private agency or foundation determined by the Secretary to be engaged in activities relating to the promoting or achieving of international understanding and peace, in any position for which such student is qualified by reason of his special training at the Academy, for at least the one-year period immediately following the awarding of his certificate from the Academy or the completion by him of any period of full-time graduate study approved by the Secretary.

AUTHORIZATIONS; ACQUISITION OF PROPERTY

SEC. 209. (a) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

(b) The Academy shall have power to acquire and hold real and personal property and may receive and accept gifts, donations, and trusts.

TITLE III—JOINT COMMITTEE ON PEACE AND INTERNATIONAL COOPERATION

ESTABLISHMENT OF JOINT COMMITTEE

SEC. 301. There is hereby established a joint congressional committee to be known as the Joint Committee on Peace and International Cooperation (hereinafter referred to as the "joint committee"). The joint committee shall be composed of seven Members of the Senate, to be appointed by the President of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The party representation on the joint committee shall as nearly as may be feasible reflect the relative membership of the majority and minority parties in the Senate and the House of Representatives, respectively.

FUNCTIONS

SEC. 302. It shall be the function of the joint committee—

(1) to make a continuing study of matters relating to the Department of Peace;

(2) to study means of coordinating programs in order to further the purpose of this Act; and

(3) as a guide to the several committees of the Congress dealing with legislation relating to the Department of Peace, to file a report not later than May 1 of each year (beginning with the calendar year 1971) with the Senate and the House of Representatives containing its findings and recommendations with respect to the Department of Peace, and from time to time to make such other reports and recommendations to the Senate and House of Representatives as it deems advisable.

VACANCIES; SELECTION OF CHAIRMAN

SEC. 303. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. The joint committee shall select a chairman and a vice chairman from among its members.

HEARINGS; STAFF; ASSISTANCE

SEC. 304. (a) In carrying out its duties under this title, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places; to appoint and fix the compensation of such experts, consultants, technicians, and staff personnel; to procure such printing and binding; and to make such expenditures as it deems advisable.

(b) With the prior consent of the department or agency concerned, the joint committee is authorized to utilize the services, information, and facilities of the departments and establishments of the United States Government and private research agencies.

AUTHORIZATION; EXPENSES

SEC. 305. (a) The expenses of the joint committee, which shall not exceed $200,000 for each fiscal year, shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers signed by the chairman of the joint committee or by any member of the joint committee duly authorized by the chairman.

(b) Members of the joint committee, and its employees and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses provided an itemized statement of such expenses is attached to the voucher.

SENATOR RANDOLPH CONTINUES HIS EFFORTS FOR DEPARTMENT OF PEACE

Mr. RANDOLPH. Mr. President, I am gratified to be a cosponsor of this legislation, which calls for a positive action toward achieving true world peace. I join with my able colleague, Senator HARTKE, in urging the establishment of a Department of Peace as an executive department of the Federal Government. It has been said many times that "wars occur, because people prepare for conflict, rather than peace." Although each of us would strongly endorse the achievement of world enlightenment and peace in the abstract, it remains our responsibility to provide the apparatus through which this can be done.

I recall that even before the end of World War II, on June 29, 1945, as a Member of the House of Representatives, I introduced legislation to create a Department of Peace. The Judiciary Committee held hearings on my bill, but no action was taken. In subsequent years, I have engaged in numerous hearings, presented testimony and made speeches on the need for a visible alternative to war. On June 2, 1959, as a Member of the Senate, I introduced legislation similar to the measure we are considering now to create a Department of Peace. Other bills to achieve this governmental body have been offered with my active cosponsorship and support.

It is a dream that will not die; a concept that will not be forgotten. I believe that we can achieve world understanding and this is the step I urge the Congress to take in this session. This dream of an effective Department of Peace is supported by those who believe in "Peace upon earth among men of good will." The bill we are considering has broad bipartisan support. Let us move promptly.

I ask unanimous consent to insert in the RECORD a letter which I sent last December 6 to the President of the United States in which I set forth some of my thoughts on this vital matter. I know that we share today a genuine concern for peace for all the peoples of the world.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., December 6, 1972.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: I am greatly encouraged by the reports that you are considering, as a part of your government-reorganization plan, a new "Department of Peace."

The propitious moment in history has arrived for such a move. This proposal has received my active support since 1945, when, as a member of the House of Representatives, I introduced legislation to establish a Department of Peace. During the post war period, it was my privilege to testify on Department of Peace bills before the House Committees on Foreign Affairs and on Expenditures in the Executive Departments. After entering the Senate, I again introduced a measure to create such a department. During the last three Congresses, I have joined with other Senators in sponsoring legislation to create a Department of Peace. Additionally, my efforts have included speeches and articles advocating this sound concept.

It is my belief that a Department of Peace will enhance your progressive and decisive efforts to create an improved climate of world understanding, including arms limitation agreements and your historic initiatives toward China and Russia. As you know, Mr. President, we must continue to place greater priority on world peace. We have led the world in the development of the most destructive weapons known to man. Let us lead the world in creating a department to bring peace. I stated in the Senate in 1959:

"The supreme problem for all mankind, is the achievement of a just and lasting peace—or to live under the Damoclean sword of an almost universal nuclear destruction. In these terms, therefore, there are not several races of men, but in reality only one race of man—for it is mankind as a whole who will solve this problem—or mankind as a whole who will suffer the immeasurable horror of a general nuclear war. Men make war. Certainly men can make peace."

This objective is too important and too vital to all mankind to be a part-time job. We need men dedicated full time to this task, whose only objective is the pursuit of peace, and who will have the force of a cabinet level organization on a par with the Department of State and the Department of Defense.

Our Nation must explore all avenues in finding a base of understanding among countries. With a Secretary of Peace to spearhead the campaign we can bring the issue of peace to the forefront of the lives of all Americans and of the lives of all the inhabitants of the world.

Let us carry the message of peace to all nations and to all peoples and give impetus to the crusade for harmony among all God's children by the creation of a United States Department of Peace, headed by a United States Secretary of Peace.

Please know, Mr. President, that you have my earnest support and cooperation in your efforts to share with other nations our basic aspirations for peace and understanding.

With esteem and personal best wishes, I am,

Truly,

JENNINGS RANDOLPH.

By Mr. METCALF (for himself, Mr. MANSFIELD, Mr. MCGOVERN, Mr. ABOUREZK, Mr. HUMPHREY, Mr. MOSS, and Mr. HATHAWAY):

S. 1025. A bill to improve the Nation's energy resources. Referred to the Committee on Commerce.

NATIONAL POWER GRID

Mr. METCALF. Mr. President, on behalf of the majority leader, Mr. MANSFIELD, the senior Senator from South Dakota (Mr. MCGOVERN), the junior Senator from South Dakota (Mr. ABOUREZK), the junior Senator from Minnesota (Mr. HUMPHREY), the junior Senator from Utah (Mr. MOSS), the junior Senator from Maine (Mr. HATHAWAY), and myself, I introduce for appropriate reference a bill to establish a national power grid.

Companion legislation is being introduced in the House today by Congressman ROBERT TIERNAN, of Rhode Island.

Mr. President, one of this Nation's most urgent problems is energy supply. We need a reliable electric power system. We need to curb the unnecessary use of nonrenewable resources and to protect the environment. We need to provide required generating capacity and move the electricity where it is needed. A national power grid would help to accompplish these goals in a way that no other concept can.

The national power grid has been a long time coming. Gifford Pinchot, while Governor of Pennsylvania decades ago, outlined the concept. More than 20 years ago Commissioner of Reclamation Michael Straus proposed a Western power grid.

In the 1950's, Leland Olds, former Chairman of the Federal Power Commission, proposed regional power supply organizations. Six years ago former Assistant Secretary of the Interior Ken Holum and his associates proposed, in study 190, a grid covering half of the United States. More recently, former Secretary of the Interior Walter Hickel spoke of departmental plans for a national power grid. But no such proposal has been examined by Congress.

So, the power grid proposal is not a new one. But it is an idea whose time has come.

Never before has this Nation been so conscious of its dependence on enormous supplies of energy. Never before has the American citizen been so impressed by his vulnerable position with regard to this dependence.

Because of our insatiable appetite for energy we may within a few years see the Great Lakes, the Pacific, Atlantic, and Gulf coasts ringed, and rivers lined, with electric generating plants. One estimate forecasts that by 1980 one-sixth, and by the year 2000 one-third, of our fresh water runoff will be used as cooling water for electric generating plants.

A national power grid system could slow down such plant proliferation by as much as 25 percent. It would mean lower fuel consumption as well. There would be less demand for peak generating facilities. Bulk power could be moved from one section of the country to another to take care of load requirements peaking at different times of day in the various time zones of the country, and at different seasons of the year in the various regions of the country.

The national power grid would strengthen the Nation's varied electric system by benefiting all segments of the industry. A publicly financed bulk power supply system would help solve the power supply problems of the small consumer-owned utilities and the financing and siting problems of the large investor-owned utilities.

I regard introduction of a bill such as this as an initial pleading. We need to have all segments of the power industry and environmental and consumer groups examine it closely, criticize or applaud, and help the Congress develop through the hearing procedure an act that will provide an interstate highway system for electricity, a transmission system that will move power where it is needed and diminish the demand for construction of additional generation facilities.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article about the national power grid by former Assistant Secretary of the Interior Ken Holum, which appeared in the October 1972 issue of Public Power, and the text of the bill.

There being no objection, the article and bill were ordered to be printed in the RECORD, as follows:

NATIONAL POWER GRID WOULD MEET THE TEST OF PUBLIC INTEREST—VOLUNTARY POWER POOLS FALL SHORT OF MEETING THE CHALLENGES OF THE 1970'S

(By Kenneth Holum)

Sponsors of the Mid-Continent Area Power Pool (MAPP) assert that their plans eliminate the need for a National Power Grid, and the power company sponsors of that New England Power Pool (NEPOOL) contend that the public corporation recommended to the New England Regional Commission in 1970 is unnecessary. Are these claims true? Can voluntary power pools meet the challenge of the 70s? To find the answers we must measure these arrangements against the benefits of a National Power Grid and regional public corporations.

On July 21, 1971, Sens. Lee Metcalf (D., Mont.) and George S. McGovern (D., S.D.) and Reps. James G. Abourezk (D., S.D.), Robert O. Tiernan (D., R.I.) and Herman Badillo (D., N.Y.) introduced legislation to authorize the creation of a National Power Grid and the establishment of regional public corporations, charged with the responsibility of making certain that bulk power supplies, together with the necessary transmission, are available to all utilities regardless of size or ownership.

The National Power Grid would strenthgen the nation's pluralistic electric system and offer important benefits to all segments of the industry. The availability of bulk power supply from a publicly-financed system would solve both the power supply problems of the small consumer-owned utilities and the financing and siting problems of the investor-owned utilities.

The National Grid bill proposes to deal with the problems of power supply, its cost and reliability, and with conservation and optimum use of resources and environmental matters associated with power generation and transmission by making these items a matter of public responsibility. A review of the draft legislation indicates a real desire on the part of the authors to involve the general public in the planning processes.

During the 1950s, Leland Olds, who had served with distinction as chairman of the Federal Power Commission, advocated the giant power concept and proposed the creation of regional power supply corporations. In 1970, a study of electric power supply conducted for the New England Regional Commission recommended that a public bulk power supply organization for New England be created by interstate compact. In essence, the National Grid bill represents a solid effort to advance these concepts through the enactment of Federal statutes.

When Leland Olds advocated the giant power concept during the fifties, he was principally concerned with keeping electric power costs lov' and supplies adequate. His interest was consistent with the public interest concerned at that time.

Following the great Northeast blackout of 1965, interest in service reliability has accelerated. Concurrently power shortages and power failures have occurred—or been threatened—in many areas of the country.

PUBLIC CONCERNS ARE GROWING

The new and appropriate concern for environmental quality that emerged during the 1960s requires sound planning and careful operation of power supply facilities, placing significantly greater burdens on those responsible for power production and transmission facilities. Today, the public will not permit the construction of transmission facilities without assurances that the rights-of-way have been chosen with careful attention to the damage imposed on the landscape and without assurances that appropriate alternatives have been examined and evaluated.

The energy crisis, which has focused public attention on the world's limited supply of basic fuel resources, makes the most efficient use of these resources mandatory.

All of these urgent public interest demands on the electric power industry would be well served by the enactment of National Grid legislation and the management of the public corporations that will be created as a result of its enactment by intelligent and competent public employees.

While public men, beginning with Leland Olds, were developing a plan of action for electric utilities that in 1971 produced a National Grid bill, the private men, led by those employed by the investor-owned electric utilities, were countering with a voluntary action approach, suggesting that power pools established on their initiative could meet public interest requirements, legitimately imposed on the industry.

Sometime an ambitious student of the electric power industry will enjoy diagramming the "voluntary" power pool responses of industry spokesmen to the giant power concepts of Leland Olds, the 1964 National Power Survey of Joseph Swidler's Federal Power Commission, the reliability legislation drafted by Lee White's FPC and the National Grid bill of Senators Metcalf and McGovern and Representatives Abourezk, Badillo and Tiernan.

The student of history will conclude that this reaction reached a new crescendo when the 31 utilities that organized and promoted the MAPP agreement all simultaneously issued press releases that concluded with the same paragraph: In recent years, the development of a national power grid has been proposed as a possible solution to the problems of meeting growing power demands throughout the country. This new MAPP pool, and others like it throughout the country, eliminates the necessity of such a national grid. Entirely voluntary in nature, MAPP will provide the ultimate electric power consumer with increased reliability, better economy, and regional planning to meet regional and local consumer needs.

It is not the purpose of this paper to analyze the documents proposed by the 31 utilities and submitted by the Northern States Power Co., as their agent, to the FPC for its review and approval. Over 90 municipal utilities, REA cooperatives and public groups, including the City of St. Paul, Minn., have filed protests and petitions to intervene before the FPC.

POOLING PLAN ATTACKED

The petitions urge the Commission to reject the MAPP plan because it: 1. does not provide for a pooling arrangement comparable with the public interest; 2. contains numerous unreasonable restraints on competition which directly conflict with Sections 1 and 2 of the Sherman Act and Section (10) (h) of the Federal Power Act; and 3. is in violation of the "preference clause" contained in various Federal power marketing acts.

The details of the MAPP pool and its deficiencies will be argued in detail before the Commission, and the debate may well continue before the courts.

For the same reasons we will not comment specifically on power pooling efforts in New England except to nore that NEPOOL seems unlikely to achieve the regional power supply goals established by the 1970 report to the New England Regional Commission. NEPOOL has produced more frustrations than it has kwh for the consumer-owned systems.

Instead, we will take a look at the developing contention of electric utility spokesmen that they can produce voluntary power pools that will satisfy the wide range of public interest demands on the industry. The MAPP sponsors suggest that they have eliminated the need for National Grid legislation. They promise the power consumer "increased reliability, better economy, and regional planning to meet regional and local consumer needs" as a result of their self-proclaimed public spirited action.

The MAPP sponsors acknowledged by their prepared press release that there are important public interest considerations involved in power production and transmission. We must now consider whether or not it is possible and likely that private utility management will develop power pools that satisfy today's public interest requirements.

I suggest that we reject immediately any notion that utility management can alone develop power pools that serve the broad public interest without satisfying well-established guidelines and undergoing review by individuals whose responsibilities and obligations relate directly to the public. Private utility management represents the stockholder and the investor—and it should. We should not expect the president of an investor-owned utility to represent the electric consumers or the public.

Having come to the conclusion that power pools can represent and serve the public interest only if they are developed along guidelines established by public officials, we come logically to the next conclusion, that representatives of the public should participate in developing the pool documents. When and if a power pool is to be established, there should be substantial participation by individuals who represent the general public in the preparation of the basic documents. Such representatives, of course, should be knowledgeable, responsible citizens with a record of public service.

The National Grid bill is directed towards achieving the following public interest objectives:

1. Providing electric power supply at low cost and with high standards of reliability;
2. Sound conservation and use of resources at the highest possible levels of efficiency;
3. Minimum adverse effects on the environment from the construction and operation of necessary generating stations and transmission facilities; and
4. Preservation of the pluralistic electric system to avoid nationalization of the industry as has occurred in almost every other country.

To achieve and maximize these important public interest objectives, power pool documents must:

(a) Establish completely open membership so that all utilities, regardless of size or ownership, can participate completely in all pool functions. To eliminate management problems and to save manpower and reduce costs, small utilities should be permitted complete participation. Financial assessments levied against these subgroups should be on a rate consistent with the subgroup's total demands on the pool.

(b) Maximize economic benefits and minimize environmental damage by using the best available technology to supply the bulk power requirements of all utilities in the region. To make certain that this occurs, the documents must make specific provision for joint ownership of generating stations in which all utilities must be allowed to participate, individually or through subgroups, utilizing their own sources of capital.

(c) Establish a region-wide, common carrier, completely supported transmission system that provides access for all utilities to the generating stations. To eliminate the construction of unnecessary transmission lines with resulting degradation of the landscape, the documents must establish clear and specific guidelines to make certain that the needs of all utilities are considered and served, as additions to the transmission system are constructed in the region. All transmission facilities, regardless of size, should be available to all utilities, both to facilitate participation in new pool-planned generating stations, and to encourage the exchange of economy energy, stand-by and reserves among utilities.

(d) Provide planning procedures for all additions to the region's power supply system that are open to all utilities and the public generally. All facilities for the generation or transmission of electric power planned or constructed by a pool member must be subject to the requirements for open planning and joint ownership.

(e) Establish management, planning and policy control mechanisms that provide for participation by investor-owned companies, consumer-owned systems and the public, in such a way as to completely and absolutely safeguard the interests of all groups.

After reading the documents filed by the intervenors with the FPC, I have concluded that the MAPP arrangement fails to meet the guidelines enumerated above. The same comment is no doubt appropriate for many, if not all, other existing pooling arrangements in the U.S.

The public generally is rapidly relearning the unique social and economic role the electric power industry enjoys through the grant of franchises which in effect, convey governmental powers to a private company. The public is becoming increasingly aware of the enormous impact of decisions made by utility managers on a broad range of values that affect us all.

As we observe the interaction among concerned public men, private utility executives and the public generally, the signals are clear. In the near future, National Power Grid legislation will be enacted, unless a way is found to develop and establish power pools that meet the public interest tests required by the '70s. We have a long way to go before voluntary power pools satisfy the legitimate requirements the public expects from electric utilities.

S. 1025

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Energy Resources Improvement Act of 1973".

TITLE I—NATIONAL POWER GRID AND REGIONAL BULK POWER DISTRIBUTION

SEC. 101. DEFINITIONS.

For purposes of this Act:

(1) The term "National Grid" means the National Power Grid Corporation, established by section 102.

(2) The term "national board" means the board of directors of the National Grid.

(3) The term "regional corporations" means a regional bulk power supply corporation established by the National Grid under section 103.

(4) The term "corporation" means the National Grid or any regional corporation.

(5) The term "regional board" means the board of directors of a regional corporation.

(6) The term "region" means a bulk power supply region established under section 103(a)(1).

(7) The term "electric utility" means any person or public agency whose functions include the sale of electric power.

SEC. 102. NATIONAL POWER GRID CORPORATION.

(a) There is created a body corporate by the name of the "National Power Grid Corporation" which shall establish and operate a national power grid system. The National Grid shall have a Board of Directors, which shall consist of three members appointed by the President, by and with the advice and consent of the Senate, in accordance with section 202, and which shall direct the exercise of all of the functions of the National Grid.

(b) The National Grid shall establish and operate a national power grid system, consisting of large electric power generating facilities, and a system of very high voltage transmission lines which, to the extent practicable shall interconnect such generating facilities and the transmission systems of each regional corporation. Such system may be established by constructing generating facilities and transmission lines, or by acquisition of existing facilities and lines under section 105, or both.

(c)(1) The National Grid shall contract to sell electric power to regional corporations at rates which shall be uniform throughout the United States and which shall be set at the lowest possible level consistent with sound business principles and the environmental protection requirements of section 201, taking into account the charges necessary to pay the operating expenses of the National Grid (including depreciation) and to amortize the indebtedness of the National Grid.

(2) The National Grid shall provide base load, peaking, or other power to regional corporations to meet requirements of which the National Grid has at least seven years notice. Any notice of requirements under this paragraph shall be accompanied by an offer to contract for the required power.

(3) The National Grid is authorized to purchase for resale by the National Grid surplus electric power generated by any electric utility on schedules and at rates agreed upon with such electric utility.

SEC. 103. REGIONAL BULK POWER SUPPLY CORPORATIONS.

(a) Subject to section 105(a)(2), the National Grid shall establish by regulation—

(1) a number of bulk power supply regions which in the aggregation shall comprise the entire United States, and

(2) a regional bulk power supply corporation in each such region.

(b) Each regional corporation shall have a Board of Directors which shall be composed of three members appointed by the national board with the approval of the President in accordance with section 202, and which shall direct the exercise of all of the powers of such regional corporation. A member of a regional board may be removed by the national board for cause (including failure to carry out any order of the national board issued under subsection (f)).

(c)(1)(A) A regional corporation shall be the exclusive marketing agency for the National Grid within the region for which such corporation was established. Any electric utility, publicly or privately owned, may enter into a contract for services with a regional corporation. A regional corporation shall sell electric power to any electric utility the needs of which it has adequate notice except in cases of failure of such utility to meet its financial obligations, on proof of fraudulent application, or because of willful failure of such utility to comply with wheeling orders under subparagraph (B) or other requirements of such regional corporation.

(B) A regional corporation may not enter into contract for services with any electric utility unless such utility agrees to permit (at such times and to such extent as such corporation may order) the use of its excess transmission capacity for the purpose of wheeling power from facilities of such corporation or of the National Grid to load centers of other electric utilities contracting to purchase electric power from such corporation.

(2) Any transmission lines of any agency the facilities of which are transferred to the corporation under section 105(a)(1) may be transferred by the National Grid to the regional corporation for the region in which such lines are located and shall be operated by such corporation. Each regional corporation shall obtain such transmission capacity, in addition to the capacity acquired under the preceding sentence, as may be necessary to sell electric power generated by the National Grid to each electric utility in the region, and to transmit to National Grid transmission lines such electric power as the National Grid may purchase from such utilities. A regional corporation may obtain such additional capacity (A) by lease of or contract for all or part of the capacity of existing transmission lines of electric utilities, (B) by modification of existing facilities of electric utilities, or (C) by construction of new transmission lines by such regional corporation. Any excess transmission capacity of a regional corporation may be made available to electric utilities on a contract carrier basis.

(d) Electric power marketed for the National Grid by the regional corporation shall be sold at a rate equal to the uniform rate established by the National Grid under section 102(c)(1), plus a transmission rate charged by such regional corporation. Such transmission rate shall be set at the lowest possible level consistent with sound business principles and the environmental protection requirements of section 201, taking into account the charges necessary to pay the operating expenses of the regional corporation (including depreciation) and to amortize the indebtedness of the regional corporation.

(e) A regional corporation shall have the authority to issue bonds in accordance with section 206, but such bonds shall not be guaranteed by the United States unless issued with the approval of the national board.

(f) Any electric utility aggrieved or adversely affected by any action of a regional corporation may obtain administrative review of such action by the national board. The national board may, on the basis of such review, order the regional board to take appropriate remedial action.

SEC. 104. RESEARCH AND DEVELOPMENT

(a) The National Grid shall carry out a program of research and development in the area of electric power generation and transmission. In carrying out such program, the National Grid—

(1) may conduct research and development activities directly or through contracts with any person or public agency,

(2) shall to the extent practicable coordinate its program with programs of other public agencies, and

(3) shall develop priorities for carrying out such program.

In developing priorities under paragraph (3), the National Grid shall give preference to environmental protection and land use research including, but not limited to, underground high voltage transmission technology, sulfur oxide control, and other technology to improve the performance of fossil fuel plants, development and demonstration of utility corridors, development and demonstration of improved methods for disposing of waste heat, and development of alternative methods of electric power generation (including but not limited to thermonuclear fusion, magnetohydrodynamics, and fuel cells).

(b)(1) The National Grid shall expend at least 2 percent of its revenues in each fiscal year to carry out the program under this section.

(2) There are authorized to be appropriated to the National Grid for each fiscal year to carry out the program under this section an amount equal to (A) $250,000,000 less (B) the amount the National Grid is required to expend under paragraph (1) to carry out such program.

SEC. 105. TRANSFER OF CERTAIN EXISTING FEDERAL-OWNED FACILITIES

(a) Effective 180 days after the date of enactment of this Act:

(1) There are transferred to the National Grid all electric power generating and transmission facilities of the following agencies:

(A) Bureau of Reclamation.

(B) Army Corps of Engineers.

(C) Southwestern Power Administration.

(D) Southeastern Power Administration.

(E) Bonneville Power Administration.

(F) Alaska Power Administration.

(2) After amortization, hydroelectric power projects, together with associated Federal transmission facilities, which are transferred to the National Grid under this subsection shall provide financial assistance to water resource development, the reclamation fund, and the basin accounts, in accordance with the laws and procedures under which they were authorized.

(3)(A) The Tennessee Valley Authority shall be designated as the regional corporation for the region consisting of the area in which it operates on the date of such designation, and for such additional areas as the National Grid may designate by regulation. Such Authority shall retain and operate all of its transmission facilities, but all of its generating facilities shall be transferred to the National Grid.

(B) Payment of principal and interest on bonds of such Authority outstanding on such one hundred and eightieth day shall be guaranteed by the United States. The National Grid shall assume all liability with respect to such portion of the outstanding bonds as the President may determine, taking into account the proportion of the Authority's power revenues attributable to the facilities transferred to the National Grid under this paragraph.

(b) Title II of this Act shall not apply to the Tennessee Valley Authority unless expressly so provided.

TITLE II—GENERAL PROVISIONS APPLICABLE TO NATIONAL GRID AND TO REGIONAL CORPORATIONS

SEC. 201. ENVIRONMENTAL PROTECTION

(a) Each corporation shall be subject to Federal, State, and local environmental standards. For purpose of this subsection, the term "environmental standard" means a law or regulation prescribing a standard or limitation for the purpose of control or abatement of air or water pollution or for the purpose of some other aspect of environmental protection.

(b)(1) Prior to applying to any public agency for authority to construct any proposed facility, the corporation which proposes to construct such facility shall hold a public hearing, after adequate public notice, and shall allow interested persons to submit comments on such proposal.

(2) Each corporation shall treat all decisions regarding the siting and design of facilities as a significant aspect of land use planning in which all environmental, economic, and technical issues with respect to a facility should be resolved in an integrated fashion. In the resolution of these possibly competing demands such corporation shall give all possible weight to the protection of the environment.

(c) This section shall apply to the Tennessee Valley Authority.

SEC. 202. BOARDS OF DIRECTORS.

(a) Of the members appointed to the board of directors of any corporation, one member shall be representative of the interests of privately owned electric power companies, one member shall be representative of the interests of publicly or cooperatively owned electric utilities, and one member shall be representative of the interests of consumers. Not more than two members of any board may be members of the same political party. Not more than two members of the national board may reside on the same side of the 100th meridan.

(b)(1) Members of the board of directors of each corporation shall be appointed for terms of 6 years, except that the terms of office of the members of any such board first taking office after the date of enactment of this Act, shall expire as designated by the President (or the National Grid in the case of members of a board of a regional corporation) at the time of nomination, one at the end of the second year, one at the end of the fourth year, and one at the end of the sixth year, after such date. A successor to a member of a board shall be appointed in the same manner as the original member and shall have a term of office expiring six years from the date of the expiration of the term for which his predecessor was appointed. No member may be appointed for all or part of more than two terms.

(2) The members of the national board first appointed shall be deemed the incorporators of the National Grid and the incorporation shall be held to have been effected from the date of the first meeting of the national board.

(c) Any member appointed to fill a vacancy in a board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Vacancies in a board, so long as there shall be two members in office, shall not impair the powers of such board to execute its functions, and two of the members in office shall constitute a quorum for the transaction of the business of such board.

(d) The Chairman of each board shall be elected by the members thereof.

(e) Each of the members of the national board shall receive compensation at the rate provided for level II of the Executive Schedule (5 U.S.C. 5313), to be paid by the National Grid. Each of the members of a regional corporation board shall receive compensation at the rate provided for level IV of the Executive Schedule (5 U.S.C. 5315), to be paid by such corporation. No member of any such board shall, during his continuance in office, be engaged in any other business.

SEC. 203. OFFICERS AND EMPLOYEES OF CORPORATIONS.

(a) The board of directors of a corporation may without regard to the provisions of title 5, United States Code, governing appointments in the competitive service—

(1) appoint a manager of the corporation who shall be compensated at the provided for level II of the Executive Schedule, and

(2) appoint such other officers, employees, attorneys, and agents as are necessary for the transaction of its business, fix their compensation (without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and general schedule pay rates), define their duties, and require bonds of such of them as such board may designate.

Any appointee of a board of directors may be removed in the discretion of such board.

(b)(1) For purposes of the Act of March 3, 1931 (Davis-Bacon Act; 40 U.S.C. 276a), each contract to which the corporation is a party shall be considered a contract to which the United States is a party.

(2) If work, which if let by contract would be subject to paragraph (1), is done directly by a corporation, the prevailing rate of wages shall be paid in the same manner as though such work had been let by contract.

(c) In the appointment of officials and the selection of employees for a corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of a board of directors who is found by the President of the United States to be guilty of a violation of this subsection shall be removed from office by the President of the United States, and any appointee of a board of directors who is found by the board to be guilty of a violation of this subsection shall be removed from office by such board.

SEC. 204. CORPORATE POWERS GENERALLY.

(a) Except as otherwise specifically provided in this Act, a corporation shall have the same powers as a District of Columbia nonprofit corporation has under subsections (a), (b), (c), (d), and (e) of section 5 of the District of Columbia Nonprofit Corporation Act, and in addition—

(1) May make contracts to carry out its functions under this Act.

(2) May adopt, amend, and repeal bylaws.

(3) Shall have power to acquire real property for the construction of generating facilities, transmission lines, and other structures and projects.

(4) Shall have power in the name of the United States of America to exercise the right of eminent domain, in accordance with section 207.

(5) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically conferred in this Act upon such corporation.

(b) In order to enable a corporation to exercise the powers and duties vested in it by this Act—

(1) The exclusive use, possession, and control of all property to be acquired by such corporation in its own name or in the name of the United States of America, are entrusted to such corporation for the purposes of this Act.

(2) The President of the United States is authorized to provide for the transfer to such corporation of the use, possession, and control of such other real or personal property of the United States as he may from time to time deem necessary and proper for the purposes of such corporation as stated in this Act.

(c) Each corporation shall maintain its principal office at a place determined by it.

(d) Section 101 of the Government Corporation Control Act is amended by inserting "any corporation established under the National Power Grid Act;" after "Tennessee Valley Authority;".

(e) A corporation may contract with any person or public agency which it deems qualified, to design, prepare specifications and bidding documents, recommend the award of contracts or supervise the construction and installation of equipment and facilities of any required type anywhere in the United States. A corporation may contract with the Federal Power Commission to participate with the staff of such corporation in system planning and load forecasting.

SEC. 205. ACCOUNTS AND CONTRACTS.

(a) A corporation shall at all times maintain complete and accurate books of accounts. Each corporation shall determine its own system of administrative accounts and the forms and contents of its contracts and other business documents except as otherwise provided by law.

(b) Subject to the other provisions of this Act, a corporation is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it may deem necessary, including the final settlement of all claims and litigation by or against such corporation; and, notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office, in the settlement of the accounts of the accountable officer or employee of such corporation, shall not disallow credit for, nor withhold funds because of, any expenditure which the board of directors thereof shall determine to have been necessary to carry out the provisions of this Act.

(c) All purchases and contracts for supplies or services, except for personal services, made by a corporation, shall be made after advertising, in such manner and at such times sufficiently in advance of opening bids, as the board of directors thereof shall determine to be adequate to insure notice and opportunity for competition; except that advertisement shall not be required when, (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any puchase of supplies or procurement of services does not exceed $2,500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards a board of directors may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

Sec. 206. Bonds for Financing Power Programs.

(a) (1) Each corporation is authorized to issue and sell bonds, notes, and other evidences of indebtedness (hereinafter collectively referred to as "bonds") to assist in financing its activities and to refund such bonds.

(2) The aggregate outstanding amount of bonds issued by the National Grid and by all regional corporations shall not exceed $15,000,000,000 at any time. This paragraph shall not apply to bonds issued by a regional corporation and not guaranteed by the United States.

(b) Subject to section 103(e), payment of principal and interest on bonds issued by a corporation under this section shall be guaranteed by the United States. Proceeds realized by a corporation from issuance of such bonds and from power operations and the expenditure of such proceeds shall not be subject to apportionment under the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665).

(c) (1) Subject to paragraph (2), bonds issued by a corporation under this section shall be negotiable instruments unless otherwise specified therein, shall be in such forms and denominations, shall be sold at such times and in such amounts, shall mature at such time or times not more than fifty years from their respective dates, shall be sold at such prices, shall bear such rates of interest, may be redeemable before maturity at the option of such corporation in such manner and at such times and redemption premiums, and shall be subject to such other terms and conditions as such corporation may determine.

(2) At least fifteen days before selling each issue of bonds under this section (exclusive of any commitment shorter than one year) a corporation shall advise the Secretary of the Treasury as to the amount, proposed date of sale, maturities, terms and conditions, and expected rates of interest of the proposed issue in the fullest detail possible and, if the Secretary shall so request, shall consult with him or his designee thereon, but the sale and issuance of such bonds shall not be subject to approval by the Secretary of the Treasury except as to the time of issuance and the maximum rates of interest to be borne by the bonds. If the Secretary of the Treasury does not approve a proposed issue of bonds hereunder within seven working days following the date on which he is advised of the proposed sale, such corporation may issue to the Secretary interim obligations in the amount of the proposed issue, which the Secretary is directed to purchase. In case such corporation determines that a proposed issue of bonds under this section cannot be sold on reasonable terms, it may issue to the Secretary interim obligations which the Secretary is authorized to purchase. Notwithstanding the foregoing provisions of this subsection, obligations issued by a corporation to the Secretary shall not exceed $750,000,000 outstanding at ony one time, shall mature on or before one year from date of issue, and shall bear interest equal to the average rate (rounded to the nearest one-eighth of a percent) on outstanding marketable obligations of the United States with maturities from dates of issue of one year or less as of the close of the month preceding the issuance of the obligations of such corporation. If agreement is not reached within eight months concerning the issuance of any bonds which the Secretary has failed to approve, such corporation may nevertheless proceed to sell such bonds on any date thereafter without approval by the Secretary in amount sufficient to retire the interim obligations issued to the Treasury and such interim obligations shall be retired from the proceeds of such bonds. For the purpose of any purchase of a corporation's obligations the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchases of such corporation's obligations hereunder. A corporation may sell its bonds by negotiation or on the basis of competitive bids, subject to the right, if reserved, to reject all bids; may designate trustees, registrars, and paying agents in connection with such bonds and the issuance thereof; may arrange for audits of its accounts and for reports concerning its financial condition and operations by certified public accounting firms (which audits and reports shall be in addition to those required by sections 105 and 106 of the Government Corporation Control Act) may, subject to any covenants contained in any bond contract, invest the proceeds of any bonds and other funds under its control which derive from or pertain to its power program in any securities approved for investment of national bank funds and deposit said proceeds and other funds, subject to withdrawal by check or otherwise, in any Federal Reserve bank or bank having membership in the Federal Reserve System; and may perform such other act not prohibited by law as it deems necessary or desirable to accomplish the purposes of this section. Bonds issued by a corporation under this section shall contain a recital that they are issued pursuant to this section, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such bonds and of their validity.

(d) Bonds issued by a corporation under this section shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of any officer or agency of the United States. The Secretary of the Treasury or any other officer or agency having authority over or control of any such fiduciary, trust, or public funds, may at any time sell any of the bonds of a corporation acquired by them under this section.

(e) Bonds issued by a corporation under this section shall be exempt both as to principal and interest from all taxation now or hereafter imposed by any State or local taxing authority except estate, inheritance, and gift taxes. Interest on such bonds shall not be included in gross income for purposes of any tax imposed by subtitle A of the Internal Revenue Code of 1954.

(f) This section shall apply to bonds of the Tennessee Valley Authority, only if such bonds are guaranteed by the United States, in accordance with section 103(e).

Sec. 207. Condemnation Proceedings.

A corporation may cause proceedings to be instituted for the acquisition by condemnation of any lands, easements, or rights-of-way, or of any transmission capacity or existing facilities referred to in section 103(C) (2) (A) or (B), which, in the opinion of such corporation, are necessary to carry out the provisions of this Act. The proceedings shall be instituted in the United States district court for the district in which the land, easement, right-of-way, or other interest, or any part thereof, is located, and such court shall have full jurisdiction to divest the complete title to the property sought to be acquired out of all persons or claimants and vest the same in the United States in fee simple, and to enter a decree quieting the title thereto in the United States of America. In any such eminent domain proceeding (including a proceeding in the District of Columbia) a corporation may file with the complaint or at any time before judgment a declaration of taking in the manner and with the consequences provided by the first section and sections 2 and 4 of the Act entitled "An Act to expedite the construction of public buildings and works outside the District of Columbia by enabling possession and title of sites to be taken in advance of final judgment in proceedings for the acquisition thereof under the power of eminent domain", approved February 26, 1931 (46 Stat. 1421).

Sec. 208. Reports.

(a) Each corporation shall report to the President annually, and the President shall transmit the report to the Congress with such comment and recommendations as he deems appropriate.

(b) Each corporation shall file with the President and with the Congress, in December of each year, a financial statement and a complete report as to the business of such corporation covering the preceding fiscal year.

Mr. ABOUREZK. Mr. President, today the distinguished Senator from Montana (Mr. Metcalf) and I, together with other Senators, introduce the National Power Grid Act, a bill that is three or four major power failures ahead of its time

Taken as a whole, the Nation's present electric power supply system is a crazy quilt patchwork.

This bill seeks to bring order.

It seeks to take advantage, on national and regional scales, of the efficiencies of giant power generation.

It seeks to take advantage of differences in peak load demand over variations in time, season, and region.

It seeks to assure the entire Nation a planned, reliable supply of electric power.

It seeks to eliminate the environmental destruction, economic waste, and just plain inefficiency which stem from overbuilding generating capacity locally, because we have no way to take advantage of superhuge pooling and generation.

I regard the bill as being in the enlightened self-interest of all factions of the power industry—the private utilities as well as the public systems.

More importantly it is very much in the best interest of every single electric power consumer in the Nation—industrial, commercial, and individual consumers alike.

It is very much in the best interest of any living creature who breathes American air or lives near, with, or in American streams. It is an environmental bill from top to bottom.

The National Power Grid Act would create a national power grid corporation and several regional bulk power supply corporations to generate power on a massive scale, wheel it to any marketer who wants to buy and to conduct very substantial research into future power supply questions.

Very simply put, it would create sort of an interstate highway system for electric power.

We are now in the throes of a deepening energy crisis.

I maintain that most of that crisis was manufactured. Part of it seems to have been manufactured as ransom for higher prices in certain fossil fuel industries.

Part of it has been manufactured by the shortsightedness of nearly everyone concerned in not moving more quickly and honestly in a direction which nearly everyone concedes we are evolving anyway; namely, toward ever larger generation and transmission pools for electric power.

Part of it was manufactured by this Government's failure to produce a coordinated energy policy which does anything more than consume paper.

The Federal Government's energy policy systems are every bit as much a crazy-quilt patchwork as the energy industry itself.

I respectfully submit that sometime after we have suffered the next three or four blackouts, it is going to become obvious to millions of people that we have the means, if you look at them at the national level, to prevent that sort of thing.

It just makes commonsense that western electricity should be used to power an awakening New York City while California is still asleep. The only question will be how do we get that power from West to East or North to South. The answer, ultimately, must be a national power grid.

By Mr. CURTIS:

S. 1027. A bill to amend the National Labor Relations Act with respect to refusals to bargain. Referred to the Committee on Labor and Public Welfare.

Mr. CURTIS. Mr. President, today I introduce an amendment to section 8(a)(5) of the National Labor Relations Act. The purpose of this amendment is to prevent the National Labor Relations Board from circumventing the employee election provisions of section 9 of that statute. My amendment would prevent the Labor Board from using such discredited devices as the card check to force employers and employees to accept a particular union as the bargaining agent.

It may be useful at this point, Mr. President, to cite a little history of this situation. Under the 1935 Wagner Act the National Labor Relations Board justified the card check practice by a reliance on the statute as then written. Section 9(c) of the Wagner Act authorized a "secret ballot—or any other suitable method" to determine the wishes of employees as to union representation. In passing the Taft-Hartley Act in 1947, however, Congress struck out the language authorizing "any other suitable method." This was done to prevent the Labor Board from using the card check or any other device which would saddle employees with a union they had not chosen by secret ballot.

One would have thought, Mr. President, that such a clear directive by Congress would have caused the Labor Board to stop completely the discredited use of card checks in either representation proceedings or in refusal to bargain proceedings. Regrettably, this has not been the case. In recent years, through a long series of cases, the Labor Board has reinstituted the card check practice as though Congress had never spoken at all.

Mr. President, my amendment would not disturb the practice under which for years thousands of employers and thousands of unions have entered into collective bargaining arrangements, based on the employer's voluntary and lawful recognition of a union which is in fact the legitimate representative of the majority of employees in a bargaining unit. My amendment does provide, however, that if there is not such a voluntary and lawful recognition, then there must have been a secret ballot election among the employees before the National Labor Relations Board can force an employer to deal with a union as the representative of the employees concerned. By this means the discredited card check practice will be eliminated without interfering with the rights of employees and employers to enter into voluntary lawful recognition arrangements where a union is in truth the representative of the majority of employees concerned.

Mr. President, I can think of no amendment more in keeping with the basic American sense of justice and fair play than this one. The secret ballot is an honored element in American life. I know of no reason why this Congress should permit it to be denied to the working men and women of America.

It should be noted that the three new members of the NLRB appointed by President Nixon have caused a shift in Board decisions ordering bargaining on the basis of card checks. Card checks are honored only when the employer has committed a major unfair labor practice.

While I commend the different approach, there still remains hundreds of decisions of the Board and courts holding card checks to be a valid substitute for the secret ballot election. Each year a new member is appointed to the NLRB or a present member is reappointed. This results in a changing ideology of the Board's majority. Four years ago the majority's reliance upon card checks was unrestrained. Four years from now that picture could again obtain card checks in lieu of secret ballot elections, which is indefensible. Congress must again tell the NLRB in unmistakable terms that card checks are not permitted. This amendment is a must.

By Mr. CURTIS (for himself, Mr. BENNETT, Mr. FANNIN, and Mr. TOWER):

S. 1028. A bill to amend the National Labor Relations Act to require a vote by employees who are on strike, and for other purposes. Referred to the Committee on Labor and Public Welfare.

EMPLOYEE STRIKE VOTE ACT OF 1973

Mr. CURTIS. Mr. President, today I am introducing a bill to assure the working men and women of America the right to vote in a secret ballot election to decide whether or not they want to be represented by a union in dealing with their employers. Today I introduce another bill which will assure the same working men and women the same secret ballot on another issue equally critical to their employment status. This bill, Mr. President, will require that employees be given the right to vote in a secret ballot to decide whether they want to strike against their employer—or, if they are already on strike, to vote by secret ballot to determine if they want to stay on strike.

In my judgment, Mr. President, this bill will cure a major defect in our present labor-management laws. There is no assurance today that the working men and women of America have any effective voice in the decision of their union officers to call a strike against their employer. Some unions provide in their constitutions and bylaws that there will be an employee vote before a strike. However, as a practical matter, this vote means very little, because it is all too often a show of hands by those who attend a meeting in the union hall—where the opportunity for thoughtful reflection and rational discussion is normally very limited.

The nearest thing we have in present law to a strike vote is the provision of section 203 of the Taft-Hartley law. That provides that the Federal Mediation and Conciliation Service will try to persuade the parties to settle their dispute by some means other than work stoppages. The statute says this will include "submission to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a secret ballot." This, of course, is a purely voluntary undertaking and there is no requirement in the statute that a vote be held. Also, the statutory language indicates that any vote, if one is taken at all, shall be prior to the occurrence of a strike. In these circumstances there is no true opportunity to assess the "last offer" proposed by the employer. What we have is a vote of general confidence, or solidarity, or broad approval of a union's efforts at that particular stage—and I have no intention of intruding on that. I want only to provide a more effective and continuing voice for all employees.

The amendment I offer here today, Mr. President, has several significant provisions that improve upon anything now available. First and foremost is the provision permitting a vote 30 days after a strike has started, with authority to repeat that vote at succeeding 30-day intervals. Obviously, it would be necessary that a majority of those voting control whatever action would be taken pursuant to my amendment. However, the vote itself—either prior to the strike, or at the appropriate times provided during the strike—could be called on the petition of the union, the employer, or 10 percent of the employees in the bargaining unit.

The vote would be conducted by the National Labor Relations Board, following its normal secret balloting procedures. It would be an unfair labor practice for a union to call a strike or continue a strike after a majority of the employees had voted against it in this election. Further, any employee would lose his status as an employee under the law if he took part in a strike after the majority of his fellow employees voting in such an election had rejected that strike.

Finally, Mr. President, to make the amendment effective, I would also amend section 10(1) of the National Labor Relations Act. This would authorize petitions by appropriate parties for injunctive relief in Federal courts. It would be necessary to show reasonable cause to believe a strike is being carried on in violation of this secret ballot decision of the employees.

Mr. President, this bill will introduce a much needed measure of responsibility in the calling or continuing of strikes. It in no way impairs or infringes upon the right of employees to strike. But it will make certain that when such strikes do occur, the working men and women who have the most at stake will be given a real voice in the decisions.

By Mr. TAFT:

S. 1029. A bill to provide, in cooperation with the States, benefits to individuals who are totally disabled due to employment-related respiratory disease and to the surviving dependents of individuals whose death was due to such disease or who were totally disabled by such disease at the time of their deaths. Referred to the Committee on Labor and Public Welfare.

RESPIRATORY DISEASE BENEFITS ACT

Mr. TAFT. Mr. President, the Federal Coal Mine Health and Safety Act of 1969 and the Black Lung Benefits Act of 1972 were passed in recognition of the sacrifice which America's coal miners have made to provide a better standard of living for all Americans. Every time we flip a light switch we are depending upon coal miners to go into the mines and risk their lungs and even their lives by contracting black lung disease.

Such occupational diseases, however, are not limited to the coal mining industry. Each year there may be as many as 390,000 cases of occupational disease among America's 80 million employees. Many of these are respiratory diseases similar to black lung.

The burden of occupational disease should not be borne by the worker alone. This principle has been recognized in many of our laws. Costs are spread and risks are shifted through social security insurance benefits, through State workmen's compensation laws, and through a variety of private insurance plans. The Federal Coal Mine Health and Safety Act of 1969 and the Black Lung Benefits Act of 1972 provide meaningful benefits for coal miners who have been crippled through occupationally related respiratory disease. But no provision was made in those statutes for the disabilities of workers in industries other than coal mining.

I believe the time has come for us to recognize that we should benefit not only coal miners but other American employees who contract occupational respiratory diseases. Workers who suffer from beryllium poisoning, for example, deserve the same benefits as coal miners who contract black lung disease. The question of compensation should not turn on the number of workers involved or their political influence. Instead, our determination should be based upon the severity of these occupational diseases and how they affect the lives of the workers who contract them.

Under workmen's compensation laws, occupational disease coverage has lagged behind that of accidental injuries. In addition, coverage for various dust diseases has lagged behind that of other occupational diseases. Consequently, an individual suffering from a dust disease is usually in a less favorable position than a person disabled from an accident or from another occupational disease.

In two States, workmen's compensation laws do not cover dust diseases at all. Ohio and 18 other States which do cover occupational diseases place a special limitation on benefits for asbestosis and silicosis.

The effectiveness of State workmen's compensation systems for respiratory diseases is further limited as a result of the slow developing character of these diseases. This makes proof of the classical, causal relationship between such diseases and the job more difficult to establish than is true in the case of industrial accidents. Moreover, the State laws covering occupational diseases contain numerous qualifying requirements that the worker must meet in order to establish his eligibility for compensation, such as restrictive time limits that apply to length of exposure, to manifestation of the disease, and to the filing of claims.

Twice as many States permit waiver of benefits for dust diseases as permit waivers for accidental injuries, and many States do not provide for permanent partial indemnity benefits in the case of occupational dust diseases.

These limitations have been placed on compensation benefits out of fear of excessive costs. It is true that actual costs have run behind some estimates. But this is due to the restrictive criteria used in awarding claims more than a limitation in the actual number of potential beneficiaries. If these criteria are relaxed through the application of Federal compensatory benefits systems along the lines of recent black lung legislation, there is reason to believe the number of claims awarded will rise significantly. In the late 1960's, occupational disease claims represented from about 0.5 to 4 percent of the total workmen's compensation caseload. This should be compared with the rapidly expanding funding requirements of the black lung program.

Social security benefits are also inadequate. The benefits payable through workmen's compensation are augmented by money disbursed by the Social Security Administration in response to disability claims. The payments made under this Federal program are limited by the definition of worker "disability" and by the standards of proof of disability.

Generally, to obtain social security benefits for occupational dust diseases, a worker must carry the burden of proof as to the existence of the disease and prove he is totally disabled for any gainful employment. The Black Lung Benefits Act makes exception for coal miners by shifting the burden of proof through a rebuttable presumption and by defining disability with reference to coal mining.

What are some of the more serious respiratory diseases that are contracted by America's workingmen and women on the job?

First, silicosis. This condition is caused by the inhalation of silicon dust. The form of the dust and particle size have an effect on the nature of the tissue damage produced. The more chronic form of the disease is usually encountered after years of employment in an occupation where silica dust is a factor such as in foundries; stone cutting; clay products manufacturing; glass manufacturing; mining of lead, copper, silver, and gold; sandblasting, and so forth. The silica particles irritate the lung and cause a cellular reaction that leads to the formation of fibrous tissue and nodules. Some decrease in breathing capacity may accompany these changes. In later more serious stages, breathing capacity deteriorates significantly and emphysema frequently develops.

Clinical signs and symptoms include a cough, some sleep disturbance, chest pains, hoarseness, and later developments may lead to cyanosis and bronchopneumonia. Tuberculosis occurs with a frequency higher than is found in the general population. The diagnosis of silicosis is usually supported by X-ray examination. However, as in all pnuemoconioses, X-rays are not diagnostic of the real extent of the disability. In all cases recourse must be made to occupational history and descriptions of work environment.

Prevention by control of dust levels is the best means of eliminating or reducing the severity of the disease. Once fibrosis has developed in the lungs, there is no way of modifying the disease. Symptomatic treatment is used for advanced states.

The approximate number of workers exposed to silicosis-causing substances nationally is greater than 575,000. For Ohio the number is greater than 75,000.

Second, asbestosis. Three-and-one-half million American workers exposed to asbestos face a dual threat. They are subject to the lung-scarring pneumoconiosis of their trade, asbestosis, and to cancer of the lung and body cavity—mesothelioma—associated with the inhalation of asbestos fibers.

Asbestosis is a term used to refer to a pulmonary fibrosis which may be accompanied by a severe respiratory impairment. The disease is slow in onset and progresses very slowly. Symptoms include a cough, loss of weight, and some cyanosis. Acute pneumonia may develop.

Recent research suggests very strongly that there may be a distinct relationship between lung cancer and asbestosis. There seems to be no progression in the disease—except for the development of cancer—once exposure stops. Treatment is for symptoms. Occupations in which exposure occurs include mining of asbestos, insulation production and installation, milling of asbestos fibers, maintenance of structures insulated with asbestos—shipbuilding trades—3.5 million workers nationally. Prevention is obtained by controlling levels of asbestos fibers in the air to a sufficiently low level to prevent development of the disease.

An exceedingly rare cancer, cancer of the mesothelia, has been found almost exclusively among asbestos workers.

The Occupational Safety and Health Administration is charged with protecting the health and safety of workers in the asbestos industry by setting acceptable asbestos dust exposure limits.

There has been considerable criticism of the exposure standards set by OSHA. In a recent report to the industrial union department of the AFL–CIO, doctors from Mount Sinai Hospital in New York predicted that tens of thousands of workers would die because of the inadequate regulations. "If our experiences of the past several years are a guide, 100,000 will die of lung cancer, 35,000 of chest cancer, and 35,000 of asbestosis." NIOSH confirming these warnings, currently projects 3,000 deaths each year due to past asbestos exposure among workers. Despite such warnings OSHA declined to substantially alter its exposure standards before 1976.

In Manville, N.J., as a result of exposure to asbestos, it is estimated that up to 30 percent of the 15,000 residents, including 75 percent of Johns-Manville employees, suffer from coughing and shortness of breath, which are among the principal symptoms of asbestosis.

Interestingly enough, the Office of Federal Employees' Compensation has accepted responsibility for the occurrence of mesothelioma among individuals formerly employed in Government shipyards during World War II, even though such exposure may have ended 30 years ago.

Third, berylliosis. This disease is an occupational hazard associated with the handling and extraction of beryllium from ore and in the manufacturing processes utilizing beryllium. A few instances have been reported in individuals living near the facility handling beryllium. A chronic disease has been described which may in some instances be associated with many years of exposure to low levels of the compound or it may occur with only brief exposures. The diagnosis is similar to that of silicosis; X-rays supported by clinical symptoms such as cough and chest pain. The chronic form of the disease often results in progressive loss of respiratory function. Some success has been achieved in treatments with the adrenocortical steroids.

Fourth, byssinosis. This term refers to a respiratory infection believed to be caused by some sensitizing protein in cotton fibers. The condition occurs as a bronchospasm after a long period of exposure to cotton or flax dust in the textile industry and then a brief absence from exposure followed by a new exposure.

As the disease progresses, chronic bronchitis may develop, followed by emphysema later on. This has been a confusing disease to characterize because of the similar effect of some climatic conditions, heavy smoking in the occupational population, and the fact that certain forms of air pollution produce the same kind of symptoms. However, pulmonary function tests such as airway resistance provide objective evidence for the concept of byssinosis as a separate disease entity. There is a characteristic X-ray pattern, according to the medical literature, and there does not seem to be the type of lung fibrosis associated with the other pneumoconioses.

Until recently—pre-1966—only a few cases of byssinosis had been described in U.S. medical literature, these observed by doctors and patients seeking advice. However, the experience of European countries suggests that one or two cases in a textile mill may indicate a byssinosis occurrence as high as 80 percent of risk-exposed work force.

Persons with byssinosis have been found to represent a significant proportion of groups of cotton textile workers who suffered from a shortness of breath in a recent U.S. survey. The approximate number of workers exposed to byssinosis-causing substances nationally is greater than 900,000. For Ohio, the number is greater than 9,000.

Fifth, bagassosis. This lung disease is produced by the inhalation of dust from stored bagass, which is the fibrous material left after the juices have been expressed from sugar cane. This fibrous material is used for the manufacture of insulating materials as well as for the manufacture of paper, fertilizers, explosives, animal feed, and brick.

The disease is evidenced as an acute pneumonitis or bronchiolitis. Some fever, cough, and irritation may be present. As the disease progresses, more severe symptoms will appear, such as cyanosis, weakness, nausea, and weight loss. An X-ray will show characteristic shadows similar to one form of tuberculosis. Some disturbance of pulmonary function occurs. Most individuals improve dramatically once they are removed from the source of irritation. Most cases have occurred in Louisiana and Puerto Rico.

The approximate number of workers exposed to bagassosis-causing substances nationally is greater than 770,000. For Ohio the number is greater than 50,000.

Sixth, diatomite pneumoconiosis. Diatomite or diatomaceous earth is composed of the siliculose skeletons of tiny aquatic plants known as diatoms. This nonmetallic mineral has found many industrial uses, such as filters, insulators, absorbents, and polishes.

As with most pneumoconiosis-causing dusts, the longer the exposure the more the chance of developing demonstrable lung changes. Exposure to this dust for as little as 1 to 3 years may produce definite X-ray evidence of pneumoconiosis. In this type of pneumoconiosis other symptoms correlate poorly with X-ray changes, except where pulmonary disability is extreme.

The approximate number of workers exposed to diatomite pneumoconiosis-causing substances nationally is greater than 275,000.

Seventh, talcosis. Commercial talc is a mixture of minerals which meets the physical requirement of being a smooth, bland powder. The material has a wide variety of uses. Effected occupations include cosmetic workers, paintmakers, papermakers, rubber cable coaters, rubber tiremakers, talc millers, talc miners, and talcum powdermakers. This disease results after prolonged inhalation of talc. Characteristic X-ray evidence of talc lung lesions is usually demonstrable.

The approximate number of workers exposed to talcosis-causing substances nationally is 715,000. In Ohio the number is greater than 100,000.

Eighth, Shaver's disease. Shaver's disease is produced as a result of the inhalation of fumes emitted by electric furnaces used for the manufacture of corundum. Both silica fumes are believed to be capable of causing lung damage and these materials are present in the fumes from manufacturing corundum. Unlike silicosis, Shaver's disease may develop quickly. Shaver's disease results in typical fibrosis in the lungs, attacks of breathlessness, and coughing with chest pain. Advanced stages of the disease will show a worsening of these symptoms leading in some instances to X-rays which suggest the development of emphysema.

The approximate number of workers exposed to substances causing Shaver's disease nationally is 20,000.

Ninth, lung cancer. There is rather convincing evidence that as to some occupations the incidence of lung cancer varies according to the area of work and the duration of employment. A report by the National Institutes of Health shows, for example, that men working topside of coke ovens 5 years or more have an incidence of lung cancer 10 times that of other steelworkers.

Because respiratory diseases are of critical importance to thousands of America's working men and women, I am today introducing the Respiratory Disease Benefits Act. This measure is designed to extend the same benefits which we have provided to America's coal miners to other categories of workers which I have described today. If we are able to pass this bill, thousands of America's workers will receive the same benefits which are now provided under the Black Lung Benefits Act of 1972 to the coal miners of our country.

As to most of these diseases, it is easy to determine that they are occupationally related, because the worker has virtually no other way of contracting them. As to lung cancer, however, it is difficult to determine whether an employee has contracted lung cancer through natural causes, through smoking, or because of his working conditions.

We faced this same problem with respect to black lung disease last year. Autopsies showed that approximately 25 percent of black lung cases were not revealed through X-rays. Before we passed the 1972 law, many coal miners were being denied benefits solely because their disease could not be detected by an X-ray. To rely solely on the X-ray was to deny benefits to many men who in fact had contracted black lung disease. To eliminate the X-ray requirement, on the other hand, meant that we would be paying some men with respiratory disability who might not have black lung but might have another respiratory ailment.

I offered an amendment which struck a balance and resolved this problem. My amendment provided that, where a worker was engaged in coal mining for a specified period of time, there would be a presumption of black lung disease where there was other evidence of respiratory impairment, notwithstanding a negative X-ray.

In adopting this approach, Congress recognized the impossibility of determining which respiratory disabilities were occupationally related and which were not. To continue relying upon X-rays would mean the continued denial of benefits to many men who had been crippled with black lung disease.

The alternative, which we adopted, necessarily pays some men who would have contracted respiratory impairment even if they had never been near a coal mine. The presumption which the Taft amendment established was based upon the medical evidence that there was a strong correlation between respiratory impairment and black lung disease where a man had worked for an extended period of time in coal mining. I believe that a similar approach is necessary with respect to lung cancer under this bill.

The incidence of lung cancer for coke-oven workers, for example, with 5 years or more experience at topside jobs, is 10 times that of other steelworkers. The fact that coke-oven workers have such a high incidence of lung cancer indicates that most of these cases are occupationally related. Since we cannot determine the source of their lung cancer we must either provide benefits for all or benefits for none. Under these circumstances, I would rather provide benefits for all.

Therefore, this bill provides coverage for lung cancer victims where they have been employed for a period of not less than 5 years at a place of work which has an incidence of lung cancer among employees and former employees at least three times as great as the incidence of lung cancer among the general population.

Two months ago I requested the Department of Health, Education, and Welfare to calculate the cost of this bill. I am informed that they are apparently unable to do so at the present time. I, therefore, would hope that the committee could have the costs of this measure calculated so that we can allocate the resources at our disposal to those most in need.

We can no longer tolerate the unfair situation of providing benefits for one type of disabled workers and denying them to others. Those who are disabled with crippling respiratory diseases in the beryllium industry or in the asbestos industry are just as entitled to the benefits of this program as are America's coal miners. I hope that the compassion and the concern which the Congress and the President showed for America's coal miners can be extended to these other categories of workers who are just as much in need.

I ask unanimous consent that there be printed at this point in the RECORD the following:

"Long-Term Mortality Study of Steel Workers, Parts 4, 5, and 6," which appeared in the Journal of Occupational Medicine;

Articles entitled "A New Jersey Town Is Dying Fast," and "A Man With 8 Months to Live," by Robert Vare, which appeared in the New York Post, April 25 and 26, 1972;

"Pneumoconiosis in Ferrosilicon Workers—A Followup Study," by A. Swenson, M.D., et al., which first appeared in the Journal of Occupational Medicine;

"Respiratory Disease Associated with Beryllium Refining and Alloy Fabrication, 1968 Followup," by Jan Lieben, M.D., and Robert R. Williams, M.D., published in the Journal of Occupational Medicine;

"Byssinosis in Carding and Spinning Workers," by Eugenija Zuskin, M.D., et al.;

"Prevalence of Chronic Respiratory Disease, Asbestosis in Ship Repair Workers," by Benjamin G. Ferris, Jr., M.D., et al.; and

The text of the Respiratory Disease Benefits Act which I am introducing today.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

LONG-TERM MORTALITY STUDY OF STEELWORKERS—IV. MORTALITY BY WORK AREA

(By J. William Lloyd, SC.D.; Frank E. Lundin, Jr., M.D., DR. P.H.; Carol K. Redmond, SC.D.; and Patricia B. Geiser, R.N., M.S.)

This report is the fourth of a series concerned with the study of chronic disease mortality in relation to prior occupational history. This paper examines the relationship between employment within specified areas of the steel industry and mortality from all causes during the period 1953–1961. By comparison of deaths observed among workers from each work area with the number of deaths predicted by the experience of the total steelworker population, those areas which are significantly high or low are identified. For work areas exhibiting significant deviation in total mortality, cause-specific patterns of mortality are evaluated under two definitions of population at risk. Possible explanations for these differences in terms of potential occupational hazards and selection for health are considered. Subsequent reports will consider those work areas which, while exhibiting about the expected level of mortality from all causes, show significant differences in mortality from certain specific causes.

Before attributing an unusual disease occurrence to factors in the working environment or, conversely, before concluding that no relationship exists, account must be made of factors which may produce spurious relationships. Several major sources of nonetiologic associations have been identified; therefore, it is important that they be considered in the epidemiological approach to the study of occupational disease.

An important source of bias which may lead to incorrect inferences is the choice of a comparison or control group. The general problem of selecting adequate comparison groups for occupational studies has been discussed by Enterline, and an earlier paper in this series has shown more specifically that the total steelworker population experienced lower mortality than the general population. In the present report, the total group of steelworkers was used for comparison with men employed in each of the work areas within the industry. This is preferable to comparison with the general population in that it overcomes selection related to employability, but it should be recognized that uncontrolled selective factors are probably operant. Principal among these is selection for health which may be expected to occur within specific work areas. Thus, for certain occupations that are very demanding and require good health for initial and continued employment, the less healthy individual would be expected to choose work in other areas or, by company policy, be assigned to less demanding areas when ill health develops. Consequently, certain work areas may show marked deficits or excesses in mortality unrelated to exposure in the occupational environment. Since little is known concerning these selective factors, differences in mortality by work area must be interpreted with caution.

It is also important to note that incorrect inferences regarding occupational disease may result from failure to consider factors unrelated to the occupational environment. If the study and control groups are different with respect to characteristics related to differential mortality, account must be made for these factors in measuring differences in mortality. Another advantage in using the total steelworker population for comparison is that mortality rates can be calculated over several of these variables for which general population rates are not available.

MATERIALS AND METHODS

Details of the data collection procedure have been noted previously. Each of the 58,828 steelworkers employed in 1953 was classified by work area at initial observation in 1953, and by areas in which a minimum of five years of employment was completed sometime before the end of 1961. The number of steelworkers included in this report differs slightly from that originally reported, as subsequent review of work histories identified a small number of men who were not employed in 1953.

The number of deaths expected in each work area for specified race, age, nativity, and residence was calculated by applying the specific rate of the total steelworker population to the number at risk in the work area. Expectations over the various levels of these characteristics were then obtained by summation. In order to point out the more striking differences between observed and expected mortality for specified work areas and within the demographic subdivisions, a one degree of freedom summary chi-square was calculated.

FINDINGS

The number employed in each work area in 1953 and standardized mortality ratios for all causes are shown in Table I. These ratios by work area were divided fairly evenly above and below the total steelworker rate, 25 areas showing a greater than expected mortality; and 28, a lower than expected mortality. Although such a division is not unexpected, it should be noted that approximately half the work areas show a lower mortality rate than expected. Because of concern with potential hazards in the occupational environment, most studies of occupationally related disease have been directed at the identification of employed groups showing excess disease, and deficits have been mostly ignored. However, deficits in mortality may indicate the selection of more healthy individuals into certain work areas and, as a possible consequence, the assignment of less healthy individuals to other areas. For that reason, an evaluation of the relationship between area of employment and consequent mortality must include an assessment of excesses and deficits.

TABLE I.—NUMBER EMPLOYED IN 1953, OBSERVED AND EXPECTED DEATHS FROM ALL CAUSES AND STANDARDIZED MORTALITY RATIOS STEELWORKERS 1953–1961

[Steelworkers 1953–61]

Work area	Number employed	Observed deaths	Expected deaths	SMP
All steelworkers	58, 828	4, 685	4, 685. 0	100
Annealing normal zing	1, 367	121	109. 2	111
Batch pickling sheet dry	76	6	5. 8	103
Billet bloom and slab	3, 136	290	277. 5	105
Blacksmith shop	271	26	28. 2	92
Blast furnace	3, 455	244	265. 6	92
Carpenter shop	406	29	40. 9	[2] 71
Coating	332	19	23. 4	81
Coke plant	2, 552	206	198. 9	104
Continuous pickling and electric cleaning	205	12	9. 8	122
Cold reducing mills	1, 499	100	87. 1	115
Electric maintenance assignment	1, 616	118	127. 3	93
Electric furnace	742	46	43. 8	105
Electric shop	561	39	49. 5	79
Foundry	1, 143	90	101. 1	89
General administration and clerical	3, 312	224	240. 8	93
General finish and shipping	473	38	40. 2	95
General receiving and stores	196	17	19. 0	89
General technical	2, 373	123	130. 1	95
General labor	969	84	78. 4	107
Heat treatment and forging	1, 015	75	78. 1	96
Hot pack mills	572	55	66. 6	83
Hot strip mill	161	19	17. 0	112
Hot strip rolling	1, 014	63	73. 9	85
Janitors	521	113	84. 5	[3] 134
Loco and car repair	129	11	11. 7	94
Machine shop	1, 450	151	130. 2	[2] 116

Work area	Number employed	Observed deaths	Expected deaths	SMP[1]
Machine NOS	71	6	9. 0	67
Mason department	1, 742	99	96. 6	102
Mechanical maintenance assignment	2, 744	278	237. 3	[1] 117
Merchant mills	2, 524	206	226. 4	91
Open hearth	7, 629	560	587. 2	95
Paint shop	263	22	19. 2	115
Pattern shop	68	5	6. 2	81
Pipe shop	744	64	63. 0	102
Plant protection	676	91	77. 4	118
Plate mill	1, 789	160	155. 9	103
Power and fuel	1, 393	103	115. 1	89
Rail mill finishing	445	39	35. 7	109
Rail mill rolling	380	32	35. 2	91
Riggers and structural	1, 180	96	106. 0	91
River	219	23	22. 6	102
Roll shop	377	34	34. 9	97
Sheet finishing and shipping	1, 770	154	129. 8	[2] 119
Soaking pits	111	4	6. 9	58
Stain anneal picking and processing	47	9	5. 6	161
Steel yards	69	8	5. 8	128
Structural mill	1, 437	112	106. 9	105
Temper pass and cold roll	369	18	21. 0	86
Tin finishing and shipping	399	26	29. 5	88
Transportation and yard	1, 634	131	128. 4	102
Tube finishing	227	21	18. 3	115
Weld shop	642	39	40. 5	96
All other work areas	333	26	26. 1	100

[1] $\text{SMR} = \frac{\text{Observed deaths}}{\text{Expected deaths}} \times 100$. Significance based on summary chi-square with 1° of freedom.

[2] 5 percent level.

[3] 1 percent level.

Five of the 53 work areas considered displayed a statistically significant difference in mortality from that predicted by total steelworker experience. One of these, the carpenter shop, had an all-causes mortality rate 29 per cent lower than expected. Higher than expected mortality was observed for janitors (33.7 per cent), machine shop (16.0 per cent), mechanical maintenance assigned (17.2 per cent), and sheet finishing and shipping (18.6 per cent). Examination of race-specific rates for each work area revealed one additional area with significant variation from expectation. Fourteen deaths from all causes were noted among nonwhite steelworkers employed in the cold reducing mills as compared to 7.4 deaths expected. White steelworkers employed in this area showed about the expected level of mortality.

The distribution of observed and expected deaths from selected causes for each of these areas is shown in Table II. In this and subsequent tables, deaths for the two races are presented separately only when at least five deaths from all causes were either observed or expected.

TABLE II.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES, 1953–61: MEN EMPLOYED IN SPECIFIED WORK AREAS IN 1953

Work areas and race	Malignant neoplasms			Vascular lesions affecting CNS		
	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
Carpenter shop: Total	6	8. 5	71	2	3. 6	(1)
Cold reducing mill:						
White	17	15. 9	107	3	5. 1	59
Nonwhite	1	1. 6	(1)	3	. 8	(1)
Janitors:						
White	13	11. 0	118	8	5. 0	160
Nonwhite	9	8. 4	107	5	3. 0	167
Machine shop: Total	36	27. 6	130	18	10. 7	[3] 168
Mechanical maintenance assignment: Total	53	51. 1	104	18	18. 4	98
Sheet finishing and shipping: Total	30	26. 6	113	15	9. 5	158

Work areas	Heart disease			Accidents			All other causes		
	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
Carpenter shop	11	17.8	62	3	2.7	(1)	7	8.4	83
Cold reducing mill	33	31.5	105	6	7.0	86	27	20.2	134
	4	1.9	(1)	2	.7	(1)	4	2.3	(1)
Janitors	31	20.9	[2] 148	3	2.2	(1)	13	9.2	141
	12	11.7	103	4	2.6	(1)	15	10.6	142
Machine shop	58	54.9	106	6	9.0	67	33	28.0	118
Mechanical maintenance assignment	128	100.8	[3] 127	21	16.5	127	58	50.6	115
Sheet finishing and shipping	60	55.6	108	12	10.2	118	37	27.9	133

[1] Less than 5 deaths

[2] 5 percent level

[3] 1 percent level

Several patterns by cause were seen within these groups. Men employed in "mechanical maintenance assigned" and white steelworkers employed as janitors showed a significant excess in deaths from heart disease. Nonwhite janitors, on the other hand, had about the expected number of deaths from this cause. Although none of the cause-specific deficits seen for "carpenter shop" were significant, the greatest deficit was observed for deaths from heart disease. A significant excess in deaths from vascular lesions affecting the central nervous system was observed for men employed in the machine shop and, although not statistically significant, the greatest excess for men employed in sheet finishing and shipping was also due to this cause. The significant excess in all-causes mortality for nonwhite steelworkers employed in the cold reducing mills did not appear to be due to any specific cause. However, the small number of deaths expected in this area does not allow a firm conclusion.

Another common method for relating mortality to area of employment is to define the population at risk as those men employed in a work area for some minimal period, e.g., five years. If disease response is a function of length of exposure, limiting the definition to those employed at a single point in time may mask differences by the inclusion of many men with short periods of exposure. The next consideration then, is the group of men employed in each work area for at least five years. Because some of these men will have attained five years employment at a later date than the initial observation in 1953, they would not have been at risk of death during the total interval 1953–1961. For that reason, the number of persons at risk in a work area was specified in terms of person-years at risk. That is, for each man the time at risk from attainment of five years in a work area to the end of observation (date of death or December 31, 1961) was calculated. For men attaining five years prior in 1953, the initial date at risk was January 1, 1953.

The determination of the number of deaths expected in each work area also required a redefinition of the comparison group. If the mortality experience of those with short time exposures is different from the mortality experience for those with long exposures, the total steelworker population would not be an appropriate comparison group, since men with short exposures would be included in the control but not in the work area population. The group chosen for comparison, therefore, was the set of all steelworkers attaining five years employment in the industry prior to or during the period 1953–1961. Age, race, residence, and nativity-specific rates for this group were applied to the comparable person-years at risk for each area to determine the number of expected deaths.

Those work areas exhibiting significant excesses or deficits in mortality from all causes for either race are shown in Table III. Of the differences noted, seven indicated greater than expected mortality; and four, a rate lower than expected. It is interesting to note that in each area in which numbers were sufficient to contrast the two races, the difference was limited to only one race. Although five of the six areas showing marked differences for those employed in 1953 were also included here (mortality for machine shop employees was not significantly greater than expected), six additional areas were seen to have significant excess or deficits in all-causes mortality when length of employment was considered. A review of the findings for those employed in these six work areas in 1953 demonstrates that the limitation of the group at risk to those having five years employment in the area has, in most cases, accentuated differences which had been suggestive.

For example, the deficits for general finishing, and shipping, maintenance NOS, and the merchant mills and the excess mortality for coke plant workers were observed for men employed in 1953, but the differences were not significant. On the other hand, the significantly greater mortality of white steelworkers employed at least five years in general labor contrasted sharply with a slight deficit seen for those employed in 1953. This suggests that the inclusion of short-term employees may have masked important differences.

Observed and expected deaths from selected causes are shown in Table IV for the work areas considered in Table III. The excess in all-causes mortality for men employed in batch pickling-sheet drying and for white steelworkers employed either as laborers, as janitors, or in mechanical maintenance assigned is seen to be associated with a significant excess in deaths from heart disease. Each of these work areas also showed excess mortality for noncardiac causes as a group although none of the cause-specific excesses were significant and several deficits were observed. The same pattern of association between heart disease and other causes of death was also observed for several areas with lower than expected mortality from all causes. Heart disease mortality for men employed in maintenance NOS was only 23 percent of the expected level (p. $< .01$) and mortality from other causes was only 44 percent of that predicted by total steelworker experience. Although the number of deaths was too small for drawing firm conclusions, it should also be noted that the deficit mortality for nonwhites in general finishing and shipping followed this same pattern. The deficit in heart disease mortality observed for carpenters employed in 1953 was also apparent for men employed at least five years but the difference was still not significant. A significant deficit in deaths from malignant neoplasms, which was suggested for those employed in 1953, was now observed. Mortality from causes other than malignant neoplasms and heart disease were at about the expected level for carpenters. Another interesting feature of the findings for heart disease was that, when numbers were sufficient to compare the experience of the two races, the differences were limited to only one race.

TABLE III.—PERSON YEARS AT RISK, OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR ALL CAUSES, 1953–61

[Men employed at least 5 years in specified work areas]

Work area and race	Person years at risk	Observed deaths	Expected deaths	Standardized mortality ratio
Batch pickling-sheet drying: Total	525	18	9.9	[1]182
Carpenter: Total	2,963	30	44.4	[1]68
Coke plants:				
White	11,549	130	130.8	99
Nonwhite	6,509	96	78.7	[1]122
Cold reducing mills:				
White	8,204	71	70.7	100
Nonwhite	593	14	6.3	[2]222
General finish and ship:				
White	4,385	69	64.4	107
Nonwhite	1,041	8	16.9	[1]47
General labor:				
White	4,989	102	81.6	[1]125
Nonwhite	3,636	49	46.1	106
Janitors:				
White	1,117	54	34.5	[2]157
Nonwhite	2,015	33	33.1	100
Maintenance NOS: Total	2,246	10	28.9	[2]35
Mechanical maintenance assignment:				
White	22,313	377	318.4	[2]118
Nonwhite	721	16	14.3	112
Merchant mills:				
White	18,372	253	266.9	95
Nonwhite	2,966	28	42.4	[1]66
Sheet finisher and shipper:				
White	13,466	158	133.5	[1]118
Nonwhite	438	5	7.3	68

[1] 5 percent level

[2] 1 percent level

TABLE IV.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES, 1953–61: MEN EMPLOYED AT LEAST 5 YEARS IN SPECIFIED AREAS

Work areas and race	Malignant neoplasms			Vascular lesions affecting CNS		
	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
Batch pickling, sheet drying: Total	3	2.4	(1)	1	0.8	(1)
Carpenter shop: Total	3	9.7	[2]21	2	3.9	(1)
Coke plant:						
White	29	28.3	102	15	10.4	144
Nonwhite	40	19.6	[1]204	9	6.8	132
Cold reducing mills:						
White	17	14.6	116	3	5.1	59
Nonwhite	1	1.4	(1)	3	.7	(1)
General finishing and shipping:						
White	10	14.1	71	7	5.3	132
Nonwhite	1	4.4	(1)	2	1.4	(1)
General labor:						
White	16	18.4	87	9	7.1	127
Nonwhite	14	11.4	123	4	4.4	(1)
Janitors:						
White	9	7.9	114	6	3.4	176
Nonwhite	11	8.6	128	4	3.0	(1)
Maintenance, NOS: Total	2	6.2	32	1	2.1	(1)
Mechanical maintenance assignment:						
White	76	70.1	108	26	26.4	98
Nonwhite	3	3.8	(1)	2	1.4	(1)
Merchant mills:						
White	65	59.1	110	19	22.9	83
Nonwhite	5	10.7	47	4	3.8	(1)
Sheet finishing and shipping: Total	36	30.0	120	18	10.5	[2]171

Footnotes at end of table.

TABLE IV.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES, 1953–61: MEN EMPLOYED AT LEAST 5 YEARS IN SPECIFIED AREAS—Continued

Work areas and race	Heart disease			Accidents			All other causes		
	Observed deaths	Expected deaths	SMR	deaths	Expected Deaths	SMR	Observed deaths	Expected deaths	SMR
Batch pickling; sheet drying: Total	9	3.9	[2] 231	2	0.5	(1)	3	2.2	(1)
Carpenter shop: Total	13	19.5	67	3	2.2	(1)	9	9.2	98
Coke plant:									
White	54	56.3	96	9	7.4	122	23	28.4	81
Nonwhite	19	24.2	79	5	5.2	96	23	22.9	100
Cold reducing mills:									
White	30	29.9	100	1	4.6	(1)	20	16.5	121
Nonwhite	4	1.9	(1)	2	.4	(1)	4	1.9	(1)
General finishing and shipping:									
White	39	28.6	136	3	3.4	(1)	10	13.1	76
Nonwhite	2	5.4	37	1	1.0	(1)	2	4.8	(1)
General labor:									
White	48	35.2	[2] 136	8	4.1	195	21	16.8	125
Nonwhite	11	14.2	77	2	2.9	(1)	18	13.2	136
Janitors:									
White	26	15.1	[3] 172	4	1.4	(1)	9	6.7	134
Nonwhite	8	10.5	76	1	1.8	(1)	9	9.2	98
Maintenance NOS: Total	3	13.1	[3] 23	1	1.5	(1)	3	6.0	50
Mechanical maintenance assignment:									
White	177	140.4	[3] 126	19	16.5	115	79	65.0	122
Nonwhite	5	4.5	111	0	.7	(1)	6	4.0	150
Merchant mills:									
White	108	114.4	94	16	13.8	116	45	56.7	79
Nonwhite	14	13.6	103	1	2.2	(1)	4	12.1	[2] 33
Sheet finishing and shipping: Total	61	61.6	99	11	8.5	129	37	30.2	123

[1] Less than 5 deaths.
[2] 5 percent level.
[3] 1 percent level.

In contrast with the foregoing, steelworkers employed in sheet finishing and shipping had about the expected level of mortality from heart disease, but showed excess mortality for each of the other causes. The excess in mortality from vascular lesions affecting the central nervous system was significant. Nonwhite steelworkers employed in the merchant mills also showed about the expected level of heart disease mortality, but deaths from "all other causes" were significantly lower than expected. A review of more specific causes within this grouping did not identify any single cause to account for this difference.

The most striking disparity in mortality for the two races was seen in the coke plant. Nonwhite steelworkers employed in this area showed more than double the expected level of mortality from malignant neoplasms; white mortality from this cause was as expected. As a group, mortality from nonmalignant causes for coke plant workers of either race was similar to expectation. The small number of deaths observed for nonwhite steelworkers employed in the cold reducing mills was insufficient for attributing the excess in mortality to any specific cause.

DISCUSSION

There are several criteria which may be used to differentiate between excessive mortality as a consequence of environmental exposures and excesses associated with selection for health. First is the specificity of the response. If the excess were limited to a single cause of death or a single organ system, there would be an inclination to suspect a causative agent in the occupational environment, since movement from one work area to another due to ill health would be expected to involve more than one cause of illness. The converse does not follow; i.e., if excess disease were seen for many causes or systems, the occupational environment cannot necessarily be ruled out as a causative factor.

How, then, to differentiate between the real and the spurious association in this circumstance? It is here that the identification of areas with deficit mortality becomes important. If certain patterns of excess mortality are associated with selection for health, compensatory patterns of deficit mortality for other areas might be expected. Such a configuration was observed in the present study. A number of work areas were noted to have a significant excess of deaths from heart disease concomitant with a less striking excess for most other causes. A similar pattern of deficit mortality (a more marked deficit for heart disease than for other causes of death) was observed in two of the work areas.

The question arises, then, as to why selection for health should be more likely for steelworkers dying from heart disease. Information from two sources suggests that migration from one work area to another may be more likely among persons with heart disease. *First,* men exhibiting symptoms of cardiac insufficiency, such as shortness of breath, move to more sedentary jobs upon recommendation of a physician or on their own volition; and men who have recovered from an attack of coronary heart disease are often returned to employment at less demanding work. Two areas to which these men are frequently assigned are those of janitor and mechanical maintenance assigned. *Second,* the steelworker who died from heart disease was more apt to have been known to the 1953 employer at the time of death than men who died from other causes. Although such a finding most probably results from a combination of selective factors which have yet to be identified, it suggests the possibility that persons with heart disease may be more likely to be continued in employment after the recognition of disease.

Since general labor seems an unlikely area to assign men with recognized heart disease, the excess mortality from this cause for laborers probably cannot be explained by the movement of less healthy persons into the work area. Rather, the disparity between the slight deficit in mortality for men employed in this area in 1953 and the excess noted for those employed at least five years suggests that the heart-disease excess, if due to selection, may have resulted from movement out of the area of the more healthy steelworker. A definitive determination of factors associated with intra- and extra-plant migration must await more detailed analysis; however, at least one mode of possible selection is worth mentioning. Since the general labor group may serve as a pool for persons selected for promotion to more skilled occupations, and since health factors such as sick absences may be related to selection for promotion, the more healthy individual may have a greater chance to move out of this area.

Two work areas were noted in which heart disease was at the expected level but other causes of death were markedly different from expectation. Deaths from all causes among nonwhite steelworkers employed in the merchant mills were only two-thirds the number expected, even though the heart disease rate for these men was at the expected level. This deficit cannot be attributed to any specific cause. In contrast, steelworkers employed in sheet finishing and shipping who showed the expected level of heart disease mortality had a significant excess in mortality from vascular lesions of the central nervous system and a 22 per cent excess in mortality from causes other than heart disease and vascular lesions of CNS. There was no apparent explanation for either of these differences in terms of selection for health. Examination of the disease pattern by age for men employed in sheet finishing and shipping showed that the excess for vascular lesions of CNS was not limited to the older ages. It is also interesting to note that all the excess from other causes was among men under 55 years of age. The absence of any explanation for health selection limited to the younger ages suggests that these excesses may be related to factors in the work environment.

A second criterion for differentiating effects due to occupational exposures and those associated with selection for health is consistency of findings within a work area over the various subgroups of the population such as race, nativity, and residence. Thus, unless reasonable explanations for differential selection for health or susceptibility to disease can be postulated, disease resulting from exposure in the occupational environment would be expected to be evident in both white and nonwhite steelworkers. It has been seen, however, that many of the cause-specific differences appear to be limited to only one race. In the case of the heart-disease excess for janitors and men employed in mechanical maintenance assigned, a different pattern for the two races may be explained in part by the assignment of men with heart disease to these areas. It was noted in the first report of this series that the heart-disease risk for white steelworkers, as indicated by mortality from arteriosclerotic and degenerative heart disease, was 52 per cent greater than the risk for nonwhite steelworkers. Thus, if selection for health is more likely for the steelworker with heart disease, selection among the nonwhites may not be obvious.

The most striking difference between the two races was seen in mortality from malignant neoplasms for men employed in the coke plant. The fact that one of the other work areas, the carpenter shop, showed a significant deficit for this disease might suggest that selective factors are operating. The differing distribution by race, however, ruled out such an explanation since men employed in the carpenter shop were predominantly white and no excess of malignant neoplasms was seen for white coke plant workers. Nonwhite steelworkers employed in the coke plant, on the other hand, experienced double the expected rate of mortality from malignant neoplasms.

A more detailed examination of deaths from malignant neoplasms of specific sites revealed that all the excess for nonwhite coke plant workers was due to malignant neoplasms of the respiratory system: 25 deaths from this cause were observed among nonwhite steelworkers employed at least five years in the coke plant, whereas only 7.3 deaths would be expected. The comparable number of deaths for whites employed in this area were seven observed and 8.4 expected. Thus, although this was the only work area to show a specific disease response, the experience of the two races with respect to the response was quite different. Although there is no immediate explanation for the differences between the races, there is no reason to believe that such a striking excess of disease to one system could be due to selection for health. It is, therefore, suggested that the excess of malignant neoplasms of the respiratory system was due to factors in the coke plant environment.

Environmental factors cannot be completely ruled out but the data presented here suggest that many of the excesses in mortality for specific work areas in the steel industry may have been due to selection for health rather than environmental exposures. It should be recognized, however, that the present paper provides only a glimpse of a very complex problem. An understanding of the relationships between health and changes in occupational status requires study of many factors not considered here.

SUMMARY

This paper, the fourth of a series concerning the mortality of steelworkers, examines the variation in all-causes mortality by work area for the 58,828 men employed in 1953. Age, race, nativity, and residence-specific rates for the total steelworker population were applied to the number at risk in each area to determine the expected number of deaths. Four of 53 work areas showed a statistically significant excess of deaths; and one area, a significant deficit in mortality. One work area had an excess of mortality limited to nonwhite steelworkers.

Data are also presented for men employed five years or more in each work area. Six additional areas of excess or deficit mortality were identified in this way. For work areas exhibiting significant deviation in total mortality, under either definition of population at risk, cause-specific patterns of mortality were evaluated in terms of health effects on job mobility.

Of general interest to the study of occupational disease are the following observations:

1. Limiting the study population to men employed at a single point in time may mask differences of etiological significance.
2. Cause-specific configurations of excess and deficit mortality for certain work areas suggest that a number of these differences may be due to health selection.
3. Two exceptions which did *not* appear to be due to selection for health were the excess mortality from vascular lesions of the central nervous system for men employed in sheet finishing and shipping and excess mortality from malignant neoplasms of the respiratory system for nonwhite coke plant workers. It is suggested that these differences may be due to factors in the working environment.

LONG-TERM MORTALITY STUDY OF STEELWORKERS—V. RESPIRATORY CANCER IN COKE PLANT WORKERS

(J. William Lloyd, Sc. D.)

("I take it that no pathological question is ever so thoroughly settled or so deeply buried but that it contains the germs of new questions in pathology, often more complex and more difficult to answer than the original question. Sooner or later these present themselves, not always in a welcome fashion, and not always to the original inquirer, but with a repeated intrusion which at length compels attention."—Butlin)

In the fourth paper of this series we reported that mortality from respiratory cancer for men employed in the coke plant is two times the rate observed generally among steelworkers. We also noted that all of the difference in mortality from this disease is due to a three-fold excess for nonwhite workers.

The purpose of the present paper is to delineate further the source of the respiratory cancer excess within the coke plant environment; to clarify, to the extent possible, the apparent differential in mortality for white and nonwhite workers; and to relate the differences observed to other reports of unusual cancer mortality in occupations with related environmental exposures.

By reference to work histories, the study population is further classified according to calendar period and duration of employment within several subdivisions of the coke plant. Race-specific mortality for malignant neoplasm of the respiratory system and for other selected causes is presented for each subdivision. The patterns of mortality observed within these groups are then evaluated by comparison with expected mortality based on total steelworker population experience. Finally, we contrast the cancer experience of the several groups of coke plant workers with that reported for other industrial groups with similar environmental exposures, and consider the implications of differences in site-specific cancer mortality.

BACKGROUND

The primary function of the coke plant is the production of metallurgical coke for use at the blast furnace. A secondary function is the recovery of chemical by-products during the transformation (high temperature carbonization) of bituminous coal into coke. Prior to World War I the main source of metallurgical coke in the United States was the beehive coke oven. These ovens were used solely for the production of coke, and the volatile matter produced during carbonization was emitted into the atmosphere. The by-product coke plant, which allows for recovery of tar, oils and chemicals from the volatiles, was introduced around the turn of the century and by 1931 by-product ovens accounted for 80 per cent of coke production. In recent years, except for brief periods during World War II and the Korean War, this figure has been about 95 per cent. All of the coke plant workers included in the present report were employed at by-product plants.

In addition to the production of metallurgical coke, there are several other methods of coal carbonization which are of interest because of common exposure to the volatiles and their by-products, and there are previous reports of unusual cancer experience in workmen employed in these areas. Major among these processes are the production of household gas in vertical and horizontal retorts and the generation of producer gas for industrial use.

MATERIALS AND METHODS

One of the most challenging tasks in the long-term study of occupational disease is the classification of the work force according to distinctive environmental exposures. Even when detailed work histories are available, as in the present study, the variable use of many job titles and abbreviations among firms and over long periods of time makes categorization difficult. Classification according to well-defined work areas is also precluded by the use of generic terms which describe neither the specific occupation nor the specific work area, or by the use of titles appropriate to more than one work area. The title "laborer, coke plant," for example, defies categorization in the absence of other information. Fortunately, the great majority of coke plant titles noted in the steelworker histories could be assigned to discrete work areas. It should be noted, however, that the classification scheme used for the present report produces some changes in work area designation from that shown in an earlier report. This results primarily from further clarification of obsolete job titles and a reinvestigation of work histories which included generic titles. These reclassifications produce only slight changes in mortality by work area from that reported earlier.

The modern by-product coke plant is a semicontinuous operation which may be subdivided into three rather distinct work areas in terms of function and potential exposure to environmental hazards. These are: (1) the coal handling area where coal is received by rail or barge and where provision is made for the handling, storage and blending of several types of coal before transfer to the coke ovens; (2) the coke ovens, grouped into one or more batteries, with equipment for charging and discharging the ovens and the quenching of coke; and (3) a by-products plant for recovery of gas and chemical products. Variation in work area definition among plants and our desire to subdivide the coke plant population according to potential areas of exposure required some interpretation of work areas designations stated in the occupational history. Because of prior reports of higher lung cancer rates for men engaged primarily in the coal carbonization process, our interest centered on men employed at the coke ovens or in the immediate vicinity. Therefore, certain occupational titles indicating employment some distance from the coke ovens were assigned to a nonoven group, even though the work area noted in the occupational history was "ovens." The nonoven group included all job titles which designate employment only in the coal handling and by-product areas and general coke plant occupations which would rarely require employment in the immediate vicinity of the coke ovens. Conversely, certain coke plant maintenance titles which require periodic employment at the ovens were included in the coke oven group, although the indicated work area may not have been "ovens." The coke oven group includes all job titles requiring some part of the working day spent at the topside of the ovens or the side of the ovens, including the quenching station, the coke wharf and the coke screening station. In this way each period of employment for the individual coke plant workers was designated as coke oven or non-coke oven.

The mortality experience from 1953 to 1961 of men employed in each of the two areas and certain subdivisions is contrasted with the experience predicted by the age-, race- and nativity-specific rates for the total population of steelworkers, and significant differences are deterined by a summary *X*-square test.

THE POPULATION AT RISK

The number of men employed in coke oven and nonoven areas in 1953 and in prior years is shown in Table I. Of the 58,828 steelworkers employed in 1953, 2,552 worked in the coke plant. However, an additional 978 steelworkers employed in other work areas in 1953 had been employed at the coke plant in some prior year. We have noted previously the effect of excluding part of the population at risk by restricting the study group to those employed at a single point in time. In the present case, limiting the study to men employed in 1953 would exclude 28 per cent of men with prior coke plant exposure and 35 per cent of men with prior coke oven exposure.

Differing distributions by race within the two work areas of the coke plant are seen for 1953 and for prior years. Eighty-nine per cent of nonwhite workers were employed at the coke ovens in 1953 compared to only 32 per cent of white workers. A marked difference in these proportions is still evident after inclusion of men employed in the coke plant only in prior years (nonwhite, 91 per cent; white, 42 per cent). It is also interesting to note that a greater proportion of white coke oven workers would be excluded by limiting work area classification to a single year. Forty-eight per cent of white workers with prior coke oven exposure were not employed at the coke oven in 1953, whereas only 24 per cent of nonwhite coke oven workers were in this category.

MORTALITY OF MEN EMPLOYED IN 1953

Observed and expected deaths by area of employment in 1953 are shown in Table II. All causes mortality for coke oven and nonoven workers is seen to be only slightly higher than that predicted by total steelworker experience, with both groups showing the same relative risk (SMR=104). On the other hand, both groups show significant deviation from expectation for certain causes of death. The excess mortality from respiratory neoplasms for coke plant workers is seen to be limited to men employed at the coke ovens with 20 deaths observed, compared to 7.5 expected. In contrast, the nonoven workers, whose mortality from respiratory neoplasms is about as expected, show a significant excess of deaths from nonmalignant diseases of the respiratory system (8 observed versus 3.7 expected).

The mortality patterns by race for coke oven and nonoven workers employed in 1953 present a mixed picture. A three-fold excess for nonwhite workers accounts for almost all of the difference in respiratory neoplasm mortality for coke oven workers (17 observed versus 5.7 expected). However, the experience of nonwhite workers employed in the nonoven area suggests a similar risk (4 observed versus 1.1 expected). White workers employed in the nonoven area show a deficit of deaths from respiratory neoplasms, while the experience of white coke oven workers is consistent with an excess, but based on insufficient numbers to draw conclusions (3 observed versus 1.9 expected). Both white and nonwhite workers employed in the nonoven area in 1953 show excess mortality from diseases of the respiratory system, but neither difference is significant.

TABLE I.—DISTRIBUTION OF COKE PLANT WORKERS BY WORK AREA, RACE, AND PERIOD OF EMPLOYMENT

		Coke oven		Nonoven	
	Coke plant	Number	Percent	Number	Percent
Employed in 1953: Total	2,552	1,327	52.0	1,225	48.0
White	1,645	520	31.6	1,125	68.4
Nonwhite	907	807	89.0	100	11.0

		Coke oven		Nonoven	
	Coke plant	Number	Percent	Number	Percent
Employed in 1953 or prior years: Total	3,530	2,048	58.0	1,482	42.0
White	2,369	993	41.9	1,376	58.1
Nonwhite	1,161	1,055	90.9	106	9.1

TABLE II.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES BY RACE, 1953 TO 1961; MEN EMPLOYED IN COKE PLANT AND SUBDIVISIONS IN 1953

Cause of death	Coke plant			Coke oven			Nonoven		
	Observed deaths	Expected deaths	SMR [1]	Observed deaths	Expected deaths	SMR [1]	Observed deaths	Expected deaths	SMR [1]
All causes (total)	206	198.9	104	100	96.6	104	106	102.3	104
Malignant neoplasms—respiratory system	25	14.3	[2] 175	20	7.5	[2] 267	5	6.8	74
Malignant neoplasms—digestive organs and peritoneum	16	14.8	108	4	6.5	62	12	8.3	145
Other malignant neoplasms	18	14.8	122	10	7.6	132	8	7.0	114
Vascular lesions affecting central nervous system (CNS)	19	16.2	117	7	7.9	89	12	8.3	145
Heart disease	64	73.0	88	22	31.7	69	42	41.3	102
Diseases of respiratory system	12	7.7	156	4	4.0	(3)	8	3.7	[4] 216
All other causes	52	58.1	90	33	31.3	105	19	26.8	71
All causes (white)	114	121.1	94	25	31.4	80	89	89.7	99
Malignant neoplasms—respiratory system	4	7.5	53	3	1.9	(3)	1	5.7	18
Malignant neoplasms—digestive organs and peritoneum	11	9.8	112	1	2.4	(3)	10	7.4	135
Other malignant neoplasms	7	8.0	88	2	2.1	(3)	5	6.0	83
Vascular lesions affecting CNS	13	9.4	138	1	2.3	(3)	12	7.2	167
Heart disease	47	50.2	94	9	12.8	70	38	37.4	102
Diseases of respiratory system	6	4.1	146	0	1.0	(3)	6	3.1	194
All other causes	26	31.9	82	9	8.9	101	17	23.0	74
All causes (nonwhite)	92	77.8	118	75	65.2	115	17	12.6	135
Malignant neoplasms—respiratory system	21	6.8	[2] 309	17	5.7	[2] 298	4	1.1	(3)
Malignant neoplasms—digestive organs and peritoneum	5	4.9	102	3	4.1	(3)	2	.8	------
Other malignant neoplasms	11	6.7	164	8	5.6	143	3	1.2	(3)
Vascular lesions affecting CNS	6	6.8	88	6	5.6	107	0	1.1	(3)
Heart disease	17	22.8	75	13	18.9	69	4	3.9	(3)
Diseases of respiratory system	6	3.6	167	4	3.0	(3)	2	.6	(3)
All other causes	26	26.2	99	24	22.4	107	2	3.8	(3)

[1] SMR = $\frac{\text{Observed deaths}}{\text{Expected deaths}} \times 100$. Significance based on summary X-square with 1 degree of freedom.

[2] 1 percent level.

[3] Less than 5 deaths.

[4] 5 percent level.

TABLE III.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CASES BY RACE, 1953–61; MEN EMPLOYED IN COKE PLANT AND SUBDIVISIONS IN 1953 AND PRIOR YEARS

Cause of death	Coke plant			Coke oven			Nonoven		
	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
All causes (total)	320	300.5	106	184	173.1	106	136	127.4	107
Malignant neoplasms—respiratory system	37	21.8	[1] 170	33	13.3	[1] 248	4	8.5	47
Malignant neoplasms—digestive organs and peritoneum	27	21.5	126	9	11.8	76	17	9.7	[2] 175
Other malignant neoplasms	22	23.7	93	16	14.1	113	6	9.6	62
Vascular lesions affecting CNS	28	24.3	115	15	14.2	106	13	10.1	129
Heart disease	111	113.2	98	49	61.5	80	62	51.7	120
Diseases of respiratory system	14	11.3	124	7	6.8	103	7	4.5	156
All other causes	81	84.7	96	55	51.4	107	27	33.3	81

TABLE III.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES BY RACE, 1953–61; MEN EMPLOYED IN COKE PLANT AND SUBDIVISIONS IN 1953 AND PRIOR YEARS—Continued

	Coke plant			Coke oven			Nonoven		
Cause of death	Observed Deaths	Expected deaths	Observed SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
All causes (white)	199	193.8	103	80	80.2	100	119	113.6	105
Malignant neoplasms–respiratory system	11	12.2	90	8	5.0	160	3	7.3	41
Malignant neoplasms–digestive organs and peritoneum	21	14.9	141	6	6.1	98	14	8.8	159
Other malignant neoplasms	10	14.0	71	6	5.8	103	4	8.2	49
Vascular lesions affecting CNS	17	15.3	111	6	6.4	94	11	8.9	124
Heart disease	87	81.5	107	29	32.9	86	58	47.6	122
Diseases of respiratory system	7	6.5	108	2	2.5	(3)	5	3.9	128
All other causes	46	49.3	93	23	20.5	112	24	28.9	83
All causes (nonwhite)	121	106.7	113	104	92.9	112	17	13.8	123
Malignant neoplasms–respiratory system	26	9.6	[1]271	25	8.4	[1]298	1	1.2	(3)
Malignant neoplasms–digestive organs and peritoneum	6	6.6	91	3	5.7	53	3	.9	(3)
Other malignant neoplasms	12	9.7	124	10	8.3	120	2	1.4	(3)
Vascular lesions affecting CNS	11	9.0	122	9	7.8	115	2	1.2	(3)
Heart disease	24	31.6	76	20	27.6	72	4	4.1	(3)
Diseases of respiratory system	7	4.8	146	5	4.2	119	2	.6	(3)
All other causes	35	35.3	99	32	31.0	103	3	4.4	(3)

[1] 1 percent level. [2] 5 percent level. [3] Less than 5 deaths.

TABLE IV.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR MALIGNANT NEOPLASMS OF DIGESTIVE ORGANS AND PERITONEUM BY LENGTH OF EMPLOYMENT AND SITE 1953–61; MEN EMPLOYED ONLY IN NONOVEN AREA IN 1953 AND PRIOR YEARS

	Total			5 or more years of employment			Less than 5 years of employment		
	Observed	Expected	SMR	Observed	Expected	SMR	Observed	Expected	SMR
All malignant neoplasms of digestive system	17	9.7	[1]175	12	6.7	180	5	3.0	167
Stomach	4	3.0	(2)	3	2.1	(2)	1	.9	(2)
Intestines except rectum	7	2.8	[1]249	6	1.9	[3]316	1	.9	(2)
Rectum	1	1.1	(2)	0	.8	(2)	1	.4	(2)
Pancreas	3	1.3	(2)	2	.9	(2)	1	.4	(2)
Other digestive organs	2	1.5	(2)	1	1.0	( )	1	.4	(2)

[1] 5 percent level.
[2] Less than 5 deaths.
[3] 1 percent level.

MORTALITY OF MEN EVER EMPLOYED IN THE COKE PLANT

To further clarify the differences in mortality between coke oven and nonoven workers, we next consider the experience of men employed in these areas in 1953 or in prior years. For this purpose, the population of men employed at the coke plant during that period is subdivided into those who had ever worked at the coke ovens and those who had never worked at the coke ovens. The mortality experience of these two groups (designated coke oven and nonoven) is depicted in Table III. Three hundred twenty deaths from all causes were observed among men employed in the coke plant in 1953 or prior years, an increase of 55 per cent over the number observed among men employed in 1953. The inclusion of men employed prior to 1953 has also allocated an additional 84 deaths to the coke oven area, an increase of 84 per cent.

An excess of mortality from all causes is noted for men who had ever been employed at the coke plant, the difference being somewhat greater than observed for men employed in 1953. This increase, which is observed for both oven and nonoven workers, indicates a higher mortality for men employed in prior years. A significant excess of respiratory neoplasms is again noted for coke oven workers, with observed deaths being almost 2½ times the number expected. It is interesting to note that 13 of the 33 respiratory neoplasm deaths in this group were among men employed at the coke ovens prior to 1953, but not employed in that area in 1953. A comparison of the observed and expected deaths in Tables II and III shows that coke oven workers employed only prior to 1953 experienced more than twice the number of expected deaths from respiratory neoplasms.

Examination of the differences by race again shows that respiratory neoplasm mortality for nonwhite coke oven workers is significantly different from expectation, with an almost three-fold excess (25 versus 8.4). Of the 25 deaths, 23 were attributed to malignant neoplasm of the lung. These data also indicate that white coke oven workers may be more liable to respiratory neoplasms with eight deaths observed compared to five expected, but the difference is not significant. All of the eight respiratory neoplasm deaths among white coke oven workers were attributed to neoplasm of the lung. Further examination of Table III shows that coke oven worker mortality from diseases other than malignant neoplasm of the lung is little different from expectation.

Subdivision of the population by areas of prior employment also demonstrates that nonoven workers are not at excess risk for respiratory neoplasms. Of the 25 respiratory neoplasm deaths in nonwhite coke oven workers, eight (32 per cent) were among men employed at the coke oven prior to 1953 only. The apparent excess for nonwhites employed in the nonoven area in 1953 is, therefore, explained by allocation of former coke oven workers to the nonoven area. There is no indication in these data that either white or nonwhite coke plant workers employed only in the nonoven area experienced other than the expected level of respiratory neoplasm deaths.

Further examination of the mortality pattern for men employed only in the nonoven areas shows that the excess for diseases of the respiratory system, while still apparent, is no longer significant (7 versus 4.5). On the other hand, a significant excess of neoplasms of the digestive organs is now observed for nonoven workers (17 versus 9.7). Although neither of the differences by race is significant, they suggest that both white (14 versus 8.8) and nonwhite workers (3 versus 0.9) may be more liable to death from this cause. The breakdown of nonoven worker deaths from malignant neoplasms of digestive organs is displayed in Table IV. Here it is seen that the excess is observed for both long- and short-term employees and is not limited to a single site. The greatest differences are noted for malignant neoplasm of the pancreas and malignant neoplasm of intestine excluding rectum, the latter difference being significant for men employed five or more years (6 versus 1.9). Because population figures are not immediately available for the subdivisions of the nonoven area, the possible relationship to employment in more specific work areas cannot be considered at present. However, examination of work histories of the decedents does not suggest that the differences are associated with employment in any single area. Of the three men dying from cancer of the pancreas, one had been employed in the by-products area and two had been employed in the coal handling area. Of the six deaths from cancer of the intestine observed for men with more than five years of employment, four had worked in coal handling, and two had worked in by-products. Although the proportion of foreign-born among nonoven workers is little different than for all steelworkers (17 per cent versus 15 per cent), it is also interesting to note that three of these six men were foreign-born (two Hungarians and one Italian) and two were of foreign parentage (Austrian and German). Higher digestive cancer rates have been reported for immigrants from several of these countries by Haenszel.

Although these findings suggest that men employed in the nonoven area may be more liable to death from digestive cancers, the observation of comparable risks for long- and short-term workers, the nonspecificity by work area, the concentration of foreign-born, and the paucity of numbers suggest caution in attributing these differences to exposure in the coke plant environment. Records of steelworker deaths for 1961 to 1966 are now being collected, and when the information becomes available this question will be reexamined.

SUBDIVISION OF THE COKE OVEN POPULATION

To further delineate the relationship between lung cancer mortality and prior employment at the coke ovens, we next consider length of employment and differential mortality within the several work divisions of the coke ovens. A brief description of the coke oven operation will clarify the further subdivision of the study population. Before charging of a coke oven, the doors on the ends are closed to effect complete sealing. The oven is then charged with 16 to 20 tons of coal through ports at the top, and the ports are sealed. When coking is completed (16 to 20 hours), the doors at the ends of the oven are opened and a pusher ram shoves the entire charge of coke into a railway car. After the car has been moved to a water quenching station, the coke is taken to a wharf for further cooling and later screening. To provide efficient operation the coke ovens are grouped into batteries of 10 to 100 ovens in a parallel configuration. In terms of exposure to coke oven effluents, the work force can be divided into those who work on the top of the batteries, and who have considerable exposure, and men who work at the side of the ovens and have less exposure. A further subdivision can be made in terms of time spent at the topside of the ovens. There are three occupations which require full-time work on top of the coke batteries. These are the larry car operator who charges the ovens, the lidman who opens and seals the ports and the standpipe man who maintains an offtake pipe through which the volatiles pass. Several other occupations require only occasional periods of work at the topside of the battery. Included here are the foreman, the heater and occasional maintenance workers such as pipefitters. The remainder of the coke oven work force are employed at the side of the oven, which includes the quenching station, the coke wharf and the screening station.

As shown in Table V, the excess mortality in coke oven workers is associated primarily with employment at the full-time topside occupations. The total mortality experience of men employed only at the side of the oven differs little from expectation, and in contrast with the previously noted differential by race, both white and nonwhite workers show similar patterns of relative risk. Moreover, the differential in lung cancer risk for men employed only at the side of the ovens is the reverse of that previously noted, with nonwhite workers showing no excess (5 versus 5.4) while white workers experienced more lung cancer deaths than expected (5 versus 2.7). Mortality for men employed in partial topside jobs also shows little deviation from that predicted and no excess of lung cancer is noted.

Deaths among men employed at the full-time topside jobs account for all of the coke oven worker excess in total mortality and almost all of the excess mortality from cancer of the lung. Mortality from all causes for these men is 68 per cent greater than expected, the same relative risk being indicated for both white and nonwhite workers. The observed deaths from malignant neoplasm of the lung for full-time topside workers are seven times expectation (19 versus 2.6), the risk for nonwhite workers being eight times greater than expected (18 versus 2.2). The limitation of small numbers precludes a conclusion concerning the lung cancer risk for the white workers (1 versus 0.5). It should be noted, however, that the differing lung cancer response for white and nonwhite coke plant workers is now seen to be due in large part to the differing distribution by work area (19.1 per cent of nonwhites were employed at full-time topside jobs compared to 3.4 per cent of whites) and the unusually high lung cancer rate for full-time topside workers. The lung cancer experience of coke plant workers never employed at full-time topside jobs is comparable to that observed for other steelworkers, and the relative risks for white (10 versus 11.2) and nonwhite workers (5 versus 6.5) do not suggest a different response by race. Nonwhite workers employed at full-time topside jobs also experience more than the expected number of deaths from other malignant neoplasms (7 versus 4.3), but the difference is not significant.

The findings in Table V also serve to illustrate how occupationally related diseases might be masked by limiting study to broad occupational groups. Since the full-time topside workers constitute only 15 per cent of coke oven workers and only 9 per cent of coke plant workers, the seven-fold lung cancer risk for topside workers is reflected as a considerably lower relative risk for the broader work groups (coke oven, 2.5; coke plant, 1.7). If the lung cancer rate for full-time topside workers had been only double the rate for other steelworkers, we would have failed to note a significant excess for coke oven workers, while a five-fold risk would have been insufficient to demonstrate a significant excess for coke plant workers. A similar diluting effect may result from inclusion in the study group of coke oven workers with too few years of observation to allow for the appearance of latent effects. The extent to which mortality estimates may vary in relationship to the length of the observation period was not determined in the present study since the study population was observed for only nine years. It should be noted, however, that the present estimates of lung cancer mortality may be conservative since the average latent period for the occupational lung cancers ranges from 15 to 25 years. If disease response is related to degree of exposure, inclusion of short-term employees also would result in an underestimate of disease rate. We next consider, therefore, the relationship between cause-specific mortality and length of employment at the coke ovens.

TABLE V.—NUMBER EMPLOYED, OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES BY RACE, 1953–61; MEN EMPLOYED IN SUBDIVISION OF THE COKE OVEN IN 1953 AND PRIOR YEARS

		All Causes			Malignant neoplasms of lung			Other malignant neoplasms			Heart disease			All other causes		
Work area and race	Number employed	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
Total coke oven	2,048	184	173.1	106	31	12.3	¹252	²27	26.9	100	49	61.5	80	77	72.4	106
White	993	80	80.2	100	8	4.7	170	12	12.2	98	29	33.9	86	31	29.4	105
Nonwhite	1,055	104	92.9	112	23	7.6	¹303	²15	14.8	101	20	27.6	72	46	43.0	107
Side oven³	1,431	106	114.6	92	10	8.0	125	²13	17.5	74	34	40.0	85	49	49.1	100
White	606	45	47.2	95	5	2.7	185	6	7.3	82	18	19.9	90	16	17.4	92
Nonwhite	825	61	67.3	91	5	5.4	93	²7	10.3	68	16	20.1	80	33	31.6	104
Partial topside⁴	315	24	26.3	91	2	1.7	(⁵)	6	4.0	150	5	10.9	46	11	9.7	113
White	307	22	25.1	88	2	1.6	(⁵)	5	3.8	132	5	10.5	48	10	9.2	109
Nonwhite	8	2	1.2	(⁵)	0	.1	(⁵)	1	.2	(⁵)	0	.3	(⁵)	1	.5	(⁵)
Full topside	302	54	32.2	¹168	19	2.6	¹731	8	5.4	148	10	10.6	94	17	13.6	125
White	80	13	7.8	167	1	.5	(⁵)	1	1.2	(⁵)	6	3.5	171	5	2.8	179
Nonwhite	222	41	24.4	¹168	18	2.2	¹818	7	4.3	163	4	7.2	56	12	10.8	111

[1] 1 percent level.

[2] Includes 2 respiratory cancer deaths other than lung.

[3] Never partial or full topside.

[4] Never full topside.

[5] Less than 5 deaths.

[6] 5 percent level.

TABLE VI.—NUMBER EMPLOYED, OBSERVED AND EXPECTED DEATHS, AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES, 1953–61, BY LENGTH OF EMPLOYMENT AS OF JAN. 1, 1953, AND RACE; MEN EMPLOYED AT COKE OVENS IN 1953 AND PRIOR YEARS

Length of coke oven employment and race	Number employed	All causes			Malignant neoplasms of lung			Other malignant neoplasms			Heart diseases			All other causes		
		Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
Less than 5 years	1,144	67	72.8	92	4	4.7	(1)	7	10.5	67	24	25.7	93	32	31.8	101
White	593	41	39.1	105	3	2.2	(1)	5	5.9	85	15	16.1	93	18	14.9	121
Nonwhite	551	26	33.8	77	1	2.6	(1)	2	4.6	(1)	9	9.6	94	14	17.0	82
5 or more years	904	117	100.3	117	27	7.6	355	20	16.4	122	25	35.7	70	45	40.5	111
White	400	39	41.1	95	5	2.6	192	7	6.3	111	14	17.8	79	13	14.5	90
Nonwhite	504	78	59.2	[2] 132	22	5.1	[2] 431	13	10.1	129	11	18.0	61	32	26.0	123

(1) Less than 5 deaths.

[2] 1 percent level.

[3] 5 percent level.

Observed and expected deaths by length of employment as of January 1, 1953, are shown in Table VI. Here it is seen that men employed less than five years at the coke ovens showed little deviation from expected mortality. Additionally, there was no indication in this group of excess mortality from malignant neoplasm of the lung or of other sites. A further breakdown of those employed less than five years by work area within the coke oven (figures not shown) also showed no differences of consequence in cause-specific mortality. Among the 209 men employed at partial or full-time topside jobs, 14 deaths were noted, compared to 13.3 deaths expected, and no lung cancer deaths were observed in this group. It is thus seen that the unusual mortality experience of coke oven workers is a reflection of a higher risk for the 44 per cent of the population employed five or more years in that area. Men employed at the coke ovens for five or more years showed total mortality 17 per cent in excess of expectation and a lung cancer mortality 3½ times that predicted (27 versus 7.6). The excess in total mortality was limited to the nonwhite workers with observed deaths 32 per cent greater than expectation. On the other hand, while the greater part of the lung cancer excess was accounted for by a four-fold risk for nonwhite workers (22 versus 5.1), a greater lung cancer risk also was seen for white workers employed five or more years at the coke ovens (5 versus 2.6).

Examination of mortality within the coke oven subdivisions for men employed five or more years further clarifies the differences already noted. As seen in Table VII, total mortality for men employed only at the side of the oven or with less than five years employment at full-time topside jobs differed little from expectation, whereas the number of deaths for men employed five or more years at full-time topside jobs was double the expected number (35 versus 17.4). Almost all of the latter difference was accounted for by a 10-fold risk of lung cancer for full-time topside workers (15 versus 1.5). A greater than expected lung cancer risk, of considerably less magnitude, is also noted for the other groups with five or more years employment at the coke ovens. Among men with less than five years of full-time topside employment, six lung cancer deaths were observed, compared to 2.1 deaths expected. The relative contribution of topside and nontopside exposure to this difference cannot be determined, but the much greater risk indicated for the former group suggests that a large part of the difference is associated with employment at the full-time topside occupations. However, the possibility that part of this difference may be associated with long-term employment at the side of the ovens also should be considered. Although the differences are not statistically significant, it should be noted that the slight excess of lung cancer observed for men employed only at the side of the ovens is limited to men with five or more years employment.

The figures in Table VII also indicate that excess mortality from nonpulmonary neoplasms may be associated with topside employment. A significant difference between observed and expected deaths is seen for men employed five or more years at the coke oven who had less than five years of full-time topside employment (9 versus 4.3). This difference cannot be accounted for solely by employment at the full-time occupations since six of the deaths from nonpulmonary malignancies were seen in men with five or more years partial topside employment who had never been employed at the full-time occupations, whereas 2.7 deaths would have been expected. Review of observed and expected deaths for more detailed sites, as seen in Table VIII, shows that this difference is not limited to a single anatomical site. No difference in mortality from nonpulmonary malignancies was noted for men employed five or more years only at the side of the ovens.

Nonwhite workers employed five or more years at full-time topside jobs also show a significant excess of deaths from "all other causes" (11 versus 6.1). Most of this difference is accounted for by deaths from vascular lesions of the central nervous system (4 versus 1.2), and tuberculosis (2 versus 0.6).

Although the differences are not significant, one further point of interest concerning coke oven worker mortality is worth noting because of similar observations for gas retort workers and workers in coal gas and coke. Mortality from heart disease for coke oven workers is only 80 per cent of expectation, the deficit being more marked for men with five or more years experience, and is apparent for both white and nonwhite workers. No deficit in heart disease is seen for the non-oven workers. It does not appear that this difference is due solely to competing causes of death since the heart disease deficit for coke oven workers is least apparent for the group with the highest lung cancer risk. We have previously noted that differences in heart disease mortality within the steelworker population may be related to selection for health.

DISCUSSION

It has long been recognized that some agent produced during the combustion or distillation of bituminous coal is carcinogenic for the skin of man, and since the turn of the century it has been demonstrated that a variety of industrial populations exposed to coal tar products have a special liability for cancer of the skin. More recent studies of men employed in some of these areas indicate that exposure to coal tar products also may result in increased liability for cancer of other organ systems.

TABLE VII.—NUMBER EMPLOYED, OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR SELECTED CAUSES, 1953–61; MEN EMPLOYED 5 OR MORE YEARS AT COKE OVENS AND SUBDIVISIONS AS OF JAN. 1, 1953

Work area and race	Number employed	All causes			Malignant neoplasms of lung			Other malignant neoplasms			Heart diseases			All other causes		
		Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR	Observed deaths	Expected deaths	SMR
Side oven only	496	53	55.1	96	6	4.1	146	7	8.9	79	15	19.4	77	25	22.7	110
White	171	16	18.7	86	2	1.1	(1)	1	2.9	(1)	6	8.1	74	6	6.6	91
Nonwhite	325	37	36.4	102	4	3.0	(1)	5	6.0	83	9	11.3	80	19	16.1	118
Side and topside (less than 5 years full topside)	276	29	27.9	104	6	2.1	[2] 286	9	4.3	[3] 209	5	10.8	46	9	10.7	84
White	202	19	19.4	98	2	1.3	(1)	5	2.9	172	5	8.4	60	7	6.9	101
Nonwhite	74	10	8.4	119	4	0.8	(1)	4	1.4	(1)	0	2.4	(1)	2	3.8	(1)
Full-time topside	132	35	17.4	[2] 201	15	1.5	[2] 1,000	4	3.2	(1)	5	5.6	89	11	7.1	155
White	27	4	3.0	(1)	1	0.2	(1)	0	0.5	(1)	3	1.3	(1)	0	1.0	(1)
Nonwhite	105	31	14.4	[2] 215	14	1.3	[2] 1,077	4	2.8	(1)	2	4.3	(1)	11	6.1	[3] 180

(1) Less than 5 deaths.

[2] 1 percent level.

[3] 5 percent level.

TABLE VIII.—OBSERVED AND EXPECTED DEATHS AND STANDARDIZED MORTALITY RATIOS FOR MALIGNANT NEOPLASMS BY SITE, 1953-61; MEN EMPLOYED 5 OR MORE YEARS IN THE COKE PLANT AND SUBDIVISIONS AS OF JAN. 1, 1953

	5 years coke plant			5 years coke plant, never oven			5 years coke oven			5 years side oven, never topside			5 years coke oven, less full topside			5 years full-time topside		
Cause of death	Observed	Expected	SMR	Observed	Expected	SMR	Observed	Expected	SMR	Observed	Expected	SMR	Observed	Expected	SMR	Observed	Expected	SMR
Malignant neoplasms, all sites	68	44.8	[1] 152	19	18.4	103	47	24.0	[1] 196	13	12.9	101	15	6.4	[1] 234	19	4.7	[1] 404
Bronchus, lung and trachea	29	13.6	[1] 213	1	5.3	19	27	7.6	[1] 355	6	4.1	146	6	2.1	[1] 286	15	1.5	[1] 1,000
Other respiratory system	2	1.0	(2)	1	.3	(2)	1	.7	(2)	1	.4	(2)	0	.1	(2)	0	.2	(2)
Nonrespiratory system	37	30.2	123	17	12.8	133	19	15.7	121	6	8.5	71	9	4.2	[3] 214	4	3.1	(2)
Buccal and pharynx	1	1.2	(2)	0	.6	(2)	1	.5	(2)	0	.2	(2)	1	.2	(2)	0	.1	(2)
Stomach	4	4.9	(2)	3	2.1	(2)	1	2.5	(2)	0	1.4	(2)	1	.7	(2)	0	.5	(2)
Intestines, excluding rectum	9	4.0	[3] 225	6	1.9	[1] 316	3	1.8	(2)	2	1.0	()	1	.5	(2)	0	.3	(2)
Rectum	1	1.6	(2)	0	.8	(2)	1	.8	(2)	1	.4	(2)	0	.3	(2)	0	.1	(2)
Pancreas	3	2.2	(2)	2	.9	(2)	1	1.3	(2)	0	.7	(2)	1	.4	(2)	0	.2	(2)
Other digestive organs	2	2.0	(2)	1	1.0	(2)	1	.8	(2)	0	.4	(2)	1	.3	(2)	0	.1	(2)
Prostate	6	3.3	182	1	1.1	(2)	4	2.1	(2)	3	1.2	(2)	0	.4	(2)	1	.5	(2)
Other genital organs	0	.2	(2)	0	.1	(2)	0	.1	(2)	0	0	(2)	0	0	(2)	0	0	(2)
Kidney and other urinary organs	3	1.9	(2)	1	.8	(2)	2	1.1	(2)	0	.5	(2)	2	.2	(2)	0	.4	(2)
Brain and central nervous system	1	1.1	(2)	0	.4	(2)	1	.7	(2)	0	.4	(2)	0	.2	(2)	1	.1	(2)
Other and unspecified sites	3	4.8	(2)	1	2.0	(2)	2	2.6	(2)	0	1.5	(2)	0	.7	(2)	2	.4	(2)
Leukemia	1	1.5	(2)	1	.6	(2)	0	.9	(2)	0	.4	(2)	0	.3	(2)	0	.2	(2)
Lymphoma	3	1.5	(2)	1	.6	(2)	2	.8	(2)	0	.4	(2)	2	.2	(2)	0	.2	(2)

[1] 1 percent level.
[2] Less than 5 deaths.
[3] 5 percent level.

The history of the "coal tar" cancers begins with the observation on the scrotal cancers in London chimney sweeps by Percivall Pott in 1775. He noted that this disease was peculiar to persons employed as chimney sweeps and originated from what was described in the trade as a soot-wart. Pott attributed these cancers to the lodgment of soot in the folds of the scrotum. Little was added to these observations until 1892, when Butlin undertook an extensive review of the question. At that time the incidence of "chimney sweeps" cancer was thought to be declining due to the introduction of mechanical sweeping equipment, but a review of official statistics showed an eight-fold excess of cancer deaths among men employed at that trade. Butlin concluded that scrotal cancer remained a serious problem for British sweeps but was an extremely rare disease elsewhere. He attributed this difference to the British practice of burning bituminous coal (rather than wood or nonbituminous coal) in open grates, and the poor personal hygiene of the British chimney sweeps.

Volkmann, in 1873, was the first to observe that "chimney sweeps cancer" was not limited to persons of that trade. He reported three cases of scrotal cancer in men handling tar and paraffin recovered through the carbonization of lignite, a "young coal." Volkmann noted that this extremely rare disease "agreed to the last detail with the so-called chimney sweep cancer of the British." The first cases of scrotal cancer associated with exposure to by-product of bituminous coal carbonization were reported three years later by Manouvriez. He had observed seven cases of scrotal cancer and three cases of facial epithelioma in French briquette workers exposed to coke oven tar and pitch. Other reports of unusual skin cancer experience among coal carbonizers and handlers of various by-products soon appeared. Ball noted a high skin cancer rate in Irish tar workers and Butlin, in his survey of "chimney sweeps cancers," reported skin cancers in gas workers and in men handling anthracene and pitch. Although scrotal cancers in men not employed as chimney sweeps had been observed in the United States as early as 1837, we have no record of specific occupations. The first American cases associated with exposure to coal tar products were carbon workers reported by Leuke in 1907. In the same year, the British included "scrotal epithelioma occurring in chimney sweeps and epitheliomatous cancer or ulceration of the skin occurring in the handling or use of pitch, tar, and tarry compounds," in the Workman's Compensation Schedule, and these diseases later became notifiable under the Factories Act.

Experimental studies on cancer induction further demonstrated the carcinogenicity of the coal tars and eventually led to the isolation of the first pure chemical carcinogen. In 1915, Yamagiwa and Ichikawa showed that coal tar was carcinogenic for the skin of the rabbit and in 1922, almost 150 years after Pott's observation, Passey induced cancer with an ether extract of chimney soot. Following many years of research on the constituents of the coal tar distillates, 3,4-benzpyrene, a potent carcinogen, was isolated.

The extent of the skin cancer problem among coal tar workers and the variation in incidence within occupations are reported in a comprehensive review by Henry. Unfortunately, comparisons of rates must be limited to the fatal cases of scrotal cancer, since notified cases of skin cancer relate to current occupation. In contrast with a general population rate of 4.2 per million, Henry reported the following minimal estimates for persons exposed to coal tar products:

Chimney sweeps	754.7
Patent fuel workers	504.2
Tar distillery workers (excluding those at gas works)	212.9
Skilled makers of coal gas and coke	123.9
All coke oven workers	21.1
All gas workers	19.9
Producer gas men	10.9
Dyers and dyers laborers	7.9

While each of these groups shows higher than expected mortality from scrotal cancer, there is considerable variation in response by level of coal tar processing. Thus, the rate for tar distillery workers is 10 times that observed for men employed at coal carbonization. On the other hand, scrotal cancer mortality for patent fuel workers is more than double the rate for tar distillery workers. These men are exposed to pitch, the residue following distillation of the coal tar. These differences suggest the possibility that the carcinogenic agent may become more concentrated with successive distillation. Two other points of interest in these data are the differences between the two classes of gas workers and coke oven workers and the indicated excess for dyers. The mortality rate shown for skilled makers of coal gas and coke is considerably higher than for other workers in these areas. This group would presumably include the men engaged in the operation of the ovens or the retorts and thus would include the topside workers. While the excess mortality from scrotal cancer for dyers is not as striking (Henry shows a range on the estimated mortality of 7.9 to 9.2), it is of interest because of the recognized bladder cancer hazard for persons employed in the production of coal tar dyes.

Among the 4,716 steelworker deaths reported in this series, eight skin cancer deaths were noted. However none of these men had ever been employed in any area of the coke plant. Henry, on the other hand, noted 84 cases of epitheliomatous ulceration or cancer of the skin (40 scrotal) for British coke oven workers for the period 1920 to 1943, and 11 fatal scrotal cancers among men with prior coke oven employment. Because of the relatively low rate for this disease and the high survival rate for skin cancer, it is impossible to determine whether the absence of skin cancer deaths in our coke plant workers is a reflection of differential response, sampling variation or other factors such as differences in medical care. Skin cancers have been observed in American coke oven workers, but the literature is too sparse for estimating the level of risk. Heller has reported a much higher skin cancer rate for tar distillery workers handling gas works tar than for those handling coke over tar. The limited data available for comparison does suggest a differential scrotal cancer response for British and American workers. The British mortality rates per million for males 25 and over in 1921 and 1931 were 6.5 and 6.3, respectively, whereas the rate for the U.S. Death Registration States in 1926 was only 1.2. It has also been noted that 7 to 8 per cent of fatal skin cancers in England originate on the scrotum as compared to 1.2 per cent for the United States.

Butlin had suggested in 1892 that the coal tars might be responsible for cancer of internal organs, and many investigators during the early part of the 20th century speculated that the increasing rate or lung cancer might be attributed to the increased use of tar and tar products. However, prior to 1936, the evidence linking lung cancer to coal tar exposures was limited to single case reports and the observation by Kennaway that a high proportion of noncutaneous cancers in chimney sweeps were situated in the respitory tract and the alimentary canal above the stomach. As Brockbank pointed out in 1932, no adequate study of occupational lung cancer had been made, and occupations cited in case reports were generally too vague for meaningful analysis. He noted four primary lung cancers in gas workers among 898 cases cited in the literature to 1932.

The first report of unusual lung cancer experience for men engaged in coal carbonization concerned Japanese producer gas workers. Producer gas is a fuel generated to meet power needs of the plant in which it is produced. Included under this term are a great variety of fuels which differ according to the carbonizing process, the product used (coal, coke, etc.) and the additives employed (water, oil, etc.). The operation described by the Japanese involved the destructive distillation of bituminous coal to generate fuel for open hearth furnaces. Of malignant neoplasms observed in men working at these gas generators, 80 per cent were lung cancers (12 out of 15 cases). In 1936, lung cancer was a relatively rare disease in Japan and accounted for only 3.1 per cent of all malignant neoplasms. The extremely high lung cancer rate for gas generator workers was even more striking in contrast with the experience of other employees at the same steel plant. Not a single lung cancer was noted among the 46 malignant neoplasms observed for other employees. Although a direct estimate of the relative cancer risk cannot be made (the population by work area is not given), the proportionate number of lung cancer to total cancer deaths suggests a 26-fold excess over general population mortality and a considerably greater excess in comparison with other Japanese steelworkers. A recent report on men transferred from this facility, when it was closed in 1953, shows that lung cancer for the period 1954 to 1960 was 33 times the rate observed for other steelworkers.

In the same year that the Japanese reported on lung cancer in gas generator workers, Kennaway and Kennaway noted an excess for British gas producermen. Furthermore, their survey of death certificates for England and Wales, 1921 to 1932, showed that other coal carbonization and by-product workers might have experienced higher than expected lung cancer mortality. In this and a subsequent report for 1921 to 1938, the Kennaways reported excess lung cancer mortality for gas producermen, chimney sweeps and several categories of gas works employees. The excess indicated for "gas stokers and coke-oven chargers" was approximately three-fold. More recent reports for England and Wales also show higher than expected lung cancer mortality for men employed in the production of coal and coke but the differences are not as striking, the indicated excess being only "32 percent." Estimates of disease risk based on death certificate ascertainment of occupation, although informative, are subject to substantial biases and can only be taken as suggestive of occupational differences.

Population-based studies of three classes of coal carbonization workers have confirmed the Keenaway findings. The experience of the Japanese generator workers has already been described. Doll, in a study of gas works pensioners (gas retort workers) in 1952, observed "an 81 per cent excess of lung cancer deaths in comparison with the general population." More recently, he has confirmed a high risk for British gas workers and has noted differential rates by type of retort and by level of exposure.

Although it had been suggested prior to the present report that coke oven workers might be more liable to lung cancer, the evidence appeared to be contradictory. No lung cancer deaths were reported for Japanese steelworkers not employed at the gas generators, although this group included coke oven workers; the British report of a three-fold excess for "gas stokers and coke-oven chargers" was in marked contrast to a deficit of lung cancer for "tar distillery workers and coke-oven workers" (52 per cent of expectation). Reid and Buck compared the mortality experience of British coke plant workers with that predicted by a "large industrial organization." They observed 14 lung cancer deaths for nonretirees with prior coke oven experience compared to 10 deaths expected. Proportionate mortality comparisons for retirees (population data were not available) did not suggest any difference for lung cancer. These authors concluded that "the mortality in the coking industry from cancer in general and cancer of the lung in particular is not as excessive as had been feared, and may in fact be negligible." Christian, on the other hand, reported a 24-fold excess of lung cancer for men working in coke (not otherwise specified) at a large public utility. The apparent discrepancies between these findings may be explained in part by differences in the definition of the study populations and the comparison groups, and by the fact that the extremely high risk is limited to a small proportion of the coke oven population. In the British coke plant study, the number of lung cancer deaths observed may have been deficient, since only men dying while "on the books" of the coking plants during the period 1949 to 1954 were included. The authors indicate that men are removed from the books after prolonged absence from work. It should also be noted that the population at risk and the distribution by age and area of prior employment was based on estimates which excluded retirees and those who had left employment. On the other hand, the excessively high relative risk reported by Christian is not adjusted for age and sex, and the average population for the years 1946 to 1961 is taken as the population at risk. The extremely high lung cancer risks reported for other occupational groups which might be expected to have normal risk (for example, 8 observed versus 2.7 expected for field representatives) suggests that the relative risk for "coke" workers was overestimated.

Several authors have suggested that workers handling by-products may be more liable to lung cancer, but the evidence is scanty and contradictory. Kennaway and Kennaway reported a 64 per cent excess of lung cancer for "paviours, street masons, concreters and asphalters" and noted three lung cancer deaths in patent fuel laborers compared to 0.5 expected. At the same time, they reported a deficit of lung cancer for "tar distillery workers and coke-oven workers." Hueper refers to lung cancers observed in a group of tar distillery workers but given no indication of the level of risk. A recent study by Selikoff and Hammond showed no unusual lung cancer experience for roofers working with pitch and the lung cancer mortality of nonoven workers included in the present study was somewhat lower than expected.

Although evidence of a bladder cancer excess for coal tar workers has appeared only in recent years it has long been recognized that certain synthetic dyes produced from coal tars contain a potent bladder carcinogen. The first cases were reported to the German Surgical Society in 1895 by Rehn. Following many years of research, during which a great number of cases were identified among synthetic dye workers, it was demonstrated that the specific agent responsible for the bladder cancer was β-naphthylamine. Since the manufacture of synthetic dyes was far removed from the carbonization and distillation process (β-naphthylamine exposure occurs during the manufacture of intermediate dye compounds using benzene, toluene, xylene, naphthalene and anthracene which are recovered from coal tar), the possibility of a bladder cancer problem among men engaged in the initial processes apparently was ignored. The first evidence of a bladder cancer excess for "coal tar" workers was presented by Henry et al. in 1931. In their review of bladder cancer deaths for 1921 to 1928, they reported a greater than expected mortality for nine occupational groups exposed to coal gas, tar and pitch. Furthermore, of the 15 occupational groups exhibiting an excess of 50 per cent or more, five were among the "coal tar" occupations. Their finding of a higher rate for gas retort workers has since been verified by Doll et al. Bruusgaard, who noted a high frequency of cancers in Swedish gas workers (41 out of 125 autopsies), also reported five cancers of the bladder. An indication that these tumors may result from the same source as those of the dye workers comes from Battye's observation of β-naphthylamine in gas retort effluents. This author also reported five bladder cancers in a population of 467 retort house workers compared to no response among 546 men employed outside of the retort houses.

It is difficult to assess the extent of the bladder cancer problem among "coal tar" workers because of the lack of population data. The findings of Henry et al., which are admittedly limited, suggest a greater level of risk for byproduct workers (28 versus 15.8) than for men engaged in the carbonizing process (45 bladder cancer deaths were observed in gas stokers and coke oven chargers compared to 33.7 expected). Unfortunately, this group cannot be separated to obtain an estimate for the coke oven chargers (larrymen). For all coke oven workers they report six bladder cancer deaths compared to 4.9 expected, an insufficient difference to conclude that coke oven workers have an excess. No bladder cancer deaths were observed among the coke plant workers in our series. The three deaths from cancer of the urinary system shown in Table VIII were of the kidney, and no excess mortality is indicated, the expected number being 2.7. The bladder cancer findings for British coke oven workers is also negative. We would have to conclude, then, that there is currently no evidence of unusual bladder cancer experience among coke oven workers. However, recognizing that this is a comparatively rare disease with a long latent period and that β-naphthylamine has been isolated from coking pitch, further follow-up of the coke oven workers is advisable.

Evidence of an excess risk for cancer of several other sites also has been reported for certain populations exposed to coal tars. This comes primarily from review of occupations noted on death certificates and isolated reports of rare tumors. It should be pointed out that these findings have not been confirmed by other investigators and are subject to certain biases. They are presented to complete the picture of cancer in "coal tar" workers and to allow for contrast with the pattern of nonpulmonary cancers shown in Table VIII. Kennaway and Kennaway reported a two-fold excess of cancer of the larynx for gas stokers and coke oven chargers using death certificates for England and Wales, 1921 to 1938. Interestingly, five coal tar occupations (including other coke oven workers) showed a deficit in mortality from this cause. Jenkins reported a single case of nasal sinus cancer in a gas works laborer, and Bruusgaard reported two cancers of this site in his series. The Registrar General's Report from death certificates for 1949 to 1953 shows a 44 per cent excess of stomach cancer among makers of coal gas and coke. We have noted that coke plant workers not employed at the coke ovens may have experienced some excess from digestive cancer, but the difference was in large part due to cancer of the intestine.

The Registrar General's Report also shows a significant excess of pancreatic cancer in these workers with 21 deaths observed compared to 12 expected. This observation is of particular interest because of the report by Mancuso and El-Attar of an excess of pancreatic cancer for men exposed to β-naphthylamine and benzidene. We have noted three deaths from cancer of the pancreas in nonoven workers compared to 1.3 expected. An excess of leukemia among skilled workers in coal gas and coke also is reported by the Registrar General. This observation is of interest because exposure to benzene, a suspected leukemogen, could occur in the by-products area. Our data do not suggest any excess for this disease.

Our understanding of cancer in man, its etiology and its eventual prevention depends upon the identification of common factors which differentiate groups within the population according to degree and specificity of response. A number of common factors related to disease response become evident when we consider the cancer experience of men employed in the production and processing of coal tar products. It has been observed, for example, that all of the "coal tar" occupations are at increased risk of developing cancer at one or more sites. Such a broad response over so many diverse groups suggests a common causative factor in each of the working environments which is not present at the same level in the general population environment. Furthermore, the appearance of a greater risk for more than one site in several of these occupations suggests that a common agent may be responsible for cancer at more than one anatomical site. Although such a hypothesis is in sharp contrast to the frequently observed site specificity of occupational cancers, it is consistent with experimental findings and the observations on cigarette smoking and cancer.

On the other hand, the possibility of exposure to multiple carcinogens must be considered since a number of carcinogenic agents have been identified in these environments. With the exception of the bladder tumors in gas retort workers, which may be attributed to exposure to β-naphthylamine, no single carcinogen present in coal tar has been uniquely associated with the high cancer risk of "coal tar" workers. We have, however, from experimental findings and from the observations on these populations, a number of clues concerning the characteristics and the distribution of the causative factor or factors within the working population. We have noted, for example, that (1) it is available in greater concentration in certain well-defined areas of the working environments; (2) it is probably present in different physical states within the several working environments making access to different organ systems variable; and (3) in the case of skin cancer, the response increases with successive distillations and varies with the source of the coal tar.

TABLE IX.—TEMPERATURE RANGE OF CARBONIZING CHAMBERS AND EXCESS OF LUNG CANCER REPORTED

Carbonizing chamber	Temperature range	Percent excess of lung cancer reported
Vertical retorts	400–500 C	27%
Horizontal retorts	900–1100 C	83%
Coke ovens	1200–1400 C	255% (table VI)
Japanese gas generators	≥1500 C	800% (see text)

A most important relationship which should provide leads for identifying site-specific carcinogens is the relationship between cancer response and the temperature of carbonization or distillation. As early as 1925 Kennaway had observed that coal tars produced at higher temperatures were far more carcinogenic than those produced at the lower temperatures. He reported that the cancer producing agent was formed in very small amounts below 450 C, increased rapidly between 450 and 560 C, and continued to increase at a slower rate over the range of 560 to 1,250 C. as shown in Table IX, there also appears to be a positive relationship between temperatures attained during carbonization and the lung cancer response for men employed in the several areas. The figure shown for coke oven workers is for men with five or more years experience to provide contrast with the British gas workers who had worked at least five years at the retorts. Although the relative excess for Japanese gas generator workers appears to be well beyond that observed for other carbonization workers, available data are insufficient for an exact determination of the lung cancer excess. The percentage excess indicated during the period 1954 to 1960 for men reported as gas generator workers in 1953 was 3,200 per cent (6 deaths observed versus 0.18 expected). This may be an underestimate of the response among men initially included in this group, since a decrease in lung cancer rate was noted following changes in equipment. On the other hand, while it is not stated explicitly, an early description of the work area for the lung cancer cases suggests that many of these men may have been working on top of the gas generator so that exposure to effluents would have been greater. On the basis of the experience for topside coke oven workers, a more conservative estimate of the excess for all gas generator workers would be one-fourth of that reported. We therefore show as a crude estimate 800 per cent. We have already commented on several possible sources of discrepancy between the findings for British coke oven workers and findings from the present study. With regard to the figures shown in Table IX, two other factors should be mentioned which might account for a smaller reported lung cancer excess for British workers. First, the study population may have included many men with limited service. In the present study the amount of excess for all coke oven workers was 152 per cent (Table V) compared to 225 per cent for men employed five or more years (Table VI). Second, American coke ovens are generally operated at higher temperatures than the British coke ovens.

The observation of a relationship, albeit crude, between lung cancer response and temperature of carbonization provides another lead in the search for causative factors. It is apparent that more detailed study of these populations, with particular emphasis on environmental measurements, should contribute greatly to our understanding of the human cancer problem.

SUMMARY

In this, the fifth of a series of papers concerning the mortality of steelworkers, we examine the variation in mortality of coke plant workers according to calendar period and length of employment at several work stations within the coke plant. Differences in the composition of the study population and the distribution of deaths by cause for men employed in 1953 and in prior years are considered and differences in patterns of mortality are noted. The cause-specific mortality experience of men employed in each of the coke plant areas is contrasted with the mortality predicted by the age-, race- and nativity-specific rates for the total steelworker population. Site-specific patterns of cancer mortality also are contrasted with those for other industrial groups engaged in the carbonization of bituminous coal or in handling of coal tar by-products.

The findings of particular interest are:

1. The excess of respiratory cancer previously reported for coke plant workers is limited to men employed at the coke ovens, the relative mortality for this disease being 2½ times that predicted.
2. The greatest part of this excess is accounted for by an almost five-fold risk of lung cancer in men working on the tops of the coke ovens.
3. A 10-fold risk of lung cancer is observed for men employed five or more years at full-time topside jobs. Fifteen lung cancer deaths were observed among the 132 men in this group compared to 1.5 deaths expected.
4. The apparent differential in respiratory cancer rates for white and nonwhite coke plant workers, reported in the fourth paper of this series, is accounted for by differing distributions by work area and the unusually high lung cancer risk for topside workers. Lung cancer mortality for white and non-white coke plant workers employed at work stations other than the top of the coke oven is comparable.
5. A deficit of deaths from heart disease, previously reported for similar occupational groups, is also seen for coke oven workers.
6. Coke plant workers employed only in the nonoven area may be at excess risk of digestive cancer.

A review of the literature on cancer mortality of men employed in the "coal tar" industries shows that all of these occupations evidence excess cancer of one or more sites. The lung cancer excess for coke oven workers also is observed for other groups engaged at coal carbonization, and it appears that the lung cancer response is positively correlated with the temperature of carbonization.

LONG-TERM MORTALITY OF STEELWORKERS—VI—MORTALITY FROM MALIGNANT NEOPLASMS AMONG COKE OVEN WORKERS

(By Carol K. Redmond, Sc.D.; Antonio Ciocco, Sc.D.; J. William Lloyd, Sc.D.; and Hugh W. Rush)

In the fourth paper of this series we reported that men working in the coke plant have a risk of lung cancer 2½ times greater than men in the total steelworkers' cohort. In the fifth paper Lloyd showed that the variations of lung cancer risks within the coke plant are related to work area, duration of employment, and race. Employment at the top of the coke ovens is associated with an almost five-fold excess risk, while the lung cancer risk for men working topside increases to tenfold when only men with five or more years experience at full-time topside jobs are considered. A difference in respiratory cancer rates between white and non-white coke oven workers is apparently explained by differential job exposures.

These findings, based on detailed analysis of the 3,530 men ever employed at the coke plant among the 58,828 men in the study county cohort, established the need for an expanded investigation of coke oven worker mortality in order to evaluate more fully the nature and extent of the cancer risk among coke oven workers. Accordingly, The Department of Biostatistics, University of Pittsburgh, with cooperation and funding from the United States Public Health Service and the American Iron and Steel Institute, has designed and carried out a study to consider further the mortality patterns among coke oven workers from various geographic areas.

The purposes of this paper are: (1) to present the cause specific mortality findings for oven workers at ten selected study plants in diverse parts of the United States and Canada; (2) to compare these results with the findings for coke oven workers in the original study county (Allegheny County, Pennsylvania); and (3) to show the relationships of the mortality findings for coke oven workers to variables such as race, work area, and length of employment.

MATERIALS AND METHODS

In order to facilitate comparisons, methods of data collection, processing, and analysis in this study are as compatible as possible with the original investigation. In Allegheny County all men employed in seven plants during 1953 comprised the cohort for study, thus allowing for comparisons of coke oven worker mortality with that of the total steelworkers' population. A study of this magnitude was not feasible in the expansion of the study to a larger geographic area. Therefore, theoretical and practical aspects of selecting samples of workers from the plants had to be considered in the design.

Since primary interest was focused on coke oven workers, we included as study subjects all men at the ten study plants who had worked at the coke ovens at any time in the five year period 1951 through 1955. This group had the advantage of allowing for a period of follow-up comparable in time to the study county cohort, where requirement for inclusion was employment in 1953. A five year time span was selected for defining the cohorts in order to increase the size of the coke oven samples for the plants. Men working only in the coal and coke handling or by-product areas of the coke plant were not included, due to Lloyd's observation that these men were not subject to an excess risk of respiratory cancer.

Other criteria, which were used to determine eligibility for inclusion in the study as a coke oven employee, were: (1) the man must have had a total of at least 30 consecutive days of employment at the coke ovens, and (2) individuals hired strictly as vacation replacements were not eligible. It was generally possible to identify the coke oven workers by reference to seniority rosters kept by the employer.

The selection of a suitable comparison group of men employed at the same plant during the period 1951 through 1955 was a more difficult matter. Ideally, we attempted to select two men employed at the same plant during the period 1951 through 1955 who were matched by race and date of initial employment to the coke oven worker. Identification of this non-oven group was a complicated process, particularly since the record-keeping systems differ among the steel plants included in the study.

Although varying a little in details, the sampling schemes were always one of two basic types. (An empirical sampling study which we have done using the Allegheny County steelworkers' population indicates that the differences in sampling schemes probably do not produce differences of consequence in results. This will be discussed in a future publication):

A. Sampling scheme I

This method was applicable for the six plants where permanent numbers were assigned sequentially to men at the time of first employment. The nonoven workers were selected by examining the records of the men closest in number to the coke oven workers. The first two men who met all criteria were then selected for the study.

B. Sampling scheme II

At four plants no sequential number was assigned on the basis of starting date. A systematic sample of one out of five of all records in the plant files was microfilmed and returned to the Pittsburgh office, where two non-oven workers were selected for each oven worker on the basis of closest starting date, race, and eligibility according to other study criteria.

In addition to having the same race and starting date as the coke oven worker, criteria for selection for the comparison group were: (1) The man must have been actively employed sometime in the period 1951 through 1955; (2) The man must never have held a job at the coke ovens but could have worked in the coal, coke handling, or by-products areas; (3) The man must have had at least 30 days consecutive employment; (4) Vacation replacements were also excluded from the comparison group.

Table 1 shows the distribution by race and plant of the study cohort at the ten non-Allegheny County plants and indicates the sampling scheme used for selection of the comparison group. Note that for some plants there are not exactly twice as many non-oven workers as coke oven workers, since it was not always possible to obtain two men satisfying all study criteria.

TABLE 1.—DISTRIBUTION BY PLANT, RACE, COKE OVEN STATUS, AND FOLLOWUP STATUS THROUGH DEC. 31, 1966, OF STUDY GROUP OF MEN EMPLOYED DURING 1951–55 AT 10 NON-ALLEGHENY COUNTY STEEL PLANTS

Plant[1]	White employees			Nonwhite employees		
	Number in study	Number lost	Percent lost	Number in study	Number lost	Percent lost
Plant A:						
Coke oven	78			244		
Nonoven (II)	156	1	0.6	487	5	1.0
Plant B:						
Coke oven	66			90	4	4.4
Nonoven (I)	130			178		
Plant C:						
Coke oven	242	2	.8	52		
Nonoven (I)	484	[2](1)5	1.0	87	2	2.3
Plant D:						
Coke oven	237	3	1.3			
Nonoven (I)	474	(2)4	.8			
Plant E:						
Coke oven	120	5	4.2	366	8	2.2
Nonoven (I)	240	6	2.5	684	(5)15	2.2
Plant F:						
Coke oven	90	1	1.1	815	(3)10	1.2
Nonoven (II)	180	2	1.1	1,630	(4)36	2.2
Plant G:						
Coke oven	222			18		
Nonoven (II)	444			5		
Plant H:						
Coke oven	87	1	1.1	274	(1)5	1.8
Nonoven (I)	174			516	(2)4	.8
Plant I:						
Coke oven	82	(1)1	1.2	1		
Nonoven (I)	164					
Plant J:						
Coke oven	221					
Nonoven (II)	442					
Total:						
Coke oven	1,445	(1)13	.9	1,860	(4)27	1.5
Nonoven	2,888	(3)18	.6	3,587	(11)62	1.7

[1] Roman numerals refer to sampling scheme used in selection of nonoven comparison group. (See text for explanation.)

[2] Numbers in parentheses are those men lost to follow-up who are possibly dead, but no death certificate can be located.

From the microfilmed employment histories of all men selected for the study, reproductions were prepared for coding and processing at the central study office. The reproductions were inserted in envelopes with specially designed coding forms printed on the front jacket. Information pertinent to follow-up on those men who had left employment between 1951 and December 31, 1966, was recorded on the back.

Specific jobs held by the men were coded using the four digit cassification code developed in the original steelworkers' study. It was necessary to expand the code in order to allow for jobs and work areas not encountered in the earlier research. Occupational terminology varied from plant to plant and over time, so that it was not always possible to define arbitrarily jobs which would entail coke oven exposures at all plants. When there was ambiguity in the job titles used, personnel at the specific plant were consulted to clarify whether the job in question was at the coke ovens. Information was also coded on employment in areas other than the coke ovens and interruptions in employment at the plant.

For men who had left employment prior to the study cut-off date, December 31, 1966, follow-up to determine vital status was initiated. A previous publication has described in detail the follow-up scheme employed for the Allegheny County steelworkers' study. The same general format was used for non-Allegheny County plants, although it was necessary to modify the follow-up procedures somewhat since information from local agencies was not as readily obtainable. For Canadian employees, follow-up was conducted with the assistance of the plant personnel and the officials of the Division of Occupational Health Sciences, Environmental Health Branch, Department of Health, and other agencies of the Province of Ontario.

The results of the intensive followup efforts are presented in Table 1, which gives the number and percentage of individuals in each plant whose status is still not known. The greatest losses to follow-up occurred at two midwest plants which appeared to have a highly mobile population. The importance of identifying all deaths cannot be overstressed because of our particular interest in causes of death with relatively low frequencies of occurrence, such as lung cancer. There were 19 individuals among those "lost" to follow-up who were indicated as deceased by one or more sources, but for whom death certificates could not be located. The numbers in parentheses in Table 1 show how these "possible deaths" are distributed by plant and race. Table 1 shows that the 19 "possible deaths" are not concentrated in any particular plant and are divided among the coke oven and comparison groups. It was felt by the investigators that the losses to follow-up are insufficient in any plant to affect seriously the results of the study. The "possible deaths" have not been included among the deaths shown in succeeding tables.

TABLE 1A.—DISTRIBUTION BY PLANT, RACE, AND COKE OVEN STATUS OF STUDY GROUP OF MEN EMPLOYED AT 2 ALLEGHENY COUNTY STEEL PLANTS IN 1953 AND SUMMARY OF STUDY GROUP FOR ALL 12 PLANTS

Plant	White employees		Nonwhite employees	
	Number coke oven	Number never coke oven	Number coke oven	Number never coke oven
Plant K	129	11,349	223	1,233
Plant L	405	5,547	599	407
Total, Allegheny County	534	16,896	822	1,640
Total, non-Allegheny County	1,445	2,888	1,860	3,587
Total, 12 plants	1,979	19,784	2,682	5,227

For all decedents, copies of death certificates were requested from the appropriate state or other office of vital statistics. A nosologist trained at the National Vital Statistics Division of the U.S. Public Health Service coded the underlying cause of death from the death certificates according to the

Seventh Revision of the International Classification of Diseases (I.D.C.).

An additional phase of this investigation has been extension of follow-up on the Allegheny County cohort through 1966 with a loss to follow-up of only 61 (0.1%) of the 58,828 men in the study. In order to parallel the definitions used outside Allegheny County, only the two Allegheny County plants with coke oven operations have been included in the analysis presented here. The coke oven group for these two plants is defined as all men who were employed at the coke ovens at some time during 1953, and the comparison group is all men who never worked at the coke ovens at these plants. Men who had coke oven experience at some time other than 1953 were excluded from analysis in order to have coke oven cohorts compatible to those at the ten non-Allegheny County plants.

Since the number of men in the study was insufficient for plant and age specific comparisons, tables have been constructed for the coke oven workers and controls by first classifying each plant's cohort by race, age at entry to the study, and the calendar years of follow-up: 1951–1957, 1958–1962, 1963–1966. An expected number of deaths for the coke oven workers was calculated for each of these subclasses with the underlying assumption that both coke oven workers and controls have the same rate within each subgroup. The total expected number of deaths is the sum of the specific rates for each subgroup multiplied by the number of coke oven workers at risk in the subgroup, while the expected number of deaths for coke oven workers at all plants is the sum of the expected number of deaths for the individual plants. The relative risk is a weighted average of the observed and expected number of deaths for each subgroup, where the weights used are approximately proportional to the precision within each subgroup. To test whether the relative risks differ significantly from one, a summary chi-square with one degree of freedom has been calculated. In instances where the expected number of deaths was insufficient for the chi-square test to be reliable, we have so indicated in the tables. The reader should note that, because the relative risk is a weighted averaged, it cannot be obtained directly by dividing the total observed deaths by the total expected deaths.

The Population at Risk

The number of men employed in the coke ovens from 1951 through 1955 and the comparison groups for the ten non-Allegheny County plants are shown in Table 1, while Table 1A shows the corresponding groups for the two Allegheny County plants. Of the 4,661 coke oven workers in the total study, 1,979 (42.5%) were white, and 2,682 (57.5%) were non-white.

The comparison group for the Allegheny County white coke oven workers is considerably larger than that for the ten non-Allegheny County plants, since all men employed in the plant in 1953 were included in the original cohort. Because of the smaller percentage of non-whites in the steelworkers' population, and the relatively high percentage who were employed at the coke ovens, the number of non-white employees in other areas was less than the number of coke oven employees for Plant L. This illustrates well the difficulties one can encounter in the selection of a suitable comparison group. The weights used in estimating the relative risks take into account this variability in sample size among the plants in this study.

MORTALITY OF COKE OVEN WORKERS IN OTHER GEOGRAPHIC AREAS

Summary relative risks for selected causes of death for the coke oven cohorts from other areas and the Allegheny County cohort are shown in Table 2. The mortality from all causes for white coke oven workers is somewhat less than expected in the non-Allegheny County plants, while for the non-whites the relative risk of 1.01 indicates that the mortality of coke oven workers is essentially the same overall as that of non-whites working in other parts of the plant. All causes mortality for whites and non-whites in Allegheny County does not differ appreciably from the all causes mortality of men working in other areas of the same plants.

Examination of the cause specific mortality reveals certain consistent and significant differences between coke oven workers and other employees. Combined estimates for all 12 plants indicate a highly significant excess risk of lung cancer for both white and non-white coke oven workers, with estimated relative risks ranging from 2.06 for the whites to 3.35 for the non-whites, for an average relative risk of 2.85 when the races are combined. In the ten non-Allegheny County plants the relative risk of dying from lung cancer is three times (P<.01) that of the comparison group for both whites and non-whites. In Allegheny County a highly significant risk of 3.77 is observed for lung cancer among non-white coke oven workers. However, the white Allegheny County coke oven workers have only a slight observed excess risk of lung cancer, resulting in an overall risk of 2.69 (P<.01) for Allegheny County.

Another cause group which appears to show a trend of excess relative mortality for the coke oven workers is cancer of the genito-urinary system. The overall relative risk for the twelve study plants 2.05 (P<.01) for deaths from this cause. Although the numbers of deaths observed are small, both the whites in Allegheny County and the non-whites in non-Allegheny County have a relative risk significantly greater than one for genito-urinary malignancies. Unlike the lung cancer risk where the excess mortality is more pronounced for the non-whites, the findings for cancers of the genito-urinary system indicate that the white coke oven workers may be a greater risk. Mortality from other cancer sites tends to be less than expected for coke oven workers.

A consistent non-significant deficit of between 10% and 20% is observed for the cardiovascular renal diseases. This observation of a deficit in CVR has been previously reported for similar occupational groups.

Mortality from other causes shown is not remarkably different between the races or the two geographic subdivisions. Because of the general consistency which has been observed for the mortality findings among the plants, only the combined estimates for all 12 plants are shown in succeeding tables. The relative risks shown always are weighted averages according to the precision of the estimate within each plant. Therefore, only differences in mortality which indicate general trends among the plants will be stressed in the following analyses.

TABLE 2.—OBSERVED AND EXPECTED DEATHS, 1951–66, AND RELATIVE RISK FOR SELECTED CAUSES BY RACE FOR COKE OVEN WORKERS EMPLOYED DURING 1951–55 AT 10 NON-ALLEGHENY COUNTY PLANTS AND FOR COKE OVEN WORKERS EMPLOYED DURING 1953 AT 2 ALLEGHENY COUNTY STEEL PLANTS

Cause of death	Non-Allegheny County			Allegheny County			All plants		
	Observed deaths	Expected deaths	Related risk[1]	Observed deaths	Expected deaths	Related risk[1]	Observed deaths	Expected deaths	Reated risk[1]
WHITE									
All causes	129	139.0	0.88	56	56.6	0.99	185	195.6	0.92
Malignant neoplasms—lung, bronchus, and trachea	13	7.5	[2]3.02	4	3.4	(3)	17	10.8	[4]2.06
Malignant neoplasms—genito-urinary organs	2	1.8	(3)	5	.9	[4]6.99	7	2.7	[4]3.49
Other malignant neoplasms	9	16.0	.42	3	6.6	.43	12	22.6	[4].42
Tuberculosis of the respiratory system	1	1.0	(3)	0	.2	(3)	1	1.3	(3)
Other diseases of the respiratory system	8	6.0	1.63	2	1.8	(3)	10	7.8	1.44
Cardiovascular renal diseases	60	65.3	.87	25	30.5	.80	85	95.8	.84
Accidents	23	23.3	.98	6	3.7	1.68	29	27.1	1.10
All other causes	13	18.0	.61	11	9.4	1.35	24	27.4	.84
NONWHITE									
All causes	259	257.5	1.01	145	143.1	1.03	404	400.6	1.02
Malignant neoplasms—lung, bronchus, and trachea	23	13.4	[4]2.99	29	17.3	[4]3.77	52	30.7	[4]3.35
Malignant neoplasms—genito-unirary organs	10	5.7	[2]3.02	4	4.9	(3)	14	10.6	1.60
Other malignant neoplasms	28	26.6	1.09	15	18.1	.72	43	44.7	.94
Tuberculosis of the respiratory system	3	3.1	(3)	4	3.3	(3)	7	6.4	1.17
Other diseases of the respiratory system	13	14.2	.87	7	6.0	1.33	20	20.2	.98
Cardiovascular renal diseases	117	124.6	.90	52	58.4	.82	169	183.0	.87
Accidents	24	23.4	1.04	9	9.9	.84	33	33.3	.98
All other causes	41	46.4	.83	25	25.3	.98	66	71.7	.88
TOTAL									
All causes	388	396.4	.96	201	199.7	1.01	589	596.1	.98
Malignant neoplasms—lung, bronchus, and trachea	36	20.9	[4]3.00	33	20.7	[4]2.69	69	41.5	[4]2.85
Malignant neoplasms—genito—urinary organs	12	7.5	[2]2.42	9	5.8	1.76	21	13.3	[4]2.05
Other malignant neoplasms	37	42.6	.80	18	24.7	.61	55	67.2	.72
Tuberculosis of the respiratory system	4	4.1	(3)	4	3.5	(3)	8	7.6	1.08
Other diseases of the respiratory system	21	20.2	1.06	9	7.8	1.25	30	28.0	1.17
Cardiovascular renal diseases	177	190.0	.89	77	88.9	.81	254	278.8	.86
Accidents	47	46.7	1.01	15	13.6	1.15	62	60.4	1.04
All other causes	54	64.4	.77	36	34.7	1.11	90	99.2	.86

[1] Significance of relative risk based on summary chi-square with 1 degree of freedom.

[2] 5 percent level.

[3] Less than 5 deaths.

[4] 1 percent level.

SUBDIVISION OF THE COKE OVEN POPULATION

In order to delineate further the relationships between work area and the mortality findings for coke oven workers, it is necessary to consider three basic subdivisions of the coke oven population. Men who work full time at the top of the ovens have considerably more exposure to the effluents than do men employed at the side of the ovens. In addition, there are several jobs which require part-time exposure at the top of the ovens, while the remainder of the coke oven jobs are at the side of the ovens. We have used the terms full topside, partial topside, and side oven to indicate the job classifications for the coke oven workers.

Table 3 shows the distribution of the coke oven workers by work area and by length of employment at the start of follow-up. Among the white coke oven workers 15.6% were employed fulltime at the top of the ovens at the time of entry to the study, while 27.3% of the non-white coke oven workers were fulltime topside workers. Of the white coke oven workers 27% were classified as partial topside, as contrasted to 2.3% of the non-white coke oven workers. The remainder of the workers were employed at the side of the ovens.

In terms of length of exposure, 41.5% of the non-whites and 29.8% of the whites had been employed at the coke ovens for five or more years at the time of entry to the study. Only 41 (2.1%) of the whites had been employed five or more years full topside, but an additional 11.2% had five or more years partial topside experience. On the other hand, 10.7% of the non-whites had five or more years full topside experience, and only 0.8% had five or more years partial topside experience. Eleven percent of white coke oven workers and 23.6% of non-white coke oven workers had five or more years experience which was all at the side of the ovens. The other oven group consists of individuals who had less than five years topside or partial topside experience, but five or more years total oven history.

Table 4 shows mortality for specified causes by area of employment at the time of entry to the study. Mortality from all causes is highest for full topside workers (Relative Risk: 1.12), somewhat lower for partial topside workers (1.07), and lowest for side oven workers (0.92). The race specific mortality for all causes among the full topside workers indicates an apparent contradiction in results. White full topside workers have a highly significant deficit in mortality, while nonwhite full topside workers have a significant excess in mortality. The relative risks are 0.42 and 1.32 respectively.

Examination of the plant specific comparison revealed that one of the non-Allegheny County plants, which contributed 88 (28.6%) of the full topside white oven workers, had a significant deficit in mortality from all causes (Relative Risk: 0.19). There were no nonwhite workers at the coke ovens for this plant. This particular plant was the only in the study where it was not possible to include in the study all coke oven workers from 1951 through 1955 because plant personnel were unable to furnish us with necessary information. There were 22 men whose names appeared on the 1951 through 1955 coke oven seniority rosters for whom employment forms were not available. All of these individuals had terminated employment during the early 1950s, and for at least 10 of the 22 the reason for termination of employment was indicated as death. We are currently making further attempts to ascertain information on cause of death and area of employment for these men. If this plant were eliminated from the analysis, the relative risk of dying from all causes for full topside white workers would not differ significantly from one. The mortality for other coke oven subdivisions at this plant is of the same order of magnitude as that of the other 11 plants. We have included the plant in the analysis shown here, since the cause specific mortality, although perhaps underestimated, exhibits the same general trends observed for coke oven workers at other plants.

TABLE 3.—DISTRIBUTION OF COKE OVEN WORKERS, BY RACE, COKE OVEN SUBDIVISIONS, AND LENGTH OF EMPLOYMENT

	White		Nonwhite		Total	
	Number	Percent	Number	Percent	Number	Percent
Area of employment at time of entry to study:						
Full topside	308	15.6	733	27.3	1,041	22.3
Partial topside	534	27.0	63	2.3	597	12.8
Side oven	1,137	57.5	1,886	70.3	3,023	64.9
Total, coke oven	1,979	100.0	2,682	100.0	4,661	100.0
Length of employment and work area at time of entry to study:						
Full topside more than 5 years	41	2.1	287	10.7	328	7.0
Partial topside more than 5 years [1]	222	11.2	21	.8	243	5.2
Side oven more than 5 years [2]	218	11.0	633	23.6	851	18.3
Other oven more than 5 years [3]	109	5.5	173	6.5	282	6.1
Subtotal, coke oven more than 5 years	590	29.8	1,114	41.5	1,704	36.6
Coke oven less than 5 years	1,389	70.2	1,568	58.5	2,957	63.4
Total, coke oven	1,979	100.0	2,682	100.0	4,661	100.0

[1] Less than 5 years full topside.
[2] Never partial or full topside.
[3] Less than 5 years full or partial topside.

TABLE 4.—OBSERVED AND EXPECTED DEATHS, 1951–66, AND RELATIVE RISK FOR SELECTED CASES BY RACE AND COKE OVEN SUBDIVISIONS FOR COKE OVEN WORKERS (ALL PLANTS COMBINED)

Cause of death	Full topside			Partial Topside			Side Oven		
	Observed deaths	Expected deaths	Relative risk [1]	Observed deaths	Expected deaths	Relative risk [1]	Observed deaths	Expected deaths	Relative risk [1]
WHITE									
All causes	13	26.3	[2] 0.42	65	57.3	1.17	107	114.1	0.92
Malignant neoplasms—lung, bronchus, and trachea	3	1.1	(4.49)	6	3.2	2.15	8	5.0	1.87
Malignant neoplasms—genito-urinary organs	0	0	(2)	2	.6	(3.48)	5	2.0	[3] (3.31)
Other malignant neoplasms	0	3.7	(2)	4	8.2	.40	8	12.2	.58
Tuberculosis of the respiratory system	1	.5	(2)	0	.2	(2)	0	.4	(2)
Other diseases of the respiratory system	0	1.0	(2)	5	2.6	2.28	5	4.1	1.29
Cardiovascular renal diseases	5	12.0	[3] .35	34	27.7	1.28	46	57.6	.74
Accidents	1	4.4	(2)	7	6.6	1.06	21	16.4	1.41
All other causes	3	3.4	(2)	7	8.2	.84	14	16.3	.83
NONWHITE									
All causes	144	117.8	[4] 1.32	8	11.9	.63	252	265.6	.92
Malignant neoplasms—lung, bronchus, and trachea	32	9.3	[4] 7.68	1	.5	(2.08)	19	14.3	1.66
Malignant neoplasms—genito-urinary organs	4	2.5	(1.80)	0	.3	(2)	10	7.1	1.65
Other malignant neoplasms	15	13.1	1.20	1	1.5	.66	27	29.2	.89
Tuberculosis of the respiratory system	2	1.8	(2)	0	.2	(2)	5	4.4	1.21
Other diseases of the respiratory system	7	6.0	1.20	0	0.5	(2)	13	13.7	.93
Cardiovascular renal diseases	55	56.4	.97	5	6.1	.79	109	123.3	.83
Accidents	9	9.0	1.00	0	.8	(2)	24	23.7	1.02
All other causes	20	19.7	1.02	1	2.1	(2)	45	49.9	.86
TOTAL									
All causes	157	144.1	1.12	73	69.2	1.07	359	379.7	.92
Malignant neoplasms—lung, bronchus, and trachea	35	10.4	[4] 7.24	7	3.7	2.14	27	19.4	[3] 1.73
Malignant neoplasms—genito-urinary system	4	2.5	(1.77)	2	.8	(2.36)	15	9.2	[3] 2.02
Other malignant neoplasms	15	16.8	.86	5	9.7	.44	35	41.4	.79
Tuberculosis of the respiratory system	3	2.3	(2)	0	.3	(2)	5	4.8	1.06
Other diseases of the respiratory system	7	7.0	.99	5	3.1	1.78	18	17.8	1.01
Cardiovascular renal diseases	60	68.5	.84	39	33.8	1.18	155	180.9	[3] .80
Accidents	10	13.4	.72	7	7.4	.94	45	40.1	1.19
All other causes	23	23.1	1.00	8	10.2	.76	59	66.2	.85

[1] Significance of relative risk based on summary chi-square with 1 degree of freedom.
[2] Less than 5 deaths.
[3] 5 percent level.
[4] 1 percent level.

Note: Figures in parenthesi based on less than 5 deaths.

The relative risks for cancers of the lung, bronchus, and trachea indicate a definite gradient in response with the highest response observed among men who were full-time topside; intermediate response for men who were partial topside; and lowest response for men working at the side of the ovens. Overall, the relative risks for malignancies of the lung, bronchus, and trachea are 7.24 for full topside workers, 2.14 for partial topside workers, and 1.73 for side oven workers. There is a difference in the relative risks between white and non-white full topside workers (4.49 versus 7.68), but this can be interpreted as being a reflection of the greater proportion of non-whites with five or more years of full topside experience. Comparisons of the lung cancer risks for partial topside workers and side oven workers indicate similar levels of risk by race.

In contrast to the lung cancer experience, the excess relative risks for cancers of the genito-urinary system do not differ greatly in magnitude among the work areas. The only work area where the numbers were sufficience to result in a statistically significant excess for this cause, however, was the side oven (Relative Risk: 2.02).

A deficit in cardiovascular renal diseases is seen for both topside and side oven workers, while partial topside workers have a non-significant excess. The tables indicate that mortality from respiratory diseases other than cancer does no differ from that of other workers in the plants. It also appears that the mortality patterns for other causes examined do not deviate significantly from what was predicted based on the experience of the non-oven workers.

Table 5 summarizes the mortality findings based upon length of employment at the coke ovens on entry to the study. It is interesting that, for men employed five or more years at the start of follow-up, mortality from all causes is about what one would expect or slightly greater. On the other hand, the relative risk for men with less than five years exposure is significantly low (Relative Risk: 0.83). It appears that the relative risk for lung cancer is the same for white oven workers regardless of length of employment. Among white coke oven workers with five or more years of exposure, the relative risks for lung cancer and other respiratory disease are both over two-fold, although the numbers are insufficient to be statistically significant. In contrast, the lug cancer risk is 4.28 ($P<.01$) for non-white coke oven workers with five or more years exposure, while mortality from other respiratory diseases is about what one would expect. Malignant neoplasms of the genito-urinary organs are signficantly greater among coke oven workers with five or more years experience, with a less pronounced excess for men with less than five years experience. A significant deficit in other malignancies is observed among coke oven workers with less than five years employment. Although a deficit in cardiovascular renal diseases is observed for both exposure groups, the deficit is more pronounced for the group with less exposure. It should be noted that the deficit is not significant for either group.

TABLE 5.—OBSERVED AND EXPECTED DEATHS, 1951–66 AND RELATIVE RISK FOR SELECTED CAUSES BY RACE, AND LENGTH OF EMPLOYMENT AT ENTRY TO STUDY FOR COKE OVEN WORKERS EMPLOYED DURING 1951–55 AT 10 NON-ALLEGHENY COUNTY PLANTS AND FOR COKE OVEN WORKERS EMPLOYED DURING 1953 AT 2 ALLEGHENY COUNTY STEEL PLANTS (ALL PLANTS COMBINED)

Cause of death	5 years or more coke oven			Less than 5 years coke oven		
	Observed deaths	Expected deaths	Relative risk [1]	Observed deaths	Expected deaths	Relative risk [1]
WHITE						
All causes	108	108.3	1.00	77	88.2	0.83
Malignant neoplasms—lung, bronchus, and trachea	11	6.4	2.13	6	3.5	2.13
Malignant neoplasms—genito—urinary organs	6	2.2	[2] 3.95	1	.6	(3)
Other malignant neoplasms	8	12.6	.55	4	10.8	[4] .29
Tuberculosis of the respiratory system	1	1.2	-------	0	.2	(3)
Other diseases of the respiratory system	8	4.2	2.35	2	3.0	(3)
Cardiovascular renal diseases	57	60.8	.92	28	36.0	.72
Accidents	5	7.2	.66	24	20.2	1.28
All other cases	12	13.8	.84	12	13.9	.84
NONWHITE						
All causes	275	257.6	1.12	129	146.9	.83
Malignant neoplasms—lung, bronchus, and trachea	44	21.6	[2] 4.28	8	6.4	1.45
Malignant neoplasms—genito—urinary organs	11	8.4	1.51	3	2.0	(3)
Other malignant neoplasms	34	31.4	1.14	9	15.2	.48
All Causes—Continued						
Tuberculosis of the respiratory system	4	3.8	-------	3	2.8	(3)
Other diseases of the respiratory system	12	12.5	.94	8	8.0	1.00
Cariovascular renal diseases	116	125.4	.89	53	60.4	.83
Accidents	15	14.8	1.02	18	18.5	.96
All other causes	39	39.6	.98	27	33.7	.74
TOTAL						
All causes	383	365.9	1.08	206	235.2	[4] .83
Malignant neoplasms—lung, bronchus, and trachea	55	28.0	[2] 3.48	14	9.9	1.70
Malignant neoplasms—genito—urinary organs	17	10.6	[4] 2.01	4	2.6	(3)
Other malignant neoplasms	42	44.0	.93	13	26.0	[2] .40
Tuberculosis of the respiratory system	5	5.0	1.00	3	2.9	(3)
Other diseases of the respiratory system	20	16.8	1.28	10	11.0	.88
Cardiovascular renal diseases	173	186.2	.90	81	96.4	.79
Accidents	20	21.9	.88	42	38.6	1.12
All other causes	51	53.4	.94	39	47.6	.77

[1] Significance of relative risk based on summary chi-square with 1 degree of freedom.

[2] 1 percent level.

[3] Less than 5 deaths.

[4] 5 percent level.

Since the results of the analyses thus far indicate that both the level and duration of exposure to coke oven effluents are positively associated with mortality from certain malignant neoplasms, Table 6 contains a detailed breakdown of the malignant neoplasms for specific sites by duration and area of employment at the coke ovens. It is seen that coke oven workers have highly significant mortality from malignant neoplasms, with a relative risk of 1.34. In addition, the excess appears to be concentrated in three particular sites: 1) bronchus, lung, and trachea, which accounted for 47.6% of the 145 malignant neoplasms among coke oven workers and had a relative risk of 2.85 ($P<.01$); 2) kidney, where eight deaths were observed for a relative risk of 7.49 ($P<.01$); and 3) prostate, where 12 deaths were observed for a relative risk of 1.64 (non-significant). The findings by length and area of employment are consistent with increased exposure producing an excess in the cancer mortality for these three sites, although the results for the lung cancers are more conclusive because of the larger number of deaths available for analysis. A significant excess in cancers of other and unspecified sites among full topside workers consists mainly of cancers where the primary site is unknown or not specified on the death certificate.

DISCUSSION

(1) *Malignant Neoplasms of the Respiratory System*

A review of the history of coal tar cancers has been presented by Lloyd in the fifth paper of this series. As he points out, however, prior to our recent studies, there had been conflicting information presented regarding the nature and extent of the lung cancer mortality risk for coke oven workers. Based upon the findings which we have presented here, the evidence indicates that coke oven workers experience 2½ to 3 times the number of lung cancer deaths which one would expect based upon the mortality experience of non-oven workers. In spite of the differences in the determination of the comparison groups, the relative risks obtained for the original cohort and the non-Allegheny County cohort of coke oven workers are remarkably similar for lung cancer, as well as for other causes of death. Due to the large number of white coke oven workers in the expanded study we can now conclude that, when length and type of exposure are taken into account, the relative risks for respiratory malignancies are of the same order of magnitude for both white and non-white coke oven workers.

TABLE 6.—OBSERVED AND EXPECTED DEATHS AND RELATIVE RISKS FOR MALIGNANT NEOPLASMS BY SITE, 1951–66: BY LENGTH OF EMPLOYMENT AT THE COKE OVENS AND SUBDIVISIONS AT ENTRY TO STUDY

Cause of death (I.C.D.—7th revision)	Total oven			5 years or more coke oven			5 years or more full time topside		
	Observed deaths	Expected deaths	Relative risk [1]	Observed deaths	Expected deaths	Relative risk [1]	Observed deaths	Expected deaths	Relative risk [1]
Malignant neoplasms, all sites (140–205)	145	122.1	[2] 1.34	114	82.6	[2] 1.69	41	20.0	[2] 2.74
Bronchus, lung and trachea (162–163)	69	41.5	[2] 2.85	55	28.0	[2] 3.48	25	7.4	[2] 6.87
Other respiratory system (160, 161–164)	1	2.4	(3)	1	1.8	(3)	0	.5	(3)
Buccal and pharynx (140–148)	3	3.4	(3)	1	2.2	(3)	0	.5	(3)
Digestive organs and peritoneum (150–159)	31	37.0	.77	25	26.0	.95	3	5.9	.46

TABLE 6.—OBSERVED AND EXPECTED DEATHS AND RELATIVE RISKS FOR MALIGANT NEOPLASMS BY SITE, 1951–66: BY LENGTH OF EMPLOYMENT AT THE COKE OVENS AND SUBDIVISIONS AT ENTRY TO STUDY—Continued

Cause of death	Total oven			5 years or more coke oven			All plants		
	Observed deaths	Expected deaths	Related risk[1]	Observed deaths	Expected deaths	Related risk[1]	Observed deaths	Expected deaths	Relative risk[1]
Prostate (177)	12	8.8	1.64	11	7.4	1.83	4	2.0	(3)
Other genital organs (178–179)	0	.4	(3)	0	.3	(3)	0	.1	(3)
Kidney (180)	8	2.6	[2] 7.49	5	1.6	5.69	0	.1	(3)
Bladder and other urinary organs (181)	1	1.5	(3)	1	1.3	(3)	0	.3	(3)
Skin (190–191)	1	1.5	(3)	1	.8	(3)	0	.1	(3)
Leukemias and lymphomas (200–205)	9	10.8	.76	5	6.0	.77	2	1.4	(3)
Other and unspecified sites (170, 192–199)	10	12.1	.69	9	7.3	1.46	7	1.7	[2] 12.37

Cause of death	5 years or more topside and side oven exposure			5 years or more side oven, never topside			Less than 5 years coke oven		
	Observed deaths	Expected deaths	Relative risk[1]	Observed deaths	Expected deaths	Relative risk[1]	Observed deaths	Expected deaths	Relative risk
Malignant neoplasms, all sites (140–205)	27	18.9	1.51	46	35.5	1.40	31	38.6	0.74
Bronchus, lung, and trachea (162–163)	15	5.5	[2] 3.22	15	8.7	[4] 2.10	14	9.9	1.70
Other respiratory system (160, 161–164)	0	.4	(3)	1	1.0	(3)	0	1.0	(3)
Buccal and pharynx (140–148)	1	1.0	(3)	0	.8	(3)	2	1.4	(3)
Digestive organs and peritoneum (150–159)	4	6.3	.62	18	14.2	1.37	6	12.2	.42
Prostate (177)	0	1.1	(3)	7	3.9	2.11	1	1.4	(3)
Other genital organs (178–179)	0	.1	(3)	0	.2	(3)	0	.2	(3)
Kidney (180)	3	.4	(3)	2	.7	(3)	3	.7	(3)
Bladder and other urinary organs (181)	0	.3	(3)	1	.8	(3)	0	.4	(3)
Skin (190–191)	0	.3	(3)	1	.3	(3)	0	.8	(3)
Leukemias and lymphomas (200–205)	3	2.1	(3)	0	2.3	(3)	4	5.3	.68
Other and unspecified sites (170, 192–199)	1	1.3	(3)	1	2.6	(3)	1	5.2	(3)

[1] Significance of relative risk based on summary chi-square with 1 degree of freedom.
[2] 1 percent level.
[3] Less than 5 deaths.
[4] 5 percent level.

We are now also able to delineate with greater precision the relative risks of lung cancer for subclassifications of the coke oven workers based upon the type and duration of exposure: it appears that topside workers have over a seven-fold risk, partial topside workers over a two-fold risk, and side oven workers a risk between 1½ to 2 times what one would expect (Table 4). In addition, Table 6 indicates a gradient in response related to both length and area of employment ranging from a relative risk of 6.87 for men employed five or more years full topside at entry to the study to a relative risk of 1.70 for men with less than five years exposure to coke ovens. (It should be kept in mind that men with less than five years of employment at entry could have accumulated at most 20 years by the end of the follow-up period). This pattern suggests the existence of a dose response relationship between some carcinogenic element or elements in the coke oven effluents and the development of lung cancer.

(2) Malignant Neoplasms of the Genito-Urinary System.

Although the possibility of excess bladder cancer among coal tar workers has been suggested, there is a lack of population data. Battye found β-naphthylamine, a potent bladder carcinogen in gas retort effluents, and it has also been isolated from coking pitch. However, among the 4,661 coke oven workers followed here, only one died of bladder cancer versus 1.5 deaths expected. Therefore, we conclude that the amount of exposure of coke workers to β-naphthylamine or other carcinogens is insufficient to produce an unusually high bladder cancer risk.

The negative finding for bladder cancer is overshadowed by a high relative risk for kidney cancer. Although only eight deaths were observed from this cause, kidney is a very rare cancer site, with the ratio of bladder cancer to kidney cancer deaths in the general population averaging about 2.5 to 1. In this study there were eight deaths from kidney cancer and only one from bladder cancer.

The kidney cancer deaths observed are not clustered in any plant or race group. Four deaths were observed in the Allegheny County cohorts, and four deaths in the Non-Allegheny County cohorts. Four of the deaths were among white coke oven workers, and four among non-white coke oven workers. In fact, the relative risks for both white and non-white workers are the same (Relative Risk: 7.5). Although the relative risk overall is greater for kidney than for lung cancers, the small number of kidney cancers makes it difficult to consider the nature of a dose response relationship. Since five of the deaths occurred among the 36.6% of the workers who had five or more years experience, and only three among the 63.4% with less than five years, the evidence is suggestive that duration of exposure is a factor. None of the deaths occurred among the workers who had five or more years extopside, even though this group had the highest lung cancer risk and also a highly significant excess for cancers of unspecified sites.

A great deal has been written about the occurrence of transitional cell bladder cancers in men occupationally exposed to certain chemical compounds. Little is known, however, about the etiology of kidney cancer in humans. Compounds which have been associated with kidney cancers on an expermental basis are the nitrosamines, but these have not been related to kidney tumors in humans. There have also been reports implicating phenacetin, an ingredient in analgesics, with the development of transitional cell tumors of the renal pelvis among chronic users of analgesics. Such an etiology among the coke oven workers appears unlikely, since only one of the eight cases was specified as a transitional cell carcinoma, and information available to us indicates that the kidney cancers among coke oven workers are mainly hypernephromas (adenocarcinomas).

A review of the literature on coke oven workers revealed only one study that suggests an elevated risk. The British Registrar-Generals' Report on death certificates from 1949 to 1953 shows six deaths among unskilled workers in coke ovens and gas works six observed versus there expected for men versus three expected for ages 20–64, and over 65 years of age. This is consistent with our finding, although indicative of a lower level of risk than was observed for coke oven workers in this study.

The relative risks of prostatic cancer are suggestive of a higher risk for long-term coke oven workers. Although none of the relative risks are significantly high, all of the excess for prostatic cancers occurred among men employed at the coke ovens for five or more years at the time of entry to the study. The Registrar-General's Report indicates an excess of nine observed deaths versus five expected for laborers in coke oven and gas works in the age group 20–64, but there is a deficit of 20 observed versus 32 expected for men 65 and over.

(3) *Other Malignant Neoplasms.* An excess of leukemia, which was previously reported among skilled workers in coal gas and coke is not substantiated by our findings. Although exposure to coal tars is also known to be associated with malignancies of the skin, only one skin cancer death was observed among the 4,661 coke oven workers in this study. Thus, even though skin cancers may occur among coke oven workers, they do not appear to be important as a cause of death.

Further follow-up of coke oven workers is advisable in order to evaluate more fully the findings for kidney and prostatic cancers. The evidence presented here does suggest, however, that the effluents of the coke ovens contribute to the development of cancer in multiple sites. There is an immediate need for further research relating to environmental measurements to morbidity and mortality among coke oven workers to serve as a basis for the establishment of proper standards for coke oven emissions.

SUMMARY

This sixth paper in the series considers in detail the long-term mortality findings for cohorts of coke oven workers at 12 steel plants. The cause specific mortality patterns for men employed in various sites and for varying lengths of time at the coke ovens are contrasted with those of men employed in other work areas of the plants, with appropriate adjustments made for plant, race, age at entry, and calendar years of follow-up. The conclusions of note are:

(1) The observation made by Lloyd in the fifth paper of this series that coke oven workers have an excess mortality for respiratory cancers is borne out by the expansion of the study to other geographic areas. Overall, mortality for this disease among coke oven workers is over 2½ times that predicted.

(2) When both type and duration of exposure are taken into account, white and non-white coke oven workers are seen to

have relative risks of about the same magnitude for lung cancer. The relative risks of lung cancer are 6.87 for men with five or more years employed at full topside, 3.22 for men with five or more years of mixed topside and side oven experience, 2.10 for men with five or more years side oven experience only, and 1.70 for all men with less than five years experience at start of follow-up.

(3) A new finding in this report is a highly significant, 7½-fold risk of dying from kidney cancers among coke oven workers.

(4) It is pointed out that measurements need to be made of the various coke oven effluents, and the relationships between environmental measures mortality, and morbidity studied in detail in order that meaningful threshold limit values may be established for coke ovens.

[From The New York Post, April 25, 1972]

A Jersey Town Is Dying—Fast

(By Robert Vare)

Manville, N.J.—The main street here is called "Main Street" and along the mile-long strip barber shops still offer $1.25 haircuts, the VFW post boldly promises "BINGO" every Thursday night and several neon reproductions of giant martini glasses declare the presence of workingmen's saloons.

By day the women of the town move about the street in haircurlers. By night their husbands and fathers assemble in the bars to talk of hunting, fishing and taxes.

As far as appearances go, there is nothing to distinguish this blue-collar community from the typical Factory Town, U.S.A.

Yet Manville, 40 miles southwest of New York City, is different, for this is a town where people are dying—faster.

CHEMICAL STRANGLEHOLD

According to a number of physicians and medical researchers, Manville is in the grip of a chemical stranglehold, an epidemic that will probably not run its chilling course for many years to come.

The source of Manville's woes is also the central fact of life in the town: a dingy, massive complex of buildings with the appearance of abandoned dockside warehouses. The buildings are the home of the world's largest asbestos-processing plant and of some 3000 residents who work there. The factory belongs to the Johns-Manville Corp., the biggest producer of asbestos materials on earth.

Asbestos is one of the most common substances in modern industrial society. Because of its imtable and non-flammable nature, every automobile, airplane, train, ship, missile and engine contains asbestos in some form or other and there is not a building, factory, or home in the U.S. where it cannot be found.

ASBESTOS IN THE AIR

And because asbestos' tiny fibers are so easily breathed in and float so freely in the air, the workers of the plant and the non-worker population of the town carry asbestos around in their lungs, where it causes lasting harm.

As a result of exposure to asbestos, it is estimated that between 15 and 30 per cent of Manville's 15,000 residents, including 75 per cent of J-M's factory employes, suffer to some degree from coughing, shortness of breath and lassitude—the principal symptoms of asbestosis, a disabling and sometimes fatal lung disease.

A smaller but still considerable number of the town's predominantly Polish citizenry are afflicted with lung cancer and with a rare and incurable type of cancer called mesothelioma.

HIGHER DEATH RATE

Since 1963, 62 residents have died of what their autopsies indicated to be mesothelioma, which brings death within 18 months. In the general population the disease hits only one person in 10,000.

The rate of lung cancer here is extraordinarily high—eight times the norm for the U.S.

Even more disquieting, the incidence of death in the town from the three asbestos-related diseases seems to be accelerating sharply.

"Since the incubation period of asbestos diseases is about 20 years," says one doctor who has kept a vigilant eye on Manville, "there could come a day when these people will start dropping like flies."

James Langley is a strapping 200-pounder who still looks like the linebacker he was in high school.

FORCED TO RETIRE

But Langley's robust physical appearance belies the state of his health. A year ago after 25 years of employment "doing just about every job" in the J-M plant, Langley was forced to retire. The reason for his retirement was asbestosis, which seriously impaired his ability to breathe and do any kind of labor.

Today, because of the quantity of asbestos fibers in his lungs, he sleeps in a sitting position and must walk up stairs backwards because he needs to sit down and rest after each step.

George Smith, 58, another veteran asbestos worker in Manville, retired in February on doctor's orders when asbestos scarring showed up in X-rays of his lungs. As a result of his ailment he can no longer bend over to tie his shoelaces and a three-block walk to the grocery store has become something on the order of 50-mile hike.

THEY'RE FORTUNATE

Yet both Smith and Langley regard themselves as fortunate, because their physicians say they have not developed lung cancer, the grim consequence that 50 per cent of asbestosis victims must pay, according to medical-authorities.

In recent years the danger of asbestos has been recognized as a national menace. According to estimates of the U.S. Labor Dept., there are 200,000 persons working in some 500 asbestos plants across the country who are as regularly and directly exposed to asbestos dust particles as those in Manville.

Perhaps 4 million more construction workers, steamfitters, electricians, welders and masons are also in close contact with asbestos fibers on a daily basis. And since asbestos particles readily float in the air, the hazard extends to the general population as well.

BAN SPRAYING

The peril of asbestos prompted the New York City Council last year to ban the spraying of fireproofing materials containing asbestos on new buildings. In recent months many other municipal bodies, for example in Boston, Chicago and Philadelphia, have acted similarly.

Ironically, the J–M plant in Manville is cited by scientific researchers and government agencies as comparatively progressive in its implementation of environmental control measures.

A spokesman for Johns-Manville in New York claims that the company has spent more than $5 million in the last five years on improved methods for reducing exposure to asbestos dust in its Manville plant.

Johns-Manville contends that the tragic situation in Manville today is a result of conditions that existed in the factory 20 and 30 years ago. The company maintains that even though asbestos was first identified in 1924, the link between asbestos and lung diseases was not clearly established until the late 1960s and therefore J-M was not negligent.

Dr. Maxwell Borow, a surgeon in a town near Manville who has studied asbestos-related diseases for the past 10 years, is willing to accept the company's explanation to a degree.

But he recalls that in 1967 he asked the company for a $3000 grant to set up an exhibit to educate the plant workers to the dangers of asbestos. His request was flatly rejected.

"The company was like an ostrich with its head in the sand," says Dr. Borow. "They just didn't want to hear about or see that any problem existed. But their attitude is changing."

Dr. Borow can take much of the credit for this. He has spent a great deal of time instructing other area doctors about the asbestos diseases, as has Dr. Irving Selikoff, a pioneer in the field of industrial ailments. Dr. Selikoff is head of the Division of Environmental Medicine at the City University's Mount Sinai School of Medicine.

Working closely with the asbestos workers' union, Local 800 of the United Papermakers and Paperworkers, Dr. Selikoff has undertaken a study of medical histories of 690 employes at the plant to compare the incidence of deaths and diseases observed with the expected mortality rates. Since previous investigations have suggested that ailments associated with asbestos seldom develop until 20 years after initial exposure to the dust particles, Dr. Selikoff has limited his research to those workers who were on the union rolls as of Jan. 1, 1939, and who were employed for at least 20 years.

Results of the study are expected to be made available next month. For the moment Dr. Selikoff is willing to say only that "the mortality experience of these people is proving to be very unhappy and they're going to be much higher."

One of the subjects in Dr. Selikoff's study was a 70-year-old Polish man who spoke no English and was accompanied to his medical examination by his daughter.

[From the New York Post, April 26, 1972]

A Man With 8 Months To Live

(By Robert Vare)

Manville, N.J.—Daniel Maciborsky says it's better to know than not to know you're dying.

"This way I'll get everything settled: the will . . . the life insurance . . . all the papers," says Maciborsky. "My wife won't get stuck."

Maciborsky, 49 years old, has mesothelioma, a rare and incurable form of cancer that strikes the peritoneum, the membrane lining the abdominal cavity—as in his case—or the pleura, a membrane that encases the lungs.

Doctors have told him the gloomy prognosis. In a few months the malignant tumor will harden and encircle his stomach, compressing the organ and causing his 5–10, 170-pound-frame to begin to waste away. By the end of the year. Maciborsky will be dead

The physicians who have studied Maciborsky attribute his development of mesothelioma primarily to the large quantity of asbestos he inhaled over the last 30 years. Since 1941—except for a three-year stint in the Marines during World War II—Macilborsky has worked at the Johns-Manville Corp. asbestos plant here.

AN "EPIDEMIC"

According to Dr. Maxwell Borow, a surgeon in the neighboring town of Bound Brook, the outbreak of mesothelioma in Manville has reached "epidemic" proportions.

In the last eight years 60 of the asbestos factory's 3000 employes have died of mesothelioma, compared with one person in 10,000 in the general population.

Two other mesothelioma victims never worked at the Johns-Manville factory but lived within a half mile of the plant. One was a woman who as a child had often played on an asbestos dump. The other was also a woman who had been married to an asbestos worker and had washed her husband's work clothes regularly.

Perhaps dozens more in Manville have succumbed to the rare disease, usually fatal within a year. But their medical records are not reflected in the statistics, because only in the last few years have doctors become fully familiar with the disease's characteristics.

Since the gestation period of mesothelioma is generally about 20 or 30 years there is reason to fear that the incidence of the disease will continue to rise at an alarming rate. Dr. Borow warns that it may be several decades before the crisis begins to abate, even if stringent dust control standards are adopted in the asbestos plant immediately.

Besides mesothelioma, asbestos workers in Manville have exhibited a tremendously high rate of lung cancer and of asbestosis, a lung ailment that seriously impairs breathing and in 50 per cent of its victims leads to death from cancer.

A poignant irony lies at the heart of the story of Daniel Maciborsky. He had come to Manville in 1941 from the hardcoal hills of eastern Pennsylvania to escape the fate of his father, who had worked in the mines for 25 years and died of "black lung."

"I figured it would be healthier working in a factory than in the mines," said the soft-spoken, sad-eyed Maciborsky, as he sat in his kitchen several days ago. "I guess it didn't turn out that way."

Maciborsky took his biannual medical examination at the plant Dec. 11 and was pronounced in perfect health. Several weeks later he began to experience a "bloated feeling" in his stomach, as if he had overeaten. Exploratory surgery by Dr. Borow on Feb. 4 uncovered the mesothelioma.

"WASN'T SURPRISED"

"I knew what it was because everybody at the plant knows about asbestos and mesothelioma now," says Maciborsky. "I wasn't surprised or shocked about it. I told the doctor not to hold anything back. I just asked him, 'How long have I got?' "

Maciborsky is reluctant to blame Johns-Manville for his fatal ailment or to condemn company doctors for failing to detect it. But he does contend—as do many other plant employes—that until a few years ago the company made a practice of deliberately not telling workers when they had been diagnosed with respiratory diseases that could be clearly connected with exposure to asbestos.

A spokesman for the company in New York City acknowledges that the charges are true to a certain extent but emphasizes that "there is more medical research now and our philosophy has changed."

Leaders of the union representing the asbestos workers in Manville—Local 800 of the United Paperworkers and Papermakers—like to think that a 158-day strike against Johns-Manville in 1970 had something to do with the company's philospohical transformation. A key issue of the strike was that employes have access to the results of their medical exams and to records of in-plant dust exposure measurements.

"The company was well aware of what was going on," says Robert Klinger, vice president of Local 800. "They just wanted to sweep the problem under the rug."

Back in 1952, Maciborsky's father-in-law, Joseph Kiewleski, also an asbestos worker, for three decades, complained to the company of acute shortness of breath. Kiewleski was given a complete medical checkup after which his job was changed from machinist to janitor.

The transfer, which carried with it a cut in pay, exposed him to a far lesser degree to asbestos dust. But the company never told Kiewleski what his ailment was.

When Kiewleski retired eight years ago, he learned that he had contracted asbestosis and that he had been living with the disease and not treating it for 12 years.

Today Kiewleski walks up stairs with great difficulty. His voice has become an incomprehensible rasp. In recent years he has lost 80 pounds and now weighs 130. Still, Kiewleski might be considered lucky. Asbestosis sufferers rarely live until the age of 75.

The tale of the Maciborsky family's tragic involvement with asbestos does not end there. Maciborsky's brother William, 52, found out last October from a doctor at the plant that he too suffered from asbestosis. The company has changed its ways to a degree. William Maciborsky was promptly laid off.

Last month Daniel Maciborsky told his story at hearings conducted in Washington D.C. by the U.S. Dept. of Labor. The purpose of the hearings was to gather information to help set new federal dust control standards in asbestos plants. The Occupational Health and Safety Act of 1970 mandated that new standards be issued by this June.

A FREE HAND

The hearings centered around a dispute over what constitutes a safe level of asbestos exposure. Union officials and medical researchers like Dr. Borow argued that the allowable number of asbestos fiber per cubic centimeter of air—the "Treshhold Limit Value"—in the factories must be sharply reduced.

For most of its history the asbestos processing industry has operated without regulations of any kind. Even industry officials concede that 20 years ago, when the conditions giving rise to today's were in effect, the fibre counts of asbestos in the plant may have been as high as 100. It was not until 1970 with the passage of the Occupational Health and Safety Act, that the federal government first imposed mandatory controls of 12 fibres per cubic centimeter.

At the recent hearings asbestos officials said they were willing to cut the TLV to five fibres. But the union men insisted that regulations permitting the TLV to exceed two fibres would be dangerously inadequate.

Industry representatives say the cost of complying with such standards would be prohibitive. They estimate that $1 billion would have to be spent to transform machinery, to improve methods of exhaust and to install and operate new ventilation and dust suppression equipment.

A spokesman for Johns-Manville said that to provide for stricter federal standards in all its 50 plants in the U.S. would cost the company $12 million in capital outlays and an additional 5 million a year in operating expenses.

Sheldon Samuels, an environmental specialist with the AFL–CIO, asserts that Johns-Manville's annual profits of $70 million makes it difficult for him to feel sympathy for the company's position.

"I can assure you that we will not stand idly by for another 30 years while they make guinea pigs of our people," Samuels says.

Dr. Irving Selikoff of Mt. Sinai Hospital in New York City also testified at the hearings and said that while he advocated setting "the lowest possible" TLV, he was far more concerned that stringent "performance standards" be issued as well.

"You can't monitor fibre counts 24 hours a day," explains Dr. Selikoff, one of the country's foremost experts on industrial-related diseases. "But you don't have to do that if you have clearly defined rules, governing proper exhausts on machines, dust collecting devices and housekeeper methods."

For the past several years Dr. Selikoff has been supervising research in his environmental medicine laboratory for a cure for mesothelioma. But so far he is able to report little progress.

Dr. Selikoff once asked Johns-Manville to lend financial support to his project and was turned down. The company, which claims to be spending $1.3 million a year for medical research, explained that it had "too many other obligations," Dr. Selikoff said.

Who is to be faulted for the tragedy of Manville? A giant corporation that until recently minimized the effects of asbestos? The members of the medical profession who took so long to recognize its perils? The federal state and local government officials who allowed the industry to regulate itself?

Just how effective these controls prove to be—whatever they are—is not possible to determine now. But one thing can be said with certainty. The new regulations will not be of much help to Daniel Maciborsky and to many other people in Manville today—asbestos, once inhaled, continues to tear at the lungs for a lifetime.

(NOTE.—Figures and tables referred to are not printed in the RECORD.)

PNEUMOCONIOSIS IN FERROSILICON WORKERS—A FOLLOW-UP STUDY

(By A. Swensson, M.D., K. Kvarnstrom, M.D., T. Bruce, M.D., N. P. G. Edling, M.D., and J. Glomme, M.D.)

(NOTE.—Dr. Swensson is with the Division of Occupational Medicine, National Institute of Occupational Health, Stockholm, Sweden.

Dr. Kvarnstrom is now retired.

Dr. Bruce is with the Chest Clinic, Soderby sjukhus, Uttran.

Dr. Edling is with the Department of Radiology, Karolinski sjukhuset, Stockholm.

Dr. Glomme is with the University Health Service, Oslo, Norway.)

Silicon alloys are produced by reduction in electric melting furnaces. These furnaces are charged with quartz, and, as a rule, coke is used as the reducing agent. From the surface of the melting furnaces fumes issue that contain, among other things, very fine particles of amorphous silica (SiO_2). The composition of the fumes varies somewhat according to which alloy is produced. In the production of pure silicon metal or ferrosilicon alloy with a high silicon content, the amount of SiO_2 in the fumes can be 80% or more (Glömme and Swensson, 1958 and 1966). On leaving the surface of the furnace the fumes may carry some quartz particles from the charge. Samples of particles from the fumes usually contain up to 6 to 8% quartz. Some of these fumes enter the atmosphere of the working premises; thus the workers in the melting plant are exposed to the fumes, especially when working conditions are unfavorable.

On the basis of what has been mentioned above, it is reasonable to study carefully the occurrence of silicosis among workers in silicon alloy melting works. Bruce (1937) was the first to describe the occurrence of silicosis in the manufacture of silicon alloys. He reported the results of roentgenologic examination of 38 workers in a small melting plant and 26 workers in another factory. The first group, where the exposure time varied between four and eight years, showed roentgenograms with changes interpreted as Stage I silicosis in three cases and as Stage II in six cases. In one case silicosis was suspected. In the second group the exposure time was from 9 to 22 years. In one case the roentgenogram was interpreted as Stage II silicosis, and in four as Stage I. In three cases there were changes suspected as silicosis. The classification of the stages was in accordance with the Johannesburg nomenclature (1930).

In an examination of workers in an American ferrosilicon alloy melting works, Fehnel (1947) was not able to detect any cases of silicosis. Pancheri (1948) was also unable to find any cases of silicosis in an Italian melting works, but considered that so-called reticulation occurs at a frequency higher than normal. Broch (1953) described, from a Norwegian melting works, 29 cases of silicosis and 30 cases of suspected silicosis in a staff of 180 workers. Radica (1956) re-examined Pancheri's material; he also was only able to show reticulation, which had increased in two cases. Once again, Drees and Jung (1961) were unable to demonstrate any silicosis among 22 furnacemen with more than 22 years' exposure in a silicon alloy melting works. In four cases it was believed that lung "mottling" could be established; Roberts (1965) stated that he had not found any sign of pneumoconiosis among the personnel who, in the production of ferrosilicon alloys, were exposed to amorphous silicon dioxide in the fumes; at times this exposure was very intense.

Glömme et al. (1966) have investigated 865 men from Norwegian and Swedish ferrosilicon alloy melting works who had been exposed from 5 to 45 years to the atmosphere of melting plants. In this group the roentgenograms of 17 workers showed changes corresponding to those found in silicosis. Four of these workers had been exposed only to the atmosphere in the melting plant, and showed slight roentgenologic changes. For five workers their entire exposure had been in the quartz-quarrying, quartz-crushing plants, etc., of the works; they had not been exposed at all to the atmosphere of the furnace plant. The remaining eight subjects had had a mixed exposure, including significant exposure to quartz outside the melting plant. These investigations primarily indicate that the particles in the atmosphere of the melting plant constitute a low silicosis risk. Extensive investigations with experimental animals (Glömme and Swensson, 1958 and 1966) have demonstrated that the dust in the atmosphere of the melting plant has only a slight fibrogenic tendency.

Thus, the results of the different investigations referred to above are contradictory. Consequently, the authors have found it of special interest to give a more detailed account of the 10 cases in the small melting plant referred to by Bruce (1937). A survey of the 10 patients is given in Table I. Follow-up investigations showed that in several of the patients the changes had regressed and/or disappeared entirely. Such a course is obviously not compatible with silicosis. Therefore we have scrutinized as far as it was possible the course of the exposure and the diseases. The lung roentgenograms from 1943–1944 have been assessed by a specialist who is quite independent of the present authors. When making our review we re-examined all the series of pictures.

One of the cases will be reported in detail.

Patient 3158: Born 1899. From 1911 to 1929 different occupations without exposure to silica dust. During period 1930–1935 furnaceman at a silicon alloy works. After lung changes appeared in 1935 transferred to repair shop, where he is still working. As a child he had diphtheria and whooping cough. Otherwise he has always been healthy. No tuberculosis in the family.

In autumn 1935 he became ill with fever and increasing respiratory difficulties. He emphasizes that onset was not acute. At the same time about 10 of his fellow workers also felt ill. He states that he knows they also had fever. His fever lasted about three weeks; he was on sick leave for not less than two months. Subsequently returned to work, but maintains that it took a very long time, about a year, before he felt fully recovered. Since then he has been healthy and fully fit since the period of illness in question.

Lung roentgenogram, 31 October 1935. Parenchymal changes as in Stage II silicosis (Fig 1).

Lung roentgenogram, 29 January 1944. No silicosis (Fig. 2).

Lung roentgenogram, 1958. No parenchymal or pleural changes.

Respiratory kymography. Good diaphragmatic and costal respiration bilaterally. In normal breathing diaphragmatic arch moved 2½ cm and in deep breathing 4 cm.

Spirometry, 1958. Total lung capacity, 5.62 liters. Vital capacity, 3.97 liters. FRC/TLC, 0.57; RV/TLC, 0.29. MBC, 96 liters/minute.

Maximal physical working capacity, 900 kpm/minute. Pulse rate 153, steady state. Physical working capacity normal for his age.

Blood pressure, 160/90.

Routine somatic examination and routine laboratory tests normal.

To summarize: In 1935 the lung roentgenogram of a man, who had worked for five years in a melting furnace plant in a silicon alloy works, was regarded as indicating Stage II silicosis. This was during his convalescence after a disease with fever and respiratory symptoms. The diagnosis was uncertain. In a later control examination in 1944, no roentgenologic changes were found in the lungs, and this applies also to the renewed control in 1958. The investigation in 1958 showed that the patient was subjectively healthy and entirely fit for work. According to the physiological studies his lung function was normal.

Thus, in the silicon alloy works in question, during the 1930's, 10 cases of silicosis were diagnosed on the basis of the roentgenograms. It is worthy of note that the exposure time, which is given in Table I, was, in general, short. As these 10 cases occurred in a group of 38 workers, the finding was regarded as indicating that this type of work involved in a very high silicosis risk.

When, in the 1940's, compulsory x-ray examination was introduced, Kvarnström (1944) found that the changes which were characterized as silicosis could not be detected in the new roentgen examinations. Of the 10 cases originally diagnosed as silicosis, six could not be verified at the follow-up examinations of the lungs seven to eight years later. In scrutinizing the films we found that some changes, which had been present at the time in question, could have been misinterpreted as due to silicosis. The clinical picture at the original roentgen examination, and above all the subsequent course of the disease with regression of the changes, indicates, however, that a different disease had been present. In some cases there had also been some overinterpretation.

In one case (No. 9) it seems that a control examination of the lungs was not made before the patient's tuberculosis was established, it is not possible to determine subsequently with certainty whether or not slight silicosis was present at the same time.

In another case (No. 5) silicosis was not revealed at autopsy. Here, as is shown in the table, the clinical picture and the course of the disease were entirely different from those in silicosis.

Moreover, two patients, who belonged to the group, had died and, thus, in their cases the investigations could not be supplemented. In one (No. 1) of these patients widespread pneumonic changes had been established at autopsy, as well as minor changes, which were regarded as possibly corresponding to those occuring in silicosis. The extent of the "silicotic" changes was very limited. The clinical picture indicates that silicosis had not caused the symptoms in question. Consequently, the possibility that slight silicosis may have been present here cannot be excluded.

In the second of the two deaths (No. 2) there had been cardiac insufficiency with stasis and recurrent infections which can make the differentiation difficult. The only way in which a slight degree of silicosis could have been established would have been autopsy. However, autopsy was not performed when the patient died in 1945 with the diagnosis of chronic myocarditis. Silicosis cannot be entirely excluded in this case. The support for this diagnosis is very meager as the exposure time had been very short and the symptoms of the disease had begun before exposure.

Thus, of the 10 patients, our current review demonstrated slight silicosis only in one case (No. 1). In two cases (Nos. 2 and 9) the data are not sufficient to exclude silicosis. According to the experience gained subsequently, the short exposure time strongly refutes the possibility of silicosis and, moreover, in Case 2, other diseases afford a fully satisfactory explanation of both the clinical and roentgenologic findings. Consequently, we consider it very improbable that in these cases silicosis had been present owing to exposure to the atmosphere in the furnace plant of a melting works.

Hence, this review does not furnish any support for the view that dust in the atmosphere of a silicon alloy melting works is particularly dangerous as regards silicosis. This is, moreover, in good agreement with experience gained elsewhere in recent years (Radica, 1956; Drees and Jung. 1961; Glomme et al., 1966), as well as being in accord with the experience obtained in animal experiments (Glomme and Swensson, 1958 and 1966).

It is noteworthy that in several cases fever and signs of an infectious process in the lungs, at times of a recurrent nature, were dominant features. We have here striking agreement with the observations published by Princi et al. (1962). These investigators reported four cases of protracted lung changes with recurrent febrile episodes in workers in ferrochromium alloy melting works. For all four patients the first diagnosis was "acute silicosis" despite the fact that the dust contained only a small amount of free SiO_2 and this mainly in an amorphous state. The authors concluded, however, that the clinical picture and the course of the disease—in three cases regression—did not accord with those observed in silicosis; consequently, they regarded the disease as "chronic pneumonitis with pulmonary fibrosis and acute recurrent manifestations caused by inhalation of metallic silicic fumes." In our more severe cases it is reasonable to similarly assume that the infectious element played the main part. To what extent exposure to the dust in question played any decisive role cannot be determined with certainty so long afterwards.

SUMMARY

The authors discuss 10 workers in a ferrosilicon alloy melting works in whom silicosis was diagnosed. A follow-up examination showed that the diagnosis of silicosis could be maintained only in one of the cases. At autopsy the changes were found to have been slight and could not explain the clinical picture. In six of the cases the changes were transient and could not be demonstrated by the roentgen examinations made between seven and eight years later. One patient was not subjected to a follow-up examination until after his condition had been complicated by a picture of tuberculosis; and in one case there was cardiac insufficiency and pulmonary stasis wihch probably explain the roentgenologic picture. Autopsy revealed no silicosis. Two patients died from other causes before the follow-up examination.

Thus, the roentgenologic findings obtained in the investigations made during the 1930's were in most cases transient and due to diseases other than silicosis. In some patients it was probably a question of unspecific infectious changes of the type subsequently

described by Princi et al. Exposure to fumes and dust particles, for the most part amorphous SiO_2, in ferrosilicon alloy melting works, does not seem to give rise to a serious risk of silicosis. The additional handling of quartz in this industry certainly constitutes a grave risk of silicosis.—(*Dr. Swensson*), *National Institute of Occupational Health.*

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RESPIRATORY DISEASE ASSOCIATED WITH BERYLLIUM REFINING AND ALLOY FABRICATION—1968 FOLLOW-UP

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Findings of a continuing study of chronic beryllosis in and around a beryllium refinery have been reported in 1959, 1961, and 1964.[1-3] The present paper is a follow-up study of the 75 cases reported in the three earlier papers; in addition, it conveys information on 20 new cases which came to the attention of the authors from 1964 to January 1, 1968, and discusses the diagnostic problems of chronic granulomatous pulmonary disease.

For the purposes of these publications a case has been considered one of beryllosis after weighing the following: the exposure history, including the presence of beryllium in an assay as evidence of exposure; the significance of x-ray changes which have persisted over several years; the finding of compatible histologic changes in a lung specimen, if available; the clinical course of the illness; and the consensus of impressions of several physicians familiar with the disease.

The cases have been categorized as in-plant, contact, and community cases. An in-plant case is defined as chronic beryllosis appearing in a beryllium worker, employed either at the time illness began or prior to its onset. A contact case is one of illness in a person exposed to a beryllium worker's clothing or home environment. A community case is one in which the illness appears in a community resident who may have been exposed to a significant beryllium air pollution, but was not an in-plant or contact case. The distribution of the 75 previously reported cases as to type of case and the number of each type now surviving is tabulated (Table I).

An attempt was made to obtain the death certificates for 51 deceased patients previously reported; only 47 death certificates were obtained. The principal causes of death are summarized in Table II.

Table III lists the 51 cases, the age of death, the primary and secondary death certificate diagnosis, whether or not beryllium was found in biopsy or autopsy material, and histologic evidence of the disease when available. Three of the 51 deaths occurred before the age of 30; 18 between the ages of 30 and 50; and 30 after the age of 50.

TABLE 1.—75 CASES PREVIOUSLY REPORTED AS BERYLLOSIS

	Deceased (by Jan. 1, 1968	Survivors	Total
In-plant cases	12	11	23
Contact cases	18	5	23
Community cases	21	8	29
Total	51	24	75

To be noted is the absence of a diagnosis of chronic pulmonary disease on many death certificates. This is a common finding in retrospective studies. For these individuals, our criteria for diagnosis, as given above of other available evidence, were determinant for including them.

The 24 survivors previously described include eleven in-plant cases Their ages range from 36 to 82; all are males. Three now have no roentgenological evidence of chest disease and are working without any symptoms or signs. Eight are dyspneic; of these, one is working full-time as an inspector; four had to change their employment or curtail their working time because of dyspnena; two had to give up all gainful employment; and an 82-year-old man is dyspneic and retired because of old age. The five contact cases, all females, include one who now has no roentgenographic evidence or symptoms of the disease; one who is working in a bakery; and three who are homemakers with various degrees of dyspnea. Their ages range from 25 to 61 years.

TABLE II.—PRINCIPAL CAUSES OF 47 DEATHS AS LISTED ON THE DEATH CERTIFICATE

Disease	Number
Beryllosis—granulomatosis	17
Bronchopneumonia, cor pulmonale pneumoconiosis, pulmonary fibrosis, pneumonitis	11
Cardiovascular disease	10
Cerebrovascular disease	3
Gastrointestinal disorders	2
Tumor	2
Poisoning	1
Lupus erythematosus	1
Unknown (death certificate not obtained)	4
Total	51

The eight community cases include one male and seven females. Their ages range from 28 to 74; all are dyspneic; and all manage to do some work. Four are employed, and the other four are doing housework.

NEW CASES

Since 1964, many more persons with chest disease have been referred to the Beryllium Clinic for evaluation and study. Of these 20 cases with chronic pulmonary disease and pulmonary granulomatosis, 17 are believed to result from beryllium, and three are regarded as sarcoidosis. Ten are former plant employees (ages range from 35 to 73). Four individuals had lung biopsies, and each one had heavy amounts of beryllium in the sample; the lowest sample content was 12 mcg. and the highest was 3,355 mcg. (in a 73 year old, dyspneic, former beryllium worker, who had spent 33 years of his life with the company). Nine are males; one is a female. As is usual with the disease, there were diagnostic problems. Tuberculosis, sarcoidosis, and simultaneous asbestosis had to be considered, and could not be definitely ruled out in four patients.

Of three female contact cases (aged 45, 49, and 58), two had negative lung biopsies—but one of them excreted beryllium in the urine; the third one had no biopsy. All shared households with their beryllium-worker husbands and washed contaminated clothing prior to 1959, before the refinery made in-plant clothing changes mandatory.

The four community cases, two males and two females, aged 44 to 55, are all dyspneic, but are performing light work for wages. Only one has had a biopsy so far, and this was negative.

DIAGNOSTIC PROBLEMS

At the present time a final diagnosis of beryllosis cannot be made on every patient. This problem will continue to exist until absolute clinical diagnostic criteria are evolved, or diagnostic laboratory procedures are perfected. Until then, prudence requires re-evaluation of the patients with time, and changing the diagnosis as necessary; such changes were made in nine instances. At one time, it was thought that the presence of beryllium in histologically abnormal tissue was indicative of the disease. This view is no longer held, for it can be shown that a positive spectrographic assay for beryllium in a biopsy or autopsy lung sample is not diagnostic for beryllosis, but *is* evidence of exposure to some form of beryllium. Moreover, a negative assay of a single biopsy specimen does not rule out the diagnosis when other features indicate its presence.[4]

Many patients, who on earlier x-rays had the ground-glass appearance regarded as typical of chronic beryllosis, later appear with x-rays which are reported as fibrosis or emphysema. If the x-ray report on a beryllium worker shows fibrosis and emphysema, can we regard this as beryllosis? This question can be answered affirmatively, if earlier, more typical x-rays and a good history are available, but becomes unanswerable when previous x-rays cannot be found.

The question of differential diagnosis from sarcoidosis also continues to be a problem. Two of the patients who were at one time considered to have beryllosis have now developed eye changes. The development of eye changes is regarded as diagnostic for sarcoidosis. Because of the uncertainties involved, three patients with what is generally regarded as sarcoidosis are included in the paper.

Another problem is a lingering pneumonitis, with persisting residual x-ray changes, which later clears up and results in normal chest x-rays. This was found in four patients. Did these patients have a chronic beryllosis which got better, or was the diagnosing wrong? The authors are inclined to believe the latter.

Other pneumoconioses and tuberculosis may also obscure the picture. A patient with both asbestos and beryllium in his lung, which later resulted in a carcinoid tumor, is an example of this.

Patient No. 10 had been originally diagnosed as berylosis, but this diagnosis was later changed to silicosis. As a plant maintenance man, he was exposed to high beryllium quantities, and excreted 0.46 mcg. of beryllium per liter of urine in 1962. He died of a brain tumor; no autopsy was performed.[3]

Footnotes at end of article.

TABLE III.—AGE DISTRIBUTION, AND 47 DEATH CERTIFICATE DIAGNOSES OF 51 PATIENTS

Case number and cause of death	Sex	Age	Histologic evidence of beryllium disease	Beryllium assay (mcg. of beryllium per 100 gm. of lung tissue)	
				Biopsy	Autopsy
IN-PLANT CASES					
1. Diffuse subarachnoid hemorrhage	Male	31	Yes[1]	Not done	7.1 mcg.
2. Pneumonitis due to beryllium fluoride—cardiac failure	do	33	Yes[1]	do	
3. Acute intestinal obstruction, abd. fibrous adhesions, residual salpingitis	Female	38	Yes[1]	do	0–0.84 mcg.[2]
4. Arsenic poisoning	Male	44	Not done	do	None.
5. Sudden right ventricular failure diffuse pulmonary fibrosis, beryllosis	Female	46	Yes[1]	Negative	Yes.
6. Bilateral bronchopneumonia—cor pulmonale	Male	50	Not done	Not done	None.
7. Cardiorespiratory failure—secondary cor pulmonale—diffuse pulmonary fibrosis	Female	55	Yes[1]	do	205–282 mcg.
8. Pulmonary insufficiency, cor pulmonale—pulmonary fibrosis	do	55	Yes[1]	None	None.
9. Cardiac decompensation—beryllium pneumonitis	Male	62	Not done	Not done	Do.
10. Brain tumor—unknown type—thalmus	do	63	do	do	Do.
11. Pulmonary fibrosis—congestive heart failure	do	64	do	do	Do.
12. Hypertensive cardiovascular disease, generalized arteriosclerosis, diabetes mellitus	Female	64	do	do	Do.
CONTACT CASES					
13. Acute interstitial pneumonitis	do	17	do	do	Do.
14. Cor pulmonale, granulomatosis	do	29	Yes[1]	do	Do.
15. Myocardial decompensation, chronic granulomatous pneumonitis	do	34	Yes[1]		0.47 mcg.
16. Anoxia due to pneumococci pneumonia, pulmonary fibrosis, beryllosis, alveolo-capillary block	Male	35	Yes[1]	None	0.25–0.39 mcg.[2]
17. Congestive heart failure, cor pulmonale, pulmonary fibrosis, beryllosis	Female	40	Yes[1]	Not done	None.
18. Cor pulmonale, pulmonary fibrosis, emphysema	do	41	Yes[1]	do	0.69–1.58 mcg.[2]
19. Pulmonary fibrosis, myocardial degeneration	do	48	Yes[1]	do	0.47 mcg.
20. Pulmonary insufficiency, beryllosis	do	48	Yes[1]	do	0.87–2.71 mcg.[2]
21. Meningitis	do	50	Yes[1]	do	0.20 mcg.
22. Bile peritonitis, ruptured gallbladder, pulmonary fibrosis	do	50	Yes[1]	do	
23. Beryllosis, right ventricular failure, pulmonary fibrosis	do	50	Yes[1]	do	
24. Myocardial failure, cor pulmonale, emphysema	do	50	Yes[1]	Yes. No be.	
25. Diffuse pulmonary fibrosis, pulmonary beryllosis	do	51	Yes[1]	Not done	Yes, 0.19 mcg.
26. Cor pulmonale, chronic lung fibrosis	do	56	Yes[1]		0–1.85 mcg.[2]
27. Cor pulmonale, chronic pulmonary granulomatosis	do	58	Yes[1]	Not done	0.020 mcg.
28. Cor pulmonale, chronic lung disease	do	59	Yes[1]		0–8.29 mcg.[2] highest in lymph node.
CONTACT CASES					
29. Cerebral embolism, cardiac decompensation	do	59	Not done		
30. Pneumoconiosis—etiology unknown, cerebral hemorrhage	do	59	do	Not done	Not done.
COMMUNITY CASES					
31. Pneumoconiosis, beryllosis, cor pulmonale	do	10	Yes[1]	do	0.104 mcg.
32. Lupus erythematosus	do	30	Yes[1]	do	0,69 mcg.
33. Pulmonary fibrosis—adenomatosis	Male	39	Not done	do	None.
34. Unknown	Female	39	No	do	Do.
35. Pneumonitis, chronic granuloma	do	41	Yes[1]	do	0.003 mcg.
36. Acute bronchopneumonia—circulatory failure	do	42	Not done	do	No.
37. Periphery circulatory failure, peritanitis, heart failure	do	46	Yes[1]	do	None.
38. Unknown	do	47	No	do	Do.
39. Chronic fibrous pneumonitis	do	50	Yes[1]	Negative	0.19–0.36 mcg.[2]
40. Nonspecific pulmonary granulomatosis	Male	50	Not done	Not done	1.01 mcg.
41. Chronic interstitial pneumonitis	do	51	Yes[1]	Yes[3]	None.
42. Acute coronary occlusion, ASDH, pulmonary fibrosis, emphysema	do	51	Not done	None	Do.
43. Bilateral chronic pneumonitis	Female	59	Yes[1]	Not done	0.059 mcg.
44. Unknown	do	60	Not done	None	
45. Rheumatic heart, recent endocarditis	do	60	do	Not done	None.
46. Rheumatic heart disease	do	61	Yes[1]		0.054 mcg.
47. Beryllosis, congestive heart	do	65	Not done	Not done	None.
48. Beryllosis chronic	do	67	do	do	Do.
49. Acute myocarditis, Ca of prostate	Male	68	do	do	Do.
50. Sarcoidosis[4]	Female	75	Yes[1]	do	Do.
51. Unknown	do	80	None	do	Do.

[1] The histologic findings are compatible with beryllium disease.
[2] This is the range of several lung samples which were analyzed.
[3] Qualitative determination.
[4] No longer considered a case of beryllosis.

BERYLLIUM EXPOSURE

Beryllosis is a disease characterized by a low incidence rate among those exposed. Why it attacks some people and not others remains unknown. In spite of extensive inquiries over a period of eleven years, only 36 in-plant cases out of the entire work force at this location have come to the attention of the authors. In at least five of these, the diagnosis has since been changed or questioned, leaving 31 cases in an estimated total of 4,000 persons who have worked for various periods of time in the refinery.

Many of these workers have been exposed frequently to concentrations above generally accepted limits. Two mcg/m^3 for an eight-hour working day is the Threshold Limit Value, and 25 mcg/m^3 for five minutes is the Short-Term Limit Value specified in Regulation 432 of the Pennsylvania Department of Health. These figures were exceeded several hundredfold in the early days, prior to the installation of controls.

In spite of the fact that tremendous progress has been made in the reduction of beryllium air concentrations by engineering controls, the Threshold Limit and Short-Term Limit Values were still frequently found to be exceeded at several in-plant locations during a 1967 industrial hygiene survey. Recommendations for the reduction of these levels have been made, and work to accomplish this was in progress at the time of the writing of this paper.

The Department of Health initiated extensive general atmospheric sampling programs in the area of the plant in 1958.[5] A random sampling program of nine stations, located between 0.2 and 4.8 miles from the plant, was operated from January to July 1962. Of all the 24 hour samples obtained, 28% exceeded 0.01 mcg/m, with the majority of these being obtained in close proximity to the plant. There is a possibility that some of the unexpected high readings may have been caused by beryllium-containing dust from process tailings and ore inventories deposited at the plant site.

INFECTIONS AND ALLERGIC REACTIONS

Much needs to be learned about the factors which produce the chronic granulomatous pulmonary reaction which characterizes chronic beryllosis. Two factors which have been scrutinized in this series are *infections* of various types, occurring prior to the development of chronic granulomatosis, and *allergic history* (including drug reactions of the idiosyncratic type). Of the 34 patients whose histories were elicited by one of the authors, 20 had histories of definte infections prior to the onset of chronic disease; 18 of these infections consisted of influenza-like diseases, or diseases of viral etiology. Of interest is the occurrence of herpes simplex in three, and herpes zoster in one patient. Mumps arthritis, mumps encephalitis, and adult mumps without complication were other examples.

Of the 34 patients, eleven had allergic histories, mainly urticarial, but including three individuals with allergic rhinitis and one with anaphylactoid reaction to penicillin. In such correlations the role of casualty is difficult to assess. To elaborate, the question may be raised whether allergies predispose to chronic granulomatous lung disease, or whether the exposure of these people to beryllium increased the incidence of allergic reactions in this group. All these questions require more than correlative studies to establish the nature of these relationships, if such exist.

TUMORS

Since there has been much discussion regarding the incidence of tumors in experimental animals exposed to Beryl ore and beryllium,[6] special attention has been given to the incidence of tumors in our group of

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86 patients diagnosed as having chronic beryllosis, and nine patients who are no longer regarded as having beryllosis. The tumors reported were as follows:

Brain tumor, type unkown.
Adenocarcinoma of the breast.
Carcinoma of the rectum.
Carcinoma of the prostate.
Neurofibroma of the lung.
Carcinoid of bronchus.
Adenocarcinoma of the lung.

The individual with carcinoid of the bronchus is particularly interesting because he was an oven-worker, installing insulation and fire bricks at the beryllium refinery. Lung assay revealed 15 to 35 mcg. of beryllium in his lung, as well as asbestos fibers and bodies. The question of whether the man had beryllosis and/or asbestosis of the underlying cause of his tumor is open for discussion.

COMMUNITY CASES

The term "community cases" is substituted in this paper for the term "neighborhood cases" used in earlier papers, and includes individuals with no beryllium exposure that could be attributed to working in the beryllium industry, or whose family had no member who was a relative of a beryllium-exposed employee. In the earlier papers it was implied that these cases might be due to pollutions of the ambient air.[1,2,3,5]

No satisfactory explanation has been offered, either previously or in this paper, why, when pollution was heaviest in the immediate neighborhood of the plant, there should be more individuals with beryllosis living as far as five miles away. In view of the possibility of measurable air pollution from firing beryllium solid fuel rockets in the upper atmosphere, and our air pollution implications, these cases were reviewed again. It was found that several individuals previously reported as "neighborhood cases" had additional exposure which could have either caused or contributed to the beryllium etiology of the disease.—Some of this information was supplied by the personnel of the beryllium refinery.

Several individuals who live several miles away had visited a graveyard and had tended graves across the street from the beryllium refinery. Two had worked in establishments within one-half mile of the plant. Three more have since been found to have been relatives of the beryllium refinery's employees.

The new cases reported in the present paper include a milkman whose route was in the neighborhood of the plant, a lady who worked within one-half mile of the refinery, and a cleaning woman who also had worked in the neighborhood of the plant. None of them lived closer than three miles from the plant, and their residence distance varied from three to 7½ miles from the industry.

With our present knowledge it is impossible to state definitely what may have triggered the disease in each individual. Was it the small, frequent, air pollution dosage which, according to our measurements, was on many occasions in the past[5] above the suggested limits; or was it the more massive single or repeated dosage from contact with beryllium workers whom they may have met during their travels to and from work, or their visits to the community surrounding the plant? With our present mobility, those who live away from the plant may have entered areas in which the pollution might have been temporarily high, or they may have sat in a public conveyance next to a dusty employee of the refinery before the wearing of beryllium-contaminated clothing was made impossible or unlikely. There are many possibilities and alternatives, and no satisfactory explanation applicable to all cases can be offered at this time.

SUMMARY AND CONCLUSIONS

Observation of a community with a beryllium refinery provided opportunity to study (for a ten-year period) heavy occupational exposures, family contacts, and persons without known exposure other than contaminated air.

The authors followed and intensively studied 95 individuals with chronic lung disease believed, at one time or another, to be chronic beryllosis. At least five of this group who had had x-rays read originally as chronic pulmonary granulomatosis, possibly beryllosis, presented a normal chest x-ray several years after the original diagnosis. In several others, the x-ray readings progressed from chronic granulomatosis to fibrosis and emphysema. Two were later diagnosed as tuberculosis, and two developed sarcoid eye changes. An individual with carcinoid tumor of the lung, who had worked as an insulator on beryllium furnaces, had a mixed exposure to asbestos and beryllium; this lung analysis showed beryllium and asbestos bodies.

These cases again point out the diagnostic difficulties with this disease—and the potential pitfalls in making a definitive diagnosis without a prolonged period of observations. It is also the belief of the authors that other changes in diagnosis may occur if the observation period is further continued.

Acknowledgment: Miss Erla Haas and Mrs. Larraine Jones assisted in the preparation of the manuscript. Virginia Vought, B.S., performed spectrographic analysis of postmortem, biopsy, and urine samples for beryllium; and physicians from the community surrounding the plant cooperated and made this paper possible.—(*Dr. Lieben*) *FMC Corp., Am. Viscose Div.*

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BYSSINOSIS IN CARDING AND SPINNING WORKERS

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(NOTE.—Figures and tables referred to are not printed in the RECORD.)

Symptoms of byssinosis were found in 25% of 59 carders and in 12% of 99 spinners employed in two air-conditioned cotton textile mills. In carders as well as spinners, forced expiratory volume ($FEV_{1.0}$) and flow rates on maximum expiratory flow-volume (MEFV) curves decreased during work on Monday, and to a lesser extent on Wednesday. The prevalence of byssinosis in these mills is higher than would be expected according to previous data, on the basis of the relatively low dust concentrations in the carding and spinning areas. If these prevalence rates are valid for the US cotton textile industry in general, about 8,000 carders and 9,000 spinners have byssinosis (all grades). This estimate excludes retired workers.

In 1961, McKerrow and Schilling[1] reported that cardroom workers in US cotton mills had a high prevalence of respiratory symptoms and experienced a decrease of forced expiratory volume (FEV) during work on Monday. More recently, Bouhuys et al[2] described cases of disabling byssinosis in cotton mill workers in this country. These previous studies did not provide sufficient information on the prevalence of the disease in the US cotton textile industry. Such data are available from another study,[3] but these were obtained in a mill with unusually rapid labor turnover. The field surveys described in the present paper were therefore undertaken to obtain further data on the byssinosis problem in mills which may be more representative of the US cotton textile industry.

METHODS

General.—We studied workers in two mills (A and B) spinning medium quality yarns (counts ranging from 16 to 36 in mill A, and from 21 to 40 in mill B) from cotton grown in various regions of the United States. We studied workers on carding machines, as well as persons doing other jobs in the vicinity of these machines ("carders"). In both mills (A and B) the spinning machines were located in the same room, at some distance from the cards. All workers on these machines or in their vicinity are included in the group "spinners."

Both mills were air-conditioned. Some machines, but not the cards, were equipped with dust exhaust ventilation systems, including conventional dust filters. The mills were on a three-shift schedule, five days per week.

Subjects.—We interviewed all workers in both mills who were available at the time of study, ie, 120 men and 38 women. Three workers refused cooperation and were excluded.

The management of the mills provided lists of names of those on the payroll in the mill areas included in the study. Residential and occupational history data were also obtained from the mill management, and were checked with each employee during the interview. The symptoms of byssinosis, ie, cough or chest tightness or both during work on Mondays and other weekdays, as well as chronic respiratory symptoms, were recorded with the standard questionnaire used in previous studies.[2,3] The severity of the symptoms of byssinosis was graded according to Schilling et al.[4]

LUNG FUNCTION TESTS

The forced expiratory volume ($FEV_{1.0}$) and the forced expiratory vital capacity (FVC) were recorded with portable spirometers, as in previous studies.[2,3] Maximum expiratory flow-volume (MEFV) curves were obtained with the portable flow-volume spirometer described by Peters et al.[5] This machine plots maximum expiratory flow rates, during a forced expiration after a maximal inspiration, vs lung volume. One set of $FEV_{1.0}$ and FVC measurements was obtained in all subjects at the time of the interview. A few days later, measurements were repeated in 67 men and nine women on a Monday and the following Wednesday, both before and after work. Maximum expiratory flow-volume (MEFV) curves were also recorded at these times. Thus, all subjects were familiar with the forced vital capacity maneuver at the time that these tests were done. The lung function studies were performed in all carders who had previously been interviewed and who were available for the study on Monday and Wednesday. The 30 spinners who took part in the function studies were selected to include persons with an without a history of byssinosis.

On each occasion (Monday and Wednesday before and after work), we asked each subject whether he or she felt chest tightness or dyspnea at that time. The circumstances under which the function tests before and after work were made were somewhat different in the two mills. In mill A, these were done during a week which followed a factory holiday of one week, while the workers in mill B had been at work during the week prior to this part of our study.

DUST CONCENTRATIONS

We used a Unico Model 600 high-volume air sampler to collect dust in different areas of both mills (sampling rate, 240 liters/min). The sampling period was usually about three hours. The larger dust particles were collected in a small cyclone; the "respirable" dust fraction was collected on high efficiency, low resistance filter paper (Whatman No. 41).

RESULTS: SYMPTOMS OF BYSSINOSIS

Among the total population of 158 carders and spinners in both mills, 17% had symptoms of byssinosis (Table 1). The prevalence was higher among the carders in both mills (25%) than among the spinners (12%), although this difference was not significant in mill B. Age and duration of employment differed only slightly between the various groups; these did not appear to affect byssinosis prevalence. A subdivision of the data according to byssinosis grade is shown in Table 2. These data indicate that 19% (11/59) of the carders and 11% (18/158) of the total population complained of chest tightness on Mondays each week (grade 1+). Four men complained of chest tightness on Mondays and other working days (grade 2), while three men had continuous dyspnea and chest tightness (grade 3). These three men were carders in mill A (age, 35 to 51 years; duration of employment, 8 to 17 years). Among the population seen, ten workers had been employed for less than one year. Three of these (30%, two spinners and one carder) had a history of byssinosis, as compared with 17% in the total population.

The data of tables 1 and 2 include 38 women, all of whom were spinners in mill A. Only three of them (8%) had symptoms of byssinosis (grade ½), but since the prevalence of symptoms among the men in the same area was also low and not significantly different, we pooled the data for the men and the women in that area. The prevalence of byssinosis symptoms was higher among men who smoked more than seven cigarettes per day (22%) than among nonsmokers (11%), but the difference was not statistically significant. In a previous study [3] which included more and heavier smokers, this difference was significant.

CHRONIC RESPIRATORY SYMPTOMS AND ILLNESS

The number of subjects in this survey is too small for a complete and meaningful analysis of chronic respiratory symptoms in relation to age, duration of employment, and smoking habits. The prevalence of most symptoms was higher among the carders than among the spinners in mill A (Table 3). Those with a history of byssinosis also had higher prevalences of chronic symptoms than those without such a history.

The prevalence of chronic symptoms in the carders in mill A and among the workers with byssinosis appears to be higher than might be expected in a rural population. For example, Anderson et al [6] found a prevalence of 18% chronic cough, 23% chronic phlegm, and 28% dyspnea grade 2 among men aged 25 to 54 years in Chilliwack, British Columbia. If the age distribution within this range is continuous in their data, the average age for their group would be about 40 years, i.e., similar to that in most of our subgroups.

VENTILATORY FUNCTION

In each of four subgroups (carders and spinners in mills A and B), $FEV_{1.0}$ decreased significantly during the work shift on Monday. The decrease on Wednesday was less, and not significant in some groups (Fig. 1). In three of the four groups, the decrease on Monday was significantly larger than that on Wednesday. The decrease of $FEV_{1.0}$ was particularly pronounced in the carders in mill A, and among these, eight men with a history of byssinosis had an average $FEV_{1.0}$ decrease of 0.82 liters. These men had not worked during the week prior to the study. In mill B, the decrease of $FEV_{1.0}$ was less and not significantly different between carders and spinners.

Subdivision of the material with respect to presence or absence of a history of byssinosis shows that in both mills, among carders as well as spinners, the workers without a history of byssinosis had a significant decrease of $FEV_{1.0}$, although the degree of change was less than among the workers with a positive history (Fig. 2). In the total group, the difference between workers with and without a history of byssinosis was significant ($P < 0.05$). Smoking habits did not significantly affect the decrease of $FEV_{1.0}$ on Monday.

The decrease of $FEV_{1.0}$ among the women in mill A was similar to that of the men in the same working area; these data, therefore, have been pooled in Fig. 1 and 2. In six men (in both mills) who had worked for less than one year, the reduction of $FEV_{1.0}$ on Monday ranged from 0.09 to 0.43 liter.

In a study of hemp workers, Bouhuys et al [7] found that some workers consistently did not experience any decrease of $FEV_{1.0}$ on Monday, while others in the same work areas had large $FEV_{1.0}$ reductions during the same days. They regarded such men as "nonreactors." In the present study, ten out of 46 carders (22%) did not show any reduction of $FEV_{1.0}$ on Monday. The same study in hemp workers [7] suggested that the interview underestimates the true prevalence of chest tightness. This was also apparent in the present study. Three men, who had no byssinosis according to the interview, stated on Monday (three) or also on Wednesday (two) after work that they felt tightness in the chest at the time. In three other workers, the grade of byssinosis was underestimated during the interview when compared to the subject's later statements after the end of the work shift on Monday and Wednesday.

$FEV_{1.0}$ values (on Monday morning before dust exposure) less than 80% of the value expected for their age, sex, and height (Table 4). Expected values for $FEV_{1.0}$ were obtained from the Veterans Administration cooperative study.[8] For comparison, Table 4 includes similar data obtained in hemp workers and control subjects in Spain.[9] These groups were, on the average, older than the present population. Therefore, the fact that 34% of all carders and spinners have low $FEV_{1.0}$ values, compared with only 12% among the control group, is probably significant. On the other hand, the prevalence of very low $FEV_{1.0}$ values (< 50% of expected) was much lower among the cotton workers than among the hemp workers. The latter group, however, included a large number of retired workers.

MEFV CURVES

Typical examples of maximum expiratory flow-volume curves before and after work on Monday are shown in Fig. 3. The changes in these curves after dust exposure are similar to those found in other cotton workers [3] and in hemp workers.[10] The quantitative changes, expressed by the measurements of peak expiratory flow rate (PEFR) and of maximum expiratory flow rate (Vmax) at a lung volume which equals TLC −50% control VC (where TLC is total lung capacity),[10] are also similar to those found in these earlier studies. That is, the value of Vmax in the middle of the control VC decreased more (−16%) than the value of PEFR (−6%) and the value of $FEV_{1.0}$ (−8%).

Forced vital capacity decreased only 3% on the average during the Monday. The measurement of FVC is greatly influenced by the subject's willingness and ability to exert himself to expel small amounts of air at a lung volume close to his residual volume.[11] This source of variability is difficult to analyze, and we, therefore, do not present the FVC data in further detail.

DUST CONCENTRATIONS

Total dust concentrations in all work areas were higher than the provisional maximum allowable concentration of 1 mg/cum proposed by Roach and Schilling [12] (Table 5). The small number of samples does not allow conclusions with regard to possible differences in dust levels among these various areas other than that they appear to be roughly similar. They are also similar to the dust levels found in the card room and the winding area of the mill described previously. [3]

COMMENT

Twenty-five percent of the carders and 12% of the spinners in the two mills surveyed had symptoms of byssinosis. This prevalence is, for the carders, similar to that found in another US mill. [3] Our data are also similar to those of another study (P. E. Schrag, unpublished data) which involved 509 workers. In this group, 29% of the carders and 10% of the spinners and weavers had byssinosis. According to Roach and Schilling, [12] the prevalence of byssinosis in English card rooms with total dust concentrations between 1.75 and 2.5 mg/cum is about 12%. We found lower dust concentrations in the carding areas, but a higher prevalence of byssinosis. A similar difference with the findings of Roach and Schilling was noted in a previous study in Sweden. [13] Both the present and the Swedish study show higher byssinosis prevalences than would be expected from the relationship between total dust levels and byssinosis prevalence described by Roach and Schilling. [12] Such inconsistent relationships between amounts of dust in work rooms and byssinosis prevalence are not unexpected. A minimum amount of dust is required to elicit symptoms and pulmonary function changes, but once this level has been reached, the composition of the dust may be more important than its amount in the air. In the ten years since Roach and Schilling [12] performed their study, mill managers have had to cope with increasing amounts of trash in baled cotton, owing to the now general use of cotton picking machines. One component of this trash, ie, bracts, contains an agent (or agents) which causes bronchoconstriction in man [14] and histamine release in human lung tissue. [15] Another recent development in the cotton textile industry is the use of high-speed carding machines. These produce more dust and remove more trash from the raw cotton than the older machines which ran at lower speeds. These developments have occurred at the same time that many mills have installed air-conditioning or dust removal equipment or both, which by themselves would lower total dust levels. Thus, several technological changes have occurred in the industry which may account for relatively high prevalences of byssinosis in the face of relatively low total dust levels. It is important to emphasize that our results were obtained in mills with modern textile equipment, with good general hygienic conditions, and with relatively little visible airborne dust.

Although mills A and B were not equipped with dust extraction systems on the carding machines, the prevalence of byssinosis among the carders was similar to that among the carders in another US mill,[3] where such a system was in use. This may be because mills A and B process higher quality cotton yarns than the other US mill. This fact may also explain why the spinners in mills A and B were less affected than the spinners in the other mill, even though the spinning and carding machines are located in the same room in mills A and B. Since this type of mill layout appears to be common in the United States, many spinners may be at risk of byssinosis.

Footnotes at end of article.

The results of the questionnaire interviews were confirmed by the lung function tests, which showed decreases of $FEV_{1.0}$ and of effort-independent maximum flow rates on MEFV curves during dust exposure on Monday in carders as well as spinners. The $FEV_{1.0}$ reductions were similar in magnitude to those found in previous studies.[8, 13] The large $FEV_{1.0}$ decrease among the carders in mill A (Fig. 1) can be explained by the unusually long absence from work (because of a holiday) which preceded our measurements in the workers of mill A.

It is sometimes believed that byssinosis will disappear because man-made fibers are displacing cotton in some of its applications. Available data suggest, however, that such a development will occur, if at all, in a distant future. The world production of cotton fiber is still many times larger than that of all other fibers combined. Production of pure and mixed cotton yarn in the United States increased by 18% between 1954 and 1966.[16] In 1964, pure cotton yarns accounted for 95% of the total production of pure and mixed cotton yarns.[16] In September 1965, about 32,000 workers in the United States were employed as card room workers and about 75,000 as spinning room workers,[17] according to the simplified job classification used in this paper. If the byssinosis prevalence rates found in this study are valid for the US cotton textile industry in general, about 8,000 carders and 9,000 spinners have byssinosis in any one of its grades. This estimate is for active workers only; it probably includes relatively few cotton workers disabled by byssinosis. Such workers often retire prematurely,[2] and a study of the population in a cotton textile manufacturing area will be required to assess the prevalence of chronic respiratory disease among older cotton workers. Such a study was recently performed in older hemp workers in Spain.[9] A large number of these men were disabled by ventilatory insufficiency after a lifetime of work in hemp dust, during which they regularly experienced the symptoms of byssinosis. The same study[9] showed that the men still active in the industry, in the same town, were a selected group of relatively healthy men. In view of the selection bias inherent to the use of a working population, the relatively large percentage of men in the present study with chronic respiratory symptoms may assume added significance. Data from the Social Security Administration, Public Health Service, show that proportional morbidity ratios in male and female textile workers under age 65 (skilled and unskilled, all products) for emphysema, chronic bronchitis, and other respiratory conditions (exclusive of pulmonary tuberculosis and respiratory cancers) vary from 1.40 to 2.22,[18] and according to an oral communication from H. E. Ayer in January 1969. That is, over the period of this report, 1959 to 1962, the number of these workers who were awarded disability payments for these conditions was 40% to 122% higher than the average for these diseases among males and females of all occupations. According to the same source,[8] 26 textile workers were awarded disability payments because of pneumoconiosis of occupational origin over the same period. These data support our suspicion that disabled respiratory disease may be common among retired cotton textile workers; the occupational origin of this disease is apparently recognized only in incidental cases. Adequate population studies should be done in the near future to assess the full extent of this problem.

It has been suggested that disabling byssinosis might not be a significant problem in the United States because of rapid labor turnover and high levels of migration. The sociological characteristics of the industry and of its workers[19, 20] do not support this idea, and the data on the present working population suggest that we deal with a stable population. Sixty-three out of 65 workers who are 40 years of age or older had spent all their working life (except for military service) in the same geographical area, ie, within few miles distance of mills A and B. Fifty-six of these 65 workers (86%) had worked for more than 20 years in cotton mills in that same area.

We believe that sufficient information is now at hand to show the need for prevention of byssinosis in the US cotton textile industry. It is not necessary to wait for further research in order to begin such a prevention program, even though some questions remain to be answered. The elements of a byssinosis prevention program are well-known and have been discussed in previous papers.[2, 4, 13] It should include adequate dust removal methods, with periodic checks of airborne dust concentrations, premployment medical examinations, and periodic medical surveillance of the workers, including the use of a suitable lung function test such as the $FEV_{1.0}$. Since technical conditions in the mills are subject to changes, and since such changes may affect both total dust levels and the composition of the airborne dust, regular surveillance is necessary. Fortunately, it is relatively simple to determine whether or not a group of workers inhales sufficient amounts of pharmacologically active dust by determining their $FEV_{1.0}$ before and after work on Monday. Thus, it is not necessary or desirable to rely only on determinations of airborne dust concentrations in order to assess the byssinosis risk in any given set of conditions. It is unfortunate that these well-understood methods and principles remain to be implemented in most cotton processing countries.

This investigation was supported in part by Public Health Service grant UI-00435 from the National Center for Urban and Industrial Health, and Public Health Service fellowship grant AP-42-01 (Mr. Harpel).

We are grateful to the management and the workers of both mills for their wholehearted cooperation in this study.

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PREVALENCE OF CHRONIC RESPIRATORY DISEASE—ASBESTOSIS IN SHIP REPAIR WORKERS

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(Study of pipe coverers, pipe fitters, and welders at a ship repair yard indicated that pipe coverers had more changes in their lungs, as evidenced by examination of x-ray films, and slightly lower pulmonary function than the other two groups. All groups showed slightly lowered pulmonary function as compared with workers who did new-ship construction and were not exposed to asbestos. Aerometric measurement showed levels of asbestos that were, in general, lower than current threshold limit values. These findings reemphasize the need for control of asbestos in the work areas, as well as careful medical surveillance of workers exposed to asbestos.)

In an earlier report on respiratory disease in new-ship construction, we noted a 10.7% prevalence of asbestosis in pipe coverers.[1] We also noted that workers exposed to 75 million particles per cubic foot-year or more were considered to have asbestosis by our criteria. New-ship construction is regarded as less hazardous than repair work because it is less dusty. Specific data on disease prevalence in shipyard repair work is scant, and criteria used to assess disease prevalence vary. Accordingly, the purpose of the present study was to assess the risk of ship repair work and to examine the dose-response relationship of asbestos exposure to asbestosis in a different working population.

METHODS

The 63 pipe coverers listed in the personnel files of the shipyard were selected for study. Each was matched with a welder and a pipe fitter of approximately the same age and years of work at the shipyard. This matching was done by us from records supplied by the personnel department. These factors agreed to * * * within two years. The men were con-

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tacted through their foremen and asked to participate in the survey. In instances where the "control" person had terminated, another matched control was selected. Persons out ill or retired were not replaced.

All participants were asked a set of standard questions concerning respiratory symptoms and smoking habits, similar to the British Medical Research Council questionnaire. Occupational histories were obtained. Pulmonary function was measured by a variety of tests. Forced vital capacity (FVC) and forced expiratory volume in one second ($\text{FEV}_{1.0}$) were measured on a Stead-Wells spirometer at fast paper speed (3.2 cm/sec) with the subject seated without a noseclip. Five trials were made, and the average of the last three was used. Volumes were corrected to body temperature, pressure, and saturation (BTPS).

Peak expiratory flow rates (PEFR) were measured on a Wright peak flowmeter that had been calibrated under conditions of use with an orifice meter. Readings were corrected if necessary. Five trials were made, and the average of the last three was used. These values are reported at ambient temperature and pressure, saturated.

Maximum expiratory flow-volume relationships were obtained on a special spirometer with the subject standing.[2] These values were corrected to BTPS.

Total respiratory resistance was measured at 3 Hz using a fixed oscillatory driving pressure. Total respiratory resistance was measured at the functional residual capacity (FRC) during quiet breathing with the subject sitting. Five or more satisfactory breaths were obtained. The subject then either inhaled completely to total lung capacity or exhaled fully to residual volume and then relaxed to his FRC when the resistance measurements were repeated. An average of five breaths was used. Resistance was measured during inspiration and at flow rates of 0.25 and 0.5 liters/sec.

Posteroanterior and lateral chest x-ray films were obtained on most of the subjects. These were read by three observers (B.F., R.M., and H.P.) separately and without knowledge of the occupational history of the subjects. The x-ray films were classified by the amount and degree of fibrosis and presence of pleural reaction or calcification according to the classification of the International Labor Office (ILO).[3] Disagreements in readings were resolved by the observers reading the films together and coming to a decision as to the reading. The difficulty of applying standard nomenclature of pneumoconiosis to asbestosis was recognized, and the recommendations of ILO classification were followed.

Pulmonary diffusing capacity was measured by the single-breath technique using carbon monoxide and helium in high oxygen and in room air. The method and the instrument of Cotes and Saunders were used.[4] Only one measurement was obtained at the two levels of oxygen. The high-oxygen measurement was always done first. From these data the volume of blood in the pulmonary capillaries (Vc) and membrane component (Dm) were calculated, as well as the diffusing capacity. Those measurements that did not meet previously established criteria were not used to calculate Vc or Dm. The criteria that caused elimination were the following: (1) poor cooperation, breath-holding defective, poor expiration; (2) alveolar volumes on room air and high oxygen differing by more than 400 cc; (3) times of breath-holding differing by more than three seconds; and (4) operator error.

The chest of each man was ausculated by the same observer (R.M.) at ten sites, four anterior, four posterior, and two lateral. Rales heard in these areas were recorded. The examiner did not know the occupational category of the subjects. If fine rales were heard in two or more sites, the examination was considered to be positive. For assessment of disease prevalence, the diagnosis of "asbestosis" was based largely on the roentgenologic appearance; symptoms, medical and exposure histories, physical findings, and pulmonary function studies were utilized primarily to confirm or exclude the diagnosis. The work areas of the men were monitored by taking air samples in the breathing zone of the worker. Results of earlier samples obtained by the in-plant industrial hygienists were also made available to us. The methods of sampling involved collection by impaction and counting by darkfield illumination, membrane filters using the Public Health Service technique for asbestos,[5] and special air-sampling techniques for the fumes and gases to which the welders were exposed. Data from regular surveys in the yard and an earlier study[6] were made available to us.

RESULTS AND COMMENT

The composition of the population samples and their response rates are presented in Table 1. The physical characteristics of the three groups are shown in Table 2.

Table 3 summarizes the results from the questions on breathlessness, which were the only ones in which there was any trend. The tables have been age-standardized and are categorized according to current cigarette-smoking habits. Shortness of breath was more prevalent in the pipe coverers than in the other categories.

The FVC, $\text{FEV}_{1.0}$, and PEFR did not show significant differences between the three occupational categories (Table 4). The observed values tended to be larger than the values predicted from equations developed from a general population[7] but are lower than those of unexposed shipyard workers in an earlier study.[1] When these data are plotted against years worked, the pipe coverers show a more steeply downward trend with time than the other occupational groups.

TABLE 1.—REPAIR SHIPYARD POPULATION SURVEYED, 1968

Group	Total sample	Seen	Retired	Out ill	Terminated, replaced	Refused
Pipe coverers	63	61	1	1	0	0
Pipe fitters	72	63	0	1	6	2
Welders	68	61	1	2	2	2

TABLE 2.—PHYSICAL CHARACTERISTICS OF POPULATIONS[1]

Group	Age (year)	Height (cm.)	Weight (kg.)
Pipe coverers	49.6 ±12.0	171.80±7.77	81.60±13.95
Pipe fitters	50.1 ±10.9	172.80±6.84	85.40±14.98
Welders	49.5 ±10.5	170.70±6.13	76.60±13.32
Unexposed pipe fitters[2]	45.16±9.20	173.80±6.60	79.30±12.70

[1] Table values are means±SD.
[2] Data from Murphy.[1]

TABLE 3.—RATIOS OF OBSERVED TO EXPECTED CASES OF BREATHLESSNESS (GRADE 2+) BY CURRENT CIGARETTE SMOKING HABITS IN REPAIR SHIPYARD, 1968[1]

Occupation	Never and ex-smokers			1–24 cigarettes per day			25 or more cigarettes per day		
	Total number	Observed/expected	Ratio	Total number	Observed/expected	Ratio	Total number	Observed/expected	Ratio
Pipe coverers	28	4.00/1.31	3.05	21	1.00/0.59	1.69	11	3.00/0.48	6.25
Pipe fitters	30	0/...	0	11	0/...	0	21	3.00/1.57	1.91
Welders	25	2.00/1.58	1.27	17	0/...	0	19	1.00/0.59	1.69

[1] Ages standardized (25–74). Thus, 2 persons under 25 years are not shown in data.

TABLE 4.—SIMPLE TESTS OF PULMONARY FUNCTION IN REPAIR SHIPYARD, 1968[1]

Group	Number	FVC (liters)	FEV (liters)	PEFR(liters/min)
Pipe coverers	61	3.75±0.94	2.94±0.86	502.0±113.0
Pipe fitters	63	3.79±0.70	2.90±0.64	484.0± 99.4
Welders	61	3.95±0.78	3.02±0.71	494.0±104.7
Unexposed pipe fitters[2]	94	4.34±0.87	3.55±0.74	526.0± 84.6

[1] Table values are means ±SF.
[2] Data from Murphy.[1]

Footnotes at end of article.

TABLE 5.—READINGS OF CHEST X-RAY FILMS BY AGE AND OCCUPATION IN REPAIR SHIPYARD, 1968

Group	Negative[1]	Questionable[2]	Marked change[3]
Pipe coverers:			
<45 years	17	2	3
>45 years	22	10	7
Pipe fitters:			
<45 years	16	1	0
>45 years	42	4	0
Welders:			
<45 years	19	1	0
>45 years	36	5	0

[1] Profusion, 0/0.
[2] Profusion, 1/0–2/1.
[3] Those classified as p or q with a profusion of 2/2 or more

TABLE 6.—CARBON MONOXIDE DIFFUSING CAPACITY WITH SINGLE-BREATH METHOD BY OCCUPATION AND CIGARETTE SMOKING IN REPAIR SHIPYARD, 1968

	Number	CO diffusing capacity (ml/min/mm Hg)		Dm (ml/min/mm Hg)	Vc (ml)
		Room air	High oxygen		
Pipe coverers:					
Current nonsmokers	10	22.2	13.8	27.4	114.5
Current smokers	17	21.5	12.3	31.9	101.8
Pipe fitters:					
Current nonsmokers	12	25.9	14.1	33.0	103.2
Current smokers	11	20.3	12.0	27.3	91.5
Welders:					
Current nonsmokers	12	24.5	13.9	34.3	99.1
Current smokers	21	22.9	11.9	39.7	86.5
Unexposed workers:[1]					
Current nonsmokers	33	25.69	12.22	39.48	69.01
Current smokers	30	22.47	9.08	43.20	45.44

[1] Data from Murphy.

TABLE 7.—ASBESTOS DUST SAMPLING AT REPAIR SHIPYARD DURING PERIOD 1952–66[1]

	Number of samples	Dust concentrations (million particles/cu. ft.)[2]		
		Minimum	Maximum	Mean±SD
Shop samples:				
General shop	19	0.6	9.4	2.8±2.6
Layout area (layout, wrapping, stapling, sewing)	15	.8	13.3	4.8±3.7
Cutting (hand saw, band saw)	26	1.1	100.0	19.0±30.0
Opening and unrolling bulk material	22	.8	33.6	7.2±7.3
Mixing cement	8	27.2	99.0	57.3±23.5
Shipboard samples: Tearing out	41	2.4	132.0	29.2±30.4

[1] Most sampling was conducted prior to 1965. In 1965, fiber glass was substituted for amosite on major portions of work.
[2] Total dust was counted. No attempt was made to define percent of fibers. Concentrations represented instantaneous conditions.

TABLE 8.—SUMMATION OF SAMPLING RESULTS IN REPAIR SHIPYARD, 1969*

Location	Total number of air samples	Concentrations (fibers/ml)			Number of samples with	
		Minimum	Maximum	Mean	>5 fibers/ml	>12 fibers/ml
Shop	19	0.01	3.1	0.3	0	0
Ship	62	0.01	25.0	2.9	11	2

Data from J. Lynch and W. A. Burgess, SM (unpublished data).

Chest Roentgenograms.—The results of the readings of the chest roentgenograms are summarized in Table 5, where the data are also separated by age and occupation. The category, "questionable," refers to the Z or Z/p category of the ILO and a profusion of 2/1 or less; "marked change" refers to p classification or more, with a profusion of 2/2 or more.[3] Questionable readings were more frequent in pipe coverers but occurred in all groups, while marked changes were noted only in pipe coverers. It should be emphasized that the occupation of the man was not known at the time of the initial readings, and only the posteroanterior and lateral films taken at the time of the survey were available to the readers.

The difference between pipe coverers and the other categories was significant at the probability level, $P<0.01$, when those with a marked change are considered. Similarly, the pipe coverers had significantly higher prevalence of questionable readings ($P<0.05$).

Calcifications, either pleural or pleural and diaphragmatic, were significantly more common among pipe coverers. This could not be accounted for by a previous history of pneumonia, bronchopneumonia, or trauma. Diaphragmatic calcification was more common among pipe coverers, but it was present in only five cases. This was not a statistically significant increase in prevalence. Pleural calcification, observed in 11 cases, was significantly higher ($P<0.05$) in pipe coverers.

Shaggy heart occurred more often in the pipe coverers ($P<0.01$) than in the pipe fitters or welders. Among the 13 pipe coverers with shaggy hearts, six occurred in the persons with marked X-ray film changes and seven in those with questionable changes. Two pipe fitters were considered to have shaggy hearts but no welders were.

Diffusing Capacity.—Table 6 presents the results of the measurement of the diffusing capacities of men in whom the criteria for acceptance were met. Of the 186 subjects, only 83 were suitable for calculation of Dm and Vc. There were 27 subjects who offered poor cooperation; and in 74 subjects the alveolar volumes, as calculated from the single-breath helium, were too different. There was one refusal and one operator's error.

The diffusing capacity is lower in the pipe coverers than in the other categories. It is also lower in smokers than in nonsmokers. As was noted in an earlier study by W. F. van Ganse, MD, B. G. Ferris, Jr., MD, and J. E. Cotes, MD (unpublished data), the Vc is decreased in cigarette smokers, whereas the Dm generally shows a slight rise or no change. The Dm does tend to decrease with age, however. A group of unexposed workers from any other study[1] gave values for the diffusing capacity similar to those seen in the pipe fitters and welders but higher than those in the pipe coverers.

Rales in two or more sites were significantly more common in pipe coverers than in either welders or pipe fitters. Six of the ten pipe coverers whose x-ray films were consistent with moderately advanced asbestosis had rales, whereas the rate in pipe fitters and welders together was 12.1%. This occurred even though the observer did not know either work category or roentgenologic classification at the time of auscultation. Rales were less well correlated with "borderline" asbestos, being present in 15.8% of the subjects in this category. Of pipe coverers whose x-ray films were negative, 28.2% had rales, suggesting that rales can precede x-ray film changes as a manifestation of asbestosis, as has been observed by others.[3] The converse can likewise occur.

There was no significant difference between the prevalence of rales in the welders as compared to the pipe fitters. The prevalence of rales (12.1%) in these two groups of subjects, who probably have some exposure to asbestos in the course of their work, was more than 8.2% that was found in a group of shipyard workers with little to no asbestos exposure.[1]

Measurements of the total respiratory resistance by the oscillation method generally were not rewarding. We were not able to demonstrate any differences between occupational group, age, or smoking categories. Similar negative results were found with the volume-flow plots. Some of this may be due to the relatively small numbers.

A total of 131 dust samples were collected from 1952 to 1966 at this yard (Table 7). In addition, 81 extended-time personal lapel samples using membrane filters were collected during a special three-month study period (Table 8). Sampling times for these extended-time samples ranged from one-half to four hours. Two thirds of these samples were collected during shipboard operations, while the remainder were collected in the shop (J. Lynch and W. A. Burgess, SM, unpublished data). Mean shipboard and shop concentrations for the membrane-filter samples are summarized in Table 8. There may be occasions when the time-weighted average concentration may exceed the proposed threshold limit value (TLV) or five fibers per milliliter in shipyard locations (J. Lynch and W. A. Burgess, SM, unpublished data). Because of the intermittent character of work of this yard, and with the recent substitution of fiber glass, it was not possible to develop good estimates of lifetime exposure for comparison with the previous study. As expected, dust levels during tearing out were high. Unfortunately the number of samples taken during tearing out was low.

Definite changes consistent with asbestosis were seen in this yard despite the relatively low levels of exposure. Over the years these levels were probably comparable to or higher than those seen in a yard doing new-ship construction. Since we examined only those men who were still at work, we could have missed diseased individuals who had retired or left the job. It was not possible to do a retrospective study to determine what earlier experiences had been. This was due to the methods of record keeping, in which all records after a three-year period were sent to a central depository and could be identified only by the man's name. Personnel records also were not maintained for long periods.

Because this yard did repair work, all groups may be slightly exposed, since the different types of work tend to be done at the same time and this simultaneous activity may result in less difference between groups. Unexposed workers from another study had better pulmonary function than those working in the repair yard and a lower prevalence of rales, both of which tend to support this possibility. A number of the factors measured indicate that the pipe coverers had more disease than the other two groups. In this particular study, changes in the chest x-ray films seemed to be most useful. Tests of pulmonary function, such as FVC and $FEV_{1.0}$, were not as dramatic as has been reported,[2] although their lack of sensitivity may well reflect the more general exposures of the control groups in a yard doing repair work. It is of interest that, despite the relatively low levels of asbestos in the yard, changes consistent with asbestosis were observed. These may reflect higher exposures in the past. Even so, this study reemphasizes the need for continued control of exposure to asbestos and for careful medical surveillance of workers exposed to asbestos.

(This study was supported by Public Health Service research grants ES-0002, EC-00205, and ES-00044.

(CAPT Roger W. O'Neil, MC, USN, made space and personnel available to us.

(Ernani D. Storlazzi and Barkev Siroonian, MSPH, did routine aerometric surveys.

(The US Navy gave us permission to do this study on their premises and during working hours, with the cooperation of selected men.

(Stefana Puleo, MS, did the computations.)

FOOTNOTES

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S. 1029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Respiratory Disease Benefits Act".

TITLE I—GENERAL PROVISIONS

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds and declares that—

(1) there is a significant number of workers who are totally disabled due to disease of the respiratory tract and related tissues arising out of their employment in a health-hazard industry;

(2) there is a substantial number of survivors of workers whose deaths were due to such disease or who were totally disabled by such disease at the time of their deaths;

(3) few States provide benefits for death or disability due to such disease to workers or their surviving dependents; and

(4) the Congress, by enactment of title IV of the Federal Coal Mine Health and Safety Act of 1969, has provided for the payment of benefits to coal miners who are totally disabled due to pneumoconiosis arising out of employment in the coal mines and to the surviving dependents of such miners whose deaths were due to such disease or who were totally disabled by such disease at the time of their deaths.

(b) It is, therefore, the purpose of this Act to provide assistance, in cooperation with the States to workers who are totally disabled due to a respiratory disease (other than pneumoconiosis contracted as a result of employment in one or more coal mines) arising out of their employment in a health-hazard industry (other than a coal mine) and to the surviving dependents of workers whose death was due to such disease or who were totally disabled by such disease at the time of their deaths.

DEFINITIONS

SEC. 102. For purposes of this title—

(a) The term "worker" means an employee or former employee.

(b) The term "dependent" means—

(1) a child (as defined in subsection (h), but without regard to subparagraph (2)(B)(ii) thereof); or

(2) a wife who is a member of the same household as the worker for her support, or whose husband is a worker who has been ordered by a court to contribute to her support, or who meets the requirements of section 216(h)(1) of the Social Security Act. The determination of an individual's status as the "wife" of a worker shall be made in accordance with section 216(h)(1) of the Social Security Act as if such worker were the "insured individual" referred to therein. The term "wife" also includes a "divorced wife" (as defined in section 216(d)(1) of the Social Security Act) who is receiving at least one-half of her support, as determined in accordance with regulations prescribed by the Secretary, from the worker, or is receiving substantial contributions from the worker (pursuant to a written agreement), or with respect to whom there is in effect a court order for substantial contributions to her support from such worker.

(c) The term "Secretary", when used in title II, means the Secretary of Health, Education, and Welfare, and when used in title III, means the Secretary of Labor.

(d) The term "respiratory disease" means diseases of the respiratory tract and associated tissues, including (1) silicosis, (2) asbestosis, (3) berylliosis, (4) byssinosis, (5) bagassosis, (6) diatomite pneumoconiosis (also known as diatomaceous earth), (7) talcosis, (8) Shaver's disease, (9) siderosis, (10) cancer of the lung and related tissues or (11) any other disease of the respiratory tract and associated tissues which the Secretary shall specify as having been determined by him to arise out of employment in any particular industry. Such term does not include pneumoconiosis arising out of an individual's employment as a miner in one or more coal mines.

(e) The term "health-hazard industry" means, when applied with respect to a worker suffering from—

(1) silicosis, an industry which is a foundry, or which is engaged in (A) stone cutting, (B) the manufacture of clay products, (C) the manufacture of glass or glass products, (D) the mining of lead, copper, silver, or gold, or (E) sand blasting;

(2) Asbestosis, an industry engaged in the manufacture, handling, or processing of asbestos or asbestos products;

(3) berylliosis, an industry engaged in the manufacture or processing beryllium;

(4) byssinosis, an industry engaged in the manufacture or processing of cotton fabric or flax products, or an industry in which workers are exposed to cotton fibers or flax dust;

(5) bagassosis, an industry engaged in the manufacture of insulating materials, paper, fertilizer, explosives, animal feed, or brick;

(6) diatomite pneumoconiosis, an industry engaged in the manufacture of filters, insulators, absorbants, or polishes;

(7) talcosis, an industry engaged in the manufacture or processing of cosmetics, paints, paper, or rubber, or an industry engaged in the mining, milling, or manufacture of talc or talc products;

(8) Shaver's disease, an industry utilizing electric furnaces in the manufacture of corundum;

(9) siderosis, an industry engaged in the welding, cutting, burning, or grinding, of iron or steel;

(10) lung cancer, a place of work in which such worker is or was employed for a period of not less than five years, if the incidence of lung cancer among the employees and former employees of such plant is at least three times as great as the incidence of lung cancer among the general population; or

(11) any other disease which is specified by the Secretary pursuant to subsection (d)(11) which is specified by to be a disease of the respiratory tract and associated tissues, the industry or industries employment in which has been determined by him to give rise to such disease.

(f) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(g) The term "widow" includes the wife living with or dependent for support on the worker at the time of his death, or living apart for reasonable cause or because of his desertion, or who meets the requirements of section 216 (c) (1), (2), (3), (4), or (5), and section 216 (k) of the Social Security Act, and who is not married. The determination of an individual's status as the "widow" of a worker shall be made in accordance with section 216 (h) (1) of the Social Security Act as if such worker were the "insured individual" referred to therein. Such term also includes a "surviving divorced wife" (as defined in section 216 (d) (2) of the Social Security Act) who for the month preceding the month in which the worker died, was receiving at least one-half of her support, as determined in accordance with regulations prescribed by the Secretary, from the worker, was receiving substantial contributions from the worker (pursuant to a written agreement), or with respect to whom there was in effect a court order for substantial contributions to her support from the worker at the time of his death.

(h) The term "child" means a child or step-child who is—

(1) unmarried; and

(2)(A) under eighteen years of age, or

(B)(i) under a disability (as defined in section 223(d) of the Social Security Act),

(ii) which began before the age specified in section 202(d)(1)(B)(ii) of the Social Security Act, or, in the case of a student, before he ceased to be a student; or

(C) a student.

The term "student" means a "full-time student" (as defined in section 202(d)(7) of the Social Security Act), or a "student" (as defined in section 8101(17) of title 5, United States Code. The determination of an individual's status as the "child" of a worker or widow, as the case may be, shall be made in accordance with section 216(h) (2) or (3) of the Social Security Act as if such worker or widow were the "insured individual" referred to therein.

(i) The term "total disability" has the meaning given it by regulations of the Secretary, except that such regulations shall provide that a worker shall be considered to be totally disabled when a respiratory disease prevents him from engaging in gainful employment requiring skills and abilities comparable to those utilized by him in any employment, in the health-hazard industry giving rise to such disease, in which he previously engaged with some regularity and over a substantial period of time. Such regulations shall not provide more restrictive criteria than those applicable under section 223(d) of the Social Security Act.

TITLE II—CLAIMS FOR BENEFITS FILED ON OR BEFORE DECEMBER 31, 1976

PAYMENT OF BENEFITS BY SECRETARY

SEC. 201. (a) The Secretary shall, in accordance with the provisions of this title and the regulations promulgated by him under this title, make payments of benefits in respect of total disability of any worker due to a respiratory disease arising out of his employment in a health-hazard industry, and in respect of the death of any worker whose death was due to such disease or who at the time of his death was totally disabled by such disease.

(b) The Secretary shall by regulation prescribe standards for determining for purposes of subsection (a) whether a worker is totally disabled due to a respiratory disease arising out of his employment in a health-hazard industry and for determining whether the death of a worker was due to such a disease. Regulations required by this subsection shall be promulgated and published in the Federal Register at the earliest practicable date after the date of enactment of this Act, and in no event later than the end of the third month following the month in which this Act is enacted. Such regulations may be modified by the Secretary or additional regulations may be promulgated by him from time to time thereafter.

(c) For the purposes of this section, if a worker who is suffering or suffered from a respiratory disease was employed for ten years or more in an industry (with which such disease is associated under section 102 (e)), there shall be a rebuttable presumption that such disease arose out of his employment in such industry.

(d) Nothing in subsection (c) shall be deemed to affect the applicability of subsection (a) in the case of a claim where the presumption provided for in subsection (c) are inapplicable.

AMOUNT OF BENEFITS

SEC. 202. (a) Subject to the provisions of subsection (b), benefit payments shall be made by the Secretary under this title as follows—

(1) In the case of total disability of a worker due to a respiratory disease arising out of his employment in a health-hazard industry, the disabled worker shall be paid benefits during the disability at a rate equal to 50 per centum of the minimum monthly payment to which a Federal employee in grade GS-2, who is totally disabled, is entitled at the time of payment under chapter 81 of title 5, United States Code.

(2) In the case of death of a worker due to a respiratory disease arising out of his employment in a health-hazard industry or of a worker receiving benefits under this title, benefits shall be paid to his widow (if any) at a rate equal to the rate at which benefits hereunder would have been payable to the deceased worker if he were alive and totally disabled.

(3) In the case of the child or children of a worker whose death is due to a respiratory disease arising out of his employment in a health-hazard industry or of a worker who is receiving benefits under this title at the time of his death, and in the case of the child or children of a widow who is receiving benefits under this title at the time of her death, benefits shall be paid to such child or children as follows: If there is only one such child, he shall be paid benefits at the rate specified in paragraph (1). If there is more than one such child, the benefits paid shall be divided equally among them and shall be paid at a rate equal to the rate specified in paragraph (1), increased by 50 per centum of such rate if there are two such children, by 75 per centum of such rate if there are three such children, and by 100 per centum of such rate if there are more than three such children: *Provided,* That the benefits shall only be paid to a child for so long as he meets the criteria for the term "child" contained in section 102(h): *And provided further,* That no entitlement to benefits as a child shall be established under this paragraph (3) for any month for which entitlement to benefits as a widow is established under paragraph (2).

(4) In the case of an individual entitled to benefit payments under paragraph (1) or (2) of this subsection who has one or more dependents, the benefit payments shall be increased at the rate of 50 per centum of such benefit payments, if such individual has only one dependent, 75 per centum if such individual has only two dependents, and 100 per centum if such individual has three or more dependents.

(5) In the case of the dependent parent or parents of a worker whose death is due to a respiratory disease arising out of his employment in a health-hazard industry or of a worker who is receiving benefits under this title at the time of his death, and who is not survived at the time of his death by a widow or a child, or in the case of the dependent surviving brother(s) or sister(s) of such a worker who is not survived at the time of his death by a widow, child, or parent, benefits shall be paid under this title to such parent(s), or to such brother(s), or sister(s), at the rate specified in paragraph (3) (as if such parent(s) or such brother(s) or sister(s), were the children of such worker). In determining for purposes of this paragraph whether a claimant bears the relationship as the worker's parent, brother, or sister, the Secretary shall apply legal standards consistent with those applicable to relationship determination under title II of the Social Security Act. No benefits to a sister or brother shall be payable under this paragraph for any month beginning with the month in which he or she receives support from his or her spouse, or marries. Benefits shall be payable under this paragraph to a brother only if he is—

(A) (i) under eighteen years of age, or

(ii) under a disability (as defined in section 223(d) of the Social Security Act) which began before the age specified in section 202 (d) (1) (B) (ii) of such Act, or in the case of a student, before he ceased to be a student, or

(iii) a student (as defined in section 102 (h)); or

(B) who is, at the time of the worker's death, disabled as determined in accordance with section 223 (d) of the Social Security Act, during such disability. Any benefit under this paragraph for a month prior to the month in which a claim for such benefit is filed shall be reduced to any extent that may be necessary, so that it will not render erroneous any benefit which, before the filing of such claim, the Secretary has certified for payment for such prior months. As used in this paragraph, "dependent" means that during the one year period prior to and ending with such worker's death, such parent, brother, or sister was living in the worker's household, and was, during such period, totally dependent on the worker for support. Proof of such support shall be filed by such claimant within two years after the month in which this Act is enacted, or within two years after the worker's death, whichever is the later. Any such proof which is filed after the expiration of such period shall be deemed to have been filed within such period if it is shown to the satisfaction of the Secretary that there was good cause for failure to file such proof within such period. The determination of what constitutes "living in the worker's household", "totally dependent upon the worker for support", and "good cause", shall for purposes of this paragraph be made in accordance with regulations of the Secretary. Benefit payments under this paragraph to a parent, brother, or sister, shall be reduced by the amount by which such payments would be reduced on account of excess earnings of such parent, brother, or sister, respectively, under section 203 (b) through (l) of the Social Security Act, as if the benefit under this paragraph were a benefit under section 202 of such Act.

(6) If an individual's benefits would be increased under paragraph (4) of this subsection because he or she has one or more dependents, and it appears to the Secretary that it would be in the interest of any such dependent to have the amount of such increase in benefits (to the extent attributable to such dependent) certified to a person other than to such individual, then the Secretary may, under regulations prescribed by him, certify th~ amount of such increase in benefits (to the extent so attributable) not to such individual but directly to such dependent or to another person for the use and benefit of such dependent; and any payment made under this paragraph, if otherwise valid under this Act, shall be a complete settlement and satisfaction of all claims, rights, and interests in and to such payment.

(b) Notwithstanding subsection (a), benefit payments under this section to a worker or his widow, child, parent, brother, or sister shall be reduced, on a monthly or other appropriate basis, by an amount equal to any payment received by such worker or his widow, child, parent, brother, or sister under the workmen's compensation, unemployment compensation, or disability insurance laws of his State on account of the disability of such worker, and the amount by which such payment would be reduced on account of excess earnings of such worker under section 203 (b) through (l) of the Social Security Act if the amount paid were a benefit payable under section 202 of such Act. This title shall not be considered a workmen's compensation law or plan for purposes of section 224 of such Act.

SEC. 203. (a) Except as otherwise provided in section 204 of this title, no payment of benefits shall be made under this title except pursuant to a claim filed therefor on or before December 31, 1976, in such manner, in such form, and containing such information, as the Secretary shall by regulation prescribe.

(b) In carrying out the provisions of this title, the Secretary shall to the maximum extent feasible (and consistent with the provisions of this title) utilize the personnel and procedures he uses in determining entitlement to disability insurance benefit payments under section 223 of the Social Security Act, but no claim for benefits under this title shall be denied solely on the basis of the results of a chest roentgenogram. In determining the validity of claims under this title, all relevant evidence shall be considered, including, where relevant, medical tests such as blood gas studies, X-ray examination, electrocardiogram, pulmonary function studies, or physical performance tests, and any medical history, evidence submitted by the claimant's physician, or his wife's affidavits, and in the case of a deceased worker, other appropriate affidavits of persons with knowledge of the worker's physical condition, and other supportive materials. Claimants under this title shall be reimbursed for reasonable medical expenses incurred by them in establishing their claims. For purposes of determining total disability under this title, the provisions of subsections (a), (b), (c), (d), and (g) of section 221 of the Social Security Act shall be applicable. The provisions of sections 204, 205 (a), (b), (d), (e), (f), (g), (h), (j) (k), and (l) of the Social Security Act shall be applicable under this title with respect to a worker, widow, child, parent, brother, sister, or dependent, as if benefits under this title were benefits under title II of such Act.

(c) No claim for benefits under this section shall be considered unless the claimant has also filed a claim under the applicable State workmen's compensation law prior to or at the same time his claim was filed for benefits under this section; except that the foregoing provisions of this paragraph shall not apply in any case in which the filing of a claim under such law would clearly be futile because the period within which such a claim may be filed thereunder has expired or because the particular respiratory disease in question is not compensable under such law, or in any other situation in which, in the opinion of the Secretary, the filing of a claim would clearly be futile.

Sec. 204. (a) (1) No claim for benefits under this title on account of total disability of a worker shall be considered unless it is filed on or before June 30, 1975, or, in the case of a claimant who is a widow, within six months after the death of her husband or by June 30, 1975, whichever is the later.

(2) No claim for benefits under this title, in the case of a claimant who is a child, shall be considered unless it is filed within six months after the death of his father or mother (whichever last occurred) or by June 30, 1975, whichever is the later.

(3) No claim for benefits under this title, in the case of a claimant who is a parent, brother, or sister shall be considered unless it is filed within six months after the death of the worker or by June 30, 1975, whichever is the later.

(b) No benefits shall be paid under this title after December 31, 1976 if the claim therefor was filed after June 30, 1975.

(c) No benefits under this title shall be payable for any period prior to the date a claim therefor is filed.

(d) No benefits shall be paid under this title to the residents of any State which, after the date of enactment of this Act, reduces the benefits payable for death or disability to persons eligible to receive benefits under this title, under its State laws which are applicable with regard to workmen's compensation, or disability insurance.

(e) No benefits shall be payable to a widow, child, parent, brother, or sister under this title on account of the death of a worker unless (1) benefits under this title were being paid to such worker with respect to disability due to a respiratory disease arising out of his employment in a health-hazard industry prior to his death, or (2) the death of such miner occurred prior to June 30, 1975.

Sec. 205. (a) Notwithstanding any other provision in this Act, for the purpose of assuring the uninterrupted receipt of benefits by claimants at such time as responsibility for administration of the benefits program is assumed by either a State workmen's compensation agency or the Secretary of Labor, any claim for benefits under this title filed during the period from July 1, 1975 to December 31, 1975, shall be considered and determined in accordance with the procedures of this section. With respect to any such claim—

(1) Such claim shall be determined and, where appropriate under this title or section 304, benefits shall be paid with respect to such claim by the Secretary of Labor.

(2) The manner and place of filing such claim shall be in accordance with regulations issued jointly by the Secretary of Health, Education, and Welfare and the Secretary of Labor, which regulations shall provide, among other things, that such claims may be filed in district offices of the Social Security Administration and thereafter transferred to the jurisdiction of the Department of Labor for further consideration.

(3) The Secretary of Labor shall promptly notify any employer who he believes, on the basis of information contained in the claim, or any other information available to him, may be liable to pay benefits to the claimant under title III of this Act for any month after December 31, 1975.

(4) In determining such claims, the Secretary of Labor shall, to the extent appropriate, follow the procedures described in sections 19 (b), (c), and (d) of Public Law 803, 69th Congress (44 Stat. 1424, approved March 4, 1927), as amended.

(5) Any employer who has been notified of the pendency of a claim under paragraph (4) of this subsection shall be bound by the determination of the Secretary of Labor on such claim as if the claim had been filed pursuant to title III and section 302 thereof had been applicable to such employer. Nothing in this paragraph shall require any employer to pay any benefits for any month prior to January 1, 1976.

(b) The Secretary of Labor, after consultation with the Secretary of Health, Education, and Welfare, may issue such regulations as are necessary or appropriate to carry out the purpose of this section.

TITLE III—CLAIMS FOR BENEFITS AFTER DECEMBER 31, 1976

Sec. 301. (a) On and after January 1, 1976, any claim for benefits for death or total disability due to a respiratory disease arising out of a worker's employment in a health-hazard industry shall be filed pursuant to the applicable State workmen's compensation law, except that during any period when such workers or their surviving widows, children, parents, brothers, or sisters, as the case may be, are not covered by a State workmen's compensation law which provides adequate coverage for such disease, they shall be entitled to claim benefits under this title.

(b)(1) For purposes of this section, a State workmen's compensation law shall not be deemed to provide adequate coverage for any such respiratory disease during any period unless it is included in the list of State laws found by the Secretary to provide such adequate coverage during such period. The Secretary shall, no later than October 1, 1975, publish in the Federal Register a list of State workmen's compensation laws which provide adequate coverage for one or more such respiratory diseases (setting forth each such particular disease covered) and shall revise and republish in the Federal Register such list from time to time, as may be appropriate to reflect changes in such State laws due to legislation or judicial or administrative interpretation.

(2) The Secretary shall include a State workmen's compensation law on such list with respect to any such respiratory disease during any period only if he finds that during such period under such law—

(A) benefits must be paid for total disability or death of a worker due to such disease;

(B) the amount of such cash benefits is substantially equivalent to or greater than the amount of benefits prescribed by section 202(a) of this Act;

(C) the standards for determining death or total disability due to such disease are substantially equivalent to section 202 (b) of this Act and to those standards established under title II of this Act, and by the regulations of the Secretary of Health, Education, and Welfare promulgated thereunder;

(D) any claim for benefits on account of total disability or death of a worker due to any such respiratory disease is deemed to be timely filed if such claim is filed within three years of the discovery of total disability due to such disease, or the date of such death, as the case may be;

(E) there are in effect provisions with respect to prior and successor employers which are substantially equivalent to the provisions contained in section 302 (i); and

(F) there are applicable such other provisions, regulations or interpretations, which are consistent with the provisions contained in Public Law 803, 69th Congress (44 Stat. 1424, approved March 4, 1927), as amended, which are applicable under section 302(a)), but are not inconsistent with any of the criteria set forth in subparagraphs (A) through (E) of this paragraph, as the Secretary, in accordance with regulations promulgated by him, determines to be necessary or appropriate to assure adequate compensation for total disability or death due to respiratory disease.

The action of the Secretary in including or failing to include any State workmen's compensation law on such list with respect to any such respiratory disease shall be subject to judicial review exclusively in the United States court of appeals for the circuit in which the State is located or the United States Court of Appeals for the District of Columbia.

Sec. 302. (a) During any period after December 31, 1976, in which a State workmen's compensation law is not included on the list published by the Secretary under section 301(b), the provisions of Public Law 803, 69th Congress (44 Stat. 1424, approved March 4, 1927), as amended (other than the provisions contained in sections 8, 9, 10, 12, 13, 29, 30, 31, 32, 33, 37, 38, 41, 43, 44, 45, 46, 47, 48, 49, 50, and 51 thereof) shall (except as otherwise provided in this subsection and except as the Secretary shall by regulation otherwise provide), be applicable to each employer of employees in a health-hazard industry in such State with respect to death or total disability due to a respiratory disease arising out of such employment. In administering this title, the Secretary is authorized to prescribe in the Federal Register such additional provisions, not inconsistent with those specifically excluded by this subsection, as he deems necessary to provide for the payment of benefits by such employer to persons entitled thereto as provided in this title and thereafter those provisions shall be applicable to such employer.

(b) During any such period each such employer shall be liable for and shall secure the payment of benefits, as provided in this section and section 303.

(c) Benefits shall be paid during such period by each such employer under this section to the categories of persons entitled to benefits under section 202(a) in accordance with the regulations of the Secretary and the Secretary of Health, Education, and Welfare applicable under this section: *Provided*, That, except as provided in subsection (i) of this section, no benefit shall be payable by any employer on account of death or total disability due to any respiratory disease which did not arise, at least in part, out of employment provided by such employer.

(d) Benefits payable under this section shall be paid on a monthly basis and, except as otherwise provided in this section, such payments shall be equal to the amounts specified in section 202(a).

(e) No payment of benefits shall be required under this section—

(1) except pursuant to a claim filed therefor in such manner, in such form, and containing such information, as the Secretary shall by regulation prescribe;

(2) for any period prior to January 1, 1976; or

(3) for any period after December 31, 1981.

(f) Any claim for benefits under this section shall be filed within three years of the discovery of total disability due to a respiratory disease or, in the case of death due to a respiratory disease, the date of such death.

(g) The amount of benefits payable under this section on account of any respiratory disease shall be reduced, on a monthly or other appropriate basis, by the amount of any compensation received under or pursuant to any Federal or State workmen's compensation law because of death or disability due to such disease.

(h) The regulations of the Secretary of Health, Education, and Welfare promulgated under section 201 shall also be applicable to claims under this section. The Secretary of Labor shall by regulation establish standards, which may include appropriate presumptions, for determining whether any particular respiratory disease arose out of employment by any particular employer. The Secretary may also, by regulation, establish standards for apportioning liability for benefits under this subsection among more than one employer, where such apportionment is appropriate.

(i)(1) During any period in which this section is applicable with respect to an employer conducting any business who, after the date of enactment of this Act, acquired such business or substantially all the assets thereof from a person (hereinafter referred to in this paragraph as a "prior employer") who was conducting such business on or after the operative date of this Act, shall be liable for and shall, in accordance with section 303, secure the payment of all benefits which would have been payable by the prior employer under this section with respect to workers previously employed in such business if the acquisition had not occurred and the prior employer had continued to operate such business.

(2) Nothing in this subsection shall relieve any prior employer of conducting such business.

SEC. 303. (a) During any period in which a State workmen's compensation law is not included with respect to any particular respiratory disease on the list published by the Secretary under section 421(b) each employer having employees working in the health-hazard industry associated (under section 102(e)) with such disease in such State shall secure the payment of benefits for which he is liable under section 302 by (1) qualifying as a self-insurer in accordance with regulations prescribed by the Secretary, or (2) insuring and keeping insured the payment of such benefits with any stock company or mutual company or association, or with any person or fund, including any State fund, while such company, association, person or fund is authorized under the laws of any State to insure workmen's compensation.

(b) In order to meet the requirements of clause (2) of subsection (a) of this section, every policy or contract of insurance must contain—

(1) a provision to pay benefits required under section 302, notwithstanding the provisions of the State workmen's compensation law which may provide for lesser payments;

(2) a provision that insolvency or bankruptcy of the employer or discharge therein (or both) shall not relieve the carrier from liability for such payments; and

(3) such other provisions as the Secretary, by regulation, may require.

(c) No policy or contract of insurance issued by a carrier to comply with the requirements of clause (2) of subsection (a) of this subsection shall be canceled prior to the date specified in such policy or contract for its expiration until at least thirty days have elapsed after notice of cancellation has been sent by registered or certified mail to the Secretary and to the employer at his last known place of business.

SEC. 304. If a totally disabled worker or a widow, child, parent, brother, or sister is entitled to benefits under section 302 and (1) an employer liable for such benefits has not obtained a policy or contract of insurance, or qualified as a self-insurer, as required by section 303, or such employer has not paid such benefits within a reasonable time, or (2) there is no employer who was required to secure the payment of such benefits, the Secretary shall pay such worker or such widow, child, parent, brother, or sister the benefits to which he or she is so entitled. In a case referred to in clause (1) the employer shall be liable to the United States in a civil action in an amount equal to the amount paid to such worker or his widow, child, parent, brother, or sister under this title.

SEC. 305. With the consent and cooperation of State agencies charged with administration of State workmen's compensation laws, the Secretary may, for the purpose of carrying out his functions and duties under section 302, utilize the services of State and local agencies and their employees and, notwithstanding any other provision of law, may advance funds to or reimburse such State and local agencies and their employees for services rendered for such purposes.

SEC. 306. (a) The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to issue such regulations as each deems appropriate to carry out the provisions of this Act. Such regulations shall be issued in conformity with section 553 of title 5 of the United States Code, notwithstanding subsection (a) thereof.

(b) Within 120 days following the convening of each session of Congress the Secretary of Health, Education, and Welfare shall submit to the Congress an annual report upon the subject matter of title II of this Act, and, after January 1, 1976, the Secretary of Labor shall also submit such a report upon the subject matter of title III of this Act.

(c) Nothing in this Act shall relieve any employer of the duty to comply with any State workmen's compensation law, except insofar as such State law is in conflict with the provisions of this Act and the Secretary by regulation, so prescribes. The provisions of any State workmen's compensation law which provide greater benefits than the benefits payable under this Act shall not thereby be construed or held to be in conflict with the provisions of this Act.

SEC. 307. (a) The Secretary of Health, Education, and Welfare is authorized to enter into contracts with, and make grants to, public and private agencies and organizations and individuals for the construction, purchase, and operation of fixed-site and mobile clinical facilities for the analysis, examination, and treatment of respiratory disease in active and inactive workers in health-hazard industries. The Secretary shall coordinate the making of such contracts and grants with the Appalachian Regional Commission.

(b) The Secretary of Health, Education, and Welfare shall initiate research within the National Institute for Occupational Safety and Health, and is authorized to make research grants to public and private agencies and organizations and individuals for the purpose of devising simple and effective tests to measure, detect, and treat respiratory disease in active and inactive workers in health-hazard industries. Any grant made pursuant to this subsection shall be conditioned upon all information, uses, products, processes, patents, and other developments resulting from such research being available to the general public, except to the extent of such exceptions and limitations as the Secretary of Health, Education, and Welfare may deem necessary in the public interest.

(c) There is hereby authorized to be appropriated for the purpose of subsection (a) of this section $10,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976. There are hereby authorized to be appropriated for the purpose of subsection (b) of this section such sums as are necessary.

SEC. 308. (a) No employer employing workers in a health-hazard industry shall discharge or in any other way discriminate against any worker employed by him by reason of the fact that such worker is suffering from a respiratory disease associated (under section 102 (e)) with such industry. No person shall cause or attempt to cause an employer to violate this section. For the purposes of this subsection the term "worker" shall not include any person who has been found to be totally disabled.

(b) Any worker who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section, or any representative of such worker may, within ninety days after such violation occurs, apply to the Secretary for a review of such alleged discharge or discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to enable the parties to present information relating to such violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Each hearing examiner presiding under this section shall receive compensation at a rate not less than that prescribed for GS-16 under section 5332 of title 5, United States Code. Upon receiving the report of such investigation, the Secretary shall make findings of fact. If he finds that such violation did occur, he shall issue a decision, incorporating an order therein, requiring the person committing such violation to take such affirmative action as the Secretary deems appropriate, including, but not limited to, the rehiring or reinstatement of the worker to his former position with back pay. If he finds that there was no such violation, he shall issue an order denying the application. Such order shall incorporate the Secretary's findings therein.

(c) Whenever an order is issued under this subsection granting relief to a worker at the request of such worker, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees) as determined by the Secretary to have been reasonably incurred by such worker for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing the violation.

SEC. 309. There is authorized to be appropriated to the Secretary of Labor such sums as may be necessary to carry out his responsibilities under this Act. Such sums shall remain available until expended.

By Mr. HUMPHREY:

S. 1030. A bill to establish a Congressional Office of Budget Analysis and Program Evaluation; to provide participation by State and local officials and the general public in the departmental budget-making process; to provide investigations by the Comptroller General of impoundment reports; to provide legislative oversight and veto of impoundments; and for other purposes. Referred to the Committee on Government Operations.

Mr. HUMPHREY. Mr. President, the Fiscal and Budgetary Reform Act of 1973, which I now introduce, establishes the tools and mechanisms for closer coordination between the authorization and appropriation committees, sets up appropriate staff facilities for budget analysis, and establishes a program of evaluation for ongoing and newly proposed programs.

Specifically, the bill has the following major provisions:

First, it establishes, under the direction of the Joint Economic Committee, a Congressional Office of Budget Analysis and Program Evaluation, to recommend budget ceilings and control expenditures.

Second, it places responsibility on the respective Appropriation Committees of both Houses to report a budget ceiling bill.

Third, it opens the budget process to public scrutiny through a process of hearings, and congressional availability of transcripts of budget examinations within the executive branch.

Fourth, it establishes a procedure for the General Accounting Office to review, verify, and recommend congressional action concerning Executive impoundment.

Fifth, it prohibits impoundment if such action terminates or otherwise impairs the legislative intent of a program.

Sixth, it provides for a 3-year limit on all authorizations to force evaluation and oversight of all programs.

Seventh, it provides that all taxpayers will be made aware of exactly where their tax dollars are spent through a system of individual taxpayer notifications.

Mr. President, the Federal budget has grown at a rapid rate. In the beginning of this Nation, the budget took the form of "Books of Estimates," and annual Government expenditures were about $2.65 million.

Today, the Federal budget comprises four separate documents, a total of more than 1,000 pages, requires hundreds of thousands of man hours to prepare, and involves expenditures of more than $270 billion.

In addition, the famous "pipeline"—authorizations and funds obligated from past years and to be spent in future years—involves more total dollars than the actual budget of fiscal 1974—more than $305 billion.

This growth in the budget reflects an expanding country, expanding international responsibilities, expanding domestic programs to meet social needs, and expanded provision for national security.

Each new budget is really a social accounting. It represents the policies and priorities of the President as proposed and Congress as enacted. The budget should be examined not just as a collection of figures or as an exercise in cost accounting but rather from the perspective as to whether or not the budget meets the needs of our people.

This ought to be the criterion of governing: Are the people's needs reflected in this budget?

One budget of 1 single year cannot accomplish every goal that all of us would like. Neither borrowing nor tax revenues will permit that kind of spending. There have to be choices. There has to be a setting of priorities. That is what the budget does. Each budget contains unstated assumptions: Assumptions about the worth of Government programs—whether or not a particular problem is one that Government ought to address itself to; assumptions about the relative power position of various groups in our society; and assumptions about our Nation's leaders, how they view our country and its people.

On such assumptions, program choices are made for the allocation of competing resources. How much to allocate to education. How much to allocate to manpower, to health and the elderly. How much to be allocated to natural resources and environmental protection—to national security and the Armed Forces.

These are the kinds of choices that have to be made. These are the choices that are made, and made within a specific framework. The person or office who sets that framework—who establishes the bases and posture—both public and private—on which these choices are made, to a large extent controls the decisions that are made.

For too long, Congress has been content to accept the President's definitions of that framework. We have been content to assume that, because the President said no new taxes are necessary that no new taxes are in fact necessary. Or that, because the President says that we must spend $268.7 billion and only $268.7 billion, this becomes the budget ceiling.

The President has also been trying to structure the terms of the budget debate by repeating over and over again that Congress is the big spender; that Congress is fiscally irresponsible; that Congress just spends and spends and only the President can control expenditures.

Well, it simply is not true. The fact is that Congress is not the big spender. Since 1920, 32 Presidential budgets have been presented to Congress with a deficit.

In Mr. Nixon's last term of office alone, the 1970 budget deficit was $13 billion; in 1971, it was $30 billion; in 1972, it was $21 billion; and the 1973 fiscal year budget deficit is estimated to be around $34 billion. Those are Presidentially submitted budget deficits.

The fact is, however, that Congress has cut Mr. Nixon's budget requests in the last 4 years by $20 billion. Congress reduced the budget $8.2 billion in 1969; $3.4 billion in 1970; $2.6 billion in 1971; and $6.4 billion in 1972.

But even in the face of these cuts, the budget has increases. Why? There are two main reasons. First, both the executive branch and Congress have requested new initiatives. These programs—such as the black lung bill or Disaster Relief Acts were badly needed to deal with a pressing human and social problem. They are indeed worthwhile investments.

One branch of the Government ought not to blame the other branches of the Government for investing in these kinds of programs—even though total expenditures increase.

A second reason is more endemic to Congress as an institution.

The fact is that through Executive proposals such as general revenue sharing and congressional proposals such as water pollution control, the appropriations process has become splintered. There is a great deal of back door spending today—the kind of spending that is not reflected directly in appropriations bills, but ultimately must be paid.

We have, for example, such back door spending as borrowing authority, contract authority, permanent appropriations, and mandatory appropriations. These funds go for such programs as student loan guarantees, water pollution control, revenue sharing, social services, public assistance grants, and the like.

These are worthwhile programs. They are priority programs of Congress. Yet, they do require funding, and that means appropriations.

There is, in short, a need for congressional budget control. A need brought forth by both Congress and the executive branch.

The Joint Study Committee on the Budget has released its preliminary report. This report cites the need for a congressional mechanism to determine the proper level of expenditures, to provide an overall ceiling, and determine the revenues available for obligation.

I am encouraged by this report. I think it is a workable first step.

SECTION-BY-SECTION COMMENT—FISCAL AND BUDGETARY REFORM ACT OF 1973

The bill I am introducing today is complementary to the thrust of the Joint Study Committee's interim report.

OFFICE OF BUDGET ANALYSIS AND PROGRAM EVALUATION

Title I of the Fiscal and Budgetary Reform Act of 1973 would establish an Office of Budget Analysis and Program Evaluation as part of the Joint Economic Committee.

The Office would, prior to the submission of the President's budget report to the Joint Economic Committee on an estimate of revenues that will be received by the Federal Government and a recommendation of the amount, if any, by which the Federal outlays should exceed revenues, or revenues exceed outlays.

Such proposals would be made as the result of a thorough study of authorization committee proposals, budget initiatives, and current program refunding. It would take into account the current economic condition, budget assumptions, and objectives of the Employment Act of 1946.

The Joint Economic Committee—after receiving this report and the President's budget—would hold hearings, and report to the Congress and its respective committees a proposed limit on new obligations and a proposed limit on total outlays.

After receiving this report, the Appropriations Committees, within 15 days, will report to the floor a bill establishing the total amount of outlays to be made during the fiscal year.

Upon passage by the Congress and signature of the President, this bill becomes the budget ceiling.

The Office would have four separate divisions. The first division, the Informational Section, would be required to provide to all members and committees information on budget amounts requested by the Federal departments, request as set forth in the President's budget, amounts authorized, amounts appropriated, estimates of projected cost over a 5-year period, amounts obligated by the agencies and amounts apportioned by the Office of Management and Budget.

A second division, the Analytic Section, would analyze the assumptions on which the budget is based in light of current economic conditions, operation of the general economy as it affects revenues and budget outlays, choices evidenced in the President's budget.

A third division, the Program Evaluation Division, would examine and scrutinize the various programs, either proposed or enacted by the Congress. It would provide Congress with the information it lacks:

Is the program worth it? Is it working? Is it accomplishing its goals? Does the administration of the program follow legislative intent?

A fourth division, the Special Studies Section would be available to undertake specific budget analysis and projects from Members of Congress and the committees.

In all cases, the various divisions of the Office would be required to work closely with the General Accounting Office to see that the legislative mandates of this new bill and the Legislative Reorganization Act of 1970 are fully executed.

OPEN BUDGET PROCESS

Title II of the bill makes major changes in and overhauls the departmental budget process. It calls for the participation by State and local officials in the preparation of the budget. It requires opening hearings and the opportunity for elected officials to appear before budget examiners and departmental secretaries in the preparation of the budget.

Governors, mayors, and other elected officials would have an opportunity to offer comments and suggestions about their needs and submit general evaluations as to what they feel the budget of the various departments should attempt to accomplish—given a limited amount of resources.

In addition, after an executive agency has submitted its budget request to the Office of Management and Budget, transcripts of all budget examination meetings will be made available to the Congress and the public. And, executive agency heads would be required to submit such budget requests to the Congressional Office of Budget Analysis and Program Evaluation.

The goal of this title of the bill is to open up the budget process. It makes it an open document that would reflect the needs of the people.

IMPOUNDMENT

Titles III and IV are directed to the impoundment of congressionally appropriated funds by the executive branch.

The Comptroller General would be required to investigate the impoundments to verify the information provided by the executive branch and to assess the validity of the reasons given for the impoundment.

In addition, the Fiscal and Budgetary Reform Act of 1973 would expressly prohibit the President from impounding funds when such impoundment would impair a congressionally approved program. No programs would be permitted to be terminated by the impoundment procedure.

Under my proposals, the Comptroller General would make a report to the Congress as to whether or not the impoundment has impaired or terminated the program in question. If such a finding is made, then Congress must, within 30 days, approve such impoundment or the impoundment is disallowed and the funds must be spent.

A 3-YEAR LIMIT ON AUTHORIZATIONS

Title V provides for a 3-year limitation on authorizations. This title is included for one basic reason. It would require the Congress and the executive branch to conduct a thorough review and evaluation of the various programs. Limiting the life of the programs would give Congress a chance to assess the performance of the program, to find out whether or not the program is meeting legislative intent.

TAX EXPENDITURE AWARENESS ACT

Title VI of this legislation would require the Internal Revenue Service to provide information to taxpayers as to how their tax dollars are spent. This title is similar to the Tax Expenditure Awareness Act introduced last year. It would give the taxpayer an accounting of how much of his total tax dollars were spent on national defense, space, agriculture, natural resources, transportation, community development, housing, education, manpower, health, social services, welfare payments, veterans pensions, and benefits, law enforcement, national debt, and foreign aid.

Mr. President, I feel that the Budgetary and Fiscal Reform Act of 1973 will provide Congress with the vehicles and mechanisms that will allow it to examine rationally all expenditures. It utilizes an ongoing joint committee established by the Employment Act of 1946. This joint committee has demonstrated expertise in economics. And, this legislation provides the kind of staffing and authority for Congress to set its own budgetary priorities with sound, fiscal responsibility.

Mr. President, I ask unanimous consent that the text of the bill to establish a Congressional Office of Budget Analysis and Program Evaluation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1030

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal and Budgetary Reform Act of 1973".

TITLE I—CONGRESSIONAL OFFICE OF BUDGET ANALYSIS AND PROGRAM EVALUATION

PART A—ESTABLISHMENT OF OFFICE AND ESTABLISHMENT OF BUDGET CEILING

SEC. 101. (a) There is hereby established for the Congress an Office of Budget Analysis and Program Evaluation (hereafter in this title referred to as the "Office") which shall be subject to supervision and control by the Joint Economic Committee (hereafter in this title referred to as the "Joint Committee"). The Office shall have four sections as follows: (1) Informational Section, (2) Analytic Section, (3) Program Evaluation Section, and (4) Special Studies Section.

(b) The Joint Committee is authorized to appoint a Technical Director of the Office who shall serve as the head of the staff of the Office, subject to the general supervision of the Executive Director, in accordance with the purposes of the Employment Act of 1946. The Technical Director shall supervise the staff of the Office and shall perform such duties as the Joint Committee or the Executive Director may prescribe. The technical Director shall be appointed without regard to political affiliation and solely on the basis of his fitness to perform his duties. He shall receive compensation as may be prescribed from time to time by the Joint Committee, but not in excess of the highest rate of basic pay, as in effect from time to time, of grade 18 of the General Schedule of section 5332(a) of title 5, United States Code.

(c) The Technical Director is authorized, with the approval of the Joint Committee and the Executive Directors, to appoint such other personnel as may be necessary to carry out the duties and functions of the Office and to fix their compensation at rates not in excess of the highest rate of basic pay, as in effect from time to time, of grade 16 of the General Schedule of section 5332(a) of title 5, United States Code. All such personnel shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties.

SEC. 102. (a) Prior to the submission of the Budget of the United States Government for each fiscal year, the Joint Committee staff, including the Office, shall make a thorough study of the Nation's economic conditions, and the factors having a bearing thereon, including business investment, consumer spending, international trade, the availability of credit, and the state of Federal expenditures and revenues. Based upon such study, and developing conclusions about the prudent growth of Federal budget outlays, obligations and revenues, taking into consideration the objectives of the Employment Act of 1946, the Executive Director of the Joint Committee shall, two days prior to receipt of the United States Budget and the President's Economic Report, make a report to the Joint Committee with—

(1) an estimate of the revenues that will be received by the Federal Government during the forthcoming fiscal year;

(2) a recommendation of the amount, if any, by which Federal outlays should exceed revenues, or revenues should exceed outlays, in order to promote the general welfare and to provide maximum employment, production, and purchasing power.

(b) Upon receipt of the report submitted under subsection (a), and receipt of the Budget of the United States Government, the Joint Committee will within ten days hold hearings to determine the appropriate Federal fiscal policy as expressed in section (a)(2), and then shall make a committee report of this determination to all committees of the Senate and House of Representatives and all joint committees of the Congress. Such report shall include, but not be limited to—

(1) a proposed limit on the total amount of new obligational authority and a proposed limit on the amount of new obligational authority which should be enacted for the fiscal year,

(2) a proposed limit on the total amount of outlays, and a proposed limit on the amount of outlays for each functional category, which should be made during the fiscal year.

(c) Upon the request of any committee of the Senate or House of Representatives, or any joint committee of the Congress, the Office shall furnish additional information with respect to the report transmitted pursuant to subsection (b) relating to matters within the jurisdiction of that committee or joint committee.

(d) After receiving and giving consideration to the report of the Joint Economic Committee, the Committees on Appropriations of each House of Congress shall, not later than fifteen days after receiving such recommendations, report to its House a bill establishing the total amount of outlays to be made during the fiscal year by the United States Government.

(e)(1) A bill reported under subsection (d) of this section shall be highly privileged in each House. It shall be in order at any time after the third day following the day on which such a bill is reported to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and should not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on such bill and all amendments thereto, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the bill. A motion to recommit the bill shall not be in order, and it shall not be in order to move to reconsider the vote by which the bill is agreed to or disagreed to.

(3) Motions to postpone, made with respect to the consideration of such a bill and motions to proceed to the consideration of

other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to such a bill or joint resolution shall be decided without debate.

(f) If, prior to the passage by a first House of Congress of any such bill of that House, such House receives from the second House such a bill, then the following procedure applies:

(1) Such bill received from the second House shall be reported to the first House not later than three days after being received.

(2) On any vote on final passage of such a bill of the first House, such a bill or of the second House shall be automatically substituted for the bill of the first House.

(g) If the amount specified in such a bill with respect to a fiscal year agreed to by the Senate and House of Representatives is not the same, conferees on the part of the Senate and the House of Representatives shall be appointed not later than two days after the House of Congress passing the bill last passes such bill unless within those two days both Houses of Congress agree upon the same total amount of outlay of the United States Government with respect to such fiscal year without the convening of a committee of conference. Upon appointment of conferees, the committee of conference shall meet immediately to resolve their differences. The provisions of subsection (b) shall be applicable with respect to the consideration of any report of a committee of conference on any such bill.

SEC. 103. It shall be the duty and function of the Informational Section of the Office, under Supervision of Executive Director, to provide information to committees and Members of the Senate and House of Representatives and joint committees for the Congress, on request, with respect to the budget, appropriation bills, revenue receipts and estimates, and changing revenue conditions. The information to be provided shall include, but not be limited to—

(1) budget requested by Federal departments and agencies,

(2) budget requests as set forth in the budget submitted by the President,

(3) amounts authorized to be appropriated for programs and activities, together with the legislative history of the laws authorizing such appropriations,

(4) estimates of projected costs of programs and activities, not extending beyond a five-year period,

(5) amounts appropriated for programs and activities, amounts of other types of budget authority, including contract authority, authority to spend debt receipts, loan authority, and supplemental budget authority,

(6) amounts apportioned by the Office of Management and Budget,

(7) amounts appropriated which have been obligated by Federal departments and agencies and balances of unobligated appropriations,

(8) summaries of all part evaluation or other program studies, including relevant reports of the Comptroller General, the Office of Management and Budget, and the several agencies; and

(9) reports on impoundments of funds as submitted by the Office of Management and Budget.

SEC. 104. It shall be the duty and function of the Analytic Section of the Office to undertake—

(1) an analysis of current and projected economic conditions and estimates of the effect of such on Government revenues and expenditures,

(2) an analysis of the fiscal policy embodied in the United States budget proposed for the forthcoming fiscal year and estimates of the probable effect on general economic conditions,

(3) an analysis of major reductions, terminations, or increases in Federal programs or taxes as outlined in the proposed United States budget, and the desirability of such changes in view of their likely economic and social effects,

(4) an analysis of alternative reductions, terminations, or increases in Federal programs or taxes than those outlined in the proposed United States budget, and the desirability of such changes in view of their likely economic and social effects,

(5) an analysis of the effect of budget changes as outlined in (3) or (4) above upon outlays, obligational authority, and revenues, not only in the current year, but also projected for three to five years ahead.

(6) to issue reports, from time to time, on the matters set forth in the preceding paragraphs.

SEC. 105. It shall be the duty and function of the Program Evaluation Section of the Office—

(1) upon request of any commitee of the Senate or House of Representatives or any joint committee of the Congress, to evaluate programs and activities of the Government and to analyze regulations and proposed regulations of departments and agencies with respect to their impact on outlays,

(2) upon request of the Committee on Appropriations of the Senate or House of Representatives, to provide information on, and analyses of, limits on new obligational authority and outlays recommended under section 102, and to provide liaison between such committees and committees of the Congress having legislative jurisdiction, and

(3) in the performance of this duty, the Office shall be empowered to coordinate and utilize both the General Accounting Office and the Library of the Congress resources as provided under the Legislative Reorganization Act of 1970.

SEC. 106. It shall be the duty and function of the Special Studies Section of the Office to provide special analyses of specific matters included within the functions and duties set forth in sections 104 and 105. Any such special study shall be made only upon the request of a committee or Member of the Senate or House of Representatives or a joint committee of the Congress, and only with the approval of the Director of the Office.

Sec. 107. (a) In the performance of its functions under this title, the Office is authorized—

(1) to make, promulgate, issue, rescind, and amend rules and regulations of the Office;

(2) to employ and fix the compensation of such employees, and purchase or otherwise acquire such furniture, office equipment, books, stationery, and other supplies, as may be necessary for the proper performance of the duties of the Office and as may be appropriated for by the Congress;

(3) to obtain the services of experts and consultants, in accordance with the provisions of section 3109 of title 5, United States Code;

(4) to equip itself with up-to-date computer capability, and to obtain the services of experts and consultants of the computer technology; and

(5) to use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(b) (1) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed, to the extent permitted by law, to furnish to the Office, upon request made by the Director, such information as the Director considers necessary to carry out the functions of the Office.

(2) The Comptroller General of the United States shall furnish to the Technical Director copies of analyses of expenditures prepared by the General Accounting Office with respect to any department or agency in the executive branch.

(3) The Office of Management and Budget shall furnish to the Technical Director copies of special analytic studies, program and financial plans, and other information, data, and reports that may be required to fully analyze the United States budget.

SEC. 108. There are authorized to be appropriated such sums as may be necessary to enable this Office to carry out its duties and functions. Expenses of the Office shall be paid on vouchers approved by the Chairman of the Joint Committee.

PART B—SUPPLEMENTAL PROVISIONS

SEC. 121. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11) is amended by striking out the period at the end of paragraph (12) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following new paragraphs:

"(13) a detailed evaluation of functions, activities, and authorities for which appropriations are proposed in the Budget (other than new functions, activities, and authorities proposed in the budget);

"(14) a detailed explanation of increases or decreases in amounts proposed for appropriation or expenditure for functions, activities, or authorities in comparison with amounts appropriated for or expended during the last completed fiscal year and amounts appropriated for and expected to be expended during the fiscal year in progress;

"(15) with respect to each function, activity, or authority, a detailed explanation of the reasons for proposing appropriations in amounts less than the amounts authorized to be appropriated."

SEC. 122. Whenever any executive agency undertakes an evaluation of any program or activity administered or carried on by it, the head of such agency, shall, upon conclusion of such evaluation, transmit a copy thereof to the Office of Budget Analysis and Program Evaluation established by section 101 of this Act.

TITLE II—DEPARTMENTAL BUDGET PROCESS

SEC. 201. Title II of the Budget and Accounting Procedures Act of 1950 is amended by adding at the end thereof the following new sections:

"PARTICIPATION BY STATE AND LOCAL OFFICIALS

"SEC. 204. (a) The head of each executive agency shall, at least six months prior to submission of the budget requests for such agency to the Office of Management and Budget for a fiscal year, give notice to the Governors of the various States and to the chief executive officers of their political subdivisions that such agency is formulating its budget requests for such fiscal year. Such notice may be given by publication or by such other means as the head of the agency considers appropriate.

"(b) After notice has been given under subsection (a) and upon request of the Governor of a State or the chief executive officer of a political subdivision, the head of an executive agency shall—

"(1) inform the Governor or chief executive of the proposed budget requests (as then formulated and they may be revised from time to time) which would affect such State or such political subdivision, as the case may be, and

"(2) provide an opportunity for such Governor or chief executive officer to submit comments and suggestions, written or oral, or both, with respect to such budget requests (as then formulated or as they may be revised from time to time.)

Insofar as possible, meetings held between Governors or chief executive officers and budget officers of an executive agency shall be held at locations convenient to the Governors and chief executive officers.

"PUBLIC HEARINGS ON BUDGET REQUESTS

"SEC. 205. The head of each executive agency shall, at least two months prior to the submission of the budget requests of such agency to the Office of Management and Budget for a fiscal year, give public notice of the budget requests which such agency intends to submit and conduct hearings thereon. At such hearings, all interested parties, including representatives of the general public, shall be given an opportunity to submit comments and suggestions, either written or oral, or both. Insofar as possible, such hearings shall be held at locations throughout the United States so as to provide an opportunity for the citizens of the United States to participate therein.

"TRANSCRIPTS OF BUDGET MEETINGS

"SEC. 206. After an executive agency has submitted its budget requests to the Office of Management and Budget for a fiscal year, a transcript shall be kept of all meetings between officers or employees of such agency and officers or employees of the Office of Management and Budget at which matters relating to such budget requests are discussed. Copies of such transcript shall be made available for public inspection, during normal office hours, at the office of such agency and at the office of the Office of Management and Budget.

"SUBMISSION OF COPIES TO CONGRESSIONAL OFFICE OF BUDGET ANALYSIS AND PROGRAM EVALUATION

"SEC. 207. The head of each executive agency shall promptly submit to the Office of Budget Analysis and Program Evaluation, established by section 101 of the Fiscal and Budgetary Reform Act of 1973, a copy of—

"(1) each request for legislation which, if enacted, would authorize subsequent appropriations transmitted by his agency to the Office of Management and Budget.

"(2) each budget request submitted by his agency to the Office of Management and Budget, and

"(3) each transcript made under section 206 involving any officer or employee of his agency.

"MATTERS RELATING TO NATIONAL SECURITY

"SEC. 208. Pursuant to regulations approved by the President, the provisions of sections 204, 205, 206, and 207 shall not apply with respect to budget requests or requests for legislation which the national security requires to be kept confidential.

"DEFINITIONS

"SEC. 209. For purposes of sections 204 through 208—

"(1) the term 'executive agency' means any department, agency, or establishment (including an independent establishment) in the executive branch of the Government; and

"(2) the term 'budget request' includes both requests for new obligational authority (including loan authority) and for authority to make outlays."

TITLE III—INVESTIGATION BY COMPTROLLER GENERAL OF IMPOUNDMENT REPORTS

SEC. 301. The Federal Impoundment and Information Act (title IV of Public Law 92–599) is amended by adding at the end thereof the following new section:

"INVESTIGATIONS AND REPORTS BY COMPTROLLER GENERAL

"SEC. 403. (a) Upon receipt of a report of any impoundment pursuant to section 203 (a) of the Budget and Accounting Procedures Act of 1950 (as added by section 402 of this title), the Comptroller General of the United States shall promptly conduct an investigation—

"(1) to verify the information contained in such report,

"(2) to determine whether all the information required by such section is contained in such report, and, if possible, to supply any missing information, and

"(3) to assess the validity of the reasons given pursuant to paragraph (6) of such section for the impoundment.

"(b) The Comptroller General shall, as soon as possible, submit a report to the Senate and House of Representatives with respect to each investigation conducted pursuant to subsection (a). If the Comptroller General determines that a continuing investigation of any impoundment is necessary, he shall, as soon as possible, submit an interim report with respect to such impoundment."

TITLE IV—LEGISLATIVE OVERSIGHT AND VETO OF IMPOUNDMENT OF FUNDS

SEC. 401. For purposes of this title, the impounding of funds means—

(1) the withholding or reserving of obligational authority or other budget authority provided by law (whether by establishing reserves or otherwise), and

(2) the withholding or reserving of funds from outlay, without regard to the purpose or reason for the withholding or reserving of such obligational authority or other budget authority, or the withholding or reserving from outlay, as the case may be.

SEC. 402. Nothing in any law of the United States shall be construed to give power to the President to impound funds to the extent that such impoundment would cause any program or activity provided by law—

(1) to be terminated, or

(2) to be reduced to a level below that intended by the Congress in enacting the law or laws which provide such program or activity.

SEC. 403. (a) As a part of each investigation of an impoundment of funds conducted by him under section 403 of the Federal Impoundment and Information Act (as added by section 301 of this Act), the Comptroller General shall determine whether such impoundment, if continued in effect, would cause any program or activity provided by law—

(1) to be terminated, or

(2) to be reduced to a level below that intended by the Congress in enacting the law or laws which provide such program or activity.

(b) If with respect to any impoundment of funds the Comptroller General makes an affirmative determination under subsection (a), he shall immediately—

(1) make a special report to the Senate and the House of Representatives of his determination, and

(2) notify the President of his determination.

Such special report shall be made to the Senate and the House of Representatives on the same day and shall be delivered to the Secretary of the Senate, if the Senate is not in session, and to the Clerk of the House of Representatives, if the House is not in session. Each such special report shall be printed as a document of each House.

SEC. 404. Any impoundment of funds with respect to which the Comptroller General has made a special report under section 403 shall cease to be effective at the end of the first period of thirty days of continuous session of the Congress after the day on which such special report is received by the Senate and House of Representatives, unless, before the close of such thirty-day period, the Senate and the House of Representatives have agreed to a concurrent resolution approving such impoundment in accordance with section 405. For purposes of the preceding sentence, (1) continuity of session is broken only by an adjournment of the Congress sine die, and (2) the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the thirty-day period.

SEC. 405. (a) The following subsections of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (b)); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(b) As used in this section, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows (the blank spaces being appropriately filled): "That the Congress approves the impoundment of funds reported in the special report of the Comptroller General to the Congress dated ———— —, 19— (House Document ————, Senate Document ————)."

(c) A resolution with respect to an impoundment shall be referred to a committee (and all resolutions with respect to the same impoundment shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(d)(1) If the committee to which has been referred a resolution with respect to an impoundment has not reported it before the expiration of ten calendar days after its introduction (or, in the case of a resolution received from the other House, ten calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such impoundment which has been referred to the committee.

(2) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same impoundment), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same impoundment.

(e) (1) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an impoundment, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(2) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order,

and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(f) (1) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to an impoundment, and all motions to proceed to the consideration of other business, shall be decided without debate.

(2) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an impoundment shall be decided without debate.

(g) If, prior to the passage by one House of a resolution of that House with respect to an impoundment, such House receives from the other House a resolution with respect to the same impoundment, then—

(1) If no resolution of the first House with respect to such impoundment has been referred to the committee, no other resolution with respect to the same impoundment may be reported or (despite the provisions of subsection (d) (1)) be made the subject of a motion to discharge.

(2) If a resolution of the first House with respect to such impoundment has been referred to committee—

(A) the procedure with respect to that or other resolutions of such House with respect to such impoundment which have been referred to committee shall be the same as if no resolution from the other House with respect to such impoundment had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such impoundment the resolution from the other House with respect to such impoundment shall be automatically substituted for the resolution of the first House.

TITLE V—THREE-YEAR LIMITATION ON AUTHORIZATIONS FOR APPROPRIATIONS; CONGRESSIONAL REVIEW OF MAJOR EXPENDITURE PROGRAMS

Sec. 501. (a) All provisions of law in effect on the date of the enactment of this Act which authorize appropriations for any major expenditure program for a period of more than three fiscal years, beginning with the first fiscal year which commences after such date, shall cease to be effective at the end of the third fiscal year commencing after such date.

(b) Subsection (a) shall not apply to any major expenditure program funded in whole or major part by user taxes.

Sec. 502. (a) (1) During the period prescribed in subsection (b), each committee of the Senate and the House of Representatives which has jurisdiction to report legislation authorizing appropriations for a major expenditure program shall conduct a comprehensive review and study of such program and shall submit a report thereon to the Senate or the House, as the case may be. In conducting such review and study, the committee shall receive testimony and evidence in hearings open to the public.

(2) Prior to the beginning of the period during which any committee of the Senate or the House of Representatives is to conduct a comprehensive review and study of a major expenditure program, the head of the department or agency of the Government which administers the program (or any part thereof) shall submit to the committee a cost-benefit analysis of the program.

(b) The period referred to in subsection (a) for the review and study of a major expenditure program is the last fiscal year for which appropriations are authorized for such program.

(c) Insofar as possible, the committees of the Senate and the House of Representatives which have jurisdiction over a major expenditure program shall conduct the review and study required by subsection (a) at the same time. Such committees may conduct the open hearings required by such subsection jointly.

(d) The report of a committee on a review and study of a major expenditure program shall contain a cost-benefit analysis of the program and the committee's evaluation of the overall success or failure of the program, and shall include (but not be limited to) the following matters—

(1) Whether the program objectives are still relevant.

(2) Whether the program has adhered to the original and intended purpose.

(3) Whether the program has had any substantial impact on solving the problems and objectives dealt with in the program.

(4) The impact of the program on the functions and freedom of the private sector of the economy.

(5) The feasibility of alternative programs and methods for dealing with the problems dealt with in the program and their cost effectiveness.

(6) The relation of all government and private programs dealing with the problems dealt with in the program.

(7) An examination of proposed legislation pending in either House dealing with the problems being dealt with in the program, including an examination of each proposed legislation in the context of—

(A) existing laws,
(B) other proposed legislation,
(C) private efforts, and
(D) whether public efforts will hinder or help private efforts.

Sec. 503. It shall not be in order in either the Senate or the House of Representatives to consider—

(1) any bill or joint resolution which authorizes appropriations for any major expenditure program for any fiscal year beginning after the period within which the committee of that House which has jurisdiction over the program is required to submit a report with respect to the program under section 502 until that committee has submitted such report, or

(2) any bill or joint resolution which authorizes appropriations for any major expenditure program for more than three fiscal years.

Sec. 504. (a) Sections 502 (except subsection (a) (2)) and 503 are enacted by the Congress—

(1) as an exercise of the rulemaking powers of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

(b) For purposes of sections 502 and 503, the members of the Joint Committee on Atomic Energy who are Members of the House of Representatives shall be deemed to be a committee of the House, and the members of such Joint Committee who are Members of the Senate shall be deemed to be a committee of the Senate.

TITLE VI—INFORMATION TO TAXPAYERS ON SPENDING OF INCOME TAXES PAID BY THEM

Sec. 601. (a) Chapter 77 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"Sec. 7517. Tax expenditure accounting.

"(a) Statements by Secretary.—Upon the receipt of each individual's income tax return, the Secretary or his delegate shall furnish to that individual a statement setting forth in dollar amounts the proportionate amounts of that individual's income taxes which were spent by the Federal Government, based upon the most recent information furnished by the Director of the Office of Management and Budget, for each of the following:

"(1) national defense;
"(2) space research and technology;
"(3) agriculture and rural development;
"(4) natural resources;
"(5) transportation;
"(6) community development;
"(7) housing;
"(8) education;
"(9) manpower;
"(10) health;
"(11) social services;
"(12) welfare payments;
"(13) veterans' pensions;
"(14) veterans' benefits and services;
"(15) law enforcement;
"(16) general administrative expenses of government;
"(17) interest payments;
"(18) foreign aid consisting of military assistance; and
"(19) foreign aid consisting of economic and technical assistance.

"(b) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such chapter is amended by adding at the end thereof the following new item:

"Sec. 7517. Tax expenditure accounting."

(c) The amendments made by this section shall apply with respect to income tax returns filed for taxable years ending after the date of enactment of this Act.

Sec. 602. The Director of the Office of Management and Budget shall furnish to the Secretary of the Treasury in December of each year a report, based upon data from the most recent fiscal year for which such data is available, setting forth that part of the total Federal outlays for such fiscal year which was expended for each of the items listed in section 7517(a) of the Internal Revenue Code of 1954.

By Mr. HARTKE (for himself, Mr. Weicker, Mr. Pastore, Mr. Pell, Mr. Williams, Mr. Kennedy, Mr. Ribicoff, and Mr. Case):

S. 1031. A bill to designate a national network of essential rail lines; to require minimum standards of maintenance on such lines; to create a not-for-profit corporation to acquire and maintain rail lines in the Northeast; to provide financial assistance for rehabilitation of rail lines; and for other purposes. Referred to the Committee on Commerce.

ESSENTIAL RAIL SERVICES ACT OF 1973

INTRODUCTION

Mr. HARTKE. Mr. President, Senators Weicker, Ribicoff, Pastore, Pell, Williams, Kennedy, Case, and I today introduce a bill which is entitled "The Essential Rail Services Act of 1973." This legislation is a first effort to overcome the serious transportation problems presented to the Nation by the Northeastern railroad crisis.

Briefly stated, this legislation provides for establishment of a nonprofit corporation which would acquire the track and roadbed of distressed carriers in the Northeast. The Corporation would be responsible for upgrading the property which comes into its possession, and would charge user fees for railroads operating over such facilities. In addition, the Corporation would receive Federal grants to assist with rehabilitation and maintenance, and the payment of State and local property taxes. Also, the bill makes available loan guarantees on a nationwide basis for track and roadbed improvement.

Another provision of the bill requires the Secretary of Transportation to advise Congress, within 2 years, whether rail carrier operations on rail lines of the Corporation should be taken over in whole or in part by the Corporation or by regional, State, or local agencies.

I am glad to note this important provision was drafted by Senator CASE of New Jersey, the ranking minority member of the Transportation Appropriations Subcommittee.

The concept embodied in this bill is worth careful examination as perhaps the only realistic way of resolving the critical transportation problems of the Northeastern segment of the United States and for avoiding the development of those same problems in other parts of the country. I would hope that my colleagues in the Senate would examine this statement and the copy of the bill which will be printed at the end of this statement and join with me in sponsoring the bill.

RAILROAD COLLAPSE

At the present time there are seven major railroads bankrupt in the Northeastern quadrant of the United States. The largest of these railroads, the Penn Central Transportation Co., announced on February 1 that without, first, drastic reduction in the size of the rail plant; second, a sizable reduction in the number of its employees; and third, larger payments from Amtrak, the railroad cannot be reorganized on an income basis. In short, the road would have to be fully nationalized. Even if the three steps outlined above could be substantially accomplished, the trustees' report appears to reflect their belief that a huge sum of Government money would also be required to catch up on long-deferred maintenance and for continued maintenance and necessary capital improvements.

Under the strike resolution adopted by the Congress on February 8, the Department of Transportation is required to submit to the Congress by the end of March its proposal for resolving the Northeastern railroad situation. The Interstate Commerce Commission is also working toward some proposals by the end of March.

A staff report prepared for the Senate Commerce Committee recently dealt with the Penn Central collapse in great detail. Probably the most important conclusion of the report was that there is no single reason for the Penn Central's financial failure. Major contributing factors include a changing and more unfavorable environment in the Northeast, the declining condition of the national economy, certain policy weaknesses on the part of management and their financial advisers and supporters, and the failure of public policy toward transportation. The Penn Central's financial difficulties, and the sad state of most rail transportation in the Northeast, stemmed from a critical combination of those factors.

The report suggested as one possibility the establishment of a Federal authority to take over the transportation assets of the bankrupt carriers in the Northeast. The bill which I propose today provides for the establishment of an entity which would acquire only a portion of the transportation assets. It is my hope that this less drastic action will suffice.

One of the most important causes of the deteriorated financial condition of the Northeastern railroads, according to the Commerce Committee's staff report, is the extremely poor condition of much Northeastern rail track and roadbed. A common practice among railroads when confronted with financial difficulties is to begin deferring maintenance on track and roadbed. For a large part of the Northeast, this practice has been standard for 15 or 20 years, with the result that slow orders abound even on mainline track and substantial investments are necessary to restore the facilities to proper condition. The carriers using such track cannot possibly provide the high quality transportation services the public needs, when they have inadequate funds for the restoration that is needed.

ADMINISTRATION POSITION

I, for one, am not willing to take a laissez-faire attitude, such as I understand is being proposed by the Department of Transportation. Preliminary indications are that the Department believes that the answer is to allow massive reduction in the railroad plant—for the Penn Ceneral this could mean the elimination of 9,000 miles of track out of a total of 20,000—and massive unemployment for railroad employees. I do not believe that the Congress of the United States is willing to accept that kind of approach as a substitute for rational transportation policy in the Northeast.

There is no question that many in Government have been hoping that, under private operations, the Northeastern railroad problem would correct itself, but it has not. While we have tried to set the problem aside over the past 10 to 15 years, it has gotten worse. It is now time to address the crisis directly while we have at last some time to provide for our transportation needs.

NEW DIRECTIONS

I think we must be forthright and recognize that, at this late date, it will cost money to correct the problem. But while we may be talking about a billion dollars in loan guarantees and perhaps another billion dollars in real money over the next few years, I think we must place this proposed financial outlay in perspective. Let us keep in mind that we spend $82 billion every year on the Defense Department. It is possible that more is wasted on defense than would be needed to restore the ailing segments of our rail system to a healthy serviceable condition. Throughout the country, including both Federal and State expenditures, we spend about $21 billion annually on highways. We spend around half a billion dollars on the merchant marine each year and about $1.5 billion on aviation. It would be almost impossible to estimate what has been spent on our inland waterways for dams, drought and flood control, dredging, et cetera. All of this has helped the inland waterways mode of transportation. Less than $300 million goes toward rail transportation.

I would not suggest that we should spend a billion dollars or more on railroads just for the simple reason that we spend much more than that on other modes of transportation, but it must be remembered that railroad rights of way are the only transportation rights of way to which the Federal Government has not addressed its considerable resources. Providing railroads with vastly improved rights of way on a user charge basis is certainly consistent with our attitudes toward transportation development in the United States.

We must provide a better climate for private enterprise in transportation in the Northeast. I think we can do so with a concept such as that proposed in the bill I introduce today.

We must concern ourselves with transportation needs consistent with our desire to protect the environment through more efficient land use and pollution control. Our social goals do not include forcing more industries and more people into the already overcrowded urban centers and contributing thereby to the overwhelming problems in those areas. Massive track abandonment with the economic disruption and the unemployment which would result must, therefore, be avoided as much as possible. Of immediate concern, as well, is the crisis in energy now being felt in the Midwest and threatening to develop in other parts of the country. In this connection, we should keep in mind that railroads are the most efficient surface transportation mode for a vast amount of our interstate shipping needs, and in many cases, for intrastate and commuter and "corridor" mass movements of people.

SUMMARY OF BILL

The bill which I introduce today will do the following:

First, require the designation of an interstate railroad system which would identify main lines in the United States which must be upgraded to standards which would insure dependable operation of freight trains at speeds up to 60 miles an hour and passenger trains at speeds up to 80 miles an hour;

Second, require the Secretary of Transportation to provide within 2 years a report on the long-term capital needs for railroads;

Third, provide for the creation of a Northeast Rail Line Corporation. The Corporation would be a not-for-profit entity with 13 members on the Board of Directors appointed by the President, affected States, railroads, Amtrak, rail labor, and shippers;

Fourth, provide that within 6 months after enactment of the act, the Corporation will acquire all track and roadbed—exclusive of terminals and declassification yards—owned by bankrupt railroads in the Northeast in exchange for debentures equivalent to the net liquidation value of the property conveyed. On different terms, the rail lines of other Northeast carriers may also be acquired;

Fifth, require that the Corporation assume responsibility for rehabilitation and maintenance of all lines it owns, including secondary and branch lines, and for the operation of signalling and communication devices. The operation of the carriers' rail service would remain with the railroads or in the case of passenger service with the Amtrak Corporation.

Sixth, require that line abandonments be in accordance with procedures providing substantial notice, ICC approval, plus an opportunity for affected States, communities, or private companies to retain the service by sharing on a 50–50 basis the maintenance and rehabilitation costs;

Seventh, require substantial protection for railroad employees from job loss or worsening of position;

Eighth, require the payment of user charges by railroads or Amtrak on a 60 cents per thousand gross ton-miles of locomotive and train operations. The 60 cents represents a cost figure for maintenance and rehabilitation by some of the healthier railroads. That is a preliminary figure subject to later revision—see attachment at end of statement; and

Ninth, provide for an authorization of $50 million for organization expenses of the Corporation; $300 million in each of the first 2 years for rail line rehabilitation of corporation rail lines; $100 million per year for maintenance, capital improvements and overhead expense of the Corporation; $1 billion of Federal guarantees for debentures for the acquisition of track and roadbed by the Corporation; and loan guarantees not to exceed $200 million to all qualified railroads throughout the United States for track and roadbed improvements to meet Federal standards.

Mr. President, I ask unanimous consent that the text of the proposed bill together with a preliminary staff analysis of the basis for a user charge computation be printed in the RECORD at this point.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1031

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Essential Rail Services Act of 1973".

TITLE I—FINDINGS, PURPOSES, AND DEFINITIONS

CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. The Congress finds that modern, efficient rail service is essential to interstate commerce and to national defense; that better utilization of existing rail rights-of-way is more compatible with the environment in terms of land use, air pollution, noise levels, and energy conservation than is expansion of facilities for other modes of transportation; that many railroad tracks and roadbeds have greatly deteriorated in recent years, especially in the Northeast section of the country; that such deterioration has resulted in inferior railroad transportation for both freight and passengers, together with a sharp increase in train derailments; that rehabilitation of such tracks and roadbeds will provide substantial public benefits through improved rail freight and passenger service; that the efficiency and quality of railroad service and the economic utilization of the railroad plant in the Northeast can be improved by freer access by rail carriers to portions of rail lines they do not own; that these measures will be of material assistance in restoring viability to private rail operations in the Northeast; and that to assure preservation of essential rail services it is necessary to designate an Interstate Railroad System; to require minimum standards of maintenance on the rail lines comprising such System; to organize a not-for-profit corporation to rehabilitate, maintain, modernize and where necessary, to restructure rail lines in the Northeast; to establish rights of access by rail carriers to the rail lines of such corporation; and to provide Federal financial assistance for rehabilitation, maintenance, modernization, and any necessary restructuring, of essential rail lines.

DEFINITIONS

SEC. 102. For the purposes of this Act the term—

(1) "automatic block signals" includes automatic train stop systems, automatic train control systems, automatic cab signal systems, and any system of centralized traffic control by which a train is operated in accordance with signal indications without train orders;

(2) "Commission" means the Interstate Commerce Commission;

(3) "Corporation" means the Northeast Rail Line Corporation created by this Act;

(4) "Northeast region" means the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, Ohio, Indiana, Michigan, and Illinois, together with the District of Columbia;

(5) "rail carrier" includes railroad companies; mail, express, or less-than-carload freight carriers; State, regional, or local transportation agencies; the National Railroad Passenger Corporation; and other private passenger carriers;

(6) "rail line" includes main rail track or tracks; side tracks and yard tracks adjacent to such main tracks; the roadbed supporting such tracks; signalling, communication, and power transmission structures and devices as are permanently installed on or adjacent to such tracks and roadbed; bridges, culverts, fills, tunnels, and other structures occupied by such tracks and roadbed; real estate occupied by such tracks and roadbed; and real estate adjacent to such tracks and roadbed which is used for drainage of, maintenance of, access to, and protection of such tracks and roadbed; but does not include classification yards; station and terminal tracks and facilities, other than running tracks; any structures and devices other than those specified in this paragraph; and does not include air rights over, nor mineral rights under, such tracks and roadbed;

(7) "railroad company" means a class I or class II railroad, including switching and terminal companies, as defined by the Interstate Commerce Commission and subject to part I of the Interstate Commerce Act;

(8) "Secretary" means the Secretary of Transportation; and

(9) "System" means the National Interstate Railroad System established by this Act.

TITLE II—INTERSTATE RAILROAD SYSTEM

INITIAL DESIGNATION OF SYSTEM

SEC. 201. (a) The initial Interstate Railroad System shall consist of all rail lines operated by domestic railroad companies which as of the date of enactment of this Act are equipped with two or more main tracks or with automatic block signals.

(b) Within ten days after the date of enactment of this Act, the Secretary of Transportation shall release a concise descriptive summary, together with a map, of all rail lines included within the initial system.

HEARINGS BY COMMISSION

SEC. 202. Commencing thirty days after release of the initial system, the Interstate Commerce Commission shall hold public hearings both in Washington, District of Columbia, and in other parts of the country. Notice of the dates, times, and places of such hearings shall be given in a manner as to assure a full and fair opportunity to be heard for consumers, shippers, industry, labor, and State and local governments.

RECOMMENDATIONS OF COMMISSION

SEC. 203. Within one hundred and twenty days after release of the initial system by the Secretary, the Commission shall release and report to the Secretary its recommendations for additions and deletions thereto. In making its recommendations, the Commission shall utilize the information developed during the hearings, and shall take into consideration the interests of persons, communities, States, and regions affected thereby; the existing pattern of service by railroads and alternative modes; present and future economic and population patterns; and the public interest in a balanced, integrated, competitive, and economical transportation system responsive to the needs of the public and the users of such system. Such report shall include findings in support of each recommended addition to or deletion from the initial system.

FINAL DESIGNATION OF SYSTEM

SEC. 204. (a) Upon receiving the recommendations of the Commission, the Secretary shall within thirty days, after giving full consideration to such recommendations, release and transmit to the Congress the final Interstate Railroad System. The report of the Secretary shall include findings in support of each addition to or deletion from the initial System. To the extent consistent with the purposes of this Act, the Secretary shall not designate as part of the System rail lines which are parallel to, and duplicative of, other lines included in the System. Furthermore, the Secretary shall identify all short- to medium-distance corridors in densely populated areas in which major upgrading of rail lines for passenger operation at speeds of one hundred and twenty miles an hour or over would return substantial public benefits in relation to the cost of such upgrading.

(b) The System as designated by the Secretary shall become effective for the purposes of this Act upon the date that the report of the Secretary is submitted to Congress, and shall not be reviewable in any court.

MAINTENANCE STANDARDS

SEC. 205. (a) Within ninety days after enactment of this Act, the Secretary shall prescribe standards for maintenance of all main track included within the System, with respect to track geometry, rail mismatch, rail-end batter, and frogs, for smooth, dependable operation of freight trains at speeds up to sixty miles an hour and passenger trains at speeds up to eighty miles an hour. In formulating such standards, the Secretary shall be guided by preferred or recommended practices from an engineering and economic standpoint as distinct from minimum requirements for safety.

(b) In all respects other than those enumerated in subsection (a), all main track included within the System shall meet the requirements for class four track of the track safety standards prescribed by the Secretary pursuant to the Federal Railroad Safety Act of 1970 (45 U.S.C. 421 et seq.).

(c) All main track included within the System shall be in compliance with standards prescribed in accordance with this section on or before the expiration of two years following the date of establishment of such System pursuant to section 204 of this title.

(d) No owner or possessor of rail lines shall contract out any project for rehabilitation or maintenance work required by this Act of a value of over $450 per month in labor and materials which is normally performed by employees in any bargaining unit covered by a labor agreement between such owner or possessor and any labor organization.

(e) Owners and possessors of rail lines shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the performance of construction work financed with the assistance of funds received under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. No one shall enter into any construction contract or agreement without first obtaining adequate assurance that required labor standards will be maintained on the construction work. Health and safety standards promulgated by the Secretary of Labor pursuant to section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 333) shall be applicable to all construction work performed under such contracts or agreements, except any construction work performed by an employee of the Corporation or of a railroad company. Wage rates provided for in collective bargaining agreements negotiated under and pursuant to the Railway Labor Act shall be considered as being in compliance with the Davis-Bacon Act.

QUARTERLY AND ANNUAL REPORTS BY THE SECRETARY

SEC. 206. (a) The Secretary shall submit to Congress on the first day of each regular session an annual report on the performance of the railroad industry, including the Corporation established by this Act. The report shall be based upon an analysis of the fundamental condition of the industry, of specific carriers, and of specific regions of the country, from the point of view of the rail system as an integral part of a national system of transportation of several modes. The report should evaluate the level of performance of the industry and its components; the condition of the plant and facilities; the level and quality of service; and the implications of apparent trends for the continued provision of transportation service. The report shall evaluate the performance and efficiency of railroad management, and shall recommend such changes in management techniques and procedures as are indicated by such evaluation. The report shall include recommendations as to whether all or any portion of the rail carrier operations on rail lines of the corporation should be taken over in whole or in part by the Corporation or by regional, state, or local agencies. The report shall include a statement of the receipts and expenditures of the Secretary pursuant to the Act during the previous fiscal year.

(b) The Secretary shall publish and report to the Congress quarterly on the net improvements to rail facilities resulting from the implementation of this Act and the extent of compliance with the requirements of sections 205 and 606 of this Act.

RAIL SERVICE SCHEDULE AND FACILITY INVENTORY

SEC. 207. (a)(1) The Secretary shall prepare and keep current a schedule setting forth major transportation services that should be provided by railroads in the United States. In formulating such a schedule the Secretary shall take into consideration the interests of persons and communities affected thereby; existing rail facilities and the pattern of service by railroads; the facilities of alternative modes of transportation currently in existence; the cost of establishing transportation facilities in addition to existing facilities; the cost of providing service by extension of existing transportation services; the cost of providing transportation by rail and alternative modes; the existing investment in the transportation facilities of rail and alternative modes and the economic value thereof; the existing pattern of service by alternative modes; and the public interest in a balanced and economical transportation system responsive to the needs of the public and the users of such system.

(2) Such schedule shall identify rail freight services that are—

(i) essential to the public welfare, or

(ii) essential to the major needs of the economy of the Nation or of a substantial region of the Nation, that do not fall within clause (i).

(b) The Secretary shall compile an inventory of the rail transportation facilities (including, but not limited to, track, rights-of-way, yards, terminals, equipment, rolling stock, signal and communication equipment) in the United States and shall annually update such inventory. Such facilities shall be classified as follows:

(1) necessary to the continued provision of services identified in subsection (a)(i);

(2) necessary to the continued provision of services identified in subsection (a)(ii);

(3) necessary for continued provision of services essential to localities; and

(4) unnecessary, duplicative or redundant. The Secretary may make such new categories, or subcategories of the above categories as may be appropriate to classify rail transportation facilities in a useful and informative manner.

(c)(1) The Secretary shall complete the schedule and inventory provided by subsections (a) and (b) not later than one year after the date of enactment of this Act. He may develop parts of such schedules or inventory for particular regions of the country as may be necessary to implement this Act in advance of such deadline and before completion of the entire inventory and plan.

(2) The Secretary shall publish such schedule and inventory, or summaries thereof, in a manner designed to acquaint affected industries, citizens, and communities of the classification of rail transportation facilities upon which they may rely and of the Secretary's schedule for transportation service by railroad.

(d) The Secretary shall conduct hearings in accordance with section 553 of title 5, United States Code, in various cities and towns throughout the United States after initial formulation of the schedule and inventory in order to permit persons affected thereby to comment thereon. The Secretary shall solicit the opinions and views of representatives of communities, cities, and appropriate transportation regions (as defined by geographic, demographic, and economic relationships between areas within a prospective region). The Secretary shall periodically conduct such hearings in order to provide information and views to be considered in updating such schedule and inventory.

MODIFICATION OF SYSTEM

SEC. 208. At any time after the expiration of two years following the designation of the System under section 204 of this title, any party may request the Secretary to add or delete rail lines to or from such System. The Secretary shall, with reference to the rail service schedule prepared in accordance with section 207 of this title, make the addition or deletion if provided with sufficient proof that such addition or deletion is consistent with the public interest. Approval of a deletion shall not be considered by the Commission as evidence in an abandonment proceeding that service on the line deleted is no longer required by public convenience and necessity.

LONG-TERM RAILROAD CAPITAL IMPROVEMENT NEEDS

SEC. 209. (a) Within two years after the date of enactment of this Act, the Secretary shall undertake and carry out a study of the long-term capital needs for line relocation, tunneling, highway grade crossing elimination, electrification, and other major upgrading of the Interstate Railroad System, including the high density corridors identified by the Secretary under section 202 of this Act. The study shall include recommendations for investment priorities among the various possible upgrading projects, with reference to the service schedule and facility inventory required by section 206 of this title. The study shall evaluate the form and extent to which the Federal Government should assist with the financing of such upgrading. The study shall include an evaluation and recommendations regarding the acquisition and operation by the corporation established by this Act, of railroad freight yards and terminal facilities.

(b) Upon completion of the study, the Secretary shall submit to the President and to the Congress, and shall release to the public, a full report thereon together with his recommendations for such legislative, administrative, and other actions as he deems appropriate for implementing the report.

AUTHORIZATION OF FUNDS

SEC. 210. There is hereby authorized to be appropriated to the Secretary and the Commission such sums as are necessary to fulfill the requirements of this title, not to exceed $1,000,000 for the Secretary and $250,000 for the Commission.

TITLE III—NORTHEAST RAIL LINE CORPORATION

CREATION OF THE CORPORATION

SEC. 301. There is authorized to be created a Northeast Rail Line Corporation. The Corporation shall be a not-for-profit corporation, the purpose of which shall be to rehabilitate, maintain, and modernize rail lines and to make certain capital improvements as outlined in section 501(b) of this Act so as to fully develop the potential of modern rail service in meeting the transportation requirements in the Northeast region of the Nation. The corporation will not be an agency or establishment of the United States Government. It shall be subject to this Act, and, to the extent consistent with this Act, to the District of Columbia Not-For-Profit Corporation Act. The right to repeal, alter, or amend this Act at any time is expressly reserved.

PROCESS OF ORGANIZATION

SEC. 302. The Secretary of Transportation, the Under Secretary of Transportation, and the Federal Railroad Administrator shall serve as incorporators of the corporation, and as the board of directors for thirty days following the enactment of this Act. The incorporators shall take whatever actions are necessary to establish the corporation, including the filing of the articles of incorporation.

BOARD OF DIRECTORS

SEC. 303. (a) The corporation shall have a board of thirteen directors consisting of individuals who are citizens of the United States, of whom one shall be elected annually to serve as chairman. The initial board of directors shall take office on the thirty-first day after the date of enactment of this Act.

(1) Two members of the board shall be appointed by the President of the United States for terms of four years, except that the first member so appointed shall continue in office for a term of two years.

(2) One member of the board shall be appointed by the President of the United States upon recommendation of the Senate leader (majority leader or minority floor leader) of the political party opposite to the political party of the President for a term of four years, except that the first member appointed shall continue in office for a term of one year.

(3) One member of the board shall be appointed by the President of the United States upon recommendation of the House of Representatives leader (Speaker or minority leader) of the political party opposite to the political party of the President for a term of four years, except that the first

member appointed shall continue in office for a term of three years.

(4) Three members of the board shall be appointed annually by the National Governors Conference upon recommendation of the Governors of the States of the Northeast region. One of the members appointed shall be of the opposite political party to the other two members.

(5) Two members of the board shall be elected annually by the railroad companies who have conveyed rail lines to the corporation. Each such railroad company shall have one vote per one billion gross ton-miles in freight train service operated during the last calendar year for which such data has been reported to the Interstate Commerce Commission. If the gross ton-miles of any single railroad company together with its controlled and affiliated subsidiaries is more than 50 per centum of the total eligible to vote, such company and subsidiaries shall be eligible to vote for only one of the two members.

(6) One member of the board shall be appointed annually by the National Railroad Passenger Corporation.

(7) One member of the board shall be appointed annually by the Congress of Railway Unions.

(8) One member of the board shall be appointed annually by the Railway Labor Executives Association.

(9) One member of the board shall be appointed annually by the National Industrial Traffic League.

(b) Any member selected to fill a vacancy may be selected only for the unexpired term of the director whom he or she succeeds. A director whose term has expired shall continue to serve until his or her successor is selected.

(c) Upon the inauguration of a President of a different political party than his or her predecessor, successors of members who have been appointed upon recommendation of the Senate and House leaders shall be appointed by the President in accordance with paragraph (1) of subsection (a) of this section, and successors of members who have been so appointed shall be appointed upon recommendation of the Senate and House leaders, the first such successor upon recommendation of the Senate leader.

(d) No director other than these elected by railroad companies may have any direct or indirect financial or employment relationship with any railroad company during the time that he or she serves on the board.

(e) No director elected by railroad companies shall vote on any action of the board of directors relating to any contract or operating relationship between the corporation and a rail carrier, but he or she may be present at meetings of the board at which such matters are voted upon, and may be included for purposes of determining a quorum and may participate in discussion at any such meeting.

(f) Each director shall receive compensation at a rate of $300 for each meeting of the board that he or she attends. In addition, each director shall be reimbursed for necessary travel and subsistence expenses incurred in attending the meetings of the board.

BYLAWS AND OFFICERS

Sec. 304. (a) The board of directors is empowered to adopt and amend bylaws governing the operation of the corporation. Such bylaws shall not be inconsistent with the provisions of this Act, the District of Columbia Not-for-Profit Corporation Act, or of the articles of incorporation.

(d) The corporation shall have a president and such other officers as may be named and appointed by the board. The rates of compensation of all officers shall be fixed by the board. Officers shall serve at the pleasure of the board. No individual other than a citizen of the United States may be an officer of the corporation. No officer of the corporation may have any direct or indirect employment or financial relationship with any railroad company during the time of his or her employment by the corporation.

GENERAL POWERS

Sec. 305. The corporation is authorized to own, possess, construct, control, maintain, rehabilitate, and modernize rail lines, including operation of signaling and communication systems; to acquire by construction, purchase, or gift, or contract for the use of, real estate, physical facilities, equipment, and devices necessary to its functions; to exercise the power of eminent domain in connection with such acquisitions; and to conduct research and development related to its mission. To carry out its functions and purposes the corporation shall have the usual powers conferred upon a not-for-profit corporation by the District of Columbia Not-for-Profit Coporation Act. Leases and contracts entered into by the corporation, regardless of where the same may be executed, shall be governed by the laws of the District of Columbia.

ISSUANCE OF DEBENTURES

Sec. 306. The corporation is hereby authorized to issue debentures of a face value of up to $1,000,000,000 for the purpose of financing the acquisition of rail lines of railroad companies in the Northeast section of the Nation which are presently, or will be in the future, undergoing reorganization in bankruptcy proceedings in United States district courts. Debentures shall be issued serially and shall mature not later than twenty years from the date of issuance including all extensions and renewals thereof.

BOOKS AND RECORDS

Sec. 307. (a) The corporation shall maintain books and records in accordance with the Uniform System of Accounts prescribed by the Interstate Commerce Commission, insofar as is applicable.

(b) The corporation shall file form A report with the Interstate Commerce Commission at the same time and in substantially the same format at such reports of railroad companies, insofar as such format is applicable.

(c) The Interstate Commerce Commission is hereby empowered to promulgate and modify rules and regulations governing accounting and recordkeeping requirements of the corporation, if and when such action is deemed appropriate in view of the nature of the corporation and the requirements of this Act.

(d) All books, papers, records, and documents of the corporation, other than internal memorandums, shall at all times be open to public inspection. Any person desiring to inspect such material shall reimburse the corporation for the time of corporation employees required to assist with such inspection. Any person requesting reproduction of any such material shall reimburse the corporation for the cost of such reproduction.

AUDIT OF RECORDS OF THE CORPORATION AND OF CERTAIN RAILROAD COMPANIES

Sec. 308. (a) (1) The accounts of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person.

(2) The report of each such independent audit shall be included in the annual report required by section 309(b) of this Act. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the corporation's assets and liabilities, surplus or deficit, with an analysis of the change therein during the year, supplemented in reasonable detail by a statement of the corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(b) (1) The financial transactions of the corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the Comptroller General of the United States in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General. Any such audit shall be conducted at the place or places where accounts of the corporation are normally kept. The representative of the Comptroller General shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by the corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the corporation shall remain in possession and custody of the corporation.

(2) To the extent the Comptroller General deems necessary in connection with audits as he may make of the financial transactions of the corporation pursuant to paragraph (21) of this subsection, his representatives shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by any railroad company which has conveyed rail lines to the corporation, or by any rail carrier which has used or is using corporation rail lines, pertaining to such railroad company's or rail carrier's financial transactions and necessary to facilitate the audit, and such representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of such railroad company or rail carrier shall remain in the possession and custody therewith.

(3) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the corporation, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the corporation at the time submitted to the Congress.

QUARTERLY AND ANNUAL REPORTS

Sec. 309. (a) Within thirty days following the end of each quarter of the year, the corporation shall release to the public a complete report of its activities and finances for the previous quarter. Such report shall include, but not be limited to, the amount and location of new and relay rail laid; ties installed or replaced; miles of track surfaced; signals and interlockers installed or replaced; grade crossing protection installed;

and communication systems installed. The report shall also include a summary of all train derailments and collisions on corporation rail lines, including the probable cause thereof.

(b) On or before October 31 of each year, the corporation shall submit to the President and to the Congress, and release to the public, a comprehensive and detailed report of its activities and accomplishments during the preceding fiscal year, including a ballance sheet and statement of receipts and expenditures. The report shall include a projection of receipts and expenditures for the current fiscal year, and a proposed budget for the forthcoming fiscal year, which shall provide specific justification for each and every proposed expenditure.

TITLE IV—ACQUISITION OF RAIL LINES BY THE CORPORATION

CONVEYANCES OF RAIL LINES OF BANKRUPT RAILROAD COMPANIES

Sec. 401. (a) Within six months after enactment of this Act, and in consideration of debentures to be issued by the corporation in an amount equivalent to just compensation as determined in accordance with Section 402 of this title—

(1) the trustees of all railroad companies which are undergoing reorganization in bankruptcy proceedings in Federal district courts, and a majority of whose rail lines are located in the Northeast region;

(2) all owners of rail lines leased to such railroad companies; and

(3) all wholly owned subsidiaries and affiliates of such railroad companies

may convey or cause to be conveyed to the corporation all rail lines owned or operated by such railroad companies free and clear of all liens, charges, and encumbrances.

(b) Such conveyances shall not be deferred by reason of any controversy concerning the amount of compensation to be paid, and shall not be restrained or enjoined by any court on account of such controversy.

COMPENSATION FOR RAIL LINES

Sec. 402. (a) Compensation for rail lines acquired by the corporation shall be the net liquidation value of the property conveyed.

(b) Compensation for rail lines conveyed by trustees in bankruptcy shall be fixed by the United States district court before which the bankruptcy proceedings are being held, in accordance with subsection (a) of this section.

(c) Compensation for rail lines conveyed by others than trustees in bankruptcy may be negotiated by the parties in accordance with the standards set forth in subsection (a) of this section. In the event of a failure to agree, the property owner may institute an action in the United States district court in which the property is located for a final determination of the compensation due from the corporation.

CONVEYANCES OF OTHER RAIL LINES

Sec. 403. On or after six months from the date of enactment of this Act, and in consideration of the assumption by the corporation of all maintenance, rehabilitation, signaling, and communication functions, and the payment of State and local property taxes, any railroad company, subsidiary, or affiliate other than those specified in section 401 of this title, the majority of whose rail lines are located in the Northeast region, may convey to the corporation all its right, title, and interest in all its rail lines, or in those of its rail lines, including branches and feeders, which are substantially parallel to rail lines already conveyed to the corporation.

LEASED RAIL LINES IN FOREIGN COUNTRIES

Sec. 404. Upon the conveyance to the corporation of rail lines by any railroad company, subsidiary, or affiliate, the corporation shall assume and fulfill the obligations of such railroad company, subsidiary, or affiliate of all leases of railroad real estate located in foreign countries.

TITLE V—OPERATION OF CORPORATION RAIL LINES

OPERATIONAL RESPONSIBILITIES OF CORPORATION

Sec. 501. (a) Upon acquisition of the rail lines of any railroad company, the corporation shall, consistant with the provisions of section 508 of this title, assume responsibility for the rehabilitation and maintenance of such rail lines, and for the operation of signalling and communication devices on such rail lines.

(b) The corporation shall make capital improvements on its rail lines in accordance with its evaluation of expected benefits from such improvements in relation to the cost thereof, and in accordance with available financial resources. Such capital improvements shall include, but not be limited to, interlocking devices; centralized traffic control; improved safety devices governing train movements; extra main tracks; new and extended sidings; interchange and connecting tracks; removal of restrictive clearances; improved grade crossing protection; and reduction of curves and grades.

FREIGHT SERVICE

Sec. 502. (a) A railroad company which conveys its rail lines to the corporation, or which holds trackage rights over rail lines which are conveyed to the corporation, shall have the right to continue operations as a rail carrier of freight over all such rail lines that it was conducting such operations prior to the conveyance thereof, in return for payment to the corporation of $0.60 per thousand gross ton-miles of locomotive and train operation. The terms and conditions of preexisting agreements and contracts for the use of track and other facilities shall be of no force and effect as between the corporation and any rail carrier, but insofar as applicable, shall remain in effect as between two or more rail carriers of freight using the same rail line.

(b) Upon application to the Commission by any rail carrier for the use of any rail line of the corporation for freight service, if the applicant is fit, willing, and able to properly perform the service proposed; if such service is or will be required by the present or future public convenience and necessity; and if the operations of the applicant will not significantly impair the level of performance of the carrier or carriers already using the line who are adequately serving the public, the Commission shall by order require the corporation to permit the applicant to use such rail line for compensation to the corporation at $0.60 per thousand gross ton-miles of locomotive and train operation, and upon such other terms and conditions as are reasonable under the circumstances.

(c) If, in the opinion of the corporation, the transfer of freight traffic off of one rail line and onto another rail line will permit significant economies through reduction in maintenance expenditures, it may apply to the Commission for an order requiring such transfer. If after notice and hearing the Commission finds that such transfer will not result, directly or indirectly, in a significant impairment in the rail service provided to any rail customer, the Commission shall issue an order requiring the transfer on such terms and conditions as are reasonable. Applications under this section shall be acted upon by the Commission within one hundred and twenty days after the application is filed.

(d) No one shall commence freight operations over rail lines of the corporation other than in accordance with the provisions of this section.

PASSENGER SERVICE

Sec. 503. (a) Any rail carrier shall have the right to continue passenger service over any rail line conveyed to the corporation at the same frequency with which it was providing such service prior to the conveyance, in return for payment to the corporation of $0.60 per thousand gross-ton-miles of locomotive and train operation. All preexisting agreements and contracts for the provision of passenger service shall be of no force and effect as between the corporation and such rail carrier.

(b) (1) Any rail carrier shall have the right to initiate new passenger service, or to increase the frequency of passenger service already being provided, in return for payment to the corporation of $0.60 per thousand gross ton-miles of locomotive and train operation, unless the corporation determines that the rail carrier is not fit, willing, and able to properly perform the service proposed.

(2) A rail carrier or freight shipper whose service or operations are afflicted by new or expanded passenger service may file an application with the Secretary requesting appropriate relief. If after hearing and upon sufficient proof the Secretary finds that such passenger service causes a significant downgrading of the quality of service provided to freight shippers, he shall issue an order fixing such terms and conditions for the operation of such passenger service as are reasonable in the interest of adequate freight service.

OPERATING RULES

Sec. 504. (a) The corporation shall have the power to fix rights of trains, maximum train speeds, size and weight limits for equipment, and other rules governing operations over corporation rail lines. The provisions of this Act and of rules adopted by the corporation shall supersede the terms of any agreements previously entered into between rail carriers and railroad companies for the provision of passenger service.

(b) (1) Except in an emergency, passenger trains shall be accorded preference over freight trains in the use of any given line of track, junction or crossing of the corporation, unless the Secretary has issued an order to the contrary in accordance with paragraph (2) of this subsection.

(2) A rail carrier or freight shipper whose service or operations are affected by paragraph (1) above may file an application with the Secretary requesting appropriate relief. If after hearing and upon sufficient proof, the Secretary finds that adherence to paragraph (1) causes a significantly downgrading of the quality of service provided to freight shippers, he shall issue an order fixing rights of trains, on such terms and conditions as are reasonable in the interest of adequate freight service.

LIABILITY FOR INJURY AND DAMAGE

Sec. 505. The corporation shall be responsible for all bodily injury and property damage arising out of any accident on occurrence caused by defects in, or improper maintenance of, track, roadbed, signals, communications, or other facilities owned or controlled by the corporation or caused by the negligence of a corporation employee. Rail carriers shall be responsible for all bodily injury and property damage arising out of any accident or occurrence caused by reasons other than those enumerated in the preceding sentence.

REDUCTION IN CAPACITY OF RAIL LINES

Sec. 506. If at any time the corporation desires to realize economies through the elimination of any extra main track or tracks, or other type of reduction in capacity of any of its rail lines that would not result in elimination of service to any point, it shall give notice of its intention to the carriers using the line, to the States and localities through which the line runs, and to any other person who has requested to be given such notice. The corporation may proceed with such elimination or reduction on or after the expiration of one hundred and twenty days following the giving of notice unless it determines, on the basis of protests submitted in response to the notice, that such elimination or reduction will not be consistent with the present and future public interest in adequate rail service.

ABANDONMENT OF RAIL LINES

SEC. 507. (a) The corporation shall not abandon any rail line in whole or in part except in accordance with this section.

(b) Within one hundred and twenty days after enactment of this Act, the corporation shall prepare and file with the Commission, and serve by registered mail all Governors of affected States; chief executives of affected communities and regional agencies; all rail carriers operating on corporation rail lines; and anyone else who has requested to be served, a full and complete list and diagram of its rail lines describing in particular those lines during the prior calendar year on which less than one million gross ton-miles of traffic were carried per mile, or on which less than thirty-five carloads originated or terminated per mile. The corporation shall also identify on such list or diagram any other line for which it may seek authority to abandon, including the traffic density on such line during the prior calendar year in terms of gross ton-miles and of carloads originated and terminated. Such list and diagram shall be amended quarterly to reflect any additions or deletions of rail lines thereon. Such amendments shall be filed and served in the same manner and to the same extent as the original list and diagram.

(c) The corporation shall not give notice of a proposed abandonment of all or any portion of a rail line unless such rail line has been identified on the list and diagram required by subsection (b) for at least one year, and unless all passenger service on such rail line has been terminated.

(d) At such time as the corporation determines to abandon any rail line in whole or in part, it may file with the Commission and serve by registered mail all Governors of affected States; chief executives of affected communities and regional agencies; all rail carriers operating on the line; and anyone else who has requested to be served, notice of the proposed abandonment at least one hundred and twenty days prior to the proposed effective date thereof. Abandonments pursuant to such notice shall be governed by the provisions of this section, the laws or constitution of any State, or the decision or order of the pendency of any proceeding before, any court or State authority to the contrary notwithstanding. Such notice shall include a full and complete statement of the estimated expense to be borne by the corporation for rehabilitating the line and for its continuing annual maintenance, together with estimated receipts from rail carriers using the line, and shall otherwise be in such form as the Commission shall prescribe. A copy of the working papers underlying all data contained in the notice shall be filed with the Commission contemporaneously with the notice, and made available by the Commission for public inspection. A copy of such working papers shall also be made available for public inspection at the principal office of the corporation.

(e) Upon the filing and serving of any notice pursuant to subsection (d), parties who may be affected by the proposed abandonment shall have thirty days to file protests with the Commission against such abandonment. Such protests shall contain a complete and concise justification for requiring that the rail line not be abandoned, in such form as the Commission may prescribe. Such protests shall be mailed to all rail carriers using the line.

(f) Within thirty days after the date for filing protests, the Commission may enter upon an investigation of the abandonment proposed in the notice, and, unless all service on the line has been terminated, it shall enter upon such an investigation. If no such investigation is instituted, the Commission shall issue a certificate at the expiration of such thirty-day period that public convenience and necessity permit the abandonment proposed in the notice, upon such terms and conditions as are reasonable.

(g) If an investigation is instituted, the Commission, by order served upon the corporation and rail carrier or carriers affected thereby at least sixty days prior to the day on which the abandonment proposed in the notice would otherwise become effective, shall postpone the abandonment in whole or in part, pending hearing and such investigation, but not for a longer period than nine months from the date of issuance of such order. Any investigation instituted under this paragraph shall include full public hearings at a point or points on or reasonably adjacent to the line proposed to be abandoned. On or before the expiration of the nine-month period, the Commission shall determine whether the proposed abandonment is consistent with public convenience and necessity. In making such determination, the Commission shall consider the following: avoidable cost, less receipts to the corporation from rail carriers using the line, of maintaining the line proposed to be abandoned, as measured by cost of recurring maintenance and such repairs or improvements necessary to continue the line at a physical standard necessary to provide safe, reliable, and efficient service; extent of actual use of and need for the line by shippers or receivers; prospects for reduction of losses through traffic increases, reduced expenses, or other changes; prospects for future development of passenger service; and provision of efficient and economical transportation for rural areas. The burden of proof in support of the abandonment shall be on the corporation.

(h) If the Commission determines that the abandonment in whole or in part is consistent with public convenience and necessity, it shall issue a certificate authorizing such abandonment, upon such terms and conditions as are reasonable, to be effective sixty days after the expiration of the nine months' investigation period. Upon the effective date of the certificate, the rail carrier or carriers using the rail line shall terminate operations unless such effective date has been suspended in accordance with subsection (i).

(i) If prior to the effective date of any certificate authorizing an abandonment in whole or in part of any rail line of the corporation, a State, regional, or local agency, or private entity, makes a binding commitment to pay to the corporation 50 per centum of the maintenance and rehabilitation costs, less receipts from rail carriers using the line, of the line to be abandoned, such certificate shall be suspended for so long a period as such commitment is met.

(j) In disposing of any real estate which becomes available through abandonment, the corporation shall consider preserving such real estate for future transportation needs and to the maximum extent feasible, make such real estate available to public or nonprofit agencies for recreational or other public use. Any such real estate which was originally granted to any railroad company by Federal, State, or local governments shall revert to such grantor.

PROTECTION FOR EMPLOYEES

SEC. 508. (a) All rehabilitation, maintenance, and improvement work, and signaling and communication operations, performed by the corporation shall be done by railroad company employees under the direction and supervision of the corporation. Collective bargaining agreements previously entered into between any bargaining unit representing such employees and such railroad company shall remain in full force and effect. Upon request of the corporation, a railroad company shall initiate and pursue negotiations for revision of such agreements in accordance with procedures specified therein or otherwise required by law. Such railroad company shall give due consideration to the recommendations of the corporation before entering into any new or revised agreement.

(b) The corporation shall be subject to the same laws and regulations with respect to the representation of its employees for purposes of collective bargaining, the handling of disputes between employer and employees, compensation for job-related injuries and other disabilities, employee retirement annuity, unemployment systems, and other dealings with its employees as any carrier subject to part I of the Interstate Commerce Act.

(c) (1) In connection with any transaction under this title for access to rail lines; removal of freight traffic; or abandonment of any rail line, the corporation or rail carrier whose employees will be affected by such action shall be required to protect the interests of its respective employees. Such protective arrangements shall be those agreed to by the corporation or rail carrier and the representatives of its employees, or in the absence of such argeement, as the Commission may determine. Such protective arrangements shall be included in any order which authorizes such transaction.

(2) The protection arrangements required by paragraph (1) shall protect individual employees from the date first affected against a worsening of their positions with respect to their employment and shall include, without being limited to, such provisions as may be necessary (A) to provide for notice and negotiations and execution of implementing agreements prior to the interests of employees being affected: *Provided, however,* That where such implementing agreement has not been executed within thirty days after the date on which the action became effective either party may submit for binding arbitration any unresolved questions in connection therewith, the arbitration decision to be rendered if possible within thirty days thereafter, but if such decision is for any reason delayed beyond said thirty days, the rights of the parties to such arbitration shall not be affected; (B) for the preservation of compensation (including subsequent wage increases), rights, privileges, and benefits (including fringe benefits such as pensions, hospitalization, vacations, and the like, under the same conditions and so long as such benefits continue to be accorded to other employees of the corporation or rail carrier in active service or on furlough as the case may be) to such employees under existing collective-bargaining agreements or otherwise; and (C) to provide for the arbitration of disputes arising out of the protective arrangements which cannot be settled by the parties. In such arbitrations the burden shall be upon the corporation or rail carrier to prove that the employee was not affected by the action taken. In no event shall said arrangements provide benefits less than those established pursuant to section 5(2)(f) of the Interstate Commerce Act.

TITLE VI—FINANCIAL ASSISTANCE

ORGANIZATIONAL EXPENSES OF CORPORATION

SEC. 601. There is hereby appropriated to the Secretary in fiscal year 1974 the sum of $50,000,000 to remain available until expended for disbursement to the corporation for the purpose of assisting in the initial organization and operation of the corporation.

REHABILITATION OF RAIL LINES BY CORPORATION

SEC. 602. There is hereby authorized to be appropriated to the Secretary for disbursement to the corporation such sums as may be necessary to bring all rail lines into compliance with the requirements of this Act and of the Rail Safety Act of 1970, but not to exceed $300,000,000 in each of the two fiscal years ending June 30, 1974, and June 30, 1975.

MAINTENANCE, TAXES, AND CAPITAL IMPROVEMENTS BY CORPORATION

SEC. 603. There is hereby authorized to be appropriated to the Secretary for disbursement to the corporation such sums as may be necessary to reimburse the corporation for the annual amounts spent for maintenance, State and local property taxes, capital improvements, and overhead expense, over and above annual receipts from user changes imposed by section 602 of this Act. Appropriations under this section shall not exceed $100,000,000 in any one fiscal year.

GUARANTEE OF DEBENTURES ISSUED BY CORPORATION

SEC. 604. (a) Holders of debentures issued by the corporation in accordance with the provisions of this Act for the purchase of rail lines are hereby guaranteed against loss of principal and interest, which guarantee shall constitute a general obligation of the United States of America backed by the full faith and credit of the Government of the United States of America. Such guarantee shall not be terminated, canceled, or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this Act and of the legality of the principal amount, interest rate, and all other terms of the debentures and of the guarantee; and shall be valid and incontestable in the hands of a holder of a guaranteed debenture, except for fraud or material misrepresentation on the part of such holder.

(b) Upon any default by the corporation on principal or interest on any debentures, the Secretary of the Treasury shall pay to the holder of such debentures the principal and interest due. For that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such payments. All such payments shall be treated as public debt transactions of the United States.

RESEARCH AND DEVELOPMENT BY CORPORATION

SEC. 605. The corporation shall undertake a continuing program of research and development, including demonstration projects, into improving the stability, ride quality, longevity, and maintenance economics of railroad track and roadbed. There is hereby authorized to be appropriated to the Secretary for disbursement to the corporation for purposes of this section $10,000,000 in each of the three fiscal years 1974, 1975, and 1976.

REHABILITATION ASSISTANCE LOAN GUARANTEES FOR RAILROAD COMPANIES

SEC. 606. (a) The Secretary is authorized, upon application by a railroad company not undergoing reorganization in bankruptcy proceedings in a United States district court, to guarantee any lender against the loss of principal and interest on securities, obligations, or loans (including refinancings thereof) issued to finance rehabilitation work required by this Act or by the Federal Railroad Safety Act of 1970, upon such terms and conditions as are just and reasonable and consistent with the public interest. Applications shall specify the estimated itemized cost of rehabilitation work to be performed with the proceeds of guaranteed loans. In passing upon applications, the Secretary shall consider the relative ability of applicants to pay for the required rehabilitation work from their own resources or from nonguaranteed commercial loans.

(b) The maturity date of guaranteed loans under this section, including all extensions and renewals thereof, shall not be later than twenty years from the date of issuance. No railroad corporation which receives such a guaranteed loan shall increase any dividend disbursement on any class of stock above the level paid during calendar year 1972 make any investments in nontransportation enterprise without the express approval of the Commission.

(c) The Secretary shall ascertain that recipients of such guaranteed loans accomplish the required rehabilitation work in an economic and efficient manner.

(d) All guarantees entered into by the Secretary under this section shall constitute general obligations of the United States of America backed by the full faith and credit of the Government of the United States of America.

(e) Any guarantee made by the Secretary under this section shall not be terminated, canceled, or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this Act and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans and of the guarantee; and shall be valid and incontestable in the hands of a holder of a guaranteed security, obligation, or loan, except for fraud or material misrepresentation on the part of such holder.

(f) The aggregate unpaid principal amount of securities, obligations, or loans outstanding at any one time which are guaranteed by the Secretary under this section may not exceed $200,000,000. The Secretary shall prescribe and collect a reasonable annual fee for such guarantees.

(g) There are authorized to be appropriated to the Secretary such amounts, to remain available until expended, as are necessary to discharge all his responsibilities under this section.

(h) If at any time the moneys available to the Secretary are insufficient to enable him to discharge his responsibilities under guarantees issued by him under subsection (a) of this section, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations available under subsection (g) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act as amended are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations as acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

EMERGENCY RECONSTRUCTION GRANTS TO RAILROAD COMPANIES

SEC. 607. Any railroad company may apply to the Secretary for a grant to reconstruct railroad lines which have been damaged or destroyed by flood, washout, windstorm, earthquake, or other unforeseeable disaster outside the control of the applicant. Such assistance shall not be extended to applicants which are able to finance reconstruction with their own resources. There is hereby authorized to be appropriated to the Secretary such sums as are necessary to carry out this section, not to exceed $10,000,000 in any one fiscal year.

TITLE VII—ADMINISTRATION AND ENFORCEMENT

POWERS OF THE SECRETARY

SEC. 701. The Secretary is authorized to perform such acts, including, but not limited to, conducting investigations, holding hearings, making reports, issuing subpenas, requiring production of documents, taking depositions, prescribing recordkeeping and reporting requirements, promulgating rules and regulations, and delegating to any public bodies or qualified persons functions respecting examination, inspecting, and testing of railroad facilities as he deems necessary to carry out the provisions of this Act. Officers, employees, or agents of the Secretary are authorized to enter upon, inspect, and examine railroad facilities and pertinent books, papers, and records. Such officers, employees, and agents shall display proper credentials when requested.

RIGHT TO COURT ORDERS

SEC. 702. The United States district court shall, at the request of the Secretary and upon petition by the Attorney General on behalf of the United States, have jurisdiction, subject to the provisions of rules 65 (a) and (b) of the Federal Rules of Civil Procedure, to enforce the provisions of this Act, and orders of the Secretary issued thereunder, by the issuance of injunctions or restraining orders or by the granting of such other relief as may be appropriate.

PENALTIES

SEC. 703. (a) It shall be unlawful for the corporation or any railroad company to disobey, disregard, or fail to adhere to the provisions of this Act or to any rule, regulation, order, or standard prescribed by the Secretary under this Act.

(b) The corporation or any railroad company violating any rule, regulation, order, or standard referred to in subsection (a) shall be assessed by the Secretary a civil penalty for violation thereof in such amount, not less than $250 nor more than $2,500, as he deems reasonable. Each day of such violation shall constitute a separate offense.

(c) Such civil penalty is to be recovered in a suit or suits to be brought by the Attorney General on behalf of the United States in the district court of the United States having jurisdiction in the locality where such violation occurred. Civil penalties may, however, be compromised by the Secretary for any amount, but in no event for an amount less than the minimum provided in this section, prior to referral to the Attorney General. The amount of any such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged. All penalties collected under this Act shall be covered into the Treasury as miscellaneous receipts.

SUBPENAS IN COURT ACTIONS

SEC. 704. In any action brought under this Act, subpenas for witnesses who are required to attend a United States district court may run into any other district.

OTHER RIGHTS AND LIABILITIES RESERVED

SEC. 705. Nothing contained in this Act shall be construed as depriving any person of any right of action which he may have otherwise than under this Act, or of relieving any person of any punishment, liability, or sanction which may be imposed otherwise than under this Act.

TITLE VIII—MISCELLANEOUS PROVISIONS

ANTITRUST EXEMPTION

SEC. 801. Persons contracting for the joint use of railroad tracks and facilities shall be and hereby are relieved from all prohibitions of existing law, including the antitrust laws of the United States, with respect to such contracts, agreements, or leases insofar as may be necessary to enable them to enter into such contracts and to perform their obligations thereunder.

EVIDENCE IN DIVISIONS CONTROVERSIES

SEC. 802. For a period of five years following the enactment of this Act, evidence that the operating expenses of any rail carrier were reduced as a consequence of any direct or indirect assistance provided by this Act shall not be admissible as evidence before the Commission in any controversy involving the division of revenues.

SEPARABILITY

SEC. 803. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

BASIS FOR USER CHARGE COMPUTATION

The proposed user charge of $.60 per thousand gross ton-miles was derived from an analysis of expenses of maintenance of track and roadbed, and of operation of signal and communications systems, which would be borne by the Corporation rather than the individual railroad companies. The following accounts or portions thereof shown in the "Form A" annual report to the Interstate Commission were assumed to become the responsibility of the Corporation.

MAINTENANCE OF WAY AND STRUCTURES

Account:	*Percent assigned to corporation*
201 Superintendence	90
202 Roadway maintenance—running tracks	100
206 Tunnels and subways—running tracks	100
208 Bridges, trestles, and culverts—running tracks	100
212—Ties—running tracks	100
214 Rails—running tracks	100
216 Other track material—running tracks	100
218—Ballast—running tracks	100
220 Track laying and surfacing—running tracks	100
221 Fences, snowsheds, and signs—running tracks	100
229 Roadway buildings	100
247 Communications systems	25
249 Signals and interlockers	100
269 Roadway machines	90
270 Dismantling retired road property	50
271 Small tools and supplies	90
272 Removing snow, ice, and sand	50
273 Public improvements—maintenance	50
274 Personal injuries	90
277 Employees health and welfare benefits	90
281 Right-of-way expenses	90
278–279 Maintaining joint tracks, yards, and other facilities—NET	90

TRANSPORTATION—RAIL LINE

404 Signal and interlocker operation	100
405 Crossing protection	50
406 Drawbridge operation	100
407 Communication system operation	25
409 Employees health and welfare benefits	5
416 Damage to property	10
418 Freight loss and damage	10
420 Personal injuries	10
412–413 Operating joint tracks and facilities—NET	100

ROAD PROPERTY—ADDITIONS AND BETTERMENTS

Account:	
1 Engineering	50
2 Land for transportation purposes	10
3 Grading	50
5 Tunnels and subways	100
6 Bridges, trestles and culverts	100
8 Ties	100
9 Rails	100
10 Other track material	90
11 Ballast	90
12 Track laying and surfacing	90
13 Fences, snowsheds, and signs	90
17 Roadway buildings	100
26 Communications systems	25
27 Signals and interlocks	100
37 Roadway machines	90
38 Roadway small tools	90
29 Public improvements—construction	50

TAXES

Account: 350A Other than U.S. Government taxes	50

The following table breaks out the amounts in the above accounts for the years 1970 and 1971 for the five major bankrupt railroads—Penn Central (PC), Erie-Lackawanna (E–L), Reading (RDG), Boston and Maine (B&M) and Lehigh Valley (LV)—and for the three major non-bankrupt railroads in the Northeast—Chesapeake and Ohio (C&O), Baltimore and Ohio (B&O), and Norfolk and Western (N&W). The table also shows gross ton-miles in freight service (also as reported in "Form A"), and the amount of expenses to be assumed by the Corporation per 1000 gross ton-miles. As information, net railway operating income and net ordinary income are also shown. Finally, the table shows the yield to the Corporation of user charges of $.60 and $.70 per 1000 gross ton-miles, together with the differences between such yield and the expenses incurred by the Corporation:

	PC		E-L		RDG		B M		LV		C. & O.		B. & O.		N. & W.	
	70	71	70	71	70	71	70	71	70	71	70	71	70	71	70	71
M. & W./S. expenses assumed by corp (millions)	146	175	20	19	9.6	10.6	6.1	6.6	3.8	3.2	36	41	42	48	53	48
Trans expenses assumed by corp (millions)	33	36	6	6	1.5	1.6	1.7	1.7	.8	.7	2	2	2	2	7	8
A. & B. expenses assumed by corp (millions)	22	11	1	1	1.5	1.0	1.1	1.4	1.2	.4	6	6	5	7	12	4
State/local taxes assumed by corp (millions)	29	27	4	3	1.7	1.8	1.0	1.1	.6	.6	7	6	6	6	13	13
Total expenses assumed by corp excluding taxes (millions)	201	222	27	26	12.6	13.2	8.9	9.7	5.8	4.3	44.	49	49	57	72	60
Total expenses assumed by corp including taxes (millions)	230	249	31	29	14.3	15.0	9.9	10.8	6.4	4.9	51	55	55	63	85	73
Gross ton-miles in freight service (billions)	206	199	38	36	9.1	7.8	6.4	6.4	6.1	5.2	71	60	69	64	115	102
Expenses assumed by corp per 1,000 GTM excluding taxes	97¢	1.11	72¢	73¢	1.38	1.69	1.39	1.52	95¢	83¢	62¢	82¢	71¢	89¢	63¢	58¢
Expenses assumed by corp per 1,000 GTM including taxes	1.11	1.25	82¢	81¢	1.57	1.92	1.55	1.69	1.05	94¢	71¢	92¢	79¢	98¢	75¢	71¢
Net railway operating income (millions)	−237	−180	−.3	9.0	−2.3	−5.8	−6.5	−1.6	−6.4	−5.8	44	38	19	29	116	113
Net ordinary income (millions)	−326	−285	−8.9	−1.4	−5.6	−11.7	−10.8	−5.7	−9.5	−8.0	44	25	13	10	76	78
Yield to corp of $0.60 per 1,000 GTM user charge (millions)	124	119	23	22	5.5	4.7	3.8	3.8	3.7	3.1	43	36	41	38	69	61
Deficit of corp (millions)	106	130	8	7	8.8	10.3	6.1	7.0	2.7	1.8	8	19	14	25	16	9
Yield to corp of $0.70 per 1,000 GTM user charge (millions)	144	139	27	25	6.4	5.5	4.5	4.5	4.3	3.6	50	42	48	45	81	7
Deficit to corp (millions)	86	110	4	4	7.9	9.5	4.4	6.3	2.1	1.3	1	13	7	18	4	

PUBLIC ACQUISITION OF RAIL RIGHTS-OF-WAY IN THE NORTHEAST

Mr. WEICKER. Mr. President, I am delighted to join with the distinguished Senator from Indiana in introducing the "Essential Rail Services Act of 1973."

The thrust of this bill is help make balanced transportation a practical reality. Recognizing the large-scale impetus that public ownership of roadways has given to the automobile, I have long advocated Government acquisition of railroad rights-of-way. Placing all forms of transportation on an equal foundation will significantly increase prospects for the improved rail and freight passenger service we all desire.

In June of 1970, I introduced with endorsement from 18 of my colleagues in the House of Representatives, a joint resolution ordering the Secretary of Transportation to study the feasibility of Federal takeover of rail rights-of-way.

The inequities that existed then have not been changed with the passage of time. The 1973 Federal transportation budget clearly indicates the ongoing imbalance in financial commitment: 70.1 percent for highways; 22.8 percent for airports; 5.4 percent for mass transit; and 1.8 percent for railroads.

The cumulative effect of financial neglect now requires a positive step away from outmoded burdens on railroads. While rail systems struggle to pay the cost of maintaining their roads and tracks, our highways, traffic control systems, airports, and airway systems are paid for by the Government.

The tragic consequences of this inequity are now becoming apparent. In the Northeast transportation corridor, a gradual deterioration of rail bedding has resulted in inferior service, increased derailments, and a basic inability to implement the technological capability of engines and cars that run on those rails right now.

The Senator from Indiana and I propose to rehabilitate and modernize these rail lines by means of a northeast rail line corporations. This corporation would relieve railroads, in the Northeast sector, of maintenance costs. It would, in turn, free up capital resources for the improvement of equipment and services.

This nonprofit Corporation would be composed of 13 members on the Board of Directors. They would be appointed by the President, upon recommendation from a number of sectors, including the congressional leadership, the National Governors Conference, the railroad companies, Amtrak, the Congress of Railway Unions, the Railway Labor Executives Association, and the National Industrial Traffic League.

The Corporation would acquire all track and roadbed owned by bankrupt railroads in the Northeast, in exchange for debentures equal to the net liquidation value of the property conveyed. A $1 billion Federal loan guarantee would be authorized for financing of these acquisitions.

In addition, the Corporation would be allotted $300 million in the first 2 years for rehabilitation of existing tracks, and $100 million per year for maintenance, for capital improvements, and for overhead expenses of the Corporation.

It is important to note that the operation of rail service would remain with the railroads, or in the case of passenger service, with Amtrak. However, user charges would be levied by the Corporation at a suggested rate of 60 cents per thousand gross ton mile of locomotive and train operations. This preliminary figure is based on standard maintenance and rehabilitation costs presently incurred by healthier railroads.

Finally, this measure would designate certain essential rail lines to be part of an interstate railroad system in the United States which must be upgraded to insure safe and dependable travel of freight trains at 60 miles-per-hour and passenger trains at 80 miles-per-hour. A maximum of $200 million in Federal loan guarantees will be given to these railroads for improvement of their roadbed to meet Federal standards. The effort to develop a modern and efficient rail service in the Northeast is only part of a larger national need for a better transportation system.

We must finally admit that American railroads are being killed by highways, waterways, and airports built and maintained by the Government. Rails are the most efficient, cleanest, and least land-hungry of all forms of surface transportation, but their only chance for survival is the takeover, rebuilding, and maintenance of roadbeds by government.

Today the Government can control rail rates. It can investigate accidents after they occur. But to create a nationwide rail system for the future, we must permit railroad operating companies to run over federally owned rights-of-way and require, in return, the kind of high quality service which will mean a rebirth of rail transportation in America.

The Senate Commerce Committee will begin hearings on this issue tomorrow. Our proposal will provide the necessary vehicle for productive and meaningful discussion. I am confident that the Surface Transportation Subcommittee, after hearing from all interested parties, will report out appropriate legislation. The goal is simply to provide the proper economic climate for healthy and viable rail service in the future.

Mr. KENNEDY. Mr. President, I am pleased to join today with the distinguished Senator from Indiana and others to introduce the Essential Rail Services Act of 1973 in an effort to promote safe, efficient and economical rail service in the Northeast and the Nation.

I believe this act is a fitting step to accompany the creation of Amtrak and the passage of the Federal Railroad Safety Act of 1970.

I believe its major provisions constitute a strong reassertion of the need to upgrade rail service in America. It does not cope with all of the problems facing railroads; but it clearly is a major break with the past negligence of Government toward insuring modern, efficient rail service.

The creation of a public nonprofit Corporation to acquire rail lines of the Penn Central and other carriers in serious financial distress will revamp the past pattern of Government-industry relations. The need for direct involvement in the Government to assure the adequacy of rail service in the Northeast is a clear conclusion of recent studies, including the Commerce Committee staff report issued last month.

This act also will speed the realization of major portions of the Northeast Corridor Transportation Project of the Department of Transportation which recommended improved high speed rail service in the Washington-Boston corridor as the best way to meet transportation needs.

The report found the Northeast Corridor to be the most extensively urbanized region in the Nation with some 44 million persons, 20 percent of the Naton's population, living on less than 2 percent of the Nation's land.

The sprawling growth of suburbia and exurbia, the exodus of industry and population from the central city, the steady concentration of people in new metropolitan areas joined in an urban band 500 miles long—all have created a transportation crisis.

Traffic congestion on the highways and congestion at airport terminals already exist so that travel times both by air and by road are increasing between Boston and New York and between Washington and New York. In fact, it takes longer today on the average to get from National Airport to New York than it did in 1953.

The report noted that:

> Aircraft and terminal delays between 1968 and 1969 increased 20 percent. Almost 30 percent of this delay was registered at five major corridor airports.

It was after years of detailed investigation that the final report recommendations were made. And I believe it is essential that action be taken now to begin to put the recommendations into effect.

The report concluded that:

> The only system capable of increasing the speed of travel and which can be rapidly implemented is improved high-speed rail which expands and improves the demonstration service on the existing right of way between Washington and Boston.

This action is necessary, the report concluded, while further investments in creating a high speed ground corridor for the 1980's are being made.

The creation of the Northeast Railline Corporation with wide representation in its board membership, including the Northeast Governors, the Congress, the railway unions, the railroads, and Amtrak, the railway labor executives association and the National Industrial Traffic League, is a first step toward promoting rational rail service in the Northeast.

The Corporation will have the authority to issue long-term loans to acquire these rail lines at liquidation cost and will be authorized to expend $600 million over the next 2 years to improve and modernize these facilities, including centralized traffic control, improved safety devices, extra main tracks, removal of restrict clearances, improved grade crossing protection, and reduction of curves and grades.

The railroad companies using the Corporation's rail lines will be charged a user fee which ultimately is expected to reimburse the Corporation for the original purchase of these lines.

At the same time, by insuring common usage of the existing tracks, we will be promoting real competition for the first time in rail freight service.

With railroad companies frequently seeking to abandon lines, we have placed strong protections in this measure to prevent any reduction of passenger service. There is a strong public interest in the maintenance of passenger service in many rural areas of this Nation which cannot be judged solely on economic grounds. I worked with the chairman of the Surface Transportation Subcommittee in drafting these protections.

The range of the Corporation is authorized to extend beyond the Northeast to the entire rail mileage of Penn Central, the Boston-Maine, the Erie-Lackawanna, the Reading, the Central Railroad of New Jersey, the Lehigh-Hudson River Railroad and the Lehigh Valley Railroad. This will involve the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, Ohio, Indiana, Michigan, and Illinois as well as the District of Columbia.

This bill also recognizes similar problems affecting other regions of the Nation and provides for the designation of all major rail lines in the Nation as part of an Interstate Rail System with a requirement that the Secretary of Transportation recommend how to improve that system. The bill provides that the Secretary shall establish standards for the maintenance of all main track including "smooth, dependable operation of freight trains at speeds up to 60 miles an hour and passenger trains at speeds up to 80 miles an hour." These standards are to be met within 2 years of establishment of the Interstate System. In addition, the Secretary will designate the urban corridors around the Nation which are similar to the Northeast corridor where upgrading rail lines for passenger operations of 120 miles an hour and more are desirable.

To aid railroad companies in meeting these standards, the bill, as presently drafted, provides for $200 million in loan guarantees. There are stringent reporting requirements on these loans and prohibitions on dividends being paid without prior approval.

Although I have reservations about the loan provisions, I believe it provides the basis for discussion of how to stimulate the improvement of rail freight and passenger service in other parts of the Nation. Clearly, the continuing crisis of the Penn Central is not a situation that we want to see repeated in other parts of the Nation. This bill will permit the Congress to focus on this matter and take appropriate action now before the crisis occurs.

I believe action this year is essential if we are to move toward a balanced national transportation system. Passage of this legislation would be a major step in that direction.

By Mr. BAYH:

S. 1032. A bill to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes. Referred to the Committee on Labor and Public Welfare.

STRAY AND ABANDONED PETS

Mr. BAYH. Mr. President, the increasing size of America's stray and abandoned pet population presents a serious health and moral problem to the country. In 1970, Los Angeles animal shelters handled more than 120,000 stray dogs and cats. The same year Washington area shelters handled 110,000. According to one study, dogs in Los Angeles increased during the past 10 years at a rate—40 percent—more than double that of the rise in human population—15 percent increase. In Indianapolis the ratio of pets to people is almost 1 to 2.

Since 1970, the population of stray and abandoned pets has continued to increase creating what the Journal of Modern Veterinary Practice has called the pet population bomb.

This explosion in the population of roaming animals creates serious problems for both the animals and the humans living in America's urban areas. In addition to the injury and starvation faced by the animals themselves, this wild dog and cat population presents important health problems to humans.

The journal, Modern Veterinary Practice, summarizes the problem. In addition to diseases and bites from dogs and cats which can be serious, the magazine states:

> Strays or otherwise uncontrolled animals pollute the streets, disturb sleep, damage property, kill other animals (and an occasional child) and—more frequently than may be realized—cause traffic accidents, all too often injuring or killing innocent persons.

More specifically, the incidence of rabies in a given community seems to be related to the size of the stray pet population. As the same journal points out:

> The root of the rabies problem as it affects persons always has been and still is the uncontrolled animal population—until recently of dogs and now of cats. What can be accomplished by an intensified program is now evident in El Paso, Texas, where rabies had been enzootic since 1835. With a population of about 375,000 persons and 45,000 dogs, only some 14,000 dogs were registered and vaccinated in 1964, vs 34,000 in 1968 after a rigorous control program had been in effect (since 1965). Since 1953 the annual incidence of animal rabies had ranged from 32 to 94 (mean 46), with dogs accounting for about 90% of the total; in 1968 there were only 11 cases, none in dogs.
>
> More important, the number of persons given antirabies treatment (at $75) decreased from 1,116 to 170, and the per capita cost of the program declined from 27¢ to 16¢ per year. A fringe benefit has been a lessened incidence of canine distemper, perhaps due to the reduced contact among dogs, especially with strays.

For a different perspective on the problem of pet overpopulation, in Indianapolis, 50,000 dogs and cats are killed each year by the humane society and dog pound combined. Yet the sanitation department is still faced with the task of removing and disposing of 20,000 more pets which have starved or been killed accidentally.

The Nation's humane and other animal protective societies have labored manfully over the past few years to cope with this problem. However, most solutions advanced have met some difficulty. The Modern Veterinary Practice journal has described alternative pet control programs in some detail.

> Of the numerous measures promulgated to control unwanted animal populations, few have been notably successful in doing much beyond keeping the problem within tolerable limits. Perhaps the most drastic is prohibition by governmental decree, but as in other forms of prohibition this requires a measure of acceptance by the public. During the late 1800s in Iceland the dog and human populations were about equal, and hydatid disease was a major problem. A punitive dog tax was inadequate, and the government later banned all dogs from the cities. The same is true of mainland China, where the leaders have decreed that all available food be used for human consumption or for more productive animals. In both instances, however, public education was essential to persuade the public of the wisdom of these restrictions—and in China the people are their own law enforcers.
>
> Voluntary surrender of excess and unwanted animals can be a significant means for reducing such populations—as in Los Angeles—provided the public is assured these animals will be disposed of humanely. A recent California law requiring all cats to be neutered before being adopted from shelters, however, had the unanticipated effect of virtually stopping voluntary surrender. Owners apparently realized that few persons wanting to adopt cats would pay for neutering, and rather than surrender their cats knowing they would be destroyed, many simply turned them loose—thus creating a problem for someone else.
>
> In some cities even properly leashed dogs create such noise and filth on the streets as to evoke nonowner resentment, but few politicians are willing to discriminate against man's best friend. The housing shortage had made landlords more successful, but there should be a middle ground that would protect the rights of nonowners. Perhaps a graduated surtax based on the animal's size could be used to create dog parks and comfort stations as has been done in some European cities.
>
> The proposal to encourage destruction of all but one male of a litter shortly after birth seems unlikely to gain much acceptance, and the once-common practice of drowning whole litters of kittens has been largely abandoned. Large numbers of kittens are surrendered to humane societies, once such source indicating that some 18 million cats—undoubtedly including new-born litters—are disposed of annually. Since this figure is about ⅔ of the estimated cat population—and Los Angeles destroys about 15% of its estimated dog population annually, it is evident that these measures are not adequate. Nor does capture of strays—a costly procedure at best—help much beyond eliminating the most obnoxious segments of this excess population, and wherever unspayed animals can be adopted the problem is perpetuated by agencies charged with "solving" it.
>
> Penalties for abandonment have been proposed but seem the least realistic as an effective control method under the conditions which obtain in most areas, except as they encourage voluntary surrender. To establish ownership would require strict licensing and tattooing since few owners intent on abandoning an animal would be so naive as to leave its license tag on the collar. Punitive fees for owner redemption of animals found at large may help, especially in reducing the number of repeat offenders if an increasing scale of fines is imposed.

It is my belief that one of the most successful programs to control pet population has been initiated by the city of Los Angeles. After many months of study the city opened a pilot Spay and Neuter Clinic in February of 1971. It operated so well that at the end of the pilot period the city created two additional clinics to serve the public. The city's Department of Animal Regulation prepared two reports on December 22, 1971, for Mayor Yorty which document the cost effectiveness of this clinic. The first demonstrates that long-term savings in a city's animal control costs more than offset initial costs of establishing and operating a public spay and neuter clinic. The second argues that a properly run clinic, once established, need not act as a drain on the public purse at all. I ask unanimous consent that these two reports be printed at the end of my remarks.

As positive and useful as individual, local efforts at pet population control have been to date, the national magnitude of the problem presented by abandoned pets requires a solution that is national in scope.

Today I am introducing legislation which will help to begin to provide that solution. The bill would authorize the Department of Health, Education, and Welfare to loan up to $200,000 to any municipality or county qualifying for such a loan to construct and/or establish a spaying and neutering clinic.

The most attractive feature of this program is the assurance that the Government loans will be repaid. As the attached reports indicate, cost analyses of currently operating spay and neuter clinics indicate that institutions such as those authorized for receipt of loans by this bill can end up paying for themselves by the end of their first operating year. In addition financial analyses of these institutions show that over a decade's operations they return $6.50 in reduced animal control costs for every dollar invested in their operation. From the standpoint of community economics the low-cost spaying and neuterizing clinics for which this bill authorizes initial financial loans are good business.

When an opportunity presents itself to advance the public health and at the same time, to save the community direct costs in currently operating programs, it is an opportunity which should not be permitted to slip by. When that same opportunity presents the chance to eliminate the suffering of hundreds of thousands, if not millions, of displaced animals, it must be seized.

Passing the spaying and neutering clinic loan authorization program can improve public health, make sound economic sense and can relieve the suffering of thousands of animals in each urban center. I urge its adoption.

I ask unanimous consent that the text of my bill be printed at this point in the Record, together with certain other material.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1032

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that Congress finds and declares as follows: that because of an over-abundance of pets, there is an enormous homeless dog and cat population; that this over-abundance results in a serious nuisance to the public, a grave health hazard to communities, and needless suffering to the homeless animals; that there is a shortage of clinics and trained personnel to provide the spaying and neutering necessary to rid us of the over-abundance; that humanitarian groups are unable to cope effectively with the problem; that most pet owners are willing to pay for spaying or neutering at a reasonable fee if sufficient facilities are available and accessible; and that the public will be served generally by the construction of low-cost, non-profit municipal clinics for the spaying and neutering of dogs and cats.

ESTABLISHMENT OF LOANS

Sec. 2 (a) The Secretary of Health, Education, and Welfare is authorized to make loans to cities and counties throughout the United States with populations of at least 500,000 persons according to the 1970 census for the purpose of establishing and/or constructing and providing initial operating costs of municipal, low-cost, non-profit clinics for the spaying and neutering of dogs and cats. No loan may be made to any city or county in excess of $200,000.

(b) Any such loan shall be made only on the basis of an application submitted to the Secretary in such form and containing such information and assurances as he may prescribe. It shall be mandatory that the borrowing authority agree to abide by such maximum fee charges as the Secretary shall promulgate, from time to time, until the loan is paid off in its entirety.

(c) Each such loan bears interest at the rate of 5% per annum on the unpaid balance thereof and shall be repayable over a period determined by the Secretary to be appropriate, but not exceeding fifty years.

(d) To carry out the provisions of this section, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1974, and for each of the next four fiscal years the sum of $4,000,000.

PARA-PROFESSIONAL PERSONNEL

Sec. 3. Each clinic established or constructed in whole or in part with loans under this Act shall employ at least one trained veterinarian to supervise the spaying and neutering when such a veterinarian is available. The actual spaying and neutering may be performed by qualified para-professional personnel; and, when no veterinarian is available, as determined by the Secretary of Health, Education, and Welfare, a properly trained and qualified para-professional may supervise the spaying and neutering.

TRAINING OF PARA-PROFESSIONALS

Sec. 4. (a) The Secretary of Health, Education, and Welfare is authorized to make grants to qualified individuals and institutions for the purpose of setting up and giving short courses for the training of para-professionals in the anesthetising and spaying and neutering of dogs and cats.

(b) Any such grant shall be made only on the basis of an application submitted to the Secretary in such form and containing such information and assurances as he may prescribe.

(c) Grants shall be limited to $25,000 per annum to any one person or $100,000 per annum to a qualified institution (as defined by the Secretary of Health, Education, and Welfare).

(d) There are hereby authorized to be appropriated $1,000,000 to carry out the provisions of this section.

Report on Financial Justification for Establishment of Low-Cost, Public Spay and Neuter Clinics

(Applies to both the clinic proposed for Palo Alto and that proposed for San Mateo County.)

OBJECTIVE

To determine if the costs of establishing and operating a low-cost public spay and neuter clinic can be justified by savings in future animal control costs.

APPROACH

(1) Determine animal control costs and express them as incremental costs per animal handled. Certain overhead costs and indirect costs are fixed and these, naturally, do not vary with the number of animals handled until a plateau of higher fixed costs is necessitated by need for expanded animal shelter facilities. Then, these fixed costs rise to a higher level and the process begins anew.

On the other hand, certain costs must rise with the number of animals handled. Assuming the minimum retention time for animals must be observed, then more animal control officers and kennel men must be hired. Expenses for food and destroying and disposing of animals increase. These variable costs are proportional to the number of animals handled.

(2) Compare these costs with simulated costs of preventing overproduction.

ASSUMPTION

Because the Palo Alto 1970–71 budget figures are available (readily), consider it as a working base. This budget can be divided into fixed and variable elements as follows:

	Fixed costs	Variable costs
Administration and indirect costs	$22,643	
Animal control		$39,317
Animal care and disposal		12,627
Total		51,944
Total fixed and variable costs		74,587

Note: Variable costs expressed as a percentage of total costs: 51,944 over 74,587 equals 69.5 percent.

As the minutes of the August 2, 1971 meeting of the Palo Alto Finance and Public Works Committee show, the average total cost per animal handled is approximately $7.00.

It follows, then, that 69.5% of this $7.00 (or $4.86) represents costs which are additional (incremental) due to the fact that the animal must be handled.

The other $2.14 represents overhead and administrative expenses which must be incurred whether the animal under consideration is handled or not.

At this point, let's make the simplifying assumption that $4.86 also represents the incremental cost of handling one additional animal at the Peninsula Humane Society's shelter at Coyote Point.

Next, consider the fact that the number of animals handled at the Peninula Humane Society has increased from 34,113 to 59,384 in the past six years. This is a 9.7% increase per year. (In the 13 years from 1956 through 1968 the number of animals impounded statewide has increased at an even higher rate of 11.0%.) The alarming fact of the matter is that if the trend observed in San Mateo County continues "as is" until 1980, it will be necessary to handle 148,000 animals in that year. The reason this figure is so high is that the annual increases are getting larger and larger and the growth curve is not a straight line (unless plotted on a semi-logarithmic chart).

Since the Coyote Point Shelter is going to be expanded in the near future, consider the animal control picture for the next 11 years (going back to 1970 as a reference point), assuming that no steps are taken to curb the reproduction of these animals:

Year	Base	Multiplication factor for annual growth of 9.7 percent (times)	Animals handled (equals)
1970	(59,384)		59,384
1971	59,384	1.097	65,000
1972	65,000	1.097	71,200
1973	71,200	1.097	78,000
1974	78,000	1.097	85,500
1975	85,500	1.097	93,700
1976	93,700	1.097	102,800
1977	102,800	1.097	112,600
1978	112,600	1.097	123,200
1979	123,200	1.097	135,100
1980	135,100	1.097	148,000
Animals handled from 1970 through 1980			1,015,000

Now, consider the question of whether the costs of operating a public spay and neuter clinic can be justified economically by savings in future animal control costs.

The approach here will be to begin with the very idealistic and widely accepted concept that one female dog and her offspring can give rise to 4,372 pups in 7 years. In the following presentation I hope to show how I modified this to what I believe is a much more realistic estimate of only 72 pups. Even with this conservative and greatly reduced figure, there appears to me to be considerable financial justification for the public spay clinic.

In the following simulation it will be assumed that a female dog gives birth to only 4 pups. It will be assumed that 50% are females. Finally, it will be assumed that only one owner in four is "careless" (a generous assumption) and that 25% of females are going to give birth to a litter in a given year because they are not spayed and are allowed to roam. You'll note that in certain generations I assume slightly more than 25% but that in others I assume slightly less than 25% will become pregnant. This is because the calculations would sometimes arise in "half" a dog if this adjustment wasn't made. An assumption of a 5-year average life span is also used.

For simplicity, this simulation considers only dogs (cats reproduce even more rapidly and would even be more helpful to the spay clinic argument). It is realized that some of the offspring in the following simulation would not survive; therefore a very conservative litter size of four is employed.

SIMULATION

Begin this process with 8 young, unspayed female dogs.

First Year: The owners of 2 of these dogs are careless and the dogs run the streets when in heat (these dogs represent the "D_0", or initial generation). Each female has 4 puppies, making a total of 8. Of these pups, 4 are females. At this point assume that 25% (or 1 of these pups) will become pregnant in the following year (these pups can be considered the "D_1" or first-year generation). Also remember that the 2 D_0 females will also be likely "candidates" again.

Second Year: 2 D_0 and 1 D_1 females produce 12 puppies of which 6 are females. Assume 2 (slightly more than 25% THIS time) are allowed to roam (these are "D_2" generation dogs).

Third Year: 2 D_0, 1 D_1, and 2 D_2 females produce 20 puppies (2+1+2 females+5 females x 4 puppies per female=20 puppies). 10 are females of which 2 (slightly less than 25% this time) are allowed to roam (D_3).

Fourth Year: 2 D_0, 1 D_1, 2 D_2, and 2 D_3 females produce 28 puppies. 14 are females and 4 are allowed to roam. (D_4 generation.)

Fifth Year: 1 D_1, 2 D_2, 2 D_3 and 4 D_4 females produce 36 puppies. 18 are females and 4 are allowed to roam. (D_5).

NOTE: Because I am assuming a 5-year life span, it is no longer possible to use the 2 D_0 females. They are considered "dead" and the offspring from this year excludes their contribution.

Sixth Year: 2 D_2, 2 D_3, 4 D_4, and 4 D_5 females produce 48 puppies. 24 are females and 6 are allowed to roam. (D_6).

The one D_1 female "dies" at this point—contributes no offspring.

Seventh Year: 2 D_3, 4 D_4, 4 D_5, and 6 D_6 females produce 64 puppies. 32 are females and 8 are allowed to roam. (D_7).

2 D_2 females "die" at this point.

Eighth Year: 4 D_4, 4 D_5, 6 D_6, and 8 D_7 females produce 88 puppies. 44 are females; 11 are allowed to roam. (D_8).

2 D_3 females "die" at this point.

Ninth Year: 4 D_5, 6 D_6, 8 D_7 and 11 D_8 females produce 116 puppies. 58 are females and 16 are allowed to roam. (D_9).

4 D_4 females "die" at this point.

Tenth Year: 6 D_6, 8 D_7, 11 D_8 and 15 D_9 females produce 160 puppies. 80 are females and 20 are allowed to roam. (D_{10}).

4 D_5 females "die" at this point.

Finally, it can be shown that 580 dogs have been produced (above) over a period of 10 years. Since we started with 8 unspayed females, this is approximately 72 offspring due to one unspayed female. This figure is not nearly so favorable to our arguments for spay and neuter clinics as the 4,372 figure possible under perfect conditions. Even then, I think the figure of 72 will show the advantages (financial) of such a clinic.

Assume that of the 580 animals produced, 25% were allowed to roam. Further assume that only 50% of the 145 which roamed were picked up just once by animal control officers. This would mean:

72 animals handled* x $4.86 incremental cost per animal or $349.92 of costs incurred in animal control activities as a result of unspayed females (8 females).

On the other hand, assume the 8 original females were spayed even at a loss. If $17.50 was charged but the cost was as high as alleged by the Southern California Veterinary Medical Association ($24.23) in their 1970 estimate, this would mean 8 x ($24.23—$17.50) or $53.84 would have been spent to save $349.92 of animal control costs.

Using the above assumptions, $1.00 invested in spay-neuter clinics will prevent $349.92/53.84 (or $6.50) of animal control costs.**

In addition, it should be pointed out that in this analysis:

(1) The reproductive capacity of 290 males which were produced would have resulted in numerous impregnated females. The animal costs resulting from these offspring are completely ignored here.

(2) The likely possibility that even more capital expenditures will be needed for shelter expansions (if the 9.7% growth rate continues in future years) is not considered here, either.

In view of the purely financial benefits which I believe will be realized here, there are considerations of services to the public and great strides in our approach to humane treatment of animals which can be achieved with a county-operated clinic.

THEODORE J. SORICH II.

MENLO PARK, CALIF., *September 19, 1971.*

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*580 x 25%=145 allowed to roam; 145 x 50%=72 handled.

** Perhaps I could better state this by saying that *IF* a low-cost clinic ran at even a small operating deficit, every $1.00 of deficit will prevent the incurrence of an additional $6.50 of animal control costs over the next 10 year period. By similar calculations it can be shown that savings in animal control costs will more than absorb this deficit within a 5 year period. However, there is little evidence to even suggest a deficit would exist. During June (its 4th full month of operation), the Los Angeles Spay Clinic had revenues of $4,217.90; expenses were $2,729.

REQUEST TO CONTINUE THE LOW-COST SPAY AND NEUTER CLINIC OPERATED BY THE DEPARTMENT OF ANIMAL REGULATION

Pursuant to instructions of the Los Angeles City Council and Mayor, the Department of Animal Regulation has prepared the following recommendation and report concerning a pilot program to determine feasibility of operating a low-cost Spay and Neuter Clinic for dogs and cats at the Ann Street District Animal Shelter.

RECOMMENDATION

That the Department of Animal Regulation be authorized to *continue* the Spay and Neuter Clinic as an established and approved program by the City of Los Angeles for *effective* animal population control.

To continue the Spay and Neuter Clinic for the balance of the current fiscal year, February 7, 1972 through June 30, 1972, the following adjustments are required:

1. That, subject to the approval of the mayor and Los Angeles City Council, $17,038 be appropriated in the amount and to the accounts indicated below:

Expenditure classification	Account	Amount
Animal regulation department:		
Salaries	101—Salaries, general	$13,440
Expense	602—Operating supplies and expense	3,598
Total		17,038

2. That, subject to the approval of the mayor and the city council the Department of Animal Regulation be authorized by resolution authority to continue employment for the balance of the current fiscal year 1971–72, with provision that the Department Personnel Ordinance be amended for fiscal year 1972–73 to provide as follows:

Class title	Number	Class code	Schedule
Veterinarian	1	2365	54(3)(b).
Kennelman	1	4310	31.
Clerk-typist	1	1358	22.

FINDINGS

The Department of Animal Regulation has established, beyond reasonable doubt, that the Spay and Neuter Clinic Program as a modern concept of animal population control to cope with a serious environmental problem deemed detrimental to the health and welfare of the community, is not only feasible, but a necessary function to establish a totally effective animal care and control program until non-surgical means of sterilization of animals is available for distribution to the general public.

This position adopted by the Department of Animal Regulation supporting the continuation and expansion of Spay and Neuter Clinics in the City of Los Angeles was based upon the Spay and Neuter Clinic Pilot Program which was funded and authorized to operated for one year, February 17, 1971 through February 6, 1972. Discussion of findings made through the operation of the pilot program are as follows:

1. Revenue and expenditures

The Spay and Neuter Clinic for the period February 17, 1971 through February 6, 1972, will produce revenue in the amount of $33,934 and expenditures, as adjusted, in the amount of $43,292. This represents a deficit of $9,358 during pilot program period. (See Appendix I). Considering that the Spay and Neuter Clinic was operating at less than one half capacity from February 17, 1971 through June 30, 1971, which represents approximately four and one-half months, the deficit is greatly overstated. That is, if the Clinic was operating at full capacity for a complete fiscal year the following revenue and expenditures would be reflected:

	Amount
Revenue	$39,362
Expenditures:	
Salaries	34,380
Expense	6,956
Amortization:	
Equipment	709
Alterations and improvements	923
Total	(43,292)
Estimated deficit, adjusted	(3,606)

Note: To eliminate this deficit of $3,606, a very minor adjustment to fee schedules could be made as follows:

Clinic fee schedules	Existing	Adjusted
Male	$11.50	$13
Female	17.50	19

The Department of Animal Regulation does not recommend an adjustment to increase the fee schedules. Quite to the contrary, the Department recommends restructuring the Spay and Neuter Clinic in such a manner to create a fully self supporting program. This restructuring of the clinic would mean the addition of two positions to clinic staff in the form of a Veterinarian and Veterinary Medical Assistant. Clinic staff would be as follows:

2—Veterinarians
2—Veterinary Medical Assistants
1—Clerk Typist

The results of increasing clinic staff would increase operational capacity from 2,360 surgeries per year to 5,750 surgeries. Revenue and expenditures would be reflected as indicated in Appendix III and as follows:

	Amount
Revenue	$95,897
Expenditures:	
Salaries	59,821
Expense	13,042
Amortization plan	1,362
General city overhead	5.98
Total clinic program costs	(80,477)
Estimated revenue over clinic program costs	15,420

5. Proposed method of expanding spay and neuter clinic program

The Department of Animal Regulation proposes to expand the Spay and Neuter Clinic concept through a bond fund proposal to be presented to the electorate in June 1972. The Department is currently finalizing cost estimates and upon completion will be presented to the Mayor and City Council for such action as may be required. Major feature of this clinic program is the proposal to create a centralized clinic with operational capacity of 60 to 80 surgeries per day. Supporting this central clinic concept is the proposal to maintain a combination of Hospital for treatment of sick and injured impounded animals and a Spay and Neuter Clinic at each Animal Service Center.

6. Objectives of the spay and neuter clinic by the veterinary medical profession

Prior and subsequent to the adoption of the Spay and Neuter Clinic Program, the Southern California Veterinary Medical Association has continually expressed opposition to this program. Opposition to this program is based upon their concern that the City of Los Angeles is invading the veterinary medical field and that such surgical alteration should remain a private enterprise effort. Primary objection to the Spay and Neuter Clinic program, as provided by the Department of Animal Regulation is that the clinic is open to any person without regard to his ability to pay and therefore constitutes a clear and unwarranted invasion of private enterprise.

However, two considerations should be noted. Firstly, no provision exists concerning the income level of persons using the Spay and Neuter Clinic. Secondly, no effort has been made by the veterinary medical profession directed toward those persons who do not have the ability to pay, nor would they provide a low-cost clinic or reduced prices to encourage those who . . . have the ability to pay. Finally, the veterinary medical profession recognizes that a serious animal population problem does exist, but they have not implemented a single program to cope with the problem.

7. Proposed implementation of the Spay and Neuter Clinic concept in other communities

The Department has received numerous requests for information regarding the Spay and Neuter Program from private organizations, cities and counties throughout the United States.

Information to date indicates that a large number of spay and neuter clinic programs are under study and in the process of being implemented to meet serious environmental problems caused by dogs and cats in both large and small communities. It may be fully anticipated, that upon adoption by the City Council and Mayor to continue the existing program and expand this concept through a bond fund proposal, that many communities will implement similar programs.

The Department of Animal Regulation has submitted a request, dated December 8, 1971, concerning a proposal to improve the Veterinary Medical Program in the Department of Animal Regulation. This communication also indicated four additional areas of immediate concern, in order of priority, which will require immediate consideration by the Mayor and Los Angeles City Council in the current fiscal year 1971–72. Accordingly, the second such proposal to be submitted is a request for authorization and financing to continue the low-cost Spay and Neuter Clinic for the balance of the current fiscal year 1971–72 and as a regular program in ensuing fiscal years.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 16

At the request of Mr. Schweiker, the Senator from Georgia (Mr. Nunn) was added as a cosponsor of S. 16, the Broadcast License Act of 1973.

S. 31

At the request of Mr. Hollings, the Senator from North Carolina (Mr. Ervin), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Magnuson), the Senator from Georgia (Mr. Nunn), and the Senator from Kansas (Mr. Pearson) were added as cosponsors of S. 31, authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing emergency medical transportation services to civilians.

S. 70

At the request of Mr. Mansfield (for Mr. Magnuson), the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of S. 70, a bill to promote commerce and establish a Council on Energy Policy, and for other purposes.

S. 260

At the request of Mr. Chiles, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of S. 260, a bill to provide that meetings of Government agencies and of congressional committees shall be open to the public.

S. 268

At the request of Mr. Robert C. Byrd (for Mr. Jackson), the Senator from Wisconsin (Mr. Nelson) and the Senator from Colorado (Mr. Haskell) were added as cosponsors of S. 268, a bill to establish a national land-use policy, to authorize the Secretary of the Interior to make grants to assist the States to develop and implement State land-use programs; to coordinate Federal programs and policies which have a land-use impact, to coordinate planning and management of Federal lands and planning and management of adjacent non-Federal lands, and to establish an Office of Land Use Policy Administration in the Department of the Interior.

S. 318

At the request of Mr. Weicker, the Senator from Tennessee (Mr. Brock) and the Senator from New Jersey (Mr. Case) were added as cosponsors of S. 318, a bill to safeguard the professional news media's responsibility to gather information, and, therefore, to safeguard the public's right to receive such information, while preserving the integrity of judicial processes.

S. 424

At the request of Mr. Robert C. Byrd (for Mr. Jackson), the Senator from New York (Mr. Javits) was added as a cosponsor of S. 424, a bill to provide for the management, protection, and development of the national resource lands, and for other purposes.

S. 548

At the request of Mr. Humphrey, the Senator from Washington (Mr. Jackson) and the Senator from Indiana (Mr. Bayh) were added as cosponsors of S. 548, a bill to provide price support for milk at not less than 85 percent of the parity price therefor.

At the request of Mr. Aiken, the Senator from Kentucky (Mr. Cook) was added as a cosponsor of S. 548, a bill to provide price support for milk at not less than 85 percent of the parity price therefor.

S. 582

At the request of Mr. Scott of Pennsylvania, the Senator from Nevada (Mr. Bible), the Senator from California (Mr. Cranston), and the Senator from Vermont (Mr. Stafford) were added as cosponsors of S. 582, a bill providing social services for the aged.

S. 783

At the request of Mr. Chiles, the Senator from New Jersey (Mr. Williams), the Senator from Michigan (Mr. Hart), and the Senator from South Carolina (Mr. Hollings) were added as cosponsors of S. 783, a bill to establish the Everglades-Big Cypress National Recreation Area.

S. 842

At the request of Mr. Kennedy, the Senator from Iowa (Mr. Clark) was added as a cosponsor of S. 842, to assist the survival of publications threatened by increased postal rates.

S. 980

At the request of Mr. Javits, the Senator from Connecticut (Mr. Weicker), and the Senator from Alaska (Mr. Gravel) were added as cosponsors of S. 980, the unemployment compensation bill.

EXTENSION OF THE AGRICULTURAL ACT OF 1970—AMENDMENT

AMENDMENT NO. 21

(Ordered to be printed and referred to the Committee on Agriculture and Forestry.)

Mr. CURTIS. Mr. President, I am submitting today an amendment to S. 517, of which I am a cosponsor with the distinguished Senator from North Dakota (Mr. Young) and others. S. 517 extends the first seven titles of the Agriculture Act of 1970 for an additional 5 years. In title VIII of that act, which is not extended by S. 517, is a provision for indemnity payments to beekeepers whose bees are killed by pesticides which are registered for use by the Federal Government.

I ask unanimous consent to have printed in the Record a letter I have received from Mr. Clarence L. Benson, President of the American Honey Producers Association. This letter explains very well the need for extension of the beekeeper indemnity provision.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The American Honey
Producers Ass'n., Inc.,
February 23, 1973.

Senator Carl T. Curtis,
New Senate Office Building,
Washington, D.C.

Dear Senator Curtis: The beekeeper indemnity legislation was enacted by the Congress to reimburse beekeepers for the annual destruction or damage to hundreds of thousands of colonies of bees by pesticides recommended and approved by the government. Insecticides applied by various government agencies and farmers have been responsible for the devastation of the beekeeping industry.

Since DDT has, for all practical purposes, been banned, more toxic pesticides have been used. Beekeepers have been helpless to protect their interests and in many areas of the country other segments of agriculture have suffered. One instance: it is now impossible to grow alfalfa seed crops in Arizona due to the destruction of bee pollinators.

Only recently has anyone in a responsible position in the USDA taken a direct interest in this deplorable situation. However, Dr. Ned Bayley, as Director of Science and Education, made the Pest Management concept a policy of the USDA. The concept is quite simple—recommending that insecticides be used only if needed. That is a reversal of past USDA policies that advocated the use of more and more pesticides as an answer to agriculture's injurious insect problems. Extensive application of the Pest Management concept coupled with the research now being conducted by the Department of Agriculture to control injurious insects without the use of more and more pesticides should eventually alleviate the problem of the destruction of bees. Such a change in practices cannot, however, be expected to develop over-night.

Therefore, if the beekeeping industry is to be maintained in this country—and it is obvious that it must, as approximately 3½ billion dollars worth of crops require or are benefitted by bee pollination and approximately ⅓ of the diet of the American public is derived from insect pollinated crops, either directly or indirectly—then it is imperative that indemnification legislation be reenacted by the Congress so that beekeepers can receive compensation for the loss of bees attributable to pesticides *registered* and *recommended* by the government.

Yours sincerely,
Clarence L. Benson,
President,
American Honey Producers Ass'n.

ADDITIONAL STATEMENTS

HOW MUCH DO YOU KNOW ABOUT THE FOOD YOU EAT?

Mr. HARTKE. Mr. President, one has only to take a good nutrition course to learn how little we know about the food we eat. There may not be much hunger in this Nation, but there is certainly a large amount of malnutrition. We are far too content to stuff our stomachs with nonnutritional foods in the belief that the quantity will make up for the lack of quality.

Unfortunately, there is mounting evidence that poor food quality is dangerous to our health and well-being. Poor nutrition causes both physical disease and mental deficiency. Too few of us care about this problem. We do not look at food labels to find out what is in the food we eat. And even if we did look, it would be difficult for the average consumer to know just what the nutritional content of each food product is.

Last year, I introduced the Truth in Food Labeling Act—S. 3083. This Hartke proposal would require, among other things, that the nutritional content of all food products be stated plainly on the label. It is a simple requirement, but one which would add immeasurably to the quality of American diets.

Recently, an article appeared in the Washington Post highlighting the need for people to pay more attention to nutrition. Mr. President, I ask unanimous consent that the text of that article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Just Ask Your Doctor

(By Nicholas von Hoffman)

When thalidomide, the drug that deforms fetuses, was taken off the market, the news of this dramatic act by the Federal Drug Administration was presented as a rare and unusual occurrence. The impression the public was given was that there had been a strange, flukish, one-of-a-kind accident.

It would be closer to the truth to say the thalidomide incident was more of an ordinary occurrence than we'd like to believe. New drugs with awful unforeseen consequences—artfully called "side effects"—are pumped out on the market all the time. When the people and institutions responsible for them are questioned they answer that this is the price of progress.

But are we making any progress or has medical research run out of ideas and fruitful hypotheses? The efforts in areas like cancer and arthritis look more like the search for the philosopher's stone than they do science. While medicine continues to do new and better things with traumatic injuries, with diseases like cancer and arthritis—and even heart trouble—the doctors have plainly run out of gas. For the most part they can't define these disorders, they have no blinking idea what their causes may be, and they can't even begin to explain why one person gets them and another, living in much the same environment, doesn't.

One man who does have some ideas about where to start looking is Roger J. Williams, a professor of biochemistry at the University of Texas. Williams has a string of credentials to show he's no quack—a president of the American Chemical Society, a member of the National Academy of Sciences and the President's Advisory Panel on Heart Disease. In addition, he's spent a career working in vitamin research and studying life at the level of the cell.

He thinks: "The most basic weapons in the fight against disease are those most ignored by modern medicine: the numerous nutrients that the cells of our bodies need." (Quoted from Nutrition Against Disease: Environmental Prevention, by Roger J. Williams, Pitman Publishing Corporation, New York, 1971, $7.50).

Now, don't go running to your doctor to ask him if he agrees. There is a good chance that you know as much as your doctor about the field. "The very people who should have been able to give expert guidance . . . about nutrition have, in fact, virtually abandoned the field. If more doctors really were experts with respect to nutrition and heredity, they would be able to give their patients sufficiently intelligent advice so that quackery and faddism could have very little scope. A depressing aspect of the situation is that the laymen's intuitions, uninformed as they may be, are more often justified than the physician's neglect."

Thus your doctor, your advertising agency and the guy who fixes your car will tell you that avoiding polyunsaturated fats will keep your heart healthy. The same three savants will also tell you that cholesterol is what gives you hardening of the arteries. They don't know what Williams, the biologist, could tell them, "Cholesterol is an absolute essential for our bodies all through life" and that if you eat less of it, your body will manufacture it; but that if you don't want it building up and clogging your arteries, you'd be better advised to consume a scarcely known but inexpensive substance called lecithin.

All of this is by way of illustrating Williams' main point, which is that we are all a unique combination of heredity and a complex nutrition involving vitamins, minerals, hormones, enzymes and some yet to be isolated substances; and it is this complexity and interaction of many biochemicals which determines why one man will contract tuberculosis and another man won't, why one person will get cancer and another person won't.

Williams is the first person to say that the hypotheses he's advancing are yet to be proven out, but more and more evidence of a more and more persuasive nature is accumulating that it is in these directions that medical research should be moving. Read his book and learn what is already known about the etiology of nutrition and alcoholism or arthritis or the mental retardation of unborn babies, and the least you'll say is that obstetricians without up to date knowledge of the field are hardly better than quacks.

American medical science is, as Williams points out, the captive of its own doctrinaire orthodoxies, and it isn't going to change without a boot in the tail from lay people. We can't keep on letting the doctors say, "Shut up, we're looking for a cure."

We have to hound our personal physicians, too. If all they know about nutrition is to say some inanely ignorant thing like "Eat a balanced diet," we've got to tell them they should turn off Marcus Welby and read a few books, starting with Roger Williams.

RELEASE OF AMERICAN POW'S

Mr. THURMOND. Mr. President, I rise today with deep concern over developments which have taken place in Vietnam within the past 24 hours. Official reports indicate that the Communists, once again, have no intentions to honor the cease-fire agreements of January 27.

In a manner which reeks of contempt, the Communists apparently have rewritten the agreements which, by their signatures, they solemnly pledged to uphold.

More specifically, the Communists are demanding that their civilian detainees in the South be returned, that the United States should assume a larger role in the cease-fire and that their members of the military commission be given better facilities before any more POW's can be released.

This is a blatant violation of the spirit and letter of the agreement. The language in both the protocols and agreement clearly links the return of our prisoners of war only to the withdrawal of United States and free world forces. There are no other requirements for the return of our brave men.

Undoubtedly, the United States is withdrawing our remaining troops as rapidly as possible. The withdrawal has now reached over 50 percent of those forces which were in South Vietnam when the agreement was signed. We are keeping our side of the bargain. We expect the other side to do the same.

Although the American POW exchange is not linked to management of the cease-fire, the United States has nevertheless undertaken an active and responsible role in overseeing the precarious situation. But, obviously, we can do just so much. The South Vietnamese, North Vietnamese, and Vietcong must be willing to abide by the intent of the agreement before any concrete progress can be made.

But, as far as the Communists are concerned, this has not been the case. The enemy has conducted heavy campaigns against strategic locations such as Quang Nhai Province and the town of Tri Ton, just to name a few. Aside from these kinds of incidents, an unarmed U.S. helicopter was shot down while on a peacekeeping mission on February 16. These violent acts of aggression by North Vietnam were immoral before the signing of the cease-fire agreement. They take on even more ominous significance after the signing.

The Communist attempt to link the return of our men to these new demands is clearly wrong. All four parties have agreed to leave these matters up to the Vietnamese themselves. The return of our POW's is not connected with this part of the agreement. Each stands separately. It is criminal to use the remaining American POW's as pawns in this illegal international gambit the Communists have undertaken.

The President, backed by a huge majority of the people, has done everything possible to obtain a fair, lasting peace for all parties concerned. In return for our good will, the Communists have made these contemptible demands. Let us all hope that they will be rescinded so we can resume our progress toward peace.

PEW MEMORIAL TRUST

Mr. SCOTT of Pennsylvania. Mr. President, it has come to my attention that a recent article in the Washington Post, concerning the role of foundations, prompted a letter from one which was specifically singled out. Believing that the article presented a distorted picture of it, a trustee of the Pew Memorial Trust wrote a letter to the editor. For reasons best known to the Post, the letter was never published.

In the interest of fairness, I ask unanimous consent to have the letter to which I referred printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE GLENMEDE TRUST CO.,
Philadelphia, Pa., November 16, 1927.

To the Editor,
Washington Post,
Washington, D.C.

DEAR SIR: Over the years, those individuals who are responsible for administering the Pew Memorial Trust have not sought publicity, nor have they engaged in controversy over their grant policies. However, your staff writer, Phillip Greer, reporting the recent press conference of Waldemar S. Nielsen on the release of his book, "The Big Foundations", created such a slanted picture that we as Trustee of this Trust must ask for "equal time".

Any large organization engaged in widespread philanthropy will attract attention from some self-styled critics, but contrary to the prevalent attitude today, the critic may be wrong and the target may be right.

Mr. Nielsen cited the Pew Memorial Trust as an entity that ignores its true responsibility. Unfortunately, he does not make clear the standards by which such performance is to be measured. The original Trust Agreement directed the administrators to make thorough investigations of all applications to determine not only that the projects had merit but that there was every likelihood of proper application of the funds. In line with these standards, the administrators have supported those with proven records of accomplishment and we are proud of the fact that very few of the charitable recipients have failed to perform up to expectation. This is the way responsible performance should be measured.

There is a distortion in the Nielsen statement that Pew Memorial Trust "gives most of its grants to support existing institutions, very often hospitals" but that "What Pew has not done is to try to study the needs of the Philadelphia community for better health services and then try to fill the gaps". We feel that the evidence readily available to Mr. Nielsen supports a different view. For example, the Trust gave $780,000 for the Ambulatory Services Pavillion at the Presbyterian Hospital which provides out-patient care in one of the neediest inner city areas in Philadelphia. Similarly, it has contributed $850,000 to the Children's Hospital—Guidance Center building at the University of Pennsylvania Hospital, a major new facility for child services, as well as contributing $1,500,000 to the new Home for the Aged at Lankenau Hospital, facing up to the growing need in the geriatric field. In addition, the Trust recently donated $20,000 toward construction of a new gymnasium at the soon-to-be completed Zion Baptist Church, another Philadelphia inner city institution. This gift was the largest received since a fire destroyed the old facilities two years ago. This gymnasium will be part of a community center which is expected to provide day care facilities, a library and other facilities for education and development of youth and the aged.

While it has recognized the needs of the Philadelphia community, the Trust was also one of the early major supporters of Cancer research, a field which the Federal Government did not move into on a large scale basis until many years later and a field in which we think that current progress reflects the efforts of those who earlier recognized the need. The record of the Trust in other fields will similarly show an important record of supporting projects as well as recognizing particular needs through the placing of the funds under the guidance of those who by their past performance give us most promise of proper application.

By any standard, we have faithfully executed the Trust Agreement, and in a manner consistent with all federal and state regulations relating to charitable trusts.

Thank you for giving us this opportunity to respond.

Sincerely yours,

ALLYN R. BELL, Jr.,
President.

A RIVER AND A STATE REVITALIZED

Mr. FULBRIGHT. Mr. President, the Washington Post of February 27, 1973, carried an article by Joseph Kraft about the program controlling the Arkansas River, which flows through the center of Arkansas.

Some years ago, Mr. Kraft and several other journalists opposed the project and ridiculed it as a waste of money. I am pleased that Mr. Kraft has changed his mind and now recognizes the dramatic change which this project has brought in that area, and points out that this kind of project has great promise for the amelioration of the problem of congestion and ecological distortion which arises from the excessive concentration of population along our seacoast. It is not only beneficial to Arkansas, but has tremendous significance for the Nation.

I think the Members of this body will be encouraged by this confirmation of their judgment in authorizing and funding this magnificent project on the Arkansas River. Great credit for the leadership in this body of this project is due to the senior Senator from Arkansas, JOHN MCCLELLAN. In addition, the late Senators Ellender and Kerr contributed so much to this great achievement.

I ask unanimous consent that the article be printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A RIVER—AND A STATE—REVITALIZED

(By Joseph Kraft)

LITTLE ROCK, ARK.—Headlong growth, bringing pollution, and congestion and a riot of other ills, is visibly destroying many parts of the country along the Atlantic and Pacific coastlines. But how can growth be arrested in a country where the national ethic is to give maximum scope to individual initiative?

The answer is that instead of trying to restrict growth, it makes better sense to disperse it to less advanced parts of the country. A good case in point is the tonic effect on the area around Little Rock of the Arkansas River project.

That project has made the river navigable for 450 miles from its juncture with the Mississippi to Tulsa, Okla. Dredging and construction of 18 dams and locks cost an estimated $1.3 billion spread over 15 years beginning in 1957 with formal completion last year. During the 1960s the project became known as the "biggest pork barrel in history."

I remember flying over the project about 10 years ago with its most powerful sponsor, the late Sen. Robert Kerr of Oklahoma. The stream below us was a muddy trickle. Sen. Kerr stopped along the way to open (with a golden bulldozer) construction on various ports so obscure that I do not remember their names.

At the end of the day I asked an officer from the Army Corps of Engineers which was building the project whether it wasn't unduly expensive. "Hell," he said, "it would have been cheaper to pave the river."

But that judgment, which echoed my own sentiments, has been unsaid by the results. The river has been totally transformed.

The dams have stopped the silting, and with the sediment gone, the tiny organisms known as plankton have reappeared, reopening the river to the life-giving force of the sun. The river has become greenish-blue in color, instead of brown. Bass and other fresh-water fish rare 10 years ago are now abundant. A fresh-water shrimp, unknown before, has turned up.

The cleaning up of the river and the lakes created back of the dams has made the area exceedingly attractive for recreational purposes. Arkansas has become a magnet for retirees from Illinois, Missouri and Kansas. Many companies which value recreation highly in their choice of sites are turning toward the state. The town of Russellville, 65 miles from Little Rock, is one good example.

The Firestone Company is putting in a plant. So is a food division of the conglomerate company, International Telephone and Telegraph Middle South Utilities, the chief power company in the area, is investing an estimated $300 million in new generating facilities.

Improved navigation facilities have quickened commerce throughout the area. Hundreds of thousands of tons of Arkansas rice and soy beans go down river and across the oceans to Europe and Japan every year.

Bauxite from the Caribbean feeds aluminum plants near Little Rock. Steel from Japan is building a new bridge across the river. Over last weekend, two new foreign auto agencies, stocked with cars shipped direct to Little Rock by sea, opened their doors here.

The result of all this activity is a mild population boom. This state lost population throughout the 1930s, the 1940s and most of the 1950s. With the Arkansas River project, the adverse trend has been turned around. Population is now back where it was in 1940 at about 2 million and steadily rising.

No one in this state doubts that the project has paid off. "It has exceeded the highest hopes of all its sponsors by far," Dale Bumpers, the attractive and energetic young Democratic governor said the other day.

More important are the national implications of what has been done here. Ecologists and environmentalists cannot on their own check forever the pressure for more and more development along the coasts.

At best they can slow down the headlong growth. They can achieve full success only if the pressure for growth which comes from individuals and families and companies is channeled elsewhere, as it has been here in the Arkansas River Valley.

SHIELD LAW COULD EASILY BACKFIRE ON NEWS MEDIA

Mr. HELMS. Mr. President, Clark Mollenhoff is known by the fellow members of his profession as one of the ablest investigative reporters in Washington. For 30 years, Mr. Mollenhoff has been walking the corridors of power in the bureaucracy and in the Congress, ever alert to developing situations which required the full light of public scrutiny. I would like to point out that Mr. Mollenhoff was criticizing the bureaucrats in the Pentagon long before it became fashionable; he was exposing personnel problems in the State Department at a time when such reporting was a distinct threat to his reputation in certain circles. He continued to be objective even when the present administration came into power, and despite a period of service within the administration, he has not ceased to look upon the bureaucracy—and even the White House—with a piercing eye.

I set forth these observations as a brief preface. Mr. Mollenhoff has recently written a lengthy commentary on the proposed "newsman's shield" laws, which appeared in the Washington news weekly, Human Events. His article is an articulate plea against the passage of such "shield laws" in any degree. He has been around Washington too long, and his experience is too broad to countenance any law which would be an intervention into the area of the press, positively or negatively. His argument is that any intervention will eventually be twisted and manipulated by the bureaucrats—those who in another context he described as the "despoilers of democracy"—to the detriment of press freedom.

Mr. President, before joining this distinguished body in January, I myself spent most of my life in the field of journalism, both as a reporter, city editor, and TV editoralist. In all those years, and I have done my share of investigative reporting, I never encountered the so-called dilemma of some newspapermen today who are asking for a special exemption. I never needed a shield to get the facts. Clark Mollenhoff agrees. He says:

> I have been working as an investigative reporter for more than thirty years and that experience has involved a broad and varied use of "confidential sources." It has involved exposure of scandal from the Polk County, Iowa courthouse to the White House and essentially every type of city, county, state, or federal agency. I have always protected my "confidential sources," and in only a few instances have been even faced with a choice of whether to reveal the source or risk contempt. The crisis never did materialize.
>
> It is seldom that the crisis does materialize for the thinking reporters and editors who use some sense of responsibility in entering into "confidential" relationships with the sources and the manner in which the information is used.
>
> My experience indicates that it is seldom that responsible editors and reporters need a shield law, and it could hardly be argued that the irresponsible press needs further encouragement. It is the irresponsibility of a few that makes the press vulnerable to the criticism that destroys public confidence.

Mr. Mollenhoff also goes on to raise these points:

> 1. In the long run, shield laws could become the instrument for government control of the press.
>
> 2. The government should not be involved in defining who a "legitimate newsman" is.
>
> 3. A skillful use of information from confidential sources will usually leave no hint that the original tip came from confidential sources.
>
> 4. Deadlines and the desire for a scoop should never be used as an excuse not to find corroborating evidence.
>
> 5. We should not establish a new legal area of confidentiality to the historically sanctioned relationships of doctor and client, lawyer and client, husband and wife, and priest and confessor. He points out that the major beneficiaries of a newspaper informant's statement that is confidential are the reporter and his newspaper, not the informant.
>
> 6. All citizens, whether in government or in a position to control public opinion, have a responsibility under our laws and our Constitution to give testimony in civil and criminal proceedings and to produce relevant records.

I want to commend Mr. Mollenhoff for a forthright statement which is full of unstudied wisdom and plain commonsense. Not only its internal logic, but also the silent testimony of Mr. Mollenhoff's extensive experience and reputation provide an eloquent and compelling argument against the passage of shield laws in a heated atmosphere.

I also wish to commend Human Events, which also has often gone against the prevailing grain in an effort to rethink fundamental questions. Human Events has scored more than its share of news beat exclusives and has the practical experience of investigative reporting. In commissioning this article, Human Events has performed a fine service for the journalism community.

Mr. President, I ask unanimous consent that the article "Let's Take a Closer Look at 'Shield Laws,'" by Clark Mollenhoff, from the February 24, 1973, Human Events be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LET US TAKE A CLOSER LOOK AT "SHIELD LAWS"

(By Clark Mollenhoff)

I am reluctant to support any legislation to change, modify or clarify the 1st Amendment protection of the United States Constitution with regard to freedom of the press.

In the first place, it is impossible to define or limit those covered by the "freedom . . . of the press" clause without doing serious violence to the full meaning of the Constitution. It is not for the protection of the big newspapers and magazines and broadcasting only, but must include the weakest, poorest-financed pamphleteer regardless of beliefs.

This leads to the second point which nearly everyone mentions in proposing "shield" laws. How can it be written so it covers only "newsmen" entitled to protect their "confidential sources" and eliminates the possibility of its use by extremist groups or gangsters as a cover for illegal operations? It should be obvious that any restriction in coverage would be likely to eliminate the pamphleteer, who probably needs protection more than any of the better-financed groups. The underworld would have no problem in financing a newspaper that could meet any standards set in a shield law.

Thirdly, if reporters and editors are only reasonably competent, responsible and understanding of their job, they do not need shield laws to be effective in exposing government corruption and mismanagement or repressive measures.

I have been working as an investigative reporter for more than 30 years and that experience has involved a broad and varied use of "confidential sources." It has involved exposure of scandals from the Polk County, Iowa, courthouse to the White House and essentially every type of city, county, state or federal agency.

I have always protected my "confidential sources," and in only a few instances have been even faced with a choice of whether to reveal the source or risk contempt. The crisis never did materialize.

It is seldom that the crisis does materialize for the thinking reporters and editors who use some sense of responsibility in entering into "confidential" relationships with their sources and the manner in which the information is used.

My experience indicates that it is seldom that responsible editors and reporters need a shield law, and it could hardly be argued that the irresponsible press needs further encouragement. It is the irresponsibility of a few that makes the press vulnerable to the criticism that destroys public confidence.

There is a great deal of sympathy for public officials who are subjected to provably false attacks by other politicians or by the press. The public reactions against "smears" by the political critics or by the press is a proper reaction, and the last thing we need today is a law that could be a further invitation to irresponsibility.

It is a serious business to charge political figures with corruption, mismanagement or to otherwise reflect upon their integrity or competence. Certainly, it is also a serious business to consider clothing the press with a near total immunity that is comparable only to the immunity that members of the House and Senate enjoy in connection with remarks made in Congress.

Hardly a year ago goes by that we do not see some examples of what for the last 20 years has become known as "McCarthyism" by some member of the Senate or House. We have seen and we have probably deplored the abuse of the constitutional provision that no member of the House or Senate shall be "questioned in any other place" for "any speech or debate in either house."

To pass some of the broader shield laws suggested would in fact clothe all publishers, editors, reporters, columnists and commentators with the same immunity that senators and representatives enjoy to fire charges at public officials on the basis of anonymous "confidential informants."

We should ask ourselves if we really believe that all publishers, editors, reporters and commentators are that much better in their motivations and that much more responsible than the members of the Senate and House we have criticized for "McCarthyism."

We should ask ourselves if an invitation to more irresponsibility is the medicine in the press needs in addition to the United States Supreme Court decision in the case of *New York Times vs. Sullivan* that frees us from libel responsibility in all except those instances involving provable malice.

This decision certainly gives all the protection the press needs to cover its unintentional errors and even sloppiness associated with meeting daily deadlines. And the United States Supreme Court in speaking on the Pentagon Papers case gave an added dimension to the news media's right to publish the contents of government papers carrying the highest national security classifications.

The prosecution of Daniel Ellsberg for "leaking" the Pentagon Papers is another problem since he identified himself as the source, and the government through other evidence had pretty well established his identity even before he made the admissions.

It is an irresponsible reporter who writes a story on the uncorroborated statements of a so-called "confidential source," and it is an irresponsible editor who does not insist upon such corroboration as a test of the truth or falsity of the confidential information.

A few unrelated arrests of reporters for failing to reveal "confidential sources" have resulted in a near hysterical atmosphere in which it is quite likely that legislators may be pressured into passing unwise laws.

I say unwise laws because I fear that in the long run shield laws could become the instrumentality for a government control of the press.

That danger comes in the demands of a large number of legislators for a definition of "legitimate newsmen" and "legitimate news media" to be shielded from disclosure of confidential sources. Once the definition is drawn some person or group of persons will have to be empowered to determine who are "legitimate newsmen" and what are "legitimate news media."

Obviously that power must vest in some entity selected by the press, the public or the government. Certainly a public election of those with this power has innumerable hazards, and who in the press would or should be trusted with this authority over his colleagues.

Any government role in naming or selecting the men to make the decision as to who are "legitimate newsmen" has the major drawback of permitting government to have "a little control" over the press.

The Standing Committee of Correspondents is the group that would come closest to being an objective committee, and present standards this group uses certainly would bring complaints from the extremist pamphleteers and propagandists who would undoubtedly be excluded from the definition of "legitimate newsmen."

The broadcasting industry is rightfully concerned that the so-called "fairness doctrine" will be used by this Administration or some later Administration as a vehicle for exerting a government control of radio and television licenses. The speech by Dr. Clay Whitehead gives some concept of the attitude of the Nixon Administration and *how it might seek to* use the "fairness doctrine" lever against those in the broadcasting industry who displease the Administration.

It is not wise to underestimate the ability of government lawyers to twist and distort almost any law into authority for withholding documents that the executive branch wants to keep secret.

We have seen the Nixon Administration's recent expansion of the claims of "executive privilege" to the point it is blocking Congress, the press, the public and even the General Accounting Office (GAO) auditors from important information on government operations and on the expenditures of tax money.

We have seen how the bureaucrats, often with White House approval, have even twisted the exceptions to the Freedom of Information Act to justify withholding documents from the press and the public. The Freedom of Information Act was passed only a little more than six years ago for the specific purpose of assuring a maximum free access to government information. The exceptions to the act have been expanded and distorted by misinterpretation by government lawyers into a law to suppress information.

It went to the ludicrous extreme where the Office of Economic Opportunity (OEO) and the AID agency refused to reveal such basic biographical information on employes as place of birth, schools attended, and prior places of employment. The refusal was justified by government lawyers on grounds that the Freedom of Information Act authorizes the withholding of personnel records as confidential.

Those of us who were active in amending the so-called "housekeeping statute" (5 U.S.C. 22) recognize the great capacity of the bureaucrats for interpreting any law to provide a justification for nondisclosure of information.

In that case, a law that was written to provide for the custody and preservation of government records had through a series of interpretations by the various attorneys general been turned into the most widely quoted grounds for withholding documents.

How are we to assure that a shield law that is written for the protection of the "confidential sources" of legitimate newsmen will not be turned around and used as an instrument of government control?

As I set out the reasons the press should be wary about a shield law, I do not wish to give the impression that I am downgrading the value of "confidential sources." As one who has availed myself of information from such "confidential sources," I know such informants are indispensable in our efforts to expose and correct the dishonesty and unfair practices that creep into every government agency from time to time.

My coolness to a shield law is based upon my belief that skillful use of information from confidential sources will usually leave no hint that the original tips came from confidential sources. The full protection of the confidential sources requires that the reporter and his editors handle the information in such a manner that there is no direct or indirect clue as to the source.

Deadlines and the need for a "scoop" are never justifications for failing to check out the information that comes from a confidential source. If the reporter has a true confidential relationship with his source the responsibility is not merely to not use his name, but to in every way possible avoid giving any indication of the identity of the source.

If a thorough job is done of corroborating the informant's story, the story itself need not indicate that it came from a confidential informant.

Over the centuries the only universally recognized confidential relationships have been those of doctor and patient, lawyer and client, husband and wife, and priest and confesser. In each of these four relationships the confidentiality is required for the benefit of the person making the disclosure—the patient, the client, and the confesser and, in theory at least, for the mutual benefit of husband and wife.

In each of those confidential relationships the area of confidentiality protected is carefully circumscribed, and specifically exempted are some statements made in the presence of other parties or information that is to be passed on to third persons.

The major beneficiaries of a newspaper informant's statement that is confidential are the reporter and his newspaper, not the informant.

The question that puts the whole thing in perspective involves the question of what the newspaper would do if a story from a confidential source resulted in a substantial libel suit against the newspaper. Would the newspaper, with its economic base threatened, permit its reporter to remain silent on a confidential source who might be the key to whether the newspaper had acted responsibly or irresponsibly?

It would be difficult to justify using a shield law to protect a reporter's confidential source in a criminal contempt action while refusing to permit the same reporter to protect those sources in a civil libel action against his newspaper, its publisher, or editors.

Finally, it is my deep belief that this is, and must be, a nation guided by laws and not a nation guided by the whims of any man who is temporarily in charge of government or any group of men who are in a position to control public opinion. All men have a responsibility under our laws and our Constitution to give testimony in civil and criminal proceedings and to produce relevant records.

Prof. James Wigmore in his celebrated treatise on evidence declared that "the public . . . has a right to every man's evidence," including that of "a person occupying at the moment the office of chief executive."

"His temporary duties as an official cannot override his permanent and fundamental duty as a citizen and as a debtor to justice," Prof. Wigmore wrote.

Chief Justice John Marshall in *United States vs. Burr* held that "a subpoena may issue to the President" and that the "accused is entitled to it of course . . . whatever difference may exist with respect to the power to compel the same obedience to the process."

In a letter responding to the subpoena, President Jefferson acknowledged the obligation of the chief executive to give testimony, but said he could not journey to Richmond for the Burr trial. However, it was noted that he would be available in Washington for the taking of a deposition.

The press properly criticizes the President for his expansion of the claim of "executive privilege" in a manner that makes his entire White House staff unaccountable to the Congress and to the courts.

It is illogical for the press to assail President Nixon for the power grabs inherent in his expansion of the claim of "executive privilege" at the same time that some segments are asking the Congress for a near total immunity from the process of grand juries, the courts and Congress.

I believe that law enforcement officials should be restrained in the use of subpoenas to compel newsmen to testify or produce records, and should not do it if there is any other alternative. There is a danger of its being used as a tool of harassment against an aggressive press, but the facts will usually speak for themselves in such cases.

The 1st Amendment guarantees of freedom of speech, freedom of press and freedom of assembly have served us well. Our Supreme Court has wisely ruled that radio and television are equally protected by the 1st Amendment, but has rejected expansion to protect reporters' "confidential sources" up to this point.

I have no doubt that the Supreme Court will come up with a protection for "confidential sources" when the fact situation makes it apparent that prosecutors and law enforcement officials are using their power of subpoena to harass and intimidate the press.

In the meantime, the press would do well to be more discriminating and more thoughtful about the cases it pushes in court and the principles that those cases represent. It is well to remember the legal maxim that "bad cases make bad law."

We have shield laws on the books in a number of states providing us laboratories for continuous study of the problems encountered in their administration and enforcement. We should ask ourselves if we are interested in practical solutions, or are we interested in flashy stunting in front of a grandstand.

If we criticize an administration for sloganeering that we characterize as superficial, slick and deceptive gimmickry from the advertising world, we have a greater obligation not to be caught up with equally superficial efforts to make the cry of "freedom of the press" cover all of our sins. The need for a "scoop" is never a justification for rushing to press and failing to corroborate a confidential informant.

While I always feel a degree of sympathy for men who are jailed, I have always found it a good idea to examine the facts in each case before suggesting sweeping changes in the laws.

The banker who is imprisoned for embezzling funds may have been only engaging in the pursuit of his profession of making money in a manner that he regarded as more efficient. I am sure that there is a great deal of sympathy for the imprisoned bankers within the banking community. Yet few would argue that the laws on embezzlement should be changed to encourage the free enterprise system.

Every profession has its renegades. There are doctors, lawyers, bankers and even journalists who deserve to be in jail. Every journalist who shouts "confidential source" and "freedom of the press" is not a John Peter Zenger or Elijah Parish Lovejoy. I am sure that there have been occasions when a so-called "confidential source" was a nonsource, and there have been some journalists who have been little more than arms of the underworld.

These are just a few of the things one should keep in mind in determining whether we really need a shield law, and whether it would promote the responsible journalism that is our greatest need today.

MORE EFFECTIVE LAND-USE PLANNING

Mr. HASKELL. Mr. President, many Americans dream of the day when they will be able to purchase a second homesite and build a get-away place in the mountains, along the seashore, or far away from the ravages of winter. Many of these dreams are shattered when the would-be buyers visit their future hideaway only to find completely inadequate planning for necessities such as sewage treatment, water supply, electricity, or even access roads. Worse yet the buyers are not able to visit their Shangri-la, make the purchase sight unseen and come face-to-face with the harsh reality that they are unable to retire there only after investing thousands of their precious dollars.

My distinguished colleague from Wisconsin, Senator Gaylord Nelson, addressed the Senate Interior and Insular Affairs Committee yesterday about this very problem. He shares my concerns about second homesites and would like to amend S. 268, the Land Use Policy and Planning Assistance Act of 1973, to insure that proper planning is done for these homesites. His testimony has extensive background information about the problem of second homesites and I commend it to my colleagues. I ask unanimous consent to have his testimony printed in the Record so we can all share in the benefits of his research.

There being no objection, the testimony was orderd to be printed in the Record, as follows:

Statement by Senator Gaylord Nelson

Mr. Chairman and members of the Committee, thank you for the opportunity to testify today.

Consideration of legislation to establish a national policy to encourage more effective land use management by states and local government comes none too early.

Had this country established such a policy 50 or 100 years ago, perhaps we still would have been able to sing "America, the Beautiful" without the discomforting awareness that the rich, diverse land which inspired these verses is under violent attack from coast to coast.

If we do not act now, the American bicentennial in 1976 may be but a tragic requiem for the bountiful natural heritage on which the freedom, wealth and pride of this nation have been built.

Establishing a national policy for land use before the values of the land are finally destroyed is a critical environmental requirement.

Confronting this challenge must involve the adoption in the society's value system of a new ethic which sees the land, the water, the air as treasured resources to be carefully managed in the interest of all, not as cheap commodities to be sold in a reckless drive for quick profit.

Passage of the land use bill authored by Senator Jackson would be an important initial step in nationwide land use reform. As the Chairman himself has pointed out, however, this measure falls short in some key respects, such as the elimination of penalties and the cutback in funds adopted over the Chairman's opposition in Senate Floor action late last year. In addition to co-sponsoring this legislation, I will support every reasonable effort to strengthen its provisions so that it will be an effective vehicle to help bring our nationwide land use policies into the 20th century.

The basic thrust of the Jackson land use measure is to encourage and assist in state and local development of a framework and process which will insure better land use decision-making.

In this purpose I heartily concur. But there is one land use practice that is of such pressing national concern that speedy action by the most appropriate government level must be begun immediately if we are to avoid a resource tragedy of unprecedented proportions.

I am speaking of the explosion of massive real estate developments for second homes or year-round living outside the nation's cities and suburbs. This is an epidemic of land development that is threatening nearly every remaining scenic area in this country, from prime agricultural land in suburban fringes to beautiful lake frontage in rural areas. It is an unparalleled land boom frequently involving poorly planned, unregulated, incompleted projects posing disillusionment and future financial loss to families who see their leisure living dream turn into a recreation slum. It is all too often a chaotic kind of growth which puts spiraling demands for services onto hard-pressed local governments who once may have seen only the allure of a big gain in tax base.

Within two weeks, I plan to introduce an amendment to the national land use bill which will specifically address this non-urban home development phenomenon.

The amendment will be aimed at establishing the requirement that in every state comprehensive environmental studies must be done before any future large scale residential development is allowed to proceed. State land use plans would have to include this provision in order to meet the Federal approval under the legislation before us.

The environmental studies would have to address specific criteria, including the project's impact on scenic, historic and recreational values; its air, water and solid waste pollution potential, and its pollution control plans; its compatibility with existing land use plans in the area; and both its benefits to local tax base and its future demands for local services. State guidelines would be developed on which to judge the significance of a project's effects on these land use criteria.

A state permit or a local permit with state concurrence would be necessary for such developments, and if the required studies showed the probability of significant environmental damage, the permit could not be issued. Only if the developer altered his plans to eliminate the environmental dangers could public clearance be granted.

With other Federal and state laws as precedents, the amendment would define a "large scale real estate residential development" as a project involving 50 or more lots, and the environmental studies and permits would be required of such developments. Projects of this scale or larger are almost certain to be of more than local concern in their potential environmental effects.

It should be emphasized that this amendment is concerned with an environmentally critical stage in the large real estate development that is not presently addressed in Federal law or in most state laws. Most Federal and state law to date in this area is concerned primarily with developers' advertising and sales practices. When it comes to environmental considerations, these measures are frequently after the fact. The environmentally critical decisions, of course, are the original site location and planning decisions, and this amendment would place state and local governments in a position to more effectively influence this vital concern.

In their questioning of previous witnesses, Committee members have already demonstrated their awareness of the growing abuse of the land by large scale home developments from the fringes of metropolitan areas to secluded mountain regions.

The Committee's support and adoption of this amendment would be an important boost to state and local efforts to deal with this ballooning land use phenomenon and would give appropriate national attention to the problems associated with it.

The arguments for Congressional steps now to strongly encourage and support more effective state and local environmental regulation of these large scale real estate developments are compelling.

The non-urban home development has swiftly become a nationwide trend with profound implications for the whole country's environment, economy, future growth patterns, and quality of life. The scope of this new phenomenon in American land use almost defies the imagination.

Giant developers are buying up and subdividing countryside at an appalling rate for second homes, retirement homes, year-round living for commuters. Not even the deepest wilderness is free from being quickly converted into a hodge podge landscape of condominiums, cottages, mobile home parks, and masses of campsites.

To say that America has enormous expanses of land that have yet to be touched is to miss the whole point. In their drive to capitalize on America's affluence, mobility and leisure time, private developers are carving up the already limited prime scenic areas first—the valleys, the waterfront, the hillsides, the mountain vistas, the historic sites, the forests, the land surrounding national and state parks. Far from any random, local occurrence, the private development of our most treasured scenic areas has become a powerful national force and a major national concern.

To get an idea of the scale of what is happening, we must recognize that the current boom is comparable in magnitude to the gigantic explosion of the American suburbs that has dwarfed our cities since World War II. It represents the latest stage in what University of Minnesota Geographer John R. Borchert calls the Auto-Air-Amenity Epoch.

Ten or 20 years ago, it was the land just outside the city limits that was coming under assault, along with the most immediately accessible recreation spots and the famous retirement areas of Florida and the Southwest.

Now an army of platters and bulldozers is sweeping over the eastern slopes of the Appalachians; the Atlantic, Pacific and Gulf coastlines: the most distant inland lake and riverfront areas in Wisconsin, Minnesota and Michigan; the hills, valleys, forests and riversides of northern New England.

The instant, chaotic urbanization that has characterized much of America's metropolitan growth is now threatening or is already well underway in southern Vermont, the Poconos of Pennsylvania, the Adirondacks of New York, and the Everglades region of Florida.

First we abandoned the countryside for the cities. Then as the cities began to decay, we fled to the suburbs. Now, as the suburbs begin to choke in congestion and pollution, we are fleeing back to the countryside, to the mountains, the valleys, the streams, or, where these are scarce, to artificial lakes and nondescript rural land.

When we have destroyed the last remnants of our natural heritage, there will be no other frontier, no more hiding places. There will only be left the gutted hulk of a once beautiful land.

As Borchert and others point out, the current land boom reflects the same exploitative attitude that has characterized so much past American growth. Once again, we are viewing precious land as an expendable resource to be developed, used, then left. Once again, we are sacrificing the future quality of American life for a quick profit and fast satisfaction in the present. Once again, we have failed to make adequate provision for the continuous protection and renewal of the values of the land as it is developed.

Among those documenting the extent and environmental dangers of the current nonrural real estate development explosion are pulitzer-prize winning reporter Robert Cahn in a recent Christian Science Monitor series and Peter Borelli in an article in the October/November 1972 issue of the Sierra Club Bulletin.

Figures cited by Cahn and Borelli dramatically illustrate this tremendous new challenge to the future of the American environment and standard of life.

According to the National Association of Home Builders, two to three million Americans now own second homes. Sales volume to handle the non-urban home rush is now estimated at $4 to $6 billion a year, according to the U.S. Office of Interstate Land Sales. In Maine alone, it is estimated that land development is grossing about $1 billion a year.

Land developers in the U.S. now number more than 10,000, according to the American Land Development Association. Included in the giant companies is GAC Properties, Inc., which in 1971 sold land to 25,597 purchasers and ended the year with $414.6 million in contracts receivable. ITT Community Development Corp. now has underway a 100,000 acre development involving one-third of a Florida county, with a projected population of 750,000 people. In California, a single company, Boise Cascade, sold more than $300 million worth of lots within the state over the last five years. Horizon Corporation of Tucson has sold land to more than 100,000 families in recent years.

As our automobile-highway and air travel systems bring most of the country within easy reach of some metropolitan area, the remotest wilderness is now fair game for the landsellers and subdividers. "Southern Vermont is now swiftly becoming an upper middle class suburb," says former Vermont Governor Philip Hoff. Horizon Corporation has now bought 24,345 acres for a huge proposed development within New York's 6 million acre Adirondack Park. In the Poconos in northeastern Pennsylvania, 35,000 to 45,000 vacation home lots have been sold to refugees from crowded metropolitan areas of the East Coast. California City, a subdivision in the Mohave Desert, covers 100,000 acres.

The land development boom is now underway in the Upper Midwest. Already, Wisconsin has some 100,000 recreation homes. In the past 10 years in the state, about 20 of the large scale projects in rural areas have been built or are pending or proposed. As another indication of development, in 1972, the state received 918 applications for plats on 10,567 acres of land involving 17,711 lots (figures covering all of the state except Milwaukee).

With vast areas of Wisconsin and the nation still without effective land use management policies, giant private interests in effect have been given a blank check to create a Second American Suburbia with all the accompanying pollution, congestion, crowding and disruption of all previous order and balance in the natural environment.

The tremendous pressure of the buying, subdividing and selling of hundreds of thousands of acres of land for often hastily planned residential projects for millions of people simply transcends the limited resources and expertise of most local governments and the limited capacity of the environment to absorb such punishment.

The toll in environmental destruction is appalling. More than 900 square miles of our richest natural environment—the coastal wetlands—has been dredged and filled, much of it for private subdivisions. Open space that should have been permanently preserved for public access and use has been obliterated in some of the most scenic areas in the country. Only eight percent of the total of 17,864 miles of U.S. coastline has been reserved for public recreation, according to a recent Federal study.

In much of the upper Great Lakes region, soils are simply unsuited for septic tanks. Yet intensive home development with septic tanks along lake and river frontage long ago became a regional habit. The price is hundreds of once pristine lakes degraded or destroyed.

In Florida, a richly endowed natural environment has been a basic part of the foundation of the state's economy and way of life. Yet the massive alteration by developers of the estuaries and marshes that are vital to this fragile environment has been common throughout the state.

In Virginia, plans for about 50 separate subdivisions have been mapped out for Massanutten Mountain, a spectacular ridge which rises out of the Shenandoah Valley at the foot of Shenandoah National Park.

In New Mexico, despite present estimates that the state's water can only support 850,000 people without seriously disturbing other uses or tapping limited groundwater, the population is already one million and more than a million acres have been subdivided.

To make way for the vacation home boom in the Poconos, roadbuilding has accelerated soil runoff and erosion and small lots are being laid out on steep slopes and in floodplains.

Geologists studying a new California land sales project suggested in their report that some of the proposed buildings would eventually slide down the bluffs toward the sea, according to Mr. Cahn's articles. A 1970 California report stated that in the state's Nevada County, subdivision development had damaged 37 percent of the stream mileage by siltation, stream bank modifications and domestic water discharges.

In his recent testimony before the Committee, Governor Tom McCall of Oregon pointed out that in one county, he imposed a moratorium on any further building, connecting to water systems, or installation of subsurface sewage, in large part because of grossly inadequate subdivision planning for sewage disposal and safe drinking water.

A commonly heard argument in favor of instant development no matter what the environmental dangers is that local tax base will be greatly increased. Yet around the country, more and more areas are taking a second look at the flooding pressures of land speculation and asking if what once seemed to be the golden egg may in fact be proving to be a sour apple.

In a number of instances, voters and county boards in metropolitan fringes or in rural areas have actually turned down massive new real estate developments. They have weighed the costs and the benefits and decided that the environmental destruction and increased public service demands would exact a higher price than they were willing to pay.

These now-scattered actions would become a stampede of protest in which even legitimate, well-planned growth is rejected, unless government and economic interests can restore the public's confidence that they can act in the long-term public interest instead of solely for the short-term private gain.

In a few states, cities and counties around the country now, there are encouraging signs of an awakening to the need to add a concern for the Quality of Growth to our traditional views on land development.

As pointed out in a recent article in Urban Land magazine, Wisconsin, Minnesota, and Vermont have established statewide criteria concerning certain kinds of zoning. Washington and Vermont are implementing tax incentives for preservation of open space. New Jersey, Connecticut, Maryland, Delaware, Washington and Vermont are establishing statewide controls over "areas of critical concern." Maine, Vermont, and California have established statewide or regional review over developments above a certain minimum size. Hawaii has established a State Land Use Commission to define statewide zones for various uses.

Far-reaching new land use measures were among the list of new environmental initiatives approved by the voters in the nationwide elections last fall. For instance, California voters approved a measure to protect the state's coastline. The voters of Washington approved a similar program.

The actions these states and others have taken are a beginning. With the environmental awakening we have seen all across the country in the past few years, they add to the hope that the people of this nation are finally ready to take significant steps to harmonize the forces of American growth with the sensitivities of the American and world environment. Leadership at the national level is needed now, to complement the ground-breaking actions that have been taken by a few, to help increase the understanding of the many so that more effective land use policies can be forged from coast to coast. I urge the adoption of this amendment as a much-needed step in that direction.

AMERICAN EXILES IN CANADA

Mr. SCOTT of Pennsylvana. Mr. President, much has been written and spoken about amnesty. The number of men who left the country rather than serve the colors has been inaccurately reported by many persons, including elected officials and newspapers. The high figure representing those who would not serve their country has been published at 70,000. Great distortions have resulted. Now a survey shows that number really is 4,000, not 70,000.

An article in the Philadelphia Bulletin last week reveals some interesting facts. It is entitled, "How Many Exiles in Canada? Would You Believe 4,000?" Mr. President, I ask unanimous consent that the entire article be printed in today's RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW MANY EXILES IN CANADA? WOULD YOU BELIEVE 4,000?

WASHINGTON.—On Dec. 14, 1971, introducing his Amnesty Act of 1972, Sen. Robert Taft of Ohio observed, ". . . estimates of the number of young Americans living in exile range as high as 70,000." Therein lies a tale.

Within 72 hours, one free-lance journalist found Taft's highest estimate low and reported that "over 70,000 of these young men are now sitting in exile or in prison because of their opposition to the war in Vietnam."

"AMNESTY MANIFESTO"

Clearly, the situation called for a manifesto. On Jan. 1, 1972, 16 worthies, anchored by the indefatigable Joe Rauh, issued a call for blanket amnesty: "There are at least 70,000 and some say as many as 100,000 young American men in Canada, men who have quit the military or refused the draft. . . . We say: Let them go and let their records be made clean."

The next morning a nationally syndicated columnist redeployed the 70,000-man army somewhat, declaring, "There are 15,000 exiles in Canada, and some 55,000 in other countries."

By Jan. 11, The New York Times reported from Ottawa, "As many as 40,000 exiles . . . are in Toronto, the favorite haven, and some 10,000 may be in Montreal. Many others of the 50,000 to 70,000 draft resisters in Canada are not fortunate where jobs are concerned."

So it went through '72 and throughout the U.S. media. By early February of 1973, a Washington correspondent was declaring categorically, "There are about 60,000 to 100,000 draft evaders in exile from the United States."

VERIFIED EVADERS

What are the facts? Well, the fact is the United States Government places the figure of verified deserters and draft dodgers in Canada at just under 4,000. Outside Canada and the U.S. it estimates an additional 1,200.

Of the 2,533 "deserters at large" outside the U.S., the Pentagon places about 1,800 plus in Canada, while of the 2,400 "fugitives" from draft law indictments Selective Service places just under 2,000 with our neighbor.

Official Canadian statistics do not contradict U.S. estimates. Between 1960 and 1964, before Vietnam became an American war, roughly 1,300 U.S. males between the ages of 15 and 29 annually became "landed immigrants" in Canada. If one concedes that every single American male over 14 and under 30—above that annual average—who became a "landed immigrant" in Canada between January 1965 and January 1972, was either a draft dodger or a deserter—an obvious impossibility—even then the official total for all of Canada could have come to no more than 17,000 at the very time The New York Times located 40,000 in Toronto alone.

"FACTS" ON SWEDEN

What about the "50,000 in other countries?" Well, the second most popular sanctuary for the "over the hill" army has been Sweden. On that situation The Washington Post reported two weeks ago: "Sweden, generally believed to have the next (after Canada) largest number of American deserters or war resisters, does maintain an official count of deserters. A count made last fall said there were 602 deserters in Sweden."

This squares with official U.S. figures.

Thanks to the statistics-mindness of Mr. Palme's regime, we have an idea what the Stockholm crowd is up to when not guarding the national conscience. The Swedish Director of Immigration William Leth was quoted as saying last November that from 1967 to 1970, of the 585 Americans allowed to enter the country, 110 were involved in major crimes, citing the following: 36 thefts; seven robberies; 49 drug-related cases including pushing. . . . He said that 52 deserters had been jailed and nearly 30 persons deported. Quite a performance.

CRIME STATISTICS

What Mr. Leth is telling us in a nice way is that in one three-year period, 20 percent of our Stockholm brigade was involved in major crimes; 10 percent jailed, and 6 percent deported. Those statistics seem not only a trifle high for "guardians of the national conscience'; they would have been considered an embarrassment by Crazy Joe Gallo and the Brooklyn Mafia.

What do these statistics say? This, I think, First, 7,000 to 10,000 seems a more honest, justifiable estimate of the actual Canadian contingent of draft dodgers and deserters than the 70,000 to 100,000 we have been constantly fed. Secondly, that because of an ideological bias, otherwise competent, American newsmen have engaged in inexcusably sloppy journalism, swallowing whole without inspection bogus statistics fed them by Canadian-based anti-war groups—when a few phone calls and a little arithmetic would have shown the number almost certainly outlandish.

PUBLIC MISLED

Third, that, for two years, some of the nation's principal news organizations have thus grossly misled the American people about the magnitude of the problem they confront in the matter of amnesty for runaways. Fourth, that some U.S. journalists and politicians have been characterizing as the "best of our younger generation," and the "guardians of the national conscience" a collection of draft-dodgers and deserters whose statistical profile and performance in exile show them to contain more than the customary complement of malingerers, opportunists, criminals and cowards.

Especially as one watches the genuine heroes of our age and time debark at Clark Field, to hear the boys who ran away to Toronto and Montreal and Stockholm lionized as "moral heroes" is—obscene.

EXEMPTION FROM FEDERAL INCOME TAX FOR RETURNING PRISONERS OF WAR

Mr. HOLLINGS. Mr. President, on behalf of Senator THURMOND and myself, I bring to the attention of the Senate a concurrent resolution passed by the South Carolina General Assembly on February 15, 1973.

The South Carolina General Assembly passed a concurrent resolution memorializing Congress to exempt prisoners of war returning from Southeast Asia from the payment of Federal income tax.

On behalf of Senator THURMOND and myself, I ask unanimous consent that the concurrent resolution be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION MEMORIALIZING CONGRESS TO EXEMPT PRISONERS OF WAR RETURNING FROM SOUTHEAST ASIA FROM THE PAYMENT OF FEDERAL INCOME TAX

Whereas, many prisoners of war are returning to the United States from Southeast Asia; and

Whereas, it would seem fitting that these returning heroes should be exempt from the payment of federal income tax to show our gratitude to these most deserving men.

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

That the Congress is hereby memorialized to take such action as may be necessary to exempt prisoners of war returning from Southeast Asia from the payment of federal income tax for any year during which time they were held as prisoners of war.

Be it further resolved that copies of this resolution be forwarded to the President of the United States, to the Clerk of the United States Senate, to the Clerk of the United States House of Representatives, and to each Member of the United States Congress from South Carolina.

ESTONIAN INDEPENDENCE

Mr. SCOTT of Pennsylvania. Mr. President, 55 years ago on February 24, 1918, the council of elders of the democratically elected Estonian Diet proclaimed in the manifesto to all Peoples of Estonia:

> By virtue of the right of self-determination of nations . . . Estonia in her historical and ethnic boundaries is declared to be an independent democratic Republic.

Two decades later the freedom that Estonians treasured so dearly was crushed by the great upheaval of World War II. Subsequently, as we all know, the Soviet Union invaded, occupied, and today is the oppressor of Estonia.

The people of Estonia have suffered long in their effort to maintain their unique national heritage. The Americans of Estonian descent in the Commonwealth of Pennsylvania and the Nation have constantly supported the native people of Estonia. The thought must be kept alive in our country that liberty is still in the hearts of all Estonians.

The American people should be resolute in offering encouragement to Estonia and proclaiming that this small country will never be forgotten. In this dark time under communist, Estonians have a special prayer that is a part of their National Anthem, "Su ule Jumal valvaku, mu armas isamaa!"—May God watch over thee my dear homeland.

AFRICAN PROBLEMS

Mr. HUMPHREY. Mr. President, Jim Hoagland recently wrote an article for the Washington Post which outlined some of the economic and political problems which affect the daily lives of Africans. And in so doing he revealed how little our Africa policy takes these problems into account.

More than 85 percent of Africa's 300

million people are peasant farmers and, for that reason "rain—is easily the most discussed topic in all of Africa, far ahead of neocolonialism, nation-building, apartheid, and all the other subjects outsiders view as the crucial issues for the continent." Diversification of agricultural production, providing jobs for the urban unemployed, and health facilities for the people in rural areas, are all cited as indigenous crucial issues.

Mr. Hoagland gives the example of a modern hospital AID built in Monrovia, only to discover that Liberia had neither the funds for operating expenses nor the doctors to staff it. The same funds could have been used to build 12 clinics around the country. Foreign investments inappropriate to the development needs of the countries have often been more of a curse than a blessing.

We must not be in the position of deciding for Africans the critical issues with which they should be concerned. In the past, this has too often been the case, and our relations have suffered from this tendency.

We must not see Africa merely as a group of nonaligned nations in our global strategy. Nor, as the present administration seems to be doing, should we see it merely as a market for our goods, a target for expanding investment. We must not be content to build monuments to our own generosity as Mr. Hoagland points out. We have capital, technical skills, and knowledge of agricultural production, all of which are needed to solve problems Africans face daily. But to use these as part of an effective policy we must take a hard, realistic look at what those problems are.

Mr. President, I ask unanimous consent that the Jim Hoagland article be inserted at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Africa: Fragments in the Mind

(By Jim Hoagland)

Like pieces of shrapnel, fragments of Africa remain embedded in those who have lived there and then gone. A small psychic jostle brings a flash of the fresh greenness of the continent, the soft, pleasant grace of its people (who endure maddening bureaucracy and second-rate leaders with a tolerance that borders on passivity), or silhouettes of gazelles leaping against endless blue horizons.

The fragments stay vivid. But the over-all canvas of Africa blurs quickly. Ambitious projects to understand Africa, to trace broad patterns in the continent's behavior, amount in the end to little more than mocking questions that often remain unanswered for the white, Western mind.

Mrs. James Hooker, wife of a noted American scholar on Africa, and a Sierra Leone disc jockey provide a case in point.

Researching a Ph.D. on African music, Mrs. Hooker has examined sounds ranging from the sad, high pitch of the penny-whistle tunes of South Africa to the lusty rhythms of West Africa's "high life" jazz. One question plagued her, however, and she raised it with a disc jockey in Freetown, Sierra Leone, who ran a representative popular music show for African listeners.

"Why do African radio stations play so many Jim Reeves records? Why do you like Kitty Wells?" The disc jockey, obviously as big a country and western music fan as his listeners, quickly shot back: "Because they've got soul!"

An Oxford-educated Ghanaian diplomat once proudly showed me a prize collection of 78 rpms of Ernest Tubbs and Hank Snow left him by an uncle. I was startled to hear radio stations in Kenya and Nigeria frequently play "Cottonfields of Home" and songs by the Delta Rhythm Boys that many American radio stations would probably hesitate to play today because of their ethnic implications.

There should have been a strong story in all this. Music is after all a vital force, more than an interesting art form in Africa. Wandering minstrels, known as *griots*, have been the only historians for some West African societies. The death of a leading jazz band leader in Kinshasa caused President Mobutu to declare two days of national mourning in 1970. And only soccer players compete with high life musicians as folk heroes in Accra and Lagos.

Surely in the incongruous enthusiasm of Africa for America's simple, melodramatic country music, a decade or more old, lay a key to understanding something important in African culture.

The only thing I eventually came to understand was that all of this might be a cultural anomaly to a Western mind, but to Africans I asked it was perfectly natural and did not need explaining. There was no point in hunting great significance in enjoyment. Feeling, not analysis, was the important thing. There was, in short, less than met the eye.

It is the irreducibles that linger as fragments, their jagged edges projecting feelings rather than explanations. Here are a few that lie closest to the surface.

"Out of Africa," by Karen Blixen:

"The farmer who has lived through (Kenya's drought) will never forget it. Years afterwards, away from Africa, in the wet climate of a northern country, he will start up at night, at the sound of a sudden shower of rain, and cry, 'At last, at last.' "

Rain. It is easily the most discussed topic in all of Africa, far ahead of neocolonialism, nation-building, apartheid and all the other subjects outsiders view as the crucial issues for the continent. More than 85 per cent of Africa's 300 million people eke out their livings as peasant farmers, and a failure of the rains to come can be a devastating economic disaster. If the question, "How do Africans live?" means how do most of them spend the majority of their time, the answer probably is "Thinking about rain." Life tends to be organized around it, in the way that consumer goods are the centerpiece of Western societies.

In Equatorial and West Africa, the year splits into only two seasons—the rains, and the other. Sheets of rain cascade over Nigeria's coastal regions for four to six months each year, day after sticky monotonous day. There is a West African fever that has nothing to do with catching malaria; it is induced by the closeness of the air and the oppressiveness of the ever-gray skies. It is a humid sickness, partly of the mind.

In Kinshasa in early spring, in the pregnant days before the rains begin, a wet wind at last rushes the streets, holding out promise and helping clear the fetid stench of the city. The grayness closes in by 5 p.m. and streams of Africans leaving their jobs carefully pad along the unlighted, partly paved streets near the zoo. They stare in wonderment at a solitary white pedestrian. Whites always ride in cars here, according to their experience with Belgians and Americans.

But as Karen Blixen suggests, it is in Kenya that the coming of the rains is the most spectacular. The beautiful beige, soaring plains steam like a freshly baked pie crust when the rains are late. Then they parch and the air is filled with choking dust. Finally a moist wind rises out of the plains and the skies open. The *askaris*, the smiling, amiable night watchmen who theoretically guard houses in the affluent suburbs of Nairobi, huddle under porches or disappear inside the floppy army surplus overcoats they all seem to possess.

In the city yellow street lights softly glow on the forming pools of rain. In the forests nearby, the earth hungrily drinks in the rain, with an almost audible sigh. Thousands of winged insects that Kenyans call *kumbe-kumbe* flee the holes in the earth they have inhabited to begin life-ending flights toward the lights of houses. The forest nightingale sings, and African children laugh, even more loudly than usual.

How do Africans spend their money? Now that increasing numbers of them are entering a modern cash economy, advertising agencies are experimenting with market research to judge the best way of getting a sales pitch across in areas of low literacy, few television sets and restricted commercial radio time.

Lintas Overseas, a London agency, reckons that calendars and picture postcards are effective. They advise advertisers to take care in using photographic models with tribal markings and scars in West Africa, where tribal animosity could be transferred to the product. Colors that are popular in some countries are bad omens in others, and in East Africa Lintas advises against advertisements showing models wearing earrings.

A market research survey in Cameron reports that going to the movies is regarded as the most desirable way of spending money, followed closely by beer drinking and soccer games. (These findings reflect income distribution in Africa fairly well, since these are largely male-oriented activities. Women may work for the money, or the crops that bring the money, but the men usually spend it.)

Boozing is popular, but there is an at least superficial lack of many forms of vice that the West seems to be thrilled by or worried about at the moment. Homosexuality seems largely unknown in most black African societies. There is no evidence of pornography holding much interest here. Africans consume only one cigarette for every eight smoked by Americans on a per capita basis. Prostitution does flourish in urban areas—especially those frequented by foreigners with money—but is a difficult concept for rural areas.

"Do you call it prostitution if a girl shows appreciation for a ride in a car, which is a big adventure for her?" a resident of rural Malawi asked. In other ways, however, there is a strong and surprising sense of prudishness in many rural African communities, by contemporary Western standards—especially where missionary influence has been strong.

In the cities, where jobs are scarce and applicants many, African girls find those standards don't necessarily hold. "If you apply for a job as a government secretary, you are not likely to get it unless you come across," said a pretty young Kenyan girl. Propositioned three times in three job applications, she chose what seemed to be a more ethical path to work. She got help from a cabinet member to whom she was related. A Kenyan woman writer reports that her most popular short story concerns this problem.

Although most African countries continue to line up at the trough for foreign aid and investment, some are beginning to question whether foreign capital has proved to be a very effective tool for development. Africa is having difficulty absorbing grandiose aid projects and industry.

The multi-million-dollar John F. Kennedy Memorial Hospital was a glittering addition to the scruffy Monrovia shoreline of small huts, waving palm trees and softly rolling Atlantic surf. U.S. Agency for International

Development officials proudly handed it over to the people of Liberia when it was finished only to be told by the Liberian government that Liberia didn't want it.

More precisely, the Liberians didn't want the more than $638,000 a year operating costs the hospital would bring, didn't have nearly enough doctors and nurses to staff it and didn't expect enough patients to fill it. Only after AID pledged that the United States would cough up a major part of the annual costs and bend rules to get American doctors recruited for the hospital did the Liberians consent to take the unloved hospital.

"They could have built a dozen health clinics around the country for that amount of money and done one hundred times as much good," one American official in Monrovia said. "But you can't take a visiting congressman out to a bush health clinic, and he's the one who has to vote the funds. And the clinics wouldn't be a major contract for American equipment and construction."

Those new factories Africa sought so eagerly at the beginning of the 1960s have often turned out to be the same kind of monuments to the gap between intentions and African realities. In a surprising number of cases, the effect of local production is to add to Africa's harsh inflationary pressures. Whether it is an American company making flashlight batteries in the Ivory Coast or a Polish tool factory in Ethiopia, the markets are just too small and labor too costly when compared to productivity rates.

Ethiopians could buy imported shirts for about $2 before the government encouraged the setting up of a local shirt factory and established high protective tariffs on imported shirts. Now Ethiopians pay more than $4 for a locally produced shirt.

An executive of Union Carbide says in Abidjan, the Ivory Coast: "I can produce flashlight batteries in Singapore and offload them here much more cheaply per unit than I can produce them here."

Governments also find themselves losing money in encouraging "false booms." Customs revenues from imported goods are important sources of income for all African governments. Establishing local industries does away with the duties collected, and investment incentives such as long tax-free startup periods offset much of the gains made through taxes collected from the new jobs created.

"At present, most African countries will have to choose between providing jobs or continuing to collect revenue," an American banker said. "They can't have both."

Bwana, can you spare 10 makuta?

After tribal massacres, the most sensitive subject a foreigner can stumble onto in many African countries is beggars. Begging is alien to many African societies, which have had strong extended family systems of obligations to ensure that people are cared for. And, touchy over their own comparative poverty in the modern family of nations, Africans resent others talking about their poor.

But beggars seem to be proliferating in African cities today. The poor find themselves squeezed more as progress arrives in Africa. The demands of urban life and industrialization are breaking down the extended family at a time when no black African state is yet prosperous enough to have social security, national health care or more than a scattering of sanitariums, orphanages and other public institutions.

Tourist-hungry governments are more sensitive than ever to what they see as the damage done their image by beggars. Routinely before major African and international conferences in Addis Ababa, Haile Selassie's Ethiopian army gathers up the cripples, the blind and other beggars and trucks them 50 miles out of town. By the time they hobble back on their own, the conference is over, according to diplomats stationed in Addis Ababa and friendly to the emperor.

Africa's great unwritten story is the cattle rustling of eastern and central Africa. On your average weekend, more Turkana tribesmen are killed by their neighbors (or vice versa) in sporadic range warfare than were killed in momentous events like the overthrow of Kwame Nkrumah or even the first Nigerian coup.

The semi-nomadic tribesmen who carry out the cattle raids and retaliation missions are merely doing what their ancestors have done for centuries. But the creation of new sovereign states, often with poorly demarcated frontiers, is creating new problems as the tribesmen roam back and forth across borders, apparently not realizing the serious implications of international rustling.

For example, an Ethiopian border guard who strayed into Kenya to beat up half-dozen people and extract a protection payment in cattle justified it by explaining that he had thought he was still in Ethiopia, where this was his established routine.

"I am a teenager of 26 years. In 1965 I had a girl friend whom I divorced for her silly behavior. In 1968 I did the same thing to my tribal girl friend. I have now impregnated another girl. Please Lucy, help me, I am in hot soup."

Lucy, the lady who runs East Africa's widely read letters to the lovelorn column, advised J.K.J. in Tanzania's Sunday News Magazine to marry the girl. Other Letters to Lucy that week concerned manners, family relations, premature ejaculation, and seduction tips. Local newsmen say the lovelorn column is one of the most popular locally produced features in the African press.

If it is often difficult to get a handle on how Africa views itself, it is simple to see how others view Africa. Barclay's Bank, one of Britain's largest, publishes economic surveys of international trade. In a recent survey, the section on the United States is introduced by a drawing of people in big cars. For Britain, the symbol is a big bus. For the Bahamas, girls in bikinis.

For Kenya, it is women picking coffee. For Uganda, it is women picking cotton. For Malawi, women picking tobacco. Africa, in fact, is a giant commodity to be picked for most of the firms operating there. One of Africa's greatest problems is that the economies remain geared to colonial trade patterns. France's needs, and not Senegal's or Chad's, dictated that Senegal would ignore other crops and grow peanuts for sale, while Chad's monoculture would be cotton. There is no quick way to break out of this pattern without accepting a jarring economic transition that would probably bring down any government that tried it.

Emotionally, Liberia can be the most perplexing country in Africa for an American to visit. There is on the surface an Amos and Andy atmosphere around the so-called Americo-Liberians who run the country, with help from the American Embassy. But there are troubling echoes of America's past here, and a real dilemma in evaluating what is essentially a black settler society implanted back into Africa.

White blouses and black skirts, shiny black suits with some snap-brims and one pith helmet: A line of 150 people moving slowly under the large drops of rain falling silently on Monrovia's one main street. It was a funeral procession on a September Sunday, a scene from New Orleans decades ago or, to name the town that Monrovia most resembles today, Augusta, Ga.

At one point the parade passed the Newport Monument, dedicated to the woman who fired a cannon at hostile natives who tried to drive off an expeditionary party of 1818. The monument resembles those built to pioneers in white-ruled Rhodesia and South Africa. But Matilda Newport and the others who established the first Western outpost at Monrovia, were freed slaves, shipped back to Africa from the United States.

Although recent governments have done much to reduce the gulf between Liberia's "indigenous" blacks and the settlers, the national seal continues to show a ship sailing toward a beach beneath the words, "The Love of Liberty Brought Us Here," a motto that has no relevance for the majority of the population.

Ray Bradbury once wrote a story about the American South on the day that all blacks left it. Monrovia is the negative image of that: Augusta without any whites. Broad Street is dominated by the Free Masonic Hall, a Southern ante-bellum mansion with a giant globe atop it. On Sunday morning, a Liberian preacher devotes his sermon to a Reader's Digest article about long-haired youngsters defying the police by shouting obscene words. He ends up by telling Liberian youngsters not to take up bad habits such as growing their hair in an "Afro" style. William Tolbert, the mild-mannered president, answers a reporter's question by saying, "Why, sho' ".

Africa, it has been said, does not exist today. It is an idea, a projection for the future, not a reality that can be described. Certainly that is true politically, and to lesser extents linguistically, culturally, economically and in other ways. There are dozens of Africas. French-speaking Africa, Islamic Africa, educated Africa, coastal Africa, forest Africa and nomadic Africa are just a few of them.

The great divide now is between what is called the elite and the uneducated masses who still live on peasant farms. The elite is perhaps 10 to 15 per cent of the population of the continent, who have been to school, live in towns and hold wage-paying jobs, usually in the bureaucracy.

There is a not surprising schizophrenia at the top of the elite. Trying to make a synthesis between the rules and standards they were taught in village life and the carbon copy Western lifestyles many of them now affect produces a heavy burden. Going back to the village for regular visits is expected, but it can be either an empty or traumatic experience for the Oxford- or Sorbonne-educated diplomat who glides with such ease through the corridors of the United Nations.

It is a harsh judgment, but most of the men at the very top have done Africa a disservice over the past 15 years of independence. The ravings and cruelties of leaders like the Central African Republic's Jean Bedel Bokassa and Uganda's Idi Amin, at times of Guinea's Sekou Toure, and others have damaged not only Africa's image but also its credibility. Few leaders have earned and retained public faith. Two who have are Julius Nyerere of Tanzania, by trying to live up to what he says, and Jomo Kenyatta of Kenya, by not saying anything.

The coming of independence and the opening up of the African personality were supposed to offer the world certain moral and human values. Africa does have that capacity. But the silence that greets continuing atrocities such as the tribal massacres in Burundi last year drowns out all the eloquent words about human rights at the United Nations.

Africa needs to redraw its borders. States will have to be expanded, and economics capable of supporting politics with a voice in world affairs will have to be constructed. And it is perhaps only in a general conference on radical border changes in Africa that the problems of the white-minority ruled south can be worked out. Until these changes are made, too much of the continent will continue to be represented by petty tyrants howling into a vacuum.

COURT DECISION ENHANCES TRUE FREEDOM OF THE PRESS

Mr. HELMS. Mr. President, last month a district court in New York handed down a remarkable decision holding that television analysts and commentators do not have to belong to AFTRA, the broadcasting industry's performers union. This is a landmark decision for freedom of the press and first amendment rights generally. There has been a lot of talk lately about Government intervention creating a climate of opposition to the free play of the press, and "chilling" first amendment rights. I am very happy therefore to report that in this case, the courts are promoting greater freedom of the press and creating a climate for greater objectivity and detached analysis of news events.

The court held that forcing the two plaintiffs to join a union and obey its rules as a condition of appearing on the air was a prior restraint on free speech. This condition indeed is an undoubted example of the much-discussed "chilling effect" upon the free intercourse of ideas. I congratulate the two commentators who willingly undertook the time-consuming court action on behalf of all their fellow journalists, Mr. William F. Buckley, Jr., and Mr. Stanton Evans, both of them distinguished practitioners of their craft. I would also like to point out that the Buckley-Evans lawsuit was supported by the National Right to Work Legal Defense Foundation, which is breaking new ground in enlarging and enhancing freedom in this Nation. I hope that this victory will encourage them, and all who love liberty, to join together in continuing this fine work.

Mr. President, I ask unanimous consent that the article "TV News Analysts Versus the Union" from U.S. News & World Report, February 5, 1973, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TV NEWS ANALYSTS VERSUS THE UNION

Constitutional rights of TV or radio news analysts are violated, a court ruled January 23, if these commentators are forced to join a union.

The decision of Judge Charles L. Brieant, Jr., in a federal district court in New York, was a first-round victory for William F. Buckley, Jr., and M. Stanton Evans. The union involved is the American Federation of Television and Radio Artists (AFTRA).

Pending an appeal, the court said the two TV commentators should continue paying dues to AFTRA.

Judge Brieant held that the "union shop" clause which compelled the two men to join AFTRA as a condition of employment "chilled" their First Amendment rights of free speech.

The union's contracts in the radio and TV industry contain the mandatory-unionism provision, which is effective where not barred by State laws.

The agreements also include a "Code of Fair Practices" which, in November, 1966, extended coverage of the contracts to commentators and analysts.

The judge explained that the ruling does not apply to newspaper commentators. He said anyone with enough money is legally free to start a competing paper, whereas TV and radio frequencies are limited, and franchises are held in the public interest.

Actors, artists and others covered by AFTRA contracts, the court held, are not so intimately associated with the free-speech right that they should be exempt from the "union shop."

Mr. Buckley and Mr. Evans contended that, when they were forced to join the union and obey its rules, it was an unreasonable prior restraint on their freedom of speech.

The Buckley-Evans lawsuit is supported by the National Right to Work Legal Defense Foundation.

WHAT DOES TIME MEAN TO INDIANS?

Mr. ABOUREZK. Mr. President, what do Indian people know of time?

Plenty.

They know only too well that the following statement made by President Nixon in July of 1970 was timeless—it was as accurate then, as it was 100 years ago, as it is today. And I quote the President:

> The first Americans—the Indians—are the most deprived and most isolated minority group in our nation. On virtually every scale of measurement—employment, income, education, health—the condition of the Indian people ranks at the bottom.

Timeless? Unfortunately, yes. But also timely. Timely in that the Indian people recognized that that statement, and the legislative proposals which accompanied it, marked what appeared on the part of the Federal Government to be a more comprehensive awareness of the suffering of Indian people, as well as a constructive response to alleviating that suffering.

The proposals did not necessarily promise an immediate end to all the suffering of Indian people, but they did indicate that major improvements could be made in the Federal/Indian relationship—and in the plight of the American Indian. Of course, hearings were required to give the Indian people the necessary opportunity to respond to those legislative proposals—to offer opinions on the pros and cons of what was being proposed. Did the legislation need to be tightened up? Changed? Were all the implications of the proposals as conducive to meeting Indian needs as possible? Despite these necessary questions to be clarified, it was obvious that the aim of the legislation was in the right direction as far as Indian people were concerned. For the first time, in a long time, there was new hope.

That was approximately 3 years ago. The 91st Congress which heard that timeless statement and received those timely proposals, did hold some hearings. But it brought no action.

And time passed—Indians waited, suffered, and hoped.

The same proposals were reintroduced during the 92d Congress. Again, more hearings. Again, no final action.

More time; more suffering; less hope.

Yesterday, along with Senator JACKSON, I reintroduced similar proposals for the consideration of the 93d Congress. Senator JACKSON outlined these bills in his statements yesterday, and it is apparent that the 93d Congress now has the legislative opportunity—and the obligation—to undertake and carry out the task the past two Congresses have failed to complete. We must take these and any other positive proposals related to Indian needs and act on them. If the proposals prove good, we must enact them into law. If some prove faulty, we must change them or replace them with something better. If, indeed, after hearing testimony from Indian people, we realize that even good legislation passed into law will not remedy enough of the suffering and injustices endured by Indians, then we must take a hard, close look at what other changes must be made, perhaps by examining the very structure which presently harbors the Federal/Indian trust relationship, along with the administrative breakdown and policies of that structure.

How much can the 93d Congress accomplish? How fast can we act on these proposals—these long overdue changes? The Indian people have suffered enough; they have hoped so many times in vain. Do we ask them to wait again?

Will it take Congress and the administration another 3 years to act? Five years? Ten years?

Perhaps there are those of us who can afford to take that kind of time.

But what does time mean—really mean—to Indians?

STANLEY ROACH, OF GUYMON, OKLA.

Mr. BARTLETT. Mr. President, the entire State of Oklahoma is proud and honored to learn that one of its citizens, Mr. Stanley Roach, has won the top national prize in the Reader's Digest Association-Boy Scouts of America Public Speaking Contest. Mr. Roach is an 18-year-old Explorer Scout from Guymon, Okla.

As a senior at Guymon High School, Stan has been active in football, basketball, and track. He is a member of the National Forensic League and National Honor Society.

After being active in Scouting for over 10 years, he earned his Eagle rank in 1968 as a member of Explorer Post 43, sponsored by the Memorial Hospital. All Oklahoma joins with me in congratulating Stanley on this high achievement. I am sure that Mr. and Mrs. Lewis D. Roach, Stan's parents, are the two proudest Oklahomans of all.

Mr. President, I would also like to take this opportunity to congratulate the entire Boy Scouts of America organization. They have provided this Nation an uncalculable service in developing sound and responsible citizenship in young Americans. Their efforts in the areas of drug abuse and ecology, to name only two, along with citizenship development are very important programs to all in this Nation.

America is a better nation today, because Boy Scouts have been a part of its development and America will be even better tomorrow, because Boy Scouts will continue to be an important part of its young people's lives.

Proficiency in the art of debate is most important—because it is through debate of our differing points of view that we have the opportunity to find the best way and the truth.

THE AMERICAN ECONOMY

Mr. BAYH. Mr. President, the American economy is in trouble.

This is all too apparent to the wage earner who finds the cost of feeding his family going up sharply from week to week.

Or to the homeowner whose property tax bill has climbed beyond all reason.

The reasons behind our economic ills are complex, but their consequences are painfully clear.

Inflation is unabated, wholesale food prices have gone up since the first of the year at an annual rate of 40 percent.

Unemployment persists at about 5 percent of the work force, not counting those who are working at jobs below their skills or those who have lost valuable overtime.

The dollar has gone through its second devaluation in 18 months following the highest foreign trade deficit in our history.

While simplistic solutions to our economic ills can be misleading, it can be said that a good starting place would be to eliminate the waste in the Federal budget. A budget of $268,000,000,000 has got to have a lot of fat in it, and I agree completely with President Nixon that the fat should be cut out. In fact, last year I twice voted for the imposition of a $250 billion spending ceiling. It is rather incongruous for the Federal Government to run up a $100 billion deficit in 4 years and to expect the economy to run smoothly. The Federal Government is the greatest single force in the economy. Budget deficits foster inflation and overspending in Washington is reflected in the increased cost of living at home.

As the first Senator from Indiana in more than a century to serve as a member of the Senate Appropriations Committee, I intend to keep a close tab on all Federal spending programs. By reducing deficit spending we should be able to control inflation and prevent further erosion in the value of the dollar.

While I agree with President Nixon on the need to cut out unnecessary Federal spending, I am seriously concerned about the way he wants to do it.

We all recall our first course in American civics when we were taught that the legislative and executive branches were separate and equal. However, the President has recently canceled many programs funded by Congress, programs he himself had signed into law, and impounded funds for other programs without regard for the will of Congress.

I am alarmed about the constitutional crisis which has been created by the President's unilateral action. The Constitution is quite clear on the responsibility of Congress to raise revenues and appropriate funds, and I am reluctant to tamper with a document and system that has served us so well for almost 200 years.

Frankly, I am not interested in trying to affix blame for past errors. I am much more interested in solutions, and I believe the President and the Congress should work together to find those solutions. The final decision on Federal spending cuts should not reflect the judgments of a single person, but rather should be done in the traditional democratic fashion representing the will of the majority.

For example, I cannot agree with the determination to let senior citizens on medicare pay substantially more in medical costs in order to save a small fraction of the budget. The people confronted with increased medical costs are those on pensions, people whose fixed incomes cannot expand to meet soaring hospital costs.

We could raise the money to pay for decent medicare coverage, to restore a number of valuable farm programs that have been terminated, to keep up necessary Federal assistance to education—an essential ingredient in holding down property taxes—we could do all these things by repealing the asset depreciation range—ADR's—program, a special $3.5 billion tax break given to large corporations by the administration.

When looking at the need, clearly present, to keep Federal spending in check, I was somewhat surprised that the President requested a $4 billion increase in the military budget even as the war in Vietnam was ending. This is the first time in our history that military spending has gone up at the conclusion of a war. I am satisfied that without compromising our national security—something I could never accept—that there must be fat in the $81 billion Pentagon budget request.

What we have is a matter of priorities. For my part, I am concerned with sustaining those programs of most direct benefit to the American people. For example, at the very time that some in the Nixon administration were suggesting we send hundreds of millions, or even billions, in reconstruction aid to North Vietnam, the bureaucrats in the Veterans' Administration sought to save $160 million by cutting veteran disability benefits to amputees and others who made great sacrifices for our country. I cannot favor reconstruction aid to North Vietnam at the expense of rebuilding America.

It is time to start worrying about the American taxpayer and wage earner who, for too long, has been made to bear the costs of questionable programs and the brunt of budget decisions.

During the next several months the Appropriations Committee will be acting on the budget. I will be present for those crucial committee mark-up sessions and I will be working to sustain important domestic programs for the American people, while watching every dollar to cut waste where it exists.

We are a rich country with the means to help those of our citizens who need housing, education, health care, and food. But we will be able to do this only if we stop squandering our resources on programs of dubious merit or obvious waste.

AMNESTY: ISSUE OF NATIONAL IMPORTANCE

Mr. BUCKLEY. Mr. President, amnesty for draft evaders and deserters has become an issue of national importance. At a time when Americans are no longer fighting in Vietnam, when almost 1,300 of our men remain unaccounted for, and when our prisoners of war are coming home, it is both necessary and desirable to have a clear and frank public discussion of this issue. Toward this end, I would like to state my own views on this subject.

The proposal that general amnesty be granted at this time for those who evaded the draft or deserted during the Vietnam war is morally objectionable and historically unprecedented. I oppose general amnesty for draft evaders and deserters in principle and I will oppose any such policy.

No American President has ever granted the kind of general, blanket amnesty now being advocated for draft evaders or deserters. Since 1795 there have been 37 amnesties issued in America. Only 12 of the 37 could be described as applying to deserters, draft evaders or persons in violation of espionage laws. Not one of the amnesties issued for draft evaders has been the general unconditional type. There was no amnesty of any kind pertaining to the Korean war. One expert in the field stated:

> During this century pardon and amnesty have not come quickly for persons guilty of desertion or draft evasion during periods of military hostilities and those receiving amnesty have been select groups representing only a small portion of the total of offenders.

The historical record is clear. I base my opposition, however, not so much on precedent as on the simple claims of justice. Citizenship involves its responsibilities as well as its privileges. Among the former are the duty to serve when called and the duty to obey the law.

The issue of amnesty involves far more than the abstract obligation which some young Americans have chosen to avoid. In determining how they shall be treated, we cannot forget that more than 2 million other young Americans obeyed the law and in time played their necessary role in a war of which many of them disapproved. We cannot forget that over 45,000 Americans lost their lives in that war, almost half of them draftees; or that over 1,200 were killed or missing in action, and have yet to be accounted for; or that more than 500 others have lingered endless weeks, months, and years in captivity. We cannot forget that for each deserter, for each draft evader, another young American had to be conscripted and exposed to the risks of combat.

There is the integrity of the law to be upheld. But there is also the honor to be maintained of all who did serve, who did sacrifice. To grant general amnesty now that the fighting is over would be to reward those who chose to escape their duty at the expense of those who discharged it. More than that, such an unprecedented action on the part of the United States would be seen by many as tacit support for the proposition that all the young men who elected to escape service in the Vietnam war are somehow morally superior to the vast majority of young Americans who understood their responsibilities and shouldered them.

Mr. President, I do not see the issue as one of vindictiveness versus compassion. Rather, I see it as one in which we must appeal both to history and to our sense of justice in order to determine the proper course to follow. A general amnesty is clearly not the answer. But I have no doubt that if the young men now living abroad will return home, acknowledge their errors, and face the music, they will find our courts and our society as compassionate as any in the world.

WHAT WAR LEAVES BEHIND

Mr. KENNEDY. Mr. President, the most tragic aspect of the Indochina war has been its devastating impact upon the people and societies throughout the region. The cumulative statistics of the human costs of this war—the millions of refugees, the hundreds of thousands of war victims, widows, and orphans—defy understanding.

But nothing so graphically reminds us of the human debris this war has left behind than the faces of the children of Indochina—faces of nearly one million orphans in South Vietnam alone, of millions in refugee camps throughout Indochina, and countless thousands in the wards of hospitals maimed by war. Recently this side of the Vietnam tragedy—the impact of the war on Vietnam's children—was reviewed in an outstanding series of articles by Daniel Southerland, the Saigon correspondent for the Christian Science Monitor.

Mr. Southerland's articles serve to put faces—children's faces—on the abstract statistics we read about the victims of this war and about the growing social crisis confronting the people of South Vietnam. For Mr. Southerland rightly concludes:

> Throughout most of the long Vietnam war, its most innocent victims, the children, were given low priority. And now there is a price to pay. South Vietnam has a long way to go in order to care properly for the children who suffered from the war.

As the Congress now begins to consider our Nation's role in a postwar Indochina, let us remember the faces of the children of Vietnam, and remember that we are still involved in their plight. The articles by Mr. Southerland eloquently describe their needs as well as our responsibilties to them. I commend them to the attention of all Senators, for they help tell us what war leaves behind.

I ask unanimous consent that the series of five articles appearing in the Christian Science Monitor on January 30 through February 3, 1973, be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Jan. 30, 1973]

WHAT WAR LEAVES BEHIND

(By Daniel Southerland)

SAIGON.—When you first meet a Vietnamese, his opening questions are likely to deal with children.

"Do you have a family?"

"How many children do you have?"

To the Vietnamese, children are gifts from heaven. The more of them the better. The couple without children is to be pitied indeed.

Through his children, the Vietnamese expects to find immortality—continuity for the family name.

All wars have taken their toll of children. But the Vietnam war has been particularly cruel—a long war, without front lines, where any village could suddenly become a battlefield. A war where modern weapons have often done more damage to the innocent than to the "enemy."

The records of provincial hospitals, which can only tell part of the story, show that several years ago civilian casualties greatly outnumbered those of the Saigon government Army.

Civilian casualties reached peaks following the Communist Tet offensive of 1968 and the spring offensive last year.

But while the hospital records can indicate trends and high points such as these, no one knows what the total casualties have been, much less how many children have been killed. Many never even made it to hospitals.

It is estimated by U.S. experts, however, that more than 700,000 children have lost one or both parents in the war. Thousands of children—no one knows how many—have been maimed.

Of the estimated 7 million Vietnamese who have been refugees at one time or another, at least half have been children. In some refugee camps, as many as 70 percent of the refugees are under 14 years of age.

The war has lasted so long that many children in the rural areas have known nothing but war.

A CHILD TELLS THE STORY

But a single child can tell the story better than statistics.

Take Phan Tri, for instance, a boy who was wounded and is now both a refugee and an orphan. In many ways, everything which could possibly happen to a child in Vietnam has happened to him.

His look is not bitter, but wistful. He rarely smiles.

Now 14 years old, Phan Tri grew up in Quang Ngai, one of the provinces where the Communists have been strongest. It was in Quang Ngai that the infamous My Lai massacre occurred.

The first in a string of tragedies for Phan Tri took place one night in mid-1967. Everyone was asleep. Artillery fire from an American base ripped through the boy's home. It wounded Phan Tri and killed his brother.

Phan Tri recovered from his wounds. But in 1968 trouble came from another quarter. Phan Tri's father was a hamlet chief, working for the government. The Communists arrested him and took him away for several weeks of "political re-education." After that, Phan Tri's father gave up his job as hamlet chief and devoted himself solely to his farming and family. His father, said Phan Tri, was "very afraid of the Communists."

It was early 1969, at a time when Phan Tri's hamlet was considered "pacified," that his father was killed.

Viet Cong snipers were harassing government militiamen near the hamlet. American helicopters came. Phan Tri's father, working in a field, tried to run to the family bunker. He was carrying a basket of lentils. It was raining, and that added to the confusion. A helicopter machine gunner, trying to help the government troops, shot Phan Tri's father.

"Perhaps they killed him because he was wearing black pajamas," said Phan Tri, referring to the black peasant clothing sometimes worn by Viet Cong guerrillas.

In early 1970, American naval gunfire killed Phan Tri's brother-in-law.

In mid-1970 the Viet Cong attacked a government post in the hamlet, hitting civilian homes as well. A rocket-propelled grenade killed Phan Tri's mother.

A few days later, National Liberation Front cadres started arresting people in the hamlet who worked for the government. Phan Tri recalls that they assassinated a policeman and hung a plaque around his neck labeling him a "traitor."

Phan Tri was living with neighbors by this time. They advised him to leave the hamlet and to find his sister, who lived not far away. But his sister was too poor to support him. The boy, now an orphan, ended up at a Buddhist pagoda, where he tended water buffaloes for two years.

Last year he was sent to a Buddhist orphanage in Saigon. He is now in school and expects someday to be drafted into the Army.

Although Phan Tri's hamlet was located only about 15 miles from the site of the My Lai massacre, he said that he had never heard of what the American troops did there. When told about it, he did not seem surprised. In his world, such things were conceivable.

But Phan Tri remembered the American troops he'd seen as being kinder than the South Korean soldiers who passed through his hamlet. The Americans, he said, gave C rations to the children.

Phan Tri said the older people in his hamlet told of how the Koreans had once rounded up a hundred Vietnamese civilians in a neighboring hamlet and machine-gunned them.

Viet Cong troops had been in that hamlet, he said, and the Koreans considered everyone in the area, including women and children, to be "Communists."

Phan Tri was asked if he remembered any songs which the children sang in Quang Ngai.

He said that there was one song about staying close to the family bunker when playing. The bunker, or shelter, was a hole large enough for everyone in the family. Heavy planks and sandbags covered it. Every family in the hamlet had such a shelter.

"THE SHELL IS WHISTLING"

He also remembered a poem about artillery fire which the children knew:

The cannon's firing, father.
The shell is leaving, sister.
The shell is whistling, mother.
Get down in the shelter with your child!

Whom did Phan Tri blame for what happened to his family?

"No one," he said. "It was because of the war."

Why was there a war?

"I don't know," he said.

The boy said that he feels no hatred for what has happened. The Buddhist monks, he said, taught him not to seek vengeance.

But it makes him sad to think of the past.

"Sometimes I wake up thinking, and I can't go back to sleep," he said.

Not all the children in Phan Tri's orphanage have had such a grim past. For some, the war came and went in a flash—just long enough to take one or both parents or to separate the children from their parents.

Unlike Phan Tri, some of the orphans remember Tet lunar new year festivities. Some recall playing games in the moonlight, songs about the birds and the spring, and tales their grandfathers told.

Some remember enough to want to return to the countryside in peacetime to look for lost relatives. But for some, like Phan Tri, there will be no going back. They are children of the cities now.

WHEN HOMES WERE FLATTENED

(By Daniel Southerland)

DA NANG, VIETNAM.—What do you want to be when you grow up?

Hoa, age 11, has no answer to this question.

This four-foot-tall, 60-pound shoeshine boy lives for today, not for the future.

Besides, what do you mean grow up? Young barefoot though he may be, Hoa is already earning a good part of his family's income. In many ways, he's already grown up.

Hoa was born in Quang Tin Province in a hamlet where his father worked as both a blacksmith and a farmer. He had been in school only a few months when his father was killed by an artillery shell. Hoa said that the shell came from a military base. He's not sure whether the base was American or South Vietnamese. But he recalled that the shell "made a big hole" in the field where his father was working.

After the loss of his father, Hoa and his mother, two brothers, and three sisters spent a lot of time in the shelter which the family had built for protection against bombs and shells.

That was in 1968, a year of heavy fighting. The Viet Cong occupied Hoa's hamlet. He often saw helicopters and fighter-bombers. Every time the Americans or government troops launched an operation near the hamlet, several people were killed, the boy said. So the family decided to leave the ancestral home and move to the city of Da Nang, where Hoa's mother hoped to find work.

Now, four years later, Hoa's family is just getting by. His mother sells manioc and potatoes in the marketplace. His two brothers peddle lottery tickets. His eldest sister watches over the smallest ones. None of the children goes to school.

Although it is estimated that at least one out of three South Vietnamese has been a refugee at one time or another, no one really knows how many refugees there are like Hoa and his family. They fled the war and came to the cities. They never entered a refugee camp, never received any U.S. assistance.

Some tens of thousands of these refugees found jobs at U.S. military bases and with U.S. civilian agencies and construction companies. But with the American troops leaving, many now are out of work.

Hoa and the other shoeshine boys are feeling the pinch, they used to have lots of American boots to shine. Two years ago, Hoa was sometimes able to make 500 piasters (nearly $2 at the then official exchange rate) in a day. This is much more than Hoa's mother, or many other adult Vietnamese, have ever made.

Hoa now makes at the most 300 piasters (65 cents) a day. Prices are much higher, and the piaster is worth a lot less.

Hoa said that he goes to sleep feeling hungry two or three times a week now.

But Hoa is more fortunate in some ways than many other refugee children. Although his home is a crowded, corrugated tin shack, it's better than the barracks at some of the refugee camps where 60 to 70 people are jammed together in a space where there used to be 10 American GIs.

Hoa's family doesn't have to suffer the indignity of depending on allocations of rice from the government. The boy still makes enough to spend part of his earnings on the movies.

He and his friends go at least once a week. They prefer the sword-fighting epics produced in Hong Kong which are so popular here.

Hoa is better fed than some of the country's Montagnard children, who have come in from the jungles and mountains nearly starving.

He is more fortunate than the children who wait outside Da Nang restaurants, begging for leftovers. He is better off than the boys who pimp and pick pockets, and the runaway children who sleep in the marketplaces and outside the movie theaters. The kids who pick over Da Nang's many garbage dumps, scrounging for bits of glass and aluminum, earn much less than Hoa does.

Hoa is more fortunate than some of the orphans in Da Nang who were so young when they were picked up from the battlefields that they don't even know what village they came from. At least Hoa knows that. And he still has his mother.

Hoa declared proudly that he has never stolen, and that half of his earnings go to his mother. He claimed that he has never been forced to pay off a policeman to stay in business, as some children have. He has avoided the police sweeps of past years when hundreds of beggars and street boys were arrested. In some ways, he has been fortunate, indeed.

But Hoa is missing one thing which is important to the Vietnamese. That is formal education. Hoa may be wise in the ways of the streets. But the war forced him out of school only shortly after he'd started.

Hoa claimed to be able to read and write—a little. But when handed a pen so that he could write down his name, he handed it to a friend, who painstakingly scrawled a few words. Hoa seemed slightly embarrassed about not being able to demonstrate much skill in writing.

Despite the war, the Vietnamese will do anything to get their children into school. At a refugee camp near Da Nang, a Roman Catholic priest who organized a primary school there reported daily scenes of tearful parents trying to squeeze one more child into the already crowded school.

"Can't you find a place for my little boy?" asked one mother, at a time when 70 to 80 children were already jammed into some classes. "Please just find a little corner for him. . . . He can sit on the ground."

The quality of teaching is often poor, and few among the many children who start off in primary school ever go on to secondary schools. But for a country at war, it's amazing how many children get a few years of schooling.

"One of the things the people push for first is a school—even before trying to get improvements in their own dwellings," said an American official assisting refugees.

But for many of the refugees, such as Hoa and his brothers and sisters, who never got the benefits of aid programs, there is no time for schooling. Hoa is a workingman.

Although no one knows exactly how many such "unofficial" refugees there are, it is known that they far outnumber the 700,000 now in camps and the estimated 300,000 in "resettlement" centers. Refugees such as Hoa and his family who have never been officially recognized as refugees are the ones who have caused Saigon to become what some housing experts describe as the most crowded city in the world.

The Saigon government tried to discourage the continued overcrowding of Saigon by refusing officially to recognize refugees who went there to get away from the war. But the policy didn't work.

South Vietnam is an agricultural country, and 80 percent of its people used to live on farms. But with several years of direct American involvement in the war and the heavy fighting it brought, at least half of the people now are jammed into the country's cities and towns.

The economic consequences of this are plain to see in the city slums. But what is difficult for foreigners to see—especially the highly mobile Americans—is the spiritual anguish of the refugees. The center of their entire universe had been their hamlets and villages, their land, and their ancestral graves. For the refugees, the cities are spiritual wastelands.

The Vietnamese novelist Duyen Anh has described the city of Saigon as the "desert of youth."

Da Nang, Hoa's adopted city, used to be a sleepy seaport of some 150,000 people. It was nearly eight years ago, in early 1965, that the first American combat troops landed here.

The Communist hold on many areas of the countryside near Da Nang was strong. The fighting was fierce. The refugees streamed into the city. Its population now is nearly half a million.

Last year's North Vietnamese offensive sent hundreds of thousands of panic-stricken "new" refugees into Da Nang. Some 400,000 of them are now living in camps around the city.

With the American withdrawals, and all these people fighting for fewer and fewer jobs, Da Nang has the country's most severe unemployment problem.

The only solution will be true peace in the countryside, and the return of many of the refugees to their farms. Many of their former homes are now little more than blackened shells. Hard work, however, can bring the farms back to life. But before returning home, many of the refugees will wait and see whether there will be real peace in the post-cease-fire period, or just another struggle.

Hoa and several of his friends from the same village in Quang Tin Province said that they wanted to return to the countryside when there is real security there.

The people in the refugee camps and many in the resettlement centers want to go home, too. And so do hundreds of thousands of "unofficial" refugees.

But some of the young people who have been in the cities for several years will hesitate to return. The land of their ancestors has less of a grip on them that it does on their elders.

What if Hoa and his family cannot go back? What if the post-cease-fire period does not mean real peace?

What if Hoa's income continues to decline? Will he be forced to steal?

It was difficult to talk about all this.

To get him to talk at all, it was necessary to bribe him with a sandwich and double payment of a shoeshine—to make up for his lost time.

As the reporter's questioning went on, Hoa and two friends who were with him became fidgety. They didn't see any point to questions about the future. They lived for today.

So Hoa and his friends headed off, clutching their shoeshine kits.

"Let's get going," said Hoa. "We're losing money sitting around here."

WHEN PARENTS WERE KILLED

(By Daniel Southerland)

DA NANG, VIETNAM.—When the last American combat troops left Da Nang, few Vietnamese paid much attention.

After all, the ground fighting had long since been completely turned over to South Vietnamese troops. The pullout of the last American units did little to change the security situation.

But for local orphanage directors, it was a day they'd been dreading.

For six years, not just here but throughout South Vietnam, American servicemen had contributed heavily to the country's orphanages. They gave money, food, clothing, and construction materials. In some cases, they erected buildings and helped with repairs.

For some GIs this was probably the only fruitful relationship they had with any Vietnamese, and they took it too eagerly.

A few orphanages got more support from American soldiers than anyone else.

Some Vietnamese took advantage of GI generosity and deliberately set up orphanages near U.S. installations. At one point, orders had to be issued to some American units instructing them to give assistance only to "legitimate" orphanages.

Private groups and international agencies are supporting nearly all the orphanages. The U.S. Food for Peace program is providing most with commodities such as milk, cooking oil, and bulgur wheat.

But the American troops withdrawals from Vietnam still meant a substantial loss in assistance.

The Saigon government increased its aid to many of the orphanages to help make up for the loss. But the government aid has been nominal—the equivalent of about $2 per child per month.

For many of the orphanages, the loss of steady support from the American soldiers has been only the latest of many problems. Some orphanages used to have trouble staying out of the war.

The An Hoa Orphanage in Da Nang is an example. Its children came under fire twice.

A few years ago, the orphanage was located just outside a district town to the south of Da Nang. In 1970, armed men attacked the orphanage and stole a sizable sum of money. One monk and 12 of the children were killed.

The government blamed the Viet Cong for the raid. But the monks who run the orphanage suspect that it was carried out by government soldiers dressed as Viet Cong.

In early 1971, the Viet Cong attacked the district town. When the attack was over, the orphanage director, who had narrowly escaped being killed in the earlier raid, decided to move the ophanage to Da Nang.

Many of the childen at the An Hoa Orphanage are said to have lost both parents in bombing, artillery, and rocket attacks.

But many of the children in other orphanages—some experts say more than half of the children—still have a surviving parent. The parent may be temporarily unable to care for the child, but may hope to get the child back at some point.

It is estimated that more than 700,000 children have lost one or both parents in the war. Of these, some 400,000 are receiving government benefits and are eligible for government-sponsored schooling because their fathers were killed fighting in the South Vietnamese Army. The other 300,000 are not eligible for such benefits.

But contrary to popular belief, many, if not most, of these children are being cared for by surviving family members.

U.S. aid officials believe that some 150,000 of the children are "severely disadvantaged." This can mean that the child is physically handicapped. In most cases, however, it means that the widow caring for a child is so poor that she is having trouble providing properly for the child.

About 20,000 children have found their way to South Vietnam's 133 officially recognized orphanages. An estimated 5,000 are staying in other orphanages.

The orphanages range in quality from virtual hovels to well-run establishments. Some, such as the An Hoa Orphanage in Da Nang, are just barely getting by financially.

The monks at the An Hoa Orphanage are trying to make up for the loss in aid from American soldiers by collecting more contributions from the Buddhist faithful in the Da Nang area. But they are having to compete with other groups which are trying to assist the many refugees in the area.

A few orphanages have simply amounted to profitmaking ventures. But some of these are being driven out of business by the withdrawal of U.S. troops.

About 75 percent of the orphanages are run by Roman Catholic sisters. The Buddhists are less experienced in social-welfare work. And they have been less adept at obtaining, or sometimes less eager to obtain help from foreign organizations.

Some of the orphanages caring for infants wage a daily struggle merely to keep their charges alive. Many of the babies arrive in such poor physical condition that the struggle is truly desperate.

Quite a few of the infants abandoned to orphanages were born prematurely.

Although no accurate statistics are available, social workers estimate that in some orphanages as many as 70 percent of the new arrivals die. Shocking though this mortality rate may seem, some social workers say that it marks an improvement. A few years ago, it was common to hear of an infant mortality rate of 90 percent.

Some of the infants suffer from ailments brought on by malnutrition and a lack of individual attention.

For some of the children, a little loving care can make all the difference.

World Vision, a Protestant organization, is helping some 50 children who are suffering from severe malnutrition and depression.

One child who came to the World Vision Babies Home in Saigon was so undernourished that she looked at age 4 as though she was less than a year old. The child weighed only nine pounds. She was afraid of people.

But after a month of getting individual attention and good food, the child began to break into smiles. She is now sitting up for the first time, and is gaining weight.

Another Protestant group, the Vietnam Christian Service, greatly reduced the number of children being abandoned at a Saigon maternity hospital. The group's case workers counseled poor mothers to seek support rather than abandon their children.

But there are no easy solutions to the problems of the orphanges.

Although Americans often tend to think in terms of adoptions of Vietnamese orphans as a solution, only a small percentage of the children in orphanages are likely to be adopted.

The number being adopted is increasing, but it is still limited. Many of the children in the orphanages here still have relatives who are unwilling to release them for adoption.

Most of the Roman Catholic orphanges will release a child only to Catholic families. And many of the Buddhist orphanages are reluctant to give up their children to foreigners because they want them to remain Buddhists.

Many orphanage directors are simply suspicious of foreigners attempting to adopt by proxy, from thousands of miles away. And many have such small staffs that they do not have the time to write letters and check on prospective parents.

Some of the smallest children are in such poor physical condition that they would not be eligible for adoption.

Social workers say that their task is to improve the conditions in the already existing orphanages and not to create new orphanages.

The emphasis, they say, must be on getting children out of the orphanages and returning them to their families in cases where they have known living relatives.

This is a difficult task. Several voluntary agencies here have failed in efforts to arrange the return of children to their families—even when the parents wanted them back. Orphanage directors often feel possessive about the children. Why, they ask, should they return a child to the mother who abandoned it?

WHEN FATHERS WERE AMERICAN

(By Daniel Southerland)

PHUOC VINH NINH, VIETNAM.—When Le Thi Nga's father learned that she was having a child by an American soldier, he grabbed a butcher knife and threatened to kill her. The girl's mother screamed so loudly that neighbors came and snatched the knife away.

When the child was born, according to Miss Nga, "little children and adults ran out and surrounded me, acting as if the child were a freak."

Her father at first demanded that Miss Nga leave home. But he later reluctantly agreed to allow his daughter to stay in an empty pigpen behind his house.

"The pigpen was humid and stank and didn't have a bed," Miss Nga recalled.

"At this time there were many people who thought that I should give little Thong away in order to escape him and the shame and sorrow he brought to me," the young mother said.

"But I was determined to raise little Thong and bear my misery and shame."

That was four years ago. Miss Nga did not abandon little Thong as so many of her neighbors advised her to do. He is now a strong, energetic child. He smiles a lot. His grandfather, who was once angry enough to taken a liking to the boy. Thong now is part want to kill the child's mother, has gradually of the family.

But Thong's troubles aren't over. The family is poor. When the U.S. 25th Infantry Division's base near here closed down, the boy's grandfather lost his job there as a watchman, and his grandmother lost her job as a laundress.

Miss Nga also lost her job at a 25th Division refreshment stand. She went off to the coastal city of Nha Trang, which is the only place where she could find work to earn money to support herself and her son.

Thong's father, a helicopter mechanic with the 25th Division, left Vietnam long ago, and no one knows where he is. No help can be expected from him.

When the time comes to send the boy to school, another problem may arise. Thong's grandfather said that the family does not want to send him to the local elementary school because the other children would torment him. Thong stands out immediately among the other children in the family. His hair is curly, and his skin is chocolate brown.

When children on their way home from school pass Thong's house, they shout: "The black American! The black American!"

Thong's grandfather said that he wished his daughter had fallen in love with a white soldier instead of a black one. He said there would be no trouble involved in sending a white Amerasian child to the local school. But he said that he might have to send Thong to Saigon, 25 miles away, for schooling.

Thong is much more fortunate than some of the children left behind by the American Army. His mother has not abandoned him. And thanks to American sponsors, his family receives 3,200 piasters (about $7) a month from the Pearl Buck Foundation. That may seem like a small amount, but it's of great help to a poor family.

Everyone, from Vietnamese farmers to social workers, seems to agree that the children of black GIs in Vietnam face special problems.

By no means all of these so-called Afro-Asian children are being abandoned. Many are being taken care of by their mothers or by foster parents. But they are much more likely to be abandoned to orphanages than are the children of white soldiers.

Many Vietnamese believe that blacks are inferior. White children, on the other hand, are often considered beautiful, and are sometimes sought after.

"The black children are a big problem," said Thich Nhat Thien, head of a Buddhist social-welfare center in Saigon.

"But white children are very easy to care for because Vietnamese women are happy to have them," he said.

No one really knows how many American children there are in Vietnam. Surveys have only been taken in orphanages registered with the Saigon government—and they are incomplete.

"There are tens of thousands of them," said one social worker. "That's all you can say."

The International Rescue Committee in Saigon did its own survey some time ago and came up with an estimate of 20,000 Amerasian children.

It's believed that as many as 1,000 such children are in orphanages. This would mean that about 4 percent of the children in orphanages are Amerasians. It appears that about half of these abandoned children had black fathers.

Some of these abandoned children are infirm. There is a greater tendency for a mother to keep a healthy child than a sickly one.

The Saigon government prefers not to admit, publicly at least, that the Amerasian children present any special problems. Officials insist that the Vietnamese do not discriminate against them. Child-welfare services should be strengthened for all Vietnamese children and not for any special group, they say.

The government is strongly opposed to mass adoptions of such children. Government officials say they fear that if large numbers of children were adopted and sent abroad, the Communists would say that Saigon is unable to provide for the country's children.

But the government is encouraging a limited number of adoptions. It is also allowing private agencies to take a special interest in the Afro-Asian children, as long as they agree to help other children as well.

The Pearl Buck Foundation has been given official recognition in Vietnam and now is assisting some 400 children, many of them Afro-Asians. The foundation is particularly interested in supporting some children in boarding schools and getting others out of orphanages and back to their mothers. It also finances medical care.

Another agency, the International Social Service (ISS), is showing increasing interest in Afro-Asian children. ISS provides counseling for mothers of Amerasian children, helps them find jobs, and aids couples overseas who want to adopt such children.

But social workers say that the solution for most of the children does not lie in adoption. One reason is that many of the children now are past the age when many potential parents would be interested in adopting them. Solutions must be found in Vietnam the social workers say.

Fortunately, these children are not expected to be rejected en masse by the Vietnamese as many of the Amerasian children in Korea were. The example of little Thong's rise from a pigpen to full acceptance by his grandfather offers some hope for the future.

Thong has avoided the dangers of an orphanage, where he might well have been left physically and mentally retarded. The next test will be providing him with enough education so that he can cope with the hazards of the future.

American officials in Saigon say they have plans to devote aid funds to helping such disadvantaged children get a primary-school education. Child welfare will be given a higher priority in future Vietnam aid programs than it has been in the past, they say.

It is difficult to predict what the long-range future of the Amerasian children will be. Although many of them are not expected to face great difficulties in the pre-school years, the going could get rougher once they enter schools.

Much may depend, too, on how the Vietnam peace settlement works out and what happens to America's image here. A rise in anti-American feeling could mean trouble for the Amerasian children.

But for the moment, most social workers say that aid efforts should be kept within the framework of assistance for all the disadvantaged children of Vietnam.

"We should think of the children as a whole," says J. Carroll Morris, director of the Saigon office of the International Rescue Committee.

"If we give a lot of special help to the children of American soldiers, it could create a lot of ill feeling," he said.

"It's not that big a problem compared with the problems of all the children in Vietnam."

[From the Christian Science Monitor, Feb. 3, 1973]

WHEN PEACE IS HARD TO FIND

(By Daniel Southerland)

SAIGON.—Peace. That is what the children of Vietnam need most.

But even if the "lasting peace" desired by so many here develops out of the newly signed agreement, the problems of many of South Vietnam's orphans and refugee children will not be easily solved.

The cease-fire may well bring with it new economic problems, and these in turn may force more mothers to abandon their children. Juvenile delinquency, which grew into a significant problem with the crowding of refugees into the cities, will not simply disappear in peacetime.

Throughout most of the long Vietnam war, its most innocent victims, the children, were given low priority. And now there is a price to pay. South Vietnam has a long way to go in order to care properly for the children who suffered from the war.

One of the main problems is that social welfare is a relatively new concept here.

At one time, the family was everything in Vietnam. The family was so strong and wide-reaching that it could take care of its own. No one saw any great need for social welfare.

Of course, family ties had been gradually loosening in Vietnam for several decades, just as they have in many countries throughout the world. But the truly radical change came with the war. It forced millions of family-oriented, rural Vietnamese to flee to the cities and towns. The result, as the experts say, was "social deterioration."

In the face of all this, the main South Vietnamese organization charged with coordinating welfare efforts has been the Saigon government's social-welfare ministry, supported and advised by the U.S. Agency for International Development (USAID). The ministry has had to work with a weak staff and a small budget.

Even if the budget had been larger, it would have been difficult for the ministry to use it effectively, given the limitations of its staff. Both in the government and outside of it there has been a distressing lack of trained social workers. The first class at the national training school for social workers in Saigon was graduated only a year and a half ago.

Coordination among the government and private agencies dealing with child-welfare programs often has been lacking.

With each upsurge in the fighting, USAID and the government became almost totally involved in emergency-relief programs for refugees. They put long-range development plans on the back burner. A proposed child-welfare program for 1972, for instance, was postponed because of last spring's North Vietnamese offensive and the pressing needs of those fleeing the fighting.

Nevertheless, in recent years, the welfare of the children of Vietnam has been the subject of increasing high-level interest in the United States. Sen. Edward M. Kennedy (D) of Massachusetts has focused relentlessly on the plight of these children.

LEGAL ACTION UNPREDICTABLE

In late 1971, three U.S. senators introduced a bill which would have earmarked at least $5 million for child-welfare programs in Vietnam. The bill was linked with foreign-aid legislation which failed to pass the Senate.

A similar bill has been introduced in the new Congress by Rep. Robert W. Kastenmeier (D) of Wisconsin. It is too early to predict the outcome of these efforts. But they have at least served to focus attention on the needs of Vietnam's children.

Thanks to these actions and press publicity, USAID recently has been giving child welfare a higher priority.

Most of those who have been the maimed, homeless, and orphaned children of Vietnam, and who have witnessed the devastating effects of American fire-power here, are convinced that the United States has a responsibility to give increased and long-range assistance to the children of Vietnam.

It is obvious that a considerable number of Americans—and Europeans—are deeply concerned about the fate of these children in general, and of the orphans in particular.

Letters from couples wanting to adopt Vietnamese orphans have been piling up in Saigon. They come to the American consulate, to a Protestant organization called World Vision, to the offices of the International Social Service (ISS), and to an Australian, Miss Rosemary Taylor.

The person who has done the most liaison work between adopting parents and Vietnamese orphanages is Miss Taylor, a hard-driving woman who runs three halfway houses in Saigon for adopted children or children in the process of being adopted.

Miss Taylor is said to receive 50 letters for every child that she can find available for adoption.

A single report on orphans and adoptions by an American television network brought 500 new requests for adoptions to the World Vision office in Saigon. But World Vision handles only a small number of adoptions.

The ISS has had considerable experience in arranging adoptions all over the world. But it, too, has been handling only a limited number of adoptions here.

And despite the great demand, the number of Vietnamese children being adopted is likely to remain limited for some time to come.

It is often reported that adoptions are held up because of Saigon government red tape. But this is misleading. The government actually has eased passport procedures for children being adopted by American couples, and they now can leave Vietnam within two or three months of their release by an orphanage.

ADOPTABLE CHILDREN HARD TO FIND

The real problem comes in finding a "releasable" child in an orphanage. There obviously are thousands of children in orphanages who could profit from being adopted by the proper families. But orphanage directors and surviving relatives often are reluctant to release a child to a foreign couple whom they have never seen.

The Roman Catholic sisters running the majority of the orphanages often insist that their children go only to Catholic families. Buddhist orphanage directors usually want their children to remain Buddhists.

The situation could change. With the loss of the support they used to get from American soldiers, a number of orphanages have been having a rough time lately. If the economic squeeze gets tighter, they might become more amenable to giving up children for adoptions.

Immediately after the Korean war no one ever imagined that thousands of Korean orphans would be adopted and sent abroad. But they were. And the number of Korean orphans being adopted by foreigners is still high.

An American organization called the Holt International Children's Fund, which arranged most of the adoptions in Korea, is giving serious consideration to starting child-welfare programs in South Vietnam, which would include adoptions.

The Saigon government's easing of passport restrictions was one of the reasons for a sharp increase in the number of Vietnamese orphans going to the United States for adoption last year. In 1971 the number was 86. Last year it rose to 397.

The number of adoptions may increase again this year. But the demand probably will continue to surpass by far the number of children available.

Many of the social workers in South Vietnam are hoping that the overwhelming interest in adoptions eventually will be channeled into other forms of support—for all of the disadvantaged children.

One way of supporting children who have lost a parent in the war is to contribute to the Foster Parents' Plan. This is a highly reputable U.S. organization which is currently supporting some 5,300 children in Vietnam. Many of the mothers of these children are war widows. Some are former prostitutes who had children by American soldiers.

Under this program, the foster parent contributes $15 a month for at least one year. This provides the foster child with new clothing, medical care, counseling, $8 a month in cash, and other assistance. The foster parent receives a photograph and case history of the child, progress reports, and monthly letters from the child or its mother.

The Foster Parents' Plan already is the largest family-support agency in South Vietnam, and plans to expand its program substantially.

Another organization which is planning a significant expansion of its operations here is the Cooperative for American Relief Everywhere (CARE). If the cease-fire is effective, CARE plans to invest $3 million to $5 million annually in resettlement and rehabilitation aid for refugees, medical care, and a new nutritional program to supplement primary-school lunches.

Two U.S. organizations working on the physical rehabilitation of child war victims are the American Friends Service Committee and the World Rehabilitation Fund.

A number of religious organizations are helping not only Vietnamese children but also the children of Montagnard tribesmen in the central highlands. The Montagnard children undoubtedly are the most neglected of all.

Malnutrition has taken a heavy toll among them.

The Montagnard children coming out of the jungles after the upsurge of fighting last year were in such bad shape that the Catholic Relief Service (CRS) and the International Rescue Committee (IRC) set up special emergency nutritional programs to help them.

The IRC, among other things, has been training workers for day-care centers. It is hoped that the development of new day-care centers will prevent some mothers from abandoning children.

The United Nations Childrens Fund (UNICEF) also takes a great interest in day-care centers and is advising the Saigon government in this field.

In the end though, foreign organizations and governments can only do so much to help. Too much foreign aid—particularly of the hand-out variety—can only have a debilitating effect on the Vietnamese. They are a capable and intelligent people, and most of the work and ideas which go into child welfare here will have to come from them.

At the moment most private Vietnamese agencies in the child-welfare field are still in the infant stage. But they are growing, and they are attempting to attain greater coordination in their efforts.

The Vietnamese Red Cross, with support from Geneva, is establishing services to reunite families separated during the war. There are many children who were separated from their parents during periods of heavy fighting and then placed in institutions. Some of them now may have a chance of locating their parents.

One of the brightest spots in the picture is the attitude of the Vietnamese children themselves. Those who have worked with these children usually find the experience worthwhile.

One such person is Dick Hughes, an American who founded a project to aid the homeless street children of South Vietnam.

"I have never seen any of the kids bear a grudge or seek revenge," Mr. Hughes noted in a diary which he kept during his first year in Vietnam. "For them life is too quick to waste that way.

"It's somewhat humiliating to realize how much they have to teach me," wrote Mr. Hughes.

In attempting to heal the wounds of the war, those who are aiding the children of Vietnam also may learn from them.

WHAT'S THE REAL STORY OF OEO'S ACHIEVEMENTS?

Mr. HELMS. Mr. President, President Nixon's intention to shut down Federal Agencies has generated a lot of misinfunding of the OEO's Community Action formed debate about the value of these programs and their place in the overall structure of national policy.

I have said on earlier occasions that I agree that these programs have had their chance in each community to prove their worth to local leaders. Since 1964, more than $2.8 billion has been poured into these progrmas with few concrete results to show in advancing economic opportunity for the poor. Undoubtedly, there are exceptions in certain localities. Yet, any community action program that has demonstrated a fine record should be able to convince State, local, and private sources to continue funding. After all, these groups presumably have assembled a nucleus of talented people; they have been working together on team projects. If they have had tangible results, they should have the know-how and the experience to argue persuasively with local leaders.

In reality, however, the vast majority of these community action projects have been merely a conduit to fund the salaries of the local organizers, creating unseemly divisions among various factions in the poor neighborhoods scrambling for the salaries. These projects suffered from lack of accountability, both in financial terms and in accomplishment.

This situation was highlighted in a recent study done by the OEO itself, entitled "Observations Regarding 'Utilization Test Data Based on 591 CAA's.'" This study came out of OEO's own Program Evaluation Office, and is based upon actual data from within the OEO system.

The basic concept of the Community Action programs was to mobilize local resources to help the poor. We find out from this study, that for every dollar the Federal Government put into Community Action Agencies, the programs "mobilized" an additional 80 cents. The reason for this poor efficiency is apparently overstaffing. Frequently, as high as 85 percent of the local agency budgets went for staff salaries and other administrative expenses. Assured of Federal support, few Community Action Agencies bothered to scour the bushes for local money.

As far as tangible results are concerned, a recent report claimed that the Community Action Agencies had influenced 1,743 institutions to adopt new priorities and 1,593 employers to change their hiring policies, OEO's own evaluation study points out that:

> This scale of activity is miniscule: nearly 600 CAA's . . . each influencing three organizations to change policy in a span of four years, and 2.5 employers to change hiring policies in a span of four years is hardly praiseworthy.

Three are approximately 7 million businesses and organizations in this country.

Mr. President, no one is arguing that the social problems of this Nation be ignored. OEO itself holds up as a model various private programs, mobilizing community resources, which were highly successful in the fields of employment, housing, and other problems of the poor—without even needing Federal money.

It is plain that the federally funded Community Action Agencies have failed to provide the poor with workable examples of true community action. Some people seem to regard the OEO programs as a sop to the poor, a symbol of national interest. Yet their effect upon the improvement of the lot of the poor has been negligible.

As the evaluation report says:

> No one suggests that the needs be overlooked. Rather, in this era of tighter budgetary control, it is essential to find the best ways to tackle problems rather than to rationalize OEO's mission as a pacification one, merely showing the poor that society cares.

Mr. President, I ask unanimous consent that, despite its considerable length, the entire evaluation report by Morgan J. Doughton, Acting Associate Director for Program Evaluation, OEO, be printed in the RECORD at the conclusion of my remarks. It is worthy of the thoughtful attention of every citizen.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

OBSERVATIONS REGARDING "UTILIZATION TEST DATA BASED ON 591 CAA's"

(By Morgan J. Doughton)

SUMMARY

Clearly, the Administration's policy of encouraging and challenging local responsibility, initiative, and decision-making has been succeeding where it has been *aggressively* followed. While recent years have witnessed noticeable movement toward local responsibility in anti-poverty matters, much remains to be done. Community Action Agencies (CAAs) overall have generated only 80 cents for each OEO Federal dollar provided a distressingly low "return" ($1.3 billion of other resources augmenting $1.6 billion of OEO funding). Assured of OEO support almost regardless of level of performance, most CAA's have been irresponsible in seeking additional revenues.

However, money has not been the problem as much as management. Recent major increases in Federal allocations, largely for social purposes (in Federal grants-in-aid alone, from $20.3 billion in 1969 to $43.5 billion in 1973) have helped local communities. A sum of $1.3 billion over four years, "mobilization" of 80 cents for each OEO dollar of funding, is indeed very weak.

The compilation of such data, raises many questions about the study methodology, data significance, and the community role of the CAAs themselves. It emphasizes the very looseness of the study. It does *not* provide the basic standards needed for reliable research.

A. Problems with Study Method

1. There is no high, rigorous standard for the operative term, "mobilized." Most of the dollars "mobilized" would have come to the community anyway.

2. Conditioned responses: How reliable is a self-study when a funding source asks its clients (the CAAs) to show degree of compliance with policy?

3. Extremes of interpretation in the collection of data vary from one agency to another.

B. Problems with the Conclusions

1. Who really "mobilizes" government spending (four-fifths of the $1.3 billion reported came from some level of government)?

2. How many intermediaries are needed? Even the $1.3 billion represents less-than 1 percent proportion of the nation's social-purposes sending. If the remainder can be applied in communities without CAA intermediacy, can we not leave it to the local officials to make appropriate decisions.

3. Agency and staff systems pre-empt human and dollar recourses. Even the $1.3 billion reported as mobilized was largely (75 percent) in cash, and in local programs it is common to find 85 percent of this in turn going for staff salaries and other administrative expenses.

4. What is a dynamic rate of mobilization? Not 80c for each seed dollar, as in the UTS report, but $10 to $20 per seed dollar.

C. Problems with The Basic CAA Model

1. Staff mentality dominates, rather than stimulate, the development of roles, responsibilities, and challenges, thus limiting people's participation.

2. Dependence on staff systems means dependence on funding and the creation of battles *among* the poor for funding.

3. Staff system arrangements and central hierarchies stifle innovation.

D. Purported Institutional Change

The report that CAAs have, in toto over several years, influenced 1,743 institutions to adopt new priorities and 1,593 employers to change their policies and hire the poor appears irrelevant. First, the degree of impact the CAAs had is unknown. Second, this scale of activity is miniscule: nearly 600 CAAs (those tabulated) each influencing 3 organizations to change policy in a span of four years and 2.5 employers to change hiring policies in a span of four years, is hardly praiseworthy.

A. PROBLEMS WITH STUDY METHOD

The Utilization Test Study sought to accumulate information that would shed light on the degree to which CAAs have "mobilized" other-than-OEO resources for local anti-poverty initiatives, and prompted institutional change.

1. Lack of rigorous standard for term, "mobilized"

Of the $1.3 billion reported as "mobilized" over four years or so (almost none is reported as mobilized before 1969), $1.135 billion or 87% was obtained through tax dollars.

(In millions)

Federal agencies other than OEO	$550
State, county and local government	490
Programs and services from such public institutions as hospitals, schools, legal aid	95
Total	1,135
Nongovernment (business, civic, church, foundations, etc.)	165
Total	1,300

Much of this $1,300 million came in the form of grants to communities for specific local programs ranging from training, health, community development to education.

"Mobilization" implies initiative, even responsibility. Yet one can seriously question the degree to which CAAs rather than the electoral governmental process itself "mobilized" the $1,135 million governmental portion above; doubtless the CAAs were involved, but it can be inferred that without their involvement the funds still would have reached the communities.

Although the CAAs performed a useful role in either preparing a grant application or encouraging someone else to, one cannot claim that the CAA "mobilized" the funds or that the funds only came to the community because the CAA "obtained" them. After all, the dollars largely had been appropriated, allocated, and apportioned without the CAA involvement; all the CAA involvement did was help one city win over another, one poor group benefit by having better proposal matters than another. But is this really a mobilization of new money?

2. Conditioned responses

In this case, however, a self-survey is of dubious accuracy and usefulness.

CAAs were being asked to report the degree to which they had been actively pursuing a policy strongly emphasized over the past 2–4 years for the development of community impact and localization of resources. Thus, the study developed conditioned and biased responses to justify CAAs programs.

Take the example of Plainfield, N.J., doubtless an active CAA. The survey asked for "resources mobilized" each year since 1965. Plainfield's reply came back showing—

1965	0
1966	0
1967	0
1968	0
1969	$98,898
1970	569,703
1971	868,066
1972 (plus $325,000 Federal but non-OEO moneys)	1,885,439

Obviously the early years' reporting suffers from the fact that memories fail and turnover occurs . . . bringing with it the serious depletion of files and records at every level.

One wonders whether the Plainfield CAP has in fact extended its mobilization that rapidly, in 1969–1972, after apparently doing little of it in the pre-Nixon years, or whether this curve of mobilization merely reflects the bureaucratic process of feeding the hierarchy the numbers it seemingly wants to hear.

It would be different if such a study had been made each year, without such annual studies, many of the replies to this one have the appearance of signifying retroactive agreement with policies currently being emphasized.

The above example does suggest that a policy which signals what will earn high marks will draw a flurry of effort to identify "related" activities and sources . . . while actual operations proceed unchanged.

3. Extremes of interpretation and data

A third major weakness in the study is the CAA's inconsistent data standards. If a community donates the use of a building for $1 rent, (as in Plainfield), should it be listed at its *value* or its potential sale price? In Rochester, the CAP reports a "mobilization of resources" of $500,000 *per year* based on the for-sale value of a building it was given free use of 5–6 years ago.

The variety of reported actions encompasses extremes in interpretation of cash amounts and in-kind services. The Plainfield CAA reports a wide variety of voluntary actions (volunteers manning a hot line, volunteers providing a karate class, etc., etc.) The Paterson, New Jersey CAA, on the other hand, achieves its total of "resources mobilized" by reporting that it is responsible for federally-funded programs as New Careers ($405,000/yr.), Headstart ($308,000 this past year), and day care ($167,000 in 1971 but since discontinued). Clearly, the extremes of interpretation placed on the study by various CAAs weaken the value of aggregate data based on their replies.

B. PROBLEMS WITH THE CONCLUSIONS

Problems with the UTS study technique represent only one aspect of the weakness in CAA efforts. It is a highly questionable conclusion whether "mobilization" of program resources in a sum approaching $1.3 billion represents a major significant accomplishment.

1. Who mobilizes governmental spending?

Over a billion dollars of this $1.3 billion total "mobilized" is governmental funding at various levels . . .to provide programs of training, career motivation, education, and so forth.

Is it the CAAs who mobilize these funds, or is it the nation's elected officials at all levels?

2. How many intermediaries are needed?

The $1.3 billion reported as having been mobilized represents under one percent of what the nation devoted to all efforts (public and private) in behalf of the poor during the 1969–1972 interval. The other 99%-plus was applied through other arrangements apparently not dependent upon being "mobilized" by the CCAs.

It suggests that local officials can best assess the mission and scope of their own programs and thus determine the degree to which it will continue its funding locally in the future. Typically, St. Clair County, Illinois has over 400 social agencies competing for resources and clients. The structure at county and local levels should assess the effort of support desired with regard to the major proportion needed.

CAAs have used very little innovation in attracting funds such as foundation monies. The 591 CAAs received only $165,000,000 in private support, in the years studies. This represents a mere .3% of total U.S. private philanthropic dollars disbursed over those same years.

Quite clearly, foundations and other philanthropic entities have found more creative and results-oriented programs and people outside the CAA structure.

3. Agency and staff systems pre-empting resources

There is little dynamism in "mobilization" efforts whose main product seems to lie in increased funding for increased staffs and services, since "services" are not the answer to poverty.

The poor need meaningful roles, responsibilities, and challenges through which they learn how to cope, gain self-confidence and self-esteem. It is the only approach powerful enough. In a weak community change only comes from outside sponsors; in a strong community people are *doing* for themselves.

For these reasons, there is little dynamism in "mobilization" efforts whose main value seems to lie in securing funding for increased "programs" and increased staffs. The UTS survey suggests that much of CAA "mobilization of resources" falls into the latter category: $1.3 billion was mobilized over several years, but of that 75% or so was in cash . . . and the record is quite clear that anti-poverty cash goes not to the poor, but to the people employed to assist the poor.

People escape poverty to the degree they have the capacity to cope and the skills, drive and confidence to achieve. This never takes place very effectively, for large numbers when the scale of the effort is dependent primarily on progress for the poor will be achieved when the approaches employed work through them, instead of upon them, and accord them meaningful roles and responsibilities instead of assuming them to be helpless and inert.

Such a conviction, translated into program implementation makes it very clear that a "mobilization of resources" ratio of 80¢ for each "seed dollar" is totally inadequate. Our nation's poor need to be more involved in the decision-making and dollar-generating process.

4. What is a dynamic rate of "mobilization"?

Even if the UTS data are fully accepted therefore, as indicative of CAAs' mobilization of $1.3 billion, the result is far too inadequate. Because of their basic structure based on overstaffing, the CAAs are ill-equipped to provide the "mobilization of resources" which produces not just the 80¢ per seed dollar but $10 to $20 or more seed dollar by mobilizing the commitments and energies of the people themselves.

The following illustrate the type of people-based, high-yield, multipliers toward which all community "mobilization" should aim:

Housing.—In 1959, in Indianapolis, some 320 families in one poor neighborhood began working together in spare hours, contributing labor that became "sweat equity" in new homes each family would own. Expert advice was contributed by architects, contractors, and craft unions. Foundations and businessmen provided a substantial revolving fund behind the mortgages; the banks agreed to accept the mortgages with the "sweat equity" as the down-payment. Beginning with $50,000 this project triggered well over $3,000,000 in sweat, financing, and other outputs. That's a $60/$1 multiplier, far better than the 80¢/$1 the CAAs report.

Employment.—Also from Indianapolis . . . In the mid 1960's, the city's business community underwrote a modest three-person staff to coordinate volunteers from industry each of whom, in turn, would intensively counsel one person seeking a job. For several years this initiative successfully placed 90% of the thousands of people seeking help through it . . . representing perhaps $1,000,000 annually in volunteered time and contributed resources. The cost to businessmen was about $60,000 annually, the Multiplier was $15/$1. The contrast to the 80¢/$1 Multiplier is staggering.

Resource Mobilization.—In 1969, the U.S. Jaycees received two foundation grants totalling $350,000 to take a hand in mobilizing community resources through their local chapters, to assist and involve the disadvantaged. That modest seed money triggered an "Operation Opportunity" initiative that soon was generating annually some $25,000,000 in dollar expenditures alone in local and state projects. For over four years, that would be a multiplier of about 300 to one!

Unfortunately an 80¢/$1 multiplier is pitifully small. For communities staggering under defeatism and apathy, isolation and separation, it suggests that they need far better models for community involvement.

Media and Congressional criticism of the Administration's decision to cease funding CAAs from OEO monies have a tendency to say that it is deplorable to cut off aid to the poor while "there are still needs unmet"; this is not the point.

No one suggests that the needs be overlooked. Rather, in this era of tighter budgetary control, it is essential to find the *best* ways to tackle problems rather than to rationalize OEO's mission as a pacification one, merely showing the poor that society cares.

This is the significance of the emphasis on people helping themselves. It does not imply that people *fend* for themselves (i.e., make do with the skills, savvy, and resources they have). Rather, it means that we need a new family of designs, new basic models based upon the best in community experiences, and conveyed in ways which excite peoples' adaptation of them to be relevant in their own lives.

C. PROBLEMS WITH THE BASIC MODEL

The CAA has serious weaknesses: in its over-dependence on excessive staffing; in the fact that staff costs create internal conflicts among the poor for monies; appalling lack of perception regarding what it takes to move a community in a positive, meaningful direction (as distinct from what it takes to service its pathologies).

D. PURPORTED INSTITUTIONAL CHANGE

The CAAs in 7–8 years had effective impact upon 1,743 other institutions to "adopt new priorities", upon 1,595 entities (businesses, organizations, etc.) to change their policies and "hire the low income", and so forth.

If that's all, the poor themselves should rise up in anger and fire the CAAs as their agent. Such numbers represent truly terrible performance, even as a side activity.

One yardstick: in our society, there are at least 7,000,000 businesses and organizations; this study reports impact on only a ratio of one in 3,000 during the last 7–8 years.

Of greater importance is not in how *many* institutions were "changed", but in how *much*. The UTS data also fail to establish whether the change was just a part of current trends (e.g. the 591 CAAs are reported as influencing 1,743 institutions to adopt "new priorities").

CONCLUSION

The basic observation about this study is that it demonstrates that the CAAs have in no way proved to be dynamic engines for change in their communities, mobilizing and marshalling ever-increasing available resources.

Rather, the study suggests that the CAAs have become yet another level of over-staffed bureaucracy engaged in the destructive gain of competitive grantsmanship.

It now properly rests with the states and cities to decide how to best utilize available funds on the local level where the problems exist.

TIME FOR CHANGE IN OUR RELATIONS WITH CUBA

Mr. KENNEDY. Mr. President, I want to bring to the attention of my colleagues an editorial which appeared in the Sunday edition of the Washington Evening Star and the Washington Daily News stating that the time has come for a change in our relations with the Republic of Cuba.

Since 1969, I have been urging this action on the administration. And since 1969, there has been precious little movement in that direction.

The only encouraging action has been the hijacking agreement reached only weeks ago. Yet, there is still a repetition from the administration of its view that the general conditions prompting our policy toward Cuba have not changed.

The Star editorial convincingly contradicts that assessment. It states:

> The existing policy, it now seems to us, has outlived the realities. Communist Cuba is not friendly, but it does cooperate with the United States on a number of fronts already: Postal and phone service exist; the airlift of exiles has been resumed; weather and commercial aviation information is exchanged; United States airlines fly across Cuba using an approved air lane; Cuban athletes have appeared on American soil for the Caribbean olympics in Puerto Rico.

Also, the editorial notes that many other Latin nations have either formally moved to end the boycott of Cuba or have indicated a willingness to do so. It is the United States which is the major opponent of that transition away from the hostility of past events.

Surely now that we are establishing liaison offices in Peking, we can move toward a normalization of relations with Cuba.

I believe that the Star editorial is an excellent assessment of the changes that have occurred in the world and in the hemisphere, changes that make an end to the isolation of Cuba in our national interests.

Mr. President, I ask unanimous consent that the editorial that appeared in the Washington Star on February 25, 1973, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

United States-Cuban Ties: Time for a Change

The time has now come for President Nixon to abandon some of the fixations and fictions about Cuba that obsess the administration and begin serious consideration of a new policy leading toward restoration of political and economic relations with the Communist island nation.

Let us review the bidding: Nixon already has made his peace with the Marxist giants, Russia and China. The State Department now has negotiated an agreement with Fidel Castro that hopefully will terminate Cuba's role as a haven for U.S. skyjackers. It has always been apparent that Cuba has never been isolated by the American policy and the sealing-off resolutions of the Organization of American States.

This leaves only the question of the extent to which Castro's Cuba supports revolution and represents a threat to the other nations of the Americas. And it has long been evident that the Havana regime was never very effective at the business of exporting subversion and is now giving little more than lip service to the aspirations of native revolutionaries who once were trained and financed by the Cubans.

As to the presence of Russian military forces in Cuba, the best information is that there are less than 5,000 technicians there. The submarine base at Cienfuegos has never been used by Soviet nuclear submarines, and it really makes no difference: A nuclear-powered submarine does not need a base. The three Russian subs stationed off the East Coast of the U.S. (compared to 14 or so U.S. subs in the North Atlantic approaches to Russia) are serviced by tenders.

Nixon's last public utterance on Cuba was made in a Star-News interview on November 9 when he said, "There will be no change, no change whatever, in our policy toward Cuba unless and until—and I do not anticipate this will happen—Castro changes his policy toward Latin America and the United States."

Well, perhaps the accord on hijackers is a major change such as the President sought in Cuban policy. In point of fact, Castro's denunciations and fiery words mean very little to the United States and Latin America so long as he is unable and unwilling to ship out guerrilla forces and agents to try to overthrow OAS governments.

The United States gets at least as severe verbal treatment from other Latin governments with which we do maintain relations—Chile and Panama come to mind—as from Fidel Castro.

The existing policy, it now seems to us, has outlived the realities. Communist Cuba is not friendly, but it does cooperate with the United States on a number of fronts already: Postal and phone service exist; the airlift of exiles has been resumed; weather and commercial aviation information is exchanged; United States airlines fly across Cuba using an approved air lane; Cuban athletes have appeared on American soil for the Caribbean olympics in Puerto Rico.

Furthermore, the other Latin nations are beginning to waver and move toward rapprochement with Havana. Mexico never broke relations. Chile and Peru have resumed them. Some of the new OAS members in the Caribbean were not subject to the OAS resolution consigning Cuba to pariah status. And others, such as Venezuela, Ecuador and perhaps Panama, seem ready unilaterally to resume relations with Cuba.

There cannot be any advantage for the United States in remaining aloof when all our European allies have never ceased trading with Cuba. A nation as powerful as the United States can lose little by having normal relations with a country of whose leaders it does not approve. Of course, it takes two to tango; Cuba's Castro would have to be willing to accept a return to normal relations. But the ease with which the Swiss diplomats did the legwork between Washington and Havana to produce the hijack agreement is an indicator that the two neighbors could go a few steps beyond toward restoration of the relations that were severed in 1961.

For President Nixon, the Cuban question no doubt has personal as well as policy facets, Mr. Nixon, indeed, is one of the few U.S. government officials who has ever met Castro face-to-face and he did not find the flamboyant prime minister particularly attractive. But that was back in 1959 when Castro was in the first flush of his seizure of control in Cuba, with his star in the ascendancy, and Mr. Nixon's eminence as vice president under Dwight D. Eisenhower was on the wane.

Today it is Mr. Nixon who is sitting on top of the world while Castro has become a backwater politician, no longer the mover and shaker of world events as he once was. It is not necessary that Mr. Nixon or Castro admire one another in order for the U.S. to accept the fact that it is anachronistic to pretend the 8 million people of Cuba exist in a vacuum.

The Cuban question also may raise personal problems for Mr. Nixon in other ways. For one thing, the President unquestionably feels an empathy with the Cuban exiles and even a sense of debt to them because of the Bay of Pigs fiasco. But while that abortive invasion was conceived by the Eisenhower-Nixon team, it was launched by the Kennedy administration. And Senator Edward M. Kennedy, the sole surviving Kennedy brother, has long since urged that U.S. policy toward Cuba be re-explored and reassessed. If a Kennedy can risk the wrath of the Castro-hating exiles, it should be at least as possible for the President.

Inevitably, with the Asian war at an end, Mr. Nixon will be turning his attention more and more to the Third World of Latin America and Africa. It is unfortunate that he has not had the time before this to become more interested and involved with the Latin. Theirs is an area about which the President is not overly informed, and his one sharp recollection is that he was nearly killed by a riotous mob in Venezuela in 1956.

But all Latins are not alike, and monumental changes have taken place. So it is with Cuba. Fidel Castro and Cuba today are not the same as they were 12 years ago. The world is now made up of different equations, and Cuba is one of them.

There no doubt would be a host of problems to solve, such as the expropriated U.S. properties, the Russian military presence, the U.S. base at Guantanamo Bay, the sale of Cuban sugar to the U.S. and the problem of the 300,000 anti-Castro exiles living in the United States. But the missile crisis and the Bay of Pigs are ancient history now. We believe President Nixon and his advisors should now turn their full attention to Cuba. The nation that can accommodate itself to a peace agreement with North Vietnam surely can do the same with the shabby dictatorship of Castro. He is, after all, far from the only dictator in Latin America. He may not even be the most dangerous dictator there.

THE 55TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

Mr. BEALL. Mr. President, February 24 marked the 55th anniversary of the Declaration of Independence of the Republic of Estonia. This occasion was honored in appropriate fashion by Estonians throughout the free world. Unfortunately, it was not celebrated in Estonia.

Since 1940, Estonia has lived under the dictatorial hand of the Soviet Union. Forcibly incorporated into the U.S.S.R. during World War II, Estonians have steadfastly refused to surrender their dream of freedom. We in this Nation must not forget them.

I call upon all Americans to remember the plight of the enslaved people of Estonia, and join me in the fervent hope that liberty will soon come to that land.

PROPAGANDA OF ATROCITY

Mr. BUCKLEY. Mr. President, I recently came across an article in the London Times which places in proper perspective the hysteria which accompanied our resumption of bombing over North Vietnam last December. In a sense, this is now ancient history. The article, however, is instructive; and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Propaganda of Atrocity

(By Robert Conquest)

Arthur Koestler describes in his autobiography how Willi Muenzenberg, the Comintern's propaganda genius, criticized his work in putting the Communist line on the Spanish War as "too weak, too objective." What they wanted, Muenzenberg explained was stories of the enemy burning their prisoners alive, running them over with tanks, and so on.

The Muenzenberg principle, much in use of late, is to present a specific allegation in such a way as to make the blood boil and so to preempt or inhibit judgment. The loser, in terms of western opinion, is not the state that commits the most atrocities so much as the one whose enemies have the best propaganda machine. All the same, any particular allegation of violence or injustice may be true or untrue; and if true it may be typical or exceptional. It is no good our being passive customers of the most efficient atrocity-pusher; we have to make a certain effort—above all, to avoid the double standard in this field of which Solzhenitsyn complains in his Nobel Speech.

One paradoxical reason our views may become distorted is that in general the more easily a malpractice can be reported on, the less repressive the regime. This is even true within the Communist block. The fact that a fair amount of information is now available on the sufferings of the opposition in the USSR, while this is not so of North Korea or North Vietnam, and was equally not so of Stalin's Russia, really does indicate that the present Soviet regime is less repressive than those.

The Colonel's regime in Greece is typical of those most often in the atrocity news columns. It is clearly an oppressive one in a general sense. We may all hope for a fairly rapid return to democracy (though not to the alleged "democracy" of those much touted émigré critics who really stand for another, and on the record far more unpleasant, dictatorship). Allegations of killing, as against brutality, in Greece are few. Every liberal would agree that Yugoslavia is not only far less oppressive than Greece, but already was so 10 years ago. It was only by a turn in the power struggle in that country that we learnt a few years ago that at the beginning of the sixties Rankovich, then Yugoslav Minister of the Interior, was having people shot by the score and the dozen throughout the towns and villages of the Kosmet. Nor is Yugoslavia an outstandingly horrible example. We should conclude that Greece, though tyrannical, does not really rate very high on the scale.

Part of the difficulty (though not always impossibility) of establishing the facts of individual allegations of police brutality is that they are often provided by devoted adherents of millenarian groups dedicated *in principle* to the idea that political advantage to their side is the highest moral criterion, taking automatic precedence over truth and such things. The same applies to the propaganda of war. An official representative of the Vietnamese Communists speaking in Stockholm (where else?) a few years ago charged that children were "gunned down in their thousands, beheaded, buried alive, quartered and thrown into the flames" by the Americans (*The Times*, October 4, 1966). One would have thought that such things had discredited Hanoi-sponsored "evidence" entirely. At any rate the latter may be true, or untrue, or partly true, but in itself can carry no weight. (Nor should much weight attach to the reports of friendly journalists if we are to judge by the extravagant falsehoods accepted by their Moscow predecessors in Stalin's time.)

Over the past weeks there has been much talk about "indiscriminate bombing", "terror bombing", even "Hiroshima-type" raids. We are now told by the North Vietnamese that there were 1,300 (or 1,400) killed in the attacks on Hanoi— which is scarcely likely to be an underestimate. Now it is certainly possible to argue against the raids as they actually took place. But to imply that an air force dropping bombs with the power of, or "twice the power of", that of Hiroshima, and with the intention of killing and terrorizing civilians, could somehow only cause a minute proportion of the Hiroshima casualties is plainly nonsense.

Almost everyone supports or has supported armed struggles in which civilians may be or are killed. Admirers of the IRA, the Arab terrorists and the Vietcong, indeed, must support or condone the killing of civilians on purpose. In any case, such stuff comes particularly ill from those who openly advocate Communist victory in Vietnam, such as Mr. Anthony Lewis and the Swedes.

The Swedes! Their Prime Minister, Mr. Olof Palme, compared the bombing to "Guernica, Oradour, Babi Yar, Katyn, Lidice, Sharpeville and Treblinka". (Hue? No, not Hue.) In fact, with the exception of Guernica (at any rate the mythic Guernica), none of those affords any parallel at all to the recent bombings. The whole passage is the merest ranting and canting—which might, indeed, be Swedish surnames. Anyhow, one does not recall that the Swedish Social-democrats have much to be proud of. They did not, I think, protest against Oradour and so on at the time—a time when they were the only neutral which allowed German troops to pass through their territory. It is true that they have no blood on their own hands, apart from that of the Balts so abjectly handed over to Russia after the war. . . .

Their egregious Gunnar Myrdal (a member of that 1945 Government) now serves happily on a Committee on United States "war crimes" together with the Soviet judge Lev Smirnov, so rightly criticized by PHS the other day for his infamous conduct of the Sinyavsky case. In an article in the *Scientific American* last year, Myrdal actually asked himself why it was that Swedish foreign aid went out on higher moral principles than that of other countries. The official in charge of that aid has since exlained that Sweden passes it by preference to countries where "the people" conduct the distribution, such as Cuba and North Vietnam. Oh, I see—a social-democratic definition of popular rule is one where social-democrats have all long since been executed, and a complete Leninist authoritarianism prevails.

The anti-American agitator Tom Hayden, has complained (in the *Evening Standard*) that the British, unlike the Swedes, have not shown much enthusiasm for the new line in atrocity propaganda. This seems to be true, in spite of the semblance of uproar largely created in practice by a handful of journalists and one or two politicians in difficulties seeking an issue.

No doubt this increase in skepticism is in part due to two experiences of last year—first, the plain evidence that the south was being invaded by the communists, and did not wish to accept them; second, the propaganda about the bombings of the dykes, with its obvious spuriousness (recalling to older readers the notorious germ warfare falsehoods of the Korean War). It was putting a strain, too, in anyone's capacity for credulous malice to ask them to believe that President Nixon is simply hooked on bombing for bombing's sake, or acting out of pettish resentment.

It should be possible for adults to take a line, pro or con, without descending to this sort of thing. As so often, it is George Orwell who sets his countrymen an example. Though himself a supporter of the Spanish republican cause to the extent of fighting and being wounded in its battles, he nevertheless wrote that for him the most "frightening" thing about that war as not the violences on the spot, but the immediate retreat of the Western left into what he called "the mental slum" of atrocity storymongering. Different views on Vietnam (as on Spain) are natural enough. What is not tolerable is to represent the facts as other than they are in order to provoke a mindless stampede along with those Gadarene Swedes, Olof Canting and Gunnar Ranting.

The author is an historian and journalist.

THE TASK FORCE FOR THE NUCLEAR TEST BAN

Mr. KENNEDY. Mr. President, 1 week ago I introduced on behalf of myself and Senators MATHIAS, HART, HUMPHREY, MUSKIE, CASE, ABOUREZK, BAYH, BROOKE, BURDICK, CHURCH, CLARK, CRANSTON, FULBRIGHT, GRAVEL, HASKELL, HATFIELD, HATHAWAY, HUGHES, INOUYE, JAVITS, MAGNUSON, MCGOVERN, MONDALE, MOSS, NELSON, PELL, PROXMIRE, RIBICOFF, STEVENSON, TUNNEY, WILLIAMS, and BIDEN Senate Resolution 67 calling on the President to promote negotiations for a comprehensive test ban treaty.

Today, I am pleased to inform my colleagues about the work of the task force for the nuclear test ban. Since its formulation in April of 1971, this group has been making a determined effort to promote a halt of all nuclear weapons testing. The task force has benefited from the very able leadership of Mrs. Josephine Pomerance, a longtime leader in the field of arms control and disarmament, and Dr. Betty Goetz Lall of the New York State School of Industrial Labor Relations of Cornell University.

The task force for the nuclear test ban has involved a group of prominent scientists and arms control experts who have been at the forefront of efforts to curb nuclear testing. This group will be seeking a broad spectrum of citizen support by working with leading national groups through the Coalition on National Priorities and Military Policy chaired by the Honorable Joseph S. Clark, a distinguished former colleague and an outspoken advocate of a nuclear test ban.

I am grateful to the task force for the nuclear test band for its excellent work and for the dedication and competence of its outstanding members.

Mr. President, I ask unanimous consent that a list of its members and articles written by James J. Wadsworth, Mrs. Pomerance and Herbert Scoville, Jr., members of the task force, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TASK FORCE FOR THE NUCLEAR TEST BAN

Honorary Co-Chairmen: The Honorable Benjamin V. Cohen, The Honorable James J. Wadesworth.

Co-Chairmen: Dr. Betty Goetz Lall, N.Y. State School of Industrial Labor Relations, Cornell University.

Mrs. Jo Pomerance, Co-Chairman, Committee on Disarmament and Peacekeeping, Conference of U.N. Representatives, UNA-USA.

Treasurer: Dr. Herman Will, Jr., Associate General Secretary, Board of Christian Social Concerns of the United Methodist Church.

Counsel: Mr. John Silard, Esq.

Consultant: Robert Pickett.

Members: Archibald Alexander, President, Arms Control Association. Mrs. J. Berenson, Board of Directors, UNA–USA. Mr. William J. Butler, U.N. Representative of the International Commission of Jurists. Hon. Joseph S. Clark, Chairman, Coalition on National Priorities and Military Policy. Norman Cousins, Editor, World Review. Dr. Bernard Feld, Massachusetts Institute of Technology. Hon. Seymour M. Finger, Former Senior Advisor, U.S. Mission to the U.N.

Mr. Oscar de Lima, Vice Chairman, UNA-USA. Dr. Franklin A. Long, Director of the Program on Science, Technology and Society, Cornell University. Mr. Allard Lowenstein, National Chairman, Americans for Democratic Action. Rev. Pat McDermott, Director, Center for the Study of Power and Peace. Mrs. Rose Okin, Chairman, Peace, American Jewish Congress. Mrs. Mildred Persinger, World YWCA Council.

Hon. Adrian Fisher, Dean, Georgetown University Law School.

Hedda Hendrix, Public Relations Consultant.

Rabbi Richard G. Hirsh, Union of American Hebrew Congregations.

Dr. Marvin Kalkstein, State University of New York, at Stony Brook.

Dr. Arthur Larson, Director, Rule of Law Research Center, Duke University.

Mrs. Carolyn Tumarkin, Women United for the U.N.

Mr. Victor G. Reuther, formerly Director of International Affairs Department, UAW.

Dr. Leonard Rodberg, Federation of American Scientists.

Mrs. Marjorie Schell, SANE.

Dr. Herbert Scoville, Jr., Federation of American Scientists.

Mr. C. Maxwell Stanley, Chairman, Stanley Consultants, Inc.

Mr. Jerry Wurf, President, American Federation of State, County and Municipal Employees, AFL–CIO.

[From the Washington Post, Feb. 4, 1973]

AFTER SALT, A TOTAL TEST BAN?

(By Herbert Scoville, Jr.)

The writer is a former assistant director of the U.S. Arms Control and Disarmament Agency and deputy director of the Central Intelligence Agency.

The accomplishments of SALT I have produced a totally new climate in which a comprehensive nuclear test ban—one covering underground as well as atmospheric explosions—becomes a negotiable arms control measure after nearly 10 years of drifting in the doldrums. Not since 1962, when Nikita Khrushchev made his offer of three on-site inspections to verify such a ban, have opportunities for agreement been so good.

This improved outlook, if we take advantage of it, is particularly timely since it comes just as steps are needed to prevent further spread of nuclear weapons to additional countries. That the patience of the non-nuclear-weapons countries is beginning to wear thin is shown by the overwhelming support, despite U.S. opposition, for a United Nations resolution in favor of a halt to all nuclear testing by August, 1973, the tenth anniversary of the limited test ban treaty. In addition, there is strong Senate support, led by Sens. Philip Hart, Edward Kennedy, Charles Mathias and Clifford Case, for a resolution urging the President to make a renewed effort to negotiate a comprehensive test ban and, in the interim, to suspend all testing immediately as long as the Russians reciprocate.

The limitations on strategic arms agreed to in Moscow, particularly the ABM treaty, have greatly reduced the desires for further nuclear weapons testing which have in the past been the major obstacle to a comprehensive test ban. With only 200 ABM interceptor missiles allowed each side, it is almost impossible to justify further improvements in the nuclear warheads for this purpose. The United States, and almost certainly the Russians as well, have nuclear weapons developed for such interceptors, and no improvements in warhead design can possibly overcome the complete ineffectiveness of the small ABM systems permitted by the treaty.

STRATEGIC WARHEADS

The effects of the ABM treaty also apply to the requirements for warheads for offensive weapons. Without any effective ABM to penetrate, the need for new warheads largely disappears. In addition, there is no further need for testing to develop special warheads to withstand high-altitude nuclear explosions, since the allowed ABMs can be overwhelmed by a small fraction of the existing strategic forces.

Only for a first-strike force able to destroy the enemy's missiles in their silos is there any need to design new offensive warheads. However, the stated U.S. policy has been to forego a "hard target" MIRV which might provoke Soviet concerns that we were seeking a first-strike capability, thus upsetting the present strategic balance. Even for such a MIRV, an improved warhead with five times the yield would be less important than potential improvements in accuracy.

Nor does the United States any longer need a "hard target" MIRV to provide the flexibility to attack key military targets instead of cities after a limited Soviet attack; this can now be achieved without further advances in weapon design since, as a result of the ABM treaty, the retaliatory attack no longer has to cope with large ABM defenses and can afford to direct several warheads at a single target.

A complete test ban would, on the other hand, increase U.S. confidence that the Soviet Union was not improving the yields and accuracy of its warheads in order to develop a first-strike MIRV system able to destroy a large fraction of our Minutemen force.

Another familiar justification for nuclear weapons testing has been the need to assure the continued reliability of already developed and stockpiled weapons. Although nuclear tests have never been carried out solely to check the proper functioning of a stockpiled weapon, it has been argued that the ability to test is necessary in case deterioration is found by other means and corrective action is required. This is not necessary, however, since it would always be possible to replace a warhead which had deteriorated with one of proven design. Furthermore, if mutual deterrence is the fundamental element in our strategic policy, as spelled out by the ABM treaty, then any unknown decrease in reliability on both sides can only improve deterrence. High reliability is only necessary for a nation contemplating a first strike. No aggressor could rely on the uncertain reliability of another nation's weapons as the means of surviving a retaliatory attack.

Thus, as a result of the Moscow agreements, a strong case can be made that no further nuclear testing of strategic weapons is required. Yet, during the past 10 years since the limited test ban treaty, more than two-thirds of the U.S. tests have been related to strategic weapons systems, and indeed the highest priority tests have fallen in this category. The Moscow agreements have thus undercut the major rationale for continud nuclear testing. Even before SALT I, Drs. Carl Walske and John Foster of the Defense Department testified that they favored a comprehensive test ban provided it could be adequately verified. This Pentagon position, which is the U.S. position at the Geneva disarmament talks, is even further reinforced by the Moscow agreements.

SIGNALS AND SATELLITES

The benefits of SALT I, however, are not limited to the weapons development part of the problem alone; the ABM treaty also creates a mechanism by which the verification difficulties, for years the ostensible stumbling block to a test ban, can also be solved.

Since 1963, the United Stats has insisted that on-site inspections were required for adequate policing against secret underground tests, while the Soviet Union has consistently claimed that these inspections were unnecessary. The verification provisions of the ABM treaty afford a means of bridging this gap. In this, and in the interim agreement on offensive weapons, both nations agree that national technical means of verification will be used; that neither nation will interfere with such means; and, finally, that neither will use deliberate concealment to impede verification. In addition, a standing consultative commission is set up to consider questions concerning compliance with the obligations of the agreement. Similar provisions, but multi-national in scope, attached to a comprehensive test ban treaty, might satisfactorily reconcile the U.S. and the Soviet points of view.

The primary problem in verifying a ban on underground tests has been the difficulty in telling apart the seismic signals from small earthquakes and explosions. Now, with greatly improved seismic methods and sophisticated computer processing, it is possible to classify almost any detectable seismic event as an earthquake or an explosion.

For those few small events which are detected seismically but not identified, the United States has in the past sought the reassurance of on-site inspections despite Pentagon testimony that the value of such on-site inspections is marginal at best. Today's U.S. verification techniques, however, are superior to our earlier capabilities, even combined with the on-site inspections we were seeking.

Observation satellites are one agreed method capable of providing increased assurance. A photographic satellite scanning an area in which an unidentified seismic event was detected could obtain information useful for evaluating whether the seismic signals originated from a secret nuclear test. Most of the natural earthquake areas within the Soviet Union are remote from human activity, so that a large fraction of these unidentified events could be clearly classified as natural in origin when evidence of man-made disturbances was absent. Whenever a satellite obtained evidence of mining or drilling operations in the area where the seismic signals originated, a satisfactory explanation could be demanded through an international commission on the SALT I model. If not satisfied, the United States could resume testing or take whatever other action it thought necessary.

EVASION TECHNIQUES

Some experts have worried that an underground test ban could be violated by use of sophisticated evasion techniques, such as a detonation in a large cavity. But theoretical studies show that a very large chamber, 300 feet in diameter and several thousand feet underground, would be required to muffle the seismic signal of a 5-to-10-kiloton explosion sufficiently to make it undetectable. The use of such concealment techniques for even so small a test would involve a mammoth construction operation which would be easily visible by observation satellites.

Other exotic evasion techniques have been proposed: a nuclear explosion could be conducted in the immediate aftermath of a large earthquake, or a series of nuclear explosions could be timed to give additive seismic signals that more nearly resemble an earthquake than an explosion. Both of these techniques are vulnerable to detection by sophisticated seismic measuring and data analysis systems. However, even if these techniques successfully hid the signals, there would be a considerable probability that the operations required to carry them out would be noticed by observation satellites and challenged through the mechanism of the consultative commission.

Finally, the use of nuclear explosives for peaceful purposes is now generally recognized, at least in this country, to have few economic advantages and many environmental and safety problems. This program, nicknamed Plowshare, has always been a roadblock to a ban on nuclear tests, since it could provide an ideal cover for disguised weapons testing. In fact, the greatest enthusiasts for Plowshare have been the most ardent nuclear weapons developers.

Now the proposed nuclear excavation of the sea-level Panama Canal has been dropped, and the use of nuclear explosives for the release of natural gas is the only project being given serious study in the United States. Tests even for this purpose are in trouble with environmentalists and significant gas recovery would require thousands of nuclear explosions. The Atomic Energy Commission budget for Plowshare has just been cut almost in half and no tests are planned for the next fiscal year. Considerable interest in peaceful nuclear explosions has, unfortunately, been stimulated by U.S. propaganda in other countries, particularly Russia, India and Brazil, and could interfere with negotiations for a comprehensive test ban if they are unduly delayed.

The time has now come for the United States to take a new initiative in negotiating a comprehensive test ban treaty. It would be an important next step after the Moscow agreements to place some overall ceiling on qualitative improvements in strategic nuclear warheads.

[From the Sunday Star and Daily News, Dec. 10, 1972]

IS PLOWSHARE WORTH THE PRICE?

(By James J. Wadsworth and Jo Pomerance)

The SALT arms control agreement is a step in the direction of a more secure world. But the arms race is not over.

Indeed, while President Nixon has characterized the SALT agreements as signifying a "new era of mutually agreed restraint," he at the same time ordered full speed ahead on new strategic weapons systems. It becomes all the more important, therefore, that the United States and the Soviet Union press forward on negotiations on a comprehensive test ban—the measure which, above all, would signify that the superpowers are serious about halting the arms race.

One of the arguments used by opponents of a comprehensive test ban agreement among the nuclear powers is that it would eliminate the testing of nuclear devices for peaceful purposes.

This opposition is based on the scientifically valid point that these tests could not be permitted since they might be used for weapons development to circumvent a test ban agreement. It is contended that a total test ban would, therefore, force the termination of the highly touted U.S. Plowshare Program.

But the fact is that the once promised boon to man of peaceful nuclear explosions may be a dangerous and perhaps worthless activity.

There have been two types of industrial applications of peaceful nuclear explosions.

One is for large-scale excavation projects, such as forming new harbors, the construction of canals and the creation of passes through mountain ranges for railroad and highway routes.

The second is designed to fracture large volumes of rock underground for the purpose of recovering natural resources, particularly natural gas and oil from shale deposits.

Other underground applications are for the creation of underground storage facilities for fuels and waste disposal and the possible stimulation of geothermal heat sources for electric power production.

After several years of experience it is doubtful that any of these applications has proved to be practical.

The United States has halted development of devices for excavation. There have been no tests since 1970. In that same year a government commission concluded that a peaceful explosion for creating a new canal across the Isthmus of Panama was neither technically feasible nor politically acceptable. The tests conducted through 1970 showed that while radioactive emissions from these tests had been reduced, fallout was still a problem.

Fallout presents not only environmental and safety hazards but a political risk as well. The Limited Test Ban Treaty of 1963 prohibits any nuclear blast that causes radioactive debris to drift beyond the territorial limits of the nation conducting the explosions. This is apparently a condition that cannot be guaranteed with the excavation type of peaceful explosion. Other excavation projects once considered and now cancelled include a harbor excavation at Cape Keraudren, Australia, and plans to blast a railroad pass through mountainous terrain in the U.S.

The Plowshare device for the recovery of oil, gas and other natural resources has also been unproductive. The list of projects proposed and later cancelled is long. These include Project Sloop—a plan to recover copper ore; Projects Bronco and Utah—both designed for oil shale recovery, and Projects Wagon Wheel and WASP—for natural gas stimulation.

Of all these plans and programs promoted over the years only a gas stimulation program in the Rocky Mountains is now funded by the Atomic Energy Commission.

There are three problems associated with the concept of natural gas recovery by nuclear explosion—economic, technical and environmental. The program can be economically viable only if the price of natural gas increases considerably over the present market. To reduce the radiation received by consumers, the gas from the nuclear-stimulated well must be diluted with gas from other sources at least tenfold before being shipped.

a requirement that many experts consider impractical.

The full program for gas recovery calls for the detonation of 4,000 nuclear devices of 1000 kilotons each in 1,000 wells over a 20-year period. The regions where the explosions are to take place—Colorado, Utah, New Mexico, Wyoming and Arizona—contain areas of high natural rock stress. It has not been established that these nuclear blasts won't cause earthquakes.

Peaceful explosions can also cause the proliferation of nuclear weapons capability. Several near-nuclear powers, such as India, Israel, Japan and even less technically sophisticated nations such as Brazil, are understandably interested in whatever benefits may be produced by the peaceful uses of nuclear energy.

But any nation could conceivably test nuclear weapons under the guise of peaceful-uses programs requiring nuclear explosions. And who can be sure that any nation might not attempt to develop nuclear weapons to meet a real or imagined threat to its security or to increase its international prestige and power.

The evidence is persuasive that the Plowshare programs may be more trouble than they are worth. The excavation program has been halted without achieving technically suitable devices for application. Nor have ways been found to overcome the safety, political and international problems.

On balance, the entire program is simply not promising enough to impede the completion of a total nuclear test ban. No provision for continued Plowshare device development should be contained in a test ban agreement since the chances of weapons application are too high and the potential benefits of these devices as peaceful explosions are low.

Until the benefits of peaceful nuclear explosion are conclusively established, the nuclear powers should declare a moratorium on these explosions as part of a comprehensive ban on all tests. A careful evaluation could be conducted by an international authority, perhaps the International Atomic Agency, to determine under what conditions peaceful explosions could be conducted in the future, if at all.

Now that the American people have given President Nixon the "four more years" he wanted, he should move forward to negotiate a ban on all nuclear tests.

The name of the Plowshare program was, of course, inspired by a Biblical passage from Isaiah, "They shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war any more." The true spirit of that ancient admonition can best be realized by not allowing our modern-day Plowshare to stand in the way of the pursuit of peace.

Mr. Wadsworth was the chief U.S. negotiator at the Geneva disarmament conferences in the late 1950s and early 60's. Mrs. Pomerance is a consultant to the chairman of the Senate Foreign Relations subcommittee on arms control and international organization.

[From the New York Times, Aug. 29, 1971]

The Pentagon Blocks Arms Pact

(By James J. Wadsworth and Jo Pomerance)

A ban on worldwide nuclear testing by the Soviets and the United States is essential to a halt in the arms race among the superpowers. Nevertheless, testimony before the Senate subcommittee on arms control has revealed that forces within the Pentagon are still blocking any serious attempts to reach this agreement with the Soviets.

The Pentagon now contends that underground testing is necessary to assure "reliability of U.S. nuclear weapons," M. Carl Walske, assistant to the Secretary of Defense, has referred to "confidence testing" by the U.S. as necessary to prevent a destabilizing situation with the Soviet Union.

This testimony is a rare example of candor by the Pentagon. In the past the anti-test-ban spokesmen have based their strategy on the need for on-site inspections. They have now shifted the focus to weapons reliability, which could delay a test-ban agreement indefinitely.

Officials of the A.E.C. and the Pentagon who believe we must continue underground testing are undoubtedly sincere in their belief. But their tactics in stalemating negotiations over the last fifteen years have included distorting scientific evidence, deliberately antagonizing the Russians and misintepreting their negotiating position.

President Eisenhower, who became convinced that a test-ban agreement was necessary and feasible, initiated discussions at the Geneva conference of experts in 1958.

The on-site inspection issue was blown up out of proportion by both sides. The Russians were convinced that detection could be accomplished without inspection because they had a detection system upon which they were willing to rely. It now appears, as some members of the U.S. negotiating team suspected at the time but were never told, that the West had just as effective a system.

The motives of the test-ban opponents were founded on their desire to be totally free to resume new weapons development.

One tactic employed was to fuzz up the facts in regard to detection. The first U.S. underground test in 1957, it was reported, could be detected at a maximum distance of only 250 miles. Since the evidence presented was so patently inaccurate, outraged scientists took their case to the Senate Foreign Relations Committee. As a result, in March 1958 the A.E.C. revised the figure to 2,320 miles.

Later in August 1958 the conference of experts at Geneva, including both the Western and the Soviet delegations, had completed an optimistic technical report. The A.E.C. suddenly produced extraneous and misleading new data on high-altitude tests, "decoupling," and the "big hole" theory.

In March 1960, it appeared once more that the talks to devise an effective detection system had been successfully concluded.

As the date for the proposed Paris summit conference in May 1960 approached, President Eisenhower was hopeful that a test ban would be concluded. Two weeks before the summit, an American U–2 plane flying over Russian territory was shot down by Soviet rockets. In the resulting tumult of mutual suspicions an recriminations, the treaty was postponed again.

The Limited Test Ban Treaty finally concluded by President Kennedy in 1963 omitted a ban on underground tests because, it was said, agreement could not be reached with the Soviet Union on the number of on-site inspections.

This issue was widely recognized as a smoke screen created by the Pentagon and A.E.C. Continuation of an aggressive underground test program was for them, they made clear, a prerequisite. And, again, they prevailed.

The question of environmental hazards associated with nuclear testing has also been treated with a minimum of candor. In 1968, the President's assistant for science and technology appointed an independent panel of experts to review the potential dangers to the environment caused by underground tests. These experts concluded that the possibility of severe earthquakes and tidal waves was much greater than had been estimated.

The A.E.C. did not release the report until a year later.

This fifteen-year history of supression of the facts by Government officials is another frightening example of how Pentagon policies can defy the objectives of our Presidents, mislead the public and continue an arms race that could ultimately end in world disaster.

The White House has reaffirmed its support of a comprehensive test ban while the Defense Department declares the tests must continue.

James J. Wadsworth was U.S. representative for disarmament and chief of the United States delegation to the conference on the nuclear test ban treaty (1958–60). Mrs. Jo Pomerance, co-chairman of the task force for the nuclear test ban, was special adviser to the U.S. Mission to the United Nations in 1961–62.

ANTIWAR DEMONSTRATORS PROLONGED VIETNAM WAR

Mr. HELMS. Mr. President, today's New York Times carries an interview with Col. Robinson Risner, a returning POW. Colonel Risner states flatly that the antiwar demonstrators in the United States prolonged the Vietnam war and the release of American prisoners for from 1 to 2 years. The colonel says:

> I feel beyond any doubt that those people kept us in prison an extra year or two—not just the people demonstrating, but the people who were downing or bad-mouthing our Government and our policies.

Colonel Risner went on to say:

> There is no doubt in my mind that the Communists took great comfort and heart from the people who demonstrated and bad-mouthed our Government.
>
> It was very evident to all of us that the Communists' spirit or morale went up and down along with the amount of demonstrations, protests and antiwar movement back in the States.

Mr. President, Colonel Risner's statements are eloquent and speak for themselves. Further comment on my part would be superfluous, but they ought to be engraven on the indestructible tablets of our memory.

Mr. President, I ask unanimous consent that the article, "POW Hails Nixon, Scores War Foes," from today's New York Times be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

POW Hails Nixon, Scores War Foes

Oklahoma City, February 26.—Antiwar demonstrators in the United States prolonged the Vietnam war and the release of American prisoners for from one to two years, a senior Air Force P.O.W. who was among the first to be released said here tonight.

"I feel beyond any doubt that those people kept us in prison an extra year or two," said Col Robinson Risner, "not just the people demonstrating, but the people who were downing or bad-mouthing our Government and our policies."

Colonel Risner, who spent seven an one-half years in a P.O.W. camp in Hanoi, said that, despite a constant flow of propaganda about antiwar demonstrations back home, American fliers had never lost faith in their country.

ANGER AND DISMAY

He said that he and his fellow prisoners felt only anger and dismay at the protesters and draft-dodgers and were willing to stay imprisoned years longer if necessary to gain peace with honor.

Colonel Risner, who has not been completely debriefed and cannot discuss his imprisonment, granted an interview on the antiwar movement only to make clear his feelings that the movement provided momentum to the Communists.

Colonel Risner was one of many captives to whom statements condemning United States war policies were attributed by the North Vietnamese.

Asked about these statements Feb. 15 at a news conference at Clark Air Base in the Philippines, where he had been flown after his release, Colonel Risner avoided saying flatly whether he had made them, but said:

"Sir, in all sincerity I would like to say that I think we should consider the source of those statements. By this I mean the source from which they came—in other words they were made from the prison in North Vietnam.

He denied that he had ever * * * policies.

INFORMED BY CAPTORS

The 48-year-old fighter ace said tonight that the pilots had been kept well-informed by their captors on anything bad about the United States.

"Anything that was against our Government, our policy or our way of life came to light immediately," he said. "We heard the Voice of Vietnam twice a day—Radio Hanoi. Anything derogatory to our Government or our Government's policy was broadcast."

But he said that the fliers had never trusted the Communists or believed their propaganda.

"We know that the most effective use of propaganda is to put an element of truth in it to build upon," Colonel Risner said. "We don't trust them. We don't believe them. We never have. So anything they told us, we would file away, if it was useful information, with the idea that we would check on it when we got home."

He said that he personally was "very angry" with the demonstrators.

"I have said that I was fighting for the freedom of the right of people to dissent, and I was, but it did not keep me from being angry or resentful because I feel beyond any doubt that those people kept us in prison an extra year or two.

"COMFORT" TO COMMUNISTS

"There is no doubt in my mind that the Communists took great comfort and heart from the people who demonstrated and badmouthed our Government.

"It was very evident to all of us that the Communists' spirit or morale went up and down along with the amount of demonstrations, protests and antiwar movement back in the States," Colonel Risner said.

"We were extremely surprised, when we heard that Senator McGovern had won the Democratic nomination and we could not believe that he could ever win the Presidential election.

"Our motto of our organization was 'Return With Honor.' We did not feel that we could carry that out if Senator McGovern had been elected President."

"I could not see stopping aid to the countries that I knew needed aid," Colonel Risner said. I could not see abandoning our friends and allies. Nor could I see the Vietnamese ever keeping their promises to a person who would come and beg for the prisoners.

"That's when he lost us—when Senator McGovern said, 'If necessary, I will come to Hanoi and beg for the prisoners,' because we know the Vietnamese would only have taken advantage of him and I think we would still be in prison."

Colonel Risner said that President Nixon's policies—including stepped-up bombing and the B-52 raids against Hanoi-Haiphong area last Christmas had proved effective.

"On the 18th of December—I think that was the first night of the B-52 raids—there was never such joy seen in our camp before," Colonel Risner said.

"We knew they were B-52's and that President Nixon was keeping his word and that the Communists were getting the message.

NATIONAL GOALS AND PRIORITIES AND THE ENGINEERING PROFESSION

Mr. JAVITS. Mr. President, yesterday evening I had the pleasure of delivering the keynote address to the Joint Engineering Legislative Forum in connection with the occasion of National Engineers Week. The Joint Engineering Legislative Forum represents a major breakthrough in developing coordinated effort on behalf of some 10 engineering societies whose membership totals nearly a half million engineers. The forum is the first such national conference involving lawmakers and the organized engineering profession.

With the advent of ecology, consumerism, concern for public safety, private pension reform, and so forth, a redirection in our Nation's priorities has resulted in new and proposed legislation which will initially affect the engineering profession. The engineering societies under the umbrella of the Joint Engineering Legislative Forum are endeavoring to provide substantial assistance to the Congress and the administration in solving some of the Nation's major pressing social and economic problems.

In pursuit of that objective, the Joint Engineering Societies have addressed an open letter to the President and the Members of the 93d Congress pledging their cooperation and talents in helping to devise national policies in science and technology for the greater and more rational utilization of our Nation's resources. The letter represents a most enlightened and constructive effort on the part of the engineering profession and is evidence of their public spiritedness and a sense of citizenship.

I find it very instructive to learn from the engineering profession of their complete agreement with the desirability of establishing, in their words:

> Nationally formulated series of goals and objectives for men, methods, and materials to maintain proper balance between supply and demand and to insure that all of our national priorities are being adequately met.

The indispensability of establishing national goals and priorities in a systematic, long-range fashion, has, of course, been recognized by the Senate in connection with S. 5, the Full Opportunity and National Goals and Priorities Act, now pending before the Senate Labor and Public Welfare Committee. This bill has had wide bipartisan cosponsorship during the last three Congresses, and title II of the bill, which I authored more than 4 years ago, establishes a congressional staff office of goals and priority analysis which will enable the Congress to operate effectively with the executive branch as a coequal in policymaking and with adequate resources. These provisions were passed twice by the Senate.

In view of the current debate with the executive branch over the administration's efforts to reorder our national priorities through the impoundment of funds and the liquidation of agencies like the antipoverty agencies, and because of the growing recognition within the Congress of the need to reform the Congress' own budget procedures so that there may be effective coordination of expenditures within the overall governmental program, the need to enact S. 5 into law becomes more evident with every passing day.

I commend the Joint Engineering Societies for their willingness to devote their very substantial talents and expertise to the Government. I ask unanimous consent that the text of the open letter of the Joint Engineering Societies be reprinted in the RECORD at this point along with the text of my remarks before the Joint Engineering Societies Legislative Forum.

There being no objection, the letter and remarks ordered to be printed in the RECORD, as follows:

OPEN LETTERS TO THE PRESIDENT AND THE MEMBERS OF THE 93D CONGRESS ON THE OCCASION OF NATIONAL ENGINEERS WEEK

FEBRUARY 23, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As the United States ushers in a new era of peace, the nation's scientists and engineers salute you and bring you greetings and reaffirm our pledge of full support on the occasion of National Engineers Week.

In addition to pledging our support, we invite your attention to a pressing national need upon which the continued health and prosperity of our country depends—the need to develop a planned, sustained, and farsighted policy for use of the nation's science and engineering resources.

Simultaneously, we offer our earnest cooperation and talents in helping to devise such a policy and in providing for its rational execution. Such a national policy in science should encompass the following goals:

1. The establishment of national programs to deal with such pressing problems as future sources of energy; providing safe, clean, efficient, economical transportation for all; improved and more economical methods of communication; delivery of adequate health care; protection of individuals and the nation from attack; and controlled use of our national and natural resources with proper regard for environmental effects and economic impact.

2. Effective mobilization of our scientific and engineering manpower. Improvement of technical training at the vocational and secondary school levels in order to insure opportunities to every segment of our population. Avoiding either an over abundance of technically trained manpower or, just as seriously, a severe shortage leading to crisis situations in the future. The nation must curb the gigantic pendulum swings of "feast or famine" which have so characterized our lack of policy for efficient use of our vast technological resources in the recent past.

3. Careful management and husbanding of all of our vital natural resources—of materials, energy and manpower—so that future generations of men can share the benefits of our technological progress.

We look upon the relationship of the government and the scientific and engineering community as a mutually beneficial partnership whereby both the general public and the members of the technological community share a common interdependence for progress and benefit.

This partnership in the past has enabled our nation to be the technological leader of the world in giving to all mankind such developments as atomic energy, the transistor, manned exploration of the moon, the computer, television and Telstar, synthetic fibres, new methods of construction of homes, offices, factories, schools, churches, roads, bridges, and tunnels, the cardiac pacemaker and other life saving devices.

We have developed laboratories and research centers in our great universities, independent research laboratories, industrial complexes, and government centers, all working in partnership to provide new technologies, products and jobs.

We have also established one of the finest educational systems, from grade school through graduate school, to produce trained minds, in science, engineering, basic and applied research, and management in order to conquer ignorance and turn our many discoveries to the service of man.

But this entire complex will be of no avail unless there is a nationally formulated series of goals and objectives for men, methods, and materials to maintain proper balance between supply and demand and to insure that all of our national priorities are being adequately met.

Our societies offer their sevices to our nation for this task. We are confident that we can work with our President and the Congress in forging the plowshares for a century of peace from the swords we have now put aside.

HOLT ASHLEY,
President, AIAA.
JOHN E. RISSNE,
President, ASCE.
HAROLD CHESTNUT,
President, IEEE.
C. WEAVER,
President, AIChE.
RICHARD C. FOLSOM,
President, ASME.
JAMES F. SHINKS, JR.,
President NSPE.

DOMESTIC PRIORITIES AND PENSION REFORM

(Speech by Senator JACOB K. JAVITS)

AN OVERVIEW OF THE IMPOUNDMENT ISSUE

We are now in the midst of a grave domestic and constitutional crisis. I refer to the Administration's unilateral efforts to reorder our domestic priorities through the impoundment of funds and the "liquidation" of agencies like the anti-poverty agency by the Executive Branch. This crisis covers every aspect of legislation pending in the Congress or which may be proposed; and no intelligent discussion of measures to solve some of our more pressing domestic problems can proceed without taking account of this ongoing and fundamental struggle between the Congress and the Administration.

This conflict is of vital concern to every American, and certainly to those in the scientific and professional communities who exercise leadership with respect to the utilization of our resources, the advancement of our technology and the economic, cultural, social and military applications of our research and technology.

Just to state one example of interest to scientists and engineers, the program of the National Science Foundation for fiscal year 1973 reflects a cutback of $62.4 million from the amount appropriated for NSF programs. NSF science and education improvement activities in fiscal 1973 are being funded at a level of $47 million versus the planned $77.8 million. Funds for graduate student support and institutional science programs totaling $15 million are deferred altogether from the planned fiscal year 1973 programs; and another $11 million has been deferred from some computing and science information activities as well as a number of research equipment and facility items. And so it goes.

No responsibility source that I know has suggested that either the Congress or the Administration proposes to do other than to hold the level of government spending to the 1972 $250 billion and the 1974 $268 billion ceilings. There are sufficient and adequate studies that show a broadening gap between future expenditures and revenue even if few new domestic programs are initiated, and the Administration, quite properly in my judgment, has characterized the dilemma as one of higher taxes or more inflation in the absence of spending limits. But the real question is of allocation of expenditure.

Despite appearances to the contrary, the issue between the Congress and the President is not whether spending should be curbed, but on what and by whom.

The question is whether the Congress is to be treated as a co-equal partner in the establishment of national priorities or whether the President by deciding to spend or not to spend pursuant to an appropriation or to operate or not to operate an agency or function may decide the Nation's priorities acting alone.

There may well be a number of domestic programs which can and should be trimmed or phased out altogether, and there may be some which should be expanded, but the decision should be by law as the Constitution provides. There is also ample recognition of the need to reform the Congress' own procedures so that there may be effective coordination of expenditures within the overall government program.

But the important point is that the Administration has not concurred with the Congress over the reordering of these priorities; it has, instead, attempted to confront the Congress with a challenge: to accept the budget decisions—or fight for its standing as a coordinate branch.

This approach, in my judgment, is a tragic error regardless of the constitutionality of the impoundment policy (which is highly dubious), and regardless of whether the Administration succeeds in making its budget cuts stick.

By failing to concur with the Congress over these budget cuts, the Administration has placed the Congress in an adversary position and sought to tilt the balance between the two branches of government.

This concurrence can be obtained with the Congress by seeking rescissions of appropriations and by reorganization plans as to agencies or functions to be discarded.

Even those in Congress who might agree with many of the budget decisions made by the Administration are confronted with the disquieting possibility that if they accede to this budget blitzkrieg, their future capacity to represent the needs of their constituencies in connection with the arrangement of domestic priorities is diminished greatly, perhaps irrevocably.

It seems to me that the limitations of the Administration's approach should have been recognized well in advance. After all, what really sank President Roosevelt's court-packing plan in the 1930's—disagreeable as it may have been on the merits—was his attempt to ram that extraordinary proposal down the throats of the Congress and the people.

In the short run, it may seem to the Administration, and, indeed, to many members of Congress, that it is appealing in the interests of decisiveness to reorder priorities through the impoundment of funds. But a longer range viewpoint would indicate a course completely to the contrary. Indeed, the entire sad history of the Vietnam war indicates persuasively what happens when the Congress abdicates its proper Constitutional role or curtails the scope of its responsibilities. Representative democracy cannot function properly under our system of government unless the three branches of government are given co-equal weight and respect within their appropriate spheres; and we cannot expect to bridge many of the deep divisions in our society unless we maintain this principle intact.

PENSION LEGISLATION

There are a number of vital pieces of legislation pending in the 93rd Congress which command a priority status. Among these, to name a few, are: the consumer protection agency, no-fault insurance, trade legislation, minimum wage, national health insurance; and, of course, private pension and welfare plan reform.

I know that the Engineering Societies are especially concerned and interested in pension reform legislation. The Senate Labor Subcommittee, in its hearings of February 15 and 16, heard the testimony of the Societies in support of S. 4, the Williams-Javits pension reform bill, and I can assure you that we will give sympathetic consideration to the excellent recommendations made by NSPE and similar professional groups in connection with the legislation.

As you know, the Williams-Javits bill is an omnibus reform measure which addresses itself to the lack of employee security in private plans. Briefly, the bill provides for the following:

(1) mandatory vesting to commence with a 30 percent nonforfeitable right to accrued pension benefits at the end of 8 years of service, increasing by 10 percent each year thereafter so that 100 percent vesting is achieved at the end of 15 years of service; workers age 45 or older are given vested benefit credit for service prior to enactment of the law.

(2) mandatory funding for pension plans so that unfunded benefit liabilities are amortized within 30 years.

(3) a mandatory program of plan termination insurance to protect workers against loss of pension benefits in the event the plan is prematurely cancelled prior to full funding of all benefit obligations.

(4) establishment of a voluntary program to facilitate the portability of vested pension credits.

(5) establishment of federal fiduciary standards and added public disclosure requirements to safeguard pension funds against mishandling.

(6) provision for judicial remedies to enforce the foregoing standards.

It is to be realized that while, as in the case of most workers a substantial number of professional engineers and scientists would benefit from the vesting provision of the Williams-Javits bill, the bill has been designed to deal with the pension problems encountered by the "average" employee and there are many professional scientists and engineers whose rate of job changes, particularly in aerospace and defense related industries, is so rapid that the vesting schedule in the bill is not sufficient for their needs. This forum, the engineering community in general, as well as other professional societies, are to be commended for recognizing and accepting the limitations imposed in trying to enact omnibus reform legislation. Quite clearly, if we attempt to legislate a form of drastic vesting protection, we would not, as a practical matter, be likely to enact reform legislation at all.

There are, however, supplementary initiatives that can and should be considered and sought by the professional groups. Some of these, such as greater protection for engineers and scientists working on government contracts, as well as accelerated study of improved methods to secure more adequate vesting for professionals, have already been endorsed by your organization. As you may know, I have been instrumental in amending S. 32, the National Science Policy and Priorities Act, to direct the appropriate revision of procurement regulations for more adequate pension protection. In addition, the Administration's proposal in the 92nd Congress to provide tax incentives for individual retirement savings plans, is an essential component to assist professional engineers to obtain more adequate coverage and protection. All these initiatives would have an important effect on providing a greater degree of retirement security to engineers and scientists.

But I hope that the engineering and scientific community will not rely exclusively on government action to attain its objectives, and that you will not sit around passively, waiting for something good to happen. Rather, I would hope and expect that you would mobilize your professional membership and exert the bargaining power that you have—which, after all, is based upon some of the finest brains in the world—to influence employers and others to provide the mechanisms that are necessary to assure the adequate retirement security of your members. I certainly would be pleased to assist in any appropriate way in helping to remove those obstacles which may presently exist in law that might frustrate the attainment of these goals, and I am sure that many Senators feel the same way.

There is a great momentum building behind the enactment of pension reform legislation and I believe that it is unquestionably true that in the 93rd Congress private pension legislation has come of age and commands the highest priority in the Congress. The enactment of the Williams-Javits bill will be a landmark achievement and a major breakthrough toward strengthening the private plans and eliminating many of the very serious injustices that have been found to exist and which jeopardize the continuing healthy existence of these programs. Once this breakthrough is achieved, we can build on it in a deliberate and intelligent fashion so that ultimately all workers can live out their retirement years with dignity, independence, and adequate income security. In pursuit of this objective, it is encouraging and valuable to have the strong support of the professional groups, such as NSPE, and with your help, we will succeed in putting comprehensive pension reform legislation on the U.S. statute books in the 93rd Congress.

MANAGED WATER RESOURCE PLANNING

Mr. HRUSKA. Mr. President, some time ago I had occasion to discuss the far-reaching proposals made by the National Water Commission in its draft report. That report calls for radical and sweeping changes in the Nation's water resource program virtually wiping out continued water resource development. The impact of such changes would be highly damaging to the economic and social well-being of much of the West.

At that time I was also privileged to offer the remarks of Mr. Dan S. Jones, Jr., president of the Nebraska Water Resources Association and a leading authority on natural resource allocation. He too was greatly concerned with the magnitude of change urged by the draft proposals. In recognizing that Nebraska's economy depends in large measure upon successful, well-planned water management, it was felt the loss of this tool would be a crippling blow.

Formal hearings for the draft report were held in Phoenix last month. Among those offering testimony was Mr. Cyril P. Shaughnessy, a representative of the Twin Loups Reclamation District in Nebraska. Mr. Shaughnessy is a friend of long standing as well as an experienced observer of the rural Nebraska scene—one who has seen the benefits that can result from controlled water resource allocation. It is with extreme pride that I offer his views to this Chamber.

In urging the continuation of programs offering water resource development assistance, Mr. Shaughnessy makes some important, first hand observations. He speaks of the many contributions made by the Sargent and Farwell Units, projects already in operation in central Nebraska. The economy of the whole area has stabilized as it has grown and prospered.

Mr. President, Mr. Shaughnessy offers evidence, concrete evidence of the importance of these projects. These are not theoretical assumptions, as those in the Water Commission report appear to be, but what has actually come about in actual field operations in my home State of Nebraska. These projects have left an indelible landmark. They provide a positive example of the achievements which can be attained by properly managed water resource planning.

Mr. President, I ask unanimous consent that the text of Mr. Shaughnessy's remarks be printed in the Record.

There being on objection, the statement was ordered to be printed in the Record, as follows:

Statement by Cyril P. Shaughnessy

Thank you, Mr. Chairman, and members of your Commission. My name is Cyril P. Shaughnessy. I am from St. Paul, Nebraska. I represent the District sponsoring the North Loup Division, namely, the Twin Loups Reclamation District and the Twin Loups Irrigation District, and the Cedar Rapids Division sponsored by the Cedar Valley Reclamation District.

With me at the table here today are Mr. Henry G. Lange, President of the Twin Loups Reclamation District, whose home is in Ord, Nebraska.

The proposed report of the National Water Commission is a massive document that contains dozens of assumptions and conclusions concerning past, present, and future uses and values of water development.

In addition to these assumptions, there are generalizations that from a national viewpoint may contain sufficient facts to attract attention, but from a local or regional standpoint will not and cannot withstand close scrutiny.

My comments are based on a belief that our nation has become great and strong and prosperous because the local or regional areas were great and strong and prosperous.

As a native Nebraskan and as an attorney in a small rural community, I have witnessed firsthand the good things that have happened in our area due primarily to the irigation development. Not only have the farm owners and tenants both participated in the sharing of the benefits, but our local towns and cities depend on the income derived from the business of supplying the needs of the irrigator and from processing and added production from the irrigated land.

The proposed report states that the development of water resources has a greatly diminishing impact on the economic development of a region. While there may be some truth to this in areas that have progressed from an agricultural setting to an urbanized area, it is certainly not true in a large area of the West, including the State of Nebraska. I would state categorically that development of water resources has been the greatest single factor in bringing social and economic stability to our local area.

We believe it is a recognized fact that there are many regions or areas of the United States and that these regions are developing at different rates and at different times.

In the 1950's and early 1960's, the Bureau of Reclamation developed the Sargent and Farwell Units in Central Nebraska. These Units are principally irrigation developments but have recreational values that far outstrip the original estimates. The production from the land irrigated by these units has contributed so greatly to the stability of the economy that we can now say we have a prosperous year-in and year-out agricultural economy.

Evidence of such stability of the economy is forceably demonstrated by a comparison of bank assets. We have two national banks in St. Paul. St. Paul is the trade center for a great number of the people residing in the Farwell Unit. These two banks had assets of just over seven million dollars in 1967. Today these assets are over sixteen million dollars. This is an increase of 110% in five years, all of which is a direct result of the prosperity brought to this community by irrigated agriculture.

Further proof of the value of the Farwell Unit to the entire community is available from a review of tax assessors' records.

The Sargent and the Farwell Units are operated by the Loup Basin Reclamation District, a district similar to the reclamation districts I presently represent. It is interesting to note that the values of the Loup Basin Reclamation District in Howard County, Nebraska has increased from $8,805,820.00 in 1968 to $15,261,145.00 in 1972, a gain of nearly $6,500,000.00 in values.

The valuation for the City of St. Paul, Nebraska in 1965 was $2,680,845.00. In 1972, it was $3,999,330.00. It can be noted that there has been an increase of valuation in excess of $1,318,000.00 in seven years, and that St. Paul has a population of only two thousand people. It is also an interesting observation in a further review of the tax assessors' records that in the Warsaw Precinct, a precinct in the midst of the Farwell Project, that livestock assessments have increased by 275 percent in the last 10 years. A precinct adjacent to the Warsaw Precinct, but which has little irrigated land shows an increase in livestock by only 28 percent in the same 10 year period.

This partnership whereby the Federal Government financed the resource development and the local participants repay a portion of the investment is a solid method of creating and retaining a strong economic block in a rural area.

In addition to the direct repayment by local persons, there are largely known but unmeasured amounts of tax revenue accruing to both the State and Federal Treasuries. These monies continue and increase each year as the farm operators and businessmen and their employees reap the benefits of the projects and continue to approach the family income of other Americans.

We in this area are hopeful of obtaining assistance to develop the North Loup and Cedar Rapids Divisions. These two projects are quite similar to those already built and would have beneficial effects on two more local regions. The benefits that are presently occurring in the form of an established prosperous agricultural economy could be extended to four more counties in Central Nebraska by development of these two projects.

It appears to us to be good business to utilize the resources at hand to help not only the local people but the Nation as well. With good fertile soil, unused water flowing nearby, and experienced farmers already living in the area, it appears to be proper to all concerned to try to keep these people where they are and could contribute most. There is no doubt that we can accomplish this through development of our water resources.

To purposely force these people to move to other areas through withholding of financial assistance where they would probably become less productive or even deterrents to someone else just doesn't appear to be good planning.

While we agree that looking at all facets of water resource development is a worthwhile effort, we do not agree that all of the findings are correct.

We believe a much more productive effort would be to study the value produced by water resource development compared to benefits to our citizens from other Federal expenditures. In this type of study, we are confident that water resource development would become a guiding light for other Federal projects.

We do not have the facilities to make sophisticated studies, but we are able to recognize progress in our local area. Our conclusion to this statement would be an unqualified vote to continue to improve rural America by continuing the program of water resource development assistance.

This concludes my statement. Mr. Henry Lange and I are available to answer questions to the best of our abilities.

RELATIONSHIP BETWEEN THE GOVERNMENT AND THE PRESS

Mr. SCHWEIKER. Mr. President, as a supporter of strong legislation to protect the confidential information and sources of the media, I would like to commend to my colleague's attention a thorough and thoughtful statement on this subject by the Senator from Illinois, Mr. Percy.

Senator Percy testified this morning before the Constitutional Rights Subcommittee of the Senate Judiciary Committee. He emphasized his strong concern over the independence of the press, and the serious dangers over the "chilling effect on the free flow of information in this Nation," that subpenas and other attempts to require revelation of confidential news sources and information could cause.

I ask unanimous consent that his testimony be printed at this point in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of Senator Charles H. Percy

(Before the Constitutional Rights Subcommittee, Washington, D.C., Feb. 27, 1973)

Mr. Chairman, I want to thank you for the opportunity to appear here today and express my thoughts on the important issue of the relationship between the government and the press.

It is a complex and delicate matter, but I feel confident that given the expertise of the Chairman and the members of this subcommittee, it can be resolved successfully.

First let me say that I am neither a sponsor nor a cosponsor of any legislation on this issue. Thus, I am not here to advocate one bill over another. I am here because as citizens, we all live under the protections of the Constitution, and especially the First Amendment's protection of freedom of the press. Because of the importance of the issue now before this subcommittee, I feel that it is the particular responsibility of those of us in government who hold public office to speak out. To be silent in this debate, to refuse to express our thoughts on these matters, would be a disservice to the public which we serve and to the Constitution which we have sworn to uphold.

A few weeks ago, during the Congressional recess, I had the opportunity to visit several Southeast Asian countries in which all news media are controlled by the government. Anyone from the United States who has visited a country without a free press very quickly senses the sterility of life and the suppression of virtually all public dialogue. It was disheartening and it made me all the more appreciative of the free and diverse media we have in this country.

In our country, when the government puts on its best face, the press is there to scratch away the make-up so that society can see things as they are. There is no other American institution that can fulfill that function. Of course, the press can scratch without regard for what is right and appropriate so that it distorts and disfigures even the unvarnished reality of things, but that is a danger we must tolerate. What would be intolerable would be for the press to become an arm of the state rather than an adversary.

The value of our press lies in its independence and I believe that the increasing number of subpoenas issued to members of the press endanger that independence.

It does so because it tends to make the press part of the investigatory apparatus of government. A government prosecutor who is unwilling or unable to find out what he needs to know to do his job, and who seeks easy information by forcing a newsman to disclose it, is making the press march to government music.

It is clear to me that once the public begins to regard the newspaper reporter with his notebook or the radio reporter with his tape recorder or the TV cameraman as a potential government agent—however unwilling—then the public will cease to accept and cooperate with the press.

Last June, as you well know Mr. Chairman, the Supreme Court ruled in *Branzburg* v. *Hayes* that the First Amendment does not give reporters the right to refuse to appear before grand juries. As a consequence, newsmen who are subpoenaed must either testify or be willing to go to jail for contempt. This is not the type of protection of the freedom of the press that I feel that the Founding Fathers had in mind.

Fortunately, the Court also invited the Congress to enact shield legislation that would protect newsmen from subpoenas, and that is why we are here today.

The first question which we must address is whether there is a need for any Congressional action at all on this matter. It seems to me—and evidently most of the witnesses who have appeared before this subcommittee agree—that the initiative indeed rests with Congress. If Congress does not act, then nothing will be done.

I am aware of the fact that the Attorney General has issued guidelines which reflect a policy on the part of the Justice Department not to issue subpoenas to newsmen unless it is absolutely necessary. But, governmental guidelines are not the type of protection which make newsmen or their sources feel secure. In fact, I have a feeling that governmental guidelines such as those issued by the Justice Department would have made our Founding Fathers a bit uneasy. After all, our whole system of government is based on a healthy skepticism of governmental promises. If the Founding Fathers had trusted the government they created to the degree that we are now being asked to trust the government, then we would have had little need for the Bill of Rights. The plain fact is that those guidelines could be repealed tomorrow morning, or by the next Attorney General, for any one of several inadequate reasons.

Even with guidelines, subpoenas have been issued, newsmen have been asked to disclose their sources or produce unpublished information, and newsmen have gone to jail rather than yield to these demands. This has occurred in state courts as well as federal courts; at the urging of the government and at the urging of defendants. We are talking about a very real problem which has already had a "chilling effect" on the free flow of information in this nation and it could get worse.

We should keep in mind that the action which the Congress is being urged to take is not radical at all. In fact, the protection which the legislation we are discussing would provide in no more than what many scholars thought the First Amendment already provided, until the Supreme Court told us otherwise.

The second question I want to discuss concerns whom we are to protect. Certainly we agree that professional newsmen should be given this privilege. Reporters for daily newspapers are unquestionably "newsmen." But what about the reporter for the underground newspaper or the college newspaper? What about the pamphleteer who works out of a one-room shop and turns out two pages of printed copy that he hawks on the street corner? Are they to be considered newsmen? Are they performing a function which the Founding Fathers wanted to protect? Or do we want to limit this protection to the elite of the press, those who have lunch at the National Press Club?

I note that some of the bills before this subcommittee limit the protection to those newsmen who seem to have achieved success in their profession, those whose principal vocation is the news business.

If we were to accept a definition of this nature, we would necessarily have to exclude all of those part-time journalists who decided they needed to bring something to the attention of the public only occasionally. We would have to make value judgments as to whom we thought was worthy enough to have this privilege. The government would then be placed in a position of deciding whom it wanted to protect, and conversely, whom it wanted to leave unprotected. After much consideration, I do not favor such limitations, because they tend to protect only one elite group of reporters, one which is very hard to precisely define and is much to limited in scope.

Benjamin Franklin, Thomas Paine and a host of others who are a treasured part of our national heritage did not have their first job with the 18th Century equivalent of *the New York Times* or NBC. Yet they are the type of people we would exclude if we were to define "newsman" too narrowly. If requirements of time-spent or money-earned are established by legislation, aren't we really saying to aspiring reporters that *first* you have to show us that people are going to accept what you write, that you are good enough to make a living from your reporting, and then—and only then—will we give you this privilege?

Should we exclude from protection the law professor who writes only one article a year for a limited audience? Is not what he has to say at least as important and worthy of protection as what appears daily in the gossip columns?

Mr. Chairman, it seems to me that we have to consider what is at the heart of the First Amendment. The reason we want to keep the press free is to enable the public to get as much information as possible from sources other than the heavily staffed and well funded public relations departments of government agencies and bureaus or a group of journalists who are accepted by the establishment. To my way of thinking, the First Amendment also should protect those who tend to get under the skin of the government, who make the government nervous, and it is precisely those people that a bill with limitations on the definition of "newsman" would exclude from protection.

For these reasons I suggest that this subcommittee adopt language which extends the protection to any person who collects information for the purpose of disseminating it to the public. As an essential part of this approach, the legislation should state the Congressional intent very specifically. It is ideas, information, and the dissemination of both that we want to protect. Anyone who is disseminating either of these to the public should have the benefit of a testimonial privilege. In those marginal cases in which someone might claim the privilege but would not fall within our intent, a court could make a decision on an ad hoc basis. In this way, we would be keeping the protection as broad as our intent, without sacrificing some who might not fit under any strict definition.

The next question which must be addressed is whether or not the privilege should be absolute or qualified. I like the distinction made by Senator Weicker between investigative bodies and courts because it helps to focus our discussion. I don't believe that grand juries or congressional committees should be able to subpoena newsmen on the off-chance that they may know something about a particular crime. The term "fishing expedition" has become a cliche because investigative bodies have used this procedure so often. In my opinion, it is investigative bodies who are most likely to abuse their powers at the expense of others. I have concluded that, to insure the greatest protection to the greatest number, an absolute privilege should be given to newsmen with regard to any investigative board, agency or committee.

The more difficult question is whether to allow this privilege to remain absolute before a court. I do not say this is more difficult because a government prosecutor might be hampered in his investigation. Assuming that he has a competent staff of attorneys and investigators, he should have no serious problems. The question of an absolute privilege before a criminal court concerns me principally because of the potential problems it could mean for the accused individual in a criminal case. It raises the possibility, however remote, that a man who is innocent might not be able to compel favorable testimony from a newsman which might be essential to proving his innocence.

It is in cases such as this that two very important and two very basic rights come into conflict. The First Amendment guarantees a free press. The Sixth Amendment guarantees the right of an accused "to have compulsory process for obtaining witnesses in his favor." Does the gravity and the importance of the First Amendment's protection completely negate the Sixth Amendment's protection in those cases where they conflict?

Mr. Chairman, I have struggled with this question, as I know you and the other members of the subcommittee have. Whereas you have indicated your preference for a qualified privilege, I must respectfully disagree. It does not seem to me to be practically possible to draft any legislation which provides adequately for qualifications and which, at the same time, does not set itself up for potential abuse. The difference between a qualification and a loophole is, I would suggest, very small and very vulnerable.

For example, I think that Senator Cranston made a good point when he noted that forcing reporters to testify in cases where there exists an "imminent danger of threat to human life" could result in forced testimony by a reporter investigating diseased meat, or defective automobiles or almost any other product safety issue that could be construed to involve a threat to human life.

I think the danger of such loopholes developing also applies to libel cases, as Senator Mondale and Brit Hume have argued convincingly.

Indeed, it is not mere idle speculation that leads us to worry about qualifications becoming loopholes, for we have some actual experience in the matter. Professor Benno C. Schmidt, Jr. of Columbia Law School has testified before a House subcommittee that in the 19 states that have shield laws "judges have proved zealously adept at finding loopholes which allow reporters to be held in contempt."

What we seem to fear are situations in which a reporter's notes or out-takes may be the only evidence which can prove an individual did or did not commit a crime. But this argument seems to presume that in such a case, the reporter would refuse to come forward with the necessary evidence. This is an assumption I cannot accept.

It is also an assumption unwarranted by actual experience, for, in the states that have shield laws, there is no reported instance of which I am aware in which a miscarriage of justice resulted from a reporter having crucial information which he refused to provide voluntarily.

By giving newsmen a testimonial privilege, we do not imply that their civic and moral obligations have ceased, any more than we do when we grant such privileges to attorneys, doctors or priests. If a case should arise in which the only hope of the defendant's not being convicted of a serious crime lies in making a reporter divulge his source or unused information—a situation which itself is highly improbable—I cannot believe that a reporter would refuse to cooperate with the defendant. Yet this type of extreme case is the type that seems to have us most worried, even though, as far as I know, no one has ever shown us that this has, in fact, ever happened.

Another question which I want to deal with just briefly is that of whether both sources and unpublished information, notes and outtakes, should fall within the protection of the privilege which I have suggested. I don't see any good reason for not treating both sources and unused information in the same fashion. In the absence of protection for unpublished or unbroadcast information, government officials would be free to peruse reporter's unpublished notes or unused tape recordings and film-material, actions which might jeopardize the sources themselves. And it would inevitably lead to our condoning the unfortunate present practice of government's second-guessing the choice of material used in stories or broadcasts. Thus I favor protecting both sources and unpublished or unbroadcast information.

Mr. Chairman, the final point I wish to discuss is the question of whether or not we should pass a preemptive law—one that would apply to states as well as to the federal government. Again, I know that certain issues of federalism are understandably raised in the minds of many people on this matter. In my mind this is put to rest by the fact that we are trying to buttress the protection afforded by the First Amendment. That is a right that applies regardless of political boundaries. And from a practical standpoint, news flows with commerce across state lines. The right of the public to be fully informed should not hinge on whether a particular state legislature has enacted appropriate legislation. This is a right which must be protected by the Congress.

It seems to me that it would be very detrimental to the day-to-day functioning of a free press to tell a reporter who lives in an area in which he frequently crosses state lines that the way he gathers his news depends upon the state in which he happens to be working. For instance, consider a situation in which a reporter for the New York Times, himself a resident of Connecticut, was covering a story about a government agency located in Washington. Assume that he interviewed an employee of that agency who happened to be a resident of Virginia, and that the interview itself took place in Maryland. And, finally, assume that the laws of New York, Connecticut, Washington, Maryland, Virginia and the federal government differed in regard to the protection accorded newsmen and their sources. Now ask this question: Would our attempts here to safeguard the right of the public to know be of any practical value if all we had done was complicate the situation? Do we want our newsmen to carry with them copies of the applicable state statutes as they go about their business? Is it fair to require potential sources to be aware of the different laws on this matter, depending on whether they tell their story on the east or the west bank of the Potomac River?

Mr. Chairman, very simply, if the privilege does not apply everywhere in this country, then it cannot apply effectively anywhere. There is no doubt in my mind but that the law we enact should be preemptive.

Mr. Chairman, the issue of newsmen's privilege is a very difficult one which is fraught with many fine distinctions. I have considered these issues at some length. I feel that it is my responsibility to share with this subcommittee some of my thoughts on this admittedly difficult question and to outline the type of bill that I think this Congress needs to pass. If my time this morning has helped just to deepen the debate which is now taking place over this issue, then I think that my time has been well spent.

The threats to a free and vigorous press are very real. Having seen the effects of an intimidated and government controlled press at first hand recently, I feel a special sense of urgency in testifying on this matter this morning. For I have no doubt but that this country needs an active, probing, enquiring, inquisitive press that never waivers or hesitates because of implicit or explicit government intimidation. That is why Congress must act decisively to give reporters the legal protection that will allow them to operate as freely as possible.

Thank you.

COMMODITY TRADE: SOME UNANSWERED QUESTIONS

Mr. CLARK. Mr. President, like the stock market, the commodity market has an enormous impact on the economy of this country. The contracts in commodity futures, bought and sold every day at 20 commodity exchanges across the country, have a direct impact on the cost of wheat, corn, soybeans, eggs and other commodities on the supermarket shelf. The market has a definite effect on the price of our food—what the farmer receives for his product and what the consumer pays for it at the other end of the process.

Without the commodity exchanges, the prices of our most basic foods would fluctuate wildly, dropping at harvest and soaring during shortages. The commodity trade is essential to the orderly marketing of food. But since the exchanges came into being more than 100 years ago, they have been open to much criticism—becanse of the potential for fraud and deception and conflict of interest, because of individuals who have attempted to "fix" the market for their own greed.

In 1903, Frank Norris wrote a book about the commodity trade, called The Pit. One passage, in particular, sums up the importance of the commodity exchange and explains how the process itself can sometimes work against the public interest. The setting is Chicago, the board of trade on La Salle Street—Cressler, a grain dealer, is talking about speculation:

"They call it buying and selling down there in La Salle Street. But it is simply betting. Betting on the condition of the market weeks, even months, in advance. You bet wheat goes up. I bet it goes down. Those fellows in the Pit don't own the wheat; never even see it. Wouldn't know what to do with it if they had it.

They don't care in the least about the grain. But there are thousands upon thousands of farmers out here in Iowa and Kansas or Dakota who do, and hundreds of thousands or poor devils in Europe who care even more than the farmer. I mean the fellows who raise the grain, and the other fellows who eat it. It's life or death for either of them. And right between these two comes the Chicago speculator, who raises or lowers the price out of all reason, for the benefit of his pocket. You see Laura, here is what I mean." Cressler had suddenly become very earnest. Absorbed, interested, Laura listened intently. "Here is what I mean," pursued Cressler. "It's like this: If we send the price of wheat down too far, the farmer suffers, the fellow who raises it; if we send it up too far, the poor man in Europe suffers, the fellow who eats it. And food to the peasant on the continent is bread—not meat or potatoes, as it is with us. The only way to do so that neither the American farmer not the European peasant suffers, is to keep wheat at an average, legitimate value. The moment you inflate or depress that, somebody suffers right away. And that is just what these gamblers are doing all the time, booming it up or booming it down. Think of it, the food of hundreds and hundreds of thousands of people just at the mercy of a few men down there on the Board of Trade. They make the price. They say just how much the peasant shall pay for his loaf of bread. If he can't pay the price he simply starves. And as for the farmer, why it's ludicrous. If I build a house and offer it for sale, I put my own price on it, and if the price offered don't suit me I don't sell. But if I go out here in Iowa and raise a crop of wheat, I've got to sell it, whether I want to or not, at the figure named by some fellows in Chicago. And to make themselves rich, they make me sell it at a price that bankrupts me."

To regulate trading practices, to insure that there is no fraud, to make certain that no one "corners" the market at the expense of the farmer or the consumer, Congress established the Commodity Exchange Authority in 1936. In relation to the commodity exchanges, the CEA might seem analogous to the Securities and Exchange Commission and its relation to the stock market. But it is not. The CEA has neither the authority nor the vigilance of the SEC, and the trading practices on the commodity exchanges can sometimes reflect this lack of regulation.

The CEA apparently prefers to leave the regulation to the boards of trade themselves, made up of members of the commodity exchanges who are supposed to discipline their own colleagues. The result of that self-discipline can leave much to be desired. It is as if one person were suspect, policeman, and judge in a single judicial proceeding.

In 1965, after a number of questions were raised about the CEA's effectiveness, the General Accounting Office did a thorough study of the Agency. It found that much could be done to improve the Agency and, in turn, the commodity trade itself. There is evidence now that those GAO recommendations have not been followed. I have asked the Comptroller General to make another study to find out if the CEA is doing its job of regulating commodity trade and, if not, what can be done to correct it.

This is not merely a "farm" problem. The trade in commodity futures is a $200 billion a year business which affects each of us. I think it deserves the attention of my colleagues, and I ask unanimous consent to insert in the Record an excellent series of articles on the CEA and the commodity trade which have appeared in the Des Moines Register. I also have attached a copy of my letter to the Comptroller General and articles on the same subject from the Washington Post and the Wall Street Journal:

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Des Moines Register, Feb. 18, 1973]

LAX COMMODITY REGULATION—FEW CONTROLS FOR PUBLIC IN FUTURES MART—RIGGED MARKET CAN HURT CONSUMER—I

(By Clark Mollenhoff, James Risser, and George Anthan)

WASHINGTON, D.C.—The $200-billion-a-year commodity futures market is booming along with virtually no controls to protect millions of small traders and the consuming public, which eventually buys the foodstuffs traded there.

The U.S. Commodity Exchange Authority (CEA)—the federal agency charged by law with responsibility for regulating the market—has, in part, turned this task over to the professional traders themselves, who operate in a club-like atmosphere at the various exchanges.

There are strong indications rigged markets in wheat, eggs and meats have cost the public, the small commodity-traders and farmers millions of dollars.

For example, commodities industry officials themselves agree that a recent suspected manipulation of the egg futures market artificially boosted the price of eggs on supermarket shelves.

At the same time, there is little evidence that those responsible for market manipulations and other serious abuses have received much more than a slap on the wrist.

Seven years ago, following a major commodities scandal, the General Accounting Office (GAO) conducted a thorough study of the CEA's regulatory activities and termed them "inadequate."

The prestigious congressional watchdog agency issued a set of strongly worded recommendations to the CEA—moves designed to insure that the public, from the casual trader trying to make a few dollars purchasing commodity futures to the housewife doing her weekly grocery shopping, is adequately protected.

REGISTER PROBE

Now, a Des Moines Register investigation shows that the CEA, a U.S. Department of Agriculture agency, has paid little or no attention to the recommendations of the GAO auditors.

In fact, the level of CEA regulation of the market has declined during the seven years, even as the volume of commodity trading has soared to record levels.

As a result, the operation of these markets is open to serious abuse, including price manipulations and other collusive and deceptive practices by those who specialize in buying and selling at the commodity exchanges.

The CEA itself acknowledges that "if trading on commodity exchanges is not conducted according to equitable rules constantly enforced, unfair practices may distort or depress farm prices, open the way to price manipulations and make it possible for avaricious dealers to 'corner' certain markets and exploit them to their profit."

The frantic excitement of the floor trading at the 20 commodity exchanges in Chicago, Ill., Kansas City, Mo., New York, N.Y., and other cities is a sharp contrast to the serene atmosphere in the office here of Alex C. Caldwell, the CEA administrator, who contends somewhat complacently that the small traders and the public are being adequately safeguarded.

On the one hand, Caldwell frankly admits a lack of manpower to police the rapidly expanding commodity markets that have become, in a sense, the biggest legal gambling game in the nation—and probably in the world.

NO REQUESTS

At the same time, the quiet administrator admits he has refused to ask Congress for more resources to meet the criticisms leveled in the GAO's indictment of his agency.

The 57-year-old Caldwell has held his job since 1960 and has, over the years, had the authority to act against frauds and to advise Congress of the inadequacies of his personnel and of the regulatory law itself.

TYPICAL REPORT

But his report to Congress last year was typical. While admitting to the House Agriculture Appropriations Subcommitee that the CEA workload, customer complaints and evidence of serious violations were rapidly increasing and were "a matter of concern," he asked Congress for no help. In fact, he noted that with 175 authorized employes scattered across the country he was operating with 22 fewer authorized employes than two years earlier.

While Caldwell speaks of his confidence that he and his CEA staff are doing the best they can to regulate the commodity futures market, some veterans of many years in active trading at commodity exchanges contend the CEA concentrates largely on minor offenders who lack influence and whose transgressions are relatively easy to detect.

And some honest-minded commodities insiders who have questioned the way the CEA and the government-sanctioned industry-policing system operate have found themselves subject to reprisals by their colleagues in "star chamber" proceedings. There they are barred from being represented by a lawyer or subpoenaing witnesses or documents they believe necessary to prove their case.

These are the major elements in a longstanding situation which has, for the most part, escaped public attention because of the close ties between the regulators and the regulated, and because of the exceedingly complicated nature of commodity futures.

Only recently have a few victims begun to strike back by filing lawsuits demanding repayment of money they have lost in alleged price-manipulation schemes.

Others have attempted to break the monopoly that exchange members hold over fees they receive from the public for buying and selling futures contracts.

The CEA dates back to 1936, when Congress passed the Commodity Exchange Act in an effort to strengthen government regulation over future trading on agricultural products.

FUTURES TRADING

Futures trading involves the sale and purchase of contracts to deliver farm products at some time in the future. Without such trading, prices for farm products could be expected to drop disastrously at harvest times when supplies are great, and rise to astronomical levels when harvest stocks are depleted and supplies are short.

Trading begins when a farmer offers his product for sale, with delivery to come at some future date. He wants to receive the highest price possible. At the other end is the consumer who wants to pay the lowest price possible.

TRADED OFTEN

Contracts to purchase the farmer's product are entered into not just once. They are traded back and forth many times at the commodity exchanges by speculators who constantly appraise the going prices for the farmer's goods and other market influences. When a speculator believes the price of, say, wheat will rise, he buys contracts to receive delivery of wheat in some future month. If the price does, in fact, rise, he can later sell his futures contract at a handsome profit.

On the other hand, if the speculator believes the price of wheat will fall, he will try to sell contracts to deliver future wheat at today's prices.

Ninety-nine times out of a 100, statistics show, the buyer of a futures contract does not receive, nor does the seller deliver, the actual commodity. Most of the transactions are paper ones in which much money—but little produce—is involved. Much of the buying and selling is the result of traders "speculating," or entering into "hedging" contracts to protect their positions on other contracts, or engaging in "spreading" or "straddling" contracts, or a variety of other transactions whose terminology bewilders those not initiated into the complex fraternity of the big commodity traders.

Despite the complex nature of the commodities markets, a rapidly increasing number of small investors are, as one industry analyst put it, "stumbling pell-mell into this thing."

In 1967, for example, there were 9 million "contracts" traded at the nation's 20 commodity exchanges. By 1972 this had nearly doubled to a total of 17.8 million trades. And the number is increasing at about 20 per cent a year.

Commodities traded on the exchanges include corn, wheat, soybeans, cotton, shell eggs, cattle, pork bellies (uncured bacon) and a host of other products.

Hundreds of millions of dollars in futures contracts are entered into each day in the noisy trading pits on the floors of the Chicago Board of Trade, the Chicago Mercantile Exchange, the Kansas City Board of Trade and elsewhere.

Floor traders and brokers shout back and forth in a frantic effort to execute buy and sell orders from their customers, or even to pick up a quick profit for themselves.

EXCHANGE PROBLEMS

Problems can arise at the exchanges when a big trader, or a group of traders, attempts to artificially affect the price of a commodity by buying large quantities in an attempt to drive prices up, or by large-scale selling to drive prices down. It is in such circumstances that an effort to achieve a "corner" or "squeeze" on the market may develop—practices which are illegal and which may or may not be detected by the CEA.

The close ties between the CEA, representing the public, and the commodity markets, representing the brokers and traders, was illustrated recently in Kansas City.

The CEA learned of allegations that a group of prominent grain traders on the Kansas City Board of Trade had rigged the wheat futures market there in an attempt to drive up the government's wheat export subsidy at the time of last year's huge and unprecedented wheat sales to the Soviet Union.

Such an action, if successful, could result in substantial benefits to large grain exporting firms which receive the subsidies.

Caldwell acknowledged the CEA turned the information on alleged rigging over to the Kansas City Board of Trade. It reported, after an inquiry, that there was "no basis for complaint."

The board and its investigating committees are made up of the commodity traders. Because the case could involve influential members of the board of trade, Caldwell agreed the CEA's action, in effect, may have amounted to a request that possible wrongdoers investigate themselves.

He emphasized, however, that the CEA is continuing its own investigation in the case.

MAJOR PROBLEMS

CEA administrator Caldwell's first major problem in policing the burgeoning industry came in 1964 with the exposure of Tino Deangelis's spectacular scheme to corner the soybean oil and cottonseed oil marekts.

Deangelis also had obtained millions of dollars in loans, using non-existent stocks of salad oils as collateral.

A Senate investigating committee that probed the case concluded the schemes had been made possible in part by a reluctance of the CEA to fully investigate the trade practices of Deangelis and others engaged in salad oil futures trading.

Even now, Caldwell contends the CEA could not have prevented the $150 million Deangelis swindle that affected more than 50 of the most respected banks, brokerage houses and trading companies in the U.S.

But the Register has learned the Agriculture Department's inspector general later issued a report criticizing CEA's handling of the case. The report has never been made public and Caldwell refused a request for a copy. Neither would he talk about its contents.

Inspector General Nathaniel Kossack said he would not produce a copy of the report because the Agriculture Department takes the position his reports are internal advisories to agency heads and exempt from mandatory disclosure under the Freedom of Information Act. But he said there is legally nothing to prevent Caldwell from releasing or discussing the report.

It was the Deangelis case that prompted the inevstigation by the GAO. In July, 1965, the inevstigators blasted the CEA for not doing an adequate job of ferreting out abuses in futures trading which then totaled $60 billion a year.

Today, the volume of trading is more than three times what it was in 1965.

But by any standard of relative measurement, the CEA actually has fallen behind in the seven years since the GAO recommended tougher enforcement. And while there have been some meager additions to the CEA staff in the intervening years, the agency has been virtually submerged by the growth of the industry it regulates and by the added responsibilities Congress has given it.

In 1971, for example, the CEA had to process some 676,000 reports filed by trading companies—nearly 3,000 each market day.

Because the CEA has done little to correct its faults since the GAO issued its report, the findings of the GAO study are important in assessing CEA activities today.

STILL NO PROBE

The GAO found that CEA was not making a sufficient number of over-all investigations of the major regulated commodities—a study of the sale of soybean oil futures, for example, to uncover abusive trading practices. At that time, the CEA had never investigated the soybean, soybean oil and soybean meal futures which then had a total annual traded volume of $26.5 billion.

There still has not been an overall investigation to see if soybean trading is being operated honestly, because, Caldwell says, "It would tie up our whole staff for a year."

The GAO reported, also, that in rare cases where the CEA did an over-all market investigation, it generally found abusive trading practices such as cheating of customers, filing of false reports and false transactions by traders.

In these cases, complaints usually were issued. However, the CEA then failed to perform follow-up investigations to determine whether the abuses had been corrected, the report said.

The GAO decided to conduct its own market investigation at one major exchange and during a three-month period turned up 47 cases of "questionable trading practices" in the sale of wheat and flaxseed futures.

Informed of these findings, the CEA investigated and found fictitious and non-competitive sales to have occurred. A commission merchant firm was put on probation and two of its officials were denied trading privileges at the exchange for 20 and 30 days.

Caldwell then as now, insisted his agency could not conduct comprehensive market probes with the manpower it had. But the GAO firmly rejected this argument, stating that the regulatory agency "can not limit its responsibility to properly police trade practices on contract markets merely because additional manpower and funds may have to be requested and obtained for this purpose."

Caldwell pleaded in 1965 that he could not do a useful trade-practice investigation unless he could take the time to study the thousands of trading transactions involving a particular commodity for an entire week.

Again the GAO disagreed, noting that a CEA study of only part of the transactions during a single day's trading in wheat futures had turned up violations that resulted in filing of complaints against 11 persons.

LIMITED STUDIES

Now, Caldwell says the CEA has decided to abandon the over-all trade-practice investigations in favor of some limited probes of trading by individual firms. Even one market-wide investigation, said Caldwell, would "overwhelm" his agency in the current era of high-volume commodity trading.

The GAO also reported in 1965 that the CEA did not review, on a periodic basis, the records of the commodity exchanges and thus had no way of knowing whether the exchanges were enforcing their own rules designed to prevent illegal and unethical practices by exchange members.

This "failure" by the CEA to inspect records and check on the adequacy of punishment of violators by the exchanges, said the GAO, "reduced the effectiveness of CEA's administration and enforcement of the provisions of the (Commodity Exchange) Act."

Caldwell, in two interviews, expressed little concern about the exchanges' handling of these matters, saying he is "all for self-policing" by the exchanges.

One of the most serious shortcomings of the CEA, according to the congressional agency, was its failure to evaluate the effect on futures prices of "floor trading," where a trader on a commodity exchange is permitted to buy and sell not only for his customers, but for himself.

"SPECIAL ADVANTAGES"

The GAO pointed out that professional floor traders, because of their special knowledge and constant presence in the exchange, "enjoy special advantages" over the rest of the trading public. The agency said this opens the door for such abuses as the floor trader obtaining more favorable deals for himself than for his customers.

Thus, said the GAO, the CEA should investigate floor trading to see whether the practice should be curtailed as the Securities and Exchange Commission has done with regard to brokers at the regulated stock exchanges.

CEA chief Caldwell admits "floor trading" could result in serious conflicts of interest, where the trader might substitute his own unprofitable trades for a customer's profitable ones. He also admits the CEA has done little to regulate this activity.

But Caldwell said he considers any such investigation "low priority." He has consistently refused to ask Congress for funds to carry out such studies.

DISPUTES CALDWELL

Caldwell's lack of concern about the problem was disputed by a Chicago lawyer who for 20 years was a trader on the floor of the Chicago Mercantile Exchange. He said of the floor traders:

"If a fellow handles a customer's orders—say you wanted me to buy some (hog) bellies for you—I should not be allowed to trade for myself. All sorts of things can happen. You lay yourself open to all sorts of hanky-panky."

And William Phelan, who heads the Mercantile Exchange's 15-member investigations staff, acknowledged: "There's an unbelievable temptation, if the trader sees that his own account shows a loss and the customer's account shows a profit."

The Job They Perform

WASHINGTON, D.C.—The nation's commodity exchanges—where future crops of grain are traded, where young cattle and hogs still on the farm are bought and sold, and where fortunes can be won or lost in an instant—are a complex outgrowth of the need to provide a place for the orderly marketing of agricultural products.

Until the development of the commodities markets in the mid-1800s, trading in grains, particularly, was chaotic, as corn, wheat and oats would pour into Chicago, Ill., at harvest time. This created a glut, resulting in low prices for farmers and the dumping of bargeloads of grain into Lake Michigan.

At other times of year, the situation was the opposite. Grain stocks were depleted, and demand drove prices skyhigh.

Today, the main business at the 20 commodity exchanges in the U.S. is the trading of "commodity futures"—contracts for the sale and purchase of future farm products. Selling crops and livestock in advance, at definite prices, helps stabilize prices and provides a more even flow of products to market.

Commodity exchanges often go by the name of "Board of Trade" or "Mercantile Exchange." They are located in Chicago, Kansas City, Mo., New York, N.Y., Minneapolis, Minn., and a number of other key shipping and port cities.

The futures trading is conducted in trading "pits" on the floors of the exchanges, by commodity brokers and floor traders who have purchased a membership at the exchange. They buy and sell commodity futures contracts for their customers, ranging from giant grain companies down to the ordinary smalltime investor, or for themselves. When acting for customers, they are paid commissions for their services.

The exchanges operate under a two-part system of regulation—the federal Commodity Exchange Act passed by Congress in 1936, and the exchanges' own rules and regulations.

The Commodity Exchange Act, an outgrowth of the earlier Grain Future Act of 1922, is administered by the Commodity Exchange Authority, an agency of the U.S. Department of Agriculture. The CEA has headquarters in Washington, D.C., and regional offices at major exchange cities. Alex C. Caldwell has been administrator of CEA for the past 13 years.

Purpose of the Commodity Exchange Act, said Congress at the time of its passage, "is to insure fair practice and honest dealing on the commodity exchanges and to provide a measure of control over those forms of speculative activity which too often demoralize the markets to the injury of producers and consumers and the exchanges themselves."

A prime responsibility of the CEA is to enforce the act and to guard against price manipulation and other illegal market activities in which a trader or group of traders tries to unlawfully "corner" or "squeeze" the market in a particular commodity and thereby influence the price in their favor.

The line between such lawful trading practices as "hedging," "spreading," and "straddling" and unlawful manipulation is not always a distinct one. It poses problems for government regulators and the courts.

The CEA also has responsibility under the act for designating exchanges as lawful contract markets where futures trading may be carried on, for registering commodity brokerage firms and floor traders, for setting minimum financial requirements for the trading houses, for protecting customers' funds through surprise audits and other means, and for dealing with violators through negotiation, administrative complaint or criminal prosecution. Penalties may include cease-and-desist orders, temporary or permanent loss of trading privileges, fines or prison sentences.

The volume of futures trading regulated by the CEA has grown steadily. Fifteen million or more futures contracts are expected to be transacted this year with a total value of $200 billion—triple the figure of just seven years ago.

In the same period of time, the size of the CEA staff has remained esssentially the same, with the exception of the addition of a few employes when Congress gave the agency more responsibilities in 1968.

The General Accounting Office, which found in 1965 that the CEA was doing an inadequate job of regulation, recommended that Caldwell seek more funds and personnel—an unusual recommendation from the cost-conscious congressional watchdog agency.

The CEA operates on an annual budget of $2.9 million, and has about 170 employes. It must audit the activities of some 275 registered brokerage firms and about 1,300 floor brokers.

Ten-Cent Rise in Eggs Tied to "Rigging"—Futures Market Incident Told—II

(By George Anthan and James Risser)

CHICAGO, ILL.—An alleged price rigging of the egg futures market in Chicago in 1970 continued undetected for nearly a year and boosted the supermarket price of eggs by as much as 10 cents a dozen, The Register has learned.

In another price manipulation case—this one involving a giant grain company's unlawful control of the wheat market in 1963—the firm got off without any penalty other than a meaningless probation period.

MANIPULATION POTENTIAL

The two incidents illustrate the enormous potential for manipulation and other frauds in the nation's commodity markets, and the fact that the U.S. Commodity Exchange Authority (CEA) often moves slowly and timidly against violators.

The federal law governing the commodity markets, as well as the publications of the CEA, stress that future trading is particularly "susceptible to speculation, manipulation and control."

Attempts by individuals or a group of conspirators to artifically raise or depress the price of foodstuffs traded on the exchanges will, if allowed to go unchecked, be "detrimental to the producer (farmer) or the consumer and the persons handling commodities," the law warns.

Yet a former high official of the Chicago Mercantile Exchange estimates privately that for every price manipulation case prosecuted by the CEA, eight or nine other price riggings go undiscovered.

When the CEA does move in, it does so slowly. A Chicago lawyer familiar with the inside workings of the commodity markets said, "A regulatory agency like the CEA should be able to move with lightning speed. But they drag the cases out and then impose relatively meaningless punishment."

DEFEND REGULATION

CEA and trading industry officials defended the level of government regulation in interviews with The Register, but they could provide no firm assurance that most price manipulations are detected.

The General Accounting Office (GAO) more than seven years ago sharply criticized the CEA for lack of adequate regulation, saying in a 1965 report that the number of investigations conducted by the agency was "not sufficient to disclose and discourage abusive trading practices." The GAO, noting the growing size of the commodity markets, recommended a major step-up in regulatory activity, not necessarily to detect and stop every attempted manipulation but to provide at least a higher level of deterrence.

Ironically, the number of market manipulations alleged by the CEA has declined during a period of time in which commodity-futures trading has quadrupled in volume.

In the 1950s, the CEA filed 14 complaints charging traders with price-rigging. But in the 1960s, under the new leadership of CEA Administrator Alex C. Caldwell, only six such cases were filed.

The former mercantile exchange official who contends price-riggings are not caught said the CEA office in Chicago "has only two or three people who really understand what's going on and what's involved in commodity trading. The CEA staff is good on bookkeeping things, like the proper segregation of customers funds from the funds of the brokerage houses, but they are deficient on stopping manipulation."

CRUCIAL OPERATION

The Chicago operation of the CEA is particularly crucial because 80 per cent of all commodity futures trading takes place at the Chicago Board of Trade and the Chicago Mercantile Exchange.

It was in Chicago that the egg and wheat manipulation cases arose.

In May 1970, a group of people who had invested in the commodity market filed suit in U.S. District Court in Chicago against the mercantile exchange, charging they had lost money because of a manipulation of the March, 1970, egg futures market.

They alleged that a group of unknown conspirators had forced them to sell, at artificially depressed prices, contracts they held for the purchase of eggs. The exchange officials, in an effort to stop the suspected manipulation, actually contributed to the plaintiff's losses by giving advance notice to officials of big brokerage houses who served on the exchange's business conduct committee, the complaint alleged.

The lawsuit asks for damages of $2 million, claiming that is the actual loss suffered by the plaintiffs and others who were hurt by the scheme.

In October, 1970, another civil suit was filed by a different group of egg producers and commodity traders, alleging a price manipulation of the September, 1970, egg futures market.

The second case charged the plaintiffs had lost $835,000 because Tyson Foods, Inc., of Springdale, Ark., and other defendants—including some major brokerage houses—took part in an illegal plan to maintain "a false fraudulent and inflated price in egg futures."

BOUGHT CONTRACTS

The defendants bought up hundreds of contracts in egg futures (a contract equals 22,500 dozen) and drove the wholesale price of eggs up to a season's high of 48 cents a dozen, forcing the plaintiffs to pay artificially high prices in order to fulfill their own contracts to sell eggs, the suit charged.

Despite the warning signals raised by the two private lawsuits, it was two years later—October, 1972—before the CEA filed a complaint against Tyson Foods and others, charging them with manipulation of the 1970 egg futures market.

The allegations of that government complaint are substantially the same as in the second civil suit filed two years before.

Private lawyers involved in the cases said CEA investigators did not find out about the case on their own, but got most of their information from the filing of the private suits.

CEA administrator Caldwell says, however, that his Chicago staff was into the case as early as September, 1970, checking on complaints of an egg market "squeeze," through its "regular surveillance process." But CEA referred the situation to officials of the Chicago Mercantile Exchange and took no further action for two years.

This was fruitless, according to the allegations of the first civil suit, because exchange officials charged with * * * were connected with firms trading in egg futures.

"COMPLEX FIELD"

As for the two-year delay in the filing of the CEA complaint, Caldwell said "This is a complex field. It takes a long time to get the evidence for prosecution." The case is still pending.

Veteran observers of the commodities markets acknowledge the alleged egg price manipulations may have cost consumers and farmers millions of dollars.

Harry Fortes, the lawyer who filed the civil suit against Tyson Foods, says the manipulation had an impact on the retail price of eggs because it lasted for some time. It also hurt egg farmers, he says: "The guy in the country with eggs says, 'Heck, futures are up to 47 cents. I'm not going to sell for less.' Then later, the price collapses, eggs are dumped, and the producer gets hurt."

William Phelan, who heads the Department of Audits and Investigations at the 500-member Chicago Mercantile Exchange, said in an interview at his Chicago office that the alleged egg manipulation was hard to detect because "there was a consort of interests involved, and it's a very difficult thing to police."

It is tricky to keep track of the trading positions of all traders and to discover if a group of related traders is putting together a manipulation effort, he said.

"SIGNIFICANT EFFECT"

"These people did it for a year running," said Phelan. "It definitely had an effect on the price of eggs—a significant effect."

The impact on the retail cost of eggs was to raise the price by as much as 10 cents a dozen, he estimated.

A former exchange official said the CEA could guard against such manipulations better by hiring more people and by keeping a more direct day-to-day watch on trading.

"It's partly a matter of just being there and observing what's going on," he said. "The CEA should have a man on the floor to watch the trading, to listen to rumors. There are always people that are hurt and will spill their guts."

"A SLAP ON WRIST" FOR CARGILL, INC.—III

(By Clark Mollenhoff and George Anthan)

WASHINGTON, D.C.—Cargill, Inc., one of the nation's largest grain companies, has emerged from a major wheat-price manipulation case with what federal officials themselves concede was "only a slap on the wrist."

A U.S. Circuit Court of Appeals has ruled that Cargill was guilty of an illegal "squeeze" of the 1963 wheat-futures market in Chicago, Ill., causing prices to rise to artificial levels.

But the U.S. Commodity Exchange Authority (CEA), after a delay of 7½ years, finally imposed its penalty—a two-year probation for the company and some top officers.

Cargill thus continued to enjoy trading privileges at the nation's commodities exchanges.

CEA Director Alex C. Caldwell admitted to The Register that the probation given to Cargill was, "in effect, no sanction."

Caldwell said he recommended the company be barred for 90 days from trading in commodities, but he said the former CEA judicial officer who levied the penalty against Cargill "wasn't a tough sanctions man."

Caldwell's judgment is disputed, however, by the now-retired judicial officer, Thomas Flavin, who hinted that the U.S. Agriculture Department has an unofficial policy of going easy on large grain traders who violate the commodities law.

Flavin said he was not overtly pressured, and added, "I made the decision on the Cargill case by myself."

But he said he imposed the light penalty "with the knowledge that no secretary of agriculture has ever penalized a big trader by barring him from trading."

ALTERNATIVE TO FINE

Flavin continued, "To do otherwise would have put them (Cargill) out of business because if they had been barred from trading, it would have been worse than a $5-million fine."

Caldwell describes the Cargill situation as one of the most important market manipulation cases brought by his agency.

But the case, which began in 1963, also is cited by CEA critics as an example of slow regulatory action, as well as weak punishment.

It started when the CEA filed a formal complaint in June, 1964, charging the big grain firm with a massive manipulation of the May, 1963, wheat-futures market on the Chicago Board of Trade.

CEA records show that hearings on the agency's complaint were concluded in November, 1966, and that it was almost four years later before the CEA judicial officer's ruling was handed down. Then, there was delay after delay as the company appealed to the courts.

It was December, 1971, before the U.S. Court of Appeals finally ruled that Cargill's control of wheat-futures contracts representing two million bushels, only 15 minutes before trading in May, 1963 wheat futures closed, constituted a market manipulation.

This was because, the court said, Cargill at this point controlled just about all the available grain. Therefore, traders and speculators who earlier had agreed to deliver grain at a certain time were faced with having to pay artificially high prices in order to meet their obligations.

ARTIFICIAL PRICE

The court held that Cargill "exacted an artificially high price" from those who had agreed to fulfill the firm's futures contracts.

Also, the court ruled that the "squeeze was intentionally brought by and exploited by" Cargill.

Such manipulation interferes with "basic supply and demand factors" which should govern the grain markets, said the court.

Such an action, the court continued, "prevents the futures market from performing its basic economic function and hence diminishes its utility to those members of the trade and general public who rely on its basic purposes."

When a buyer of futures contracts succeeds in manipulating the market, he can force holders of sale contracts to fulfill their obligations "at a price which he dictates, which of course is as high as he can prudently make it," said the decision.

Cargill's plea that it was simply exercising good business judgment was rejected by the court which said, "Cargill was no novice in futures trading and knew of market conditions which could cause a squeeze."

CLAIMS CARGILL HAD INFORMATION

The company, said the court, "possessed a very valuable piece of information unknown to the trade at large, namely that it owned practically all the wheat available for delivery. . . . Cargill knew exactly what was going on."

Despite the court's judgment of the severity of the situation, Cargill was given no punishment by the CEA other than the two-year probation.

This light penalty was levied by former CEA judicial officer Flavin and affirmed by the court, "because of the undue protraction of the proceedings, not due to any fault of" Cargill.

Flavin had found that the offense deserved punishment of Cargill and four of its top officers by denying the firm and the officers trading privileges on all federally-regulated commodity exchanges for three months.

But Flavin then suspended the punishment and put the firm and the officers on probation for two years, saying that if the law was violated again during that time, the punishment might be re-imposed.

"I'm not sure we had a legal right to suspend the penalty," Flavin has told The Register.

However, referring to the CEA's traditional stance on sanctions, Flavin added, "We did it (suspended penalties) all the time." He said it was the only practical way for the CEA to find a violator guilty and still not "virtually put him out of business."

NO CHANGE

Flavin explained that although there may be no legal right to suspend the penalties for big traders, "It is apparent that these companies won't come into court and challenge it by saying, 'You've been too soft on me. You should have put me out of business.'"

Caldwell says Flavin's successor, Donald Campbell, is expected to take a tougher stand on penalties for violators in the future.

Caldwell also took issue with the court's statement about delays in the Cargill case not being the company's fault.

"There was every legal maneuver possible for Cargill to drag it out," he said.

Flavin said some of the delay in the Cargill case was because the Department of Agriculture did not appeal a precedent-setting "bad decision" in the 5th U.S. Circuit Court of Appeals involving Volkart Brothers, a big cotton trader.

Flavin said there were two ways the Agriculture Department could have dealt with the adverse ruling in the Volkart case—appeal it to the U.S. Supreme Court where he said it most likely would have been reversed, or issue a statement deploring the circuit court decision and announcing that the department would not be bound by it. But the department did neither.

"Everyone agreed it was a bad decision, but the cotton industry didn't want it appealed, and they managed to put together the political power to keep the solicitor general from appealing it and to keep the secretary of agriculture from making a statement that it was bad law and that we shouldn't be bound by it," Flavin said.

WANTED TO APPEAL COTTON RULING

He continued, "I wanted it appealed, but as long as it wasn't appealed, Cargill had some basis for contending that what they had done was not a violation of the law because it wasn't anything that the Volkart Brothers hadn't done. That was also one of the mitigating circumstances in the Cargill case."

Flavin emphasized, "There wasn't any hanky-panky on the Cargill case. I was just buried under work with this and several other big cases, and in the middle of it they took my executive assistant away from me and made him a hearing examiner, and it was a year before I got him replaced."

The U.S. Supreme Court, in refusing last spring to review the circuit's ruling in the Cargill case, in effect overturned the Volkart Brothers ruling and imposed a more strict standard against price manipulation attempts.

One of the Cargill officers put on probation was Walter B. Saunders, a vice-president, who testified before a congressional committee last September that he did not know if he was still on probation.

Saunders was before Congress in connection with Cargill's role in the spectacular sale of U.S. wheat to Russia last year.

Cargill sold some two million bushels of wheat to the Russians, under conditions which permitted Cargill, Continental Grain Co. and others to collect relatively high U.S. government subsidies on the sale.

Representative John Melcher (Dem., Mont.) pointed out to Saunders that his two-year probation period from the wheat futures manipulation case had ended a month earlier, in August, 1972.

"I was amazed," Melcher told Saunders, "that you did not seem to know when the probationary period ended . . .".

LITTLE STIGMA

"There does not seem to be much of a stigma attached to this ruling on the part of Mr. Flavin. Indeed, there is very little penalty involved since you are not aware when the probationary period ended," said Melcher.

The congressman, who was concerned over evidence that the Agriculture Department gave advance tips to Cargill and some other big grain firms about pending changes in the government wheat-export subsidy, also noted that at the time Cargill was on probation, the White House hired the firm's vice-president for public affairs, William R. Pearce, to be a special foreign trade adviser to President Nixon.

Melcher also pointed out that Cargill has used the New York City law firm of Mudge, Rose, Guthrie and Alexander as its attorneys in various legal matters. Former U.S. Atty. Gen. John Mitchell is a member of the firm, and Mr. Nixon was a partner there before he was elected president in 1968.

The wheat manipulation case, in which Cargill drove the price of wheat futures up to $2.28 a bushel, marked the fourth time the Minneapolis, Minn.-based firm has been in formal trouble with the CEA since the Commodity Exchange Act was passed in 1936.

Three of the cases involved alleged market manipulations, and one was a charge that Cargill and its Canadian subsidiary engaged in a series of bookkeeping maneuvers which permitted Cargill to illegally hold large amounts of oats futures contracts.

In one of the earlier cases, Cargill was prohibited from trading on any regulated commodity market for several years.

UNUSUALLY LENIENT

Examination of past CEA manipulation charges indicates that Cargill's recent two-year probation was unusually lenient.

In the past, firms and their officers have been barred from trading for three months, six months, often for an entire year, as the result of price-fixing schemes. Criminal penalties rarely are used although in one 1946 case a firm was fined $25,000 and each of its officers $1,000.

The stiffest penalties, such as the six-month or one-year suspensions, came in the 1940s and 1950s. Since Caldwell's reign began in 1960, the toughest penalty for price-rigging has been a 90-day suspension, but the more frequent penalty has been a 20- or 30-day suspension, or simply probation—as in the Cargill case.

CEA director Caldwell concedes that penalties imposed in recent years have not been tough enough, but he declines to commit himself to a crackdown other than to say, "We may have to toughen them."

But any crackdown on penalties first involves finding the market manipulators. And, as the court stated in the Cargill case:

"The methods and techniques of manipulation are limited only by the ingenuity of man."

Does the Job Well: It's Scrapped—IV

(By George Anthan and James Risser)

Chicago, Ill.—An Agriculture Department computer program to spot possible commodity market violations has been judged a failure by the U.S. Commodity Exchange Authority (CEA) because it was spotting too many cases.

CEA chief Alex Caldwell, who has the responsibility for policing the $200-billion-a-year commodity market, told The Register the computer kicked out so many cards indicating deceptive or manipulative practices or other violations that it was impossible for his small staff to process them adequately.

Rather than seek staff increases or have his present staff flounder in "the mountain of paper the computer kicked out," Caldwell simply abandoned that computer as "unneeded" and "unworkable."

CLAIMS HE'S NOT EMPIRE BUILDER

"I'm no empire builder," Caldwell said in explaining his rejection of General Accounting Office (GAO) recommendations that he increase his staff to conduct enough investigations to properly police the market.

The GAO recommendations were made in 1965 and 1966 when the commodity market was only a $60-billion-a-year business. Although the trading has tripled, the CEA staff is essentially the same size.

Caldwell admits more investigators would probably turn up more violators. But he contends the investigations of the CEA are adequate as a deterrent in the self-policing system he favors. That is where Caldwell is at odds with the GAO and some of the smaller commodity traders who have the courage to speak out about a system that the big traders admire.

Actually, in its 37 years of operation, the CEA has issued fewer than 225 formal complaints against alleged violators of the Commodities Exchange Act.

And the CEA, especially in recent years, has allowed most offenders to continue in business, perhaps after a short suspension of trading privileges for a few.

This is despite the CEA's legal authority to permanently deny trading rights to offenders, to impose fines, and even to send violators to jail.

DEFENDS DECISION

Caldwell, who has been critical of a minor penalty imposed in a major wheat futures manipulation case, defends his agency's decision to impose a light sanction in the case of one of the nation's leading brokerage houses charged with violations involving its customers' funds.

The CEA charged in August, 1972, that Dean Witter & Co. had failed to properly allocate up to $414,000 in customer funds, a breach of the law. The violations, according to the agency's complaint, had occurred a year earlier, between July and October. 1971.

The CEA reported that Dean Witter & Co. "admitted the facts" and waived a hearing. The agency announced that, as a penalty, it had suspended the brokerage firm's privileges as a floor trading merchant for 10 days, in effect prohibiting the company from doing business on the commodity markets for that time.

WITTER RECEIVES SUSPENDED SENTENCE

But at the same time, the CEA announced that this penalty would be suspended, and that Dean Witter would be placed on probation for three years.

(The consent order suspending Dean Witter's license, and the order which suspended the sentence, was issued by Donald Campbell, the CEA's judicial officer in Chicago. Campbell has been described by Caldwell as a man expected to take tougher stands on violators.)

In defending this action, Caldwell said the violation by Dean Witter & Co. "was not willful. The problem was a poor set of records. It just happened. We thought the best way to work it out was for them to agree to fix up their bookkeeping."

Caldwell agreed, however, that as a leading brokerage firm, Dean Witter & Co. should have been aware of provisions of the commodities law.

But Caldwell did not mention that exactly one year before the most recent complaint was filed, in August, 1971, the CEA had issued another complaint against Dean Witter & Co., this time charging the firm had improperly handled up to $260,000 in customer funds.

In that case, too, Dean Witter & Co. is listed in CEA records as having filed a stipulation which "it admits the facts . . ."

No penalty was levied in the 1971 case. Dean Witter & Co. was directed to "cease and desist" from "failing to treat and deal with customers' funds as belonging to such customers . . . " Under the law, the CEA could have later imposed fines and jail terms for failure to comply with a cease and desist order.

1966–67 DISCREPANCIES

CEA records also show that examination of the company's records in 1966 and 1967 disclosed the firm "had not satisfactorily complied with the requirements" of the federal law. In this case, according to CEA records, "These matters were called to the attention of the corporation" . . . and the firm "promptly" complied with the law.

There is little question but that Caldwell's position that Dean Witter's later violations were simply a result of "bad bookkeeping practices" would be challenged by some veteran federal regulatory officials in Washington since the company was found to have been involved in earlier violations.

JUSTIFY EXISTENCE OF AGENCY

A former high official of the Chicago Mercantile Exchange, now practicing law here, contends the CEA is more concerned with impressing Congress with its modest budget requests than with adequately regulating a $200-billion-a-year industry that is growing at the rate of 20 per cent annually.

"They just want to justify their existence," said the lawyer, a former commodities trader and considered a market expert.

When CEA chief Caldwell asked Congress for money to be used on the computer investigations of illegal price manipulations, he said he would reduce the size of his staff to offset the $35,000 cost of the computer programming.

So when the computer investigations failed to work out, the agency was without its planned new program and had fewer employes than when it started the project. In fact, as the volume of commodity trading has swelled, the CEA staff has been steadily shrinking.

At congressional appropriations hearings a year ago, Caldwell, anticipating that the computer program would work, boasted that "despite an increase of 1.5 million in transactions supervised and a corresponding increase in workload, the agency is currently operating at 22 positions below the level authorized in the fiscal 1970 budget."

With fewer employes, Caldwell now acknowledges that one major investigation of trading in a single commodity—soybeans, for example—"would tie up our staff for a year."

"NOT MY THEORY"

Then, he adds quickly, "That doesn't mean we need more staff. You could build up an empire here, but that's never been my theory of regulation."

While Caldwell insists CEA's policy of allowing the commodities exchanges to police themselves is working, the U.S. General Accounting Office (GAO) has urged strongly that the CEA beef up its staff, and do more of this work itself.

SEEN AS UNUSUAL STAND

This is a highly unusual stand for the GAO, the congressional watchdog agency that rarely advocates increased government spending or staff expansions.

The CEA's 1973 budget request to Congress is indicative of its long-standing approach to its regulatory task.

The agency reported that it expects to conduct 107 investigations this year, compared to 106 last year. It expects to file two criminal proceedings this year, the same as in 1972.

The CEA said, also, that it had conducted 188 audits last year to determine if brokerage firms were honestly handling their customers' money. In 1973, the CEA expects to conduct 195 such audits.

In another area, the agency said it examined 645 financial statements last year, and expects this to drop to 450 in 1973.

In 1972, the CEA spent $2,943,000. The agency is requesting a $52,000 decrease this year, and a drop to $2,848,000 for 1974.

As the size of the market has grown, CEA employes have been swamped in paperwork—they expect this year to process more than 700,000 reports which the law requires the bigger commodity traders to file daily and weekly.

This has left less time for investigations of possible market abuses. The CEA has reduced the scope of so-called "trade practice" investigations, changing them from market-wide investigations of a particular commodity to investigations of a single firm's trading activities. It did only 15 of the new-style investigations last year.

BUDGET REQUEST

The CEA's budget requests for the next fiscal year estimate there will be no increase in the number of employes. A steady decrease in the number of administrative proceedings it initiates in cases of suspected law violations is also foreseen.

Longtime Washington observers agree it isn't clear how a federal regulatory agency can determine in advance how many actions it will undertake, unless the agency has determined in advance to hold its activities to an arbitrary level.

Caldwell has reported his agency in recent years has doubled the number of customers' accounts covered in CEA audit programs, and he said the unit increasingly is taking steps to prevent market abuses by issuing warnings to traders suspected of engaging in price manipulation.

In order to guard against traders manipulating market prices, or "cornering" the market in any one commodity, the CEA has established limits on the amount of the commodity any one trader can hold.

For example, a trader is limited to buying or selling three million bushels of corn in one day. Also, he is not allowed to hold for any length of time contracts representing more than three million bushels. And anyone who buys or sells contracts representing more than $200,000 bushels of soybeans must report this to the CEA.

RECENT SCHEMES

But, according to one commodities exchange official, some recent price-manipulation schemes have gone undetected for months because many persons working together have kept their purchases just below the reporting limits. He agreed that a major CEA trade-practice investigation is the only way to insure against such activities. But it is this type of investigation the CEA has dropped because of staff shortages.

Donald L. Tendick, the CEA's deputy regional director here, said that although "we can't ever catch everything, I'm pretty comfortable with the system we have."

Tendick, who has been employed by CEA since 1964, said he doubts the Chicago office with its 87 employes misses many price manipulations or other attempted illegal practices at the Board of Trade and Mercantile Exchange.

To a large extent, he said, the CEA relies on records required to be filed by large traders showing their holdings in various commodities.

NO PROBE OF WHEAT SALES

According to Tendick, the CEA did no trade-practice investigation of wheat sales at the time of the recent huge export deal with the Soviet Union. This was despite reports that some persons or companies had advance tips about the sale and had used the commodities markets to make large profits.

Said one observer here with longtime commodities trading experience: "With the market going like it was, you know somebody had to know."

Tendick concluded that "given the resources we have, we're doing an adequate job." But he acknowledged that the agency could use more investigators and then would "perhaps find more violations."

Tendick and other CEA officials confirmed that most CEA investigations are a result of complaints from traders and from public investors in commodities.

Tendick said that before starting an investigation, the 87-member Chicago office, largest in the CEA, clears such an action with officials in Washington.

Herbert Sheidy, a vice-president of the Chicago Board of Trade, said "The regulation of commodities is real primitive compared to the securities industry."

Sheidy, the board's director of compliance, was a securities dealer before joining the Board of Trade.

He said of the CEA: "They're not as pervasive as in the Securities and Exchange Commission (SEC)," which regulates the country's stock exchanges.

"SUPER AGENCY"

The Board of Trade's Sheidy said there have been proposals to take the CEA out of the Agriculture Department, turn it "into a super agency, like the SEC, and give it authority to regulate all commodities."

Currently, the CEA does not regulate trading in the so-called "world" commodities, including coffee, silver, cocoa, platinum, plywood and sugar.

There have been mounting reports of abuses in trading of those commodities, and dealers don't have to follow disclosure procedures or observe capital reserve requirements.

Caldwell met last week with some 100 industry leaders to discuss the growing practice of selling options enabling customers to minimize the risks of buying and selling in the "world" commodities. The customers pay a premium for the option, and the dealer who sells it assumes part of the risk.

But there have been reports of unscrupulous dealers refusing eventually to honor the options they have sold, and of dealers with so little financial backing that they are unable to pay their customers who may have profited in a futures trade.

ASK REGULATION OF OPTIONS TRADING

Caldwell said most of the industry leaders called for federal regulation of options trading, but were unable to agree on how it should be done.

Sheidy said industry officials believe the commodities exchanges, rather than the CEA, should be given authority to police trading in the "world" commodities.

"The industry believes we'd rather do it ourselves," he said, "because the industry would not be as impractical and rigid as a legal standard might be."

There is little question that most commodities-trading professionals would like the CEA's regulatory activities to continue at the present level.

Similarly, among the CEA's strongest defenders are persons connected with trading commodities.

Richard Teweles, a Los Angeles, Calif., commodities-market analyst, agreed that the CEA is "obviously understaffed," but he added, "I'm also very impressed with them. They go at just about the rate of government bureau should go. They're not like the SEC, or the ICC (Interstate Commerce Commission). The railroads hate the ICC, and the securities industry hates the SEC. I don't know of anybody in our business that dislikes the CEA."

Teweles believes government agencies, as they get bigger, "go from a necessary evil, which I regard all government bureaus, to the point of being like a Russian commissar."

He continued, "But the CEA is one of the few I think is in just about the right position."

LOOSE REGULATION OF COMMODITY MARTS—V

(By Clark Mollenhoff)

WASHINGTON, D.C.—There are few clubs that could provide a better, more congenial atmosphere for big commodity traders to operate in than the one which exists under the approving eye of the U.S. Agriculture Department.

The department's Commodity Exchange Commission (CEC) and its operations arm, the Commodity Exchange Authority (CEA), run a loose regulatory structure that permits the big traders in the grain and livestock markets to pretty much regulate themselves.

The "club" members at Chicago, Ill., Kansas City, Mo., and other commodity futures exchanges are permitted to sit as jurors and judges in cases where one of their colleagues has been accused of illegal or improper conduct under rules which exchange members themselves have set.

They also set minimum commission fees to be charged for handling the buy and sell orders of their investing customers, although the fees admittedly are not directly related to the cost of the service. A member who steps out of line and tries to charge his customers a smaller commission may find himself disciplined by his fellow club-members.

COURT DECISION CAUSES TURMOIL

A recent U.S. Supreme Court decision, ordering an exchange member who allegedly was defrauded of his exchange membership to seek relief from the Commodity Exchange Commission, has thrown things into somewhat of a turmoil.

Justice William O. Douglas, dissenting in the 5-to-4 high court decision Jan. 9, objected that it was a "futile gesture" to direct plaintiff Thomas Ricci to the CEC "when the agency has, by its inaction, already shown every indication of sanctioning the alleged violation . . . We are requiring the petitioner to seek from the regulator an admission of their failure to regulate."

The CEC, made up of the secretary of agriculture, the secretary of commerce, and the attorney general, has no staff and, according to an Agriculture Department official, "meets no more than once a year."

The commission has generally left most of the regulatory work in the hands of the related agency—the CEA—which is headed by administrator Alex C. Caldwell. Under Caldwell the CEA refers many complaints over to the exchanges themselves for action.

Since the exchange committees handling such complaints are made up of important traders who sit as members of the exchange, the regulatory system breaks down, according to some critics, because it results in the regulators and regulated being one and the same.

The CEA's feeling toward regulation of what has grown into a $200-billion-a-year business is, "If each exchange polices itself, that's fine," a former exchange official said.

CEA chief Caldwell contends "the exchanges do a good job," but admits "they don't have large enough investigative staffs to police themselves as well as they should."

Rather than solve the problem by beefing up the CEA staff, Caldwell prefers to seek more self-regulation by the exchanges.

CALDWELL: I'M FOR SELF-POLICING"

"I'm all for self-policing as far as it can go," he explained. "I'm not a great one to spend public funds."

William Phelan, vice-president in charge of audits and investigations at the Chicago

Mercantile Exchange, like most commodities market officials, agrees with the approach taken by Caldwell.

Phelan is happy the CEA "in effect has relinquished its power to govern the minimum financial requirements" of commodity-futures brokerage houses.

Herbert Sheidy, vice-president of the Chicago Board of Trade, noted that "Regulation of commodities is real primitive compared to regulation of the securities industry."

Sheidy, a former securities broker, is director of compliance for the Board of Trade.

He noted that "John Q. Public is getting out of the stock markets and into our commodities market more and more. It means our entire industry is changing, and we (the exchanges) must change, too."

But Sheidy agrees with most commodity industry officials that these changes should not be dictated by the government. The industry should be allowed to make the changes," he said.

INDICATES GREED OF INVESTORS

Commodities analysts Charles Harlow and Richard Teweles of Los Angeles, Calif., said of the rush of small-time investors into buying such things as soybean and pork belly futures:

"It indicates a greediness on the part of people to make money fast; it indicates they have more money to spend, and it indicates that many people are dissatisfied with the relatively poor stock market results in recent years. If you win in commodities, you can win big."

This was illustrated last week at the Chicago Board of Trade. If a speculator had, for example, put up the $500 margin required to buy a single contract for 60,000 pounds of soybean oil on Feb. 12, he could have sold it at noon the following day and turned a profit of $1,200.

TAKES DIVES

But commodity futures prices also have a way of taking sickening dives, and analysts Harlow and Teweles contend their research indicates the "ordinary little guy" who speculates loses "about 98 per cent of the time."

Harlow and Teweles believe that if the CEA gained strength, it could stifle the commodities industry.

But seven years ago the General Accounting Office (GAO), which is the congressional investigating and auditing agency, called the CEA's regulation of the then $60-billion-a-year commodity markets "inadequate." The CEA was not making enough investigations to curb price manipulations and other abuses, was not policing the exchanges to insure that they were enforcing their own rules, and was not doing anything about possible abuses and conflicts-of-interest by traders who are permitted to gamble in commodities themselves as well as for customers' accounts, GAO complained.

The size of the CEA staff and the extent of its regulatory effort has changed little since the time of the GAO report.

The set-up at the Chicago Board of Trade, where much of the nation's corn, wheat and soybeans is bought and sold through commodity futures contracts, provide an illustration of the exclusivity of the commodity-trading fraternity.

The 1,400 members of the Board of Trade, which has a 45-story building in Chicago's loop, hold membership seats which are currently valued at about $30,000. (At the Mercantile Exchange, which has 500 members, a seat costs about $100,000.) No one can buy a membership unless he first proves his financial responsibility, is sponsored by two current members, and is okayed by a secret vote of the Board of Trade directors.

SUBSTANTIAL BENEFITS

Once he is admitted to the "club," the benefits are substantial. He gains admission to the exchange floor, where he can take advantage quickly of subtle indications of price changes.

As a floor broker, he may work for customers who want to buy and sell commodities, or he can trade in commodities himself.

One veteran floor broker estimated that "if a guy just handles customers accounts, he can make $45,000, $50,00, $60,000 a year. If he trades for himself, too, there's no limit."

REFER 111 CASES TO EXCHANGES

The extent to which the CEA relies on the commodities exchanges to police themselves is indicated by the fact that the agency last year referred 111 possible violations to the exchanges for action.

CEA deputy regional director Donald L. Tendick said exchanges must report back to CEA as to what action they have taken on referrals. CEA can object if it thinks the exchange has been too lenient, but such objections are "unusual," he admitted.

The 1965 GAO report scolded the CEA in this area, saying the agency's infrequent review of exchange records leaves the CEA "unable to satisfy itself independently as to the adequacy of investigations by the contract markets (exchanges)."

This "failure," as the GAO termed it, has "reduced the effectiveness of CEA's administration and enforcement of the provisions of the act."

RECORDKEEPING

With the huge jump in the size of the commodity markets since the 1965 GAO report, the CEA seems no better off now as far as keeping track of exchange actions.

However, Mercantile Exchange official Phelan insists his 15-member staff is able to keep tabs on the dealings of the 500 exchange members.

ATTENTION FOCUSED ON COMMISSION

The recent Supreme Court decision directing Mercantile Exchange member Thomas Ricci to take his fraud complaint to the Commodity Exchange Commission focused some unaccustomed attention on that moribund body.

According to law, the three-member, cabinet-level CEC is required to set speculative limits on the amount of trading that may be done by any person in commodity-futures contracts.

It also is to hold hearings on appeals from any board of trade which has been denied status as a legal exchange, and is authorized to suspend exchanges for failure to enforce their rules. In addition, the secretary of agriculture, who is a member of the commission, is given broad individual powers to prescribe trading practices and prevent manipulation and other abuses.

In practice, most of these activities have been delegated to the CEA headed by Caldwell.

The Supreme Court majority in the Ricci case said the petitioner would have to go to the commission for a ruling as to whether the deprivation of his exchange membership involved a violation of exchange rules.

Ricci contends he bought a membership on the Chicago Merchantile Exchange in 1967, using funds he borrowed from Siegel Trading Co. He also routinely signed a blank form authorizing transfer of his membership to someone else in the event he did not repay his loan.

Ricci alleges Siegel and the Chicago Mercantile Exchange conspired in violation of federal antitrust laws to defraud him of his seat by signing the transfer of his membership over to Siegel. He said the $18,000 which Siegel owned him for brokerage fees exceeded the amount he owed on the loan, and that Siegel had no lien against his membership.

The high court said the complaint should be dealt with by the commission because it is "especially familiar with the customs and practices of the industry and of the unique marketplace involved in this case."

DISSENTERS HIT POWER OF EXCHANGE

But the four dissenters, in addition to Douglas' comments that the CEC is not likely to declare itself a lax regulator, argued that the unit does not have the legal power to rule on Ricci's complaint of an antitrust conspiracy. That could be done only by the courts, they pointed out.

The dissent also noted that "although the commission and the secretary (of agriculture) have some general policing duties, day-to-day regulation has been largely left to the industry itself. Where, as here, the industry is given the power to control its own affairs, it is particularly important to make certain that this power is not abused for the purpose of eliminating competition."

Caldwell expressed no concern that the Ricci case will foul up the regulatory process. But those who have undertaken new legal efforts to stop anti-competitive practices at commodity exchanges and stock exchanges are worried that it is a setback for them.

One such effort to break up the "club" atmosphere and restore competition to the commodity exchanges deals with the commodity brokers' power to set minimum commission fees they charge the investing public.

In December, 1971, the U.S. Justice Department's antitrust division filed suit against the Chicago Board of Trade, whose minimum rate structure now requires commodity brokers to charge $25 to $30 for executing a customer's purchase or sale of a grain future contract.

At about the same time, a firm of Philadelphia, Pa., lawyers filed an antitrust action on behalf of all people in the U.S. who buy and sell commodity futures.

Named as defendants were all the commodity exchanges in the country, which, according to the petition, have entered into "an unlawful combination and conspiracy" to set brokerage commission fees at "a non-competitive and inflated level."

In the Justice Department case, federal district Judge Richard B. Austin asked CEA administrator Caldwell to do a study for him on the impact of abolishing minimum fees and restoring competition among brokers.

AGREED TO STUDY

Caldwell agreed to do so, but said he would not be able to say whether the fixed commission rates are reasonable, because "the commodity futures business has not had to report on its cost of doing business and justify the reasonableness of levels of commissions in the past."

Like the traders themselves, Caldwell and the CEA had assumed there was nothing wrong with the brokers being allowed to set their fees and punish those who tried to charge less.

In fact, the attorney for the Board of Trade told the court that Caldwell "requires us to enforce our minimum commission rules. He fires off a letter to us and says, 'Say, I understand so-and-so out in Kansas City is violating your rules, and I want you to investigate that and insure that it is complied with.' "

EXCHANGES ADOPT, ENFORCE RULES

The testimony illustrates the cozy atmosphere that has grown up between the big traders and their regulators at the CEA. The exchanges can adopt nearly any rule they please, as long as it is not in direct conflict with the Commodity Exchange Act. Then, once the rule is adopted, the CEA requires that the exchange enforce the rule, without regard to whether the rule is really in the public interest.

"The CEA," said the Board of Trade's Sheidy, "insists that an exchange observe its own rules, and it isn't too interested in what those rules are, just so long as they are consistent with federal regulations."

Caldwell completed his report to the court last August, and was forced to conclude that the public would be better off if minimum commission fees were outlawed.

Allowing commodity brokers to compete in the services they offer and the commissions they charge would result in "a net reduction in commission charges paid by customers," he told the court.

"The trading public would benefit generally because charges would be more closely related to the costs involved in servicing an account," he said.

Caldwell also said minimum fees "are not now necessary, nor will they in the foreseeable future be necessary, to achieve the objectives of the Commodity Exchange Act." The administrator added that the minimum fee arrangement, on the other hand, has not hindered CEA's work, and urged that if the minimum fees are banned the industry be given "a reasonable period of time in which to develop their marketing strategy, pricing schedules and operating procedures before any change is made."

The Board of Trade is opposing any change and has argued that the minimum commission schedules it has used since 1919 have been "essential" to the development of "effective and efficient markets for futures trading."

Elimination of minimum fees, the Board argues, "would entail the risk of serious adverse repercussions on the industry."

CEA, JUDGE FAIL TO AGREE—VI

(By Clark Mollenhoff and George Anthan)

KANSAS CITY, Mo.—Samuel Gordon has moved steadily upward in the U.S. Commodity Exchange Authority (CEA) despite his involvement in the agency's failure to protect one small trader from being victimized by some commodities-market professionals.

Gordon is the CEA's $27,000-a-year area director here, but a decade ago he was an employee in the agency's office in Chicago, Ill. There, an elderly Austrian immigrant had been telling just about anybody who would listen that he had been illegally deprived of his livelihood.

Bernard Rosee, now 74, had been a member of the Chicago Board of Trade, and a floor trader in commodities there.

But Rosee was different from the vast majority of insiders who operate the nation's commodities markets, a $200-billion industry that is growing by 20 per cent a year.

TOLD CONGRESS OF MANIPULATIONS

Since the middle 1940s, Rosee had been telling Congress of deceptive practices by certain officials of the U.S. Agriculture Department, and of efforts by big traders to manipulate commodities markets at the Chicago Board of Trade.

As a result, Rosee had few friends in the Agriculture Department and in the commodities trading establishment.

"There isn't any question but that a lot of people could hardly wait to get rid of him," said one market insider of Rosee.

By the early 1960s, Rosee had been defrauded of thousands of dollars and he had lost his seat on the Chicago Board of Trade. He thus lost his means of making a living.

Through all this, the Agriculture Department's CEA maintained consistently that there was no evidence Rosee was the victim of any illegal activities.

This conclusion was reached by Gordon, and affirmed by his superiors, including CEA administrator Alex Caldwell in Washington.

AWARDED $700,000

It was left to an Illinois State Court to vindicate Rosee, and to award him $700,000 in damages, with the judge branding his opponents as "thoroughly dishonest."

The Rosee case, which has dragged on for more than a dozen years, is perhaps the most glaring example of the CEA's reluctance to tackle influential members of the industry it is supposed to regulate.

It also shows how the commodity exchanges' disciplinary committees, made up entirely of exchange members, conduct "Star Chamber" proceedings in which an accused like Rosee is denied the basic rights of due process which he would receive in a court of law.

CLAIMS ROSEE'S CHARGES INVALID

Gordon, during an interview in his office here, refused to discuss the Rosee case, except to say that he investigated Rosee's charges and decided they weren't valid.

He would not discuss his reasons for the decision, nor would be explain why the CEA failed to use information in its possession that may have proved that a Chicago brokerage firm was defrauding Rosee.

Rosee has charged that Gordon, Albert, Kibby, a former Chicago CEA employe and now of Waukon, Ia., and other agency officials took part in the conspiracy to drive him out of business.

But CEA chief Caldwell maintains in Washington that "our actions in this case have been proper all along." Caldwell defends his promotion of Gordon, saying the Kansas City area director and Kibby "did a professional job" in the Rosee case.

An examination of the case leaves serious doubts. The case against Rosee came to light in 1961, when the Chicago Board of Trade took away his membership, depriving him of his commodities trading-floor privileges, and reducing him to accepting welfare payments.

TRADING ACCOUNT

Rosee's commodities trading account—the records of what he bought and sold and his profits and losses on these trades—was being handled by the brokerage firm of Baggot and Morrison. The two partners—James E. Baggot, Jr., and Donald W. Morrison were, like Rosee, members of the Chicago Board of Trade.

Baggot and Morrison contended that Rosee owed them substantial amounts of money, saying Rosse had been taking losses in his commodities trading, and that the firm was using its own money to make up these losses.

ALLEGATIONS A SURPRISE

Rosee said these allegations took him by surprise, that he had, in fact, been making profitable trades in the commodities market. Rosee said an examination of his account, the record of which was maintained at the Baggot and Morrison offices, would clearly show this was true. He said CEA records required by law to prevent the kind of abuse he was facing would back up his position.

But Baggot and Morrison presented to the Chicago Board of Trade a set of records that showed Rosee charged the records were not of his account. He said they were, in fact, records, of the firm's own money-losing dealings.

Since the "Star Chamber" proceedings in which Rosee lost his seat, these facts have emerged and are today unchallenged:

1. In November, 1963, Rosee and his attorney, Melvin Brandt, caught the office manager for Bagget and Morrison cutting onion-skin pages from commodity trading books that are required by law to be kept and retained. These records that office manager Harris Haywood now admits he destroyed are required to be retained for a five-year minimum period by Commodity Exchange Authority rules and by rules of the Board of Trade for use by authorities in connection with investigations.

2. Within a few days of finding Haywood removing pages from the trading book in the crucial period. Rosee and his lawyer told CEA investigators Gordon and Kibby of the incident. A short time later they also informed CEA boss Caldwell in Washington.

3. Gordon and Kibby investigated the incident and reported to Caldwell that there was nothing to Rosee's complaint on this or on his general charge of a Board of Trade conspiracy to frame him. Rosee retorted that CEA officials were involved in the conspiracy because examination of trading records would further corroborate his allegations that he had been defrauded. He also charged that a report Gordon and Kibby had submitted to the federal court was "fraudulent" and misled the court.

4. CEA boss Caldwell continues to defend the Gordon-Kibby investigations and the subsequent promotion of Gordon, in the face of Haywood's admissions in court that he did destroy the records. Despite the Illinois State Court ruling by Judge Nathan Cohen awarding a $700,000 verdict to Rosee against the Baggot and Morrison firm, Caldwell says he is still not certain that Rosee was defrauded, and has not ordered a reinvestigation. He says that Baggot and Morrison may appeal the verdict, and with regard to Haywood's admissions that he destroyed the onion-skin pages explains: "The statute of limitation has probably run out on any criminal charges."

5. Caldwell continues to refuse to make commodity trading records available to Rosee that Rosee and his lawyer contend will prove beyond doubt the full extent that he was defrauded and the role played by CEA and the Board of Trade in covering it up.

Generally, Caldwell denies direct responsibility for the Roses matter on grounds that the CEA policy is to permit the various boards of trade to police themselves, and to limit CEA investigations to cases of direct frauds upon the public.

Rosee contended his money had been used by the Baggot and Morrison firm to make up its own losses, but the Chicago Board of Trade's Arbitration Committee, made up of leading exchange members, ruled against him. The committee took away his seat in order to sell it and pay Baggot and Morrison the money they claimed Rosee owed them.

Rosee appealed repeatedly to Gordon and other CEA officials in Chicago, and to CEA chief Caldwell in Washington, to make available for his defense its own records that would indicate whether he was telling the truth.

The CEA consistently refused, saying the records were private, and that the law forbids the agency from revealing the details of a person's trading in commodities.

Rosee asked the CEA itself to investigate, and to determine if Baggot and Morrison had, indeed, substituted their own losing accounts for Rosee's profitable ones.

BARRED FROM TRADING

Rosee and his attorney, as they pursued their case over the years, pointed out numerous times that at about the same time Baggot and Morrison allegedly defrauded Rosee the firm was being disciplined by the CEA in another case. After admitting in May, 1960, that it had improperly handled customers' funds and had used them to margin and guarantee the trades of other customers, the firm was barred from commodity trading for three months and Baggot's individual registration as a floor broker was suspended for 30 days.

The CEA assigned Gordon and Kibby to the Rosee case, and Gordon recalls, they concluded that Baggot and Morrison "had not violated any federal laws."

The CEA remained steadfast in this position, even after Rosee and his lawyers informed the federal officials of the incident involving the removal of pages from the record books.

"UTTERLY ABSURD," JUDGE REMARKS

Haywood admitted to Judge Cohen that he had removed the onion-skin pages—on which were recorded details of commodities transactions. But he did so, said Haywood, in order to save space in the Baggot and Morrison office.

Judge Cohen said of Haywood's explanation: "The man sat for hours cutting pages out of a book to save three inches of space in a room that has some, oh, 350 cubic feet of space or more. Utterly absurd."

Cohen who was highly critical of the Board of Trade's proceeding against Rosee, in which Rosee was not permitted to have his lawyer present, or call witnesses, or examine the records that are supposed to prevent the very abuses he contends he suffered.

Cohen called the Board of Trade's hearing in the Rosee case "a travesty," and said the session was run by the lawyer for Baggot and Morrison.

In fact, Cohen told the lawyer later, "The gentlemen you represent were thoroughly dishonest. They secreted records. They suppressed records. They altered records."

The CEA's Gordon said Rosee's allegation that the CEA aided Baggot and Morrison and the Chicago Board of Trade in their attempts to deprive him of his membership was proved false because a U.S. District Court had dismissed another suit brought by Rosee against Gordon and Kibby.

CLAIMS FALSE DOCUMENTS

But Rosee claims that CEA officials submitted false documents to the federal court in that case, and that the CEA again refused to turn over records that would support Rosee's position.

In July, 1972, Cohen ordered Baggot and Morrison to pay Rosee $25,000 for the loss of trading privileges, $275,000 in lost earnings and $99,000 representing the amount Rosee contends he was defrauded.

The judge also awarded punitive damages of $150,000 each against Morrison and against Haywood. The Baggot and Morrison firm now is defunct, but the Chicago Board of Trade continued to allow the partners to hold their memberships and to enjoy floor trading privileges.

The CEA, despite Cohen's findings, continues to refuse to take action in the case.

Caldwell admits his agency has done nothing to follow up the court's decison, even though there is little question but that Cohen's findings point to criminal activities in regard to the case.

"We haven't lagged," says Caldwell. "We have done what we think is right."

Caldwell admits he has no way of knowing if reports filed by Gordon and Kibby with the federal court early in the Rosee case were accurate, but he contends that reports sent to him by his two employees were accurate.

Gordon has held his job in Kansas City since 1970, and he oversees trading at the Kansas City Board of Trade, the Minneapolis, Minn., Grain Exchange, and at a federally-regulated commodities market in California.

[From the Des Moines Register,
Feb. 25, 1973]

SMITH PROBE OF FUTURES MARKET SET—WILL STUDY QUALITY OF REGULATION

(By Clark Mollenhoff, James Risser and George Anthan)

WASHINGTON, D.C.—Representative Neal Smith (Dem., Ia.) said Saturday that he will conduct an investigation of the federal government's effectiveness in regulating the booming $200-billion-a-year commodity futures market.

The Iowa Congressman expressed his "grave concern" over events of recent weeks that "have resulted in an actual corner on the soybean market, even though there may be no actual conspiracy involved."

He told The Register that the investigation will be conducted this spring by his House small business subcommittee. Representative Joe Evins (Dem., Tenn.), chairman of the full committee, already has approved Smith's plan and authorized him to hire a staff for the job.

REGISTER SERIES

Representative Smith said that a series of articles by The Register's Washington Bureau has called his attention to "some new and specific aspects of the lack of effective regulation of the commodity markets" by the Agriculture Department's Commodity Exchange Authority (CEA).

"Regulatory work which the GAO (General Accounting Office) found to be inadequate for a $60-billion-a-year commodity market in 1965 is worse than inadequate to police a $200-billion-a-year market in 1973," Smith said.

The Altoona Democrat, who is both a farmer and a lawyer, said he has been troubled for some time because "trading in commodities is completely unrelated to the supply and demand situation for grains and livestock."

"It is the biggest legal gambling game in the world, no question about it," he declared.

Futures trading at the nation's commodity exchanges serves a useful purpose in the orderly marketing of foodstuffs and the prevention of wild price fluctuations, Smith acknowledged. But in recent years, the use of futures trading for "gambling" and "speculation" has grown "and I doubt if the CEA and the exchanges are doing all they can to keep this within reasonable bounds," he said.

People with money—particularly those with experience in dealing with stocks and bonds—have taken to commodity futures buying as a sort of hobby, said Smith. "They used to play pinochle during the lunch hour, but now they go over and 'play the board' for a while," he said.

Ineffective regulation in such an atmosphere can contribute to artificial pricing of commodities and can have serious financial impacts on traders, farmers and consumers, he said.

Smith said he is particularly concerned about the apparent lack of concern in the CEA about the operations of floor traders at the commodity exchanges who not only execute buy and sell orders for their customers but also trade in commodities themselves. There is vast opportunity for conflicts-of-interest and for traders to mix up their own trades with their customers' trades, to the disadvantage of the customers, he noted.

ARTIFICIAL PRICING

The floor traders also add to artificial pricing of commodities by buying and selling based on agreement among themselves that the market should go up or down, he said.

Smith said the recent boom in soybeans futures prices at the Chicago Board of Trade is suspicious and may illustrate that regulation of the commodity markets has gone awry.

In a matter of a few weeks soybean futures prices have soared to more than $6 a bushel and there have been big price fluctuations. Over a space of four days, prices went down 27 cents a bushel, then up 22 cents a bushel, Smith noted.

Such a change could not possibly be related to supply and demand factors, nor to legitimate "hedging" by traders trying to protect their investments, he said.

For a number of days, soybean prices advanced the legal daily maximum of 10 cents per bushel. The board of trade directors, who are traders themselves, responded by increasing the limit to 15 cents—a move that Smith said was precisely the wrong step because it tends to feed the speculating activity.

Illegal cornering of the soybean market and the inflated futures prices it causes, could have an immediate impact on consumers by raising the price of salad and cooking oils made from soybeans, and a longer range effect on the price of hogs and cattle which are fed soybean meal, Smith said.

"There is a need to look at regulation of the markets from every direction," said Smith.

Senator Dick Clark (Dem., Ia.) said that "because of government indifference and individual greed, the potential for fraud in the commodity market is incredible.

"LIKE STOCK MARKET"

"It is not at all unlike the condition of the stock market before the crash: unregulated buying and selling, virtually no enforcement procedures, and the constant threat of price manipulation," Clark said.

"In effect, the commodity market can be a floating dice game and the only sure losers are the farmer and the consumer. Rather than waiting for a crisis, rather than waiting for a massive scandal, the government should begin to take action now to correct the situation."

Clark is a member of the Senate Agriculture Committee. Smith and Representative William Scherle (Rep., Ia.) are members of the House appropriations subcommittee that controls the budget of the CEA and oversees its activities.

Representative Scherle said "these series of articles by The Register's investigative team raises grave questions about the integrity of the commodities exchange market.

"When Mr. Caldwell (CEA Administrator Alex C. Caldwell) appears before our subcommittee Mar. 15, I intend to question him regarding these serious allegations.

"Farming is a big enough gamble without allowing greedy speculators to manipulate the market. Both the consumer and the producer could suffer serious repercussions if the futures market is not properly regulated." Scherle added.

The Register's investigation found that CEA has done virtually nothing to comply with the GAO recommendations of 1965. The congressional watchdog agency said then that CEA should get more money and employes to properly police the markets—a recommendation that the cost-conscious GAO makes only when it thinks a problem is critical.

The Register series concluded that the CEA prefers to allow the commodities exchanges themselves to investigate many complaints of market manipulations or other deceptive practices.

The exchange members thus are permitted to sit as jurors and judges in cases where one or more of their colleagues have been accused of illegal or improper conduct.

Smith expressed concern over The Register's findings that the CEA has failed to follow through on the GAO suggesions, the CEA's long delay in moving on an alleged manipulation of the egg futures market that industry insiders say raised the supermarket price of eggs by as much as 10 cents a dozen, and the "slap on the wrist" which the CEA gave Cargill, Inc., after it was found guilty of manipulating the wheat market.

Smith said he also hopes to probe why the CEA discarded the use of computers in investigating futures markets and ferreting out price manipulation attempts.

DUE PROCESS

He also noted the lack of due process at the commodity exchanges, where traders are brought before committees of their peers and subjected to disciplinary proceedings without the benefit of a lawyer and without access to records.

A Chicago trader, Bernhard Rosee, recently won a $700,000 court judgment after trying to prove for a decade that a commodity brokerage house, with the co-operation of the board of trade and the CEA, defrauded him of his exchange membership.

[From the Des Moines Register, Feb. 27, 1973]

SHAM POLICING OF MARKETS

The articles by The Register's Washington bureau about the USDA Commodity Exchange Administration last week show in penetrating detail the failures of this agency to regulate the exchanges and brokerage houses it is supposed to regulate.

The articles by Clark Mollenhoff, George Anthan and James Risser reveal familiar condition in government regulatory bodies—at all levels of government. The regulators have been taken over by the regulated. In other words, the businesses which CEA is charged with supervising to protect the public are very much on the inside of the regulatory agency. There is a "cozy" relationship which permits violations of the law and dubious practices which plague the public.

CEA is almost in a class by itself, however, when it comes to letting the people to be regulated regulate themselves. The director of CEA, Alex Caldwell, even advocates letting the commodity exchanges and brokers do their own regulating.

CEA officials and their friends in the commodity exchange firms always talk about how futures market trading "stabilizes" prices and levels out seasonal ups and downs. Actually, this trading tends to accentuate market swings, trades and their brokers overestimate changes in supply and demand, and sometimes manipulate the markets by rumor-mongering.

In recent years every item of news about the corn crop, such as the Southern leaf blight or a spate of dry weather, or about exports, such as the dock strike which held up shipments, has sent prices up or down far more than the facts justified. Futures trading inevitably affects the cash market. Farmers, processors and even the USDA are given misleading signals by speculative excesses.

The value of commodity futures markets in enabling buyers and sellers to hedge against the future is obvious. But unless the trading operations are very closely regulated, the damage to farmers and to dealers from exaggerating market swings could well offset the benefits from hedging.

* * * * *

The encrusted Department of Agriculture bureaucracy all the way through has tended to become the captive of agri-business firms, trade associations and commercial agriculture. The Forest Service, for example, has tended to adopt policies favorable to the timber industry, as against the public interest. Cattle ranchers in the West have been favored in the use of public lands, including national forests.

When the Department of Agriculture was in charge of regulating the chemical pesticides used in farming it adopted lenient rules toward the chemical companies in granting permits. The general policies on pesticides favored the sellers and users of pesticides in farming, with relatively little attention to the public interest in the environment and in avoiding contamination of foods.

The research and educational arms of USDA, in the same pattern, have become allies of commercial farming and the agribusiness firms that sell supplies to farmers or buy their products. The small farmer, the hired farm worker, the rural community and the consuming public have been slighted. This is not wholly the fault of the USDA bureaucracy.

It is a failure of Congress, whose agriculture committees are dominated by the interests USDA tends to favor. The bureaucracy is really run by the committees of Congress, and many a secretary of agriculture has been frustrated in his atempts to reform old-line agencies.

To reform the system to meet the needs of rural America and the nation as a whole, Congress will have to start with itself.

[From the Wall Street Journal, Feb. 2, 1973]

COMMODITY OPTIONS ARE THE LATEST WAY TO GET RICH OR POOR IN HURRY—SEC FRETS THAT POTENTIAL FOR FRAUD IS GREAT; HOW ONE FIRM WHEELS AND DEALS—WRITING NAKED IS NO DISGRACE

(By G. Christian Hill)

There is a new "investment" game in town. The Securities and Exchange Commission says it is riddled with potential for fraud. Other regulatory bodies view it as sheer gambling, not investing. But more and more players are putting more and more millions into it.

Most of them are West Coast speculators wheeling and dealing with West Coast concerns. But now national giants like Merrill Lynch, Pierce, Fenner & Smith Inc. and Bache & Co. are getting ready to take advantage of what one expert calls "a marketing dream" for commission houses.

The new game is trading in options to buy or sell commodity futures contracts. In theory it has big advantages over simple purchase of contracts, one of the riskiest speculations for the small investor because he must live in terror of margin calls that can wipe him out.

Suppose, for example, a speculator is bullish on sugar and buys a contract for 112,000 pounds at five cents a pound ($5,600). He pays only about 10%; the rest is on margin. But if the price dips even a little bit—and it often does—he will be forced to put up hundreds of dollars more to cover his margin, or lose his present investment. A move of only one cent a pound in sugar, for instance, represents a $1,120 loss if it's the wrong way.

BUYING TIME

If he's a little guy, the speculator usually loses his stake. He may then suffer further agonies watching the price of sugar bounce up again to levels that would have given him a nice profit if he'd had the money and the guts to hang on.

Suppose he buys a call option on the same sugar contract instead. He pays a $1,100 premium for an option to buy the contract anytime during the next six months at the current price. He loses that premium in any case (it is the underwriting fee plus broker's commission), but it has bought him the most precious thing a commodity speculator can get—time.

The immediate dip in sugar prices doesn't faze him because there are no margin calls and he has six months of grace. Then suppose the price rebounds over his option level by two cents a pound. He exercises his option to buy the contract, now worth $7,840, for $5,600, and sells it in the same transaction, keeping the difference. After subtracting what he paid for the option he is still $1,140 ahead.

A put option works the same way, except that the buyer purchases the right to sell a commodity contract at the current price over a set period of time; he is betting that it will decline in price. The latest wrinkle is the "double," an option that gives the buyer the right to buy or sell during a given period. It costs about twice as much as an ordinary put or call, and the buyer can make that much less profit. But a smart move in price in either direction will put him solidly in the black.

SOYBEANS ON THE FRONT LAWN

All this means that options buyers lose less often, and lose less money when they do lose, than ordinary "little guy" speculators in commodities. The latter lose up to 90% of the time, according to commodity analysts Charles Harlow and Richard Teweles. By contrast, put and call options buyers lose from 60% to 70% of the time, according to dealers. And doubles investors actually win more often than they lose; Commodity Options International Inc., a Los Angeles dealer that sells only doubles, boasts that not one of its customers has been a loser.

Brokers, exchanges and other commodity sources believe that the relative safety of options (at least compared to ordinary commodity speculation), coupled with the lure of big, fast potential profit, will make them irresistibly attractive to investors who feared commodities before. "In the commodity speculator there is a consistant tug of war between fear and greed," say Messrs. Barlow and Teweles. "He's afraid of losing his house and car, of not being able to meet the margin requirements of a big price move, of finding 100 tons of soybeans on his front lawn some morning. The commodity option removes these fears."

It seems to. In Los Angeles, the capital of the budding commodity options game, some dealers report their volume in options is doubling from one month to the next. But there are serpents in this speculators' Garden of Eden.

For one thing, options dealers are almost totally unregulated. They have popped through a gaping loophole in the Commodity Exchange Act of 1934, which sets up machinery for the regulation of trading in domestic commodities and forbids option selling in them. But the act doesn't cover the so-called world commodities, notably sugar, cocoa, copper, platinum and plywood. Though options on these have been sold in London for many years, it is only within the past 18 months or so that the game has boomed in the U.S.

FEARS OF FRAUD

Operating outside the usual strictures, options dealers here don't have to follow disclosure policies or observe capital reserve requirements. And legal precedent has ruled out consideration of commodity contracts and options as securities, thus presumably leaving the dealers largely outside the jurisdiction of the SEC. Recently, though, the SEC warned that it intends to investigate the finances of every commodity options outfit currently operating to see if any of their options can be construed as investment contracts under SEC jurisdiction.

Gerald Boltz, chief of the SEC's Los Angeles regional office, has seen enough to conclude flatly that "there is a great deal of fraud in the option's business." He and other frustrated regulators believe that, while most firms dealing in options are honest, many others are playing fast and loose in their unregulated limbo, hiding substantial risks they are taking with their clients' money and failing to disclose the resources they have—or don't have—to pay off winners.

A close look at the operations of Goldstein, Samuelson Inc. of Beverly Hills, the giant of the options game, lends considerable weight to the fears of the regulators.

Goldstein Samuelson is owned by its 27-year-old founder and chairman, Harold Goldstein. An owlish-looking dropout from Louisiana State University, he was engaged in several businesses before moving West about 18 months ago and starting his concern with capital of $800. He sold one option his first month; in December, he says, he sold thousands through more than 70 offices, including one in Taipei, grossing about $14.5 million. The firm's total gross in 1972 was estimated at between $42 million and $45 million.

Mr. Goldstein's way of doing business has set a pattern for others. One key technique is "writing naked," selling options on contracts that the dealer doesn't have. Anywhere else this sort of thing can put you in a cell, but in the options game this may be risky, but it's entirely legal.

Dealers explain that it would tie up enormous amounts of capital to immediately buy contracts to back all the options they write. So they keep their business booming by writing thousands of options and hedging, or covering with actual contract purchases, only a small percentage of them. This practice, of course, pits the dealer against his customer.

If the owner of, say, a naked call option to buy a contract at $10,000 gets lucky and the value soars to $14,000, and he exercises his option, his dealer will lose $4,000.

So the dealer writing naked hopes that his customers take a bath, or that few enough win so he can afford to buy future positions to cover them. But if his customers win consistently, as they seem to in double and long-term options, he must gamble heavily himself—with his clients' money—to keep running ahead of the steamroller, analysts say. And how does he gamble? Ironically, by doing just the sort of commodity speculation that he tells his customers they can avoid through options.

For instance, Commodity Options International, the double options outfit that boasts no losers, "hedged" its customers' sugar options last year by speculating heavily in the futures market that sugar prices would go up. "You have to solve the market or you're dead because the (long-term) double makes money sooner or later," says Joseph Rotter, the firm's president.

In 1972, Mr. Rotter guessed right—sugar prices did go up substantially. But analysts in the field say even veteran speculators have a hard time making big money year in, year out. Consistent big winners, analysts Harlow and Teweles say, make up only 2% of all speculators. Mr. Rotter, who made $600,000 in his sugar killing, is sure he is one of the privileged 2%; other traders say he has just been lucky.

BREATHING SPACE FROM GROWTH

It isn't known just how much Goldstein Samuelson has outstanding in naked options, but evidently Mr. Goldstein has managed to stay ahead of the steamroller, too. Mr. Goldstein and other dealers also have gained breathing space from the booming increases in their premium income on new options, which are unlikely to be exercised for awhile. This fresh money can provide a temporary cushion against anticipated short-term payoffs to earlier customers who look like winners. Goldstein Samuelson kept the money rolling in through an advertising blitz that includes full-page spreads in many papers ad magazines ("You might be a sugar baron").

One of these ads backfired, however. When Goldstein Samuelson guaranteed a specific return on a certain kind of sugar option, the SEC decided that that option, at least, could be categorized as a security. Last November, it filed a double-barreled civil suit in federal district court in Los Angeles. Among a lot of other things, it charged that the company neglected to tell its customers a few material facts: namely, that it was selling options on contracts it didn't own, betting that most of its cusomers would be losers; and that it could not afford to buy or sell contracts to cover all its options. This, said the SEC, constituted fraud.

At the same time, the SEC attacked First Leisure Corp., then Goldstein Samuelson's parent company (the two have since separated), charging that First Leisure was brought public with an illegal predating of stock, which was subsequently illegally sold over the counter without registration.

The SEC action has been settled through a consent decree, in which the defendants promise not to do all those things they were accused of without admitting they did them in the first place. The option that was mentioned in the suit isn't being sold now. Mr. Goldstein concedes that his ads may have been a bit overstated, and he has toned them down, but he insists that all he is guilty of is hustle. "We went after the business aggressively, and we got it," he says, maintaining that neither he nor his booming enterprise was irresponsible or untruthful in that pursuit.

A DIFFERENT STORY

However, interviews with some of Mr. Goldstein's former associates and employes, as well as brokers and customers, add up to a very different story. For example, Mr. Goldstein from the beginning told associates and brokers that he was buying and selling contracts to cover his customers' options.

In fact, though, he wasn't covering the options, according to Mr. Rotter, an associate of Mr. Goldstein during the early going. "When I left Goldstein in late 1971, he had 100 options on his books, no hedge positions in the market and $5,000 in the bank," Mr. Rotter says. Paul Richter, Goldstein Samuelson's top-selling broker at that time, quit when Mr. Goldstein declined to give him proof that the firm was covering its options. "To my knowledge, he had no positions in the market when I left," Mr. Richter says. "I never saw him put an order in or send a check to any exchange or house (in late 1971)."

Mr. Goldstein maintains, however, that he covered his options in the early days.

Some of Goldstein Samuelson's customers have also been suspicious enough to wonder what kind of guarantee the firm offered that it would be able to pay them off if they won the game. So, not long ago, a letter went out to brokers in Seattle, Denver and Miami, over the signature of a Los Angeles insurance agent named Wayne Fleischer. It stated that Goldstein Samuelson had purchased a $1 million surety bond from American Bankers Insurance Co. insuring the options the company sold.

American Bankers, however, says it never wrote such a bond. Mr. Fleischer's attorney says the letter is a forgery. Mr. Goldstein asserts that the letter was given him by Mr. Fleischer, who deceived him. But no harm done, says the options dealer, since the letter wasn't circulated anyway.

But William Ott, president of Lombard Street Inc., a Miami stock and commodity options concern, says he got a copy of that letter personally from Mr. Goldstein while in Los Angeles. "I wanted to distribute for Goldstein Samuelson if they were ethical," says Mr. Ott. "But they gave me this letter which I checked with American Bankers. It just wasn't true. I flew back to Miami, throwing up on the plane."

COLLECTING THE WINNINGS

Some customers of Goldstein Samuelson also complain that they can't get their winnings out of Mr. Goldstein. One is Robert Murray, a young sky marshal from New York who wanted to become an instant sugar baron, caught a bull market and—he contends—made a paper profit of some $21,000. He is suing Mr. Goldstein in federal district court in Los Angeles for his asserted profits plus damages of $220,000. Mr. Goldstein says Mr. Murray only thinks he is a sugar baron. He claims the investor failed to observe a technical requirement of his contract, and so his options were never executed.

"You have to fight like hell to get your money out of them," says another Goldstein Samuelson customer, who also claims Mr. Goldstein owes him plenty. Still others say they were told their options were fully covered by actual contracts, that they were charged hidden fees and that they were told that Goldstein Samuelson accounts were audited by the national independent accounting firm of Haskins & Sells. The latter says it has never audited Goldstein Samuelson.

None of this, of course, appears in Mr. Goldstein's advertising. Neither do some other salient facts, namely:

That Mr. Goldstein is being pursued by the International City Bank & Trust Co. of New Orleans, which has won judgments against him in state district court there for default on two business loans totaling $12,500 to an earlier Goldstein enterprise. "My partners owe that money, not me," says Mr. Goldstein.

That he is a co-defendant in a suit filed in federal district court in Chicago by a group of about 40 participants in a commodity fund he once ran; they claim he diverted their funds to his own use, churned their accounts and made false and fraudulent statements. Mr. Goldstein has denied the charges.

That he was expelled from the West Coast Commodity Exchange for alleged "major offenses," including diversion of $4,500 of a client's money to his own account. Mr. Goldstein says the money was erroneously put in the client's account in the first place.

That Gregerson & Co., a Salt Lake City investment concern, is suing him, his father and the company, charging that $200,000 worth of Phillips Petroleum securities that Gregerson sold on their behalf had actually been stolen. In the suit filed in state superior court in Santa Monica, Calif., Gregerson seeks recovery of stock put up as collateral and of expenses incurred in the transaction. Mr. Goldstein says he didn't know the shares were stolen.

That a federal grand jury in Los Angeles is investigating to see if any criminal offenses were involved in stock dealings of Goldstein Samuelson's former parent, First Leisure, of which Mr. Goldstein was chairman. Mr. Goldstein denies there's any basis for such an investigation.

That Mr. Goldstein and his firm are defendants in a class-action suit filed in Los Angeles superior court by a First Leisure shareholder who wants the divestiture agreement between Goldstein Samuelson and First Leisure rescinded. The shareholder asks that a receiver be appointed by the court for all the assets of both concerns.

Mr. Goldstein, wounded by all these charges, says he has been a victim of his own success. "Eighteen months ago," he says bitterly, "I had $800 in the bank and no one wanted anything from me. Now they're all coming out of the woodwork."

Despite all this, even those investors with some knowledge of Mr. Goldstein's past and present operations are sticking with him in great numbers. 'What Goldstein Samuelson is offering, if they can get away with it, is fantastic," says Lee Schlessinger, a professional investor in Los Angeles who has kept his account with the firm. "There's been nothing close to it as an investment since the pre-1929 stock market."

Back East, many are eager to get into the game themselves. "Goldstein Samuelson came into town with some beautiful ads and got a lot of business right from under our noses," says Felix Brennan, secretary of the New York Cocoa Exchange. He and colleagues at the Commodity Exchange of New York and at the Mercantile and Coffee and Sugar exchanges have formed committees to study options contracts.

Brokerage houses that buy and sell contracts for their customers are similarly excited. "Potentially, it's one of the finest new markets we have," says Robert Hagan, a Merrill Lynch vice president. Merrill Lynch, Bache, Dean Witter and other commission houses say they will begin marketing options as soon as the New York exchanges agree to guarantee them. This could come as early as this summer at the Cocoa and Coffee and Sugar exchanges.

It isn't certain at this time whether the big houses will be writing naked or not. Dean Witter is skeptical about it, and Merrill Lynch says the question remains to be decided. If the big national houses start writing naked in quantity, however, there is some fear that the markets in the commodities involved could be disrupted.

Opponents of the naked option well remember what happened during the great price collapse on the Chicago Board of Trade in 1932—a disaster that in part prompted the federal law barring options in domestic commodities. At the time of the debacle, however, options were being sold so heavily that the Agriculture Department estimated their volume was equal to 15% of the total volume on the Board of Trade.

These options, like those currently being sold on world commodities, were written naked. All went reasonably well until a sudden upsurge in grain prices occurred; options dealers suddenly saw that many of their customers were going to be heavy winners at the dealers' expense unless they hedged fast by buying contracts to reduce their losses.

They swarmed into the pits buying all the contracts they could. But this only had the effect of driving prices sky high overnight, increasing the panic and touching off still more frantic buying. None of it had any connection with the actual supply and demand for grains, and it was inevitable that the bubble burst. On July 19, 1932, reality caught up with the market; rye futures crashed 38 cents a bushel, wheat futures 25 cents and corn 17 cents. Droves of dealers and speculators were ruined. Two days later, the exchange directors identified the frantic coverage of naked options as a "prime cause" of the most sensational price collapse in its history.

Many commodities men and regulatory authorities, including Alex Caldwell, administrator of the Commodity Exchange Authority, believe that at least the threat of a similar disaster lies in allowing naked options trading to flourish unchecked in world commodities—particularly if the dealers are unregulated and, therefore, possibly undercapitalized.

(Joseph Rotter, president of Commodity Options International, testified before California regulatory officials recently that "50% to 60%" of the present dealers would be put out of business if legislation was passed banning ex-felons, individuals previously convicted of fraud and other "questionable characters" from selling options.)

But the New York exchanges believe they can establish an options market that would preclude boom-or-bust price moves, and they claim that the world commodities markets are too large and diverse to be artifically moved by options anyway.

As for the charge that options speculation is nothing more than gambling and serves no useful economic purpose, they admit it. "Sure, it's like playing the numbers," says Lew Watts, secretary of the Mercantile Exchange in New York. "But everybody does it. You should hear how everybody yells and screams around the exchange when the cops pinch our numbers runner."

[From the Washington Post]

COMMODITY SPECULATION FACES REGULATION OR BAN

(By Jack Egan)

Rising concern over the unregulated trading of put and call options on commodity "futures" contracts brought the heads of all of the major commodity exchanges to Washington last week for an unusual one-day public meeting before the Commodity Exchange Authority.

It now appears likely that trading in commodity options, an increasingly popular type of highly speculative investment, will soon come under some form of regulation or will be banned entirely.

Commodity options grant the purchaser the right to buy or sell a commodity contract any time over a set period at the market price the day the option is bought.

For example a 6-month call option in cocoa gives the purchaser the right to buy a set amount of cocoa at the price when the option was purchased. He is betting that the price of cocoa will go up sufficiently during the 6-month period so that he can exercise his option to buy a contract at the lower option price, and immediately sell at the higher market price. The difference between the option and market prices, less the cost of the option, is the profit.

Similarly, a "put" option gives the buyer the right to sell at a given price—and in this case, the purchaser is betting that the price of a particular commodity will go down

There is also something known as a "double" option which gives the purchaser the right to either buy or sell during the given period. The cost of this option is roughly double either a put or a call, but any large movement in price, either up or down, will yield a profit. The "double" is viewed as outright gambling with no redeeming economic purpose by some commodity observers.

Option trading is virtually unregulated because of an unforeseen gap in the law. The 1934 Commodity Exchange Act forbids options, but this applies only to domestic commodities. International commodities—such as cocoa, silver and copper—do not fall under the Act. Option trading has naturally sprung up here and hence also is unregulated.

Options are usually traded through concerns that specialize in this area, and often are not executed on commodity exchanges.

"Since these firms have been operating outside the scope of federal, state or exchange regulations, no one really knows the full extent of their activities," Alex C. Caldwell, administrator of the Commodity Exchange Authority, told the meeting.

"We have already received reports that some firms are unable or unwilling to pay customers the amounts due them or to supply the futures contracts called for by the options," he continued.

Caldwell went on to point out that "the vast majority" of options sold are so-called "naked options." In a naked option, the trading firm does not actually have the contract it has sold an option on, and hopes for the market to move opposite to its customer's puts and calls.

Professor Roger W. Gray, a Stanford University economist and commodity futures expert, told the meeting that "the option writer is always better off when the option buyer loses," and pointed out the inherent conflict of interest.

Caldwell was concerned that, as naked options proliferate, "the potential liability of the option firm as a result of adverse price movements is virtually unlimited. We fear that few have the financial resources to withstand adverse price movements of any size."

Caldwell expressed the fear—echoed by many of the commodity exchange presidents—that the collapse of a major options firm and the loss of customer funds "would seriously damage public confidence in the entire brokerage industry and the whole system of futures trading."

All of the exchange presidents who made presentations advocated some immediate steps to bring commodity option trading under regulatory control.

Donald B. Conlin, chairman of the board of managers of the New York Cotton Exchange, urged federal regulation that would assure that customers were protected, and that option brokers were financially responsible.

To meet these ends, he suggested registration of all option dealers, limiting the writing of options to the exchange with which the dealer is registered, establishment of minimum financial standards for option firms, a cash deposit requirement for naked options, and an exchange clearing house guarantee for every option.

The president of California based Goldstein Samuelson, Inc., which claims to be the largest commodity option trader, also endorsed some form of regulation along the lines of the Conlin proposals, although he said he was waiting for a consulting firm study to be completed before making specific recommendations. The firm had been singled out in a recent Wall Street Journal article for questionable business practices.

Caldwell outlined four possible directions regulation of option grading could take:

Bringing option dealers under tighter state laws.

Placing option trading under Securities and Exchange Commission jurisdiction.

Seeking legislation that would expand the Commodity Exchange Act to include all commodities, thereby banning all option trading.

Seeking federal legislation to either ban or regulate option trading.

U.S. SENATE,
Washington, D.C., February 26, 1973.

ELMER STAATS,
Comptroller General,
Washington, D.C.

DEAR MR. STAATS: Several years ago, the General Accounting Office completed a study of the Commodity Exchange Authority, the federal agency responsible for monitoring and regulating the 20 commodity exchanges in this country. In the report, GAO recommended a series of changes to improve the CEA's effectiveness.

Since then, the volume of trade on the commodity exchanges has gone up four times. Since then, there have been many questions raised about trading practices, and there has been a number of court suits. Yet since then, CEA apparently has done little to change its attitude and procedures to take a harder look at the commodity trade.

The commodity market is a $200 billion a year business. The contracts in futures, bought and sold each day on the market floor, have a direct impact on the cost of wheat, corn, soybeans, eggs and other commodities on the supermarket shelf. Because of this, because of the potential for fraud and deception and conflict of interest, and because of your findings in 1965, I would like the GAO to make another study—not only of the CEA, but of the commodity trade it is supposed to regulate.

Does the CEA have enough manpower to do its job correctly? Does it have the statutory authority? Should CEA be given the authority to regulate option trading in international commodities? Has the CEA followed GAO's recommendations? In short, is the CEA doing its job regulating commodity trade, and, if not, what can be done to correct the situation?

Recently, the Des Moines *Register* carried an excellent investigative series on the CEA and commodity trade. The articles, which are enclosed, summarize and document the problems.

The importance of the commodity market and its influence on our economy cannot be underestimated—neither can the need for reform and increased regulation. I hope that I can hear from you soon.

Best Wishes,
Sincerely,

DICK CLARK.

LIEUTENANT COLONEL HERBERT AND ALLEGED VIETNAM ATROCITIES

Mr. GRIFFIN. Mr. President, on behalf of the distinguished Senator from Arizona (Mr. GOLDWATER), I ask unanimous consent that a statement by him and certain insertions in connection with his statement be printed in the RECORD.

There being no objection, the statement and insertions were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

On January 23rd, I appeared on a television talk show with retired Army Lieutenant Colonel Anthony Herbert at which time Colonel Herbert aired very serious charges against the Secretary of the Army, General William Westmoreland and other high ranking officers of the United States Army. He charged that these men were out to destroy him because he spoke out about alleged atrocities in Vietnam.

Now, Mr. President, it has always been my practice to investigate and check on alleged misconduct and injustices in the armed services whenever such allegations come to my personal attention—this has been my practice even though it is well known I am a strong believer in the need for an adequate defense establishment and have the highest regard for most of the top officers in that establishment. I wish to point out that nearly a year before the My Lai charges became an object of national interest I received a letter strongly suggesting that irregularities and atrocities had taken place in that instance and I immediately turned the letter over to the highest ranking man in the Pentagon for investigation and review. I did this even though, as I recall it, the letter was a mimeographed product which had been sent to other people in the Congress.

I recount this incident, Mr. President, to emphasize that when Colonel Herbert said he had a document signed by Army Secretary Froelke, General Westmoreland, General Walter T. Kerwin and General Winant Sidle, among others, I was sincere in asking for a copy of that document so I could ask the Senate Armed Services Committee to look into Colonel Herbert's very serious charges.

Later on in the program when I disagreed with the Colonel on how the war was fought under President Nixon, he became abusive and called me an ass. I might point out that this remark was not made at an especially heated point in the discussion and it surprised me until I realized that Colonel Herbert's presence on the program was pursuant to the publicizing and retailing of a book *Soldier*, he had written and that he wanted me to become angry and walk off the program or engage in a name calling contest which would bring him and his book a great deal of public attention. This appraisal of Colonel Herbert's motivation was borne out Sunday, February the 4th when the Colonel was interviewed on "The Lou Gordon Program" over Station WKBD-TV in South Field, Michigan. A transcript of that program shows Colonel Herbert was asked whether he was sorry he had called me an ass and he replied, and, Mr. President, these are direct quotes:

"Oh, no. I did it with forethought. I mean, I didn't, didn't, just blurt it out."

Mr. President, I mention this to show that even after this uncalled for insult I renewed my offer to have Colonel Herbert's material brought before the Armed Services Committee if he would send it to me.

I want to emphasize, in this connection, that at no time during the program did Colonel Herbert indicate that he had the material with him. It was understood by me and I believe by Dick Cavett who moderated the program that the material would be sent to me in the immediate future. I waited for the material to arrive and when it didn't I sent Colonel Herbert a letter reminding him of his remarks on television and asking him where the material was. The answer I did receive made no reference at all to the letter Colonel Herbert stated he had signed by top-ranking Army officials. In the meantime, the Colonel has been traveling around the country making appearances on talk shows to promote his book. On several of these shows he has told interviewers that I refused to accept his material the night of the Cavett Program. This I submit is a lie out of the whole cloth. Never did Colonel Herbert offer me anything at any time before, during or after the show. Despite his claim that I wouldn't accept his material, he told my son, Congressman Goldwater, when they met accidentally at a television studio in California, that he had intended to send the material earlier but that he had been too busy with his talk shows and had had some trouble contacting his attorney.

As I said, I have never received a single document from Colonel Herbert. However, my Press Secretary, Mr. Tony Smith, did receive some material purporting to be the Colonel's documentation with a note saying Herbert had requested that it be forwarded to my office. The material came from James Dunbar who has a program on radio station KGO in San Francisco and his letter was dated February the 15th. A week later I received a note from Colonel Herbert saying he understood the material was in my possession. Despite this round-about and sloppy procedure, I have looked at the material and cannot find that it backs up the Colonel's charges that the highest people in the United States Army are out to destroy him.

Nevertheless, I turned the material over to the Senate Armed Services Committee staff for examination. I might say here that immediately following the program of January the 23rd I wrote to Chairman John Stennis of the Armed Services Committee telling him about the charges leveled by Colonel Herbert and asking the Committee to look into them. Of course, as you all know, that was just before the Chairman was shot in that tragic episode in front of his home.

Now, Mr. President, I want the record to show that Colonel Herbert is a decorated veteran of the Korean and Vietnamese Wars. And I want the record to show that I have the highest possible respect for Colonel Herbert's combat record. However, I cannot extend that respect to Colonel Herbert's regard for the truth or his concern for the characters and reputations of the people he publicly maligns. And right here, I wish to say that everyone who has investigated seriously and in depth Colonel Herbert's charges and his book have come to the conclusion that the misstatements and exaggerations are almost monumental. One of these investigations was conducted by the CBS program, "60 Minutes." In a program February the 4th, Mike Wallace, one of the correspondents on that program, confronted Colonel Herbert with one discrepancy after another and got virtually no explanation from the Colonel.

Perhaps the most outstanding incident was when Wallace confronted Herbert with his claim that he brought his war crimes charge to the attention of Colonel Ross Franklin on February 14th, 1969. The meeting allegedly took place at Landing Zone English in Vietnam. Wallace informed Colonel Herbert that on the date mentioned Colonel Franklin claimed he was in Honolulu, Hawaii, at the Ilikai Hotel for a period of rest and relaxation. And when Herbert told Wallace that Franklin was lying, Wallace said "60 Minutes" had checked with the hotel in Hawaii and found that Colonel and Mrs. Franklin had indeed been registered there from February 7th to late on the afternoon of the 14th. Because of the difference in time, February 14th in Hawaii is February 15th in Vietnam.

Wallace also confronted Herbert with a cancelled check signed by Colonel Franklin and made out to the Ilikai Hotel for the exact amount of the hotel bill. The check was dated February 14th. In addition, Wallace told Herbert that his staff had spoken with two Army officers who were in Hawaii at the same time and flew back to Vietnam with Colonel Franklin on February 14th. The transcript of the "60 Minutes" program shows this reply by Colonel Herbert: "I can probably find you a hundred checks that I have either dated for another reason, wrote after the fact, misdated, what have you. I don't know. All I know is I saw Ross Franklin there and talked to him. I know that. I know what I say. I know what I did. And I stick by it and I still say it. And I swear to it and I've sworn to it under oath and I'll swear to it again, you know."

In other words, Mr. President, everyone is wrong—Colonel Franklin, the hotel, the men who flew back to Vietnam with Colonel Franklin—everyone is wrong but Colonel Herbert.

From additional interviews on the "60 Minutes" show, and from the claims of people who have investigated Herbert's book, the Colonel's track record for truth and accuracy is staggeringly bad. For example, L. G. Smith, who reviewed Herbert's book for the *Army Times* had this cogent comment:

"Despite the initial furor, however, as a work of documentary non-fiction, *Soldier* is largely a hoax. Its papers are filled with half-truths and outright lies, ranging from relatively innocent 'war stories' to the most malicious kinds of character assassinations. Investigations and interviews with witnesses to dozens of incidents described by Herbert in the pages of *Soldier* reveal a consistent pattern: A kernel of truth imbedded in a web of distortion, exaggeration and falsehoods that in every case serves to discredit the Army and to add to the reader's sympathy and respect for a wronged Herbert.

"It is a measure of Herbert's persuasiveness and ability to tell a story with conviction that neither his co-author, James Wooten of the *New York Times* nor his editors were moved to make the most elementary efforts to double-check the information Herbert provided as factual. Researchers for CBS, checking stories from advanced copies of the book, were repeatedly told by those mentioned in Herbert's anecdotes that no effort had been made to contact them for confirmation of Herbert's assertion, and that if they had been consulted, some drastic editing of the book would have been required."

Mr. Smith goes on to list some of the discrepencies in Herbert's book by their page numbers. I won't go over them here because at the end of my remarks I plan to insert for the record the transcript of my appearance with Herbert on the Dick Cavett Show together with the transcript from the CBS "60 Minutes" show and the review of Herbert's book carried in the *Army Times*.

Mr. President, needless to say, that the Generals and Colonels whom Herbert claims removed him from command because he complained of war crimes in Vietnam have branded the whole business a "hoax." The *Army Times* reviewer also used the word "hoax" to describe the Colonel's book including parts of it related to his charges. It continues to be something of a communications media mystery why the *New York Times*, whose staff member Mr. Wooten, helped to write the Herbert book failed to investigate its allegations prior to publication. Let me just say that the *New York Times* is not noted for its admiration of the defense establishment and the people who run it and I am convinced that the *Times* editors found Colonel Herbert's charges so much to their liking that they overlooked the need for reportorial investigation.

I have my own very definite feelings about this but let's hear what a real reporter, Mike Wallace of CBS, has to say about the treatment given the Herbert charges. The following is a direct quote from Mr. Wallace aired in the "60 Minutes" program of February the 4th:

"The deeper we got into this investigation, the more we felt that the way in which the media, including CBS News, reacted to Herbert's allegations was almost as interesting as Herbert's story itself. Several reporters did make an effort to check out Herbert's claims, found his case was far from clearcut and made that obvious in their reports. Many others did not. The *New York Times* did more, probably, to publicize Tony Herbert's story than any other paper. When Herbert passed a lie-detector test on whether or not he had reported war crimes to Franklin, the *Times* gave it big play. But when the Army said that Colonel Franklin, the man Herbert had accused, had also passed a lie-detector test, other papers reported it but there was not a word about it in the *Times*."

Mr. President, I may have more to say on this matter at a later date. For the present, I believe the procedure would be to obtain an appraisal of Colonel Herbert's material from the staff of the Armed Services Committee and if the situation warrants it, to ask Colonel Herbert to appear before the Committee for questioning. Colonel Herbert claims he will be available if clarification of this material is needed. Should he change his mind, I would not hesitate to ask that he be called before the Committee by subpoena.

Mr. President, at this time, I would like to insert in the Record the material that I mentioned during my remarks, that is the transcript of the January 23rd Dick Cavett Show, the transcript of the February 4th "60 Minutes" program and the review from the *Army Times*. Also, I am inserting the papers which were forwarded to me at the request of Colonel Herbert by a San Francisco newscaster.

DICK CAVETT SHOW TRANSCRIPT

DC. My first guest tonight is Senator Barry Goldwater who is junior Senator from Arizona as you know. And as you all know he ran and lost against the late President Johnson, Lyndon Johnson, in a landslide in 1964; but they remained friends; they had been friends for years. There may have been a time when they were not friends in the middle of all that, I don't know. And his appearance was planned before, of course, we knew that Lyndon Johnson had died. But it seemed fitting to introduce him as a friend of his. Will you welcome please Senator Barry Goldwater.

DC. Say let me say something first here. Things are so strange with television and all and last night right in the middle of the taping I found out that Lyndon Johnson had died and who knows how many things might come up and what can happen so I suppose I should establish that this is for this moment anyway the following day and we always assume things are going to be when they are planned but we never quite know.

DC. Where were you when the news came that the President died?

BG. I was having dinner with my wife and a number of friends at a club in Washington and the T.V. came on to interview me and I never got to eat dinner. But I was very sorry about it; it was a great loss.

DC. Well you were fierce competitors as Presidential candidates I guess.

BG. Yes.

DC. How long did it take you to get back together after a thing like that?

BG. Oh, we never parted friends; you don't do that in politics. I know people often think it's strange that for example Hubert Humphrey and I are the best of friends but we fight like a cat and a dog on the Floor. Politicians may seem to dislike each other but they respect each other and I know of very few cases where there is disrespect or dislike for one another.

DC. Weren't there bitter moments during the campaign?

BG. Oh, as at the time, yes, I imagine there were; but that's eight, nine years ago and you grow older, more mellow and you forget about the things that happened then. I always liked Lyndon Johnson, I admired him and he made mistakes like we all did. I think but for some unfortunate circumstances he could have been a great President but one never knows what you're going to run into when you take a job like that.

DC. You don't think he was a great President then, but might have been?

BG. It's too early, you never—it takes time to tell the value of a President. I think at least 50 years have to go by so that history can record whether or not the things they did were good or bad. I don't—there is no such thing as instant success as a President.

DC. Do you see him as a tragic figure the way a lot of people do. A man who wanted to be loved, wanted to be great, had the capacity to be great and that it was all ruined by Vietnam?

BG. Well Vietnam was not the only reason, nor do I think it was the major reason; I think the fact that the President no longer had control of his government which has been true since the days of Truman. I think that really was a blow to him. I don't think he really realized when he took office how little, practically nothing to say he would have concerning the operation of the government. And this has bugged President Nixon. I shouldn't use bugged, that's a bad name for a Republican to use.

DC. Say Watergate—if that might do it.

BG. Watergate? That takes longer. I think Vietnam naturally had something to do with it but I think the main factor was that he kept members of the Kennedy staff on; not that they were Kennedy, but no President should ever keep any of his predecessor's staff or policy making people around. They should get rid of them.

DC. Sweep them all out.

BG. They should because he's been elected because of policies he's run on and the people expect him to do something about it. But if he goes into office and still has the same State Department, the same Interior Department, the same Defense Department, they're not going to do the things that the new President wants. I tried to get President Johnson to get rid of McNamara as soon as he became President. It took him four long years and he finally admitted I was right but it was too late at that time.

DC. Gee, did he—he probably read David Halbersten's book about all those people McNamara, Rusk and Bundy and all of them. Did they ever get a comment out of him on it at all?

BG. I don't know whether they did or not—I don't know if he read it.

DC. Gee, it would be interesting to know because it took a lot of the blame off him in many ways.

BG. Well the blame wasn't all his, I put as much of the blame on the men who advised him—take for example, I don't think a ground soldier should have ever gone into Southeast Asia, and I think that the war could have ended before it started had we used, made the proper use of our air power, sea and land based land power. But we didn't do it and this is a reflection on the advisors that surrounded both Kennedy and Johnson.

DC. It will be interesting to see what Col. Herbert feels about that. By the way, the other reason I made a point of when we're doing this show is that it is another one of those weird time warp things where President Nixon as you are concerned out there viewing has spoken to the country probably at this time but we don't know yet because we're taping earlier in the evening and we don't know if he has or not. Can you tell us anything that he might already have said in the future, or not?

BG. No, I can't; to be honest with you, I don't know. I don't think anyone in Washington knows except Dr. Kissinger and President Nixon. He's been very, very quiet about this, and I think it's been proper. I think it's very wise that the President be quiet during periods of negotiation just as the people in the enemy countries are quiet. Negotiations with the Asian people who have been doing it for 3,000 years and we've been doing it for about 20, is a very risky business at its best and I think the original negotiations collapse more from too much talk in the United States by everyone than by anything that was done in Saigon or Hanoi. So his quietness I admire and I respect and I think what he says tonight will be an indication of what we all want to know. Now you figure that out.

DC. O.K. I know what you mean, or meant or he said, or whatever.

Senator Goldwater, I was thinking last night when we were all sitting here and heard that President Johnson had died, Paul Newman said that one of the ironies of this whole thing, the actor Paul Newman, said that he found out in reading the Pentagon Papers that at the time he was campaigning for Johnson as a peace candidate it had already been decided to escalate but the people didn't know it and so that in effect he was campaigning for what you wanted while campaigning against you. Does that irony amuse you.

BG. No, it doesn't amuse me; in fact, it was one of the disappointments in my campaign because I had asked the President to not debate with me but meet and decide what we couldn't talk about and then talk about the Vietnam War with the American people so that they would know what they were faced with regardless with which one of us won the Presidency. Either, we would pull out completely which the country was not in the mood for at that time; or we would have to escalate. I kept saying that and he kept denying it. Now, I don't know whether the so-called Pentagon Papers made any declaration as to that or not; it wasn't, I don't think at that time there had been any general decision made by the joint chiefs to actually escalate, I know it had been talked about. I sat through several war games that had looked into it; but nevertheless, this is one of the ways of war—you escalate, you try to win a war as fast as you can once you have decided to go into it. And this is the major mistake we made; we never tried to win that war until too late and then if you don't win it with this action, you do it a little stronger tomorrow, a little stronger the next day until finally the enemy realizes he can't win and then he'll give up, we hope. That's the theory of escalation.

DC. Colonel Herbert, among others, refers to his book to the war as a defeat for us. I mean just in passing; as if that's an assumption that was made and then goes on to talk about it.

BG. Well, I can understand how a man who fought in this war would call it a defeat. We've been in 192 wars in the history of our country; and we've never suffered a defeat or even a humiliation on the battlefield until—

DC. How about General Custer?

BG. Well, I won't comment on General Custer.

DC. It would be hard to call it a victory.

BG. No, you couldn't. I don't think even he'd call it a victory. But anyone who has fought in Vietnam or Korea, I think was disgusted with the idea that the Commanders-in-Chief and other civilian controllers of the military would not allow them victory. Korea we were not allowed to go north of the Yalu and had we been allowed to go up there, I think the war would have turned differently. Had we gone earlier north of the 17th and 20th parallels in Vietnam, I think the war would have—I think the men who fought there would consider it a victory. Now, I will say this, that if the enemy agrees to a cease-fire or to a peace, I would have to call it a victory for the use of our arms because otherwise they would not have given up, they would have continued. The North Vietnamese soldiers are probably as good soldiers as you will find in the world and they're motivated. And a soldier is not going to quit unless he's denied ammunition, weapons or food or any one of them and these are the things they began to miss.

DC. But the idea of referring to it as a defeat doesn't . . .

BG. I don't buy it as a defeat but I can understand any man who has fought over there saying we didn't win.

DC. Yet to a military man that's a defeat.

BG. That's right.

DC. If you can read this book without throwing it up against the wall a couple of times in just outrage or astonishment and then not pick it up again and start reading it, it's very hard to stop reading it. I did but I got to page 267; I wish I had started it sooner, I could have finished it by tonight. Lt. Colonel Anthony Herbert was the most decorated hero of the Korean War and in Vietnam he won a silver star and three bronze stars and two air medals and the army commendation medal for valor and a number of other things like recommendation for distinguished service cross. A General at one point called him "the best God damn commander the Army ever had." Then he charged a General Barnes with cover-up and now he's no longer in the Army; he was retired and General Barnes seems to have been exonerated. If you saw his two previous appearances here, you would be fair to say the general impression was that it should have been the other way around. Anyway, Colonel Herbert has written this book with James Wooten of the *Times*; it's called "Soldier" and it's a fascinating, facinating book. He is fascinating. Lt. Colonel Retired Anthony B. Herbert.

DC. You know I'm trying to look for signs of civilian life in you now; you are civilian.

CH. My hair's longer.

DC. Say, you really let it grow out. You like civilian life?

CH. Yea, I like all life. I like to live. That's why I fought so hard. Yes, I like it very, very much. I find that people are very, very nice, you know. It's just the opposite of what the Army told me it was like on the other side of the fence.

DC They told you it would be lousy when you got out?

CH. Yeah, they would call it the outside and the inside; like you were in prison. But, no, it's very nice. I like people so I get along in the Army or out of the Army.

DC. Did you hear what Senator Goldwater said earlier about he thinks it was a mistake to put any fighting men in—the ground troops, that is—in the . . .

CH. It's obvious I disagree with that. I look at the ground troops as a surgical instrument. I think bombing is haphazard. I think we all saw what bombing does in Vietnam. I think just the opposite, if you want to destroy everything, the good and the bad, then you bomb. But I've always looked at the Army as a surgical tool—it could go into a place save the good and eliminate the cancer without killing the organism itself. Summing me up—I mean this is nothing personal—but summing me up—yes, it is personal, I guess—might be as well be honest—summing me up as why I was frustrated about Vietnam would be like me saying, Senator, that I admire you because after the election you didn't declare a mandate. It's that far out; I just wouldn't—it just wasn't me.

DC. I heard that you had found out what the Army had in mind during the last few months you were in service for you. Is it something you can talk about?

CH. Oh, sure. You know, I mean, throw it all out there and suffer the—you know whenever people comment makes them more interesting, I think. I was told that if I stayed in the Army, I was told by a General on the side, a friendly General, that the Secretary of the Army was literally out to destroy me. That means go to prison, get rid of you, discredit you. Not honestly, but behind the scenes. Secretary of the Army told the American people, you know, that this was not so, that Colonel Herbert retired of his own volition that he was not being forced out of the Army.

Since then, of course, we have obtained a document which I talked about yesterday and this document is signed by Secretary of the Army Froehlke, it's signed by William Westmoreland, it's signed by General Sidle, it's signed by General Kerwin among Generals. And it says in effect that item one we will, once the publicity dies down, we will get this guy. We know what he's really like; you know, he has destroyed our image.

We will accuse him of beating up his own troops. And then it says in the document that he didn't beat up his own troops—there are no evidence to this effect. And then the Secretary of the Army and General Westmoreland says then we will accuse him of violating regulations and of lying to the press and then it says in effect that he did not lie to the press and that he did not violate any regulations. And then he says, well, we can't get him legally—what we will do is we will get him for moral reasons; in other words, we will file a false morals charge against him—we will do this administratively and we won't have to answer to the press and I think they will buy this.

DC. Do you have a document that says all this?

CH. Yes, signed by the Secretary of the Army, yes.

DC. How, I suppose this is tactless to ask, how do you get a thing like this?

CH. You get it by having a tremendous amount of friends in the military who want the Army reformed also before it destroys us all. And it shows how high up these friends go when it came out of the Secretary of the Army's office.

DC. What would you do with a document like that?

BG. I would make it public and I would——

CH. I just did.

BG. I would make it public and I would work through the proper Congressional Committees and demand an investigation of it.

CH. Like Congressman Hébert right sir?

BG. No, no. If you interested, I would be happy to introduce it in the Armed Services Committee or the Senate and we will be glad to hold hearings on it.

CH. I would be very, very interested.

BG. You give it to me we will.

DC. Now, this show may not get on tonight. We're back and I'm talking with former Lt. Colonel Herbert and with Senator Goldwater. Well, that was a bit of a rocker that thing we heard earlier about the paper you have and the Senator offered to introduce it into a—and to get an investigation going.

BG. I might say that as this goes on now, not constantly, but almost all the time, we are investigating reports made by members of the armed forces that seem to go away from standard practice. If we find anything to them, we can do something about it. If we find out that it's just dreamed up then we just commisserate with the men and let it go.

CH. For instance, sir, which case.

BG. I'm thinking of the case of the boy in U-Tapao who refused to fly a B-52 mission who'd already flown 200 and some odd missions and we're still on that; in fact, it only came up a few weeks ago. . . .

CH. Let's talk about division we know.

BG. Whether or not—wait a minute—whether or not it is wrong for a man to decide that he doesn't want to fly a mission or he doesn't want to fly a combat my personal feeling is that he had the same right to conscientiously object as a man does who is not yet in the Armed Services. But we never—we've run into this I'll say in every war—but we've never had any way of taking care of it.

DC. How do you feel about—what about General Lavelle—what did you want to ask about that—he was a General who bombed against orders.

CH. That's right, because during a break the Senator said about the Lavelle case, for instance. Let's talk a little bit about the Lavelle case. Here is a man who violated the orders of the Commander-in-Chief in the United States Armed Forces, the President. Here is a man who is worse than Rusty Calley beneath his skin?

DC. Who?

CH. Rusty Calley, the My Lai thing—notorious or whatever you want to call it. Lavelle not only defied the words of the President and bombed and killed innocent people, we know today that Lavelle's actions helped the peace talks fall apart. That means not only the blood of the innocent Vietnamese that were killed but every American soldier who was killed after that some of the blood is on the hands of General Lavelle because this fall down of the peace talks. The hero in that Lonnie Franks, that we found was telling the truth in every case, Sgt. Franks, how did the Senate protect him? What did General Ryan turn around and do—we find a man with 19 years service suddenly serving coffee to recruits in order to put him back in his place. Then the next thing we find out that after some of us complained to Proxmire and other people when they went out and got that changed, we find Lonnie Franks with 19 years and 2 months service suddenly the Air Force decides he should learn how to type before he retires and puts him in typing with a bunch of recruits again. This is how we regard the heroes who told the truth. How did we punish General Lavelle? We took a fictitious gimmick off him, a third star, and what did he retire at—$27,000 a year. Suddenly he's flying jet airplanes and that afternoon we punish him by putting him on 90% disability so that he doesn't have to pay any income tax. That's the—true?

BG. What you said is partially true. Now let's . . .

CH. Which is partially false?

BG. Now let me give you my version of it. As you know having served over there, we have orders of engagement. I believe the Army has them, I know the Air Force has them and I know the Navy has them. Now the orders of engagement to the Air Force said that you were not to fire on any target until the target showed hostile intentions.

Now, if I had been General Lavelle, I think I could have interpreted those orders as he did and if I was wrong, I would have demanded a court martial. Every time a man flew in North Vietnam, you had to assume that somebody was shooting at him. He might not have gotten hit, he might not have seen an enemy but that order prevented us from shooting radar sites that were controlling MIG aircraft that were coming down to shoot our rescue helicopters. It prevented our men from firing on SAM sites unless the SAM sites fired on them. We couldn't fire on POL lines, we couldn't fire on trucks in convoy unless they showed hostile intentions.

Now, I asked General Ryan at the hearings when does a MIG show hostile intentions? Well, he says technically I guess when you see tracers coming at you or he's on your tail, that's a hostile intention. Now General Lavelle interpreted the orders, the order of engagement which by the way was not written by a President, it was written by the Joint Chiefs of Staff but I'll have to say that he would assume right away that they were his orders. He interpreted them to mean that every aircraft that left the base in the South to fly north or south was under hostile fire, therefore they had a right to fire back. Now there were out of 40,000 sorties when he was commander there were 28 of these in violation excuse him if there was one violation and it was in effect a direct violation, then I think he should have been—I think he should have asked for a court martial. Now, being relieved of command is the worst thing that can happen to a man in the service. I think you'll agree with that.

CH. Oh, I was relieved, sir. I had . . .

BG. Well, I don't—I can't think of anything that I would dislike worse than being relieved of a command. So in General Lavelle's case, while I'm not trying to defend him, I think he was acting under a very, very difficult book of rules to understand and one which nobody likes over there.

CH. Alright sir, I was a Lt. Colonel and I understood them; if that man was a three star General, why the hell didn't he understand those rules. I'll tell you another thing, General Lavelle has stated that he had the permission of his commander, General Abrams. Now if General Lavelle had to interpret those orders, what in the hell are we paying General Abrams for.

BG. He did not have the permission of General Abrams.

CH. He said he did.

BG. No, he did not.

CH. Sir, I read it, too. I was up there at the same time.

BG. Well, I sat through the whole thing and I've known General Lavelle and General Abrams for a long time. General Lavelle asked . . .

CH. He was a friend.

BG. He asked Admiral Moore through General Abrams if he could attack this radar site on the perimeter of the Plains of Jars and Abrams never told him to and he didn't tell him not to but it was interpreted by Lavelle and frankly I can defend that. If my son were killed by a MIG that was guided to that kill by a radar site that I was not allowed to hit, I would think it's a pretty bad order.

CH. That's the same old cop-out we keep using for the protection of the American boys who are going to protect more lives. If we're protecting, we lost 56,000.

BG. That's right.

CH. What did we protect. Would we have lost 58,000 if Lavalle would have obeyed orders?

BG. We lost men over there because that war was not fought right from the very beginning.

CH. By whom?

BG. By President Kennedy to start with.

CH. What about after him?

BG. By President Johnson.

CH. What about after him?

BG. Why President Nixon has practically ended this war.

CH. Nooo. No, no. What about after President Johnson? Did Nixon fight it right?

BG. Well, when Nixon went in he started bringing the troops home. Nobody had done that before. I'll say this, I don't think he fought it right up until the time he resumed bombing. I disagree with you.

CH. You're an ass.

BG. I'm a what?

CH. I said you're an ass. You say that President Nixon's killing those people—if President Nixon was doing what was right, President Nixon didn't have to do it when Congress was out of session, he didn't have to do it when the college kids were all home and couldn't protest. He could have done it with the good backing of the American people but he didn't. Nor did he have the backing of Congress.

BG. Well, this shows your ignorance, Colonel, if you don't mind my saying so.

CH. You're right.

BG. You think along with many American people that the Congress has the only power to go into war. The Congress cannot go to war. The Congress cannot go to peace.

CH. Can they declare war?

BG. It can declare war.

CH. Did they?

BG. But out of a hundred and ninety . . .

CH. Did they declare war?

BG. Just a minute—no they didn't—out of 192 wars that we've been in, five have been declared wars. Only the President can take this country to war or send troops. Only the President can negotiate and have a peace. Now . . .

CH. We've caused 192 wars?

BG. What? We've been in 192 battles.

CH. Name them . . . yea that's right, battles—we were not in 192 wars.

BG. Battles, wars, we called the troops 192 times.

CH. Chicago, Washington, D.C.

BG. I don't care where it is, there is a very good book written on the subject by a fellow named Balmer. I never realized we called the troops out that many times. I'd say they include everything. But, I get back to the point that the Congress cannot go to war—the Congress cannot end war. Now the Congress can disband the military if they want to. They can stop pay, they can stop appropriations, but there is always enough money in the slot to run the thing quite a while. So, I wish the American people would understand that it's not the Congress—the President does not have to ask the Congress. He doesn't have to confer with the Congress. President Roosevelt didn't ask the Congress if he could send destroyers to England. President Truman didn't ask the Congress . . .

CH. Who appropriates troops?

BG. What?

CH. Who appropriates troops?

BG. Nobody appropriates—we raise . . .

CH. Sure, Congress does—Congress raises the funds to appropriate troops

BG. We raised the Army and the Navy.

CH. Who does that?

BG. The Congress.

CH. Well if you don't have no Army and a Navy raised, you sure as hell can't support the world . . .

BG. That's right, that's one way you can do it. But I don't think you could get away with it.

CH. Oh, certainly you could.

BG. You think the American people want to disband the Army and the Navy?

CH. No, no, sir. No.

BG. Well that's what you're saying.

CH. I'm talking about raising enough troops, to draft men to go over and fight a war to export warfare overseas. I'm saying that it should be up to Congress and it is up to Congress and you and I both know that, we can quibble all we want back and forth. It has always been the Congress expressing the will of the people. We have always had a cause and then we had the open Army to go fight that cause. Suddenly, we want to maintain a large standing Army to go out and look for causes in order to engage in the next foreign war.

BG. No it's not.

CH. Certainly it is.

BG. Not it's not. Our Army today is smaller than it was three years ago and it's going to be smaller next year than it is now. . . .

CH. Well, what does that mean?

BG. Well, it means it just discredits what you've been saying.

CH. Is it smaller than 1939?

BG. Uh, no. But it's getting closer.

CH. Is it smaller than 1775?

BG. Oh, hell no, its not smaller than. . . .

CH. Is it smaller than 1913?

BG. No.

CH. Well, what does this . . .

BG. Alright, we have a little more responsibility around this world than we had in 1774 and 1913.

CH. You can't really believe that?

BG. I do. I do believe it and I'll go further and say that if we don't pay attention to those responsibilities we're inviting a third world war.

CH. Yea, I saw book you endorsed was General Walt. It said in effect that we won Vietnam in 1968, therefore it's been a mopping action ever since then. I don't know where in the hell he's been since then. The other thing it says in there is that gee I don't understand the American people's concern about because the Marines were well loved, all the Marines could speak Vietnamese fluently and the people hailed them in the villages and cried when they left. They cried when we left, alright, because their sons and daughters were no longer there. That's why they cried. And I saw where he says the old cliche, well if we're the bad side and they're the good side, why do the refugees always move south? This is one of the ones you commented on so I thought I would give you the answer tonight. They moved south because we in the south are bombing the hell out of the north and if you don't want bombed you move down where they're not being bombed.

BG. We didn't bomb for five years.

DC. Excuse me this is so interesting, I forgot I wasn't watching it and supposedly we're supposed to keep it starting and stopping. We probably have about 15 messages. We'll be right back.

DC. There's so much to pick up and there seems to be a rather strong disagreement as to whether the President should or shouldn't or has to consult with people before he does something like resume bombing. Before that, we have one ass and one ignorant person according to the words that I remember from the last segment. Who feels most wrong and would like to lead in?

CH. Well I don't feel wrong and I don't think the Senator does either. I think the American people have been wrong. I think we would both agree to that part of it, regardless of our differences why.

DC. The Senator seems interested in improving the Armed Forces and you give a hundred of instances in your book it seems of what's wrong with them. Let's just take one. For example, it has to do with a rope. It's the kind of incident once you hear about it starting you can—you know how it's going to come out.

CH. Oh, you mean when the mountain climbing?

DC. The mountain climbing.

CH. Well.

DC. Or better one if you . . .

CH. No, the mountain climbing isn't, well it was a while back. It was back in 1957. I was an assistant mountain climbing instructor at this time. I was assistant because I was the junior officer and we were supposed to teach mountain climbing, cliff scaling, repelling in the ranger department, the committee I was on at that time taught suspension traverse which was hooking a large manila rope at the top of a mountain and a man would hook up on to a rope and slide down to the bottom of the mountain. And the ranger department always advertises there is some degree of danger to life, limb, what have you. And the day before, you're supposed to inspect your equipment and do our homework.

Now to inspect the equipment, you twist the rope open and there should be what they call a marker strand in there. When a rope is a good rope made by the company that meets all the specifications, it has a little colored strand that you'll find in any manila rope or nylon rope. You pull it out and unravel it and it names the cordage company that made that particular rope and it's their o.k.

I checked the rope and the rope didn't have the marker so I went and, I talked to the Colonel and one of the senior officers, I told them the rope does not have the marker, I'm not going to use it. And I was told, listen, that rope cost us $300, you are going to use it even though it doesn't meet the safety requirements.

And I said that that will have to be under orders sir. And they told me it was. And I filled out an unsatisfactory equipment report that this equipment was unsatisfactory but I was being ordered to use it. I went out the next day and we put the ropes up on the mountain side, I slid down each rope first to make sure that if it was going to break I mean at least you're better off dead then being in charge when somebody else is killed. And when we started that noon, sliding down, I wasn't in charge, I was assistant, sure enough, the only non-volunteer in that course who was forced to go there stepped out on the rope and the rope exploded and dropped him 65 feet to the rocks.

I went over to pick him up and my hands literally went right through him because he was all smashed you know they went up into his stomach. And I turned around to the principal instructor who was in charge and he was moving up over the hill, he didn't want to be a witness. He went back to the base camp. So students were all milling around, I put the man on a jeep and sent him off to the hospital because there were some signs of life and then I went back and had control of the troops and I didn't know what else to do so I said o.k. you people agreed to come here, the equipment was all checked out, now move over to the next rope. Of course, they weren't too happy about that, you know.

And so I figured well I have to set the example, I went up and slid down the next rope and told them, you know, you want to be rangers, here you are. So they slid down the rope. At lunch time, I went down to the base camp and this Captain who had left the scene was down there wringing his hands in front of the Colonel and kept saying he'll live, he'll live. And of course, I answered each one being a good officer. No he won't, no he won't. You know, I mean right on down the line, that he'll be dead on arrival and he kept saying don't say that, don't say that.

And he went over and picked up the phone, the phone rang, and the thing was he was dead on arrival at the hospital in Deliga (sp?), Georgia. Then he turned on me and he said you're responsible you're in charge. I wasn't in charge an hour before, but I was in charge now. And I said I understand that I made all my safety checks but I also wrote an unsatisfactory equipment report, don't forget that. And they came up and checked it out and I told them I would take full responsibility.

The question was, are you a rope expert? I kept saying well I don't know, I've been working with it for 11 or 12 years. Nobody wants to put themselves on the line that way. So it finally got down are you an expert or not I said yea I'm an expert. O.K. I'm better than you are. I mean, you know if that's an expert, I'm an expert. So, they said, will you take the Navy rope test? And I didn't know if—well you know, I'd never been in the Navy. So, I said, O.K. So, I took it and answered them and it was considered a fault of—well at that time they just said this is what occurred, an exploding rope.

It was published in the mountaineering safety handbook of an exploding rope. So, I told the Army, you know, this is a fault of the company that built the rope. The people should get some kind of reimbursement for this. You know something they should take the responsibility. I was told to keep your mouth shut, lay off, don't bother with it. So, for the next year I just kept writing back and forth to the cordage company that made the rope and finally with a mountaineering safety inspection and everything else in a publication finally the people were given compensation for the death, I heard, later on. No thanks to the Army hierarchy.

DC. Did the family of that dead soldier know how he died?

CH. Oh, yes, yes. Not only that when the body was taken home the father-in-law was in a tremendous over this. He knew the whole story. The wife just had a baby, I think the baby was two weeks old when we arrived there, when we buried him. The rest of the people didn't even go to the funeral, you know. I was the guy who supposedly killed him and I was the only one there, you know.

D.C. Well, there are a lot of stories like that. One of the saddest in the book and the most it would be comic, you could use the same thing in a comedy, it would be the comic version of a man who sets a trap for a burglar and then goes out and walks into it himself. I'm thinking of the Lt. who set up an ambush, walked out of the perimeter.

CH. Oh, yes.

DC. Called on the walkie-talkie apparently, and they said we think it's an enemy and he said let him have it. And they fired and killed him.

CH. Yes.

D.C. And you said you were so furious about that because it pointed to the kind of training.

CH. Yes, it did point to the kind of training that they got. You know, the Army's finding these incidences. This is one of the reasons we have problems over-seas where we go in, people always wonder why aren't the people—like we had the South Vietnamese, the Communists had the North Vietnamese. Why do the South Vietnamese fight so poorly? We had the South Koreans and the Communists had the North Koreans, why do the South Koreans fight so poorly? Well, you see we go in a country and we teach them how to carry their rifle and use their bayonets for honor guard. Communists teach them how to shoot the rifle and how to use their bayonet to kill people. We show them how to shine their shoes, the Communists show them how to wear camouflage. We go in there, the Communists show them how to live on a handful of rice a day like they have to in order to fight. We go in there and show people who are used to living on 800 calaries a day how to live on sea rations and American whiskey at 6,000 calories a day. Now this is why the people, we go in and we corrupt even more.

Yea, we're worried more about inspections; they're worried more about winning the battle. This is the kind of thing we do with our own troops. Yes, we teach too much Mickey Mouse in order to fight a war.

DC. Do you go along with that?

BG. I'll buy a lot of that. We have accidents in training. We have it in all branches of the service. We have accidents on the highway everyday because some part in an automobile breaks. Somebody slips in the bathtub and gets killed. That doesn't defend the poor training where it's given. But it's instances like these where they can be brought to the attention of people that care that will do some good.

DC. Well what about a man that would order a man to use an unsafe rope?

BC. I think he did exactly what I would have done. I would have refused to obey the order unless I were allowed to put it in writing and have him put it in writing that I did refuse and the reasons why and then write an unsatisfactory report. This is the procedure.

DC. Whatever became of the man who ordered that? Was he in any sense punished?

CH. No. But it's good to hear you say that, you should be on Heck's side.

BG. On who's side?

CH. On Heck's. The guy that refused to fly the bombing missions because it was an illegal . . .

BG. I didn't say I was opposed to it. I happen to believe in conscientious objection.

CH. Even if he's not a conscientious objector, you see, after that Calley case, the government decided no longer would a commander be responsible for all his unit does or fails to do. Now each man must make up his mind whether the order is legal or illegal. Heck made up his mind that it was illegal. Why are we even talking about punishing him?

BG. Well, in Heck's case, no, it wasn't illegal. But had he been flying for Lavelle, he could have said no. No, you see the Army said each man must make up it's mind whether any order is legal or illegal. And Heck made up his mind that bombing those South Vietnamese and North Vietnamese civilians and hospitals was illegal.

BG. No, he didn't judge it was illegal; it was immoral.

CH. Oh. That is just illegal at a higher level.

BG. No, it's not. No war is moral. Now if a man can't stand the immorality of it, I think he has a reason and a right not to go ahead with it. Even if he's had two or three hundred combat missions behind him. I don't say he's wrong. I think that he probably did the right things because no man wants to fly in a formation or in an airplane where one member is flying against his will.

CH. In other words, you think he did the right thing because he was endangering the other ones only; not because of what his moral . . .

BG. No. no. That's part of the support I could give him. I believe in conscientious objection. I have aided men to stay out of the service who conscientiously objected. I don't want a man next to me that I can't depend on.

CH. You mean he's undependable?

BG. If he doesn't want to go I would say he's undependable, even though he's been out there many, many, many times. I think you have the same attitude.

CH. I don't think so sir.

BG. Yes, I do.

CH. The undependables for this country are the men who blindly obey the orders and say it's just a job.

BG. But you're talking about disobedience to orders at any time?

CH. No, sir, I'm not. What I'm saying is this. Here's the way it should be. If I as the commander give an order to a Private to fire on those people in civilian clothes because they are enemy in civilian clothes, I expect that man to fire. Now, I expect that man to fire because he should trust that I know more than he does in experience, etc., etc. the line that fed from Washington. However, I expect the other part.

If that person turns out to be a civilian like he did under General Koster, under General Westmoreland, under General Young, under Colonel Oren Henderson, under Ernie Medina, under Colonel Barker than I will accept the punishment for the orders I gave that man. Suddenly we are trying the men who pulled the triggers under our orders instead of the criminal, the khaki Mafia, that gave those orders. Who, William Westmoreland, who now says, I'm not responsible. If he's not responsible, what the hell do we pay him for. You know.

BG. Well I happen to think that Westmoreland was not responsible for this.

CH. He said it not me. I'm just repeating it.

DC. We have to take a message, we'll be back. We are on an intriguing point there about who's responsible for what. I believe you're almost last Senator Goldwater where you did not think General Westmoreland was responsible. Did you mean irresponsible or not responsible.

BG. No, I don't think that he was although I will follow that by saying any commander is responsible for what goes on beneath him. I don't care if it's in 50,000 files down.

DC. Well what about the Japanese General Yamshita?

BG. What?

DC. I say General Yamshita. Wasn't that the famous case for not being able to control his men in the Phillipines.

BG. Yes, the instance that the Colonel refers to in My Lai, for example, I'm convinced that the top brass didn't know about it when it happened. But I think that they did know about it. Now, I don't we've ever, this is not to excuse this, but for example we had a massacre in Arizona during the Indian War that only came to light about

17 years ago and it was never entered into the official reports of the Army where 150 innocent Indians were killed by a posse of white people during the Indian Wars. I don't think any commanding general would allow it if he knew it. Now, I happen to know General Westmoreland, I can think of some Generals who might, but it wouldn't be Westmoreland or Abrams.

CH. Well, let me say the other side of that. General Westmoreland, it becomes apparant, was guilty. Delbert Taylor who handled the Nuremburg trials over there points out clearly according to international law and our own laws and the Nuremburg press that General Westmoreland is guilty. If you say he was responsible, then why haven't we done something about it. The next thing is, we have an officer who I've read about recently who was sworn under oath the public information officer of the 25th infantry division that he personally stood there and heard General Westmoreland tell his General after the Tet loss, "I want bodies, B.O.D.I.E.S." and that was the war crime policy in Vietnam. When you want bodies, you get bodies. Regardless of whose bodies they are. If General Westmoreland would not have demanded bodies and said I want no war crimes.

I can guarantee you there would have been no war crimes because then General Peters would have made sure there would be no war crimes because he wouldn't want to bring the wrath of General Westmoreland down upon him. And General Koster who wanted promoted desperately would have not committed any war crimes because he wouldn't want to offend General Peters and then Colonel Oren Henderson would have committed no war crimes he wouldn't have wanted to offend General Koster. And Barker wouldn't have wanted to offend Oren Henderson and Ernie Medina wouldn't have wanted to offend Barker and Rusty Calley would have pulled the trigger.

BG. Well, what would you do if you heard that a platoon leader of yours fired on the civilians without provocation?

CH. What would I do?

BG. Yea.

CH. I would have that man under arrest in a matter of 30 seconds. And I'd have him hauled back to the rear. I would have filed charges on him exactly like I did in Vietnam.

BG. I agree with you. And that's the chain of command that it should have occurred at.

CH. Did it?

BG. I don't think it did.

CH. Well the hell were all these Generals, these duty honored country men that were supposed to be. . . .

BG. The command structure at that size is inconceivable. For example, getting back to the Lavelle case. . .

CH. Oh, am I glad. I was going back to that right now.

BG. During the hearings, we repeatedly heard it said by one Senator, "Why didn't Abrams know about this because of the daily intelligence reports?" There were probably 2,000 a day never reached General Abrams office. They were made on a computer and it took the computer expert to read them and this is how the Sergeant got into it. And the Sergeant wasn't the only one, I might say who made reports on this, we've had many reports about it from pilots and crew men who said we feel this against the rules of engagement. But there was no way for General Abrams to have known that a pilot had fired on a radar site or a pilot had fired on this particular site unless he had nothing to do but read these reports.

CH. Then there are too many headquarters.

BG. Well, I mean, that's always been true and it's true today.

CH. Good, you know what the corrective action was over the Lavelle affair don't you? Secretary Melvin Laird formed three more headquarters. That was the corrective action. He formed a new IG office to report directly in. He formed another assistant secretary defense and he formed another channel. If there were too many headquarters in order for one man to command, what in the hell did we form three more for?

BG. Well the important thing he did was to not only put an IG in that job which we've never had before, but to put a man there whose only duty is to see to it that the pilot reports are reviewed and if there is a discrepancy the charge is made right there. We had no way before, unless an IG had nothing to do one day and went down the line and listened to the pilots being debriefed and said well now look, you went out and fired on these trucks, show me the evidence of hostile intention. And then it would have to be proven. Now, I think we've got the apparatus although I won't say that it's solved. I don't think that as long as you're dealing with human beings where there's war or peace that you can solve all the little and big idiosyncracies of men.

DC. That is your point isn't it that things are so glaring that you could solve a lot more of them?

CH. The thing is that we had General Lavelle saying one thing about the orders and we had General Abrams saying the other. Which one lied or did they both tell the truth?

BG. Neither one of them lied because General Abrams did not know of any instance except the requests that went and they had to go through the joint chiefs of staff because Lavelle wanted permission to attack this one radar site and Abrams said take it on up the line and he did. And Admiral Moore as Chairman of the Joint Chiefs said that he thought it was all right. Later, after it was done, he decided it wasn't all right. I think he was right in the first place.

CH. Well, if they were both right, then why did they relieve Lavelle.

BG. I think if I had been Lavelle I would have taken it to a court martial because I don't think that he was guilty. I think a man is entitled to interpretate a funny, crazy order like that the way he interpreted it.

CH. The court martial doesn't do anything. You see a court martial in the military is used to protect the khaki Mafia and to smash the little ants, the Privates and Corporals.

BG. Well, that's your opinion. You're entitled to it.

CH. And Birch Bayh's opinion and Luther Wess' opinion . . .

DC. And in my opinion we have a message and IG is a Inspector General and we'll be right back. We have not too much time left I should bring out Germaine Greer who is a woman who is interesting enough to talk about what we've been talking about as well as whether people should wear certain garments or not. Will you welcome please the amazing Germaine Greer. Have a seat.

GG. Thank you. Of course I was listening.

DC. Colonel Herbert has advocated, not here tonight, I think a plan for conscription that would involve women.

CH. Oh, absolutely, I think that uh . . . well when I say natural description I don't mean just to serve in the armed forces either. I mean a person should . . . it would cost less for the American people, we wouldn't have a drafted Army, we wouldn't have volunteer Army. A person should get a choice to serve in the Army, the Navy, the Marine Corps, AID, the ghettos of America, the Peace Corps. Give them a choice to serve where they want for their country. Men and women, women are just as capable as men.

DC. Well what about women in battle?

CH. Absolutely; why not? If they ever told me in 1950 in Korea in November when it was 30 below zero they were going to replace me with my mother, I would have been happy. I don't mean that facetiously. Yes, they're just as capable. I mean Germaine back there bombed me right to my knees when she came in.

BG. Women are not new in war.

DC. Would you volunteer for a war?

GG. Well, if I was a Vietnamese, I would. In fact, if I remember rightly, when they were publishing all those things in Da Nang about the enemy and who you have to look for they were publishing descriptions of guerrilla fighters and nonsympathisers with what they laughingly call the Viet Cong. Something like two-thirds of them were twelve year old girls that you were supposed to look for and kill. I mean the American G.I.s have been fighting women in Vietnam, that's part of the point. They've been making war against the civilian population, that's their whole dilemma, that's what all this conversation is about.

DC. But an armed woman is not civilian population, is she?

GG. Well it depends with what she's armed with and how she's behaving and what she's doing. I mean the way that they were conducting punitive raids just meant that a certain kind of conversation meant that a village got wiped out.

DC. But have you seen women firing weapons in Vietnam?

CH. Have I? Yes. Certainly, I mean and in Israel and in Pakistan and in India.

GG. I'd like to know how many women are responsible for bringing down the bombers in the latest fiasco in the North because everybody in the North has some sort of weapon that they keep buried in the corner of the field that they dig out and just blaze away, they just stand unprotected in the field.

CH. That's what the President is going to tell you next—it was probably a woman that missed the airplane that let the rocket fall back on the hospital they accused us of bombing.

GG. Well, I'm afraid this sex isn't capable of nearly anything.

CH. Yea, I know.

DC. We have a message. Germaine would have fought as a soldier, let's say you would volunteer and fight and carry a gun, would you have done it in the second World War?

GG. I think I might have done; I'm not sure. I think I probably would have, well it depends because the economic criteria was so rigorous; in the case of Vietnam, we are supposed to have something like half a million women who have had to turn to whoring to keep their families alive. In France, those women had their heads shaved and so on after the Vichy government collapsed.

I imagine the same sort of thing is going to happen in Vietnam. And whatever happens after tonight, it is not going to be peace in Vietnam; it is going to be a different sort of war, like in Bangladesh, there will be reprisals and misery of all kinds. And those women, as far as I'm concerned, were combatants, the women who had to go out and adopt a completely foreign and distasteful lifestyle in order to keep their parents and their children and their brothers alive.

I think lots of women in Vietnam are involved in the combat in a curious way like the Hootch Maids, some of whom have been known to bury grenades underneath the front door step so that when the G.I.s are coming home they just get blown to smithereens. The women who are smuggling heroin into the camps. I think if I were in a situation like the Vietnamese, I'd certainly be involved in combat.

But, whether I'd be carrying a gun, I don't know. There are other ways of doing it. There was a woman in Saigon who used to ride around on a motorcycle shooting American soldiers in the back. Maybe I'd do something like that. I don't know.

DC. You'd shoot American soldiers in the back?

CH. Well they don't actually ask people to turn around before they fire at them.

DC. Oh well. You would obviously fight in Vietnam, and did.

CH. Yes.

GG. He was on the other side.

DC. Well, how does a remark like that strike you? I means does that offend you that . . .

CH. That she would shoot me in the back?

DC. Yea.

CH. No, it just means she would have beat me to the punch because if she had a weapon, I would have probably shot her in the back. I mean, you know, I like Germaine and all that, but what I'm saying is that in a war if you're both carrying a rifle, she turned around and fired, of course, you fire back.

GG. But the point about this war, anyway, it's a guerrilla war. Americans try to fight a guerrilla war with conventional warfare. And it's just got it wrong all the time.

CH. Well, what we have finally tried to do, we have tried to fight into a civil war where we had no motive, no cause. That's where we were weak. And they had a mission and a cause. Something to fight for.

DC. So this moral that's different? How about the people you have seen die in the sights of your own rifle? Do they ever occur in your dreams?

CH. No, because I never killed a person that wasn't attempting to kill me. And they do not ocur in my dreams. If I had to drop bombs on Hanoi, it would occur in my dreams. If I had to sit in the Senate and advocate dropping bombs in Hanoi, it would occur in my dreams.

BG. Well, I would take exception to that. There is a constant war going on between the infantry and the Air Force. It will probably never be settled. My concept of the use of weapons is that all weapons should be used to make it possible for the man on the ground to advance. Now, if it takes bombing to do that, we do it. If it takes artillery, we do it. If it takes mining harbors, we do it. The man on the ground is the man that wins or loses a war. And in our case, and I've heard this from too many commanders to make me feel other than sick about it, we have been restrained in Vietnam and fighting the way that we could even though I think we were wrong in fighting on the ground. I don't think we had to. I think the whole war has been a mistake in the way it was fought and the way it was controlled through.

GG. But the aerial war hasn't worked either.

BG. Yes, it has.

GG. I don't believe that. I mean you may say it has because we don't know what the peace terms are.

BG. Well, let's see what the President has to say tonight.

GG. And if you're going to bring out a whole fleet of bombers to kill one water buffalo because he's triggered off a radar screen.

BG. He brought out a fleet of bombers to destroy supplies that we had allowed the enemy to build up for five long years by allowing them to come into the harbors of Haiphong and the others, by allowing them to come down the roads and the railroads north of the DMZ. And that's why we never made progress. The enemy soldier . . .

GG. The supply routes have never been satisfactorily uncovered. A lot of the arms caches, as far as I can see, are other American goods that have been stolen and sold on the black market.

BG. No, the supply depots that I'm talking about is not the Ho Chi Minh trails. That's impossible. But the supplies around the harbors of Haiphong and the other harbors, the petroleum lines, the railroads that we were not allowed to touch for five long years. And they built up a supply of weapons, that had we not destroyed them, I'm convinced this war would not even be close to ending.

DC. Whatever the President may have said tonight, will it prove or disprove that the bombing was effective or not.

BG. Oh, I don't think anyone can say effective or uneffective. As many people who argue that the bombing of Germany was a mistake, but it did bring peace. It was a bloody peace. But war is not a pleasant thing.

GG. But how can anybody ever argue that the bombing of Dresden and Hamburg made the quality of the peace any better. It was sheerly vindictive. It was quite unnecessary.

BG. There is no quality of peace following a war except a dirty quality.

GG. Well, in this case, I don't think we've even left the possible groundwork of a peace behind. I don't see how the social fabric of South Vietnam can ever be reintegrated. A thing has just appeared in an English paper about defoliation and its effects. And the funniest part of the story was how the journalist had to actually go about looking for defoliated areas. All you had to do was catch a plane from Saigon to Vien Chin and you would have flown over it for 50 minutes without stopping. And then we have all kinds of things like the rain has washed the defoliates away. Well, where to? The rain has spread the defoliants.

DC. Excuse me, we're running out of time. You have not taken back your offer about Colonel Herbert's letter?

BG. No, I'd be very happy to bring it before the committee and invite him down.

DC. OK. Just wait a minute, we'll be right back. Thank you. We have run out of time. This is most interesting and this could have gone on and we certainly didn't cover everything but I hope you all enjoyed being here.

BG. I'd rather have a woman fight me with a rifle than without one.

DC. Well said.

CH. Senator Goldwater struck me during the break.

DC. He struck you during the break?

CH. During the break.

DC. We'll have to have you both back to see who can do that better. Thank you all and we will have Lawrence Olivier tomorrow. And presumably Orson Wells.

"60 MINUTES"

(As broadcast over the CBS Television Network, February 4, 1973)

DICK CAVETT. Will you welcome, please, Lieutenant Colonel Anthony Herbert. [Applause]

MIKE WALLACE. As millions of viewers watched, Lieutenant Colonel Herbert described one of the war crimes he said that he had witnessed in Vietnam.

HERBERT. He had a woman by the hair with her head bent back . . . and he had his right arm around her throat with the knife dug in right here. And there was a child holding her leg, screaming, and he had another—the second child buried face-down in the sand with his foot on his head, suffocating him.

WALLACE. And you say it was your insistence on having war crimes investigated that led to your relief from command, right?

HERBERT. I still say it.

WALLACE. Did Colonel Herbert ever report war crimes or atrocities of any nature to you, Colonel Franklin?

Colonel Ross FRANKLIN. No.

WALLACE. Never?

FRANKLIN. Never.

* * * * *

MORLEY SAFER. After a week or two weeks of prodding and pushing, of relentless competition, of harassment and baiting, of the kind of abuse that would get any self-respecting Englishman up in arms if it were animals treated thus, the vacation is almost over.

* * * * *

I'm Morley Safer.

WALLACE. I'm Mike Wallace. Those stories and more, tonight on 60 MINUTES. First, these headline items.

The first American POWs will begin to return from Hanoi by midweek. This, according to a Canadian member of the International Control Commission in Saigon.

Also in Saigon today, North Vietnamese and Viet Cong officials had their first public outing, passing out cigarettes to journalists, answering the questions of passers-by and generally trying to be friendly.

But in Belfast, Northern Ireland, the past 24 hours have been the bloodiest of the year: 10 persons dead, 20 wounded.

"60 Minutes" continues in a moment.

[Announcements]

"THE SELLING OF COLONEL HERBERT"

WALLACE. One of the sad legacies of our years in Vietnam is the distrust of the American military establishment the war planted in the minds of millions of Americans. The Pentagon's efforts to obscure the facts, from Tonkin Gulf to My Lai to General Lavelle, seriously damaged the credibility of the military. And one man who helped to breed suspicion in our minds was Army Lieutenant Colonel Anthony Herbert, now retired.

For the past two years Herbert has been stating and repeating his charges that the American military covered up war crimes in Vietnam. Now he has published a book called "Soldier" which he wrote with James Wooten of *The New York Times*. Its publisher is Holt, Rinehart and Winston, a subsidiary of CBS. The book is a savage indictment of the Pentagon in general and some of its top officers in particular. A good deal of Herbert's firepower aims at proving that his military career was destroyed by the Pentagon only because he tried to report war crimes, atrocities in Vietnam to his superior officers. They wanted to hear none of it he says, and they broke him because he persisted.

"60 Minutes" set out to investigate the validity of Herbert's allegations. In the course of the last year, producer Barry Lando talked with scores of people in and out of the service—people who have known Herbert and the Army. Here is our report.

DICK CAVETT. My first guest tonight is one of America's great war heroes. And he is also one of its war victims. It's an astonishing story. I'll let him tell the rest of it. Will you welcome, please, Lieutenant Colonel Anthony Herbert. [Applause]

WALLACE. "The Dick Cavett Show"—December 30, 1971. As millions of viewers watched, Lieutenant Colonel Herbert described one of the war crimes he said that he had witnessed in Vietnam. Since it took place on February 14, 1969, he calls it the "St. Valentine's Day Massacre".

HERBERT. He had a woman by the hair with her head bent back—there were four dead males lying on the ground by now—and he had his right arm around her throat with the knife dug in right here. And there was a child holding her leg, screaming, and he had another—the second child buried face-down in the sand with his foot on his head, suffocating him.

CAVETT. Who were the men who were doing this, now?

HERBERT. They were Vietnamese, but under an American's charge.

CAVETT. They would be ARVN?

HERBERT. Well, they were police, is what they really were. They were national police. And just as I looked, he cut the woman's throat and dropped her into the sand. So this made five dead now.

WALLACE. As Herbert tells it, then and now, he tried repeatedly to have this and other alleged war crimes investigated by his commanders in Vietnam. As a result, he says, he was relieved of command and had his career ruined by an Army establishment intent on covering up atrocities.

HERBERT. For people to think that Ernie

Medina could have reported those crimes is ridiculous. If Ernie Medina had reported those crimes he'd have been—the bolt of lightning would have come out of the blue so fast that he wouldn't have known what the hell hit him, you know.

WALLACE. There seemed to be good reason for the attention Colonel Herbert has gotten from the public and the media: he was a hero. After all, even the Pentagon had to admit his Army record was outstanding.

He had enlisted at the age of 17, won 22 medals in some of the bloodiest fighting in the Korean War, wrote an account of his exploits, traded books with World War II hero Audie Murphy. He shot up through the ranks of commissioned officers, served as a Ranger, had duty tours in Europe, the Middle East. Then in February 1969 he was given a combat command in Vietnam. His unit: the 2nd Battalion of the 173rd Airborne, based south of Danang. Again Herbert excelled. In only 58 days he won a Silver Star and three Bronze Stars. But then, abruptly, in April of 1969, he was relieved of command by the same officer who had given it to him, General John Barnes.

BARNES. I thought he was a killer. I thought he enjoyed killing and I thought that he would cause me a lot of trouble in the pacification. I don't think he understood the role.

BARRY LANDO. Do you have any evidence, hard evidence, to show that he was a killer?

BARNES. No, I have no hard evidence other than the fact I know that he enjoyed getting out with squads with an M-16 and leading squads. No other battalion commander did that.

LANDO. Couldn't this just be a sign of bravery?

BARNES. Oh, it certainly could. But the same kind of a thing I didn't want happening in—then we got to the pacification role.

WALLACE. General Barnes elaborated his suspicions about Herbert.

BARNES. I can't pin this thing anywhere, but I just got the feeling, with all these high body counts he had, that some of them were suspect. And that—he would tell different stories as to the body count. He'd come in one day and I'd get a report that so many people were killed, and then when I tried to get the details of it there would be a different figure table. And I just didn't have confidence in him. I'd lost confidence in him as a commander with the ability to control his people.

LANDO. Did Colonel Herbert ever formally or informally report any war crimes or atrocities to you?

BARNES. He himself never did to me. Absolutely not. If he had, I would have taken the same action I did when I learned of atrocities anywhere. If they are under my responsibility, I would have court-martialed the man responsible for it, as I told every replacement that came into the brigade.

WALLACE. General Barnes' deputy commander was Colonel Ross Franklin. It was he who recommended to Barnes that Herbert be relieved. One reason, says Franklin, is that he had come to feel he could not trust Herbert's word.

FRANKLIN. Tactically, he was the best battalion commander we had. I counseled Herbert several times and once I counseled him on telling the truth or being more exact in what he said. I told him at that time that he could run circles around all the rest of the battalion commanders if he'd just tell the truth.

WALLACE. Did Colonel Herbert ever report war crimes or atrocities of any nature to you, Colonel Franklin?

FRANKLIN. No.

WALLACE. Never?

FRANKLIN. Never.

WALLACE. Verbally or in writing?

FRANKLIN. In no way, neither orally or in writing. This—I had many conversations with Colonel Herbert. We discussed many things, but never war crimes.

WALLACE. After losing his command, Herbert went to Saigon. He requested a formal hearing. An investigation was held. His appeal was denied. Herbert returned to the U.S., was ultimately assigned to Fort McPherson, Georgia. And then in September 1970, 17 months after he had been relieved of command, with the headlines filled with news of the My Lai trials, Colonel Herbert filed his war crimes charges with the Army Inspector General. Six months later, Colonel Herbert went public.

Why would Herbert make such charges if they were just baldly untrue?

FRANKLIN. There's a certain amount of vindiction, certainly. I would say that he probably holds me more responsible for what happened to him than any other officer.

WALLACE. Being relieved of his command?

FRANKLIN. Yes, but I can't really imagine the motivation that would lead to such a monumental thing such as this.

WALLACE. Monumental? What's monumental?

FRANKLIN. He has come up with totally fictional charges that, as far as I'm concerned, has been a hoax on the American people.

WALLACE. You were relieved. You were given a bad efficiency report.

HERBERT [agreeing]. Mm-hmm.

WALLACE. And you say it was your insistence on having war crimes investigated that led to your relief from command, right?

HERBERT. I still say it.

WALLACE. Okay. Now, in almost all the cases that you claim that you reported war crimes, either to Colonel Franklin or General Barnes, we have only your word against theirs. Nobody else was there.

HERBERT. Mm-hmm.

WALLACE. So what we decided to do was to zero in on the one case where there's a possibility, anyway, of proving who's telling the truth—without relying on your word against their word.

HERBERT. Mm-hmm.

WALLACE. And that's the incident of February 14—the "St. Valentines' Day Massacre," as you've called it. Now, what happened there, briefly?

HERBERT. What happened?

WALLACE. Yeah.

HERBERT. A platoon, I believe it was from B or C Company—

WALLACE. As Colonel Herbert tells it, he spoke with Colonel Franklin twice from the field on February 14. Then, he says, he flew directly back to Landing Zone English to report the killings personally to Franklin.

Well, specifically, on February the 14th in 1969, Colonel Herbert said that he reported to you, first on the radio and then in your command post, the killing of captured Vietnamese by South Vietnamese police while an American adviser was looking on.

FRANKLIN. At that period I was in the Ilikai Hotel in Honolulu, Hawaii, on R & R. I did not return to Vietnam until 16 February, two days after this alleged incident.

HERBERT. I say that he was there.

WALLACE. And that he's lying?

HERBERT. If he says he wasn't there, I say he's lying.

WALLACE. Can you prove it?

HERBERT. No, I cannot.

WALLACE. 60 MINUTES tried to find out who was telling the truth. Checking with the Ilikai Hotel in Hawaii, we found that Colonel and Mrs. Franklin had indeed been registered there from February 7 to late in the afternoon of February 14. That would already have been February 15 in Vietnam. Colonel Franklin also gave us a cancelled check signed by himself and made out to the Ilikai Hotel for the exact amount of the hotel bill. The check was dated February 14. And we spoke with two Army officers who were in Hawaii at the same time. They say they flew back to Vietnam with Colonel Franklin, taking off from Honolulu late on February 14, arriving at Camranh Bay in Vietnam on February 16, local time.

Let me provide something to you.

HERBERT. Okay.

WALLACE. A check, signed by Ross Franklin, 14 February, in Hawaii, for the full amount of that hotel bill that you have there, which means that he had to be in Hawaii to pay his bill himself on the 14th of February; therefore could not have been where you said he was on the 14th of February.

HERBERT. Mm-hmm. I can probably find you checks—I don't know. I can probably find you—I don't know about this check. I can probably find—

WALLACE. Wait a minute. I mean, you say—

HERBERT. I see the check.

WALLACE. Yeah, okay.

HERBERT. I can probably find you a hundred checks that I have either dated for another reason, wrote after the fact, misdated, what have you. I don't know. All I know is I saw Ross Franklin there and talked to him. I know that. I know what I saw. I know what I did. And I stick by it and I still say it. And I swear to it and I've sworn to it under oath and I'll swear to it again, you know?

WALLACE. In his book, Colonel Herbert writes that there are several people who can testify that Franklin was in Vietnam on February the 14th. We asked Herbert for the names of those men. We contacted almost every one of them. None could confirm Herbert's claim. Several men serving under Herbert said they had heard Herbert say, while in Vietnam, that he had reported the February 14 killings, but none were certain that he had actually reported them.

BARNES. Why didn't he do something that had a date on it that would prove that he did report those things? He had plenty of time to do it. He left the brigade, he was down in Saigon three months where he had this court of inquiry, this Article 138. He had plenty of time to jot something down on a piece of paper, to get it notarized. Why didn't he?

WALLACE. You have no documents to show, not a piece of paper to show that you ever reported a war crime to anybody prior to the time that the My Lai trials were going on at Fort McPherson in Georgia. You were in Fort McPherson, Georgia, at the very same time that those My Lai trials were going on and then suddenly you went public.

HERBERT. Let's say that we—I'm not going to say we don't have documents to show that I reported war crimes in Vietnam. That's not for me to say here. I say that we can prove that I did report them in Vietnam.

WALLACE. You have documents to prove——

HERBERT. I'm not going to say we have documents or not. I just say we have statements—sworn statements—and testimony that will prove that I reported war crimes in Vietnam.

WALLACE. Have you—have you published them in your book?

HERBERT. I don't think so.

WALLACE. Why?

HERBERT. I didn't—I had no reason to. It was already in the paper, other things. I don't know why. I have lawyers, just like you have lawyers. We didn't put everything out we have.

WALLACE. Earlier, Herbert had tried to put the whole question of his reporting or not reporting atrocities in a different light.

HERBERT. Let's say I didn't, just for the sake of the discussion. It would make absolutely no difference if I waited five years to do it. The motive would make no difference whatsoever. The question is: did the crimes occur or didn't they?

WALLACE. Oh.

HERBERT. Were Colonel Franklin and General Barnes well aware of them or weren't they? I say they were and I say I reported them, and it's still there and it still stands.

Wallace. No. The point is there's no dispute that war crimes occurred in Vietnam. The dispute, it seems, is this: you've called Franklin a liar.

Herbert. Yes.

Wallace. You've called Barnes a liar.

Herbert. Yes.

Wallace. You said the Army, really, deprived you of your military career because you insisted upon reporting war crimes and they wanted them covered up. And that's really what the issue is here.

Herbert. And I still say it.

Wallace. The sprawling U.S. Army base at Longbinh, just outside Saigon. After he lost his battalion, Colonel Herbert went to Longbinh to appeal his relief from command—and also, he says, to present his war crimes charges. One of the officers he spoke with was the top U.S. military lawyer and judge in the country, Colonel John Douglass. Herbert claims that Douglass listened to his story and then told him he wouldn't touch war crimes charges against a general with a ten-foot pole.

Douglass. The story, of course, is not correct. He has not recalled the facts, apparently, as they really existed.

Wallace. All right, what were the facts?

Douglass. Well, the facts as they really existed were that he was brought to my office by an assistant inspector general, as I recall it. That officer explained that Colonel Herbert has been relieved of command and had a complaint about his relief. I said, "Well, I better turn this over to my assistant, Colonel Rector"—who was in the room right next to mine—

Wallace. Wait a minute. Did he mention war crimes to Colonel Rector?

Douglass. I don't know. If he did, he never mentioned—Colonel Rector never told me about them. And as a matter of fact, Colonel Rector's comments to me were that his complaint was that he'd been improperly relieved and he'd—there was some jealousy, some hard feelings between Franklin and whoever the general was up there, and Herbert.

Wallace. Barnes.

Douglass. General Barnes and Colonel Herbert. And that he'd been improperly relieved. And it looked like enough of a case that we ought to get a full investigation. I can't believe that if there were war crimes involved and we were trying to stay out of it, as indicated by this passage you've just read to me, that then we'd recommend a full-scale investigation—which we did.

Wallace. Douglass said that he was irritated by the implication that he wouldn't bring charges against a general.

Douglass. And I am annoyed, I'm hurt, I'm—I feel that this is an indication that I'm not of a strong enough character to be either a lawyer or an Army officer, and I happen to be both and I'm proud of being both.

Wallace. But why haven't you said this up to now?

Douglass. Nobody's asked me.

Wallace. He says you—He's a gentleman, so he won't——

Herbert. Yeah, and I'm not.

Wallace. —So he won't call you dirty names, but he says that it's absolutely made up out of the whole cloth. He said that he barely talked to you, you didn't mention war crimes, that he bucked you to his next-in-command, a fellow by the name of Rector.

Herbert. That's not true. I never saw Rector, ever.

Wallace. Okay.

But when 60 MINUTES contacted Colonel Rector, he said that he had indeed spoken with Colonel Herbert at some length about his relief from command, but that Herbert never claimed that war crimes had anything to do with it.

In fact, over the past several months, we have spoken with many men who saw Herbert after his relief in Vietnam. Some are still in the service, some are out. Most of them admire Herbert, yet to a man they say that Herbert never once said to them that he had been relieved because he had tried to push war crimes charges.

You claim that the investigations into Barnes and Franklin, conducted by the Army and based on your charges, was whitewash, right?

Herbert. Mm-hmm.

Wallace. Do you remember an attorney by the name of Ken Rosenbloom?

Herbert. Yes, I do. I was the one that put you in contact with him.

Wallace. Right.

While in the Army, handling the Barnes investigation, Ken Rosenbloom was a captain in the Judge Advocate General's Corps He is now an assistant district attorney on Long Island in New York.

Now, he has charged, as Herbert has charged all along, that the Army's investigation into charges against General Barnes were a whitewash. You worked on the Barnes investigation.

Rosenbloom. That's correct. I did.

Wallace. What do you think?

Rosenbloom. It certainly wasn't a whitewash. We traveled all over the country. We took thousands and thousands of pages of transcript. We spoke to witnesses in person and over the telephone. We had access to all the CID files. We were refused nothing and we were permitted to go anywhere that we desired and talk to anyone we desired, in or out of the Army. We had all of the Army's facilities made available to us, and anywhere we wanted to go, we went.

Wallace. You were present throughout the whole business of investigating Herbert's charges General Barnes?

Rosenbloom. Yes, I was, sir.

Wallace. And you came up with a verdict that the charges just didn't hold water?

Rosenbloom. Essentially that's correct, sir. I tried to approach it in a very open-minded way. I have no grudge against the Army, no grudge against Herbert. I knew I was getting out. I was not a career man, and so I had no desire to protect the Army nor did I have a desire to protect Herbert.

Wallace. Are you trying to set the record straight about Anthony Herbert?

Rosenbloom. I don't know if the record requires to be set straight. Nobody ever asked me before what happened at the investigation.

Wallace. He says no cover-up. He says that they tracked down every lead that you gave them—many of them provided by you—and more. And when they contacted those people they just could not confirm what you said they knew or had seen.

Herbert. Then let them present the statements and the evidence. I told you the other military lawyer is Dick Heintz, who will verify what we have said. There are—The documents are there. Then let the Army release all the documentation and let the people judge for themselves.

Wallace. We contacted Herbert's military lawyer, Captain Heintz. He said that, from the few documents that he had seen, he suspected the Army was not doing its best to investigate Herbert's charges. But he said that he could not be at all certain of that until the full investigations are made public.

Another thing that we found out checking out Herbert's book: Although several men who served with Herbert say it's not so, there are others who claim that Herbert was an officer who could be brutal with captured enemy prisoners himself.

You used to have a radioman by the name of Bruce Potter, right?

Herbert. Yes, I had. Sergeant Bruce Potter.

Wallace. A man you've spoken highly of and who speaks highly of you.

Herbert. And I still do, no matter what [indistinct] I still do.

Wallace. All right.

Potter. One day we captured two detainees and we had an interpreter with us. We were on a recon mission. And we took one of the detainees in the air, because neither of them would talk on the ground. And we took him in the air and Colonel Herbert held him in the door of the helicopter. The helicopter then made a bank to the left and Colonel Herbert jolted him a little bit to scare him into talking—to think he was going to be thrown out the door. And the interpreter that was with us in the helicopter was questioning him constantly through the flight. And the helicopter then made another bank over the mountains and Colonel Herbert gave him a bigger jerk out the door, and he started talking. And then we flew across the area where the other detainee was being held and threw a sandbag out full of clothes and rocks and things of this nature into the area where he was. He was blindfolded on the ground. And he apparently started talking then, because he was talking very well when we came down. And both of them—We got quite a few—quite a bit of information out of them. They were trail watchers.

Lando. He started talking why?

Potter. Because he thought that the other detainee we took in the air was thrown out of the helicopter and that was him hitting the ground rather than the sandbag. This was a method that was thought up on the spur of the moment, I believe, and it worked, definitely worked.

Lando. Who thought it up?

Potter. It must have been Colonel Herbert. Had to be.

Herbert. This is not true.

Wallace. In other words, Potter's a liar?

Herbert. No, Potter's mistaken. Potter may remember somebody doing that—

Wallace. No, no, no, no. Potter told us that he was with you, Colonel Herbert, in the chopper as it went on and he said it was your idea.

Herbert. I understand what you are saying that Potter said. I say that it is untrue—

Wallace. All right. All right, now—

Herbert. —you know?

Wallace.—another man: Bob Stemmies.

Herbert. Bob Stemmies?

Wallace. Do you know him?

Herbert. No, he wasn't—didn't work for me, but I do know him, yes.

Wallace. Well he was a military intelligence sergeant.

Herbert. Yes.

Wallace. You spoke very highly of him on the Cavett show back in '71—September.

Herbert. Yeah, I spoke—Well, I knew about him as an IG, yes.

Wallace. Stemmies told us that he was present once with you as a Viet Cong nurse was being interrogated by ARVN troops, being beaten by them to get her to talk, you were there, stood by, did nothing.

Herbert. Well, let me tell you this. As long as I was in Vietnam, my unit never captured a single nurse. And you won't find anything about a nurse in any of our records.

Wallace. Do you remember a chopper pilot by the name of Mike Plantz?

Herbert. No, because Mike—I don't remember him, because Mike Plantz never flew me in Vietnam.

Wallace. He was based at Landing Zone English.

Herbert. Yes.

Wallace. He claims that he was flying a chopper for you, saw you beat up a woodcutter after you went down to check a group of them out; also say that he saw you beat up a VC prisoner being brought back by you to Landing Zone English.

Herbert. It's false. It's false.

Wallace. Bill Hill, one of your top company commanders—

Herbert. Yes.

Wallace.—has told us that Herbert "is the best battalion commander I've ever had, but for some reason he's become a liar. It's all so much garbage."

Herbert. If he's still in the Army, he will do the same as other officers will do, I'm sure, in order to keep their career going. These men are not going to destroy themselves.

Wallace. In other words, he has simply chickened out and is going along with the Army line against Herbert?

Herbert. I don't know.

Wallace. Well, that's what you're suggesting.

Herbert. I don't even know he said it. You're telling me he said it. But I'm sure he did say it if you say he did. I'm telling you, if Bill Hill feels I'm lying, he's entitled to have that opinion, right?

Wallace. In checking out Herbert's book, "Soldier," we found numerous stories that, according to the people mentioned in those stories, are not true. One such man is Major Jim Grimshaw, a former company commander who served under Herbert in Vietnam. He thinks that many of the charges in Herbert's book, like the politicking that goes on among Army officers—especially West Point officers—are true. Like many of the officers who served under Herbert, Grimshaw has the highest praise for him. When I interviewed him in the Pentagon, Major Grimshaw was frank to admit his admiration.

Grimshaw. I would stick up for Tony Herbert for anything. I'd follow him in combat because I don't think I could keep up with him, he was such a fine combat leader. However, I feel that as an individual, let alone an Army officer, a man must have integrity. Therefore, I would not lie for him or for anybody else.

Wallace. I asked Jim Grimshaw about the stories in the book that related specifically to him. The most dramatic involved an incident where he and his men supposedly tried to flush some Viet Cong soldiers from a cave without injuring some female civilians also in the cave.

Major, let me read you from the book, from Herbert's book. He says:

"Grimshaw suddenly dropped down to his knees and crawled into the cave, Whispering softly in Vietnamese. A couple of minutes later, as his men watched open-mouthed, he, Grimshaw, emerged from the cave carrying a baby in his arms. The three Viet Cong soldiers and the two women followed closely behind. It was cool. Nobody asked him why he did it. He never explained. I submitted him for the Silver Star, the country's third-highest combat decoration. He more than deserved it, but he never received it."

Grimshaw. I did not do that.

Wallace. You didn't go in, come out carrying a baby, followed by three VC soldiers and two women?

Grimshaw. I did not.

Wallace. Did he submit you for the Silver Star? Because I don't see your—At that time?

Grimshaw. I have no recollection of being subm— being recommended for the Silver Star for that incident. There was another incident, in which my first sergeant recommended me.

Wallace. But not Herbert?

Grimshaw. But not Herbert.

Wallace. In sum, Major, what do you think about Tony Herbert?

Grimshaw. You're asking me before or now?

Wallace. Now.

Grimshaw. Having read the stories about me, and only about me—

Wallace. Right. Things of which you have certain knowledge.

Grimshaw. Right. I would say that there is a kernel of truth, there is a nucleus of truth, but unfortunately, I think that he has expanded some of these stories, which may be great reading to the public but not entirely true. And—

Wallace. You seem to say that with—

Grimshaw. I say it with resignation—

Wallace. Reluctance?

Grimshaw. —dismay and reluctance. Believe me, if I felt that that was the truth if I felt that, you know, that was the undeniable truth, I'd stand up in front of everybody and say, "This is the truth." But he's blown it out. He's gone beyond that point and it's a shame.

Wallace. Do you believe that he was relieved because he wanted to push allegations of war crimes and atrocities? Do you think that's the case?

Grimshaw. I don't think that was the cause. I just don't think that was the truth. I feel, somehow, somebody had it in for him, and I don't know who. And it's too bad.

Wallace. Here we are in the Pentagon. Did anybody here order you to come here and talk to us?

Grimshaw. No.

Wallace. You're your own man?

Grimshaw. I'm my own man. I like to think I am. I hope I am.

Wallace. Jim Grimshaw telephoned Colonel Herbert after we had talked to him. Herbert called us with that news and he claimed that Grimshaw told him that he had spoken with us in the Pentagon only under pressure—that his career was on the line. Herbert told us that was the reason that other officers had also come out against him. When we checked with Grimshaw, he denied telling Herbert that. So to settle the argument, we flew Grimshaw and his wife to New York and had them wait outside listening to our interview with Herbert. When Herbert again intimated that Grimshaw had been pressured by the Pentagon to bad-mouth Herbert, we told Herbert that Grimshaw was there.

Herbert. Bring him in.

Wallace. Fine.

Herbert. Good. And ask him the same questions.

Wallace. You can ask him whatever questions you want to. Here he is right now.

Grimshaw. Hi, how are you doing?

Herbert. Very fine.

Wallace. Jim, have you heard what's been going on between the Colonel and me?

Grimshaw. Yes.

Herbert. Okay.

Grimshaw. We started on line at the base of the hill searching caves. You were with me probably 90% of the time.

Herbert. Yes, that's why I put in for the Silver Star, yes.

Grimshaw. But I'm saying—

Wallace. Wait a minute. You told me that he didn't put in for the Silver Star for you. [Crosstalk]

Herbert. —saying I didn't put you in for a medal on that, Jim?

Grimshaw. Well, because I don't remember you ever putting me in for a medal.

Herbert. How about the rest of the things in the book?

Wallace. Have you read the book? Have you read the book?

Grimshaw. Yes, I have read the book.

Wallace. Do you think it's accurate, by and large?

Grimshaw. Well, the incidents—We have to talk about the incidents that I'm personally involved in.

Wallace. All right. Sure.

Grimshaw. So, now we're talking three incidents, when you get right down to it.

Wallace. And you've told me—

Grimshaw. I'm telling you two-thirds, then, are not true.

Wallace. Were you under any pressure, Jim Grimshaw, to—from the Pentagon or from your commanding officer to show up at the Pentagon for an interview?

Grimshaw. No.

Herbert. Now, you told me that—

Grimshaw. Absolutely not.

Herbert. You told me that.

Grimshaw. And I wasn't briefed.

Wallace. Later in the interview, Grimshaw told Herbert he should have checked out his stories with the people whose names appear in the book.

Grimshaw. Why didn't you call guys like myself or Hill or some of these guys?

Herbert. Okay——

Grimshaw. You know, you're making us a public figure—

Herbert. Okay, wait a minute, Jim.

Grimshaw. —whether you want—You know, you're trying to do me a very good job and, in a sense, maybe I think it's because of all the problems that occurred and you maybe want to put us in a good light to the American public. But now you're made me a public figure. I can't help it; I have to speak out.

Wallace. The deeper we got into this investigation, the more we felt that the way in which the media, including CBS News, reacted to Herbert's allegations was almost as interesting as Herbert's story itself. Several reporters did make an effort to check out Herbert's claims, found his case was far from clear-cut and made that obvious in their reports. Many others did not. *The New York Times* did more, probably, to publicize Tony Herbert's story than any other paper. When Herbert passed a lie-detector test on whether or not he had reported war crimes to Franklin, the *Times* gave it big play. But when the Army said that Colonel Franklin, the man Herbert had accused, had also passed a lie-detector test, other papers reported it but there was not a word about it in the *Times*.

Attorney Ken Rosenbloom, the former Army lawyer who investigated many of Herbert's charges, say the attitude of the media towards Herbert was understandable.

Rosenbloom. Well, he's highly decorated and a respected soldier, and he makes these charges and he gets a lot of newspaper coverage about it. Because of the temper of the times and what the country wanted to hear perhaps, or because the media was looking for another hero, they tended to accept these allegations uncritically

Wallace. *The New York Times* in Vietnam wanted to talk to you and you wouldn't talk to them?

Franklin. No.

Wallace. Well, you wouldn't talk to them?

Franklin. Well, the logical conclusion to draw from what you're saying, then, is that if you won't talk to the press, then they can say anything they want.

Wallace. No.

Franklin. But there's still a responsibility to present the truth.

Barnes. During the long investigation on me, the Army's policy was not to put out any statements at all because of prejudice to others involved in the investigation while it was going on. Therefore, the press had no place else to go for information but back to Herbert, where the source was. And I just think that the press did what they could but they weren't given both sides of the stories. Right or wrong, that's—I think that's what happened.

Lando. Why not make the investigation public, then?

Barnes. Don't ask me. If I was in charge I would, but I'm not in charge.

Herbert. One of the things I have said from the beginning is that you'll never know for sure. No one will know the whole truth until the Army releases for publication every single document and statement they have, which they have not done unless they've let you read them all. And the second portion is, until they have a full Congressional inquiry to find out is Herbert telling the truth? Is Herbert lying? Is Ross Franklin telling the truth? Is Ross Franklin lying? And lay it all out there for everybody—and I'm sure that's what you're trying to do to some extent tonight and I go along with it.

Wallace. Okay.

The Army could indeed help resolve the

controversy. They could open their files to a public airing. They could make themselves available for questioning about the whole Herbert business. But they won't. I asked former Army Chief of Staff William Westmoreland to talk about it. He refused to be interviewed. I asked General Winant Sidle, the Army's Public Information Chief. He refused, too. We heard two lines of speculation among Pentagon people. One is that the Army doesn't want to help make a martyr of Tony Herbert. And the other is that during their various investigations into Herbert's charges, the Army found so many true stories of war crimes that, irrespective of whether Tony Herbert had reported any of them, the Army just doesn't want to wash that kind of dirty linen in the open. Perhaps the best way to stop all speculation is to do what you heard Anthony Herbert and General Barnes suggest a moment ago: make the Army investigations public.

[Announcements]

"COME TO BRITAIN"

SAFER. "Come to Britain!" That's what the travel posters say. And we do—millions of us—carrying with us our own special baggage of national characteristics. We like England. We share a heritage and a language. Englishmen sometimes poke fun at what they call our "trans-Atlantic manners". And many Americans are overwhelmed by their elegance, even the stateliness of English life. We tend sometimes to think of England in almost Shakespearean terms. Well, that's partly true. But only partly true.

[Music: "Pomp and Circumstance"]

This royal throne of kings, this scepter'd isle,
This earth of majesty, this seat of Mars,
This other Eden, demi-paradise,

* * * * * *

This happy breed of men, this little world.
This precious stone set in the silver sea,

* * * * * *

This blessed plot, this earth, this realm, this England.

"This England"—as seen by the ad men who make the BOAC commercials, by those who print the "Come to Britain" posters. "This England"—as American Anglophiles like to think of England.

But for the Englishman on vacation—at least one in 50 of them—"this England" is *this* England. [Shouting crowds] This England is the England of a phenomenon unknown in the rest of the civilized world—a phenomenon called Butlin's: vacation camps named after their founder, Sir Billy Butlin.

If you suspect that we're exaggerating the phenomenon, then we begin with the way Butlin's sees itself. [Music: "Pomp and Circumstance"] A "Come to Butlin's" commercial.

They are set in places no tourist ever gets to or much less ever hears of. And Butlin's offers to the Englishman at leisure a peculiar brand of impossibly English pleasure. [Crowd laughter and applause]

The English have always been a baffling curiosity to their European neighbors and their American friends. But nothing baffles an English-watcher more than the English at play. One million people every year spend good money to endure a kind of folksy survival course in which everything seems designed for anything but a holiday. Unlike the rest of the civilized world, the Englishman on holiday is not trying to get away from it all. He's trying to find out just how much he can put up with: a test to see if his dignity can withstand monsoon rains and arctic temperatures. And apparently nature is not harsh enough at what they euphemistically call holiday camps: they employ a whole staff of people to test his backbone, his patience and the stiffness of his upper lip. [Music]

The "Redcoats" they are called: uniformed counselors who are there to ensure that privacy is kept to a minimum. They are a mixture of cheerleader and tormentor.

MASTER OF CEREMONIES. Ladies and gentlemen, the Redcoats! [Cheers]

CAMPER. If you've got two legs you can do it, but if you haven't, you can't.

SAFER. Their motto could be "Fun Through Adversity." Four decades ago, Sir Billy Butlin, an ex-carnival man realized that what an Englishman wants most out of their vacation is organization, routine, discipline—not escape and relaxation—so he provided it. [Shouting]

It's not as simple as exploiting the British competitive spirit on what might loosely be called the field of sport. It's like a Roman circus with everyone in the audience taking his turn in the arena. A Butlin's vacationer is somewhere between a second-century Christian in Rome and a 15th-century victim of the Spanish Inquisition. [Shouting, cheering and laughter]

REDCOAT WOMAN. [Indistinct] cup and saucer. You have a balloon between your legs, cup and saucer in each hand, a cup and saucer on your head. You have to balance, walk up, around that chair, back again.

SAFER. And all of it in the best British tradition of, quote, "being a good sport."

WOMAN. You've got to win! You must win!

M.C. Everybody give a nice round of applause! They've done very, very well! [Indistinct] these lads!

[Shouting; man barking like dog; laughter.]

WOMAN. Whoever the girl is in the last thing, they're going to get soaked. So [indistinct] mind getting wet. You'll get really soaked.

WOMAN. Don't squash it so hard! Pump harder! Pump harder!

M.C. And there they are, lining up to do—

SAFER. Experienced Butlin's holidaymakers—"lifers" they call them—complain that the harsh discipline of the thirties has all but disappeared, that young Redcoats do not have much imagination at meting out indignities.

REDCOAT WOMAN. Just shut up! Go on! Go on! [Shouting]

Voice on PA system. This is Radio Butlin's calling all first-seating guests. The time is 12:15 and your lunch is now available.

SAFER. And then there's the food. Butlin's offers their guests no shocks or surprises in this department. They boast their campers consume enough tea each year to float an ocean liner, enough baked beans and potatoes to sink one, and untold millions of fried eggs.

It's not surprising that the British Government converted some of the pre-war holiday camps to prisoner-of-war camps during the forties, and then they were just as quickly turned back into holiday camps after hostilities.

Voice on PA system. This is Radio Butlin's giving you the highlights of your evening's entertainment. In the Gaiety Theater at 6:30 this evening: "Holiday Magic" with the resident review company. At 7:00 o'clock in the [indistinct] Room, the Phillips [indistinct] contest, when anyone between the ages of 14 and 39 has the chance to win a recording contract with Phillips. [Indistinct]

[Music]

M.C. A one, a two, a one, two, three, four. [La-la-la-ing]

SAFER. The Miss Chichi competition, to find the most charming, cheerful, chubby lady guest, is now taking place in the Princess Ballroom. [Laughter and applause]

[M.C. singing]

SAFER. The Glamorous Legs competition. [Indistinct M.C. voice] And always a good old-fashioned dash of Anglo-Saxon vulgarity.

M.C. Come as close to the screen as you can, girls. We want to see those knees. Number 44, it looks like you've got a wedding dress on. If you can lift it up. Look at this lot! I've got to lift something up here. Look at this! I'll turn your [indistinct] try to get a peek. [Indistinct; screen] Hey! [To music:] A three, a four, and a one, a two, a one, a two, a three and a knee! Yes, that's better! Oh, a one, a two, a one, a two, a three, a four—

SAFER. Critics of Butlin's claim they have gone too far in this business of regimentation, that guards patrol the barriers with trained-to-maim Alsatians looking for stray campers. We noticed only a few guard dogs, who were really not that vicious.

After a week or two weeks of prodding and pushing, soaking and freezing, of relentless competition, of harassment and baiting, of the kind of abuse that would get any self-respecting Englishman up in arms if it were animals treated thus, the vacation is almost over. [Singing] It is midnight. Campers and Redcoats and other tormentors gather in the Gaiety Theater for one last inspection and a few old songs.

[Singing: "We'll Meet Again"]

SAFER. And in the morning they are free.

[Announcements]

POINT-COUNTERPOINT

WALLACE. The Congress has been going over President Nixon's new budget. And our two Point-Counterpoint columnists have been doing the same thing.

JAMES J. KILPATRICK. For the past 30 years, since Roosevelt came to the White House, political power in this country has been running in one direction only: it's been running to Washington. And the thing I like most about Nixon's budget—and I like a lot of things about it, Nick—is that it represents a wise, determined and vigorous effort to reverse this flow of power and to send many of the decisions back to the hands of the people in the states and their communities: back where it ought to be. The notion that all wisdom is concentrated here in Washington, that Federal bureaucrats truly know what is best for us, is one of the great lies of our time.

The President proposes to dismantle some $7-billion worth of categorical handouts and to return roughly the same amount back to the states and communities to be spent at their discretion in four broad areas. Nick, what's wrong with that? You can find some good and useful programs among the 70, but most of them are riddled with waste and many of them should have been abolished long ago.

The contention that this budget will oppress the poor and the elderly is sheer humbug. There's plenty of money here to cover legitimate needs and to deal compassionately with human misery. It's also baloney to argue that social needs are being sacrificed to an overblown national defense. In the light of our treaty obligations, Nick, and in view of the Soviet military build-up, the President may have allocated not too much, but too little, to national defense. The bleeding hearts, bureaucrats and boondogglers—your fans, Nick—may be aghast at this budget. But I think it's great.

NICHOLAS VON HOFFMAN. Now, Jack, this new budget calls for an expenditure of $79-billion on the military. My bleeding little liberal heart tells me that's a lot of moola—too much moola. You righties only see waste and inefficiency in the programs you don't like. I agree that many of the programs the President is gutting haven't helped the poor. Too often the principal beneficiaries have been the social workers, the consultants and the hot-shot per-diem business-school boys. But the biggest waste isn't in the social program areas. It's still in the Pentagon, where the big money is. There's never been a housing scandal like the Lockheed scandal.

And Jack, if you really think this budget, with its minimal $12-billion deficit is reversing the flow of power out of Washington and back to the states, you're hallucinating. To reverse the flow, give back the taxing power to the states and don't come in with any more $269-billion budgets like this one.

* * * * *

Safer. Several of the letters we got last week were about those two gentlemen and our feature, POINT-COUNTERPOINT.

One viewer wrote: "[They] are so cynical, so self-righteous and so offensive, why do you have them on your program? . . . How can [they] help bring our country together?"

About the Vietnamese in France and Belgium who fled the war in their own country, a viewer wrote: "In Vietnam, it seems, almost everyone wants to desert. And it's the rich and powerful who do. . . . Our rich probably do the same thing, but you boys don't go poking in their backyards."

On that same subject, another viewer wrote: "You might tell us sometime how many professional [athletes in our own country] got in the Reserve and National Guard, while [those] with no money or talent or influence ended up in Vietnam."

Finally, about our story on the Washington policewoman: "After you guys succeed in getting the boys [effeminate] and the gals [masculine], won't it be just a little bit dull? . . . The hand that rocks a drunk with a judo chop cannot rock the cradle."

I'm Morley Safer.

Wallace. I'm Mike Wallace and we'll be back next Sunday evening with another edition of "60 minutes."

The Herbert Story: Fact and Herbert Saga Dissected

(Reviewed by L. G. Smith)

("Soldier" by Lt. Col. (Ret.) Anthony B. Herbert with James F. Wooten. Holt, Rienhart and Winston, N.Y., 498 pages. $10.95)

If it were to be judged as fiction, this book would earn high marks from most readers. It is a fast-moving, vividly written collection of anecdotes and adventures from a remarkably varied and sometimes exciting military career. And whatever else may be said about Tony Herbert, it must be acknowledged that he is a good storyteller.

His zesty, often humorous, sometimes horrifying tales of military snafus, of young officers bucking the system while senior officers abuse it, of corruption and atrocities, and of the intense experience of soldiers in wartime provide reading that will fascinate most who have access to the book.

However, *Soldier* is not offered as a work of fiction, but as a factual documentation of the life and career of a man who devoted his life to being a good soldier and officer, and who was betrayed by the Army he loved when he dared to report war crimes to his superiors.

Focusing on Herbert's 58 days as a battalion commander with the 173d Abn Bde, the book presents a pervasive indictment of the Army's conduct of the war in Vietnam, ranging from the philosophies of the top strategists to the tactics employed by company commanders and the training of the troops in the field.

None of the criticism in *Soldier* is new, but the manner of presentation is. Herbert names names, provides dates and places and quotes, and thus gives new impact to the familiar charges of war crime coverups, ticket-punching command assignments, self-protective decisionmaking, and widespread corruption.

It is for these reasons that *Soldier* already is arousing considerable public interest, that it has already been favorably reviewed by *Saturday Review*, *Newsweek* and the *New York Times*, that Herbert has been interviewed with enthusiastic approval by Frank McGee and Dick Cavett on nationwide television, that three book clubs already have purchased rights to the book and that the Army is anticipating renewed criticism from the media and the public.

Despite the initial furor, however, as a work of documentary non-fiction, *Soldier* is largely a hoax. Its pages are filled with half-truths and outright lies ranging from relatively innocent "war stories" to the most malicious kind of character assassination. Investigation and interviews with witnesses to dozens of incidents described by Herbert in the pages of *Soldier* reveal a consistent pattern: a kernel of truth imbedded in a web of distortion, exaggeration and falsehood that in every case serves to discredit the Army and to add to the reader's sympathy and respect for a wronged Herbert.

It is a measure of Herbert's persuasiveness and ability to tell a story with conviction that neither his coauthor, James Wooten of the *New York Times*, nor his editors were moved to make the most elementary efforts to doublecheck the information Herbert provided as factual. Researchers for CBS, checking stories from advance copies of the book, were repeatedly told by those mentioned in Herbert's anecdotes that no effort previously had been made to contact them for confirmation of Herbert's assertions, and that if they had been consulted, some drastic editing of the book would have been required.

Several examples from the book will illuminate Herbert's technique of mingling fact and fiction.

THE DUCK

Page 350—Herbert claims to have wrung the neck of Maj. Gen. John W. Barnes' duck, the brigade mascot, out of frustration and rage, then to have tucked the dead bird under his shirt for a late night snack.

Barnes reports (and others confirm) that he inherited the duck mascot from his predecessor, and that the duck was passed on alive and healthy to his successor.

THE ICE CREAM

Page 298—Herbert describes how Maj. Jim Grimshaw, one of his company commanders, ridiculed Col. Ross Franklin, the deputy brigade commander, by plunging both feet into the canisters of ice cream which Franklin delivered to Grimshaw's troops in the field. According to Herbert, Franklin was enraged and chewed out Herbert, insisting that he relieve Grimshaw.

Grimshaw in a taped interview for CBS flatly denies that the incident ever happened. Franklin confirmed Grimshaw's denial.

GRIMSHAW AND THE CAVE

Page 382—Herbert describes an act of unusual courage by Grimshaw when his company was engaged in an operation to clean out some VC-occupied caves. According to Herbert, Grimshaw went alone into a cave known to be sheltering armed VC and emerged carrying a baby and leading three men and two women who immediately surrendered. Herbert was so impressed that he nominated Grimshaw for the Silver Star.

Grimshaw in the CBS interview acknowledges that he and his company did engage in an operation to clean out the caves. However, while he admits he is flattered by Herbert's story, he denies it ever happened. He did not enter a cave alone and emerge with a baby and five adults. Moreover, he reports being unaware that Herbert ever submitted his name for a Silver Star.

REPORTING WAR CRIMES TO FRANKLIN

Page 258—Herbert reports that immediately after witnessing the murder of five Vietnamese prisoners by a South Vietnamese military police unit under the supervision of an American lieutenant outside Cu Loi, he reported the incident to Col. Ross Franklin by radio. On the following pages Herbert describes in detail an interview with Franklin upon Herbert's return to headquarters in which Herbert again reports the Cu Loi events as a war crime.

Franklin has witnesses and cancelled checks proving that he was in Hawaii on the day of the Cu Loi operation, and that Herbert could not possibly have reported war crimes to him either over the radio or in person.

It is apparent from a comparison of the two versions of each story that Herbert's is by far the more interesting and readable, and that for those readers predisposed to believe the worst about the military, Herbert's stories will not only be readable but credible. But it is not just through telling a good story that Herbert engages his reader's interest and sympathy. He uses a variety of techniques, some of them very subtle, and some of them so clearly manipulative that even an uncritical reader will notice.

But, with all of this going for him, Herbert loses control of his book and, for many readers, his credibility, with the elaborate, self-serving, and over-long account of his duel with Col. Franklin, the deputy brigade commander of the 173d during the short time that Herbert was a battalion commander.

The purpose of these passages which comprise nearly half the book is to document the charges Herbert made well after his relief from command: that Herbert reported war crimes to Franklin and to the brigade commander Maj. Gen. John W. Barnes, and that they failed to investigate them. Incident after incident is recounted in which Herbert's white hat and Franklin's black hat are the dominant features. Eventually, even the most sympathetic reader must tire of the theme, and begin to suspect that there might be another side of Herbert's story.

An essential question raised by the publication of Herbert's book is whether he will be widely believed. Exploiting the Army's official position of stoic endurance, Herbert renews old charges, makes many new attacks and echoes familiar criticism of Army careerism and management of the war effort.

On the the other hand, most readers will recognize Herbert's egocentricity despite his efforts to disguise it, and most are sufficiently fair-minded to be at least curious about the other side of the story. Much of this story already has been told in official fact sheets released by the Army to the press when Herbert first entered the public eye. Part of the story was told later on the CBS investigation of the events described in Herbert's book ("Sixty Minutes", February 4) and part of it will be told by the individuals involved through interviews with other media. However, much of the evidence to counter the charges and slurs which appear in Soldier will never reach the audience that will be influenced by the book itself, and by the efforts of Herbert and his editor to promote it.

Lt. Col. Tony Herbert

(By John Bankham)

Even in civilian clothes Lt. Col. (Ret.) "Tony" Herbert looks every inch the model soldier the Army held him up to be. Tall, lean, wearing a crew cut, speaking quickly and incisively, he personified the field officer accustomed to taking charge. His experience of Army life in a 24-year career, both as expressed in his book, *Soldier* and in his conversation, seemed encyclopedic. Yet here he was in a grey suit, white shirt and striped tie. What happened?

As every reader of his book will discover, Herbert resigned in controversy with the brass after having been clearly marked for top leadership. "I'm told I was rebellious—not radical, but rebellious," he said by way of explanation. "The fact is that I became disgusted with the Army corruption I found in Vietnam and spoke up. Junior officers—lieutenants and captains—who see things in the Army they don't like quit early. It's rare to get as far as I did before having the boom lowered."

In his book Herbert presents lengthy documentation on what he calls Army "corruption," using that term in its broadest sense. In conversation he adduces point after point of adverse criticism, never raising his voice or displaying overt emotion. He gives the impression of a military investigator delivering a report on Army reorganization after an extensive probe.

"One of the many things wrong with the Army today," he said calmly, "is that men with a public relations image of the military are being advanced to leadership over the heads of true military men. They are not capable of handling the responsibilities thrust on them. In addition, the American people have come to believe in generals and admirals as semi-gods incapable of error. This just isn't true."

Though the Vietnam war is generally viewed as a tragic misadventure for the United States, Herbert sees some good as coming out of it. "The Army situation is now so bad that even the dullest American recognizes the urgent need for corrective measures. They will have to come not from the Pentagon but from the people through Congress. If the winds for reform blow strongly enough, Congress will act." For his own part Herbert intends to stimulate this process with a book on Army reform to which he will next address his attention.

FEBRUARY 15, 1973.

Mr. TONY SMITH,
Care of Senator BARRY GOLDWATER,
Senate Office Building,
Washington, D.C.

DEAR MR. SMITH: In accordance with my understanding of your conversation yesterday morning with Hap Kaufman, producer of my KGO Radio program, I am forwarding the material left with me by Lt. Col. Anthony Herbert, following his appearance on my program. Lt. Col. Herbert also requested that I forward this material to your office.

No use was made of this material by KGO Radio, nor do we intend to do so.

Sincerely,

JAMES DUNBAR.

COINCIDENT RETIREMENT ACTIONS

Request the Staff consider the need for any unusual actions coincident with LTC Herbert's 29 Feb. 72 retirement. Also, request consideration of coordination with CG, Third Army before submitting the Staff's conclusions/recommendations to CSA/SA for review and approval.

RETIREMENT OF LT. COL. ANTHONY B. HERBERT

PURPOSE

To obtain approval of a recommended action regarding LTC Anthony B. Herbert's retirement.

DISCUSSION

1. OCSA Referral Slip 52792, dated 25 January 1972, subject: Coincident Retirement Actions, tasked ODCSPER to consider the need for actions to be taken coincident with LTC Herbert's forthcoming retirement.

2. LTC Herbert is scheduled to retire from the Army with 20 years active federal service effective 1 March 1972. During the past year he has been the subject of national news media because of widely publicized remarks attributed to him regarding allegations of war crimes and certain critical remarks about the Army. Additional interest in his situation was generated when it became known that LTC Herbert was required to retire effective 1 March 1972, as he had twice been nonselected for promotion to major, Regular Army. This requirement for retirement was negated as LTC Herbert was subsequently promoted to major, RA. A chronology of major events pertaining to LTC Herbert is at Tab A.

3. On 30 August 1971, the Chief of Staff approved the CG, CONARC recommendation that no adverse administrative action be taken against LTC Herbert for statements attributed to him as reported in the 9 July 1971 issue of Life magazine (summary sheet at Tab B). However, as a result of a MACIG investigation into LTC Herbert's allegations regarding the adverse state of discipline in the 173d Abn Bde, widespread use of marijuana in a 173d Abn Bde unit, and issuance of illegal orders, it was recommended that appropriate administrative action be taken against LTC Anthony B. Herbert. MACIG report of inquiry is at Tab C. Additionally, LTC Herbert was the subject of a CID investigation for allegedly assaulting enlisted personnel in Vietnam. No action was taken against LTC Herbert by CG, Third US Army as there was insufficient evidence for further judicial action.

4. A discussion of possible adverse key administrative actions against LTC Herbert is at Tab D. Any consideration given to taking adverse administrative action against LTC Herbert must be weighed against the high probability of renewed media interest and the overall value of such action to the Army.

ALTERNATIVES

1. That adverse administrative action be taken against LTC Herbert.

2. That no adverse administrative action be taken against LTC Herbert.

3. That the Certificate of Appreciation (DA Form 3563) normally presented to an individual on retirement not be issued (copy at Tab E).

CONCLUSION

Actions by LTC Herbert have been prejudicial to the Army. However, any action against LTC Herbert would act as a catalyst for him to continue his public remarks, and would appear vindictive on the part of the Army. It also would not be a deterrent to other Army personnel inclined to speak out.

RECOMMENDATIONS

1. That no adverse administrative action be taken against LTC Herbert.

2. That the Certificate of Appreciation, DA Form 3563, not be included in the retirement packet given to LTC Herbert.

ACTIONS INVOLVING LIEUTENANT COLONEL HERBERT

CHRONOLOGY

3 Sep 68–5 Feb 69: Served as the Acting Inspector General, 173d Airborne Brigade.

6 Feb 69–4 Apr 69: Commanded the 2d Bn, 503d Inf, 173d Airborne Brigade.

4 Apr 69: Relieved of his command by BG John W. Barnes, CG, 173rd Airborne Brigade.

27 Apr 69: Board convened at HQ, IFFV UP Art 138a, UCMJ, to review the relief of LTC Herbert.

Jul–Aug 69: Returned from Vietnam and reported to HQ, USAG, Ft Leavenworth, for duty. Removed from C&GSC list.

11 Sep 69: Submitted first efficiency report appeal.

2 Dec 69: Notified that appeal was denied.

12 Mar 70: Considered by major, RA selection board (first appeal seen by DASB).

22 May 70: Letter of notification of nonselection mailed to LTC Herbert at Ft Leavenworth.

4 Sep 70: Submitted second efficiency report appeal.

28 Sep 70: Made sworn statement to Third Army IG, alleging certain war crimes and other serious offenses.

1 Oct 70: Herbert allegations forwarded to TIG, DA.

31 Oct 70: CSA informed of Herbert allegations. Investigative responsibility given to USACIDC.

2–6 Nov 70: LTC Herbert interviewed by USACIDC.

12 Nov 70: Initial CID inquiry reported to CSA.

13 Nov 70: CSA directed USACIDC to conduct formal investigation.

9 Feb 71: Considered by major, RA selection board and was not recommended (2d pass over). Only first appeal was seen by DASB.

15 Mar 71: LTC Herbert preferred charges of dereliction of duty against MG Barnes and COL J. R. Franklin.

17 Mar 71: File flagged by Third Army (CID investigation for assault of EM, 2/503d Inf).

25 May 71: Notified that his second appeal had been denied.

4 Jun 71: Letter notifying him of nonselection to major, RA for the second time.

15 Jul 71: Charges against COL Franklin dismissed.

10 Aug 71: Flag lifted by Third Army—Charges of assault dropped (see 17 Mar 71).

8 Oct 71: The Secretary of the Army ordered removal of the adverse efficiency report.

12 Oct 71: Charges against MG J. W. Barnes dismissed.

9 Nov 71: LTC Herbert submitted retirement application to be effective 1 Mar 72 (subject to completion of physical examination).

12 Nov 71: Major, RA confirmed by the Senate.

2 Dec. 71: Retirement application received at Department of the Army.

7 Dec. 71: Retirement, effective 1 Mar 72, approved.

8 Dec 71: Retirement packet sent to Third Army.

LT. COL. ANTHONY B. HERBERT

PURPOSE

To obtain approval of a recommendation not to take adverse administrative action against LTC Herbert.

DISCUSSION

1. Reference is made to OCSA Referral Slip 52858, 10 Aug 71, subject as above.

2. The 9 Jul 71 Life magazine article "Confessions of 'The Winter Soldiers'" contained statements attributed to subject officer which were generally critical of the Army on a variety of subjects (Tab A). By DA Message 261212Z Jul 71 (Tab B), CG, CONARC was requested to conduct an inquiry to determine the basis for LTC Herbert's observations and to determine whether administrative action against LTC Herbert is indicated. In response to the DA request, CG, CONARC (Message 051500Z Aug 71, at Tab C), based on an inquiry conducted by HQ, 3d US Army, recommended that no action be taken against LTC Herbert at this time.

3. A review conducted by OTJAG of the remarks attributed to LTC Herbert in the Life article revealed there is no basis for judicial action pursuant to the UCMJ; however, an opinion was given that statements made by LTC Herbert form sufficient basis to take adverse administrative actions against him (TJAG memo at Tab D).

4. At the present time MDW is conducting a preliminary investigation under the provisions of Paragraph 32, MCM, of the charges made by LTC Herbert against MG Barnes This investigation is not expected to be complete until mid-September 1971. Any action initiated against LTC Herbert at this time would undoubtedly be misconstrued by the press as undue influence on the investigation.

ALTERNATIVES

1. Approve CG, CONARC's recommendation that no action be taken against LTC Herbert at this time for information inferred or attributed to him in the Life article.

2. Disapprove CG, CONARC's recommendation and take appropriate adverse administrative action against LTC Herbert; possible alternatives are listed in OTJAG memorandum at Tab D.

3. Further review of CG, CONARC's rec-

ommendation be held in abeyance until a decision has been announced by CG, MDW.

CONCLUSION

Final consideration of LTC Herbert's conduct should be held in abeyance until a decision has been made by CG, MDW.

RECOMMENDATIONS

1. That adverse administrative action against LTC Herbert not be taken at this time.

2. That the circumstances surrounding LTC Herbert to include the Life magazine article, be reviewed after the decision has been announced by CG, MDW regarding the charges preferred against MG Barnes.

(s) Walter T. Kerwin, Jr.,
Lieutenant General, GS,
Deputy Chief of Staff for Personnel.

Approved—C/S US Army, 30 Aug. 1971.

"Hold but don't close case." (S) W.C.W.

(S) A. DeBernardino,
LTG, GS,
Assistant Secretary of the General Staff.

[Extract of July 9, 1971, Life magazine article]

Confessions of "The Winter Soldiers"

(By Donald Jackson)

William Hatton, Bagley, Minn., Cpl., FLSG Bravo, Third Marine Division, 1968–69:

"I always had this idea of a battlion of little bodies running toward me with rifles and screaming, sneaking around in dark pajamas with daggers. But what you see mainly are civilians, old men, little kids. Once we were on guard at the Dongha Ramp, and for three nights running this little kid, about 3 years old, ran out of his hootch when our truck went by and screamed at us, giving us the finger and saying, "marines number 10." It means the worst, the lowest. We decided to rip him off. So the next night we all loaded up with big rocks, I mean boulders, and when he came out, WHAP, everybody stood up in the truck and threw their rocks and the truck just kept going and I looked back and all I could see was this bloody little hump of flesh, this little bundle of flesh and shorts and blood."

Lt. Col. Anthony Herbert, 23 years in the U.S. Army, is crewcut, stiff of bearing, an up-from-the-ranks "mustang" who was the army's most decorated enlisted man in Korea. Herbert has always believed the best of the army. "I like the military," he says. "I go along with almost everything." But this almost weighs on his mind.

Herbert feels that something went irretrievably wrong for the army in Vietnam. "I guess I'm just maverick," he says. "I think that when things go wrong, the best thing of course is to be honest, and let the chips fall." The chips falling now, around Herbert and the entire American military, are accounts of atrocities committed by U.S. troops in Vietnam, stories of widespread murder and torture, willful and often casual, stories that are being told by the veterans themselves.

The colonel, who won his commission in 1956, commanded a battalion in Vietnam for 58 days. When he brought charges against his superior officers for covering up atrocities, he was transferred back to the U.S. He was assigned to the prestigious Army Command and General Staff College in Fort Leavenworth, Kans., but was again transferred to Fort McPherson, Ga., before he could begin attending classes.

He sat uneasily now in a French provincial chair in his Atlanta living room. "It's easy to get soldiers to do what's right," he said. "You just have to tell them. When I first joined my battalion in Vietnam, in February 1969, they were getting R & R (rest and recuperation) leaves for kills. I changed that. I gave them R & R for live prisoners. They're worth information.

"Day after day," he continued, "a man doesn't see the enemy over there. Finally he gets so he has to do something physical, to strike back. His friends are getting wounded by booby traps and there's no enemy in sight. A man gets a prisoner and he wants to hide his fear by showing how tough he is."

The colonel's chest is ribboned and medaled. He wears a paratrooper's badge but not his Vietnam patch. "We overpreach about women and kids fighting. The majority of the civilians don't shoot at us. Some are forced by the enemy to be involved. But we condition our people to the idea that everyone is a goddamned enemy by this kind of talk.

"And we condition our recruits to be losers. We try to scare them, telling them the Vietcong lives in darkness, painting him as some kind of superman when he's a stumblebum just like we are. Maybe it's the training cadre. We use our worst for cadre. The best go to the Pentagon looking for big jobs. Then when these incidents, these atrocities happen, the enlisted men don't report them. They're afraid to. They can get charged with insubordination."

The colonel relaxed slightly. He shook his head. "My first engagement with the enemy in Vietnam, I captured two VC who were trying to run. We were on a hill. A sergeant came running up and tried to bayonet the people I captured." Colonel Herbert's eyebrows rose in incredulity. "I grabbed him and threw him down."

Colonel Herbert picked a piece of lint off his razor-creased trousers. He seemed somehow out of place amid the formal furniture of his living room. He speaks in an Appalachian accent. He still considers himself a sergeant in disguise.

"When I first got to Vietnam and saw the torture that went on in my battalion," he said, "I talked to other officers about it. They all told me, 'That's the way it is. You can't rock the boat. You can't antagonize the big dragons.' That was what they said—don't antagonize the big dragons, or you're gone."

Herbert believes the principal reason for American atrocities in Vietnam is a failure of command responsibility. "It's ambition," he said emphatically, leaning forward in his chair. "The commanders are out to get a war record. It's called 'getting your ticket punched.' And the battalion commanders aren't held accountable. They don't *feel* responsible. They take the job as a steppingstone. The only time they are held responsible is if they're caught. What I keep driving to say is this: what if these things happen in your unit and you don't do anything about it and then later it comes to light? And they come to you and say, what did you do about it? Who's criminal then?"

The colonel glanced at his bookcase. *The Professional Soldier* was there, and *The New Military*. But so were *Psychoanalysis and Literature* and *Sex-driven People*. The colonel has a master's degree in psychology.

"The commanders are up there in helicopters," he went on. "You can command from a chopper but you can't control. They don't want to get their boots dirty. Look at Mylai. The commanders were in helicopters. It's not real from up there, it's little lead soldiers falling down."

Herbert feels that by sticking to his charges he has forfeited his future in the army, a conviction that leaves him sad, frustrated and angry. He still believes in a corner of his mind, that the military is an honorable calling. "This stuff would stop," he said, "if we'd hang a couple of senior commanders. If it's no longer condoned, then it will cease. If you don't tell a soldier what's right, then he thinks whatever is tacitly condoned is what you want, and that's what he does. It's not brave to be cruel.";

The colonel stood up, almost came to attention. "The Vietnamese civilians walk a tightrope," he said. "They get no protection from either side. If they're friendly to VC, we get them. If they help us, the VC get them." He paused and looked at the floor. "It's only a matter of time who's going to get them. If it doesn't stop they'll eventually all be exterminated."

He had a final thought. "We're telling those people that our way is the right way of living. If we torture—what's right?"

Lt. Col. Anthony B. Herbert

1. Reference A has attributed to Lt. Col. Herbert certain generalized remarks critical of the army on a variety of subjects, including the training of army recruits, assignment of training cadre, and reporting of suspected war crimes.

2. In view of the comments attributed to Lt. Col. Herbert in reference and their widespread dissemination, it is requested that an inquiry be conducted to determine the basis for Lt. Col. Herbert's observations; to determine whether administrative action against Lt. Col. Herbert is indicated; and to report resulting conclusions, actions, and recommendations to HO, DA.

3. Lt. Col. Herbert's questionable statements include the following allegations:

(a) That the army conditioned soldiers to the idea that "everyone," including women and children, is the enemy in RVN.

(b) That the army has trained recruits "to be losers" in RVN by virtue of orientation regarding the Viet Cong.

(c) That the army uses its "worst" personnel for "training cadre" while "the best go to the Pentagon looking for big jobs."

(d) That enlisted men do not report incidents of war crimes, because they fear being "charged with insubordination."

(e) That officers of Lt. Col. Herbert's acquaintance in RVN advised his inaction concerning "the torture" that occurred in his battalion, so as to avoid antagonizing the "big dragons."

(f) That war crimes (if synonymous with "stuff") in RVN would stop "if we'd hang a couple of senior commanders," and that U.S. war crimes have persisted in RVN because the soldier thinks they are "tacitly condoned."

4. Lt. Col. Herbert also claimed that he was the army's "most decorated enlisted man in Korea." The basis for this statement, should be determined and reported.

5. The statement in reference A, "when he (Lt. Col. Herbert) brought charges against his superior officers for covering up atrocities, he was transferred back to the U.S., "is entirely without substantiation, according to records and reports here. Lt. Col. Herbert's explanation is sought.

6. Request the report indicated in para. 2 above be submitted to this Hq. by Aug. 3, 1971.

Lt. Col. Anthony B. Herbert

1. Information requested by DA was directed to HQ 3d Army Fog inquiry.

2. HQ 3d Army provided the following information:

"A. LTC Herbert, after being told the purpose of the inquiry and having been informed of his rights, sought advice from counsel and thereafter chose to remain silent. It was not possible, consequently, to determine the basis for the statements attributed to LTC Herbert in para 3, reference A, nor could it be determined whether these statements were, in fact, correct quotations from LTC Herbert.

"B. Although no evidence was discovered that LTC Herbert has claimed or denied being the "most decorated enlisted man in Korea", such a statement has appeared in publication on previous occasions. LTC Herbert's pesonnel file reveals that he received the following personal decorations during the Korean conflict:

(1) Silver Star with three oak leaf clusters.

(2) Bronze Star Medal.
(3) Purple Heart with 3 oak leaf clusters.
(4) Sygman Rhee citation.
(5) Turkish Ozanu.

"C. The source of the statement, "when he (LTC Herbert) brought charges against his superior officers for covering up atrocities, he was transferred back to the U.S." could not be determined. The author of the article in Life magazine did not attribute it directly to LTC Herbert. LTC Herbert's records indicate:

(1) 12 Jul 68—enroute to RVN does not count on tour only 3 Sept.

(2) 3 Sep 68—Acting IG, HHC, 173D ABN BDE.

(3) 6 Feb 69—CD, 2 BN 503D infantry.

(4) 5 Apr 69—DEP C/S, Cap Mill asst. Comd.

(5) 1 Jul 69—enroute to Conus.

On 28 Sep 70 LTC Herbert made a sworn statement for the IG.

This headquarters in which he indicated that he arrived in RVN in August 1968 and was assigned as the acting IG, 173D ABN BDE. He was commanding officer, 2D battalion, 503D infantry 6 Feb 69 until 4 Apr 69, and the assistant chief of staff to CHAC from 5 Apr 69 until return to Conus on or about 4 Jul 69. In this sworn statement LTC Herbert reported some alleged war crimes and stated that he had made reports of these while he was in RVN, although he did not aver that his RVN tour was curtailed because of these reports.

"3. Conclusions:

(a) LTC Herbert was within his rights not to answer questions and no inference can be drawn therefrom.

(b) The basis for the observation attributed to LTC Herbert (par 3, reference A) could not be detemined because LTC Herbert elected, on advice of counsel, not to answer any questions on the subject.

(c) It was not established that LTC Herbert claims he was the Army's most decorated enlisted man in Korea.

(d) LTC Herbert was credited with a normal tour in RVN. The allegation that he was transferred back to the U.S. after he brought charges against his superior officers could not be substantiated.

(e) No violation of the provisions of AR 360-5 or other regulations by LTC Herbert was established.

"4. Action taken: This headquarters has taken no action against LTC Herbert in connection with the article. "Confessions of 'the winter soldiers'" published in Life magazine, dated 9 Jul 71, nor is any action contemplated.

"5. Recommendation: It is recommended that no administrative action be taken against LTC Herbert in connection with the Life magazine article."

3. Since there is no apparent evidence to support findings on the questions proposed by DA reference A, it is recommended that no action was be taken against LTC Herbert at this time. Protective marking is excluded from automatic termination (Para. 13, AR 340–16).

JULY 9, 1971.

LT. COL. ANTHONY B. HERBERT

1. This is in response to your oral request of 8 July 1971, concerning remarks made by Lieutenant Colonel Anthony B. Herbert that appeared in a UPI story in the Washington News on 2 July 1971, and an article that appeared in the 9 July 1971 issue of *Life Magazine*. The articles were reviewed to determine if LTC Herbert, by his statements, had violated any Army regulations or other applicable statutes. The articles were also reviewed to determine if there is any basis for any punitive or administrative action against LTC Herbert.

2. The two articles have been reviewed and it is the opinion of this office that there is an insufficient basis for punitive action against LTC Herbert. His comments in the two articles were made to reporters, and the reporters' versions thereof may not be introduced into evidence because they are hearsay. Thus, at present, there is no basis for court-martial charges or action pursuant to Article 15 of the Uniform Code of Military Justice.

3. The following administrative non-punitive actions were considered:

(a) A letter of admonition, reprimand or censure may be given by the Secretary or a military commander in the chain of command. This letter could be included in the Official Military Personnel File (OMPF), either by direction of the Secretary or by action of the Department of the Army Suitability Evaluation Board under the provisions of DA Memo 600–10, 19 January 1970. However, the provisions of paragraph 4a, Army Regulation 640–98, 19 July 1965, no adverse suitability information may be filed in a member's OMPF without his knowledge and an opportunity being afforded him either to make a written statement in reply to the adverse communication or to decline in writing, to make such a statement.

(b) The appointment of an officer holding a temporary grade or grades higher than his permanent grade may be vacated under the provisions of Title 10, United States Code, section 3447. The officer would then revert to the lower grade desired, but not below his permanent grade. LTC Herbert is a permanent captain and holds temporary appointments as a major and lieutenant colonel. The vacation of either or both temporary appointments may be effected by the Secretary of the Army acting for the President.

(c) An officer may be eliminated from the service for moral or professional dereliction pursuant to paragraph 5–12, Army Regulation 635–100, 19 February 1969, as changed, subject to the right of an officer to request retirement in lieu thereof (10 USC 3796).

4. The statements made by LTC Herbert form sufficient basis to invoke the adverse administrative actions outlined in paragraph 3 above. In addition, you may wish to consider the issuance of a press release detailing the reasons for LTC Herbert's relief from command, his failure to report the alleged atrocities to a general officer who conducted an investigation into his relief from command, and other inadequacies and shortcomings as an officer.

LAWRENCE H. WILLIAMS,
Colonel, U.S. Army, Assistant Judge Advocate General for Military Law.

INQUIRY CONCERNING THE ALLEGATIONS BY LT. COL. ANTHONY B. HERBERT, FORMERLY OF THE 173D AIRBORNE BRIGADE

1. References:

(a) Letter, DAIG-INA, file and subject as above, dtd 25 Jan 71.

(b) Letter, DAIG-INA, file and subject as above, dtd 11 Feb 71.

(c) Letter, DAIG-INA, file and subject as above, dtd 17 Feb 71.

(d) Letter, DAIG-INA, file and subject as above, dtd 30 Apr 71.

2. In accordance with reference 1d above, the attached report of inquiry is forwarded for your information and retention.

3. It is requested that this office be advised of the final action taken in this matter.

ARTHUR E. SIKES,
Colonel, U.S. Army, Deputy Inspector General.

REPORT OF INQUIRY OF ALLEGATIONS BY LT. COL. ANTHONY B. HERBERT, FORMERLY OF THE 173D AIRBORNE BRIGADE

1. Purpose:

(a) To obtain the Chief of Staff's approval of the report of inquiry pertaining to the 173d Airborne Brigade (Tab H).

(b) To obtain the Chief of Staff's approval of a proposed letter to the Inspector General, DA, to be signed and dispatched by MACIG (Tab A).

(c) To obtain the Chief of Staff's approval and release of a proposed message to Major General Enemark, TIG, DA (Tab B).

2. Background:

(a) On 25 January 1971, The Office of The Inspector General, DA, referred the following allegations to MACIG which were derived from the statements made to USACIDA by LTC Anthony B. Herbert:

(1) The general state of discipline in the 173d Airborne Brigade was disgraceful and the brigade was a substandard military organization that could not be considered a fighting unit.

(2) In September 1968, Company A, 4th Battalion, 503d Infantry, was overrun and sustained heavy casualties as a result of widespread use of marijuana and the 173d Airborne Brigade subsequently covered up the incident by publishing in the unit newspaper and releasing to the news media a false account of this action.

(3) In the course of a USACIDA investigation it was developed that during August 1968, the 2d Battalion, 503d Infantry, 173d Airborne Brigade, had been ordered to level the hamlets surrounding Landing Zone English, in the vicinity of Bong Son, RVN (Tab C).

(b) On 11 February OTIG forwarded to MACIG 11 statements pertaining to the allegations obtained from former members of the 173d Airborne Brigade stationed at Fort Benning, Georgia (Tab D).

(c) On 14 February 1971, the Inspector General, MACV, directed that an inquiry be conducted into the facts and circumstances surrounding the allegations to determine if further investigation is warranted (Tab E).

(d) On 17 February 1971, OTIG forwarded to MACIG four statements pertaining to the allegations obtained from former members of the 173d Airborne Brigade stationed at Fort Bragg, North Carolina, and Fort Campbell, Kentucky (Tab F).

(e) During the period 15–17 February 1971, MACIG Investigators visited Headquarters, 173d Airborne Brigade and Headquarters, IFFV, to obtain available records and documents related to the allegations.

(f) On 7 April 1971, 389 statements and documents were received from USACIDA and an additional 29 statements were provided in May by the in-country USACIDA investigation team.

(g) During the period 23–27 April 1971, MACIG Investigators visited the Records Holding Center, Fort Buckner, Okinawa, to make a physical search of available records of the 173d Airborne Brigade and Headquarters, IFFV, to determine if any records could provide evidence relating to the allegations.

(h) On 30 April 1971 OTIG requested completion date and copies of the findings (Tab G).

(i) During the inquiry 572 statements and documents provided by USACIDA and OTIG, and obtained by MACIG, were reviewed and analyzed to determine their relevancy to the allegations. Of the statements and documents analyzed, 35 statements and five documents were found relevant and are included in this report.

3. Specific allegations and conclusions.

(a) Allegation. The general state of discipline in the 173d Airborne Brigade was disgraceful, and the brigade was a substandard military organization that could not be considered a fighting unit.

(b) Conclusion. While the standards of appearance were not enforced and there may have been discipline problems in the rear areas under General Allen, there is no evidence to substantiate the allegation.

(c) Allegation. In September 1968, Company A, 4th Battalion, 503d Infantry, was overrun and sustained heavy casualties as a result of widespread use of marijuana and the 173d Airborne Brigade subsequently covered up the incident by publishing in its unit newspaper and releasing to the news media a false account of this incident.

(d) Conclusions.

(1) Company A, 4–503d Infantry, was attacked by an enemy sapper unit at Firebase Lance on 7 September 1968, resulting in 9 US KIA, 30 US WIA and 15 NVA KIA.

(2) The 173d Airborne Brigade did publish a factual account of the action in the brigade newspaper.

(3) The allegation that the use of marijuana by personnel contributed to the enemy penetration of the first base perimeter and that this was subsequently covered up by publishing a false account in the unit newspaper was not substantiated.

(e) Allegation. During August 1968, the 2503d Infantry, 173 Airborne Brigade, had been ordered to level the hamlets surrounding Landing Zone English in the vicinity of Bong Son, RVN.

(f) Conclusions.

(1) Five or six houses were destroyed and a religious structure was damaged by members of Company A, 2d Bn, 503d Infantry, in August 1968.

(2) BG Allen, upon observing houses burned, took immediate and positive action to stop further destruction of property.

(3) This was an act of war apparently brought about by a misinterpretation of the term "Search and Destroy," or a substitution of that term for "Search and Clear."

(4) The allegation is not substantiated.

4. Other matters revealed during this inquiry:

(a) On 6 February 1969, LTC Herbert assumed command of the 2d Battalion, 503d Infantry, 173d Airborne Brigade. On 5 April 1969, he was relieved by BG John W. Barnes, Commanding General, 173d Airborne Brigade, and an adverse efficiency report was rendered.

(b) On 9 April 1969 LTC Herbert requested redress under the provisions of Article 138, UCMJ, concerning the unjustified relief from command. Major General John R. Russ completed the investigation on 5 May upholding the relief and no redress was warranted. These recommendations were approved by CG, First Field Force, Vietnam, on 20 May 1969.

(c) LTC Herbert submitted a reclama to the adverse efficiency report, but was unsuccessful.

(d) On 28 September 1970, LTC Herbert, in a sworn statement to the Inspector General, Third US Army, alleged he had knowledge of several events which he considered to be war crimes during his assignment to the brigade (September 1968 to 5 April 1969). These matters were referred to the Inspector General, DA, and subsequently to the United States CID Agency. After indepth interviews with LTC Herbert in November 1970, 21 separate allegations became the subject of a world wide investigation directed by General Westmoreland.

(e) Of the 21 allegations, five had already been reported and appropriate action had been taken, 12 were unfounded, and four were founded, but in each of these cases LTC Herbert witnessed the incident and had failed to report it until 28 September 1970.

(c) On or about 10 March 1971, LTC Herbert aired his allegations and intent to prefer charges against COL Franklin, former Deputy Brigade Commander, 173d Airborne Brigade, through Fred Farrar of the Chicago Tribune. On 12 March, he preferred charges against MG John W. Barnes and COL Joseph R. Franklin for failure to report war crimes and dereliction of duty in failing to have alleged war crimes investigated. Due to an administrative correction the charges against COL Franklin were actually preferred on 15 March 1971. The findings of the preliminary inquiry of the charges against COL Franklin established there was no evidence that the incidents had been reported to him or he had knowledge of the incidents and failed to take the appropriate action. All charges and specifications were dismissed by MG John H. Cushman on 5 July 1971.

(g) On 22 March 1971, LTC Herbert was quoted in Newsweek Magazine about the killing of detainees by Tam Quan District Forces on 14 February 1969. He very tragically described an incident where a woman with a crying child clutching her leg had her throat cut. He further claimed he reported the incident upon his return to LZ English that night to COL Franklin. The inquiry into this allegation revealed LTC Herbert was the only one who had knowledge of this incident and COL Franklin was in Hawaii on R&R on 14 February 1969.

(h) On or about 4 June 1971, LTC Herbert was quoted by the Associated Press that Major Carl E. Hensley, USACIDA Investigator, attempted to stop him (Herbert) from filing war crime charges by threatening to accuse him of assault in the alleged massacre of civilians at Bong Son. On 17 April 1971, Major Hensley was found dead of an apparently self-inflicted wound. Thus, LTC Herbert's accusation can neither be substantiated or refuted.

(i) On or about 8 July 1971, LTC Herbert was quoted by United Press International that the reasons for atrocities was a failure of command responsibility.

(j) In his initial statement to the Third Army Inspector General, LTC Herbert stated his purpose for reporting these alleged war crimes was:

(1) He felt morally bound to do so.

(2) He felt legally bound and the laws of the UCMJ required him to do so or he would be considered a criminal himself.

(3) He wanted to make these reports official and on record, to insure he had done everything possible, morally and legally.

(k) On 4 November 1970, he also stated his reason was that he felt morally, legally and technically obigated to do so.

1. In Newsweek, LTC Herbert was quoted as saying, "We've got to make a goddam purge from within or the Army'll destroy itself." In his statement of June and July he attacks a deceased officer and commanders in general. Thus, his interest and sincerity are not consistent.

5. General Discussion:

(a) The three original allegations were unsubstantiated.

(b) On 28 September 1970, LTC Herbert made a statement to the Third Army Inspector General which developed into a worldwide investigation of 21 separate allegations, some of which were later recast as court-martial charges against his former superior officer. Each of these allegations/charges, when investigated, revealed appropriate action had been taken by the commander, the allegation was unfounded or LTC Herbert, himself, had failed to take appropriate action.

(c) In his 28 September 1970 statement, LTC Herbert testified that the purpose and reasons for his bringing these alleged wrongdoings to light was that he felt morally and legally bound as his interpretation of the laws of the UCMJ required him to do so or he would be considered a criminal himself. To *Newsweek* Magazine in March 1971, he stated his reasons were, "We have got to make a goddam purge from within or the Army'll destroy itself." Thus, his intent and sincerity are not consistent. Instead of preferring charges against the individuals who committed the unlawful acts, he selected only two superior officers: COL Franklin, the officer who recommended him for command and relief and who rendered an adverse efficiency report against him; and BG Barnes, who relieved him and endorsed the adverse efficiency report. Since this inquiry, USACIDA's investigation, and the preliminary inquiry of the unsubstantiated charges against COL Franklin, the true motive is not one of moral or legal obligation and responsibilities, but a vindictive act at the expense of two superior officers.

(d) Making sworn official statements to competent authority and misrepresenting to the nation-wide press incidents, accusations and charges against superior officers which, when investigated, prove to be untrue or unfounded is conduct which the Army cannot condone nor should tolerate. This is clearly an example of intentional omission or misstatement of fact in official statements for the purpose of misrepresentation. Such is professional dereliction and is cause and reason for elimination from the service as required by paragraph 5–12, AR 635–100.

6. General conclusions:

(a) The three original allegations were unsubstantiated.

(b) The allegations and charges made by LTC Herbert against COL Franklin were untrue or unfounded.

(c) This was a self-serving act to enhance himself at the expense of two superior officers.

(d) Such conduct is prejudicial to the good order and discipline of the United States Army which cannot be condoned and should not be tolerated.

7. Recommendations. It is recommended that:

(a) Appropriate administrative action be taken against LTC Anthony B. Herbert.

(b) The letter at Tab A be approved and returned to MACIG for signature and dispatch (Action Agency: MACJO2).

(c) The message at Tab B be approved and released for dispatch (Action Agency: MACJO2).

(d) The Report of Inquiry at Tab H be approved and the 1st Indorsement signed at Red Marker following page (Action Agency: MACJO2).

(e) This inquiry be closed and the report be returned to MACIG.

ARTHUR E. SIKES,
Colonel, U.S. Army, Deputy Inspector General.

REPORT OF INQUIRY CONCERNING THE ALLEGATIONS BY LT. COL. ANTHONY B. HERBERT, FORMERLY OF THE 173D AIRBORNE BRIGADE

ADMINISTRATIVE ACTIONS

1. The following are administrative, nonpunitive measures that may be taken against a Regular Army officer who is found to have failed to meet the standards expected of an officer of his position, grade, and experience.

(a) A letter of admonition, reprimand, or censure may be given the officer, and a copy of the letter may be included in the officer's official military personnel file. However, under the provisions of paragraph 4a, Army Regulation 640–98, 19 July 1965, no adverse suitability information may be filed in a member's OMPF without his knowledge and an opportunity being afforded him either to make a written statement in reply to the adverse communication or to decline, in writing, to make such a statement.

(b) The appointment of an officer holding temporary grade higher than his permanent grade may be vacated under the provisions of Title 10, United States Code, Section 3447. The officer would then revert to his next lower temporary grade, or his permanent grade, which ever is the higher. This power may be exercised by the Secretary acting for the President.

(c) An officer may be eliminated from the service pursuant to paragraph 5–12, Army Regulation 635–100, 19 February 1969, as changed by Change 6, 1 July 1970, for moral or professional dereliction.

2. A letter of admonition, reprimand, or censure would be ineffective in the sense of having an adverse effect against Lieutenant Colonel Herbert as he has already indicated his desire to retire effective 1 March 1972. Furthermore, while the issuance of such a letter would probably have a minimal effect

on Lieutenant Colonel Herbert, it could serve as a vehicle to renew media interest in the affairs of Lieutenant Colonel Herbert. As noted earlier, he must also be given the opportunity to rebut the letter.

3. Lieutenant Colonel Herbert holds the permanent grade of major, RA; thus, he could be admnistratively reduced to that grade. A reduction in grade would have little financial impact on him as he has served sufficient time in his present grade to insure that he will retire as a lieutenant colonel. While a reduction in grade might have some impact on Lieutenant Colonel Herbert, it is very likely that it would be negligible. It is almost certain that the press and public would look on a grade reduction as a vindicative reprisal and the post-retirement return to the grade of lieutenant colonel would also be difficult to explain to the public.

4. Elimination for moral or professional dereliction is essentially no longer an alternative. Lieutenant Colonel Herbert is scheduled for retirement effective 1 March 1972. Assuming that grounds for elimination action could be substantiated, one of the options available to Lieutenant Colonel Herbert is retirement in lieu of elimination at any time in the process. The assumption is, however, not beyond challenge as any of the three boards which must hear and/or review the case might decide in favor of Lieutenant Colonel Herbert.

5. The principal argument to take no adverse administrative action is that the other alternatives are impractical. Furthermore, to take adverse administrative action against Lieutenant Colonel Herbert could be construed by the public and the press as "pound of flesh" action on the part of the Army, regardless of the fairness and appropriateness of the action. The adverse administrative action taken against Lieutenant Colonel Herbert has the inherent danger of regenerating high public visibility for Lieutenant Colonel Herbert. Futhermore, such action would not probably be a deterrent to other Army personnel so inclined to speak out as individual responsibility, more than fear of violation of rules and regulations, governs such conduct.

6. There are two certificates of appreciation issued to an individual upon his retirement. One is given in the name of the Commander-in-Chief and the other certificate is from the Chief of Staff, United States Army. Since Lieutenant Colonel Herbert has been valorous in two wars and apparently has conducted himself honorably throughout his 20 years of service, it is considered appropriate that the Certificate of Appreciation by the Commander-in-Chief be awarded (Tab F). However it is also considered inappropriate that the Chief of Staff Certificate of Appreciation be given to Lieutenant Colonel Herbert, as his conduct recently has not met the desired professional standards.

Department of the Army: Certificate of Appreciation

On the occasion of your retirement from active service, I wish to extend to you my personal thanks and the sincere appreciation of the United States Army for the many years of outstanding service which you have given to our country. You have helped to maintain the security of this nation during a most critical period in its history with a devotion to duty and a spirit of sacrifice in keeping with the proud traditions of the military service.

I share your pride in the contributions you have made to the Army and its ability to accomplish its mission. I trust that you will maintain an active interest in the Army and its objectives during your retirement.

You take with you my best wishes and those of your comrades for happiness and success in the years that lie ahead.

Certificate of Appreciation

I extend to you my personal thanks and the sincere appreciation of a grateful nation for your contribution of honorable service to our country. You have helped maintain the security of the nation during a critical time in its history with a devotion to duty and a spirit of sacrifice in keeping with the proud tradition of the military service.

I trust that in the coming years you will maintain an active interest in the Armed Forces and the purpose for which you served.

My best wishes to you for happiness and success in the future.

Richard Nixon,
Commander in Chief.

Routing and Transmittal Slip

Attached are changes made to the summary sheet action, subject: Retirement of Lieutenant Colonel Anthony B. Herbert.

The summary sheet was forwarded to OCSA on 18 February 1972.

Request for Exemption From Granting a Certificate of Appreciation—DD Form 1725)

Reference is made to DOD Instruction Number 1348.22 dated 25 March 1970, subject: Recognition for Military Service (inclosed).

In reviewing the circumstances surrounding Lieutenant Colonel Anthony B. Herbert, Infantry, USA, the Chief of Staff, U.S. Army has concluded that the Certificate of Appreciation (DA Form 3563) normally awarded to personnel leaving the Army honorably should not be granted to Colonel Herbert on his retirement effective 1 March 1972.

I agree with General Westmoreland's position. Furthermore, I believe it would be incongruous for this officer to receive a Certificate of Appreciation under the signature of the President as Commander-in-Chief of the Armed Forces while not receiving the Army's Certificate of Appreciation. Therefore, I am recommending that an exception be granted to the provisions of paragraph IIC of reference DOD Instruction. Approval of this recommendation will result in neither Certificate of Appreciation being given Colonel Herbert on his retirement.

It must be acknowledged that there is a high probability of some interest being displayed by the media if Colonel Herbert does not receive the certificates. I believe, however, that the potential for unfavorable public and internal reaction, and the downgrading of the import of the certificates, if awarded, outweigh this probability.

Robert F. Froehlke,
Secretary of the Army.

February 18, 1972.

While Army officers, generally, but particularly the higher grades, will view withholding the certificates of appreciation as a just rebuke of an apparently disloyal and reckless critic, the public, the media and Members of Congress will undoubtedly see it as a vindictive and contradictory act. Herbert's character faults are well known to the few who have all the facts. Still, the Army has chosen not to charge him with any offense, either through the judicial process or in public statements, recently promoted him in the Regular Army and intends to issue him an honorable discharge. Thus, on the basis of the public record, no unfavorable action appears justified. Moreover, the question will inevitably arise as to whether Herbert's harsh criticism of the Army of the last two years outweighs his contributions to the country for 18 years, particularly in Korea, to the extent that there should be no expressions of appreciation for his overall service. The benefits of the Army's quiet, tolerant handling of the Herbert case to this point may well be canceled out by what will inevitably be considered smallness on the part of the Army if the President's certificate is withheld.

I believe it in the Army's best interest to issue to Herbert the President's Certificate of Appreciation, as is routinely given all persons leaving the service with an honorable discharge, and thus deny Herbert and his sympathizers fresh material for an attack upon the Army.

Bernard W. Rogers,
Major General, GS, Chief of Legislative Liaison.

Retirement of Lt. Col. Anthony B. Herbert

That the two Certificates of Appreciation (DA Form 3563 and DD Form 1725) normally presented to an individual upon retirement not be issued (copies at Tabs E and F).

Conclusion: Actions by LTC Herbert have been prejudicial to the Army. However, any action against LTC Herbert would act as a catalyst for him to continue his public remarks, and would appear vindictive on the part of the Army. It also would not be a deterrent to other Army personnel inclined to speak out.

Recommendations:

1. That no adverse administrative action be taken against LTC Herbert.

2. That the Certificate of Appreciation, DA Form 3563, not be included in the retirement packet given to LTC Herbert.

3. That the Secretary of the Army sign the memorandum to the Secretary of Defense (Tab G) recommending that the Certificate of Appreciation, DD Form 1725, not be included in the retirement packet given to LTC Herbert.

4. Elimination for moral or professional derelection is essentially no longer an alternative. Lieutenant Colonel Herbert is scheduled for retirement effective 1 March 1972. Assuming that grounds for elimination action could be substantiated, one of the options available to Lieutenant Colonel Herbert is retirement in lieu of elimination at any time in the process. The assumption is, however, not beyond challenge as any of the three boards which must hear and/or review the case might decide in favor of Lieutenant Colonel Herbert.

5. The principal argument to take no adverse administrative action is that the other alternatives are impractical. Furthermore, to take adverse administrative action against Lieutenant Colonel Herbert could be construed by the public and the press as "pound of flesh" action on the part of the Army, regardless of the fairness and appropriateness of the action. The adverse administrative action taken against Lieutenant Colonel Herbert has the inherent danger of regenerating high public visibility for Lieutenant Colonel Herbert. Furthermore, such action would not probably be a deterrent to other Army personnel so inclined to speak out, as individual responsibility, more than a fear of violation of rules and regulations, governs such conduct.

6. There are two certificates of appreciation issued to an individual upon his retirement. One is given in the name of the Commander-in-Chief and the other certificate is from the Chief of Staff, United States Army. While Lieutenant Colonel Herbert has been valorous in two wars and apparently has conducted himself honorably throughout his 20 years of service, it is nonetheless a matter of record that he has not met fully the professional standards expected of an officer of his grade and experience. Therefore it is considered appropriate that the two certificates of appreciation cited above not be awarded Lieutenant Colonel Herbert upon his retirement.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AUTHORIZATION FOR ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate, Senate Resolution 35.

The Senate proceeded to consider the resolution (S. Res. 35) authorizing additional expenditures by the Committee on Foreign Relations for a study of matters pertaining to the foreign policy of the United States, which had been reported from the Committee on Rules and Administration with amendments, on page 2, line 5, after the word "exceed", strike out "$725,000" and insert "$675,000"; after line 9, strike out:

> SEC. 3. For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1973, through February 28, 1974, is authorized, in its, his, or their discretion, (1) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents; (2) to hold hearings; (3) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate; (4) to administer oaths; and (5) take testimony, either orally or by sworn statement.

At the beginning of line 21, change the section number from "4" to "3"; and, on page 3, at the beginning of line 3, change the section number from "5" to "4", so as to make the resolution read:

> *Resolved,* That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.
>
> SEC. 2. The expenses of the committee under this resolution shall not exceed $675,000 of which amount not to exceed $75,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).
>
> SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1974.
>
> SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that William M. Cochrane and John Coder of the committee staff be permitted to be on the floor during the consideration of these resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, this resolution would authorize the Committee on Foreign Relations to expend not to exceed $725,000 during the next 12 months for inquiries and investigations.

During the last session of the Congress the committee was authorized to expend not to exceed $500,000 for that purpose. The committee estimates it will return approximately $135,000 of that amount to the Treasury.

The pending request includes an increase of $225,000 over last year's authorization.

The Committee on Rules and Administration has amended Senate Resolution 35 by reducing the requested amount from $725,000 to $675,000, a reduction of $50,000.

Our committee has further amended the resolution by striking out the section relating to the issuance of subpenas, et cetera, which reads in pertinent part as follows:

> Sec. 3. For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, . . . is authorized, in its, his, or their discretion, (1) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents; . . .

and renumbering the subsequent sections accordingly. This action has been taken by the committee since it considers such section to be unnecessary, inasmuch as the subpena and other powers enumerated therein are granted to all standing committees of the Senate uniformly by the Legislative Reorganization Act of 1946, as amended. Section 134(a) of that act provides as follows:

> Sec. 134 (a) Each standing committee of the Senate, including any subcommittee of any such committee, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to take such testimony and to make such expenditures (not in excess of $10,000 for each committee during any Congress) as it deems advisable. Each such committee may make investigations into any matter within its jurisdiction, may report such hearings as may be had by it, and may employ stenographic assistance at a cost not exceeding 25 cents per hundred words. The expenses of the committee shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Senator FULBRIGHT is chairman of the Committee on Foreign Relations, and Senator AIKEN is its ranking minority member.

Mr. FULBRIGHT. Mr. President, I wish to say to the distinguished chairman of the Committee on Rules and Administration that I appreciate the fact that the committee did restore $50,000 of a proposed cut of $100,000 to the Foreign Relations Committee. I believe the committee can live with this.

I might, by way of explanation, say that the committee has undertaken an obligation and responsibility to investigate the multinational corporations which are very much in the news these days, and we do not have the staff to proceed to do that in depth. That was the occasion for the increase in the requested funds.

Senators will understand, of course, that if we are to do that, and we must have further money, we will have to ask for more, which I presume would be provided in due course. I hope we will not need more, but that has been the case in the past.

With regard to the subpena power. I wish to make some legislative history on it, and put the question to the chairman as to what the significance of this is.

As the chairman has said, the resolution has been amended by the Committee on Rules and Administration, which dropped the paragraph relating to the subpena power of the subcommittee.

Mr. President, my understanding is that the deletion of that paragraph in no way detracts from the power of the Committee on Foreign Relations or any of its subcommittees to issue subpenas. Is that understanding correct?

Mr. CANNON. That is my understanding; yes.

Mr. FULBRIGHT. And under the Congressional Reorganization Act, every committee and duly constituted subcommittee of Congress has subpena power. Is that correct?

Mr. CANNON. The Senator is correct.

Mr. FULBRIGHT. It is further my understanding that it is then up to each standing committee and subcommittee to issue rules governing the handling of subpenas and those rules are completely up to the committee. Is that correct?

Mr. CANNON. That is correct. I think that the rules a committee or subcommittee might adopt, might be required to be within the bounds of the Legislative Reorganization Act and within the court decisions, but it is up to them to adopt their own rules and, subject to those limitations, to prescribe whatever procedures they desire with respect to the issuance of subpenas.

I make that somewhat qualified statement in light of the Court of Appeals decision, some time ago, that held that the issuance of subpenas by a member or a chairman was not adequate without having the approval of the committee. That was the case in Shelton against United States of America.

Mr. FULBRIGHT. I understand that is the case where the issuance was not in accord with the rules of the subcommittee. Our rules in the subcommittee do require, of course, the approval of the subcommittee. When they make the rules, they can delegate to the chairman, and they do on occasion, the right for him to delegate some other member of the committee to issue the subpena, but it is in accordance with the rules of the committee.

May I say in that connection that the proposal in the original amendment in the Committee on Foreign Relations was copied verbatim from the provision presently in the resolution with regard to the Government Operations Committee. It was believed to be in accord with the practice of the Senate. So that is why I wish to elaborate that, in the eyes of the chairman of the Committee on Rules and Administration, what the Rules Committee did was in no way intended to change the substantive power of the committee——

Mr. CANNON. Absolutely not.

Mr. FULBRIGHT. So I ask this further question: Then the reason the Rules Committee dropped the language from the Foreign Relations Committee resolution was merely a matter of form and it had no substantive effect. Is that correct?

Mr. CANNON. That is correct. That is my understanding.

Mr. FULBRIGHT. Is it correct further to say that any subpena presently issued by a subcommittee of the Foreign Relations Committee in accordance with the Legislative Reorganization Act, and in accordance with its duly adopted rules, is enforceable despite the amendment offered by the Rules Committee?

Mr. CANNON. I would say yes, without a doubt.

Mr. FULBRIGHT. I think that should clear up the matter. I raised it only because this provision, having been put in—and I say this in all good faith and belief—having been modeled precisely after the provision in Government Operations, and that, having been put in and then removed, it may have raised in the minds of some, that it had some——

Mr. CANNON. I say to the distinguished chairman of the Foreign Relations Committee that this happened to be the first place it was called to our attention. Had it been called to our attention before we considered Government Operations, I would have, myself, been inclined to take the same position I did here. There are still two other resolutions not yet to come to the floor which have similar provisions in them.

Mr. FULBRIGHT. Commerce is one, I believe.

Mr. CANNON. Commerce is one; yes. But the committee has not acted yet. Judiciary is another, which has a similar one, and if a proposal should be made on the floor to strike those provisions, I certainly would not object, because I think that the authority granted under the Legislative Reorganization Act is adequate and complete. I think it is. If we are going to tinker around with it, we should amend the Legislative Reorganization Act.

Mr. FULBRIGHT. I do not disagree with the chairman. He has a good point. It is simply that I think this colloquy clears it up. One of the reasons I wanted to make it clear is that the subcommittee has already issued a subpena, fully in accordance with the Legislative Reorganization Act; that is, it was approved by the subcommittee which issued the subpena. I have no doubt that it is in accordance with the Legislative Reorganization Act, as well as the rules of the subcommittee. But I did not want, nor did anyone on the staff of the subcommittee want, through this action of the Rules Committee, to cast any shadow of a doubt on the validity of any existing subpena.

Mr. CANNON. I would think there could be no doubt cast on it, as long as the subpena is issued in accordance with the Legislative Reorganization Act and the rules of the committee or the subcommittee.

Mr. FULBRIGHT. I appreciate very much the statement of the chairman of the Committee on Rules and Administration.

Mr. GRIFFIN. Mr. President, will the Senator from Nevada yield for an observation?

Mr. CANNON. I yield.

Mr. GRIFFIN. I address myself to this particular resolution with two hats on, since I am a member of the Committee on Foreign Relations as well as a member of the Committee on Rules and Administration. I wish to confirm and support the statement by the distinguished chairman of the Rules Committee when he indicated that by striking this particular language from the resolution, the Committee on Foreign Relations is not left without subpena power. The committee and its subcommittees will continue to have the subpena power available to all standing committees and subcommittees of the Senate under the Legislative Reorganization Act. Of course, the Foreign Relations Committee, like other standing committees, is free to adopt committee rules so long as such rules are not inconsistent with the Standing Rules of the Senate or with the Legislative Reorganization Act.

While I do not know the circumstances with respect to the subpena outstanding, to which reference has been made, certainly if there was a meeting of the particular subcommittee, and if the subcommittee authorized issuance of the subpena, then its action would seem to be in compliance with the Legislative Reorganization Act, and would not be affected by our action with respect to this resolution.

I see no reason why the Foreign Relations Committee or its subcommittees would be handicapped by adopting the amendment which strikes out section 3.

The PRESIDING OFFICER (Mr. SCOTT of Virginia). The clerk will report the first committee amendment.

The assistant legislative clerk read as follows:

On page 2, line 5, after the word "exceed", strike out "$725,000" and insert "$675,000"; after line 9, strike out:

SEC. 3. For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 4, 1973, through February 28, 1974, is authorized, in its, his, or their discretion, (1) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents; (2) to hold hearings; (3) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate; (4) to administer oaths; and (5) take testimony, either orally or by sworn statment.

Mr. GRIFFIN. Mr. President, what was that amendment that was just read?

The PRESIDING OFFICER. The clerk will restate the amendment.

The assistant legislative clerk read as follows:

On page 2, line 5, after the word "exceed", strike out $725,000" and insert "$675,000"; after line 9, strike out:

SEC. 3. For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1973, through February 23, 1974, is authorized, in its, his, or their decision, (1) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents; (2) to hold hearings; (3) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate; (4) to administer oaths, and (5) take testimony, either orally or by sworn statement.

Mr. GRIFFIN. Mr. President, I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will report the second committee amendment.

The assistant legislative clerk read as follows:

At the beginning of line 21, change the section number from "4" to "3"; and, on page 3, at the beginning of line 3, change the section number from "5" to "4".

The PRESIDING OFFICER. The question is on agreeing to the second committee amendment.

The committee amendment was agreed to.

Mr. FULBRIGHT. Mr. President, one further inquiry. Is my understanding correct that the chairman of the Rules Committee intends that other committees be brought into accord with the decision of this committee so that all committees are directly alike in this respect?

Mr. CANNON. That is my intention. The Judiciary Committee resolution has already been reported without an amendment, but, if someone offers an amendment on the floor to bring it in line, I would be willing to accept the amendment. The Commerce resolution has not been acted on, but we would hope to take action on it to so amend it.

Mr. FULBRIGHT. I appreciate that. I think that would be correct.

Mr. GRIFFIN. Mr. President, if I may be recognized briefly, and I shall not detain the Senate for very long, I want to comment on the matter of minority staffing as it applies to the Foreign Relations Committee. I am a very brand new member of that committee but I have been interested in this subject as a member of the minority leadership in terms of having adequate staff for the minority across the board.

I commend the ranking Republican member, Senator AIKEN, who had an organizational meeting in his office several weeks ago. The Republican members talked about the problem of being adequately staffed. As a result, a letter was directed to the chairman, signed by all the minority members. It called attention to the provision of the Legislative Reorganization Act and the spirit of that act, which would indicate that when the minority so desires a third of the staff should be accountable to the minority.

I also want to indicate that the chairman of the committee (Mr. FULBRIGHT) was very understanding when this letter was presented to him. Some important steps have been taken toward giving the minority better staff facilities. A working arrangement has been arrived at between the chairman and the ranking member, the distinguished dean of the minority, Senator AIKEN.

Although not all of us can be a hundred percent satisfied, I want to indicate that I am pleased that the problem has been recognized. We realize that in situations such as this you cannot disrupt a staff that is already in place, and that in most instances the staff is very competent, very professional.

I commend personally both the chairman and the ranking member for the effort that is being made here to accommodate minority members.

Mr. President, I ask unanimous consent that the letter to which I made reference be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 17, 1973.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR BILL: Recently the Republican members of the Committee on Foreign Relations met in Senator Aiken's office to discuss some of the matters which can be expected to confront the Committee during this session. In the course of our discussion favorable comments were expressed about the Committee's leadership as well as the caliber of work performed over the years by the Committee's staff.

However, general concern was expressed that the minority on the Committee is not adequately staffed. There is a consensus among Republican members that the intent of the Legislative Reorganization Act should be observed. You will recall that Section 301 of the Legislative Reorganization Act of 1970 provides that two professional staff positions out of the six made available to each standing Committee should be allocated to the minority upon request. The 1970 Act further provides that if the six regular professional staff positions are filled at the time such a request is made, two additional positions are to be created and assigned to the minority until such time as vacancies occur.

Furthermore, when the Committee seeks authorization for additional staffing and consulting services beyond that regularly provided by the Act, Republican members believe approximately one-third of such additional assistance should be assigned to the minority.

We want you to know that we stand ready and willing to fully support any reasonable budget request you wish to submit in order that the Committee can be adequately staffed to carry out its important responsibilities so long as an equitable allocation for minority staffing is provided.

We feel certain that you will understand and agree with these suggestions.

Sincerely,

GEORGE D. AIKEN,
CLIFFORD P. CASE,
JACOB K. JAVITS,
HUGH SCOTT,
JAMES B. PEARSON,
CHARLES H. PERCY,
ROBERT P. GRIFFIN,
U.S. Senators.

Mr. FULBRIGHT. Mr. President, I do not wish to delay the Senate. I appreciate the attitude of the distinguished minority whip, who is a member of the Committee on Foreign Relations.

I might say, by way of short comment, that it is true that there is provision in the Reorganization Act for two members to be—whatever it means—assigned to the minority. Two of the six, I may say, professional members, permanent members.

Since 1947, the Committee on Foreign Relations has never attempted to implement that provision. That provision is purely permissive; it is not mandatory. No request, to my knowledge, has ever been made on the part of the minority members for a distinct staff. The staff has been strictly nonpartisan. We have a personnel committee composed of two of the minority and two of the majority members, the same number, and they have passed upon the qualifications of all the professional staff.

To my knowledge, since I have been on the committee, no question has ever been asked about their political affiliations. It was always considered that foreign relations is rather in a class by itself in this respect, in contrast to purely domestic programs, such as agriculture or banking and currency or interior or labor and public welfare.

I understand that sometime ago this matter was arranged in accordance with the minority and majority, which, in a sense, is having two staffs. But, the law being what it is, the majority of the committee acceded to the request of the minority.

I am very pleased to have the comments of the minority whip as to how to deal with this matter without disrupting the staff, without creating an attitude of partisanship. His suggestion is very wise, and I will do my best to implement it to the satisfaction of the minority, without the necessity of creating a sense of partisanship on the part of the staff or on the part of the committee, for that matter.

On the whole, the committee, aside from the staff, has been nonpartisan to a very great extent, so far as it can be in these controversial issues. I recall that the criticism by the Democrats of a Democratic President was just as acute as their criticism of a Republican President. They have been nonpartisan in their criticism—and in their approval, for that matter. I think that has been characteristic of the committee.

I believe that the wisdom of the Senator from Vermont and the Senator from Michigan will prove to be a very satisfactory solution to this problem.

Mr. AIKEN. Mr. President, I think that the newest member of the committee, on the minority side, Senator GRIFFIN, has performed a real service in calling the wording of the law to our attention.

The fact is that up to now I do not believe we have ever questioned whether a new member of the staff belonged to the minority or the majority, but it is probably better that some of them are assigned to the minority, as required by the law. I have found the chairman of the committee fully cooperative in that respect.

I think the matter has been pretty well reconciled without adding materially to the cost of operating the committee, and that situation will be improved. That does not mean we will not have disagreements. We have disagreements within the minority and within the majority. So that I will not say it is a partisan matter, but it looks as though we are going to function very well from now on.

One member of the permanent staff is now representing the minority members; and in attending the meetings, he keeps us very well informed. He is very knowledgeable. He is one of the better members of the staff. That makes it much easier for us to do our work as we ought to do it. So I do not anticipate any further difficulties in the situation.

Again, I want to express my appreciation to the Senator from Michigan for making this suggestion as his first act as a new member of the committee.

Mr. GRIFFIN. Mr. President, I believe there is a good deal of misunderstanding not only among the Members of the Senate but also among some of the staff people as to what the Legislative Reorganization Act requires or provides in this situation.

It is true that in section 202 of the Legislative Reorganization Act there is a provision that applies to the six professional staff members that every standing committee has. With regard to those six professional staff people, there is the provision that whenever the majority or the minority requests, two of the six shall be assigned to the minority.

I invite attention to another provision of the Legislative Reorganization Act. It is part of section 133 of the Legislative Reorganization Act of 1946, and it is in subparagraph (g) thereof. I will read it:

> The minority shall receive fair consideration in the appointment of staff personnel pursuant to any such annual or supplemental resolution.

I do not know what "fair" means, but it must mean something. That is the language that applies in terms of the resolution authorizing staff over and beyond the six who are already automatically assigned to each standing committee without such a resolution.

So I think when the minority says at least one-third is fair, we not only have the simple principles of equity, but also the precise language of the Legislative Reorganization Act to back us up.

The PRESIDING OFFICER. The question is on agreeing to the resolution (S. Res. 35) as amended.

The resolution (S. Res. 35), as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $675,000 of which amount not to exceed $75,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1974.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AUTHORIZATION FOR ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

The PRESIDING OFFICER. Under the previous order, following disposition of Senate Resolution 35, the Chair lays before the Senate, Senate Resolution 56, which the clerk will state by title.

The assistant legislative clerk read the resolution (Senate Resolution 56), as follows:

A resolution authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations.

Mr. CANNON. Mr. President, this resolution would authorize the Committee on the Judiciary to expend not to exceed $4,312,300 during the next 12 months for inquiries and investigations.

During the last session of the Congress the committee was authorized to expend not to exceed $3,657,700 for that purpose. The committee estimates it will return approximately $167,450 of that amount to the Treasury.

The pending request includes an increase of $654,600 over last year's authorization.

The Committee on Rules and Administration has amended Senate Resolution 56 by reducing the requested amount from $4,312,300 to $3,946,800, a reduction of $365,500.

Senator EASTLAND is chairman of the Committee on the Judiciary and Senator HRUSKA is its ranking minority member.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The assistant legislative clerk read as follows:

On page 2, at the beginning of line 8, strike out the numeral and insert "$3,946,800".

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the second committee amendment.

The assistant legislative clerk read as follows:

On page 2, in line 23, after the word "exceed", strike out the numeral and insert "$377,800".

The PRESIDING OFFICER. The question is on agreeing to the second committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will report the third committee amendment.

The assistant legislative clerk read as follows:

On page 3, line 3, after the word "exceed" strike out the numeral and insert "$767,000".

The PRESIDING OFFICER. The question is on agreeing to the third committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the fourth committee amendment.

The assistant legislative clerk read as follows:

On page 3, line 8, strike the numeral and insert "$239,700".

The PRESIDING OFFICER. The question is on agreeing to the fourth committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the fifth committee amendment.

The assistant legislative clerk read as follows:

On page 3, line 13, strike the numeral and insert "$299,900".

The PRESIDING OFFICER. The question is on agreeing to the fifth committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the sixth committee amendment.

The assistant legislative clerk read as follows:

On page 3, line 18, strike the numeral and insert "$210,200".

The PRESIDING OFFICER. The question is on agreeing to the sixth committee amendment.

Mr. McCLELLAN. Mr. President, will the distinguished Senator in charge of the bill yield?

Mr. CANNON. I yield.

Mr. McCLELLAN. Mr. President, I would like to get a clarification of this item. There is allowed some $28,000 less than was requested, I believe.

Mr. CANNON. The Senator is correct.

Mr. McCLELLAN. At the time this resolution was presented to the Committee on the Judiciary an amendment was offered and added by the Committee on the Judiciary authorizing the request for, I believe, $18,224 for a new assistant minority counsel. This was an amendment that was added to the bill in the Committee on the Judiciary.

Mr. CANNON. Yes.

Mr. McCLELLAN. At that time, as chairman of the subcommittee, I made the statement that this was an item over and above the request that we had made in the original resolution. I felt the burden was on the minority to appear before the Committee on Rules and Administration and establish justification for it. The minority, I believe, was represented by the distinguished Senator from Nebraska (Mr. HRUSKA). I believe he appeared at the same time I did and gave testimony in support of this increase in the amount of the request.

I am unable to determine whether that increase was granted. Was the action of the Committee on Rules and Administration intended to and did take this item into account? Did it grant an additional amount to cover that request?

The reason I am concerned, and I am sure I am correct, is that I know it was the intention of the Committee on Rules and Administration to grant at least an amount to cover the increase in salaries, which would be about 5 percent.

The increase the committee did grant was about $18,700 over the expenditures last year. But what is this supposed to cover?

Can the Senator give us some guidance on that, and state whether that increase for additional personnel was granted or not granted by the Committee on Rules and Administration?

Mr. CANNON. I will respond as best I can. The committee did not either accept or reject the proposals of the various subcommittees with respect to specific numbers of personnel, whether they should have more or less, but we did look at the overall columns and basically we attempted to make reductions where increases in personnel were sought over the numbers requested last year, for a variety of reasons, one being economic, and second, because we do not have the added space in which to house the committee members.

So with respect to this particular instance, I do not recall there was any specific discussion whether they would or would not permit additional personnel. There was no restriction in the action of the committee, nor a complete disregard of it, but the proposal that was made for these reductions provided, as I recall, roughly about a 7.5-percent increase over last year, which would be adequate to take care of the raises if those raises were all passed on, and a small amount in addition.

Last year this committee did use nearly all its money. It turned back $4,000, so based on last year's rate of expenditures it would have $15,400 or roughly $19,000 more this year than last year out of which it would have to take care of that.

Mr. McCLELLAN. That is true, but we are keeping the same personnel as last year. We are required, of course, to meet their salaries. And we have work to do.

Mr. CANNON. The Senator is correct. But there is no requirement the salary be increased. Some committees have passed on all the increase and some have not.

Mr. McCLELLAN. Well, of course, we are confronted with the situation that if one committee staff member was a good staff member on another committee and entitled to the increase, I assume a good staff member on my commitee is entitled to the increase. If other good staff members get an increase, I would naturally feel that the staff member on my committee, a good one, is entitled to one, too.

I thought all increases had been passed on. I personally do not know of any instance in which they have not. There could be.

But the point I am trying to make is that if it is intended that the subcommittee must provide this additional personnel at the salary, or somewhere near the salary proposed—that was a special item and was testified to as such—then this money has to come out of somebody else's salary or out of the expense that will have to be incurred if the subcommittee operates.

I do not want to deny the minority of any personnel it feels it needs, and that it can justify, but it leaves us in a kind of bind as to how to make these adjustments. I would not want to reduce the salaries of other staff members in order to make that adjustment or to stop work.

I point out to the Senator and for the record that we are confronted with a very heavy workload this year. I am not arguing for more money at the moment, but I do not want to place a more complete statement in the Record in a minute.

Last year was a very difficult year for me, because I was campaigning much of the time, and did not have the opportunity to devote as much time to the work and responsibilities of this committee as I normally would have. That is understandable, I am sure, but even with that, last year the subcommitee made rather good progress, I think, in the crime field.

During the last Congress 79 bills were referred to the subcommittee for consideration, in addition to the project for the revision of title 18 of the code, and that is a big project. I introduced a comprehensive bill on this subject early in this session of Congress, S. 1, the Codification Revision and Reform Act of 1973. I think that is one of the largest bills ever introduced in Congress, approximately 500 pages, as I recall. It must be processed. We are working on it. We have sent out questionnaires. We have invited the best qualified people in the land to testify on it and give us the benefit of their experience, counsel, and recommendations. It is a very difficult and tedious process to get a bill of this size reported.

In addition to that project, the committee reported last year 12 bills. Eleven of them passed the Senate. Four of the bills became public law. Some of the bills that passed the Senate last year and are not public law are before us once again. We have already had placed on the calendar one package crime bill, S. 800, the Victims of Crime Act of 1973. Now we are processing individual bills that comprise that package. That is the way we did last year. We passed the package bill, the omnibus bill. Then we also passed separate bills covering several titles in that bill here in the Senate. It is deemed advisable to do that in order to get more prompt action in the House of Representatives.

Anyway, I just want to emphasize that this subcommittee has a tremendous workload. It may be necessary—I do not know this; we try to operate economically—that if we make progress, particularly on the recodification measure, we will have to come back for further expense money—not for personnel, but it requires a lot of effort. If we are going to do it right, get out the questionnaires and do all those other tasks, there will be some expense included. I hope we can make progress on it.

I only wanted to make these remarks with respect to the work of the subcommittee, so that the record may be clear that it is a tremendous job for the subcommittee to meet its responsibilities.

We are going to proceed with diligence and to try to get bills that are meritorious reported out of the committee and processed by the Senate, in the hope that they may be enacted.

The matter of what staff the majority is to have and what the minority is to have is becoming a problem. I think we are approaching a time when there ought to be a hard and fast rule with respect to it so there will be no confusion and we will avoid haggling from time to time. I am not opposed to the minority's having any staff that is at all reasonable and that they feel they need. I would request the same thing for the majority. But it is difficult and it is embarrassing at times to have them request additional staff that they feel they need, when we do not have the money to provide for it and all we can do is say, "Well, you will just have to ask for it, and if you make your case before the Rules Committee, you will get it."

That is the problem we face. I think we should give consideration to revising the rules so that there can be only one interpretation as to what the will of Congress is.

I want to thank the Senator for the consideration he and his committee have given us, not only as to this resolution, but as to others that I have presented from time to time as chairman of subcommittees, not only this year but in years past. We all have a duty to try to hold down expenditures, not only in the legislative branch but throughout Government. That is my view about it, and I certainly want to cooperate to that end and not ask for funds to operate a committee that are not absolutely required to let that committee function and meet its responsibilities.

Mr. President, I have a more detailed statement to make on this particular item. I ask that it appear in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

SECTION 7 OF SENATE RESOLUTION 56

Section 7 of S. Res. 56, as reported by the Committee on Rules, authorizes an expenditure of $210,200 for the Subcommittee on Criminal Laws and Procedures. This is an increase of approximately $18,700 over the funds actually expended last year, but a cut of $27,800 from what the Committee on the Judiciary had recommended. The Committee on the Judiciary had approved $18,224 for a new Assistant Minority Counsel. As approved by the Committee on Rules, the increase will just cover the approximate cost of the 5% salary increase and the additional hearings contemplated by the Subcommittee in this Session of the Congress.

The Subcommittee was authorized to expend $195,500 for the period March 1, 1972, through February 28, 1973. Of this amount, approximately $4,000 will be returned as unexpended. Our requested authorization was reduced last Session by $24,500. Consequently, we had to curtail certain activities. We were not able to use the services of the Library of Congress to the expected extent, as the funds for reimbursable payments to agencies was deleted from the budget. Further, we could not conduct all the hearings we had anticipated in our consideration of the new Federal Criminal Code.

Nevertheless, the Subcommittee continued to make progress in the crime field. During the last Congress, 79 bills were referred to the Subcommittee for consideration, in addition to the project for the revision of title 18 of the Code. The Subcommittee reported 12 bills and 11 of these passed the Senate. Four of the bills became public law.

In the last Session, the Subcommittee processed four measures relating to the victims of crime. These bills were reported and passed by the Senate, each as a separate bill and as a part of an amendment to a House-passed bill, which bill then became an omnibus victims of crime package. These Senate-passed proposals did not receive House action except for the Administration sponsored $50,000 gratuity for the survivors of a slain public safety officer. This bill passed both Houses in different forms and the conferees agreed to the filing of a conference report, but the adjournment of the Congress prevented the House from acting on this report. The Democratic Policy Committee has urged me as Chairman of the Subcommittee to expedite the processing of this package again this Session. I have introduced the package bill (S. 800) which was placed directly on the Calendar and we are now processing the individual bills through Committee.

In the present Session, it is anticipated that the Subcommittee will hold extensive legislative hearings on the proposed new Federal Crime Code. In the last Congress we conducted 13 days of hearings, comprising 7 volumes with over 4,000 pages. In addition to hearings, considerable detailed work is involved in this enormous Code revision. The staff will continue to work closely with the special unit in the Department of Justice, with the various government agencies, with bar associations and with special committees created to assist in this effort. Numerous questionnaires, interrogatories and other mailings have been made to criminal law professors, judges, State attorneys general, prosecutors, public defenders, probation officers and others seeking a wide cross-section of ideas on the recommendations of the National Commission on the Reform of the Federal Criminal Laws and on the proposed revision bill, S. 1, the "Criminal Justice Codification, Reform and Revision Act of 1973." We contemplate more such mailings as we get into the specific sections of the proposed bill.

Also, the Law Enforcement Assistance Administration is due to end June 30th of this year. It is expected that hearings will be necessary to determine the most advantageous ways in which to continue the program of assistance to law enforcement and corrections, which has now become a $850 million a year item in our criminal justice system. I am sure we will want, and the Congress should have, a reassessment of this entire program. Consequently, an additional load of hearings in this area will be necessary as we consider various proposals for continuing this agency.

> Other areas to be considered separately or in conjunction with the Code include appellate review of sentences, air piracy, gun control, abortion and death penalty proposals.
>
> I feel that the Subcommittee is doing extremely important work and operating in an economical manner. I believe that to do justice to our task the authorization should provide for our minimum requirements.

I ask that this section of the resolution be agreed to.

Mr. GRIFFIN. Mr. President, I am particularly pleased that the distinguished Senator from Arkansas is here representing the Committee on the Judiciary, particularly because, having served as the chairman of the Permanent Investigations Subcommittee of the Government Operations Committee, I think he is very familiar with the subject I am going to raise.

I would like to focus attention on some language in the resolution applying to the Committee on the Judiciary. On page 2, beginning at line 16——

Mr. McCLELLAN. I beg the Senator's pardon. What is that?

Mr. GRIFFIN. The resolution for the Judiciary Committee.

On page 2, line 16, the language reads:

> For the purposes of this resolution, the committee or a duly authorized subcommittee thereof, or the chairman of the committee or of such subcommittees, or any other member of the committee or of such subcommittee designated by the chairman of the committee, may issue subpoenas under the authority vested in the committee by section 134(a) of such Act.

If the Senator from Arkansas was on the floor, he will recall we had a colloquy with the distinguished Senator from Arkansas (Mr. FULBRIGHT) regarding somewhat similar language with respect to the Foreign Relations Committee. The Committee on Rules and Administration struck that out, pointing out that under the Legislative Reorganization Act all standing committees and subcommittees have the authority to issue subpenas, except that it has to be by action of the committee or subcommittee. And then, of course, the subpena is issued in the name of the chairman.

There is really a legal question that arises if we try to delegate this authority to an individual member of the committee and let him decide whether he is going to issue a subpena or not.

I just wondered, having taken the action we did take in the Foreign Relations Committee, if the senior Senator from Arkansas—and I do not know if he can speak for the Judiciary Committee as a whole—really feels this language is needed in the resolution.

Mr. McCLELLAN. Mr. President, I would not presume to speak for the Judiciary Committee as a whole. I am not authorized to so speak. This is the first time the language has been called to my attention.

I have never had any problem with it as chairman of the Permanent Subcommittee on Investigations. I have never had any problem in that respect because no one issues any subpenas except the chairman. I do not know where this idea originated that the chairman delegate to someone else the power or the ability to issue subpenas. I have no desire that the language be retained.

Mr. GRIFFIN. Mr. President, I might say that the Government Operations Committee is the one exception that has been recognized in the past where the committee has had authority.

Mr. McCLELLAN. That was by special resolution.

Mr. GRIFFIN. The Senator is correct. And I am aware of the fact that in the Government Operations Committee it is not used because they know that when they issue a subpena they want it to stick.

There is the matter of the Permanent Investigations Subcommittee that authorizes the issuance of subpenas. At least, it was that way when I served on it.

Mr. McCLELLAN. Mr. President, what we do is to have the subcommittee authorize the investigation. And in that investigation, of course, there is the power to issue subpenas. We may make a preliminary inquiry. But we do not start to issue subpenas until and unless the subcommittee has approved an investigation. Having done that, then the authority is in the chairman to issue subpenas.

We have never had any problem occur when we issued subpenas. I am no longer the chairman of the committee, as the distinguished Senator from Michigan knows. However, in the course of the years when I was chairman, when we issued subpenas we wanted them to be legal. We wanted them to have a validity and legal authority so that there could be no question.

Mr. GRIFFIN. Mr. President, having taken this action, as a member of the Committee on Rules and Administration, with respect to the Foreign Relations Committee, of which I am also a member, I am inclined to offer an amendment leaving the Judiciary Committee in exactly the same position as all other standing committees. They would have the same power as the other committees and subcommittees under the Legislative Reorganization Act.

Mr. McCLELLAN. Mr. President, if the Senator desires to do that, I would not try to dissuade him. I believe that I am the only member of the committee present on the floor. I would like to advise the chairman of the full committee, the Senator from Mississippi (Mr. EASTLAND), and also undertake to advise the chairmen of the subcommittees before any final action is taken. I feel that we should get that information to them. And if the Senator would proceed with the resolution and the consideration of the provisions in it and withhold that for a time, possibly we would then have to have a short quorum call. I will undertake to get this message to the other chairmen so that they might have an opportunity to participate in the discussion of it. I think it would be only fair to do that since they have had no notice of this matter coming up.

Mr. GRIFFIN. Maybe there was some special reason why it was proposed.

Mr. McCLELLAN. That may be.

Mr. President, I ask, as a matter of courtesy to other members of the committee and to the chairman of the subcommittees, that they be given an opportunity to participate in the discussion and deliberation of this proposal.

Mr. GRIFFIN. Mr. President, in light of that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I have to go to a conference in a short while. I have one other matter that we could take up by agreement at this time.

Mr. GRIFFIN. That would be perfectly agreeable with me.

Mr. McCLELLAN. Mr. President, I should like to request the distinguished Senator from Nevada (Mr. CANNON), the chairman of the Committee on Rules and Administration, who is in charge of the bill, to make a unanimous-consent request to skip to the consideration of section 13, and let us dispose of it. I make that request because at 3 o'clock I have to attend a conference on the continuing resolution which we agreed to yesterday.

Mr. CANNON. Mr. President, I ask unanimous consent that we proceed to the consideration of section 13 of the resolution, relating to patents, trademarks, and copyrights. The request was for $185,000; the amount reported in the amendment is $143,000.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 5, line 3, strike out "$185,000" and insert in lieu thereof "$143,000" and, in line 11, after the word "exceed", strike out "$227,000" and insert "$172,500".

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment on page 5, line 3, was agreed to.

Mr. CANNON. Mr. President, I ask unanimous consent that the remainder of the amendment with respect to dollar amounts be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? If not, the question is on agreeing to the remainder of the committee amendments en bloc.

The remaining committee amendments were agreed to en bloc as follows:

> In line 21, after the word "exceed", strike out "$15,500" and insert "$14,500"; on page 4, line 1, after the word "exceed", strike out "$259,000" and insert "$223,000"; in line 4, after the word "exceed", strike out "$612,000" and insert "$532,500"; in line 19, after the word "such", strike out "$612,000" and insert "$532,500"; in line 22, after the word "exceed", strike out "$367,700" and insert "$335,400";

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT of Virginia). Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 2, in line 16, strike the word "for" and all that follows in lines 10 through 22.

Mr. GRIFFIN. Mr. President, there has already been some discussion of this matter in connection with the Foreign Relations Committee. The Rules Committee has been reluctant to approve this kind of language because of the Legislative Reorganization Act, which gives each standing committee the authority to issue subpenas.

Not only is it questionable practice, I suggest, to try to delegate that authority to a subcommitee chairman or whomever he might designate, but I believe there is real question as to whether it would be recognized legally. There are several cases where the issuance of subpenas has been challenged in the courts. When that situation arises, it is very important that there be clear authorization for the issuance of subpenas.

I think that in the interest of good, orderly practice in the Senate and its committees, we should not assume that power can be delegated.

Because we took that action with regard to the Foreign Relations Committee on which I happen to be a member, I noticed that the language was in the Judiciary Committee resolution.

Unless there is some very strong and compelling reason to retain it, I hope that this amendment to strike out that language will be adopted.

Mr. HRUSKA. Mr. President, will the distinguished Senator from Michigan yield?

Mr. GRIFFIN. I yield.

Mr. HRUSKA. Does the Senator from Nebraska understand correctly that by approving the amendment now pending, there would be uniformity in the committees which have been found to be in this same situation?

Mr. GRIFFIN. Yes, generally speaking. It has been mentioned on the floor before that the Permanent Investigating Subcommittee for the past—I do not know how far it goes back—has had special treatment in this regard. But the distinguished Senator from Arkansas (Mr. MCCLELLAN) was on the floor and acknowledged that, actually, the Permanent Investigating Subcommittee has always been meticulous about having committee action when it issues subpenas.

Mr. HRUSKA. Then the effect of the amendment would make each committee or subcommittee of the Judiciary Committee rely for its subpena power upon the Legislative Reorganization Act.

Mr. GRIFFIN. That is right. Just to make the point perfectly clear, let me read now section 134 of the Legislative Reorganization Act of 1946 as amended:

> Each standing committee of the Senate, including any subcommittee of any such committee, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses, and the production of such correspondence, books, papers, and documents, . . .

So the Legislative Reorganization Act contemplates that it is the committee or the subcommittee that is doing it.

Mr. HRUSKA. I would say that I will support the amendment and hope that it will be adopted.

Mr. CANNON. Mr. President, I also would support the amendment. I think the subpoena powers are quite well defined in the Legislative Reorganization Act. This amendment would help bring the committees into uniformity.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan (Mr. GRIFFIN).

The amendment was agreed to.

The PRESIDING OFFICER. The resolution is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the resolution, as amended.

The resolution (S. Res. 56), as amended, was agreed to as follows:

S. RES. 56

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate so far as applicable, the Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services or personnel of any such department or agency.

SEC. 2. The Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, to expend not to exceed $3,946,800 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 3. Not to exceed $377,800 shall be available for a study or investigation of administrative practice and procedure, of which amount not to exceed $3,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 4. Not to exceed $767,000 shall be available for a study or investigation of antitrust and monopoly, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed $239,700 shall be available for a study or investigation of constitutional amendments, of which amount not to exceed $12,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed $299,900 shall be available for a study or investigation of constitutional rights, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. Not to exceed $210,200 shall be available for a study or investigation of criminal laws and procedures.

SEC. 8. Not to exceed $14,500 shall be available for a study or investigation of Federal charters, holidays, and celebrations.

SEC. 9. Not to exceed $240,000 shall be available for a study or investigation of immigration and naturalization.

SEC. 10. Not to exceed $223,000 shall be available for a study or investigation of improvements in judicial machinery.

SEC. 11. Not to exceed $532,500 shall be available for a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950, as amended, (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States, and (3) the extent, nature, and effect of subversive activities in the United States, its territories and possessions, including, but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organization controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence or otherwise threatening the internal security of the United States. Of such $532,500, not to exceed $3,785 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 12. Not to exceed $335,400 shall be available for a study or investigation of juvenile delinquency, of which amount not to exceed $14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 13. Not to exceed $143,000 shall be available for a study or investigation of patents, trademarks, and copyrights.

SEC. 14. Not to exceed $79,000 shall be available for a study or investigation of national penitentiaries, of which amount not to exceed $1,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 15. Not to exceed $172,500 shall be available for a study or investigation of refugees and escapees, of which amount not to exceed $2,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 16. Not to exceed $62,300 shall be available for a study or investigation of revision and codification.

SEC. 17. Not to exceed $250,000 shall be available for a study or investigation of separation of powers between the executive, judicial, and legislative branches of Government, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 18. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 28, 1974.

SEC. 19. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

QUORUM CALL

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF CALENDAR NO. 37, SENATE RESOLUTION 41, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, immediately following the transaction of routine morning business, the Senate proceed to the consideration of Calendar Order No. 37, Senate Resolution 41, a resolution authorizing additional expenditures by the Committee on Banking, Housing and Urban Affairs for inquiries and investigations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Then it would be my understanding, in accordance with the previous order, which has just been amended, that upon the disposition of Calendar No. 37, Senate Resolution 41, the Senate would proceed to the consideration of Calendar No. 55, S. 7.

PROGRAM FOR TOMORROW AND THURSDAY

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 12 o'clock meridian. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes each, at the conclusion of which the Senate will proceed to the consideration of Calendar No. 37, Senate Resolution 41, a money resolution relating to the Committee on Banking, Housing and Urban Affairs.

Upon the disposition of Senate Resolution 41, the Senate will take up S. 7, a bill to amend the Vocational Rehabilitation Act. There may be yea-and-nay votes tomorrow.

On Thursday, the Senate will convene at 11 o'clock a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized for not to exceed 10 minutes each: The Senator from New Jersey (Mr. WILLIAMS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Washington (Mr. MAGNUSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Missouri (Mr. EAGLETON), the Senator from Alabama (Mr. SPARKMAN), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Washington (Mr. JACKSON), the Senator from Nevada (Mr. CANNON), the Senator from Utah (Mr. MOSS), the Senator from Indiana (Mr. HARTKE), the Senator from Maine (Mr. MUSKIE), and the Senator from Utah (Mr. CHURCH).

After the orders for the recognition of Senators have been consummated on Thursday, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes each.

At the conclusion of routine morning business on Thursday, in the event the Senate has finally disposed of S. 7, the bill to amend the Vocational Rehabilitation Act, the leadership would intend to proceed to the consideration of Senate resolution 69, a resolution to amend rule XXV relative to open and closed sessions of committees. There may be yea-and-nay votes thereon.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until 12 o'clock meridian tomorrow.

The motion was agreed to; and at 3:20 p.m., the Senate adjourned until tomorrow, Wednesday, February 28, 1973, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 27, 1973:

SELECTIVE SERVICE SYSTEM

Byron V. Pepitone, of Virginia, to be Director of Selective Service, vice Curtis W. Tarr, resigned.

CONFIRMATION

Executive nomination confirmed by the Senate February 27, 1973:

NEW ENGLAND REGIONAL COMMISSION

Russell Field Merriman, of Vermont, to be Federal Cochairman of the New England Regional Commission.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

"MY RESPONSIBILITY TO FREEDOM", AN ESSAY BY MISS MARJORIE LYNN O'CONNOR OF MARION HIGH SCHOOL, MISHAWAKA, IND.

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BRADEMAS. Mr. Speaker, the Veterans of Foreign Wars' annual Voice of Democracy Contest has again been concluded, and I am delighted to report that the winning entry from my State was submitted by Miss Marjorie Lynn O'Connor of Marion High School in Mishawaka, Ind.

Miss O'Connor addresses herself very eloquently to the dangers of complacency in a democratic society, and her essay on "My Responsibility to Freedom" is well worth the attention of the Members.

I would, therefore, like to include Miss O'Connor's winning entry in the RECORD at this point in order that it might be available to all:

MY RESPONSIBILITY TO FREEDOM

If you are one of the people who read the comics section of the newspaper, you may have seen a recent episode of Mort Walker's *Beetle Bailey*. In this particular episode, Beetle was leaning against a tree, talking to himself. He said:

"I don't know why everybody's always hopping on me for being lazy. Half the trouble in this world is caused by too much energy . . . People running around starting fights and trying to get stuff! I oughta write a book! I could go around making speeches . . . I could get people behind me and run for office! Baileyism, that's what I'd call it! Baileyism would sweep the country! Even the world! Except that it all sounds like a lot of work."

In the last frame, Bailey was still resting under the tree, all his grand plans never to be put into effect.

The reasoning behind those plans seems to be that since zeal can have undesirable results, it is praiseworthy to be apathetic. However, Beetle can do nothing to improve society without committing himself to "a lot of work." This general apathy is ironic, because Beetle, as a soldier, is theoretically committed to the specific cause of freedom, and willing to expend not only his energy, but also his life to defend it. The defense of freedom will never be achieved through the concept of Baileyism, for it is only by positive action that the liberty we have can be preserved.

The term "positive action" means taking definite steps to preserve one's own freedom by protecting the rights of others. There are many ways to become a leader in the protection of human liberty. However, one can not hope to speak up in the community until he speaks up in his own family. He should not expect to defeat pollution on a large scale until he conquers his own selfish, polluting habits and he will never be able to free an oppressed minority group if he fails to safeguard individual rights. We must meet his responsibility to freedom not through Baileyism's empty promises, nor by merely refraining from undermining liberty, but by taking positive action, both in major concerns and the little matters one meets daily.

I can not honestly say that I have always met this obligation, because at times I have failed to use my opportunities to act or speak out in behalf of someone else. I have avoided taking part in family arguments over the use of the television, although I knew it was the third straight week of Monday night football, and time for my little sister to watch her favorite program instead.

Generally indifferent about pollution, I have often overlooked discarded pop cans or candy wrappers, depriving everyone of his right to a clean America. Rather than come forward, I have seen an innocent student punished for the misdeeds of a friend. I have stood by while a child was bullied by the neighbor children, and given tacit approval to the merciless teasing that I have seen in home and at school.

According to the philosophy of Baileyism, I should be praised because in each of these situations I did nothing wrong. I say I am guilty, of infringing on my own freedom as well as my neighbor's, because I didn't do something right. My failures to protect others' rights in little matters made these people less free, and when their freedom is curtailed, so is my own. As Carl Shurz, American statesman and journalist, said, "If you want to be free . . . guarantee an equally full measure of freedom to all your neighbors."

In evaluating how well I personally lived up to this challenge, I had to ask myself how often I had responded to the daily opportunities to protect the rights of others. Each of us must ask this question of himself. The answers we give will determine whether, we shall make the effort to protect our neighbor's freedom and our own, through major contributions, but first in the little things we can do every day, or whether we shall lie back, complacently, with Beetle Bailey, while the liberty we say we value so highly crumbles at our feet.

ASSISTANCE TO INDOCHINA

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 27, 1973

Mr. HARRY F. BYRD, JR. Mr. President, arguments advanced to date by the administration in support of the proposed new program of assistance to North Vietnam and the rest of Indochina are not persuasive.

On February 22, the Roanoke World-News published an editorial pointing out that the reasons given for this new aid program have been sharply criticized and do not seem convincing.

It is my view that neither the situation in Indochina nor the financial condition of the United States are such that a major new program of assistance should be undertaken by this country at the present time.

I ask unanimous consent that the editorial, "Better Ways To Help Indochina," be included in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BETTER WAYS TO HELP INDOCHINA

Virginia's Sen. Harry Byrd Jr., has more than adequately summed up the arguments of the opponents of massive aid to North Vietnam and the rest of Indochina: The proposal seems to run counter to the "Nixon Doctrine" of less dependency on the United States as both world policeman and universal rich uncle; it comes at a time when the administration is involved in an all-out battle to lower federal deficits; it would go to countries in political and economic turmoil; and it is a dubious attempt to "accomplish economically what we could not accomplish militarily."

The senator speaks for a large group of congressmen, which makes what Sec. of State William Rogers said about such aid (it has "a problem with Congress") seem one of the great understatements of the year.

So far all of the arguments put forth by the administration have been effectively shot down. Critics have said, for instance, that aid to Indochina cannot be effectively compared with Marshall plan aid after the Second World War; Indochina is most certainly not western Europe. If we can pour billions of dollars down the drain for a war we didn't understand against a people we don't understand, think what we might waste in the cause of peace.

The administration has not gotten much further with its argument that such aid will provide the carrot to keep Hanoi abiding by the terms of the ceasefire agreement. Congressmen find it hard to believe that a few billions can turn Hanoi from its basic aim—the unification of the Vietnams—when ten years of American might could not.

That last point shakes even the most vocal critics of our Vietnam policies. Some of them want to see us give aid to Hanoi, not as an inducement but an open admission that we made a mistake and wish to offer reparations. The Washington Star-News' Frank Getlein, long-time critic of the war, sees in the inducement-aid move the potential for the day, "not too distant, when we shall alternate blowing up hospitals and rebuilding them, blowing them up once more and putting them back together, in a pattern that reasonably could last forever." Mr. Getlein writes in only half-jest.

The opposition to blind, massive aid to Hanoi doesn't necessarily mean that one is hard-hearted. There are other, far better ways that the U.S. could fulfill those obligations, moral and financial, that it may have built up either during the war or in the course of the peace negotiations.

We could put our prestige and leverage behind a multi-nation effort to help rebuild the torn countries of Indochina. Secretary-General Kurt Waldheim of the U.N. has suggested such an effort through that organization. Such a project would fit far better into Nixon's post-Vietnam foreign policy. It would also stand a chance of getting past a testy Congress.

SALT AT NATO: HOW TO WIN AT RUSSIAN ROULETTE, CHEAT

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RARICK. Mr. Speaker, the latest disarmament fiasco occurred with the invitation of the Communist Warsaw Pact Nations to meet with NATO to discuss mutual disarmament with each side to give up equal numbers of arms.

The Soviets liked the scheme so well that they donated an extra 1,000 new tanks to the Warsaw Pact Nations just to make sure that their side had weapons after the free nations of NATO were disarmed. This way the Russians were assured of coming out ahead.

The Soviets do not even play Russian roulette according to the rules.

I asked that related news clippings follow:

[From the Washington Post, Feb. 12, 1973]

SOVIETS ADD 1,000 NEW TANKS TO EAST EUROPEAN ARSENALS

(By Michael Getler)

The Soviet Union, over the past 4 years, has added about 1,000 new tanks to its already sizable arsenal of armored vehicles in Eastern Europe, according to a new assessment of Soviet strength made by the United States and its NATO allies.

The additional tanks—mostly new T–62s—have not brought with them any greatly increased alarm among U.S. defense planners with the newer vehicles looked upon as primarily a Soviet attempt to modernize their huge but relatively old tank force in Europe.

Because the origins of this gradual buildup go back to the 1968–69 period, U.S. officials also do not believe the increases were part of any pre-planned Soviet attempt to strengthen its bargaining position in future negotiations on possible Mutual and Balanced Force Reductions (MBFR) between NATO and the Warsaw Pact nations.

Nevertheless, the larger number of tanks now reflected in more refined allied intelligence estimates is expected to have an unavoidable impact on those talks.

Preliminary talks on such prospects are already under way in Vienna as a prelude to more formal discussions which may begin next fall.

The Soviets have not withdrawn any of their older tanks as the newer ones have been added, say defense officials, thus the traditionally large disparity between Warsaw Pact and NATO tank strength is now larger.

On the other hand, the existing U.S. British and West German tanks in front-line units with NATO—though smaller in number—are judged to be superior in fighting capability of their Soviet counterparts, including the relatively new T–62 model.

Also, the NATO allies are granted an edge in superior anti-tank weaponry. And, the NATO tank stockpile in Europe is actually much larger—when reserve tanks are counted—than is usually reflected in published statistics.

The additional Soviet vehicles that have been moved into Eastern Europe in recent years are the equivalent of about two new armored divisions. However, the tanks have been dispersed among existing motorized rifle divisions and armored divisions to increase their strength rather than to create new units.

This might eventually allow the Soviets to withdraw some of their older T–54 and T–55 tank units as part of an MBFR agreement without disrupting entire units.

Or, by increasing the tanks in their rifle (infantry) divisions, the Soviets may seek to negotiate mutual withdrawal of traditional armored divisions which would still leave large numbers of tanks with Soviet infantry units.

Most of the new tanks have gone to Soviet divisions based in East Germany.

According to U.S. defense officials, the Warsaw Pact nations now have about 15,000 tanks arrayed against NATO forces in the critical Central European sector. This figure includes medium and heavy tanks based in the so-called northern tier of countries including East Germany, Poland and Czechoslovakia. When tanks based in Hungary are added, the figure jumps to 17,000. Of the 17,000 about 9,000 are Soviet tanks.

The Hungarian tanks, about half of which are Soviet-built, are sometimes included in the balance of power more associated with NATO's southern flank, where Romania and Bulgaria add another 3,000 tanks to the overall equation.

NATO's tank forces on the southern flank—mostly in Greece, Turkey and Italy—amount to about 2,000 tanks.

In the critical central sector, NATO has close to 6,000 tanks deployed with operational units. But there are also, according to high-ranking defense officials, about 4,000 other tanks—mostly modern U.S., British and West German main battle tanks—in reserve and maintenance units which could be used as replacements and reinforcements in battle, if crews could be made available.

The United States, for example, has some 3,000 tanks in Europe, but about half of these, according to Pentagon officials, are in a reserve and maintenance stockpile.

The current NATO main battle tanks—the U.S. M–60, the British Chieftain, and the German Leopard—are all larger than the Soviet tanks, including the T–62. All are also judged to be more efficient and have more accurate firepower, even though the Russian T–62 has a 115mm gun, larger than the M–60 and Leopard but smaller than the Chieftain's 120mm armament.

A new version of the Leopard is being built with a 120mm gun.

All three allied tanks have longer range guns than the older T-54s and T-55s, which still make up the bulk of Soviet armor.

Nevertheless, despite these qualitative advantages, the Soviet tank force in Europe has always been the single greatest concern of military planners trying to deal with the prospects for European defense in any conventional attack, and the addition of more tanks simply increases the problem, in their view.

[From the Washington Star and Daily News, Feb. 21, 1973]

RUSSIANS STOCKING WEAPONS, WEST GERMAN SOURCES SAY

BONN, GERMANY.—West German sources contend that the Soviet Union has supplied its armies in East Germany, Czechoslovakia, Poland and Hungary with the latest model tanks, armored personnel carriers and artillery, but is keeping the "replaced" equipment on hand.

Instead of withdrawing the older equipment, the Russians have stashed it away in secret depots located in the four satellite countries, the sources said yesterday.

One theory of Western military experts is that Moscow plans to announce major arms reductions in Central Europe on the eve of the East-West mutual force reduction talks, then withdraw only the older weaponry.

"They could then beat the propaganda drums without losing any of their material or personnel sustenance," one Bonn official said.

Even if the Russians knew that Western experts would discover the reported caches, they might feel that announcement of a reduction involving obsolete weapons would put tremendous public pressure on the West to respond with genuine cuts, the experts theorized.

Another theory is that the estimated 3,000 obsolete T54 and T55 tanks, 1,000 armored personnel carriers and 1,000 cannons were mothballed as a secret emergency reserve that could be activated by flying in troops.

Another possibility is that the obsolete weapons were kept around simply because of bad organization.

The four Soviet allies reported to be harboring the secret stockpiles are the same four countries invited by the West to participate with the Kremlin and North Atlantic Treaty Organization powers in the preparatory arms reduction talks that started recently in Vienna.

Western experts estimate that the Soviet Union has up to 56,000 troops and 80,000 airmen in the four countries. They are equipped with about 12,100 tanks, including advanced T52's and 1,400 fighters and fighter-bombers.

By comparison the United States has about 200,000 soldiers in West Germany and another 100,000 in the rest of Western Europe.

Meanwhile, in Moscow, a Soviet general said yesterday that the Soviet Union is compelled to build up its armed forces because the West plans to step up the arms race, United Press International reported.

Gen. Serge Sokolov, first deputy defense minister, attacked Western "imperialism," press and "reactionary" politicians in his remarks marking Soviet Army-Navy Day which is Friday. He made no mention of China, whose armed forces are a major source of concern to Moscow.

"The aggressive strategy of imperialism is spearheaded, above all, against the Socialist countries," he said. "This compels us to take steps for further raising the combat strength of the armed forces."

ASSAILS WESTERN SPOKESMEN

Sokolov said "reactionary politicians in the West" like to raise the specter of a Soviet military threat but that "we do not want to intimidate anyone."

[From the Washington Star and Daily News, Feb. 25, 1973]

THREE ARMS OFFICIALS RESIGNING

(By Oswald Johnston)

At least three front-line officials in the Arms Control and Disarmament Agency are resigning in what some observers describe as a deliberate administration purge of the agency most closely associated with last year's strategic arms limitation treaty with the Soviet Union.

According to informed sources close to the agency, the three officials—all Democrats and all associated with disarmament policies since the early 1960s—were recently informed that their resignations, routinely submitted to President Nixon after his reelection, had been accepted.

The three officials, according to these reports, are:

Lawrence D. Weiler, counselor to the ACDA director and associated with the agency since its beginning.

James F. Leonard, assistant director and chief of the agency's international relations bureau.

Spurgeon M. Keeny Jr., assistant director and chief of ACDA's science and technology bureau.

Leonard, a foreign service officer, will presumably be reassigned within the State Department, with which ACDA is affiliated. The other two men are supergrade Civil Service employes.

The White House has not commented on the ACDA shakeup, and disarmament officials yesterday were tight-lipped. There would be no comment, one official remarked, "until the dust settles."

Just how much dust is being kicked up is still not clear.

According to one account, the White House intends to make sure every top grade slot in the arms control agency is filled by a "loyal" supporter of administration policies in the strategic disarmament field.

Proponents of this view noted that the agency is having its $10 million budget slashed by a third, and is losing 12 employes and most of its research funds in the coming fiscal year.

President Nixon has already made it plain that the chief negotiator in the next phase of the SALT negotiations with the Russians will not be associated with the arms control agency.

The SALT negotiator, Gerard Smith, stepped down as ACDA director when he resigned from government service early this year. His designated successor on the negotiating team is career diplomat U. Alexis Johnson, who has long experience haggling with the Soviets but little expertise in the disarmament field.

Taken together, these moves indicate a clear intention by the administration to gather all the authority for future disarmament negotiations into its own hands and remove the disarmament agency from a first-line role.

The arms control agency was created early in the Kennedy administration, and for that reason alone is thought to be held suspect by White House loyalists. Smith, however, was a Nixon appointee and his position as both chief SALT negotiator and ACDA director in Nixon's first term is believed to have shielded some of the men whose resignations are now being accepted.

No successor to Smith has been named, and it is understood that his deputy director, Philip J. Farley, has been asked to stay on as acting director at least until a successor is confirmed in the office.

Whether Farley would then join the others in resigning is unclear. But most of the officials bearing the title assistant director or its equivalent are thought to be on the White House list for replacement.

One other probable target of the shakeup is William W. Hancock, general counsel of the agency and another Democrat. Assistant director Robert H. B. Wade of the economic affairs bureau is a Republican and is believed likely to survive. Neither of these men has been mentioned specifically in the official reports of the ACDA purge at present circulating in Washington.

Ever since its creation in 1961, ACDA has been identified with the orthodox nuclear disarmament theorists who hold that nuclear stability is best achieved by limiting the nation's strategic strength to the minimum number of warheads and missiles that will assure destruction of the enemy's cities in a retaliatory second strike.

This doctrine, known as "assured destruction," has been in large part abandoned by Nixon himself and by his top adviser, Henry A. Kissinger. Both claim they favor a strategic capability more flexible than would be possible under the strict doctrine of a massive second strike attack on population centers.

The assured destruction doctrine is anathema to Pentagon theorists. Critics of SALT I's allegedly excessive concessions to the Soviets such as Sen. Henry M. Jackson, D-Wash., blame most of its weaknesses on the heavy ACDA participation in the negotiations.

It is unclear how much of this ideological dispute lies behind the administration's recent moves against ACDA. By reducing the agency's budget and influence and by purging disarmament-oriented Democratic holdovers, the White House seems to be acting out the misgivings of Jackson and the Pentagon.

At the same time, sources close to the SALT I negotiations stress that every substantial decision in the talks was taken directly by Nixon and Kissinger and that Smith's delegation, which included representatives of the Joint Chiefs of Staff as well as ACDA reported daily by cable and special telephone lines when the negotiating sessions were in progress.

PROPOSED ASSISTANCE TO NORTH VIETNAM

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 27, 1973

Mr. HARRY F. BYRD, JR. Mr. President, the February 22 edition of the Lynchburg News included an excellent editorial on the subject of proposed assistance to North Vietnam.

The editorial points out that it is unlikely that Hanoi will abandon aggression against its neighbors and that assistance directed to that nation would support a Communist regime which claims victory in the war in Vietnam.

The editorial also notes that the financial condition of the U.S. Government is not sound, and that this is, therefore, not an appropriate time to undertake a major new program of foreign aid—particularly aid to North Vietnam.

I ask unanimous consent that the editorial, "No Justification," be included in the Extensions of Remarks. F. James Murdock is editor of the News.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO JUSTIFICATION

Unless Sen. Harry F. Byrd Jr. gets a lot of support—in the Congress and from the country—the Nixon Administration and Congressional liberals are going to take several more billion out of the pockets of American workers and hand it over to North Vietnam.

Hand it over while North Vietnam continues to pursue its invasion of South Vietnam, with several divisions of its troops in control of South Vietnamese territory, with its Viet Cong in control of even more territory, and its political organizations sabotaging the Thieu Government and seeking to complete the Communist takeover by political means.

There is, as Senator Byrd said on Monday, "no justification" for giving North Vietnam any economic aid whatsoever. The argument advanced by those who favor giving American dollars to the Communist enemy—that we did the same for Germany and Italy—is false on its face. We gave that aid to defeated enemies, whose governments we had destroyed. Does anyone in his right mind think the United States would have advanced billions of dollars to rebuild a Germany in control of Adolf Hitler and his Nazi Government? But that is exactly what the Nixon Administration is proposing we do in North Vietnam—extend billions of dollars to bulwark the Communist regime which claims it was victorious in this war. It is a claim we find hard to dispute.

Whether or not the United States abandons its practice of extending aid to countries and governments fighting Communist subversion and invasion depends upon whether we any longer intend to help other peoples resist enslavement. Senator Byrd questions the wisdom of extending massive aid to South Vietnam, Laos, Cambodia and Thailand. We do not question it as a matter of principle, but we do as a matter of principal. We simply haven't got the money!

The Federal budget is running billions of dollars in debt each year. Seventeen cents out of each dollar of personal and corporate income tax paid in this country goes for interest on the national debt—and the debt continues to go up and up and up. There is never any discussion of paying it off. The taxpayer is groaning under a tax burden which is rapidly approaching the confiscatory stage. Federal, state and local taxes, direct and indirect, are taking more than half of each dollar earned. What "justification" has the Nixon Administration or the Congress handing out additional billions of our wages to rebuild a victorious enemy who is still pursuing his conquest of our former ally?

Some proposals affront all logic and common sense, all systems of values. The suggestion we help rebuild North Vietnam is one of those. It is sheer stupidity, which is recognized as such around the globe. We cannot long survive this kind of leadership in the White House and the Congress—leadership which includes the members of both major political parties.

MERITORIOUS SERVICE BY A SOCIAL SERVICE DIRECTOR

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. CULVER. Mr. Speaker, at a time when our national commitment to various social service programs seems to be wavering, it is heartening to be reminded of dedicated human concern for the needs of many less fortunate fellow citizens. One person who has demonstrated such care and public service is Mrs. Ernest (Janice) Sivesind. Mrs. Sivesind recently retired after 30 years as Winneshiek County social services director in Iowa. Mrs. Sivesind has been helping people since 1944. She is an example of how a concerned and effective administrator can bring reality and achievement to a social service program. With a real interest in helping others, she has been able to alleviate many personal hardships and provide for the genuine needs of the citizens of Winneshiek County.

Mr. Speaker, Janice Sivesind retires with an outstanding record of service which I hope will be an example to many other administrators of social service programs now and in the future. I insert in the RECORD an article from the Cedar Rapids Gazette on Mrs. Sivesind's 30 years' experience in the social services field:

[From the Cedar Rapids Gazette, Jan. 14, 1973]

NE IOWAN HAS 30 YEARS OF DRAMATIC MEMORIES

(By L. Dale Ahern)

DECORAH.—When Mrs. Ernest (Janice) Sivesind retires Monday as one of northeast Iowa's most highly-respected social services directors, she will take home memories of nearly 30 years in the same office.

Janice, as she is familiarly known to hundreds of people in her home county of Winneshiek and throughout this section of Iowa, has had countless dramatic experiences with the people she has served since Jan. 1, 1944.

Her work as Winneshiek county social services director has endeared Janice to many, inspiring all who know her with admiration and esteem.

"Her deep concern for people's needs and her dedication to satisfying these," said Albert Quass, chairman of the local social services board, "have set her apart."

Among souvenirs she values most is a certificate presented recently by the Iowa governor, bearing these words:

"Presented with gratitude and appreciation to Janice N. Sivesind in recognition of long and meritorious service to the state of Iowa and for personal dedication to the welfare of the citizens of this state.—Robert D. Ray."

PEOPLE IN TROUBLE

Janice Sivesind's memories are shot through with poignant cases of human sorrow and suffering. She remembers many people in trouble.

She often thinks of the honest, hard-working citizens who fell into financial hardships from which they couldn't extricate themselves without help; the needy blind forced by circumstances beyond their control to look to social services for a ray of hope; the young, unwed mothers; the tragically forgotten old people; and many more.

And there are many people whose memories of Janice and her work are quickened by news that she will soon be stepping out of her familiar role. Among these is a young housewife-office worker, Mary Hall, and members of her family, Mr. and Mrs. Carl Nelson (both names fictitious).

Mary grew up on a farm in Winneshiek county, one of a family of six children. Her parents found the revenue from their operation scarcely adequate to supply the family's basic needs, and Carl couldn't get around without crutches because of a serious affliction of arthritis.

To add to their misery, a boy friend gave Mary a loaded drink one night and left her pregnant. Young Mary became despondent, and her parents, in desperation, began to talk about getting rid of the baby.

"Mary didn't want to marry the fellow," her mother said, "and he wasn't marriage-minded. He had three other girls in trouble."

A close friend suggested seeing Janice Sivesind. What followed is a classic example of professionalism with a heart.

NURTURED MORALE

Janice counseled Mary and her parents, took a vital personal interest, arranged for Mary to receive some ADC funds, and little by little nurtured the family's morale back to normal.

During this period Mary met Jonathan Hall (fictitious name), a young man who fell in love with her and accepted her condition. When Marietta was born, Jonathan was at the hospital to be near Mary.

At first Mary was not permitted to see her baby since plans were afoot to have the child adopted, but—as soon as Mrs. Nelson saw the youngster—she realized she couldn't part with her new grandchild. Mrs. Nelson then had a nurse carry the baby to Mary.

"When I told Mary we were going to keep the baby," the older woman said, "Mary laughed and cried simultaneously."

Today Mary Hall lives in another state with Jonathan, an insurance company representative and Marietta. Mary is happily busy keeping house while, at the same time, serving as a secretary in a government office.

"It would have been next to impossible," Mrs. Nelson said. "to have kept the family together without the guidance and help we received from Janice Sivesind. She restored our confidence and gave us hope.

"And we are so glad Janice saved Marietta for us. She is everybody's pride and joy."

Mary's case is an example of ADC achieving an admirable objective. The social service woman's files contain numerous similar cases and those that are just as striking in areas of old age assistance, aid to the blind, aid to the disabled, foster care, and other fields of human rehabilitation.

LARGER STAFF

When Mrs. Sivesind began her work as Winneshiek county social services director in January, 1944, she ran her office with one other helper, a stenographer. Today the staff numbers five.

In the beginning the social services director did almost everything that had to be done. She personally conducted investigations into every application.

She visited with people in their homes; prepared social histories for her board and the court; made personal contact with dozens of individuals, institutions, and organizations in her efforts to establish whether requests were based on genuine needs; administered the best possible program of help in each case; and worked with the people in efforts to solve their problems.

Down through the years her personal touch distinguished Janice Sivesind's work. "Although we have about 70 of her people in our homes all the time," the Rev. Virgil Hougen, administrator of Aase Hagen Homes, Inc., said, "Janice has always taken a personal interest in each one, for relationship with the residents and members of our staff has been very fine.

"She not only worked with the people in their homes before they came here but has continued to follow up on their individual problems, visiting with them frequently after their arrival here.

DEDICATED TO HELPING

"With her, administering the programs of social services has not been merely an office job. She has been dedicated to helping people."

Among many who pay tribute to the high-calibre service of Mrs. Sivesind is Mildred Jacobsen, who has worked for the Winneshiek county social services director the last 25 years. "This is where I got my education," Mrs. Jacobson said.

"One of the things I learned from Janice is the importance of meeting deadlines, especially when people are in trouble and need help.

"She was very conscientious about doing everything on time. It was one of my jobs to assist her in keeping a daily schedule.

No matter what she set out to do, Janice didn't let it die until it was done."

Miss Katherine Jewell, secretary of the Winneshiek county social services board the last 30 years, said, "I always found it a joy to work with Janice. I look back to the three decades I spent with her as the best years of my life.

"Janice puts so much meaning in the services performed by our social services office. It was as if each individual who came to her for help became her personal responsibility."

As she looked back over the many years she was involved in helping people through the various programs provided by social services, Mrs. Sivesind said, "My greatest satisfaction comes from recalling the happiness experienced by people who were able, through the help of our office, to rise above emergency problems that almost had them down."

Quass spoke warmly of the outstanding job Mrs. Sivesind did, handling details and in taking advantage of available funds to provide maximum services for the people of Winneshiek county. "Other counties," he said "have come to Janice for guidance in administering their programs."

It is no wonder James Gillman, commissioner of the state department of social services, wrote to Janice Dec. 21, 1972, as follows: "Your contributions to the welfare of Iowa citizens since 1942 makes us all very proud."

And it is no wonder Irene M. Smith, former chairman of the state department of social welfare, once called Mrs. Sivesind, "a most able representative of the best in public welfare."

FEDERAL SUPPORT FOR SCHOOLS OF PODIATRY

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 27, 1973

Mr. SCHWEIKER. Mr. President, yesterday the distinguished Senator from New York (Mr. JAVITS) asked a question of the distinguished chairman of the Senate Appropriations Committee, Mr. MCCLELLAN, in order to clarify the intent of Congress regarding the expenditure of certain funds for health manpower programs. The effect of that colloquy was to make it clear that Congress intends that the so-called "mandated funds" be actually spent by the administration.

This will have a tremendous impact on schools of veterinary medicine, optometry, podiatry, and pharmacy. In order to clarify the impact of the proposed budget on schools of podiatry, I ask that an editorial from the upcoming issue of the Journal of Podiatric Education be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRESIDENT'S PAGE

IMPACT OF PROPOSED BUDGET CUTBACKS ON SCHOOLS OF PODIATRY

The recent stunning news that the new proposed federal budget calls for a complete elimination of assistance to the colleges of podiatry requires that all of us set before the Congress the meaning of the cuts for the future of podiatric colleges and the future of podiatric medicine, itself. The effect would be the annual loss of over $2 million to the schools.

FEDERAL GOVERNMENT PROMISES AND RESPONSIBILTIES

The budget proposals raise once again the question of the federal government's credibility and its intention to keep stated promises. In 1965, more strongly in 1968, and with greater intensity in 1971, the Congress and the Administration urged the schools of health to expand enrollment in response to American health manpower needs.

It was stated national policy that federal funds would subsidize this growth because it was acknowledged that the schools, themselves, could not assume the entire burden. Indeed, the Congress provided for and the Administration agreed to continually increased authorizations through 1974.

The colleges of podiatry responded by increasing enrollments at a rate even greater than the other health schools. The projected enrollment in colleges of podiatric medicine for the 1973–74 school year represents an increase of 41% over the comparable figures for 1968–69—proportionately higher than any other health profession.

NEED FOR PODIATRISTS WAS NEVER MORE EVIDENT

Over the past two decades, the number of active podiatrists has grown only slightly, increasing from 6,400 to 7,100, despite a growing need for podiatric services. During the 1960–70 period, there was virtually no growth in the number of active podiatrists, as the number of new graduates entering the profession was offset by deaths and retirements of active podiatrists.

The ratio of active podiatrists to population decreased from 4.2 per 100,000 in 1950 to 3.9 per 100,000 in 1960. It decreased further to 3.5 per 100,000 in 1970.

A Department of HEW study to be released shortly, however, projects the podiatry manpower need by 1980 of 15,000 active podiatrists. Studies also show that even with federal assistance at levels projected in 1970 legislation, there will be only 9,900 active podiatrists by 1980, a shortage of 5,100. Where will these additional health professionals come from without continued government support?

Two other important factors to be considered are:

(1) The average age of active podiatrists is greater than that of other health professionals. Thus, a greater proportion will be approaching retirement age soon, emphasizing the need for increased enrollments in podiatric schools to offset the losses.

(2) America's population over 65 years of age is growing rapidly, as is the ratio of that age bracket to the total population. In 1900, only 4.1% of the population was over 65; by 1960, 9.3%; and in 1970, 9.9%. Surveys show that the need for podiatric services in the over 65 age group is nearly double that of the under 65 age group.

NEED FOR FEDERAL ASSISTANCE IS CRITICAL

Where can the colleges turn for the required assistance to prevent the closing of their doors? Those who have drawn up the proposed budget suggest that the deficiencies be made up from the following sources:

(1) *State Funds*. No, this is not possible. There are only five colleges of podiatry, located in California, Illinois, New York, Ohio and Pennsylvania. Over the last four years, freshman classes at these schools were comprised of students from almost every state (except Alaska, Hawaii, South Carolina and Wyoming). Obviously the schools are a national resource, and no state wants to support students from outside its jurisdiction.

(2) *Funds From Parent Institutions*. In the case of podiatry, there are no parent institutions from which to draw support. All five schools are free-standing, with no university affiliation.

(3) *Local Funds*. Since the great majority of students come from outside the local areas there is even less reason for local jurisdictions to lend financial support than there would be for states to do so.

(4) *Increased Tuition*. Those of us who work with students know that rapid rises in tuition, in combination with the inflationary aspects of every student's life, have already placed a heavy financial burden on students and their families. Further increases would be counter-productive—higher tuition would mean fewer students, not more.

CONCLUSION

It is clear that the elimination of federal support from colleges of podiatric medicine would be a cruel blow to this vital health profession. It would mean the collapse of podiatric education and the negation of the great advances made in the field of podiatry over the last several years. We must take whatever steps are necessary to insure the survival of podiatric education and, indeed, podiatric medicine itself.

THE ASSOCIATION OF INDIANS IN AMERICA, INC.

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. KOCH. Mr. Speaker, I would like to invite the attention of the House to the important work now being done by the Association of Indians in America, Inc. This nonprofit organization, the only organization of Indian immigrants now permanently residing in the United States, is one of the newest in that long line of associations which has done so much for the greatness of America. Like its forebears which guided the arrival of other immigrant groups to the United States, this organization is doing much to foster the ideals and spirit of America, while preserving ethnic identity.

The Association of Indians in America, Inc., has undertaken an important responsibility which demands our support and cooperation. As we all know, the Government of Uganda has ordered the deportation of its Asian population. Of the over 45,000 involved, we have done too little in America by accepting only 1,000 refugees to these shores. Additional efforts in this direction are needed and the association is doing its part in seeking an increase in the number of stateless Ugandan refugees allowed to come into the United States.

But of equal importance is the work of the association in making America a home for the 1,000 whom we have admitted. Under the leadership of their president, Dr. Roshan Chadda, its members are providing their fellow Asians with an "orientation program" on America. They are teaching their fellow immigrants how to enjoy the best of their culture and at the same time take part in their new communities.

I myself was privileged to receive a humanitarian award from the organization last October for my own "humanitarian efforts on behalf of the besieged Asians in Uganda."

On December 10, I was privileged to present a "statue of liberty" as a symbolic gift of welcome to the refugees who were able to attend a meeting of the association in New York.

The expulsion of the Asian Ugandans went almost too smoothly. Faced with the specter of so much potential suffering, as our colleagues know, I petitioned the Departments of State and Justice to grant special parole status to 5,000 stateless Ugandan refugees. But much more must be done to alleviate the suffering of those who have not had the good fortune to arrive in America, and efforts must be made to bring more of them here.

SOCIAL SECURITY COULD TRIP NIXON

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. TIERNAN. Mr. Speaker, I would like to call the attention of my colleagues to an article by Mr. Bruce Biossat which appeared in the Westerly Sun, a newspaper in my district. I think Mr. Biossat's editorial aptly describes the significant loss to effective administration that will result from the dismissal of Robert M. Ball, as Commissioner of Social Security.

Mr. Ball has proven himself to be a capable, innovative and highly respected administrator. To quote Mr. Biossat:

> In casting him out, President Nixon has made a gross error in judgment.

The article follows:

SOCIAL SECURITY COULD TRIP NIXON

(By Bruce Biossat)

WASHINGTON.—President Nixon's dismissal of Robert M. Ball as commissioner of Social Security raises some serious questions about how to achieve and maintain skillful management in the government bureaucracy.

Since the agency has always been deemed to be off limits politically, it would be a bad slip if the President were to name a successor whose experience suggested he was less a qualified social insurance expert and more an out-and-out political appointee.

But, actually, that is the shallow, obvious aspect of the matter, easy to judge. There is a deeper issue.

Ball has headed the Social Security Administration for nearly 11 years, and for roughly an equal time before that he was deputy commissioner of SSA's predecessor agency. His entire working career falls within the social insurance realm.

Does this kind of service make a man go stale and leave him empty of new ideas?

There is a school of thought that would say yes, automatically. The proponents of this view contend that turnover at the top level should occur fairly frequently. The argument can be guessed. Change assures regular infusion of fresh ideas, new energies, flexibility. Men of long tenure, it is suggested, cannot fill this need.

The argument has undeniable plausibility. The woods are full of executives and administrators whose energies flag and whose imagination runs thin. Rigidity and complacency often set in all too quickly. Against this very real prospect, change—even systematic change—looks like a sound rule.

Yet there is a strong counter-argument put forth steadily in the field of public affairs. Its core is that there are always men with a great capacity for self-renewal, continuing growth, and adaptability to altered circumstances and problems. Such men not only can meet new challenges, but have a way of searching them out.

Here again, the contention has undoubted force. The corporate and government landscape is well dotted with figures whose long service in top posts is a consequence not of power but of demonstrated abilities maintained through markedly changing times.

Proponents of this point argue, incontestably, that to dispense with or shift such leadership from its proved realm is to waste rare human resource, to deprive a society of commanding individuals who serve its institutions as a keystone holds an arch together.

Does Robert Ball deserve such an accolade as this? There are a good many men in the U.S. Congress and many practiced observers of public service performance who believe he does.

He has presided over Social Security during its transformation from an agency of modest scale to one of enormous size and increasing complexity, and seen it hailed as the best of bureaucracy. In 1965, he laid over it the huge framework of the Medicare program, a task reasonably pictured as one of the greatest peacetime administrative assignments in history. He is a tireless innovator who knows his field as he knows the lines in his hands.

In 1972, Congress handed SSA new challenges for 1973 and 1974. Everything in the record suggests Ball was the man above all to meet them. His expertise is unmatched, and at 58 his powers and talents seem undimmed. He is a public servant of genuine distinction. In casting him out, President Nixon has made a gross error in judgment.

THE HATCH ACT AND THE FIRST AMENDMENT

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. HUNGATE. Mr. Speaker, a recent Federal Bar Journal contained the following article on Federal employees, the Hatch Act, and the first amendment:

POLITICAL ACTIVITY

In a 2 to 1 decision a special 3-judge Federal district court declared 5 U.S.C. 7324(a)(2) unconstitutional. 5 U.S.C. 7324(a)(2) is the part of the Hatch Act that "prohibits Federal employees from taking an active part in political management and campaigns." The Act incorporated by reference the Civil Service Commission's pre-1940 determinations as to what activities constituted political management and political campaigning. The court was of the opinion that the above-quoted provisions of the Act are vague and overly broad when measured against the requirements of the First Amendment to the Constitution of the United States; the prohibitions are worded in generalities and lack precision; and the Act is susceptible to sweeping and uneven application. While generally laudatory of the Civil Service Commission's enforcement of the Act, the court stated that "any conscientious public servant concerned for the security of his job and conscious of that latent power in his supervisor to discipline him . . . must feel continuously in doubt as to what we can do or say politically. The result is unacceptable when measured by the need to eliminate vagueness and overbreadth in the sensitive area of free expression." The court enjoined enforcement of the Act but, on its own volition, granted a stay of its order pending a final determination by the Supreme Court. For technical reasons the Court declined to apply its ruling to State and local employees who work in Federally funded programs and who are subject to similarly worded prohibitions.

National Association of Letter Carriers, AFL–CIO, et al. v. United States, No. 577–71 D.D.C. (3-Judge), July 31, 1972.

MRS. SULLIVAN INTRODUCES AND URGES CONGRESSIONAL ACTION ON THE PANAMA CANAL AND CANAL ZONE RESOLUTION

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mrs. SULLIVAN. Mr. Speaker, it is well known that I have always strongly opposed the ceding of any U.S. sovereignty and jurisdiction over the Canal Zone and the Panama Canal to the Republic of Panama, or to anyone else. In the many years I have been associated with the Panama Canal as chairman of the Panama Canal Subcommittee and otherwise, I have long recognized the commercial and strategic importance of the canal and the related necessity of U.S. control of the zone.

In the beginning of this session of the 93d Congress, I introduced a resolution opposing the ceding of our indispensible sovereignty and jurisdiction over the Canal Zone and Panama Canal. In the intervening period of time, it became clear to me that the resolution I introduced needed changes and could be improved upon. With this end in mind, I made what I consider to be the necessary changes and the present resolution, which I am introducing here today, reflects my feelings on this critical matter.

Over the years, the people of the United States have invested over $5 billion in the construction, maintenance, and operation of the Panama Canal. The strategic position of this artery of commerce, together with world politics and the behavior of the provisional nonconstitutional government of the Republic of Panama over the last several years, leaves me absolutely convinced that if we were ever to cede our sovereignty and jurisdiction over the 10-mile area of our territory on each side of the canal, it would leave the canal unprotected and vulnerable. This, of course, would be a totally undesirable and unacceptable development, since a viable, operative canal under the control and protection of the United States is necessary to the security of Panama, the Canal Zone, the Western Hemisphere, and the United States itself.

In all the circumstances, it is abundantly clear that if the United States were to surrender any of its sovereignty and jurisdiction in this volatile and strategic area, we would weaken, and finally destroy, our position. There is no way we could reasonably expect to exert our control over the operation of the Panama Canal or protect this commercial artery if we foolishly relinquish by negotiations or otherwise, our lawful rights, prerogatives, and jurisdiction. For these reasons, Mr. Speaker, today I am introducing my new resolution, and I consider it my duty and obligation to do all within my power to assure a continued and unmitigated U.S. presence in the Canal Zone in order to protect the canal and its operations.

Following is the wording of the resolution introduced today:

H. RES. —

Whereas it is the policy of the House of Representatives and the desire of the people of the United States that the United States maintain its indispensable sovereignty and jurisdiction over the Canal Zone and Panama Canal; and

Whereas under the Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for the operation, regulation, and management of said canal; and

Whereas, by the terms of the Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the Canal Zone for the construction, maintenance, operation, sanitation, and protection of the Panama Canal and to the entire exclusion of the exercise by the Republic Panama of any such sovereign rights, power, or authority; and

Whereas under the Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between Republic of Colombia and the United States, the Republic of Colombia recognized that the title to the Panama Canal and Panama Railroad is vested "entirely and absolutely" in the United States which granted important rights in the use of the Panama Canal and Railroad to Colombia; and

Whereas from 1904 through June 30, 1971, the United States has made an aggregate net investment in said canal, including defense, of over $5,695,745,000; and

Whereas said investment or any part thereof could never be recovered in the event of Panamanian seizure, United States abandonment of the canal enterprise, or under any other circumstances; and

Whereas under article IV, section 3, clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress; and

Whereas 70 per centum of Panama Canal traffic either originates or terminates in the United States ports; and

Whereas said canal is of vital strategic importance and imperative to the hemispheric defense and to the security of the United States as well as Panama itself; and

Whereas the December 1, 1970, report by the Atlantic-Pacific Interoceanic Canal Study Commission revives the entire canal situation, including surrender of the Canal Zone to Panama and operation of the Panama Canal by an interoceanic organization not subject to laws of the United States; and

Whereas the recommendations of said Commission would place the United States in a position of heavy responsibility without requisite authority and invite a takeover by Soviet power of the isthmus as occurred in Cuba, other Latin American countries, and at the Suez Canal; and

Whereas recent administrations of our Government have engaged in diplomatic negotiations with Panamanian Governments a prime purpose of which has been surrender of United States sovereignty over the Canal Zone to Panama. Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Government of the United States should maintain and protect its sovereign rights and jurisdiction over said Canal Zone and Panama Canal and that the United States Government should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property to any other sovereign nation or to any international organization which sovereign rights, power, authority, jurisdiction, territory, and other property are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere, including the Canal and Panama.

INTRODUCTION OF SUBMERGED LAND BILL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. WON PAT. Mr. Speaker, I have introduced a measure which grants the American citizens of Guam and the Virgin Islands, and the residents of American Samoa, legal jurisdiction over their offshore land areas.

At present, all coast States and the Commonwealth of Puerto Rico have full title to their offshore land areas, which includes all lands permanently or periodically covered by tidal waters from the line of high tide outward to the 3-mile mark. Their governments and the citizens can do what they wish with the submerged areas lying off their shores, providing, of course, they comply with local and Federal environmental laws.

For the residents of Guam, the Virgin Islands, and American Samoa, however, the matter of building even a simple pier is a frustrating and needlessly complex matter. Legal jurisdiction over offshore areas in these islands lies not with local residents, but with faraway officials in the U.S. Department of the Interior. Should the governments of the aforementioned territories or any of their residents want to construct a structure extending outward from their shoreline, they must go through an incredible maze of bureaucratic technicalities and paperwork in order to gain official permission.

First, building permits and environmental clearances must be obtained from the local governments. Next, the Department of the Interior is petitioned for their official approval. Interior, however, cannot proceed until they have gained the sanction of the U.S. Environmental Protection Agency. As you can see, this cumbersome procedure is a deterrent factor to the utility of such areas if necessary for the economic development of the respective territories.

In the case of Guam, the resulting delay in getting permission to build is often years. I have in my office, for example, the permit application for one of my constituents, approved by our local government, that has been waiting for the Federal Government to act since last summer. And, the example I just cited is, unfortunately, all too commonplace.

Although most Federal officials involved in processing claims from our territories are eager to help, changing this system would be begging my main point. There is no moral or legal reason why the territories of Guam, the Virgin Islands, and American Samoa should not have the same jurisdictional rights over their offshore areas as do the States and the Commonwealth of Puerto Rico. To deny them his basic land right is patently unfair, and only results in burdening the already overworked Federal Government with additional paperwork they neither need nor want.

The measure which I introduced today would resolve this inequity by amending Public Law 88–183, an earlier act conveying certain limited submerged land areas to the territories, to give the territorial governments authority over all their submerged lands not needed for national defense. The American citizens of the territories are as capable as those in the States and Puerto Rico of managing their submerged lands. The time has come for Congress to remove this lingering trace of colonialism. I ask my colleagues for their support in our efforts to put an end to a system which has discriminated against their fellow Americans in Guam and the Virgin Islands, and the people of Samoa.

EYEGLASSES, HEARING AIDS, AND PRESCRIPTION DRUGS UNDER MEDICARE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ANNUNZIO. Mr. Speaker, many of our senior citizens are still unable to provide adequate health care for themselves or to meet the high cost of prescription drugs on the meager incomes which they now receive.

I have therefore reintroduced H.R. 276 which will go a long way toward helping our senior citizens bear the financial cost of illness which so often accompanies advancing age.

My bill provides that all prescription drugs not covered by medicare be made available at cost to persons on either part A or part B of medicare. In addition, it provides that hearing aids and eyeglasses be made available on the same wholesale basis by hospital dispensaries. Finally, the bill provides that drugs for medicare patients be prescribed on a generic rather than brand-name basis.

Making these drugs, hearing aids, and eyeglasses available to senior citizens at wholesale cost and at generic medicine cost rather than brand-name medicine cost will help substantially to reduce the total cost of drugs for the elderly.

My bill would also permit medicare participants to purchase these necessities from the Public Health Service, Veterans' Administration, and Hill-Burton assisted hospitals and clinics at wholesale prices.

The number of senior American citizens over age 65 is expected to exceed 25 million by 1985. In my own city of Chicago over the past decade the percentage of elderly persons in the 60 and over category has grown from 15 percent in 1960 to 15.3 percent in 1970. Today almost 10 percent of our population is elderly, and there are 20 million Americans in the senior citizen category. Of these, 17 million have no private protection whatsoever as far as prescription drugs are concerned.

Our senior citizens now spend 20 cents of their health care dollar on prescription medications. This amounts to about $1 billion a year or 25 percent of our Nations total outlay for prescription drugs. When we consider that many of our older people are living on minimal fixed incomes and that fully 25 percent of them are living at or below the poverty line, then we cannot help but realize the terrible strain which high cost drugs, hearing aids, and eyeglasses must place on their limited financial resources.

For these urgent reasons, I commend this legislation to my colleagues and urge their assistance in the passage of this bill.

THE GOLD STAR WIVES

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. FORSYTHE. Mr. Speaker, today I have introduced for appropriate reference legislation to incorporate the Gold Star Wives of America.

This national organization was established in 1945 by the widows of members of the Armed Forces who died while in active service of their country.

A growing, active organization, it today has more than 2,000 members in 49 States, with active chapters in more than half the States.

During the past Congress, I sponsored similar legislation which would have incorporated, within the District of Columbia, the Gold Star Wives. This measure was promptly approved by the House, but, following hearings in the Senate Judiciary Committee, was not further considered.

The Gold Star Wives, Mr. Speaker, have been seeking incorporation—a Federal charter—for many years. Because the House Judiciary Committee has refused to act on such legislation in the past, I decided to seek the District of Columbia incorporation last year, so the Judiciary Committee could be bypassed.

However, because the leadership of the organization strongly believes they should have a full Federal charter, I am sponsoring this legislation, which undoubtedly will be referred to the House Judiciary Committee.

Within the next few days, Mr. Speaker, I will be seeking co-sponsors of the Gold Star Wives bill. I hope many of my colleagues will join with me so that this worthy organization can have the full benefits of a Federal charter.

I know of no other group more deserving of national incorporation. Its membership is composed of women who have experienced the great anguish of losing their husbands through active duty in the Armed Forces of our Nation.

Their objectives are both praiseworthy and significant. What more valuable contribution to society can be made than to bolster the fortitude and uplift the spirits, as well as to aid materially, the widows and children of those who paid the supreme sacrifice in the interest of their fellow citizens?

Mr. Speaker, our colleague in the Senate, Mr. BAYH of Indiana, introduced identical legislation in the other body on Thursday, February 22. In his remarks, which can be found on pages 5131–5133 of the RECORD, he more fully explains the need for such a Federal charter.

INTERIOR DEPARTMENT ACCEPTS LAND DONATION FOR DISMAL SWAMP REFUGE

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. NICHOLS. Mr. Speaker, last week a very auspicious ceremony took place at the Department of Interior which I would like to bring to the attention of my esteemed colleagues in the House of Representatives. The occasion was the donation of over 49,000 acres of the Great Dismal Swamp by the Union Camp Corp., to the U.S. Government.

This is the single largest land donation ever made to the Government for historic and wildlife preservation, and I certainly commend the Union Camp Corp. for this excellent example of public responsibility.

Without further comment I would like to have placed in the CONGRESSIONAL RECORD this news release prepared by the Department of Interior announcing the donation:

INTERIOR DEPARTMENT ACCEPTS LAND DONATION FOR DISMAL SWAMP REFUGE

Under Secretary of the Interior John C. Whitaker today accepted control over more than 49,000 acres of the Great Dismal Swamp in Virginia for a new national wildlife refuge—the largest single land donation ever made to the Government for wildlife conservation.

Dr. Whitaker, acting on behalf of Secretary Rogers C. B. Morton, received legal papers covering the transaction from top officials of the Union Camp Corporation, owner of the historic property for more than 60 years, and The Nature Conservancy, national land preservation organization which served as an unpaid middleman. The gift has an appraised value of $12.6 million.

The Union Camp property comprises more than 70 square miles of heavily forested land, much of it once owned by George Washington, Patrick Henry and other prominent Virginians. It represents about 20 percent of the Swamp's total remaining acreage, and about half of the Swamp in Virginia; the remaining 60 percent of the Swamp is in neighboring North Carolina. The Swamp, overall, is less than one-third of its original size, owing to agricultural and residential development.

"To be able to receive a gift of this magnitude on behalf of the American people is a rare occurrence," Under Secretary Whitaker said at the ceremony at the Interior Department. "I can only hope this example set by the Union Camp Corporation will inspire other companies to follow suit, because the future of wildlife and wild lands in the United States is so closely tied to what owners of private land decide to do with their holdings."

Union Camp's board chairman, Alexander Calder, Jr., conveyed a 40 percent interest in the company's property to Everett M. Woodman, president of The Nature Conservancy, who immediately turned it over to the Interior Under Secretary. The company will make subsequent donations of its remaining interest in the land in 1974 and 1975 until the transaction is completed. Under U.S. tax laws, the company receives a deduction of the donated land's appraised value from taxable earnings over a period of several years. No significant timber harvesting has occurred on the property during the past quarter of a century.

In his remarks at the ceremony, the Under Secretary cited the Nixon Administration's commitment to a better environment for all Americans, and cited progress achieved during the past four years.

Secretary Morton, in a message to participants at the ceremony, said "President Nixon has consistently challenged the American people to take personal responsibility for the preservation of our natural heritage and the quality of our environment. As he has repeatedly said, the job to be done requires the best efforts of government at all levels, *and* participation by every citizen. . . . The ceremony today demonstrates exactly the kind of private, voluntary action the President has called for. I salute Union Camp and The Nature Conservancy, and I pledge our utmost efforts to conserve this outstanding natural resource."

Situated within a few minutes' drive southwest of a major population center—the thriving Norfolk-Hampton Roads port and industrial complex—the Dismal Swamp contains forms of plant and animal life seldom seen elsewhere. For some it is the northern end of their range; a unique native species is the Dismal Swamp short-tailed shrew. Seventy-five species of birds nest in the Swamp, and one of the last native breeding populations of black bears in the East is there. Insects, fishes, frogs, mammals and a varied assortment of plants combine in a unique community.

At the heart of the Swamp, on the property being conveyed by Union Camp, is Lake Drummond, covering nearly 3,000 acres and roughly circular in shape. Its average maximum depth is only six feet, but these unusually pure waters are essential to the Swamp ecosystems.

Dr. Whitaker said the Interior Department, managing this new property through its Fish and Wildlife Service, will have as its prime objective the preservation and enhancement of natural values. "All management programs will be conducted to support this purpose and must be consistent with it," he said.

Although it is impossible to restore the Swamp to its pristine state, Dr. Whitaker said, the essentially natural character of the Swamp will be the basis for a detailed management plan to be developed within the next 18 months. Perhaps the highest priority will be assigned to how best to manage the area's waters, especially Lake Drummond.

Like all new refuges, the Dismal Swamp National Wildlife Refuge henceforth is closed to public uses until specifically opened to those uses, the Under Secretary emphasized. He said consideration would be given to limited hunting and fishing which would be consistent with the purpose of the refuge system. But existing cabin sites and hunt club facilities in the refuge will be terminated, since Federal law prohibits exclusive private use of any lands within national wildlife refuges.

Scientific investigations, environmental education, and means for interpretation of the natural scene will be encouraged. Off-road vehicles will be prohibited, but some boating for recreation probably will be permitted when the management plan is complete.

PRESIDENT LYNDON JOHNSON

HON. PHIL M. LANDRUM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 6, 1973

Mr. LANDRUM. Mr. Speaker, the genius of leadership is manifest in a variety of talents. Some leaders are aggressive; others are benevolent and kind. Some are ideological; others are pragmatic. Some lead by superior intelligence and others through pure inspiration, and sometimes one leads with sheer, boundless physical energy.

Our history is replete with names of great leaders who possessed one or more of such talents. Of the 35 other Presidents who have served our Nation, each of them certainly had a large share of these personal traits. But no one, in my judgment, possessed all of these qualities to the degree of President Lyndon Johnson.

He was able to identify the problems of the ordinary American because he was an ordinary American, but he had the extraordinary capacity to lead whether he was on the banks of the Pedernales with the one-room school teacher of his boyhood or at the highest level of our society with industrial giants, ministers of foreign governments and all of the potpourri that is the human element of governments.

Certainly he made mistakes. Like the shortstop who goes after every ball hit in his direction, one comes along occasionally that no one, however capable, can field. But in identifying our problems and offering solutions as he saw them, he not only demonstrated his great powers of discernment and superb qualities of leadership, but he pointed up the human weaknesses characteristic of a nation of free people and through this made tremendous contributions toward the identification and improvement of our problems and the strengthening of the fibers that go to make us what we are.

Some say it is too early to judge his accomplishments, but I say that it is better for his contemporaries to judge by what he did and what he caused us to do than it is to leave it to history. Lyndon Johnson was a restless, concerned citizen, a splendid Congressman, a superb Senator and leader of that body, an extremely helpful and cooperative Vice President and, in terms of leading our Nation to recognize its problems and move toward their solutions, Lyndon Johnson was a great President.

This is our judgment now, and history can certainly do no less.

FREEDOM HAS A PRICE

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. STEELMAN. Mr. Speaker, it is an unfortunate, accepted fact that, in this time when freedom in the United States is at its maximum, careful consideration and respect for these freedoms are at a minimum. In order to encourage the appreciation of America by her youth, the Freedoms Foundation at Valley Forge sponsors an annual essay contest.

This year's first-prize winner is Keener Meredith of Dallas, Tex. His essay, entitled "Freedom Has a Price," is an excellent example of a thoughtful appreciation of American freedom. I would like to have his essay inserted in the RECORD:

FREEDOM HAS A PRICE

(By Keener Meredith)

Freedom has a price. It is not something that is inherited, but is something that is bought. To me, the price of freedom is self-control and discipline. Without discipline a boxer could seldom win, a football team would often lose, and an army could never fight. If something as basic as a diet requires discipline for it to succeed, it should follow that something as complicated as procuring and securing one's freedom should require far greater forms of self-control.

When a society loses its self-control, it becomes necessary for some power to control the society, and it is then that the power of the people to govern themselves is lost.

Through self-control Americans first gained their freedom. Though sickness, hunger, and fatigue in the perpetual cold of Valley Forge and the dirt on Bunker Hill were the immediate prices paid for freedom, individual self-control made us victorious. Without the discipline to endure the hardships, we most certainly would have lost the battles.

The self-control of a society dictates the degree of independence of its people. Americans today must be willing to discipline themselves if they are to perpetuate their freedoms, for self-control is the price of freedom.

DR. JAY M. ARENA ADVANCES CAUSE OF CHILD SAFETY IN UNITED STATES

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ANDREWS of North Carolina. Mr. Speaker, on February 2, the Council on Family Health released a new booklet entitled, "The Care and Safety of Children," which is of special concern to me. The author of the book is Dr. Jay M. Arena, former president of the American Academy of Pediatrics, and professor at Duke University Medical Center. As a practicing pediatrician for over 35 years and himself the father of seven children, Dr. Arena has made it his life's work to enlarge public knowledge about the accidents and illnesses which strike our children and bring unwanted pain and tragedy to all involved.

In this new booklet, Dr. Arena provides parents with answers to such problems as what they can do to help avert the tragedy of crib death—sudden infant death syndrome—how to protect toddlers from toxic chemicals and misuse of medicines in the home, and how to teach children to understand the meaning of danger.

When one realizes that accidents are the leading cause of death in children under 15, claiming more victims each year than all six leading fatal diseases combined, it is clear that Americans need to know more about safeguarding the lives of our children. This year 4,000 children under 4 years of age will die from home accidents, and one child in three will be injured seriously enough to require medical attention.

Because Dr. Arena has become one of the Nation's leading authorities on this problem, his findings have gone far beyond his own medical practice and the medical campus at Duke, where he is professor of pediatrics and community health services. In 1965, he wrote a major book, "Dangers to Children and Youth," and has also written many other articles.

Dr. Arena is keenly aware of the major role of parental concern and in the new pamphlet cites the ways parents must be vigilant. For instance, he notes that hunger or fatigue generally make children more susceptible to accidents. A sudden change in family environment, or even tension between parents, can also contribute to accidents. Dr. Arena also points out how parents can recognize the telltale signs of a trouble-prone adolescent.

Dr. Arena has served in many posts of high distinction. He is a past president of the American Association of Poison Control Centers and is currently a member of the Council on Family Health's Medical Advisory Board. But I am sure that he would consider it his highest honor to be known simply as a man who wants to help children and their parents.

The Council on Family Health, sponsored as a public service by the manufacturers of medicines, is currently distributing this booklet to health and safety organizations throughout the country. Mr. Speaker, I am pleased to be able to bring this effort to the attention of my colleagues and to salute Dr. Arena in his goal of making life safer for our children.

COMPENSATING AUTHORS FOR THE USE OF THEIR BOOKS BY LIBRARIES

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. REID. Mr. Speaker, I am today introducing legislation to establish a commission to study the feasibility and the possible methods of compensating authors for the use of their books by libaries. Such "lending royalties," if found appropriate by the commission, would be provided by the Federal Government.

At present, there would seem to be an inequity which authors face; although a copy of his book may be read by hundreds of people who borrow it from their library, he receives only one royalty when the copy is purchased by the library.

Several European countries have recognized this inequity and have instituted a system of paying authors lending royalties. Great Britain is now studying the establishment of such a system.

The commission shall include the Librarian of Congress and 10 other members, who will report back to Congress and the President within 18 months from the date of enactment of this bill.

In making the study, the commission is authorized to evaluate the systems presently in effect in Sweden and Denmark and to consider all questions on feasibility and methods which could be set up to compensate authors for the readership of their books. If found feasible, the commission would be expected to study avenues of financing the lending royalties—whether, for instance, funds should be channeled through the Department of Health, Education, and Welfare, the Library of Congress, the National Foundation on the Arts and Humanities, or another unit.

I commend this bill to the attention of my colleagues.

WE NEED BRAINPOWER

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. DAN DANIEL. Mr. Speaker, it is already obvious that most of the work during the current session of Congress will involve budgetary matters. The recommendations made by the administration in an attempt to balance the budget are farreaching. The committees of Congress have a responsibility to evaluate and analyze these recommendations to bring forth a legislative budget which will preserve our economy and at the same time, provide the means for carrying out the necessary Government programs.

Many fine articles and columns have been written on this problem but none that I have seen grasps the problem or sets the tone more cogently than that of an editorial which appeared in the February 8 edition of the Lynchburg News of Lynchburg, Va. This editorial entitled "We Need Brainpower" strikes at the heart of the problem which, in my opinion, will become in future years even greater than it is today, unless something is done to change the present system.

We simply cannot continue to spend and spend without there being a day of reckoning. The capacity of our people to sustain greater taxation is obviously limited and it is high time that the best minds in this Nation be brought together to deal with this gigantic problem.

What the Hoover Commission accomplished two decades ago in simplifying certain functions of the Government now needs to be applied to the process of budget making.

I include the editorial herein with my remarks and commend it to the reading of the Members of the House:

WE NEED BRAINPOWER

Last year President Nixon asked the Congress to impose a $250 billion ceiling on Federal expenditures. The Congress angrily refused.

This year the President has submitted a budget calling for $268.7 billion in Federal expenditures. This represents $12.7 billion more than anticipated revenues. It is nearly $19 billion more than the ceiling the Congress rejected last year. Nevertheless, this Congress has been denouncing the President for ignoring the "needs" of America.

Since 1932 the Congresses of the United States have attempted to solve the problems of the country by spending vast sums of money. When they ran out of money, they raised taxes. When they did not dare to raise taxes any higher, they began borrowing. After 40 years of this spend, borrow, spend philosophy, the Congress has committed the people to a debt of over $400 billion, with a yearly interest rate of more than $20 billion. During those 40 years the Congress has spent several hundred more billons on welfare state schemes.

The result: not a single major problem has been alleviated, let alone solved. Not a one. The problems have, in fact, grown larger and more demanding. And the deficit spending of the Congress has created problems of its own, including inflation. The demand for welfare is on the increase. Crime infests the entire country. There is a breakdown in law and order and social mores. There is warfare in the streets. The public education system has deteriorated. The court system is virtually paralyzed. There is widespread distrust of government. During those 40 years the nation has fought three wars, winning one, tying one and now losing one. Its defense ability has been drastically weakened. Its trade balance is the worst in history.

Such is the record of the U.S. Congress during the past 40 years. It obviously has come up with no workable answers in its spend, borrow, spend philosophy.

The only thing that will help solve our problems is brains.

The greatest service Richard Nixon could render his country on the domestic front in this his second and last term would be to go to the people with this message:

"We cannot solve our social and economic problems with money.

"We must solve them with brainpower.

"We must impose realistic ceilings on governmental expenditures—Federal, state and local.

"We must cut our expenses to come under these ceilings, meaning we must balance our budgets. As the economy expands, we must use the excess to pay off our debts.

"We must marshal the best brains in the country and apply them to solving our problems within the framework of the capitalistic, free-enterprise economic system."

We doubt that Mr. Nixon is ready to go that far. We know the Congress won't even listen. It is already demanding a budget for next year with an even larger deficit. It is calling for more programs which are designed to take money from those who work and give to those who are not as affluent. Take from the haves and give to the have-nots, regardless of why they have not. . . .

The inevitable result of this philosophy of looting the people will be, as we can see, Federal seizure of private industry and property. Inevitable.

This is the philosophy of Socialism, described by Winston Churchill once as "the philosophy of failure, the credo of ignorance, and the creed of envy."

Such has been its harvest wherever tried. Such will be its harvest here. The Congress, controlled by Socialists masquerading as "liberals" in both parties, is committed to imposing the system upon this country, and destroying the capitalist, free-enterprise system which has made the country rich and strong and free. They hate those words, the Socialists, and are determined to banish them from America. They would, as De Tocqueville noted long ago, "rather be equal in slavery than unequal in freedom."

The Congress has demonstrated that it is irresponsible and unresponsive. The only solution it proposes for problems is to spend money. We need brainpower. We're not getting it and there is no indication from Washington that we are likely to get it. The alternative is more of the same—debt, distrust and deterioration.

ONCE THEY HAVE SEEN THEIR TAX BILL, HOW YOU GONNA KEEP 'EM DOWN ON THE FARM?

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. NELSEN. Mr. Speaker, most of us in the Congress are aware of the rate at which families are giving up their farms. Not everyone is aware, however, of the amount of acreage which is converted from agricultural use to other uses each year. Recreational or second-home developments, highways, and spreading suburbia all take their toll of productive farmland.

According to an article in the New York Times of January 28, the State of New York is now taking action to provide farmers with some consideration of the realities of land values. Although a piece of land may be very valuable for other uses its farmer-owner may not even consider selling, no matter what the profit possibilities are. Thus, through high tax assessments or rates based on these other potential uses, some of our Nation's farmers are being forced off their land.

We in the Midwest do not face quite the same pressures on our land but this developing policy approach should be given consideration for its beneficial side effects.

Speaking of side effects, Mr. Speaker, I might point out to my ecologically conscientious colleagues that this program deserves consideration for its benefits in that area, too, as the article points out, as follows:

ZONING TO PRESERVE FARMS GAINS MOMENTUM IN STATE

(By Harold Faber)

ALBANY, January 27.—A program to preserve farmland in New York State by forming agricultural districts, with special zoning regulations and possible tax benefits for farmers, is gathering momentum upstate.

So far, 35 districts covering 300,000 acres have been organized by local farmers from Dutchess County west to Erie County and north to Washington County. Of these, 14 districts are fully approved and operational, while the 21 others are awaiting final approval.

In addition, dozens of other districts are in the process of being organized all over the state to take advantage of the Agricultural Districting Law, passed by the State Legislature in 1971, in an attempt to preserve farming as a major industry and a way of life in the state.

State officials expect that 700,000 additional acres of farmland will come under the protection of the new law when all the districts now contemplated are operational.

As an indication of the mortality rate in New York farms, the number has dropped to 56,000 this year, down 3 percent from 10 years ago. The acreage under cultivation this year totals 11.4 million acres, down from 14 million acres in 1961.

HEARINGS ON TAX RATES

In an attempt to ease the tax burden on farmers, the state is also preparing new assessment rates for farms. The new rates will vary in different parts of the state and for different farm uses. For example, the rate for pasture land may be different from that for orchards.

The new assessment rates will be presented by the State Board of Equalization and Assessment at a series of public hearings throughout the state in February. When the rates are adopted, it will be up to local assessors to apply them, hopefully before the new assessment rules are made up in May or June.

"In the next 10 years, agricultural districts will help keep a lot of fellows in farming," according to William Prendergast, the Cooperative Extension Service agent in Middletown. "It's our only hope; otherwise, we are licked."

As an example of the problems farmers face, he cited the case of an Orange County dairy farmer whose tax went up from $4,000 to $18,000 this year.

"He paid it this year," Mr. Prendergast said, "but what he'll do next year we don't know."

RESPONSE GROWING

Farm officials here were enthusiastic about the response of farmers to the Agricultural Districting law.

"It's snowballing," William E. Bensley, executive director of the Agricultural Resources Commission, said here recently.

Mr. Bensley, a former dairy farmer who is now at the center of the drive for the districts, added: "we anticipated a lot more friction than we have."

Frank E. Walkley, Commissioner of Agriculture, who introduced the bill in the State Assembly when he was a member of that body, said that districts were important to the maintenance of agriculture in the state, but added that other forms of assistance would be needed, too.

Henry L. Diamond, Commissioner of Environmental Conservation, said that creation of agricultural districts was important to all the people of the state, farmers and nonfarmers.

"Maintaining these lands as healthy and productive farmland that benefits the environment for us all," he said.

The attempt to preserve farms upstate is taking a different form than in Suffolk County, where the County Executive recently announced a plan to buy farmland, threatened by land developers and speculators, and lease it out to farmers who use it.

One of the reasons for the different approach is that farms upstate are not as yet threatened as those in Suffolk County, where the value of farmland for housing or commercial use may range from $5,000 to $15,000 farms for $1,000 an acre, although the price an acre. It is still possible to buy upstate is rising each year.

In Suffolk County, Daniel H. Fricke, the Cooperative Extension Service agent in Riverhead, questioned the district plan for his own county. He said the loss of flexibility for farmers in an agricultural district made it impractical for adoption in Suffolk, with its high land prices.

Aside from weather, natural calamities and rising costs, farmers in New York are faced by the triple-barreled threat of rapidly rising prices of land, reassessments based on nonfarm uses and a consequent increase in real-estate taxes.

The heart of the tax problem in farm areas is the assessment, which by law is supposed to be what a willing buyer will pay a willing seller. In other words, according to local assessors, if an operational farm could be sold for a real-estate development, it should be taxed at the higher development rate.

The new law tries to solve that problem by making it possible for farmers within districts and, under complicated rules, for other farmers to apply for the agricultural assessment, if he commits himself to maintain the property as a farm.

If a farmer with lower tax rates sells his land for nonfarm purposes, he is subject to roll-back taxes for the preceding five years.

MY RESPONSIBILITY TO FREEDOM

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. TIERNAN. Mr. Speaker, recently my principal appointment to the Air Force Academy for 1973, a young gentleman named Joseph Niemeyer, was selected as the winner of the Veterans of Foreign Wars' Voice of Democracy Contest for Rhode Island. He will now be competing in the national competition, which annually awards a $10,000 scholarship to the winner.

This year's contest theme was "My Responsibility to Freedom." I think the veterans are to be commended for proposing such an important theme, one which recognizes an essential element of our democratic government.

In his essay, Joseph has presented an eloquent explanation of the relationship between the maintenance of personal freedoms and the protection of the common good. Mr. Speaker, I include Joseph's essay in the RECORD at this point:

MY RESPONSIBILITY TO FREEDOM

(By Joseph Niemeyer)

I am fortunate to have freedom. All Americans want to be free, so we have established a government that recognizes human rights—a free government which encompasses the essential freedoms and allows them to be implemented to the wishes of the individual.

Yet this feature is based on an important aspect of United States government which says that the success of our system is dependent on the success or failure of individuals, like myself, in completing our duties. The guarantee given me to live without interference is thus dependent on the cornerstone of personal duty. The continuance of the American ideal of freedom is only possible if there is a full recognition of the close connection between liberty and the responsibility of performing our basic duties in the way most beneficial to the common good.

My first responsibility to freedom is the protection of my basic rights. Nearly every day we are confronted with threats to our freedom. We can see this in the way we are at times branded will faceless numbers and monitored by electronic devices. They are not always so evident. But our duty is to see that subversive or destructive forces against liberty are controlled. A good point in this respect, is our duty to prevent the abuse of common rights, such as freedom of speech and freedom of the press. On a personal level, I should attempt not to infringe on others rights through enforcing opinions or creating disturbances through my own rights of speech and expression. We should also be conscious of preventing the abuse of the basic rights of others. My responsibility is to protect the rights of the common man to live life as he wishes and be unrestricted in pursuing his goals. Freedom is the guarantee of rights, the right to move about unrestricted, the right to have a different opinion. The protection of human rights is thus essential and equivalent to the protection of freedom.

I am secondly responsible to protect the ideals of our government. For, in fact, freedom stands on the ideals presented in the Constitution; our blueprint of government. This I can do by seeing that judicial precepts and Constitutional principles of property and life are upheld. Maintaining the fairness of our court system is a good example in this instance. The United States government is the most equitable in terms of respect for human freedom yet devised, but it will fall apart if it's basic principles aren't upheld. It is not only my duty to protect rights but just as important to protect the highly principled machinery that backs it up.

My third major responsibility to freedom is in engendering a quality in the character of America worthy of possessing freedom and able to protect it. Many a nation has fallen because of internal corruption. The fall of the Greek and Roman empires are testimonies of this fact. Only a people of high moral standing and disciplined character are capable of maintaining a free democracy. The responsibility of young people, like myself, is to learn to discipline ourselves for future decisions and actions. This entails learning respect for private property and developing a sensibility in actions that might involve others. Parents must take the responsibility of creating a home atmosphere instructive in Christian morals and respect for human life. High attributes of character are essential to the American attribute of freedom.

I have many responsibilities to freedom. Responsibility to my rights, to democracy, and to my fellow man are essential to maintaining freedom. Responsibility is the key to freedom, and freedom the essence of life.

EARLY ACTION ON POW BILL NEEDED

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. NELSEN. Mr. Speaker, I am joining with several of my colleagues today in introducing a bill to aid our returning POW's. These brave men have been welcomed home with glad hearts by their families, friends, and communities. All of us who sat and watched on television were moved to see them step on American soil and hear their thanks and praise of America. There are many offers of assistance to them and the respective branches of the services seem to be doing all they can in aiding the adjustment of these men. Private firms and companies are also making discreet efforts to make their welcome home enjoyable and rewarding.

We will be seeing many legislative approaches to aid these men and I am sure all of them deserve serious consideration. I believe, however, that one of the earliest steps we must take is that proposed in the bill we are offering today. We have learned that after World War II our returned POW's were subject to an unusually high death rate in the years immediately following their release. The relationship between imprisonment and life expectancy having been established, Mr. Speaker, it would be inappropriate for the Congress not to act. If these men wish to retire from the military and pursue careers in private life they should be able to do so without having to sacrifice additional years or possible benefits for their families. Our bill would allow an additional day's credit toward retirement for each day spent in the hands of their captors.

I should point out that this legislation, while directed at our Vietnam POW's would also accrue to the benefit of those held in both World Wars and Korea. Also it is in no way intended to propel these men toward early retirement if they do not wish to leave the armed services. Some men will desire to stay in as long as their health and other personal factors allow, and I was made well aware of that this weekend when I saw an article which said that one officer had been caught by his wife talking to his detailer here in the Navy's Bureau of Personnel about assignment aboard an aircraft carrier. The men who want to go on serving will be allowed to do so notwithstanding the effects of this bill.

It is my understanding, Mr. Speaker, that this legislation has been approved by the National League of Families of American POW/MIA's and I believe it is an appropriate step we can take soon to aid these brave and unselfish men and their families.

VOICE OF DEMOCRACY CONTEST

HON. FRANK A. STUBBLEFIELD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. STUBBLEFIELD. Mr. Speaker, as most of the Members of this body are aware, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conducts a voice of democracy contest.

It is my understanding that this year almost a half million secondary school students participated in the contest and competed for five national scholarships awarded as the top prizes. The theme of this year's contest was "My Responsibility To Freedom."

I am very proud to be able to insert for the readers of daily CONGRESSIONAL RECORD proceedings the winning speech from the Commonwealth of Kentucky—not only for its attention-getting style and contents, but because the First Congressional District is justly proud of its author, John Paul Goode, route 1, Cadiz, Ky., 42211.

I feel that everyone privileged to read John's remarks will receive the same lift that I did in knowing that tomorrow is in good hands when we recognize the responsible, patriotic attitude evidenced by such students as those participating in the voice of democracy annual contest:

MY RESPONSIBILITY TO FREEDOM

When the sun climbed over the trees that summer day nearly 200 years ago, the American colonists had no idea they were about to employ me in their business of the day. With the reading of the Declaration of Independence, I was put on the payroll of the "freedom industry", which was called the United States of America.

My job in this unique factory of freedom is simple. It is the same job as that of every American. Even though it's small, it is vital to the welfare of America. The task is keeping "My Responsibility to Freedom".

As the sun of freedom shines on me it helps remind me of the many ways to maintain my inherited freedoms. First, obedience and reverence for God. Our main reason to colonize the New World was to have the freedom to adore God and to live with the inalienable rights cited in the Declaration of Independence. To maintain freedom there must be respect for the laws of God, who granted freedom to these United States.

The vast resources of America are illuminated by the light of democracy, so I must have respect for the laws of nature. I am only as free as the land I live on. To abuse the forests and rivers of my country is a sin against my ancestry. Our freedom to use America's resources is a God-given privilege which is in danger of being denied simply because we are careless with nature's gifts.

Inscribed of the Statue of Liberty are these words by Emma Lazarus. "Give me your tired, your poor, your huddled masses yearning to breathe free, . . ." This means America is a land with freedom for all people. The sun shines equally for all the different races, creeds and sexes. It shows our many hatreds and prejudices which harm our country and shows that we must have respect for the rights and beliefs of others.

Obedience, reverence and respect for God, nature and my fellow man. These are the responsibilities in maintaining freedom.

For 200 years the rays of liberty have helped light our darkest parts of the world. Now the light shines on me. Out of the shadow I cast comes the question. . . . "What can I do now and in the future to preserve freedom?"

I have yet to experience all the many treasures of liberty. When I am endowed with the privilege to vote, I will respect it and expedite its potential.

I may someday be called upon to defend my country, to sacrifice my life for the ideals of democracy.

It will also be my duty to render tribute to my government in the form of taxes to further the goals of freedom.

Right now, I can be active in community and city affairs which is a duty to my country too.

This world is made of leaders and followers. I am too young to be a leader of great importance so I must be the best follower that my abilities enable me to be.

All these will help assure prosperity for liberty now and in the future.

The sun of freedom lights the road to better citizenship that we all must follow. For when I reach the age that others look to me for their example, I must have the knowledge to act wisely with respect for all freedoms.

An understanding of my government and the democratic way of life is essential, along with knowledge about other nations. I must read, research, experience, analyze, compare and question my surroundings. Only by dissecting my privileges of freedom can I increase my appreciation for it. With an increased appreciation comes a burning desire to keep freedom alive for all to share and enjoy, a desire like the revolutionary soldiers had in their fight against tyranny. It will prepare me for more productive citizenship.

It is now the twilight of my childhood. Now the sun announces the dawning of a new citizen. As I am launched into the space age of democracy I am comforted with the assurance that I will do my best to preserve the sunlight of freedom. I will uphold my responsibility to freedom both now and in the future. I will give tomorrow the opportunity to be better than today.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

CONGRESS SHOULD RESIST

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. PICKLE. Mr. Speaker, we in Congress are now engaged in a highly visible and dramatic struggle against the encroachment of the executive branch in an effort to regain our rightful control over the Federal budget. The President has carefully orchestrated his attacks on the legislative branch; his charges that we have abdicated our fiscal responsibility have received the widest press coverage.

But it is not in the nature of this body to fight for fighting's sake against the President, and in fact, the many instances in which he has received our cooperation are now all but forgotten.

We are willing to cooperate with a President whose action has the support of the American people, but we cannot allow this President or any branch of Government to run roughshod over the Constitution, grabbing power from the Congress—and ultimately from the people.

When the President said in his last news conference that he is more representative of the people, because he is the only person in Washington elected by all of the American people, he was mocking the very concept of democracy. We in this House stand closest to the people. We know their needs and desires, and we have been most effective in serving them.

I believe the challenge we face now will prove to be the most crucial issue of the 93d Congress.

There has been much written on this

subject, but I wish to insert here an editorial from the Christian Science Monitor of February 8, 1973, which I found contains a new perspective on this serious issue:

Congress Should Resist

President Nixon cannot really complain, as he wages his battle with Congress over the spending power of government, that he has been shortchanged by the Legislature in those national decisions which have most mattered.

Despite their own turbulence of conscience over Vietnam, the men of Capitol Hill supported the President every time the issue went to the mat. His hands were never really tied by a war-spending freeze, by an imposed get-out date, or by serious interference in the peace negotiations.

Similarly, on the economic front, Congress gave President Nixon full authority to deal with the domestic inflation crisis and followed him through the tightmoney, higher unemployment recessionary stage and through the first three phases of wage and price controls. Congress also has given the President his head in international monetary and trade matters.

Thus the President cannot say that in the largest issues of American deportment as a world military and economic power, he has been thwarted by Congress.

Challenged yes. But in the face of his actual initiatives, the criticisms and questionings of Congress have been mere nettles.

On the domestic side, the situation has been somewhat different. Welfare reform, water-pollution control, a budget ceiling—these have put the President and Congress into a fray where there is as yet no winner. But in these matters, there is no particular reason the President should expect or have an easy time of it.

We have pointed out before that the visitor to Washington notice how the incoming arterial streets are keyed on Capitol Hill, not on the White House. Congress, for all the recent aggregation of power to the executive branch, remains the branch of government most central to the concept of American representative democracy.

This representative branch is especially important now when the United States, after Vietnam, seeks to repair the brokenness of its institutions, to recover from a serious unease, a feeling that more change is coming before the dust of recent disruptive change has settled.

America needs a viable, responsive Congress at this moment in its history. It is thus encouraging to see Congress finding a sense of itself in recent days. The 64 to 17 vote on Monday in the Senate, requiring Senate confirmation of key White House budget-planning officers, found 14 Republicans crossing over to join the Democratic majority. In such important areas as determining the structure of the American budget, Congress should not merely flop over on its back and let the White House have its way but should fight determinedly for whatever authority it can hold to.

There is a danger in the current contest over the impounding of funds and other spending issues. This is that it could serve the White House's purpose to keep the imbroglio going. The White House's budgetary plan is based on central government stasis. One can agree that a pruning of many programs is in order, and see the White House's side. And yet the social situation in America is in many ways grave. In the last election we saw again a staying away from the polls by many citizens—particularly the poorest and the urban minorities who constitute the most flammable threads of the social fabric. The last election was as much characterized by cynicism on the part of the voter as it was by any mandate for the Republican President in international affairs, or the Democrats of Congress domestically.

Americans need to revive their hope that government can affect their lives for the better. Why bother to vote for congressional candidates if a legislature is impotent—if Congress is a mere ratifier of presidential initiative?

A fortunate irony could be, of course, that the White House's impounding of funds and other power maneuvers could galvanize Congress and hasten its revival. But if Congress is found wanting and fails to put up a good fight, then the American democracy will be in a bad plight indeed.

Hopefully, the contest between President and Congress is a sign of governmental vitality, not a signal to the rest of the world of an erosion of American purpose and identity.

CONGRESS—A DECLINING INSTITUTION IN AMERICAN POLITICS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ROYBAL. Mr. Speaker, I would like to take this opportunity to discuss with my colleagues the role of Congress in the 1970's. Many people believe that Congress is a declining institution—powerless before the vast technology and authority which modern Presidents possess.

They say that to a great extent the congressional protest against the Vietnam war was an exercise in futility—that it did not stop the President from sending troops to Laos, from invading Cambodia or bombing North Vietnam.

They predict that Congress will not stand up to its present challenge, in which the President has assumed the power to cut off funds for social and environmental programs approved by Congress and passed into law.

They contend that Presidents from Jefferson to Nixon have gradually usurped the warmaking power and budget authority of Congress.

Truman, for instance, did not seek congressional approval when he cut back on Air Force spending, or when he sent troops to Korea. Nor did Johnson, when he withheld part of the housing and urban development funds or when he adroitly reinterpreted the Gulf of Tonkin resolution as his mandate to escalate the Vietnam war.

What then is wrong, they ask, with President Nixon bypassing Congress in the Cambodian invasion, bombing Vietnam without consulting Congress, and setting up a "lasting structure of peace" on a budget that swells the military coffers to over $80 billion while slashing funds for housing, health, education, public service employment, and economic development for low-income communities? One difference is that over 80 percent of the Nixon budget cuts hit the poor and disadvantaged, and neither Truman nor Johnson discontinued programs authorized by the U.S. Congress.

The invasion of Cambodia, was based on a theory of defensive war so elastic that a President could, on his own initiative, invade any country housing troops that might conceivably be used to attack American troops. I fear that this same logic could also justify a first-strike nuclear attack against a country solely on the basis of military hypotheticals and imperatives.

What alarms many of us today is the unilateral imposition of one man's sense of priorities. His budget proposes more for defense than at any time since World War II at the expense of programs designed to help the poor, the sick, and disadvantaged.

These actions reflect not so much an institutional crisis of power, but a silencing of the people, as Presidential tyranny leads to benign neglect and indifference.

When Nixon decided to close down the Office of Economic Opportunity and the Community Action Agencies, he destroyed a remarkably successful effort to open the political and institutional process to the poor and minority who have always been denied access to power and representation.

Can we possibly believe that a White House bureaucracy will be more responsive to the needs of the people than community boards which guarantee their participation? Can we possibly believe that we are better served by decisions reached by Presidential fiat than those which require congressional and community approval?

It appears that Presidential impoundment asserts an absolute right to determine national priorities and withhold funds for congressionally approved programs.

Recently a freeze was imposed on new housing construction and redevelopment on grounds that some of the programs were wasteful. Certainly our housing policy should be reviewed and revised. But an arbitrary freeze will not solve our housing crisis—it will only perpetuate substandard living conditions for millions of poor and elderly Americans.

Freezes, moratoriums, and cutbacks for appropriated programs do not represent a positive, sound approach but a regressive one. As long as the President can impound at will, he is able to impose his own priorities on Congress and the people.

For example, the President has decided to close down the Office of Economic Opportunity and appoint Howard Phillips to preside over its burial. Mr. Phillips says he relishes his role as destroyer, calling OEO a "Marxist notion" which treated the poor "as a class apart." These remarks clearly distort the real purpose of the economic opportunity program which was to bring the poor and minority into society's mainstream.

The administration's phaseout of OEO will not alleviate poverty nor will it increase citizen participation. But it will strangle the only visible and responsive advocate that low-income people have had in the Government. By ignoring the evidence of discrimination and poverty, the administration is, in reality, perpetuating a class and elitist system in America.

Benign neglect is also reflected in the proposed manpower cutbacks which would eliminate the public service program for some 280,000 unemployed. It would repeal the Elementary and Secondary Education Act which has provided concentrated programs to help the disadvantaged, handicapped, and bilingual child.

It is silent on welfare reform, meaningful employment opportunities, and adequate child care programs.

Lastly, it is silent on civil rights and equal employment. In a recent report on Federal civil rights enforcement, the U.S. Commission on Civil Rights concludes that "the Federal effort is highly inadequate." The report indicts HEW for failing to provide equal educational opportunity, the Federal Power Commission for refusing to enforce equal employment standards on the power industry, the Labor Department for downgrading the Office of Federal Contract Compliance, the Justice Department for being "lethargic" in enforcing civil rights laws, and the Civil Service Commission for refusing to validate its employment tests regarded by minority groups as a barrier to equal employment and unreliable in measuring specific job skills and individual talent.

In November 1970, President Nixon announced his 16-point program to assist the Spanish speaking in obtaining Federal jobs. Last year a House Judiciary Subcommittee held hearings on the effectiveness of this program. It was their unanimous conclusion—with not one Republican member dissenting—that there had been "no significant increase in the level of Spanish-speaking employment relative to the total work force since the inception of the 16-point program."

During those hearings I testified that Nixon's 16 points had become another high-sounding abstract document without enforcement powers or concrete goals and, as such, had failed to end the existing occupational caste system within the Federal Government. Today the Spanish-speaking represent 6 percent of the total U.S. population but hold only 3 percent of Federal positions with virtual exclusion at the top. What this means is that the Government would have to provide some 80,000 more jobs before the Spanish-speaking could achieve parity with all other groups. It will take at least 60 years to achieve this goal.

As we can see the administration's budget is intended only to create the illusion not the reality of growth and renewal.

In his message to Congress Nixon states that the Community Relations Service, created in 1964 to ease racial and police-community tensions, would expand its crisis prevention role—but fails to mention that this agency is about to suffer a 60 percent cutback which would clearly wipe out this role.

The budget message justifies these reductions and reversals in social programs as the only way to prevent inflation and tax increases. But not once do we hear a commitment to offer a tax reform package which would end tax breaks to large corporations and the privileged few. This itself would increase Federal revenues by $7 to $10 billion a year.

I believe that if Nixon cannot get his way, he will continue to use the impoundment power to impose his own set of social and military priorities. This centralization of power runs counter to our traditions and violates the constitutional balance of power.

Congress can no longer be satisfied with verbal protests and "sense of Congress" resolutions which have no meaning or impact.

Congress must regain its policy role, but must do so without resorting to the pretensions of power. Like Presidential truths, congressional ones are just as bad. One answer is the reformist movement now occurring in Congress and being pushed by such groups as Common Cause, the Democratic Study Group, the consumer and environmental coalitions, and community activitists. This movement demands that Congress take the lead in the reconstruction of America and work to heal the deep scars of Vietnam, of racism, and inequality. The other is to return to the sharing of power and responsibility, in both domestic and foreign policy—to a balance which preserves the democratic process and opens up the flow of information from Washington to the public.

In the foreign policy area Schlesinger phrases the issue this way:

> If foreign policy becomes the property of the Executive, what happens to democratic control?

If we look to the Constitution, we find language that is capable of the broadest interpretation. The early view, the one associated with such leaders as Madison and Hamilton, saw Congress as having another country.

In a letter to Jefferson, Madison wrote:

> The Constitution supposes, what the history of all governments demonstrate, that the Executive is the branch of power most interested in war, and most proned to it. It has accordingly with studied care vested the question of war in the legislature.

The political lesson of Vietnam is that no war should be fought without the approval of Congress and the people. In our democracy this approval only comes through an open process where Congress weighs the consequences of war.

To refuse to recognize this process is to argue for one-man rule. It was Abraham Lincoln who as a Congressman gave this warning:

> Allow the President to invade a neighboring nation, whenever *he* shall deem it necessary to repel an invasion . . . and you allow him to make war at pleasure. Study to see if you can fix *any limit* to his power in this respect.

What are these limits?

The first is to adopt a war powers bill that would affirm congressional control of undeclared wars, with either House having the power to terminate these hostilities by resolution.

The second is to bring the executive agreements under the purview of Congress. Modern Presidents have used these agreements as treaty-making devices, bypassing Senate approval.

The third is to end the myth of executive privilege by requiring Presidential advisors to give an account of their public role.

These three actions would greatly improve the flow of information to Congress, which is essential to making sound policy decisions.

If the Executive and Congress are subjected to the scrutiny of an informed public, they may not fall prey to their own delusions and fantasies of power.

In the domestic field the reorganization of Congress should include the following actions:

First, the establishment of a joint committee made up of appropriations and tax Members from both Houses. This unit would be responsible for setting a mandatory ceiling on expenditures and budget authority for each year.

Second, a limitation on the impoundment power which requires the President to report any impoundments promptly to Congress and to stop the impoundments after 60 days unless Congress approves by resolution.

Third, the adoption of a tax reform bill which would more equitably distribute the tax burden now shouldered by middle- and low-income citizens.

And fourth, the enforcement of equal employment laws by requiring each Federal agency to show significant improvement in minority hiring and promotion before being funded.

I believe that these changes in both foreign and domestic areas will restore the balance of power, and return us to the principle of sharing power without, however, falling into legal rigidities and technicalities.

We should be careful not to place our hopes totally on these procedural and structural changes. Congress and the President must also approach their responsibilities without the pretensions of absolute truth and power. They must be willing to share that power with the people.

Citizen participation and dissent are vital to the renewal of our political and educational institutions. I believe that community action boards, citizen-based coalitions, and other public interest efforts offer productive models.

If our democratic system is to endure, it must encourage dissent and debate. Otherwise, it will isolate itself from its people and turn tyrannical. Writes Morgenthau:

> Such a society: can carry on for a while, like a body without a soul, but sooner or later it must either recover its soul—that is, the purpose that has given it life—or disintegrate from within.

Sharing power requires dissent and mutual agreement—and this is the ultimate significance and purpose of democracy.

THE ELDERLY NEED ASSISTANCE WITH THE COST OF PRESCRIPTION DRUGS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RAILSBACK. Mr. Speaker, over 5 years ago, the Congress directed the Secretary of Health, Education, and Welfare to study the possible coverage of outpatient prescription drugs under medicare and to report on the need for and the design of a workable program. Three years ago, in February of 1969, the Congress received the HEW report. It provided evidence that the need for such a program does, in fact, exist. As a group, the elderly comprise only about 10 percent of the population but they account for well over 20 percent of all outpatient prescriptions and for 25 percent of all outpatient drug expenditures. Private insurance protection for the cost of prescription drugs is not a realistic alternative for the bulk of the elderly. A recent report of the Social Security Administration revealed that only about 15 percent of the elderly have managed to obtain out-of-hospital drug insurance from private sources. The rest of the Nation's elderly, whose annual drug expenditures may run into hundreds of dollars, must try to meet these costs from their own, often very limited, financial resources.

During the 92d Congress, I joined Congressman Obey in sponsoring legislation which would have established outpatient drug benefits as part of the medicare hospital insurance program. In the Senate, similar legislation was introduced by Senator Montoya as an amendment to H.R. 1, the Social Security Act Amendments of 1972. That particular amendment was considered by the Finance Committee, which recommended the passage of a modified amendment to restrict coverage to specified drugs necessary for the treatment of most crippling or life-threatening chronic diseases of the elderly. Unfortunately, that language was deleted in the House-Senate conference on the Social Security Act amendments.

Mr. Speaker, because of congressional inaction on the coverage of outpatient prescription drugs under medicare, drug costs for the elderly have become a progressively greater burden. In 1967, about the time the HEW study on the need for such coverage began, the average expenditure by the aged for outpatient prescription drugs was $54.15; during fiscal year 1969, the private expenditure for prescription drugs purchased by the elderly rose to $70.25. There is no reason to believe that the amount of these expenditures will decline in future years.

Therefore, I am again joining my colleagues in the House of Representatives in cosponsoring H.R. 2714, which, I am convinced, represents an effective and workable solution to the problems of paying for drugs under medicare. This bill which would establish outpatient drug benefits as part of the medicare hospital insurance program is identical to the bill H.R. 2235 which was introduced in the House during the 92d Congress. Under the proposal, community pharmacies would enter into agreements with intermediaries or other agencies to provide a full range of pharmaceuticals for medicare beneficiaries. In this way, patients would be relieved of claims recording and filing responsibilities. In addition, numerous exchanges of small amounts of program benefits would be eliminated in favor of consolidated transactions between the vendors and the intermediaries and other agencies. Beneficiaries would incur a $1 copayment for all prescriptions filled under the program so that both the patient and provider would know the extent of the patient's liability at the time the services are provided. The bill also provides for the periodic adjustment of the copayment to reflect changes in the general level of prescription prices.

Mr. Speaker, I commend the features of H.R. 2714 to my colleagues, and urge that it receive early and favorable action in this Congress.

AMERICA MUST WIN THE FISCAL BATTLE

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BENNETT. Mr. Speaker, America must win the fiscal battle now going on in our Nation's Capitol. It should not be a question of whether Congress or the President wins, for both Congress and the President must put our country always ahead of any partisan or parochial interests.

Actually, if the budget can be pared to meet the income limitations of the revenue received all the proper objectives can be met: Fighting inflation, reducing waste, stabilizing the dollar, rearranging the priorities by Congress, and upholding the Constitution. If either the President or Congress should fight a partisan type battle, neither would win in the end; and the country would truly suffer.

I call particular attention to the following excellent editorial of February 7 of the Jacksonville Journal:

THE IMPOUNDMENT WAR

President Nixon has escalated the "impoundment war" with Congress by adding another $8.7 billion in money appropriated by Congress to the amount that he doesn't intend to spend.

The debate over impoundment pits a president who is convinced that he has the majority of the people on his side against members of Congress who believe—and there is a good chance they may be entirely right—that Nixon has confronted the House and Senate with a serious constitutional question.

The question is whether an appropriations bill is a mandate for the President to spend the money provided therein, or whether it is merely a piece of permissive legislation which may be ignored by the President in the interest of thrift in government or to fight inflation.

It is well-known provision of the U.S. Constitution that the president cannot spend money which Congress has refused to appropriate. But, in Article II of the Constitution, is another provision requiring the president to "take care that the laws be faithfully executed."

The annual appropriations bills, once they are adopted by Congress and enacted by either the president's signature or the overriding of his veto, are laws of the land just as much as a bill forbidding the transportation of a stolen auto across a state line.

Therefore, goes the theory, the president has a duty to spend funds appropriated by Congress, and no more right to impound money than he has to tell the FBI to wink at certain criminal laws. Otherwise, say the critics, Congress would be weakened significantly in its power to influence national policy.

Many presidents have impounded funds before Nixon, and nobody seriously challenges Nixon's contention that impoundment will help to slow inflation and perhaps forestall a federal tax increase. Nevertheless, the President's actions may have placed us on the brink of a serious constitutional crisis involving the delicate balance between two branches of the federal government.

The irony of it all is this: If Nixon should lose the battle, the chief political victims might well be his congressional critics. They might not be able too survive election campaigns if unrestrained spending touched off a tax increase or another round of inflation.

And I call attention to the following excellent editorial of February 16 of the Florida Times-Union:

THE REAL ISSUE IS FREE SPENDING

While political partisans and die-hard administration critics in Congress continue to wage verbal battle with the White House over the President's impoundment of congressional appropriations in an effort to get the runaway federal budget under control, other and more level-headed lawmakers are proceeding quietly and effectively to cope with the real problem.

The real issue is between the dedicated free-spending liberals in Congress who remain convinced, after more than a generation of demonstrated failures, that money can solve any problem, and those who follow the philosophy of the President that the time is long past due to take a hard new look at every automatically continued drain on the Treasury to determine if it is paying its way.

There is evidence, too, that Congress is beginning to get the message in the vote of a joint House-Senate study committee, created last fall, to recommend creation of a permanent budget committee in Congress, run by a professional, non-partisan staff and equipped with all the facilities needed to keep appropriations and tax-writing committees fully informed on government finances.

The committee, in effect, would be the congressional counterpart of the Bureau of the Budget, an arm of the White House organization which reports directly to the President.

As proposed by the joint study group headed by Rep. Al Ullman, (D-Ore.) the congressional budget committee, in addition to providing Congress with its own original fiscal data unfiltered through the White House, would be charged with recommending to the Congress early in each session ceilings on the year's total appropriations.

When such a ceiling won the approval of both houses, the total of all appropriation bills would have to be kept under the ceiling.

One of the principal flaws in the present appropriations process which has contributed to the runaway budget is the fact that appropriation bills are passed piecemeal after being drafted by subcommittees having no information about what other subcommittees are doing. As a result, the annual spending total is never known until the last appropriation bill is passed, when it is too late to do anything about it.

If Congress sincerely wishes to put a harness on runaway spending, it will move immediately to put the study group's recommendations into effect. If it ignores them in favor of continuing its vendetta with the President, it will confirm widely held suspicions that its real motives are political, and that it has chosen to take its stand on the discredited theory that spending will solve all problems without worrying where the money is coming from.

Then two other recent editorials of the Florida Times-Union also ably discuss the matter in further detail, as follows:

Living Within Our National Means

President Nixon's budget message to Congress on the 1974 national budget stresses pruning out the withered parts of government while retaining those programs which are bearing fruit.

The President said, in effect, this is how we can avoid inflation and tax increases—and if Congress won't go along it must assume full responsibility for both.

His exact words were directly to the point: "I will do everything in my power to avert the need for a tax increase, but I cannot do it alone.

"The cooperation of the Congress in controlling total spending is absolutely necessary."

This "message to Congress" was, thus, actually a message to the American people. The theory is clear: The word to Mr. U.S. Taxpayer, touching the hyper-sensitive tax nerve, will rebound back to the taxpayers' representatives on Capitol Hill (with far more influence than it would have had from the White House alone).

The President, and his advisers, have done a good job of answering, in advance, many of the predictable protests which the Congress will surely raise.

To begin, many of the most conspicuous cuts are in programs which have proven themselves to be failures. It would be a difficult task, indeed, for anyone to justify the value-received-to-dollars-spent ratio of those programs singled out for cancellation or reduction.

Further, in its overall thrust, the President has an answer to those in Congress who will say, "But this is ending humanitarian programs."

In point of fact, inflexibly revealed in the black and white of columns of dollars and cents, the truth is that spending in 1974 on "human resources" will actually rise by two percent, whereas the military budget (despite the staggering costs of the pay scale necessary to achieve an all-volunteer armed forces) will decrease by the same percentage.

It must be remembered that only the federal government has a defense budget. But the categories of spending which fall under the heading "human resources" account for the vast majority of the budget appropriations of every state, county and city in the United States. Add to that the $20 billion or so colleced annually from private philanthropy and a more true picture emerges than the 47 percent for human resources and 30 percent for defense.

Congress can, and should argue the merits of the various proposed specific cuts as against other possible cuts. All wisdom does not lie in the White House in this regard.

But it should accept the overall premise of fiscal responsibility and the certainty that huge deficit piled upon huge deficit will eventually lead—nobody knows how far down the road—to fiscal disaster.

The alternative to some checkrein on spending is a tax increase and if congressmen want to hear how their constituents back home feel about this let them introduce a tax increase measure.

Economy Is Everybody's Business

The way that Congress spends money—funding program by program separately without anyone knowing or seeming to care what the total expenditures will be—is one major reason that Capitol Hill so consistently overspends.

A second key reason is the prevailing practice of supporting economy—for the other members' constituents. That is, representatives from urban areas (elected by urban votes) are willing to cut everything except programs directly benefiting urban areas. Likewise, the "farm belt" delegations clamor for reducing expenses except when it comes to programs benefiting farmers (and, at least supposedly, affecting farmers' votes).

The type of cloakroom bargaining, and the type of spending which this philosophy leads to is obvious. Our record of repeated, in fact routine, budget deficits attest the fact.

Accordingly it is quite noteworthy when a dissenting voice, much in the manner of the outcry by the little boy proclaiming the emperor's nudity in the familiar Hans Christian Andersen fairy tale about the emperor's new clothes, is raised.

Such a dissent was bluntly expressed in the editorial of the Farm Journal for February. To quote in part:

"It is the duty of a farm magazine, isn't it, to stand foursquare behind government help to farmers?

"To campaign hard to get commodity, conservation and farm lending programs through Congress. And then to fight their repeal or loss through actions such as the administration has just taken against REAP (Rural Environmental Assistance Program) . . .

"(The President) has ordered a series of cuts which we understand will extend pretty well across the board. Housing, urban development, stream pollution control already have been cut, and others will follow.

"Each of these programs is somebody's favorite. We have no basis for thinking that these other groups will take a reduction unless we're willing to do the same.

"The President (by his cuts) didn't just hand this question back to Congress. He handed it to us. . . ."

The Farm Journal's candor is encouraging. To begin, REAP for the most part paid farmers to do things which they should have done for their own long term benefit, anyway; and from which they primarily would gain, with scant justification for taxpayers to foot part of the bill.

Further, the benefits appear limited. Agriculture Secretary Earl Butz recently cited a typical example; In one county with 1,466 farms only 199 farmers got REAP assistance last year; to the rest the program meant nothing.

Further telling testimony to the non-urgency of REAP lies in the observation that every President since Harry Truman's time has tried to eliminate the program, but Congress always has balked.

It might appear, this time, that the "kill" will stick.

The House, last week, did pass legislation to reinstate REAP after the White House had closed it down. However, the vote margin in the House wasn't enough to sustain the measure over the presidential veto which seems assured should the Senate take similar action.

Perhaps the issue will become even clearer if everyone will realize that everyone must share in the axe-blows if inflation is to be halted, higher taxes avoided, and so notify their representatives in Washington.

This is a realization which must be reached and acted upon if fiscal sanity is to be restored to federal budgeting.

MY RESPONSIBILITY TO FREEDOM

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. CHAMBERLAIN. Mr. Speaker, I would like to call to the attention of my colleagues a short speech by Miss Pati Townsend, 4332 Barton Road, Lansing, Mich., which earned for this young lady the position of being the State of Michigan's winning entry in the 26th annual Voice of Democracy contest. Pati's remarks, addressed to the subject of "My Responsibility to Freedom," offers a challenge to apathy in civic and governmental affairs that is both moving and refreshing. I think that we, as a nation, can certainly take encouragement that there are young people, like Pati, throughout America, who are also realizing the vital need for involvement and individual commitment. So that others may share the note of caution she so eloquently expresses, Mr. Speaker, I insert the text of her speech in the Record:

My Responsibility to Freedom

Picture in your mind an elementary school classroom in the year 2500. Some of the little children sitting at the desks might be great, great grandchildren of yours. At a certain time in the day the children take out their history books and a teacher calls on each of them to read aloud. As one little boy starts reading you hear him speaking of a civilization based on the idea of democracy, a strange philosophy to the young boy. The book describes the attitude of general unconcern on the part of the people and of dissent against all order and established government. Finally the text mentions that it is describing the time in history right before the falling of democratic America as we know it.

If this hypothetical situation bothers you, then I am suggesting that you and I have the responsibility to see that it doesn't happen.

But this classroom example might not bother you. You and others may say that I am being naive and slightly impulsive, and you may be right. But before you close your mind remember your defense might be because you have already been caught up in the problem I am describing. My concern is with the growing apathy on the part of that group of loyal and responsible American citizens known as the silent majority.

I'm not talking just about attitudes towards voting in important presidential elections. I'm referring also to wanting to attend a local school board meeting or supporting your choice for mayor or maybe writing to your representatives in Washington to make sure their choice is the people's choice. And more than that, remembering that America was based on the idea of respect of one individual for another's point of view. That attitude was why the laws of freedom were established in the first place. And yet so many times we become too concerned with the welfare of our own small existence. You see, apathy is a strange thing, the less concerned you are about having it, the better chances are that you've already got it.

I can remember what my father told me once when I said my ambition was to go into social work. He said, "Honey, people who have the goal of helping humanity often become disillusioned by the red tape society has developed. They try to change the world and end up finding their hands tied." Then he gave me some advice. "If you really want to help people, be prepared for discouragement and don't let problems make you insensitive to the goal you started with."

And he's right, because becoming indifferent is an attitude that grows inside people and people are the ones that make up democracy.

I often think the life of a democratic nation is like running a two-man track race. The two start out even but chances are one crosses the finish line first.

In life, one of those runners is freedom, the other is apathy, one of them will eventually cross the finish line and become the winner.

But a race isn't just won or lost on a field. The practice and the training a runner puts in is a much surer prediction of the outcome. If you knew a runner hadn't stood up, let alone walked for a month but was planning on entering a race the next day, you wouldn't expect him to come close to winning.

And the same with our race for democracy. If we don't constantly have the attitude of respect towards individuals and the freedoms with which we were lucky enough to be born, we will be giving over the prize of those valued freedoms.

But as you may realize, because our ancestors cared enough about us to preserve a free country for us, we probably don't have to worry about losing them in our lifetime. I consider it my responsibility to preserve them for those future generations. If I don't they may not be as lucky as I. Democracy as a philosophy may only be known to them from a history text or perhaps from the example of another country. The preservation of freedoms for others to come is a responsibility that lies in your hands and mine. They have no choice. And it won't come about with a selfish attitude on our part.

It begins by stepping out of an apathetic state of mind and showing some concern and some respect for someone else.

Please, don't walk out of this room without considering my request to you because if you do that you'll only be giving apathy one extra leap in that race, a race where the prize involved is the determination of the fate of America, the fate of those children in the future generations.

A BILL TO ALLOW TUITION TAX CREDIT FOR NONPUBLIC SHOOLS

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. HUDNUT. Mr. Speaker, if we are to keep open the doors of nonpublic schools, Congress needs to pass tuition tax credit legislation. Over 11 percent of our country's children attend nonpublic schools. Many of these schools have supplied the diversification and innovation in education that has made America a great nation. Unfortunately, because of escalating operating costs, more and more nonpublic schools are closing their doors. Last year alone, over 500 nonpublic schools had to close. Moreover, to keep the remaining nonpublic schools open parents have had to pay higher and higher tuition costs. In an effort to be helpful, today I am introducing a bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents. This legislation would give parents a tax credit of 50 percent for tuition paid to send their children to a nonprofit nonpublic elementary school, up to a limit of $200 per child. Hopefully, this proposal, if enacted, would help the nonpublic schools to keep their doors open. I would point out, also, that the proposal makes economic sense because, if nonpublic schools were forced to close, these children would have to go to public schools thereby creating a tremendous impact on education cost which would be reflected in higher tax bills for all local taxpayers.

LEE HAMILTON'S WASHINGTON REPORT ON REFORMS OF 93D CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my February 26, 1973, Washington Report on the reforms of the 93d Congress:

REFORMS IN THE 93D CONGRESS

During the first several weeks of this session, the 93d Congress has taken giant strides to correct obsolete procedures and strengthen its ability to fulfill its constitutional role as a co-equal branch of government.

These improvements are the most heartening developments that have occurred in Congress since I have come to Washington, and I will continue to support them to make the Congress responsive, efficient and deliberative. The Congress is one of the most successful political institutions in the world today, but unless changes are made in the way it operates, the Congress will become ineffective.

Among the important changes that should strengthen the Congress and make it better able to meet its responsibilities are these:

1. *Congressional Control of Federal Budgetary Matters.*—A bipartisan committee of Congressmen and Senators has approved a plan to improve Congressional control of the budget. Under the plan the Congress would make a comprehensive revenue and spending review, and would be in a position to balance the costs of the programs it passes with available revenues. The impact of governmental expenditures on the state of the economy, international trade and the national debt, would receive consideration under the proposed budgetary inspection mechanism. Once enacted, such a system would help the Congress exercise its "power of the purse" with responsibility and prudence.

2. *House Committees—Jurisdiction and Operation.*—The House has chartered a bipartisan committee to study the functions and organization of all House committees. The present committees and their areas of responsibility were last reviewed in 1946 when many of today's policy questions and demands could hardly be anticipated, as, for example, the space program and the concern for the environment. It is imperative that committee organization and jurisdiction be reviewed regularly to insure an efficient work load, evenly divided among the committees.

3. *Selection of Committee Chairmen.*—The House has reformed the procedure for selecting committee chairmen and ranking committee members of the minority party. At the beginning of each Congress, committee chairmen will be chosen by separate caucus votes which will be conducted by secret ballot if 20 percent of those present so request. This reform democratizes committee leadership which has long been controlled by seniority. Seniority will no longer guarantee powerful positions on committees and chairmen will become more responsive to the members of the party caucus which elects them every two years.

4. *Subcommittee Leadership and Assignment.*—The Democratic Caucus has also adopted procedures for assigning seats on subcommittees to new Members of the House to assure them major assignments on subcommittees. An individual Congressman may now chair only one subcommittee at a time under the new system, a change which will have the effect of opening positions of power to younger and newer Members.

5. *Secrecy in Committee.*—Another rule, expected to be adopted, will open committee meetings to the public unless a majority of the committee votes in public to close the meeting. Exception to the open meeting would occur if the committee were discussing matters which would endanger the national security.

6. *Strengthened Leadership.*—The Democratic Caucus has also approved a strengthened Steering and Policy Committee, which will reflect the views of the Democratic Members, has given the Speaker more flexibility in scheduling legislation, has strengthened his control over key committees, and has adopted procedures to allow amendments to tax bills. These moves also reflect the revival of the party caucus as an active, policy-making body in which Members can thrash out their differences and push for reforms and legislation.

7. *New Electronic Voting System.*—With the installation of a modern electronic voting system each Member's vote is instantaneously recorded, displayed and tallied. This procedure cuts in half the time consumed by the old roll call vote.

The winds of change are blowing in the Congress in the direction of openness, democracy and efficiency, and the nation should be refreshed and invigorated.

THE IMBALANCE OF POWER

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. FRASER. Mr. Speaker, the imbalance of power between the legislative and executive branches is generating public concern about the implications it holds for the future of our system of government. I have received many letters indicating this concern recently. One particularly thoughtful and articulate statement by my constituent David N. LaFontaine of Minneapolis I feel is worth sharing with the membership of the House. I would add regretfully that I must agree with Mr. LaFontaine's observations that Congress is voluntarily abdicating too many of its responsibilities.

The letter follows:

MINNEAPOLIS, MINN.,
February 8, 1973.

HON. DONALD M. FRASER,
Longworth Building,
Washington, D.C.

CONGRESSMAN FRASER: There is perhaps no more critical issue facing the Congress at this juncture in our history than that of the division of authority between the Legislative and Executive branches of our government.

Charges that the President has usurped prerogatives of dubious constitutionality do not stand on firm ground. Congress itself has voluntarily abdicated much of its responsibility. Congress itself is duty bound to reclaim that responsibility.

Ultimately, in a democratic society such as ours, the people bear the basic responsibility for their fate. As citizens and voters we have been instrumental, through our own neglect, in the passage of more and more power to the hands of the President. We have seen the fruits of that neglect in an increased arrogance on the part of the President and his administration in two areas in particular.

The administration has been increasingly remiss in its duty to provide Congress with information legitimately required by that body in order that it might perform its proper function with adequate knowledge. It is imperative that Congress insist that the administration provide such information. "Executive Privilege" as a means of denying testimony before congressional bodies must be severely limited. At present we are treated regularly to the spectacle of such dubious immunity being invoked with an impunity that should embarrass any responsible public official.

Possibly more ominous is the growing tendency on the part of the administration to enforce only those laws meeting with its own approval. The President has announced his intention to impound funds duly appropriated by the Congress. While still Attorney General, John Mitchell announced publicly that the Justice Department should conduct wiretapping activities at will regardless of Supreme Court decisions. This area of executive arrogance is becoming increasingly crowded.

I cannot stress strongly enough my conviction that much of the responsibility for such a state of affairs rests largely at the door of Congress itself.

We live in troubled times and a strong chief executive is certainly necessary. We are, however, presently in danger of acquiring a Presidency that may be much too powerful for the long range benefit of the country.

Due to the apathy of citizens as mentioned above the pressure upon Congress to avoid its proper responsibilities is indeed heavy. It is certainly tempting to make much smoke in terms of empty rhetoric. To make fire in terms of difficult decisions on the floor of the House is hazardous. Any definite stand becomes vulnerable as elections draw near.

It is hoped that Congress will, in the current session, rise above pressures toward vacillation. The framers of the Constitution have left us with a system of checks and balances that have served the nation well thus far. The challenge to preserve those checks and balances is at hand. It is my fervent hope that you will meet that challenge and provide positive leadership toward a reaffirmation of the Congress as an equal branch of our government.

Respectfully,

DAVID N. LAFONTAINE.

ARE SCIENCE AND TECHNOLOGY BEING DOWNGRADED?

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. WALDIE. Mr. Speaker, I recently received an article regarding science and technology that I think would be of interest to my colleagues.

With the ever-increasing national uses for science and technology, it is imperative that the executive branch obtain the best counseling available in this area. Mr. Patrick P. McCurdy, editor of the Chemical and Engineering News, expresses these concerns very perceptively in his article, titled "What's Going On, Mr. President?"

With the recent reorganization of the executive branch, it is worthwhile to reexamine the position science and technology will have in the structure of the Executive Office. Undoubtedly, as our Nation advances in these all-important fields, we will need enlightened guidance for proper evaluation of scientific problems. Mr. McCurdy offers his own astute feelings about this matter in the article which follows:

WHAT'S GOING ON, MR. PRESIDENT?

At press time, the state and status of science and technology in this country were not at all clear. The past several weeks have seen extensive reorganizing in the White House, including planned abolition of the Office of Science and Technology, the office of the science adviser to the President (established under President Eisenhower), and the President's Science Advisory Committee. Many of the former responsibilities of these departing science representatives are to be transferred to the National Science Foundation and its director, H. Guyford Stever. As C&EN's Washington News Bureau head, Fred Zerkel, puts it, Guy Stever seems slated to become a "czar of sorts" over much of the federal science effort.

The question is: Of what sort and over what effort? This is no criticism of Dr. Stever or NSF. Rather it reflects the still larger question: Whither U.S. science and technology? Firm conclusions would be premature at this point, with so little hard information in hand, but it is difficult not to conclude that this latest Administration action represents a general, even severe, downgrading of science and technology in the mind of the President. We hope we're wrong. Yet what other interpretation can be put on a move that apparently cancels out the nation's highest science advisory office, one which, at least in theory, had direct contact with the President, and removes (relegates?) its function to an agency, and not a large one by federal standards, at that?

Opinion is mixed, but only in relative, negative degree. Reaction in the federal science establishment runs a gamut from deep pessimism to cautious optimism. Perhaps the most stinging response thus far comes from Rep. John W. Davis (D-Ga.), chairman of the House Subcommittee on Science, Research and Development (which oversees NSF). Davis calls the reorganization "disastrous . . . a bad mistake". Seasoned with partisan rhetoric, perhaps, but Davis' words deserve attention. After all, one could view the President's plan as actually strengthening the science hand of both Rep. Davis and Sen. Kennedy, as well. But maybe the President doesn't care; that's the real worry.

For with the key role played by science and technology in this country and the hope it holds for the future, it seems beyond question that the President needs to hear the voice of science directly, often, and from a science source that is "above the battle." In OST the voice, effective or not, at least was there. Now it will be muted and modulated as it goes through George Shultz, Secretary of the Treasury.

The idea of a central science czar has never had much appeal among scientists, a view we share. Science and technology cut across too many areas for such a concept to be workable. But for this very reason, it would seem imperative that the President have a respected scientist/statesman in his immediate circle.

A year ago, both in his State of the Union remarks and in his unprecedented R&D message, the President seemed to be giving renewed emphasis to science and technology. "Science and Technology represent an enormous power in our life—and a unique opportunity. It is now for us to decide whether we will waste these magnificent energies—or whether we will use them to create a better world. . . ." He also talked of setting "clear and intelligent targets for research and development." He referred to a new "federal partnership." We also heard talk of an overall technology policy. More money for science seemed ahead.

We thought he was on the right track a year ago and said so. Now we wonder whether there's been a derailment. Perhaps we will be pleasantly surprised by still another of those startling thrusts that are becoming a hallmark of this Administration. Meanwhile, we ask: What's going on, Mr. President?

IRS INFORMATION ON MONTHLY LEGISLATIVE REPORTS

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. GIBBONS. Mr. Speaker, many of us have various forms of newsletters or legislative reports that we issue from time to time to those who reside in our congressional districts.

For some time now, a source of financing these informative reports has been a question.

I presented the format I use in my monthly legislative reports and the method I use in paying for them to the Internal Revenue Service for an official opinion. I thought the informative and complete response I received from the IRS would be helpful to my colleagues:

INTERNAL REVENUE SERVICE,
Washington, D.C., January 16, 1973.

Hon. SAM M. GIBBONS,
House of Representatives,
Washington, D.C.

DEAR MR. GIBBONS: On behalf of Commissioner Walters, I am replying to your letter of July 3, 1972, in which you inquire as to the treatment, for Federal income tax purposes, of the "Sam Gibbons Legislative Report Fund," under the circumstances described below.

From 12 to 15 times a year you send legislative reports to the constituents on your mailing list. From time to time you also send questionnaires to your constituents requesting their opinions on various issues. In the past you have personally paid the printing costs involved in the preparation of these reports and questionnaires, although they are mailed under the Congressional franking privilege. However, you recently established the "Sam Gibbons Legislative Report Fund" and asked your constituents to contribute to it in order to defray some of these printing costs.

Contributions to the Fund are solicited through notations on the legislative reports and requests made by telephone by a member of your staff. The reports and questionnaires are mailed to constituents without regard to whether they contribute to the Fund.

The Fund is in the form of an ordinary bank account and is segregated from other funds maintained by your office. Although you have the authority to sign checks on the account, this function is normally performed by designated members of your staff. Amounts expended from the Fund are never to be used for campaign purposes, but are to be used only to defray the printing and related) costs of the reports and questionnaires. Any excess in the Fund at the end of any particular year would be carried over to the following year to be used for the same purpose.

Section 61(a) of the Internal Revenue Code of 1954 defines gross income as all income from whatever source derived, except as otherwise provided by law.

While section 102 of the Code provides that gross income does not include the value of property acquired by gift, the amounts contributed by your constituents in response to your solicitation do not stem from a "detached and disinterested generosity," but from the anticipated benefit of continued newsletter publication, and therefore do not qualify as "gifts" in a statutory sense. *Commissioner* v. *Mose Duberstein, et al.*, 363 U.S. 278 (1960), Ct. D. 1850, C.B. 1960-2, 428.

Nor are the contributions excludable from your income as funds held in trust, since they are expressly available for your use in performing a function of your office. *Angelus Funeral Home* v. *Commissioner*, 47 T.C. 391 (1967), acquiescence limited to particular facts and circumstances, C.B. 1969-2, xxiii, affirmed, 407 F. 2d 210 (1969, certiorari denied, 396 U.S. 824 (1969)).

Accordingly, we conclude that the amounts contributed by your constituents to the "Sam Gibbons Legislative Report Fund" solely to defray the printing (and related) costs of the legislative reports and questionnaires would be includible in your gross income for the year in which such amounts are received.

With respect to the deductibility of amounts expended from the Fund, section 162(a) of the Code provides for the deduction of all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business.

The performance of the official duties of a Congressman in his trade or business as an elected official includes keeping his constituents informed with respect to the affairs of the Federal government and to his official actions.

I.T. 4095, C.B. 1952-2, 90 (a copy of which is enclosed), holds that expenses incurred by a Congressman in printing and addressing a letter to his constituents, the letter consisting principally of a report of his activities and findings in connection with an official inspection trip to foreign countries but also containing a brief personal message, qualify as ordinary and necessary business expenses.

Section 62 of the Code, defining adjusted gross income, specifies the particular items of expense that may be deducted from gross income in arriving at adjusted gross income. Since the expenses in your case do not fall within any of the categories mentioned in section 62 of the Code, such expenses are deductible only as itemized deductions in computing taxable income.

Accordingly, we conclude that amounts expended from the "Sam Gibbons Legislative Report Fund" for the purpose of defraying the printing costs of the legislative reports and questionnaires would be deductible as ordinary and necessary business expenses under section 162 of the Code, provided you itemize your deductions.

We regret the delay in replying to your letter and hope that it has not inconvenienced you.

Sincerely,

PETER P. WEIDENBRUCH, Jr.,
Assistant Commissioner, Technical.

ROCKWELL'S TRAVELING SPACE SALESMAN

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. CHARLES H. WILSON of California. Mr. Speaker, the February issue of the Diner's Club's Signature magazine carries a most interesting article on Robert Anderson, president of North American Rockwell which is located in my 31st Congressional District. Through Mr. Anderson's expert management and ability to keep costs down, North American Rockwell won the coveted space shuttle contract from NASA—a tribute to its past performance in manufacturing such vital defense items as the B-1 strategic bomber. I commend this article to my colleagues:

ROCKWELL'S TRAVELING SPACE SALESMAN

A six-foot-one, 180-pound businessman was understandably botching his shots in a championship PGA Pro-Am foursome on the Laurel Valley golf course in Ligonier, Pennsylvania, last July 26th. On the 12th hole, someone handed him a telephone message. "After that, I could hardly hit the ball," recalls the man, a 7-handicap golfer. Though he finished the match in a three-way tie for first place, one of his opponents, Sam Snead, noted, "You'd think a fella who just won a $2.6 billion space contract could afford to take some golf lessons."

Smiling broadly, Robert Anderson, president and chief operating officer of North American Rockwell, hustled to his telephone-equipped Cadillac, was driven to the nearby airport and, in his company-made, twin-engine Sabre jetliner, was flown in his golf clothes to Los Angeles where a champagne bash awaited him.

A dynamic, youthful 52, Anderson spends about a third of his time in his new, embarrassingly (to him) ornate office high in a 64-floor downtown Pittsburgh skyscraper, and almost another third in his office in Los Angeles, where he also maintains a multilevel apartment. Most of his remaining hours are spent airborne. To keep on top of his job, he must make firing-line decisions for North American Rockwell's more than 100 diversified operations in aerospace, automotive equipment, electronics and burgeoning industrial products of other kinds in 26 states and 21 countries. "I feel like a Yo-Yo just trying to keep up with him," says his secretary.

In one typical week recently, Anderson was in Downey, California, checking progress on the space shuttle, the only new manned space venture planned by Uncle Sam; in Los Angeles inspecting the B-1 strategic bomber being built for the Air Force to replace the B-52; in Bethany, Oklahoma, test-flying NR's newest entries into the business pleasure and agricultural aircraft markets; in Chicago observing Rockwell's printing presses, on which two out of every three newspapers in the United States are printed; in Almont, Michigan, assessing land for testing automotive equipment by Rockwell, the nation's largest independent manufacturer of car parts; in Reading, Pennsylvania, watching the elimination of a production snag in the Electro-Knit 48 textile machine. He wound up the week flying to England to review his company's recent acquisition of a major truck axle plant.

Sometimes Anderson goes to Washington—reluctantly. "I was never much interested in poliitcs," he says, "until I learned that you had to know a lot of politicians who have some control over government contracts."

Two months before Senator McGovern was nominated for President last July, Anderson visited the Washington office of the legislator, who had never concealed his opposition to both the B-1 and space-shuttle programs.

"Why don't you apply your aerospace know-how to making automobiles, Mr. Anderson?" asked the future Democratic Presidential nominee.

"Senator, there are many companies now making automobiles who know more about it than North American Rockwell," replied Anderson. "I spent 22 years in the automobile business myself."

"How about making refrigerators or washing machines then?

"Frankly, we don't know anything about either making or selling them."

"Why don't you manufacture radio and television sets instead of missiles and bombers?"

"Foreign manufacturers have captured a big share of that market and it would be difficult for us to start competing from scratch. But we're now making $100 calculators."

Anderson lit his pipe, which he hasn't the patience to keep lit (he chain-smokes cigarettes instead), and McGovern sized up his visitor. "Tell me, Mr. Anderson," slowly inquired the former political science professor. "*why* must we be in first place in intercontinental ballistic missiles and other weapons you make?"

"Senator, there's nothing wrong with second, third, or even fourth place—if the American people want that. But peace is constantly challenged by first-place force."

That evening, the president of North American Rockwell told an associate, "I spent a very pleasant hour with Senator McGovern. He's a fine, decent man. But I made absolutely no impression upon him. Our professional backgrounds are so different."

Robert (no middle name) Anderson, who was born in Columbus, Nebraska, was the eldest of three boys. His father a traveling salesman for the Swift meat-packing company, was transferred among numerous cities, and Bob recalls arriving in Los Angeles when he was 9. "I remember seeing orange groves and lettuce fields in L.A. where today there are aircraft companies," he says.

His boyhood was all Horatio Alger-Andy Hardy. He played tackle on the Fairfax High football team, delivered the morning newspaper in the neighborhood, and clerked in a local supermarket on Saturdays. Because his family could not afford to send him to college during the Depression, at 17 Anderson plunked down $100 of his own savings to enroll in a commercial aeronautics school. Later he was offered a four-year football scholarship at Colorado A & M (now Colorado State University). He tried to get his money refunded by the aeronautics school, but without success. "Boy, losing that hundred bucks still hurts," he reminisces. Throughout college he earned $15 a week as handyman and floor sweeper at the local Chevrolet agency. "That's where I got my feel of the automobile business," he deadpans.

Anderson's automotive itch spread during and after World War II, when he taught motor maintenance at Fort Sill, Fort Knox and later in Japan, as a captain in Field Artillery.

After his discharge, Anderson enrolled as one of 30 graduate students in the Chrysler Institute of Engineering in Detroit, attending school two hours a day and working six hours in the Chrysler plant. He was now 26 years old, married to a former secretary, Constance Severy, and they had a son to support. He supplemented his $225 monthly salary—just half of his Army pay—by teaching math at night.

One morning he was ordered by his Institute supervisor to spend the day transporting hundreds of cans of Prestone antifreeze from one end of the garage to the other. "That was fairly humiliating for a former captain," he says, "but the next morning when my boss told me to move them all back, the Chrysler Corporation nearly lost an engineer." He stuck it out—and graduated first in his class in 1948.

Chrysler was known as a company dominated by engineers, and corporation officials quickly recognized Anderson's talents by assigning him to a series of trouble-shooting problems. "I was Mr. Go-Between," he says.

As resident engineer, he represented Chrysler at the Briggs Manufacturing Company in 1950 and 51, then moved up to supervising engineer for the Chrysler Division and body engineer for all the company's cars. He was chief engineer of the Plymouth Division until 1957, when he became top man in the Central Engineering Division serving the whole corporation.

Anderson's professional savvy did not escape the notice of other companies. He was even wooed by Proctor & Gamble. "But I decided that I liked cars more than soap," he says.

The prospect of losing Anderson impelled the Chrysler brass to take a long, hard look at their prize engineer's broadening potential, and in 1958 he was suddenly named Director of Product Planning and Cost Estimating. "This was the turning point," he says. "I got into management then. I was a babe in the woods. I had to thoroughly understand the sales, finances, merchandising and business management objectives. Planning a successful automobile requires tremendous clairvoyance. It is like throwing a forward pass and catching it yourself. I had to run faster and faster just to keep up with our competitors. But I learned invaluable lessons. If you cut just one dollar from the cost of manufacturing a single car, for instance, that could be another million bucks in profits at the end of the year." For three years Anderson slashed costs and improved efficiency. Result: in 1961 he was named Vice-President of Production Planning.

His next promotion came in 1964, when he was appointed Group Vice-President of Corporate Automotive Management. Walter Cooper, later president of the National Automobile Dealers Association, wisecracked at the time: "Bob is well equipped to be production vice-president. He was the star janitor at my Fort Collins Chevy place 25 years ago."

A still bigger Chrysler prize lay ahead. In November 1965 Vice-President Anderson was named General Manager of the Plymouth Division. He launched the Plymouth Fury and boosted his division's sales by 200,000 cars in two years. His own annual compensation went up to six figures.

"But Bob was never an ivory tower executive," says Ez Koeppel, a Jamaica, New York, dealer. "He spent a lot of time calling on us in our showrooms, listening to our problems and breaking bread with us. At conventions, he was always the most popular Chrysler official."

Anderson even drove his company's official pace cars at the Indianapolis and Daytona "500's," whipping around the courses in a Plymouth at 130 m.p.h. He drove Chrysler's experimental bronze turbine car through midtown New York City to demonstrate its new engine. In the middle of heavy Fifth Avenue traffic, the car ran out of fuel. Horns honked. Cabbies cursed. "Bob never lost his cool," recollects an observer. "He simply ran across the street to the nearest drugstore, bought an $80 bottle of Arpège perfume and emptied it into the gas tank. The car started moving again because the turbine engine can run on anything alcoholic." It also must have been the sweetest smelling car in the whole Chrysler line.

Then in 1967 Anderson faced a big decision at Chrysler when the job of president had to be filled. Although he was one of the frontrunners, the job went to Virgil E. Boyd.

At that time, Rockwell-Standard, a profitable, old-line Pittsburgh parts supplier to Chrysler and nearly all other American car manufacturers, merged with North American Aviation to form North American Rockwell. Though legally a "statutory merger" Rockwell, in effect, purchased control of North American, a company which had fallen on lean times after being blamed for the capsule flash fire that killed three Apollo astronauts at Cape Kennedy. It was a strange marriage of a stable Pittsburgh groom and a mercurial California bride.

To make the union work, Willard (Al) Rockwell Jr., chairman of North American Rockwell, decided that he needed Bob Anderson. "I could still be in automobiles but have a chance to work in aviation—my second love," reasoned Anderson. After 22 years with Chrysler he resigned in early 1968, walking away from retirement and bonus benefits that were estimated at around a quarter-million dollars. "Sure, it hurt then, but deep down I didn't really care, because of my new challenge," Anderson says now.

He began as president of the commercial products group, heading up the industrial and automotive divisions. A year later he was named vice-president; in February 1970, president and chief operating officer.

One of his first acts was to secure a pilot's license—at the age of 47. "I couldn't sell airplanes if I didn't know how to fly them," he says.

On the ground, he brought hardnosed Detroit automobile efficiency into an aerospace industry plagued with cost overruns. At monthly operations reviews with group and division managers, Anderson asked them to match current accomplishments against their own one-year plans and, if necessary, to take immediate corrective action. A result of his tight cost controls was his company's performance on the Minuteman intercontinental ballistic missile: the Air Force announced in 1971 that North American Rockwell *underran* contract costs by more than $10 million.

Unproductive real estate—including North American's two office buildings in El Segundo, California—was disposed of. "We sold one to the telephone company for $5 million, transferred our staff into the other building, and still had plenty of space," says Anderson. Similarly, fat was trimmed from projects already launched. "We kept nagging our aerospace people to diversify," he explains. "But they would either spend money over-designing or try to produce something for which there was no market." Anderson put an end to that.

Despite his toughness in keeping down costs, Anderson has never appeared as a dictator to his company's 80,000 employees. One high-ranking associate, a former football great, observes, "Bob is a team player. He's still a star tackle who does the blocking and lets his teammates carry the ball." Anderson himself says, "Successful managers set high standards, explain their expectations, encourage open, frank, two-way discussions, delegate properly and measure performance accurately."

One of his unhappiest chores was chopping the company's aerospace personnel from 37,000 to 6,000. But after Uncle Sam won the moon race, Rockwell had no major airplane or military contracts to justify its head count. "I'd like to see an end to the present peaks and valleys in aerospace," Anderson now says. "These cycles of demand are just not a good way to do business, whether you're making space shuttles or shoes. If General Motors had to cut their work force 80 percent and then build back up again every few years, we wouldn't be able to buy cars at today's prices."

Meanwhile, Anderson is determined that his company won't stay in any valleys very long. "We lost the F-15 fighter contract to McDonnell Douglas just before Christmas 1969," he remembers. "This was after we had spent nearly $66 million on research. But we turned right around and went after the B-1 bomber contract, and won that one within six months."

The B-1, which is only two-thirds the size of the B-52, will fly at low altitudes at nearly the speed of sound (750 m.p.h.) and more than *twice* that at high altitudes. And it will carry twice the B-52 weapons load over the same intercontinental distances. "In building the B-1, we're taking advantage of many aerospace advances made during the past decade," explains Anderson. "It's a tribute to the pilots, flight and ground crews that the present B-52's are still doing such a splendid job. Aside from its age, the B-52's most serious drawback is that it can't penetrate sophisticated enemy defenses efficiently, especially at low altitudes. By contrast the B-1 can streak to a target at near sonic speed, skimming the treetops to avert detection by radar, making it an almost invisible target. It will be a strong addition to America's protective armament."

Though the Air Force anticipates buying 241 of them, the B-1 program is the first to be structured under the "fly-before-buy" concept adopted by the Department of Defense in 1970. This means that the B-1 will undergo a year of intensive testing before any decision is made on full production.

The space shuttle, which Rockwell is now building for the National Aeronautics and Space Administration, is currently the only major space program to follow Apollo. In awarding the prime contract after intense competition, NASA cited NR's strength of management. Shortly afterwards, *Fortune* magazine commented: "North American Rockwell overnight soared into a dominant position in the U.S. space program, its preeminence all but assured for this decade, and perhaps even beyond." Designed as America's first real transportation system in outer space, the shuttle will be a reusable space vehicle able to fly more than 100 times into orbit and back, landing on conventional runways.

"Building this shuttle is requiring the best brains we can get, and not all of the brains are at Rockwell," says Anderson. Immediately after winning the prime contract, he flew to Grumman's Long Island, New York, plant to assure disappointed experts there that he hoped to use their talents in subcontracting for needed parts.

Anderson finds himself appalled at the enormous amount of paperwork involved in fulfilling any government contract. "In some aerospace programs, 30 percent of the total cost is represented by paper," he notes sadly. Just the same, Anderson makes a continuous effort to keep his company soundly diversified and not overly dependent on aerospace. Today about 54 percent of Rockwell's sales are to the federal government and the remaining 46 percent to commercial markets—including the manufacture and sale of many new "spin-off" products. All NR lines now point upward—sales, profits and earnings per share flourishing alike under the company slogan: "Where Science Gets Down to Business."

Anderson works hard and plays hard. Because he doesn't have much time for golf nowadays, he recently took up tennis—usually playing an easy and relaxed game of doubles. Although he bought a cycling machine for his Pittsburgh bedroom, he rarely uses it. "My big exercise is getting out of bed," he says. But he loves to tinker. He's the kind of man who prefers to take the lawn mower apart rather than to cut the lawn.

Bullfighting is a lingering passion. "I used to enjoy taking people to bullfights in Mexico and Spain, but because most of them didn't enjoy the sport as much as I do. I've stopped doing this. Too many times I'd hear, 'Gee, Bob, it's getting cold. I'm going back to the hotel.' "

Last November 2nd in Los Angeles his intimate friends—including John DeLorean, Mark McCormack and Arnold Palmer—attended Bob Anderson's 52nd birthday party. On that occasion he announced his engagement to Diane Lowe, a tall, comely brunette model from Fort Lauderdale. (His first marriage had ended in divorce after 30 years.)

Anderson has a son, Robert, 27, an Air Force doctor at California's Edwards Air Force Base, who is determinedly building his own Bedy airplane in his garage. His 22-year-old daughter, Kit, is a senior at Colorado State University. Anderson's mother lives in Southern California, as do his brothers—James, an obstetrician, and Chuck, who works in aerospace.

When Deputy Secretary of Defense David Packard resigned last year, Anderson was mentioned for the post, a job he neither sought nor wanted. But he has a statesman's knack for overview, and it follows perhaps that a man so involved with future space travel would be equally involved with the future of America and the world. "We can't return to the simple, 18th-century bucolic life," he says. "America is an urbanized society and we should work toward new standards of living for everyone. Global unity in travel, trade and communications is one of the greatest passports to peace and prosperity. Satisfying today's world economic demands should never be thought of in terms of a new colonial conquest, but as as a means of unifying people. Sure, some people want to cut off the heads of the British Parliament in the morning, guillotine the French Senate in the afternoon, and sink the Japanese Diet at midnight. But before dawn. our own industrial heads would be rolling in retaliation. A much better alternative is free competition in the world's free market places."

Bob Anderson always takes a global view of things. And don't be surprised if the fast-moving fellow who helped put a man out there in orbit is an early passenger on one of his own spacecraft shuttling from the earth to the moon. After all, how can he sell the thing if he doesn't know how to fly it?

MISS TOBY LIND: ESSAY ON FREEDOM

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. FORSYTHE. Mr. Speaker, Miss Toby A. Lind believes that with freedom comes responsibility. Her thoughts about freedom should be read by every young American who wants to seek change and improvements in society.

Miss Lind, of Westmont, N.J., recently offered the winning speech from our State in the Veterans of Foreign Wars and the Ladies Auxiliary annual Voice of Democracy Contest.

I am proud to represent Miss Lind in the Congress, and I want to share her thoughts with my colleagues. Herewith is the text of her prize-winning address:

MY RESPONSIBILITY TO FREEDOM

(By Toby A. Lind)

"In the future days, which we seek to make secure, we look forward to a world founded upon four essential freedoms. The first is freedom of speech and expression—everywhere in the world. The second is freedom of every person to worship God in his own way—everywhere in the world. The third is freedom from want . . . The fourth is freedom from fear." The quote I have just read was said by Franklin Delano Roosevelt. I truly believe these are the four components of freedom. Our freedom of speech allows us to express our emotions, whether they be of rebellion, joy or sorrow. Being able to relate to God in our own way—following certain traditions and beliefs is an important factor in our daily living. Freedom from want is easily summed up. A person should not have to want happiness, he should have it. And finally the freedom from fear—everyone should feel a certain type of security in living in a united country.

I feel too many people do not realize what it is to be able to have these freedoms. They are taken for granted too often. As a young person of today I must set an example to other people. My responsibility is to my country and the unitaticn of my countrymen as one. Yet I must respect my fellow man also. I must only guide people, I cannot force my religion, morals or emotions upon them. Instead it is imperative that I listen with an open mind and learn myself by observations which I make.

I should never be destructive. Institutions are made for the benefit of the people. I can rebel through expressing myself in speech and make my thoughts known but I should never hurt someone else or an enterprise of all the people. Being a friend to all man is one of my most important responsibilities. I must strive to understand him. If I interfere, destroying someone's property, feelings or whatever, I am hindering his freedom from want. Therefore it is my duty, above all, to learn to respect his property, feelings and religion for they are his freedoms too.

Freedom is not something that upon turning eighteen years of age you receive. Freedom grows inside of you all the time. Now that I am older, more rights are given to me. To be a more effective citizen, I certainly must be a participant. This includes voting. I must vote for someone who believes in my freedoms and will stand behind them. If I were to join groups, I could work for the betterment of my community, state and country. This means not to build a small niche only for myself. That, I truely believe is selfish. If I work for the improvement of all men, then I improve also. Patience and optimism are the key factors here. The patience to understand and help people and the optimism to go each and every day. We will take part together, not for a short period of time but always to make sure we do not allow our freedoms to slip away. We must use them carefully and properly.

By getting involved with my country and working with all allows the four essential freedoms to flourish. I must help people realize that things will not get better by revolution but instead a combined striving through evolution. We will not improve and strengthen separately. We will rise together and our optimism in this idea, our patience to strive for better unification and retaining it will make the rise a faster and more continuous one. Yes, together we stand but divided we fall. I must stand together with my countrymen and appreciate what we do have, and will have in the future days to come.

A MORE EQUITABLE RETIREMENT BILL

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. WALDIE. Mr. Speaker, many Federal employees have in the past served in federally funded and supervised programs which have been actually administered by State and local authorities. Under existing statute, these Federal employees are not able to credit the time they served in these federally funded programs toward the calculation of their Federal retirement annuity.

Therefore, I am today introducing a bill which will permit certain Federal employees to buy into the civil service retirement system, based on employment in federally funded programs operated by State and local governments.

In order to be eligible under this act, an employee must have 5 years of Federal service in addition to service in a State or locally administered program, and the time of service in such a State or local program must not be creditable toward the purchase of an annuity under any other program.

Under this act, Federal employees would be permitted to buy into the Federal retirement system by either depositing to the credit of the civil service retirement and disability fund a lump sum equal to the amount that would have been deducted during the period in question—plus interest calculated at 3 percent per annum; or by making the deposit in 12 equal monthly payments withheld from their annuity as it accrues, each payment comprising one-twelfth of the deposit and interest computed at the rate of 3 percent per annum.

Application for coverage under the provisions of this act must be made within 1 year of the enactment.

Mr. Speaker, I believe this act would correct a serious inequity dealt many current Federal employees, and I, therefore, submit it for the careful consideration of the Members.

I include the full text of the bill in the RECORD:

H.R. 4884

A bill to encourage earlier retirement by permitting Federal employees to purchase into the Civil Service Retirement System benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8332 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

(L) Subject to sections 8334(c) and 8339 (b) of this title, an employee or Member shall be allowed credit for any period of service performed by him (unless the employee or Member was certified as being eligible for relief) in the employment of a State, a political subdivision thereof, or an instrumentality of either, primarily in the carrying out of any program authorized by Act of Congress to be conducted in accordance with standards prescribed by Federal law and all or part of which is financed directly or indirectly by Federal funds if—

(1) the head of the Executive agency, or his designee, administering the program or assuming the function or program makes a certification to the Civil Service Commission, in accordance with such rules and regulations as may be prescribed by the Commission, concerning the service under this subsection, or such service is otherwise established to the satisfaction of the Commission:

(2) the employee or Member has at least 5 years of accrues, each payment comprising one-twelfth of the deposit and interest computed at the rate of 3 per centum per annum.

For purposes of this subsection, "State" means the several States and Puerto Rico.

SEC. 2. The annuity of any person who shall have performed service of the type described in subsection (L) of section 8332 of title 5 United States Code, as added by the first section of this Act, and who before the date of enactment of this Act shall have been retired on annuity under the provisions of sub-chapter III of chapter 8 of such title, or prior provision of law, shall, upon application filed by any such person within one year after the date of enactment of this Act and in accordance with the provisions of such subsection (L), be adjusted effective as of the first day of the month following the date of enactment of this Act, so that the amount of such annuity will be the same as if such subsection (L) had been in effect at the time of such person's retirement.

Similarly, the annuity of a person qualifying under the deferred annuity provisions of section 8338 and performing service described in subsection (L) shall, upon application filed by such person within one year after qualifying under section 8338, be adjusted effective as of the first day of the month in which he qualifies for the annuity.

CONSTRUCTIVE INVOLVEMENT OF YOUNG PEOPLE

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. HUDNUT. Mr. Speaker, so frequently, the news we read about our young people is the bad news—and the printers' ink is devoted to narratives describing the peccadillos and misadventures, the rebelliousness, and lawlessness, of a small minority of young men and women in our country; so that we neglect the majority of them who are not breaking laws, pushing drugs, getting divorces, dodging the draft, laying down on floors of deans' offices, turning on and turning out, and so on. Many people lose perspective on the younger generation, because what they read in the papers and see on TV misleads them into thinking the whole group is worse than it really is. Rarely ever do we read or hear about the good things the young people are doing.

I have always believed that in the current generation of young people in our country, there is much nobility and idealism that is exceedingly praiseworthy, much patriotism and devotion to duty, much dedication and unselfishness. They have spoken valid protests against the depersonalization and hollow materialism so characteristic of our culture. They have tried to teach us the values of authenticity and individuality, deploring the dehumanizing and brutalizing effects of some aspects of modern life. They have tried to express love for their fellow man in new and different ways. They have shouldered their responsibilities on the campus and the battlefields. They have tried to lead meaningful lives. They have involved themselves in the great work of building a better society by helping to transform the human race into the human family.

I would like to share one instance of this constructive involvement in useful living, on the part of our young people, with my colleagues in the Congress. It helps me keep my faith intact to read the kind of letter that came to me from a group of students in Indianapolis, dated February 3, 1973. This letter describes some of the activities of a group of fraternity men during the past year—Phi Delts at Butler University—for which I think they deserve special commendation. Their spokesman wrote me as follows:

INDIANAPOLIS, IND.,
February 3, 1973.

DEAR MR. HUDNUT: I am a sophomore at Butler University and a member of Phi Delta Theta Fraternity. The press and many people in the news media only seem to recognize and mention the radical and violent actions by students on campus. I would like to tell you, sir, how members of Indiana Gamma of Phi Delta Theta have gone out into the community and helped their fellow man.

Three years ago, David L. Shore, a fraternity brother, died of cancer. Brother Shore came from Rochester, Indiana and was an outstanding football player for Butler as well as an excellent student. In memory of him, we started the David L. Shore Memorial Cancer Fund. The money the Phi's collect goes into Dave's private fund and serves a two fold purpose. Ninety percent of the money goes toward the research of cancer and the other ten percent toward education and advertisement. At the Butler vs. St. Joseph football game, the Phi Delts collected a grand total of $323.23. We have received a certificate from the Cancer Society for outstanding work in the fight against cancer. We have just finished a neighborhood drive and still planning on collecting at a basketball game.

The Phi Delts felt a necessity to get involved in the 1972 election. Being new voters and enthusiastic about the 1972 Presidential and Gubernatorial election, many of us campaigned for Mr. Nixon and Otis Bowen from mid-October to election day. We worked throughout Indianapolis and even made trips to Terre Haute (Indiana State University) and Muncie (Ball State University) to take campaign material to these headquarters. On election night to mid-afternoon the next day, many Phi's worked down at the City County Building tabulating votes. Our fraternity house, on election day, was used as a voting precinct.

One Saturday, we went out to the Little Sisters of the Poor or otherwise known as the St. Augustine's Home for the Aged. During the morning we put to use some of our talents by painting lawn furniture, cleaning rooms, ceilings, lightfixtures, walls, and anything else that was dirty. We even cleaned the kitchen from top to bottom and even had time to do some baking, tailoring of old clothes, and even straightened the pantry and rearranged all the canned goods in their proper places. In the afternoon, we hosted a Bingo game for the old folks in Lanagan Hall. All the old people, who were present in the house (more than 100), came down to play Bingo. We played twenty-five games with the winners receiving cash gifts and merchandise. It was quite satisfying to see the old folks be so happy knowing that someone cared and was interested in their well-being and that there was not a generation gap.

To beautify the neighborhood around Butler University, the Phi Delts have gone out and raked leaves several times. To help the ecology minded people and fight air pollution, we have had neighborhood drives collecting leaves so that they would not have to be burned and clutter up the air with debris and smoke.

We have also worked with Walker Research participating in consumer market studies. We have tested orange juices, hamburgers, carbonated beverages, and aspirin. By participating in these studies and giving our opinions. I feel that we have helped the manufacturers of various products determine what the consumer really wants.

We have also held a public survey for the Department of Public Safety. We took the survey to help determine how drinking and driving contribute to traffic accidents.

The Phi's have hosted an Orphan's Christmas Party. We invited children from the Indiana Methodist Children's Orphanage over to our fraternity. We then took the children over to the observatory. They learned how the telescope worked and had an opportunity to look out of it. They also took a trip to the planetarium where they learned about the planets in our solar system. That night they ate dinner at our fraternity house. While many of the brothers were playing with the kids, Santa Claus made a surprise visit and gave the kids their presents. The only sad moment came when they had to leave and there were tears in their eyes.

The Phi Delts, just recently, gave money to the Cathy Strange Fund and multiple sclerosis fund.

What lies ahead in our future? The members of Indiana Gamma of Phi Delta Theta hope to work down at the juvenile center, have a retarded children's track meet, work with the inner city children, collect for the Ruth Lyons Fund and our own David L. Shore Memorial Cancer Fund, and anything else that would better our community where we live.

Sincerely,

JAMES BAGNOLI,
Phi Delta Theta, Butler University.

A CENTENNIAL MEDALLION FOR COLORADO

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BROTZMAN. Mr. Speaker, as the Nation is busily preparing for a gala celebration of its 200th birthday, it is my hope that we not forget another birthday to be celebrated in 1976. That year, on August 1, Colorado will mark its 100th anniversary as a State.

Colorado has come a long way since its "Rush to the Rockies" era in the 1860's. She now has the honor of being one of the leaders of the Great Plains in industry, agriculture, recreational, and educational facilities.

Denver, the State capitol, has earned its place as the "Queen City of the Plains" for its development as the industrial and social center of the area. From a boom town and supply depot for gold seekers in 1859, Denver has grown through stages to become the economic warehouse and shipping conduit for the western Great Plains from Canada to Mexico. Denver now services this western half of America's breadbasket with a majority of the consumer and industrial goods brought into the area.

Denver and Colorado in general afford some of the best recreational areas the United States has to offer. Millions of tourists each year enjoy its tremendous skiing, boating, fishing, hiking, and hunting. A spectacular array of scenic views are provided the casual visitor.

The people of Colorada are proud of their heritage and will undoubtedly put on a colorful and entertaining celebration for their State's 100th anniversary. Events are scheduled throughout the State and spectators from across the country will certainly be treated to a rare and exciting view of the past century of development in the American West.

One of the most significant events to take place in the history of Colorado was the location of a branch of the U.S. Mint there. This one act insured the continued existence of Denver as a commercial center of the western Great Plains, thus attracting even more industry to the Centennial State. I think it would be most fitting, therefore, for the U.S. Mint in Denver to take an active role in the centennial celebration.

Accordingly, I am today joined by the entire House delegation from the State of Colorado in introducing legislation to authorize the Denver Mint to strike a special commemorative medallion honoring the hundred years of Colorado statehood. Of course, all expenses of the Mint would be on a reimbursable basis so that the Colorado Centennial-Bicentennial Commission, in charge of supervising the State's celebration, would shoulder all costs associated with striking a special run of medallions.

I should also add that this bill I am today introducing is based on similar legislation enacted in the last several Congresses to commemorate other historical events of a national interest in this regard.

The bill sets a limit of 250,000 on the number of medallions to be minted and establishes a final date for striking of the medals as December 31, 1976. Sales of the medallions by the Centennial-Bicentennial Commission will help defray the costs of staging events throughout the State for all of the people to come and enjoy.

Mr. Speaker, Colorado has shared a great pioneer tradition with its sister States of the Union. Its introduction into the United States of America marks a significant national event which I feel the people of the entire country will want to help celebrate. At no expense to the Federal Government, we have an opportunity to see this celebration be a success.

My colleagues from Colorado and I join together in asking the House Banking and Currency Committee to respond to this opportunity by bringing our bill to the floor of the House at an early date.

THE AMERICAN PEOPLE OPPOSE NIXON BUDGET CUTS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RANGEL. Mr. Speaker, if President Nixon heretofore believed that the only Americans opposed to his proposed budget cuts in antipoverty and Great Society social programs were the underprivileged citizens directly benefiting from the programs, then it might very well be that he is sadly mistaken.

I submit for your attention and the attention of my colleagues, the results of a Harris survey that appeared in the Washington Post of February 26 entitled "Public Disagrees With Most of Nixon Welfare Cutbacks."

This is the first clear evidence that a majority of Americans are not fooled by the President's rhetoric, and that they support the continuation of the war on poverty.

The article follows:

THE HARRIS SURVEY: PUBLIC DISAGREES WITH MOST OF NIXON WELFARE CUTBACKS

(By Louis Harris)

The American people are not in agreement for the most part with the budget recommendations of the Nixon administration to cut back a number of long-established federal social welfare programs. The decision to eliminate the Office of Economic Opportunity, the coordination agency for the antipoverty program, for example, is opposed by 46 to 39 per cent.

The major finding of an intensive, special Harris Survey on the Nixon budget shows the public to be in favor of increased spending for such things as job training, rural electrification, Head Start and new hospital construction, even though a majority agrees, by 59 to 28 per cent, that "President Nixon is right in saying that inflation cannot be controlled unless federal spending is cut to the bone."

Between Feb. 14 and 17, a cross-section of 1,505 households was asked:

President Nixon has ordered a sharp halt in rises in spending by the federal government, pledging to keep spending at no more than $269 billions a year. How likely do you feel it is that President Nixon will be able to keep federal spending from going above that limit—very likely, only somewhat likely or highly unlikely?

[In percent]

	Total public
Very likely	15
Only somewhat likely	42
Highly unlikely	34
Not sure	9

Of course, one reason for the public's pessimism on achieving a ceiling in federal spending is that the public, itself, is inclined to oppose many of the major cuts proposed by the President.

To determine attitudes on specific budget recommendations the cross-section was asked:

Let me read you some of the areas of federal spending where President Nixon has proposed some major changes. For each, tell me if you tend to agree or disagree with what President Nixon has proposed. (Read list):

[In percent]

	Agree	Disagree	Not sure
Increase social security payments	70	25	5
Increase pay for military personnel to prepare for Volunteer Army	68	24	3
Increase federal aid for education to State and local government	66	26	3
Eliminate Model Cities program	48	31	21
Expand program to aid minority-owner businesses	48	38	14
Cut down farm price support paid to farmers	44	44	12
Cut back spending for urban renewal programs	43	42	15
Eliminate Office of Economic Opportunity, the agency running the anti-poverty programs	39	46	15
Increase spending for research into new weapons systems	33	68	9
Cut back loan aid under rural electrification	31	47	22
Cut back Job Corps, designed to help train disadvantaged young people	29	64	7
Place less emphasis on enforcing minority rights and more emphasis on enforcing rights of women	27	50	23
Eliminate the Headstart program, designed to help disadvantaged children prepare for school	25	69	6
Cut back on federal aid for building new hospitals	24	70	6
Cut back free milk in school lunch programs	18	79	3
Make older people pay more than they now pay for medicare	5	92	3

MILLIONS FOR DEFENSE BUT NOT ONE CENT FOR TRIBUTE

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. EVINS of Tennessee. Mr. Speaker, as we all know, there are many protests against the paying of reparations—tribute—to Hanoi, North Vietnam.

This is especially true in view of the fact that the administration is proposing to terminate, cut back and reduce vital programs of important domestic needs.

In this connection and because of the interest of the American people in this most important subject, I place my recent newsletter, Capitol Comments, in the RECORD herewith.

The newsletter follows:

ADMINISTRATION PROPOSAL TO PAY BILLIONS TO NORTH VIETNAM AS REPARATIONS ONE OF CRUCIAL ISSUES FACING THE CONGRESS

The Congress is faced with many difficult and challenging current issues—and one of the most controversial is the proposal by the Administration to pay billions of dollars in reparations to the Communist government of Hanoi—North Vietnam.

The issue is made all the more controversial because of the announced action by the Administration in cutting back and terminating many progressive legislative measures for our people at home—including the denial of funding of such programs by impoundment of more than $12 billion in funds earmarked for domestic needs.

The consensus of letters from constituents and statements by many Congressmen and Senators—both Democrats and Republicans is that priorities would be turned upside down if billions were given North Vietnam while domestic programs in education, health, economic development, housing, assistance to the needy, farm programs, student assistance, the school milk program for children, and even medicare benefits for our elderly, among others, are being cut back, emasculated or terminated.

The new Director of the Office of Management and Budget—Roy Ash—said at a recent Congressional hearing that the funds allocated for North Vietnam would be cut from domestic programs.

Already the Veterans Administration has proposed a cutback in disability compensation for Vietnam veterans at the very time that prisoners of war were being returned home—this was later rescinded temporarily because of the many protests from Members of Congress, veterans and citizens.

Mr. Ash on February 8 was asked this question while testifying before the Joint Economic Committee:

"Am I to understand that if there is a request for funds for assistance to North Vietnam, it means that it will have to come out of other programs included in the present budget?"

The answer by Mr. Ash:

"That certainly is our intention and expectation precisely as you have discussed it."

The Administration justification for these proposed payments to North Vietnam, explained by its chief foreign policy spokesman, Dr. Henry Kissinger, is that we should placate and encourage the North Vietnamese war lords to be peaceful and cooperative.

In the words of Dr. Kissinger:

"You should look at the economic aid program not in terms of a handout or ransom and not in terms of a program even of reconstruction alone, but as an attempt to enable the leaders of North Vietnam to work together with other countries, and particularly with Western countries, in a more constructive relationship and to provide in this manner an incentive toward a more peaceful evolution."

There exists a great reluctance in the Congress to endorse such an expensive and expansive program designed to rehabilitate the attitudes of North Vietnamese leaders who are responsible for the deaths of more than 46,000 Americans.

A great American once said:

"Millions for defense, but not one cent for tribute."

Your Representative subscribes to this philosophy. As a matter of fact, it is my feeling that we cannot afford billions for defense and billions for North Vietnam at the expense of shortchanging the vital needs of our people at home.

It is my information that although the United States hopes to disguise, to some extent, the assistance to North Vietnam through a multi-lateral effort involving other nations, our country will bear the brunt of the costs—paying the lion's share—because many of the same nations who refused the United States support in South Vietnam are now refusing assistance in rebuilding North Vietnam.

Reports of the total amount to be requested for North Vietnam appropriations range from $2 billion to $5 billion to $7 billion—even more—and the effort could well be to channel this assistance through some agency such as the Export-Import Bank by an indirect authorization in another attempt to bypass and circumvent the Congress and the Constitution.

Efforts to find out precisely what the Administration is committed to provide for North Vietnam have been unavailing and unsuccessful.

Congress also will be asked to provide funds for reconstruction in South Vietnam which, we can rest assured, will not be bolstered by any assistance from Russia or China. Many are asking why the responsibility for North Vietnamese reconstruction cannot be left to its allies while the United States continues to assist South Vietnam.

With the war over, the defense budget request is up by almost $5 billion—from $76.4 billion to $81.1 billion in Fiscal 1974.

The Congress will carefully scrutinize the defense budget which continues to rise, although the unfortunate and costly Vietnam War is over—and cuts and reductions are predicted, together with the setting of some priorities which favor the people of America.

RESULTS OF ABORTION LAWS IN EUROPE

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. HOGAN. Mr. Speaker, it has been nearly a month now since I introduced my constitutional amendment to protect the life of the unborn, House Joint Resolution 261, and daily hundreds of letters in support of my amendment pour into my office.

One of the most interesting and revealing of these thousands of letters came from Dr. S. G. Barber, of Newcastle University Hospitals, Newcastle, England.

Dr. Barber's letter points out some of the results of the various abortion laws in Europe. I think his letter is most revealing and I commend it to the attention of my colleagues.

The text of the letter follows:

NEWCASTLE, ENGLAND,
February 11, 1973.

DEAR SIR: May I offer my best wishes for the success of your proposed Constitutional Amendment for protection of individuals from conception. Many in the rest of the "Western" World hope you succeed!

The various abortion law reforms, particularly in Europe have not achieved the relief of suffering that had been hoped for. Several patients I have met rue the day they were "scraped".

As a physician with a separate Science degree in human reproduction, development and anthropology, I defy anyone to outline a fundamental biological difference between fetuses before and after the magic 28th or 40th week of gestation—apart from their mode of nutrition (of which the cardirespiratory changes at birth are a secondary feature).

I am glad you decided not to resign from Congress—and hope you will continue to speak for those of us who have a somewhat smaller and less awesome audience!

Yours sincerely,
STEPHEN A. BARBER.

ESTONIAN INDEPENDENCE DAY

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mrs. GRASSO. Mr. Speaker, recently we commemorated the 55th anniversary of the Declaration of Independence of the Republic of Estonia. The northernmost Baltic country, Estonia is a land where people yearn for the freedom and independence that was once theirs. On February 24, 1918, Estonia proclaimed independence from all foreign rule and won its freedom from Soviet Russia in 1920. Regrettably, that freedom was shortlived, and in 1940 Estonia once again found herself dominated by the Soviet Union. With the exception of a brief interlude of Nazi occupation between 1941 and 1944, Estonia has remained in the clutches of Soviet influence to this day.

History has been less than kind to the Estonians, who have inhabited their present territory for the past 6,000 years. Their quest for independence was thwarted by the Crusades of the 13th century, and the Estonians have been fighting subjugation from foreign nations ever since. In the 18th century the Great Northern War completely devastated the county and Estonia became a province of Russia.

The Estonians have always been able to recover and rebuild their country, which became an outpost of western culture and an important center of industrial activity in Eastern Europe. Every 5 years since 1869, music festivals are held which attract more than 100,000 people to hear choirs that range in size from 20,000 to 25,000 singers. The Estonians have contributed to world progress in many ways, including the development of the oil shale industry. In this industry, oil is distilled from oil shale to produce fuel oil, gasoline, asphalt, and other important chemical products.

Despite their achievements, Estonians have reaped few rewards while under Soviet influence. For more than three decades the Soviet Union has denied basic human rights to the people of Estonia. Yet, with great courage and national pride, Estonians continue to seek the liberty and independence that they have enjoyed during their brief glimpses of freedom. It is my hope that Estonians will once again be able to fulfill their dreams of freedom and self-determination.

OLDER AMERICANS ACT

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. LANDGREBE. Mr. Speaker, I wish to introduce a bill to extend and improve the Older Americans Act of 1965, as amended, H.R. 4813. Enactment of this bill would be a victory for those of us who are concerned about the well-being of the Nation's 20 million elderly persons.

This bill was prepared by the Department of Health, Education, and Welfare. It is similar to the bill the administration submitted last year, S. 3391. Although the Older Americans Act amendments finally passed by the Congress—H.R. 15657—included many of the initiatives originally proposed by the administration, the bill had objectionable provisions that caused the President to veto it. These included excessively high authorization levels, categorical programs which overlapped existing authorities and a provision legislating an unnecessary change in the organizational placement of the Administration on Aging.

It is now time for the Congress again to consider proposals to extend the Older Americans Act. The bill that I have introduced builds on the conviction that community resources exist that can be made to work for the elderly, and that community institutions can be made more responsive to the special problems of the aged.

These amendments in my bill would strengthen the State agencies and create areawide planning agencies on the local level. This local agency would assist the elderly in each area and formulate an areawide plan to create services or take advantage of existing services that would enable the elderly to meet their needs. The plan would build on the social services already available in a community, describing how they could be better coordinated to serve the aged. Federal funds would be provided to fund services that were not available, including nutrition, health, recreation, counseling, and transportation services.

The President's veto of the bill passed by the Congress last year was not a veto of programs for the elderly, but rather, the veto of a bill that was fiscally irresponsible and that contained a number of programs unrelated to the existing Older Americans Act on to the Administration on Aging.

In fact, the administration's support of programs and legislation for the elderly is clear. For example, under President Nixon, the budget for the Administration on Aging rose from $27.507 million in fiscal year 1969 to a budget request of $244.6 million for fiscal year 1974. In addition to these expenditures for services to the aged, I should note the projected fiscal year 1974 level of other benefits for the aged. The President's fiscal year 1974 budget reflects a total of $69.1 billion in income security benefits for the aged. This figure includes over $31 billion in annuities to primary beneficiaries and over $37 billion in benefits to aged persons who are not primary beneficiaries. These figures mean that roughly 20 percent of the entire Federal budget for fiscal year 1974 will be devoted to benefits for the aged who make up about 10 percent of our population. I will submit with these remarks tables which break this figure down. This level of income security for our Nation's elderly has resulted from the joint action of the President and the Congress and testifies to our shared concern in the problems of the aged.

I urge my colleagues to join with me in working for the speedy passage of my bill. The creative restructuring of title III that was proposed by the administration and adopted almost fully by Congress in H.R. 15657 is the heart of this bill, but it contains none of the objectionable features.

I urge my colleagues to join with me in extending and improving the Older Americans Act in a responsible and workable manner by supporting H.R. 4813 and helping to move it to early enactment.

I include the following tables:

TABLE K-3 —INCOME SECURITY BENEFITS FOR THE AGED

	Benefits (millions)			Percent change 1972–74
	1972 actual	1973 estimate	1974 estimate	
Covered employment:				
Social security (OASI) members	30,205	37,148	41,478	37
Railroad employees	1,865	2,173	2,293	23
Federal civilian employees	2,707	3,269	3,676	36
Uniformed services members	1,039	1,153	1,259	21
Coal miners' widows	97	166	158	63
Pubic assistance and other income-tested	2,168	2,179	2,671	23
Subtotal, cash benefit outlays	38,081	46,088	51,535	35
Medicare	8,363	9,090	9,819	17
Medicaid	1,726	1,477	1,679	−3
Other in-kind	394	522	497	26
Subtotal, in-kind benefit outlays	10,483	11,089	11,995	14
Tax transfers	4,300	4,730	5,590	30
Total	52,864	61,907	69,120	31

TABLE K-4.—ANNUITIES TO PRIMARY BENEFICIARIES IN CONTRIBUTORY RETIREMENT SYSTEMS: ANNUITY BENEFITS, BENEFICIARIES, AND AVERAGE PAYMENTS

	Benefit outlays (millions)			Number of primary beneficiaries (thousands)			Average monthly payments		
	1972 actual	1973 estimate	1974 estimate	1972 actual	1973 estimate	1974 estimate	1972 actual	1973 estimate	1974 estimate
Old-age and survivors insurance	19,630	24,064	26,731	11,172	11,686	12,226	148	180	183
Railroad Retirement Board	1,162	1,346	1,423	391	394	384	247	284	299
Civil Service Commission	2,399	2,922	3,292	562	618	649	355	394	423
Foreign service retirement	22	24	27	2	2	2	883	905	919
Total	23,213	28,356	31,473						

TABLE K-5.—BENEFITS FOR THE AGED EXCEPT ANNUITIES TO PRIMARY BENEFICIARIES: BENEFITS, BENEFICIARIES, AND AVERAGE PAYMENT

	Benefits (millions)			Number of beneficiaries (thousands)			Average monthly payments		
	1972 actual	1973 estimate	1974 estimate	1972 actual	1973 estimate	1974 estimate	1972 actual	1973 estimate	1974 estimate
Benefits to aged widows:									
Social security (OASDI) members	5,797	7,525	8,896	3,919	4,113	4,453	113	138	157
Railroad employees	403	497	522	282	284	286	117	146	150
Federal civilian employees	286	323	357	161	166	178	147	162	166
Uniformed services members	684	737	755	611	634	661	93	96	95
Coal miners	97	166	158	42	60	81	161	161	161
Benefits to aged wives of living retirees:									
Social security (OASDI) members	2,812	3,381	3,697	3,128	3,192	3,280	74	88	93
Railroad employees	282	309	326	212	213	214	111	121	125
Minimum benefit payments:									
Social security (OASDI) members	1,623	1,758	1,683	2,258	2,152	2,043	59	68	68
Railroad employees	18	21	21	16	15	14	93	118	125
Dependents of aged retirees: Social security (OASDI) members	360	440	492	565	587	624	53	62	65
Aged retirees uniformed services	354	416	504	70	75	80	421	462	526
Aged veterans	1,002	1,004	901	1,161	1,170	1,162	108	109	96
Medicare	8,363	9,090	9,819	10,600	10,700	10,700	66	71	76
Public assistance to the aged, including refugees and Indians:									
Old-age assistance	1,166	1,174	[1] 570	2,083	2,048	2,041	48	48	46
Supplemental security income			[2] 1,200			4,600			43
Medicaid	1,726	1,477	1,679	3,800	4,000	5,152	37	30	27
In-kind benefits to needy aged:									
Food	164	180	95	1,300	1,297	1,281	10	11	6
Housing	230	343	402	304	346	408	62	84	84
Tax transfers	4,300	4,730	5,590						
Total	29,667	33,571	37,667						

[1] Benefits for first half of year.

[2] Benefits for second half of year.

FREEDOM HAS A PRICE

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. SIKES. Mr. Speaker, it gives me pleasure to call to the attention of my colleagues the essay, "Freedom Has a Price," written by Cadet Staff Sergeant Mark W. Jordan, son of Mr. and Mrs. Winston L. Jordan of Route 1, Box 136, Crestview, Fla. Cadet Staff Sergeant Jordan is a member of the Junior Reserve Officer Training Corps Cadets of Crestview Senior High School and his essay has won the Freedom Foundation's George Washington Honor Medal Award. He is one of six winners throughout the United States. I think you will find his essay most impressive.

The essay follows:

FREEDOM HAS A PRICE

(By Mark W. Jordan)

The time worn cliche, "the best things in life are free," is hardly true. Just about everything has its price.

"I regret that I have but one life to give for my country," the trap was sprung, a young life snuffed out and an installment was paid on freedom. If we are to continue to be free, then we must continue the installments—for freedom indeed has a price.

The young men of todays R.O.T.C. programs, led by dedicated leaders who have themselves been tempered in battle, are following in the footsteps of the great men of our country who have paid the price of freedom.

While a small percentage of our youth indulge in the self destruction of drugs, while a small percentage rant against the "establishment" or for that matter any form of government, while a few led by some inane teachers ask the asinine question, "who am I," there are those whose feet are on solid ground. The hallowed ground tred by leaders such as Washington, Lee, Patton and countless others.

These young men many of whom are in R.O.T.C., know not only *who* they are, but *where* they are going.

Within no more than ten years this country will be led by these youths, these young men being taught leadership, duty, devotion to God and Country, or this nation given to us by the grace of God and the blood of the thousands who died to make and keep it free, will perish from the earth. In the words of Patrick Henry, ". . . forbid it almighty God." Yes, freedom indeed has a price and that price is measured in blood.

But there is hope. While the loudmouth few try to find themselves in the dark deadly fog of drugs, while the gutless cowards who refused to help their country loll about free, even aided by some senators and congressmen, while the whole lot of these try to disrupt our country, leaders are being made.

If we shall continue to be free, then there must always be those who will place their life on the line to insure it. When we run out of these men we will run out of freedom—for freedom indeed has a price.

COMMEMORATING HARRY S TRUMAN

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. EILBERG. Mr. Speaker, we were deeply saddened this past December when Harry S Truman, the 33d President of the United States died. All of us in the Congress, as well as the American people, and indeed, people all over this world, remember Harry Truman—a "not so average" man of the people.

We knew of his battles in life, of how he so valiantly overcame adversity after adversity, and we admired this man who so often took the measure of the most difficult decisions with that characteristic phrase of his after the task was finished, "that's all there was to it."

But there was so much to Harry S Truman, enough courage, enough determination, enough belief in America and our people to bring him all the way from a humble beginning in Lamar, Mo., to the Presidency of the United States of America.

Harry Truman knew war—from personal experience in World War I—and the decision to use atomic bombs to shorten the course of World War II and to save lives was, as he afterward said, "the toughest one of my life." Yet, as he said "Had we invaded Japan, millions might have died." It was a fateful decision, but Harry Truman was there to make it, and for that we can be thankful.

After the war, there was a difficult period of readjustment for the Nation—inflation, shortages, unemployment, strikes, but Harry Truman stuck to his course and helped to steer the Nation through it all.

The cold war descended upon the world, and Harry Truman met the challenge of militant communism from Greece to Korea. He saw to it that the people of Berlin would not be starved into submission, and he worked through the United Nations Organization to help build a better world for all mankind.

Mr. Speaker, all of us were so much richer for having had Mr. Truman as our leader during those fateful years—and, we are so much poorer now at his loss. Now, as we pay our respects to his memory, and as our Nation emerges from the long shadow of war in Southeast Asia, we may well recall the words of Harry Truman, thirty-third President of the United States of America:

> For it is all too obvious that if we do not abolish war on this earth, then surely, one day, war will abolish us from the earth.

DR. PAUL F. LANDIS RECEIVES VETERINARIAN AWARD

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. WHITEHURST. Mr. Speaker, recently a leading citizen of Norfolk, Va., a city I proudly represent and serve in the 93d Congress, received statewide recognition for his outstanding service and abilities in the practice of veterinary medicine. Dr. Paul F. Landis has long been one of the top veterinarians in Tidewater. His service and dedication have set a high standard for those who would follow in his footsteps.

At a meeting of the Virginia Veterinary Medical Association, Dr. Landis received the Virginia Veterinarian of the Year Award. It was reported in the Virginian-Pilot, one of the Old Dominion's leading newspapers, and I include it at this point in the RECORD. The report follows:

NORFOLKIAN TOP ANIMAL PHYSICIAN

FREDERICKSBURG.—Dr. Paul F. Landis of Norfolk was named Virginia Veterinarian of the Year at a banquet Sunday night during the annual convention of the Virginia Veterinary Medical Association and its Women's Auxiliary.

Dr. Landis, a small-animal practitioner and partner at the Dog and Cat Hospital in Norfolk, was presented the award by Dr. Preston M. Givens of Hot Springs, chairman of the selection committee.

Dr. Roger P. Link, president of the American Veterinary Medical Association, in remarks at the banquet, said "veterinary medical practice primarily is a service profession and we must change to satisfy the demands from a changing society."

Dr. Link discussed plans to train paramedical personnel to assist veterinarians.

Dr. Landis, a native of Pennsylvania, received his degree from the School of Veterinary Medicine at the University of Pennsylvania.

He came to Virginia when he began a five-year hitch in the Army at Ft. Story. He is married to the former Madge Taliaferro of Norfolk.

He began his practice in 1946.

Dr. Landis was the first president of the Tidewater Veterinary Medical Association and is a director and past president of the Virginia VMA.

Last October, he was elected president of the Southern Veterinary Medical Association.

He has for years served as Virginia's member of the House of Delegates of the American Veterinary Medical Association.

Dr. Landis was appointed by the governor to a five-year term on the Virginia State Board of Veterinary Medical Examiners. The term expires in 1976.

He is also Tidewater regional vice president for the Virginia Association of Professions.

Dr. Landis is on the board of directors of the Norfolk Society for the Prevention of Cruelty to Animals and is a past president of the Norfolk Kiwanis Club.

GUN CONTROL LEGISLATION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the CONGRESSIONAL RECORD an excellent editorial on gun control legislation appearing on Station WTRX, Flint, Mich., which merits careful consideration in legislative bodies in these difficult times. That editorial, given by the able president of station WTRX, Mr. Robert E. Eastman II, points out a sensible approach to criminal violence and criminal violence by firearms:

GUN CONTROL LEGISLATION

WTRX, Flint and the Nation are all stricken with grief and sorrow caused by the senseless shooting of Senator Stennis. We are all concerned about the alarming crime rate and the violent shooting of the Senator for just a few dollars. This shooting, once again, brings this problem to center stage. Our do-gooder liberals in Congress will be pressing hard for legislation to ban or severely restrict the ownership of guns. These anti-gun laws will do nothing but penalize the law-abiding citizens by taking weapons out of their hands and leaving the ownership of weapons solely in the criminals' hands. Why can't our lawmakers put the emphasis where it belongs? Why should the rights of the true sportsmen be diminished when they have consistenly supported conservation and proper gun training for our youth?

Why can't our "do-gooder" liberal lawmakers realize that it is those people who willfully use guns to commit crimes who are the ones who should pay the price, not you and I? WTRX would suggest the following remedies.

First, let us again, as a nation, legalize the death penalty for certain crimes. If when someone willfully takes the life of a policeman, elected official or citizen why shouldn't this person pay the ultimate price? WTRX believes that far fewer killings with guns would occur if it were made abundantly clear through the use of the death penalty that this kind of crime doesn't pay. WTRX believes that strong legislation is needed to force some of our liberal judges in giving the maximum sentence when any crime is committed with a gun. WTRX believes the time has come for society to start demanding that those criminals who commit crimes with a gun pay their debt to society and that debt should be equivalent to their crime, including the death penalty. Let us not restrict the rights and freedoms of the vast majority of us because we haven't been tough enough in the past on the criminals.

DR. ROBERT WILLIAM BAIRD—AN INVOLVED AMERICAN

HON. PHILIP M. CRANE

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 27, 1973

Mr. CRANE. Mr. Speaker, there is a great deal of discussion in the American society about narcotics addiction, about crime, and about race relations. While some use flamboyant rhetoric in their attempts to solve very human problems with grandiose expenditures of public money, others have taken important steps, at great sacrifice to themselves, to do something which will really make life better.

One such man is Dr. Robert William Baird. During the day he has a thriving medical practice in midtown New York. Every evening he works with narcotics addicts in Harlem, and in 15 years he has treated more than 1,000, ranging in age from 9 to 72.

Discussing this remarkable man in a Reader's Digest article, writer William Schultz notes that—

> Baird keeps a schedule that would likely finish anyone else. Up at 6:45, he works out for 45 minutes—lifting weights, shadowboxing, doing pushups—then practices voice for a half-hour (An old fashioned patriot, he sings the national anthem before 63,000 football fans at New York Jets home games). By 8 a.m. he is on his way to Flower and Fifth Avenue Hospitals to see his paying patients, then he works the rest of the morning at the Metropolitan Hospital Diabetic Clinic. Skipping lunch, Baird sees more private patients, makes late-afternoon hospital calls, then holds evening office hours.

Haven, which he purchased for his work with drug addicts, is a one-man narcotics clinic. In a field where cures are virtually nonexistent, where 98 of every 100 addicts returns to drugs, Dr. Baird has claimed an extraordinary success rate of 60 percent. He accepts no Government aid, but uses his own funds for his work.

Mr. Schultz points out that—

> Baird has no illusions that he can singlehandedly combat the drug explosion. Thus, every spare minute he battles to wake an apathetic public. He accuses fellow doctors of doing little to help. In speeches to teachers and parents he rips into his audiences. "Discipline—loving but unyielding—is the answer," he says. "You are not the kids' friend. You are a parent or a teacher, with very different responsibilities."

Dr. Baird has sought congressional action in the drug field, and has repeatedly charged the government of Communist China with involvement in the narcotics traffic. This charge, however, simply meets with indifference in Washington.

Men such as Dr. Baird are sacrificing their own lives to create a better and more decent society. All who are concerned about the problem of narcotics should carefully read the story of what one man who really cares can accomplish.

I wish to share with my colleagues the article, "Dr. Baird's Double Life," which appeared in the January 1973 Reader's Digest, and insert it into the RECORD at this time:

DR. BAIRD'S DOUBLE LIFE

(By William Schulz)

It is night in New York's squalid East Harlem. At 9:45, a blue sedan pulls up outside a four-story house at 222 East 116 Street, and a powerfully built man wearing a white medical jacket hops out. "Let's go," he says to the dozen or so people standing on the sidewalk, and they all file into the tiny, first-floor waiting room of Haven, an extraordinary one-man narcotics clinic.

For the next four hours, Dr. Robert William Baird will work with these victims of America's drug epidemic—a Vietnam veteran, a homeless girl of 16, a middle-aged laboratory technician, a surgeon's son. Rich and poor, white and black, they have one thing in common: they are addicts trying to go straight.

In 15 years, Dr. Baird has worked with more than 1000 addicts, ranging in age from 9 to 72. And in a field where cures are virtually nonexistent, where 98 of every 100 addicts go back to drugs, he has claimed an unheard-of success rate of 60 percent. Accepting no government funds, rejecting methadone as a "fraud that replaces one drug with another," the blunt, outspoken doctor has become a legend among those who have witnessed his work. A New Jersey narcotics agent calls him "a miracle man." A mother whose son was still an addict after thousands of dollars' worth of psychiatry says, "Dr. Baird wouldn't take a cent. But he gave me back my boy." Adds a 56-year-old addict who has been clean for three years, "The man saved my life. I love him."

Handsome, blond-haired Robert Baird was born 49 years ago in Newark, N.J., the son of immigrant parents. Raised in Brooklyn tenements, he financed his first year of college by washing dishes at the Waldorf-Astoria Hotel. When war broke out, he enlisted in the Navy, made officer, and saw action in the South Pacific. After the war, he completed his last three years of college in just two, and entered medical school in 1947, paying his way by playing bit parts in television shows. He took his internship and residency at Flower and Fifth Avenue Hospitals on the edge of East Harlem, and finished specialized training in endocrinology.

In 1956, Baird was asked to give a talk on diabetes to a New York City civic group. Afterward, a skinny, nine-year-old boy approached him timidly. The lad rolled up his sleeve, showed the doctor fresh needle marks and blurted out a tragic story. Turned on to heroin by a member of his church choir, he was now financing his habit by robbing neighborhood stores.

"Nine years old, and the kid is an addict," Baird thought bitterly. Investigating further, he learned that the boy wasn't alone. "There were thousands of addicts, *thousands*, and nobody was doing a damn thing." So Baird did something.

He opened an office in midtown New York, and quickly established a thriving practice. With money coming in, he bought a row house in Harlem, opened offices on the ground floor and moved in upstairs. Each day, he'd tend to his midtown patients; each night, he'd return to work with addicts.

A bachelor ("What wife would put up with a life like this?"), Baird keeps a schedule that would likely finish off anyone else. Up at 6:45 he works out for 45 minutes—lifting weights, shadowboxing, doing pushups—then practices voice for a half-hour. (An old-fashioned patriot, he sings the national anthem before 63,000 football fans at New York Jets home games.) By 8 a.m. he is on his way to Flower and Fifth Avenue Hospitals to see his paying patients, then he works the rest of the morning at the Metropolitan Hospital Diabetic Clinic.

Skipping lunch (just as he missed breakfast), Baird sees more private patients, makes late-afternoon hospital calls, then holds evening office hours. Squeezed in somehow are dinner, lectures, teaching assignments at two hospitals, work on a book on addiction, phone calls at all hours from addict patients or their anxious parents—and perhaps three or four hours' sleep.

Baird's first drug patient, 15 years ago, was the 16-year-old leader of an East Harlem gang. The youngster stayed straight for eight months—until his parents moved him to a "better environment." Away from Baird's rigid discipline, he slid back—the doctor's first failure.

Initially, there were more failures than successes. "I'd work with an addict a couple of times a week," Baird recalls. "When he seemed to be straightened out, I'd have him come in every week or two, finally every month. What I didn't realize was that the drug culture is so pervasive that an addict needs daily surveillance and therapy."

Every Thursday, Baird lectures to addicts coming to Haven for the first time. "There are no miracle solutions," he warns. "But you *can* kick junk."

One by one, addicts who have done it get up and tell their stories. A 25-year-old cab driver, his career as a policeman ended by heroin, says, "Here I am in a filthy hallway and my *friends*—other junkies—are holding guns at my head for my bread. Suddenly, it dawns on me, 'Man, you can't live much longer if you keep this up.' So I came to the doctor, and I went cold turkey. It's hell for a while, but it can be done."

A good-looking young black, hooked in Vietnam, tells of "living, not for my wife, not for my kids, but for junk. Here I was into black pride, and I'm mugging brothers and sisters. It was so disgusting that even I, an addict, couldn't stand it. Now I'm clean 30 days."

Anyone interested in joining Haven must attend three or four Thursday sessions to demonstrate his motivation. Once accepted, he is given non-narcotic medicine to ease the physical withdrawal. "It is a simple medical matter to detoxify an addict physically," says Baird. "But it takes skilled management over a prolonged period to detoxify him psychologically. I pull in the parents, or the husband or wife. Without their coöperation—their love, their discipline and, to put it bluntly, their survillance—the addict doesn't stand a chance."

The addict returns to Baird every weeknight for a year. With some, Baird is a firm but sympathetic father figure, cajoling, building up confidence. Tom,* a 19-year-old college student, has been clean for five weeks, yet is plagued by frightening flashbacks from bad trips. He tells of episodes in class when his teacher seems to melt, her eyes floating out of her skull. "I know, it's terrible," Baird says softly. "Call me when these come on. You can beat them. They'll become fewer and fewer with time. But if you turn back to drugs, you'll never shake them."

To the wealthy young kid who says his psychiatrist "told me it's my parents' fault," Baird is tough. "Listen, boy, it's *your* fault, and if you don't accept that, you can't possibly get straight."

And, occasionally, Baird must come across like a Marine drill instructor, Danny, a slender 17-year-old from a broken family, had been clean for a month when Baird spotted a fresh needle mark. Slamming Danny against the wall, he exploded, "What the hell are you doing?"

"That must be an old one," Danny mumbles.

"Listen, kid, you're not conning me. I know a fresh needle mark." Jabbing his finger at the frightened youngster, Baird demands: "Ever been in a morgue? They stretch you out on a steel table, and there's nothing on you except a cardboard name tag hanging from your big toe. Keep this up and you'll end like that. I'm pleading with you—I want you to live!"

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* All addicts' names have been disguised.

A month later, Danny is hanging on. He may slip back again. But if he is like most of Baird's patients, ultimately he'll kick the habit.

Baird has no illusions that he can single-handedly combat the drug explosion. Thus, every spare minute, he battles to wake an apathetic public. He accuses fellow doctors of doing little to help. In speeches to teachers and parents, he rips into his audiences. "*Discipline*—loving, but unyielding—is the answer," he says. "You are not the kids' *friend*. You are a parent or a teacher, with very different responsibilities."

At every opportunity, Baird appears on radio and television, or before Congress, to plead for antidrug-abuse action. In 1966, he told a Senate committee that there were 10,000 to 15,000 heroin addicts in the armed services. Pentagon officials laughed off the allegation. Not until 1971 did these same officials admit that there *was* a massive drug crisis by initiating an identification and treatment program.

It is 2 a.m., and Baird has just finished with the last of his addicts. Walking a visitor to his car, the doctor says, "It's so easy to get depressed. You look around you and see more junk every day." But then his eyes light up and he says, "Did you see Joey tonight? Clean for a month and a half, 20 pounds heavier, appreciating life for the first time in five years. You see things like that, and it's all worth it."

JOBS FOR RETURNING VIETNAM VETERANS

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. GERALD R. FORD. Mr. Speaker, the Michigan Chapter of the Associated General Contractors of America has addressed the following resolution to me and other Members of my State's delegation in the Congress, and I am pleased to insert it in the RECORD for the information of all my colleagues:

A Resolution seeking the assistance of the Michigan Congressional delegation to encourage the immediate letting of federal construction contracts to provide jobs for returning Vietnam veterans.

Whereas, a cease-fire in Vietnam is in effect; and

Whereas, a vast number of young men now serving their country in the armed forces will soon be returning to the continental United States; and

Whereas, many of these young men will be seeking jobs in various fields of endeavor and particularly in the construction trades; and

Whereas, both private and federal construction projects have been minimal during the last three years and particularly so in the state of Michigan; and

Whereas, the immediate letting of federal construction projects would provide jobs for many of our returning veterans and also for those people in Michigan's construction trades who have been without employment during these three years; and

Whereas, new construction would greatly assist in bolstering the economy of Michigan and the United States during the transition from a war economy to a peace economy; now therefore be it,

Resolved, that the good offices of the Senators, and Representatives of the state of Michigan be sought in a diligent joint effort to bring new construction and reconstruction into being as an economic factor.

FREEDOM OF INFORMATION

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. YATES. Mr. Speaker, in a significant act, the board of directors of the Public Relations Society of America has reaffirmed its resolution calling for freedom of information, which the board originally passed on April 25, 1952.

In the words of Betsy Ann Plank, chairman of the society—

Today there appears to be a renewed threat to that fundamental process of democracy and for this reason the 1973 Board is again underscoring its commitment to safeguard this freedom.

The resolution is as follows:

Whereas the free flow of information is essential to the protection and development of our democratic society and is possible only so long as are preserved the constitutional guarantees of the freedom of the press, radio, television, and other sources upon which the American people rely for information, and,

Whereas the denial of information about local and national government affairs to the people, in whose interest all agencies of government should operate and to whom all administrations are responsible, is a threat to our institutions, and,

Whereas the freedom of press and speech, hitherto considered inviolate and secure against government interference, is now a matter of deep public concern.

Therefore be it resolved that the Board of Directors of the Public Relations Society of America reaffirms its belief in the freedom of information and press as a basic principle of public relations and Americanism and authorize and direct the Society's officers to work zealousy to safeguard these freedoms, taking appropriate action for the Society, or in cooperation with other organizations dedicated to the same principles.

In a statement accompanying the 1973 resolution reaffirming the 1952 action, the Board said—

As an integral part of the communications industry, we believe that the free exchange of information, ideas, and opinions is a fundamental condition of a free society. We believe that the existence of a democracy is predicated on the ability of its citizens to make decisions and choices on the basis of unrestricted access to information. Essential to this access is the privacy in news gathering which assures the flow of information and the function of a free press to inform and serve American citizens.

More than ever before in our nation's history, individuals and institutions are striving to understand new forces and pressures and to communicate their objectives more effectively. Paradoxically, we are witnessing unprecedented threats which menace press freedoms and thus the free flow of communication essential to our American democratic process.

Mr. Speaker, Betsy Ann Plank—Mrs. Sherman V. Rosenfield—is the first woman president of the Public Relations Society of America, and I am proud to have her as my constituent. The society is the largest public relations organization in the world, being composed of 7,000 public relations professionals representing companies, industry associations, civic, governmental, military, health and welfare organizations, and public relations counseling firms.

Mr. Speaker, I congratulate the society upon its sound and forthright position. It comes at a most opportune time, a time when the first amendment to the Bill of Rights guaranteeing free speech and a free press is under attack. This resolution will serve a most constructive purpose.

MEDICAL CARE "RIP-OFF"

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. KOCH. Mr. Speaker, I think it is high time Congress and the present administration take a hard look at the problems in our medical care systems. The following is the fourth in a series of New York Daily News articles which I recommend to my colleagues on the subject of medicaid abuses in New York:

[From the Daily News, Jan. 29, 1973]

YOU DON'T NEED GLASSES TO SEE THROUGH THIS

(By William Sherman)

A News reporter with a medicaid card and 20–20 vision walked into a lower East Side optical center to have his eyes examined and discovered that what you see is not necessarily what you get. To put it another way, he got eyeglasses when they were not needed.

Accompanied by a News photographer posing as his cousin, the reporter strolled into Sol Moscot Opticians at 118 Orchard St.

Five minutes earlier at the Delancey Medical Building across the street at 80 Delancey St., an optometrist had examined the reporter, who was in the same guise, and said, "You have 20–20 vision. You don't need glasses."

Once inside the Moscot offices, the reporter was directed upstairs to the second floor, where he met a young receptionist at a desk and said, "I'd like to have my eyes examined."

"Are you medicaid?" asked the receptionist.

"Yes," he replied. The reporter had been issued a temporary medicaid card by the city as part of The News Medicaid Probe into abuses of the medical assistance program.

"Okay," she said, "give me your card and then go into that room and pick out the frames you want."

"I haven't had my eyes examined yet," protested the patient.

"Yes, I know, but it will save you and us time."

"Okay," said the reporter, and the receptionist escorted him to a rack of eyeglass frames.

Then the patient was directed to choose from the frames that the receptionist said "are for medicaid people only."

How Are Your Eyes?

He tried on a pair of thin brown frames without lenses and said, "I like these."

The receptionist then directed the patient outside into the waiting area.

Five minutes later, the door to a 5-by-10-foot examining room opened and a stocky balding man beckoned the patient inside and onto a chair in the back of the room.

"Ever wear glasses?" he asked.

"No," said the reporter.

"How are your eyes?"

"Perfect, I think."

"When was the last time you had them tested?"

"About four years ago."

"Okay," said the optometrist, Richard Fleissig. He turned out the lights in the room, shut the door and shone what appeared to be a tiny flashlight mounted on a thick barrel into the patient's eyes from a distance of about four feet.

Then he opened the door and directed the patient to read letters on a chart about 30 feet away.

TRY LENSES

The patient read the letters on three lines of the chart. Flessig put a model, or "trial," frame on the patient, and began slipping different lenses into the frame.

"Can you see better with these?" he asked.

"No, things look fuzzy."

"How about these?"

"No, not really."

Fleissig slipped in about three more sets of lenses and then the patient said he could "see better."

Fleissig handed the patient a piece of paper and said, "Give this to the people at the desk downstairs. Come back at 4:30, then you can pick up your glasses.

NEWS WILL PAY

On the way out, a woman measured the distance between the patient's pupils, and at 4:30 p.m. the reporter picked up his glasses.

The examination took about five minutes and, according to the medicaid fee schedule, will cost $8. The glasses will cost $10. The cost of both will be paid to the city by THE NEWS, if the Health Department finds that the charges were legitimate.

Later, the reporter went to the Optometric Center of New York, 122 E. 25th St., where the Health Department has medicaid patient's glasses examined.

Dr. Edward Johnston, an associate administrator of the center, examined the reporter for more than 30 minutes and gave an accounting of Fleissig's examination.

TESTS UNDONE

Johnston found the following, based on the reporter's experience:

Fleissig performed only about six of the 21 tests required under city medicaid regulations.

He tested for clarity at a distance but failed to test for near vision clarity.

He did not test for binocularity, or how well the two eyes worked together.

He failed to test for convergence, or the aiming of the eyes.

He failed to test for accommodation, or focusing of the eyes.

He did not take a proper case history.

Johnston also said that Fleissig did not check properly for pathology, a close examination of the eyes for abnormalities. Then Johnston carefully examined the eyeglasses themselves.

At the end of the examination, Johnston said, "I would not have prescribed you any glasses. In my opinion they are not necessary."

The reporter was not the only patient to receive unsatisfactory care, for Health Department surveys show that 50% of all glasses dispensed to medicaid patients since the program was begun in 1966 have been unsatisfactory. Surveys also show that about 15% of all optometric examinations performed on medicaid patients, 66.7% were unsatisfactory.

From 1969 through 1971, $18,129,082 was paid to optometrists, many of whom do their own dispensing. During the same period $2,176,751 was paid to ophthalmic dispensers.

Sol Moscot Opticians, the second highest biller for the first six months of last year, billed for $56,010. The highest biller was the Sterling Lens Co., and from January through June 1972, it billed the city for $95,224. A survey of Sterling's eyeglasses by the Health Department showed that of 66.7% were unsatisfactory.

Meanwhile, an investigation of Health Department records revealed that the reporter's optometrist, Richard Fleissig, had voluntarily suspended himself from the medicaid program on Oct. 31, 1971, after department investigators found that he was billing medicaid contrary to city regulations.

THE REGULATIONS

The investigation showed that Fleissig was not a self-employed optometrist, as required by medicaid regulations, but that, in fact, his office was part and parcel of Sol Moscot Opticians, which dispensed nearly all of the glasses Fleissig prescribed. After October 1971, Fleissig joined Moscot as an employee.

Stuart Laurence, an attorney for the Health Department, explained, "We have this law so that no pressure is created on optometrists to prescribe glasses for patients who don't need them or to push people through examinations to fulfill an obligation to an optical company."

Fleissig billed medicaid for $41,064 in 1970 and $43,491 in 1971, and during those two years Moscot billed for $184,210. They were billing separately for the services that, the Health Department said, they were providing as a unit.

Furthermore, a lease between Fleissig and Sol Moscot, which was in effect since December 1967, said, "The lessee (Fleissig) shall pay to the lessor (Moscot) 80% of any moneys received by the lessee from the city, state, or federal governmental agencies for payment for eye examinations of patients receiving medical aid from said governmental authorities. The remainder of such fee shall be retained by the lessee."

In addition, Fleissig agreed "not to charge any customer an amount in excess of $3 for an eye examination and to cooperate with the lessor in rendering such services to lessor's customers as he may be called upon from time to time."

After he "voluntarily suspended" himself from the medicaid business, Fleissig went to work directly for Sol Moscot. They no longer bill separately, and now Moscot bills for both the eye examination and the glasses dispensed.

Fleissig said he receives "free rent" in return for examining Moscot's medicaid patients. No action, other than a warning letter, was ever taken against Moscot Opticians.

TRIBUTE TO WINTHROP ROCKEFELLER

HON. RAY THORNTON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. THORNTON. Mr. Speaker, this winter has been a season of intense grieving for all of us in Arkansas.

When the air first chilled, we mourned the passing of President Harry S Truman, our neighbor from Missouri. When the holiday season came to a close, we mourned the passing of President Lyndon B. Johnson, our neighbor from Texas. And now—sadly, we mourn the passing of another distinguished leader and friend, our own former Governor, Winthrop Rockefeller.

In our efforts to preserve the memory of this fine man, we will talk about and write about his outstanding work to improve the quality of life in Arkansas.

We will note his achievements in the field of economic development.

We will note his achievements in the field of constitutional revision.

We will note his achievements in the field of governmental efficiency.

But, while we catalog his contributions as a Governor of our State, we must not fail to remember that he was, above all, a deeply committed, uncommonly compassionate advocate of social reform.

Although Arkansas was his adopted home, Winthrop Rockefeller served its people's needs with the special understanding of a native son.

NEWSDAY—A PUBLIC SERVICE

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RONCALLO of New York. Mr. Speaker, Newsday, the Long Island newspaper has performed a most important and valuable service, not only for the people of Long Island but, indeed, for the people of all the United States. In a series of articles, a team of outstanding reporters have traced the heroin trail from Turkey to France, Italy, and finally the United States. They have exposed the dealers and traffickers. They have brought one of the Nation's most serious problems to the forefront and are to be congratulated for their efforts. Mr. Speaker, I should like to insert the following article, "What Every Smart Pusher Knows," as it appeared in the February 21, 1973, issue of Newsday:

WHAT EVERY SMART PUSHER KNOWS

Why is it that some heroin dealers manage to stay out of jail even after they have become known to junkies, informants, police and every 12-year-old on the block? There are many reasons, including these three:

1. STREET SAVVY

"Anyone with any smarts can deal heroin for a long time and not get caught if he sticks to a couple of basic rules," one federal enforcement official said. "If he doesn't sell to strangers, he isn't going to be selling to undercover agents. If he always has someone else handle the stuff and stash it for him, he's not going to get caught for possession." These are not trade secrets. These are things that every street-savvy dope pusher knows. "A lot of them have been informants in the past, and they know a lot about how police operate," he said. "They know how much cops in an area can pay for a buy [without going back to the office for special permission]. If they know there's a $50 limit, they won't sell less than $55 worth of stuff. They know they can sell with impunity on Saturday nights and Sunday mornings because narcs don't like to work weekends any more than anyone else."

2. INEFFICIENT ENFORCEMENT

In the past year, the New York City Police Department Narcotics Division has been reorganized in an attempt to eliminate corruption and increase its effectiveness. One reason for the change was a report by the N.Y. State Commission of Investigation that said: "A study by the commission staff showed that during 1970, officers of the Undercover Unit of the Narcotics Division made 7,266 buys of narcotics, and made 4,007 arrests in connection therewith. In all these city-wide arrests made in a year's time, a total of only 4.9 pounds of highly adulterated heroin were obtained, or about eight ounces of pure heroin. The cash used by the police to make these purchases amounted to $91,197.50, over $11,000 an ounce. Surely, these [minor] arrests and seizures, at tremendous cost of manpower and actual cash outlay, have no impact upon the narcotics traffic in this city, and no impact upon organized crime."

3. THE COURTS

"One of the biggest problems that we have today is getting the pusher to trial . . . ," a BNDD official in Washington said. "If we spend $10,000 to make a buy, and indict him, we've taken our shot and he's back on the street, and maybe out waiting two or three years before he comes to trial. We've got 300 to 400 people here in the East who have heroin cases pending against them who are out [on bail] and still peddling dope. And when they do get sentenced, the average sentence is 48 months, so you can see it's a kind of merry-go-round . . . A full 18 per cent of the people charged with heroin sales are put out on probation, and our intelligence shows they are still out there dealing."

Mr. Speaker, that the problem is a serious one is evident and it is now time that we concentrate on eliminating this cancer which has stricken many American homes.

CAN WE HELP? YES

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ERLENBORN. Mr. Speaker, youthful enthusiasm is reputed to be short-lived, but the pupils at West Chicago Junior High School in West Chicago, Ill., have proved that their enthusiasm has the stamina to stay alive until the job is finished.

They had an assembly Monday afternoon—and I wish I could have been there—to hear an announcement that they have raised enough money to build two schools in the little community of La Vega Miguel, Guatemala. They have raised this money themselves, without the usual demands on local merchants or the usual handouts from their parents.

Raymond Kobald, the industrial arts teacher, started it when he read of the Peace Corps' plea for funds to build schools where there have been none, to build schools where illiteracy runs to 99 percent. Mr. Kobald got the assent of Duane Thayer, the principal.

They informed the youngsters of the problem and asked if they would help. Yes. Could the seventh and eighth graders of West Chicago raise $1,200, the amount required? Yes.

The Peace Corps had a long list of places around the world where schools are needed. The student leaders, remembering that many of their classmates are of Spanish extraction, voted for La Vega Miguel.

Mr. Thayer, the principal, and Mr. Kobald, the teacher, have been custodians of the fund. Not until Monday did they tell the young people that they had raised, not $1,200 which was the goal, but more than $2,400.

Twice the goal. Enough for two schools.

A teacher learned of the problem; an administrator posed the question, "Can we help?" The pupils replied, "We can," and they meant it.

IMPOUNDMENT OF REAP FUNDS HURT COUNTY FARMS

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. PREYER. Mr. Speaker, recently an outstanding newspaper in my district, the Mebane, N.C., Enterprise-Journal, contained an article explaining very clearly the impact of REAP funds on farmers in its area.

I think the article which follows demonstrates the wisdom of the House in passing legislation to require the Secretary of Agriculture to spend funds appropriated for this program:

IMPOUNDMENT OF REAP FUNDS HURT COUNTY FARMS

"The impact won't be felt this year, or the next year. It could be several years before we see erosion and things this program has prevented. It's not just important for the farmers, it's important to everybody that we protect the soil."

John Boswell is talking about how President Nixon's impoundment of Congressionally approved funds has finally come down home to the farm.

As Alamance County office manager for the Agricultural Stabilization Conservation Service (ASCS), Boswell administers—or used to administer—matching funds provided by the federal government encouraging farmers to practice good conservation.

Under the Rural Environmental Assistance Program (REAP) farmers grew vegetative covers, planted trees, practiced strip cropping, sodded water ways, and built small ponds to prevent water and wind erosion. The workhorse of the program was liming fields and such to grow good vegetative covers.

Now, however, "As far as we are concerned, the program is terminated. No funds have been released to us, so it isn't a program as of right now," says Boswell.

The 92d Congress appropriated $225.5 million for REAP. Nixon impounded all but $15 million of the program, and that small amount hasn't trickled down to the farmers yet, at least not in Alamance County.

In 1972, 700 Alamance County farmers received a total of $60,000 toward practicing good conservation. A farmer usually matches or pays more than half when he receives REAP help on a project.

"It won't put us in no strain," says William F. "Bill" Covington, one of Alamance County's big dairy farmers. "Some people it would. What it amounts to is that we may not have quite as good a cover crop to keep the soil from washing away."

Last year Covington more than matched the $1,000 he received from the federal government to grow vegetative covers and sod waterways on his 250 acres and the 300 acres he rents to herd his 280 beef and dairy cows.

Liming under REAP has always been strictly regulated to prevent its use in production. Lime could be used only on new pastureland, or land which would be used for pasture the next year. In some cases lime would be used on alfalfa, wheat, or other grains, but the next year the land had to be pasture.

In 1970 the federal government felt lime was being used too much in production and began to clamp down. Policy makers tried to shift the focus of the program even more to pollution abatement. One practice they encouraged was growing winter cover crops, such as crimson clover.

Another step in the water pollution fight also was begun in 1970. Farmers began receiving financial assistance to build holding lagoons near their dairy barns to prevent effluent from going directly into streams.

But now that is out, too.

"The effluent is a serious problem. They will still make us do something. But it will be rather costly and all at our expense," points out Covington, who has been receiving REAP funds for over 20 years.

Alamance County's 1,600 farms did over $19 million worth of business last year, and the loss of REAP funds shouldn't be a knockout punch.

But like Bill Covington says, "It's one more added thing like when they raised the feed costs. It's not going to determine whether a man stays in business. But if you add ten of those 'added things,' it mounts up.

'The public doesn't realize that even though farmers own the land, it's for the good of the public to keep the land in a good fertility condition."

POW RETIREMENT CREDITS

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BROTZMAN. Mr. Speaker, I am today joined by 19 colleagues in the House in introducing legislation to see that former prisoners of war will not have to sacrifice further for their service to their country. Originally, I introduced this legislation as H.R. 17070 and H.R. 17071 in the last Congress.

To date 164 American prisoners have been released by the Communist forces in Southeast Asia. They are on their way back to reconstruct their lives. For most the wait has been nearly 7 years since last seeing home and family.

Just now the tales of the Communist prison camps are beginning to leak out. Needless to say, no full accounting will be given by the returning men until all prisoners are returned and all missing in action accounted for by the Communists. We cannot know what physical abuse they have suffered at the hands of their captors, but we do know that most of those returning from the south have been drained by malnutrition and disease.

What effect will all of this have on the men as they attempt to pick up the thread of their life again? Medical experts are cautious about predicting the physical and emotional reactions of these men as they are taken from a harsh existence in Communist prisons and dropped in a hectic and demanding society such as our own. I have twice before cited medical findings before the Congress from studies conducted on those POW's who returned from World War II and the Korean conflict

If the same pattern holds true, these men will have suffered disease, malnutrition, and physical and emotional abuse. Such treatment will leave the returning prisoners with a lower life expectancy than that of the general American public.

Broken health or emotional instability will take time from which to recover. This time will be lost to these men in their efforts to catch up to those of their same age who remained in the United States. Thus, either the returning prisoners will find less time to accumulate retirement credits in a new job, or less time to enjoy the golden years of retirement itself.

I do not feel that we, in the Congress, can allow this to happen to these men who have given so much already for their country. Justice demands that they not be made to do so.

Accordingly, the bills which I have introduced would allow former prisoners of war to accelerate their retirement credits in either the armed services or the civil service system. This would permit them to "catch up," with their age group in the United States.

Let me give a brief explanation of how my proposal would work. A civilian or a man in the military who is captured by a force hostile to the United States in time of conflict is, of course, already entitled to receive straight retirement credit for all time spent in captivity, since during that time he is still in the service of his Government. What my bills would serve to do, in short, is grant double credit for all time spent in captivity.

This legislation applies to all former prisoners of war who were serving the U.S. Government during a period of conflict as defined by existing law. This includes those from both World Wars and Korea, as well as Vietnam.

Finally, one other point which has been brought to my attention is that such a system of double credit might be used to force retirement on a member of the military who does not wish it. Let me assure all who fear this that I will certainly support an amendment in Committee to correct this oversight on my part.

This legislation has the full support of the National League of Families of American Prisoners of War and Missing in Action, the largest group of its kind in the United States. From discussions with members of this organization, I have also discovered that my proposal is also endorsed in spirit by a majority of the men yet held captive by the Communists.

Mr. Speaker, I feel that the Congress must act soon to ease the movement of Vietnam POW's back into their careers and give them assurances that they will be able to enjoy a full and fruitful retirement. Accordingly, I ask both the Armed Services Committee and the Post Office and Civil Service Committee to hold expeditious hearings on this matter and to report my bills to the floor as rapidly as possible. Hopefully, before the last POW gets off the plane in California he will be able to effectively plan his future based on the successful passage of this legislation.

GUNS OVER PEOPLE IS A MISPLACED PRIORITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RANGEL. Mr. Speaker—

> Every gun that is made, every warship launched, every rocket fired, signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed.
>
> The world in crisis is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists and the hopes of its children.
>
> This is not a way of life at all in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron.

These were the words of President Dwight D. Eisenhower in a speech he gave on the military budget in 1953.

President Nixon's proposed budget calls for a $4.7 billion increase in defense spending. This fiscal policy is paralleled by the cancellation of funds for many "Great Society" social programs, including community action and legal services programs.

SANE, a citizens' organization for a sane world, is a group that has long advocated a more prudent and sensible defense policy.

I submit for your attention, and the attention of my colleagues, a SANE report on the proposed Nixon budget entitled "A Quick Hard Look at the Military Budget."

The report follows:

SANE REPORT, FEBRUARY 23, 1973

A QUICK HARD LOOK AT THE MILITARY BUDGET

The American military role in Indo-China is ending, relations with China and the Soviet Union are warming, and we are embarked on "a generation of peace". Yet, the military budget continues to mount.

Between 1946 and the middle of 1972, the United States spent $1.3 trillion on the military, and deployed 5,900 nuclear warheads—each warhead capable of destroying a city ("Peace, National Security, and the SALT Agreements," Bureau of Public Affairs, Department of State, August 1, 1972). But the Soviet Union has only 219 major cities.

The Administration is asking Congress to approve 1974 outlays of $81.1 billion for "national defense" (including the AEC and defense-related activities), a hike of $4.7 billion over the estimated 1973 spending level. Included in the proposed budget are funds for more strategic nuclear overkill—the Trident submarine, B-1 bomber, and conversion of land-based and sea-based missiles to multiple warheads.

The Navy wants to add a CVN-70 nuclear aircraft carrier to its fleet of 16 carriers. A nuclear aircraft carrier costs $1 billion without equipment or escorts, $3 billion equipped and escorted.

An estimated 56% of Defense Department funds will be spent on manpower. This reflects the top-heavy ratio of 1.7 officers and non-coms for every enlisted man, recent pay hikes, and very generous retirement pay for officers. Annual retirement costs are now approximately $5 billion and rising.

ADMINISTRATIVE BUDGET VERSUS UNIFIED BUDGET

When the $81.1 billion for "national defense" is added to the $11.5 billion for veterans and $24.7 billion for interest on the national debt (most of which is war-incurred), we see that *the costs of military programs and past wars* are:

Current military programs—$81.1 billion;
Veterans payments—11.5;
Interest on national debt—24.7; $117.3 billion (costs of military programs and past wars).

The total Federal 1974 budget of $268.7 billion includes the outlays of trust funds such as Social Security, the Highway Trust Fund, and Railroad Retirement. These trust funds were set up years ago to provide specific benefits (such as survivors' payments), and are financed by separate taxes. *Congress can regulate the benefits but cannot spend the money in these trust funds.* If the trust funds are not included in the federal budget, as was the case until 1968 (the former Administrative Budget), the budget looks like this:

Today's Unified Budget, $268.7 billion.

Money in trust funds: intragovernmental transactions, $69.6 billion.

Former Administrative Budget (funds Congress can spend) $199.1 billion.

In short, Congress can allocate only $199.1 billion in the next fiscal year.

When the $117.3 billion for military programs and past wars is subtracted from the money Congress can spend, here's what's left:

Funds Congress can spend, $199.1 billion.

Military program and past wars, $117.3 billion.

Funds available for all civilian costs of government, $81.8 billion.

Thus, in rough percentages, 50% of the money Congress can allocate would be spent under the Nixon budget on military programs and past wars, while 41% would go to all civilian costs of government. This represents a shift of only 1% from last year's 60% for military-related programs. While these percentages should be used as estimates, they do reflect the real thrust of the Administration's priorities. The Administration, however, hides this reality by taking credit for outlays from the long-established trust funds under the category of "human resources", by placing veterans payments under "human resources" instead of a cost of past wars, and by failing to acknowledge interest on the national debt as a cost of past wars.

Mr. George Brite of the Legislative Reference Service, Library of Congress, calculates the Administrative Budget every year for those Members of Congress who make such a request.

SOME MILITARY-CIVILIAN TRADEOFFS

The Administration proposes in Fiscal 1974:

A cut of $1.5 billion in elementary and secondary education, and expenditure of $1.7 billion for the Trident submarine;

A cut of $200 million in child nutrition for elementary and secondary education, and expenditure of $194.2 million for SAM-D missiles.

A cut of $86 million in federally-aided health training and education, and an increase of $92 million in Air Force research, development, test and evaluation.

A cut of $33.9 million for library resources, and an increase of $29 million for the B-1 bomber.

ILLEGAL ALIENS

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. KEATING. Mr. Speaker, today I have introduced legislation identical to a bill approved by the House last year to put teeth in the law against illegal aliens.

On March 6 and 7 House Judiciary Subcommittee No. 1 will hold hearings on this bill. It is my hope that the House and Senate will be able to agree on a bill this year. The bill which I have introduced makes it unlawful to knowingly hire aliens who have not been legally admitted to the United States. It provides a three-step procedure for penalties against the employers of illegal aliens.

During the hearings last year it was estimated that nearly 2 million illegal aliens are in America today. Among some of the effects of these aliens are the taking of jobs which would normally be filled by American workers, the depression of wages, and they are highly susceptible for exploitation due to their illegal status.

During our hearings we will hear from Members of Congress and the Department of Justice. The committee will insure that basic civil rights are protected. But the committee will act for this is an area where legislation is needed.

NOW MORE THAN EVER: EFFECTIVE PUBLIC SERVICE EMPLOYMENT

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. REUSS. Mr. Speaker, yesterday I testified before the House Select Subcommittee on Labor on H.R. 1415, my "jobs now" bill to provide 500,000 public service jobs for the unemployed, which was introduced in January and now has 85 cosponsors.

A list of the cosponsors, and the text of my remarks before the Select Subcommittee, follow:

LIST OF SPONSORS

Bella S. Abzug of New York.
Brock Adams of Washington.
Joseph P. Addabbo of New York.
Les Aspin of Wisconsin.
Herman Badillo of New York.
Alphonzo Bell of California.
Bob Bergland of Minnesota.
Tom Bevill of Alabama.
Jonathan B. Bingham of New York.
Edward P. Boland of Massachusetts.
John Brademas of Indiana.
John B. Breaux of Louisiana.
George E. Brown, Jr. of California.
Phillip Burton of California.
Charles J. Carney of Ohio.
Shirley Chisholm of New York.
Frank M. Clark of Pennsylvania.
John Conyers, Jr. of Michigan.
James C. Corman of California.
William R. Cotter of Connecticut.
Paul W. Cronin of Massachusetts.
W. C. (Dan) Daniel of Virginia.
George E. Danielson of California.
Charles C. Diggs, Jr. of Michigan.
John D. Dingell of Michigan.
Robert F. Drinan of Massachusetts.
Thaddeus J. Dulski of New York.
Bob Eckhardt of Texas.
Don Edwards of California.
Joshua Eilberg of Pennsylvania.
Walter E. Fauntroy of District of Columbia.
Hamilton Fish, Jr. of New York.
Daniel J. Flood of Pennsylvania.
William D. Ford of Michigan.
Joseph M. Gaydos of Pennsylvania.
Sam Gibbons of Florida.
William J. Green of Pennsylvania.
Michael Harrington of Massachusetts.
Wayne L. Hays of Ohio.
Ken Hechler of West Virginia.
Henry Helstoski of New Jersey.
Floyd V. Hicks of Washington.
Barbara Jordan of Texas.
Robert W. Kastenmeier of Wisconsin.
Edward I. Koch of New York.
Peter N. Kyros of Maine.
Robert L. Leggett of California.
William Lehman of Florida.
Ray J. Madden of Indiana.
Lloyd Meeds of Washington.
Ralph H. Metcalfe of Illinois.
Patsy T. Mink of Hawaii.
Parren J. Mitchell of Maryland.
John Moakley of Massachusetts.
William S. Moorhead of Pennsylvania.
Thomas E. Morgan of Pennsylvania.
John E. Moss of California.
Morgan F. Murphy of Illinois.
Lucien N. Nedzi of Michigan.
Robert N. C. Nix of Pennsylvania.
David R. Obey of Wisconsin.
Claude Pepper of Florida.
Bertram L. Podell of New York.
Melvin Price of Illinois.
Thomas M. Rees of California.
Peter W. Rodino, Jr. of New Jersey.
Robert A. Roe of New Jersey.
Fred B. Rooney of Pennsylvania.
Benjamin S. Rosenthal of New York.
Edward R. Roybal of California.
Paul S. Sarbanes of Maryland.
John F. Seiberling of Ohio.
James V. Stanton of Ohio.
Fortney H. (Pete) Stark of California.
Robert H. Steele of Connecticut.
Louis Stokes of Ohio.
Gerry E. Studds of Massachusetts.
James W. Symington of Missouri.
Frank Thompson, Jr. of New Jersey.
Robert O. Tiernan of Rhode Island.
Jerome R. Waldie of California.
Charles H. Wilson of California.
Lester L. Wolff of New York.
Gus Yatron of Pennsylvania.

TESTIMONY

Thank you for letting me testify.

I support H.R. 4204, sponsored by Rep. Daniels and by Education and Labor Committee Chairman Perkins. This bill continues the Emergency Employment Act—which the Administration intends to phase out by December 31, 1973—at a slightly higher funding level for two more years. I also support H.R. 3987, introduced by Rep. Hawkins, which would provide over one million public service jobs—though it may prove too much in terms of political realities.

My own "Jobs Now" bill, H.R. 1415, introduced in January with 85 cosponsors, would provide jobs at once for 500,000 people. It need not add a penny to the budget deficit. Its $3.5 billion annual cost can readily be found by plugging tax loopholes enjoyed by wealthy tax avoiders, as H.R. 967, my "Quick-Yield" tax reform bill, with 57 cosponsors, would do.

So my remarks today go, quite generally, to the need *now* for "Jobs Now".

IS UNEMPLOYMENT STILL A PROBLEM?

The overall unemployment rate is now 5.0 percent. While this is an improvement over rates close to 6.0 percent a year ago, we are still far from full employment, 4,366,000 workers cannot find jobs in this country; hundreds of thousands more are underemployed, or have been discouraged by long and unsuccessful jobhunting and are no longer counted among the officially unemployed.

The burden of unemployment falls most severely on certain socioeconomic groups: on the young, on blacks, on women. While the unemployment rate for white adult men is now only 3.2 percent, 1,152,000 workers aged 16 to 19 (or 14.3 percent of young workers), 857,000 non-whites (8.9 percent), and 2,131,000 women (6.4 percent) are out of work. The reason for this differential is obvious: young people, blacks, and women tend to be concentrated in unskilled or semi-skilled occupations—the labor categories for which there is the least market demand.

The composition of the labor force is changing. In 1957, adult males constituted 74 percent of the civilian labor force and 55 percent of all unemployed. In 1971, they accounted for only 67 percent of the civilian labor force, and 42 percent of the unemployed. Because "unemployment-prone" groups are growing as a proportion of the labor force, it will be increasingly difficult in the future to achieve and maintain full employment.

WHAT IS THE ADMINISTRATION DOING ABOUT UNEMPLOYMENT?

President Nixon's 1974 economic program completely ignores the Employment Act of 1946, which established as a national goal full employment with dollar stability. The fiscal policy outlined in the 1974 Budget promises to give us both excessive unemployment and excessive inflation for some time to come.

In the private sector, heavy and sophisticated industry is booming because of government subsidies on both the expenditure and the revenue sides. Government spending on armaments, ship building, space, even on the SST, is to continue at high levels. On the revenue side, tax subsidies to capital goods industries, notably rapid depreciation and the investment tax credit, are producing a second straight 14 percent annual increase in plant and equipment—a boom of overbuilding that may well lead to a bust.

Already, bottlenecks in the labor market are beginning to appear. Government incentives to capital spending have led to excess demand for skilled labor, bringing inflationary labor shortages in the heavy manufacturing sector. While unemployment affected 6.5 percent of all blue-collar workers in 1972, only 3.5 percent of machinists were out of work, and only 2.7 percent of mechanics. These bottlenecks bid up wages and prices, lower productivity, and worsen the U.S. balance of payments position.

In the public sector, meanwhile, President Nixon plans to phase out those programs aimed at providing suitable jobs for the less skilled (largely young, black, or female) who make up the great mass of our 5 percent unemployed. The Public Employment Program, OEO, Model Cities, economic development—all programs providing little jobs for little people—are frozen or terminated. Many education, health, and environmental programs which also offer service jobs to semiskilled and unskilled workers are drastically curtailed.

Thus, Administration policy cuts the programs that could put the unemployed to work, and pours inflationary fuel on the rapidly bottlenecking skilled-labor sector.

HOW DOES THE ADMINISTRATION JUSTIFY ITS POLICY?

The 1974 *Budget* discusses the termination of Emergency Employment Assistance as follows:

"Since the program began, unemployment has fallen. . . . Most of the remaining unemployed need more assistance than is possible under this program and they can be more effectively served by regular manpower training programs."—(1974 Budget, p. 131.)

It is true that the EEA is inadequate: at its peak, it provided only 185,000 jobs for 4,500,000 unemployed. But is this a reason to abolish the program? Such action is to refuse bread to a starving man, with apologies for not being able to provide caviar.

An additional irony is to be noted on page 250 of the Budget: manpower expenditures (excluding the uncontrollable trust funds) will be reduced in fiscal 1974 by about $1 billion. The Administration has left no room there to accommodate 4,366,000 unemployed.

Herbert Stein, Chairman of the President's Council of Economic Advisors, justified Administration policy before the Joint Economic Committee on February 12 in a different way:

"We have learned that the kind of employment provided under the public service employment programs is essentially the same kind of employment that is provided by state and local governments generally, that all we did was to provide them with a kind of revenue-sharing which they could use to spend for whatever purposes they had in mind which employed labor."

Yet when I asked another Committee witness, Edward K. Hamilton, Deputy Mayor of the City of New York, the following day whether general revenue sharing funds were sufficient to finance public service employment, he responded vehemently:

"Absolute nonsense, Mr. Reuss! . . . There is no possibility of funding these people with general revenue sharing."

NEEDED, NOW MORE THAN EVER: AN EFFECTIVE PUBLIC SERVICE EMPLOYMENT PROGRAM

H.R. 1415, the "Jobs Now" bill, would provide federal funding for 500,000 jobs at the state and local level at once.

Why 500,000?

First, with a 2-to-1 multiplier, creating 500,000 jobs in the public sector could bring an additional 1,000,000 jobs in the private sector, thus reducing unemployment to below 4 percent. With full employment, we could expect a $38 billion increase in Gross National Product and a corresponding $12 billion increase in federal revenues.

Second, creating 500,000 jobs for less-skilled workers, while relieving unemployment significantly, would not be inflationary. If coupled with repeal or modification of the Asset Depreciation Range system and the Investment Tax Credit, the measure would actually decrease inflationary pressure caused by skilled labor bottlenecks.

HOW DOES "JOBS NOW" IMPROVE ON THE EMERGENCY EMPLOYMENT ACT?

The "Jobs Now" bill will encourage state and local governments to come up with entirely new types of public service projects. A criticism made of the EEA by such disparate observers as Herbert Stein (quoted above), the National Manpower Policy Task Force, and the Urban Coalition, is that it merely substituted one relatively qualified bureaucrat for another at federal expense.

Of course, the EEA was implemented in great haste; many problems could have been avoided if the need had not been so urgent to provide jobs immediately. But there are three fundamental problems with the EEA which have limited the effectiveness of the program: (a) its small size, (b) its "transitional" nature, and (c) its confusing funding formulae.

a. The EEA provided a small number of jobs (185,000 at its July, 1972, high point). State and local governments had easily that many existing vacant slots—vacant because of lack of local funds. The first wave of EEA unemployed swept into these empty slots. On the average, EEA employed people with better than average education and with relatively short periods of unemployment. A 500,000-job program cannot help but have a different effect. State and local governments cannot possibly absorb 500,000 new workers into existing job slots or even job categories. New projects will have to be created.

b. EEA is triggered statutorily by a national unemployment rate of 4.5 percent (although President Nixon seeks to defuse it administratively at 5.0 percent). Knowing that EEA funds may be withdrawn at any time, state and local program agents have tended to put EEA employees in "easy-in, easy-out" jobs rather than to undertake far-reaching, long-term projects. "Jobs Now" has no such trigger and no such stop-and-go financing. It is not "emergency" legislation, as the 1971 Act was. "Jobs Now" is based on the belief that as long as people able and willing to work are unable to find jobs, there is a need for public service employment. Secure in their funding levels, state and local governments will feel free to undertake more significant and innovative programs.

c. Under the EEA, funds are allocated in three different ways: first, 80 percent of Section 5 funds go to all states and local units, "taking into consideration" the proportion which the number of unemployed in the state bears to the national number of unemployed (with a similar formula for local units within a state), second, the remaining 20 percent of Section 5 funds may be spent at the Secretary's discretion, and third, Section 6 funds are allocated to areas with unemployment rates of 6 percent or more. This complexity—made even more Byzantine by the Administration's "double-dip" implementation—has resulted often in unfair and ineffective distribution. The most notable example of this seems to be the "pilot programs," as in California and South Carolina, established at the Secretary's initiative to fulfill what are considered by some critics to be political rather than economic goals.

"Jobs Now" has a simple formula: all funds are to be allocated to the states (and within the states to localities) strictly on the basis of proportional unemployment. There will be no special Section 6 program, no discretionary funds for the Secretary. The formula will ensure that the most money goes where there is most need—to areas with the largest number of unemployed.

THE JOBS ARE THERE TO DO

The public service projects instituted to employ these jobless—an increasing proportion of whom are unskilled or semi-skilled—will not correspond to Mr. Stein's bureaucratic stereotype. Instead, they will be jobs in auxiliary police protection, education, anti-pollution, recreation, transportation, child care, health care.

I say it is wicked that a returned medical corpsman from Vietnam should be walking the streets looking for work at a time when the local hospital, desperately needing a medical orderly, lacks the wherewithal to hire him. It is self-defeating that our forests, federal and state, are going untended because we lack the junior foresters to manage them. It is ironic that the museums in our great cities are often closed several days a week because we lack auxiliary guards. It is criminal that teachers should be afraid to go to school because of violence in the schoolyard which the presence of a playground guard would prevent. And it would be shameful if many of the good federal programs eliminated in President Nixon's budget—Community Action Agencies, community mental health centers, social services—should have to fold when millions of unemployed ask nothing better than to work in them.

We heard a great deal during the last campaign about the "work ethic" and, in intended contrast, about "welfare scroungers . . . always wanting something for nothing." Why not give people a chance to get off welfare and on to a job?

There can be no doubt that in America, work has an importance far greater than its purely economic significance. A man's job defines not only his relationship to his community but even, to a large extent, what he thinks of himself. It is not too old-fashioned to say, simply, that a job in our society means dignity and self-respect.

So what does the work ethic really imply for public policy? It does not imply, as the Administration would say, that we should throw the unskilled unemployed on the mercies of a private sector which has no jobs for them. It does not imply that we should wash our hands of the federal government's statutory responsibility to strive for full employment without inflation. It does not imply that we should cut almost every major federal program providing jobs for the less skilled.

It does mean finding a job for every person who wants one.

It does mean actively helping families to get off welfare. It does mean showing the unemployed workers of this country that the federal government cares, that Congress, at any rate, is ready to go the extra mile and enact a truly effective public service employment program to provide jobs now.

And if anyone tries to impound the program, let's impound him.

DR. GEORGE E. MOORE TO TAKE CANCER POST IN DENVER

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. DULSKI. Mr. Speaker, Dr. George E. Moore, a distinguished cancer specialist and researcher, is closing out 20 years with the New York State Department of Health and will become chief of the oncology section of the Denver General Hospital.

Throughout his career with the State, he has been associated with the Roswell Park Memorial Institute in Buffalo, first as director and then as State director of public health research.

Dr. Moore will continue his research on cancer at the Denver Hospital, working closely with the University of Colorado School of Medicine. The hospital is operated by the city and county of Denver.

Dr. Hollis S. Ingraham, New York State health commissioner, has praised the dedicated research efforts of Dr. Moore and his role in Roswell's achievements. Roswell Park has pioneered in cancer research and is one of the foremost cancer institutes in the world. Dr. Moore has contributed significantly to Roswell research on this dread disease for which the world still seeks a cure.

Mr. Speaker, as part of my remarks, I include a newspaper column salute to Dr. Moore:

[From the Buffalo (N.Y.) Courier-Express, Feb. 23, 1973]

A FAREWELL TO DR. MOORE

(By Anne McIlhenney Matthews)

I agree that there should be more than a small salute to the retirement of Dr. George E. Moore, director of public health research for the State Dept. of Health since 1967 and a former director of Roswell Park Memorial Institute in Buffalo who is retiring from those posts after 20 years of service on March 14.

He will move to professor of surgery and microbiology at the University of Colorado School of Medicine and to chief of the oncology section of Denver General Hospital.

I agree because one of Buffalo's greatest newspapermen, Alfred H. Kirchhofer, said somebody should do a real farewell on Dr. Moore, who is chiefly responsible for the development of the world renowned cancer complex in Buffalo and who is going on to help start another such research center . . . (and who would question the legendary Kirchhofer—the great retired editor of The Buffalo Evening News?) Not me—says the mouse! (me). So here are some facts in a hail and farewell! . . .

Dr. Moore was appointed director of Roswell Park Memorial Institute in 1953 by state health commissioner Herman E. Hilleboe. Under his direction, with the support of local legislators and other public figures in Buffalo and successive state administrations in Albany, the institute expanded to become the second largest cancer research center in the world. It achieved international recognition for its creative approach to cancer research. More than 30 young scientists brought to the institute by Dr. Moore became department heads, professors or directors of institutions.

In 1967 Dr. Moore resigned the directorship of the institute to become director of public health research of the state health department. In this capacity he worked in association with state health commissioner Hollis S. Ingraham. He continued the surgical care of patients with complex problems and research on cancer cells, a field of special interest. He worked with the state health commissioner to develop new research programs related to public health.

Dr. Moore received wide public recognition for both his scientific and community activities. Several organizations designated him "Man of the Year." His development of the use of radio-active isotopes for the diagnosis and localization of brain tumors was awarded him the "Bronfman Prize" in 1964.

BROAD-BASED RESEARCH

Dr. Moore was known for the discovery of the use of radioisotopes to diagnose brain tumors, the long and continuing fight to reduce the health hazards of cigarettes, the establishment of the collaborative studies of surgical procedures and anticancer agents, and the development of special facilities for growing human white blood cells in the laboratory.

Under his direction the institute was quietly and firmly integrated many years before such activities became popular and the institute policy has remained one of equal responsibility, educational opportunity and reward for competence. He felt these accomplishments ranked with his role in the improvement of several cancer operations and the improved care of patients with anticancer agents and immune therapy.

Dr. Moore is the author of two books and about 500 articles, and has delivered over 800 special lectures.

Dr. Moore took pride in his directorship in the Manufacturers & Traders Trust Co. He remarked about the great disparity between banker and doctor jokes, but the similarity of "people problems" and the kinds of interaction that lead to good and bad judgments.

Dr. Moore commented that he and his family have always found Buffalo a very exciting community and an exceptional place for diverse outdoor activities. He expressed a sentimental attachment to their home in a canyon of the Boston Hills with its waterfalls and dense forest. He noted that they hope to revisit Buffalo and continue exploring the superb fossil beds of the community.

GOVERNOR WEST PROCLAIMS VIETNAM VETERANS DAY

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. DORN. Mr. Speaker, our great and good Governor of South Carolina, the Honorable John C. West, has officially designated today, February 27, 1973, as Vietnam Veterans Recognition Day. This special day is in honor of South Carolinians and, indeed, veterans throughout the Nation who served during the Vietnam conflict. The Governor has directed that special efforts be made by the State to provide jobs and educational opportunities for these Vietnam era veterans. As chairman of the Veterans' Affairs Committee, Mr. Speaker, may I take this opportunity to express our thanks and commendation to the Governor for this important proclamation. There is no more fitting and proper gesture of thanks and appreciation a grateful Nation and State could make to our veterans than to see to it that sufficient jobs and education opportunities are available for them.

Mr. Speaker, we pledge to Governor West, to South Carolina Vietnam veterans and our veterans everywhere our complete support, and again express our appreciation for the designation of February 27, 1973, as Vietnam Veterans Recognition Day in South Carolina.

CONSTITUENT QUESTIONNAIRE

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. THONE. Mr. Speaker, for my constituents I have developed a questionnaire which is somewhat unique. It will give residents of my district an opportunity to express their sense of priorities on most problems facing the Nation. From a list encompassing nearly all fields in which the Federal Government is involved, each voter is asked to list no more than three areas for which he or she thinks that Federal spending should be increased and no more than three areas where the individual feels that Federal spending should be reduced. The returns from the questionnaire will be compiled and will be published in a later CONGRESSIONAL RECORD so as to be informative and of use to its readers.

The text of the questionnaire follows:

CONGRESSMAN CHARLES THONE ASKS YOUR OPINION

Please check the appropriate box after each question. So that more than one voter per household can express opinions, his and her boxes are included.

Check the box describing where you live:
Farm
Town under 5,000
Town above 5,000

1. Do you favor adoption by Congress of the ceiling on federal spending proposed by the President even though it means cutting existing programs?
(a) Favor
(b) Oppose
(c) Undecided

2. Current farm support programs expire this year. Check the alternative you prefer.
(a) Extend present programs
(b) Enact more rigid supports
(c) Enact more flexible supports

3. Should the federal government turn over more of its responsibilities and financial resources to state and local governments?
(a) Favor
(b) Oppose
(c) Undecided

4. If prisoners are returned, missing in action accounted for, and a firm cease-fire is established, should the U.S. extend economic assistance to North Vietnam?
(a) Favor
(b) Oppose
(c) Undecided

5. Your views on specifics of federal spending are desired. Please list below no more than three areas for which you think federal spending should be increased. Also list no more than three areas where cuts in federal spending are most needed. Reduce spending or increase spending.
(a) Anti-poverty program
(b) Civil rights
(c) Combatting drugs
(d) Crime prevention
(e) Consumer protection
(f) Defense
(g) Education
(h) Elderly programs
(i) Farm programs
(j) Foreign aid
(k) Health and medical care
(l) Highways
(m) Job training
(n) Pollution control
(o) Public housing
(p) Rural development
(q) Space explorations
(r) Welfare
(s) (Other)

The letter accompanying the questionnaire reads as follows:

DEAR FRIENDS: Your views on important issues will be extremely helpful to me.

Congress faces many tough decisions in the months ahead. Day-by-day I will be voting on critical matters facing the nation. One of the important factors in deciding how to vote will be knowing how you and all others in the Nebraska First Congressional District feel about the issues.

Please spare me 2-or-3 minutes from your busy day. Answer the questions on the other side of this card and mail it to me. I will be most appreciative. If you will work with me, we can make this representative system a little better.

Sincerely,
———.

NEVER TO BE REPAID

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mrs. GRASSO. Mr. Speaker, the honor and respect of our country for the men and women who served in combat is expressed in some measure by the benefits provided for service and disability to veterans and their families.

The prisoners of war, like the wounded, can never be properly compensated for their anguish and their suffering. However, we can demonstrate our gratitude and our concern by legislation to assist them in their return from captivity.

Accordingly, I am today introducing and cosponsoring a legislative package of seven bills to benefit former U.S. POW's who are now returning from Vietnam. The two bills I am introducing include a measure which would give a one-time bonus of between $1,000 and $10,000 to each POW who was held for at least 30 days. The amount of the bonus would depend on pay grade, length of imprisonment and other factors.

The bills I am cosponsoring include a measure to freeze the present veterans' disability rating schedule and provide that any proposed changes will not be made without congressional approval. Another bill would provide each returning POW with 2 days of credit toward either his military or civil service retirement for every day of captivity. Other bills would provide certain per diem bonuses, waiver of import duties on household goods purchased overseas for one year after repatriation, extension of time allowed to leave their deposit in the Uniformed Services Savings Deposit program, and long-range psychological and physical health care benefits to POW's, even if they decide not to remain in the military.

Mr. Speaker, American prisoners of war have given so much of themselves through years of suffering and deprivation. Enactment of these bills would express in a meaningful way our Nation's deep appreciation for their sacrifice.

REMARKS ON VOCATIONAL REHABILITATION AMENDMENTS ACT OF 1973

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. LANDGREBE. Mr. Speaker, I am introducing today H.R. 4814, a bill to extend and revise the Vocational Rehabilitation Act, which expired June 30, 1972. These amendments would continue and improve one of the most successful Federal-State programs, a program that enables handicapped men and women to achieve economic independence through vocational rehabilitation. The bill that I am submitting today was developed by the Department of Health, Education, and Welfare. A summary of the major provisions of the bill is provided below.

The services provided under the Vocational Rehabilitation Act have a two-fold benefit. First, persons who directly receive services, benefit through enhanced independence, sense of dignity and self-reliance. Second, our society, which provides these services, benefits too. A handicapped individual may, during his lifetime, receive anywhere from $30,000 to $100,000 in public assistance payments when he is unemployed. But if this same person had an average annual income of $8,000, the same individual in a family of four would pay taxes totalling $42,000 over his or her lifetime.

The vocational rehabilitation program has been a very successful one, and its success is primarily due to three factors. The most important factor is the program's clear goal: the achievement of self-sufficiency through employment. Second, the program is cost-effective, as I have noted. Finally, a sound Federal-State partnership has developed in this program, one which gives the States a great deal of initiative in setting priorities and providing services.

The administration's strong support of the existing vocational rehabilitation program is reflected in these amendments, which would extend and strengthen the program, in the testimony of administration officials before the Congress, and in the President's response to the needs of the Nation's handicapped: In fiscal year 1969 the basic VR program was funded at $343 million, while the President's fiscal year 1974 budget calls for $610 million. This average—almost a doubling of VR funds under the Nixon administration testifies to the importance which this administration attaches to providing services to the Nation's handicapped.

As my colleagues know, the President vetoed H.R. 8395 the VR bill passed by the 92d Congress. The remarks I have just made and the fact that the administration is proposing to extend and improve the VR program show that the President's veto did not indicate disapproval of the vocational rehabilitation program. Rather, the President was disapproving the financially irresponsible, organizationally unworkable and programatically unnecessary provisions of H.R. 8395. The veto was demanded by the outrageous authorization levels, combined with a hodgepodge of nonvocational, medically oriented, categorical programs and legislative imperatives dictating the management of the program. In brief, the President's disapproval of H.R. 8395 was a matter of program and fiscal integrity.

I join with the administration and other friends of the vocational rehabilitation program in the hope that Congress will speedily enact legislation which would be responsive to the needs of the Nation's handicapped.

I urge my colleagues to join with me and the President in support of H.R. 4314 and in opposition to VR legislation which would be unacceptable to the administration.

TRIBUTE TO AZALEA QUEENS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ANDERSON of California. Mr. Speaker, a particularly beautiful time is rapidly approaching in southern California. The eighth annual Azalea Festival will celebrate the gorgeous azalea season in South Gate from March 9 to 17.

Two special ladies will make the festivities even more enjoyable.

Both the new Azalea Festival Queen, Mrs. Leland R. "Dorotha" Weaver and the outgoing Queen, Mrs. Bill "Alyce" Coleman will commemorate the azalea's beauty with their appearances at the week's events.

The Azalea Festival queen is chosen from the mature ladies of South Gate by a panel of judges on the basis of service to youth, home, church, and community. Both Mrs. Weaver and Mrs. Coleman are the epitome of women who have given much service to South Gate.

While Dorotha Weaver's late husband, Leland, was mayor and councilman of South Gate, Dorotha stood proudly alongside him. Mayor Weaver was one of the founders of the Azalea Festival.

Mrs. Weaver, for many years, joined her husband in the insurance business, so that Mayor Weaver could be free to work for the city.

Dorotha is a past Girl Scout troop leader and aided her husband with his Boy Scout troops.

But, most of all, Dorotha Weaver is loved and respected by the citizens of South Gate for her unselfish help to others.

She "does her thing" quietly so that no one will notice lest attention be called to herself. She is a brave, courageous lady, although she would be the last to think so.

As Dorotha begins her reign with the parade and other festival events, last year's Queen Alyce Coleman will watch and remember her experiences as queen. Particularly memorable of Queen Alyce's reign is her work with the city's beautification committee on all their cleanup campaigns.

Mrs. Coleman's year as queen began last year as her son, Walter Karstens Dods, and daughter, Mrs. Catherine Marie McPherson, came from northern California to watch the Azalea ball festivities. In addition, Bill, Jr., Mr. and Mrs. Philip Kerr of Downey, Queen Alyce's sister and brother-in-law, all shared the royal table with Mr. and Mrs. Coleman that evening.

Alyce is a most gracious lady and was a most gracious queen.

In addition to the Azalea ball and parade, the festival will include church participation in Azalea Sunday, participation by schoolchildren in art contests and programs, service club night, hobby night, a musicale, art show, theatre guild performance, and dinners sponsored by local civic clubs.

This year's "Golden Notes" festival is sure to be an exciting Azalea Festival under the leadership of Cochairman Wilbur Lunday and Robert E. Girardin.

The entire festival has developed since the South Gate Chamber of Commerce organized the South Gate Beautification Committee which selected the azalea as the city's flower.

Due largely to the efforts of the beautification committee, South Gate has received six awards from Los Angeles Beautiful; one national award from Keep America Beautiful, Inc.; and recognition from the California State Assembly. In 1972 South Gate received the coveted Silver Valley Kundsen trophy for best use of color from Los Angeles Beautiful.

Mr. Speaker, I am sure you will agree that the citizens of South Gate have much to be proud of in their Azalea Festival, and those community leaders, particularly their queens, who have made it so successful.

A TRIBUTE TO THE LATE U.S. SENATOR ROBERT S. KERR

HON. CLEM ROGERS McSPADDEN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. McSPADDEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following: A copy of an article by Joseph Kraft which appeared in the Washington Post, Tuesday, February 27, 1973, and points to the wisdom and foresight of the late U.S. Senator Robert S. Kerr of Oklahoma for predicting the economic boon to be brought about by the Arkansas River Basin navigational canal:

A RIVER—AND A STATE—REVITALIZED

(By Joseph Kraft)

LITTLE ROCK, ARK.—Headlong growth, bringing pollution and congestion and a riot of other ills, is visibly destroying many parts of the country along the Atlantic and Pacific coastlines. But how can growth be arrested in a country where the national ethic is to give maximum scope to individual initiative?

The answer is that instead of trying to restrict growth, it makes better sense to disperse it to less advanced parts of the country. A good case in point is the tonic effect on the area around Little Rock of the Arkansas River project.

That project has made the river navigable for 450 miles from its juncture with the Mississippi to Tulsa, Okla. Dredging and construction of 18 dams and locks cost an estimated $1.3 billion spread over 15 years beginning in 1957 with formal completion last year. During the 1960s the project became known as the "biggest pork barrel in history."

I remember flying over the project about 10 years ago with its most powerful sponsor, the late Sen. Robert Kerr of Oklahoma. The stream below us was a muddy trickle. Sen. Kerr stopped along the way to open (with a golden bulldozer) construction on various ports so obscure that I do not remember their names.

At the end of the day I asked an officer from the Army Corps of Engineers which was building the project whether it wasn't unduly expensive. "Hell," he said, "it would have been cheaper to pave the river."

But that judgment, which echoed my own sentiments, has been unsaid by the results. The river has been totally transformed.

The dams have stopped the silting, and with the sediment gone, the tiny organisms known as plankton have reappeared, reopening the river to the life-giving force of the sun. The river has become greenish-blue in color, instead of brown. Bass and other fresh-water fish, rare 10 years ago, are now abundant. A fresh-water shrimp, unknown before, has turned up.

The cleaning up of the river and the lakes created back of the dams has made the area exceedingly attractive for recreational purposes. Arkansas has become a magnet for retirees from Illinois, Missouri and Kansas. Many companies which value recreation highly in their choice of sites are turning toward the state. The town of Russellville, 65 miles from Little Rock, is one good example.

The Firestone Company is putting in a plant. So is a food division of the conglomerate company, International Telephone and Telegraph. Middle South Utilities, the chief power company in the area, is investing an estimated $300 million in new generating facilities.

Improved navigation facilities have quickened commerce throughout the area. Hundreds of thousands of tons of Arkansas rice and soy beans go down river and across the oceans to Europe and Japan every year.

Bauxite from the Caribbean feeds aluminum plants near Little Rock. Steel from Japan is building a new bridge across the river. Over last weekend, two new foreign auto agencies, stocked with cars shipped direct to Little Rock by sea, opened their doors here.

The result of all this activity is a mild population boom. This state lost population throughout the 1930s, the 1940s and most of the 1950s. With the Arkansas River project, the adverse trend has been turned around. Population is now back where it was in 1940—at about 2 million—and steadily rising.

No one in this state doubts that the project has paid off. "It has exceeded the highest hopes of all its sponsors by far," Dale Bumpers, the attractive and energetic young Democratic governor said the other day.

More important are the national implications of what has been done here. Ecologists and environmentalists cannot on their own check forever the pressure for more and more development along the coasts.

At best they can slow down the headlong growth. They can achieve full success only if the pressure for growth which comes from individuals and families and companies is channeled elsewhere, as it has been here in the Arkansas River Valley.

THE ECONOMISTS VIEW THE FARM

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ZWACH. Mr. Speaker, attempts by the State to regulate agriculture go back at least as far as ancient Egypt which held the theory that the production and sale of food should be regulated by the State for the benefit of the State.

Today we still seem to have the same idea in spite of its failures through the centuries. That philosophy is of no benefit to the food producer who is operating below parity level.

Mr. Speaker, with your permission, I would like to insert into the CONGRESSIONAL RECORD an editorial from the Renville Star Farmer: "The Economists View the Farm."

In the weeks ahead we will be discussing a lot of agricultural legislation and a new farm bill. I am sure this editorial by Tom Licklider will help my colleagues understand the problems of cheap food production we are facing.

The article follows:

THE ECONOMISTS VIEW THE FARM

The history of Imperial Egypt gives man the first recorded history of agricultural economics, under the theory that the production and sale of food should be regulated by the state for the benefit of the state.

The Roman Empire, and later England, sought to control agriculture with the same philosophy. And it wasn't until the 19th Century that nations began generally to give much thought to the idea of regulating agriculture for the benefit of the agriculturalists, with the resultant benefits thus accruing to the state.

Is the American philosophy of agricultural economics, after generations of stressing benefit to the farmer, turning now to the goals of the ancient empires? The words of two economists cited last week by Congressman John M. Zwach would indicate that trend.

Zwach referred to a report by the National Farmers Union that economics textbooks being used in many American colleges are teaching that farmers are not justified in parity support for their crops. One of the textbooks were quoted: "The remedy is not to provide the owners of the resources (farmer's) with price and income support—but to subsidize them to get out."

If the contentions made in textbooks are inserted for the sake of argument, that may be well and good. But economists have a disconcerting habit of reaching conclusions and then developing issues to substantiate their claims.

It can be presumed that subsidies help the consumer more than they help the farmer. If the consumer is willing, or able, to pay the actual cost of producing food there is little need to assume that farm subsidies are needed.

But the facts tend to point in the opposite direction. This has been evidenced in recent months as food prices have risen generally, in belated response to the inflation which has swept the nation for years. The cries which have come from consumers have been far louder than those of farmers during years of soaring costs.

Perhaps the economists see larger farms as the only means of providing low cost food during the years to come. If that is their conclusion, they will be hard put to develop any arguments to enforce their position. Any cursory study of contemporary economic trends will show that.

SEVEN MYTHS OF CIVIL DEFENSE

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. GOODLING. Mr. Speaker, considerable confusion exists in the minds of the American population with respect to the meaning of civil defense. Two few people know what it is, what are its objectives, and how it functions.

In order to dissipate this uncertainty that hangs like a heavy fog over this subject, Col. John E. Bex, director of the Region II Defense Civil Preparedness Agency, and a well-known constituent of mine, has written an article entitled "Seven Myths of Civil Defense," which appeared in the January-February 1973 issue of the American Journal of Civil Defense.

Because this is an informative and meaningful article, I insert it into the CONGRESSIONAL RECORD and commend it to the attention of all who are interested in gaining an accurate perspective on the true significance of civil defense:

SEVEN MYTHS OF CIVIL DEFENSE

(By John E. Bex)

In every field where information is not widely disseminated and the public is not well informed, myths tend to accumulate. Civil Defense has been peculiarly afflicted with such myths since it has been treated as a very minor affair and neglected for so many years. The result is a sort of vicious dwindling spiral, since the effect works both ways and neglect fosters myths which bring about still further neglect.

Any progress in stopping this dangerous downward tendency in Civil Defense requires facing squarely all of these myths and combatting them vigorously. In few fields has the discrepancy between myth and reality grown so great.

We can summarize this unfortunate mythology under the following general points which we will list before proceeding to discuss them in detail:

1. Civil Defense is an essentially futile exercise since if war doesn't come, it's unnecessary, while if war does come, it can't help enough to be worthwhile.

2. All efforts toward improving Civil Defense merely further increase the war danger since they are provocative.

3. With our huge defense budgets over the years, so many billions have already been spent on Civil Defense that everything reasonable and practical has already been done.

4. Civil Defense is a military affair of limited interest to civilians.

5. Civil Defense is a Federal Government show and whatever is to be done will be taken care of at the Federal Government level.

6. Civil Defense is concerned only with the effects of nuclear warfare.

7. The general public is uninterested in or opposed to Civil Defense.

Now everyone of these myths is false or a twisted half truth at best, yet each one is a major obstacle and acts as a really formidable roadblock against progress. Time and again you will run across these myths or fragments of them in the minds and public statements of not merely ordinary citizens, but high officials and national leaders as well. An adequate treatment would, for some of them, require many pages or separate essays; but let us dig in and cover the high points.

MYTH NO. 1

Is Civil Defense futile? War or no war, it is not futile. If war is to be avoided, Civil Defense can play an important role helping to discourage war. A strong Civil Defense system means that any aggressor will not be able to achieve victory in a single knockout blow, but must reckon with the consequences, perhaps long drawn out, of his actions. It adds weight to the counsels of caution and subdues the blitz-krieg fanatics.

Can Civil Defense actually be effective and make a difference? It most definitely can; and difference is in terms of millions of lives. In the American case, the difference between the loss of over 100,000,000 and less than 20,000,000 lives in the initial assault. (Eugene P. Wigner claims that the Soviet Union would lose less than 10,000,000 in these same circumstances due to its organized civil defense.)

Civil Defense is independent of the issue of pacifism, since it is non-aggressive passive defense upon which both pacifists and non-pacifists can agree. Its essence is simple survival. If anyone were asked to name the principle pacifist nations and international leaders of pacifism, Sweden and Switzerland would certainly appear on anyone's list. It is precisely these two countries which have developed the world's best systems of Civil Defense. Their systems are miles ahead of our own, and include things like deep rock blast shelters.

There is indeed a great hope and a good chance of avoiding nuclear war, but this can best be accomplished by taking appropriate defensive action and not depending on hope, drifting along. Men have complained of the burden and disaster of war since the time of Homer, but war has come. There is no guarantee that it will never strike again. We owe it to ourselves and to our civilization to ensure some sort of survival no matter how bad our luck may be. Mankind survived the attacks of the black plague in the Middle Ages which killed as much as one-third to one-half of the population in many regions. People didn't give up but went on living.

MYTH NO. 2

The example of the Swedes and the Swiss points up the falsity of the second myth, that Civil Defense increases the war danger by being a provocation. No reasonable person could accuse these nations of meaning to be provocative of war. They just intend to survive and have had the courage to face the unpleasant realities and take sensible, active steps to foster their own survival if worst comes to worst. Both reason and a sense of moral responsibility decree that we do the same.

Let us put the matter finally in these terms. Let us suppose that both Russia and the U.S. maintained the same total defense budget or perhaps reduced it at some constant rate each year. Consider case A where the proportions of that total budget for each nation were shifted away from offensive weapons and toward passive Civil Defense, and case B where the shift was made in the opposite direction. Which would be a better augury for peace?

MYTH NO. 3

According to myth three, since we've spent so much on defense, a lot of this must have gone for Civil Defense. Nothing could be more mistaken. Ask anyone who holds such a view what he thinks the percentage is which the Civil Defense budget represents of the total defense budget, just approximately. Keeping in mind that this is for the Civil Defense of over 200 million people, should one guess 10% perhaps, or maybe 5%? Such answers are not even in the right ball park, since the actual figure is approximately one-tenth of one percent. The annual Civil Defense budget has ranged around 70 million. The hard and simple facts of life are that we are unprotected today because we have not yet decided to undertake adequate programs, and spend the still fairly modest amount of additional money which is required.

MYTH NO. 4

Civil Defense is not a military affair at all, but it is run entirely by and for civilians from the National Director of Civil Defense down through the various regional, state, and local officials. It is of concern to civilians, or at least should be, since its whole purpose is to ensure their survival. It is a sad state of affairs for any normal, mentally healthy individual to be uninterested in his own survival, since survival is such an elemental instinct. But an external observer, like a man from Mars, would be almost forced by the available evidence regarding Civil Defense, to conclude that the mass of citizens of the U.S., the land of the free and home of the brave, had reached that strange state.

MYTH NO. 5

Myth number five, that the Federal Government is or should be taking care of everything in the way of Civil Defense for us, is completely opposed to the facts. The main responsibility and work for Civil Defense lies with the State and local authorities, where Congress has thought best to place it. The Federal Government's role is much more that of a coordinating and planning agency. The Federal agency does research, operates a national warning system, provides training and publications, makes grants of money and equipment, and makes suggestions and recommendations. But the substantive work of providing shelter, etc., to the extent that it gets done at all, must be done at the local level. Citizens must realize that Big Brother, on the whole, is not taking care of you, but will help you to take care of yourself if you and your local government officials are interested.

MYTH NO. 6

Civilian defense certainly originated as a response to the threat of nuclear warfare, but it has been considerably broadened since then, so that myth six is now widely at variance with reality. Responsibility for aid in all types of peace-time disasters such as floods, earthquakes, and the like, has long been an intrinsic part of Civil Defense. Active help has accordingly been given in many such disasters occurring in recent years, though the public has generally not been aware of the fact. In this respect, as in many others, one might well agree with one Senator who remarked that the public relations work of Civil Defense seemed to be about one generation behind.

This role of Civil Defense is growing. Logic and psychology both favor further developments in this direction. After all, the role of a general responsibility for disaster aid and prevention at the national level is still unfilled. But then the same might be said about Civil Defense itself insofar as any really adequate system is concerned.

MYTH NO. 7

Finally, let us consider myth seven, which asserts that people on the whole are either uninterested or opposed. This is a dangerous sort of half truth. Certainly evidences of apathy, if not actual hostility, are abundant enough. But then the people have never been told about Civil Defense. No serious effort has yet been made to get the message across. As a result, people are beter acquainted with the myths than the realities.

As a matter of fact, experience has shown that efforts which are occasionally made to break through this barrier of ignorance, silence, and misinformation are most rewarding. It turns out that people are interested once the facts have been correctly and properly presented to them. This shouldn't be too surprising.

After all, survival is everybody's business.

THE CHARLES L. HORN STORY

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. DORN. Mr. Speaker, the following superb editoral from the Minnesota Spokesman gives an indication of the wide-ranging contributions that Hon. Charles L. Horn has made to the cause of education and public service. At Clemson University, in my own congressional district, the philanthropy of the Olin Foundation, of which Mr. Horn is president, has been largely responsible for the construction of Olin Hall, Clemson's ceramic engineering building, and of Earle Hall, Clemson's chemical engineering building. Mr. Horn has played a leading role in the development of Clemson University as one of the Nation's leading institutions of higher learning.

Mr. Speaker, I call to the attention of the Congress the following editorial which is a splendid tribute to a great American, a true humanitarian, an outstanding business leader, and a warm friend:

THE CHARLES L. HORN STORY

The January resignation of Charles Lilly Horn from the Minneapolis Housing and Redevelopment Authority while expected for some time, came at a time when the public housing picture in Minneapolis and all over the nation was in a flux due to anticipated changes in federal guidelines and funding for agencies like the local authority.

If Mr. Horn whose keen insight and business experience could have been available for just a little longer, at least until the crisis is over it would have been much better for public housing in Minneapolis.

Nevertheless, if ever an individual earned a rest or relief from burdensome non-compensatory public duties Charles Horn did. His leadership of the urban renewal and public housing field for all of the 24 years in which he served on the authority helped earn for that body the reputation of being the best run housing, and redevelopment authority in the whole United States.

Horn a successful industrialist in his own right, a conservationist of national stature and president of the prestigious Olin Foundation, one of the largest philanthropic groups in America gave unstintedly of his busy life to seeing that Minneapolis developed an excellent urban renewal program.

Anyone who walks through downtown Minneapolis, and is knowledgeable knows how it happened that the downtown changed from incipient almost slum to an area of handsome buildings, housing thriving business concerns.

Horn and his colleagues on the authority, inspired by his dedication saw to it that downtown Minneapolis got a real break in urban renewal, through wise painstaking planning. He and the authority have never been given full credit for the job accomplished but this never bothered Charles Horn—getting the job accomplished was the important thing to him.

Hundreds of senior citizens living in well kept modern apartments, say a prayer every night for Charles Horn, one of them told this newspaper, because under his push and leadership Minneapolis developed hundreds of pleasant living spaces for its older residents.

A measure of a city, a community, a state or a nation is the manner in which it cares for its senior citizens. The older people of Minneapolis, many of them on modest pensions know that Minneapolis leads the nation in supplying living quarters at reasonable cost and most of them give Mr. Horn credit for his long interest in bringing such a program about. Minneapolis boasts the best senior citizens housing in these United States.

In a story in the Minneapolis STAR it was indicated by a reporter that some members of the black community had expressed some skepticism about Mr. Horn. To many hundreds of blacks and many thousands of whites too, this must have been really amusing in view of the record. For the facts are that Charles L. Horn has been in the lonely forefront for many years in the advocacy of opportunity for the black man. There were times years ago when his was a single voice against anti-Negro bigotry.

In the authority itself he was the chief advocate for the naming of Archie Givens, Sr. a successful black businessman to the agency. Along with Mr. Givens he insisted that a young qualified Negro attorney be given the position of first assistant to the housing authority director and in the number of promotions where black personnel moved up in the agency the fine hand of Mr. Horn could always be seen.

As a matter of fact way back in 1940, a full 32 years ago Horn insisted that he was going to operate a defense plant in Minnesota where the color of a man's skin was not going to prevent him from working at any job he could perform.

He did so well in keeping that promise at the Twin Cities Ordnance Plant, at New Brighton, that President Franklin D. Roosevelt appointed him to the wartime Federal FEPC which he set up to force war plant employers to hire blacks, after A. Philip Randolph and Walter White had threatened a March On Washington.

Horn's policies at TCOP changed hiring policies in most Twin City industry opening up job opportunities for minorities in many plants.

The first thing Mr. Horn did when he went to Washington with the President's Fair Employment Practices Committee was to point out the race discrimination in government employment and in private employment from offices and plants to such things as busses and street cars!

Over 20 years ago he pushed through a resolution in the Minneapolis Authority which set forth a policy of non-discrimination in housing in all buildings owned or operated by the authority which at that time was most revolutionary, because none of the big city housing authorities of that period appeared to have the courage to meet the race situation courageously.

During most all of the years Mr. Horn served on the Minneapolis Housing Authority, the agency has attracted topflight members because in the past the mayors who have appointed them have sensed that the public wanted high-grade individuals on the authority.

The agency has spent millions of dollars of public money without even a whisper of a major scandal of any type. The "wheelers and dealers" who have infested housing authorities and housing agencies in other cities have left the Minneapolis body severely alone, chiefly because of the "tough no foolishness" attitude of "Charley" Horn.

It is not often that a single man can afford to make such a contribution to society as has Charles L. Horn. We could name his interest in boys camps in the deep South, in colleges and schools, big and little but we think his great service to Minneapolis a city he loves, in a sense expresses the greatness of the man. For many years this city and Anoka, Minn., where his principal plant is located will be a monument to his dedication of making man's surroundings as he moves through life a better place to live and be. For this, our area owes Charles Lilly Horn, a hearty "well done" and sincere thanks for his great contribution to its well-being.

NATIONAL INSTITUTES OF HEALTH

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. PREYER. Mr. Speaker, I commend the following book review—as well as the book—to all of my colleagues who are interested in the Government's role in biomedical research with special reference to the National Institutes of Health. The first-rate book is by Stephen Strickland, and the book review is by Charles Kidd, formerly Chief of the Office of Research Planning at the National Institutes of Health.

I am especially pleased that it recognizes PAUL ROGERS, chairman of the Subcommittee on Public Health and Environment, as the worthy successor of Congressman John Fogarty and Senator Lister Hill as "Mr. Health" in Congress and in the Nation. All of us, in Congress, will agree wholeheartedly with Mr. Kidd's comment that PAUL ROGERS has "emerged as a thoughtful, solid, and effective congressional leader" of the new coalition on health.

[From Science magazine, January, 1973]

THE NIH PHENOMENON

Politics, Science, and Dread Disease. A Short History of United States Medical Research Policy. STEPHEN P. STRICKLAND. Harvard University Press, Cambridge, Mass., 1972. xvi, 330 p. $9.95. A Commonwealth Fund Book.

This book is the definitive history of a phenomenon unique in the history of science—the rise to political power of biomedical research. After World War II, what had been the National Institute of Health, a small-time microbiological laboratory, was transformed into the National Institutes of Health, a vast machine for the support of a nationwide biomedical research effort. Stephen Strickland has meticulously put together an absolutely first-rate historical account of the political aspects of this metamorphosis, with all of the pressure, tension, and personality affinities and conflicts involved. He has done this with a remarkable sensitivity to all the forces that were at work and with an evenhanded, skeptical, humorous, and penetrating understanding of a most remarkable cast of characters and series of events. I say these things with a high degree of confidence because over most of the years covered by the book it was my privilege to be the chief of the Office of Research Planning at the National Institutes of Health. Only those who were firsthand participants in the movement can appreciate the comic irony of that title. Planning research from that vantage point at that time was like controlling a meat grinder from the inside. Anyhow, it did provide day-to-day contact with many of the significant events chronicled in the book, and an opportunity to help shape some of them.

The central thesis of the book (to reduce a rich story to a threadbare outline) is that a set of strong forces combined after the war to produce a research program of great scope, scientific force, and effectiveness. These forces were—believe me, not in order of significance—Congressman John Fogarty and Senator Lister Hill as strong proponents in Congress; a strong lobby led by Mary Lasker; a brigade of extraordinarily persuasive scientists and physicians who understood the importance of convincing Congress of the power of biomedical research; a group of nonprofessional lobbyists who served the cause more for love than money; and James A. Shannon as the leader of NIH and the political spokesman for the academic community. One of the most amusing threads that runs through Strickland's account of affairs aptly traces the manner in which each of the major figures in the drama claims the central role.

Finding some critical remarks to make about the book has been difficult. The author might have given more emphasis to the ripeness of the scientific conditions in the years following the war. He does take the importance of "readiness" into account in dealing with the cancer chemotherapy program, but he does not generalize the point, which is an important one. The NIH expansion would have been a gigantic boondoggle if the biosciences had not been at the point where further scientific advances were possible over very broad fronts. Indeed, it is dangerous to use the NIH experience as a precedent for analogous efforts in other areas unless scientific readiness is carefully assessed.

In fact, scientific readiness was not assessed in the early days of NIH. It was simply fortunate that when the political steamroller went into action the field was ready, and, moreover, a large group of scientists left scientifically underemployed by the conclusion of the war could turn their minds and hands to biomedical research. Thus, the rapidly rising investment caused increases in scientific output rather than simply the inflation that would have been the consequence of pouring money into the work of a fixed number of investigators. One can in fact, as the current phrase goes, attack problems by throwing money at them, but it will go down a well if the basic preconditions for effectiveness are not present. In this connection, one thinks of the history of community mental health programs, regional medical programs, and recent experiments with elementary and secondary education.

The generally cavalier way in which NIH, safe from coercion or retaliation by reason of its allies outside the Administration, treated its nominal hierarchical superiors in the Department of Health, Education, and Welfare and the White House raises interesting questions related to the operation of the federal government. A thoughtful friend once scolded me gently after I had described to a university seminar the way NIH operated in defiance of the executive branch, the President, and the Bureau of the Budget. He said, "What would happen if all agencies operated that way?" The answer is, of course, that government would be in a complete shambles, rather than in its chronic state of substantial disarray. I felt a twinge of conscience at the time at being a party to such a subversion of orderly government. But since then, three conclusions have eased my mind: (i) government is likely to sit on its dead center if there are not occasional revolts in the hills, (ii) one need not worry too much that the grouping of forces required to produce the NIH phenomenon will come about often enough to subvert the government, and (iii) it is a relief to have a life-oriented powerhouse at work now and then to demonstrate that the general welfare is as important as the common defense. So if anybody or any group can put together a coalition that will do as much for the common cause, or for any special worthy cause, as the NIH coalition did, applause is in order—even at the risk of irritating the political satrapy.

One important aspect of the NIH story is missing from the book, that is, the ambassadorial role it played as the link between the world of politics and the world of science. On the one hand, NIH was head over heels in the political game that Strickland describes sensitively and accurately. The purpose of this frenetic activity was to get money. On the other hand, the people at NIH bore a heavy responsibility for nurturing a scientific enterprise of great significance. The record of NIH in using federal funds to foster science deserves the highest marks on all essential counts. Look at the record:

(1) Maintenance of a high degree of freedom for investigators and institutions while federal funds for them grew in absolute and relative terms.

(2) Sensitive awareness and judicious fostering of new scientific fields, such as physical chemistry and molecular biology.

(3) Establishment of the first institutional support grants.

(4) Maintenance of an adequate balance between the legitimate needs of institutions and those of individual investigators.

(5) Fostering of wide direct participation of scientists in the decision-making process. (This point alone is most significant in a general political sense. The peer review, "study section" device of assessing requests for support is a powerful means not only of securing broad participation but of ensuring the decentralization of decisions, improving communication within the system, and monitoring all aspects of its operation.)

(6) Deliberate efforts to diversify the medical science structure of the nation.

(7) Fostering basic medical sciences while operating a system based essentially upon a disease approach.

(8) Developing broad, integrated approaches to investigation through the establishment of research centers, while enlarging the scope of the system based essentially on the project grant to the individual investigator.

(9) Deliberate expansion of the manpower base for biomedical research, through expansion of fellowships and training grants.

(10) Avoidance of political interference with the operation of the system of support of science.

It was no minor accomplishment to guide such a scientific effort on the one hand while simultaneously engaging in the complementary political game on which Strickland concentrates. The pressures were often diametrically opposed. Speed, expansion, action, flashy public appeal, and the glamor of public figures characterized the lobbying effort, as was appropriate. The NIH contingent, led by Shannon, attempted to moderate or redirect the force of the more politically oriented lobbyists with a view to making the total effort more productive. This was an equally appropriate effort, but this objective view of the situation conveys no sense of the ferocity of the will of the two parties to prevail. The NIH staff, on whom fell almost the whole responsibility for designing the strategic elements of the scientific effort, had to act simultaneously as scientific statesmen, administrators, and political figures. Who did what in this complex arena would make an interesting book in itself. In fact, the two areas of effort—working out the policies essential to a sound scientific effort and getting the money to support the research—were not entirely separate. Take one example from among many that might be chosen. Congressional support for a large element of basic science was clearly essential if the total undertaking was to be productive. Yet most congressmen and senators were interested in the cure of disease and not at all concerned with the essential underpinning of basic work. I say "most" because Fogarty, Hill, and some others understood the role of basic research fully, and supported it. Their attitude, as Fogarty said to me one time, was, "We'll get the money. You fellows spend it." This was not *entirely* the case because, as Strickland points out, Fogarty and others in Congress did press for specific, focused support for research on disease entities. But these areas of support were a minor part of the entire budget; the NIH apparatus had and still has a remarkably free hand in deciding what to spend money on, and the conditions surrounding the expenditure of funds.

Lest I be misunderstood, it must be added that the institutes and the NIH director's office did not interfere at all with the "retail" decisions on who would get what grant. What the central apparatus at NIH did was to influence the "wholesale" distribution of funds by broad area. It left the specific "retail" decisions to study sections. There is a mode of operation that can reconcile the conflicting requirements that science be responsive to the general public will and that professional judgments determine the quality of the investigators.

How was congressional assent to the use of categorical disease funds for basic research to be secured? First, the record of the appropriations committees in both the House and the Senate was packed with testimony by persuasive and articulate scientists on the need for basic research. This helped. More important, a deal was struck with John Fogarty. Over the years a congenial accommodation was reached on the preparation of the reports of the House and Senate committees on appropriations—a document having the force of law and one which in the absence of authorization hearings actually substituted for substantive legislation. The deal was that Fogarty would insist on backing research on a series of specific diseases that had not been the subject of intensive research. (Here he and the lobbyists were right and the NIH view was generally too conservative.) In return, he gave NIH a free hand to write language supporting basic research, and within limits, setting the support levels for basic research. The NIH staff actually wrote the reports of the House and Senate appropriations committees for a number of years. In this capacity, the NIH staff scolded itself for lack of vision, urged itself on to new heights, made miscellaneous pronouncements on the state of science, and plugged for support of research on neglected diseases. Interestingly enough, the necessary lobbying with the members of the House and Senate, apart from Fogarty and Hill, was done by the extraordinarily effective lobbyists drawn together by Mary Lasker and the disease-oriented associations. The NIH role in Congress was confined almost entirely to working with Hill and Fogarty.

These observations on the times gone by are offered not to criticize Strickland's book for omissions but to indicate the kinds of thoughts that a good book can provoke. Anyone who has a serious interest in the relationships between government and science ought to read the book, not only to absorb history but to think upon the changing scene and the relevance of the NIH story to the present and the future.

The book concludes with an account of the enactment of the Cancer Act of 1971. But what an extraordinary conglomeration of people and pressures it took to stave off by narrow margins a series of strongly supported and potentially disastrous proposals. Senator Edward Kennedy and his staff, with an eye to political aggrandizement as much as to cancer research, proposed that a new National Cancer Authority be established under the direction of an administrator appointed by the President and confirmed by the Senate. A new Cancer Advisory Board would be established with an equal number of lay and professional members. Adoption of this proposal would have separated cancer research from the mainstream of biomedical research, and would have weakened NIH and thereby weakened the most effective structure for support of biomedical research that the world has ever known. The bill passed the Senate by a vote of 79 to 1, after Ann Landers, confidential adviser to some 50 million readers, at the request of Mary Lasker stimulated an avalanche of mail in its behalf.

Then the Senate action was upset in the House by a campaign that brought into action a new coalition. Paul Rogers, Chairman of the Subcommittee on Public Health and Environment of the House Committee on Interstate and Foreign Commerce, emerged as a thoughtful, solid, and effective congressional leader. The Association of American Medical Colleges exerted new strength as a spokesman for the academic community. Equally important, the scientific community was aroused and vocal. The new array of forces was basically different from the alignment during the '60's. Then John Fogarty's appropriation subcommittee both controlled appropriations and in effect wrote substantive law. In 1971, the legislative committee took control of the substantive decisions. The scientific and academic community took on the Lasker forces and won. The position of the White House was somewhat different during the two periods. Earlier the Administration simply opposed increases in appropriations for medical research on the scale proposed by Congress, and was routinely overriden. During the debate over the Cancer Authority, the White House wobbled so severely in a search for immediate political advantage that it had only minor influence on the ultimate outcome.

So the saga continues to unfold. The "heart people" will certainly seek parity with cancer research, and the other major disease entities will not be far behind. At this point it looks as if the cancer episode will initiate a new cycle of increasing federal appropriations for biomedical research after the doldrums of the last few years.

Finally, and this is a point which Strickland does not stress, biomedical research is now debated in the context of the full range of problems related to the maintenance of health—delivery systems, the economics of health, the development of an adequate cadre of health manpower, and so forth. From 1945 to about 1970, biomedical research was the major national health program. Over that period, the nation was in no mood to consider seriously the nature of the public responsibility for the health of the population, and how this responsibility might be exercised. Hence research was the happy beneficiary of a national aspiration which could during those times be expresed only indirectly and partially. This accounted in large part for the outpouring of funds through the federal government. Support of research was the only respectable way in which legislators could simultaneously respond to the desire of people to do something about disease and their aversion to anything smacking of—to use a quaint phrase—socialized medicine. Other avenues are now opening before them.

Note added in proof. The recent dismissal of the director of NIH, Robert Q. Marston, was an event foreshadowed by the extension of NIH activities into areas of direct concern to the President. However, Marston was dismissed apparently not because of policy differences but simply because he was appointed during the Johnson Administration. Some way must be found to recognize both that the director of NIH does indeed have broad policy responsibilities and that back-of-the-hand treatment of this post as if it were a routine administrative job can cause irreparable harm to an important national institution. The answer must be to establish by law new selection procedures and criteria for the position, roughly analogous to those governing selection of the director of the National Science Foundation. The entire problem should be thoroughly reviewed in congressional hearings. This is something the scientific community could help to bring about.

CHARLES V. KIDD.

DOUBLE BENEFITS IN THE TAX TREATMENT OF OIL AND GAS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. VANIK. Mr. Speaker, Monday, at a very enlightening panel discussion before the Ways and Means Committee, Prof. J. Reid Hambrick, professor of law at George Washington University Law School, submitted one of the most useful and constructive contributions given to the committee on the unreasonable tax advantages of the resource industries.

As Professor Hambrick states,

> We have two income tax systems. One for the oil and gas industry, and one for everybody else.

Professor Hambrick makes very modest and well-deliberated suggestions which should be carefully considered by the Ways and Means Committee and by the Congress. These recommendations recognize the need for more energy development and a tax system which will foster it.

Following is that part of Professor Hambrick's statement which deals with the percentage depletion allowance, and which I submit to the Members of this body for analysis and action:

THE ELIMINATION OF DOUBLE BENEFITS IN THE INCOME TAX TREATMENT OF OIL AND GAS PRODUCTION: FOUR MODEST PROPOSALS

(By J. Reid Hambrick)

I. INTRODUCTION

The producing segment of the oil and gas industry is the beneficiary of a number of very favorable advantages in the federal income tax. These include percentage depletion at the highest permissible rate, 22 percent of gross income from production; the privilege of deducting currently intangible drilling and development costs (which constitute approximately 75 percent of the total cost of drilling and completing a producing well); investment tax credits and depreciation for tangible well equipment; and the foreign tax credit. Percentage depletion allowances to the oil and gas industry allow actual capital investment to be recovered many times over, and duplicate *pro tanto* intangible drilling costs which are independently deducted, as well as depreciation deductions taken in respect of tangible well assets, since all of these are part and parcel of the well itself, the costs of which are supposed to be recoverable through the depletion allowance. Yet, no adjustments have been provided to prevent or mitigate the duplicate deductions which result. This situation is further exacerbated by the allowance of the investment tax credit for tangible equipment installed in producing wells. Finally, in foreign oil and gas operations, where the operating rights have been granted by the host country itself, those operations not only receive a credit against the U.S. income tax for the foreign income taxes paid, but are allowed percentage depletion in respect of production equal in amount to the so-called foreign taxes paid. Thus, percentage depletion is permitted on the same amount that represents in form a foreign income tax, adding up to another double benefit.

Percentage depletion and the treatment of intangible drilling costs are both open to attack as unjustified tax subsidies to the oil and gas industry. However, the recommendations in this paper will be confined to the elimination of double or multiple benefits. Whatever may be said in derogation of the special tax treatment of the oil and gas industry, it is believed that the deduction of the same dollar of costs, not just once, but twice or more, in computing income tax liability is beyond all rationalization or justification. A deduction of $2 or more for each dollar of costs of any kind cannot be reconciled with equitable tax policy or fair treatment.

The discussion which follows attempts to analyze the details of double or multiple benefits which should be eliminated.

II. DISCUSSION AND ANALYSIS

1. *Percentage Depletion.* The federal income tax has allowed percentage depletion in respect of oil and gas production since 1925. In the Revenue Act of 1926, which was retroactive to the beginning of 1925, percentage depletion was substituted for discovery value depletion which had been introduced in 1918. The objective of discovery value depletion was to provide an incentive for exploration and development of the oil and gas resources of this country. The basis for depletion was the fair market value of the oil and gas property, determined as of the date of discovery or within 30 days thereafter. This is the origin of the notion that the capital value of the producing property is the amount to be recovered through the depletion allowance, not merely the taxpayer's capital investment in the property. Thus, discovery depletion was the daddy of the multiple tax benefit. However, the advantages of the discovery method were limited to the taxpayer who undertook the financial risk of exploration and development and who was responsible for a new discovery.

When discovery depletion proved difficult to administer and degenerated into a public scandal, Congress switched to percentage depletion at the rate of 27½ percent. See Revenue Act of 1926, §§ 204(c)(2), 214(a)(9), 234(a)(8), 286; Staff of the Joint Comm. on Internal Revenue Taxation, Legislative History of Depletion Allowances, 81st Cong., 2d Sess. (Comm. Print 1950). The discovery method was continued in the 1926 Act for minerals other than oil and gas. During the ensuing years there was a gradual substitution of percentage depletion for the discovery method, culminating with the 1954 Code, when discovery value was supplanted entirely by the percentage method, with different rates for various minerals. The transition to percentage depletion for oil and gas in 1926 carried over the previous limitation on discovery depletion to 50 percent of the net income from the property, a restriction originally imposed in 1924. The 27½ percent rate was reduced to 22 percent in the Tax Reform Act of 1969.

Percentage depletion is allowable without regard to whether the taxpayer has recovered his actual capital investment or, indeed, whether the taxpayer ever had any actual investment in the deposit. In the light of this feature percentage depletion has been aptly called a "special deduction for imaginary costs. Eisenstein, The Ideologies of Taxation 123 (1961). Percentage depletion is a much more generous allowance than discovery depletion had been. The latter was computed in the same manner as cost depletion, except that the fair market value of the property on the date of discovery was used in lieu of actual adjusted basis of the property. When discovery value had been recovered through depletion allowances, no further deductions were permitted. On the other hand percentage depletion is an on-going, enduring allowance that may be taken so long as the taxpayer has any net income from the property.

The incentive effect that was implicit in discovery depletion was abandoned when percentage depletion was adopted. Landowners, for example, receiving royalty income, had not been allowed discovery depletion, because they seldom had any part in the exploration and discovery of a new producing field. Under the discovery method they had been limited to actual cost depletion, based on investment in the oil and gas rights in their land. Such a cost was typically nonexistent. Under percentage depletion, however, anyone receiving a share of the income from mineral production by virtue of having a capital interest attributable to the mineral in place is entitled to percentage depletion. Thus, royalty-owners, who had undertaken no financial risks in expanding the petroleum reserves of this country, were rewarded under percentage depletion with a handsome windfall. Even people in the oil business have confessed privately their inability to see the relevance of a so-called incentive for those who only stand and wait. Of course, there are many operators who likewise take no risks in the exploration of large producing properties. The layoff of risks is a standard feature of the industry, such as, for example, the familiar "farm out" transaction to secure the drilling of exploration wells at the financial risk of others.

It is fatuous to suggest that percentage depletion is an incentive to exploration and development, or that the country has received its money's worth in the form of exploration and development of our reserves that would not have been undertaken without it. The expansion of oil and gas reserves was assured by the rise of the automobile industry, which was a foregone conclusion in 1926 when percentage depletion was introduced. This was the only incentive that the oil and gas industry ever needed to spur its fantastic growth. Not to mention the excitement that follows the hunt for oil, the spirit of Spindletop that gets in the blood of every oil man.

Undoubtedly, there was incentive in discovery depletion, but it fell by the wayside when we substituted percentage depletion. This allowance is merely a means—one of several—of reducing the income tax contribution of the oil industry far below what it would otherwise be.

The "Depletion Survey, 1958–1960," released by the Treasury Department in 1963, indicated that for those years the excess of percentage depletion claimed by the oil and gas industry over cost depletion was about 95 percent! In other words, the depletion allowance claimed was almost 20 times what the allowance would be if it were limited to the actual adjusted basis in the properties. In 1960, of course, the rate was 27½ percent. Since 1969 the rate has been 22 percent, a reduction of 20 percent. Conforming the finding of the Depletion Survey to a rate of 22 percent, percentage depletion would now be approximately 16 times cost depletion! Percentage depletion at the 22 percent rate still recovers actual capitalized investment 16 times over! At a loss of revenue of more than $1 billion a year!

How can this enormous subsidy be justified? Why should this industry receive a handout from the U.S. Treasury on the magnitude of $1 billion a year? What benefits is the country deriving from this gigantic remission of revenues? We have always been told that percentage depletion is necessary to provide the incentive needed by the industry to maintain the oil and gas reserves of the country at levels sufficient to safeguard the national security! Now we are being told that we are facing an energy crisis of frightening proportions, and that it is more essential than ever to continue, if not increase, percentage depletion. Is this a credible claim? If we are approaching the limits of our domestic oil and gas resources, what is the sense of continuing an "incentive" to exploration and development? We don't provide incentives to anyone to extract blood from turnips!

One finds all discussion of percentage depletion for oil and gas stultifying. Any recovery of capital investment in excess of actual outlay is a curious anomaly, without rational support in any known principles of law, accounting, or economics. At that, what else is there to say? To understand the tax-pampering accorded the oil and gas industry, the careerist must look outside the field of his competence. For those whose sights are set on reason and justice, fair play and equal treatment of all taxpayers, for those who live out their days mulling over the legal aspects of federal taxation and pondering the social costs and benefits of alternative policies, the stubborn persistence of percentage depletion epitomizes the malaise that grips our country. It is apathy personified. It is a fortress of greed. It is national priorities gone awry!

On the other hand, for those responsible for fashioning practical compromises of conflicting interests, tranquilizing clashing groups in the society, for working our way out of percentage depletion, for example, they must necessarily use discretion. For them the first question will be whether readjustment is called for, and then, how much retrenchment will the industry accept. For the politician it is a delicate and probing task, and one that is in the highest service to his fellow man. My own view is that the industry may well be prepared to absorb another cut in the depletion rate. The time is not far off when the industry will perceive that its future is more jeopardized than helped by unjustified tax preferences.

Accordingly, I am questioning here the secondary aspects of percentage depletion, rather than urging its total repeal. Do the exigencies of our time make it imperative that the oil and gas industry recover its capital investment in producing properties 16 times over? Could this industry resolve itself to accept 10 times over? 12 times over? If, as the President insists in his recent Budget Message to the Congress, the elderly in our society, living on social security, must give up an additional $1 billion this year out of their meager incomes for the same health care they received last year, is it too much to ask the oil and gas industry to give up 16 times over for 10 times over? Have the national priorities gone that awry? Is our sense of values that warned? If so, it may be time to start building some fires!

Recommendations: It is recommended that the rate for percentage depletion in the case of oil and gas wells be reduced from the present 22 percent to 17 percent.

Alternative: It is recommended that the rate for percentage depletion in the case of oil and gas wells be reduced to 12 percent over a period of four years, with a decrease of 2½ percentage points each year.

Alternative: In the alternative, it is recommended that in the case of oil and gas wells—

(i) after the allowances for percentage depletion under § 613 aggregate an amount equal to 10 times the adjusted basis for depletion in respect of the property, determined under § 612 as of the first day of the first taxable year beginning after the effective date of the amendment,

(ii) no further allowance for depletion shall be allowed in respect of such property.

NIXON BUDGET IMPERILS WORTHWHILE LOCAL PROGRAMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RANGEL. Mr. Speaker, built on the streets ravaged by the Watts riots of 1965, the South Central Multipurpose Health Services Corp., serves as proof of the effectiveness and workability of Office of Economic Opportunity funded programs. This Los Angeles health center, one of the largest community-controlled centers in the country, serves approximately 400 patients daily, and brings some two and a half million dollars of revenue to the residents of the Watts area of Los Angeles.

Unless OEO continues its funding of this project, it will be forced to shut down. As the President claims victory in Vietnam and contemplates his election mandate, he acts to cut social programs and the people suffer. Bureaucrats and Presidential staffers may believe the White House gobbledygook that Federal moneys cannot and will not help people, but those who struggle to keep the Watts Health Center open, and all those Americans devoting themselves to helping less fortunate Americans know otherwise.

I submit for your attention, and the attention of my colleagues, an article that appeared in the Washington Post of February 26 entitled "OEO Cutback Threatening Watts Clinic."

There are people and programs continuing the war on poverty. It is up to us to see to it that they are given the fiscal support to keep on fighting.

The article follows:

OEO CUTBACK THREATENING WATTS CLINIC

(By Austin Scott)

The man who administers one of the largest community-controlled health centers in the country says it will have to close its doors to the depressed Watts area of Los Angeles after this week, unless it can pry some commitments about its future out of the Office of Economic Opportunity.

Clifton A. Cole, executive director of the $8.3 million South Central Multipurpose Health Serices Corp., said a shutdown would end services to an estimated 400 patients a day, most of them poor, as well as chop off a payroll that pumps more than $2.5 million a year into the pockets of citizens of Watts.

Cole said OEO Director Howard Phillips has given no definitive word on his overdue 1973 funding, despite inquiries from the state of California whose governor, Ronald Reagan, has in past years approved the OEO grants.

"I am pessimistic," Cole said.

Last August, before President Nixon announced his plan to dismantle OEO, Cole got a letter from the agency saying the center would be funded in 1973, although at a lower level of $5.4 million.

On Jan. 5, five days after his 1972 budget had run out, Cole got a telegram from OEO authorizing him to borrow $500,000 "to cover payrolls and other necessary operating expenses" through the end of February.

"The interest may be paid from your project grant monies," the telegram said.

Cole borrowed the money from the Bank of America. It is due to be paid back, with interest, on Wednesday.

Even though he visited OEO last week, Cole said, he has been unable to find out whether the center will be funded for 30 days, six months, a year, or not funded at all, or even allowed to borrow more money to keep its doors open.

"I've received no word whatsoever on how I am to pay the note," he said. "It's rumored that we will be funded month by month until June 30, when OEO goes out of business, but we've receive no formal communication of that fact and no evidence of any money . . ."

"No real mechanism has been set up for [that kind of funding]," he continued, "and if it follows the regular process it has to go through the governor's office and wait 30 days for approval. So we can't see any immediate relief from the situation until someone says something."

Four hundred patients a day use the center, most unable to pay private medical fees and needing a wide range of medical and dental services. About half its employees live in Watts, Cole said.

"I run out of money on March 2," Cole said. "Unless I have some relief, either borrowing additional funds or something, we will have to close down operations."

The only alternative, he said, would be to fire "more than half" of the 565 people on the staff, and no longer try to run a comprehensive health center.

The staff includes 22 doctors, 12 dentists, 40 nurses and 46 family health workers.

"We figured our budget in the community in terms of payroll to those residents runs a little over $2.5 million a year. That's money directly into the community."

Earlier this month, the center signed a $3.5 million contract with the state of California to provide medical services under California's "MediCal" program, a pre-paid group health plan for the poor that operates much like the Kaiser plan or Washington's Group Health, Inc.

But "Medi-Cal," which Cole hopes will expand to eventually serve 30,000 people, will be in jeopardy too if word from OEO doesn't come soon, he said.

Cole said he tried to see Phillips "through regular channels" when he was in Washington last week. "He's not seeing anyone as I understand," he said.

Asked yesterday for comment, Barry Locke, public affairs director of OEO, said he had no specific information about the center.

Cole said the uncertainty is playing havoc with the morale of his 565-person staff, and added that there is far more at stake than just their futures.

Founded in 1966, in the aftermath of the 1965 Watts riots, the center—commonly called the Watts Health Center—is the only one to transfer from its original sponsor, the University of Southern California, and become a private, community-controlled corporation.

That happened in 1970, when a 25-member governing board was picked, 17 of them residents of the Watts area, and the rest medical professionals.

Of the 20 board members currently serving, 17 are black and two are Chicano, Cole said, adding, "that seems to disturb the people up there [at OEO]."

The center was built on 103d Street, the section of Watts most heavily burned in 1965.

Large nearby areas have since been razed for urban renewal, and the center had planned to put up a new building on one of them. The series of 93 10-by-60 foot temporary modules that have housed it since its beginning only have about three more years of life in them, Cole said.

"Last year we were awarded a small Hill-Burton grant of $1 million to either revamp or replace our existing center," he said. "We've got private financing for $4.7 million. That's going to bring a $5 million construction project into the community, and in the contract that we've written with the developer, we have put in a very good fair employment practice clause that obligates the contractor to employ people from the community and to train them and upgrade them."

That, too, is being seriously-hampered by the center's uncertain future, he said.

On Feb. 12, Cole sent a letter to Phillips that began, "Our current financial situation is critical."

"Only minimum expenditures have been made since the beginning of the year pending the receipt of grant funds," it continued. "Vendors are requesting payment for their services . . . Our budget this year includes a substantial phase-out of federal grant dollars which we can adequately handle if the Medi-Cal contract is consummated, but we must survive until such time as that becomes a reality . . . We appreciate your immediate attention and an early reply."

That letter was never answered, Cole said.

On Feb. 20, he sent an almost identically worded telegram to Phillips.

"I have received no answer as yet," he said yesterday.

"The last word I had was on Thursday when I was talking to the person who has been our program analyst," Cole said.

"Verbally he told me they were planning to do some evaluations of the project and a couple of other things. I learned Friday from one of the other analysts that they are planning to do an audit of the program before they release any funds. But I have not received anything in writing. An audit normally takes four to six weeks."

Cole said he thinks the Bank of America "would be willing to give us a line of credit so we could have a cash flow if we could pay back the first note. But they have to have some indication from OEO that they are going to fund us."

He planned to contact the bank manager this morning, he said, to see if they could get an answer from OEO.

"I can't get anyplace," he said.

BRITISH COMMANDOS, TRAINED IN UNITED STATES, MAY BE USED IN NORTHERN IRELAND

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. JAMES V. STANTON. Mr. Speaker, as we enter the post-Vietnam era, the bloodshed that occurs in Northern Ireland continues to weigh heavily upon the conscience of the world. Along with many other Americans, I was dismayed to learn recently that British commandos who had been, and shall again, be used in patrolling Northern Ireland were training at the U.S. Marine base, Camp Lejeune, N.C. Defense Department spokesmen have indicated that these troops were here as part of a NATO exercise.

The current mission of these troops can in no way be construed as consistent with NATO's objective of repelling external aggression. I believe that for the United States to provide them with training therefore is totally unjustified and unwarranted. I find it particularly inappropriate that these troops reportedly were the first British troops to be quartered in America since 1812. The U.S. Government must never be placed in the position of training foreign troops who are involved essentially in police work in a domestic conflict.

In accord with this position, I am today introducing, along with Representatives ADDABBO, CAREY of New York and WOLFF, a concurrent resolution stating it is the sense of Congress that no troops of the NATO pact countries may be trained in this country, except for these troops whose mission is consistent with the with the purposes of the North Atlantic Treaty.

I hope that both the House and the Senate will act promptly upon this resolution in order that there will be no further actions on the part of the U.S. Government which may constitute an intrusion upon this volatile situation.

AID TO NORTH VIETNAM

HON. K. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. McKAY. Mr. Speaker, I believe that in light of the present domestic situation, and the administration's proposed budget cuts, the consideration of aid to North Vietnam is both premature and paradoxical.

I recognize that it is in our best interest to assure stability in Southeast Asia. Once hostilities have ceased, it may well be necessary to help in the reconstruction of Vietnam. But, I am not convinced, even now, that the military situation has been resolved. Prisoner exchanges are not yet complete and fighting continues in several regions.

The wide range of domestic programs suffering because of funding cuts makes aid considerations especially untimely. I cite the REAP program, REA, and RTA loans, and emergency FHA loans as examples of useful domestic programs which face stringent budget restraint. The President has cut domestic programs by nearly $9 billion. By his actions, Mr. Nixon has obviously established priorities for his spending, he feels North Vietnam should be rebuilt, while domestic programs are being cut.

My priorities are different, I feel that we should not rebuild North Vietnam at the expense of American domestic programs. Mr. Kissinger suggests that we may do both, but the administration's domestic cutbacks suggest otherwise.

I realize that we cannot close our eyes to the problems in Vietnam, North and South, but I feel that aid to North Vietnam should be preceded by an absolute end to the conflict and a thorough accounting of prisoners and MIA's. Furthermore, I feel that aid of this kind is unjustifiable in the face of domestic budget cuts.

VIETNAM SURVEYED

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. FRASER. Mr. Speaker, Swedish Prime Minister Olof Palme leads the government of a progressive, democratic sister nation. There are differences between our Nation and the Swedish nation. Recently, the most publicized difference is the political one between our two governments concerning the war in Vietnam.

Prime Minister Palme has spoken his mind on this issue. Some of his words have received widespread publicity. Others are less well-known and I thought excerpts from his statement of January 31, 1973 opening the general political debate of the Riksdag deserved a wider audience.

While there may be poltical, economic, and social differences between our nations, our two countries do share a very fundamental and basic belief in what we commonly call western values. These values are the bedrock upon which our societies rest. We ought not dismiss with petulance views expressed by political leaders of sister states sharing our value system. They may be wrong. But on the other hand they may be right.

VIETNAM SURVEYED

(Excerpts from Prime Minister Olof Palme's statement of January 31, 1973, opening the general political debate of the Riksdag)

At last an agreement has been reached on the cessation of hostilities in Vietnam.

We are now starting along the arduous and difficult road leading towards reconciliation and reconstruction. The many years of war have created bitterness and wounds which will take a long time to heal. The news of fighting during the last days has worried us all. But we hope that the killing and destruction will cease, that the children of Vietnam will be able to look up at the sky without fear, that the night will no longer mean terror and anguish but rest and quiet, that the days will no longer be filled with the clamour of war and fleeing refugees but with work in the rice fields, with the rebuilding of devastated towns and villages.

The war has been going on for many years. Its aftermath is terrible. Eight million tons of bombs have been droppd on Indochina since 1965. That is three times as much as the allied forces dropped on all fronts throughout the second world war.

How many have been killed and wounded we do not know with any certainty. According to American sources, the number of dead and wounded combatants was 2.8 million. The number of civilians killed in South Vietnam is estimated at 400,000, the number of wounded at 900,000. The war has made 8 million people in South Vietnam refugees in their own country. That is nearly half of the population.

The material destruction is tremendous. The ecological environment, that is to say the very conditions essential to human life, has been seriously damaged. 90,000 tons of chemical weapons have been dropped on Indochina. The bombing, the streams of refugees, the removal of people to strategic villages, urbanized and the growth of the slum areas in South Vietnam have shattered the social structure.

What remains is the will to live and to shape a future of their own. What remains is the solidarity and the will to resist, which aroused the admiration of the many visitors to Vietnam. The possibilities of creating a lasting peace are founded on this self-respect and dignity and on safe-guarding the terms of the agreement which has now been reached.

The agreement now signed correponds almost entirely with the preliminary agreement drawn up in October. The first article establishes the independence, sovereignity, unity and territorial integrity of Vietnam as already prescribed in the 1954 Geneva agreement. This appears to be the most important political issue in the long term. These are the principles the Vietnamese nationalists have always fought for, whether they have been communists, socialists, buddhists or members of any other movement. The principles were confirmed in Geneva when the long struggle against the French was over and the colonial power of France was broken in this area. These principles have now, once again, been confirmed.

By and large, the agreement means that we have returned to the situation that was created when the French left Vietnam. Consequently, this war has not only been cruel and destructive. It has also been meaningless. If the provisions of the Geneva agreement had been observed there would have been no war.

What now faces dismantlement, if this agreement is observed, is colonial power. After the second world war the French tried to re-incorporate Indochina into the French empire. They failed. Later developments meant that the United States took over a war the French had lost. The motives were different. But their allies in South Vietnam were the same as those who had backed up the French: the landowners, the privileged classes. Their adversaries were the same as those who had fought the French: Ho Chi Minh, the nationalist, the people who wanted land and bread. Therefore, the U.S. war became a war fought in the shadows cast by the past. It could never be won.

While colonial might had fallen, and while it was accepted elsewhere that nations became free and determined their own policies, their own form of government, the fate of the Americans was to take over the role of old colonial imperialism. The American entry on the scene meant that the process of liberation from colonialism and internal strife were drawn into the field of conflicting global interests. Whereas nearly everybody could agree that the British did the right thing in leaving India and the African colonies, that the Dutch were right in leaving Indonesia and the French in leaving Indochina and Algeria, it was much more difficult for the western democracies to dissociate themselves from American intervention in Indochina.

Criticism of U.S. involvement in Vietnam has been regarded as anti-Amercanism. The demand that the people of Vietnam be given the same self-evident right to national independence as gained by other formerly colonized peoples has been depicted as support of communist expansionism. If the United States left Vietnam, then European security would be in danger. Grossly inaccurate parallels were drawn with the situation of Europe after the second world war. But that meant that the support of a brutal oppressive regime could be presented as an effort to defend democracy. This has caused infinite damage to the ideas of democracy.

If this attitude had been applied in other parts of the world it would have meant that the West had remained and fought on the barricades of colonialism. Fortunately, it has not. The states which have gained national freedom have come to apply widely differing social orders. This fact has not been used as a reason for military intervention. It is not possible to compel by force a developing country to adopt a western social order. And it is still an illusion to believe that demands for social justice can be met with violence and military force.

The war in South Vietnam has been regarded as a attempt on the part of North Vietnam to force a particular kind of social order on another state. Such a view overlooks the fact that the war started as a revolt of the people against a hated oppressive regime. Moreover, this view implies in fact that, in conflict with the Geneva agreement, the provisional line of demarcation is regarded as a permanent political boundary.

Great efforts to mold opinion and a great deal of information has been necessary to * * * causes of a war which was gradually foisted on to the world, a war, which to start with practically unknown, which was gradually escalated and which was later defended on the grounds of the democratic ideals with which the United States is so rightly associated.

I should like to stresss the role played by the young people. They have made a tremendous contribution, been responsible for a political and intellectual spring-cleaning which augurs well for the future of a democracy. It is a clear-sighted and ideologically conscious younger generation which will shape the future. That is the main impression which should be in the foreground today.

The role of the popular movements, of the trade union movement and of the churches, should also be acknowledged. Thanks to them our efforts have been given breadth and stability. Journalists have also played an important part in giving the facts and analysing the situation.

The work done in enlightening the public has resulted in Swedish public opinion being united in its attitude to the war in Vietnam. This unanimity has been a source of strength when we have presented our views in the international field, when we have made our contribution to molding public opinion beyond our own borders, which has undoubtedly played an important role. The collecting of signatures, which was a concrete expression of national feeling, was an outstanding success. The far more than 2 million signatures show the massive support of the Swedish people for the demand for peace.

This unity is also one strength as we now do all within our power to assist in reconstruction work in Vietnam. One sign of this unity is the nation-wide collections being made for the people of Indochina and for the reconstruction of the Bach Mai hospital. For a number of years we have been co-operating in the field of aid programmes with the one side where the preconditions have been present for planning and practically carrying out assistance programmes on a larger scale. So far our assistance has been humanitarian. Now the conditions are being created for also extending reconstruction aid. Furthermore we are planning increasing aid in South Vietnam. I also hope that there will be a world-wide effort in this field.

Our unity and our openly expressed opinions on this question are also of importance when it comes to matters of principle, fundamental to our own position as a small nation. For the conflict in Vietnam has also concerned the right of a small nation to live and survive.

There is the risk in our time of a hegemony of the super-powers in the world. One divides the world into areas of interest and attempts to maintain the status quo. A small nation which tries to assert its own individuality and its particular interests in this order of things runs very serious risks. We have seen frightening examples of this both in the East and in the West. No one in this house has forgotten Czechoslovakia.

This is a development to which we, a small nation, must object. To keep silent about what has been happening in Vietnam could be interpreted as acceptance of the principle that the small nations of the world shall not voice their demands or assert their rights. Our united opinion on the conflict in Vietnam thus means that we have also upheld our own fundamental interests, our own demands for security.

We have not hesitated to speak our minds about the American policy in Vietnam. This we have done for reasons of humanity. This we have done also because we have believed that certain principles were at stake, principles that are important when considering how relations between states in a peaceful world should be and which, in the final analysis, are also important to our own security. They are principles we have consistently upheld in all quarters.

For a long time we have had differences of opinion—and grave ones—with the United States. The American government has chilled down our diplomatic relations. This was not our wish. Our wish is that normal diplomatic relations shall exist between us.

The people of Vietnam bleeds. Vietnam's fields, forests and villages are mangled and destroyed. But they have defended their country and their independence. For them, the war has not been meaningless.

They have shown us that human resistance is not broken by the massive attacks of technology, that also the terror of our time finally stands powerless, panting with exhaustion, shaking with its own impotence. Therefore, Vietnam's sacrifice has also a meaning for us. We have experienced similar events in our own civilization, such as the winter war in Finland in 1939 and the London blitz in 1940. Then we felt the same kind of admiration for a people's unbreakable will to resist.

The guilt of western civilization is great and the West will rightly fear the judgment of history. The way to national reconciliation may be a difficult task. We have to make peace with our own conscience, to try once again to give meaning and content to values, ideals and a civilization seriously damaged in Vietnam.

Therefore, and for the sake of the Vietnamese people, we must look to the future. The agreement—if it is observed—provides a good foundation for peace and reconciliation. Admittedly, the events of the last few days give us good reason to be apprehensive of the possibilities of applying the provisions. For the time being, we must confine ourselves to pinning our hopes on the sincerety of the parties and on their own interest in ensuring that the agreement is observed. One thing is plain: the long struggle of the Vietnamese people to free themselves from colonial dependence has gained significant success. It will, in the end, be crowned with victory.

ALLEN DALE RADIO POLL ON AID TO NORTH VIETNAM SHOWED 137 AGAINST AND 37 FOR

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. FISHER. Mr. Speaker, Allen Dale, a popular reporter who is heard daily on San Antonio's radio station KITE, has informed me of the results of a recent telephone poll he conducted on the subject of whether U.S. aid should be given

to North Vietnam. His letter to me, which contains the results of the query, follows:

> One of the big questions facing our Nation today is the post-war help we give North Vietnam. With this in mind, we let the listeners to our 'Conversation Society' voice their opinions on the question: "Should we as a Nation spend money to rebuild our former enemy North Vietnam?" In the two hours we were able to take 174 calls. 137 voted "No" and 37 voted "Yes."
>
> We advised the listeners that a tape of the show would be sent to the President of the United States and also to the Congress of the United States through you.
>
> This is just the voice of a small part of the United States but we think you will find it interesting.

NEW THREATS TO NATIONAL HEALTH EMPHASIZE NEED FOR PURE FOOD LEGISLATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BINGHAM. Mr. Speaker, on the first day of this 93d Congress, I introduced H.R. 323, a bill which would strengthen the powers of the Food and Drug Administration and enable that agency to guarantee a higher standard of food purity and safety to the American consumer.

Again, the urgency of this long overdue legislation has been brought to public attention. Regrettably, for the consumer, there have been several new incidents of food contamination.

This month, the Government Accounting Office exposed the U.S. Department of Agriculture for its failure to report food products which do not meet minimum quality levels prescribed by the FDA, thereby subjecting the public to possible health hazards.

Reports of food contamination have become more numerous and include the recent recall of canned mushroom and canned tuna. Unfortunately, 3,954 cans of mushrooms from the contaminated lot were already distributed in five States, including my home State of New York. Canned tuna distributed by Star Kist Foods was also recalled. It may cause influenza-like illness, according to the Food and Drug Administration.

These situations underscore the need for speedy enactment of tougher food processing and inspection legislation.

The newspaper articles describing these incidents are as follows:

[From the New York Times, Feb. 19, 1973]

CANS OF MUSHROOMS RECALLED BY FDA FOR BOTULISM CHECK

WASHINGTON, February 17.—The Food and Drug Administration reported Saturday night that an institutional-size can of mushrooms produced in Ohio had been found to contain the poison that produces botulism and that 29,500 cans of the product were being recalled.

The FDA cautioned users of large cans of mushrooms, such as restaurants and pizza parlors, to be alert to the brand names and codes of the lots being recalled. The mushrooms were distributed in New York, Pennsylvania, Ohio, Wisconsin and Illinois, the FDA said.

The aegncy said that the United Canning Company of East Palestine, Ohio, had discovered a swollen 6-pound 9-ounce No. 10 can on its warehouse shelves and that laboratory tests had shown that it contained deadly botulinum Type B toxin, which produces botulism.

None of 534 other cans of the lot still in the warehouse showed botulinum contamination, the FDA said, but the remainder—3,954—were being recalled from distributors. Ten other lots packed at the same time on Jan. 26 were also being recalled.

The lot from which the contaminated can came bears the code CJ3SA, stamped on the top and bottom of the cans. They were sold under various labels by a number of distributors.

The FDA said the codes of the 10 other lots processed at the same time as CJ3SA and being recalled "as a precaution" were CE3SA.

Botulism poisoning attacks the nervous system and is usually fatal. The poison forms when canned food is undercooked after sealing, permitting botulin bacteria to multiply in the absence of air.

[From the Washington Post, Feb. 24, 1973]

NATIONAL RECALL OF TUNA STARTED

Star Kist Foods has started a nationwide recall of more than 172,000 cans of contaminated tuna that may cause a temporary flu-like illness, the Food and Drug Administration announced yesterday.

Initial reports of outbreaks of the illness came Thursday from Ellsworth, Wis., St. Paul, Minn., and Mitchell, S.D. The FDA said the tuna was distributed to warehouses throughout the country and there was no immediate way of knowing how much of it is stocked on store shelves.

The cans are 6½-ounce containers of Star Kist chunk light tuna, and may be identified by numbers stamped on the cans. On the top line is the letter "G" and the last digits on the bottom line are either "D 419" or "D 417."

There are other numbers but only those mentioned are involved in the recall, the FDA said. Persons who have bought cans of tuna bearing those numbers should return them to the store where they were purchased, it said.

The illness starts a few minutes to an hour after the tuna is eaten. Among the symptoms are a burning sensation in the mouth, vomiting, dizziness and nausea. Recovery is usual within a few hours, the FDA said.

The agency said a preliminary inquiry indicated the contamination by a histamine-like substance resulted from improper handling of the tuna before packing.

The agency said information from Star Kist Foods of Terminal Island, Calif., indicated the product was distributed to warehouses in Hopkins and St. Paul, Minn., Glouster City, N.J., Kansas City, Mo.; Mobile, Ala.; Chicago, Billings, Mont., and Milwaukee, Ore.

[From the Washington Post, Feb. 24, 1973]

AGENCY NONCOOPERATION BLAMED FOR FILTHY FOOD

(By Nancy L. Ross)

Some American consumers are getting filthy processed fruits and vegetables because one branch of the federal government refuses to tell another when it discovers unsanitary conditions in food plants, the General Accounting Office reported yesterday.

The GAO said excessive amounts of worms, insects, mold, rot, mud, oil or grease, stones, rust, paint flakes, hair, glass, brass filings and other foreign material were found in 39 million pounds of canned and frozen products at 132 plants between Jan. 1, 1970, and March 31, 1971.

The 39 million pounds represent about one-fourth of 1 per cent of the 15 billion pounds of products that manufacturers submitted during that period for grading by the Agricultural Marketing Service of the Department of Agriculture.

Agriculture's failure to notify the Food and Drug Administration that these 39 million pounds were too filthy to meet its minimum grade subjected the public to possible health hazards, the GAO said. The FDA has the power to seize adulterated foodstuffs.

Both Agriculture and the FDA allow specified, minute amounts of contaminants in processed foods on the theory that all of it cannot be eliminated.

Agriculture's grading service is a voluntary program. In one recent year, about 75 per cent of U.S. frozen fruits and vegetables were graded, as were about 35 per cent of the canned fruits and vegetables.

If Agriculture inspectors find a plant to be unsanitary, it can continue to operate but cannot use any official Department of Agriculture mark, such as Grade A or Fancy, on its products.

In a Nov. 29, 1972, letter to the GAO the auditing agency of Congress—acting administrator John C. Blum of the Agricultural Marketing Service said his agency would not turn over all reports of excess filth found in plants, but would only supply specific information requested by the FDA. The reason, he said, was the voluntary nature of the grading program.

Agriculture's reasoning is that if a participating manufacturer were found to have a sub-standard product and the FDA seize it, he could suffer economic loss and bad publicity. By contrast, a processor who chose not to open his doors to voluntary inspection would have an unfair economic advantage over his competitor. So, Agriculture argued, manufacturers might tend to leave the grading program rather than risk detection by the FDA.

Agriculture has agreed to report to the FDA if it finds products presenting a hazard to health, but as of Jan. 31 the two agencies had not yet agreed on how to define that.

The GAO urged the Secretary of Agriculture to reconsider its policy of not reporting to FDA so as "to better protect consumers and to enable FDA to use its already scarce resources in the most effective and efficient way."

The FDA's "already scarce resources" were themselves the target of another GAO report last year. The GAO found that 40 per cent of the food plants it inspected were unsanitary. Because FDA had only 210 inspectors to make the rounds of 9,400 food establishments, the GAO said, each plant was inspected on an average of once every seven years.

The FDA has primary federal responsibility for inspection of foods—except meat, poultry and egg products.

In July, 1971, GAO asked the FDA to check what had happened to the 39 million pounds of substandard food. The FDA investigated 31 sample lots, or 545,000 pounds, and found that most of the lots had been distributed. Of the only two lots found and tested, both were adulterated.

In addition to examining Agricultural Marketing Service records and asking the FDA to investigate, GAO inspectors visited 40 plants participating in the marketing program. Inspectors found only one plant with no deficiencies.

TERMINATING THE SST

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. LEHMAN. Mr. Speaker, the recent action by major American airlines to drop their option on the Concorde SST reaffirms the wisdom of Congress in its 1971 decision to end the American SST program.

Along with most other citizens, I had thought the matter to be long settled, but a review of the President's proposed budget for fiscal year 1974 shows that the termination of the SST has become a significant Federal project in its own right.

In fiscal year 1974 we will spend $3.57 million on civil supersonic aircraft development termination. While much of this money is for contract closeouts, over three-quarters of a million dollars will be spent on the salaries and expenses of the termination staff.

Even more interesting is the fact that the average salary for a termination staff member is to reach $21,870 in fiscal year 1974—a comforting thought for our 4.4 million citizens who are presently unemployed.

This year Congress will take the lead in reshaping our national priorities. As we proceed, let us take a look at the Federal SST termination program to insure that it does its job expeditiously and then disappears completely.

MOORHEAD BILL ESTABLISHES CONGRESSIONAL OFFICE OF BUDGET ANALYSIS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the need to equip the Congress with the proper tools to participate ably in the budget process is recognized by all Members, no matter their party.

That is why today, the distinguished Senator from Minnesota (Mr. HUMPHREY) and I have joined to introduce legislation to establish a congressional Office of Budget Analysis and Program Evaluation to serve both the House and the Senate.

The interim report of the Joint Study Committee on Budget Control calls for the establishment of a congressional mechanism to determine a proper level of expenditures along with a projection of revenues to allow for the determination by the Congress of realistic budget needs.

This is precisely what my bill would do.

The Office of Budget Analysis and Program Evaluation would operate under the supervision of the Joint Economic Committee and have four sectional offices to serve each committee, subcommittee, and Member of Congress: The information section, analytic section, the program evaluation section, and the special studies section.

Essentially the office would perform an OMB role for the Congress.

Shortly before formal receipt of the budget, our budget office would establish, after considerable study and analysis, a proposed level of expenditures, along with a projection of revenues and a decision as to whether the Nation would best be served that fiscal year by deficit spending or a budget of less than expected revenues.

It would then forward to the respective Appropriations Committees its report. The committees would, within 15 days, establish a congressional budget ceiling. That figure, which would be voted by the membership, would then be transmitted to the various authorizing committees. The ultimate discretion to allocate funds within the overall ceiling would rest with our authorizing committees.

The bill also calls for the executive branch to circulate its expected budget proposals to various State and local officials for commentary on program impact and to hold, whenever possible, public hearings to serve the same end.

In addition, the legislation establishes needed framework for the Congress to vote on presidential impoundments and utilizes the office of the Comptroller General to transmit to the Congress assessments on program impoundments to facilitate congressional response to that action.

My bill would forbid impoundments if they result in the termination of a program which was voted by the Congress.

The individual sections of the Budget Analysis Office will serve the House and Senate membership and provide data on, but not limited to the following areas:

First, budget requested by Federal departments and agencies;

Second, budget requests as set forth in the budget submitted by the President;

Third, amounts authorized to be appropriated for programs and activities, together with the legislative history of the laws authorizing such appropriations;

Fourth, estimates of projected costs of programs and activities, not extending beyond a 5-year period;

Fifth, amounts appropriated for programs and activities, amounts of other types of budget authority, including contract authority, authority to spend debt receipts, loan authority, and supplemental budget authority;

Sixth, amounts apportioned by the Office of Management and Budget; and

Seventh, amounts appropriated which have been obligated by Federal departments and agencies and balances of unobligated appropriations.

I have long believed that the Joint Economic Committee should serve a greater function than it has to date.

I am sure that it is the one unit which would have the respect of the revenue raising and spending committees of the Congress and could provide the leadership and unity which so many of us feel is crucial if we are to truly participate in budget considerations.

I hope to amplify the pluses of this legislation next Tuesday, when I appear, with my colleague in the other body, before the Joint Study Committee on Budget Control.

While some may not find all in my bill desirable, I believe that the parameters of congressional budget action called for in the legislation is the direction in which we have to move if we are to become more than an anachronism, blandly rubberstamping Executive actions.

We will hear many proposals in the coming months to reestablish congressional prerogatives. This is but one of them. It is one which I feel has great promise, but certainly not the only way to untrack ourselves from institutional suicide.

However, we are wasting an important asset by under-utilizing the Joint Economic Committee. It is a committee which has been far ahead of the executive branch in its appraisals and reports. It has been a committee of vision and great endeavor.

If we will it, it can be the committee that makes us a fiscal participant rather than a fiscal observer.

MORATORIUM ON HOUSING AID UPSETS RENEWAL EFFORTS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. DULSKI. Mr. Speaker, the administration's 18-month moratorium on housing subsidies is raising havoc on replacement housing in my home city of Buffalo, N.Y.

Our city has been pushing for urban renewal since I came to Congress 14 years ago and we really are beginning to see the light with several major projects in various stages of development.

The Federal moratorium will mean a delay in the start of construction of some 2,000 units which were due to be underway this year.

Urban renewal is a frustrating exercise at best, because of the inevitable delays, first, in arranging clearance of the land and, second, in arranging for suitable replacement housing.

Added to urban renewal is the effect upon other housing of the construction of traffic arteries such as the Kensington Expressway and the mass transit system now in the planning stage.

The Oak Street renewal project in Buffalo will remain a wide-open space and a shattered dream under the moratorium.

Only a third of the waterfront renewal area will be utilized for housing—the rest will remain vacant land.

This federally ordered delay adds to broken promises and hopes that have occurred in earlier stages of the sincere local attempt to rejuvenate the center city.

I have grave doubts about the legal authority of the administration to impound funds duly authorized and appropriated by Congress. It is the job of Congress to approve and fund programs; it is the job of the administration to administer—not gut.

Mr. Speaker, the impoundment of various Federal funds—and in this case the moratorium on housing subsidies—cannot help but wreak chaos in much-needed public projects. If a program clearly is not working, then there certainly is reason for reassessment.

But the need for housing and renewal is without question—and overdue in the area I have the honor and privilege to represent.

As part of my remarks, I include a newspaper account of a conference on this subject last week in Rochester, N.Y.:

FUND CUTS CALLED BLOW TO HOUSING PLANS HERE: MORATORIUM PUTS BUFFALO IN BIND

(By Richard J. Roth)

ROCHESTER.—Two-thirds of the Buffalo Waterfront Renewal Area will remain as vacant land and the Oak St. Renewal project will remain houseless if President Nixon's 18-month moratorium on housing subsidies remains in effect, Buffalo Mayor-designate Stanley Makowski said Friday.

Makowski and two other Buffalo city officials were here to attend a state-wide conference called to coordinate urban and rural opposition to the moratorium, which began Jan. 5.

Though Makowski did not address the conference, he told The Courier-Express that the moratorium would set Buffalo back, and just at the time it was beginning to catch up with its housing problems.

PLAN IN PERIL

Also, the moratorium and other Nixon-proposed budget cuts could thwart Makowski's plan to afford Buffalo taxpayers a cut—albeit small—in their real property tax rates this year.

Accompanied by Richard L. Miller, commissioner of community development, and George E. Wyatt Jr., executive director of the Municipal Housing Authority, Makowski joined the conference in its demand that President Nixon release the impounded housing funds.

Makowski, in fact, told conference organizers that he would help arrange a similar conference in Buffalo.

Makowski told The Courier-Express that Nixon's decree would mean two-thirds of the Waterfront Urban Renewal area would remain vacant land and the Oak St. housing project would be stopped even before the first-phase of construction could begin. In those two areas, 660 units valued at more than $14.5 million were expected to be under construction in this year alone.

Also, Makowski was informed by Wyatt that the moratorium would scuttle plans for 1,400 housing authority units scheduled to be under construction this year.

BUDGET FROZEN

Wyatt also said the HUD cutbacks have resulted in the housing authority being told its federal operating budget would not be raised and that its $2.9 million modernization money would be cut off as of June 30.

The freezing of the federal share to the MHA will, because salaries continue to raise, undoubtedly mean that the city will have to pick up an MHA deficit substantially higher than the $900,000 which results from the state's freeze on funds for its projects. There are six times as many federally funded projects as state projects in Buffalo.

JOBS THREATENED

The cut-off of modernization money will mean that funds for boiler conversions, plumbing work and painting in the projects will either have to be provided by the already strapped city or will not exist.

Nationally, the moratorium will mean a loss of 2.2 million jobs, according to a Washington attorney who spoke. The actual number of jobs—mostly in the trades—expected to be lost in Buffalo was not known, but was expected to number in the hundreds.

"Mr. Nixon's housing plans," said Sen. James Abourezk, D-S.D., "smell like a conspiracy to drive two-fifths of the American public into trailer parks." Abourezk was the keynote speaker at the state-wide conference.

Howard J. Samuels, president of the New York City Off-Track Betting Corp. and the undersecretary of commerce under the late President Johnson, also addressed the conference, saying:

"Sure, housing is going to be expensive—it'll cost a minimum of $9 billion or $10 billion a year—but where is our perspective. Compare that minimum figure to an inflated $80 billion military budget. The war is over, but the military budget goes up and the human needs budget goes down. Where is Mr. Nixon's perspective?"

RURAL JOINING URBAN

Makowski said he was impressed with the conference because rural Americans had joined the cities in the fight to have the housing funds released. "Now, even without the suburbs, maybe we can do something," Makowski said.

Makowski also said that the City of Buffalo, just beginning to catch up with its housing needs, "might never recover" if the moratorium lasts the full 18 months.

Besides the city's urban renewal and MHA housing, Makowski noted, the moratorium would also halt private federally subsidized housing such as was being carried on by the Niagara Frontier Housing Development Corp. D. Garry Munson, president of that not-for-profit corporation, told Makowski and the conference that only two days ago he was informed that $22 million expected for this year had been caught in the President's freeze. Almost half of that was planned to be spent for low-income and middle-income housing in Buffalo.

Another Western New York mayor, Richard Betsch of Lockport, also attended the conference.

LONG BEACH NAVAL SHIPYARD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. ANDERSON of California. Mr. Speaker, I am proud to call to the attention of the House of Representatives the 30th anniversary of the Long Beach Naval Shipyard located on Terminal Island, Calif.—the largest drydock on the Pacific coast.

Last week, the men and women of the shipyard celebrated the shipyard's productive history with an eye toward an equally productive and energetic future.

The events included a ceremony, open house, and celebration party, all of which were well attended by both civic and military leaders.

During the ceremony, I had the opportunity to speak before the assembly and relate to them how proud the California congressional delegation is of the outstanding record that they have achieved over the years.

The celebration brought back memories to the shipyard's personnel, as they danced on the *Queen Mary* which was docked at the yard while being converted into a maritime museum, and convention center.

Since 1940, when Congress appropriated funds to build the shipyard to maintain and repair warships, the facility has grown to a current excess of $125 million in industrial work on naval ships annually, with a civilian employment of 6,689 persons and 50 military personnel.

The shipyard is of vital importance to our Nation as it now services 64 percent of the Pacific fleet. Although it is the newest, and one of the Navy's most modern shipyards, the reputation for excellence, built by skilled and dedicated employees, and the progressive leadership, is world renowned.

In addition to their primary function of maintaining the Pacific fleet, the persons working in the yard have developed a strong ecology program, as they are constantly testing—and implementing—equipment and methods to combat pollution.

Away from the shipyard, Terminal Island's personnel are active in community affairs, especially in work with underprivileged children and minority groups.

It is only fitting that we join with the citizens of California to honor the work of the personnel of the Long Beach Naval Shipyard, especially their commander—Capt. Richard C. Fay, during their 30th anniversary as a vital link in our defense structure.

A STAINLESS STEEL WHISTLE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. GAYDOS. Mr. Speaker, Jessop Steel of Washington, Pa., deserves, in my judgment, the commendation of every American concerned over the present condition of his country's economy.

This specialty steel producer has successfully blown the whistle on an instance of price cutting in the U.S. market by foreign competitors and thus set in motion retaliatory governmental action.

Specifically, Jessop last April filed a complaint with the Federal Bureau of Customs against Swedish steelmakers which it contended were "dumping" stainless steel plates here at prices less than "fair value," that is, below that being charged in Sweden.

It was a clearcut case of "dumping," that devious practice by which foreign producers unload their surpluses here while being subsidized in one way or another by their governments in order to hold up their employment rates.

The Jessop accusation now has been sustained by the Bureau of Customs and matter turned over to the Tariff Commission for proper action. The Commission can up the duties on the Swedish imports and also order penalties for the past infractions.

Robert L. Loughhead, executive vice president of Jessop, told newsmen that similar actions have been taken by other U.S. firms against foreign producers. But Jessop has the rare distinction of having made its charges stick and thus scoring what William H. Wylie, business writer, terms "a big blow" against "cheap" imports.

The importance of the Jessop action can be appreciated when we see our dollar skidding in the international money markets as the result, in large part, of the balance of payments against us, and the time of import products still rising high above the level of our exports.

Moreover, we have the recent statement by a spokesman for the United Steelworkers Union that steel imports, despite a small tonnage drop in 1972 from the 1971 figure, still account for the loss of some 180,000 union jobs in the country.

Though Jessop is not one of the major American steelmakers, it is a highly regarded manufacturer of stainless plate and 2 years ago installed a new and costly 110-inch mill which provides employment to some of the best millmen in the land. It and other steel companies deserves to be protected fully by our Government against unfair trade practices from abroad. What mystifies me is that it has appeared necessary for the Jessops of the country to blow the whistles and institute action when the day-by-day policing of our trade relationships should be the primary responsibility of the Government.

POSTAL "SERVICE" IS QUESTIONED

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. EDWARDS of California. Mr. Speaker, with the numerous complaints that are being raised about the U.S. Postal Service, I felt that this article from the New York Times would be most interesting and pertinent. It appeared in the Times on Sunday, February 18, 1973, as follows:

A SLOWING OF MAIL DELIVERY CONCEDED BY POSTAL CHIEF

(By Peter Kihss)

A letter deposited last month at the Grand Central Post Office got to Carol Brownell—15 blocks away—11 days later. In Greenwich, Conn., Edward W. Barrett received two letters one recent day—one letter 12 days en route from Columbia University in Manhattan, the other 12 days from Peking.

Three million customers of the Consolidated Edison Company in New York City and Westchester County have been getting notes with their bills, explaining "we may owe you an apology" if slowed holiday mails led to unwarranted claims for arrears.

In Washington, Postmaster General Elmer T. Klassen confirmed that mail delivery had "deteriorated seriously" during December and January. He said he was "hell-bent" to pinpoint where and why, and had started overhauls.

TARGET ACHIEVED

For the last 16 months, the Postal Service has aimed at an ambitious self-imposed standard—"next business-day delivery of more than 95 per cent" of the "qualified mail."

This involves first-class zip-coded letters put in a mail box before 5 P.M. The promise for some areas only involves about 50 miles. For the New York postal region, the commitment is for a tristate area—all of Long Island, upstate to Monticello and Hudson, New Jersey south to Asbury Park, Connecticut east to Stamford.

By Postal Service statistics, such next-day delivery targets were achieved nationally 93.8 per cent of the time in the five months from last July 8 to Dec. 8. The difficult New York region did not do as well, but still averaged 88.7 per cent.

But then came the seasonal Christmas-New Year's avalanche. Reports showed even this best "qualified mail" sagged to 67 per cent next-day delivery nationally Dec. 9 to 22, and as low as 53 per cent in the New York region.

MANAGERS CONFER

National measurement edged up to 74 per cent Dec. 23–Jan. 5, with the New York region still slumping at 52 per cent. The next reports, Jan. 6–19, showed the national level up to 89 per cent, but the New York region only at 76.

The latest, Jan. 20–Feb. 2, count reported nationwide next-day delivery of such letters as 90 per cent, with New York still down at 75. New York region experts say recovery here may take until March.

Nevertheless, even in the New York metropolitan area, second-day delivery is claimed in the latest count for 96 percent of this "qualified mail," third-day delivery for 98 percent and fourth-day for 99 percent.

Postmaster General Klassen, who has headed the Postal Service since Jan. 1, 1972, summoned the nation's 85 postal-district managers to an unprecedented three-day conference in Washington this month when he found complaints addressed to him tripling—to 700 a week.

He ordered more authority and budget flexibility for local officials. He promised a review this month of a controversial system that has been sending mail to state centers for sorting before distribution to localities.

He announced plans to crack down on airlines blamed for intercity delays. Thirty to 35 percent of first-class mail actually moves by airlines on a "space-available basis," according to Harold F. Faught, senior assistant postmaster general for mail processing.

SIXTY-FOUR MILLION A DAY

Mr. Klassen declared airlines had been leaving mail sacks behind to take on the more-profitable passengers, and said he would demand guarantees of space. Mr. Faught said the Postal Service had been studying whether it should own an air-transport system itself.

The numbers in the mail service are enormous. All kinds of mail originating within the New York region totaled 12,475 million pieces between last June 24 and Jan. 5—which works out to 64 million a day.

While Mr. Klassen has expressed concern that customers might shift to "increasingly competitive" alternatives, especially as postal rates have increased, mail volume has resumed an upward climb in the current fiscal year, which started July 1. It is running 3.2 percent higher nationally, 5 percent more in the New York region.

In fiscal 1971–72, the increase had leveled off to 0.2 percent nationally, compared with average annual increases of 2.8 percent for the five preceding years.

While postal volume has gone up, the service's labor force has shrunk—down to 686,834 employes throughout the country last month, a 7 percent decrease from the peak of 741,216 reached during the 1969–70 fiscal year.

MORE MECHANIZATION

In Manhattan, John R. Strachan, Postmaster for New York, reported that his staff was reduced by attrition from 38,390 on April 1, 1970, to 33,320 as of last Jan. 20—a 13 percent decrease.

Mechanization has intensified. An advanced "optical character reader" went into service last Dec. 1 at the General Post Office, Eighth Avenue and 31st Street.

The O.C.R. operation starts with trays of letters placed on a belt. They pass a cathode-ray scanner that reads the lowest line on an envelope for a zip code.

The scanner then moves up to check the number and street address—and it corrects the zip code if necessary. For instance, it looks at "100 East 45th Street," and decides the letter should go to zone 10017 instead of the mistaken "10007" written by the sender.

The letters hurtle out to 305 sorting bins for different geographic areas, and the pace speeds along at 43,000 letters an hour, 20 hours a day. One floor below, human workers with trained memories still sort letters by hand—averaging 1,100 an hour.

Phenomenal as it is, the O.C.R. can only handle "compatible" mail—standard-sized envelopes with typed or printed addresses, not handwritten. Humans cope with the rest of the tide.

THIRD TO BE TRIED

The General Post Office has cleared a wide expanse of parquet floor for another, different O.C.R. machine, and the Postal Service will test a third type in Boston.

The new O.C.R. will be able to sort incoming as well as outgoing mail, differing from 20 earlier-generation O.C.R.'s around the country, such as the machine that began operating four years ago at the Church Street station.

Productivity is going up. Postmaster Strachan divides the total pieces handled by his staff here to average 190 items an hour for each employe for the year started last July 1—up 16.6 per cent from the year before.

So far this fiscal year, the Postal Service reports that clerk-mail handlers are processing an average of 1,165 pieces of mail an hour—up 11.7 per cent; the New York region is below the average at 952, but still up 12.8 per cent.

The national average for carriers has been 47.3 deliveries an hour so far this fiscal year, up 5.4 per cent—with New York close at 47.1, up 7.2 per cent.

LITTLE DIFFERENCE SEEN

One outside assessment of mail service is regularly made by a major customer, the Reader's Digest. Since 1964, it has made test mailings of 300 first-class letters to each state, a total of 15,000 at a time, every April and October.

Its results average the time from leaving the company office in Pleasantville, N.Y., until the letter reaches a recipient.

Kent Rhodes, executive vice president, says that "based on our facts, the Postal Service has not been significantly different over the years."

In the test mailings, the national average has ranged from 2.5 days in transit in October, 1967, to 5.6 in April, 1969, counting weekends and holidays as well as business days.

The two mailings before the Postal Service began operating showed 4.2 days in October, 1970, and 3.3 in April, 1971. Thereafter, the averages were 5.3 days in October, 1971; 4.1 in April, 1972, and 4.7 last October—in line with a 3-to-5-day variation over the years, Mr. Rhodes said.

The old Post Office Department had a National Service Index, which reported an average of 1.72 days nationally for handling first-class mail in the second quarter of 1971. For the year ended last June 30, the Postal Service reported 1.6 days as average delivery time for 49 billion first-class letters.

More meaningful, in the Postal Service's opinion, is the present measure of efficiency—an Origin Destination Information System, nicknamed ODIS, aiming at the 95 per cent next day delivery of first-class zip-coded letters deposited before 5 P.M. for specified destinations.

HOLIDAY SLUMP

Albert S. Razzetti, director of logistics for the New York region, says the Manhattan-Bronx district averaged 90.5 per cent next-day delivery for such mail originating within the region from July 8 through Dec. 8. The Queens district averaged 90.7; Brooklyn-Staten Island, 86.1; Nassau-Suffolk, 90.4; Westchester-Eastern Fairfield, 88.5; and Northern New Jersey, 87.8.

The Holiday period, Dec. 23–Jan. 5, saw Manhattan-Bronx slump to 49 per cent, Queens, 61; Brooklyn-Staten Island, 47; Nassau-Suffolk, 46; Westchester-Eastern Fairfield, 55; and Northern New Jersey, 57.

While the region moved up to 75 per cent in the Jan. 20–Feb. 2 report, the Manhattan-Bronx district climbed back to 87.

Traffic congestion makes the New York region the most difficult problem for the Postal Service. Assistant Postmaster General Faught reports mail trucks in Manhattan average only six miles an hour.

Delays in the mail between New York and Washington puzzle the Postal Service. Mr. Faught says the only railway mail post office still working in the country sorts mail each night en route between the two cities. Despite this, Postmaster General Klassen says his impression is that typical letters may take four days—twice what his experts estimate.

One reason for delays anywhere is that mail may get processed out of sequence. A new management technique is being introduced this month—color-coding.

900 FEWER FLIGHTS

A pouch is to get a color to show its priority for delivery—orange for mail dispatched Monday, green for Tuesday, violet for Wednesday, yellow for Thursday, pink for Friday, blue for Saturday and Sunday.

A destination station is to handle top-priority mail at once, even on overtime, and avoid putting other pouches ahead of it.

The Postal Service has set an airmail standard aiming at next-day delivery for 95 per cent of mail deposited before 4 P.M. for destination within 600 miles, as well as second-day delivery for specified cities across the country.

This goal has been difficult to achieve. First-day deliveries were reported as running about 75 to 80 per cent even before winter weather set in.

Mr. Faught said his data indicated airmail—about 2 per cent of total air and first-class mailings—got next-day delivery in the 600-mile zones 61 per cent of the time last month and two-day delivery for 33 per cent more.

About 900 scheduled flights have been lost to the Postal Service since mid-1971 because of economy cutbacks by airlines. Mr. Faught says the service now has contracts for about 160 air-taxi flights every night, handling only regular airmail.

To spotlight trouble spots, Postal Service managers of the 80 largest offices now report daily on mail that did not make schedules.

Independent spot checks of Postal Service customers indicate large users here are generally satisfied with mail service, while many smaller mailers and individuals are critical.

Consolidated Edison said its recent problems had not actually been widespread, despite its areawide proffered apologies.

ONE CONCERN MOVES

The New York, Telephone Company, which mails 6.2 million bills each month, said service was "excellent." The City Department of Social Services, which mails a half million welfare checks twice a month, called it "beautiful."

D. Kenneth Patton, the city's Economic Development Administrator, said he knew of only one company leaving the city and complaining of serious mail problems. This, he said, was Norcross, Inc., the greeting-card manufacturer, which is moving from four sites here in mid-1974 to West Goshen Township in Pennsylvania.

Among the critics of the Postal Service is Joseph F. Rizzo, with an export sales business in the Empire State Building. He has been complaining to postal officials for more than a year about delayed deliveries. He says scheduled third deliveries on Fridays and days before holidays are often missed, with such explanations as "the boys went home early."

Another critic is Guenter Reimann of International Reports, 200 Park Avenue South, publisher of an airmailed weekly financial report. His company delivers 1,750 copies by courier Friday afternoons to Kennedy International Airport, aiming at Monday deliveries abroad.

TWO TO 10-DAY DELIVERY

Until six weeks ago, he said, such airmail left on the first available plane for the country of destination. He said this had been cut back to one assigned plane for each destination, causing a day's delay that could induce his company to move abroad for required prompt service.

District Council 37, American Federation of State, County and Municipal Employees, says second-class mail delivery of its bi-weekly publication to 125,000 recipients takes from two to 10 days.

Bernard Stephens, the editor, said first-class between its New York and Washington offices had so frequently taken three to five days that the union had first resorted to a telephone-facsimile alternative and now used bus service for important documents.

Representing postal employees, Philip Seligman, executive vice president of the Manhattan-Bronx Postal Union, said mail service was "hit-and-miss," and "the work load can't be carried by the staff."

Whatever the reason, there are peculiarities. One Forest Hills resident said his copies of The Louisville (Ky.) Times, mailed second-class, had been reaching him faster than first-class corporate mail from the same city.

The Jan. 18 newspaper arrived in four days; that day's letter took five. The Jan. 19 paper reached here in three days; a letter took five. The Jan. 22 paper came along in four days; a letter took five.

A–X CLOSE AIR SUPPORT AIRCRAFT

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. RONCALLO of New York. Mr. Speaker, more than a month has passed since Fairchild won the A–X competition, but the contract still has not been signed.

On February 14 of this year, I initiated a letter to the Secretary of Defense, Elliot L. Richardson, which was signed by 26 Members, the text of which I include herewith:

DEAR MR. SECRETARY: We are disturbed about the furor which has arisen since the Republic Division of Fairchild Industries was picked to build the A–X Close Air Support Aircraft.

The arguments supporting the A–X award are clear.

First, the basic A–X Close Air Support concept has been closely studied and repeatedly supported by both Congress and the Pentagon. Nearly every qualified expert feels there is definite need for an airplane of this sort.

Further, selection of the Fairchild prototype for the A–X award was made pursuant to some of the most painstakingly careful procurement procedures ever used by the United States government. The A–X award was the first major weapons system selection to be made pursuant to the Administration's sensible "fly-before-buy" procurement process culminating in the competitive "fly-off" between the Fairchild and Northrop prototypes. Fairchild was judged to have the best plane.

Failure to adhere to the orderly A–X procurement schedule could have two very serious consequences:

It could mean the end of the A–X project which the experts feel is needed for our Nation's defense; and

It could mean the end of the recently adopted "fly-before-buy" procurement process which now seems to be the best hope for making order out of the often chaotic defense procurement system and, thereby, protecting the best interests of our taxpayers as well as the national defense.

For all of the foregoing reasons, we respectfully urge that the A–X contract be signed and that production go forward as scheduled.

Very truly yours,

Jacob K. Javits, U.S. Senator, James L. Buckley, U.S. Senator, Thaddeus J. Dulski, Member of Congress, Joseph P. Addabbo, Member of Congress, Hugh L. Carey, Member of Congress, Carleton J. King, Member of Congress.

Angelo D. Roncallo, Member of Congress, Otis G. Pike, Member of Congress, James R. Grover, Jr., Member of Congress, John W. Wydler, Member of Congress, Norman F. Lent, Member of Congress, Frank Horton, Member of Congress.

John M. Murphy, Member of Congress, Jonathan B. Bingham, Member of Congress, Henry P. Smith III, Member of Congress, Mario Biaggi, Member of Congress, James F. Hastings, Member of Congress, Peter A. Peyser, Member of Congress, William F. Walsh, Member of Congress.

Ogden R. Reid, Member of Congress, Barber B. Conable, Jr., Member of Congress, Bertram L. Podell, Member of Congress, Hamilton Fish, Jr., Member of Congress, Jack F. Kemp, Member of Congress, Charles B. Rangel, Member of Congress, Howard W. Robison, Member of Congress.

To date, I have not received any reply to my letter. Is it possible that the fly-before-buy concept is about to be junked because of partisan political pressure?

TO THE VOTERS OF MONROE COUNTY

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. CARTER. Mr. Speaker, at this time, I wish to share with my colleagues the true story of "Persimmon Jim" Bartley, as it appeared in the Tompkinsville, Ky., News several years ago.

"Persimmon Jim" has long since departed this life, but the warmth of his wit is held dear to the hearts of many of his fellow Monroe Countians. From his simple beginnings in a home with earthen floors, Jim rose to become one of the most respected businessmen in southern Kentucky.

His children have all become successful in their careers. Sons Powell, Homer, and Wallace have followed their father into the logging business, and daughter Ruth has become a respected educator in southern Kentucky. Wallace has been elected to five terms in the Kentucky State Legislature as well.

I believe the testimony of Mr. James L. Bartley illustrates how compassion and unselfish dedication can come to benefit a deserving man!

TO THE VOTERS OF MONROE COUNTY

General public approval met Persimmon Jim Bartley's announcement in last week's Tompkinsville News that he would cancel all debts owed him by widows, heirs, and those who had gone security for borrowers now dead. Having been in business 32 years in the northeast corner of Monroe county, Mr.

Bartley has debtors over a wide area in four counties. His generosity has been the subject of much favorable comment. He is spending his Sundays marking old accounts paid and issuing receipts to those who call for them.

Mr. Bartley is seeking no publicity for his generosity, and is keeping in strictest confidence all the debts he is cancelling. Considering the fact that he has engaged in logging, milling, threshing, contracting, and large scale farming all these years, the candidate for jailor thinks it remarkable that he has no more than four hundred accounts on his books. He has had 16 farm sales. He is grateful for the confidence his neighbors have shown in him and thankful for the promptness and honesty with which they have nearly all have acknowledged their just debts and paid when able.

Persimmon Jim was raised hard and lives simply. Fourteen Fox hounds and a splendid saddle horse bear witness to his principal extravagances, and Indian ancestry. He has conducted business for people of limited means. He has accommodated many. He never spent a cent for chewing or smoking, radio, gramaphones, musical instruments, or motor power, but paid as much interest as any man in the county. In 25 years, he has paid in interest to the little bank of Summer Shade $10,636. Once in debt $11,600, his total indebtedness is now only $4,600.

Mr. Bartley is still a poor man, but never was, is now, and never will be too poor to serve as headquarters for any horse jockeys, fox hunters, preachers, drummers, or any other travelers who visit his neighborhood. While he will be living in Tompkinsville after the first of next year, his grown sons in charge of the farm will welcome any wayfaring man who comes their way.

The voters of Monroe county are urged to consider Mr. Bartley's life and reputation. If you think he has conducted his own business honestly and reasonably successfully, you know he will make a good jailer.

Persimmon Jim has said considerable this campaign about pledges and promises made him in past campaigns. The jailer's office has been promised him since youth as a reward for loyalty to the Republican party. There has never been a campaign in which he has not been an active party worker. He has ridden the county canvassing for three successful candidates for jailer who are again candidates this year. All have promised Mr. Bartley that they would vote for him when he ran for the office; now they oppose him. The other ten candidates, says Mr. Bartley, are making student trips learning how to campaign. He is glad to see them getting the experience and spending a little money in their home county. All Persimmon Jim asks is five per cent of the vote to which he is entitled for long fidelity to his friends, his party, and his county.

You believe Persimmon Jim is entitled to the jailer's office, and that he will make a good one. Shut your door, call the dogs, and go to the polls and vote for the ninth name on the jailer's ballot James L. Bartley.

THE LATE HONORABLE GEORGE W. COLLINS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BURTON. Mr. Speaker, the tragic death of our colleague, Congressman George Collins of Chicago, is a shocking loss to all who knew, admired, and served with him in this Congress.

He was a tireless fighter for social, racial, and economic justice. As a member of the Congressional Black Caucus and as a Member of the House, George Collins voted his conviction that we in this Congress have a special obligation toward the Nation's millions of poor, the underskilled, and the malnourished.

His voice will be sorely missed by all of us who share his commitment.

I would like to extend to his family and many friends my most sincere sympathy.

THE STATE OF ASTRONOMY IN AMERICA

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. PICKLE. Mr. Speaker, while the average man gazes at the stars and marvels at the wonder of the universe, the average astronomer is looking toward Capitol Hill and wondering where financial support for his work will be found.

Bart J. Bok, president of the American Astronomical Society, recently went on record as saying that if astronomy programs are not funded at a higher level in the future, research and development in this field of science will be seriously impaired.

In a speech to the AAS annual meeting in January, Bok said the astronomy section of the National Science Foundation budget must be nearly doubled to provide sufficient funds for research.

We in Congress can expect to hear from astronomers soon, for in his speech, Bok outlined a plan to involve individual scientists in a lobbying effort to get approval for the addition of $8 million to the NSF appropriation.

Our universities do most of the research in optical and radio astronomy, and it is our universities which are hardest hit by lack of funds. The amount that NSF gives to astronomical research is not enough to make up for the general decline in research funding by NASA and the Defense Department.

NASA still plays an important role in America's astronomical progress; its total annual support of astronomical programs is roughly $80 million, approximately $10 million of which goes to ground-based research and development.

But NASA recently announced a budget cut that, in Bok's words, "shocked the astronomical community." On January 4, it suspended 80 percent, or about $200 million, of the funds appropriated for the high energy astronomy observatory program—HEAO—a project to send a satellite into orbit in 1976 or 1977 or 1978 to gather information about galactic and extragalactic X-ray phenomena, gamma rays, and cosmic ray fluxes and origins.

Although NASA protested that the suspension was not a termination of the project, the scientific community was not reassured by this pronouncement, and the sudden and surprising cuts in federally funded programs has led to a great deal of insecurity on the part of many scientists.

If there are no other severe budget cuts, by the end of 1980 we may see fly-by missions to Mercury, Venus, Mars, and Jupiter, satellite studies of Saturn, the completion of the skylab project, and the construction of a large space telescope.

Educational programs of the AAS include the visiting professor in astronomy program, which is continuing despite withdrawal of NSF support; a task force group on education in astronomy, and a program designed to counteract the current astrology craze, which astronomers feel is dangerous to the public as well as damaging to the scientific reputation of astronomy.

THE "FATHER" OF REVENUE-SHARING NOW DISILLUSIONED BY HIS "BABY"

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. EVINS of Tennessee. Mr. Speaker, I noted with great interest in a recent edition of the Washington Post a news account of testimony by Dr. Walter W. Heller, the University of Minnesota economics professor who is generally considered to be the "father" of the revenue-sharing concept.

Dr. Heller is now thoroughly disillusioned over revenue sharing, as conceived and implemented by the current administration, pointing out that revenue sharing is being used as a pretext for the Federal Government copping out of its responsibilities with respect to domestic programs.

Because of the intense interest in this matter among my colleagues and the American people, I place the article concerning Dr. Heller in the RECORD herewith.

The article follows:

HELLER ASSAILS NIXON CUTS IN SOCIAL OUTLAYS

(By David S. Broder)

The "father" of revenue-sharing told Congress yesterday that President Nixon is "beating the birth of his baby" as "grounds for justifiable homicide of national programs" to aid the poor and the ties.

Walter W. Heller, the University of Minnesota economics professor who played a major role in developing and publicizing the revenue-sharing idea during the 1960s, when he was chairman of the Council of Economic Advisers, said Mr. Nixon in using the passage of revenue-sharing last year as "an excuse for a fiscal cop-out" by the federal government.

Keynoting a second day of hearings by Sen. Edmund S. Muskie's Intergovernmental Relations subcommittee, Heller endorsed the complaint of big-city mayors about "ruthless" cuts in categorical aid for housing, education and social services.

Heller's argument was seconded by University of Massachusetts President Robert Wood, former Secretary of Housing and Urban Development.

The President's proposal to shift from categorical grants to expanded revenue-sharing is a "shell game," Wood said.

Whichever shell you look under, the federal funds you thought were there have vanished.

In contradiction to the two Democratic

academics' arguments, the Brookings Institution's Richard P. Nathan, a Budget Bureau official in Mr. Nixon's first term, argued that the outcry over budget cutbacks for social and urban programs is "exaggerated." New Federalism is unfolding in a logical and gradual fashion that deserves congressional support, he said.

Muskie and Nathan clashed, however, when the Maine Democrat insisted that Mr. Nixon's actions in transferring programs and impounding funds "have been arbitrary and abrupt."

Heller and Wood both sided with Muskie, with the former saying that Mr. Nixon "proposes to ram it (his New Federalism policy) down the throats" of Congress.

"That invites regurgitation, not digestion," Heller said.

The three academics represented three major strains of thinking about the direction of domestic policy.

Wood, who said he had been "uneasy" about revenue-sharing from the beginning, said the Nixon application of it means "smaller bones with less meat for the groups within the communities to scrap over."

He contended that revenue-sharing and impoundment of appropriated funds were two parts of a single strategy, aimed at "drastically weakening the Congress as a prime force in setting national priorities."

Heller, more enthusiastic about revenue-sharing from the start, said he still believed it was necessary, "to fill a gap" in the structure of federal programs and to help hard-pressed local governments "pay for humdrum local services not suffused with the national interest."

What is wrong with Mr. Nixon's approach, he said, is that it uses revenue-sharing as an excuse to end categorical-aid programs which do serve national purposes.

Nathan said Mr. Nixon's policy was not simply one of "putting the money on the stump and running." Rather, he said, the President was trying to "sort out" the functions that belong to various levels of government and decentralize those that can best be handled and financed at state and local levels.

But neither Muskie nor the two academics who supported him would agree the process was quite that benign in its intention or its effects.

Next week, Muskie is to hear the views of governors on the effect of revenue-sharing and the administration's budget.

REAL AMERICA IS RISING

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BRAY. Mr. Speaker, I do not believe, contrary to some, that this country ever lost its faith in itself. We have had our faith attacked—and, sad to note, most bitterly from within, from among our own citizens. But it has never wavered among the great majority of our people.

The following editorial from a recent Indianapolis Star makes this clear:

REAL AMERICA IS RISING

From the super think-tank, the Hudson Institute, Dr. Herman Kahn has seen a change going on all across the American Republic, picking up momentum day by day, thundering through the mountains, crackling across the heartland, ripping like a gale along the cost—the revolution of real America.

This America is rising in its might and numbers, writes Kahn, waking up, regaining its faith—if it had ever really lost it—and once more becoming that power of old that settled the raw colonies, fought a revolution, conquered the wilderness, won the West and built a nation.

The blood of the pioneers and minutemen, that was spilled at Valley Forge and Gettysburg and the Argonne and Omaha Beach, that flowed in the veins of Boone and Crockett, Grant and Lee and G.I. Joe, the Indian fighters and 49-ers, the seekers of the New World that sailed in steerage past the Statue of Liberty to dock at Ellis Island—this blood is reasserting itself.

People who are not ashamed of believing in God or being proud of their flag and their country and its ideals are on the move again. America is off dead-center. The people who are glad they're Americans are coming into their own again.

They've had it with the "cultural revolution" that the self-chosen elite of academe and the media, the permissive, crime-coddling, welfare-ladling Pied Pipers of the drug culture, radical rebellion, pornography, promiscuity and self-flagellation have been trying to force on them from above.

They're fed up with having their ideals, beliefs and values trampled in the mud by their "betters."

As for their "betters," Dr. Kahn observed, they "have an unbelievable degree of what I call 'educated incapacity' to understand very simple issues—law and order, busing, gun laws, pornography, sex education in the public schools, the school tax revolt, attitude toward religion and the flag, and attitudes toward violent protests."

Dr. Kahn welcomes the swing of the pendulum away from the Epoch of the Freaks. He remarks, "As I get older I am increasingly friendly with square people and values. I don't think it's just because I am getting older. I think it's because in this country we're overshot. The pendulum has swung too far. We've abandoned too many traditional values and haven't replaced them with satisfactory new values."

He's right.

It took more than fads and flippancies and effete intellectual snobs to take this land and make this country and hold it, to hew and plow and farm and mine, to herd and haul and dig and build and invent, to create—whatever its faults, and they are many—the richest, most free, most promising society in the world.

It took work and heart and endurance and guts and imagination and faith. It took these to make the country, and the same free and independent people who made it have kept the perimeters of freedom far beyond our borders and manned freedom's ramparts at a heavy cost.

And now the people who do the country's work and fight its wars and keep its faith would like to have it back. Who's to stop them?

A CANAL ZONE STUDENT'S RESPONSIBILITY TO FREEDOM

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mrs. SULLIVAN. Mr. Speaker, my association with the residents of the Canal Zone goes back many years, first as a private citizen visiting friends in the zone on numerous occasions, then as a Member and for 14 years chairman of the Subcommittee on Panama Canal of the House Committee on Merchant Marine and Fisheries, and now as chairman of the parent committee.

Hence, I am pleased to bring to the attention of the Congress the winning speech from the Canal Zone this year in the annual voice of democracy contest sponsored by the Veterans of Foreign Wars and its ladies auxiliary. The Canal Zone winner, Amy Jo McConkey, a senior at Balboa High School, will compete in Washington next month along with winners from the States for five scholarships ranging from $1,500 to $10,000 each. More than 500,000 students from more than 7,000 secondary schools have participated in this year's contest on the subject "My Responsibility to Freedom."

Miss McConkey, daughter of the Reverend and Mrs. Clarence M. McConkey, takes as her theme the words of Thomas Hobbes in 1624 that "Freedom is political power divided into small fragments." and reduces this to the smallest fragment—the individual—to stress the citizen's essential role as "the building block of freedom" helping to bear more than one's share of the weight of the edifice "when other supports around me give in."

The winning Canal Zone speech by Amy Jo McConkey is as follows:

MY RESPONSIBILITY TO FREEDOM

(By Amy McConkey)

In 1624 the English philosopher Thomas Hobbes wrote: "Freedom is political power divided into small fragments." Thomas Hobbes wrote those words at a time when the English nation was learning to place responsibility for political freedom in the hands of the people. Hobbes was thinking of small political subdivisions of counties and provinces. The success of this experiment in popular democracy, this effort toward the sharing of freedom with each citizen, made England a cradle of civil liberties and political freedom. Thomas Hobbes made a crucial point in his insistence that the groundwork of true freedom is found, not in a concentration of power in the hands of the few, but in the distribution of power among the many. This process worked toward participation in, and responsibility for, the ideal of freedom for men everywhere.

Today we understand that there is an even deeper meaning to these words than Hobbes knew. In America, in the 20th century, the smallest subdivision, the smallest fragment, is each individual citizen. This is the strength of American democracy. A rediscovery of these words of Thomas Hobbes could come at no better time in world affairs. Everywhere in the 20th century men seek freedom, but freedom continues to be an elusive goal. Even though freedom may be achieved by any nation, it continues to be abused by many nations.

Because I am one of the subdivisions of freedom it is my responsibility to use this freedom responsibly. To speak against the freedom which guarantees my right to be free is to abuse the freedom. To assemble for the purpose of causing disorder to the society which protects my right of assembly is to destroy the freedom of assembly. To proclaim liberty, and practice irresponsibility, is to make the proclamation a hollow rhetoric, believed by no one.

My resonsibility is to be willing to grant freedom to others as well as to be courageous enough to expect freedom from others. It is to live in such a way that my conduct, my values, my commitment to the principles of freedom, are seen as freedom's virtues. My responsibility is to understand that freedom is directed toward the welfare of persons and that my abuse of freedom is an abuse of persons.

In this way, then, the smallest fragments of freedom become the building blocks of freedom. When one building block crumbles the entire structure is weakened. If many blocks give way the building falls. Each citizen, each community, each vote that is cast, must in some way be used to bear the weight of freedom. For we understand that there are times when that weight may demand much from us. In just those times when other supports around me give in, when weakness appears in the structure of this edifice of liberty, when cracks and breaks and shiftings appear, it becomes crucial that I stand fast in my support of this great building of human freedom. By my example, by my willingness to bear more than my share of responsibility, I may protect and strengthen the whole until the whole can be strengthened.

My responsibility to freedom does not exist only when my support of freedom is easy. That responsibility extends to that time and to those circumstances when that support is difficult. In support of freedom we do not become weary in well-doing. The practicing of liberty makes liberty perfect.

To have had freedom, and to have lost it, is among man's most tragic experiences. It is my responsibility to defend and promote the freedom now at hand. It is to work and vote and promote in every way the freedom process in such a way that that freedom proves to be neither elusive nor abused. It is my privilege to be free. It is my responsibility to remain free. It is my calling to make freedom a lasting part of the experience of mankind.

ADDRESS OF GOVERNOR ASKEW

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. GIBBONS. Mr. Speaker, yesterday the Florida delegation was treated to a unique meeting with the Governor of the State of Florida and his chief department heads to discuss some of the problems facing our State government. Because the Governor's remarks are timely, and I am certain bear directly on other States' problems, I would like to have his speech to the Florida delegation made a part of the RECORD.

The remarks of the Honorable Reubin O'D. Askew, Governor of Florida, follow:

REMARKS BY REUBIN O'D. ASKEW, GOVERNOR OF FLORIDA, AT THE FEDERAL-STATE RELATIONSHIP MEETING, WASHINGTON, D.C., FEBRUARY 26, 1973

First, let me thank each of you for joining us today. I know your time is valuable, and we appreciate this opportunity to share it. My hope is that before the day has ended, we'll have established between us a new level of understanding, one that will help all of us to work together more effectively in solving the problems of the people of Florida.

We're not here merely to tell you our needs and go home. Nor are we here to criticize the Congress, the President, or the Federal bureaucracy, and then disappear into our own various bureaucracies.

We're here to listen as well as to speak, to solve your problems with Tallahassee as well as to present our own with Washington, and we're here to form a lasting alliance of Florida leaders for Florida's people.

As the President and others speak of a "new federalism" in which power and responsibility are returned to State and local governments, I think it's important that we communicate with one another more often and more effectively than ever before. I'm hopeful this meeting will make it clear to all of us where and to whom we must go in solving problems that cross our respective levels of government.

In that regard, I'll be introducing to you representatives of various agencies of State government who are deeply affected by the decisions you make as Members of the United States Congress. They're the experts, and I invite you to listen, to question and, to correct them, if necessary, as they seek to give you Florida's views on various problems.

Before they begin, however, I'd like to share with you some general observations of my own on the new federalism, and what it means to our State.

I believe, along with the President, and most—if not all—of you here today, that too much power, too much money, and too much planning have been concentrated in Washington, and that it's time to return responsibility, initiative and financial resources to our State and local governments.

I also believe that the timing of this movement couldn't be better for State governments generally, and Florida's in particular.

State government has come to the end of a long and sleepy age from which many of us thought it might never recover.

It's beginning to show independence, imagination, and responsiveness again, the qualities that made historians at one time refer to the Nation's State capitols as "laboratories of democracy."

Tax reform, spending reform, government-in-the sunshine, criminal justice reforms, pace-setting environmental programs, efforts on behalf of consumers, and an upcoming State conference on energy needs seem to demonstrate a new vitality and responsiveness in our State government in Tallahassee.

And I think that the trend is reflected in many of our local governments, and in other States as well.

The point is, we want to continue the search for a better day for all people, and we feel that our State and local governments can be effective and imaginative in doing so, if they have your support, and that of the President. We're ready, able and eager to help win the battle for a new federalism, but we want to do it by pursuing, rather than forsaking, the Nation's commitment to certain ideals and basic needs.

We can do this if the Federal Government "shares" its responsibilities with us, as implied by the rhetoric of the season; but we can't do it if Washington flatly *abdicates* its responsibilities, as seems to be the case in far too many critical areas.

It would be very difficult, for example, for the State to buy the Big Cypress Swamp on its own and save its precious wildlife for future generations. I fail to see the economic theory in the administration's decision to delay that project again as prices continue to inflate, and pressures of development continue to threaten a unique natural resource. The same applies to the administration's general decision to cut back on funds for purchase and preservation of park lands. It just doesn't make sense environmentally or economically.

The people of Florida have already demonstrated their commitment to save environmentally endangered lands statewide to the tune of $240-million. If the new federalism is going to succeed environmentally, then Congress and the President must be willing to do their part.

The same applies to tax reform. We fought very hard in Florida to shift some of the tax burden from average people who were paying more than their fair share to large multistate corporations which were virtually enjoying a free ride. We were able, with the help of the people, to repeal $50-million in consumer taxes and $24-million in business taxes. We were able to roll back property taxes. Yet we also gave State Government the financial strength and stability it must have if it's ever to function properly as a key partner in the new federalism.

I am not unmindful of the commitment of the President to hold down the mounting deficit or the intention of the Congress to insist on the President faithfully executing its programs which become law.

I must share with you, however, some of the things that are happening to Florida as a result of the impoundments, cutbacks, and new budget proposals.

Unfortunately, we don't have a total figure on what the President's 1974 budget recommendation will mean in Florida because the Office of Management and Budget can't or won't give us one. At a time when we're striving at both levels of Government for a businesslike approach, in which we use sound management planning techniques, I find the lack of a central distributor of Federal budgetary information to be a severe handicap. And I hope this will change.

We've been able to project, nevertheless, possible losses in excess of $100-million in human programs in Florida as a result of the President's 1974 budget. This includes about $88-million in medical and other forms of aid for the aged, the blind, the disabled, for crippled children, for infants, for the mentally retarded, and for other Florida citizens who, through no fault of their own, have great difficulty helping themselves. They number more than a half-million.

About $63-million of these losses, incidentally, would be the result of rather arbitrary regulations proposed recently by the Secretary of Health, Education, and Welfare. As you know, we all have about two weeks yet to voice objections to those regulations. I hope you join me in doing so.

In the present fiscal year, meanwhile, we find ourselves receiving far less in revenue sharing and other forms of Federal aid than we were led to expect. We face a loss of $32.8-million this year in the human programs I've just mentioned. Our 1973 allocation of badly-needed funds to combat sewage pollution has been cut by $109-million. Our allocation for highway construction this year is down $27-million.

Time after time, we seem to find ourselves asked either to spend state and local funds on necessary programs that have heretofore been funded by the Federal Government or to watch those programs die.

Frankly, gentlemen, revenue sharing is beginning to look like good old-fashioned buck passing, which was never what the Congress intended. I'm willing to share the responsibility for the thrust which led to its enactment. I spoke in favor of it to most of you.

I have no intention, however, of asking the people of Florida to vote for new state and local taxes, for needs that should be met with what they're already sending to Washington.

I feel that legitimate spending reform must always be preceded by legitimate tax reform on the Federal level as it has been on the State level. After all, credits and exemptions are nothing more than spending on behalf of one group at the expense of another.

I also feel that legitimate spending reform must touch all areas of the budget.

Certainly some of our so-called social programs may have been wasteful, mismanaged and ineffective, and have to be phased out. But it seems to me that we should be determined to stop mismanagement and inefficiency throughout the Federal Government, and not simply in programs that happen to be unpopular or controversial.

I think we all agree that the national security is the first responsibility of the President and Congress, and I would be the last to question the great emphasis we place on that function. But I think we also all agree that such things as excessive cost overruns have no place in a program of announced cost-cutting.

In other words, just as there's money to be saved in Tallahassee, I think there's money to be saved in Washington and used in the States on programs for people.

And I'm not just talking about poor people. I mean all people. For our problems with crime, health care, pollution, consumer protection, transportation, education and housing are problems that affect all kinds of people, regardless of income.

We would be foolish to ignore them as politicians, and irresponsible to turn away from them as public officials.

In Florida, I'm talking about such problems as the Big Cypress, the need for sewage treatment facilities, the need for swift completion of our interstate system and timely development of rapid transit facilities, better health care at lower cost for all people, economic development for rural areas and small towns and environmental controls over excessive development in cities and urban areas.

In closing, let me say that I think we've reached a promising period in the development of our country and our state.

We've learned that those who felt that Washington should do nothing were wrong. We've learned that those who felt Washington should do everything were also wrong. And we've learned that the best way to spread democracy abroad is probably to create a shining example of it here at home.

My hope then is that we Floridians can come together today and put those lessons to good use, by making the new federalism work as a genuine partnership for the people.

MINNESOTA HOUSE COMMENDS PRESIDENT

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. NELSEN. Mr. Speaker, I have been provided with a copy of a resolution adopted by the Minnesota House of Representatives on February 12, which commends President Nixon for his achievements in negotiating a cease-fire in Vietnam as well as for his other contributions to world peace. In furtherance of these efforts, the resolution also extends to President Nixon the wholehearted support of a Minnesota House of Representatives.

I am sure the President is honored by this recognition by the people of my State, and I am delighted to include the full text of the resolution at this point in my remarks:

A House Resolution Commending President Nixon for His Accomplishments Regarding the War in Vietnam

Whereas, President Nixon has served the American people for four years as Chief Executive; and

Whereas, he has contributed to the ideal of world peace by improving communication and understanding between the powers of East and West; and

Whereas, President Nixon, with determination, has sought to effect a cease-fire in Vietnam by means of formal negotiation, an earnest dedication to peace and the return of prisoners of war; now, therefore,

Be it resolved, by the House of Representatives of the State of Minnesota, that commendation be extended to President Nixon for his achievement, and that the wholehearted support of the Members of this House, as well as the American people as a whole, be given to the President.

Be it further resolved, that the Speaker of the House of Representatives of the State of Minnesota transmit copies of this resolution to the President of the United States, the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, and to the Minnesota Representatives and Senators in Congress.

A BRICK IN YOUR TANK

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. FORSYTHE. Mr. Speaker, we are all concerned about preserving our national resources—including our water supply.

Recently I learned about a constituent, Mrs. Tilly Spetgang, who proposed placing a brick in toilet tanks to cut tank capacity and thus save water.

Since adoption by the town fathers, Cherry Hill has saved an estimated 34 million gallons of water annually.

The following is an article by Mrs. Spetgang, which appeared recently in Parade magazine. I want to share it with my colleagues:

A Brick in Your Tank

(By Tilly Spetgang)

Cherry Hill, N.J.—A few months ago, I placed a brick in my toilet tank to help my town save water. Ever since, the idea has been making waves.

Of course, some people still think it's a goofy thing to do. When I walked into the City Council of my home town, Cherry Hill, N.J., carrying a brick, some of the councilmen ducked under their desks. They thought I was going to throw it. But all I wanted was for them to put one into every toilet tank in town.

Today Cherry Hill, which has 17,000 homes, has adopted the idea. We figure that we're saving about 34 million gallons of drinkable water a year. And all that at a cost of $2000 which the council laid out for the bricks! How's that for low-cost conservation?

MORE THAN NEEDED

The logic behind the plan is simple. The standard toilet tank holds up to 8 gallons of water—far more than is needed for flushing. True, newer models are being built with a smaller cubic capacity—some only 3½ gallons—but in the average town enough water is being wasted to float a battleship. So by putting an ordinary hard clay brick, which measures 2 by 4 by 8 inches and displaces over a quart of water, into each toilet tank, an enormous saving can be effected.

In a city like Seattle, for example, according to the Seattle Post-Intelligencer, the savings could be 1,495,428,350 gallons of water a year, from 409,679 bricks. The benefits would be felt in an enormous increase in water reserves, and an easing of the burden on overloaded water and sewer systems.

In Cherry Hill, we enlisted the whole town in our campaign. Once the Conservation Advisory Board, of which I'm a member, convinced the City Council to invest in the bricks, all sort of people lent their support.

We figured on two bricks for each of our community's households. Who has a one-toilet home these days? So that meant 34,000 bricks, which, in case you never thought about it, add up to 68 tons.

FOOD FOR WORKERS

An amazing assortment of volunteers turned out to assist in the door-to-door delivery—students and engineers, bankers and teachers, carpenters and dentists, housewives and physicians, teen-agers and senior citizens. People brought fried chicken, hamburgers, coffee and malteds to the "brick depots" where the volunteers were loading cars and trucks. One woman showed up as a driver with a two-month-old infant asleep on the front seat. An elderly couple drove up in their own pickup truck to help out. Civil Defense used its two-way radio to link up our several depots.

Most enthusiastic of all were the young people. They pinned an ecology flag on the rear of a garbage truck loaded with bricks, they wore working outfits decorated with slogans and patches dealing with conservation and pollution, they organized themselves like an army, practically saluting each other. For many, it was their first chance to work alongside adults as equals, and they made the most of it.

Soon everybody around was talking about our "Put a Brick in Your Tank" caper. My husband Irwin, who is a business manager with RCA, found it the main topic at his office. Our youngest daughter, Valeri, 13, took quite a ribbing at school. Our eldest, Wendy, who is married and lives near Princeton, called us to say: "What's going on with these bricks? My phone hasn't stopped ringing!" We were so busy with the distribution that we'd forgotten to tell her.

But what was really amazing was the reaction—both pro and con—from people across the United States, and even abroad, who had heard about the Cherry Hill brick equipment through newspaper articles and radio and TV reports.

CAN'T PLEASE EVERYBODY

Some people astonished us by waxing indignant over the idea. One protester in Meadville, Pa., speculated that maybe my husband or somebody on the City Council was in the brick business. Alas, there wasn't a brick seller in sight. Another complaint came from a householder who tried to force a brick into his tank, pushed too hard, and broke a valve fitting. Well, we'd warned every one to be careful—bricks are bricks. More ingenious was an engineer who, when he found his brick too bulky, simply broke it in two and used the pieces separately.

Most virulent of all was a comment from Puyallup, Wash.: "The incredible ignorance and stupidity displayed by Mrs. Spetgang—if there really is such a name—and the concurring city officials, is shattering to those of us of reasonable intelligence. Is there no one there who knows that by the simple act of bending the arm of the float you can save water?"

Well, my answer to my friend in Puyallup, Wash.—if there really is such a place—is that we've all known that old trick of bending the float-rod for years. One problem is that bending the float lowers water pressure, which might cause a problem. But the main trouble is that people simply won't do it. They're afraid of damaging the mechanism. And they *will* put a brick in their tanks—that we've proved.

LONDON CALLING

Most of the reaction to our idea was favorable and even ecstatic. The British Broadcasting Corporation called me from London for a telephone interview, and the announcer said in his clipped English accent: "Oh, I understand, you put the brick in the toilet." To which I shrieked: "Lord, no, you put it in the *tank*. If you put it in the toilet you're in big trouble."

Judging by the extent of the interest aroused, people are about ready to get personally involved in the job of preserving our resources. Putting a brick in the toilet tank may seem like a prosaic, even a kind of silly way to start. But when it's done on a townwide, or city-wide scale, it really works. Any enduring structure is built brick by brick. Why not attack our conservation problems the same way?

GAETA URGES CITY CURB ON ILLEGAL ALIENS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. EILBERG. Mr. Speaker, the problem of illegal aliens in this country has been growing steadily since 1965. Estimates of the number of persons living in the United States illegally run as high as 2 million.

These people take jobs from citizens and legal residents and those that do not work add to the already unbearable load on our service agencies.

The problem has become so great in New York City that a bill was recently introduced in the city council to bar illegal aliens from city jobs and housing, welfare, and education programs. This action is an attempt to deal with the problems in New York caused by the growing numbers of illegal aliens in the city.

However, it is up to the Federal Government to solve the problem by eliminating it. That can be done by removing the reason aliens come to this country illegally—jobs.

Last year the House passed a bill which penalizes employers who repeatedly hire illegal aliens. I ultimately have reintroduced this measure this year. If it becomes law, it will make it unprofitable for employers to hire illegal aliens and thus eliminate the possibility of jobs for these people.

At this time I enter into the Record an article from the New York Daily News describing the legislation proposed in New York:

GAETA URGES CITY CURB ON ILLEGAL ALIENS

(By John Toscano)

A bill to prevent illegal aliens from "victimizing New York City taxpayers of hundreds of millions of dollars through fraudulent use of municipal programs" was introduced in the City Council yesterday.

The measure, submitted by Councilman Anthony R. Gaeta (D-Staten Island), would bar illegal aliens from city jobs and housing, welfare and school programs by requiring proof of citizenship or legal alien registration identification from anyone seeking to enroll in those programs or applying for a Civil Service position.

In addition, the bill, co-sponsored by Councilman Edward V. Curry, also a Staten Island Democrat, would set up the same requirements for any person seeking any permit or license issued by the city.

350,000 IN CITY

Gaeta said there are 350,000 aliens living illegally in the city and nearly a million in the metropolitan area.

"There are an estimated 50,000 students in public schools here who are in the country illegally," Gaeta said, "and each student costs the taxpayer $1,200 a year . . . or $60 million annually."

He said many illegal aliens receive welfare and medicaid assistance, occupy apartments in subsidized housing projects, and fill "countless" city jobs, especially in poverty programs.

NATIONAL WILDLIFE HEALTH FOUNDATION

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. WALDIE. Mr. Speaker, a newsletter of the National Wildlife Health Foundation has recently come to my attention. This foundation has launched a program to enlist veterinarians on a national basis to participate in helping injured wildlife without regard to financial reimbursement.

The foundation has received recognition from the city and county of San Francisco for the foundation's field test of a new, safer improved cleaning solvent for cleaning oiled birds. San Francisco has bestowed the honorary title "Director of Operations for Wildlife Disasters" on the foundation's director, Dr. James L. Naviaux, D.V.M., for his effort in the field test which cleaned 17 birds that were accidentally "oiled" in Richmond, Calif.

This National Wildlife Health Foundation has 200 veterinarians on their membership roster. I think the Congress and the American citizens should be made aware of this meritorious program of the foundation.

I submit the full text of this newsletter for inclusion into the Record:

NATIONAL WILDLIFE HEALTH
FOUNDATION,
Pleasant Hill, Calif., December 1972.

DEAR MEMBERS AND FRIENDS: This last year has been very busy and productive for the Foundation. Despite the amount of work and time that is demanded of me to keep up my equine practice I have finally seen the completion of a book that I have been working on for the past 10 years entitled "Horses in Health and Disease." More important as far as the Foundation is concerned is our publication of the revised edition (Dec. 1972) of our book, "Aftercare of Oil Covered Birds."

With the continued help of Drs. Allen Pittman and Jim Roitman, we have been able to improve the safety of cleaning oiled birds by substituting a new cleaning solvent called Shell Sol 70 for the effective but more flammable Isoparaffin 150. The new procedure makes the cleaning of oiled birds very safe and practical to use by totally inexperienced help. The procedure has just recently been published by the European Council for distribution to countries throughout Europe and elsewhere in the world.

Again we had the chance to put the procedure to a field test when 17 birds were accidently "oiled" in Richmond, California, this last month. All 17 were ready to be released in 48 hours but had to wait two weeks for their contaminated ponds to be cleaned.

In recognition of our efforts in this field, I was made "Director of Operations for Wildlife Disasters" by the city and county of San Francisco. I felt very appreciative for this honor and accepted the position as a potential and planned function for the Foundation.

Also this last year has seen the launching of our program to involve veterinarians on a national basis to participate in helping injured wildlife through the National Wildlife Health Foundation. Mr. Duane Warren, a writer for one of the national veterinary journals—*Modern Veterinary Practice*—did a special article in their September issue entitled "Opening the Door to Wildlife Practice."

The issue was about veterinarians involved in wildlife work. The article outlined our program of developing a national roster of "Active Wildlife Veterinarians" willing to donate their time and skills to help injured wildlife. As a result, it brought an overwhelming response from my colleagues from all over the country and Canada who are willing to be so listed. Their response very much reconfirmed my feelings that so many of us in the veterinary profession truly care about our wildlife and animal life in general, without regard to financial reimbursement. Already we have some 200 veterinarians on this roster.

Also this year, as the Foundation has become better known, it has attracted many new members and we were very fortunate to have received a $2,500 grant from the Lucius Beebe Foundation of San Francisco.

Our daily work of caring for the many injured, small creatures that are brought to us goes on, and it is rewarding to know that there are veterinarians throughout the United States doing the same thing—many having been treating wildlife for years.

Dear members and friends, we would like to thank you so much for all your past help and your continued support. With best wishes for you all; may the coming year bring days and months of happiness.

Very sincerely yours,
JAMES L. NAVIAUX, D.V.M.,
Director.

THE RUTH LYONS CHRISTMAS FUND

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. KEATING. Mr. Speaker, I would like to bring to the attention of my colleagues a rather unique and interesting fundraising program in Cincinnati which brings joy to thousands of hospitalized youngsters in Ohio, Kentucky, and Indiana.

The project, the Ruth Lyons Christmas Fund, is named after Ruth Lyons, a television personality who hosted the "50–50 Club" until her retirement in 1967.

The Christmas fund began in 1939 when Mrs. Lyons first broadcasted her "50–50 Club" radio show. Since that time more than $7 million has been raised.

Today, almost 100 hospitals in Ohio, Kentucky, and Indiana participate in the project.

The money distributed to the hospitals is spent at the discretion of each hospital. The funds could be used to buy toys, games or dolls for each of the pediatric wards. The money also can be used to purchase pediatric medical equipment.

Since Ruth Lyons' retirement from the "50–50 Club" the show has been hosted by Bob Braun who can be seen on AVCO Broadcasting Stations in Cincinnati, Columbus, Dayton, and Indianapolis.

During the past 2 years, the viewers and listeners to the "50-50 Club" have contributed more than $450,000 each year.

The total for the 1972 drive was $460,395.36.

This money will go toward making life a little bit more enjoyable for youngsters who have to go through the experience of entering a hospital in the tri-State area.

It should be mentioned that Bob Braun not only directs the fundraising appeal from the station's studios but he also makes numerous appearances in the hospitals entertaining the youngsters.

Mr. Speaker, thousands of parents have expressed their thanks for the Ruth Lyons Christmas Fund which has gone a long way since 1939 to relieve the apprehension of each youngster who has entered one of our neighboring hospitals.

Bob Braun and his "50-50 Club" should be given a hearty thank you from all of us.

TAX STATUS FOR THE POW'S/MIA'S

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. BROTZMAN. Mr. Speaker, I joined last Thursday with a number of my colleagues on the House Ways and Means Committee in introducing legislation designed to provide more equitable tax treatment for certain prisoners of war and the families of those who remain in a missing status.

Specifically, this bill deals with four separate sections of the Internal Revenue Code. The first of these involves the tax status of combat pay received by a member of the armed services who is hospitalized as a result of injuries incurred in a combat zone.

Under existing law, such a man is allowed to exempt from his gross income all combat pay received prior to the cessation of hostilities. What of the man, however, who was injured in the waning days of the Vietnam conflict? If his hospitalization extends beyond the termination of combat activities, he will not receive such an exemption. Yet another man wounded earlier who completed hospitalization prior to the cease-fire could exempt all of his combat pay.

The bill I am introducing seeks to deal with this situation by exempting all combat pay up through the month hospitalization ceases even if all combatant activities have terminated. I feel that both cases I cited above are equally deserving and this bill would put them on an equal footing.

The second matter with which my bill deals involves the taxability of a man designated as missing in action and later determined to be dead. Current law would require his survivors to pay taxes on all income he received after his death. This provision would work an extreme hardship on many families and I do not believe that such was the intention of the Congress when it originally enacted this section.

Accordingly, this legislation would change the law to forgive the tax liability of a serviceman who dies while in missing status for the entire period he was missing. In those instances where a widow has filed returns after the death of a deceased serviceman without claiming the benefits of existing law, this provision would permit her to claim the benefits of this tax forgiveness within 1 year from this bill's date of enactment, regardless of the statute of limitations.

The next provision of existing law which I feel works an injustice deals with the widow's rights to file a joint return up to the year of her husband's death. In the case of the MIA this date of death may not be known until years later, at which time the difference in tax liability between a joint and a separate return could weigh heavily on the financial resources of the widow.

This bill would seek to remedy this problem by permitting the spouse of a man listed in a missing status to file a joint return through the year in which final determination is made of his death by the Department of Defense, regardless of the actual date of that death.

Finally, the bill permits a wife or a representative of an estate of a man listed as an MIA to defer filing of any returns until either the serviceman returns or his MIA status is ended. Under this provision a wife could then file a joint return for the total period involved.

Mr. Speaker, I feel that it is with the utmost urgency that we deal with these problems as expeditiously as possible. April 15 is just around the corner and these people will have to be filing their tax returns for last year. We can solve a lot of problems and deal most equitably with these people if we enact the legislation I am suggesting at the earliest possible date.

THE ADMINISTRATIVE DISMANTLEMENT OF OEO AND LEGAL SERVICES MUST CEASE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. KOCH. Mr. Speaker, I am greatly disturbed by the administration's action in the past month with regard to the dismantling of the Office of Economic Opportunity. In my view, the administration has acted without legal authority and has violated clear congressional mandates in impounding some $113.5 million in OEO funds appropriated for the current fiscal year and in ignoring Federal statutes requiring that the reorganization of executive agencies be submitted to Congress for review before they can become effective.

In addition, Acting OEO Director Howard Phillips sent a memorandum on January 29 to the chairman of all community action agencies informing them that their designation as the official local poverty agency had been rescinded. These actions were taken without first giving Congress or the public any prior notification or any opportunity to respond to the changes, as standard procedure requires. These community action agencies are the vital core of the antipoverty program and are essential to the coordination of antipoverty activities at the local level.

The problems faced by OEO's legal services program in particular illustrate very clearly the kind of administrative harassment which has threatened to disorganize totally the day-to-day functioning of legal services programs. The President's budget proposal provides for funding for legal services at the $71.5 million level, but only if the program is administered by a new, still-to-be-created Legal Services Corporation. The administration has not yet submitted its legislation for the establishment of such a corporation, and judging from the wide-ranging debates last year in Congress over this very same issue, there is no guarantee that disagreements will be worked out and a satisfactory bill passed by Congress in time to prevent the disruption of existing legal services machinery.

Not only is the final status of legal services programs in jeopardy, but present programs, which have had their appropriations approved by Congress through June 30, 1973, have been required by OEO to renew their grants on a month-by-month basis. After a storm of public protest, Phillips today announced in testimony before a House Labor Subcommittee that the administration will resume normal funding cycles March 1.

As an indication of this type of harassment, the overall legal services agency for New York, Community Action for Legal Services—(CALS)—is presently being required to seek renewal of its grant every 30 days and is constantly having to adjust to unannounced changes in the rules governing the submission of these monthly budgets—all of this requiring considerable paperwork, duplication of effort, and most importantly valuable time lost which could otherwise have been spent in the representation of clients. Such disruptions tend to make it almost impossible for a program to receive its authorization for continued operation before it runs out of money. And once its funding has expired, the programs' operational expenses and staff uncertainties make it virtually impossible for the program to continue. Already in California 17 of the State's 34 legal services programs have stated they will have to close by the end of this month.

CALS has an excellent record of quality representation of tens of thousands of poor people in New York City. Its 160 well-trained and dedicated attorneys stand ready to carry out vital services in defending the legal rights of the poor, yet unless it receives notification of continued funding it cannot function efficiently. Hopefully the administration's decision today to resume normal funding cycles has come soon enough. What must be done now is to make certain that further, burdensome regulations will not be issued to sabotage the operation of present legal services programs.

I consider the legal services program to be one of the high points in the development of our antipoverty program, and

I am deeply concerned that the disruptions and demoralization caused by these administrative actions will result in serious diminution and perhaps elimination of such essential legal services representing the interests of the poor. I can see no purpose in Acting OEO Director Phillips' recent actions other than that of creating sufficient havoc so as to prohibit effective program operation during the spring, while the continued dismantling of OEO is underway. Accordingly, I have joined other members of the New York delegation in writing to President Nixon, urging his intervention in ceasing the burdensome and unnecessary requirements being imposed on CALS by the national office of OEO.

In addition, I am cosponsoring legislation which would provide a procedure by which Congress can overrule the President's actions in impounding such congressionally appropriated funds as are presently being withheld from OEO. This is an extremely important issue, and I hope the Congress will consider it as a matter of first priority.

SENATE—*Wednesday, February 28, 1973*

The Senate met at 12 o'clock meridian and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

PRAYER

Dr. Lawrence P. Fitzpatrick, National Chaplain, 1972–73, the American Legion, Coin, Iowa, offered the following prayer:

Almighty God, Father of us all, we pause at this time to acknowledge that we are Your children. Help us to become truly aware of the responsibilities that go with a seat in this Chamber. Make us awaken to the fact that we must put people before party; that men and women look to us for needed help; that children are waiting for us to free them from their shackles.

Keep us from the sin of administrivia; free us from temptations that waste our time; release us from all vices that prevent the fulfilling of our duties.

Finally, O God of mercy, direct our thoughts, actions, and words today that when we prepare for our night of rest we may look back and know that we have done our best this day for God and country. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 28, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. SAM NUNN, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. NUNN thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bill in which it requests the concurrence of the Senate:

H.R. 3577. An act to provide an extension of the interest equalization tax, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 3577) to provide an extension of the interest equalization tax, and for other purposes, was read twice by its title and referred to the Committee on Finance.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, February 27, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

U.S. AIR FORCE

The second assistant legislative clerk read the nomination of Lt. Gen. Robert E. Pursley, to be lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. MARINE CORPS

The second assistant legislative clerk read the nomination of Lt. Gen. Louis Metzger, to be a lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Army and in the Marine Corps, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

LEST WE FORGET

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an article entitled "The Vets: Heroes as Orphans" and an article entitled "The Permanent War Prisoners," both published in Newsweek magazine for March 5, 1973, be printed in the RECORD.

I would point out that in the article entitled "The Permanent War Prisoners," the following comment is, I think, noteworthy, one which we should never forget:

> There are 25,000 paraplegics, quadriplegics, men disassembled and totally disabled by the frags, mines, and bullets of the Vietnam war—and they have filled up veterans' hospitals throughout the country.

So I would hope that we would keep in mind these men who have sacrificed so much, who have paid such a high price, in our consideration of the veterans of the Vietnamese war and the treatment which we should accord to them in the months and years ahead.

The PRESIDING OFFICER. Without objection, the articles will be printed in the RECORD.

The articles ordered to be printed in the RECORD are as follows:

THE PERMANENT WAR PRISONERS

There are 25,000 of them—paraplegics, quadriplegics, men disassembled and totally disabled by the frags, mines and bullets of the Vietnam war—and they have filled up veterans' hospitals throughout the country. In the midst of the euphoric homecoming of the prisoners of war, NEWSWEEK's Malcolm MacPherson talked with patients at the Spinal Cord Injury Center at the VA hospital in Long Beach, Calif. His report:

"When I saw them come home, I cried," said Max Inglett, 26, a Sp/5 wounded during a mortar attack a year ago. "I cried out of self-pity. I remember getting off the plane when I returned, and nobody met me. I envy the prisoners because they can walk. They were prisoners for five years and eight years, but I'm a prisoner within myself because I'm a prisoner in this," he said, tapping the side of his wheelchair. "You cry inside when you go to Disneyland and can't take the rides. You cry when you take your girl dancing, and other guys see you're in a wheelchair and they ask your girl to dance. You don't want to ruin her fun, but it rips you up inside."

Inglett was an aspiring ventriloquist before he signed up for the first of his two hitches in Indochina (he re-upped because "everything here seemed so empty, no one cared what was going on"), and most of his hopes rest with his dummy, Ozzie O'Sullivan, which sits blank-eyed in a chair near Inglett's bed. He can imitate 23 celebrities ("Like a Negro doctor starting out, I've got to do an extra-good job to make people accept me") and will try to make it as a pro when he leaves the hospital next month. "I'm determined to make the point that we are human, not a cop-out," he said.

Like many other paralyzed vets, Inglett will have to rebuild his life mostly on his own. "Most guys who get hurt, their families disown them," he said. "Mine did. We are a burden. 'Don't scratch the furniture,' they say." And it is extremely difficult to find a girl. "It takes an exceptional woman to accept us," Inglett said, matter-of-factly.

Lawrence Meneses, 24, a Mexican-American from Sacramento who was paralyzed in 1969 by a bullet from a strafing U.S. plane, drifted into drugs after he left the Long Beach hospital for the first time three years ago. "I'd ask people to do things for me, and they'd tell me to do them for myself," he recalled. "But they didn't understand that doing them wasn't easy for me. They should do things for me, I thought at the time." Meneses was quickly married and quickly separated after his first hospital tour, then found himself back in Long Beach last July after getting involved in the drug scene. "It doesn't do much good to be mad at the world," he said quietly.

Carl Westenberg, 28, a former lieutenant in the Special Forces, lifts weights three days a week in the physical-therapy room at Long Beach. Before Vietnam—and before an army truck rolled over on him—he was a sky diver, scuba diver and motorcycle freak; his relationship with his wife, to whom he is still married, was based on a shared passion for outdoor sports. "I'm going to do a lifetime of this," he said, pushing an iron barbell over his head. "The prisoners of war only had eight years of it. But I don't have any hard feelings about anyone who got out of that war in good shape."

"HIT"

Terry Holder, 25, a Marine Corps lance corporal, was wounded on patrol in August 1969. "About five minutes after I was hit, I knew I was paralyzed," he recalled. "After they'd taken the bullet out, a solemn Navy doctor said, "Terry, it looks like you will be paralyzed for the rest of your life."

" 'Is that all?' I asked. He looked at me stunned.

" 'Is that all? Am I going to live?' When the doctor nodded yes, I told him that's all I needed to know. I adjusted to the fact so quickly that they sent me to a psychiatrist to find out if I was okay."

Far from feeling any bitterness toward the heralded POWs, Holder seems to hope they take everything they can get from the government and the American people—tax windfalls, flowers, cars, the lot. "Anyone who came back from that unpopular war deserved that reception," he said, "though I haven't exactly had a rear admiral hug me. As a paraplegic you get used to going in back doors or through kitchens. It's not exactly fun or good for the ego. It makes you feel discriminated against. And it is that exactly—discrimination."

THE VETS: HEROES AS ORPHANS

(Suitable jobs are to be reserved—I repeat, reserved—for Vietnam veterans . . . Official policy has been established that while waiting for work they will receive the same salary they got in service . . . Professional and specialist schools must reserve places for wounded veterans . . . and logjams must be cleared by opening new classes . . . Enterprises set up by veterans are to get extra state aid . . . and loans at the lowest interest rate . . . Children of dead or wounded veterans are to receive educational privileges and special attention throughout their schooling.)

It sounds like a somewhat rosier later-day version of the sort of grateful compensation that the U.S. lavished on its returning soldiers after World War II and Korea. But this statement of "official policy" happens to be North Vietnam's, not America's—and so is its resolute spirit. At a time when much of the nation—and much of the Federal publicity apparatus—is hailing the return of U.S. prisoners of war with warm oratory and hot cash, some 3 million ordinary Vietnam vets are hoeing a tougher row than their counterparts from any American war in this century. Revised Veterans Administration budgets, computer foul-ups, inadequate training and rehabilitation programs, a sluggish job market—all have combined to make thousands of Vietnam vets feel more like war orphans than heroes, and to give Congress and the President one more bone to pick in their looming fiscal showdown.

In Washington last week, there was more skirmishing over veterans' affairs than at any time since the bonus march of 1932. The Senate Veterans Affairs Committee reported out two bills—one on national cemeteries and one on expanded medical benefits—identical to measures that had been pocket-vetoed by Mr. Nixon last year, plus a third on drug treatment that had got lost in the House-Senate conference committee at adjournment. An organization called the National Association of Collegiate Veterans filed suit to shake loose $25 million in veterans' educational funds held back by the Administration. And rumors continued to insist that VA Administrator Donald E. Johnson—an Iowa feed-grain dealer and past national commander of the American Legion—would be forced out by the pressure of veterans' discontent, particularly from such older groups as the Veterans of Foreign Wars.

At the core of the fight was the Administration's attempt to reorganize and contain the $12.5 billion in annual veterans' programs—by refusing, for example, to spend an extra $103 million on extended VA medical benefits which would include such new tasks as maternity and child care for veterans' families. What few objectives experts could be found on the subject seemed to believe that the Administration's proposed total outlays for Vietnam vets would compare well enough in most areas (one notable exception was higher education) with those for World War II and Korean GI's. But veterans' protests and inept Administration lobbying have combined to give the reshuffle the appearance of betrayal.

According to a revised VA schedule of disability payments, 300,000 disabled veterans were to receive added benefits at an extra yearly cost of $186 million. But the VA's Johnson touted the plan to Congress as a means of cutting benefits to 200,000 less-disabled veterans and saving $160 million—a half-truth at best, and one that outraged so many veterans' spokesmen that the whole reorganization is in trouble.

Whether this high-level bureaucratic tango means very much to the ex-grunts in the city streets is another question. Generally poorer, darker-skinned and less adaptable than the dogfaces of earlier wars, they have returned home to find their service skills unsalable and the roads to improvement rutty. College admissions officers offer tepid welcomes—especially now that the U.S. no longer pays full tuition—and VA training and job-referral services are only spottily effective. Some 50,000 to 100,000 ex-grunts have had either to kick a heroin habit or to try to live with it. Computer trouble often delays their subsistence or disability checks. For thousands of vets, Federal programs are neither good nor bad but merely irrelevant:

Max Gonzalez joined the Army at 17 to escape the East Harlem drug scene—and ran straight into the Vietnamese drug scene. Though he won the Bronze Star, two Purple Hearts and a promotion to sergeant, he was strung far out on heroin for the whole fifteen months he was there. "No one cared, either," he says, "as long as you went out to get shot up." Reassigned to Germany, he arrived with $527 in his pocket and "shot it all up in six or seven days." He re-enlisted for a year in Vietnam to be close to his supply, then returned home to a career of "boosting cars, robbing apartments and doing stick-ups." Gonzalez was arrested five times before he joined a methadone program in the Bronx. "The Army doesn't care, and the VA doesn't care either," he says bitterly. "All they think you are is another statistic."

David Reeves graduated with a degree in business administration from Atlanta's Morehouse College, Martin Luther King's alma mater, and went to Vietnam as one of the first black Marine officers. Today, at 28, he is working as captain of the banquet room at the Marriott Hotel in Atlanta. "I'm not ashamed of what I'm doing," he says, "but I really have no place to go as captain over a group of waiters. I looked hard for the good jobs. But I kept getting that old routine, 'Son, you just don't have enough experience for the business community.' I'm a little resentful of being told that all that leadership training would some day pay off." Still, Reeves is better off than most of his brothers. A public hearing last month disclosed that more than a third of the states' recently returned Vietnam vets are earning less than $3,000 a year.

Donald Watson left Detroit to see the world and for thirteen months saw Vietnam as a combat infantryman, picking up a drug habit on his way into the jungle. On his return, honorably discharged but still addicted, he kicked heroin during a three-month stay in Wayne County jail, then enrolled in the drug program at the VA hospital in Battle Creek. Now 25, married and the father of a small child, he is living with relatives and recently found a factory job through a voluntary group called the Veteran's Referral Service. Operating out of a cubbyhole, VRS has found more than 800 jobs for Detroit-area vets since October, as well as helping out on housing, record procurement and college admission. The key to VRS's troubleshooting success is its "good-guy list" of government, corporate and academic bureaucrats who actually get things done; only two VA employees made the list.

Joe DePrimo, 25, returned from Vietnam with a Bronze Star and worked his way through New York's Richmond College with the help of GI benefits and part-time jobs. Two and a half months after earning his B.A. in psychology, he is still looking for work. "I nickeled-and-dimed it all through college," says DePrimo, the first in his family to get a degree. "More than once I shot straight through the toll booths on the bridge because I didn't have the money. I must have been to twenty agencies looking for a job. They just laughed when I showed them my degree. And when I said I was a vet, they laughed even harder. Now when I go out for jobs, I don't even put down that I was a vet. People think you're a time bomb or an addict."

Bleak as the situation is, some of those concerned with veterans' affairs think that the worst of the dismal swamp is past. In the swelling economic boom, unemployment among ex-grunts has dropped from 7.8 per cent in late '71 to 5.6 per cent at the end of '72—slightly lower than the rate for non-vets between the ages of 20 and 29. There are indications that the Nixon Administration plans to put pressure on private universities to step up their recruiting of veterans. But many of the vets who have found jobs are working below their capacity, and college recruiting efforts—like many other programs for veterans—are irrelevant to the poor and undereducated men who are the neediest veterans of Vietnam. Congress may yet prevail over Mr. Nixon in the fight for more money and bigger programs, but most of the programs were designed in the classic style of military thinking: to meet the needs of some other war.

MR. NIXON'S GREATEST ACHIEVEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an article entitled "Mr. Nixon's Greatest Achievement," written by Joseph C. Harsch, and published in the Christian Science Monitor of February 27, 1973, be printed in the RECORD. I understand that Mr. Harsch is now the chief of the editorial page of the Christian Science Monitor. In my opinion, he is one of the truly outstanding commentators in this country.

Before the Chair rules, I should like to read from the commentary, as follows:

But is communism in China an ideology or a new form of Chinese nationalism tailored to the needs of today's China? It is peculiarly Chinese and doesn't seem to travel well. It has no visible export market.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. NIXON'S GREATEST ACHIEVEMENT

(By Joseph C. Harsch)

Long years from now when some wise historian who is untouched by any of the partisan emotions of these days sits down to do a study of the Nixon presidency he well may, I submit, conclude that Richard Nixon's single biggest achievement was in dispelling a great and gnawing fear.

The fear has been that if the political leaders of the Western world came to terms with foreign communism they would, thereby, open the floodgates and admit it to their own countries with disastrous results.

FRATERNIZING

That fear is, of course, not entirely dispelled. Mr. Nixon's foreign policies, particularly his "opening to China," are still profoundly distrusted on the far political right. Quite correctly, far right spokesmen and pamphleteers accuse Mr. Nixon of fraternizing with foreign Communists. He is. And to his critics of the far right this is improper and dangerous for the old, old reason it might help the spread of Communist ideology in the Western world.

Probably there will long be a few residual pools of such fear. And, conceivably, those who nourish the fear may some day be vindicated by events. No one can prove today that the fear is entirely unjustified. But the weight of present evidence is heavily on the other side.

As President of the United States, Richard Nixon has become a most welcome visitor within the precincts of the old Imperial Palace in Peking. He is equally welcome in Moscow; indeed, the Soviet Government did all it could to aid his recent reelection to the presidency.

RADICAL DEPARTURE

In other words, to a degree inconceivable to his predecessors, Richard Nixon has dignified and legitimized the Communist governments which preside today in Peking and Moscow. He, the head of the most powerful non-Communist state in the world, treats the regimes of Peking and Moscow not as usurper regimes, but as the actual and right and proper governments of the two other greatest powers in the world.

And what are the results inside the countries of the Western world of this radical departure from the past? Is communism itself or any other form of more modern social radicalism rampant? Quite the contrary. Not in a long time has conservatism been so vigorous and even dominant in most of the Western countries.

Britain has a Tory Prime Minister. France is under the firm control of Charles de Gaulle's chosen successor. The United States is under Richard Nixon. Japan is run, de facto, by its leading industrialists and bankers working through politicians of their choice. In all these countries the streets are relatively quiet (except for rampant crime in American streets due largely to the political power of the gun makers).

NO EXPORT

Communism, at least for the moment, is recessive and fragmented. It bores the young. It has long since disenchanted the old. It has failed, spectacularly, to solve Russia's economic problems. It has failed to bridge national rivalries between Russia and China. True, a schismatic variety has proved useful to the Chinese. China appears to be more united and more successfully progressive today than ever before since the collapse of the Manchu dynasty. But is communism in China an ideology or a new form of Chinese nationalism tailored to the needs of today's China? It is peculiarly Chinese and doesn't seem to travel well. It has no visible export market.

Which means that Mr. Nixon has recognized foreign Communist countries with no perceivable resulting disasters in Western countries. It's quite an achievement.

FBI DIRECTOR L. PATRICK GRAY MAKES MATERIAL AVAILABLE TO SENATORS

The ACTING PRESIDENT pro tempore. Does the Senator from Pennsylvania desire to be recognized?

Mr. SCOTT of Pennsylvania. Yes, Mr. President.

A few minutes ago, Mr. L. Patrick Gray, testifying before the Senate Committee on the Judiciary on his nomination by the President to be Director of the Federal Bureau of Investigation, made an offer which deserves wide public attention.

Mr. Gray offered to disclose, for the first time in history, the complete investigative material having to do with a matter in the jurisdiction of the FBI. He offered to disclose to any Senator all the material from the entire investigation conducted by the FBI pertaining to the so-called Watergate affair, from the moment of its inception to the present, with the sole understanding that a member of the FBI be present when these very sensitive documents are examined, and limiting the offer to Senators only.

Perhaps to avoid the untold effects of the raw material, it might have been better had the offer been limited to the Judiciary Committee. Mr. Gray, however, has made this offer in an effort to make it absolutely clear that the FBI—and this is not to be regarded as a precedent for any other case—is anxious to let the American people know that this matter has been thoroughly investigated, and let the chips fall where they may. Therefore, I commend the Acting Director for his decision.

I hope that the offer will be accepted in the spirit in which it is made, and that Senators will not act out of sheer curiosity, but only to demonstrate that they are really concerned about involving themselves in this affair so as to inform themselves to the fullest.

The important thing is that the FBI has announced to the public and to the Senate that this investigation is entirely on the level. They want it understood fully by every Senator that if there is anything that has not been revealed heretofore, it will be.

This is a wholesome development; I am glad that it is taking place.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. MANSFIELD. I am delighted with this news. It is just another indication—at least, I hope it will be—that so far as the investigation by a bipartisan Senate committee of the Watergate affair is concerned—and I have stated this many times—it will not turn into a witch hunt. Its political implications, in my opinion, are of considerably lesser degree than are the constitutional implications involved. I agree with the statement by the distinguished minority leader to the effect that, so far as he was concerned—and I assume he speaks for the administration as well—he wanted the "chips to fall where they may."

So I think this is a good start, and the sooner all the matter pertaining to Watergate is laid on the record, the better it will be for all concerned, because I think the air will be cleared.

But again I want to repeat: I, for one, am not in favor of a witch hunt. I, for one, do not look upon this as primarily a political issue. But I do think it is a constitutional issue, and because of that, the matter has to be gone into, and in that way the atmosphere cleared.

Mr. SCOTT of Pennsylvania. I thank the distinguished majority leader for his very responsible statement.

There is no question that every Member of the Senate voted for this investigation. That indicates exactly how we feel about it. I agree that it should not be a witch hunt. It should be an on-the-level, complete, thorough, exhaustive investigation, so that we can put behind us, once and for all, an unfortunate chapter in American political history.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 3 minutes.

FAILURE OF ELECTRIC POWER IN THE ROTUNDA

Mr. MANSFIELD. Mr. President, I think the distinguished minority leader may have an interest in what I am about to say.

It is my understanding that six Senators, of both parties, arranged for a press conference in the rotunda of the Capitol this morning and that, for some reason not ascertained at the moment, the electric power was turned off. It is my understanding, further, that these Senators met for the purpose of explaining their position on a resolution which will be before the Senate tomorrow, a resolution to amend rule XXV, relative to open and closed sessions of committees, which was reported by the Committee on Rules and Administration on February 21.

It seems odd to me that the power was turned off, if it was, when these Senators wanted to make an open explanation, at an open press conference, of their positions on the opening of the committees of the Senate to closer scrutiny by the public.

It is my intention to look into this matter on behalf of these Senators—none of them has approached me—to find out just what was behind this type of behavior, and to express, on the basis of what little I know at the present time, my opposition to any Senator being cut off at any time, especially when he wants to discuss a matter such as open hearings.

Mr. SCOTT of Pennsylvania. If the distinguished majority leader will yield, this is the first time I have heard of this. I agree with the majority leader. It certainly should not have happened, whether accidental or otherwise. We should find out about it.

The Senator refers to the Cannon resolution and an amendment which is intended to be offered to it, as I understand. I expect to support the Cannon resolution in its present form. Certainly, all those who have another opinion ought to be heard; and if they wish to have a press conference, it should have the widest possible coverage.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. STEVENSON. I was one of the six Senators intending to offer the amendment to Resolution 69 and who did attempt this morning to hold a news conference. We attempted yesterday to find quarters within the Capitol complex for a news conference and were told that the only available quarters were in the rotunda. This information came through the staff of Senator ROTH from the Architect of the Capitol.

When we arrived at the rotunda with the press at 9 o'clock this morning, the representatives of the Architect's office indicated that no power would be available for the television cameras. That was not what we had been told yesterday.

Mr. President, we had intended to hold this news conference this morning in anticipation of a vote tomorrow on an amendment to the resolution on secrecy that has been reported by the Rules Committee. Since we were unable to have our news conference today, in anticipation of that vote tomorrow, I wonder whether the leadership would be receptive to giving us time tomorrow for a news conference, holding over the vote on the amendment to Resolution 69 until early next week.

Mr. MANSFIELD. Yes, we would. Would the Senator mind discussing the proposal tomorrow and perhaps on Friday, but voting on Monday?

Mr. STEVENSON. I would be very receptive to that suggestion. Perhaps we could discuss it at some length tomorrow.

What we are primarily interested in is holding a news conference before the vote; and if the vote could follow some time next week, I believe that would be very acceptable to all the sponsors of this amendment.

Mr. MANSFIELD. I assure the distinguished Senator from Illinois that his wishes will be acceded to.

May I say, further, that if the group which is interested in opening the committees of the Senate wishes to hold a press conference this afternoon, tomorrow morning, Friday, Saturday, or Monday, the offices of both leaders of the Senate will be available for them to undertake such a meeting.

Mr. SCOTT of Pennsylvania. That is right.

Mr. STEVENSON. I thank the joint leadership. I believe the press conference now has been scheduled for 9 o'clock tomorrow morning, in the hearing room of the Committee on Government Operations.

Mr. MANSFIELD. If the Senator runs into any trouble, either of our offices will be open.

In the meantime, I suggest to the distinguished minority leader that we write a letter to the Architect of the Capitol to find out what the reason was for the cutting off of the power in the rotunda this morning, after agreement had been reached.

Mr. SCOTT of Pennsylvania. I will gladly join in that.

I suggest to the distinguished Senator from Illinois that 5 minutes before the press conference tomorrow, he have somebody check the circuits in the room of the Committee on Government Operations.

CONVENTION ON THE PREVENTION OF MARINE POLLUTION BY DUMPING OF WASTES AND OTHER MATTER—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, opened for signature at Washington, London, Mexico City, and Moscow on December 29, 1972—Executive C, 93d Congress, first session—transmitted to the Senate today by the President of the United States, and that convention with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The ACTING PRESIDENT pro tempore (Mr. NUNN). Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, opened for signature at Washington, London, Mexico City and Moscow on December 29, 1972. The report of the Department of State is enclosed for the information of the Senate.

This Convention is designed to establish in each country which is a party to this Convention, a national system for regulating the ocean disposal of wastes comparable to the system for this country provided by Title I of Public Law 92-532 enacted October 23, 1972, the Marine Protection, Research, and Sanctuaries Act of 1972.

International concern for the protection and effective management of our oceans has been growing in recent years. We expect this Convention to come into force in a relatively short period of time and to provide a significant and successful step in the international control of marine pollution. I recommend that the Senate give prompt consideration to this Convention and consent to its ratification.

RICHARD NIXON.

THE WHITE HOUSE, *February 28, 1973.*

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REHABILITATION ACT OF 1973—PRIVILEGE OF THE FLOOR

Mr. CRANSTON. Mr. President, I ask unanimous consent that the privileges of the floor be extended to the following members of the staff of the Committee on Labor and Public Welfare in connection with consideration this afternoon of S. 7, the Rehabilitation Act of 1973, from this point in time, throughout consideration of S. 7 including all votes, until action is completed on that bill: Jonathan Steinberg, Michael Burns, Robert Humphreys, and Lisa Walker of the majority staff, and Roy Millenson, minority staff director.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the morning hour be extended to the hour of 1 o'clock for the conduct of morning business, under the same limitations as heretofore applied.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year 1973, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 2, 3, 4, and 5 to the joint resolution, and concurred therein.

QUORUM CALL

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. NUNN) laid before the Senate the following letters, which were referred as indicated:

REPORT ON PLANNED ACTIONS BY NATIONAL AERONAUTICS AND SPACE ADMINISTRATION IN FISCAL YEAR 1973 PROGRAM

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report on planned actions by that Administration, in the fiscal year 1973 program (with an accompanying report); to the Committee on Aeronautical and Space Sciences.

REPORT OF FEDERAL CROP INSURANCE CORPORATION

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Federal Crop Insurance Corporation, for the 1972 crop year (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Agriculture for "Animal and Plant Health Inspection Service," for the fiscal year 1973 had been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT ON RESERVE FORCES

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on reserve forces, for fiscal year 1972 (with an accompanying report); to the Committee on Armed Services.

REPORT ON SALE OR TRANSFER OF GOVERNMENT-OWNED COMMUNICATIONS FACILITIES IN ALASKA

A letter from the Secretary of Defense, reporting, pursuant to law, on the sale or transfer of Government-owned communications facilities in Alaska, for the calendar year 1972; to the Committee on Armed Services.

REPORT RELATING TO OFFICER RESPONSIBILITY PAY

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report relating to Officer Responsibility Pay, for the calendar year 1972 (with an accompanying report); to the Committee on Armed Services.

REPORTS ON PROPOSED DONATIONS OF SURPLUS PROPERTY

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation of certain railroad equipment to the State of Texas; to the Committee on Armed Services.

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation of certain surplus property to the Promontory Chapter of the National Railway Historical Society, Inc., of Salt Lake City, Utah; to the Committee on Armed Services.

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation of certain surplus property to the Town of Dewer, Okla.; to the Committee on Armed Services.

REPORT ON OFFICERS RECEIVING FLIGHT INCENTIVE PAY

A letter from the Secretary of the Navy, reporting, pursuant to law, on officers receiving flight incentive pay, for the 6-month period ended October 31, 1972; to the Committee on Armed Services.

REPORT ON CONSTRUCTION PROJECTS PROPOSED TO BE UNDERTAKEN FOR THE NAVAL AND MARINE CORPS RESERVE

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, a report on construction projects proposed to be undertaken for the Naval and Marine Corps Reserve (with an accompanying report); to the Committee on Armed Services.

REPORT ON PROPOSED CONSTRUCTION PROJECTS FOR THE ARMY NATIONAL GUARD

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, a report on proposed construction projects for the Army National Guard (with an accompanying report); to the Committee on Armed Services.

STATISTICAL SUPPLEMENT, STOCKPILE REPORT

A letter from the Acting Director, Office of Emergency Preparedness, Executive Office of the President, transmitting, pursuant to law, a statistical supplement, Stockpile Report, for the period ended December 31, 1972 (with an accompanying report); to the Committee on Armed Services.

PROPOSED LEGISLATION FROM DEPARTMENT OF THE AIR FORCE

A letter from the Assistant Secretary of the Air Force, Manpower and Reserve Affairs, transmitting a draft of proposed legislation to amend section 9441 of title 10, United States Code, to provide for the budgeting by the Secretary of Defense, the authorization of appropriations, and the use of those appropriated funds by the Secretary of the Air Force, for certain specified purposes to assist the Civil Air Patrol in providing services in connection with the noncombatant mission of the Air Force (with an accompanying paper); to the Committee on Armed Services.

REPORT OF DEPARTMENT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Acting Assistant Secretary of Defense (Installation and Logistics), transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms, for July-November, 1972 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Report on Capital Assistance, Technical Studies, and Relocation Grants

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on capital assistance, technical studies, and relocation grants, for the year 1972 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation From the Secretary of the Treasury

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to prohibit the making of clad strip from which slugs can be cut for use in coin operated machines and to prohibit misrepresentation as to proof and uncirculated coins (with an accompanying paper); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation From the Secretary of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Urban Mass Transportation Act of 1964 (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

Proposed Standards, Rules, and Regulations Promulgated by the Cost Accounting Standards Board

A letter from the Chairman, Cost Accounting Standards Board, transmitting, pursuant to law, proposed standards, rules, and regulations promulgated by that Board (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation From Department of State

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the Marine Protection, Research, and Sanctuaries Act of 1972, and for other purposes (with accompanying papers); to the Committee on Commerce.

Proposed Legislation From the Secretary of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the Coast Guard for the procurement of vessels and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes (with an accompanying paper); to the Committee on Commerce.

Proposed Legislation From Federal Communications Commission

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 415 of the Communications Act of 1934, as amended, to provide for a 2-year period of limitations in proceedings against carriers for the recovery of overcharges or damages not based on overcharges (with accompanying papers); to the Committee on Commerce.

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 318 of the Communications Act of 1934, as amended, to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programing, and to authorize FM radio translator stations to operate unattended in the same manner as is now permitted for television broadcast translator stations (with accompanying papers); to the Committee on Commerce.

Proposed Legislation From Office of Telecommunications Policy

A letter from the Director, Office of Telecommunications Policy, Executive Office of the President, transmitting a draft of proposed legislation to authorize appropriations for the fiscal year 1974 for the Corporation for Public Broadcasting (with an accompanying paper); to the Committee on Commerce.

Proposed Safe Drinking Water Act of 1973

A letter from the Administrator of the Environmental Protection Agency submitting proposed legislation to assure that the public is provided with safe drinking water, and for other purposes (with accompanying papers); to the Committee on Commerce.

Proposed Legislation From the Secretary of the Treasury

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend sections 112, 692, 6013, and 7508 of the Internal Revenue Code of 1954 for the relief of certain members of the Armed Forces of the United States returning from the Vietnam conflict combat zone, and for other purposes (with accompanying papers); to the Committee on Finance.

Report Under Foreign Assistance Act

A letter from the Secretary of State, transmitting, pursuant to law, a report required under the Foreign Assistance Act, for fiscal year 1972 (with an accompanying report); to the Committee on Foreign Relations.

Report on Deliveries of Excess Defense Articles

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, a report on deliveries of excess defense articles, during the first quarter of fiscal year 1973 (with an accompanying report); to the Committee on Foreign Relations.

Term of a Member of the United States National Commission for the United Nations Educational, Scientific and Cultural Organization

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, informing the Senate that the term of Senator Robert J. Dole, of Kansas, as a member of the United States National Commission for the United Nations Educational, Scientific and Cultural Organization has expired, and asking for a recommendation in that regard; to the Committee on Foreign Relations.

Proposed Legislation From Department of State

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes (with an accompanying paper); to the Committee on Foreign Relations.

Proposed Legislation Authorizing Appropriations for the Peace Corps

A letter from the Acting Director of ACTION transmitting proposed legislation amending the Peace Corps Act to authorize appropriations for Peace Corps for the next 2 fiscal years (with accompanying papers); to the Committee on Foreign Relations.

United Nations Conference on Trade and Development

A letter from the Acting Assistant Secretary of State inviting nominations of Members of the Congress as congressional advisers to the next and future sessions of the Preparatory Committee of the U.N. Conference on a Code of Conduct for Liner Conferences: to the Committee on Foreign Relations.

List of Reports of General Accounting Office

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office, for the month of January 1973 (with an accompanying report); to the Committee on Government Operations.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Improvements Needed in Collection of Data for the U.S. Postal Service's Revenue and Cost Analysis System," dated February 20, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Need to Establish Priorities and Criteria for Managing Assistance Programs for U.S. Fishing-Vessel Operators," National Oceanic and Atmospheric Administration, Department of Commerce, dated February 22, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "How the United States Finances its Share of Contributions to NATO," Department of Defense, Department of State, dated February 23, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements of the Government National Mortgage Association for Fiscal Year 1972," Department of Housing and Urban Development, dated February 23, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Difficulties of the Neighborhood Youth Corps In-School Program and its Management Problems," Department of Labor, dated February 20, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Processed Fruits and Vegetables: Potentially Adulterated Products Need to be Better Controlled—Sanitation in Some Plants Needs Improvement," Agricultural Marketing Service, Department of Agriculture, Food and Drug Administration, Department of Health, Education, and Welfare, dated February 21, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "What Should U.S. Policy Be for Development Assistance to Ecuador?," Agency for International Development, Department of State, Department of Defense, U.S. Information Agency, ACTION, dated February 27, 1973 (with an accompanying report); to the Committee on Government Operations.

Report of the Office of Coal Research

A letter from the Secretary of the Interior submitting, pursuant to law, the 1973 annual report of the Office of Coal Research (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Legislation From Department of Agriculture

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the addition of certain eastern national forest lands to the national wilderness preservation system, to amend section 3(b) of the Wilderness Act, and for other purposes (with an accompanying paper): to the Committee on Interior and Insular Affairs.

Report on Status of the Guam Economic Development Fund Act

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report of the Governor of Guam on the status of the Guam Economic Development Fund Act of 1968, for the year 1972 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Contract for a Research Project

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract for a research project entitled "Evaluation of Resin and Mechanical Roof Bolting Systems for Strata Bound Deposits" (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report on Proposed Closure of Plaquemine Lock, in Plaquemine, La.

A letter from the Chairman, Advisory Council on Historic Preservation, transmitting, pursuant to law, the comments of that Council on the proposed closure of Plaquemine lock in Plaquemine, La., by the Army Corps of Engineers (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Legislation From Department of the Interior

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize appropriations for additional costs of land acquisition for the national park system (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Proposed Legislation From the Attorney General

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs (with an accompanying paper); to the Committee on the Judiciary.

Proposed Legislation From Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to provide for the continuation of programs authorized under the Older Americans Act of 1965, and for other purposes (with accompanying papers); to the Committee on Public Works.

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Proposed Legislation From Civil Service Commission

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to permit immediate retirement of certain Federal employees (with an accompanying papers); to the Committee on Post Office and Civil Service.

Proposed Legislation To Revise Reporting Requirement of the Civil Service Commission

A letter from the Chairman of the Civil Service Commission submitting proposed legislation to amend title 5, United States Code, to revise the reporting requirement contained in subsection (b) of section 1308 (with accompanying paper); to the Committee on Post Office and Civil Service.

Prospectuses Relating to Certain Public Buildings

A letter from the Acting Administrator General Services Administration, transmitting, pursuant to law, prospectuses relating to the construction of certain public buildings in Arizona, Texas, and Washington; to the Committee on Public Works.

Report on Resource Recovery

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report on resource recovery (with an accompanying report); to the Committee on Public Works.

Proposed Legislation From Secretary of the Treasury

A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings (with an accompanying paper); to the Committee on Public Works.

Proposed Legislation From Environmental Protection Agency

A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to assure protection of public health and other living organisms from the adverse impact of the disposal of hazardous wastes, to authorize a research program with respect to hazardous waste disposal, and for other purposes (with an accompanying paper); to the Committee on Public Works.

Proposed Legislation From Department of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for certain transportation projects in accordance with title 23 of the United States Code, and for other purposes (with accompanying papers); to the Committee on Public Works.

Proposed Legislation From Department of the Interior

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Amendment to Proposed Legislation From the Atomic Energy Commission

A letter from the Chairman, U.S. Atomic Energy Commission, transmitting an amendment to the proposed legislation to authorize appropriations to that Commission for fiscal year 1974 (with an accompanying paper); to the Joint Committee on Atomic Energy.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Nunn):

A joint resolution of the Legislature of the State of California; to the Committee on Banking, Housing and Urban Affairs:

"Assembly Joint Resolution No. 9

"Relative to the export of logs from the United States of America

"Whereas, Nearly four billion board feet of unsawed logs were exported from the United States during 1970; and

"Whereas, The demand for our logs by foreign buyers has soared upward in recent months due to unprecedented construction activity abroad; and

"Whereas, Foreign demand has increased log prices in some United States supply regions in recent weeks by as much as 500 percent; and

"Whereas, Foreign competition for domestic logs has begun to cripple the ability of local manufacturers to supply their mills and to produce lumber products at stable prices; and

"Whereas, These disruptions and diseconomies in domestic lumber production have begun to distress the California primary timber industry which employs nearly 50,000 workers and supports a 300-million-dollar annual payroll; and

"Whereas, The growing distress in our primary timber industry is the result of increased export of American logs foreshadowing lumber shortages and price increases which will adversely affect this state's vital construction industry and its ability to meet California's housing and business demands; and

"Whereas, The Export Control Act provides the Secretary of Commerce the authority and responsibility to control the exportation of materials in short supply when a drain of such materials exists or where foreign demand exerts an inflationary impact on such materials; and

"Whereas, The conditions necessary for action by the Secretary of Commerce under the provisions of the Export Control Act exist in California and throughout the Pacific Northwest on a scale which promises massive unemployment and hardship for the people of these regions; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to instruct the Secretary of Commerce to exercise his power to forbid the export of logs from the United States until such time that the Secretary of Agriculture finds that the nation's projected timber needs for five consecutive years could be entirely satisfied by domestic supplies; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Commerce, the Secretary of Agriculture, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the House of Representatives of the State of Hawaii; to the Committee on Banking, Housing and Urban Affairs:

"H.R. No. 12

"House resolution expressing the concern of the Hawaii State House of Representatives to President's Nixon's halt on approving new commitments of federal subsidized housing and community development programs, asking the President to reconsider his decision, and requesting Congress to take appropriate action to continue and expand Federal subsidized housing programs, particularly for low and moderate income persons, and community development programs

"Whereas, President Richard M. Nixon ordered a halt on approval or new commitments of federal subsidized housing and community development programs; and

"Whereas, the people of the State of Hawaii have a continuing need for housing and for community improvements; and

"Whereas, the President's order may have an adverse effect on the health and welfare of Hawaii's people; and

"Whereas, there is a continuing inflationary spiral in Hawaii's housing market making it close to impossible for low and moderate income persons to find homes to buy or rent within their financial means; and

"Whereas, easing the present housing situation in Hawaii requires heavy investments of public funds to complement the investments in housing by the private sector; and

"Whereas, neither the State government nor local governments in Hawaii command the necessary funds from their own resources to substantailly ease the situation; and

"Whereas, a flow of federal funds for housing and community development programs to the State of Hawaii is essential if the State is to improve the housing situation, particularly as it affects low and moderate income persons; and

"Whereas, the President's freeze on new commitments has already had adverse effects including announcements by developers of new projects that the prices of their units would have to be increased as much as twenty-five to thirty percent and decisions by other developers to terminate or delay badly needed new housing projects;

"Whereas, these adverse consequences of the President's freeze can be expected to aggravate the already serious housing problem in Hawaii; and

"Whereas, the President's action freezing federal funds for housing and community development programs may also impose hardships on the economy of the State of Hawaii; now, therefore,

"Be it resolved by the House of Representatives of the Seventh Legislature of the State of Hawaii, Regular Session of 1973, that it does hereby express its concern over President Richard M. Nixon's order freezing the approval of new commitments of federal subsidized housing and community development programs; and

"Be it further resolved that the House respectfully requests the President of the United States to reconsider his decision to halt approval of new commitments for housing and community development programs; and

"Be it further resolved that the House respectfully requests the Congress of the United States to review, modify, improve, strengthen, and expand federal efforts and funding for housing and community development programs; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States, the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, and Hawaii's congressional delegation."

A joint resolution of the Legislature of the State of Idaho; to the Committee on Commerce:

"HOUSE JOINT MEMORIAL NO. 4

"A joint memorial to the President of the United States, to the Congress of the United States, and to the Secretary of the Interior of the United States relating to the use of toxic materials for the control of predators

"We, your Memorialists, the House of Representatives and the Senate of the State of Idaho assembled in the First Regular Session of the Forty-second Idaho Legislature, do hereby respectfully represent that:

"Whereas, the range livestock business is the number one industry in the State of Idaho; and

"Whereas, the range livestock business is presently suffering serious losses and depredations caused by predatory animals; and

"Whereas, the game bird and game animal wildlife resources are also suffering serious losses and depredations caused by predatory animals; and

"Whereas, present control methods are not preventing these serious and irreplaceable losses.

"Now, therefore, be it resolved by the First Regular Session of the Forty-second Idaho Legislature, the House of Representatives and the Senate concurring, that we most respectfully urge the President of the United States to allow the Federal Fish and Wildlife Service of the Department of the Interior to use toxic materials to control predatory animals where these serious losses and depredations are occurring.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to the Secretary of the Interior of the United States."

A joint resolution of the Legislature of the State of Idaho; to the Committee on Interior and Insular Affairs:

"HOUSE JOINT MEMORIAL NO. 3

"A joint memorial to the President of the United States, the Honorable Senate and House of Representatives of the United States in Congress assembled, the Secretary of the Interior and the Idaho Congressional Delegation representing this State in the Congress of the United States

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the First Regular Session of the Forty-second Idaho Legislature, do respectfully represent that:

"Whereas, the American Falls Dam, Upper Snake River Basin, Idaho, is the foundation of the existing irrigation development in the Upper Snake River Basin, and contributes almost one-half of the usable storage on the main stem of the Upper Snake River; and

"Whereas, cracking throughout the dam has required restrictions on storage equal to one-third of its capacity and the continually deteriorating structure, if not replaced, will require further storage restrictions; and

"Whereas, the Bureau of Reclamation, of the United States Department of Interior, has recommended that the structure be replaced; and

"Whereas, if the structure is not replaced financial failure for hundreds of farmers and severe economic loss is predicted, as well as danger to human life; and

"Whereas, alternatives exist to replace the dam with a structure downstream from the existing structure which would remedy the problems currently encountered.

"Now, therefore, be it resolved by the First Regular Session of the Forty-second Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Legislature respectfully requests that the Congress take whatever action is necessary to replace the existing structure and to insure that the new dam is completed without delay.

"Be it further resolved that the Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the United States, the Vice-President of the United States, the Speaker of the House of Representatives of Congress, the Secretary of the Interior, and the members of the Idaho Congressional Delegation representing this state in the Congress of the United States."

A joint resolution of the Legislature of the State of Maine; to the Committee on Post Office and Civil Service:

"JOINT RESOLUTION MEMORALIZING THE HONORABLE ELMER T. KLASSEN, POSTMASTER GENERAL AND THE U.S. CONGRESS FOR RESTORATION OF MAINE POSTAL SERVICE

We, your Memorialists, the Senate and House of Representatives of the State of Maine in Regular Session of the One Hundred and Sixth Legislative Session now assembled, most respectfully present and petition the Honorable Elmer T. Klassen, Postmaster General and the United States Congress as follows:

"Whereas, Postal service in the State of Maine has greatly deteriorated as the result of suspension of highway post-office service and the institution of central sorting; and

"Whereas, the altered service has seriously impaired communication between rural communities, particularly, imposing new handicaps upon rural enterprise and interfering with historic geographic relationships between neighboring towns; and

"Whereas, for a generation, Federal and State leaders have urged the dispersal of overcrowded population and commercial activities of urban to rural areas, while new policies of the postal service continue to concentrate employment and enterprise in urban centers; and

"Whereas, an efficient postal service with prompt delivery into and out of rural areas as well as between rural points is essential to the social well-being, clutural improvement and economic health of rural Maine; now, therefore, be it

"Resolved: That we, your Memorialists, hereby record our dissatisfatcion with the existing postal service afforded the Citizens of this State, and respectfully urge and petition said Postmaster General and the Congress of the United States, to take appropriate action to bring the United States Postal Service into conformity with other federal policies aimed at the preservation of rural life and to restore those standards of efficiency, economy and level of postal services in the State of Maine which previously prevailed; and be it further

"Resolved: That a copy of this Memorial, duly authenticated by the Secretary of State, be immediately transmitted by the Secretary of State to the Postmaster General of the United States, to the Senate and House of Representatives in Congress and to the Members of the said Senate and House of Representatives from this State."

A resolution of the Legislature of the State of Minnesota; to the Committee on the Judiciary:

"H.F. No. 3: RESOLUTION No. 1

"A resolution to ratify a proposed amendment to the Constitution of the United States of America relating to equal rights for men and women under the law

"Whereas, both Houses of the Congress of the United States by a Joint Resolution proposed an amendment to the Constitution of the United States which reads as follows:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States; which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

" 'ARTICLE —

" 'SECTION 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

" 'SEC. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

"'Sec. 3. This amendment shall take effect two years after the date of ratification.'

"*Now, therefore, be it resolved* by the Legislature of the State of Minnesota that the proposed amendment to the Constitution of the United States is hereby ratified by the Legislature of the State of Minnesota.

"*Be it further resolved* that the Secretary of State of the State of Minnesota is directed to forward copies of this resolution to the administrator of the Central Services Administration, to the presiding officer of the Senate of the United States and the speaker of the House of Representatives of the United States and transmit an official notice of this resolution to the Secretary of State of the United States as provided by the law of this state."

A joint resolution of the Legislature of the State of Nevada; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution No. 3

"Assembly Joint Resolution—Memorializing Congress to provide funds for fencing land adjacent to highways that pass through federal land

"Whereas, Highway safety has become a matter of great concern both at the state and federal level; and

"Whereas, It has been determined that domestic animals ranging across Nevada's highways create an extremely dangerous hazard that has caused many deaths among those who have traveled these highways in motor vehicles; and

"Whereas, Much of the unfenced land abutting Nevada's highways is federal land; and

"Whereas, Nevada's highways could be kept substantially free of domestic animals if federal grazing land was fenced; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of Nevada, jointly,* That the legislature of the State of Nevada hereby respectfully memorializes the Congress of the United States to provide additional funding to fence federal land used for grazing domestic animals; and be it further

"*Resolved,* That copies of this resolution be prepared and transmitted by the legislative counsel to the Vice President of the United States as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation."

A concurrent resolution of the Legislature of the State of New York; to the Committee on the Judiciary:

"Resolution No. 46

"Concurrent Resolution of the Legislature memorializing the Congress of the United States to enact legislation designating Veterans' Day as a holiday to be celebrated on the eleventh day of November

"Whereas, Veterans' Day, formerly known as Armistice Day, was traditionally celebrated on November eleventh in commemoration of the signing of the Armistice ending World War I; and

"Whereas, Many individuals and groups, especially veterans of the armed services and their organizations, while appreciating the feelings of many for a three day weekend, object to the celebration of this holiday on a date which falls so far from the date which truly reflects the significance of the celebration; now, therefore, be it

"Resolved (if the Senate concur), That the Congress of the United States be hereby respectfully memorialized to enact legislation designating Veterans' Day as a holiday to be celebrated on the eleventh day of November; and be it further

"Resolved (if the Senate concur), That copies of this resolution be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each member of the Congress of the United States from the State of New York."

A concurrent resolution of the General Assembly of the State of South Carolina; to the Committee on Finance:

"Calendar No. S. 154

"A concurrent resolution memorializing the Congress of the United States To Preserve the Capital Gains Treatment of Timber Under the Internal Revenue Code

"Whereas, capital gains tax treatment of timber under the Internal Revenue Code has been one of the major factors responsible for the vast progress in South Carolina and the nation in forest management and the growth of forest resources during the past half century; and

"Whereas, the substantial elimination of capital gains treatment for the owners of forest lands would constitute the most severe setback in this generation to the growth of forest products; and

"Whereas, increased consumer demand for wood and paper products, pressures on outdoor recreation resources, and the environmental benefits of timber growth and utilization have all focused greater attention on renewable forest lands, both public and private, to the extent that our nation has seen a reversal of earlier trends of the past thirty years whereby the harvest of forest resources was exceeding the regeneration; and

"Whereas, the jobs of thousands of employees and many hundreds of communities are affected by the forest industries of South Carolina and would be jeopardized by the elimination of capital gains treatment of timber. Now, therefore,

"*Be it resolved* by the Senate, the House of Representatives concurring:

"That the Congress of the United States be memorialized to protect and preserve the capital gains treatment of timber and thereby encourage private timberland owners to invest in the growing of timber so necessary to this nation's continued economic growth, security and environmental well-being.

"*Be it further resolved* that copies of this resolution be forwarded to the President of the United States Senate and the Speaker of the United States House of Representatives and to each member of the South Carolina Congressional Delegation."

A resolution of the Senate of the State of Washington; to the Committee on Commerce:

"Senate Resolution 1973–26

"Whereas, The nation faces a well-documented emergency in the provision of fuels to meet all energy needs; and

"Whereas, Multi-millions of barrels of oil remain undeveloped in the North Slope fields in Alaska; and

"Whereas, Development of these energy sources will reduce the dependence of the nation on oil supplies from other nations; and

"Whereas, In times of national defense emergency, it will be absolutely vital to have such energy sources under control of the United States; and

"Whereas, The Congress presently has before it policy questions regarding the implementation of the pipeline project proposed by Aleyeska, Inc., of Bellevue, Washington; and

"Whereas, Every effort should be made to expedite the construction of the pipeline from the North Slope area, with strict adherence to all ecological and environment laws and regulations;

"Now, therefore, be it resolved, By the Senate of the State of Washington that the Congress immediately take such policy and legislative steps necessary that will provide for construction of the pipeline from the North Slope to tidewater in Alaska.

"Be it further resolved, That copies of this resolution be forwarded to the President of the United States, the President of the United States Senate, the Speaker of the U.S. House of Representatives and the members of the delegation to the Congress from the State of Washington."

A resolution of the House of Representatives of Puerto Rico; to the Committee on Armed Services:

"Resolution

"To request from the President of the United States of North America to order the Department of Defense to cease using the Island Municipality of Culebra and the Island Municipality of Vieques as target practices of the Navy of the United States; and to express the petition of the House of Representatives of Puerto Rico that the Department of Defense should transfer to the Government of the Commonwealth of Puerto Rico the lands owned by the Navy of the United States in Vieques and Culebra for the purpose that they be used for industrial, agricultural, educational development and for any other purpose.

"STATEMENT OF MOTIVES

"Whereas: The Navy of the United States owns vast amounts of land in the Islands of Culebra and Vieques, which approximately comprise two thirds of the total area of both Islands.

"Whereas: The Municipalities of Culebra and Vieques are in urgent need of industrial, touristic, agricultural development and of any other nature, which might promote work and prosperity in said Islands.

"Whereas: Our fellow citizens of Culebra and Vieques have been suffering for some time from the effects of the target practices of the Navy of the United States.

"Whereas: The population of Culebra and Vieques are entitled to the constitutional and human right of being able to live in peace and quiet free from acts which endanger their lives and their tranquillity.

"Whereas: The residents of these Island-Municipalities, specially the children, have shown that they have been living in constant anguish in their own native land.

"Whereas: On January 11, 1971, the Governor of Puerto Rico, the President of the Senate, the Secretary of the Navy and the Mayor of Culebra signed an agreement by which the Navy of the United States pledged itself to find in 1972, some practical alternatives to the use of Culebra as a firing range.

"Whereas: Said public agreement has been suddenly infringed by the Secretary of the Defense of the United States on stating that the Navy shall continue using the island of Culebra as its firing range at least until the year 1985.

"Whereas: Within the spirit prevailing with the signing of the Peace Treaty of Viet Nam, the elimination of the target practices in Vieques and Culebra constitutes an additional affirmative step of the determination of the people of the United States in establishing an enduring peace with the entire world.

"Therefore: be it resolved by the House of Representatives of Puerto Rico:

"Section 1.—To express our protest, rejection and displeasure on the persistence of the Navy of the United States to continue using the Municipalities of Culebra and Vieques as a firing range or for any other use of a military nature.

"Section 2.—To request from the President and from the Department of Defense of the United States and from any other agencies to return the lands of Culebra and Vieques in the possession of the Navy of the United States and that they be transferred to the Commonwealth of Puerto Rico.

"Section 3.—To transmit a copy of this resolution to the President of the United States, to the Governor of Puerto Rico, to the

Congress of the United States and to the Mayors of the Municipalities of Vieques and Culebra for their cognizance."

A resolution adopted by the board of directors, Southern Illinois Power Cooperative, Marion, Ill., expressing dissatisfaction with the termination of the function of the REA in its loan programs to cooperatives; to the Committee on Agriculture and Forestry.

A resolution adopted by the St. Martin Parish Police Jury, expressing dissatisfaction with the proposed closing of the Iberia Livestock Experiment Station; to the Committee on Agriculture and Forestry.

A resolution adopted by the board of directors of the Western Illinois Power Cooperative, Inc., Jacksonville, Ill., relative to abolishment of the Rural Electrification Administration program; to the Committee on Agriculture and Forestry.

A resolution adopted by the Ohio Conference of Community Development, Inc., praying for the release of impounded funds; to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the city of Stockton, Calif., praying for the continued funding of categorical and block grants; to the Committee on Finance.

A resolution adopted by the Lithuanian American Council, Inc., Rochester, N.Y., praying for the abolishment of the occupation of the Baltic States; to the Committee on Foreign Relations.

A resolution adopted by the Board of Commissioners, County of Wayne, Detroit, Mich., importuning the President and Congress to assure the country that there will be no resumption of the bombing in North Vietnam; to the Committee on Foreign Relations.

A resolution adopted by the Speech Communication Association, New York, N.Y., relating to the confidential relationships between journalists/newsman and their sources of information; to the Committee on the Judiciary.

A resolution adopted by the township of Long Beach, Ocean County, N.J., endorsing Ocean Community Economic Action Now, Inc.; to the Committee on Labor and Public Welfare.

A resolution adopted by the executive committee of the Southern California Association of Governments, Los Angeles, Calif., praying for the enactment of legislation relating to the funding of the Federal highway and transportation program; to the Committee on Public Works.

A poem of the Poet Laureate, International Platform Association, Manila, P.I., entitled "Truman and Johnson"; ordered to lie on the table.

REPORT ENTITLED "LEGISLATIVE REVIEW ACTIVITY"—REPORT OF A COMMITTEE (S. REPT. NO. 93-51)

Mr. LONG, from the Committee on Finance, pursuant to section 136 of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970 and by Public Law 92-136, submitted a report entitled "Legislative Review Activity," which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Jack O. Horton, of Wyoming, to be an Assistant Secretary of the Interior.

Mr. JACKSON. Mr. President, in submitting the report of the Committee on Interior and Insular Affairs on the nomination of Jack O. Horton to be Assistant Secretary of the Interior, I wish to state that this nominee has agreed and committed himself in open hearing before the Interior Committee to appear and testify at such reasonable times as the Interior Committee or any other duly constituted Senate committee might request his presence.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PACKWOOD (for himself, Mr. Church, and Mr. Cranston).

S. 1033. A bill to amend the Export Administration Act of 1969 (50 App. U.S.C. 2401-2413) as amended, to control the export of timber from the United States. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SCOTT of Pennsylvania:

S. 1034. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the disposal of certain surplus property for court and law enforcement purposes. Referred to the Committee on Government Operations.

By Mr. BENNETT:

S. 1035. A bill for the relief of J. Clarence Ingram, Don W. Ingram, and Dick L. Ingram. Referred to the Committee on the Judiciary.

By Mr. MUSKIE (for himself, Mr. Baker, Mr. Bayh, Mr. Bible, Mr. Brock, Mr. Brooke, Mr. Burdick, Mr. Chiles, Mr. Church, Mr. Clark, Mr. Cranston, Mr. Dole, Mr. Eagleton, Mr. Gravel, Mr. Hart, Mr. Hartke, Mr. Javits, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. Nelson, Mr. Pastore, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Scott of Pennsylvania, Mr. Stevenson, Mr. Taft, Mr. Tower, Mr. Tunney, and Mr. Williams):

S. 1036. A bill to amend the Internal Revenue Code of 1954 with respect to legislative activity by certain types of exempt organizations. Referred to the Committee on Finance.

By Mr. HUMPHREY:

S. 1037. A bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973. Referred to the Committee on Agriculture and Forestry.

By Mr. THURMOND:

S. 1038. A bill to amend title 37, United States Code, to authorize travel and transportation allowances to certain members of the uniformed services in connection with leave. Referred to the Committee on Armed Services.

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 1039. A bill to authorize appropriations for additional cost of land acquisition for the National Park System. Referred to the Committee on Interior and Insular Affairs.

S. 1040. A bill to reform the mineral leasing laws, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 1041. A bill to provide for the management, protection, development, and sale of the national resource lands, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. ERVIN:

S. 1042. A bill to insure the separation of Federal powers and to protect the legislative function by amending title I of the United States Code, to provide for the implementation of article I, section 7, of the Constitution. Referred to the Committee on the Judiciary.

S. 1043. A bill for the relief of certain persons. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1044. A bill for the relief of Lucilo Mejia Bolaoen; and

S. 1045. A bill for the relief of Dino Mendoza Pascua. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF:

S. 1046. A bill to amend the Internal Revenue Code of 1954 to provide for licensing of income tax return preparers. Referred to the Committee on Finance.

By Mr. McINTYRE:

S. 1047. A bill for the relief of Raymond Eldon Davis; and

S. 1048. A bill for the relief of Leonard Davis. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 1049. A bill for the relief of Bhuminder Singh. Referred to the Committee on the Judiciary.

By Mr. McINTYRE (for himself and Mr. Williams):

S. 1050. A bill to provide for the registration and regulation of oil and gas programs, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE:

S. 1051. A bill to amend the Social Security Act to eliminate the requirement that a recipient of disability insurance benefits under title II of such Act must wait for 24 months before becoming eligible for coverage under Medicare. Referred to the Committee on Finance.

By Mr. HARTKE (for himself, Mr. Bayh, and Mr. Gravel):

S. 1052. A bill to establish a Consumer Savings Disclosure Act in order to provide for uniform and full disclosure of information with respect to the computation and payment of earnings on certain savings deposits. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. WILLIAMS:

S. 1053. A bill for the relief of Rosa Louisa Giordano. Referred to the Committee on the Judiciary.

S. 1054. A bill to amend the Internal Revenue Code of 1954 so as to make more current the amounts prescribed in determining the amount of income to which the retirement income credit under such code is allowable. Referred to the Committee on Finance.

By Mr. TUNNEY (for himself and Mr. Magnuson):

S. 1055. A bill to authorize a program of research and development of alternative propulsion systems for automotive vehicles in commerce. Referred to the Committee on Commerce.

By Mr. FANNIN (for himself, Mr. Hansen, Mr. McClure, Mr. Johnston, Mr. Stevens, Mr. Gravel, and Mr. Bartlett):

S. 1056. A bill to amend the Mineral Leasing Act of 1920. Referred to the Committee on Interior and Insular Affairs.

By Mr. MOSS:

S. 1057. A bill to amend the Colorado River Storage Project Act in order to remove the prohibition against constructing dams or reservoirs authorized in such act within national parks or monuments. Referred to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

S.J. Res. 70. A joint resolution to authorize the President to proclaim annually the last Friday of April as "National Arbor Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PACKWOOD (for himself, Mr. CHURCH, and Mr. CRANSTON):

S. 1033. A bill to amend the Export Administration Act of 1969 (50 App. U.S.C. 2401–2413) as amended, to control the export of timber from the United States. Referred to the Committee on Banking, Housing and Urban Aaffirs.

Mr. PACKWOOD. Mr. President, the many problems that are associated with the large scale exporting of logs have been of considerable concern to me since I took office in 1969.

Immediately prior to my entry in the Senate, the Congress approved a measure restricting the quantity of logs that were cut from Federal lands that could be exported. The Morse amendment, as it is known, provided that no more than 350 million board feet of unprocessed logs cut from Federal lands could be exported annually. The measure took effect on January 1, 1969, and was originally scheduled to expire on December 31, 1971. By way of an amendment to the Housing and Urban Development Act of 1970, I urged the Congress to extend the Morse amendment for 2 years. As currently written, the Morse amendment will expire at the end of this year.

Last year, under the auspices of the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs, I conducted 3 days of oversight hearings in Salem, Oreg., and Washington, D.C. These hearings were conducted for the purpose of inquiring into the situation that had developed during the nearly 4 years since passage of the Morse amendment.

At those hearings, several witnesses testified to the point of the benefits to be had by continuing log exports. There was also a great deal of evidence presented that, while granting the potential for short-term benefits to be had by those actively involved in the export business, indicated the dangerous potential for long-term disadvantages to accrue to the overall economies of the Western States as well as the Nation as a whole given the continued wholesale exporting of logs.

Allow me to cite a couple examples of the way in which unrestricted log exports affect the national interest.

There has been considerable discussion of the point that were we to further restrict log exports, our Nation's balance of payments would be in even worse shape than it is. Evidence that has been compiled recently would indicate precisely the opposite is true. By continuing as we have to export raw logs to other countries—principally Japan—and import higher-valued finished lumber from some other place—principally Canada—to meet domestic demand, our overall balance of trade in 1972 was worse than it would have been had my proposal been in effect and we used those logs to meet our own domestic needs. The total net deficit in our balance of trade due to this three-way exchange was more than $400 million in 1972.

Another factor in this controversy affecting the national interest is the inflationary factor directly attributable to log exports which affects the American homeowner. Not only did we experience desperation bidding by foreign interest on the west coast for available timber supplies—bidding that sent timber prices soaring far from the reach of domestic producers of wood products—but we also experienced a truly unique and quite inexcusable situation in our efforts to meet domestic demand for wood products by way of imports of finished lumber.

At a time when the President's economic stabilization program was being used in an effort to hold down prices for wood products, we were being forced by circumstances over which we could and should have exercised greater control to import lumber in such vast quantities as to meet fully one quarter of total domestic consumption in 1972.

In short, because this Nation was exporting raw logs we were forced as a nation to buy nearly 5 billion board feet of lumber from Canada that we would not have had those logs been used at home—lumber that was free from any form of price or profit-margin control on the first transaction. Is it any small wonder, then, that lumber prices have soared during the last year and, under existing circumstances, will undoubtedly continue to increase? I would remind my colleagues that for every $1,000 increase in the cost of a house, nearly 2 million Americans are effectively excluded from the home-buying market. This is too great a price to pay—this dashing of the dreams of so many of our citizens—simply so a few organizations can reap the monetary financial benefits of unrestricted exports of raw logs.

These are just two of the many reasons that have served to convince me that the problems associated with log exports are overwhelmingly national in scope and character—not simply the province of one or two States as some would have us believe.

I have been studying this question of log exports and its many ramifications in depth since those hearings last June. The result of my inquiry is the legislative proposal I am introducing today for myself, the senior Senator from Idaho (Mr. CHURCH) and the senior Senator from California (Mr. CRANSTON).

Our proposal is purposely designed to respond to the fact that the problems associated with log exports cannot be wished away. This Nation needs a legal instrument that is adaptable to every conceivable circumstance. I am convinced that the mechanisms provided for in our proposal will operate effectively to keep America's logs at home when domestic demand surges as it has during the current housing boom. On the other hand, our proposal will respond just as effectively to those occasions when domestic demand plummets.

The single most important feature of our proposal is that it, unlike the present legal arrangements, will allow for a relatively automatic reflection of and reaction to the fluctuations in domestic demand for wood products. The inherent inflexibility of existing law predisposes it to be ineffective in coping with a market like that found in the wood products industry.

Mr. President, I ask unanimous consent to have several items printed at the conclusion of my remarks. Among these are the text of the proposal, a brief section-by-section analysis of the provisions of the proposal, and two tables which will be of assistance in understanding the scope of the problems to which the proposal is addressed. Also I would ask that the letter that Senator CRANSTON and I sent to the President earlier this month urging an immediate stop to all log, lumber, and plywood exports be printed at the conclusion of my remarks.

Senator STEVENSON and I, as chairman and ranking minority member of the Subcommittee on International Finance, respectively, have recommended that the subcommittee be authorized to conduct a thorough investigation into this controversy. We have recommended that hearings be scheduled to be held in Washington, D.C., April 3 and 4, 1973; Seattle, Wash., April 9, 1973; Portland, Oreg., April 11, 1973; and San Francisco, Calif., April 13, 1973. I expect to be able to announce a firm schedule for such hearings in the near future.

I herewith commend this proposal for the consideration of my colleagues.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Export Administration Act of 1969 (50 App. U.S.C. 2401–2413) as amended, is further amended by—

(a) inserting immediately before section 1 the following—

"TITLE I—GENERAL PROVISIONS";

(b) redesignating sections 1 through 14, and all cross references thereto, as sections 101 through 114, respectively;

(c) striking "this Act" wherever it appears in sections 101 through 114 (as redesignated by subsection (b)) and inserting "this title"; and

(d) striking "This Act" in section 113(a) (as redesignated) and inserting "This title".

SEC. 2. The Export Administration Act of 1969 as amended, is further amended by adding at the end thereof the following new title:

"TITLE II—TIMBER EXPORT CONTROLS

"SEC. 201. This title may be cited as the 'Timber Export Administration Act of 1973'.

"SEC. 202. It is the finding of the Congress that the substantial increase in recent years in the rate of export to foreign countries of coniferous timber is creating a severe domestic shortage of softwood lumber and plywood; is impairing the stability of many communities in the United States that are economically and socially dependent upon the processing of coniferous timber into various wood products; is threatening to cause serious unemployment in the affected areas of the United States; has caused the elimination of some and threatens the survival of many other small business concerns; and has caused impairment and threatens further impairment of the industrial capacity of the United States to produce wood products that are vital to the domestic economy and essential to the national defense and security.

"SEC. 203. Congress declares that it is the policy of the United States to alleviate the harmful effects of the excessive exportation of coniferous timber by limiting the volumes thereof that may be exported from the United States.

"SEC. 204. (a) Except as provided in subsections (b) and (c) of this section, timber from any Federal lands shall not be exported from the United States on or after January 1, 1974, and timber from any non-Federal lands shall not be exported from the United States on or after January 1, 1977.

"(b) (i) On or after January 1, 1974, the Secretary may after public hearings determine that specific quantities of timber from Federal or non-Federal lands are surplus to the needs of domestic users and processors, and may issue a permit authorizing the export of any such timber.

"(ii) The Secretary shall issue a permit only upon the application of the person in control of the use or disposition of such timber if the Secretary finds that such timber is currently in log form and that there is currently no reasonable market therefor within those areas of the United States to which it could be economically transported for processing. In arriving at such findings with respect to a reasonable market, the Secretary shall take into account, among other things—

"(A) the fair value for domestic use of the timber in the form in which and at the place at which it exists as determined by the Secretary of Agriculture and

"(B) whether the applicant has attempted in good faith but unsuccessfully to sell the timber involved at not more than such fair value to persons that are customarily engaged in the processing of timber of the type involved at facilities within economic transportation distance of the current situs of such timber.

"(iii) The Secretary shall through regulation designate at least one day in each month on which he will receive written or oral testimony from permit applicants, and other interested persons, relevant to the findings required under paragraph (ii) of this subsection. To provide for public notice of pending applications, testimony will be received on only those applications delivered to the Secretary at least 10 days prior to the designated date. After receipt and consideration of the testimony, the Secretary shall within five days, Saturdays, Sundays, and holidays being excluded, approve or disapprove such applications. Concurrent with his action the Secretary shall issue a concise public statement stating his reasons therefor.

"(c) Timber cut from Federal lands that has been exempted from domestic processing under the provisions of any Federal timber sale contract awarded prior to March 1, 1973, is exempted from the export restrictions of this title: *Provided*, no such timber shall be exported unless the exporter of said timber obtains a permit from the Secretary. The Secretary shall include in said permit such conditions as he determines are necessary to maintain the identity of the timber to be exported.

"SEC. 205. (a) On or before November 1, 1973, any exporter which exported timber from non-Federal lands during calendar year 1972 shall file with the Secretary a report, in such form as he may require, stating the quantity of timber exported during calendar year 1972. The Secretary shall, with the exception contained in subsection (b) of this section, use reported quantities as the base for determining export quotas for each exporter under subsection (c) of this section. Any individual, corporation, association, firm, or other legal entity which did not export timber during calendar year 1972, or which fails to report timber exports made during such period, shall be ineligible to export timber under the provisions of this section.

"(b) (i) On or before February 1, 1974, any exporter which exported timber from non-Federal lands during calendar year 1973, shall file with the Secretary a report, in such form as he may require, stating the quantity of timber exported during calendar year 1973.

"(ii) If the quantity of such timber exported by any exporter during calendar year 1973 is in excess of the quantity exported by such exporter during calendar year 1972, such excess quantity shall be subtracted from the quantity exported during calendar year 1972 and that quantity derived after such subtraction shall be the base for determining export quotas for such exporter under subsection (c) of this section.

"(c) Effective on January 1, 1974, and continuing through December 31, 1976, the quantity of timber, other than surplus timber, that may be exported from non-Federal lands by an exporter who has filed reports in compliance with subsections (a) and (b) of this section, shall not exceed a quantity as established by quota to be determined in accordance with the following formula:

Calendar year 1974—75 per centum of that exporter's base.

Calendar year 1975—50 per centum of that exporter's base.

Calendar year 1976—25 per centum of that exporter's base.

Sixty days after the end of each calendar year every exporter which exported timber during the calendar year shall file with the Secretary a report, in such form as he may require, stating the quantities exported under this subsection and the sources thereof, and in addition shall file a report of the quantities exported under subsections 204 (b) and 204(c) of this title and the sources thereof.

"SEC. 206. Whoever exports timber after January 1, 1974, shall permit access to related books, records, and accounts, and their log storage areas by the Secretary.

"SEC. 207. Whoever knowingly and willfully exports any timber in violation of this title, or knowingly and fraudulently files a false report, or fails to permit the Secretary access to his books, records, and accounts, and his log storage areas shall be fined not more than $10,000 or imprisoned for not more than one year or both for each such violation and shall not thereafter be permitted to export timber for a period of five years.

"SEC. 208. As used in this title—

"(a) The term "timber" means unprocessed coniferous timber: *Provided*, That for the purposes of this title, unprocessed timber consists of—

"(i) any logs, such as sawlogs, peeler logs, and pulp logs;

"(ii) cants, squares, and lumber exceeding four and one-half inches in thickness; and

"(iii) split or round bolts, or other roundwood not processed to standards and specifications suitable for end product use.

"(b) The term "Secretary" means the Secretary of Commerce.

"(c) The term "exporter" means any individual, corporation, association, firm, or other legal entity which sold timber under such terms that the seller delivered the timber either—

"(i) on board a truck or railroad car; or

"(ii) alongside a vessel in a manner usual in the port involved or on a dock designated and provided by the buyer

in such circumstances that the seller at that time reasonably believed that the timber so delivered would, in accordance with orders given by the buyer directly to the carrier, be transported by such truck, railroad car, or vessel to a foreign destination.

"(d) The term "United States" means the fifty States, and territories, possessions and trust territories of the United States.

"SEC. 29. The Secretary is authorized to issue such regulations as may be necessary to carry out the purposes of this title."

SECTION-BY-SECTION ANALYSIS

Section 201 provides that the proposal be referred to as the "Timber Export Administration Act of 1973."

Section 202 contains a series of findings on the part of the Congress generally outlining the reasons for the law.

Section 203 declares that it is national policy "to alleviate the harmful effects of the excessive exportation of [logs] by limiting the volumes thereof that may be exported from the United States."

Section 204(a) provides that, except for specific quantities of timber that are found to be surplus, no logs may be exported from Federal lands after January 1, 1974, and that no logs may be exported from any lands after January 1, 1977.

Section 204(b) establishes the procedures to be followed by the Secretary of Commerce in determining whether a given quantity of logs are surplus to "the needs of domestic users and processers." It requires, among other things: that the material be in log form; that the applicant for an export license must provide evidence that he has made a good faith effort to sell the logs to domestic processers; and that a public hearing be conducted to determine whether, in fact, the logs are surplus to domestic needs. After following these procedures, the Secretary of Commerce is authorized to issue a permit for the export of the specific quantity of logs under consideration.

Section 204(c) provides for a general exemption from coverage under the proposal for logs cut under Federal timber sales contracts entered into prior to March 1, 1973.

Section 205 outlines the procedures to be followed in order to phase out, over a three-year period, all non-federal log exports. First the Secretary determines the level of activity for each exporter during 1972. Next, he determines the level of activity for each exporter during 1973. Finally, to the extent an exporter's activity during 1973 exceeds his activity during 1972, the excess is to be deducted from his 1972 level in arriving at his base figure for allowable exports under the phase-out quota system.

Once these calculations are accomplished, the quota system goes into operation as follows: during 1974, each exporter will be allowed to export logs in a quantity up to 75% of his adjusted base allowance; in 1975, up to 50%; and, in 1976, up to 25%. Beginning on January 1, 1977, there will be no automatic quota for export from any non-federal lands.

Since this is the most complicated portion of the proposal, a few examples should help to understand its provisions.

EXPORTER ABC

During 1972, he exported 600 MMbf (million board feet) of logs. During 1973, he exported 500 MMbf. Since his 1973 activity is not in excess of his 1972 activity, 600 MMbf (his 1972 level of operations) becomes his "base". In 1974, ABC will be allowed to export, automatically, 450 MMbf (75% of the "base") of logs. In 1975, he can export 300 MMbf—in 1975, he can export 300 MMbf—in 1976, 150 MMbf.

EXPORTER XYZ

During 1972, XYZ exported 700 MMbf of logs. In 1973, he exports 800 MMbf. Since his 1973 level of operations is in excess of his 1972 level (by 100 MMbf) his 1972 total is adjusted by deducting the excess, thereby arriving at his allowable base of 600 MMbf. From there on, XYZ will be able to export the same quantity of logs from 1974 through 1976 as can his colleague, ABC.

Section 205 also requires each person who exports timber, under the phase-out quota system, or under the surplus quantities provision in section 204(b), or under the provisions of section 204(c), to file an annual report with the Secretary of Commerce detailing his precise level of exports and the sources of his logs.

Section 206 requires exporters to provide the Secretary with access to "related books, records, and accounts, and [his] log storage areas."

Section 207 provides for a maximum penalty of $10,000 or one year in prison or both for each violation of the provisions of this title. Section 207 also provides that any party violating this title shall be prohibited from exporting logs for five years.

Section 208 contains definitions of terms used in the title. The definition of what constitutes "unprocessed timber" is generally the same as that currently used by the Secretary of Agriculture in enforcement of the Morse Amendment.

"Secretary" is defined as being the Secretary of Commerce.

Also contained in this section is a definition of what constitutes an "exporter" for purposes of this title. Generally, an exporter is one who sells the logs to a foreign purchaser. Such a definition obviates the necessity under current law of following logs through several transactions to determine whether a particular quantity of logs can be exported. By attaching the quota contained in section 205 to the final American party to a log export transaction, policing of the law will be made much easier than it would be were we to attach the quota to the growth of the timber.

The "United States" is defined as including the fifty States, and territories, possessions, and trust territories of the United States.

Section 209 authorizes the Secretary of Commerce to issue "such regulations as may be necessary to carry out the provisions of this title."

AMERICAN INTERNATIONAL TRADE IN SOFTWOOD LUMBER AND LOGS

	Lumber (MMbf, lumber scale)		Logs (MMbf, log scale)	
	Import	Export	Import	Export
1960	3,639.3	693.8	32.3	210.3
1961	4,013.4	618.2	57.1	432.2
1962	4,583.7	628.6	38.1	452.7
1963	5,032.0	743.1	44.1	879.6
1964	4,917.5	811.5	8.7	1,022.6
1965	4,898.1	778.9	13.5	1,111.4
1966	4,779.2	867.9	42.5	1,317.5
1967	4,798.1	965.2	33.9	1,873.6
1968	5,809.1	1,048.1	39.4	2,473.2
1969	5,854.0	1,023.8	41.7	2,316.8
1970	5,777.7	1,161.1	106.5	2,684.1
1971	7,249.0	936.2	55.7	2,233.4
1972	8,984.8	1,190.8	11.3	3,049.4

Note: For purposes of comparison, multiply the "log" figures by a factor of 1.6 for an approximate equivalent in terms of lumber measure.

Source: U.S. Forest Service reports.

BALANCE OF TRADE ANALYSIS

(Softwood logs/lumber tradeoff)

I. Log exports from the United States, 1972

Board feet (scribner scale) exported	3,049,400,000
Per Mbf price on exported logs (all species)	$136.02
Total dollar income derived from softwood log exports in 1972	$414,780,000

II. Substituted lumber purchased from Canada, 1972

Board feet (lumber scale) imported equivalent to 3.05 Bbf volume	4,879,000,000
Per Mbf price on imported lumber (ave.)	$173.75
Total dollar expenditure for softwood lumber import substitutes in 1972	$847,733,200

III. Loss in balance of trade caused by lumber/log trade-off

Substituted lumber cost	$847,733,200
Log export income	less 414,780,000
Net deficit in balance of trade	$432,953,200

Hon. RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We would like to bring to your attention a matter of considerable and growing concern to us all.

Due in large part to the volume of exports of softwood logs and lumber to Japan, lumber prices have soared over the past year. Since January 1, 1972, the cost of lumber on an average house has increased by $1200—$700 of that increase during the past month.

The great increase in lumber prices over the past year, and particularly in recent months, threatens the homebuilding industry and the homebuying public.

Last year foreign firms purchased a significant and rapidly increasing portion of our total supply of wood products—3.0 billion board feet of uncut logs. Ninety percent of this total was purchased by Japanese industry. In January, Japanese purchasers, shifting emphasis, began to indicate a significant interest in the purchase of processed lumber and were sending buying teams to the United States to purchase such products in order to feed Japan's continuing housing boom. Such action portends more dire consequences for America's economy and homebuilding industry.

An increase of $1,000 in the price of an average single-family house eliminates 2,000,000 Americans from the housing market. If log exports continue unchecked, lumber prices will continue to rise and thousands more will find it impossible to secure housing within their means. We will also stand to lose tens of thousands of jobs in the construction trades and wood products industry.

We, therefore, urge you to use your authority under the Export Administration Act of 1969, specifically section 3(2)(A) of that Act, to declare immediately a 6-month embargo on overseas shipments of softwood logs and such lesser period as may be necessary on lumber and plywood.

We would like to advise you that the Subcommittee on International Finance of the Senate Committee on Banking, Housing and Urban Affairs, will be conducting an inquiry into the log and lumber supply problem. We believe an embargo would calm the crisis atmosphere and give everyone concerned an opportunity to assess the situation under conditions more conducive to objectivity.

Thanking you for your consideration of our intense interest in this regard, we remain,

Sincerely

BOB PACKWOOD,
ALAN CRANSTON.

EXPORTING AMERICAN TIMBER AND IDAHO JOBS

Mr. CHURCH. Mr. President, in 1970, the United States exported 14 percent of its timber suitable for lumber production. When that wood is translated into homes for Americans, it totals 900,000 residential units, well over one-half of the housing starts in the Nation in 1970, and nearly half of the housing starts in 1971.

This hemorrhage of timber resources also represents another loss because the logs shipped abroad are not being processed in lumber mills within the United States. When timber is exported, workers in Idaho may lose their jobs. Six mills in Idaho have been shut down, despite highly favorable prices. Where once men worked, they now draw unemployment compensation. This is a condition which cannot be allowed to worsen. Idaho has not yet felt the full impact of log sales to Japan, but unless exports are controlled, log sales will spill over into Idaho forests as Japanese demand grows. There can be no doubt that Idaho forests will be the next target of foreign buyers.

The problem of log exports was forcefully brought to the attention of the Congress in 1968. In that year, Senator Morse and I, among others, succeeded in passing legislation designed to stop the flood of log exports from Federal lands. That legislation, which was subsequently renewed in 1970, limited total exports from Federal timber lands to 350 million board feet per year.

While the intent of that proposal was good, it has become apparent in recent months that more stringent controls are necessary, if we are going to prevent still more small operators from going broke.

The 350 million board feet limitation does not seem to be working. Exports from private lands have risen into a floodtide of logs moving to Japan.

The argument most often advanced in favor of this huge overseas tide of American logs is that it helps reduce the American balance-of-payments deficit. But that benefit is more apparent than real. To begin with, our Nation imports more lumber than it exports and, in addition to that fact, it is altogether feasible that if log exports were curtailed, Japan would purchase finished wood products from the United States. Satisfying her needs with higher priced finished lumber would aid the American balance of payments more than Japan's purchase of logs. If Japan needs our lumber, let her purchase finished lumber products made by American working men and women. Why should we export logs to Japan depriving our people of both needed wood fiber and jobs?

Who is it that gains from this exportation of American logs? It is certainly not the American homebuyer who, faced with ever-increasing lumber shortages, must wait months for a home and pay large additional amounts for its construction. Our sawmill workers gain nothing, in fact, they have the most to lose, since the raw material from which they make their livelihood is being shipped abroad.

As for the woodsmen, themselves, who cut down the trees, they are just as well off felling logs for processing in our own mills as for shipment to Japan. The domestic demand for lumber is so great that there is ample work just keeping the American market supplied. In fact, as previously noted, we are importing 11.5 billion board feet of lumber every year to meet the internal demand of the U.S. market.

I, for one, believe that something must be done to stop this exodus of logs. If we are to preserve a healthy lumber industry in Idaho, we must make it possible for small operators to buy the timber they need to keep their mills running and meet the demand for lumber here at home.

I am pleased to join with the Senator from Oregon in cosponsorship of his bill to restrict log exports. I ask unanimous consent that an outline of the provisions of the bill appear at this point in the RECORD.

I recognize, Mr. President, that log exports are not the only problem facing the timber operators of my State and the Northwest. Probably the largest single damage is being done by the failure of the Forest Service to keep its sales of timber up to allowable cuts. Recent figures indicate that the sales in Idaho are only running at 65 percent of allowable cut. This cannot help but have a serious impact upon the economy of my State.

The reason that the Forest Service is so far behind is simple. The Nixon administration has treated this agency as if it were an unnecessary frill. It has ordered cuts in the Forest Service budget of nearly $105 million. Some 20 percent of the agency's budget has been eliminated. Huge cuts have been made in reforestation, stand improvement, and advanced logging and conservation programs. Funds for roads and trails have been drastically cut. Forest research has been slashed by nearly $4 million at the very time we should be trying to find better ways to utilize more fully our forest resources. In addition, $9 million have been cut from fire control funds.

You cannot cut an agency's budget by 20 percent and not impair its efficiency. When the time comes to point the blame for reduced timber sales, a long finger should be pointed at the President's Office of Management and Budget which has shown little understanding or regard for the needs of the timber industry.

I plan to fight these cuts in the hope that the Forest Service can carry out its duties.

Mr. President, I ask unanimous consent that an outline of the proposal to ban log exports be printed in the RECORD.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

OUTLINE OF THE PROVISIONS CONTAINED IN SENATOR FRANK CHURCH'S LOG EXPORT PROPOSAL

Section 201 provides that the proposal be referred to as the "Timber Export Administration Act of 1973."

Section 202 contains a series of findings on the part of the Congress generally outlining the reasons for the law.

Section 203 declares that it is national policy "to alleviate the harmful effects of the excessive exportation of [logs] by limiting the volumes thereof that may be exported from the United States."

Section 204(a) provides that, except for specific quantities of timber that are found to be surplus, *no logs may be exported from Federal lands after January 1, 1974, and that no logs may be exported from any lands after January 3, 1977.*

Section 204(b) establishes the procedures to be followed by the Secretary of Commerce in determining whether a given quantity of logs are surplus to "the needs of domestic users and processers." It requires, among other things: that the material be in log form; that the applicant for an export license must provide evidence that he has made a good faith effort to sell the logs to domestic processers; and that a public hearing be conducted to determine whether, in fact, the logs are surplus to domestic needs. After following these procedures, the Secretary of Commerce is authorized to issue a permit for the export of the specific quantity of logs under consideration.

Section 204(c) provides for a *general exemption* from coverage under the proposal *for logs cut under Federal timber sales contracts entered into prior to March 1, 1973.*

Section 205 generally outlines the procedures to be followed in order to phase out, over a three-year period, all non-federal log exports (State and private). First the Secretary determines the level of activity for each exporter during 1972. Next, he determines the level of activity for each exporter during 1973. Finally, to the extent an exporter's activity during 1973 exceeds his activity during 1972, the excess is to be deducted from his 1972 level in arriving at his base figure for allowable exports under the phase-out qouta system.

Once these calculations are accomplished, the quota system goes into operation as follows: during 1974, each exporter will be allowed to export logs in a quantity up to 75% of his adjusted base allowance; in 1975, up to 50%, and, in 1976, up to 25%. Beginnning on January 1, 1977, there will be no automatic quota for export from any non-federal lands.

Since this is the most complicated portion of the proposal, a few examples should help to understand its provisions.

EXPORTER ABC

During 1972, he exported 600 MMbf (million board feet) of logs. During 1973, he exported 500 MMbf. Since his 1973 activity is not in excess of his 1972 activity, 600 MMbf (his 1972 level of operations) becomes his "base." In 1974, ABC will be allowed to export, automatically, 450 MMbf (75% of the "base") of logs. In 1975, he can export 300 MMbf—in 1976, 150 MMbf.

EXPORTER XYZ

During 1972, XYZ exported 700 MMbf of logs. In 1973, he exports 800 MMbf. Since his 1973 level of operations is in, excess of his 1972 level (by 100 MMbf) his 1972 total is adjusted by deducting the excess, thereby arriving at his allowable base of 600 MMbf. From there on, XYZ will be able to export the same quantity of logs from 1974 through 1976 as can his colleague, ABC.

Section 205 also requires each person who exports timber, either under the phase-out quota system, or under the surplus quantities provision in section 204(b), to file an annual report with the Secretary of Commerce detailing his precise level of exports and the sources of his logs.

Section 206 requires exporters to provide the Secretary with access to "related books, records, and accounts, and [his] log storage areas."

Section 207 provides for a maximum penalty of $10,000 or one year in prison or both for each violation of the provisions of this Act. Section 207 also provides that any party violating this Act shall be prohibited from exporting logs for five years.

Section 208 contains definitions of terms used in the Act. The definition of what constitutes "unprocessed timber" is generally the same as that currently used by the Secretary of Agriculture in enforcement of the Morse Amendment.

"Secretary" is defined as being the Secretary of Commerce.

Also contained in this section is a definition of what constitutes an "exporter" for purposes of this Act. Generally, an exporter is one who sells the logs to a foreign purchaser. Such a definition obviates the necessity under current law of following logs through several transactions to determine whether a particular quantity of logs can be exported. By attaching the quota contained in section 205 to the final American party to a log export transaction, policing of the law will be made much easier than it would be were we to attach the quota to the grower of the timber.

The "United States" is defined as including the fifty States, and territories, possessions, and trust territories of the United States.

Section 209 authorizes the Secretary of Commerce to issue "such regulations as may be necessary to carry out the provisions of this Act."

By Mr. SCOTT of Pennsylvania:

S. 1034. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the disposal of certain surplus property for court and law enforcement purposes. Referred to the Committee on Government Operations.

Mr. SCOTT of Pennsylvania. Mr. President, I am today introducing a bill to permit the disposal of certain surplus property for court and law enforcement purposes. Enactment of this measure would allow local governments to acquire excess Federal court facilities at little or no cost, under the same authority as these local bodies are now permitted to acquire parkland, educational buildings, housing, and the like.

This bill is nearly identical to S. 3184, which I introduced last year. The changes I have made in the updated version are for the most part technical in nature. Other changes reflect the suggestions of the executive agencies which commented on the bill. I am pleased to note that the Office of Management and Budget, the Department of Justice, the General Services Administration, and the Department of Health, Education, and Welfare all offered no objection to the enactment of this bill.

Because of the rush to adjourn the 92d Congress, the Senate Committee on Government Operations did not have an opportunity to consider S. 3184 more thoroughly. However, the distinguished chairman of the committee (Mr. ERVIN) has personally assured me that his committee would give this new measure its expeditious consideration.

The pressing need for additional courtroom space is well known. If the Federal Government can make some of its surplus court property available to the States and local governments, then it would free them to use some of their own funds to appoint additional judges and to further upgrade the system of justice. The city of Philadelphia provides a good example of the need for my bill. The old Federal courthouse at Ninth and Chestnut Streets will become vacant when the Federal judges move into the new Federal courthouse. City judges, who now operate under the most cramped conditions, could use the old courthouse to better carry on their work.

In an effort to promote the movement for criminal court reform, President Judge D. Donald Jamieson of Philadelphia's court of common pleas appointed the Philadelphia Justice Consortium on December 2, 1970, and commissioned it to report on specified problem areas in the Philadelphia criminal courts. One of the areas to be studied was court facilities. The consortium was an association of five national organizations: the American Judicature Society, the Institute of Judicial Administration, the Institute for Court Management, the National College of the State Judiciary, and the National Council on Crime and Delinquency.

The consortium's report found that Philadelphia's city hall, the home of the city's criminal justice courts, was an inadequate facility for those courts and concluded that a new court building was a necessity. Some of the more obvious problems with city hall were the absence of sufficient jury rooms, the substantial acoustical difficulty, an inadequate lockup facility, and insufficient office space for judges. My bill squarely addresses these problems.

The idea of converting excess Federal courthouse space to lower courts is consistent with President Nixon's desire to help those court systems meet their responsibilities. As chairman of the Government Operations Committee and one of the senior members of the Judiciary Committee, Senator Ervin is in a unique position to look at the positive impact which such a move would have on the law enforcement system. In addition, the Senator also served as a judge on North Carolina's Superior Court. Having had such experience, I am certain that he can now appreciate the need for the Federal Government to assist these lower courts in whatever way possible. Furthermore, it seems to make eminent good sense in terms of economical use of the taxpayers' money.

My bill, which is being offered as an amendment to the Federal Property and Administrative Services Act of 1949, specifies that excess courtroom space would be made available for lease or purchase at prices which "take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or municipality." As such, there is no windfall to either party.

Mr. President, it is early in the session. I hope that this bill will receive prompt and favorable consideration by the Committee on Government Operations.

By Mr. MUSKIE (for himself, Mr. Baker, Mr. Bayh, Mr. Bible, Mr. Brock, Mr. Brooke, Mr. Burdick, Mr. Chiles, Mr. Church, Mr. Clark, Mr. Cranston, Mr. Dole, Mr. Eagleton, Mr. Gravel, Mr. Hart, Mr. Hartke, Mr. Javits, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. Nelson, Mr. Pastore, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Scott of Pennsylvania, Mr. Stevenson, Mr. Taft, Mr. Tower, Mr. Tunney, and Mr. Williams):

S. 1036. A bill to amend the Internal Revenue Code of 1954 with respect to legislative activity by certain types of exempt organizations. Referred to the Committee on Finance.

DEFINING PERMITTED LEGISLATIVE ACTIVITY BY TAX-EXEMPT ORGANIZATIONS

Mr. MUSKIE. Mr. President, for the past 2 years Congress has been studying the problem of defining the amount of legislative activity in which tax-exempt organizations can engage. Today I am introducing with Senators Scott of Pennsylvania, Nelson, and Dole a bill we hope will write the last chapter in this debate. We are joined in cosponsorship by Senators Baker, Bayh, Bible, Brock, Brooke, Burdick, Chiles, Church, Clark, Cranston, Eagleton, Gravel, Hart, Hartke, Javits, McGovern, McIntyre, Metcalf, Mondale, Moss, Pastore, Pell, Randolph, Ribicoff, Schweiker, Stvenson, Taft, Tower, Tunney, and Williams.

Current law, in section 501(c)(3) of the Internal Revenue Code, denies tax deductibility for contributions to otherwise eligible publicly supported charities engaging in "substantial activities" which attempt to influence legislation. This vague standard—that legislative activity not be substantial—has unpredictably, unreasonably, and unnecessarily restricted the worthwhile and legitimate legislative activities of these 501(c)(3) organizations.

For instance, the Chairman of the Board of Lincoln Center for the Performing Arts has explained how he was prevented from generating support for the National Endowment for the Arts because charities supporting cultural activities across the country were afraid to engage in "legislative activity." In Delaware a local YWCA was threatened with loss of its tax-exemption because it established a public affairs committee to contact local legislators. And the Maryland Association of Mental Health, which spoke out about legislation affecting the rights and care of mental patients, was challenged by the Internal Revenue Service for engaging in "substantial" legislative activities. In fact, after 18 months of uncertainty, the challenge was rejected when it was discovered that less than 5 percent of its activities consisted of appeals to legislators and to the general public and 4 percent of its activities consisted of research and reporting on legislative positions.

With such a vague standard—substantial activities—it is understandable that organizations would be challenged about legislative activities which were in fact minimal, and that the Internal Revenue Service auditors might use standards which differ from case to case. That is why we must enact clear standards against which organizations can judge the legitimacy of their legislative activities.

Current law makes the standard even more inequitable because it allows businesses, under a tax code provision enacted in 1962, to deduct all expenses incurred in lobbying, while public charities have no such privilege. Our bill reduces this inequity, even though it would still not place publicly supported charities on an equal footing with business interests. When the interests of businesses and public charities conflict, business organizations would still be in a relatively stronger position, with regard to tax benefits, to carry out their lobbying activities. But more important, the interests of public charities are usually those which most businessmen would support, and on which there is no conflict.

The amount of attention which Congress has paid to this issue in the past makes me hopeful that the bill we introduce today can be enacted in this Congress. In 1971 I introduced S. 1408, which was patterned after a resolution adopted by the American Bar Association. In 1972 Senator Scott and I introduced S. 3063, which represented a modification of my earlier proposal. This measure was eventually cosponsored by 42 Senators. At the same time, members of the House Ways and Means Committee introduced another version, H.R. 13720. This bill was the subject of 3 full days of hearings by the House Ways and Means Committee last May 3, 4 and 5, and was supported by over 150 public charities. Supporters included such diverse organizations as the National Audubon Society, the National Association of Mental Health, the American National Red Cross, and the League of Women Voters. To demonstrate the breadth of this endorsement, I will ask that the list of organizations supporting this proposal be printed in the Record.

After careful study, Senators Scott, Nelson, Dole, and I have determined that the bill we are introducing today, which is identical to the House bill (H.R. 13720) introduced in the last session, now represents the best proposal for defining and liberalizing permitted legislative activity by public charities. We feel that it would correct the current uncertainty of the law, correct the inequity caused by full availability of tax deductions for business lobbying, and provide public charities with flexibility to provide legislators in Congress and in the States with valuable information on activities that relate to their charitable purpose.

Our bill would apply only to publicly supported charitable organizations—those which have qualified under section 501(c)(3) to be exempt from income tax and to allow a contributor to deduct contributions to them. These section 501(c)(3) organizations are consistently subject to Treasury Department review on whether or not they legitimately deserve this tax status. If such organizations elect to be covered by our bill, their tax exempt status could not be revoked unless their expenditures for legislative activities normally made up more than 20 percent of their overall budget. However, not more than 5 percent of their budget could be used for legislative activities other than public or private communications with governments, legislative bodies, or the members of the organizations on matters directly relating to their charitable purpose. This provision would thus allow a limited amount of public education campaigns. In addition, our bill would explicitly permit without restriction the current practices of allowing tax-exempt organizations to present their views on matters affecting their own tax-exempt status, to provide technical advice when requested, and to distribute the products of nonpartisan study and research.

We feel that this bill provides adequate safeguards against abuse. It does not apply, for instance, to private foundations supported primarily by investment income. And it does not change the current absolute prohibition against section 501 (c) (3) organizations participating in or intervening in any political campaign on behalf of any candidate for public office.

An identical bill will be introduced today in the House by Representative SYMINGTON and 44 cosponsors.

We believe that the legislative process works best when exposed to the free and full expression of views by all individuals and groups. The present Internal Revenue Code limitation on the activities of public charities unwisely excludes from this process a diverse and important class of organizations.

I ask unanimous consent to include in the RECORD a list of organizations which indicated their support of this measure in public hearings last year, and the text of the bill we introduce today.

There being no objection, the list and bill were ordered to be printed in the RECORD, as follows:

ORGANIZATIONS WHICH SUPPORTED THIS BILL

American Bar Association.

American Civil Liberties Union.

Easter Seal Society for Crippled Children and Adults of Arkansas.

Liberty Lobby.

Lincoln Center.

National Assembly for Social Policy and Development.

National Association for Mental Health.

National Association of Railroad Passengers.

National Audubon Society.

National Health Council, Inc.

National Jewish Community Relations Advisory Council.

National Urban Coalition.

United Way of America.

The Repertory Theater of Lincoln Center, Inc.

The Library & Museum of the Performing Arts.

The Chamber Music Society of Lincoln Center, Inc.

The Metropolitan Opera Association.

The Film Society of Lincoln Center, Inc.

The Juilliard School.

New York Philharmonic.

The City Center of Music & Drama, whose performing companies include: New York City Ballet, New York City Opera, City Center Drama Co., City Center Light Opera, Gilbert & Sullivan Co., City Center Joffrey Ballet.

American Academy of Family Physicians.

American Academy of Pediatrics.

American Association of Dental Schools.

American Association for Inhalation Therapy.

American Cancer Society.

American College Health Association.

American College of Preventive Medicine.

American Diabetes Association.

American Heart Association.

American Medical Technologists.

American National Red Cross.

American Occupational Therapy Association.

American Osteopathic Association.

American Public Health Association.

American Social Health Association.

American Society of Clinical Pathologists.

Arthritis Foundation.

Association of Schools of Allied Health Foundation.

Association of Schools of Public Health.

Epilepsy Foundation of America.

Goodwill Industries of America.

Muscular Dystrophy Association of America.

National Association of Social Workers.

National Council on the Aging.

National Council on Alcoholism.

National Council for Homemaker-Home Health Aide Services, Inc.

National Cystic Fibrosis Research Foundation.

National Environmental Health Association.

National Hemophilia Foundation.

National Kidney Foundation.

National League for Nursing.

National Medical Association.

National Multiple Sclerosis Society.

National Safety Council.

National Society for the Prevention of Blindness.

National Tuberculosis and Respiratory Disease Association.

Student American Medical Association.

United Cerebral Palsy Association.

American Psychiatric Association.

American Foundation for the Blind.

Big Brothers of America.

Child Welfare League of America.

Community Services of Pennsylvania.

Council of Jewish Federations and Welfare Funds, Inc.

Council on Social Work Education.

Family Service Association of America.

International Social Service, American Branch.

National Accreditation Council for Agencies Serving the Blind and Visually Handicapped.

National Association for Statewide Health and Welfare.

National Association of Housing and Redevelopment Officials.

National Council of Jewish Women.

National Council of Young Men's Christian Association of the U.S.A.

National Council on Crime and Delinquency.

Young Women's Christian Association—National Board.

American Association of School Administrators.

American College of Obstetricians and Gynecologists.

American College of Surgeons.

American Council of Learned Societies.

American Council on Education, Commission on Federal Relations.

American Library Association.

The American Occupational Therapy Association, Inc.

American Optometric Association.

American Psychological Association.

American Symphony Orchestra League.

Association of American Colleges.

Association of American Medical Colleges.

Arizona Wildlife Federation.

California Institute of Technology.

Council for Financial Aid to Education, Inc.

Council of Community Services.

Federation of Western Outdoor Clubs.

Florida Wildlife Federation.

The Garden Club of America.

Greater Portland Arts Council.

Illinois Wildlife Federation.

League of Women Voters of the United States.

Common Cause.

Kamehameha Schools/Pauahi Bishop Estate, Honolulu, Hawaii.

Medical Library Association.

Michigan United Conservation Clubs.

Milwaukee County Conservation Alliance, Inc.

National Congress of Parents and Teachers.

National Music Council.

National Trust for Historic Preservation in the United States.

National Wildlife Federation.

Nevada Wildlife Federation, Inc.

Sierra Club.

State Association for Community Services.

State Communities Aid Association.

Trout Unlimited.

United Cerebral Palsy Association, Inc.

The Conservation Law Society of America.

S. 1036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LOSS OF EXEMPT STATUS.

(a) Section 501 of the Internal Revenue Code of 1954 (relating to exemption from income tax) is amended by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following new subsection:

"(f) EXPENDITURES BY PUBLIC CHARITIES TO INFLUENCE LEGISLATION.—

"(1) GENERAL RULE.—In the case of an organization described in paragraph (2) that has elected under paragraph (3) to have this subsection apply, exemption from taxation under section 501(a) shall not be denied because a substantial part of the activities of such organization consists of carrying on propaganda or otherwise attempting to influence legislation, unless, with respect to the total of the amounts (including administrative expenses) paid by such organization (other than amounts chargeable to capital account) to accomplish one or more purposes described in section 170(c) (2) (B) (relating to religious, charitable, etc., purposes)—

"(A) amounts paid or incurred by such organization during each taxable year to influence legislation (as defined in paragraph (5)) normally exceed 20 percent, or

"(B) amount paid or incurred by such organization during each taxable year to influence legislation (within the meaning of paragraph (5) (A)) normally exceed 5 percent.

"(2) ORGANIZATIONS TO WHICH THIS PROVISION APPLIES.—An election under paragraph (3) to have this subsection apply may be made by any organization described in—

"(A) section 170(b) (1) (A) (i) (relating to churches and conventions or associations of churches),

"(B) section 170(b) (1) (A) (ii) (relating to educational institutions),

"(C) section 170(b) (1) (A) (iii) (relating to hospitals and medical research organizations),

"(D) section 170(b) (1) (A) (iv) (relating to organizations supporting government schools),

"(E) section 170(b) (1) (A) (v) (relating to governmental units),

"(F) section 170(b) (1) (A) (vi) (relating to organizations publicly supported by charitable contributions),

"(G) section 509(a) (2) (relating to organizations publicly supported by admissions, sales, etc.), or

"(H) section 509(a) (3) (relating to organizations supporting certain types of public charities), except that for purposes of this subsection, section 509(a) (3) shall be applied without regard to the last sentence of section 509(a).

"(3) ELECTIONS.—Any organization described in paragraph (2) may elect, in such manner and at such time as the Secretary or his delegate may prescribe, to have the provisions of this subsection apply to such organization.

"(4) YEARS FOR WHICH ELECTION IS EFFECTIVE.—An election by an organization under paragraph (3) shall be effective for all taxable years of such organization which—

"(A) end after the date the election is made, and

"(B) begin before the earlier of (i) the date the election is revoked (under regulations prescribed by the Secretary or his delegate) or (ii) the date such organization ceases to be described in paragraph (2).

"(5) INFLUENCING LEGISLATION.—For purposes of this subsection the term "influencing legislation', with regard to an organization, means—

"(A) any attempt (other than an attempt described in subparagraph (B) or (C)) to influence any legislation (including an attempt to affect the opinion of the general public or any segment thereof),

"(B) any attempt to influence legislation, on a matter which directly affects any purpose for which such organization is organized and operated, through communication with any member or employee of a legislative body, or with any other government official or employee who may participate in the formulation of the legislation, and

"(C) any attempt to influence legislation, on a matter which directly affects any purpose for which such organization is organized and operated through direct communication of information between such organization and one or nore of its members,

other than through making available the results of nonpartisan analysis, study, or research; the term 'influencing legislation', with regard to an organization, does not include the providing of technical advice or assistance to a governmental body or to a committee or other subdivision thereof in response to a written request by such body or subdivision, as the case may be, nor does it include an appearance before, or communication to, any legislative body with respect to a possible decision of such body which might affect the existence of the organization, its powers and duties, its tax-exempt status, or the deduction of contributions to such organization; the term 'legislation' includes action with respect to acts, bills, resolutions, or similar items by the Congress, any State legislature, any local council, or similar governing body, by any similar governing body outside the United States, or by the public in a referendum, initiative, constitutional amendment, or similar procedure; the term 'action' is limited to the introduction, amendment, enactment, defeat, or repeal of acts, bills, resolutions, or similar items."

(b) Section 501(c)(3) of such Code is amended by striking out "no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation," and inserting in lieu thereof "no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation (except as otherwise provided in subsection (f)),".

SEC. 2. DISALLOWANCE OF DEDUCTION FOR CONTRIBUTIONS TO INFLUENCE LEGISLATION.

(a) Section 170(f) of such Code (relating to disallowance of charitable contribution deductions in certain cases) is amended by adding at the end thereof the following new paragraph:

"(7) CONTRIBUTIONS TO INFLUENCE LEGISLATION.—No deduction shall be allowed under this section for a contribution for the use of and organization described in subsection (c) if the contribution is made for the purpose of influencing legislation (as defined in section 501(f)(5))."

SEC. 3. CONFORMING AMENDMENTS.

(a)(1) The following sections of such Code are amended by striking out "no substantial part of the activities of which is carrying on propaganda, or other wise attempting, to influence legislation," wherever it appears therein and inserting in lieu thereof "no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation (within the meaning of section 501(c)(3)),":

(A) Section 170(c)(2)(D) (relating to the definition of charitable contributions);

(B) Section 2055(a)(2) relating to transfers for public, charitable, and religious uses);

(C) Section 2106(a)(2)(A)(ii) (relating to transfers for public, charitable, and religious uses);

(D) Section 2522(a)(2) (relating to charitable and similar gifts of citizens or residents); and

(E) Section 2522(b)(2) (relating to charitable and similar gifts of nonresidents).

(2) Sections 2055(a)(3) and 2106(a)(3) of such Code (relating to transfers for public, charitable, and religious uses) are each amended by striking out "no substantial part of the activities of such trustee or trustees, or of such fraternal society, order, or association, is carrying on propaganda, or otherwise attempting, to influence legislation," wherever it appears therein and inserting in lieu thereof "no substantial part of the activities of such trustee or trustees, or of such fraternal society, order, or association, is carrying on propaganda or otherwise attempting to influence legislation (within the meaning of section 501(c)(3)),".

(b) Sections 2055(c) and 2522(c) of such Code (relating to disallowance of charitable contributions in certain cases) are each amended by adding at the end thereof the following new paragraph:

"(3) CONTRIBUTIONS TO INFLUENCE LEGISLATION.—No deduction shall be allowed under this section for a contribution for the use of an organization described in section 170 if the contribution is made for the purpose of influencing legislation (as defined in section 501(f)(5))."

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall be applicable to taxable years beginning after the date of the enactment thereof and to estates of decedents dying after the date of the enactment thereof.

Mr. NELSON. Mr. President, I am pleased to join Senators MUSKIE, SCOTT, and DOLE as a principal cosponsor of a bill to allow publicly supported charitable organizations to communicate directly with Congress and State legislatures, and to allow their members to express their views on legislation without jeopardizing the charities' tax exemption. The present law governing legislative activities of public charities is unduly restrictive, difficult to administer, highly discriminatory, inconsistent, and undemocratic. The present law effectively inhibits a diverse, informed, and important segment of our society from presenting its views either to Congress or State and local legislative bodies, and deprives legislators of the experience and knowledge of these charities.

A similar bill last year received wide bipartisan support. Russell E. Train, Chairman of the Council on Environment Equality, in testifying on a modified version of this bill before the House Committee on Ways and Means last year stated:

> The administration strongly supports the objectives of (the modified bill) to clarify the tax treatment of certain exempt organizations in connection with their legislative activities. . . . In providing guidance on the extent to which public charitable organizations under Section 501(c)(3) of the Code can make a contribution to the legislative process, the bill addresses an important and long-felt need, and goes far toward correcting an inequity in existing law.

Organizations are an integral part of a democracy. In a Nation of over 200 million persons, an individual, while seldom having an influence on the legislative process by himself, can have a profound effect if he allies himself with others of similar views. More than 100 years ago, Alexis de Tocqueville, one of the keenest observers of the United States noted that joint activity was necessary in a democracy. He stated in 1840:

> If men living in democratic countries had no right and no inclination to associate for political purposes, their independence would be in a great jeopardy.

Forty-eight years later, Lord Bryce also noted the importance of associations in this country:

> Such associations have great importance in the development of opinion, for they rouse attention, excite discussion, formulate principles, submit plans, embolden and stimulate their members, produce that impression of a spreading movement which goes so far towards success with a sympathetic and sensitive people . . . (t)his habit of forming associations . . . creates new centers of force and motion, and nourishes young causes and unpopular doctrines into a self-confident aggressiveness.

These are some of the reasons why certain organizations founded by religious, charitable, scientific, or educational purposes are allowed tax exempt status under section 501(c)(3) of the Internal Revenue Code. These organizations have a rich tradition in our history and tax law.

Religious, educational, and charitable organizations were exempt from tax as early as 1894. The same exemption was contained in the Excise Tax Act of 1909 and in the first modern tax law passed in 1913. None of these laws contained any limitation of the legislative activities of the charitable organizations.

In 1934, however, the law governing the exemption of, and the deductibility of contributions to charitable organizations was amended by adding to the definition of charitable organization the phrase "no substantial part of the activities of which is carrying on the propaganda or otherwise attempting to influence legislation." This language remains in the tax law today. The legislative history of this amendment is scanty and obscure. The amendment was not recommended by the Treasury Department, but was added to the bill by the Senate Finance Committee. The amendment was intended principally to bar deductions for contributions to an organization advancing the donor's selfish economic interests and was phrased more broadly only because of the difficulty of writing any standard of selfishness into the law.

In discussing this amendment, Senator Reed stated in the Senate Debate on the Revenue Act of 1934:

> Mr. President, as that amendment is worded, it would apply to the society for the Prevention of Cruelty to Animals, *or any of the worthy institutions that we do not in the slightest mean to effect*. . . . There is no reason in the world why a contribution made by the National Economic League should be deductible as if it were a charitable contribution if it is a selfish one made to advance the personal interests of the giver of the money. That is what the committee was trying to reach; but we found great difficulty in phrasing the amendment. I do not reproach the draftsmen. I think we give them an impossible task, *but this amendment goes much further than the committee intended to go*.
>
> Take the case of those who are urging the adoption of the child-labor amendment. Certainly they are not acting from selfish motives, and yet almost their entire activity is an effort to influence legislation.

Senator Reed's misgivings have been borne out by events. During the Ways and Means hearings on this issue last year, representatives of some 150 national public charities testified in support of this bill and expressed their difficulty with the present law. Their testimony clearly demonstrates public charities' great reluctance in expressing their views on legislative matters for fear of losing their tax-exempt and tax-deductible status.

This prohibition on the legislative activities of public charities is particularly unfair, because in 1962 Congress permitted business organizations for the first time to take income tax deductions for certain lobbying expenses related to legislation of direct interest to them. In support of this action, the House Ways and Means Committee reported (H. Rept. No. 1447, 87th Congress, second session, 17 (March 16, 1962)):

> It is also desirable that taxpayers who have information bearing on the impact of present laws, or proposed legislation, on their trades or businesses not be discouraged in making this information available to the Members of Congress or legislators at other levels of government. The presentation of such information to the legislators is necessary to a proper evaluation of their part of the impact of present or proposed legislation.

These words have equal applicability to public charities. The tax law should enable an organization to protect the public interest to the same extent that another organization can protect economic interest.

The bill we are introducing today would make several improvements in existing law. It would allow public charities to participate in the legislative process, but is carefully drafted to provide significant safeguards against abuse. First, the bill applies only to public charities—that is, educational institutions, hospitals, churches, nonprofit environmental organizations, and other publicly supported charities.

Second, and most importantly its mechanism is elective, permitting public charities, including churches, either, first, to choose the bill's new quantitative tests on legislative activities, or second, to continue under the existing insubstantial activities rule.

Third, under the election, a public charity's exemption would not be jeopardized so long as its spending to influence legislation normally did not exceed 20 percent of its total expenditures to accomplish its exempt purposes. At the same time, no more than 5 percent of its total expenditures could be for grassroots activities—that is, attempts to affect the opinion of all or part of the general public.

Fourth, the bill makes clear the types of legislative activities in which an electing public charity may engage. Under the general 20 percent rule, first, they must relate to a matter which directly affects any purpose for which such organization is organized and operated, and second, they must consist of:

First. Testimony before Federal, State, and local legislative committees;

Second. Communications directly with members and employees of legislative bodies and with other Government officials or employees who participate in the formulation of legislation; or

Third. Direct communication of information between the organization and its members.

Fifth, the bill also specifies the types of other related activities—not considered expenditures to influence legislation—in which electing public charities may engage:

First. Making available the results of nonpartisan analysis, study, or research;

Second. Providing technical advice or assistance in response to a written request by a governmental body or committee; and

Third. Appearing before or communicating to a legislative body on issues which might affect the organization's own existence, powers, or duties, its tax-exempt status, or the deduction of contributions to it.

Beyond this, two inherent safeguards carefully limit the scope of this bill.

First, private foundations are not eligible to take advantage of this legislation. Thus, all restrictions imposed on private foundations by the 1969 Tax Reform Act remain wholly in effect.

Second, unaltered is the absolute ban on electioneering contained in present law under code section 501(c)(3)—that is, the flat prohibition against participating or intervening in political campaigns on behalf of candidates for public office.

This bill would allow greater participation by private citizens in public affairs, open the legislative process to a wider and more balanced presentation of views and greatly assist all legislators by providing them the benefits of the experience and knowledge of public charities. These organizations represent the public in many important areas such as health, education, and the environment. These groups havê much information to contribute and a wide range of helpful experience that could greatly assist the consideration and enactment of this country's laws. Democracy is served best when all views are heard.

Finally, my sponsorship of this bill does not deny, to any extent, the very compelling arguments that parts of section 501 (c)(3), conditioning the availability of a tax exemption on the promise to forego attempts to influence legislation, violates the first amendment's guarantee of freedom of speech and the right to petition the Government. The attempt to persuade legislative action is an exercise of the first amendment right to petition. As such, it may not be the occasion for the imposition of a penalty whether it take the direct form of a fine or the more indirect form of the denial of a Government benefit—tax exemption—to which the organization is otherwise entitled. This is particularly so where, as here, there is no "compelling governmental interest" which would warrant abridging the right of charitable organizations to communicate with their representatives.

By Mr. HUMPHREY:

S. 1037. A bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973. Referred to the Committee on Agriculture and Forestry.

EMERGENCY SCHOOL LUNCH COMPENSATION

Mr. HUMPHREY. Mr. President, I offer for introduction today, a bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for the fiscal year 1972–73.

For the current fiscal year, the Federal budget for the school lunch program calls for a contribution in the form of donated foods in an amount of 7 cents per meal. The intent of the Department of Agriculture to supply such a level of commodity assistance was confirmed during a hearing on July 28, 1972, before a Subcommittee of the Senate Committee of Agriculture and Forestry. Senate Report 92–1027 includes an exchange of correspondence between Senator ALLEN and the Department of Agriculture in which the Department affirms its intent to supply a 7-cent level of donated commodity support.

Since the July 28 hearing it has become clearly evident that the Department will be unable to supply donated commodities at the 7-cent level. No beef products have been purchased for donation to schools this year and only small amounts of pork, whereas both of these foods were supplied in liberal quantities last year to the amount of some $80 million for the two products. The details of this situation, and its impact on the financial status of individual school lunch programs, were set forth in the testimony of representatives of the American School Food Service Association in a hearing on February 5, 1973, before the Senate Committee on Agriculture and Forestry.

I want to make it clear at this point that I am not accusing the Department of Agriculture of bad faith for failing to supply the level of commodity support which had been promised. All of us know what has happened to commodity markets and prices in the past few months. The Department has, perhaps belatedly, attempted to purchase beef and pork products but has been unable to do so.

Accordingly the bill I am introducing today would simply direct the Secretary of Agriculture to make each grant to the State School Lunch Agencies in lieu of the foods which had been promised, but not delivered. This does not require any new or supplemental appropriations. The money is already budgeted and programed for the school lunch program.

Mr. President, a bill similar to the one I am introducing today already has been introduced in the House by the distinguished chairman of the House Education and Labor Committee, Congressman CARL D. PERKINS, of Kentucky. Congressman PERKINS informed me earlier today that he expects committee and House action on this bill very soon.

I would hope and urge, Mr. President, that as soon as the House completes its action on this bill that the Senate Committee on Agriculture and Forestry and the Senate act on it promptly.

Mr. President, I ask unanimous consent to have the text of the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1037

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CONGRESSIONAL FINDINGS

SECTION 1. The Congress finds that the volume and variety of Federal food donations to the school lunch and child nutrition programs are significantly below the amounts programmed and budgeted for the fiscal year ending June 30, 1973, and that schools participating in these programs are confronted with serious financial problems in obtaining sufficient supplies of the foods required to meet the nutritional standards established by law for these programs. It is, therefore, the purpose of this Act to provide an effective and immediate solution to this nutritional crisis.

SCHOOL PURCHASES OF FOOD SUPPLIES

SEC. 2. Section 6 of the National School Lunch Act is amended by adding at the end thereof the following new paragraph and by redesignating the existing portions of said section as paragraph (a):

"(b) As of March 15, 1973, the Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during the fiscal year ending June 30, 1973, to States for school food service programs under the provisions of this section and section 32 of the Act of August 24, 1935. If such estimated value is less than 90 per centum of the value of such deliveries initially programed for the fiscal year ending June 30, 1973, the Secretary shall pay to State educational agencies, by not later than April 15, 1973, an amount of funds that is equal to the difference between the value of such deliveries initially programed for such fiscal year and the estimated value as of March 15, 1973, of the commodities and other foods to be delivered in such fiscal year. The share of such funds to be paid to each State educational agency shall bear the same ratio to the total of such payment to all such agencies as the number of meals served under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act during the fiscal year ending June 30, 1972, bears to the total of all such meals served in all the States during such fiscal year: *Provided,* That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to any such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act during the fiscal year ending June 30, 1972, bears to the total of such meals served in all the schools in such State in such fiscal year. Each State educational agency, and the Secretary in the case of nonprofit private schools in which he directly administers school food service programs, shall promptly and equitably disburse such funds to schools participating in the lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods for their food service program. Such food shall be limited to the requirements for lunches and breakfasts for children as provided for in the regulations by the Department of Agriculture under Title 7, subtitle b, chapter II, subchapter a, parts 210 and 220.

"(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 USC 612c), to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

"(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of Section 7 of the National School Lunch Act."

By Mr. THURMOND:

S. 1038. A bill to amend title 37, United States Code, to authorized travel and transportation allowances to certain members of the uniformed services in connection with leave. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, the purpose of this bill is to allow more equity in the leave policy for those small numbers of individuals in the military forces who receive consecutive overseas assignments in making a permanent change of station.

Under present law, uniformed personnel who are ordered to consecutive overseas assignments are paid only travel and transportation allowances between the two duty stations by the most direct route.

Therefore, if the member desires to return for a visit with his family in the United States or to relocate his family back in the United States he must bear this travel expense, as well as use annual leave time.

Under the legislation I am proposing today uniformed members of the service would be permitted to travel from their duty station back to the United States and then to their new station.

Four examples may be used to illustrate the breadth of this legislation.

First, in cases where an unmarried military individual is given a consecutive overseas tour, this bill would allow travel and transportation expenses for a return to his home of record or some designated location no greater distance than the home of record.

Second, a married individual on an unaccompanied tour moving to another unaccompanied tour would be permitted the same privilege.

Third, a married individual moving from an accompanied overseas tour to an unaccompanied overseas tour would be allowed to return to the United States for the purpose of relocating family members prior to assuming duties at the consecutive overseas duty assignment.

Fourth, individuals serving an unaccompanied overseas tour who have been given a consecutive overseas tour to a location where dependents may go would be allowed to return to the United States and assist their dependents in relocating to the new assignment.

Mr. President, in earlier consideration of similar proposals the Defense Department estimated some 8,000 individuals would be affected and the annual cost would approximate $2.5 million.

With the declining force levels this cost estimate could be reduced but regardless, this legislation is justified on the of fair treatment for service personnel who either by choice or at direction of their Government serve consecutive overseas tours.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1038

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 7 of title 37, United States Code, is amended—

(1) by inserting after section 411a of such chapter a new section as follows:

"§ 411b. Travel and transportation allowances: travel performed in connection with certain leave

"(a) Under uniform regulations prescribed by the Secretaries concerned, a member who—

"(1) is stationed outside the 48 contiguous States and the District of Columbia;

"(2) is ordered to make a change of permanent station to another duty station outside the 48 contiguous States and the District of Columbia; and

"(3) is going to or is returning from a restricted area in which dependents are not authorized

may be authorized (1) travel and transportation allowances in connection with authorized leave from his last duty station to that location where his dependents were or will be moved under the provisions of this chapter, or to that location where a dependent resides, or to a place no farther distant than his home of record if he is a member without dependents; and (2) travel and transportation allowance from such place to his designated post of duty.

"(b) The allowances prescribed under this section may not exceed allowances authorized under section 404(d) of this title. Authorized travel under this section is performed in a duty status."; and

(2) by inserting in the table of sections at the beginning of such chapter the following new item:

"411b. Travel and transportation allowances: travel performed in connection with certain leave."

immediately below

"411a. Travel and transportation allowances: travel performed in connection with convalescent leave."

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1039. A bill to authorize appropriations for additional costs of land acquisition for the National Park System. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to authorize appropriations for additional costs of land acquisition for the National Park System.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the communication be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 16, 1973.
Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: We enclose herewith a draft bill "To authorize appropriations for additional costs of land acquisition for the National Park System."

We recommend that the bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The mandatory provisions of titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646; 84 Stat. 1894) impose substantial additional costs and expenses on the National Park Service in connection with its land acquisition program. These additional amounts, for moving expenses and other relocation benefits, together with the increased administrative expenses incurred in connection with providing these benefits, are chargeable against the existing statutory ceilings on amounts authorized to be appropriated for land acquisition which were considered and imposed by the Congress prior to January 2, 1971, the effective date of the Act. Of course, land acquisition estimates presented to the Congress prior to that time did not include costs attributable to the benefits provided for in the later enactment.

It is anticipated that the increased costs, including administration costs, due to these benefits will be an amount approximately 12 percent to 15 percent above the present authorization ceilings. Clearly, then, unless appropriations are authorized to supply these additional amounts, the land acquisition program for the National Park System could not be completed within the ceilings imposed. In each instance, as funds would be exhausted or nearly exhausted, individual amendatory legislation would be required—and serious delays in acquisition could be experienced-pending congressional action. Of course new legislation authorizing additional land acquisition that is considered by subsequent Congresses can be drafted so that authorizations reflect the increased costs.

Accordingly, the draft bill enclosed herewith authorizes additional appropriations for land acquisition for areas of the National Park System, in the amount of the actual costs and expenses payable or incurred by reason of the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The bill makes these increases applicable to those authorizations approved prior to January 9, 1971, with one exception. We recommend an increased ceiling for projects approved prior to January 9, as opposed to the earlier effective date of P.L. 91-646 (January 2), because three new proposals, submitted prior to enactment of P.L. 91-646 without provision for relocation costs, were not finally approved until January 8. These are Gulf Islands National Seashore (P.L. 91-660), Voyageurs National Park (P.L. 91-661), and Chesapeake and Ohio Canal National Historical Park (P.L. 91-664). The bill also authorizes appropriation of additional sums under the omnibus parks legislation passed in April 1972 (P.L. 92-272, 86 Stat. 120), in order to pay relocation costs not included in the appropriation authorization ceiling of that legislation.

Acquisition cost estimates submitted to the Congress have in the past included our administrative expenses as a part of the total. However, the benefits now to be provided will increase these costs. For example, we may be required to render assistance to a displaced homeowner by helping him locate or construct a suitable replacement dwelling, obtain financing, and so on. It is apparent, therefore, that these added administrative expenses, if not recouped, could seriously deplete available funds. All future proposals will include an estimate of costs attributable to requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

We strongly urge the favorable consideration of this bill in order to permit the continuation of the land acquisition program for the National Park System.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,
NATHANIEL P. REED,
Assistant Secretary of the Interior.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1040. A bill to reform the mineral leasing laws, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to reform the mineral leasing laws, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 27, 1973.
Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To reform the mineral leasing laws, and for other purposes."

We recommend that this bill, a part of the environmental program announced February 15, 1973, by the President in his Environment and Natural Resources State of the Union Message, be referred to the appropriate committee for consideration and that it be enacted.

The Mining Law of 1872, as amended, and certain other related and supplemental laws govern the disposition of much of the mineral wealth on hundreds of millions of acres of federally owned land. During the almost one hundred years of its operation, the Mining Law of 1872 has played an important role in the development of this country. It has contributed to the settlement of large areas of the West and has provided much of the mineral base for our industry and technology.

Since 1872, however, the country's needs have changed a great deal, and as a result changes have been necessary in the Mining Law of 1872. In 1920 certain minerals, principally oil and gas, and coal, were taken out from under the Mining Law of 1872 and placed under a mineral leasing system. In 1955 Congress decided that certain other so called "common variety" minerals, principally sand, gravel and building stone, were more appropriately disposed of in fixed quantities at fair market value rather than letting the first person to discover it have the entire deposit.

A basic objective of the original Mining Law of 1872 was to encourage the prospecting for the development of minerals by offering as an incentive the right to a patent for the minerals discovered and the land they were discovered in. Where mining conflicted with other uses of public land the Secretary of the Interior had two choices; to withdraw the land from mining altogether or to permit mining locations to continue irrespective of its effect on other uses or the environment.

The two major revisions mentioned above, the Mineral Leasing Law of 1920 and the 1955 amendment to the Materials Act, incorporated two additional objectives with respect to those minerals to which they applied; discretionary authority to harmonize mining activity with the needs of other users and of the environment, and payment to the Federal Government for the minerals taken off the public domain.

The proposed Mineral Leasing Act of 1973 would place all minerals under a leasing system thereby continuing the historical trend towards discretionary disposal and a fair return to the public. At the same time it would to a large extent eliminate the artificial distinctions which resulted from piecemeal legislation. Hardrock minerals on public domain would be treated no differently from the same minerals on acquired lands.

The leasable lands would include all public lands except the Outer Continental Shelf, Indian lands, the national parks, wildlife refuges and wilderness.

All commercial prospecting on Federal lands would be under a Federal prospecting license which would permit full environmental protection, which would be continued under the leasing system.

Leases would be issued by competitive bidding for all minerals with the exception of those minerals now covered by the 1872 mining law. For those minerals, competitive bidding would be required for lands which the Secretary has reason to believe contain valuable deposits. Otherwise, the leases would be non-competitive.

Pressure to reform the Mining Law of 1872 has been growing for many years, both within the mining industry as well as the public at large. Increasing conflicts between mineral activity and other uses of the land, concern for abuses of the mining law to obtain vacation homesites, concern for environmental protection and the frustration and uncertainty to mineral developers of a complex system of overlapping and archaic location requirements, have contributed to this pressure.

We feel that the proposed bill represents a balanced approach to promoting the exploration and production of the minerals on which our society depends, coordinating competing uses of the land, providing a fair return to the public, and providing the maximum feasible protection of the environment.

Reform of the mining and mineral leasing laws is long overdue. We urge that Congress act on this proposal without delay.

The Office of Management and Budget has advised that enactment of this proposed bill would be in accord with the program of the President.

Sincerely yours,
JOHN C. WHITAKER,
Acting Secretary of the Interior.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1041. A bill to provide for the management, protection, development, and sale of the national resource lands, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to provide for the management, protection, development, and sale of the national resource lands, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the Record at this point in my remarks.

Hearings are scheduled for March 1 on this legislation and on S. 424, my own bill on this subject.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Office of the Secretary,
Washington, D.C., February 27, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: Enclosed is a bill "To provide for the management, protection, development and sale of the national resource lands, and for other purposes."

We recommend that this bill, a part of the environmental program announced February 15, 1973, by the President in his Environment and Natural Resources State of the Union Message, be referred to the appropriate committee and that it be enacted.

With this bill, this Department is proposing legislation which, for the first time, would state the national policies and guidelines governing the use and management of 450 million acres of national resource lands administered by the Secretary of the Interior through the Bureau of Land Management.

The national resource lands are the largest system of Federal lands, but for many years they were neglected. From 1812 to 1946 they were under the custodial administration of the General Land Office in the Department of the Interior. Its primary responsibility was to survey the land and convey it to qualified applicants. In 1934, pursuant to the Taylor Grazing Act, the Grazing Service was created within the Department. Its responsibility was to administer a grazing district management program designed to protect and regulate the use of the public range lands. The Bureau of Land Management was created in 1946 primarily through the consolidation of the functions of these two agencies.

The variety of responsibilities of the Bureau of Land Management is extraordinary among the Federal resource management agencies. Briefly, it has responsibility for the management of 450 million acres of national resource lands as well as limited management responsibilities on millions of acres of withdrawn lands. It has joint responsibility with the Geological Survey for the administration of the mineral laws on the Outer Continental Shelf and on the over 800 million acres of public domain, acquired lands and lands in which there are mineral reservations. In all, it has at least a part in administering about 60% of the Federal lands. The Bureau also keeps the basic public land records and does land boundary surveys for most Federal lands.

Despite these extensive responsibilities, Congress has never clearly defined the Bureau's mission or the Bureau's authority to accomplish its mission. Unlike the National Park Service and the National Forest Service, the mission and authority of the Bureau of Land Management must be gleaned from some 3,000 land laws which have accumulated over some 170 years.

This piecemeal collection of laws is sometimes conflicting and is grossly inadequate. The Bureau does not have essential administrative authority enjoyed by other Federal agencies such as a working capital fund, authority to enforce its rules and regulations and authority to contract with State and local law enforcement agencies for protection of lands under its jurisdiction.

The bill submitted with this letter would provide the basic mission statement and authority for management, sale, and the administration of the national resource lands. The format of the bill is designed in view of the long-range needs for a legislative base for the management of the national resource lands, as pointed out in various analyses, including that of the Public Land Law Review Commission. Each title of the proposal is designed to permit separate consideration of its provisions and to permit modifications without review of other titles. It also contemplates addition of new titles to cover other subject matter. And, it provides for a separate repealer title which will permit the accumulation of references to repealed legislation. This would be significant to preservation of existing valid rights.

Title I of the proposal, the "National Resource Lands Management Act", directs the Secretary to manage the national resource lands under principles of multiple use and sustained yield and in accordance with comprehensive land use plans which he must prepare. It provides the Secretary with guidelines for developing the land use plans including a requirement that he give priority to the protection of areas of critical environmental concern such as flood plains, coastal zones and scenic or historic areas. The Secretary is also directed to inventory the national resource lands and use the inventory in developing the land use plans. The inventory will provide a thorough knowledge of the national resource lands and purposeful plans for their use will greatly help us to arrest the destruction too long and too carelessly inflicted on those lands.

Title II, the "National Resource Lands Sale Act," would provide modern disposal authority. It would authorize the Secretary to sell tracts of national resource lands for fair market value if they are isolated and not suitable for management by the Bureau of Land Management or any other Federal agency, if they were purchased for a specific purpose and are no longer suitable for that or any other Federal purpose or if transfer would serve an overriding public benefit. It would also authorize the Secretary in certain instances to sell reserved mineral interests in lands to the surface owners.

Title III, the "National Resource Land Administration Act," would provide modern land management tools and procedures designed to facilitate achievement of the goals and objectives established for the national resource lands.

Specifically, it would provide the authority to acquire, by purchase or exchange, lands necessary for authorized programs or for blocking up existing land holdings. It would provide authority to issue a document of disclaimer of interest in land to which the United States no longer claims an interest.

It would establish a working capital fund for the Bureau of Land Management and it would afford a more efficient method of accounting for various programs and service operations of the Bureau of Land Management. But, it would not affect the present funding of operations on or the distribution of receipts from the national resource lands.

It would significantly enhance the management of the national resource lands by making violation of laws or regulations pertaining to them a crime and by vesting enforcement authority in certain designated Departmental employees. The Secretary would be authorized to cooperate with State and local law enforcement agencies and to reimburse the agencies for services on national resource lands.

Title IV would authorize the Secretary to grant rights-of-way for such purposes as pipelines, powerlines and roads. It specifies conditions for granting such rights-of-way including provisions for protection of the environment.

Title V of the proposal would repeal a number of obsolete or superseded laws. These include a hodgepodge of land disposal laws and a number of laws relating to fees, charges, and other administrative matters.

The National Resource Lands are a priceless and irreplaceable national asset. It is time to provide the Department of the Interior with the tools to manage and preserve them in accordance with their value to the American people.

Enclosed is a detailed summary of the bill, including a discussion of the laws that would be repealed, and a draft environmental statement prepared pursuant to section 102(2) (C) of the National Environmental Policy Act of 1969.

The Office of Management and Budget has advised that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,
John C. Whitaker,
Acting Secretary of the Interior.

By Mr. ERVIN:

S. 1042. A bill to insure the separation of Federal powers and to protect the legislative function by amending title I of the United States Code, to provide for the implementation of article I, section 7, of the Constitution. Referred to the Committee on the Judiciary.

THE POCKET VETO BILL

Mr. ERVIN. Mr. President, I introduce, for appropriate reference, a bill to implement article I, section 7, of the Constitution, thereby spelling out the so-called pocket veto power of the President. The measure is designed to help restore to the Congress its proper legislative function under the Separation of Powers principle.

This bill is identical to S. 1642, which I introduced in the 92d Congress on April 23, 1971. S. 1642 was reported favorably by the Subcommittee on Separation of Powers on June 18, 1971, but died in the Committee on the Judiciary at the close of the 92d Congress.

The need for legislation of this type was emphasized dramatically when President Nixon allegedly pocket vetoed the Family Practice of Medicine Act and a private relief act during the 4-day Christmas recess in 1970. Since that time, Senator Kennedy has brought suit in the U.S. District Court for the District of Columbia to challenge the pocket veto of the Family Practice of Medicine Act. The distinguished Senator from Massachusetts has done a great service for the Congress by being its strong and able advocate in this lawsuit and I hope that his lawsuit may lead to a ruling favorable to the Congress. In order to further Senator Kennedy's efforts I believe that the Congress should consider remedial legislation in the meantime in order to prevent abuses of the pocket veto power in the future, and this bill is introduced as a complement to Senator Kennedy's suit.

The Subcommittee on Separation of Powers, of which I am honored to serve as chairman, became involved in the pocket veto controversy shortly after President Nixon's action and conducted a day of hearings on the subject on January 26, 1971. The facts uncovered at the hearings made me acutely aware of the potential for the abuse of constitutional principles when the pocket veto power is illegally invoked.

Mr. President, over the years the executive branch has exhibited a rather startling lack of sensitivity for the separation of powers principle, and often has disregarded the constitutional powers, prerogatives, and responsibilities of Congress. The President's Christmas 1970 veto of two acts passed by Congress is but one example. Another glaring instance is the present impoundment of more than $12 billion in funds that have been lawfully appropriated by Congress for projects and programs it deemed important. There are other examples, but my focus here is on the President's pocket veto action, which constituted a raw assertion of Executive power.

The veto provision in the Constitution embodied in article I, section 7, assures the President of adequate time—10 days—to consider legislation passed by Congress, and this period of time cannot be narrowed or reduced, directly or indirectly, by Congress. The Constitution also provides that the Congress shall have adequate opportunity to consider the President's objections to a bill which he has vetoed, and to override it by a two-thirds majority. However, the Constitution provides that in those rare instances when the Congress shall "by their adjournment prevent" the return of a bill, such bill shall not become law. This last provision is popularly known as the pocket veto.

In the situation that occurred in 1970, the President was presented the Family Practice of Medicine Act and the private bill for relief of Miloye Sokitch on December 14. On December 25—which marked the expiration of the 10-day period, the intervening Sunday not counted—he claimed that the bills had been "pocket vetoed." President Nixon maintained that he had been prevented from returning the bills because the Congress had adjourned for Christmas. The Senate, in which the Family Practice of Medicine Act had originated, had recessed from the close of business on Tuesday, December 22, 1970, until 12 o'clock noon on Monday, December 28, 1970, a period of 4 days, excluding the intervening Sunday. Obviously, the President had ample time to consider these measures and to return them to Congress, which under no reasonable interpretation could be considered "adjourned" in the constitutional sense, but was merely in temporary recess for the Christmas holiday.

As I mentioned, the President had adequate time to consider these bills and to return them with his objections; by refusing to use the normal veto process appropriate to this situation, the President deprived the Congress of its opportunity to reconsider the measures in light of his objections. By relying on this alleged "pocket veto," the President was able to exercise an absolute veto—which is completely contrary to any constitutional provision. It is perfectly clear that the President grasped this opportunity to use the "pocket veto" in order to avoid returning the bills to the Congress where the veto almost certainly would have been overridden. The President thus avoided another political defeat by abusing his Executive power.

In order to carry out this ploy, the President and his lawyers in the Justice Department choose to look at the Christmas recess of Congress just as they would a sine die adjournment at the end of a session. I find no support in the Constitution for such an interpretation.

The Supreme Court has dealt with the "pocket veto" concept in two cases, neither of which is precisely on point.

In the *Pocket Veto* case, 279 U.S. 655 (1928), the Court ruled that a congressional recess of several months constituted an adjournment and was sufficient to support a pocket veto. In that case, the House had adjourned sine die at the end of a session, while the Senate had recessed for several months until reconvening to sit as a court of impeachment. Prof. Arthur S. Miller, of the George Washington University National Law Center and a consultant to the Subcommittee on Separation of Powers, said at our hearings that the Pocket Veto case "really is so different that it does not even bear much resemblance to what happened last month at the short recess for Christmas."

The other Supreme Court decision was in *Wright* v. *United States*, 302 U.S. 583 (1938). In that case, the Senate had adjourned for 3 days while the House was still in session. The Court held that a recess under article 1, section 5, clause 4, which permits one House to adjourn for up to 3 days without the consent of the other, does not constitute adjournment in the constitutional sense. The Court went on to hold that the officers of the House and Senate can receive bills and messages from the President when their respective House is in recess for 3 days or less.

Factually, the situation in 1970 differed from both the Pocket Veto and Wright cases. Neither the Senate nor House had adjourned sine die at the end of a session, which distinguishes it from the Pocket Veto case. Neither House was in session and the recess was for more than 3 days, which distinguishes it from the Wright case.

It is my hope that a definitive answer to the problem posed by President Nixon's alleged pocket veto can be obtained from the courts, perhaps by way of Senator KENNEDY's suit. However, the Congress in the meantime can and should act to prevent another abuse of the pocket veto power by defining what "adjournment" means.

A memorandum prepared in 1971 by the Congressional Research Service of the Library of Congress, at the request of the Subcommittee on Separation of Powers, properly describes the power of the Congress to define the meaning of "adjournment." I quote from that memorandum:

> By legislating to provide that the pocket veto will only be available in situations wherein Congress has adjourned *sine die*, Congress will be furthering the spirit of the Constitution as well as laying to rest an anomaly that has found its way into constitutional interpretation, an absolute veto by the President while the session of Congress continues. Such action would not only be perfectly proper but would conform to the requirements of constitutional interpretation as set forth in *Fairbanks* vs. *United States;* 181 U.S. 282: The true spirit of constitutional interpretation both as to grants to powers and in respect to prohibitions and limitations is to give full, liberal construction to the language, aiming ever to show fidelity to the spirit and purpose.
>
> Constitutional justification for such a definition can be found in Article I, Section 8, Clause 18, the "necessary and proper" clause of the Constitution, which provides that Congress shall have the power "to make all laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."
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> The Courts have given to Congress great latitude in acting under the power conferred by this clause: By the settled construction and the only reasonable interpretation of this clause, the words "necessary and proper" are not limited to such measures as are absolutely and indispensably necessary, without which the powers must fail of execution; but they include all appropriate means which are conducive or adapted to the end to be accomplished, and which in the judgment of Congress will most advantageously effect it. *Legal Tender* Case, 110 U.S. 440 (1884).
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> Surely the defining of the word adjournment to ensure that legislation enacted during a session will be available for reconsideration by that session if the President disapproves is an "appropriate means which (is) conducive (and) adapted to the end to be accomplished." The power of the President to approve or disapprove would not be disturbed or lessened in any degree whatsoever and neither would be the ten-day period which the Constitution grants him to be affected.
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> The fact that the Supreme Court in the *Pocket Veto* case, supra 680, found in the absence of legislation, a definition of the word "adjournment" as used in Article I, Section 7, Clause 2 embodied within the Constitution that was broader than the one proposed should not act as a deterrent to such legislation construing this constitutional provision. The decision of the Supreme Court in *Veazie Bank* v. *Fenno* (8 Wall 533) wherein the Court held that: "a practical construction by Congress of a provision of the Constitution is entitled to great weight, especially in the absence of anything adverse to it in the discussions of the Conventions which framed and ratified the Constitution," is particularly applicable here because the Court noted in the *Pocket Veto* Case, supra 675, that, "No light is thrown on the meaning of the constitutional provision (veto power) in the proceedings and debates of the Constitutional Convention;" . . . Therefore, since there is nothing "adverse to it" in the record of the Convention, it would appear that it is within the power of Congress to provide the President and the Court with its construction of what an adjournment, within the meaning of Article I, Section 7, is.

Mr. President, almost daily the Members who are honored to sit in the Congress express outrage over the usurpation of congressional authority by the executive branch of the Government. In the instant controversy there is no doubt in my mind that the President violated the separation of powers doctrine. The Founding Fathers, in order to make Government by law secure, ordained that the Constitution and the laws enacted by Congress pursuant to it should be the supreme law of the land, and imposed upon all public officials the duty to obey them. This includes, of course, the President of the United States.

I think the controversy boils down to a very simple question: Will Congress demand that the executive branch of Government respect its rights, duties, and obligations as set out by the Constitution?

The bill I introduce today will help answer one aspect of that question by defining "adjournment" as "an adjournment sine die by either the Senate or the House of Representatives."

Essentially, the bill is designed to implement article I, section 7, of the Constitution. It will do that by providing:

First, that every bill passed by the Congress be presented to the President or to a person in the Executive Office of the President previously designated and authorized in writing by the President to receive it. This provision is in keeping with the present practice whereby enrolled bills are hand-carried by agents of the House or Senate to the White House, where they are received by a representative of the White House Records Office with a notation of the date and time of receipt. Delivery to the White House Records Office is considered presentation to the President, unless he has advised the Congress that he has withdrawn the authority of the officials of the White House Records Office to receive enrolled bills, as has been done at a time when the President is outside the country.

Second, that the President, if he approves a bill, shall place on it his signature and the date and, if he so desires, the word "approved."

Third, that if the President does not approve a bill presented to him, he shall return it with his objections to the House in which it originated. If he returns a bill prior to adjournment but when the respective House is not actually in session, then presentation to an officer designated and authorized by that House to receive bills under those circumstances shall constitute a return of the bill. Such officer shall call the matter to the attention of that House, through its presiding officer, on the next succeeding day on which it is in session. This part of the scheme, utilizing the agents of the House and Senate, is in keeping with the Wright case.

Fourth, that the House to which the bill is returned shall enter the President's objections at large on its Journal and proceed to reconsider it. The Congress would then be able to override the President's veto in keeping with the constitutional provision.

Fifth, that if any bill is not returned by the President or his successor in office within 10 days, Sundays excepted, after it is presented as provided for in the bill, it shall be law in like manner as if he had signed it unless either the House or Senate prevent its return by their having adjourned sine die.

Mr. President, I believe that time is of the essence in this matter, since the 93d Congress may have several short recesses. If we delay, we may find more legislation passed by the Congress subjected to an illegal, absolute veto by the President. I think it is of the utmost importance that the Congress reassert its prerogative in this area by favorably considering this legislation.

I urge the Members of this body to support this measure.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I of the United States Code be amended by adding the following chapter:

"Chapter 4.—APPROVAL OF ACTS

"Sec. 301. Presentation to President.
"Sec. 302. Approval by President.
"Sec. 303. Disapproval by President.
"Sec. 304. Reconsideration.
"Sec. 305. Enactment without signature; pocket veto.
"Sec. 306. Definition.

"§ 301. Presentation to President.

"Every bill that passes the Senate and the House of Representatives shall, before it becomes a law, be presented to the President of the United States or to a person in the Executive Office of the President previously designated and authorized in writing by the President to receive it.

"§302. Approval by President.

"(a) If the President approves a bill presented as provided in section 301 of this title, he shall sign it at the end thereof.

"(b) The President shall not make any notation on a bill, so presented, other than his signature and, if he desires, the word 'approved' and the date.

"(c) The President's authority to sign a bill, so presented shall not be affected by the adjournment of the Congress.

"(d) The authority to sign a bill, so presented, shall devolve to the President's successor in office.

"§ 303. Disapproval by President.

"If the President does not approve a bill presented as provided in section 301 of this title he shall return it with his objections to the House in which it originated. His objections may be on any basis without limitation.

"Return to an officer designated and authorized by the House of Representatives or the Senate respectively, to receive bills so returned prior to adjournment while the body is not actually in session shall constitute a return to that House. Such officer shall call the matter to the attention of that House, through its presiding officer, on the next succeeding day on which it is in session.

"§ 304. Reconsideration.

"The House to which a bill is returned shall enter the President's objections at large on their Journal and proceed to reconsider it. If, after such reconsideration, two-thirds of the Members present shall agree to pass the bill, it shall be sent, together with the objections, to the other House, by which it shall be likewise reconsidered, and if approved by two-thirds of the Members present, it shall become a law. The votes of both Houses shall be determined by the yeas and nays, and the names of the persons voting for and against the bill shall be entered on the Journal of each House, respectively.

"§ 305. Enactment without signature; pocket veto.

"If any bill is not returned by the President or his successor in office within ten days, Sundays excepted, after it is presented as provided in section 301 of this title, it shall be a law in like manner as if he had signed it, unless the Congress by their adjournment prevent its return, in which case it shall not be a law.

"§ 306. Definition.

"As used in this chapter, 'adjournment' means an adjournment sine die by either the Senate or the House of Representatives."

By Mr. RIBICOFF:

S. 1046. A bill to amend the Internal Revenue Code of 1954 to provide for licensing of income tax return preparers. Referred to the Committee on Finance.

TAXPAYERS PROTECTION ACT OF 1973

Mr. RIBICOFF. Mr. President, tax time is here again. No one enjoys paying taxes, but now it is painful even trying to figure out how to fill out the forms. The Internal Revenue Service claims that their instructions are simple enough for elementary school students to understand, but a lot of confused Americans wonder where that elementary school is. Their only answer to the IRS forms is to pay for help in completing them.

In 1969 and 1970, for example, roughly 78 million individual Federal income tax returns—over half the total returns filed—carried the signature of a preparer other than the taxpayer. While many taxpayers went to lawyers and accountants, most used commercial tax preparation services. As a result the tax preparation industry is growing by leaps and bounds and now employs over 200,000 people.

For example, in 1971, H. & R. Block, the Nation's largest firm, prepared nearly 10 percent of all returns filed that year. In addition to the large chains like Block, department stores, finance companies, and banks have entered into the business on a major scale.

Serious problems have arisen because this rapid growth has not been accompanied by the necessary supervision and control. Today there are no standards for tax preparers. Anyone can rent an office, hang out a shingle and call himself a tax preparer. Unless he commits actual fraud there is nothing the Government can do to control him.

The entire tax preparation business should not be indicted. Given the complexity of our tax laws, such businesses serve a useful and important function. However, it is a service that can be and has been grossly misused on occasion. A check last year by the IRS of 3,200 preparers found less than half of them performing acceptably. In the weeks ahead millions of Americans will receive erroneous advice which can cost them dearly either by paying more taxes than necessary or by paying less and then being penalized by the IRS.

Last April reporters from the Washington Evening Star, armed with identical sets of facts, visited seven tax preparation firms in the Washington area. They found a wide range of opinion. Allowable charitable contributions went from $92 to $279. Deductible office expenses were as low as $109 and as high as $716. Refunds claimed ranged from $570 to $801—the IRS said $613 was the correct figure. The fees for this "expert" advice were spread between $15 and $39.50.

The chief victims of this incompetence or fraud are the low- and middle-income taxpayers—28 percent of the men and women who paid for assistance last year had incomes below $5,000. Wealthier individuals can afford to go to attorneys or accountants for expert and expensive advice, but most people cannot. But neither can the average workingman afford a long dispute with the IRS that his tax preparer is responsible for.

It is the duty of the Congress—which enacted our complex tax code—to protect these consumers by eliminating incompetent and corrupt tax return preparers. Because the taxpayer usually does not know he has filed a faulty return until the IRS challenges him, any legislation we consider must be preventive as well as corrective in nature.

We need to develop a system that will prevent the small taxpayer from being injured and penalize preparers for fraud and incompetence. Instead of waiting for mistakes to happen, our efforts should be directed at allowing only qualified tax preparers to practice.

In order to provide this help, I introduced in the 92d Congress the Taxpayers Protection Act. No action was taken on this problem before the Congress adjourned and in the meantime the industry has grown larger and more preparers of questionable ability have entered the marketplace.

Today I am introducing the Taxpayers Protection Act of 1973. This bill would require every person who prepared 25 or more returns for a fee to obtain a license fom the IRS. While these men and women are not expected to have the same high skills as lawyers and accountants, licenses will only be given to those preparers who demonstrate a basic knowledge and understanding of the Internal Revenue Code and an ability to complete an individual's tax return fairly and competently. Because they have already met strict professional and ethical standards, attorneys, certified and licensed public accountants and enrolled agents would be exempted from the requirements of the act.

To assist the IRS in knowing who is preparing returns, every licensed preparer will have to sign and place his identification number on each client's return, file semiannual reports listing the names of his clients, retain a copy of each client's return for 3 years and give each client a copy of their own return.

Finally, a licensed preparer will be prohibited from advertising his special status. Commercial tax preparers will still be allowed to advertise their services as they do today but will be prohibited fom claiming any special imprimatur from the Federal Government. These restrictions will be similar to those already placed on attorneys and accountants.

The more responsible members of the industry believe that regulation is needed. Every new report of fraud or inefficiency erodes the public's confidence, severely damaging the larger and more visible firms who often perform acceptably. If we expect our citizens to have confidence in our tax system, we must act quickly to eliminate those preparers who misuse the code and abuse the taxpayer.

I ask unanimous consent that the text of the Taxpayers Protection Act be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart D of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions relating to information and returns) is amended by renumbering section 6021 as 6022, and by inserting after section 6020 the following new section:

"Sec. 6021. United States Licensed Tax Return Preparer.

(a) Generally.—An individual (other than an attorney, certified public accountant, licensed public accountant, or enrolled agent as defined in subsection (f)) who prepares more than 25 returns (of the tax imposed by chapter 1) for others, in any calendar year, shall, prior to the expiration of the sixth month following the close of such calendar year, meet the standards set (pursuant to subsection (b)) by the Secretary or his delegate for designation as a "United States licensed tax return preparer" (Hereinafter referred to as a 'licensed preparer').

"(b) Authority To License.—The Secretary or his delegate is authorized to license individuals who are engaged in the business of preparing returns (of the tax imposed by chapter 1) for others as 'licensed preparers'. Pursuant to this authority, the Secretary or his delegate may give regular and periodic examinations and set such other standards as he considers necessary to determine the competence and fitness of those who are to be designated as 'licensed preparers'. Designation as 'licensed preparer' shall be for a period of 5 years and may be renewed upon reexamination and compliance with such other standards as the Secretary or his delegate considers necessary to determine the competence and fitness of those who are to be designated as 'licensed preparers'.

"(c) Filing Requirements.—Every 'licensed preparer' shall—

(1) sign and include his license number on every return prepared for a fee;

(2) file with the Secretary or his delegate on January 15 and July 15 an information return listing the names and identification numbers of each client for the preceding 6 calendar months;

(3) retain for 3 years from the date of preparation one copy of each return prepared;

(4) deliver to each client a completed copy of the client's return.

"(d) Withdrawal of Licensed Status.—The Secretary or his delegate may, after due notice and opportunity for hearing, withdraw from any individual the status as 'licensed preparer', upon a showing that such individual is incompetent or unfit to be a 'licensed preparer', or who, with intent to defraud in any manner, willfully and knowingly deceives or misleads any individual in any matter arising out of his business as a 'licensed preparer'.

"(e) Prohibition on Advertising.—Any individual qualified as a "United States licensed tax preparer" may not advertise that status except as permitted by the Secretary or his delegate".

"(f) Definitions.—for purposes of this section—

"(1) Attorney.—'Attorney' means any person who is a member in good standing of the Bar of the highest court of any State, possession, territory, Commonwealth, or the District of Columbia.

"(2) Certified public accountant.—'Certified public accountant' means any person who is duly qualified to practice as a certified public accountant in any State, possession, territory, Commonwealth, or in the District of Columbia.

"(3) Licensed public accountant.—'Licensed public accountant' means any person who is duly qualified and licensed to practice public accountancy in any State, possession, territory, Commonwealth, or the District of Columbia.

"(4) Enrolled agent.—'Enrolled agent' means any person enrolled, pursuant to regulations of the Secretary or his delegate, as an agent to practice before the Internal Reveune Service."

(b) The table of sections of subpart D of part II, subchapter B is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 6021. United States licensed tax return preparer.

"Sec. 6022. Listing by Secretary of taxable object owned by nonresidents of internal revenue districts."

Sec. 2. Subchapter A of chapter 75 is amended by adding at the end of part I thereof a new section 7216 to read as follows:

"Sec. 7216. Offenses Involving United States Licensed Tax Return Preparer Status.

"(a) Failure To Obtain Status as United States Licensed Tax Return Preparer'.—Any individual who is, pursuant to section 6021(a), required to obtain designation as a 'United States licensed tax return preparer' and who continues to engage in the business of preparing returns (of the tax imposed by chapter 1) for others, without obtaining status as a 'United States licensed tax return preparer' shall, upon conviction thereof, be fined not more than $1,000, or imprisoned not more than 6 months, or both."

"(b) Failure To Include Name and License Number.—Any individual who pursuant to section 6021(c), fails to include his name and license number on each return prepared shall be fined $25 for each offense.

Sec. 3. The amendments made by this Act shall take effect on the first day of the first calendar year beginning after the date of enactment.

By Mr. McINTYRE (for himself and Mr. Williams):

S. 1050. A bill to provide for the registration and regulation of oil and gas programs, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

OIL AND GAS INVESTMENT ACT OF 1973

Mr. McINTYRE. Mr. President, on behalf of Senator Williams and myself, I am reintroducing today a bill which we cosponsored in the last Congress to regulate oil and gas drilling funds or programs, commonly known as oil programs. Legislation in this area is needed, not only to fill a gap in our present scheme of investor protection, but also to improve the stature of oil programs in the eyes of the investing public. This should encourage greater participation in oil programs and increased exploration for oil and gas at a time when there is an urgent need for increases in our domestic reserves of oil and gas.

Oil programs are generally unincorporated associations which hold or invest in oil or gas interests or engage in exploration, drilling, or production of oil or gas. Oil program offerings have averaged about $1 billion a year during the years 1969–71, although the SEC estimates that only about 25 percent of this amount was actually sold.

Because the operations of oil and gas programs are in many ways similar to those of mutual funds, the Investment Company Act Amendments of 1970, as passed by the Senate, would have eliminated the exemption for oil and gas programs now found in that act. However, in conference with the House, this provision was stricken on the understanding that the SEC and the industry would submit within 18 months legislation to regulate oil programs in a manner which takes account of their distinctive characteristics. This bill is the result of that undertaking.

The principal problems presented by oil programs stem from their structure and method of conducting business. Oil programs are characterized by externalized management and the separation of public beneficial ownership from the control of such programs. They are typically organized as limited partnerships. Under the laws of most States, limited partners are prevented from exercising control over the management of the business, lest they lose their limited liability.

Also, most general partners of oil programs have the authority, and frequently do, appoint another person who will actually perform all or a substantial portion of the management functions of the program. Typically, the other person is an affiliated person or alter-ego of the general partner. Unlike a corporation, oil programs have no officers or directors or other persons who will protect investor interests.

With their dominance and control over the programs thus secured, the managers and their affiliates are able to sell oil and gas interests and other property and services to oil programs, and engage in various other transactions in their interests conflicting with those of the programs and their investors. This manner of doing business and the abuses and potentials for abuse which it fosters are strikingly similar to those which led to the enactment of the Investment Company Act of 1940 and the 1970 amendments to that act.

Indeed, many investors in oil programs promoted by King Resources, to take one example, sustained tens of millions of dollars of losses which were attributable in large part to practices by the managers of these programs which would have been prevented by regulation of the type provided in this bill.

The bill defines "oil program" to include those companies which are directly engaged, more or less, in actual operations, as well as those oil programs which would clearly come within the definition of investment company. Since conventional operating oil corporations do not provide flow-through tax treatment to their investors, they are not within the definition of "oil program." Also, the bill except, among other things, certain arrangements used by small independent oil operators to finance their activities.

In view of the external management feature common to oil programs and mutual funds, this bill extends many of the provisions of the Investment Company Act concerning self-dealing transactions to oil programs. However, some degree of manager participation is present in all methods of oil and gas exploration. Therefore, the bill does not require, as does the Investment Company Act, that a manager of an oil program or affiliate get prior SEC approval for all transactions. Instead, the bill establishes fiduciary standards applicable to such dealings.

Another important provision of the Investment Company Act which is not included in this proposed legislation is its controls over management compensation, which were substantially strengthened by the 1970 amendments. While there are obvious and necessary differences between mutual funds and oil programs in the manner of compensating the management, there have been serious criticisms of some of the management compensation practices in the oil program industry. I therefore believe it would be appropriate, in the hearings on this legislation, to consider whether some controls on management compensation should be included. In that connection, I ask unanimous consent to have printed in the RECORD an article entitled "Drilling Funds, What Risk? What Reward?" from the June 1972 Dun's magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DRILLING FUNDS: WHAT RISK? WHAT REWARD?

(By Arlene Hershman)

The season for it is starting now. The memory of April 15 remains strong, and executives are still in the mood to hear the siren song about roaring oil gushers and soaring tax write-offs. So an army of drilling fund salesmen will tell them about the benefits of depletion, intangibles and other tax benefits. When their song is ended, it is estimated that some $425 million will have been put into drilling funds this year by investors, most of them high-bracket executives, a 14% increase over last year.

But in doing so, these executives will be going into a high stakes game, where investors have a long history of rolling snake-eyes. One independent analyst, in fact, made a study of 200 drilling programs and found that in only 23 companies did the investor even get his money back, much less have something to show for it.

And top oil expert Bernard Feshbach, vice president of the San Francisco investment banking house of First California Co., thinks the odds can be even longer than that. "If you're twelve years old and don't get leukemia," says Feshbach sardonically, "you might live long enough to get your money back from some of those funds."

And though the Securities and Exchange Commission has been writing proposals for new fund legislation for the past eighteen months, a close look at the oil drilling programs shows that in all too many funds the deck is stacked against the investor: He puts up most of the capital, takes all of the risk—and gets a very small piece of the return, if there is any.

But why do normally sophisticated investors keep putting their money into drilling funds? After all, the funds' shortcomings have not gone exactly unheralded. The problems of John King, who was quite literally the king of the drilling-fund promoters, made headlines all over the world. Rick Clinton's Clinton Oil's earnings fell out of bed. And periodically, the SEC publicly warns against some fund practices. (Under existing law, the SEC can only force the funds to make full disclosure in their prospectuses; it is an axiom of the investment business, though, that few investors even bother to read prospectuses).

It is the write-off aspect of the oil business, of course, that makes the executive forget all caution when he buys a fund share, an investment that usually costs him $5,000 a unit. Assuming he is in the 50% tax bracket (the lowest bracket if the tax deduction is to have any meaning), the program should provide the executive a write-off of at least 90%. Ostensibly, the value of the oil found will more than cover those expenses, providing him with his share of the partnership revenues for at least six years and possibly as long as 25 years. Furthermore, the oil depletion allowances makes only 88 cents of every oil income dollar taxable.

One thing can keep this dream investment from coming true: Ironically, the very nature of the tax law, which provides the tax benefits, can lead to the investor virtually playing against that stacked deck.

To see the full impact look at a hypothetical case, where a $10 million program drills ten wells, hits oil in the one, and the returns are to be split 50–50. Seemingly, fair enough. But, typically, to get the benefits of the tax laws, the investors must put their money in intangible costs: the geologic surveys, land preparation and any expense for a dry hole. That is the risk part of oil drilling. So just one of those intangible items, the $9-million bill for those nine dry holes, also comes out of their share of the receipts.

But the operator puts up the capital costs. He is paying only for the tangibles—the pumps and other equipment needed to get the oil out of the ground *after* it is found.

This division of risk and reward is fairly common in the industry. In recent programs offered by Amarex and Adobe, for example, investors put up all the risk capital. Under the terms of the agreement, though, the most they could get is half the receipts.

Asks Harmon Spolan of the Philadelphia brokerage house of Butcher & Sherrerd: "What risk is the operator taking compared to the investors?"

Not only that, there is the fact that drilling funds are exempt from SEC regulations on management fees, costs for services and the like. As Lewis Mosburg Jr., an Oklahoma City attorney notes: "It is possible for the operator to profit handsomely on a program that was relatively disastrous for the investor."

One way is a classic known as the "G&A." Also called "off the top" these are the promoter's general and administrative costs. With a little astute pencil work on the part of the fund operator, the bill for G&A can leave the investor with as much as a quarter of his funds gone, and none of his dollars even within sight of the oil patch.

And it is perfectly legal. As the prospectus for one oil fund shows, the general partners in the program are taking: (A) a 15% management fee; (B) 10% for general and administrative costs; (C) 1% for out-of-pocket expenses and registration costs. According to the fund's own estimate, this leaves a bare 74 cents for buying income-earning properties. "My own research shows," says Los Angeles tax adviser Arthur Groesbeck, "that a higher percentage of fees and overhead costs go to oil program promoters and operators than in any other tax shelter."

Even expert Bernard Feshbach once got nipped by the overhead bite. In one program he sold to investors. Feshbach was assured by the promoter that partnership investors would be charged for only a fair share of the company's G&A. A year and a half later, he recalls, the company put out a registration statement showing that Feshbach's partnership had paid the promoter's entire G&A for the year.

SETTING THE G&A

Feshbach, who has written a four-page study that is the most penetrating examinations of drilling fund sins ever done. believes that overhead should be charged only as a percentage of funds raised. Say, something on the order of 2% or 3%. "If a program doesn't set out what percentage is going to G&A," he warns investors, "I wouldn't touch it."

What it all adds up to is the fact that for some drilling funds there can be more money made from drilling-fund management than from actually finding and producing oil and gas. Patrick Petroleum, for example, according to a recent prospectus, is "engaged in exploring for and producing oil and gas." For its 1971 fiscal year, ended April 30, Patrick earned some 86% of its net profits from "transactions with oil and gas programs."

The very setup of other programs, it should be noted, encourages conflict of interest and self-dealing. Most drilling programs are put together by a promoter, who also usually acts as the general partner (in prospectus terms, the manager) of the program. To find the land, drill for the oil, get it out of the ground, and so forth, he hires middlemen—land owner, geologist, drilling company, equipment-leasing company, well operator and so forth.

There is nothing really illegal about this, and some drilling funds, such as Intramerican, put a deliberate limit of 12½% on the profit an affiliate can make. Yet others merely state that the price for each service will be set at the prevailing market rates. But as Bernard Feshbach points out: "Prevailing market rates in the oil business is whatever the oilman can negotiate."

In fact, in so-called turnkey, or fixed-price, drilling operations, the opportunity for both the promoter and his drilling affiliate to make money are sometimes built in. Investors in turnkey programs supposedly are protected from unexpected cost overruns because an established price is set for each service. In some programs, however, the fixed price is always high enough so that the fund manager makes a profit. So does the affiliated operator, thus giving him a double, or "back-to-back," profit.

Even without back-to-back deals, the investor generally pays the cost of the oil property. And when it comes to determining that cost, he is completely dependent on the integrity and acumen of the program manager. But as expert Arthur Groesback laments: "There is no way you can tell or control what operators are doing."

All too true. If the manager is affiliated with the land owner, for example, he may limit its profit on a land sales to the partnership to 25%, as Intramerican does; or it may even sell the land at "cost." Most often, though, it will sell the land at "fair market value," even though establishing a fair market value for underdeveloped land is next to impossible. As Denver oil accountant William J. Harnden explains: "Even expert geologists can't put any fixed appraisal on underdeveloped land."

The profits on land, then, can run high. Under an agreement with the program manager, Universal Resources sold one-half interest in exploration rights to investors in the Trinity Drilling II program for approximately what it had paid for its whole interest. As the prospectus bluntly stated: "This arrangement assures Universal Resources a 100% profit on each one-half interest sold to the Program."

Not only that, Universal Resources had sold 24,000 acres to a previous Trinity Drilling program for an aggregate selling price of $1.5 million. About this transaction, the prospectus states: "The before-tax profit to Universal Resources was $1,100,438."

Even the major drilling programs launched by Continental Oil and Sun Oil have met sales resistance because participants were to pay for some leases that the companies originally "contributed" to the program. In the Conoco program, the oil company donated drilling rights to the program for three years. If the drilling on a particular lease was successful, the participants would share the revenues from the well and the lease would form part of Conoco's contribution. If the drilling turned up a duster, the investors would have to pay the company for the lease. And of the $75 million total offering, the prospectus estimates that some $15 million will go to reimburse Conoco for its costs on these leases.

Granted, part of that arrangement can be explained by the tax law. Under its provisions, land that produces oil must be capitalized; land that is barren, though, can be written off immediately as an intangible drilling cost. Continental, then, claims that its charge for dry-hole leases only insures that the investor will get a maximum write-off.

Another part of the arrangement Conoco has with the program's investors calls for it to get back any leases that have not been drilled by the end of three years. Conoco's estimate: It will get back $12.4 million worth of undrilled leases in 1974.

OPERATING COSTS

Some companies also enhance their revenues and profits by charging investors for operating costs on producing wells. This is in the form of a well charge. Among other things, it covers the cost of sending an inspector on regular trips to the well to make sure it is operating properly. For this service, investors in Patrick Petroleum's program, for one, pay a monthly charge of $50 to $150 per producing well above direct costs and expenses.

Patrick charges a fee even if another contractor checks the well. According to its most recent prospectus, if Patrick uses a subcontractor, it "will review the performance of the operator and the costs and expenses it charges, and will maintain accounting records for the partnership and receive and disburse monies on its behalf. For such services, the General Partner (Patrick) will charge its direct costs and expenses and an indirect monthly charge of up to $50 per month per well."

Some managers make a slight bow in the direction of sharing the investor's risk by taking their compensation "off the middle" in the shape of an overriding royalty. Under this formula, the promoter theoretically cannot make any money unless oil is found in producing quantities. The catch: in an overriding royalty, the promoter collects a share of the receipts but does not pay any of the expenses.

Indeed, with a large share of the investor's return going for expenses, like dry holes, management often ends up getting more income and receiving it sooner than the participant, in an overriding royalty arrangement. In Intramerica's 1969 fund, for example, as of June 30, 1971, the investors had received a total of $31,800 on a $1 million outlay, while management—not counting its management fee—had collected $37,000 on no direct investment.

Similarly, Petro-Search Exploration recovered $130,000 from its 1969 and 1970 programs before the end of 1970, yet according to a study by Resource Programs, the oil fund industry's most comprehensive statistical service, investors had yet to see a penny.

If the investor in drilling funds does have a chance of winning, it is when the promoter takes his profit "off the bottom." He profits only after the investment has been paid off. Even here, though, the promoter may have taken little or no risk as far as any investment is concerned, and yet cut himself in for 25% of the profits.

As if all this were not enough, the oil-fund investor has still another problem to worry about: the amount of money he will eventually be required to invest in a program. In some programs, the investor can lose out substantially on his share of returns if he cannot produce, when asked, more money besides his original partnership interest. Additional investment—or assessments—are called for in many programs on the assumption that an operator could dig nine dry wells and then hit a hole field on the tenth and not have money left to develop the property. The assessment, therefore, sounds like a safe investment since it is going to exploit what looks like a proven producing property area.

But what if the investor cannot come up with the money? In many programs, the hardship is out of all proportion to the risk he has carried. The Vanderbilt Drilling Program, like many others, establishes a mandatory assessment of up to 10% of the participant's original investment. If the investor cannot pay within thirty days of the request, the prospectus warns: "The entire interest of such Participant will terminate and be forfeited."

Optional assessments often require larger amounts than mandatory ones—they may even be unlimited—and the penalty for not putting up more money may be almost as severe. The Intramerican program for 1971 gives the operators the power to ask for as much as half of each partner's original investment for lucrative development activity. If the partner cannot come up with the money, he "will be excluded from the development activity."

Even on optional assessments, Harmon Spolan maintains, the investor is taking on a disproportionate share of the risk. Spolan dislikes recommending funds that call for unlimited, though optional, additional assessments. Often, he says, they have a way of never ending. "Year after year," he notes, "the promoters come back for more money and the investor never knows when his liability ends."

GETTING LOCKED IN

Oil participations, moreover, most often take the forms of a limited partnership. So the investor also has the inherent risk of being locked into an illiquid investment unless the general partner is willing to buy back the interest. Many funds will do so. The formula the company uses to repay him, though, reduces the value of his interest to, at most, 70% of the present value of the reserves. In cash terms, this could mean 42% of the value of a gas well with a 25-year life off the coast of Texas or 60% of the appraised value of an oil well with a predicted seven-year life in the Rocky Mountains.

Other investors who want to get out may be offered stock in exchange for their holdings. How an investor makes out in a stock swap will depend on how the stock performs, since often the exchange will not recoup his investment. If he has to wait a year before taking a capital gain, he may find the value at the start has dropped precipitously. Investors in Prudential's 1964 program, for example, got stock selling at 14½ in 1969. It was recently quoted at 4. "In eight out of ten cases," says Bernard Feshbach, "the stock swap is just a method to dazzle everybody. Investors haven't any idea of whether or not it was a successful program."

Sometimes the stock swap will be arranged with a new company which adds another risk to the investor since the new company has no earnings at all upon which to put a price. Even if the stock swap is offered for another established company, the question remains: "Would you buy the stock?"

If a program manager has a tradition of swapping stock for partnership interests, many an investor has bought into a fund as a "cheap" way of buying a fund manager's stock. His savings come in the form of his tax write-offs. But the hazard of this gambit, says Lewis Mosburg Jr., is that the stock price may be a lot lower when the investor is ready to sell than when he received the exchange.

Take the case of Clinton Oil. The stock was selling at 13 in 1969 when the company raised $100 million for the biggest single drilling program the industry has seen. Even before a year was out, the participants in the drilling fund were offered an exchange: stock in a newly formed company, Real Petroleum. This was merged into Clinton last year in still another exchange. Results: One investor who put $10,000 in a 1969 drilling program now owns 1608 shares of Clinton stock instead; a lot of shares, but with a flaw; they were recently quoted over the counter at a price of 1⅞ a share.

The SEC proposals go to Congress this month, but how much protection they will afford is open to question. Analysts who have seen the proposals say they alter only little the inequitable balance of risk and reward between the investor and the promoter. Says one oil man: "As far as I can see, they only call a halt to outrageous practices that died two years ago anyway."

Whether or not this criticism is mentioned, the SEC draft proposal provides that at least the industry should decide on a fair management fee. If the guidelines set last fall by the North American Securities Administrators is a clue to what the industry will suggest, a 12.5% management fee is not considered over-reaching even if the promoter is also taking a share of the profits. "This industry can't continue to grow," David Grace sums up, "unless the promoters stop dealing quite so harshly with investors."

So there is at least a measure of progress being made in regulating the funds. And there are a number of funds, it must be said, that are quite capably run and genuinely trying to earn a return for the investor. But unless the executive is very well informed about the complexities of life in the oil patch, he would do well to follow the slogan of the Romans, *caveat emptor*.

Mr. McINTYRE. Mr. President, in addition, hearings may show the need for strengthening of the bill in other areas to provide proper protection to the investor.

In addition to protecting investors, regulation of oil programs would serve another purpose. If the experience of mutual funds under the Investment Company Act is a guide, enactment of the bill would confer a substantive economic benefit upon the oil and gas industry in terms of increased public confidence and investment dollars. At the same time that our Nation's demands for energy are increasing, larger amounts of capital are required to find oil and gas to help meet that demand.

From an economic point of view, we as a nation cannot afford to have investment funds artificially diverted from the oil and gas drilling industry because of investor sentiments—right or wrong—that in evaluating an investment in a drilling program they must add the risk of being unfairly treated to the risk inherent in drilling for oil and gas. Thus, the bill could bring needed capital to the oil program industry and benefit the economy as a whole, as well as protect investors.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1050

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oil and Gas Investment Act of 1973".

FINDINGS AND DECLARATION OF POLICY

Sec. 2. (a) The Congress finds that oil programs are affected with a national public interest, in that, among other things—

(1) the dollar value of program participations issued by oil programs represents a significant part of the value of all securities offered, distributed, purchased, paid for, exchanged, transferred, redeemed, and repurchased by use of the mails and means and instrumentalities of interstate commerce;

(2) the principal activities of such oil programs—investing, reinvesting, and trading in oil and gas interests and exploring for and producing oil and gas—are conducted by the use of the mails and means and instrumentalities of interstate commerce;

(3) oil programs are the media for investment in the national economy of a significant part of the national savings and may have a significant effect upon the flow of such savings into the capital markets; and

(4) the activities of oil programs, extending over many States, their use of the instrumentalities of interstate commerce and the wide geographic distribution of their investors, make difficult, if not impossible, effective State regulation of such programs in the interest of investors.

(b) The Congress declares that the national public interest and the interest of investors are adversely affected—

(1) when investors purchase, pay for, exchange, sell or surrender program participations issued by oil programs without adequate, accurate, and explicit information, fairly presented, concerning the character of such participations and the circumstances, policies and financial responsibility of such programs and their management;

(2) when oil programs are organized, operated, managed, or oil and gas interests are selected, in the interests of the managers of such programs, and in the interests of underwriters, brokers, or dealers, rather than in the interest of the holders of program participations of such programs;

(3) when oil program participations are sold to investors without regard to the suitability of the investment for such investors;

(4) when oil programs are managed by irresponsible persons and when the control of oil programs is unduly concentrated through pyramiding or inequitable methods of control;

(5) when oil programs, in keeping their accounts, in computing repurchase prices of their program participations, in allocating costs and revenues, and in determining management compensation, employ unsound, confusing or misleading practices, or are not subjected to adequate scrutiny;

(6) when oil programs become inactive, or change the character of their business, or when the control or management thereof is transferred, without the consent of the holders of program participations; and

(7) when oil programs or their managers operate without adequate assets or reserves.

While recognizing that the national public interest involved in the exploration for and production of oil and gas has led to enactment of certain Federal tax incentives which oil programs make available to their investors, the Congress declares that the policy and purposes of this Act are to mitigate and, so far as is feasible, to eliminate the conditions enumerated in this section which adversely affect the national public interest and the interest of investors.

GENERAL DEFINITIONS

Sec. 3. (a) As used in this Act—

(1) The term "affiliated person" of another person means (A) any person directly or indirectly owning, controlling, or holding with power to vote, 10 per centum or more of the outstanding voting securities of such other person; (B) any person 10 per centum or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote by such other person; (C) any person directly or indirectly controlling, controlled by, or under common control with, such other person; and (D) any officer, director, or employee of such person.

(2) The term "area of interest" means a geographically described region in which an oil program or other person intends to conduct its oil and gas activities. The area of interest of an oil program shall not include less than all of any known producing geologic structure, or oil or gas field which is contained in the description of such area of interest, except that the foregoing shall not prohibit an area of interest from excluding any lands adjacent thereto which are within an inland body of water or the coastal waters of the United States or any State.

(3) The term "assessment" means any additional amounts of capital which an investor may be called upon to furnish beyond the subscription price.

(4) The term "assignment" includes any direct or indirect transfer or hypothecation of a contract or chose in action by the assignor, or of a controlling block of the assignor's outstanding voting securities by a security holder of the assignor; but does not include an assignment of partnership interests incidental to the death or withdrawal of a minority of the members of the partnership having only a minority interest in the partnership business or the admission to the partnership of one or more members who, after such admission, shall be only a minority of the members and shall have only a minority interest in the business.

(5) The term "bank" means (A) a banking institution organized under the laws of the United States, (B) a member bank of the Federal Reserve System, (C) any other banking institution or trust company, whether incorporated or not, doing business under the laws of any State or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those permitted to national banks under the authority of the Comptroller of the Currency, and which is supervised and examined by State or Federal authority having supervision over banks, and which is not operated for the purpose of evading the provisions of this Act, and (D) a receiver, conservator, or other liquidating agent of any institution or firm included in clauses (A), (B), or (C) of this paragraph.

(6) The term "broker", as used in section 4(c)(4), means any person engaged in the business of effecting transactions in oil and gas interests for the account of others. As used elsewhere in this Act, "broker" means any person engaged in the business of effecting transactions in securities for the account of others.

(7) The term "Commission" means the Securities and Exchange Commission.

(8) The term "company" means a corporation, a partnership, an association, a joint-stock company, a trust, a fund, or any organized group of persons whether incorporated or not; any receiver, trustee in bankruptcy or similar official or any liquidating agent for any of the foregoing, in his capacity as such.

(9) The term "control" means the power to exercise a controlling influence over the management or policies of a company, subject to the following limitations:

(A) Any person who owns beneficially either directly or through one or more controlled companies, more than 25 per centum of the voting securities of a company shall be presumed to control such company. Any person, other than an officer, who does not so own more than 25 per centum of the voting securities of any company shall be presumed not to control such company.

(B) A natural person shall be presumed not to be a controlled person within the meaning of this Act.

(C) Any manager of an oil program shall be presumed to control such program.

(D) An officer of a company shall be presumed to control such company.

Any such presumption may be rebutted by evidence, but except as hereinafter provided, shall continue until a determination to the contrary is made by the Commission by order either on its own motion or on application by an interested person. If an application filed hereunder is not granted or denied by the Commission within sixty days after filing thereof, the determination sought by the application shall be deemed to have been temporarily granted pending final determination of the Commission thereon. The Commission, upon its own motion or upon application, may by order revoke or modify any order issued under this paragraph whenever it shall find that the determination embraced in such original order is no longer consistent with the facts.

(10) The term "convicted" includes a verdict, judgment, or plea of guilty, or a finding of guilt on a plea of nolo contendere, if such verdict, judgment, plea, or finding has not been reversed, set aside or withdrawn, whether or not sentence has been imposed.

(11) The term "cost", when used with respect to property in section 19(a), means the sum of the price paid by the seller for such property, attorneys' fees, title insurance or examination costs, brokers' commissions, filing fees, recording costs, transfer taxes, if any, and like charges connected with the acquisition of such property; bonuses, rentals and ad valorem taxes paid by the seller with respect to such property to the date of its transfer to the buyer; all costs and expenses, if any, reasonably and properly allocable to the property paid by the seller prior to the date of the transfer of such property to the buyer, except costs of drilling wells which are not commercial producers; interest on funds used to acquire or maintain such property; and such portion of the seller's direct and indirect overhead and administrative expense for exploration, geological, land, engineering, drafting, accounting, legal and other services allocated to the property in accordance with generally accepted accounting practices. When used with respect to services in section 19(g), "cost" means the expense incurred by the seller in providing such services. As used elsewhere in this Act, "cost" means the price paid by the seller in an arm's-length transaction.

(12) The term "dealer" means any person regularly engaged in the business of buying and selling securities for his own account, through a broker or otherwise, but does not include a bank, insurance company, or investment company, or any person insofar as he is engaged in investing, reinvesting or trading in securities, or in owning or holding securities, for his own account, either individually or in some fiduciary capacity, but not as a part of a regular business.

(13) The term "director" means any director of a corporation or any person performing similar functions with respect to any organization, whether incorporated or unincorporated, including any natural person who is a member of a board of trustees of a company created as a common law trust.

(14) The term "equipment" includes machinery, tanks, tubing, pipe, pumps, and scientific instruments used in connection with the exploration for or drilling or production of oil or gas.

(15) The term "force majeure" means an act of God, strike, lockout, act of the public enemy, war, blockade, public riot, insurrection, lightning, fire, storm, hurricane, flood, explosion, blowout, governmental restraint, or any other cause not within the control of the manager.

(16) The term "interstate commerce" means trade, commerce, transportation, or communication among the several States, or between any foreign country and any State, or between any State and any place or ship outside thereof.

(17) The term "issuer" means every person who (A) issues or proposes to issue any security, or has outstanding any security which it has issued, and (B) permits or holds itself out as permitting its beneficial owners to take into account, in computing their individual Federal income tax, their shares of such person's income, deduction, credit, depreciation, depletion, intangible drilling and development costs or similar items.

(18) The term "lend" includes a purchase coupled with an agreement by the vendor to repurchase; and "borrow" includes a sale coupled with a similar agreement.

(19) The term "manager" of an oil program means (A) any person who regularly provides services to an oil program or selects a person who regularly performs services for such oil program, and (B) any other person who pursuant to contract with a person described in clause (A) regularly performs substantially all of the services undertaken by a person described in clause (A). The Commission may, by rule, regulation, or order, make such exceptions to the foregoing definition as it deems necessary or appropriate having regard to the purposes of this Act.

(20) The term "means or instrumentality of interstate commerce" includes any facility of a national securities exchange.

(21) The term "officer" means a president, vice president, treasurer, secretary, controller, and any other person who performs for an organization, whether incorporated or unincorporated, functions corresponding to those of a policymaking nature performed by the foregoing officers.

(22) The term "oil and gas interest" means any oil or gas royalty or lease, or fractional interest therein, or certificate of interest or participation or investment contract relative to such royalties, leases or fractional interests, or any other interest or right which permits the exploration of, drilling for, or production of oil and gas or other related hydrocarbons or the receipt of such production or the proceeds thereof.

(23) The term "operating entity" means any oil program all of the outstanding program participations of which are directly owned by a registered oil program and through which such registered oil program conducts all or a significant part of its business.

(24) The term "participation" means a security issued by a person which, but for the provisions of section 4 (b) or (c) would be a program participation.

(25) The term "person" means a natural person or a company.

(26) The term "principal underwriter" of or for any oil program, or of any security issued by such program, means any underwriter who as principal purchases from such program, or pursuant to contract has the right (whether absolute or conditional) from time to time to purchase from such program, any security for distribution, or who as agent for such program sells or has the right to sell any such security to a dealer or to the public or both, but does not include a dealer who purchases from such program through a principal underwriter acting as agent for such company.

(27) The term "production in paying quantities" means an oil and gas interest which has been brought into production in such quantity as to enable the recovery of costs, plus a profit.

(28) The term "production purchase program" means an oil program which proposes to invest substantially all of its initial capital in oil or gas interests in producing properties.

(29) The term "program participation" includes a security issued by an oil program which represents or corresponds to (A) a limited or general partnership interest in an oil program organized as a limited partnership, (B) a share or participation in an oil program organized as a joint venture or partnership, or (c) stock in an oil program orgainzed as a corporation; except that such term does not include any interest possessed by a manager of an oil program under a management agreement by reason of being a manager, or short-term paper of such a program.

(30) The term "promoter" of an oil program or a proposed oil program means a person who, acting alone or in concert with others, is initiating or directing, or has within one year initiated or directed, the organization of such program.

(31) The term "property" means any tangible or intangible property, except equipment and related supplies and writings which evidence ownership of program participations.

(32) The term "prospect" of an oil program means an area in which such program owns one or more oil or gas interests, which is geographically defined on the basis of geological data by the manager of such program and which is reasonably anticipated by such manager to contain at least one reservoir of oil or gas. Such area shall be enlarged or contracted on the basis of geological data, to define the productive limits of such reservoir.

(33) The term "prospectus", as used in sections 14(b), 21(a), 33(b), and 34, means a written prospectus intended to meet the requirements of section 10(a) of the Securities Act of 1933. As used elsewhere in this Act, "prospectus" means a prospectus as defined in the Securities Act of 1933.

(34) The term "repurchaseable program participation" means any program participation issued by an oil program the terms of which provide for the repurchase, redemption, or other payment of such participation by any person, in cash or other consideration, in whole or in part, upon presentment by the holder thereof or otherwise.

(35) The term "reorganization" means (A) a reorganization under the supervision of a court of competent jurisdiction, (B) a merger or consolidation, (C) a sale of 75 per centum or more in value of the assets of a company, except a sale in the ordinary course of business solely of future production pursuant to a production purchase contract, (D) a restatement of the capital of a company, or an exchange of securities issued by a company for any of its own outstanding securities, (E) a voluntary dissolution or liquidation of a company, (F) a recapitalization or other procedure or transaction which has for its purpose the alteration, modification, or elimination of any of the rights, preferences, or privileges of any class of securities issued by a company as provided in its charter or other instrument creating or defining such rights, preferences, and privileges, (G) any exchange of securities by an oil program or a company which is not an oil program for securities issued by a registered oil program, or (II) an exchange of securities issued by a company for outstanding securities issued by another company or companies, preliminary to and for the purpose of effecting or consummating any of the foregoing.

(36) The term "reservoir" means an accumulation of oil or gas in a separate geological structure.

(37) The terms "sale," "sell," "offer to sell," or "offer for sale," include every contract of sale or disposition of, attempt or offer to dispose of, or solicitation of an offer to buy, a security or interest in a security, for value. Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other things, shall be conclusively presumed to constitute a part of the subject of such purchase and to have been sold for value.

(38) The term "sales load" means the difference between the price of a security to the public and that portion of the proceeds from its sale which is received by the issuer, less any portion of such difference deducted for trustee's or custodian's fees, insurance premiums, issue taxes, or administrative expenses or fees which are not properly chargeable to sales or promotional activities.

(39) The term "security" means any note,

stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

(40) The term "short-term paper" means any note, draft, bill of exchange, or banker's acceptance payable on demand or having a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace, or any renewal thereof payable on demand, or having a maturity likewise limited; and such other classes of securities of a commercial rather than an investment character, as the Commission may designate by rules and regulations.

(41) The term "State" means any State of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, or any territory of the United States.

(42) The term "supplies" include tools and materials required in connection with the operation of equipment.

(43) The term "underwriter" means any person who has purchased from an issuer with a view to, or sells for an issuer in connection with, the distribution of any security, or participates or has a direct or indirect participation in any such undertaking, or participates or has a participation in the direct or indirect underwriting of any such undertaking; but such term shall not include a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributor's or sellers' commission. As used in this paragraph the term "issuer" includes, in addition to an issuer, any person directly or indirectly controlling or controlled by the issuer, or any person under direct or indirect common control with the issuer. When the distribution of the securities in respect of which any person is an underwriter is completed such person shall cease to be an underwriter in respect of such securities or the issuer thereof.

(44) The term "unit, unit operating, communitization, or pooling agreement" includes an agreement whereby small tracts sufficient for the granting of a well permit under applicable spacing rules are combined and jointly operated and an agreement providing for the combination of separately owned rights in a common producing reservoir and the joint operation thereof.

(45) The term "voting security" means any security presently entitling the owner or holder thereof to vote for the election of directors of a company. A specified percentage of the outstanding voting securities of a company means such amount of its outstanding voting securities as entitles the holder or holders thereof to cast said specified percentage of the aggregate votes which the holders of all the outstanding voting securities are entitled to cast.

(b) The provisions of this Act do not apply to the United States, a State, or any political subdivision of a State, or any agency, authority, or instrumentality of any one or more of the foregoing, or any corporation which is wholly owned by any one of the foregoing, or any officer, agent, or employee of any of the foregoing acting as such in the course of his official duty, unless such provisions make specific reference thereto.

DEFINITION OF OIL PROGRAM

SEC. 4. (a) As used in this Act, the term "oil program" means any issuer which—

(1) is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of owning, holding, trading, investing or reinvesting in oil or gas interests, or in the business of exploring or drilling for or producing oil or gas or receiving such production or the proceeds thereof; or

(2) is engaged or proposes to engage in the business of owning, holding, trading, investing or reinvesting in oil or gas interests, or in the business of exploring or drilling for, or producing oil or gas, or receiving such production or the proceeds thereof, and owns or proposes to acquire (A) oil or gas interests, or (B) other assets used in connection with exploring, drilling or producing oil and gas, or receiving such production or the proceeds thereof having a value which exceeds 40 per centum of the value of such issuer's total assets on an unconsolidated basis.

(b) Notwithstanding paragraph (2) of subsection (a), the following person is not an oil program: Any issuer which the Commission, upon application by such issuer, finds and by order declares to be primarily engaged in a business or businesses other than that of owning, holding, trading, or investing or reinvesting in oil and gas interests or that of exploring or drilling for or producing oil and gas or receiving such production or the proceeds thereof. The filing of an application under this subsection in good faith by an issuer other than a registered oil program shall exempt the applicant for a period of ninety days from all provisions of this Act applicable to oil programs as such. For cause shown, the Commission by order may extend such period of exemption for an additional period or periods. Whenever the Commission upon its own motion or upon application, find that the circumstances which gave rise to the issuance of an order granting an application under this subsection no longer exist, the Commission shall by order revoke such order.

(c) Notwithstanding subsection (a), none of the following persons is an oil program within the meaning of this Act:

(1) Any issuer all the participations of which are directly or indirectly owned by a company which is not an oil program within the meaning of subsection (a) or is excepted from such definition by subsection (b).

(2) Any issuer whose outstanding participations are beneficially owned by not more than thirty-five persons (exclusive of persons described in clauses (A), (B), (C) in paragraph (4) of this subsection) and which is not making and does not presently propose to make a public offering of its participations. For the purposes of this paragraph, beneficial ownership of participations of such issuer by a company shall be deemed to be beneficial ownership by one person; except that, if such company (other than a corporation) owns 10 per centum or more of the outstanding participations of the issuer, the beneficial ownership shall be deemed to be that of the holders of such company's outstanding securities, unless the value of all participations of oil programs owned by such company does not exceed 5 per centum of the value of its total assets.

(3) Any person primarily engaged in the business of underwriting and distributing oil and gas interests issued by other persons, selling such interests to customers, and acting as broker with respect to such interests, or any one or more of such activities, whose gross income normally is derived principally from such business and related activities.

(4) Any issuer, all of whose outstanding participations are owned by persons each of which (A) is primarily engaged in the business of drilling for, producing or refining oil or gas or investing in or holding any interests or rights which permit the exploration for or production of oil or gas or the receipt of such production or the proceeds thereof, (B) is a registered oil program, or (C) has been found by the Commission upon written application not to require the protection provided by this Act (which finding shall be effective until rescinded).

(5) Any issuer which is an association created by unit, unit operating, communitization, or pooling agreement, formed to explore for or produce oil or gas in a defined area substantially all or whose members owned an interest in such area prior to the formation of such association, provided that the purpose of such formation is not to evade the provisions of this Act.

(6) Except as provided by rules and regulations as the Commission may prescribe in the public interest and for the protection of investors, any issuer of direct fractional undivided interests in oil or gas rights in specified properties who (A) has complied with the requirements for registration under the Securities Act of 1933, or (B) is entitled to rely upon regulation B under the Securities Act of 1933 and has complied with all of the requirements thereof.

CLASSIFICATION OF OIL PROGRAM

SEC. 5. (a) For purposes of this Act, oil programs are divided into repurchase and nonrepurchase programs, defined as follows:

(1) "Repurchase program" means an oil program which is offering for sale or has outstanding any program participation which is repurchaseable by any person in accordance with section 10(b).

(2) "Nonrepurchase program" means any oil program other than a repurchase program.

(b) Oil programs are further divided into diversified and nondiversified programs, defined as follows:

(1) "Diversified program" means an oil program which (A) holds or invests in or proposes to hold or invest in oil or gas interests, explores or drills for or proposes to explore or drill for or produce oil and gas, receive such production or proceeds thereof on at least five separate prospects, (B) spends or proposes to spend no more than 50 per centum of its net capital on any one prospect, and (C) has a net worth of at least $250,000 on the date it commences operations.

(2) "Nondiversified program" means any oil program other than a diversified program.

EXEMPTIONS

SEC. 6. (a) The Commission, by rules and regulations upon its own motion, or by order upon application, may conditionally or unconditionally exempt any person, security or oil or gas interest or transaction or any class or classes of persons, securities, oil or gas interests, or transactions, from any provision of this Act or any rule or regulation thereunder, if and to the extent that it determines that such exemption is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this Act.

(b) If, in connection with any rule, regulation or order under this section exempting any oil program from any provision of section 7, the Commission deems it necessary or appropriate in the public interest or for the protection of investors that certain specified provisions of this Act pertaining to registered oil programs shall be applicable in respect to such oil program, the provisions so specified shall apply to such oil program as though such oil program were a registered oil program.

TRANSACTIONS OF UNREGISTERED OIL PROGRAMS AND OF OTHER ISSUERS

SEC. 7. (a) No oil program organized or otherwise created under the laws of the United States or of a State, unless registered under section 8, shall directly or indirectly—

(1) offer for sale, sell or deliver after sale, by the use of the mails or any means or instrumentality of interstate commerce, any security or any interest in a security, whether the issuer of such security is such

oil program or another person; or offer for sale, sell, or deliver after sale any such security or interest, having reason to elieve that such security or interest will be made the subject of a public offering by use of the mails or any means or instrumentalities of interstate commerce;

(2) purchase, redeem, retire, or otherwise acquire or attempt to acquire, by use of the mails or any means or instrumentality of interstate commerce, any oil or gas interest, or any security or any interest in a security, whether the issuer of such security is such oil program or another person;

(3) control any oil program which does any of the acts enumerated in paragraphs (1) and (2);

(4) engage in any business in interstate commerce; or

(5) control any company which is engaged in any business in interstate commerce.

The provisions of this subsection shall not apply to transactions of an oil program organized before the enactment of this Act which are merely incidental to its dissolution.

(b) No manager of or underwriter for any oil program, unless such program is registered under section 8, or exempt under section 6, shall directly or indirectly—

(1) offer, sell, or deliver after sale, by use of the mails or any means or instrumentality of interstate commerce, any security or any interest in a security of which such oil program is the issuer; or offer for sale, sell, or deliver after sale any such security or interest, having reason to believe that such security or interest will be made the subject of a public offering by use of the mails of any means of instrumentality of interstate commerce;

(2) purchase, redeem, or otherwise acquire or attempt to acquire by use of the mails or any means or instrumentality of interstate commerce, any security or any interest in a security of which such oil program is the issuer; or

(3) sell or purchase for the account of such oil program, by use of the mails or any means or instrumentality of interstate commerce, any oil or gas interest, or any security or interest in a security, by whomever issued.

The provisions of this subsection shall not apply to transactions which are merely incidental to the dissolution of an oil program which was organized before the enactment of this Act.

(c) No promoter of a proposed oil program, and no underwriter for such a promoter, shall make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to offer for sale, sell or deliver after sale, in connection with a public offering, any preorganization certificate or subscription for such an oil program.

(d) No oil program, unless organized or otherwise created under the laws of the United States or of a State, and no manager or underwriter for such a company not so organized or created shall make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to offer for sale, sell, or deliver after sale, in connection with a public offering, any security of which such oil program is the issuer. Notwithstanding the provisions of this subsection and of section 8(a), the Commission is authorized upon application by an oil program organized or otherwise created under the laws of a foreign country, to issue a conditional or unconditional order permitting such oil program to register under this Act and to make a public offering of its securities by use of the mails or any means or instrumentalities of interstate commerce, if the Commission finds that, by reason of special circumstances or arrangements, it is both legally and practicably feasible effectively to enforce the provisions of this Act against such oil program and that the issuance of such order is otherwise consistent with the public interest and the protection of investors.

(e) It shall be unlawful for any issuer which is not defined as an oil program in section 4(a) or is excluded from such definition by section 4(b), but which engages or proposes to engage directly or indirectly in the business of owning, holding, trading, investing, or reinvesting in oil or gas interests, or exploring, drilling for or producing oil and gas or receiving such production or the proceeds thereof, and spends or proposes to spend more than 500,000 during any twelve-month period in such business.

(1) to make a public offering of any security of which it is the issuer, or

(2) if such issuer has more than thirty-five beneficial owners of its securities, to engage in any business in interstate commerce,

unless such issuer conducts all of and only such business through a separate legal entity which is registered and otherwise regulated as an oil program under this Act. For the purposes of clause (2), beneficial ownership shall be determined in the same manner as provided in section 4(c) (2).

REGISTRATION OF OIL PROGRAMS

SEC. 8. (a) Any oil program organized or otherwise created under the laws of the United States or of a State may register for the purposes of this Act by filing with the Commission a notification of registration in such form as the Commission shall by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors. An oil program shall be deemed to be registered upon receipt by the Commission of such notification of registration.

(b) Each registered oil program shall file with the Commission, within such reasonable time after registration as the Commission shall fix by rules and regulations, an original and such copies of a registration statement, in such form and containing the information and documents as the Commission shall by rules and regulations prescribe as necessary or appropriate in the public interest for the protection of investors, including:

(1) a recital of the policy of the registrant in respect to each of the following types of activities (such recital consisting in each case of a statement whether the registrant reserves freedom of action to engage in activities of such type, and if such freedom of action is reserved, a statement briefly indicating, insofar as is practicable, the extent to which the registrant intends to engage therein): (A) the classifications as defined in section 5, within which the registrant proposes to operate, (B) borrowing money, (C) making loans to other persons, (D) making assessments, (E) purchase or sale of securities of other issuers (other than securities which are oil or gas interests), and (F) purchase or sale of real estate (other than oil and gas interests) and commodities or either of them;

(2) a recital of all policies of the registrant, not enumerated in paragraph (1), which are changeable only if authorized by vote of the holders of program participations or which the registrant deems matters of fundamental policy;

(3) a description of the area of interest (A) of the registrant, (B) of other oil programs, registered or not registered, controlled by the manager of the registrant, and (C) reserved by the manager or controlling person of the manager for itself; and

(4) a description of any class or classes of program participations which have been issued by the registrant and any class or classes of such participations which the registrant proposes to issue.

(c) The Commission may make provision, by permissive rules and regulations or order, for the filing of the following, or so much of the following as the Commission may designate, in lieu of the information and documents required pursuant to subsection (b):

(1) copies of the most recent registration statement filed by the registrant under the Securities Act of 1933 and currently effective under such Act, or if the registrant has not filed such a statement, copies of a registration filed by the registrant under the Securities Act of 1934 and currently effective under such Act; and

(2) a report containing reasonably current information regarding the matters included in copies filed pursuant to paragraphs (1) and (2) of subsection (b), and such further information regarding matters not included in such copies as the Commission is authorized to require under subsection (b).

(d) If it appears to the Commission that an oil program has failed to filed the registration statement required by this section or a report required pursuant to section 27 (a) or (b), or has filed such a registration statement or report but omitted therefrom material facts required to be stated therein, or has filed such a registration statement or report in violation of section 26(b), the Commission may notify such oil program by registered or certified mail of the failure to file such registration statement or report or of the respects in which such registration statement or report appears to be materially incomplete or misleading, as the case may be, and may fix a date (in no event earlier than thirty days after the mailing of such notice) prior to which such oil program may file such registration statement or report or correct the same. If such registration statement or report is not filed or corrected within the time so fixed by the Commission or any extension thereof, the Commission, after appropriate notice and opportunity for hearing, and upon such conditions and with such exemptions as it deems appropriate for the protection of investors, may by order suspend the registration of such oil program until such registration statement or report is filed or corrected, or may by order revoke such registration if the evidence establishes—

(1) that such oil program has failed to file a registration statement required by this section or report required pursuant to section 27(a) or (b), or has filed such a registration statement or report but omitted therefrom material facts required to be stated therein, or has filed such a registration statement or report in violation of section 26(b); and

(2) that such suspension or revocation is in the public interest.

(e) Whenever the Commission, on its own motion or upon application, finds that a registered oil program has ceased to be an oil program, it shall so declare by order and upon the taking effect of such order the registration of such oil program shall cease to be in effect. An order under this subsection may be made upon appropriate conditions, including registration under the Investment Company Act of 1940, if necessary for the protection of investors and such program, after deregistration under this Act, would be an investment company as defined in that Act. The Commission's denial of any application under this subsection shall be by order.

(f) For the purpose of preventing duplicate filings, the Commission by rules and regulations or order may conditionally or unconditionally exempt any operating entity of a registered oil program from any of the provisions of this section or any rules or regulations thereunder, if and to the extent such exemption is necessary or appropriate in the public interest and consistent with the protection of investors.

INELIGIBILITY OF CERTAIN PERSONS

SEC. 9. (a) It shall be unlawful for any of the following persons to serve or act in the capacity of employee, officer, director, manager, or principal underwriter of any registered oil program, or affiliated person of such manager or principal underwriter:

(1) any person for whom it is unlawful to serve in the capacities enumerated and for the reasons specified in section 9(a)(1) of the Investment Company Act of 1940; or

(2) any person who within ten years has been convicted of any felony or misdemeanor arising out of such person's conduct as an underwriter, broker, dealer, or as manager or affiliated person or salesman of any oil program or as affiliated person of any such manager;

(b) The Commission may, after notice and opportunity for hearing, by order, prohibit conditionally or unconditionally either permanently or for such period of time as in its discretion it seems appropriate in the public interest, any person from serving or acting as an employee, officer, director, manager or principal underwriter of a registered oil program or as an affiliated person of such manager or principal underwriter, if such person—

(1) has willfully made or caused to be made in any registration statement, application or report filed with the Commission under this Act any statement which was at the time and in the light of the circumstances under which it was made, false or misleading with respect to any material fact, or has omitted to state in any registration statement, application, or report any material fact which was required to be stated therein;

(2) has willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, or of this Act, or of any rule or regulation under any of these statutes; or

(3) has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of any of the statutes or rules or regulations enumerated in paragraph (2).

(c) Any person who is ineligible, by reason of subsection (a), to serve or act in the capacities described in that subsection, may file with the Commission an application for an exemption from the provisions of that subsection. The Commission shall by order grant such application, either unconditionally or on an appropriate temporary or other conditional basis, if it is established that the prohibitions of subsection (a), as applied to such person, are duly or disproportionately severe or that the conduct of such persons has been such as not to make it against the public interest or protection of investors to grant such application.

OFFERS OF EXCHANGE; REPURCHASES; ASSESSMENTS

SEC. 10. (a) It shall be unlawful for any registered oil program or any manager or principal underwriter for such oil program, or any affiliated person of any such program, manager or principal underwriter, to make or cause to be made any offer to the holder of a program participation of such program to exchange such program participation for a security of another company or for any other consideration, unless—

(1) such offer is made after the expiration of two years after such program commenced operations;

(2) such offer is made to all holders of program participations of such program;

(3) such offer, if made to the manager or principal underwriter, or any affiliated person of such manager or principal underwriter, is on a basis not more advantageous to such manager, principal underwriter or affiliated person than to holders of program participations;

(4) the value of the security or other consideration offered is at least equivalent to the value of the program participation; and

(5) the terms of such offer, the basis of valuation, and such other information as the Commission by rule or regulation may specify, are filed with the Commission at least 30 days prior to the consummation of such exchange and transmitted to holders of such program participations, except that such information need not be filed with the Commission or transmitted to such holders (A) if such offer is made by means of a registration statement meeting the requirements of the Securities Act of 1933, or (B) if the security offered is exempted by section 3(a)(10) of the Securities Act of 1933 and an offering circular containing substantially the same information required by this paragraph is filed with the Commission and delivered to each such holder.

(b) It shall be unlawful for a registered oil program, or any manager or principal underwriter of such program, or any affiliated person of such manager or principal underwriter, to sell any program participation issued by such program which is or purports to be repurchaseable, unless—

(1) such repurchase may be made only after the expiration of two years after such program commenced operations, except that a repurchase of a program participation by a production purchase program may be made when such program has fully invested the proceeds of the sale of such participations;

(2) the person obligated to make such repurchase is not a registered oil program;

(3) such repurchase may be made only in cash and in an amount equal to the value of such participation; and

(4) any person obligated to make such repurchase and any person obligated by contract to furnish such person the funds to make such repurchase maintain a combined net worth at least equal to 15 per centum of the amount of program participations such person may be obligated to repurchase in all registered oil programs.

For the purposes of this subsection, the value of any oil or gas reserves, determined in the manner provided in subsection (a)(1)(A) of this section, owned by a person obligated to repurchase may be used in computing the net worth of such person.

(c) No person who is obligated to repurchase any program participation issued by a registered oil program pursuant to subsection (b) and no such program or its manager shall suspend the right of repurchase or postpone the date of satisfaction upon such repurchase for more than seven days after the date specified for repurchase, except—

(1) for any period during which an emergency exists as a result of which disposal by the person obligated to repurchase of sufficient assets to meet its obligations is not reasonably practicable; or

(2) for such other periods as the Commission may by order permit for the protection of holders of program participations.

The Commission may by rules and regulations determine the conditions under which the emergency described in clause (1) shall be deemed to exist within the meaning of this subsection.

(d) For the purposes of subsections (a) and (b), the following interpretive rules shall apply:

(1) The value of program participations of a registered oil program means the fair value of oil and gas reserves and other assets of such program determined in accordance with the following procedure:

(A) The present worth of future net revenues attributable to oil and gas reserves of such program shall be determined by an independent petroleum engineer within one hundred and twenty days of the date proposed for the exchange or of the date upon which repurchase is to be made, with such supplemental revisions to update such determination as may be necessary to reflect any material changes. The person obligated to make the exchange or repurchase shall discount future net revenues in good faith to arrive at the present worth of dollars to be received in the future, and such present worth shall be discounted by such person in good faith for risk to arrive at fair value.

(B) The fair value of other assets of such program shall be determined in good faith by the person obligated to make the exchange or repurchase.

(2) The value of securities of a company for which market quotations are readily available means the market value of such securities.

(3) The value of securities of a company for which no market quotations are readily available means the fair value of such securities as determined in good faith by the person obligated to make the exchange or repurchase.

(e) It shall be unlawful for any registered oil program to issue any program participation which (1) provides for mandatory assessments upon the holder thereof which exceed 15 per centum of the initial subscription price, or (2) which provide for any penalty or forfeiture of the holder's interest in such program for failure to pay any assessment, whether such assessment is mandatory or optional. With respect to a failure to pay a mandatory assessment, "penalty or forfeiture" means the loss by the holder of a program participation (i) of any interest in such program or in any of such program's properties in excess of 300 per centum of the amount of such unpaid mandatory assessment, or (ii) in the event of any legal action to collect any such unpaid assessment, of any amount in excess of such unpaid assessment and such actual damages to the program caused by the failure to pay such assessment as may be awarded in a judgment against such holder. With respect to a failure to pay an optional assessment, a "penalty or forfeiture" means any loss by the holder of the program participation of any interest in such program or in any of such program's properties, other than reduction of such holder's interest in the oil program to the ratio of his capital contribution.

FUNCTIONS AND ACTIVITIES OF OIL PROGRAMS

SEC. 11. (a) It shall be unlawful for any registered oil program and any company or companies controlled by such oil program to hold, purchase, or otherwise acquire any program participation issued by any other oil program and for any oil program and any company or companies controlled by such program to hold, purchase, or otherwise acquire any program participation issued by any registered oil program.

(b) It shall be unlawful for any registered oil program, any principal underwriter therefor, or any broker or dealer registered under the Securities Exchange Act of 1934, knowingly to sell or otherwise dispose of any program participation issued by such registered oil program to any other oil program or any company or companies controlled by such other oil program.

(e) Notwithstanding subsection (a), a registered oil program may hold, purchase, or acquire the program participation of one or more operating entities, but the prohibitions in subsection (a) shall apply to any such operating entity.

(d) It shall be unlawful for any registered oil program and any company or companies controlled by such oil program to hold, purchase, or otherwise acquire any security issued by, or any other interest in, the business of an investment company as that term is defined in the Investment Company Act of 1940.

(e) Notwithstanding subsections (a) and (b), a registered production purchase program may hold, purchase, or otherwise acquire a program participation issued by any oil program, except that such production purchase program shall not be required to pay any sales charge or management fee by reason of holding, purchasing, or acquiring such participation.

CHANGES IN FUNDAMENTAL POLICY

SEC. 12. (a) Every registered oil program shall include in the instrument pursuant to which it is organized the recitals of policy and information required by section 7(b) to be set forth in its registration statement.

(b) No registered oil program, unless authorized by the vote of the holders of a majority of its outstanding program participations, shall—

(1) change its classifications as defined in subsection (a) or (b) of section 5, except with respect to said subsection (b), a change in classification from diversified to nondiversified resulting from a force majeure;

(2) borrow money, make loans to other persons, make assessments, purchase or sell securities of other issuers (other than securities which are oil and gas interests), purchase or sell real estate (other than oil and gas interests) or commodities, except in each case in accordance with the recitals in its registration statement in respect thereto;

(3) deviate from any policy recited in its registration statement pursuant to section 8(b)(2) or deviate from its area of interest described pursuant to section 8(b)(3);

(4) issue any program participation not specifically described pursuant to section 8(b)(4); or

(5) change the nature of its business so as to cease to be an oil program, except pursuant to the dissolution of such program.

(c) A change in the policies of an operating entity of a registered oil program shall be deemed to be a change in the policies of such registered program with respect to such operating entity.

(d) Nothing contained in this section shall affect any limitations of liability to which the holders of program participations of a registered oil program would otherwise be entitled under the laws of any State.

(e) For the purposes of subsection (b), a program participation of a registered oil program shall have equal voting rights, with every other outstanding program participation.

SIZE OF OIL PROGRAMS

SEC. 13. No registered oil program and no principal underwriter of such program shall make a public offering of program participations issued by such program unless—

(1) the net worth of the manager of such program meets the requirements of section 14(a); and

(2) provision is made in connection with and as a condition of the registration of such participations under the Securities Act of 1933 which in the opinion of the Commission adequately insures that (A) such program will not commence operations until cash or subscriptions for such participations are received in an amount equal to at least the greater of $250,000 or such other amount established by such program; (B) that arrangements will be made whereby any proceeds so paid in, including any sales charges, will be placed immediately in an account with a bank pursuant to section 19(h) and will be refunded promptly to any subscriber without any deduction, in the event that the proceeds or subscriptions so received by such oil program do not equal the minimum amount required in clause (A) of this paragraph within ninety days after the date specified in the registration statement for commencement of operations of such program; and (C) that the offering of program participations of such program or of any other program with the same manager shall terminate for any period of time during which the net worth of such manager fails to meet the requirements of section 14(a).

MANAGEMENT AGREEMENTS

SEC. 14. (a)(1) It shall be unlawful for any person to serve or act as manager of a registered oil program unless the net worth of such person at all times is at least equal to the greater of (T) $250,000, or (B) the lesser of $1,000,000 or 5 per centum of the total capital contributions made by the holders of program participations issued by all registered oil programs, of which such person is a manager, organized during the two-year period immediately preceding the determination of such net worth.

(2) The value of reserves of oil, gas and other minerals determined in the manner provided in section 10(d)(1)(A) owned by a manager and the net worth of any guarantor of such manager's obligations to or for the oil program to the extent of the amount guaranteed may be used in computing the net worth of such manager.

(3) If more than one person acts or serves as manager to a registered oil program, the net worth requirements of this subsection (a) may be met by aggregating the net worth of such persons in accordance with such rules and regulations the Commission shall adopt which are consistent with the intent of this subsection.

(b) It shall be unlawful for any person to serve or act as manager of a registered oil program except pursuant to a written contract. Such contract (whether with such program or with the manager of such program) shall have been approved by the vote of the holders of a majority of the outstanding program participations of such program, and shall conform to the following requirements:

(1) It shall precisely describe the basis for the calculation of all compensation to be paid thereunder.

(2) It shall precisely describe the allocation of costs and revenues between holders of program participations and the manager or the basis upon which such allocation is to be made.

(3) It shall provide in substance for its automatic termination in the event of its assignment, unless a contract with the assignee is approved within ninety days of such assignment by the vote of the holders of a majority of the outstanding program participations. If such approval is not obtained, the oil program shall be dissolved in accordance with the provisions of the instrument pursuant to which it is organized, and the manager shall continue to be responsibe for the operations of such program until the time such program is deregistered pursuant to section 8(e). Such program shall be dissolved and liquidated as of a date determined by the manager, but not later than 60 days after the start of the taxable year of such program next following the date of such assignment.

(4) It shall provide in substance that any material change in its terms must be approved by the vote of the holders of a majority of the outstanding program participations of such program.

For the purposes of this subsection (b), a purchaser of a program participation of a registered oil program in connection with the offering of program participations of such oil program, shall be deemed to have approved any such contract, the material terms of which are set forth in the prospectus by which such security is offered.

(c) Nothing contained in this section shall affect any limitations of liability to which holders of program participations of a registered oil program would otherwise be entitled under the laws of any State.

(d) For the purposes of subsection (b), a program participation of a registered oil program shall have equal voting rights with every other outstanding program participation.

LOANS

SEC. 15. (a) It shall be unlawful for any registered oil program to lend money or other property to any person, directly or indirectly, if—

(1) the policies of such oil program, as recited in its registration statement and reports filed pursuant to this Act, do not permit such a loan; or

(2) such person is a manager or principal underwriter of such program, or an affiliated person of such manager or principal underwriter.

(b) Nothing in this section shall be deemed to prohibit—

(1) a payment of money to a manager or principal underwriter of a registered oil program, or an affiliated person of either, to be used to discharge an obligation of such program in a case in which (i) the borrower incurs or has incurred an obligation in connection with operations of the program, (ii) it is not possible in advance to allocate the proportional obligations of the program and such borrower, (iii) it ultimately appears that the proceeds of such loan have been used to discharge an obligation of such borrower, and (iv) such loan is repaid within forty-five days after such proportionate obligations are determinable;

(2) the proceeds of a loan of money from being used for the benefit of a registered oil program in a joint venture, partnership, or sharing arrangement otherwise permitted by this Act; or

(3) such a registered oil program advancing money through its manager or principal underwriter, or affiliated person of either, in connection with a joint venture, copartnership, or other sharing arrangement, if the joint venture, copartnership, or other sharing arrangement instrument provides for reimbursement to the program within forty-five days of such advance.

PERIODIC PAYMENTS OR INSTALLMENTS

SEC. 16. (a) It shall be unlawful for any registered oil program to issue any program participation, the purchase price of which is payable in installments—

(1) unless such installments, after the initial payment required by the terms of the offering, are required to be made in not more than three payments and to be paid in full not later than twelve months from the date on which such program commences operations;

(2) if such security provides for any penalty or forfeiture of the holder's interest in such oil program for failure to pay any installment.

For the purposes of clause (2) of this subsection, "penalty or forfeiture" has the same meaning as penalty or forfeiture as used with respect to mandatory assessments in section 10(e).

(b) The sale of a program participation issued by an oil program, the purchase price of which is payable in installments in compliance with subsection (a), shall not be deemed to be an extension of credit by any person for the purposes of the Securities Exchange Act of 1934, nor shall the distribution of such a security involve an arrangement for the extension of credit for such purposes.

REORGANIZATIONS

SEC. 17. (a) Any person who proposes any plan of reorganization of a registered oil program shall—

(1) file with the Commission, at least thirty days prior to the proposed date of such reorganization, a copy of such plan and any deposit agreement relating thereto; and

(2) file with the Commission, at least ten days prior to its use, any proxy, consent, authorization, power of attorney, ratification, instrument of deposit, or instrument of dissent in respect of such plan;

if any such documents have not already been filed with the Commission.

(b) Any district court of the United States in the State of incorporation of a registered oil program, or any such court for the district in which such company maintains its principal place of business, is authorized to enjoin the consummation of any plan of reorganization of such program upon proceedings instituted by the Commission (which is authorized so to proceed upon behalf of holders of program participations in such program, or any class thereof), if such court shall determine that any such plan is not fair and equitable to all holders of such participations.

(c) Nothing in this section shall in any way effect or derogate from the powers of the courts of the United States, and the Commission with reference to reorganization, contained in the Bankruptcy Act.

PROXIES

SEC. 18. It shall be unlawful for any person, by use of the mails or any means or instrumentality of interstate commerce or otherwise, to solicit or to permit the use of his name to solicit any proxy or consent or authorization for any change in the recitals of policy contained in the registration statement of a registered oil program or for any change in the program agreement or management agreement of such oil program in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest and for the protection of investors.

TRANSACTIONS WITH AFFILIATED PERSONS

SEC. 19. (a) (1) It shall be unlawful for any manager, promoter, or principal underwriter of a registered oil program, or any affiliated person of such manager, promoter, or principal underwriter, to purchase property from or sell property to such program, except under the following conditions:

(A) In the case of a sale of property to such program, such sale shall be made at cost unless the seller has reasonable grounds to believe that cost is materially more than the fair market value of such property, in which case such sale shall be made for a price not in excess of its fair market value.

(B) In the case of a purchase of property from such program, such purchase shall be made at fair market value unless the buyer has reasonable grounds to believe that the cost is materially higher than fair market value, in which case such sale shall be made for a price not less than cost.

This subsection shall not apply to any transactions among oil programs by which property is transferred from one to another in exchange for the transferee's obligation to conduct drilling activities on the property transferred or to joint ventures among such oil programs, if the compensation arrangement of the manager and each affiliated person in each such oil program is the same, or is reasonably calculated to be the same.

(2) Every registered oil program shall file annually with the Commission and transmit to holders of program participations a report of all purchases and sales subject to paragraph (1) of this subsection. Such report shall contain such additional information and documents as the Commission may by rule or regulation prescribe.

(b) (1) Prior to the expiration of a period of three years from the date on which a registered oil program has spent and charged to the accounts of the holders of program participations of such programs an amount of money equal to the purchase price of such program participations, less the sales load thereon, it shall be unlawful for any manager of a registered oil program, or any controlling person of such manager, to engage directly or indirectly in the drilling for oil or gas or to retain or acquire any oil or gas interest, for the account of such manager or controlling person, in the area of interest of such oil program in a manner which unfairly discriminates against such oil program in contravention of such rules and regulations as the Commission may prescribe for the purpose of limiting or preventing such unfair discrimination in the exploration for and development of oil and gas interests by such manager or controlling person.

(2) For the purposes of paragraph (1) it shall not be deemed unfair discrimination if a manager of a registered oil program or any controlling person of such manager, after expenditure of the purchase price of the program participations, drills for oil or gas or holds or acquires any oil or gas interest within the area of interest of such program on a separate geological prospect, if (A) the prospects upon which the oil program has drilled or owns an interest have been adequately delineated as determined by the Commission upon application so as to reasonably demonstrate that the activities of such manager or controlling person are on separate geological prospects; or (B) such manager or controlling person files with the Commission an undertaking, on such form as shall be prescribed by the Commission for the purpose, that such manager or controlling person is no longer engaged in the oil program business.

(c) In addition to the prohibitions set forth in subsection (b), it shall be unlawful, during the existence of a registered oil program and before it has deregistered, for the manager of such program or any controlling person of such manager to acquire, retain, or drill for its own account on any oil or gas interest on any prospect upon which such program possesses an interest. If the geographical limits of a prospect are enlarged to encompass any interest held by such manager or controlling person, such interest shall be sold to such program in accordance with the provisions of subsection (a) (1) (A) of this section and any net income received by the manager or controlling person shall be paid over to such program.

(d) Unless otherwise provided in this section, no manager of a registered oil program or controlling person of such manager shall be deemed to own any oil or gas interest or to be engaged in the drilling for oil or gas for his own account—

(1) solely by reason of his participation or interest in an oil program, if such oil program is registered under this Act; or

(2) if the manager or controlling person retains the same proportionate interest in all properties upon which the oil program owns an interest or conducts its activities and such manager or controlling person is obligated to participate with such program in the exploration and development of the property on a cost basis proportionate to its retained interests in such properties.

(e) Nothing contained in subsection (b) or (c) shall apply to—

(1) the acquisition by a manager of a registered oil program or controlling person of such manager of any oil or gas interest which is at the time of acquisition producing oil or gas in paying quantities, or to subsequent development thereof by such manager or controlling person, unless such oil program is primarily engaged or proposes to become so engaged in similar acquisitions; or

(2) to the development of any oil or gas interest which on the effective date of this Act any manager of a registered oil program or controlling person of such manager of an oil program is in fact exploring or developing for its own account.

(f) It shall be unlawful for any manager or controlling person of a registered oil program to participate in or otherwise hold any interest in such oil program (including any right to receive compensation, directly or indirectly, as manager of such oil program), if such program (hereinafter referred to in this subsection as "the second program") is engaged in drilling for oil or gas within twenty-five miles of a prospect which is being drilled, or was drilled at any time during the preceding three years, by another oil program in which such manager or controlling person had a participation or interest (hereinafter referred to in this subsection as "the first program"), unless the participation or the interest is the same as or is reasonably calculated not to exceed the participation or the interest of such manager or controlling person in the first program. The limitation contained in this subsection shall not apply after expenditure of the purchase price of program participations in the first program, if the prospects upon which such program has drilled have been adequately delineated, as determined by the Commission upon application, so as to reasonably demonstrate that the second program's activities are on separate geological prospects.

(g) (1) It shall be unlawful for any manager, or principal underwriter of a registered oil program, or any affiliated person of such manager or principal underwriter, to render to such program any services (other than administrative and similar services pursuant to a management agreement or services pursuant to an underwriting agreement), including those of field geologists, engineers, and drilling services, or to sell or lease to such program any equipment or related supplies, unless—

(A) such manager, principal underwriter, or affiliated person is engaged, independently of such program and as an ordinary and ongoing business, in rendering such services or selling or leasing such equipment and supplies to other persons in the oil and gas industry in addition to oil programs in respect of which such person, principal underwriter, or affiliated person serves or acts in such capacities;

(B) such services, equipment or supplies are necessary and appropriate in the ordinary course of such program's business; and

(C) the compensation, price or rental therefor is competitive with the compensation, price, or rental of any other person who is engaged in the business of rendering comparable services or selling or leasing comparable equipment and supplies which could reasonably be made available to such program.

Notwithstanding subparagraph (A) hereof, if such person, principal underwriter, or affiliated person is not engaged in a business within the meaning of such subparagraph, then such compensation, price, or rental shall be at the cost of such services, equipment, or supplies to such person, principal underwriter, or affiliated person or at a compensation, price, or rental which is competitive within the meaning of this paragraph (1), whichever is less, or at a compensation, price, or rental established by competitive bidding.

(2) Every registered oil program shall file annually with the Commission and transmit to holders of program participations a report of all purchases of services and purchases and rentals of equipment and supplies subject to paragraph (1) of this subsection. Such report shall contain such additional information and documents as the Commission may by rules and regulations prescribe.

(h) Every oil program shall place and maintain its cash and securities (other than oil and gas interests) in a bank segregated from the account and assets of any other person, and such assets shall only be removed upon the signature of two officers or the manager, subject to such rules or regulations as the Commission may prescribe. The Commission may require, by rules and regulations or orders for the protection of holders of program participations, that any affiliated person of the manager of a registered oil program who may, singly or jointly with others, have access to the funds or other assets of any registered oil program, either directly or through authority to draw upon such funds or assets, be bonded by a reputable fiduciary insurance company against larceny and embezzlement in such reasonable minimum amounts as the Commission may prescribe.

(i) No instrument pursuant to which a registered oil program is organized or administered shall contain any provision which protects or purports to protect any director or officer of a manager of such oil program against any liability to the program or the holders of program participations to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office.

(j) No contract or agreement under which any person undertakes to act as manager of, or principal underwriter for, an oil program shall contain any provision which protects or purports to protect such person against any liability to such oil program, or the holders of its program participations, to which he would otherwise be subject by reason of willful misfeasance, bad faith, or gross negligence in the performance of his duties, or by reason of his reckless disregard of his obligations and duties under such contract or agreement.

SUITABILITY; DISTRIBUTION OF OIL PROGRAM SECURITIES

SEC. 20. (a) A securities association registered under section 15A of the Securities Exchange Act of 1934, by rules adopted and in effect in accordance with that section and subject to the provisions of that section applicable to rules of such an association, may prescribe—

(1) standards of suitability for investment in a registered oil program by investors; and

(2) requirements relating to the content and filing with such association of sales literature to be used in connection with the distribution of program participations of registered oil programs;

in order that distribution of oil program participations be carried on in each case in a fair and equitable manner consistent with the protection of investors.

(b) Such a securities association may also, by rules adopted and in accordance with section 15A of the Securities Exchange Act of 1934, and notwithstanding the provisions of subsection (b)(8) thereof but subject to all other provisions of that section applicable to the rules of such an association, prohibit its members from purchasing, in connection with a primary distribution of program participations issued by a registered oil program, any such program participation from the issuer or from any principal underwriter, unless (1) at a price equal to the price at which such program participation is then offered to the public less a commission, discount, or spread which is computed in conformity with a method or methods, and within such limitations in relation to such public offering price as such rules may prescribe in order that the price at which such program participation is offered or sold to the public shall not include an excessive sales load while allowing for reasonable sales loads to investors, and (2) the distribution of such program participation is consistent with the rules and regulations of such association adopted pursuant to subsection (a).

(c) Such a security association may further adopt rules in accordance with section 15A of the Securities Exchange Act of 1934, and subject to all provisions of that section applicable to rules of such an association, which prescribe—

(1) a classification system for the various methods of compensating the management of registered oil programs and allocating costs and revenues between investors and management; and

(2) definitions of terms used by registered oil programs to describe such compensation and allocation in order to give investors the opportunity to make in each case meaningful comparisons of the management compensation arrangements of registered oil programs, and otherwise to protect investors.

(d)(1) The Commission may make such rules and regulations pursuant to section 15(b)(10) of the Securities Exchange Act of 1934 as are appropriate to effectuate the purposes of subsections (a), (b), and (c) of this section with respect to the distribution of registered oil program participations by broker-dealers subject to regulation under section 15(b)(8) of that Act: Provided, That a broker-dealer may file with the Commission at any time a notice of election to comply with the rules prescribed pursuant to subsection (a), (b), or (c) by a national securities association and thereafter the standards prescribed by such rules of such association shall be applicable to such broker-dealer, and the rules of the Commission as hereinabove authorized shall thereafter be inapplicable to such distributions.

(2) The Commission may make rules and regulations applicable to registered oil programs, principal underwriters of, and dealers in, the program participations of any registered oil program, whether or not members of any securities association, to the same extent, covering the same subject matter, and for the accomplishment of the same ends as are prescribed in subsections (a), (b), and (c) in respect of the rules which may be made by a registered securities association governing its members. Any rules and regulations so made by the Commission, to the extent that they are inconsistent with the rules of any such association, shall, so long as they remain in force, supersede the rules of the association and be binding upon its members as well as all other underwriters and dealers to whom they may be applicable.

(e) In addition to the authority given by subsection (d), the Commission may abrogate, in whole or in part, the rules of any securities association adopted pursuant to subsections (a), (b), or (c) in the manner provided by section 15A(k)(1) of the Securities Exchange Act of 1934.

(f) If any provision of this section is in conflict with any provision of any law of the United States in effect on the date this section takes effect, the provisions of this section shall prevail.

(g) No registered oil program shall issue any program participation for services, or property other than cash or readily marketable securities.

(h) No registered oil program shall issue any program participation to the public at a price less favorable than the price paid by the manager of such oil program or any affiliated person of such manager for any other program participation issued by such program.

REGISTRATION OF SECURITIES UNDER THE SECURITIES ACT OF 1933

SEC. 21. (a) A registered oil program, in registering under the Securities Act of 1933 any program participation of which it is the issuer, may, in lieu of furnishing a registration statement containing the information and documents specified in schedule A of that Act, file a registration statement containing the following information and documents;

(1) Such copies of the registration statement filed by the company under this Act and such copies of such reports filed by the company pursuant to section 27, or such copies of portions of such registration statement and reports, as the Commission shall designate by rules and regulations.

(2) Such additional information and documents (including a prospectus) as the Commission shall prescribe by rules and regulations as necessary or appropriate in the public interest or for the protection of investors.

(b) The exemption provided by paragraph (11) of section 3(a) of the Securities Act of 1933 shall not apply to any program participation of which a registered oil program is the issuer, except a participation sold or disposed of by the issuer or bona fide offer to the public prior to the effective date of this Act. The exemption provided by section 4(3) of the Securities Act of 1933 shall not apply to any transaction in a program participation issued by a registered oil program if any other program participation of the same class is currently being offered or sold by the issuer or by or through an underwriter in a distribution which is not exempt from section 5 of that Act.

LARCENCY AND EMBEZZLEMENT

SEC. 22. Whoever steals, unlawfully abstracts, unlawfully and willfully converts to his own use or to the use of another, or embezzles any of the moneys, funds, securities, credits, property, or assets of any registered oil program shall be guilty of a felony and, upon conviction thereof, shall be subject to the penalties provided in section 45. A judgment or conviction or acquittal under the laws of any State shall be a bar to any prosecution under this section for the same act or acts.

FRAUD

SEC. 23. (a) It shall be unlawful for any oil program, or the manager of any oil program, or any affiliated person of such manager, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly—

(1) to employ any device, scheme, or artifice to defraud any investor or prospective investor in any such oil program;

(2) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any investor or prospective investor in any such oil program; or

(3) to engage in any act, practice, or course of business which is fraudulent, deceptive, or manipulative.

(b) For the purposes of this section, the Commission by rules and regulations may define, and prescribe means reasonably designed to prevent the acts and practices prohibited in clause (1), (2), or (3) of subsection (a). For the purposes of this section, "oil program" means any oil program registered under this Act and any issuer excepted from the definition of oil program by virtue or paragraphs (2) and (6) of section 4(c).

MISLEADING NAMES

SEC. 24. (a) It shall be unlawful for any person, in issuing or selling any program participation of which a registered oil program is the issuer, to represent or imply in any manner whatsoever that such participation or company has been guaranteed, sponsored, recommended, or approved by the United States or any agency or officer thereof.

(b) It shall be unlawful for any person registered under any section of this Act to represent or imply in any manner whatsoever that such person has been sponsored, recommended, or approved, or that his abilities or qualifications have in any respect been passed upon by the United States or any agency or officer thereof.

(c) Subsections (a) and (b) shall not be construed to prohibit a statement that a person or program participation is registered under this Act, the Securities Act of 1933, or the Securities Exchange Act of 1934, if such statement is true in fact and if the effect of such registration is not misrepresented.

(d) It shall be unlawful for any registered oil program hereafter to adopt as part of the name or title of such oil program, or of any program participation of which it is the issuer, the words "mutual fund", "investment company", or any other word or words which the Commission finds and by order declares to be deceptive or misleading. The Commission is authorized to bring an action in the proper district court of the United States, or the United States court of any territory or other place subject to the jurisdiction of the United States, alleging that the name or title of any registered oil program, or of any program participation which it has issued, is materially deceptive and misleading.

(e) It shall be unlawful for any person, in issuing or selling any program participation of which a registered oil program is similar or otherwise comparable to an investment in a participation of an oil program is similar or otherwise comparable to an investment in an investment company registered under the Investment Company Act of 1940.

FILING OF DOCUMENTS WITH COMMISSION IN CIVIL ACTIONS

SEC. 25. Each registered oil program which is a party and each affiliated person of such oil program and each affiliated person of the manager of such oil program which is a party defendant to any action or claim by a registered oil program or a program participant thereof in a derivative or representative capacity against an officer, director, or manager of such oil program or affiliated person of such manager, shall file with the Commission, unless already so filed, (1) a copy of all pleadings, verdicts, or judgments filed with the court or served in connection with such action or claim, (2) a copy of any proposed settlement, compromise or discontinuance of such action, and (3) a copy of such motions, transcripts, or other documents filed in or issued by the court or served in connection with such action or claim as may be requested in writing by the Commission. If any document referred to in clause (1) or (2)—

(A) is delivered to such oil program or party defendant, such document shall be filed with the Commission not later than ten days after the receipt thereof; or

(B) is filed in such court or delivered by such company or party defendant, such document shall be filed with the Commission not later than five days after such filing or delivery.

DESTRUCTION AND FALSIFICATION OF REPORTS AND RECORDS

SEC. 26. (a) It shall be unlawful for any person, except as permitted by rule, regulation, or order of the Commission, willfully to destroy, mutilate, or alter any account, book, or other document the preservation of which has been required pursuant to section 28(a) or 27(f).

(b) It shall be unlawful for any person to make any untrue statement of a material fact in any registration statement, application, report, account, record, or other document filed or transmitted pursuant to this Act or the keeping of which is required pursuant to section 28(a). It shall be unlawful for any person so filing, transmitting, or keeping any such document to omit to state therein any fact necessary in order to prevent the statements made therein, in the light of the circumstances under which they were made, from being materially misleading. For the purposes of this subsection, any part of any such document which is signed or certified by an accountant or auditor in his capacity as such shall be deemed to be made, filed, transmitted, or kept by such accountant or auditor, as well as by the person filing, transmitting, or keeping the complete document.

PERIODIC AND OTHER REPORTS

SEC. 27. (a) Each registered oil program shall file annually with the Commission such information, documents, and reports in such form and containing such information as the Commission by rules and regulations shall prescribe as necessary or appropriate in the public interest and for the protection of investors.

(b) Each registered oil program shall file with the Commission—

(1) such information and documents (other than financial statements) as the Commission may require, on a semiannual basis, to keep reasonably current the information and documents contained in the registration statement of such oil program filed under this Act; and

(2) copies of every periodic or interim report or similar communication containing financial statements and transmitted to any class of holders of such oil program's program participations, such copies to be filed not later than ten days after such transmission.

Any information or documents contained in a report or other communication to holders of program participants filed pursuant to paragraph (2) may be incorporated by reference in any report subsequently or concurrently filed pursuant to paragraph (1).

(c) Each registered oil program shall transmit to the holders of its program participations, at least semiannually, reports containing such information and financial statements or their equivalent, as of a reasonably current date, as the Commission may prescribe by rules and regulations for the protection of investors, which reports shall not be misleading in any material respect in the light of the reports required to be filed pursuant to subsections (a) and (b).

(d) Each registered oil program which issues a program participation which provides for any assessment shall transmit to its program participants prior to making any such assessment a report containing such information and financial statements as the Commission may prescribe by rules and regulations for the protection of investors.

(e) Financial statements contained in annual reports required pursuant to subsection (a), if required by the rules and regulations of the Commission, shall be accompanied by a certificate of independent public accountants and independent petroleum engineers. The certificate of independent public accountants shall be based upon an audit not less in scope or procedures followed than that which independent public accountants would ordinarily make for the purpose of presenting comprehensive and dependable financial statements, and shall contain such information as the Commission may prescribe by rules and regulations in the public interest or for the protection of investors, as to the nature and scope of the audit and the finding and opinion of the accountants.

(f) The Commission is authorized, by rules and regulations or order in the public interest or for the protection of investors, to require accountants, auditors, and independent petroleum engineers to keep reports, worksheets, and other documents and papers relating to registered oil programs for such period or periods as the Commission may prescribe, and to make the same available for inspection by the Commission or any member or representative thereof.

(g) No registered oil program shall be subject to the reporting or registration requirements of the Securities Exchange Act of 1934 with respect to any program participation of such a program.

ACCOUNTS AND RECORDS

SEC. 28. (a) Each registered oil program and each manager of a registered oil program shall maintain and preserve for such period or periods as the Commission may prescribe by rules and regulations such accounts, books, and other documents as constitute the record forming the basis for financial statements required to be filed pursuant to section 27 of this Act, and of the auditors' certificates relating thereto.

(b) All accounts, books, and other records, required to be maintained and preserved by any person pursuant to subsection (a) shall be subject at any time and from time to time to such reasonable periodic, special, and other examinations by the Commission, or any member or representative thereof, as the Commission may prescribe. Any such person shall furnish to the Commission, within such reasonable time as the Commission may prescribe, copies of or extracts from such records which may be prepared without undue effort, expense, or delay, as the Commission may by order require.

(c) The Commission may, in the public interest or for the protection of investors, issue rules and regulations providing for a reasonable degree of uniformity in the accounting policies and principles to be followed by registered oil programs in maintaining their accounting records and in preparing financial statements required pursuant to this Act.

(d) The Commission, upon application made by any registered oil program, may by order exempt a specific transaction or transactions from the provisions of any rule or regulation made pursuant to subsection (c), if the Commission finds that such rule or regulation should not reasonably be applied to such transaction.

CONFORMANCE OF EXISTING OIL PROGRAMS

SEC. 29. Oil programs which have commenced operations prior to the effective date of this Act shall be subject only to such provisions of this Act as the Commission shall by rules and regulations declare applicable thereto. In adopting such rules and regulations the Commission shall give appropriate consideration to the purposes fairly intended by the policy and provisions of this Act, the protection of holders of program participations, and the difficulty in adapting existing oil programs to the provisions hereof. No oil program which has commenced operations prior to such effective date shall be subject to the provisions of sections 4, 12, 13, and 19 of this Act.

EXEMPTION FROM INVESTMENT COMPANY ACT OF 1940

SEC. 30. (a) No oil program which is registered or required to register under this Act shall be deemed to be an investment company as that term is defined in the Investment Company Act of 1940, nor shall any such oil program be subject to any of the provisions of that Act.

(b) No manager of an oil program shall be deemed to be an investment adviser as that term is defined in the Investment Advisers Act of 1940, nor shall any such manager be subject to any of the provisions of that Act.

STUDY OF OIL PROGRAMS

SEC. 31. The Commission is authorized to make studies and investigations of oil programs to determine their sizes, types, and the locations and nature of their activities and obtain such other data and information as may be reasonably necessary for the Commission to implement and administer the policies and provisions of this Act. The Commission shall make public from time to time its findings and recommendations resulting from such studies and investigations.

REINVESTMENT OF INCOME OR CASH FLOW

SEC. 32. (a) No registered oil program shall require any holder of any program participation issued by such program to reinvest such holder's share of such program's income or cash flow in any other oil program.

(b) Nothing in subsection (a) shall be interpreted to prohibit a registered oil program from making available to the holders of its program participations an optional plan for reinvestment of such holders' shares of such program's income or cash flow in another registered oil program, if prior to any such reinvestment each holder of such program participations is furnished a prospectus of such other program and complete information on the amount of income or cash flow to which each such holder is entitled.

TAX RULING OR OPINION

SEC. 33. It shall be unlawful for any registered oil program to conduct any business or to make a public offering of its program participations unless it has obtained a tax ruling from the Internal Revenue Service or an opinion of counsel (which may contain reasonable qualifications, assumptions and conditions) that investors in such program will obtain the Federal tax results described in the prospectus of such program.

RULES AND REGULATIONS; PROCEDURES

SEC. 34. Subject to the requirements of sections 551–559 and 701–706 of title 5, United States Code, and chapter 15 of title 44, United States Code, rules and regulations of the Commission under this Act, and amendments thereof, shall be effective upon the date and in the manner which the Commission shall prescribe in such rules or regulations.

ORDERS; PROCEDURES FOR ISSUANCE

SEC. 35. (a) Orders of the Commission under this Act shall be issued only after appropriate notice and opportunity for hearing. Notice to the parties to a proceeding before the Commission shall be given by personal service upon each party or by registered mail or certified mail or confirmed telegraphic notice to the party's last known business address. Notice to interested persons, if any, other than parties may be given in the same manner or by publication in the Federal Register.

(b) The Commission may provide, by appropriate rules or regulations, that an application verified under oath may be admissible in evidence in a proceeding before the Commission and that the record in such a proceeding may consist, in whole or in part, of such application.

(c) In any proceeding before the Commission, the Commission, in accordance with such rules and regulations as it may prescribe, shall admit as a party any interested State or State agency, and may admit as a party any representative of interested program participants or any other person whose participation in the proceeding may be in the public interest or for the protection of investors.

RULES, REGULATIONS, AND ORDERS; GENERAL POWERS OF THE COMMISSION

SEC. 36. (a) The Commission shall have authority from time to time to make, issue, amend, and rescind such rules and regulations and such orders as are necessary or appropriate to carry out the provisions of this Act, including rules and regulations defining accounting, technical, and trade terms used in this Act, and prescribing the form or forms in which information required in registration statements, applications, and reports to the Commission shall be set forth. For the purposes of its rules or regulations, the Commission may classify persons, securities, and other matters within its jurisdiction and prescribe different requirements for different classes of persons, securities, or matters.

(b) The Commission, by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, may authorize the filing of any information or documents required to be filed with the Commission under this Act, the Securities Act of 1933, or the Securities Exchange Act of 1934, by incorporating by reference any information or documents theretofore or concurrently filed with the Commission under this Act or any of such Acts.

(c) No provision of this Act imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or order of the Commission, notwithstanding that such rule, regulation, or order may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

HEARINGS BY COMMISSION

SEC. 37. Hearings may be public and may be held before the Commission, any member or members thereof, or any officer or officers of the Commission designated by it, and appropriate records thereof shall be kept.

ENFORCEMENT

SEC. 38. (a) The Commission may make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this Act or of any rule, regulation, or order hereunder, or to determine whether any action in any court or any proceeding before the Commission shall be instituted under this Act against a particular person or persons, or with respect to a particular transaction or transactions. The Commission shall permit any person to file with it a statement in writing, under oath or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated.

(b) For the purpose of any investigation or any other proceeding under this Act, any member of the Commission, or any officer thereof designated by it, is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memorandums, contracts, agreements, or other records which are relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place of hearing.

(c) In case of contumacy by or refusal to obey a subpena issued to any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memorandums, contracts, agreements, and other records. And such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found. Any person who without just cause shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memorandums, contracts, agreements, or other records, if in his or its power so to do, in obedience to the subpena of the Commission, shall be guilty of a misdemeanor, and upon conviction shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than one year, or both.

(d) Whenever it shall appear to the Commission that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this Act, or of any rule, regulation, or order thereunder, it may in its discretion bring an action in the proper district court of the United States, or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices and to enforce compliance with this Act or any rule, regulation, or order thereunder. Upon a showing that such person has engaged or is about to engage in any such act or practice, a permanent or temporary injunction or decree or restraining order shall be granted without bond. In any proceeding under this subsection to enforce compliance with section 7, the court as a court of equity may, to the extent it deems necessary or appropriate, take exclusive jurisdiction and possession of the oil program or programs involved and the books, records, and assets thereof, wherever located; and the court shall have jurisdiction to appoint a trustee, who with the approval of the court shall have power to dispose of any or all of the program's assets, or, if it appears that such course would be more advantageous to the holders of program participations of such program, to operate the program's business, subject to such terms and conditions as the court may prescribe. The Commission may transmit such evidence as may be available concerning any violation of the provisions of this Act, or of any rule, regulation, or order thereunder, to the Attorney General who, in his discretion, may institute the appropriate criminal proceedings under this Act.

COURT REVIEW OF ORDERS

SEC. 39. (a) Any person or party aggrieved by an order issued by the Commission under this Act may obtain a review of such order in the court of appeals of the United States within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall be forthwith transmitted by the clerk of the court to any member of the Commission, or any officer thereof designated by the Commission for that purpose, and thereupon the Commission shall file in the court the record upon which the order complained of was entered, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition such court shall have jurisdiction, which upon the filing of the record shall be exclusive, to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission or unless there were reasonable grounds for failure so to do. The findings of the Commission as to the facts, if supported by substantial evidence, shall be conclusive. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Commission may modify its findings as to the facts by reason of the additional evidence so taken, and it shall file with the court such modified or new findings which, if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court affirming, modifying, or setting aside, in whole or in part, any such order of the Commission shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(b) The commencement of proceedings under subsection (a) to review an order of the Commission issued under section 8(d) shall operate as a stay of the Commission's order unless the court otherwise orders. The commencement of proceedings under subsection (a) to review an order of the Commission issued under any provision of this Act other than section 8(d) shall not operate as a stay of the Commission's order unless the court specifically so orders.

JURISDICTION OF OFFENSES AND SUITS

SEC. 40. The district courts of the United States and the United States courts of any territory or other place subject to the jurisdiction of the United States shall have jurisdiction of violations of this Act, or the rules, regulations, or orders therunder, and, concurrently with State and territorial courts, of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this Act or the rules, regulations, or orders thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. A criminal proceeding based upon a violation of section 26, or upon a failure to file a report or other document required to be filed under this Act, may be brought in the district wherein the defendant is an inhabitant or maintains his principal office or place of business. Any suit or action to enforce any liability or duty created by, or to enjoin any violation of, this Act or rules, regulations, or orders thereunder, may be brought in any such district or in the district wherein the defendant is an inhabitant or transacts business, and process in such cases may be served in any district of which the defendant is an inhabitant or transacts business or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 1254, 1291, 1292, and 1294 of title 28, United States Code. No costs shall be assessed for or against the Commission in any proceeding under this Act brought by or against the Commission in any court.

ANNUAL REPORTS OF COMMISSION: EMPLOYEE COMMISSION

SEC. 41. (a) The Commission shall submit, in its report to the Congress covering the work of the Commission for the preceding year, such information, data, and recommendations for further legislation in connection with the matters covered by this Act as it may deem advisable.

(b) For the purposes of this Act, the Commission may, subject to the provisions of title 5, United States Code governing appointments in the competitive service, appoint such attorneys, examiners, and other experts, and such other officers and employees as are necessary in the execution of the functions of the Commission and fix their salaries in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

INFORMATION FILED WITH COMMISSION

SEC. 42. (a) The information contained in any registration statement, application, report, or other document filed with the Commission pursuant to this Act or of any rule or regulation thereunder shall be made available to the public except information subject to section 552(b) of the title 5, United States Code. It shall be unlawful for any member, officer, or employee of the Commission to use for personal benefit, or to disclose to any person other than an official employee of the United States or of a State for official use, or for any such official or employee to use for personal benefit, any information continued in any document so filed or transmitted, if such information is not available to the public.

(b) Photostatic or other copies of information contained in documents filed with the Commission under this Act and made available to the public shall be furnished any person at such reasonable charge and under such reasonable limitations as the Commission shall prescribe.

VALIDITY OF CONTRACTS

SEC. 43. (a) Any condition, stipulation, or provision binding any person to waive compliance with any provision of this Act or with any rule, regulation, or order thereunder shall be void.

(b) Every contract made in violation of any provision of this Act or of any rule, regulation, or order thereunder, and every contract heretofore or hereafter made, the performance of which involves the violation of, or the continuance of any relationship or practice in violation of, any provision of this Act, or any rule, regulation, or order thereunder, shall be voidable as regards (1) the rights of any person who, in violation of any such provision, rule, regulation, or order, shall have made or engaged in the performance of any such contract, or (2) the rights of any person who, not being a party to such contract, shall have acquired any right thereunder with actual knowledge of the facts by reason of which the making or performance of such contract was in violation of any such provision, rule, regulation, or order.

LIABILITY OF CONTROLLING PERSONS; PREVENTING COMPLIANCE WITH TITLE

SEC. 44. (a) It shall be unlawful for any person, directly or indirectly, to cause to be done any act or thing through or by means of any other person which it would be unlawful for such person to do under the provisions of this Act or any rule, regulation, or order thereunder.

(b) It shall be unlawful for any person without just cause to hinder, delay, or obstruct the making, filing, or keeping of any information, document, report, record, or account required to be made, filed, or kept under any provision of this Act or any rule, regulation, or order thereunder.

PENALTIES

SEC. 45. Any person who willfully violates any provision of this Act or of any rule, regulation, or order thereunder, or any person who willfully in any registration statement, application, report, account, record, or other document filed or transmitted pursuant to this Act or the keeping of which is required pursuant to section 28(a) makes any untrue statement of a material fact or omits to state any material fact necessary in order to prevent the statements made therein from being materially misleading in the light of the circumstances under which they were made, shall upon conviction be fined not more than $10,000 or imprisoned not more than two years, or both; but no person shall be convicted under this section for the violation of any rule, regulation, or order if he proves that he had no actual knowledge of such rule, regulation, or order.

EFFECT ON EXISTING LAW

SEC. 46. (a) Except where specific provision is made to the contrary, nothing in this Act shall affect (1) the jurisdiction of the Commission under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisors Act of 1940, over any person, security or transaction, or (2) the rights, obligations, duties, or liabilities of any person under such Acts.

(b) Nothing in this Act shall affect (1) the jurisdiction of any other commission, board, agency, or officer of the United States or any State or political subdivision of any State, over any person, security or transaction, insofar as such jurisdiction does not conflict with any provision of this Act or of any rule, regulation or order thereunder, or (2) the rights, obligations, duties, or liabilities of any person under State law, insofar as such law does not conflict with any provision of this Act or of any rule, regulation or order thereunder.

REPEALER

SEC. 47. Section 3(c)(9) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)(9)) is repealed.

SEPARABILITY OF PROVISIONS

SEC. 48. If any provision of this Act or any provision incorporated in this Act by reference, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of this Act and the application of any such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

EFFECTIVE DATE

SEC. 49. The provisions of this Act shall become effective upon ________________.

By Mr. HARTKE:

S. 1051. A bill to amend the Social Security Act to eliminate the requirement that a recipient of disability insurance benefits under title II of such Act must wait for 24 months before becoming eligible for coverage under medicare. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, today, I am introducing a bill which would allow disability insurance beneficiaries to qualify for medicare as soon as they establish eligibility to receive disability insurance payments and without waiting the 2 years provided for in H.R. 1 as passed in the 92d Congress.

Mr. President, I am proud to say that I am among those in this Chamber who worked vigorously and steadfastly during the late fifties and into the sixties to create a national health insurance program in the social security system. Our efforts were finally rewarded in 1965 when Congress approved medicare for persons over 65. But medicare, as adopted, was only a partial recognition of the need I sought to satisfy.

Medicare offered hospital and medical protection to our elderly fellow citizens, but it did not offer this protection to disabled persons receiving benefit payments under the social security system. As a result, Mr. President, in Congress after Congress I have introduced a bill to authorize the inclusion of disability beneficiaries in medicare.

I was very pleased when, at last, Congress voted last year the inclusion of disability beneficiaries in medicare as a provision in H.R. 1. But the solution offering health protection to disability insurance beneficiaries through medicare in H.R. 1 was a delayed protection.

H.R. 1 provided that disability insurance beneficiaries may establish qualification for medicare only after they have been receiving disability insurance benefit payments for 2 years.

The Hartke bill would eliminate this unreasonable and unjustified 2-year waiting period. It would make it possible for a person establishing eligibility for disability insurance payments to establish, at the same time, eligibility for medicare.

My bill is most necessary legislation, Mr. President. To qualify for disability insurance a person must have an established record of disability that extends over a protracted period of time.

The nature of this qualifying disability is generally such that a great number of persons entering the disability insurance program have a need and a constantly repeating need for hospitalization, health care facilities, medical and paramedical personnel.

Disability insurance beneficiaries must exist on a most meager income. This income is certainly not enough to allow the achievement of a dignified, healthful standard of living, when the income is used only to meet the basic living costs—food, clothing, and shelter. It surely does not allow any margin at all for hospital bills or doctors' bills.

I therefore urge my colleagues in the Senate to join with me on this bill, in order that medicare may be available to disability insurance beneficiaries when they become disability insurance beneficiaries, in order that they will not have to wait for 2 years for participation in the health care protection offered and available under medicare.

Mr. President, I ask unanimous consent that my bill be printed in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1051

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1811 of the Social Security Act is amended by striking out "who have been entitled for not less than 24 consecutive months" and inserting in lieu thereof "who are entitled".

(b) Section 226(b) of such Act is amended—

(1) in paragraph (2)(A), by striking out ", and has for 24 consecutive calendar months been entitled to,";

(2) in paragraph (2)(B), by striking out ", and has been for not less than 24 consecutive months"; and

(3) in the matter following paragraph (2), by striking out "the twenty-fifth consecutive month" and inserting in lieu thereof "the first month".

(c) Section 22 of the Railroad Retirement Act of 1937 is amended—

(1) in paragraph (1)—

(A) by striking out "not less than 24 consecutive months during each of which" and inserting in lieu thereof "for any month during which";

(B) by striking out "not less than 24 consecutive months under section 223 of the Social Security Act" and inserting in lieu thereof "any month under section 223 of the Social Security Act".

(2) in paragraph (2), by striking out "for not less than 24 consecutive months during each of which" and inserting in lieu thereof "for any month during which"; and

(3) in paragraph (3), by striking out, each place it appears therein, "for not less than 24 consecutive months" and inserting in lieu thereof "for any month".

Sec. 2. The amendments made by the first section of this Act shall be effective upon enactment of this Act, except that no individual shall, by reason of such amendments, become eligible to enroll under the insurance program established by title XVIII of the Social Security Act for any month prior to July 1973, or, if later, the month following the month in which this Act is enacted.

By Mr. HARTKE (for himself, Mr. Bayh, and Mr. Gravel):

S. 1052. A bill to establish a Consumer Savings Disclosure Act in order to provide for uniform and full disclosure of information with respect to the computation and payment of earnings on certain savings deposits. Referred to the Committee on Banking, Housing and Urban Affairs.

TRUTH IN SAVINGS ACT

Mr. HARTKE. Mr. President, today I am reintroducing on behalf of myself and Senators Bayh and Gravel legislation which would establish a simple and fair method of disclosing vital information on consumer deposits in savings institutions. This bill is similar to S. 1848 which I sponsored during the last Congress.

Americans place more than $40 billion of disposable income into savings each year. This is money saved for emergencies, for children's education, for a new home, and for many other purposes. Yet, few Americans realize the importance of the decision to place their money into a saving institution. Just as an individual shops for the best buy when purchasing a new car or a washing machine, so must he shop when opening a savings account.

Unfortunately, at the present time, the consumer does not have adequate information at his disposal before he opens an account. He is confronted by confusing claims in newspaper advertisements and a variety of technical information which is difficult to understand. According to a recent study of the American Banking Association, there may be more than 100 different methods of earnings computation in use today. They include LIFO, FIFO, low balance, day-of-deposit to day-of-withdrawal accounts, daily interest and grace days combined with the infinite possibilities of compounding which include semiannually, quarterly, daily, and continuously. While I do not suggest that the Federal Government impose uniformity in earnings calculation methods, I urge that the Congress enact legislation which will make it possible for the consumer to compare and choose the most advantageous opportunity for investing his money consistent with his needs and preferences.

Differences in earnings rates and methods of calculation are important to the average consumer. Mere differences in the method of calculating earnings can result in a monetary difference of as much as 180 percent over a 6-month period. In light of this, the consumer must have information at his command which makes it possible for him to make a rational judgment on the best institutions with which to place his funds.

One of the major sources for consumer confusion can be found in the use of such terms as "annual percentage rate" and "annnual percentage yield."

The term "annual percentage rate" means the nominal annual percentage rate used to compute earnings. Use of this term assists the consumer to understand the concept of rates as applied both to savings and credit. Credit and savings are mirror images of each other. The credit consumer borrows from the savings institution; the savings institution borrows from the consumer. The use of common terminology is, therefore, logical and desirable.

"Annual percentage yield," on the other hand, includes the resulting effect of the compounding of earnings. Whether earnings are compounded on a daily, monthly, quarterly, or semiannual basis will affect this annual percentage yield measurably.

My bill, therefore, makes it a requirement that each savings institution disclose to potential depositors its annual percentage rate, its annual percentage yield, the minimum length of time a deposit must remain on deposit to earn the periodic percentage rate and the method used to compute the balance to which this rate will be applied, the number of times within a year that interest is earned, and the dates on which earnings are payable. Each of these disclosures involves basic information which must be made available in order for the consumer to invest his money wisely.

The bill also requires the institutions to disclose their periodic percentage rate. It is this figure which is critical if a consumer is to understand the true potential earnings for his money. If the savings institution compounds earnings daily, then the periodic percentage rate will be a daily rate; if it compounds quarterly, the periodic rate will be a quarterly rate; and so on. Armed with this information, and with the knowledge of what earnings calculation method a savings institution uses, the consumer can make an informed choice from among several savings alternatives.

Some savings institutions make provision for grace days. Under this option, a consumer may place a deposit in the institution after the first of the month and yet that deposit will accumulate earnings as if it had been deposited on the first of the month. Other institutions impose a charge on excessive withdrawals from an account. My bill requires that this type of information must also be disclosed to the potential depositor.

In addition to making such basic information available to the consumer who has yet to open an account, my bill also requires that disclosures be made to existing depositors. At the present time, the consumer has very little information at his disposal to verify bank earnings calculations. He may send in his passbook to have earnings credited to his account, but how does he know that a mechanical or human error has not been made by the savings institution? In fact, most regulatory agencies rely on consumers to verify their own accounts and do not include such verification in their routine examinations. Since consumers must bear the responsibility of verification, they must have the facts this bill puts at their disposal.

To minimize the possibility for error and misunderstanding, my bill requires that savings institutions make annual disclosures to their depositors of the amount of earnings payable, the annual percentage rate, and the method used to calculate the amount of interest payable.

Most depositors are unaware of which method their bank is using and are, therefore, unable to verify the amount of earnings credited to their accounts.

At this point in my statement, Mr. President, I ask unanimous consent to have printed in the Record two exhibits to illustrate the importance of knowing by which method a savings institution calculates earnings. The information contained in the two exhibits comes from a master's thesis done by Miss Jackie M. Pinson, of the Department of Family Economics of Kansas State University. Working under the supervision of the head of her department, Prof. Richard

L. D. Morse, Miss Pinson was able to highlight the confusion confronting consumers. She developed her comparisons using the hypothetical account in exhibit A and a 6-percent annual interest rate.

There being no objection the exhibits were ordered to be printed in the RECORD, as follows:

EXHIBIT A

Date	Withdrawal	Deposit	Balance (without interest)
Jan. 1, 1970			$1,000
Jan. 10, 1970		$2,000	3,000
Feb. 6, 1970		1,000	4,000
Mar. 5, 1970	$1,000		3,000
Mar. 20, 1970	500		2,500
Mar. 30, 1970	500		2,000
Apr. 1, 1970			2,000
July 1, 1970			2,000

Although Miss Pinson applied forty different methods of interest calculation to this hypothetical account, Exhibit B makes use of only seven of these:

EXHIBIT B

System	*Yield*
Low Balance: Compounded and credited semiannually	$29.75
Low Balance: Compounded quarterly and credited semiannually	29.97
Low Balance: Compounded and credited quarterly	44.93
First in-first out applied to beginning balance: Compounded and credited quarterly	52.44
First in-first out applied to first deposits: Compounded and credited quarterly	53.93
Last in-first out: Compounded and credited quarterly	58.44
Day of deposit to day of withdrawal: Compounded and credited quarterly	75.30

Using these seven examples, there is a 150% difference in earnings over a six-month period. While a different pattern of deposits and withdrawals could alter these findings, these two exhibits make it clear that the policies of savings institutions do differ and that these differences are quite important to the consumer.

Mr. HARTKE. Mr. President, to supplement the disclosure requirements of my bill, basic requirements are also established for advertising. All advertisements relating to earnings payable on an individual savings deposit must state with equal prominence the annual percentage rate and the annual percentage yield as well as any minimum amount and time requirements. No advertisement will be permitted to include any indication of percentage rate or percentage yield which is based on a period in excess of 1 year or on the effect of any grace period. These requirements are in accord with existing Federal Reserve regulations.

Mr. President, the American public deserves to have all the facts needed to make a prudent choice among savings institutions. This bill puts such information at their disposal. It is based on the premise that the best protected consumer is the best informed consumer. In no way does it tell financial institutions what they should pay or how they should pay it. They are free to compete. It merely provides that financial institutions tell in clear and meaningful language what they are doing for the consumer.

I have been pleased to have the assistance of the banking industry in drafting this legislation. They have been anxious to eliminate any sources of misunderstanding for depositors. In the coming days, I look forward to working with a variety of organizations representing savings institutions in a common effort to strengthen my bill. What is most important is that we develop a national concern for the problems of consumer depositors, and then translate that concern into positive legislative action.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1052

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Truth in Savings Act."

FINDINGS AND PURPOSES

SEC. 2. The Congress finds that economic stability would be enhanced and competition among savings institutions would be improved by the full disclosure of the terms and conditions under which earnings on savings deposits is payable. It is the purpose of this Act to require a meaningful disclosure of the terms and conditions of the payment of earnings on individual savings deposits so that the individual will be able to compare the various savings programs available to him.

DEFINITIONS; APPLICABILITY

SEC. 3. (a) For the purpose of this Act—

(1) "Board" means the Board of Governors of the Federal Reserve System;

(2) "individual" means a natural person;

(3) "individual savings deposit" means (a) any deposit or account in a savings institution which consists of funds deposited to the credit of one or more individuals or in which the entire beneficial interest is held by one or more individuals, and upon which earnings are payable, or (b) shares in a savings institution which are issued for the savings of its members and upon which earnings are payable, or (c) any evidence of indebtedness issued by a savings institution to one or more individuals or in which the entire beneficial interest is held by one or more individuals, and upon which earnings are payable. Such terms includes regular, notice, and time deposits, and share accounts, whether or not evidenced by an instrument;

(4) "earnings" means any amount accruing to or for the account of any individual savings deposit. Such term includes dividends and interest on any individual savings deposit;

(5) "payable", when used with respect to a certain date or period of time, means the date on which or the period of time after which an absolute right to earnings exists, regardless of whether the earnings are actually paid;

(6) "savings institution" means any person, firm, corporation, association, or organization which in the regular course of business receives and holds or issues individual savings deposits and pays earnings thereon;

(7) any reference to this Act, to any requirement imposed under this Act, or to any provision thereof includes reference to the regulations of the Board under this Act or the provision thereof in question.

(b) Nothing in this Act applies to any transaction involving—

(1) a deposit of funds if the principal purpose of that deposit is to secure or guarantee the performance of a contract or the conditions of a contract for the sale or use of goods, services, or property;

(2) interest payable on premiums, accumulated dividends, or amounts left on deposit under an insurance contract;

(3) any obligation issued by a Federal, State, or local government, or any agency, instrumentality, or authority thereof, except that the Board shall prescribe rules and regulations to require disclosures by any agency, instrumentality, or authority of the Federal Government.

DETERMINATION OF ANNUAL PERCENTAGE RATE, PERIODIC PERCENTAGE RATE, AND ANNUAL PERCENTAGE YIELD

SEC. 4. (a) Periodic percentage rate is the rate applied each period to the principal amount for that period to determine the amount of earnings for that period and may be referred to as the PPR. If the period is less than one day, for purposes of disclosure, the period shall be construed to be either one day or the actual time interval after which earnings are payable, whichever is less, and the rate to be diclosed in lieu of the true periodic percentage rate shall be the factor used to determine the amount of earnings for a one day period.

(b) Annual percentage rate is the periodic percentage rate multiplied by the number of periods in a calendar year of 365 days for all years including leap year, and may be referred to as the APR.

(c) Annual percentage yield is the amount of earnings which accrue in one year to a principal amount of $100 as the result of the successive applications of the periodic percentage rate at the end of each period to the sum of the principle amount plus any earnings theretofore credited and not withdrawn during that year, and may be referred to as the APY.

REGULATIONS

SEC. 5. (a) The Board shall prescribe regulations to carry out the purposes of this Act. These regulations shall provide for clear, concise, and uniform disclosures of information required by this Act, and may contain such classifications, adjustments, and exceptions as the Board determines are necessary or proper to effectuate the purposes of this Act. All disclosures required by this Act shall be made only in terms as defined or used in this Act, as defined or used in the Truth in Lending Act or in regulations prescribed under that Act, or as such terms are further defined by the regulations of the Board. The Board may authorize the use of tables or charts for the disclosure of information required by this Act.

(b) The Board may prescribe such other rules and regulations as it determines to be necessary or appropriate to carry out the purposes of this Act.

GENERAL REQUIREMENTS OF DISCLOSURE

SEC. 6. (a) Each savings institution shall make available in writing to any individual upon request, and at the time he initially places funds in an individual savings deposit in such savings institution the following information with respect to individual savings deposits—

(1) The annual percentage rate;

(2) the minimum length of time a deposit must remain on deposit so that earnings are payable at that percentage rate;

(3) the annual percentage yield;

(4) the periodic percentage rate and the method used to determine the balance to which this rate will be applied;

(5) the number of times each year earnings are compounded;

(6) the dates on which earnings are payable;

(7) any charges initially or periodically made against any deposits;

(8) any terms or conditions which increase or reduce the rate of earnings payable as disclosed under items (1) or (3); and

(9) any restrictions and the amount or method of determining the amount of penalties or charges imposed on the use of funds in any deposit.

(b) Each savings institution shall disclose annually and at the time any earnings report is made to an individual in person, or by mailing to his last known address, with respect to his individual savings deposit—

(1) the amount of earnings paid;

(2) the annual percentage rate;

(3) the periodic percentage rate;

(4) the principal balance to which the periodic percentage rate was applied, and the method by which that balance was determined;

(5) any charges made against the account during the period covered for purposes of computing the payment of earnings and making the report; and

(6) any other terms or conditions which increased or reduced the earnings payable under conditions as disclosed under items (1) or (3) of subsection (a).

(c) The Board may, by regulation, authorize or publish tables of periodic factors which reflect compounding, and such other information as it determines to be necessary or appropriate in order to facilitate the individual's ability to verify the computation of earnings payable on any individual savings deposit.

(d) Not less than ten days before a savings institution adopts any change with respect to any item of information required to be disclosed under this section, that institution shall notify each individual depositor of each such change, unless such change is directed by regulatory authority.

DISCLOSURES IN ADVERTISING

SEC. 7. (a) Every advertisement relating to the earnings payable on an individual savings deposit shall state in print of equal prominence the annual percentage rate and the annual percentage yield. If that rate is payable only on a deposit which meets certain minimum time or amount requirements. those requirements shall be clearly and conspicuously stated.

(b) No such advertisement, announcement, or solicitation shall—

(1) include any indication of any percentage rate or percentage yield based on a period in excess of one year or on the effect of any grace period; or

(2) make use of the term "profit" in referring to earnings payable on such deposits.

ADMINISTRATIVE ENFORCEMENT

SEC. 8. (a) Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), by the Board;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions; and

(3) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any insured Credit Union.

(b) For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of the law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(c) Except to the extent that enforcement of the requirements imposed under this Act is specifically committed to some other Government agency under subsection (a), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this Act shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this Act, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

(d) The authority of the Board to issue regulations under this Act does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this Act.

CIVIL LIABILITY

SEC. 9. (a) Except as otherwise provided in this section, any savings institution which fails in connection with any transaction subject to this Act to disclose to any individual any information required under this Act to be disclosed to that individual is liable to that individual for the damage sustained which—

(1) shall not be less than $100 nor greater than $1,000; and

(2) in the case of any successful action to enforce the foregoing liability, the costs of the action together with a reasonable attorney's fee as determined by the court.

(b) An institution has no liability under this section if within fifteen days after discovering an error, or upon receipt of written notice of an error and prior to the bringing of an action under this section the institution notifies the individual concerned of the error and makes whatever adjustments are appropriate and necessary.

(c) An institution may not be held liable in any action brought under this section for a violation of this Act if the institution shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(d) Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within one year from the date of the occurrence of the violation.

CRIMINAL LIABILITY FOR WILLFUL AND KNOWING VIOLATION

SEC. 10. Whoever willfully and knowingly (1) gives false or inaccurate information or fails to provide information which he is required to disclose under the provisions of this Act, or (2) otherwise fails to comply with any requirement imposed under this Act shall be fined not more than $5,000.

VIEWS OF OTHER AGENCIES

SEC. 11. In the exercise of its functions under this Act, the Board may obtain upon request the views of any other Federal or State agency which, in the judgment of the Board, exercises regulatory or supervisory functions with respect to any class of savings institutions subject to this Act.

EFFECT ON OTHER LAWS

SEC. 12. (a) This Act does not annul, alter, or affect, or exempt any savings institution from complying with the laws of any State relating to the disclosure of information in connection with individual savings deposits, except to the extent that those laws are inconsistent with the provisions of this Act or regulations promulgated under this Act, and then only to the extent of the inconsistency.

(b) This Act does not otherwise annul, alter, or affect in any manner the meaning, scope, or applicability of the laws of any State, including, but not limited to, laws relating to the types, amounts or rates of earnings, or any element or elements of earnings, permissible under such laws in connection with individual savings deposits, nor does this Act extend the applicability of those laws to any class of persons or transactions to which they would not otherwise apply.

(c) Except as specified in section 10, this Act and the regulations promulgated under this Act do not affect the validity or enforceability of any contract or obligation under State or Federal law.

REPORT TO CONGRESS

SEC. 13. The Board shall report to the Congress each year concerning the administration of its functions under this Act, and shall include in its report an assessment of the extent to which compliance with the requirements under this Act is being achieved and such recommendations as it deems necessary or appropriate.

SEPARABILITY

SEC. 14. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid not be affected thereby.

By Mr. WILLIAMS:

S. 1054. A bill to amend the Internal Revenue Code of 1954 so as to make more current the amounts prescribed in determining the amount of income to which the retirement income credit under such code is allowable. Referred to the Committee on Finance.

UPDATING THE RETIREMENT INCOME CREDIT

Mr. WILLIAMS. Mr. President, I introduce, for appropriate reference, a bill to update the retirement income credit for retired teachers, policemen, firemen, and other Government annuitants.

This proposal is identical to S. 1506, which I introduced during the last Congress. That measure was adopted in modified form as an amendment to the 1972 social security legislation.

However, no final action was taken because a conference committee could not resolve the differences in the House- and Senate-passed social security bills on this issue.

The retiremnt income credit was originally enacted in 1954 to provide Government pensioners with comparable tax relief as social security beneficiaries.

Social security benefits are, of course, exempt from Federal income tax. Government annuitants or persons with little or no social security benefits receive comparable tax treatment by claiming a 15-percent credit on their qualifying retirement income pensions, annuities, rents, interest, and dividends.

Today the maximum amount for computing the credit is $1,524 for a single person and $2,286 for a couple. This maximum base must be reduced though by the amount of, first, tax exempt pensions, such as social security and railroad retirement and, second, earned income, depending upon the individual's age and the extent of his earnings.

But the retirement income credit no longer provides equivalent tax relief because it has not been modernized for 11 long years. During this time there have been four badly needed social security raises, which I have strongly supported.

But we must not forget our Government pensioners or other individuals, with little or no social security coverage. They must not become second-class citizens under our tax system.

For far too long a time, their needs have been overlooked or ignored. For too long, they have had to struggle with an outdated tax relief measure.

Equity in our tax system presents a compelling argument to place these taxpayers on an equal footing with social security beneficiaries.

The bill that I introduce today would help to correct this longstanding inequity.

First, it would raise the maximum amount for computing the 15-percent credit from $1,524 to $3,214 for a single person, and from $2,286 to $4,821 for an elderly couple. These amounts would be consistent with the maximum benefits now payable under social security.

Two years ago significant improvements were made in simplifying the retirement income credit schedule. As a result of hearings and a report issued by the Committee on Aging, the number of computations and schedule transfers on this year's tax form have been reduced substantially. Moreover, elderly taxpayers can elect to have the IRS compute their credit, provided they list the amount of their qualifying retirement income, tax-exempt pensions, and earned income.

If it is possible to make these procedural changes to protect the aged from overpaying their taxes, then I believe substantive changes can also be made in the law to provide fair and equitable tax treatment for these overburdened taxpayers.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1054

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 37(d) of the Internal Revenue Code of 1954 (relating to limitation on retirement income for purposes of credit against tax) is amended—

(1) in the matter preceding paragraph (1), by striking out "$1,524" and inserting in lieu thereof "$3,214";

(2) in paragraph (2)(A), by striking out "$900" and inserting in lieu thereof "$1,050"; and

(3) in paragraph (2)(B), by striking out "the sum of (i) one-half of the amount of earned income received by such individual in the taxable year in excess of $1,200 but not in excess of $1,700, and (ii) the amount of earned income so received in excess of $1,700" and inserting in lieu thereof "one-half of the amount of earned income received by such individual in the taxable year in excess of $2,100".

(b) Section 37(i)(2)(B) of such Code (relating to special rules for certain married couples in application of retirement income credit provisions) is amended by striking out "$2,286" and inserting in lieu thereof "$4,821".

SEC. 2. The amendments made by the first section of this Act shall be effective in the case of taxable years ending after December 31, 1972.

By Mr. TUNNEY (for himself and Mr. MAGNUSON):

S. 1055. A bill to authorize a program of research and development of alternative propulsion systems for automotive vehicles in commerce. Referred to the Committee on Commerce.

AUTOMOTIVE RESEARCH AND DEVELOPMENT ACT OF 1973

Mr. TUNNEY. Mr. President, I am introducing today on behalf of the Senator from Washington (Mr. MAGNUSON) and myself the Automotive Research and Development Act of 1973.

Tens of millions of American motorists are about to get it in the neck unless Congress acts with foresight and determination to provide clean air at a price the consumer can afford.

This means Americans want to protect their health. But they do not want to be stuck with costly, inefficient, and unreliable automobiles and transit systems simply, because the Government is unwilling to act with the same inventive vigor with which it put a handful of men on the moon.

The choice is not between banning a majority of auto traffic, as the Environmental Protection Agency would do in the Los Angeles area, or trying to add further gimmicks to the present internal combustion engine.

The real choice lies in the development of a smogless alternative to the present internal combustion engine.

Some smogless prototypes already are available, and technology must now develop models that can be mass-produced economically and that will be durable and free of repeated repair costs.

One of the major difficulties with the internal combustion engine is that the more you tinker with it by adding catalytic converters, the more you increase its cost, its consumption of gasoline, and the probability that it will break down.

So far, the emission control devices that Detroit would add to the internal combustion engine will, by 1976, add an estimated $275 to $500 to the cost of an auto, and yet, probably will wear out after about 20,000 miles. Additionally, it is estimated that such systems will eke a bare 8 or 9 miles to the gallon.

Detroit, by sticking with the present internal combustion engine, has been trying to saddle a dinosaur, and the American people would be stomped with an annual cost of $23 billion. That is what the National Academy of Sciences estimates catalytic converters and other gimmicks on the internal combustion engine soon will be costing. Such a cost would be an outrage when an alternative engine could be developed for a fraction of that cost, and provide environmentally clean transportation at a price middle- and low-income wage earners could afford.

Frankly, I believe that the Nation must come up with a coordinated transit system; this includes an alternative to our present internal combustion engine; improved mass transit; reasonable penalties for those who drive smoggy, energy-inefficient vehicles; and the use of pollution-free runabouts for shopping and other short-distance driving.

The purpose, of course, is to assure that the average man and woman can get to where he or she wants to go at the least possible cost, with the least governmental interference, and in an atmosphere that is pure and healthful.

Already the air is foul in southern California, and it has been predicted that by 1977, the levels of hydrocarbon emissions in the Los Angeles area will reach 691 tons per day, approximately 425 percent higher than the maximum smog level allowed under the Clean Air Act. Much of this intolerable amount will be generated by automobiles. We can not afford to wait any longer to seek alternatives to the present ICE, unless we are willing to multiply the 500 deaths and over $25 million in crop damage already attributed to smog every year in Los Angeles.

On a national scale, if we can successfully meet the standards of the Clean Air Act, the savings in pollution costs could be as much as $46.3 billion in the decade between 1976 and 1985. But if we are unsuccessful, the EPA proposals for gas rationing will surely be extended to other areas. Already, gasoline rationing is being considered by the EPA not only for Los Angeles, but for some 27 other areas in 18 States, including the metropolitan areas of New York, Phoenix, Denver, Dallas-Fort Worth, Pittsburgh, and Philadelphia.

LEGISLATION

For these reasons, the Senator from Washington (Mr. MAGNUSON) and I are introducing today the "Automotive Research and Development Act of 1973." This legislation mandates an immediate and intensive national research and development program to produce, within 3 years, a motor vehicle engine system that is clean, quiet, energy-efficient, safe, and suited to our existing patterns of life.

The legislation would mobilize and consolidate national scientific resources in a down-to-earth Apollo program for moving men through our cities instead of through space. Of course, the effort would be far less costly than the billions we spent for space, but it would create the same sense of national priority and commitment as the Apollo program.

This program is to be carried out by the Low-Emission Vehicle Certification Board. The Board, an interagency group established under the Clean Air Act, is composed of representatives from the Environmental Protection Agency, the Department of Transportation, the Council on Environmental Quality, and the General Services Administration. The different areas of expertise of these Board members would assure a wide range of viewpoints and consideration of all important factors.

Furthermore, under section 2 of the

act, the Board is authorized to develop vehicles which not only will comply with the standards of the clean air, but also will comply with whatever future emission standards Congress enacts to protect public health and welfare in high-population-density areas of the United States.

Not only must the new low-emission engines be clean, but they must also be economical to produce. Further, they must be capable of being installed in new cars on the assembly line and in older models at the neighborhood garage.

The Board, among its other requirements, would be directed to study, over a period of 12 months, the economic impact of the new engine and recommend means for ameliorating the expense to the average car owner. Some means of tax deduction or low-interest loan possibly could be developed for persons who replace their old engine with a smogless one. Such a study might conclude that the cost of converting all 100 million autos on American highways from internal combustion engines by 1976 would break the backs financially of too many Americans. Consequently, it could recommend a waiver of clean air standards for these cars for a short period.

To obviate that possibility, however, we must move promptly to develop mass transportation systems, incentives to carpools and other efforts that can reduce auto traffic while still enabling people to get where they want to go.

Under my legislation, the Board is given broad powers to hire staff, to accelerate and conduct research, to establish and operate necessary facilities and to provide grants to public, private, or nonprofit institutions.

Estimates vary on the cost of the program. Exports have estimated that the cost to be as high as $900 million. Others suggest the cost would be no more than $100 million. Due to these widely divergent estimates the hearings should explore the appropriate level of funding; $900 million, which in my mind would be the upper limit of such funding, amounts to less than one-twentieth the yearly cost the National Academy of Sciences says will fall on the backs of car owners from the duel-catalyst system.

I also feel that the hearings should consider the full range of alternative sources for funding, with special emphasis on existing sources of revenue. These would include: First, a 1-year small registration fee on all motor vehicles to be collected by the States and transferred to a research and development fund; second, a specific appropriation out of general revenues equivalent to the amount which would be generated by such a registration fee; third, a transfer of funds from the highway trust fund; fourth, an appropriate increase in gasoline taxes.

Crucial to any sensible solution to our transit and pollution problems is the necessity of blasting into the highway fund. It no longer should be used exclusively to slab our cities and counties beneath a labyrinth of freeways, but should be used to develop mass transit, and hopefully to develop other alternatives to our dependence on the internal combustion engine.

NEED

To date, the auto industry's use of the ICE, which must relay on the intricacies of catalytic converters to control emissions, is clearly unsatisfactory. Recently, the National Academy of Sciences Committee on Auto Emissions bluntly warned that—

> Mass production of what are presently deemed to be relatively fragile, catalyst-dependent systems of unproved reliability in actual service, may engender an episode of considerable national turmoil.

The turmoil suggests the potential public dissatisfaction with a car with the disadvantages associated with an ICE with a catalytic converter. The NAS report further stated that the catalyst-dependent systems now being emphasized by the major manufacturers are the most disadvantageous with respect to first cost, fuel economy, maintainability, and durability.

Furthermore, the New York Times editorialized on January 20:

> Added costs to the consumer are likely to be appreciable. New equipment is expected to add from $275–500 to the price of a car, and the catalytic converter may ultimately reduce fuel efficiency to a ratio lower than nine miles to a gallon . . . There is surely something unsatisfactory about a device that reduces efficiency while increasing costs.
>
> The converter requires so-called noble metals-platinum and palladium, which are to be found in sufficient quantity only in the Soviet Union and South Africa. Chrysler, smallest of the Big Three, alone expects to need 200,000 troy ounces of the metals annually, at a price ranging from $130 to $160 an ounce. On a long-term basis, such payments by the industry as a whole would presumably affect this country's trade balance, not to mention the diplomatic disadvantages inherent in commercial dependence.

As early as 1969, a staff report of the Senate Commerce Committee found that there were alternatives to the ICE that were satisfactory in terms of performance and far superior in terms of emission control. The report went on to note, however, that introduction of such a vehicle would need strong governmental action in the face of the "inertia" and even opposition of the petroleum and auto industries.

The Clean Air Act of 1970, introduced shortly thereafter, set up a framework by which it was hoped that alternatives to the ICE could be explored. Among its many other provisions, section 104 of the act gave the EPA the power to develop alternative engine systems while section 212 of the act set up a certification board which was empowered to replace Government vehicles with "low emission" vehicles developed by private industry. It was hoped that by providing an assured governmental market, that private industry would be stimulated to develop alternatives to the ICE.

Unfortunately, these programs have proven to be stillborn. In the years since enactment of the act, Detroit has produced some 30 million cars, proscratinating on developing an alternative engine while continuing to profit from the internal combustion engine.

While air pollution has been costing this Nation $16 billion a year in deaths, serious illness, and economic damage, the Federal Government, under section 104 of the act, has been spending a mere $10 million to develop a low-emission vehicle. Furthermore, only one car has been presented to the EPA for certification under section 212, and it has yet to be approved.

Simultaneously, the automobile manufacturers have maintained that, even with the expensive add-on programs, they still will be unable to meet the emissions standards of the act. Although the NAS feels the industry can meet the standards, it goes on to recommend that the 1975–76 standards be postponed to allow the manufacturers to "reconsider" their present approach, largely because the continued use of the ICE with a catalytic converter will deplete our energy resources.

Approximately 25 percent of all energy used in this country is attributable to transportation, and the automobile is responsible, by far, for the largest part of this consumption. The National Petroleum Council's Committee on the U.S. Energy Outlook reports that the demand for gasoline by 1985 will be 9.2 million barrels or 404,800,000 gallons per day, a growth of 3.4 million barrels above demand in 1970, a 59-percent increase. This increase is not surprising, as the committee projects that motor vehicle registration will be 178 million by 1985 as compared to a registration of about 100 million in 1970. Predictions of serious increases in energy demand are echoed by environmentalists and scientists.

In short, the choice of the auto manufacturers in adopting an "add-on" approach will create more problems than it will solve. We cannot allow the manufacturers to exert sole control over a decisionmaking process with such important national implications. The Government just as it has in cancer research, must spearhead the research and development program.

Our alternatives are clear. If we fail to act decisively, we will force this Nation to make a Hobson's choice between public health and private transportation; and in southern California, and similar areas, the choice will be an even starker one between environmental and economic disaster.

While this problem is immediate and critical in southern California, it is part of a spreading epidemic of air pollution. If we act today, we can meet the legal requirements for air quality and we can do it without resorting to the unnecessarily harsh and probably unenforceable gas rationing schemes so far proposed. But we must meet the problem with total and coordinated action.

My proposal, I believe, will go far in meeting the future private transportation needs of this country. It is, as I have noted earlier, only one part of a coordinated transit system. Additionally, I have joined Senator MUSKIE in introducing critical legislation to answer our needs for adequate public mass transportation and to require continuing inspection of existing emission-control systems. These steps are clearly necessary if this country is once and for all to have a balanced and environmentally sound and safe transportation system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1055

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as "The Automotive Transport Research and Development Act of 1973."

SEC. 2. The Low-emission Vehicle Certification Board (hereinafter referred to as "the Board"), as defined in section 212 of the Clean Air Act (42 U.S.C. 1857–6e), is authorized and directed to develop, within three years after the date of enactment of this Act, a low-emission vehicle engine which—

(1) complies with any emission standards promulgated under any provision of the Clean Air Act;

(2) will comply with any further emission standards enacted by Congress to protect public health and welfare in high population-density areas of the United States;

(3) is energy-efficient, clean, quiet, safe, and economical to produce; and

(4) could be placed into (A) all or substantially all new motor vehicles to be introduced into commerce; and

(B) all or substantially all existing motor vehicles in commerce in lieu of their original engines.

SEC. 3. In order to develop such a low-emission vehicle, the Board is authorized and directed to—

(1) provide Federal grants to, or make contracts with, any public or private agency, institution, organization, corporation, or individual for payment of—

(A) the cost of programs to develop economical, commercially feasible low-emission alternatives to the internal combustion engine currently mass-produced and used in the United States;

(B) the cost to purchase vehicles and vehicle engines, or portions thereof, for research, development and testing purposes; and

(C) the cost of any other activity which is necessary or appropriate;

without regard to sections 3648 and 3709 of the Revised Statutes (3 U.S.C. 529 and 41 U.S.C. 5);

(2) conduct and accelerate research programs;

(3) establish and operate research facilities and test sites in order to carry out any research, testing, development, and programming;

(4) utilize, as may be necessary, on a reimbursable basis, the facilities of existing Federal scientific laboratories;

(5) appoint and fix the compensation of such personnel as it deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual may receive pay in excess of the annual rate of basic pay in effect for grade GS–18 of the General Schedule;

(6) procure, as may be necessary, temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule;

(7) carry out any other activity which it may deem ncessary or oppropriate.

SEC. 4. The Board shall submit reports to Congress describing actions taken pursuant to sections 2 and 3 of this Act in order to develop a low-mission vehicle engine. Such reports shall be submitted to Congress at six-month intervals beginning six months after the date of enactment of this Act.

SEC. 5. The Board is further authorized and directed to study the economic impact of placing a low-emission vehicle engine as described in section 2 of this Act into all or substantially all new and existing motor vehicles. This study shall include estimates of the cost of low-emission engines to individuals purchasing new vehicles containing such low-emission engine and to individuals replacing existing vehicle engines with such a low-emission engine; and this study shall further include a comprehensive study of alternative methods for lessening the costs to such individuals. The Board shall submit a final report containing the results of this study to Congress within twelve months of the date of enactment of this Act.

SEC. 6. The Board shall receive and study any recommendation made to it, in writing, by any interested person, which relates to the development of a low-emission vehicle engine as described in section 2 of this Act.

SEC. 7. There is authorized to be appropriated funds not to exceed ——— dollars to carry out the purposes of this Act.

SEC. 8. The Board shall promulgate such regulations as may be necessary to carry out the provisions of this Act.

By Mr. FANNIN (for himself, Mr. HANSEN, Mr. MCCLURE, Mr. JOHNSTON, Mr. STEVENS, Mr. GRAVEL, and Mr. BARTLETT):

S. 1056. A bill to amend the Mineral Leasing Act of 1920. Referred to the Committee on Interior and Insular Affairs.

Mr. FANNIN. Mr. President, today, Senators HANSEN, MCCLURE, STEVENS, JOHNSTON, GRAVEL, BARTLETT, and I join in introducing a bill which will cure the defects in the statute governing rights-of-way for pipelines across the public lands as delineated in the recent opinion of the court of appeals for the District of Columbia Circuit in the Alaska pipeline case.

The shortcomings of the Mineral Leasing Act of 1920 in this regard apply not only to the Alaska pipeline but to many pipelines across the public lands throughout the West.

If we are to attack the energy problems of the United States the amendment of the 1920 act in this regard must be one of our first concerns.

By Mr. WILLIAMS:

S.J. Res. 70. A joint resolution to authorize the President to proclaim annually the last Friday of April as "National Arbor Day." Referred to the Committee on the Judiciary.

NATIONAL ARBOR DAY RESOLUTION

Mr. WILLIAMS. Mr. President, today I am introducing a resolution that would authorize the President to proclaim the last Friday of each April as "National Arbor Day."

As we, in the United States, become increasingly aware of the importance of our natural resources, the need for preserving these resources is becoming a major national concern. On all levels of government, citizens have taken steps toward initiating effective programs that will, hopefully, in the very near future improve and protect our ecology.

During the 92d Congress, I was pleased to have introduced the Senate version of the public law that proclaimed the last Friday in April 1972, as "National Arbor Day." That special observance marked the 100th Anniversary of Arbor Day and was celebrated by a tree-planting ceremony on the Capitol grounds, in which I was honored to take part.

I believe the designation of 1 day each year as "National Arbor Day" would be a fitting reminder to all Americans of the importance of our environment. Such a national observance day would provide for every citizen an opportunity to demonstrate his concern for our ecology and participate in its preservation. The planting of a tree on "National Arbor Day" would uniquely symbolize the truth that the earth belongs to every generation, not just ours.

Therefore, Mr. President, I am hopeful that Congress will again recognize the importance of Arbor Day, and authorize an annual observance of "National Arbor Day."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 7

At the requests of Mr. CRANSTON and Mr. RANDOLPH, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 7, the Rehabilitation Act of 1973.

At the request of Mr. CRANSTON, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 7, supra.

S. 40

At the request of Mr. BROCK, the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from South Carolina (Mr. THURMOND), were added as cosponsors of S. 40, a bill to improve the implement procedures for fiscal controls in the U.S. Government, and for other purposes.

S. 186

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 186, a bill to provide for the awarding of a Medal of Honor for Firemen.

S. 187

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 187, a bill to establish the President's Award for Distinguished Law Enforcement Service.

S. 188

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 188, a bill to amend section 6303 of title 5, United States Code.

S. 191

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 191, a bill to amend title 5, United States Code, to provide additional cost-of-living adjustments.

S. 195

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 195, a bill to exempt certain State-owned passenger vessels from the requirement of paying for overtime services of customs officers and employees.

S. 372

At his own request, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 372, the Federal Election Campaign Act of 1973.

S. 517

At the request of Mr. YOUNG, the Senator from Alabama (Mr. ALLEN) was added as a cosponsor of S. 517, a bill to extend titles I, II, III, IV, V, VI, and VII of the Agricultural Act of 1970 for 5 years.

S. 519

At the request of Mr. BEALL (for Mr. SCHWEIKER), the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 519, the Veterans Drug and Alcohol Abuse Rehabilitation Act.

S. 548

At the request of Mr. HUMPHREY, the Senator from Indiana (Mr. HARTKE) and the Senator from Kentucky (Mr. COOK) were added as cosponsors of S. 548, a bill to provide price support for milk at not less than 85 percent of the parity price therefor.

S. 653

At the request of Mr. BELLMON, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 653, a bill to prohibit the impoundment of funds from the Highway Trust Fund.

S. 793

At the request of Mr. CRANSTON, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 793, a bill to provide a full employment strategy for the Nation.

S. 798

At the request of Mr. BURDICK, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 798, a bill to reduce recidivism by providing community-centered programs of supervision and services for persons charged with offenses against the United States, and for other purposes.

S. 826

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 826, a bill to authorize the issuance of U.S. conservation savings bonds.

S. 841, S. 887, AND S. 888

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Washington (Mr. MAGNUSON), I ask unanimous consent that the name of the Senator from New Hampshire (Mr. COTTON) be added as a cosponsor of the following bills:

S. 841. A bill to implement the International Convention on civil liability for oil pollution damage and the International Convention on the establishment of an international fund for compensation for oil pollution damage;

S. 887. A bill to authorize the Secretary of the Interior to assist the States in controlling damage caused by predatory and depredating animals; to establish a program of research concerning the control and conservation of predatory and depredatory animals; to restrict the use of toxic chemicals as a method of predator control; and for other purposes; and

S. 888. A bill to be known as the Toxic Substances Control Act of 1972.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 867 AND S. 868

At the request of Mr. WILLIAMS, the Senator from Rhode Island (Mr. PASTORE) was added as a cosponsor of S. 867, the Equal Credit Opportunity Act, and S. 868, a bill to provide computation of social security benefits based on combined earnings of married couples.

S. 870

At the request of Mr. EAGLETON, the Senator from Missouri (Mr. SYMINGTON) and the Senator from Iowa (Mr. CLARK) were added as cosponsors of S. 870, the News Source Protection Act of 1973.

S. 871

Mr. COTTON. Mr. President, I ask unanimous consent that the name of the junior Senator from North Dakota (Mr. BURDICK) be added as a cosponsor of S. 871, a bill to correct certain inequities in the crediting of National Guard technician service in connection with Civil Service retirement. I am most appreciative of the support of Senator BURDICK, who is chairman of the subcommittee of the Committee on Post Office and Civil Service to which this bill has been referred. Last session, with Senator BURDICK's support, this bill was reported favorably and passed the Senate, but the House failed to act upon it before the adjournment of the Congress. I am most happy that Senator BURDICK has again indicated his interest in this measure, and I am confident that proceeding with his usual vigor, we shall get early consideration by the committee in the Senate so that there will be ample time for the House to act to secure just consideration for the 40,000 technicians who are so essential to our National Guard and who are now being discriminated against in the matter of retirement.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 902

At the request of Mr. STEVENS, the Senator from Hawaii (Mr. INOUYE), was added as a cosponsor of S. 902, a bill to amend section 607(k)(8) of the Merchant Marine Act of 1936.

S. 905

At the request of Mr. STEVENSON, the Senator from Vermont (Mr. STAFFORD) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 905, the Congressional Budgetary Review Reform Act.

S. 907

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 907, a bill to authorize the appropriation of $150,000 to assist in financing the Arctic winter games to be held in the State of Alaska.

S. 950

At the request of Mr. NELSON, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 950, a bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the agricultural industry.

S. 970

At the request of Mr. STEVENS, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 970, a bill to authorize construction of the trans-Alaska pipeline.

SENATE JOINT RESOLUTION 11

At the request of Mr. HOLLINGS, the Senator from New Mexico (Mr. DOMENICI) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of Senate Joint Resolution 11, to pay tribute to law enforcement officers of this country on Law Day, May 1, 1973.

SENATE JOINT RESOLUTION 56

At the request of Mr. CRANSTON, the Senator from Alaska (Mr. GRAVEL) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of Senate Joint Resolution 56, a joint resolution to authorize the President to proclaim the week containing February 21 and 14 as Afro-American History Week.

SENATE JOINT RESOLUTION 61

At the request of Mr. HARTKE, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of Senate Joint Resolution 61, a joint resolution authorizing and requesting the President to proclaim April 1973 as "National Check Your Vehicle Emissions Month."

SENATE RESOLUTION 72—SUBMISSION OF A RESOLUTION RELATING TO THE FINANCIAL PROBLEMS OF THE NATION'S RAILROADS

(Referred to the Committee on Commerce.)

Mr. McGOVERN submitted the following resolution:

S. RES. 72

Whereas, the nation has seen the decline in number and frequency of its passenger trains and an increasing number of applications for abandonment of lines which carry freight; and

Whereas, one major railroad has suggested that the federal government take over its stock and operation; and

Whereas, several major railroads now face bankruptcy; and

Whereas, the railroads fill a passenger and freight need which can be filled in no other way; and

Whereas, there has been no deep investigation into the causes and cures of this industry's illness but rather a series of proposals for relief of specific difficulties;

Resolved, That the Commitee on Commerce or any subcommittee thereof, shall, under section 134 (a) and 136 of the Legislative Reorganization Act, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, make a complete and full study and investigation for the purpose of determining—

(1) the reasons for the current financial problems of the Nation's railroads, particularly in certain regions;

(2) the feasibility of a plan under which at the request of a railroad the Federal government would purchase the railroad's right-of-way and appurtenant structures and devices except rolling stock used therewith and

thereafter the railroad would pay for the use of such right-of-way on a revenue mile or other appropriate basis;

(3) whether the Federal Government should undertake research for, and development of, new and improved railroad locomotives and cars;

(4) whether the Federal Government should assist the railroads in providing a reserve pool of freight and specialty cars and other equipment for use during periods of unusually high demand; and

(5) such other matters as may be relevant to solving such financial problems.

Section 2.

(1) The Committee shall report to the Senate within 12 months the results of its study and investigation, together with its recommendations for any necessary legislation.

(2) The Committee on Commerce is empowered to expend such funds from the contingency fund of the Senate as are necessary for office space and supplies, hiring of staff, payment of expenses of witnesses and all other costs in connection with its study.

STUDY OF RAILROAD NEEDS

Mr. McGOVERN. Mr. President, since the end of World War II, concurrent with the increase of additional means of transportation—trucks, buses, and jet aircraft—repeated attempts have been made to solve the problems which beset the Nation's railroads. More than a quarter of a century should have been long enough, perhaps not to achieve the ultimate solution, but certainly to make some progress. Instead, the railroads have regressed.

As America's population moved westward in the last century, railroads were granted huge subsidies in the form of land grants to help finance their construction, operation, and maintenance. Towns grew up along the rights-of-way and farmers frequently measured the value of their farms by their distance from the railroad.

The country ended up with a vast network of track which serviced a great many of even the smaller towns. Others became collecting points for milk, grain and for all farm products. Passenger service was equally common. The wail of the train approaching a crossing or a station and the life of the railroad man entered the folk lore of the Nation.

Viewing the roads' later difficulties in cold economic terms, perhaps we should have given up, stopped patching a worn piece of goods, and allowed them where they were not economic to disappear. Certainly the railroad industry has made line abandonment one of its major tools to cut costs. Of the 227,000 miles of track in 1944, 22,000 have disappeared. Penn Central is advocating the abandonment of 5,000 more and in my own State of South Dakota there are two separate attempts to abandon track involving about 260 miles.

Economic consideration alone must not be allowed to prevail. A line's contribution to a railroad's profits should not be the only test by which to justify its continued existence. Railroads meet the very specific need of mass transportation at comparatively low cost with low pollution, the latter accomplished through a lesser degree of emissions of harmful materials. As we begin better to understand the effects of pollution and its implications for the future, we must look to those means of transportation which reduce rather than add to it.

But today, large diesel trucks increasingly carry the Nation's freight on the highways. Passenger traffic on trains, despite its advantages, is almost an impossibility even between some major points in the country. The plane, bus, or private car must be used.

In recent years, as railroad service declined and profits fell, there have been a number of attempts to aid the industry. There have been proposals for a moratorium on track abandonment. The bankrupt Penn Central was aided. Amtrak was created—1972 deficit of $147 million, projected to be $130 million in 1973. A bill providing for $3 billion in loan guarantees was introduced to help lines purchase freight cars. Legislation was passed to aid lines in the aftermath of Hurricane Agnes, and a Surface Transportation Act with another $3 billion in loan guarantees was introduced but not passed.

However, these measures have been unorganized and uncoordinated. At no time has there been any study to do anything more than patchwork. There has been none to determine the underlying causes of railroad difficulties.

In April of last year, in a newsletter to South Dakota, I suggested that the Federal Government consider an assumption by the Government of the responsbility of ownership and maintenance of roadbed, bridges, and all structures related to railroading, including the signal system. I recommended the railroads be operated in much the same way as highways and airports. I recommended the creation of a working pool of freight cars and a program of research and development to improve all rolling stock including engines.

Recently, the Penn Central Railroad, in outlining its need for $1.6 billion of which it can itself obtain only $1 billion, has made this suggestion.

I do not propose such a plan be adopted. I do propose that the Committee on Commerce investigate railroad problems with an eye to assumption as outlined above, to look into the trust fund concept of support with private operators paying a fee per revenue mile and to report back to the Senate within 12 months.

SENATE RESOLUTION 73—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF A HISTORY OF THE COMMITTEE ON FINANCE AS A SENATE DOCUMENT

(Referred to the Committee on Rules and Administration.)

Mr. LONG submitted the following resolution:

S. RES. 73

Resolved, that a compilation of materials relating to the history of the Committee on Finance be printed, with illustrations, as a Senate document, and that there be printed four thousand additional copies of such document for the use of that committee.

EXTENSION OF ECONOMIC STABILIZATION ACT—AMENDMENT

AMENDMENT NO. 22

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. CASE (for himself, Mr. JAVITS, and Mr. WILLIAMS) submitted an amendment intended to be proposed by them jointly to the bill (S. 398) to extend and amend the Economic Stabilization Act of 1970.

ADDITIONAL HEARINGS OF SUBCOMMITTEE ON SECURITIES

Mr. WILLIAMS. Mr. President, I should like to announce that the Subcommittee on Securities of the Committee on Banking, Housing and Urban Affairs will hold 1 additional day of hearings on S. 470 and S. 488. S. 470 which I introduced with Senators BENNETT and TOWER deals with membership on national securities exchanges, the use of brokerage commissions to pay for securities research, the sale of management companies which have advisory contracts with mutual funds, and related matters. S. 488, introduced by Senator SPARKMAN, deals with membership on national securities exchanges and the elimination of fixed commission rates.

The hearings will be held in room 5302 of the Dirksen Senate Office Building on March 15, 1973, at 10 a.m.

The subcommittee will welcome statements for inclusion in the record of hearings.

NOTICE OF HEARINGS ON FINANCIAL REQUIREMENTS OF THE U.S. ENERGY INDUSTRIES

Mr. JACKSON. Mr. President, I take this opportunity to announce a hearing of the Committee on Interior and Insular Affairs on Tuesday, March 6, 1973, to examine the general questions and national policy issues associated with meeting the financial requirements of our country's energy industries.

Since the inception of the National Fuels and Energy Policy Study, in May 1971, considerable testimony has been received which indicates that the ability of our energy industries to meet their financial requirements may serve as a constraint on future energy supplies. In addition to capital funds for normal growth purposes, funds also are required to meet expanded environmental requirements. Meanwhile, the United States is encountering rapidly developing shortages of oil and gas as well as refined petroleum products.

In light of these circumstances, Mr. President, it is imperative that the Congress understand the full dimensions of these financial requirements. The subject hearing will convene at 10 a.m. in room 3110 of the Dirksen Senate Office Building and is being conducted pursuant to Senate Resolution 45 (92d Congress), which authorized the Senate's National Fuels and Energy Policy Study. The invited witnesses are:

Mr. William Pelley, vice president, Bankers Trust Co., New York, N.Y.

The Honorable George P. Schultz, Secretary of the Treasury, Washington, D.C.

Mr. John Winger, vice president, Chase Manhattan Bank, New York, N.Y.

Mr. Edward Symonds, vice president, petroleum department, First National City Bank, New York, N.Y.

Dr. Richard J. Gonzalez, Houston, Tex.

Mr. Eugene Meyer, vice president, Kidder, Peabody, New York, N.Y.

Other interested or affected parties are invited to submit statements for the record by April 6, 1973, in response to the general questions and policy issues in this subject area identified by the committee staff. I ask unanimous consent that a summary of these questions be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(Senate Interior and Insular Affairs Committee National Fuels and Energy Policy Study)

GENERAL QUESTIONS AND POLICY ISSUES—HEARINGS ON FINANCIAL REQUIREMENTS OF THE U.S. ENERGY INDUSTRIES—MARCH 6, 1973

INTRODUCTION

All witnesses and groups or individuals preparing statements for the record should cover the three general issues of List A. To the extent practical, they should also address those specific questions on List B that are within their areas of competence. Witnesses may deal with these issues either in their testimony or if necessary may respond later in an expanded statement for the record. The record will be kept open for about one month after the March 6 hearing date.

A. General issues

I. To what extent is the availability of capital expected to be a significant constraint upon investments to meet U.S. energy demand through 1985?

II. To what extent do current or foreseeable trends in financing and structure of the energy industries warrant concern regarding competition, economic concentration, or economic efficiency?

III. What, if any, major legislative, regulatory, or executive actions are called for with respect to the financing and structure of the energy industries including tax provisions; direct or indirect subsidies; government enterprise; anti-trust policy; monetary policy and regulation of prices, rates, securities markets, etc.

B. Detailed questions and policy issues

Answers to the following detailed questions should be supported wherever practical with historical and current data, quantitative estimates or projections, and reference to more complete sources of underlying data and analysis.

1. When, if ever in the past, has the availability of capital been the ruling constraint upon the ability of any United States energy industry to meet growing demand. How was this capital stringency indicated; what was its impact; what if any were the public policy responses, and what were their effects?

2. What, if any, major changes are expected between now and 1985 in the capital requirements of the energy industries relative to the United States economy as a whole? Specifically—

a. Is energy consumption expected to grow more or less rapidly than over past decades—more or less rapidly than the GNP?

b. How and to what extent do the changing mix and sources of primary fuels affect capital requirements per unit of useful energy output? To what extent will capital requirements per unit of useful energy output be affected by the United States' choice of primary fuel sources, domestic and foreign?

It would be useful here to provide authoritative estimates comparing capital costs per unit of output or throughput (e.g., per daily BTU) for primary production, transportation and conversion of energy from various sources and in various forms: e.g., crude oil from the U.S. Outer Continental Shelf (OCS), Alaska, the Venezuelan tar belt, the Persian Gulf; synthetic crude from coal, oil shale, Alberta tar sands; natural gas from onshore Lower 48, OCS, the Arctic; liquefied natural gas (LNG) from the Caribbean or the Eastern Hemisphere; synthetic natural gas (SNG) from imported petroleum or domestic coal; electric power from coal, oil or nuclear energy, etc.

c. To what extent are recently imposed (or prospective) environmental standards for air and water quality and land use, and health and safety standards, expected to affect capital requirements per unit of energy output or throughput?

d. What levels of total investment are expected to be required annually and cumulatively in each of the major energy industries to 1975, 1980 and 1985? How do these estimates reflect the factors identified in items a–c?

e. Is capital formation in U.S. energy industries expected to be a significantly larger or smaller proportion of Gross National Product or total capital formation in 1975, 1980 and 1985 than in past decades?

3. What, if any, significant trends are expected between now and 1985, compared to the past, in financing energy industry investments? Specifically:

a. What explains the trend of several energy industries toward lower ratios of internal financing? How far is this trend expected to continue? What, if any, special merit has a high ratio of internal financing from the standpoint of the national economy? Is the increasing reliance upon external financing by the energy industries a cause for concern?

b. To what extent is there a trend toward horizontal integration or conglomeration in the energy industries (formation of "energy companies" with interests in oil, coal, nuclear energy, etc.)? What explains this trend, and how far is it expected to continue? What, if any, merit does this trend have from the standpoint of energy supply, and what, if any, cause for concern does it raise with respect to inter-fuel competition, economic concentration, or economic efficiency?

c. What will be the trend in relative levels of investment by U.S. energy industries in (1) domestic facilities, (2) facilities abroad to serve U.S. markets, and (3) facilities abroad to serve foreign markets? To what extent and in what instances do these investment objectives directly compete with one another? (For example, do enhanced incentives for overseas oil exploration significantly diminish domestic exploration efforts?) What if any, causes for concern are there in the prospective trend in relative levels of domestic and foreign investment by the U.S. energy industries?

d. What role is investment by governments and national oil companies of oil exporting countries expected to have in meeting U.S. energy demand, and particularly in the financing of domestic facilities? What are the advantages, disadvantages and risks of such investment?

4. In what sectors or industries is the financing of new investment expected to be a significant constraint upon the adequacy of U.S. energy supplies? In each instance:

a. To what extent is financing a bottleneck distinct from the long-term profit expectation of the industry?

b. Is the financial constraint expected to be transitory or protracted?

c. What is the principal public policy constraint upon investment? (For example, price or rate regulation, anti-trust restraints, tax provisions, oil import policy, or uncertainty about any of the preceding?)

5. What is the impact on financing and on industrial structure of the special tax preferences currently applicable to oil and gas production? (Consider under this heading percentage depletion allowances, the expensing of intangible drilling costs and dry holes, and the interpretation that payments to foreign governments for oil and gas production broadly qualify for foreign tax credits.) Specifically:

a. In one or more recent years, what has been the total amount of depreciation, depletion, expensible drilling costs, and foreign tax credits claimed by U.S. oil and gas producers for domestic and foreign operations respectively? What was the net impact of these items considered separately and together, upon producers' net income? In the same years, what were gross domestic and foreign investment in oil and gas exploration and development? What are the ratios (for domestic and foreign operations) of current capital recoveries from oil and gas production by U.S. companies to their current investment in oil and gas exploration and development? How do these ratios compare with the ratio between current capital consumption allowances and current investment in all U.S. manufacturing?

b. On the average, in how many years is investment in oil and gas exploration and development recovered by depreciation and depletion allowances and expensing of intangible drilling costs and dry holes for U.S. companies' domestic and foreign operations, respectively? On the average, what is the ratio between capital recovered by these provisions over the life of an investment and the original capital outlay? What are the comparable average time span and ratio for recovery of investment through capital consumption allowances in all manufacturing in the United States?

c. What is the expected impact upon U.S. production and reserve additions of each percentage point increase or reduction in the depletion allowance?

d. What would be the impact upon U.S. production and reserve additions of depreciating rather than expensing intangible drilling costs and dry holes, respectively?

e. What proportion of the proceeds from each of the tax preferences for domestic oil and gas production is passed on respectively to consumers in lower prices, to landlords (including federal and state governments) in land prices and lease revenues, and to operators as net incentives for exploration and development investment?

f. What magnitude of price increases for crude oil and natural gas would be necessary to provide an investment incentive equivalent to each of the existing tax preferences for and gas production?

g. How, and to what extent, do the tax preferences for oil and gas production affect the structure of the industry? Consider especially alleged incentives to relatively high crude oil prices and low refining margins, and impacts upon the competitive position of independent refiners versus the major integrated companies.

h. What would be the impact of repealing or limiting the foreign tax credit upon the foreign operations of U.S. oil companies and upon world oil prices and supply?

6. What evidence or analysis exists whether large outlays for cash bonuses in federal and state oil and gas lease sales substantially diminish the capital that would otherwise be available for exploration?

7. What, if any, kinds of ventures necessary to future energy supply will require direct government participation in financing, because of the large magnitude of investment, high risk, distant payout or danger of abuse by private enterprise? In each instance, compare the merits and disadvantages

of direct and indirect subsidies, joint ventures between government and industry, and government enterprise. Consider particularly:

a. Exploration, development and/or production of conventional oil and gas;
b. Coal gasification and liquefaction;
c. Advanced power cycles for electrical generation;
d. Oil shale development;
e. Arctic oil and gas pipelines;
f. Pipelines and long-distance electric transmission lines generally;
g. Geothermal energy; and
h. Breeder, fusion and solar energy.

8. What legislative, regulatory, or administrative measures are desirable to assure adequate investments to serve U.S. energy needs, or to preserve or enhance competition or economic efficiency? Policy proposals offered under this item should be related to factual and analytical responses to the preceding questions.

NOTICE OF HEARING ON SMALL BUSINESS ADMINISTRATION

Mr. CRANSTON. Mr. President, I wish to announce that the Subcommittee on Small Business of the Banking, Housing and Urban Affairs Committee will hold hearings on legislation to increase total amount of loans, guarantees, and other obligations under section 4(c)(4) of the Small Business Act on March 13 and 14.

In addition, testimony will be heard on S. 804, a bill to authorize economic disaster loans to enable small business firms to comply with new Federal, environmental, consumer, pollution and safety standards.

The hearings will commence at 2 p.m., Tuesday and Wednesday, in room 5302, New Senate Office Building.

All persons wishing to testify should contact Carolyn Jordan, room 455, Old Senate Office Building, telephone number 225-8131.

ANNOUNCEMENT OF HEARINGS ON THE LEGISLATIVE ROLE OF CONGRESS IN GATHERING AND DISCLOSING INFORMATION

Mr. METCALF. Mr. President, the Joint Committee on Congressional Operations will open hearings on March 20 to examine the threat to the flow of information between Congress and the American people arising from recent Supreme Court opinions.

The hearings will continue on March 21, 27, and 28. I have reserved the first two hearing dates to hear the views of Members of both bodies on this matter. Members are, of course, welcome to appear or file a statement for the consideration of the committee at any time.

Mr. President, the traditional sanctions for legislative misconduct—censure by one's colleagues or defeat by one's constituents—were recently adjudged by a majority of the Supreme Court in two instances not to be sufficient to hold the legislative branch in check in the performance of its constitutional role in the Federal Government.

In these opinions, in cases involving past and present Members of this body, the Court acted to severely restrict the scope of legislative immunity, the constitutional doctrine premised upon article I, section 6, which has historically exempted Members of Congress from being questioned—in "any other place"—for actions undertaken in the performance of the duties of their offices.

For the first time in our history, legislators have been put on notice that their activities "within the scope of their employment" can be questioned in the Federal tribunals of the grand jury and courtroom, when those activities can be described as "political" rather than "legislative" in character.

Mr. President, so that there will be no misunderstanding, I emphasize at this point that I am not here today to argue for or against the Members of Congress who were parties to these court actions.

I am speaking for the interests of the Senate of the United States and of the Congress. I am speaking for the interests of all the American people, by whom we have been elected to insure their representation in the affairs of our National Government.

The joint committee has not annointed itself as a higher court of appeal for the decisions handed down by the Justices of the Supreme Court in these two most recent cases.

What the joint committee will do in the course of hearings to begin on March 20 is to examine the ominous side effects of the majority's opinions in these two cases on the capability of the Congress to fulfill its role as a coordinate and coequal body in the constitutionally established form of government conceived by the Founding Fathers in 1789.

Those wise men understood almost 200 years ago that the survival of freedom in this country would depend on the survival of the checks and balances within the Federal Government they had forged into the Constitution. They gave to each branch—legislative, executive, and judicial—specific responsibilities. Then, to enable each to perform its role, each was given independence from the other two within the scope of those responsibilities.

That is what separation of powers is all about.

The constitutional bulwark insuring the independence of the legislative branch from the executive and judiciary is article I, section 6 of the Constitution—the speech or debate clause.

That is what these hearings are all about.

In simplest terms, that clause affords me and every Member of Congress the freedom to seek information about the operations of the Federal Government and to speak out about what we discover in our role as legislators.

We were given that freedom for neither selfish nor self-serving purposes, but to better serve the interests of those we represent in Congress.

A Member of Congress finds himself serving his constituency—and, in many instances, the country—not only as a legislator, but as a troubleshooter, a news gatherer, educator, and information source—an ombudsman for the people.

Which of the many functions a Member performs daily in the discharge of the duties of his office can be characterized as "legislative activities," for which he is historically and constitutionally accountable only to his colleagues and the electorate he represents in the Congress?

What is the appropriate role of a legislator in carrying out his constitutional responsibility as the elected representative of the people?

Who shall determine for the legislative body the limits of that role for an individual legislator?

What distinguishes a "legislative" act from a "political" act within the scope of a legislator's employment—and is there a distinction?

The answers to these and other questions will be pursued in the course of these hearings.

The language of article I, section 6 of the Constitution—on which is founded the immunity of legislators from accountability for their acts as legislators, before any body other than their House of Congress or their electorate—provides that—

> For any Speech or Debate in either House, they [the Senators and Representatives] shall not be questioned in any other Place.

This language is steeped not only in the traditions of this young Nation, but in the heritage of the early English colonists, who brought with them to this country the hard-won victory of independence of the legislature from the Crown—a commitment formalized in the classic terms of legislative immunity in the English Bill of Rights of 1689. The enunciation of this immunity in the new Nation's Constitution was agreed upon by the Founding Fathers virtually without debate or opposition a century later in 1789.

As late in our history as the mid-1960's, the small number of courtroom contests in which the role of a legislator had been questioned—only twice had the Supreme Court considered such cases—was commented upon by Justice Harlan. He noted, in his opinion for the Court in the third such instance that—

> In part because the tradition of legislative privilege is so well established in our polity, there is very little judicial illumination of this clause. [*United States* v. *Johnson*, 383 U.S. 169 (1966).]

What the courts had agreed upon by that time—and continued to follow as the tempo of their consideration of cases involving speech or debate clause immunity increased—was "that the legislative privilege will be read broadly to effectuate its purposes." (383 U.S. at 180.)

This traditional breadth of interpretation was acknowledged in the two decisions most recently announced by the Supreme Court involving interpretations of the clause. In each of those decisions, the Court spoke boldly of the essentiality of a broad interpretation of the clause in maintaining the constitutionally established separation of powers of the Federal Government.

The Court in *Gravel* v. *United States* (408 U.S. 606, 618 (1972)) noted that—

> [R]ather than giving the clause a cramped construction, the Court has sought to implement its fundamental purpose of freeing the legislator from executive and judicial oversight that realistically threaten to control his conduct as a legislator.

And, in *United States* v. *Brewster* (408 U.S. 501, 516 (1972)), the Court stated that—

> [A]dmittedly, the Speech or Debate Clause must be read broadly to effectuate its purpose of protecting the independence of the Legislative branch. . . .

However, the net result of the Court's interpretation of immunity under the clause in the opinions in these two cases was a narrowing of its scope without precedent in its long history.

Historically, the Court has defined the scope of legislative immunity by the legislative activities it considers to be included within the terms of the constitutional provision. These "legislative activities" are the activities traditionally related to the functions of a legislator's office. The immunity has never been strictly construed as limited to the constitutional language—to the "speech or debate" of a legislator—but has been judicially recognized to include, in addition, such activities as voting, the filing of written reports, "to things generally done in a session of the House . . . in relation to the business before it," (*Kilbourn* v. *Thompson,* 103 U.S. 168, 204 (1880)) "to every other act resulting from the nature, and in the execution, of the office," and "everything said or done . . . as a representative, in the exercise of the functions of that office." (*Coffin* v. *Coffin,* 4 Mass. 1 (1808), cited with approval in *Kilbourn* v. *Thompson, supra,* and *Tenney* v. *Brandhove,* 341 U.S. 367 (1951)).

Today, the scope of legislative immunity is much diminished. Mr. Justice White, writing the majority opinion in Gravel, defined legislative acts as being only those acts which are—

> An integral part of the deliberative and communicative process by which Members participate in committee and House proceedings with respect to the consideration and passage or rejection of proposed legislation or with respect to other matters which the Constitution places within the jurisdiction of either House. [408 U.S. at 625.]

The Chief Justice added a "purity" test to the definition of legislative activity in dicta in the opinion he drafted for the majority in Brewster. Immunity from prosecution for the legislator was said to attach to "purely legislative activities." He defined such activities by enumerating what must be called not-so-pure legislative activities. He wrote—

> These include a wide range of legitimate "errands" performed for constituents, the making of appointments with government agencies, assistance in securing government contracts, preparing so-called "news letters" to constituents, news releases, speeches delivered outside the Congress. The range of these related activities has grown over the years. They are performed in part because they have come to be expected by constitents and because they are a means of developing continuing support for future elections. [408 U.S. at 512.]

The Chief Justice concluded that these activities were "legitimate," but distinguished them as "political in nature rather than legislative." Such so-called political activities, though acknowledged to be an "established and accepted part of the role of a Member" were absolutely excluded from any protection under the speech or debate clause.

What, then, does all this mean to the individual Member of Congress? Perhaps the simplest guideline for his conduct—if that conduct is to be immune from questioning "in any other place"—is, as the Chief Justice argues in Brewster, that the conduct must take place "within the walls of the Representatives' Chamber." At least the Chief Justice would include not only the ceremonial Chambers of the two Houses, but the committee meeting rooms, as well. (408 U.S. at 514–515.)

While this may be too simplistic an approach to legislative immunity, it may today be the most prudent for a Member. For the consequence of this most recent definition of legislative activity and the Court's interpretation of the impact of that definition place beyond the scope of speech or debate clause protection virtually all acts undertaken by a Member or his staff outside official Capitol Chambers.

The preparations for and the implementation of protected legislative activities are not protected. (408 U.S. at 626.)

Thus, the gathering and receipt of information in preparation for the initiation of an investigation or the introduction of legislation is not an activity for which a Member or his staff is exempt from liability. So, too, preparations for the printing and distribution of information by a legislator—for example, in news releases, newsletters, and speeches at private functions—can be called into question. Where officers of the executive branch consider it to be warranted, a Member or members of his staff can be subpenaed to appear before a Federal grand jury to answer questions regarding the possible violation of criminal law by them or by third parties with whom they had contact.

We have read and heard a great deal in recent months about the action of the Court restricting a news reporter's right to protect the confidentiality of his sources of information. This was a result of the decision in the case of *Branzburg* v. *Hayes* (408 U.S. 665 (1972)), announced by the Court on the same day as Gravel and Brewster—June 29, 1972. What many Members of Congress may not have fully realized or appreciated is the identity of position in which we have been placed as a result of the Gravel and Brewster decisions; our right to protect the confidentiality of our sources of information has been likewise restricted. As one editorial writer has commented:

> If there was one resounding note in the welter of opinions from the Supreme Court Thursday, it was the low value the Courts news majority places on the flow of information. In three cases involving a newsman's right to protect confidential sources, the Court brushed aside claims that forced disclosure of confidential information and of the identity of sources would lessen substantially the flow of news to citizens. In another case involving an aide to Senator Gravel, the Court denied the existence of any constitutional link between the legislative duties of a Congressman and the information he receives or sends to his constituents. In still another, this one involving Senator Brewster, the Court said that among the things which are not purely legislative and activities of Congressmen are "preparing so-called 'news letters' to constituents, news releases, speeches delivered outside the Congress." All these decisions, taekn together, indicate that the new majority on the Court is remarkably insensitive to the First Amendment to the Constitution and to what we had always thought were two fundamental principles of a republican form of government—the need of the public to know what is going on in and out of government and the need of the public's representatives to communicate freely with it. [Washington Post, July 1, 1972, at A18, col. 1.]

What seems ironic about the timing of the announcement of the restricted scope of immunity for the legislative branch, particularly as it seeks to gather information to better perform its legislative function, is that it was coincident with increasing refusals by the Executive to make information available to Congress. The increased incidence of the invocation of executive privilege and the mounting of strong defenses against congressionally sponsored court actions seeking withheld information under the Freedom of Information Act deny to the Congress essential knowledge for the exercise of its constitutional check and balance through legislation and oversight.

When official channels of information between these two branches are blocked, Congress must often rely on unofficial—and, in some instances, confidential—informants. How much information can we now expect to receive from unofficial sources, when we can at any moment be called before a grand jury or other judicial body and be required to identify the source of our information? We are left then with only one source of information about the operations of the executive branch—the official spokesmen for the administration, when they will talk to us.

The Court, acting at the behest of the lawyers for the Executive, has thrown down the gauntlet before the Nation's legislators. As was true of the early invocation of legislative immunity in the 17th century, of its adoption at the moment of birth of this new Nation and of the historic deference it has heretofore been accorded by the judicial interpreters, Members of Congress do not set out to resolve this problem for self-serving purposes.

Legislative immunity is not the personal prerequisite of a legislator.

It is not lightly invoked merely to save a legislator from the distraction of having to spend a day or so in court to defend an action he has taken in the course of his duties.

It is the independence of the legislative branch—not the special status of a legislator—which is at stake when the speech or debate clause is diminished in scope.

The members of the joint committee seek the views of their colleagues in the Congress, representatives of the executive branch, spokesmen for the media and experts in legal practice, constitutional law, political science, and congressional operations from public and private life on these problems in the forum of these hearings.

It is anticipated that the hearings will serve several purposes: To alert the legislative community to the full dimensions of the problem with which it is faced; to focus the attention of everyone who should—and must—be concerned with the consequences of this restricted view of the legislative role in insuring a free flow of information from Washington to the people; to exchange views and ideas; and, finally and most importantly, to explore recommendations for action by the Congress.

A special report of the joint committee has been prepared containing briefs of the Gravel and Brewster decisions and the full text of the opinions of the Justices of the Supreme Court in these cases. These reports, additional information, and the scheduling of testimony for these hearings can be obtained from the joint committee offices in room 1628, Longworth House Office Building. The telephone number there is 225-8267.

NOTICE OF HEARINGS ON CORPORATE SECRECY AND CONGLOMERATE MERGERS

Mr. NELSON. Mr. President, for myself and the Senator from Louisiana (Mr. Johnston), I announce that the Subcommittee on Monopoly and the Subcommittee on Retailing, Distribution, and Marketing Practices of the Select Committee on Small Business will commence joint public hearings on March 8, 1973, at 1 p.m. in room G-308, the auditorium of the Dirksen Senate Office Building.

These hearings will be a continuation of a series of studies and hearings on corporate giantism and corporate secrecy. The two subcommittees conducted joint public hearings on the subject in 1967–68, and the Subcommittee on Monopoly pursued the subject alone in 1969–72. The topic of the new series beginning next week will be "Corporate Secrecy: Conglomerate Mergers."

In these hearings, the subcommittees will be concerned with the information loss that has occurred and is occurring as a result of conglomerate mergers. We shall be examining with special care the powers and activities of the Federal Trade Commission as they relate to the collection and publication of corporate data.

The particular focus for at least the first 2 days of this phase of the hearings will be the staff report to the Federal Trade Commission released on January 3, 1973, and entitled "Economic Report on Conglomerate Merger Performance: an Empirical Analysis of Nine Corporations."

The witnesses on March 8, who will appear together in a panel session, will be Dr. H. Michael Mann of the Federal Trade Commission's Bureau of Economics, Prof. Stanley E. Boyle of Virginia Polytechnic Institute, Prof. Willard F. Mueller of the University of Wisconsin, and Harrison F. Houghton, economic consultant. Dr. Mann is presently the director of the FTC's Bureau of Economics, Professor Mueller is a former director, and Mr. Houghton is a former acting director. Professor Boyle, as a consultant to the FTC, served as principal author of the "Nine Conglomerates" study.

At a subsequent session of these hearings, for which the date has not yet been selected, we hope to have all members and perhaps some past members of the FTC as witnesses.

The subject matter to be discussed at the hearing on March 8 is complex. To clarify the issues before the hearing, we shall distribute to witnesses and the press, and insert in the Record in full or in summary, a list of the questions we hope to get answered, with some explanatory materials.

In the meantime, I ask unanimous consent to insert in the Record at the conclusion of my remarks the Federal Trade Commission's January 3 press release announcing publication of the "Nine Conglomerates" study, and an article from the January 29, 1973, issue of the New York Law Journal captioned "A Critical Review of FTC's Report on Conglomerates." The article, which is indeed critical of the report, is unique in my experience, because the author of the harsh review is also the principal author of the report, and a witness at our hearing next week, Prof. Stanley E. Boyle.

There being no objection, the press release was ordered to be printed in the Record, as follows:

[FTC press release, Jan. 3, 1973]

FTC Issues Staff Economic Report on Conglomerate Merger Performance

The Federal Trade Commission today announced the publication of a staff economic report completing its study of nine large conglomerate companies. The report is the second in a two-part examination of the economic effects of the merger movement of the 1960's. The first part, entitled, *Economic Report on Corporate Mergers*, appeared in 1969. While the first study provided information on the extent of conglomerate merger activity, it did not provide a detailed analysis of the actual effects of such mergers.

To form a basis for such an analysis the Commission's staff sent a series of questionnaires to nine large conglomerate corporations which had engaged in extensive merger activity. The firms selected for study were:

International Telephone & Telegraph Corp.
Ling-Temco-Vought, Inc.
Gulf & Western Industries, Inc.
Rapid-American Corp.
Litton Industries, Inc.
FMC Corp.
Textron, Inc.
Norton Simon, Inc.
White Consolidated Industries, Inc.

During the 1960–68 survey period the nine companies acquired 348 companies with assets totaling nearly $10 billion. Merger activity of the sample companies reached a peak in 1968 when they accounted for 26 percent of all assets acquired in large manufacturing and mining mergers.

Entitled "Conglomerate Merger Performance: An Empirical Analysis of Nine Corporations," the report tells how the surveyed companies have operated acquired firms after merger, outlines the patterns of their diversification, and examines their positions in individual product markets. The report also focuses on the effect of conglomerate mergers upon the amount and quality of financial information available to the public, as a result of the incorporation of acquired firms' separate financial statements into the single company-wide consolidated statements of conglomerates. While acknowledging some weaknesses in the data and the time-frame covered by the study, the report nevertheless is able to make the following major findings:

1. The sampled conglomerates made few, and then only minor, changes in the operation of the firms they acquired. Virtually no changes were made in the administration of marketing, research and development, or purchasing. The changes generally occurred in functions that appear essential for control of the acquired unit, e.g., certain administrative functions, legal services, auditing, and insurance policies. For the most part, the acquired firms continued to operate much as they did when they were separate entities. The report suggests that there is little validity to the hypothesis that conglomerates somehow increase efficiency by gathering together a large number of disparate activities, a phenomenon called "synergism." If this theory had merit, there would have been greater centralization in the survey companies than was the actual case.

2. The report found that the sampled conglomerates' usual pattern of diversification involved acquisitions with ". . . rather insignificant positions in industries with low or intermediate levels of concentration," and their market positions have typically not increased since acqusition. Based on this evidence, the report suggests that the sampled conglomerates are not, by and large, making toehold acquisitions—i. e., acquiring small firms in concentrated industries. Moreover, in the cases where they made such acquisitions, no apparent expansion in the market shares has occurred; that is, the sample conglomerates did not, at least within the post-acquisition period examined, have a pro-competitive impact.

In addition, ". . . the conglomerates are participants in markets which, if anything, are slightly less concentrated than manufacturing generally. . . They also appear to be moving, through their merger efforts, into even less concentrated industries than they had been initially." The fact that these conglomerates' existing positions tend to be in industries which, on the average, are not highly concentrated and that their mergers are in less concentrated industries, according to the staff report, suggests that these conglomerates have produced little, if any, of the anti-competitive effects that would result from increases in concentration.

The report indicates that if the alleged anti-competitive behavior of conglomerates—predatory pricing, reciprocal dealing, mutual forbearance—takes places, the indispensable condition is prior market power. The sampled conglomerates do not, by and large, seem to possess, or have acquired, market positions with the structual characteristics conducive to market power.

3. The staff study concluded that the sampled conglomerates publish financial information at such a high level of aggregation that it is virtually impossible for an investor, financial analyst, researcher, or policy-maker to determine what is in fact going on. Although such information is not made public, the survey found that it is possible, however, to produce meaningful, disaggregated line-of-business information.

Five of the sampled conglomerates were able to provide Commission staff with profit data for their leading products (in excess of 1 percent of sales) on a SIC 5-digit product level. This level of detail, in the opinion of the staff, comes close to representing profitability for economically-meaningful markets—much closer than anything that currently exists from public sources. The report concludes that the benefits from having such information available to owners, analysts, and policy-makers are substantial and vital to an efficient functioning of these enterprises and of our economy.

"It is time," said Dr. H. Michael Mann, director of the FTC's Bureau of Economics, "for the appropriate government agencies to develop a workable plan to implement a requirement that highly-diversified firms produce line-of-business sales and profit data."

Co-authors of the staff report are Philip W. Jaynes and Prof. Stanley E. Boyle, Virignia Polytechnic Institute and State University, who participated in the project as a consultant.

A limited number of copies of the report are available in Room 130 (Legal and Public Records Division) of the FTC Building, Sixth St. and Pennsylvania Ave., N.W., in Washington. The report also will be available in approximately three weeks from the National Technical Information Service, 5285 Port Royal Road, Springfield, Va. 22151, at $6.75 per copy. Accession Number PB-213 556 should be given when ordering from NTIS.

(NOTE.—For further information, Call: David H. Buswell (202) 962-7144.)

[From the New York Law Journal, Jan. 29, 1973]

A CRITICAL REVIEW OF FTC'S REPORT ON CONGLOMERATES

(By Stanley E. Boyle)

Early this month the Federal Trade Commission released the long awaited Part II of the conglomerate merger study. This report examines in considerable detail the performance of conglomerate mergers engaged in by nine large corporations over the decade of the 1960's. These firms (ITT, Litton Industries, LTV, Textron, Gulf & Western, Rapid-American, White Consolidated, FMC, and Norton Simon) all achieved considerable growth through the medium of conglomerate merger activity.

At the beginning of the decade only one company, ITT, ranked among the 100 largest manufacturing corporations. By the end of the period, six of the companies ranked among the 100 largest and three additional among the next fifty. The aggregate assets of these nine corporations increased from $2.0 billion in 1960 to $16.9 billion in 1969, an increase of $14.9 billion. A minimum of 65 per cent of that growth was achieved through merger activity.

At this point we might well ask whether or not the merger activity of these firms could be classified as successful. If substantial and rapid growth in sales and assets is synonomous with success, the answer would have to be yes. On the whole, they were successful when reference is made to the rate of profit earned by the nine firms. In 1969, eight of the nine firms had a return after taxes on stockholders equity of 11.4 per cent or greater.

However, some of the individual acquisitions were not successful by any of these measures. The Commission originally collected data showing the rate of return of each business division (including acquired companies) for each of the nine large corporations. These data showed rather clearly that many of the acquired corporations were unprofitable. In some instances, the losses earned were substantial.

Unfortunately, the Commission saw fit to withhold the publication of these detailed data with the result that much of the information which would prove interesting and useful were deleted. This agreement was made by one of the Commissioners without informing or consulting with the staff or other members of the Commission. The net result of this blunder was to substantially reduce the detail and the value of the information contained in the version of the *Report* which was approved for publication by the Commission.

OTHER QUESTIONS

Three other questions with respect to the economic effect of these acquisitions are worth mentioning at this time. First, what was the impact of the acquisition upon existing market conditions, i.e., upon other firms in the industry? Second, what was the impact of such conglomerate mergers upon the welfare of stockholders of the acquiring companies? Third, how did these mergers affect the threat of potential entry into the market by not already manufacturing or selling products supplied by conglomerate firms?

It is difficult and perhaps unnecessary to be able to discern the *direct* adverse effects upon other firms producing similar products which comes about as a result of acquisitions by conglomerates. The reasons for this is somewhat simple, i.e., the number of firms in the industry and their size distribution in terms of market shares, either in terms of value added or sales, remains unchanged as a result of a conglomerate acquisition. Consequently, those steeped in the rhetoric of the impact of mergers upon competition in narrowly defined product markets will find appraisals of the impact upon competition of conglomerate acquisitions difficult to understand and to interpret. This, of course, is the reason why the antitrust agencies have encountered so many difficulties in trying to formulate a consistent approach to the problem.

The more significant questions deal with (a) the impact of the diversified firm (where diversification is achieved through conglomerate merger) upon stockholders' knowledge and welfare, and (b) the impact of, conglomerate merger upon the strength of potential entry.

ARTICLE OF FAITH

The *Report* indicates clearly that firms which have engaged in conglomerate merger activity and which are highly diversified, by definition, do not transmit any of the detail regarding the profitability of their individual operations of the concern to its stockholders (owners). In fact, corporate officials usually plead that diversification makes it next to impossible for them to report the results of their operation in such a way that stockholders would be able to understand and information made available to them through the use of more detailed reporting procedures. Owners are asked, therefore, to accept the competence of managers in much the same way one accepts religion—it is simply an article of faith.

At this point, however, one feels that the primary intent of the management of the corporations is to systematically restrict the amount of information made available to the owners of the corporation. If, for example, an acquisition which is approved and made by the existing management turns out to be an unprofitable one, the corporate manager will do his best to avoid this information reaching the corporate owners. The primary concern of management is, therefore, to remain in power—all else is of secondary importance. As a consequence, we have a continuation of the differing goals of managers and owners pointed out in Berle and Means' early study, *Private Property and Public Policy*, and in recent studies by Larner and others.

This inability on the part of the owner to obtain meaningful information as to the profitability of the corporation limits his knowledge regarding the corporation in two ways. First, he is unable to discern if indeed the corporation is making or losing money in any particular activity. Second, it is almost impossible for him to discern whether or not his corporation is doing as well as others producing the same product. Put another way, it means that he has no basis for evaluating the performance of those presently in control of management.

INTEREST IN COMPANY

The more widely held is the stock of the corporation, and the more widely diversified the corporation becomes, the more difficult it is for owners to obtain an accurate or meaningful accounting of the firm's activities. The disregard of managers for the interests of owners is usually based upon some idea that owners (usually referred to as stockholders) have no long-term interest in the welfare of the company. This seems a specious argument at best, since it assumes that owners always think of a profit in the short run.

Mention was made above of the fact that conglomerate merger activity often results in the domination of a vast number of industries by an increasingly limited number of firms which may adversely affect the efficient operation of these industries, because of the fact that it enables firms to obscure relevant information regarding the presence of substantial profits from firms not already in the industry. An example of this might be seen in the production of a product like refrigerators.

An independent producer of electrical equipment not in the industry would have considerable difficulty in determining whether or not not that industry is one which is or is likely to be profitable. Almost all of the output of the industry is produced by large conglomerate firms, no one of which is *primarily* or *solely* engaged in the production of refrigerators. Past experience suggests that both the sales and profits from this line of activity may be obscured under some general classification like "consumer products" or "electrical equipment," or for that matter, as part of the total sales and profits of the entire corporation.

DATA THROUGH "SPYING"

Unless a potential entrant into the industry has some reason to believe that substantial profits are to be made in the production of refrigerators and then goes to the trouble of engaging in some form of industrial espionage, he is unlikely to be able to determine the extent of the industry's profitability.

In this way, therefore, conglomerate merger activity results in increased diversification and in a substantial increase in "information loss." These combine to obscure profits and the profit opportunities available in these industries. If the rate of return is high and this information were known to potential entrants, entry would occur, supply would increase, and, assuming no change in demand conditions, prices would decline. On the other hand, however, if information regarding the profitability is not available, it becomes virtually impossible for potential entrants to determine the extent of profitability of such activities.

The general lack of information with respect to the profitability of the divisions of these nine companies is best seen by reference to some of the material contained in the recent *Report*. These data show, for example, that 22 per cent of the divisions for which profit data were supplied to the FTC showed losses in 1969. At the other extreme, 21 per cent of the divisions showed profits after taxes of 20 per cent or more on assets, while an additional 27 per cent earned a rate of return of between 10 per cent and 20 per cent. These detailed facts are unavailable to other owners or potential entrants, if they depend upon data now supplied stockholders and others by large American corporations.

In his press conference, H. Michael Mann, Director of the Bureau of Economics, suggested that the effect of conglomerate mergers on competition may be largely neutral. As an author of that *Report*, I find nothing to support that position. What the *Report* does show is that none of the *traditional* arguments in favor of or against conglomerate mergers seems to be borne out by the information collected and presented in that *Report*. Synergism does not appear to be a significant fact of life for the acquisition made by these nine large corporations. Nor is it possible to substantiate any other arguments usually made in favor of conglomerate mergers.

The *Report* showed as a practical matter that the acquiring firms make little or no significant changes in the operation of the firms which they acquired. The only activities which seem to have been consolidated following acquisition involved accounting and auditing procedures, benefit and charitable contributions, and activities related to the provision of the normal business flow of funds into and out of banks. All these are rather simple, straightforward, and uncomplicated.

At the other extreme, however, it is apparent that the corporations did little if anything on the average to consolidate or centralize research and development activities, product promotion and advertising, or purchasing.

If indeed there is some mystical synergistic effect, this *Report* was unable to discern it. Of the sixty four divisions for which preacquisition and post-acquisition profit information were available, the data show that firm postacquisition profits declined in 58 per cent of the cases, and increased in only 42 per cent.

INDUSTRY TOEHOLD

Some traditional arguments against conglomerate mergers were also impossible to appraise. Many have suggested that large diversified companies buy smaller corporations and thereby obtain a "toehold" in the industry which they then later expand to achieve a significant market position. This allegation cannot be supported from the information contained in the *Report* since, on the average, the postacquisition market shares tended to be smaller than those possessed by the acquired firm.

Others have suggested that improved opportunities for reciprocity are a result of conglomerate mergers. It is obvious, of course, that the more diversified a corporation is, the greater may be its reciprocity leverage. The information obtained for this *Report* does not indicate, however, that this is a problem peculiar to mergers nor does it indicate that this was a widely employed tactic by these firms.

In summary, it seems therefore, that the major impact of conglomerate merger activity is in the area of reducing the efficiency of markets through a limitation upon possible entry situations. Lack of knowledge in this area must inevitably lead to a reduction in the quality of performance in any market.

LOOKING AHEAD

What of the future of conglomerate merger activity?

It is perfectly clear that if merger activity is to take place in the future that the bulk of it must be of a conglomerate nature. The procedures of the two antitrust agencies clearly limit the extent to which large firms may engage in other horizontal or vertical mergers. One important way of offsetting this "information loss" would be to require firms to report on a product-line basis. This would enable corporate owners and others (potential entrants) to determine and to appraise the relative efficiency of a corporation's present management in its various activities.

Short of such a change in the corporate reporting procedures, it is clear that conglomerate merger activities will continue as a primary source of corporate growth of many already large American corporations. If this movement is left unhampered in any way, it is possible that we may achieve what writers at the turn of the century referred to as "gentlemen's agreement" with respect to the relative areas of domination of a few large firms in their various activities.

Mutual accommodation may become the accepted way of life. If this happens, competition in any meaningful sense will wither and die and so will our economic system, at least as we know it. To say that the competitive effect of conglomerate mergers is neutral is an exhibition of a gross misunderstanding of the phenomena.

NOTICE OF HEARINGS ON OMNIBUS DISTRICT COURT JUDGESHIPS

Mr. BURDICK. Mr. President, I wish to announce that a continuation of open public hearings has been scheduled before the Subcommittee on Improvements in Judicial Machinery relating to the recommendations made by the Judicial Conference of the United States (S. 597) that an additional 51 judgeships be created in selected judicial districts in the United States.

The hearings will be held in room 4202, Dirksen Office Building commencing at 10 a.m. on March 6 and 7, 1973.

On March 6, testimony will be received from the chief judges of the District of Oregon, the Western District of Washington and the Eastern District of New York.

On March 7, testimony will be received from the chief judges of the District of New Hampshire (S. 664), the Middle District of Pennsylvania (S. 253) and the Eastern District of North Carolina.

Communications relative to these hearings should be directed to the subcommittee staff, 6306 Dirksen Office Building, extension 5-3618.

ADDITIONAL STATEMENTS

OIL IMPORT QUOTAS

Mr. MUSKIE. Mr. President, it has now been 6 weeks since President Nixon temporarily suspended controls on imports of No. 2 heating oil in an attempt to ease the critical shortage of fuel throughout many parts of the Nation. It seems appropriate, therefore, to evaluate the results of the President's action, at least as they are evidenced in my own State of Maine, and to attempt to draw some conclusions from this experience:

First. Heating oil continues to be in short supply: The intention of the President's proclamation was, according to a statement released on January 17, to "insure an adequate supply of heating fuel for homes and businesses this winter." Yet, neither consumers nor oil dealers in Maine have received assurances that supplies of No. 2 oil will be increased for the balance of the heating season. Arbitrary monthly quotas imposed by the major oil companies on local dealers are still in effect and could easily result in major oil shortages in the coming weeks should temperatures remain below 1972 levels.

Second. There has been no concrete evidence offered by the major oil companies that they have increased supplies as a result of the President's relaxation of controls: At a meeting in Augusta, Maine, with officials of more than a dozen major oil companies on January 30, Gov. Kenneth M. Curtis asked for specific information as to who would be receiving renewed oil supplies under the new import authorization, when, and in what quantities. The response was neither complete nor adequate and can be summed up in the statement of one company representative that the situation "does not look insurmountable." This information is hardly helpful to those who must plan allocations for the rest of the winter.

Third. The independent terminal operators have not been able to purchase quantities of No. 2 oil overseas: The independents, on whom New Englanders depend not only for supply but also for price competition with the major companies, have found the temporary, 3-month relaxation of import controls to be of little use. Denied the opportunity to make year-long contracts with foreign suppliers, the independents either cannot purchase No. 2 oil at all or can do so only at uncompetitive prices.

Fourth. Price increases of more than 8 percent for home heating oil have been announced by the major oil companies: It is quite likely that these price increases are not directly related to January's revisions in the import program. Nonetheless, if import controls had been relaxed last fall and throughout the heating season, sufficient quantities of oil at lower prices would have been available to provide competitive pressures on the major oil companies.

Fifth. There are continued supply problems with other petroleum products, such as kerosene, which are not covered by the President's proclamation: Maine, as is the case with several other States, relies heavily upon kerosene—generally classified as No. 1 oil under the import program—for home heating purposes. Although the assumption at the time of the President's decision was that the relaxation of controls on No. 2 oil would relieve shortages of kerosene, there is no evidence in Maine that this has taken place. The Maine congressional delegation was able, however, to arrange emergency authority for overland kerosene imports from Canada to deal with spot shortages. This has been helpful, but clearly illustrates the aggravating problems associated with trying to work within the bureaucratic tangle of the import program. The arrangement also put Maine consumers in the position of having to accept kerosene at prices up to 30 percent higher than normal due to restrictions placed on the authorization.

Mr. President, the lessons of the last 6 weeks, in my judgment, lead to only one conclusion. Manipulation and frantic last-minute adjustments in a patchwork program of Government-administered oil imports is simply an inadequate solution, now and in the future, to the problem of assuring an adequate supply of heating oil for our homes and businesses.

Worse, the success of this system is dependent upon the cooperation of the domestic oil companies to produce heating oil and other products in sufficient quantities to meet demand. Frankly, Mr. President, I do not have confidence in the oil industry's willingness to carry out its side of the bargain—particularly after I read a report last Thursday that the Office of Emergency Preparedness was given assurances by the oil industry last fall that it would produce sufficient supplies to avoid shortages this winter.

The success of the import program is also dependent upon the willingness of a President and his administration—any administration—to make appropriate adjustments in the import program to meet changes in demand. Here, too, the record of 14 years and four administrations is one of a failure to respond to the needs of the consumer. Instead, we have had an annual import program, based largely on guesswork, designed to permit only enough supply to meet estimated demand without regard to price competition.

The solution is to abandon the oil import program.

That is why I was pleased to join yesterday with my distinguished colleague from New Hampshire, Senator THOMAS MCINTYRE, in sponsoring legislation to terminate the mandatory oil import quota system on June 30, 1973. I urge prompt action on this measure and hope that the House of Representatives will also take swift action on a companion bill introduced in that body.

The end of the oil import program will not be a sudden panacea for oil problems of the country or of my region. We must continue to explore means of increasing domestic production, improving and maintaining healthy price competition, developing alternative energy sources, and adopting a comprehensive national energy policy for the years ahead. But the starting point for all of these efforts must be to eliminate an ill-advised and poorly administered program of import controls which has only served to make our problems worse.

A MORE RELAXED PRESIDENT NIXON

Mr. SCOTT of Pennsylvania. Mr. President, in an extremely well-worded editorial, William Randolph Hearst, Jr., has described President Nixon as a man beset by "some of the grimmest responsibilities ever faced by a man in the White House." Hearst adds, however, that the President was armed with the "cozy knowledge" that he had the majority of the American people behind him. This gave him the courage to make the necessary decisions.

Mr. President, I ask unanimous consent that this fine editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A MORE RELAXED PRESIDENT NIXON

(By William Randolph Hearst, Jr.)

On stage, backstage and in the wings of the drama—the end of war and the triumphant return of our POWs—stands Richard M. Nixon who, for sure, has been the loneliest man in town over the past few years.

When, in the 1968 campaign, Nixon told the people any administration that couldn't end the war in Vietnam over a four-year period didn't deserve to be returned to power he was obviously sincere and had a plan to do just that—end the war.

Let's face it. He didn't miss by more than a few months and, in my opinion, if he hadn't been harassed by the "peace at any price," mob he might very well have hit his own schedule of things.

Of course, those of us who have been around the political scene for a while are aware that the President had a hidden weapon in the recent campaign. Its name was George McGovern who acted throughout the whole affair like someone trying to lose a bingo game. The most adept presidential politician the country has seen since F.D.R., Nixon fed all the necessary rope and left George swinging with the President polling one of the largest majorities in U.S. history.

Nixon then, very humanly, may have concluded if he didn't have the majority of Congress much on his side, and the dissidents in "intellectual" circles tended to react violently at the very mention of his name, he had a pretty fair ally in the majority of the American people.

Armed with that cozy knowledge, he went on, mostly alone, to assume some of the grimmest responsibilities ever faced by a man in the White House. Like Harry Truman before him he knew exactly where "the buck stopped" and, thankfully, acted accordingly.

It was pleasant to read about the President strolling through the capital streets the other night, taking his family to Trader Vic's for a quiet dinner out. Supercilious commentators immediately jumped on the incident as another Nixon ploy to once again "change his image."

Pretty petty picking, say I.

Here was a man, a husband and a father, who happens to be the most powerful individual in the world, just after having a fiercely awesome burden lifted from his shoulders and like any tired businessman simply wanting to share his relief with those closest to him. It's happened to all of us.

Of course the President feels warmer and more relaxed than he did a few months ago. But to accuse him of suddenly trying to reflect a new personality just for going out to a public restaurant for a change, can only come from those who think of him as an ogre because he likes professional football and makes phone calls to coaches.

What should we ask of a man, be he President or bricklayer? If he does what he told us he'd do and what we hoped he'd do, then American justice and sense of fair play demands we give him full credit for the deed. We should all give the President that.

Having said that, let's look at the Nixon domestic policy which is currently arousing the wolves. Sure, we can see a certain softness there but this department feels honestly it is due more to foreign preoccupations and necessities than to indifference. Not long ago, Barbara Tuchman, eminent historian and author (The Guns of August), suggested that the presidency was just too heavy for a single mind, and the responsibility should be divided as it is in many countries today. Maybe so, and it may be a subject for comment in this column sometime in the future.

But note this. Recently Sen. Vance Hartke (D.-Ind.) introduced a bill to assure disabled veterans of the full benefits previously awarded them by Congress, but reduced in the Nixon budget. A few days later, the President re-established those benefits summarily. Didn't he know about it? Had he reconsidered it? It doesn't matter. What counts is he reversed his own administration's recommendation to right an obvious error.

It occurs to me, too, that Nixon's tendency to ignore Congress too much is just a backlash of all the secret Vietnam negotiations imposed on him by Hanoi. He may have made a mistake in his refusal to deliver the State of the Union message to Congress, a refusal almost unprecedented in our history, but again, I'm inclined to blame it on the tensions of the peace talks more than some Nixonian desire for one-man rule. At any rate, it was a mistake on his part though I, for one, feel things will be reconciled between the executive and the legislative branches, or else there won't be much accomplished legislatively in the next four years.

Meanwhile, battered on the right for his visits to Peking and Moscow, battered on the left for his busing attitude, his Supreme Court nominations, etc., he has emerged a very impressive figure who holds great hope for America's future.

For the majority of us in the optimistic middle, I say—congratulations and thanks.

RULES OF THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

Mr. ERVIN. Mr. President, pursuant to section 133(b) of the Reorganization Act, I hereby report to the Senate for inclusion in the CONGRESSIONAL RECORD the rules adopted by the Senate Select Committee on Presidential Campaign Activities at its organizational meeting on Febrary 21, 1973. I ask unanimous consent that these rules be printed in the body of the RECORD in compliance with the statute cited above.

There being no objection, the rules were ordered printed in the RECORD, as follows:

1. Preliminary investigations may be initiated by the committee staff with the approval of the Chairman or at his direction.

2. Committee hearings or meetings shall be conducted by the Chairman or member designated by the Chairman.

3. The Chairman shall give each member written notice of the subject of and scope of any hearings 24 hours prior to the time such hearing is to begin within the District of Columbia; otherwise 48 hours prior thereto. No hearings shall then be held if any member objects unless upon the subsequent approval of the majority of the committee.

4. The Chairman shall have authority to call meetings of the committee which authority he may delegate to any other member. Members shall have at least 24 hours notice of any meeting of the committee within the District of Columbia; otherwise 48 hours prior thereto.

Should a majority of the members request the chairman in writing to call a meeting of the committee and should the Chairman fail to call such meeting within 10 days thereafter, such majority may call a meeting by filing a written notice with the Clerk who shall promptly notify each member of the committee in writing. If the Chairman is not present at any such meeting, and has not designated another member to conduct the meeting, the ranking majority member present shall preside.

5. A quorum for the transaction of committee business shall consist of a majority of the committee members. Unless otherwise specified in these rules, decisions of the committee shall be by a majority of votes cast. For the purpose of hearing witnesses, taking testimony, and receiving evidence, a quorum will consist of one Senator.

6. No person shall be allowed to be present during a hearing or meeting held in executive session except members and employees of the committee, the witness and his counsel, stenographers, or interpreters of the committee. Other persons whose presence is requested or consented to by the majority of the members of the committee present may be admitted to such sessions.

7. It shall be the duty of the clerk and staff director to keep or cause to be kept a record of all committee proceedings, including the record of votes on any matter on which a record vote is taken and of all quorum calls together with all motions, points of order, parliamentary inquiries, rulings of the chair and appeals therefrom. The record shall show those members present at each meeting. Such record shall be available

to any member of the committee upon request.

8. A vote by any member of the committee with respect to any measure or matter being considered by the committee may be cast by proxy providing the proxy authorization is in writing to the chairman, designating the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments pertaining thereto. Proxies shall not be considered for the establishment of a quorum.

9. Subpenas for attendance of witnesses and the production of memoranda, documents, and records may be issued by the chairman or any other member designated by him, and may be served by any person designated by such chairman or member.

10. Each subpena shall contain a statement of the Senate resolution authorizing the investigation with respect to which the witness is summoned to testify or to produce papers.

11. Witnesses shall be subpenaed at a reasonably sufficient time in advance of any hearing in order to give the witness an opportunity to prepare for the hearing, employ counsel should he so desire, and/or produce documents, books, record, memoranda, and papers called for by a subpena *duces tecum*. The committee shall determine, in each particular instance what period of time constitutes reasonable notice, however in no case shall it be less than 24 hours.

12. Except when publication is authorized by the chairman, no member of the committee or staff shall make public the name of any witness subpenaed before the committee or release any information to the public relating to a witness under subpena or the issuance of a subpena prior to the time and date set for his appearance.

13. All witnesses appearing before the committee, pursuant to subpena, shall be furnished a printed copy of the rules of procedure of the committee.

14. All witnesses at public or executive investigative hearings shall give all testimony under oath or affirmation which shall be administered by the chairman or a member of the committee.

15. No witness shall be compelled to testify under oath or affirmation at any committee hearing unless a quorum of the committee is present to receive such testimony. For the purpose of hearing witnesses, taking testimony, and receiving evidence, a quorum will consist of one Senator.

16. The time and order of interrogation of witnesses appearing before the committee shall be controlled by the chairman. Interrogation of witnesses at committee hearings shall be conducted by committee members and authorized committee staff personnel only.

17. Any objection raised by a witness or his counsel to procedures or to the admissibility of testimony and evidence shall be ruled upon by the chairman or presiding member and such rulings shall be the rulings of the committee, unless a disagreement thereon is expressed by a majority of the committee present. In the case of a tie, the rule of the chair will prevail.

18. Any witness desiring to make a prepared or written statement for the record of the proceedings shall file a copy of such statement with the counsel of the committee 24 hours in advance of the hearings at which the statement is to be presented, unless the chairman waives the requirement. All such statements or portions thereof so received which are relevant and germane to the subject of investigation may, at the conclusion of the testimony of the witness and with the approval of a majority of the committee members be inserted in the official transcript of the proceedings.

19. A witness may make a statement, which shall be brief and relevant to the subject matter of his examination, at the beginning and conclusion of his testimony. Each such statement shall not exceed three minutes unless an extension of time is authorized by the chairman. However, statements which take the form of personal attacks by the witness upon the motives of the committee, the personal character of any members of the Congress or of the committee staff, and intemperate statements, are not deemed to be relevant or germane, shall not be made, and may be stricken from the record of the proceedings.

20. All witnesses at public or executive hearings shall have the right to be accompanied by counsel. Any witness who desires counsel but who is unable to secure counsel may inform the committee at least 24 hours in advance of his appearance of his inability to retain counsel and the committee will endeavor to secure voluntary counsel for the witness. However, failure to secure counsel will not excuse the witness from appearing.

21. Counsel retained by any witness and accompanying such witness shall be permitted to be present during the testimony of such witness at any public or executive hearing. The sole and exclusive prerogative of the counsel shall be to advise such witness while he is testifying of his legal rights and constitutional rights. Provided, however, that any Government officer or employee being interrogated by the staff or testifying before the committee and electing to have his personal counsel present shall not be permitted to select such counsel from the employees or officers of any government agency.

22. A witness shall not be excused from testifying in the event his counsel is not present or is ejected for contumacy or disorderly conduct; nor shall counsel for the witness coach the witness, answer for the witness, or put words in the witness' mouth. The failure of any witness to secure counsel shall not excuse such witness from attendance in response to subpena.

23. At the conclusion of the interrogation of his client, counsel shall be permitted to make such reasonable and pertinent requests upon the committee, including the testimony of other witnesses or presentation of other evidence, as he shall deem necessary to protect his client's rights. These requests shall be ruled upon by the committee members present.

24. Counsel for witnesses shall conduct himself in a professional, ethical, and proper manner. His failure to do so shall, upon a finding to that effect by a majority of the committee members present, subject such counsel to disciplinary action which may include warning, censure, removal of counsel from the hearing room, or a recommendation of contempt proceedings.

25. There shall be no direct or cross-examination by counsel appearing for a witness. However, the counsel may submit in writing any questions he wishes propounded to his client or to any other witness. With the consent of the majority of the members present, such question or questions shall be put to the witness by the chairman, by another member or by counsel of the committee either in the original form or in modified language. The decision of the committee as to the admissibility of questions submitted by counsel for a witness, as well as their form, shall be final.

26. Any person who is the subject of an investigation in public hearings may submit to the chairman questions in writing for the cross-examination of the witnesses. Their formulation and admissibility shall be decided by the committee in accordance with rule 25.

27. Any person whose name is mentioned or who is specifically identified, and who believes that testimony or other evidence presented at a public hearing, or comment made by the committee member or counsel, tends to defame him or otherwise adversely affect his reputation, may (a) request to appear personally before the committee to testify on his own behalf, or, in the alternative; (b) file a sworn statement of facts relevant to the testimony, or other evidence or comment complained of. Such request and such statement shall be submitted to the committee for its consideration and action.

28. No testimony taken or material presented in an executive session, or any summary or excerpt thereof shall be made available to other than the committee members and committee staff and no such material or testimony shall be made public or presented at a public hearing, either in whole or in part, unless authorized by a majority of the committee members or as otherwise provided for in these rules.

29. No evidence or testimony, or any summary or excerpt thereof given in executive session which the committee determines may tend to defame, degrade, or incriminate any person shall be released, or presented at a public hearing unless such person shall have been afforded the opportunity to testify or file a statement in rebuttal, and any pertinent evidence or testimony given by such person, or on his behalf, is made a part of the transcript, summary, or excerpt prior to the public release of such portion of the testimony.

30. A complete and accurate stenographic record shall be made of all testimony at all public and executive committee hearings.

31. A witness shall, upon request, be given a reasonable opportunity before any transcript is made public to inspect in the office of the committee the transcript of his testimony to determine whether it was correctly transcribed and may be accompanied by his counsel during such inspection. If the witness so desires, the committee will furnish him a copy of his testimony, at no expense to the witness.

32. Any corrections in the transcription of the testimony of the witness which the witness desires to make shall be submitted in writing to the committee within 5 days of the taking of his testimony. However, changes shall only be made for the purpose of making minor grammatical corrections and editing, and not for the purpose of changing the substance of the testimony. Any questions arising with respect to such editing shall be decided by the chairman.

33. A copy of the testimony given in public session or that part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session shall be made available to any witness at his expense, if he so requests. Any witness shall be given a reasonable opportunity to inspect any such public testimony in the committee office.

34. Whenever the chairman so permits, any committee hearing that is open to the public may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography or by any other media coverage, provided that such coverage is orderly and unobtrusive.

35. The coverage of any hearing of the committee by television, radio, or still photography shall be under the direct supervision of the chairman, who may for good cause terminate such media coverage in whole or in part, or take such other action as the circumstances may warrant.

36. A witness may request, on grounds of distraction, harassment, or physical discomfort, that during his testimony, television, motion picture, and other cameras and lights shall not be directed at him, such requests to be ruled on by the committee members present at the hearing.

37. No witness served a subpena by the committee shall be required against his will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. So far as is practicable, a witness desiring to

make such a request shall so inform the chief counsel of the committee at least 24 hours prior to the time that witness is scheduled to testify.

38. No recommendation that a witness be cited for contempt of Congress shall be forwarded to the Senate unless and until the committee has, upon notice to all its members, met and considered the alleged contempt and by a majority of the committee voted that such recommendation be made.

39. All staff members shall be confirmed by a majority of the committee. After confirmation, the chairman shall certify staff appointments to the financial clerk of the Senate, in writing.

40. The minority shall select for appointment to the committee staff a chief counsel for the minority who shall, upon being confirmed, work under their supervision and direction; who shall be kept fully informed as to investigations and hearings, have access to all material in the files of the committee, and, when not otherwise engaged, shall do other committee work.

41. The chairman shall have the authority to utilize the services, information, facilities, and personnel of the departments and establishments of the government, and to procure the temporary or intermittent services of experts or consultants or organizations thereof to make studies or assist or advise the committee with respect to any matter under investigation.

42. Except as otherwise provided by the committee, the duties and responsibilities of permanent and special staff members shall be performed, and staff personnel affairs and day-to-day operations shall be administered, under the direct supervision and control of the staff director, who shall be responsible for providing timely effective, and economical staff services to the committee.

43. These rules may be modified, amended, or repealed by a decision of the committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the respective action.

THE NEED FOR RAILROAD REFORM

Mr. RIBICOFF. Mr. President. It was not too long ago that the railroad dominated American economic life. The companies and their executives symbolized power and efficiency. Today's railroads symbolize the opposite—poor management, inefficiency, and a general lack of concern from the public.

I am pleased to join with Senator HARTKE as a cosponsor of the Essential Rail Services Act as a first step toward reversing this deteriorating trend. Under our proposal, a Northeast Rail Line Corporation would be established to purchase important railroad tracks and roadbeds in the Northeast. By relieving the railroads of this costly burden, we will place them on a more competitive basis with the trucking industry which has had use of public roads for years.

We presently have the technology to build extremely fast passenger and freight trains, but very few miles of track able to handle them. It will be a major task of the new corporation to upgrade the track to accommodate the rail service Europeans have had for years and Americans have a right to expect.

In my own State of Connecticut, train trips to New York City and back used to be relaxed and enjoyable affairs. Now you are lucky to even get a train. On the routes that remain, the trains are often late and the cars overcrowded with no heat in the winter and no air conditioning in the summer.

As bad as driving is in the New York metropolitan area, given the conditions of the trains, it is no surprise that millions of commuters take to the highways. This is of course a nationwide problem, but it is particularly acute in our northeastern States where dependable rail passenger service no longer exists.

The success of Amtrak's Metroliner between New York and Washington is proof that rail travel can still be a viable method of transportation. If offered reliable, economical, and relatively swift train service, the public has shown it will patronize it willingly. There is no reason why all of our urban areas cannot have similar service.

Before we can achieve that goal, we are first going to have to make some basic changes in our present public and private railroad policies.

First, we must realize that efficient rail passenger service is expensive and that if we really want it we will have to pay for it.

Second, the old concept of railroad ownership and management has failed and must be replaced with modern systems to meet today's needs.

Third, the present Federal regulatory apparatus, in particular the Interstate Commerce Commission, has failed to respond effectively to today's challenges and serious consideration should be given to abolishing it.

These suggestions may sound drastic, but I believe they are necessary. Amtrak, for example, is an excellent concept. But instead of actually running an independent rail passenger network. Amtrak is relying on the very railroads that failed to provide adequate service and made Amtrak necessary in the first place. If Amtrak is to succeed, it should rid itself of these subcontractors and run the entire system on its own.

The recently released staff report on the northeastern railroad crisis prepared for the Senate Commerce Committee fully documents the need for major changes in our present railroad structure. This country simply cannot afford to allow its passenger and freight train service to deteriorate. Yet under the old system of private management and Government regulation, the Nation's largest railroad was allowed to collapse and go into bankruptcy.

In a tragic way, the collapse of the Penn Central is a blessing in disguise. For years commuters in the northeast have known that the railroads were not doing their job efficiently or effectively. The shock of the Penn Central has, however, alerted the rest of the Nation to the need to review and revamp our entire rail transportation system. If Congress acts positively and promptly, America can once again have rail service it can be proud of.

SALOMON—DEVOTED ST. LOUISAN

Mr. SYMINGTON. Mr. President, in all probability, the private citizen of Missouri that Washington, D.C. knows best today is Sidney Salomon, Jr., of St. Louis.

Part of that is due to the latter's outstanding record in the Army Air Force during World War II, part also to his constructive efforts as assistant to Postmaster General Robert E. Hannegan and long and good and close friendship with the greatest of all Missourians, the late President Harry S Truman.

In the main, however, this recognition and admiration of Sid Salomon is because over the past quarter of a century his name has become synonymous with many efforts looking toward good government; that is, what would be best for his State and his country.

A recent editorial in the St. Louis Globe-Democrat, "Salomon—Devoted St. Louisan," gives further proof of the value of this outstanding American citizen to his own community. I ask unanimous consent that this editorial be included at the end of these remarks.

I also ask unanimous consent that an editorial on KMOX radio, St. Louis, entitled "Sidney Salomon's Leadership" be inserted at this point in the RECORD.

I also ask unanimous consent that an editorial from the St. Louis Review, "The Blues Score Again" be inserted at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Globe-Democrat, Feb. 21. 1973]

SALOMON—DEVOTED ST. LOUISAN

Sidney Salomon Jr.'s decision on a proposed new downtown sports arena just south of Busch Stadium is another illustration of his great devotion to St. Louis and its people.

This newspaper has known Sid Salomon throughout his remarkable career and has seen at first-hand the many things that he has done to make St. Louis a better and more attractive city. It therefore put no credence in rumors that Salomon, president of the St. Louis Blues, might consider taking the hockey team out of the city.

Salomon has always been a prodigious worker for every cause he undertook. We remember him as the human dynamo who, as chairman of the Democratic fund-raising committee for the U.S. Senate and House candidates in 1954 and 1956, broke all records. He always has shown this same dedication in working for the city.

Hockey is the great sport it is in St. Louis today because Salomon had the vision and the energy to take a rundown property and turn it into a truly beautiful sports arena, and at the same time develop fanatical support for the St. Louis Blues.

It was completely in character for Salomon therefore to think in terms of helping the city he loves so much when considering a future location for the Blues.

Like virtually all of his decisions, we believe that he has made another great one in considering the location south of Busch Stadium. This is an ideal location and has both the land and the parking areas to support the proposed new $20 million arena.

The new Blues arena would complement Busch Stadium and give the city one of the best sports complexes in the country.

[Editorial of St. Louis (Mo.) Radio KMOX, Feb. 20, 1973]

What kind of a man does it take to keep an urban area thriving? What kind of leadership, what kind of courage, what kind of vision are required?

You could describe such a man in a hundred or even a thousand words. But for our part, we need only three: Sidney Salomon, Jr.

Yesterday a single incident dramatically illustrated the measure of the man who is president of the St. Louis Hockey Blues and it made us again know how fortunate we are to have such a leader here in St. Louis.

Mr. Salomon, like the rest of us, has been studying the proposal for a sports complex in St. Louis County. Senator Maurice Schechter of the county has proposed a bill for such a sports facility. The Senator asked Mr. Salomon about his future plans for the Blues—whether they will remain at their present location at the Arena.

Sidney Salomon's answer should make all of St. Louis proud of him. He told the Senator his club was prepared to stay at the Arena for many years, but would consider a move. And while he is still open-minded as far as the county is concerned, he hoped he could take part in efforts to build a modern sports complex in the downtown area, preferably at a site just south of Busch Stadium. He termed downtown St. Louis the "center of the St. Louis area" and mentioned that many East Side sports fans would be better served by a downtown location.

In Mr. Salomon's words "I personally would take a great deal of pride if in some small way my efforts in having a modern sports complex built in downtown St. Louis would assist those people working so hard to revive St. Louis and make it a progressive city.

Mr. Salomon considers his greatest achievements in life are "making the impossible possible." Perhaps the impossible can be accomplished again.

KMOX Radio salutes Sidney Salomon, Jr., his son Sid, III, and the Blues organization for this statesman-like stand. The president of the Blues has again shown he is a man big enough to think in area-wide terms—a man big enough to contribute in full measure to the entire metropolitan area.

THE BLUES SCORE AGAIN

It used to be that the businessman was personified as Ebenezer Scrooge, with a cash register for a heart. Only two wars ago, a mighty American could openly declare, "What's good for General Motors is good for the country." But the times are changing.

A recent Gallagher's Report shows that large numbers of businesses are setting up formal offices of corporate responsibility within their organizational structures. Their purpose is to examine all of the human considerations involving the company, its policies, its location, its product and the like. No one would claim that businessmen have suddenly decided to be in the business of world-saving. Primary corporate responsibility is still seen in terms of obligations to investors to make profits and to consumers to produce goods or products that are acceptable. Nevertheless, corporations are realizing more clearly their social role as the repository of much of the country's power and riches. Christians aware of the social encyclicals of the last century can only applaud this enlightened view of corporate responsibility.

Several St. Louis events of the past few months show such community concern. The announcement of the Mercantile Center, the new Boatmen's Bank, the intown Suburbia and south Mill Creek programs as well as the near South Side redevelopment all show the participation of business in needed social improvement.

So too, in a special way, does the announcement of Sidney Salomon Jr. that the Blues, should they move from the Arena, prefer a site in downtown St. Louis. The ownership of the Blues has shown itself quite capable not only as sportsmen, but as businessmen, and we are sure that its decision is made in the best interests of the club. Nevertheless it is worth noting that Mr. Salomon declared that he was also trying, in his "small way" to cooperate with the other people trying to make decisions with the best interests of the whole community in mind. As Dan Kelly would put it, "He scores!"—Father Edward J. O'Donnell

1973 INTERNATIONAL PANCAKE DAY RACE

Mr. DOLE. Mr. President, the International Pancake Day Race is one of the outstanding events to foster friendly interest between the people of the United States and our British neighbors across the Atlantic. Having its roots in ancient English tradition, the race between housewives of Olney, England and Liberal, Kans., has been held each year since 1950 and receives worldwide notice.

This year the 24th race and its related festivities will take place on March 6. The Kansas House of Representatives has adopted a resolution commemorating the occasion, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE RESOLUTION No. 1018

(A Resolution congratulating and commending the city of Liberal, Kansas, and citizens of Olney, England, on observance of the Traditional Pancake Day, urging members of the Legislature and public officials and employees of Kansas to attend the 24th annual observance of this International Pancake Day Race on March 6, 1973, and recommending that the annual event be continued.)

Whereas, The 24th Annual International Pancake Day Race will be held at Liberal, Kansas, on March 6, 1973; and

Whereas, This race has served a great purpose in promoting good will between the people of England and the State of Kansas and the United States; and

Whereas, This International Pancake Day Race between the housewives of Olney, England, and the housewives of Liberal, was originated and sponsored by the Liberal Junior Chamber of Commerce, beginning in 1950, has been held annually since, receives world wide publicity, promotes better understanding between the people of this country and other countries and has cemented friendships which have existed for years; and

Whereas, It is fitting that this Legislature should congratulate and commend the City of Liberal, and in particular, the various Junior Chambers of Commerce which worked so diligently to promote, sponsor and assure the annual success of this fine event, and further recommend that this International Pancake Day be continued as an annual affair: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas: That the Chief Clerk of the House of Representatives be directed to send enrolled copies of this resolution to:

The Honorable Richard M. Nixon, President of the United States, Washington, D.C.

Her Majesty, Queen Elizabeth, British Empire, London, England

Members of the Kansas Congressional Delegation in Washington, D.C.

Honorable Robert B. Docking, Governor of Kansas

Honorable Merle Staats, Mayor, Liberal, Kansas

Canon Ronald B. Collins, Vicar of Olney, Bucks, England

Mr. Farris Bruce, President, Chamber of Commerce, Liberal, Kansas and to

Mr. Kenneth Pittman, President, Junior Chamber of Commerce, Liberal, Kansas.

JERRY WURF TESTIFIES ON BUDGET CUTS

Mr. MUSKIE. Mr. President, this morning the Subcommittee on Intergovernmental Relations heard excellent testimony on the impact of the President's budget from Jerry Wurf, international president of the 600,000-member American Federation of State, County, and Municipal Employees.

Mr. Wurf defined the basic questions we all must ask as we examine this budget: "The questions for Government are which services have priority? Who pays and how much? Which level of Government provides the service? Who sets the standards? How do we fulfill the obligation of Government to provide for the general welfare?" And he pointed out the results of a recent survey commissioned by his union which concluded that "a significantly larger percentage of Americans felt the most important way to keep the tax burden on the average taxpayer is to have corporations and wealthy persons pay a larger share rather than slow down Government spending."

I especially call attention to a public opinion analysis attached to Mr. Wurf's testimony which puts in perspective the President's assumption that the public is fed up with all Federal domestic programs. It is clear that a majority of Americans recognize a very positive Federal responsibility in dealing with very real problems.

Mr. President, I urge my colleagues to read Mr. Wurf's statement, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF JERRY WURF, INTERNATIONAL PRESIDENT, AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES BEFORE THE SUBCOMMITTEE ON INTERGOVERNMENT RELATIONS, SENATE COMMITTEE ON GOVERNMENT OPERATIONS, FEBRUARY 28, 1973

Mr. Chairman, I welcome this opportunity to appear this morning as the Subcommittee on Intergovernmental Relations continues its hearings on the impact of the President's 1974 Budget on State and local governments.

The Union I represent has 600,000 members who work for State and local government bodies, as well as non-profit agencies and institutions. The membership of the Union includes the employees of all kinds of health care institutions, from aides and orderlies to physicians. We have law enforcement personnel and sanitation men, welfare workers and road maintenance crews, librarians and food service workers, engineers and recreation department employees, architects and toll takers and zookeepers—all of the people who perform the public services for State and local government.

We appear before you this morning to present in behalf of these people our views on the critical questions facing our system of federalism today.

The questions are not those of whether government should provide for needed services, for that mandate is clearly established.

The questions facing the Congress are not those of saving cities or developing rural areas . . . nor of aiding one group of people more than another . . . nor of helping the poor as opposed to the non-poor—although these are related matters.

The questions you are grappling with are those of providing for the people who elect you and pay the bill. These include the basic human services for which government in the United States assumes responsibility—ensuring public safety, caring for the ill and the aged and the weak, educating the young and the illiterate and the unskilled . . . .

As Walter Heller testified before this Subcommittee last week, the public is not against government spending. We will add testimony to that fact later in my statement.

The questions for government are which

services have priority? Who pays and how much? Which level of government provides the service? Who sets the standards? How do we fulfill the obligation of government to provide for the general welfare?

The responsibility of government to the people of this nation is clear. The issue today is how government meets this responsibility.

Whatever a person's needs in the way of public services, he probably has a grievance. The people reasonably want:

Simplified tax procedures and shorter waits for car license plates . . .

Better transportation and cleaner air . . .

Faster ambulance response and lower hospital costs . . .

Better street lighting and an efficient judicial system . . .

Decent neighborhood schools and meaningful adults education . . .

And safe places for the elderly to live.

The sad truth is that our basic public institutions are inadequate for their patients, inmates, clients and students.

This is true of our prisons, our schools, our hospitals, our buses and subways. Our public services simply do not meaure up to reasonable standards.

We had great beginnings in the 1960's to deal with these matters. Some say those efforts were utopian and did not fulfill their promise. But, those initiatives of the 1960's were legitimate, visible, and concrete actions by the people's government to serve the people's needs. The programs illustrated responsiveness and demonstrated concern.

War caused inflation, more than bureaucracy was responsible for many of the shortcomings. The war seems to be over and done, and we can turn to the needs of people at home.

The welcome achievement of peace and substantive initiatives toward a program of world wide detentes poses for government questions focusing on the people problems at home. The President, in his Budget messages, has opened a debate which may take on historic proportions. Seldom in our history has the Executive Branch so challenged the Congressional authority.

The President's challenge raises three fundamental questions:

First, Which branch of government determines national priorities? The President has challenged the ability of Congress to exercise its constitutional fiscal and legislative powers.

Second, Who is to pay? How do we most fairly levy taxes and how are those assessments most reasonably applied at each level of government? The Congress is challenged to review the imbalance of the revenue code. In essence, the archaic structure of the nation's fiscal systems puts the heaviest burden on those least able to pay and the lightest burden on those most able to pay.

Third, What level of government is best suited to determine the standards for public services? Who is to manage the programs? Will federally-funded programs require equal protection? Will they be measured by fair national standards? Will they provide for accountability to the people?

The President seems neither prepared nor willing to negotiate with the Congress on these fundamental questions. He claims a mandate. He ignores the Congress. The President represents the authority of the Executive Branch of government. Congress is and must remain the Legislative Branch.

The President claims the people want less spending for domestic programs. He has said, and I quote "Bigger government is the wrong way to meet our Nation's needs." The President's premise must be challenged.

I would like to submit for your Record a memorandum prepared for our Union by Mr. Albert H. Cantril, a recognized expert and authority in interpreting public opinion. Mr. Cantril has been consultant to the Bureau of the Budget and to the National Academy of Science.

Mr. Cantril's conclusions with regard to the public's views on federal expenditures hold one of the keys to how the Congress can effectively interpret and counter the President's budget strategy. Mr. Cantril's findings are based on recent polling data, some as recent as last month.

The Cantril study points out that in the 1972 Presidential campaign, when the voters rejected the Democratic nominee, they rejected a man not a program. There is clearly no "program" mandate for the winning Presidential candidate.

Secondly, the data shows the public's ambivalence on the proper role of the Federal Government. It is against federal spending described as "welfare" or "paternalism." However, over half of the public favored *increased* federal spending with respect to:

	Percent
Crime	77
Elderly-Social Security	74
Drugs and Drug Addicts	74
Clean Up Waterways-Water Pollution	64
Education of Low-Income Children	62
Reduce Air Pollution	61
Make College Education Possible For Young People Who Could Not Otherwise Afford It	54
Medicaid to Help Low-Income Families Pay Their Medical Bills	52
Programs to Rebuild Rundown Sections of Our Cities	51

Equally interesting are the responses to a question used to elicit views with regard to the most desirable way to redress tax burdens.

A significantly higher percentage of Americans felt the most important way to keep down the tax burden on the average tax payer is to have corporations and wealthy persons pay a larger share rather than slow down government spending.

There are several broad strategies the Congress can undertake to reassert its constitutional prerogatives.

When the President identified programs he supports for increased budget spending, he picked four of the top programs on the list—drugs, crime, health, and pollution. I do not fault the President on the selection of these domestic priorities. However, while funding slight increases in these programs he has made drastic cuts in virtually all other areas.

The Congress must not permit the debate to polarize around the simplistic question of cuts in federal spending versus a tax increase. The Congress must illustrate in specific human terms the real impact and the human costs of the Administrator's budget. Then, public understanding can be effectively focused and the people mobilized.

Mr. Chairman, your exchange with Office of Management and Budget Director Ash over the closing of the mental health clinic in Maine is the kind of illustration that is required. When specific projects are placed in human terms, no President and no Director of the Office of Management and Budget can adequately justify the cutbacks with slogans or cliches.

The debate must be joined around those programs where the public is willing to support increased federal expenditures. It is futile to debate about programs which clash head-on with the rhetoric of the "work ethic." The battle cannot be won with slogans of "save the cities," "war on poverty" and "welfare reform" but we can win the battle for the programs which are the substance of these slogans.

If we are to fund critical OEO programs, let it be to preserve health care and child centers, not to have a piece of rhetoric called the "poverty program."

How can the Congress respond to the President's challenge?

1. Congress must establish its right to direct program appropriations and set funding levels without impoundment, as well as the right to approve any reallocation of appropriated funds.

I urge support for Senator Ervin's bill prohibiting the impounding of funds unless the proposal has been submitted to and ratified by the Congress. The failure of the President to comply with such a law could provide a basis for clarifying the constitutional authority.

2. The taxing power of Congress, removed as it is from presidential fiat, should be used to direct public policy through tax credits, tax incentives, revision of tax rates, and the establishment of financing mechanisms for new health and income security programs. This is Congress' responsibility. This power, coupled with effective tax reform, can be used to establish national priorities. The President has the right to veto. That is power enough.

3. The general revenue sharing law already enacted can be used to provide the incentives to reduce the inequities of individual property taxes and stimulate the reform of State and local tax systems. We urge the Congress to base entitlements of State and local governments on their willingness to reform outmoded tax structures.

4. The Congress should accept the fact that programs aiding State and local governments can be consolidated and redirected—and this can be done in ways which will provide for the necessary protections and standards of performance.

As a matter of philosophy, our Union and the rest of the labor movement has traditionally favored federal aid provided within narrow federally-determined categories, and with federally-set standards. Last year, during the debate over general revenue sharing, our Union concluded that new aid was desperately needed and not possible under the specific grant-in-aid approach. Therefore, we supported general revenue sharing and devoted our efforts to ensuring adequate protections and standards within that legislation. We think the legislation that passed needs many improvements, but we are persuaded that it effectively satisfied many of the legitimate and critical financial needs that existed.

We suggest that efforts in this Congress to preserve categorical grant-in-aid programs on a piecemeal basis may fail. More aid in human resources programs is needed, and that need can be met in ways other than categorical grants. We urge that you explore these alternative means of delivering the money and sharply focus the issues on priorities and the level of spending—and not merely on preserving categorical grants. We believe that special revenue sharing and block grants can be acceptable alternatives. We are not tied to any one system of delivering aid. We believe that varying situations are deserving of varying responses.

The Congress can take leadership designing legislative packages that will focus public attention not on program titles or slogans, but on program priorities, standards, and funding levels. Here lie the issues of the 1970's.

5. The Congress can finance reordered national priorities within the parameters of the $12 billion deficit the President has proposed.

The President has claimed $14 billion in domestic program reductions or eliminations. Many of these programs deserve continued funding.

Additionally, we believe that the Congress should develop its own budget priorities to provide at least an additional $7 or $8 billion of appropriations for each of the next two fiscal years in key domestic areas.

These additional funds could come from both a reduction in specific military budget items, and through new revenues resulting from tax reform.

Specifically, I would assign the additional revenues in broad program categories of health care, education, housing, manpower and public service employment, environment, law enforcement and judicial and prison reform.

In summary, it is my belief that there is a critical need to adjust internal priorities generally within the limits of the President's proposed Budget deficit. The Congress is at a time of testing of its authority and must utilize all its power and ingenuity to achieve the restoration of its power to set national priorities and to establish a co-equal role in the budgetary and fiscal management of this nation.

I do not underestimate the difficulty of this struggle, but I am confident a majority of the American public support such efforts, and will respond if the choices are understandable in terms of human need and adequate community public services.

ALBERT H. CANTRIL,
February 15, 1973.

MEMORANDUM FOR JERRY WURF

Subject: Implications of the 1972 Elections

At your request I have reviewed available public opinion studies for clues as to the meaning of the 1972 elections. A number of major points stand out:

(1) The Presidential vote was a "negative landslide"—more a vote against George McGovern than for Richard Nixon. No one can argue that the President's inroads to bastions of Democratic strength were not impressive. He captured 36 percent of the Democratic vote—in absolute terms about ten million voters. He carried a majority among blue collar workers, nearly two-thirds of the self-proclaimed Independents and well over half of the Catholics.

Further, Mr. Nixon's winning coalition was more than a corralling of Governor Wallace's partisans. It has been suggested that adding the Governor's vote in 1968 (13.6 percent) to that for the President in 1968 (43.4 percent) yields the base of the 1972 Nixon margin. However, a Gallup Poll of mid-June (1972) belies this simplistic notion. It showed the President siphoning off only half of the Governor's support, the balance going either to the Senator or to the undecided column.

	With Wallace in (percent)	With Wallace out (percent)	Difference
Nixon	45	54	+9
McGovern	32	37	+5
Wallace	18		
Undecided	5	9	+4
Total	100	100	

Despite the size of the President's margin, the Democratic Party held its own at the state level. A net gain of eleven seats in the House. An increase to a fourteen-vote majority in the Senate, despite major GOP efforts to win control. A net gain of 11 governorships, yielding a 29–21 Democratic majority in the state houses. And 54 percent of the total congressional vote, compared to 51% in 1968.

In short, the President ran well ahead of his party. The Republicans carried 53.5 percent of the popular vote in the 33 Senate races. In those same states, the President carried 63 percent. In the 18 gubernatorial races, Republican candidates carried 49.7 percent of the total vote as against the President's showing of 63.4 percent in the same states.

A survey Charles Roll and I commissioned through the Gallup Organization in mid-October shows why so much ticket-splitting should have occurred. At the height of the campaign we found only 37 percent of the electorate supporting Nixon because they liked him. The remaining 25 percent of his supporters backed him largely because they did not want to see McGovern win.

This finding came out of a question asked of a national cross-section of registered voters. After the preference between the two candidates had been elicited, we asked: "Are you supporting the candidate you choose more because you especially like him and what he stands for, or more because you would hate to see the other man win?"

	Percent
Supported Nixon because:	
Liked him	37
Disliked McGovern	16
A little of both	9
Supported McGovern because:	
Liked him	18
Disliked Nixon	12
A little of both	8
	100

Thus for the most part Richard Nixon's "new American majority" was the creation of George McGovern. Anti-McGovern sentiment (amounting to a firm 16 percent with another nine percent less than enthusiastic about Nixon) was almost as great as the pro-McGovern sentiment. It was also greater than the anti-Nixon segment of the electorate (12 percent having a dislike for the President and another eight percent being qualified in their support).

(2) *The voters rejected McGovern, not all that he stood for.* Senator McGovern's problem was that he just did not appear "presidential" to the American people. In a poll conducted for *Newsweek* by the Gallup Organization in mid-August, a cross-section of the public was shown a list of words and phrases and asked to select those that best described each candidate. Consistently McGovern compared unfavorably. For example, the phrase "sticks to principles" was selected by 40 percent as describing Nixon and by only 17 percent as describing McGovern. Mr. Nixon had clearly been able to dispel much of the "tricky Dicky" legacy. The phrase "strong and forceful" drew 34 percent for Nixon and only 17 percent for McGovern. "Good judgment" was chosen by 30 percent as applying to the President and by only 11 percent as applying to Senator McGovern. On the negative side, the phrase "extremist" was pinned on McGovern by 20 percent as against only three percent for Nixon. Eighteen percent felt McGovern "makes snap decisions" in contrast to only nine percent for Nixon.

The bitterness of the irony was found in a survey conducted in late August showing that the President was perceived by the public as better able to handle even those focal issues McGovern tried to carve out for himself. For instance, in Miami Beach Senator McGovern had talked about "restoring government to the people." When it came to the problem of "making the government pay more attention to the problems of the working man and his family," we found 61 percent of the public expressed confidence in the President in comparison to only 43 percent for McGovern. The Senator also spoke of "coming home America from the entrenchment of special privilege." Again the Senator compared unfavorably: over half (52 percent) expressed confidence in Nixon on the matter of "keeping the big interests from having too much influence over the government" as against only 35 percent expressing confidence in McGovern.

The task of "reducing unemployment" was another on which McGovern lagged: 59 percent having confidence in Nixon and only 35 percent in the Senator. Even the issue that seemed to propel the McGovern campaign—Vietnam—worked to the President's advantage. Less than a third (29 percent) trusted McGovern when it came to "getting out of Vietnam honorably" as compared with 70 percent for Nixon.

However, despite Senator McGovern's non-presidential appearance to the voters, his defeat can in no way be construed as a defeat for many of the issues he pushed. That is, aside from issues like amnesty and busing, broad public support remains for many of the concerns McGovern articulated.

As early as May, my study for AFSCME picked up widespread agreement with the Senator's essentially populist appeal. We found 78 percent of the public agreeing that "the big special interests in this country have too much power and pretty much have their own way." Seventy-two percent agreed "too few of our nation's leaders understand what the average citizen would like to see done in this country."

And further, 60 percent agreed with the proposition that "there is not very much the average citizen can do to influence the way things are going in this country."

In my mid-October survey with Roll, four key issues were singled out on which the candidates were clearly divided. Without referring to the men by name, we juxtaposed the Nixon and McGovern positions and asked people which way they "leaned".

WAGE AND PRICE CONTROLS

	Percent
Wage and price controls have not worked because they are not tough enough on profits of corporations	57
Wage and price controls have begun to slow down the rising cost of living and are fair	29
No opinion	14
	100

TAXES

The most important way to keep down the taxes of the average taxpayer is to make large corporations and wealthy people assume a greater part of the tax burden	43
The most important way to keep down the taxes of the average taxpayer is to slow down spending for government programs	35
Both	14
No opinion	8
	100

TONE OF NATIONAL LIFE

Not enough attention is being paid to those things that are not working right in the U.S. today	42
There is too much talk about those things that are not working right in the U.S. today	47
No opinion	11
	100

DEFENSE SPENDING

We are spending more money on military defense programs than is necessary and we can cut back considerably on defense programs over the next few years without weakening our national security	39
Any further cuts in our defense spending would dangerously weaken our national security	48
No opinion	13
	100

On each of the four issues, support for Senator McGovern's view was significant.

(3) The public is ambivalent in its view of the proper place of the Federal Government. As the second Nixon term unfolds bold assumptions are being acted upon that the election returns indicate the American people are fed up with "paternalism", etc. "Ask not what government can do for you, ask what you can do for yourself. . . ."

On this range of issues, the public is clearly ambivalent. In a survey commissioned through the Gallup Organization just three weeks ago, two thirds (66 percent) of the public agreed with the statement: "We should hold the line of federal spending by cutting back on certain government programs—even those that many people think are important." In a similar vein, 79 percent agreed that "generally speaking, any able-bodied person who really wants to work in this country can find a job and earn a living."

The Nixon budget would appear on the surface to be in full keeping with these findings. But the same survey found three-fourths (74 percent) also agreeing with the statement: "The federal government has a responsibility to try to do away with poverty in this country."

Further evidence of the ambivalence of the public on the issue is found in the recent book *State of the Nation* by William Watts and Lloyd Free. In it they report the results of a national survey conducted by Gallup in June 1972. Among the questions asked was one dealing with the public's willingness to see federal spending increased, kept at the present level, reduced or ended in each of a number of program areas. Over half of the public favored *increased* federal spending with respect to:

	Percent favoring an increase in spending
Programs to combat crime	77
Federal programs to help elderly people, for example, by increasing the social security payments they receive	74
Coping with the problem of narcotic drugs and drug addicts	74
Programs to clean up our waterways and reduce water pollution	64
Federal programs to improve the education of children from low-income families	62
Improving medical and health care for Americans generally	62
Programs to reduce air pollution	61
Federal programs to make a college education possible for young people who could not otherwise afford it	54
The medicaid program to help low-income families pay their medical bills	52
Programs to rebuild rundown sections of our cities	51

The ambivalence indicated by these results suggests that an earlier finding of Lloyd Free in 1964 might still be valid. In a national survey just prior to the 1964 election, Free presented respondents with two batteries of questions. One battery presented respondents with a series of propositions couched in essentially ideological terms: "the federal government is interfering too much in state and local matters"; "we should rely more on individual initiative and ability and not so much on governmental welfare programs"; and the like. The other battery consisted of questions referring to specific federal programs: "a broad general program of federal aid to education"; "a compulsory medical insurance program covering hospital and nursing care for the elderly"; etc.

At the ideological level, the public was predominantly opposed to an extensive role for the federal government. But at the level of specific programs, however, the public was overwhelmingly supportive of a strong federal role. Thus Free concluded: "While the old argument about the 'welfare state' has long since been resolved at the operational level of government programs, it most definitely has not been resolved at the ideological level."

This suggests part of the reason for Mr. Nixon's successes in his first term. He has talked like a "conservative" but not followed through literally by cutting back massively on federal programs. Now in his second term his budget seems to be in line with his rhetoric. This may be his undoing with the American public.

If this ambivalent mood still persists among the people, the President could well find strong opposition. This opposition can be developed only, however, by systematic efforts to bring the meaning of the President's budget home to the public—and bring it home in rather specific terms.

It will be difficult to mount effective public opposition if the debate about national priorities and the budget stays on the ideological level. The President should thus not be allowed to polarize simplistically the issue: cuts in federal spending or a tax increase.

If, on the other hand, the real cost of the President's program in human terms is clearly demonstrated, public opposition could be more readily mobilized. Senator Muskie's recent confrontation with OMB Director Ash is illustrative. The Senator, recently returned from Maine, reported that a health clinic in his state was being summarily closed for want of federal funds. Ash was hard put to come up with a satisfactory answer when the cost in human terms was spelled out explicitly.

However, it is crucial that the critique be developed primarily about those issues for which the public would be willing to see an increase in federal spending. This means: problems of the elderly, crime, drugs, pollution, education and medical care. It does *not* mean "welfare" programs, massive public housing programs, and those other issues that confront the work ethic head on.

To put it another way: it would be difficult to mobilize a public outcry at the dismemberment of OEO; it would be possible to mobilize public concern about the termination of specific educational or medical programs within OEO.

The critique of the President's budget should be with regard to specifics, not broad generalities and philosophical questions about "the poor" or the role of the federal government.

RULES OF PROCEDURE OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. McGEE. Mr. President, at its organizational meeting on February 6, 1973, the Committee on Post Office and Civil Service adopted its rules of procedure. In accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, which requires the rules of each committee to be published in the CONGRESSIONAL RECORD no later than March 1 of each year, I ask unanimous consent that the rules of the committee be printed at this point in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES FOR COMMITTEE PROCEDURE

Rule 1. Five members of the Committee shall constitute a quorum for the transaction of such business as may be considered at any regular or special meeting of the Committee, except that, for the sole purpose of taking testimony, sworn to or otherwise, a quorum of the Committee, or a subcommittee thereof, shall be one or more Senators. No members of the Committee shall, for the purpose of determining existence of a quorum of the Committee, be deemed to be present unless he be personally present.

Rule 2. Unless otherwise ordered and notice given, the Committee shall meet for the transaction of its business while the Congress is in session as follows: The second and fourth Tuesdays of the month at 10:00 a.m. Additional meetings may be called by the Chairman as he may deem necessary.

Rule 3. The Committee shall keep a complete record of all Committee actions. Such record shall include a record of the votes on any question on which a record vote is demanded.

Rule 4. No vote cast in the Committee or any subcommittee by proxy shall be counted; but a written communication from an absent member, giving a clear statement of position on the specific subject, shall be counted as a vote.

Rule 5. It shall be the duty of the Chairman to report or cause to be reported promptly to the Senate any measure or recommendation approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

Rule 6. The Committee shall, as far as practicable, require all witnesses appearing before it to file in advance written statements of their proposed testimony at least 24 hours before hearing, and to limit their oral presentations to brief summaries to their argument. The Committee staff shall prepare digests of such statements for the use of Committee members.

Rule 7. All hearings conducted by the Committee, or its subcommittees, shall be open to the public, except (1) executive sessions for marking up bills, or (2) for voting, or (3) where the Committee, by a majority vote, orders an executive session.

Rule 8. When a nomination for an appointment is referred to the Committee, the name of the nominee shall be referred to both Senators from the State in which the nominee resides. If no objection is made by either Senator within 30 days of the date of referral or if no response is received during that period, the nomination shall be considered as not having been contested.

Rule 9. Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be reported to the whole Committee by a subcommittee, there shall be placed before the whole Committee a print of the statute to be amended or the part thereof to be repealed (together with the citation thereof), showing by stricken-through type the portion or parts to be omitted, and in italics the matter proposed to be added.

Rule 10. The Chairman may name standing or special subcommittees to which a bill, resolution, or nomination may be referred, which subcommittee shall consist of not less than three members, one of whom shall be of the minority; if the subcommittee consists of five members, two shall be of the minority; if the subcommittee consists of seven members, three shall be of the minority.

Rule 11. Whenever a subcommittee delays in reporting more than 30 days (except when time is extended by the Committee), the matter may be withdrawn by the Chairman and submitted to another subcommittee, or considered by the whole Committee.

Rule 12. Subject to statutory requirements imposed on the Committee with respect to its procedure, the Rules of the Committee may be changed or suspended at any time; provided, however, that not less than two-thirds of the entire membership so determine, at a regular meeting with notice of the nature of the change proposed or meeting called for that purpose.

Rule 13. The Chairman of the Committee and the ranking minority member shall be ex officio members of all subcommittees with full right to participate in all proceedings thereof, and shall be allowed to vote as members of any subcommittee.

Rule 14. The Chairman shall be given authority to appoint the staff members and clerical assistants to assist the Committee in its work; provided, that the ranking minority member of the Committee shall be given authority to select one professional staff member and one clerical assistant. The Chairman shall select the official reporter or reporters to serve the Committee.

Rule 15. Meetings of the Committee shall be open to the press except (1) executive meetings to consider nominations for public office, or (2) when otherwise directed by the Chairman or majority vote of members present. The Chairman may grant or deny the privilege of broadcasting meetings of the full Committee. The Chairman of any subcommittee shall have the same power with respect to such subcommittee.

Rule 16. Proceedings in executive sessions of subcommittees may be released to the press and other interested parties unless the subcommittee chairman or a majority of members present otherwise direct.

EULOGY ON PRESIDENT LYNDON JOHNSON

Mr. NELSON. Mr. President, history, especially recent history, is a very subjective study. Most of us standing too close to the events and the people involved can only view it as it affected us, as we remember it, how we felt, and whether we disagreed or agreed.

The memory of Lyndon Johnson again presents that difficulty. He was magnificently controversial as only great men can be controversial. One could not be ambivalent about the man as Senator, Vice President, or President. Even though he was an accomplished politician who was a master of compromise, he was nonetheless, a man of strong convictions who made the tough, hard decisions when it was necessary to make them.

My personal feelings about him range as broadly today as they did when he was President. We differed completely on the war, and that was a major difference. But I was proud to support his social legislation and be part of an exciting period of legislative history.

Since his death, it has been observed that Johnson will be remembered in history as one of the great Presidents, especially in the area of social legislation.

Even though I can only give a very subjective observation, I feel that Johnson was one of the great Presidents of this Nation and that his record on social legislation will be difficult to equal.

I have not accustomed myself to the fact that he is dead and that we can no longer call on the experience of his years in Government. The Nation has been cheated by his untimely death. The world lost a compassionate man who did all the things we all do and was human at a time when too few political leaders are human by choice or expectation.

RAILROAD RIGHT-OF-WAY MAINTENANCE

Mr. CASE. Mr. President, I am glad to join in sponsoring S. 1031 designed to relieve northeastern railroads of the costs of right-of-way maintenance, and to improve rail carrier operations in our region of the country.

While there are aspects of this bill, including the provisions for protection of railroad workers, that may need improvement, I support the concept of a quasi-public agency to own, rehabilitate and manage railroad rights-of-way in the Northeastern United States.

At the same time, I believe that in return for this assistance, there must be some assurance that the railroads will improve their poor performance in the movement of people and of goods.

The bill, as originally drafted, requires the Secretary of Transportation to advise Congress, within 2 years, as to how the industry and its management are performing. But the bill stops short of requiring that the Secretary go beyond this and do something if he is dissatisfied with what he finds.

My amendment overcomes this deficiency at least in the Northeast. Under my proposal, the Secretary, based upon his evaluation, will be required to recommend whether any or all of the rail carrier operations within the corporation's jurisdiction should be taken over by the corporation, or by local government agencies.

My amendment is an essential ingredient of this bill, for it warns the railroads that the public will be looking for an improvement in their performance in return for right-of-way maintenance.

I am glad Senator HARTKE, chief sponsor of the bill, agreed to incorporate my proposal in the measure he has introduced.

NEWS SOURCE PROTECTION ACT

Mr. EAGLETON. Mr. President, on February 15 I introduced the News Source Protection Act (S. 870) because I believe it is essential that we take steps to instill confidence in news sources that they can rely on a newsman's promise of confidentiality.

I am very pleased to have Senator CLARK of Iowa as a cosponsor of S. 870. Senator CLARK has taken an active issue in this question of news source protection, writing to newsmen in his State of Iowa for their views on shield legislation and testifying before the Constitutional Rights Subcommittee this week.

I ask unanimous consent that Senator CLARK's testimony and excerpts from some of the replies he received from newsmen in Iowa be printed in the RECORD.

STATEMENT OF SENATOR DICK CLARK

Mr. Chairman: It is a pleasure and a privilege for me to appear before your subcommittee this morning, this is my first year in the Senate, and this is the first time that I have appeared before any subcommittee as a witness. Given the importance of this area, given the importance of your work, I could not have found a better place to begin.

Our Bill of Rights guarantees Freedom of the Press, and for good reason. The gathering and reporting of information about our Government and our public officials is essential to the preservation of the basic integrity of our political system. Increasingly, however, newsmen are being threatened by court decisions and other pressures which restrict their ability to perform this vital function.

Because of this, I wrote last month to the newspaper editors and radio and television news directors in Iowa, asking them for their assessment of the need for shield legislation and their opinions on the various bills being proposed.

Their replies, which I would like to enter into the record of the proceedings, indicate a deep concern. They have also shown me that we, as lawmakers, may be faced with a "damned if you do, damned if you don't" situation in trying to correct it.

On the one hand, enacting any form of shield law carriers grave risks.

Drake Mabry, assistant managing editor of the Des Moines, Iowa, Tribune, summed it up this way: "I've always felt it somewhat dangerous to put into law any expansion, regardless of how well-meaning, to what has always been considered a basic right, constitutional or otherwise. This always opens up the possibility for later changes, through amendments, that will further weaken and take away these rights, although the original sponsors were trying to protect them."

In other words, here, as in every human endeavor, the major problem is the intentions of those in power, not institutions or laws themselves. And we cannot legislate intentions.

On the other hand, unless we move now to enact new safeguards, we may well see the freedom of the press weakened and perhaps taken away because of the strength of current threats against it.

"If a newsman cannot protect sources, it's a cinch he won't get the facts," the editorial writers of Waterloo, Iowa's KWWL–TV said in a recent editorial, "and that means (the public) won't get them either."

Clearly, there are no easy alternatives before us.

In the last analysis, however, I feel that an absolute shield law is the choice that we must make. Favored by the vast majority of the Iowa newsmen who answered by inquiry, such a law seems to offer the best chance for a meaningful solution to the current situation and the least likelihood of being subverted or perverted in the future.

The fewer the qualifications a shield law carries, the fewer will be the possibilities for the law to be turned into a sword at some later date.

The language of such a law should be as explicit as possible, with definitions and procedures clearly set forth. The law should protect anyone engaged in the gathering of news, whether he or she is a full-time employee or not. It should require hearings on the admissibility of information being sought before subpoenas can be issued. It should cover State and Federal courts as well as governmental investigative bodies.

Of the bills now under consideration, only Senator Eagleton's S870 meets these criteria, and it does so admirably, I would therefore urge its passage.

Mr. Chairman, I would like your permission to submit the statements of Iowa journalists in the hearing record.

Thank you.

EXCERPTS FROM LETTERS FROM IOWA NEWSMEN ON NEWSMEN'S SHIELD LEGISLATION

Drake Mabry, Assistant Managing Editor, Des Moines Tribune:

"I've always felt it somewhat dangerous to put into law any expansion, regardless of how well-meaning, to what has always been considered a basic right, constitutional or otherwise. This always opens up the possibility for later changes, through amendments, that will further weaken and take away these rights, although the original sponsors were trying to protect them.

Thomas K. Bauer, News Director, KSUI (University of Iowa) Iowa City:

"As I see it the question is, 'Do the advantages of a shield law at this time seem to outweigh the disadvantages of no law?' There are several disadvantages to having no law. Reporters are fair game and in season and a few are going to jail. Some sources may dry up instead of running the risk of being identified. And the news media is in the position of becoming an investigative arm of government instead of the public. The evidence seems to indicate the answer to the question is yes."

David L. Fox, Director of News and Public Affairs, KLEU, Waterloo:

"Most of us in broadcast news feel we are fighting a delaying battle against an octopus of controls . . . one which keeps wrapping more of its tentacles around us. Protection of our confidential sources would at least delay the battle."

Jack Thomsen, New Director, WOC, Davenport:

"I feel that absolute protection is the only answer, since any opening or loophole left in the legislation ultimately passed will surely be seized upon and used to bypass the original intent. I, along with many of my colleagues with whom I have spoken, feel that there is a concerted drive underway to intimidate and weaken the media with an ultimate goal of making it a tool of or fully answerable to the government."

Editorial writers of KWWL, Waterloo, Robert Buckmaster, President:

"On the face of it, such a law might seem to protect the press rather than the public. In fact, it is the other way around. We believe that it is more important that the public have the facts than that the courts have the sources. If a newsman cannot protect sources, it's a cinch he won't get the facts; and that means [the public] won't get them either.

Robert H. Spiegel, Editor, Globe-Gazette, Mason City:

"Sources must be protected in instances of genuine investigative reporting or the sources will dry up, or their economic future could be threatened, or, in extreme cases, their lives could be in jeopardy. . . . I'm sorry we have come to this position, but the continued interference with what I consider to be valid investigative reporting as in the Caldwell case, has made some sort of shield law necessary."

Patrick Maloney, Managing Editor, Decorah Newspapers, Decorah:

"I feel that the protection should be absolute, because any qualifications would only weaken the protection, and lead to further attempts to dilute it. Most journalists are college-trained professionals with a dedication to a high code of ethics, and hopefully also the Ten Commandments, and could be expected to act responsibly in any situation where a qualification might be desirable."

James A. Hermen, Publisher, The Elgin Echo, Elgin:

. . . I believe that the newmen's right to refuse to reveal confidential information and the source thereof must be maintained. Denial of the right could be drastically detrimental to the primary purpose and function of the news media, dissemination of news and information to the public."

THE OTTER TAIL DECISION: A BEACON FROM THE SUPREME COURT

Mr. McGOVERN. Mr. President, on Thursday of last week the Supreme Court of the United States handed down a landmark decision that affirmed the findings of the U.S. District Court for the District of Minnesota that Otter Tail Power Co. had violated the Sherman Act in certain of its actions against small, municipal electric utilities.

This is an encouraging development for those who have labored long and hard to preserve a small element of competition in the otherwise monopolistic electric utility industry. It is good news for the small towns of South Dakota, North Dakota, and Minnesota which own and operate their own electric utility systems and for those communities which are exploring the feasibility of doing so.

The Nation's 2,000 municipal and other local, publicly owned electric utilities are in the best traditions of free enterprise and local control in which this Republic prides itself. In my own State of South Dakota, 34 communities own and operate their own electric systems, to the substantial benefit of their electric consumers and to their municipal general funds.

The decision of the Supreme Court in the Otter Tail case will have a healthy effect on the operations of these utilities, and, indeed, on all small consumer-owned electric utilities, and a helpful effect on their efforts to work together and to work with other utilities in developing jointly owned power supply facilities. The decision will assist the progress already being made toward elimination of duplicating transmission facilities in many parts of the Nation.

The decision is certainly good news to the residents of Aurora and Colman, S. Dak., who had to withstand years of pressure and legal challenge by the Otter Tail Co. before they were successful in their efforts to establish their own electric distribution systems.

From the day that I entered Congress as a Member of the House of Representatives in 1957, there has been a conflict between the investor-owned utilities and the consumer-owned utilities in the Upper Missouri River Basin. The investor-owned utilities have steadfastly refused to deal, except on terms which are advantageous to their own interests, with the small consumer-owned utilities.

In the early years of the hydroelectric power sales program of the Missouri River Basin project, investor-owned utilities in the upper Midwest refused to wheel Federal power to cooperatives, municipal utilities, and other publicly owned agencies. When Basin Electric Power Cooperative began producing power in North Dakota in the early 1960's the companies refused at first to wheel that power to basin's member cooperatives. Most of that early intransigence has been replaced by a spirit of, if not trust, at least nervous cooperation.

The Otter Tail decision, hopefully, will put that sort of acrimony behind us. When similar instances arise in the future, the Supreme Court's decision will make it clear that a company that enjoys a substantial monopoly over transmission cannot use that monopoly power to weaken its competitors or potential competitors. In other words, it will be clear that such companies are required under the Sherman Act to make their transmission services available to all, as they have done in the past only to a selected few.

Such conflict has not been good for the consumer, and it has not been good for the taxpayer. The State of South Dakota has, for years, had to pay unduly high rates for electric service at some of its buildings and institutions around the State. This situation persisted despite the fact that the State of South Dakota, as a preference customer under the Pick-Sloan Missouri River Basin project, had an allocation of low-cost Federal power from the Bureau of Reclamation. The allocation was worthless to the State, however, because it was unable to get the power from the Bureau of Reclamation's transmission system to many of its institutions. Some of the companies involved simply refused to wheel that power for the State of South Dakota, choosing instead to keep the State institution as a captive retail customer, at high rates.

It is pleasing to note that 2 weeks ago, even before the Otter Tail decision, the State and one of the companies involved reached agreement for wheeling of Bureau power to State institutions. Hopefully the Otter Tail decision will preclude any repetition of this unfortunate record of nearly 20 years of added cost to the taxpayers of South Dakota, or the taxpayers of any State in which a simliar situation may arise.

Perhaps a more significant long range effect of the Court's decision will be, in the words of Alex Radin, general manager of the American Public Power Association, "the development of a more rational and effective power supply system" and the "beginning of better coordinated regional planning for needed generation and transmission facilities."

It is my hope that the Otter Tail decision will have an immediate effect on better coordinated regional planning in the Upper Missouri River Basin, where one set of electric utilities is proposing one sort of power planning scheme, and another set of utilities is working in a different direction.

I speak of the Mid-Continent Area Power Pool—MAPP—an organization of investor-owned utilities with a few rural electric generating cooperatives, two large public power districts, and a few municipal utilities, which is proposing a regionwide power pool with many restrictive provisions.

The terms of the MAPP pool agreement, filed for approval with the Federal Power Commission, are being challenged as unnecessarily restrictive, by more than 90 small municipal and cooperative utilities, many of them in my State. The claim of the challengers is that the MAPP pool agreement vests all the decisionmaking power in northern States and its large power company allies, many of whom enjoy substantial monopoly positions in their respective marketing areas, as did Otter Tail in the case decided by the Court. It is interesting to note that Otter Tail has decided not to become a signatory to the MAPP pool agreement, but that the United States of America has joined, through its Bureau of Reclamation.

It is my hope that the Supreme Court's decision will cause the Federal Power Commission to take a much harder look at the possible anticompetitive provisions of the MAPP pool agreement, and cause the writers of that agreement to restudy their own position on barring the small, consumer-owned utilities from any effective voice in the operations of that pool.

Mr. President, the Supreme Court's decision is historic. Because it deserves wider circulation and greater understanding, I ask unanimous consent that it be printed in the RECORD, along with a press release from the American Public Power Association, and analytical articles on the decision from the New York Times and the Baltimore Sun.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Supreme Court of the United States]

SYLLABUS—OTTER TAIL POWER CO. v. UNITED STATES

APPEAL FROM THE U.S. DISTRICT COURT FOR THE DISTRICT OF MINNESOTA

(No. 71-991—Argued December 5, 1972—Decided February 22, 1973)

In this Sherman Act suit, brought by the Government, the District Court enjoined as violative of § 2 the following practices in which appellant, Otter Tail Power Co. (Otter Tail), engaged to prevent towns from establishing their own power systems when Otter Tail's retail franchises expired; refusals to wholesale power to the municipal systems or transfer ("wheel") it over Otter Tail's facilities from other sources, litigation intended to delay establishment of municipal systems, and invocation of transmission contract provisions to forestall supplying by other power companies. *Held:*

1. Otter Tail is not insulated from antitrust regulation by reason of the Federal Power Act, whose legislative history manifests no purpose to make the antitrust laws inapplicable to power companies. The essential thrust of the authority of the Federal Power Commission (FPC) is to encourage voluntary interconnections. Though the FPC may order interconnections if "necessary or appropriate in the public interest" antitrust considerations, though relevant under that standard, are not determinative. Pp. 5–7.

2. The District Court's decree does not conflict with the regulatory responsibilities of the FPC. Pp. 7–9.

(a) The court's order for wheeling to correct Otter Tail's anticompetitive and monopolistic practices is not counter to the authority of the FPC, which lacks the power to impose such a requirement. Pp. 8–9.

(b) Appellant's argument that the decree overrides FPC's power over interconnections is premature, there being no present conflict between the court's decree and any contrary ruling by the FPC. P. 9.

3. The record supports the District Court's findings that Otter Tail—solely to prevent the municipal systems from eroding its monopolistic position—refused to sell at wholesale or to wheel, and that Otter Tail to the same end invoked restrictive provisions in its contracts with the Bureau of Reclamation and other suppliers, the court correctly concluding that such provisions, *per se,* violated the Sherman Act. Pp. 9–11.

4. The District Court should determine on remand whether the litigation that Otter Tail was found to have instituted for the purpose of maintaining its monopolistic position was "a mere sham" within the meaning of *Eastern Railroad Conference* v. *Noerr Motor Freight,* 365 U.S. 127, so that the litigation would lose its constitutional protection in line with the Court's decision in *California Motor Transport Co.* v. *Trucking Unlimited,* 401 U.S. 508, which was decided after the District Court had entered its decree. Pp. 11–12.

5. The District Court's retention of jurisdiction to afford the parties "necessary and appropriate relief" provides an adequate safeguard against the possibility that compulsory interconnection or wheeling might threaten Otter Tail's ability adequately to serve the public. Pp. 12–14.

331 F. Supp. 54, affirmed in part and vacated and remanded in part.

Douglas, J., delivered the opinion of the Court, in which Brennan, White, and Marshall, JJ., joined. Stewart, J., filed an opinion concurring in part and dissenting in part, in which Burger, C. J., and Rehnquist, J., joined. Blackmun and Powell, JJ., took no part in the consideration or decision of the case.

OTTER TAIL POWER CO., APPELLANT, v. UNITED STATES

MR. JUSTICE DOUGLAS delivered the opinion of the Court.

In this civil antitrust suit brought by appellee against Otter Tail Power Company (Otter Tail), an electric utility company, the District Court found that Otter Tail had attempted to monopolize and had monopolized the retail distribution of electric power in its service area in violation of § 2 of the Sherman Act, 15 U.S.C. § 2. The District Court found that Otter Tail had attempted to prevent communities in which its retail distribution franchise had expired from replacing it with a municipal distribution system. The principal means employed were (1) refusals to sell power at wholesale to proposed municipal systems in the communities where it had been retailing power; (2) refusals to "wheel" power to such systems, that is to say to transfer, by direct transmission or displacement, electric power from one utility to another over the facilities of an intermediate utility; (3) the institution and support of litigation designed to prevent or delay establishment of those systems; and (4) the invocation of provisions in its transmission contract with several other power suppliers for the purpose of denying the municipal system access to other suppliers by means of Otter Tail's transmission systems.

Otter Tail sells electric power at retail in 465 towns in Minnesota, North Dakota, and South Dakota. The decree enjoins it from refusing to sell electric power at wholesale to existing or proposed municipal electric power systems in the areas serviced by Otter Tail and from refusing to "wheel" electric power over the lines from the electric power supplies to existing or proposed municipal systems in the area and from entering into or enforcing any contract which prohibits use of Otter Tail's lines to "wheel" electric power to municipal electric power systems or from entering into or enforcing any contract which limits the customers to whom and areas in which Otter Tail or any other electric power company may sell electric power.

The decree also enjoins Otter Tail from instituting, supporting or engaging in litigation, directly or indirectly against municipalities and their officals whch have voted to establish municipal electric power systems for the purpose of delaying, preventing or interfering with the establishment of a municipal electric power system. 331 F. Supp. 54. Otter Tail took a direct appeal to this Court under § 2 of the Expediting Act, 15 U.S.C. § 29; and we noted probable jurisdiction, 406 U.S. 944.

In towns where Otter Tail distributes at retail it operates under municipally granted franchises which are limited from 10 to 20 years. Each town in Otter Tail's service area generally can accommodate only one distribution system, making each town a natural monopoly market for the distribution and sale of electric power at retail. The aggregate of towns in Otter Tail's service area is the geographic market in which Otter Tail competes for the right to serve the towns at retail.[1] That competition is generally for the right to serve the entire retail market within the composite limits of a town and that competition is generally between Otter Tail and a prospective or existing municipal system. These towns number 510 and of those Otter Tail serves 91%, or 465.

Otter Tail's policy is to acquire when it can existing municipal systems within its service areas. It has acquired six since 1947. Between 1945 and 1970 there were contests in 12 towns served by Otter Tail over proposals to replace it with municipal systems. In only three—Elbow Lake, Minnesota, Colman, South Dakota, and Aurora, South Dakota—were municipal systems actually established. Proposed municipal systems have great obstacles; they must purchase the electric power at wholesale. To do so they must have access to existing transmission lines. The only ones available[2] belong to Otter Tail. While the Bureau of Reclamation has high voltage bulk power supply lines in the area, it does not operate a subtransmission network, but relies on "wheeling" contracts with Otter Tail and other utilities to deliver power for its bulk supply lines to its wholesale customers.[3]

The antitrust charge against Otter Tail does not involve the lawfulness of its retail outlets, but only its methods of preventing the towns it served from establishing their own municipal systems when Otter Tail's franchises expired. The critical events centered largely in four cities—Elbow Lake, Minnesota, Hankinson, North Dakota, Colman, South Dakota, and Aurora, South Dakota. When Otter Tail's franchise in each of these towns terminated, the citizens voted to establish a municipal distribution system. Otter Tail refused to sell the new systems energy at wholesale and refused to agree to wheel power from other suppliers of wholesale energy.

Colman and Aurora had access to other transmission. Against them Otter Tail used the weapon of litigation.

As respects Elbow Lake and Hankinson, Otter Tail simply refused to deal, although according to the findings it had the ability to do so. Elbow Lake, cut off from all sources of wholesale power, constructed its own generating plant. Both Elbow Lake and Hankinson requested the Bureau of Reclamation and various coops to furnish them with wholesale power; they were willing to supply it if Otter Tail would "wheel" it. But Otter Tail refused, relying on provisions in its contracts which barred the use of its lines for wheeling power to towns which it served at retail. Elbow Lake after completing its plant asked the Federal Power Commission under § 202(b) of the Federal Power Act, 16 U.S.C. § 824(b), to require Otter Tail to interconnect with the town and sell it power at wholesale. The Federal Power Commission ordered first a temporary[4] and then a permanent connection.[5] Hankinson tried unsuccessfully to get relief from the North Dakota Commission and filed a complaint with the federal commission seeking an order to compel Otter Tail to wheel. While the application was pending the town council voted to withdraw it and subsequently renewed Otter Tail's franchise.

It was found that Otter Tail instituted or sponsored litigation involving four towns in its service area which had the effect of halting or delaying efforts to establish municipal systems. Municipal power systems are financed by the sale of electric revenue bonds. Before such bonds can be sold, the town's attorney must submit an opinion which includes a statement that there is no pending or threatened litigations which might impair the value or legality of the bonds. The record amply bears out the District Court's holding that Otter Tail's use of litigation halted or appreciably slowed the efforts for municipal ownership. "The delay thus occasioned and the large financial burden imposed on the town's limited treasury dampened local enthusiasm for public ownership." 331 F. Supp. 54.

I

Otter Tail contends that by reason of the Federal Power Act it is not subject to antitrust regulation with respect to its refusal to deal. We disagree with that position.

"Repeals of the antitrust laws by implication from a regulatory statute are strongly disfavored, and have only been found in cases of plain repugnancy between the antitrust and regulatory provisions." *United States* v. *Philadelphia National Bank,* 374 U.S. 321, 350–351. See also *Silver* v. *New York Stock Exchange,* 373 U.S. 341, 357–361. Activities which come under the jurisdiction of a regulatory agency nevertheless may be subject to scrutiny under the antitrust laws.

In *California* v. *Federal Power Commission,* 369 U.S. 482, 489, the Court held that approval of an acquisition of the assets of a natural gas company by the Federal Power Commission pursuant to § 7 of the Natural Gas Act "would be no bar to [an] antitrust suit." Under § 7 the standard for approving such acquisitions is "public convenience and necessity." Although the impact on competition is relevant to the Commission's determination, the Court noted that there was "no 'pervasive regulatory scheme' including the antitrust laws that ha[d] been entrusted to the Commission." *Id.,* at 485. Similarly, in *United States* v. *Radio Corporation of America,* 358 U.S. 334, the Court held that an exchange of radio stations that had been approved by the Federal Communications Com-

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Footnotes at end of article.

mission as in the "public interest" was subject to attack in antitrust proceeding.

The District Court below determined that Otter Tail's consistent refusals to wholesale or wheel power to its municipal customers constituted illegal monopolization. Otter Tail maintains here that its refusals to deal should be immune from antitrust prosecution because the Federal Power Commission has the authority to compel involuntary interconnections of power pursuant to § 202(b) of the Federal Power Act. The essential thrust of § 202, however, is to encourage voluntary interconnections of power. See S. Rep. No. 621, 74th Cong., 1st Sess., 19–20, 48–49; H. R. Rep. No. 1318, 74th Cong., 1st Sess., 8. Only if a power company refuses to interconnect voluntarily may the Federal Power Commission, subject to limitations unrelated to antitrust considerations, order the interconnection. The standard which governs its decision is whether such action is "necessary or appropriate in the public interest." Although antitrust considerations may be relevant, they are not determinative.

There is nothing in the legislative history which reveals a purpose to insulate electric power companies from the operation of the antitrust laws. To the contrary, the history of Part II of the Federal Power Act indicates an overriding policy of maintaining competition to the maximum extent possible consistent with the public interest. As originally conceived, Part II would have included a "common carrier" provision making it "the duty of every public utility to . . . transmit energy for any person upon reasonable request. . . ." In addition, it would have empowered the Federal Power Commission to order wheeling if it found such action to be "necessary or desirable in the public interest." H.R. 5423, 74th Cong., 1st Sess.; S. 1725, 74th Cong., 1st Sess. These provisions were eliminated to preserve "the voluntary action of the utilities." S. Rep. No. 621, 74th Cong., 1st Sess., 19.

It is clear, then, that Congress rejected a pervasive regulatory scheme for controlling the interstate distribution of power in favor of voluntary commercial relationships. When these relationships are governed in the first instance by business judgment and not regulatory coercion, courts must be hesitant to conclude that Congress intended to override the fundamental national policies embodied in the antitrust laws. See *United States* v. *Radio Corporation of America, supra,* at 351. This is particularly true in this instance because Congress, in passing the Public Utility Holding Company Act, which included Part II of the Federal Power Act, was concerned with "restraint of free and independent competition" among public utility holding companies. See 15 U.S.C. § 79a(b)(2).

Thus, there is no basis for concluding that the limited authority of the Federal Power Commission to order interconnections was intended to be a substitute for or immunize Otter Tail from antitrust regulation for refusing to deal with municipal corporations.

II

The decree of the District Court enjoins Otter Tail from "refusing to sell electric power at wholesale to existing or proposed municipal power systems in cities and towns located in its service area" and from refusing to "wheel" electric power over its transmission lines from other electric power lines to such cities and towns. But the decree goes on to provide:

"The defendant shall not be compelled by the Judgment in this case to furnish wholesale electric service or wheeling service to a municipality except at rates which are compensatory and under terms and conditions which are filed with and subject to approval by the Federal Power Commission."

So far as "wheeling" is concerned, there is no authority granted the Commission under Part II of the Federal Power Act to order it, for the bills originally introduced contained common carrier provisions which were deleted.[6] The Act as passed contained only the interconnection provision set forth in § 202(b).[7] The common carrier provision in the original bill and the power to direct "wheeling" were left to the "voluntary coordination of electric facilities."[8] Insofar as the District Court ordered "wheeling" to correct anticompetitive and monopolistic practices of Otter Tail there is no conflict with the authority of the Federal Power Commission.

As respects the ordering of interconnections there is no conflict on the present record. Elbow Lake applied to the Federal Power Commission for an interconnection with Otter Tail and as we have said obtained it. Hankinson renewed Otter Tail's franchise. So the decree of the District Court, as far as the present record is concerned, presents no actual conflict between the federal judicial decree and an order of the Federal Power Commission. The argument concerning the pre-emption of the area by the Federal Power Commission in this area concerns only instances which may arise in the future, if Otter Tail continues its hostile attitude and conduct against "existing or proposed electric power systems." The decree of the District Court has an open end by which that court retains jurisdiction "necessary or appropriate" to carry out the decree or "for the modification of any of the provisions." It also contemplates that future disputes over interconnections and the terms and conditions governing those interconnections will be subject to Federal Power Commission perusal. It will be time enough to consider whether the antitrust remedy may override the power of the Commission under § 202(b) as, if and when the Commission denies the interconnection and the District Court nevertheless undertakes to direct it. At present there is only a potential conflict, not a present concrete case or controversy concerning it.

III

The record makes abundantly clear that Otter Tail used its monopoly power in the cities in its service area to foreclose competition or gain a competitive advantage, or to destroy a competitor, all in violation of the antitrust laws. See *United States* v. *Griffith,* 334 U.S. 100, 107. The District Court determined that Otter Tail has "a strategic dominance in the transmission of power in most of its service area" and that it used this dominance to foreclose potential entrants into the retail area from obtaining electric power from outside sources of supply. Use of monopoly power "to destroy threatened competition" is a violation of the "attempt to monopolize" clause of § 2 of the Sherman Act. *Lorain Journal* v. *United States,* 342 U.S. 143, 154, *Eastman Kodak Co.* v. *Southern Photo Materials, Co.,* 273 U.S. 359, 375. So are agreements not to compete, with the aim of preserving or extending a monopoly. *Schine Chain Stores* v. *United States,* 334 U.S. 110, 119. In *Associated Press* v. *United States,* 321 U.S. 1, a cooperative news association had bylaws that permitted member newspapers to bar competitors from joining the association. We held that that practice violated the Sherman Act, even though the transgressor "had not yet achieved a complete monopoly." *Id.,* at 13.

When a community, serviced by Otter Tail, decides not to renew its retail franchise when it expires, it may generate, transmit, and distribute its own electric power. We recently described the difficulties and problems of those isolated electric power systems. See *Gainesville Utilities* v. *Florida Power Coop.,* 402 U.S. 515, 517–520. Interconnection with other utilities is frequently the only solution. *Id.,* at 519, n. 3. That is what Elbow Lake in the present case did. There were no engineering factors that prevented Otter Tail from selling power at wholesale to those towns that wanted municipal plants nor of wheeling the power. The District Court found—and its findings are supported—that Otter Tail's refusals to sell at wholesale or to wheel were solely to prevent municipal power systems from eroding its monopolistic position.

Otter Tail relies on its "wheeling" contracts with the Bureau of Reclamation and with cooperatives which it says relieves it of any duty to wheel power to municipalities served at retail by Otter Tail at the time the contracts were made. The District Court held that these restrictive provisions were "in reality, territorial allocation schemes," 331 F. Supp., at 63, and were *per se* violations of the Sherman Act, citing *Northern Pacific R. Co.* v. *United States,* 356 U.S. 1. Like covenants were there held to "deny defendant's competitors access to the fenced-off market in the same terms as the defendant." *Id.,* at 12. We recently re-emphasized the vice under the Sherman Act of territorial restrictions among potential competitors. *United States* v.. *Topco Associates,* 405 U.S. 596, 624. The fact that some of the restrictive provisions were contained in a contract with the Bureau of Reclamation is not material to our problem, for as the Solicitor General says, "government contracting officers do not have the power to grant immunity from the Sherman Act." Such contracts stand on their own footing and are valid or not depending on the statutory framework within which the federal agency operates. The Solicitor General tells us that these restrictive provisions operate as a "hindrance" to the Bureau and were "agreed to by the Bureau only at Otter Tail's insistence," as the District Court found. The evidence supports that finding.

IV

The District Court found that the litigation sponsored by Otter Tail had the purpose of delaying and preventing the establishment of municipal electric systems "with the expectation that this would preserve its predominant position in the sale and transmission of electric power in the area."[9] 331 F. Supp., at 62. The District Court in discussing *Eastern Railroad Conference* v. *Noerr Motor Freight, Inc.,* 365 U.S. 127, explained that it was applicable "only to efforts aimed at influencing the legislative and executive branches of the government." *Ibid.* That was written before we decided *California Motor Transport Co.* v. *Trucking Unlimited,* 404 U.S. 508, 513, where we held that the principle of *Noerr* may also apply to the use of administrative or judicial processes where the purpose is to suppress competition evidenced by repetitive lawsuits carrying the hallmark of insubstantial claims and thus within the "mere sham" exception announced in *Noerr.* 365 U.S., at 144. On that phase of the order we vacate and remand for consideration in light of our intervening decision in *California Motor Transport Co.*

V

Otter Tail argues that, without the weapons which it used, more and more municipalities will turn to public power and Otter Tail will go downhill. The argument is a familiar one. It was made in *United States* v. *Arnold, Schwinn & Co.,* 388 U.S. 365, a civil suit under § 1 of the Sherman Act dealing with a restrictive distribution program and practices of a bicycle manufacturer. We said: "The promotion of self-interest alone does not invoke the rule of reason to immunize otherwise illegal conduct." *Id.,* at 375.

The same may properly be said of § 2 cases under the Sherman Act. That Act assumes that an enterprise will protect itself against loss by operating with superior service, lower costs, and improved efficiency. Otter Tail's theory collides with the Sherman Act as it sought to substitute for competition anticompetitive uses of its dominant economic power.[10]

The fact that three municipalities which Otter Tail opposed finally got their munici-

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Footnotes at end of article.

pal systems does not excuse Otter Tail's conduct. That fact does not condone the antitrust tactics which Otter Tail sought to impose. Moreover, the District Court repeated what we said in *Federal Trade Commission* v. *National Lead Co.*, 352 U.S. 419, 431 "those caught violating the Act must expect some fencing in." The proclivity for predatory practices has always been a consideration for the District Court in fashioning its antitrust decree. See *United States* v. *Crescent Amusement Co.*, 323 U.S. 173, 190.

We do not suggest, however, that the District Court, concluding that Otter Tail violated the antitrust laws, should be impervious to Otter Tail's assertion that compulsory interconnection or wheeling will erode its integrated system and threaten its capacity to serve adequately the public. As the dissent properly notes, the Commission may not order interconnection if to do so "would impair [the utility's] ability to render adequate service to its customers." 16 U. S. C. § 824a (b). The District Court in this case found that the "pessimistic view" advanced in Otter Tail's "erosion study" "is not supported by the record." Furthermore, it concluded that "it does not appear that Bureau of Reclamation power is a serious threat to the defendant nor that it will be in the foreseeable future." Since the District Court has made future connections subject to Commission approval and in any event has retained jurisdiction to enable the parties to apply for "necessary or appropriate" relief and presumably will give effect to the policies embodied in the Federal Power Act, we cannot say under these circumstances that it has abused its discretion.

Except for the provision of the order discussed in part IV of this opinion, the judgment is

Affirmed.

MR. JUSTICE BLACKMUN and MR. JUSTICE POWELL took no part in the consideration or decision of this case.

FOOTNOTES

[1] Northern States Power Co. also supplies some towns in Otter Tail's areas with electric power at retail. But the District Court excluded these towns from Otter Tail's area because the two companies do not compete in the towns served by each other. Of the 615 remaining towns in the area, 465 are served at retail by Otter Tail, 45 by municipal systems, and 105 by rural electric cooperatives. The cooperatives are barred by the Rural Electrification Act (7 U.S.C. § 904) from borrowing federal funds to provide power to towns already receiving central station service. For this and related reasons the District Court excluded the rural coops from the relevant market.

[2] Subtransmission lines, with voltages from 34.5 kv to 69 kv are used for moving power from the bulk supply lines to points of local distribution. Of Otter Tail's basic subtransmission system in this area, two-thirds of those lines are 41.6 kv subtransmission lines.

[3] The 38 distribution rural coops in Otter Tail's area generally own only low voltage distribution lines, which in most instances could not be used to supply power to proposed municipal utilities. The few rural coops that have generation and transmission services do not, it was found, cut significantly into Otter Tail's dominant position in subtransmission.

[4] *Elbow Lake* v. *Otter Tail Power Co.*, 40 F. P. C. 1262, aff'd, *Otter Tail Power Co.* v. *Federal Power Commission*, 429 F. 2d 232 (CA 8), cert. denied, 401 U.S. 947.

[5] *Elbow Lake* v. *Otter Tail Power Co.*, 46 F. P. C. 675.

[6] See S. Rep. No. 621, 74th Cong., 1st Sess.; H. R. Rep. No. 1318, 74th Cong., 1st Sess.; *Elbow Lake* v. *Otter Tail Power Co.*, 46 F. P. C. 675, 679.

[7] Section 202(b) provides: "Whenever the Commission, upon application of any State commission or of any person engaged in the transmission or sale of electric energy, and after notice to each State commission and public utility affected and after opportunity for hearing, finds such action necessary or appropriate in the public interest it may by order direct a public utility [if the Commission finds that no undue burden will be placed upon such public utility thereby] to establish physical connection of its transmission facilities with the facilities of one or more other persons engaged in the transmission or sale of electric energy, to sell energy to or exchange energy with such persons: *Provided*, that the Commission shall have no authority to compel the enlargement of generating facilities for such purposes, nor to compel such public utility to sell or exchange energy when to do so would impair its ability to render adequate service to its customers. The Commission may prescribe the terms and conditions of the arrangement to be made between the persons affected by any such order including the apportionment of cost between them and the compensation or reimbursement reasonably due to any of them."

[8] S. Rep., *supra*, n. 6, at 19.

[9] After noting that the "pendency of litigation has the effect of preventing the marketing of the necessary bonds thus preventing the establishment of a municipal system," 331 F. Supp., at 62, the District Court went on to find:

"Most of the litigation sponsored by the defendant was carried to the highest available appellate court and although all of it was unsuccessful in the merits, the institution and maintenance of it had the effect of halting, or appreciably slowing, efforts for municipal ownership. The delay thus occasioned and the large financial burden imposed on the town's limited treasury dampened local enthusiasm for public ownership. In some instances, Otter Tail made offers to the towns to absorb the towns' costs and expenses, and enhance the quality of its service in exchange for a new franchise. Hankinson, after several years of abortive effort, accepted this type of offer and renewed defendant's franchise." *Ibid.*

[10] The Federal Power Commission said in *Elbow Lake* v. *Otter Tail Power Co.*, 46 F. P. C. 675, 678:

"The public interest is far broader than the economic interest of a particular power supplier. It is our legal responsibility, as the Supreme Court made clear in *Pennsylvania Water & Power Co.* v. *FPC*, 343 U.S. 414 (1952), to use our statutory authority to assure an abundant supply of electric energy throughout the United States, and particularly to use our statutory power under Section 202(b) to compel interconnection and coordination when the public interest requires it. The exercise of that authority may well require, as it does here, that we order a public utility to interconnect with an isolated municipal system. The private company's lack of enthusiasm for the arrangement cannot deter us, so long as the public interest requires it."

OTTER TAIL POWER COMPANY, APPELLANT, v. UNITED STATES

MR. JUSTICE STEWART, with whom THE CHIEF JUSTICE and MR. JUSTICE REHNQUIST join, concurring in part and dissenting in part.

I join Part IV of the Court's opinion, which sets aside the judgment and remands the case to the District Court for consideration of the appellant's litigation activities in light of our decision in *California Motor Transport Co.* v. *Trucking Unlimited*, 404 U.S. 508. As to the rest of the Court's opinion, however, I respectfully dissent.

The Court in this case has followed the District Court into a misapplication of the Sherman Act to a highly regulated, natural monopoly industry wholly different from those that have given rise to ordinary antitrust principles. In my view, Otter Tail's refusal to wholesale power through interconnection or to perform wheeling services was conduct entailing no antitrust violation.

It is undisputed that Otter Tail refused either to wheel power or to sell it at wholesale to the towns of Elbow Lake, Minnesota, and Hankinson, North Dakota, both of which had formerly been its customers and had elected to establish municipally owned electric utility systems. The District Court concluded that Otter Tail had substantial monopoly power at retail and "strategic dominance" in the subtransmission of power in most of its market area.[1] 331 F. Supp. 54. 58–60. The District Court then mechanically applied the familiar Sherman Act formula: since Otter Tail possessed monopoly power and had acted to preserve that power, it was guilty of an antitrust violation. Nowhere did the District Court come to grips with the significance of the Federal Power Act, either in terms of the specific regulatory apparatus it established or the policy considerations that moved the Congress to enact it. Yet it seems to me that these concerns are central to the disposition of this case.

In considering the bill that became the Federal Power Act of 1935, the Congress had before it the report of the National Power Policy Committee on Public-Utility Holding Companies. That report chiefly concerned patterns of ownership in the power industry and the evils of concentrated ownership by holding companies. The problem that Congress addressed in fashioning a regulatory system reflected a purpose to prevent unnecessary financial concentration while recognizing the "natural monopoly" aspects, and concomitant efficiencies, of power generation and transmission. The report stated that "[w]hile the distribution of gas or electricity in any given community is tolerated as a 'natural monopoly' to avoid local duplication of plants, there is no justification for an extension of that idea of local monopoly to embrace the common control, by a few powerful interests, of utility plants *scattered over many States and totally unconnected in operation.*" S. Rep. No. 621, 74th Cong., 1st Sess., 55 (emphasis added).

The resulting statutory system left room for the development of economies of large scale single company operations. One of the stated mandates to the Federal Power Commission was for it to assure "an abundant supply of electric energy throughout the United States with the greatest possible economy and with regard to the proper utilization and conservation of natural resources," 16 U.S.C. § 824a. In the face of natural monopolies at retail and similar economies of scale in the subtransmission of power, Congress was forced to address the very problem raised by this case—use of the lines of one company by another. One obvious solution would have been to impose the obligations of a common carrier upon power companies owning lines capable of the wholesale transmission of electricity. Such a provision was originally included in the bill. One proposed section provided that:

"It shall be the duty of every public utility to furnish energy to, exchange energy with, and transmit energy for any person upon reasonable request therefor. . . ." S. 1725, 74th Cong., 1st Sess., § 213.

Another proposed provision was that:

"Whenever the Commission, after notice and opportunity for hearing, finds such action necessary or desirable in the public interest, it may by order direct a public utility to make additions, extensions, repairs, or improvements to or changes in its facilities, to establish physical connection with the facilities of, sell energy to, purchase energy

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Footnotes at end of article.

from, transmit energy for, or exchange energy with, one or more other persons." [2] *Ibid.*

Had these provisions been enacted, the Commission would clearly have had the power to order interconnections and wheeling for the purpose of making available to local power companies wholesale power obtained from or through companies with subtransmission systems. The latter companies would equally clearly have had an obligation to provide such services upon request. Yet, after substantial debate,[3] the Congress declined to follow this path. As the Senate report indicates in discussing § 202 as enacted:

> "[t]he committee is confident that enlightened self-interest will lead the utilities to co-operate with the commission and with each other in bringing about the economies which can alone be secured through the planned coordination which has long been advocated by the most able and progressive thinkers on this subject.
>
> "When interconnection cannot be secured by voluntary action, subsection (b) gives the Commission limited authority to compel inter-state utilities to connect their lines and sell or exchange energy. The power may only be invoked upon a complaint by a State commission or a utility subject to the act." S. Rep. No. 621, 74th Cong., 1st Sess., 49.

This legislative history, especially when viewed in the light of repeated subsequent congressional refusals to impose common carrier obligations in this area,[4] indicates a clear congressional purpose to allow electric utilities to decide for themselves whether to wheel or sell at wholesale as they see fit. This freedom is qualified by a grant of authority to the Commission to order interconnection (but not wheeling) in certain circumstances. But the exercise of even that power is limited by a consideration of the ability of the regulated utility to function. The Commission may not order interconnection where this would entail an "undue burden" on the regulated utility. In addition the Commission has

> ". . . no authority to compel the enlargement of generating facilities for such purposes, nor to compel such public utility to sell or exchange energy when to do so would impair its ability to render adequate service to its customers." 16 U. S. C. § 824a(b).

As the District Court found, Otter Tail is a vertically integrated power company. But the bulk of its business—some 90% of its income—derives from sales of power at retail. Left to its own judgment in dealing with its customers, it seems entirely predictable that Otter Tail would decline wholesale dealing with towns in which it had previously done business at retail. If the purpose of the congressional scheme is to leave such decisions to the power companies in the absence of a contrary requirement imposed by the Commission, it would appear that Otter Tail's course of conduct in refusing to deal with the municipal system at Elbow Lake and in refusing to promise to deal with the proposed system at Hankinson, was foreseeably within the zone of freedom specifically created by the statutory scheme.[5] As a retailer of power, Otter Tail asserted a legitimate business interest in keeping its lines free for its own power sales and in refusing to lend a hand in its own demise by wheeling cheaper power from the Bureau of Reclamation to municipal consumers who might otherwise purchase power at retail from Otter Tail itself.

The opinion of the Court emphasizes that Otter Tail's were not simple refusals to deal—they resulted in Otter Tail's maintenance of monopoly control by hindering the emergence of municipal power companies. The Court cites *Lorain Journal* v. *United States*, 342 U.S. 143, for the proposition that "[u]se of monopoly power 'to destroy threatened competition' is a violation of the 'attempt to monopolize' clause of § 2 of the Sherman Act." This proposition seems to me defective. *Lorain Journal* dealt neither with a natural monopoly at retail nor with a congressional approved system predicated on the existence of such monopolies. In *Lorain Journal*, a newspaper in Lorain, Ohio, used its monopoly position to discourage advertisers from supporting a nearby radio station seen by the newspaper to be a competitor. The theory of the case was that competition in the communications business was being foreclosed by the newspaper's exercise of monopoly power. Here, by contrast, a monopoly is sure to result either way. If the consumers of Elbow Lake receive their electric power from a municipally owned company or from Otter Tail, there will be a monopoly at the retail level, for there will in any event be only one supplier. The very reason for the regulation of private utility rates—by state bodies and by the Commission—is the inevitability of a monopoly that requires price control to take the place of price competition. Antitrust principles applicable to other industries cannot be blindly applied to a unilateral refusal to deal on the part of a power company, operating in a regime of rate regulation and licensed monopolies.

The Court's opinion scoffs at Otter Tail's defense of business jurisdiction. *United States* v. *Arnold Schwinn & Co.*, 388 U.S. 365, is cited for the proposition that "[t]he promotion of self-interest alone does not invoke the rule of reason to immunize otherwise illegal conduct." This facet of the Court's reasoning also escapes me in the case before us, where the health of power companies and the abundance of our energy supply were considerations central to the congressional purpose in devising the regulatory scheme. As noted above, the Commission is specifically prohibited from imposing interconnection requirements that are unduly burdensome or that interfere with a public utility's ability to serve its customers efficiently. The District Court noted that Otter Tail had offered "a so-called 'erosion study' " documenting the way in which its business would suffer if it were forced to wholesale and wheel power to municipally owned companies. The District Court gave little credence to the report's predictions. "But regardless," the court went on, "even the threat of losing business does not justify or excuse violating the law." 331 F. Supp. 54, 64–65. This question-begging disregard of the economic health of Otter Tail is wholly at odds with the congressional purpose in specifying the conditions under which interconnections can be required.

This is not to say that Otter Tail's financial health is paramount in all instances,[6] or that the electric power industry as regulated by the Commission is *per se* exempted from the antitrust laws. In the absence of a specific statutory immunity, cf. *Hughes Tool Co.* v. *Trans World Airlines*, —— U.S. ——, such exemptions are not lightly to be implied, *United States* v. *Philadelphia National Bank*, 374 U.S. 321. Furthermore, no sweeping antitrust exemption is warranted, as it has been in cases involving certain pervasively regulated industries, under the doctrine of "primary jurisdiction." [7] Cf. *United States* v. *R.C.A.*, 358 U.S 334, 346–352 *See Far East Conference* v. *United States*, 342 U.S. 570; *Terminal Warehouse Co.* v. *Pennsylvania R. Co.*, 297 US. 500; *United States Navigation Co.* v. *Cunard S. S. Co.*, 284 U.S. 474; *Keogh* v. *Chicago & N. W. R. Co.*, 260 U.S. 156; *Texas & Pacific R. Co.* v. *Abilene Cotton Oil Co.*, 204 U.S. 426; cf. *Carnation Co.* v. *Pacific Westbound Conference*, 383 U.S. 213. Our duty in attempting to reconcile the Federal Power Act with the Sherman Act on the facts of the case before us requires a judgment regarding the "character and objectives" of the regulatory scheme and the extent to which they "are incompatible with the maintenance of an antitrust action." *Silver* v. *New York Stock Exchange*, 373 U.S. 341, 358. "Repeal [of the antitrust laws] is to be regarded as implied only if necessary to make the . . . [Act] work, and even then only to the minimum extent necessary." *Id.*, at 357.

With respect to decisions by regulated electric utilities as to whether or not to provide nonretail services, I think that in the absence of horizontal conspiracy, the teaching of the "primary jurisdiction" cases argues for leaving governmental regulation to the Commission instead of the invariably less sensitive and less specifically expert process of antitrust litigation. I believe this is what Congress intended by declining to impose common carrier obligations on companies like Otter Tail, and by entrusting the Commission with the burden of "assuring an abundant supply of electric energy throughout the United States" and with the power to order interconnections when necessary in the public interest. This is an area where "sporadic action by federal courts" *can* "work mischief." Cf. *United States* v. *R. C. A.* 358 U.S 334, 350.[8]

Even assuming that Otter Tail's refusals to wholesale or wheel power to Elbow Lake and Hankinson were colorably within the reach of the antitrust laws, I cannot square the opinion of the Court with our recent decision in *Ricci* v. *Chicago Mercantile Exchange*, —— U.S. ——. Otter Tail's refusal to wholesale or wheel power to Elbow Lake was the subject of two concurrent proceedings—one in the District Court, and another in the Federal Power Commission. It seems to me that the principles of *Ricci*, related to but not identical with the traditional doctrine of "primary jurisdiction," should require a District Court in a case like this one to defer to the Commission proceeding then in progress. Surely the regulatory authority of the Commission with respect to interconnection is at least as substantial as the responsibility of the Commodity Exchange Commission, in *Ricci*, for the implementation of reasonable membership practices by its regulated contract markets. *Id.*, at —— (dissenting opinion of Marshall, J.). The responsibility of the Commission for "assuring an abundant supply of electric energy throughout the United States" and its authority to order compulsory wholesaling satisfy the three criteria enunciated in *Ricci* for a deferral of antitrust jurisdiction to an administrative agency: (1) that the court must first decide whether the conduct complained of, in light of the regulatory statute, is immune from the antitrust laws; (2) that "some facets of the dispute" are "within the statutory jurisdiction" of the agency; and (3) "that adjudication of that dispute . . . promises to be of material aid in resolving the immunity question." *Id.*, at —.

With respect to the last of the *Ricci* criteria, it is useful to contrast the cursory treatment given to Otter Tail's business justification defense by the Court today with the opinion of the Commission ordering permanent interconnection:

> ". . . we cannot disagree with the Examiner's view that Elbow Lake has engaged in 'an ill-advised excursion into the power business.' Given the facts of record before us, it is plain that Elbow Lake's effort has not brought it the rewards it expected; indeed, its first year of operations, during which it perpetuated the rates formerly charged by Otter Tail, resulted in a financial loss. Unlike Otter Tail's earlier service to Elbow Lake, Elbow Lake's own system is of doubtful reliability, as evidenced by its presence before us now. . . . While it is our responsibility to take all possible steps to insure to Elbow Lake's customers a high standard of service reliability, our terms and conditions must not invite improvident ventures elsewhere.

Footnotes at end of article.

"We also share the Examiner's view that Otter Tail is legitimately concerned about the possible erosion of its system. If other communities were to follow Elbow Lake's route, and if, having miscalculated the results, they could expect to be rescued by overly generous interconnection terms, then Otter Tail's fears that it will lose its customers, seriatim, seem to us to be supported. We do not mean by this that we accept a captive market concept, however. . . . The exercise of that [statutory] authority may well require, as it does here, that we order a public utility to interconnect with an isolated municipal system." *Village of Elbow Lake* v. *Otter Tail Power Co.*, 46 F.P.C. 675, 677–678.

The opinion of the Court attempts to side-step the *Ricci* problem by noting that the Commission has in fact ordered interconnection with Elbow Lake, resulting in the absence of a present actual conflict with the decree entered by the District Court. The Court goes on vaguely to suggest that there will be time to cope with the problem of a Commission refusal to order interconnection which conflicts with this antitrust decree when such a conflict arises.

But the basic conflict between the Commission's authority and the decree entered in the District Court cannot be so easily wished away. The decree enjoins Otter Tail from "refusing to sell electric power at wholesale to existing or proposed municipal electric power systems in cities and towns located in any area serviced by Defendant."[9] This injunction is qualified by a provision that such wholesaling be done at "compensatory" rates and under "terms and conditions which are filed with and subject to approval by the Federal Power Commission." The setting of rates, terms, and conditions, however, is but part of the Commission's authority under § 202(b), 16 U.S.C. § 824a(b). The Court's decree plainly ignores the Commission's authority to decide *whether* involuntary interconnection is warranted under the enunciated statutory criteria. Unless the decree is modified, its future implementation will starkly conflict with the explicit statutory mandate of the Federal Power Commission.

Both because I believe Otter Tail's refusal to wheel or wholesale power was conduct exempt from the antitrust laws and because I believe the District Court's decree improperly pre-empted the jurisdiction of the Federal Power Commission, I would reverse the judgment before us.

FOOTNOTES

[1] The District Court looked to Otter Tail's service area, and measured market dominance in terms of the number of towns within that area served by Otter Tail. Computed this way, Otter Tail provides 91% of the retail market. 331 F. Supp. 54, 59. As the appellant points out, however, these towns vary in size from more than 29,000 people to 20 inhabitants. If Otter Tail's size were measured by actual retail sales, its market share would be only 28.9% of the electricity sold at retail within its geographic market area. It is important to note that another reasonable geographical market unit might be each individual municipality. Viewed this way, whichever power company sells electricity at retail in a town has a complete monopoly.

[2] Both of these provisions had identical counterparts in H.R. 5423, 74th Cong., 1st Sess.

[3] Hearings on S. 1725 before the Senate Committee on Interstate Commerce, 74th Cong., 1st Sess. (1935); Hearings on H.R. 5423 before the House Committee on Interstate and Foreign Commerce, 74th Cong., 1st Sess. (1935).

[4] See, *e.g.*, S. 350 and H. R. 2101, 88th Cong., 1st Sess., providing that:

"Any certificate issued under the provisions of this subsection authorizing the operation of transmission facilities shall be subject to the condition that any capacity of such facilities not required for the transmission of electric energy in the ordinary scope of such applicant's business shall be made available on a common carrier basis for the transmission of other electric energy."

This bill was re-introduced as S. 1472 and H. R. 2072 in the 89th Congress, 1st Session, and also failed to pass. See also S. 2140 and H. R. 7791, 89th Cong., 1st Sess.

These bills were all re-introduced in the 90th Congress, as was H. R. 12322, proposing an Electric Power Reliability Act that would have specifically provided the Commission with authority to order wheeling. In the 91st Congress, bills to establish an Electric Power Reliability Act were again introduced. Section 3 of that proposed Act included a grant of authority for the FPC to order wheeling, see, *e.g.*, S. 1071, 91st Cong., 1st Sess. Yet another bill, H. R. 12585, 91st Cong., 1st Sess., included a very broad provision establishing open access to transmission networks at reasonable rates.

The proposed Electric Power Reliability Act was re-introduced in the 92d Congress, 1st Session, as S. 294, H. R. 605. H. R. 12585 from the 91st Congress was also re-introduced, as H. R. 6972, 92d Cong., 1st Sess. Still another bill would have prevented proposed regional bulk power supply corporations from contracting with an electric utility unless that utility "permit[s] . . . the use of its excess transmission capacity for the purpose of wheeling power from facilities of such corporation . . . to load centers of other electric utilities contracting to purchase electric power from such corporation." S. 2324, H. R. 9970, 92d Cong., 1st Sess., § 103(c)(1)(B). None of these bills were enacted.

[5] The District Court was persuaded that the restrictions on wheeling contained in Otter Tail's contracts with the Bureau of Reclamation were "in reality, territorial allocation schemes." 331 F. Supp. 54, 63. I think this finding was clearly erroneous. Territorial allocation arrangements that have run afoul of the antitrust laws have traditionally been horizontal, and have involved the elimination of competition between two enterprises that were similarly situated in the market. *United States* v. *Topco Associates*, 405 U.S. 596; *Timken Roller Bearing Co.* v. *United States*, 341 U.S. 593; cf. *White Motor Co.* v. *United States*, 372 U.S. 253, 261–264. Otter Tail and the Bureau of Reclamation stand in a vertical, not a horizontal relationship. Furthermore, though Otter Tail refused to wheel power to towns whose consumers it formerly served at retail, it did not exact from the Bureau a promise that the latter would not provide power to such towns by alternative means. Hence I cannot see how these contracts operate as territorial allocation schemes. If Otter Tail had demanded that the Bureau not sell to former Otter Tail customers, or if Otter Tail had combined with other retailers of electricity and undertaken mutual noncompetition agreements, this would be a different case.

[6] In ordering permanent interconnection between Otter Tail and the Village of Elbow Lake municipal system, for example, the FPC correctly noted that, "The public interest is far broader than the economic interest of a particular power supplier. . . . The private company's lack of enthusiasm for . . . [the interconnection order] cannot deter us, so long as the public interest requires it" *Village of Elbow Lake* v. *Otter Tail Power Co.*, 46 F.P.C. 675, 678.

[7] The Federal Power Commission, as noted above, only orders interconnection under the provisions of § 202(b), 16 U. S. C. § 824a (b), though it has broader powers in times of war or other emergency. 16 U. S. C. § 824a (c). The Commission does not normally set rates, though utilities subject to its jurisdiction must file proposed rate schedules with it, and it it has the opportunity of assessing the lawfulness of those rates. 16 U. S. C. § 824d. In the event the Commission concludes that any rate or practice is "unjust, unreasonable, unduly discriminatory or preferential," it determines the "just and reasonable rate. . . ." 16 U. S. C. § 824e(a). Under these same provisions, the Commission regulates the terms and conditions of interconnections and wheeling arrangements voluntarily entered into.

The resulting system of regulation is thus more comprehensive than the regulatory apparatus applicable to bank mergers which was held to be insufficient to oust antitrust jurisdiction in *United States* v. *Philadelphia National Bank*, 374 U. S. 321, and the regulatory scheme with respect to broadcasters which similarly failed to displace the antitrust laws in *United States* v. *R. C. A.*, 358 U. S. 334. Nevertheless, the considerable freedom allowed to electric utilities with respect to coordination of service persuades me that the antitrust laws apply to the extent they are not repugnant to specific features of the regulatory scheme. For this reason, litigation and political activities that come within the so-called "sham" exception in *California Motor Transport Co.* v. *Trucking Unlimited*, *supra*, might constitute an antitrust violation. Similarly, a genuine territorial allocation might be prohibited under the Sherman Act, see n. 5, *supra*. Were it not for the legislative history noted above, a consistent refusal to deal with municipally owned power companies might also be impermissible under the Sherman Act. For me, however, the legislative history with respect to wheeling and interconnection is dispositive.

[8] Unlike the situation presented in *R. C. A.*, *supra*, where the regulatory agency filed a brief in this Court disavowing any conflict between its regulatory functions and the operation of the antitrust laws, *id.*, at 350, n. 18, in this case the Federal Power Commission has taken the unusual step of filing a brief as *amicus curiae* in support of Otter Tail. The Commission points out that it was considering an application for interconnection filed by the Town of Elbow Lake at the same time this lawsuit was progressing in the District Court. An order requiring long-term interconnection by Otter Tail with the Elbow Lake municipal system was entered by the Commission on September 13, 1971—just four days after the District Court entered judgment. The Commission reads its authority to order interconnection, 16 U.S.C. § 824a, as a grant of exclusive jurisdiction in matters involving interconnection.

[9] The decree of the District Court is unreported.

[APPA press release]

High Court Power Decision Hailed as Victory for Public Interest

Washington, February 22.—Today's decision of the U.S. Supreme Court upholding the conviction of a midwestern electric power company for violation of Federal antitrust laws was hailed by a public power spokesman as "a major victory for the public interest."

Alex Radin, general manager of the American Public Power Association, said that both consumers and the environment will benefit from the ruling which upheld a lower court finding that Otter Tail Power Co. of Fergus, Falls, Minn., violated antitrust laws in its dealings with municipal electric systems in Minnesota and North and South Dakota. The High Court action affirmed a Sept. 1971, decision of the U.S. District Court in St. Paul, Minn., in which chief judge Edward J. Devitt upheld allegations brought by the U.S. Department of Justice that the company had used illegal tactics in seeking to prevent the establishment of municipal systems in several communities.

The Justice Department, in a complaint signed by then-Attorney General John N. Mitchell, had charged that Otter Tail sought to monopolize the sale of electric power in 464 towns in its three-state service area by seeking to bar municipal competition by refusing to sell or deliver electricity at wholesale to municipal utilities.

Terming the Supreme Court decision "one of the most important and far-reaching in the history of the electric industry," APPA general manager Radin said, "It will aid utilities and the general public by making possible the development of a more rational and effective power supply system."

Mr. Radin explained that the Supreme Court "has made it clear that anti-competitive practices of private power companies in refusing to sell or transmit electricity to consumer-owned utilities are unlawful under the antitrust laws," and, thus, "Publicly owned electric utilities are insured the right to access to economical power sources available to others."

Under today's decision, Mr. Radin said, "Where a community decides to supply its own electricity instead of allowing a private company to perform this function, a boycott cannot be employed to prevent citizens from implementing their decision."

He said that the result of the Supreme Court ruling "will be a termination of the bulk power supply monopoly enjoyed by some companies and the beginning of better coordinated regional planning for needed generation and transmission facilities."

"Beneficiaries will be consumers and the environment," Mr. Radin declared.

The decision upheld the verdict of the District Court which had enjoined Otter Tail Power from engaging in activities which violated the Sherman Antitrust Act in seeking to block the formation of municipal electric utilities.

In Elbow Lake, Minn., the company delayed operation of a municipal utility for several years after it had been voted by the people of the village, not only by refusing to sell wholesale power to the community but also by refusing to deliver Federal power from Bureau of Reclamation projects over its transmission lines. In 1966, the village purchased two diesel engines and commenced operation of an isolated municipal system.

Evidence presented by the Justice Department in the District Court trial also covered the company's successful efforts to bar the establishment of municipal electric systems in Finley and Hankinson, N.D., and its unsuccessful campaigns in Colman and Aurora, S.D., where power was delivered to the municipal systems by a rural electric cooperative.

[From the Baltimore Sun, Feb. 23, 1973]

CITY-OWNED UTILITIES WIN SUPREME COURT CASE

(By Dean Mills)

WASHINGTON.—The Supreme Court gave a boost yesterday to municipally owned utilities by ruling, 4 to 3, that private electric power companies can be prevented from blocking the flow of wholesale electricity to publicly owned ones.

Experts in the field immediately predicted that the decision, upholding a United States District Court ruling in Minnesota, would encourage more cities across the country to take over their own electric systems.

QUESTION LAID TO REST

"Any question which existed prior to this that a private utility could refuse to deal with a public one, in the way they have in the past, has been laid to rest by this case," an official in the Federal Power Commission said.

Alex Radin, general manager of the American Public Power Association, said he was "elated" by the decision and called it "one of the most important and far-reaching in the history of electric energy."

Increasing numbers of cities, believing they can save the money paid out in dividends to investor-owned systems and wanting firmer control of utility policies, have been interested in taking over their own systems in the last few years, he said, but have been blocked by private companies' determination to hold on to their retail franchises.

SERVE 78 PERCENT OF PEOPLE

There are about 300 private power companies in the country, serving 78 per cent of the population. Two thousand small municipal systems serve another 14 per cent, and rural co-operatives the rest.

In the Minnesota case, the Otter Tail Power Company was accused by the government of violating the Sherman Antitrust Act by refusing to sell electricity at bulk, or wholesale, rates to four communities that wanted to go public. The company serves 465 communities in Minnesota, South Dakota and North Dakota.

Otter Tail also unlawfully refused to transmit bulk power from other suppliers over its lines, the government charged, and tried through litigation to block the new municipal companies from buying power under any circumstances.

"The record makes abundantly clear," Justice William O. Douglas wrote for the majority, "that Otter Tail used its monopoly power in the cities in its service area to foreclose competition or gain a competitive advantage, or to destroy a competitor, all in violation of the antitrust laws."

Otter Tail's claims that it was exempt from antitrust regulation by virtue of its regulation by the Federal Power Commission are in conflict with previous Supreme Court decisions on the relationship between antitrust laws and regulatory agencies, Justice Douglas wrote.

Justice Potter Stewart drafted the dissent, in which Chief Justice Warren E. Burger and Justice William H. Rehnquist joined. Mr. Stewart charged that the court "followed the District Court into a misapplication of the Sherman Act to a highly regulated, natural monopoly industry wholly different from those that have given rise to ordinary antitrust principles."

ILLINOIS TAX RULING

Justices Harry A. Blackmun and Lewis F. Powell, Jr., took no part in the case.

In other opinions handed down yesterday, the court:

Decided unanimously that the state of Illinois can continue to apply a personal property tax to corporations while exempting individuals. The high court ruling reversed a finding by the Illinois Supreme Court that the law denied equal protection of the laws to corporations.

Ruled, 5 to 4, that the Hobbs Act, designed to prevent extortion by labor racketeers, cannot be used to punish violence by union members in the pursuit of legitimate union objectives.

The majority held, in upholding the dismissal by a lower court of an indictment against four men charged with destroying property during a strike against the Gulf States Utility Company in Louisiana, that such violence can be punished only under ordinary state laws.

[From the New York Times, Feb. 23, 1973]

HIGH COURT FINDS UTILITY SUBJECT TO ANTITRUST LAWS

(By Warren Weaver Jr.)

WASHINGTON, February 22.—The Supreme Court decided today that private power companies could not escape antitrust prosecution for monopoly by claiming they could only be regulated by the Federal Power Commission.

By a 4-to-3 vote, the high court held that an electric company in the North Central states could be required to sell and transmit power to communities in its area that decided to operate public systems of their own.

The American Public Power Association called the decision "one of the most important and far reaching in the history of the electric industry" and predicted it would lead to development of "a more rational and effective power supply system."

The case involved the Otter Tail Power Company, which sells electricity retail to 465 towns in Minnesota and North and South Dakota but refused to sell power wholesale or transmit it from another source to communities that decided to convert to municipal systems.

Associate Justice William O. Douglas, who wrote the majority opinion, was joined by Justices William J. Brennan, Byron R. White and Thurgood Marshall. The minority consisted of Associate Justice Potter Stewart, who wrote the opinion, Chief Justice Warren E. Burger and Justice William H. Rehnquist.

Associate Justices Harry A. Blackmun and Lewis F. Powell Jr. did not participate in the decision.

Like Federal District Court, the majority rejected the power company's argument that it was immune from antitrust prosecution for refusing to supply municipal systems because the Federal Power Commission has authority to compel it to connect with other systems.

Nothing in the legislative history of the Federal Power Act "reveal a purpose to insulate electric power companies from the operation of the antitrust laws," Justice Douglas wrote, and the courts should hesitate to override such "fundamental national policies."

The majority concluded that the Otter Tail Company's refusal to sell or transmit power to some localities "were solely to prevent municipal power systems from eroding its monopolistic position."

CONTENTION REJECTED

While supporting the District Court's findings against the utility generally, the Supreme Court sent the case back for a determination of whether the power company's lawsuits to block public power systems were a "mere sham" and no serious litigation based on principle.

Justice Douglas also rejected the power company's contention that it would lose business if required to use less vigorous competitive practices. He noted that the court had declined to assist a bicycle manufacturer in 1960 on the ground that "the promotion of self-interest alone does not . . . immunize otherwise illegal conduct."

For the minority, Justice Stewart argued that electric power supplying was "a highly regulated natural monopoly industry" to which the anti-competitive proscriptions of the antitrust laws should not be applied so strictly.

Congress intended, Mr. Stewart continued, to let power companies decide for themselves whether to transmit or sell wholesale to other customers, and Otter Trail, left to its own devices, would obviously "decline wholesale dealing with towns in which it had previously done business at retail."

The Public Power Association, in a statement by Alex Radin, its general manager, said the decision would end the power monopoly enjoyed by some milk suppliers and permit "better coordinated regional planning for needed generation and transmission facilities."

USER FEES FOR FISHING BOATS

Mr. HOLLINGS. Mr. President, I have received a letter from a South Carolinian which I feel certain my colleagues will enjoy reading. The letter from Mr. Stanley E. Roberson, of Aiken, S.C., is expertly and cleverly composed in rhyme stating his opposition to what appeared to be a proposed Corps of Engineers rule establishing user fees for fishing boats.

I have discussed this matter with the corps and clarified the misunderstanding. The reference to a daily $1 and a $5 user fee for nonmotorized and motorized boats on corps waters was in error. These fees refer only to boat rentals facilities, this provision will be deleted from their final rule.

I very much enjoyed reading Mr. Roberson's letter and I know it will be of interest to my colleagues in the Senate. Accordingly I ask unanimous consent that Mr. Roberson's letter be printed in its entirety at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AIKEN PRINTING CO.,
Aiken, S.C., February 23, 1973.

DEAR SENATOR HOLLINGS:

This comes to you in kind of a rhyme,
So you may read it in the shortest of time.

I hope it reaches you in time to act.
Before the new fee becomes a fact.

My oh my taxes are high,
The Corp of Engineers get a slice of the tax pie.

Now they have come up with a new scheme.
To me it seems pretty mean.

They have a money making plan,
It will hurt the average sportsman.

Everytime he boats upon the lake,
The Corp of Engineers will be on the take.

It may cost as much as five dollars a day,
To most of us this aint hay.

The Federal Register in Washington, D.C.
Is the way they plan to legalize this fee.

36 CFR part 327 is where it can be found,
I hope the citizens by this part will not be bound.

Can they not operate on their income,
Without additional tax upon some.
So, Dear Senator, please hear my plea,
Don't let the Corp of Engineers impose this new fee.

Sincerely,

STANLEY E. ROBERSON.

SOLUTIONS TO THE OIL AND GAS CRISIS—RESOLUTION ADOPTED BY THE INTERSTATE OIL COMPACT COMMISSION

Mr. BARTLETT. Mr. President, I ask unanimous consent that the attached resolution adopted by the Interstate Oil Compact Commission be printed in the RECORD.

A wide distribution of this resolution will hopefully increase public awareness of the energy crisis and spur public officials to begin implementing solutions.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Article II of the Interstate Compact to Conserve Oil and Gas states, "The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause." As a long established pioneer and leader in the conservation of our national resources, the Compact believes that waste includes the failure to find, develop and direct the full potential domestic petroleum resources to fill the present and future consumer needs. Such failure is not limited to operating practices of those who develop the petroleum resources, nor the action or lack of action by State regulatory agencies, but can result from Federal policies as well.

The influence of adequate energy supplies on the U.S. economy cannot be overemphasized. Oil and gas currently account for about 75 percent of this energy and indications are that these fuels will be primary energy sources for many years. The demand for energy is continuing to increase; however, the growth in domestic energy supplies is not keeping pace. As a result, the U.S. is becoming increasingly more dependent on foreign imports. Most of the growth in imported supplies will be from Eastern Hemisphere sources, some of which may be subject to interruption. Over-reliance on these sources of supply of vital energy is clearly not in the national interest.

No foreign nation or group of foreign nations has the present capability to produce and deliver energy resources to the United States in sufficient quantities to supplant current domestic energy supplies, and no amount of resource capability developed abroad would provide the reliability of a developed domestic resource capability.

All steps possible should be taken to expedite the exploration and development of domestic natural resources. Improved recovery technology should be developed to achieve greater recovery of known reserves. A favorable climate should be achieved and maintained to make possible the full prevention of physical waste of oil and gas.

Now, therefore, be it resolved that the Interstate Oil Compact Commission urges the Governors of the Compacting States to ask the Administration and Congress to encourage the further exploration and development of our vast potential of domestic energy resources by the following actions:

1. Adopt comprehensive and coordinated energy policies which will ensure the development of secure domestic energy sources to the fullest extent possible and minimize U.S. reliance on foreign oil and gas supplies.
2. Encourage the wise and more efficient use of energy. All sections of the economy should achieve energy savings through increased public awareness of energy supply problems.
3. Maintain and strengthen the Mandatory Oil Imports Program which has been established for the purpose of national security and is administered with the fundamental objective of ensuring that the Nation has an adequate and secure supply of petroleum.
4. Modify the import program to encourage the building of petroleum processing plants in the United States to meet U.S. petroleum product demand.
5. Increase incentives and remove obstacles to the sale of natural gas to permit free competition of domestic natural gas with other energy fuels and to directly stimulate exploration and development of domestic reserves.
6. Expeditiously define environmental requirements to include the necessity for exploration and development of areas of potential oil and gas supply, such as Alaska and other inland as well as offshore areas.
7. Remove unnecessary administrative obstacles to exploration and development of publicly owned offshore and onshore acreage for oil and gas by private industry.

Be it further resolved that the Executive Secretary of the Interstate Oil Compact Commission is hereby instructed to furnish a duly certified copy of this resolution to each of the Governors and Official Representatives of the Compacting States for such action as is deemed necessary.

EXCERPTS FROM SPEECH BY SENATOR HUMPHREY BEFORE THE NATIONAL AUTOMOBILE DEALERS ASSOCIATION

Mr. HUMPHREY. Mr. President, at the convention of the National Automobile Dealers Association, I had the opportunity to address the membership on the state of the American economy and its relationship with the rest of the world.

In my remarks, I reminded the convention that world trade, tariff, and international monetary considerations play a crucial role on the domestic American scene. Although many Americans may not realize or appreciate the importance of international economic relationships, we live in an increasingly interdependent world. The health of the American economy is key to international economic stability. I believe the administration's phase III policy, with the premature lifting of controls, decreased confidence in our economy, and precipitated the recent international monetary crisis. I stated that if inflation did not abate I would work with my colleagues in this body to reestablish an equitable system of wage and price controls.

I also dealt with the issue of new trade legislation which the President will shortly send to the Congress. The goal of avoiding a confrontation with our trading partners while at the same time protecting the economic security of labor and business will be difficult to achieve. However, I am convinced that we can achieve this goal if the President and the Congress work together closely on trade legislation. I urged President Nixon to consult with Members of Congress prior to his formal submission of trade legislation. An atmosphere of cooperation and compromise within the framework of developing a viable trade policy is critical to avoiding a trade war and bringing to the American worker and businessman the economic security they so rightly deserve.

Mr. President, I ask unanimous consent that excerpts of my speech to the National Automobile Dealers Association be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR HUMPHREY

I am not an expert in international trade and monetary policy.

But, like all of you, I am concerned with our foreign economic policies.

There is little that happens in America that is not related to these complex economic issues.

The food we eat.

The cars we drive.

The clothes we wear.

The jobs we hold.

Indeed, the quality of life in America cannot be separated from trade, tariff and monetary policies adopted in Washington and in the capitals of the industrialized world—and the flow of raw materials from the developing world.

This is not a new phenomenon.

As far back as the early twentieth century our Midwest and Great Plains farmers saw the bottom drop out of their lives as a result of worldwide market crashes.

And the mill towns and steel towns of the industrial revolution experienced boom or depression as a result of world trading patterns.

No matter how hard some of our countrymen try, we cannot divorce our lives from the commercial and trading relationships we have established with nations of the world. This is an interdependent world.

Recognizing this fact, both of us have jobs to do—you as concerned citizens and I as an elected official.

We must seek to insure that the benefits of foreign trade are shared equitably.

And we must also make a commitment to

aid those who are legitimately injured by our foreign economic policies.

These tasks may not be easy to achieve. But we must make the effort.

Today we meet in the midst of economic uncertainty and crisis.

I do not have a crystal ball to predict the future.

But I would like to give you my thoughts about where I think we are headed and what I believe must be done to avoid new crises.

Last week's monetary crisis was met with decisive action by our government.

Hopefully a devalued dollar and the realignment of other currencies will halt the crisis and allow us time to construct a coherent trade policy and further reform the international monetary system.

I am aware that the devaluation might present a problem to your businesses. Last year foreign cars accounted for nearly 15 percent of the U.S. market.

But your past successes based on the sale of a highly competitive and desired product, point to your ability to weather this setback and not lose a significant share of the market.

I believe you will hold your own at a time when the demand for cars—both domestic and foreign—seems to be increasing.

You may question the desirability of dollar devaluation but, I can assure you that this action is preferable to an across the board surcharge on imports of 10 to 20 percent, and you and I know that the surcharge was being contemplated by the Administration—and is being advocated by some in the Congress.

Hopefully such a surcharge can now be avoided because of the devaluation. And although you cannot breathe a sigh of relief, I do believe that you will weather the storm.

And, in all candor, I believe the devaluation of the dollar was the result of governmental fiscal and monetary policies plus private and corporate international investment.

The monetary crisis which precipitated the devaluation was triggered by the Administration's timing of Phase III.

The Phase III decontrol policy was premature and it certainly was a prime factor in launching the crisis.

Investors and foreign governments were unwilling to believe the rhetoric of Phase III.

The holders of large amounts of dollars sold their dollars because of lack of confidence in our economy.

The establishment of worldwide confidence in the American economy and our ability to control inflation at home are the key to preventing a renewed crisis of this sort.

We are in a testing period as far as the President's Phase III policies are concerned.

If these policies cannot do the job, I will help organize efforts in Congress and around the nation to reinstitute a system of equitable wage and price controls.

This is not a threat. But the Administration must realize that we may be entering a period of price increases detrimental in the long run to both consumer and producer.

Reform of the monetary system and a healthy domestic economy cannot bring economic stability and prosperity alone.

They must be accompanied by new trade legislation which deals realistically with some of the controversial issues in the trade debate currently raging in this nation.

I know that the American Imported Automobile Association has a great stake in upcoming trade legislation.

The dimensions of your industry bear witness to this fact: There are approximately 4,600 foreign car dealers in the United States, employing nearly 200,000 people with a yearly payroll of about $1.5 billion. And American foreign car dealers have about $1.4 billion invested in their businesses.

I have a responsibility to level with you concerning the outlook for trade legislation in the 93d Congress.

Nowhere is the drive for protectionism more apparent than in the Congress and sentiment for protectionism is growing.

The economic and political environment in which trade legislation will be considered will have an impact on the substance of this legislation.

Allow me to summarize this environment for you:

The United States will continue to run a large trade deficit in 1973 and the size of this deficit will diminish slowly. It will be several months before we begin to see the fruits of the devaluation—if it materializes at all.

The largest portion of our trade deficit will be with Japan and could amount to $4 billion. Next in size will come our deficit with Canada at approximately $2 billion and we will have a smaller deficit with the European Common Market.

Unemployment is relatively high at a level of 5 percent. If this level falls at all, it will fall slowly.

Added to the economic realities is a protectionist sentiment being fueled by feelings of frustration and despair on the part of millions of American workers who feel that their jobs and families are threatened by the great influx of foreign made goods and the declining trade position of the United States.

I must add that I do not feel that workers in the American automobile industry are responsible for this sentiment in view of the boom market for domestic cars.

But, the American worker is under great economic pressure.

He must deal with inflation, high interest rates and a sense of alienation which comes with blocked social and economic opportunities.

The fact of the matter is that the American worker associates his own job security with the reduction of competition from abroad—either by foreign companies or American owned subsidiaries.

What he perceives to be true.

The translation of this sentiment means growing protectionist constituencies for Members of Congress.

Because of this the Burke-Hartke bill with its new quotas on imports and repeal of tax advantages for U.S. corporations' investments overseas does get prime attention in the 93d Congress.

The bill focuses on some very real issues—issues that are of great concern to American workers.

You can't tell the man who loses his job in a factory that his loss is the nation's gain.

Unless we face this fact, we will be severely hampered in the attempt to forge a new trade policy.

This week, the public and the Congress were given the first indication by the administration of the shape of its upcoming trade bill.

Aware of the need to reduce trade barriers erected by Japan and the Common Market against American industrial and agricultural products, President Nixon said he favored a "fair deal and a fair shake for American products abroad."

I agree with this rhetorical position.

He linked this theme with a position that he would seek broad new authority not only to lower tariffs but also to raise tariffs to help him bargain for improved markets for our exports.

This is all I know about the content of the President's forthcoming trade legislation—what do you know? Have you been consulted?

I would be surprised if more than a half a dozen Members of Congress out of a total of 535 know what the Administration was planning.

The President needs to remember the first rule of good Congressional relations: Build support with your friends and consult with everyone—including your opponents—in a confidential manner.

Because the Administration has a habit of secrecy on these matters, it must take the consequences for sending to Congress a major piece of trade legislation without testing both Democratic and Republican sentiment on a matter which will surely cross party lines.

By continuing to act first and consult later it injures the chances for passage of its proposals.

Because of the controversial nature of any trade measure and the great stakes involved, the actual legislation must involve considerable compromise. Without prior consultation with members of Congress, the President will make compromise more difficult.

I want to work with the President in the formulation of a reasonable trade policy. I know we must trade. We know that a trade war can be destructive.

I call upon the Nixon administration to remove the veil of secrecy which surrounds the development of its trade policies and work with the Congress on this matter.

We must realize that a new dimension of competition and even hostility may be arising between the United States and its trading partners.

I hope that we can avoid such a confrontation with our allies and friends. Indeed, we must!

But in order to do so, we must first avoid an acrimonious debate among ourselves and develop trade policies based on a strong public and Congressional consensus.

This cannot be done unless the President and his advisors move soon to consult with Business-Labor-Finance and meet with those of us in Congres who will be working on trade legislation.

TRAUMA PLAN SAVES LIVES

Mr. STEVENSON. Mr. President, much public attention in recent months has focused on the quality of emergency medical care in our cities, towns, and rural areas. Many communities are simply unable to respond rapidly and effectively to medical crises. The result is a growing number of deaths or disabilities which the proper organization and planning of existing medical facilities could eliminate.

I have been concerned with this problem for some time and recently joined Senator CRANSTON of California in cosponsoring the Emergency Medical Service Systems Development Act of 1973, S. 504. This bill would provide financial assistance to communities with an adequate plan for improving its emergency medical systems.

My own State of Illinois established a program of this kind, the Illinois trauma care program in 1971. The program attempts an areawide approach to trauma care—five large regional centers are located at key points around the State, with small areawide centers in more sparsely populated areas.

Recognizing that accidental death or serious disability frequently results from traumatic events, the Illinois program has singled out the critically injured patient as its first major target for treatment. The program utilizes medical facilities, health professionals, and technological resources already present in a given community. The rapid success of the trauma program is now leading the way for similar regionalization of all categories of emergency health care—

pediatrics, poison control, psychiatric screening, and cardiac intensive care.

The statistics for the first full year of operation of the trauma program are quite striking: For the first 6 months of 1972, as compared with the same period in 1971, there was an increase in highway accidents in Illinois of 8 percent and in persons injured of 9 percent. Yet there was a decrease of 8 percent in highway fatalities throughout the State during the same time period. Significantly, this works out to a steady decline in the percentage of deaths per person injured, from 2.8 percent in 1972 down to 2.1 percent during the study period. This 2.1 percent mortality rate in Illinois compares to a nationwide mortality rate in auto accidents of 13 percent.

It tentatively appears, therefore, that the regional approach to accident care can reduce the high death rate now being experienced across the Nation. The approach so successful in my own State of Illinois may provide solutions to deficiencies in other States' emergency facilities organization.

Mr. President, I ask unanimous consent that an Associated Press article by C. G. McDaniel about the Illinois trauma program be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Chicago Sun-Times, Feb. 6, 1973]

TRAUMA PLAN SAVES LIVES—NETWORK CUTS AUTO DEATHS

(By C. G. McDaniel)

Seventeen-year-old Susan Turner is working part time as a waitress and finishing high school. By all odds, she should be dead.

She would be, says Dr. David R. Boyd, were it not for the Illinois trauma care system. And her father Gene says so, too.

Boyd and Dr. Bruce Flashner, surgeons who had worked in the pioneering trauma care unit at Cook County Hospital, developed Illinois' unique system. Now state public-health officials, they drew on the co-ordinated trauma care which saved so many American lives in the Korean and Vietnam wars. They had the enthusiastic support of then-Gov. Ogilvie, whose life was saved by medical corpsmen after he was wounded during World War II.

Miss Turner was pinned inside an auto in an accident near her rural Atlanta (Ill.) home on Dec. 19, 1971. Police called the local trauma center in Lincoln, nine miles away, and a civil-defense team was dispatched. The victim was cut out of the car and taken by ambulance to Abraham Lincoln Memorial Hospital, the nearest designated trauma center. There, a doctor immediately noticed blood in her ear. This indicated bleeding inside the head, an injury too severe to be treated at the local center.

At Lincoln, the trauma co-ordinator, a new medical position in the Illinois system, contacted St. John's Hospital in Springfield, the regional trauma center, to alert the staff. Since it was a Sunday, fewer doctors and other personnel were on duty than usual.

By the time Miss Turner arrived by ambulance a half-hour later, the operating room was ready and a neurosurgeon had been summoned and was at the hospital waiting. The blood clot was removed from her brain in surgery, and she was on the road to recovery.

Boyd said in an interview that such an injury as Miss Turner sustained usually has 100-per cent mortality.

"If the system hadn't worked like clockwork, she would have died at the local center," he said.

Miss Turner's case illustrates the kind of care available to accident victims throughout the state—even in remote areas. Victims may expect the same level of sophisticated care as is available in Chicago. And it's available almost as fast, sometimes faster.

Even though the Transportation Department requires states to have statewide programs for treating accident victims in order to qualify for highway assistance, Illinois is the only state to have instituted such a program.

The Illinois program, which began July 1, 1971, includes 38 hospitals from Cairo to Rockford. Ultimately, 45 of Illinois' 300 hospitals will be included.

The program's effect on the death rate from accidents has been dramatic Boyd, chief of the division of emergency medical services and highway safety in the Illinois Department of Public Health, reports the death rate from highway accidents has dropped 8 per cent for the state. The mortality rate in Illinois auto accidents is now 2 per cent, compared to a nationwide average of 13 per cent.

Trauma—or injury by accident—is the third leading cause of death in the nation, after heart disease and cancer. Under age 40, it is No. 1.

An estimated 70 to 80 per cent of the annual 55,000 U.S. traffic deaths result from accidents in rural areas and communities with less than 2,500 population.

Some sparsely populated areas, especially in southern Illinois, have few doctors and no hospitals. On the other hand, Boyd notes, some of the more populous areas have had hospitals operating emergency rooms competitively.

Before development of the statewide trauma-care system, the victim was taken to the nearest hospital or the one favored by the ambulance driver, regardless of whether it was equipped to care for the critically injured.

Initially, the Illinois program began with designation of trauma hospitals, Boyd said, with emphasis on upgrading those which did not meet standards. Hospitals offering duplicating services were encouraged to drop them.

The problem of inadequate ambulances is next on the agenda. Already, though, helicopters and small planes are used to transport the critically injured over long distances. And this has been accomplished without much cost to the state because existing facilities have been utilized.

Planes and helicopters used by the National Guard, other state agencies and officials are pressed into use when needed. Hospitals, of course, supply required upgrading of existing facilities.

The network begins with the local trauma center. Each covers an area with a 25-mile radius. Then there are areawide and regional trauma centers, each providing more sophisticated medical care than the former. In addition, Children's Memorial Hospital receives complex pediatric cases and Northwestern Memorial Hospital takes spinal-cord injuries. Eventually, all Chicago hospitals will become part of the emergency-care system.

All the centers are connected by radio with each other and with ambulances, and all must have a helicopter-ambulance landing site. Former military medical corpsmen serve as trauma center co-ordinators, freeing the physician from the administrative duty.

The program includes special courses to teach ambulance attendants how to care for the injured en route to the hospital and to assess their condition. As a result of this statewide trauma-care program, former Gov. Ogilvie has said, "Death and disability from accidental injury are coming under control in Illinois."

A NATION OF IMMIGRANTS

Mr. KENNEDY. Mr. President, I would like to call to the attention of Senators and other readers of the Record a recent column on immigration which appeared in the Washington Post on February 22, 1973. The column, by Stephen Rosenfeld, is a thoughtful reminder of our country's ideals and heritage, and that immigration is the oldest theme in our Nation's history. I ask unanimous consent that the column be printed in the Record at this point.

There being no objection, the column was ordered to be printed in the Record, as follows:

WHY THE UNITED STATES IS SO INVITING TO EMIGRANTS

(By Stephen S. Rosenfeld)

Seeing the film, "The Emigrants," the other night and recalling "Fiddler on the Roof" from last year, I got a striking sense of how unique and compelling the idea of America was to people all over the world in the last century, and of how extensively—if not always on merit—that idea continues to nourish our image of ourselves today.

Both movies portray the physical and psychic disintegration of tight, traditional family- and place-oriented communities, Swedes in Sweden in "Emigrants," Jews in Russia in "Fiddler." When their values, livelihoods, and security can no longer be sustained on native ground, they both turn with compass-needle certainty to the United States. To them it is a land of freedom and opportunity, in the uncluttered old-fashioned sense of those terms. They leave the land of their fathers and, with scant belongings and nursing children, pack off for America.

Now, no doubt a good part of the great popularity and critical acclaim these two films have received can be laid to their simply being good films, in the eyes of Post critic Gary Arnold, for instance, and the Oscar committees.

Perhaps another aspect to their reception is their open and warm indulgence of ethnicity, a phenomenon much on the country's mind and sleeve these days. Friends who've seen "Sounder" suggest that it may be a black counterpart on both esthetic and ethnic grounds.

A cynic might say that movies such as "Emigrants" and "Fiddler" are escape exercises which owe their vogue to the American public's desperate wish to flee the current national disarray and to take refuge in a simpler past in which America was respected and respectable and hard work and personal dignity were respected too. I might say that this charge doesn't slow me down a bit: plenty of other movies, and lots of other things, are available to tell us what miserable creatures we Americans are.

The deeper fact remains that these pictures not only tell us something about ourselves and our country that we're glad to hear. They tell us something, which in many places in the world, is still thought to represent the American essence and which a great many Americans are still trying to make come true.

For all of our faults of policy and flaws of character, most people think of the United States when they think of one country which embodies freedom and opportunity. I say this with some trepidation but not without some reflection, too—in particular reflection on the basically middle-class quality of the ambitions of simple people almost everywhere, something which a great many would-be revolutionists have discovered and deplored in their respective places and times.

I would guess that most of us, whatever our views on Vietnam, look upon the flight of some young Americans to Sweden or

Canada as limited and special. We continue to be the country more people try to emigrate to, or sneak into, than any other. Virtually alone among nations, we are subjected to the most arduous form of flattery, to be constantly judged by others in terms of our own professed ideals.

Moreover, the premise of our national politics remains that those ideals are still necessary and serviceable guides to public policy. Whole "new" constituencies—blacks, Chicanos, youth, women, etc.—keep organizing on that premise:

"Thousands of protesters, many from the ranks of the nation's poor, rallied peacefully yesterday afternoon at the Capitol," a Post story began on Wednesday. One does not have to endorse their purpose—to undo administration cuts in social programs—to recognize the premise, and to be gratified that the protesters hold it.

Indeed, no amount of frustration and disillusionment seems to crush this generalized faith in America which so many foreigners and Americans persist in keeping. It is, I think, remarkable, even aweing, and it exists apart from whether any one of us believes that the United States has earned it or not. It can, of course, be diminished by poor national performance but it can also be expanded and put to good national use.

Such faith in American values, then, may help explain not only the particular appeal and reception of "Emigrants" and "Fiddler" but how the United States manages to hold together despite its cracks and strains and how, even after the searing of Vietnam, we are still able to make our way in the world.

SECRETARY MORTON'S ANNOUNCEMENT CONCERNING THE TRANS-ALASKA PIPELINE

Mr. STEVENS. Mr. President, yesterday, Tuesday, February 27, 1973, the Secretary of the Interior, Rogers C. B. Morton, made a major announcement concerning the trans-Alaska pipeline. In it he indicated that the Federal Government would vigorously appeal the decision of the U.S. Court of Appeals for the District of Columbia Circuit in Wilderness Society against Morton. He also indicated that it was incumbent upon Congress to enact legislation quickly to permit pipeline rights-of-way wider than the 25-foot limitation permitted under section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185).

I have spoken many times on the importance of this issue for the State of Alaska and the Nation as a whole. The urgency of the situation is underscored by this major announcement by this administration.

I commend the administration for taking such positive leadership in this major effort to solve the Nation's energy crisis.

I request unanimous consent that the text of Secretary Morton's press release containing his remarks be inserted in the Congressional Record at this point.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Secretary Morton Announces Trans-Alaska Pipeline Action Will Be Sought in Congress and Supreme Court

Secretary of the Interior Rogers C. B. Morton announced today, from his temporary office in Menlo Park, California, that the Administration will seek action from the Congress and the Supreme Court to allow construction of the Trans-Alaska pipeline at the earliest possible date.

He stressed that "with each passing month it becomes ever more obvious that it is in our national interest to get delivery of Alaskan oil to the Lower 48 States at the earliest practicable date. We will have to import every barrel of oil we don't get from Alaska. Alaskan oil is necessary to relieve the energy picture in this country, to avoid further deterioration of our trade balance, and to avoid increasing our dependence on foreign supplies of oil.

"As I said last May, this is going to be the most carefully built and operated pipeline in history. We understand the environmental risks involved and we are going to assure they are avoided to the maximum possible extent. We've studied this matter for almost four years; it's time to get on with the job.

"I am confident that the Congress and the Supreme Court will share our view that this is a matter of the highest national importance and will act with a sense of urgency to remove the obstacles to prompt construction that arise from the Court of Appeals' decision of February 9, 1973."

The Court of Appeals held, in *Wilderness Society* v. *Morton*, that under the Mineral Leasing Act of 1920, Secretary Morton does not have authority to issue special land use permits authorizing the temporary use, for construction purposes, of land more than 25 feet from the outer edge of the pipeline. In view of this holding, a majority of the Court refused to decide whether the six-volume environmental impact statement, prepared by the Federal Task Force on Alaskan Oil Development, satisfied the requirements of the National Environmental Policy Act (NEPA).

The three judges who considered the merits of the environmental issue found that the statement was adequate; they felt the Court should have rejected the contention of the plaintiff environmental groups that the statement failed to consider adequately an alternative Trans-Canada route for the pipeline.

Secretary Morton pointed out that before he can issue permits authorizing pipeline construction it will be necessary to resolve both the issue of his statutory authority and the question of whether the impact statement meets the requirements of NEPA. He said, "I am recommending that the Solicitor General ask the Supreme Court to review this case as a matter of urgency and decide both issues this term. I believe the Supreme Court will decide in favor of the Government on both points.

"But, because an unfavorable decision on the question of my statutory authority would do such great damage to our entire economy, I am also recommending that the Congress promptly enact legislation that will remove any doubt about my authority to issue permits necessary for construction not only of pipelines, but also transmission lines and other facilities that must cross Federal lands.

"Under the Court of Appeals' opinion, it will probably be impossible to build any new oil or gas pipeline across Federal lands anywhere in the United States. The opinion even casts a cloud over the very common practice of using public lands beyond the statutory breadth of transmission line rights-of-way for the purpose of bringing in materials and equipment during construction. Because we simply must have such new facilities to support our expanding economy, I will ask Congress to include an appropriate right-of-way provision in the Administration's proposed National Resource Land Management Act of 1973."

On the question of an alternative pipeline route through Canada, Secretary Morton said, "I explained in detail to the Joint Economic Committee of Congress on June 22 of last year why I am totally convinced my decision to grant a permit for the Trans-Alaska route is in the highest public interest and why we cannot afford to try to force the oil companies to build a pipeline through Canada. For a number of reasons, a pipeline across Canada would involve great delay in delivery of oil to our markets even if the Canadian Government could and would grant the permits necessary for construction. And, even after the line is in operation, recent statements by Canadian leaders indicate that its full capacity will not be available to U.S.-owned oil. This is of great concern from a balance of trade point of view, and it is inconsistent with our desire to place the maximum possible reliance on our own, rather than foreign, sources of energy. My concern on this account is increased by the fact that the Canadian Government has recently found it necessary to place controls on their export of crude oil to us."

Morton said he has found that a large number of people in the West share the view that it is important to clear up the obstacles to construction of the pipeline as soon as possible.

NEW FEDERALISM IN TROUBLE?

Mr. MUSKIE. Mr. President, in the accumulating mass of literature about the President's philosophy of "New Federalism" and his methods to implement it, several recent articles stand out. They are: An excellent analysis, "Impoundment Relies on Weak Arguments," by Louis Fisher in the February 25, 1973, Washington Sunday Star; a perceptive commentary, "Nixon's 'Federalism' in Trouble," by James Doyle in the February 23, 1973, Washington Star-News; two columns by David Broder in the Washington Post of February 25 and February 27, 1973; "Telling It Not Quite Like It Is," by Tom Wicker in the February 27, 1973, edition of the New York Times; and a timely editorial, "The Short Rope," in the February 27th New York Times.

I ask unanimous consent that these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Impoundment Relies on Weak Arguments

(By Louis Fisher)

Exhiliarated by his 61 percent November mandate, with 49 states tucked away neatly in his corner, President Nixon has staged a bold confrontation with Congress. Thus far legislators have responded with angry and fiery denunciations about the impoundment of funds. The spectre of "one-man rule" has been raised. Invocations, if not incantations, are made to the Constitution, the Founding Fathers, and the separation of powers doctrine. Amidst all the clamor and heavy rhetoric, the funds remain impounded.

Executive officials visiting Capitol Hill to defend the legality and political wisdom of impoundment, have little difficulty in marshaling a host of precedents, legislative histories and statutory fragments to support their cause.

The standard litany includes:

"No sense spending money on wasteful and ineffective programs."

"Spending must be curbed or we'll have a tax increase (or renewed inflation)."

"Other Presidents have done it."

"We have to impound to stay within the statutory debt limit and to carry out the Antideficiency Act."

To the uninitiated these arguments may sound reasonable, but are they?

The issue of whether impoundment is constitutional—whether it is legitimate or politically defensible—is beyond the scope of this article. Impoundment comes in many shapes and colors, legitimate in one case and highly questionable in another. A more manageable task is to question the current rationale offered by the administration. Is it as strong as it outwardly appears?

Consider the special section in the new budget on "Program Reductions and Terminations." A major criterion for identifying low-priority programs is this test: "Would they justify an increase in tax rates to pay for the anticipated expense of their continuation? The 1974 budget proposes reducing or eliminating programs that do not meet this criterion."

Is it too much to wonder if that same standard was applied to the space shuttle? To the B–1 bomber or the SST? To the ABM site in North Dakota or to merchant marine subsidies? Or are those, to borrow from the President's Jan. 28 radio address, "sacred cows"?

How does the Office of Management and Budget decide which projects to continue and which to shelve? Roy Ash, in a Feb. 1 appearance at the Joint Ervin-Chiles impoundment hearings, assured the senators that "we are not choosing between good programs and bad programs. In many cases we are forced to choose between good ones and better ones."

Very nice, but is there a measuring rod somewhere that distinguishes between bad, good and better?

Apparently that is not the case. Some insight as to how things work can be gained from hearings held in June 1971. Caspar Weinberger appeared before the House Appropriations Committee to explain why the OMB had impounded, without exception, every public works project that Congress had added to the President's budget.

Choices were not made in terms of the *merits* of the projects, such as cost-benefit ratios or some other criteria. OMB simply decided that the President's budget should stand as is and that all congressional additions should be deferred.

Weinberger admitted that the OMB did not feel qualified to exercise independent judgment on the projects. It was merely a case of depending on the Corps of Engineers and the Bureau of Reclamation as to which projects had a lower priority—"by definition those projects that are not included in the budget . . ."

The image of the President and his budget officials standing in front of a smorgasbord, delicately picking out good programs from better programs, is pure fantasy. The "good programs" are those added by Congress. The "better programs" are those initially requested by the President.

In his news conference of Jan. 31, Mr. Nixon said that he would respond to critics of impoundment in the "same way that Jefferson did, and Jackson did, and Truman did."

The Jefferson example has been something of a godsend, eagerly seized upon by administration spokesmen. Weinberger told the Senate Committee on Labor and Public Welfare on Jan. 17 that "we are doing not only nothing different than any other President since Thomas Jefferson has done; we are doing it in no greater degree." Both points are shaky.

It is almost embarrassing to recall the details of the Jefferson incident. Congress had appropriated $50,000 for gunboats in anticipation of an emergency. When the emergency failed to materialize, Jefferson saw no reason to spend the money. Neither did Congress. He announced that the "favorable and peaceable turn of affairs on the Mississippi rendered an immediate execution of that law unnecessary."

It was a commonsense impoundment, in no way defying Congress. Can anyone seriously offer that as a precedent for cancelling the Rural Environmental Assistance Program (REAP), placing an 18-month moratorium on housing, or withholding $6 billion in contract authority from the water pollution control program? Would not Congress be subject to ridicule if it offered such strained analogies?

Budget officials like to point out that 1967 impoundments represented 6.7 percent of budgetary outlays, compared to only 4.6 percent for 1972 impoundments. To compare administrations with aggregate figures, either with dollar amounts or with percentages, is meaningless. You have to look at individual impoundment actions, separating the routine from the controversial.

Percentages are helpful in showing the impact of impoundment *within* an administration. OMB's Feb. 5 report lists $1.899 billion withheld from the Department of Defense (military functions), $1.497 billion from Agriculture, and $529 million from HUD. Convert that into a percentage of total available budget authority for fiscal 1973 and you get 2.4 percent Defense, 13.0 percent Agriculture, and 10.5 percent HUD. If Defense is under-represented, the main burden of impoundment obviously falls on the domestic programs. And so it does.

Two other calculations are needed to understand the full impact on domestic programs. The Feb. 5 report is restricted to impoundment of appropriated funds. It is also possible to "impound" by withholding contract authority, such as for home ownership or rental assistance programs. Total impoundments for HUD—in appropriated fund and in contract authority—come to $991 million, 19.8 percent of the Department's total available budget authority.

Also important is the amount of money that will lapse (be lost) at the end of the fiscal year. Of the defense impoundments, all of the funds will be available beyond fiscal 1973 except for $7.5 million in annual accounts. Thus, less than half of one percent will lapse. Compare that to $207 million of Agriculture money that will not be available beyond fiscal 1973—13.8 percent of Agriculture impoundments.

But in addition to the $207 million you have to add other funds that are technically or legally "available" after fiscal 1973, but which the administration has no intention of spending. This category includes $210 million for REAP, $11 million for the Water Bank Program, $456 million for rural electrification loans, and $120 million for rural water and waste disposal grants.

In a practical sense, then, 67 percent of the Agriculture impoundments will be lost after fiscal 1973. In the case of Defense, none of the funds that extend beyond fiscal 1973 face political impoundment.

Of the $529 million in appropriated funds withheld from HUD, all of the money is technically available after fiscal 1973. However, with the single exception of $6.6 million in housing production and mortgage credit, the administration does not intend to spend any of the funds. Moreover, the housing pipeline will be depleted during the 18-month moratorium, resulting in a loss both of funds and of momentum.

To pinpoint the specific kind of impoundment that disturbs Congress. Sen. Ervin reminded Roy Ash of a 1971 example. Urban funds were withheld at that time because, as George Romney explained, there was no sense in accelerating programs that were "scheduled for termination."

Note that the "scheduling" was by the executive branch, not by Congress. It was the administration's intention to convert urban programs into the President's revenue sharing proposal. Impounding funds in this prospective sense—holding on to money in anticipation that Congress would enact an administration bill—was a new departure for the impoundment technique.

Ash responded by saying that the Romney example "dealt not with this year but earlier. . . . This year the reasons are very compelling ones and different ones." Yet impoundment is still being used today as part of the administration's strategy to enact urban revenue sharing. The 1974 budget stops new project approvals under seven "outmoded and unduly restrictive" grant and loan programs. As these programs decline, they are to be phased (so the script reads) into the administration's $2.3 billion special revenue sharing plan.

This is confirmed by a Jan. 15, 1973 letter from Kenneth R. Cole Jr., Director of the President's Domestic Council. He informed Sen. Sparkman that "until the [community] development activities are folded into the revenue sharing proposal, there will be a temporary suspension of new commitments for water and sewer grants, open space and public facilities loans."

Was that an attempt to blackmail Congress into passing urban special revenue sharing?

During the hearings on James Lynn's nomination as the new HUD Secretary, Senator Packwood asked: "If Congress, in its lack of wisdom, refuses to pass the urban and special revenue sharing bill, is it your intention or recommendation to permanently freeze community development funds?" Lynn's reply was nearly incomprehensible: "I think we would have to face up then to what our position would be and would make our recommendations as to what happens to water and sewer quite separately. Yes, we would, but all we are talking about is the time sequence. This is an optimistic plan based on what we think is the right thing to do, and, as you said, Mr. Chairman, the right thing to do is to have revenue sharing. Mr. Cole is saying that we intend to have the revenue sharing substituted for it."

Housing programs are being suspended or terminated, according to the administration, because they are wasteful and ineffective. Does the President apply that same rigorous principle, on such a broad scale, to procurement programs for the military?

The administration had four years to study the housing programs and come up with legislative remedies. Nothing was proposed except for urban special revenue sharing and a consolidation and simplification bill. To wait four years and apply the draconian remedy of a moratorium smacks of bad faith.

The administration professes an open mind on the housing program, evaluating its objectively and impartially during the 18-month period. Some of the statements in the Cole letter ("The program structure we have now cannot possibly yield effective results even with the most professional management") indicate that the evaluation has already been made. That too suggests bad faith.

In their more modest moments, when not invoking the inherent powers of the President, administration officials claim that impoundment is necessary to satisfy statutory directives. This is the humble approach. On such occasions the public debt limit is trotted out to explain why funds are impounded. "Congress set the limit; we cannot go above it."

That is true, but there is nothing to prevent the administration from asking that the limit be raised. They do it all the time nowadays. Why is it we spend billions to meet our commitment in Southeast Asia, put a man on the moon, and extend revenue sharing to the states without feeling constrained by the debt limit?

OMB argues that it would be impossible to stay within the debt limit if outlays for fiscal 1973 exceed $250 billion. That is an administration spending target, not a statutory ceiling. Roy Ash tried to give it a quasi-statutory blessing by saying that both houses had supported a $250 billion limit, even if it was not enacted. Sen. Chiles offered this advice: "Mr. Ash, most things we do around here, if they do not come out too a law, we do not think they amount to much."

The Employment Act of 1946 and the Antideficiency Act are also used to defend impoundment. Weinberger told Senate Labor and Public Welfare on Jan. 17 that the 1946 Act "requires the President to maintain policies that guard against inflation." It does no such thing. It requires the President to present an Economic Report, but he has no special powers (Discretionary spending powers were deleted from the 1945 Full Employment Bill).

The act declares it to be the responsibility of the Federal Government—i.e. Congress and the President—to use all practicable means "to promote maximum employment, production, and purchasing power." It is true that impoundment, as an anti-inflation weapon, can help promote purchasing power, but that begs the question: where does the act grant power to the President? And second, the Employment Act was meant to promote purchasing power by stimulating employment and production. Impoundment does just the opposite.

As for the Antideficiency Act, that has become an all-purpose contraption to justify practically any kind of impoundment. Yet the act has but two narrow objectives. One is to apportion funds (usually by quarters) so that agencies do not exhaust their funds before the year is out. The second is to set aside reserves to provide for contingencies or to effect savings.

There is nothing in the legislative history to suggest that reserves can be established for the purpose of fighting inflation. Nowhere does the legislative history imply an authority to cancel or curtail a program because the administration doesn't like it. If an administrator can satisfy a statutory purpose by spending fewer dollars than Congress appropriated, all well and good, but the purpose itself is not to be denied.

To challenge these administration arguments is not to dispose of the impoundment issue. Far from it. It is merely to sweep away some of the cobwebs that now confuse us, prevents us from asking more fundamental questions.

The primary motivation behind the controversial impoundments is not obedience to statutory directives. What we are witnessing is an act of administrative policy-making and priority-setting. It is the question of which branch shall decide how to allocate the public funds.

In a revealing interview published last November in The Star-News, President Nixon philosophized about the proper relationship between the Federal Government and the people. The average American was "just like the child in the family. You give him some responsibility and he is going to amount to something." He argued government to "allow people to do more for themselves, to encourage them to do more for themselves, to encourage them to do more for themselves." Explicitly rejected was the doctrine that Papa knows best.

That is not exactly the way the President sees his relationship with Congress. The present lack of comity, he explained in a Jan. 31 news conference, is that Congress "represents special interests . . . there is only one place in this government where somebody has got to speak not for the special interests which the Congress represents but for the general interest . . . I am going to stand for that general interest."

Is Congress likely to stand for the proposition that, at the Federal level, Papa knows best?

[From the Washington Star-News, February 23, 1973]

NIXON "FEDERALISM" IN TROUBLE

(By James Doyle)

Despite his landslide reelection his successes in Vietnam and the disarray of the Democratic opposition, President Nixon's New Federalism is in political trouble.

One month into his second term, Nixon is faced with rising opposition, not only from the Democratic Congress, but also in statehouses and city halls where he gained support last fall.

Of course presidents and their congresses always fight in February, when legislative conflicts seem at their worst, before the compromising starts.

But the early signs are especially bad this year, and at a time when they should be better because of the closing down of the Vietnam war, which has divided Americans for eight years.

Next week the nation's governors will hold their annual Washington meeting. Usually these affairs are frothy and insubstantial, with some posturing for the cameras and a good deal of premature talk about incipient presidential candidates.

But this year the governors are in a sour mood. They plan to organize an effort to fight the President's budget cuts for a number of domestic programs.

The following week about 250 mayors will be in Washington, along with about 700 other municipal officials. They plan to spend much of their time lobbying on Capitol Hill against the budget and the President's "New Federalism," which most of the big mayors think will cut the heart out of some important urban programs and contribute to turning the cities into hopeless prisons for the old and the poor who cannot escape to the suburbs.

A dozen mayors from across the country appeared before a Senate subcommittee this week to renounce their earlier endorsement for the President's revenue-sharing program.

A year ago some of these men were hailing revenue sharing as a revolutionary breakthrough and the first real initiative by the federal government in decades. Now some were calling it a cruel hoax.

The reversal lies in a change of attitude. Most of those mayors still believe that revenue sharing is a good idea. But they are so upset with the President's new budget, and what they consider a broken promise of continued financial support, that they are inclined to do anything to register their opposition.

The same attitude prevails among many congressmen, and is a somewhat lesser extent among the governors, some of whom are happy with revenue sharing so far. Some were able to show surpluses in their state budgets for the first time.

What may be more important, the attitude does not appear to be just the usual political infighting and posturing. Some of the President's critics, at least, make it clear that they believe his New Federalism is going to be a domestic disaster comparable to the Vietnam war. They plan to fight it just as bitterly.

What has caused this bitterness is a combination of things. The President is committed to a complete restructuring of government, and he wants to give mayors, county executives and governors more local power and commensurate responsibility. That has caused grave doubts in Congress but, as a concept at least, it has been cheered in the states.

To carry out his New Federalism the President has planned a system of federal grants with fewer or no strings attached. But, at the same time, to control inflation and cut the federal deficit, the President has cut a number of nondefense programs to the bone, and announced that he plans to eliminate others completely.

If the mayors and the governors want to continue these programs, they can pick the ones they consider most important and fund them out of the revenue-sharing money, the President's budget says.

PRESIDENTIAL PLEDGES

The mayors can point to any number of pledges by the President and his aides, back when the revenue-sharing bill was being debated. Then the administration said that its first bill, calling for general revenue sharing, would provide new federal money, and would not rely on funds from existing programs.

A second proposal, for special revenue sharing, is still just a proposal. It would be a revised series of block grants in four areas—education, law enforcement, manpower training and urban community development—that would supplant many other programs in the same areas. The new grants could be used with more flexibility by local officials.

One of the reasons local officials supported these initiatives, which had been talked about for eight years, was that communities often found themselves building libraries when they needed playgrounds; that happened because federal funds were available for the libraries and they did not want to pass up the "free" money.

But, the mayors say, under the President's system there will be no money for either libraries or playgrounds. Furthermore, the municipal employes are likely to make a political power play for much of the general funds for a pay raise.

LEVERAGE SOUGHT

"If you sat down with the mayors over a beer, they will still be for revenue sharing," says an official of the United States Conference of Mayors. "But they are so mad at the President for gutting all these programs that they want to oppose him however they can.

"The pressure is on these guys directly, but they find they have no leverage. They can lobby Congress to keep all of the old programs, but they know the President will veto those bills, and they know there aren't enough votes to override the vetoes."

The result is that mayors, and congressmen and governors as well, are looking for any area where they can hurt the President politically, to "get leverage."

You can call that pettiness or revenge or whatever you want. The point is that in politics, it can be devastating. And sooner or later, the opportunity comes.

One plan that some of the mayors have already agreed upon is to tie the President's proposed aid to Hanoi to the fight over money for the cities.

There is an obvious dramatic appeal here. "The mayors of Hanoi and Haiphong have got pledges for aid from the Nixon Administration," says San Francisco's Mayor Joseph Alioto. "What about the mayors of New York, Chicago, Houston and San Francisco?"

Mayor Richard Hatcher of Gary, Ind., told the Maine Sen. Edmund S. Muskie's subcommittee on intergovernmental relations, "When the country decided to get out of Vietnam, it sent Mr. Kissinger to negotiate the terms. When it decided to get out of the cities, it sent no one. It simply got out."

He added that Congress should repudiate the President and "prevent an urban Vietnam before it becomes a reality."

But beyond the rhetoric, the mayors are willing to play any notes that will get a response. One responsible official said, in utter seriousness, "If we can block the aid to Indochina and the Vietnam agreement starts to fall apart because of it, then the President will respond to us. It's a way out chance, but it's leverage."

JUNE CUTOFF

That suggests how serious the mayors take these budget cuts. And already, Mayor Richard Daley of Chicago has started mobilizing his troops in Congress to defeat the President's plans.

The urgency is there for the mayors. If the President succeeds, the funds will start, disappearing in June. Meanwhile local groups have heard that no-strings federal money is available, and they will want to know where it is.

Milwaukee's Mayor Henry Maier, a strong

supporter of revenue sharing, told the Muskie subcommittee Tuesday that he could no longer be counted in favor. Afterwards, while he was having lunch in Washington, he got a telephone call from Milwaukee telling him that 30 Indians were holding a sitdown in his office, demanding to know where the federal money is.

Another mayor was asked if, with the number of summer job programs due to be canceled, there were likely to be riots in this city, a middle-sized East Coast city with a large population of poor blacks.

CRIME RISE FEARED

He guessed that there would not be. But he said street incidents would soar, teen-age gangs would be on the streets all summer, his police force would be taxed to the limits, and the incidence of both crime and youthful criminal records would start the upward spiral again just as things were beginning to get better.

In testimony he planned to give before Congress today, former Housing and Urban Development Secretary Robert Wood, who is now President of the University of Massachusetts, quoted a phrase of Justice Benjamin Cardozo to describe Nixon's New Federalism.

"What the Nixon program does is make a promise to the ear and break it to the heart," he said. He called it "a new version of the old shell game—whichever shell you look under, the federal funds you thought were there have vanished."

Wood is one of those who agrees that federal aid programs in many specific categories can be frustrating and wasteful. But the federal government has a responsibility to establish national standards and national priorities, he argues.

He points out that money spent under the 1965 Elementary and Secondary Education Act was meant to improve education for poor children. Some money was spent on band uniforms and unnecessary equipment.

"Illogically", he adds, the Nixon remedy is not to tighten up the program but to let localities spend education money without restriction or targeting.

"It is not only the poor and minorities who will suffer from special revenue sharing; the fact is that every constituency with special needs and no special political leverage will suffer," Wood said.

But more to the point of why Nixon, or at least his party, could be in political trouble, is Wood's prediction of what will happen in the area of federal aid to education in the next few years under Nixon's New Federalism.

"The administration's budget request asks for an impressive $959 million for the new program (special revenue sharing for education). The problem is that it totally eliminates two out of three programs which help lower income students," Wood noted, and in its other aspects it falls far below what Congress has mandated as a minimum amount before funding middle-income aid programs.

"What is clearly predictable is a period of confusion, argument and delay. Congress will not appropriate $959 million for a program which is contrary to its terms of authorization of the previous year.

"The administration will refuse to spend money appropriated according to the terms of the authorizing legislation.

"Students will suffer."

At the same hearings today before the Muskie subcommittee, Richard Nathan of the Brookings Institution was to make a presentation aimed at explaining just what it is the President is trying to do.

As a former budget officer in the White House during Nixon's first three years, he knows the rationale behind the figures.

Without defending the President's new budget, Nathan pointed out that there was in it a clear attempt to move government away from Washington to the states and the cities, and to remove the subgovernments that have grown up around specific federal programs, where a government bureaucrat in Boston may be more powerful than the mayor in a given area of control.

It goes beyond the budget, he said, and follows a trend started by the courts, notably the Supreme Court, that "changed the ground-rules of domestic government" by mandating equal voting rights for all groups and equal apportionment and distribution of tax funds.

Local officials, Nathan argued, need to be strengthened and are now in a position to accept more responsibility. Nixon himself has made this argument a foundation of his New Federalism.

Clearly, the basic argument here is one between philosophers of government who mean well, on both sides.

But the philosophy, as worked out in the fiscal 1974 budget, has made the fight appear to pit the Nixon administration against many other elected officials.

[From the Washington Post, Feb. 25, 1973]

LOSING WITH A LANDSLIDE

(By David S. Broder)

A longtime friend of the President was genuinely startled the other day to be asked by a White House reporter if he saw signs that Richard Nixon was succumbing to the same sense of inflated power that Lyndon Johnson exhibited in the wake of his 1964 landslide.

"I don't see that at all," he said and indeed, the surface manifestations of today's White House could hardly be more unlike those of Johnson's euphoric period. In the first months of 1965, LBJ flooded the Congress with legislative requests; each of which, he said, needed urgent action; Mr. Nixon, on the other hand, is proceeding at a ponderous pace, stretching the State of the Union address over a period of weeks, and cautioning Congress to do nothing without calculating the cost.

But the surface differences are really explained by the differing goals of the two Presidents: Johnson was intent on passing a passel of federal programs; Mr. Nixon's goal, almost directly opposite, is to slow the growth of the federal government, reorganize its structure and decentralize many of its functions to states, cities and individuals.

If you focus, not on their goals but on their methods, the parallels become more clear—and more alarming. Mr. Nixon today seems no more willing than Johnson was at the height of his power to go through the process of patient persuasion. Like his predecessor, he is clearly tempted by the size of his election victory to use plain muscle to get where he wants to go.

Looking at it from his point of view, you can understand the decision. Congress, state and local governments, controlled by the Democrats, are resistant to change. The bureaucracy clings to accustomed programs and procedures. The public is so apathetic barely half its eligible members even stirred themselves to vote.

Facing these forces of inertia, what is a President to do? Explain, argue, cajole, persuade, say "Kindly, please, step this way"? No. He has his mandate. He will act first, and let the explanations come later.

So, if he is Mr. Nixon, he abolishes some agencies, transfers others, impounds funds, freezes allocations, cuts authorizations, all by executive order—and lets the others in the political process react to his initiative. Better that, he figures, than waiting for them to pick up and move.

And it works—at least for a while, The Wall Street Journal's Norman C. Miller was right when he wrote last week that the news reports on the Battle of the Budget are deceptive, that "the barrage of speeches and legislative activity is misleading. The reality is that President Nixon has the congressional Democrats on the run" and will inevitably win most of his objectives.

The courts may—and likely will—eventually rule that Mr. Nixon has exceeded his authority in some instances, but for now, there's no way Congress can compel the President to administer a program he thinks wasteful; no way the bureaucrat can refuse an order to clear out his desk; no way the mayors or governors can hold Mr. Nixon to an agreement they say he has breached; no way the voters can tell the President, "You're misreading the mandate we gave you."

But it's still the wrong way to go. It's wrong, because our government was not intended to operate as a naked clash of wills, Congress imposing on the President or vice versa. This is one government with one set of shared responsibilities. If the government devotes its time to civil war, as is the case now, the victims will be the people it is supposed to serve.

Even if the President "wins" such a struggle, his real purposes lose. One-man government in this country is not just unconstitutional; it's impossible. The kind of policy shift the President is seeking literally cannot work without the understanding and cooperation of Congress, the bureaucracy, state and local officials and the public.

A "victory" obtained at the cost of their antagonism is really no victory at all. In 1965, Johnson may have thought himself justified in badgering the Democratic Congress—which his coattails had elected—in order to pass the legislation he wanted. But vast, ill-considered, unexplained programs cannot be sustained for long by a President's personal drive. Even before Vietnam overwhelmed him, Johnson's thrust was halted in 1966 by the accumulated resentments of the Democratic representatives, senators and governors he had not bothered to consult.

Mr. Nixon is risking the same kind of reaction now in his no less sweeping efforts to decentralize domestic programs. The warning signals were flying last week in the outcry from the big city mayors and such men as Sen. Edmund S. Muskie (D-Maine). Vital allies in the passage last year of the revenue-sharing program that is the keystone of Mr. Nixon's whole domestic strategy, they are now accusing the President of reneging on his commitments to them. What they are trying to tell Mr. Nixon is that he cannot impose his own version of New Federalism by fiat any more than his predecessor could create a Great Society by presidential command.

One can only hope that Mr. Nixon does not miss their message.

[From the Washington Post, Feb. 27, 1973]

SACRIFICING LEGALITY FOR EFFICIENCY

(By David S. Broder)

The man of the week in Washington is Howard Phillips, the 32-year-old acting director of the Office of Economic Opportunity. Phillips is obliterating OEO and the federal antipoverty program even faster than his fellow Harvard man, Henry Kissinger, is ending the Cold War—but to much less general applause.

Because he is going about his work with such enthusiasm that he seems likely to have demolished OEO even before his June 30 target date, Phillips is being attacked as a White House hatchet man. It's a bum rap. He is a 100 per cent true believer in what he's doing, and would take on the job for free if they didn't want to pay him.

His philosophy was summed up in an interview the other evening with Martin Agronsky, in which he said: "One of the things that has disturbed me is the view of many of the organizations that we have funded out of OEO, that poverty is a political and cultural fact of life, rather than an economic fact of life. I don't think poverty is a political question. I don't think it's proper for the government to be in a position of trying to solve the poverty problem through political means."

With that view, it was inevitable that the efficient Nixon personnel computer would identify Phillips as the ideal person to administer the poverty program. But it discredits young Mr. Phillips to think he is just an antipoverty program fanatic. He is a libertarian conservative, suspicious of all connections between government and the public. One of the 11 "general principles" he handed me when I went to see him last week says, "My political liberty is diminished when the government subsidizes political activities."

This suspicion of government and its works is no new thing for him. Years ago, when he was a junior staffer at the Republican National Committee, we used to lean against the wall and argue about the evils of the welfare state.

Little did either of us dream then that he would be chosen to preside over the death of OEO. Indeed, Phillips expressed his own astonishment during our visit last week at discovering what power an acting director has to put his own agency out of business.

"My first reaction when they outlined it to me was that it couldn't be done," he said. The President, you see, had signed into law last fall legislation extending the life of OEO through mid-1974 and providing funds for its operations—not its abolition—this year.

But by the time the White House lawyers had finished interpreting that legislation, Phillips began to savor the possibilities of striking a blow for libertarianism.

The lawyers' reasoning is a marvelous example of Orwellian Newspeak. When Sen. Abraham A. Ribicoff (D-Conn.) wrote Phillips asking him to identify his authority to abolish OEO and "terminate" or "transfer" its functions, it all turned out to be a phantom. "While the 1974 budget requests no funding for them," the letter of reply said, "the statutory basis for these activities will remain intact." Some programs may be "delegated" to other agencies, but none, Ribicoff was told, is being "transferred."

To translate those legalisms into the sports metaphor that Mr. Nixon likes, that's equivalent to saying that while the Washington Senators have "delegated" their players to the Texas Rangers, their franchise remains "intact." That's a comfort to know, but it doesn't mean you'll find any baseball in Washington this summer. Or any antipoverty program either.

One of the "general principles" Phillips had given me as a guide to his philosophy read, "The elitist notion that our traditional institutions and democratic processes must be bypassed to achieve 'socially desirable' objectives poses a fundamental threat to our system of government."

In light of that statement, I asked him what he thought of Mr. Nixon's end-run around Congress on the abolition of OEO. "That decision," he said, not batting an eye, "was made on the grounds of effectiveness."

For the same reason, it turns out, Mr. Nixon has decided not to submit Phillips' name to the Senate, despite a recent pointed reminder from Sen. Harrison A. Williams, Jr. (D-N.J.), the chairman of the Senate Labor and Public Welfare Committee, that the position of OEO director requires Senate confirmation.

"If my name went up," Phillips said with unassailable logic, "I'd have to spend all my time up there getting confirmed and I'd never get the place dismantled."

So there you have it. Having picked as the poverty program administrator a man who believes that poverty is not "a political question," Mr. Nixon has now authorized him to dismantle the agency, rapidly and totally, despite the fact that its life, under law, is supposed to extend at least until mid-1974. And he is doing it right now without the Senate even having a chance to exercise its statutory and constitutional right to give or withhold its "advice and consent" to the nomination.

All this, mind you, in 1973. It makes you wonder what our government will be like by 1984.

[From the New York Times, Feb. 27, 1973]

Telling It Not Quite Like It Is

(By Tom Wicker)

President Nixon is on reasonably firm ground in contending that many of the antipoverty and other social programs created by Democratic administrations in the 1960's failed in practice. But the way Mr. Nixon made the case was so partisan and self-serving that he probably was not too persuasive to those considerable number of people who still need convincing.

It was almost incredible to hear him refer in the same radio speech to "one of the most unselfish missions ever undertaken by one nation in defense of another"—the President's view of the war in Vietnam—and then to "paternalism, social exploitation and waste"—his view of Democratic social legislation of the same period. Those who saw the war absorbing funds vitally needed in many areas of American life, and who know that its deceptive financing was the main engine of the inflation with which Mr. Nixon still must wrestle, can only wonder at his sense of priorities.

Mr. Nixon repeated, moreover, his familiar formulation that the Johnson Administration believed it could solve a social problem "by throwing dollars at it." Thus, he took disapproving note of what he said was the "seemingly inexhaustible flood" of money leaving Washington in those years, only to be reduced to "a mere trickle" by the time it reached the supposed recipients.

It may well be that had there been any such "inexhaustible flood" the Johnson programs still would have failed. The fact is, however, that for all the Great Society rhetoric few if any of these programs ever were properly or fully funded—not least because of the cost of the unselfish misison of the American people to save our Vietnamese from the other Vietnamese.

If there is a general indictment of the Johnson programs to be made—any such judgment has to be hedged—it probably is that they were designed around the basic idea of providing services, rather than money, to the poor. Community action programs also generated bothersome political divisions when the "maximum feasible participation" of the poor became more than local political and social structures could tolerate.

But while it is true that not much success can be claimed—obviously—in eliminating poverty and racial disadvantage, these programs may well have had more cumulative importance than Mr. Nixon allows. His former urban affairs counselor, Daniel P. Moynihan, makes the case against the Great Society strategy in his new book, "The Politics of a Guaranteed Income," but adds that in the troubled years of the sixties the publicity excitement and limited impact of these programs may well have been vital in maintaining such stability as there was. At least, they created a brief impression of concern and may even have generated some hope among the intended beneficiaries, at a time when hope was vital.

Mr. Nixon's prime substitute, revenue sharing, is at least as much a gamble—as far as net results are concerned—as anything the Johnson Administration did. Much revenue-sharing money, as was the case with Great Society grants, will go not to the poor but to middle-class workers— to firemen's and policemen's salaries, for instance. Capital projects and local tax reduction will absorb more of it.

And while Mr. Nixon is extolling local responsibility, he might consider expanding local resources. At a time when the Federal budget is under maximum strain, Representative John Anderson of Illinois, one of the most thoughtful Republican legislators, has pointed out that by the last quarter of 1971, state and local governments had a $6-billion surplus of revenues over expenditures, and that this excess was running at a $15-billion annual rate in mid-1972. by 1975, the American Enterprise Institute has estimated, this state and local surplus could be more than $23 billion.

So it may be that Mr. Nixon's revenue-sharing program will turn out to be "throwing dollars" at a surplus. Governmental action on a large scale—such as revenue sharing—can take so long in the American system that it is not unusual for a program to be delayed until the conditions that called for it have been considerably changed.

Finally, Mr. Nixon made much of a big increase in Social Security benefits as a major way in which his Administration was "helping to provide a better life for the American people." Aside from his Administration's opposition to the benefit increase, which was fiscally defensible, the fact is that Social Security does not derive from general revenues but from an employe tax, which must be matched by employers. This is one of the most regressive taxes that Americans have to pay, and it had to be steeply increased to finance the latest round of benefits. The wage base on which the tax is levied also was expanded.

Whether most Americans are better or worse off, as a result, is considerably less certain that Mr. Nixon would have us believe.

[From the New York Times, Feb. 27, 1973]

The Short Rope

Let us suppose that a man is drowning thirty feet from shore. A rescuer throws him ten feet of rope. He drowns. It would scarcely be logical to conclude: "Rope is of no use in the prevention of drowning."

Yet that is the kind of logic enshrined in President Nixon's budget and set forth over the weekend in his radio talk on "Human Resources." Once again, the President blandly asserts that the Federal programs enacted in the last decade were "based on the asumption that any human problem could be solved simply by throwing enough Federal dollars at it." Money flowed from Washington, according to Mr. Nixon, "in a seemingly inexhaustible flood."

There was no such assumption and no such flood. It is absurd to suggest that sophisticated public servants such as John Gardner and Wilbur Cohen, who served successively as Secretary of Health, Education and Welfare in the Johnson Administration, had the illusion that any human problem could be solved by simply spending money. More to the point, the money was not there to be spent. Every Great Society social problem was seriously underfunded—at levels below Congressional authorizations—because of spending on the Vietnam war between 1966 and 1969.

The nation has difficult and complex problems in educating children from slum families, in providing decent housing for the poor in big cities, in training the unemployed and the seeming unemployable, in delivering adequate health care to the elderly and the impoverished, in aiding rural poor on marginal and substandard farms, in rescuing idle youth and strengthening broken families.

In talking about these problems, President Johnson was sometimes guilty of excessive optimism, because some lives are so blighted that they cannot be turned around and some social circumstances are so adverse that progress can only be slow. But President Johnson was right to try to solve them. It does his successor no credit to distort the record.

Some of the social programs enacted in the 1960's need more money. Others need more time. Still others are not working well and can be improved or halted. When experiments are begun, it is in their nature that some will succeed, some fail, and some show mixed results.

These programs need patient, determined leadership, and they need careful evaluation, sympathetic as to goals and objective as to results. That leadership and that evaluation are what the programs of the 1960's have not received from today's indifferent caretakers.

Instead, all these social initiatives—Medicare, Medicaid, rent supplements, Title One help for children from low-income families, Head Start, Job Corps, community health centers, legal aid for the indigent, and many others—are lumped together and disparaged as ideas that were tired and shown to be a "dismal failure."

It is easy to abandon the difficult effort to help the approximately thirty million who live in poverty, to stigmatize them as drones and welfare cheats, to revert to the old sink-or-swim philosophy. It may even be temporarily popular. The nation has taken that easy way before and lived for a time with its uneasy conscience. But ultimately the struggle for social justice has to be renewed. It will be again.

A REQUESTED REEVALUATION OF FUNDING FOR SOCIAL PROGRAMS

Mr. INOUYE. Mr. President, last Wednesday, February 21, the Council of the City and County of Honolulu passed a resolution calling on the President and the Congress to reevaluate funding for social programs as proposed by the President in his recent budget message and to restore moneys for those essential programs that have provided needed educational programs that have provided needed educational, health, housing, and manpower services to our citizens in the past.

The Honolulu councilmen and women represent over 80 percent of the people of the State of Hawaii. I believe their voice reflects the prevalent opinion of the people of my State and the bulk of Americans across the Nation. I concur with the sense of this resolution and ask unanimous consent that the text of this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, the preamble to the Constitution of the United States affirms one of our nation's basic objectives to "promote the general welfare"; and

Whereas, recent federal budget announcements indicate severe reductions and deletions in many programs designed to promote the general welfare of the people of each state, including Hawaii; and

Whereas, major reductions and deletions include, but are not limited to the following which directly affect the operations of the City and County of Honolulu:

The scuttling of the Model Cities program which on Oahu has helped thousands of residents to become active in their communities and has improved social, physical, and economic conditions;

The freezing of funds for new water, sewer, and open space projects, public facilities loans and grants to small communities for building water and sewer systems;

The elimination or reduction of numerous manpower programs designed to reduce unemployment, including Concentrated Employment Program (CEP) and Manpower Development Training Program institutional training, Public Service Careers and CEP on-the-job training programs, Neighborhood Youth Corps, and Operation Mainstream;

Proposed shifting to the uncertain fate of Urban Community Development revenue sharing of programs for rehabilitation loans, neighborhood facilities grants and urban renewal; and

Whereas, the following reductions and deletions of other such programs on the state level will adversely affect the health and welfare of the people of the City and County of Honolulu by:

The complete dismantling of the Office of Economic Opportunity and important agencies related to it, including the Community Action Program which in Hawaii has involved many hundreds of our low-income citizens in taking a direct role in decisions affecting their lives and improving their conditions;

The stoppage of housing programs designed to bring relief to the thousands of people in our state who live in overcrowded and dilapidated units at prices they cannot afford, including Section 235 and 236 programs which, along with others, are designed to stimulate construction of moderate income housing; and including U.S. Department of Agriculture loans for low-income rural families and credit for farm labor housing and rural rental and cooperative housing;

The elimination of federal funding for education aid to federally impacted areas amounting to some $10 million in Hawaii alone; and similar elimination of funds to libraries, vocational education training of personnel, new careers in education, training institutes and summer fellowships, P.L. 815 school construction, programs for strengthening state departments of education, drug abuse education, environmental education, and vocational rehabilitation services;

The proposed shifting to the uncertainty of revenue sharing of many educational programs, including education for deprived children, supplementary services, programs for the handicapped, vocational and adult education opportunities;

The cutting of the distribution of social service funds to the states by 40%, leading to the probable loss for Hawaii of $9.5 million to $17.5 million in federal funds for welfare programs through both public and private agencies, including up to $7.5 million in social services and $2 million to $10 million in food, clothing and medical care payments;

The reduction of vital programs for senior citizens including the elimination of dental care for the aging under Medicaid, the stoppage of all research and training under the Administration on Aging, the deletion of expected and necessary expansion of the Retired Senior Volunteer Program, the Foster Grandparent Program, the Senior Corps of Retired Executives, and research on aging under the National Institute of Child Health and Human Development; and

Whereas, the above federal cutbacks, along with many others, will have a serious social and economic effect on the City and County of Honolulu and on the State of Hawaii; now, therefore;

Be it resolved by the Council of the City and County of Honolulu that it does hereby call upon the President of the United States and the Congress to re-evaluate funding for social programs and restore monies proposed to be deleted; and

Be it further resolved that copies of this resolution be transmitted to the President of the United States, Hawaii's Congressional delegation, and the Mayor of the City and County of Honolulu.

BASIC GRANTS

Mr. MONDALE. Mr. President, on February 22, the Education Subcommittee, of which I am a member, held a most informative hearing on the proposed rules for the family contribution schedule for the new basic educational opportunity grants.

I was shocked to learn this week that the proposed rules would discriminate severely against young people from farm families or families which operate small businesses. This discrimination would occur because the assets needed to operate a farm or small business would be treated in the proposed formula in the same way as all other assets, including stocks and bonds and savings accounts.

We were privileged to have testify at the hearing a most able spokesman for higher education, Dick Hawk, executive director of the Minnesota Higher Education Coordinating Commission, Mr. Hawk testified that the median adjusted gross income for farmers in my home State is approximately $3,500 per year. He further pointed out that considerable investment in land and equipment is required to produce even that meager income. Yet, under the proposed guidelines, a child from a family with over $34,000 in assets could not receive a basic grant—regardless of how low the family's income.

It is my sincere hope that as a result of the information brought out at the Education Subcommittee hearing, we will see a modification of the proposed guidelines which would treat all young people who seek a higher education equitably.

I ask unanimous consent that a copy of Mr. Hawk's testimony before the subcommittee be placed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY RICHARD C. HAWK

Mr. Chairman, members of the Committee. Thank you for this opportunity to comment on proposed regulations for the Basic Educational Opportunity Grant Program, which potentially can make post-secondary education available to many students previously excluded from education beyond high school.

Making post-secondary education realistically accessible to all citizens, regardless of family economic status, is an important national goal and a serious problem worthy of your continuing attention. The Basic Opportunity Grants Program can be a significant means to achieve this goal, if implemented properly. The Congress and the Education Subcommittee are to be commended for establishing such a well formulated program. Those of us who are striving to improve access to post-secondary education in Minnesota have been especially gratified by the persistent interest and effort of our own distinguished senator, Walter F. Mondale.

While some provisions of the proposed BEOG regulations are commendable, other provisions are so deficient as to impair the potential effectiveness of the program. Implementation of the program under the proposed regulations would effectively preclude grants to a significant portion of the most needy students in Minnesota and many other states—those whose families derive their income from farming or operation of small business establishments.

The BEOG Program is appropriately directed to the students who are least able to afford post-secondary education, because as we have found in Minnesota, it is the students from low income families to whom post-secondary education is least accessible.

Indeed, a major thrust of the efforts of the Minnesota Higher Education Coordinating Commission this year has been concerned with mechanisms to improve access to post-secondary education for low income and disadvantaged students. The BEOG Program, based on an entitlement principle, can complement our efforts by providing a base upon which state efforts can build.

It is as an entitlement determination system that I have reviewed the proposed guidelines, and it is in this context that my comments are made. I note this context because when balanced against the existing procedures used to determine family ability to pay, the proposed procedures suffer from serious problems. Social security payments and state income tax payments, for example, vary directly with family income level (and coming from Minnesota with a rather hefty state income tax, I should note that income tax varies considerably by state also). This variation is not reflected in the stable allowance which, I assume, is included in the Family Size Offset. Similarly, a family's disposable income is directly affected by the amount of property tax it is required to pay. Although I presume that a housing allowance included in the Family Size Offset includes a standard property tax allowance, it is quite clear that the property tax paid (either directly or indirectly through rent payments) will vary from the standard allowance and will as a consequence, affect the individual family's disposable income and ability to pay in a manner not reflected in the procedure proposed in the guidelines.

I do not, however, consider these problems significant given the entitlement purpose incorporated in the BEOG Program. Given the entitlement concept, the system used to determine eligibility should be sufficiently simple and straight-forward for students to estimate the approximate size of the grant for which they might qualify. The proposed procedure would accomplish this.

The proposed guidelines make another important contribution by establishing standards and definitions that have been problematic in student aid for many years. I refer here to the definition of procedures for Independent Student, for determining what year of income information to use, for identifying what should be counted as unusual expenses, and for defining what should be included as an asset. For years, these concepts have been debated and various procedures and definitions have been used by financial aid administrators. By establishing standard procedures, the guidelines will facilitate greater horizontal equity among students by treating similar students in a similar manner.

There are, however, four problems in the proposed guidelines which need attention. First, there appears to be no appeal procedure for those students whose family or financial situation changes dramatically between the base year (1972 for applicants for the 1973–74 year) and the year in which the student will be enrolled. Although the majority of students are not affected, the student whose family experiences a sudden loss of income (through the death of a father, loss of the father's job, or some other unpredictable event), could be excluded from eligibility to the BEOG Program and, as a consequence, could be deprived of post-secondary education. The system should provide a procedure to meet needs of students who experience sudden income losses.

Second, the proposed procedure for evaluating family assets would effectively exclude the majority of low income farm and small business families. This is a particularly serious problem for a state such as Minnesota where approximately 12 percent of our population is on the farm and roughly seven percent of the families are small business owners. Table I indicates that the median adjusted gross income for farmers in Minnesota is approximately $3500 per year. This would clearly identify students from these families as a target for the BEOG Program because of the very limited disposable income of these families and their relative and absolute inability to bear the post secondary educational expenses of their children. We know also that farmers require significant investment in capital—both land and equipment—to earn an income. The typical farmer needs net capital assets (as opposed to liquid assets) in excess of $34,000 merely to earn a living. Yet, under the proposed guidelines, any family with net assets (regardless of their purpose or nature) in excess of $34,000 is automatically excluded from the BEOG Program. Thus, the effect of these guidelines would be to exclude from the BEOG Program the majority of farm families and a high proportion of small business families who would otherwise qualify because of their low incomes and their inability to pay for the post-secondary expenses of their children. More than 8,000 students from farm families are graduated from Minnesota high schools annually.

TABLE I.—DISTRIBUTION OF MINNESOTA FARMS BY AMOUNT OF SALES AND NET INCOME, 1970

Sales	Number	Percent	Net income
Under $2,500	21,722	19.6	$1,059
$2,500 to $4,999	14,144	12.8	2,049
$5,000 to $9,999	20,976	18.9	3,492
$10,000 to $19,999	27,081	24.5	6,208
$20,000 to $39,999	19,509	17.6	9,962
Over $40,000	7,315	6.6	25,664
Total	110,747	100.0	

Note: Medians: Sales $9,950; net income $3,473; farm population=455,000 or 11.9 percent of total population.

TABLE II.—COMPARISON OF EXPECTED FAMILY CONTRIBUTION FROM INCOME AND NET WORTH DERIVED FROM FEDERAL, CSS AND ACT COMPUTATION PROCEDURES

Computation procedure	Number of dependent children— 1	3	5	7
EFC from income:				
Federal	$701	$412	$208	0
CSS	635	167	(39)	($133)
ACT	690	70	(100)	(340)
EFC from net worth:				
Federal	375	375	375	375
CSS	319	238	165	162
ACT	0	0	0	0
EFC composite:				
Federal	1,076	787	583	375
CSS	954	405	135	29
ACT	690	70	(100)	(340)

[1] Excludes net assets in excess of $15,000 for retirement allowance.

Note: Case data: 2 parents, 1 parent employed; father age 43. Adjusted gross family income equals $7,500; net worth equals $15,000. Only adjustment to family income is the amount of Federal income tax liability.

Third, the proposed guidelines suggest an ability to contribute from both income and assets that is not realistic when compared to the assessments made by the American College Testing Program and the College Scholarship Service. Table II contains a comparison of the contribution expected from parents with income of $7500 and assets of $15,000 under the system proposed in the guidelines and the ACT and CSS need analysis systems. It can be observed that for all family sizes the contribution expected by the procedure outlined in the guidelines, from both income and assets, is considerably in excess of that expected by the two other systems. This suggests that the use of the proposed system will not provide the necessary assistance for the target population to pursue post-secondary education because of an unrealistic expectation of what the family can provide. The danger of this procedure is that it will undermine the significant potential of the BEOG Program by promising more than it will deliver.

My final point is also exemplified in Table II. As family size increases, the difference in the contribution expected by the proposed procedure increases when compared to the ACT and CSS systems. This is undoubtedly caused by inadequate Family Size Offsets in the procedure outlined in the guidelines. Indeed, this should not be surprising when one considers that the proposed allowance for the summer expenses of an Independent Student are set at $700 and the proposed allowance for the expenses of maintaining a two-person family are set at only $2800 for an entire year. It would appear that the Family Size Offsets are considerably below that which is required to maintain a family and that, as family size increases, the Family Size Offsets are increasingly inadequate. The negative potential created by this procedure is emphasized by the fact that large families tend to be concentrated among the lower income segments of the population.

Before concluding, I should like to call your attention to three additional potential problems. Realizing the potential of this program depends on a successful beginning. I would hope, therefore, that the BEOG Program will be implemented by the middle of April at the latest. By this time, institutions have made their awards and are in the process of notifying students. If the program is implemented much later, both students and institutions are likely to be confused by the process.

Second, since the program is based on an entitlement concept, adequate funding is crucial. We cannot afford to raise false hopes. When low income students learn that they are entitled to a grant because they meet the criteria (presumably realistic criteria), the funds necessary to meet students' expectations must be available. Their confidence in this society's ability to deliver on promises is at stake; their confidence in governmental processes hangs in the balance. That is not, I would submit, an insignificant challenge.

Finally, I would appeal to you to provide funding for other student aid programs. The BEOG is appropriately targeted to those students most in need. But, college costs are increasing faster than family incomes, and meeting the rising costs is increasingly difficult for students from middle-income families. It is of interest that a survey of a sample of Minnesota banks revealed that 58 percent do not plan an increase in student loans and 62 percent do not plan to make loans in excess of the subsidized proportion available under the new FISL regulations. Proposed guidelines for the BEOG Program must be reviewed and funding for other student aid programs must be considered in the context of rising costs and inadequate aid for both low and middle income students.

Summarizing, Mr. Chairman, I would propose the following recommendations:

(1) An appeal procedure should be incorporated into the proposed BEOG process to accommodate sudden financial changes for individual students.

(2) The evaluation of family assets should be modified to prevent the systematic exclusion of low income farmers and small business owners from the BEOG Program.

(3) The Family Size Offsets should be adjusted upward to more realistically represent the living expenses of larger families and to provide a more accurate assessment of parents' ability to pay regardless of the family size.

In addition, I would urge this committee to encourage a timely implementation of the BEOG Program, to seek adequate funding of the program and to strive for adequate funding for the other Federal student aid programs.

Thank you, Mr. Chairman, for the opportunity to meet with you. I hope my comments will be helpful in your deliberations.

RENT CONTROLS

Mr. CASE. Mr. President, one of the great problems with the phase II economic program has been the decontrol of apartment rents. With the end of phase II controls, rents have increased as high as 80 percent in my own State. Large increases around the Nation have been reported.

Accordingly, I introduced legislation, along with Senator JAVITS, to restore phase II economic controls on rent, retroactively to January 11, 1973, when the controls were ended by Executive order.

My measure controls rent where vacancy rates are under 5.5 percent, roughly the national average for vacancy. Strict, but fair, economic controls would go into effect in any standard metropolitan statistical area where the vacancy rate went below the national average. Where there are low vacancies the pressure on the tenant is most severe—he has nowhere to go and must pay what is demanded of him. Senior citizens in low vacancy areas are most hard hit by rampant and exorbitant rent increases. The term "rent gouger" is now heard in the households of many thousands of America's senior citizens.

Mr. President, I ask unanimous consent, at the conclusion of my remarks, that information I have obtained outlining rental vacancy rates by standard metropolitan statistical areas, be inincluded in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CASE. This table shows where the apartment housing shortage is most critical. I am told that the Census Bureau is preparing a 1972 update and as soon as it is available I will present the information to Congress.

But the 1970 information is still a good guide, particularly when one reviews the general 1972 updated information that is available. It shows an average vacancy rate for the fourth quarter of 1972 in standard metropolitan statistical areas of 5.4 percent. And, as the U.S. Savings and Loan League reported in its 1973 annual report:

> Even Rental Unit vacancy rates have not increased much, despite the record construction of rental units. At 5.8 percent in the third quarter of 1972, the vacancy rate is still well below the average level which prevailed from 1958 to 1967.

Moreover, the vacancy rate in the United States as a whole dropped from 5.8 percent in the third quarter to 5.6 percent in the fourth quarter of 1972.

This is, of course, partly because of the pressure of population and also, in the case of apartment dwellings, because of the rising cost of home buying and mortgage interest rates.

It suggests how critical the housing market is and the terrible bind that apartment renters face across the United States.

Any statistical measure, as we all know, has its shortcomings. High rent increases have been reported in areas where the "statistical" vacancy rate is not so low.

Any number of conditions may account for this—geographic and transportation considerations, the condition of the housing, proximity to shopping and services needed, individual taste and discrimination.

But the enactment of formal controls in low vacancy areas will go a long way to solving the problems facing rent payers. Moreover, our rent measure in no way precludes enforcement of so-called general standards in areas where exorbitant increases may be found. This power is conferred under the general language of the Economic Stabilization Act.

EXHIBIT 1

Rental vacancy rates, 1970, by standard metropolitan statistical areas

[Percent vacancy]

Abilene, Tex	12.6
Akron, Ohio	6.0
Albany, Ga	8.4
Albany/Schenectady, Troy, N.Y	5.3
Albuquerque, N. Mex	5.5
Allentown/Beth./Easton, Pa./N.J	4.2
Altoona, Pa	4.2
Amarillo, Tex	15.1
Anaheim, Santa Ana/Garden Grove, Calif	7.5
Anderson, Ind	9.0
Ann Arbor, Mich	5.1
Appleton/Oshkosh, Wis	3.7
Asheville, N.C	7.5
Atlanta, Ga	6.2
Atlantic City, N.J	10.6
Augusta, Ga./S.C	10.0
Austin, Tex	11.1
Bakersfield, Calif	7.5
Baltimore, Md	5.3
Baton Rouge, La	13,9
Bay City, Mich	8.2
Beaumont/Port Arthur/Orange, Tex	11.2
Billings, Mont	5.8
Biloxi/Gulfport, Miss	11.0
Binghampton, N.Y./Pa	6.4
Birmingham, Ala	6.3
Bloomington/Normal, Ill	4.7
Boise City, Idaho	4.3
Boston, Mass	4.2
Bridgeport, Conn	3.7
Bristol, Conn	5.4
Brockton, Mass	4.3
Brownsville/Harlington, Tex	14.4
Bryan-College Station, Tex	9.3
Buffalo, N.Y	4.5
Canton, Ohio	6.1
Cedar Rapids, Iowa	10.3
Champaign, Urbana, Ill	3.4
Charleston, S.C	12.3
Charleston, W. Va	6.3
Charlotte, N.C	6.4
Chattonoga, Tenn./Ga	8.0
Chicago, Ill	6.4
Cincinnati, Ohio/Ky./Ind	6.8
Cleveland, Ohio	6.2
Colorado Springs, Colo	9.4
Columbia, Mo	7.7
Columbia, S.C	8.8
Columbus, Ga./Ala	9.9
Columbus, Ohio	6.6
Corpus Christi, Tex	12.6
Dallas, Tex	10.4
Danbury, Conn	4.5
Davenport/Rock Island/Moline Iowa-Ill.	9.0
Dayton, Ohio	5.1
Decatur, Ill	6.0
Denver, Colo	5.2
Des Moines, Iowa	8.4
Detroit, Mich	7.8
Dubuque, Iowa	5.5
Duluth, Superior, Minn., Wisc	6.3
Durham, N.C	5.1
El Paso Tex	6.4
Erie, Pa	5.7
Eugene, Oreg	4.9
Evansville, Ind./Ky	7.4
Falls River Mass./R.I	3.1
Fargo/Moorhead, N. Dak., Minn	7.1
Fayetteville, N.C	9.4
Fitchberg, Leominster, Mass	5.8
Flint, Mich	7.4
Fort Lauderdale/Hollywood, Fla	12.3
Fort-Smith, Ark., Okla	8.6
Fort Wayne, Ind	9.9
Fort Worth, Tex	12.2
Fresno, Calif	5.9
Gadsden, Ala	6.9
Galveston, Texas City, Tex	9.7
Gainesville, Fla	9.3
Gary, Hammond, East Chicago, Ind	6.2
Grand Rapids, Mich	10.0
Great Falls, Mont	6.0
Green Bay, Wis	4.9
Greensboro/Winston Salem, N.C	5.6
Greenville, S.C	8.2
Hamilton, Middletown, Ohio	5.3
Harrisburg, Pa	4.5
Hartford, Conn	3.6
Honolulu, Hawaii	4.5
Houston, Tex	11.6
Huntington-Ashland, W. Va./Ky./Ohio	8.4
Huntsville, Ala	8.7
Indianapolis, Ind	10.4
Jackson, Mich	6.4
Jackson, Miss	8.1
Jacksonville, Fla	11.6
Jersey City, N.J	2.9
Johnstown, Pa	4.1
Kalamazoo, Mich	6.5
Kansas City, Mo.-Kans	10.2
Kenosha, Wis	3.9
Knoxville, Tenn	8.5
La Crosse, Wis	5.0
Lafayette, La	9.2
Lafayette, W. Lafayette, Ind	7.1
Lake Charles, La	10.8
Lancaster, Pa	3.4
Lansing, Mich	7.2
Laredo, Tex	6.2
Las Vegas, Nev	6.3
Lawrence-Haverhill, Mass-N.H	6.9
Lawton, Okla	12.6
Lewiston-Auburn, Maine	7.7
Lexington, Ky	12.7
Lima, Ohio	6.0
Lincoln, Neb	7.6
Little Rock, Ark	8.2
Lorain, Elyria, Ohio	7.1
Los Angeles, Long Beach, Calif	5.2
Louisville, Ky./Ind	7.0
Lowell, Mass	5.2
Lubbock, Tex	10.6
Lynchburg Va	7.4
Macon, Ga	9.7
Madison, Wis	4.5
Manchester, N.H	5.4
Mansfield, Ohio	6.7
McAllen-Pharr, Tex	10.7
Memphis, Tenn./Ark	5.4
Meridan, Conn	4.2
Miami, Fla	5.2
Midland, Tex	15.7
Milwaukee, Wis	4.7
Minneapolis-St. Paul, Minn	5.3
Mobile, Ala	10.0
Modesto, Calif	5.9
Monroe, La	9.9
Montgomery, Ala	12.2
Muncie, Ind	7.2
Muskegon, Mich	7.1
Nashua, N.H	8.9
Nashville, Davidson, Tenn	7.2
New Bedford, Mass	3.3
New Britain, Conn	4.1
New Haven, Conn	4.4
New London, Groton, Norwich, Conn	6.8
New Orleans, La	8.9
New York, N.Y	2.1
Newark, N.J	2.8
Newport News, Hampton, Va	7.4
Norfolk-Portsmouth, Va	5.6
Norwalk, Conn	2.6
Odessa, Tex	15.4
Ogden, Utah	6.9
Oklahoma City, Okla	11.5
Omaha, Nebraska/Iowa	7.8
Orlando, Fla	12.5
Owensboro, Ky	7.9
Oxnard-Ventura, Calif	4.9
Paterson-Clifton-Passaic, N.J	1.5
Pensacola, Fla	12.1

EXHIBIT 1—Continued

Rental vacancy rates, 1970, by standard metropolitan statistical areas—Con.

Peoria, Ill	6.0
Petersburg-Colonial Heights, Va	6.3
Philadelphia, Pa./N.J	5.0
Phoenix, Ariz	7.2
Pine Bluff, Ark	10.8
Pittsburgh, Pa	5.8
Pittsfield, Mass.	4.5
Portland, Maine	6.4
Portland, Oreg./Wash	7.4
Providence/Pawtucket, R.I., Mass	5.6
Provo, Utah	3.7
Pueblo, Colo	7.5
Racine, Wis	4.8
Raleigh, N.C	6.0
Reading, Pa	3.6
Reno, Nev	5.6
Richmond, Va	5.6
Roanoke, Va	6.7
Rochester, Minn	8.6
Rochester, N.Y	4.9
Rockford, Ill	9.2
Sacramento, Calif	6.2
Saginaw, Mich	6.0
St. Joseph, Mo	10.7
St. Louis, Mo./Ill	9.6
Salem, Oreg	6.2
Salinas-Monterey, Calif	4.4
Salt Lake City, Utah	4.5
San Angelo, Tex	9.2
San Antonio, Tex	9.4
San Fernando-Riverside, Calif	4.6
San Diego, Calif	6.9
San Francisco, Oakland, Calif	4.6
San Jose, Calif	6.4
Santa Barbara, Calif	5.3
Santa Rosa, Calif	5.4
Savannah, Ga	7.5
Scranton, Pa	4.0
Seattle, Everett, Wash	13.2
Sherman-Denison, Tex	11.1
Shreveport, La	10.6
Sioux City, Iowa-Nebr	11.0
Sioux Falls, S. Dak	7.0
South Bend, Ind	6.9
Spokane, Wash	7.2
Springfield, Ill	6.4
Springfield, Mo	7.1
Springfield, Ohio	5.7
Springfield, Holyoke Mass./Conn	6.2
Stanford, Conn	2.4
Steubenville Ohio/W. Va	5.8
Stockton, Calif	5.9
Syracuse, N.Y	6.5
Tacoma, Wash	10.3
Tallahassee, Fla	6.1
Tampa-St. Petersburg, Fla	10.5
Terre Haute, Ind	7.6
Texarkana, Ark	11.2
Toledo, Ohio, Mich	5.4
Topeka, Kans	5.4
Trenton, N.J	3.2
Tucson, Ariz	8.0
Tulsa, Okla	12.5
Tuscaloosa, Ala	9.6
Tyler, Tex	8.7
Utica-Rome, N.Y	5.0
Vallejo-Napa, Calif	5.1
Vineland-Milleville-Bridgeton, N.J	5.2
Waco, Tex	12.3
Washington, D.C./Md./Va	4.4
Waterbury, Conn	6.1
Waterloo, Iowa	6.0
West Palm Beach, Fla	10.7
Wheeling, W. Va./Ohio	6.6
Wichita, Kans	11.0
Wilkes-Barre-Harrisburg, Pa	3.8
Wilmington Del.-N.J. Md	5.6
Wilmington, N.C	14.0
Worcester, Mass	3.8
York, Pa	3.1
Youngstown-Warren, Ohio	5.0

[From the Washington Post, Feb. 24, 1973]

LOW VACANCY RATES HIGHLIGHTED IN REPORT

Low vacancy rates in both single-family and multi-family housing and a rise in consumer buying expectations generally indicate a strong year of housing output, according to the United States Savings and Loan League. But there are dissenting views.

In an annual report, the league pointed out that the vacancy rate on single-family homes in the third quarter of 1972 was 0.9 per cent, the lowest level since 1960.

Even rental units vacancy rates have not increased much, despite the record construction of rental units.

"At 58 per cent in the third quarter of 1972, the rental vacancy rate is still well below the average level which prevailed from 1958 to 1967," the publication stated.

According to the report, an optimistic view of the 1973 housing scence is not reflected by all observers, several of whom are forecasting a significant decline in housing.

The publication said that the decline analysis is based on the premise that the pent-up depend of ,the late 1960's has been met and the annual demands since then have been easily accommodated.

The publication flatly states that much of the confusion about how much housing is needed stems from "hopelessly inaccurate" projections by the Census Bureau. According to the Bureau's old household formation projections—which formed the basis for the 10-year national housing goal of 26 million units—the supply of new units including mobile homes during 1971–1972 has exceeded these projections and overbuilding has resulted.

"The major error of this analysis results from the fact that these household projections have been found to be hopelessly inaccurate," the report declared. "Census estimates of household formations through March 1972 show the old projections to have underestimated household formations by over 1.2 million. Moreover, the error has been widening during the last few years. . ."

TABLE 1.—QUARTERLY RENTAL VACANCY RATE: 1970–72

Year and quarter	United States	In SMSA	Central city	Not central city	Outside SMSA	Northeast	North Central	South	West
1970:									
1st	5.4	5.1	5.3	4.7	6.3	2.4	6.0	7.7	5.6
2d	5.4	4.9	5.1	4.7	6.7	2.9	5.9	7.1	5.8
3d	5.3	4.8	5.4	3.9	6.7	3.1	5.9	7.1	5.2
4th	5.2	4.9	5.5	4.0	5.8	2.6	5.6	6.8	5.7
1971:									
1st	5.3	5.0	5.3	4.6	6.1	2.4	6.1	7.4	5.4
2d	5.3	4.8	5.4	4.0	6.4	3.0	5.3	7.2	5.6
3d	5.6	5.2	5.5	4.8	6.7	3.0	5.6	7.4	6.5
4th	5.6	5.2	5.5	4.7	6.6	3.5	6.0	7.4	5.3
1972:[1]									
1st	5.3	5.1	5.1	5.0	5.8	3.2	5.9	6.7	5.3
2d	5.5	5.3	5.8	4.6	6.2	3.0	6.7	6.9	5.7
3d	5.8	5.7	5.9	5.5	6.2	3.2	6.2	7.3	6.7
4th	5.6	5.4	6.2	4.2	6.3	3.9	5.5	7.0	6.1

[1] Data on condition of unit not collected after December 1971. Vacancy rates for 1956 to 1967 are estimates: Figures were derived by assuming the ratio of dilapidated to not dilapidated vacancies was the same as the quarterly data reported in 1968.

Figures for 1970 to 1972 revised to include dilapidated vacant for rent units.

Source: Series H-111 reports.

NOTES

All figures above computed using the currently used definition of "rental vacancy rate"—i.e.' percentage of vacant units available for rent (including those in dilapidated condition) to the total inventory of rental units.

[From the Washington Post, Feb. 28, 1973]

LANDLORDS ASK PROBE OF RAISED RENTS

(By Jay Matthews)

Officers of a landlord association representing 220,000 apartment units in the Washington metropolitan area voted yesterday to ask the White House for an investigation of a recent wave of rent increases here.

The board of directors of the Building Owners and Managers Association voted unanimously to ask President Nixon to give the Cost of Living Council power to investigate and roll back rent increases that exceed 6 per cent.

John T. O'Neill, executive vice president of the association, said the directors felt only sharp increases in local government fees and taxes would justify increases above 6 per cent.

O'Neill said the group wanted the federal government to step in before local jurisdictions enact an array of conflicting rent control ordinances to soothe their tenant constituents.

"Essentially, we feel this is necessary to eliminate the confusion and chaos that is going to occur if you have various jurisdictions across the country adopting regulations," O'Neill said.

Officials in Montgomery and Prince Georges counties are now considering rent control ordinances in the wake of angry outcries from tenant groups. Tenants have complained that some area landlords, including some members of O'Neill's association, have ordered increases as high as 25 or 35 per cent.

O'Neill encouraged the board of directors to take their action after meeting Monday with Ira M. Lechner, chairman of the Arlington tenant-landlord commission.

THE GENOCIDE CONVENTION AND THE UNITED NATIONS

Mr. PROXMIRE. Mr. President, article VIII of the Genocide Convention defines the role of the United Nations with respect to the crime of genocide.

The authors of the convention believed that whenever individuals or groups band together to destroy racial, religious, ethnic or national groups, these acts are a threat to peace and harmony in the international community.

History supports this conviction. When Hitler's Germany engaged in systematic extermination of Jews and other peoples it deemed inferior, these acts of terror caused worldwide concern and evoked international condemnation. Although the outbreak of World War II had already shattered world peace, the genocide committed by the German Government caused even greater heartache and world disharmony.

For this reason the framers of the Genocide Convention rightly gave the United Nations responsibility for helping to prevent genocide. Article VIII of the Genocide Convention states:

> Any Contracting Party may call upon the competent organs of the United Nations to take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide or any of the other acts enumerated in article III.

A major question raised at hearings of the Senate Foreign Relations Committee during the 92d Congress was whether ratification of the convention would significantly enlarge the United Nations powers.

Close examination of the Genocide Convention by this committee showed that its acceptance by United Nations members would only give that international organization additional responsibility, not additional power. Article VIII specifically states that the United Nations may only take action which is both permitted by its charter and considered appropriate by its members. The Charter of the United Nations limits the scope of its action. Article 2(7) of the charter prohibits the United Nations from intervening in matters which are "essentially within the domestic jurisdiction of any state."

However, mass murder on a broad scale would pose a threat to world peace and it would clearly be within the powers of the United Nations to discuss it. Thus, as a practical matter, the United Nations can discuss alleged acts of genocide in the United States or anywhere else any time it chooses to do so. In the opinion of the Senate Foreign Relations Committee, it is quite certain that charges of this nature will be made in the United Nations against this country, whether we do or do not ratify the convention, for propaganda and other purposes. Such statements have already been made and are likely to continue, because our position in the free world makes us the No. 1 target for a barrage of unjustified comments.

We must ask ourselves whether we will continue to give those nations the upper hand in the propaganda battle by not ratifying the Genocide Convention. Our failure to ratify this treaty has already proved an embarrassment to our delegates to the United Nations. In the face of allegations that this Nation has committed genocide, the fact that we have not become party to the convention has lent color to such charges.

We must make every effort not to give credence to spurious charges that the United States is not willing to extend its belief in the most fundamental human right, the right to live, to the rest of the world. The Genocide Convention elevates our long-established tradition for the dignity of man and respect for human life to the status of an international agreement.

I, therefore, urge the Senate to ratify the Genocide Convention and once again prove our commitment to human rights.

THE OIL IMPORT QUOTA

Mr. McGOVERN. Mr. President, I am pleased to join my distinguished colleague from New Hampshire (Mr. McINTYRE) in introducing legislation which is long overdue to abolish the needless and harmful oil import quota system.

Nearly 3 years ago the President received a report from a Cabinet-level task force headed by George Schultz, now Mr. Nixon's principal economic counselor, which recognized that the oil import quota system had outlived its usefulness, if indeed it was ever useful.

The President disregarded the recommendation, which was made after serious and careful study, and acted instead on a terse memorandum from Peter Flanigan which rationalized the continuation of import quotas on petroleum.

Supporters of the oil import quotas have worn out their argument that it is a program for protecting the national security. In truth, it is nothing more than a program to protect the profit security of the big oil companies. It adds at least $5 billion a year to the cost of oil, gasoline, and other products indispensable in our energy-dependent economy. And it has had a great deal to do with the heating oil shortage which plagued most of the Midwest this winter, and now threatens to bring about a gasoline shortage this summer.

In the words of one of Mr. Nixon's former energy advisers, S. David Freeman, who was Deputy Director for Energy and the Environment for the White House Office of Science and Technology, it is a "drain America first" policy.

We are told that the President will deliver an energy message to the Congress within the next few weeks. Reporters have speculated that he will recommend more exploration for oil in offshore areas, a policy that is pregnant with the risk of oil spills on our beaches and conversion of industrial and electric generating plants from oil burning to coal burning, which would increase the pressure for more strip mining of coal.

What we are suggesting in this legislation is a clear alternative to a policy of storming the beaches and stripping the hills. We can import world oil at prices lower than existing domestic oil prices. Such a policy would lessen the demand on natural gas, which the energy companies and the administration tell us, but decline to prove, is in short supply. It would lessen the demand for coal, which fouls the air with particulate and leaves the land scarred.

The Congress, while recognizing the critical importance of this legislation, should realize that it is just part, albeit an important part, of reform of our crazy-quilt energy policies. It must be followed by strip mine control legislation with adequate restrictions and provisions for land reclamation. It must be followed by bold steps to end the profligate waste of energy which has become a built-in luxury in our society. It must be followed by adequately financed energy research and development legislation. And it must be followed by wholesale revision of our land use practices.

The oil import quota system has served the energy giants well. It has served America poorly.

Even the slight relaxations in oil import quotas of recent weeks have served only the major oil companies. The small farmer-owned petroleum cooperatives, which serve more than one-fourth of U.S. farm needs for fuel, and half in my State, have not benefited. They have been unable to use all their import quotas. A cooperatively owned refinery in the Midwest has been forced to close, because it could not obtain enough crude oil.

Perhaps the big oil companies are beginning to see the end of the road for their most favored nation status. Writing in the Oil and Gas Journal, the bible of the major oil companies, On December 25, 1972, writer Gene Kinney says:

> The Administration rejected the proposed tariff system two and a half years ago, partly because you supposedly can't fine-tune tariffs. Now it has fine-tuned quotas into a shortage. If you're juggling this bundle of contradictions in the White House, the desire for something simpler must be overwhelming.

* * * * *

NATIONAL ENGINEER'S WEEK

Mr. MOSS. Mr. President, engineers are a breed apart in so many ways—they do so many things with such consumate skill and such finite accuracy, and they see things so clearly in their world of hard sciences that I admire them and their achievements.

Six of the most prestigious professional societies of engineers:

The American Institute of Aeronautics and Astronautics.

The American Society of Chemical Engineers.

The American Society of Civil Engineers.

The American Society of Mechanical Engineers.

The Institute of Electrical and Electronics Engineers.

The National Society of Professional Engineers have joined together on the occasion of National Engineer's Week to send an open letter to the President and the Members of the 93d Congress.

The letter is such a marvelous offer of support for our country, such a dedication to our way of life and enthusiasm for the future that I congratulate the presidents and members of these societies and ask unanimous consent that their letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 23, 1973.

Hon. FRANK E. MOSS,
U.S. Senate.

MY DEAR SENATOR MOSS: As the United States ushers in a new era of peace, the nation's scientists and engineers salute you and bring you greetings and reaffirm our pledge of full support on the occasion of National Engineers Week.

In addition to pledging our support, we invite your attention to a pressing national need upon which the continued health and prosperity of our country depends—the need to develop a planned, sustained, and farsighted policy for use of the nation's science and engineering resources.

Simultaneously, we offer our earnest cooperation and talents in helping to devise such a policy and in providing for its rational execution. Such a national policy in science should encompass the following goals:

1. The establishment of national programs to deal with such pressing problems as future sources of energy; providing safe, clean, efficient, economical transportation for all; improved and more economical methods of communication; delivery of adequate health care; protection of individuals and the nation from attack; the controlled use of our national and natural resources, with proper regard for environmental effects and economic impact.

2. Effective mobilization of our scientific and engineering manpower. Improvement of technical training at the vocational and secondary school levels in order to insure opportunities to every segment of our population. Avoiding either an over abundance of technically trained manpower, or, just as seriously, a severe shortage leading to crisis situations in the future. The nation must curb the gigantic pendulum swings of "feast or famine" which have so characterized our lack of policy for efficient use of our vast technological resources in the recent past.

3. Careful management and husbanding of all of our vital natural resources—of materials, energy and manpower—so that future generations of men can share the benefits of our technological progress.

We look upon the relationship of the government and the scientific and engineering community as a mutually beneficial partnership whereby both the general public and the members of the technological community share a common interdependence for progress and benefit.

This partnership in the past has enabled our nation to be the technological leader of the world in giving to all mankind such developments as atomic energy, the transistor, manned exploration of the moon, the computer, television and Telstar, synthetic fibres, new methods of construction of homes, offices, factories, schools, churches, roads, bridges, and tunnels, the cardiac pacemaker and other life saving devices.

We have developed laboratories and research centers in our great universities, independent research laboratories, industrial complexes, and government centers, all working in partnership to provide new technologies, products and jobs.

We have also established one of the finest educational systems, from grade school through graduate school, to produce trained minds in science, engineering, basic and applied research, and management in order to conquer ignorance and turn our many discoveries to the service of man.

But this entire complex will be of no avail unless there is a nationally formulated series of goals and objectives for men, methods, and materials to maintain proper balance between supply and demand and to insure that all of our national priorities are being adequately met.

Our societies offer their services to our nation for this task. We are confident that we can work with our President and the Congress in forging the plowshares for a century of peace from the swords we have now put aside.

Holt Ashley,
President, AIAA.
John E. Rinne,
President, ASCE.
Harold Chestnut,
President, IEEE.
L. Weaver,
President, AICHE.
Richard G. Folsom,
President, ASMA.
James F. Sheiler,
President, NSPE.

PAYMENT OF JUDGMENTS IN FAVOR OF THE SAC AND FOX INDIANS, AND FOR OTHER PURPOSES

Mr. DOLE. Mr. President, I am pleased to join with the Senators from Nebraska (Mr. Hruska and Mr. Curtis), the Senator from Iowa (Mr. Hughes), and the Senator from Kansas (Mr. Pearson) in support of the bill S. 990 to provide for the disposition of funds appropriated to pay judgments in favor of the three Sac and Fox Indian tribes.

The Sac and Fox Indians have been awarded judgment funds in docket No. 135 by the Indian Claims Commission and Congress has already appropriated the money to fulfill this claim. However, before payment can be made Congress must enact legislation detailing the distribution of these funds.

Mr. President, the Sac and Fox tribes composing the Sac and Fox Nation have always been closely affiliated, but they were distinct tribal entities at the time the 1837 and 1842 treaties were made, and they are still separately organized. Today each tribe has an approved constitution and bylaws and a council as the governing body of the tribe. Also, each has a committee of officers with authority to transact business and otherwise speak and act on behalf of the tribe. As of March 31, 1971, there were 1,956 enrolled in the tribe in Oklahoma, 779 in the tribe in Iowa, and 227 in the tribe in Kansas and Nebraska. A sizable number of the members of the tribe in Oklahoma and the tribe in Iowa live on reservations in Oklahoma and Iowa that were set aside for their tribes in the late 1800's. No members of the tribe in Kansas and Nebraska now live on the 7,924 acres provided for the tribe in Brown County, Kans., and Richard County, Nebr., by a treaty of 1861, but 20 members live in the vicinity, and many others live in Kansas and Missouri. Of the land originally contained in the Missouri reservation only 119 acres remain in Indian ownership.

Mr. President, this bill calls for a percentage distribution based primarily on the original landholdings of the three tribes. This bill specifies that 46 percent of the judgment and all future judgments shall go to the tribe of Oklahoma, 39 percent to the tribe in Iowa, and 15 percent to the tribe in Kansas and Nebraska. Due to differences in tribal enrollment requirements, it would be unfair to distribute the funds on a basis of current enrollment. In a joint meeting of the three Sac and Fox Tribes in Kansas City on July 24, 1971, the tribes voted 2 to 1 in favor of the division of claims as stated in this bill.

Mr. President, I am particularly interested in these payments since there are many Kansans in the 227-member Sac and Fox Tribe of Missouri in Kansas and Nebraska, and these Kansans have made valuable contributions to our State and should now receive an expeditious handling of their legislation.

ADULTERATED FRUITS AND VEGETABLES

Mr. RIBICOFF. Mr. President, on February 21, the General Accounting Office released a report documenting the failure of the Department of Agriculture to cooperate with the Food and Drug Administration to protect consumers against adulterated frozen and canned fruits and vegetables. This report is the latest in a series of GAO reports which have revealed appalling conditions in the processing of food for American families and the continuing failure of governmental agencies to protect American consumers against dangerous and substandard products.

On June 24, 1970, and again on February 18, 1972, the GAO issued reports calling attention to filthy conditions in the processing of meat and reprimanding the Agriculture Department for the failure of its inspection programs to remedy these conditions. On November 16, 1971, a GAO report revealed similar conditions in poultry processing plants and once more found the Agriculture Department negligent in protecting consumers. On April 18, 1972, GAO reported that FDA's inspection of food manufacturing plants was grossly inadequate and that some 40 percent of the plants inspected were operating under insanitary conditions. The latest report further documents the failure of governmental agencies to provide consumers with the assurance that their food is safe and unadulterated.

The Food and Drug Administration and the Agricultural Marketing Service of the Department of Agriculture both operate inspection programs for food manufacturing plants. The FDA inspects all food plants except for those processing meat, poultry, and egg products. Although FDA inspection programs have recently been expanded, they are still inadequate to assure that the plants are operating under sanitary conditions.

There are over 60,000 food processing establishments in the United States. Of these, FDA is able to inspect only about 8,500 each year. Thus, the average plant is inspected only about once every 7 years. Such an inspection program is clearly inadequate. Moreover, many plants are not inspected even that often in areas which FDA does not designate as an inspection priority. In recent years, FDA has not given priority to inspection of processed fruits and vegetables.

Inspections conducted under the grading programs of the Agriculture and Marketing Service—AMS—of USDA are considerably more extensive. In some plants there is continuous in-plant inspection in which Agriculture and Marketing Service employees are present at all times. In others, inspection is less extensive, but in nearly all cases, it is more intensive than the FDA's inspection programs.

AMS grading programs differ from FDA inspection in several respects. The AMS program is entirely voluntary; inspections take place only in plants under contract with the AMS for such inspections. In addition, while FDA inspection is financed out of the U.S. Treasury, AMS inspections are paid for by the companies which contract with AMS for the inspection. There are approximately 1,400 fruit and vegetable processing plants nationwide. Approximately 35 percent of all canned fruits and vegetables produced in 1971 were subject to in-plant inspection by AMS, and approximately 75 percent of all frozen fruits and vegetables.

GAO inspectors visited 40 fruit and vegetable plants. At 23 of the 40 plants, AMS and GAO inspectors found conditions which were classified as either "major insanitary conditions" or "critical insanitary conditions." A "major insanitary condition" is one which is defined as a condition which may result in product contamination or which is obnoxious and definitely undesirable. A "critical insanitary condition" is one of such magnitude that product contamination is imminent. Deficiencies at the plants inspected included dirty equipment, slime, rust, condensation, flaking paint, oil or grease drippings, unprotected lights, unscreened openings, and the presence of insects.

When such conditions are noted, AMS brings them to the attention of the plant management. Even when AMS finds adulterated food, however, it takes no action to assure that such food does not reach American consumers, but rather leaves disposition of the food entirely to the manufacturers. The only consequence of an AMS rejection is that the food cannot be labeled as graded by USDA.

The GAO study indicates that adulterated food often reaches the market even after AMS rejects it as substandard. With respect to a sample of 31 lots of adulterated food, comprising 545,000 pounds of products, GAO found that at least 14 lots had been released for distribution in commerce. An additional 10 lots could not be traced.

Under the Food, Drug, and Cosmetic Act, the FDA is required to assure that adulterated food is not put on the market. Yet, as we have seen, FDA inspection procedures are not capable of detecting the vast majority of adulterated food. And, as the GAO report shows, the Agriculture Department has consistently refused to supply the FDA information about adulterated food or insanitary plant conditions which it finds in the course of its grading inspection. While the Agriculture Department has agreed to supply the FDA with information concerning products which are deemed "hazardous to health," it continues to refuse to supply information concerning adulterated food or insanitary plants when the products are not deemed "hazardous to health."

Thus, FDA is being denied by a sister government agency information necessary to the effective performance of its statutory functions, and consumers are being exposed to adulterated food processed in insanitary conditions.

AMS refuses to supply FDA with the needed information because it believes that plants using the grading service would thereby be placed at a competitive disadvantage with plants that do not use the service. Thus, plants which contract with the Agriculture Department for the grading of food, thereby immunize themselves from the effective enforcement of Federal law. A program which purports to provide protection to consumers instead serves as a vehicle for frustrating the interests of consumers.

The lack of effective interaction between USDA and FDA with respect to food inspection exists in other areas as well. USDA regulation of animal vaccines is often inconsistent with FDA regulation of animal drugs. USDA's role in inspecting and testing meat for dangerous residues of animal drugs often frustrates FDA's statutory obligation to assure that food is free of cancer-causing residues. And now we find that USDA refuses to supply FDA with crucial information from its food grading program to the detriment of FDA's programs and the public.

This lack of cooperation and coordination between Federal agencies presents an intolerable barrier to effective consumer protection. We have for years been reassured by the agencies involved that new working agreements would be developed to remedy long-standing problems. Lengthy agreements are negotiated but the problems remain; regulations are published but laws continue to go unenforced; paper is shuffled but the consumer continues to go unprotected.

Responsibility for the protection of consumers from adulterated food must be consolidated. A single agency must have sufficient authority and full responsibility for the Federal role in food regulation. To accomplish this consolidation, I shall be introducing legislation to bring together in one agency the functions performed so inadequately by several agencies. The primary transfers of authority will involve the consumer protection functions now performed by the Department of Agriculture. Today's GAO report it only another piece of evidence that those functions are not now being performed well.

I am convinced that consolidation is a necessary prelude to the development of effective consumer protection from adulterated food.

I ask unanimous consent that a summary of the GAO report be inserted in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS—DIGEST

WHY THE REVIEW WAS MADE

The General Accounting Office (GAO) made this review to determine what controls the Agricultural Marketing Service and the Food and Drug Administration (FDA) had over fruits and vegetables which did not meet U.S. grade standards.

GAO also reviewed the Service's effectiveness in enforcing its requirement that fruit and vegetable processing plants which receive its grading service be maintained under sanitary conditions.

Background

The Service, upon request and on a reimbursable basis, provides grading service in fruit and vegetable processing plants to help promote the marketing of processed—generally canned or frozen—fruits and vegetables. To receive the service, a plant must be maintained under sanitary conditions. In addition to providing grading, Service employees examine products for cleanliness and wholesomeness and watch plant sanitation.

During fiscal year 1971 the Service provided grading service for about 35 percent, or 7.1 billion pounds, of the canned fruits and vegetables and about 75 percent, or 3.8 billion pounds, of the frozen fruits and vegetables processed in this country.

FDA has primary Federal responsibility for inspecting foods—except meat, poultry, and egg products—and for insuring that foods entering interstate commerce are safe and wholesome and that adulterated and misbranded products are removed from the market.

FDA enforces the Federal Food, Drug, and Cosmetic Act, which is intended to assure the consumer that, among other things, foods are pure, safe to eat, and produced under sanitary conditions. Under the act FDA, whose programs are directed at the single, overall objective of consumer protection, is authorized to initiate Federal action against plants and individuals who cause foods to become adulterated or misbranded.

A 1953 agreement between the Service and FDA set out arrangements for carrying out activities having common or related objectives. FDA, whose food inspection activities were the subject of a separate GAO report (B-164031(2)) issued April 18, 1972, inspects fruit and vegetable processing plants infrequently.

FINDINGS AND CONCLUSIONS

Need to control processed fruits and vegetables which may be adulterated

About 15 billion pounds of fruits and vegetables were subject to grading from January 1, 1970, through March 31, 1971. During that period the Service identified about 39 million pounds in 132 plants that did not meet U.S. grade standards because the products had excessive foreign materials—such as worms, insects, oil, mud, rot, rust, or paint flakes—or because the products had been packed under unsanitary conditions.

The Service, in accordance with its normal procedures, did not control such products but left their disposition to the processors. Also FDA did not routinely obtain from the Service information on these products which might have been adulterated and, if so, should not have been distributed in interstate commerce.

The Federal Food, Drug, and Cosmetic Act requires FDA to prevent the distribution of adulterated products in interstate commerce and requires other Federal agencies to make their records available for FDA inspection. The 1953 agreement between the two agencies provided that the Service furnish FDA with information on products graded only when FDA requested it and then only on lots specifically identified by FDA.

GAO asked FDA to investigate some of these products, and FDA said that it would consider them adulterated if its analyses confirmed the presence of the indicated contaminants. FDA investigated 31 production lots, comprising about 545,000 pounds, at 18 plants.

FDA collected and analyzed samples from two lots which had been shipped in interstate commerce. Its analyses showed that the products were adulterated, and it approved their seizure. FDA reported that three other lots had been destroyed, or diverted for use as cattle feed, by the plants and that most of the remaining 26 lots had been shipped from the plants and (1) were not available for sampling or (2) could not be traced.

In July 1971 the Service told GAO that it proposed to revise its 1953 agreement with FDA to define what constituted a product hazardous to health and to require the reporting of such products to FDA. Between that time and May 1972, when the agreement was revised, the Service identified at least 400,000 pounds of products as possibly hazardous to health but the Service, in line with the 1953 agreement, did not inform FDA of them. As of January 31, 1973, the Service and FDA were developing an overall definition of what constituted a product hazardous to health.

The revised agreement did not cover potentially adulterated products other than those considered hazardous to health. According to the Federal Food, Drug, and Cosmetic Act, adulterated products include, in addition to those that are hazardous to health, those that consist, in whole or in part, of any filthy, putrid, or decomposed substance; those that are otherwise unfit for food; and those that have been prepared, packed, or held under unsanitary conditions whereby they may have become contaminated with filth.

FDA told GAO that, in negotiating the changes in the agreement with the Service, it first took the position that the Service should report to FDA any lot of a product that was adulterated and not just those lots which the Service decided were hazardous to health. Because of the grave concern of the Department of Agriculture representatives that grading service would disappear as a result of this, FDA said that it deferred to reporting only products that presented a hazard to health.

The Service told GAO that, if the Service were to report to FDA all the products failing to meet U.S. grade standards, the plants using the grading service would be competitively disadvantaged compared with those plants not using the service. Also the Service said that the plants receiving grading service had to meet sanitary, product, and quality standards and that both the industry and the consumers would lose such benefits if the grading service were discontinued.

Observations on sanitation conditions in plants receiving grading service

Accompanied by Service supervisory employees, GAO visited 40 fruit and vegetable plants. GAO also reviewed the Service's own sanitation reports on these plants, which had been prepared by Service employees before the visits. During the visits Service employees reported one or more major or critical sanitation deficiencies at 25 of the 40 plants. Previous sanitation reports showed that, at 12 of the 40 plants, Service employees had reported some sanitation deficiencies to plant managements many times over extended periods.

Also at 51 of the 132 plants where products did not meet U.S. grade standards, Service employees had refused to grade products because the products had been packed under unsanitary conditions or contained foreign materials—such as oil, paint flakes, and rust—which were, or appeared to be, related directly to plant sanitation.

Conditions revealed by GAO's visits and the Service's sanitation reports and grading records indicated that some plant managements were not taking appropriate and timely actions to correct known sanitation deficiencies and that some Service employees were not effective in having plant managements maintain their plants under sanitary conditions.

From April 1 to July 12, 1971, the Service disapproved requests from seven plants to provide grading service because of sanitation deficiencies and it withdrew its service from two unsanitary plants for short periods during fiscal years 1970 and 1971. Under the terms of its 1953 agreement with FDA, however, the Service was not required to, and did not, notify FDA of these plants.

During GAO's review the Service took actions which should improve plant sanitation conditions. The Service also provided more specific guidelines to its employees on the actions to be taken and on when service was to be withdrawn or suspended or when contracts were to be terminated if plant managements did not take appropriate and timely corrective actions on sanitation deficiencies.

RECOMMENDATIONS OR SUGGESTIONS

GAO recommends to the Secretary of Health, Education, and Welfare that FDA, under the authority of the Federal Food, Drug, and Cosmetic Act, routinely obtain from Agriculture such information as is necessary for FDA to take appropriate action against all processed fruits and vegetables which fail to meet U.S. grade standards for reasons which, under FDA standards, would render the products adulterated. GAO also recommends to the Secretary of Agriculture that the Service cooperate in providing such information on a timely basis.

GAO recommends also to the Secretary of Agriculture that the Service develop procedures for notifying FDA of those plants where, because of sanitation deficiencies, the Service's grading service has been withdrawn or suspended, its contracts have been terminated, or requests for its service have been disapproved.

AGENCY ACTIONS AND UNRESOLVED ISSUES

HEW (see app. IV) stated that it concurred in the recommendation relating to products which failed to meet U.S. grade standards and that it would work with Agriculture to firm up ways by which the recommended information exchange could best be accomplished.

Agriculture (see app. II) stated that its grading service was voluntary and that its reporting to FDA all products failing to meet grade and quality standards would disadvantage those plants voluntarily participating in its quality improvement programs and would apply different standards to those plants that were applied to nonparticipating plants. Agriculture stated, however, that it would continue to cooperate with FDA in providing specific information requested by FDA to assist it in discharging its regulatory responsibilities.

Agriculture (see app. I) stated that steps had been taken to improve sanitation in plants and that others were in process. Agriculture did not agree with GAO's recommendation that it develop procedures for notifying FDA of plants where, because of sanitation deficiencies, grading service had been withdrawn, suspended, or terminated or where requests for service had been disapproved. An Agriculture official stated that the agreement between the Service and FDA did not require that such information be provided to FDA.

If FDA were provided with such information, it could determine whether adulterated products might be involved and could prevent the distribution of such products in interstate commerce. Such action would better protect consumers and would enable FDA to use its scarce resources in the most effective and efficient way. (See p. 28.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

This report is provided to the Congress for its information and for consideration in its continuing evaluation of consumer protection programs.

EIGHTEEN THOUSAND AMERICANS MURDERED LAST YEAR—MOST WITH HANDGUNS

Mr. STEVENSON. Mr. President, some 18,000 Americans were murdered last year—most with handguns.

Not many were famous. Most were poor. They were litle people, unknown and remembered only by friends and loved ones.

I have received a letter from the widow of one of those 18,000 dead Americans. In the hope that that cold number may acquire more meaning for us all, I ask unanimous consent that the letter be inserted in the RECORD at this point.

As Mrs. Gutierrez said, it is too late now to save her husband but not too late to save others. I wish I could help Mrs. Gutierrez. About all I can say to her is that the Congress may pass legislation to compensate victims like her, the victims of murderers, of the gun lobby, and of our own neglect. I cannot tell her that the Congress will now take pistols from the hands of those who misuse them. We will, I fear, go on wringing our hands, deploring the violence, preaching law and order, and then surrender once again to the gun lobby. That will be litle comfort to Mrs. Gutierrez and to millions like her, fearing at every moment of day and night for the safety of their loved ones in our streets.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 19, 1973.

Senator ADLAI STEVENSON,
Washington, D.C.

SENATOR: I've just read an article on the shooting of Sen. John Stennis, and I am greatly upset. I guess it upsets me more than most people since I am presently awaiting the trial of my husband's murderer.

My husband would have been 29 years old in July, but he was killed in cold blood Dec. 31, 1972. He was taking me and our three young daughters out for the afternoon when a young black man stopped our car and, when my husband got out of the car, shot him in the chest. My husband didn't even know this man, so there was no reason for his death. Now I am left alone to raise my children, ages 5, 4 and 1. I don't know how I will manage, but I will.

I know the murderer will be out of jail in a few years, so I hold no hope of any real justice here on Earth. I do feel sorry for his young child, but at least he is alive and will be able to see his child. My husband was a young healthy man with so many plans, so much to do. Now he will never be able to finish the things he started, never see our daughters grow up.

I know there is nothing you can do to help me, it's much too late, but I do hope you will be able to help others. I pray you will be able to pass legislation prohibiting the use of handguns. So many lives could be saved. It would also help if the police would concentrate their patrols where there has been trouble before. The S. Chicago Street area of Joliet is the crime center of Joliet. My husband was killed there because one of the main exits from Interstate 80 is onto S. Chicago Street. The police won't even answer calls in this area because of the danger to themselves.

I do hope you and the others in Congress can do something about guns and the safety of citizens. We are not safe, even in broad daylight. My husband was killed in front of at least 20 people at 3:00 in the afternoon. Please help us.

MRS. CAROLYN GUTIERREZ.

NEED FOR DEVELOPMENT OF A SOUND AND SENSIBLE PLAN FOR NATIONAL URBAN GROWTH—SUMMARY OF TASK FORCE RECOMMENDATIONS

Mr. MONDALE. Mr. President, there is no greater long-term need facing our Nation than the development of a sound and sensible plan for national urban growth. This extremely complex and demanding subject has been studied by various groups over decades. Unfortunately, in many of our Nation's metropolitan areas we continue to endure unplanned and unstructured growth, which over the remainder of this century will pose a major problem to our viability as a nation.

For over a year during 1971 and early 1972, the American Institute of Architects National Policy Task Force studied the problem of urban growth intensively. This study, undertaken by a group of distinguished architects with the help of a variety of expert consultants, explored all espects of our Nation's growth policies.

In brief, the policies recommended by this task force would change the "ground rules" that now shape, and distort the shape, of American communities. These new policies would help create a fresh and useful scale for planning and building in urban areas, and commit the Nation to a major land acquisition policy to guide development in and around key urban centers.

These recommendations are of broad scope and will require public debate and discussion. This discussion should begin now, however, for as a Nation we have no time to lose in the fight to save our urban environments from continued unplanned growth, which in the long run can only damage our national spirit and impede our long-range development.

Mr. President, I commend this report—A Plan for Urban Growth—to every Member of the Senate, and I urge once again that we begin discussing the recommendations contained in the report. If we fail to deal with these problems in a unified and constructive manner, future generations will suffer as a result of our neglect. The alternative, however—orderly, planned, and sound growth—is certainly within our grasp.

Mr. President, I request unanimous consent that the summary of the AIA National Policy Task Force recommendations be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF TASK FORCE RECOMMENDATIONS

A. Scale and Form: The building and rebuilding of American communities should be planned and carried out at neighborhood scale (ca. 500–3,000 residential units along with a full range of essential facilities and services) and in a form appropriately called a "Growth Unit."

B. Priorities: The value most to be respected is free choice. First concern should be given the condition of those trapped in the poverty and deterioration of older neighborhoods, especially of the central cities.

C. Changes in the Ground Rules of Community Development:

Free choice should be expanded:

(1) by ensuring open occupancy throughout the entire housing market affected by governmental subsidies and insurance.

(2) by directing needed housing subsidies to people rather than to structures.

(3) by providing locational options, especially by linking development in central and peripheral areas of the metropolis.

(4) by providing for diverse living styles, through Growth Units of varying densities, housing types, and service patterns; also, less restrictive building and zoning codes.

(5) by expanding the possibilities and scope of citizen participation in the design and governance of neighborhoods.

Financing patterns should be revised:

(1) Less reliance should be placed on the local property tax.

(2) State and federal governments should assume a greater share of:

a. infrastructure costs, and

b. costs of social services, especially health, education, and welfare.

(3) The appreciating value of land benefited by public investment should be recaptured and recycled into community facilities and services.

(4) Categorical aids should be broadened—especially the Highway Trust Fund which should be expanded into a more general fund in support of community development.

Government structures should be reshaped and adapted:

(1) Private-public ventures should be encouraged.

(2) Development corporations should be created by federal, state, and local governments.

(3) Metropolitan planning and development agencies should be encouraged.

(4) State governments should participate more directly in planning and regulating the use of land, especially in areas defined as "critical" (e.g., flood plains, coastal regions, areas of acute housing shortages, and areas in the path of rapid development).

Capacity to build at neighborhood scale—both public and private—should be strengthened:

(1) Financial, legal, and other constraints should be reviewed and eased.

a. A steady flow of mortgage money at low and stable rates should be ensured.

b. "Front money" for Growth Unit development should be made available.

c. Public investments in infrastructure should be properly phased and coordinated.

(2) State governments and metropolitan agencies should take a more assertive role in acquiring and preparing land for development—and in building a network of utility corridors to accommodate and give shape to Growth Units.

(3) Tax and other incentives and disincentives should be revised to encourage high quality urban development.

(4) Environment controls and design standards should be strengthened.

(5) New patterns for the delivery of critical services should be encouraged.

(6) Industrialized building processes should be encouraged.

D. Special Program for Areas Impacted by Rapid Growth and Deterioration:

Priority should be given to the 65 metropolitan areas over 500,000 population.

Within these areas, the public should acquire and prepare one million acres for Growth Unit development.

This development should be explicitly designed to benefit, not detract from, the improvement of the quality of life of those now residing in the older and deteriorating sections.

At average densities of 25 per acre, this special program should accommodate one-third of the expected growth of the U.S. population between 1970–2000.

LET'S TAKE THE TAXPAYER OUT OF LABOR DISPUTES

Mr. CURTIS. Mr. President, we are again faced with the question of whether the American taxpayer will be forced to subsidize strikers.

One of two alternative proposed Department of Health, Education, and Welfare regulations for AFDC–UF programs would require this.

Under the AFDC–UF program a State may provide assistance to families with dependent children where the father is unemployed.

In the past, HEW has allowed the States to decide whether a father who was unemployed, because of his participation in a strike qualified for these benefits.

This practice was challenged in *Francis* v. *Davidson,* 340 F. Supp. 351 (E.D. Md. 1971), affirmed 34 L.Ed. 2d 1681 (1972), where the Court held HEW's regulations required only that the father be employed less than 30 hours per week no matter what the reason. When the case was before the U.S. Supreme Court, the Solicitor General stated that HEW would issue new regulations confirming its past practice. In spite of this commitment, HEW, early in January of this year, published alternative proposed regulations in the Federal Register and has allowed through March 5, 1973, for interested parties to comment.

Alternative A would allow participating States to decide whether to pay AFDC–UF benefits to the families of strikers. Alternative B would establish financial standards as the only prerequisites to the payment of these benefits.

The case for adopting alternative A is stated well in an editorial entitled "Take the Taxpayer Out of Labor Disputes," appearing in the February 1973 edition of Fortune magazine. The editorial notes as follows:

> In a strike, of course, both labor and management weigh loss of income against the gains they hope to make by holding out. The relative willingness of each side to endure sacrifices determines to a large extent the duration of the strike and the nature of the settlement. The use of taxpayers' money to ease the strikers' sacrifice introduces a distorting element.
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> * * * * *
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> We hope that the first, more stringent version is adopted. Given freedom of action, the states might be encouraged to curb their largess to strikers, or at least to consider the overall effects of their generosity. If union members do not face a real sacrifice of income when they walk off the job, the bargaining process is rigged in advance.

The same Fortune issue includes a review by former Assistant Secretary of the Treasury Murray L. Weidenbaum of Welfare and Strikes by Armand J. Thieblot, Jr., and Ronald M. Cowin. Professor Weidenbaum concludes:

> After viewing the evidence presented in *Welfare and Strikes,* few readers will dispute the conclusion that by cushioning strikers against hardship, this dubious use of public funds make for more and longer strikes, and costlier settlements. It decisively tips the balance in collective bargaining. It weakens management's ability to resist union demands, and strengthens labor's ability to force inflationary wage increases far in excess of productivity gains.

I was shocked to learn the extent of the public subsidy for strikers. Thieblot and Cowin estimate that some $304 million in public funds will be used in 1973 for the purpose of subsidizing strikers with food stamps, welfare benefits, and unemployment compensation. Of this amount, $62 million will be spent under the AFDC–UF program.

I hope that after my colleagues read both the editorial and the book review they will express to HEW their support for alternative A. It is high time we "take the taxpayer out of labor disputes."

I ask unanimous consent that a copy of the proposed regulations, the editorial, and the book review be printed in the RECORD.

There being no objection, the proposed regulations, the editorial, and the book review were ordered to be printed in the Record, as follows:

Alternative A

Section 233.100(a)(1) of Chapter II of Title 45 of the Code of Federal Regulations is revised to read as follows:

§ 233.100 Dependent children of unemployed fathers.

(a) *Requirements for State plans.* * * *

(1) Include a definition of an unemployed father which shall apply only to families determined to be needy in accordance with the provisions in § 233.20. Such definition must include any father who:

(i) Is employed less than 10 hours a month; or

(ii) Exceeds that standard for a particular month, if his work is intermittent and the excess is of a temporary nature as evidenced by the fact that he was under the 100-hour standard for the 2 prior months and is expected to be under the standard during the next month; except that, at the option of the State, such definition need not include a father whose unemployment results from participation in a labor dispute or who is unemployed by reason of conduct or circumstances which result or would result in disqualification for unemployment compensation under the State's unemployment compensation law.

* * * * *

Alternative B

Section 233.100(a)(1) of Chapter II of Title 45 of the Code of Federal Regulations is revised to read as follows:

§ 233.100 Dependent children of unemployed fathers.

(a) *Requirements for State plans.* * * *

(1) Include a definition of an unemployed father which shall apply only to families determined to be needy in accordance with the provisions in § 233.20 and shall include any father who:

(i) Is employed less than 100 hours a month, or

(ii) Exceeds that standard for a particular month, if his work is intermittent and the excess is of a temporary nature as evidenced by the fact that he was under the 100-hours standard for the 2 prior months and is expected to be under the standard during the next month.

This shall be the exclusive definition of an unemployed father.

* * * * *

[FR Doc.73-33 Filed 1-2-73;8:45 am]

Take the Taxpayer Out of Labor Disputes

One way to start redressing the balance in collective bargaining would be to put tighter controls on the practice of allowing workers on strike to claim unemployment compensation, welfare benefits, food stamps, and other forms of public assistance while they are voluntarily off the job. In a strike, of course, both labor and management weigh loss of income against the gains they hope to make by holding out. The relative willingness of each side to endure sacrifices determines to a large extent the duration of the strike and the nature of the settlement. The use of taxpayers' money to ease the strikers' sacrifice introduces a distorting element.

This month's Books & Ideas (page 155) discusses a new book, *Welfare and Strikes*, which is a devastating analysis of the government aid available to striking workers. The authors conclude that using public funds to support strikers decisively tips the balance in collective bargaining to the side of labor. Strikes are prolonged and settlements tend to be inflationary.

We are delighted that the Department of Health, Education, and Welfare is finally getting around to studying this issue. In many states, strikers can claim assistance under an HEW program called Aid to Families with Dependent Children—Unemployed Fathers. Up to now, the department's regulations have not specified whether states may establish conditions of their own for the program. The only restriction spelled out by HEW itself is that for a family to be eligible the father must have worked less than 100 hours in a month.

Out of the twenty-three states that participate in the federal AFDC-UP program, two—Maryland and Oregon—have taken the position that families with the father on strike are not eligible for aid. But the Supreme Court has invalidated the Maryland policy, by upholding a lower-court ruling that HEW's "hours of work" rule is an exclusive one that bars collateral conditions.

Now HEW has put forth two alternative proposals for a new regulation. One would specifically permit states to establish their own conditions for making AFDC-UF payments; they would then be free to deny this aid to strikers. The second proposal would forbid the states to attach any conditions of their own; they could consider only the number of hours worked. HEW has invited comments on both rules and will put one of them into effect in a few months' time.

We hope that the first, more stringent version is adopted. Given freedom of action, the states might be encouraged to curb their largess to strikers, or at least to consider the over-all effects of their generosity. If union members do not face a real sacrifice of income when they walk off the job, the bargaining process is rigged in advance.

How the Public Subsidizes Strikes

(By Murray L. Wedenbaum)

Conventional efforts to explain the inflation that began afflicting the U.S. in the later 1960's leave behind a feeling that something is missing. That inflation—far from subdued even now—had some new element in it, an extra virulence that eludes scrutiny based on familiar economic relationships.

At least part of the explanation for this extra virulence—along with a warning that it may plague us even worse in times ahead—leaps from the pages of *Welfare and Strikes* (University of Pennsylvania Press). The authors are Armand J. Thieblot Jr., associate professor of management at the University of Maryland, and Ronald M. Cowin, who worked on the project while he was an M.B.A. candidate at the University of Pennsylvania's Wharton School. Their book, a devastating combination of logic, analysis, and case studies, makes the blood boil.

Welfare and Strikes tells the troubling story of how in recent years various agencies of government—federal, state, and local—have used large amounts of public funds to subsidize strikes. In the last few years such subsidies have supported strikes against General Motors, General Electric, Westinghouse, I.T.T., and many smaller companies.

After viewing the evidence presented in *Welfare and Strikes*, few readers will dispute the conclusion that by cushioning strikers against hardship, this dubious use of public funds makes for more and longer strikes, and costlier settlements. It decisively tips the balance in collective bargaining. It weakens management's ability to resist union demands, and strengthens labor's ability to force inflationary wage increases far in excess of productivity gains.

Three major types of government funds are used to support strikers—welfare payments, unemployment compensation, and food stamps. In at least thirty states, including most of the highly industrialized ones, general assistance (paid out of local funds) is available right away to those who can plead indigence. After a one-month waiting period, strikers in twenty-two states can qualify for public assistance—the federally supported Aid to Families with Dependent Children. The unions often develop a close working relationship with the government agencies disbursing welfare payments. On occasion, union halls are used to process applications and union officials participate in the certification process. Once on welfare, strikers become eligible for medicaid and other "fringe benefits," such as mortgage-payment support, matching funds on home repairs, and day-care or nursing-home services.

The solicitude that some public agencies show toward strikers borders on the astounding. Pennsylvania welfare officials, for example, have made it a policy to provide at least one additional payment to strikers after they return to work and receive a paycheck.

LET THEM EAT STEAK

In New York and Rhode Island, strikers themselves can qualify for unemployment compensation after a period of some weeks. In fourteen other states, workers can qualify for these benefits if they become idle because they refuse to cross a picket line, or if their work stoppage is termed a lockout.

Food stamps are available to practically all strikers who apply for them. The important role of this innocent-sounding form of support should not be overlooked. It is the entering wedge for the other public-aid programs. Food stamps do not always carry the same stigma that is attached to public assistance; their widespread use indicates that they have reduced strikers' initial hesitation about applying for government aid.

Moreover, food stamps are distributed by welfare offices, and while they are applying for stamps, strikers are often counseled about the other benefits available under the welfare system. Sometimes there are classes for union members so they can learn about eligibility requirements for public-aid programs.

The rations available to strikers under food-stamp programs are far from austere. During the G.M. strike in 1970, the Pittsburgh *Press* quoted the food-stamp chairman of a United Auto Workers local as saying: "We have guys eating T-bone steaks now who never ate T-bones before." During a strike against California & Hawaiian Sugar Co., the owner of a grocery store reported that strikers were using food stamps to fill their freezers with enough steaks and roasts to feed their families for months after the strike.

In one form or another, public aid to strikers can add up to impressive amounts. During the strike against General Electric in 1969–70, one union leader estimated that community benefits (including aid from United Fund charities) averaged $50 per striker per week. Total supporting outlays by voluntary and public agencies during the seventeen-week strike came to well above $5 million a week.

Welfare and Strikes contains considerable testimony, notably from union officials, indicating that public generosity does affect the actual behavior of strikers. In Michigan, where U.A.W. members received abundant aid from welfare payments and food stamps during the G.M. strike in 1970, an official of the union said members exerted less pressure for settlement during that seventy-one-day strike than during earlier stoppages lasting only two weeks. Another U.A.W. official explained that "when workers are receiving welfare assistance there is not as much economic hardship on members. Therefore, there is not as much pressure on our bargaining unit to settle."

During a 1970 strike against Johns-Manville, a rank-and-file union member receiving welfare aid, food stamps, and medicaid was quoted as saying: "We're not hurrying any. I get $40 a week strike benefits and a welfare allotment that handles the rest of our day-by-day expenses . . . I'm in no more of a financial bind now than when I'm working." This striker's total benefits, indeed, amounted to $380 a month, about as much as his take-home pay when he was working.

Unless there are public-policy decisions to tighten up, we can expect increasing use of public funds to subsidize strikes as time goes by. For one thing, the stigma of being on welfare has been reduced, partly because of the personal experiences of many workers. For another, applying for welfare benefits has been transformed from an individual act to an organized union activity, under experienced union guidance.

"AN UNWARRANTED IMPOSITION"

The public will have to pay in at least three ways. The aid to strikers will have to be paid for out of tax revenues. With strikers protected from economic pain, there will be increased disruption from strikes. And with the balance between labor and management upset, there will be accelerated inflation as strikers win lavish settlements. In time, Thieblot and Cowin venture, the public will find the injustice of all this intolerable. "Such an inequitable situation, if continued, or worsened as we predict, will undoubtedly result in demands for drastic changes in our industrial relations system."

In the short run, though, the prospects for a change in policy seem far from bright. In 1969, President Nixon urged Congress to eliminate the payment of unemployment compensation to strikers. "The unemployment tax we require employers to pay," he said, "was never intended to supplement strike funds to be used against them." The recommendation never got out of committee.

Sooner or later, it seems safe to predict, society will have to stop subsidizing strikers. It is hard to argue against the verdict of Thieblot and Cowin that "paying welfare benefits to strikers is an unwarranted imposition on the public treasury and the private good." Still, it must be acknowledged that many other segments of this society also receive subsidies of one kind or another. Many business organizations are among the beneficiaries. It is too obviously self-serving to attack the privileges received by other groups, but to defend your own as necessary investments in progress, growth, or wisdom. The best way for society to halt the subsidizing of strikes is to do so as part of a broad and effective assault on the crazy quilt of government subsidies—especially those that benefit people who are much better off than most members of labor unions.

WHAT INDIANS WANT: A JOB PROGRAM

Mr. JACKSON. Mr. President, recent events both in Washington and in other parts of the country have again focused attention on the problems of our Indian population and on Federal relations with Indian tribes. Reports have emanated from the administration that the Bureau of Indian Affairs is about to undergo another of its periodic reorganizations. Whatever the nature of the reshuffling which might go on, the question remains as to what the basic policy should be which the Federal Government follows in its dealings with our Indian population.

The Washington Post recently printed an article by Richard Schifter, who serves as counsel to the Association on American Indian Affairs and a number of Indian tribes, which offers one possible answer to this question. Mr. Schifter suggests that providing work opportunities and jobs should be the main theme of any Federal program for reservation Indians. As the problem of Indian unemployment, its ramifications, and its possible solutions deserve our special attention, I ask unanimous consent to have Mr. Schifter's article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT INDIANS WANT: A JOB PROGRAM

Critics of the "Trail of Broken Treaties Caravan" claim that the men and women who occupied and destroyed the premises of the Bureau of Indian Affairs last November were "city Indians" totally alienated from reservation communities. Other observers have argued that these men and women were authentic spokesmen for Indian grievances.

In a sense both of these observations are correct. Many of the members of the Trail of Broken Treaties Caravan came from the cities. Few, if any, were duly authorized spokesmen of their tribes. Tribal leaders by and large disapproved of the destruction the Caravan wrought in the Indian Bureau. But there is no doubt that viewing the pictures of Bureau files and records in shambles gave some feeling of satisfaction to a good many Reservation residents who would not themselves have been prepared to occupy and destroy a Federal installation.

Why do Indian people feel so deeply frustrated? Why are they prepared to vent these frustrations on the Federal agency whose assigned task is to assist them?

During the last six years we have seen a variety of Federal legislative program suggestions in the field of Indian policy. Both Secretary of the Interior Udall in 1967, and President Nixon, in 1970, submitted packages of Indian bills to the Congress. (The two packages, incidentally, did not differ materially from each other.) Congress has failed to act on them and that is regrettable, as a number of these legislative recommendations could be of value. But anyone who believes that enactment of any or all of these proposals would significantly alter the spirit of despair and frustration in the Indian country is sadly mistaken.

Washington is a government town and its officialdom thinks in terms of bureaucratic abstractions. The Administration's Indian program focuses on such abstractions: Should Tribal governments or Federal officials operate Reservation schools? Should the Departments of Justice and the Interior or an independent Indian Trust Counsel Authority have responsibility for litigating Indian water rights? Should all Indian tribes be allowed to enter into 99-year leases of their land? Whatever the answers which Congress ultimately supplies to these questions, the average Reservation Indian's life, his sense of frustration, will not be significantly affected.

For the single most important problem of the Indian country is unemployment, all-pervading, debilitating, chronic large-scale unemployment. At the depth of the Great Depression, when our country's condition was felt to be truly desperate, the rate of male unemployment reached 25%. In the Indian country, by comparison, we experience today an average unemployment rate of approximately 40%. It has been at this or at higher levels for decades.

If anyone ever needed proof that the need to be productive and creative is not one merely instilled by our prevailing WASP culture but is a basic human need, one can find it on our Indian reservations. There we herded Indian people in the Nineteenth Century, to get them out of the way of the settlers of the West. No serious thought was given to providing a viable economic base for these hunters and fishermen who had overnight been deprived of their hunting and fishing grounds. Adjusting to a new culture, a new environment, to new modes of living and earning a livelihood, they have desperately sought for an alternative to the dole. Only rarely have they found it.

When I first visited Indian reservations in 1951, I heard uniformly favorable comments about a Federal program which by then had been dead for ten years, the Civilian Conservation Corps. It had brought to the Reservations what its residents wanted most: jobs. Throughout the last twelve years, during which Indians have been inundated with a variety of Federal programs, what they have looked for in each instance, in examining each program proposal, has been the same: jobs. The Works Acceleration Program of 1962, the employment programs of the OEO, and the Emergency Employment Act of 1971 were all greeted by an enthusiastic Indian response. (In the early years of OEO one of my Indian friends asked me why that agency did not concentrate on jobs for family heads instead of "fooling around" with a variety of other programs. I explained what I had been told by a high Administration official: "They don't just want to organize another WPA." To which my Indian friend responded: "Why not?" Why not, indeed.) But these programs have been limited in scope and often short in duration. If we really wanted to deal with the root causes of the problem which was so forcefully brought to our attention during the early November days of 1972, we need to do no more than enact of comprehensive Indian work program.

If Indians want to find work, it might be asked, why don't they leave the reservations and look for jobs in the cities? Or, why can't private industry provide jobs on the reservations? A brief answer to these questions is that Indian relocation has been tried (in the 1950's) and has certainly not solved the problems of reservation communities and that past experience shows that a private development effort will not make a significant dent in as massive an unemployment problem as that which exists on our Indian reservations.

While massive in the setting of the reservations, the problem of Indian unemployment is relatively insignificant when compared to the operation of our trillion dollar economy. To effect a significant change in the life of reservation communities, a work program which would create about 30,000 jobs is needed. The gross expense of such a program would not exceed $150,000,000. Savings in welfare assistance, aid to dependent children, and a variety of other social programs would reduce the net cost to the taxpayer significantly below the amount appropriated to fund the Indian works program. It is a price which we could easily pay if we truly wanted to attain the objective of lifting the cloud of despair which now hangs over every Indian reservation in our land.

How would these 30,000 Indians be employed? A good many of them could engage in conservation work, others in the development of recreation facilities, others still as aides in schools and hospitals, thus improving the quality of these public services. Will they be indefinitely on the Federal payroll? I don't think so. I believe that once an employment economy has been established on Indian reservations, the private sector will begin to grow and ultimately become dominant. At any rate, it's worth a try. It surely is a reasonable alternative to another generation of paper-shuffling and sloganeering in the Government and utter misery in the Indian country an alternative to other pointless and fruitless acts of destruction.

THE NATIONAL POWER GRID ACT

Mr. McGOVERN. Mr. President, I am pleased to join with my colleagues in the introduction of one of the most important pieces of legislation to affect the electric consumers of this Nation, the National Power Grid Act, S. 1025.

American consumers have become so heavily dependent on adequate, reliable electrical energy that the task is too important to be left to the utilities alone.

Their responsibilities to management, shareholders, and to the consumers of their service areas may not often coincide with the national interest.

The National Power Grid Act would provide the mechanism necessary to resolve these sometimes conflicting responsibilities of individual electric utilities, in their interest and in the national interest.

In addition, it would provide us with the mechanism to develop an optimum power transmission system with the newest technologies in transmission—something that may be beyond the capital abilities of any single utility or consortium of utilities.

Such a national transmission system would allow the movement of electric power to regions which need it most, from regions which are better able to produce it.

A national grid would take advantage of economies of peak and time zone differential. When the daily peak is subsiding in the East, it is building in the Midwest, and just beginning in the West.

It would take advantage of economies in seasonal peak differential. When there are heavy demands for air conditioning in one region during a hot period, it may be cooler and less demanding on electric capacity in another.

The National Power Grid Act would not make available another single kilowatt of capacity that would not otherwise be built. But it would maximize the capacity that is on the line, by broadening the area in which the production from any single plant could be marketed.

A national power grid would have reliability advantages. In the event of an unanticipated equipment failure at a major generator in a given region, power could be imported from adjoining regions—or, by displacement, from across the continent.

Such a grid would have environmental advantages. In the event of an anticipated air inversion in a major urban center, powerplants in that city could be shut down, and power imported from other regions.

My colleagues have outlined, in an articulate fashion, the historical support and the need for this legislation. I urge the Congress to come to grips with this problem, and give early and favorable consideration to the solution which we propose, and to use this bill as a vehicle for reaching that solution.

WHY THE WATERGATE AFFAIR MUST BE INVESTIGATED BY THE SENATE

Mr. MANSFIELD. Mr. President, in his "Editor's Notebook" for February 11, 1973, which appeared in the Charlotte, N.C., Observer and the other Knight Newspapers, John S. Knight, who is one of America's ablest and most distinguished editors, set forth in cogent and convincing terms the reasons why it is imperative for the Senate to investigate the Watergate affair and its ramifications.

I ask unanimous consent that Mr. Knight's article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered printed as follows:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATERGATE AFFAIR MUST ROLL ALONG—NO ONE SHOULD CONCEAL THE TRUTH

(By John S. Knight)

During last fall's presidential campaign when the Watergate case was dominating the headlines, I sermonized at some length about the abandonment of public morality, and the administration's inability or lack of compulsion to muster even the slightest trace of indignation over developments which have appalled even the most faithful members of the President's party.

I took a lot of flak over that, with literally hundreds of indignant Nixon supporters protesting that the investigation of the bugging and burglarizing of the Democratic national offices was "just politics, both parties do it, and it happens in every campaign."

Other readers rationalized that the Watergate case would be dropped once the election was over. They failed to reckon with the fact that the defendants were facing criminal charges which could not be quashed even if the Republicans won the election.

LOOK AT THE RECORD

What do these complaining citizens now have to say as they examine the record?

1. Of the seven Watergate defendants, five have pleaded guilty and two senior officials of President Nixon's campaign organization have been tried and found guilty on all counts.

2. Chief Judge John J. Sirica of the United States District Court has produced sworn testimony that former Attorney General John J. Mitchell and former Secretary of Commerce Maurice H. Stans, chief money raiser for the Nixon campaign, personally approved the disbursement—much of it in $100 bills—of $199,000 to one of the defendants convicted of espionage.

3. Dwight L. Chapin, former appointments secretary for President Nixon, is reported by the New York Times to have directed Herbert W. Kalmbach, the President's personal attorney, to pay one Donald L. Segretti for alleged spying activities against Democrats in 1971 and 1972.

The Times says that Kalmbach, a leading GOP fund raiser, confirmed to FBI agents that he did make these cash payments.

4. Although the Justice Department argued at one point that Hugh W. Sloan Jr., a high ranking member of the Nixon organization, "had no possible remote connection, direct or indirect, with the Watergate incident," Judge Sirica's questioning brought admission from Sloan that he had transmitted the previously mentioned $199,000 to defendant Gordon Liddy, head of the break-in and bugging operation at the Democratic National Headquarters on June 17.

And so I repeat, how can any citizen who believes in public morality justify such shenanigans as "just politics", or excuse these transgressions of law by rationalizing that "the Democrats do it, too?"

APPOINTED BY IKE

Judge Sirica, tenacious questioner, interrogated the defendants who had pleaded guilty as to whether anyone had induced them with money or promises of "executive clemency or commutation of sentence."

In unison, they replied "No". Asked the judge, "Are you sure of that?" A few minutes earlier, Sirica had asked defendant Bernard Barker how he got the money used in the operation.

"Your honor, I got that money in the mail in a blank envelope."

Said the judge, "I'm sorry, I don't believe you."

Informatively, Judge Sirica is a life-long Republican appointed by President Eisenhower in 1957.

The eagerness of five defendants to plead guilty, and the seeming indifference of J. Gordon Liddy and James W. McCord to convictions which could mean jail terms of 35 to 45 years, suggest that they were protecting persons unknown, and at a higher level.

And why did the Justice Department decline to call witnesses suggested by Judge Sirica, but instead take depositions in private, thus preventing cross-examination?

As The Charlotte Observer asks: "Did Attorney Gen. Richard Kleindienst ever really bear down on this case? Clearly not." The Observer notes that a former Nixon administration official, Clark R. Mollenhoff, says Kleindienst could have used federal immunity laws in the way they were used to encourage members of organized crime to identify higher-ups in criminal activity.

"It would appear," wrote Mollenhoff in Human Events, "that getting to 'Mr. Big' in the Watergate affair is being blocked by the very type of 'conspiracy' of silence that has paved the way for organized crime to shield its bosses from the law."

Ironically, Mr. Mollenhoff was formerly an investigative reporter for the Cowles newspapers, and was brought into the Nixon Administration to shed light on possible misdeeds.

One further note: Time magazine says that "government prosecutors headed by Assistant U.S. Attorney Earl J. Silbert pursued the Watergate case with tunnel vision. They concentrated almost exclusively on the narrow details of the entering and bugging, while avoiding any evidence suggesting a larger effort to disrupt. The trial revealed almost nothing that had not already been disclosed to the press long before."

FURTHER INVESTIGATION

Fortunately, the Watergate affair did not end with the trial. A further investigation is to be conducted by Sen. Sam Ervin of North Carolina, a man of impeccable credentials and an authority on constitutional law.

Sen. Ervin will seek to establish:

1. Who planned and paid for the operation for which seven men have either pleaded or been found guilty.

2. Whether the five defendants who pleaded guilty were "induced by bribery, coercion, threats, or any other means whatsoever" not to stand trial or to conceal information about the higher-ups.

3. Who listened to bugged telephone calls and office conversations, and to whom these conversations were reported.

4. Were Republican campaign funds used to "disrupt, hinder, impede, or sabotage in any way" the campaigns of various presidential candidates.

Last November, I stated that "as a citizen, I resent being asked to accept on faith the shabby tricks of gutter politics which are being masked in the deep and foreboding silence of those who govern my country."

I still feel that way, the opinions of the not so silent majority notwithstanding.

Let the Watergate affair, like the river, just keep rolling along. May its course never be deflected, nor dammed by those who would obstruct justice and conceal the truth.

DEATH OF GOV. WINTHROP ROCKEFELLER OF ARKANSAS

Mr. BAKER. Mr. President, it was with great regret that I learned last week of the death of former Gov. Winthrop Rockefeller of Arkansas.

I felt a special closeness to "Win" Rockefeller, both as a geographic next door neighbor and as a personal and political friend.

In 1966 we shared the experience of becoming the first Republican candidates in many decades to win statewide elective office in our respective States. In the following years we enjoyed many pleasant experiences and worked together on projects to benefit the mid-South.

Win Rockefeller was a member of one of this Nation's wealthiest families, but he will be remembered for his own achievements.

Rising on his own merit from the rank of Army private to lieutenant colonel, Winthrop Rockefeller became a highly decorated commander in World War II. In the postwar years he became actively involved in a wide number of philanthropic ventures throughout the Nation and worked to further the economic progress of his adopted State of Arkansas.

As chairman of the Arkansas Industrial Development Council and as a two-term Governor of Arkansas, Winthrop Rockefeller proved himself to be a dynamic and progressive public servant.

Governor Rockefeller dedicated himself to the pursuit of an era of excellence. He worked to improve job opportunities, reform the prison system, establish a code of ethics for public officials, crackdown on crime and illegal gambling, and promote community development.

For these achievements as well as his philanthropic work, Winthrop Rockefeller's memory will be honored by the people of Arkansas and his many friends throughout the Nation.

RULES OF THE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

Mr. MOSS. Mr. President, pursuant to the provisions of section 133B of the Legislative Reorganization Act of 1946, as amended by section 130(a) of the Legislative Reorganization Act of 1970, the Committee on Aeronautical and Space Sciences offers for publication the rules under which it is now operating. The committee further wishes to advise the Senate that these rules are now under study by the staff and any amendments of these rules upon being duly adopted by the committee will be published by the committee within 30 days after the adoption of any such amendment.

I ask unanimous consent that the rules of the committee be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

AERONAUTICAL AND SPACE SCIENCES COMMITTEE RULES

Rules governing the Procedure of the Senate Committee on Aeronautical and Space Sciences, adopted pursuant to Sec. 133(b) of the Legislative Reorganization Act of 1946, as amended by Section 130(a) of the Legislative Reorganization Act of 1970.

1. GENERAL

All applicable requirements of the Standing Rules of the Senate and of the Legislative Reorganization Act of 1946, as amended, shall govern the committee and its subcommittees.

2. MEETINGS

The meetings of the committee shall be on Tuesday of each week at 10:30 a.m. or upon call of the chairman.

3. NOMINATIONS

Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least seven (7) days before presentation in a meeting for action. Upon reference of nominations to the committee, copies of the nomination references shall be furnished each member of the committee.

4. HEARINGS

(a) No hearing on an investigation shall be initiated unless the committee or subcommittee has specifically authorized such hearings.

(b) No hearing of the committee or any subcommittee thereof shall be scheduled outside of the District of Columbia except by the majority vote of the committee or subcommittee.

(c) No confidential testimony taken or confidential material presented in an executive hearing of the committee or subcommittee thereof or any report of the proceedings of such an executive hearing shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the committee or subcommittee.

(d) Any witness summoned to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

5. QUORUM

Three Senators, one of whom shall be a member of the minority party, shall constitute a quorum of the Senate Committee on Aeronautical and Space Sciences for the purpose of taking sworn testimony, unless otherwise ordered by the full committee. Each duly appointed subcommittee of the Committee on Aeronautical and Space Sciences is instructed (1) to fix, in appropriate cases, the number of its entire membership who shall constitute a quorum of such subcommittee for the purpose of taking sworn testimony, and (2) to determine the circumstances under which subpenas may be issued and the member or members over whose signatures subpenas shall be issued.

MIGRANT HEALTH ACT MUST BE EXTENDED

Mr. HART. Mr. President, I have today asked that my name be added as a cosponsor of S. 740, a bill that would extend the Migrant Health Act for 4 years and provide much needed funds for health care and hospitalization for migrant and seasonal farmworkers.

The migrant health program, first authorized in 1962, and subsequently extended three times, will expire at the end of this June if we do not breathe new life into the program. It is unfortunate, but all too true, that the program must be extended, for today, as 10 years ago, neither existing private health services nor Government programs provide adequate health care services to the Nation's farmworkers.

Migrant and seasonal farmworker health needs are critical, and those needs must be met. Health care for farmworkers today is inadequate because of the poverty, lack of education, language, and cultural barriers, constant mobility, lack of community health care and manpower resources, health needs, although funds have been grossly inadequate.

and transportation problems. For the first time, under the migrant health program, we began to meet farmworker

Unmet farmworker health needs in Michigan were graphically displayed in a May 1972 report released by the public health service. First, it is estimated that there are almost 100,000 migrant farmworkers and family members who come to Michigan each year to work in the fields and harvest our State's fresh fruits and vegetables. Of these, over 50 percent are apparently totally out of range of existing programs, and thus totally excluded from services. The remainder are within range of programs, but less than 20 percent are serviced by programs in Michigan. The tricounty migrant health project in St. Joseph was able to serve only 7,000 of the 19,000 farm labor population; the east-central Michigan project located in Saginaw was able to serve only 2,000 of an estimated 8,000 migrants; and the northwest Michigan health services program in Traverse City served only 1,500 of a total migrant population of 14,000. The need for substantially increasing the funding for this program is established in Michigan, and the unmet needs reflect only a part of the Nation's responsibility to protect this segment of the population whose problems are national in scope and interstate in nature.

Mr. President, the bill, S. 740, is a modest proposal. The present funding level of about $25,000,000 would be raised over each of the next 4 years to $60, $105, $120 and $135 million, respectively, and amounts of $25, $35, $40 and $45 million annually would be made available solely to meet hospitalization expenses. Unfortunately, the administration did not see fit to recommend extension of the program last year, but I am hopeful that they will have a constructive proposal for us this year.

The record has been made for the need to extend this program, and I would like to share with my colleagues what I consider to be one of the strongest statements in support of this legislation from a person with impeccable credentials, Dr. Ray Wheeler of North Carolina. The statement was delivered almost 3 years ago before the Migratory Labor Subcommittee. In a clear, concise manner

Dr. Wheeler documented the need for this legislation.

I hope that the Congress moves quickly on this important bill, and that it is signed into law. We owe no less to farmworkers who harvest our bounty of fresh fruits and vegetables.

Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD at the close of my remarks, the statement of Dr. Wheeler.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PREPARED STATEMENT OF RAYMOND M. WHEELER, M.D., CHARLOTTE, N.C.

My name is Raymond M. Wheeler. I am a physician engaged in the private practice of Internal Medicine in Charlotte, N.C. I am a member of the American Medical Association, a Fellow of the American College of Physicians, and am certified as a specialist in Internal Medicine by the American Board of Internal Medicine. I am also President of the Southern Regional Council, an organization of black and white Southerners, who for twenty-five years have sought and worked for equal opportunity for all citizens of our region.

During the past three years I have studied the health and living conditions of the poor in North Carolina, Mississippi, Alabama, Florida, Southwest Texas, Appalachia, and in the ghettoes of Northern cities. I have examined children, talked to their parents, and visited their homes and schools. I have served as a member of the Citizens' Board of Inquiry into Hunger in the United States which published the report entitled *Hunger, U.S.A.* I have testified before committees of both the House and Senate of the United States concerning the existence of hunger and malnutrition throughout this country.

In January and again in April of this year I traveled with other medical colleagues in Southern Florida observing the health and living conditions of migrant farm workers. In March of this year, my colleagues here today and I visited Hidalgo county in Southwest Texas. We were part of a medical team of about twenty-five physicians, medical students and technicians. There we spent five days examining farmworkers and their families, talking with them and other members of the community, and visiting homes and labor camps in which the people live.

Beginning with our visits to Mississippi and Alabama in 1967 and including our trips to Florida and Southwest Texas this year, the efforts of all the physicians involved in this work have been sponsored and encouraged by the Field Foundation. The purpose of our studies and our reports have always been the same. We have sought to observe and study the life situations of children of the poor, in order to bring their condition to national attention. Their condition is one of sickness and poverty, isolation and neglect, indifference and exploitation, resulting in tens of thousands of children who exist in our country today without hope, denied their basic rights as human beings, and condemned to lives of pain, frustrations, and despair. In our minds there can be no question about this fact. It seems equally certain that this tragic situation is directly related to another. In our affluent, money-oriented society, human needs of children have been subordinated to political and economic interests.

It would not be consistent with our beliefs or our purpose to portray those interest as intrinsically evil. Rather, we see them as basically uninformed, insensitive, and uncaring about the vast and irreparable harm that is being done not only to children, but to the very fabric of a society in which these children must live and take their places as adult citizens.

Wherever we went, in the South, the Southwest, Florida, or Appalachia the impact was the same—varying only in degree or in gruesome detail.

We saw countless families with large numbers of children, isolated from the mainstream of American culture and opportunity, possessing none of the protections of life and job and health which other Americans take for granted as rights of citizenship.

If the farmworker is injured in the field or if he becomes ill from exposure to pesticides (we heard of and saw many instances of both situations), he does not receive Workman's Compensation. If he is sick or cannot find work (and there are many days when work is not available) he does not receive unemployment insurance. There is no realistic minimum wage to guarantee him adequate pay for his work. If Social Security payments are deducted from his wages, few records are kept by the crew boss on which he can later base a claim. He has no health or hospital insurance to provide him with minimal medical care and he does not earn enough to purchase it. The farmer is not even prohibited from working young children in the fields if the parents, desperate for enough money to buy food and shelter, choose to take their children out of school or bring along their pre-school age children to pick the vegetables.

We saw housing and living conditions horrible and dehumanizing to the point of our disbelief. In Florida and in Texas, we visited housing projects, built with public funds, which defy description. We saw living quarters constructed as long cinder-block or wooden sheds, divided into single rooms by walls which do not reach to the ceilings. Without heat, adequate light or ventilation, and containing no plumbing or refrigeration, each room (no larger than 8x14 feet) is the living space of an entire family appropriately suggesting slave quarters of earlier days. I doubt if the owners of fine racing horses or dogs along the East Florida coast would think of housing their animal property in such miserable circumstances.

We saw many different kinds of housing and perhaps some of the worst from the standpoint of structural soundness (owned by those who lived there) did not create in me the feeling of outrage that some of the "better" housing did. For example in Dade County we looked at quarters operated by the Homestead Housing Authority with public funds. There someone had sat down at a drawing board and deliberately and callously designed a living unit which consisted of a single room with concrete block walls, divided partially by a block-partition which jutted out in the center of the room. There was one door and one small window high up under the ceiling. The room was dark and damp at mid-day. There was nothing in that unit to make it habitable. There was not one gesture toward providing either comfort or basic human needs—no source of water, no toilet, no refrigeration, no heat, and the lighting was so dim that no child could have possibly been able to read or study. This was the creation of a public authority, a place in which it was willing for other human beings to live.

Can you imagine the effects on a child of living in such a situation—the physical discomfort of the heat, the cold, the dampness? The absence of fresh air and the crowding greatly increases the likelihood of transmission of contagious disease. This is why so many have tuberculosis as well as chronic respiratory infections. How is it possible for a child to study and perform in school when it is impossible for him to read by the light available to him? How can he possibly be emotionally well-adjusted when he has no privacy—when he lives in a cage? How can he possibly stay awake in school the following day when he has attempted to sleep in a bed with three or four of his brothers and sisters?

How can this be, in a society such as ours, with the values we are presumed to cherish?

In all of the areas we visited, the nearly total lack of even minimally adequate medical care and health services was an early and easily documented observation. Again, that which most Americans now agree to be a right of citizenship, was unavailable to most of the people whom we saw. The standard procedure of requiring cash for services and a cash deposit before hospital admission, places an impossible burden upon those least able to afford the high cost of being sick.

Documentation of discrimination in medical services and denial of medical care will be described during the course of the hearings.

We saw hundreds of people whose only hope of obtaining medical care was to become an emergency which could not be turned away. We heard countless stories of driving 50 or 100 miles to a city general hospital after refusal of care at a local hospital. Mexican-American citizens of the U.S. told us of crossing the border into Mexico for dental and medical treatment which was less expensive and for care which was kinder, more humane than they could obtain in their own communities. We heard of diagnoses and treatment by nurses, endless waiting for simple procedures such as immunization of small children, and degrading treatment by medical personnel.

A few statistics substantiate our observations. The migrant has a life expectancy twenty years less than the average American. His infant and maternal mortality is 125% higher than the national average. The death rate from influenza and pneumonia is 200% higher than the national rate and from tuberculosis, 250% higher than the national rate. The accident rate among migrant farmworkers is 300% of the national rate.

We know from these statistics alone that the migrant and seasonal farmworkers live shorter lives, have more illnesses and accidents, lose more babies, and suffer more than the rest of us. Everything that we saw and heard in Florida and Southwest Texas bore out this knowledge.

From the moment we set foot in Hidalgo County until we departed, our medical team was engulfed by a seemingly endless procession of distraught and anxious parents, bringing their elderly relatives and their families of six, eight, or ten children—seeking medical treatment which they could not obtain in their own communities. Most of these people live constantly at the brink of medical disaster, hoping that the symptoms they have or the pain they feel will prove transient or can somehow be survived, for they know that no help is available to them. Only two groups have any hope for relief: Those who are somewhat better off financially and those who are most critically ill. Some of the people we saw were not seriously ill, or perhaps not ill at all, but none of them knew, and most had never had the opportunity to find out, if they were healthy or whether tomorrow might bring disaster. Our group was not equipped to offer very much in the way of definitive treatment for the vast amount of illness we saw. Perhaps the most constructive and most helpful acts that we performed involved the opportunities to assure some, who had never seen a physician before, that they were, indeed, well and could continue their struggle to survive without the nagging fear of physical disability or death.

For the rest, the majority of the hundreds of people we examined, it was a different, frustrating, and heartbreaking story. We saw people with most of the dreadful disorders that weaken, disable, and torture, particularly, the poor.

High blood pressure, diabetes, urinary tract infections, anemia, tuberculosis, gallbladder and intestinal disorders, eye and skin diseases were frequent finding among the adults.

Almost without exception, intestinal parasites were found in the stool specimens examined. Most of the children had chronic skin infections. Chronically infected draining ears with resulting partial deafness occurred in an amazing number of the smaller children. We saw rickets, a disorder thought to be nearly abolished in this country, and every form of vitamin deficiency known to us that could be identified by clinical examination was reported.

I doubt that any group of physicians in the past thirty years has seen, in this country, as many malnourished children assembled in one place as we saw in Hidalgo County.

There is one place I remember particularly—a labor camp in Weslaco, a small town east of McAllen.

As we walked between the rows of dwelling units, many small children played around us, running about barefooted through mud and pools of stagnant, refuse-filled water—the perfect culture medium for intestinal parasites, polio, and bacteria causing infectious diarrhea which kills so many children.

We stopped and examined children at random and almost every child had some preventable physical defect. We saw tiny youngsters drinking rice water out of bottles because their mothers had no milk to give them. Chronic skin infections, both fungae and bacterial, were practically a 'normal' finding. Rickets is supposed to be a rather rare disease these days but we saw one child after another with deformed ribs and legs, thickened wrists which are the classical landmarks of the disease. One youngster, standing apathetically near a group of playing children, had all the stigmata of advanced protein deficiency—sparce, thin, reddish, hair, thin drawn face, protuberant abdomen, and thin, wasted extremities.

We stepped into one single-room dwelling unit where lived parents and six children. Amazingly, it was spotlessly clean in spite of the fact that the nearest source of water was a block away.

On the bed lay a 3-month-old infant, who weighed less than the average newborn. It was emaciated, restless, wailing, and occasionally pulling at a bottle which we soon discovered contained sour milk. There was no refrigerator in which to keep formula. The child had been ill for weeks, according to its mother but at its last visit to the clinic, a day or two earlier, no medication had been prescribed. A very quick examination disclosed pus pouring from its right ear. We made arrangements for the child to have penicillin and individually packaged feedings of formula which the mother could not afford. I suspect we were too late and I doubt if the child survived.

What I have just attempted to describe in Weslaco is documented on film taken by Martin Carr of NBC. When the decision was made to confine the documentary on the migrant to Florida, that film was not used and remains in the possession of NBC. It is my hope that it will be preserved and made available to the nation, for it portrays conditions which cannot be adequately described by mere words.

Because of the tremendous numbers of people who sought our help in a limited time, we interviewed and examined entire families as a unit. In one tiny rural settlement, with a medical student assisting me, I spent an entire day examining one family after another. It was a shattering experience.

Their dietary histories were all the same—beans, rice, tortillas, and little else. The younger children, especially, were undersized, thin, anemic, and apathetic. The muscles of their arms were the size of lead pencils—a sign of gross protein malnutrition. Many had evidence of multiple vitamin deficiencies and almost without exception, their skins were rough, dry, inelastic with the characteristic appearance of Vitamin A deficiency. I remember vividly the shock I received when one young boy was brought in who was well nourished and I touched the skin—warm, soft, resilient—unlike any I had seen all day and I called to the student with me to come and put his hand on that child in order that he might refresh his memory of what a healthy skin feels like.

The children we saw that day have no future in our society. Malnutrition since birth has already impaired them physically, mentally, and emotionally. They do not have the capacity to engage in the sustained physical or mental effort which is necessary to succeed in school, learn a trade, or assume the full responsibilities of citizenship in a complex society such as ours.

In 1967, my medical colleagues and I traveled through the Mississippi Delta and rural Alabama. There, we saw hunger and poverty and human misery to a degree that we had not dreamed possible in affluent America. In 1970, two and one-half years later, we have found in Florida and Texas, rich and fertile states, other forgotten Americans, living and working in near slavery, their children living and dying in conditions as dreadful as any we had previously encountered.

It is not likely that we saw more malnutrition or more human misery than we had seen in the Delta. Perhaps, in the time that we were there, we did not experience as much overt hostility expressed by the white community as we had sensed in Mississippi and Alabama.

In the Delta, mechanization of the huge farm industries had rendered thousands of people useless to the economy, and they were left to die or to survive as best they could. In some instances, it seemed clear that there was an unspoken conspiracy to solve the problem by making life so intolerable that people were forced to flee the land and the state in which they could no longer earn a living. No longer needed and unable to secure help from the white community, the black Mississippian at least had the freedom to leave, if he were able, and to seek a better life elsewhere.

In Florida and Texas, the farm worker remains a valuable asset to the owners and operators of the huge farms which produce food and fruit for the nation. Without them, corn and tomatoes would rot in the fields and oranges and grapefruit would shrivel on the trees. There is no way that these farms can be operated without the migrant work force which moves about the area, harvesting the beans and squash this week, moving on to gather the avocadoes another week, in another county. Mechanization has not yet devised a way to replace them.

What is different in Florida and Texas from the rest of the rural South is the deliberate, cruelly contrived, and highly effective system which has been devised to extract the maximum work and productivity from other human beings for the cheapest possible price. Every effort is directed toward isolating the farmworker from the rest of society, maintaining him at the lowest level of subsistence which he will tolerate—then making certain that he has no means of escape from a system that holds him in virtual peonage. And to that end, the grower has the full cooperation of the Federal government, the state, and the local community.

At this point in my report, in order that what I say next will not be misinterpreted, I would like to express my high regard and respect for the members of the Subcommittee on Migratory Labor and my admiration for the hard work, the commitment, and the efforts of all of you in your attempt to better the life of the migrant. No one has done more.

At the same time, I have questions which I feel must be raised or I will not have carried out my responsibility to you or to the people about whom we are both concerned. These questions relate to the reasons for this hearing and the many hearings which have preceded it on the same and related subjects. You are perhaps even more aware than I of the volumes of information and the days of testimony which are already available to you and to the Congress, documenting the fact of children in our midst who are stunted physically, dulled mentally, and warped emotionally—children who are deprived of all opportunity to become productive citizens—children who will grow up to become wards of society or worse—perhaps hostile, alienated, and destructive.

I have here a copy of a report of the President's Commission on Migratory Labor, written and submitted to President Truman in 1951. Even a cursory examination of its pages will reveal that the plight of the migrant has not changed significantly during the intervening nineteen years.

What does it take to make us care about our children? The picture we saw is one of a society thriving on greed, cruelty, alienation, and fear—a society which either never had or has completely abandoned the concerns, the ethics, the ideals which make dignity and freedom possible.

What has to be done to convince the Congress of the United States, the most powerful group of men in the world, that the time has come to put aside its greed, its prejudice, its concern for personal power and prestige—and to be concerned for the kind of society in which our children must live together?

You, and only you, can change all this. How is it possible to justify the endless words and the devious political maneuvers which have delayed and withheld meaningful aid to children who don't have enough to eat, children whose parents have no jobs and no money for food or medical care? How can the Congress and our nation's leadership pretend to be related in any sane way to the world around them when they spend their time and the nation's wealth building roads and guns and planes and elaborate governmental buildings while families live 10 or 12 in one room without water, heat, ventilation or even a place to wash their hands?

And children die—even worse—most of them live, numbed by hunger and sickness, motivated only by an instinct for survival, crowded into the ghettoes of horror which abound in our country which produce desperation and loss of faith in our system. Our answer seems to be more police, more guns, and more punitive laws whenever they protest.

We came away from Florida and Texas with tremendous admiration for the leaders of the people we met. These men, often at great risk, working to give their people hope and leadership which would dispel their apathy and despair. In many respects these people were stronger than most of us. They endure what seemed to me to be the unendurable, with patience, humor, and understanding. Remarkable in view of the misery which surrounds them and the powerlessness they experience. They have not given up the hope that we, who can help, will someday raise our voices and say that there are some things in our country which are intolerable, that these things can be changed, and must be changed. Our time is running out.

PROGRESS FOR THE NAVAJO STUDENT

Mr. MOSS. Mr. President, the lot of the American Indian has often been an unhappy one in this white man's world, but it is heartening to see that we are making progress in relations with our Indian friends.

Too often, the little good things that happen are overlooked. But I am happy to report that is not the case with a Youth Center in Brigham City, Utah. Its opening is reported in the January issue of Wassaja, the National Newspaper of Indian America.

I ask unanimous consent that the article be carried in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PLACE TO GO FOR NAVAJO STUDENTS

The "Sunset High Spot" at 133 S. Main in Brigham City, Utah has recently opened to give Navajo students attending Intermountain School someplace to go and something to do when they go downtown.

The youth center which is located about ten blocks from the campus is currently open on Saturdays and Sundays to serve the nearly two thousand students of Intermountain School. The student council is operating the center on a trial basis and may make suitable changes as it goes along.

The first floor of the center is now open as a social gathering place for Navajo youth. So far the only activities offered are television and pinball, but the students envision the addition of more recreational facilities, including pool tables. Originally they hoped to open up a food and drink counter, but this proposal was rejected as being too costly. Instead, a soft drink machine was installed and a candy machine is to be put in soon. The students hope to open up the second floor of the building for dances.

The youth center was first proposed by Mayor Olof E. Zundel in October, 1971 after visiting the Navajo Reservation in Window Rock, Arizona and talking with student leaders. The Brigham City Council and the Intermountain School have undertaken the project as joint sponsors. Under this arrangement the city has agreed to pay the $200 monthly rent, as well as the costs of heat and electricity. It has also donated tables, chairs, a new television set, paint, and wood for partitions. The school has provided furniture for the television room. The students themselves painted the building and built the partition enclosing the television area.

THE WAR VICTIMS OF SOUTH VIETNAM

Mr. KENNEDY. Mr. President, the Subcommittee on Refugees, which I serve as chairman, has compiled from official U.S. Government and South Vietnamese sources, a statistical summary of the human costs of the Vietnam war in South Vietnam since 1965. These are the civilians—the men, women, and children—caught over the years in the crunch of escalating violence and war, and they represent the human debris of this war for which we must show compassion and concern.

We cannot begin to know the full dimension of the humanitarian needs of the people of Indochina until we begin to know what impact this war has had on the civilian population and the social fabric of the nations of the region. The following summary of statistics compiled by the Refugee Subcommittee serves to focus attention on the cumulative human costs of the war in South Vietnam only, based upon subcommittee estimates as well as official data made available to the committee from the U.S. Agency for International Development.

As outlined in the following tables, civilian war casualties since 1965 total some 1,350,000—including 415,000 deaths. The bulk of civilian war casualties is attributable in large part to United States and South Vietnamese firepower. Refugees and other war victims since 1965 total some 10,105,400—more than one-half the population of South Vietnam.

By official count, some 213,400 new refugees were registered during the first 3 weeks of the cease-fire. This is a daily average of more than 10,000—twice the daily average during the 1972 North Vietnamese offensive. Civilian war casualties are also running at a high rate during this period.

Also, by official count, the cumulative total of war orphans in South Vietnam now numbers some 826,000—including at least 15,000 American-Asian children. Civilian war casualty amputees number some 70,000 to 80,000, in addition to uncounted thousands in the military. War widows number some 103,000, in addition to uncounted thousands on the civilian side. Blind war victims number some 40,000, and paraplegics are in the thousands.

Mr. President, the massive number of war victims in South Vietnam alone staggers the imagination. And if our country really means what it says about healing the wounds of war, our first investment for peace will be a very active humanitarian concern for the victims of this war—for the millions of orphans and refugees and war victims scattered over the face of Indochina by powerful forces over which they have had so little control.

An international humanitarian alliance must help the people of Indochina to help themselves, and we must be a part of it.

Mr. President, I ask unanimous consent that the statistical summaries on war victims in South Vietnam since 1965 be printed at this point in the RECORD.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

STATISTICAL SUMMARY OF CIVILIAN WAR CASUALTIES IN SOUTH VIETNAM, 1965–72

Year	Officially reported hospital admissions [1]	Subcommittee casualty estimate including deaths	Subcommittee death estimates
1965	[2] 50,000	100,000	25,000
1966	[2] 50,000	150,000	50,000
1967	49,707	175,000	60,000
1968	86,993	300,000	100,000
1969	66,002	200,000	60,000
1970	59,663	125,000	30,000
1971	50,737	100,000	25,000
1972	53,901	200,000	65,000
Total	457,003	1,350,000	[2] 415,000

[1] Officially reported hospital admissions include admissions to GVN hospitals, as well as admissions to U.S. military hospitals—the latter admissions, however, account for little more than 24,000 of the cumulative total. Officially reported hospital admissions grossly understate the overall civilian war casualty problem, including deaths—during much of 1972, for example, no civilian war casualties, based on hospital admissions, were reported from areas of heavy fighting such as Quang Tri, Kontum, and Binh Long (An Loc)—officially reported hospital admissions exclude all civilian casualties treated elsewhere, those not treated at all, and most significantly, civilians who are killed outright or die before reaching treatment facilities—based on official data and field investigations, the Refugee Subcommittee thus estimates a cumulative total of some 1,350,000 civilian war casualties, including some 415,000 deaths.

By official count since 1967, women and children made up a significant proportion of hospital admissions—during 1972, for example, up to one-third of civilian war casualties were females 13 years old and older, and up to one-fourth were children 12 years old and under—thus, over 50 percent of civilian war casualties were women and children.

By official count since 1967, some 27% of cilivian war casualty hospital admissions were attributed to shelling and bombing, some 20% to gunfire and grenades, and some 53% to mines and mortars—the Refugee Subcommittee estimates that well over 50% of civilian war casualties were attributed to GVN and U.S. firepower.

[2] Estimates.

1972 CIVILIAN WAR CASUALTIES ADMITTED TO SOUTH VIETNAMESE HOSPITALS

Location	January	February	March	April	May	June	July	August	September	October	November	December	Total
Saigon													2,068
Binh Dan	52	46	53	74	65	68	67	80	64	58	47	41	715
Cho Ray	26	20	29	46	92	91	53	51	38	73	64	54	637
Saigon	5	9	10	18	7	6	5	11	12	16	6	9	114
Nhi Dong	18	16	24	30	29	26	18	22	15	20	19	15	252
Nguyen van Hoc	10	8	0	27	115	50	42	21	21	21	17	18	350
MRI													13,857
Da Nang	102	105	157	171	465	240	224	248	167	164	148	96	2,287
Quang Nam	48	83	85	104	257	146	146	363	180	214	221	150	1,997
Quang Ngai	52	22	414	37	451	701	186	255	932	775	654	497	4,976
Quang Tin	127	61	65	137	168	206	97	298	206	172	144	178	1,859
Quant Tri	230	331	363	0	0	0	0	0	0	0	0	0	924
Hue	40	51	64	380	214	110	325	219	135	106	104	66	1,814
MR II													7,611

Location	January	February	March	April	May	June	July	August	September	October	November	December	Tota
Binh Dinh	202	86	134	420	457	284	296	289	326	377	320	178	3,369
Binh Thuan	27	22	27	24	73	30	23	37	3	36	15	20	337
Darlac	10	11	3	19	8	4	3	47	14	3	16	13	151
Khanh Hoa	24	36	47	45	80	65	48	63	19	33	41	25	526
Kontum	0	0	0	0	0	0	4	9	15	12	12	10	62
Lam Dong	0	11	0	0	0	17	20	15	13	113	49	28	266
Ninh Thuan	12	5	48	11	13	15	5	20	12	29	11	3	184
Phu Bon	5	11	5	15	19	45	25	38	20	29	25	20	257
Phu Yen	169	195	138	110	82	0	107	199	118	68	86	68	1,340
Pleiku	19	18	62	64	266	75	41	55	60	63	54	55	832
Quan Duc	0	9	0	0	5	0	3	3	5	0	14	0	39
Dalat	13	26	18	29	27	29	30	20	15	20	10	11	248
M R III													6,230
Bien Hoa	17	10	19	23	92	79	29	51	26	38	47	32	463
Binh Duong	17	19	41	84	123	144	87	40	35	107	69	56	822
Binh Long	5	3	0	0	0	0	0	0	0	0	0	0	8
Binh Tuy	1	4	5	1	5	3	2	1	3	2	6	5	38
Hau Nghia	15	14	0	227	227	247	0	17	156	187	179	221	1,490
Long An	104	173	247	234	315	214	57	211	193	168	122	174	2,212
Long Khanh	0	18	0	0	0	0	0	39	16	64	47	31	215
Phuoc Long	2	2	17	14	14	7	4	5	10	40	16	1	132
Phuoc Tuy	0	0	0	0	45	25	5	22	4	33	15	5	154
Tay Ninh	36	30	41	95	94	119	74	55	38	33	30	34	679
Vung Tau	0	0	0	5	12	0	0	0	0	0	0	0	17
M R IV													24,035
An Giang	7	3	1	10	6	1	5	4	10	10	10	16	83
An Xuyen	86	45	69	63	76	70	45	48	35	34	67	43	581
Ba Xuyen	206	139	112	126	137	120	89	90	93	60	74	61	1,307
Bac Lieu	45	49	38	51	49	170	125	130	184	175	158	42	1,216
Chau Doc	8	51	31	86	86	48	56	41	80	68	118	139	812
Chuong Thien	15	10	123	213	191	510	397	277	313	330	305	258	2,942
Dinh Tuong	274	250	279	410	375	436	369	279	217	273	425	278	3,865
Go Cong	20	36	105	77	33	18	22	22	8	21	33	9	404
Kien Giang	95	99	77	145	209	202	40	123	112	145	157	56	1,460
Kien Hoa	93	89	88	163	72	101	116	166	134	146	124	109	1,401
Kien Phong	20	32	69	67	25	19	9	17	7	10	18	21	314
Kien Tuong	18	16	13	14	154	1,024	77	67	71	75	85	205	1,819
Phong Din	167	122	135	244	242	222	149	150	171	151	215	218	2.186
Sadec	21	34	21	43	30	12	11	16	11	16	14	17	246
Vinh Binh	79	71	108	168	157	121	66	82	90	72	148	78	1,240
Vinh Long	273	283	427	444	313	345	337	451	339	258	303	286	4.059
Grand total	2,815	2,784	3,812	4,768	5,975	6,465	3,939	4,767	4,746	4,918	4,862	3,950	53,801

Source: USAID/Public Health/PPA/February 1973.

OFFICIAL CIVILIAN WAR CASUALTYS, HOSPITAL ADMISSIONS—1967–72

Calendar year and location	Admissions, all causes	Mines/mortar		Gun/grenade		Shelling/bombing		Total civilian war casualties
		Number	Percent	Number	Percent	Number	Percent	
1967:								
Saigon	158,905	3,270	75	761	18	293	7	4,324
Region I	89,154	4,058	23	4,472	26	8,800	51	17,330
Region II	68,133	1,741	38	940	20	1,958	42	4,639
Region III	78,546	1,750	48	731	20	1,147	32	3,660
Region IV	160,062	6,870	39	3,989	22	6,944	39	17,803
Total	554,800	17,689	37	10,893	23	19,174	40	47,756
1968:								
Saigon	15,748	8,873	85	1,397	13	145	2	10,415
Region I	93,422	7,024	28	6,548	26	11,665	46	25,237
Region II	66,512	2,705	43	1,008	16	2,578	41	6,291
Region III	67,229	2,686	36	1,692	23	3,065	41	7,443
Region IV	156,404	13,212	44	5,647	19	11,001	37	29,860
Total	537,315	34,500	44	16,292	20	28,454	36	79,246
1969:								
Saigon	174,352	5,250	96	222	4	0		5,472
Region I	112,858	5,310	32	5,131	31	6,124	37	16,565
Region II	76,174	2,606	62	649	16	920	22	4,175
Region III	72,201	1,740	35	1,026	20	2,261	45	5,027
Region IV	181,864	12,558	48	6,270	24	7,391	28	26,219
Total	617,449	27.464	48	13,298	23	16,696	29	57,458
1970:								
Saigon	163,927	2,774	92	230	8	5	2	3,009
Region I	109,302	12,750	72	1,711	9	3,389	19	17,850
Region II	53.386	2.895	69	722	17	575	14	4,192
Region III	99.127	2.450	57	695	16	1,157	27	4,302
Region IV	206.013	15.120	59	1,518	25	4,037	16	15,675
Total	662,255	35,989	66	9,876	17	9,163	17	55.028
1971:								
Saigon	[1] 143,508	1,105	67	335	20	219	13	1,659
Region I	108,176	9,184	68	1,179	9	3,182	23	13,545
Region II	[1] 92,974	2,957	67	915	21	548	12	4,420
Region III	[1] 118,558	2,386	66	424	12	780	22	3,590
Region IV	[1] 232,724	9,259	56	4,675	28	2,512	16	16,446
Total	[1] 695,940	24,891	63	7,528	19	7,241	18	39,660
1972:								
Saigon	181,306	1,281	62	573	28	214	10	2,068
Region I	124,173	6,983	51	3,022	22	3,852	27	13,857
Region II	108,093	5,147	68	906	12	1,558	20	7,611
Region III	96,718	4,197	72	706	11	1,027	17	6,230
Region IV	242,590	15,149	63	5,476	23	3,410	14	24,035
Total	752,880	33,057	61	10,683	20	10,061	19	53,801

[1] Corrected figures in accordance with the 1971 health statistical yearbook of the GVN/Ministry of Health.

Statistical Summary of Refugee and War Victim Movement in South Vietnam, 1965–73

1. Newly Registered Refugees, by official count:

1965	772,000
1966	906,000
1967	463,000
1968	494,000
1969	590,000
1970	129,000
(Registered in 1970 but generated earlier)	281,000
1971	136,000
1972	1,320,000
1973 (as of 2/16)	213,400
(All generated following the Jan. 27 cease-fire)	
Subtotal	5,545,000

2. Displaced persons in PRG controlled areas and other non-registered refugees in 1972—700,000.

3. Cambodian Repatriates, ethnic Vietnamese expelled from Cambodia, 1970—210,000.

4. Estimated Casualty and Damage claimants, including some 1,000,000 temporarily displaced during Tet and May, 1968 offensives—1,650,000.

5. Estimated non-registered refugees including some 1,000,000 in Saigon—2,000,000.

Cumulative total (since 1965)—10,105,400.

THE IMPOUNDER

Mr. WILLIAMS. Mr. President, the world of impoundments, freezes, and possible unconstitutional actions by our Chief Executive is of primary importance to us here. However, countless millions of people throughout the country are equally aware. As a sample, I refer to an editorial in the Daily Journal, Elizabeth, N.J. Its writer has summed up what we are fighting about. Therefore, I ask unanimous consent to have that editorial reprinted in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Impounder

The White House has dropped the other shoe on Congress by brazenly deciding it will impound another $8.7 billion in unspent funds. This comes on top of the $6 billion in water pollution control funds authorized by Congress but which President Nixon said he would not spend because it was inflationary.

The President is steaming ahead into a battle royal with Congress over the ultimate authority to spend money, a right that most Americans have long believed rested with the Congress. Even though the Congress lacks the intestinal fortitude and the budget machinery to control its spending habits, for better or for worse that authority should not be allowed to slip into the hands of the White House, Congress can and should mend its purse strings.

The White House has attributed the budgetary crisis to a "credit card Congress," but an examination of White House spending makes the Executive Branch equally to blame for the $80 billion deficits since the Nixon Administration came to power. As Sen. William Proxmire, chairman of the Joint Economic Committee points out, "When Congress adds funds for school lunches, Social Security or black-lung benefits, the administration denounced us as big spenders. But billions for space, defense and highways is either lobbied for by the administration or exempted from the budget ceiling."

Mr. Nixon is seeking both to keep the budget within the ceiling, a laudable aim that Congress should also respect, and to rearrange and drop some priorities that Congress has approved.

In effect, the President is using the power to impound funds, a murky constitutional privilege, as a second veto. Only in this case the Congress is powerless to override the President even if two-thirds of the members want the money restored.

Not all of the impoundment is objectionable. The White House decisions to hold back on $2.5 billion in federal aid funds for highway construction and some old agriculture programs are wise. But others, such as federal food stamps and waste disposal grants, strike a blow at programs that have proven their value and are popular with the American people and the Congress.

Moreover, the impoundment throws into a tailspin many of the state and local budgets which have been constructed around promises of federal revenue sharing and the continuance of the federal grants authorized by Congress. As the big city mayors who toured New York expressed it the other day, the Administration is giving with one hand (revenue sharing) and taking it away with the other (by impounding funds.) Practically none of the major cities and the states are in a position to take over the financing of these grant-in-aid programs for such essential improvements as sewage treatment plants, subsidized apartments, and welfare assistance.

Unless the President's presumed authority to kill spending approved by Congress is checked by an outraged Congress or in the courts, the promise of restoring authority to the states to control their own programs will become nothing more than the old shell game with money being switched around constantly.

NEWS SOURCE PROTECTION ACT

Mr. TUNNEY. Mr. President, last week the Subcommittee on Constitutional Rights, of which I am a member, heard a number of witnesses on the subject of news source protection and the free press. Among those who testified was Senator Tom Eagleton, of Missouri, the principal sponsor of S. 870, the News Source Protection Act.

Senator Eagleton's testimony has contributed substantially to our inquiry, embodying as it does an innovative approach to the dual problems of instilling confidence in news sources and ending the harassment of newsmen by way of indiscriminate issuing of subpenas.

I commend this testimony to my colleagues and ask unanimous consent that Senator Eagleton's written statement to the Subcommittee on Constitutional Rights be inserted at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Testimony of Senator Thomas F. Eagleton

Mr. Chairman, I welcome this opportunity to testify before the Subcommittee on Constitutional Rights on the issue of news source protection and the free press. I want to express my appreciation to you and the other members of the subcommittee for your leadership in this effort to determine whether we need a "newspaperman's privilege" law and, if so, what kind of privilege would best serve the public interest.

My own view is that we do need such a law, although I believe that the popular "newsman's privilege" label is inappropriate. In preparing the News Source Protection Act (S. 870), my primary concern has not been the protection of newsmen, but rather the protection of a free flow of information as guaranteed by the First Amendment. To the extent that information is available to the public only from sources who insist upon anonymity and protection of background information given in confidence, protection of the free flow of information necessarily means protection of these news sources.

I frankly do not believe that potential news sources will be reassured by a privilege which is riddled with loopholes and exceptions, which applies in one forum or jurisdiction but not another, or which is so complicated as to be incomprehensible. I therefore support a simply drawn, absolute privilege protecting only confidential sources and which would apply in both state and federal forums.

The privilege set out in section 2 of my bill differs somewhat both from the absolute privilege defined in Senator Cranston's bill (S. 158) and from the qualified privileges included in other bills pending before the subcommittee.

The News Source Protection Act sets forth an absolute privilege against compulsory testimony or production of documents by a newsman where the information sought relates to the identity of confidential sources or to any information given to the newsman in confidence. The key is confidentiality. The privilege does not extend to all information which comes to a person in his capacity as a newsman, as it does under the Cranston bill, but rather to confidential source identity and confidential information only.

Nor does the privilege in my bill protect against compulsory disclosure of information which comes to a newsman in his private capacity. If the information sought "relates exclusively to matters unconnected with" the newsman's gathering, compiling, or disseminating of news, he may be compelled to testify or to produce documents on the same basis as any other private citizen.

A second important feature of the News Source Protection Act is the procedural safeguards set forth in sections 4 and 5. These safeguards are intended to put an end to the use of subpoenas as tools of harassment against newsmen—a phenomenon not uncommon in recent years—but providing a mechanism for determining before the issuance of a subpoena whether the information being sought is privileged.

The bill requires a full hearing on the record, with the newsman given an opportunity to be heard and a right of appeal, before the subpoena may be issued. The burden is on the party seeking the subpoena to show that the information is unprivileged. If the information is found to be privileged, the subpoena may not be issued.

The decision as to whether or not a subpoena may be issued against a newsman may be made only by a judge or other specified person of high authority. The bill thereby precludes the issuance of subpoenas on the whim of individual prosecutors, bureaucratic underlings, or (with all due respect to the talented staff in this room) by legislative committee staff.

A third distinction between my bill and others before the subcommittee is the distinction drawn between circumstances under which a newsman may be compelled to testify in an ongoing civil or criminal trial and the circumstances under which he may be compelled to testify before a grand jury, legislative committee, or executive agency.

Proceedings before trial courts differ in at least two basic ways from proceedings before other governmental forums. First, testimony at a trial is strictly circumscribed by rules of evidence which provide that extraneous irrelevant, immaterial information is not acceptable to the court. Counsel for both sides are compelled to stick to the point, with little or no opportunity to "fish" for whatever the newsman may know. By contrast, proceedings before grand juries, investigative and legislative committees and the like are not subject to strict evidentiary controls and often do become "fishing expeditions."

Secondly, trial courts depend upon cumulative evidence, with each bit of evidence tied to the next bit until a cogent case has been made. It is not unusual for a single person—quite possibly a newsman—to have the precise bit of evidence necessary to make the case for the prosecution or the defense. In the other forums, however, cumulative evidence is not essential to their functioning.

In none of these forums may a newsman be compelled to testify as to privileged (that is, confidential) information; that privilege is absolute. However, a newsman may be compelled to testify as to nonconfidential information gathered in the course of his work at an actual criminal or civil trial where the information is material to the inquiry and equivalent information is not available from another source. (I concede that my "equivalent information" test is debatable.)

Thus, where a newsman is on the beat and happens to see a criminal act being committed, he may be compelled to testify or produce photographs at the trial of the accused, if he is the only source of that information. However, if he witnessed the crime in the context of a confidential relationship with his source—as did Caldwell and Branzburg—he could not be compelled to testify. By way of contrast, the Cranston bill precludes compelled testimony as to all information gathered in the course of the newsman's work; under that bill, he could not be compelled to testify as an eyewitness in either case.

Where the information is sought by grand juries, congressional committees, or other forums with a high potential for "fishing expeditions," the bill imposes a stricter rule. These forums may compel testimony from a newsman only when it does not relate to his work. The mere appearance of a newsman behind the closed door of a grand jury session is enough to chill sources. And it is important to keep opportunities for "fishing" in the newsman's minds and files to an absolute minimum.

Thus, Mr. Chairman, my bill has a double cutting edge. The first edge is the distinction between the kinds of information gathered by a newsman in the course of his work—confidential and nonconfidential—and between information gathered as a newsman and that coming to the newsman in his private capacity. The greatest protection is afforded confidential information; no protection is afforded information which is not related to the newsman's work.

With respect to the middle ground of information, that gathered in the course of a newsman's work but not in a confidential setting, a second cutting edge applies. Here, a distinction is drawn among the forums which may try to get this information. My bill makes it available to the forum which is most likely to have a real need for it and is least likely to harass the press by fishing for extraneous materials—the courts.

While this particular formulation may not be precisely the one the subcommittee prefers, I do think it contains procedural safeguards which should be considered for purposes of discussion and debate.

If you will permit me, Mr. Chairman, I would like to touch briefly on a few additional points.

First, I know that you are not inclined to pre-empt the states in the area of source protection. However, I want to add my voice to those who have already expressed the view that under both the Commerce Clause and the Fourteenth Amendment, Congress does have the authority to pass such a law. News flow knows no state boundaries; stories now travel by almost instant transmission from the smallest town to cities across the country. Many newspapers and broadcast outlets have interstate circulation. I have no doubt that the Commerce Clause would give us the necessary authority to legislate for the states in this area.

With respect to the Fourteenth Amendment, I believe it would be within the authority of Congress to find that the privilege is an essential part of newsgathering activity, a finding which the Supreme Court did not make in its decision last year. Newsgathering is protected under the First Amendment, and if the newsman's privilege is an essential element of that function, it, too, could come under the umbrella of the First Amendment—and be applied to the states through the Fourteenth Amendment and its enacting clause. Thus, it is my view that Congress can make a finding of fact that the protection of confidential news sources is necessary to enhance the First Amendment and to make such finding binding on the states through the Fourteenth Amendment.

I now direct attention to the question of libel as it would relate to the possible required disclosure of confidential sources. Sec. 6(a) of my bill deals with this question, but I must say it deals with it inadequately and must be redrafted.

It is my belief that a libel or slander action should not be available as a vehicle to pry open confidential sources. On the introduction of my bill, I was asked by a reporter, "Well, if your bill immunizes confidential sources in a libel action, won't this run the risk that a journalist might greatly harm an individual by writing a bogus article based on spurious confidential sources?" The blunt answer is that, yes, an innocent person may be harmed. Human reporters writing about human beings will commit human errors. This simply is a price which has to be paid in order to see that the First Amendment guarantee of a free press is not compromised.

Mr. Chairman, I know of the deep reverence you have for the Constitution. I too share that reverence.

I have a particular reverence for the First and Fourteenth Amendments. I feel that even if other portions of the Constitution were altered if we protected the sanctity of the First and Fourteenth Amendments the basic structure of American liberty would be preserved. Therefore, some individuals may well have to pay the price of being the target of erroneous journalism. I repeat, this is a price which simply must be paid in order not to jeopardize the free flow of news.

On the question of libel, I cite for the record the cases of New York Times v. Sullivan, 376 U.S. 254 (1964); St. Amant v. Thompson, 390 U.S. 727 (1968); and Cervantes v. Time Inc., 464 F2d 987 (1972), cert. den. —— U.S. —— (1973).

The Cervantes case is interesting in that the plaintiff in a libel action sought to discover the names of *Life's* confidential sources and the Court of Appeals ruled that *Life* was not required to divulge them.

Again, Mr. Chairman, I commend you and the members of the subcommittee for your efforts in this area. I am hopeful that we can pass a reasonable, effective privilege bill in this session.

A WRECKING CREW AT WORK

Mr. MONDALE. Mr. President, the need for congressional action to help the Office of Economic Opportunity—and in particular its legal services program—has been pointed out on numerous occasions in the past few weeks. A recent article by Austin Wehrwein in the Minneapolis Star has very effectively given us the reasons why this type of action cannot wait. The activities of Howard Phillips will not allow the legal services program to survive much longer. We need action within weeks, not months, if disaster in this program is to be averted.

Mr. President, I ask unanimous consent that the column from the Minneapolis Star be printed at the conclusion of my remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

A WRECKING CREW AT WORK

(By Austin C. Wehrwein)

When the movie called "The Candidate," starring Robert Redford, begins he is cast as a bright, attractive, tough-minded and yet idealistic California "poverty lawyer."

The film was made for the youth market, and, in fact, no concepts have excited and inspired young people more than "public-interest law."

This is due, to a large extent, to Ralph Nader's personally directed legal crusades.

But just as much it is due to the Legal Services program for the poor.

At the very heart of this office of economic opportunity program is the principle that lawyers, above all, work within the system. But to make the system work the poor need access to it. Conceptually, it could not be more moderate, and the leaders of the American Bar Association (ABA) and various local bar associations have given Legal Services stout support.

The ABA has been but one of many organizations backing the program. But even the active support of some of the most powerful figures in the conservative legal establishment doesn't appear to be enough against the ridiculously arrogant declaration by Howard J. Phillips that "Legal Services is rotten and it will be destroyed."

Phillips is the 32-year-old arch-conservative President Nixon put in charge of the Office of Economic Opportunity (OEO) to destroy it, the admitted strategy being to do so before Congress can come to the rescue.

A prize example of the wrecking crew strategy involves the ABA. At its recent convention in Cleveland the ABA reaffirmed its support of the program and urged that it be insulated by means of a public corporation from political meddling, which is the purpose of legislation sponsored by Sen. Mondale.

The ABA action came in the wake of a Phillips attack. Earlier he had fired an ABA advisory committee on Legal Services, whose membership included ABA President Robert W. Meserve of Boston.

"It is like a nightmare . . . the grossest kind of injustice to the poor," Dean E. Clinton Bamberger of Catholic University Law School, who is also president of the National Legal Aid and Defender Association, said of the Phillips strategy.

All around the country Phillips is creating what one lawyer in the neighborhood program called a "reign of terror." He has fired Theodore Tetzlaf, the program director, and the director of the San Francisco office and his deputy.

Funds are being cut off, travel is restricted, at least six programs are being closed down, 14 legal backup or resource centers are expected to be sabotaged if not closed and records are being reviewed preparatory to what is feared will be mass firings. But a "short ration" policy alone could goad many demoralized people to quit ahead of dismissal.

In Minneapolis, the program is handled by the Legal Aid Society, which has an exemplary record. About two-thirds of the society's budget is currently OEO money. Ostensibly the program is funded through next November. Therefore, it should be in a safer position than programs subject to refunding soon.

But there's been harassment. Recently checks were three months late, and it was necessary to "borrow" money from elsewhere in the OEO. This is government by payroll crisis.

In St. Paul, the vehicle is Legal Assistance of Ramsey County, which will face a moment of truth and consequences when its funding runs out April 30. The third program is a small one for Indians at Cass Lake handled by a separate "desk" in Washington.

Reports, some rumors, some fact, are rife. One with a factual basis is that Phillips will create continual "payroll crises" by funding local projects on 30-day schedules, an impossible way to practice any kind of law because of normal delays in the legal process.

Behind the attack-and-destroy method is a hard-line ideology that happens to fit some practical politics played by Vice-President Agnew and California Gov. Reagan. The official in-house doctrine at OEO is that the neighborhood law offices are out to "promote sweeping social and political change."

There are about 2,500 government poverty lawyers in 900 offices in 300 communities, and in point of fact the bulk of their work is routine law-office business: rent cases, debtor-creditor and family-relationship situations, and so on.

It should be stressed that the program doesn't get into criminal law.

This kind of routine isn't as exciting as idealistic law-school students with a yen for "poverty law" might think. On the other hand there have been some major suits against state and local government agencies, welfare officials and other politicians in their official capacities.

And yet all the lawyers could possibly do was to ask for the enforcement of rights already guaranteed by law. Not withstanding, Agnew, a lawyer himself, found this galling, specifically in a Camden, N.J., case. He injected himself into it, contrary to a cardinal principle that the program creates a lawyer-client relationship just as real as those that exist for paying clients of a conventional law firm. Indeed, it could not be otherwise. In California, Gov. Reagan has objected to cases involving both government agencies and those for chicanos.

Phillips' contention is this:

"Much of their (the lawyers') effort has been aimed at criticizing or embarrassing the government. I don't think this is the proper use of federal funds."

Phillips, no lawyer but a government major at Harvard (class of 1962), was a founder of Young Americans for Freedom. A critic called him a "dormitory debater" who has been given great power to press buttons in an "ideological war."

The only hope now for a continued effective and professional program depends on creation by Congress of a public corporation whose operations and trustees would be insulated from political pressure. The wrecking gang at OEO has demonstrated the need as never before, but whether legislation in response to demonstrated need can pass and whether an operating program can be protected thereafter by Capitol Hill goes to the crux of the larger Capitol-White House power struggle.

A BRAZEN SEIZURE OF POWER

Mr. WILLIAMS. Mr. President, as all of us know, and virtually all of America, we are currently witnessing a struggle which will determine if our Constitution truly will survive as it intended to set up three coequal branches of Government. Our distinguished colleague, and constitutional lawyer, the Honorable Sam J. Ervin, Jr., brought all of his expertise to bear in a piece he wrote for the Washington Post. Because it is such a clear exposition of the crisis our Nation faces, I ask that it be inserted in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Brazen Seizure of Power . . .

(By Sam J. Ervin, Jr.)

The Judiciary subcommittee on Separation of Powers and an ad hoc Subcommittee of the Government Operations Committee have completed five days of hearings on a subject that relates directly to a constitutional crisis in our nation—the question whether the Congress will remain viable, or whether the current trend toward executive usurpation of legislative power will continue unabated until we have a presidential form of government.

Executive impoundment of legally-appropriated funds is only one in a long line of executive usurpations of legislative power which the Congress has condoned by its acquiescence. Indeed, the Separation of Powers Subcommittee has investigated several of the most serious instances, including abuse of the pocket veto power, use of executive agreements to circumvent the constitutional role of the Senate in treaty-making, exercise of lawmaking power through the issuance of executive orders, and the refusal to provide information and testimony to the Congress under the guise of "executive privilege."

The executive branch has seized power brazenly because the Congress has lacked the courage and foresight to maintain its constitutional position. It has failed to equip itself physically to carry out its legislative duties independent of the executive branch, much less to perform its important function of overseeing the activities of the executive branch in administering the programs it has enacted. Moreover, as individuals, too many of us in the Congress have found it more comfortable to have someone else—the President—make the hard decisions and relieve us of responsibility.

Impoundment of appropriated funds is not a new concept. The Separation of Powers Subcommittee conducted hearings almost two years ago during which it revealed that over $12 billion was then being impounded. The practice has expanded since that time and is now being used to terminate or cripple certain programs enacted by the Congress, including the Rural Environmental Assistance Program (REAP); the water pollution control program which the Congress authorized over the President's veto; and the timely allocation of highway trust funds. It is clear that these impoundment actions were undertaken not to save money but to enable the President to make national legislative policy in contravention of the constitutional responsibility of the Congress to make law. In truth, he uses it to effect an item veto which clearly is not authorized by the Constitution.

The President has been quoted as saying that he has the constitutional right to duty to impound. The Constitution that I read has not a syllable giving the President any such authority. It is elementary that the Congress possesses all legislative power under the Constitution, and the President is not empowered to amend its legislative determinations by impoundment actions or otherwise.

However, administration witnesses appearing before the subcommittee have attempted to justify presidential impoundments by saying that the practice has occurred since the administration of President Thomas Jefferson and that such precedents have rendered it legal. Suffice it to say that the perpetration of illegal acts in the present cannot be justified by invoking as precedent the legal aberrations of the past.

The same witnesses also argue that the Anti-Deficiency Act sanctions presidential impoundments. That Act and its legislative history shows that it was specifically designed to prevent undue expenditures in one portion of the year, or in the carrying out of a project which would compel Congress to pass a deficiency bill. It was also intended to save money by making it unnecessary to expend all funds when a given project could be completed for fewer dollars than were appropriated. It cannot be argued that the Act contains any implied authority to impound funds to cancel or curtail a program merely because a President deems it undesirable and decides to give effect to his policy over that of the Congress. Indeed, the arguments advanced by the executive branch are self-serving statements sanctioned neither by the Constitution nor by the statutes enacted by the Congress.

The Impoundment Control Bill, S. 373 which is cosponsored by more than half of the Senate, requires the President to notify the Congress of impoundment actions, and requires him to cease such action unless the Congress has affirmatively approved it within 60 days. To my mind, the President should welcome the passage of this bill, because it would give him an opportunity to convince the Congress that it has over-funded specific programs and would give the Congress an opportunity to reassess its priorities and to rearrange them if such action seems desirable.

Let me emphasize that neither I nor my colleagues who are cosponsoring this bill desire that the executive branch expend the taxpayer's money foolishly. Indeed, I have always favored a balanced federal budget and have voted to uphold the President's veto of certain money bills when I felt the Congress had been extravagant. However, I do not believe that impoundment constitutes a cure for the nation's fiscal and economic woes, even as a practical matter.

In any event, even a lofty motive like the control of inflation, although proclaimed by the President himself, cannot render constitutional an action which inherently is unconstitutional.

Impoundment amounts to government by decree, and if the practice is permitted, the collective voice of 535 members of Congress could be overridden by one man. That would be government without law.

THE UPPSALA DECLARATION ON THE RIGHT TO LEAVE AND THE RIGHT TO RETURN

Mr. KENNEDY. Mr. President, this year marks the 25th anniversary of the Universal Declaration of Human Rights, which was adopted by the United Nations General Assembly on December 10, 1948. Although the "common standards of achievement" contained in the declaration are far from being universally implemented, or even recognized, the declaration nevertheless stands as a strong reminder of some international obligations professed by many governments, and of many goals that need our effort and concern as citizens of a democratic society.

Over the years, a growing number of private organizations have become involved in pursuing these goals, and their efforts deserve our tribute and support. A good example of current nongovernmental efforts in the field of human rights has resulted from the colloquium on the right to leave and the right to return, held in Uppsala, Sweden last June. This colloquium, on freedom of movement, was cosponsored by the Jacob

Blaustein Institute for the Advancement of Human Rights of New York, The International Institute of Human Rights—Rene Cassin Foundation—of Strasbourg, and the law faculty of Uppsala University.

A preliminary report of the Uppsala meeting recently came to my attention. It is a forthright statement on the freedom of movement, which I know will be of interest to Members of the Senate and other readers of the Record. Mr. President, I ask unanimous consent that the preliminary report of the Uppsala colloquium be placed in the Record at this point.

There being no objection, the report was ordered to be printed in the Record, as follows:

Declaration Adopted by the Uppsala Colloquium on the Right To Leave and the Right To Return

(Cosponsored by the Jacob Blaustein Institute for the Advancement of Human Rights, the International Institute of Human Rights (René Cassin Foundation), and the Faculty of Law, the University of Uppsala, Uppsala, Sweden, June 19–21, 1972)

INTRODUCTION

(Morris B. Abram, chairman, Administrative Council, the Jacob Blaustein Institute for the Advancement of Human Rights)

There can be little doubt that the present era will go down in history marred by serious and continuing violations of human rights in many parts of the world. Yet, paradoxically, the same era has also witnessed the growth of an extensive body of international human rights law, developed under the aegis of the United Nations and other intergovernmental organizations. And increasingly, individuals whose rights are violated are appealing to the international community to see to it that this body of law is honored.

One of the egregarious denials of human rights has been the refusal of certain countries to permit their nationals to emigrate, in violation of Article 13, paragraph 2, of the Universal Declaration of Human Rights, which states: "Everyone has the right to leave any country, including his own, and to return to his country."

As world attention has focused on denials of the right to leave, this right has received increased study by legal scholars and nongovernmental organizations. A substantial body of data has developed as to the nature of this right—its philosophical justification, its historical development, its practical implications and its present status in law and fact.

A worldwide study of the right to leave and the right to return, prepared a decade ago for the UN Subcommission on Discrimination and Minorities by Special Rapporteur Judge Jose D. Ingles (present Under-Secretary of State of the Philippines), concluded with a series of recommendations, including a set of draft principles for incorporation in an international declaration or convention. These principles were approved by the Subcommission and sent on to the Commission on Human Rights, for review and approval. But, along with other valuable initiatives, they remained on the Commission's agenda year after year and were postponed repeatedly on the pretext that time did not permit their consideration.

New impetus in this field came in the spring of 1972, with the Uppsala Colloquium on the Right to Leave and to Return, at the University of Uppsala in Sweden on June 19–21, 1972. It was designed to provide a forum for expert discussion and analysis of this right, and to stimulate renewed activity by international bodies in this vital area. The Colloquium was co-sponsored by the Jacob Blaustein Institute for the Advancement of Human Rights in New York, the International Institute for Human Rights of Strasbourg, and the Law Faculty of the University of Uppsala.

The Jacob Blaustein Institute for the Advancement of Human Rights, which was established in 1971 in memory of Jacob Blaustein, prominent industrialist and philanthropist, former President of the American Jewish Committee, and a former member of the U.S. delegation to the UN General Assembly, seeks to promote understanding and implementation of human rights concepts, to foster healthy interreligious relationships and to help overcome the catastrophic effects of the Nazi holocaust. Thus it was singularly appropriate that the Institute's first undertaking should center on the vital human right to leave and to return.

Equally appropriate was the participation of the International Institute for Human Rights. The Institute was established in Strasbourg, France, in 1969 under the leadership of René Cassin, who served for many years as French delegate to and Vice-Chairman of the UN Commission on Human Rights. Professor Cassin won the 1968 Nobel Peace Prize and is today's most eminent spokesman in the cause of human rights. The Strasbourg Institute is a private, independent international association, dedicated to the encouragement of human rights research, the promotion of university-level human rights teaching, the dissemination of publications, and the organization of colloquia and study courses on human rights.

The University of Uppsala has been a renowned center of learning since medieval times, and the participation of its Law Faculty in the Colloquium has lent still further prestige and stature to the proceedings. And since Sweden has in recent decades provided a superb example to other countries as a refuge for victims of racial, religious and political persecution, it is particularly fitting that the meeting should take place within its borders.

Among the major aims of the Colloquium, as agreed upon by the sponsoring organizations, were:

1. To place the right to leave and to return in its proper historical and philosophical perspective.
2. To ascertain the degree to which this international right is enforced in national law.
3. To examine the international legal safeguards surrounding that right, and possible mechanisms of international implementation through new or existing instruments.
4. To develop a Statement or Declaration that would express expert opinion on the status of the right.

As a frame of reference for the participants in considering current aspects and problems, a group of distinguished scholars prepared background papers on the legal status of the right to leave and to return and wherever data was available, on how that right was observed in different parts of the world. Other scholars prepared papers examining the same right from a philosophical and historical perspective.

Experts from some 25 countries took part in the Colloquium. They reviewed the existing constitutional, statutory and administrative provisions guaranteeing the right to leave and to return, and current policies and practices related to this right around the world. Their examination revealed the extent to which local situations conformed to, or fell short of, the standard set by Article 13, paragraph 2 of the Universal Declaration of Human Rights, as elucidated in the draft principles proposed by Judge Ingles. On the basis of their analysis, the Uppsala Declaration reproduced in these pages was developed and adopted.

In addition to reaffirming the fundamental principles already set down in international law, the Uppsala Declaration focuses attention on devices and subterfuges utilized to circumvent these principles: exaggerated requirements of "national security," bureaucratic harassment and official and unofficial pressures on persons seeking to exercise their rights.

A volume will be published in the near future comprising the background papers and the proceedings, conclusions and recommendations of the Colloquium. Meanwhile, in response to requests from many sources, the sponsoring organizations are pleased to make the text of the Declaration available. It is our hope that it will stimulate action toward adoption of new UN and regional instruments—conventions and declarations—to implement and safeguard the right to leave and to return. In addition, whatever the outcome of efforts to this end, we profoundly hope it will exert a direct positive influence on world opinion, and thereby on the laws and practices of individual states.

PREFACE

(René Cassin, president, International Institute of Human Rights, Nobel Peace Prize Recipient, 1968)

In presenting the Uppsala Declaration adopted at the closing session of the Colloquium, held in June 1972, I wish to express my gratitude to the University of Uppsala for welcoming us to work within its walls. The University demonstrated once more how worthy it is of the mission it has been fulfilling for centuries, that of advancing good will and mutual understanding among members of the human family. My thanks also go to The Jacob Blaustein Institute for the Advancement of Human Rights, which, by joining with us and making this Colloquium possible, was faithful to the inspiration of the man whose name it bears.

It should be recognized that human history has been marked by many migrations, which generally have occurred from East to West, rather than from West to East. As each scientific advance has made travel easier, these migrations have given rise to increasingly difficult intellectual, practical, technical and political problems.

Today, mankind is concerned with freedom of movement in three respects—movement of men, ideas and goods. Of these, the last, the free flow of goods, is more widely accepted than that of men or ideas. Apparently it has been easier to move toward a world economy in which goods can move freely from one country to another, than one in which men can leave their countries, temporarily or permanently. This is a major problem in a world both smaller and more densely populated than in the past, as is also the problem of the free circulation of ideas.

Our attention at Uppsala focused on the free movement of people. Obviously, this is a problem charged with political implications, which nevertheless must be confronted and solved. It can be discussed with scientific detachment only in the university, which serves as the guardian and constant defender of human dignity by encouraging and making possible the pursuit of objective scholarship as well as by sensitizing youth to the ideals of justice and freedom.

The Universal Declaration (Article 13) proclaims the human right to freedom of movement, including the right of everyone to leave any country, and to return to his country. Since the world's entire population, three billion human beings, is involved here, this principle must be understood and spelled out in its many ramifications and implications.

This we endeavored to do at Uppsala. Have we succeeded? Since I took an active part in drafting that most important document, the Uppsala Declaration, I shall leave it to others to judge. Underlying the legal terms in which it is framed, its intent is to strongly encourage the liberal application of the freedom it proclaims and particularizes.

In this connection, the persistent and painful problem of Soviet Jewry deserves sympathetic consideration by the Soviet Government, commensurate with that country's great power and prestige. Law, justice and interest, properly understood, unite in pointing toward the one solution which will re-establish that indestructible core of all human rights, freedom of choice—in this case, the choice of whether to stay or to leave.

We who participated at Uppsala recognized as well the important problem of the Arab refugees and the need for a humane solution. The Middle East crisis cannot be resolved without taking into account the needs of all refugees in the region, Arab and Jewish.

Human rights make up a whole, in time and space. The right to leave and to return to one's country, perhaps more than any other human right, highlights the basic unity of mankind. If the Uppsala Colloquium has succeeded in illustrating this unity, the Faculty of Law of Uppsala University, the Jacob Blaustein Institute and the International Institute of Human Rights have reason to feel satisfaction and pride.

THE RIGHT TO LEAVE AND THE RIGHT TO RETURN

(A declaration adopted by the Uppsala Colloquium, Uppsala, Sweden, June 21, 1972)

Preamble

Whereas the Universal Declaration of Human Rights proclaims the fundamental principle that everyone has the right to leave any country, including his own, and to return to his country;

Whereas this fundamental human right has been recognized also in the International Covenant on Civil and Political Rights, in the International Convention on the Elimination of All Forms of Racial Discrimination, in regional conventions, and in the constitutions and laws of many countries;

Whereas the protection of this right is essential for the effective enjoyment of other human rights and fundamental freedoms, and promotes mutual understanding and cooperation among the peoples of the world;

Whereas denials of this right are the cause of widespread human suffering and a source of grave international concern;

Now therefore the Uppsala Colloquium urges upon all nations the elaboration, implementation and enforcement of the following principles through effective international machinery and international laws and processes.

Chapter I: The right to leave

Article 1:

Everyone has the right to leave any country, including his own.

Article 2:

Every State shall recognize, implement and enforce the right of any person to leave its territory, temporarily or permanently.

Article 3:

(a) No person shall be required to renounce his nationality as a condition of the exercise of the right to leave a country.

(b) No person shall be deprived of his nationality for seeking to exercise or for exercising the right to leave a country.

(c) No person shall be denied the right to leave a country because he wishes to renounce or has renounced his nationality.

Article 4:

(a) No state shall suject a person or his family to reprisals, sanctions, penalties or harassment, for seeking to exercise or for exercising the right to leave a country.

(b) Every state shall ensure that no person or his family is subjected to private or other unofficial reprisals or harassment for seeking to exercise or for exercising his right to leave a country.

Article 5:

(a) Any person who wishes to leave a country is entitled to take out of the country:

(i) his household effects and the tools required for the exercise of his profession or skill, subject only to provision for satisfying any legal monetary obligations;

(ii) all other property or the proceeds thereof, subject only to provision for satisfying legal monetary obligations and subject to general controls imposed to safeguard the national economy, provided that such controls contain reasonable exceptions designed to minimize interference with the ability of the departing person to take out his property.

(b) Property or the proceeds thereof which cannot be taken out of the country because of such controls shall remain vested in the departing person who shall remain free to dispose of such property or proceeds within the country.

(c) No special fees, taxes or other exactions shall be imposed for exercising the right to leave a country.

Article 6:

A person's right to leave a country shall be subject only to such reasonable limitations as are necessary to prevent a clear and present danger to the national security or public order, or to comply with international health regulations; and only if such limitations are provided for by law, are clear and specific, are not subject to arbitrary application and do not destroy the substance of the rights.

Article 7:

(a) No one shall be hindered in or penalized for communicating with or petitioning the United Nations or other inter-governmental or non-governmental organizations complaining of the denial of the right to leave a country or seeking their assistance in the exercise of this right.

(b) No one shall be penalized for or prevented from comunicating with foreign consular or diplomatic officials with a view to obtaining travel documents or permits.

(c) A person who claims to be a national of another state shall not be prevented from seeking the assistance of that state in order to ensure his right to leave the country.

Article 8:

No person shall be deprived of his nationality, or be subject to any other reprisal, sanction, penalty or harassment for travelling or establishing a residence in another country.

Chapter II: The right to return

Article 9:

Every person is entitled to return to the country of which he is a national.

Article 10:

No person shall be deprived of his nationality for the purpose of divesting him of the right to return to his country.

Article 11:

No person shall be required as a condition of the exercise of the right to return to his country of nationality to pay special fees, taxes or other exactions.

Article 12:

The re-entry of long-term residents who are not nationals, including stateless persons, may be refused only in the most exceptional circumstances.

Chapter III: Travel documents

Article 13:

No person shall be denied such travel documents or permits as may be required for him to leave a country or to return to the country of his nationality. Such documents or permits shall be subject only to nominal fees.

Article 14:

The procedures and formalities for issuing any travel documents or permits and the conditions for their denial, withdrawal or cancellation, as well as any fees required, shall be provided by law or regulations which shall be made readily accessible to the public.

Article 15:

(a) The procedures and formalities connected with applying for and issuing any travel document or permit shall be communicated promptly in writing to any applicant making a request therefor.

(b) These procedures and formalities shall not be unreasonable, burdensome or lengthy.

(c) Every person filing an application for any travel document or permit shall be entitled to obtain promptly a duly certified receipt for the application.

Article 16:

(a) Any application for a travel document or for permission to leave a country or to return to one's country of nationality, shall be acted upon and the applicant informed of the action within a reasonable period of time specified by law.

(b) Where any necessary permission or document is denied, withdrawn, cancelled or postponed, the applicant shall be informed officially and in writing of the reasons for the decision and of the remedies available to him.

Chapter IV: general provisions

Article 17:

The limitations permitted under this Declaration shall be applied without regard to race, colour, sex, language, religion, political or other opinion, national or social origin, membership in a national or ethnic minority, education, profession, skill, property, birth, marriage or other status, and shall not be applied for any purpose other than that for which they are permitted.

Article 18:

Any person who claims that his rights as proclaimed in this Declaration are being infringed or violated shall have a prompt and effective recourse to a national tribunal to seek enforcement of his rights.

Article 19:

The tribunal described in Article 18 shall be independent and impartial and shall accord the individual a fair and public hearing, including the right to be represented by counsel, to examine and to have examined witnesses and evidence and to produce evidence in his favour. The tribunal's decision shall be expeditious and it and the grounds therefor shall be communicated promptly to the individual.

Article 20:

Nothing in this Declaration shall be interpreted as implying for any State, group or person any right to engage in any activity or perform any act aimed at destroying any of the rights set forth herein or at limiting them to a greater extent than is provided for in this Declaration.

THE UPPSALA COLLOQUIUM ON THE RIGHT TO LEAVE AND THE RIGHT TO RETURN, UPPSALA, SWEDEN, JUNE 19-21, 1972

Co-Chairmen

Svante Bergstrom, Dean, Faculty of Law, University of Uppsala; Sweden.

René Cassin, President, International Institute for Human Rights (René Cassin Foundation); France.

Bertram Gold, Executive-Director, The Jacob Blaustein Institute for the Advancement of Human Rights; U.S.A.

Coordinators

Sidney Liskofsky, The Jacob Blaustein Institute for the Advancement of Human Rights; UN Representative, International League for the Rights of Man; U.S.A.

Karel Vasak, Secretary-General, International Institute for Human Rights; France.

Presentations

National Implementation in Canada: Harry Batshaw, Judge, Superior Court of Montreal; Chairman, Human Rights Committee, International Law Association; Canada.

National Implementatiton in English-speaking Africa: Godfrey Binaisa, President, Uganda Law Society; Former Attorney-General and Minister of Justice of Uganda; Uganda.

International Implementation on the Universal Level: Antonio Cassese, Professor, Law Faculty, University of Pisa; Italian Delegate to the UN Commission on Human Rights; Italy.

The Rights of Convicted Persons to Leave Their Country: V. N. Chalidze, physicist; member, Moscow Committee for Human Rights; U.S.S.R.

Philosophical and Political Aspects of the Right to Leave and to Return: Maurice Cranston, Professor, London School of Economics and Political Science; England.

National Implementation in the United States: Edward Ennis, Former General-Counsel, U.S. Immigration and Naturalization Service; Chairman, American Civil Liberties Union and American Immigration and Citizenship Conference; U.S.A.

National Implementation in French, Portuguese and Spanish-speaking Africa: Ousmane Goundiam, Former Chief Legal-Counsel, UN High Commissioner for Refugees; Procurator-General, Supreme Court of Senegal; Senegal.

Historical Aspects of the Right to Leave and to Return: Stig Jägerskiöld, Professor of Law, University of Uppsala, Sweden.

National Implementation in Central and Eastern Europe: Branimir Jankovic, Professor, University of Belgrade; Director, Institute of Social Sciences of Belgrade; Member, UN Sub-Commission on Prevention of Discrimination and Protection of Minorities; Jugoslavia.

Report on the UN Study of Discrimination in Respect of the Right to Leave and Return, by Jose D. Ingles, 1963: Sidney Liskofsky, Attorney; Jacob Blaustein Institute for the Advancement of Human Rights.

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National Implementation in Central and Eastern Europe: Louis Pettiti, Attorney; President, International Association of Catholic Jurists; France.

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National Implementation in the Middle East: Paul Weis, former Chief Legal-Counsel, UN High Commissioner for Refugees; Switzerland.

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SOCIAL SECURITY PASSTHROUGH

Mr. TUNNEY. Mr. President, the legislation Senator CRANSTON and I have offered (S. 926) is designed to give fiscal assistance to a minority whose needs cannot be denied. I refer to the over one and a quarter million elderly people who depend on both social security and public assistance payments for their income.

They have little or no capacity to absorb the impact of increasing costs and prices. These are the people of our Nation who have a crying need for assistance to make ends meet, to be given in some measure a counterbalance to the inroads already made upon their meager incomes by the ever-present paring knife of inflation.

Mr. President, unless a passthrough provision is enacted, many of these elderly people will not receive the benefit of any of the 20-percent social security increase voted last year by the Congress. Instead, their old-age assistance payments have been reduced dollar for dollar according to the size of their social security payments. In the absence of legislation along the lines of our bill, the recent social security increase will continue to be used to decrease State-financed assistance. Each dollar of the social security increase which decreases a recipient's public assistance grant is a dollar that is not going into the pockets of the elderly poor.

In the Nation as a whole, there are approximately 1,277,000 people receiving both social security as well as old-age assistance. In California alone, there are approximately 229,000 retired persons receiving such payments.

Therefore, the purpose of our bill is to require that an individual receiving both social security and old-age assistance must receive an extra $15 a month or the full amount as a result of the 20-percent increase—whichever is less.

Thus, the 20-percent increase reflected in last October's checks will be passed along to recipients and not merely used by the States to reduce other assistance programs.

The need for this legislation is urgent. Since October, elderly people have not received full benefit of the increase in social security payments. I am hopeful the Congress will act quickly on this measure.

RULES OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, at its meeting on February 7, 1973, the Committee on Labor and Public Welfare amended the rules governing the committee's procedures.

I send to the desk a copy of the committee's amended rules, and ask unanimous consent that it be printed in the RECORD as required by section 133B of the Legislative Reorganization Act of 1946, as amended.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, HARRISON A. WILLIAMS, JR., CHAIRMAN—RULES OF PROCEDURE

(As amended, February 7, 1973)

Rule 1. Unless the Senate is meeting at the time, or it is otherwise ordered, the Committee shall meet regularly at 10:30 a.m. on the fourth Thursday of each month in Room 4232, New Senate Office Building. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary.

Rule 2. The Chairman of the Committee or of a subcommittee, or if the Chairman is not present, the ranking Majority member present, shall preside at all meetings.

Rule 3. Meetings of the Committee or a subcommittee shall be open to the public, except executive sessions for the consideration of bills or resolutions, or for voting, or when the Committee or subcommittee by majority vote of those present orders an executive session.

Rule 4. (a) Subject to paragraphs (b) and (c), one-third of the membership of the Committee or a subcommittee, actually present, shall constitute a quorum for the purpose of transacting business. Any quorum of the Committee or a subcommittee which is composed of less than a majority of the members of the Committee or subcommittee shall include at least one member of the Majority and one member of the Minority.

(b) No measure or matter shall be ordered reported from the Committee unless a majority of the Committee is actually present at the time such action is taken.

(c) A quorum as defined in paragraph (a) will be sufficient for ordering reported a measure or matter from a subcommittee; provided, that if any member present objects to so proceeding, the measure or matter shall not be ordered reported at such meeting unless a majority of the subcommittee is actually present at the time such action is taken. If, at any subcommittee meeting, a measure or matter fails to be ordered reported because of an objection to taking such action without a majority of the subcommittee actually present, the chairman of the subcommittee may, by giving notice of at least two calendar days during which the Senate is in session, call a subsequent meeting for the purpose of reporting such measure or matter, and at such subsequent meeting the subcommittee may proceed on the basis of a quorum as defined in paragraph (a).

Rule 5. With the approval of the Chairman of the Committee or subcommittee, one member thereof may conduct public hearings, other than taking sworn testimony.

Rule 6. Proxy voting shall be allowed on all measures and matters before the Committee or a subcommittee if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. While proxies may be voted on a motion to report a measure or matter from the Committee, such a motion shall also require the concurrence of a majority of the members who are actually present at the time such action is taken.

Rule 7. There shall be kept a complete record of all Committee or subcommittee action. Such records shall contain the vote cast by each member of the Committee or subcommittee on any question on which a "yea and nay" vote is demanded, and shall be available for inspection by any Committee member. The Clerk of the Committee, or his assistant, shall act as recording secretary of all proceedings before the Committee or a subcommittee.

Rule 8. The Committee, and each subcommittee, shall undertake, consistent with the provisions of section 133A of the Legislative Reorganization Act of 1946, as amended, to issue public announcement of any hearing it intends to hold at least one week prior to the commencement of such hearing.

Rule 9. The Committee or a subcommittee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 24 hours before a hearing, unless the Chairman and the ranking Minority member determine that there is good cause for failure to so file, and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee or a subcommittee. The Committee or a subcommittee shall, as far as practicable, utilize testimony previously taken on bills and measures similar to those before it for consideration.

Rule 10. Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommitee and report that fact to the full Committee for further disposition.

Rule 11. No subcommittee may schedule a meeting or hearing at a time designated for a hearing or meeting of the full Committee. No more than one subcommittee executive meeting may be held at the same time.

Rule 12. It shall be the duty of the Chairman in accordance with section 133(c) of the Legislative Reorganization Act of 1946, as amended, to report or cause to be reported to the Senate, any measure or recommendation approved by the Committee and to take or cause to be taken, necessary steps to bring the matter to a vote in the Senate.

Rule 13. No person other than members of the Committee, members of the staff of the Committee, or designated assistants to members of the Committee, shall be permitted to attend the executive sessions of the Committee or a subcommittee, except by special dispensation of the Committee or subcommittee, or the Chairman thereof.

Rule 14. The Chairman of the Committee or a subcommittee shall be empowered to adjourn any meeting of the Committee or a subcommittee if a quorum is not present within fifteen minutes of the time scheduled for such meeting.

Rule 15. Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or a subcommittee for final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added.

Rule 16. An appropriate opportunity shall be given the Minority to examine the proposed text of Committee reports prior to their filing or publication. In the event there are Minority or Individual views, an appropriate opportunity shall be given the Majority to examine the proposed text prior to filing or publication.

Rule 17. Investigation Procedures.

a. The Committee, or any subcommittee, may issue subpoenas, or hold hearings to take sworn testimony or hear subpoenaed witnesses, only if such investigative activity has been authorized by majority vote of the Committee.

b. For the purpose of holding a hearing to take sworn testimony or hear subpoenaed witnesses, three members of the Committee or subcommittee shall constitute a quorum: Provided, however, that with the concurrence of the Chairman and ranking Minority member of the Committee or subcommittee, a single member may hear subpoenaed witnesses or take sworn testimony.

c. The Committee may, by majority vote, delegate the authority to issue subpoenas to the Chairman of the Committee or a subcommittee, or to any member designated by such Chairman. Prior to the issuance of each subpoena, the ranking minority member of the Committee or subcommittee, and any other member so requesting, shall be notified regarding the identity of the person to whom it will be issued and the nature of the information sought and its relationship to the authorized investigative activity, except where the Chairman of the Committee or subcommittee, in consultation with the ranking minority member, determines that such notice would unduly impede the investigation. All information obtained pursuant to such investigative activity shall be made available as promptly as possible to each member of the Committee requesting same, or to any assistant to a member of the Committee designated by such member in writing, but the use of any such information is subject to restrictions imposed by the Rules of the Senate. Such information, to the extent that it is relevant to the investigation, shall, if requested by a member, be summarized in writing as soon as practicable. Upon the request of any member, the Chairman of the Committee or subcommittee shall call an executive session to discuss such investigative activity or the issuance of any subpoena in connection therewith.

d. Any witness summoned to testify at a hearing, or any witness giving sworn testimony, may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

e. No confidential testimony taken or confidential material presented in an executive hearing, or any report of the proceedings of such an executive hearing, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee or subcommittee.

Rule 18. Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended or suspended at any time, provided, however, that not less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

Rule 19. In addition to the foregoing, the proceedings of the Committee shall be governed by the Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended.

NATIONAL ACADEMY OF SCIENCES REPORT ON MOTOR VEHICLE EMISSIONS

Mr. MUSKIE. Mr. President, there has been much discussion recently of the possibility or impossibility of attaining the levels of auto emissions control required by the 1970 clean air amendments.

The 1970 Clean Air Act required the National Academy of Sciences to conduct an annual review of the technical capability of the auto industry to meet 1975–76 clean car standards. The second major report of the National Academy of Sciences Committee on Motor Vehicle Emissions has been released. Their conclusion is, and I quote:

> Achievement of the 1975 standards may be technologically feasible and that achievement of the 1976 standards is likely but may not be attainable on the established schedule.

In perhaps the most important statement of the report, however, the National Academy of Sciences states that of the several technological alternatives available to meet the standards, the alternative currently being pursued by the auto companies is potentially the most expensive and least dependable of all the alternatives.

The material in this report is an important contribution to the current discussion about the automotive emission standards set by the Clean Air Act. For this reason, Mr. President, and because it may be weeks before the document is generally available to the public, I ask that the report of the National Academy of Sciences Committee on Motor Vehicle Emission be included in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

NATIONAL ACADEMY OF SCIENCES
February 15, 1973.

THE PRESIDENT OF THE SENATE,
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES,
THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

SIRS: I have the honor to transmit a report summarizing the work and findings of our Committee on Motor Vehicle Emissions in accord with the provisions of Section 6 of Public Law 91–604, the Clean Air Amendments of 1970. We trust that this report will be of assistance to the Administrator of the Environmental Protection Agency in discharging his responsibilities under that Act and that it will inform the Congress of the progress which has been made, to date, toward achieving some of the goals of that Act.

The report constitutes a description, as of 1 February, of the "technological feasibility," on the part of the automobile and related industries, of achieving the automotive emissions control standards established by the Act. As the report reveals, that Act has stimulated an almost worldwide effort to develop effective emissions control systems. Of necessity, however, this report is presented at a time when the pace of development can readily overtake categorical conclusions based on the information available today; it is, therefore, a review of the current "state-of-the-art," presented while that state is changing rapidly, and not a summary of a stabilized situation. It is for that reason, inter alia, that the report presents an analysis but offers no recommendations concerning enforcement, on schedule, of the relevant provisions of the Act.

The Committee defined "technological feasibility" to mean that an emissions control system capable of meeting the standards set for the three major pollutants can be developed, designed, produced in large numbers, and maintained in service, all at reasonable cost. *By these criteria, the Committee's analysis indicates that achievement of the 1975 standards may be technologically feasible and that achievement of the 1976 standards is likely but may not be attainable on the established schedule.*

However, these seemingly definitive conclusions are offered with several reservations which are held in varying degrees of gravity by individual members of the Committee. The nature of these reservations will be found in the report. They are concerned, variously, with the durability in customer use of catalyst-dependent control systems, the requirement for a network of inspection and maintenance stations, the actual likelihood of sufficiently early development of a dual-catalyst system capable of achieving the 1976 standards, and the likelihood of manufacture for Model Year 1976, on a scale commensurate with projected total national production, of a sufficient number of vehicles actually capable of meeting the 1976 standards in customer use.

The Committee is seriously concerned that the certification procedure may not prove to be an adequate indicator of the continuing reliability of catalyst-dependent, emissions control systems under the more stressful, varied conditions of consumer use. Data in this regard are not yet available, even for systems intended to meet the 1975 standards. To assure that vehicle classes certified for production actually do continue to meet the prescribed standards, the Committee considers it advisable to develop a network of inspection and maintenance stations and to train a corps of mechanics sufficient to that task. Some of the Committee, however, suggest that no more need be done than to enforce the recall provision of the Act, when so indicated by defective behavior of a reasonable sample of vehicles. It should be noted, however, that whereas that provision is binding upon the manufacturer, it is not mandatory for the vehicle owner to respond. In view of the low response to recalls for defects relating to passenger safety (30 to 50%), simple use of the recall provision under these circumstances would not suffice to meet the goals of the Act. In this regard also, it should be noted that there is not available, for such national use, a relatively simple, foolproof, reliable, diagnostic instrument for assessment of the automotive emission of the three pollutants with which the Act is concerned. It may be necessary for the Environmental Protection Agency to stimulate the research and development required to make such instrumentation available on the schedule necessitated by the Act.

The Committee found it unnecessary and inadvisable to recommend a set of interim standards for 1975 or 1976 model year vehicles. But, while contemplating its responsibility for such a recommendation, under the terms of the contract, the Committee became aware of controversies surrounding many aspects of the problem of standard setting, e.g., the nature and magnitude of the hazards to health posed by the pollutants released in automotive emissions, the relationships among the various pollutants and their ambient concentrations with respect to their health effects, the relative contributions of mobile and stationary power sources, etc. Resolution of these controversies appears imperative to long-term policy with respect to the protection of air quality. Hence, on page 127, the Committee urges that Congress and the Environmental Protection Agency initiate a comprehensive study of these and related matters. This Academy would be pleased to be of assistance in such an effort. That recommendation should not be interpreted as taking exception to the standards established by the Clean Air Act of 1970. Most of the Committee believes that only if such an examination were to reveal compelling evidence and arguments to the contrary should the effort to achieve the emissions control standards established by the Act be relaxed; indeed, the Committee is particularly concerned that continued progress be made with respect to improvement of air quality in those urban centers where, patently, automotive emissions have contributed significantly to the deterioration of the local environment.

A major quandary which the Committee wishes to place before the Congress and the Environmental Protection Agency (page 5) arises from awareness of the relatively recent development, largely in the hands of a Japanese manufacturer, of a dual-carbureted, stratified charge engine. Although the general principle is not new, the particular design in question, incorporated into small size engines, has met the 1975 certification standards and bids fair to meet the 1976 standards. As compared with the catalyst-dependent systems now being emphasized by the major manufacturers this system offers the promise of lower initial purchase costs, greater durability in servce and significantly greater fuel economy. The Committee is concerned that mass production of what are presently deemed to be relatively fragile, catalyst-dependent systems, of unproved reliability in actual service, may engender an episode of considerable national turmoil. It is further concerned that, once committed to the manufacture of catalyst-dependent control systems, rather than switch to some more generally acceptable system such as a version of the stratified charge engine that now offers great promise, the relatively ponderous automobile industry will continue to manufacture catalyst-dependent systems for some years, albeit, presumably, while also seeking more durable catalysts and mechanisms to reduce the severe fuel penalty of current catalyst-dependent systems with their associated mechanical features. The dilemma, then, is to determine what course of action, by government, would assure the earliest possible optimal outcome while scrupulously avoiding dictation, by government, of the technology to be used. The Committee offers no recommendations in this regard.

Relevant to this situation are the costs, per vehicle, associated with the initial purchase, maintenance and operation (including the effects on fuel consumption) of the various emissions control systems under consideration. The annualized incremental costs, viz., the cost per car/year for a standard engine, relative to a 1970 standard engine, due to the emission control system, for operation and maintenance of the vehicle with the purchase cost of the system amortized over the first five years of operation, were found, by the Committee to be as follows: 1973 engine, about $100; single catalyst system (1975 standards), about $225; dual catalyst system (1976 standards), about $270; and the dual-carbureted stratified charge engine, about $70. The high annualized costs of the catalyst systems reflect the serious associated fuel penalties.

For the nation, these costs represent a concrete example of the principle that the costs of environmental protection can be met only if they are internalized. The magnitude of this process derives from the great numbers involved, viz., about 10^7 (10 million) vehicles produced per year and almost 10^8 (100 million) registered automobiles. Thus, a one-year production of 10^7 vehicles equipped with the presently proposed dual-catalyst system would result in additional expenditures—as compared with 1970 automobiles—of $2.7

billion per year for each of the first five years of the life of that model year of cars, *assuming constant fuel prices*, and about $2 billion per year thereafter.

In due course, all vehicles will be equipped with emission controls capable of meeting the 1976 standards. Were all (10^8) cars equipped with the dual-catalyst system, at current costs this would result in a national annual total expenditure for emissions control of the order of $23.5 billion (assuming a mean life of ten years/car with purchase cost amortized over the first five years, and current fuel prices).

Such figures are to be taken as no more than an indication of their orders of magnitude. The increased sticker price would tend to cause consumers to buy smaller cars of greater fuel economy and the fuel penalty would tend to reduce mileage. The initial costs will probably decline as dual-catalyst systems and their manufacture are improved. On the other hand these gains could be offset by the foreseeable rise in fuel prices. Unless satisfactory feedback control and fuel injection systems, for catalyst-dependent systems with the associated mechanical features, become available, the total costs will be dominated by the fuel penalty associated with such systems. These costs, in dollars and in depletion of fuel reserves, are so great that they should serve as a national incentive to hasten the development of reliable lower-cost alternatives to the dual-catalyst system as a solution to the problem of emissions control.

In contrast, several of the promising alternatives, such as the carbureted stratified-charge engine, carry with them costs of the order of those already associated with the 1973 engine, viz., an annualized cost for emissions control of about $100/car during the first five years of service, for an annualized total of perhaps $7.5 billion for the full fleet of 108 cars.

Costs of these magnitudes suggest, of themselves, the need for attention to a series of considerations which lie outside the scope of the present report. Among such questions are: What is the effect of this enterprise on the GNP? Is it, in effect, a stimulus to the overall economy or are the funds utilized to defray these expenditures removed from alternate uses in the economy, e.g., for improvement in the health care delivery system? If the answer to the latter is affirmative in significant measure, is this the wisest use of such funds for protection of the public health? What effects would large-scale employment of the most promising emissions control systems have on the international balance of payments? If emissions control can only be satisfactorily accomplished by acceptance of a large fuel penalty, e.g., the dual-catalyst system or the Wankel engine with thermal reactor, what judgment should be made under such circumstances? Should it turn out that noble metal catalysts are more effective and, seemingly, economic than other catalysts, how should one weigh this raid on the very limited supply of this resource in the skin of the planet?

Whereas pollutant emission is undesirable anywhere, emission control does not appear, today, to be essential on the basis of either essentially aesthetic or health considerations in large areas of the nation. Indeed, overall, natural production of hydrocarbons, carbon monoxide and perhaps NO_x far exceeds that from man-made sources. In view of the costs to the nation, in dollars and in fuel consumption, of early implementation of the 1975–76 standards, attention seems warranted to the possibility of temporarily enforcing the established emission standards only in those specific urban areas where air quality is known to be adversely affected by automotive emissions, reserving national implementation for the day when there are available reliable, relatively inexpensive emissions control systems which exact no fuel penalty.

Emissions control is but one aspect of "the problem of the automobile" in our society. This device has given Americans an "automobility" unknown in previous human history, enriched the personal experience of each of us, broadened our horizons and helped to make the large expanse of American geography into one nation. But this aspect of our society has begun to be defeated by its very success.

The automobile has also accelerated depletion of several critical natural resources, including the petroleum which fuels it. It has scarred the land and choked the city, contributing seriously to deterioration of the quality of urban life. In the long run, the truly effective mechanisms for emission control must include a significant reduction in the number of cars operated in the city, a solution dependent upon acceptable, public mass transit systems, and a substantial reduction in the mean size (weight, volume, and horsepower) of those automobiles which do function in the city, as well as, perhaps, redistribution of the pattern of physical relationships among dwelling and working areas. Patently, these are relatively long-term goals, achievement of which will require extensive, meticulous study and planning with subsequent large public expenditures and careful public intervention into the behavior of the private sector.

For the short term, however, automotive emissions control can be accomplished by a relatively simpler, technological "quick fix," and, perhaps, on the schedule established by the Clean Air Amendments of 1970. The attached report summarizes the status of the alternatives currently offered as means whereby to achieve the earliest acceptable technological solution to this problem.

Respectfully yours,

PHILIP HANDLER,
President.

NATIONAL RESEARCH COUNCIL, NATIONAL ACADEMY OF SCIENCES, NATIONAL ACADEMY OF ENGINEERING,
Washington, D.C., February 12, 1973.

Dr. PHILIP HANDLER,
President, National Academy of Sciences,
Washington, D.C.

DEAR PRESIDENT HANDLER: I am herewith transmitting for submission by the Academy to the Congress and to the Environmental Protection Agency the Report of the Committee on Motor Vehicle Emissions dated February 12, 1973.

Sincerely yours,

E. L. GINZTON,
Chairman.

REPORT BY THE COMMITTEE ON MOTOR VEHICLE EMISSIONS, DIVISION OF ENGINEERING, NATIONAL RESEARCH COUNCIL IN ACCORDANCE WITH SECTION 202(c) OF THE CLEAN AIR AMENDMENTS OF 1970 AND IN PARTIAL FULFILLMENT OF CONTRACT NO. 68–01–0402, BETWEEN THE ENVIRONMENTAL PROTECTION AGENCY AND THE NATIONAL ACADEMY OF SCIENCES

NOTICE

The study reported herein was undertaken under the aegis of the National Academy of Sciences and with the express approval of the Governing Board of the National Research Council. Such approval indicated that the Board considered that the problem is of national significance; that elucidation and/or solution of the problem required scientific and technical competence and that the resources of the National Research Council were particularly suitable to the conduct of the project.

The members of the committee were selected for their individual scholarly and technical competence and judgment with due consideration for the balance and breadth of disciplines. Responsibility for the detailed aspects of this report rests with the committee, to whom we express our sincere appreciation.

Reports of our study committees are not submitted for approval to the Academy membership. The report was reviewed by a panel of Academy members according to procedures established and monitored by the Academy's Report Review Committee. Such reviews are intended to determine, inter alia, whether the major questions and relevant points of view have been addressed and whether the reported findings, conclusions and recommendations arose from the available data and information. Distribution of the report was approved, by the President, only after completion of this review process.

SUMMARY AND CONCLUSIONS

In legislating the Clean Air Amendments of 1970, the Congress asked the Environmental Protection Agency (EPA) to contract with the National Academy of Sciences (NAS) to conduct a comprehensive study and investigation of the technological feasibility of meeting the motor vehicle emissions standards prescribed in accordance with the law. In responding to this request, pursuant to a contract with the EPA, the Academy established a Committee on Motor Vehicle Emissions (CMVE) and charged it with the conduct of this study.

In its investigation of "technological feasibility," the CMVE addressed the following issues:

1. Determination of the feasibility of developing and designing an emissions control system that would enable compliance with the legally established emissions standards as judged by the certification procedures prescribed by the EPA.

2. The feasibility of mass producing those systems of promising design.

3. The projected performance of such emissions control systems in customer usage, including the requirements for maintenance necessary to assure continuing reliability.

4. The costs, per vehicle, associated with acquisition, maintenance, and operation of the emissions control system.

In the course of its work, the Committee has examined the variety of approaches of manufacturres and others to the problems relating to emissions control. At the time of this report, progress toward resolution of these problems in the four aspects listed above, although rapid, is uneven and uncertain, and the outlook toward 1975 and 1976 is not yet clear. Moreover, the rapid pace of that progress complicates judgment concerning the most appropriate course of action for attainment of the standards required by the law.

For 1975 model year light-duty motor vehicles, the Committee concludes that—

1. Four types of systems will meet the prescribed emissions standards during certification testing. These are: the modified conventional engine equipped with an oxidation catalyst, the carbureted stratified-charge engine, the Wankel engine equipped with an exhaust thermal reactor, and the diesel engine. For the catalyst system, one catalyst change must be permitted during the 50,000-mile durability testing for certification, and fuel with a suitably low level of catalyst poisons must be allowed. In determining whether vehicles mass-produced comply with an outstanding certificate of conformity under Section 206 of the Clean Air Act, provisions must be made for averaging of emission test results within a vehicle and engine class.

2. Vehicles incorporating these systems can be mass-produced in great enough volume to satisfy, in aggregate, the expected demand for vehicles in model year 1975.

3. It is important for two reasons that a

suitable maintenance and inspection system be established for vehicles in use by the public.

First, there are no data concerning the deterioration of emission-control systems under conditions of customer use, and the Committee believes that the certification procedure alone is not a sufficient indicator of system durability. Even if it is demonstrated that properly maintained vehicles can comply with the standards under conditions of customer use, an adequate vehicle maintenance and inspection system will be required to assure that most vehicles will meet the standards when used by the general public; this is especially important for catalyst-equipped vehicles.

Second, if it is determined that a substantial number of any class of vehicles or engines, although properly maintained and used, is not meeting the standards in use, Section 207(c) of the Clean Air Amendments empowers the Administrator of EPA to require the manufacturer to submit a plan for remedying the nonconformity. Under such a plan, the manufacturer is required to correct only those vehicles or engines which have been properly maintained and used.

4. The average increase in sticker price due to the emissions-control system of a catalyst-equipped vehicle is estimated to be $160 above a current (1973) vehicle and $230 above a 1970 model year vehicle. Except for the diesel engine, lesser increases are expected for the other emission-control systems, when comparing vehicles of similar size and type.

Model year 1975 vehicles using Wankel engines or catalyst-equipped spark-ignition piston engines will use significantly more fuel than their 1973 counterparts. Carbureted stratified-charge engines will suffer only a slight fuel penalty; and the diesel engine will offer improved fuel economy, enough to compensate for its high initial cost within a few years of driving.

For 1976 model year light-duty motor vehicles, the Committee concludes that—

1. Five control systems now in early stages of development have met the 1976 emission standards at low mileage. These are: the modified conventional engine equipped with dual catalysts, or with dual catalysts plus thermal reactor, or with two thermal reactors and a reduction catalyst, or with a three-way catalyst and electronic fuel injectión, and the stratified-charge engine employing fuel injection and equipped with an oxidation catalyst. It is possible, but not certain, that some of these systems may prove to be certifiable for 1976, contingent upon the acceptance of the same provisos previously mentioned for 1975 model year vehicles.

More importantly, the recently developed carbureted stratified-charge engine, after 50,000 miles of durability testing on a compact car, has achieved well over the 90 percent reduction in hydrocarbon and carbon monoxide emissions called for in the Act and about 83 percent reduction in NO_x. The Committee believes that this engine will be certifiable for 1976, at least in smaller engine sizes.

2. If certifiable, vehicles incorporating any of these systems can be mass-produced, but not necessarily in great enough volume to satisfy, in aggregate, the expected demand for vehicles in model year 1976.

3. The Committee holds the same concerns for performance of 1976 vehicles in use as discussed above for 1975 systems.

4. The average increase in sticker price of a dual-catalyst-equipped vehicle is expected to be $290 above a current (1973) vehicle, and $370 above a 1970 model year vehicle. Average annual costs of a dual-catalyst emissions-control system, including maintenance and fuel, with the increase in sticker price amortized over five years, is estimated to be $260 per year, compared with a 1970 model year vehicle. In contrast, the annualized costs for several other systems are estimated to be less than $100.

The Committee is greatly concerned about the trend of development of the 1976 control systems. The system most likely to be available in 1976 in the greatest numbers—the dual-catalyst system—is the most disadvantageous with respect to first cost, fuel economy, maintainability, and durability. On the other hand, the most promising system—the carbureted stratified-charge engine—which may not be available in very large numbers in 1976, is superior in all these categories. The Committee wishes to alert both EPA and the Congress to this development and believes that it warrants immediate attention.

INTRODUCTION

The Clean Air Amendments of 1970, which established exhaust emission standards for 1975 and 1976 light-duty vehicles (henceforth called vehicles) and light-duty vehicle engines, called on the Administrator of the Environmental Protection Agency (EPA) "to enter into appropriate arrangements with the National Academy of Sciences (NAS) to conduct a comprehensive study and investigation of the technological feasibility of meeting the emission standards" promulgated by the Clean Air Amendments. Meetings held between the NAS and EPA early in 1971 resulted in the establishment of a mutually agreeable work statement for the Committee on Motor Vehicle Emissions of the National Academy of Sciences. An extract from the work statement follows:

Statement of work

A. The Contractor shall conduct a many-faceted study of the technological feasibility of meeting the motor vehicle emission standards prescribed by the Administrator of the Environmental Protection Agency, as required by Section 202(b) of the Clean Air Act, as amended.

B. For the purposes of this study the term "technological feasibility" includes the ability within the automobile industry or elsewhere to

1. Design an engine, control system, or device capable of meeting the stautory emission standards using fuels which are or could be available

2. Mass produce such an engine, control system, or device

3. Maintain such an engine, control system, or device so that it will continue to meet the statutory emission standards with safety for a period of five years or 50,000 miles of operation, whichever is shorter.

C. The study of technological feasibility as defined shall include a study emphasizing technical aspects of the reported costs expected to be incurred in and the estimated time for the design, development, and mass production of an engine, control system, or device capable of meeting the statutory emission standards.

D. The study of technological feasibility shall include a study emphasizing the technical aspects of the reported estimates of extra cost incurred in maintaining such an engine, control system, or device so that it will meet the statutory emission standards for a period of five years or 50,000 miles, whichever is shorter.

E. Should the Contractor conclude that the attainment of emission standards on the schedule provided by Section 202(b)(1) of the Clean Air Act is not technologically feasible, the Contractor shall specifically determine technologically feasible interim emission levels to assist the Administrator in exercising his responsibilities under Section 202(b)(5) of the Act.

Past work of the Committee on Motor Vehicle Emissions

Membership of the Committee, shown in Appendix A, was selected entirely by the National Academy of Sciences.

The first meeting of the Committee took place on June 16, 1971, with subsequent meetings held approximately once each month. The Clean Air Amendments called for the Committee to submit semiannual progress reports to the Administrator and to Congress. One of the primary functions of such reports was to provide advice to the Administrator of EPA wtih respect to his decision whether or not to postpone for one year the applicable deadlines of the standards called for by the Clean Air Amendments. Under the legislation, anytime after January 1, 1972, any manufacturer may file with the Administrator an application requesting a one year suspension of the regulations applicable to emissions from 1975 model year vehicles. Anytime after January 1, 1973, any manufacturer may file an application requesting a one year suspension of the regulations applicable to emissions from 1976 model year vehicles. The Administrator must make his determination of each request for suspension within 60 days.

To provide maximum assistance to the Administrator in the formulation of his decision, and with due consideration of the timing required for such a decision, the Committee issued its first substantive report on January 1, 1972, containing a comprehensive study of the technological feasibility of the standards applicable to 1975 model year vehicles. In April 1972, in response to a direct request from EPA, the Committee prepared a report with respect to possible interim standards, in the event the Administrator were to grant a suspension of the 1975 standards. A brief progress report was submitted July 1, 1972, discussing the various areas of investigation of the Committee at that time.

This report of the Committee emphasizes the question of technological feasibility of the 1976 standards. In August 1972, the Administrator denied the requests of Volvo, International Harvester, Chrysler, Ford, and General Motors for a suspenion of the 1975 standards. Requests for suspension of the 1975 standards may, however, be filed again by the above manufacturers or by others. A portion of this report is thus addressed to the technological feasibility of the 1975 standards.

Panels of consultants

The Committee has recognized the importance of having available to it the most recent and complete technical data and information upon which to make its judgments. Much of the information has been provided by eight panels of consultants, each panels were in operation during 1971. The of importance in the Committee deliberations. Panel members were selected by the Committee on the basis of recognized competence in specific areas. Membership of the panels is shown in Appendix B. Seven of these panesl were in operation during 1971. The Catalyst Panel was added early in 1972 after the Committee became aware of the many controversial and critical factors associated with the operational characteristics of the automotive catalyst. The work of each of the panels was as follows.

Testing, Inspection, and Maintenance

The Panel on Testing, Inspection, and Maintenance was organized to assess the feasibility of ensuring that automobiles manufactured for 1975–1976 model years continue to meet the specified emission standards in actual customer use over the required period. The panel evaluated each method as a system, from certification testing through assemblyline control, surveillance, inspection, and maintenance in use. This study also considered the necessary training and licensing of mechanics, enforcement action required, short emission tests suitable for inspection or diagnosis, surveillance testing, feasibility of required maintenance procedures, and costs of maintaining emission-control systems for 1975–1976 vehicles.

Emission-Control Systems

The Panel on Emission-Control Systems was to investigate the potential of experimental 1975–1976 emission-control systems, including consideration of the durability of these systems. The activities of this panel were restricted to studies of emission control for the spark-ignition internal-combustion engine including the Wankel and stratified charge types of engines. The use of different fuels, such as liquified petroleum gas (LPG), as well as dual-fuel concepts were also evaluated.

Alternate Power Sources

This panel was responsible for evaluating all automobile power source concepts except the conventional Otto-cycle engine, the internal-combustion Wankel engine, and the stratified-charge engine. The panel thus considered diesel engines, Rankine-cycle engines, Brayton-cycle engines, Stirling engines, electric systems, hybrid systems, and several systems that fell into no broad category.

The panel was to determine if it would be possible for any of the candidate engine systems to meet the 1975–1976 emission standards in production and the 50,000-mile (or five-year) life standard. For each promising system, the panel estimated the earliest possible date that mass production could be achieved. Major technical problem areas were identified for each system, and the probability of solving these problems was estimated.

Acceptability of each system, to the customer and to the industry, was predicted by the panel on the basis of driveability, safety, starting characteristics, maintainability, noise, cost, fuel economy, and many other factors. Some of these determinations were made in cooperation with other panels.

Manufacturing and Producibility

This panel was concerned with the manufacturability of low-emission systems and their components. The effort was not limited to the technical possibility of building one or a few systems; the technological feasibility of producing millions of systems in 1975 and 1976 was determined. This study included such considerations as producibility, tooling, lead time, and costs.

The work of this panel was directed toward helping the Committee determine, as specified in paragraph B2 of the Statement of Work, whether, within the automobile industry or elsewhere, there was a capability to mass-produce an engine, control system, or device capable of meeting the emission standards.

Driveability

The mission of this panel was to appraise the driveability of vehicles powered by candidate engine systems. Good driveability is loosely defined as the ability of a vehicle to start, operate, and stop smoothly under all environmental and operating conditions, without stalls, surges, hesitations, afterfiring, and other undesirable characteristics.

There has been considerable testimony expressing opinions that some of the emission-control systems, especially if not properly maintained, would seriously affect the safety of the car, not only relative to its occupants, but also relative to other vehicles in traffic. Thus, assessing driveability is an important aspect of determining the feasibility of using a given system or engine. The work of this panel was done in conjunction with that of the Panel on Emission-Control Systems.

CATALYSTS

The CMVE organized this panel when it became apparent that the durability of many proposed emission-control systems is closely tied to catalyst performance. This panel analyzed activity and durability of both oxidation and reduction catalysts for emission-control systems. The major causes of catalyst failure during vehicle operation were examined. The effect on catalyst deterioration of the level of poisons in gasoline such as lead, sulfur, and phosphorus was studied, as was the effect of over-temperature on catalyst activity. Availability of catalytic materials and possible toxicity problems associated with the use of certain catalysts were also investigated.

Emission Standards and Atmospheric Chemistry

The work of the Panels on Emission Standards and Atmospheric Chemistry was associated with the requirement in the original work statement concerning recommendation by the Academy of technologically feasible interim emission levels.

The major concern was with interim levels for the 1976 standards, in the event that achievement of such standards was to be delayed a year. For the 1976 standards, oxides of nitrogen (NO_x) must be controlled in addition to hydrocarbons (HC) and carbon monoxide (CO); procedures that reduce NO_x do not necessarily reduce HC and CO, and may increase them. There are many sets of technologically feasible levels of the three pollutants that the Committee recommend. Thus, these two panels have been the various possibilities and tradeoffs.

The Panel on Atmospheric Chemistry determined, from the latest available data, the relationship between ambient concentrations of HC and NO_x necessary to cause undesirable levels of oxident production. The Panel on Emission Standards used these data, along with desirable air-quality goals for CO and NO_x, and developed corresponding motor vehicle emission levels.

Each of the panels has devoted considerable time and effort to the work of the Committee. Some of the panel members have given virtually full-time effort to Committee work. These panels have traveled extensively and probed deeply in their attempts to bring before the Committee the material and information needed for the Committee to reach the judgments called for in the legislation. Panel visits have been made to domestic and foreign automobile manufacturers, to domestic and foreign catalyst suppliers, to the EPA and other government laboratories, to independent research laboratories, to state and local agencies concerned with the problems of enforcing emission standards, to those carrying out research and development on many types of alternate power plants, to oil companies, and to many others. A list of companies and individuals visited or otherwise contacted by CMVE personnel is given in Appendix C.

In each visit, panel members have endeavored to ensure the timeliness and validity of the data furnished to them. Panel visits have involved discussions with personnel ranging from top management to working technicians and engineers.

The panels have reported periodically to the parent Committee on their progress. Close contact has been maintained between the panels and the Committee, to ensure that the panels were stressing the necessary topical areas in their investigations. Panel activities terminated with the submission of final written panel reports to the Committee.

Other means of obtaining information

The Committee has attempted to solicit pertinent information from the general public. Announcements have been placed in the Federal Register requesting information with respect to technological feasibility. Descriptions of these announcements are included as Appendix D.

Finally, the Committee as a whole visited General Motors and Ford in Detroit on May 18 and 19, 1972, to get a first-hand view of the efforts of two of the larger manufacturers toward meeting the emission standards. Visits by selected members of the Committee were made to other manufacturers.

The judgments of the Committee to be presented in this report necessarily rely upon the information received using the various sources mentioned above. The Committee believes that it has had presented to it sufficient information upon which to base its judgments.

NOTE

Final reports of the CMVE panels are being prepared as technical publications and will be made available to the public by the National Research Council. Other pertinent information will be maintained as a public record in the files of the CMVE.

(Figures referred to in this text are omitted in the RECORD).

THE STANDARDS, CERTIFICATION AND TESTING

Numerical values of standards

Section 202 of the Clean Air Amendments of 1970 requires the Administrator of the EPA to prescribe emission standards for light-duty motor vehicles together with measurement techniques on which such standards are to be based.* Such standards require that the emissions of carbon monoxide and unburned hydrocarbons from light-duty vehicles and engines manufactured during or after model year 1975 be reduced by at least 90 percent from these required of 1970 vehicles; also, emissions of oxides of nitrogen from light-duty motor vehicles and engines manufactured during or after model year 1976 are to be at least 90 percent below the average of those actually measured from light-duty vehicles manufactured during model year 1971 which are not subject to any federal or state emission standards. The 1975 model year standards are:

0.41 grams per vehicle mile for hydrocarbons (HC).

3.4 grams per vehicle mile for carbon monoxide (CO)

and 3.1 grams per vehicle mile for oxides of nitrogen (NOx).

Standards for 1976 model year vehicles are:

0.41 grams per vehicle mile for hydrocarbons.

3.4 grams per vehicle mile for carbon monoxide.

and 0.4 grams per vehicle mile for oxides of nitrogen.

The Clean Air Amendments call for vehicle compliance with the above standards for five years or 50,000 miles, whichever occurs first.

Procedures for certification, CVS–CH test

The numerical values of the standards must be defined in terms of a specific method of measurement and a specific driving cycle. The EPA Administrator is required by Section 206 to test any motor vehicle or class of motor vehicles to determine whether they meet the standards set forth in Section 202(b) of the Clean Air Amendments. A certificate of conformity is to be issued for classes of motor vehicles that comply with the standards, thus permitting the manufacture and sale of these classes of vehicles. The emissions test to be used for certification of 1975 and 1976 vehicles, referred to as the CVS–CH test, consists of a 12-hour wait at a temperature bebetween 60° and 86° F, a cold-engine startup, a continuous sequence of different driving modes simulating an average trip over a 23-minute route in an urban area, a ten-minute shutdown followed by a hot-engine restart, and a repeat of the first 505 seconds of the 23-minute cycle. This test is performed with the vehicle on a chassis dynamometer. Exhaust-gas sampling begins immediately after the key is turned on (whether the engine starts or not). Diluted exhaust emissions are collected during the first 505 seconds in one bag, those during the remainder of the 23-minute cycle in a second bag, and those from the hot-restart phase in a third bag. Contents of the three bags are then analyzed and weighed in accordance with the EPA test procedure to be the final mass emissions, in grams per mile, of HC, CO, and NO_x.

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* The Federal Register of November 15, 1972, contains a complete description of the regulations concerning the standards, test procedures, allowable maintenance, etc.

To obtain a certificate of conformity for a class of vehicles, the automobile manufacturer must also demonstrate the effectiveness of the vehicles' emission-control system over the "useful life" of a vehicle. The regulations require a manufacturer to test two separate fleets of prototype vehicles representing models to be sold to the public. The "emission data" fleet is intended to determine the emissions of relatively new vehicles. The vehicles in this fleet are driven 4,000 miles to break in the engine and stabilize emissions. The emissions are then measured, using the CVS–CH test procedure. Allowable maintenance on emission-data vehicles is limited to the adjustment of engine idle speed at the 4,000-mile test point.

The second fleet, the "durability-data" fleet, is designed to determine the capability of the emission-control system to keep emissions below the standards over the expected useful life of the vehicle. The vehicles in this fleet are driven for 50,000 miles and tested for emissions every 4,000 miles. The procedure for mileage accumulation is the Durability Driving Schedule over a modified AMA route. The maximum speed is 70 mph, and the average is 30 mph. One major engine tuneup to manufacturer's specifications may be performed on durability vehicles at 24,000 miles (on vehicles with 051–CID or less, at 12,000, 24,000, and 36,000 miles). The replacements and adjustments allowed are detailed in the regulations. Emissions tests must be run before and after any vehicle maintenance that may be reasonably expected to affect emissions. As the first step in determining compliance of a new light-duty vehicle, emission-deterioration factors are determined from the durability-data fleet emission test results. Separate factors are determined for HC, CO, and NO_x and for each engine/control-system combination. A straight line is fitted, by the method of least squares, to each of the plots of emissions versus mileage for the endurance fleet. For each of the three pollutants, deterioration factors are determined from these curves as the ratio of emission at 50,000 miles to those at 4,000 miles. The emission test results, at 4,000 miles, for each emission-data fleet vehicle are then multiplied by the appropriate deterioration factor to give adjusted emissions for each vehicle. These adjusted emissions are then compared to the standards. Every test vehicle from an engine family must comply with the standards before any vehicle in that family can be certified.

Production-line testing

To ascertain whether vehicles are being manufactured in accordance with the regulations with respect to which a certificate of conformity was issued, Section 206(b) authorizes EPA to test new vehicles and engines. Such tests can be conducted by EPA or by the manufacturer in accordance with conditions specified by EPA. According to Section 206(b)(2)(A), if:

"Based on tests . . . on a sample of new vehicles or engines covered by a certificate of conformity, the Administrator determines that all or part of the vehicles or engines so covered do not conform with the regulations with respect to which the certificate of conformity was issued, he may suspend or revoke such certificate in whole or in part . . ."

The Act sets forth a procedure for reissuance of the certificate and for hearings on its suspension or revocation.

It is impractical to determine the emissions from a large fraction of production vehicles by the CVS-CH procedure. Each test involves a twelve-hour wait at room temperature followed by a 41-minute test, with expensive and complex instrumentation required. In addition, measurements of exhaust emissions show poor repeatability. Data from the autmobile manufacturers and several independent laboratories taken on 1972 model year vehicles using the 1975 Federal CVS-CH test show coefficients of variation of 10 to 20 percent. When the CVS-CH test is applied to 1975–76 prototype vehicles, the probable percentage error increases, since emission levels have decreased from 1972. Only limited data were available of test reproducibility using the CVS-CH test with dual-catalyst-equipped vehicles near the 1976 emission levels. Coefficients of variation for these limited data, consisting of 16 repetitive tests on a vehicle, were as great as 50 percent for CO. Test on three-valve carbureted stratified-charge engines, which meet 1975 standards, have yielded much lower coefficients of variation.

Some of the reasons for the lack of repeatability of measurements are the difficulty of following the speed-time curve specified in the CVS–CH procedure, lack of repeatability of some of the engine functions having an effect on emission control (such as the choke time), and the fact that the 1975–76 pollutant levels give such low concentrations in the sample bags that the resolution capabilities of the instruments are approached. The variation of test results during the cold portion of the test is the largest part of total test variation, with a large percentage of CO and HC emissions occurring during the first two minutes of the CVS–CH test. An individual measurement using the CVS–CH test on a 1975–76 car can vary from the true value by 50 percent and thus little significance should be attached to a single test. Since a hot-start test does not include the emissions that dominate the results obtained with the CVS–CH test, no short hot-start test will pass and fail exactly the same vehicles as the CVS–CH test. It thus is evident that 100 percent production-line testing with any procedure except CVS–CH test (impractical on production line) cannot determine if all vehicles are being manufactured in accordance with the regulations with respect to which a certificate of conformity was issued.

In terms of overall air quality, it is the average emissions from a group of cars that determines the automotive contribution to air pollution. This fact and the variability of test results mentioned above shows a need for regulations that control the manufacture and operation of vehicles to ensure that the emissions on the average meet the standards. It is only necessary to test a quality audit sample of production-line vehicles to demonstrate that the average emissions of production vehicles compare satisfactorily with the certification standard, taking into account a prescribed useful life deterioration factor and a tolerance factor reflecting the difference between production vehicles and pre-production prototypes. The logical test to choose for this quality audit is the CVS–CH procedure.

The Commission recommends, as in the CMVE January 1, 1972 report, that only the emissions of the average of each engine-vehicle combination on the production line be required to meet the standards. A requirement that all vehicles meet the emission standards is too restrictive and is unnecessary to meet air quality needs.

Compliance after sale, warranty

The recommendation covering production-line averaging has an impact on the warranty provisions of the law, contained in Sections 207(a) and (b) of the Clean Air Amendments. Section 207(a) requires that the manufacturer of each new motor vehicle and engine shall warrant to the purchaser that it is (1) designed, built, and equipped so as to conform at the time of sale with (the applicable standards), and (2) free from defects in materials and workmanship which cause such vehicle or engine to fail to conform with (the standards) for its "useful life."

Section 207(b) deals with warranties for vehicles throughout their useful life. This section states that manufacturers could ultimately be required to warrant compliance of the emission control system of a vehicle throughout its useful life if it is maintained and operated in accordance with the manufacturer's instructions and if the nonconformity results in the car owner "having to bear any penalty or other sanction . . . under State or Federal law." Before such a useful-life warranty can be imposed however, the Administrator must first determine that there are available testing methods and procedures to ascertain whether a vehicle, when in actual use, complies with the emission standards and that such methods and procedures are reasonably capable of being correlated with tests conducted by EPA preparatory to issuance of a certificate of conformity (meaning the full CVS–CH procedure). These warranty provisions apply to each vehicle. However, if it is concluded that there is no short test or procedure that reasonably correlates with the CVS–CH test, the problem of possible conflict in implementing the warranty requirement is eliminated. After consideration of this point, the Committee concludes that no short test is available now, or likely to be available in the near future, that will pass and fail the same vehicles as the full CVS–CH test.

Section 207(c) of the Clean Air Act deals specifically with recall of vehicles which, although properly maintained, do not conform with the standards. According to Section 207(c)(1), "If the Administrator determines that a substantial number of any class or category of vehicles or engines, although properly maintained and used, do not conform to the regulations prescribed under Section 202, when in actual use throughout their useful life (as determined under Section 202(d)), he shall immediately notify the manufacturer thereof of such nonconformity, and he shall require the manufacturer to submit a plan for remedying the nonconformity of the vehicles or engines with respect to which such notification is given."

Since the purpose of the Clean Air Amendments is to control the automotive contribution to air pollution, the Committee believes that a surveillance audit of a statistical sample of vehicles is adequate to determine if each family of cars meets the standards. The full CVS–CH test would be run for the surveillance audit. Such surveillance tests could be used not only to determine emissions from each car family, but also to evaluate deterioration of emission control systems in actual use, to evaluate the effectiveness of prescribed maintenance procedures, to develop information on failure modes, and to establish the need for recall of a class of vehicles.

POTENTIAL OF SPARK-IGNITION INTERNAL-COMBUSTION ENGINES PASSING EMISSION CERTIFICATION FOR 1975 AND 1976

Introduction

The investigations of the Committee to date have shown that, according to current planning of the automobile manufacturers, the great majority of the engines to be used in 1975–76 model year vehicles will be conventional, reciprocating, spark-ignition engines. A smaller fraction of the 1975–76 vehicles will use Wankel rotary engines, and one manufacturer (Honda) has plans to produce a new type of carbureted stratified-charge engine. Some passenger-car diesel engines will still be produced, but these will differ only slightly from the diesel engines currently available. Diesel engines are discused more fully in Section 6.1.

This section of the report will present an analysis and evaluation of the prospects of spark-ignition engines passing the emissions certification test for 1975 and 1976 model year vehicles.

CURRENT STATUS OF 1975 SYSTEMS

The January 1, 1972, report of the CMVE dealt at considerable length with the technological feasibility of meeting the 1975 standards. At the present time, most automobile manufacturers have developed somewhat similar prototype emission-control systems for their 1975 model year vehicles. The major U.S. and foreign manufacturers are currently assembling and testing fleets of vehicles equipped with the complete system to evaluate different promising catalyst materials and to obtain data on system durability before final production designs are frozen.

These 1975 emission-control systems typically consist of:

(i) An improved carburetor to provide more accurate fuel metering, with compensation for air-density changes, and with an electrically powered choke that comes off quickly at ambient temperatures of about 70° F.

(ii) A quick-heat intake manifold designed to promote rapid fuel evaporation after engine start-up.

(iii) An electronic ignition system to eliminate the wear and other problems of current distributor assemblies and to allow easier spark-timing control. (Inadequate maintenance of present distributors commonly results in increased engine emissions.)

(iv) An exhaust-gas recycle (EGR) line and control valve designed to recycle about 10 percent of the exhaust flow to hold NO_x emissions below 3 grams per mile (g/mile).

(v) An air pump to inject air into the exhaust ports to oxidize carbon monoxide and hydrocarbons.

(vi) A catalytic converter in the exhaust system to promote further oxidation of the HC and CO emissions from the engine.

For some manufacturers, the current fleet tests represent the first extensive evaluation of the complete engine emission controls with the best oxidation catalyst materials now available. Data obtained from some of these manufacturers' fleets are shown in Table 3-1. (Most of the data in Section 3 of this report were received in reply to a questionnaire dated July 13, 1972 or were presented during recent panel visits.) These tests follow the durability driving cycle and maintenance procedures used in the emissions certification of vehicles.

TABLE 3-1.—EMISSIONS PERFORMANCE OF MAJOR MANUFACTURERS 1975 MODEL YEAR DEVELOPMENT FLEETS

Manufacturer	Vehicle weight range, pounds	Engine size range, CID	Number of vehicles	Mileage	Emissions in gms./mile[1] HC	CO	NO
Ford[2]	4,000-5,000	250-460	8	4,000	0.46	3.2	2.7
			7	36,000	.73	5.2	2.2
Ford[3]	4,000-5,000	250-460	6	4,000	.34	3.3	2.2
			5	36,000	.40	2.6	2.4
General Motors[2]	2,750-5,500	140-550	30	4,000	.34	2.3	2.0
			17	12,000	.42	2.6	2.0
			7	24,000	.39	2.2	1.8
Nissan[2]	2,750	98	5	4,000	.29	1.8	1.0
			5	16,000	.50	2.2	.95
			1	24,500	.48	3.8	.95
Toyota[4]	2,500	97	6	4,000	.35	2.9	1.4
			4	12,000	.52	5.5	2.1
			3	24,000	.66	9.0	1.2

[1] 1975 CVS-CH test procedure. Durability driving schedule, maintenance, and fuel used approximate those anticipated in 1975 certification procedure. Emissions averaged over all vehicles tested at that mileage. No catalyst replacements were made during any of these tests.

[2] Emission control system: engine modifications, air pump, oxidation catalyst, EGR.

[3] Emission control system: engine modifications, air pump, 2 oxidation catalysts; EGR.

[4] Emission control system: engine modifications, manifold reactor, air pump, oxidation catalyst, EGR.

Progress in emission control for 1975 systems using catalytic converters has been made since the CMVE report of January 1, 1972. It is highly probable that most manufacturers will be able to produce vehicles that will pass the 1975 certification test procedure, providing allowance is made for one catalyst replacement during the 50,000-mile durability tests, that fuel containing sufficiently low levels of lead and other catalyst poisons is used, and that averaging of emissions within automobile and engine classes is allowed.

Emission-control systems are also being developed that do not use catalysts and therefore have improved durability over the catalytic systems. The three-valve stratified-charge carbureted engine, under development by Honda, has achieved emissions below the 1975 standards at low mileage on compact cars (for details) see Section 3.9.2). Three vehicles equipped with a 2-liter engine (122 CID) have completed 50,000-mile durability testing and met the standards at every test throughout the test period.

The Wankel engine with a thermal reactor has achieved emission levels below the 1975 standards in a compact car. This system has already dmonstrated improved durability over a catalytic system. Data from the few cars tested over extended mileage indicate that deterioration will be relatively low.

Engine emissions for 1976 systems

Introduction

In developing systems to meet the 1975 standards, most automobile manufacturers have emphasized that such systems must be compatible with 1976 requirements. There has thus been a concentration on 1975 control systems that can be modified to achieve the greater NO_x emission control called for in 1976. Additional NO_x control can be achieved by increasing the amount of exhaust-gas recycle, by adding an NO_x-reducing catalytic converter to the exhaust system, or by a combination of both techniques.

To approach the 0.4 g/mile NO_x level with a conventional spark-ignition engine, a combination of both techniques appears to be required. The use of large amounts of EGR (20 percent or more) results in a large fuel-economy penalty, severe driveability problems with attendant safety hazards, and an increase in engine HC and CO emissions. It is not practical at this stage to achieve NO_x-emission levels approaching 0.4 g/mile with EGR alone in a conventional engine.

Without EGR, engine NO_x emissions vary between about 3 and 8 g/mile, depending on the air-fuel ratio, spark timing, engine size, and other details of engine design and operation. In the dual-catalyst system, a separate NO_x-reduction catalyst is added to the exhaust system, between the engine and the oxidation catalyst. In the three-way catalyst system, a single catalytic converter simultaneously reduces the concentration of all three pollutants (HC, CO, and NO_x) in the exhaust stream. Air-fuel ratio must be closely regulated in such system. The NO_x-reduction catalysts currently available, as will be described below, are not able to retain sufficient activity over extended mileage to reduce these engine emissions below the 1976 standards. Thus, unless further improvements in NO_x catalyst durability occur over the next year, only systems for conventional engines with increased EGR and an NO_x-reduction catalyst show any promise of approaching the 0.4 g/mile level. To minimize demands on catalyst size, cost, and durability, there is a continuing emphasis on achieving low and stable engine emissions. Techniques for controlling emissions during the first part of the test when the engine is still cold, fuel-metering requirements, EGR systems, and the potential for improved engine emissions control are examined next.

COLD-START EMISSION CONTROLS

With 1975-76 catalyst-based emission-control systems, a large portion of the carbon monoxide and hydrocarbon emissions occur during the cold-start and engine warm-up phase of the drive schedule in the CVS-CH test. To compensate for the low volatility of cold gasoline, a rich mixture must be provided during cold starts. The excess fuel is not fully burned in the combustion chamber, and the cold engine thus emits high levels of hydrocarbons and carbon monoxide. Because the oxidizing catalyst is inefficient while cold, large amounts of these contaminants are discharged to the atmosphere. Although the NO_x catalyst is also cold and ineffective during start-up, cold-start NO_x emissions tend to be lower because rich mixtures and cold cylinder walls reduce the formation of NO_x.

Because of the high HC and CO emissions during the cold start, considerable development effort has been spent in a number of cold-start controls and procedures. In the prototypes of their 1975 and 1976 systems, most manufacturers have elected to modify the cold-start process. Specifically, they have achieved start-up with leaner air-fuel mixtures by preheating the air and fuel, by improving the mixture control in the carburetor, and by shortening the choking period without seriously impairing cold engine operation and driveability. Most prototypes include air and fuel preheat systems and modified choke operation.

The purpose of preheating air and fuel is to achieve higher volatility with cold fuel, which, in turn, allows leaner engine operation and shorter choking period during warm-up. The air preheat system that has been incorporated in most 1970 and subsequent American-make cars, and has proven reliable, will be used in most 1975-76 models.

In addition to heating the intake air, several proposed emission-control systems promote further evaporation of the fuel by supplying heat to the base of the carburetor. This is accomplished by using a heat exchanger between the carburetor and the exhaust-manifold crossover, causing the fuel droplets to make contact with a hot surface and to flash into vapor. Several problems remain to be solved to ensure that production units can attain the emission reduction predicted by experimental designs. While durability of the system has not yet been evaluated, there appear to be no major technical difficulties.

A quick-acting choke, employing electrical or mechanical timing devices, will be used to lean out the mixture as early as possible after start-up. For systems incorporating air and mixture preheating, choking times have been reduced from several minutes to less than 30 seconds, while maintaining adequate driveability.

Carburetors

The precise metering of the fuel and air to automotive engines has become much more important in recent years because the mixture ratio is a critical paramater affecting the exhaust composition and the functioning of exhaust-treating devices. Most 1975–76 model carburetors have been redesigned to achieve better air-fuel ratio control and maintain good cold-start performance of the engine.

Except for the demands during extreme accelerations and declerations, the newly designed carburetors are capable of maintaining tolerances of ±3 percent of the set air-fuel ratio. This approaches the fuel-metering accuracy required for the dual-catalyst 1976 control systems in which the air-fuel ratio must be held between about 13.8 and 14.5 to achieve adequate NO_x reduction in the first catalytic converter.

Considerable design work remains to be done to ensure durability with these finely adjusted carburetors. Most manufacturers are considering factory-sealed, tamper-proof settings because it is believed impossible for a typical mechanic to make the required adjustments. The dependability of these factory-set adjustments is unknown.

Electronic Fuel Injection

Several companies are considering Electronic Fuel Injection (EFI) as an alternative to the carburetor. In such systems, an electronic module controls the amount of fuel provided to the engine.

An advantage of electronic control is that, by using appropriate transducers, air-fuel ratio can be compensated for variations in such operating parameters as engine speed, manifold vacuum, ambient conditions, various engine temperatures, exhaust composition, etc. Thus, there is potential for adequate control of mixture ratio over a wide range of operating conditions. EFI systems can respond quickly to changes in operating conditions and are therefore able to provide satisfactory control of air-fuel ratio under transient conditions. However, contacts made with carburetor manufacturers, automobile manufacturers, and producers of electronic fuel injection equipment indicate that current EFI systems do not provide substantial improvement in air-fuel control over the advanced-design carburetors operated under steady conditions.

EFI systems have been and are in production on several European cars. Field experience with these systems initially showed a high component-failure rate, although performance is improving. The advantage of EFI over current carburetors in small cars is in peformance characteristics and fuel economy, i.e.,

Increased power output, particularly for high-rpm high-performance engines

Better fuel economy for high-speed driving

Improved driveability, particularly with manual shift engines

At least one manufacturer is introducing a mechanically controlled fuel-injection system which may show performance comparable with the improved EFI system and at savings in cost.

Exhaust-Gas Recycle (EGR)

The most extensively developed technique for reducing engine NO_x emissions is the recycling of a fraction of the exhaust to the engine intake. The recycled exhaust gases dilute the fresh mixture, thus reducing peak combustion temperatures and NO_x-formation rates. The disadvantages of EGR are the loss in engine power and the reduction in tolerable air-fuel ratio variations consistent with smooth engine operation. The use of EGR requires some mixture enrichment to maintain adequate driveability, which results in a fuel-economy penalty. In most systems, EGR is cut out at wide-open throttle and idle operation.

EGR was introduced in most 1973 model year vehicles to bring NO_x below 3 g/mile. Experience from the durability testing of these EGR systems indicates that plugging of the recycle line and control valve with leaded fuels is a significant problem. But with unleaded fuels, and with regular inspection and cleaning of the system, these problems are not expected to be severe.

As the amount of EGR is increased to reduce NO_x engine emissions below 3 g/mile, there is a need for more precise matching of the recycle flow to fresh mixture flow, and for more uniform mixing of the recycled exhaust in the intake. Engine combustion-chamber redesign with higher turbulence levels to promote more rapid combustion also improves the tolerance of the engines to EGR.

Potential for Engine Emission Reduction

The methods of emission reduction discussed so far have been engine modifications that reduce emissions from the bare engine, i.e., before after-treatment devices such as catalysts and thermal reactors. The first two rows of Table 3–2 give typical engine emissions from a General Motors Corporation 1972 production audit. Both mean emissions and the standard deviation are given. The magnitude of the standard deviation indicates the spread in emissions about the mean value. This spread is due to differences in items such as brake setting, variations in transmissions, engine friction, carburetor settings, and stacking up of engine tolerances. The best GM division has been able to reduce both mean engine emissions and the spread in emissions through improved production control, as indicated in the second row of the table.

With the addition of a quick-heat manifold and an improved carburetor with a quick-acting choke these HC and CO engine emissions can be improved. However, use of EGR to reduce NO_x emissions requires some mixture enrichment to compensate for the decreased flame speed, and engine HC and CO emissions rise. The last two rows in Table 3–2 are estimates of achievable engine emissions goals at low mileage for standard-size engines in standard-size vehicles. The third row corresponds to a lean and the fourth row to a richer carburetor setting. The further reduction of emissions in conventional engines must be achieved with exhaust treatment, such as catalysts or thermal reactors.

TABLE 3—2.—ENGINE EMISSIONS AT LOW MILEAGE: MEAN AND STANDARD DEVIATION

	Emissions in grams/mile [1]					
	HC		CO		NO_x	
	Mean	Standard deviation	Mean	Standard deviation	Mean	Standard deviation
General Motors 1972 production [2] audit	1.7	(0.64)	22	(8.3)	~4	[3](~1.0)
Best General Motors division 1972 production	1.2	(.32)	16	(6.2)	~4	[3](~1.0)
Potential [4] best engine emissions, lean carburetion	1.0	(.15)	10	(3.0)		2.5
Potential best [5] engine emissions, rich carburetion	1.5		25			1.5

[1] 1972 VSC-C test procedure.

[2] 3,656 vehicles tested.

[3] California 7-mode test emissions multiplied by 2.

[4] Standard-size engine, standard-size car, with quick heat manifold, improved carburetor, quick acting choke, and EGR.

[5] Same as (4) and with air injection into the exhaust manifold.

Catalysts

The control system for 1976 on which most development effort has been concentrated uses two catalyst beds to clean up the engine emissions before exhaust to the atmosphere. A typical system layout is shown in Figure 3–1. The bed closest to the engine is used to remove NO_x. It is operated under net reducing exhaust-gas conditions (between 1 and 2 percent carbon monoxide in the exhaust gas, corresponding to a slightly rich carburetor calibration). Air is then added to the exhaust stream between the catalyst beds, and the remaining HC and CO emissions are removed in the second catalyst, the oxidation bed. The two catalytic beds may be in separate containers as shown in the figure, or they may be packaged in a single container. The system is a logical development of the 1975 control system described previously.

Because the NO_x catalyst bed must be placed ahead of the oxidation bed, the oxidation catalyst warms up more slowly. Control of HC and CO emissions during start-up would thus be delayed if air were always injected between the catalyst beds. To maintain control over 1976 HC and CO levels, air is diverted to upstream of the NO_x-reduction bed during the engine-warm-up phase. Thus the NO_x bed can act initially as an oxidation catalyst. Once the oxidation catalyst is warmed up, the air is diverted to between the two beds and the first catalyst acts primarily as an NO_x-reduction catalyst. (As an alternative, a "start" catalyst can be used ahead of the NO catalyst and bypassed after the engine is warm.)

The oxidation catalysts used in these dual-catalyst systems are the catalysts now being developed for 1975 model year vehicles. These consist of noble metals (platinum and/or palladium) or base metals promoted with noble metals (a small amount of noble metal required to initiate activity) deposited on both monolithic and pellet substrates. Except for precious metals, there appears to be no problem of supply of raw materials for the active ingredient and the support in the catalysts contemplated. The early state of development of oxidation catalysts was described in the previous Committee report.

Several companies now have products that have demonstrated adequate initial activity, and some of these have reasonable durability.

The NO_x catalysts tested to date include noble metals (platinum, ruthenium, palladium), base metals, or base metals promoted with noble metals, deposited on both monolithic and pelleted ceramic substrates. Nickel-copper and Inconel metallic monolithic NO_x catalysts are also being tested. Reduction catalysts are generally less well developed than oxidation catalysts. Whereas several NO_x catalysts have demonstrated sufficient initial activity, the limited amount of durability data currently available is not encouraging. Several examples of the best low-mileage emission data avilable are shown in Table 3–3.

TABLE 3-3.—EXAMPLES OF BEST LOW MILEAGE EMISSIONS MEASUREMENTS WITH DUAL-CATALYST SYSTEMS ON EXPERIMENTAL 1976 VEHICLES

Company and vehicle weight (pound)	Engine size CID	EGR	Emissions in grams/mile [1] HC	CO	NO_x	Catalyst data (a) HC/CO	(b) NO_x
American Motors	258		0.27	5.7	0.55		
Esso: 4,500	350	No	.09	1.0	.2	Engelhard	Gould GEM.
Volvo:							
3,500	85	Yes	.19	2.2	.4	Base, pellet	Base, pellet.
3,500	85	Yes	.41	3.4	.38	Noble, monolith	Noble, monolith.
General Motors:							
4,500	350	Yes	.24	1.7	.15	UOP, platinum, pellet	Gulf, monol th.
4,500	350	Yes	.42	3.1	.21	Air products, pellet	Gulf, pellet.
4,500	350	Yes	.17	1.0	.19	UOP, platinum, pellet	Johnson-Matthey, monolith.
4,500	350	Yes	.21	1.0	.22	UOP, platinum, pellet	Johnson-Matthey, monolith.
4,500	350	Yes	.37	1.8	.27	UOP, platinum, pellet	GM, pellet.
Chrysler	360	No	.17	3.0	.5		Noble, monolith.
	360	No	.23	2.5	.52		Base.
	360	Yes	.34	3.9	.44		Noble, pellets.
Ford:							
4,000	250	No	.45	2.9	.38	Engelhard, monolith	Promoted base, pellet.
5,000	351	No	.43	2.4	.27	Engelhard, monolith	Gould, GEM.
4,000	250	No	.52	3.7	.39	Engelhard, monolith	ICI, pellet.
5,000	351	Yes	.48	3.3	.39	Engelhard, monolith	ICI, pellet.
Daimler-Benz	350	Yes	.20	1.4	.33	Chemico, base, pellet	Chemico, base, pellet.
		Yes	0.15	1.2	.3	Noble, monolith	Noble, monolith.
Nissan: 2,750		Yes	.1—	.4—			
	98		.2	1.2	.3		Johnson-Matthey, Noble, monolith.
Johnson-Matthey Ricardo: 2,700	110	No	.17	1.8	.25	Johnson-Matthey, Noble, monolith.	Do.
Volkswagen:							
2,500	98–104	Yes [2]	.38	2.2	.64	Monolith, Noble	Monolith, Noble.
2,500	98–104	Yes [2]	.49	4.9	.46	do	Do.
2,500	98–104	Yes	.82	4.0	.57	do	Do.
Toyota:							
2,500	97	Yes [2]	.39	2.7	.5	Palladium, pellet	American Oil, base, pellet.
2,500	97	Yes [2]	.29	3.0	.54	do	Do.
2,500	97	Yes	.39	3.7	.39	do	Toyota, platinum, pellet.

[1] 1975 CVS–CH test procedure. Data usually averages of several tests.

[2] Emission-control systems include a manifold thermal reactor before the NO_x-reduction catalyst.

Only a few 1976 experimental vehicles have been tested to evaluate NO_x catalyst durability. Before attempting extensive durability tests, most manufacturers are working to optimize the performance of the system to reduce low-mileage emissions to values at least 50–60 percent below the 1976 standards levels, to improve vehicle driveability, and to hold performance losses to a minimum. Since NO_x-catalyst durability is substantially inferior to that of the best oxidation catalysts, a production goal of .25 g/mile does not seem unreasonably stringent.

The results of the most promising durability tests of some dual-catalyst vehicles are summarized in Table 3–4. Emissions are shown as a function of mileage. Where engine-emissions data are available, the average catalyst-conversion efficiencies over the entire CVS–CH driving cycle can be estimated and are shown in the table. Conversion efficiency is the percentage of entering emissions removed in the converter. These data show that the initial high conversion efficiency rapidly deteriorates.

The causes of this rapid deterioration in NO_x-catalyst efficiency are not yet quantitatively understood. Catalysts have a long history of success in the petroleum and chemical industries; the major processes in these industries employ steady-state conditions of temperature, pressure, and flow rate of gases, with careful exclusion of poisons. Many automobile catalysts developed today would work similarly well and probably last 50,000 miles if they could work within narrowly defined operating ranges (or "windows") in each of four variables: temperature, gas competition, gas flow, and poison concentrations. Catalysts can tolerate occasional excursions from these windows, but prolonged excursions invariably lead to slow chronic aging or quick massive failures.

In actual practice, an automobile is always in a transient condition: the catalyst is too cold during start-up and too hot during a long down-hill cruise; the air-fuel ratio is too rich on idle and too lean during high speed; the exhaust-gas flow is slow during idle and fast during upgrade cruise. The catalysts are also exposed to repeated cycles of heating and cooling, evaporation and condensation of water, pulsating flow from exhaust gases, vigorous shaking on the road, and a variety of poisons including lead and sulfur. Under these excursions from the windows, catalysts deteriorate rapidly.

TABLE 3-4.—EMISSIONS AS FUNCTION OF MILEAGE FOR DURABILITY TESTS ON DUAL-CATALYST SYSTEMS

Manufacturer, vehicle [1]	Catalysts (a) HC/CO; (b) NO_x	Mileage	Emissions, g/mile [2] HC	CO	NO_x	NO_x catalyst efficiency [3] (percent)
GENERAL MOTORS						
(1) 4,500 pounds 350 CID Chevrolet, EGR	(a) UOP, noble, pellet.	0			0.22	[4]78
	(b) Gulf, noble, pellet.	1,000	0.32	1.7	.42	[4]58
		7,000	.39	3.0	.45	[4]55
		13,000	.52	4.8	.73	[4]27
(2) 4,500 pounds 350 CID Chevrolet, EGR	(a) UOP, noble, pellet.	0	.21	1.0	.21	[4]79
	(b) Johnson-Matthey, noble, monolith.	7,000	.47	1.8	.59	[4]41
(3) 4,500 pounds 350 CID Chevrolet, EGR	(a) UOP, noble pellet. General Motors Research, pellet.	0	.36	1.8	.28	[4]72
		4,000	.57	4.1	.51	[4]49
FORD						
(1) 5,000 pounds 351 CID Ford, EGR	(a) Engelhard, monolith.	Low	.3	1.5	.56	78
	(b) Monolith.	3,000	.33	1.5	.49	80
		6,000	.48	2.6	.70	71
		9,000	.72	1.9	.89	63
	8–10 grams of platinum,[5] dual-bed converter	12,000	.66	3.6	.75	64
		16,000	.66	5.4	1.3	46
		20,000	.82	3.8	1.5	37
(2) 5,000 pounds 351 CID Ford, EGR	(a) Pellet.	Low	.35	3.8	.68	70
	(b) Pellet.	1,000	.61	3.3	.99	
		2,000	.59	3.6	1.25	
	Dual-bed converter.	6,000	.68	4.2	1.72	25

TABLE 3-4.—EMISSIONS AS FUNCTION OF MILEAGE FOR DURABILITY TESTS ON DUAL-CATALYST SYSTEMS—Continued

Manufacturer, vehicle [1]	Catalysts (a) HC/CO; (b) NO_x	Mileage	Emissions, g/mile [2] HC	CO	NO_x	NO_x catalyst efficiency [3] (percent)
(3) 4,000 pounds 250 CID Ford, no EGR	(a)	Low	.52	3.7	.39	89
	(b) ICI, pellet	4,000	.65	5.2	.48	86
NISSAN						
(1) 2,750 pounds 98 CID, EGR	(a) Noble, pellet	0	.19	.5	.28	70
	(b) Johnson-Matthey noble, monolith	3,000	.32	1.1	.7	37
		7,300	.34	1.7	1.1	6
		13,900	.67	2.7	1.1	
(2) 2,750 pounds 98 CID, EGR	(a) Noble, pellet	0	.1	.4	.3	84
	(b) Johnson-Matthey noble, monolith	5,200	.33	2.2	1.3	30
(3) 2,750 pounds 98 CID, EGR	(a) Noble, pellet	0	.17	1.2	.27	67
	(b) Johnson-Matthey noble, monolith	3,100	.38	1.8	.5	38
TOYOTA						
(1) 2,500 pounds 97 CID Reactor, EGR	(a) Palladium, pellet	0	.39	2.7	.5	----------------
		[7] 12,000	.46	2.8	.82	----------------
	(b) American Oil, base, pellet	[7] 20,000	.50	3.1	.93	----------------
(2) 2,500 pounds 97 CID Reactor, EGR	(a) Palladium, pellet	0	.29	3.0	.54	----------------
	(b) American Oil, base, pellet	[7] 12,000	.49	3.5	.81	----------------
		[7] 28,000	.52	5.7	1.5	----------------
(3) 2,500 pounds 97 CID Reactor, EGR	(a) Palladium, pellet	0	.39	3.7	.39	----------------
	(b) Toyota, platinum, pellet	4,000	.45	4.2	.51	----------------
		8,000	.40	4.3	.94	----------------
		12,000	.59	4.4	1.09	----------------
		16,000	.31	4.3	.38	----------------

[1] Emission control system includes engine modifications, air pump, NO_x catalytic converter, oxidation catalytic converter, and EGR and manifold reactor where noted.

[2] 1975 CVS-CH test procedure.

[3] NO_x catalyst efficiency is percent NO_x removed in catalytic converter.

[4] NO_x catalyst efficiency estimated from approximate engine NO_x emission of 1 gram/mile.

[5] Catalyst judged by vendor not to be available in commercial quantities.

[6] EGR system failure.

[7] Emissions at these mileages measured after maintenance.

The rate of the deterioration due to inadequate control of air-fuel ratio in the engine and the temperature fluctuation in the catalyst bed has not been quantified. Thermal degradation of the catalyst can occur due to damage to the surface structure caused by overheating. The presence of an oxidizing atmosphere even for short periods of time when the catalyst is hot is known to be detrimental, especially to the nickel-copper alloy metallic catalysts. The loss of catalytic material both from noble metal and base metal NO_x catalysts has also been observed to occur, probably due to oxidation.

It is clear that poisoning of the active catalyst material by contaminants in the fuel is the cause of some deterioration. During the last two years, it has become evident that the oxidation catalysts being tested in 1975 prototype vehicles deteriorate as a consequence of the trace quantities of lead, phosphorus, and other elements in lead-free fuels and lubricants. It is anticipated that, as a result of EPA regulations*, the lead-free fuel available in 1975 and 1976 will have average contaminant levels of about 0.03 grams/gallon lead, less than 0.005 grams/gallon phosphorus, and about 0.04 percent sulfur by weight. It is not known how severely these contaminant levels will affect the activity of the different NO_x catalysts now being evaluated. Laboratory tests on a noble metal NO_x catalyst which contained platinum and other metals showed lead poisoning of magnitude comparable to that observed with platinum oxidation catalysts. Sulfur also affected the activity of this NO_x catalyst at levels of 0.04 percent by weight or more. However, a ruthenium NO_x catalyst appeared in bench tests to be much more resistant to lead poisoning. There are NO_x catalysts of both noble metal and copper-nickel that are remarkably resistant to lead levels up to 0.5 gram/gallon. NO_x catalysts may have the ability to partially recover from sulfur poisoning if operated in an oxidizing atmosphere at high temperatures.

The ability to control air-fuel ratio within narrow limits with dual-catalyst systems is critical. It is well known that, under certain operating conditions, nitric oxide, NO, is reduced in the NO_x-catalyst bed to ammonia, most of which is then oxidized back to NO in the oxidation catalyst. Ammonia formation increases with carbon monoxide level in exhaust mixtures. Thus, whereas the air-fuel mixture must be slightly fuel-rich to provide net reducing conditions at the NO_x-catalyst bed, too great a CO level leads to excess ammonia formation and results in increased concentrations of NO in the exhaust. It appears that the air-fuel ratio must be controlled to give about 1 to 2 percent CO in the exhaust, corresponding to an air-fuel ratio of 13.8 to 14.5.

Progress is being made in the development of NO_x catalysts for automotive use. However, to retain its effectiveness, it is necessary that the catalyst be integrated into the engine-emission-control system to protect the catalyst from long excursions from its operating windows. Unfortunately, coordination of research by the automobile manufacturers and catalyst suppliers is far from ideal. The composition of the catalyst supplied to the auto manufacturer for testing is proprietary to the catalyst supplier; when failures occur during durability testing, the catalyst must be returned to the catalyst supplier for further analysis. 50,000-mile durability testing requires three to four months, 25,000-mile testing takes six to eight weeks. The process is a slow one. Many months may elapse from the time a catalyst is supplied to the time data may be available that could lead to an improved catalyst composition.

Three-Way Catalysts

Several catalyst manufacturers are developing single-bed catalysts that, under carefully controlled operating conditions, will simultaneously promote oxidation of HC and CO and reduction of NO_x.

Successful operation of such a three-way catalyst has been found to occur in a narrow window of air-fuel ratio, slightly on the rich side of stoichiometry.** The width of this window has been found to be only ±.1 air-fuel ratio, thus requiring an overall control of air-fuel ratio to within the than ±1 percent. Lean-side deviations from this window result in a drastic loss of NO_x conversions; richside deviations lead to considerable loss of HC and CO oxidation efficiencies and increased ammonia formation. The difficulties of maintaining such a close control of air-fuel ratio during all the transient conditions that occur during typical operation of an automobile have been cited in Section 3.4.

If a three-way catalyst could be successfully incorporated into a vehicle and proved to possess adequate durability a simpler system than the dual-catalyst system would result. Since there is enough oxygen present in the exhaust gas, the air pump would no longer be required. One catalyst bed would be eliminated, and the difficulties of heating up the catalyst beds rapidly to control cold start emissions would be simplified. Vehicle driveability is known to be good with a stoichiometric air-fuel mixture, and the fuel economy for a given engine would be reasonably close to optimum.

Feedback Control for Air-Fuel Ratio

The need for more close control of exhaust-gas composition both in the dual-catalyst and the 3-way catalyst system has led to the investigation of methods of achieving more precise fuel and air metering. A method that has met with some success and is under development in several European and American companies is a feedback, or closed-loop, system of fuel metering. In such a system, an oxygen sensor is used to detect the level of oxygen in the exhaust stream and to supply an error feedback signal either to an electronic fuel-injection (EFI) control module or to a specially constructed carburetor. This signal causes adjustments in the fuel or air supply, thereby maintaining close control of air-fuel ratio. Unfortunately, these oxygen sensors function only when hot and are thus ineffective in controlling cold-start emissions.

Because the oxygen sensor is an electrical transducer, it is particularly well suited for adaptation to the electronic circuitry of the EFI control module. Also, fuel-injection systems provide quicker response to error signals than do carburetors. The EFI system or carburetor used must be able to control air-fuel ratio to within ±5 percent of stoichimetry without feedback; the sensor feedback system at present has limited control authority so that it cannot correct for deviations outside this range. Current EFI systems and advanced carburetors can achieve this degree of air-fuel ratio control during steady-state operation, but deviate significantly outside the ±5 percent range during transient vehicle operation such as acceleration and deceleration. To obtain full benefit from the senor-feedback system, improvements in the performance of the basic EFI or carburetor will be required.

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*In a proposed rule-making, EPA has recommended maximum contaminant levels of 0.05 grams/gallon lead and 0.01 grams/gallon phosphorus. It is assumed that average contaminant levels will be about half the maximum levels.

**The stoichiometric air-fuel ratio is the theoretical ratio for complete combustion.

The sensor is expected to be inexpensive and a life of about 12,000 miles is the development target. The sensor could then be exchanged as a spark plug.

The durability of oxygen sensors now available is inadequate, and their life in a vehicle is only a few hours. The major problems are thermal shock, erosion of the electrodes, and maintaining good electrical contacts with the sensor. In addition, bench tests have shown that the sensor can be poisoned by lead, sulfur, phosphorus, and other impurities. Considerable development will therefore be required before the sensor and feedback system is ready for mass production.

If the durability and poisoning problems are solved, the oxygen sensor could make an important contribution to lowering emission levels and improve durability of the catalysts in the exhaust system by avoiding large variations in exhaust composition and temperature during operation of the engine.

Developments on feedback systems have been proceeding most intensively in Europe, where the performance gains of fuel-injection systems on smaller, higher-speed engines are more significant. Test results on six different European vehicles are summarized in Table 3–5. Also shown are data from Bendix, also with a compact car. These results are at low mileage; durability data are not yet available.

The sensor-feedback concept also can be used to control air-fuel ratio, and thus exhaust-gas composition, with the dual-catalyst emission-control system. This system is more complex than the three-way catalyst approach since an air pump is required to supply secondary air upstream of the oxidation catalyst, and air must be diverted to upstream of the NO_x-reduction catalyst during the cold-start portion of the test. Again, the elimination of exhaust-gas composition excursions outside the desirable operating window of the catalysts would be expected to improve catalyst life, and there is a better chance to develop separate oxidation and reduction catalysts by a given time than to find a three-way catalyst adequate to the job.

TABLE 3–5.—LOW-MILEAGE EMISSIONS FROM COMPACT AND EUROPEAN VEHICLES EQUIPPED WITH 3-WAY CATALYST SYSTEM

	Emissions in grams/mile		
	HC	CO	NO_x
6 Volkswagen vehicles with Bosch EFI and O^2 sensor; 5 percent EGR, and noble metal monolithic 3-way catalysts:			
60-test average	0.15	2.2	0.21
Range	0.1–.25	1.1–3.3	0.1–.35
Bendix tests on 2,500-lb. vehicle, 150–CID 4-cylinder engine, EFI and O^2 sensor, 8 percent EGR:			
6-test average	.24	2.8	.35
Range	.18–.30	2.1–3.2	.31–.37

Several parallel developments are necessary to make the oxygen-sensor feedback-control catalyst system more than a promising concept. First, the oxygen sensor must be shown to be durable in the exhaust environment of an operating vehicle with commercially available lead-free fuels. Second, the EFI system or carburetor must be improved to provide control of air-fuel ratio to within ±5 percent of stoichiometric for all engine operating modes, or the effective range of the feedback system must be extended. Finally, either the durability of the catalyst in the three-way system must be demonstrated, or a durable NO_x-reduction catalyst must be developed for the dual-catalyst system. The effects of fuel contaminants and temperature fluctuations on the catalyst activity and size of the required air-fuel ratio operating window are unknown at this time.

Thermal Reactors

A substantial amount of work has been done on emission-control systems that incorporate a thermal reactor, a chamber in which HC and CO emissions are burned after leaving the engine. Typically the reactor is bolted to the cylinder head in place of the normal exhaust manifold, although some systems employ thermal reactors further back in the exhaust system. Some systems combine a thermal reactor with catalysts; some use a thermal reactor alone.

There have been two basic versions of systems using a thermal reactor only: fuel-rich and fuel-lean systems. The fuel-rich system results in less NO_x formation, but only at the expense of substantially poorer fuel economy. The lean system does not require air injection, so it has the advantage of being simpler. Fuel-rich reactor cars typically operate in the range of air-fuel ratios from 11:1 to 13.1, while lean reactor cars operate at air-fuel ratios of 17 to 19:1, depending upon the degree of exhaust-gas recirculation. These ranges of operation result in acceptable but not always good driveability.

A major difficulty in thermal-reactor systems has been achieving high enough gas temperature inside the reactor to burn up the engine HC and CO emissions. In the rich-reactor approach, the chemical energy in the exhaust is used to obtain core gas temperatures of up to 1800°F. Rich reactor systems achieve better emissions control than lean reactor systems, but have a much higher fuel-economy penalty and have more severe durability problems because of the higher temperatures.

Systems that combine one or more thermal reactors with catalytic converters are also being developed. In most of these systems, the thermal reactor bolted to the cylinder head is used to achieve partial burn-up of the engine HC and CO emissions to reduce the load on the oxidation catalyst downstream.

General Motors is developing a reactor-catalyst combination called a triple-mode system. The aim of the system is to avoid damaging the NO_x and oxidation catalyst beds by overheating during engine operation at high load. At about 55 mph vehicle speed, the dual-catalyst system is bypassed through a thermal reactor. HC, CO, and NO_x emissions from the vehicle are all higher during the bypass mode. At lower speeds, the bypass is sealed with a valve. This system has met the 1976 standards at low mileage; its durability has yet to be established. The system is more complicated than the dual-catalyst system; the development of an effective valve is a formidable problem since the bypass must be sealed tight when not in use; and the emissions at high vehicle speed are higher than values obtained with the dual-catalyst system alone. The claimed, but yet to be demonstrated, advantage is that catalyst life would be extended by the elimination of prolonged high-temperature catalyst operation.

Another reactor-plus-catalyst approach is being developed by Questor. Their system consists of a small-volume thermal reactor bolted onto the cylinder head, in which partial oxidation of engine HC and CO emissions occurs, followed by an Inconel 601 screen NO_x-reduction catalyst, followed by a final oxidizing thermal reactor. Air is injected into the exhaust ports and downstream of the NO_x catalyst. The engine is operated fuel-rich, so there is a fuel economy penalty relative to the 1971 production test vehicle of 25 percent in stop-and-go driving. Low-mileage emissions are below the 1976 standards, and some durability has been demonstrated. Mileage accumulation is being done with highly leaded fuels, and lead poisoning of the catalyst appears not to be a problem. Catalyst overheating is controlled by water injection.

Wankel Engine

The Wankel rotary engine is being developed by some manufacturers because it offers the potential of being a small, smooth-running, lightweight, relatively inexpensive power plant. Fuel economy of the bare engine is generally poorer than that of a piston engine of comparable power, and there have been durability problems, but development is continuing.

At the present state of development, emissions from an uncontrolled Wankel engine compare with those of an uncontrolled piston engine of equivalent power approximately as follows: hydrocarbons 2–5 times higher, carbon monoxide 1–3 times higher, and oxides of nitrogen 25–75 percent lower.

The effect of EGR on emissions from a Wankel engine without a catalyst or thermal reactor is shown in Table 3–6. With penalties in fuel economy and driveability, EGR can be quite effective in reducing NO_x emissions. However, HC and CO emissions are high, and these can be reduced to approach the 1975/76 standards only by using external emission-control devices. The small engine size provides an advantage in packaging these devices.

TABLE 3–6.—EFFECT OF EGR ON WANKEL BARE ENGINE NO_x EMISSIONS[1]

	Emissions in grams/mile[2]			
Condition	HC	CO	NO_x	Driveability
Baseline engine	19	50	2.5	Production.
Driveability limited EGR	19	50	1.4	Poor.
Richer carburetor setting plus EGR	20	65	.75	Acceptable.
Leaner carburetor improved induction system, EGR	19	55	.3	Acceptable.

[1] General Motors data at low mileage, 2,750 pound car.

[2] 1975 CVS–CH test procedure.

With its inherently high exhaust temperatures and its exhaust ports all adjacent, the Wankel engine is particularly well suited to emission control by a thermal reactor. Current production rotary engines on compact cars operated with rich carburetor settings and thermal reactors have been developed to meet the 1975 standards with NO_x levels of about 1 gram per mile. However, the fuel-economy penalty compared with a current equivalent piston engine is about 30 percent. The use of EGR and richer carburetion with the thermal reactor reduces NOx-emission levels, but not yet to 0.4 grams per mile with adequate driveability. The fuel-economy penalty increases by a further 5 percent. Table 3–7 lists the best emission levels obtained with thermal-reactor Wankel-engine systems. Several of these cars have met the levels of the 1975 standards, and one has nearly met the 1976 levels.

Toyo Kogyo has demonstrated durability of the rich thermal-reactor system by testing one car successfully to 50,000 miles, and with another still under test at 28,000 miles. The emissions from these cars have remained below the 1975 standards, and work to achieve the 1976 NOx requirement is continuing.

The best results achieved with oxidation catalysts and rotary engines are shown in Table 3–8. Levels approaching the 1975 standards of HC and CO have been achieved at low mileage with a compact car.

Other control approaches with the Wankel engine have been less extensively developed. At leaner carburetor settings, oxidation catalysts have been shown to reduce HC emissions at low mileage in a compact car to levels about 50 percent above the 1976 standards, and CO to well below the standard. However, the durability of the rotary-engine systems with catalysts has not been evaluated. EGR has been shown to reduce NO_x levels below 0.4 grams per mile, but engine HC and CO emissions were comparable to uncontrolled piston-engine levels.

Stratified-Charge Engines

Stratified-charge spark-ignition engines are being developed to remove some of the performance and emissions limitations of conventional spark-ignition engines by controlling the air-fuel mixing and combustion process occurring inside the engine cylinder. The basic concept is not new and was first suggested in the early 1920's. Two stratified-charge engine types have been developed to the multi-cylinder engine stage.

TABLE 3-7.—BEST EMISSIONS RESULTS, THERMAL REACTOR AND WANKEL ENGINE 2,750-LB., COMPACT CAR

Manufacturer and system [1]	Mileage	Number of tests	Emissions in grams/mile [2] HC	CO	NO_x	Fue penalty,[3] percen
Toyo Kogyo:						
Reactor	4,000	(4)	0.32	3.1	0.83	6.5
	50,000	3	.36	2.6	.87	
Reactor plus EGR	(5)	8	.35	2.2	.49	21.0
General Motors:						
Reactor	(4)	72	.60	5.0	.60	
Best effort	(5)	1	.43	2.8	.44	

[1] All these systems are carbureted fuel rich (about 12:1).
[2] 1975 CVS-CH test procedure.
[3] Relative to 1973 production rotary engine car.
[4] Many.
[5] Low.

TABLE 3-8.—EMISSIONS AT LOW MILEAGE, ROTARY ENGINE WITH OXIDATION CATALYST [1]

System	Number of tests	Emissions grams/mile [2] HC	CO	NO_x
Oxidation catalyst and air pump	22	0.7	0.4	1.2
Best effort	1	.4	.2	1.0

[1] General Motors data, 2,750-lb. car.
[2] 1975 CVS–CH test procedure.

Fuel-Injected Stratified-Charge Engines

This stratified-charge engine concept employs a combination of air inlet port swirl and high-pressure timed combustion-chamber fuel injection to achieve a local fuel-rich ignitable mixture near the point of ignition while the overall air-fuel ratio supplied to the engine is fuel-lean for most operating conditions.

Research and development on this concept, the open-chamber stratified-charge engine, has been sponsored by the U.S. Army Tank and Automotive Command (TACOM) for a number of years. This work has involved development and testing of two engine designs, one based on the Ford Programmed Combustion Process (PROCO) and the other based on the Texaco Combustion Process (TCP). The present TACOM vehicles employ exhaust-gas recirculation for NO_x control and oxidizing catalysts for control of carbon monoxide and particularly unburned hydrocarbons. As a consequence, the usual problems with oxidizing catalyst durability have been experienced. These engines are four-cylinder engines nominally rated at 70 horsepower for the military jeep.

Military vehicles equipped with four-cylinder L-141 engines modified by both Ford and Texaco are currently undergoing emissions durability tests. Emissions levels for these vehicles, which are equipped with oxidizing catalysts and exhaust-gas recirculation, are presented in Table 3–9 for the Ford and Texaco vehicles. Results indicate that with low vehicle mileage these systems are capable of meeting the 1976 federal emissions standards. Durability results are also presented. The most important conclusion from the durability tests is that the basic combustion process is stable. Difficulties with plugging of EGR systems with particulates were experienced during this mileage accumulation. The Ford engine required two catalyst changes and frequent maintenance. The Texaco engine used three oxidation catalysts in series to achieve the required HC and CO emission control. These engines are still in the research stage and are not production prototypes. Durability tests with these vehicles are continuing at the present time. In addition to work performed under contract to TACOM, Ford has conducted experiments involving this type of engine in passenger cars. Both four-cylinder and eight-cylinder engine conversions have been used. In addition, stratified-charge engine installations have been made on two commercial-type vehicles. It is evident from Table 3–10 that several of the vehicles under test in this program are capable of meeting the 1976 federal emission standards at low vehicle mileage.

One of the advantages of the stratified-charge engine is excellent fuel economy relative to conventional engines, particularly when emissions controls are applied. The original version of the stratified-charge L–141 engine developed for optimum fuel economy showed a 30 percent fuel economy gain over the conventional carbureted engine. However, as in a conventional engine, when EGR is used to reduce NO_x emissions, the fuel economy is reduced. With NO_x emissions at 0.33 grams per mile, the emissions-controlled stratified-charge engine fuel economy is comparable to that of the original L–141 conventional engine. With less EGR, at 0.7 grams per mile NO_x, about a 10 percent fuel economy gain is obtained.

TABLE 3-9.—EMISSIONS FROM MILITARY JEEP WITH STRATIFIED-CHARGE ENGINE [1]

Engine	Mileage	Emissions grams/mile [2] HC	CO	NO_x
L–141 Ford, PROCO	(3)	0.37	0.93	0.33
	[4] 17,123	.64	.46	.38
L–141 Texaco, TCP [5]	(3)	.37	.23	.31
	10,000	.77	1.90	.38

[1] Emission controls include oxidation catalyst, EGR, throttling at light load.
[2] 1975 CVS-CH test procedure.
[3] Low.
[4] Vehicle required 2 oxidation catalyst changes during the 17,123 mileage durability testing.
[5] 3 oxidation catalysts in series used to achieve low HC and CO emissions.

TABLE 3-10.—LOW-MILEAGE EMISSION LEVELS FOR PROCO CONVERSION

[Figures are Averages for Number of Tests Shown, all vehicles use EGR and noble metal catalysts]

	CVS/CH test, grams/mile HC	CO	NO_x	CVS fuel economy, miles/gallon	Inertia test, weight, pounds	Number of tests
PROCO 141–CID Capris	0.12	0.46	0.32	20.4	2,500	6
	.13	.18	.33	25.1		
	.11	.27	.32	22.3	2,500	
PROCO 351–CID Torino	.30	.37	.37	14.4	4,500	5
PROCO 351–CID Montegos	.36	.13	.63			
	.33	1.08	.39	12.8		
M–151 PROCO ¼-ton truck	.12	.30	.34	20.2	3,000	4
¼-ton PROCO mail truck	.18	.21	.51	22.9	2,500	9

Carbureted Stratified-Charge Engine

An alternative approach, the CVCC system, now being developed by Honda, achieves charge stratification with a prechamber and dual carburetor. The engine uses a conventional engine block, pistons, and spark plugs; only the cylinder head, intake and exhaust manifolds, and carburetor are modified. The cylinder head contains a small precombustion chamber in addition to the main combustion chamber. The spark plug is located in the prechamber, which is fed through a separate carburetor and intake system with a fuel-rich mixture through a small third valve. The main carburetor and intake system feeds a fuel-lean mixture to the normal intake valve.

The fuel-rich mixture ensures good ignition; the approximately stoichiometric mixture at the prechamber exit propagates the flame into the fuel-lean mixture in the main chamber. A slow-burning flame is required to reduce NO_x formation and allow HC and CO burnup inside the engine. Emissions of NO_x CO, and HC are all lower than those of a conventional engine at the same lean air-fuel ratios.

In February 1971, emissions data with this system on engine dynamometer tests indicated the engine could meet 1975 standards;

the first successful care test that met the standards was in Spring 1972. In addition to developing a 2-liter, 4-cylinder engine for their own vehicle, Honda has applied the same techniques to modify two Chevrolet Vega 4-cylinder engines.

The Honda system is the most developed stratified-charge engine to date and has the lowest bare-engine emissions. Low-mileage emissions data are given in Table 3–11 for 54 Honda vehicles and two modified GM Vegas. All these cars met the 1975 standards without EGR or exhaust treatment, and Honda has expressed confidence that larger engines using the CVCC approach could also be made to meet 1975 standards without a catalyst. Especially impressive is the standard deviation of the low-mileage emissions of these vehicles. The standard deviation is 10 to 15 percent of the mean emissions. In comparison, mass-produced conventional-engine vehicles show standard deviations of 30 percent of the mean at higher emission levels.

Three Honda cars have completed 50,000-mile durability testing and met the 1975 standards with ease at every 4,000 miles. Data for these tests are given in Table 3–12. The Federal Test Procedure 11-lap mode was followed in these tests. Maintenance required was minor.

TABLE 3-11.—LOW-MILEAGE EMISSIONS DATA FROM HONDA TESTS OF CVCC SYSTEM

Vehicle	Engine displacement, cubic inches	Number of vehicles	Emissions grams/mile [1] HC	CO	NO_x
Honda Civic with CVCC, manual transmission	122	25	0.23	2.41	0.95
Honda Civic with CVCC, automatic transmission	122	3	.23	2.60	1.15
Honda Civic with improved CVCC, manual transmission	122	25	.21	2.33	.75
Honda Civic with further improvements, manual transmission	122	[2]1	.25	2.5	.43
Original GM Vega, manual transmission	140	1	.13	10.6	3.80
GM Vega with CVCC, manual transmission	140	[3]1	.26	2.9	1.18
GM Vega with improved CVCC manual transmission	140	[3]1	.26	2.62	1.16

[1] 1975 CVS–CH test procedure.

[2] Average of 3 tests.

[3] 2-test average.

Note: Data for this table current on Nov. 24, 1972.

TABLE 3-12.—DURABILITY DATA FROM HONDA TESTS OF CVCC SYSTEM

Vehicle number and miles [1]	Emissions HC	Emissions CO	Emissions NO_x	Deterioration factor HC	Deterioration factor CO	Deterioration factor NO_x
1006:						
4,000	0.22	2.4	0.96	1.16	1.07	1.03
50,000	.26	2.6	.99			
2033:						
4,000	.21	2.7	.95			
50,000 extrapolated [2]	.25	2.7	.90	1.15	1.08	1.04
50,000 actual	.21	2.2	.93			
2034:						
4,000	.25	2.5	.89			
50,000 extrapolated [2]	.25	2.6	.82	1.06	1.05	.98
50,000 actual	.22	2.2	.70			
2035:						
4,000	.21	2.4	.95			
50,000 extrapolated [2]	.24	2.7	.96	1.12	1.12	1.00
36,000 actual	.19	2.2	.80			

[1] Mileage accumulation for vehicle No. 1006 was obtained on a chassis dynamometer. The other 3 vehicles were run on a proving ground.

[2] Vehicles 2033, 2034, and 2035 were modified to an improved version before the 50,000-mile testing was completed. Thus, to calculate deterioration factors, emission values at 50,000 miles were extrapolated from preceding measurements.

Note: Data for this table were current on Nov. 24, 1972.

In a recent series of three tests at low mileage, the average emissions measured were 0.25 grams per mile HC, 2.5 grams per mile CO, and 0.43 grams per mile NO_x. These levels were achieved by improving the configuration of the auxiliary combustion chamber and the air-fuel control pattern. No EGR or exhaust-treatment devices were used.

The emissions are not especially sensitive to variations in air-fuel ratio. Thus the required performance of the double carburetor system is no more demanding than current requirements. The two throttle plates are linked mechanically. The mean air-fuel ratio varies with operating mode.

The new cylinder head is about the same height as a conventional head. The new head, intake, and carburetor on the modified Vega fit comfortably into the engine compartment. The engine can operate on regular leaded gasoline; durability testing has been on unleaded gasoline to simulate fuel anticipated in the United States in 1975.

The effects on vehicle performance of the CVCC system are small. There is a slight loss in power for the same engine displacement due to leaner operation and decreased volumetric efficiency. Fuel economy is essentially unchanged. There are no driveability penalties.

Development of the Honda CVCC engine to achieve lower NO_x emissions is continuing. The effects of EGR and modifications to the basic combustion process are being examined.

Effect of Emission-Control Devices on Vehicle Performance, Driveability, Fuel Economy, and Safety

Some of the emission-control devices and techniques required to meet the 1976 emission standards have a profound effect on at least three areas of vehicle performance: acceleration capability, fuel economy, and driveability. There is also some concern that poor performance of such cars will make them unsafe in certain circumstances, for example, if the vehicle stalls when accelerating into fast-moving traffic. The customer is sensitive to these characteristics which affect both his pocketbook and his attitude toward any particular vehicle. Traditionally this area has been one in which customer complaints and warranty returns have been especially prevalent. It is therefore not surprising that manufacturers have registered great concern in the past about the adverse effects of emission control devices. By the same token, however, the market place imposes considerable inherent motivation for manufacturers to devote great attention to product improvement in these areas.

The comments that follow in this section refer primarily to vehicles equipped with the dual-catalyst emission-control system.

In general, vehicle acceleration capability is reduced by control measures applied for control of all three pollutants (HC, CO, and NO_x); however, NO_x control measures which reduce combustion temperature have the most serious deleterious effects. Reductions in compression ratio to enable use of lower-octane gasoline resulted in acceleration penalties, as did the minimization of enrichment techniques formerly provided specifically for rapid acceleration capability. In addition, the use of EGR to reduce combustion temperatures and thereby inhibit NO_x production imposes a severe acceleration penalty.

Losses in fuel economy accompany most of these losses in acceleration capability and are aggravated by countermeasures taken to overcome deficiencies in acceleration capability and driveability. Many of the smaller engines have been dropped in the various car lines. The use of a larger displacement engine results in a fuel economy penalty for both city and open-highway driving. When EGR is used to control NO_x emissions, the mixture must be enriched to retain adequate driveability, causing drastic reductions in fuel economy.

The most troublesome of numerous driveability problems is the cold-start problem. The quick choke action and subsequent lean mixtures required to minimize HC and CO emissions introduce problems with engine stalls and unsatisfactory drive-away during warm-up. EGR and spark retard cause such problems as lack of response, die-outs, and hesitation on acceleration.

In its January 1, 1972, report, the CMVE concluded that all three areas of vehicle performance discussed above would be adversely affected by the 1975 emission-control systems. Information received from manufacturers indicated losses in acceleration capability ranging from a minimum of 5 percent to a maximum of 20 percent over 1971 levels. All manufacturers anticipated losses in driveability, in some cases indicated to be severe. Anticipated increases in fuel consumption ranged from 5 to 15 percent for standard sized cars up to 20 to 30 percent for small cars, again over 1971 levels. Much of the deterioration in performance was anticipated to come with the introduction of NO_x requirements in 1973, and early reports on performance of the new models have confirmed this.

During 1972, the CMVE has received reports on both the 1975 and 1976 emission-control system progress. While manufacturers are still concerned with performance, particularly fuel consumption, the concern over vehicle driveability has diminished.

No substantial new acceleration, fuel economy, or driveability problems are introduced with the 1976 emission-control systems compared with the 1975 systems. At the same time, considerable progress has been made in finding solutions to problems that appeared to be very serious one year ago. It seems likely that competitive pressures will result in further improvements and improved reliability in these performance areas. The effort required is essentially engineering development based on extensive field experience with these new systems. The major long-term concern should be the continuing fuel economy penalty which results from the decreased compression ratio to allow the use of unleaded fuels, compounded by the use of EGR to control NO_x emissions to very low levels, and aggravated by the increased engine sizes introduced to compensate for the loss in performance.

Alternative fuels

One approach to reduce emissions from conventional engines is the use of alternative fuels. The use of liquefied natural gas (LNG), liquefied petroleum gas (LPG), hydrogen, and alcohols have been considered by the Committee.

Liquefied natural gas and liquefied petroleum gas

Both industry and governmental groups have evaluated natural gas and propane (LPG) to determine their capability in reducing emissions from automobiles. One engine manufacturer showed that emission levels approaching the 1975–76 standards can be achieved, but exhaust gas recirculation is still required to reduce NO_x formation to the 1975–76 standard. There is an 8 percent loss in peak engine power (350 cu. in. 1970 engine) from gasoline when using LPG and a 15 percent loss using natural gas. There is a substantial loss in fuel economy (30 percent), and driveability is impaired. The use of LPG for starting and warm-up in a dual-fuel car using gasoline for conventional operation was attempted. Cold-start emissions are decreased.

On an experimental natural-gas 6-cylinder engine sized for but operation, another manufacturer showed that the use of compressed or liquefied natural gas would produce emissions which would meet 1975 standards. The 1976 NO_x standard could be met only with EGR, a catalytic after-burner, and a great reduction in performance. The emissions were odorless and there was no particulate matter present.

There are over 5,000 cars converted to run on gaseous fuels in the Los Angeles basin where gas supplies and liquid systems have been joined together to provide the gaseous fuels to the car operators. Emissions are cleaner, maintenance is reduced, but a heavy bulky tank is required to hold the gaseous fuel.

Status of liquefied-gas substitutes for gasoline

The CMVE has investigated the technical problems and economic factors involved in supplying natural gas and LPG. It is possible to modify the petroleum refining process so that LPG can be substituted for gasoline for motor vehicles. The original capital costs would be in the $50 billion range. The fuel costs to the customer would be about twice as much as gasoline presently costs. Also, there is a serious net loss of energy in changing from gasoline to LPG. The percentage of crude oil consumed in the processing operations would increase from about 4 percent to about 14 percent. This would be an unrecoverable waste of natural resources.

There is not enough LPG, LNG, or Synthetic Natural Gas (SNG) currently available to be significant if conversion were desired now. A three-year lead-time for making changes for supplying these alternative fuels is a minimum.

Hydrogen

Hydrogen gas has three properties which when taken together, give it a unique potential as a vehicular fuel. First, since there is no carbon in the fuel, the problems of unburned hydrocarbons and of carbon monoxide do not exist. No after-burner, catalyst, or other secondary reaction vessels are needed.

Second, the flammability limits of hydrogen are extremely wide. The volume percentage of hydrogen in air can range over a factor of 19 and still be ignited by a spark. This contrasts with the factor of 5 for gasoline vapor. Because of this high flammability range, very lean mixtures of hydrogen gas may be used, thereby insuring that NO_x will stay within acceptable standards. With hydrogen as a fuel, no EGR is needed to reduce NO_x.

Third, the supply of hydrogen gas is virtually inexhaustible, although plants for its mass production are not yet available. Currently, the cheapest way of making hydrogen gas is to use natural gas as a base material. When natural gas approaches exhaustion, the cheapest way of making hydrogen gas will be to use coal as the base material. When the price of coal becomes too high, hydrogen can be made by heating or electrolyzing water. A source of energy is required to produce hydrogen by any of these methods.

An engine burning hdrogen gas at stoichiometric ratio emits no measurable hydrocarbons, organic or sulfur compounds, and only one-tenth the NO_x as when burning gasoline vapor at its stoichiometric ratio. Furthermore, at an air-fuel ratio of 1.75 times stoichiometric, the NO_x composition of the hydrogen exhaust is reduced by a further factor of 20, well below the 1976 standards. Several experimenters have reported satisfactory performance from internal combustion engines converted to hydrogen fuel.

The cryogenic fuel tank plus its hydrogen fuel would weigh 40 percent less than the conventional tank plus its gasoline having the same cruising radius, but would occupy five times the volume. Other storage methods are being sought.

One company is attempting to produce H_2 and CO_2 from unleaded gasoline in the car gas tank using a small reformer located in the trunk of the car. The H_2 and CO_2, produced in small quantities to avoid safety problems, could be burned cleanly in the slightly modified Otto-cycle engine. Questions remain on the ability of the reformer to carry out this reaction and on its efficiency, size and cost. Sound experimental work and socio-economic impact studies on the use of hydrogen as a vehicular fuel are required before unqualified success could be claimed for the approach. In any case large-scale use of hydrogen as an automotive fuel is not possible by 1976.

Alcohols

Alcohol has been proposed and used as a fuel for the internal-combustion engine; e.g., methyl alcohol is widely used as a racing fuel. Methanol has the advantage of providing a lower combustion temperature, reducing the NO_x emissions, and it also has lower lean misfire limits than gasoline, thus reducing HC, CO, and NO_x emissions while maintaining a satisfactory driveability. Emissions tests have been run on a 1970 American Motors Gremlin, using pure methanol as fuel, with a platinum catalyst converter in the exhaust. Emissions of HC, CO, and NO_x, using the 1972 CVS Federal Test Procedure, were below the 1976 standards.

Methanol has a lower heating value than gasoline, so yields correspondingly fewer miles per gallon. Starting at low temperatures with methanol is a problem; volatile compounds have to be added to assure starting.

Similar data on ethanol are not available. Tests on gasoline with up to 30 percent ethanol as fuel show no substantial improvement in emissions over pure gasoline.

POTENTIAL OF SPARK-IGNITION INTERNAL-COMBUSTION ENGINES FOR MEETING STANDARDS IN USE

Introduction

Section 3 presented an evaluation of the feasibility of spark-ignition internal-combustion engines passing the certification test for 1975 and 1976. This section assesses the feasibility of such engines continuing to meet the standards in customers' hands.

In this assessment, the first question to be answered is the adequacy of the certification test to evaluate the emissions performance of vehicles in customers' hands. The next question is the maintenance required on prospective 1975–76 control systems to achieve compliance in use. This calls for discussion of the procedures necessary to ensure proper maintenance, namely the nature and feasibility of required testing and maintenance. The latter depends in turn on the adequacy of the service industry and the interest of state governmental bodies enacting required legislation. Perhaps the overriding question is whether adequate consideration has been given to maintenance in the design of planned 1976 emission-control systems, most of which involve the use of catalytic converters.

Differences Between Certification Test and In-Use Operation

It is relevant to discuss here some of the more significant differences between the stresses on the emission-control system experienced during certification and during normal customer operation. The driving modes specified in the mileage-accumulation schedule of the certification procedure do not represent all the possible modes encountered in real life. There are some not included, such as sustained operation at high engine power and long decelerations, that will provide severe tests for emission-control systems, especially those using catalytic converters. Ford believes the certification test driving does not provide enough mechanical stress on the catalyst, especially if the driving is carried out on an automatically operated dynamometer, which is the usual procedure for the accumulation of mileage. The vehicles are stopped only for tests every 4,000 miles; in normal use, of course, vehicles stop much more frequently. With catalytic systems, catalysts will heat up and cool down several hundred more times in 50,000 miles of normal use than in certification. The New York City Department of Air Resources has also pointed out that the certification procedure does not represent actual driving conditions because of insufficient allowance for the effect of accessories.

Sufficient data are not available to fully assess the effects of low-temperature operation on catalyst durability. However, increased loading on the catalysts due to low ambient temperatures, as well as occasional bouts of freezing and thawing, appear to offer inuse conditions that would lead to the necessity for more frequent catalyst replacement than during the certification procedure.

The durability phase of the certification test should be sufficiently demanding to establish that the emission-control systems will perform in the hands of customers. The allowable maintenance in the durability test—one major tuneup in 50,000 miles—was selected to make the test tough and realistic. In real life, much more frequent maintenance will probably be necessary to keep 1975–1976 systems within the specified emissions levels, and the Act (Section 207(c) (3)) requires the manufacturers to furnish written maintenance instructions with each new vehicle. Manufacturers are in agreement that more maintenance than is allowed in the certification test will be necessary in actual use. This is supported by the fact that manufacturers are now requiring more maintenance as a condition of warranty than they were allowed in the certification procedure.

In summary, the Committee recognizes that vehicles in customers' hands will not be driven according to the CVS–1975 test procedure, will not be driven according to the durability driving schedule, and will not receive the maintenance specified by the manufacturer without rigid enforcement procedures. Therefore, stresses on the systems may be substantially greater in customer usage than in certification, and in-use emission levels may thus be correspondingly higher.

Maintenance Procedures Required for 1975–76 Systems

Although there are no data on the deterioration of the projected 1975–76 control systems in customer use, there are data on the typical deterioration of emission levels from the cars now being driven. These data provide some limited indication of the deterioration as a function of mileage that can be expected to occur with the new systems. Information provided by EPA, California, and ARCO on 1971 and prior model year cars indicates a substantial increase in emissions in customer use. Emissions were found to exceed the applicable standards at relatively low mileage.

The most comprehensive surveillance data on the emissions of cars in use have been taken by the California Air Resources Board. Data taken between January and March 1972 showed that 1970 model year cars, with an average accumulation of 32,000 miles, exceed the applicable California standards for all three pollutants by amounts ranging from 10 to 60 percent. 1971 model year cars, with an average mileage accumulation of only 13,000 miles, exceeded the applicable standards for at least one of the pollutants. Cars for these model years contain neither catalysts nor much of the other complex hardware proposed by most manufacturers for 1975–76 model years. Further, the applicable standards for California for these model years are many times higher than the federal standards for 1975 and 1976.

The dual-catalyst emission-control system proposed by most manufacturers for 1976 model year vehicles is a far more complex system than that used on current vehicles. Involved are a multitude of control valves, quick-warm-up systems, control circuits, etc., as shown in Figure 3–1. Of all these components, the catalysts themselves appear to be the least durable items. Spark plug misfire, sustained operation at high engine power, and descent down long hills are examples of situations that would result in catalyst overheating and possible failure. Such vehicle operation and driving modes would not occur in the mileage accumulation specified for the certification test.

In addition, there appears to be little incentive for the car owner to maintain the emission-control system. To the contrary, the engine will run more efficiently and smoothly with some elements of the emission-control system inoperative. For example, plugging of the EGR system would improve gas mileage, although also increased NO_x emissions. Increase of choking time would improve vehicle starting characteristics, yet also increase cold-start emissions.

The importance of adequate maintenance is recognized in Section 207(b) (2) (A) of the Clean Air Act, which requires manufacturers to warrant their emission-control systems to the purchaser if the vehicle or engine is maintained and operated in accordance with the manufacturer's instructions, and, in the recall provisions of Section 207(c) (1), which empowers the Administrator to recall a class of vehicles or engines if a substantial number of vehicles in each class, although properly maintained and used, do not conform with the standards. The recall provisions could be enforced by relatively frequent analysis of emissions from a sample fleet, carefully chosen for appropriate statistical representation. Should these give evidence of rapid deterioration of the control system, the recall power provided by Section 207(c) of the Act may then be invoked, with the manufacturer specifically enjoined to replace defective parts, and to defray the associated labor costs at his expense. In this situation, the burden falls not only on the manufacturer for recall and repair, but also on the car owner, for performing the required routine maintenance and for responding to notification of recall.

In order to achieve the reduction in automotive emissions anticipated by the Clean Air Act, it is apparent that methods must be provided for ensuring proper maintenance of the 1975 and 1976 emission-control systems in public use. Methods of ensuring the required maintenance include:

1. Requiring the service industry to adjust each car to manufacturer's specifications when performing any maintenance.
2. Periodically testing all cars and designating for adjustment or repair those not meeting pre-selected standards.
3. Periodically subjecting all cars to adjustment or repair.

The first method is based on the probability that the manufacturer's specifications for 1975–76 vehicles will represent adjustment to minimum emissions. Mechanics currently adjust cars for high performance. If they continue to do this when manufacturers' specifications are for low-emission adjustments, the cars will emit above the standards.

The principal variations in the second method are related to how much of the work is done in state-owned and how much in privately owned facilities, the testing procedure used, testing frequency, pass/fail standards, provision for retesting after repair/adjustment, and disposition of vehicles that cannot meet the standards.

The significant variations in the third method are related to whether the cars are adjusted to some pre-selected standards and whether preventive maintenance is included. Preventive maintenance may be the best feature of this method. Other methods for ensuring the maintenance of cars in use are probably feasible only if engineering changes, which do not seem likely by 1976, are made. They are:

4. Repair at the time of failure of any important emission-control device based on the presence of devices that signal the failure not only to the driver but also to the traffic officer.
5. Repair at the time of failure of any important emission-control device based on the manufacture of control systems that noticeably degrade the vehicle performance when an important component fails.
6. Prescribed maintenance at predetermined intervals. This method would require strict quality control of the manufacturing process so that essentially every car was held to a configuration proved to give low emissions in actual use.

Adequacy of the Service Industry

Training

The service industry at the present time is not adequate to service 1975–76 cars from an emission control standpoint. Knowledge of the devices, the diagnostic equipment, and the number of mechanics are inadequate. The number of vehicles per mechanic in the country has risen from 75 in 1950 to 145 in 1970. During the same time, cars have become more complex and less repair-oriented in design. The states that have studied the problem all feel that training on emission-control devices is needed and that the states should be responsible for recommending suitable equipment. New York plans to certify garages as properly equipped for emission-control work. California licenses mechanics, and New Jersey will depend on the promise of large-volume business to motivate the private sector to establish its own training and licensing programs. The service-industry mechanic will have to be trained to understand and perform repairs and adjustments whether or not he performs the complete or partial diagnosis to isolate problems causing excessive emissions. The amount of training will vary slightly with the degree of state control on mechanics, but will generally have to be extensive.

Number of mechanics

The number of mechanics required to maintain 1975–76 emission-control systems will depend upon the interpretation of the 50,000-mile warranty provision of the 1970 Clean Air Amendments. If the new-car dealerships assume the responsibility and owners are required to bring their cars into the dealers' garages for periodic inspection and maintenance, a new force of about 12,000 mechanics per year will need to be trained for the dealers, on the assumption that 1975–76 control systems will require about two hours more per year than now spent to perform routine inspection and maintenance. This number of men will need to be added each year for about five years if new-car dealers maintain new cars during warranties: i.e., a new work force of about 60,000 men will be needed by 1980. When warranties expire, experience has shown that most owners will take their cars to garages other than new car dealers; hence, after 1980, an indefinite number of additional mechanics in garages other than new car dealers will need to be trained. The number of mechanics needed in the service industry is difficult to estimate because most of them will probably work only part time on emission control.

California is the only state that licenses mechanics to install and repair emission-control devices at this time. Only a few other states have plans to license mechanics. A Northrup study for the State of California and a similiar study by the State of New Jersey have shown that a simple indoctrination of mechanics is not sufficient to obtain cost-effective emission tune-ups.

Equipment

The garages in the service industry will need to be significantly upgraded with new equipment to perform diagnoses and tests to determine if vehicles need adjustment or repair and to show that the adjustments and repairs were accomplished. The amount of equipment needed will depend partially on whether or not the state operates inspection stations and what kind of inspection test the state performs. However, the state inspection system that would significantly reduce service-industry equipment requirements would be one in which the state would perform the complete diagnosis and instruct mechanics on what parts to replace.

State Action

Inspection and maintenance systems

State governments have been interested in inspection and maintenance of motor vehicles as a means of reducing exhaust emissions for many years. For example, the New Jersey system, put in operation on July 5, 1972, is the outgrowth of an investigation that started in 1966. It should be noted that even in the New Jersey system, which is the farthest advanced, the features of compulsory maintenance will not be instituted until July 5, 1973. The first year of inspections is being used only to educate the public and eliminate the difficulties.

California has required a certificate of compliance from licensed installation stations since PCV valves were first required in 1963. Idle-exhaust measurement for HC and CO is also now done as part of California's roadside safety inspection. Cars exceeding inspection standards must be taken to a licensed mechanic for adjustment, and a notice that the work was done must be returned by mail.

This interest in inspection/maintenance systems undoubtedly arose from the knowledge that a well-maintained car emits less pollutants. A large impetus toward such systems has been added by the realization that the manufacture of cars meeting the 1975 and 1976 federal standards is not sufficient unless some system can be found to keep the complicated emission-control devices operating properly.

A survey of the present status of the state efforts to establish inspection/maintenance systems and an investigation of the reasons for the long-time delay in even the most active programs are, therefore, relevant parts of the Committee's investigation of methods of ensuring that the 1975–1976 cars meet the federal standards in actual use.

Certain federal action or lack thereof has had a noticeable effect on state action in this field. The Clean Air Act generally preempted motor vehicle emission control for the federal government. This raised several problems connected with the design of state systems. The first is a tendency toward delay; in the few cases in which a state had already started the design, revision was necessary and the states which had not started tended to wait for federal action.

Also pertinent are Sections 110 and 207 of the Clean Air Act. Section 110 requires the states to submit a plan for the implementation of the national ambient-air quality standards, and Section 207, deals specifically with motor vehicle compliance. Under the latter, once EPA determines that adequate inspection procedures are available, they are to be established by regulation. Since implementation plans are not yet final for all the states, and since the determination called for by 207(h) has not been made, resulting uncertainty inevitably leads to delays in program planning by the states.

The selection of the most suitable method for a state system depends not only on the engineering approach finally adopted by the manufacturers and on the test procedure designated by EPA, but also on whether the method is to be used only to minimize emissions or also to enforce the warranty on individual vehicles.

If the purpose is only to minimize emissions, periodic repair/adjustment of all cars including preventive maintenance is a possible choice. This approach would require no special inspection facilities owned by the state, but it would require careful surveillance of privately owned garages and additional equipment in these garages.

Requiring the garages to adjust each car to manufacturer's specifications when performing any maintenance also does not require state-owned facilities but does require close supervision. Preventive maintenance could be part of this method and, with this addition, this method only differs from the one first discussed by being voluntary instead of mandatory.

Periodic inspection of all cars with measurement of the exhaust emissions and compulsory adjustment or repair of those cars that have emissions exceeding pre-set standards is the method usually meant by an inspection/maintenance system. However, tests other than emissions measurements can be used for inspection in this method. It is normally thought of as occurring annually at the time of license renewal. This system can be operated on three bases: inspection and repair/adjustment in state facilities, inspection in state facilities and repair/adjustment in privately owned garages, and inspection and repair/adjustment in privately owned garages licensed or franchised by the state. The second of the three choices is the usual one principally because of the public distrust of the service industry, which causes the public to prefer inspection by the state. The first one is not chosen because of the reluctance of the state to compete with private enterprise and because of the many complications connected with building state-owned repair facilities.

If the method selected must also include enforcement of the individual car warranty, it will be built around a test yet to be specified by EPA. It is usually assumed that this will be some type of short emissions test, but Section 207(b) of the Act would allow the Administrator to decide that functional tests on the components correlated reasonably well with the results of the CVS–CH test. It is conceivable that these tests could be done in privately owned facilities, but the quasi-official nature of the warranty test and its consequences make a state-owned inspection lane the more obvious choice.

If the method includes enforcement of the warranty, EPA will provide the appropriate test; if not, there is wide latitude. Diagnostic tests will be part of any system, since such tests and repair/adjustment cannot be separated, and repair by mechanics is the only operation that provides a direct emission reduction. Inspection lanes select the vehicles needing adjustment or repair but otherwise do nothing to reduce emissions unless the results assist or control the mechanics making the repairs. Inspection lanes can assist and control the mechanics in one or more of the following ways:

1. Detect vehicles with excessive emissions (needing repairs).
2. Detect vehicles with excessive emissions and give a partial diagnosis to help the mechanics get started.
3. Provide a complete diagnosis of repairs needed on vehicles with excessive emissions; and
4. Insure that repairs are complete and correct.

A study by Northrop Corporation for the State of California found that a schedule of diagnositc tests was not a cost-effective approach to the emission control of used cars. The study showed that exhaust-emission tests by a short dynamometer test (Key Mode) or an idle test gave partial diagnostic information and was more cost-effective. Partial diagnostic information was given to the repair mechanic to assist him in the final diagnosis.

The Key Mode and idle approach were reasonably effective for correcting the major emissions problems in used cars. They may not be adequate for controlling 1975–1976 cars to much lower emission levels because there is not yet available a short test that is precise enough to give a pass or fail that is meaningful in terms of meeting 1975–1976 standards. 1975–1976 cars will require a much more thorough diagnosis of the complete emission control system.

Diagnostic tests could be useful in inspection lanes if they provided complete information on engine and control-system failures and operation. This could be accomplished by an automatic and computerized diagnostic console, programmed to accomplish quickly and inexpensively one or both of the following:

1. Functional tests showing that the engine and/or the control system are not within specifications where it is known that the combined system will meet the standards.
2. Diagnostic tests showing what parts need to be checked and/or replaced.

The mechanics in the service industry could be trained to understand and use the information supplied by the inspection-lane diagnoses.

Diagnostic Tests at Garages

The facilities and equipment of garages can be upgraded to perform diagnostic tests at periodic intervals. The advantage of this approach is that the mechanics accomplishing the repairs would have first-hand knowledge of the diagnostic test results. Disadvantages of this approach for 1976 vehicles are:

1. Functional NO_x catalyst activity tests and NO_x analyzers have not yet been developed to diagnose NO_x controls. It may be possible to check the activity of a reduction catalyst in the oxidizing mode.
2. The engines may need to be loaded in order to produce enough NO_x for a meaningful test.

Selection of Repair/Adjustment Standards

Since the object of an inspection/maintenance system is to reduce the total amount of pollutants emitted to the atmosphere, there is a strong incentive to require repair and adjustment for a higher percentage of the cars found to be over standards. However, as more and more cars are adjusted/repaired, the gain in air quality per dollar spent decreases; i.e., the cost effectiveness decreases. With practical and cost considerations thus limiting the number of cars sent for adjustment and repair, the maximum emissions reduction is to be achieved by adjusting only those cars whose emissions are clearly high and leaving alone those below or near the satisfactory level.

The percentage of cars sent for adjustment/repair must be considered with great care also because it increases the load on both the service industry and the inspection lanes and because a high percentage of rerejections will destroy public support, which is so important.

With the present state of the service industry, a sizable percentage of cars will not meet the standards after the first repair/adjustment if the levels are strict. In addition there is a shortage of mechanics of even reasonable training. If the standards are set to send a high percentage of cars for repair/adjustment, the number of cars that cannot meet the standards without costly repairs will be so large that it will again affect public support.

Timing and Cost of Inspection Facilities

The time and cost required to set up inspection facilities depend to a large extent on the amount and type of related facilities that are already available. Three cases will be considered:

1. Safety-inspection facilities are already available and emissions testing can be added to such facilities.
2. Properly controlled, privately owned service facilities are available, with emissions testing done at such facilities.
3. Neither condition 1 or condition 2 exists and inspection facilities must be built.

New Jersey is an example of the first situation and it has proved relatively easy from a physical standpoint to add emissions testing to the state-owned safety-inspection lanes. For the idle test that they are using, equipment costs are about $2,000 per lane. On the assumption that legislative authority already exists, it should be possible to put emissions testing in operation in one year. Extra manpower required would be one per lane. No meaningful estimate of operating or capital costs chargeable to the emissions testing is possible because of shared costs. Time and cost would both increase if the testing were also intended to enforce the federal individual car warranty.

California could be an example of the second situation since they license Grade A mechanics for various specialties including emission-control devices. The time required in this case should also not exceed one year. Costs for added equipment would again be about $2,000 per station for an idle test. Operating costs would be mixed with adjustment and repair costs and, consequently, a separate estimate is probably of questionable meaning.

The third situation has been studied in considerable detail by Northrop-Olson Laboratories and also by TRW. Because of the conditions assumed in this study, the cost results must be qualified although the results do give a good indication of the range to be expected. The land, structure, and equipment will cost from $23,000 to $60,000 per inspection lane, with a major portion of the difference in cost caused by the presence or absence of dynamometer equipment. These numbers are approximately confirmed by the TRW study which estimated $44,000 to $52,000 per lane for dynamometer-equipped facilities. Different tests not only use different equipment but they also have different throughputs per lane.

Based on these factors, the cost of land, structure, and equipment on a one-inspection-per-year basis is between $1.30 and $8.80 per car when calculated for California's population distribution and 10 million cars.

Operating costs in 1976 would be between $1.20 and $4.00 per car per year, again under California conditions. The original capital costs are a small fraction of this and they are included with structures amortized over 20 years and equipment over 5 to 10 years.

Training time for personnel would be between 90 and 180 hours per man, which includes 40 hours classroom training.

Again on the assumption that legislative authority already existed, it would probably take 1.5 to 2 years to acquire land, erect and equip the buildings, and train personnel. At least one year must be added to any of the above time schedules if legislative authority does not already exist. Even more time must be added if an operational plan does not exist; witness the New Jersey and New York experiences. A state just starting would probably be fortunate to have a fully operational inspection system in 4 years.

In summary, only few states have any semblance of a testing/inspection system that would be adequate to ensure compliance in use. Most states do not even have plans for such systems. The present service industry is inadequate to maintain the complex emission-control hardware called for with the dual-catalyst system planned for use in 1975–76. With this pessimistic appraisal of feasibility, it is well to consider alternate approaches.

Incorporation of Maintenance Considerations in Emission-Control System Design

The pessimistic appraisal of the feasibility of vehicles equipped with dual-catalyst control systems meeting the standards in customer use is indicative of a lack of consideration of maintenance in the design of such systems. From the data presented in Section 3, it appears that several systems offer maintenance advantages over the dual-catalyst system, although the low-mileage emissions of such systems, on experimental vehicles, may not currently be as low as those of the dual-catalyst system.

The three-valve carbureted stratified-charge engine and the Wankel engine with thermal reactor show potential for low emissions without the use of catalysts. HC and CO deterioration factors for the former, at 1975 levels and as measured on the federal driving cycle, are considerably less than those from catalyst-equipped vehicles.

Development work is required on the engine to reduce NOx emissions to 0.4 grams per mile; however, such a development effort would seem well worthwhile due to the potential of the engine for reduced maintenance and improve performance in use over the dual-catalyst system.

Systems employing precise control of air-fuel ratio with a feedback loop, discussed in Section 3.6, have several possible maintenance advantages. Since an air-fuel ratio near stoichiometry results in almost optimum performance, the serious performance and fuel penalties inherent in other NOx-control methods would be eliminated; the advantage, from the owner's viewpoint, of an inoperative control system would be removed. In fact, any malfunction of this system might easily degrade vehicle performance so that the owner would be encouraged to get the emission-control system fixed.

Since such a feedback loop makes the engine essentially self-tuning, this approach should also eliminate a large fraction of the inherent variability between individual vehicles that results from manufacturing tolerances. Possibly also, operational variabilities that result from variations in driving habits, fuel consumption, atmospheric parameters, and induction-system deterioration would be largely eliminated. Thus a larger fraction of cars would operate as designed and emit less pollutants.

Excessive catalyst temperature caused by the simultaneous presence of excess oxygen and large amounts of combustibles would be eliminated since neither rich mixtures nor secondary air is required. Finally, since the system includes an electronic control circuit, installation of signals for malfunctions should be relatively easy.

Summary

Emissions of 1975–76 vehicles in customer usage can be expected to be greater than those measured during certification. Because of the added emission controls, most vehicle configurations proposed for these years will require more maintenance than at present. For all systems, some additional inspection and maintenance will be necessary to assure that the vehicles are meeting standards in use. Some legal enforcement procedures will be required to assure that necessary inspection and maintenance are performed; otherwise, vehicles will very likely exceed the emission standards in use.

The service industry at the present time is not adequate to service the 1975–76 cars from an emissions standpoint. Only few states have a semblance of a testing/inspection system for emissions that would be adequate to ensure compliance in use.

A basic problem in establishing technological feasibility is that maintenance considerations have not been given adequate attention in design. The three-vale carbureted stratified-charge engine, Wankel with thermal reactor, and catalytic system with exhaust sensors and feedback control seem to have far more potential for achieving low emissions in use than the dual-catalyst system currently being proposed by most manufacturers for the 1976 model year.

MANUFACTURING, COSTS, AND PRODUCIBILITY

Manufacturing plans of the major automobile companies for 1975–1976 systems are not firm at this stage. Changes will almost certainly be made between now and the start of production. However, each company has taken positive steps toward implementation of their best estimate of the components that might be introduced for 1975 and 1976. Schedules are compressed and significant risks are involved. Consequently most companies have more than one alternative plan for the emission-control system for these model years. In some cases, manufacturers have designed and/or made tooling for alternative configurations.

Manufacturability of several proposed engine systems

Several types of engines that might be produced in the 1976 model year have been evaluated from the view point of manufacturability and costs. These engines are: 1) the dual-catalyst system proposed by most manufacturers, 2) the diesel, 3) the Wankel, 4) the three-valve stratified-charge, and 5) a feedback-controlled system with electronic fuel injection and a three-way catalyst.

The dual-catalyst system

In response to California and federal regulations over the years, the automotive industry has progressively added to the emissions-control devices on automobiles. Due in part to a determined effort to preserve as much of the technology of the carbureted internal-combustion engine as possible, the approaches to emissions control have consisted of add-ons and relatively minor engine modifications. Although the various companies have worked independently, there have been many similarities in approach, and the typical pattern of hardware addition is presented in Table 5–1. Beginning with the 1976 model year, this system will include both oxidation and reduction catalysts; thus it is termed the dual-catalyst system. This system is shown schematically in Figure 3–1.

The corresponding increases in sticker price associated with these hardware additions are detailed in Table 5–2 and summarized in Table 5–3. According to these estimates, the additional price increase of 1976 models over those of 1975 is about $134.00, or nearly the same as the increment for the preceding year.

At this time it still appears possible for the manufacturers to mass-produce systems similar to that shown in Figure 3–1 for their 1976 models. However, until the systems show more likelihood of meeting certification for 1976, the manufacturers are reluctant to make major commitments, particularly for catalysts, and much more delay will make these systems technologically impossible for 1976 because of insufficient lead time. If this type of system is to be mass-produced in the 1976 model year, the following must have been accomplished by mid-1973:

Freeze design for production.

Build catalytic converter plant and line.

Commit to plant and equipment for substrate.

Commit to new carburetor production design.

Freeze design of early fuel-evaporation system.

TABLE 5-1.—CHRONOLOGY OF DEVELOPMENT OF THE DUAL-CATALYST SYSTEM

Model year:	Emission hardware added:
1966	(a) PCV valve.
1968	(a) Fuel-evaporation control system.
1970	(a) Retarded ignition timing. (b) Decreased compression ratio. (c) Increased air/fuel ratio. (d) Transmission-control system.
1972	(a) Anti-diese solenoid valve. (b) Thermostatic air valve. (c) Choke-heat bypass.
1973	(a) Exhaust-gas recirculation. (b) Air-injection reactor (c) Induction-hardened valve seats. (d) Spark advance control. (e) Air pump.
1974	(a) Precision cams, bores, and pistons.
Model year:	Emission hardware-likely configurations:
1975	(a) Proportional exhaust-gas recirculation. (b) Carburetor with altitude compensation. (c) Air/fuel preheater. (d) Electric choke. (e) Electronic ignition. (f) Improved timing controls. (g) Oxidizing catalytic converter. (h) Pellet charge. (i) Increased cooling system. (j) Improved underhood materials. (k) Body revisions.
Model year:	Most common configuration:
1976	(a) NO_x catalytic converter, 2 required. (b) Electronic emissions control. (c) Sensors.

Model year and configuration	Value added[2]	Tooling amortization[3]	Dealer margin[4]	Profit[5]	List price	Excise tax[6]	Sticker price
TYPICAL EMISSIONS HARDWARE							
1966: PCV—Crankcase	1.90		0.66	0.29	2.85	0.15	3.00
1968: Fuel evaporation system	9.07	0.45	3.30	1.43	14.25	.75	15.00
1970:							
Carburetor A/F ratio	.61	.02	.22	.10	.95	.05	1.00
Compression ratio	1.24	.03	.44	.19	1.90	.10	2.00
Ignition timing	.61	.02	.22	.10	.95	.05	1.00
Transmission control system	2.49	.05	.88	.38	3.80	.20	4.00
Total, 1970							8.00

Model year and configuration	Value added[2]	Tooling amortization[3]	Dealer margin[4]	Profit[3]	List price	Excise tax[6]	Sticker price
1971, 1972:							
Anti-dieseling solenoid	3.07	0.10	1.10	0.48	4.75	0.25	5.00
Thermo air valve	2.49	.05	.88	.38	3.80	.20	4.00
Choke heat by-pass	2.74	.05	.97	.42	4.18	.22	4.40
Assembly line tests, California; 1/10 vol.)	.18	.20	.13	.06	.57	.03	.60
Total, 1971–72							14.00
1973:							
OSAC (spark advance control)	.48	.15	.22	.10	.95	.05	1.00
Transmission changes (some models)	.63		.22	.10	.95	.05	1.00

Model year and configuration	Value added[2]	Tooling amortization[3]	Dealer margin[4]	Profit[5]	List price	Excise tax[6]	Sticker price
Induction hardened valve seats (4 and 6 cyl.)	0.72	0.55	0.44	0.19	1.90	0.10	2.00
EGR (11–14 percent) exhaust recirculation	5.48	.87	2.20	.95	9.50	.50	10.00
Air pump—Air injection system	27.16	1.80	10.03	4.33	43.32	2.28	45.60
(Quality audit assembly line; 1/10 vol.)	.23	.02	.09	.04	.38	.02	.40
Total, 1973							60.00
1974:							
Induction hardened valve seat V–8	.72	.55	.44	.19	1.90	.10	2.00
Some proportional EGR (1/10 vol. at $52)	3.21	.10	1.14	.49	4.94	.26	5.20
Precision cams, bores, and pistons	2.44	.10	.88	.38	3.80	.20	4.00
Pretest engines—Emissions	1.80	.10	.66	.29	2.85	.15	3.00
(California catalytic converter system; 1/10 vol. $64)	4.02	.04	1.41	.61	6.08	.32	6.40
Total 1974							20.60
1975:							
Proportional EGR[7] (accel-decel)	20.07		6.95	3.00	30.02	1.58	31.60
New design carburetor with altitude compensation	7.52	2.00	3.30	1.43	14.25	.75	15.00
Hot spot intake manifold	2.87	0.30	1.10	0.48	4.75	0.25	5.00
Electric choke (element)	2.67	.50	1.10	.48	4.75	.25	5.00
Electronic distributor (pointless)	4.35	2.00	2.20	.95	9.50	.50	10.0
New timing control	1.40	.50	.66	.29	2.85	.15	3.00
Catalytic—Oxidizing, converter	18.86	4.00	7.92	3.42	34.20	1.80	36.00
Pellet charge, 6 lbs. at $2/lb	12.00	1.72	4.75	2.05	20.52	1.08	21.60
Cooling system changes	1.17	.10	.44	.19	1.90	.10	2.00
Underhood temp. materials	.63		.22	.10	.95	.05	1.00
Body revisions, welding presses	.67	.60	.44	.19	1.90	.10	2.00
Assembly line changes	.13	.50	.22	.10	.95	.05	1.00
End of line test, Go—No Go	1.85	.05	.66	.29	2.85	.15	3.00
Quality emission test	1.22	.05	.44	.19	1.90	.10	2.00
Total, 1975							138.20
1976 MOST COMMON CONFIGURATION							
1976:							
2 NO_x catalytic converters	22.00	2.76	8.58	3.71	37.05	1.95	39.00
	22.00	2.76	8.58	3.71	37.05	1.95	39.00
Electronic control	28.00	3.75	11.00	4.75	47.50	2.50	50.00
Sensors	3.00	.81	1.32	.57	5.70	.30	6.00
Total, 1976							134.00

[1] Estimates based on 1972 dollars.

[2] Either value added or hardware cost, including material, labor overhead and G & A.

[3] Tooling and equipment amortized over 3 years.

[4] As 22 percent of selling price.

[5] As 10 percent of list price.

[6] As 5 percent of sticker price.

[7] Proportional EGR costs were adjusted based on recent data.

Note: Costs are the average for the various car sizes and production volume for each size.

TABLE 5-3.—SUMMARY OF STICKER PRICES FOR EMISSIONS HARDWARE FROM 1966 UNCONTROLLED VEHICLE TO 1976 DUAL-CATALYST SYSTEM

[1972 dollars]

Year	Sticker price increase	Cumulative price
1966	$3.00	$3.00
1968	15.00	18.00
1970	8.00	26.00
1971–72	14.00	40.00
1973	60.00	100.00
1974	20.60	120.60
1975	138.20	258.80
1976	134.00	392.80

Diesel Engine

Some light-weight diesels are currently being produced for passenger cars, mainly in Europe and Japan. However, because it is difficult to make a diesel engine meet the 1976 NO_x standards, and, for other reasons discussed in Section 6.1, there is no serious effort to develop the diesel engine for large-scale mass-production as a passenger-car engine. If diesel engines are developed to meet the 1976 emission levels, the emission control will probably be largely achieved by engine modifications and possibly turbocharging. Thus, even though the exact configuration is undefined, the manufacturability would not differ greatly from that of current diesel engines, and the major manufacturing problems can be identified.

The engines themselves are quite similar to Otto-cycle piston engines, but necessarily heavier to withstand higher operating pressures. The transfer and assembly lines for these engines are similar to those used for existing gasoline engines. Fuel-injection pumps and injection nozzles are now being produced on very modern mass-production equipment in England and Germany. Turbochargers have been produced in low volume for larger engines, and adaptation to mass-production for smaller engines is quite feasible. Most of the technology for mass-production of light-weight diesel engines is available but scattered, mostly in Europe. This wide dispersion of technology is a major barrier to the coordinated development of a low-emission diesel engine.

In addition to changes in the engine and its auxiliaries, conversion of automobiles to diesel power would require relatively major modifications of the frame, suspension, and body in order to accommodate the larger, heavier engine. If a diesel engine that can meet the 1976 emission standards is developed, and if, as assumed here, it is generally similar to present diesel engines, it should be possible to mass-produce them for the 1976 model year if the following have been accomplished by mid-1973:

Freeze design for production.

Arrange for transfer of European light-duty diesel technology.

Build low-volume production tooling.

Plan for conversion of gasoline engine lines for diesel engine production.

Plan body changes.

Arrange for supply of turbochargers (if used).

Wankel Engine

The Wankel engine is being mass-produced in Japan and sold in the United States at competitive prices. The engine is in mass-production in Japan at Toyo Kogyo with American sales of the Mazda in the United States projected at 350,000 units in 1975. A recent announcement indicates a production commitment to the Wankel engine by General Motors. There is every indication that a substantial number of Wankel-powered automobiles will be driven on United States roads in 1976.

The engine has a cost advantage due to its low weight per horsepower—about 1.5 pounds per horsepower compared to 4 to 6 pounds for a piston-type gasoline engine. The manufacturing advantages of the Wankel engine are that it can be manufactured and assembled on fully automatic production lines. The engine design will eventually allow a new frame and body design that will have many safety, space, and weight advantages. The implementation plan for the General Motors Wankel engine has it introduced into the low end of the line, possibly replacing both the 4- and 6-cylinder engines in turn. The optimum-cost volume per year of the Wankel engine will be between 450,000 and 600,000 engines per year. The small V–8s might also find a larger-diameter 2-rotor Wankel engine as a competitor. A 4-rotor Wankel engine is a more complex design with longer crank shaft. Two to four more years will be required on its development before it can be considered a competitor to the larger V–8.

The manufacturing requirements, for the Wankel engine are concentrated around the following significant equipment: a trochoid grinder for the rotor housing, a rotary grinder for finishing of the end housings, an eccentric grinder for the rotor, some special plating equipment combined with surface-preparation equipment, and special equipment for pressing and sintering the apex seals. These machines are available today from several machine-tool concerns and can be delivered within one or two years. Mass-production conversions of these will require between one and two years of tooling design. An automatic assembly line and machining line combined will probably take anywhere from three to five years to develop and install.

The cost of a future Wankel-powered car will be $140.00 to $800.00 less per car than the corresponding 1976 dual-catalyst configuration; of this amount, $25.00 to $77.00 is due to the engine, and the remainder of the saving would come from design of a lighter, shorter car.

The Carbureted Three-Valve Stratified-Charge Engine

Because the three-valve stratified-charge engine is basically an existing carbureted spark-ignition piston engine except for modifications to the cylinder head, carbureter, and manifolds, it presents relatively few production problems. Manufacture of all components is based on known and proven technology. Honda Motor Company plans to produce this type of system for their 1974 models in Japan, and they will introduce it in the United States in 1975. For another manufacturer to mass-produce this system in model year 1976 would require the following accomplishments by mid-1973:

Transfer technology from Honda Motors.

Freeze design for production.

Decisions made and orders placed for new transfer lines for cylinder heads, manifold systems, and carbureters.

Design new camshaft-production line.

A Typical Feedback-Controlled System

Because of the apparent potential for emission reduction and ease of maintenance, which might result with further development of some of the feedback-controlled systems, manufacturability and costs of one of these systems were evaluated. The configuration studied included electronic fuel injection and a three-way catalyst. As with the dual-catalyst system discussed in Section 5.1.1, this approach requires relatively minor changes to existing engines, with the conversion from carburetion to fuel injection being the most significant. The mini-computer that controls the injection timing and duration is based on known technology, and manufacture of the catalyst is similar to that for the dual-catalyst system. Once a satisfactorily durable oxygen sensor is developed, its manufacture should be relatively simple. Production of this system for the 1976 model year is quite feasible, provided the following have been accomplished by mid-1973:

Freeze design for production.

Commit to pump and nozzle plants.

Build low-volume production tooling and vehicles.

Field test low-volume production vehicles.

Commit to electronic emissions control unit plant and tooling.

Manufacturability and Costs of Automotive Exhaust Catalysts

As discussed previously, most manufacturers plan to use a dual-catalytic system for 1976 model year vehicles. From a manufacturing standpoint, the problems of producing oxidizing and reducing catalysts are the same. The catalyst manufacturers who propose pelletized catalysts already have the sources for a substantial portion of the carrier materials and some capacity for coating with the active material. This type of catalyst is used extensively in the petroleum industry. The manufacturing facilities need only to be increased or additional similar type of equipment provided.

Many companies are active in the development of catalysts and substrates. In addition to the long-established catalyst and substrate manufacturers, General Motors has recently disclosed that they have developed an extrusion method for making monolith catalyst carriers. They have plans for constructing these facilities and have indicated their intention to become major emission-control catalyst manufacturers, including the carrier containers and possibly the active material that is coated on the carrier.

It has become increasingly apparent that 1976 catalysts will require the use of large quantities of noble metals. The two noble metals of greatest promise are platinum and palladium; for oxidation alone, a car of 350-cubic-inch displacement would need up to 0.15 ounces of either metal. This figure would be doubled if the requirement for the NO_x catalyst is similar. Thus, there would be a demand of as much as 3 million ounces for the initial installation of the catalytic converters required, a figure comparable to the world production in 1970. Ruthenium is the most promising NO_x catalyst, although it is in short supply. The recovery of platinum contained in spent catalyst delivered to the door of precious-metal refiners should be above 99 percent. The efficiency of scavengers in collecting spent noble-metal catalysts is difficult to estimate. Since the value of the recovered metal is of the order of $15–20 per car, efficiency of scavenging should be high. For comparison, copper is 50¢ per pound and 61 percent of scrap copper is recycled in the United States. Most base-metal catalysts are promoted with precious metals at less than 0.01 ounce per car. In this case, there is less incentive for scavengers to collect resources.

It appears that the required amounts of noble metal can be made available to meet production schedules if decisions are made early enough; postponement would cause increasing difficulties with delivery. Some companies have delayed decisions because of the very large commitments for opening mines and having new plants built.

Summary of costs of various proposed systems

The relevant cost concept is the total cost to the American people of meeting the emission standards, which must be weighed against the cost of air pollution by present automobiles with their attendant human discomforts and illnesses. This includes not only increases in automobile purchase prices, but also increased cost of fuel, maintenance, repair, and driveability that result from pollution-control devices. Of these considerations, it is especially difficult to relate poorer driveability to a cost in dollars, but the customer pays in other ways, e.g., through frustrations and delays. Dollar estimates of the other costs can be made, although these are necessarily imprecise because of uncertainties at this stage.

A summary of the estimated increments in annual costs due to emissions-control systems for several possible 1976 car and engine combinations is given in Table 5–4. The engines are those that have been discussed, and price increments have been calculated for those car-engine combinations that appear feasible. The stratified-charge 3-valve engine may eventually be developed for larger cars, but so far its potential for low emissions has been demonstrated only in small cars. The cost increments are measured from equivalent 1970 model cars as a baseline, and these annual costs are amortized over a five-year period. These figures include not only the direct cost of emissions hardware, but also associated costs of redesign of the rest of the car to accommodate the new systems. These associated costs include weight penalties, which can be quite significant in either direction; e.g., diesel-powered cars will be relatively heavy, whereas an automobile designed around the compact Wankel engine can be appreciably lighter than present cars.

TABLE 5-4.—TOTAL ANNUAL COST TO CUSTOMER OF EMISSION CONTROLS[1] FOR VARIOUS BODY AND ENGINE COMBINATIONS

	Subcompact	Compact	Intermediate A[2]	Intermediate B[3]	Standard	Standard luxury	Luxury
Dual-catalyst system	127	138	215	243	263	285	361
Diesel with EGR	18	—[4]45	30	—[4]18	36	41	14
Wankel	86	117	120	105	133	198	148
Stratified—Charge 3-valve	65	77	67				
Feedback—Controlled with electronic fuel injection	51	50	85	52	87	97	114

[1] Compared to cost of 1970 base-line car and amortized over 5 years. Includes increments in fuel and maintenance costs. Fuel-cost estimates were based on 40 cents per gallon for all fuels and all years.

[2] Intermediate A bodies are those intermediates that currently use 6-cylinder engines.

[3] Intermediate B bodies are those intermediates that currently use 8-cylinder engines.

[4] The diesel 4-cylinder is used in compact cars and the 6-cylinder is used in intermediate B cars.

Estimates of increased costs of fuel consumption and maintenance due to emission controls are also included in the figures in Table 5–4. Of the five engines listed, the emission-controlled diesel and the stratified-charge engines show promise for fuel economy competitive with 1970 gasoline engines. The feedback-controlled spark-ingnition engine with electronic fuel injection promises reasonable fuel mileage, because of its operation near stoichiometry, but will still suffer a 10–15 percent fuel penalty over 1970 engines. The dual-catalyst system proposed by most manufacturers will use about 25 percent more fuel than its 1970 counterpart; and the Wankel configuration, which seems most likely to meet the 1976 standards, will probably pay a fuel penalty of approximately 30 percent, due to its rich mixture ratio.

Exercise to illustrate the impact of possible use of a mix of engines and control systems

As mentioned earlier, the American automobile producers are by and large seeking to meet the 1976 requirements with a dual-catalyst modified carbureted piston engine across their car lines. However, it is quite unlikely that any single engine type or control system will prove suitable for all sizes and types of 1976 automobiles. Furthermore, several new low-emission engine configurations may well phase in to replace some of the carbureted piston engines. Clearly, phasing in of these various new engines and control systems and phasing out of the engines they replace will have an effect on sticker price due to the capital costs incurred. A computer simulation of the dynamics of such a process was carried out to determine the magnitude of this effect. Although any set of assumptions could have applied in this simulation, a set was chosen which leads to a relatively high impact on the industry, i.e., it phases out the present type engines very quickly. (It should be emphasized that the Committee does not consider such a drastic change to be probable.) The following are the assumptions used:

1. The modified carbureted piston engine equipped with an oxidation catalyst will be produced only in model year 1975 and no modified carbureted piston engine using catalytic control of emissions will be produced in model year 1976.

2. The Wankel engine will be introduced initially in the small cars (subcompact and compact) and subsequently will be developed in higher-horsepower versions for larger vehicles.

3. Diesel engines (4 and 6 cylinders) will be introduced for fleet-car usage by 1975. A V–8 Diesel will be introduced subsequently.

4. A limited number of stratified-charge engines (3-valve) will be introduced in 4- and 6-cylinder versions for small cars.

5. Gasoline engines with electronic fuel injection will be introduced by 1976 in 4-, 6-, and 8-cylinder versions in very large quantities.

Applying these hypothetical assumptions to the simulation model, the capital-investment impact on manufacturing facilities was then developed, as a sticker price increase. In the model, the aggregate American production was considered without identifying the specific producer. The car configurations were detailed down to the major components and subassemblies. These units were then scheduled in production in the proper sequence and at the proper time to yield the desired schedule using standard industry lead times. These numbers were developed giving due consideration to expected product life and normal industry amortization practices.

The expected sticker-price increases to return the capital investment in new production lines, old production-line tearup, assembly-line change, and new facilities were found to range (even with such a drastic change in engines and control systems in such a short time) from $8 to $150 per car.

ALTERNATIVE SYSTEMS FOR LOW-EMISSION AUTOMOBILES

The Committee also considered power systems other than Ottocycle gasoline engines. It became apparent quite early in this study that no alternative power system could be produced in sufficient numbers by 1975 or 1976 to displace an appreciable part of present engine-production quantities. Several power systems (e.g., Rankine, Stirling, batteries, fuel cells) show promise for eventually meeting 1976 standards, but development time and cost reduction are necessary before these can become competitive. Two engines (diesel and gas turbine) show promise of meeting 1975 emission standards. However, even though such engines have already been adapted to passenger cars, little development is being done on them for 1975 and 1976 because they are costly and have other detractive characteristics. The present diesel is heavy, tends to smoke, and its exhaust is odorous. The gas turbine has poor fuel economy at part load, and the NO_x emissions are not presently controllable to low enough levels.

Although it is unlikely that any alternative engine will be in appreciable mass production by 1975 or 1976, some of them will be phased in within the next decade. Thus, summaries of the findings concerning the various systems are given below.

Diesel engines

Recent data show that several current four-stroke, and one two-stroke, diesel engines can meet 1975 standards for carbon monoxide and unburned hydrocarbons. A typical NO_x value for a current Mercedes Benz 220D under the CVS–CH test is 1.65 g/mile. There have been no results obtained on diesel engines showing ability to meet the 1976 NO_x standard of 0.4 g/mile. Daimler-Benz estimates that the lowest NO_x levels achievable for diesels at the present state of the art would be about 0.8 g/mile.

New developments in diesel engines, such as a two-stroke engine with a new, low-emission combustion method, and the use of positive-displacement rotary prime movers, such as the Wankel-engine configuration, offer the future possibility of meeting, or nearly meeting, 1976 standards with an engine that is smaller and cheaper than the present (1970) gasoline engine. Much work must still be done to prepare even suitable prototypes of these concepts.

There is a good possibility that a diesel engine of sufficient power density, light enough weight, and emissions nearly satisfactory for 1976 automobiles can be built. But much engineering work must still be done before there can be a proven concept. Potential problems of smoke, white smoke, odor, and noise still remain. It appears that good single prototypes of the advanced engine will not be available before 1975. Limited production might be possible by 1980.

A passenger-car diesel engine designed according to existing technology may have a possible disadvantage in slightly greater weight and larger size over a spark-ignition engine of comparable output. It may cost more basically, but the difference shrinks when the emission controls for gasoline engines are added in, since the add-ons for diesels to meet 1975 standards are minimal. It will give better fuel economy and require less maintenance, which should quickly make up any first-cost difference. The efficient diesel will tolerate a wide range of fuels and becomes of greater interest as our concerns with energy conservation increase. Because fuel of lower volatility is used, diesel engines have an additional safety factor, and also there would be less fuel-vapor emissions at the filling station.

Gas turbines

Gas turbines are a feasible method of propulsion for standard-size U.S. passenger cars. In prototype form, they have demonstrated acceptable or superior weight, size, fuel consumption, driveability, maintainability, resistance to abuse and neglect, and safety. Carbon monoxide and hydrocarbon emissions are below the 1976 standards; NO_x emissions are presently above the 1976 limits, but several approaches have shown that it is technically feasible to lower NO_x to 1976 requirements especially for low-pressure-ratio engines. The concepts can probably be incorporated in a prototype by 1976. The added controls or costs of reaching 1976 NO_x standards are not yet known.

Gas turbines to date have all shown poor fuel consumption at low design power and while operating at low fractions of the design power. Highly regenerated units tend to limit the effect, but the possibility of economic gas turbines having design power below 150 horsepower and operating under lightly loaded conditions is still a controversial matter.

The retail costs of future gas turbines installed in automobiles are highly uncertain. Estimates made by various highly qualified individuals or organizations run from a price below that of the cleaned-up spark-ignition engine to one three or four times higher. These estimates are based on the use of materials similar to those in today's engines.

Future possibilities for gas turbines improve as the use of ceramics for many parts is proven. If ceramics become widely available for the hot parts of gas turbines, it is generally agreed that the engines would eventually cost less than the spark-ignition alternative. In addition, the employment of critical resources would be greatly reduced.

A realistic schedule for advanced gas turbines to be produced in quantity would be for advanced limited-production engines by 1982, followed by mass production by 1984.

Stirling engines

At the present state of development, Stirling engines are very efficient engines that could allow high-performance full-size automobiles to meet the 1976 emission standards. Any form of heat energy or fuel source can be used to operate it. The engineering problems that remain to be solved before it would be possible to adopt them as practical engines for limited application relate to the reliability of sealing the working fluid inside the engine, to the cost and reliability of the heater assembly, and to the development of a simple, versatile power-output control system. Considerably more engineering is necessary to allow the engine to be considered as an entirely suitable automobile power plant. Additional developments necessary to make this possible relate to cost, operation in the hands of the customer, and integration into the automobile. The two sets of problems are best attacked simultaneously and may involve changes in the present form of the engine.

The potential of the engine goes well beyond its present state. Size, weight, producibility, safety, response to abuse and neglect, starting ease, driveability and versatility, control ease, fuel economy, noise, emissions, and cost potential all show indications of being competitive with or better than diesels in the present generation of development, and equal to or better than gasoline engines in the next generation of development. Thus, the engine could fit into the auto industry, truck industry, and other segments of the transportation industry, independent of the eventual outcome of the energy crisis or the fuel controversy. Approximately 4 to 10 years of additional development will be reduced to solve the outstanding engineering problems and produce a prototype advanced Stirling engine suitable for present-type automobiles.

Electrically Driven Vehicles

Electrically driven vehicles in principle provide freedom from pollution and are characterized by high energy efficiency, flexibility of performance, good durability, and low maintenance requirements. At present, the limiting factor relating to the technical and economic feasibility of electric vehicles is the vehicular power source. Electric drive systems (motor and controls) having excellent characteristics have been demonstrated; development of optimal drive systems is not considered to be limiting in the ultimate realization of electric automobiles.

Fuel-cell-powered electric vehicles in which the free energy of fossil fuels is directly converted into electrical energy for motive power do not emit CO or NOx; unused hydrocarbons can be easily removed from the exhaust. Fuel cells are not heat engines and are not subject to the Carnot limitation. For this reason they may operate at very high energy-conversion efficiency, resulting in superior fuel economy.

Although some fuel-cell systems have been successfully deployed in space missions, these are not adaptable for applications where low cost is important. Current advanced developments directed toward stationary applications in commercial and consumer markets are in the field-test stage. These represent important cost reduction and performance improvements relative to the aerospace units. With further significant cost and performance improvements, vehicular applications in small quantities may become feasible within 10 to 15 years.

Vehicles that employ rechargeable batteries as a power source do not have emissions resulting from the combustion of fuels; the site of emission is transferred to central power stations where such emissions are understood to be more effectively controlled, and at a lower cost. Because of the high efficiency of batteries and of electric drives, the net fuel economy of such vehicles promises to be better than that of present antomobiles. Furthermore, if we move toward an electric economy, batteries may assume a unique role in the transportation system.

In contrast to fuel cells, extensive experience exists with respect to the performance characteristics of at least one battery system—lead/acid. This battery is rugged, efficient, reliable, and can respond instanteously to large changes in load. Presently available special-purpose vehicles can provide ranges of up to 50 miles and modest acceleration marginally acceptable under urban driving conditions, at a high cost. Other currently available rechargeable batteries, such as zinc/silver-oxide and cadmium/nickel-oxide, while superior in some respects to the lead/acid system, are inherently unsuitable for vehicular applications because of cost and/or limited availability of materials. Still other battery systems concurrently in various stages of development offer significant performance improvements, and may meet the cost and materials requirements for vehicular applications.

The zinc/nickel-oxide battery is expected to allow a vehicle design with acceptable acceleration and a range of about 80 miles between recharges.

The most promising of the advanced battery systems are sodium/sulfur and lithium/sulfur batteries, which operate at temperatures in the range 300–400°C, and are maintained at operating temperature by their reject heat and appropriate thermal insulation. These batteries are expected to have specific energies of 100 watt-hours/pound and specific powers of 100–200 watts/pound, permitting the design and construction of electric vehicles with excellent acceleration capabilities and a range of about 200 miles between recharges. About 7 or 8 years of optimum effort will probably be required for the development of pilot quantities of these batteries for vehicle test purposes. Still other promising nonaqueous systems are in early stages of exploration.

Hybrid electric/heat-engine powerplants are claimed to enable reduction of the emission of air pollutants. The expected improvement in driveability by using the electric motor for power surges should allow the heat engine to operate cleanly and economically at one setting or with a slowly varying setting over a range. There are significant penalties in the areas of cost and complexity that must be overcome before the hybrid can be considered a viable contender. Even if the technical and economic criteria can be met, it is doubtful whether introduction of this new and complex power-plant scheme will represent any more than an interim solution with respect to pollution abatement and effective use of natural resources.

Rankine engines

Tests made on Rankine-engine components have shown that the 1976 standards could probably be met with Rankine-engine-powered, standard-size automobiles. Various approaches to the design indicate that Rankine engines can be made to fit into full-size automobiles. These findings are to be demonstrated with working units in real automobiles by 1975.

Engine noise promises to be low except for the condenser fans, which could be troublesome due to large air-flow requirements. Starting should be easy, although time-consuming (one minute being a practical estimate). The driveability of Rankine-powered automobiles should be satisfactory if a sufficiently high power-to-weight ratio can be achieved.

One full-size automobile has been fitted with a 150-horsepower steam engine. Emissions did not meet 1976 standards and there were other detracting features, which can be traced partly to the underdeveloped nature of the engine. Lower-power steam engines have been fitted into compact-size automobiles and demonstrated. Low power density is a general characteristic of these engines, traceable to poor efficiency.

Newer forms of Rankine engines that use organic fluids flowing through either reciprocating or turbine machinery offer the possibility of trouble-free operation (no freezing, easy starting) at the expense of poorer fuel economy as compared with steam. These units will be larger and more difficult to integrate than will steam engines.

The Rankine cycle in any version will tend to have relatively uniform specific fuel consumption over the operating range. This leads to reasonable fuel economy (but less than that of gasoline-powered automobiles of similar size) over typical driving schedules when steam, or the best organic-fluid, engines are considered.

To achieve an engine with reasonable fuel economy, the controls have to be complex and the engine has to be as large as possible within that allowable envelope. Thus, any Rankine engine will be pushed to the allowable limits on size, weight, and cost for a given application, and the automobile will be considerably underpowered and overpriced as compared with a gasoline engine in the same application. Despite its potentially good emissions, driveability, and low noise, most of the other realistic evaluation features for automobile engines (such as size, weight, cost, fuel economy, and starting time) are missed by the Rankine engine, independent of type.

It is problematic whether even limited production of full-power engines could be feasible before 1980. Limited production of existing designs for low-power applications could begin by 1976–77.

Major questions remain to be answered affirmatively with respect to safety, operability, reliability, and overall driving versatility in the hands of the public. Unit cost and the ability to be phased into production present even larger questions for which affirmative answers are lacking.

A suitable full-size, prototype Rankine engine will not be available until 1975 (EPA schedule). Development of a manufacturable prototype must follow this by several years, which must in turn be followed by normal development.

Other Engines

A wide variety of other engines with some potential advantage over the gasoline engine or diesel engine have been considered over the years. Most of these have not been developed even as far as the automobile gas turbine, Rankine engine, or Stirling engines. None of them seem to offer a clear-cut advantage in emissions over the other types, and they all offer some increase in complexity, weight, volume, and probably cost.

Systems using positive displacement machinery but with combustion taking place outside the cylinder (out-of-cylinder combustion systems) have been studied for engines operating on the diesel cycle, the Otto cycle, the Brayton cycle, and many variations. They all suffer from lowered efficiency, larger size, and probable high NO_x values. None of these systems appear to offer any basic advantage that cannot be achieved ultimately by diesels, gas turbines, and Stirling engines, all of which show promise of lower cost.

DISCUSSION

Introduction

As a result of the Clean Air Amendments of 1970, automotive and related manufacturers—both within and outside the United States—have embarked upon research, development, and manufacturing programs designed to meet the newly established emission standards for light-duty motor vehicles. As observed in the January 1972 report of this Committee, it is unfortunate that the automobile industry did not seriously undertake such a program on its own volition until it was subjected to governmental pressure. A relatively modest investment, over the past decade, in developmental programs related to emission control could have precluded the crisis that now prevails in the industry and the nation. The current crash programs of the major manufacturers have turned out to be expensive and, in retrospect, not well planned.

Nevertheless, the almost world-wide effort to achieve the federal emission standards set for the light-duty motor vehicles in the United States has produced a significant rate of progress toward meeting the requirements of the Clean Air Amendments of 1970. It is the very pace of that progress that complicates judgment today concerning the most appropriate course of action with respect to attainment of the standards required by that law.

As discussed in earlier parts of this report, several systems have been shown capable of attaining emission certification in 1975 model year cars. Among these are the diesel (discussed in Section 6.1) and the three systems discussed in Section 3.2 (the conventional engine with modification and oxidation catalyst, the Wankel with a thermal reactor, and the carbureted three-valve stratified-charge engine). While continued progress can be expected in development of all these systems, they do not possess equally desirable characteristics.

Several control systems in early states of development have met the 1976 standards at low mileage. Some of these represent further development of systems designed for certification and manufacture in model year 1975. Others are relatively new and their ultimate manufacture will require energetic commitment by the industry to further develop approaches that have been pursued only in smaller companies and at relatively low levels of effort. One system promises to be acceptable in use for the full 50,000 miles. Durability and other performance data are already available for that system. The future performance and acceptability of other systems—especially those currently being developed by the principal manufacturers—remain in doubt. In the following discussion, we shall briefly compare those systems that warrant consideration for certification and production in model year 1976.

Dual-Catalyst System

To date, the belated research and development programs of the major automobile manufacturers have been devoted almost entirely to the development and incorporation of such minimal modifications to the basic spark-ignition, internal-combustion engine as may be required to achieve certification in 1975 and 1976. This situation is a result of the short time between passage of the Act and the scheduled date of its enforcement, and the desire of the manufacturers both to protect their investments in the internal-combustion engine and to utilize their vast experience with this engine. The modifications made to achieve emission levels required by the 1973 federal standards represent just such continued development of the conventional engines of previous years.

To achieve the further reductions called for by the 1975 and 1976 standards, most major manufacturers currently plan to use catalysts in the exhaust stream to promote both oxidation of carbon monoxide and hydrocarbons and chemical reduction of NO_x. The CMVE believes that engines equipped with oxidation catalysts will be able to meet the certification requirements for model year 1975. At this time, no experimental engine modified to include the dual-catalyst system has exhibited the durability required to achieve compliance with the 1976 standards. Nevertheless, assuming a continuation of the intensity of the current effort, extrapolation of the rate of recent progress suggests that catalysts with the durability required by the 1976 standards will be developed. But it cannot be stated with certainty that such developmens will occur in time for 1976 production of automobiles.

Although American manufacturers and others evidently will be able to produce catalyst-equipped vehicles capable of certification for the 1975 model year, and even possibly capable of 1976 certification, compliance with the certification procedure, of itself, may not constitute indication of satisfactory performance of catalyst-equipped vehicles in actual customer use. As discussed in Section 4.2, the diverse conditions to be undergone by the engine and control systems during 50,000 miles of customer use are far more strenuous than those undergone during certification. These more strenuous conditions may result in significant damage to a catalyst. In view of the performance history of catalytic systems observed to date on experimental vehicles, under laboratory conditions, there is concern that there may be frequent catalyst failure under conditions of actual use well before a scheduled 25,000-mile replacement.

Admittedly, there has not been actual customer-like experience with catalytic systems that have met the 1975 or 1976 certification requirements, and these concerns may be overdrawn. Furthermore, failure in service of cars properly maintained and used will call into operation Section 207(c) of the Act, by which the manufacturer can be forced by EPA to remedy the deficiency at his own expense. Obviously, this concern would be relieved by either the expected early development of catalysts demonstrably more rugged and durable than those tested to date, or by remonstrably satisfactory performance, in conditions similar to customer use, of those catalysts now under investigation. Only one manufacturer has commenced such tests with a few cars equipped with a single-catalyst system that have met with 1975 standards. Final judgment of the actual performance of such systems must await experience.

Alternatives to the Dual-Catalyst Approach

In view of the fact that the dual-catalyst approach to a nonpolluting automobile power plant may not lead to a truly satisfactory long-term solution to the environmental problem, it is encouraging to note that promising alternative systems are under intensive investigation. Although some are only in the earliest stages of development, others are more advanced and promise to achieve 1975 emissions certification when utilized on smaller engines. These include the carbureted three-valve stratified-charge engine, the modified diesel, and the Wankel with thermal reactor. Each of these alternative systems is described below.

Carbureted three-valve stratified-charge engine

Prototype compact cars equipped with the carbureted three-valve stratified-charge engine have met the 1975 standards for 50,000 miles. Three tests on vehicles equipped with an advanced version of this system show average low-mileage emissions of 0.25 grams per mile HC, 2.50 grams per mile CO, and 0.43 grams per mile NO_x (see Table 3–11). This system should be capable of certification on small cars in time for model year 1976 production, and with adequate margin of safety for each of the three contaminants. This approach should also be applicable to larger engines, but sufficient experience is not yet available for evaluation.

A substantial degree of confidence can be placed in the estimation that the emissions performance of this engine in use will be quite close to its performance during certification. The maintenance required on the carbureted stratified-charge engine should be no greater than that required on a conventional 1973 engine. In fuel economy, this engine is comparable with a 1972 engine and much superior to a dual-catalyst-equipped 1976 engine.

Diesel engines

Emissions achieved by a current diesel-powered vehicle are 0.15, 2.5, and 1.65 g/mile for HC, CO, and NO_x, respectively, and this engine is certifiable for 1975 production. Further improvements are possible, but much innovative engineering work must still be done before the diesel can meet the 1976 standards. Limited production of adequately improved vehicles might be possible by 1980. Since the diesel would provide a significant fuel economy, even compared with 1972 engines, further development of the diesel warrants encouragement.

Wankel engines

As shown in Table 3–7, the Wankel engine with thermal reactor on a compact car has met the 1975 standards with NO_x levels of about 1 g/mile for 50,000 miles, but with a fuel penalty of about 30 percent compared with a 1973 equivalent piston engine. The use of EGR and richer carburetion can probably further reduce NO_x levels, but at the cost of even greater fuel consumption, and even so it is not yet certain that the 1976 standard for NO_x can be achieved.

Durability performance of the Wankel engine with thermal reactor on a compact car has been shown to be superior to that of the dual-catalyst system. However, temperatures experienced by the reactor during operation in the hands of the public should be somewhat higher during certain driving modes, and durability under such conditions has not been established.

Catalytic systems with feedback control

A system with three-way catalyst and feedback control (see Section 3.6) promises improvement over the dual-catalyst system. However, adequate durability data with respect to both the catalyst and the oxygen sensor are not available to make meaningful estimates of the performance of such systems either during certification or in use.

Feedback control of a dual-catalyst system would be expected to increase the life of the catalyst, reduce emissions, and significantly improve fuel economy. At this writing, such a system is not available but may be capable of development, though perhaps not in time for production in quantity in 1976.

Interim standards

According to the work statement agreed to by the EPA and the National Academy of Sciences, "Should the Contractor conclude that the attainment of emission standards on the schedule provided by Section 202(b)(1) of the Clean Air Act is not technologically feasible, the Contractor shall specifically determine technologically feasible interim emission levels to assist the Administrator in exercising his responsibilities under Section 202(b)(5) of the Act." However, the considerations that must enter into the determination of optimal technologically feasible interim standards are so complex and carry so many implications that, as explained below, it is inadvisable and inappropriate for this Committee to recommend a specific set of interim levels at this time.

It is not yet possible to make a definitive prediction with respect to which engine systems will achieve certification for 1976. The most likely candidate is the carbureted stratified-charge system on smaller engines. It is probable that others, particularly the dual-catalyst system, will also qualify at that time. It is conceivable that the projected automobile production for 1976 can be achieved only by a mix of engines, some certifiable and some (probably larger engines) not quite certifiable. However, while it is premature to judge the issue at this time, a rationale may later be required for upward adjustment of one or more of the standards to permit production of a sufficient number of vehicles of various sizes in 1976.

Examination of possible interim standards for the three pollutants is complicated by the fact that the technologically feasible levels of the three pollutants are interdependent. For several of the systems discussed, further decreases in NO_x can be achieved, for example by greater reliance upon EGR, but only by accepting higher levels of CO and HC. Thus, before selection of a particular set of interim levels as achievable, answers will be required to such questions as: Is it more important to reduce NO_x emissions than CO or HC? Or vice versa? Further, compact cars are capable of lower emissions than are standard or large cars with similar control systems, while consuming less fuel. What emphasis should be placed on significantly different levels of fuel consumption that are associated with the various control systems and vehicle sizes and the substantial possible impact on total petroleum requirements?

The Committee made no attempt to resolve these and related questions, as judgments regarding these matters were deemed to be beyond the scope of the study commissioned to the Academy and delineated by the EPA-Academy contract. Thus, at this time, the Committee finds it inadvisable to recommend a specific set of interim standards.

Effects of a Delay in Enforcement on Total Automobile Emissions

To illustrate the effects of various delays in implementing the emissions standards, should this be found necessary, a computer model was used to calculate total automotive emissions in a typical metropolitan area for the years from 1960 to 2000. This model accounted for factors such as vehicle age distribution among all automobiles, the decrease in vehicle miles driven per year per car as vehicle age increases, the predicted nationwide growth in vehicle population each year, the emission reduction achieved through crankcase blowby and evaporative-loss control, the effect of federal exhaust-emission standards, and deterioration of emission controls with mileage. Vehicle age distribution was taken from a national average automobile population, which is a reasonable distribution for many large urban areas. Urban driving was assumed in the model, and average emissions for urban driving were used. These emissions values were obtained from records for 1972 and older model-year cars. For cars built or to be built after the 1972 model year, the emissions values were based on various implementation plans.

Figures 7.1, 7.2, and 7.3 show the variations in emissions of HC, CO, and NO_x, respectively; these curves are normalized against the maximum for each contaminant. Four cases are represented in each set of curves:

1. Standards maintained at the 1973 levels indefinitely.
2. 1975 and 1976 standards implemented and met on schedule.
3. 1975 and 1976 standards each delayed one year—the maximum allowable under the law.
4. 1973 standards maintained through 1976 model year and 1976 standards implemented in 1977 model year.

The implementation of emissions controls since 1968 has already caused an appreciable reduction in annual emissions of HC and CO, but little reduction in NO_x. Federal standards for model year 1973 cars call for decreases of approximately 80 percent for hydrocarbons, 70 percent for carbon monoxide, and 50 percent for oxides of nitrogen, all measured in relation to the uncontrolled emissions of pre-1968 vehicles. As seen in the curves, were 1973 standards to remain in force, total emissions of hydrocarbons and carbon monoxide would continue to decline for some years, as would that of NO_x. Preponderantly, these effects reflect the removal from service of older uncontrolled, or less-well-controlled automobiles.

Implementation of 1975 and 1976 Standards and Related Matters

Of two promising candidates for certification and production in 1975 and 1976—the dual-catalyst system and the carbureted stratified-charge engine—only the former is planned for manufacture on a scale commensurate with expected requirements in those years. Even if durable catalysts became available, the dual-catalyst system would still have several undesirable characteristics, and more important of which are listed below.

1. The dual-catalyst system is expected to have poor fuel economy. Improvements in fuel economy could be obtained by the use of proper feedback control mechanisms, but these are unlikely to become available for production in 1975 or even 1976.
2. Dual-catalyst systems will have a higher initial cost, be more difficult to maintain, and be less durable.
3. Manufacture of vehicles equipped with single- or dual-catalyst systems in large numbers before sufficient experience with these devices under actual diverse consumer use is precarious.

Independent of whether each car must periodically pass inspection or whether the manufacturer is repeatedly compelled to exercise the recall provisions of the Act; if a large fraction of all cars markedly exceeds the emission standards, the entire rationale of this procedure becomes suspect.

4. The 1973 class vehicles when converted to 1975–76 systems can be expected to be more difficult to start, thus wasting some fuel and increasing emission of pollutants (although it should be possible to mitigate this situation by future technical improvements).

The circumstances recounted above—the probable certifiability of the carbureted stratified-charge engine under both 1975 and

1976 standards but its relatively limited planned production, particularly in 1975, and the considerable promise of other, as yet incompletely developed systems—make judgment concerning an optimal national approach to decision concerning the scheduled implementation of the 1975/1976 standards extraordinarily complex—precisely because the entire research and development aspect of this situation is very much in flux and changing rapidly.

Some members of CMVE are concerned that strict enforcement of the provisions of the Act might, by forcing adoption of the control system first to be developed and certified, defeat the goal of the earliest possible attainment of compliance by the most generally desirable means. These members of CMVE believe that, once having embarked upon large-scale production of the catalyst-dependent control systems, several years would elapse before major manufacturers would alter course in favor of producing more generally satisfactory vehicles. This would happen, it is thought, because it would be consistent with the tradition of the industry of slowly improving technology already in use rather than switch to a significantly new and different technology not yet tried on a mass scale. Further, there is concern that existing market mechanisms would not suffice to accelerate conversion to a substantially different technology at a pace consistent with the overall national interest.

A minority view within the CMVE states that: (a) only rigorous enforcement of the Act will assure the pace of continued progress toward the goals of the Act; (b) by the time 1975 cars are placed in production, the catalysts used in catalyst-dependent systems may prove decidedly more reliable than are those now available; (c) there is no assurance that the additional development time would not simply be employed by the major manufacturers for further development of the present systems; and (d) the presence on the market of even a small number of alternative control systems that are more reliable, cheaper, and accompanied by a lesser fuel penalty, if any, would constitute an effective market device, which, without other intervention, would assure changeover by the major manufacturers at an acceptable pace, particularly if the recall provisions of the Act are enforced as warranted.

The majority view of CMVE suggests that, on balance, it may be prudent for EPA to consider a delay in the imposition of 1975 and 1976 standards, but no longer than that provided for in the Act. It is thought that this would provide the manufacturers an opportunity to consider and implement alternative and, quite possibly, more generally satisfactory technologies with which to attain the goals of the Act. In this view, as shown in Section 7.5, such an action would not result in an unacceptable deceleration in reduction of automotive emissions.

In its work, CMVE became aware of a continuing controversy concerning the stringency of existing emission standards. Strongly held differences of interests and views surround all the major factors that affect the selection of automotive emission standards: the health effects of individual pollutants, their relation to ambient concentrations, the relationship of total emissions to primary and secondary ambient pollutant levels, the contribution of automobile usage to total emissions, and the possible relative reductions in emissions from stationary and mobile sources. Some of the issues posed by these considerations are resolvable only by further scientific research; all will require the attention of officials concerned with pollution control.

These matters are so complex and important that the Committee strongly urges an early and thorough reexamination by Congress, EPA, and the Academy of all aspects of motor vehicle pollution standards established in the Clean Air Amendments of 1970—their premises, underlying assumptions, the goals that were set, and the interplay among the three pollutants dealt with specifically in the Act. In the light of the material developed in its study, CMVE believes that such a reexamination would be extremely valuable in relating motor vehicle emission control to the many issues relevant to a sound national environmental policy.

Appendix A

Committee on Motor Vehicle Emissions

E. L. Ginzton, Chairman, Varian Associates, *Chairman*.

J. A. Hutcheson, Vice President, Westinghouse Electric Corporation (retired), *Vice Chairman*.

Sidney W. Benson, Chairman, Department of Thermochemistry and Kinetics, Stanford Research Institute.

Charles H. Elmendorf III, Assistant Vice President, American Telephone and Telegraph.

James A. Fay, Professor of Mechanical Engineering, Department of Mechanical Engineering, Massachusetts Institute of Technology.

Richard L. Garwin, IBM Fellow, Thomas J. Watson Research Center.

Irvin Glassman, American Cyanamid Professor of Environmental Sciences, Department of Aerospace and Mechanical Sciences, Princeton University.

A. J. Haagen-Smit, Professor of Biochemistry, Division of Biology, California Institute of Technology.

Harold S. Johnston, Professor of Chemistry, Department of Chemistry, University of California.

Arthur R. Kantrowitz, Director, AVCO-Everett Research Laboratory.

J. Ross Macdonald, Vice President of Corporate Research and Engineering, Texas Instruments Incorporated.

M. Eugene Merchant, Director of Research Planning, Cincinnati Milacron, Incorporated.

Edwin S. Mills, Professor of Economics and Public Affairs, Department of Economics, Princeton University.

Glenn C. Williams, Department of Chemical Engineering, Massachusetts Institute of Technology.

STAFF

John E. Nolan, Executive Director, Committee on Motor Vehicle Emissions, National Research Council.

Richard Barber, Legal Counsel, Committee on Motor Vehicle Emissions, National Research Council.

Miss E. Gaspard-Michel, Administrative Assistant, Committee on Motor Vehicle Emissions, National Research Council.

Mrs. Emily J. McDonald, Administrative Secretary, Committee on Motor Vehicle Emissions, National Research Council.

Mrs. Ann Farrar, Secretary, Committee on Motor Vehicle Emissions, National Research Council.

Miss Betty Holland, Secretary, Committee on Motor Vehicle Emissions, National Research Council.

SPECIAL CONSULTANT

James E. A. John[*], Head, Department of Mechanical Engineering, University of Toledo.

Appendix B

Panels of Consultants

EMISSION STANDARDS (PANEL 1)

Arthur C. Stern, Environmental Science and Engineering, School of Public Health, University of North Carolina, Panel Chairman.

Leslie A. Chambers, School of Public Health, University of Texas at Houston.

James Fitzpatrick, Environmental Analysts, Inc.

John A. Maga, Air Resources Board, State of California.

Richard M. Kamens, Special Assistant to Panel 1.

TESTING, INSPECTION AND MAINTENANCE OF VEHICLES (PANEL 2)

John N. Pattison, Civil Engineering Department, University of Cincinnati, Panel Co-Chairman.

R. Robert Brattain, Pebble Beach, California, Panel Co-Chairman.

Marian Chew, Chagrin Falls, Ohio.

Jack Gockel, President, Clean Air Research Company.

G. C. Hass, Air Resources Board, State of California.

William Scott, Scott Research Laboratories.

EMISSION CONTROLS SYSTEMS (PANEL 3)

(For spark-ignition internal combustion engines)

John B. Heywood, Department of Mechanical Engineering, Masachusetts Institute of Technology, Panel Chairman.

J. A. Bolt, Department of Mechanical Engineering, University of Michigan.

Ernest Jost, Materials and Electronic Controls Group, Texas Instruments, Inc.

Henry K. Newhall, Fuels Division, Chevron Research Company.

William A. Sirignano, Guggenheim Laboratories, Department of Aerospace and Mechanical Sciences, Princeton University.

Henry Wise, Stanford Research Institute.

David Wulfhorst, Cummins Engine Co., Inc.

ALTERNATE POWER SOURCES (PANEL 4)

John Bjerklie, Schenectady, New York, Panel Chairman.

Elton J. Cairns, Senior Scientist, Chemical Engineering Division, Argonne National Laboratory.

Henry J. Korp, Howell Corporation.

Charles Tobias, Department of Chemical Engineering, University of California.

David G. Wilson, Department of Mechanical Engineering, Massachusetts Institute of Technology.

Clarence Zener, University Professor, Carnegie-Mellon University.

Kurt H. Weil, Special Consultant to Panel 4.

MANUFACTURING AND PRODUCIBILITY (PANEL 5)

Maurice Nells, La Jolla, California, Panel Chairman.

Donald Bartlett, A. T. Kearney & Company, Inc.

George D. Clayton, George D. Clayton & Associates.

Merrill L. Ebner, College of Engineering, Boston University.

LeRoy H. Lindgren, Rath and Strong, Inc.

DRIVEABILITY (PANEL 6)

King D. Bird, Vehicle Research Department, Cornell Aeronautical Labs.

Leonard Segel, Highway Safety Research, Institute, University of Michigan.

ATMOSPHERIC CHEMISTRY (PANEL 7)

Edward Stephens, Statewide Air Pollution Research Center, University of California.

Lowell Wayne, Los Angeles, California.

CATALYSTS (PANEL 8)

James Wei, Allan P. Colburn, Professor, Department of Chemical Engineering, University of Delaware, Panel Chairman.

Robert Burwell, Department of Chemistry, Northwestern University.

Joe W. Hightower, Department of Chemical Engineering, Rice University.

David F. Ollis, Department of Chemical Engineering.

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[*] Professor John served as Executive Director of the Committee on Motor Vehicle Emissions from April 1, 1971 through August 31, 1972.

APPENDIX C

PERSONS, GROUPS, AND COMPANIES FROM WHOM THE COMMITTEE OBTAINED OR SOUGHT INFORMATION

In the course of its study, the Committee on Motor Vehicle Emissions obtained and sought out information from a wide range of sources in the United States and abroad. As previously reported (in the Committee's January 1972 Report), an initial invitation was extended to the public to submit information and comments in September 1971 (this invitation was later published by EPA in the Federal Register: 36 F.R. 23092). A follow-up invitation was sent by the Committee on June 28, 1972, to 31 individuals and environmental groups known, on the basis of their participation in EPA hearings, to have a special interest in the subject. A copy of this letter appears below, following a listing of those persons, groups, and companies from whom information was obtained during 1972.

Aerojet Liquid Rocket Company.
Air Products and Chemicals, Inc. (Houdry Division).
Air Quality and Automobile Emissions Conference.
American Cyanamid Company.
American Lava Corporation.
American Motors Corporation.
American Oil Company.
American Petroleum Institute Research Section.
Arbeitsgemeinschaft Verstaerkte Kunststoffe.
Arizona State Department of Health.
Arvin Company.
Atlantic-Richfield.
Audi NSU Motorenwerke.
Austin Tool Company.
Automobile Manufacturers Association.
Bendix Corporation.
BICERI, Ltd.
British Leyland Motors Corporation, Ltd.
British Railway Technical Center.
California Air Resources Board.
Carter Carburetor Company.
Caterpillar Tractor Company.
CAV, Joseph Lucas, Ltd.
CGE Marcoussis Laboratory.
Champion Spark Plug.
Chemische Werke Huels.
Chrysler Corporation.
Citroen.
Clayton Manufacturing Company.
Compagnie General Electrique.
Comotor.
Corning Glass Works.
Cummins Engine Company, Inc.
Curtiss-Wright Corporation.
Daimler-Benz A.G.
Degussa.
Detroit Diesel.
Deutsch Automobilgesellschaft.
Dresser Industries.
E. I. duPont deNemours & Company.
Electricity Research Center.
Electrochemical Society.
Englehard Chemical and Mineral Corporation.
Environmental Protection Agency.
Erren, Rudolp A.
Esso Research and Engineering.
Ethyl Corporation.
Fachverband Kohlechemie and Petrochemie.
Fiat, S.p.A.
Ford Motor Company.
Garret AiResearch.
General Electric Corporation.
General Motors Corporation.
Gould, Inc.
Gulf Research and Development Company.
Hamming and Dickinson.
Holley Carburetor.
Honda Motor Company, Ltd.
Humble Oil Company.
Imperial Chemical Industries.
Institute fur Kunststoff VerArbeitung.
International Harvester, Inc.
International Materials Corporation.
Isuzu Motors, Ltd.
Japan Catalytic Chemical Company.
Jersey-Alsthom.
Jersey Enterprises.
Johnson-Matthey, Ltd.
Kali-Chemie.
Kinergetics, Inc.
Kinetics Corporation.
Krauss-Maffei A.G.
Lear Motors.
Linde A.G.
M.A.N. (Maschinenfabrik Augsburg-Nuernberg, A.G.).
Matthey-Bishop.
Mazda Dealerships.
McCulloch Corporation.
Mercedes Dealerships.
MERDC.
Messerschmitt-Boelkow-Blohm G.m.b.H.
Mitsubishi Motors Corporation.
Mobil Oil Company.
Monsanto Company.
National Petroleum Refiners Association.
New Jersey Department of Environmental Protection.
New York City Department of Air Resources.
New York State Department of Motor Vehicles.
Nissan Motor Company, Ltd.
NLPG Association.
Noel Penny Turbines Ltd.
Northrop Corporation.
Oxy-Catalyst, Inc.
Paxve Corporation.
Perkins Engine Company.
Petro-Electric Motors, Ltd.
Philips Corporation.
Pratt & Whitney Aircraft.
Questor Automotive Products Company.
Ragone, Dr. David (AAPS)
Renault, Inc.
Revom, Inc.
Ricardo & Company Engineers, Ltd.
Robert Bosch, G.m.b.H.
Rolls Royce Motors, Ltd.
Scott Research Laboratories.
Technische Hochschule Aachen.
Technische Forschungsanstalt & Entwicklungsstelle.
Texaco Research Laboratories
Thermo Electron Company.
Thermo-Mechanical Systems Company.
Toyo Kogyo Company.
Toyota Motor Company. Ltd.
TRW Systems Group Corporation.
Union Oil of California.
U.S. Army Tank-Automotive Command.
United Stirling A. B. & Company.
Universal Oil Products.
Varta.
VEBA chemie.
Verein Deutscher Ingenieure.
VGW-VERBAND der Deutschen Gas und Wasserwerke.
Volkswagen.
Volvo, Inc.
Walker, Professor Joe.
Wankel Symposium of Society of Manufacturing Engineers.
Williams Research.
W. R. Grace & Company.
Zwick Company.

TEXT OF COMMITTEE LETTER OF INVITATION, JUNE 28, 1972, SEEKING INFORMATION FROM PUBLIC AND ENVIRONMENTAL GROUPS

As provided for in Section 202(c) of the Clean Air Amendments of 1970 (PL 91–604) the National Academy of Sciences is currently conducting a study and investigation of the technological feasibility of meeting the motor vehicle emissions standards prescribed in Section 202(b) of the law. This study, which is being conducted by our Committee, forms an integral part of the process by which the Environmental Protection Agency (EPA) Administrator rules upon requests for suspension of the applicable effective dates.

Since it commenced its work last year the aim of our Committee has been to secure the widest possible range of information and informed opinion. While we have sought out many sources of such information, we have also encouraged individuals and organizations to submit whatever material or comment they believe is relevant to our inquiry. On September 21, 1971, we circulated to several hundred groups, publications, and individuals an invitation to submit their views to the Committee. This invitation also appeared in the Federal Register.

As the Committee's study moves ahead we want to renew our invitation and extend to you and your organization another opportunity to provide us in writing with such information and comment as you may care to make with respect to the subject of our study, namely, the technological feasibility of meeting the statutory emissions standards on the schedule contemplated by the Clean Air Amendments. To be somewhat more specific, the Committee is now giving the bulk of its attention to the standards for oxides of nitrogen, for 1976 model-year vehicles. Of particular concern to the Committee are topics such as these:

What modifications can be made to the conventional internal combustion engine that would insure compliance with the 1976 standards? Can the requisite equipment be produced in sufficient quantity and on a reliable basis to satisfy assumed demand by 1976, taking into account design and engineering lead-time? How much confidence can be placed in the ability of such devices to meet the standard, not only at the time of production, but for the full required period of five years or 50,000 miles?

With one principal approach to meeting the 1976 standard calling for use of reduction catalysts, it is important to evaluate the confidence that can be placed in their durability and continued effectiveness in actual use. Can you supply any data or information relative to catalyst durability while in use on an automobile, other than that which was publicly submitted to EPA in the May 1972 hearings? If catalysts are unlikely to remain effective for the five year-50,000 mile period, how often will they have to be replaced and at what costs, how will the vehicle owner (or operator) know that his catalyst has lost its effectiveness, and how can the public be assured that ineffective catalysts are promptly replaced or recharged?

The objective of the Clean Air Amendments is to permit the production of vehicles in 1975 and 1976 that will meet the emissions standards for 50,000 miles or five years. Given what is known from durability data and other information, is it feasible to meet this goal without requiring some program of periodic inspection and maintenance? What methods exist to determine whether a vehicle in use meets the applicable emissions standards? If a vehicle is found to be emitting in excess of the allowable limits, is it practical to identify with sufficient precision the cause so as to avoid needless and perhaps costly maintenance?

Aside from the conventional spark-ignition internal combustion engine, what other power plants could be produced in sufficient quantity by 1976 (or 1977) that would satisfy the 1976 standards? What is known of their costs, operating efficiency, and other characteristics?

This listing of topics which are of concern to the Committee is by no means exhaustive. There are many other issues of importance and the Committee is guided solely by a desire to mobilize as much information and opinion as it can as it relates to the matter of technological feasibility of satisfying the motor vehicle standards as prescribed in the 1970 amendments. Consistent with this objective we invite you to submit such information or to offer such comments as you consider pertinent to the subject of our inquiry. To be of use to the Committee your submission should be in writing and be received not later than August 4, 1972. All such materials should be sent to:

Committee on Motor Vehicle Emissions,
National Academy of Sciences,
2101 Constitution Avenue, NW.,
Washington, D.C. 20418.
Attention: Public Submissions.

Although we are sending copies of this letter to a substantial mailing list, we would urge you make this letter of invitation known to any person or group that you believe would be particularly interested in it. We would also suggest you might reprint this letter or portions of it in any newsletter or other publication of your organiaztion.

Signed by JAMES E. A. JOHN.

APPENDIX D

ANNOUNCEMENT PLACED IN FEDERAL REGISTER REQUESTING INFORMATION WITH RESPECT TO TECHNOLOGICAL FEASIBILITY

SEPTEMBER 9, 1971

An announcement was placed in the Federal Register concerning the appointment of a committee to determine whether the automobile industry is technologically capable of designing and mass-producing a reliable engine that will meet the motor vehicle emissions standards prescribed by the Clean Air Act Amendments of 1970.

SEPTEMBER 21, 1971

An announcement was placed in the Federal Register inviting public submissions of materials related to "technological feasibility" of meeting auto air emission standards.

JULY 6, 1972

An announcement was placed in the Federal Register requesting interested parties to obtain and fill out questionnaires concerning data or concepts on alternate engines for low emission automotive propulsion plants.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

SENATE RESOLUTION 41—PRIVILEGE OF THE FLOOR

Mr. STEVENSON. Mr. President, I ask unanimous consent that a member of the staff of the Committee on Commerce, Mr. Basil Condos, be permitted the privilege of the floor during the discussion of the Banking Committee resolution, Senate Resolution 41.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR ADDITIONAL EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

The PRESIDING OFFICER. Under the previous order, at the conclusion of morning business, the Chair lays before the Senate Senate Resolution 41, which will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 41) authorizing additional expenditures by the Committee on Banking, Housing, and Urban Affairs for inquiries and investigations.

The Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with amendments on page 2, line 9, after the word "exceed", strike out "$660,000" and insert "$600,000"; in line 15, after the word "exceed", strike out "$320,000" and insert "$270,000"; and, on page 3, line 5, after the word "exceed", strike out "$210,000" and insert "$200,000"; so as to make the resolution read:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by section 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Banking, Housing and Urban Affairs, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The Committee on Banking, Housing and Urban Affairs, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, to expend not to exceed $600,000 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

SEC. 3. Not to exceed $270,000 shall be available for a study or investigation of—

(1) banking and currency generally;

(2) financial aid to commerce and industry;

(3) deposit insurance;

(4) the Federal Reserve System, including monetary and credit policies;

(5) economic stabilization, production, and mobilization;

(6) valuation and revaluation of the dollar;

(7) prices of commodities, rents, and services;

(8) securities and exchange regulations;

(9) credit problems of small business; and

(10) international finance through agencies within legislative jurisdiction of the committee.

SEC. 4. Not to exceed $200,000 shall be available for a study or investigation of public and private housing and urban affairs generally.

SEC. 5. Not to exceed $130,000 shall be available for an inquiry and investigation pertaining to the securities industry.

SEC. 6. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 28, 1974.

SEC. 7. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. CANNON. Mr. President, this resolution would authorize the Committee on Banking, Housing and Urban Affairs to expend not to exceed $660,000 during the next 12 months for inquiries and investigations.

During the last session of Congress, the committee was authorized to expend not to exceed $577,000 for that purpose. The committee estimates it will return approximately $39,808 of that amount to the Treasury.

The pending request includes an increase of $83,000 over last year's authorization.

The Committee on Rules and Administration has amended Senate Resolution 41 by reducing the requested amount from $660,000 to $600,000, a reduction of $60,000.

Senator SPARKMAN is chairman of the Committee on Banking, Housing and Urban Affairs and Senator TOWER is its ranking minority member.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. SPARKMAN. I have discussed this matter with the Senator from Nevada. I feel very strongly that a mistake is being made in connection with part of this resolution. There really are three parts to it, three different appropriations.

One appropriation we have been having for a good many years is to provide additional personnel for the principal committee, the standing committee. Another one that we had for a good many years is for a housing subcommittee, which has a separate appropriation and a separate staff and operates almost as a committee. The third is one that has been temporary, which we are phasing out, and that is the one dealing with, we might say, the ad hoc committee on securities.

The committee voted as a whole to ask for additional personnel. The vote was overwhelmingly in favor of it. I do not think it was unanimous. But the committee was unanimous in asking for the addition of six staff members, four to be professional staff, two to be clerical staff.

The request grew, largely, out of the things that have happened in so many committees this year—a request by the Republican side for additional staff members. Of course, the Democratic side wanted some additional staff members. Therefore, the committee decided upon two for each side—two that would be assigned to the minority, and two that would be assigned to the majority. Of the two clerical assistants, presumably one would be for each side. The Rules Committee allowed for half that number. At least, that is what it amounts to, because it allowed for half the amount requested.

There was also something having to do with the Housing Subcommittee, that I shall point our particularly. Our request was reduced there by $10,000. That $10,000, as is shown by my letter to the Committee on Rules and Administration, was specifically for the purpose of allowing us to carry on oversight activities, something we have not heretofore been able to do. I stated to the committee that last year we wanted to investigate very badly some of the reports concerning housing. We could not do it because we did not have the funds. Someone suggested then that we ask for a supplemental. I said, "No. We are moving along toward the last of the year. In January we will ask for additional funds." The $10,000 was for that purpose. That amount has been cut out.

I have talked with the chairman, and he takes the position that the reduction was made because, although we showed in last year's application, and in the application of the year before, only seven employees for the Housing Subcommittee, this year we show that we have eight employees. That is correct. But we should have shown that in 1971 and 1972 we had a vacancy. In 1970, the record shows that we had eight employees.

What happened was this: After the adoption of the 1970 Reorganization Act, our committee was entitled to add two professional staff members and two clerical members. We did that. John Evans—who, by the way, has just been made a member of the Securities and Exchange Commission—was serving the minority, really as counsel, but was acting under the title of Assistant Clerk, because that was the only position in which we could place him. The Reorganization Act did permit us to name two employees.

I named John Evans as counsel for the minority, the title he should have had all along. That left a vacancy in the assistant clerk's position. He was a very efficient clerk. There was not much work for the professional clerk to do, but in order that the position might be filled, I transferred one of the employees of the Housing Subcommittee to the position of assistant clerk, but he was used to fill both positions.

I thought I was saving money—and I was—by so doing; but it left just seven employees. When we filed our application that year, we showed only seven employees, but that was the number of employees we had at that time. We should have showed that we had one vacancy.

As of July 1, 1972, our committee clerk retired. She had been with us for years. I named the assistant clerk as the committee clerk. Of course, that meant that she could not continue to do the housing work she had been doing, and I filled that place on September 1, 1972.

When I went before the Committee on Rules and Administration this year, I showed that we had eight employees, and that was correct. But because we had shown only seven the year before, we were denied the $10,000.

I think that was a mistake. It may have been a mistake on my part for not showing that a vacancy existed. I meant well in saving 18 months' salary. Sometimes I think that a person who runs a committee in a frugal manner is penalized. It is the one who spends everything he gets who receives what he asks for every year. We are being penalized $10,000 for having saved the Government some $25,000 during that year. This sum was requested specifically to permit us to do oversight that we ought to do on the many billions of dollars worth of interest that the Federal Government has in housing throughout this country. That is being taken away from us. We have eight employees, just as I showed we had when I submitted the request for funds this year, and I think the committee should restore it.

Let me say in all fairness to my friend, the chairman of the committee (Mr. CANNON), that I have discussed this with him and he does not feel he can act on his own because the committee as a whole voted for the cut. But he has said to me, and I want to see if I am correctly quoting him, that if we will go ahead with this and if we find we cannot do the oversight that we expect to do, then he would be receptive to a resolution later in the year seeking additional funds. Am I correct?

Mr. CANNON. Yes, the Senator is correct. The committee has consistently taken the position that if a committee finds that it cannot live within the budget approved by the Committee on Rules and Administration, we would be receptive to a proper showing. We have a number of problems. One problem is that every committee wants to increase the number of personnel; not every committee but almost all committees.

Mr. SPARKMAN. Not that subcommittee.

Mr. CANNON. But the entire Committee on Banking, Housing and Urban Affairs, as shown, proposed an increase of six people, even though part of its work was being phased out, and the investigation of the Securities Commission, which we approved earlier, has been reduced from a high of 13 personnel in 1971 to six at this time.

Mr. SPARKMAN. And I hope by the time we go ahead it will be phased out.

Mr. CANNON. I hope it is, but let me finish my response.

Mr. SPARKMAN. Yes.

Mr. CANNON. We are also confronted with the problem of furnishing space, and every committee now is just running over with people and no place to put them. We have one subcommittee that is authorized by the entire Senate and we have not been able to find space for them so far. So every time we see a proposed increase in personnel in the Committee on Rules and Administration we look at it and we see if we can by restricting the budget contain our future requirements for space, as well.

If the Senator finds he needs additional finances, we would be receptive and we have told the Senator from Nevada (Mr. BIBLE) the same thing. If that should occur we would be receptive because we want to cooperate in any way we can. We are trying to keep some of the basic problems under control and we are trying to look at the overall budgetary assistance. This would propose an increase of six people for the entire committee and an increase of some $82,000, as I recall, but we did make a recommended reduction of $60,000 in the requested increase, so there is an increase still there of $75,000.

Mr. SPARKMAN. First of all, let me say that I appreciate the Senator's statement. I know what he is talking about with reference to space because we have space problems. I have a space problem in my personal office and in the committee. However, I wish to say something else.

During the years I have been the chairman of the Housing Subcommittee, and that goes back to 1949, I never have asked for an additional appropriation. I have lived within the appropriation that the Committee on Rules and Administration set out. I have never asked for a dollar, and I believe the chairman will find, if he checks the record, that I have never failed a single time to turn back money that had been given to us by the Committee on Rules and Administration.

I do not like this idea of having to come back. I think it is an invitation to probably be a little more ruthless than one otherwise might be. I felt, in asking for that $10,000 increase in the Housing Subcommittee for oversight procedures that we were being just as frugal and reasonable as we could be.

No chairman of a committee has been more frugal in running his committee than I have been in the whole Committee on Banking, Housing and Urban Affairs, and particularly in the Subcommittee on Banking, of which I have been chairman since 1949. As I explained to the chairman, we had eight employees when the request was made. We have eight now. We had eight every time except for the 18 months in which we were saving the Government money by letting one person fill two jobs.

Let me say to the chairman that I will still be just as frugal as I can, but if the chairman feels he cannot grant that $10,000 now we will most likely be back. If we can operate without coming back, we will do it.

Mr. CANNON. Mr. President, may I suggest to my colleague that the proposed budget shows an increase for the general subcommitte of eight employees. We did not reduce that sufficiently to knock out eight new employees. There would be no reason at all that this one person from the Housing Subcommittee could not be put under the general listing and be one of those new eight employees requested by the general subcommittee.

Mr. SPARKMAN. I do not understand eight. We requested six. We took three off of the Securities Subcommittee, so it made a net of three.

Mr. CANNON. According to the information presented to the Committee on Rules and Administration, under general subcommittee, section 3, the figure was eight and the request for 1973 is 16, an increase of eight.

Mr. SPARKMAN. That is correct.

Mr. CANNON. Under the section 3 provision of the banking and housing resolution, that request represented $50,000 of a requested $148,000, so there is still a $98,000 increase allowed there.

There is nothing at all that would prohibit one of these employees from the Housing Subcommittee being carried under section 3 as though those increases were going to be put on.

Mr. BROCK. Mr. President, if the Senator will yield, the point is, where does the $10,000 cut come from and what can we do now? We cannot get blood from a turnip. These employees were requested because they are legitimately needed.

If I may inject this, I cannot accept the space argument. As a freshman, we made a study of space on this side, and we found that the average square-footage per Member of the Senate was 60 and the average square-footage per committee staff was 140. If we take a look at whether or not we are doing right for the Members of this body or doing right for the staff, we will find we have done ourselves ill in that regard. But, there simply is no fat in this matter for the transfer of the chairman's need in that $10,000

Mr. CANNON. May I suggest that this was the considered judgment of the Rules and Administration Committee. As I am aware, there were no dissenting votes, and the rules committee has the very unpleasant responsibility, I may say, of trying to keep these budgets in line somewhat, and this represented our best judgment. I, for one on the floor here, cannot accept action that is going to be contrary to that which the committee has authorized. I told the chairman of the committee if he feels he needs to come back, that presentation should be made to the committee, not to me or to the floor managers here for their determinaton.

Mr. BROCK. Mr. President, if the Senator will yield further, I have great sympathy for the difficult job he has. I have a complete understanding of how tough it can be, but I did not know there was going to be a meeting on this particular day. The Senator from Illinois did not. No one apprised me of the fact that the issue would be raised. Consequently, I do not think any testimony was presented in opposition to the proposed cut. I talked to the Senator from Kentucky (Mr. Cook). He said he supported the restoration of the budget when he found out what had happened, when it left us with two subcommittees with no staff for the majority on one side and no staff on the other. These are critical needs. We are caught in the vice that no one presented the case for us.

Mr. CANNON. I do not understand the statement that they were left with no staff. The Housing Subcommittee has 12 permanent staff members. Some have been changed to one person. Some have been given more by law. But under the Reorganization Act, there are 12 permanent staff members. In addition to that, under section 3 of the resolution, the general provisions of the act, in 1972 there were eight investigating staff people, and there is a request this year for 16.

In addition to that, the Housing and Urban Affairs Subcommittee, in 1972, had seven persons, and the request this year is for eight, and the Senator from Alabama and I have discussed that. The Securities Investigation Subcommittee had nine for 1972, and the request this year is six, a net loss of three.

This shows, according to my figures, the requested figure is to have 30 plus 12, making a total of 42 people for this committee and three subcommittees, and of those we have disallowed the request for $60,000. The budget was $83,000 over last year. That $60,000 permits an increase of $23,000 over last year, and there was a turnback, including the Securities Industry Subcommittee, of some $39,000.

Mr. BROCK. Of those 42, only five are professional for the minority and three supporting, so we have eight out of 42.

Mr. CANNON. That is not something for me to decide or the Senate to decide; that is between the committee and the chairman as to what the allocation is, because there seems to be a mistaken concept that the minority, by law, is entitled to one-third of the staff people. That simply is not the case. That is not the law and has not been established by precedents of the Senate.

The Legislative Reorganization Act states that there shall be six permanent staff people and six clerical people to a committee and states further that if the minority requests the assignment of two specific personnel on the permanent staff, that can be granted by request. That must be done, and they can remain until they are "attritered" away——

Mr. BROCK. What about the minority staff——

Mr. CANNON. I have not yielded.

These staff people have never been selected, so far as I know, on a partisan basis. That is the position that has been taken by the Rules and Administration Committee. Time after time and time after time thus far our professional people are hired to serve the entire committee, and not serve the majority or the minority. They are certainly made available on that basis. But under the Legislative Reorganization Act, if the minority requests it, they can be given two additional personnel, and that has to be done by vote of the committee, and these people can remain until "attritered" away.

Beyond that, the only other provision is that they can be assigned by the chairman, one clerical personnel to perform duties for the minority, as they see fit.

If we are going to go into the issue which has been suggested, that the minority is entitled to one-third of the professional staff and one-third of the clerical workers, and we are going to hire these people by their political affiliation, I would like to suggest a question. Who are going to be the people who are going to be fired when that is done? Professional people have been on the staffs for years, and the chairman inherits them from one Congress to another, and if he thinks they are not good, he will get rid of them, and if he thinks they are good, he is going to keep them. I am in that position now as chairman of the Rules Committee. I have not fired one single person since I have been on there. I do not know whether they are members of the majority or the minority party.

I do not think they should be so hired.

Mr. SPARKMAN. Mr. President, I agree completely with what the chairman has said. So far as these funds are concerned, the question of minority representation does not enter into it. The chairman will remember the testimony of the Senator from Texas (Mr. Tower) with regard to the one-third question. In effect, he said the minority was satisfied, that they had 22 percent of the staff and got 30 percent of the funds. I had never known of any such calculation as that, because I never regarded them as being minority or majority, except that the majority has always had majority counsel. So far as the whole staff is concerned, there is no politics of any kind involved. Not only that; I want to go back to the Reorganization Act of 1946. It gives to the professional staff members what I think we might call permanence. So far as I know, during the 26 years I have been on the banking committee, I have never known of any chairman firing a single member of the staff and replacing him with someone of his own party; it did not matter whether the chairman was a Democrat or a Republican. We have respected the spirit of the act of 1946, and we still respect it.

In this particular case, the motion was made in the committee and was agreed to by the whole committee that there be four additional professional staff members, with two clericals, hired. That is where the six came in.

I am perfectly willing to rest on the statement that the chairman has made with reference to the $10,000 for the Housing Subcommittee. I feel very keenly that a mistake has been made there. And I do not think it would have been made ordinarily. We simply show the vacancy that was in existence on the committee in 2 years, last year and this year. But we did not do it this time. Furthermore, I want to say that I do not understand that the number of employees named here is a limitation on the number of employees that the subcommittee can have or even that the full committee can have under the resolution.

As I construe it, it is the number that we have on the payroll at the time. It is a guide. And it is suggestive as to what it would continue to be. However, I do not think it is final.

Mr. CANNON. Mr. President, the budget terms submitted list the number of people, and it shows the number of people eligible in the beginning of the year and the number of people budgeted. And we have only the number that we ask for, and that the number the committee requested and that a budget was submitted for. I would have to refer that to the Budget officer as to whether someone hires more people than shown.

Mr. SPARKMAN. I am not recommending hiring more. I never have. I have maintained it at eight throughout.

Mr. CANNON. I would say that the Committee on Rules and Administration is certainly aware of the fine work that the Committee on Banking, Housing and Urban Affairs has done in the past. I know that there are many complaints because of the housing situation. There are bound to be many more in view of the administration's position on this housing issue this year. I do not want to see investigative work undertaken because of some action that has been taken.

Mr. SPARKMAN. I am perfectly willing to rest on the statement the Senator from Nevada has made as to whether we are willing to administer it as frugally as we can. If we cannot get by, we will be back in.

Mr. CANNON. Mr. President, I yield to the Senator from Illinois.

Mr. STEVENSON. Mr. President, I want to associate myself with the remarks of the Senator from Tennessee. We have nothing but sympathy for the chairman. And I listened with admiration to the way in which the chairman has conducted the business of that committee. It may very well be that we were negligent in this case.

I certainly had no idea that the budget for the Banking, Housing and Urban Affairs Committee was in any danger in the Committee on Rules and Administration. If I had, we might have been able to do something. The Committee on Rules and Administration could not have known what the impact of this cut would be on the Banking, Housing and Urban Affairs Committee. It isn't only the impact on the subcommittee mentioned by the chairman. The impact is on two other subcommittees, the Consumer Credit Subcommittee and the Subcommittee on International Finance, of which I am the chairman.

The Senator from Tennessee can discuss the Consumer Subcommittee. I would like to say a word about the Subcommittee on International Finance. It is no secret that the dollar is under attack. The international monetary system is on the verge of collapse. It has been a long time since the Bretton Woods Agreement which established the postwar monetary system. The Smithsonian Agreement of 2 years ago has collapsed. The Banking Committee is now considering devaluation of the dollar. It has jurisdiction over the value of the dollar, upon which the monetary system is dependent.

The monetary difficulties we face can be traced in part to our trade deficit. This is the committee with jurisdiction over the Export-Import Bank.

Mr. CANNON. Mr. President, this committee was not staffed by approval of any budget from the Committee on Rules and Administration. It was staffed by the committee personnel we already had, a total of 12 permanent staff people based on the request this year for a total of 24. We had 24, and an additional 36 people last year. As to the subcommittees, no budget was shown for either the International Finance Subcommittee or the Consumer Subcommittee. They were staffed in the past, and they were staffed by the chairman with the people available from the staff.

I may say that the present budget that the Committee on Rules and Administration approved would even let the Senator increase the number of personnel.

Mr. STEVENSON. Mr. President, the increase approved by the Committee on Rules and Administration is $23,000, which would not even cover cost of living pay increases, let alone the additional staff for any of the subcommittees.

Mr. BROCK. Mr. President, will the Senator yield so that I might ask for the yeas and nays on the committee amendment while we have enough Senators present?

Mr. CANNON. I yield.

Mr. BROCK. Mr. President, I ask for the yeas and nays on the committee amendment.

Mr. CANNON. Which amendment?

The PRESIDING OFFICER. There are four committee amendments.

Mr. BROCK. Mr. President, I ask unanimous consent that the amendments be considered en bloc and voted on by a yea-and-nay vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient number (Putting the question)?

The yeas and nays were ordered.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1973—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on House Joint Resolution 345, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HATHAWAY). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year 1973, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD, volume 119, part 5, page 5483.

Mr. JAVITS. Mr. President, reserving the right to object, and I will not object, I gather that the conference report has not yet been printed.

Mr. McCLELLAN. I believe the report has been printed.

Mr. JAVITS. I thank the Senator. I wanted to have a look at it.

Mr. McCLELLAN. Mr. President, this continuing resolution passed the Senate on February 26 with six Senate amendments. A conference was held with the managers on the part of the House of Representatives on February 27 and an agreement has been reached on these amendments.

The effect of the first amendment included in the bill by the Senate was to provide authority for the continuation of the activities financed in the foreign operations appropriation bill until April 30, 1973, rather than the date June 30, 1973, as passed by the House of Representatives. The Senate conferees were faced with a unanimous, adamant position on the part of the managers of the House of Representatives. The amendment had been agreed to in the Senate proposing a date of April 30, 1973, for foreign operations rather than June 30, 1973, in view of the fact that the Committee on Foreign Relations of the Senate had ordered reported a bill which would authorize appropriations for the balance of fiscal year 1973 for military assistance, foreign military credit sales, security supporting assistance, and assistance to Bangladesh.

The original appropriation bill for foreign assistance for fiscal year 1973, although it passed the House of Representatives and passed the Senate, was never sent to conference inasmuch as there was no authorizing legislation for these four programs. In view of the fact that the Committee on Foreign Relations of the Senate had ordered reported an authorizing bill for these programs, the Senate changed the date on the continuing resolution for foreign assistance programs to April 30, 1973.

In conference, the managers on the part of the Senate were advised repeatedly that the chairman of the Foreign Affairs Committee of the House of Representatives desired the continuing resolution to continue foreign assistance until June 30, 1973, the inference being clear that the House of Representatives had no intention to take any action on the bill which had been ordered reported by the Committee on Foreign Relations of the Senate. It was for these reasons that the Senate conferees receded, and language was included in the statement on the part of the managers of the two Houses that this action is taken most regretfully because of the present situation and attending circumstances, and this is not to be regarded as a precedent. It is not our intention to tolerate this practice in the future.

I am happy to report that the managers on the part of the House of Representatives were willing to accept the remainder of the Senate amendments so that the American Revolution Bicentennial Commission can proceed at the existing annual rate of $6,224,000 until June 30, 1973, and that section 102 of the Treasury, Postal Service, General Government appropriation bill, the preclearance amendment, which the Senate proposed be repealed, has been agreed to. The amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD) providing for four reports each year from the Office of Management and Budget on the impounding of funds was agreed to by the Conference Committee.

Mr. President, it is necessary that this continuing resolution be enacted into law if the operations financed in the Labor-HEW appropriation bill and foreign operations appropriation bill are to be continued. I urge the adoption of the conference report.

Mr. JAVITS. Mr. President, speaking now to the particular agreement which the Senator has just referred to, I wish for the Senate to have clearly in mind what happened.

For practical purposes, we will not have passed an authorization bill for foreign assistance for 2 years, and we are now operating and will operate until the end of this fiscal year on the 1972 statute.

The Committee on Foreign Relations considered a great many amendments attributable to changes in circumstances which have occurred since the 1972 bill, which is quite out of date, and I believe it is most regrettable that we should not be acting on the basis of law which is up to date, but rather simply avoiding the issue by harking back to a statute which is already out of date. It seems to me that as the foreign aid issue is one very much before us for reform and revision, this is particularly intolerable and unfortunate. Some excellent amendments were contained in the measure reported here by the Committee on Foreign Relations, and as I say, I think it is most regrettable that this should have occurred.

Among those measures, for example, was an economy measure, a material scaling down of the ceiling on aid to Cambodia. There was recognition of the fact that we are now out of the struggle in Vietnam, whereas the 1972 legislation upon which we will be acting still assumes we are in the struggle in Vietnam. So, as I say, the bill is quite obsolescent, and it is, in my judgment, a very serious retrogression for those who wish the authority of Congress to be asserted to the full that we should have had to make this, in my judgment, highly unwise disposition of this particular matter.

I do not believe the matter should go unprotested. I would like first to say that the Senator from Arkansas (Mr. McCLELLAN) has informed me that Senator FULBRIGHT, who has led the effort to have an authorization bill with the new conditions, was himself in the conference, so I think Senator McCLELLAN is entitled to the gratitude of all of us for the inclusion of that point of view in the conference itself, though obviously it had no real effect on the other body.

I would appeal to all those in the country who want to see foreign aid modernized to help us to see that the same performance is not repeated respecting the authorization for fiscal 1974, which will be acted on, I would assume, within the next few months.

The other aspects of the matter, of course, is that the bill does nothing about the limitations on impoundment which I raised here yesterday by seeking to curtail the date of the whole continuing resolution, which the Senate turned down at that particular time, with the general argument made that it would be more appropriately raised on a supplemental.

I wish to give notice now, Mr. President, that it will be raised on the supplemental. I expect to raise it myself, or join with others to do it, but it will be done—and it may require a suspension of the rules, in which case we will seek such suspension—to apply a formula, and I believe there is a formula, by which, at one and the same time, Congress may have the right to assume that what it appropriates and what the President enacts into law or we enact over a veto will actually be utilized for the purpose for which we appropriate it, and that if there are to be rescissions, they will be made as provided by law, with respect for the integrity of the respective branches of government by applying to us for rescission; that the antideficiency law may be accommodated, as I believe it can be, by recognizing in the President the authority to suspend expenditure for a modest period of time until he can put the issue of rescission up to us, but not to, in my view, take the power of both branches into his own hands and effectively utilize the item veto, which we have constantly repudiated, by impoundment or by eliminating Government departments or Government functions without the utilization of the Reorganization Act.

I shall submit a formal amendment to that effect seasonably, so that Senators may study it. I hope there will be adequate cosponsorship, remembering that we will have to have a two-thirds vote. I believe the issue is a critical one for Congress, and there will be an opportunity for those who feel strongly on this issue, without the remotest disrespect for the Presidency—indeed, the President, I am sure, being a politician himself, will respect us as we respect him for standing up for what we believe in in terms of our own authority, just as he is standing so stoutly for what he considers to be his power, which I think should be challenged under the Constitution, respecting impoundment and the termination of Government activities authorized by law.

Mr. President, I realize there is absolutely no point in opposing this conference report. I have already stated that to Senator McCLELLAN. He has been most gracious in his personal courtesies to me in terms of debating the matter and respecting my point of view about it.

So I serve the necessary notice that we will make our fight upon the supplemental appropriation, which is due here within a few weeks.

Mr. BEALL. Mr. President, for the second time this week the Senate is engaged in a spirited debate regarding the future of the American foreign assistance program. Because I was participating in the Senate Commerce Committee hearings in New York on legislation designed to establish a National Institute of Marketing and Health, I was unable to actively participate in Monday's debate. Had I been present, Mr. President, I would have lent my support to efforts aimed at extending this important program to the end of fiscal year 1973.

Although the Senate-passed version of this bill called for a shorter extension, I am pleased that the conference committee had decided to continue this program through the end of June. I believe that this decision serves the best interest of the Agency for International Development as it seeks to develop and execute coherent programs. It should also serve to expedite congressional consideration of our foreign assistance programs for fiscal year 1974.

Mr. President, I also wanted to bring to the attention of my colleagues interesting information I recently was made aware of about the Agency for International Development.

In the fall of 1971, AID embarked on an accelerated and basic "internal" reform within the parameters of existing legislation. The primary objective was to improve AID's organizational structure, and in turn, its administrative efficiency, while continuing to reduce the size of the Agency's staff both in Washington and abroad.

When the reform plan was announced in January 1972, AID's Bureau for Program and Management Services was created as the primary vehicle to consolidate agencywide support services, to economically achieve more effective use of agency manpower, and to facilitate the simplification of policy and operating procedures. Management concepts and practices—many of which were brought from private industry—were employed to achieve a single result: a more efficient and more responsive foreign assistance institution.

During the past year, substantial progress has been made in achieving these objectives:

Organization plans for each of AID's 11 service offices were developed and implemented in collaboration with the offices and bureaus to be serviced; and a client-oriented substructure was introduced into each.

Systems were fashioned and implemented whereby separate and simplified procedures provided personnel and management services on a more uniform, sensitive, and economical basis.

Controls are presently being employed to streamline and improve office procedures, and to insure that the channels of responsive communication between clients and offices are established and maintained.

The synthesis of this effort, therefore, has been the improvement of the style of managing projects, manpower, and systems through the initiation of methods which establish objectives, gauge productivity, and measure results against goals. However, Mr. President, there is no better example of the effect of this year-old management-result orientation than the manpower reductions achieved by AID. In fiscal year 1972, AID's full-time staff was reduced by almost 1,800—an overall reduction of over 13 percent, and the largest single annual percentage reduction in the Agency's history. Despite this significant accomplishment, AID's Bureau for Program and Management Services undertook a still more intensive review of Agency requirements, and projects than an on-board total of 10,800 can be realized for June 30, 1973—1,000 fewer people than originally targeted for the end of the current fiscal year.

I believe it is extremely timely to note, Mr. President, that concepts of Government administration which President Nixon has discussed so often; namely, improved management practices and the efficient delivery of services at the lowest cost to the taxpayer—are successfully ongoing in AID's Bureau for Program and Management Services. Improvements such as these further enhance AID's ability to be more responsive to basic human needs, support President Nixon's international economic policies, and serve the national purposes of the United States.

The PRESIDING OFFICER (Mr. HATHAWAY). The question is on agreement to the conference report.

The report was agreed to.

AUTHORIZATION FOR ADDITIONAL EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

The Senate continued with the consideration of the resolution (S. Res. 41) authorizing additional expenditures by the Committee on Banking, Housing and Urban Affairs for inquiries and investigations.

The PRESIDING OFFICER. The question recurs on agreeing to the committee amendments, en bloc, on Senate Resolution 41.

Mr. BROCK. Mr. President, I would like to address some of the points that were raised in the previous debate on this matter. I am sympathetic to the position of the chairman of the Committee on Rules and Administration. I am also aware of the enormous diligence, ability, and willingness to hold down costs of the chairman of the Committee on Banking, Housing and Urban Affairs, Mr. SPARKMAN.

Let me cite some relative figures.

The Banking Committee budget is $600,000. There are 42 employees.

The Committee on Government Operations has a budget three times as large, or $1,800,000, with 88 employees.

The Committee on Labor and Public Welfare has a budget of $1,700,000, with 87 employees.

The Committee on the Judiciary has a budget over six times as large, $3,900,000, with 210 employees.

Yet we have an enormous range of activities in the Committee on Banking and Currency. Let me cite some of them. We have had a great deal to do with wage and price controls, phases I, II, and III; the Federal Reserve System; domestic monetary credit policies; international economic and monetary policies; devaluation; emergency loan guarantees; the Small Business Administration; FDIC; banking regulations; and the Securities and Exchange Commission. We have the enormous obligation in housing which affect virtually every family and community in the country. We have the consideration of mass transit; disaster loans; Export-Import Bank; consumer credit, and similar legislation.

To be more specific, the jurisdiction of the Consumer Subcommittee is enormous. Its obligations are tremendous. The National Commission on Consumer Finance has submitted its report with 81, or 85, as I remember, specific recommendations which represent 3 years of diligent and effective staff work. That has to be studied and it has to be responded to in the interests of the consumers of this country.

I simply cannot accept a cut which to my knowledge was made without any argument at all—certainly with no foreknowledge on my part, or of the other Members who have been directly affected. When we are talking about trying to save the taxpayers' money, how pennywise and pound foolish can we be to save money in terms of staff personnel for the Senate, which serves the people. This is the branch of Government which is supposed to be responsive and the instrument of reform in this country.

We are dealing with a $250 billion national budget. That is not an inconsequential amount of money. When we talk about the banking industry, and wage and price controls, devaluation, consumer credit, and we have a budget of $600,000, is that an inordinate request to deal with the magnitude of problems in the interest of the people of this country?

I simply cannot understand the logic of saying that the International Finance Subcommittee should have no majority support, no staff, and the Consumer Subcommittee should have none either.

Mr. STEVENSON. Mr. President, I was a member of the Committee on Labor and Public Welfare, which has a highly competent staff, and as the Senator has indicated, a budget of $1,700,000, almost three times the budget for the Banking Committee. By what logic can it be said that the jurisdiction of the Committee on Labor and Public Welfare is three times as important or has three times as much work as the Banking Committee?

I was a member of the Labor and Public Welfare Committee in the last session and served as chairman of its Subcommittee on Migratory Labor. I was assigned five full-time staff members. I am chairman now of the Subcommittee on International Finance of the Banking Committee. Under this budget, I will receive no staff.

What is the jurisdiction of the Subcommittee on International Finance? It is concerned with the international monetary system which is on the verge of collapse.

Yesterday, the Banking Committee held hearings on dollar devaluation. Last year, the United States ran a trade deficit of $6.2 billion.

What is the jurisdiction of the Subcommittee on International Finance? It covers the Export-Import Bank, trade expansion, that may very well be the largest bank in the world now. Its total credit exposure is over $16 billion. I shall not have any professional staff members on that subcommittee to oversee the Export-Import Bank if this budget stands.

Concern in the country is mounting about the trade deficit. It is mounting over the collapse of the international monetary system and, I might add, it is also mounting over the impotence of Congress. The Congress is bleeding from self-inflicted wounds. This budget cut would be another such wound. How can such a cut help this body act responsibly on questions of the highest importance; namely, trade expansion, and reform of the international monetary system?

On the contrary, what this cut will do, if it stands, will be to deprive not only the Subcommittee on International Finance, not only the Banking Committee, but also the whole Senate of staff expertise on those questions.

Mr. CANNON. The thought occurs to me, if this is so important, and these subcommittees which we now hear are so important right here on the floor, why was not it all presented to the committee when the budget came up for consideration, by the Banking Committee? There was not one iota of information in that budget to indicate that there was any proposed additional staffing needed. We have three committees covered. Certainly out of all those people we have on the committee, I would think we would be able to provide the services required, rather than worrying about whether we have one man assigned to a specific person for a specific subcommittee.

Mr. BROCK. The reason we did not go into any of the subcommittee allocations is that the staff of the Banking Committee, under the chairman, is a fine, very able and expert staff and they have been carrying on additional responsibilities. But the point the Senator from Illinois (Mr. STEVENSON) is making is that there was no one on the subcommittee who has competence in this particular field. No one on the subcommittee was designated to serve in that capacity. That is what we are asking for, because that is the way to operate.

Mr. STEVENSON. The resolution, section 3, provided originally for $320,000 for devaluation, reevaluation of the dollar, international finance and for agencies within the legislative jurisdiction of the committee. The Banking Committee has jurisdiction over monetary matters and over the Export-Import Bank. I had no idea that the frugal budget of the Banking Committee was in any danger. Had I known that, I would certainly have come before the Rules Committee and made my case. This is the first chance I have had to make my case for the Subcommittee on International Finance. That subcommittee in less extreme circumstances, and less urgency, has always had a professional staff. I have talked with the two preceding chairmen of that subcommittee, the Senator from Minnesota (Mr. MONDALE) and the Senator from Maine (Mr. MUSKIE), and they had staff in times which were not so urgent as now.

I have nothing but sympathy for the chairman. He has to contend with such problems as this in every one of the committees of the Senate. He could not have known about the impact of these cuts on the Banking Committee. And we did not expect such cuts in a very modest budget.

Perhaps I was negligent in not taking my case to the Rules Committee. If so, it does not alter the impact of these cuts on the Banking Committee.

Mr. BROCK. This is the essence of the argument. None of us feel any different about this matter. The other members of the committee, Senators TOWER, Chairman SPARKMAN, and Senator COOK, who is on the Rules Committee, all support our efforts. We were not aware there was any jeopardy involved here. This was a relatively small amount of money, but it has an enormous impact.

We will be delighted to present our case to the Rules Committee. We simply had no opportunity before. Here, we are asking for the judgment of the Senate to protect the public first. Sixty thousand dollars is cheap money to spend in terms of making the Members of this body more effective and responsive to public service.

Mr. STEVENSON. It is not only the problem of international finance, but on housing programs which are in disarray. Homeowners are suffering. Costs to the taxpayers are soaring. And here we debate whether to increase the budget for the Housing Subcommittee by $10,000. The Housing Subcommittee, in extraordinary circumstances, is trying to undertake a major, in-depth, comprehensive review of the administration of housing programs and of the concepts embodied in those housing programs. The potentials for human welfare, for the saving of tax dollars, are very large. That $10,000 investment in the Housing Subcommittee could be returned—and would be returned—may, many times over, and so would the full $60,000.

Mr. CANNON. I point out to the Senator that Senator SPARKMAN, the chairman of the committee, was satisfied with the assurance given by the chairman of the Committee on Rules and Administration.

Mr. BROCK. On that $10,000, I think there was a misstatement.

Mr. STEVENSON. I have talked with the chairman, and he supports me and Senator BROCK wholeheartedly. He said he was satisfied with the $10,000 for the Housing Subcommittee. He is not satisfied with zero for the chairman of the International Finance Subcommittee nor with zero for the ranking member of the Subcommittee on Consumer Credit.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The assistant legislative clerk read as follows:

On page 2, line 9, after the word "exceed", strike out "$660,000" and insert "$600,000"; in line 15, after the word "exceed", strike out "$320,000" and insert "$270,000"; and, on page 3, line 5, after the word "exceed", strike out "$210,000" and insert "$200,000".

Mr. CRANSTON. Mr. President, I should like to speak briefly on behalf of this amendment. I think it relates to the general problem of the legislative branch of our Government dealing effectively with its responsibilities, with the problems for which its committees and its members are responsible, covering and watching over and implementing them to the best of their ability, vis-a-vis the executive branch and its superior staff in terms of size. That size leads to a staff with highly equipped people guiding the administration in its work.

I feel that in the particular areas where this amendment would enhance the staff of the Committee on Banking, Housing and Urban Affairs, it is very important to give this assistance. For example, in the field of international finance, we have the tremendous problem of the dollars, the gold outflow. The sums involved in all this, the sums at stake, are far in excess of the paltry amounts requested in this amendment. I hope, therefore, that the amendment will be supported.

Mr. HATHAWAY. Mr. President, I want to add a word or two in support of the position taken by the Senator from Tennessee (Mr. BROCK) and the Senator from Illinois (Mr. STEVENSON). I think most of the points have been made.

I want to point out that it is very difficult for Senators, especially those from large States, to supply their own staff to help them out on subcommittee work. It is almost impossible, because they are grossly understaffed. They would have to carry on the work of their subcommittees—in this case, the International Finance Subcommittee of the Banking Committe—without any staff at all. The staff of the Banking Committee is much smaller, as was pointed out, than that of other comparable committees.

It has been pointed out by the Senator from California (Mr. CRANSTON) that we are in the midst of a battle with the Executive, with the Executive having a far greater staff than we have in Congress, in general. I think we would be remiss in our obligation to the people to carry out and, hopefully, win this battle with the Executive by not supporting more staff for this committee. I hope the amendments are rejected.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. HATHAWAY. I yield.

Mr. BROCK. I thank the Senator from California and the Senator from Maine. I am very grateful for their remarks.

I point out that to sustain the position of the Senator from Illinois and the Senator from Tennessee, the vote would be "no." To support the position of the chairman, in opposition, the vote would be "aye."

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. HATHAWAY. I yield.

Mr. CRANSTON. I want to make clear that I was speaking, as was obvious from my remarks, in behalf of the Brock-Stevenson amendment. I was not speaking in behalf of the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Iowa (Mr. CLARK), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Louisiana (Mr. LONG) are necessarily asbent.

I further announce that the Senator from Alaska (Mr. GRAVEL) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

The Senator from Texas (Mr. TOWER) is absent on official business.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "nay"

The result was announced—yeas 28, nays 60, as follows:

[No. 26 Leg.]

YEAS—28

Allen
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cook
Cotton
Eagleton
Ervin
Fong
Griffin
Hart
Hartke
Hatfield
Huddleston
Inouye
Jackson
Magnuson
Nunn
Pastore
Pell
Randolph
Ribicoff
Scott, Va.
Symington
Talmadge
Williams

NAYS—60

Abourezk
Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Biden
Brock
Brooke
Buckley
Case
Chiles
Church
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Gurney
Hansen
Haskell
Hathaway
Helms
Hollings
Hruska
Hughes
Javits
Kennedy
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pearson
Proxmire
Roth
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Taft
Thurmond
Tunney
Weicker
Young

NOT VOTING—12

Clark
Fulbright
Goldwater
Gravel
Humphrey
Johnston
Long
Mathias
Percy
Saxbe
Stennis
Tower

So the committee amendments were rejected en bloc.

The PRESIDING OFFICER. The resolution is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the resolution. (Putting the question.)

The resolution (S. Res. 41) was agreed to, as follows:

S. RES. 41

Resolution authorizing additional expenditures by the Committee on Banking, Housing and Urban Affairs for inquiries and investigations

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Banking, Housing and Urban Affairs, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The Committee on Banking, Housing and Urban Affairs, or any subcommittee thereof, is authorized from March 1, 1973, through February 28, 1974, to expend not to exceed $660,000 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

SEC. 3. Not to exceed $320,000 shall be available for a study or investigation of—

(1) banking and currency generally;

(2) financial aid to commerce and industry;

(3) deposit insurance;

(4) the Federal Reserve System, including monetary and credit policies;

(5) economic stabilization, production, and mobilization;

(6) valuation and revaluation of the dollar;

(7) prices of commodities, rents, and services;

(8) securities and exchange regulations;

(9) credit problems of small business; and

(10) international finance through agencies within legislative jurisdiction of the committee.

SEC. 4. Not to exceed $210,000 shall be available for a study or investigation of public and private housing and urban affairs generally.

SEC. 5. Not to exceed $130,000 shall be available for an inquiry and investigation pertaining to the securities industry.

SEC. 6. The committee shall report its findings, together with such recommendations for leigslation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 28, 1974.

SEC. 7. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

REHABILITATION ACT OF 1973

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate S. 7, which the clerk will state by title.

The assistant legislative clerk read the bill (S. 7) by title, as follows:

> A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with amendments.

In the table of contents, on page 2, after "Part C—", strike out "Innovative" and insert "Innovation", and in the table of contents, on page 3 after the line beginning "Sec. 705.", insert "Sec. 706. Appropriations for fiscal year 1973.".

On page 12, line 23, after the word "and", where it appears the second time, insert "as specifically set forth in"; on page 17, line 5, after the word "less", strike out "than" and insert "that"; on page 20, line 2, after "1974", insert and a comma and "and the succeeding fiscal year."; in line 10, after "$75,000,000", insert "each"; in line 11, after "1974", insert a comma and "and the succeeding fiscal year."; on page 38, line 3, after the word "individualized", insert "written"; in the same line, after the word "rehabilitation", strike out "written"; on page 41, line 20, after the word "the", strike out "two" and insert "three"; on page 43, line 14, after "(a)", strike out "(1)"; on page 46, at the beginning of line 20, change the section number from "20" to "200"; on page 47, line 6, after the word "appropriated", strike out "$30,000,000" and insert "$20,000,000"; in line 9, after "$80,000,000", insert "each"; in line 9, after "1975", insert a comma and "and the succeeding fiscal year."; on page 48, line 15, after the word "In", strike out "any" and insert "the fiscal year ending June 3, 1973, and in any subsequent"; on page 49, line 6, after the word "for", strike out "any" and insert "the fiscal year ending June 30, 1973, and in any subsequent"; in line 23, after "June 30,", strike out "1973" and insert "1974"; on page 54, line 8, after the word "appropriated", strike out "$35,000,000" and insert "$17,500,000"; in line 10, after "$45,000,000", insert "each"; in line 11, after "1975" insert a comma and "and the succeeding fiscal year."; in line 15, after "July 1,", strike out "1977" and insert "1978"; on page 56, line 17, after the word "appropriated", strike out "$30,000,000" and insert "$15,000,000"; in line 19, after "$40,000,000", insert "each"; in line 20, after "1975", insert a comma and "and the succeeding fiscal year."; on page 66, line 14, after the word "appropriated". strike out "$50,000,000" and insert "$25,000,000"; in line 15, after "1973", strike out "$125,000,000" and insert "$75,000,000"; in line 16, after "1974", strike out "and $150,000,000" and insert "$100,000,000"; in line 18, after "1975", insert a comma and "and $150,000,000 for the succeeding fiscal year."; in line 22, after the word "than", strike out "$10,000,000, in each such" and insert "$5,000,000 in the fiscal year ending June 30, 1973, and $10,000,000 in each such subsequent"; on page 67, line 5, after the word "of", strike out "$10,000,000 to be available for each such" and insert "$5,000,000 to be available for the fiscal year ending June 30, 1973, and $10,000,000 for each such subsequent"; on page 68, line 2, after the word "handicapped", strike out "individuals" and insert "individuals"; on page 70, line 10, after "$2,000,000", insert "each"; in line 11, after "1975", insert a comma and "and the succeeding fiscal year."; on page 72, line 5, after "$7,000,000", insert "each"; in line 6, after "1975", insert a comma and "and the succeeding fiscal year."; on page 75, line 10, after "$30,000,000", insert "each"; in line 11, after "1975", insert a comma and "and the succeeding fiscal year."; on page 77, line 25, after the word "appropriated", strike out "$25,000,000" and insert "$15,000,000"; on page 78, line 2, after "$25,000,000", insert "each"; in line 3, after "1975", insert a comma and "and the succeeding fiscal year."; in line 23, after the word "appropriated", strike out "$10,000,000" and insert "$7,500,000"; on page 79, line 1, after "$30,000,000", insert "each"; in line 2, after "1975", insert a comma and "and the succeeding fiscal year."; on page 82, line 14, after the word "the", strike out "two" and insert "three"; on page 83, line 20, after the word "the", strike out "two" and insert "three"; on page 91, line 8, after the word "title", strike out "$75,000,000" and insert "$45,000,000"; in line 9, after "1973", strike out "$100,000,000" and insert "$75,000,000"; in line 10, after "1974", strike out "and $150,000,000" and insert "$100,000,000"; in line 11, after "1975", insert a comma and "and $150,000,000 for the succeeding fiscal year,"; in line 12, after the word "which", strike out "15 per centum, 25 per centum and 25 per centum of the amounts appropriated in the first, second, and third such fiscal year, respectively," and insert "15 per centum in the fiscal year ending June 30, 1973, and 25 per centum in each such subsequent fiscal year,"; in line 20, after the word "title", strike out "$50,000,000" and insert "$35,000,000"; in line 21, after "1973", strike out "$75,000,000" and insert "$50,000,000"; in line 22, after "1974", strike out "and $100,000,000" and insert "$75,000,000"; in line 23 after "1975", insert a comma and "and $100,000,000 for the succeeding fiscal year."; on page 96, line 5, after the word "individuals", insert "and handicapped individuals with limited English-speaking ability"; on page 102, line 2, after the word "appropriated", strike out "with" and insert "such"; at the beginning of line 6, strike out "$2,000,000" and insert "$1,000,000 for the fiscal year ending June 30, 1973, and $2,000,000 for each such subsequent fiscal year,"; on page 105, line 6, after "(1)", strike out "and"; on page 107, at the beginning of line 17, strike out "purposes of this title $1,000,000 for the fiscal year ending June 30, 1973, $2,000,000 for the fiscal year ending June 30, 1974, and $2,000,000 for the fiscal year ending June 30, 1975." and insert "carrying out the purposes of this title, $1,000,000 for the fiscal year ending June 30, 1973, and $2,000,000 each for the three subsequent fiscal years, and there is further authorized to be appropriated $300,000 each for the fiscal year ending June 30, 1973, and for the three subsequent fiscal years for carrying out clause (6) of section 601."; on page 108, line 24, after the word "or", strike out "higher);" and insert "higher):"; on page 109, line 1, after the word "Affairs", strike out "and"; in line 2, after the word "Welfare", insert a comma and "and the heads of such other Federal departments and agencies as the President may designate."; in line 9, after the word "Chairman", insert a comma and "and the Chairman of the Civil Service Commission shall serve as Vice-Chairman,"; and, at the top of page 120, insert a new section, as follows:

> APPROPRIATIONS FOR FISCAL YEAR 1973
>
> SEC. 706. The paragraph entitled "Social and Rehabilitation Services" of chapter IV of the Supplemental Appropriations Act, 1973 (Public Law 92–607) is amended by striking out "section 103" and inserting in lieu thereof "section 110" each place it appears and striking out "section 104" and inserting in lieu thereof "section 120".

Mr. CRANSTON. Mr. President, I ask for the yeas and nays on S. 7, the pending business.

The yeas and nays were ordered.

ORDER THAT SENATE CONVENE AT 11 A.M. ON TUESDAY, MARCH 6, 1973

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I ask unanimous consent that when the Senate convenes on Tuesday next, it meet at the hour of 11 o'clock a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO CONSIDER SENATE RESOLUTION 69, TO AMEND RULE XXV TUESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the special orders and the business conducted during the morning hour are all disposed on Tuesday, the Senate then turn to the consideration of Senate Resolution 69, a Senate resolution to amend rule XXV relative to open and closed session of committees.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO VOTE ON TUESDAY, MARCH 6, 1973, AT 4 P.M. ON SENATE RESOLUTION 69

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, on final passage of Senate Resolution 69 the vote occur at the hour of 4 o'clock on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD AND SENATOR McGOVERN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the order for the recognition of Senators that has already been entered—to be precise, following the remarks of Mr. CHURCH—the junior Senator from West Virginia (Mr. ROBERT C. BYRD) be recognized for not to exceed 15 minutes, to be followed by the distinguished Senator from South Dakota (Mr. McGOVERN) for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF RULE XXV RELATIVE TO OPEN AND CLOSED SESSIONS OF COMMITTEES

Mr. MANSFIELD. Mr. President, I ask unanimous consent, in line with the previous unanimous-consent granted relative to open and closed sessions of Senate committees, that there be a limitation of 30 minutes on amendments, motions, and appeals; the time to be divided between the assistant majority leader, Mr. ROBERT C. BYRD, and the minority leader or whomever he may designate.

Mr. SCOTT of Pennsylvania. Mr. President, just for the RECORD, I will designate the Senator from Delaware (Mr. ROTH), who is in opposition on this subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous consent agreement reads as follows:

Ordered, That on Tuesday, March 6, 1973, at the conclusion of the morning business, the Senate proceed to the consideration of S. Res. 69, a resolution to amend rule XXV relative to open and closed sessions of committees, and that time on any amendment, debatable motion or appeal be limited to 30 minutes, to be equally divided and controlled by the Senator from West Virginia (Mr. Robert C. Byrd) and the Senator from Delaware (Mr. Roth): *Provided*, That a vote on the resolution shall occur at 4:00 p.m.

REHABILITATION ACT OF 1973

The Senate continued with the consideration of the bill (S. 7) to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabiilties, and for other purposes.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CRANSTON. Mr. President, there is no need for me to elaborate on the bill at length. I think we all understand the basic purposes of the bill. Its substantive provisions are contained in S. 3395, which was unanimously passed by Congress last fall but later pocket vetoed by the President.

INTRODUCTION

Mr. President, before we turn to the reported bill, S. 7, I wish to express my deep gratitude to the chairman of the Subcommittee on the Handicapped, the distinguished Senator from West Virginia (Mr. RANDOLPH), for his enormous assistance and leadership on this legislation. In the last Congress, he requested that I serve as acting chairman of the subcommittee for the purpose of consideration of the legislation to extend the Vocational Rehabilitation Act, which expired on June 30, 1972. I am privileged to continue to carry these responsibilities in this Congress at Senator RANDOLPH's request.

Also providing great input and leadership in the drafting and movement through committee of this legislation was the distinguished Senator from New Jersey (Mr. WILLIAMS), the chairman of the full Committee on Labor and Public Welfare. He has been of outstanding assistance.

This bill is a truly bipartisan one. The contributions of the Senator from Vermont (Mr. STAFFORD), the distinguished ranking minority member of the Subcommittee on the Handicapped, and those of the Senator from New York (Mr. JAVITS), the able ranking minority member of the full committee, have been most substantial and their cooperation and bipartisan spirit have been indispensable to our efforts.

Mr. President, I also wish to note my appreciation for the great work of the staff members representing these Senators: Bob Humphreys on behalf of Senator RANDOLPH; Lisa Walker on behalf of Chairman WILLIAMS; Roy Millenson on behalf of Senator JAVITS and the committee minority; Mike Francis on behalf of Senator STAFFORD, and Mike Burns and Jon Steinberg who have worked with me.

SUMMARY OF PROGRAMS

BASIC PROGRAM

Mr. President, this is the major piece of legislation affecting handicapped individuals in the United States. Over the 4 years of authorized programs in the bill, as reported, there are authorized to be appropriated $4,854,250,000 in order to carry out the seven titles of the bill.

In fiscal year 1972, approximately 1,110,045 disabled persons were served by State vocational rehabilitation agencies, and the Rehabilitation Services Administration in HEW reports that 326,138 of them were considered to be rehabilitated. This is not an insignificant achievement if these figures can indeed be verified, but even this number of successful cases must be taken in the context of the estimated 7 to 12 million handicapped individuals in the Nation who have not realized their vocational potentials.

With the level of funding authorized in the reported bill, rehabilitation services could be provided to a total of approximately 5½ million handicapped individuals over the next 3 fiscal years, using today's per case cost.

This would mean adding 2.36 million handicapped persons who, at today's spending level, would not be served.

But, even then a great deal more—just in the case of quantity—needs to be done. But that is not the principal thrust of this bill. Even with full funding of the appropriations levels authorized for the next 4 fiscal years—3 for the basic State grant program—the committee recognized that there will not be available sufficient funds to serve anywhere near the numbers requiring vocational rehabilitation, as well as those for whom a more independent life, although no vocational goal, is possible. Thus, the thrust of this bill, in terms of the basic vocational rehabilitation program, is to require that far more individuals with severe handicaps be served than at present.

Mr. President, the crucial thrust of the title I program in the reported bill is to eliminate the creaming and shift the focus to harder cases in order to serve individuals with more severe handicaps. It seemed clear to us that, generally, in order to carry out this new priority for serving those with the most severe handicaps, more funds would be required if we are not going to experience a severe cutback in the numbers of handicapped individuals helped by this program. Because of this and because the estimates of the total number of handicapped individuals requiring vocational rehabilitation services range from 7 to 30 million, for these two reasons, we authorized $800 million for the basic State program—$560 million is now being expended, $610 million has been appropriated—for this fiscal year.

INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

In recognition that the final goal of all rehabilitation services must be to better the lives of the individuals served, this bill places particular emphasis on a method of providing services, through a requirement of an individualized written rehabilitation program, which will be responsive to individual needs, and will insure that no individual will be excluded from the program merely because his handicap appears to be too severe.

The committee bill, in further recognition that a productive and financially independent life is of primary importance, insures that no individual may be excluded from vocational training, counseling, and related rehabilitation services aimed at a vocational goal without thorough and detailed evaluation of his rehabilitation potential and an explicit statement by the rehabilitation counselor encompassing the reasons why he has concluded beyond a reasonable doubt that a vocational goal is not appropriate.

CLIENT ASSISTANCE PROJECTS

The belief of the committee is that a client advocacy system is needed to serve all vocational rehabilitation projects and programs in order to provide clients and client applicants with the opportunity to achieve a fair shake from the system. Such a system was provided for in last year's Senate-passed bill.

After a great deal of consideration, a compromise was reached in the House-Senate conference on H.R. 8395 on this provision—section 112 of the reported bill. There are now authorized in the bill between 10 and 20 client assistance projects with up to $2.5 million in fiscal year 1973 and up to $5 million in fiscal years 1974, 1975, and 1976 available from special projects and demonstrations appropriations under section 305 of the bill. Most significantly, however, the bill earmarks no less than $1 million in each of these fiscal years for the purpose of establishing these client assistance projects.

If these client assistance projects prove themselves to be useful and effective in improving the sensitivity and responsiveness of projects, programs, and facilities, a system of client assistance should be established to serve all programs under the State plan, as was provided for in the Senate bill last Congress.

Mr. President, we intend to watch very closely the administration of these new projects and expect the Rehabilitation Services Administration to devote substantial time and energy to designing the most appropriate and effective client assistance projects possible, and to consult with and keep closely advised the appropriate congressional committees.

RESEARCH AND TRAINING

In addition, the committee bill places greater emphasis on research and on the development of innovative rehabilitation techniques, equipment, and devices which will ameliorate the effects of handicapping conditions and make employment more feasible for handicapped individuals with the most severe handicaps. By increasing funding and authority available for these purposes, and giving statutory responsibility to the Commissioner of the Rehabilitation Services Administration for all vocational rehabilitation services, research, and training in connection with services to handicapped individuals, the committee bill seeks to place greater emphasis on expanding and improving the provision of services to handicapped individuals, with particular emphasis on the needs of more severely handicapped individuals.

This new title III in the reported bill includes special emphasis on the establishment of Rehabilitation Engineering Research Centers which would seek to apply the most advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems, including the design, development, and production of suitable equipment and devices. It is a crime, in my judgment, Mr. President, that this country so wealthy in technology and so rich in scientific achievement has made only the most minimal use of this science and technology for the benefit of handicapped individuals.

Many European countries have developed and made available to handicapped individuals far more sophisticated orthotic and prosthetic devices, as well as other mechanisms and devices for handicapped individuals, than are generally available here. Moreover, although there may be isolated instances where certain rather sophisticated mechanisms have been produced and made available to enhance the living and employability of handicapped individuals, these advances are generally available only to a few and there is no central agency charged with responsibility for developing, producing, and disseminating these devices throughout the country.

I believe that our science and technology belong to all Americans. That is one of the reasons I strongly support the space program. I believe that our science and technology should not be withheld from those less fortunate who because of their handicaps cannot take full advantage of much of the technology we take for granted. There are millions and millions of such Americans—perhaps 30 million—and I think that simple justice requires that we give them the benefit of a more independent, self-sufficient, and remunerative existence.

That is what the bill's provisions seek to do by establishing the new Center for Technology Assessment and Application and earmarking 15 percent in fiscal year 1973 and 25 percent in the next 3 fiscal years for the establishment of Rehabilitation Engineering Research Centers to be coordinated by the Center for Technology Assessment and Application.

Also, Mr. President, more focus and expanded authority, under the RSA Commissioner, is provided in the committee bill to attempt to meet the enormous need for the training of specialized personnel to serve in the programs authorized by this bill, as well as other programs serving handicapped individuals. The hearings have illustrated a very dramatic shortage of such rehabilitation manpower. The bill places special emphasis on the need to train bilingual individuals so that bilingual/bicultural barriers and problems, which limit drastically the effectiveness of vocational rehabilitation services to persons whose primary language is other than English, can be dealt with and hopefully overcome.

TARGETED PROGRAM

The committee bill also responds to the need for services within certain target populations—including spinal cord injured individuals, those suffering from end-stage renal disease, severely handicapped deaf, deaf-blind, and older blind individuals and handicapped migrants—for whom services are presently inadequate, by providing in title III of the bill, in addition to broad authority for demonstration and special projects, special Federal categorical programs to serve these persons. These programs are described extensively in the committee report.

GOVERNMENTWIDE PROGRAMS

The committee bill also deals comprehensively with problems such as discrimination in Federal employment and Federal grants, elimination of architectural barriers, and the coordination and improvement of programing to, and dissemination of, information for handicapped individuals, problems which because of their complex nature and wide-ranging effects cannot be dealt with only by the Rehabilitation Services Administration, but have a profound effect on the provision of relevant and effective services. To meet these needs, a number of agencywide and executive branchwide special programs are established in titles V and VI of the bill.

Mr. President, the committee report (No. 93–48) includes a detailed summary and discussion of provisions of the reported bill and a section-by-section analysis, which I believe will be helpful to a full understanding of the vital measure before us.

I ask unanimous consent, Mr. President, that appropriate excerpts from the report be printed in the RECORD at this point, and I wish to point out that due to a printer's error the material on page 47, beginning with the second full paragraph, through the end of page 49 is misplaced and should appear at the bottom of page 50 in the discussion of title VI, and that the material beginning with the second full paragraph on page 43 through the end of the third full paragraph on page 46 is also misplaced and should appear on page 47 after the first full paragraph.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[Excerpts from Committee Report 93–48]

DISCUSSION

SUMMARY OF PROVISIONS

1. Comprehensive services to handicapped individuals

(*a*) A separate authorization of appropriations is provided for providing comprehensive services for individuals whose handicaps are more severe. Vocational rehabilitation services are those services which contribute to gainful employment; comprehensive rehabilitation services include all vocational rehabilitation services and other services which may be necessary to enable more severely handicapped individuals to live more independently and self-sufficiently.

(*b*) Provisions have been included in the State plan requirements to ensure that first priority is given to serving those individuals with the most severe handicaps.

(*c*) An important procedural provision has been included in the Committee bill requiring an individualized written rehabilitation program be drawn up for every handicapped individual served, and be drawn up in consultation with that individual. The counselor is required to explore every means for establishing a vocational or job-oriented goal for each individual, and to specify fully in the written program the reasons why this was impossible if he finds beyond a reasonable doubt that the individual cannot realize a vocational goal.

2. Research and training

(*a*) The Committee bill provides a statutory basis for the RSA, and provides that all authority for carrying out of functions under titles I, II, III and IV of the Act shall be administered only by the Commissioner of RSA. In addition, the bill sets up within RSA a Division of Research. Training and Evaluation, and within that Division a Center for Technology Assessment and Evaluation; the Division is assigned at least 10 professional positions to carry out purposes related to research, training and evaluation.

(*b*) The bill places a great deal of emphasis on applied research and the development of technology and devices to aid in solving rehabilitation problems of handicapped individuals. Besides the general research authority, the bill directs RSA to establish and operate Rehabilitation Engineering and Research Centers in order to aid in the development of this technology. In addition, for the first time, telecommunication, sensory, and other technological devices are specified as services under the basic vocational rehabilitation program.

(*c*) A program of international research and exchange of personnel and technical assistance is also included so that the United States may more fully make use of the many scientific and technological applications that have been made overseas.

3. Other provisions

(*a*) The Committee bill includes special programs for spinal cord injury, end-stage renal disease, severely handicapped deaf individuals, deaf-blind and older blind individuals, and an earmarking of money under special projects for migratory agricultural workers.

(*b*) The Committee bill creates a Federal Interagency Committee on Handicapped Employees (and directs it to undertake an affirmative action program for hiring in each Federal agency), an Architectural and Transportation Barriers Compliance Board, a National Commission on Transportation and Housing for Handicapped Individuals, requires affirmative action in employment of handicapped individuals in employment under Federal contracts, and prohibits discrimination against qualified handicapped individuals under Federal grants.

NEED FOR LEGISLATION

The Committee, after careful consideration of the hearing testimony and a review of the present RSA program, concluded that substantial legislative changes are necessary. The Rehabilitation Services Administration and the states which provide 20 per cent of the funds for the program are not reaching those who are in the greatest need of rehabilitation services. During the hearings in the 92d Congress, and the subsequent hearings held on the legislation in the 93d Congress, the Committee heard varying estimates of the numbers who could benefit from rehabilitation services in the United States. Administration witnesses placed the number at near 7 million individuals. Other witnesses claimed the total to be as high as 12 million. The actual numbers, or even an accurate approximation, is not known, and the Committee believes that such data must be collected as soon as possible.

Whichever figure is accepted, it is known that rehabilitation agencies last year reached only slightly more than one million handicapped people, and about 325,000 of those were classified as having severe handicaps. The Committee saw the need for definite legislation which would not only provide more service for more people, but give a priority to those who most need the services, those with severe handicaps.

The focus of the Committee is very much on that group, and the burden of reaching them has been placed squarely on the rehabilitation agencies throughout the bill. Giving RSA direct statutory authority for the first time is aimed at creating greater accountability for the way in which the program is carried out.

The Committee also found that there was a large segment of the handicapped population that could not be served under the present program parameters due to the fact that no vocational goal could be achieved, or might not seem achievable at the time the individual attempts to enter the program. The Committee feels a strong responsibility to see that these individuals do receive the services that they need, particularly that maximum efforts are made to develop a vocational goal for them. The bill attempts to achieve these objectives, by stressing services to the more severely handicapped individuals and providing, under a separate authority, for services for individuals for whom a vocational goal is not initially possible.

INTEREST OF THE BILL

The key to the intent of the bill is the Committee's belief that it will provide for more services for more handicapped individuals while at the same time providing more services to those individuals whose handicap is more severe. It is the bill's intent to be more responsive to the needs of the handicapped individual by providing a better basic program of service as well as some specialized programs to aid those with handicaps that need more attention than the basic program can provide. Additionally, the Committee has added provisions designed to focus research and training activities on making employment and participation in society more accessible.

SHORT TITLE

The short title of the bill, the "Rehabilitation Act of 1972", expresses the new thrust of the bill in that, for the first time, those individuals who apply for services need not have a vocational goal in order to be served. The bill allows entrance into the program for those whose eventual vocational outcome may not be clear when they first apply, or whose eventual goal may be only a more independent life style. While the Committee expects and mandates in the Act that the program will remain vocationally oriented, it does believe that there are handicapped individuals whose handicaps are so severe, or because of other circumstances, such as age, that they may never achieve employment. The Committee feels that they should not be denied services. Providing service to such individuals may have the eventual outcome of freeing other members of the handicapped individual's family to return to employment, with a resultant gain in tax revenue and a rise in the standard of living of the family.

In addition, it should be noted that S. 7 continues to carry in its title the words "of 1972". This is to remove the technicality—which the Committee has protested vigorously to HEW—relied upon by the administration to withhold $50 million appropriated for the basic state grant program in the Supplemental Appropriations Act, 1973 (P.L. 92–607). That Act's appropriation item refers to the "Rehabilitation Act of 1972", and, by retaining this title for the legislation embodied in S. 7—which is, of course, virtually identical to the provisions of H.R. 8395—, enactment of S. 7 will overcome the technicality and automatically activate the $50 million now held not to be legally available.

DECLARATION OF PURPOSE

The Committee agreed that there should be a well-defined declaration of purpose contained in the law. There is not now such a provision. In general terms it spells out the programs that are authorized under the bill and provides a summary of the purposes the Committee wishes to be carried out under the subsequent provisions by RSA.

REHABILITATION SERVICES ADMINISTRATION

In the course of the hearings, the Committee heard overwhelming testimony to the effect that RSA should have a statutory basis. S. 7 provides for that basis. It is the opinion of the Committee that if the Commissioner of RSA is to be called upon to answer for the effectiveness of the rehabilitation programs carried out under the bill, he should have direct authority to administer them. The Committee intends to place the responsibility for carrying out titles I, II, III, and IV solely in the RSA Commissioner. The Committee has given the Commissioner many new responsibilties, especially in the area of research and training, that he does not now have. It is felt that the overall programmatic emphasis will be strengthened by placing this responsibility within RSA. The Committee also expects that being given this new authority and a statutory basis, as well as an authorization for 60 more personnel to carry out these functions, RSA will be far more accountable both to the public and the Congress.

With full authority over the research, training and innovation grants and contracts, RSA should be able to provide a firm direction for such programs toward easing the burden of handicapping conditions, especially severe handicaps.

In order to provide for the experience and expertise needed for an effective and innovative research and training program, the bill requires a new Division of Research, Training, and Evaluation within RSA and within that division a new Center for Technology Assessment and Application, headed by an Assistant Commissioner of RSA. It is the Committee's intent that this Division and its Assistant Commissioner will serve as the focal point for research and development and training funds under this Act and that he will be held responsible for the redirection of research priorities. It is expected that the Assistant Commissioner will cooperate and coordinate his programs with other agencies in HEW and if need be stimulate competition to obtain the best results. It is not intended that the productive interface of social services programs should suffer with the placing of the research and development and training authority for RSA in this Assistant Commissioner.

ADVANCE FUNDING

The Committee recognizes that in order to have more efficient programs and prudent planning, it is desirable to have advance funding made available for the program. The Committee feels that this is a most desirable feature and hopes the administration will request and the Appropriations Committee will approve appropriations on an advance funding basis.

DEFINITIONS

The Committee chose to consolidate all of the definitions that are operative throughout the bill in one section. Most of them have not been significantly changed from present law, but there are several departures that should be noted in order better to understand the philosophy of S. 7.

Consistent with changes the Committee has made in the operation of the basic state program for the provision of vocational rehabilitation services, the Committee has emphasized in the definition of handicapped individuals that the program is expected to serve those individuals who have substantial handicaps to employment as long as there is a reasonable expectation that they can benefit from the provision of services. While existing law conditions the provision of services on a reasonable expectation that the individual will be rendered fit to engage in a gainful occupation, the Committee believes that a change is needed in this part of the definition. The bill thus extends services to individuals who may not, at the time of evaluation, have a vocational goal for two reasons: because the individual may be brought to a point, through the provision of services, where a vocational goal is then possible; and because many of the services available through the vocational rehabilitation program will enable individuals without a vocational goal to live more independently. The Committee believes that the definition in existing law is too limiting, making the assumption that no change will occur over time. This limitation can operate to exclude many handicapped individuals who could greatly benefit from the program, and often denies services to those individuals most in need.

The Committee is very clear in its conviction that individuals who have severe handicaps can and should have vocational goals, and that maximum effort must be expended to provide these individuals with a broad range of services to enable them to realize this potential. A new definition has, therefore, been added defining certain "severe" handicaps as those which generally require "multiple services over an extended period of time." The Committee is cognizant of the fact that it may take greater effort to set up a rehabilitation program for these individuals, and it fully expects rehabilitation counselors to make this effort.

However, the Committee, in changing the definition of handicapped individuals, has recognized that there are handicapped individuals who may not have a vocational goal due to the severity of their handicap. Their age, or other factors, but who can greatly benefit from rehabilitation services. While emphasizing that every effort should be expended to provide services to individuals so that they may reach a vocational goal, the Committee also believes that individuals can benefit from comprehensive services which will enable them to live more independently and to be more self-sufficient. For this reason, the Committee has defined comprehensive rehabilitation services to mean vocational rehabilitation services and any other service provided with funds under titles II, III or IV of this Act which will make a substanttial contribution in helping a handicapped individual improve his ability to live independently or function normally with his family and community.

The bill defines, for the first time, evaluation of rehabilitation potential, including all those services which are contained in section 15 of the existing law as mandatory services under the basic programs to be provided to handicapped individuals.

The definition of Federal share is changed from existing law. While the Committee has retained the Federal share at 80% under Part B for the basic formula grant program, the Federal share for Part C, Innovation and Expansion Grants, as well as title II, Comprehensive Rehabilitation Services, has been set at 90%. The Committee believes that this additional support from the Federal Government is needed in order to assist the States to expand their services and provide opportunities for individuals whose handicaps are more severe. Unless otherwise specified in the bill, the Federal share is 80%, except for construction grants where the Committee has retained the matching requirements of existing law. (See section 301(b)(3) in the "Section-by-Section Analysis".)

Finally, the Committee points out that it has included Indian tribal organizations, or a combination of such organizations, in the definition of local agency.

TITLE I. VOCATIONAL REHABILITATION SERVICES

Part A of title I includes all of the administrative provisions for the rest of the title. This insures that the funds and programs for all persons who are served under title I are treated in a uniform fashion.

State Plans

Part A of title I includes all of the administrative provisions for of which is unchanged or only slightly changed from present law. As in present law, a single State agency must be designated, unless the State has a separate State agency for the blind, in which case such separate agency would be designed to administer that part of the plan which deals with the blind. The bill requires that the basic State agency selected must be primarily concerned with the rehabilitation of handicapped individuals or with education or vocational education needs. Further, the plan must provide for the required State participation in the funding of the program before the Federal share can be released.

The State plan must set forth priority of selection of individuals for services and must show that those with the most severe handicaps will be served first. It is the Committee's strong feeling that this priority should not, in light of the increased appropriations authorizations contained in the bill, lead to any significant diminution in the number of individuals who are being served in the program under present law.

The bill also provides in the State plan requirements that the Commissioner of RSA shall establish priorities for services and that the order of priorities in the State plan shall not be inconsistent with such prescribed national order. It should be noted that the Committee, in giving RSA greater control over, and therefore accountability for, establishing these priorities, does not intend to permit this agency to place any greater emphasis than at present on services to handicapped welfare recipients, except on the basis of reimbursement through welfare funding under the Social Security Act.

The Committee intends that as many individuals as feasible are to be provided with vocationally-oriented services. The Committee has included a provision in the State plan requirments which specifies that the State provide satisfactory assurances that vocational rehabilitation efforts for comprehensive services shall not be utilized until maximum efforts have been made to obtain assistance, in part or entirely, from such other sources as Medicare, Medicaid and social service programs under the Social Security Act, and local and State programs similar to such programs. The Committee has included this provision to ensure that as much funding as possible be available for expenditure on vocationally-oriented services.

The plan must also contain a complete and detailed explanation of the State policies and plans that will be used to carry out the provision of comprehensive rehabilitation services under title II. The specification of these plans and policies and methods of providing these services will include the scope and quality of these additional services and the extent to which they will be provided.

The bill also directs the State to consider in its plan a broad range of services for homebound individuals. It also suggests some of the modes of providing services, such as patient-release programs, which the Committee wishes to see the State consider as possibilities. This is the first time that States have been required to attempt to try to find methods and services, and methods of delivery of those services, from which the homebound could benefit. It was apparent in testimony received by the Committee from a number of witnesses that this group is not now being served, even in a superficial way, under the present Vocational Rehabilitation Act. The Committee is concerned that homebound individuals may be left out of the mainstream of life simply because no emphasis has been placed upon serving them.

The bill directs the State to provide as mandatory services under the State plan evaluation of rehabilitation potential, counseling, guidance, referral, placement, vocational and other training services and related family services and to provide the remainder of all vocational rehabilitation services after consideration of eligibility for similar benefits under other programs. The Committee believes that physical and mental restoration services and maintenance during rehabilitation are necessary and very important services, and wishes to ensure that handicapped individuals will be provided these services as soon as possible. The Committee, therefore, has specified that eligibility considerations will not be required where it will delay the provision of such services to any individual and when such delay will mean any discomfort and hardship for the individual.

The State plan must also provide that the State will continue to study new methods of meeting the needs of handicapped individuals and how these needs may most effectively be met with a view towards the overall effectiveness of the program.

The State plan must provide for a periodic review of all those individuals who have been placed in extended employment in rehabilitation facilities, especially sheltered workshops, with the aim to remove them from this type of employment and move them into the competitive labor market as quickly as possible. It is the Committee's position that the sheltered workshop is an acceptable place for transitional employment for handicapped individuals. But overwhelming testimony in the hearings suggested that far too many individuals are placed in workshops in a "terminal" employment situation. The Committee suggests that this is not a wise course to follow in rehabilitation and wishes to insure that only those without any hope of competitive employment are placed terminally in workshops. There is a substantial body of testimony that far too many States overuse the workshop as a substitute for employment and not enough effort is made to run a vigorous employment placement program. In the Committee's opinion, the sheltered workshop has become far too convenient a placement site. The Committee, therefore, strongly believes that maximum efforts should be made to use public and private training and education programs available in the community as alternatives to workshop placements.

Finally, the plan requirements direct the State to include in its report on the operation and administration of the State plan periodic estimates of the population of handicapped individuals eligible for services and specification of the number of individuals who will be served, the outcomes and service goals to be achieved for such individuals, and an estimate of the service costs. The Committee believes that far too little emphasis has been placed on comprehensive planning for and surveying of the needs of handicapped individuals in the States, and therefore expects RSA to require the States to place greater emphasis on such concrete planning in the future.

Consolidated rehabilitation plan

The Committee did not wish to mandate the filing of a consolidated rehabilitation plan—under this Act and the Developmental Disabilities Act. It did feel that States, at their option, should be permitted to consolidate the two programs as long as all statutory requirements under both acts are met.

Individualized written rehabilitation program

After hearing extensive testimony and reviewing the data supplied to the Committee by HEW, it became apparent that the individual client was not being sufficiently consulted on his own behalf in tailoring the rehabilitation program to his individual needs. This, plus the obvious need to be certain that the funds authorized by title II were expended in the manner in which the Committee had intended, led to the adoption in section 102 of the bill of the formal written rehabilitation program requirement for every individual who is served under the bill.

It should be expressed clearly at the outset that the Commitee's purpose was in no way to attempt to burden the counselors and rehabilitation coordinators with unnecessary and cumbersome paperwork. It was felt, rather, that the requirement of section 102 will work to improve communication between the handicapped individuals to be served and the rehabilitation counselors who sincerely wish to see them served. A written program, with the required annual review of the program by the handicapped individual and the counselor, should serve both as a way to ensure that the rights of the individual are being protected and that the counselor feels satisfactory progress is being made towards a stated goal.

The Committee wishes to make clear that this written plan is to serve as the blueprint for the rehabilitation of the individual with a severe handicap as well as the handicapped individual without such a severe handicap. The bill stresses that the program should be developed with a vocational goal always in mind. Should that goal not be achievable, it will be up to the agent of the State to demonstrate in writing, after the fullest consultation with the client, beyond any reasonable doubt the infeasibility of achieving a vocational goal.

It is the purpose of the Committee, in requiring an individualized written rehabilitation program, to assure that each handicapped individual has an opportunity to participate in the decisionmaking regarding services he is or is not to receive; to have a written understanding that specifies the services to be provided and the objectives they are to achieve; to be able to obtain information on the progress he is making on the basis of the program; and to rewrite jointly with the rehabilitation agency the program when it is apparent that the stated objectives cannot be achieved. It must be demonstrated beyond a reasonable doubt that the individual cannot achieve any vocational goal, with the full consent of the individual in the written program developed for him, before independent living goals can be acceptable.

The individualized written rehabilitation program represents an understanding between the vocational rehabilitation agency and the handicapped individual. It is expected that its terms will be carried out unless there are special mitigating circumstances. In such cases, it is expected that alternative service approaches or timetables will be sought and that the rehabilitation objectives previously agreed upon will not be altered unless renegotiated by both parties. Each handicapped individual is to have the right to review his plan at least annually and, together with the rehabilitation agency, to revise the program terms if the objectives of the program are not being achieved.

The Committee expects that the RSA Commissioner will utilize the written programs as a means of assessing the effectiveness of rehabilitation services in achieving the stated objectives. The Committee realizes that there may be mitigating circumstances as to why indicated objectives are not achieved. These might be, for example, lack of available funds or services. In his annual report to the Congress on the effectiveness of rehabilitation services, the bill directs the Commissioner to include specifically his assessment of the degree to which rehabilitation objectives are or are not being achieved. This report will document the reasons why such objectives have not been achieved and recommend corrective legislation or propose appropriate administrative action. Further, records of the characteristics of each applicant will be kept specifying, as to those individuals who apply for services under titles I and II of the Act and are determined not to be eligible, the reasons why such a determination was made.

Scope of vocational rehabilitation services

The scope of services that are required under the bill and the services which may be provided are specified in an operative provision of the bill, section 103, rather than in a definition provision as in present law. Added to those services presently specified in existing law are the individual written rehabilitation program, which has been described above; follow-up services, which refer to services given normally for one year after case closure; follow-along services, which refer to services which are necessary in particular cases and are provided for longer than one year; and telecommunications, sensory, and other technological aids and devices. In the latter connection, the Committee believes that such rehabilitation aids and devices covered by this section should be prescribed by appropriate licensed health professionals.

The Committee also limited the use of program funds for individuals who are pursuing higher education paid for by this program to those for whom all alternative means of funding have been sought and were not available. The Committee feels that the costs for instruction at colleges should be borne by some other source of funds if in any way possible, and points out that a substantial new student assistance program is available through P.L. 92-318, the Education Amendments of 1972. Statistics provided to the Committee show that many States do not limit the amount that may be spent on a handicapped individual's higher education, thus substantially diminishing basic program monies available for other services, especially those needed by individuals with more severe handicaps.

In view of the fact that the resources available to treat handicapped individuals and to provide for their rehabilitation will obviously not be unlimited in the foreseeable future, it is the intent of the Committee to stress and provide a priority for services to those with the most severe handicaps.

While it is fully recognized that there is justification for serving those individuals whose only handicap may be their environment or social disadvantagement, the Committee feels that, to the extent possible, these individuals who have no other handicap should be served under programs already in existence for their express benefits.

The Committee also notes that statutory age limitations were removed from the program in the 1965 Amendments to the Vocational Rehabilitation Act. The current regulations are clear in their intent that planning for individual clients should begin when it is determined that the point at which vocational training is appropriate has been reached. Information received by the Committee indicates that some State agencies are still adhering to the prior criteria and thus anyone under the age of 16 years old, or the age up to which school attendance is required, is not being served. It is the Committee's view that services which enhance the long-term vocational potential of an individual should be provided as soon as they will be effective. Exclusion of all children below the age of 16 years may be arbitrary, and the Committee believes that RSA and the State agencies should be cognizant of the fact that prospective clients may benefit from services and planning at an age earlier than 16. The Committee expects that regulations implementing this Act will make clear that such individuals are not to be excluded based solely on the age factor.

Allotment formula

The bill makes no change from present law in the method for computing the allotment formula for the basic State grants. S. 3987 as reported from the Committee last Congress (Senate Report No. 92–1135) did propose such a change, which was discussed at length on pages 17 and 18 of the prior report. During consideration on the Senate floor, the existing formula was restored to that bill; but, in order to provide for an early and focused opportunity to conduct a full reexamination of the equities involved in the present formula, it was agreed that under title I, part B, basic State grant authorization of appropriations should extend for one year less than the rest of the programs in the bill, which ran through FY 1975. This decision was ultimately reflected in H.R. 8395 as passed by the Senate, and was included in the Conference report version sent to the President which he disapproved.

It has been generally agreed within the Committee that dispute over the allotment formula issue should not be allowed to stand in the way of timely passage of S. 7. Therefore, the State grant program in the bill as reported expires a year before the other programs authorized in S. 7, thus affording the Congress an opportunity to consider the formula issue separately one year before the authorizations in the rest of the bill expire.

Further, with respect to S. 7, since eight months of FY 1973 have expired as this report is filed, the Committee decided to add an additional year of appropriations authorization for each program. Thus, all other programs are now extended through FY 1976 and the basic State grant program through FY 1975.

It should also be noted with respect to the formula that the bill does increase the minimum which can be allotted to any State from $1,000,000, as in present law, to $2,000,000; and also extends this minimum to Puerto Rico (which was not entitled to it under present law) as well as to the District of Columbia (which was so entitled under existing law).

Innovation and expansion grants (part C)

The Committee, as well as placing the authority for making innovation and expansion grants in RSA, has also allowed each State to establish project priorities within the purposes of statutory provisions with respect to no less than 50 percent of its formula allotment under this part (which is generally determined according to population with a $50,000 minimum). With respect to the remaining allotment funds, the Commissioner may fund projects which he deems to be of a priority nature. The bill directs that these grants should be used to improve and expand services for the classes of individuals for whom rehabilitation may be retarded by socio-economic factors or who have other serious problems in connection with their rehabilitation. These grants are also expected to be used to improve services and programs to those with the most severe handicaps. In order to provide maximum incentives, Federal payments for these projects are set at the level of 90 percent and are to be used particularly for those individuals whose rehabilitation needs are also the responsibility of other State or Federal agencies, and the allotment for each State is determined on a formula based on population (with a $50,000 minimum). The Committee feels that too liberal an interpretation by RSA of the "in kind" provision regarding the 10 percent non-Federal share could, in some cases, result in less total services being given to handicapped individuals requiring them and, therefore, urges that special care be given with respect to the evaluation of the in-kind component.

Client assistance

The hearing testimony pointed up a serious lack of communication between the counselor and the client, and the administrator of a facility and the client, and the inability of the average client truly to understand the maze of bureaucratic procedures in the program. The Committee felt strongly that this was a marked deficiency in the program which must be remedied. To this end, the individualized written rehabilitation program was established as a basic service that must be provided to the handicapped individual. This step insures that the client will understand what is being done, what he can expect to be done in his behalf, and what his alternatives are if his progress is not satisfactory.

The Committee felt, however, that all this awareness by the client may not be of great value unless the system could be made to work for him not on or at him. The Committee recognizes that many handicapped individuals need a way to have the system translated to them in terms they understand, and conversely, have the system understand their wishes through the same type of translation. The client assistance method was agreed to as a viable method to attempt to achieve these goals and was endorsed by virtually every witness that appeared before the committee.

In view of that testimony, and the Committee's belief in this type of system as an excellent way to achieve translation of the system to the client and the translation of the client's needs and desires to the system, client assistance projects were authorized in the bill. There is no similar provision in present law. It is intended that the function to be performed by the client assistance projects is to seek to resolve difficulties that the client is having with the program as quickly and amicably as possible.

The Committee feels that the client assistance worker must also be responsive to the program; that it is within his function to act as liaison between the individuals responsible for the programs and treatment functions as well. In order to do this and do it well, the client assistance worker of necessity must have prompt and reasonable access to the appropriate personnel in the state agencies and the regional and central offices of RSA.

The client assistance worker is further charged with the responsibility to report fully its activities to the Commissioner, including any recommendations to make the program more responsive both for the client and to aid the administration of the program. The State agency should make every effort to enter into arrangements, where possible, with institutions of higher learning in order to draw upon the students in clinical training in certain disciplines to assist in performance of the client assistance function. The client assistance project shall at no time be a client or former client of the State agency nor an employee of the State agency whose task it is to administer the plan.

The Committee fully recognizes the fact that a close relationship between client and counselor is most important for a successful rehabilitation program. It is not intended that the client assistance project should stand in the way of that relationship, nor supplant or reduce it in any way. The function of the client assistance project is merely to see that the written rehabilitation program is determined and carried out to the benefit of the handicapped individual and that complex issues which might arise are minimized quickly. Access to the client assistance project must be assured if it is to aid the program and the client. The client must know that the client assistance project is available; the State agency, therefore, is required to make sure that the client assistance projects are available to the client as part of the process of formulating his written rehabilitation plan. It is the Committee's firm belief that a better program should result by the client assistance project working actively with the client and the agency.

The proposal for client assistance projects to serve vocational rehabilitation clients has its genesis in the growing number of hospitals which are establishing patient advocates to attempt to give the institutionalized person a sense of being able to effect the environment in which he is confined and the rules and regulations in his day-to-day existence. The Committee believes that the ombudsmen-type of approach is ideally suited to the structure of the rehabilitation program at this time, and further believes that this program, if successful, could be the forerunner of client assistance programs in numerous federal, state and local social services programs.

The Committee envisions that a typical client assistance for a medium-sized city could be structured approximately as follows:

1. Out of the funds reserved for establishing client assistance, the State agency would hire two full-time client assistance workers, who might be beginning their careers in fields such as law, social work, public administration, or psychology, and 1 or 2 clerical assistants.

2. The State agency and the client assistance workers hired for the project in this city could then contact the local colleges and universities and attempt to arrange for graduate students, engaged in clinical programs, to carry out their academic responsibilities for a given period of time (a quarter, a semester, or even a full year) by working as assistants to the client assistance workers in the project and operating under the direct supervision of the full-time client assistance workers. The assistant would very likely be assigned responsibility for preliminary interviews with client complainants and the initial follow-up to determine whether or not a *prima facie* case exists. After a sufficient period of experience, such an assistant might well be assigned the responsibility for conciliating particular grievances. At all times, however, they would be in contact with the full-time worker supervising their work.

3. Based upon a prototype for this sort of program carried out quite recently, there is strong reason to believe that universities would be extremely interested in placing graduate students in such a program. This would have a double benefit: first, of providing energetic, committed, and talented young professional students to invigorate the system; and second, of involving in the client assistance project, on an informal basis, all of the good services and offices available from any college or university and particularly from the instructor or professor responsible for the clinical clerkship of the assistant client assistance worker. This academic relationship should provide an objectivity to the process because the graduate students would not be remaining in the program long enough to develop a vested interest in any particular bureaucratic structure or relationship.

4. This client assistance system—blending the expertise of the full-time advocate and the objectivity, freshness of approach and energy of the graduate students—would be responsible for handling client grievances for of the rehabilitation programs and projects in the particular city. It is believed that after the break-in period, a substantial amount of expertise will be developed in handling client grievances and that resolution, particularly in cases of poor communication and misunderstanding, will be quickly forthcoming.

5. Moreover, it is anticipated that the very existence of an objective and concerned client assistance project will serve to produce considerable interpersonal sensitivity on the part of the rehabilitation programs after they have initial experience with an effective grievance investigation and resolution process carried out by the project. Thus, although at first the case load will undoubtedly be substantial, in time this should level out and probably drop once the project proves its effectiveness in securing equity for the client—in an even-handed manner with sensitivity to the problems faced by the bureaucracy as well—to the satisfaction of both individual clients and rehabilitation projects and programs.

TITLE II. COMPREHENSIVE REHABILITATION SERVICES

The bill deals with the matter of the handicapped individual for whom a vocational goal is not possible in a separate title with a separate appropriations authorization in order to avoid any diminution of efforts under the basic title I, part B, program and to place major stress on achieving vocational outcomes. The Committee intends in this title to provide funds to the States to provide and implement plans to meet the needs of handicapped individuals for whom a vocational goal is not possible or feasible. In order to assure that this intent is met, it became necessary to provide a definition of "rehabilitation" for the purposes of this title only. The Committee stresses that this definition—the goal of achieving, through the provisions of comprehensive rehabilitation services, substantial ability to live independently or function normally in his family or community—must be applied only in this title and only after certification in the individual's written rehabilitation program (under section 102) that a vocational goal is not immediately feasible.

The Committee chose this approach in order to provide the authority and authorize appropriations for States to carry out the rehabilitation of individuals who at the time of application for services are certified by the counselor or coordinator in the individual's written rehabilitation program not then capable of achieving a vocational goal.

The State allotment for this title would be determined in the same manner as in Part B of title I (except that the allotment percentage, as defined in section 8 of the bill, is not squared), unless the amount of appropriation in any year does not exceed $20,000,000, in which case the Commissioner is authorized to disburse the funds on a project grant basis in order that the effectiveness of expenditures be maximized.

The purpose of title II is to provide a chance for a vocational outcome for those who, at the time of entry into the service system, may be found to lack the necessary skills or training, due to prior lack of attention. It is also designed so that those for whom a vocational goal is not desirable will still be able to receive services. The Committee wishes to stress that it is not its intention for this to be a category into which those with the most severe handicaps are to be placed terminally. Rather, this title is intended to be a starting point for those who initially would not be eligible for title I services.

While these title II funds are authorized on a State-by-State basis, the Committee fully recognizes that the funds may not be most effectively spent if a State spreads them into all its political subdivisions. It may be more effective for funds for certain programs to be concentrated in those areas where significant numbers of individuals needing "comprehensive rehabilitation services" reside and where the facilities and services needed for their rehabilitation are available. Thus, the State plan with respect to individuals without vocational goals does not require that they be served on a State-wide basis using title II funds.

The bill provides that to receive funds for FY 1974 under this Act, the plan submitted by the State to the Secretary under section 101 of this Act or section 5 of the Vocational Rehabilitation Act must be amended within 180 days of enactment of the bill to include provision for comprehensive rehabilitation services; that such a program will be included in the section 101 plan submitted each subsequent year; and that services to homebound and institutionalized individuals be among the services that State must demonstrate it has considered. The Committee expects that the States and RSA will make every effort to expedite the refinement of the necessary regulations, and to provide, and operate under guidelines, which will lead to excellence in the provision of these services as soon as possible.

The bill, therefore, directs RSA to report to Congress in the annual report on the new program provided for under title II. It is hoped that this will include any further recommendations for changes in the law that will help facilitate the efficient provision of services to handicapped individuals without vocational goals. It is also expected that in such report, particular emphasis will be placed on the ways in which the independent living goal part of the program is being carried out.

Funds are distributed under the Title II program on a 90/10 percent Federal/non-Federal share basis.

TITLE III. SPECIAL FEDERAL RESPONSIBILITIES

Title III of the bill contains all special programs, grants and related service activities which are not carried out by the State rehabilitation agency, but provide the basis for improvement of services and expansion of services to special target populations of handicapped individuals. This title incorporates, with changes and additions, the following provisions from the Vocational Rehabilitation Act: Section 4(a)(2), with the exception of expansion grants; section 12, construction of facilities and initial staffing programs; section 13, programs related to vocational training services to handicapped individuals (including maintenance payments during training); section 16, the National Center for Deaf-Blind Youths and Adults; and section 17, the special program for handicapped migratory and agricultural workers. It also provides new authority for Rehabilitation Centers for the Deaf, Centers for Spinal Cord Injuries, project grants for services to older blind individuals, and project grants for services to individuals with end-stage renal disease.

New target programs

The bill concentrates on providing flexibility under the basic program so that all individual needs may be served, and on providing procedural safeguards and emphases throughout the bill to ensure that the individuals who have the most severe handicaps are able to receive services through rehabilitation agencies. Yet the Committee is aware that segments of the population of handicapped individuals have special needs and that funding is necessary to focus attention on these needs. The committee bill, therefore, includes a limited number of categorical programs to target Federal money on these special needs and to demonstrate improved methods of providing services. The Committee does not anticipate that emphasis on these categorical programs will be continued on a long-term basis, but has provided limited funding for special purposes in order to improve and expand services, and to demonstrate an effective way of providing them.

Rehabilitation centers for deaf individuals

Section 306 provides authority for grants and contracts to expand and improve vocational and comprehensive rehabilitation services for deaf individuals, and specifies that this may be done through the establishment of centers for this purpose.

During hearings, the Committee was told that rehabilitation services do not always meet the needs of deaf individuals. Quite often counselors are not available who can communicate with deaf clients, and services for individuals with severe communicative disorders designed to deal comprehensively with the individual's total needs are seldom provided. Witnesses from the deaf community also reported to the Committee that there were limited training options available for deaf individuals who leave secondary schools with no technical skills and thus have great difficulty finding employment. This is especially a problem for the more profoundly deaf individual with limited communicative abilities and some behavioral disorders. Witnesses further testified that while facilities exist for higher education and postsecondary technical training for deaf individuals, academic postsecondary training is not feasible for those deaf individuals with severe handicaps and that existing facilities such as Gallaudet College, the National Training Institute for the Deaf, and facilities at Hot Springs, Arkansas, and Delevan, Wisconsin, cannot fill the need. For individuals who are older, specialized training programs are needed, separate from other programs for handicapped individuals who do not have such severe communicative disorders.

The Committee, however, also heard testimony questioning the wisdom of creating separate facilities which would further segregate certain deaf individuals from the deaf population and from the society at large.

The Committee recognized the need to act to provide assistance in coping with the severe problems of training for deaf individuals with behavioral and communicative limitations. However, the Committee is concerned that the creation of permanent facilities for so-called "low-achieving" deaf youths and adults, especially for young deaf individuals, as suggested in legislation in the 92d Congress House bill, might provide an additional avenue by which the existing educational system could further dispose of those individuals who are more difficult to provide with adequate services. The committee, therefore, has included in the bill a program for grants and contracts for the improvement of services to deaf individuals who are 16 years of age or older who have passed the age of compulsory school attendance for the State in which they reside. The Committee sees this program as a demonstration program, and has specified that one means by which this demonstration might be carried out is through the establishment of demonstration Rehabilitation Centers. This authority includes training of necessary personnel, and the Committee believes that emphasis within training should include counselors for rehabilitation agencies and trained counselors who can work with individuals, especially younger individuals, through the school system.

The Committee has limited this authority to individuals who are beyond school age because it did not wish to provide other program authority for facilities and services which should be available through education programs, but are not. It therefore expects to re-examine this entire question of the adequacy of the elementary, secondary and postsecondary educational system for deaf individuals when authorization of the Elementary and Secondary Educational Act and the Education of the Handicapped Act is considered for renewal in this session of the Congress. The Committee further takes note of the fact that several bills have been introduced in the Senate which would expand federal assistance for the education of handicapped individuals, including authority for continuing, adult and higher educational services, and it suggests that these bills are the appropriate vehicles for reforming and improving the educational system so that the needs of deaf individuals are met.

However, in order to take an initial step in the direction of improving these services for those individuals who are generally already beyond the reach of the education system, the Committee has provided authority for demonstration programs for improvement of rehabilitation programs for the deaf through the creation of centers or otherwise, and has required coordination in the planning of these programs between RSA and the Bureau of Education for the Handicapped within the Office of Education.

National centers for spinal cord injuries

Section 308 contains a program to support the establishment and operation of National Centers for Spinal Cord Injuries. This section corresponds to a similar section in the original House bill (H.R. 8395) which provided support for demonstration of methods of specialized intensive services in the treatment of spinal cord injuries, training of personnel, and research in rehabilitation methods and related activities to expand services or improve public awareness of the nature of the problem of the spinal cord injury. The Senate bill, however, differs substantially from the original House provision.

During hearings on H.R. 8395 in the 92d Congress, reaffirmed in the hearings on S. 7 in this Congress, testimony from experts in the field of spinal cord injury suggested that a broad program was needed. Of particular note in this testimony was stress placed on the need for a regional program of spinal cord injury centers which would have the capacity of providing vocational and comprehensive rehabilitation services through a team of multidisciplinary staff, and which could provide acute medical care. This testimony also emphasized the need for a coordinated system of provision of services and for cooperation among all organizations and agencies which provide services to individuals with spinal cord injury, and the need to provide assistance to help cover the cost of services.

The Committee believes that the testimony on the effectiveness of national centers for spinal cord injuries was compelling, and that the effectiveness of such a system should be tested. Often the effectiveness of treatment and the ability for restoration depend entirely on prompt and thorough treatment at the site of injury and immediate care following. Yet current methods in general use for providing services to those with the spinal cord injuries cannot provide this immediate care because of a lack of accessible facilities equipped with modern equipment and multidisciplinary team of attendants. Therefore, the special target program in the Senate bill authorizes a program of grants and contracts to assist in the forming of centers, for the delivery of rehabilitation services and acute medical care, to assist in meeting the costs of services, and to assist in the development of methods for provision of services and achieving cooperation with all organizations and agencies concerned with spinal cord injury.

In order to test the effectiveness of a regional system, preference is given to proposals to establish, on a regional basis, a multidisciplinary system of providing rehabilitation services, which will test and evaluate the benefits and cost effectiveness of such a regional system. The Committee was impressed by the testimony of witnesses about the development of new techniques, methods and equipment which are able in many instances to recapture much of the ability the individual has lost through spinal cord injury, and this the bill gives emphasis in the awarding of grants and contracts to the evaluations of such methods, and the evaluation of new methods of outreach and community education in broad social areas so that individuals with spinal cord injuries will not continue to be limited by societal barriers.

Services for end-stage renal disease

Section 309 of the bill authorizes the third target program—for individuals suffering from end-stage renal disease. This section authorizes the Commissioner to make grants to States and nonprofit organizations and agencies for paying the costs of special services (including transplantation and dialysis), artificial kidneys and supplies necessary for the rehabilitation of individuals suffering from end-stage renal disease. This section is identical to the program initially authorized by the House bill (H.R. 8395).

Both transplantation and kidney dialysis and special services and supplies are included as services which may be paid for under this section. Funds authorized under this program should be utilized to pay for physical restoration services rendered to patients in need of care. The Committee believes there is a critical need for these services and that expenditures under the program should be closely regulated to assure that the highest quality services are available at the most reasonable cost. The Committee does not believe that funds available under this section should be used to pay for additional facilities, training of personnel, or research, but that other funding sources should be utilized for such activities.

Testimony presented on behalf of this provision emphasized that many more lives could be saved if individuals were able to find assistance to pay for treatment. Currently, of the 7,000 to 8,000 patients who could benefit from dialysis or transplantation per year, only 2,000 individuals are able to receive it because of the limited availability of financial assistance. According to these same witnesses, kidney treatment facilities, training programs, and treatment teams have been established throughout the country through efforts made by the Regional Medical Programs funded under the Public Health Service Act. The last link in this system is assistance to the patient so that he may be able to afford this costly, but life-saving treatment.

The Committee notes that rehabilitation agencies in as many as 41 states provide services to individuals suffering from end-stage renal disease. Often, however, these agencies' ability to help an individual depends on the individual's having a source of financial aid, whether it is private income, other private sources, or the Medicaid program. The Committee, however, believes that it is a tragedy and counterproductive from the point of the individual and society that individuals must give up their source of livelihood in order to become eligible for financial assistance through Medicaid. While the Committee recognizes that a national health insurance program, or the recent Medicare amendment, offer more integral means of providing much needed assistance, individuals are covered under the new Medicare provision only after they have received services for 90 days and some individuals—without Social Security coverage—are not included at all. There is thus immediate unmet need to help thousands of individuals who could be saved through dialysis or transplantation but who do not have the financial means. Furthermore, the rehabilitation program offers the comprehensive counseling, training and job placement services that are often needed by individuals suddenly faced with kidney failure.

Rehabilitation of older blind individuals

Section 310 authorizes a fourth target program—to provide rehabilitation services to older blind individuals (defined as age 55 and older). The Senate bill provides for an authorization of appropriations for project grants to be used for a special demonstration program for demonstrating special services needed to rehabilitate older blind individuals, for training personnel for research, and for related activities which will expand services or improve public understanding of problems confronted by older blind individuals. More than 75% of all blind individuals are middle-aged or older, as a result of the fact that many individuals suffer severe vision impairment later in life, their blindness often accompanying of precipitated by some other health problem. This is especially true in the case of diabetics. Estimates show that 1 out of every 6 blind individuals was blinded by diabetes.

Witnesses pointed out that becoming blind late in life often produces a total change in an individual's life, yet avenues to employment are closed off, rehabilitation services are more difficult to obtain, and sources of other support are limited. In addition, they cited a need for mobility training services and comprehensive counseling for which social welfare agencies will not provide money. Recognizing the size of the population of older blind individuals, and the severity of their handicap and agreeing with the needs pointed out above, the Committee provides authority for a specialized demonstration program to help meet these needs.

Provisions for facilities

Sections 301, 302, 304, and 313 of the bill contain provisions relating to rehabilitation facilities, including construction and initial staffing grants, annual interest grants for mortgages, project grants for vocational training of handicapped individuals within rehabilitation facilities, including weekly allowances for such individual while undergoing vocational training programs, and general grant and contract requirements for facilities.

Mortgage insurance for rehabilitation facilities

S. 7 includes a provision (section 303) authorizing mortgage insurance for rehabilitation facilities in order to assist and encourage the provision of urgently needed facilities for rehabilitation programs for handicapped individuals. Under this provision, the bill authorizes the Commissioner of RSA, in consultation with the Secretary of Housing and Urban Development, to insure up to 100% of the mortgage, with the limitation that the principal obligation of the mortgage may not be for more than 90 percent of the estimated property replacement cost. The bill would also allow the Commissioner to delegate to the Secretary of Housing and Urban Development, pursuant to a delegation agreement, the authority to administer this mortgage insurance provision. The provision also authorizes appropriations for initial capital for the insurance fund, but provides that the total amount of outstanding mortgages insured may not exceed $250,000,000.

Annual interest grants

The bill authorizes (in section 304) the Commissioner to make annual interest grants to States and public and nonprofit agencies to reduce the cost of borrowing from other sources for the construction of rehabilitation facilities. For the purposes of this section, there are authorized to be appropriated such sums as may be necessary for the payment of the grants. However, the section places a limitation on the total amount of interest grants which may be paid as follows: the total amount shall not exceed $1,000,000 for the fiscal year ending June 30, 1973, $2,000,000 for the fiscal year ending June 30, 1974, and $4,000,000 for the fiscal year ending June 30, 1975. Grants paid under this section may be made to any rehabilitation facility for a period not to exceed forty years. Therefore, the total amount which is authorized to be appropriated for this section must be calculated over the forty-year time period, thus amounting to $1,000,000 for forty years, or $40 million as a result of the amount authorized for the fiscal year ending June 30, 1973 an additional $1 million in new monies for the fiscal year ending June 30, 1974, or $40 million; and an additional $2 million for the fiscal year ending June 30, 1975, or $80 million over the next forty year time period.

Total amounts so authorized are $160 million over the fixed time period of forty-three years.

General provisions

The bill also combines in one section (313) all general requirements for grants and contracts approved under title III. This section contains provisions relating to: uses of facilities constructed under Federal contract (including a prohibition of uses for religious to sectarian activities), uses of Federal funds, submission of annual reports, inclusion of excellence of design and architecture in plans for construction, conformance with the Architectural Barriers Act (P.L. 90–480), conformance with the Davis-Bacon Act (wage payments and labor standards), payment provisions, residential accommodations in rehabilitation facility construction, and general conformance with the State plan for the provision of vocational and comprehensive rehabilitation services.

Most of the general provisions of section 313 were contained in existing law. However, the bill also requires that emphasis be placed on the importance that facilities be in compliance with occupational health and safety regulations and with the provisions of the Architectural Barriers Act. The Committee heard repeated testimony during hearings on this legislation that many of the rehabilitation facilities do not meet minimum standards for safety of the individuals to whom they are providing training or evaluation services. In order to meet this concern, the Committee has directed the Secretary to prescribe regulations which bring these facilities into compliance with the Architectural Barriers Act and with occupational health and safety standards prescribed by the Secretary of Labor. The Committee has also included a specific rehabilitation on use of funds for construction of such portion of a facility as will be used for religious worship or sectarian activities.

The bill does not include authority for the National Policy and Performance Council which was contained in existing law. The Committee has expanded the authority of the National Advisory Council (and renamed it), authorized the establishment of State Advisory Councils, and directed the Secretary to undertake an expanded program of program and project evaluation, and, therefore, believes that this Council is no longer necessary.

Special projects and demonstrations

Section 305 of the bill contains all authority provided to the Commissioner for making grants for special and demonstration projects which hold promise of expanding and improving rehabilitation services to handicapped individuals. This section is comparable to a similar and authority for special projects contained in existing law.

The bill has included under special projects a provision for grants for vocational and comprehensive rehabilitation services for migratory agricultural workers (including seasonal farmworkers), a provision contained in section 17 of existing law which has never been funded. The Committee believes strongly that the provision of services to migrants and seasonal farmworkers is a priority. In order to achieve the required result, the bill earmarks 10% of all sums appropriated for special projects to be used for projects to provide vocational and comprehensive rehabilitation services to handicapped migrants and their families, and provides an additional authorization of appropriations if sums appropriated for special projects are not sufficient to result in the availability of $10 million ($5 million in FY 1973) for such services.

The Committee is well aware of the difficulties faced by migrant and seasonal agricultural workers in receiving their fair share of social services, and urges the Commissioner to search for innovative projects which may serve as models for the delivery of other social services to such individuals. The Committee believes that difficulties of delivery of such services can be overcome, and considers the implementation of this provision a priority.

Special projects, in general, are an important method of experimentation and development of new patterns of service delivery, and should lead to the development of techniques which can greatly impove services to handicapped individuals throughout the nation. The Committee has directed the Commissioner to give special emphasis to projects which will improve services to individuals whose handicaps are more severe, and believes that projects ought to be awarded with distinct goals in mind for this improvement, and for the extension of techniques, methods and patterns of delivery of services to the basic rehabilitation program throughout the States.

National Center for Deaf-Blind Youths and Adults

Section 306 continues the authority for the construction and operation of the National Center for Deaf-Blind Youths and Adults, and authorizes for fiscal year 1973 the appropriation of $5 million for construction and $800,000 for operations; and $1.2 million for operations in FY 1974 and $2.0 million each for FY's 1975 and 1976. The amounts authorized for construction were identified during the hearings as required amounts to complete construction of the National Center and provide sufficient operating funds. The Committee was impressed with the plans for the Center and the range of services which this Center promises to provide for deaf-blind individuals. Recognizing that this Center will not be able to serve the estimated 10,000 deaf-blind population of the country, the Committee would urge that this Center and the Industrial Home for the Blind undertake plans to ensure that techniques and methods of providing services to deaf-blind individuals developed in the Center will be transferred to the entire population of such individuals. The Committee therefore expects the Center to enter into cooperative and coordinated arrangements with schools and other institutions which provide services to individuals who are both deaf and blind so that these institutions may further benefit from the experience of the Center.

Advisory councils

S. 7 expands the functions and membership of the National Advisory Council in present law and redesignates it as the National Advisory Council on Rehabilitation of Handicapped Individuals (section 311), and authorizes State Advisory Councils (section 312). The 12-member National Advisory Council under present law has been expanded to 20 persons, 10 of whom are to be selected from among leading medical, educational or scientific authorities outstanding in rehabilitation, and 8 of the 20 are to be handicapped individuals, or individuals who have received vocational rehabilitation services.

The Committee believed that a panel of such leading authorities and experts would be extremely knowledgeable about needs within the field and, therefore, has provided this Council with broad advisory powers for planning, determination of priorities, review of program operation, and evaluation of effectiveness of the programs administered by RSA. The Committee is particularly interested in the effectiveness of the program in meeting program goals, and expects this Council to be well equipped to carry out such an evaluation.

The Committee has expanded the research authority for RSA and has required priority for service to those with the most severe handicaps and greater importance to be given to biomedical engineering and applications of research. The Committee expects the National Advisory Council to play an active role in the defining and carrying out of these priorities, and has directed the Council to submit annual reports to the Congress on the results of its reviews.

Throughout the hearings, testimony was given on the lack of consumer input at the State and individual program level. The Committee believes that this form of input is necessary and extremely valuable at all levels of government, and therefore has authorized State Advisory Councils which will advise the Governor on the State plan, provide advice on long-range planning and evaluation, and make a report of recommendations to the Governor annually on the effectiveness of the State program, areas in which services should be extended, and the need for change within the program. An authorization of appropriations of $2 million for each of FY 1973, 1974, 1975, and 1976 is provided to carry out the activities of the State Advisory Councils. The Councils will be appointed by the Governor, from individuals with experience in the rehabilitation program and in education, representatives of labor and management, and persons who are knowledgeable about the employment of individuals who have received vocational rehabilitation services. The Committee has specified that at least a majority of the Council must be handicapped individuals or individuals who have received vocational rehabilitation services.

TITLE IV. RESEARCH AND TRAINING

RSA Responsibility

Title IV of the bill consolidates all research and training authority in existing law and includes it in one title to be administered by the Commissioner of RSA. It specifically mandates four major priorities; the establishment and support of Rehabilitation Research and Training Centers; the establishment and support of Rehabilitation Engineering Research Centers; the conduct of a program for spinal cord injury research; and the conduct of a program for international rehabilitation research and the international exchange of personnel and technical information.

The bill places authority and control over the expenditure of research and training funds in the hands of the RSA Commissioner in order to ensure that funds that have been authorized for the purposes of research in rehabilitation methods and techniques and training of specialized personnel for delivery of such services to handicapped individuals will be used for *only* that purpose. The Committee emphasizes that rehabilitation of handicapped individuals is the only thrust of the Rehabilitation Act of 1972, and this rehabilitation involves complex problems and specialized needs which do not necessarily apply to the general population of persons served by other HEW programs. Until these problems have been solved and these specialized needs have been served, the Committee does not wish to have research and training funds expended to solve more generic problems. With the tremendous technological, scientific, and medical knowledge within the United States, there is no excuse for failure to make full use of that knowledge. The Committee has emphasized throughout the bill the need for RSA to expand its services to individuals whose handicaps are the most severe, and to improve the effectiveness and focus of its services for all eligible handicapped individuals. The emphasis applies to the Research and Training authorities.

There is no question that in order to carry out a tremendous increase in knowledge, innovative methods, devices and techniques will be needed. In order to provide the technical assistance that will be necessary, a substantial and imaginative research program must be undertaken.

The Committee expects RSA to be in the forefront of major technological breakthroughs in biomedical engineering and applied technology which would ameliorate many of the handicapping conditions of the individuals it serves. In the future, the Committee will ask the Administration to provide, in its required annual report on research, full explanation and justification for its activities, goals and priorities in the areas of research and training, focusing on the targeting of research and personnel on particular problems affecting particular disability groups.

The Committee wishes to stress that it firmly expects the research orientation to be aimed at overcoming the disability itself, not just solving a few minor service-related problems, and that the goal should be to enable the handicapped individual to be employed or to receive further training or education, whenever feasible.

Division of Research, Training, and Evaluation

In order to enable RSA to carry out this charge, the bill has established within that Administration a Division of Research, Training and Evaluation, and within such Division a Center for Technology, Assessment and Evaluation. The Committee has provided RSA with authorization for 10 additional personnel of outstanding medical and scientific achievements to ensure that this Division and its subordinate Center will have individuals of outstanding expertise to provide direction and evaluation of the program. The Committee has also specified that the Division will carry out its duties and functions with the advice and consultation of the National Science Foundation and the National Academy of Sciences. The Committee cannot emphasize too strongly that it expects this Division to be the primary authority within the Department of Health, Education and Welfare on rehabilitation technology, research and training.

The Committee reviewed during the hearings the specialized needs in research and training, and was impressed with the potential of applied research in solving the problems of individuals with severe handicaps. The bill thus provides general authority for research grants and projects only insofar as they bear directly on development of methods, procedures and devices to assist in provision of services to handicapped individuals as well as individuals with severe handicaps.

In view of these longer term needs, the Committee believes that a commitment must be made now in the training of rehabilitation research personnel, the development of new techniques, methods and devices, and the sharing of information across international boundaries.

New research priorities

Therefore, in this title the Committee bill mandates four major priorities:

(1) the establishment, extension, and support of Rehabilitation Research and Training Centers, to be operated in collaboration with institutions of higher education, to train rehabilitation research personnel who will be needed to develop new methods, techniques and devices for the rehabilitation of handicapped individuals:

(2) the establishment and support of Rehabilitation Engineering Research Centers to develop new methods of applying technology, breakthroughs in medical and other scientific knowledge, and to develop methods of information exchange to aid in the prompt utilization and application of engineering and other knowledge to rehabilitation problems:

(3) the carrying out of a program of spinal cord injury research, in support of and, where appropriate, in conjunction with, the National Centers for Spinal Cord Injuries, to encourage the sharing of new knowledge and the support of new approaches, and to coordinate efforts in research carried on by other governmental and voluntary agencies; and

(4) the conduct of a program of international rehabilitation research and training so that all knowledge may be utilized and shared across international boundaries.

In order to emphasize even more strongly the importance it places on the application of technology to the rehabilitation of handicapped individuals, the Committee earmarked 15%, 25%, and 25% of the total funds available for research for the next three fiscal years to be used for the establishment and support of Rehabilitation Engineering Research Centers. It expects that these Centers will be a major force in the extension of medical, technological and scientific knowledge to rehabilitation problems, and has directed these Centers to cooperate with State agencies, to insure that prompt utilization is made of new developments, and with the Office for the Handicapped, so that these developments may be made known across program lines.

The Committee is aware of many developments in the area of rehabilitation that have been made in other countries, and encourages the fullest possible utilization of this knowledge and expertise and the sharing of scientific information. It, therefore, directs RSA to undertake the above program of information, personnel and research exchange and to apply the results as soon as possible.

Training

The Committee bill also provides general authority for the training of rehabilitation personnel and specifically directs RSA to utilize funds available in any year to support a balanced program of assistance to meet personnel training needs. Testimony has indicated a great shortage of skilled rehabilitation personnel at all operational levels and in all professional categories. For example, it is estimated that to meet adequate projected rehabilitation needs in FY 1974, 4,000 more physical medicine and rehabilitation physician specialists are needed.

In addition to providing for more funding for training of rehabilitation personnel, the bill places an emphasis on training of individuals to work in certain specialized areas where shortages are even more severe, and stresses the needs of homebound and institutionalized individuals.

Moreover, it came to the Committee's attention after hearings last year that there was a lack of focus on handicapped individuals, and on the training of personnel to serve them, who have limited English-speaking ability. The Committee expects the RSA Commissioner to provide for the expansion of services available to these individuals. In this regard, the Committee added to the bill specific reference to the need to train rehabilitation personnel to work with individuals of limited English-speaking ability so that services to such individuals can be provided on a more equitable basis, with particular attention to bilingual/bicultural needs.

Integrated research and training approach

The Committee has combined all research and training in this title and specified four major priorities because it wishes to make very clear the importance it places on a coordinated research and training endeavor in the area of rehabilitation. The Committee was informed in hearings that although many of the priorities specified in this title are being carried out now under the authority of the Vocational Rehabilitation Act, research efforts are piecemeal and little effect is being felt in the field. The Committee is disturbed about the budgeting trend as very clearly reflected in the FY 1974 budget to eliminate research funds and cut back on training funds, and the concomitant diluting of emphasis on the particular needs of handicapped individuals. It fully expects that through the creation of a Division for Research, Training and Evaluation and the increase in personnel provided, RSA will undertake a major effort to expand and coordinate research and training programs in the area of rehabilitation, in order that these efforts will have a more profound and direct effect on the lives of individuals with handicaps. The Committee was greatly impressed with testimony reporting the development of many exciting, innovative techniques and believes that RSA should make a special effort to ensure that developments can be transferred to programs in the field as soon as possible.

Reports

In line with the integrated training and research approach, the bill requires a special annual report on title IV activities and the extent to which they have contributed directly to the rehabilitation needs of handicapped individuals, especially those with the most severe handicaps and those served under title II (non-vocational goal).

The Committee finds it necessary to question the effectiveness of the vocational rehabilitation program in meeting its stated goals. Witness after witness during the hearings raised questions regarding the population that State agencies are serving, and whether the program was being as effective as it might be in delivering services to those handicapped individuals who are most in need of the program's assistance. Although the vocational rehabilitation program continues to serve a larger number of individuals in each fiscal year, questions which were raised made it necessary for the Committee to reiterate in the bill that the program should be serving only handicapped individuals whose handicap constitutes a *substantial* handicap to employment, and to set an order of priority to ensure that those with the most severe handicaps are served first. The Department produced figures which indicated that 25% of the caseload of the basic program were severely handicapped individuals; however, the Committee does not find that a 25 percentage is high enough, nor does it know whether all of the 25% cited by the Department are in fact persons with severe handicaps (particularly as that term is now defined in section 7(13) of the bill).

TITLE V. ADMINISTRATION AND PROGRAM AND PROJECT EVALUATION

Title V combines provisions of existing law in the Vocational Rehabilitation Act relating to Secretarial responsibilities for administration and evaluation, and includes, with changes and additions, the following: Section 7, relating to administration; section 8, promotion of employment opportunities; section 9, submission of reports; section 10, appropriations for administration; and section 13(c), provision of technical assistance and consultants. In addition, title V of the bill contains new provisions relating to secretarial duties for carrying out program and project evaluation, and directs the Secretary to undertake a comprehensive study of sheltered workshops (and wage payments).

Specifically, the title contains provisions for Secretarial administration, including authority for technical assistance to the States, short-term training and instruction, dissemination of information, the making of rules, regulations and delegation of powers, and the conduct of studies and obtaining information from Federal agencies. In addition, however, the Committee is concerned that little coordination and cooperation exists between the Department of Health, Education and Welfare and the Veterans' Administration with regard to comparable programs for rehabilitation. While the Committee recognizes that responsibility for such coordination rests on both administrators, the Committee directs the Secretary to ensure that maximum coordination and consultation takes place with the VA at the national and local levels with respect to rehabilitation services and related programs for disabled veterans.

Program and project evaluation

The Committee bill contains new provisions relating to program and project evaluation which the Committee believes are necessary to help determine program effectiveness. The Committee directs the Secretary to evaluate all programs authorized by this Act to determine their effectiveness in achieving stated goals. Especially with regard to research, demonstrations, and related activities carried out under title III, the Committee directs the Secretary to reassess priorities for such activities on an annual basis and to review each project to determine whether and on what basis it should be continued, and to report to the Congress the results of the evaluation of research activities within 12 months after enactment, and on April 1st each year thereafter. Thus, a system of checks and balances is established with respect to research and training for which operational responsibility is assigned to RSA but priority assessment and redirection and project evaluation is left to the Secretary to carry out based on his agencywide overview.

The Secretary is also directed to develop and punish general standards for evaluation, against which he shall determine whether funds under the basic State grant program shall be denied a State submitting a State plan under the Act.

Weighted reporting and closures

Meetings have been held with officials of the General Accounting Office to discuss their findings regarding the administration of and services provided under the Vocational Rehabilitation Act in several States. Those findings indicated that not only was there reason to question the eligibility of some of the individuals being provided services under the program, but that many of the individuals served did not receive all of the services which would have benefited them. GAO findings also indicated that followup procedures were not consistent; and, for that reason, many individuals who were in fact rehabilitated and placed in employment lost that employment a short time after their cases were considered "closed". Tentative though these findings were, they do suggest that improvements are badly needed in the program.[1]

The bill specifically directs the Secretary to develop appropriate reporting and evaluation procedures which will enable the Committee to evaluate how funds are used. The Committee would like to know what services individuals receive, the duration and cost of these services, and the time individuals spent with counselors.

The Committee wishes to stress, furthermore, that it believes that more detailed information is necessary on the closure system used by State agencies. Specifically, the Committee believes it is necessary to know more about the reasons for exclusion of individuals from the State program, and the reasons why individual cases are closed and individuals not rehabilitated. Toward this end, the Senate bill requires the Secretary to submit an annual report to the Congress on the operation of the program, to be submitted not more than 120 days after the close of each fiscal year, and directs the Secretary in that report to distinguished among rehabilitation closures attributable to physical restoration, placement in competitive employment, extended or terminal employment in a sheltered workshop or rehabilitation facility, and employment as a homemaker or unpaid family worker, and to provide information on provision of comprehensive rehabilitation services to handicapped individuals.

During the hearings 9 months ago, the Administration witnesses reported that to set up a weighted closure system which would build in incentives for provision of services to severely handicapped individuals would take approximately 18 months to develop. The Committee expects the Secretary to continue the development of this system with the maximum possible speed, and to report to the Congress on the status of that system in each of his annual reports.

Given the fact that Federal and State resources for rehabilitation will be limited for the foreseeable future, thereby compelling choices to be made in terms of whom to serve, the Committee expects the Secretary and the RSA Commissioner to explore in depth and to develop appropriate measures to reach those who have the most severe physical and mental handicaps.

In line with this, the Committee would like to know more about the quality and quantity of services under the program to individuals with permanent handicapping conditions, particularly those wtih severe handicaps, such as paraplegia, hemiplegia, quadriplegia, cerebral palsy, psychosis, bilateral orthopedic conditions, deafness, blindness, and mental retardation. The Committee recognizes the perplexing and longstanding concern of both State vocational rehabilitation agencies and RSA to develop reasonable measures for equating the degree of difficulty faced by the agency staff in serving and rehabilitating various kinds of disabled individuals, but feels that a new system of measuring and reporting should be developed and implemented as soon as possible.

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[1] The Committee wishes to express its very considerable concern that the Comptroller General has not issued his final report on this subject, the draft report for which was circulated and submitted to the agency for comment more than 8 months ago.

The Committee, therefore, directs the Commissioner, in the development of regulations to implement the priorities expressed in this legislation, to place special emphasis on measurement systems which will aid in defining the characteristics of those handicapped individuals to be served. In developing such measures, the Commissioner should take into account: (1) those conditions of existence which the specific disability imposes on the handicapped individual, and (2) the social and individual cost benefits which can reasonably be expected as a direct result of rehabilitation services. The latter condition shall not be construed as an attempt by this Committee to turn the rehabilitation program into a welfare program. Indeed, the Committee generally believes that the rehabilitation of welfare recipients should be funded with Social Security Act appropriations. However, the Committee also recognizes that, other conditions being similar, a handicapped individual from a welfare recipient family is likely to derive greater benefit from services under this Act than one from a wealthy family and that it is, therefore, appropriate to consider income as one of the many determinants of priority.

The Committee emphasizes that it has provided for a client assistance project program. The Committee expects this program to be implemented immediately and directs the Secretary to report on this project as soon as possible.

Sheltered workshop study

Finally, the bill directs the Secretary to undertake a comprehensive study of the role of sheltered workshops in the rehabilitation and employment of handicapped individuals, including a study of wage payments in such workshops. Witnesses reported that workshops provide training programs for handicapped individuals as it suits them, that training programs for handicapped individuals were often interrupted whenever the workshop obtained a new contract for that workshop and often acted as a holding ground for individuals with severe handicaps who were "dumped" at the end of 18 months when their VR funding expired, and that the best workers were retained, without attempts being made to place them.

The Committee did not believe it could act on allegations, denied by other witnesses, and generally felt constrained by a lack of good information on the functioning of workshops. It has, therefore, directed the Secretary to udertake a comprehensive study of workshops, and has subsequently acted on a resolution which details criteria for this study.

The Committee stresses that this study must be comprehensive, and has formulated a series of questions relating to the role of workshops, the number of individuals employed in workshops, the amount of funding provided to workships under this Act and the Vocational Rehabilitation Act, and the relationship between workshops and other programs for vocational training. The Committee includes the following questions which it believes should be covered in the study.

1. What should be the role of sheltered workshops or rehabilitation facilities?

2. How many sheltered employment settings (workshops, rehabilitation facilities, work-activity centers, etc.) are now in existence? How many handicapped individuals do they employ?

3. What standards are used by vocational rehabilitation agencies to determine that a sheltered workshop is the most suitable in the community or State for training or employing a handicapped individual?

4. How many handicapped individuals are placed in workshops by State vocational rehabilitation agencies for training and evaluation? How many handicapped individuals are placed in sheltered workshops for extended evaluation?

5. How many handicapped individuals are in extended or terminal employment in sheltered workshops? What is the nature and degree of their disability?

6. What methods are utilized to determine wages for handicapped individuals in workshops?

7. How often do officials of the Wage and Hour and Public Contracts Division of the Department of Labor inspect sheltered workshops and work-activity centers to determine violations of minimum wage? How often do officials of the Department of Health, Education and Welfare and officials of State agencies inspect sheltered workshops?

8. What fringe benefits are provided to handicapped individuals in extended or terminal employment in the sheltered workshops, such as unemployment compensation, health care, and retirement plans to which other non-handicapped workshop employees are entitled?

The Committee believes it is important that this study be as comprehensive and as objective as possible, and, therefore, directs that no individual or interest group with a financial or other direct interest in workshops may be awarded a contract to undertake this study. The Committee wishes to make clear that this prohibition includes groups which have waged considerable criticism against the role of workshops as well as individuals and groups which are involved in the running and operation of workshops.

Finally, the Committee expects that a substantial proportion of title V appropriations will be used for this study. The full text of the Resolution of the Senate Committee on Labor and Public Welfare, adopted September 22, 1972, appears in the statement of managers of the Conference Report on H.R. 8395 (92nd Congress), which has been made a part of the hearing record on S. 7, and which resolution is reflective of the position of the Managers on the part of the House as well. The Committee strongly reaffirms the content of this resolution.

TITLE VI. OFFICE FOR THE HANDICAPPED

Title VI of the bill establishes an Office for the Handicapped in the Office of the Secretary of the Department of Health, Education and Welfare. This Office is directed to prepare, with the assistance and in consultation with agencies of the Department and other departments and agencies, handicapped individuals and public and private agencies and organizations, a long-range projection for the provision of comprehensive services to handicapped individuals, with the understanding that such projection shall relate individual agency plans to one another in order to provide maximum effectiveness, sensitivity and continuity in the provision of services to handicapped individuals. It should be clear that this long-range projection for services shall represent the intended direction of the Department in providing services to handicapped individuals, and shall include a plan for implementation, including the costs of such plan. The Committee, however, does not intend that this projection shall be implemented without the opportunity for Congressional review and enactment of any necessary authorizing legislation.

This Office is further directed to analyze program operation to determine progress toward meeting the goals set forth in such projection, the effectiveness of all programs providing services to handicapped individuals, and progress toward elimination of unnecessary duplication and overlap in programs under the jurisdiction of the Secretary; provide assistance to advisory committees and programs which serve agencies having responsibilities for programs for the handicapped; take steps to assure the prompt utilization of engineering and other research which will aid handicapped individuals; and evaluate existing information systems in order to develop a coordinated system of information retrieval and dissemination to the public.

The bill does not provide this Office with budget authority or policy or program control of any program, except insofar as evaluation and development of an information system and the dissemination of scientific, medical and technological information. The Committee wishes to make clear its intent that this Office is a coordinating office, which shall act as an advisor to the Secretary on the needs of handicapped individuals, and to the many programs within the Department which provide services to such individuals. The Committee has, therefore, placed this Office in the Office of the Secretary so that it may perform this advisory function, and so that the Office will have visibility and access to information about all programs run within the Department which affect handicapped individuals. The Committee does not intend, however, that any operating program shall report to or through such office to the Secretary.

The Committee has identified a number of functions that it believes are essential to the coordination of services and priorities. The first is the preparation of a long-range projection for provision of services, research, training and evaluation. Recognizing that the needs of different disability groups are vast and that the functions of the many programs in the Department diverse, the Committee believes that the identification of priorities and the relating of individual programs to these priorities are essential to avoid a scattershot of emphases which may result in far less than the services needed. The Committee believes that by concentrating on a number of goals and focussing an all out effort toward meeting these goals the Department will be better able to meet the needs of handicapped individuals.

The Committee is aware that the President, the Secretary of Health, Education, and Welfare, the Commissioners of Education, and the RSA Commissioner have proposed a series of goals for handicapped individuals in recent months. The Committee is encouraged by these actions, and believes that these ends will be met much sooner with the assistance of the new Office. The Committee does not expect this projection to take the place of program innovation and new legislation. Rather, this plan is intended to be a working document, and a guideline by which programs can measure their effectiveness. The Committee further believes that focusing on the broad needs of handicapped individuals will make very clear where new program initiative is needed, and will, in fact, stimulate new legislative proposals.

The bill further directs this new Office to analyze program operation to evaluate progress toward meeting the goals of the projection. The Committee believes that this analysis is necessary to the Secretary and to the Congress, for it believes that many individual programs within the Department are not always aware of similar programs and projects being undertaken by other agencies. The Committee wishes to make very clear, however, that it expects no program consolidation to take place as a result of this analysis and review. One fear that was raised during hearings on this legislation was that the creation of the Office would result in program consolidation across disability group and functional responsibilities, thus resulting in a lack of sensitivity and consideration given to the different problems of disability groups. The Committee emphasizes that this is not the purpose of the Office.

The Committee expects that the Office's most powerful tool will be that of information: it will be in a central location within the Department for developing and providing information and assistance to programs for handicapped individuals. The Committee believes that the Office will perform an important function if it is aware of all programs for handicapped individuals in the Department, and is able to lead individuals in one agency working on a particular problem to other individuals in other agencies who are similarly interested. The Committee also is aware that many programs deliver services to the same individuals although it may be at different times, for different services. The Committee believes that there are too many junctures and too many problems which confront an individual with a handicap which may result in that individual falling through the cracks of different service systems. The Committee emphasizes that it is important, especially early in life, that these services be available as a continuum, and be delivered in such a way that is sensitive to all of the disparate problems which may afflict that handicapped individual. Therefore, the Committee has mandated the Office to attempt to coordinate and encourage cooperative planning of services and service delivery.

The Committee has also directed the Office (and provided a separate $300,000 appropriations authorization for FY 1973 and the three subsequent fiscal years) to evaluate all existing information and data systems which provide information to, for and about handicapped individuals, and to develop a comprehensive system of information and data retrieval and dissemination. The Committee has been distressed to discover how little information is available and is most concerned that no definitive information exists about the number of Americans with handicaps, the extent of their handicaps, and the services they are receiving. Estimates of this population vary widely and have to be compiled from separate agencies and programs if they are to be obtained at all.

The Committee found during the hearings on the Vocational Rehabilitation Act in the 92d Congress, that although needs could be expressed for various disability groups, no one knew with any degree of certainty what the size of the population was that they were representing. The Committee believes that this information is essential to program and service needs, and therefore, the Committee expects the Office to undertake this study as soon as possible in coordination with RSA activities under the new State plan requirements in title I of the bill.

The Committee is aware of over one hundred programs within the Federal Government which provide services to handicapped individuals, and more than 50 programs in the Department of Health, Education, and Welfare, itself. The Committee expects that the Office will become an advocate for the handicapped with respect to the programs within the Department, and will attempt to relate these programs also to other programs which are administered by the Department of Housing and Urban Development, the Veterans' Administration, and other Federal agencies. Because, the Committee believes that handicapped individuals themselves are often their own best advocates, the Committee has directed the Secretary in selecting all personnel for the individuals to perform these tasks.

The Committee strongly believes that coordination across programs has become essential and therefore expect the Secretary to establish this Office, and hire personnel to fill the positions within this Office as soon as possible.

The Committee has been concerned over the growth in numbers of programs for handicapped individuals. While this growth has been necessary to ensure that handicapped individuals receive their fair share of resources from Federal programs and to ensure consideration of the particular problems of handicapped individuals, it has resulted in duplication of efforts, confusing priorities and a dilution of services for these individuals. The Committee points out that it has been faced with one of two strategies in trying to ensure that handicapped individuals are served by Federal programs: it has had either to earmark money within a program for the handicapped, or to provide separate authority for a program for handicapped individuals. The Committee need only point out the difficulty it has had in trying to ensure that programs run under the Office of Child Development, specifically Head Start, serve handicapped children. After much effort was expended in trying to get this compliance without legislation, the Committee in the 92d Congress had to include legislative language directing the Secretary to ensure that at least 10% of all enrollment opportunities in the Head Start program are available for handicapped children. The Committee emphasizes that this is only one example.

In addition, there are programs administered by different agencies which could benefit from coordination because they deliver the same or similar services to individuals. Rather than providing the focus on comprehensive needs of handicapped individuals, lack of coordination has led to a diversity of purpose and a failure to provide services to as many individuals as possible.

The Committee believes that it is time for all programs to examine their priorities and to develop coordinated approaches so that individuals to whom services are delivered receive the full benefit of all programs, and do not have to extend the effort themselves to coordinate all of the services that are available to them. There are obvious areas in program planning where needs could be met jointly, and where coordination and joint funding could help effect a comprehensive services system which would reduce uncertainty in the field, and create new models for service systems to solve severe gaps in service.

The Committee has been concerned that insufficient utilization is made of the results of scientific, medical and technological research which could alleviate the effects of handicapping conditions. It has, therefore, charged the Office with developing methods to ensure more prompt use of such research and technology. The Committee expects that the Office will explore alternate methods of provision of this technology to handicapped individuals, and will look into all related problems. The Committee believes that many new devices and techniques have been developed which could ease the lives of handicapped individuals, and that the Federal Government must find a way to ensure that handicapped individuals have access at minimal cost to these devices.

TITLE VII. MISCELLANEOUS

Repeal of Prior Law

Under this title, the existing Vocational Rehabilitation Act (29 U.S.C. 31–42) is repealed upon the date of enactment of this Act and any unexpended sums under that statute may be used under this Act as directed by the President. Activities which are ongoing at the present time shall be insured continuity by continuing their funding. There is continuing authority for such activities in the new Act.

Federal Interagency Committee on Handicapped Employees

The Committee recognized the need for this type of committee on employment after the hearings divulged what it considered, at best, a divergent hit-or-miss type of Federal employment policy for handicapped individuals. The President's Committee on the Employment of the Handicapped stated in testimony that it was their function to create a climate for employment in the public and private sector. There appears to be no comprehensive statistics available on the part of all agencies within all branches of Federal service

The bill requires that there be established a committee which will initiate an affirmative action plan for and seek to insure that there is no discrimination in employment of handicapped individuals by and within the agencies of the Federal Government in hiring, placement, or advancement. The Committee is also directed to insure that the special needs of handicapped individuals are being met on the job. The bill directs each department and agency within the executive branch to submit a report to the Interagency Committee within 180 days of enactment of this bill. The Committee shall submit at the end of each fiscal year to the appropriate Committee of Congress a report on its activities and recommendations so that they may be further evaluated for possible legislative or administrative action. The report will include any legislative action that the committee feels would enhance employment and advancement of handicapped and severely handicapped individuals in Government service.

The Committee is also directed to recommend policies to state and local governments and other public and private employers with respect to employment of handicapped individuals. The President's Committee on Employment of the Handicapped will provide staff support for the Interagency Committee which shall be chaired by the Secretary of HEW. The Chairman of the Civil Service Commission will serve as Vice-Chairman. The Committee feels that the CSC's past experience in this area will be of vital importance to such a committee. The bill also requires an annual report from the Committee and also specifies that handicapped individuals employed in Federal unpaid work experience programs shall not be deemed Federal employees for purposes of Federal personnel laws and regulations generally.

Cooperation among Federal agencies

As requested by the President's Committee on the Handicapped, the bill directs the Secretaries of HEW and Labor to cooperate with the President's Committee as it carries out its functions. The bill also increases the present continuing annual appropriation authorization of $1 million for the President's Committee to $1,250,000 in FY 1974. It is not the Committee's intention by this action to alter in any way the effectiveness of the continuing authorization of appropriations for the President's Committee after FY 1974.

Architectural and Transportation Barriers Compliance Board

The Committee is aware through testimony on this legislation, not only of strong attitudinal barriers, but also enormous physical barriers to the mobility of the handicapped individual. The Commitee strongly believes that a new Federal board is necessary to insure compliance with the present Federal statutes regarding architectural barriers since compliance has been very spotty and there is no such comparable compliance unit in existence at this time. Such a unit will enhance the effectiveness of the other provisions of the bill since even the maximum employment opportunities for the handicapped were fully created, they could not be filled without the ability of handicapped individuals to get to their jobs. Barrier-free design in Federal buildings and in Federally-assisted projects is mandated in present law, but has never been adequately enforced. The Committee feels that to justify the expenditures authorized under this bill it is imperative that handicapped individuals be given the opportunity to move freely in the society into which they must integrate themselves. The Committee feels this Board can serve to accomplish this.

In connection with this provision, the Committee is aware that the obligation to eliminate architectural barriers to handicapped individuals' access to Federal buildings weighs even heavier upon the Congress in the control of its own buildings. If we are to require assurances that all Federally controlled or assisted facilities be fully accessible to handicapped persons, we must perforce put our own house in order. The Capitol Hill complex should stand as a model of accessibility.

It is for this reason that by unanimous agreement of the Subcommittee on the Handicapped, Subcommittee Chairman Jennings Randolph wrote the Architect of the Capitol urging him to undertake, as soon as possible, "remedial action through which the Capitol, the Senate Office Buildings, and the House Office Buildings, may be improved for the purpose of providing full access for handicapped individuals to all areas of such buildings." The Subcommittee met on February 21 with the Architect to follow up on this letter and to devise a procedure for implementing this goal on a short-term and longer-term basis. With the Architect's cooperation, the Committee intends to continue to pursue this matter to a satisfactory conclusion.

National Commission on Transportation and Housing

The bill establishes a national commission to study how better to meet the needs of handicapped individuals in both housing and transportation. Membership of the commission is set at 15, and the Secretary of Housing and Urban Development, the Secretary of Transportation, and the Secretary of the Treasury are designated as ex officio members. It is the feeling of the Committee that there has been much done by public and non-profit groups, as well as by RSA under their 1968 authority in studying these needs, but that there has always been a lack of coordinative effort in the field. It is felt that this commission, working closely with the architectural barriers compliance board, also provided for in the bill, can do much to consolidate the information that is already available, as well as initiate new studies, and that this can be translated into meaningful action through the compliance board. The Committee also found that the area of housing for handicapped individuals has long been neglected and wishes to point out that this area is one which it expects the commission to investigate thoroughly.

Employment under Federal contracts and nondiscrimination under Federal grants

Further provided for in this title is that any qualified handicapped individual shall be given full and fair consideration for employment by any contractor who seeks to contract with the Federal Government. The President is required to issue regulations ninety days after enactment of this bill to insure that there is an affirmative action plan implemented to this effect. The bill further provides that a handicapped individual who has a discrimination complaint against a Federal contractor may file a complaint with the Department of Labor.

The bill further proclaims a policy of nondiscrimination against otherwise qualified handicapped individuals with respect to participation in or access to any program which is in receipt of Federal financial assistance.

Appropriations for fiscal year 1973

The Committee added section 706 to the bill to make certain technical corrections in citations to this Act in the Supplemental Appropriations Act, 1973 (P.L. 92–607).

COST ESTIMATE PURSUANT TO SECTION 252 OF THE LEGISLATIVE REORGANIZATION ACT OF 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (P.L. 91–510), the Committee estimates that if all funds authorized were appropriated during fiscal year 1973 and the three succeeding fiscal years, the five-year costs occasioned by S. 7, as reported, would be as follows:

TABLE II.—REHABILITATION ACT OF 1972 (AS REPORTED)

[Millions of dollars]

	Fiscal years—				
	1973	1974	1975	1976	1977
Title I, Vocational rehabilitation services:					
Part B, basic services	800.00	975.00	975.00	----------	----------
Part C, innovation and expansion grants	50.00	60.00	75.00	75.00	----------
Title II, comprehensive rehabilitation service	20.00	50.00	80.00	80.00	----------
Title III, special Federal respons.:					
Construction grants (301)	17.50	40.00	45.00	45.00	----------
Vocational training services (302)	15.00	35.00	40.00	40.00	----------
Mortgage insurance (303)	(1)	(1)	(1)	(2)	----------
Annual interest grants (304)	1.00	3.00	7.00	7.00	----------
Special project and demonstration (305)	[3] 25.00	[3] 75.00	[3] 100.00	[3] 150.00	----------
Center for deaf-blind (306):					
Construction	5.00	----------	----------	----------	----------
Operations	.80	1.20	2.00	2.00	----------
Centers for deaf Inds. (307)	2.00	4.00	7.00	7.00	----------
Centers for spinal cord injuries (308)	15.00	25.00	30.00	30.00	----------
End-stage renal disease (309)	15.00	25.00	25.00	25.00	----------
Older blind individuals (310)	7.50	20.00	30.00	30.00	----------
National Advisory Council (311)	.10	.15	.15	.15	----------
State advisory councils (312)	1.00	2.00	2.00	2.00	----------
Title IV, research and training:					
Research (402)	45.00	75.00	100.00	150.00	----------
Training (403)	35.00	50.00	75.00	100.00	----------
Title V, administrative and progress project evaluation	[4] 1.00	[4] 2.00	[4] 2.00	[4] 2.00	----------
Title VI, Office for the Handicapped	1.30	2.30	2.30	2.30	----------
Title VII, miscellaneous:					
Interagency Employment Committee (701)	1.00	1.25	----------	----------	----------
Compliance Board (703)	1.00	1.25	1.50	1.50	----------
Yearly total	1,059.20	1,447.15	1,598.95	748.95	----------
Grand total (4 years)			4,854.25		

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[1] Such sums: Limit of $250,000,000 on total mortgages insured.

[2] Such sums: Plus amounts for migrants.

[3] Plus amounts for migrants.

[4] Or ½ percent of appropriations under titles I–IV, whichever is greater, does not include "such sums" for administration.

TABLE III.—*Vocational rehabilitation act authorizations in current law (fiscal year 1972)*

	Amount
Vocational rehabilitation services	$700,000,000
Innovation project grants	10,000,000
Research, demonstration training, expansion	140,000,000
Construction and staffing	30,000,000
Rehabilitation facility improvement	30,000,000
Vocational evaluation and work adjustment	100,000,000
National Center for Deaf-Blind	(1)
Migratory agricultural worker grants	(1)
Total	1,010,000,000

[1] No authorization provided in law.

TABULATION OF VOTES IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of roll call votes in Committee:

(1) Amendment to reduce certain appropriations authorizations, substitute of Senator Cranston (to reduce Special projects by $50 million each for FY 1974 and FY 1975; Research by $25 million for FY 1974 and $50 million for FY 1975; and Training by $25 million each for FY 1974 and 1975) for amendment of Senator Dominick (to reduce Special project by $75 million each for FY 1974, 1975 and 1976; Research by $25 million for FY 1974, $75 million for FY 1975, and $50 million for FY 1976; and Training by $25 million each for FY 1974, FY 1975, and 1976) (Agreed to, 11–4).

YEAS

Senator Williams
Senator Randolph
Senator Pell
Senator Kennedy
Senator Nelson
Senator Mondale
Senator Eagleton
Senator Cranston
Senator Hughes
Senator Hathaway
Senator Schweiker

NAYS

Senator Dominick
Senator Taft
Senator Beall
Senator Stafford

(2) Amendment by Senator Dominick to reduce appropriations authorization level for basic State grants (by $50 million for

FY 1973, $175 million for FY 1974 and $125 million for FY 1975) under part B of title I (Defeated, 4–11).

YEAS

Senator Dominick
Senator Taft
Senator Beall
Senator Stafford

NAYS

Senator Williams
Senator Randolph
Senator Pell
Senator Kennedy
Senator Nelson
Senator Mondale
Senator Eagleton
Senator Cranston
Senator Hughes
Senator Hathaway
Senator Schweiker

(3) Motion by Senator Randolph to report the bill (Agreed to, 16–0).

YEAS

Senator Williams
Senator Randolph
Senator Pell
Senator Kennedy
Senator Nelson
Senator Mondale
Senator Eagleton
Senator Cranston
Senator Hughes
Senator Hathaway
Senator Javits
Senator Dominick
Senator Schweiker
Senator Taft
Senator Beall
Senator Stafford

NAYS

None.

SECTION-BY-SECTION ANALYSIS

SECTION 1

The first section designates the bill and its table of contents as the "Rehabilitation Act of 1972". By retaining (from H.R. 8395 of the 92d Congress) the "1972", enactment of this Act will activate the availability of the full $610 million appropriated for carrying out "The Rehabilitation Act of 1972" in the Supplemental Appropriations Act, FY 1973 (P.L. 92–607).

SECTION 2

This section describes the purposes of the Rehabilitation Act of 1972 by delineating in general terms the goals of most of its provisions, including the provision of vocational and comprehensive rehabilitation services to handicapped individuals, serving first those with the most severe handicaps, evaluation and rehabilitation potential, construction of facilities, research and training, innovation and expansion of services, and studies of various areas of need, including elimination of architectural and transportation barriers.

SECTION 3

This section provides a statutory basis for the Rehabilitation Services Administration (RSA) in its own right. The sole authority to administer titles I, II, III and IV of this Act is vested in the Commissioner of RSA. In order to prepare RSA for its expanded role, the number of full-time personnel authorized for the Administration is increased by sixty over current levels, and the number of so-called supergrade positions (GS 16, 17, and 18) assigned to RSA is increased by ten.

Established within RSA is a Division of Research, Training, and Evaluation, which will contain a Center for Technology Assessment and Application to develop and support new methods to solve rehabilitation problems and to administer research activities under section 402(b)(3).

SECTION 4

Authority for forward funding is provided in this section so that funds may be appropriated one year prior to the fiscal year to which they apply and for which they are to be obligated. The section permits, for the purpose of transition to the forward-funding concept, appropriations in the first year for both that year and the next succeeding fiscal year. Thus, for example, appropriations may be enacted during this fiscal year for both fiscal year 1973 and 1974.

SECTION 5

This section provides that where more than one Federal agency provides funds for a single project to an agency or organization assisted under this Act, the President may, pursuant to regulations consistent with the provisions of this Act, designate as the single agency to administer such funds the agency which is providing the principal share of the funds. A single non-Federal share requirement may be established, and if RSA is the principal agency, it may waive grant or contract requirements governing the other agency which are inconsistent with those under this Act.

SECTION 6

This section authorizes States to submit a consolidated rehabilitation plan which includes its developmental disabilities program, provided that the agency administering such program in the State concurs and that the consolidated plan meets all requirements under this Act and The Developmental Disabilities Services and Facilities Construction Amendments of 1970. The Secretary may approve such a plan or he may advise that separate plans be submitted.

SECTION 7

This section provides the definitions applicable to all the operative provisions of the Act.

(1) "Comprehensive rehabilitation services" means those services provided under title II, III, or IV to a handicapped individual, which will help improve his ability to live normally or function independently.

(2) "Construction" means construction of new buildings, acquisition, expansion, remodeling or alteration of existing buildings, and provision of initial equipment. The cost of such construction includes architects' fees and land acquisition.

(3) "Criminal act" is a crime posing a substantial threat of personal injury, regardless of the legal capability of the perpetrator to commit a crime.

(4) "Establishment of a rehabilitation facility" means acquisition, equipment, or improvement of existing buildings to adapt them to rehabilitation purposes subject to regulations of the Commissioner to prevent duplication or impairment of other Federal laws assisting such facilities. The term may also include initial staffing.

(5) "Evaluation of rehabilitation potential" is a term which includes the various diagnostic studies and services utilized to ascertain the services and goals needed for appropriate and complete rehabilitation of handicapped individuals, and includes extended evaluation for periods up to 18 months with reassessment at least once in every ninety-day period.

(6) "Federal share" means 80 per centum except that for part C of title I and title II, it means 90 per centum and for construction grants it is determined in accordance with section 301(b)(3).

(7) "Handicapped individual" means one whose physical or mental disability constitutes for such individual a substantial handicap to employment, and who can be expected to benefit from vocational or comprehensive rehabilitation services.

(8) "Local agency" means a local government or Indian tribal agency which, under agreement with and supervision by a State agency, conducts a vocational rehabilitation program.

(9) "Nonprofit" means, as related to rehabilitation facility, a facility which is exempt from payment of Federal income taxes.

(10) "Public safety officer" means a Federal, State or local official whose activity relates to enforcement of laws, a correctional program or facility or a court where the activity is potentially dangerous, or fire fighting or rescue.

(11) "Rehabilitation facility" means one whose primary purpose is to provide vocational and comprehensive rehabilitation services, which provides one or more such services. The definition includes a list of services which are provided by such facilities, including speech and hearing therapy (which shall be construed to include appropriate speech and hearing testing and diagnosis).

(12) "Secretary", except when the context otherwise requires, means the Secretary of Health, Education, and Welfare.

(13) "Severe handicap" is a disability requiring multiple services over extended time, resulting from a number of handicapping conditions such as amputation, blindness, spinal cord injury, deafness and others.

(14) "State" includes all U.S. possessions and territories, the District of Columbia, The Commonwealth of Puerto Rico, and the Trust Territory of the Pacific Islands.

(15) "Vocational rehabilitation services" means the services identified in section 103 provided under this Act.

SECTION 8

This section specifies the "allotment percentage" used in the formula for allocation of funds to States under the Act, requires the Secretary to update such percentages every two years, and specifies how the population of States and of the United States shall be determined.

SECTION 9

This provision requires grant recipients to keep such records as the Secretary may prescribe, including amounts and disposition of funds received, and other records to facilitate an effective audit. The section authorizes access by the Secretary and Comptroller General to any books or records pertaining to such grants.

SECTION 10

This section requires that expenditures under a State plan financed by other Federal funds and any non-Federal funds shall be disregarded in determining the amount of a State's Federal share. Duplication of payment through different provisions of this Act is prohibited.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—GENERAL PROVISIONS

SECTION 100

This section sets forth the purpose of title I and authorizes appropriations for grants under part B of title I in the amounts of $800,000,000 for FY 1973, and $975,000,000 each for FY 1974 and FY 1975.

Appropriations for innovation and expansion grants under section 120 are authorized in the amounts of $50,000,000 for FY 1973, $60,000,000 for FY 1974, and $75,000,000 each for FY 1975 and FY 1976.

SECTION 101

(a) This subsection details the requirements to be met by the States in developing State plans for the provision of rehabilitation services under title I and title II. Approval of such annual plan by the Commissioner is required prior to the release to a State of funds under the Act.

(1) (A) A single State agency must be designated to administer the plan, except that,

if there is a State agency for the blind, that part of the plan relating to the blind may be administered by such agency for the blind. The Secretary may waive the sole agency requirement where a State wishes to carry out a joint program with another State or local agency.

(1) (B) The single State agency must be primarily concerned with vocational rehabilitation of handicapped individuals, or with education or vocational education, or be an agency which includes at least two other major units which administer education, health, welfare, or labor programs in the State.

(2) The State agency must conform to certain organizational and staffing requirements under this provision.

(3) The plan must provide for the required financial participation by the State, and, if it elects, political subdivisions.

(4) The plan must be in effect in all political subdivisions, which requirement the Secretary may waive under certain conditions.

(5) (A) The plan must detail the plans, policies, and methods to be followed by the State in providing vocational and comprehensive rehabilitation services, including an order of selection (not inconsistent with a national order prescribed by the Commissioner) for selection of recipients for such services, and specification of outcomes and services goals, and such order of selection for vocational rehabilitation services shall be based on serving first those with the most severe handicaps.

(5) (B) Satisfactory assurances must be provided that the State has considered a variety of means of providing services to those with the most severe handicaps.

(6) (A) The plan must contain plans, policies, and methods for providing comprehensive rehabilitation services under title II.

(6) (B) Satisfactory assurances are to be made that no comprehensive services shall be funded unless maximum efforts have been made to secure assistance from other sources.

(7) The plan must provide for approved methods of administration.

(8) The plan must set forth personnel standards, consistent with State licensure laws, including minimum standards governing rehabilitation facilities and personnel.

(9) The plan must assure that the State will provide the vocational rehabilitation services identified in section 103(a)(1) through (3), and provide the remainder of such services after full consideration of eligibility for such services under other programs, except that such consideration of alternatives need not be given for services under clauses (4) and (5) where such consideration would delay provision of such services.

(10) The State plan must provide that an individualized written rehabilitation plan will be developed for each individual served, that services will be provided pursuant thereto and, that records of ineligible applicants be kept which give the reasons for ineligibility.

(11) The State agency is required to make such reports on a timely basis as the Commissioner may reasonably require, including estimates of the handicapped population within the State, numbers to be served, outcomes and goals for each priority category, and service costs.

(12) The State plan must provide for entering into cooperative arrangements, involving services and facilities, with State agencies administering public assistance, veterans, manpower, and employment, and other related programs, with comparable Federal agencies, and with other Federal, State, and local public agencies.

(13) The plan must require maximum utilization of public or other vocational or technical training facilities and resources in the community for the provision of services.

(14) (A) The plan must assure that any civil employee of the United States may have access to services on the same basis as any other handicapped individual.

(14) (B) This provision requires that special consideration be given to rehabilitation of public safety officers handicapped in the line of duty because of a criminal act or hazardous condition.

(15) The plan must prohibit the imposition of any residency requirement excluding services to any individual present in the State.

(16) The plan must provide for continuing statewide studies of the needs of handicapped individuals and the means of meeting such needs, including the needs of all significant segments of the handicapped population and expanding services to those with the most severe handicaps.

(17) The plan must provide for periodic review and reevaluation of the status of handicapped individuals in extended employment in workshops and other rehabilitation facilities so that such individuals may, where appropriate, be employed or trained for employment in the competitive labor market.

(18) The plan must provide that the Federal share of the cost of construction of rehabilitation facilities shall not exceed an amount equal to 10 per centum of the total allotment to the State in any year, that contract requirement the provisions of section 313 shall apply, and that the State will maintain its efforts to provide such services and not reduce them because of construction.

(19) The plan must assure that the views of recipients, and of workers in, and providers of, vocational and comprehensive rehabilitation services are taken into account by the State and local agencies in administering the plan.

(20) (a) The plan must assure that the studies required by clause (16) and an annual evaluation of the program will form the basis for amendments to the State plan.

(b) This subsection requires the Commissioner to approve any plan which meets the requirements of subsection (a) and to disapprove plans which do not meet such requirements. The Commissioner is to give notice and opportunity for hearing where he intends to disapprove a plan.

(c) This subsection directs the Commissioner, after notice and hearings, to discontinue, reduce, or partially suspend payments to a State under this title in the event that any of the requirements of subsection (a) are not being met.

(d) This subsection provides that States may obtain judicial review of any action taken by the Commissioner under subsections (b) or (c).

SECTION 102

(a) This subsection requires the Secretary to insure that the individualized written rehabilitation program required under section 101(a) (10) is jointly developed by the vocational rehabilitation counselor or coordinator and the handicapped individual.

(b) Such program shall be reviewed annually, and shall include a statement of goals and other requirements. The individual shall be afforded an opportunity to review his program annually and renegotiate its terms. Contents of such programs are specified in this subsection.

(c) Subsection (c) requires the written program to emphasize a vocational goal or objective for the individual, and where it is determined that no such goal can be met, safeguards are required to insure that such a determination is absolutely necessary. Such a determination must be reviewed at least once each year.

SECTION 103

This section lists the vocational rehabilitation services which are provided under title I. Such services include the following: evaluation of rehabilitation potential; individualized rehabilitation written programs; counseling, guidance, referral, and placement services; training services including personal and vocational adjustment and family services (but higher education may not be provided unless maximum efforts have been made to obtain other assistance); physical and mental restoration services (including a list of such services); maintenance during rehabilitation; interpreter services and reader services; recruitment and training services in public service fields; teaching orientation, and mobility services for the blind; trade necessities; transportation; and telecommunications, sensory, and other technological aids and devices. When provided to groups of individuals, such services also may include management services, equipment, and initial supplies, and construction or establishment of rehabilitation facilities.

SECTION 104

This section permits inclusion in the non-Federal share of private contributions of funds in determining amounts of payments to States under part B of title I.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

SECTION 110

(a) This subsection provides the allotment formula for allocation of funds to the States for title I services. The formula is determined by multiplying the population of a State by the square of its allotment percentage and placing the result in ratio to all other States. Adjustments are to be made for any State including the District of Columbia and Puerto Rico allotted less than ¼ of 1 per centum or $2,000,000, whichever is greater. The formula is identical to that contained in the existing Vocational Rehabilitation Act, except for a raise of the minimum from $1 to $2 million and the applicability of the minimum to Puerto Rico.

(b) The Secretary may transfer funds not used by one State to one or more other States. Such additional sums reallotted to a State are deemed to be an increase in such State's allotment for that year.

SECTION 111

This section requires the Commissioner to pay grants under title I to States with approved plans, limited in amount to allotment under section 110(a). Payments shall be reduced where non-Federal funds expended are below those in fiscal year 1972. The section outlines the means by which payment estimates are to be made by the Commissioner, and requires quarterly adjustments to such payments.

SECTION 112

(a) This subsection requires the Commissioner to set aside from special project funds under section 305 not less than $1 million nor more than $2.5 million for fiscal year 1973, and $5 million for fiscal years 1974, 1975, and 1976, to establish between 10 and 20 geographically dispersed client assistance pilot projects.

(b) This subsection requires the Commissioner to promulgate regulations which include (1) project employees may not be staff, consultant, or beneficiaries of any rehabilitation program, (2) staff shall have reasonable access to policy-making personnel in State and local programs, (3) projects will submit annual reports through the State agency to the Commissioner, (4) State agencies may secure graduate students in clinical training for such projects, but no funds under this Act may be used to compensate such students, (5) the State agency shall assure that clients may avail themselves of project services without pressure or discouragement, and (6) the project is to be controlled by the State agency.

PART C—INNOVATION AND EXPANSION GRANTS

SECTION 120

(a) This subsection establishes State allotments on the basis of population, with a minimum allotment to any State of $50,000. The Secretary shall pay a portion of the cost of planning, preparing for, and initiating programs for services to severely handicapped individuals, and to classes of handicapped individuals with unusual and difficult problems of rehabilitation, particularly those who are poor. Grants to be used for direct services or for establishing facilities must be approved by the State agency administering the plan.

(b) This subsection provides that the Secretary may transfer unused funds from one State to another State or other States, the additional funds so transferred shall increase such State's allotment for that year.

SECTION 121

(a) This subsection directs the Commissioner to pay to each State, or to another designated agency, a portion of the cost of planning, preparing for, and initiating programs to expand services to handicapped individuals, including those with the most severe handicaps, and to those with unusual and difficult rehabilitation problems, especially handicapped individuals who are poor. The Commissioner has the right to approve projects representing up to 50 per centum of a State's allotment. Payments may be made for three years. The Commissioner may require that no more than 50 per centum of a State's allotment under this section shall be expended for projects approved by him, the remainder to be expended in accordance with priorities established by the State consistent with the provisions of this section.

(b) This subsection provides that payments of such grants may be made for up to three years for any project, and the Federal share may not exceed 90 per centum.

TITLE II—COMPREHENSIVE REHABILITATION SERVICES

SECTION 200

(a) This subsection sets forth the purpose of the title: to authorize grants to assist States in developing and implementing plans to meet the needs of handicapped individuals for whom a vocational goal is not possible or feasible.

(b) Appropriations of $20 million for fiscal year 1973, $50 million for fiscal year 1974, and $80 million each for fiscal year 1975 and fiscal year 1976 are authorized.

SECTION 201

(a) This subsection entitles States to an allotment of funds to provide comprehensive rehabilitation services, based on population times allotment percentage, with a minimum of $150,000 for each State.

(b) This subsection requires transfers of unused funds from one State to one or more other States when the initial grantee State cannot utilize all of its grant amount, such an increase to be counted as part of the receiving State's allotment for such year.

(c) This subsection specifies that if appropriations in any fiscal year are less than $20 million for title II, the Commissioner shall award funds on a project grant, not a formula grant, basis.

SECTION 202

This section directs the Commissioner to pay a Federal share of 90 per centum for expenditures for a State under its programs approved as part of its State plan.

SECTION 203

This section provides that a State, to be eligible to receive grants under this Act, must submit an amendment to its State plan within 180 days after enactment, which sets forth its program for comprehensive rehabilitation services. State plans submitted for subsequent fiscal years must include such a program. Other program requirements similar to those imposed by section 101 are listed.

SECTION 204

This section provides that the Commissioner may retain 10 per centum or $500,000, whichever is smaller, for special project grants for research, demonstration, and training.

SECTION 205

This section provides for purposes of title II only, a definition of "rehabilitation" achieving as substantial improvement in the ability to live independently or function normally with family or community.

TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

SECTION 300

This section sets forth the purposes of title III by briefly describing each section therein.

SECTION 301

(a) This subsection authorizes appropriations for construction, planning, and initial staffing of rehabilitation facilities in the amounts of $17,500,000 for FY 1973; $40,000,000 for FY 1974; and $45,000,000 each for FY 1975 and FY 1976. Amounts so appropriated shall remain available for expenditure until July 1, 1978.

(b) This subsection authorizes the Commissioner to make construction grants to States and public and private nonprofit organizations. Approval is conditioned on conformity with the general provisions in section 313. The Federal share of the cost of construction is specified to be the same as that for rehabilitation facilities under section 645 of the Public Health Service Act. That Act provides, with respect to rehabilitation facilities, that the Federal share is an amount determined by the State agency, but not more than 66⅔ per centum, or the State's allotment percentage, whichever is lower, with a minimum of 50 per centum. An exception, under which the Federal share may be up to 90 per centum (which includes the Federal share described above plus an incentive per centum) is provided for projects which are determined by the Commissioner to provide services primarily for persons in a rural or urban poverty area.

(c) This subsection authorizes the Commissioner to make grants for the initial staffing of rehabilitation facilities constructed after enactment of this Act, in amounts not exceeding 75 per centum of professional or technical staffing costs in the first 15 months of operation, 60 per centum of such costs for the following year, 45 per centum of such costs for the second following year, and 30 per centum for the third following year.

(d) The subsection authorizes grants for planning rehabilitation facilities.

SECTION 302

(a) This subsection authorizes appropriations for grants to provide vocational training services to handicapped individuals in the amounts of $15,000,000 for FY 1973; $35,000,000 for FY 1974; and $40,000,000 each for FY 1975 and FY 1976.

(b) This subsection authorizes the Commissioner to pay up to 90 per centum of the cost of training services in rehabilitation facilities, to include occupational skill training, work evaluation and testing, provision of tools and equipment, job tryouts, and payments of weekly allowances. Allowances may not be paid to an individual for more than two years, and shall not exceed $30 per week plus $10 for each dependent, or $70, whichever is less. Grants may be made only if the project's purpose is to prepare the handicapped individual for gainful employment; if those to be trained are deemed suitable for such purpose by the State agency; if the full range of training services is available to all; and if the project meets other requirements the Commissioner may prescribe.

(c) This subsection authorizes the Commissioner to make grants to rehabilitation facilities to improve management effectiveness and other assistance to improve the operation of such facilities, but prohibits grants under this subsection being used for construction.

SECTION 303

(a) This subsection states the purpose of this section: to assist and encourage the provision of program facilities for handicapped individuals.

(b) This subsection lists certain terms and relates them to the National Housing Act definitions.

(c) This subsection authorizes the Commissioner, in consultation with the Secretary of HUD, and subject to section 313, to insure up to 100 percent of any mortgage under this section except those whose interest is tax exempt.

(d) This subsection sets forth the conditions and detailed limitations on mortgages insurable by the Commissioner. Mortgage amounts may not exceed 90 percent of estimated replacement cost.

(e) This subsection directs the Commissioner to fix and collect premium charges for insurance of mortgages, and to charge reasonable amounts for appraisal.

(f) This subsection authorizes the Commissioner to release mortgage liens on such terms and conditions he shall prescribe.

(g) This subsection gives the Commissioner the same functions, powers, and duties concerning mortgage insurance under this section as the Secretary of HUD has under the National Housing Act, and allows the Commissioner by formal agreement to delegate to the Secretary of HUD authority to administer this section and section 304. The subsection also makes applicable portions of section 207 of the National Housing Act.

(h) This subsection creates a Rehabilitation Facilities Insurance Fund, administered by the Commissioner as a revolving fund. Expenses of carrying out this section are charged to the fund. Amounts not needed for current operations may be invested or deposited in the Treasury. Premium charges, appraisal fees, and other insurance fees are deposited in the fund. The subsection also authorizes for initial capital the appropriation of such sums as are necessary, but outstanding mortgages may not exceed $250 million.

SECTION 204

(a) This subsection authorizes the Commissioner, subject to the general provisions of section 313, to pay annual interest grants to States and agencies to reduce borrowing costs related to mortgages for construction of rehabilitation facilities.

(b) This subsection authorizes such grants for up to forty years in an amount sufficient to reduce by 4 per centum the net annual interest rate, or one-half of such rate, whichever is the lesser.

(c) This subsection authorizes the appropriation of such sums as are necessary, and limits contracts for payment of annual interest grants to the amount appropriated for such purpose. The total of grants under this section may not exceed $1,000,000 for grants entered into during FY 1973; $2,000,000 for grants entered into prior to June 30, 1974; and $4,000,000 for grants entered into prior to June 30, 1975. The effect of this limitation is to limit the U.S. liability to $160 million over the next 43 fiscal years.

(d) Not more than 15 per centum of the funds expended under this section may be used in any one State in any year.

SECTION 305

(a) This subsection authorizes appropriations for special projects and demonstrations (and research and evaluations related thereto) in the amounts of $50,000,000 for FY 1973; $75,000,000 for FY 1974; and $100,000,000 for FY 1975 and $150,000,000 for FY 1976. Ten per centum of amounts appropriated shall be available for making grants for migratory and seasonal agricultural workers under subsection (d), and additional appropriations are authorized for this purpose up to a total of $10,000,000 ($5,000,000 for FY 1973) for both the earmarked and separate appropriation amounts.

(b) This subsection specifies the special projects demonstrations for which grants are authorized, subject to the general provisions in section 313, as including establishment of facilities and services to expand or improve rehabilitation services to handicapped, and especially severely handicapped, individuals, and application of new types or patterns of services or devices.

(c) This subsection authorizes the Commissioner to make grants to a State or local agency to pay up to 90 per centum of the cost of providing services to handicapped migratory agricultural workers or seasonal farmworkers and their families, including maintenance and transportation. The grantee must cooperate with other agencies skilled in providing services to such workers, and administration of this provision shall be coordinated with other Federal laws dealing with such workers.

(d) This subsection authorizes the Commissioner to make contracts with employers and organizations to carry out employment programs for handicapped individuals.

(e) This subsection authorizes the Commissioner to provide, by contract or directly, technical assistance to rehabilitation facilities, and, with respect to removal of architectural barriers, to any agency. Experts or consultants are authorized compensation up to GS–18.

SECTION 306

(a) This subsection authorizes appropriations for the purpose of establishing and operating a National Center for Deaf-Blind Youths and Adults, in the amounts of $5,000,000 for construction and $800,000 for operations for FY 1973; $1,200,000 for operations for FY 1974; and $2,000,000 each for operations for FY 1975, and FY 1976.

(b) This subsection authorizes the Commissioner, subject to the general provisions of section 313, to enter into an agreement to pay the costs of construction, equipment, and operation of a vocational rehabilitation center to demonstrate methods of providing services to, and training personnel to provide such services for, deaf-blind individuals; to conduct research in rehabilitation problems of deaf-blind individuals; and to improve public understanding of problems of deaf-blind individuals.

(e) This subsection provides that an agency desiring to participate shall submit a proposal to the Commissioner, who shall gave preference to proposals which promise maximum effectiveness in operating the center, and promise of the most skill and capability in providing a broad service program for deaf-blind individuals.

SECTION 307

(a) This subsection provides authorization of appropriations for grants for Rehabilitation Centers for Deaf Individuals, and expansion and improvement of vocational and comprehensive rehabilitation services for deaf individuals, in the amounts of $2,000,000 for FY 1973; $4,000,000 for FY 1974; and $7,000,000 each for FY 1975 and FY 1976.

(b) This subsection authorizes the Commissioner, subject to the general provisions of section 313, to make grants for payment of the cost of construction of centers to rehabilitate and maximize the vocational potential of deaf individuals, for training professional and allied personnel to provide such services, for conducting research in the nature and prevention of problems of deaf individuals whose maximum vocational potential has not been achieved, and for improving the public's understanding of the assets and problems of deaf individuals.

(c) This subsection requires an agency or organization desiring to receive a grant under this section to submit a proposal as required by the Commissioner, who shall give preference to those proposals offering maximum effectiveness in the organization of a Center and the most substantial ability in providing a broad program of service, research, training, and related rehabilitation activities for deaf individuals whose maximum vocational potential has not been achieved.

(d) This subsection requires the Commissioner to prescribe regulations to determine the population of deaf persons whose maximum vocational potential has not been achieved, require coordination between the agency receiving funds and the State and local agencies, and provide for establishment of an advisory board.

(e) This subsection specifies that to receive services under this section, a deaf individual must be 16 years of age, be beyond compulsory school attendance age, and not have achieved his maximum vocational potential.

(f) This subsection requires that programs under this section are to be coordinated with programs carried out by the Bureau of Education for the Handicapped to achieve a consistent educational philosophy and continuity of services, and to avoid unnecessary duplication or overlap.

SECTION 308

(a) This subsection authorizes appropriations for establishing National Centers for Spinal Cord Injuries, in the amounts of $15,000,000 for FY 1973, $25,000,000 for FY 1974, and $30,000,000 each for FY 1975 and FY 1976.

(b) This subsection authorizes the Commissioner, subject to the general provisions of section 313, to enter into an agreement to pay costs of establishing centers to provide vocational and comprehensive rehabilitation services and acute medical care to spinal cord injured individuals, to assist in meeting the costs of such services, to study methods used to provide such services, and to develop new means of cooperation among organizations concerned with the problems of spinal cord injury.

(c) This subsection requires an organization desiring to enter into such agreement to submit a proposal as prescribed by the Commissioner, who shall give preference to organizations which will provide multidisciplinary systems of rehabilitation services (including acute medical care and inpatient and out-patient care), will demonstrate the benefits of such services and the degree of cost effectiveness of the regional system, will demonstrate and evaluate methods to improve rehabilitation of individuals with spinal cord injuries, and will demonstrate methods of outreach for such persons.

SECTION 309

(a) This subsection authorizes to be appropriated funds for the purpose of providing services for treatment of individuals suffering from end-stage renal disease in the amounts of $15,000,000 for FY 1973; $25,000,000 for FY 1974; and $25,000,000 each for FY 1975 and FY 1976.

(b) This subsection directs the Commissioner to make grants from sums available to State and other agencies for paying all or part of the cost of projects for providing special services (including transplantation and dialysis), artificial kidneys, and supplies for the rehabilitation of persons with end-stage renal disease.

(c) This subsection provides that payments may be made in advance or by reimbursement and on such conditions as the Commissioner shall prescribe.

SECTION 310

(a) This subsection authorizes appropriations for the provision of rehabilitation services to older blind individuals in the amounts of $7,500,000 for FY 1973, $20,000,000 for FY 1974, and $30,000,000 each for FY 1975 and FY 1976.

(b) The Commissioner, subject to section 313, may make grants or contracts for projects or demonstrations to improve rehabilitation services to older blind individuals and for applying new types or patterns of services or devices to benefit such individuals.

(c) The subsection defines "older blind individuals" as individuals age 55 and older whose visual impairment makes gainful employment difficult to attain.

SECTION 311

(a) This subsection establishes a National Advisory Council on Rehabilitation of Handicapped Individuals, consisting of 20 members appointed by the Commissioner. Members shall be leaders in rehabilitation, and 10 shall be selected from leading medical, education, or scientific authorities, and 8 of the 20 shall be handicapped persons or those who have received vocational rehabilitation services. This subsection provides other statutory requirements regarding members of the Council.

(b) This subsection requires the Council to provide policy advice and consultation to the Secretary and the Commissioner on the planning, conduct and review of programs authorized under the Act, to review the administration and operation of rehabilitation programs under the Act, including their effectiveness, and to make recommendations with respect thereto including recommendations for statutory changes, and annual reports to the Secretary and the Commissioner for transmittal to Congress. This subsection also requires the Council to advise the Secretary and the Commissioner on the conduct of independent evaluations of programs and to provide such other advisory services as the Secretary and the Commissioners may request.

(c) This subsection provides that technical and staff assistance for the Council shall be provided from the Office for the Handicapped, the Rehabilitation Services Administration, or other Federal agencies. This subsection also authorizes appropriations in the amounts of $100,000 for FY 1973, and $150,000 for each of the three succeeding fiscal years for the Council.

(d) This subsection imposes additional duties on the Council, including a review of duplication among vocational rehabilitation programs and other programs serving handicapped individuals and submitting annual reports of such duplication, and requires that in making such review, the Council seek opinions of persons familiar with the programs, with rehabilitation, and with employment.

(e) This provision permits compensation at usual per diem rates for members of the Council.

SECTION 312

(a) This subsection authorizes the appropriation of $2 million each year for FY 1973, FY 1974, FY 1975 and FY 1976 to establish State Advisory Councils.

(b) This subsection authorizes States to establish State Advisory Councils, appointed by a governor or board.

(c) This subsection sets forth requirements for membership on such Councils, including those who are familiar with vocational rehabilitation, experienced in training for education of handicapped individuals, representatives of labor and management, and, as a majority of members, persons who are themselves handicapped and have received vocational rehabilitation services. This subsection also requires the State Advisory Council to advise the Governor and State agency on policy matters in administration of the State plan, to advise on long range planning and studies to evaluate programs, and to submit to the Governor and the National Advisory Council on Rehabilitation of Handicapped Individuals an annual report of its recommendations and comments.

(d) This subsection requires the appointing authority to inform the Commissioner of the Council's establishment. The Commissioner shall then certify that such Council is in compliance with membership requirements set forth in subsection (c).

(e) This subsection requires each State Advisory Council to meet within 30 days after certification, setting forth rules of the State Advisory Council including provisions that each Council must meet at least four times a year, and that it have one public meeting each year at which the public may express views concerning vocational rehabilitation.

(f) This subsection authorizes each State Advisory Council to obtain such services as are necessary to carry out its functions under this section.

SECTION 313

(a) This section applies to all projects assisted under title III the general provisions contained in this section, and directs the Commissioner to assure compliance with the section, except with respect to sections 302, 309, 311, and 312.

(b) This subsection requires that a construction project must be used as a public or nonprofit facility for not less than 20 years. Sufficient funds must be available to meet the non-Federal share. Federal funds are to be used only for the purpose provided. Annual reports must be submitted to the Commissioner. Plans and specifications must give due consideration to excellence of architecture and design, and inclusion of works of art, comply with regulations on safety and health, and emphasize compliance with the Architectural Barriers Act of 1968. The application must provide that laborers and mechances employed by contract shall be paid prevailing wage rates, and contain other conditions as the Commissioner deems necessary.

(c) This subsection provides that the Commissioner shall reserve the amount of grants approved, and permits for payment from the original appropriation in the event of an upward revision of cost estimates.

(d) This subsection provides that the Federal Government shall be entitled to reimbursement from a facility for uses made other than as a public or nonprofit facility where such use occurs within 20 years after completion of construction.

(e) This subsection provides that payment of grants or reservation of funds may be made in advance or by reimbursement.

(f) This subsection provides that workshops may, where necessary to effective operation, be awarded grants for construction of residential accommodations.

(g) This subsection prohibits the use of funds provided under this title for construction of so much of a facility as will be used for religious worship or sectarian activity.

(h) This subsection provides that where funds are used to provide direct services under this title, services must be consistent with the State plan under section 101.

(i) This subsection requires the Commissioner to afford State agencies reasonable opportunity to comment on grants or contracts under this title prior to their being made.

(j) This subsection provides that interest paid on obligations in connection with which the issuer has received mortgage insurance or interest grants shall be included in gross income for Federal tax purposes.

TITLE IV—RESEARCH AND TRAINING

SECTION 400

This subsection declares the purpose of this title: to authorize Federal assistance to States to plan and conduct research, demonstrations, and related activities in the rehabilitation of handicapped individuals, and plan and conduct courses of training to increase the number of skilled rehabilitation personnel and to improve the existing skills of such personnel.

SECTION 401

(a) (1) This paragraph authorizes appropriations for section 302 of this title (Research) in amounts of $45,000,000 for FY 1973, $75,000,000 for FY 1974, $100,000,000 for FY 1975, and $150,000,000 for FY 1976 of which 15 per centum for FY 1973, and 25 per centum for subsequent fiscal years of the amounts appropriated in each respective fiscal year shall be available for carrying out activities under section 402(b) (2).

(a) (2) This paragraph authorizes appropriations for section 403 of this title (training) in amounts of $35,000,000 for FY 1973, for $50,000,000 for FY 1974, $75,000,000, for FY 1975 and $100,000,00 for FY 1976.

(b) This subsection provides that funds appropriated under this title shall remain available until expended.

SECTION 402

(a) This subsection authorizes the Commissioner to make grants to and contracts with States and other organizations to pay part of the cost of projects to plan and conduct research, demonstrations, and related activities to develop methods, procedures, and devices to provide vocational and comprehensive rehabilitation services to handicapped individuals. Such projects may include medical, scientific and other investigations into the nature of disability, methods of analyzing it, and restorative techniques, studies and analyses of factors affecting the rehabilitation of handicapped individuals, and special problems of homebound and institutionalized individuals, and related activities which hold promise of increasing knowledge and improving methods in rehabilitating handicapped individuals and individuals with the most severe handicaps.

(b) This subsection establishes priority research categories as follows:

(1) This paragraph authorizes grants to pay part or all of the costs of activities to establish and support Rehabilitation Research and Training Centers operated with institutions of higher education to coordinate and advance programs of research and training in rehabilitation.

(2) This paragraph authorizes grants for the establishment and support of Rehabilitation Engineering Research Centers to apply advanced technology and other knowledge in solving rehabilitation problems through research, including cooperative research with other organizations, designed to produce new knowledge, equipment and devices. The paragraph also provides for cooperation with the Office for the Handicapped in developing information exchange systems and coordination to promote utilization of engineering and other research.

(3) This paragraph authorizes a program for spinal injury research in support of the National Centers for Spinal Cord Injuries (established under section 38). The purpose of such program is to insure dissemination of research findings among all spinal cord injury centers, provide encouragement and support for new approaches, and establish close working relationships with other organizations to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigators.

(a) This paragraph authorizes a program for international rehabilitation research, demonstration, and training to develop new knowledge in rehabilitating handicapped individuals. The program would establish cooperation with other nations in sharing and developing information in rehabilitation, and initiate a program to exchange experts and technical assistance with other nations.

(c) This subsection applies the general provisions of section 313, unless the context indicates to the contrary; particularly applicable is the provision that funds used for direct services to handicapped individuals shall not be inconsistent with the State plan approved under section 101.

SECTION 403

(a) This subsection authorizes the Commissioner to pay part of the cost of training and related activities to increase the number and skills of trained rehabilitation personnel.

(b) This subsection provides that funds under this section will be utilized for projects in rehabilitation medicine, rehabilitation counseling, rehabilitation social work, physical therapy, occupational therapy, speech pathology and audiology, rehabilitation nursing, workshop and facility administration, prosthetics and orthotics, psychology, specialized personnel for deaf and blind persons, recreation for ill and handicapped individuals and other fields contributing to rehabilitation, including for homebound and institutionalized individuals and individuals with limited English speaking ability. The subsection limits education grants to not more than 4 years.

SECTION 404

This section requires the inclusion in the annual report to Congress under section 504 of a report with respect to research and training activities undertaken pursuant to this title, with emphasis on the direct contribution of such activities to the improvement of vocational and comprehensive rehabilitation services.

TITLE V—ADMINISTRATION AND PROGRAM AND PROJECT EVALUATION

SECTION 500

(a) This subsection requires the Commissioner in administering that portion of the Act under his jurisdiction to cooperate with and render technical assistance to States in the rehabilitation of handicapped individuals, provide short-term training and instruction in technical matters for not more than 4 years in fields which are similar to those listed under section 403, and disseminate information on vocational rehabilitation services and promote such services.

(b) This subsection authorizes the Secretary to make rules and regulations in the administration of titles V, VI, and VII of the Act, and requires such rules and regulations and those prescribed by the Commissioner of RSA under titles I, II, III, and IV, to be published in the Federal Register on an interim basis within 90 days after enactment of the Act.

(c) This subsection authorizes the Secretary to conduct various studies, investigations, and evaluations of programs authorized under the Act and to make reports thereon. Special mention is made of reports concerning abilities and aptitudes of handicapped individuals, development of their potentialities and use in gainful employment, and problems involved in architectural, transportation, and other environmental and attitudinal barriers, including problems of homebound, institutionalized and older blind persons.

(d) This subsection authorizes for purposes of administration appropriation of such sums as are necessary.

(e) This subsection requires the Secretary and the Commissioner to insure the maximum coordination and consultation with the Administrator of Veterans' Affairs concerning programs for rehabilitation of disabled veterans.

(f) This subsection requires the Secretary to insure that administration of the end-stage renal assistance program is coordinated with other Federal programs.

SECTION 501

(a) This subsection requires the Secretary to evaluate all programs authorized under the Act to determine their effectiveness, including their cost, structure, and mechanism for delivery of services. Evaluations shall be conducted by persons who are not immediately involved in the administration of the program or project evaluated. The provision requires that in the case of section 402 research, demonstration, and related activities, the Secretary is to reassess priorities for such activities, and review existing research, demonstrations, and related activities to determine the basis for their continuation, revision or termination. The Secretary is required, within 12 months after the date of enactment and each April 1st thereafter, to submit a report to the appropriate committees of Congress on the determination and review carried out under this subsection including recommendations for additional legislation.

(b) This subsection requires the Secretary to publish standards for evaluation of program and project effectiveness, and to consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance under the Act. Actions taken shall be described in the annual report to the Congress required by section 504.

(c) This subsection requires the Secretary in carrying out activities under this title, to the extent possible, to obtain the views of persons participating in the program and projects assisted under the Act.

(d) This subsection directs the Secretary to publish the results of research and summaries of evaluations of the programs within 90 days after completion, and submit copies to the appropriate committees of Congress.

(e) This subsection requires the Secretary to take whatever action is necessary to insure that studies, evaluations, proposals, and data produced under this Act shall become the property of the United States.

SECTION 502

This section requires that other agencies of the executive branch provide to the Secretary upon request such information as the Secretary deems necessary for his evaluations under this title.

SECTION 503

This section authorizes appropriations for the purpose of conducting program and project evaluations under this title in amounts the Secretary may require, not to exceed ½ of 1 per centum of the total funds appropriated under title I, II, III, and IV of the Act or $1,000,000 for FY 1973 and $2,000,000 for the three subsequent fiscal years, whichever is greater.

SECTION 504

This section requires the Secretary, within 120 days after the close of each fiscal year, to submit to the President and to Congress a full and complete report on activities carried out under the Act. Such reports shall include statistical data, in the maximum feasible detail, relating to services provided to handicapped individuals during the preceding fiscal year, and shall specifically distinguish between rehabilitation closures attributed to physical restoration, placement in competitive employment, extended or terminal employment in a sheltered workshop, and provision of supplementary services. Such report shall also evaluate the use of funds provided under title I for those with the most severe handicaps, and comprehensive rehabilitation services (non-vocational goal) under title II.

SECTION 505

(a) This subsection requires the Secretary to conduct an original study of the role of sheltered workshops in rehabilitation and employment of handicapped individuals, including a study of wage payments. Such study is to incorporate guidelines in accordance with resolutions adopted by the Committee on Labor and Public Welfare of the United States Senate or the Committee on Education and Labor of the United States House of Representatives, or both. Such a resolution has been adopted and is described in the body of the report.

(b) This subsection requires the conduct of site visits and interviews of handicapped trainees or clients in the course of such study.

(c) This subsection prohibits the awarding of contracts under this section to individuals or groups with financial or other direct interest in sheltered workshops.

(d) This subsection requires the Secretary to report to the Congress his findings and recommendations on such study within 24 months after enactment of the Act.

TITLE VI—OFFICE FOR THE HANDICAPPED

SECTION 600

This section establishes an Office for the Handicapped within the Office of the Secretary in the Department of Health, Education, and Welfare, to be headed by a Director. The Director will be a Special Assistant to the Secretary and he is to be provided personnel necessary to carry out the functions of the Office. In filling all positions in the Office, special emphasis is to be given to handicapped individuals.

SECTION 601

This section enumerates the functions of the Office for the Handicapped. With the assistance of other Federal agencies, the Office shall prepare a long-range projection for provision of services to handicapped individuals and for programs of research, evaluation, and training; and analyze program operation to determine progress in meeting goals and priorities set forth in the projection; the effectiveness of all rehabilitation programs, and the need for elimination of unnecessary duplication and overlap. The Office shall also encourage coordinated and cooperative planning for the provision of services for handicapped individuals for programs under the jurisdiction of the Secretary. The Office shall provide staff assistance and other assistance to the National Advisory Council on Rehabilitation of Handicapped Individuals and other such committees, advising the Secretary on programs regarding handicapped individuals. The Office shall develop means of promoting prompt utilization of research to assist in solving problems of education, health, employment, rehabilitation and other areas for handicapped individuals, and provide a central clearinghouse for information and resource availability for handicapped individuals, including evaluation of information and data systems and utilization of evaluations and existing information systems. The Office shall carry out such additional functions as may be assigned to it by the Secretary or the President, but such functions shall not include budgetary, policy, or program control over any program.

SECTION 602

This section authorizes appropriations for the Office in amounts of $1,000,000 for FY 1973, and $2,000,000 for FY 1974, FY 1975, and FY 1976, and an additional $300,000 in each such fiscal year to carry out the information clearinghouse and coordination functions under clause (6) of section 601.

TITLE VII—MISCELLANEOUS

SECTION 700

This section repeals the existing Vocational Rehabilitation Act (and deems references to such Act as to this Act) effective 90 days after the date of enactment of this Act, and provides for transition from that Act to this Act, to prevent disruption of ongoing actiivties for which there is continuing authority.

SECTION 701

(a) This subsection establishes in the Federal Government an Interagency Committee on Handicapped Employees, comprised of the heads of the Civil Service Commission, the Veterans Administration, the Departments of Labor and Health, Education, and Welfare and of such other agencies as the President may designate. The Chairmen of the President's Committee on Employment of the Handicapped and of the President's Committee on Mental Retardation are ex officio members, the Commissioner of the Rehabilitation Services Administration serves as the Executive Director, and the Secretary of HEW as chairman, and the CSC Chairman as vice-chairman, of the Committee. The subsection specifies the purposes of the Committee to insure, through establishment of affirmative action programs, the adequacy of hiring, placement and advancement of handicapped individuals in the Federal government.

(b) This subsection requires each department, agency, and instrumentality in the executive branch of government to submit to the Committee within 180 days after enactment an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals in such entity.

(c) This subsection requires the Committee to develop and recommend to the Secretary procedures and policies to facilitate the hiring, placement and advancement of handicapped individuals who have received rehabilitation services. The Secretary shall encourage the State agencies to adopt and implement such policies and procedures.

(d) This provision requires the Committee on June 30, 1973, and in each subsequent fiscal year to make a complete report to the appropriate Committees of Congress on the hiring, placement, and advancement of handicapped individuals in the Federal government, and its recommendations as to legislation or other action to insure the adequacy of such practices.

(e) This subsection provides that unpaid work experience of an individual within a Federal agency shall not be considered Federal employment for purposes of Federal personnel laws and regulations.

(f) This subsection requires the cooperation of the Departments of Labor and HEW with the President's Committee on Employment of the Handicapped and authorizes appropriations for such Committee of $1,000,000 for FY 1973 and $1,250,000 for FY 1974.

SECTION 702

This provision establishes in HEW a National Commission on Transportation and Housing for Handicapped Individuals whose function is to determine, in consultation with the Architectural and Transportation Barriers Compliance Board (established under section 703), the extent to which transportation impedes mobility of handicapped individuals, consider housing needs of such individuals, determine what action is being taken to deal with such problems, and prepare plans for further necessary action. The Commission is to submit separate final reports to Congress and the President by January 1, 1975 on transportation and on housing. An interim report must be submitted within 18 months after enactment of the Act. The Commission is to provide information regularly to the Architectural and Transportation Barriers Compliance Board, and the Board is required to reciprocate.

SECTION 703

(a) This subsection establishes an Architectural and Transportation Barriers Compliance Board composed of the heads (or other designees holding at least Executive level IV appointments) of the Department of Health, Education and Welfare, the Department of Transportation, the Department of Housing and Urban Development, the General Services Administration, the Department of Interior, the United States Postal Service, the Veterans' Administration, and the Department of Labor.

(b) This subsection specifies that the function of the Board is to insure compliance with standards prescribed by the General Services Administration, the Department of Defense, and the Department of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968, as amended, investigate and examine alternative approaches to architectural, transportation and attitudinal barriers confronting handicapped individuals, especially in Federally controlled or regulated areas, determine what measures are being taken by Federal, State and local governments to eliminate such barriers, make reports to the President and Congress detailing its investigations, and provide such recommendations as it deems necessary to eliminate such barriers.

(c) This provision requires the Board to conduct investigations, hold public hearings, and issue necessary orders to insure compliance with the cited acts. The provisions requires the application of the Administrative Procedure Act in any action taken by the Board, including provision for judicial review.

(d) This subsection authorizes the Board to appoint as many hearing examiners as are necessary, and specifies that provisions of law with respect to hearing examiners generally shall be applicable.

(e) This subsection requires the agencies involved in membership on the Board to make available to the Board such administrative or other assistance as is necessary to carry out the Board's functions, and permits the Board to appoint such other advisors and experts as are necessary.

(f) This provision requires the Board to submit a report to the Congress on its activities during the preceding fiscal year, including an assessment of the extent of compliance with the Architectural Barriers Act, as amended, and a description and analysis of investigations, as well as reports and recommendations under subsection (b) (4) and (5), made by the Board.

(g) This subsection authorizes the appropriation of $1,000,000 for FY 1973, $1,250,000 for FY 1974, $1,500,000 for FY 1975 and 1976.

SECTION 704

(a) This subsection requires that any contract entered into by any Federal department or agency for personal property or services shall contain a provision requiring contractors to take affirmative action to employ qualified handicapped individuals. The President shall implement the provisions of this section through regulations promulgated by him within 90 days after enactment of this Act.

(b) This subsection permits any handicapped individual affected by a refusal or failure to comply with the provisions of this section to file a complaint with the Department of Labor, which shall investigate such complaints and take such actions as are necessary.

SECTION 705

This section prohibits discrimination, exclusion or denial of benefits to otherwise qualified handicapped individuals by any program or activity receiving Federal financial assistance.

SECTION 706

This subsection corrects certain citations to this Act (to sections 110 and 120) contained in the Supplemental Appropriations Act FY 1973 (P.L. 92-607).

BACKGROUND

Mr. CRANSTON. Mr. President, I think that we must now place this legislation in its proper perspective. The extension of the vocational rehabilitation legislation has been under intensive study in the Congress for 1 full year in both the House and the Senate. S. 7 is the product of enormous labors on both sides of the aisle in both Houses, as was the bill last Congress, H.R. 8395.

SCHEDULING ACTION IN THE 93D CONGRESS

Before discussing the background last Congress and analyzing the President's veto memorandum, I want to stress that we have gone out of our way to accommodate the requests of the administration with respect to our schedule in moving this bill to the floor today. This has all been done within our committee by a bipartisan consensus.

We first invited the administration to testify on January 10 at our hearings that day. HEW Secretary-designate Weinberger requested we postpone further subcommittee action on the bill until March rather than to proceed, as we had scheduled, to hold an executive session following the hearing. After considerable discussions back and forth, we agreed to hold up further subcommittee consideration until February 6 so the administration could testify after the submission of the President's fiscal year 1974 budget to the Congress.

I should point out that even on that date, the administration was not prepared to give us a legislative alternative to S. 7. It finally submitted to the President of the Senate on February 16 a draft bill to extend the Vocational Rehabilitation Act, which expired last June 30. And what it submitted had no substantive changes from its draft bill submitted a year before in the 92d Congress.

Finally, the administration did not transmit its official report on S. 7 until February 26—a week after the bill had been ordered reported from committee.

Mr. President, I note that the material transmitted to us on February 26 included the wrong enclosure of draft legislation, which, therefore, has been printed erroneously in the committee report. To set the record straight, Mr. President, I ask unanimous consent that the text of the administration report plus the correct enclosure be set forth in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, throughout this period of delay to accommodate the administration, the ranking minority members of the subcommittee and the full committee (Mr. STAFFORD and Mr. JAVITS) have been enormously cooperative with the majority leadership and firm in the determination—which we all shared—to move the bill to the Senate floor expeditiously with continued bipartisan and overwhelming support.

We are all enormously indebted to them for their skill, conviction, and leadership in this mutual endeavor.

ACTION IN THE 92D CONGRESS

Early in 1972, the Congress began reviewing the Vocational Rehabilitation Act for extension. Hearings were held in the House Select Subcommittee on Education on January 31, and February 1, 2, and 3 on H.R. 8395, H.R. 9847, H.R. 12742, H.R. 7949, H.R. 7526, and H.R. 12644. During these hearings, and the subsequent Senate hearings later in the year, it became clear that major changes were needed in the act in order to insure that the vocational rehabilitation program would better meet its goal of providing more comprehensive rehabilitation services to handicapped individuals. Most prominent in these hearings was the testimony of witnesses that the vocational rehabilitation program was not reaching that population who needed services the most, those individuals with severe handicaps.

These witnesses pointed out that the program in the States often served only those individuals who were easiest to serve; who could be helped by one referral. The result was exclusion from the service system of many of those individuals who were difficult to serve, and inappropriate and incomplete services for those severely handicapped individuals who were accepted by the program. Witnesses also described the lack of follow-up on individuals after they had been placed in employment, with the effect that the individual failed to receive additional services while on the job, and thus lost the job. Testimony was also presented by medical personnel citing the lack of support for organized and coordinated research and training efforts on the part of the Rehabilitation Services Administration—RSA—often meaning that breakthroughs in the applied areas of rehabilitation engineering and new techniques and modes of rehabilitation were not being translated to professionals in the field.

The House Committee on Education and Labor responded to these problems by reporting H.R. 8395 with amendments on March 16, 1972; and the bill was passed 327 to 0 by the House on March 22, 1972.

The Senate Subcommittee on the Handicapped of the Committee on Labor and Public Welfare held hearings—generally morning and afternoon—on May 15, 18, and 26, 1972, as well as on June 2, and 6, 1972. I was privileged to chair these hearings. In the courses of these 5 days of testimony, more than 40 witnesses were heard. In addition, numerous written statements were taken for the record. The combination of the two produced a most extensive hearing record.

The Senate committee unanimously reported S. 3987 on September 20, 1972, and the Senate on September 26, 1972, passed H.R. 8395 by a 72 to 0 rollcall vote. with a complete substitute text incorporating S. 3987 as reported from the committee and modified somewhat by noncontroversial strengthening amendments and a restoration of the allotment formula for the basic program in the Vocational Rehabilitation Act and also now contained in S. 7 as introduced and reported. Conferees were appointed and filed Report No. 92-1581 on the "Rehabilitation Act of 1972" on October 11, 1972. The Report was agreed to unanimously by the Senate on October 13, 1972, and by the House on October 14, 1972.

PRESIDENTIAL VETO

On October 27, 1972, President Nixon announced his pocket veto of H.R. 8395, issuing the following memorandum of disapproval:

REHABILITATION ACT OF 1972 (H.R. 8395)

This measure would seriously jeopardize the goals of the vocational rehabilitation program and is another example of congressional fiscal irresponsibility. Its provisions would divert this program from its basic vocational objectives into activities that have no vocational element whatsoever or are essentially medical in character. In addition, it would proliferate a host of narrow categorical programs which duplicate and overlap existing authorities and programs. Such provisions serve only to dilute the resources of the vocational rehabilitation program and impair its continued valuable achievements in restoring deserving American citizens to meaningful employment.

H.R. 8395 also would create organizational rigidities in the vocational rehabilitation program which would undermine the ability of the Secretary of HEW to manage the program effectively. The bill also would establish numerous committees and independent commissions which are unnecessary, would waste the taxpayers' dollars, and would complicate and confuse the direction of this program. Finally, the bill would authorize funding far in excess of the budget request and far beyond what can be made available and used effectively.

VETO REBUTTAL: DISCUSSION

The committee carefully considered the memorandum of disapproval on H.R. 8395. It has reviewed 1,732 pages of testimony from the more than 40 groups who testified in hearings in the 92d Congress. It asked each of the witnesses who appeared in previous hearings in the 92d Congress for his views concerning the reasoning in the President's memorandum.

In statements that were submitted to the committee in a January 10, 1973, hearing, from more than 30 of these groups, the response has been of one mind on three points: First, support and endorsement of the bill as passed in the 92d Congress; second, the need for early action in the 93d Congress in view of the expiration on June 30, 1972 of appropriations authorization for the program; and third, rejection of the grounds for the veto as stated in the memorandum of disapproval. The administration reiterated its opposition to the bill at a February 6 hearing, and transmitted a draft bill for introduction on February 16.

In view of this response and the bipartisan support for the bill as passed in the 92d Congress, the subcommittee and the full committee, both acting on February 19, 1973, unanimously approved S. 7 with certain amendments. The bill as reported except for a total reduction of $351.7 million in the level of appropriations authorization for fiscal years 1973, 1974, and 1975 and the addition of authorizations for fiscal year 1976 for all programs other than the basic title I, part B, State allotments programs, is virtually identical to the conference report on H.R. 8395 as passed by the Congress.

Amendments were offered in subcommittee on behalf of the administration to delete programs and authorizations from the bill. They were unanimously rejected.

The committee's reasons for disagreeing with the objections set forth in the President's Memorandum of Disapproval, are as follows:

First. The bill would seriously jeopardize the goals of the vocational rehabilitation program and is another example of fiscal irresponsibility.

Mr. President, the goal of the vocational rehabilitation program has been, since its inception in 1920, to provide vocational services to handicapped individuals in order that they might seek and maintain gainful employment. Toward this end, medical, surgical, and psychological services and counseling, training, and placement have been provided. As passed by the 92d Congress, this bill continues to provide such services, and insures that the wide range of services are available to all individuals who can benefit from them. By providing increased emphasis on research into rehabilitation, S. 7 attempts to insure that the best knowledge and new breakthroughs in technology and scientific research can be brought to bear on the problems of handicapped individuals so that their disabilities will no longer block their potential for a productive and self-supporting life.

S. 7 also expands the services which can be provided under vocational rehabilitation programs so that these new innovations can be used at the field level and that handicapped individuals can share more fully in the benefits of our society. While this legislation alters the definition of handicapped individual, this has been done so that many more individuals can benefit from the program, and can enjoy the benefits of vocational training and self sustaining lives. This change in definition may be the most important provision of the bill, for it insures that an individual's capacity is not judged prematurely, and that all individuals have the opportunity to benefit from the services the program provides.

S. 7 places a priority for services on those with the most severe handicaps to ensure that those individuals who are most in need of services receive these services. The committee realizes that it is easier to serve those individuals with mild or moderate disabilities. But with the range of knowledge and technology which is presently available to this society, it strongly believes that those individuals with severe handicaps have an equal right to services and to live productive lives. Testimony from witnesses who have worked with severely handicapped individuals all of their lives indicate that these individuals can be extremely productive if given the opportunity. The history of this program has shown that for every $1 spent on rehabilitation programs, the Federal Treasury gets back from $3 to $5 by decreasing the welfare rolls and adding to tax revenue through income earned by rehabilitated clients. S. 7 will provide this opportunity.

Furthermore, the authorizations originally included in S. 7 are not large expansions of authority for the Vocational Rehabilitation program. In most areas, what were previously separate programs and represent modest increases have been combined into one authorization; in other areas, relatively modest increases have been provided.

Second. The bill's provisions would divert this program from its basic vocational objectives into activities that have no vocational element whatsoever or are essentially medical in character.

Mr. President, the primary focus of the existing program is vocational rehabilitation. S. 7 retains and reinforces this focus. S. 7 does create a new program for the provision of comprehensive rehabilitation services designed to promote independent living, and provides project grant authority for rehabilitation services for older blind individuals. In the strict sense, these programs might be construed as not having vocational goals. However, both these programs have separate authorizations, and were included in the bill to meet specific unmet needs. As such, they will not affect the basic program or divert it from its vocational objectives.

But most important, title II of S. 7, comprehensive rehabilitation services, was designed to assist individuals who may not presently have a vocational goal. The inclusion of this title in S. 7 marks an explicit resolve on the part of the Congress to build a flexible program which can provide a continuum of services for handicapped individuals. Recognizing that individual conditions are not static and that training can be progressive, this new program is promised on the realization that an individual who first approaches a rehabilitation program may not appear to have a vocational goal. Yet, following training and assistance, this individual may be brought to a point where he may be readily accepted in the basic vocational rehabilitation program. Rather than condemn this individual to no services, and dependence on his family and society, this program has been included in order to build toward the flexibility that is needed if this service program is to be truly responsive to human needs. Further, individuals served may achieve a more independent life, which will in turn decrease their dependence on other family members, thus freeing those individuals to seek work and not only raise the standard of living of the entire family but also produce additional tax revenues.

The President's memorandum also cites the diversion of the program to programs which are essentially "medical" in character. Presumably, this refers to provisions for services to individuals with end-stage renal disease and spinal cord injuries. This "medical" characterization is much too simple to describe the import of these two programs.

Once again, both the programs for services for individuals with end-stage renal disease and the centers for spinal cord injuries authorized in the bill are separate from the basic program, are project grant authorities, and have separate authorizations. To construe these provisions as medical service programs misses their direction and the underlying congressional intent. In the case of the end-stage renal program, the vocational rehabilitation program has been supporting programs of this type since 1968 and is currently serving approximately 2,800 individuals under the present Vocational Rehabilitation Act as part of the process of preparing an individual for employment.

Furthermore, medical rehabilitation is not all that is needed for such renal patients. Expert testimony from committee hearings indicate that many renal patients need retraining and vocational rehabilitation in a variety of more traditional ways as well. In the past, expansion grant authority under the Vocational Rehabilitation Act has been used to support renal dialysis, for this was the only way a renal patient could get the comprehensive services and retraining he needed without becoming totally dependent—because other authorities required him to be indigent before he could get assistance. Finally, despite new authority under the recently passed social security legislation—H.R. 1—that new authority will not provide support for the first 90 days of treatment and it will not cover those who are not covered by social security.

In the case of centers for spinal cord injury, medical therapy for this injury is only a small part of the total program of services for the patient. Testimony from rehabilitation medicine experts, such as Dr. Howard Rusk, Dr. Edward Lowman, Dr. John Young, and Dr. Henry Betts, indicate that emotional, psychological, and vocational services for the patient must start from the time of injury if the patient is to recover as much of his ability as possible. In this case, medical services and other therapy must go hand in hand even in acute phases if the patient is to survive this enormous trauma. To separate these processes is a counterproductive categorization of services. Further, testimony before the committee indicated that present acute care facilities seldom provide this comprehensive service for this type of injury, and that this lack of knowledge and awareness of treatment methods has resulted in permanent damage to the patient which was not necessary. In recognition of the importance of a multidiscipline service team in early stages of spinal cord injury, this program has been included in S. 7.

Third. The bill would proliferate a host of narrow categorical programs which duplicate and overlap existing authorities and programs.

Mr. President, it is true that S. 7 does contain categorical programs that include: rehabilitation services to older blind persons; rehabilitation centers for deaf and the deaf-blind individuals, and centers for spinal cord injuries.

But not all categorical programs are bad. These programs have been singled out for special treatment because of the dearth of adequate services in these areas. Each program is a project grant authority, and carries with it a direction to demonstrate and examine the best way to provide exemplary programs of services to these unique populations. In each case, the affected populations are presently being inadequately served. In each case, they continue to be inadequately served because of problems peculiar to their rehabilitation, and lack of broad understanding among rehabilitation counselors as to their particular needs for treatment and training. It is the intent of the Congress that attention be focused on these unique problems so that progress can be made in innovative methods of rehabilitation for these individuals.

The automatic rejection of categorical programs is as unresponsive as the opposite approach: special needs are generally ignored by generic service programs, and when knowledge concerning certain special needs is not possessed within those programs it is important that priority and emphasis be given elsewhere, for a time at least, in order to demonstrate the appropriate skills and approaches for these disabilities.

Fourth. Such provisions serve only to dilute the resources of the vocational rehabilitation program and impair its continued valuable achievements in restoring deserving American citizens to meaningful employment.

Mr. President, I have already pointed out, the categorical programs have individual appropriations authorizations. They serve as a focus for special projects and demonstrations and a vehicle for translating new knowledge and methods to the field. There can be no question that the vocational rehabilitation program has made great achievements in its 53-year history. But these achievements have always been the result of its flexibility and its responsiveness to problems of individuals, and changes made in the legislation by the Congress. The committee would not wish to impair these achievements. To suggest that those persons without immediate, and I stress immediate, vocational goals are not deserving of service flies in the face of every value that this Nation stands for. It imposes an inflexibility on the program and on the changeability of the human condition which violates the individual's right to equal opportunity and equal protection of the law. And it is an abrupt violation of the administration's stated objective for reduction of dependency.

Fifth. The bill also would create organizational rigidities in the vocational rehabilitation program which would undermine the ability of the Secretary of HEW to manage the program effectively.

Mr. President, the committee assumes that this objection refers to the statutory authority for the RSA and the creation within that Administration of a Division of Research, Training, and Evaluation. The committee believes that the clear lines of authority for the vocational rehabilitation program will encourage more effective management of this program for the purposes for which it was intended by the Congress, and will insure that the program will not be diverted from its primary goal of provision of rehabilitation services to handicapped individuals, and the concomitant research and development which is needed to provide a dynamic program.

The Congress has found that, in recent years, emphasis on other social rehabilitation programs within the Department has resulted in the deemphasis of vocational rehabilitation for handicapped individuals. From the strong force of 400 personnel in past years, the Rehabilitation Services Administration has in recent years become an appendage to the Social and Rehabilitation Services Administration—and has been cut back to a work force of 160. Its research and development function has been diffused and directed toward programs oriented to the reduction of public assistance. The committee does not disagree with this goal of reducing dependency on public assistance. However, the vocational rehabilitation program was created for the rehabilitation of handicapped individuals; until that task is completed, it should not take on a wider function.

Sixth. The bill also would establish numerous committees and independent commissions which are unnecessary, would waste the taxpayer's dollars, and would complicate and confuse the direction of this program.

Mr. President, S. 7 would create a Federal Interagency Committee on the Employment of the Handicapped, an Architectural and Transportation Barriers Compliance Board, a National Commission on Transportation and Housing, and an Office for the Handicapped. These commissions as such would have no direct connection to the vocational rehabilitation program. They were created to span all programs which affect the handicapped, to deal with serious problems that presently exist, and to escape the narrowing perspective that comes with control by a single program.

In examining the vocational rehabilitation program during hearings, testimony of many witnesses surfaced criticisms which could not be handled simply by amending the Vocational Rehabilitation Act itself. Such problems as unfounded discrimination in employment and in housing, difficulties of access to places of work and treatment centers, and duplication and fragmentation of services across program lines were voiced repeatedly to the committee. Despite efforts on the part of the Civil Service Commission and personnel of the vocational rehabilitation programs, discrimination in placement, hiring and advancement continue to limit the vocational rehabilitation program's ability to effect successful rehabilitations.

Despite an explicit law enacted in 1968 regarding elimination of architectural barriers—Public Law 90–480—accessibility remains a problem because of lack of enforcement of this statute.

The Subcommittee on the Handicapped, when it was created in the 92d Congress, was charged with the examination of all problems which affect the handicapped. The provisions in question were included as an important beginning to carrying out that charge.

But beyond the need for compliance and coordinating mechanisms, the committee questioned the implication in the President's memorandum that such mechanisms would waste the taxpayer's dollar. The expenditure of money on vocational rehabilitation programs is not well spent if we do not at the same time take meaningful steps to eliminate architectural barriers and provide substantial accomplishments in employment for handicapped individuals. The failure to cooperate and coordinate across program lines for services to handicapped individuals results in fractionated programs with wasteful overlap and duplication of services and expenditures. For those millions of handicapped individuals who pay taxes and have the right to expect that their tax money will go toward making their environment more accessible to them and their lives and employment easier, the creation of a compliance mechanism to eliminate architectural and transportation barriers and an affirmative action program to ensure that they have the right to employment which complements their abilities represent overdue avenues of restitution for previous societal neglect.

For those individuals who have handicapped children, the expenditure of dollars for programs which meet their needs and the needs of their children is a simple return on the equity from their taxes which has long since been warranted. For those individuals and their families who are well trained or have the hopes of becoming well trained so that their dependence on tax revenues may be lessened, such proposals offer the possibility for action to make more effective utilization of their talents.

The committee does not believe such provisions are a waste of tax money.

Seventh. Finally, the bill would authorize funding far in excess of the budget request, and far beyond what can be made available and used effectively.

Mr. President, it is correct that the authorizations contained in the Rehabilitation Act are greater than the budget request.

However, the committee has attempted to meet some of the concerns expressed in the President's memorandum and has reassessed the appropriations authorizations that were contained in H.R. 8395 and S. 7 as introduced this Congress. As a result, S. 7 was amended in Committee by cutting $352 million from those levels. For fiscal 1973, for example, the reported bill authorizes the appropriation of just slightly more than was authorized for fiscal year 1972—$1,059 million in S. 7 as reported as compared to $1.010 million in the Vocational Rehabilitation Act. Currently, only about 1 million of the estimated 7 to 12 million individuals who could be rehabilitated receive any services from the vocational rehabilitation program and only 3 in 10 of those served are considered "rehabilitated." As already pointed out, we believe that expansion of this program does not represent a net increase in governmental expenditures. For every individual rehabilitated successfully in this program, there is a concomitant decrease in the number who must be dependent on public revenues for support and an increase in those who return tax revenues to the Treasury. In fact, the committee believes and I personally feel strongly this may be the most cost effective program ever created by the Federal Government.

CONCLUSION

Mr. President, I think we have totally rebutted the specious arguments in the President's veto memorandum. The Subcommittee on the Handicapped thought so and voted unanimously to report S. 7 as amended, in the process rejecting unanimously the administration's gutting amendments. The Committee on Labor and Public Welfare thought so and voted 16 to 0 to report S. 7, as amended, to the Senate.

I feel confident that the full Senate will agree and will give this fine piece of legislation the overwhelming vote of confidence it deserves and which the handicapped individuals in this Nation fervently hope will be forthcoming.

The House Committee on Education and Labor yesterday voted to report the House counterpart bill, and it is expected the bill will be taken up by the House early next week. I feel we can speedily resolve the relatively minor differences between the two versions of the bill and send the bill to the President for his reconsideration by the middle of next month.

If he should decide to veto it again, this time the legislative branch will have a chance to work its will, and I am confident the Congress will vote to override any such unwise veto.

Mr. President, we have reduced the appropriation.

EXHIBIT 1

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Feb. 26, 1973.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of January 6, 1973, for a report on S. 7, a bill "To amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes."

The bill would replace the current Vocational Rehabilitation Act with a new Act, "The Rehabilitation Act of 1972." The bill is identical to H.R. 8395 of the 92d Congress, which the President vetoed. For reasons stated in the President's Memorandum of Disapproval of October 27, 1972, discussed below and elaborated upon before the Subcommittee on the Handicapped of your Committee by Assistant Secretary Stephen Kurzman on February 6, 1973, we strongly recommend against enactment of this proposal.

The President rejected H.R. 8395 because it would have seriously jeopardized the goals of the vocational rehabilitation program. The bill also contained provisions which would divert the program from its basic vocational objectives into activities that have no vocational element or are essentially medical in character. In addition, the bill would have created several new categorical programs which were duplicative of existing authorities and would have authorized funding for the Act far in excess of the budget request.

H.R. 8395 also would have imposed organizational rigidities in the vocational rehabilitation program which would have undermined the ability of the Secretary of HEW to manage the program effectively. Responsibility for policy and program management would have been vested in the Commissioner of the Rehabilitation Services Administration, rather than the HEW Secretary. It would have established numerous committees and independent commissions which are unnecessary, would waste the taxpayers' dollars, and would complicate the direction and administration of this program.

The Administration strongly supports the Vocational Rehabilitation program and urges that its proposal for extending the program, which was transmitted to the Congress on February 16, 1973, be enacted instead of S. 7. A copy of the Administration's proposal, with attachments, is enclosed for your convenience.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program, and that enactment of S. 7 would not be in accord with the President's program.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
February 16, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed for the consideration of the Congress is a draft bill "To provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes". I am also enclosing for your convenience a brief summary of the major provisions of the bill.

The principal amendments are designed to extend and improve the program of general support grants to the States. The bill would extend for three years authorizations for appropriations under the Act, would eliminate the specific dollar amounts authorized for both formula grants and project grants, and would combine into one authorization for appropriations the several existing authorizations for various provisions of the Act. These changes are designed to provide flexibility in the use of Federal resources and to simplify the structure of the Act. The bill would also authorize grants to assist in the development of projects for individuals with spinal cord injuries and for low-achieving deaf individuals.

Equity between States and the outlying areas in qualifying for Federal resources would be achieved under the amendments: minimum allotment provisions would be extended to the outlying areas and American Samoa and the Trust Territory of the Pacific Islands would be included in the general support program. A reallotment provision, similar to that now in section 3 of the Act, would also be added to section 2 in order to achieve better utilization of available Federal resources by the States.

Amendments to the State plan requirements would be made in order to emphasize the utilization at the State and local levels of advice from citizens and professional groups, as well as from the disabled people who are the users of the services provided. In order to improve local delivery of vocational rehabilitation services, the bill would also provide for more flexibility in joint funding and joint administration at the community level where services are provided to disabled people.

The bill would also increase the amount which the Secretary could set aside for evaluation of programs carried out under the Act in order to enable States to better evaluate their programs of services for disabled people.

Finally, the bill would provide that where an individual is able to participate in the cost of his rehabilitation under the State plan, his participation will be in accordance with regulations prescribed by the Secretary in light of his ability to participate. This change would permit recognition of the principle of client participation to the extent appropriate in the cost of services provided.

The enclosed draft bill is very similar to H.R. 13408 of the 92d Congress, which embodied the Administration's proposals for extending and amending the Vocational Rehabilitation Act. Most of the proposals contained therein were incorporated, in one form or another, in H.R. 8395 of the 92d Congress. However, H.R. 8395, which was passed by the Congress, contained numerous other provisions which the Administration opposed, and was therefore vetoed by the President. The reasons for the veto of H.R. 8395 were stated in the President's Memorandum of Disapproval of October 27, 1972 and elaborated upon before the Select Subcommittee on Education of the Committee on Education and Labor by Assistant Secretary for Legislation Stephen Kurzman on February 7, 1973.

We are advised by the Office of Management and Budget that enactment of this proposed legislation would be consistent with the Administration's objectives.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

SUMMARY OF THE "VOCATIONAL REHABILITATION AMENDMENTS OF 1973"

The first section of the bill provides the short title—the "Vocational Rehabilitation Amendments of 1973".

Section 2 would amend section 1(b) of the Vocational Rehabilitation Act to provide one authorization for appropriations for carrying out all provisions of the Act.

Section 3 would amend section 4 of the Vocational Rehabilitation Act (grants for special projects) by adding a provision to authorize grants for planning and initiating programs to provide vocational rehabilitation services to individuals with spinal cord injuries or to low-achieving deaf individuals.

Section 4 would amend section 4 of the Vocational Rehabilitation Act (grants for special projects) by adding provisions to cover grants for services to migratory agricultural workers. This program was previously authorized by section 17 of the Act, which is repealed.

Section 5 would insert in section 2 of the Vocational Rehabilitation Act a reallotment provision similar to that now in section 3.

Section 6(a) would strike out the provision of section 2(a) of the Act which requires that the allotment for a State be no less than it was for the fiscal year ending June 30, 1965. The allotment for any State is currently far in excess of that which it received for 1965.

Section 6 (b) would amend section 2(a) of the Vocational Rehabilitation Act by changing the minimum allotment for any State from $1 million to ¼ of 1 percent of the amount appropriated for allotment among the States under section 2.

Section 6(c) would amend paragraph (1) of section 15(a) to conform that paragraph to the amendment which provides one authorization provision for appropriations for all vocational rehabilitation programs.

Section 7(a) would amend section 2(a) of the Vocational Rehabilitation Act by extending the application of the minimum allotment provision to the Virgin Islands, Puerto Rico, Guam, the Trust Territory of the Pacific Islands and American Samoa.

Section 7(b) would amend section 11(f) of the Vocational Rehabilitation Act to include American Samoa and the Trust Territory of the Pacific Islands in the State plan program.

Section 7(c) would amend section 11(g) (1) (B) of the Vocational Rehabilitation Act to make the minimum allotment percentage of that section applicable to American Samoa and the Trust Territory of the Pacific Islands.

Section 8 would amend clause (ii) of section 5(a) (1) (A) of the Vocational Rehabilitation Act to allow the Secretary to authorize the sole State agency under the State plan to share funding and administrative responsibility with another public agency (such as an Indian tribe), whether or not an agency of the State.

Section 9 would amend section 5(a) of the Vocational Rehabilitation Act by adding a new paragraph. Paragraph (15) would require that a State plan include satisfactory assurance that the State agency or any sole local agency administering the plan will take into account, in connection with matters of general policy arising in the administration of the plan, the views of, among others, individuals who are recipients of vocational rehabilitation services, individuals who represent citizen groups, individuals who represent professional groups, and individuals who are providers of vocational rehabilitation services.

Section 10 would amend subparagraph (B) of section 13(a) (2) of the Vocational Rehabilitation Act to increase the training allowance provided thereunder from $25 to $30.

Section 11 would amend section 7(e) of the Vocational Rehabilitation Act to increase the amount the Secretary may reserve from the appropriation under section 1 for evaluation from $1 million to $3 million for any fiscal year.

Section 12 would amend section 5(a) of the Vocational Rehabilitation Act by adding a new paragraph. The new paragraph (16) would provide that in any case in which an individual is able to participate in the cost of his rehabilitation under the State plan, his participation will be in accordance with regulations prescribed by the Secretary in light of his ability to participate.

Section 13 would amend section 5 of the Vocational Rehabilitation Act to require State plans to provide that where an individual is participating in a program of work experience under the State plan, his work experience would not exceed one year.

Section 14 would amend section 15 of the Vocational Rehabilitation Act to allow the State blind commission or other agency providing assistance or services to the adult blind to act as the State evaluation and work adjustment agency for purposes of that section if it is the sole State agency designated under section 5(a) of the Act.

Section 15 would strike out section 3 of the Vocational Rehabilitation Act. The grants for innovation of vocational rehabilitation services provided thereunder are to be included in the program under section 2.

Section 16 would add a new section 15 to the Act to provide that where an individual is participating in a program of work experience in a Federal agency (as a part of his rehabilitation), he would not, by reason thereof, be considered to be a Federal employee or to be subject to the provisions of law relating to Federal employment.

Section 17 would make the amendments made by the bill effective with respect to appropriations for fiscal year 1974.

S. —

A bill to provide for the continuation of programs authorized under the Vocational Rehabilitation Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vocational Rehabilitation Amendments of 1973".

CONSOLIDATION AND EXTENSION OF APPROPRIATIONS AUTHORIZATIONS

SEC. 2. (a) Section 1(b) of the Vocational Rehabilitation Act is amended to read as follows—

"(b) There are authorized to be appropriated for the fiscal year ending June 30, 1974, and for each of the next two fiscal years, such sums as may be necessary for carrying out this Act. Sums so appropriated for carrying out section 4, 12, or 13 shall remain available until expended."

(b) Section 7 of such Act is amended by striking out subsection (d) thereof and redesignating subsection (e) as subsection (d).

(c) Section 10 of such Act is repealed.

(d) Section 12 of such Act is amended by striking out subsection (i) thereof and redesignating subsection (j) as subsection (i).

(e) Section 13 of such Act is amended by striking out subsection (f) thereof.

(f) Subsection (a) of section 15 of such Act is amended by striking out paragraph (2) thereof and redesignating paragraphs (3) and (4) thereof as paragraphs (2) and (3), respectively.

INCLUSION OF PROGRAMS FOR THE LOW-ACHIEVING DEAF AND SPINAL CORD INJURED IN SPECIAL PROJECTS PROVISION

SEC. 3. Subsection (a) of section 4 of the Vocational Rehabilitation Act is amended by striking out "and" at the end of clause (2) (C) and by inserting before the period at the end of clause (2) (D) the following: ", and (E) make grants to public or nonprofit private agencies for paying part of the cost of planning, preparing for, and initiating programs to provide vocational rehabilitation services to individuals with spinal cord injuries or to low-achieving deaf individuals".

INCLUSION OF SERVICES FOR MIGRATORY AGRICULTURAL WORKERS IN SPECIAL PROJECTS PROVISION

SEC. 4. (a) Subsection (a) of section 4 of the Vocational Rehabilitation Act, as amended by section 3 of this Act, is further amended by striking out "and" at the end of clause (2) (D) and by inserting before the period at the end of clause 2(E) the following: ", and (F) make grants to any State agency designated pursuant to a plan approved under section 5, or to any local agency participating in the administration of such a plan, for paying part of the cost of pilot or demonstration projects for the provision of vocational rehabilitation services to handicapped individuals who, as determined in accordance with regulations prescribed by the Secretary of Labor, are migratory agricultural workers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of any such individual and members of his family where necessary to the rehabilitation of that individual. Maintenance payments under clause (2) (F) of the first sentence of this subsection shall be consistent with any maintenance payments made to other handicapped individuals in the State under a State plan approved under this Act. Grants under such clause shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit private agencies having special skills or experience in the provision of services to migratory agricultural workers or their families. In administering the program authorized by clause (2) (F) of the first sentence of this subsection, the Secretary shall, for the purpose of achieving appropriate coordination, periodically consult with other Federal officials who administer programs for migratory agricultural workers under other provisions of law, including title I of the Elementary and Secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, and the Farm Labor Contractor Registration Act of 1963".

(b) The Vocational Rehabilitation Act is further amended by striking out section 17 thereof.

REALLOTMENT OF STATE GRANTS

SEC. 5. Section 2 of the Vocational Rehabilitation Act is amended by adding at the end thereof the following new subsection:

"(d) Whenever the Secretary determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he may make such amount available for carrying out the purposes of this section to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for purposes of this Act, be regarded as part of such State's allotment (as determined under the preceding provisions of this section) for such year."

MODIFICATION OF ALLOTMENT PROVISIONS

SEC. 6. (a) Subsection (a) of section 2 of the Vocational Rehabilitation Act is amended by striking out "authorized to be appropriated by paragraph (1) of section 1(b) for meeting the cost of vocational rehabilitation services" in the first sentence and inserting in lieu thereof "appropriated for grants to States under this section", by striking out the second sentence of such section, and by striking out "two sentences" wherever it appears in the third sentence of such section and inserting in lieu thereof "sentence".

(b) Subsection (a) of section 2 of such Act is further amended by striking out "$1,000,000" and inserting in lieu thereof "an amount equal to one quarter of one per centum of the amount appropriated for such year for grants to States under this section".

(c) Paragraph (1) of section 15(a) of such Act is amended by striking out "authorized to be appropriated by paragraph (2) of this subsection for meeting the costs described in paragraph (3) of this subsection" in the first sentence and inserting in lieu thereof "appropriated for payments under this section".

PROVISIONS FOR OUTLYING AREAS

Extension of Minimum Allotment to Outlying Areas

SEC. 7. (a) Subsection (a) of section 2 of the Vocational Rehabilitation Act is amended by striking out "(other than the Virgin Islands, Puerto Rico, and Guam)".

Inclusion of American Samoa and Trust Territory of the Pacific Islands in State Programs

(b) Subsection (f) of section 11 of such Act is amended by striking out "and Guam; and, for purposes of sections 4, 7, 12, and 13 only of this Act, American Samoa and the Trust Territory of the Pacific Islands, and for such purposes" and inserting in lieu thereof "Guam, American Samoa, and the Trust Territory of the Pacific Islands; for American Samoa and the Trust Territory of the Pacific Islands".

Application of Minimum Allotment Percentage

(c) Clause (B) of section 11(g)(1) of such Act is amended by inserting "the Trust Territory of the Pacific Islands, American Samoa," following "Guam,".

PROVISION TO ALLOW SOLE STATE AGENCY TO SHARE FUNDING WITH ANOTHER PUBLIC AGENCY

SEC. 8. Clause (ii) of section 5(a)(1)(A) of the Vocational Rehabilitation Act is amended by inserting "or any other public agency" following "another agency of the State".

TAKING INTO ACCOUNT OUTSIDE VIEWS

SEC. 9. Subsection (a) of section 5 of the Vocational Rehabilitation Act is amended by striking out "and" at the end of clause (13), by striking out the period at the end of clause (14)(C) and inserting in lieu thereof "; and", and by adding at the end of such subsection the following new clause—

"(15) provide satisfactory assurance to the Secretary that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the administration of the plan, the views of, among others, individuals who are recipients of vocational rehabilitation services, individuals who represent citizen groups, individuals who represent professional groups, and individuals who are providers of vocational rehabilitation services."

INCREASE IN TRAINING ALLOWANCES

SEC. 10. Paragraph (B) of section 13(a)(2) of the Vocational Rehabilitation Act is amended by striking out "$25" and inserting in lieu thereof "$30".

INCREASE IN AMOUNT FOR EVALUATION

SEC. 11. The subsection redesignated as subsection (d) of section 7 of the Vocational Rehabilitation Act by section 2(b) of this Act is amended by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000".

PARTICIPATION IN THE COST OF SERVICES

SEC. 12. Subsection (a) of section 5 of the Vocational Rehabilitation Act, as amended by section 9 of this Act, is further amended by striking out "and" at the end of clause (14)(C), by striking out the period at the end of clause (15) and inserting in lieu thereof "; and", and by adding at the end of such subsection the following new clause—

"(16) provide, in any case in which an individual is able to participate in the cost of his rehabilitation under the State plan, for such participation in accordance with regulations prescribed by the Secretary in the light of such ability."

TIME LIMITATION ON WORK EXPERIENCE

SEC. 13. Subsection (a) of section 5 of the Vocational Rehabilitation Act, as amended by sections 9 and 12 of this Act, is further amended by striking out "and" at the end of clause (15), by striking out the period at the end of clause (16) and inserting in lieu thereof "; and", and by adding at the end of such subsection the following new clause—

"(17) provide that where an individual participates in a program of work experience under the State plan, such participation shall not exceed one year in duration."

ALLOWING STATE AGENCY FOR THE BLIND TO ACT AS STATE EVALUATION AND WORK ADJUSTMENT AGENCY

SEC. 14. Paragraph (1) of section 15(c) of the Vocational Rehabilitation Act is amended by striking out "(other than the State blind commission or other agency providing assistance or services to the adult blind)".

INCLUSION OF INNOVATION IN REGULAR STATE PROGRAM

SEC. 15. (a) The Vocational Rehabilitation Act is amended by striking out section 3 thereof and redesignating sections 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, and 18, and all references thereto, as sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 16, respectively.

(b) The Vocational Rehabilitation Act is further amended by striking out—

(1) "(except for expenditures with respect to which the State is entitled to payments under section 3)" in section 2(b);

(2) "and section 3" in section 2(c);

(3) "or 3" wherever it appears in the section redesignated as section 4(c) by subsection (a) of this section;

(4) "or 3" in the first sentence of the section redesignated as section 5 by subsection (a) of this section; and

(5) "and 3" in the section redesignated as section 14(d) by subsection (a) of this section.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 16. The Vocational Rehabilitation Act is amended by inserting after the section redesignated as section 14 by section 15(a) of this Act the following new section:

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 15. An individual who, as a part of his rehabilitation under a State plan approved under section 4 of this Act, participates in a program of work experience in a Federal agency, shall not, by reason thereof, be considered to be a Federal employee or to be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits."

EFFECTIVE DATE

SEC. 17. The amendments made by this Act shall become effective with respect to appropriations for fiscal years beginning after June 30, 1973.

Mr. RANDOLPH. Mr. President, the able Senator from California (Mr. CRANSTON) has, in an effort to expedite the consideration and passage of this legislation, spoken very effectively.

Mr. President, I take this time only to express appreciation to the Senator from California (Mr. CRANSTON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from New York (Mr. JAVITS), the Senator from Vermont (Mr. STAFFORD), and to all of those who have worked not only this year but also last year on the Rehabilitation Act of 1972, which I presented last year and which I introduced again this year, because the measure I introduced is the same as the measure vetoed by the President in 1972.

We will recall, Mr. President, that when we voted last year on this measure, the yeas were 70 and the nays were 0. I mention this because in a sense we are covering the same territory this year. That is the reason that we are not frankly debating the issue at length. If there are amendments offered, then certainly there may be discussion on them. The able Senator from Ohio (Mr. TAFT), I believe, is going to direct his attention to certain matters that were of concern in the Labor and Public Welfare Committee and are of concern here in the Senate today.

So S. 7, the Rehabilitation Act of 1972, is before the Senate. I think that in a way it is a challenge to all members of the Senate to demonstrate to the millions of handicapped persons, persons who are elderly, persons who are middle aged, and persons who are very young that the handicapped population of the United States is a concern of this Congress. We so expressed ourselves last year and I hope that we will be able to express ourselves in the same unanimity that we did in 1972.

It is not enough to be concerned and to speak words of concern. It is important to take the necessary action in the Senate and the House of Representatives to give to the President of the United States that type of measure which in a sense goes into new ground. We take care, for the first time, of the severely handicapped, as the Senator from New York knows, giving that the impact and the imprint as we attempted to do last year in the measure that was vetoed.

So these are the services, rehabilitative in nature, which go to the strengthening of America and all its people, not only those who are directly assisted by the many programs.

I once again express appreciation to all members of the Subcommittee on the Handicapped, which I have the responsibility to chair, and to all members of the full committee, and I hope that I will be able later to thank all Members of the Senate for giving their support to this measure and bringing it to a prompt passage.

Mr. President, I am gratified to express my wholehearted support for S. 7, the Rehabilitation Act of 1972.

At the outset, I want to bring to the attention of the Members of this body the outstanding effort exerted in developing this legislation by the manager of the bill and ranking majority member of the Subcommittee on the Handicapped, Senator CRANSTON. His concern for the needs of handicapped individuals is unsurpassed, and much of the credit for the pending measure must go to him.

On January 4 of this year I introduced this bill, S. 7. As I earlier indicated, its form was identical to that which the Congress adopted unanimously last fall, and which was vetoed by the President of the United States. Since rehabilitation legislation has received so much attention from the Senate Labor and Public Welfare Committee and the House Education and Labor Committee, and from both Houses of Congress, this can hardly be considered new legislation. It is the culmination of months of thorough and diligent effort by many people.

As a result of the President's veto of H.R. 8395 last October, the Subcommittee on the Handicapped held further hearings on the same measure, reintroduced as I indicated as S. 7. In addition to solicitation of statements from interested persons and groups, and hearing the testimony of the administration, the committee reviewed the entire legislative history of the bill, including the more than 1,700 pages of testimony taken during our hearings last year. With the exception of the administration, support for the bill as written was overwhelming and enthusiastic. There is no question that groups representing handicapped individuals, rehabilitation agencies, rehabilitation facilities, and rehabilitation medical specialists believe that the vetoed bill was long overdue and a huge improvement over existing law.

In a spirit of accommodation to the administration, the committee did agree to reduce the level of authorizations for the proposed program. The reported bill contains a first year authorization of $1.056 billion, only slightly higher than the 1972 authorization under the Vocational Rehabilitation Act. In addition, the commitee agreed to reduce authorizations for special projects, research, and training by another $225 million in subsequent years.

The reported bill includes a provision to clarify the reference in the supplemental Appropriations Act, 1973, by means of a technical change in section numbers applicable to the pending Rehabilitation Act. It will assure funding under the Appropriations Act, rather than the continuing resolution, and permit an additional $50 million to be expended for rehabilitation services.

Mr. President, examples of problems that handicapped people encounter, and which graphically highlight the need for this legislation, come across my desk very frequently. I am certain that my colleagues are also acquainted with problems of handicapped individuals in their own States. One such example is that of physical barriers to handicapped persons. Although the Architectural Barriers Act was adopted in 1968, handicapped individuals have observed very few improvements in public buildings, in housing, or in transportation which ease their accessibility to such facilities. Those things that a person without handicaps take for granted—stairs, escalators, narrow doorways—are often insurmountable obstacles to thousands of handicapped individuals. It is for this reason that I included in the Senate bill last year, and retained in S. 7 this year, a provision establishing an Architectural and Transportation Barriers Compliance Board, to ensure the enforcement of the Architectural Barriers Act of 1968, and to obtain recommendations for additional laws or administrative rules which would improve accessibility in all public places for handicapped individuals.

This is just one situation of many which justify the provisions contained in S. 7 as reported. Another urgent need that is fulfilled in this measure is services for individuals suffering from end-stage renal disease. Although State rehabilitation agencies do assist in the provision of dialysis machines and treatment for those with severe kidney disease, some 5,000 people die each year simply because funds are not available to provide the means to treat their illness. This is a shocking inadequacy and one that must be immediately rectified.

In addition to the basic rehabilitation services provided in S. 7, a number of target population programs were included because a number of groups have in the past been poorly served, or not at all. Some of these are the deaf, the spinal cord injured, the deaf-blind, and the older blind. Comprehensive rehabilitation services are authorized for handicapped individuals for whom a vocational goal is not possible or feasible. Funding for this program is separately authorized; it is not large compared to the basic program, but it meets a need that is not being met by any other program.

Mr. President, all these statements have been made before—by myself or by others—in the report on the bill, or on the floor of the Senate in connection with the passage of H.R. 8395. Two points must be borne in mind as we consider this legislation today. First, there are between 7 and 12 million handicapped citizens who are waiting and wanting to be helped by this program. We will not be able to help them all with S. 7, but we will do a much better job of it than we have in the past. If we do help them, we help all of us; not just from the standpoint of exercising compassion and improving the lives of millions of our fellow human beings but also from the standpoint of allowing these same people to become full, taxpaying members of our society instead of permitting them to be doomed to the life of welfare recipients.

This bears on the second point I wish to make, Mr. President. The Federal vocational rehabilitation program is perhaps the most cost beneficial of all our Federal programs. For every dollar spent on rehabilitating a handicapped individual, at least $3 to $5 are returned in taxes, increased earnings, and reduced welfare payments. Some estimates consider the ratio to be, in some cases, as high as 50 to 1. The conclusion is inescapable: the more funds that are invested in this program, the more this country gets back—3, 5, or 50 times more. Opposition to such a program on the basis that it costs too much is very shortsighted indeed.

I support the enactment of S. 7 and urge each of my colleagues to join in that support.

Mr. JAVITS. Mr. President, so far as the minority is concerned, which minority agrees with the bill, the bill will be managed on our side by the Senator from Vermont (Mr. STAFFORD), who is the ranking minority member of the Subcommittee on the Handicapped. However, I would just like to make a brief observation in the same spirit that the Senator from West Virginia did and will then entrust our side of the case to the Senator from Vermont (Mr. STAFFORD).

I, too, would like to join with the Senator from West Virginia in congratulating the Senator from California (Mr. CRANSTON) and the Senator from Vermont (Mr. STAFFORD), who have piloted this bill to its present stage. I also thank the chairman of the committee, the Senator from New Jersey (Mr. WILLIAMS) for having the matter brought up and handled so promptly on the floor. I also thank the Senator from West Virginia with respect to the actions of the Subcommittee on the Handicapped which he heads.

Mr. President, I would like to also add a word of appreciation to the Senator from Ohio (Mr. TAFT) who will be offering amendments to facilitate in every way our early consideration of the measure and who will, I understand, handle the amendment with a celerity which will indicate that, while he may feel deeply about the amendment, he agrees with the general concurrence on the general thrust of the bill and its purpose.

Mr. President, since the enactment of the first vocational rehabilitation statute in 1920 through its major expansions in 1943, 1954, and 1960, vocational rehabilitation legislation has enjoyed great bipartisan support here. In fact, a number of the members of the minority both on and off the Committee on Labor and Public Welfare have cosponsored this bill. That is further evidence of the bipartisanship which characterizes this measure.

As the legislative authority of the Vocational Rehabilitation Act has run out and is now proceeding under a so-called continuing resolution, it is our responsibility here to enact with dispatch new legislation in order to sustain the capacity of the State agencies and those in the field for program development and planning as well as delivery of essential services.

The matter of a formula revision in the basic program—a change which elementary justice demands be made—can be taken up separately from this bill and need not becloud the legislation before us at this time. That is why S–7 provides for appropriation authority through fiscal year 1976 for all programs except State services—part B of title I—which is authorized through fiscal year 1975. Thus we will be able to deliberate on the State formula question unencumbered by other issues. This simply follows the pattern approved by the Congress last year in H.R. 8395, the bill subsequently pocket vetoed by the President.

This measure draws upon the experience of the past half century and provides new emphasis on the severely handicapped, the homebound, client services and participation, opportunities for employment of the handicapped and administrative improvements.

I am particularly pleased that the problems of the homebound are now given specific recognition in several parts of the bill. These individuals must not be left out of the mainstream of life simply because no priority has beeen placed upon serving them. For the first time States are required to try to find services, and methods of delivery of those services, from which the homebound may benefit. I was pleased to have authored this provision.

A final word. In these days of budget constraints, I believe it is important to note that vocational rehabilitation is not just another welfare program. It not only produces "human dividends," but it also produces "cash dividends" by virtue of the handicapped becoming productive and because it turns what could be tax consumers into taxpayers. It is a program with a hard nose as well as a soft heart.

For all of those reasons, Mr. President, I favor the bill, as most of the minority have favored it. I hope very much we will not run into the same problem that we ran into with the pocket veto of the President before, but that this bill will become law.

I might say, too, that if we should go on a different kind of financing scheme, special revenue sharing or whatever, the legislative provisions of a bill like this, giving the ground rules by which money shall be spent in this field, are still vital, and I hope the President will have that in mind when he comes to consider putting his signature on this bill.

Also, I think it will be very important that the vote in the Senate be great enough to indicate to the President how strongly we feel about this measure, because I think that, too, could be a very important factor in what happens to it when it gets to the White House.

Again I congratulate both the managers of the bill, the Senator from California (Mr. CRANSTON), and the Senator from Vermont (Mr. STAFFORD).

Mr. STAFFORD. Mr. President, I found it a real privilege to serve on the Subcommittee on the Handicapped of the Committee on Labor and Public Welfare with the Senator from California (Mr. CRANSTON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Ohio (Mr. TAFT), the Senator from West Virginia (Mr. RANDOLPH), and with the Senator from New York (Mr. JAVITS), who is the ranking minority member of the full committee. Like the others, Mr. President, I think we are essentially replowing the ground of last year.

The Rehabilitation Act of 1972 (S. 7) is designed to help handicapped individuals achieve their full potential in our society.

The tentative findings of the most recent study by the General Accounting Office have led us to the conclusion that the present legislation in this field has failed to achieve that goal.

The Vocational Rehabilitation law, which would be amended by S. 7, was a first step in seeking ways to help the handicapped assume meaningful roles in our society. S. 7 is the logical second step. It will provide no final solutions, but I am convinced it will be effective primarily because it will give handicapped citizens the opportunity to help decide their own future.

It is unfortunate that President Nixon felt that he could not sign H.R. 8395, the bill passed overwhelmingly last year by the Congress. The bill now before us, S. 7, is substantially similar to the conference report of H.R. 8395. The committee could find no meritorious reason to make any significant changes in last year's bill after again taking testimony from witnesses in January of this year and from the administration in early February.

Amendments to S. 7 were offered on behalf of the administration at the subcommittee level and as has been stated by the floor manager, Mr. CRANSTON, they were unanimously rejected.

Mr. President, there are an estimated 7 to 12 million handicaped individuals in our Nation who have not realized their full potential in performing at some job. In the last fiscal year, it was estimated that 1 million disabled persons were served by State vocational rehabilitation agencies and approximately 300,000 of those individuals were reported to be rehabilitated. It is clear that we still have a long way to go, just as it is clear that this legislation and the funds authorized by it will not meet all of our national needs. But, this legislation can guarantee that many more individuals with severe handicaps will receive more responsive services than at present.

The Rehabilitation Act of 1972 has been delayed too long and it is now time to pass this bill and get it enacted into law.

In the past, the Vocational Rehabilitation program has tried to provide services to those individuals whose handicaps have been substantial enough to limit their participation in the employment process or the society around them.

When the program was originated in 1920 (Smith Fenn Act), it was designed to help the handicapped individual cope with his environment and to obtain gainful employment. In the 53 years of the program, its basic framework has remained intact although the program has been substantially enlarged over the years.

Tentative findings of the still unpublished GAO study, which has been available to the subcommittee, portray a program which seems to have lost some of initial direction and has gotten snarled in the bureaucratic numbers game. The GAO found that first, the programs once so hearlded were not serving individuals with substantial handicaps, nor second, was the program beginning to serve the increment of increase in the handicapped population. The hearings held last year by the Subcommittee on the Handicapped and again updated by submitted testimony this year bore out this tentative finding to the satisfaction of the subcommittee members. Thus, we have chosen to amend the existing "Vocational Rehabilitation Act" with the "Rehabilitation Act of 1972."

Hopefully, we have brought forth a program that will redirect needed services to some of those individuals whose handicaps are most severe. I think that certain provisions, such as the individualized written program, client assistance, Office of the Handicapped, and new initiatives in mid-range research, will redirect the program toward those handicapped individuals most in need of services.

I shall not dwell on those areas of the bill which have been covered except for one or two which I feel do the most to humanize the rehabilitation "system."

I would again like to review for my colleagues testimony the subcommittee heard on May 26, 1972 from Mr. James Stearns, a senior at Dartmouth College, who came to the subcommittee as a consumer of services under the vocational rehabilitation programs. Mr. Stearns, who suffers from cerebral palsy, had this to say to us:

> Granted, I have had some personal, physical obstacles to overcome during my lifetime and I do have certain physical limitations which I must live with.
>
> However, I do not consider myself to be handicapped either in the traditional sense or the literal sense. I am not handicapped because of the understanding and the attitude that has prevailed in my own home throughout my lifetime.
>
> My parents instilled in me a value system and an outlook on life in which handicap was never a factor that I had to contend with. I am one of the more fortunate people in this world, because, Mr. Chairman, there are individuals in this country who have cerebral palsy who will never achieve anything that I have achieved. In fact, many may never be able to walk by themselves, feed themselves, or even talk and communicate as I am doing here today.

Mr. President, I would like to take time to acquaint my fellow Senators with what I consider some very important aspects of Mr. Stearns' testimony and the dialog that we had afterward.

> Mr. Chairman, if I leave any message with you today it is my belief that the disabled have to get up and fight for the things they believe in because only they are in a position to know what this Government should do for them.
>
> We are in a new age in rehabilitation. We have opportunities opened up that, when I was growing up, never existed. Yet new opportunities always bring new responsibilities. If the disabled of this country assume their responsibilities in shaping the policy that affects them, the rehabilitation program will be one of this Nation's lasting successes.
>
> I hope, therefore, that whether you write it into the law or write strong report language, you specifically recognize the need to involve the handicapped themselves in this program at all levels; that the handicapped themselves be given a strong voice so that

they may become contributors to this program and not merely recipients of it.

Senator STAFFORD. I would like to join in what you have just said and tell you, Mr. Stearns, that we certainly as a committee appreciate the effort you have made to come down here as an individual, not representing any group.

I think on the basis of your presentation here that Dartmouth College would be pleased to claim you as their representative in front of this committee.

I do have one or two questions for you.

Taking into consideration your experience, what would you consider should be a major element in the vocational rehabilitation program that we provide?

Mr. STEARNS. Senator Stafford, perhaps the most important thing is that idea of consumer participation which you have already talked about. Consumer participation is important because the critical factor in the minds of most handicapped people is whether they are able to develop a sense of independence.

If I may illustrate my point with some experiences of my own, if there was one reason why I was able to be at Dartmouth College this year instead of out of school, it was that my family and community pushed me to develop a sense of independence. In every program I had, doctors, therapists, and my family consulted me on everything that was going on, and demanded that I make the final decisions in those programs, although some of those decisions were pretty hard to make.

That prescription did instill in me a sense of independence and has enabled me to make my own judgments and to get on in the outside world.

That is why every rehabilitation program must have a mechanism for consumer participation. If you do not develop that sense of independence, there comes a day when you are so used to having other people make your decisions that you are not able to get out in that outside world and participate and become rehabilitated.

Senator STAFFORD. In your prepared statement, you say. "If I leave any message with you today, it is my belief that the disabled have to get up and fight for the things they believe in because only they are in a position to know what this Government should do for them."

Could you elaborate for the committee on this statement?

Mr. STEARNS. Certainly, Senator Stafford.

I think it is quite obvious that the best person to tell you about disability is the handicapped persons himself. He is the only person who has lived through it. He is the only person who really knows what is going on in his head.

My study has been directed toward the goal of developing those tools necessary to make the disabled active participants in the political process. I have tried to do three things; one, outline what the Federal Government has done, up to the present time, for the disabled; what rights do they have; what benefits do come their way; do that first of all.

Second, outline what the Federal Government is contemplating doing—so that the disabled will understand what may come in the future, and can come down here and give you some input on proposed legislation.

Third, and probably most important. Senator Stafford, is to analyze simply how policy for the disabled is made and what specific types of input the Members of Congress, of the executive branch and of State agencies would like to have.

I think this is most critical.

Mr. Chairman and Senator Stafford, when I was growing up, I was not aware of many of the benefits that could have come my way. I was even less aware of what I should do to get those benefits. I suggest in this new age of rehabilitation we must have a consumer group of disabled who are knowledgeable, they know what to do, to come down here and effectively influence legislation. I think if we could develop a disabled consumer group, we are going to have better legislation coming.

Senator STAFFORD. One more question.

I am considering strengthening the existing legislation by requiring that under basic rehabilitation programs that priority be given to those who handicaps are most severe.

What would your reaction be to such a proposal?

Mr. STEARNS. Senator Stafford and Mr. Chairman, everything I can say is that this—has got to be what comes. I had a lot of experience in debating in high school. But I wish I could be more eloquent here and try to tell you why.

Let me tell you a short story of my growing up.

When I was 5 or 6, we had 10 cerebral palsy cases in the room. We had a special nursery. When I was 6, I got out of the room. I did not have much of a disability. Once I got into the Laconia Schools, I went on to prep school and Dartmouth.

But one person made it out of that room, Senator Stafford—one out of 10. The others had very severe handicaps, just as good minds, but more severely physically handicapped.

I go back there every once in a while, and see those people on the streets. I say, "Well, what are you doing now? How are you?" They say, "I am not doing anything, just nothing at all."

You know, they still cannot get those services they need.

Mr. Chairman, people like myself, we can make it. I do not think we need the services that much. We can make it. But we want those disabled who are more severely impaired to make it with us; because if they do not make it with us, then our making it just does not have any meaning at all.

I just hope, I just hope we can get that emphasis on this severely disabled.

Senator STAFFORD. I think your appearance here is a great credit to you and will be helpful and an inspiration to this committee.

I thank you very much.

After listening to and later rereading a couple of times the statement and questions and answers, I felt that Mr. Stearns' point about the client participation in his own program and the system was probably the most important one that could be introduced into the rehabilitation system. It is to this end that the Individualized Written Rehabilitation program was placed in the original bill and remains in S. 7. It is apparent from what Mr. Stearns said and from the testimony of other witnesses that the handicapped client was not being consulted or contributing to the rehabilitation plan that was being constructed to help him. The concept of the written program is basic to the individual's rights under the program. It offers both the system and the client an opportunity to work together in developing a program that is designed for the rehabilitation of the client.

The written program should serve as a road map for the rehabilitation process and it should provide for intermediate goals through which the counselor and the client can measure progress. The written program must be formulated with a vocational goal as its objective. While it is realized that every client may not be able to achieve a vocational goal, the opportunity for that achievement must be available to him, at least until such time as the counselor can beyond a reasonable doubt support such a change in goal. The client must also be an equal participant in that decision.

There also could develop a situation where outside influences could modify the plan, such as lack of available funds or insufficient services. These factors might alter timetables but they should not affect the long range goal of the individual. To quote the report on S. 7:

> The individualized written rehabilitation program represents an understanding between the vocational rehabilitation agency and the handicapped individual. It is expected that its terms will be carried out, unless these are special mitigating circumstances. In such cases it is expected that alternative service approaches or timetables will be sought and that rehabilitation objectives previously agreed upon will not be altered unless renegotiated by both parties.

Besides providing the individual and humane influence on the system, this written program can also serve as a yardstick for the evaluation of the system at all stages of operation. The individualized written rehabilitation program is important to help make this new system work for the handicapped individual be his disability severe or the most severe.

It should also be noted that this bill, for the first time in legislative language, places special emphasis on the severely handicapped and has the State establish a priority order of services to be given to the individual client. I feel very strongly that the system should immediately redirect its priorities, and that in 1976 when the legislation comes up for renewal, it should be convincingly demonstrated that the program is performing the function for which it was established. I am quite aware, as is the committee, that in order to achieve the goal of redirection of the priorities of services that RSA must quickly establish a new system of reporting which does away with numbers and concentrates on the quality of the services provided. I hope I do not hear about sheer numbers rehabilitated at the next set of hearings, all the while knowing that a new GAO study is saying that those being served have questionable handicaps and other individuals are being denied services, as was the case during the 1972 hearings on this bill, and the releases from RSA after the President pocket vetoed the bill in October of last year.

Providing services to the severely handicapped individual is costly and time consuming and presents many new problems for the rehabilitation system. It was brought to the committee's attention that quotas were imposed on counselors by the numbers reporting system and that this quota system is most effective in excluding those individuals whose handicaps are most severe. Thus, it is incumbent upon the Administrator of RSA to develop as soon as possible a new system of reporting which emphasizes quality and not merely quantity.

The system of client assistance worked out in conference last year is again an attempt on the committee's and Congress' part to instill in the system a responsiveness to the human needs of the handicapped individual while he is participating in the system. I think that the client assistance system is needed and will serve as a perfect complement to the individualized written rehabilitation program. The rights of the client to participate in the shaping of his own future and to receive speedy service from the system are undeniable.

Mr. President, there are many more aspects of S. 7 that deserve to be dealt with before I close but time is of utmost importance so I will only take a few more minutes to comment on the necessity for redirection of research, the sheltered workshops study and my two amendments on employment of handicapped indviduals within the Government.

First, the committee, after hearing much testimony last year, decided that the primary function of research under this act should be directed to alleviating the problems of the handicapped individuals. The midrange research goal and engineering center are designed to provide needed devices and practical solutions to problems encountered daily by handicapped individuals. It was strongly felt that all research programs and projects should be coordinated within HEW so as to obtain the maximum use of the limited dollars available. Thus, it is RSA's primary function to respond to the needs of the handicapped in the research area. An important addition to the evaluation system is a provision I introduced and which was accepted for continued observation of research to make sure it is directed toward the goals which will benefit the handicapped individual.

The sheltered workshop study of section 505 of S. 7 was written in response to what was felt to be a general lack of objective knowledge about workshops and their functions in the system. The objectivity of the study is its prime merit and the functions supplied by resolutions of the committee supply some of the basic questions that remain unanswered. The misinformation that seems to permeate the subject area of workshops is reenforced by both sides of the argument. I should like to add that the report language specifies this study is to be comprehensive, and the committee still feels that a significant portion of the funds under title V should be used in this study. It is also expected that the study should be an original and not a compilation of past studies.

The study is important if the committee is to act wisely when the program comes up for review.

Last, I would like to comment on the two of last year's amendments offered by me; one which was adopted in committee last year to title VI of S. 7, the Office of the Handicapped; and the second to the President's Committee on the Employment of the Handicapped section offered by me and adopted by the Senate. These amendments remained part of S. 7 when it was reintroduced in January of this year. The rationale for these amendments again simply stated is: a handicapped individual has more insight into the problems of the handicapped than does a nonhandicapped individual.

For many years the Federal Government, through the Congress, has voiced its feeling that, given the opportunity and training, most of America's handicapped individuals are capable of supporting themselves and of contributing fully to society. My amendments simply take the Federal Government at its word and say that a qualified, handicapped person should be employed in the Federal program. This is a small start in what I think is an important direction for the handicapped and for the Government programs which try to deal with the problems of the handicapped, both in rehabilitation and in everyday life.

Mr. President, S. 7, the Rehabilitation Act of 1972 represents a good step in the right direction and I wholeheartedly support it. It is my hope that after this long delay in enactment, the President will sign the bill into law so there will not be any more delays and hardships for our Nation's handicapped.

I yield the floor.

Mr. CRANSTON. Mr. President, I would just like to emphasize the unanimous and bipartisan approach to the bill in the form in which it is now before us. There was unanimous action when reporting it from the subcommittee, and unanimous action in reporting it from the full committee by a vote of 16 to 0 in favor of this bill, and I believe it is in very fine shape at this point.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. TAFT. Mr. President, it may seem strange that a sponsor of the bill, and one who has long supported increasing and improving the participation of the Federal Government in the field of vocational rehabilitation, should be the only person on the floor today to express some reservations with regard to it. I would like to make it clear at the outset that the reservations which I express in no way go to denying or taking a position against the Federal Government lending further support, expressing further concern, or engaging to a considerably, if not greatly, enlarged extent its concern with the entire field of vocational rehabilitation. I think there are few programs on the national scene having to do with health, with manpower, or with palin ordinary humanity that make more sense from almost any point of view from which one regards them.

There would be little doubt, I think, in assessing even the net economic impact on the country, that the vocational rehabilitation programs we have been engaged in have been a very, very good investment, and one which I think we are well merited in applying further resources to.

However, simply because those generalities are true does not mean that every measure that is proposed with regard to vocational rehabilitation—just as with any other measure with an attractive title on it—necessarily in all of its aspects is a perfect measure. I think there are a number of provisions in this particular bill that deserve thorough examination and consideration by the Senate as well as by the House of Representatives. While I think there is little likelihood that we will make any changes on the floor here today of any major importance in the form of the bill, I do think that at this early stage in the session, and in the the early stage of this legislation, it is important to point these things out.

The bill before the Senate at this point, S. 7, contains many constructive and well-conceived improvements to the Vocational Rehabilitation Act. Most of these were included in last year's bill, H.R. 8395, through action of Congress, in response to recommendations made by the administration and extension of the act which expired last June 30, and is continued only under the continuing resolution. This bill is needed by the Nation's handicapped. It is strongly supported by the administration as well as by the Senate. But a number of the features in S. 7 are, in my opinion, ill conceived and unworkable and could actually be injurious to improving vocational rehabilitation efforts.

These features, many of which are in last year's bill, have provided the bases which led the President to veto that bill.

S. 7 does, indeed, differ from H.R. 8395, the vetoed bill. In one agency, for example, 3-year authorizations have been reduced from $3.477 billion in last year's bill to $3.105 billion in S. 7. This change merely alters slightly the contour of S. 7. It does not appear to alter the fundamental defects which have caused its unacceptability to the administration.

S. 7 contains many provisions which I think perhaps would better be deleted. As I have indicated, this does not detract from the overall merit of moving in this area, or the overall merit of the legislation.

I expect to offer certain amendments to delete certain provisions which provide authority for categorical authority on overlapping existing authority, as well as to the budget that has been completed. There are a number of programs that are proposed to be expanded on, initiated under the proposed legislation, which might better belong in fields other than the field of vocational rehabilitation.

Mr. COTTON. Mr. President, will the distinguished Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. COTTON. At this time, I wish to commend the distinguished Senator from Ohio for the statement that he has just made. I assume that is his general statement.

Mr. TAFT. Yes, I have just completed it.

Mr. COTTON. I doubt there is any Member of the Senate who has reason to feel more keenly the need for rehabilitation of the handicapped than the Senator from New Hampshire. Ever since I was 13 years of age, I have had a handicapped brother. The Senator from New Hampshire has maintained him in the little town in New Hampshire where we were born. He is spastic. He has certain handicaps occasioned by damage to certain parts of his brain which control the nervous system.

Strangely enough, he could have been taught to lead a rather productive life because, as is evident in many cases where there are general disabilities, there are peculiar developments in other lines. For instance, my recollection is that he never got very far in school, that while, with the use of both hands, he could write his name, he does have a remarkable natural ability for mechanics and electrical work. He can take a technical magazine containing many intricate charts and he can study them. Sometimes, when someone in the village has an automobile that will not work, they prop him up in a chair beside the car, and he can find the trouble. He can also repair radios. Yet he has been doomed to lead a life of dependency. I am very proud and happy to be able to care for him and do care for him. But he could have had a much fuller life.

So, Mr. President, no one can tell me there is not great virtue in these programs. When we passed the bill unanimously last year, partly because of the almost emotional feeling that the Senator from New Hampshire has, I was one of those who voted for the bill. I had some misgivings because the Senator from Ohio has, with great fairness, I think, and skill and commonsense, put his finger on the weakness of all these magnificent programs.

It seems to me that when we start to deal with programs of this kind, we always go a little too far. This measure carries somewhat less authorization and money than last year's bill. But we are still providing almost $5 billion in authorizations.

As I read the bill and the report, I believe that the same job could be done more economically and, perhaps, at the same time more efficiently if we did not go too far and indulge in so many activities and program them all out. When the time comes for the appropriating committees to deal with it, and they will have to restrict the moneys; and when Congress has specified various projects, particularly with their unanimous and overwhelming vote, the appropriating committees are placed almost in the same position that the President is, when everyone is going after him for the so-called impoundment of funds. The appropriating committees are told, "You have got to appropriate something. You cannot cut any of these activities out. You cannot appropriate for part of them. You must appropriate for all of them."

There are quite a number of activities in this bill. Thus, I feel that the Senator from Ohio—and, incidentally, I note that he was joined within the committee, by the Senator from Colorado, the Senator from Vermont, and the Senator from Maryland, in voting to curtail the expenditures to a certain degree.

I hope that the Senate will give careful consideration to the amendments offered by the Senator from Ohio. I want to vote for the bill—probably I may vote for it anyway on this passage—but I want to vote for a bill to strike at the heart of this problem; but I would like to see some of the underbrush taken out so that it is pointed straight at the target.

As times goes on, if auxiliary programs are necessary, research here and research there can be added.

I therefor commend the distinguished Senator from Ohio. I would hope that the bill could be amended so that some of us could vote for it with a clearer conscience, because if we follow the promise of what was laid down—and I do not want to speak in a partisan way here, but we might as well call a spade a spade—it is quite evident that the policy is to take every one of the bills which the President pocket vetoed—I know it is irritating; a pocket veto is a most obnoxious veto—and throw them back in his face just as they passed before.

Mr. President, I regret that that is the case. It is not usual that we have that kind of partisan infighting right after an election. It usually comes just before an election. When we send back these bills with the fat taken out of them and more streamlined and less expensive, I think Congress will be in a much better position to insist on Presidential support and to override vetoes.

But, no—the pattern is becoming evident. Many of these bills, such as this bill, are fine, worthy bills, are cut a little, perhaps, and are thrown right back in the President's face. That is all right, but it is more important—and I feel this so strongly because of my own experience—to take care of and help the handicapped in this country than to score a political victory or create a political issue.

I commend the Senator from Ohio. I anticipate that I will be able to support his amendments, and I think I shall do so no matter how few join him, even though I probably will vote for final passage.

I thank the Senator for his generosity in yielding so much time.

Mr. TAFT. I thank the Senator for his remarks. They are very appropriate under the circumstances.

I think almost any one of us has had some circumstance among our friends and families in which the whole problem of disability and vocational rehabilitation from that disability has become a necessity, in which we have needed help, applied for and received help in one way or another, according to our various facilities and our various neighborhoods.

Many times we may have found, as I have found, that the facilities were not up to what they ought to be, that the art, perhaps, had not been developed in some instances, with respect to artificial limbs and otherwise, to the point where it should be developed. I have had personal experience with that in connection with one of my closest relatives.

But the question that this bill really presents insofar as the amendments I shall offer are concerned—and the issues that were involved in the veto of the prior measure in the last session—relates to whether or not we are going to keep focused on the target of vocational rehabilitation in this particular effort. It seems to me that with all the pressures we have in the health field today, with rising health costs and tremendous needs and tremendous new treatment programs that have been developed, there is a great temptation, with respect to any bill that comes along, to grab the particular opportunity and move on that opportunity to weld onto some already ongoing program, which has been successful and which is admittedly much needed, many other aspects that are sometimes extraneous.

I speak of that particularly with regard to the amendment I shall offer shortly to strike the comprehensive rehabilitation services, for I think title II of the bill is clearly directed toward establishing a new approach here, an approach toward the totally disabled, rather than staying in the field of doing something about the vocational abilities of individuals who are severely handicapped.

Going beyond that, to the other shortcomings of the bill that we will be aiming at in the amendments of which I will speak briefly, when these amendments are offered, they really relate to setting up new authorities within the Department of Health, Education, and Welfare one way or another to deal with particular facets of this problem.

Whether the proliferation, especially by legislation, of the authority over these areas is desirable or not, I think it certainly is open to a good deal of question. The argument is always made—and it is always tempting to those in a particular agency—that getting a separate name, separate board, separate constituency recognizes in a formal sense that somehow they are going to be able to get a better shake in the budgeting in future years. That sometimes turns out to be true; sometimes it does not. All too often, I am afraid it tends to create confusion and division of authority and sometimes ineffectiveness of particular programs within the overall activities of the Department insofar as health considerations are concerned.

So that I have deep concern whether the proposed changes we are about to enact here today will in the long run strengthen the program toward hitting the target we have been attempting to hit in the past. The continuation of disabling diseases, stroke, unfortunately the very profound problem of Vietnam veterans and some of their needs for vocational rehabilitation, and the preservation of life that has become possible with other medical treatments but has resulted in more people with disabilities—I think all these factors may lead us to question one day, if we simply accept this bill on its face value and adopt all the changes and the multiplications that are involved in it, whether we have taken a sound step at this particular time.

Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 46, line 16, strike out everything through page 51, line 24.

Mr. TAFT. Mr. President, the effect of this amendment would be to strike, starting on page 46 of the bill, all the language in title II which goes through the bottom of page 51.

The purpose of title II, on which I have already commented briefly, is to provide comprehensive rehabilitation services. The bill states that the purpose of title II is to authorize grants to assist the States in developing and implementing continuing plans for meeting the current and future needs of handicapped individuals for whom a vocational goal is not possible or feasible, including the assessment of disability and rehabilitation potential, and for the training of specialized personnel needed for the provision of services to such individuals and research related thereto.

I would be the last to say that there is not a need, a very real need, for many individuals who are disabled, for whom a vocational goal is not possible or feasible, and who have a need for an assessment of their disability and rehabilitation potential, and for the training of specialized personnel needed for that very worthy purpose. But the question really is whether it belongs in a vocational rehabilitation program and whether, with the demands of this particular need—of which there are considerable, indeed—we may not, in effect, be setting up in competition with the vocational rehabilitation programs another door for expenditure, another program which on its own perhaps might be a very worthy program for the Senate to consider.

The likely effect seems to be to divert the vocational rehabilitation program from its clear employment oriented objective to a medical and social service objective, not unlike present services administered by HEW.

Employment is one of the goals of vocational rehabilitation programs. It seems to me it is an essential part of its character.

The danger is that title II would undercut this major strength and threaten such programs as medicare, medicaid, social services under the Social Security Act, development disability programs, and the educational program for the handicapped.

In addition, title II could do a disservice for, being aimed at less than an employment objective, it stops short of the individual's full potential in some cases.

I feel the comprehensive rehabilitation service which is proposed by title II, setting up an additional program for payment to the States but under the aegis of the vocational rehabilitation approach, is not wise at this time. Perhaps separate legislation and a separate budget should be considered for it. but I question seriously whether this should be attached here and start on a new program, and not basically a vocational rehabilitation program according to the bill. For that reason I suggest that the amendment should be supported.

Mr. CRANSTON. Mr. President, we had testimony last Congress and this Congress from many witnesses and from important organizations on behalf of this particular title; for example, the United Cerebral Palsy Association, the National Association of Coordinators of State Programs for the Mentally Retarded, and the National Association for Retarded Children.

I feel it is an error to say this new program would "undercut" the basic VR vocationally oriented basic program. In fact, this program has its own separate authorization of appropriations.

It is also a misconception to consider this a nonvocational program. Basically, this program offers the possibility that some individuals for whom a vocational goal is not initially possible can, with help under this new title, move toward a vocational goal under the basic program.

There is a real and humanitarian need to provide some services—not now available in the vocational rehabilitation program or anywhere else—to assist those who are too old for a vocational goal or too handicapped for one, to live more self-sufficient, independent lives. It is also quite possible that in the course of serving such an individual, a vocational outcome may become feasible.

Through this program, and the individualized written rehabilitation program requirement in the bill—section 102—individuals will not slip through the cracks as "too handicapped" to be helped. The individualized assessment of each person required in the bill will overcome the tendency now to classify an individual as having no vocational potential because he would be "too difficult" a case to rehabilitate. Instead, if that assessment can fairly be made, he still qualifies for title II services.

For these and other reasons elaborated upon at length in the committee report on pages 12 to 14 and 30 and 31, I oppose the amendment and urge its rejection.

Mr. STAFFORD. Mr. President, title II of S. 7, Comprehensive Rehabilitation Services, was designed to assist individuals who may not presently have a vocational goal. Its inclusion in S. 7 marks an explicit resolve on the part of the Congress to build a flexible program which can provide a continuum of services for handicapped individuals. Recognizing that individual conditions are not static and that training can be progressive, this provision realizes that an individual who first approaches a rehabilitation program may not appear to have a vocational goal.

To suggest that those without immediate vocational goals are not deserving of service flies in the face of every value that this Nation stands for. It imposes an inflexibility on the program and on the changeability of the human condition which violates the individual's right to equal opportunity and equal protection of the law.

For those reasons and the reasons advanced by the Senator from California, with reluctance I have to oppose the amendment of the Senator from Ohio.

Mr. CRANSTON. Mr. President, I wish to point out that this amendment was offered in committee and rejected unanimously by the subcommittee.

Overwhelming testimony has demonstrated to our satisfaction that there are no existing programs meeting the rehabilitation needs of individuals which title II is designed to address.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. TAFT. Mr. President, I would like to go over the matter in more detail at this point, and mention similar authorities that already exist in the present law with respect to treatment of the type we are talking about under title II.

We have service programs for families and children and for aged, blind, or disabled individuals under titles I, IV—parts A and B—X, XIV, and XVI of the Social Security Act, we have medicaid eligibles under title XIX of the Social Security Act, who may receive specified services of a purely medical nature, depending on the extent of coverage under the Medicaid Act in each State, and we have individuals who have been receiving disability insurance benefits under title II of the Social Security Act for 24 months or more who have been made eligible for medicare under title XVIII of the Social Security Act.

So we already have in this field quite a number of programs that are ongoing, to add to them and in some cases to delegate them under the caption of "Vocational Rehabilitation." It seems likely to cause a degree of confusion and I hope this could be avoided.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. COTTON. Mr. President, I wish to call to the attention of the distinguished Senator the fact that in our Subcommittee on Appropriations, the subcommittee that handles Labor and HEW, and I have been the ranking minority member of that subcommittee for nearly 12 years, each year we have been appropriating more for the very programs that the distinguished Senator from Ohio outlined so well. I find it difficult to believe that those programs that we are financing cannot and do not reach into every crevice where it is necessary. I realize we had the vetoed bill last year, which was a new situation, but I refer to those programs already in HEW and in other departments, but in particular the ones in HEW.

With respect to these objections about people who are ineligible, those instances must be very rare for I doubt if there are any instances where there has been rejection on the grounds suggested by the distinguished manager of the bill. We keep increasing those appropriations but one great trouble is that we counted this last year 27 training programs running through HEW, the Department of Labor, the Department of Agriculture, the Pentagon, the Veterans' Administration, the Department of Interior, and there are more. We counted 27 ongoing programs and a large number of them reach the blind, handicapped and others in almost every circumstance. I feel so strongly that what we do not need is a further proliferation and splintering of these efforts under new heads and new organizations. What we need, as has been so well said by the Senator from Ohio, is to stick to the part of the bill that really reaches the target, and there is a need to lay a firm foundation for rehabilitation of the handicapped. I want to vote for it. I think the Senator from Ohio is so right in this particular amendment, and I shall certainly support it.

Mr. TAFT. I thank the Senator for his remarks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment. (Putting the question.)

The amendment was rejected.

Mr. TAFT. Mr. President, I send an

amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be read.

The legislative clerk read the amendment, as follows:

> On page 78, line 2, after "1974" change the semicolon to a period and strike all through "year" on line 3.

Mr. **TAFT.** Mr. President, the effect of this amendment, which relates to the section of the bill that provides for grants for services for end-stage renal disease—that is, kidney disease—would be to delay for the fiscal years after the fiscal year for which we are currently budgeting—in other words, after the fiscal year ending June 30, 1974—the authorizations of $25 million for the fiscal year ending 1975 and for the succeeding fiscal years thereafter.

The reason why I suggest that this deletion should occur is that, again, in a vocational rehabilitation bill we are adding an emergency program. I certainly am not one to deny the need in an emergency. I think all of us have been contacted by friends, constituents, and others who have presented very tragic circumstances with regard to those who were afflicted with kidney disease that necessitated transplantation or treatment by artificial kidney machinery that is involved in a dialysis type of operation. The need is there, but in this very brief section of the bill we really have very few directions of any kind, other than a mere grant of money, or an authorization of a grant of money, and, again, I think a grant of money that would be questionable as to its actual size or adequacy, in meeting the needs nationally, if that is what we are trying to do, that are found in the vocational rehabilitation bill.

I have talked with a number of physicians of my acquaintance, and, to a man, they have concurred with my impression that end-stage renal disease is not a disease for which vocational rehabilitation is a remedy or a treatment that is generally prescribed. There is a major physical problem that is vocationally related. Before one can proceed or before one should proceed medically to the medical aspects that might develop at some later time of a particular case, one has to deal with that medical problem, one way or the other, by transplantation, by continued dialysis, by other treatment, but basically there are medical treatments other than vocational rehabilitation.

I think this was amply testified to just the other day on the floor of the Senate. The distinguished Senator from Minnesota (Mr. MONDALE), just on February 26, introduced S. 994, the Kidney Transplant Act of 1973. This measure, if passed, would establish a major program under the Secretary of Health, Education, and Welfare to make grants, on approval of State health authorities, and provide for very comprehensive State plans. It goes into great detail as to the very difficult medical program that is involved. It even goes into training grants for care of renal disease. It goes into the establishment of a renal failure center. It goes into the establishment of transplantation facilities and many other aspects that go into the question of handling end-stage renal problems.

I have the feeling that if we throw into this particular bill any authorizations requested, $15 million for this fiscal year, $25 million for next fiscal year, and $25 million for the next 2 fiscal years, we are going to see again a little empire get started, with its own authorization and its own claim for appropriations within the vocational rehabilitation framework, somehow, that really will be competing with a serious, and I would hope very early, consideration of comprehensive legislation dealing with the disease of renal failure.

I have not attempted to cut off the appropriation for this fiscal year, or even the next fiscal year, because it seems to me possible that comprehensive legislation such as embodied in S. 994 might not be considered and passed in time to pick up emergency needs. I know some States are in dire shape to provide for these medical facilities. Certainly no American who needs this treatment should be denied it because of no emergency funding to take care of it. But when we move to fiscal year 1974 and 1975, we are not talking about emergency funding; we are talking about what ought to be a fundamental, comprehensive solution of the problems of end stage-renal disease.

Mr. **CRANSTON.** Mr. President, presently most State rehabilitation programs—41 States serving 4,100 persons—are serving individuals with end-stage renal disease, although they are serving far too few.

Regarding renal disease coverage in H.R. 1, coverage is there provided only after 90 days. The cost for the first 90 days is estimated at $2,000 before medicare would take hold. Also, medicare will not provide eligibility for all end-stage renal cases. It will not cover Federal employees or railroad retirees, for example. Thus, some will fall between the cracks outside the social security system and not be eligible for renal disease coverage under medicare.

I ask this: Why should a man with renal failure and a wife and two children have to become financially destitute in order to be assisted in meeting his catastrophic needs for dialysis or transplant during the first 90 days? That is the present situation for the first 90 days. After 90 days, medicare will cover most cases, but before that, if health insurance does not cover it, the only recourse is medicaid.

It should also be stressed—and I think this is extremely important—that a person can exist with uremia—poisoning of the blood stream by malfunctioning kidneys—for only 19 days. He then will die. He cannot wait 90 days for help.

For these reasons, as well as others set forth very cogently on pages 13, 14, 34 and 35 of the committee report. I urge that the amendment be rejected.

I think we should heed the advice of the National Kidney Foundation, which stated on January 10:

> The recently passed amendments to Social Security, P.L. 92-603, provides comprehensive disability insurance for hospital and medical costs of end-stage renal patients. It does not provide for retraining. The Social Security Administration in its literature states: "Everyone who applies for social security benefits is referred for possible services to his State rehabilitation agency. Their services help many people to return to productive employment."
>
> In reality this bill will complement the kidney disease amendment contained in Public Law 92-603. The committee knows that paying for medical care does not put the patient back to work. In short we submit that the kidney disease amendment in the Rehabilitation Act of 1972 has a strong vocational retraining element; that is, does not duplicate existing services but rather complements them; and it is not a categorical approach.
>
> The National Kidney Foundation, therefore, recommends you once again include kidney disease support in your bill in the 93d Congress.

The thrust of this amendment was also rejected unanimously in committee. I urge that it now be rejected.

Mr. **TAFT.** Mr. President, if the Senator would yield, I would like to ask the Senator whether he listened to the amendment when it was read, because the amendment I have offered was not offered in committee, as I understand it. And the statement made by the Senator from California really had no application to the questions I raised in discussing the amendment. In discussing the amendment I made the point that I was cutting off the 1975 and 1976 funding because I felt that by that time we should not have a duplicate funding situation on the books. I thought that by that time a comprehensive end stage renal failure bill and program should have been put into effect and considered very carefully.

I had hoped that this amendment was one that the Senator would feel would strengthen his position rather than weaken it. All of the arguments that he makes as to emergency funding for the current fiscal year and for the next fiscal year have been considered. I would be the last to say that I do not think money should be provided for this at this time. However, I think that we ought to put on the heat so that we might take care of this without having to take it out of funding for the vocational rehabilitation legislation because this is a problem that is basically a medical problem and one which I think ought to be handled comprehensively under a medical consideration of this subject to help those who have this type of problem.

Mr. **CRANSTON.** Mr. President, all that I said would apply after July 1, 1973. It is correct that this precise amendment was not rejected in committee.

Mr. **TAFT.** Mr. President, I correct the Senator again. The amendment that has been offered is not perhaps the amendment the Senator has before him, because it did not cut off 1974 funding. As read, the amendment cut off funding only for 1975 and 1976. I feel that by then we should have comprehensive legislation.

I would hope that the Senator would agree—and that is through the emergency, really, jury-rigged approach to the problem that we have in this particular section of the bill—that it should be regarded only as an emergency and be phased out within the period of 2 years.

Mr. CRANSTON. Mr. President, as it is, under the Senator's amendment as I now have it, the 90-day gap would not be covered in those years after fiscal 1974.

Mr. TAFT. If the Senator would yield, the 90-day gap would be covered. It would not in any way affect the proposal in the bill with regard to the 1973 or 1974 fiscal year.

Mr. CRANSTON. In fiscal 1975 and thereafter, though, there would be a 90-day gap unless the law had been changed in the meantime.

Mr. TAFT. The Senator is correct. A completely new law has been introduced by the Senator from Minnesota (Mr. MONDALE) this very week. I believe that that bill would have been acted upon by that time. And if not, I think we should have pressure put on again to reconsider this question and not have it drag along and be encompassed in a vocational rehabilitation bill.

Mr. CRANSTON. I think it would be better to wait and see what happens in those future years legislatively. If we find that this situation has changed, we can amend the renal disease program, or not seek funds through the appropriation process. But I would rather deal with that situation when other changes are made in the law, not anticipate such future legislative actions.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was rejected.

Mr. TAFT. Mr. President, I send to the desk an amendment in the form of four amendments and ask that they be considered en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

On page 104, line 1, strike out everything through page 108, line 2.

On page 108, line 18, strike out everything through page 111, line 23.

On page 112, line 1, strike out everything through page 115, line 11.

On page 115, line 12, strike out everything through page 118, line 19.

Mr. TAFT. Mr. President, the amendments, en bloc, that have been proposed relate to pages 104 through 117, and a part of page 118 of the bill. They relate to new subagencies that are set up within the Department of Health, Education, and Welfare. They set up, first of all, in an office for the handicapped, the separate office for the handicapped, an office to be headed by a director really serving as an assistant to the Secretary.

The functions of the office are defined here, and presumably outlined by statute, subject only to the possibility of change by the Secretary of Health, Education, and Welfare or the President under the Reorganization Act. They set up the exact structure that must be used in the handling of this problem.

Insofar as the next item that is changed is concerned, the next agency that is set up is the Federal Interagency Committee on the Handicapped, which spells out in detail the various officials of this group who are to participate. It tends to structuralize the exact way in which discussions between various agencies are to be conducted and the problems of the handicapped shall be carried on.

Next, there is set up a National Commission on Transportation and Housing for handicapped individuals. It has been an ongoing concern that is already provided for in the statutes.

Another board is set up, a board which gets into the line area on page 115 of the bill. It sets up an Architectural and Transportation Barriers Compliance Board, and an Office for the Handicapped.

The establishment of these various boards, commissions, and offices, in the opinion of the Department, is considered to be an impediment. It is a proliferation of entities that is costly and undesirable, since they would tend to fragment accountability for results and further complicate the already almost incomprehensible administrative maze of Federal activities, especially in the Department of Health, Education, and Welfare.

The setting up of these four separate boards proliferates responsibility and makes it more difficult, I think, for the department to fulfill its real relationship to the handicapped. It would be, in my opinion, a great mistake. This amendment would seek to correct that mistake.

Mr. CRANSTON. Mr. President, this amendment seeks to strike four very important new broad-ranging approaches from the bill. This amendment was offered in subcommittee and unanimously rejected.

Mr. President, regarding the Office for the Handicapped, HEW cannot tell us how many information dispensing functions it has and has no single publication explaining all its programs for handicapped persons. It is thus not surprising that it is unable to coordinate all these programs under a central planning and coordinating authority.

HEW has no clear overall handicapped strategy cutting across the many programs dealing with that population—for example, vocational rehabilitation, developmental disabilities, education for the handicapped, mental health, public assistance, VA, and so forth.

With respect to the Federal Interagency Committee on Handicapped Employees—section 701 of the bill—the Federal Government employed, in 1971, the excepted service for the whole Federal Government, only 498 severely handicapped persons were hired, an unquestionably low figure. Currently, there are 1,079 such employees out of 2½ million Federal employees on board, again an unquestionably low figure.

The CSC unit involved in this has a very minimal staff—three professionals. In response to an administration initiative, an amendment in the February 6 executive session made the CSC Chairman the Vice Chairman of the new Interagency Committee.

With respect to the Architectural and Transportation Barriers Compliance Board the two public laws requiring accessibility of federally supported construction and transportation to handicapped individuals have no compliance mechanism. Compliance has in fact been very sporadic, and there is a great deal more that can be done with these laws already on the books to open up more and more buildings, areas, and transportation modes to handicapped individuals.

The laws are not now being enforced; handicapped persons are not being given the help or the access they should be given and which the law requires.

There is still much more to be learned about the provision of such accessibility. The National Commission on Transportation and Housing for Handicapped Individuals provided in this bill—and incidentally, it was originally a House provision—is designed to close that learning gap.

For this and many other reasons, I urge that the amendment set forth very cogently on pages 15, 16, 51, and 52 of the committee report, be rejected.

Mr. STAFFORD. Mr. President, S. 7 would create a Federal Interagency Committee on the Employment of the Handicapped, a National Commission on Transportation and Housing, an Architectural and Transportation Barriers Compliance Board, and an Office for the Handicapped. These entities as such would have no direct connection to the vocational rehabilitation program. They were created to span all programs which affect the handicapped, to deal with serious problems that presently exist, and to escape the restrictions inherent in a single program.

Such problems as unfounded discrimination in employment and in housing, difficulties of access to places of work and treatment centers, and duplication and fragmentation of services across program lines were voiced to the committee.

For this and the reasons stated by the Senator from California, I urge the defeat of the amendment of the Senator from Ohio.

Mr. RANDOLPH. Mr. President, I commend the Senator from Ohio for the diligence and purpose with which he addresses himself when he offers the amendment which we have considered in committee and are now considering on the floor.

There are two factors that he discusses this afternoon which were the subject of amendments, as Senators know, which I was interested in presenting in the Subcommittee on the Handicapped and the full committee. I give only one example: We have the Architectural Barriers Act which was passed by Congress, and I believe my able colleague from Ohio, in his study of this particular problem of providing for the handicapped, realizes that frankly there has been no real enforcement of that statute. Has he checked that out to see just what has happened? That is a failure to provide for the mobility of the handicapped to move in the public buildings in the United States.

Mr. TAFT. The distinguished chairman of the subcommittee is, of course, aware that there are great deficiencies in regard to this program. The act has been on the books for a period of time, and has not really been adequately enforced.

The question I have is whether or not putting it in the law here and setting up a compliance board to survey it will make it any better than the present authority the Secretary of Health, Education, and Welfare would have with regard to the matter, or that the other Federal agencies would have with regard to it. I hope it will, of course, but I have my doubts.

I think what we need in many of these programs is not more boards and commissions; what we need is better enforcement and better attention to what the provisions of the law are. I question whether a proliferation of Federal authorities and a Balkanization, really, of the responsibility involved will have the effect which is desired. I hope it will, but I do not think it is going to.

Mr. RANDOLPH. Mr. President, I can understand the assessment of the Senator from Ohio of this particular problem; and, although we are in disagreement, I think rather than putting a topping on something we are really focusing attention on a deficiency which exists at the present time, in that the architectural barriers and the transportation barriers which are a real hindrance to the movement of handicapped people in the public buildings of the United States is a matter of concern. I consider it, not as proliferation, but as zeroing in on a problem, and we are giving attention to it, I think, in this bill.

Another amendment offered by me established a Federal Intergency Committee on Handicapped Employees, to which the eminent Senator has addressed himself this afternoon. I look upon that, not as the splintering of our effort, but the development of a cohesiveness of an effort to have the Federal agencies give the attention which is necessary to these matters of hiring, placing, and promoting the handicapped that this bill will do.

We need, if we need anything now, and I think we need it very urgently, to be positive and affirmative in our actions in reference to the handicapped segments of our society.

I feel that, in the plans that we make, which include, of course, hiring, promotion, and placement, this perhaps in a sense should be as important as the other programs we have developed. In these two areas that I speak of, the interagency programs for the handicapped workers and the architectural and transportation board we are not, as I said and repeat, attempting to create a circle of redtape, but in fact we are recognizing a need and attempting to remedy it.

For that reason, I would oppose the amendment offered by my colleague from Ohio.

Mr. TAFT. Mr. President, will the distinguished Senator yield?

Mr. RANDOLPH. I am delighted to yield.

Mr. TAFT. I would just like to recognize the fact that the distinguished Senator from West Virginia has provided great leadership in this area and in many other areas of human concern, in, as he has done here today, calling the attention of the Nation to problems of people who have disadvantages of this kind, who are in great need of assistance.

This, however, in my opinion does not really go to the question of the amendment. I would be 100 percent behind the Senator in calling before the committee for hearings, at least once a year, in the exercise of our oversight functions, the Secretary of Health, Education, and Welfare, after having made a request on his Department previously to give us a report in writing as to exactly what has been done with regard to their particular areas of concern. Having the Secretary before us and putting that question to him, and demanding a reply from him, in my opinion, would be far more likely to really tend to bring about the kind of backing, publicity, and effective action that we all want to bring about in these areas.

I question seriously whether appointing someone to a commission or board that gets lost in the masses of bureaucracy somewhere among the hundreds of thousands of employees of the Department of Health, Education, and Welfare is the way that the end the Senator would seek to achieve is going to be achieved. I am afraid it is not a responsibility that we can delegate by simply writing it into the law. However, it is one which we have to take up and assume, and continue to carry the burden of, to make sure that the job is effectively done.

Mr. RANDOLPH. I think that the Senator from Ohio is correct to a degree. I commend him on the belief that we have to have oversight and review hearings, a continuing check. I think committees in the Senate, and in fact in Congress, have been derelict in looking at what the agencies do in carrying out the intent of Congress on many subjects, and I agree with that. I do feel that there is need for continuing authority to make certain that barriers are eliminated and that handicapped individuals are hired in the Federal Government. In one of the items that the Senator speaks to, the employees that will be added, and so forth, neither the Committee nor the Board would create many new jobs. The heads of the agencies existing today are members of both. In a sense, as I understand it, S. 7, calls for coordination, which we have not had before. So when we think of that, we are using, frankly, the existing agencies and we are placing them on notice, if we agree in this bill as we drafted it that there is the existing agency structure, which is to be utilized in hiring, placing, and promoting handicapped individuals. That also applies to the Architectural and Transportation Barriers Compliance Board.

We are using existing authorities but we are saying to them, Senator HUGHES, "We are asking you to do what you failed to do," and that is to give mobility and accessibility to the handicapped, and to give the right and opportunity for employment, promotion, and feasible placement to the handicapped of this country.

So for all those reasons, and they are overriding to me, but I am not in any way disparaging the approach of the Senator from Ohio, I believe after consideration in the subcommittee that the Senate should well trust the majority in reference to these matters.

I hope, therefore, that the amendments will be defeated.

Mr. COTTON. Mr. President, I may have missed it in the RECORD, but I think the RECORD should show that this is an on-going program. In view of the fact that this is one of the bills on which Congress is seeking a showdown with the President, it would be in order to show that the President's estimate of this particular program is over $700 million. The authorization will be almost double that in 1974 and will increase further in fiscal 1975. In other words, if one has listened to the debate up to this point, he could assume that this was a new program and that we on the Appropriations Subcommittee on HEW, who happen to be charged with the responsibility of appropriating, know that the President has not asked for it.

Mr. TAFT. Mr. President, I ask unanimous consent to include in the RECORD a statement by Mr. Stephen Kurzman, Assistant Secretary for Legislation, before the Subcommittee on the Handicapped of the Committee on Labor and Public Welfare.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF STEPHEN KURZMAN

Mr. Chairman and members of the Subcommittee, it is a great pleasure to appear before the Subcommittee on the Handicapped to discuss the extension of the Vocational Rehabilitation Act. My remarks will be directed in particular to H.R. 8395, the Rehabilitation Act of 1972, which was rejected by the President at the end of the 92nd Congress.

I should like to begin my testimony by noting an important coincidence. These hearings are taking place just after the dedication ceremony honoring the late Mary Switzer and renaming the HEW South Building as the "Mary E. Switzer Memorial Building." Mary Switzer was one of the major advocates within HEW and its predecessor agencies for the Vocational Rehabilitation program for more than 40 years, and her efforts and those of many members of this Subcommittee have over the decades contributed greatly to its successful growth. I hope that we can work closely together to produce a bill extending the Vocational Rehabilitation program which will preserve the excellent record which has been so painstakingly achieved.

OVERVIEW

This Administration enthusiastically supports the Vocational Rehabilitation program, which is directed toward assisting vulnerable individuals who, without vocational rehabilitation, would not be able to function physically in a work setting as their more fortunate peers can. The State formula grant program is one of the most successful of HEW's activities. It has done much to assist handicapped individuals, who would depend on others for their well-being, to attain the maximum degree of self-sufficiency and personal satisfaction. No program is more consistent in its objectives with the historic American ideals of independence and equal opportunity for every individual. For this reason the program has enjoyed widespread, and deserved, public support. The great success of this program is attributable principally to three factors.

First, and by far the most important, is its clear goal: the achievement of self-sufficiency through employment. The clarity of this goal makes the program much more accountable to the public since employment is a measurable concept. It also facilitates sound management because all concerned with the program are clear as to its mission.

Second, the program is not only humanitarian, it is also cost-effective. Resources invested today in preventing or reducing dependency can yield major long-term economies in the application of society's resources. One disabled individual may, during a life-time, receive anywhere from $30,000 to $100,000 in public assistance payments. But if he were not dependent, and had an average annual income of $8,000, the same individual in a family of four would pay taxes totalling $42,000 over his lifetime. Thus, when a handicapped person is helped to become a contributing member of society, he is transformed from a charge on the public into a productive person able to contribute through his taxes to helping others.

Third, a sound Federal-State partnership has developed in this program. General policies are formulated jointly, but administration of the program is decentralized so that the States have considerable flexibility in implementation of policy.

These three major strengths of the program are also essential parts of this Administration's views on extension of the Act. We seek to improve the program by building upon its strengths.

ADMINISTRATION'S EFFORTS TO ASSIST THE DISABLED

The Nixon Administration has continued the growth of the Vocational Rehabilitation program and the development of new initiatives in it which were begun in the Eisenhower Administration. For example, when President Nixon took office in 1969, the basic service program authorized by Section 2 of the Vocational Rehabilitation Act was funded at $346 million. The President's budget request for Section 2 in FY 1974 would increase funding to $610 million.

With the growth of the program, we have had to make choices and set priorities. Because of our emphasis in general on providing Federal assistance where it is most needed, we have sought to target services on the severely disabled and on disabled public assistance recipients.

The Administration has set a target of reaching and serving all disabled public assistance recipients. During FY 1972, the program served 191,600 such individuals, 51,084 of whom were rehabilitated and placed in jobs. Additional funds for rehabilitating disabled public assistance recipients are anticipated under Title XVI in the Social Security Amendments of 1972, which will become effective on January 1, 1974. As you know, Title XVI federalizes the administration of such assistance to needy aged, blind, and disabled persons. Under Section 1615 of Title XVI, the Secretary is required to provide for the referral of any blind or disabled individual under 65 to the State Vocational Rehabilitation Agency for a review of his disability and a diagnosis of his need for whatever rehabilitation services are available under the State vocational rehabilitation plan. The Secretary is then authorized to reimburse the State agency for the cost of such services. The FY 1974 budget contains $40 million for this new effort to tie together resources for the benefit of the handicapped.

In addition, we are in the process of developing for the Vocational Rehabilitation program a "weighted case closure system" which will give greater weight to the closing of more difficult cases than to successes achieved with relatively easier ones. Preliminary studies indicate that such a system would result in greater effort to serve those with the greatest need for assistance, who are often the more severely disabled.

Apart from services, Title XVI of the Social Security Act also represents a major step forward for the disabled with regard to their income. When the new adult assistance program goes into effect on January 1, 1974, it will establish a Federal floor on income for the aged, blind and disabled. Nationally uniform eligibility requirements will replace the multiplicity of requirements that now exist in the State-administered programs. These varying requirements have resulted in great inequities for the disabled and the blind. The new Federal floor will provide a minimum income of $130 a month for an individual and $195 for a couple. State governments may, at their option, supplement these levels. The FY 1974 budget request for this program is $1.7 billion for the first half year of assistance payments and $150 million in "hold harmless" payments for States which supplement the Federal payment floor. It is estimated that 6 million aged, blind and disabled persons will receive payments in the last half of FY 1974 under this new program.

In addition, the Social Security Amendments of 1972 also extended Medicare coverage to all the disabled who have been social security disability beneficiaries for two or more years. This new coverage, effective July 1, 1973, is expected to add 1.7 million disabled persons to the Medicare program and increase benefit outlays by $1.5 billion.

Clearly, the Administration is deeply committed to assisting the disabled both through support of improved vocational rehabilitation services and through major commitments to increasing their income and expanding their health care opportunities.

THE ADMINISTRATION'S OBJECTION'S TO LAST YEAR'S BILL, H.R. 8395

Let me say at the outset that H.R. 8395, the Vocational Rehabilitation (VR) extension bill that was approved by the 92nd Congress and rejected by the President, contained in one form or another most of the innovations proposed or supported by the Administration. These included increased training allowances for VR clients being trained for employment through special projects in rehabilitation facilities; extension of the basic State formula grant program to American Samoa and the Trust Territories; authority to reallot unmatched Section 2 funds; authorization of joint funding and administration with other public agencies; increased funds for evaluation; and consultation with consumers in program development at the State level. S. 7 introduced by Chairman Randolph in this session, also includes these provisions. However, while the Administration strongly supports the Vocational Rehabilitation program and urged that legislation be enacted to extend it, we strongly opposed certain provisions of H.R. 8395, and it was these additional provisions which led the President to veto the bill. First, the authorization levels set for the program were in the aggregate far too high. The authorizations for the first year totalled over $1.089 billion and thus exceeded budget requests by at least $423 million, an increase of more than 60 percent. Such an authorization increase only widens the expectation gap and raises false hopes, for these levels are far higher than the Congress would appropriate or the Executive would approve. They are also far beyond the amounts which could be used effectively.

Second, H.R. 8395 contained provisions which would have diverted the Vocational Rehabilitation program from its clear employment-oriented mission to a medical and social service mission not unlike that of numerous existing health and social service programs administered by HEW. As I mentioned earlier, the employment mission is one of the hallmarks of success of the Vocational Rehabilitation program. The proposed change would have undercut its major strength and would have duplicated such existing non-employment programs as Medicare, Medicaid, social services under the Social Security Act, the Development programs for the handicapped.

Third, H.R. 8395 would have established a number of new, independent, categorical aid programs which would have weakened the management of the Vocational Rehabilitation program and raised costs without providing commensurate results. Separate authorizations were added for services to the severely handicapped, the aged blind, those suffering from end stage renal disease, the spinal cord injured, and the deaf. The objectives of all of these new authorities can be achieved under existing law and in fact are being pursued.

The extreme categorization reflected in H.R. 8395 would thus have required duplication of effort and waste. It would have required excessive and costly administration and fostered additional bureaucracies at the Federal, State and local levels. It seemed to us to have been based on the false premise that we in Washington, and only we, know what is best for handicapped people and must order State and local priorities in accordance with our views.

Finally, we also had strong objections to those provisions in H.R. 8395 which would have vested policy and program management in the Commissioner of the Rehabilitation Services Administration, rather than in the Secretary of HEW. The Secretary cannot be expected to administer a program effectively when all statutory power to set policy and manage the program is vested in the Commissioner. This fragmentation of power prevents effective, coordinated management of programs designed to assist the handicapped.

Often the results of such fragmentation at the Federal level are uncoordinated, isolated program efforts at the local level which do not benefit those individuals and groups which the legislation is designed to serve.

Further impediments to good management were presented by the provisions establishing new organizational units with responsibilities for the disabled, including an Office of the Handicapped in the Office of the Secretary of HEW; a National Commission on Transportation and Housing for Handicapped Individuals, also in HEW; an Architectural Barriers Compliance Board, apparently independent of HEW; and a Federal Interagency Committee on Handicapped Employees.

Such a proliferation of entities would be highly undesirable since it would fragment accountability for results and further complicate the already almost incomprehensible administrative maze of Federal activities. We desperately need consolidation, not further proliferation in the Federal structure.

Finally, the Administration objected to the creation of mortgage insurance and interest subsidy programs for rehabilitation facilities. Basic State formula funds are now available for construction grants, if the States choose to use them for this purpose.

CONCLUSION

In conclusion, Mr. Chairman, the Administration wishes to cooperate with the Congress in extending the Vocational Rehabilitation program. We hope that by spelling out our objections to H.R. 8395 we can convince this Subcommittee that the programs should not be burdened with changes which will, in the end, reduce its proven effectiveness in helping handicapped people achieve independence through employment.

Thank you for the opportunity to testify. I will be happy to answer any questions you may have.

The PRESIDING OFFICER (Mr. Bartlett). The question is on agreeing to the amendments en bloc of the Senator from Ohio (Mr. Taft).

The amendments en bloc were rejected.

Mr. JAVITS. Mr. President, I join the distinguished Senator from West Virginia (Mr. Randolph) in his statement regarding the efforts of the distinguished Senator from Ohio (Mr. Taft) to amend the bill. I consider that this is entirely constructive. These are questions that needed to be raised. The administration had the right to have them raised.

As the ranking member of the committee, I would have felt it my duty to do it myself, but as I did not agree with the amendments, it is most constructive that the Senator from Ohio took the opportunity to lay them so effectively before the Senate. I join the Senator from West Virginia in expressing that appreciation to the Senator from Ohio. In no way does it diminish the fidelity of his purpose, which is as great as that of any of us, to see that the fundamental thrust of the bill to benefit the handicapped is effectively carried out.

Mr. CRANSTON. Mr. President, I want to express my pleasure in working with the distinguished Senator from Ohio (Mr. TAFT) even when we are not always in agreement. But there are many things that we do agree on. I know that he believes that what he proposed was in order because the administration wanted those amendments presented to us. The amendments have been fully aired, and we are now ready to vote on a bill that I think is an excellent one and will help to render great service to handicapped persons who need these services so badly.

Mr. President, I think we have today, and in detail in the committe report, totally rebutted and specious arguments in the President's veto memorandum. The subcommittee on the handicapped thought that way and voted unanimously to report S. 7 as amended, in the process rejecting unanimously the administration's gutting amendments. The Committee on Labor and Public Welfare thought that way and voted 16 to 0 to report S. 7, as amended, to the Senate.

I feel confident that the full Senate will agree and will give this fine piece of legislation the overwhelming vote of confidence it deserves and which the handicapped individuals in this Nation fervently hope will be forthcoming.

The House Committee on Education and Labor yesterday voted to report the House counterpart bill, and it is expected the bill will be taken up by the House early next week. I feel we can speedily resolve the relatively minor differences between the two versions of the bill and send the bill to the President for his reconsideration by the middle of next month.

If he should decide to veto it again, this time the legislative branch will have a chance to work its will, and I am confident the Congress will vote to override any such unwise veto.

I am ready for third reading.

Mr. TAFT. Mr. President, I should like to say how much I appreciate the kind remarks my colleagues have made, including these of the distinguished Senator from New York (Mr. JAVITS) and my very good friend and colleague from California (Mr. CRANSTON).

I have not commented on this during debate, but I feel rather constrained before its close, to mention the matters brought out by the distinguished Senator from New Hampshire (Mr. COTTON) with regard to the apparent desire on the part of some, insofar as the timing is concerned, to place back on the desk of the President each and every measure which he vetoed during the last stages of the last session of the Congress.

In some ways, I can understand that, when the majority in Congress is of one party and the President is of another party. Perhaps it is inevitable. But it seems to me unfortunate from the point of view of enacting sound legislation that we should lose so much time so early in the session, although there are pressures apparently being brought to bear to set time deadlines.

Indeed, I would say, and I think without fear of contradiction, that without my personal intervention in this matter, the members of the committee really would not have had a chance to consider many of the matters in any detail at all, and that the bill would have come to the floor of the Senate about 2 weeks ago.

I have no desire to delay this particular piece of legislation. I intend to support it. But when legislation of this kind—and it is legislation without any partisanship and, really, without any major philosophical differences surrounding it—becomes a vehicle for a political plan, it seems to me it may do some disservice to all the legislative subjects with which Congress is attempting to deal.

In my presentation here today, it has been entirely in accordance with my beliefs and my conscience insofar as these particular amendments are concerned. They are based on my feeling, at least insofar as this piece of legislation is handled in this way, that they should have been offered to the Senate and pointed out to the country.

Mr. RANDOLPH. Mr. President, I shall not speak very long because Senators are ready to vote, but I wish to commend the distinguished Senator from Ohio (Mr. TAFT) and reaffirm my commendation of him.

I would want the RECORD, however, to be very clear that the essence of this legislation is the product of the Senate last year when it went into these matters extensively over a long period of time. There was no lack of testimony. There was no lack of consideration of the testimony. There was no lack within the subcommittee and the full committee of dealing with or attempting to cope with the problems which have been raised by the Senator from Ohio. He is correct, and I agree with him that no legislation, no matter how urgent it is, should be brought to this floor without the careful consideration of the committee having jurisdiction. I again commend him.

Mr. CRANSTON. Mr. President, I wish to emphasize in closing that we have gone out of our way to preserve what we have had all along the way—a bipartisan approach to this measure. We originally scheduled the hearings and action in the subcommittee for early January. We delayed until February, at the request of the administration. We were ready for action in the subcommittee in early February and then delayed again to give further opportunity for amendments to be raised.

At every stage of our deliberations, and in our final actions, we have had bipartisan support, with votes in the subcommittee and the committee on the movement to the floor all being unanimous. And we have made certain accommodations to the viewpoint expressed by the administration in the vetoes by reducing the appropriations authorizations for fiscal years 1973, 1974, and 1975 by $352 million.

We have a record that will show that we have made every effort, and have succeeded in making this a bipartisan measure—and by no means a partisan issue in all its aspects.

Mr. RANDOLPH. Mr. President, I think it is also helpful that we have brought to our attention, as the Senator from New Hampshire (Mr. COTTON) said earlier this afternoon, that there are some reductions in the authorizations in the bill this year as against last year. It amounts to a lower figure, perhaps, than he would like and others would like, but it is nevertheless a substantial reduction. I think $352 million is the correct figure.

Mr. CRANSTON. That is correct.

Mr. RANDOLPH. So that there was an effort even there, in a sense, to keep in mind the feelings of the Members of the Senate as well as those who represent the administration viewpoint.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. COTTON. What the Senator has said is, of course, completely correct. There was some slight reduction of the amount. It is hardly the kind of reduction that would be made if the purpose was to get a bill through the Congress and signed by the President rather than have another veto and the passage over the veto. Even though it was reduced, it is still twice what was called for by the Budget.

Those of us who have weathered the years in the Congress and in the political arena are not particularly surprised or shocked at the present warfare between the majority party in the Congress and the President. It is, of course, the declared intent of the majority party in the Congress to send back to the President every measure which he pocket vetoed last year. It is the undeclared but perfectly obvious intent to send those measures back to him in such form that he must veto them again. And so in this case the very sincere solicitude of the majority for the unfortunate and the handicapped is tainted somewhat by the fact that they want and must have another Presidential veto to override. The sting of defeat in a presidential election is easy to understand. Many times we on this side of the aisle have experienced it and have learned to live with it. But it does seem a little beneath the dignity of the Senate to load a bill so heavily that the real welfare of the handicapped may be jeopardized simply because they wish to humiliate the President of the United States.

We are never content to wade cautiously into new waters. We always must get on the springboard and plunge in.

When I was in college, I had a friend who used to run into the gym and get on the springboard and plunge into the pool. He failed to look the pool over one day when there was less than a foot of water in it, and he was in the hospital with a fractured skull for the next 8 months.

One of these days, we are going to take one of these plunges and bypass appropriating committees, as we did on some bills last year to the tune of billions of dollars, and there will not be enough water in the pool. Then who is going to suffer? The handicapped are going to suffer; the environment is going to suffer; the fine causes that we are working for are going to suffer.

All that the Senator from New Hampshire has been appealing for is restraint and to work in such a manner as to accomplish the purpose, in the first place, of getting an authorization that can be somewhere nearly met by an appropriation and, second, to hit the target of the rehabilitation of the handicapped, without many extraneous programs and new agencies to be set up.

Mr. BENTSEN. Mr. President, I have recently joined as a cosponsor of S. 7, the Rehabilitation Act of 1973, legislation which expands and intensifies our efforts to rehabilitate the handicapped.

During the 52 years it has been in existence, this program has achieved a truly cooperative Federal-State partnership in serving and rehabilitating the handicapped.

Since the program began, more than 3 million handicapped individuals have been rehabilitated. Yet we have not finished our task.

Estimates vary as to the number of Americans who could benefit from rehabilitation services, but everyone agrees that there are many millions. We are only reaching a small percentage of them.

So the need to enlarge the scope of our rehabilitation programs is clear.

But today, with the many demands on our Federal dollar, the question quite naturally arises, "Can we afford it?"

Less than 2 weeks ago, on the Senate floor I said that Congress must demonstrate responsibility in holding down Government spending. I also said that within a limited budget, we must exercise our judgment as lawmakers concerning which programs deserve priority.

Mr. President, this is one of those programs.

I have supported the President in his efforts to hold down spending. The highway bill that I introduced contained some $500 million less than the measure that passed the Senate last year.

I voted against the Airport and Airways Development Act, for I believed that we had more important domestic priorities. And I supported the President's veto of that measure because I believe that it called for an unconscionable increase in spending for programs which could be deferred.

However, Mr. President, I cannot support the President on his veto of the Rehabilitation Act of 1972. This is not the place we should cut back when we are trying to control spending. It is not only bad public policy; it is bad economics.

We should ask ourselves what this legislation means to the individuals it touches as well as the taxpayers of this Nation.

To a paralyzed structural engineer in Washington, D.C., it has meant a chance to work supervising steel construction of churches, apartments, and schools.

To a former mental patient in New York, it has meant productive work as a compressor operator.

To a deaf printer in Iowa, it has meant a job in the composing room of a major newspaper.

And to a businessman paralyzed by polio, it has meant a chance to open his own business in Minnesota, hiring other handicapped workers.

These are not isolated cases. Statistical studies have shown that on purely economic grounds, rehabilitation services are one of the best investments that Government can make.

During fiscal 1971, Federal-State programs rehabilitated almost 300,000 Americans, enabling them to increase their incomes by some $750 million.

Of course, this increased income was accompanied by a corresponding, significant increase in the taxes these handicapped Americans were able to pay, and a corresponding decrease in their dependency on public assistance.

The Rehabilitation Act of 1973 provides services for individuals suffering from a wide range of handicaps: The deaf, the blind, the mentally retarded, the mentally ill, and those stricken by crippling diseases such as cerebral palsy.

Part of the effort is directed to training for work those whose handicap is, in reality, no handicap at all in certain occupations. The deaf, for example, are not disturbed by working in the noisy atmosphere of a newspaper room. They may be more qualified than their colleagues who have no handicap at all.

And we should also note that one of the major thrusts of this legislation is in research, so that we can prevent the occurrence of some of these disabling illnesses that have exacted such severe suffering and hardship from our people.

I believe that the human considerations are of primary importance in passing this legislation. Quite apart from the question of economics, the point remains that it is the right and necessary action for our society to help every man develop to his full potential. We have always been a compassionate society, and this is compassionate legislation.

I urge a strong vote of confidence on this bill so that the President will know that this Congress attaches the very highest priority to vocational rehabilitation.

Mr. BUCKLEY. Mr. President, the Senate must come to grips with its fiscal responsibilities. Last October this body formally concluded that it would be irresponsible to spend more than $250 billion during the current fiscal year Yet at the same time, we appropriate more than $265 billion, and we are now complaining, because the President is trying to hold the line and avert a new round of inflation.

Mr. President, as a matter of general policy I propose to vote against appropriations which exceed budgetary requests by so wide a margin as the bill now under consideration, regardless of how praiseworthy the purpose.

Mr. WILLIAMS. Mr. President, I am pleased to join with the Committee on Labor and Public Welfare in bringing to the Senate floor today, S. 7, the Rehabilitation Act of 1972. I point out to my colleagues that this bill is similar to H.R. 8395, the bill which was pocket vetoed by the President. The changes made by the committee are in authorizations levels for the fiscal years 1973, 1974, 1975, and the addition of a fiscal year 1976 authorization for all programs except for title I, the basic rehabilitation program.

I further point out, Mr. President, that this is the first legislation which the Subcommittee on the Handicapped dealt with after its creation last year, and I commend the tireless efforts of that subcommittee and all of its members in pursuing the rights of handicapped individuals at the cost of great time to their schedules.

I believe that we are all well aware of the history of this legislation, and I will only describe in brief the action of the 92d Congress and action in this Congress which was necessitated by the President's veto on October 27, 1972.

H.R. 8395 as passed by both Houses of the Congress had overwhelming support from constituency groups and from the Congress; it had been wrought in truly bipartisan fashion, and encompassed the sincere intent on the part of both House and Senate committees and the entire Congress that handicapped individuals be provided with comprehensive and individualized rehabilitation services which would enable them to better compete and live in our highly technical society. I believe we can say that H.R. 8395 had been given an examination of a magnitude never before devoted to rehabilitation legislation. The subcommittee and its staff spent long hours in consultation with groups interested and concerned about delivery of rehabilitation services at all levels and had left no stone unturned, and no need unmet.

The changes which resulted from this process promise to alter rehabilitation services in this Nation for many years to come. The more significant of these provisions may be summarized as follows:

Basic program: Title I of the bill places a clear priority on services to the severely handicapped, and provides procedural protections that ensure no individual is denied services unless a vocational goal is not possible for him. These procedural protections include the requirement for an individualized written program to be drawn for every eligible individual. It assures that such program will be reviewed annually and evaluated as to the success the agency has had in meeting the goals and objectives set down in the program. Other changes in basic program services include the provision of telecommunication, sensory and other technological aids and devices which would enable an individual to become employable.

Nonvocational services: Title II of the bill creates a new program, the intent of which is to provide services to enable those individuals unable to have a vocational goal at the present time to become more independent and self-reliant. The program would ensure that the determination of a nonvocational goal would not exclude an individual entirely from services which would permit him to become more independent. This would allow for the possibility that the condition may change and, with the provision of independent living services, an individual may thereafter have a vocational goal.

Statutory Rehabilitation Services Administration: The bill establishes the Rehabilitation Services Administration as a statutory agency and creates within this agency a Division of Research, Training, and Evaluation and a Center for Technology Assessment and Application. This provision intends to insure that RSA be the primary agency responsible for the administration and policymaking for rehabilitation services. It also places clear authority for all research and training within RSA. Hearings on this legislation demonstrated a lack of coordinated efforts for research specifically related to rehabilitation. Thus, there is a clear need for policymaking in this area which puts primary emphasis on the rehabilitation needs of handicapped individuals rather than subordinating such decisions to social services decisionmaking.

Research and training: The bill, in coordination with the creation of a division of research training and evaluation, expands authority for research and training. It places particular emphasis on the need for technological research which would enable handicapped individuals to work more easily with their handicaps.

Evaluation: The bill responds also to the need for evaluation of program and research efforts to insure that these initiatives are meeting their intended and specified goals. Hearings demonstrated substantial need to evaluate the use of funding under the basic program and related research and training efforts in order to determine whether funds so invested were accomplishing the purposes for which they were intended.

Other provisions: During hearings on H.R. 8395, it became patently obvious that revision of the existing Federal-State programs for rehabilitation of handicapped individuals would not solve all of the problems for handicapped individuals particularly in terms of employment, ease of accessibility of services, and making full use of Federal programs which are available. Several additional provisions within H.R. 8395, and retained in S. 7, dealt directly with these problems. The bill provides for the creation of a Federal Interagency Committee on Employment of Handicapped Individuals made up of the Secretaries of appropriate Federal departments, which would call for and oversee the establishment of affirmative action policies in the hiring, placement, and advancement of handicapped individuals in Federal employment.

The bill also established an Architectural Barriers and Compliance Board to undertake compliance with existing Federal laws—including Public Law 90-480, the Architectural Barriers Act of 1968—which seek to eliminate barriers in buildings supported by the Federal Government.

In addition, the bill provides that contractors with the Federal Government must take affirmative action to employ handicapped individuals, and prohibits discrimination against handicapped individuals in any program or activity receiving Federal assistance.

Finally, the bill created an Office for the Handicapped in the Department of Health, Education, and Welfare, a proposal which I introduced, to coordinate Federal programs for the handicapped and the preparation of a 5-year planning document for the provision of comprehensive services for handicapped individuals.

There is no question that H.R. 8395 is the most comprehensive rehabilitation legislation ever passed by the Congress. S. 7 continues that thrust. The particular emphasis on delivery of services to the severely handicapped, the expansion of programs in areas to fill needs not now being served, the creation of a program to allow the States to extend their delivery of services to individuals who are without immediate vocational goals, and the strong emphasis on research in rehabilitation technology and engineering are forward-looking initiatives. They are programs which do not simply bridge gaps, but provide a coordinated and concerted effort to forestall and ameliorate handicapping conditions. They anticipate the day when all handicapped individuals may live and contribute easily and freely in this Nation.

While the Congress expressed its intent that this day come as soon as possible, the memorandum of disapproval by the President put an immediate stop to all such progress. He was unequivocal in his assertion that it would not be a priority of his administration.

Mr. President, my committee took seriously the criticisms made in the veto, and we sought to review our actions on this legislation. We took the time to review more than 1,700 pages of testimony. And we returned to each of the witnesses who had testified in the 92d Congress to request further justification and evaluation of the points made in the memorandum of disapproval. Supplemental statements from all of these witnesses are unanimous on, first, support and endorsement of the legislation as passed in the 92d Congress; second, the need for early action in light of the expiration of program authorizations on June 30, 1972; and third, rejection of the premises of the veto.

Furthermore, the committee has been more than patient. We waited until February 6 for the administration to testify, and waited further for administration amendments to be offered in committee. What was submitted to us in testimony was a restatement of the veto message. Yet the administration made clear in its testimony that the vocational rehabilitation program "is not only humanitarian, it is also cost effective." Citing their own statistics, we were told that while "one disabled individual may, during a lifetime, receive anywhere from $30,000 to $100,000 in public assistance payments, if he were not dependent, and had an average annual income of $8,000, the same individual in a family of four would pay taxes totaling $42,000 over his lifetime."

Mr. President, the administration and the Congress agree on the proposition that there should be a reduction of dependency. What we do not agree upon is the necessity to go forward, and the need to extend the vocational rehabilitation program to all individuals who are handicapped and who can benefit from services which the States have been providing for more than 50 years. We know presently that by conservative estimates there are from 7 to 12 million handicapped individuals who could benefit from rehabilitation services. Last year, the rehabilitation program served a little over 1 million of these individuals, and rehabilitated less than 300,000. I think it is clear that we need to increase this commitment.

In his memorandum of disapproval, President Nixon stated that it was his belief that "this measure would seriously jeopardize the goals of the vocational rehabilitation program" and was "another example of fiscal irresponsibility." He further stated that important new initiatives "would divert this program from its basic vocational objectives into activities that have no vocational element whatsoever or are essentially medical in character."

Yet, the authorizations contained in H.R. 8395 were not large expansions of authority for the vocational rehabilitation program. In most areas they were combined authorizations for what were previously separate programs and represent only modest increases in other areas. I point out, however, that in keeping with this criticism, the committee has cut back on authorizations for the fiscal year 1973 realizing the late date of authorizations, and has reduced the authorizations for fiscal years 1974 and 1975 in the areas of special projects, section 305; research, section 402; and training, section 403. The resulting reductions total more than $352 million from the overall authorization, and the actual authorization level for fiscal year 1973 is just slightly more than what was authorized in fiscal year 1972, despite the new initiatives which must be undertaken.

As to his criticism about the "diversion of the program from its vocational objective into activities that have no vocational element whatsoever," I presume that the President refers to title II, Comprehensive Rehabilitation Services. To begin with, this program is separate from the vocational rehabilitation program and has a separate authorization. But most important, unless we are willing to accept that many individuals' conditions are hopelessly static and that no progress can be made toward a vocational goal, the President's statement implies an inflexibility which is both heartless and unacceptable. There is no question that many individuals at the outset do not appear to have vocational goals. Yet, after the provision of independent living services and training, these individuals may be brought to a point when they can be readily accepted in the basic vocational rehabilitation program. I, for one, am not willing to make a final judgment spelling no hope for any human being at any time. Nor am I willing to infer, as the President does, that individuals without an immediate vocational goal are not "deserving American citizens." In my view such an attitude violates his own objective of reducing dependency and it condemns too many individuals to helplessness and hopelessness.

The provisions which the President insists are "essentially medical in character" are the end-stage renal disease programs and the programs for services to the spinal cord injured. To treat these two programs as entirely medical violates the intent of the Congress in setting up these programs, and suggests that no other services are needed by individuals with spinal cord injury or end-stage renal disease. The truth is that these individuals are in need of retraining and rehabilitation in the vocational sense of the word, and often need the wide scope of comprehensive rehabilitation services. Second, these programs were included in H.R. 8395, to fill a need which can be met presently in no other way. I need only to cite the numbers of letters that I and all of my colleagues receive from kidney patients, who because of their disease have become totally dependent and disabled for lack of financial support and difficulties in finding suitable employment. I believe that these programs will more than pay for themselves in the long run, and provide services which are desperately needed.

Referring to the statutory creation of the Rehabilitation Services Administration, the President stated in his memorandum that this bill would also "create organizational rigidities which would undermine the ability of the Secretary of Health, Education, and Welfare to manage the program effectively." I see no such effect. In fact, the clear lines of authority will encourage more effective management of this program for the purposes for which it was intended by the Congress, and will insure that the program is not diverted from its primary purpose which is the provision of rehabilitation services, and the concomitant research and development needed to keep the program vibrant.

Finally, the President indicated that the bill would "establish numerous committees and independent commissions which are unnecessary, would waste the taxpayers' dollars, and would complicate and confuse the direction of this program." I presume here that the President refers to the Architectural Barriers Compliance Board, the Federal Interagency Committee for Employment, and the Office for the Handicapped. We must ask however: Which taxpayers? What dollars? And the direction of what program? Certainly, these committees have no direct relationship to the rehabilitation program for the purposes of delivery of vocational rehabilitation services to handicapped individuals and it is therefore difficult to understand how it will confuse the direction of the program. Second, I believe that it is time that we asked what the taxpayers' money is going for. The expenditure of money on programs which do not eliminate architectural barriers, and which do not provide substantial accomplishments in employment for handicapped individuals cannot be well spent. Nor can the expenditure of money in more than 50 programs for the handicapped which duplicate services, and organizational authority and leave large gaps in other areas be considered a wise expenditure of money. For those millions of handicapped individuals who pay taxes and have the right to expect that their tax money will go toward making their environment more accessible and their lives and employment easier, the creation of a compliance board and an affirmative action program provides appeals procedures and avenues of restitution which are greatly needed. For those other handicapped individuals who are well trained, or who have hopes of becoming trained so that their present dependence on tax revenues may be lessened, such proposals offer the possibility for action and effective utilization of their talents.

Mr. President, the delay which has resulted from the pocket veto of this bill has had a tragic effect on rehabilitation programs across the country. The simultaneous refusal to release money appropriated in the supplemental appropriations has slowed down many State programs, and has caused many rehabilitation facilities, workshops, and other programs to release clients because they were without funds for continued operations.

Mr. President, I am pleased to recommend this bill to my colleagues for it represents the efforts of a bipartisan group of Senators from the Labor and Public Welfare Committee, and many more friends of rehabilitation throughout the Senate and this Nation. I take this time to commend the Senator from California (Mr. CRANSTON), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), and the Senator from New York (Mr. JAVITS), and their staffs for their long and tireless efforts on behalf of this legislation.

Mr. EAGLETON. Mr. President, it is with great pleasure that I join with my colleagues in support of the Rehabilitation Act of 1973. This legislation is the most substantial and significant advance in aid to the handicapped in half a century.

Vocational rehabilitation has been a most successful program since its inception in 1920. Over 3 million handicapped persons have been rehabilitated in those 50 years. But we have only begun to reach all those who need rehabilitation services. The Rehabilitation Act of 1973 will move the programs ahead at an even faster rate, and increasing numbers of handicapped persons can be rehabilitated and returned to employment.

In Missouri alone, 35,000 persons were served by the vocational rehabilitation agency during the last fiscal year, and almost 7,000 persons were rehabilitated and employed. That number can be increased significantly when the existing programs are strengthened and the new programs implemented as provided in this legislation.

I will not attempt to enumerate all the provisions which continue ongoing programs and establish new ones, but I would like to briefly touch on what I believe to be a most significant area of the bill and one of great interest to me. The new title II of the bill is designed to provide services for individuals so severely handicapped that a vocational goal for them is most likely out of the question. The new services and aid authorized would help these persons in maintaining an independent existence with less reliance upon attendants or institutionalization.

In this connection, I have long been concerned with the problems of older persons and the many difficulties relating to self-care and mobility they encounter. The new grant program in title II will make it possible to give the elderly necessary training and assistance, at minimal cost, so that they may be more self-sufficient and independent within their homes and communities.

Mr. President, as you know, late in the last Congress the Senate passed a measure almost identical to this bill which is before us now. Regrettably, it was pocket vetoed by the President. Congressional approval of this new version will give the President the opportunity to reconsider his decision. I hope that those anonymous power figures in OMB who counsel the President will find it in their hearts to recommend approval of this vitally needed legislation.

Finally, I would like to take this opportunity to pay tribute to the chairman of the Subcommittee on Handicapped Workers, Senator RANDOLPH, for his untiring efforts on behalf of the handicapped, as embodied in this bill, and to commend, as well, Senator CRANSTON, the ranking majority member, and Senator STAFFORD, the ranking minority member, for their contributions.

Mr. ROTH. Mr. President, I would like to say at the outset that I intend to vote for this legislation, principally because vocational rehabilitation programs have consistently, on the whole, proved their worth and their merit. These programs have helped thousands, perhaps millions, of Americans to become self-supporting, self-reliant individuals, dependent not upon the largess of others, but only upon their own diligence and pride.

I would like to add, however, that I have reservations regarding some provisions of this bill. Among other things, it establishes categorical grant programs which overlap with others now in existence; and, it removes the authority of the Secretary of Health, Education, and Welfare to coordinate the activities of his Department with regard to vocational rehabilitation. Indeed, that portion of the bill which deprives the Secretary of Health, Education, and Welfare of his authority seems to hearken back to the days when HEW was first established. Then, the Secretary of Health, Education, and Welfare was compelled by the Congress to answer for the performance of programs and agencies over which he had no authority and little control. I for one believe that we recognized the importance of consolidating authority and responsibility many years ago. To the degree that this bill undermines the progress which Congress has made in this direction, I believe it is a mistake.

Despite these reservations, however, I will vote for this legislation so that we can at least take a step toward insuring the continued operations of vocational rehabilitation programs. I am also voting for this bill with the very real hope that the Members of the House will take some action to insure that the vocational rehabilitation bill finally presented to the President will be one which the President feels he can, in good conscience, sign. I regret that the Senate failed to do so. To intentionally present the President with legislation which Members know in advance will be totally unacceptable is, I believe, a disservice to the thousands of vocational rehabilitation clients. Such action will only result in needlessly delaying legislation and cruelly disappointing the many disabled persons who look to these programs with such great hope. To sacrifice the hopes of these people for the sake of partisan considerations is a disservice, not a service.

Our responsibility as Members of the House and the Senate is to the people of the United States, not to our parties, and I urge the responsible committees to recognize these obligations and make a genuine effort to come to a meeting of the minds with the President.

Mr. ROBERT C. BYRD. Mr. President, I want to express my strong support for S. 7, the Rehabilitation Act of 1972, which was reported by the Senate Labor Committee on February 26, 1973. I am particularly proud to support this legislation because the Subcommittee on the Handicapped of the Senate Labor Committee, is chaired by my colleague, Senator RANDOLPH. I want to congratulate him, and the other members of the committee for developing and reporting this legislation.

This bill, when enacted, will be filling one of the most vital and humanitarian needs in the country today—that of helping the handicapped to become more sufficient. During the extensive hearings which were held by the subcommittee, prior to reporting this legislation, it was brought out in testimony that there are from 7 to 12 million handicapped individuals in this country, the exact number depending upon what precise definition is utilized in characterizing an individual as handicapped. Regardless of the number or definition which is accepted as accurate, it is definitely known that last year rehabilitation agencies only reached slightly more than 1 million persons, of which 325,000 would be classified as having severe handicaps.

This legislation will also fill a need within the handicapped community, in that while it is designed to provide more services to all handicapped, it, at the same time, gives a definite priority to those who are the most severely handicapped and thus are in greater need for these services. While S. 7 will continue and expand existing services to handicapped individuals, it also makes sufficient expansion of funding and legislative authorization to insure that full services are extended to all handicapped individuals. The comprehensive services authorized in this bill will enable those for whom a vocational goal is impossible to at least be assisted in learning to live more independently. It also attempts to insure that no individual may be excluded from vocational training, counseling or any related rehabilitation service without a thorough and detailed evaluation of his rehabilitation potential and an explicit statement by the rehabilitation counselor encompassing the reasons why he has concluded, beyond a reasonable doubt, that a vocational goal is not appropriate for the excluded individual.

Besides offering greater services to handicapped individuals, this legislation places greater emphasis on research and training of personnel to work with the handicapped and on the development of innovative rehabilitation techniques, equipment, and devices to both ameliorate the effects of being handicapped and to help make the handicapped more employable. It also attempts to target certain handicapped groups such as individuals with spinal cord injuries, and deaf-blind and older blind individuals, for whom services are presently inadequate.

For every individual successfully rehabilitated under this program, there will be a concomitant decrease in the numbers who are now dependent upon State, Federal, and private relief. Many handicapped individuals will not only go off the relief rolls but they will also be filing Federal tax returns on their earnings and paying taxes. I consider any funds spent on these programs to be investments which will provide a monetary return and a humanitarian return by helping others to regain some independence and self-respect.

Except for several minor changes, S. 7 is almost identical to H.R. 8395 which was passed by the Congress last year and vetoed by the President.

Last year, prior to the enactment of H.R. 8395, I offered two amendments to the appropriations bill for the Department of Health, Education, and Welfare, both dealing with handicapped persons. One amendment proposed $58,900,000 for special educational assistance for the handicapped. The Senate bill included $48 million for this item, and I was pleased to retain $31,659,000 of that amount in conference. However, the appropriations bill was subsequently vetoed by the President. My other amendment proposed $20 million for grants to the States to construct rehabilitation facilities. The Senate bill included the full $20 million; however, this item was deleted in conference since the authorization had not been enacted. If S. 7 is enacted into law, I shall continue to endeavor to obtain additional funds for the important programs authorized by this bill.

I congratulate the committee for coming forth with another strong and comprehensive bill. This bill has received tremendous bipartisan support within the Congress and from most of the organizations representing, or working with, the handicapped. The goal of federally sponsored vocational rehabilitation programs, since their inception in 1920, has been to provide vocational rehabilitative services to individuals in order that they might seek and maintain gainful employment. This bill can accomplish that goal and, in addition, by providing equal emphasis on research and development in this field, it will insure that the best knowledge, technology, and scientific research can be brought to bear on the problems of the handicapped in order that their disabilities will no longer block their potential for a productive and self-supporting life.

Mr. RANDOLPH. Mr. President, as I understand, we are ready for a vote on final passage.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Iowa (Mr. CLARK), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Rhode Island (Mr. PASTORE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

The Senator from Texas (Mr. TOWER) is absent on official business.

The Senator from Nebraska (Mr. CURTIS) is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 86, nays 2, as follows:

[No. 27 Leg.]

YEAS—86

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Fong
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cook
Cotton
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hahaway
Helms
Hollings
Hruska
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Kennedy

Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—2

Buckley
Scott, Va.

NOT VOTING—12

Clark
Curtis
Fulbright
Goldwater
Gravel
Humphrey
Mathias
Pastore
Percy
Saxbe
Stennis
Tower

So the bill (S. 7) was passed, as follows:

S. 7

An Act to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act with the following table of contents, may be cited as the "Rehabilitation Act of 1972".

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Sec. 703. Architectural and Transportation Barriers Compliance Board.
Sec. 704. Employment under Federal contracts.
Sec. 705. Nondiscrimination under Federal grants.
Sec. 706. Appropriations for fiscal year 1973.

DECLARATION OF PURPOSE

SEC. 2. The purpose of this Act is to provide a statutory basis for the Rehabilitation Services Administration, to establish within the Department of Health, Education, and Welfare an Office for the Handicapped, and to authorize programs to—

(1) develop and implement comprehensive and continuing State plans for meeting the current and future needs for providing vocational rehabilitation services to handicapped individuals and to provide such services for the benefit of such individuals, serving first those with the most severe handicaps, so that they may prepare for and engage in gainful employment;

(2) evaluate the rehabilitation potential of handicapped individuals;

(3) develop, implement, and provide comprehensive rehabilitation services to meet the current and future needs of handicapped individuals for whom a vocational goal is not possible or feasible so that they may improve their ability to live with greater independence and self-sufficiency;

(4) assist in the construction and improvement of rehabilitation facilities;

(5) develop new and innovative methods of applying the most advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems and develop new and innovative methods of providing rehabilitation services to handicapped individuals through research, special projects, and demonstrations;

(6) initiate and expand services to groups of handicapped individuals (including those who are homebound and institutionalized) who have been underserved in the past;

(7) direct the conduct of various studies and experiments to focus on long neglected problem areas;

(8) promote and expand employment opportunities in the public and private sectors for handicapped individuals and to place such individuals in employment;

(9) establish client assistance pilot projects;

(10) provide assistance for the purpose of increasing the number of rehabilitation personnel and increasing their skills through training; and

(11) evaluate existing approaches to architectural and transportation barriers confronting handicapped individuals, develop new such approaches, enforce statutory and regulatory standards and requirements regarding barrier-free construction of public facilities and study and develop solutions to existing housing and transportation barriers impeding handicapped individuals.

REHABILITATION SERVICES ADMINISTRATION

SEC. 3. (a) There shall be in the Department of Health, Education, and Welfare a Rehabilitation Services Administration which shall be administered by a Commissioner (hereinafter referred to as the "Commissioner"). The Commissioner shall carry out and administer all programs and direct the performance of all services for which authority is provided under titles I through IV of this Act.

(b) There shall be within such Administration a Division of Research, Training, and Evaluation, which shall be responsible for carrying out programs and projects under title IV of this Act. There shall be within such Division a Center for Technology Assessment and Application, which shall be responsible for developing and supporting, and stimulating the development and utilization (including production and distribution of new and existing devices) of, innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems, and for administration of the activities described in section 402(b)(2). Such Division shall be directed by an Assistant Commissioner, who shall be responsible to the Commissioner and shall be a person of outstanding scientific and technological achievement and learning and shall carry out his responsibilities in consultation with the National Science Foundation and the National Academy of Sciences, and shall be assigned at least ten full-time positions, five of which shall be filled by professionals of qualifications similar to the Assistant Commissioner.

(c) The Secretary shall take whatever action is necessary to insure that funds appropriated pursuant to this Act, as well as unexpended appropriations for carrying out the Vocational Rehabilitation Act (29 U.S.C. 31–42), are expended only for the programs, personnel, and administration of programs carried out under this Act.

(d) In order to carry out the purposes of this Act—

(1) the number of positions authorized by section 5108(a) of title 5, United States Code, and assigned to the Rehabilitation Services Administration, is increased by ten, and

(2) the authorized level of full-time personnel, or the equivalent, assigned to the Rehabilitation Services Administration to carry out duties related to the administration of this Act, is increased by sixty.

ADVANCE FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

JOINT FUNDING

SEC. 5. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Rehabilitation Services Administration, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements of the administering agency under or pursuant to this Act.

CONSOLIDATED REHABILITATION PLAN

SEC. 6. (a) In order to secure increased flexibility to respond to the varying needs and local conditions within the State, and in order to permit more effective and interrelated planning and operation of its rehabilitation programs, the State may submit a consolidated rehabilitation plan which includes the State's plan under section 101 (a) of this Act and its program for persons with developmental disabilities under the Developmental Disabilities Services and Facilities Construction Amendments of 1970: *Provided,* That the agency administering such State's program under such Act concurs in the submission of such a consolidated rehabilitation plan.

(b) Such a consolidated rehabilitation plan must comply with, and be administered in accordance with, all the requirements of this Act and the Developmental Disabilities Services and Facilities Construction Amendments of 1970. If the Secretary finds that all such requirements are satisfied, he may approve the plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each of the programs included therein, or he may advise the State to submit separate plans for such programs.

(c) Findings of noncompliance in the administration of an approved consolidated rehabilitation plan, and any reductions, suspensions, or terminations of assistance as a result thereof, shall be carried out in accordance with the procedures set forth in subsections (c) and (d) of section 101 of this Act.

DEFINITIONS

SEC. 7. For the purposes of this Act:

(1) The term "comprehensive rehabilitation services" means vocational rehabilitation services and any other goods (including aids and devices) or services provided with funds under titles II, III, or IV of this Act that will make a substantial contribution in helping a handicapped individual to improve his ability to live independently or function normally with his family and community.

(2) The term "construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of such buildings, and the term "cost of construction" includes architects' fees and acquisition of land in connection with construction but does not include the cost of offsite improvements.

(3) The term "criminal act" means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime.

(4) The term "establishment of a rehabilitation facility" means, the acquisition, expansion, remodeling, or alteration of existing buildings necessary to adapt them to rehabilitation facility purposes or to increase their effectiveness for such purposes (subject, however, to such limitations as the Commissioner may determine, in accordance with regulations he shall prescribe, in order to prevent impairment of the objectives of, or duplication of, other Federal laws providing Federal assistance in the construction of such facilities), and the initial equipment for such buildings, and may include the initial staffing thereof.

(5) The term "evaluation of rehabilitation potential" means, as appropriate in each case:

(A) a preliminary diagnostic study to determine that the individual has a substantial handicap to employment, and that vocational or comprehensive services are needed;

(B) a diagnostic study consisting of a comprehensive evaluation of pertinent medical, psychological, vocational, educational, cultural, social, and environmental factors which bear on the individual's handicap to employment and rehabilitation potential including, to the degree needed, an evaluation of the individual's personality, intelligence level, educational achievements, work experience, vocational aptitudes and interests, personal and social adjustments, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed;

(C) an appraisal of the individual's patterns of work behavior and ability to acquire occupational skill, and to develop work attitudes, work habits, work tolerance, and social and behavior patterns suitable for successful job performance, including the utilization of work, simulated or real, to assess and develop the individual's capacities to perform adequately in a work environment;

(D) any other goods or services provided for the purpose of ascertaining the nature of the handicap and whether it may reasonably be expected that the individual can benefit from vocational rehabilitation services or comprehensive rehabilitation services;

(E) referral;

(F) the administration of these evaluation services; and

(G) (i) the provision of vocational rehabilitation services or the provision of comprehensive rehabilitation services to any individual for a total period not in excess of eighteen months for the purpose of determining whether such individual is a handicapped individual, a handicapped individual for whom a vocational goal is not possible or feasible (as determined in accordance with section 102(c)), or neither such individual; and (ii) an assessment, at least once in every ninety-day period during which such services are provided, of the results of the provision of such services to an individual to ascertain whether any of the determinations described in subclause (i) may be made.

(6) The term "Federal share" means 80 per centum, except that it shall mean 90 per centum for the purposes of part C of title I and title II of this Act and as specifically set forth in section 301: *Provided,* That with respect to payments pursuant to part B of title I of this Act to any State which are not used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 301 (b)(3) applicable with respect to that State and that, for the purpose of determining the non-Federal share with respect to any State, expenditures by a political subdivision thereof or by a local agency shall, subject to such limitations and conditions as the Commissioner shall by regulation prescribe, be regarded as expenditures by such State.

(7) The term "handicapped individual" means any individual who (A) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (B) can reasonably be expected to benefit from vocational rehabilitation services, or comprehensive rehabilitation services provided pursuant to title II, III, or IV of this Act.

(8) The term "local agency" means an agency of a unit of general local government or of an Indian tribal organization (or combination of such units or organizations) which has an agreement with the State agency designated pursuant to section 101(a) (1) to conduct a vocational rehabilitation program under the supervision of such State agency in accordance with the State plan approved under section 101. Nothing in the preceding sentence of this paragraph or in section 101 shall be construed to prevent the local agency from utilizing another local public or nonprofit agency to provide vocational or comprehensive rehabilitation services: *Provided,* That such an arrangement is made part of the agreement specified in this paragraph.

(9) The term "nonprofit", when used with respect to a rehabilitation facility, means a rehabilitation facility owned and operated by a corporation or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501 (c)(3) of the Internal Revenue Code of 1954.

(10) The term "public safety officer" means a person serving the United States or a State or unit of general local government, with or without compensation, in any activity pertaining to—

(A) the enforcement of the criminal laws, including highway patrol, or the maintenance of civil peace by the National Guard or the Armed Forces,

(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees,

(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

(D) firefighting, fire prevention, or emergency rescue missions.

(11) The term "rehabilitation facility" means a facility which is operated for the primary purpose of providing vocational rehabilitation or comprehensive rehabilitation services to handicapped individuals, and which provides singly or in combination one or more of the following services for handicapped individuals: (A) vocational and comprehensive rehabilitation services which shall include, under one management, medical, psychological, social, and vocational services, (B) testing, fitting, or training in the use of prosthetic and orthotic devices, (C) prevocational conditioning or recreational therapy, (D) physical and occupational therapy, (E) speech and hearing therapy, (F) psychological and social services, (G) evaluation of rehabilitation potential, (H) personal and work adjustment, (I) vocational training with a view toward career advancement (in combination with other rehabilitation services), (J) evaluation or control of specific disabili-

ties, (K) orientation and mobility services to the blind, and (L) extended employment for those handicapped individuals who cannot be readily absorbed in the competitive labor market, except that all medical and related health services must be prescribed by, or under the formal supervision of, persons licensed to prescribe or supervise the provision of such services in the State.

(12) The term "Secretary", except when the context otherwise requires, means the Secretary of Health, Education, and Welfare.

(13) The term "severe handicap" means the disability which requires multiple services over an extended period of time and results from amputation, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, neurological disorders, (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, renal failure, and any other disability specified by the Commissioner in regulations he shall prescribe.

(14) The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pacific Islands, and for the purposes of American Samoa and the Trust Territory of the Pacific Islands, the appropriate State agency designated as provided in section 101(a)(1) shall be the Governor of American Samoa or the High Commissioner of the Trust Territory of the Pacific Islands, as the case may be.

(15) The term "vocational rehabilitation services" means those services identified in section 103 which are provided to handicapped individuals under this Act.

ALLOTMENT PERCENTAGE

SEC. 8. (a) (1) The allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (B) the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall be 75 per centum.

(2) The allotment percentages shall be promulgated by the Commissioner between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning on the July 1 next succeeding such promulgation.

(3) The term "United States" means (but only for purposes of this subsection) the fifty States and the District of Columbia.

(b) The population of the several States and of the United States shall be determined on the basis of the most recent data available, to be furnished by the Department of Commerce by October 1 of the year preceding the fiscal year for which funds are appropriated pursuant to statutory authorizations.

AUDIT

SEC. 9. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

NONDUPLICATION

SEC. 10. In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved in accordance with section 101 or for the purposes of providing comprehensive rehabilitation services pursuant to title II of this Act, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any other provision of law, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds. No payment may be made from funds provided under one provision of this Act relating to any cost with respect to which any payment is made under any other provision of this Act.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—GENERAL PROVISIONS

DECLARATION OF PURPOSE; AUTHORIZATION OF APPROPRIATIONS

SEC. 100. (a) The purpose of this title is to authorize grants to assist States to meet the current and future needs of handicapped individuals, so that such individuals may prepare for and engage in gainful employment to the extent of their capabilities.

(b) (1) For the purpose of making grants to States under part B of this title to assist them in meeting costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated 800,000,000 for the fiscal year ending June 30, 1973, and $975,000,000 each for the fiscal year ending June 30, 1974, and the succeeding fiscal year.

(2) For the purpose of making grants under section 120, relating to grants to States and public and nonprofit agencies to assist them in meeting the costs of projects to initiate or expand services to handicapped individuals (especially those with the most severe handicaps) there is authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1973, $60,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year.

STATE PLANS

SEC. 101. (a) For each fiscal year in which a State desires to participate in programs under this title and pursuant to title II of this Act, a State shall submit to the Commissioner for his approval an annual plan for vocational and comprehensive rehabilitation services which shall—

(1) (A) designate a State agency as the sole State agency to administer the plan, or to supervise its administration by a local agency, except that (i) where under the State's law the State agency for the blind or other agency which provides assistance or services to the adult blind, is authorized to provide vocational and comprehensive rehabilitation services to such individuals, such agency may be designated as the sole State agency to administer the part of the plan under which vocational and comprehensive rehabilitation services are provided for the blind (or to supervise the administration of such part by a local agency) and a separate State agency may be designated as the sole State agency with respect to the rest of the State plan, and (i) the Secretary, upon the request of a State, may authorize such agency to share funding and administrative responsibility with another agency of the State or with a local agency in order to permit such agencies to carry out a joint program to provide services to handicapped individuals, and may waive compliance with respect to vocational rehabilitation services furnished under such programs with the requirement of clause (4) of this subsection that the plan be in effect in all political subdivisions of the State;

(B) provide that the State agency so designated to administer or supervise the administration of the State plan, or (if there are two State agencies designated under subclause (A) of this clause) to supervise or administer the part of the State plan that does not relate to services for the blind, shall be (i) a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, (ii) the State agency administering or supervising the administration of education or vocational education in the State, or (iii) a State agency which includes at least two other major organizational units each of which administers one or more of the major public education, public health, public welfare, or labor programs of the State;

(2) provide, except in the case of agencies described in clause (1) (B) (i)—

(A) that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) shall include a vocational rehabilitation bureau, division, or other organizational unit which (i) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, and is responsible for the vocational rehabilitation program of such State agency, (ii) has a full-time director, and (iii) has a staff employed on such rehabilitation work of such organizational unit all or substantially all of whom are employed full time on such work; and

(B) (i) that such unit shall be located at an organizational level and shall have an organizational status within such State agency comparable to that of other major organizational units of such agency, or (ii) in the case of an agency described in clause (1) (B) (ii), either that such unit shall be so located and have such status, or that the director of such unit shall be the executive officer of such State agency; except that, in the case of a State which has designated only one State agency pursuant to clause (1) of this subsection, such State may, if it so desires, assign responsibility for the part of the plan under which vocational and comprehensive rehabilitation services are provided for the blind to one organizational unit of such agency and assign responsibility for the rest of the plan to another organizational unit of such agency, with the provisions of this clause applying separately to each of such units;

(3) provide for financial participation by the State, or if the State so elects, by the State and local agencies to meet the amount of the non-Federal share;

(4) provide that the plan shall be in effect in all political subdivisions, except that in the case of any activity which, in the judgment of the Commissioner, is likely to assist in promoting the vocational rehabilitation of substantially larger numbers of handicapped individuals or groups of handicapped individuals the Commissioner may waive compliance with the requirement herein that the plan be in effect in all political subdivisions of the State to the extent and for such period as may be provided in accordance with regulations prescribed by him, but only if the non-Federal share of the cost of such vocational rehabilitation services is met from funds made available by a local agency (including, to the extent permitted by such regulations, funds contributed to such agency by a private agency, organization, or individual);

(5) (A) contain the plans, policies, and

methods to be followed in carrying out the State plan and in its administration and supervision, including a description of the method to be used to expand and improve services to handicapped individuals with the most severe handicaps; and, in the event that vocational rehabilitation services cannot be provided to all eligible handicapped individuals who apply for such services, show (i) the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided, and show the order to be followed in selecting individuals to whom comprehensive rehabilitation services will be provided, and (ii) the outcomes and service goals, and the time within which they may be achieved, for the rehabilitation of such individuals, which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first those individuals with the most severe handicaps and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving handicapped individuals, established in regulations prescribed by the Commissioner, and

(B) provide satisfactory assurances to the Commissioner that the State has studied and considered a broad variety of means for providing services to individuals with the most severe handicaps;

(6) (A) contain the plans, policies, and methods to be followed in providing comprehensive rehabilitation services pursuant to title II of this Act, and

(B) provide satisfactory assurances that no such comprehensive rehabilitation services shall be paid for with funds under title II of this Act unless maximum efforts have been made to secure grant assistance, in whole or in part, from other sources to pay for such services;

(7) provide for such methods of administration, other than methods relating to the establishment and maintenance of personnel standards, as are found by the Commissioner to be necessary for the proper and efficient administration of the plan;

(8) contain (A) provisions relating to the establishment and maintenance of personnel standards, which are consistent with any State licensure laws and regulations, including provisions relating to the tenure, selection, appointment, and qualifications of personnel, and (B) provisions relating to the establishment and maintenance of minimum standards governing the facilities and personnel utilized in the provision of vocational and comprehensive rehabilitation services, but the Commissioner shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provisions;

(9) provide, at a minimum, for the provision of the vocational rehabilitation services specified in clauses (1) through (3) of subsection (a) of section 103, and the remainder of such services specified in such section after full consideration of eligibility for similar benefits under any other program, except that, in the case of the vocational rehabilitation services specified in clauses (4) and (5) of subsection (a) of such section, such consideration shall not be required where it would delay the provision of such services to any individual;

(10) provide that (A) an individualized written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for vocational or comprehensive rehabilitation services under this Act, (B) such services will be provided under the plan in accordance with such program, and (C) records of the characteristics of each applicant will be kept specifying, as to those individuals who apply for services under this title or pursuant to title II of this Act and are determined not to be eligible therefor, the reasons for such determinations;

(11) provide that the State agency will make such reports in such form, containing such information (including the data described in subclause (C) of clause (10) of this subsection, periodic estimates of the population of handicapped individuals eligible for services under this Act in such State, specifications of the number of such individuals who will be served with funds provided under this Act and the outcomes and service goals to be achieved for such individuals in each priority category specified in accordance with clause (5) of this subsection, and the service costs for each such category), and at such time as the Commissioner may require to carry out his functions under this title, and comply with such provisions as he may find necessary to assure the correctness and verification of such reports;

(12) provide for entering into cooperative arrangements with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, other programs for handicapped individuals, veterans programs, manpower programs, and public employment offices, and the Social Security Administration of the Department of Health, Education, and Welfare, the Veterans' Administration, and other Federal, State, and local public agencies providing services related to the rehabilitation of handicapped individuals;

(13) provide satisfactory assurances to the Commissioner that, in the provision of vocational rehabilitation and comprehensive rehabilitation services, maximum utilization shall be made of public or other vocational or technical training facilities or other appropriate resources in the community;

(14) (A) provide that vocational rehabilitation and comprehensive rehabilitation services provided under the State plan shall be available to any civil employee of the United States disabled while in the performance of his duty on the same terms and conditions as apply to other persons; and

(B) provide that special consideration will be given to the rehabilitation under this Act of a handicapped individual whose handicapping condition arises from a disability sustained in the line of duty while such individual was performing as a public safety officer and the proximate cause of such disability was a criminal act, apparent criminal act, or a hazardous condition resulting directly from the officer's performance of duties in direct connection with the enforcement, execution, and administration of law or fire prevention, firefighting, or related public safety activities;

(15) provide that no residence requirement will be imposed which excludes from services under the plan any individual who is present in the State;

(16) provide for continuing statewide studies of the needs of handicapped individuals and how these needs may be most effectively met (including the State's needs for rehabilitation facilities) with a view toward the relative need for services to significant segments of the population of handicapped individuals and the need for expansion of services to those individuals with the most severe handicaps;

(17) provide for (A) periodic review and reevaluation of the status of handicapped individuals placed in extended employment in rehabilitation facilities (including workshops) to determine the feasibility of their employment, or training for employment, in the competitive labor market, and (B) maximum efforts to place such individuals in such employment or training whenever it is determined to be feasible;

(18) provide that where such State plan includes provisions for the construction of rehabilitation facilities—

(A) the Federal share of the cost of construction thereof for a fiscal year will not exceed an amount equal to 10 per centum of the State's allotment for such year.

(B) the provisions of section 313 shall be applicable to such construction and such provisions shall be deemed to apply to such construction, and

(C) there shall be compliance with regulations the Commissioner shall prescribe designed to assure that no State will reduce its efforts in providing other vocational rehabilitation services (other than for the establishment of rehabilitation facilities) because its plan includes such provisions for construction;

(19) provide satisfactory assurances to the Commissioner that the State agency designated pursuant to clause (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the administration of the plan, the views of individuals and groups thereof who are recipients of vocational or comprehensive rehabilitation services (or, in appropriate cases, their parents or guardians), working in the field of vocational rehabilitation, and providers of vocational comprehensive rehabilitation services; and

(20) provide satisfactory assurances to the Commissioner that the continuing studies required under clause (16) of this subsection, as well as an annual evaluation of the effectiveness of the program in meeting the goals and priorities set forth in the plan, will form the basis for the submission, from time to time as the Commissioner may require, of appropriate amendments to the plan.

(b) The Commissioner shall approve any plan which he finds fulfills the conditions specified in subsection (a) of this section, and he shall disapprove any plan which does not fulfill such conditions. Prior to such disapproval, the Commissioner shall notify a State of his intention to disapprove its plan, and he shall afford such State reasonable notice and opportunity for hearing.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this section, finds that—

(1) the plan has been so changed that it no longer complies with the requirements of subsection (a) of this section; or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that such further payments will be reduced, in accordance with regulations the Commissioner shall prescribe, or that further payments will not be made to the State only for the projects under the parts of the State plan affected by such failure), until he is satisfied there is no longer any such failure. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to projects under those parts of the State plan in which there is no such failure).

(d) If any State is dissatisfied with the Commissioner's action under subsection (b) or (c) of this section, such State may appeal to the United States district court for the district where the capital of such State is located and judicial review of such action shall be on the record in accordance with the provisions of chapter 7 of title 5, United States Code.

INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

SEC. 102. (a) The Commissioner shall insure that the individualized written rehabilitation program required by section 101(a)(10) in the case of each handicapped individual is developed jointly by the vocational rehabilitation counselor or coordinator and the handicapped individual (or, in appropriate cases, his parents or guardians), and that such program meets the requirements set forth in subsection (b) of this section. Such written program shall set forth the terms and conditions, as well as the rights and remedies, under which goods and services will be provided to the individual.

(b) Each individualized written rehabilitation program shall be reviewed on an annual basis at which time each such individual (or, in appropriate cases, his parents or guardians) will be afforded an opportunity to review such program and renegotiate its terms. Such program shall include, but not be limited to (1) a statement of long-range rehabilitation goals for the individual and intermediate rehabilitation objectives related to the attainment of such goals, (2) a statement of the specific vocational or comprehensive rehabilitation services to be provided, (3) the projected date for the initiation and the anticipated duration of each such service, (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and, (5) where appropriate, a detailed explanation of the availability of a client assistance project established in such area pursuant to section 112.

(c) The Commissioner shall also insure that (1) in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicapped individual primary emphasis is placed upon the determination and achievement of a vocational goal for such individual, (2) a decision that such an individual is not capable of achieving such a goal, and thus not eligible for vocational rehabilitation services provided with assistance under this part, is made only in full consultation with such individual (or, in appropriate cases, his parents or guardians), and only upon the certification, as an amendment to such written program, that the evaluation of rehabilitation potential has demonstrated beyond any reasonable doubt that such individual is not then capable of achieving such a goal, and (3) any such decision shall be reviewed at least annually in accordance with the procedure and criteria established in this section.

SCOPE OF VOCATIONAL REHABILITATION SERVICES

SEC. 103. (a) Vocational rehabilitation services provided under this Act are any goods or services necessary to render a handicapped individual employable, including, but not limited to, the following:

(1) evaluation of rehabilitation potential, including diagnostic and related services, incidental to the determination of eligibility for, and the nature and scope of, services to be provided, including, where appropriate, examination by a physician skilled in the diagnosis and treatment of emotional disorders, or by a licensed psychologist in accordance with State laws and regulations, or both;

(2) counseling, guidance, referral, and placement services for handicapped individuals, including follow-up, follow-along, and other postemployment services necessary to assist such individuals to maintain their employment and services designed to help handicapped individuals secure needed services from other agencies, where such services are not available under this Act;

(3) vocational and other training services for handicapped individuals, which shall include personal and vocational adjustment, books, and other training materials, and services to the families of such individuals as are necessary to the adjustment or rehabilitation of such individuals: *Provided*, That no training services in institutions of higher education shall be paid for with funds under this title or title II of this Act unless maximum efforts have been made to secure grant assistance, in whole or in part, from other sources to pay for such training;

(4) physical and mental restoration services, including, but not limited to, (A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment, but is of such nature that such correction or modification may reasonably be expected to eliminate or substantially reduce the handicap within a reasonable length of time, (B) necessary hospitalization in connection with surgery or treatment, (C) prosthetic and orthotic devices, (D) eyeglasses and visual services as prescribed by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select, (E) special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the treatment of individuals suffering from end-stage renal disease, and (F) diagnosis and treatment for mental and emotional disorders by a physician or licensed psychologist in accordance with State licensure laws;

(5) maintenance, not exceeding the estimated cost of subsistence, during rehabilitation;

(6) interpreter services for the deaf, and reader services for those individuals determined to be blind after an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

(7) recruitment and training services for handicapped individuals to provide them with new employment opportunities in the fields of rehabilitation, health, welfare, public safety, law enforcement, and other appropriate service employment;

(8) rehabilitation teaching services and orientation and mobility services for the blind;

(9) occupational licenses, tools, equipment, and initial stocks and supplies;

(10) transportation in connection with the rendering of any vocational rehabilitation service; and

(11) telecommunications, sensory, and other technological aids and devices.

(b) Vocational rehabilitation services, when provided for the benefit of groups of individuals, may also include the following:

(1) in the case of any type of small business operated by individuals with the most severe handicaps the operation of which can be improved by management services and supervision provided by the State agency, the provision of such services and supervision, alone or together with the acquisition by the State agency of vending facilities or other equipment and initial stocks and supplies; and

(2) the construction or establishment of public or nonprofit rehabilitation facilities and the provision of other facilities and services which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized written rehabilitation program of any one handicapped individual.

NON-FEDERAL SHARE FOR CONSTRUCTION

SEC. 105. For the purpose of determining the amount of payments to States for carrying out part B of this title, the non-Federal share, subject to such limitations and conditions as may be prescribed in regulations by the Commissioner, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of construction or establishment of a public or nonprofit rehabilitation facility, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to construction or establishment of such facility.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

STATE ALLOTMENTS

SEC. 110. (a) For each fiscal year, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under subsection (b)(1) of section 100 for allotment under this section as the product of (1) the population of the State and (2) the square of its allotment percentage bears to the sum of the corresponding products for all the States. The allotment to any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) under the first sentence of this subsection for any fiscal year which is less than one-quarter of 1 per centum of the amount appropriated under section 100(b)(1), or $2,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining such States under the first sentence of this subsection, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than that amount.

(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this title to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 111. (a) From each State's allotment under this part for any fiscal year, the Commissioner shall pay to such State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for such State approved under section 101, including expenditures for the administration of the State plan, except that the total of such payments to such State for such fiscal year may not exceed its allotment under subsection (a) of section 110 for such year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by clause (18) of section 101(a), and except that the amount otherwise payable to such State for such year under this section shall be reduced by the amount (if any) by which expenditures from non-Federal sources during such year under this title are less than expenditures under the State plan for the fiscal year ending June 30, 1972, under the Vocational Rehabilitation Act.

(b) The method of computing and paying amounts pursuant to subsection (a) shall be as follows:

(1) The Commissioner shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State under the provisions of such subsection for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation, as the Commissioner may find necessary.

(2) The Commissioner shall pay, from the allotment available therefor, the amount so estimated by him for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid the State for any prior period under such subsection was

greater or less than the amount which should have been paid to the State for such prior period under such subsection. Such payment shall be made prior to audit or settlement by the General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installents as the Commissioner may determine.

CLIENT ASSISTANCE

SEC. 112. (a) The Commissioner shall set aside out of funds appropriated under section 305 for special projects and demonstrations up to $2,500,000 but no less than $1,000,000 for the fiscal year ending on June 30, 1973, and up to $5,000,000 but no less than $1,000,000 each for the three succeeding fiscal years to establish in no less than 10 nor more than 20 geographically dispersed regions client assistance pilot projects (hereinafter in this section referred to as "project") to provide counselors to inform and advise all clients and client applicants in the project area of all available benefits under this Act and to assist them in their relationships with projects, programs, and facilities providing services to them under this Act.

(b) The Commission shall prescribe regulations which shall include the following requirements:

(1) All employees of such projects shall not be presently serving as staff, consultants or receiving benefits of any kind directly or indirectly from any rehabilitation project, program or facility.

(2) The staff of such projects shall be afforded reasonable access to policy-making and administrative personnel in State and local rehabilitation programs, projects, and facilities.

(3) The project shall submit an annual report, through the State agency designated pursuant to section 101, to the Commissioner on the operation of the project during the previous year, including a summary of the work done and a uniform statistical tabulation of all cases handled by such project. A copy of each such report shall be submitted to the appropriate committees of the Congress by the Commissioner, together with a summary of such reports and his evaluation of such projects, including appropriate recommendations.

(4) Each State agency may enter into cooperative arrangements with institutions of higher education to secure the services in such projects of graduate students who are undergoing clinical training activities in related fields. No compensation with funds appropriated under this Act shall be provided to such students.

(5) Reasonable assurance shall be given by the appropriate State agency that all clients or client applicants within the project area shall have the opportunity to receive adequate service under the project and shall not be pressured against or otherwise discouraged from availing themselves of the services available under such project.

(6) The project shall be funded, administered, and operated directly by the State agency designated pursuant to section 101.

PART C—INNOVATION AND EXPANSION GRANTS

STATE ALLOTMENTS

SEC. 120. (a) From the sums available pursuant to section 100(b)(2) for any fiscal year for grants to States to assist them in meeting the costs described in section 121, each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all the States. The allotment to any State under the preceding sentence for any fiscal year which is less than $50,000 (or such other amount as may be specified as a minimum allotment in the Act appropriating such sums for such year) shall be increased to that amount, and for the fiscal years ending June 30, 1973, and June 30, 1974, no State shall receive less than the amount necessary to cover up to 90 per centum of the cost of continuing projects assisted under section 4(a)(2)(A) of the Vocational Rehabilitation Act, except that no such project may receive financial assistance under both the Vocational Rehabilitation Act and this Act for a total period of time in excess of three years. The total of the increase required by the preceding sentence shall be derived by proportionately reducing the allotments to each of the remaining States under the first sentence of this section, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from thereby being reduced to less than $50,000.

(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he shall make such amount available for carrying out the purposes of this section to one or more other States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 121. (a) From each State's allotment under this part for any fiscal year, the Commissioner shall pay to such State or, at the option of the State agency designated pursuant to section 101(a)(1), to a public or nonprofit organization or agency, a portion of the cost of planning, preparing for, and initiating special programs under the State plan approved pursuant to section 101 to expand vocational rehabilitation services, including programs to initiate or expand such services to individuals with the most severe handicaps, or of special programs under such State plan to initiate or expand services to classes of handicapped individuals who have unusual and difficult problems in connection with their rehabilitation, particularly handicapped individuals who are poor, and responsibility for whose treatment, education, and rehabilitation is shared by the State agency designated in section 101 with other agencies. The Commissioner may require that any portion of a State's allotment under this section, but not more than 50 per centum of such allotment, may be expended in connection with only such projects as have first been approved by the Commissioner. Any grant of funds under this section which will be used for direct services to handicapped individuals or for establishing or maintaining facilities which will render direct services to such individuals must have the prior approval of the appropriate State agency designated pursuant to section 101.

(b) Payments under this section with respect to any project may be made for a period of not to exceed three years beginning with the commencement of the project as approved, and sums appropriated for grants under this section shall remain available for such grants through the fiscal year ending June 30, 1976. Payments with respect to any project may not exceed 90 per centum of the cost of such project. The non-Federal share of the cost of a project may be in cash or in kind and may include funds spent for project purposes by a cooperating public or nonprofit agency provided that it is not included as a cost in any other federally financed program.

(c) Payments under this section may be made in advance or by way of reimbursement for services performed and purchases made, as may be determined by the Commissioner, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

TITLE II—COMPREHENSIVE REHABILITATION SERVICES

DECLARATION OF PURPOSE; AUTHORIZATION OF APPROPRIATIONS

SEC. 200. (a) The purpose of this title is to authorize grants (supplementary to grants for vocational rehabilitation services under title I of this Act) to assist the several States in developing and implementing continuing plans for meeting the current and future needs of handicapped individuals for whom a vocational goal is not possible or feasible, including the assessment of disability and rehabilitation potential, and for the training of specialized personnel needed for the provision of services to such individuals and research related thereto.

(b) In order to make grants to carry out the purposes of this title, there is authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1973, $50,000,000 for the fiscal year ending June 30, 1974, and $80,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year.

STATE ALLOTMENTS

SEC. 201. (a) From sums appropriated to carry out the provisions of this title for each fiscal year, less the amounts reserved by the Commissioner for projects under section 204, each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the product of (1) the population of the State, and (2) its allotment percentage bears to the sum of the corresponding products for all of the States. The allotment to any State under the preceding sentence for any fiscal year which is less than $150,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than that amount.

(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he shall make such amount available for carrying out the purposes of this section to one or more other States to the extent he determines such other State will be able to use additional amounts during such year for carrying out such purpose. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purpose of this title, be regarded as an increase in the State's allotment (as determined under the preceding provisions of this section) for such year.

(c) In the fiscal year ending June 30, 1973, and in any subsequent fiscal year for which appropriations pursuant to this section do not exceed $20,000,000, the Commissioner, subsections (a) and (b) of this section and section 202(a) to the contrary notwithstanding and subject to the provisions of section 313, shall carry out the purposes of this title by making grants to States and public or nonprofit organizations and agencies to pay the Federal share of the expenditures for such projects. Projects receiving such grants shall be carried out under the State plan approved under section 101 (except for the priorities in the order of selection required by section 101(a)(5)(A)) in a manner consistent with the State program submitted under section 203.

PAYMENTS TO STATES

SEC. 202. (a) From each State's allotment under this title for the fiscal year ending June 30, 1973, and in any subsequent fiscal year, the Commissioner shall pay to such State the Federal share of the expenditures incurred during such year under its State program submitted under section 203 and approved as part of the State plan approved under section 101. Such payments may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions as the Commissioner may determine.

(b) The Federal share with respect to any State shall be 90 per centum of the expenditures incurred by the State during such year under the State programs submitted under section 203 and approved as part of the State plan under section 101.

STATE PROGRAMS

SEC. 203. As a condition for receiving grants under this Act for the fiscal year ending June 30, 1974, a State must submit within one hundred and eighty days after the date of enactment of this Act an amendment to its plan submitted to the Commissioner under section 101 or to the Secretary under section 5 of the Vocational Rehabilitation Act which includes a program for provision of comprehensive rehabilitation services to bring about the rehabilitation of handicapped individuals under this title. A State shall also include such a program in its plan under section 101 submitted for each subsequent fiscal year. Such program, in addition to those requirements provided in section 101(a)(6), shall (1) designate the State agency or agencies administering the State plan for vocational rehabilitation as the agency or agencies to administer funds provided under this title; (2) provide that comprehensive rehabilitation services will be provided for the rehabilitation of handicapped individuals only in accordance with the individualized written rehabilitation program required by section 102 and only after the requirements of subsection (c) of such section have been met; (3) describe the quality, scope, and extent of the services being provided; (4) demonstrate that the State has studied and considered a broad variety of means for providing comprehensive rehabilitation services under this title, including but not limited to, regional and community centers, halfway houses, services to homebound and institutionalized individuals, and patient-release programs, where such programs are appropriate and beneficial; (5) be approved or disapproved under the criteria and procedures provided with respect to the State plan submitted under section 101; and (6) conform to such other requirements as the Commissioner by regulation may prescribe.

SPECIAL PROJECTS

SEC. 204. From sums appropriated under section 200(b), the Commissioner may retain not to exceed 10 per centum or $500,000, whichever is smaller, to enable him to make grants to States and public and nonprofit agencies or organizations to pay part of the cost of projects for research and demonstration and training which hold promise of making a substantial contribution to the solution of problems related to the rehabilitation of individuals under this title.

DEFINITION

SEC. 205. For the purposes of this title, the term "rehabilitation" means the goal of achieving, through the provision of comprehensive rehabilitation services, substantial improvement in the ability to live independently or function normally with his family or community on the part of a handicapped individual, who, according to a certification under section 102(c), is not then capable of achieving a vocational goal.

TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

DECLARATION OF PURPOSE

SEC. 300. The purpose of this title is to—

(1) authorize grants and contracts to assist in the construction and initial staffing of rehabilitation facilities;

(2) authorize grants and contracts to assist in the provision of vocational training services to handicapped individuals;

(3) to insure mortgages covering the construction of certain nonprofit rehabilitation facilities and authorize annual interest grants to help meet the costs of making principal payments in connection with such mortgages, whether so insured or not;

(4) authorize grants for special projects and demonstrations which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals, which experiment with new types or patterns of services or devices for the rehabilitation of handicapped individuals (including opportunities for new careers for handicapped individuals and for other individuals in programs serving handicapped individuals) and which provide vocational and comprehensive rehabilitation services to handicapped migratory agricultural workers or seasonal farmworkers;

(5) establish and operate a National Center for Deaf-Blind Youths and Adults;

(6) authorize grants and contracts to establish and operate Rehabilitation Centers for Deaf Individuals;

(7) establish and operate National Centers for Spinal Cord Injuries;

(8) provide services for the treatment of individuals suffering from end stage renal disease;

(9) authorize grants and contracts to assist in the provision of rehabilitation services to older blind individuals and in the application of new types or patterns of services or devices for the benefit of such individuals;

(10) establish a National Advisory Council on Rehabilitation of Handicapped Individuals to advise the Commissioner and Secretary and conduct reviews with respect to programs carried out under this Act;

(11) establish State Advisory Councils to advise Governors and State agencies in carrying out State plans approved under this Act; and

(12) establish uniform grant and contact requirements for programs assisted under this title and certain other provisions of this Act.

GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

SEC. 301. (a) For the purpose of making grants and contracts under this section for construction of rehabilitation facilities, initial staffing, and planning assistance, there is authorized to be appropriated $17,500,000 for the fiscal year ending June 30, 1973; $40,000,000 for the fiscal year ending June 30, 1974; and $45,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year. Amounts so appropriated shall remain available for expenditure with respect to construction projects funded or initial staffing grants made under this section prior to July 1, 1978.

(b)(1) The Commissioner is authorized to make grants to assist in meeting the costs of construction of public or nonprofit rehabilitation facilities. Such grants may be made to States and public or nonprofit organizations and agencies for projects for which applications are approved by the Commissioner under this section.

(2) To be approved, an application for a grant for a construction project under this section must conform to the provisions of section 313.

(3) The amount of a grant under this section with respect to any construction project in any State shall be equal to the same percentage of the cost of such project as the Federal share which is applicable in the case of rehabilitation facilities (as defined in section 645(g) of the Public Health Service Act (42 U.S.C. 291o(a)), in such State, except that if the Federal share with respect to rehabilitation facilities in such State is determined pursuant to subparagraph (b)(2) of section 645 of such Act (42 U.S.C. 291o(b)(2)), the percentage of the cost for purposes of this section shall be determined in accordance with regulations prescribed by the Commissioner designed to achieve as nearly as practicable results comparable to the results obtained under such subparagraph.

(c) The Commissioner is also authorized to make grants to assist in the initial staffing of any public or nonprofit rehabilitation facility constructed after the date of enactment of this section (whether or not such construction was financed with the aid of a grant under this section) by covering part of the costs (determined in accordance with regulations the Commissioner shall prescribe) of compensation of professional or technical personnel of such facility during the period beginning with the commencement of the operation of such facility and ending with the close of four years and three months after the month in which such operation commenced. Such grants with respect to any facility may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following the month in which such operation commenced, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year thereafter.

(d) The Commissioner is also authorized to make grants upon application approved by the State agency designated under section 101 to administer the State plan, to public or nonprofit agencies, institutions, or organizations to assist them in meeting the cost of planning rehabilitation facilities and the services to be provided by such facilities.

VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 302. (a) For the purpose of making grants and contracts under this section, there is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1973; $35,000,000 for the fiscal year ending June 30, 1974; and $40,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year.

(b)(1) The Commissioner is authorized to make grants to States and public or nonprofit organizations and agencies to pay up to 90 per centum of the cost of projects for providing vocational training services to handicapped individuals, especially those with the most severe handicaps, in public or nonprofit rehabilitation facilities.

(2)(A) Vocational training services for purposes of this subsection shall include training with a view toward career advancement; training in occupational skills; related services, including work evaluation, work testing, provision of occupational tools and equipment required by the individual to engage in such training, and job tryouts; and payment of weekly allowances to individuals receiving such training and related services.

(B) Such allowances may not be paid to any individual for any period in excess of two years, and such allowances for any week shall not exceed $30 plus $10 for each of the individual's dependents, or $70, whichever is less. In determining the amount of such allowances for any individual, consideration shall be given to the individual's need for such an allowance, including any expenses reasonably attributable to receipt of training services, the extent to which such an allowance will help assure entry into and satisfactory completion of training, and such other factors, specified by the Commissioner, as will promote such individual's capacity to engage in gainful and suitable employment.

(3) The Commissioner may make a grant for a project pursuant to this subsection only on his determination that (A) the purpose of such project is to prepare handicapped individuals, especially those with the most severe handicaps, for gainful and suitable employment; (B) the individuals to receive training services under such project will include only those who have been determined to be suitable for and in need of such training services by the State agency or agencies designated as provided in section 101(a) (1) of the State in which the rehabilitation facility is located; (C) the full range of training services will be made available to each such individual, to the extent of his need for such services; and (D) the project, including the participating rehabilitation facility and the training services provided, meet such other requirements as he may prescribe in regulations for carrying out the purpose of this subsection.

(c)(1) The Commissioner is authorized to make grants to public or nonprofit rehabilitation facilities, or to an organization or combination of such facilities, to pay the Federal share of the cost of projects to analyze, improve, and increase their professional services to handicapped individuals, their management effectiveness, or any other part of their operations affecting their capacity to provide employment and services for such individuals.

(2) No part of any grant made pursuant to this subsection may be used to pay costs of acquiring, constructing, expanding, remodeling, or altering any building.

MORTGAGE INSURANCE FOR REHABILITATION FACILITIES

SEC. 303. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for programs for handicapped individuals.

(b) For the purpose of this section the terms "mortgage", "mortgagor", "mortgagee", "maturity date", and "State" shall have the meanings respectively set forth in section 207 of the National Housing Act.

(c) The commissioner, in consultation with the Secretary of Housing and Urban Development, and subject to the provisions of section 313, is authorized to insure up to 100 per centum of any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon, except that no mortgage of any public agency shall be insured under this section if the interest from such mortgage is exempt from Federal taxation.

(d) In order to carry out the purpose of this section, the Commissioner is authorized to insure any mortgage which covers construction of a public or nonprofit rehabilitation facility, including equipment to be used in its operation, subject to the following conditions:

(1) The mortgage shall be executed by a mortgagor, approved by the Commissioner, who demonstrates ability successfully to operate one or more programs for handicapped individuals. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Commissioner may make such contracts with and acquire for not to exceed $100 such stock of interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section), and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.

(2) The mortgage shall involve a principal obligation in an amount not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the rehabilitation facility, when the proposed improvements are completed and the equipment is installed, but not including any cost covered by grants in aid under this Act or any other Federal Act.

(3) The mortgage shall—

(A) provide for complete amortization by periodic payments within such term as the Commissioner shall prescribe, and

(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Commissioner finds necessary to meet the mortgage market.

(e) The Commissioner shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Commissioner is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

(f) The Commissioner may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he shall by regulation prescribe.

(g)(1) The Commissioner shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act. The Commissioner may, pursuant to a formal delegation agreement containing regulations prescribed by him, delegate to the Secretary of Housing and Urban Development authority to administer this section and section 304 of this Act in accordance with such delegation agreement.

(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section) and all references in such provisions to "Secretary" shall be deemed to refer to the Commissioner of the Rehabilitation Services Administration within the Department of Health, Education, and Welfare.

(h)(1) There is hereby created a Rehabilitation Facilities Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Rehabilitation Facilities Insurance Fund.

(2) The general expenses of the operations of the Rehabilitation Services Administration relating to mortgages insured under this section may be charged to the Rehabilitation Facilities Insurance Fund.

(3) Moneys in the Rehabilitation Facilities Insurance Fund not needed for the current operations of the Rehabilitation Services Administration with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Rehabilitation Facilities Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

(4) Premium charges, adjusted premium charges, and appraisals and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Commissioner in connection therewith, and all earnings as the assets of the fund, shall be credited to the Rehabilitation Facilities Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligations of such fund, cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

(5) There are authorized to be appropriated to provide initial capital for the Rehabilitation Facilities Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary, except that the total amount of outstanding mortgages insured shall not exceed $250,000,000.

ANNUAL INTEREST GRANTS FOR MORTGAGES FOR REHABILITATION FACILITIES

SEC. 304. (a) To assist State and public or nonprofit agencies and organizations to reduce the cost of borrowing from other sources for the construction of rehabilitation facilities, the Commissioner, subject to the provisions of section 313, may make annual interest grants to such agencies.

(b) Annual interest grants under this section with respect to any rehabilitation facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount sufficient to reduce by 4 per centum the net effective interest rate otherwise payable on the loan or to equal one-half of such rate, whichever is the lesser amount: *Provided,* That the amount on which such grant is based shall be approved by the Commissioner.

(c)(1) There are authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants in accordance with this section.

(2) Contracts for annual interest grants under this section shall not be entered into an aggregate amount greater than is author-

ized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid pursuant to contracts entered into under this section shall not exceed $1,000,000 with respect to contracts entered into prior to June 30, 1973; $2,000,000 with respect to contracts entered into prior to June 30, 1974; and $4,000,000 with respect to contracts entered into prior to June 30, 1975.

(3) Not more than 15 per centum of the funds expended under this section may be used within any one State in any one fiscal year.

SPECIAL PROJECTS AND DEMONSTRATIONS

SEC. 305. (a) (1) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1973, $75,000,000 for the fiscal year ending June 30, 1974, $100,000,000 for the fiscal year ending June 30, 1975, and $150,000,000 for the succeeding fiscal year.

(2) Of the amounts appropriated pursuant to paragraph (1) of this subsection, 10 per centum, but in no event more than $5,000,000 in the fiscal year ending June 30, 1973, and $10,000,000 in each such subsequent fiscal year shall be available only for the purpose of making grants under subsection (c) of this section, and there is authorized to be appropriated in each such fiscal year such additional amount as may be necessary to equal, when added to the amount made available for the purpose of making grants under subsection, an amount of $5,000,000 to be available for the fiscal year ending June 30, 1973, and $10,000,000 for each such subsequent fiscal year.

(b) The Commissioner, subject to the provisions of section 313, shall make grants to States and public or nonprofit agencies and organizations for paying part of the cost of special projects and demonstrations (and research and evaluation in connection therewith) (1) for establishing facilities and providing services which, in the judgment of the Commissioner, hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals, especially those with the most severe handicaps, and (2) for applying new types or patterns of services or devices (including opportunities for new careers for handicapped individuals and for other individuals in programs servicing handicapped individuals).

(c) The Commissioner, subject to the provisions of section 313, is authorized to make grants to any State agency designated pursuant to a State plan approved under section 101, or to any local agency participating in the administration of such a plan, to pay up to 90 per centum of the cost of projects or demonstrations for the provision of vocational or comprehensive rehabilitation services to handicapped individuals who, as determined in accordance with rules prescribed by the Secretary of Labor, are migratory agricultural workers or seasonal farmworkers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of such individuals and members of their families where necessary to the rehabilitation of such individuals. Maintenance payments under this section shall be consistent with any maintenance payments made to other handicapped individuals in the State under this Act. Such grants shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit agencies and organizations having special skills and experience in the provision of services to migratory agricultural workers, seasonal farmworkers, or their families. This subsection shall be administered in coordination with other programs serving migrant agricultural workers and seasonal farmworkers, including programs under title I of the Elementary and Secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, the Migrant Health Act, and the Farm Labor Contractor Registration Act of 1963.

(d) The Commissioner is authorized to make contracts or jointly financed cooperative arrangements with employers and organizations for the establishment of projects designed to prepare handicapped individuals for gainful and suitable employment in the competitive labor market under which handicapped individuals are provided training and employment in a realistic work setting and such other services (determined in accordance with regulations prescribed by the Commissioner) as may be necessary for such individuals to continue to engage in such employment.

(e) (1) The Commissioner is authorized, directly or by contract with State vocational rehabilitation agencies or experts or consultants or groups thereof, to provide technical assistance (A) to rehabilitation facilities, and (B) for the purpose of removal of architectural and transportation barriers, to any public or nonprofit agency, institution, organization or facility.

(2) Any such experts or consultants shall, while serving pursuant to such contracts, be entitled to receive compensation at rates fixed by the Commissioner, but not exceeding the pro rata pay rate for a person employed as a GS-18, under section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

SEC. 306. (a) For the purpose of establishing and operating a National Center for Deaf-Blind Youths and Adults, there is authorized to be appropriated $5,000,000 for construction, which shall remain available until expended, and $800,000 for operations for the fiscal year ending June 30, 1973; $1,200,000 for operations for the fiscal year ending June 30, 1974; and $2,000,000 each for operations for the fiscal year ending June 30, 1975, and the succeeding fiscal year.

(b) In order—

(1) to demonstrate methods of (A) providing the specialized intensive services, and other services, needed to rehabilitate handicapped individuals who are both deaf and blind, and (B) training the professional and allied personnel needed adequately to staff facilities specially designed to provide such services and training to such personnel who have been or will be working with deaf-blind individuals;

(2) to conduct research in the problems of, and ways of meeting the problems of rehabilitating, deaf-blind individuals; and

(3) to aid in the conduct of related activities which will expand or improve the services for or help improve public understanding of the problems of deaf-blind individuals;

the Commissioner, subject to the provisions of section 313, is authorized to enter into an agreement with any public or nonprofit agency or organization for payment by the United States of all or part of the costs of the establishment and operation, including construction and equipment, of a center for vocational rehabilitation of handicapped individuals who are both deaf and blind, which center shall be known as the National Center for Deaf-Blind Youths and Adults.

(c) Any agency or organization desiring to enter into such agreement shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed in regulations by the Commissioner. In considering such proposals the Commissioner shall give preference to proposals which (1) give promise of maximum effectiveness in the organization and operation of such Center, and (2) give promise of offering the most substantial skill, experience, and capability in providing a broad program of service, research, training, and related activities in the field of rehabilitation of deaf-blind individuals.

REHABILITATION CENTERS FOR DEAF INDIVIDUALS

SEC. 307. (a) For the purpose of making grants and contracts for the expansion and improvement of vocational or comprehensive rehabilitation services for deaf individuals (through the establishment of centers or other means), there is authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1973; $4,000,000 for the fiscal year ending June 30, 1974; and $7,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year. Funds appropriated pursuant to this subsection shall remain available until expended.

(b) In order to—

(1) demonstrate methods of (A) providing the specialized services needed to rehabilitate and make maximum use of the vocational potential of deaf individuals, and (B) training the specialized professional and allied personnel required adequately to staff facilities designed to provide such services and training personnel who have been or will be working with such individuals;

(2) conduct research in the nature and prevention of the problems of such deaf individuals and in the rehabilitation of these individuals; and

(3) improve the understanding of the general public, employers in particular, of both the assets and problems of such deaf individuals;

the Commissioner, subject to the provisions of section 313, is authorized to make grants to or contracts with any public or nonprofit agency or organization for payment by the United States of all or part of the costs of the establishment and operation, including construction and equipment, of one or more centers for the vocational rehabilitation of deaf individuals whose maximum vocational potential has not been achieved, which shall be known as Rehabilitation Centers for Deaf Individuals.

(c) Any agency or organization desiring to receive a grant or enter into a contract under this section shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed in regulations by the Commissioner. In considering such proposals the Commissioner shall give preference to proposals which (1) give promise of maximum effectiveness in the organization and operation of a Rehabilitation Center for Deaf Individuals, and (2) give promise of offering the substantial capability in providing a broad program of service and related research, training, and other activities in the field of rehabilitation of deaf individuals whose maximum vocational potential has not been achieved.

(d) For the purposes of this section, the Commissioner shall prescribe regulations to—

(1) provide a means of determining the population of deaf individuals whose maximum vocational potential has not been achieved;

(2) insure that, in carrying out the purposes of this section, provision has been made for coordination between the agency or organization receiving funds under this section on the one hand, and the State and local educational agencies in the area to be served on the other; and

(3) provide that an advisory board, comprised of qualified professional and expert individuals in the fields of rehabilitation and education of deaf individuals, be appointed to assure proper functioning of a Center es-

tablished under this section in accordance with its stated objectives and to provide assistance in professional, technical, and other related areas; and that at least one-third of the members of such board shall be deaf individuals.

(e) To be eligible to receive vocational or comprehensive rehabilitation services under this section, a deaf individual must be sixteen years of age or older, must have reached the age at which the compulsory school attendance laws of the State in which he resides are no longer applicable to him, and must be an individual whose maximum vocational potential (as defined in regulations which the Commissioner shall prescribe) has not been achieved.

(f) Programs carried out under this section shall be coordinated with programs carried out by the Bureau of Education for the Handicapped within the Office of Education in order to achieve a consistent education and rehabilitation philosophy, to provide for continuity of services and program purpose, and to avoid unnecessary duplication or overlap of programs.

NATIONAL CENTERS FOR SPINAL CORD INJURIES

SEC. 308. (a) For the purpose of establishing and operating National Centers for Spinal Cord Injuries, there is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1973; $25,000,000 for the fiscal year ending June 30, 1974; and $30,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year. Funds appropriated under this section shall remain available until expended.

(b) In order—

(1) to help establish national centers with special competencies in providing prompt, complete vocational and comprehensive rehabilitation services and acute medical care to individuals with spinal cord injuries;

(2) to assist in meeting the costs of such services to such individuals;

(3) to encourage and assist the study and development of methods for the provision of such services and, where appropriate and desirable, to carry out necessary related research and training; and

(4) to develop new methods of achieving cooperation with and among community and other public and nonprofit organizations concerned with the problems of spinal cord injury;

the Commissioner, subject to the provisions of section 313, is authorized to enter into an agreement with any public or nonprofit agency or organization to pay all or part of the costs of the establishment and operation, including construction and equipment, of centers to carry out the purposes of this subsection, which centers shall be known as National Centers for Spinal Cord Injuries.

(c) Any agency or organization desiring to enter into such an agreement shall submit a proposal therefore at such time, in such manner, and containing such information as may be prescribed in regulations by the Commissioner. In considering such proposals the Commissioner shall provide an opportunity for submission of comments by the State agency administering the State plan under section 101, and shall give preference to proposals which (1) give promise of maximum effectiveness in the organization and operation of National Centers for Spinal Cord Injuries, and which include provisions to—

(A) establish, on an appropriate regional basis, a multidisciplinary system of providing vocational and comprehensive rehabilitation services, specifically designed to meet the special needs of individuals with spinal cord injuries including, but not limited to, acute medical care and periodic inpatient or outpatient followup;

(B) demonstrate and evaluate the benefits to individuals with spinal cord injuries served in, and the degree of cost effectiveness of, such a regional system;

(C) demonstrate and evaluate existing, new, and improved methods and equipment essential to the care, management, and rehabilitation of individuals with spinal cord injuries;

(D) demonstrate and evaluate methods of community outreach for individuals with spinal cord injuries and community education in connection with the problems of such individuals in areas such as housing, transportion, recreation, employment, and community activities;

and (2) give promise of offering substantial skill, experience, and capability in providing a comprehensive program of services and related activities in the field of rehabilitation of individuals with spinal cord injuries.

GRANTS FOR SERVICES FOR END-STAGE RENAL DISEASE

SEC. 309. (a) For the purpose of providing services under this section for the treatment of individuals suffering from end-stage renal disease there is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1973, $25,000,000 for the fiscal year ending June 30, 1974; and $25,000,000 each for the fiscal year ending June 3, 1975, and the succeeding fiscal year. Funds appropriated under this subsection shall remain available until expended.

(b) From sums available pursuant to subsection (a) of this section for any fiscal year, the Commissioner shall make grants to States and public and nonprofit agencies and organizations and agencies for paying part of the cost of projects for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of individuals suffering from end-stage renal disease.

(c) Payments under this section may be made in advance or by way of reimbursement for services performed and purchases made, as may be determined by the Commissioner, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

REHABILITATION SERVICES FOR OLDER BLIND INDIVIDUALS

SEC. 310. (a) For the purpose of providing rehabilitation services to older blind individuals, there is authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1973; $20,000,000 for the fiscal year ending June 30, 1974; and $30,000,000 each for the fiscal year ending June 30, 1975, and the succeeding fiscal year.

(b) In order—

(1) to demonstrate methods of (A) providing the specialized intensive services, as well as other services, needed to rehabilitate older blind individuals, and (B) training the professional and allied personnel needed to provide such services;

(2) to conduct research in the problems of, and ways of meeting the problems of rehabilitating older blind individuals; and

(3) to aid in the conduct of related activities which will expand or improve the services for, and help improve public understanding of, the problems of older blind individuals,

the Commissioner, subject to the provisions of section 313, is authorized to make grants to and contracts with States and public and nonprofit agencies to pay all or part of the costs of projects and demonstrations (1) for providing vocational or comprehensive rehabilitation services to older blind individuals which, in the judgment of the Commissioner, hold promise of expanding or otherwise improving such services, and (2) for applying new types or patterns of such services or devices to, or for the benefit of, older blind individuals.

(c) For the purpose of this section, the term "older blind individuals" means individuals, age fifty-five and older, whose severe visual impairment makes gainful employment less readily attainable in the light of current employment practices.

NATIONAL ADVISORY COUNCIL ON REHABILITATION OF HANDICAPPED INDIVIDUALS

SEC. 311. (a) There is established in the Department of Health, Education, and Welfare a National Advisory Council on Rehabilitation of Handicapped Individuals (hereinafter referred to in this section as the "Council") consisting of twenty members appointed by the Commissioners without regard to civil service laws shall be from among persons who are leaders in fields concerned with rehabilitation or in public affairs, and ten of such twenty shall be selected from among leading medical, educational, or scientific authorities with outstanding qualifications in the rehabilitation of handicapped individuals. Eight of such twenty members shall be persons who are themselves handicapped or who have received vocational rehabilitation services. Each such member of the Council shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor is appointed shall be appointed for the remainder of such term and except that, of the members first appointed, five shall hold office for a term of two years, and five shall hold office for a term of one year, as designated by the Commissioner at the time of appointment. None of such members shall be eligible for reappointment until a year has elapsed after the end of his preceding term. The Council shall meet not less than four times a year at the call of the Chairman, who shall be selected from among its membership by the members.

(b) The Council shall—

(1) provide policy advice and consultation to the Secretary and the Commissioner on the planning (including determinations of priorities), conduct, and review of programs (including research and training) authorized under this Act;

(2) review the administration and operation of vocational rehabilitation (including research and training) programs under this Act, including the effectiveness of such programs in meeting the purposes for which they are established and operated and the integration of research and training activities with service program goals and priorities, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this Act) to the Secretary and the Commissioner for annual transmittal to the Congress;

(3) advise the Secretary and the Commissioner with respect to the conduct of independent evaluations of programs (including research and training) carried out under this Act; and

(4) provide such other advisory services as the Secretary and the Commissioner may request.

(c)(1) Adequate technical assistance and support staff for the Council shall be provided from the Office for the Handicapped, the Rehabilitation Services Administration, or from any other Federal agency, as the Council may reasonably request.

(2) There is authorized to be appropriated for the purpose of carrying out this section $100,000 for the fiscal year ending June 30, 1973, and $150,000 for each for the three succeeding fiscal years.

(d) The Council shall review the possible duplication among vocational rehabilitation programs and other programs serving handicapped individuals within the same geographical areas and shall make annual reports of the extent to which unnecessary duplication or overlap exists, together with its findings and recommendations, concurrently to the Commissioner and the Congress. In making these reports, the Council shall seek the opinions of persons familiar with vocational rehabilitation and the employment of persons who have received vocational and comprehensive rehabilitation services in each State as well as persons familiar with labor, business and industry, education and training, health, and manpower programs.

(e) Members of the Council, while attending meetings or conferences thereof, or otherwise serving on business of the Council, or at the request of the Commissioner, shall be entitled to receive compensation at rates fixed by the Commissioner, but not exceeding the daily pay rate for a person employed as a GS–18 under section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

STATE ADVISORY COUNCILS

SEC. 312. (a) For the purpose of establishing State Advisory Councils, there is authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1973, and for each of the three succeeding fiscal years.

(b) Any State which receives assistance under this Act may establish and maintain a State Advisory Council, which shall be appointed by the Governor, or, in the case of a State in which members of the State board which governs vocational rehabilitation are elected (including election by the State legislature), by such board.

(c) (1) Such a State Advisory Council shall include as members persons who are familiar with problems of vocational rehabilitation in the State and the administration of vocational rehabilitation programs, and who are experienced in the education and training of handicapped individuals; persons who are representative of labor and management, including persons who have knowledge of the employment of persons who have received vocational rehabilitation services and of the employment of handicapped individuals; and individuals who are handicapped and who are receiving or who have received vocational rehabilitation services and who shall constitute a majority of the total membership of the State Advisory Council.

(2) Such a State Advisory Council, in accordance with regulations prescribed by the Commissioner shall—

(A) advise the Governor and the State agency on the development of, and policy matters arising in, the administration of the State plan approved pursuant to section 101;

(B) advise with respect to long-range planning and studies to evaluate vocational rehabilitation programs, services, and activities assisted under this Act; and

(C) prepare and submit to the Governor through the State agency having authority over vocational rehabilitation programs, and to the National Advisory Council on Rehabilitation of Handicapped Individuals established pursuant to section 311, an annual report of its recommendations, accompanied by such additional comments of the State agency as that agency deems appropriate.

(d) Upon the appointment of any such Advisory Council the appointing authority under subsection (b) of this section shall inform the Commissioner of the establishment of, and membership of, its State Advisory Council. The Commissioner shall, upon receiving such information, certify that each such council is in compliance with the membership requirements set forth in subsection (b) (1) of this section.

(e) Each such State Advisory Council shall meet within thirty days after certification has been accepted by the Commissioner under subsection (d) of this section and select from among its membership a chairman. The time, place, and manner of subsequent meetings shall be provided by the rules of the State Advisory Council, except that such rules must provide that each such council meet at least four times each year, including at least one public meeting at which the public is given the opportunity to express views concerning vocational rehabilitation.

(f) Each such State Advisory Council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this section.

GENERAL GRANT AND CONTRACT REQUIREMENTS

SEC. 313. (a) The provisions of this section shall apply to all projects (including annual interest grants) approved and assisted under this title. The Commissioner shall insure compliance with this section prior to making any grant or entering into any contract or agreement under this title, except projects authorized under sections 302, 309, 311, and 312.

(b) To be approved, an application for assistance for a construction project under this title must—

(1) contain or be supported by reasonable assurances that (A) for a period of not less than twenty years after completion of construction of the project it will be used as a public or nonprofit facility, (B) sufficient funds will be available to meet the non-Federal share of the cost of construction of the project, and (C) sufficient funds will be available, when construction of the project is completed, for its effective use for its intended purpose;

(2) provide that Federal funds provided to any agency or organization under this title will be used only for the purposes for which provided and in accordance with the applicable provisions of this section and the section under which such funds are provided:

(3) provide that the agency or organization receiving Federal funds under this title will make an annual report to the Commissioner, which he shall summarize and comment upon in the annual report to the Congress submitted under section 504:

(4) be accompanied or supplemented by plans and specifications in which due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and which comply with regulations prescribed by the Commissioner related to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90–480)), and with regulations of the Secretary of Labor relating to occupational health and safety standards for rehabilitation facilities; and

(5) contain or be supported by reasonable assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with Davis-Bacon Act, as amended (40 U.S.C. 276a–276a5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) Upon approval of any application for a grant or contract for a project under this title, the Commissioner shall reserve, from any appropriation available therefore, the amount of such grant or contract determined under this title. In case an amendment to an approval application is approved, or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the appropriation from which the original reservation was made or the appropriation for the fiscal year in which such amendment or revision is approved.

(d) If, within twenty years after completion of any construction project for which funds have been paid under this title, the facility shall cease to be a public or nonprofit facility, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

(e) Payment of assistance or reservation of funds made pursuant to this title may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

(f) A project for construction of a rehabilitation facility which is primarily a workshop may, where approved by the Commissioner as necessary to the effective operation of the facility, include such construction as may be necessary to provide residential accommodations for use in connection with the rehabilitation of handicapped individuals.

(g) No funds provided under this title may be used to assist in the construction of any facility which is or will be used for religious workshop or any sectarian activity.

(h) When in any State, funds provided under this title will be used for providing direct services to handicapped individuals or for establishing facilities which will provide such services, such services must be carried out in a manner not inconsistent with the State plan approved pursuant to section 101.

(i) Prior to making any grant or entering into any contract under this title, the Commissioner shall afford reasonable opportunity to the appropriate State agency or agencies designated pursuant to section 101 to comment on such grant or contract.

(j) With respect to any obligation issued by or on behalf of any public agency for which the issuer has elected to receive the benefits of mortgage insurance under section 303 or annual interest grants under section 304, the interest paid on such obligations and received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.

TITLE IV—RESEARCH AND TRAINING

DECLARATION OF PURPOSE

SEC. 400. The purpose of this title is to authorize Federal assistance to State and public or nonprofit agencies and organizations to—

(a) plan and conduct research, demonstrations, and related activities in the rehabilitation of handicapped individuals, and

(b) plan and conduct courses of training and related activities designed to provide increased numbers of trained rehabilitation personnel, to increase the levels of skills of such personnel, and to develop improved methods of providing such training.

AUTHORIZATION OF APPROPRIATIONS

SEC. 401. (a) In order to make grants and contracts to carry out the purposes of this title, there is authorized to be appropriated:

(1) For the purpose of carrying out section 402 of this title, $45,000,000 for the fiscal year ending June 30, 1973, $75,000,000 for the fiscal year ending June 30, 1974, $100,000,000 for the fiscal year ending June 30, 1975, and $150,000,000 for the succeeding fiscal year, of which 15 per centum in the fiscal year ending June 30, 1973, and 25 per centum in each such subsequent fiscal year, shall be available for the purpose of carrying out activities under section 402(b) (2).

(2) For the purpose of carrying out section 403 of this title $35,000,000 for the fiscal year ending June 30, 1973, $50,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the succeeding fiscal year.

(b) Funds appropriated under this title shall remain available until expended.

RESEARCH

SEC. 402. (a) The Commissioner is authorized to make grants to and contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for the purpose of planning and conducting research, demonstrations, and related activities which bear directly on the development of methods, procedures, and devices to assist in the provision of vocational and comprehensive rehabilitation services to handicapped individuals, especially those with the most severe handicaps, under this Act. Such projects may include medical and other scientific, technical, methodological, and other investigations into the nature of disability, methods of analyzing it, and restorative techniques; studies and analyses of industrial, vocational, social, psychological, economic, and other factors affecting rehabilitation of handicapped individuals; special problems of homebound and institutionalized individuals; studies and analyses of architectural and engineering design adapted to meet the special needs of handicapped individuals; and related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of handicapped individuals and individuals with the most severe handicaps.

(b) In addition to carrying out projects under subsection (a) of this section, the Commissioner is authorized to make grants to pay part or all of the cost of the following specialized research activities:

(1) Establishment and support of Rehabilitation Research and Training Centers to be operated in collaboration with institutions of higher education for the purpose of providing coordinated and advanced programs of research in rehabilitation and training of rehabilitation research personnel, including, but not limited to, graduate training. Grants may include funds for services rendered by such a center to handicapped individuals in connection with such research and training activities.

(2) Establishment and support of Rehabilitation Engineering Research Centers to (A) develop innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems through planning and conducting research, including cooperative research with public or private agencies and organizations, designed to produce new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of handicapped individuals and for reducing environmental barriers, and to (B) cooperate with the Office for the Handicapped and State agencies designated pursuant to section 101 in developing systems of information exchange and coordination to promote the prompt utilization of engineering and other scientific research to assist in solving problems in the rehabilitation of handicapped individuals.

(3) Conduct of a program for spinal cord injury research in support of the National Centers for Spinal Cord Injuries established pursuant to section 308 which will (A) insure dissemination of research findings among all such centers, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigators.

(4) Conduct of a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of handicapped individuals in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of handicapped individuals, and initiating a program to exchange experts and technical assistance in the field of rehabilitation of handicapped individuals with other nations as a means of increasing the levels of skills of rehabilitation personnel.

(c) The provisions of section 313 shall apply to assistance provided under this section, unless the context indicates to the contrary.

TRAINING

SEC. 403. (a) The Commissioner is authorized to make grants to and contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for training, traineeships, and related activities designed to assist in increasing the numbers of personnel trained in providing vocational and comprehensive rehabilitation services to handicapped individuals and in performing other functions necessary to the development of such services.

(b) In making such grants or contracts, funds made available for any year will be utilized to provide a balanced program of assistance to meet the medical, vocational, and other personnel training needs of both public and private rehabilitation programs and institutions, to include projects in rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, workshop and facility administration, prosthetics and orthotics, specialized personnel in services to the blind and the deaf, recreation for ill and handicapped individuals, and other fields contributing to the rehabilitation of handicapped individuals, including homebound and institutionalized individuals and handicapped individuals with limited English-speaking ability. No grant shall be made under this section for furnishing to an individual any one course of study extending for a period in excess of four years.

REPORTS

SEC. 404. There shall be included in the annual report to the Congress required by section 504 a full report on the research and training activities carried out under this title and the extent to which such research and training has contributed directly to the development of methods, procedures, devices, and trained personnel to assist in the provision of vocational or comprehensive rehabilitation services to handicapped individuals and those with the most severe handicaps under this Act.

TITLE V—ADMINISTRATION AND PROGRAM AND PROJECT EVALUATION

ADMINISTRATION

SEC. 500. (a) In carrying out his duties under this Act, the Commissioner shall—

(1) cooperate with, and render technical assistance (directly or by grant or contract) to States in matters relating to the rehabilitation of handicapped individuals;

(2) provide short-term training and instruction in technical matters relating to vocational and comprehensive rehabilitation services, including the establishment and maintenance of such research fellowships and traineeships, with such stipends and allowances (including travel and subsistence expenses), as he may deem necessary, except that no such training or instruction (or fellowship or scholarship) shall be provided any individual for any one course of study for a period in excess of four years, and such training, instruction, fellowships, and traineeships may be in the fields of rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physcal therapy, occupational therapy, speech pathology and audiology, prosthetics and orthotics, recreation for ill and handicapped individuals, and other specialized fields contributing to the rehabilitation of handicapped individuals; and

(3) disseminate information relating to vocational and comprehensive rehabilitation services, and otherwise promote the cause of the rehabilitation of handicapped individuals and their greater utilization in gainful and suitable employment.

(b) The Secretary is authorized to make rules and regulations governing the administration of this title and titles VI and VI of this Act, and to delegate to any officer or employee of the United States such of his powers and duties under such titles, except the making of rules and regulations, as he finds necessary to carry out the provisions of such titles. Such rules and regulations, as well as those prescribed by the Commissioner of the Rehabilitation Services Administration under titles I, II, III, and IV of this Act shall be published in the Federal Register, on at least an interim basis, no later than ninety days after the date of enactment of this Act.

(c) The Secretary is authorized (directly or by grants or contracts) to conduct studies, investigations, and evaluation of the programs authorized by this Act, and to make reports, with respect to abilities, aptitudes, and capacities of handicapped individuals, development of their potentialities, their utilization in gainful and suitable employment, and with respect to architectural, transportation, and other environmental and attitudinal barriers to their rehabilitation, including the problems of homebound, institutionalized, and older blind individuals.

(d) There is authorized to be included for each fiscal year in the appropriation for the Department of Health, Education, and Welfare such sums as are necessary to administer the provisions of this Act.

(e) In carrying out their duties under this Act, the Secretary and the Commissioner, respectively, shall insure the maximum coordination and consultation, at both national and local levels, with the Administrator of Veterans' Affairs and his designees with respect to programs for and relating to the rehabilitation of disabled veterans carried out under title 38, United States Code.

(f) With respect to the administration of the program authorized by section 309, the Secretary shall insure that the provision of services under such section is coordinated with similar services provided or paid for under health programs pursuant to other Federal laws.

PROGRAM AND PROJECT EVALUATION

SEC. 501. (a) (1) The Secretary shall measure and evaluate the impact of all programs authorized by this Act, in order to determine their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(2) In carrying out his responsibilities under this subsection, the Secretary, in the case of research, demonstrations, and related

activities carried out under section 402, shall, after taking into consideration the views of State agencies designated pursuant to section 101, on an annual basis—

(A) reassess priorities to which such activities should be directed; and

(B) review present research, demonstration, and related activities to determine, in terms of the purpose specified for such activities by subsection (a) of such section 402, whether and on what basis such activities should be continued, revised or terminated.

(3) The Secretary shall, within 12 months after the date of enactment of this Act, and on each April 1 thereafter, prepare and furnish to the appropriate committees of the Congress a complete report on the determination and review carried out under paragraph (2) of this subsection, together with such recommendations, including any recommendations for additional legislation, as he deems appropriate.

(b) Effective after June 30, 1973, before funds for the programs and projects covered by this Act are released, the Secretary shall develop and publish general standards for evaluation of the program and project effectiveness in achieving the objectives of this Act. He shall consider the extent to which such standards have been met in deciding, in accordance with procedures set forth in subsections (b), (c), and (d) of section 101, whether to renew or supplement financial assistance authorized under any section of this Act. Reports submitted pursuant to section 504 shall describe the actions taken as a result of these evaluations.

(c) In carrying out evaluations under this title, the Secretary shall, whenever possible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this Act about such programs and projects.

(d) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness no later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this Act shall become the property of the United States.

OBTAINING INFORMATION FROM FEDERAL AGENCIES

SEC. 502. Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this title shall be made available to him, upon request, by the agencies of the executive branch.

AUTHORIZATION OF APPROPRIATIONS

SEC. 503. There is authorized to be appropriated such sums as the Secretary may require, but not to exceed an amount equal to one-half of 1 per centum of the funds appropriated under titles I, II, III, and IV of this Act or $1,000,000 for the fiscal year ending June 30, 1973, and $2,000,000 for each such subsequent fiscal year, whichever is greater, to be available to conduct program and project evaluations as required by this title.

REPORTS

SEC. 504. Not later than one hundred and twenty days after the close of each fiscal year, the Secretary shall prepare and submit to the President and to the Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include (1) statistical data reflecting, with the maximum feasible detail, vocational and comprehensive rehabilitation services provided handicapped individuals during the preceding fiscal year, (2) specifically distinguish among rehabilitation closures attributable to physical restoration, placement in competitive employment, extended or terminal employment in a sheltered workshop or rehabilitation facility, employment as a homemaker or unpaid family worker, and provision of comprehensive rehabilitation services, and (3) include a detailed evaluation of services provided with assistance under title I of this Act to those with the most severe handicaps and of comprehensive rehabilitation services provided pursuant to title II of this Act.

SHELTERED WORKSHOP STUDY

SEC. 505. (a) The Secretary shall conduct an original study of the role of sheltered workshops in the rehabilitation and employment of handicapped individuals, including a study of wage payments in sheltered workshops. The study shall incorporate guidelines which are consistent with criteria provided in resolutions adopted by the Committee on Labor and Public Welfare of the United States Senate or the Committee on Education and Labor of the United States House of Representatives, or both.

(b) The study shall include site visits to sheltered workshops, interviews with handicapped trainees or clients, and consultations with interested individuals and groups and State agencies designated pursuant to section 101.

(c) Any contracts awarded for the purpose of carrying out all or part of this study shall not be made with individuals or groups with a financial or other direct interest in sheltered workshops.

(d) The Secretary shall report to the Congress his findings and recommendations with respect to such study within twenty-four months after the date of enactment of this Act.

TITLE VI—OFFICE FOR THE HANDICAPPED

ESTABLISHMENT OF OFFICE

SEC. 600. There is established within the Office of the Secretary in the Department of Health, Education, and Welfare an Office for the Handicapped (hereinafter in this title referred to as the "Office"). The Office shall be headed by a Director, who shall serve as a Special Assistant to the Secretary and shall report directly to him, and shall be provided such personnel as are necessary to carry out the functions set forth in section 601. In selecting personnel to fill all positions in the Office, the Secretary shall give special emphasis to qualified handicapped individuals.

FUNCTION OF OFFICE

SEC. 601. It shall be the function of the Office, with the assistance of agencies within the Department, other departments and agencies within the Federal Government, handicapped individuals, and public and private agencies and organizations, to—

(1) prepare and submit to the Secretary, for submission to the Congress within 18 months after the date of enactment of this Act, a long-range projection for the provision of comprehensive services to handicapped individuals and for programs of research, evaluation, and training related to such services and individuals;

(2) analyze on a continuing basis and submit to the Secretary, for inclusion in his report submitted under section 504, a report on the results of such analysis, program operation to determine consistency with applicable provisions of law, progress toward meeting the goals and priorities set forth in the projection required under clause (1), the effectiveness of all programs providing services to handicapped individuals, and the elimination of unnecessary duplication and overlap in such programs under the jurisdiction of the Secretary;

(3) encourage coordinated and cooperative planning designed to produce maximum effectiveness, sensitivity, and continuity in the provision of services for handicapped individuals by all programs under the jurisdiction of the Secretary;

(4) provide assistance (including staff assistance) to the National Advisory Council on Rehabilitation of the Handicapped established by section 311 of this Act, the National Advisory Council on the Education of the Handicapped established by section 604 of the Education of the Handicapped Act (title VI, Public Law 91–230), and other committees advising the Secretary on programs for handicapped individuals;

(5) develop means of promoting the prompt utilization of engineering and other scientific research to assist in solving problems in education (including promotion of the development of curriculums stressing barrier free design and the adoption of such curriculums by schools of architecture, design, and engineering), health, employment, rehabilitation, architectural and transportation barriers, and other areas so as to bring about the full integration of handicapped individuals into all aspects of society;

(6) provide a central clearinghouse for information and resource availability for handicapped individuals through (A) the evaluation of systems within the Department of Health, Education, and Welfare, other departments and agencies of the Federal Government, public and private agencies and organizations, and other sources, which provide (i) information and data regarding the location, provision, and availability of services and programs for handicapped individuals, regarding research and recent medical and scientific developments bearing on handicapping conditions (and their prevention, amelioration, causes, and cures), and regarding the current numbers of handicapped individuals and their needs, and (ii) any other such relevant information and data which the Office deems necessary; and (B) utilizing the results of such evaluation and existing information systems, the development within such Department of a coordinated system of information and data retrieval, which will have the capacity and responsibility to provide general and specific information regarding the information and data referred to in subclause (A) of this clause to the Congress, public and private agencies and organizations, handicapped individuals and their families, professionals in fields serving such individuals, and the general public; and

(7) carry out such additional advisory functions and responsibilities, consistent with the provisions of this title, as may be assigned to it by the Secretary or the President, except that such function or any other function carried out under clauses (1) through (5) of this section shall not include budgetary, policy, or program control by the Office over any program.

AUTHORIZATION OF APPROPRIATIONS

SEC. 602. There is authorized to be appropriated for the carrying out the purposes of this title, $1,000,000 for the fiscal year ending June 30, 1973, and $2,000,000 each for the three subsequent fiscal years, and there is further authorized to be appropriated $300,000 each for the fiscal year ending June 30, 1973, and for the three subsequent fiscal years for carrying out clause (6) of section 601.

TITLE VII—MISCELLANEOUS

EFFECT ON EXISTING LAWS

SEC. 700. The Vocational Rehabilitation Act (29 U.S.C. 31 et seq.) is repealed ninety days after the date of enactment of this Act and references to such Vocational Rehabilitation Act in any other provision of law shall, ninety days after such date, be deemed to be references to the Rehabilitation Act of 1972. Unexpended appropriations for carrying out the Vocational Rehabilitation Act may be made available to carry out this Act, as directed by the President. Approved State plans for vocational rehabilitation, approved projects, and contractual arrangements authorized under the Vocational Rehabilitation Act will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

FEDERAL INTERAGENCY COMMITTEE ON HANDICAPPED EMPLOYEES

Sec. 701. (a) There is established within the Federal Government an Interagency Committee on Handicapped Employees (hereinafter in this section referred to as the "Committee"), comprised of the following (or their designees whose positions are Executive Level IV or *higher*): the Chairman of the Civil Service Commission, the Administrator of Veterans' Affairs, the Secretaries of Labor and Health, Education, and Welfare, and the heads of such other Federal departments and agencies as the President may designate. The Chairman of the President's Committee on Employment of the Handicapped and the Chairman of the President's Committee on Mental Retardation shall serve as ex officio members of the Interagency Committee, and the Secretary of Health, Education, and Welfare shall serve as Chairman, and the Chairman of the Civil Service Commission shall serve as Vice-Chairman, of the Committee. The resources of such President's Committees shall be made fully available to the Committee established pursuant to this section. The Commissioner shall serve as Executive Director of the Committee. It shall be the purpose and function of the Committee to insure, through the establishment of affirmative action programs, the adequacy of hiring, placement, and advancement practices with respect to handicapped individuals, by each department, agency, and instrumentality in the executive branch of Government, and that the special needs of such individuals are being met.

(b) Each department, agency, and instrumentality in the executive branch shall, within one hundred and eighty days after the date of enactment of this Act, submit to the Committee an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality. Such plan shall include a description of the extent to which and methods whereby the special needs of handicapped employees are being met.

(c) The Committee shall develop and recommend to the Secretary for referral to the appropriate State agencies, policies and procedures which will facilitate the hiring, placement, and advancement in employment of individuals who have received rehabilitation services under State vocational rehabilitation programs, veterans' programs, or any other program for handicapped individuals, including the promotion of job opportunities for such individuals. The Secretary shall encourage such State agencies to adopt and implement such policies and procedures.

(d) The Committee shall, on June 30, 1973, and at the end of each subsequent fiscal year, make a complete report to the appropriate committees of the Congress with respect to the practices of hiring, placement, and advancement of handicapped individuals by each department, agency, and instrumentality and the effectiveness of the affirmative action programs required by subsection (b) of this section, together with recommendations as to legislation or other appropriate action to insure the adequacy of such practices. Such report shall also include a description of the effectiveness of the Committee's activities under subsection (c) of this section.

(e) An individual who, as a part of his individualized written rehabilitation program under a State plan approved under this Act, participates in a program of unpaid work experience in a Federal agency, shall not, by reason thereof, be considered to be a Federal employee or to be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(f)(1) The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized and directed to cooperate with the President's Committee on Employment of the Handicapped in carrying out its functions.

(2) There are authorized to be appropriated for salaries and expenses of the President's Committee on Employment of the Handicapped $1,000,000 for the fiscal year ending June 30, 1973, and $1,250,000 for the fiscal year ending June 30, 1974. In selecting personnel to fill all positions on the President's Committee on Employment of the Handicapped, special consideration shall be given to qualified handicapped individuals.

NATIONAL COMMISSION ON TRANSPORTATION AND HOUSING FOR HANDICAPPED INDIVIDUALS

Sec. 702. (a) There is established in the Department of Health, Education, and Welfare, a National Commission on Transportation and Housing for Handicapped Individuals, consisting of the Secretary of Health, Education, and Welfare (or his designee), who shall be Chairman, the Secretary of Housing and Urban Development, the Secretary of Transportation and the Secretary of the Treasury (or their respective designees), and not more than fifteen members appointed by the Secretary of Health, Education, and Welfare without regard to the civil service laws. The fifteen appointed members shall be representatives of the general public, of handicapped individuals, and of private and professional groups having an interest in, and able to contribute to the solution of, the transportation and housing problems which impede the rehabilitation of handicapped individuals.

(b) The Commission, in consultation with the Architectural and Transportation Barriers Compliance Board established pursuant to section 703, shall (1)(A) determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when such individuals are unable to use mass transit systems or need special equipment in private transportation, and (B) consider the housing needs of handicapped individuals; (2) determine what measures are being taken, especially by public and other nonprofit agencies and groups having an interest in and a capacity to deal with such problems, (A) to eliminate barriers from public transportation systems (including vehicles used in such systems), and to prevent their incorporation in new or expanded transportation systems and (B) to make housing available and accessible to handicapped individuals or to meet sheltered housing needs; and (3) prepare plans and proposals for such further action as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

(c) The Commission is authorized to appoint such special advisory and technical experts and consultants, and to establish such committees, as may be useful in carrying out its functions, to make studies, and to contract for studies or demonstrations to assist it in performing its functions. The Secretary shall make available to the Commission such technical, administrative, and other assistance as it may require to carry out its functions.

(d) Appointed members of the Commission and special advisory and technical experts and consultants appointed pursuant to subsection (c) shall, while attending meetings or conferences thereof or otherwise serving on business of the Commission, be entitled to receive compensation at rates fixed by the Secretary, but exceeding the not daily pay rate, for a person employed as a GS–18 under section 5332 of title 5, United States Code, including traveltime and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(e) The Commission shall prepare two final reports of its activities. One such report shall be on its activities in the field of transportation carriers of handicapped individuals, and the other such report shall be on its activities in the field of the housing needs of handicapped individuals. The Commission shall, prior to January 1, 1975, submit each such report, together with its recommendations for further carrying out the purposes of this section, to the Secretary for transmittal by him, together with his recommendations, to the President and the Congress. The Commission shall also prepare for such submission an interim report of its activities in each such field within eighteen months after the date of enactment of this Act and such additional interim reports as the Secretary may request.

(f) The Commission shall on a frequent and continuing basis, provide to the Architectural and Transportation Barriers Compliance Board established pursuant to section 703, such data and information as it has acquired or developed during the course of its investigations and studies and such reports as it has submitted under subsection (e) of this section. Such Board shall also provide to the Commission such data and information acquired by it as the Commission may reasonably request.

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Sec. 703. (a) There is established within the Federal Government the Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "Board") which shall be composed of the heads of each of the following departments or agencies (or their designees whose positions are Executive Level IV or higher):

(1) Department of Health, Education, and Welfare;
(2) Department of Transportation;
(3) Department of Housing and Urban Development;
(4) Department of Labor;
(5) Department of the Interior;
(6) General Services Administration;
(7) United States Postal Service; and
(8) Veterans' Administration.

(b) It shall be the function of the Board to: (1) insure compliance with the standards prescribed by the General Services Administration, the Department of Defense, and the Department of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968 (Public Law 90–480), as amended by the Act of March 5, 1970 (Public Law 91–205); (2) investigate and examine alternative approaches to the architectural, transportation, and attitudinal barriers confronting handicapped individuals, particularly with respect to public buildings and monuments, parks and parklands, public transportation (including air, water, and surface transportation whether interstate, foreign, intrastate, or local), and residential and institutional housing; (3) determine what measures are being taken by Federal, State, and local governments and by other public or non-profit agencies to eliminate the barriers described in clause (2) of this subsection; (4) promote the use of the International Accessibility Symbol in all public facilities that are in compliance with the standards prescribed by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968; (5) make reports to the President and to Congress, which shall describe in detail the results of its investigations under clauses (2) and (3) of this subsection; and (6) make to the President and to the Congress such recommendations for legislation and administration as it deems necessary or desirable to eliminate the barriers in clause (2) of this subsection.

(c) In carrying out its functions under this section, the Board shall conduct investigations, hold public hearings, and issue such orders as it deems necessary to insure compliance with the provisions of the Acts cited in subsection (b). The provisions of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, shall apply to procedures under this section, and an order of compliance issued by the Board shall be a final order for purposes of judicial review.

(d) The Board is authorized to appoint as many hearing examiners as are necessary for proceedings required to be conducted under this section. The provisions applicable to hearing examiners appointed under section 3105 of title 5, United States Code, shall apply to hearing examiners appointed under this subsection.

(e) The departments or agencies specified in subsection (a) of this section shall make available to the Board such technical, administrative, or other assistance as it may require to carry out its functions under this section, and the Board may appoint, under the terms and conditions specified in subsection (d) of section 702, such other advisers, technical experts, and consultants as it deems necessary to assist it in carrying out its functions under this section.

(f) The Board shall, at the end of each fiscal year, report its activities during the preceding year to the Congress. Such report shall include an assessment of the extent of compliance with the Acts cited in subsection (b) of this section, along with a description and analysis of investigations made and actions taken by the Board, and the reports and recommendations described in clauses (4) and (5) of subsection (b) of this section.

(g) There is authorized to be appropriated for the purpose of carrying out the duties and functions of the Board under this section $1,000,000 for the fiscal year ending June 30, 1973; $1,250,000 for the fiscal year ending June 30, 1974; and $1,500,000 for the fiscal year ending June 30, 1975.

EMPLOYMENT UNDER FEDERAL CONTRACTS

SEC. 704. (a) Any contract entered into by any Federal department or agency for the procurement of personal property and nonpersonal services (including construction) for the United States shall contain a provision requiring that, in employing persons to carry out such contract the party contracting with the United States shall take affirmative action to employ and advance in employment qualified handicapped individuals as defined in section 7(7). The provisions of this section shall apply to any subcontract entered into by a prime contractor in carrying out any contract for the procurement of personal property and nonpersonal services (including construction) for the United States. The President shall implement the provisions of this section by promulgating regulations within ninety days after the date of enactment of this section.

(b) If any handicapped individual believes any contractor has failed or refuses to comply with the provisions of his contract with the United States, relating to employment of handicapped individuals, such individual may file a complaint with the Department of Labor. The Department shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of such contract and the laws and regulations applicable thereto.

NONDISCRIMINATION UNDER FEDERAL GRANTS

SEC. 705. No otherwise qualified handicapped individual in the United States, as defined in section 7(7), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

APPROPRIATIONS FOR FISCAL YEAR 1973

SEC. 706. The paragraph entitled "Social and Rehabilitation Services" of chapter IV of the Supplemental Appropriations Act, 1973 (Public Law 92–607) is amended by striking out "section 103" and inserting in lieu thereof "section 110" each place it appears and striking out "section 104" and inserting in lieu thereof "section 120".

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS and Mr. CRANSTON moved to lay the motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has affixed his signature to the enrolled joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year 1973, and for other purposes.

The enrolled joint resolution was subsequently signed by the Acting President pro tempore (Mr. Nunn).

RURAL ENVIRONMENTAL ASSISTANCE AND WATER BANK PROGRAMS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar 56, H.R. 2107, that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read the bill (H.R. 2107) by title, as follows:

A bill to require the Secretary of Agriculture to carry out a rural environmental assistance program.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with an amendment, at the top of page 2, insert a new section, as follows:

SEC. 2. The first sentence of section 3 of the Water Bank Act (16 U.S.C. 1302) is amended by striking out the words "shall have authority to" and inserting in lieu thereof the following: "shall, to the full extent permitted by available appropriations therefor,".

Mr. MANSFIELD. Mr. President, discussion and debate on the pending measure will start tomorrow. There will be no further votes this evening, and we will be in session only if some Senators want to make statements.

So, pending that, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the resumption of the transaction of routine morning business not to exceed 10 minutes, with statements limited therein to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BELLMON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of the remarks of Mr. McGovern, the distinguished Senator from Oklahoma (Mr. Bellmon) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT UNFINISHED BUSINESS BE LAID BEFORE THE SENATE AT CONCLUSION OF MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of the routine morning business, the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the unfinished business not be laid before the Senate tomorrow until all of the orders for the recognition of Senators previously entered be consummated.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 11 o'clock a.m. After the two leaders have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 10 minutes and in the order stated: Mr. Williams, Mr.

Eastland, Mr. Magnuson, Mr. McClellan, Mr. Eagleton, Mr. Sparkman, Mr. Randolph, Mr. Jackson, Mr. Cannon, Mr. Moss, Mr. Hartke, Mr. Muskie, and Mr. Church.

After the remarks of Mr. Church, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Mr. Robert C. Byrd, Mr. McGovern, and Mr. Bellmon.

At the conclusion of the aforementioned orders for the recognition of Senators, there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes, at the close of which the Senate will proceed to the consideration of the then unfinished business, Calendar Order No. 56, H.R. 2107, an act to require the Secretary of Agriculture to carry out a rural environmental assistance program.

I would anticipate one or more yea-and-nay votes in connection therewith. There may be other business ready for action tomorrow.

At the close of business tomorrow, I would anticipate at this time that the Senate would go over until Monday next. However, that will depend on what is on the Calendar tomorrow.

ADJOURNMENT TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to; and at 4:46 p.m. the Senate adjourned until tomorrow, Thursday, March 1, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate February 28, 1973:

Department of State

Marshall Green, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

William B. Macomber, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

V. John Krehbiel, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Dr. Ruth Lewis Farkas, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 28, 1973:

In the Air Force

The following officer for confirmation of recess appointment to the grade of lieutenant general. He has been assigned to a position of importance and responsibility under subsection (a) of section 8066, title 10, United States Code:

To be lieutenant general

Lt. Gen. Robert E. Pursley, [redacted] FR (colonel, Regular Air Force) U.S. Air Force.

In the Army

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Daniel McLaughlin, [redacted] U.S. Army.

Maj. Gen. George Samuel Blanchard, [redacted] (Army of the United States), brigadier general, U.S. Army.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Willis Dale Crittenberger, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Major Gen. Jack Carter Fuson, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. William Edward Potts, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Frederic Ellis Davison, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Arthur Hamilton Sweeney, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Jack Alvin Albright, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Hugh Richard Higgins, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Sidney Michael Marks, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Albert Ernest Milloy, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Reiley Guthrie, [redacted] Army of the United States, (brigadier general, U.S. Army).

Lt. Gen. William Allen Knowlton, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Frank Ambler Camm, [redacted] Army of the United States, (brigadier general, U.S. Army).

Lt. Gen. Edward Michael Flanagan, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Lt. Gen. Bernard William Rogers, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. John Woodland Morris, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Allen Mitchell Burdett, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Howard Harrison Cooksey, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. CJ LeVan, [redacted], Army of the United States, (brigadier general, U.S. Army.)

Maj. Gen. John Quint Henion, [redacted], Army of the United States, (brigadier general, U.S. Army).

Maj. Gen John Holloway Cushman, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. David Ewing Ott, [redacted], Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. George Samuel Blanchard, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Harold Ira Hayward, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. John Joseph Hennessey, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Frederick James Kroesen, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Gen. Alexander Meigs Haig, Jr., [redacted] Army of the United States, (colonel, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. John Jarvis Tolson III, [redacted] Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section [redacted] in grade as follows:

To be lieutenant general

Maj. Gen. James George Kalergis, [redacted] Army of the United States (brigadier general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Frederick James Clarke, [redacted] Army of the United States (major general, U.S. Army).

Lt. Gen. William Charles Gribble, Jr., [redacted] Army of the United States (major general, U.S. Army) for appointment as Chief of Engineers, U.S. Army, under the provisions of title 10, United States Code, section 3036.

The United States Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384:

To be major general

Brig. Gen. Orville Kingsbury Fletcher, SSN [redacted].

Brig. Gen. Sterling Ralph Ryser, SSN [redacted].

To be brigadier general

Col. Pellegrino Philip Bavetta, SSN [redacted] Civil Affairs.

Col. Robert Lee Bradley, SSN [redacted], Medical Corps.

Col. James Keith Durham, SSN [redacted], Corps of Engineers.

Col. William Henry Ecker, Jr., SSN [redacted] Civil Affairs.

Col. Freeman Henry Forrest, SSN [redacted] Infantry.

Col. John William Francis, SSN [redacted] Infantry.

Col. Ladd Franklin Hunt, SSN [redacted] Military Police Corps.

Col. James Benjamin Middleton, SSN [redacted] Corps of Engineers.

Col. Henry Mohr, SSN [redacted] Field Artillery.

Col. Harry Stott Parmelee, SSN [redacted] Infantry.

Col. Lawrence Drew Redden, SSN [redacted] Field Artillery.

Col. Darel Roy Sievers, SSN [redacted], Military Police Corps.

Col. Jean Henry Trahin, SSN [redacted], Infantry.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major general

Brig. Gen. Robert Grant Moorhead, SSN [redacted].

To be brigadier general

Col. Henry Hammond Cobb, Jr., SSN [redacted] Infantry.

Col. Samuel Rufus Gay, Jr., SSN [redacted] Infantry.

Col. Trelawney Eston Marchant, Jr., SSN [redacted] Infantry.

Col. James Andrew Mickle, Jr., SSN [redacted] Quartermaster Corps.

Col. Eugene Francis Parsons, SSN [redacted] Field Artillery.

Col. Kermit Aubrey Patchen, SSN [redacted] Corps of Engineers.

Col. Harold Newton Read, [redacted], Military Police Corps.

Col. Otto Ervin Scherz, SSN [redacted], Field Artillery.

Col. Paul Carlton Short, SSN [redacted], Infantry.

Col. Amos Martin Stonecipher, SSN [redacted] Infantry.

Col. Herman Tenkin, SSN [redacted], Armor.

Col. Holden Claude West, SSN [redacted], Armor.

Brig. Gen. Robert Eugene Wilson, SSN [redacted] Adjutant General's Corps.

Col. Arvin Reuben Ziehlsdorff, SSN [redacted], Armor.

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Charles Watts Fernald, SSN [redacted].

Brig. Gen. Harry Jack Mier, Jr., SSN [redacted].

To be brigadier general

Col. Alfred Frederick Ahner, SSN [redacted] Infantry.

Col. Albert Frank Fisher, SSN [redacted], Field Artillery.

Col. Robert Samuel Ford, SSN [redacted], Armor.

Col. John James Womack, SSN [redacted] Armor.

In the Navy

Capt. Robin L. C. Quigley, U.S. Navy, for appointment to the grade of captain in the Navy while serving as commanding officer, Service School Command, San Diego, Calif., in accordance with article II, section 2, clause 2 of the Constitution.

Rear Adm. Donald L. Custis, Medical Corps, U.S. Navy, for appointment as Chief of the Bureau of Medicine and Surgery with the grade of vice admiral for a term of 4 years in accordance with the provisions of title 10, United States Code, section 5137(a).

The following named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

James Grealish
Philip C. Koelsch
Robert N. Pitner
Frank B. Guest, Jr.
Richard G. Altman
John R. Rohleder
Robert M. Garrick

MEDICAL CORPS

William J. Mills

SUPPLY CORPS

Lee E. Landes

CIVIL ENGINEER CORPS

Philip V. King

JUDGE ADVOCATE GENERAL'S CORPS

Hugh H. Howell, Jr.

In the Marine Corps

Lt. Gen. Louis Metzger, U.S. Marine Corps, for appointment to the grade of lieutenant general on the retired list in accordance with the provisions of title 10, U.S. Code, section 5233 effective from the date of his retirement.

In the Army

Army nominations beginning Earl C. Acuff, to be colonel, and ending Ronald A. Jenkie, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on January 29, 1973; and

Army nominations beginning Rene J. Berard, to be colonel, and ending James K. Prough, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on February 8, 1973.

In the Marine Corps

Marine Corps nominations beginning Lewis H. Abrams, to be colonel, and ending Billy W. Woodard, to be chief warrant officer (W–2) which nominations were received by the Senate and appeared in the Congressional Record on January 23, 1973; and

Marine Corps nominations beginning David L. Adams, to be second lieutenant, and ending Billy Q. Yoder, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 23, 1973.

HOUSE OF REPRESENTATIVES—*Wednesday, February 28, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be of good courage and He shall strengthen your heart, all ye that hope in the Lord.—Psalms 31: 24.

O God, open our minds that we may see ourselves as we really are and remove from within us any desire to hide our transgressions; that realizing our faults and acknowledging our sins we may be led by Thy Spirit to overcome them, to amend our ways, to be strengthened in goodness, and to walk with Thee in newness of life.

Cleanse the thoughts of our hearts as a nation and remove from our people the spirit of discord, injustice, and ill will. In our relationships with each other help us to be kind in our judgments, understanding in our attitudes, and friendly in spirit lest in bitterness and hatred we destroy ourselves.

Lead us, we pray Thee, in the paths of peace, unity, and good will for Thy name's sake. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

NATIONAL NUTRITION WEEK

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 196) authorizing the President to designate the period from March 4, 1973, through March 10, 1973, as "National Nutrition Week."

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, would the gentleman from California please explain the proposal?

Mr. EDWARDS of California. Yes, I would be glad to explain it.

Mr. Speaker, House Joint Resolution 196, as introduced by the gentleman from Kentucky (Mr. Perkins), authorizes the President to designate the period from March 4, 1973, through March 10, 1973, as "National Nutrition Week."

Mr. GERALD R. FORD. I thank the gentleman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the joint resolution as follows:

H.J. Res. 196

Whereas good nutrition is of vital importance to the health and well-being of this Nation's citizens; and

Whereas many Americans are not yet aware of the importance of good nutrition; and

Whereas most Americans are not entirely familiar with the necessary composition of a nutritious diet: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the period from March 4, 1973, through March 10, 1973, as "National Nutrition Week", and calling upon the people of the United States and interested groups and organizations to observe that week with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Edwards of California: On page 1, strike out the entire preamble.

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

HOW MANY TIMES MUST WE BUY BACK WHAT IS OURS?

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matters.)

Mr. SIKES. Mr. Speaker, Communist perfidy is again demonstrated in the failure of Hanoi to continue the release of U.S. POW's on schedule. The ink is hardly dry on the cease-fire agreement and already the Communists have welched on the one item that is most important to the United States. They have also violated the cease-fire by transportation of surface-to-air missiles into South Vietnam and in many other particulars.

It is a very trying situation for the United States. The President is right in proceeding firmly in the face of this new attempt at blackmail. I am confident he can depend upon the backing of our Nation if very positive steps are required. The Communists simply are increasing the price for release of POW's and if they get what they want, they will demand more and more in the future.

It should be very obvious the Communists have no regard for agreements or for their own commitments. These are the people to whom we are asked to pay reparations for aggression and for the war crimes they committed.

RELEASE OF AMERICAN POW'S

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, I concur in what the gentleman from Florida (Mr. SIKES) just said, but I would like to go one step further.

Mr. Speaker, as far as I am concerned, the name of the game in Southeast Asia at this time is to obtain release of all the American prisoners of war and receive a full and factual accounting of those servicemen listed as missing in action.

I feel sure everyone realizes that the implementing of the peace agreement is at a very critical and sensitive stage. Therefore, it would seem to me that the best course of action for Members of Congress would be to limit public debate on the terms of the peace agreement until the other 400 Americans are home and we have learned more about the missing in action in Laos and other Southeast Asia countries.

WELCOME TO DON RIEGLE

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, I join every member of my own political party in welcoming the distinguished and talented gentleman from Michigan, DONALD W. RIEGLE, JR., to membership in the Democratic caucus of the House of Representatives. We are delighted and proud that he has seen in our party promises of progress toward a better way of life for all Americans. We are pleased that to our ranks have been added the great skills and the wise and humane views of this fine Congressman.

FEDERAL DISASTER INSURANCE CORPORATION

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, I am today introducing a bill to create a Federal Disaster Insurance Corporation, a wholly owned Government corporation, to provide insurance to the people of our land against loss and damage from natural disasters, which insurance would be provided at a reasonable rate.

Our history shows that every year we have from 40 to 50 natural disasters, with hundreds of millions of dollars in property loss. There is no insurance available, at reasonable rates, for covering these losses.

What happens? We come to the floor of the House and appropriate vast sums of money out of the public general funds to make up these grievous losses. The Government, through the general fund, tax money, becomes the insurer. The reasonable way to meet this situation is to provide insurance and to provide it at a nominal rate to all persons concerned.

My bill will do that. It is being introduced today, and I want to invite others to join with me starting tomorrow.

EMERGENCY REPORTING TELEPHONE NUMBER

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, since 1967 I have been advocating the adoption of a single, uniform, nationwide telephone number for reporting emergencies. That number has been 911. Over 250 cities of the Nation are now using 911, and it is working very well.

Over the next few days I shall put in the RECORD some of the stories which have come from the use of 911, success stories, if you will, which will demonstrate the need for the adoption of this concept nationwide.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 345, FURTHER CONTINUING APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the joint resolution (H.J. Res. 345) making further continuing appropriations for the fiscal year 1973, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of February 27, 1973.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, the gentlemen from Texas does propose to take a little time to explain the actions of the conferees; does he not?

Mr. MAHON. If the gentleman will yield, as the gentleman from Iowa knows, the rules provide that each side will have 30 minutes, and we propose to discuss the continuing resolution.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, this conference report represents substantially the further continuing resolution which we passed a week ago today. The resolution, as we will remember, covers the $30 billion Labor-HEW appropriation bill, and about $3.6 billion for foreign aid activities.

The continuing resolution as passed by the House provided that we would extend these unfunded programs from February 28 throughout the balance of the fiscal year, until June 30, 1973.

When the resolution went to the other body the other body provided that with respect to foreign aid the termination date for the continuing resolution would be April 30.

The House conferees took the position that the House will be in recess for the Easter holiday over a period of about 11 days preliminary to that date, and it did not seem practical to the House that the resolution should be abbreviated. In view of the uncertainties surrounding the availability of authorizing legislation, we took the position that the resolution as passed by the House providing funding through June 30 should be approved.

The other body in the conference concurred in the position of the House and receded from its position.

The Senate amended the continuing resolution to make provision for funding the American Revolution Bicentennial Commission. The Commission ran out of authority on February 15, and this will validate the actions of the Commission and continue this program from February 16 through June 30. I will offer a motion to recede and concur in the amendment.

Further, there was a technical issue involving customs preclearance in certain Canadian cities and in Bermuda and Nassau where people who are coming into the United States may receive customs preclearance, and thereby save time when they land in this country. Current law provided that funds for preclearance activities would not be available after May 15 and the Senate placed in the bill language repealing the cutoff date. There is language in the joint statement of the committee of conference that customs preclearance activities should be continued at the present level until the matter can be further considered and long-range policy determined. A motion will be offered to concur in the Senate amendment.

Additionally, the other body added a provision which requires the President to periodically present to the Congress a statement as to funds which are being impounded. The debt ceiling bill passed last October already provides for "prompt" reporting to the Congress as to the impounding of funds. There was no serious objection on the part of the House or, as I understand, on the part of the Office of Management and Budget with respect to this reporting. A motion will be offered to agree to this section.

So, that is briefly the story with respect to this further continuing resolution.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I will be glad to yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Would the gentleman from Texas give us an estimate, since it has been so long ago that we dealt with the details of the bills of the amounts involved, both for foreign assistance, HEW, as well as the other provisions?

Mr. MAHON. I will be happy to.

The Labor-HEW portion of the measure makes available $29.8 billion.

Mr. GROSS. Did the gentleman say billion?

Mr. MAHON. $29.8 billion, yes.

The foreign aid portion of the continuing resolution provides for an annual rate of $3.6 billion—a total annual rate of $33.4 billion.

I should say that this annual rate is not necessarily being accomplished at this time. The spending is at a lower level for some of the programs in these agencies. On the other hand, supplemental appropriations will be required for certain programs.

Mr. GROSS. Will the gentleman yield?

Mr. MAHON. Yes; I yield further to the gentleman from Iowa.

Mr. GROSS. But we are here dealing with totals that amount to somewhere in the neighborhood of $30 to $35 billion for this fiscal year; is that not correct?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. And 8 months have already elapsed in this fiscal year; is that not correct?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. I would not ask the gentleman to reply to this question, but it seems to me, as I have tried to say before, that this is a sad commentary upon the legislative process that two major appropriation bills have not been cleared by Congress within 4 months, or approximately 4 months, of the end of the fiscal year to which those appropriation bills pertain. It seems to me that there is scarcely a sadder commentary on the operation of the 92d Congress, or any other Congress for that matter, than this.

Mr. MAHON. The gentleman is aware that on the Labor-HEW appropriation matter we passed two bills, each of which was vetoed. The first bill passed both the House and the Senate last year before the beginning of this fiscal year, but was vetoed. The second bill was pocket vetoed after the adjournment of Congress and there was no practical way to override the veto. Now, with the February 28 termination date upon us and considering all the prevailing circumstances, we did not feel it was appropriate or responsible to bring forward at this time an additional appropriation bill, the future of which would be most uncertain. So we are reluctantly using the technique, as the gentleman knows, of the continuing resolution, having done the best we could to get action.

I agree myself that the Labor-HEW bill was too large. I voted myself to sustain the President's veto. But we now find ourselves in the position which I just outlined.

With respect to foreign aid, we passed an appropriation bill, and the other body passed an appropriation bill, but we could not go to conference because the other body declared through its leaders that it would not agree to an appropriation unless there were an authorization measure enacted into law. This proved to be impossible after long months of controversy and discussion between the two Houses.

Mr. GROSS. Will the gentleman yield further?

Mr. MAHON. I yield further to the gentleman from Iowa.

Mr. GROSS. I want to say again that I do not lay this responsibility at the door of the Committee on Appropriations. I lay the responsibility for this failure upon the leadership of both bodies of Congress.

Mr. MAHON. Mr. Speaker, with respect to the conference report before us, I should hope that the House would concur in the actions taken by the conferees on items which were before us.

I reserve the balance of my time.

Mr. CEDERBERG. Mr. Speaker, I yield myself such time as I may require.

I will be very brief. I just want to join my chairman in the remarks that he made regarding the continuing resolution and the necessity for action.

I think everyone is aware that this is the 28th of February. The continuing resolution expires today, so it is imperative that we take this action. There is no other way out, so I would urge that we go along with this.

Mr. GUNTER. Mr. Speaker, I oppose House Joint Resolution 345, which includes funding for the Foreign Assistance program at an increased level over the previous fiscal year.

Our foreign assistance program in my personal opinion has become "world welfare." Every nation, friend or foe, wants to sign up for it. There is a lot of support for cutting off the welfare chiselers here at home—I believe we need to cut them off abroad as well.

Instead of continually doling out money around the world, we have to rethink our entire basis of foreign assistance. Let's stop using the out-dated generalities of the forties and start setting up logical priorities for the seventies.

Why should we continue to bankroll countries that are helping to bring about the economic crisis at home we now face? How foolish we must look, and indeed are, to continue a never ending giveaway abroad while we tell our own taxpayers that we must cut back on domestic programs.

It is this mindless allegiance to venerable but logically bankrupt concepts that creates smug assurances in the minds of those who propose billions of dollars in aid to North Vietnam.

The time to say enough is now. The time to say not one more dollar until we reexamine the logical basis for foreign assistance is now. The time to stand up for our fellow taxpayers who wonder why they have so little to live on is now. The time to depart from the mistakes of the past is now.

I urge my colleagues to reconsider their decision to compound the errors that have historically characterized our foreign aid program. Let us end the free ride, at America's expense, for many nations of the world. Let us let all those who would continue this program, and most specifically those who would pour billions into North Vietnam, know that we will not continue to put the American taxpayer last.

Mr. Speaker, there are several programs that will be funded as a consequence of our action here today that have much merit. Most of the programs funded through the National Institutes of Health fall in this category. The programs authorized by the Elementary and Secondary Education Act are other examples. But frankly, I resent being put in a position of having to vote against these worthwhile programs in order to oppose continued foreign assistance. This is not the way we should be setting our national priorities. In fact, commingling unrelated programs as we have done in House Joint Resolution 345 defies the setting of national priorities, and in my personal judgment is highly irresponsible.

I want to make an additional point regarding our action here today. I do not feel the U.S. Congress should continue to set our nation's appropriations policy in so slipshod and haphazard a fashion. The matters we debate here today should have been settled early last year. Obviously they were not, nor have they been yet. Does anyone really think that we will have appropriations bills passed by June of this year to fund all the programs funded by House Joint Resolution 345? We know it is not so. So what we are considering here today is simply to continue the shell game started last year.

Well, at some point this game needs to stop. It is my strong feeling and recommendation to this House that we resolve to handle all matters pertaining to appropriations for an ensuing fiscal year by not later than March 1 of the previous year. Since appropriating money is probably the most important action we take as a Congress, it certainly deserves all the attention we can possibly give it. This can be done, Mr. Speaker, it must be done.

We owe it to the various private and public agencies that must have time to plan for the effective expenditure of Federal dollars. We owe it to State and local governments for the same reason. We owe it to the President, who must reconcile his financial judgments with ours as we must with his. But most important, we owe it to ourselves as an institution. By not dealing responsibly and expeditiously with appropriation matters, we bring into grave question the very competence of the Congress.

It is no secret that the public looks at the Congress with an increasingly jaundiced eye. There are many reasons for this, all of which we need to deal with in time. But the time to begin to deal responsibly with the public's money is this year. The time is now. House Joint Resolution 345 is a step in the same wrong direction that we have been moving in for the past few years.

Mr. Speaker and colleagues, the action considered today is regrettable and ill advised.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 2: On page 2, line 4, add the following:

SEC. 2. The joint resolution of July 1, 1972 (Public Law 92–334), as amended, is further amended by adding the following new sections:

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 2, line 7, insert the following:

"SEC. 110. Notwithstanding any other provision of this joint resolution, obligations may be increased for the American Revolution Bicentennial Commission at not to exceed the annual rate of $6,224,000 during the period beginning February 16, 1973, and ending June 30, 1973.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: On page 2, line 12, insert the following:

"SEC. 111. Section 102 of Public Law 92–351 (86 Stat. 474) (July 13, 1972) is hereby repealed."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 5: On page 2, line 14, insert the following:

SEC. 3. Section 203 of the Budget and Accounting Procedures Act of 1950 (as added by section 402 of the Federal Impoundment and Information Act) is amended to read as follows:

"REPORTS ON IMPOUNDED FUNDS

"SEC. 203. (a) On or before the dates set forth in subsection (c), the President shall transmit to the Congress a report on funds impounded during the periods specified in such subsection containing the following information with respect to each impoundment:

"(1) the amount of the funds impounded;

"(2) the date on which the funds were ordered to be impounded;

"(3) the date the funds were impounded;

"(4) any department or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment;

"(5) the period of time during which the funds are to be impounded;

"(6) the reasons for the impoundment; and

"(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

"(b) The reports transmitted to subsection (a) for the second, third, and fourth periods of a fiscal year shall also contain the following information:

"(1) any revisions in the information transmitted with respect to any impoundment for any prior period of the fiscal year, and

"(2) a cumulative statement, by program, activity, or project and by the department or establishment of the Government, of impoundments since the beginning of the fiscal year, including impoundments during the period for which the report is transmitted.

"(c) The first report for any fiscal year shall be transmitted on or before October 15 of such year and shall cover the period through September 30 of such year. The second and third reports for any fiscal year shall be submitted on or before the fifteenth and ninetieth days, respectively, after the submission of the Budget for such fiscal year and shall cover the periods through the date of the submission of the Budget and seventy-five days after such date, respectively. The fourth report for any fiscal year shall be submitted on or before July 15 following the close of such fiscal year and shall cover the remainder of the fiscal year. If on the day of transmittal of any report pursuant to subsection (a), the Senate or the House of Representatives, or both, are not in session, the Secretary of the Senate or the Clerk of the House of Representatives is authorized to receive such report for the Senate or the House of Representatives, as the case may be.

"(d) The President shall transmit to the Comptroller General of the United States a copy of each report transmitted pursuant to subsection (a) on the same day on which such report is transmitted to the Congress.

"(e) Each report transmitted pursuant to subsection (a) shall be printed in the first issue of the Federal Register published after the date on which such report is transmitted."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOLLING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 25]

Ashbrook
Aspin
Badillo
Biaggi
Breaux
Brown, Calif.
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Collier
Coughlin
Dennis
Gray
Harsha
Harvey
Hébert
Hillis
Hosmer
Howard
King
Koch
Kuykendall
Landgrebe
Lent
Lujan
McEwen
Mailliard
Martin, N.C.
Mills, Ark.
Mills, Md.
Mollohan
Patman
Pickle
Price, Tex.
Rees
Robison, N.Y.
Rooney, N.Y.
Ruppe
Smith, N.Y.
Steiger, Wis.
Wilson, Charles, Tex.
Zion

The SPEAKER. On this rollcall 387 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SELECT COMMITTEE TO INVESTIGATE CRIME

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 256

Resolved, That effective January 3, 1973, and until June 30, 1973, there is hereby created a select committee to be composed of eleven Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

SEC. 2. The select committee is authorized and directed to conduct a full and complete investigation and study of all aspects of crime affecting the United States, including, but not limited to, (1) its elements, causes, and extent; (2) the preparation, collection, and dissemination of statistics and data; (3) the sharing of information, statistics, and data among law enforcement agencies, Federal, State, and local, including the exchange of information, statistics, and data with foreign nations; (4) the adequacy of law enforcement and the administration of justice, including constitutional issues and problems pertaining thereto; (5) the effect of crime and disturbances in the metropolitan urban areas; (6) the effect, directly or indirectly, of crime on the commerce of the Nation; (7) the treatment and rehabilitation of persons convicted of crime; (8) measures relating to the reduction, control, or prevention of crime; (9) measures relating to the improvement of (A) investigation and detection of crime, (B) law enforcement techniques, including, but not limtied to, increased cooperation among the law enforcement agencies, and (C) the effective administration of justice; and (10) measures and programs for increased respect for the law and constituted authority.

SEC. 3. For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is meeting has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member.

SEC. 4. The select committee shall report to the House as soon as possible with respect to the results of its investigations, hearings, and studies, together with such recommendations as it deems advisable and shall submit its final report not later than June 30, 1973. Any such report or reports which are made when the House is not in session shall be filed with the Clerk of the House. The select committee shall cease to exist on June 30, 1973, and its records, files, and all current material in its possession shall be transferred to the Committee on the Judiciary.

The SPEAKER pro tempore (Mr. PRICE of Illinois). The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. ALBERT. Mr. Speaker, I am very pleased that the Committee on Rules has reported to the House for consideration today House Resolution 256 to authorize the continuation of the select committee to conduct a full and complete investigation and study of all aspects of crime affecting the United States. As Members know, the effect of this resolution is to continue the Select Committee on Crime until June 30 of this year.

I hope and believe that the House will support this resolution and strongly urge its adoption. The subject of crime is one of major concern to the American people. The select committee which has been chaired by the distinguished gentleman from Florida has made an outstanding contribution to the understanding of the causes and elements of the whole broad spectrum of crime in this country. He and the members of his committee are to be congratulated for the thoroughness and effectiveness with which they have carried out the mandate of the House. The product of their work will be of immeasurable assistance to law enforcement officers throughout the country. The leadership which the able gentleman from Florida has given to his duties adds another monumental achievement to his long and illustrious career in both Houses of Congress.

I have been assured that consideration of the matters now under study by the select committee can be continued under the standing committees of the House. The distinguished gentleman from New Jersey, the chairman of the Committee on the Judiciary, has assured me that his committee can, and will, assume the major portion of the matters which have been under the jurisdiction of the Select Committee on Crime. However, a period of transition is necessary and I hope we will make this transition as smooth and complete as possible. This resolution is vitally necessary so that the select committee can continue in an orderly fashion its ongoing investigations and can properly prepare reports for the consideration of the House.

I urge the adoption of the resolution.

Mr. BOLLING. Mr. Speaker, this resolution extending the Select Committee on Crime until the 30th of June is a compromise. It was a compromise arrived at with very considerable difficulty. A number of people wanted the committee to continue for the full period of this Congress, and a number of people wanted the committee to terminate on the first day of this Congress. The view of the committee's effectiveness was mixed, but I think everyone will agree that during its life it has accomplished something. There are critics of a variety of types, and there are supporters of all kinds, and the compromise included more than the date when that committee would cease to function. It included the understanding of those who were parties to that compromise that the Committee on the Judiciary would give special attention to the functions undertaken by this select committee, and make a judgment which would result in some of those functions at least being prosecuted in some fashion by the Committee on the Judiciary. That is, not only is the Crime Committee phased out, but there are commitments that some of its functions will be undertaken by the Committee on the Judiciary, which felt that it should have the responsibility for this work.

I think that outlines the situation as I understand it. If I have not made it clear, I would be glad to respond to any questions from the Members.

Does the gentleman from California desire me to yield to him?

Mr. WIGGINS. I do, Mr. Speaker, for the purpose of asking questions of the gentleman.

Mr. BOLLING. I yield to the gentleman from California.

Mr. WIGGINS. Mr. Speaker, the statement has been expressed by some Members that on June 30 there will be another request to extend the committee beyond that date. In the discussions which led up to the compromise, did the Members who negotiated the compromise go into that subject, and were there commitments made?

Mr. BOLLING. The discussions that led to the compromise did take that thought into account and I cannot, of course, speak for another Member, but the gentleman from Florida (Mr. PEPPER) is here, and I understand from the gentleman that he committed himself absolutely that this would be the terminal date of the select committee, as did the other members of the select committee who were present.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I thank the gentleman from Missouri for yielding to me.

I stated in the conference where this agreement was worked out, that I never meant, as the original introducer of the legislation under which the committee functioned in the past, that this should be a permanent select committee.

I do personally believe that there ought to be one committee here in the Congress that has comprehensive jurisdiction over all aspects of the subject of crime, or we should do with the subject of crime as we have done with the subject of small business, and create a permanent Select Committee on Crime. That is a matter entirely separate from this particular resolution, and certainly as far as I am concerned I will not make any effort whatsoever to extend the life of this committee beyond the agreed upon date of June 30.

Mr. BOLLING. I thank the gentleman.

Mr. WIGGINS. Mr. Speaker, would the gentleman yield further?

Mr. BOLLING. I yield further to the gentleman from California.

Mr. WIGGINS. Mr. Speaker, I am pleased to have this assurance from my distinguished colleague, the gentleman from Florida (Mr. PEPPER). It is my intention, I would say to the gentleman from Missouri (Mr. BOLLING), to support the passage of this resolution, and that my support is conditioned upon those assurances. I could not in good conscience support a resolution to continue the Select Committee on Crime beyond June 30 under any circumstances.

I now understand that firm commitments have been made by the gentleman from Florida (Mr. PEPPER), not to make such a request.

Mr. BOLLING. That is my understanding, and I agree precisely with the gentleman.

Mr. WIGGINS. I thank the gentleman.

Mr. BOLLING. Mr. Speaker, I now yield 5 minutes to the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Speaker, I thank the gentleman from Missouri. I do not care to prolong this discussion. I do feel that this House Select Committee on Crime, which was created by the House May 1, 1969, has made a meaningful contribution toward this problem. There are many facets of the problem of crime, but the recent Gallup poll has indicated that, now that the war is considered as being brought to termination or near termination, the most important subject in the minds of the people of this country is crime.

The House Select Committee on Crime has not solved the problem of crime. Neither has the Department of Justice; neither have the law enforcement agencies of the country; neither have the courts of the land; neither has the other body in the Congress of the United States, nor have the other committees of this House. But I do feel that we have made an important contribution, not only to the legislative action, but more is contemplated in the full reports of the committee which will be ready for submission to the House at an early date. Two of them deal with the penetration of organized crime, one of them into legitimate business, and the other into horse racing; one of them dealing with the important and challenging subject of drugs in the schools, and the other one dealing with an equally challenging subject: The correctional institutions of this country.

To address myself to the latter first, the President stated some time ago that the correctional institutions of this country had become colleges for crime rather than correctional institutions, and we are filing with the House at an early date, after approval by the committee, a rather comprehensive report on that subject relating not only to the committee's view of Attica and other prisons in the country, but to extensive hearings, some of the most knowledgeable hearings in the country on this subject of correctional institutions.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I will be glad to yield to the gentleman from New York.

Mr. WYDLER. I think one problem that we might have with regard to this compromise is the possibility that in 4 months from today we might find the committee right in the middle of a very exciting and very involved investigation of some matter relating to crime, and that it would be very difficult for the House to then terminate the activities of the committee because of that tremendous activity that will have then been going on.

I wonder if the gentleman could assure the House that he is going to conduct the affairs of the committee in such a way that 4 months from today when it is supposed to terminate its activities, it will not find itself in that predicament.

Mr. PEPPER. I will certainly assure the gentleman that I have already made that commitment in the statement I made just a few moments ago. I was not reserving some intention to do contrary to what I said.

As I said at this conference, where the Speaker and the leadership on both sides of the aisle were involved, and the chairman of the Committee on the Judiciary, the able gentleman from Missouri, and others, it would be a clean-cut break in the life of this committee by the end of June, the 30th of June. However, I made it clear in that conference—as I want to make it clear to the House—that one of the reasons we are asking for an extension of time is that we hope we might have a year in addition to what we have now, because last year we got into the subject of investigating the terrible problem of drugs in the schools of this country.

We were noticed on that subject by a documentary by one of the networks made in the city of New York, and two members of the crime committee from New York brought the people that made that documentary down here, and they showed us how drugs were being sold rampantly in the schools, how children were found stoned in their classes and in the corridors of their schools and the like, and the committee decided that the matter was of such import that we should go into it and do what we could on the subject, so we had hearings in New York, Miami, Chicago, San Francisco, Kansas City, Kans., and Los Angeles on that subject.

That, and the elections, and the recess of the House delayed us in getting our report on the hearings that we have had ready, and in concluding one aspect of our inquiry, which we feel duty bound to conclude before we finish our work, that being an indepth study of street crime.

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. BOLLING. Mr. Speaker, I yield the gentleman from Florida 2 additional minutes.

Mr. PEPPER. Mr. Speaker, that was an indepth study of street crime. We do propose to go into street crime between now and the termination of the committee, but it will be all so scheduled that at the completion of our report and at the end of the period in June the committee will terminate its activity and transfer its records to the Judiciary Committee.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, the committee was established in 1969, as I remember it.

Mr. PEPPER. That is right.

Mr. GROSS. How much has the committee expended since 1969, and what will this 6 months' extension cost?

Mr. PEPPER. I hope we will be permitted to expend for this 6-month period at least at the same rate at which we spent last year, which was more than $500,000 a year, something to that effect.

Mr. GROSS. What has been the total expenditure?

Mr. PEPPER. Something more than $1 million.

Mr. GROSS. More nearly $2 million, is it not?

Mr. PEPPER. I will say to the able gentleman from Iowa, if we have saved the life of one child with what we have done to alert the school authorities of this country to do something about drug problems, the expenditure will be justified.

Mr. GROSS. I suppose that could be said about a number of programs operated by the Federal Government.

Mr. PEPPER. Yes. What we have done, if the gentleman will permit me to say, in the field of amphetamines is that, working with other committees, we have been able to set a quota system to permit 6 million pills a year to be sold. We are working on getting the same kind of quota on barbiturates because we find pupils in the schools are turning now to the barbiturates in their drug abuse.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of House Resolution 256.

I think the discussion thus far has made it abundantly clear that it is the product of consultation between the leadership on both sides of the aisle, and with the assurance that a crime-fighting subcommittee will be established in the House Judiciary Committee to take over the files and to receive the report of the Pepper Select Committee, I think this indicates quite clearly that we are not in any sense abandoning the war against crime. For that reason I am pleased to support the resolution.

Mr. Speaker, I yield to the distinguished gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. I thank the gentleman from Illinois for yielding.

Mr. Speaker, as many Members know I had opposed the continuation of the Select Committee on Crime on which I serve as the ranking Republican member. I do not think this controversy over the Select Committee on Crime, Mr. Speaker, should be permitted to disguise the very real accomplishments of that committee during the 4 years of its life.

It is a fact, Mr. Speaker, that the Select Committee on Crime has conducted during its lifetime indepth hearings with respect to drug abuse, bringing a dimension to that problem which would not have been brought to the attention of the American people but for the activities of the Select Committee on Crime. In addition we have conducted inquiry into the infiltration by organized crime into certain legitimate aspects of American commerce, a field which has not been heretofore explored by a congressional committee. All of this is to the credit of the Crime Committee and to the leadership provided that Crime Committee by its able chairman, the distinguished gentleman from Florida (Mr. PEPPER).

But the issue today, Mr. Speaker, is not what the Crime Committee has done in the past. The issue is what needs to be done in the future in the 93d Congress. My opposition to the continuation of the Crime Committee was because of a belief that those activities which remain undone can best be done by the Judiciary Committee. I still hold to that view but I recognize that there must be a period of transition for those activities to be phased into the work of the Judiciary Committee and a time for those activities to be phased out of the Crime Committee.

Accordingly the extension until June 30 of this year is a fair and reasonable compromise which recognizes the practical problem of commencing this task which remains to be done by the Crime Committee. Accordingly, Mr. Speaker, I support the resolution.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I thank the ranking minority member of the committee (Mr. WIGGINS) for his remarks.

During the lifetime of this committee, it has been in hearings over 100 days. We have heard over 1,000 witnesses. We have visited over 20 cities in this country with these hearings. We filed numerous reports.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield to the gentleman from

Ohio (Mr. LATTA) such time as he may consume.

Mr. LATTA. Mr. Speaker, let me say at the outset that I supported the creation of this committee and its continuation 2 years ago, and I support this resolution.

I think the committee has done a meritorious job. Any criticism which I might have is the fact that on the 7th day of February, a colloquy occurred on the floor between Mr. HAYS, of Ohio, and our distinguished minority leader, Mr. GERALD R. FORD, in which it was stated that over $30,000 was expended last year on telephone calls. That is a lot of talk.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I do not have the figures here before me. I would answer that comment, which was made by the gentleman from Alabama, to the effect that $3,000 or $4,000 a month was spent on long-distance telephone calls by saying that this committee said to me on the floor, "He is in error. It is $2,500." As a matter of fact I will have the exact figures when we come up to the funding resolution, as I hope we will. It is closer to $1,200 or $1,500 per month than the other figure.

Mr. LATTA. If the gentleman from Florida tells the House that the figures that were used on the 7th of February were incorrect, that $4,000 or $5,000 per month was not spent on telephone calls, I think the record should be corrected.

Mr. PEPPER. I will correct the record I do not recall whether in 1 month when we had special hearings, for example, in San Francisco or Los Angeles, the bill might have been more than usual that month, but on an average the telephone bill has run nearer $1,500 per month than any other figure.

As soon as we come up with a funding resolution, I will have the exact figures.

As the able gentleman is well aware, all of our reports are submitted monthly to the Committee on House Administration, and we have never been called to account for any expenditures we have made in the past.

Mr. LATTA. As the gentleman knows, Mr. HAYS is the chairman of that committee and Mr. DICKINSON is a member. According to Mr. DICKINSON, on page 3678 of the RECORD of February 7, he said:

> I am in favor of the resolution and wish to assist the gentleman from Ohio. In looking at the language, I notice it is very narrow in scope. It is my understanding that it is limited specifically to payrolls. The reason I bring this up is because, for some reason, this special subcommittee spent over $30,000 in the last Congress in long-distance telephone calls, which at times ran over $4,000 per month.

If this is incorrect, I think the gentleman from Florida ought to correct it.

Mr. PEPPER. It is not correct.

Mr. LATTA. I would hope the gentleman would correct the RECORD.

Mr. PEPPER. I shall. I will have the exact figures for the information of the Members.

Mr. LATTA. As I said at the outset, that is lot of long-distance discussion.

Mr. Speaker, I might say, as I said at the outset, that I support this resolution but with the firm understanding by the Committee on Rules that there is an agreement between the majority and the minority, that this committee goes out of existence on June 30 of this year and that its files and records be turned over to the Committee on the Judiciary of the House.

I support this, but I will not support a continuation beyond June 30, 1973. I think it is appropriate for a select committee to operate during one Congress, but in this case we have continued a select committee for two Congresses, and now it is requested that it be extended into a third Congress.

We do not want to set any sort of precedent by continuing this select committee beyond one Congress.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Alabama.

Mr. DICKINSON. I appreciate the gentleman yielding to me, and if I may have the attention of the gentleman from Florida (Mr. PEPPER) since my name was mentioned, I would like to say that if the figures I have read into the RECORD are not correct, I will be glad to correct them myself if the gentleman from Florida will agree that if they are correct, he will come back and correct his statement on expenditures.

I have not misquoted the RECORD.

The expense has exceeded $4,000 in 1 month for telephone calls. I was using a figure furnished by our staff from the figures the gentleman's staff furnished us, as to what the expenditures were.

As a matter of fact the telephone expenses of the Select Committee on Crime for the months of August and September 1972, show an expense of $3,160.02 and $4,556.59, respectively. The total telephone expense for the 92d Congress was $30,676.01 by the Select Committee on Crime. I attach statements covering all committee expenses for those 2 months of August and September 1972; from which can be seen the inordinate amount of spending by the Crime Committee on such items as telephone expenses compared with other committees:

Committee	Cumulative amount expended since January 1971	Balance remaining as of Aug. 31, 1972	Telephone expenses for August 1972	Cumulative for telephone amount expended since January 1971
Agriculture	$140, 110. 13	$109, 889. 87	$9. 25	$467. 49
Appropriations	(1)	(1)	(1)	(1)
Armed Services	329, 482. 45	120, 517. 55	21. 85	932. 32
Banking and Currency	700, 005. 55	242, 494. 45	246. 48	4, 712. 22
Banking and Currency on Housing	536, 823. 67	180, 476. 33	157. 95	5, 203. 15
Select Committee on Crime	875, 892. 08	269, 209. 92	3, 160. 02	21, 909. 48
District of Columbia	177, 758. 17	72, 241. 83	0	0
Education and Labor	1, 543, 894. 00	934, 106. 00	878. 68	18, 278. 49
Foreign Affairs	595, 255. 45	341, 406. 55	244. 14	5, 618. 40
Government Operations	1, 403, 997. 28	428, 602. 72	169. 96	5, 213. 19
House Administration	391, 624. 08	223, 375. 92	396. 29	3, 161. 23
House Administration Computer Operations	607, 647. 97	892, 352. 03	0	249. 73
Interior and Insular Affairs	408, 846. 77	295, 153. 23	84. 90	2, 625. 73
Internal Security	365, 651. 41	187, 419. 54	405. 00	2, 732. 81
Interstate and Foreign Commerce	$1, 167, 931. 00	$285, 243. 00	$398. 43	$7, 698. 22
Judiciary	559, 587. 96	240, 412. 04	107. 54	3, 254. 62
Merchant Marine and Fisheries	351, 171. 80	167, 828. 20	10. 03	5, 332. 54
Post Office and Civil Service	760, 593. 96	295, 406. 40	515. 11	8, 155. 61
Public Works	1, 871, 560. 00	554, 606. 79	0	5, 440. 88
Select Committee on House Restaurant	32, 271. 57	25, 228. 17	1. 35	1. 35
Rules	1, 348. 26	3, 651. 74	5. 55	5. 55
Science and Astronautics	564, 201. 04	225, 798. 96	0	2, 047. 86
Select Committee on Small Business	736, 698. 94	191, 301. 06	412. 14	4, 057. 21
Standards of Official Conduct	1, 443. 00	23, 557. 00	0	119. 27
Veterans' Affairs	180, 136. 32	79, 863. 68	0	601. 68
Ways and Means	25, 256. 84	49, 743. 16	0	1, 180. 36
Special Committee to Investigate Campaign Expenditures	47, 031. 40	137, 968. 60	315. 14	1, 251. 97

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[1] Not reported.

Committee	Cumulative amount expended since January 1971	Balance remaining as of Aug. 31, 1972	Telephone expenses for August 1972	Cumulative for telephone amount expended since January 1971
Agriculture	$146, 417. 41	$103, 582. 59	0	$467. 49
Appropriations	(1)	(1)	(1)	(1)
Armed Services	341, 895. 94	108, 104. 06	$41. 15	973. 47
Banking and Currency	740, 674. 62	201, 825. 38	410. 05	5, 122. 27
Banking and Currency Subcommittee on Housing	566, 241. 90	151 058. 10	354. 30	5 557. 45
Select Committee on Crime	925 168. 69	219, 931. 31	4, 556. 59	26, 456. 07
District of Columbia	184, 207. 97	65, 792. 03	0	0
Education and Labor	1, 629, 347. 15	848, 652. 85	838. 66	19, 117. 15
Foreign Affairs	631, 019. 38	305, 642. 62	315. 24	5, 933. 64
Government Operations	1, 469, 700. 19	362, 899. 81	211. 29	5, 424. 48
House Administration	419, 899. 59	195, 100. 41	0	3, 161. 23
House Administration Computer Operations	709, 310. 34	790, 689. 66	220. 52	470. 25
Interior and Insular Affairs	424, 352. 50	279, 647. 50	174. 95	2, 800. 68
Internal Security	$408, 398. 62	$144, 672. 33	$534. 00	$3, 221. 81
Interstate and Foreign Commerce	1, 227, 981. 21	225, 192. 79	637. 66	8, 335. 88
Judiciary	588, 561. 37	211, 438. 63	170. 32	3, 424. 94
Merchant Marine and Fisheries	372, 418. 77	146, 581. 23	695. 74	6, 028. 28
Post Office and Civil Service	795, 848. 26	260, 151. 74	6. 98	8, 162. 59
Public Works	1, 391, 462. 30	480, 097. 70	245. 44	5, 686. 32
Select Committee on House Restaurant	2, 339. 73	22, 888. 44	0	0
Rules	1, 421. 35	3, 578. 65	3. 45	----------
Science and Astronautics	589, 627. 16	200, 372. 84	119. 48	2, 167. 34
Select Committee on Small Business	773, 849. 09	154, 150. 91	281. 38	4, 338. 59
Standards of Official Conduct	1, 547. 64	23, 452. 36	2. 50	121. 77
Veterans' Affairs	191, 659. 28	68, 340. 72	10. 11	611. 79
Ways and Means	29, 557. 53	45, 442. 47	177. 22	1, 357. 58
Special Committee to Investigate Campaign Expenditures	60, 903. 72	124, 096. 28	0	1, 251. 97

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[1] Not reported.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Florida.

Mr. PEPPER. If I said anything that would call for an apology, of course I would be glad to give it.

I understood the able gentleman, when he made his comment the other day, to say that we were spending $3,000 or $4,000 a month.

I checked with the finance officer of the committee, and she told me it was about $1,500 a month.

Remember that we are talking about a period of 2 years.

I am not saying that anybody is grossly in error. I will give the Members the facts. I am sorry, but I came over hurriedly from my office. When we come up with the funding resolution I will give the Members the exact figures.

Mr. DICKINSON. I understand. The figures that are in the record I placed in the Record. That is all I have to go on. I stand by those figures, because they were furnished by our committee and the gentleman's committee.

Mr. PEPPER. I will submit to the able gentleman the figures of the committee, and let them speak for themselves.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, this will be the third compromise on this issue in less than a year.

On April 11, 1972, there was a compromise entered into. At that time the distinguished gentleman from Missouri (Mr. Bolling) who presently supports a third compromise on this issue, said:

> I believe it is a very, very poor idea to have select committees that go on and on and on. I believe it should be very clear that an effort is going to be made to see to it that 4 years is the full life of this particular select committee.

He also said:

> I do not say this in any personal way. I do not say it in any criticism of the Members, or even of the select committee. It is merely my view, in a situation where there is a shortage of space.

As the saying goes, "You'd better believe" there is a shortage of office space if you can believe those who are screaming around here every day not only as to office space but also parking as well. Abolition of this select committee would release office space as well as parking.

And Mr. Bolling said:

> A shortage of money—all kinds of shortages—that if our standing committees are not functioning in a way to carry out their duties there is something very seriously wrong.

I could not agree with him more.

He went on to say:

> On that fundamental principle I want to serve notice that if I am able—in other words, if I am here—

Understand, that was April 11, 1972, before the election—

> if I am here—as a member of the Rules Committee I intend to oppose that resolution, as I did in this Congress, and also to oppose it on the floor if the majority of the Rules Committee decides to support it.

There is part of the understanding that January 3, the end of the last session of the Congress, was to mark the end of this select committee.

Then on February 7 of this year there came the second compromise. That was to pay the members of the committee staff for 2 months, January and February of this year. Again, that was to be the end of this select committee.

I am sure every Member who was here and heard the colloquy between the gentleman from Michigan (Mr. Gerald R. Ford) and the gentleman from Ohio (Mr. Hays), who brought in the enabling resolution to pay the committee employees for 2 months, understood that at the end of February the committee would be out of business. Now here we are asked to breathe new life into the committee until June 30 at an additional cost of thousands of dollars.

I would not bet a plugged nickel, not one plugged nickel, that June 30 will see the end of this select committee, and no Member of the House will make such a bet if he values his plugged nickels.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I will yield to the gentleman from Florida (Mr. Pepper).

Mr. PEPPER. Mr. Speaker, even if I am the victim of the gentleman's wit, I am always delighted to hear him display his wit.

Mr. GROSS. Mr. Speaker, I did not hear that. Would the gentleman repeat it?

Mr. PEPPER. I said even if I am the victim of the gentleman's wit, I am always delighted to hear it.

Will the gentleman yield further?

Mr. GROSS. Go right ahead.

Mr. PEPPER. Mr. Speaker, the gentleman has quoted the able gentleman from Ohio (Mr. Hays).

If the Members will look at the record of what Mr. Hays said, they will find that he said that was the end of the committee unless the Committee on Rules recommended the extension by the House——

Mr. GROSS. Oh, yes; I understand all that.

Mr. PEPPER. Just a minute, Mr. Speaker. Let me complete my thought.

And the House approved the rules of the Committee on Rules.

That is what is before the House now.

Mr. GROSS. Yes; I understand.

Mr. Speaker, that is a part of the Record, that unless the House took action to reconstitute or continue the select committee, that was the "end of the ball game," as far as he, the gentleman from Ohio (Mr. Hays) was concerned, but he gave everyone the impression—as did the gentleman from New Jersey (Mr. Thompson) when he spoke on this issue on April 11, 1972—that as far as they were concerned, this committee was to be out of business at the end of the last session of Congress.

Mr. Speaker, you can interpret it in any way you want to, but that is the impression that was left with everybody.

As far as crime is concerned, in reading this morning's paper you get quite a picture. This so-called Crime Committee sits right here in Washington, D.C., in the Capital of the United States, which has recorded 57 homicides thus far this year. In other words, in just 2 months, January and February, there were 57 homicides as compared with 44 in the same period last year.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 additional minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. The story goes on to say that 249 persons were victims of homicides in the District last year, or a rate of 35 such deaths per 100,000 population. That is nearly double the rate of New York City.

Mr. Speaker, here is a committee presumably investigating crime, sitting right on top of it and watching this city fast becoming the worst crime-ridden city in the world.

I do not know what service the committee performs. It will be interesting to note its accomplishments if there is ever an end to all these compromises.

I say again to the Members today, do not be surprised if you are confronted with another vote on June 30 of this year, or before, to continue this expensive select committee.

Mr. ANDERSON of Illinois. Mr. Speaker, I have no further requests for time.

Mr. BOLLING. Mr. Speaker, I urge the adoption of the resolution, and move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 317, nays 75, answered "present" 2, not voting 37, as follows:

[Roll. No. 26]

YEAS—317

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Collins
Conlan
Conte
Conyers
Corman
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellums
Denholm
Dennis
Dent
Derwinski
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley

Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hillis
Hinshaw
Holifield
Holtzman
Horton
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kluczynski
Kyros
Latta
Lehman
Litton
Long, La.
McClory
McCloskey
McCormack
McDade
McFall
McKinney
Madden
Mahon
Mann
Maraziti
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quillen
Randall
Rangel
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Schneebeli
Schroeder
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Staggers
Stanton, J. William
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Tex.
Thone
Thornton
Tiernan
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Ware
Whalen
White
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—75

Abdnor
Archer
Ashbrook
Beard
Blackburn
Brown, Ohio
Burlison, Mo.
Butler
Clancy
Cleveland
Cohen
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Devine
Dickinson
Duncan
Frenzel
Froehlich
Ginn
Goodling
Gross
Grover
Hammerschmidt
Harsha
Heinz
Hicks
Hogan
Holt
Huber
Johnson, Colo.
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Long, Md.
Lott
McCollister
Macdonald
Madigan
Mallary
Martin, Nebr.
Mathis, Ga.
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Myers
O'Brien
Powell, Ohio
Railsback
Rarick
Rousselot
Runnels
Scherle
Sebelius
Shoup
Snyder
Spence
Stanton, James V.
Symms
Taylor, Mo.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Towell, Nev.
Wampler
Whitehurst
Wyatt
Wyman
Young, S.C.

ANSWERED "PRESENT"—2

Arends
Riegle

NOT VOTING—37

Andrews, N.C.
Aspin
Badillo
Biaggi
Breaux
Brown, Calif.
Clawson, Del
Collier
Conable
de la Garza
Hansen, Idaho
Harvey
Hosmer
King
Koch
Leggett
Lent
Lujan
McEwen
McKay
McSpadden
Mailliard
Martin, N.C.
Mills, Ark.
Mills, Md.
Mollohan
Patman
Pickle
Price, Tex.
Quie
Rees
Robison, N.Y.
Rooney, N.Y.
Rose
Ruppe
Smith, N.Y.
Williams

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Smith of New York.

Mr. Biaggi with Mr. Williams.

Mr. Koch with Mr. Rose.

Mr. Mills of Arkansas with Mr. Mailliard.

Mr. Breaux with Mr. Martin of North Carolina.

Mr. Mollohan with Mr. McEwen.

Mr. Rees with Mr. Mills of Maryland.

Mr. Pickle with Mr. Del Clawson.

Mr. Leggett with Mr. McSpadden.

Mr. McKay with Mr. Collier.

Mr. E de la Garza with Mr. Hansen of Idaho.

Mr. Brown of California with Mr. Conable.

Mr. Aspin with Mr. Harvey.

Mr. Badillo with Mr. King.

Mr. Andrews of North Carolina with Mr. Lent.

Mr. Ruppe with Mr. Quie.

Mr. Price of Texas with Mr. Lujan.

Mr. Robison of New York with Mr. Hosmer.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ORIENTATION BRIEFING IN HIGH TECHNOLOGY PROCUREMENT BY NATIONAL SECURITY INDUSTRIAL ASSOCIATION

(Mrs. HOLT asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Mrs. HOLT. Mr. Speaker, I should like to call the attention of my new colleagues to an orientation briefing in high technology procurement by the National Security Industrial Association. NSIA is a long established nonpolitical, nonprofit communications medium between industry and Government in matters relating to national security and technology.

The purpose of the briefing is to familiarize new Members of Congress with the problems and complexities of defense and other high technology procurement.

I had the opportunity of attending a recent session and found it most informative and useful. The material was presented in an evenhanded and objective manner.

I am informed that they are going to have another session from 9:15 to 11 a.m., on Tuesday, March 6, 1973, in room 2216 of the Rayburn House Office Building for those Members unable to attend the earlier sessions. I believe that new Members and their aides would benefit from this briefing and I therefore commend it to their attention.

AUTHORIZING INVESTIGATIONS AND STUDIES BY THE COMMITTEE ON BANKING AND CURRENCY

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 18 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 18

Resolved, That, effective January 3, 1973, the Commitee on Banking and Currency, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 4 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings and require, by supena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Banking and Currency of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of

members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING. Mr. Speaker, before I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON) and before proceeding to discuss this resolution, I thought it might be helpful to some of the Members of the House if I indicated the order in which it is planned to call up these resolutions.

The Members should know that there is controversy on these ordinarily routine resolutions. There are nine of them, if I count correctly. I propose to call them up in the order in which each resolution was introduced. The one just called up is House Resolution 18, Banking and Currency; House Resolution 72, Agriculture; House Resolution 74, Judiciary; House Resolution 134, Veterans' Affairs; House Resolution 163, Interior and Insular Affairs; House Resolution 175, Education and Labor; House Resolution 180, Post Office and Civil Service; House Resolution 224, Government Operations; and House Resolution 257, District of Columbia.

I am not clear in my mind as to on how many of these resolutions the minority intends to pursue the approach outlined in the letter to the Members from the gentleman from New Hampshire (Mr. CLEVELAND). Each Member, I presume, received a copy of this letter. I assume that there is a possibility that the minority, or Mr. CLEVELAND, or Mr. CLEVELAND and others, will want to raise these questions on all the resolutions, or perhaps not on all of them.

In any event, I do not propose to enter into that particular debate until the gentlemen on that side of the aisle have had an opportunity to discuss those aspects.

It is important, in looking at all of these resolutions together, for the Members of the House to understand that there has been a significant change in policy with regard to these so-called travel resolutions. The only way in which these resolutions differ from all the other travel resolutions over the years that have passed in each Congress, is that for the first time in, I think, about 15 years, the leadership and the majority of the Committee on Rules has ceased to attempt—I do not know how to put it elegantly—to supervise or nursemaid the great committees of the House in the execution of their duties insofar as they involve travel.

A number of years ago, in the speakership of Mr. Rayburn, when Mr. Martin was the minority leader, a few individual Members of the House were guilty of both excesses and indiscretions in such a way that it brought the House itself into bad repute because of things said and done overseas. Then, the Speaker and the minority leader requested the Committee on Rules to squeeze down on the committees of the House, to try to cut back on travel authorizations.

That attempt was made and it was never a success, because the fact of the matter was that the powerful committees got exactly the travel they wanted, and the less influential committees, which might have had a better reason, on occasion, for travel, were left out and had to come specifically before the Rules Committee in effect with hat in hand. It was not a successful procedure.

I sat on the Rules Committee throughout all of its attempt to use this procedure. It did not work. It was not fair.

This year, not in consultation with everybody but in consultation with the Speaker, the Rules Committee majority decided to put the responsibility for travel exactly where it has always belonged. The committee chairmen and ranking minority members and the committees as a whole are responsible for the behavior of the groups that they send traveling overseas or in this country.

This is to serve notice, as an agent of the majority of the Rules Committee, that instead of limiting some committees to travel only within the United States and allowing other committees to travel within and without, when the request was made the request was granted.

In other words, the responsibility, I repeat, rests on the committees and on the leaders of the committees and on the members of the committees. I am sure at this stage of history it will work, because I am convinced that there is not a committee chairman or a committee ranking minority member who wants to allow a situation to develop which will bring the House itself into disrepute.

I thought it ought to be very clear that this first resolution is an example. The committee requested full authority to travel overseas. In the last Congress it had limited authority to travel overseas. This resolution provides that full authority.

Mr. BARRETT. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I am delighted to yield to my friend from Pennsylvania.

Mr. BARRETT. I thank the gentleman for yielding.

I should like to point out, without taking too much time, that we passed a similar resolution, House Resolution 114, in the 92d Congress.

We came before the Rules Committee this session to ask a general travel resolution. It has been approved by the minority. The gentleman from New Jersey (Mr. WIDNALL) appeared there yesterday and agreed to exactly what we asked for and said he strongly endorsed House Joint Resolution 18 as introduced.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the gentleman from Missouri was quite correct in characterizing this series of resolutions, of which there are nine, as being ordinarily resolutions that are quite routine in nature.

If my understanding is correct, actually, under the provisions of rule XI, paragraph 29(a)(1) and succeeding paragraphs, without the language of these investigative resolutions actually, I believe each standing committee of the House, under the rules, would be limited to not more than six professional staff members and six clerks. Of course, as we all know, the committees of the House—each of them, I believe, almost without exception—employ staffs considerably in excess of that number.

As the gentleman from Missouri also indicated, these resolutions containing much of standard or boiler plate language of previous years have been very fundamentally changed in character with respect to the control which formerly was exercised by the Committee on Rules with respect to travel. Specifically, I think, with respect to this resolution, House Resolution 18, the Banking and Currency Committee formerly could not travel without the country. They could travel anywhere within the country but could not travel without the country unless special authorization were obtained first from the Committee on Rules and from the House of Representatives.

I believe there is another factor, in addition to these intrinsic facts within these resolutions themselves, which makes this particular debate more important than it might otherwise be.

And that is that extrinsic facts have entered in to indicate that the Democratic Caucus as of last week adopted certain rules which would move them away from the closed rule, from a procedure which makes it impossible to consider a resolution from a committee on the floor of this House without offering amendments thereto.

As a friend and proponent of congressional reform, I have watched these developments within the Democratic Caucus with great interest, and indeed I would applaud many of the things that have taken place, and I would concur in the headline or the editorial byline that I saw yesterday in the Washington Post: "A Refreshing Spirit in the House." But I wonder if that "refreshing spirit" is not doomed to become something of a stale vapor.

Mr. Speaker, that will be true, if today in acting on each of these nine resolutions we make it impossible for any Member of this body to offer an amendment which would alter this changed procedure that the gentleman from Missouri has described as it affects the travel of these committees.

I think that there are some other important respects in which these resolutions might be subject to amendment, and I refer specifically to the matter of minority staffing, which is certainly germane to any resolution which establishes the basic investigative authority of a committee of this House.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I will yield

to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Speaker, in other words, under the rule under which we are considering these resolutions, an amendment to afford to the minority up to one-third of the staff upon request would not be in order?

Mr. ANDERSON of Illinois. The gentleman from New Hampshire is correct. That amendment would not be in order.

Mr. Speaker, it would be necessary to vote down the previous question on the resolution in order for the gentleman to prevail or to have the opportunity even to offer that amendment on the minority staff.

Mr. CLEVELAND. In other words, this comes to us under a closed rule?

Mr. ANDERSON of Illinois. Mr. Speaker, the Members are going to hear that disputed, and the able gentleman from Missouri (Mr. BOLLING) will assure the Members that it does not come to the floor under a rule at all, which indeed it does not.

But the procedure is identical to that of a closed rule, in that the Members have got to vote down the previous question or they simply cannot amend the language of House Resolution 18 or any of the eight resolutions which will follow.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield further?

Mr. ANDERSON of Illinois. Yes; I will yield to the gentleman.

Mr. CLEVELAND. Mr. Speaker, may I ask, was any attempt made in the Committee on Rules to enable an amendment to be made to these resolutions?

Mr. ANDERSON of Illinois. In response to the gentleman's question, I offered a motion on yesterday in the Committee on Rules that we bring these resolutions to the floor under a procedure that would make it possible to amend them. On a straight party line vote, eight Democrats who were present voted against my motion, and four Republicans who were present voted for it, and in effect clamped a closed rule procedure on what we are doing this afternoon.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield further?

Mr. ANDERSON of Illinois. Yes; I will yield to the gentleman.

Mr. CLEVELAND. Mr. Speaker, the gentleman earlier spoke of that glowing editorial in the Washington Post applauding the Democratic Caucus for its opening up of the rules and its position against closed rules. That was yesterday morning.

And then is the gentleman telling me that the Committee on Rules controlled by Democrats at noon yesterday clamped a closed rule on these resolutions?

Mr. ANDERSON of Illinois. The gentleman is precisely correct.

Mr. Speaker, I have the proposed resolution which was adopted by the Democratic Caucus last year, which they have entitled "Closed Rule Procedure," and it says, and I quote:

> It shall be the policy of the Democratic Caucus that no committee chairman or designee shall seek, and the Democratic Members of the Rules Committee shall not support, any rule or order prohibiting any germane amendment to any bill reported from committee until four (4) legislative days have elapsed following notice in the Congressional Record of an intention to do so.

Four legislative days have not gone by. These resolutions were voted out yesterday, 1 day ago, and they were voted out with eight affirmative votes of the Democratic members of the Committee on Rules.

I think that at least the spirit of that reform is being violated. We can stand up here and undoubtedly hear a learned discourse on how this procedure differs from the normal procedure of a bill coming out of the Committee on Ways and Means and that this particular closed rule procedure was designed to trim the power of the Committee on Ways and Means with respect to trade, tariff, and tax bills.

I submit that this proposition the gentleman raised of minority staffing is so important and is so germane to the very issue which confronts this House this afternoon that you violate the spirit of this reform, which is less than 1 week old, if you do not support us in the effort that we will make to vote down the previous question.

Mr. CLEVELAND. Will the gentleman yield further?

Mr. ANDERSON of Illinois. I yield further to the gentleman.

Mr. CLEVELAND. I thank the gentleman.

The parliamentary situation then is that for a member of the minority to offer an amendment requiring the making of provision for one-third minority staffing on request—the procedure is we would have to vote down the previous question?

Mr. ANDERSON of Illinois. The gentleman is absolutely correct.

Let me say with specific reference to this resolution and the committee it concerns, the Committee on Banking and Currency, that I was given figures just before our debate began this afternoon which indicate the investigative staff of that committee is divided as follows: The majority 24, the minority 2. That to me does not represent a fair apportionment of the investigative staff of that committee to the minority.

The gentleman from Missouri has been quoted earlier by the gentleman from Iowa, as to remarks he made in 1972. I would remind that gentleman, in two very excellent books he wrote, he wrote as follows:

> Without the staff to frame alternative proposals the minority cannot make its position clear on bills sponsored by the minority.

The gentleman from Missouri also wrote in another book the following:

> The imbalance in the staffing of committees impairs the ability of the minority to make proper policy decisions. There should be adequate staff on the legislative committees for use of the members of the minority party, usually the Republicans.

It is not now generally the situation. However, it seems to me with respect to the gentleman from Missouri and those on the other side of the aisle the right time has never come to implement this. We had it in the 1970 Legislative Reorganization Act sponsored by the gentleman from New Jersey (Mr. THOMPSON). What happened? By a binding caucus vote you took it out in the early days of the 92d Congress. You repealed—you repealed—that feature of the 1970 Legislative Reorganization Act.

I suggest that this is a very good time this afternoon in voting on these resolutions to make it clear that this is an issue whose time has come.

I know that the gentleman is going to tell you his select committee on committee jurisdiction will look at the minority staffing subject. Why should we study and restudy an issue about which the gentleman has written years ago and which was the subject of the task force of the House Republican Conference that was formed in 1963 under the gentleman from Iowa (Mr. SCHWENGEL), and they reported on this. This has been studied to death.

The time has come, I believe, to take some action. I suggest that you join me on both sides of the aisle in voting down the previous question on this resolution.

Mr. FRENZEL. Will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I would like to see if I have this clear in my mind. As I recall it, when we convened on January 3 of this year, we passed some rules that allowed for greater use of the suspension process, which in effect gives the opportunity to operate under a closed type of rule. Is that correct?

Mr. ANDERSON of Illinois. The gentleman is absolutely correct.

Mr. FRENZEL. Then on January 31 under a closed rule we approved some kind of committee headed by the distinguished gentleman from Missouri, also on a closed rule. Is that correct?

Mr. ANDERSON of Illinois. The gentleman is absolutely correct again.

Mr. FRENZEL. And today we will consider nine resolutions which cannot be amended without defeating the previous question, which is again the application of a closed rule. Is that correct?

Mr. ANDERSON of Illinois. The gentleman is absolutely correct again in the statement he made.

Mr. FRENZEL. And these rules are coming from the reform-minded majority group who are opening up the whole world, and sponsoring sunshine bills, and signing John Gardner's pledge renouncing the devil and the closed rule?

What have we gained here? Is it true we have taken the closed rule away from the Committee on Ways and Means where we have a proportionate seating, and have given it to the Committee on Rules where the majority enjoys a two-thirds representation?

Mr. ANDERSON of Illinois. The gentleman I think has very aptly made the point I began, that the fresh breezes of reform have become the still and vapid vapors of retrogressive policy as far as the way in which the business of this House can be conducted.

Mr. FRENZEL. If the gentleman will yield further, I would say that I concur in all that the gentleman has said except in the gentleman's opening statement where the gentleman said there was some reform which he encouraged. And I say that the eyes of the world are upon those who are supposed to be opposed to a closed rule. Not only my eyes, but the eyes of the press and all of our constituents will be upon that board when the previous question is ordered, and we will see who is in favor of a closed rule, and who is for reform in all these matters.

Mr. ANDERSON of Illinois. Mr. Speaker, I am going to close now because there are others to whom I have promised to yield, but let me close by saying this: That a few days ago the minority leader of this House, the minority whip and I, together with the gentleman from New Hampshire (Mr. CLEVELAND) held a press conference in which we talked also about the minority staffing, and present with us on that occasion were John Gardner of Common Cause and Ralph Nader, whose activities with respect to this body are certainly well known, and we discussed also the proposition that appears before us this afternoon.

Mr. Gardner, in a letter to every Member of this House on the 26th of February, specifically endorsed the idea that we ought to act now on a proposal to give the minority in this House adequate staffing.

So I think the gentleman is quite correct, that when the lights appear on the board we will see who the true friends of reform, in this House, are.

Now, Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, these halls have rung over the past few weeks with rhetoric about the necessity for the Congress to reassert its constitutional prerogatives and assume its rightful place in relationship with the executive branch. I have argued for several years, and I believe the Congress as a whole is now beginning to be in agreement with me, that we can only take our proper place within the system if we are willing to reform our own procedures and make ourselves into a truly representative and truly effective organization.

The question we have before us today is symbolic of whether we are determined to make those changes and to become effective. Our very system of government is on the concept of majority rule but with the cornerstone that the rights of the minority must be jealously guarded and fearlessly protected. To strip the minority party of adequate staffing is, as Congressman CLEVELAND said during debates 2 years ago.

> Like stripping from the defendant in a court of law his right to counsel.

If the Congress is to work effectively, all points of view must be adequately represented.

All of us realize that access to staff and to information is key to effective legislation. Unless Members of Congress of all points of view have access to that information and staff, those who are prevented from receiving adequate staff support will be inadequately represented in the debates and the work of the Congress.

The specific question before us today is whether the minority will have access to the investigative work of the House of Representatives. It is in our hearings, our indepth investigations of situations that the Congress most frequently develops information on which to challenge executive branch proposals and to develop a legislative viewpoint of our own. Unfortunately, it is in this area that there is a particular bias against the minority. Although the Republicans comprise 44 percent of the total House of Representatives Members, only 9 percent of the committee investigatory funds were allotted to the minority party. The minority cannot possibly work effectively without the same kinds of staffing and access to information which is available to the majority.

The resolution before us this afternoon would assure the minority one-third of the investigatory funds whenever the minority felt that it was being inadequately represented by committee investigations. It is important to emphasize, I think, that this would not necessarily be an automatic but would come into play only when the minority felt that all points of view were not being adequately represented by the committee investigation. In many instances it would not be necessary for the minority to assert its "right" to the funds since their views would be taken into consideration on a routine basis. For example, the Science and Astronautics Committee on which I serve has a long tradition of bipartisan staffing and investigations which is available to every member of the committee, no matter which party. It is highly unlikely that those of us in the minority on that committee would ever have to call for our appropriate share of the investigative funds simply because we are for the most part already being adequately and fully represented by the professional staff.

Although the Education and Labor Committee, on which I also serve is far from bipartisan, it also has done quite a good job in providing staffing and funds to the minority.

This resolution would be called into effect only when there are true instances of lack of cooperation and failure of the majority to provide for the representation of the minority.

This is not really a partisan issue, although we seem to be lined up on opposite sides of the aisle on it today. John Gardner, Chairman of Common Cause, put it succinctly in his testimony before the Mathias-Stevenson hearings last December:

> The ability of the Congress to hear and consider both sides of controversial issues is limited by insufficient staff resources for the minority.

We on the Republican side do not expect to be perpetually in the minority here in the House and, when we do assume control in the future, we strongly believe that the Democrats should have full access to the information and staff of the Congress.

I strongly urge all those who are truly concerned with the ability of the Congress to function effectively and to assert its proper role in the Government to join with me in voting down the previous question and voting to provide the minority with its fair share of the investigative funds of this body.

Mr. ANDERSON of Illinois. I yield 5 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

I am going to urge defeat of the motion on the preivous question and the adoption of an open rule for the reasons which have been so succinctly stated here before, but I am going to ask for it for an additional reason. The reason I give may not be as fundamental as that of the minority staff question, but it may have as much to do with the image which this Congress creates.

I should like to offer an amendment, if we are able to vote down the previous question, which would bar the use of any of the funds authorized under House Resolution 18, which is under consideration at this time, by lameduck members on the Committee on Banking and Currency.

Legitimate fact-finding trips by Members authorized by the committee as valid and useful is one thing, but a trip by a member of the committee, after he has become a lameduck Member of Congress, that can have no useful bearing on the consideration of future legislation by this body, is quite another thing.

I do not see how a trip for a Congressman who is not returning could be in the nature of a fact-finding trip for business of the Committee on Banking and Currency. To be sure, the amount of money spent on such a trip is small in relation to the overall Federal budget, but vacation travel at public expense by a lameduck Member of Congress simply cannot be justified on any basis as a necessary expense. This practice, in my opinion, does not reflect credit on this body.

There are several bills before this Congress which would do this very thing, the original of which was introduced by the Honorable ROBERT MICHEL from Illinois. All such bills have been referred to the Committee on House Administration, and they would do what this amendment would do for all travel by all committees. However, it is not likely that these bills are going to be considered today or tomorrow.

I felt some obligation, as a member of the Committee on Banking and Currency, while this House Resolution 18 is being considered today, to try and set a good example by putting our own house in order and imposing limitations where foreign travel at public expense just cannot be justified. This is not to say that any such travel has been authorized by the Committee on Banking and Currency in the past, or by any of its subcommittees, but others have authorized such travel, and we ought to go on record as being opposed to its continuation.

I, therefore, urge defeat of the motion on the previous question. I yield back the balance of my time.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I have already vented my spleen on the subject of the closed rule, and I will not belabor that subject any more.

But, I should like to invite the attention of those interested to the fact that the resolution becomes effective on January 3, and the great Committee on Banking and Currency, I would note now, has not been able to organize itself yet and has had no meetings to date. I think that a committee, which is allowed to investigate and to travel, ought to be able to organize itself so that it can commence work on the public's business sometime sooner than 60 days after the Congress has convened.

We have pending before our committee, or should have if we ever get a committee, important bills such as the Revaluation, the Stabilization Act, the Housing Act—which, of course, expires in June. And while I realize the chairman is ailing at this time, he has not been ailing for most of the past 60 days. I would simply say that if we are going to be granted all of these wonderful powers, I think sometime the committee might want to organize itself and get together to start conducting the people's business.

I yield back the remainder of my time.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Speaker, I thank the distinguished gentleman from Illinois for yielding and I commend the gentleman on his remarks, as I do the other Members on our side who have spoken on behalf of minority staffing.

If we vote down the previous question on the resolution there will be an opportunity to vote on minority staffing. The gentleman from Illinois will offer an amendment which will be identical to the language in the Legislative Reorganization Act which has already been referred to.

I want to stress that this language will permit up to one-third minority staffing upon request. I am addressing myself now chiefly to the members of the Democratic Party, now the majority party. I want to make this point very clear. There will be some committees where there will be no request for minority staffing. Some committees have testified before the Committee on House Administration as late as this morning that there will not be such a request. The chairman and the ranking Republican member of the Armed Services Committee testified they consider their staff to be totally nonpartisan and totally professional and there is no desire expressed by the minority to have an allocation of staff.

This is not mandatory language. It is not mandatory at all. There are some committees which have already been very generous. The House Committee on Education and Labor is a notable example. The committee on which I serve, the Committee on Public Works has been extremely fair, although there were times when we had to fight hard for our rights.

The point I am making to the Democratic Members here is this, that the amendment which will be offered by the gentleman from Illinois (Mr. ANDERSON) does not automatically impose upon all committee this one-third allocation. It will be upon request. There will be some committees where it will be requested, but this is not mandatory.

I would like to make another point to the gentleman from Illinois (Mr. ANDERSON). The gentleman was very articulate in his remarks on this subject. I commend the gentleman for his remarks, but the one thing I did not like about them was the gentleman chose to publicize that the distinguished gentleman from Missouri had written not one book on Congress but two books. The minority has enough problems in getting publicity without having a Member of the minority party publicize the majority's books. The minority wrote a book also. It was a great book but a bad seller. The gentleman had a chapter in it in that book, which was entitled, "We Propose a Modern Congress." The first chapter in that book is on the subject of minority staffing. I happened to write that chapter, which is why I am familiar with it. I am not going to burden the Members with the many excellent and lucid points I made in that chapter, I do want the Members to know however that I leaned heavily on quotations from distinguished Members of the Democratic Party and on quotations from a wide spectrum of political scientists.

This issue of minority staffing is a good issue. Everybody on the majority side knows it. I think it is time for them publicly to admit it. That is why I ask them to vote down the previous question.

The letter which the gentleman from Missouri referred to and addressed to all Members follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 27, 1973.

DEAR COLLEAGUE: On Wednesday, February 28, members of this body will have an opportunity to demonstrate their commitment to Congressional reform and to give expression to the bipartisan majority will, originally embodied in the Legislative Reorganization Act of 1970.

The vehicle will be the resolution authorizing travel and investigative activity of the Committees on Agriculture, Banking and Currency, Education and Labor, Government Operations, District of Columbia, Interior and Insular Affairs, Judiciary, Post Office and Veterans Affairs.

An amendment has been prepared which reads as follows: "Up to one third of the funds authorized pursuant to this resolution shall be made available to the minority of the committee upon the request of a majority of such minority."

The resolutions, numbered H. Res. 18, 72, 74, 134, 162, 163, 175, 180 and 224, are to be submitted under a closed rule on the basis of an 8–4 vote of the Rules Committee, despite the recent Democratic Caucus vote to restrict use of this device. I urge your support *in voting against the previous question to pave the way for the above amendment.*

The intent is the same as language added to the Act of 1970, approved by a bipartisan majority of this body but later repealed.

The nonpartisan nature of our effort is exemplified by support from John Gardner of Common Cause and Ralph Nader, whose views on the subject and additional material can be found in the Congressional Record for February 5, pages 3229–3232.

Sincerely,

JAMES C. CLEVELAND,
Member of Congress.

Mr. ANDERSON of Illinois. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker. I yield myself 10 minutes.

This is a rather intricate argument to make because I do not want to deal meanly with my colleague from Illinois (Mr. ANDERSON) or my colleague from New Hampshire (Mr. CLEVELAND).

They are in error with regard to what is before us. What is before us is a privileged resolution under the hour rule. Under the hour rule, the person in control of the hour has control of the whole time.

The custom has developed over many years in the House, on a resolution that comes from the Committee on Rules, that one-half of that hour be yielded for debate to the minority, and, of course, that was done. But, there is an opportunity for an amendment, which will not be given to anybody on the House floor, because under the hour rule it is possible for the individual in control of the time to yield for an amendment. In other words, I could yield for an amendment, so that the description of the parliamentary situation has not been accurate up to this point.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. May I continue until I am finished with the parliamentary problem?

Mr. CLEVELAND. Mr. Speaker, I would like to address myself to a point which was just made by the gentleman from Missouri (Mr. BOLLING). As I understood it, the gentleman said we were wrong when we said this is a closed rule.

Mr. BOLLING. The gentleman from New Hampshire may look at his original words when he gets his original copy back. He will see then, he will find that he indicated there was no other way to get an amendment in before the previous question. I am merely pointing out that there is another way, if I choose to yield.

Mr. CLEVELAND. Will the gentleman yield?

Mr. BOLLING. No, I would not.

Mr. CLEVELAND. I thank the gentleman from Missouri for having made me correct on my previous statement.

Mr. BOLLING. If the gentleman feels that he is correct now, that is fine. I am trying to be kind about the whole thing and describe the situation accurately. If the gentleman feels that he is correct, that is all right, but I do not wish to engage in that kind of debate.

I am for the minority having up to one-third of the committee staff. I helped construct the provision of the Reorganization Act which provided that the minority would get one-third of the professional staff.

It had some key language in it which is the crux of the situation. When it gives to the minority an absolute right to select one-third, it reserves to the majority of the committee the right not to retain in its employ people who are of a certain kind. Now, it is understood that people of this particular kind would never be employed by those in the minority, but since the majority is responsible for the orderly management of committees, when it organizes committees it has to retain the responsibility across the board.

There may be some of us who are not aware that in this institution there have been deliberately employed staff who were expected to wreck the operation of a committee, and the majority could not do a thing about it until a sufficient number of the minority became so outraged that they joined in correcting the situation.

Now, I am for—I repeat, I am for the minority having up to one-third of the staff, but the Reorganization Act said:

> The committee shall appoint any person so selected whose character and qualifications are acceptable to a majority of the committee.

Now, I got Mr. Gardner's letter. While I do not like to read to the House, I would like to read the reply I sent to him.

Mr. Gardner's letter came out flat for what is, I believe, the Anderson proposed amendment. I said:

> DEAR JOHN: Thank you for your letter of February 26, 1973, concerning minority staffing. I heartily agree with its purpose and with the essence of its proposal and have long supported increased minority staffing. In fact, one third seems entirely fair and reasonable to me.
>
> Of course, there are some of my Democratic colleagues who do not agree at all and with them I have little sympathy. On the other hand, many of the rest of us are aware of the ability of an irresponsible minority to use one or more staff men to wreck the orderly operation of a Committee and, in fact, under some circumstances bring its work to a standstill. True, this is not to be expected often and, in fact, has seldom happened. But since the majority is held responsible for the orderly operation of the committees, the majority of each committee must have the final say not on selection of minority staff but on whether or not a staff member, minority or majority, comports himself in a legitimate and constructive way and is of good character.
>
> I can assure you that I will continue to seek a solution to the current deadlock so that a majority of the Rules Committee can report a resolution which will provide for the availability to the minority of an adequate staff of its choice and under its control of at least one-third of the total staff of each committee.
>
> Perhaps, you will wonder why my resolution to create a Select Committee of the House to study House Committees provided for a 50–50 division of staff and other services between majority and minority in the light of what I have said above. There is a fundamental difference between such a committee dealing with a problem which is in no way is involved in partisan politics and a committee like Education and Labor which has to deal with the violently controversial and very partisan matter of compulsory arbitration and similar subjects.
>
> With best wishes,
>
> Sincerely,
>
> RICHARD BOLLING.

I submit to my friends on the minority and to my friends on the majority that while one may not agree with my position it is a position that is clear. It is a position that I have taken for a great many years.

I cannot conceive of my friends on the Republican side who would be responsible for policy on their side, in the event they became a majority, agreeing to allow completely uncontrolled minority staffing where there was no check by the majority—not the majority party, but the majority of the committee—on the matter.

I happen to believe that this whole exercise is in the wrong place at the wrong time.

The rules, as I understand them, were adopted tentatively. I sympathize with my friends on the minority as to the delays that have been occasioned by the Democrats trying to emulate the minority in certain respects, in the way in which they handle their party organization and the organization of their side of committees. We have had some delays, but we think we have had some creative progress.

I submit a routine practice using a routine method is not really the right place to engage in a serious discussion.

Personally, as one Member of this institution, I regreat the fact that in 1971 the Democrats saw fit to undo what had been done in the Reorganization Act. We labored long and hard in that Subcommittee on Reorganization to come up with a reasonable minority staffing position. I strongly support minority staffing.

I submit this is the wrong time to do it, to deal with it, and I therefore urge that the previous question be adopted.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I will be glad to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

Would the gentleman from Missouri yield for an amendment which would prohibit the use of the committee's funds by a "lameduck" Congressman after sine **die adjournment?**

Mr. BOLLING. Mr. Speaker, the gentleman from Missouri did not explain his situation in its entirety. The gentleman from Missouri, in order to yield, would feel compelled to get approval of the full Committee on Rules to so yield, the custom of not yielding for amendments is so well-established.

Mr. WYLIE. Mr. Speaker, it was my understanding from the gentleman's previous comment that he could yield for an amendment.

Mr. BOLLING. That is right; I could, but I would not feel that I should.

Mr. Speaker, I am not being clever; I **am trying to make sure I am being understood.**

Let me answer the gentleman further. Let me tell the gentleman what I would do.

I wholly agree it is ridiculous for a "lameduck" Member of this body or the other body to take trips that are not connected with congressional business. The gentleman said this was referred to House Administration. There had been some conversation about this, and I would think, although I do not know—I do not speak for a soul except myself—that in my opinion it would be wise, either **directly or indirectly, to assure that that kind of thing did not happen, because it** does in my opinion bring discredit on the **Congress. However, I think we should follow the orderly process.**

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, once again we have the question of minority staffing before us. This comes at a time when the majority Members of this body have been giving a great deal of attention to reforming many of the anachronistic, outdated rules and customs that have grown up in Congress over the years. It also comes at a time when governmental action is being taken to secure and guarantee the legal rights—and indeed even the social and economic rights—of many of our long-neglected minority groups.

It would seem, therefore, both logical and appropriate for Congress to support the efforts of its own minority to secure equitable staffing arrangements in the standing committees. I urge the Democrats to vote against the previous question so that the travel and investigative resolutions can be amended to provide for minority staffing.

The rules of the House now provide for "fair consideration" of minority staffing needs. This fair consideration has resulted in some of the committees which operate on a partisan basis receiving as low as 4 percent, 6 percent or 11 percent of investigatory funds. Only one committee provided the minority more than one-third of the investigatory funds. I am not including in these figures those committees which operate on a bipartisan basis and do not divide their staff between minority and majority members.

Now I am not quite sure how to define "fair consideration" but I am certain that the statistics on committee staffing do not at present reflect anything at all resembling fair consideration. Republicans constitute 44 percent of the House of Representatives membership. We are not seeking 44 percent of the commitee staffs. We have, instead, chosen to define "fair consideration" as "up to one-third" of the funds and staff available under the investigatory resolutions.

We feel this is fair. In fact, we have repeatedly gone on record saying that should the Republicans become the majority party in Congress, we would consider it only proper that the minority Democrats receive the same one-third staffing.

Republicans and Democrats have different viewpoints on many issues of vital importance. Our adversary system requires that differing viewpoints be presented as fully and forcefully as possible, so that all arguments can be fairly evaluated and decisions based upon as complete information as possible. In a time when public policy and political questions are growing geometrically more complex, not simpler, the minority cannot fulfill its responsibility to present its viewpoint unless it is adequately staffed with high-quality professionals in sufficient strength. The system does not now provide for this. I hope the majority members today will vote to change the system.

Mr. BROTZMAN. Mr. Speaker, Members from both sides of the aisle are slowly beginning to realize that extensive reforms of the legislative process are going to be needed if the Congress is going to live up to its constitutional duties. This has become one of the top issues in both the Democratic caucus and the Republican conference, and a number of measures have already been approved in those bodies to assure that reforms will be forthcoming.

We are today faced with a matter critical to effective reform in the House of Representatives. Nothing will enable the Congress to gain more respect and demand more attention than if it is able to pass the most responsible legislation possible for the American people.

At present, we cannot do this, for the legislation passing the House too often does not adequately reflect the thinking of nearly 40 percent of the House membership. The reason for this is the crux of our debate today: Inadequate committee staffing for Members of the minority party.

The committee staff is an essential source of input to nearly every major piece of legislation considered by the House each year. It is responsible for most of the research and drafting of proposed amendments, and its members prepare the reports to be read by the Members of the full House during their consideration of the bill. It is thus vital to the interests of the American people that the minority party of the House be adequately represented among the committee staffs.

Without this representation, Members of the minority party are left on their own in attaining the research material necessary to adequately challenge the position of the majority party in committee and on the floor of the House. The people represented by these Members are thus deprived of the effective representation they deserve. This was recognized by the Congress in the Legislative Reform Act of 1970, but the intent of that legislation has never been implemented.

Because I do not feel that this is fair to the people of our Nation, I cast my vote to vote down the previous question so we would be able to support the amendment to be offered by the gentleman from Illinois.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

Mr. ANDERSON of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 204, nays 191, answered "present" 1, not voting 35, as follows:

[Roll No. 27]

YEAS—204

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Barrett
Bergland
Bevill
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Breckinridge
Brinkley
Brooks
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Carney, Ohio
Casey, Tex.
Chappell
Chisholm
Clark
Clay
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellums
Denholm
Dent
Diggs
Donohue
Dorn
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Flynt
Foley
Ford, William D.
Fountain
Fulton
Fuqua
Gaydos
Gettys
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gunter
Haley
Hanley
Hanna
Hansen, Wash.
Harrington
Hawkins
Hays
Hébert
Helstoski
Henderson
Hicks
Holifield
Holtzman
Howard
Hungate
Ichord
Jarman
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
McCormack
McFall
McKay
McSpadden
Macdonald
Madden
Mahon
Mann
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Perkins
Poage
Podell
Preyer
Price, Ill.
Randall
Rangel
Rarick
Reid
Reuss
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Sikes
Slack
Smith, Iowa
Staggers
Stark
Steed
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Waldie
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—191

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bennett
Biester
Blackburn
Bray
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Flowers
Ford, Gerald R.
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Gibbons
Gilman
Goldwater
Goodling
Gross
Grover
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Hillis
Hinshaw
Holt
Horton
Hudnut
Hunt
Hutchinson
Johnson, Colo.
Johnson, Pa.
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Latta
Lott
McClory
McCloskey
McCollister
McDade
McEwen
McKinney
Madigan
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Mazzoli
Michel
Miller
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
O'Brien
Parris
Pettis
Peyser
Pike
Powell, Ohio
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Robinson, Va.
Roncallo, N.Y.
Rousselot
Ruth
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Skubitz
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Studds
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Vander Jagt
Veysey
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

ANSWERED "PRESENT"—1

Culver

NOT VOTING—35

Badillo
Biaggi
Breaux
Brown, Calif.
Carey, N.Y.
Clawson, Del
Collier
de la Garza
Dingell
Downing
Giaimo
Green, Oreg.
Harvey
Hogan
Hosmer
Huber
King
Koch
Lent
Lujan
Mailliard
Mills, Ark.
Mollohan
Moss
Patman
Pepper
Pickle
Price, Tex.
Rees
Robison, N.Y.
Rooney, N.Y.
Ruppe
Sisk
Smith, N.Y.
Stanton, James V.

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Del Clawson against.

Mr. Biaggi for, with Mr. King against.

Mr. Dingell for, with Mr. Harvey against.

Mr. Giaimo for, with Mr. Collier against.

Mr. Koch for, with Mr. Lent against.

Mr. Mollohan for, with Mr. Hogan against.

Mr. Moss for, with Mr. Hosmer against.

Mr. Pepper for, with Mr. Huber against.

Mr. Pickle for, with Mr. Lujan against.

Mr. Rees for, with Mr. Price of Texas against.

Mr. Sisk for, with Mr. Mailliard against.

Mr. James V. Stanton for, with Mr. Ruppe against.

Mr. Carey of New York for, with Mr. Smith of New York against.

Mr. Badillo for, with Mr. Robison of New York against.

Until further notice:

Mrs. Green of Oregon with Mr. de la Garza.

Mr. Downing with Mr. Mills of Arkansas.

Mr. Breaux with Mr. Brown of California.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING INVESTIGATIONS BY THE COMMITTEE ON AGRICULTURE

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 72 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 72

Resolved, That, effective January 3, 1973, the Committee on Agriculture, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 1 of Rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the full committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the full committee, or any member designated by him, may administer oaths to any witness.

(b) However, with respect to matters within its jurisdiction pursuant to Public Law 480, Eighty-third Congress, as amended, the committee or any subcommittee thereof is authorized to sit and act outside the United States.

(c) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committees' activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Agriculture of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

SEC. 4. The Committee on Agriculture, acting as a whole or by subcommittee, is specifically authorized to make studies and investigations into the following matters:

(1) The restoration, expansion, and development of foreign markets for American agricultural products and of international trade in agricultural products; the use of agricultural commodities pursuant to Public Law 480, Eighty-third Congress, as amended, and the use of the foreign currencies accruing therefrom; and the effect of the European Common Market and other regional economic agreements and commodity marketing and pricing systems upon United States agriculture.

(2) All matters relating to the establishment and development of an effective Foreign Agricultural Service pursuant to title VI of the Agricultural Act of 1954.

(3) All matters relating to the development, use, and administration of the national forests, including but not limited to development of a sound program for general public use of the national forests consistent with watershed protection and sustained yield timber management, and study of the forest fire prevention and control policies and activities of the Forest Service and their relation to coordinated activities of other Federal, State, and private agencies.

(4) Price spreads between producers and consumers.

(5) The formulation and development of improved programs for agricultural commodities; matters relating to the inspection, grading, and marketing of such commodities; and the effect of trading in futures contracts for such commodities.

(6) The administration and operation of agricultural programs through State and county agricultural stabilization and conservation committees and the administrative policies and procedures relating to the selection, election, and operation of such committees.

(7) The development of upstream watershed projects authorized by Public Law 156, Eighty-third Congress, and the administration and development of watershed programs pursuant to Public Law 566, Eighty-third Congress, as amended; the development of land use programs pursuant to the Food and Agriculture Act of 1962 and the Agricultural Act of 1970.

(8) All programs of food assistance or distribution supported in whole or in part by funds authorized to be used by the Department of Agriculture, including but not limited to the food stamp program, the commodity distribution program, the school milk program, and programs established pursuant to the Child Nutrition Act of 1966.

(9) The implementation and administration of the Wholesome Meat Act of 1967, the Wholesome Poultry Products Act of 1968, and the Egg Products Inspection Act of 1970, including the establishment and development of inspection services as required by the Acts.

(10) All matters relating to the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and all agricultural chemicals registered and regulated under such Act.

(11) All matters relating to rural development.

(12) All other matters within the jurisdiction of the committee.

With the following committee amendment:

On page 4, beginning at line 15, strike out all of section 4.

The committee amendment was agreed to.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, the Committee on Agriculture has concluded in section 4, the spelling out of the grounds of jurisdiction it felt that it already had, and the Committee on Rules decided on this one and another one, the one from the Committee on Interior and Insular Affairs, to eliminate that spelling out in order to assure that there was no unintentional intrusion on a controversial question of committee jurisdiction.

In other words, we left the status quo as far as jurisdiction on this one. Otherwise, it is a normal resolution about which I know of no controversy.

Mr. ANDERSON of Illinois. Mr. Speaker, obviously it would be possible, as we did in connection with House Resolution 18, in connection with this resolution, House Resolution 72, and the seven resolutions that follow, to make the identical argument that we did on the first resolution of voicing our objection to the procedure under which they are being brought to the floor.

However, I am going to be more considerate of the membership of the House than that. I think we have made our point. I think the record will speak, I hope not only today and tomorrow, but in time to come, as to the correctness of the case we sought to make.

I shall take only 1 minute, or perhaps 2 minutes, to respond to one argument that was made by my friend from Missouri (Mr. BOLLING), my colleague on the Committee on Rules, because he moved the previous question and I had no opportunity to reply to his earlier remarks.

As I interpreted those remarks, he found some objection to the language which I would have suggested in the way of an amendment to House Resolution 18 had it been possible for me to offer such an amendment, on the grounds that it would make it possible for the minority to hire someone as a member of the staff who would be, I think he used the words, "a hatchet man"; who would disturb the orderly process in which the committee sought to carry on its responsibilities.

As I listened to the gentleman from Missouri, I could not help but be reminded of something that I had read just the other day that was written by the very distinguished lady who has now become the new Chairman of the Atomic Energy Commission, Dr. Ray. She was expounding a bit on her philosophy as a good civil servant. I thought it was very interesting that she has used the analogy with which she was familiar as a biologist, of a living organism. I quote:

> Every organism you can think of has this same—if you want to call it—conflict. No organism can be strong without stress. In our society there is a tendency to make things easy, not to subject ourselves to discomfort. An organization without challenge, competition, is like a jellyfish.

I would suggest that there might even be a little virtue in the idea of a staff that was somewhat combative, and one that would introduce a little stress into the committee system. I am not sure that would be all bad.

Perhaps if what the gentleman from Missouri has informed us is so, we will have another day in which to make that argument in fuller extent, and hopefully another occasion to debate the resolution to provide minority staffing for the standing committees of the House which I and the gentleman from New Hampshire and others have offered.

So, therefore, I rise to inform the Members of the House that on this resolution and on those that follow it is not my intention to call for Record votes on ordering the previous question, although there may be others on my side of the aisle who may wish to do so. For my part, I will rest my case on the record made on the first resolution.

Mr. Speaker, I have no further requests for time.

Mr. BOLLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. Hays).

Mr. HAYS. Mr. Speaker, I should like to respond for about a minute to the gentleman from Illinois (Mr. Anderson) on some of the statements he made about minority staffing.

We had some hearings this morning in the Subcommittee on Accounts of the Committee on House Administration, as to financing committees. I noticed the minority members of that committee were in somewhat of a dilemma almost immediately, because on the one hand some of them wanted 30 percent of the staff to be minority staff and on the other hand they did not want to increase the amount of money that the committee got.

I take the position it is all right with me if they have the staff, but as a committee chairman and as chairman of a committee with a lot of routine work I have to have a staff to get the work out. I do not really call it a majority staff; it is a working staff.

So I might point out to the gentleman from Illinois that if Members want this business of increased staff for the minority then I hope they will be prepared to pay the increased price.

So far as this Member is concerned, I do not have too much objection either up or down the line about it.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I think the gentleman makes a good point. For one, I would not disagree that if we want adequate staffing we have to pay for it.

Mr. HAYS. I had a little experience on this. We got into a jam the other day. I do not blame anybody, but I asked a member of the minority staff to do something, and he informed me he did not take orders from me, that all I did was to put their names on the payroll. Of course, I did tell him that by the same token I could take him off the payroll.

I think that if we are going to have a staff of 50, let us say, that is needed to do the work, and someone wants 30 percent additional, they had better be prepared to vote for 30 percent more money. I would have no objection if they would do that.

Mr. BOLLING. Mr. Speaker, I favor minority staffing. I favor stress in organisms. I favor organisms and institutions like the House of Representatives and its committees that are not overwhelmed by chaos. That is my only reservation.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON CRIME

The SPEAKER. Pursuant to the provisions of House Resolution 256, 93d Congress, the Chair appoints as members of the Select Committee to conduct an investigation and study of all aspects of crime affecting the United States the following Members of the House: Mr. Pepper, of Florida, chairman; Mr. Waldie, of California; Mr. Brasco, of New York; Mr. Mann, of South Carolina; Mr. Murphy, of Illinois; Mr. Rangel, of New York; Mr. Wiggins, of California; Mr. Steiger, of Arizona; Mr. Winn, of Kansas; Mr. Sandman, of New Jersey; and Mr. Keating, of Ohio.

AUTHORIZING COMMITTEE ON THE JUDICIARY TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 74 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 74

Resolved, That, effective January 3, 1973, the Committee on the Judiciary, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 13 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

Sec. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

Sec. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on the Judiciary of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnshed, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. Anderson), pending which I yield myself such time as I may consume.

Mr. Speaker, I know of no controversy concerning this resolution. I merely repeat the stand I indicated I was taking earlier.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING COMMITTEE ON VETERANS' AFFAIRS TO CONDUCT INVESTIGATION AND STUDY

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 134 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 134

Resolved, That, effective January 3. 1973, the Committee on Veterans' Affairs, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 20 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

Sec. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) In addition, the committee or any subcommittee thereof is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction regarding—

(1) medical facilities, hospitals, counseling programs, and veterans' benefits for American veterans and servicemen in the Philippines, Japan, South Korea, Cambodia, Laos, and South Vietnam;

(2) present counseling programs, the quality of medical care, and the operation of education, pension, and other programs for American veterans and servicemen in Canada, Mexico, the United Kingdom, West Germany, the Netherlands, Luxembourg, France, Spain, Italy, and Greece; and

(3) cemeteries of the United States in which veterans of any war or conflict are or may be buried, whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior.

(c) For the purposes of carrying out the investigations, studies, and inquiries enumerated in subsection (b) above, the committee is authorized to send not more than eleven members (six majority and five minority) and three staff assistants to those countries within which such investigation, study, or inquiry is authorized to be conducted.

(d) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the members of the Committee on Veterans' Affairs of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent that the remainder of the resolution be considered as read and that it be printed in the RECORD. It only explains the boilerplate language with regard to the limitations.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask the gentleman if there is no substantial difference between this resolution and any of the others? Is that not true?

Mr. BOLLING. There is very specifically no substantial difference between this resolution and any of the others, and there is no difference between the language I am asking to have considered as read and a great many of the others. It is boilerplate.

Mr. GROSS. Mr. Speaker, I have no objection, and I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON). Pending that I yield myself such time as I may use.

Let me say I know of no controversy, and I reserve the balance of my time.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. GUBSER).

Mr. GUBSER. Mr. Speaker, on the presumption that the minority will not be given one-third of the staffing under this resolution, I cannot help but take note of the fact that today the majority party gained a new member. That new member at one time was most concerned about the rights of minorities and congressional reorganization. Thus it is noteworthy that in his first vote cast as a member of this new party he voted against giving adequate staffing to the minority.

It sort of reminds me of a situation where my alma mater, the University of California, at one time lost a Rose Bowl game to Georgia Tech when our own center got a little confused and picked up the ball and ran the wrong way. Benny Lom tackled him on the 2-yard line. On the next play a California back was thrown for a 2-point safety which allowed Georgia Tech to win the game.

It is a strange coincidence that that center on the University of California team has been known ever since as "Wrong Way" Riegels.

Mr. DORN. Mr. Speaker, House Resolution 134, the pending resolution which proposes to extend the investigative authority for the Committee on Veterans' Affairs during the present Congress, differs slightly from the original investigative authority granted in the 92d Congress only in those provisions which pertain to travel. The investigative authority granted in previous Congresses is essentially the same, but the language relative to travel authority has been revised in an attempt to combine language which the Rules Committee approved last Congress in a resolution granting the basic investigative authority and a later resolution pertaining only to travel of our Members and staff outside the United States.

Actually, the present resolution is more restrictive, as to travel, than the two resolutions approved by the last Congress. Section 2(c) of House Resolution 134 authorizes travel of 11 Members—six majority and five minority—and three staff assistants to the countries named in the resolution. The initial travel authority granted last Congress (H. Res. 20) authorized travel of not more than five Members and two staff assistants to the Philippines and South Vietnam, and in addition authorized travel of an unlimited number of Members and staff to those countries where veterans' cemeteries or national monuments are located. Later in the 92d Congress, it became apparent that the travel authority contained in House Resolution 20 was too restrictive, and House Resolution 538 was approved. That resolution did not supersede House Resolution 20, but rather supplemented that authority, and authorized travel of not more than 11 Members—six majority and five minority—and three staff assistants to study various veterans' programs in Southeast Asia, the Philippines, and Western Europe.

The need for this investigative authority has not diminished. The Veterans' Administration continues to operate a large veterans' benefit program in the Philippines, where it maintains an office and where we continue to support a hospital. There is also a national cemetery in that country.

There are cemeteries and national monuments in a great many of the countries in Western Europe, including England, Luxembourg, the Netherlands, France, and Italy.

The non-service-connected pension program operates in virtually all of the countries in Western Europe, with a heavy concentration of veterans in Ireland, Italy, and Greece. There are also many pensioners residing in Mexico and in Canada, countries included in the present resolution which, by oversight, were not included in that approved in the 92d Congress.

Veterans are attending most of the major universities of Europe, as well as universities located in Canada and Mexico.

The military PREP program functions primarily in Germany, where there is a heavy concentration of military personnel.

Our committee has been, and continues to be, very interested in providing some legislation to combat the problem which exists in drug abuse, particularly among our military personnel in certain Southeast Asian countries, and this is our principal reason for requesting authority for travel to the countries specified in House Resolution 134. This problem also exists in Europe, of course, but to a somewhat lesser extent.

I hope the House will approve House Resolution 134. I would say, Mr. Speaker, that it is my intention to use the same care and discretion in actual use of the authority granted as did my very distinguished predecessor in the office of chairman of the Committee on Veterans' Affairs, Mr. TEAGUE of Texas.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE COMMITTEE ON EDUCATION AND LABOR TO CONDUCT CERTAIN STUDIES AND INVESTIGATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 175 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 175

Resolved, That, effective January 3, 1973, the Committee on Education and Labor, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 6 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Education and Labor of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? There was no objection.

Mr. BOLLING. Mr. Speaker, the reason for making that unanimous-consent request was for the same reason that I made the request before on the prior resolution in that we are dealing with boilerplate and the usual language. I know of no controversy on this resolution.

I will yield to the gentleman from Illinois for the usual 30 minutes if he desires to yield time.

Mr. ANDERSON of Illinois. We have no requests for time on this side.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE TO CONDUCT INVESTIGATIONS AND STUDIES

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 180 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 180

Resolved, That, effective January 3, 1973, the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 15 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any members designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Post Office and Civil Service of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent that the remainder of the resolution may be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, I know of no controversy whatsoever regarding this resolution, but I would like to tell the House that I made a mistake, and we failed to call up a resolution in its proper order. The next resolution that I shall call up is going to be out of order. It should have been called up before the last two resolutions, and that will be House Resolution 163.

As far as this resolution is concerned, I know of no controversy regarding it whatsoever, and I now yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding. I take the time of the House only to inform them that in the discussion with the chairman of the distinguished Committee on Post Office and Civil Service, the gentleman from New York (Mr. DULSKI), I am informed that by agreement with the ranking minority member this committee has allotted one-third of the staff of that committee to the minority. I think the gentleman ought to be publicly recognized for that fact, and that that fact ought to be acknowledged, and I mention it therefore this afternoon.

Mr. Speaker, I have no requests for time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO MAKE INVESTIGATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 163 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 163

Resolved, That, effective January 3, 1973, the Committee on Interior and Insular Affairs, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 10 of rule XI of the Rules of the House of Representatives, including (1) water resources planning and research programs of the Department of the Interior, (2) national outdoor recreation plans and land use planning, (3) long-range domestic minerals and energy programs affecting mining interests generally and the mineral resources of the public lands, and (4) the environmental impact of laws and programs within its jurisdiction. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to set and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within the United States, its territories and possessions, Puerto Rico, the Trust Territory of the Pacific Islands, and the Pacific flag areas of the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) The committee may attend conferences and meetings on matters within its jurisdiction wherever held within the United States, its territories and possessions, Puerto Rico, the Trust Territory of the Pacific Islands, and the Pacific flag areas of the United States.

(c) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 6, after the word "Representatives" change the comma to a period and strike out the words "including (1) water" and strike out all of lines 7 through 12 on page 1.

The committee amendment was agreed to.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE COMMITTEE ON GOVERNMENT OPERATIONS TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 224 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 224

Resolved, That, effective January 3, 1973, the Committee on Government Operations, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 8 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3 (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Government Operations of the House of Representatives and employees engaged in carrying out their official duties for the purpose of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying the expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, this is an identical resolution to the one which was passed by the 92d Congress for the Committee on Government Operations. I know of no objection by the gentleman from Illinois.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 345) entitled "Joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes."

AUTHORIZING THE COMMITTEE ON THE DISTRICT OF COLUMBIA TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 257 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 257

Resolved, That, effective January 3, 1973, the Committee on the District of Columbia, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 5 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

Sec. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) However, with respect to matters within its jurisdiction pursuant to subsection (a) of clause 5 of rule XI of the Rules of the House of Representatives, and the formulation of methods of preserving the Federal interest in the Capital City while promoting local and regional interest, the committee or any subcommittee thereof is authorized to sit and act outside the United States.

(c) Pursuant to clause 28 of rule XI of the rules of the House, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

Sec. 3. (a) Funds authorized for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on the District of Columbia of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent that the remainder of the resolution may be considered as read and printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, I do not know of any controversy on this issue.

Does the gentleman from Iowa desire me to yield?

Mr. GROSS. Yes, I would appreciate it if the gentleman would yield.

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

What representation was made to the Rules Committee as to the necessity for foreign travel on the part of this committee which deals only with the District of Columbia?

Mr. BOLLING. The statement made I found very persuasive and so persuasive that I wondered why I had not thought of it myself. The chairman of the committee indicated one of the great dilemmas of the Committee on the District of Columbia was the question of the status of the District which in the United States is entirely unique. It is the Capital City of the United States and it has a local government.

The chairman made the point, which seemed so obvious to me that I wondered why I had never thought of it myself, which was that the only place he could look at other similar situations was in foreign countries because there are no other national capitals with local governments except in other countries.

I would say in addition to that the chairman of the Committee on the District of Columbia, the gentleman from Michigan (Mr. Diggs), has been the chairman of an important subcommittee of the Committee on Foreign Affairs for a number of years and has traveled extensively. I think he has been in 41 countries on one continent and he and the other gentlemen who appear before us, the gentleman from Minnesota (Mr. Fraser), who is the chairman of the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs are very experienced travelers. It was very clear to me that there is no intent to abuse this opportunity, that the intent was exactly what they indicated it was, and I believe those gentlemen should have every opportunity to travel for this committee.

Mr. GROSS. Has foreign travel ever before been approved for this committee?

Mr. BOLLING. I do not know that it has ever been but I thought the presentation was very persuasive.

Mr. GROSS. Would the gentleman think this was a reasonably good time, due to the financial stress and strain in this country, to rather stay with what little economy has been practiced on the part of the committees of the Congress?

Mr. BOLLING. The gentleman from Iowa and I are old friends and I do not really want to engage in a debate on that subject. I would simply say to him that if the Committee on the District of Columbia could figure out a way to improve the government of the District and the situation in the District in a manner that the gentleman mentioned earlier in any way, I would think the expenditure was very well spent. I think a serious effect is going to be made by the present chairman and the present committee to try to rationalize the situation that exists in the District of Columbia and I am for giving them every opportunity to find out how to do that. I sympathize with the gentleman from Iowa and with the point he is making and it is a valid point, but I think we may end up saving a great deal of money if we can figure out how we can run the District of Columbia more effectively.

Mr. GROSS. I think that is a full-time job, both on the part of the present District Government and on the part of this committee. That is one of the reasons why I oppose this resolution, because I think the committee ought to spend its time here, and not in some foreign fleshpot some place.

Mr. BOLLING. I understand the position of the gentleman from Iowa, but in my view the case was persuasive, and I am persuaded. I support the resolution.

Does the gentleman from Illinois desire to use time?

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I think it should be asked where this committee proposes to go; to what points around the world and what way—points this committee propose to travel?

Mr. DIGGS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. DIGGS. Mr. Speaker, I thank the

gentleman for yielding, and I thank the gentleman from Missouri for his explanation of the objective.

That is simply to assess the comparative differences of foreign capitals, and out of this experience, hopefully, to find some way out of the quagmire that has existed for so long in this District with respect to the relationship between the Federal Government and local interests.

As the gentleman has pointed out, I know of no other area where we can intelligently make this kind of assessment except in some of the older capitals, comparable capitals in the free world and other areas.

Mr. GROSS. Where are some of those capitals?

Mr. DIGGS. For example, in London we have the kind of examples which I believe we can draw from. We have some of the greatest experts there; as a matter of fact, the greatest expert on the whole subject.

Mr. GROSS. How does the government of the city of London compare with the government of the District of Columbia?

Mr. DIGGS. Well, this is what we expect to find out.

Mr. GROSS. I think we can look at the population figures to ascertain there is little or no similarity by way of population as between the two places.

Mr. DIGGS. If the gentleman would yield further——

Mr. GROSS. Yes.

Mr. DIGGS. I think the gentleman can anticipate that this will be a serious undertaking.

Mr. GROSS. I do not know whether it is going to be a serious undertaking, or whether it is junketing for some people. I do not know.

I am intrigued by the fact that this is the first time, so far as I know—and I have been here a couple of years—that foreign travel has ever been authorized for the District Committee. It is going to take a lot of persuasion on the part of somebody here today to convince me that this committee ought to embark upon foreign travel.

The gentleman has informed the newspapers that he wants to go to Birmingham, England. Why does the gentleman wish to go to Birmingham?

Mr. DIGGS. Because one of the greatest experts on the whole subject of the relationship between a nation's capital and the local interests is located in Birmingham, England.

Mr. GROSS. He must be a real expert if he can draw any real comparison between Washington, D.C., and Birmingham, England.

I went through there one time a good many years ago on the way to France. It is an industrial city. The biggest industry in Washington, D.C., is shuffling papers.

Why in the world do you want an expert from Birmingham, England, to tell you what you should do in the District of Columbia?

Mr. DIGGS. Well, there have been experts from Birmingham coming over here seeking our advice with respect to a lot of different matters. That is just one aspect of it. That is just one person. That is just one capital.

Mr. GROSS. Birmingham, England, is not the capital of anything except perhaps a province or a county.

Mr. DIGGS. I think the gentleman understood what I meant by that.

We also have some experience we can draw from in such areas as Brussels, where there is an international community, and Geneva, which is another place where they have an international community and a national community and local interests.

Mr. GROSS. Yes. I am interested in the fact that you want to go to Geneva. What is there in Geneva? Geneva is not the capital of Switzerland, is it?

Mr. DIGGS. It is unique in that it has the international community, the national interests and the local interests all in one area, that we expect to examine to see what applies to the situation that exists here in this city of ours.

Mr. GROSS. Does the gentleman not think that his committee can keep busy without junketing abroad to get so-called expert opinion from an industrial city in England or from some money-changer in Geneva or something like that? Does the gentleman not think the committee members can keep themselves occupied here looking into the business of the District of Columbia?

Mr. DIGGS. Well, we expect to be very busy. We have a very elaborate program. This is just one small aspect of it. The subcommittee that will be assigned this task is the subcommittee that will have oversight to evaluate all these self-determination matters.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield the gentleman from Iowa 2 additional minutes.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the minority leader.

Mr. GERALD R. FORD. I honestly believe that consideration should be given to the fine work done by the Nelsen committee, which went into the government of the District of Columbia in great depth and great breadth. That report is now ready for implementation and execution. It seems to me the Committee on the District of Columbia should devote its full time and attention to utilization of that work and its recommendations, rather than seeking advice by travel to countries A, B, C, and D.

I respectfully agree with the gentleman from Iowa and disagree with my friend from Michigan. There is a lot of work to do right here, in taking the Nelsen committee report and getting it implemented. Therefore, I honestly, strongly recommend that foreign travel be denied for this committee.

Mr. GROSS. Mr. Speaker, in view of the defeat of the move to strike down the previous question earlier this afternoon, I am not going to make an issue of the previous question as to this resolution, but I certainly am going to attempt to get a vote on the resolution as a whole in the hope that it will be defeated and the committee will then bring it back without the foreign travel provision.

I hope the House will vote against the resolution. The next thing we know the committee members will want to travel to Ouagadougou.

Mr. BOLLING. Mr. Speaker, I feel constrained to comment further on this matter, and yield myself such time as I may consume.

I believe my friend the minority leader is wrong. It is very easy to make this into a joke.

The District of Columbia has been with us for a very long time. It has been a very difficult problem. We have not come up with solutions.

The distinguished gentleman from Minnesota I am sure has done great work. I have great confidence in his ability.

But as to the cost, we should not deny the new chairman of a committee which for very many years has operated in a certain way the opportunity to take a limited look at the way in which other foreign countries deal with problems that are acute.

We have had a problem, for example, of protecting the diplomatic community here. Other countries have had longer experience in that area. We were not as large a diplomatic center until the last 30 or 40 years.

Mr. Speaker, it seems to me that although I sympathize with the view that the solution is here, it is true that sometimes good things can be learned from other people.

I would like to cite an example from my own experience. I travel almost not at all at Government expense. When I travel from here, I like to do it on my own time and go on a vacation or go home to my district, one of the two.

But I found as chairman of the subcommittee of the Joint Economic Committee that if I wanted to get the modern, up-to-date, innovative notions on urban planning, on the problems of cities, that I had to go to the capitals of a number of other countries, and I was urged to do this by a number of the members of this administration.

So for the first time in nearly 20 years I took a committee trip, and we got information which, believe it or not, seemed to be used by this administration in many of its approaches to certain technical aspects of housing and planning.

Mr. Speaker, I think there is a wealth of information that may be learned from other nations, other free enterprise economies, and other mixed economies and societies about how they govern themselves and how they do things, and I really honestly believe it would be a great mistake to single out this committee as one committee that should not have an opportunity to pursue the truth wherever it is.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I will be delighted to yield to my friend from Michigan, the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I very much regret that my friend, the gentleman from Missouri (Mr. BOLLING), misinterpreted the intent of my remarks a few minutes ago. I was not being humorous or even seeking to be; I spoke, I thought, very seriously.

Mr. BOLLING. Mr. Speaker, the gentleman is correct, and the question of humor was not directed to him. The gentleman was not trying to be humorous; he was being serious. I should have punctuated it better; the laughter from others was what disturbed me. I do apologize.

Mr. GERALD R. FORD. Will the gentleman yield further?

Mr. BOLLING. I yield to the distinguished gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, I appreciate this clarification.

I have since checked and I find that the Nelsen Commission's recommendations totaled better than 450, and that they are included in three sizable volumes. The talent that served on that commission was very broad, and they did an excellent job under the leadership of one our most able colleagues.

Mr. Speaker, I, in all sincerity, say that this committee could perform a greater service by taking those recommendations and concentrating on their implementation and execution rather than visiting this capital or that capital of a foreign country.

Mr. BOLLING. Mr. Speaker, I thank the gentleman for his contribution.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I am delighted to yield to the gentleman from Washington (Mr. Adams), the member of the committee who, I understand, will be dealing directly with the problem.

Mr. ADAMS. Mr. Speaker, I might say to my friend, the distinguished minority leader, Mr. Gerald R. Ford, and my friend, the gentleman from Iowa (Mr. Gross), that this is not a great attempt to conduct a long series of world travels.

In answer to the gentleman's question or his statement about the Nelsen Commission report, the subcommittee has already taken that report under consideration, has taken the various parts of it and started looking through it, and it is an excellent report

Mr. Speaker, it does not touch on some of the severe problems such as, for example, the relationship between the Congress, the Executive, and the local government of this city.

Here is part of the problem so that the gentleman understands. This is not something that has to be thought about. We will have a meeting on Thursday, which will be an open meeting, so any of you who wish to attend are invited. We will be having a discussion of the agenda as to how this committee goes about implementing the Nelsen committee report together with handling bills presented to us which suggest varying forms of local government and their relationships with the Federal Government. This was not addressed by the Nelsen committee report. We must deal with it in one form or another.

The same goes for the court system. We have a report also from one of the local groups here that went through the capitals of Europe. We will be asking the committee if they want to see the reports of what Dr. Robison, who is with the University of London, says with regard to the relationship of cities and national governments. He is dealing there with the city of London. If it is better and more efficient for the committee to bring him here, we will certainly do so.

Also we have the fact that the University of Maryland has one professor in Brussels, Dr. Martin Heister, and another in London studying this particular relationship.

The director of one of the institutes in Maryland is doing this, also.

There are a lot of people in this country who are not satisfied with the way that we are running the National Capital's business. I can assure the gentleman from Iowa and the minority leader that if any trips are planned into these areas, they will be planned by the whole committee, who will be looking at it and looking at the specific relationships and talking to specific people.

I will say in the travels that I have done for other committees of this Congress, both the Committee on Science and Astronautics and the Committee on Interstate and Foreign Commerce, I have never found that these trips were any great pleasure junkets. We are usually scheduled in and out of towns and places and see people at such a rapid rate that by the time you get back you are exhausted.

I for one will say that if we are involved in these trips, that is the way they will be scheduled, and the taxpayers of the United States will receive the full benefit of them. We certainly intend to implement the Nelsen committee report.

Mr. GROSS. Will the gentleman from Missouri yield so that I can make an observation and ask the gentleman a question?

Mr. BOLLING. I will be glad to yield to the gentleman.

Mr. GROSS. I hear that story all the time about how hard Members work on these junkets. It is a common summer complaint that they are overworked on these foreign junkets. Some of the stories that come back to us, however, dispute the fact that everyone works like hell when they go on a foreign trip.

Did the gentleman say there is someone in some foreign capital somewhere who is dissatisfied with the way the Government of Washington, D.C., is being run?

Mr. ADAMS. Will the gentleman yield?

Mr. BOLLING. I yield to the gentleman.

Mr. ADAMS. That is true, but I was not making that point. I did not mention that at all. If the gentleman wants to know if it is true, it is true, but I do not consider that a valid factor one way or the other. I am interested and the chairman and the committee are interested in how you make this Capital City work better—no more and no less.

This is no job, I might state to the gentleman, that I look forward to with a great deal of relish or that I have sought out, but somebody some place in this body is going to have to do it. If the chairman indicates that he wants to do it or wants me to do it, we will try to work with the recommendations that the gentleman from Minnesota has made, which are excellent, and with the demands coming in from various parts of the country and from here and the questions asked by Members of Congress as to why we do not make it work better.

I have spent a lot of time here and I am sure the gentleman has too, and I think he will agree with me some improvement in our practices in the Nation's Capital's government are in order.

Mr. GROSS. I will tell you what I think of that. If we have to send some committee people out on foreign travel, on a committee which has never had permission for foreign travel before, if we now have to send them off to some foreign capital to get answers on how to run the District government, then we are in a whole hell of a lot worse shape than I thought we were.

Mr. ADAMS. I might say to the gentleman we are.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. Nelsen).

Mr. NELSEN. Mr. Speaker, I thank the gentleman for yielding me this time.

I must say that relative to foreign travel I anticipated there would be some difficulty in dealing with it. But I must say to my dear friend, the gentleman from Iowa (Mr. Gross) that there have already been some benefits because of it. We have a great difficulty in getting people to accept an assignment on the Committee on the District of Columbia, and I have had two applicants since the resolution was reported from the Rules Committee. So there are some who might find that a matter of particular interest as it relates to this resolution.

Mr. GROSS. If the gentleman will yield, have you already made a commitment to take a junket someplace?

Mr. NELSEN. No, we have not.

Mr. GROSS. Even before the authorization?

Mr. NELSEN. No, we have not.

Mr. Speaker, I thank the gentleman from Iowa for his observation.

Let me say this: With our new chairman of the committee, the gentleman from Michigan (Mr. Diggs) and with the meticulous way in which he is going about setting up the organization and the work of the committee, I have an idea that the so-called Nelsen Commission report will be given careful examination under the chairmanship of the gentleman from Michigan and subcommittee chairmen such as the gentleman from Washington (Mr. Adams). I believe they will give careful consideration to the recommendations of the Commission and I should add that some have already been implemented by the mayor. So, I believe that the Nelsen Commission recommendations will be given a high priority.

Very frankly, it is my feeling that we have plenty to do to occupy all of our time given the Commission's recommendations. But, I want to also say that we are starting out with a new committee chairman, and I, as the ranking minority member on the committee, wish to say that our relations have been extremely good. I intend to cooperate with my chairman, and for that reason I supported the resolution before the Rules Committee. I also hope that it will be passed here in the House and I will vote for it.

Let me close by saying that if there is travel outside the country I am sure that it will be requested for a good and proper purpose and that the authority given in this resolution will not be abused.

I thank the gentleman very much for yielding me this time.

Mr. BOWEN. Mr. Speaker, I am strongly opposed to the expenditure of any tax dollars to enable the House District of Columbia Committee to travel overseas.

As long as a man such as Senator JOHN STENNIS can be gunned down by hoodlums in front of his home, the District of Columbia Committee ought to find plenty to occupy its time here, rather than roaming around Europe at the taxpayers' expense.

I feel we need to economize everywhere possible in the Federal budget, and this is one place where we can save the taxpayers thousands of dollars.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 153, nays 234, not voting 44, as follows:

[Roll No. 28]

YEAS—153

Abzug
Adams
Addabbo
Ashley
Aspin
Barrett
Bergland
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Breckinridge
Brooks
Brown, Calif.
Broyhill, Va.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Clay
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellums
Denholm
Dent
Derwinski
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Flood
Foley
Fraser
Giaimo
Gibbons
Grasso
Gray
Green, Pa.
Griffiths
Gude
Haley
Hanley
Hansen, Wash.
Harrington
Hawkins
Hays
Helstoski
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Jones, Ala.
Jordan
Kastenmeier
Kluczynski
Kuykendall
Landgrebe
Leggett
Lehman
Litton
Long, La.
Long, Md.
McClory
McFall
McKinney
McSpadden
Macdonald
Madden
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Poage
Podell
Preyer
Price, Ill.
Reid
Reuss
Rhodes
Riegle
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roybal
Sandman
Sarbanes
Schroeder
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Thompson, N.J.
Tiernan
Udall
Vander Jagt
Vanik
Waldie
Whalen
White
Wilson, Charles H., Calif.
Wolff
Wright
Yates
Young, Ga.
Young, Tex.

NAYS—234

Abdnor
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bell
Bennett
Bevill
Biester
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Fish
Fisher
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hébert
Hechler, W. Va.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kazen
Keating
Kemp
Ketchum
Kyros
Latta
Lott
McCloskey
McCollister
McCormack
McDade
McEwen
Madigan
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Miller
Mills, Md.
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nichols
Parris
Pettis
Peyser
Pike
Powell, Ohio
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Rinaldo
Roberts
Robinson, Va.
Rogers
Roncallo, N.Y.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Skubitz
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Ullman
Van Deerlin
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NOT VOTING—44

Badillo
Biaggi
Breaux
Chisholm
Clawson, Del
Collier
de la Garza
Dorn
Ford, William D.
Hanna
Harvey
Hastings
Heckler, Mass.
Hosmer
King
Koch
Landrum
Lent
Lujan
McKay
Mailliard
Maraziti
Milford
Mills, Ark.
Mollohan
O'Brien
Passman
Patman
Pickle
Price, Tex.
Rangel
Rees
Regula
Robison, N.Y.
Rooney, N.Y.
Ruppe
Ryan
St Germain
Sikes
Sisk
Smith, N.Y.
Symington
Teague, Tex.
Wilson, Charles, Tex.

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Biaggi for, with Mr. Del Clawson against.

Mr. William D. Ford for, with Mr. Collier against.

Mr. Koch for, with Mr. Hosmer against.

Mr. Hanna for, with Mr. King against.

Mr. Mollohan for, with Mr. Lujan against.

Mr. Rees for, with Mr. Maraziti against.

Mr. Sisk for, with Mr. Price of Texas against.

Mr. Rangel for, with Mr. O'Brien against.

Mr. St Germain for, with Mr. Regula against.

Mr. Badillo for, with Mr. Ruppe against.

Mrs. Chisholm for, with Mr. Smith of New York against.

Mr. Symington for, with Mr. Lent against.

Until further notice:

Mr. Rooney of New York with Mr. Harvey.

Mr. Sikes with Mr. Hastings.

Mr. E de la Garza with Mr. Mailliard.

Mr. Dorn with Mrs. Heckler of Massachusetts.

Mr. Landrum with Mr. Breaux.

Mr. McKay with Mr. Milford.

Mr. Charles Wilson of Texas with Mr. Mills of Arkansas.

Mr. Patman with Mr. Pickle.

Mr. Ryan with Mr. Passman.

Mr. Teague of Texas with Mr. Robison of New York.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks at the appropriate place in debate on each resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

POOR MAIL SERVICE

(Mr. HILLIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HILLIS. Mr. Speaker, several times within the past month, I have inserted statements into the RECORD listing cases of poor mail service throughout the country.

Today I have a horror story of my own to add.

On January 10, I wrote Frank Stanton, president of CBS, to ask him to confirm or deny rumors that CBS would begin showing X-rated movies on late-night television. I had received much adverse comment from constituents citing this fact and urging that Congress place a ban on the showing of X-rated films.

For weeks I waited for the response. I had promised to send on Mr. Stanton's reply to the constituents who had demanded congressional action in this matter, and I became worried that we would have to finally notify these constituents that Mr. Stanton had apparently chosen not to answer my inquiry and we would have to presume the rumor true.

Finally, on February 19—40 days after my inquiry was mailed out—I received the long-awaited letter. It reads as follows:

Columbia Broadcasting System, Inc.,
New York, N.Y., February 15, 1973.
Hon. Elwood H. Hillis,
House of Representatives,
Washington, D.C.

Dear Mr. Hillis: In response to your letter of January 10—received only today—concerning "plans which have allegedly been proposed by CBS to show X-rated films," I would make these comments.

First, no such announcement has been made by CBS, nor has any such policy been adopted. Every motion picture presented on either the CBS Television Network or any CBS Owned television station must meet the standards of both the Television Code of the National Association of Broadcasters and our own CBS program practices, which frequently are even more severe.

Second, when a theatrical motion picture is considered for CBS broadcast, every foot of film is reviewed. Many times, sequences which were regarded as acceptable for theatre showing require editing to fit television standards. On occasion, it has been possible to remove from a picture a sequence rated X for theatrical showing and to present an edited version which meets our rigid standards. In no instance has material been broadcast by CBS which the Motion Picture Association's Code and Rating Administration has rated X for theatre showing. Nor is there any plan to change our firm practice that X-rated theatre films are not acceptable for television until and unless all objectionable footage has been deleted.

I hope I have been able to reassure you on a subject about which CBS policy is clear and firm.

With all good wishes.
Sincerely,
Frank Stanton.

Somewhere, somehow, this letter had gotten lost for almost 4 weeks in the U.S. mail system. It is impossible to pin down where the mixup came, because the preferential mail network recently established assures that the mail goes through so circuitous a route in its delivery that no one could trace its exact journey.

For 40 days, Indiana residents have continued to believe, and spread, the rumor that CBS would show X-rated movies. These people and others they contacted, undoubtedly have also contacted CBS to indicate their strong opposition. Had I received the CBS response 30 days earlier, it could have saved these constituents and myself, as well as CBS, a lot of trouble, not to mention embarrassment.

Rapid communications is something we have come to take for granted today, as part of our modern era. We expect that when we ask for information via mail or telephone or telegram, that we will receive an immediate reply. When we do not, we assume the other party is at fault or has chosen not to reply; this is how much faith we have in our communications network and its ability to function as it should.

It can be argued that we maybe should change our presumption of faith in the reliability of the mail service. But to me, this would not only be a step back into the dark ages, but would represent a case of the tail wagging the horse.

Imagine if our letter to CBS, instead of dealing with a legislative matter, had involved financial information or even some form of reimbursement for services. Millions of dollars travels through our mails daily—imagine the loss, in terms of interest, which a 40-day delay could involve when applied to such large amounts of money.

It is my hope that in the future, the time-honored adage of "Neither rain nor snow nor sleet will halt the mail" will not become a matter for reverie solely by the oldtimers. I intend to see that my grandchildren not only can quote this adage in the future, but can bank on its message.

DEMOCRATIC STUDY GROUP CHAIRMAN PHILLIP BURTON WELCOMES REPRESENTATIVE DON RIEGLE

(Mr. BURTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURTON. Mr. Speaker, I want to take this opportunity to welcome to our side of the aisle the distinguished gentleman from Michigan (Don Riegle). Don's action yesterday, and Brownie Reid's switch to the Democratic Party last year, must be read as a commentary on the role of dissent in the Republican Party.

Don's statement yesterday in Flint, Mich., gives eloquent testimony to the role of dissenting views in President Nixon's Republican Party. Simply put, dissent is not tolerated. Those who oppose White House dictates are given but two choices—shut up or get out. Mr. Speaker, I submit that a political party that governs itself in such a tyrannical manner is a clear danger to the country, because the process through which a party governs itself cannot help but affect its attitude toward our institutions of government and our constitutional protections.

Mr. Speaker, the Democratic Party which Don is joining has traditionally encompassed a broad spectrum of ideological view. Both in the national Democratic Party and here in our party caucuses in the Congress, we have opened our party to public scrutiny and reformed our party rules to guarantee that all points of view will be heard and taken into account. Our party structures are not—and never will be—the private preserve of one man, but the property of the millions of voters across this country who elect us to office.

Mr. Speaker, Don's crossing the aisle is an act of high political courage. Should the pressure to conform become too intense for any of those remaining on the other side of the aisle, I want to extend an invitation to join Don and Brownie in walking over into the sunshine.

Mr. Speaker, Don's statement of February 27 in Flint, is more than a mere announcement of his intention to join our party. It is a deeply felt and cogent analysis of what is wrong with this country today. I commend it to all Members and to the people of this country, and I include it at this point in the Record:

Statement of Congressman Donald W. Riegle, Jr., Flint, Michigan, February 27, 1973

All of us who take part in public life find that our ability to directly influence events is almost always limited by circumstances over which we have little control. The constant struggle to develop a significant degree of influence on events is really the central challenge of political figures in a self-government system.

In the political struggle of competing ideas and personalities, each participant must constantly cross-check himself to insure that his methods and efforts are both consistent with his conscience and as effective as possible in helping to solve the most urgent problems facing the American people.

It is in this context that I have just finished reviewing my own six year record of service in the U.S. Congress. I have evaluated my past experiences in an attempt to try to increase the meaning and effectiveness of my work in the future.

This appraisal has had many facets—but has time and again led back to the issue of the two party political structure in America—and the extent to which party affiliation is a major factor in influencing job performance.

Party affiliation is also a matter of conscience. These tests of effectiveness and conscience have convinced me that I should change my party affiliation from Republican to Democrat—and I am today announcing that decision.

This is an intensely personal decision that involves my deepest feelings and that necessarily affects many of the longest friendships and working relationships I have had in public life.

For many reasons it is painful to leave a party you have been part of for so many years. I am grateful to the Republican Party for the support it has given me over the years, and I wish the Party—and all its members—well in the months and years ahead.

I hope particularly to maintain my friendships—and the shared commitment to many non-partisan goals—with the active Republicans in Genesee County—with other concerned Republicans across the state of Michigan—and many of my Congressional colleagues from Michigan and across the country—most particularly Jerry Ford and Pete McCloskey.

At the same time, it is with a sense of hope and enthusiasm that I look forward to joining those people who make up the great broad stream of the Democratic Party. While neither party is without its faults, the Democratic Party in recent years has shown a greater responsiveness to the needs of all the people. Time and again it has shown itself able and willing to tolerate dissent—to undertake reform—to pursue justice and equity—and to hammer out issues in open debate. It has been willing to listen to people and try to help. While honest mistakes have been made, they have been made in the course of a search for a better answer.

Of the two major parties, the Democratic Party today is much more the people's party—its essential instinct is to care and want to help. I believe I can be more effective in serving my people by working within the party that is leading the fight to help people.

I intend to work long and hard within the Democratic Party structure to contribute whatever positive ideas and effort I can—and I am looking forward to learning much from those party members who have labored long and effectively over the years. In building new friendships and working relationships, I hope to actively participate in the search for sound and just answers to our nation's problems.

My decision to leave the Republican Party is based on a number of factors which have accumulated over a period of time.

In times past, the Republican Party has known greatness; it has been a vital national forum where diverse views were openly expressed and policies hammered out in a spirit of goodwill and mutual respect. At those times, the voice of the American people was highly valued and listened to—policy was formulated from the people up, not from party bosses downward.

In recent years however, the national Party has steadily lost this character—increasingly its policies have been imposed from the top down, by a handful of people in the executive branch of government.

As the character of party policy formulation has changed, so has the test of party loyalty. Party loyalty is no longer measured by adherence to time-honored party traditions and principles; the new test of party loyalty is unswerving obedience to the current views of the incumbent administration; ultimately, the views of one man.

It is ironic and sad that a party that for so long championed individual freedom—separation of federal powers—limited and decentralized government—open debate and free competition—should now find itself having to abandon that heritage in favor of all powerful presidential paternalism. The Republican Party has been maneuvered into a straitjacket, where it has been forced to reject its heritage by declaring itself in favor of the most extreme exercise of unlimited executive control in our nation's history.

As party policy direction has become ever more tightly controlled, dissenters within the Party have been purged, had their patriotism impugned, and have been subjected to other pressures to silence or discredit their views. While many Republicans of diverse philosophical viewpoints have privately viewed these developments with growing alarm, these misgivings have not developed into an effective counter-force.

While I have been concerned about the centralization of control within the national Party, I have also been deeply troubled by many of the tactics and policies carried out in the name of the Party.

I have not been able to accept or support certain of the policies that have been imposed upon the Party, including such areas as: human rights, wasteful national spending priorities, hindrance of freedom of the press, excessive reliance on executive power, illegal and unconscionable campaign tactics and special interest government—among others.

I have tried, with others, to change the Party's positions in these areas, and promote reform and open the Party up to new people with diverse views. It is only after the repeated failure of these initiatives that I have concluded that the national Republican Party as presently structured and controlled cannot be significantly changed—at least for the foreseeable future.

A year and a half ago, I held out hope for a possible resurgence of moderate views and strength within the Republican Party. It was a small and guarded hope, but one that seemed worthy of pursuit and a major commitment of personal effort. As the months passed, that hope has been extinguished.

The openness and diversity that exists in the local Republican Party in Genesee County does not, unfortunately, exist in the present national Party structure. I believe the national Republican Party has tragically veered off course—largely abandoning the heritage of Lincoln, Teddy Roosevelt, and Eisenhower. Those who control the national Party have made it narrower, more rigid in its views—and less sensitive and relevant to the broad needs and concerns of the American people. And this has been reflected at the ballot box: in 1968 there were 31 Republican governors—today there are 19.

Working to restore the Republican Party to greatness is a worthy fight, and I deeply respect those Republicans who attempt it. Independent-minded Republicans of all viewpoints are essential to a vigorous two party system—and our country is strengthened by their dedication.

But there is an even greater crisis today, and that is the burning set of problems and issues facing America.

For me, and for most Americans, party issues are a distant second to conscience and country. In recent years, there has been a great loss of citizen faith in our self-government system—in politicians—and in our national parties. Government has largely lost touch with the most urgent and wrenching problems facing its people, and a vast number of our citizens have become cynical, apathetic and disgusted. They are wondering if they can believe anyone in politics anymore. Only 55 percent of the American electorate even bothered to vote in the 1972 Presidential election—a stark measure of the public's loss of faith in our political processes.

Things need to change—and change for the better. Either we regain citizen faith in the concept of self-government—or continue the slide toward inevitable one-man rule. We are dangerously far down that road now—and it is absolutely imperative that we reverse this trend by reinvigorating our political processes with integrity and meaning.

Here, in our own district, most of my constituents are working people. Most are independent minded—and they care less for partisanship than they do for some hard-nosed answers to the problems that are keeping them awake at night.

The average working person today desperately needs political leaders—and parties—dedicated to equal justice and opportunity—to more and better jobs—a safe and clean environment, a decent standard of living, good medical care people can afford, high quality education for our children and economic security in old age.

These are the goals I believe America can and must accomplish—not decades in the future—but now—for *this* generation of Americans. We have the resources and vision to do these things—but not unless we change our priorities and methods. It means we cannot passively accept a federal budget like the one that has just come from the Nixon White House—a budget that cripples needed hospital construction—diverts the resources needed to save and rebuild our cities—and takes away medical benefits from our old people who are sick—in order to fatten the defense budget or reward campaign contributors and cronies with special tax loopholes, massive subsidies and other government give-aways.

We must do better. I believe the greatest threat to America is rooted in inequity and broken dreams—of people who have been left out or find themselves locked in place on a treadmill—and these people number in the tens of millions. Americans are patient and long suffering if their burdens are equal, if their sacrifices are for just causes, and they are dealt with openly and honestly. They can be pitted against each other—and thus immobilized and exploited—only for a limited time. Ultimately, truth will prevail, and when it does, those who have twisted public policy to their own selfish ends will feel the full wrath of public outrage.

The party affiliation issue, then, comes down to a basic question of where I can be most effective in serving my people.

I believe I can do substantially more to advance these goals if I work within the framework of the Democratic Party. Believing this, I would not be honest with myself nor would I be keeping faith with my constituents if I were to remain in the Republican Party where I am convinced my efforts on these issues would have very little effect.

I should further note that challenges to existing party policy greatly irritate those who now control national party direction. Their antagonism has been an unpleasant and unremitting fact of life that one can easily learn to endure.

Here at home, some local Republicans have also felt very uncomfortable about my dissenting views. Others have felt these differences should not be discussed publicly—that I should resolve them within private party channels. I understand and respect these concerns and have been deeply troubled about the discomfort I have caused many of my Republican friends.

I have not welcomed the image of an antagonist within my party—I dislike constant conflict—and I do not enjoy the role of consistent opposition to policies within my own party. I have also seen that this opposition—however well motivated—is largely unwelcome and unwanted. It has become a growing source of pain to me—and to many Republicans.

I have had to ask myself whether my energies, beliefs and abilities can best be spent defending and fighting for an unpopular minority point of view within the Republican Party; or whether these same efforts can better serve people if I am working as part of a majority coalition within the Democratic Party which shares many of these same beliefs and goals. It seems to me far wiser and more productive to work within the party where my views are more often in agreement—where I can be affirmative—a protagonist.

In concluding, I should note that while political parties are essential to our nation, I have never taken positions—or voted on issues—on the basis of party label. I have always supported issues based on my evaluation of what was best for the people—regardless of party label—recognizing that all parties have some good ideas to contribute. While I am joining a party whose long historic record is more consistent with my beliefs—there will be times when I will find it necessary to dissent. I hope always to make that dissent reasonable and constructive. Ultimately, I must vote the way that best seems to meet the people's needs and squares with my own conscience.

To my constituents I would say that I am the same Don Riegle I have been in the past. It has been a great honor and privilege to represent you for the past six years in Congres, and I will continue our policy of full-time service to all our people. I have always kept partisanship out of the conduct of my official duties; I will do the same in the future.

Finally, I hope that my constituents, my colleagues, and the members of both parties can accept this decision with good will and a spirit of mutual faith in the concept of representative self-government. Active competition between political parties and the clash of opposing viewpoints is the very keystone of our democracy—and I believe each of us must search for the truth in our own way—at the same time respecting those whose views are different than our own. For whatever issues may divide us as individuals—within parties or between parties—there are many, many more which bind us together as fellow Americans who cherish our liberty and our processes of self-government. While we may compete aggressively on given issues—our mutual participation in the political process is an act of national unity which keeps Democracy vigorous and alive.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I would say to my friend from California, since he made a reference to the way the White House treats people who do not go along, I have never been one known as an exact supporter of the White House and yet, I will say to the gentleman, I have been treated in the very best manner. I believe I still have good relations with the White House in the Republican Party. We can have opinions and honest dissent. I have differed with the President, but still have been treated in a good manner.

Mr. BURTON. I would say that the gentleman speaks quite precisely. I do not say one cannot have opinion and dissent. I merely note the gentleman does, and his exception proves the point.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the distinguished Speaker of the House.

Mr. GROSS. Mr. Speaker, a point of order. I make the point of order that we have not arrived at special orders.

The SPEAKER pro tempore (Mr. McSPADDEN). The Chair will observe that the gentleman has been recognized under the 1-minute rule, and the point is not well taken. The time of the gentleman from California has not yet expired.

Mr. BURTON. I should like to yield to the distinguished Speaker of the House, if I may.

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Mr. GROSS. Mr. Speaker, I withdraw my point of order.

Mr. ALBERT. Mr. Speaker, I do not want to take much time. I am just going to say to the gentleman that I appreciate his taking time for this purpose. I had intended to do the same thing.

We welcome the gentleman from Michigan to this side of the aisle. We feel that what is the loss of our friends across the aisle is our gain over here.

Mr. BURTON. Thank you, Mr. Speaker.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Michigan (Mr. ESCH).

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. BURTON. Mr. Speaker, I ask unanimous consent to proceed for an additional 30 seconds.

Mr. HUNT. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

LOCAL IMPACT OF THE FISCAL YEAR 1974 FEDERAL BUDGET

(Mr. HANLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I would like to share with you and my fellow colleagues some revealing statistics concerning the effect the proposed budget cutbacks would have on our cities. I feel that these statistics serve to illustrate in a startlingly clear manner the immense damage the currently proposed reduction in Federal funds will have on all manner of projects designed to revitalize our urban centers.

These grave statistics were given to me by the Honorable Lee Alexander, mayor of my home town of Syracuse, N.Y. Mr. Alexander is an acknowledged authority on urban affairs and is the Chairman of the Subcommittee on Community Development for the National League of Cities. He is also a member of the Legislative Action Committee of the U.S. Conference of Mayors. The aforementioned statistics and Mr. Alexander's observations on budget cutbacks were first presented on February 21 before the Senate Subcommittee on Intergovernmental Relations.

The statistical chart follows:

LOCAL IMPACT OF PROPOSED FISCAL YEAR 1974 FEDERAL BUDGET BEFORE THE SENATE SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS, WEDNESDAY, FEB. 21, 1973

Anticipated/actual Federal action, local agency	Current annual Federal funding level	Anticipated percent cut	Dollar impact	Jobs impact	Construction impact (units)	Comment
Termination of EEA:						
City	2,500,000	100	2,500,000	300	(1)	
State (city residents only)	1,133,000	100	1,113,000	111	(1)	
County (includes city residents)	2,642,000	100	2,642,000	320	(1)	
Administrative consolidation of manpower programs into manpower revenue sharing and cutback of at least 20 percent:						
MDTA (city school district)	949,791	20	189,958	69	(1)	These cutbacks could be greater depending on the formula used for distribution to localities and what programs are eligible for funding with manpower revenue-sharing funds.
NYC:						
In-school (Peace, Inc.)	102,791	20	20,562	28	(1)	
Out-of-school (Peace, Inc.)	237,210	20	47,444	16	(1)	
JOP (New York State Employment Services)	50,000	20	10,000	15	(1)	
No summer program request in Federal budget:						
Summer, NYC (Peace, Inc.)	430,220	100	430,220	1,072	(1)	
Summer, EEA (city)	44,000	100	44,000	112	(1)	Both of these allocations came from reprogramed funds so are not included in the allocations below.
Summer, MC (city)	155,000	100	155,000	240	(1)	
Recreation support (city)	46,000	100	46,000			
Transportation support (city)	7,000	100	7,000			
Existing manpower programs to be turned over to cities through special revenue sharing without money for continuation:						
Urban league	195,844	100	195,844	[2] 120	(1)	
On-the-job training program	50,000	100	50,000	(1)	(1)	
BIMEP construction training program						No official word received yet, but expected shortly.
Termination (18 months freeze) on housing subsidy programs:						
Public Housing, Turnkey III, home ownership Syracuse Housing Authority		100			138 2,600,000	
Rehabilitation Syracuse Housing Authority		100			200 3,000,000	
Sec. 236—Rental housing (new construction) (Syracuse Urban Renewal Agency)		100			300 7,500,000	Forcing substantial reductions in Neighborhood Development program efforts.
Sec. 236—Rental housing (under construction) (Syracuse Urban Renewal Agency)					893	Housing expected for low- and moderate income-through New York State Urban Development Corp. now not available to them.
Sec. 312—Rehabilitation loans (Syracuse Urban Renewal Agency)		100			1,500,000	Forcing substantial reductions in Neighborhood Development program efforts.
Project rehabilitation (Syracuse Urban Renewal Agency)		100			550 8,250,000	
Termination and phasing down of HUD community development revenue-sharing legislation:						
Open space (city)	450,000	100	600,000	(1)	(1)	Includes a $150,000 of current $450,000 application.
Model Cities (city)	2,500,000	45/100	1,125,000 2,500,000			Phase down followed by termination.
Neighborhood development program (Syracuse Urban Renewal Agency).	7,700,000	(3)	(3)			HUD Neighborhood Development program policy currently precludes most acquisition, capital improvements, and rehabilitation. This coupled with the housing freeze makes it virtually impossible to expend $7,700,000 during next fiscal year.
Termination of Community Action Agency versatile funding: (Peace, Inc.).	948,640	100	948,640	113	(1)	
Termination and phase down of selected health programs:						
Regional medical program provides specialized grants to hospitals serving a 5-county region (city).	1,100,000	100	1,100,000			
Neighborhood health center (city)	2,100,000	18	375,000			
Grand total	23,321,496		11,599,668			

[1] Not available.

[2] Training slots.

[3] Not known.

CHESTER, YESTERDAY'S HORSE

(Mr. DELLENBACK asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. DELLENBACK. Mr. Speaker, I would like to call to the attention of my colleagues in this body, and to the attention of all Americans, a television movie which will appear on "The Wonderful World of Disney" this coming Sunday, March 4.

"Chester, Yesterday's Horse" is the story of a 14-year-old boy's love for his horse which dramatizes the changeover from horse logging to balloon logging, a concept which has been pioneered by Bohemia, Inc., of Eugene, Oreg.

We are all aware of the high quality of Disney productions, and I am told this particular segment is no exception.

Balloon logging is a relatively recent innovation and one that makes for some very dramatic pictures. But, perhaps most important of all, balloon logging is an environmentally sound concept, because it allows for the harvesting of trees without danger to other living things in the forests of our Nation.

I encourage my colleagues to join their children and grandchildren Sunday evening to watch "Chester, Yesterday's Horse" on "The Wonderful World of Disney." You will see some wonderful Oregon scenery located in the Fourth District which I am honored to represent in this Congress.

For the RECORD, I will include a few more details about the movie which are included in a press release issued by Bohemia, Inc.:

CHESTER, YESTERDAY'S HORSE

"The Wonderful World of Disney" will feature "Chester, Yesterday's Horse," on NBC–TV Network Sunday evening, March 4, nationally. It is a movie which dramatizes the change-over from horse logging to balloon logging which was pioneered by Bohemia Inc.

The movie stars Bill Williams, Barbara Hale, and Jeff Tyler, along with Chester, the giant Belgian draft horse, and was filmed in the Umpqua and Rogue River National Forests of Oregon. Major locations show Bohemia logging and sawmill properties which include the new helium-filled balloon that has revolutionized the harvesting of logs while protecting the environment.

The movie also shows company sawmill facilities at Culp Creek, Oregon, and the steam powered Oregon Pacific and Eastern excursion railroad owned and operated from Cottage Grove, Oregon, by Bohemia and Willis Kyle.

The film was produced and directed by Academy Award-winning Larry Lansburgh of Eagle Point, Oregon, who is an acknowledged master of equestrian films.

Bill Williams has appeared in many movies and was the star of "Kit Carson." Barbara Hale has starred in many movies, also, and is best known for her role as secretary for Perry Mason films.

Their latest movie utilizes the beautiful and rugged Oregon logging country for the background against which Chester is turned out to pasture by more modern logging methods and thus becomes "yesterday's horse."

This is the story of a 14-year old boy's love for his family's draft horse.

One of the movie sequences shows Chester as a contestant in the Albany, Oregon, Timber Carnival pulling contest in an effort to raise money for his needy owners.

Chester and the youthful Sliver become heroes in a later life-saving rescue of a logger from his overturned and burning log truck. A happy ending results when Chester earns his job back with the grateful logging firm.

Noted Singer-Guitarist-Composer Randy Sparks who created the New Christy Minstrels and wrote hit tunes like "Green, Green," "Today," and "Saturday Night," scored the beautiful music for the animal adventure drama.

A highlight of the film is a rescue scene in which Chester is lifted from a muddy river by the Bohemia logging balloon after the horse plunges through an old wooden bridge.

Bohemia's huge logging balloon which is being distributed internationally by the firm is attracting increasing worldwide attention because of its unique concept. The balloon literally "flies" logs out of the steep canyons, swamplands, and terrain previously inaccessible to conventional logging methods. It permits loggers to harvest those trees which are merchantable, yet protects the remaining trees and ground cover as well as other features of the environment such as streams, wildlife, and their natural habitat.

"Chester, Yesterday's Horse," will be aired on NBC–TV March 4 at 7:30 p.m. on the West Coast and at other times nationally.

L. L. Stewart, President of Bohemia, Inc., said that Bohemia is pleased to participate extensively in the filming of the Lansburgh movie. He said the motion picture will give Americans the opportunity to see the spectacular Oregon timber country and the nation's newest and most dramatic logging system in actual operation.

He also commended the work being done by the office of Governor Tom McCall of Oregon in attracting the movie industry to Oregon and thus creating jobs and other income for Oregonians.

PERSONAL EXPLANATION

Mr. HOGAN. Mr. Speaker, on rollcall No. 27 I was attending a meeting in room 135 of the Cannon Building. The bells did not ring to signal that rollcall, so I and other colleagues of ours missed that vote. If I had been present at that time, I would have voted "nay." I ask that the RECORD reflect this statement.

THE PROMISE OF PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 30 minutes.

Mr. OWENS. Mr. Speaker, perhaps the most tragic consequence of our Nation's long involvement in Indochina has been the deep division the war has created here in our own society.

President Nixon, by negotiating an end to this conflict, has prepared the way for healing those wounds and accomplishing the pledge he made at his first inaugural 4 years ago: To bring us all together.

Much more now needs to be done, not only by the President, but by the Congress, if we are once again to enjoy the blessings of true national unity. Having achieved an end to the fighting—we must move to make good on the promise of peace—to develop a new direction for American priorities.

Through all the long years of bitter conflict, we looked forward, not merely to an end of the hostilities, but for the opportunity to turn our Nation's great energies once again to solving problems here at home. We differed by ideology, sometimes by region, on what the real solutions were; but most all agreed it was imperative that our attention be turned homeward. And most Americans as a people, were united in their conviction that once we were freed of the burdens of this war, we could make a genuine difference here at home. I would like to offer for consideration my impressions of what our people want as national goals.

First of all, I think we assumed that we could put an end to massive Federal deficits and the runaway inflation which have resulted from this $200 billion war. Inflation is nearing ruinous proportions and is intensely cruel—manifesting its greatest pain, as always, upon the lower-income groups.

Second, we shared hopes that the Nation's resources, long drained in Indochina, could once again be devoted to pressing, unfinished American tasks: Cleaning the filth from our rivers and the air we breath, ridding our cities of crime—and the human desperation on which it feeds. We looked with expectation on the chance to improve the quality of our education and our health and to bring new economic opportunities to those who have not fully participated in the Nation's march to the world's highest economic standards of living.

Third, we have looked beyond the Vietnam conflict to the time when our country could concentrate on improving our governmental structure, to reform in the Federal Establishment itself. Watching citizen alienation and distrust of the Government grow, we hoped to improve the system, to deliver a better, fairer quality of government.

But, Mr. Speaker, at the end of the war, our Government is not focusing on any of these three objectives, these three imperatives:

First. We have not balanced our budget. The peace dividend from a war which at one point cost over $30 billion annually, turned out to be, as Patrick Moynihan predicted years ago, "as evanescent as the morning clouds at San Clemente." The war stops, and we await the President's call for refocused spending policies, he asks for $6 billion more for defense, $5 billion to rebuild Southeast Asia, and projects a deficit to $12 billion for the first year of peace. He has forgotten his promise to support substantive tax reform.

Second. We have not redirected our spending to solving domestic problems. While asking for $19 billion more to spend next year, the President decrees the death of almost every Federal effort intended to redress economic injustice and to prepare our people for the inevitable future shock the technological changes of the sixties have thrust upon us.

Third. We have not heard our Chief Executive support orderly changes of Government structure. He has not chosen to follow up on his early proposals to improve or abolish agencies or create better ones in the traditional ways of lobbying Congress, rallying public support, or bringing other pressures to bear upon the legislative branch. Instead, the President indicates a lack of confidence in the basic ability of the people to govern themselves through elected representatives. He has been disdainful of Congress and has exhibited a complete lack of respect for our prerogatives. Instead of working with Congress to change Government structure, he has cynically chosen to terminate program after program set up and funded by the Congress, and agreed to by him or prior Presidents. These programs have been illegally and unconstitutionally done away with by the President's funding impoundments and his refusal, announced in advance, to obey laws Congress will pass. It is better, the President has indicated, that we have efficient government, than that we have democratic government. It is the old "ends justifies the means" situation all over again.

What will Congress do when the President refuses to follow our directives to spend money? Are we then reduced to taking him to court and sending U.S. marshals down Pennsylvania Avenue with a writ of mandamus to force release of the funds? Will the Secret Service in that case let the marshals enter?

Mr. Speaker, there is a custom in this great House that a new Member should bide his time before making an address such as this.

On coming to Congress, I fully intended to honor this custom. I speak today, 8 weeks after taking office, not meaning to dishonor custom, but to honor a greater pledge which I made to the people of Utah, whom I came to represent. I believe that my new constituents were justified in their hopes for a long-awaited redirection of our national resources. For them, peace held great promise.

I rise to speak today, for the first time, because I believe that this great promise of peace now stands in peril, and I want to speak out. My thoughts are not held forth as anything except the judgments of a young freshman Congressman from the West. I hope my colleagues will not think me presumptuous to take the time of the House for this purpose.

But I am greatly distressed that instead of a peace budget, we now get a war budget with war-time like sacrifice, which the President proposes shall be suffered almost alone by the poor and middle-income groups—those least able or least willing to assert themselves in their own self-defense.

And I am deeply disappointed that instead of reconciliation at home, we are offered vengeance and bitterness directed at our own disaffected youth whose voices were the first to be raised against a senseless war. What irony that the administration now proposes reconciliation with the enemy we have fought so bitterly, choosing as the object of its scorn those members of our own families who proposed reconciliation all along, and were willing to risk being despised and imprisoned for their beliefs.

And it has been a senseless war. We can not allow our euphoria at its conclusion to cloud our perspective on that. Studying this budget, I find it hard to imagine that its designers were even aware that a cease-fire has taken place in Vietnam.

Military spending would be set at its highest level in history: $81 billion, a figure which is $6 billion more than in the current year, $20 billion of which would be devoted to the purchase and construction of new military equipment—more than Federal spending for education, advancing health, pollution abatement, low-income housing, and conservation programs, all combined.

Where is the peace dividend? In the current fiscal year, we have been spending $5 billion for military action in Vietnam, $2 billion for the bombing, and another $2 billion for military assistance to the Government of South Vietnam. Here is $9 billion that could have cut directly from the fiscal 1974 military budget. Instead, the budget was increased by an additional $6 billion.

Three hundred thousand American troops remain in Europe—four times what President Eisenhower said 10 years ago was necessary to maintain an American presence—all paid for at American expense for the defense of allies whose economies are sounder and stronger than ours. And the dollar quivers today in European markets, responding to the whim of those very nations for whom we have depleted our treasury to defend.

We spend $800 million for foreign military assistance to support such governments as South Vietnam while the President now talks of spending additional billions to support their enemies, whom we have spent 55,000 American lives and $200 billion to help defeat. This military budget is an insult to every American who believed in the benefits of peace.

In Utah, the impact of the President's budget impoundments and his proposed spending limits for next year will be enormous. Two weeks ago I held public meetings up and down my State. Reaction there to the President's impoundments were, I suppose, predictable, with widespread indignation and opposition, backed by a surprisingly knowledgeable understanding of the complex constitutional questions involved. The people know what our struggle with the President is all about, and I am convinced Congress can win.

Total lost revenues in my State may reach $75 million annually—to be made up for out of Utah's Federal revenue share of $30 million—a net difference of $45 million, unless we go along with the administration's special revenue proposals, and even in that case the net loss would be very great indeed. There is no possible way that local government units can pick up even the best of Federal programs under the President's proposed spending.

A hidden hardship here is the fact that Governors and mayors and county officials were solemnly assured that revenue sharing would not be used to replace categorical grants when their support for revenue sharing was sought, and they believed the administration. Last year, commitments and decisions were made by them on spending revenue-sharing allotments, still believing that promise, and now, local programs and commitments will have to be changed, because Federal commitments have been changed.

The Four Corners Regional Commission, which has provided the small towns of economically overlooked Southern Utah with water and sewer systems, lengthened runways, hospitals, and valid public works, is to be discontinued altogether. Nothing is offered in its place except an exhortation to sharpen the knife from thinner cuts from the revenue-sharing pie.

The Economic Development Administration is also to be abolished, as well as the emergency farm loan program and the Farmers Home Administration rural water and sewer grant programs. Educational aid to disadvantaged children, impacted area school aid, library services, all are to be phased out, or as the phrase goes, "folded into" special revenue-sharing funds much less than the total received last year in these programs. Water pollution funds are cut by 60 percent, health facilities construction, and community mental health centers will end. Funding for low-cost housing is abolished, the only Federal manpower program is eliminated and the OEO—war on poverty—dismantled and left to die.

Mr. Speaker, in the most earnest, respectful way, I urge my colleagues to reject, item by item, every single impoundment of funds for this current fiscal year. If Congress decides that good Government requires that the President have some impoundment powers, we should pass legislation outlining narrow restrictions on that power and providing that the Congress itself will have veto power over specific impoundment. But that authority must go to the Executive by way of a grant of power from the legislative branch, not by way of usurpation. I will probably support such legislation, which is now being prepared.

The issue is much greater than whether any given Federal expenditure is a good use of Federal Treasury. The issue here is no less than the constitutional question of whether we will be governed by one man or by a representative democracy, a question which I thought had been decided 200 years ago. At that time, Congress, representing as it did and does, the States and the people, was empowered to set out the sources from which the revenues would come and where they would be disbursed. And the Constitution set down as the President's sole responsibility, carrying out the laws Congress passed.

The President spends funds for purposes to which we have not agreed, and now, in a wholesale manner, he refuses to spend sums we do appropriate, and even indicates that he will refuse to spend sums which we direct him to spend. If we cannot establish maximum or minimum limits of spending, what power, then, does Congress possess? The whole constitutional balance of powers between the two branches is in serious jeopardy, in my judgment, and preservation of that principle is much more important than the question of whether the President or the Congress has acted in a fiscally irresponsible manner.

After public meetings in my State last week, I am convinced that Congress will have public support if we will impose a spending limitation upon ourselves, if we will set it forth in advance and then adhere to it. Congressional leaders are attempting, I understand, to do just that.

Unfortunately, the public is not generally aware that in the 4 years of this administration's life, the Congress has each year methodically cut the President's budget requests, that we have given him over $21 billion less in 4 years than he has requested. The fact that political demagoguery has imposed upon Congress the image of the spendthrift, should not frighten us from standing up to fight.

As a completely separate issue from the impoundments, I intend to give very serious consideration to the President's spending proposals for next year. I personally find that in the Federal Governmet there is waste and inefficiency as well as, in many instances, misdirection. I think there are Government agencies we can do without, and some of the President's proposals for next year I expect to support. There will be many difficult and complex questions for this new freshman in making those decisions.

But, I hope we will turn the crisis which the President has precipitated into a complete reevaluation of our domestic and foreign programs, and the spending which gives those programs life. If we will do that, then this struggle between the two branches can result in better, more efficient Government. And we will have preserved for ourselves, and for our posterity, the principle that this people is capable of self-government.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I am delighted to yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, may I say that I do not think the gentleman is being presumptious at all. I think it is a wonderful gesture on the gentleman's part to have done all of the research he has with regard to the President's budget as it concerns his area of the country.

In today's Congressional Record I have placed my own remarks and a newspaper article from the Boston Globe concerning the effects of President Nixon's austere budget in my home area and in my congressional district alone we will lose about $200 million which affects housing, education, community programs, and health centers if it is left to stand by this Congress. I do hope certainly that we will take action to stop this. I know that unless we do take action it will be a really devastating blow.

So, Mr. Speaker, again I congratulate the gentleman from Utah (Mr. Owens) for the work he has put in on this subject, and in informing his people back home as to the disastrous effect of President Nixon's budget, not only that it will have on his district, but on the Nation as a whole, and I thank the gentleman. The gentleman from Utah (Mr. Owens) is proving here that although this is his first speech that he has perception, understanding, and compassion for his people. We are all proud of him at this moment and know that he can do the job of representing his constituents.

Mr. OWENS. I thank the distinguished majority leader.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I am delighted to yield to the distinguished Speaker of the House.

Mr. ALBERT. Mr. Speaker, I want to compliment the distinguished gentleman from Utah for the remarks he just made. He brings to this body a wealth of experience in the legislative field and knowledge gained as an employee of the Congress. I am glad he has not delayed in giving us, as he put it, the judgments of a young freshman congressman from the West.

We have much talent in this year's new class and that talent should not be denied us or the country due to some old custom about being seen but not being heard. That is a saying that we often hear here that has absolutely no validity. Every Member should be heard when he has something to say. His experience and his age should have nothing whatever to do with that. The only thing he needs is to know what he is talking about, and obviously the gentleman knows what he is talking about.

The gentleman has given us much to think about in his speech about the problems which confront his State and the effects upon the people of his State of the present economic policies and impoundment of funds. These are problems they share with the entire country.

I wholeheartedly agree with my colleague that the constitutional balance of powers between the two branches is in serious jeopardy and that the preservation of that principle is much more important than the question of whether the President or the Congress has acted inefficiently or in an irresponsible manner, although, of course, both questions are important.

The people of the gentleman's district can and should be proud of his first speech in this body. He has by his actions today demonstrated that he will represent them in an outstanding manner. I want personally to thank the gentleman for his excellent presentation and to compliment him upon the job he has done.

Mr. OWENS. I thank the distinguished Speaker, the leader of my party in the House, for whom I have the greatest respect and devotion. I appreciate his very kind remarks. I will reassure him, too, that although I expect, as I think do most of my colleagues in the freshman class, to participate from time to time, it will be I hope within the confines of my experience and of what I think is appropriate to one who has a great deal more to learn than he has to teach.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I thank my colleague for yielding.

Mr. Speaker, just a few hours ago one of the first prisoners of war to be freed, Norman J. Brookens, was released from Bethesda Naval Hospital. At this moment he is in this Capitol and, indeed, very near to all of us. He came to this Capitol to thank us for our efforts in securing his freedom and the freedom of all the prisoners of war. Indeed, he came here directly from the hospital prior to proceeding home to Pennsylvania.

I say to Norman J. Brookens that he need not thank us, that rather we thank him. Indeed, he serves as an inspiration to all of us. We salute Norman J. Brookens. We thank him. He is a great American.

LIFTING MORATORIUM ON LOW-INCOME RURAL HOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. Evans) is recognized for 15 minutes.

Mr. EVANS of Colorado. Mr. Speaker, I have today introduced legislation to lift the recently imposed administration moratorium on certain low-income rural housing loans and grants by the Farmers Home Administration—FmHA—of the Department of Agriculture. I am joined by Representatives Stephens and Tiernan.

On January 10, the Department, acting under the direction of the President's Office of Management and Budget, announced that several federally subsidized loan and grant programs for rural housing, primarily for low-income rural residents, would be subject to an 18-month moratorium, pending an evaluation of their effectiveness. The programs affected by this unilateral Executive action are:

Housing loans to low-income families carrying an interest subsidy, under sections 502 and 521 of title V of the Housing Act of 1949.

Rental and cooperative housing loans, under section 515.

Farm labor housing grants, under section 516, and farm labor housing loans carrying an interest subsidy, under sections 514 and 521.

I am informed that the moratorium on FmHA housing subsidies was ordered by OMB as a virtual afterthought following the decision to stop HUD subsidies.

The administration offered no reason for this action, other than a vaguely worded reference to the subsidized housing program of HUD, also placed under an 18-month moratorium, and the supposed need for "a comprehensive evaluation of the programs—to determine whether the programs in question are the most effective means for providing benefits to low-income families, whether the programs provide benefits to persons other than low-income borrowers, and whether the Government's role is an appropriate Federal role."

Mr. Speaker, this kind of reasoning is scarcely more rational than the infamous phrase:

> We had to destroy the town in order to save it.

Farmers Home Administration loans have so far fallen far short of the administration's own goals for housing in rural areas, but not even FMHA's critics have been heard to suggest that the way to rectify its shortcomings is to shut the entire program down for 18 months.

The bill I am introducing today is similar to legislation already passed by the

House restoring the rural environmental assistance program and the rural water and sewer grant program. It would require FmHA to continue administering the affected programs in the manner in which they had been administered prior to the imposition of the moratorium, along with all the unaffected housing programs of FmHA. The bill would direct the Secretary to use the financial resources of the rural housing insurance fund, under section 517 of the Housing Act of 1949, at the levels specified in appropriations acts, to finance all the rural housing programs which are solely dependent on the fund for their financing and would also require that at least 60 percent of the housing loans in the aggregate be made from the fund at the subsidized rate, generally 1 percent, provided for under section 521. This mandated level of 60 percent would match the current practice of FmHA, and would not place any extra burden on the Treasury beyond that level already required by the authorizing and appropriations acts. The bill would also require the Secretary to make grants to nonprofit institutions and other eligible applicants for farm labor housing, at the levels specific in appropriations acts, $3,750,000 in fiscal year 1973.

Mr. Speaker, I am surprised to report that as late as Monday morning, Farmers Home Administration had not yet prepared an exact estimate of the amount of budgetary savings from the moratorium. This is extremely odd, inasmuch as the moratorium was declared 7 weeks ago and came as part of the administration's drive to cut the budget. Now FmHA has provided me with such an estimate.

The estimated budgetary savings resulting from the moratorium are shown for the rest of fiscal year 1973, for fiscal year 1974, and for the remainder of the 33-year term of loans involved in the moratorium. The latter figure is based on an assumption of $1,250,000,000 in loans and a repayment based solely on amortization, a highly unlikely but necessarily conservative assumption. The figures represent the difference between what FmHA had planned under the affected programs and what will now be spent.

BUDGETARY SAVINGS FROM FMHA MORATORIUM

[In thousands]

Program	Fiscal year 1973	Fiscal year 1974	33-year savings
Farm labor grants	$375	2,300	([1])
Farm labor loans	0	86	$12,500
Rental and cooperative	0	851	40,000
Home ownership	3,200	26,800	1,000,000–1,100,000

[1] Not applicable.

Total Federal expenditure for the next 18 months for all the affected programs would have been $33,612,000, out of the total Federal budget for that period of around $400 billion. For the entire 33-year period of the loans that would have been made in fiscal year 1973 and fiscal year 1974—assuming a loan rate equal to that of 1973—the entire expenditure for these loans would have been approximately $1.18 billion.

Since of the 660,000 units currently being serviced by FmHA, only 800 are in foreclosure status, this is a safe investment in the future of rural America. Incidentally, the budgetary flow for the 18 months would represent approximately one-hundredth of 1 percent of the combined Federal budget for that period.

The bill denies the power of the executive branch to terminate or place under a moratorium an entire program that has been passed by the Congress and signed into law by the President. It would reaffirm that this is the law of the United States of America, and that the President and his representatives must take care that the law be faithfully executed, under article II, section 3 of the Constitution. The arguments pro and con on this issue are familiar to all my colleagues, but I thought that it would be helpful to refer to recent testimony before Senator ERVIN's Subcommittee on Separation of Powers by the Honorable Elmer Staats, Comptroller General, regarding the President's supposed "inherent" authority to impound and terminate. With reference to the Antideficiency Act, Mr. Staats said:

> We are not aware of any specific authority which authorizes the President to withhold funds for general economic, fiscal, or policy reasons.

And with respect to debt ceiling and economic stabilization legislation, he stated:

> There is nothing explicit in those laws which authorize (sic) the President to go beyond the Antideficiency Act in accomplishing the objectives of these acts.

On the merits of the issue—which, under the legal setting I believe are technically immaterial—there is a strong, demonstrable need for the continuation of rural housing subsidies. Fifty-eight percent of our substandard housing—lacking essential plumbing or overcrowded—is located in nonmetropolitan areas, despite the fact that only 31 percent of the people live there. The rate of substandard housing in rural areas is three times the rate in nonrural areas.

The administration's moratorium is focused on the very people who are least able to afford decent housing, since only subsidized loans, aimed at low-income recipients, have been halted. Rental and cooperative housing, which do not require interest assistance and may even result in a small Government profit, have also been halted. The sum total of the Government's actions will be to place in further jeopardy the ability of rural America to stem the tide against economic decay and stagnation. As the Washington Post recently stated in an editorial before the imposition of this moratorium:

> Urban taxpayers often pay heavily for the neglect of the rural poor; bad housing has been a major cause of the population exodus from small towns and farms to the cities.

In the few years, FmHA programs now under moratorium have resulted in the construction of hundreds of thousands of housing units for the poor of rural America, but for all the thousands already served, hundreds of thousands remain—or will desert the countryside to further clog the cities. Now the administration announces that, in effect, its rhetorical commitment to rural development is an empty promise. Adequate housing is the glue which holds rural America together, if at all, and in the absence of governmental assistance to build decent, low-cost housing, that glue will become unstuck. The typical section 502 house costs a mere $14,500, but its dividends could be measured in the vitality of both urban and rural America.

As the president of the National Association of Home Builders recently told the Senate Committee on Agriculture and Forestry:

> These actions will make rural areas less attractive to industry and individuals, and thus contribute to further rural-urban migration and its attendant social problems. In the long run—and, in fact, even in the relatively short run—these problems will be far more expensive to solve than they would be to prevent by vigorous use of the programs which Congress has provided for the purpose of rejuvenating of rural areas.

Mr. Speaker, the impact of this moratorium is great. Nearly 140,000 households who would have acquired decent housing during the 18-month period will now be deprived of that opportunity. The total dollar flow loss for the 18 months has been estimated from between $1.5 billion and $3.2 billion, including the loss of sewer and water facilities also eliminated by this administration in another penny-wise, pound-foolish action. The potential employment loss has been estimated at over 133,000 man-years. Where will the men and women affected by this moratorium find work? If not in rural areas, if not in urban areas, then an increase in the welfare rolls appears inevitable. I am appending to this statement a summary, provided by the Housing Assistance Council, Inc., of the potential losses stemming from this moratorium. What this summary does not include, of course, is the human suffering caused by the failure of this administration to respond to the real needs of the American people.

Mr. Speaker, a final and additional inequity facing rural Americans is that while the spigot was turned off both for HUD and FmHA programs, the effects of the moratorium will be felt much earlier in rural America. This is so even with the promise by FmHA to honor bona fide oral commitments entered into before the moratorium. Since FmHA operates more on a short-term basis than HUD, the projects already in the pipeline as of January 8 will reach their completion within 6 months. The Department itself has admitted as much by stating that—

> Most construction under those approvals will occur during the upcoming spring building season.

This moratorium is illegal. This moratorium is unfair. Its effects will be felt by the 139,000 households who will be deprived of adequate housing. It will be felt by rural and urban Americans both. It must be lifted.

The text of the bill is as follows:

H.R. 4939

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That Section 517(c) of Title V of the Housing Act of 1949 (42 U.S.C. 1487 (c)) is amended by (1) striking out the word "may" and inserting in lieu thereof the word "shall"; and (2) inserting before the period at the end of the sentence a comma, and the words "in the amounts specified in the appropriations Acts for that purpose; *Provided,* That not less than sixty per centum of such loans in the aggregate be made at the reduced rates provided for under Section 521 of this title".

Sec. 2. Section 516(a) of Title V of the Housing Act of 1949 (42 U.S.C. 1486(a)) is amended by striking out the words "is authorized to" and inserting in lieu thereof the words "shall, in the amounts specified in the appropriations Acts for that purpose,".

Another Freeze Victim: Rural Housing Is the Nation's Worst

(By Lew Sichelman)

When people think of substandard housing, they usually think of the inner city, the ghetto. They close their eyes to conjure up visions of run-down tenements, boarded-up windows, floors covered with paint chips and rat-infested hallways.

And why not? The greatest concentration of our population is in our urban areas, where housing problems are easily seen and the difficulties of the poor are often heard about.

Yet, nearly two-thirds of the substandard housing in this country is in rural America. And over half of these dwellings are occupied.

These aren't just broken-down, overcrowded or shanties where several families huddle close together in the corner of one room to keep warm, for the government's statistics on inferior housing no longer reflect dilapidation. That would be too subjective and too difficult to determine.

They are only the homes with something wrong with the plumbing. They lack running water, or have no bathroom, or have no plumbing at all.

And they're not far removed from this area. All you have to do is take a ride toward southern Maryland through Prince Georges County or to the outlying Northern Virginia counties of Fauquier and Loudoun to see them first hand, close-up, big as life.

The problem of substandard rural housing is nothing new. It has always been there. It's simply that up until a few years ago, no one cared or thought enough about it to bring it to the attention of the public.

"We call it 'metropollyanna'," says Clay Cochran, executive director of the Rural Housing Alliance, which was formed in 1969 to help low-income rural American's obtain decent housing.

"The focus has always been on the cities" be it housing, welfare or whatever, Cochran says in explaining 'metropollyanna.' "There's an implicit belief that sooner or later, everyone will move to the cities where everything is good." For instance, he asks, why would a mother with six kids living on a pittance in Arkansas stay there when her relatives tell her she can get $300 in Chicago?

"Consciously and subconsciously," Cochran asserts, "we have been led by the unseen hand or another facet of our mythology to assume that the growth of our cities would redound to the benefit of all. Moreover, we have assumed, very comfortably, that there was some technological imperative which dictated that sooner or later, when we really became civilized, 90 percent or more of our people would live on 1 percent of our land, happy, prosperous, cultured and secure."

RHA is, in Cochran's words, "the stepchild of the American Friends Service Committee" which has been concerned with the plight of the poorly housed for more than 30 years.

In 1965, encouraged by the experience and success gained in sponsoring self-help housing programs in several areas, the service organized the International Self-Help Housing Association to foster the growth of the self-help approach to housing construction and repair. Neighbors help one another build or rehabilitate at a substantial saving in cost.

Funded by the Ford Foundation, the association opened an office here in January 1967. By the spring of 1969, the association had broadened its scope to include all rural housing programs and changed its name to the Rural Housing Alliance, which today is funded by the Ford Foundation, the Office of Economic Opportunity and some 500 members.

Until that time, says Cochran, there was no housing program focused on our rural areas. Even the "good" people who were quite concerned about substandard housing in the cities didn't think of the rural areas, he says. "They thought someone, somewhere, was taking care of that."

But they were wrong. There was little or nothing to help low or even moderate-income families obtain decent housing.

The Federal Housing Administration, which guarantees home mortgage loans, didn't function in towns of 25,000 or less because there was no one to lend the money for mortgages, according to Cochran.

And public housing programs, in which the government put up the construction money and assumed the poor could manage from there, never got off the ground in rural America "because incomes were so desperately low that the rural poor couldn't even afford the utilities."

So in 1969, RHA held the first national conference on rural housing problems to focus attention on just how bad the situation was out there. How bad was it? These figures may give you an idea:

In rural areas, one house in seven is substandard, according to the Census Bureau but only one of every 25 homes in the cities is substandard.

Fifty-six percent of the substandard housing in America is in places of 2,500 people or less, yet only 25 percent of the country's population lives in such places, said Census.

Four years ago, says Cochran, 57 percent of the poor in Mississippi couldn't have lived in public housing if they had it. And they didn't.

The conference brought this body of information to the people who could do something about it—the government, labor unions, churches—and came up with a number of recommendations designed to solve the rural housing problem.

Since then, there has been some progress, albeit not enough. "We have no illusions about how much has been accomplished since our formation," admits Cochran. "Except their has been an awakening to the desperate need for adequate housing in small towns and rural areas."

Through what RHA calls "a handful of inadequate federal rural housing programs," the Farmers Home Administration, an Agriculture Department agency created in 1961, lent $1.6 billion last year, more than three times the $500 million it lent for rural housing in 1969. Yet, only 10 percent of the FHA loans went to people with incomes of less than $4,000.

But RHA no longer is seeking more money or deeper subsidies to reach lower income levels. Now RHA is fighting to get back what it had gained in the last four years, for early last month the Nixon administration suspended the FmHA's housing programs as well as the subsidized programs administered by the Department of Housing and Urban Development.

Since FmHA program commitments aren't as far advanced as HUD's, which will last for 18 months or so, they will end, says Cochran, in less than six months.

So this week Cochran traveled to Capitol Hill to seek restoration of the suspended programs. Testifying before the Senate Committee on Agriculture and Forestry, he in effect said that a part of something that works, no matter how inadequately, is better than no program at all.

With its 1,700 offices generally available to rural people," the FmHA, even with its shortcomings, is "ideally suited to the operation of a direct lending program in rural areas" and "is the only effective agency in the country equipped to bring housing to many low-income rural families," Cochran maintained.

Projections by the Housing Assistance Council, he went on, show that the moratorium will mean an 18-month loss of $1.55 billion in revenue nationally (assuming that every dollar spent on housing is worth $3 in terms of economic impact) and 133,000 man-years of work.

The state hardest hit is South Carolina, which, Cochran said, will lose $284.3 million and 8,338 man-years of work. Virginia will lose $191.4 million and 4,992 man-years, and Maryland will be out $45.5 million and 1,174 man years.

In more specific terms, he said, over a thousand small contractors in Mississippi alone will be bankrupted immediately if the freeze is not lifted or altered.

"We cannot emphasize too strongly the loss to the emerging rural housing delivery system implicit in the imposed moratorium," he testified.

"It cannot be argued that the rural housing programs are tainted with corruption, nor can it be said that the $27 million spent on them is a major element of inflation in an economy with a Gross National Product of $1.1 trillion a year.

"We are not unaware of FmHA's shortcomings and inadequacies. But neither are we blind to its successes. We urge its continuation only until something better is substituted."

STATE OF COLORADO, FARMERS HOME ADMINISTRATION LOSSES DUE TO HOUSING FREEZE

	Units	Amount
Home ownership program (502):		
Remainder of fiscal year 1972–73	111	$2, 691, 615
Remainder of fiscal year 1973–74	375	5, 310, 000
Total	486	8, 001, 615
Rental program (515):		
Remainder of fiscal year 1972–73	38	486, 000
Remainder of fiscal year 1973–74	76	978, 000
Total	114	1, 464, 000
Farm labor housing:		
Remainder of fiscal year 1972–73	200	150, 000
Remainder of fiscal year 1973–74	400	300, 000
Total	600	450, 000
Grand total	1, 200	9, 915, 615
Loans available for moderate income people and not affected by the freeze:		
Fiscal year 1972–73	350	5, 250, 000
Fiscal year 1973–74	400	6, 000, 000

Source: Colorado Housing, Inc.

POTENTIAL LOSSES DUE TO 18-MONTH MORATORIUM ON FMHA SUBSIDIZED HOUSING PROGRAMS

State	(a) FmHA subsidized housing loans, fiscal year 1972 [1]	(b) Estimates fiscal year 1973 allocations subsidized loan funds [2]	(c) Estimates fiscal year 1973 subsidized loan funds committed as of Jan. 1, 1973	(d) Estimates uncommitted fiscal year 1973 subsidized loan funds (b—c)	(e) Estimates fiscal year 1974 allocations subsidized loan funds [2]	(f) Potential loss over 18-month moratorium (d+e)	(g) Potential employment loss over 18-month moratorium (man-years)
Alabama	$37, 962, 140	$41, 578, 000	$20, 483, 160	$21, 094, 840	$41, 578, 000	$62, 672, 840	6, 587
Arizona	22, 791, 180	20, 240, 000	16, 783, 260	3, 456, 740	20, 240, 000	23, 696, 740	1, 949
Arkansas	40, 994, 650	42, 682, 000	24, 185, 760	18, 496, 240	42, 682, 000	61, 178, 240	5, 930
California	35, 594, 110	25, 450, 000	20, 959, 170	4, 490, 830	24, 450, 000	29, 940, 830	2, 300
Hawaii	2, 729, 020	3, 206, 000	2, 452, 605	753, 395	3, 206, 000	3, 959, 395	216
Nevada	1, 131, 840	1, 202, 000	798, 000	404, 000	1, 202, 000	1, 606, 000	110
Colorado	4, 179, 900	5, 310, 000	2, 618, 385	2, 691, 615	5, 310, 000	8, 001, 615	635
Florida	22, 164, 930	17, 234, 000	23, 568, 690	----------	17, 234, 000	17, 234, 000	1, 435
Georgia	39, 174, 010	43, 586, 000	16, 526, 685	27, 059, 315	43, 586, 000	70, 645, 314	6, 591
Idaho	19, 358, 250	19, 938, 000	13, 774, 410	6, 163, 590	19, 938, 000	26, 101, 590	1, 888
Illinois	14, 614, 870	22, 242, 000	12, 771, 390	9, 470, 610	22, 242, 000	31, 712, 610	2, 404
Indiana	25, 758, 390	32, 962, 000	12, 802, 305	20, 159, 695	32, 962, 000	53, 121, 695	4, 440
Iowa	14, 400, 910	23, 830, 000	10, 717, 380	13, 112, 620	23, 830, 000	36, 942, 620	3, 244
Kansas	5, 726, 870	8, 516, 000	2, 704, 815	5, 811, 185	8, 516, 000	14, 327, 185	1, 236
Kentucky	19, 337, 110	22, 544, 000	12, 026, 325	10, 517, 675	22, 544, 000	33, 061, 675	2, 787
Louisiana	11, 733, 080	12, 224, 000	6, 650, 265	5, 573, 735	12, 224, 000	17, 797, 735	1, 696
Maine	26, 768, 970	23, 342, 000	21, 491, 715	1, 850, 285	23, 342, 000	25, 192, 285	1, 886
Michigan	26, 637, 720	40, 867, 000	17, 978, 760	22, 897, 240	40, 876, 000	63, 773, 240	4, 692
Minnesota	8, 718, 330	14, 224, 000	7, 197, 945	7, 026, 055	14, 224, 000	21, 250, 055	1, 605
Mississippi	53, 040, 860	51, 498, 000	30, 248, 370	21, 249, 630	51, 498, 000	72, 747, 630	6, 880
Missouri	38, 905, 420	42, 874, 000	19, 894, 485	22, 979, 515	42, 874, 000	65, 853, 515	6, 008
Montana	1, 976, 790	2, 204, 000	1, 379, 925	824, 075	2, 204, 000	3, 028, 075	240
Nebraska	3, 208, 530	4, 508, 000	2, 422, 305	2, 085, 695	4, 508, 000	6, 593, 695	508
Nevada	3, 983, 920	8, 216, 000	2, 181, 855	6, 034, 145	8, 216, 000	14, 250, 145	1, 115
Delaware	3, 363, 730	4, 208, 000	1, 798, 710	2, 409, 290	4, 208, 000	6, 617, 290	513
Maryland	5, 460, 090	9, 218, 000	3, 265, 440	5, 952, 560	9, 218, 000	15, 170, 560	1, 174
New Mexico	5, 609, 130	6, 412, 000	3, 990, 315	2, 421, 685	6, 412, 000	8, 833, 685	803
New York	15, 491, 370	23, 246, 000	9, 769, 230	13, 476, 770	23, 246, 000	36, 722, 770	2, 746
North Carolina	54, 087, 210	58, 414, 000	35, 030, 310	23, 383, 690	58, 414, 000	81, 797, 690	6, 742
North Dakota	9, 290, 970	11, 218, 000	6, 145, 575	5, 072, 425	11, 218, 000	16, 290, 425	1, 199
Ohio	42, 988, 690	37, 672, 000	23, 258, 820	14, 413, 180	37, 672, 000	52, 085, 180	4, 102
Oklahoma	17, 609, 090	28, 754, 000	8, 858, 370	19, 895, 630	28, 754, 000	48, 649, 630	4, 830
Oregon	9, 540, 600	8, 616, 000	3, 910, 065	4, 705, 935	8, 616, 000	13, 321, 935	1, 063
Alaska	660, 740	1, 202, 000	106, 560	1, 095, 440	1, 202, 000	2, 297, 440	104
Pennsylvania	12, 934, 290	18, 836, 000	12, 176, 025	6, 659, 975	18, 836, 000	25, 495, 975	1, 827
South Carolina	69, 842, 760	62, 722, 000	30, 670, 785	32, 051, 215	62, 722, 000	94, 773, 215	8, 338
South Dakota	5, 239, 930	8, 612, 000	3, 756, 795	4, 855, 205	8, 612, 000	13, 467, 205	1, 141
Tennessee	30, 558, 750	43, 784, 000	16, 146, 540	27, 637, 460	43, 784, 000	71, 421, 460	7, 168
Texas	37, 953, 400	47, 884, 000	16, 954, 605	30, 929, 395	47, 884, 000	78, 813, 395	7, 186
Utah	8, 534, 230	10, 316, 000	4, 481, 700	5, 834, 300	10, 316, 000	16, 150, 300	1, 242
Vermont	5, 465, 530	6, 512, 000	625, 710	5, 886, 290	6, 512, 000	12, 398, 290	1, 034
Connecticut	1, 691, 400	3, 406, 000	351, 900	3, 054, 100	3, 406, 000	6, 460, 100	486
Massachusetts	3, 246, 020	3, 206, 000	2, 166, 765	1, 039, 235	3, 206, 000	4, 245, 235	336
New Hampshire	5, 053, 610	11, 010, 000	3, 835, 875	7, 174, 125	11, 010, 000	18, 184, 125	1, 452
Rhode Island	881, 650	1, 202, 000	540, 195	661, 805	1, 202, 000	1, 863, 805	140
Virginia	64, 633, 400	56, 810, 000	49, 843, 755	6, 966, 245	56, 810, 000	63, 776, 245	4, 992
Washington	15, 809, 210	17, 234, 000	10, 042, 440	7, 191, 560	17, 234, 000	24, 425, 560	1, 989
West Virginia	12, 066, 060	18, 336, 000	10, 461, 435	7, 874, 565	18, 336, 000	26, 210, 565	2, 141
Wisconsin	20, 833, 920	29, 254, 000	12, 442, 260	16, 811, 740	29, 254, 000	46, 065, 740	3, 388
Wyoming	2, 469, 750	4, 408, 000	1, 410, 570	2, 997, 430	4, 408, 000	7, 405, 430	599
Total	932, 210, 330	1, 062, 978, 000	574, 658, 715	494, 653, 975	1, 062, 978, 000	1, 557, 631, 975	133, 120

[1] Includes sec. 502, 514, 515, and 516 programs.

[2] Includes sec. 502 and 515 programs.

EXPLANATION OF METHOD

The attached tables show the potential loss of housing dollars and man years of employment due to the announced 18 month moratorium on Farmers Home Administration subsidized housing programs.

Column (a) is the actual state by state outlays for FmHA subsidized housing programs in Fiscal Year 1972. (see FmHA, Report of Loan and Grant Obligations 1972 Fiscal Year Through June 30th)

Column (b) is the FmHA tentative state allocations of Section 502 funds for subsidized loans and Section 515 loans in FY 73. Note: this estimate is based upon the stated FmHA policy that at least 50% of the Section 502 authorizations for each state should go into subsidized loans (for both the tentative allocation of funds and the policy statement, see FmHA Administration Letter 108 (444), Exhibit A, dated June 27, 1972.

Column (c) is the estimated commitments of FmHA FY 73 subsidized housing funds as of January 1, 1973. Since the actual commitments of these funds to date has not yet been calculated by FmHA, these estimates are based upon the monthly rate of commitments in the first four months of the fiscal year. (see FmHA, Report of Loan and Grant Obligations 1973 Fiscal Year Through October 31, 1972.)

Column (e) is the estimated program level for FmHA subsidized housing loans in FY 74 and is based upon the assumption that the program level would be the same as in FY 73.

Column (f) potential dollars loss over the 18 month moratorium, is the combination of uncommitted FY 73 funds and the projected FY 74 funds which will not be forthcoming because of the moratorium.

Column (g), potential loss of employment, is based upon the calculation that approximately 80% of the lost FmHA subsidized housing funds would have gone into new construction or rehabilitation. (see President's Fourth Annual Report on National Housing Goals). This dollar amount of lost employment-producing construction is divided by the actual average cost of FmHA subsidized units in each state in the first four months of the fiscal year. (see FmHA, Report of Loan and Grant Obligations 1973 Fiscal Year Through October 31, 1972.) This results in the actual number of subsidized housing units forgone because of the moratorium. This number of lost units is then multiplied by the FmHA estimate of 1.7 man years of employment per unit—.7 years direct and 1 year indirect. (see Testimony of FmHA Administrator James Smith Before the Senate Appropriations Committee on the FmHA FY 73 Budget Request.)

Source: Housing Assistance Council, Inc.

RURAL HOUSING PROGRAM PROCEEDS ON UNSUBSIDIZED BASIS

WASHINGTON, Jan. 10.—The Department of Agriculture announced today that its rural housing credit program, administered through the Farmers Home Administration, will continue on an unsubsidized basis.

The Department said several Federally-subsidized loan and grant programs for rural housing will be subjected to an 18-month evaluation study, during which the processing of new applications will be temporarily discontinued. This is a part of a government-wide program, previously announced by Secretary George Romney, Department of Housing and Urban Development.

Farmers Home Administration (FHA) will confine its subsidized housing loan program this fiscal year to applications that have been certified for approval between July 1, 1972 and Jan. 8, 1973. Most construction under those approvals will occur during the coming spring building season.

Unsubsidized home ownership loans will continue to be made. It is estimated that there will be more than 100,000 housing loans for the fiscal year. The current interest rate on unsubsidized loans is 7¼ percent.

The Department said the suspension in a subsidized housing will be in effect for 18 months to allow time for a comprehensive evaluation of the programs. The study will seek to determine whether the programs in question are the most effective means available for providing benefits to low-income families, whether the programs provide benefits to persons other than low-income borrowers, and whether the Government's role in the programs is an appropriate Federal role.

Housing programs affected by the temporary discontinuance of new approvals are—

Housing loans to low-income families that involve an interest subsidy. Subsidized interest rates to borrowers have ranged as low as one percent under the present program.

Rental and cooperative housing loans.

The farm labor housing program of grants plus loans at one percent interest.

The announcement specified that all applications in these categories that have been certified for approval prior to the suspension will be processed through to loan or grant disbursement.

Housing programs of the Farmers Home Administration *not* affected by the discontinuance announcement are—

Housing loans to families of low and moderate income that do not involve interest subsidies.

Housing repair loans to low-income families (loan maximum $3,500).

Mutual self-help housing loans under the program whereby low-income families perform much of the labor in building their own homes.

Grants to provide technical aid organizations that assist in organizing and carrying out self-help housing projects.

Loans to nonprofit organizations for development of rural homesite areas.

Farmers Home Administration housing programs are administered in rural areas, including the countryside and towns of up to 10,000 population, and serve people of low and moderate income who find no other housing credit available.

FACILITATING CLASS ACTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 5 minutes.

Mr. BELL. Mr. Speaker, I am introducing today a simple bill to facilitate the use of class actions in the Federal courts, and to alleviate the unfortunate consequences of a recent Supreme Court decision. I believe that both logic and sound public policy command that Congress enact this amendment into law.

Class actions are a relatively modern device designed to minimize repetitive litigation and to enable citizens with claims which are too small to warrant vindicating their rights through a costly court suit to pool their resources and press their common claim in one suit. The class action opens up the Federal courts to those with just grievances who had previously been denied a Federal forum. It is a court procedure which at once satisfies our sense of fairness and our need for judicial economy.

The class action procedure was considerably simplified and broadened in applicability in 1966 when the Judicial Conference of the United States formulated amendments to rule 23 of the Federal Rules of Civil Procedure, the class action rule. Legal scholars and other interested commentators praised that action as a welcomed and long-needed reform in Federal procedure.

Unfortunately, the Supreme Court in *Snyder* v. *Harris* (394 U.S. 332 (1969)) substantially undermined the efficacy of the new rule 23 by requiring that the claim of each member of the class satisfy the jurisdictional amount in controversy, which is $10,000 and is set by the Congress. The Court chose to follow a judicial doctrine of long—and some would say, archaic—standing which holds that claims cannot be aggregated to fulfill the amount in controversy requirement, except in rare circumstances. This decision in effect terminates the usefulness of the class action rule for all those groups of persons whose joint claim exceeds the jurisdictional amount but whose individual claims fall short of it.

In the words of the dissenting Justices in Snyder:

> We should not allow the judicial interpretation of the jurisdictional amount requirement to become petrified into forms which are products of, and appropriate to, another time. To do this would vitiate a significant part of the reform intended to be accomplished by the amendment of Rule 23.

We in Congress have the authority to undo this judicial emasculation of the class action rule, and it is definitely in order that we do so.

Prof. Charles Alan Wright, professor of law at the University of Texas and this Nation's most respected authority on civil procedure, has written:

> It would be highly desirable if Congress were to amend 28 U.S.C.A. 1332 to provide that [in] any case permitted to be maintained as [a class] action under the Federal Rules of Civil Procedure, the aggregate claims for or against all members of the class shall be regarded as the matter in controversy.

My bill would precisely implement Professor Wright's recommendation. It reads as follows, in its entirety:

> *Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,* That for the purpose of determining jurisdiction of a class action suit brought in the federal courts of the United States according to the Federal Rules of Civil Procedure, the aggregate claim for or against the entire class shall be regarded as the amount in controversy.

This simple measure would reaffirm the intent of the 1966 amendments to the Federal rules. It would also accomplish most of the objectives sought by the lengthy consumer class action bills which have been introduced in this and previous Congresses, without requiring that the Federal courts administer an unwieldy body of ill-defined consumer law. Perhaps best of all, this bill enables consumers and others to vindicate their rights, receive moneys owed them, and effect peaceful social change without adding a cent to the burden of the Federal taxpayer.

Finally, this measure fulfills the intent and purpose of the jurisdictional amount requirement which the Congress first enacted in the Judiciary Act of 1789 and revised upward to $10,000 in 1958. Since the 1966 change in rule 23 makes any judgment binding for and against all members of the class, the true amount in controversy is the amount claimed by all the class members in total, not any individual amount. To require that each class member satisfy the $10,000 amount is to defy logic and the intent of the amount requirement, which certainly is not to set an amount so high as to eliminate an entire category of legitimate actions from the Federal courts.

To cite Professor Wright again, aggregation in class action suits is "entirely consonant with the stated purpose of the amount in controversy requirement, to avoid having the Federal courts 'fritter away their time in the trial of petty controversies.'" In 1958 Congress determined that $10,000 at issue separated the significant controversies from the petty; it did not declare that controversies otherwise significant become petty when pursued by more than one plaintiff in the same action.

Mr. Speaker, I trust that the Congress will act quickly in approving this unusually simple and very effective legislation to restore the efficacy of class actions in the Federal courts.

THE SYRACUSE POST STANDARD WOMEN OF ACHIEVEMENT FOR 1972

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WALSH) is recognized for 60 minutes.

Mr. WALSH. Mr. Speaker, there are occasions in any community to recognize outstanding individuals. One of the more unique such events, occurs annually in the city of Syracuse when the morning newspaper, the Post Standard, recognizes outstanding contributions to the community by women involved in a variety of ventures.

Under the leadership of Post Standard Editor J. Leonard Gorman, and the women's editor, Lois Vosburgh, the annual luncheon has become one of the most highly respected occasions of each year.

This year, the events were tinged with sadness because the woman designated as All Times Woman of Achievement, Mrs. Frederick A. Kreuzer, died unexpectedly shortly after the announcement of her award.

Mrs. Kreuzer, or Melanie, as she was known to her countless friends and associates, was a leader of civic causes in the central New York area for many years. She served as the first woman president of the Syracuse Common Council, the city's chief legislative body. The Post Standard recognized her accomplishments early by designating her as Woman of Achievement in Politics for 1953. Numerous other awards came to Mrs. Kreuzer; all richly deserved and graciously received.

Her untimely death removed from Syracuse one of its most vital forces for community improvement. Melanie's designation as All Time Woman of Achievement was a most fitting final tribute.

The Post Standard designated 10 other Women of Achievement by specific category. They are: Business, Miss Lena Dicenza; career development, Mrs. Theodore Levy; community service, Mrs. Gerry Dietz; cultural development, Mrs. Joseph Lotito; education, Mrs. Marjorie Carter; good neighbor, Mrs. Alfred Cope; public relations, Mrs. R. Wesley Geerer; religion, Rev. Betty B. Scheiss; social service, Mrs. Caroline Ruhe; and volunteer leadership, Mrs. Thomas Barry.

It is a distinct privilege to include in the CONGRESSIONAL RECORD, the stories of these outstanding Post Standard Women of Achievement for 1972, by Lois Vosburgh, women's editor:

ALL-TIME: MRS. F. A. KREUZER

Beautiful and brilliant, Mrs. Frederick Kreuzer has a special grace, the willingness to work for good causes.

"I have been a lucky person," she will tell you. "I have been free to do the things I believe in, all my life."

As the result, she wears a treasured charm bracelet. One charm was presented to her when she was helping found the Community-General Hospital Auxiliary. "We secured 4,500 members," she recalls. "Thirty-eight per cent more than our quota."

One is a "thanks badge" from the Girl Scouts, recognizing service as commissioner and as a member of the national board.

One is a St. Francis medal, presented by her sorority at Syracuse University. Theta Phi Alpha, in recognition of community service.

The "Tree of Life" was presented by the Onondaga County Women's Republican Club, recognizing many terms as coordinator and as vice-chairman of the county Republican committee.

But the charm she cherishes even more than the others is a jeweled charm presented to her by the Syracuse Common Council at the conclusion of her term of four years as president of the organization.

"I spent eight years in the Common Council. I loved working with the men. I am proud that I was the first woman to be elected president." Melanie Kreuzer says.

Mrs. Kreuzer is a much honored woman. In addition to receiving The Post-Standard Woman of Achievement Award in Politics in 1953; was named Woman-of-the-Year by Beta Sigma Phi; and cited for citizenship by the Daughters of the American Revolution.

Mrs. Kreuzer's efforts have helped add new services to the community. She was a founder and charter member of the Corinthian Club, and now is vice chairman of development for Beaver Lake Nature Center.

Among the offices to which she has been named. "as part of my way of life" are president and board member of the Volunteer Center Inc., and board member of its predecessor, the Victory Center.

She was cochairman of the personnel officers division of the War Council during World War II, and a member of the Post-War Planning Council following the conflict.

She served the Community Chest (now United Way) as cochairman of the womens division and member of the budget committee.

Le Moyne College has tapped her talents electing her president of the Guild, also she has been named the Presidents Associates Member.

"All of this was made possible by the cooperation of my husband and our son, Mrs. Kreuzer says. "I couldn't have done it without their support."

BUSINESS: MISS LENA DISCENZA

She has been a guest of Maharaja Palden Thondup Namgyal and his wife, the former Hope Cooke, in their Shangrai-la-like place in Sikkim in the Himalayas, visited the late Albert Schweitzer in Africa, crossed Siberia and visited Outer Mongolia.

"Travel is my recreation," Miss Lena Discenza, The Post-Standard Woman of Achievement in Business says, and she hopes to obtain clearances for a trip to China March.

Miss Discenza's career was achieved in a 'heavy' industry, The O. M. Edwards Co. Inc., where she walks through the plant knowing every employe by his first name, knowing what the job takes in skill and competence and how the results look on the balance sheet.

For 30 years in personnel and administration, she has been the only woman labor negotiator with the union, the International Association of Ridge, Sheet Metal and and Ornamental Ironworks, local 612.

She is an officer of the firm which grosses $5 million a year. She was elected secretary in 1963, and in addition was elected treasurer in 1971.

Her firm's business is metal fabrication and it manufactures products only to specification. Among current contracts are telephone booths, doors for railroad cars, windows and doors for subways, special cabinets for IBM computers.

How does a woman, not a member of the family, gain executive status in industry, we asked Miss Discenza. "Taking every opportunity to learn every aspect of the business," was the reply.

She was president of the Syracuse Business and Professional Women's Club, editor of the state BPW magazine, then state treasurer traveling and speaking throughout the state.

"It was fine training," she said.

More recently, she has been president of the male-oriented Council of Service Clubs, is active in Syracuse Zonta Club, the Corinthian Club, the English Speaking Union and the Humane Society.

CAREER DEVELOPMENT: MRS. THEODORE LEVY

A new category, Career Development, describes the activities of a uniquely talented woman who serves her husband and her temple as Mrs. Theodore Levy, wife of the rabbi, and who serves the community, particularly Syracuse University, as Ina Rae Levy, M.S.

The latter designation reflects the fact that although deeply involved in family commitments and community service, Mrs. Levy went back to college, first to complete her bachelor's degree, then to earn her master's.

"The whole purpose of completing my education was to better equip me for service, a concept instilled in me by my mother, implemented and liberated by her husband," Mrs. Levy says.

As a civic leader, Ina Rae Levy had many innovative programs to her credit when she returned to college.

She developed and presented two consumer fairs in cooperation with the state department of commerce as early as 1967. She organized drug abuse orientation for school administrators and parents in all county districts in 1968.

She was cochairman of the district attorney's advisory council; founding chairman of "Call for Action" sponsored by the Syracuse Federation of Women's Clubs and WHEN.

In addition to teaching at Syracuse University, Mrs. Levy is coordinator for the conference center for family planning and population information and chairman of public relations and promotion for the College for Human Development.

Among continuing civic activities, she is a member of the governing board of the Young Women's Christian Association; is second vice president and scholarship chairman of the state Federation of Women's Clubs; works with the boards of the National Federation of Temple Sisterhoods, National Council of Jewish Women, Syracuse chapter, the Americanization League.

"I have been lucky in being associated with wonderful leaders," Ina Rae Levy says "Those in my family, my husband and my mother; those in the Syracuse Federation of Women's Clubs; those at Syracuse University. I have learned so much from them."

COMMUNITY SERVICE: MRS. GERRY DIETZ

The record of leadership of Mrs. Gerry J. Dietz, The Post-Standard 1972 Woman of Achievement in Community Service, contrasts with the modesty with which she views her accomplishments.

A member of a large, active family circle; a world traveler who has friends from all continents ever-welcome in her home; Cynthia Dietz radiates a quiet friendliness that makes those who work with her in the community take pleasure in their jobs.

She was elected to the prestigious position of president of the Syracuse Junior League Inc. in 1955. "But that was a long time ago," she says. "I think the thing I enjoyed the most was the time I worked with the Provisionals" (candidates for the Junior League).

She spent more than 15 years as a member of the board of Huntington Family Centers. "It was a wonderful opportunity to learn from stimulating people like Paul Weinandy and Laura Kohles," she comments.

She is deeply committed to her church, Park Central Presbyterian Church, where she has been a member of the session, a Sunday School teacher, and most recently president of the Women's Association.

She studies with the Broad-Kirk fellowship of the church as an expression of her philosophy, "You must keep abreast with the trends in society and learn to cope with changes."

She also studies with the Portfolio Club, of which she is a past president.

She is a member of the board of Priority One, concerned with many aspects of the urban crisis. She is interested in environment, and anxious to save New York state history.

A graduate of Smith College, she is a firm believer in education for women, and does not find her scholarship and involvement at odds with her love of gardening, housekeeping and antiques.

She travels with her husband on his business trips abroad, also goes trout and salmon fishing with him. She has many good times with their grown children: Hugh, Michael, Cynthia and Susan; is devoted to her parents, the Hugh Goodhearts of Skaneateles; to her husband's family and their friends.

Cynthia Dietz does not consider the long hours of community service a labor. "I like people," she says.

CULTURAL DEVELOPMENT: MRS. JOSEPH LOTITO

Patricia Montfort Lotito is an expert juggler. She keeps at least a dozen balls flying around in the air. She has two children, two dogs, two cats, a husband to look after, a house to manage and the Salt City Playhouse musical program to direct, scores to compose, and latent talent to discover, develop and promote. If this isn't juggling, what is?

With her help, her husband, Joseph Lotito, founded the Salt City Playhouse. Its purpose, Pat related, is to provide a higher level of theater quality in musicals and drama, and to give amateurs a chance to act with professionals. A second aim is to integrate young people into an adult setting, and to create a multi-racial casting.

Outstanding in all her endeavor is Pat's work with children and young adults. By bringing them into the theater, giving them singing or acting parts, she has uncovered many fine voices and dancing talents.

Through her efforts scholarships have been secured for gifted young dancers starting them on their way to a professional career.

Pat is not only an educator, but an accomplished musician and composer. All musical productions at the Playhouse are under her direction and many of these are set to her original scores. She goes into the schools with the juvenile plays giving students an idea of live drama.

"The Me Nobody Knows," and "Charlie Brown" played 52 area schools last year. In this community she has done public relations for Community College, Spitz Advertising and Station WSYR. Before coming to Syracuse, she worked in TV in Baltimore where she produced women's shows. She did the theme music for "Lady Bug's Garden."

A native of Kansas City, Mo., and a graduate of Missouri University, Pat studied in the American Foreign Study Program in Zurich, Switzerland, majoring in German literature and political science. She studied piano from childhood and when she came here she was a pupil of Ernst Bacon and George Mulfinger at Syracuse University. She has been a frequent concert soloist in this city.

With Al Ross, a young man active with the "Mask and Wig" show at the University of Pennsylvania, Pat co-authored an original musical review, "Out on a Limb" which was performed at the Boar's Head Theater at Syracuse University.

This was in 1964 and since then Pat has dashed off musical numbers and background music for the SCP, found time to teach private pupils, and act as accompanist for concert artists. In rare moments when she has all the balls bouncing independently, she manages to serve on the advisory board of the Mayor's Commission on Parks and Recreation.

Now she has her sights trained on a future objective which is to create a center for the performing arts where the young can have instruction and the senior citizens can find self expression.

Pat says that at the Playhouse she has done everything to get "the show on the road" both back stage and out front, and she boasted, "As a sweeper, I'm an expert."

EDUCATION: MRS. MARJORIE CARTER

Mrs. Marjorie Carter was the first black woman to be appointed as a teacher in the Syracuse School District. This past year, she became the first black woman to assume the office of president of the Syracuse Teachers Association. Mrs. Carter has been a forward-looking and energetic advocate on behalf of the 1,400 teachers represented by the STA.

For her dedicated work on behalf in Syracuse, she is being cited as The Post-Standard Woman of Achievement in Education.

Marjorie has wanted to be a teacher since age six. She says, "It's due to the kind of positive experiences which I had in school. It was a pleasant place for me."

In an effort to make school a positive experience for others, Mrs. Carter has focused on working with teachers in her career.

She also serves as an instructional specialist at Sumner School when she isn't busy working with the city school teachers—visiting them, helping with their problems and representing them in negotiations.

"Teachers' rights, teaching conditions—one hinges on the other. If teachers don't have security it influences their work with the kids," she says. She tries to help provide that security.

Mrs. Carter has been active in education on both the state and national levels, as well as the local level. She served as a delegate to the New York State Teacher Retirement System, the New York State United Teachers and the National Education Association.

She is also a state vice president of the Association of Childhood Education and a member of Delta Kappa Gamma, the honorary for women in education.

Mrs. Carter is cited as an example of teaching-professionalism at its best.

GOOD NEIGHBOR: MRS. ALFRED COPE

Dusting theater seats, checking on youngsters—"don't forget your overshoes"—feeding hungry young actors out of her basket canteen jammed with goodies, handling the box office, and don't forget all that mimeographing!

Mrs. Alfred Cope is a beloved mother hen to her coworkers at Salt City Playhouse. She is also our Post-Standard Woman of Achievement in the Good Neighbor category.

Her concern for underprivileged youngsters goes back to her first volunteer work as an undergraduate student at the University of Chicago when she worked three years at the University Settlement House teaching a class of young immigrant Polish girls to knit and sew.

During the Spanish Civil War, Mrs. Cope and her husband spent a year in Spain working in a Child Feeding program for the Quakers. In Utica as her daughter, Joan, was growing up she was a Brownie leader, taught Sunday School, and devoted her talents to the Cosmopolitan Center, deeply concerned that too few black youngsters were graduating from high school.

In Syracuse she worked with disadvantaged students in Youth Opportunities Unlimited for eight years, serving as a board member and registrar for yearly conferences at Cazenovia College.

Mrs. Cope tutored for five years in the School Volunteer program at King and Danforth Schools and served on the United Nations Committee to prepare and distribute multi-ethnic booklist.

She occupied the position of Clerk in the Society of Friends for five years, both in Utica and Syracuse, and worked for a year with the International Student Center. She is one of the six white members of the National Council of Negro Women.

We are proud to honor Mrs. Ruth Cope as a Good Neighbor and our Post-Standard Woman of Achievement for 1972.

PUBLIC RELATIONS: MRS. F. WESLEY GREER

"It is clearly the responsibility of the public relations person to construct bridges of communication by which the community will be made aware of the organization's purposes and goals."

Mrs. F. Wesley Geerer, who spoke these words, has done an outstanding job in constructing bridges of communication to the community on behalf of local organizations. It is for this reason she is being cited as the 1972 Post-Standard Woman of Achievement in Public Relations.

The enormous amount of work which she has done in public relations on a volunteer basis, but always with professional efficiency, has aided such organizations as PEO. University Methodist Church, Syracuse Day Nurseries, the Corinthian Club, Auxiliary to Community General Hospital, the World Health Organization in Syracuse and the Syracuse Symphony Guild. The work with the Symphony she considers her most challenging undertaking.

For her work with the Symphony Guild, she received the Theta Sigma Phi honorary mention for excellence in public relations. Also as editor "Intercom," the monthly newsletter for the Auxiliary to Community General. Mrs. Geerer receiver the Theta Sig award for "Best Community Service Organization Newsletter."

When she undertakes a PR job, she gets in with both feet. "I immerse myself in it," she says, "and when I get involved, I give as much to it as I can."

Her involvement as the public relations person of an organization often has led her to the presidency of that organization. This has been the case in her work with Women's Society of Christian Service at University Methodist, the AD of PEO and the Corinthian Club where she served as president from 1964 to 66. She is currently chairman of the finance committee for that organization. And, last summer aPt Geerer chaired their Stars-at-Luncheon Series.

Active in all types of public relations work, in 1968 she served locally as co-chairman of Citizens for Nixon-Agnew. For her efforts she was invited to the Inaugural Ball.

Next October she will become the first lady of another organization when she takes over as president of the Auxiliary to Community General Hospital.

Perhaps the key to her success in communications is the way she looks at communications. "Good communications between people in a matter of empthy."

RELIGION: REV. BETTY B. SCHIESS

"I believe the church is worth fighting for. Too long has it been shrouded in medieval hypocrisy—preaching one thing and practicing another. It has preached peace, but supported war, it has stressed brotherhood, but refused to give women equality in executive positions or in the ministry," said the Rev. Mrs. Betty Bone Schiess.

Mrs. Schiess has the distinction of being the first woman in the Episcopal Diocese to be ordained to the diaconate, and is now serving as curate in Grace Episcopal Church in Baldwinsville.

A native of Cincinnati and a graduate of Cincinnati University, she came to Syracuse University for master's degree in education, and here she met her husband Dr. William A. Schiess.

As an Episcopalian, Mrs. Schiess found she had no voice in the decision-making policies of the church. This bias against women prompted her to enter the seminary and study for the ministry. She became a student at the Bexley Hall Episcopal Seminary of the Colgate-Rochester Divinity School in Rochester. For the past four years she has commuted from her home on Bradford Lane to the Kodak city, and having completed her studies, she was ordained by Bishop Ned Cole on June 25th in St. Paul's Cathedral.

As a part of her curriculum in the seminary, she was trained and became a qualified clinician to work with the Y-Med program for teen-age pregnant girls, a work she is continuing.

Mrs. Schiess is justly proud of her diploma confirming the completion of her four years of arduous study in Bexley Seminary. But she noted, this and her ordination to the diaconate are only a half-way mark toward her goal of full priesthood. Having passed the canonical examinations which are nationwide, she pointed out she must have the approval of the vestry, the standing committee, the bishop of the diocese, and the recommendation of the seminary faculty, simple for a man, but not so easy for a woman, she remarked.

Dr. and Mrs. Schiess have three children, Sally 15, Richard 23, and Billy 24.

Mrs. Schiess feels that women as ministers can be of greater service than men who have not had the daily contact in seminary with women as colleagues, yet are going into parishes where women predominate.

"The assumption is that only men can be clergymen, an illusion inherited from Biblical times," she said.

Mrs. Schiess is a committee member of the Gifford Foundation Scholarship Fund, she is on the state, national and church organization for civil liberties, vice president of the International Association for Women Ministers, and a board member of the State Coalition for Family Planning.

SOCIAL SERVICE: MRS. CAROLINE RUHE

A social worker, a wife, a mother, a teacher and a volunteer, Mrs. Caroline Ruhe has donated generously and unselfishly to the community of Syracuse. For this reason, she is being cited as a Post-Standard Woman of Achievement in Social Service.

Her career has encompassed many phases of social work, and her untiring efforts on behalf of others are well-known.

This year, as for the past three years, she has served as coordinator of the Christmas Bureau, and, as for the past three years, she has worked hard to make life a bit better for someone else.

She would prefer to be known as a doer, rather than a do-gooder and is particularly proud of being called "honest."

Her career in social work actually began after college in Rochester where she used her knowledge in English and Drama for group work at the YWCA. Her interest in the YW carries through to the present day, since she served last year as president of the YW Board and helped institute the new group home at the YWCA.

She obtained her master's degree in social service at Boston University, and while in Boston worked at the well-known New England Home for Little Wanderers.

Her interest in children's welfare continued, and in her home she raised five foster children in addition to her own two offspring. She also worked as a case worker and served as a board member of Child and Family Services. And as early as 15 years ago, she was placing handicapped children in adoptive families.

In 1960, she became a member of the Syracuse University School of Social Work faculty where she developed and supervised the Field Work Unit. Four years later, she became training director of the County Department of Social Welfare and subsequently director of staff development and training for the Onondaga County Department of Social Services—a job from which she retired in 1970.

She was also first chairman of the Summer Careers in Social Work Program sponsored by the Y board.

She is active on both the presbytery and synod levels in the Presbyterian Church and has chaired the National Missions Committee of the Cayuga-Syracuse Presbytery.

The connection between her work with the church and her social work can be summed up in what she says: "One has to learn to be secure in their own beliefs in their own way to recognize the needs of others."

VOLUNTEER LEADERSHIP: MRS. THOMAS BARRY

"I guess I just like people," says Mrs. Thomas J. Barry, our Woman of Achievement in Volunteer Leadership, modestly summing up a career of unselfish involvement with people and good causes.

Just three years after joining the Mothers' Club at Webster School she found herself president. She organized the Grant School Parent Group, helped form the Henninger High School Community Organization, served as vice president and president of the Council of Independent Parent Organizations and chairman of the Scholarship Committee of CIPO. The Syracuse City School District awarded her the Educational Distinction Award.

On the Five Year Building Program Committee for the Syracuse School System, she worked with the Study Committee for the new wing for Central Technical High School, and served five years as co-chairman of the College Week Program for Syracuse Schools. She was a member of the Committee for Prevention of Juvenile Delinquency in Onondaga County and co-chairman of the Advisory Committee of Onondaga Community College to study the needs for women at the college.

Grateful for her own recovery from polio, Mrs. Barry worked as Eastern New York state women's advisor for the National Foundation, as chairman of the Syracuse March of Dimes Drive, on the Board of Directors, and as chairman of the selection committee for Health Careers. She was president of the Robert W. Oliver Scholarship Fund and has worked with the Arthritic Foundation and the Mental Health Association.

A volunteer in the YWCA nursery for years, she has served as treasurer and vice president in the Federation of Women's Clubs. On the Board of Directors of the Better Business Bureau, Mrs. Barry is a member of its Consumer Advisory Committee. Recently she participated in the Red Cross's Project FIND. As chairman of WHEN'S "Call For Action" she is at her post two days a week and responsible for training the telephone volunteers.

Gen Barry's warm and close family includes husband, Thomas J. Barry, daughter, Linda, now Mrs. Anthony Viscome, and son, Thomas W. Barry, and one granddaughter, Lisa. We salute Mrs. Thomas Barry, our Post-Standard Woman of Achievement for Volunteer Leadership in 1972.

LABOR-HEW APPROPRIATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. HOLT) is recognized for 5 minutes.

Mrs. HOLT. Mr. Speaker, on February 21 I voted against House Joint Resolution 345 which was the continuing resolution which provided funds first for those activities financed in the Labor-HEW appropriation bill and second for foreign assistance programs.

I would today like to explain my vote on this resolution and to cite a practice of this distinguished body which I feel is not in the best interests of the American public.

I was elected to the House of Representatives on a platform which stressed fiscal responsibility and efficiency in government. I do not feel that I can adequately pursue this quest when Congress is forced to consider separate identifiable programs under one bill. I strongly object to the procedure whereby foreign aid was combined with educational funds. Being a strong supporter of education and an equally ardent critic of our foreign aid program there was no way which I could vote my conscience on these issues. In order to demonstrate my displeasure with foreign assistance I was forced to vote against educational moneys.

The Congress has a vital role to play in the implementation of a philosophy of fiscal responsibility in the Federal Government. This role will not be properly fulfilled if we persist in acting on measures such as House Joint Resolution 345. I strongly urge my distinguished colleagues to cease practice of grouping unrelated programs in such resolutions. This, I believe, is in the best interests of the taxpaying American people.

ABDNOR GOES TO BAT FOR THE AMERICAN FARMER WITH THE AFL–CIO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. ABDNOR) is recognized for 5 minutes.

Mr. ABDNOR. Mr. Speaker, I would like to share with my colleagues in the House a letter which I recently wrote to George Meany, president of the AFL–CIO. The subject is food prices relative to labor demands for the coming wage negotiation period, and I believe it should be of interest to everyone who really wants to know what the farmer's standard of living actually is compared to the average wage earner.

The letter follows:

FEBRUARY 27, 1973.

Mr. GEORGE MEANY,
President, AFL–CIO,
Washington, D.C.

DEAR MR. MEANY: It was with much regret that I read your recent comment that if food prices kept rising there was no chance that labor would hold wage demands this year to the 5.5 per cent government guideline, suggesting that the limits be raised to 7.5 or 8 per cent.

Whether or not such raises are forthcoming, your statements regarding food prices shed an unfavorable light on the role of American agriculture in today's economy. Permit me to share some statistics provided by the U.S. Department of Agriculture:

The average American spent just 16 per cent of his disposable income on food in 1972, as low as any time in the last five years and considerably less than the 23 per cent of disposable income budgeted for food in 1952.

Retail food prices have risen 46.5 per cent in the past 20 years. The wholesale value of those products rose 28.7 per cent, while the farm value of the products rose only 12.6 per cent.

The average wage earner's paycheck, meantime, has increased 230 per cent in 20 years with fringe benefits jumping a whopping 700 per cent.

In 1952 the producer got 49 cents of each food dollar. Today he sees only about 38 cents of it.

The farmer and rancher have faced a doubling in the cost of farm machinery in the last 20 years, and seed and other incidentals have gone up 50 per cent.

So much for those statistics, Mr. Meany. The end result is that many farmers operate on a marginal existence. Those who cannot survive are forced off the farm into our already congested urban areas. Since 1952 the portion of our population making its living on the farm or ranch has dropped from 15 per cent to just 5 per cent.

Your efforts in behalf of organized labor in the past have been commendable, Mr. Meany. The American worker today enjoys the highest standard of living ever. The American farmer is striving for that same standard of living. Who are you to deny him that right?

Sincerely,

JAMES ABDNOR,
Member of Congress.

NATIONAL BAKE AND TAKE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 5 minutes.

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to discuss legislation I am introducing today requesting the President to proclaim the fourth Saturday in March of each year as "National Bake and Take Day."

In President Nixon's inaugural address he stated—

> In the challenges we face together, let each of us ask—not just how can government help, but how can I help?

This resolution will draw attention to the need for all of us to accept our commitment to our senior citizens and to share our society's abundance with those less fortunate.

The original idea for a Bake and Take Day was conceived by an organization called the Kansas Wheathearts. The Wheathearts serves as an auxiliary to the Kansas Wheat Growers Association and is comprised of the wives of the Kansas wheat growers. This event was originally planned in Kansas to share the product of the wheat grower in such a way as to bring happiness into the lives of the elderly, the shut-in, the needy, and the lonely. The Kansas Bake and Take Day has been most successful and I believe it merits a similar commitment on a national scale.

The participation on the part of citizens across our Nation in such a way would be a natural extension of the President's challenge—

> Let each of us ask not just what will government do for me, but what can I do for myself—to what can I do for others.

It seems to me a Bake and Take Day can work on a national scale because of two basic reasons. First, America's agricultural abundance is a matter of record. Second, this type of volunteer action will not cost the taxpayer anything. What better way to initiate a new era of concern and compassion than through personal contact and the delivery of baked goods of wheat and flour. This expression of compassion and understanding should help us all recognize our debt to our senior citizens.

This type of volunteer action on the part of community, church, and service organizations in organizing and implementing a program of delivering baked goods of wheat to those less fortunate can be achieved without Federal or State cost and is representative of our Nation's Christian philosophy of sharing with those who are less fortunate.

I am hopeful that it will be possible for the Congress to take prompt action on this resolution to establish the concept that self-help is best help, and to recognize the vital role of volunteerism in our American system in satisfying the needs of our senior citizens and those less fortunate.

The full text of the resolution is inserted for your consideration:

H. CON. RES. 133

Resolved by the House of Representatives (the Senate concurring),

Whereas, wheat and the products of wheat, most commonly bread, are one of man's oldest crops and cultivated foods;

Whereas, wheat provides more nourishment for peoples of the world today than any other food, serving as a staple in 43 countries and to over a billion people;

Whereas bread and baked goods can play a significant role regarding our nation's commitment to feed the hungry and malnourished in the United States and throughout the world;

Whereas, bread and other bakery goods are recognized as containing needed nutrients to combat malnourishment due to their low-fat, low cholestrol characteristics;

Whereas, President Nixon has declared, "a just and decent society must recognize its debt to its older citizens and honor its obligations to them";

Whereas, the problems of hunger and malnourishment are especially acute among our nation's senior citizens;

Whereas, these problems can be answered, in part, through voluntary Christian action on the part of community, church and service organizations and achieved by the free delivery of baked goods of wheat to the elderly, the shut-in and the disabled;

Whereas, volunteer action on the part of community, church and service organization in organizing and implementing a program of delivering baked goods of wheat to the elderly can be achieved without Federal or State cost and is representative of our nation's Christian philosophy of sharing with those who are less fortunate: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the President is requested to issue a proclamation designating the fourth Saturday in March of each year, as "National Bake and Take Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

THE POSTAL "SERVICE"—OFF TARGET AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR) is recognized for 30 minutes.

Mr. SAYLOR. Mr. Speaker, one of the greatest experiences in English literature is to read the myriad of accounts of Robin Hood, Little John, and Friar Tuck and their merry band in Sherwood Forest. As you read of Robin who roamed free, taking from the rich and distributing the wealth among the poor, one is reminded of the modern-day version of Robin Hood which takes place in the U.S. Postal Service. Robin Hood, portrayed by Postmaster General Klassen, and his merry men whom he calls experts, who have added a new twist to the story. They dig deeply into the pockets of the rich and poor under the guise of efficiency.

In fact, the mailbox mandarins have even solved the age-old curse of discrimination. You see, they swipe postal service from everyone, regardless of race, sex, color, religion, national origin or political affiliation.

The obvious failure of the postal system has given birth to one question that has spread across the land—does anyone have a kind word for the U.S. Postal Service? Every town, village, city and State answers with a frightening silence, alas, no kind words.

Yet in a distance, a reassuring voice is heard. The voice grows louder and more intense until it becomes a deafening roar—"our postal service is better than ever before." Before what I ask—the invention of the wheel? Only one man would have the gall to utter such words of nonsense—enter Postmaster General Klassen mounted high atop his molasses-colored snail.

Seriously, the time has come for Congress to reexamine the entire operation of the Postal Service. After my last denunciation of the "Service," I had the pleasure to read hundreds of letters from citizens all across the Nation supporting my bill, H.R. 1152, which is designed to abolish the present U.S. Postal Service. I did not receive one letter of disagreement with my position, except for the correspondence I received from the Postal Service itself.

I do not feel my criticism of the Postal Service has been unduly harsh; in fact quite the contrary is true. The incompetency of the managment elite in maintaining a line of communication with its employees is disgusting. I am now going to quote direct from the letters I have received—not from ordinary citizens, but from mailmen—past and present—who have witnessed the gross inadequacies and inefficiencies of the U.S. Postal Service. Also, in my previous statement regarding the "Service," I described the high echelons of postal management as being misguided idiots. I was wrong. There is no managment at all—only a flustered collection of redtape, razzle-dazzle functionaries whose self-imposed ignorance has raped the average postal employee of his zeal, perseverance, and pride.

My first exhibit of proof is a news item that appeared in the Johnstown Tribune Democrat of January 11, 1973, describing one employee's exit from the Postal Service:

EX-POSTMASTER SCORES SERVICE

EBENSBURG.—"The postal service has deteriorated to the point where there just isn't any service any more as far as I'm concerned," says Donald C. McBreen, who quit Dec. 31 as Ebensburg postmaster.

Mr. McBreen hung it up at the age of 49 with 28 years of service, thus losing 12 percent of what his retirement would have been had he waited until age 55.

"I used to love my job," said the former postal chief, "but I started hating it in September when I lost my assistant."

The assistant, Arthur Burkey, who has been officer in charge here since Mr. McBreen resigned, was transferred to the Altoona Post Office in September for several weeks.

Mr. McBreen said the Ebensburg office had lost three men—two carriers and an assistant—since last March, and had been given no replacements.

"This caused me to work 60 to 64 hours a week," Mr. McBreen stated.

"I was a clerk in the daytime and postmaster at night and weekends. I also lost 13 days of vacation I had coming. It was refused because I didn't have anyone to take my place."

As for the Christmas rush, the resigned postmaster says:

"This Christmas was the worst I've had the displeasure of working. We had the worst pileup of mail. There must be 50 sacks of third-class mail still there."

Mr. McBreen puts the blame on new policies that went into effect after the U.S. Postal Service took over.

As for John Burgo, who is manager postmaster in Johnstown, Mr. McBreen says:

"He's just following orders from higher up."

Another mailman from my district said he used to enjoy being a postman, but now—

> We live more or less under what I would call dictatorial conditions. I was told by my superior not to contact you or any other elected official for I would be inviting dismissal . . . if anyone needs any answers send them to the working people, not to the top brass . . .

A letter from the wife of a postman asked me to look into the mess the Post Office has made:

> My husband is not permitted to write to you because he is a mailman. For the sake of saving man hours, my husband said that they were forced to curtail as many as 2,000 letters per day because there was no help. Can't something be done to reverse this downward spiral of the Postal Service?

A postal clerk from Florida writes:

> I have been a postal clerk for years and have seen the system deteriorate since the Postal Service took over. At our local office, management has done its best to threaten and intimidate the personnel . . .

Another employee of the "Service" states:

> Things have been terrible around here for some time now and they don't seem to be getting any better. I do not know if I am permitted to send you this or not, I could get in trouble for it, I know we are not allowed to speak out against the Department

> or anything like that . . . The way they are doing things—they are driving good men out of the service. Men choose retirement rather than put up with the Department's methods . . . the morale of this office has sunk to an all time low . . . I think the Congress owes the public something better than the present group of uneducated, greedy, headline-hunters . . . All the employees wish that the Postal Service had not been created because they do not try to solve problems . . .

A constituent writes:

> This is my 23rd year of service and the past year has been the worst I have ever experienced, all due to the present Postal Service. Career employees are being cut in hours, or their status is being changed so that they would either retire or quit. The remaining men are being harassed . . . the service is a real inconvenience to the public and we as employees are the targets of very harsh criticism . . .

A former postal employee, now living in Sacramento recalls the early days of the Postal Service:

> When Red Blount introduced his next-day delivery program (for points within 600 miles), he talked to a group of us about commitment and how much he was counting on his administrative staff to see that the program worked. Well, recently I received a check in the mail from an individual in Sacramento (a few miles from my residence) and it was received five days after its local postmark. You will recall that about 650 of us left the Post Office (from headquarters alone) on May 30, 1971 and many more retired from the regional offices. It was not because we wanted to give up the salary. We saw the handwriting on the wall . . .

A gentleman with 31 years of service describes his feelings:

> Two words can describe the objectives of the Postal Service when I was an employee and they were efficiency and service . . . This is all the people want today. My friends at the local post office are efficient and move the mail promptly. However, they must always operate as directed by the higher positions and I do not mean local postmasters because they must carry out the directions given to them . . .

An employee from eastern Pennsylvania writes:

> I am employed by the U.S. Postal Service. I would like to be proud to say that I am so employed, but under the present conditions this is impossible.

Another constituent states:

> I am a postal clerk employed at . . . and I have worked in the service since 1956. I have career status now, but to remain in this office I have been given a choice to take a cut in status, which is a subclerk, also a cut in hours, or take a transfer to another office. It is up to the higher echelon. They send a lowly clerk anywhere they see fit . . .

A long-term postman offers the following remarks:

> Being one who has been a postman for 25 years, it does my heart good that there is really someone concerned about the service besides the rank and file who at one time were proud of the part they played in the delivery of the mails . . . We the foot carriers are the real ones that hear the complaints of the public for we are closer to them and they trust us with expressing their opinions. Believe me, as of late they are really numerous . . .

Finally, a union which represents postal workers comments:

> It is very frustrating to us to be called to task for what is basically mismanagement.

If you are as shocked by the above remarks as I was, you realize the urgency with which Congress must act in order to regain control of the Postal Service. It is no wonder the employees are disillusioned with the system.

It is the duty of Congress to bring Postmaster General Klassen and his high-ranking prima donnas under control before they totally obliterate the postal system of this Nation.

The following passages are examples of countless situations that were caused by the lack of management in the U.S. Postal Service. I present them as further proof in justifying the revision of the postal operations of this country.

A newspaper owner in eastern Pennsylvania writes:

> Being in almost daily contact with our Postal Service, I have seen my frustration increase over the past few years at their poor service, shorter hours and senseless regulations compounded by endless red tape.

A businessman in the northern section of my congressional district comments:

> There is not one Postmaster that runs his own office in the Erie District . . . I have to beg my local postmaster to move my first class mail, and how in . . . can any office be run by remote control by the Superintendent of the mails. I have never seen moral so low in the 25 years in this Post Office.

The owner of an import-export firm in my district writes:

> In fact we should close by mentioning that we have had letters coming from Pittsburgh (a distance of 65 miles) taking three days to reach us. How do you expect us to conduct business under such conditions. We hope that your complaint may be understood by your colleagues so that some Congressional directives may be issued for some improvement for the most disastrous service we have had during the past fifty years of our firm's activities.

Another constituent relates one of her perplexing moments with the "Service":

> A relative who lives in Sandusky, Ohio sent three letters to us (Meyersdale, Pennsylvania). These letters were addressed correctly and all sent on the same day. One letter arrived four days later, and the third not until the seventh day . . . This was after the Christmas rush . . .

A lady in Johnstown, Pa., had a Christmas card mailed to her from England on December 12. I admit that this was a little late for mailing but the letter still did not arrive until February 7, 1973.

Another frustrated constituent remarks:

> It doesn't make sense to me that a letter which is mailed at our post office should go 60 miles (to a regional sectional center) instead of going the necessary 1 to 3 miles for delivery. It takes four days for the letter to go 1 mile.

A lady from my district writes:

> Last January, a friend of mine mailed a letter to me on Monday, January 10 before he went to the hospital for a heart operation. I received this letter Wednesday, January 19—two days after his funeral.

The letter only had to travel a mere 30 miles, yet it took 9 days.

A fraternal organization from my district states:

> The last letter I mailed was on the 29th of December, 1972. It was to announce the meeting for the 18th of January, 1973. At the meeting on the 18th I was advised that some of the members did not receive their notices until the 15th or 16th . . . now this is getting out of hand. I know our letters do not rate priority but three weeks or more to get letters delivered in the same county is too much to accept. I was visiting a local post office outside the county the other day and noticed that they had stacks of mail in the back room . . . They advised me that it was not their mail, but sent to them from a larger post office for sorting and was to be returned. They cannot do the work at the larger post offices and still they are cutting the work force.

A businesswoman from Johnstown, Pa., says:

> It is our hope that the Government will again reclaim the Postal System. It's a mess in Johnstown. We made a test in October, 1972, by mailing a letter at the Post Office in Johnstown to be sent back to us about one and one-half blocks away. It was received four days later . . .

Undoubtedly, you all read the UPI story describing the plight of one woman in Hawaii which read:

> It took 61 days, but a postcard to Miss Olivia Lowcher made it the 1½ miles from the Waikiki-Kapahula Library to her home.

Finally, I would like to register my own complaint concerning the ineptness of the 20th century highwaymen. As a member of the Loyal Order of Moose, Suitland Lodge No. 1856, I was to receive the monthly activities calendar through the mail. There is no doubt I received it—on February 24. That is not too unbelievable considering it was mailed on February 2. After all, to deliver a letter to my home in Pennsylvania, less than 200 miles away, over a span of 22 days, with only two bent corners and a slight tear is quite an accomplishment. So continues the typical service of our postal system. For a moment, let us see what people expected from the postal service in the 1880's.

While reading a book written about the Old West, I came across a letter from N. Rush of Eagle Rock, Idaho Territory dated August 21, 1884, written to Josh Deane, Meeteetsee, Wyoming Territory. The closing line of the letter reads:

> Got to go and stand by my day guard so I send this to town with one of the boys, hope it sees you before the snow flies. Good luck.

In other words, N. Rush hoped his letter—mailed August 21—would reach Josh before the snow fell in the middle of October. Therefore, he allowed approximately 2 months for delivery. Is it not ironic that the present postal service is equivalent to that of 89 years ago?

The above examples are typical of the complaints which I have received on the lack of service being offered by the U.S. Postal Service. You must agree, they make an exceptional case for eliminating the Service.

The actions of the mail moguls have led to the drafting of resolutions by several organizations in my district such as the one that follows which was adopted by the Somerset County Pomona Grange, No. 39. This particular resolution is a reaction to one of the countless mismanaged aspects of the U.S. Postal Service known as the regional sectional center.

Whereas, much dissatisfaction due to delay in mail deliveries has been experienced since the centralization of postal operations, and

Whereas, many of our citizens' livelihoods depend upon prompt, efficient and safe delivery of our mail, and therefore be it

Resolved, that we go on record as favoring a return to former way of handling our mail. (That is returning the sectional center to Somerset instead of taking the mail to Johnstown for distribution), and be it further

Resolved, that copies of this resolution be sent to U.S. Representative John P. Saylor and State Grange.

I could continue to introduce evidence to show that the Service should be eliminated, but I would need 500 pages of the Congressional Record to do so. However, you may be assured that until the Postal Service is dismantled, I will continue to investigate the system and report all that I find wrong with its operations.

In summation, I remind you that 400 years ago, the first stories of Robin Hood appeared. There was little mail service then—and we seem to be regressing to that time.

I suppose the one major difference between Robin Hood and Mr. Klassen is that Robin had a quiver full of straight arrows, each landing exactly where he aimed. Whereas, Postmaster General Klassen has a quiver full of crooked arrows and a bow fashioned of "silly putty." His arrows fly through space, never hitting their target—just like his mail.

RESPONSE TO THE PRESIDENT'S MESSAGE ON THE ENVIRONMENT AND NATURAL RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFall) is recognized for 10 minutes.

Mr. McFALL. Mr. Speaker, our distinguished Speaker of the House, Hon. Carl Albert, responded to the President's message on the environment and natural resources in eloquent terms last week. The Speaker, on behalf of the Democratic majority in Congress, noted the achievements of the 92d Congress in passing major environmental programs and asserted that the 93d Congress will do even more to protect the environment. Our Speaker noted that much remains to be done, but that the Congress cannot succeed without the cooperation of the President. The text of Mr. Albert's radio statement of February 23 is inserted below, and I recommend his remarks to you all.

Speaker Carl Albert's Nationwide Radio Response to the President's Message on the Environment and Natural Resources

The Democratic majority in Congress has asked for this radio time in order that I might talk with you about the environment and what Congress is doing to improve it.

Today the problems of pollution, waste and environmental degradation are critical. They threaten us on a long range as well as day to day basis. As solutions for old problems are found, new problems are uncovered. For example, within the last two weeks, an ocean-exploration team from the Department of Commerce discovered a vast sea-within-a-sea of floating oil and bits of plastic stretching from Cape Cod to the Caribbean.

Recently the Environmental Protection Agency determined that sulphur dioxide levels in most cities are so high as to be a hazard to the health of school children and adults. I could go on and on.

The point is that the fouling of our environment has been a long, slow process stretching back to colonial times and rapidly accelerated in the 20th century. Our environmental achievements over the past 10 years are dwarfed by what remains to be done. It is an awesome project. It is a costly project. I can, therefore, understand President Nixon's eagerness to claim victory and withdraw from the environmental crisis.

I wish I could agree with Mr. Nixon's recent statement that "we are well on the way to winning the war against environmental degradation." However, the problem has been and still is very critical. The war is not close to being won.

Our air may be a bit cleaner, as the President says, but it is not clean enough.

Our water may be a bit cleaner, as the President says, but it is not clean enough.

I do not intend to paint a dismal picture of the environment just to take issue with the President. This crisis goes beyond partisan politics to the very heart of our existence. It is a crisis that demands our greatest dedication and expertise.

In his environmental message to the nation, Mr. Nixon chose 19 rather narrowly drawn bills—most of them left over from last year—as the vehicle of his environmental policy. The President would have done well to note that the last Congress passed more than 150 bills dealing with the environment and natural resources. More than 90 of these measures became law, and today they form the new nucleus of this nation's environmental programs. The 92nd Congress can make good claim to having the most effective and productive environmental session in history.

Many of the most important bills passed last year were not requested by the Administration. One item the President claims in his list of 19—the Safe Drinking Water Standards Bill—was not initiated by the Administration and was in fact opposed by the Administration.

The most important environmental bill passed by the 92nd Congress was the Water Pollution Control Act Amendments of 1972. This was the biggest and most far-reaching anti-pollution measure in the history of the United States. It was designed to give us the muscle we desperately need to clean up our water.

Needless to say, it was a great disappointment to Congress and the nation when the President vetoed this bill. That disappointment resounded throughout Congress as both the House and the Senate voted overwhelmingly to override the President's veto. It was obvious that Members of Congress from both parties were determined not to let the President's action intefere with our all-out assault on water pollution. However, the President was just as determined to delay anti-pollution efforts and arbitrarily decided not to spend $6 billion dollars of the money Congress appropriated.

In addition to the serious Constitutional question involved here, the President's action means that now we will not be able to move quickly to purify the water that you and I and our children will use. We will be losing precious months and maybe years—time we cannot afford to waste.

In addition to the Water Pollution Control Act, the 92nd Congress enacted other measures of critical importance to the environment, including landmark legislation in such areas as anti-ocean dumping, pesticide control, noise pollution control, ports and waterways safety. Two other major measures were enacted over the bitter resistance of the Administration, one dealing with Coastal Zone Management and the other with the protection of Marine Mammals, Whales, Porpoises, Seals and so forth, which are fast headed toward extinction.

To be sure, there are certain environmental measures which were not enacted into law during the 92nd Congress. First in priority are the bills which were vetoed by the President: This includes Flood Control Legislation which has already been re-passed by the Senate this year and is now pending before the House; it includes a vetoed mining and minerals policy amendment; and a vetoed environmental data system.

In our judgment, four of the nineteen measures mentioned by the President are of particular significance: strip mining controls; toxic substances controls; land use policy; and power plant siting. All of these are once again in the legislative mill. The Congress is aware of the need for legislation in these areas. Indeed, the initiative had already been taken in the House and the Senate to deal with them before the arrival of the President's message on the environment.

One area where the President has taken the initiative, albeit negative, is agriculture. Secretary of Agriculture Earl Butz recently said: "I would like to invite all the people of the United States to join our farmers and ranchers in improving the quality of our environment. Farmers manage wisely a large part of our natural resources." Yet the President has impounded funds for the Rural Environmental Assistance Program. This longstanding and much needed program has greatly enhanced the environmental state of rural America and should be continued. A bill to restore these rural environmental funds has already passed the House.

I can assure you that environmental legislation will be given top priority. The 93rd Congress, like the Democratic Congresses before it, will accept its full responsibility to the American people to protect the environment.

However, Congress cannot do the job alone. We will need the help of you, the people, and the President of the United States. We cannot afford another crippling setback like the veto and withholding of funds from the Water Pollution Bill.

The battle is not won. It is just beginning. Only if we use every resource at our command will we ever begin to catch sight of victory. Only if the President will join with Congress in enacting and implementing strong, far-reaching environmental legislation will we be able to make the United States a more beautiful and safer place to live.

CONSUMER SAVINGS DISCLOSURE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. Roy) is recognized for 5 minutes.

Mr. ROY. Mr. Speaker, I am today introducing legislation which would provide for the full disclosure of the terms and conditions under which earnings on savings deposits are payable. This bill is similar to H.R. 8365 which I sponsored during the 92d Congress.

I am extremely pleased that the distinguished Congresswoman from Missouri (Mrs. Sullivan), chairman of the Consumer Affairs Subcommittee of the House Banking and Currency Committee, has joined me in the introduction of this legislation.

The Consumer Savings Disclosure Act is a very straightforward piece of legislation. It would merely require the standardization of terms used by savings institutions. It would not impose upon savings institutions a uniform method of calculating earnings.

Americans place more than $40 billion of disposable income into savings each year. This money is saved in order that consumers can meet short-term needs—such as the purchase of a new television set—and long-term needs—such as the purchase of a new home or the provision for a college education for children. When individuals shop for a new car, they attempt to find the best buy, taking into account many different factors—price. warranty, availability, and so forth. Accordingly, when individuals place funds into savings accounts, so should they look for the institution which best meets their needs for safety, liquidity, earnings, growth, and so forth.

Regretfully, at the present time, consumers do not have adequate information to determine which savings institution has the appropriate mix of factors best suited to their needs. According to the American Banking Association, there may be as many as 100 different methods of earnings computation in use today. These range from last-in-first-out, first-in-first-out, low balances, day-of-deposit to day-of-withdrawal accounts, daily interest and grace days, combined with the multitude of possibilities of compounding, which include semiannually, daily and continuously. It is no wonder the consumer cannot presently compare savings institutions to determine the one which best meets his needs.

In addition, the amount of information supplied consumers, albeit not necessarily in a standardized terminology, varies from fairly complete to minimal. Studies have shown that many times vital information necessary to make informed choices is lacking.

A graduate student at Kansas State University found that the officers at savings institutions frequently were unable to fully describe their own plans in a manner that would permit the comparison of one plan with another. Furthermore, it was discovered that it was possible for two institutions which would appear to be comparable to vary by as much as 171 percent in the amount of earnings paid on a 6-month savings program which the student had developed. The differences resulted from variations in the methods used in computing the balance to which the rate was applied, that is, whether the institution computed earnings by applying the rate to the savings balance derived by use of FIFO, LIFO, average daily balance, or other method. Such attention to differences in methods may seem petty, but quite obviously, they can be extremely significant to the consumer. Yet, such information is not routinely fully disclosed.

In addition, the consumer is not routinely supplied with information that would be needed to check the accuracy of the account, so that no matter how mathematically skilled the consumer, it is impossible to check the accounts. Dr. Richard L. D. Morse at Kansas State University, whose work was invaluable in the preparation of this legislation, opened two identical $500 savings accounts on the same day with the same institution, each paying the same rate of interest, and so forth. At the end of the first year, one account paid $18.96 and the other $22.04. Had these not been identical accounts, such differences probably would have gone unnoticed. He was unable to compute the correct amount of interest from the information given him on the passbooks. When the differences were called to the attention of the savings institution, the error was readily acknowledged and both accounts were subsequently credited with the $22.04.

There are three critical points in the savings transaction when the consumer must have full information in order to act intelligently and responsibly:

First. At the time the consumer is shopping for a savings institution in which to place his funds so he can select the one which best meets his needs and thereby fulfill his responsibility of rewarding that savings institution which serves him best;

Second. During the life of the contract so the consumer can exercise his responsibility of taking advantage of opportunities in the market as they arrive;

Third. When earnings are paid in order to verify his account.

There are five items which need to be uniformly disclosed to the consumer:

First. Period—the time unit for compounding—quarterly, daily, and so forth;

Second. Periodic percentage rate—the rate which is actually applied in figuring earnings for the period;

Third. Annual percentage rate—the annualized expression of the periodic percentage rate, that is, the periodic percentage rate multiplied by the number of periods in a year;

Fourth. Annual percentage yield—a percentage expression of the dollars of earnings over a year's time per $100 of initial deposit, resulting from applying the periodic percentage rate at the end of each period to the initial deposit plus previous earnings;

Fifth. Balance—and how it was computed—the amount to which the periodic percentage rate is applied—LIFO, FIFO, daily balance, and so forth.

Mr. Speaker, there is a need for clear and meaningful savings disclosure. I think that the bill I have introduced answers those needs. The American public deserves to have all the facts needed to make prudent investment decisions, not merely to be protected from misleading practices. This bill sets disclosure standards which all consumers, indeed all savings institutions, should welcome. It in no way tells financial institutions what they should pay or how they should pay it. They are free to compete. It merely directs these institutions to present, in a clear and direct manner, what they are actually doing, and what they intend to do, for the depositor.

There has been concern expressed that the purposes of this act can be accomplished by regulation; that is, the regulatory agencies could exercise their authority so legislation is unnecessary. To this, I wish to make three observations:

First. Not all savings institutions are regulated, so standardization of terms for usage by regulated institutions would give an unfair competitive advantage to unregulated institutions;

Second. From a consumer's viewpoint, all savings terms and proposals should be comparable—not just those offered by regulated savings institutions;

Third. To date, the regulatory agencies have failed in their efforts to propose comparable regulations. Indeed, last May regulations were issued to clarify the question concerning the number of days in a year, and did so by leaving institutions free to use 360, 365, or 366 days. Furthermore, they recongized fractional years by allowing such a month as February to be figured as 30/360, 30/365, 28/360, or 28/365.

The Consumer Savings Disclosure Act, like its predecessor "Truth in Lending," would require the standardization of terms in order to allow more efficient and accurate communication. This is very important to consumers. Consumers have certain rights, needs, and responsibilities which, if met, will enable them to perform better their role in a free enterprise economy. President Kennedy first stated the rights of consumers to be the right to safety, the right to be informed, to choose, and to be heard. In the Consumer Savings Disclosure Act, the right of the consumer to be supplied with the information needed to make informed choices is that which is addressed.

I invite my colleagues to read this bill, the text of which is included below:

H.R. 4985

A bill to establish a Consumer Savings Disclosure Act in order to provide for uniform and full disclosure of information with respect to the computation and payment of earnings on certain savings deposits

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Truth in Savings Act."

FINDINGS AND PURPOSES

SEC. 2. The Congress finds that economic stability would be enhanced and competition among savings institutions would be improved by the full disclosure of the terms and conditions under which earnings on savings deposits is payable. It is the purpose of this Act to require a meaningful disclosure of the terms and conditions of the payment of earnings on individual savings deposits so that the individual will be able to compare the various savings programs available to him.

DEFINITIONS; APPLICABILITY

SEC. 3. (a) For the purpose of this Act—

(1) "Board" means the Board of Governors of the Federal Reserve System;

(2) "individual" means a natural person;

(3) "individual savings deposit" means (a) any deposit or account in a savings institution which consists of funds deposited to the credit of one or more individuals or in which the entire beneficial interest is held by one or more individuals, and upon which earnings are payable, or (b) shares in a savings institution which are issued for the savings of its members and upon which earnings are payable, or (c) any evidence of indebtedness issued by a savings institution to one or more individuals or in which the entire beneficial interest is held by one or more individuals, and upon which earnings are payable. Such terms includes regular, notice, and time deposits, and share accounts, and any other such deposits and accounts, whether or not evidenced by an instrument;

(4) "earnings" means any amount accruing to or for the account of any individual as compensation for the use of funds constituting an individual savings deposit. Such terms

includes dividends and interest on any individual saving deposit.

(5) "payable", when used with respect to a certain date or period of time, means the date on which or the period of time after which an absolute right to earnings exists, regardless of whether the earnings are actually paid;

(6) "savings institution" means any person, firm, corporation, association, or organization which in the regular course of business receives and holds or issues individual savings deposits and pays earnings thereon;

(7) any reference to this Act, to any requirement imposed under this Act, or to any provision thereof includes reference to the regulations of the Board under this Act or the provision thereof in question.

(b) Nothing in this Act applies to any transaction involving—

(1) a deposit of funds if the principal purpose of that deposit is to secure or guarantee the performance of a contract or the conditions of a contract for the sale or use of goods, services, or property;

(2) interest payable on premiums, accumulated dividends, or amounts left on deposit under an insurance contract;

(3) any obligation issued by a Federal, State, or local government, or any agency, instrumentality, or authority thereof, except that the Board shall prescribe rules and regulations to require disclosure by any agency, instrumentality, or authority of the Federal Government.

DETERMINATION OF ANNUAL PERCENTAGE RATE, PERIODIC PERCENTAGE RATE, AND ANNUAL PERCENTAGE YIELD

Sec. 4. (a) Periodic percentage rate is the rate applied each period to the principal amount for that period to determine the amount of earnings for that period and may be referred to as the PPR. If the period is less than one day, for purposes of disclosure, the period shall be construed to be either one day or the actual time interval after which earnings are payable, whichever is less, and the rate to be disclosed in lieu of the true periodic percentage rate shall be the factor used to determine the amount of earnings for a one day period.

(b) Annual percentage rate is the periodic percentage rate multiplied by the number of periods in a calendar year of 365 days for all years including leap year, and may be referred to as the APR.

(c) Annual percentage yield is the amount of earnings which acrue in one year to a principal amount of $100 as the result of the successive applications of the periodic percentage rate at the end of each period to the sum of the principle amount plus any earnings theretofore credited and not withdrawn during that year, and may be referred to as the APY.

REGULATIONS

Sec. 5. (a) The Board shall prescribe regulations to carry out the purposes of this Act. These regulations shall provide for clear, concise, and uniform disclosures of information required by this Act, and may contain such classifications, adjustments, and exceptions as the Board determines are necessary or proper to effectuate the purposes of this Act. All disclosures required by this Act shall be made only in terms as defined or used in this Act, as defined or used in the Truth in Lending Act or in regulations prescribed under that Act, or as such terms are further defined by the regulations of the Board. The Board may authorize the use of tables or charts for the disclosure of information required by this Act.

(b) The Board may prescribe such other rules and regulations as it determines to be necessary or appropriate to carry out the purposes of this Act.

GENERAL REQUIREMENTS OF DISCLOSURE

Sec. 6. (a) Each savings institution shall make available in writing to any individual upon request, and at the time he initially places funds in an individual savings deposit in such savings institution the following information with respect to individual savings deposits:

(1) The annual percentage rate;

(2) the minimum length of time a deposit must remain on deposit so that earnings are payable at that percentage rate;

(3) the annual percentage yield;

(4) the periodic percentage rate and the method used to determine the balance to which this rate will be applied;

(5) the number of times each year earnings are compounded;

(6) the dates on which earnings are payable;

(7) any charges initially or periodically made against any deposits;

(8) any terms or conditions which increase or reduce the rate of earnings payable as disclosed under items (1) or (3); and

(9) any restrictions and the amount or method of determining the amount of penalties or charges imposed on the use of funds in any deposit.

(b) Each savings institution shall disclose annually and at the time any earnings report is made to an individual in person, or by mailing to his last known address, with respect to his individual savings deposit—

(1) the amount of earnings paid;

(2) the annual percentage rate;

(3) the periodic percentage rate;

(4) the principal balance to which the periodic percentage rate was applied, and the method by which that balance was determined;

(5) any charges made against the account during the period covered for purposes of computing the payment of earnings and making the report; and

(6) any other terms or conditions which increased or reduced the earnings payable under conditions as disclosed under items (1) or (3) of subsection (a).

(c) The Board may, by regulation, authorize or publish tables of periodic factors which reflect compounding, and such other information as it determines to be necessary or appropriate in order to facilitate the individual's ability to verify the computation of earnings payable on any individual savings deposit.

(d) Not less than ten days before a savings institution adopts any change with respect to any item of information required to be disclosed under this section, that institution shall notify each individual depositor of each such change, unless such change is directed by regulatory authority.

DISCLOSURES IN ADVERTISING

Sec. 7. (a) Every advertisement relating to the earnings payable on an individual savings deposit shall state in print of equal prominence the annual percentage rate and the annual percentage yield. If that rate is payable only on a deposit which meets certain minimum time or amount requirements, those requirements shall be clearly and conspicuously stated.

(b) No such advertisement, announcement, or solicitation shall—

(1) include any indication of any percentage rate or percentage yield based on a period in excess of one year or on the effect of any grace period; or

(2) make use of the term "profit" in referring to earnings payable on such deposits.

ADMINISTRATIVE ENFORCEMENT

Sec. 8. (a) Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), by the Board;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions; and

(3) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any insured Credit Union.

(b) For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of the law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(c) Except to the extent that enforcement of the requirements imposed under this Act is specifically committed to some other Government agency under subsection (a), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this Act shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this Act, irrespective of whether that person is engaged in commerce or meet any other jurisdictional tests in the Federal Trade Commission Act.

(d) The authority of the Board to issue regulations under this Act does not not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this Act.

CIVIL LIABILITY

Sec. 9. (a) Except as otherwise provided in this section, any savings institution which fails in connection with any transaction subject to this Act to disclose to any individual any information required under this Act to be disclosed to that individual is liable to that individual for the damage sustained which—

(1) shall not be less than $100 nor greater than $1,000; and

(2) in the case of any successful action to enforce the foregoing liability, the costs of the action together with a reasonable attorney's fee as determined by the court.

(b) An institution has no liability under this section if within fifteen days after discovering an error, or upon receipt of written notice of an error and prior to the bringing of an action under this section the institution notifies the individual concerned of the error and makes whatever adjustments are appropriate and necessary.

(c) An institution may not be held liable in any action brought under this section for a violation of this Act if the institution shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(d) Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within one year from the date of the occurrence of the violation.

CRIMINAL LIABILITY FOR WILLFUL AND KNOWING VIOLATION

SEC. 10. Whoever willfully and knowingly (1) gives false or inaccurate information or fails to provide information which he is required to disclose under the provisions of this Act, or (2) otherwise fails to comply with any requirement imposed under this Act shall be fined not more than $5,000.

VIEWS OF OTHER AGENCIES

SEC. 11. In the exercise of its functions under this Act, the Board may obtain upon request the views of any other Federal or State agency which, in the judgment of the Board, exercises regulatory or supervisory functions with respect to any class of savings institutions subject to this Act.

EFFECT ON OTHER LAWS

SEC. 12. (a) This Act does not annul, alter, or affect, or exempt any savings institution from complying with the laws of any State relating to the disclosure of information in connection with individual savings deposits, except to the extent that those laws are inconsistent with the provisions of this Act or regulations promulgated under this Act, and then only to the extent of the inconsistency.

(b) This Act does not otherwise annul, alter, or affect in any manner the meaning, scope, or applicability of the laws of any State, including, but not limited to, laws relating to the types, amounts or rates of earnings, or any element or elements of earnings, permissible under such laws in connection with individual savings deposits, nor does this Act extend the applicability of those laws to any class of persons or transactions to which they would not otherwise apply.

(c) Except as specified in section 10, this Act and the regulations promulgated under this Act do not affect the validity or enforceability of any contract or obligation under State or Federal law.

REPORT TO CONGRESS

SEC. 13. The Board shall report to the Congress each year concerning the administration of its functions under this Act, and shall include in its report an assessment of the extent to which compliance with the requirements under this Act is being achieved and such recommendations as it deems necessary or appropriate.

SEPARABILITY

SEC. 14. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Mrs. SULLIVAN. Mr. Speaker, I am delighted today to join the gentleman from Kansas (Mr. Roy) in introducing H.R. 4985, the proposed Consumer Savings Disclosure Act known also as the Truth in Savings Act. This measure is intended to give to consumers the same kind of information about the interest return on their savings deposits that they are now required to be given about the interest costs of their credit transactions.

The intense competition among thrift institutions for savings deposits, even within the limitations on interest rates set down by the Federal regulatory agencies under regulation Q, has led to a multiplicity of methods used by banks and savings and loans in determining the bases on which interest on savings accounts is paid or accrued. There are scores of different ways in which the interest can be figured, just as there are innumerable ways credit charges can be figured on open-end consumer credit arrangements. Until the Truth in Lending Act went into effect, the consumer had no practical way in which to compare the advantages or disadvantages of different revolving credit systems because essential information did not have to be disclosed. The consumer is still in that situation as regards the highly advertised claims of savings institutions about the advantages of their respective savings accounts in terms of annual interest yield.

Hence, a Truth in Savings Act is a logical reciprocal to the Truth in Lending Act, since the purpose of both measures is to enable the individual citizen to make intelligent choices in the handling of personal finances from among the many very complex accounting systems that even financial experts have trouble understanding.

Just as the Truth in Lending Act did not require all creditors which extend open-end credit to use the same methods of determining their finance charges, but did require them to explain their method or methods and then use the same yardstick for translating their charges into comparable annual percentage rates, so the truth in savings bill would not impose uniformity in the methods used by savings institutions in computing interest yield. But the savings institutions would have to explain their computation methods and then translate them into comparable annual percentage rates and annual percentage yields. It would then be up to the saver to select the kind of account he or she wants to open on the basis of the facts as they apply to the intended use of the account.

Such a law would not make instant experts out of every person opening a savings account. But an individual who wished to study the options intelligently in order to obtain the best deal for the "rental" of money—to use Calvin Coolidge's famous reference to interest rates—to a savings institution would be in a position to compare competing offers and make an informed judgment.

DR. RICHARD L. D. MORSE'S CONTRIBUTION TO THE LEGISLATION

Mr. Speaker, in his remarks on H.R. 4985 today, Congresman Roy referred to the important contributions to this legislation made by Dr. Richard L. D. Morse, head of the department of family economics of Kansas State University.

Dr. Morse has been a pioneer and innovator in the field of consumer credit education and played a vital role in the long fight begun in 1960 by former Senator Paul H. Douglas, of Illinois, to enact truth in lending. When my Subcommittee on Consumer Affairs of the House Committee on Banking and Currency took up the legislation in 1967 which became the Consumer Credit Protection Act of 1968, Dr. Morse was an invaluable adviser to me and the cosponsors of my bill in the subcommittee, Representatives Gonzalez, Minish, Annunzio, Bingham, and former Representative Halpern. He was an excellent witness before the subcommittee and brought a great deal of original research to the hearing. I am, indeed, grateful to him.

Dr. Roy has been working diligently since coming to Congress to advance the concept of a truth in savings bill, and has convinced me that this bill deserves serious consideration. Hence, I have decided to cosponsor his bill, and I will do my best to see to it that it is scheduled for hearings in this session in the Committee on Banking and Currency.

ARTICLE FROM CHANGING TIMES MAGAZINE

Mr. Speaker, one of the most useful discussions of the confusing situation consumers face in making intelligent decisions about the comparative benefits of different types of savings accounts—all paying the same interest rate—was contained in an article in Changing Times, the Kiplinger magazine, for February 1971 entitled "Maybe We Need 'Truth In Savings,' Too."

This article leans heavily on research conducted under Professor Morse's supervision by a graduate student at Kansas State University, Miss Jackie M. Pinson, who demonstrated that the interest return on the same money deposited under different systems which all paid the same interest rate could vary as much as 171 percent.

The article referred to is as follows:

[From Changing Times magazine, February 1971]

MAYBE WE NEED "TRUTH IN SAVINGS," TOO

How much interest are you earning on your savings account? Alert savers have long been aware that you can't answer that question merely by looking at the percentage rate of interest. Two institutions that offer the same rate may pay different dollar amounts on interest because one compounds and credits interest more frequently, adds bonus interest on balances left for a stated period, or gives you a longer "grace period"—the days after the beginning or before the end of an interest period in which you can deposit or withdraw money without losing interest.

Even those factors, though, provide only part of the answer. The real key lies enmeshed in a confusing variety of systems that banks and other savings institutions use in computing interest when you make either deposits or withdrawals during the interest-earning period.

That aspect of banking operations is so obsecured by technicalities that most people—including, probably, many who work for savings institutions—are not aware that a problem exists. *Changing Times* first brought the issue into the open more than five years ago ("Make Your Savings Earn More," Sept. 1965). Since then, federal regulatory agencies have made one passing attempt to improve the situation, but it has proved largely ineffective. Yet in these inflationary days it has become doubly important to increase the earning power of your money where you can. One student of the subject has actually proposed a federal "truth in savings" law to require institutions to provide savers with full information on interest-paying methods on a uniform basis.

THE SYSTEMS MAKES THE DIFFERENCE

The American Bankers Association estimates there are at least 54 widely used ways of computing interest. Recently, a research thesis written by Miss Jackie M. Pinson for Kansas State University demonstrated that a high-paying system can produce 171% more interest—in dollars and cents—than a low one with the same percentage rate.

Whether you would find a comparable spread in your town depends, of course, on the types of systems being utilized. In a sampling of seven institutions. Miss Pinson found a low-to-high difference or 60%, so it could be well worth your time to check in your area before deciding where to save.

The trick is to know what to look for. Fortunately, you can learn to spot the essential points quickly by following the results of the Pinson study.

She developed her comparisons by applying 40 interest-payment systems to the hypothetical savings account shown on this page, using for purposes of illustration a uniform 6% rate.

Date	Withdrawal	Deposit	Balance (without interest)
Jan. 1, 1970			$1,000
Jan. 10, 1970		$2,000	3,000
Feb. 6, 1970		1,000	4,000
March 5, 1970	$1,000		3,000
March 20, 1970	500		2,500
March 30, 1970	500		2,000
April 1, 1970			2,000
July 1, 1970			2,000

The 40 systems represent combinations based on quarterly and semiannual differences in compounding and crediting interest, varying grace periods for deposits and withdrawals, penalty charges for exceeding prescribed limits on withdrawals during a stated period, and these five recognized formulas for calculating interest on deposits and withdrawals:

LOW BALANCE

Under this arrangement the bank pays interest on the *lowest* balance in the account for the interest period. For example, if the standard account were compounded and credited quarterly, you would receive 6% on only $1,000 for 90 days (the first quarter), or $14.79, which would be credited to the account and give you a second-quarter starting balance of $2,014.79. Since no withdrawals are made during the second quarter, the bank would pay 6% of $2,014.79 for 91 days, or $30.14. For the entire half year, the account earns $44.93 ($14.79 plus $30.14).

FIFO ON BEGINNING BALANCE

FIFO stands for first in, first out. Withdrawals are deducted first from the starting balance of the interest period and then, if the balance isn't large enough, from subsequent deposits. In effect, that means you lose interest on withdrawals from the start of the interest period or the early deposit dates rather than from the date you actually took the money out.

In the standard account, the $1,000 withdrawn March 5 would be treated as if it had been withdrawn January 1 and you would receive no interest on that amount for the entire quarter although the bank had use of those funds from January 1 to March 5. The March 20 withdrawal of $500 would be deducted from the $2,000 deposit of January 10 (the starting balance was exhausted by the first $1,000 withdrawal), wiping out the interest the $500 would have otherwise earned for January 10 to March 20, the period in which the bank had the money in its till. The $500 withdrawal of March 30 would also be deducted from the January 10 deposit, eliminating more interest.

Total interest paid for the six months under this system would come to $52.44.

FIFO APPLIED TO FIRST DEPOSITS

With this plan, the $1,000 withdrawal would be deducted from the first deposit—the $2,000 put in January 10. You would lose interest on the $1,000 for 81 days of the 90-day quarter, rather than the full 90 days as in the other FIFO plan. If the first deposit won't cover withdrawals, the remainder is deducted from subsequent deposits. For the entire half year, this system would pay $53.93.

LIFO—LAST IN, FIRST OUT

Withdrawals are deducted from the most recent deposits in the interest period and then from the next most recent ones. The $1,000 withdrawn March 5 would be taken out of the $1,000 deposit of February 6 and you would lose interest for only 54 days—from February 6 to the end of the quarter. The standard account interest under this formula amounts to $58.44 for the half year.

DAY OF DEPOSIT TO DAY OF WITHDRAWAL

This method, also known as daily interest, instant interest, and day in, day out, pays interest for the actual number of days money remains in the account. Therefore, you would receive interest on the $1,000 withdrawn March 5 for 63 days (January 1 through March 4) and lose interest for only the 27 days (March 5 through March 31) left to the end of the period. For the whole six-month period, the account would yield $75.30 interest.

Lining up the five methods, you can see your money would have earned most on the day in, day out plan and least on the low-balance method:

Interest earned in 6 months

Low balance	$44.93
FIFO on beginning balance	52.44
FIFO on first deposits	53.93
LIFO	58.44
Day of deposit to day of withdrawal	75.30

FIND THE BEST DEAL

In practice, interest systems can't always be matched up and compared so neatly. A different pattern of deposits and withdrawals, for example, could make the low-balance method superior to FIFO on the beginning balance. Here and there you will also find institutions that have created their own hybrid systems or use a different terminology. For example, a FIFO-on-beginning-balance system may be referred to as "day of deposit to end of interest period," which sounds disarmingly like day of deposit to day of withdrawal but is actually less favorable to the depositor.

Moreover the interest payoff or any method can be substantially reduced or increased by other factors, such as frequency of compounding and crediting, number of grace days, and withdrawal penalties. In the Pinson study, the largest amount of interest on the standard account was yielded by a day-of-deposit-to-day-of-withdrawal formula with quarterly compounding and crediting, and ten grace days at the start of each month. The lowest payment was produced by a low-balance formula with semiannual compounding and crediting, no grace days, and a penalty for more than two withdrawals a month.

Of course, extending the study to the multitude of other possible combinations would alter those findings. And keep in mind this significant qualification: If you deposit only at the beginning of an interest period and withdraw only at the end, the formulas don't matter because the interest will be determined solely by the percentage rate and the frequency of compounding and crediting.

How in the world, then, can the ordinary person spot the highest-paying deal? Generally, you can obtain a good yield—although not necessarily the best—by selecting an account with these characteristics:

A high percentage rate of interest—that's still a fundamental factor to take into consideration in shopping for a savings institution.

No penalties for withdrawals.

Interest calculated on the day-of-deposit-to-day-of-withdrawal plan.

Quarterly (or more frequent) compounding.

Quarterly (or more frequent) crediting. An account that compounds quarterly but credits semiannually may not yield as much as one that compounds and credits quarterly.

A NEW RULE

It should be easier these days to obtain the information needed to distinguish a good account as a result of a directive issued last year by the three major federal agencies in the field—the Federal Reserve Board, the Home Loan Bank Board and the Federal Deposit Insurance Corp. The institutions they regulate—which account for most of the nation's banking-savings business—were given the responsibility of telling the depositor when he opens an account how his interest will be computed and notifying him of any change that would reduce his payments.

However, the directive was framed as an advisory "interpretation," which, according to one of the concerned officials, doesn't have the full force of a "regulation." And enforcement was left to the examiners whose primary job is monitoring an institution's financial position.

Months after the interpretation was issued, examination officials were still unsure of how many institutions were complying. They presumed it was working because they had received no significant number of complaints.

As a test, *Changing Times* visited three banks in Washington, D.C., at random. Two of them supplied the required information, but one prominent bank, within walking distance of all three agencies, furnished the would-be depositor with a card containing few of the required facts. Thus, you may have to do some enforcement by asking for more complete information.

Ironically, with so many possible combinations of methods, full disclosure by all institutions might at times only serve to mire depositors in a bog of confusing details. Ideally, a saver should be able to compare accounts without going through the laborious calculations performed by Miss Pinson.

The Pinson study was entitled "Truth in Savings" and recommended consideration of legislation that would do for savers what the truth-in-lending law of 1968 did for borrowers. Before the truth-in-lending law, borrowers faced much the same problem confronting savers—the percentage rate on a loan did not necessarily indicate how much the loan really cost. The "6%" personal loan, for instance, usually worked out to about 12% simple interest.

Now lenders must follow standardized methods for computing interest. Each is free to charge more or less than a competitor, but each must state the rate on his loan the same way, thereby enabling a borrower to judge quickly which is lowest.

Most of us are savers as well as borrowers. And it's clear you can lose as much by choosing the wrong savings account as by choosing the wrong loan.

Though some authorities have expressed interest in the truth-in-savings idea, there's no evidence yet of the same kind of national concern with savers' problems that led to enactment of truth-in-lending. Meanwhile, take the precaution of checking which system your bank is using. If it's one of the lower-paying varieties, shop around because you might be able to earn more on your money elsewhere.

Who Uses Which System

Although it's relatively simple to check percentage interest rates offered across the country, it's extremely difficult to determine the proportion of institutions using the different types of interest-computing methods explained in the accompanying article. Government agencies and trade associations, which compile all sorts of figures, appear to have largely ignored that highly important aspect of business. The major exception is the American Bankers Association.

The following roundup will give you an idea of national practices. Remember, though, that interest-paying policies change in line with "money market" trends. When banking institutions need money to lend out and invest, they tend to offer depositors a more attractive return, as they have over the past few years by compounding and crediting more frequently, increasing percentage rates, and adopting more liberal interest-paying plans.

BANKS

The 1968 ABA survey showed:

Interest payment system:	*Proportion of banks using (in percent)*
Low balance	32.3
Day of deposit to day of withdrawal	9.9
Day of deposit to end of interest period	9.1
FIFO	28.8
LIFO	11.4
Others	8.6

Bigger banks were more generous on the whole than smaller ones. For example, 31.9% of the banks with deposits of $500,000,000 and over employed the top-paying day-of-deposit-to-day-of-withdrawal system, compared with 8.9% of the banks with less than $10,000,000 in deposits.

Interest compounding and crediting practices broke down this way:

[In percent]

Frequency	Proportion of banks using	
	Compounding	Crediting
Annually	1.4	0.9
Semiannually	68.7	72.3
Quarterly	27.4	26.5
Monthly	.7	.2
Daily	1.5	0
Other	.3	.1

Again, the big banks led in offering the more liberal arrangements—the more frequent compounding and crediting periods.

Savings and loan associations. Federally chartered associations are required to use a LIFO system. But each association can elect to change to the more favorable day-of-deposit-to-day-of-withdrawal plan. One researcher in this field doubts whether many have switched because of the additional interest expense involved.

Mutual savings banks. The National Association of Mutual Savings Banks has not surveyed its members but believes a "large number" are now on the day-of-deposit-to-day-withdrawal plan.

Credit unions. In federally chartered credit unions, deposits received on the first or during a grace period earn interest from the month of deposit on. But no interest is paid on money withdrawn before the end of the interest period. Also, any balance less than a multiple of $5 does not earn interest. Many state-chartered credit unions follow the federal system.

GENERAL LEAVE

Mr. ROY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas.

There was no objection.

CHANGE IN SPACE JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Dulski) is recognized for 10 minutes.

Mr. DULSKI. Mr. Speaker, you have received a request from the Administrator of the National Aeronautics and Space Administration for legislation to double the number of positions in the agency under level V of the executive schedule.

The agency proposes to replace individual identification of the three Associate Administrators with a single title, and provision for six positions under that title.

In accordance with the request, I am introducing the proposed legislation today and, as a part of my remarks, I am including the text of the explanatory letter to the Speaker:

Hon. Carl Albert,
Speaker of the House of Representatives,
Washington, D.C.

Dear Mr. Speaker: There is forwarded herewith a draft of a bill "To amend title 5, United States Code, to provide for a change in the titles of the NASA Associate Administrator positions listed under Level V of the Executive Schedule, and to add three more such positions to such Schedule," together with a sectional analysis thereof. This is addressed to the Speaker of the House of Representatives pursuant to Rule XL of that House.

Under the draft bill, section 5316, title 5, United States Code, would be amended by deleting paragraphs (15), (16) and (17) and substituting therefor a new paragraph (15) which would redesignate the NASA Associate Administrator positions listed under Level V of the Executive Schedule by that generic title alone, and would increase the number of such positions from three to six.

The present identification of the three Associate Administrators listed under Level V of the Executive Schedule reflects the programs and organization of the National Aeronautics and Space Administration at the time the Executive Salary Act was first enacted. However, since that time, in order to more accurately describe its functions, the Office of Advanced Research and Technology, headed by the Associate Administrator for Advanced Research and Technology, a title listed in 5 U.S.C. 5316, was renamed the Office of Aeronautics and Space Technology on January 14, 1972. Moreover, since the time of the initial enactment of the Executive Salary Act, the positions of Associate Administrator for Tracking and Data Acquisition and Associate Administrator for Organization and Management were established, the former on January 2, 1966, and the latter on March 15, 1967. Also, the former Office of Space Science and Applications, headed by the Associate Administrator for Space Science and Applications, a title also listed in 5 U.S.C. 5316, was reorganized on December 3, 1971, into the Office of Space Science and the Office of Applications, each headed by an Associate Administrator. As a result of all of the foregoing, therefore, there are now six offices headed by these Associate Administrators, all of whom have positions of comparable responsibility and authority, but only three of whom are presently identified in the statute.

The draft bill, if enacted, would permit the Administrator of NASA flexibility to establish the titles of the Associate Administrators presently listed under Level V in a manner consistent with evolving functional responsibilities as they may develop and be altered from time to time; and to add three such positions to provide salary equality among all Associate Administrators having comparble responsbilties and authorities.

It should be noted that providing for a specific number of positions having the same title within the same level of the Executive Schedule is not unique. Language to similar effect is now found in 5 U.S.C. 5316; for example, paragraph (66) reads "Assistant Directors, National Science Foundation (4)," and paragraph (75) reads "Assistant Directors, United States Arms Control and Disarmament Agency (4)."

Under the Executive Schedule salary rate currently provided for by 5 U.S.C. 5316, the enactment of this proposal would not affect NASA's budgetary requirements.

The National Aeronautics and Space Administration recommends that the draft bill be enacted by the Congress. Moreover, the Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the submission of the subject proposal to the Congress.

Sincerely,

James C. Fletcher,
Administrator, National Aeronautics and Space Administration.

NEW YORK CITY'S NEW PLANNING CHIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Barrett) is recognized for 5 minutes.

Mr. BARRETT. Mr. Speaker, on Monday Mayor John Lindsay swore in as the chairman of the New York City Planning Commission, John E. Zuccotti. I am extremely delighted and proud of John's new position. As the members of the Housing Subcommittee are aware, John Zuccotti served as a special counsel to the Housing Subcommittee during 1970 and 1971. In that capacity we were all made aware of his outstanding abilities, and I would go so far as to say here that I consider John to be one of the foremost experts on urban matters in the United States.

Mr. Speaker, I join with John's family and friends in wishing him the best in what is a most difficult endeavor. I include, Mr. Speaker, the New York Times article of Tuesday, February 27, 1973, in the Record following my remarks:

A Street-Wise Planner—John Eugene Zuccotti)

The politicians and family friends packed into the Blue Room at City Hall heard the new chairman of the City Planning Commission speak out yesterday on the need to get government out into the neighborhoods. In easy, conversational tones, he read through his seven-page text. Then, just as easily, with no awkwardness in transition, he switched to a conclusion in Spanish, followed by still another in Italian. The performance was calculated to assure New York City's mixture of ethnic strains that here was a man they could relate to.

In John Eugene Zuccotti, sworn in yesterday as the $41,000-a-year Planning Commission chairman, the city got a mixture of educated urbanologist (Princeton '59, Yale Law School '63) and street-wise New Yorker—a blend of two types who people the upper echelons of Mayor Lindsay's governmental-political apparatus.

WAS JAVITS INTERNE

Mr. Zuccotti's family—mother, father, aunts, uncles, cousins—still live all in one Greenwich Village building near the place where he was reared. He remembers 18-cents-a-show Saturday afternoons—double feature, Laurel and Hardy comedy and two cartoons—at a movie house on Christopher Street that the neighborhood kids called "the dump" but that later found a respectable life as the Theater De Lys.

When he was first appointed as a part-time member of the City Planning Commission in 1971, politicians speculated that he was what their jargon describes as the "contract" of Peter Tufo, his law partner and the former head of the Washington office the Lindsay administration had set up.

Actually, Mr. Zuccotti's first brush with public service had been as an interne in Senator Javit's office in 1962, where he worked under Richard R. Aurelio, then the Senator's No. 1 aide, subsequently Mr. Lindsay's Deputy Mayor.

"Most of the internes get so wound up in socializing that you only see them a few hours a day," Mr. Aurelio recalled yesterday. "John was an exception. He worked even longer hours than I did. And he picked things up so fast that we began using him almost as a full-fledged staff member."

When Mr. Zuccotti's name came up in the hunt for some one from Brooklyn to succeed the last non-Lindsay appointee on the commission, Mr. Aurelio remembered him with approval.

During that summer Mr. Zuccotti had met another interne—a slim brunette named Susan Sessions—and they got to know each other well enough that they were married the following year.

Mrs. Zuccotti is a doctoral candidate in Italian history at Columbia, and her husband says that his main recreation consists of talking with her about history.

Now they live—with Gianna, 6 years old, and Andrew, 4—in a 14-foot-wide, four-story brownstone at 36 Second Place in the Carroll Gardens section of Brooklyn. "An Italian neighborhood."

PLAYED FOOTBALL

It was the sort of neighborhood that he was born into on June 23, 1937. The family rented an apartment over a tavern on Perry Street. His father, Angelo, had started as a busboy at El Morocco and was working his way up to headwaiter, the post he still holds.

John went to St. Joseph's Academy, then to LaSalle Military Academy in Oakdale, L.I., where he made the all-county and all-Catholic football teams as a guard. He hoped to play football at Princeton, too, but a knee injury in his freshman year ended that ambition.

Besides, he said, by that time he had started to concentrate on studies. He got his degree in history.

After law school (where Mr. Tufo was his roommate), he served under Robert C. Wood (later Under Secretary of Housing and Urban Development and a man Mr. Zuccotti describes as "my mentor" in an urban-development program in Venezuela.

NORTHEAST RAIL LINE CORP.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, one of the most critical problems before the Congress is how to preserve the railroad service essential to the economic health and social well-being of the Northeast region of the United States. The Penn Central disaster and the bankruptcy of five other railroads have put into stark relief the importance of rail transportation for both freight and passengers in that region and throughout the country.

The Northeast cannot be seen as a unit isolated from the rest of the country. A collapse of rail service there would have immediate, disastrous consequences for its residents—but it would not be long before the economic impact would be felt throughout the Nation. Disruption of transportation service in the Northeast would soon affect the lumber producer in the Northwest, the farmer in the Midwest, and industries everywhere which ship their goods to the dense concentrations of population on the eastern seaboard.

The Congress has long recognized the gravity of the situation. Since the collapse of the Penn Central in June of 1970, we have grappled with the problem by enacting legislation for emergency loans to the Penn Central, by enacting legislation for loans to railroads severely damaged by Hurricane Agnes, and most recently by delaying a crippling strike against the Penn Central for 90 days. These have only been stop-gap measures, and none offer any possible permanent solution to the chronic problem of the Eastern railroads. We cannot delay such a solution any longer; the clock is running. The delay in the Penn Central strike runs out on May 9, 1973. The creditors of the Penn Central and the other railroads in bankruptcy are growing impatient. It will not be too long before the courts in the various reorganization proceedings involving these railroads are confronted with demands for liquidation of those railroads to prevent the further erosion of the railroad assets available to compensate the creditors.

The trustees of the Penn Central stated in their report of February 1 that, absent a large infusion of Federal funds, it would be impossible to reorganize the Penn Central because even in bankruptcy the railroad has a negative cash flow and therefore cannot be reorganized under section 77 of the Bankruptcy Act. Even if the other, smaller, roads could be successfully reorganized in traditional terms it is questionable how they would operate if the Penn Central connecting lines, terminals, and so forth were liquidated.

It is clear to me that something must be done soon and certainly by not later than the end of this session of Congress. The pressure of time and the magnitude of the economic crisis facing us should rail service collapse in the Northeast creates a great danger but we must act in a time of crisis and make it an opportunity. The opportunity is to once and for all develop a practical, long-term solution to the problems of the railroads in the East. There is great danger that the Congress may be pressured into a hasty and ill-conceived resolution of the problem. One such hasty action would be to take the deceptively easy route of nationalization. To me this would be the worst course of action. It would be hideously expensive to the taxpayer. Furthermore the Federal Government should no more be in the railroad busines than it should be in the airline, trucking or barge business.

Therefore, as a member of the Committee on Interstate and Foreign Commerce which must grapple with the problem of the bankrupt railroads, I have been seeking a solution which is compatible with our free enterprise system and which will continue a viable Northeast rail transportation system. On March 26 we will have the report of the Secretary of Transportation. About that time the ICC should be ready to make its recommendations resulting from its investigation of the Northeast railroads situation in Ex Parte 293. I am sure that the railroad industry itself will have its own suggestions, as will shippers and other groups vitally affected. Certainly the States and major cities in the States in which the bankrupt railroads operate will come forward with their proposals. All of these proposals will be given serious consideration by the Congress; I don't think that anyone has yet, or will, come up with the single perfect answer to an immensely difficult and complicated question.

I am introducing today a bill which offers one possible solution to the transportation crisis impending in the Northeast. This proposal would put into legal form a suggestion made by many groups and individuals. Under the proposal the railroad rights-of-way of bankrupt railroads would be acquired by a quasi-governmental entity and private rail carriers could continue to operate trains over the tracks, which would be upgraded and maintained with Federal funds. A user charge would be paid by those using the tracks and these funds would pay for maintenance and upgrading.

This proposal would establish a Northeast Railroad Corporation. The Corporation would have a 13-member board of directors, with members appointed by the President, the House, the Senate and including representatives of the rail industry, rail labor, shippers, and the States in the Northeast. For the purposes of the bill the Northeast is given a broad definition so that the entire territory of the Penn Central would be included as well as that of the Lehigh Valley, the Boston and Maine, the Reading, the Central of New Jersey, and the Erie Lackawanna.

The corporation would be authorized to acquire the rail lines of the railroads now in bankruptcy in the Northeast region from their trustees. The rail lines would be purchased by Government guaranteed debentures and the purchase price would be determined by the judge in the bankruptcy proceeding on the basis of the net liquidation value of the acquired rail line. The corporation would be authorized to issue up to $1 billion of such debentures for this purpose. Railroads in the Northeast region which are not in bankruptcy could voluntarily convey their rail lines to the corporation in return for proper compensation.

Once the lines were acquired, the corporation would rehabilitate them, perform routine maintenance, and maintain and operate their signal systems. Rail carriers which had been operating over those rail lines carrying freight or passengers would continue to do so in return for payment of a user charge of 60 cents for each thousand gross ton-miles of locomotive and train operation. A freight carrier, not operating on the rail lines, could apply to the Interstate Commerce Commission for an order permitting it to operate on the corporations lines and the ICC could issue such an order if it found that the new service was required by public convenience and necessity and would not impair the ability of the carriers already using the line to serve the public adequately. A passenger carrier would make an application directly to the corporation to provide new service.

The bill protects the rights of railway

employees. All maintenance, rehabilitation and improvement work on the rail lines, as well as signaling and communication operations would be done by employees of the railway operating companies, and they would not be employees of the corporation. Existing collective-bargaining agreements would be preserved. The interest of employees affected by an abandonment of line by the corporation or reduction in freight traffic on the corporation's lines would also be protected. I believe the language of the bill makes clear the intent that the interest of the railroad worker as much as possible will be protected. The bill would require that line abandonments be in accordance with procedures providing substantial notice, ICC approval, plus an opportunity for affected States, communities, or private companies to retain the service by sharing on a 50-50 basis the maintenance and rehabilitation costs.

Mr. Speaker, a bill similar to mine establishing a Northeast Rail Line Corporation has been introduced in the Senate by Senator HARTKE and cosponsored by Senators PELL, PASTORE, RIBICOFF, WEICKER, KENNEDY, and WILLIAMS. I believe that this proposed solution deserves serious consideration by the House. I introduce it today so that it will be one of the alternatives to be considered by the Committee on Interstate and Foreign Commerce. My bill would put the rail carriers of the Northeast region in the same position vis-a-vis the Federal Government as are the other transportation modes. Just as Federal funds go to the construction of highways and airports which are used by privately owned transportation companies, so under this bill railroad rights of way would be rehabilitated and maintained by Federal funds—an investment which would be in part recovered through user charges. It is clear that private resources are unable to provide the large amount of money required to put the railroad track back into shape after years of neglect. This bill creates a means whereby the necessary investment of the taxpayers' money in preserving a vital transportation service can be properly managed under the scrutiny of the executive branch and the Congress.

I would welcome comments and suggestions as to the proposal contained in my bill.

RESTORATION OF HISTORIC BUILDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, I am introducing a bill today to encourage the restoration and rehabilitation of historically significant buildings by allowing State and local governmental units to issue tax-exempt bonds for such purposes.

While recognizing that many historic building cannot be appropriately or viably preserved or restored without provision for commercial use, the measure I submit today would permit governmental units to finance the preservation or restoration under careful controls, with provision for commercial use, on the same tax-exempt basis as is now provided for other projects for environmental quality.

Enactment of this legislation would allow qualified historic structures to be used for limited commercial purposes, such as offices or small retail businesses. The lower interest costs incurred by tax-exempt bonds would make possible rental charges which would be more competitive with normal rentals for commercial and office space in the areas involved.

Such benefits would help to offset the higher maintenance costs and restoration expenses to which these older buildings are subject, and to counterbalance the tax incentives for accelerated depreciation rates, which encourage the construction of new buildings.

Thus, historic structures could achieve an economic viability which would otherwise be unattainable for them in competition with newer buildings.

FAILURE TO FEED HUNGRY CHILDREN: THE ADMINISTRATION CONTINUES TO PROVIDE INADEQUATE SUPPORT FOR THE SPECIAL FOOD SERVICE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, once again I must report to the Congress that the Department of Agriculture is failing to fulfill the mandate given it by the Congress to provide free and reduced-price lunches to children from low-income families and from areas with heavy concentrations of working mothers.

The program in question is section 13 of the National School Lunch Act, known as the special food service program. The National School Lunch Act was amended in 1968 to provide for a pilot program for 3 years to assist the various States in initiating, maintaining, or expanding nonprofit food service programs for children in service institutions such as day care, Headstart, and nursery school centers. In general, preschool children have low-income areas are eligible to receive year-round assistance in child day-care-type centers, while school-age children from areas of economic need or from areas with a high concentration of working mothers are eligible to participate in lunch programs during the summer months. For these school-age children, the special food service program is a summertime continuation of the long-established and highly successful school lunch program.

As the administration's fiscal year 1974 budget describes the program:

> Each State may receive a basic grant of $50 thousand. The remaining funds are apportioned, determined by the ratio of the number of children (aged 3 to 17 inclusive) from families with incomes under $3 thousand per year in each State, to the total number of such children in all States. Up to 80% of the total cost of meals served may be paid in cases of severe need . . . All meals served must meet minimum nutritional standards as a condition for receiving assistance.
>
> In fiscal year 1972, 76.8 million meals were served to an average of 1.0 million children in the summer program, which included July–August 1971 and June 1972. This was more than double the number of meals served in the fiscal 1971 summer program. Each child received an average of 1.5 meals per day at a cost of approximately 51 cents per child. Approximately 104.5 million meals were served in the fiscal 1972 year-round program to an average of 192,000 children. Each child received about 2.2 meals per day at a cost of about 37.4 cents per child.

From this budget description, it appears that the Department is quite proud of its achievements and that the program is a complete success.

The program is a success—as far as it goes. The problem is that the Department has consistently resisted asking for a truly adequate level of appropriations to serve the number of children eligible for the program. As the original sponsor of this program, I appreciate the growing support which it has received. But the fact is that more needs to be done. For nearly four years now, the Department has attempted to hold back funding for this program which seeks to provide nutritional meals to children—many of whom depend on these meals as the only sound meal of the day and who would otherwise go hungry.

Last winter, I polled the various State directors of the section 13 program. The replies to my questionnaire revealed an enormous unmet need, and helped document the failure of the administration to provide an adequate summer feeding program during the summer of 1971. Those findings helped provide for increased appropriations for last summer's program—a program which was relatively successful.

I have just again completed a poll of the States which directly administer their own section 13 program. That poll again shows a serious unmet need. Expenditures for the year-round program in fiscal 1973 are $23.4 million. While exact calculations are impossible, using ratios, it appears from the answers which I received from 26 States, that the current year-round program is being under funded by at least $12.5 million.

In my own State of Ohio, the program is administered through the Chicago office of the Department of Agriculture. Relying on statistics provided by that office therefore, it appears that in Ohio, with its fiscal year 1974 allocation of $793,622 for the year-round program, there is a shortage in funds of approximately $2.4 million. Ohio is funding 100 programs but has prohibited expansion of food services in these programs. Another 200 program applications or inquiries have been denied. In short, only 25 percent of the need in Ohio is being met.

I would like at this point to enter in the RECORD a table on the status of section 13 compiled by my staff from the replies which I received from the State directors.

It is my hope that this table will be of interest and use to the Congress in evaluating the need for additional funds for this vital program:

State	Fiscal year 1973 allotment		Sec. 13 applications received dollar value			Number of children served under allotment (total)	Number of children served if full funding	Estimated deficit or surplus
	Year round	Summer	School year	Summer	Total			
Alabama	$816,003				450,000		(1)	+366,003
Alaska	68,526				22,000	467	(2)	+46,526
Arizona	195,570	35,826			525,393	1,889	3,491	−329,823
California	863,437	$6,000,000				757,000	[3] 1,400	(4)
Colorado	275,570	75,000	300,000	?	300,000+	1,600	2,500	−71,134
Connecticut	298,596				337,687	633,325	745,780	(4)
District of Columbia	192,276	816,583	360,836	1,056,000	1,608,313	42,822	53,955	−600,000
Hawaii	87,934					1,421		(5)
Illinois	960,000	?	1,300.000			9,821	15,000–18,000	−340,000
Iowa	318,615							0
Kansas	213,137		125,870	11,527	137,397			+75,740
Kentucky	665,428	±338,594	693,775					−28,347
Louisiana	736,524	650,957	811,151	632,338	1,443,489	73,965		−56,000±
Maine	134,006				200,000			−70,000–140,000
Massachusetts	491,712				993,971	18,779	23,145	−502,259
Michigan	530,133	±2,214,654	1,482,218	2,200,000	3,682,218	47,000	77,200	−997,431
Minnesota	50,000	151,644			998,280	3,619	16,192	−296,636
Mississippi	795,224	155,184	351,996					0
New Jersey	468,060	2,165,212	868,060	±2,500,000	3,368,060		14,000	−1,067,000
New Mexico	190,414				130,000			0
North Carolina	1,116,064	528,093				32,279		0
Oklahoma	420,000	±284,879	501,600		501,600	5,017	5,697	−81,600+
Pacific Island Trusts	22,499		50,000		50,000	465	2,000+	−27,500
Pennsylvania	767,827	1,184,332				8,492		(4)
Utah	98,559	15,724	±60,000	±17,715	77,715	1,250		+$40,000±
West Virginia	380,947		400,374				9,000	−$20,000
Wyoming	71,680	2,256						

[1] All valid applications approved.
[2] No applications refused due to lack of funds.
[3] Year round.
[4] Indefinite deficit.
[5] Deficit.

DISASTER INSURANCE: AN UNMET NEED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 30 minutes.

Mr. DANIELSON. Mr. Speaker, we never know when a disaster may strike. Early this morning, an earthquake was felt on the east coast from Baltimore, Md., to Trenton, N.J. Last week, there was an earthquake in California. During 1972, there were 48 presidentially declared natural disasters caused by floods, earthquakes, storms, mudslides, freezing weather, and even toxic algae. Hundreds of lives and billions of dollars worth of property were destroyed in these catastrophes.

We cannot prevent natural disasters, but we can take steps to assure that every American has the opportunity to protect himself against losses due to natural disasters. Also, we can take steps to encourage State and local governments to adopt comprehensive plans to mitigate or prevent the adverse consequences of natural disasters, by adopting wise zoning and land-use policies.

I have today introduced legislation which will establish a Federal Disaster Insurance Corporation authorized to insure our people against losses due to natural disasters. This Corporation will have an authorized capitol stock of $1 billion to be subscribed by the United States. Beyond this subscription, the Corporation is to be financially independent of the United States, with its income to be derived solely from insurance premiums.

Additionally, subject to the provisions of the Administrative Procedure Act, the corporation can condition the providing of insurance to areas that refuse to take appropraite steps to minimize disaster damage.

It is clear that, at the present time, our existing system of private insurance and the patchwork of aid rendered by as many as 25 different Federal agencies is not protecting the public from disaster losses as efficiently and as effectively as is necessary. The insurance industry has tried to meet the need, but the economic realities of disaster insurance make this task very difficult.

With respect to the Federal Government's efforts, our present system calls for disaster relief through subsidized loans, outright disaster relief grants, and tax deductions. This is improvident, a great financial burden on the Nation's taxpayers, and it is not sufficient to meet the needs of disaster victims. A low-interest loan can help a person replace what he has lost due to a natural disaster, but he is still paying twice the price he had originally paid, and often finds himself paying two mortgages instead of one.

This problem has been very ably stated by a recent KFWB radio editorial which I am inserting in the RECORD at this point:

SUGGESTING FEDERAL DISASTER INSURANCE—FEBRUARY 22, 1973

(By Arthur A. Schreiber)

For twenty fearful seconds yesterday, it seemed another earthquake disaster might be striking Los Angeles.

It didn't. But what if it had?

Would homeowners still paying off their 1971 quake damage loans be seeking still more loans? Many of them are people who couldn't very well afford the disaster loans they have, even interest-free.

There are 40 million homeowners in America. Every year, a small fraction of one percent are wiped out by a natural calamity . . . tornado, flood, earthquake hurricane.

The normal remedy now is a federal low-interest disaster loan, with which people rebuild their homes and spread their losses over many years.

Many, however, cannot carry the financial burden of a regular mortgage payment, plus a disaster loan payment.

If they were foreigners, we'd probably send them the money and write it off as foreign aid.

In 28 years, we've given away $125 billion dollars in foreign aid. Peru, Maritius, Upper Volta, Brunei, Surinam and Lesotho alone got $525 million.

Surely, we should do as much for our own disaster victims here at home.

KFWB suggests that our congressmen set up a federal low premium insurance for homeowners. It should be cheap enough that all homeowners can afford it, and it should cover their total loss in an act-of-God disaster.

We know there will be at least one natural disaster this year. What we don't know, is where it will strike.

With respect to Federal aid, the President's disaster fund will eventually spend approximately $547 million on disasters that occurred in 1972, but the damage caused by just a single disaster in 1972—Tropical Storm Agnes—has been estimated to be $3 billion.

Under our Federal flood insurance program the maximum insurance available at subsidized rates is $17,500 for a single-family dwelling, $30,000 for a small business or two- to four-family dwelling, and $5,000 for the contents of each unit. Additional insurance is available in an equal amount at actuarially determined rates. This is an excellent program but it offers protection only in limited amounts, to a limited class of persons under limited circumstances; namely, the owners of one- to four-family dwelling units and small business for damage due to flooding.

Homeowners have historically found it difficult to insure themselves against all types of disasters at economically feasible rates without substantial deductibles. Further, the private insurance industry, which has been beset with fluctuating, costly, and often inadequate reinsurance facilities, cannot be expected to shoulder the total burden of providing comprehensive disaster insurance throughout the Nation on all types of properties for unpredictable catastrophes.

These circumstances result in a situation where natural perils are rarely covered by a standard homeowner's policy, and persons desiring additional coverage must purchase additional policies to cover each type of disaster. In some areas, insurance for certain specific types of disasters is not available at all. Moreover, some companies are reluctant to write disaster coverage in large amounts.

In California, for example, which is an earthquake-prone region of our Nation, it has been estimated that only about 3.5 percent of the property insured against fire is also insured against earthquake. This may be due, in part, to public apathy or complacency, but it is also the result of built-in difficulties in the existing system.

Mr. Speaker, my legislation would assure that every American would have the opportunity to insure himself against the damage and losses caused by every type of natural disaster, and to do so through insurance without reliance upon general tax funds. This opportunity does not exist today, despite the fact that nature can wipe out in a moment what it has taken man decades to build. Congress should give thorough consideration to adopting and implementing a program that will guard against the disruption and destruction that accompanies these catastrophes.

CHANGE OF PARTY BY HON. DONALD W. RIEGLE, JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE), is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, earlier today we heard some exchange on the question of the departure of our colleague from Michigan, DON RIEGLE, to the other side of the aisle.

I believe it is important for us to recognize that there is no cause for recrimination on the part of Republicans over the departure of a colleague who philosophically made that sojourn to the other side of the aisle several years ago. I think it is in order, in fact, for us to recognize he did indeed do the honorable thing.

The purpose of a viable two-party system is to provide meaningful dissent. I have never been one who subscribed to the theory that the parties should be an umbrella of such all-embracing nature as to take in all philosophical differences, because when that happens the parties will have lost their purpose for existence, and that purpose basically is to provide the opportunity to register meaningful dissent.

That is quite obviously impossible when one cannot find basic fundamental differences between the party positions.

As I noted last year when the gentleman from New York (Mr. REID) made a similar change, there are these wide ranging philosophical differences within each of our two major parties. Many have insisted that this is desirable, that the parties to be truly national must be all-embracing and reflect every shade of opinion. I have never subscribed to this concept of political parties.

Those who today insist upon blurring meaningful distinctions between parties really do a disservice to the purpose of political parties. That purpose is to guarantee that those on either side of the philosophical spectrum shall always be guaranteed the right to register meaningful dissent.

The gentleman from Michigan has obviously made a decision of conscience that was not easy but proper. There is still a residuum of meaningful difference between the Republican Party's approach to problem solving and the Democratic Party's approach to problem solving. My colleague opted in favor of the national party that more nearly reflects his own philosophical convictions.

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. CRANE. I am happy to yield to the gentleman from Indiana.

Mr. LANDGREBE. Of course, the gentleman from Michigan (Mr. RIEGLE) was a Member of Congress when I came here 4 years ago. I agree with the gentleman that he has made what would seem to be a reasonable choice, and it ought to be much easier on his conscience on the other side of the aisle, because I have not, myself, seen him cast one conservative vote since I have been here.

On the other hand, my dear colleague from Illinois, I would like to point out that across the aisle there are some mighty fine Americans. In just one issue yesterday of the CONGRESSIONAL RECORD, the one of February 27, two very prominent Democrats put articles in the RECORD deriding the wasteful habits of this Congress and expressing praise for President Nixon in his attempts to bring about fiscal stability in our country again.

So all in all, the gentleman from Michigan (Mr. RIEGLE) will not find himself totally happy over there. In fact, I do not think he will find himself totally happy in this Congress.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Yes, I will be happy to yield to my colleague, the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman from Illinois for yielding. I am appreciative of the fact that my colleague, the gentleman from Illinois (Mr. CRANE) has raised an important point, and that is that there are genuine philosophical differences between the two parties.

The gentleman from Illinois is correct in stating that there are clear philosophical differences between the Democrat and Republican parties.

It is important to point out that our colleague, the gentleman from Michigan (Mr. RIEGLE) found himself philosophically in conflict with the concepts of less government, maximum individual freedom, the free enterprise system, and minimum Federal Government intervention in the affairs of men, which are basic principles of the Republican Party, and which the gentleman from Michigan evidently found it difficult to follow. So, it is more than proper that, after an honest assessment, he moved to participate in the so-called big umbrella of the Democrat Party which believes in massive Federal spending, huge bureaucratic agencies as a major solution to all human problems, and other similar points of view.

Mr. RIEGLE, as the gentleman from New York, OGDEN REID, did before him, has choosen a change in parties in keeping with his own conscience and, therefore shows that there are clear philosophical differences between the two parties.

According to the latest statistics, there are roughly 85 million working people in this country who pay Federal income taxes and they are the ones who ultimately must share the burden of the cost of the Federal Government. The Republican Party has always tried to be very mindful of these hard-working people as well as the families for whom these hard-working people provide a living. Evidently, our good colleague from Michigan has felt that he wishes to join the party that claims to be for the "little man," but has constantly called upon this same little man who has to earn a living to carry a bigger and bigger taxation burden to keep this Federal Government afloat.

Evidently this same Democrat Party has been basically unwilling to provide for the American people an honest accounting of how these massive tax funds are spent. And, further, has clearly deviated from the Thomas Jefferson admonition to "bind the hands of men with the chains of the Constitution" so that they will not permit the Federal Government to improperly invade the privacy and true civil rights of the the individual. It becomes apparent that our colleague from Michigan is sincere in his desire to join the party of "big spenders" and "massive Federal interventionists" and, by his own statements, appears to be more comfortable with the trend and direction of this effort.

Many of us feel that the Republican Party clearly represents a much broader segment of the American public than some of the mass media would have the people believe. Opinion polls have been taken over and over again showing that the Republican Party's stand on issues coincides with the general American public thinking more times than does that of the Democrat Party. Polls provide substantial proof that the position we have taken as a Republican Party here in the House of Representatives is more in keeping with the thoughts of "the little man" than are those of our Democrat colleagues across the aisle.

So, Mr. Speaker, there has been a lot of discussion today about this particular subject. I think that the gentleman from Illinois (Mr. CRANE) has been correct in taking time to show that this decision by the gentleman from Michigan (Mr. RIEGLE) was arrived at with an honest and sincere conviction that there are clear philosophical differences between our two parties.

We commend him for doing that. It needed to be done. He felt he might not be able to achieve the things that were important for him and his district. It will be interesting to see if he will be able to achieve these within the framework of the Democratic Party since he maintains that that is where he should go.

So I thank the gentleman from Illinois for yielding to me.

(Mr. ROUSSELOT asked and was given permission to revise and extend his remarks.)

Mr. CRANE. I am sure that the decision that was made by our colleague involved considerable soul-searching as his lengthy statement of February 27 indicates.

In his statement, however, the gentleman from Michigan made a number of charges concerning the Republican Party, which he contrasted unfavorably with the Democratic Party, and which merit some analysis.

He stated that—

> The Republican Party has increasingly had its policies "imposed from the top down, by a handful of people in the executive branch of government.

He lamented that—

> The Republican Party, which for so long championed individual freedom—separation of federal powers—limited and decentralized government . . . should now find itself having to abandon that heritage in favor of all powerful presidential paternalism.

He charges—

> The leaders of the Republican Party are not sensitive and relevant to the broad needs of the American people, and this has been reflected at the ballot box.

He charges the Republican Party with responsibility for "a great loss of citizen faith in our self-government system, in politicians and in our national parties." He states that the Democratic Party is, in fact, "the party of the people."

This is an interesting analysis of today's political situation. To argue that the Republican Party, whose Presidential candidate carried all but a single State, has lost "at the ballot box," is an unusual analysis of our most recent election. To state that Republican Party policy is "imposed from the top down," totally ignores the fact that Republicans in Congress have decidedly not been a rubber stamp for the Nixon administration but have, where they disagreed, been vocal and persuasive in their disagreement. The family assistance plan, for example, was vigorously advocated by the administration, vigorously opposed by many Republicns in Congress, and finally defeated.

Mr. RIEGLE states that dissent is not welcomed in the Republican Party, yet two of our colleagues in the Congress, Mr. MCCLOSKEY and Mr. ASHBROOK, challenged President Nixon in the Republican Party primaries. Both have been reelected to the Congress. Both are Republicans, and both have received a fair hearing within the party.

To argue that a party as diverse in viewpoint as to contain men of such differing views as Senators JAVITS, CASE, HATFIELD, and MATHIAS, on the one hand, and Senators GOLDWATER, THURMOND, CURTIS, and HELMS, on the other, is intolerant of dissent is to misunderstand the totality of our political situation. One wonders where the Republican Party being discussed by Mr. RIEGLE exists. It certainly does not exist in this Congress at this time.

More surprising, however, is the manner in which Mr. RIEGLE blames the Republican Party for the increasing lack of faith in government which is all too evident in the American society. There are good reasons for this loss of faith and, in many respects, it should be welcomed. Why government ever possessed such faith is a more interesting question to explore than why it is now losing it, but the facts of today's political life remain misunderstood by too many.

Permit me to cite several examples.

Discussing public housing in the New York area, Harrison Salisbury of the New York Times declared that the Fort Greene project in Brooklyn is a "20 million dollar slum" ideal for breeding criminals. Such projects, Salisbury states, "are centers of juvenile delinquency. They spawn teenage gangs. They incubate crime." A housing man is quoted as saying—

> The first thing that happens is the kids begin to destroy the property. Even before it is built. They steal the place blind. As soon as the windows go in they smash them. They smash them again and again. What difference does it make, it's public ain't it? That's what they say.

Have the liberal welfare programs, which Mr. RIEGLE hails as being of and for the people, really given individuals a stake in their communities, and a realistic hope for the future? Negro leaders think not, while men such as my colleague from Michigan continue to disagree. Bayard Rustin, director of the A. Philip Randolph Institute of New York, said that the War on Poverty is an "immoral bag of tricks" amounting to a "new form of slavery." He stated that—

> The problem for Negroes and Puerto Ricans and poor whites . . . is that America has no commitment to turn muscle power into skills.

Rustin expressed the view that simply giving people a "dole" without asking them to work and helping them to attain skills is no answer to the real problem. The hopelessness and futility remain, what has been called the "psychology of poverty." Unless this psychology is changed, Government programs such as those initiated by previous Democratic administrations, and evidently envisioned by Mr. RIEGLE, provide only a tranquilizer and not a cure.

The late militant black leader, Malcolm X, has expressed a similar opinion. In his "Autobiography," he addressed these words to self-proclaimed white liberals, those he found most guilty of supporting the idea of a dole for the ghetto:

> If . . . (they) wanted more to do, they could work on the roots of such ghetto evils as the little children out in the streets at midnight with apartment keys on strings around their necks to let themselves in, and their mothers and fathers drunk, drug addicts, thieves, prostitutes. Or . . . they could light some fires under Northern city halls, unions, and major industries to give more jobs to Negroes to remove so many of them from the relief and welfare rolls, which created laziness, and which deteriorated the ghettos into steadily worse places for humans to live . . . one thing the white man can never give the black man is self-respect. The black man never can become independent and recognized as a human being who is truly equal with other human beings until he has what they have, and until he is doing for himself what others are doing for themselves.

The philosophy of "spend and spend" which my colleague would like to see adopted by the Republican Party has failed, not only in the fields of welfare and relief, but in other fields as well. Such an approach is not a program, it is a simple substitute for a program. Problems are not solved by the simple expenditure of large sums of money. We have seen this repeatedly, yet today we learn that the Republican Party is not "responsive or relevant" because it will not continue to embrace a false philosophy and programs which have failed. It is that kind of "relevance and responsiveness" which produces not only a deteriorating society, but also a lack of faith in government and, in addition, the kind of electoral results Mr. MCGOVERN produced in the past election.

The gentleman from Michigan argues that the Republican Party no longer believes in decentralization, a position which completely overlooks the fact that it is precisely the idea of decentralization which has caused this administration to urge a policy of increased power and authority for State, county, and city governments.

My colleague argues that the American people have lost faith in an "unresponsive" government, not considering the fact that it is the bureaucrats who are elected by no one, and must not go to the people for their approval or disapproval at regular intervals, who now make rules which have the effect of law. It is this administration which is seeking to limit the authority of such bureaucrats, while the Democratic Party, since the days of the New Deal, has presided over the expansion of the bureaucracy which has led to our present situation. The people oppose schoolbusing, yet the buses roll. If they believe government is not responsive, they are quite right.

The question before us, in reality, is the basic question of what kind of a society we want to have. Do we want a society in which individuals become dependent upon government and the taxpayers for their livelihood? Do we want a society in which those who live in slums become locked into the "culture of poverty" and become unable to escape from it. Do we want a society in which the Federal Government is directly dictating to all citizens in the conduct of the intimate and personal matters of their lives?

Or, on the other hand, do we want to adapt our traditional principles of individualism and freedom to the changed circumstances of a mass society? Do we want to use the Government, not to employ people, or put them on a dole, but to assist them in obtaining the necessary skills to become independent and self-supporting citizens?

The gentleman's lengthy statement does not really address itself to any of these important questions. It presents an analysis of the Democratic and Republican Parties which has little relationship to reality and even less to the "needs of the people," about which one party is allegedly concerned and the other is not.

If, for a variety of reasons, Mr. RIEGLE has decided to become a Democrat, this, in a free society, is his privilege and right. His attack upon the Republican Party, which has always given him and others full latitude to express any view about any subject, is ill advised and erroneous in content. Hopefully, he will come to this decision himself upon further reflection.

OBSCENE RADIO BROADCASTING—VII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (JAMES V. STANTON) is recognized for 5 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, over the past several weeks I have inserted into the RECORD several items relating to controversial broadcasts by station WERE in Cleveland, Ohio, and on how this appears to be part of a national trend in programing by radio.

Members of this body who have a similar problem in their own congressional districts might wish to check the RECORDS of February 5, 6, 7, 8, 21, and 26, for material leading up to the insertion I am making today.

This is a letter to me from the U.S. attorney in Cleveland, and obviously it is self-explanatory. I think my colleagues here will find it of great interest. I have no comment to make at this time on the more substantive portions of this letter, but I do want to point out that the first paragraph of the February 22 letter from the U.S. attorney is in conflict with what he had told me earlier. For elucidation of this point alone, which, while important, does not go to the heart of the matter, I insert here, in addition to the aforementioned February 22 letter, a letter from the U.S. attorney to me, dated December 6, 1972, and a letter from me to him dated February 9. The letters follow:

U.S. DEPARTMENT OF JUSTICE,
U.S. ATTORNEY,
NORTHERN DISTRICT OF OHIO,
Cleveland, Ohio, February 22, 1973.

Hon. JAMES V. STANTON,
Member of Congress,
Washington, D.C.

DEAR CONGRESSMAN STANTON: In reply to your letter of February 9, wherein you inquired as to whether all tapes which I had requested from Station WERE were made available to me, I wish to advise you that all such tapes were made available and were reviewed.

In reply to your letters of February 21, 1973 and January 30, 1973, wherein you request that I explain to you my reasoning in arriving at my decision respecting prosecution, I must now respectfully decline your request.

As a Member of Congress, you are certainly aware of the separation of powers of our various branches of government. The Executive Branch is not more answerable to the Legislative Branch than either the Legislative Branch to the Executive Branch or even to the Judiciary. I would remind you that I am a member of the Executive Branch.

Prompted by my respect for you personally, as an individual, as well as my wish to extend a courtesy to a member of the Legislative Branch, I did offer to disclose to you certain information, on a confidential basis. I must now withdraw that offer and direct you to the standard procedure which confronts members of the Department of Justice.

As United States Attorney, my activities are directly supervised by the Executive Office for United States Attorneys, Washington, D.C. That office handles matters respecting congressional inquiry. Should you wish to have further information respecting the operation of my office, I would suggest that you communicate with the following-named individual:

Mr. Philip H. Modlin, Director, Executive Office for United States Attorneys, United States Department of Justice, Washington, D.C. 20530.

Very truly yours,
FREDERICK M. COLEMAN,
U.S. Attorney.

U.S. ATTORNEY,
NORTHERN DISTRICT OF OHIO,
Cleveland, Ohio, December 6, 1972.

Re Gary Dee—Radio Station WERE.

Hon. JAMES V. STANTON,
Member of Congress,
Washington, D.C.

DEAR CONGRESSMAN STANTON: In reply to your letter of November 1, respecting the broadcast of November 1, 1972, and any possible violation of Title 18, United States Code, Section 1464, I wish to present the following information.

In response to a request from this office, an investigation was conducted by the Federal Bureau of Investigation regarding the matter. The hours during which Gary Dee broadcasted, on that date, were from 5:00 A.M. through 10:00 A.M. The investigation revealed that Station WERE was able to provide the investigator with tapes of recordings between the hours of 5:00 A.M. through 7:15 A.M. and from 9:30 A.M. through 10:00 A.M. on the date of November 1. The recordings of other broadcasts by Gary Dee were missing and could not be located.

A review of the tapes which were presented for investigation revealed the use of some questionable language by the broadcaster, but it contained nothing which constituted obscene language. At best, much of the material was broadcasted in poor taste, as opposed to constituting a criminal violation.

Under the circumstances, and in consideration of the results of the entire investigation, I have declined prosecution in the absence of a finding of the criminal violation of Title 18, United States Code, Section 1464.

Should you require additional information, please feel free to get in touch with me.

Very truly yours,
FREDERICK M. COLEMAN,
U.S. Attorney.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 9, 1973.

Mr. FREDERICK M. COLEMAN,
U.S. Attorney, Northeast District,
Cleveland, Ohio

DEAR MR. COLEMAN: As an addendum to my January 30 letter to you regarding the Station WERE matter, I would like to call your attention to:

1. Your December 6 letter to me, in which you said: "The recordings of other broadcasts by Gary Dee were missing and could not be located."

2. My February 1 letter to Chairman Dean Burch of the Federal Communications Commission, a copy of which was sent to you, in which I refer, on Page 7, to this same problem.

In your reply to my January 30 letter, which I assume is in the process of preparation by you, I would appreciate your informing me as to whether all the tapes you requested of the January 17 broadcasts by Station WERE were made available to you by the station.

Whatever difficulties you may have had in this connection, either with respect to the November 1 or January 17 broadcast days, would be of interest to me, since it is conceivable that legislation might be required to correct these problems.

Therefore, it would be very helpful to me if you could send me a complete report on this aspect of the situation—again, as an addendum to the information I have already requested from you.

Kindest personal regards.

Sincerely,
JAMES V. STANTON,
Member of Congress.

THE TRADE ADJUSTMENT ASSISTANCE ORGANIZATION ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 30 minutes.

Mr. CULVER. Mr. Speaker, today I am introducing legislation which attempts to develop practical and timely economic adjustment programs to help workers, companies and communities adversely affected by foreign imports, and by the movement abroad of multinational corporations.

I introduce the Trade Adjustment Assistance Organization Act of 1973 in the hope that my colleagues and the executive branch will fully recognize that the Nation needs workable solutions to the economic issues which confront us—loss of jobs, continuing inflation, and our mounting trade deficit—and that in response to these issues the Congress and Executive will work together to give this or a similar bill a very high priority in new trade legislation.

I am concerned, however, about recent reports that the administration, in developing its forthcoming trade bill, may not be fully considering the essential link between trade safeguards and a workable trade adjustment assistance program. A mix of the two approaches will be needed to provide lasting economic adjustment, and to avoid a lapse into escalating protectionism. Thus, in special situations—where there has been rapid market penetration by imports—trade adjustment assistance should be linked to carefully designed safeguards, which would provide interim protection to industries and workers during difficult transitional periods of adjustment.

For the past four decades the United States has pursued an outward-looking foreign trade policy—a policy designed to seek freer trade, from which all nations could benefit economically and politically. The United States did not take this course until after learning, in the hard school of the Depression and Smoot-Hawley tariff years, the grave disadvantages of indiscriminate trade restrictions, political isolationism and retaliatory trade barriers, which in turn forced many American businesses to lay off workers. Since 1934 and the enactment of the Reciprocal Trade Act, and especially after World War II, the United States has encouraged cooperative and interdependent international economic policies. On balance, the result of our outward-looking foreign economic policy has been U.S. economic growth with increased sales abroad, strengthened economic and political relations with foreign countries, and an increased standard of living at lower costs to consumers in the developed countries, including the United States.

Over the last year, however, there has been growing concern in the United States about our mounting trade and balance-of-payments deficits combined with an intolerable 5 to 6 percent unemployment rate. We are confronted with these facts, but have been unable to reach a consensus as to their root cause, and more important have, to date, been unable to develop truly constructive solutions.

Some concerned citizens have pointed to unfair trade practices engaged in by foreign companies and governments, which have gone unchallenged by the executive. Others have suggested that the root of our employment and trade difficulties are to be found in our domestic economy, through the lack of economic policies effectively controlling inflation, and the failure to develop and rely on forward-looking economic policies to stimulate innovation, productivity and vigorous competition.

But one fact is clear. Millions of American workers are gripped by the fear that imports are undermining their job security, and they are joined in this fear by diverse industries which feel the pressure of foreign competition.

As a result, we are witnessing the shift of more and more of our Nation's business, labor, and economic leaders from an outward-looking foreign economic policy to a more protectionist one, and have seen the introduction of legislation which would greatly restrict imports across the board as well as the activities of American companies abroad.

These events are warning signals that the United States must develop and pursue fresh concepts to meet the problems of economic dislocations caused by imports. Warning signals that new trade legislation must confront the need to provide greater job security and opportunities for American workers, but in a way which is truly humane, effective economically, and consistent with the best interests of the U.S. international role.

Of critical importance will be a vastly improved adjustment assistance program.

THE NECESSITY FOR A WORKABLE TRADE ADJUSTMENT PROGRAM

In the last year and a half, the House Foreign Affairs Subcommittee on Foreign Economic Policy, which I chair, has held a series of hearings on the domestic and foreign ramifications of U.S. foreign economic policy. We examined successively the economic impact of enlargement of the European Common Market; the international implications of the new economic policy; and the state of our politico-economic relationship with our two largest trading partners, Canada and Japan. From these hearings there are a few facts on which a consensus did emerge.

First, to the extent the United States reacts unilaterally in the world economic arena to trade and international monetary problems, we risk incurring foreign political losses which could seriously endanger our country's security. Furthermore, there is every reason to believe that the unilateral imposition of trade restrictions by the United States would provoke retaliation in kind by our trading partners. The resulting trade wars can only seriously undermine our general economic well-being. As in the 1930's American jobs will be lost, not gained because of trade wars.

Moreover, import restrictions damage the U.S. consumer by reducing competition for domestic producers and permitting them to raise prices. It is estimated that present U.S. trade restrictions now cost U.S. consumers as much as $10 to $15 billion every year.

In a State such as Iowa, which I represent, both consumers and working people have no cause to rejoice in a trade war since exports are a vital part of Iowa's economic base.

Agricultural exports shipped from Iowa to foreign markets accounted for $620 million in fiscal year 1972; and the State was again second in the Nation in total as well as per capita exports of farm products. Most important, Iowa's growth rate in agricultural exports leads the Nation.

Iowa is also major exporter of manufactured goods, ranking 11th among the States in per capita exports of these products. Iowa's export trade in manufactured goods nearly doubled in the 1960's and continues to grow.

Cedar Rapids, for example, is the State's major producer of manufactured goods for exports, predominately farm and heavy duty road equipment, as well as electrical and food products.

Waterloo also exports large amounts of farm and road equipment; other important export centers are Dubuque, Des Moines, and the metropolitan area of Davenport.

Second, the concerns being voiced by labor and management in the adversely affected sectors of our economy are real concerns, and cannot be ignored or answered by resorting to the vague conceptual slogans of either "free trade" or "protectionism."

Third, trade adjustment assistance, in its present form as enacted in the Trade Expansion Act of 1962, has been employed so ineffectively and so marginally that continued business and labor criticism of adjustment assistance as nothing but burial expenses must be accepted.

For workers the assistance was supposed to be extra unemployment and retraining benefits. For companies the program specified loans and technical advice in modernizing their production facilities or moving them into new product lines. But 10 years after these laws were placed on the books, the actual record of accomplishment is pitiful. Only two companies and 20,000 workers have been temporarily helped, while another 17 companies and their workers, who did manage to survive the dense bureaucratic jungle necessary to qualify for assistance, have, to date, received nothing useful to help them.

We must face the fact that adjustment assistance as it was enacted 10 years ago was unworkable and obsolete the day it was passed.

The emphasis today must be put on a better delivery system, more substantive assistance and an early warning network to spot in advance those industries and companies which are running into trouble. Then Government assistance can be useful before the company is financially beyond hope, and it can enroll workers into training programs before their skills become obsolete. The Government must anticipate problems and identify industries likely to become uncompetitive. But, most important, the assistance must be adequate, practical, and quick. Otherwise, we will always be in a position of doing too little, to late.

As a result of its failure to soften the burdens of foreign competition by the rapid reemployment of workers and resources into more profitable and productive enterprises, trade adjustment assistance has failed to encourage large segments of business and labor to continue to support an outward looking foreign policy. Now, we find that many of those who have grievances against foreign competition are supporting legislation to restrict international trade as the only alternative to deal with damaging foreign imports.

It would be irresponsible to dismiss this understandable action without suggesting any viable alternative. In view of the tremendous impact which imports have had on workers, industries and entire communities, a positive alternative to trade restrictions and trade wars is called for.

THE TRADE ADJUSTMENT ASSISTANCE ORGANIZATION ACT OF 1973

In April and May of last year, the Subcommittee on Foreign Economic Policy held hearings to examine workable mechanisms for economic conversion as an alternative to trade wars. During these hearings, the subcommittee received testimony from knowledgeable private witnesses drawn from former Government officials, universities, public interest groups, labor and business, as well as from key Government officials.

The general consensus reached during the hearings was that trade adjustment assistance has not been given a meaningful tet; that the trade adjustment assistance program provided for in the Trade Expansion Act of 1962 in its design could not work and therefore hasn't; and that, most important, a trade adjustment assistance program can be designed to provide prompt and effective assistance to the workers, firms and communities who need it, at a lower cost to the economy than, and without the foreign policy disadvantages of, import-restricing relief.

For the purpose of providing a workable alternative to trade restrictions and trade wars, I am introducing today the Trade Adjustment Assistance Organization Act of 1973.

This bill is based on the recommendations made in the subcommittee's report on trade adjustment assistance, and is, in my opinion, a reasonable and constructive means of making adjustment assistance a workable answer to economic dislocations caused by imports. The bill is, however, open for refinement and I welcome any constructive suggestions.

In submitting this legislation I would like to raise an inherent broader issue which presented itself in our hearings—the issue of developing a national industrial conversion and manpower training program.

TRADE ADJUSTMENT ASSISTANCE—A MODEL FOR A NATIONAL PROGRAM

We live in an era of "future shock." The social and human costs of economic dislocation caused by rapid technological change, changes in consumer tastes, Government procurement programs, international trade, and other factors, make the development of effective adjustment mechanisms imperative where such dislocations occur.

Viewed in the context of the various factors which can cause economic dislocations, it is hard to justify helping workers suffering unemployment for some reasons while neglecting others whose unemployment arises from different causes equally beyond the workers' control. To a firm or worker thrown out of business by impersonal forces, it makes no difference whether the cause is increased imports, changing choice and technology, or rapid and sudden shifts in Government programs. Textile firms and workers in the Northeast were probably hurt far more by the internal relocation of their industry to the South than by imports from the Far East. Similarly, the aerospace engineer in California now driving a taxicab can attribute his misfortune to diminution of the U.S. space program, not construction of the Anglo-French Concorde. And the family farmer who leaves his land because he cannot compete with the mechanized efficiency of large corporations may never have even heard of the variable import levy restrictions on his potential exports to the Common Market.

Moreover, as the Vietnam war and our orientation toward a military economy wind down and as the 1970's bring a new awareness of the human and environmental problems which confront the Nation, we must develop a national priorities and economic conversion program which serves to shift industry from less productive areas to those for which there is a need for greatly expanded services, manpower, and capital investments—health, education, energy, low cost housing, pollution control, mass transportation, and rural and urban development.

To deal more effectively with the problems of unemployment, inflation, low productivity, lack of competitiveness, worker dissatisfaction, and redirecting our economic priorities, the United States must commit itself to the development and implementation of national manpower and industrial priority programs. It is time to develop mechanisms to provide adequate training and retraining opportunities with the genuine prospect of a job at the end of the line for all workers.

However, with the imminence of new multilateral trade negotiations, it is all the more timely to develop a workable trade adjustment assistance program, which can also serve as a demonstration model for a national manpower and industrial program. Moreover, a strong trade adjustment assistance program will strengthen our position in international economic negotiations as well as fulfill an important responsibility to our domestic economy.

Mr. Speaker, I am happy to be joined in the cosponsorship of this legislation by 44 of my colleagues. At this point I would like to submit a summary of the Trade Adjustment Assistance Organization Act of 1973:

A SUMMARY OF THE TRADE ADJUSTMENT ASSISTANCE ORGANIZATION ACT

TITLE I—REORGANIZATION

Since the effective administration of an improved adjustment assistance program requires a cohesive organization which can provide greater coordination at the Federal and state levels, this title transfers the trade adjustment assistance functions of existing Federal agencies to a newly created Trade Adjustment Assistance Administration, which will be in the Labor Department.

This new administration will absorb all or parts of the following existing offices:

(1) The Office of Trade Adjustment Assistance of the Commerce Department;

(2) The Office of Trade Adjustment Assistance of the Labor Department;

(3) The adjustment assistance functions of the Tariff Commission; and

(4) other relevant Federal programs.

The Administrator, appointed by the President, will be the chief executive of the Trade Adjustment Assistance Administration. He will be authorized to establish, certify and support training programs, and to coordinate the administration's activities with local and state bodies.

To help anticipate adjustment problems, identify industries most in need of modernization, establish national economic priorities, and review operations, an Economic Priorities Council will be created. It will consist of twelve members, three from labor, three from industry, three from consumer groups, and the Secretaries of Commerce, Treasury and Labor. Appropriate staff will be provided by the Department of Labor and the Trade Adjustment Administration.

TITLE II—ASSISTANCE

Subtitle A establishes a simple criteria for eligibility for benefits under this Act. This simplified criteria will expand coverage and speed up delivery of benefits. The Secretary of Labor will be responsible for determining the eligibility of workers, companies and communities.

A firm shall be eligible for economic adjustment assistance if it establishes that a significant number or proportion of its workers have become unemployed or underemployed or are threatened with unemployment or underemployment, and that the situation has been caused in substantial part by increased imports of articles competitive with articles produced by the firm without linkage to trade concessions.

Workers shall be eligible for economic adjustment assistance under the same criteria as firms, as well as in the situation where the relocation or proposed relocation of facilities of the firm to a place outside the United States causes, or threatens to cause unemployment or underemployment.

Communities shall be eligible for economic adjustment assistance if—

(1) a firm in such community is eligible for economic adjustment assistance and the economic situation of the firm has been a substantial cause or threat of serious injury to the economic base of the community, or

(2) if the relocation or proposed relocation of facilities of a firm will be a substantial cause or threat of serious injury to the economic base of the community.

To the extent practicable, joint firm-worker and firm-worker-community adjustment proposals and petitions should be encouraged. Such cooperation would expedite economic readjustment. Lacking such coordinated efforts, the Administrator shall notify the authorized representatives of all parties of pending petitions and adjustment proposals and consult with them in order to develop a coordinated economic adjustment program.

Subtitle B provides for assistance to firms. Companies deemed eligible for assistance will be entitled to make application for the following forms of assistance:

(1) interim financing pending the approval of longer term loan assistance;

(2) loan terms more favorable than existing commercial rates;

(3) technical assistance;

(4) research and development assistance for projects which would create new job opportunities; and

(5) continues existing tax benefits and provides the opportunity for new benefits for those companies whose particular economic circumstances warrant such preferential treatment.

Subtitle C would expand the present adjustment assistance program under the Trade Expansion Act of 1962 by increasing the amount and availability of benefits to eligible workers. To assure maximum equitable coverage and a minimum of hardship, a 60 day time limitation is placed on final determination of eligibility, and the qualification criteria concerning previous work, earnings and head of household status are liberalized so that there is a broad qualification for those workers who have been separated from their jobs. In addition, the readjustment allowance in this Act is raised from 65 percent to 85 percent of the displaced worker's average weekly wage rate.

In order to encourage workers to seek retraining, workers who, in addition to their readjustment allowance, receive assistance from other manpower services—such as state unemployment or retraining programs—will now be eligible to receive 100 percent rather than 75 percent of their former wage. Eligible workers will not, however, be able to receive more than 100 percent of their former wage. Payment of readjustment allowances continues for the entire period of retraining, and the length of the retraining period is left to the determination of the Administration so that the period is adequate to complete the extensive training required for high skilled services and technologically advanced industries. Furthermore, qualified workers will be allowed to pursue technical, professional or academic training as well as the traditional vocational training.

To assist workers, the Administration will develop retraining programs teaching skills needed for priority economic areas, and will provide testing, counseling and job placement assistance.

Workers still employed but who can demonstrate that they are threatened by loss of employment in the future will be eligible for retraining programs.

In addition, the Administration will provide relocation assistance, continuation of health insurance, and speeded up retirement, pension and social security benefits for other wise eligible displaced workers who are over 60 years of age.

Subtitle D provides economic adjustment assistance to communities. Adjustment assistance under this subtitle consists of technical assistance in the development of programs to enable communities to absorb the effects of economic dislocation and maintain a stable economic base by diversifying its industrial base, and wherever possible to reconstitute the local firm and its work force. In addition, the Administration shall submit to, and coordinate the communities adjustment proposal with the agency or agencies it determines to be appropriate for furnishing the technical and financial assistance to carry out the adjustment proposal.

TITLE III—RELOCATION OF FIRMS

This title provides that any firm which relocates facilities outside the United States must apply for all economic adjustment assistance for which its workers are eligible. In addition, such firms are required to offer first choice of future employment opportunities in their other production facilities to individuals at the old location who have been or will be rendered unemployed or underemployed by reason of the relocation of facilities. This should be done in cooperation with the appropriate labor representatives.

TITLE IV—AN EARLY WARNING SYSTEM

In order to have an effective adjustment assistance program there be a mechanism which can spot in advance economic hardship among industries and workers so the government can then initiate adjustment programs before the hardship actually occurs.

In recognition of this factor, Title IV directs the Trade Adjustment Assistance Administration to develop an integrated system of foreign and economic statistics. In addition, it requires, on a confidential basis, advance notice of corporate decisions to relocate facilities abroad, which would result in a reduction of workers.

HOUSING STOPS STYMIE RURAL NEEDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, many of us from rural parts of the country often feel that the metropolitan press has closed its eyes to the problems that exist beyond the outer limits of the suburbs.

For that reason, I was especially pleased to read a feature article on rural housing problems in the February 9 issue of the Washington Star.

Lew Sichelman, the new real estate editor of the Star did an excellent job in pointing out that two-thirds of the bad housing in the entire country is in rural America, in telling what organizations such as the rural housing alliance have done to help remedy the situation, and in making it clear that the effect of the administration's freeze on housing hits very hard at low-income rural families. I submit for your attention and the attention of my colleagues the text of the article.

Another Freeze Victim—Rural Housing Is the Nation's Worst

(By Lew Sichelman)

When people think of substandard housing, they usually think of the inner city, the ghetto. They close their eyes to conjure up visions of run-down tenements, boarded-up windows, floors covered with paint chips and rat-infested hallways.

And why not? The greatest concentration of our population is in our urban areas, where housing problems are easily seen and the difficulties of the poor are often heard about.

Yet, nearly two-thirds of the substandard housing in this country is in rural America. And over half of these dwellings are occupied.

These aren't just broken-down, overcrowded shacks or shanties where several families huddle close together in the corner of one room to keep warm, for the government's statistics on inferior housing no longer reflect dilapidation. That would be too subjective and too difficult to determine.

They are only the homes with something wrong with the plumbing. They lack running water, or have no bathroom, or have no plumbing at all.

And they're not far removed from this area. All you have to do is take a ride toward southern Maryland through Prince Georges County or to the outlying Northern Virginia counties of Fauquier and Loudoun to see them first hand, close-up, big as life.

The problem of substandard rural housing is nothing new. It has always been there. It's simply that up until a few years ago, no one cared or thought enough about it to bring it to the attention of the public.

"We call it 'metropollyanna'," says Clay Cochran, executive director of the Rural Housing Alliance, which was formed in 1969 to help low-income rural Americans obtain decent housing.

"The focus has always been on the cities" be it housing, welfare or whatever, Cochran says in explaining "metropollyanna." "There is an implicit belief that sooner or later, everyone will move to the cities where everything is good." For instance, he asks, why would a mother with six kids living on a pittance in Arkansas stay there when her relatives tell her she can get $300 in Chicago?

"Consciously and subconsciously," Cochran asserts, "we have been led by the unseen hand or another facet of our mythology to assume that the growth of our cities would redound to the benefit of all. Moreover, we have assumed, very comfortably, that there was some technological imperative which dictated that sooner or later, when we really become civilized, 90 percent or more of our people would live on 1 percent of our land, happy, prosperous, cultured and secure."

RHA is, in Cochran's words, "the stepchild of the American Friends Service Committee" which has been concerned with the plight of the poorly housed for more than 30 years.

In 1965, encouraged by the experience and success gained in sponsoring self-help housing programs in several areas, the service organized the International Self-Help Housing Association to foster the growth of the self-help approach to housing construction and repair. Neighbors help one another build or rehabilitate at a substantial saving in cost.

Funded by the Ford Foundation, the association opened an office here in January 1967. By the spring of 1969, the association had broadened its scope to include all rural housing programs and changed its name to the Rural Housing Alliance, which today is funded by the Ford Foundation, the Office of Economic Opportunity and some 500 members.

Until that time, says Cochran, there was no housing program focused on our rural areas. Even the "good" people who were quite concerned about substandard housing in the cities didn't think of the rural areas, he says. "They thought someone, somewhere, was taking care of that."

But they were wrong. There was little or nothing to help low or even moderate-income families obtain decent housing.

The Federal Housing Administration, which guarantees home mortgage loans, didn't function in towns of 25,000 or less because there was no one to lend the money for mortgages, according to Cochran.

And public housing programs, in which the government put up the construction money and assumed the poor could manage from there, never got off the ground in rural America "because incomes were so desperately low that the rural poor couldn't even afford the utilities."

So in 1969, RHA held the first national conference on rural housing problems to focus attention on just how bad the situation was out there. How bad was it? These figures may give you an idea:

In rural areas, one house in seven is substandard, according to the Census Bureau but only one of every 25 homes in the cities is substandard.

Fifty-six percent of the substandard housing America is in places of 2,500 people or less, yet only 25 percent of the country's population lives in such places, said Census.

Four years ago, says Cochran, 57 percent of the poor in Mississippi couldn't have lived in public housing if they had it. And they didn't.

The conference brought this body of information to the people who could do something about it—the government, labor unions, churches—and came up with a number of recommendations designed to solve the rural housing problem.

Since then, there has been some progress, albeit not enough. "We have no illusions about how much has been accomplished since our formation," admits Cochran. "Except there has been an awakening to the desperate need for adequate housing in small towns and rural areas."

Through what RHA calls "a handful of inadequate federal rural housing programs," the Farmers Home Administration, an Agriculture Department agency created in 1961, lent $1.6 billion last year, more than three times the $500 million it lent for rural housing in 1969. Yet, only 10 percent of the FmHA loans went to people with incomes of less than $4,000.

But RHA no longer is seeking more money or deeper subsidies to reach lower income levels. Now RHA is fighting to get back what it had gained in the last four years, for early last month the Nixon administration suspended the FmHA's housing programs as well as the subsidized programs administered by the Department of Housing and Urban Development.

Since FmHA program commitments aren't as far advanced as HUD's, which will last for 18 months or so, they will end, says Cochran, in less than six months.

With its 1,700 offices generally available to rural people, the FmHA, even with its shortcomings, is "ideally suited to the operation of a direct lending program in rural areas" and "is the only effective agency in the country equipped to bring housing to many low-income rural families," Cochran maintained.

Projections by the Housing Assistance Council, he went on, show that the moratorium will mean an 18-month loss of $1.55 billion in revenue nationally (assuming that every dollar spent on housing is worth $3 in terms of economic impact) and 133,000 man-years of work.

The state hardest hit is South Carolina, which, Cochran said, will lose $284.3 million and 8,338 man-years of work. Virginia will lose $191.4 million and 4,992 man-years, and Maryland will be out $45.5 million and 1,174 man-years.

In more specific terms, he said, over a thousand small contractors in Mississippi alone will be bankrupted immediately if the freeze is not lifted or altered.

"We cannot emphasize too strongly the loss to the emerging rural housing delivery system implicit in the imposed moratorium," he testified.

"It cannot be argued that the rural housing programs are tainted with corruption, nor can it be said that the $27 million spent on them is a major element of inflation in an economy with a Gross National Product of $1.1 trillion a year.

"We are not unaware of FmHA's shortcomings and inadequacies. But neither are we blind to its successes. We urge its continuation only until something better is substituted."

BOSTON COLLEGE ALUMNI PUBLICATION HAILS MAJORITY LEADER THOMAS P. O'NEILL, JR., BOSTON COLLEGE, 1936

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, in the March 1973 edition of Bridge, a magazine for the Boston College community, there appears a most interesting article by Rich Morrison about one of Boston College's most distinguished alumni, the Honorable THOMAS PHILIP O'NEILL, JR., of the class of 1936, the distinguished majority leader of the House.

Mr. Speaker, even though my undergraduate education was at Fordham University, a longtime Jesuit rival of Boston College, I join with the bald and grey Eagles of Boston College in hailing "Tip" O'Neill an outstanding son of Boston College. I can well understand their pride in his outstanding career as speaker of the great and General Court of the Commonwealth of Massachusetts as majority whip and now majority leader of the U.S. House of Representatives.

Because I know all Members of this House on both sides of the aisle would be interested in knowing what Tip's old friends from undergraduate days think of him, I ask that "A Political Architect Plans a Stronger House" appear at this point in the Record.

The article follows:

A Political Architect Plans a Stronger House

(By Rich Morrison)

Thomas P. O'Neill doesn't forget old friends. The night of Congressman O'Neill's election as Majority Leader in the House of Representatives was party night in Washington. During a get-together at the International Club with family and friends, the thorough-bred Bostonian (in typical fashion) broke out into rousing song with some of the old BC crowd. Above the melodic din, Tip's dulcet tones could be heard leading an impromptu chorus of *For Boston*, the traditional fight song of the Heights, written by T. J. Hurley in 1885. It was the Class of 1936 all over again.

One of BC's most illustrious alumni to date, sociable energy notwithstanding, Tip did not forge his political career by throwing parties. His commitment to the welfare of the people he represents goes back to his student days. O'Neill has not lost an election since 1936 when, as a Boston College senior, he lost a seat on the City Council by a mere 150 votes. His 36 year fling with politics has been on the upswing ever since, the most recent stopover being the majority leader's seat, left vacant after the tragic plane crash that killed Louisiana representative Hale Boggs last fall.

The burly Irishman is described by his son Michael as a "super-fan" of Boston College. His career reflects his BC education and the strict Irish Catholic upbringing in Cambridge, where his family settled after immigrating from County Cork. When the legislature allows him some free time (he spends about 12 days a month home), he is in Cambridge, where he lives with his wife, Mildred. Of their five children, Rosemary, 29, works for the State Department in Washington, Susan, 26, is a teacher in Virginia, Tom 3rd, 27, was just elected to the Massachusetts legislature, Christopher, 23 is a recent BC graduate and Michael, 21, is presently a student at Boston College.

After engaging in a few novice espionage techniques in an attempt to learn the congressman's home phone number in Cambridge, one colleague suggested simply, "Why don't you try the phone book?" I did and discovered that O'Neill makes it easy for his constituents to keep in touch with him. O'Neill was contacted shortly after his recent election and asked if he saw any difficulty setting priorities between his role as congressman, and as majority leader. His quick reply was, "There's no question about it. My constituents come first. And I'm dedicated to serving them with all my ability. Of course, having the majority leader's post will help my district. As majority leader I'm responsible for scheduling legislation on the floor and I'm in constant contact with the speaker and the committee chairmen. When legislation that affects my district is before these committees I know I'll get expeditious service and I schedule our bills for the floor immediately."

Possessed of a quick wit and fierce loyalty, the 60 year old alumnus is concerned with the vital issues perhaps more than any majority leader in recent history. Commenting on the fiscal crisis of the nation's cities, O'Neill said, "I definitely believe that an institution of higher education should be able to render services in lieu of taxes. After all, a college is a community organization and has a responsibility to improve the community using its resources as best it can, whether this be in the form of taxes or educational programs, it is a contribution just the same. Boston College is a national leader in community involvement and I am proud to be a member of the Board of Trustees."

O'Neill was nicknamed "Tip" by his family, after an 1880's baseball player whose name was O'Neill and who had a famous proclivity for "tipping" foul balls. He's a product of the times, from a working-class background. Parochial schools are a tradition in his family and there was a time when the four oldest children shared the same bedroom.

A nine-term member of the House Rules Committee and co-chairman of the Democratic Congressional Committee, the Roosevelt New Dealer has been among the unofficial leadership of the House since 1952, when representative John F. Kennedy moved to the Senate. Accused by some of old-time politics, the candid O'Neill has taken very visible stands on controversial issues. His split with the late Lyndon Johnson over the Vietnam war in 1967 was a difficult move for him, but one which he felt, in good conscience, had to be made.

The new majority leader is energetic and untiring. His roots in Boston are deep and he has never forgotten the people who elected him congressman. Both conservatives and liberals share the expectation that Tip O'Neill will provide the kind of "can do-get done" leadership in his critical House job.

THE FEDERAL AID TO HIGHWAY ACT—A 1973 VIEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Rostenkowski) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, of the many issues presently confronting us in the 93d Congress, none will have a more lasting effect on the future of urban America than the resolution of the problem of Federal highway funding and its relationship to modes of mass transportation. We have all heard the arguments concerning how the moneys from the highway trust fund should and should not be used. Myths and distortions have been developed on both sides of the controversy. In a continuing discussion of this type, there are few absolute rights and absolute wrongs, but only vast gray areas where an advantage for one group is looked upon as a setback for the other.

But the goals in resolving this current funding dispute should not be set in these terms of victory or defeat, but rather the goal should be a transportation system in which the American people result as the only clear winners. To promote such a program, both mass transportation and well-planned highway systems must be utilized to achieve the utmost flexibility in planning for urban and rural America alike.

The need for such flexibility in transportation planning for the 1970's was eloquently expressed by Robert E. Gallamore, on behalf of Common Cause, in his testimony before the Senate Subcommittee on Roads, February 15, 1973. In addition to being director of policy development for Common Cause, Robert Gallamore, as an individual, has impressive credentials in the field of modern transportation. After receiving a degree, Phi Beta Kappa, from Wesleyan, he earned a master's degree in public administration and a doctorate from Harvard. Before joining Common Cause in his present capacity, he was in the Office of the Secretary of the Department of Transportation. As an economics specialist at DOT, he was involved in many of the recent economic advancements in the field of transportation and is best known as one of the originators of Amtrak.

At this point, I would like to insert Mr. Gallamore's testimony in the Record for my colleagues' attention. Although I do not necessarily agree with every point in his presentation, I feel that his was a rational approach which answers many of the questions that have troubled us all on this issue:

Testimony of Robert E. Gallamore

I am speaking on behalf of Common Cause, a citizen's organization of more than 200,000 members throughout the 50 states. Before joining the Staff of Common Cause I served under both Democratic and Republican administrations as an economist with the U.S. Department of Transportation, and my academic specialization was in the economics of transportation.

At the outset I would like to commend this Subcommittee on the breadth of these hearings. The importance of this subject to the larger question of national budgetary priorities should be clear to us all. The road vs. transit debate will focus this issue for the 93rd Congress much as did proposed funding of the American SST two years ago.

Among the issues that concern Common Cause are the revitalization of government at all levels, protection of the environment, equal opportunity in every aspect of American life, sound fiscal and tax policies, improved education, housing and urban transportation, and better planning for anticipated national growth, both in cities and rural areas.

Our basic concern in the urban transportation area stems from the imbalance of federal transportation spending on highways versus mass transit. Primarily because of the Highway Trust Fund concept, Americans are locked into a highway building program based on the erroneous view that the federal gasoline tax is a "user charge for highway construction." Since 1956, when the Highway Trust Fund was first established by Congress, we have spent over $200 billion on highways, and less than 2% of that amount on mass transportation alternatives. Estimates of growing highway "needs" through 1990 are being used to urge spending $600 billion more on highways. Present Department of Transportation proposals are to spend no more than $20 billion on developing mass transit in the same period. This funding level for mass transit as compared to highways is a vast improvement over the ratio that has prevailed in the past, but mass transit remains insufficiently funded. Common Cause applauds the Administration on its support last year, and again last week in the testimony of Department of Transportation Secretary Brinegar, for increased funding of mass transit from the Highway Trust Fund.

We believe that new developments are making the automobile increasingly less desirable as the chief mode of urban transportation. Considerations of environmental quality, energy and other resource conservation, wise use of land and safety compel us to consider alternatives to the automobile for urban travel.

In this testimony I will present the reasons for Common Cause's position. We support the Muskie-Baker amendment to the Committee Bill, S. 502, which provides for funding public transit projects from the Highway Trust Fund. This is the revised version of the Cooper-Muskie bill which passed the Senate last year. We also favor legislation such as that offered by Senators Kennedy and Weicker which goes even further in providing local option for use of Trust Fund monies on other transportation solutions.

THE "TRUST FUND" AND GASOLINE TAXES

As this Subcommittee knows well, the Highway Trust Fund was established in 1956, primarily to assure full funding of the National System of Interstate and Defense Highways, which was created at the same time. Highway Trust Funds also support construction within the federal-aid A.B.C. System and certain other highway-related purposes. The Trust Fund receives almost $6 billion per year, and another $300 million in general funds are appropriated annually for federal highway projects. Of total federal highway spending, about half goes to the Interstates, although only a little more than 20% of all vehicle-miles are travelled on the Interstate System.

The first issue to be settled in considering whether to broaden the Highway Trust Fund to uses other than highway construction is this: Does logic demand a strict correspondence of gasoline tax collections to highway construction expenditures? Set aside legal and "moral" considerations. Legally the Trust Fund was created a number of years after federal gas taxes were first levied, and this Congress can decide to undo a legalism just as an earlier Congress created one. Morally there is no issue, for there is no single public group with which a specific contract to build an unchangeable Interstate Highway System was signed—the Interstate map has been changed, and there are substantial cross-subsidies among different highway users in different parts of the country and among operators of different types of vehicles. Also, the Highway Trust Fund has been used for non-Interstate purposes from its outset.

Common Cause does not believe that federal gasoline tax revenues and the other levies which go into the Highway Trust Fund must forever be devoted to highway construction. The Trust Fund as originally designed has served its purpose and now should be radically altered. Today's tax receipts should be used to fund today's most urgent priorities.

The view of those who regard the Trust Fund as sacrosanct is that I, as I pull in to have my gas tank filled up, thereby choose the auto mode over other possible forms of transportation and therein dedicate a portion of my transportation budget to the purpose of building more new highways. I am by preference a highway user and willingly pay this "user charge."

Nonsense. Highway users are at any given moment highway users because it is more convenient and perceived to be cheaper than other transport options. *Highway users don't have to pay the full social costs of that decision!* Noise, congestion and air pollution spillovers are shared with others. Large portions of dislocation costs are borne by unfortunate people whose incomes and often whose race do not enable them to move out of the path of new freeways until it is too late to make that choice voluntarily. Gasoline is relatively cheap because all taxpayers subsidize oil companies through the percentage depletion allowance, intangible drilling cost write-offs, and foreign tax credits. Federal general funds pay for forest and park roads, among others. Local jurisdictions pay for traffic police out of general funds. And if parkland is taken for new highways, individual motorists do not have to pay for that obvious cost to the whole society.

Nor do highway users choose to have federal gas taxes spent only on new highway construction. They make no contract with the Federal Highway Administrator and expect no "trust" from him. I pay gas taxes because my car consumes fuel traveling over *existing* highways. I may never travel on one of the *new* roads paid for out of the Trust Fund. If I live in a metropolitan area, I subsidize the construction of roads in rural areas with my federal gasoline tax payments. And if I do drive on one of the new roads, the maintenance costs I impose on it will come out of state and local fuel taxes, not my federal tax. Thus the whole notion of federal fuel taxes as user charges for highway construction collapses.

Fuel taxes are more appropriately considered as a general sales tax—as the federal gasoline tax was designed when first imposed and as some state taxes and tolls on motor vehicles still are. Secretary Brinegar provided a discussion of this issue in his testimony before this Subcommittee last week. As he noted:

"The excise tax on gasoline goes back to 1932, and the excise tax on tires and tubes back to 1919 [whereas the Highway Trust Fund was not established until 1956]. To show the significance of this historical pattern, if we today computed the share of the 1974 trust fund monies that came from general fund sources prior to 1956, we find the total to be approximately 50 percent. (I interpret this to mean that roughly half of Trust Fund monies comes from new taxes imposed at the time of the Fund's creation and dedicated to it.) Thus, on grounds of equity it seems fair to consider that a sizable amount of trust fund monies could be legitimately used for transportation purposes that broadly benefit a large segment of the population."

Another way of looking at fuel taxes is as sumptuary taxes on a perceived social evil—motor vehicle exhausts. In fact, if this country were so wise as to adopt a comprehensive emissions or effluent tax system, one place to begin would be the gasoline tax. Viewed as an emissions tax, present federal fuel taxes are both too low and dedicated to the wrong purposes. That is, present federal fuel taxes in large urban areas probably are insufficient to cover the social cost of motor vehicle emissions. Moreover, one of the purposes of effluent charges is to discourage consumption of the polluting commodity, and that we do not ordinarily accomplish in the motor vehicle case by new highway construction. (Exceptions: construction of bus transit facilities, and, rarely, investment in highway projects which genuinely reduce existing congestion and do not induce new traffic.)

Common Cause therefore does not object to the idea of increases in fuel taxes deemed absolutely necessary to pay for improved alternative forms of transportation, but we emphatically object to the contention that *existing* fuel taxes could not be expended for the same purpose. We would go further and suggest that one reason so many plainly unwarranted urban and suburban projects have been built—in the face of enormous costs, adverse impact on the environment and legitimate citizen protest—is that the Highway Trust Fund had made the funds available and therefore they had to be spent. *State highway officials have to use the funds on highways or lose them.* This is a covenant of trust with the American people? It cannot be so.

The injury to common sense is even more grave when we consider the other uses to which those highway funds might have been put.

Before leaving this subject, just a personal word about trucking; (Common Cause has no position on this issue). I agree with Secretary Brinegar that truckers have a stronger claim than do motorists in calling their fuel taxes user charges. I do not believe, however, that large trucks (particularly diesels, four and more axles) pay their fair share into the Trust Fund. This contention is supported by a 1969 cost allocation study performed by the Federal Highway Administration. Building the Interstate System to truck standards increased the cost of those highways enormously. Trucks reduce the capacity and increase the congestion of roads substantially, and trucks (frequently overloaded) impose maintenance costs on roads in an almost unbelieveable ratio to automobiles. According to a study done for the Department of Transportation by Charles River Associates, each large truck on the highways causes maintenance costs equal to that of 2000 automobiles! Safety is another consideration. Unless and until truckers pay their full fair share into the Trust Fund, they should have no complaint about diversion.

TRANSPORTATION PLANNING

The efficiency of most transportation systems, especially highway networks, depends chiefly on their design. There is little that good management can do to make up for poor design, and well planned systems seem to work out in spite of bad management.

The rural and exurban portions of the Interstate Highway System are superbly designed for both freight and passenger traffic. No other transport network in the world is their equal. But somewhere along the line someone decided that new inner-city highways should be built the same way as rural Interstates. Those great freightways could be bored right through the center of cities—with almost the same clearances, land requirements and speed limits. It hasn't worked. Most of those 50-60 mph freeways wind up like every other main artery in rush hour—clogged with stop and go traffic.

By the same token, some mass transit advocates have become totally infatuated with rail systems, whether or not their city is big enough and densely populated enough to support them. What is good for New York is good for Portland or Springfield, goes the reasoning. Thus the danger that a city large enough to support an excellent bus-on-exclusive-lanes system may build a subway system that is hopelessly uneconomic.

Bad planning takes other forms. Urban areas do not make adequate use of existing rights of way (sometimes because of poor cooperation from railroad companies). Traffic departments are reluctant to take on auto commuters and reserve curb lanes for buses, allow only buses to make left turns at certain intersections, and provide park and ride facilities. These and other innovations could be adopted relatively inexpensively.

On the national scale, bad planning takes the form, for example, of a 1972 Highway Needs Study that gives inadequate consideration to railroad piggyback or container operations as a substitute for long haul trucking. Planning for the so-called "priority-primary" system—or worse, a new "super-Interstate" program—also misses the mark. The country does not need another overlay of superhighways nearly so much as it needs to plan for access and egress from regional wholesaling centers—limiting road construction primarily to upgrading existing routes which radiate from these centers as spokes from the hub of a wheel.

With improved transportation decision-making made possible by greater flexibility in investment of federal funds and an end to the "use it for highways or lose it" rule, it is entirely possible that we can *reduce* the share of total government revenues going to the transportation sector and still improve freight and passenger mobility—both rural and urban.

LOCAL INITIATIVE AND RESPONSIBILITY

Good transportation planning encompasses local initiative. Urban transportation planning in particular has been plagued by at least three defects attributable to the alliance of federal Highway Trust Fund monies and unresponsive state highway department officials.

The first problem is the rigid allocation formulas for highways versus transit systems. States pay only 10¢ for every dollar they spend on Interstate Highways, which include nearly all important (and controversial) new urban highway segments. By contrast, local jurisdictions must put up ⅓ to ½ of the money spent on transit projects financed by the Urban Mass Transit Administration. Even under the Department of Transportation's single urban transport fund proposal, which Common Cause supports, the federal contribution could not exceed 70% for mass transit, while it would remain 90% for uncompleted urban Interstate segments. These imbalanced matching formulas are to blame for much of the urban transport "crisis" today.

The Committee bill, S. 502, recognizes that the use of some Highway Trust Funds for highway-related transit purposes may benefit remaining highway users by relieving road congestion. Rail transit can, of course, accomplish an identical function, so regarding cases where rail transit is efficient, there is no logic whatsoever in approving Trust Fund expenditures while denying them to the rail mode.

The second factor undermining balanced urban transport planning and local initiative is the method by which urban freeways are proposed, located, and mandated. I have already referred to the poor design of many freeways, but the process by which they are proposed to be built in the first place is equally infirm. Highway engineers build up inflated estimates of further highway "needs" from arbitrary standards that are to be met by all highways of a given class. These estimates are based on extrapolations from existing travel counts and expected population growth patterns, but they give inadequate attention to alternatives. Once built, the highways will be used—to the point of congestion, usually. But it is a fact that highway "needs" studies are more self-fulfilling prophecy than proper transportation planning. This will remain the case as long as Highway Trust Fund monies can be used only for more highways.

The difficulty for local jurisdictions is that once a highway gets into the "needs" study and is approved by Congress, there is no turning back. It is mandated. It has to be built whether it is wanted or warranted or not. Fortunately the Committee bill, S. 502, would end this intolerable situation. Common Cause strongly supports the concept in S. 502 whereby designated urban Interstate segments could be withdrawn and the funds thus saved be transferred to other *urban* transit uses, and we favor the Muskie-Baker proposal that these uses include the option of rail as well as highway-related expenditures. Common Cause also supports S. 502's pass-through provisions, which provide funds directly to urban transportation authorities.

The third way in which the power of the Trust Fund and the state highway departments undermines local responsibility is by inadequate inclusion of citizens in the most important parts of the planning process. Too much is done by the "experts". Public hearings are frequently called after the key decisions are made. Options are too restrictive—such as whether to build a highway here or there, not whether to build it at all or what other transport mode should be considered. Common Cause believes that this Committee should do all it can to improve citizen participation in the transportation planning process. We favor Sec. 120 of the Committee bill which concerns public participation, and we would ask this Committee to give periodic oversight to how well the Department of Transportation Secretary carries out this provision of the law. Another specific step would be to enact a clear guarantee of the citizen's right to sue in a court of law for enforcement of federal laws governing the planning process.

ENVIRONMENTAL QUALITY

Some of the strongest arguments for developing alternatives to the automobile for urban transportation center on the preservation of our natural resources. Statistics gathered by the Council on Environmental Quality identify the automobile as the major source of air pollutants in the country. Half of hydrocarbon, ⅖ of nitric oxide, and ⅔ of carbon monoxide pollution is produced by car engines. Lead concentrations in the dust of some cities have been found equivalent to the lead in paint now prohibited by law. Research on the dangers from exposure to these and other pollutants is just beginning.

In order to meet the 1977 deadline for air quality standards required by the Clean Air Act Amendments of 1970, Environmental Protection Agency Administrator Ruckelshaus last month suggested that Los Angeles should be rationing gasoline in order to reduce driving more than 80% during the smog-prone summer months. Other large cities may have to adopt similar measures.

The automobile, even without fuel-consuming anti-pollution and air-conditioning devices, is the most wasteful common means of surface transportation. The auto uses five times more fuel to transport a person one mile than does a bus, and 10 times more than a train. Automobiles use extremely high grade petroleum fuels. Petroleum is becoming more scarce and eventually its consumption may have to be restricted to use as a raw material (e.g. in plastics manufacture) and not as a fuel. It is estimated that at the current rate, transportation fuel demands could deplete the entire proven Alaska oil reserves in 7 years. Reducing the auto's use in urban areas by only one-fourth, the Highway Action Coalition estimates, would save one million barrels of petroleum per day, which is equivalent to the full operating capacity of the trans-Alaska pipeline.

Nor are other resources inexhaustible. Automobiles use 21% of the steel, 61% of the rubber, and 10% of the aluminum produced in our country each year. Much of this material ends up abandoned on city streets or rusting in junkyards.

In recent years we have become painfully aware of the results of unplanted growth in and around our cities. We face a national land use scandal, much of it attributable to the car and its concrete pathways. In many cities, up to 60% of the land is being devoted to the movement and storage of the automobile. The New Jersey Planning Department has predicted that by 2000, transportation will consume ⅓ of the entire land area of New Jersey!

We continue to allow highway construction to displace housing units at a time when there is a national housing shortage and a reduction of federal assistance for the construction of new housing. In the three years between 1967 and 1970, highways were responsible for the destruction of 147,000 residences, 17,000 businesses, and 5,000 farms.

Buses and trains allow more efficient use of land space and offer an aesthetically pleasing alternative to the expressway. One bus lane can move at least as many people as 6 expressway lanes beside it. A double-tracked rail transit line can carry as many commuters per hour as 20 lanes of freeway at existing average rates of passengers-per-vehicle.

Common Cause joins with the Highway Action Coalition and other groups urging preservation of the basic citizen's protective legislation affecting highway and mass transit programs, Section 4(f) of the Department of Transportation Act of 1966 and Section 102 of the National Environmental Policy Act of 1969. We also endorse the proposal sponsored by Senator Muskie to require states to inspect motor vehicle emission control devices, and to pay for the costs of the inspection program from the Highway Trust Fund.

I have not treated specific estimates of the costs of highway congestion or traffic accidents, or the comparative costs of auto vs. mass transit systems under varying circumstances, but this Subcommittee has received other testimony on these important considerations.

CONCLUSION

A recent survey by National Opinion Research Corp. indicated 57% of the American people thought we should limit automobile traffic in downtown areas; 66% of those who live in cities of a million or more thought it a good idea. The latest Conference of Governors overwhelmingly favored mass transit alternatives to highway building in cities. Governor Sargent of Massachusetts has recently imposed a ban on more roadways in Boston, and is spending money instead on an improved public transportation system.

It is clear that changes have occurred in the nation's thinking about highways since the Interstate Highway System and the Highway Trust Fund were conceived, almost twenty years ago. At that time the gap between perceived highway needs and existing roads was clear—a twenty year planning framework made sense. And as far as intercity connections go, the Interstate Systems was well designed.

But the view from 1973 is distinctly different. A basic system is already substantially in place. Additions to it, new highways, must be weighed on their merits and on a link-by-link basis. Other modal alternatives must be considered. Funding for those alternatives must be flexible and unbiased, or we risk wasting vast sums of precious national resources.

The concept of a single-mode trust fund—whether for highways, airways or rail transit—is hopelessly outmoded. Transportation opportunities should be viewed regionally and by function—that is, by final purpose of the movement rather than by what kind of equipment gets the object from one place to another. Certainly the existing Highway Trust Fund should be broadened, Common Cause believes, and any new transportation funds should be based on broad functions (such as urban passenger transport) rather than modes (such as rail transit). Broadening of the Highway Trust Fund is a necessary step from the point of view of overall national priorities, and a proper way to provide the substantially larger sums for urban mass transit which we believe to be in the best interest of the general public.

IMPACT OF PRESIDENT NIXON'S BUDGET ON SIXTH MASSACHUSETTS CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, last Friday, I held hearings in my district, the

Sixth District of Massachusetts, on the local impact of the Nixon budget. I wanted the opportunity to explain to my con- on their lives and I wanted to be better stituents the effects the budget will have informed myself about this effect. From both points of view, the hearings were a marked success.

The hearings, in fact, were so successful that I will use the technique developed to produce the information for the hearings in my own district to examine the impact of the budget elsewhere in Massachusetts.

I would like at this time to insert in the RECORD for the information of my colleagues the information I released to the hearings.

The statement follows:

HARRINGTON CHAIRS FIRST BUDGET HEARING

The first in a series of Congressional hearings on the Nixon budget proposals got underway this morning at Lynn City Hall. The hearing was chaired by Congressman Michael J. Harrington (D-Mass.).

Harrington said the hearings are being held "to educate the public about the local impact of the Budget, to determine which programs are in fact working, and to help myself and other members of Congress better plan responsible alternatives."

Twelve persons representing all aspects of programs affected by the cutbacks were scheduled to testify on the Budget's cost to the Sixth District and Massachusetts.

While acknowledging that there was room for improvement among existing programs, Congressman Harrington charged that the "Budget does not offer constructive change, but is a thoughtless document reflecting no careful analysis of the effectiveness of domestic programs but eliminates workable and worthwhile programs."

Harrington said that future hearings would be held in other parts of Massachusetts and New England to determine the full impact of the Budget cutbacks.

The following persons are scheduled to testify before Congressman Harrington's hearing in Lynn on the subjects indicated.

Bill Carney from the Peabody Council on Aging will talk about the effects of Medicare regulation changes on social security recipients.

Dr. Robert Paul, Jr., Superintendent of Schools of Amesbury, will discuss a variety of federal assistance programs for public schools.

Dr. Anthony Patton a thoracic surgeon will testify on all areas of health care.

Dr. Donald Beattie, the Acting President of North Shore Community College, will discuss the overall effect of the Budget on higher education.

Mary Clare Ciulla, a student at Northern Essex Community College, is from Haverhill and will tell the hearing about work-study and direct student loans.

Dr. Frank Keegan will discuss a specific instance of a terminated program at Salem State College, where he is the President.

Rev. James Gambrill from St. Stephens Church in Lynn will discuss the effects of the Budget on elderly housing.

Lynn Model Cities Executive Director Phil Mamber will explain the services now rendered by Model Cities and who is affected by them.

Bob French, the Mayor of Gloucester, will discuss cutbacks in the Emergency Employment Act and other federal programs as affects the City of Gloucester.

Ipswich Town Manager Dick Conti will discuss the overall impact of the proposed cutbacks on municipalities in general, and upon the town of Ipswich in particular.

Denton Crews, Director of the Gloucester Community Action Program, will discuss the Budget impact on citizens now being served by Community Action Programs.

Al Marrs, Director of the Southern Consortium of the Emergency Employment Program, will explain the overall impact of the EEA on the Sixth District and how it will be affected by the new Budget.

ELDERLY

Programs that have been terminated concerning the elderly are many of the housing programs such as rent subsidies, nonprofit sponsor housing which allowed nonprofit organizations to build housing for low-income groups including the elderly, various social services provided by community action agencies and Model Cities agencies. One of the most severe costs that will affect the elderly is the change in the deductible under medicare.

MEDICARE

The amount the elderly will have to pay to supplement medicare hospital and physician payments will rise appreciably.

HOSPITAL CARE

At present, for the first 60 days, $72 deductible.

Nixon plan, full cost of 1st hospital day (North Shore average $90).

At present, 61st to 90th hospital day, $18 per day deductible.

Nixon plan, 10% of full cost of each hospital day after the 1st (average $15 per day at least). A two-week hospitalization would cost an elderly person a minimum of $300.

PHYSICIANS' COST

At present, physicians average $600; Nixon plan, $600.

Medicare patient pays, $168; Nixon plan, $214.

In the Sixth Congressional District there are approximtaley 45,000 people on medicare.

For those on medicaid, all dental care has been eliminated.

EDUCATION—ELEMENTARY AND SECONDARY SCHOOLS

Funds for Elementary and Secondary Education are granted to every town and city in the 6th Congressional District. (See following sheets)

The largest program is Title I under the Elementary and Secondary Act, aid to educationally deprived children. Funds under this program in fiscal year 1973 totalled $1,854,086.

Money for library resources, aid to innovative education, research, aid to state departments of education, aid for handicapped children, and for programs for drop out prevention have all been cut to zero in the President's budget.

This year more than 6000 children in the 6th District were aided by Title I funds.

This year $964,000 came into the 6th District for vocational education. This program is terminated in the Nixon budget—$169,000 came into the District to buy audio visual equipment for local schools, under Title III of the National Defense Education Act. This program is terminated in the Nixon budget.

Local school boards have received funds under the Special Milk Program.

School systems had planned on receiving close to $160,000 in fiscal 1974.

Now this program has been cut by 75% in the Nixon budget.

More than $900,000 has been received by local school districts under the program for school assistance in federally affected areas. This would be terminated in the Nixon budget.

The following represent a projection of the proposed cuts in FY 74 budget in some areas of education.

PROJECTION OF PROPOSED CUTS

City or town	Special milk program	Federal assistance in impacted areas	ESEA (all titles)
Amesbury	$3,873	$38,000	$21,699
Beverly	(1)	63,000	277,126
Boxford	999	5,211	4,320
Danvers	15,249	[2] 37,204	144,005
Essex	(1)	5,000	961
Georgetown	(1)	25,687	13,103
Gloucester	5,707	16,915	142,008
Groveland	(1)	3,300	1,194
Hamilton	2,442	3,000	6,720
Haverhill	(1)	77,000	371,520
Ipswich	(1)	6,658	19,675
Lynn	28,773	200,000	805,440
Manchester	(1)	17,403	9,846
Marblehead	4,070	53,000	270,720
Merrimac	(1)	2,500	13,286
Middleton	741	6,000	9,600
Nahant	(1)	14,316	2,393
Newbury	(1)	3,100	5,376
Newburyport	5,920	[2] 28,462	127,676
North Andover	7,664	53,430	27,798
Peabody	13,320	96,000	106,560
Rockport	740	(1)	(1)
Rowley	247	1,239	4,370
Salem	8,669	77,000	304,329
Salisbury	8,880	9,092	26,371
Swampscott	77,104	43,771	43,771
Topsfield	1,436	[2] 24,420	[2] 7,532
Wenham	1,038	4,000	6,576
West Newbury	222	5,472	2,300
Hamilton-Wenham Region	1,216	65,251	(1)
Pentucket School System	(1)	2,112	27,000
Masconomet School System	1,343	(1)	20,000
Triton School System	(1)	1,200	13,000

[1] Not available.

[2] Figures based on fiscal year 1972.

Title I—ESEA (Grant, no. of children served, employees).

Sixth Congressional District.

Total $1,854,086.

No. of children served—5914.

Full-time employees—961.

Part-time employees—179.

City or town	*and amount of grant*
Amesbury	$27,179
Beverly	139,486
Boxford	4,061
Danvers	39,519
Essex and Manchester	*4,530
Georgetown	11,246
Gloucester	146,671
Groveland	12,808
Hamilton	5,779
Haverhill	253,980
Ipswich	*$9,684
Lynn	706,957
Manchester and Essex	*4,686
Marblehead	24,836
Merrimac	12,340
Middleton	10,465
Nahant	10,778
Newbury	5,311
Newburyport	71,852
No. Andover	22,180
Peabody	67,322
Rockport	7,810
Rowley	3,593
Salem	179,473
Salisbury	24,836
Swampscott	24,367
Topsfield	7,029
Wenham	9,216
West Newbury	6,092

* Denotes approximate figure.

NEWS RELEASE

HEALTH CARE

Regional Medical Program: Funds for the Regional Medical program have been impounded and the 1974 Budget terminates the program. The North Shore Regional Health Planning Council will continue to be funded for their review and planning activities. The R.M.P. has been most helpful to the North Shore Regional Health Planning Council by providing consulting staff for special projects.

For example: The Regional Medical program has completed a study of the pediatric and maternity needs and facilities on the North Shore for the N.S. Regional Health Planning Council. The next step would be interpretation of data to the North Shore

Hospitals and planning for consolidation of services to avoid the duplication that now exists. The regional medical program was supplying the staff for this project and that staff has already been terminated. As of now the Pediatric and Maternity study is ended.

The Regional Medical Program has recently approved a proposal by Lynn Model Cities to provide primary medical care in the Lynn Model Cities area. At present there is one (1) 73 year old physician serving the Model Cities area as a family physician. He is unable to admit patients to either Lynn or Union Hospitals. The Model Cities proposal would establish a physician in the Model Cities area to provide primary care, along with nurse practioners and ancillary medical personnel. R.M.P. had approved funds of $24,000 from its budget.

Because of R.M.P. termination, there is no hope for this proposal and there cannot be adequate primary care for 15,000 in the Lynn Model Cities area.

MENTAL HEALTH

There will be no *new* program money for the community mental health. The Union Hospital in Lynn has had a 1.5 million dollar staffing grant approved by the State and by the National Institute of Mental Health. Because N.I.M.H. funds have been impounded, the grant has not yet been funded and because of 1973 budget cuts in the N.I.M.H. it will not be funded.

This means that Lynn residents must continue to use Danvers State Hospital as a mental health treatment facility rather than remaining in the community.

The projected Union Hospital Community Mental Health Center would provide all phases of mental health care for Lynn residents without the institutional stigma and effects of a Danvers State Hospital.

Potential job loss to the Lynn area will be 150 jobs in the health care area.

It is unlikely that the State will be able to fund any of the community mental health centers once the federal money is withdrawn. At this time, third party payment is virtually non-existent in any consistent way for mental health services.

It would seem that for now, community mental health is emasculated.

ADVANCED FUNDS FOR MEDICARE

When Medicare was started, the federal government advanced operating funds to the hospitals on the basis of projected Medicare patients. This practice has continued so that the hospitals could operate.

The Nixon administration is discontinuing this practice and demanding return of the funds advanced this year.

This will mean that district hospitals will have to return $569,000 to the Federal Government by July 1, 1973. Most of the hospitals will have to borrow these funds at a commercial interest rate to survive.

CURRENT FINANCING TO BE RETURNED

Nationally, $300 million.
Massachusetts, $7,000,000.
District, $569,000.
Lynn Hospital, $146,000.
Union Hospital, $60,000.
Salem Hospital, $160,000.
Beverly Hospital, $100,000.
Addison-Gilbert Hospital, $48,000.
Hunt Memorial Hospital, $55,000.

HILL-BURTON

There will be no construction funds for additions or modernization of hospitals or long term care facilities (nursing home).

NURSES TRAINING CAPITATION GRANTS

All capitation grants for nurses' training are cancelled.

AMOUNTS LOST BY SCHOOLS OF NURSING

Lynn Hospital School of Nursing, $20,000.

Salem Hospital School of Nursing, $27,000.

North Shore Community College, proposed nursing program, $75,000.

Lynn and Salem Hospitals will raise tuitions at least $200 per student.

There are between 400 and 500 student nurses in the Sixth Congressional District who will lose grants because this program has been ended.

HOUSING AND BASIC WATER AND SEWER GRANTS

Low rent public housing and multi-family housing both have a zero dollar figure projected in the 1974 Nixon budget. In fiscal 1973 $7.7 million was allocated to Massachusetts for these programs. $2.6 million of that has been impounded.

Housing for the elderly, college housing, non-profit sponsor housing all have no money allocated to them in the Nixon budget. These are being held up pending "evaluation".

Because of the impoundments in fiscal 1973, housing starts are already a year behind, and no new money is authorized in the President's proposed budget.

Housing generates more long-term employment and has a greater multiplier effect than do most other projects. The severity of these cuts on employment will increase.

In fiscal 1973 no cities in Essex County received Basic Water and Sewer Grants. Applications for Danvers and for the Salem/Beverly Water Board had been approved for $3 million dollars, but these projects remain unfunded due to the President's impoundment.

Cities and towns in Essex County estimate needs that total $38,155,650.

Lynn, $16,800,000 (over a four year period).
Haverhill, $6,000,000.
Amesbury, $1,329,650.
Groveland, $3,750,000.
Ipswich, $3,500,000.
Merrimac, $480,000.
Nahant, $3,160,000.
Swampscott, $136,000.

Some of these cities and towns are under court orders to abate sewage discharges.

There is not money for new starts in basic water and sewer programs in the Nixon budget.

COMMUNITY ACTION PROGRAMS

Community Action agencies in the 6th Congressional District received $1,083,000 in FY 1973 from the Office of Economic Opportunity. The four agencies (Lynn, Gloucester, Haverhill and Beverly) served 15 cities and towns and mobilized and additional $2,366,000 in funds—37,000 people have been served by these programs.

Services provided by these agencies include: youth training and employment, child care, housing assistance and development, job training and placement, business development, food distribution, transportation services and other programs.

Cuts in the Nixon budget will seriously affect these programs by destroying the CAP agencies. Most of these programs will be terminated immediately. In Gloucester the CAP agency operates the public transportation system which serves 500 daily riders. Housing assistance and housing programs will be terminated, and consumer protection efforts in Haverhill and Beverly will be terminated.

The Nixon budget allows no funds for the Office of Economic Opportunity and the President has ordered its immediate dismantling.

MANPOWER AND EMERGENCY EMPLOYMENT ACT

These federal programs have placed a wide variety of persons in many different work programs, benefitting both the participants and their communities. 1848 were employed under Manpower in FY 73.

MANPOWER PROGRAMS

The Sixth Congressional District received a total of $1,430,555 in FY 73. The specific programs include Manpower Development Training Assistance Institutional; Neighborhood Youth Corps In School; Neighborhood Youth Corps Out of School; Neighbrhood Youth Corps Summer; and Job Optional. Those served under these programs include youths who are working while attending school as well as those who have dropped out.

In fiscal year 1974 under the Nixon Budget, no funds will be received for any of the above programs.

EMERGENCY EMPLOYMENT ACT

This was a relatively new federal employment program, the purpose of which was to provide jobs to those unable to find them and to allow communities to have workers for particular areas of need—40% of those hired with EEA funds were Vietnam War Veterans; 25% were persons 45 years of age or older; job salaries averaged between $7000 and $7500 per annum.

In the life of the program all 29 cities and towns of the Sixth Congressional District participated. $4,616,653 was spent in FY 73. A total of approximately 700 persons have been employed during the existence of the Emergency Employment Act.

A summer youth program gave 195 youths work for 9 weeks; they would otherwise have been without work.

LIBRARIES

Title I, II, and III of the Library Services and Construction Act have been cut from the FY 74 budget.

Since the inception of the act in 1965, the Sixth Congressional District has received $363,780. Haverhill received $200,000 to construct a new library; Lynn, Marblehead, Ipswich, Haverhill, and other communities have used this money to provide library services in housing for the elderly, audio-visual materials for bi-lingual programs, and large print books for elderly persons. The loss of the federal funds will mean a gradual erosion of library services.

Note: Two cities in the Sixth Congressional District had planned for library funding in FY 74:

Gloucester, $220,000 (construction of wing).

Salem, $128,000 (addition).

EDUCATION

LOCAL COLLEGES

North Shore Community College, Northern Essex Community College, Salem State, & Merrimac College.

FY 74 budget does not provide for funding for the National Direct Student Loan Program. Approximately 250 students at Northern Essex will be deprived of some $94,000 during the next FY.

Work-Study is being hurt: A total of 840 students will be adversly affected. Northern Essex alone had 250 students participating.

In FY 73 4,170 students at the four schools above benefitted from federal funds. 1,641 students have scholarships at stake to some extent.

HIGHER EDUCATION/FINANCIAL AID

The Direct Student Loan Program and Educational Opportunity Grant are abolished by the Nixon Budget, and replaced by Basic Opportunity Grants. The result of this is to severely limit the sources for financial aid for those students who are financially in need of it. One reason for this is that the Basic Opportunity Grants are limited to students coming from families with incomes effectively below $7000.

HEW funded Economic Opportunity Grant: In FY 73 Massachusetts received $7,713,410. For FY 74 $15,297,917 was requested, but *no* monies are expected to be forthcoming.

100 institutions and 9,234 students in Massachusetts will be adversely affected by the fact that the FY 74 Nixon Budget provides for *no* money for the economic opportunity grants.

WORK-STUDY

For FY 73 Massachusetts received $8,956,291. For FY 74 $33,760,769 was requested but only $5,967,000 is expected.

In the entire federal FY 73 budget funding reached $269 million.

Anticipated decreases in available funding will adversely affect 117 institutions and 16,409 students in Massachusetts.

HEW funded National Defense Student Loan:

Massachusetts received $10,948,434 in FY 73 and requested $31,321,019 for FY 74, but *no* money is anticipated.

In Massachusetts 113 institutions and 24,882 students will be adversely affected.

OTHER EDUCATIONAL FUNDING

This includes handicapped aid, as well as aid for occupational, vocational and adult education. Special revenue sharing may provide some funding, but at best only at a level of ⅓ of present funding.

For The Handicapped: The state grant program is terminated, and there is no actual federal funding to replace it.

Occupational, Vocational & Adult Education: As with the previous category, the state grant program has been terminated, and there is no actual federal funding to replace it.

WAR POWERS ACT WOULD AFFIRM CONSTITUTION

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, the rise of the United States as a world leader and defender has coincided with the rise of the power of the Presidency.

Vietnam, Santo Domingo, Lebanon, Korea. Since World War II the President alone has made decisions as to whether American soldiers should be committed to the field of battle. It was Vietnam, finally, that taught us that the decision for war or peace is too big for any one President, no matter how great his intellect or insight.

WAR POWERS AND THE CONSTITUTION

I am today introducing legislation designed to require congressional approval of armed intervention. The bill answers our need for a mechanism to apply the Constitution's intent to undeclared conflicts. The Constitution empowered Congress alone to raise armies and navies and to declare war. Writing in the Federalist Papers, Alexander Hamilton explained the views of those who participated in the Constitutional Convention:

> The President is to be commander in chief of the Army and Navy of the United States. In this respect his authority would be nominally the same with that of the king of Great Britain, but in substance much inferior to it. It would amount to nothing more than the supreme command and direction of the military and naval forces . . . while that of the British king extends to the declaring of war and to the raising and regulating of fleets and armies—all which, by the Constitution under consideration, would appertain to the legislature.

The ominous specter of nuclear war, and especially nuclear war as the final stage of escalation, make it unlikely that the United States will ever declare war formally again.

Without a formal state of war a nation has more flexibility to deal with other powers. But our Constitution did not intend collective judgment of the executive and legislative branches to be pushed aside by circumstances. A formal declaration of war may be obsolete; the Constitution is not.

THE WAR POWERS ACT

In a recent questionnaire mailed to my constituents in the Second Congressional District of Washington State, I asked if congressional approval should be required for armed intervention. Yes, the vast majority replied. The bill I am introducing today responds to their views and reflects my own thinking as well.

The intent of the bill is to require congressional sanction for any armed intervention longer than 30 days. Specifically, the bill limits the President's authority to introduce troops in the absence of a formal declaration of war. American Armed Forces could be introduced only to repel and forestall attacks against the United States or against U.S. Armed Forces outside of America.

The War Powers Act also specifies that troops could be sent by the President to evacuate American citizens. However, the measure requires the President to make every effort to secure approval of the government of whose nation we were invading, and to make every effort to avoid conflict while evacuating our citizens.

The crux of the War Powers Act states that no appropriations bill nor any treaty contain authority to send troops. This makes NATO, SEATO, and other treaties non-self-enforcing. Congress must approve each action. The measure also forces precise congressional sanction for "area" resolutions such as the 1955 Formosa resolution, the 1957 Middle East resolution, and the now repealed Tonkin Gulf resolution.

A critical element in the legislation is that both Houses of Congress, and not just the Senate, would have to approve troop commitments. To argue this stipulation exists today because of the need for appropriations bills is true in theory, wrong in actual practice. With understandable reluctance, Congress has always turned down proposals to cut off funds for our men in the field.

THE 30-DAY LIMIT

To avoid presidential wars the legislation specifies that no armed intervention may last longer than 30 days without the express consent of Congress. Procedural changes would be made so that a resolution asking approval of intervention could not be filibustered to death; a resolution would have to be voted on in 3 days.

Mr. Speaker, the intent of the War Powers Act is to furnish Congress and the American people with a way of passing judgment on those situations in which we cease to be repelling or retaliating against an attack and then begin to make a commitment to war. As Vietnam has shown us, an attack on two U.S. destroyers 9 years ago became a general land and air war that exacted a terrible toll. Not until 1971 did the House of Representatives take a rollcall vote on this conflict. The War Powers Act affirms the Constitution by affirming the collective judgment of those in whom the people have placed their faith.

FOOD PRICES AND FARMER INCOME

(Mr. GOODLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GOODLING. Mr. Speaker, Secretary of Agriculture has been under constant attack for his honest and forthright statements that he has been making with respect to food prices and farmer income. In fact, now that farm prices are getting to be somewhat respectable, there are those who would place food prices in harness and, in the process, invite food shortages, black marketing, and the ration books which go with taking that route.

I would like to call attention to some recent figures which I hope will place the farmer-consumer picture in proper perspective.

Two interesting sets of figures have come into being recently which prove that we can have good farm income and, at the same time, fair prices for consumers. In brief, the goals of high farm income and reasonable food prices for the people of this country are fully consistent.

The one set of figures come from the Bureau of Labor Statistics in the Department of Labor, and they show that the average weekly spendable wages—income after social security and Federal income taxes are deducted—in December 1972 were up 7 percent over December 1971. During the same 12-month period, the Consumer Price Index rose only 3.4 percent. Food prices at retail, including restaurant meals eaten out, were up only 4.7 percent.

Those who might have in mind wage increases will want to keep these figures in mind, for they reveal we are making real progress toward bringing inflation under control.

The other set of figures show that while the worker is doing alright, so is the farmer. While workers' incomes were rising faster than the prices they pay for food, the average net income of farmers rose to an all-time high in 1972; that is, to a total of $19.2 billion. In summary, the demand for food is thriving, and farm prices have strengthened. In addition, farm exports are at a new high, moving toward an $11 billion total this fiscal year.

To put farm prices in a little better perspective, I would like to refer to the record of wholesale prices of industrial products compared with wholesale prices of farm products for the past 25 years. While wholesale prices for industrial products have risen steadily since 1947, wholesale prices of farm products have moved erratically and have declined in about half of those last 25 years. The record wholesale price for farm foods set in 1951 was not reached again until July of 1972. With 1947 as a base, the index of wholesale prices of industrial commodities in January stood at 169.6. The index of wholesale prices of farm products by comparison now stands at 131.8.

The trends of food expenditures, as a percentage of income, show that food expenditures closely paralleled take-home pay of workers up until about the mid-1950's, when the gap began to widen as personal disposable income pulled ahead of food expenditures. The result was that the percent of income spent for food showed a downtrend since the World War II period. Furthermore, it is interesting to note that while food expenditures have been taking a smaller percentage of average consumer income each year for many years, this reduction took place even though consumers have shifted to more expensive foods, bought more services with their foods and ate more meals away from home.

One gains a clear picture of the food-cost situation when he recognizes that in 1972 total food expenditures amounted to only 15.8 percent of total take-home pay, while in 1929 it amounted to 23.4 percent.

We can refine that situation a little more: Over the past two decades, a family of median size and median income spent an even more rapidly declining share of its income for food. Estimates from the U.S. Department of Agriculture show that a family of median size and income in 1972 spent 17.4 percent of its income for food, as compared with 30.8 percent in 1950. That is a drop of almost one-half in a period of 22 years.

Let me refine these figures further. If one looks at food prices broken into two segments; that is, food purchased away from home and food eaten at home, he sees an interesting divergence. The index of prices of food eaten away from home parallels very closely the index of prices of all consumer services. Both of these indexes are above the Consumer Price Index. In comparison, in recent years, food at home has fallen below the Consumer Price Index line.

I am sure you get the point. Our policies in the areas of agriculture and food need not and, in fact, must not, be farmers vs. consumers. What has happened in agriculture is good for all of us, both as consumers and taxpayers. Within a few months we will be out of, or almost, Government holdings of surplus grains. This will be the best position that we have been in since World War II. It certainly will be a welcome day for farmers, for Congress, the Government, the Nation, and the consumer-taxpayer.

The facts before us make it perfectly clear that we are moving toward more farm income from the free market place and less from the Government Treasury. I am sure that every consumer joins with the farmer in applauding this kind of progress.

In a nutshell summary, our farmers are producing the widest variety of the highest quality foods for the lowest percentage of individual income of any nation in the world. It, therefore, is quite apparent that the way to get an increase in these high-quality foods is not to burden these food commodities with price controls and/or ceilings, for this course would invite rationing and black marketing.

The obvious solution is that the consumer-taxpayer must quickly come to realize that the American farmer is his best insurance for an abundance of high-quality foods at what are proportionately low premium rates. When the consumer-taxpayer becomes conscious of this fundamental fact, he will realize that he and the farmer share a mutual benefit which, in effect, makes them "partners in progress."

THE LATE HONORABLE FRANK T. BOW

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, the day the House eulogized our beloved former colleague, the late Frank T. Bow of Ohio I was unavoidably absent due to a longstanding speaking engagement in California. Fortunately, it was not too long ago that I was able to pay tribute publicly to Frank Bow's tremendous contributions while he was still here among us to listen at the close of the 92d Congress. His well-earned retirement after 22 years in the House was deferred, however, at the request of President Nixon, who gave him the extremely sensitive diplomatic assignment of Ambassador-designate to Panama. Before he could be confirmed in this new responsibility, however, Frank was suddenly taken from us.

This was a stunning personal loss and a great loss to our country. I had the honor of serving on the Committee on Appropriations with Frank Bow for many years and, later, of relying heavily on him as the ranking minority member of that committee during the time I have been minority leader. No one has ever been a more dependable ally or a more faithful friend in victory or defeat. I shall not repeat all the compliments that other colleagues have paid him but I second them all. He was as dedicated a public servant as any the great State of Ohio has produced and they have been a distinguished galaxy. He was also my dear friend. My wife Betty and I extend our heartfelt sympathy to Caroline Bow, their sons and all the family.

SELECT COMMITTEE ON CRIME

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, regarding the discussion today on House Resolution 256 to continue the Select Committee on Crime through June 30, 1973, I thought it might be of interest to the House to have a summary of the officials, organizations and individuals who have recommended to the Speaker that the Crime Committee be continued.

These communications will vindicate the confidence of the House that the Crime Committee has made meaningful contributions in the fight against crime. The summary of these communications follow:

Wires and letters to the Speaker of the House copies of which have come to Congressman Pepper's Congressional Office, supporting the Select Committee on Crime include the following:

Nine Governors—Florida; New York; South Carolina; Kentucky; Alaska; Hawaii; North Dakota; Oregon, and Puerto Rico.

Sixteen Attorneys General—Florida; New York; California; Rhode Island, South Dakota; Louisiana; Mississippi; Alaska; New Mexico; Idaho; Kentucky; Nebraska; Montana; North Carolina; West Virginia, and Wisconsin.

Twenty-two Mayors or City Managers—Oakland, Calif.; Denver, Colo.; Oklahoma City, Okla.; Shreveport, La.; Miami, Fla.; Hartford, Conn.; City of Hartford, Connecticut; City of Sacramento, California; Tallahassee, Fla.; Memphis, Tenn.; Baton Rouge, La.; Hialeah, Fla.; Providence, R.I.; Detroit, Mich.; Milwaukee, Wis.; Lincoln, Nebr.; Knoxville, Tenn.; York Pa.; New Haven, Conn.; Pontiac, Mich.; South Bend, Indiana, and Kansas City, Mo.

Twelve Police Chiefs or Associations—Cook County (Chicago) Ill.; Los Angeles, Calif.; Oakland, Calif.; New England State Police Association; New Jersey State Police; Miami Beach, Fla.; San Francisco, Calif.; Baton Rouge, La.; North Miami, Fla.; American Federation of Police; Fraternal Order of Police, and New York State Police.

Twenty-nine Citizen Crime Associations—National League of Cities; United States Conference of Mayors; National Commission on Crime and Delinquency; National Association of Citizen Crime Commissions; Atlanta Crime Commission; Miami Crime Commission; New Orleans Crime Commission; Philadelphia Crime Commission; New England Crime Commission; New York Crime Commission; Georgia Crime Commission; Arizona Crime Commission; Kansas City Crime Commission; Mississippi Coast Crime Commission; Fort Worth (Texas) Crime Commission; Chicago Crime Commission; State of New York Commission on Investigations; New York Waterfront Commission; Oklahoma Narcotics and Dangerous Drugs Control Commission; New England Organized Crime Intelligence System; Connecticut Planning Commission on Criminal Administration; Ohio (State) Racing Commission; New Mexico Council on Crime and Delinquency; Georgia Council on Crime and Delinquency; Washington (State) Council on Crime and Delinquency; Iowa Council on Crime and Delinquency; Florida Medical Association, and the Connecticut Conferences of Mayors and Municipalities, and Texas Council on Crime and Delinquency.

Fourteen District Attorneys—Massachusetts District Attorneys Association; Contra Costa County, Calif.; Bronx, N.Y.; Miami, Fla.; Albuquerque, N.M.; Jacksonville, Fla.; Nassau County, N.Y.; Los Angeles, Calif.; Ardmore, Okla.; Queens, N.Y.; Norfolk, Mass., and 12th Judicial Circuit of Florida.

Nine School Superintendents—Los Angeles, Calif.; Oakland, Calif.; Charleston, S.S.; Lincoln, Nebr.; Anaheim, Calif.; San Francisco, Calif.; Houston, Tex.; Shawnee Mission (Kansas) Public Schools.

Three judges—Kansas City, Mo.; 6th Circuit Court of Florida; Juvenile Court of Hamilton County, Tennessee.

Eight Senior Citizen Groups—Greater New York; Northeastern Ohio; District of Columbia; North Miami Beach, Fla.; McDonald, Ohio; Youngstown, Ohio; Peroia, Ill.; Miami Beach Retirees, and International UAW Retired Workers.

Nine Unions—Teamsters International; National Maritime Union; UAW in Grand Rapids, Mich.; Air Line Employees; Air Line Pilots; Transport Workers; American Insurance Association; United Rubber Workers, and International Association of Machinists.

Also:

WTTW Channel 11 Public Television in Chicago, Illinois.

Abe Beame, City Comptroller, New York City.

The Florida Cabinet.

Art Linkletter.

National Council of Jewish Women.

National Education Association.

National Parent and Teachers Association.

Nathan B. Eddy, Consultant, National Institutes of Health.

Marvin E. Wolfgang, Director, Center for Studies in Criminology and Criminal Law, University of Pennsylvania.

Prosecuting Attorneys Association of Michigan.

Institute of Correctional Administration.

Chicago Parent and Teachers Association.

Illinois Drug Abuse Program.

James F. Ahern, Director, Insurance Crime Prevention Institute.

Arthur Goldstein, Chairman, Huntington Narcotics Guidance Council.

Robert Amastas, Drug Counselor, Massachusetts Teacher of the Year.

Robert W. Warren, President, National Association of Attorneys General and Attorney General, State of Wisconsin.

GERSTEIN DIRECTIVE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the freedom of the press guaranteed by the first amendment is, in my opinion, and the opinion of many citizens of this country, being grievously threatened. One of the greatest threats to this freedom is the denial of some courts and other authorities of protection to information gathered by investigative reporters for the press. I have noted a very significant action on the part of the distinguished States attorney of Dade County, Fla., Hon. Richard Gerstein, in announcing that he would as States attorney protect the confidential sources of news reporters. This announcement is referred to in an editorial of WFUN Radio in Miami, Fla, which I offer hereafter for the Record.

A pertinent editorial dealing with a similar subject appeared in a broadcast on January 26, 1973, by WPLG of Miami, Fla., which I offer for insertion also. I commend to the consideration of my colleagues and our fellow citizens these thoughtful editorials upon a very pertinent subject:

[Radio WFUN editorial, Feb. 1, 1973]

Gerstein Directive

WFUN has editorially supported Florida Attorney General Robert Shevin in his request for a reporter's immunity law which would protect the confidential sources of news reporters.

Now, we are pleased to report that Dade State Attorney Richard Gerstein has taken his own initiative in the same area. Gerstein has ordered his assistants not to subpoena newsmen to testify about stories they have investigated . . . unless the reporter in question was an actual witness to a crime. Even then, the subpoena will have to be cleared with Mr. Gerstein himself.

The State Attorney says that constant badgering of reporters by the courts is a danger to freedom of the press. We agree with Mr. Gerstein when he says that the same information can usually be obtained through normal law enforcement channels . . . and that there is no reason why reporters should investigate cases for the police.

[A WPLG radio editorial, Jan. 26, 1973]

What Is It They Don't Want You To Know?—Part IV

This is the home of the Dade County Grand Jury, scene of more secret intrigue and behind the scenes drama than perhaps anywhere else in South Florida.

All it does affects the public and nearly all it does is secret. Sometimes the secrecy is abused.

About a year ago a Grand Jury refused to release an investigation of Dade County's airports that cost taxpayers $50,000. A year before that a Grand Jury did criticize State Attorney Richard Gerstein. But Gerstein successfully pleaded with the presiding judge to suppress the report . . . forever.

Some members of that Grand Jury, the last to be appointed by a governor's commission, accused other members of carrying out a political vendetta inspired by then-Governor Claude Kirk. We will never know what really happened in that Grand Jury. It was all secret.

Why is it they don't want you to know? Why shouldn't you know what your Grand Jury learns about your government, using your tax dollars?

What we have learned came through the print and broadcast media from confidential informants. But confidential informants are becoming rare. They now know a reporter may face a choice of disclosing his source, or going to jail.

This is one of a series of editorials aimed at showing why Congress must pass a law to protect your right to hear what confidential informants have to say.

FIRST HELICOPTER

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the great innovations in aviation has been the helicopter. I have found it most interesting to learn the early history of the helicopter and the circumstances under which apparently the first helicopter was built and who built it. All this information has been compiled by my distinguished friend, Baron Vladimir Kuhn von Poushental, of Miami Beach, Fla., who was a friend and associate of Dr. George de Bothezat, who built the first helicopter. Baron von Poushental presented this valuable compilation of papers to the U.S. Air Force Academy for permanent storage at the Academy's library. The country owes him a great debt of gratitude in making this material available to the Air Force Academy.

The story of Baron von Poushental's presentation to the Academy appeared in the Realtor, published January 8, 1973. I submit this article, Mr. Speaker, for insertion in the Record following my remarks:

Plans of First 'Copter Donated by Realtor

A Miami Beach Realtor who, in a career too implausible for Hollywood to offer with a straight face, has served as a WWI White Russian Army flier, founder of an American colony of loyalist Russians, and aviation historian, has presented the U.S. Air Force Academy with films and documents tracing the construction and flight of what is said to be the world's first helicopter.

Baron V. Kuhn von Poushental, after the White Russian Army was defeated in the Crimea, fled to America in 1918 and quickly sought out his former pilot friend and fellow refugee, Dr. George de Bothezat. The latter was a mechanical genius who shortly thereafter was commissioned by the U.S. government to build a radical new aircraft, based on an aeronautical theory de Bothezat had evolved. The result—the prototype helicopter, built in 1922—lifted 4,400 pounds using a 170 horsepower engine. This was a ratio of more than 20 pounds per unit of horsepower, an efficiency of performance the Realtor says has not since been achieved.

Following de Bothezat's death in 1940, Baron von Poushental, who had been briefly in business with the inventor, commenced collecting and cataloging the latter's records, consisting of four original manuscripts, eight typed scripts, 62 photos of the first helicopter flight and historical records of de Bothezat's private helicopter companies.

The culmination of von Poushental's devotion to his friend and mentor came last August, when he was invited by the superintendent of the U.S. Air Force Academy to present the de Bothezat materials for permanent storage at the academy's library, where they are available for study by cadets, faculty and scholarly researchers.

In a letter to the donor, Lt. Gen. A. P. Clark, superintendent of the academy, said in part, "You may be sure these papers will be reviewed by cadets for years to come, for their historical significance as well as the unique record of one of our pioneers in aviation. The academy library and cadets are enriched by your generous contribution."

FOREIGN-MADE CRANES CORNER THE MARKET AT THE MADISON LIBRARY SITE

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, last year the United States ran up a trade deficit of over $6 billion and for the second time in 14 months the dollar has been devalued. A part of this outflow of dollars flooding Europe is going for the purchase of French-made construction cranes that are helping to build the $90 million Madison Library Building across the street. For over a decade the vast majority of these tower cranes, costing anywhere from $125,000 to $150,000 apiece, have been purchased from France, Germany, and Belgium.

Why should foreign-made cranes be bought in order to construct our public buildings and cities when the same tower cranes are made and available in this country at competitive prices?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. Collier (at the request of Mr. Gerald R. Ford), from February 27, on account of back injury.

Mr. Patman (at the request of Mr. McFall), for today, on account of illness.

Mr. Lent (at the request of Mr. Gerald R. Ford), for balance of the week, on account of illness.

Mr. Mailliard (at the request of Mr. Gerald R. Ford), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Roy.

Mr. Evans of Colorado, for 15 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Burgener) and to revise and extend their remarks and include extraneous matter:)

Mr. Bell, for 5 minutes, today.

Mr. Whalen, for 30 minutes, today.

Mr. Walsh, for 60 minutes, today.

Mrs. Holt, for 5 minutes, today.

Mr. Conlan, for 60 minutes, Wednesday, March 7.

Mr. Abdnor, for 5 minutes, today.

Mr. Crane, for 5 minutes, today.

Mr. Crane, for 60 minutes on Wednesday, March 7.

Mr. Sebelius, for 5 minutes, today.

Mr. Saylor, for 30 minutes, today.

(The following Members (at the request of Mr. Owens) and to revise and extend their remarks and include extraneous matter:)

Mr. McFall, for 15 minutes, today.

Mr. Roy, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Dulski, for 10 minutes, today.

Mr. Barrett, for 5 minutes, today.

Mr. Adams, for 5 minutes, today.

Mr. O'Neill, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Danielson, for 30 minutes, today.

Mr. James V. Stanton, for 5 minutes, today.

Mr. Culver, for 30 minutes, today.

Mr. Melcher, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Dominick V. Daniels, for 5 minutes, today.

Mr. Rostenkowski, for 10 minutes, today.

Mr. Harrington, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Mahon and to include tables and extraneous matter on the continuing resolution, House Joint Resolution 345 conference report.

Mr. Albert (at the request of Mr. Bolling) to revise and extend his remarks on House Resolution 256.

(The following Members (at the request of Mr. Burgener) and to include extraneous matter:)

Mr. Heinz.

Mr. Scherle in 10 instances.

Mr. Horton.

Mr. Carter.

Mr. McClory.

Mr. Hillis.

Mr. Wyman in two instances.

Mr. Fish in two instances.

Mr. Erlenborn in two instances.

Mr. Baker in two instances.

Mrs. Holt.

Mr. Hutchinson.

Mr. Bob Wilson.

Mr. Whalen.

Mr. Huber.

Mr. Cleveland.

Mr. Duncan.

Mr. Conlan.

Mr. Zwach.

Mr. Mallary.

Mr. Keating.

Mr. Nelsen.

Mr. Bray in two instances.

Mr. Froehlich.

Mr. Esch.

Mr. Roncallo of New York in four instances.

Mr. Broyhill of Virginia in seven instances.

Mr. Symms.

Mr. Shuster.

Mr. Frelinghuysen.

(The following Members (at the request of Mr. Owens) and to include extraneous matter:)

Mr. Owens in five instances.

Mr. Annunzio in 10 instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mrs. Hansen of Washington in 10 instances.

Mr. Howard.

Mr. Dulski in six instances.

Mr. Edwards of California in four instances.

Mr. Fraser in five instances.

Mr. Wolff in three instances.

Mrs. Griffiths in five instances.

Mr. Vanik in two instances.

Mr. Teague of Texas in six instances.

Mr. Patten.

Mr. Symington in six instances.

Mr. Stokes in three instances.

Mr. Harrington in two instances.

Mr. Macdonald.

Mr. Jones of Tennessee in three instances.

Mr. Hungate.

Mr. Reid.

Mr. Blatnik in five instances.

Mr. O'Neill.

Mr. Moakley.

Mr. Jones of Alabama in two instances.

Mr. Hawkins.

Mr. Roe in two instances.

Mr. Chappell in two instances.

Mr. Carey of New York.

Mr. Dingell.

Mrs. Schroeder.

Mr. Drinan.

Mr. O'Hara.

Mr. Won Pat.

Mr. Hébert.

Mr. Waldie in two instances.

Mr. Anderson of California in two instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 345. Joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 345. Joint Resolution making further continuing appropriations for the fiscal year 1973, and for other purposes.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Thursday, March 1, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

509. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Act; to the Committee on Banking and Currency.

510. A letter from the Clerk, U.S. House of Representatives, transmitting his semiannual report of receipts and expenditures for the period July to December 1972, pursuant to 2 U.S.C. 104a (H. Doc. No. 93–51); to the Committee on House Administration and ordered to be printed.

511. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to reform the mineral leasing laws, and for other purposes; to the Committee on Interior and Insular Affairs.

512. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to provide for the management, protection, development and sale of the national resource lands, and for other purposes; to the Committee on Interior and Insular Affairs.

513. A letter from the Administrator, Environmental protection Agency, transmitting a draft of proposed legislation to assure that the public is provided with safe drinking water, and for other purposes; to the Committee on Interstate and Foreign Commerce.

514. A letter from the Vice President for Public and Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the month of January 1973, on the average number of passengers per day on board each train operated, and the ontime performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act, as amended; to the Committee on Interstate and Foreign Commerce.

515. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to deduct from gross tonnage in determining net tonnage those spaces on board vessels used for waste materials; to the Committee on Merchant Marine and Fisheries.

516. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to revise the reporting requirement contained in subsection (b) of section 1308; to the Committee on Post Office and Civil Service.

517. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize an appropriation for site development work at the previously authorized International Center for Chanceries of Foreign Embassies in Washington and for a new headquarters for the Organization of American States; to the Committee on Public Works.

Received From the Comptroller General

518. A letter from the Comptroller General of the United States, transmitting a report on the administration and effectiveness of U.S. economic and military aid to Ecuador; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 4897. A bill to create a not-for-profit corporation to acquire and to maintain rail lines in the Northeast region of the United States; to provide financial assistance for the acquisition, rehabilitation, and maintenance of such rail lines; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANNUNZIO:

H.R. 4898. A bill to incorporate the Italian American War Veterans of the United States, Inc.; to the Committee on the Judiciary.

By Mr. BAKER:

H.R. 4899. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pensions to World War I veterans and widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BELL:

H.R. 4900. A bill to amend title 28, Judiciary and Judicial Procedure, of the United States Code, to provide for the aggregation of claims in the determination of the jurisdictional amount in controversy; to the Committee on the Judiciary.

By Mr. BIAGGI (for himself and Mr. Roy):

H.R. 4901. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide a system for the redress of law enforcement officers' grievances and to establish a law enforcement officers' bill of rights in each of the several States, and for other purposes; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 4902. A bill to amend the Internal Revenue Code of 1954, to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. Donohue, Mr. Matsunaga, and Mr. Stokes):

H.R. 4903. A bill requiring congressional authorization for the reinvolvement of American forces in further hostilities in Indochina; to the Committee on Foreign Affairs.

By Mr. BLATNIK (for himself, Mr. Jones of Alabama, Mr. Kluczynski, Mr. Wright, Mr. Gray, Mr. Clark, Mr. Johnson of California, Mr. Dorn, Mr. Henderson, Mr. Roberts, Mr. Howard, Mr. Anderson of California, Mr. Roe, Mr. Roncalio of Wyoming, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Studds, Mrs. Burke of California, Mr. Ginn, Mr. Milford, Mr. Grover, Mr. Don H. Clausen, and Mr. Zion):

H.R. 4904. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. BLATNIK (for himself, Mr. Hammerschmidt, Mr. Mizell, Mr. Baker, and Mr. Hanrahan):

H.R. 4905. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. BROYHILL of Virginia:

H.R. 4906. A bill to amend section 8 of the Public Buildings Act of 1959, relating to the District of Columbia; to the Committee on Public Works.

H.R. 4907. A bill to provide an additional exemption for income tax purposes for a taxpayer or spouse who is disabled; to the Committee on Ways and Means.

H.R. 4908. A bill to amend section 62 of the Internal Revenue Code of 1954, to provide that amounts which the taxpayer pays as alimony or separate maintenance shall be deductible from his gross income in determining adjusted gross income; to the Committee on Ways and Means.

By Mr. CAMP:

H.R. 4909. A bill to amend the Public Works and Economic Development Act of 1965, to extend the authorizations for a 1-year period; to the Committee on Public Works.

H.R. 4910. A bill to amend the Mineral Lands Leasing Act of 1920; to the Committee on Interior and Insular Affairs.

By Mr. CAREY of New York:

H.R. 4911. A bill to amend title 38 of the United States Code, to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 4912. A bill to amend the Internal Revenue Code of 1954, to equalize the taxation of certain cooperatives; to the Committee on Ways and Means.

H.R. 4913. A bill to amend section 707 of the Social Security Act to extend for 1 year the existing authorization of grants for the expansion and development of undergraduate and graduate programs in social work; to the Committee on Ways and Means.

By Mrs. CHISHOLM:

H.R. 4914. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. COLLINS (for himself, Mr. Bennett, Mr. Jones of Alabama, Mr. Snyder, and Mr. Charles Wilson of Texas):

H.R. 4915. A bill to amend the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commrece.

By Mr. CORMAN:

H.R. 4916. A bill to amend the Internal Revenue Code of 1954, to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. CULVER (for himself and Mr. Whalen):

H.R. 4917. A bill to establish within the Department of Labor a Trade Adjustment Assistance Administration, to transfer thereto certain functions and duties of other departments and agencies relating to trade adjustment assistance, to establish a comprehensive program of trade adjustment assistance, and for other purposes; to the Committee on Ways and Means.

By Mr. CULVER (for himself, Mr. Whalen, Mr. Anderson of Illinois, Mr. Badillo, Mr. Boland, Mr. Bolling, Mr. Buchanan, Mr. Carney of Ohio, Mr. Conte, Mr. Corman, Mr. Cronin, Mr. Davis of Georgia, Mr. Donohue, Mr. Fascell, Mr. Fraser, Mr. Gibbons, Mr. Gude, Mr. Guyer, Mr. Hanna, Mr. Harrington, Mr. Hays, Mr. Hechler of West Virginia, Mr. Koch, and Mr. Matsunaga):

H.R. 4918. A bill to establish within the Department of Labor a Trade Adjustment Assistance Administration, to transfer thereto certain functions and duties of other departments and agencies relating to trade adjustment assistance, to establish a comprehensive program of trade adjustment assistance, and for other purposes; to the Committee on Ways and Means.

By Mr. CULVER (for himself, Mr. Whalen, Mr. McCloskey, Mr. Meeds, Mr. Mosher, Mr. Nedzi, Mr. Obey, Mr. Owens, Mr. Pike, Mr. Rees, Mr. Reid, Mr. Reuss, Mr. Rosenthal, Mr. Roybal, Mr. Smith of Iowa, Mr. James V. Stanton, Mr. Steele, Mr. Symington, Mr. Tiernan, Mr. Thompson of New Jersey, Mr. Waldie, Mr. Wolff, and Mr. Yatron):

H.R. 4919. A bill to establish within the Department of Labor a Trade Adjustment Assistance Administration, to transfer thereto certain functions and duties of other departments and agencies relating to trade adjustment assistance, to establish a comprehensive program of trade adjustment assistance, and for other purposes; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 4920. A bill to create a Federal Disaster Insurance Corporation to insure the people of the United States against losses due to major natural disasters, and for other purposes; to the Committee on Banking and Currency.

H.R. 4921. A bill to provide for the establishment of a national cemetery in Los Angeles County in the State of California; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Wisconsin:

H.R. 4922. A bill to provide for the duty-free entry of animal glue valued under 40 cents per pound; to the Committee on Ways and Means.

By Mr. DELANEY:

H.R. 4923. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DENT (for himself and Mr. Perkins):

H.R. 4924. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. DULSKI:

H.R. 4925. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Commission on the Judiciary.

H.R. 4926. A bill to amend section 225 of the Postal Revenue and Federal Salary Act of 1967; to the Committee on Post Office and Civil Service.

By Mr. DULSKI (by request):

H.R. 4927. A bill to amend title 5, United States Code, to make level V of the executive schedule applicable to three additional positions within the National Aeronautics and Space Administration, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DULSKI (for himself, Mr. Henderson, Mr. Udall, and Mr. Charles H. Wilson of California):

H.R. 4928. A bill to change requirements of existing law that certain executive pay recommendations of the President be transmitted to Congress as part of the budget, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DUNCAN:

H.R. 4929. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

H.R. 4930. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 4931. A bill to amend the Internal Revenue Code of 1954, to provide that charitable contributions in excess of certain amounts shall not be deductible for purposes of the income tax; to the Committee on Ways and Means.

By Mr. ECKHARDT (for himself, Mr. Moss, Mr. Dingell, Mr. Murphy of New York, Mr. Podell, Mr. Preyer, Mr. Helstoski, Mr. Carney of Ohio, Mr. Fascell, Mr. Burton, Mr. Gibbons, Mr. O'Hara, Mr. Ashley, Mr. Udall, Mr. McCloskey, Mr. Sarbanes, Mr. Bingham, Mr. Hawkins, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Gonzalez, Mr. Conyers, Mr. Corman, Mr. Eilberg, and Mr. Danielson):

H.R. 4932. A bill to amend the act of August 3, 1968, relating to the Nation's estuaries and their natural resources, to establish a national policy with respect to the Nation's beach resources; to the Committee on Merchant Marine and Fisheries.

By Mr. ECKHARDT (for himself, Mr. Mann, Mr. Matsunaga, Mrs. Mink, Mr. Rees, Mr. Rosenthal, Mr. Roybal, Mr. Seiberling, Mr. Udall, Mr. Charles Wilson of Texas, Mr. Won Pat, Miss Jordan, Ms. Abzug, Mr. Brown of California, Mrs. Chisholm, Mr. de Lugo, Mr. Forsythe, Mr. Frenzel, Mr. Steelman, and Miss Holtzman):

H.R. 4933. A bill to amend the act of August 3, 1968, relating to the Nation's estuaries and their natural resources, to establish a national policy with respect to the Nation's beach resources; to the Committee on Merchant Marine and Fisheries.

By Mr. EILBERG:

H.R. 4934. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

H.R. 4935. A bill to terminate the airlines mutual aid agreement; to the Committee on Interstate and Foreign Commerce.

H.R. 4936. A bill to amend title XVIII of the Social Security Act to remove certain limitations presently imposed upon the types of optometric services which are covered under the medicare program, and thereby to provide coverage under such program for all of the services normally provided by an optometrist; to the Committee on Ways and Means.

H.R. 4937. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. ERLENBORN (for himself, Mr. Horton, Mr. McCloskey, Mr. Thone, Mr. Regula, Mr. Pritchard, and Mr. Hanrahan):

H.R. 4938. A bill to amend the Freedom of Information Act to require that all information be made available to Congress except where executive privilege is invoked; to the Committee on Government Operations.

By Mr. EVANS of Colorado (for himself, Mr. Stephens, and Mr. Tiernan):

H.R. 4939. A bill to require the Secretary of Agriculture to carry out all rural housing programs of the Farmers Home Administration; to the Committee on Banking and Currency.

By Mr. FISH:

H.R. 4940. A bill to amend the Economic Stabilization Act of 1970, to provide that food products shall not be exempt from guidelines issued which limit increases of the levels of prices; to the Committee on Banking and Currency.

By Mr. FISHER:

H.R. 4941. A bill to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

By Mr. GERALD R. FORD (for himself, Mr. Broomfield, Mr. Brown of Michigan, Mr. Cederberg, Mr. Chamberlain, Mr. Esch, Mr. Harvey, Mr. Huber, Mr. Hutchinson, Mr. Ruppe, and Mr. Vander Jagt):

H.R. 4942. A bill to permit coordination and cooperation in accelerated research and development of devices and equipment to meet Government standards for motor vehicle exhaust emissions and abatement of air pollution; to the Committee on the Judiciary.

By Mr. FRASER (for himself and Mr. Roy):

H.R. 4943. A bill relative to the oil import program; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 4944. A bill to amend sections 101 and 902 of the Federal Aviation Act of 1958, as amended to implement the Convention for the Suppression of Unlawful Seizure of Aircraft and to amend title XI of such act to authorize the President to suspend air service to any foreign nation which he determines is encouraging aircraft hijacking by acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft and to authorize the Secretary of Transportation to revoke the operating authority of foreign air carriers under circumstances, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4945. A bill to create an air transportation security program; to the Committee on the Judiciary.

H.R. 4946. A bill to amend title II of the Social Security Act to provide a 15-percent across-the-board increase in benefits thereunder, with the resulting benefit costs being borne equally by employers, employees, and the Federal Government, and to raise the amount of outside earnings which a beneficiary may have without suffering deductions from his benefits; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 4947. A bill to amend chapter 44 of title 18 of the United States Code, to limit the availability of guns not suitable for lawful sporting purposes; to the Committee on the Judiciary.

By Mr. HANRAHAN:

H.R. 4948. A bill to authorize the clearing of the channel of the Little Calumet River, Ill.; to the Committee on Public Works.

By Mr. HANSEN of Idaho:

H.R. 4949. A bill to amend section 161 of the Vocational Education Act of 1963, to utilize a portion of the funds for homemaking and consumer education programs to assist the elderly; to the Committee on Education and Labor.

H.R. 4950. A bill to amend the Federal Aviation Act of 1958, to authorize reduced rate transportation for elderly people on a space-available basis; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself and Mr. Mitchell of New York):

H.R. 4951. A bill to amend the Export Administration Act of 1969 with respect to the exclusion of agricultural from export controls; to the Committee on Banking and Currency.

By Mr. HASTINGS:

H.R. 4952. A bill to establish an Emergency Medical Services Administration within the Department of Health, Education, and Welfare to assist communities in providing professional emergency medical care; to the Committee on Interstate and Foreign Commerce.

By Mr. HAWKINS (for himself, Ms. Abzug, Mr. Benitez, Mr. Brown of California, Mrs. Chisholm, Mr. Clay, Mr. Conyers, Mr. Dellums, Mr. Dent, Mr. Diggs, Mr. Fauntroy, Mr. Harrington, Miss Holtzman, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Nix, Mr. Rangel, Mr. Roybal, Mr. Stokes, and Mr. Young of Georgia):

H.R. 4953. A bill to enforce the Treaty of Guadalupe-Hidalgo as a treaty made pursuant to article VI of the Constitution in regard to lands rightfully belonging to descendants of former Mexican citizens, to recognize the municipal status of the community land grants, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HÉBERT (for himself and Mr. Bray):

H.R. 4954. A bill to amend title 37, United States Code relating to promotion of members of the uniformed services who are in a missing status; to the Committee on Armed Services.

H.R. 4955. A bill to provide for increasing the amount of interest paid on the permanent fund of the U.S. Soldiers' Home; to the Committee on Armed Services.

By Mr. HELSTOSKI (for himself, Mr. Dominick V. Daniels, Mr. Forsythe, Mr. Frelinghuysen, Mr. Howard, Mr. Hunt, Mr. Maraziti, Mr. Minish, Mr. Patten, Mr. Rinaldo, Mr. Rodino, Mr. Roe, Mr. Sandman, Mr. Thompson of New Jersey, and Mr. Widnall):

H.R. 4956. A bill to order the construction of a Veterans' Administration hospital in the southern area of New Jersey; to the Committee on Veterans' Affairs.

By Mr. HENDERSON:

H.R. 4957. A bill to amend the National Labor Relations Act with respect to its findings and policies, and for other purposes; to the Committee on Education and Labor.

By Miss HOLTZMAN:

H.R. 4958. A bill to promote the separation of constitutional powers by providing that the Rules of Evidence for U.S. courts and magistrates, the amendments to the Federal Rules of Civil Procedure, and the amendments to the Federal Rules of Criminal Procedure which the Supreme Court on November 20, 1972, and December 18, 1972, ordered the Chief Justice to transmit to the Congress shall have no force or effect unless they are expressly approved by the Congress; to the Committee on the Judiciary.

H.R. 4959. A bill to promote the separation of constitutional powers by providing that the Rules of Evidence for U.S. courts and magistrates, the amendments to the Federal Rules of Civil Procedure, and the amendments to the Federal Rules of Criminal Procedure which the Supreme Court on November 20, 1972, and December 18, 1972, ordered the Chief Justice to transmit to the Congress shall have no force or effect unless they are expressly approved by the Congress prior to the adjournment sine die of the first session of the 93d Congress; to the Committee on the Judiciary.

By Mr. HORTON (for himself, Mr. Erlenborn, Mr. Gude, Mr. Hanrahan, Mr. McCloskey, Mr. Moorhead of Pennsylvania, Mr. Pritchard, Mr. Regula, and Mr. Thone):

H.R. 4960. A bill to amend section 552 of title 5 of the United States Code, to limit exemptions to disclosure of information, to establish a Freedom of Information Commission, and to further amend the Freedom of Information Act; to the Committee on Government Operations.

By Mr. KOCH:

H.R. 4961. A bill to amend title XVIII of the Social Security Act to require that Public Health Service hospitals, Veterans' Administration hospitals, and hospitals receiving assistance under the Hill-Burton Act make available to persons entitled to benefits under the medicare program, at cost, prescription drugs not covered under that program, eyeglasses, and hearing aids; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 4962. A bill to amend the Economic Opportunity Act of 1964, to authorize a legal services program by establishing a National Legal Services Corporation, and for other purposes; to the Committee on Education and Labor.

By Mr. MATSUNAGA:

H.R. 4963. A bill to promote the exploration and development of geothermal resources through cooperation between the Federal Government and private enterprise; to the Committee on Interior and Insular Affairs.

H.R. 4964. A bill to transfer to the Secretary of Commerce functions of the Secretary of the Interior relating to encouraging, promoting, and developing travel within the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MAYNE:

H.R. 4965 A bill to amend title 38 of the United States Code, to make certain that recipients of veterans pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. MEEDS:

H.R. 4966. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Affairs.

H.R. 4967. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER (for himself, Mr. Andrews of North Dakota, and Mr. Bergland):

H.R. 4968. A bill to protect producers' incomes when rebuilding reserve stocks of wheat or feed grains; to the Committee on Agriculture.

By Mr. MEZVINSKY:

H.R. 4969. A bill granting the consent and approval of Congress to an agreement between the States of Illinois and Iowa relating to the establishment by certain of their political subdivisions of a regional air pollution control board; to the Committee on the Judiciary.

By Mr. MURPHY of New York (for himself, Mr. Hillis, and Mr. Murphy of Illinois):

H.R. 4970. A bill to amend sections 101 and 902 of the Federal Aviation Act of 1958, as amended to implement the Convention for the Suppression of Unlawful Seizure of Aircraft and to amend title XI of such act to authorize the President to suspend air service to any foreign nation which he determines is encouraging aircraft hijacking by acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft and to authorize the Secretary of Transportation to revoke the operating authority of foreign air carriers under certain circumstances, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NELSEN:

H.R. 4971. A bill to amend the Occupation Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

By Mr. NIX:

H.R. 4972. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954, to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. O'NEILL:

H.R. 4973. A bill to amend the Internal Revenue Code of 1954, to exempt from income taxation interest on certain governmental obligations issued for historic restoration and rehabilitation purposes; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 4974. A bill to establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and to amend the National School Lunch and Child Nutrition Acts for purposes related to strengthening the existing child nutrition programs; to the Committee on Education and Labor.

H.R. 4975. A bill to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances; to the Committee on Education and Labor.

By Mr. PEYSER:

H.R. 4976. A bill to amend the Drug Abuse Education Act of 1970, to revise and extend the programs of financial assistance authorized by that act, to authorize XXX grants for education projects respecting alcohol and tobacco abuse, and for other purposes; to the Committee on Education and Labor.

By Mr. PEYSER (for himself, Mr. William D. Ford, and Mr. Dingell):

H.R. 4977. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. PRITCHARD:

H.R. 4978. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. REID:

H.R. 4979. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. REUSS:

H.R. 4980. A bill to amend the National School Lunch Act, as amended, to assure that the school food service program is maintained as a nutrition service to children in public and private schools, and for other purposes; to the Committee on Education and Labor.

By Mr. RIEGLE (for himself, Ms. Abzug, Mr. Biester, Mr. Bingham, Mr. Brown of California, Mr. Buchanan, Mrs. Burke of California, Mrs. Chisholm, Mr. Corman, Mr. Danielson, Mr. Edwards of California, Mr. Fauntroy, Mr. Forsythe, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Kluczynski, Mr. McFall, and Mr. Mr. Moakley):

H.R. 4981. A bill to promote development and expansion of community schools throughout the United States; to the Committee on Education and Labor.

By Mr. RIEGLE (for himself, Mr. Rees, Mr. Rosenthal, Mr. Rostenkowski, Mr. Roybal, Mr. Ruppe, Mr. Seiberling, Mr. Stark, Mr. Stokes, Mr. Symington, Mr. Ullman, Mr. Waldie, Mr. Whalen, Mr. Wolff, and Mr. Won Pat):

H.R. 4982. A bill to promote development and expansion of community schools throughout the United States; to the Committee on Education and Labor.

By Mr. RODINO:

H.R. 4983. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania:

H.R. 4984. A bill to terminate the oil import control program; to the Committee on Ways and Means.

By Mr. ROY (for himself and Mrs. Sullivan):

H.R. 4985. A bill to establish a Consumer Savings Disclosure Act in order to provide for uniform and full disclosure of information with respect to the computation and payment of earnings on certain savings deposits; to the Committee on Banking and Currency.

By Mr. ROYBAL (for himself, Ms. Abzug, Mr. Brown of California, Mrs. Chisholm, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Koch, Mr. Lehman, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moss, Mr. Murphy of Illinois, and Mr. Roy):

H.R. 4986. A bill to amend title 5, United States Code, to include as credible service for civil service retirement purposes service as an enrollee of the Civilian Conservation Corps, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROYBAL (for himself, Ms. Abzug, Mr. Brown of California, Mr. Burton, Mrs. Chisholm, Mr. Corman, Mr. Dellums, Mr. Harrington, Mr. Leggett, Mr. Moss, and Mr. Rees):

H.R. 4987. A bill to amend the Immigration and Nationality Act to increase immigration from Western Hemisphere nations; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 4988. A bill to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations; to the Committee on Banking and Currency.

By Mr. SCHERLE:

H.R. 4989. A bill to amend the Communications Act of 1934 with respect to the operation of certain broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING:

H.R. 4990. A bill to provide for the Secretary of the Department of Health, Education, and Welfare to assist in the improvement and operation of museums; to the Committee on Education and Labor.

H.R. 4991. A bill to amend the National Foundation on the Arts and Humanities Act of 1965, to further cultural activities by making unused railroad passenger depots available to communities for such activities; to the Committee on Education and Labor.

By Mr. SHIPLEY:

H.R. 4992. A bill to authorize the Secretary of the Interior to establish the Lincoln Homestead National Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. STEELE:

H.R. 4993. A bill to provide for the development and implementation of Federal standards for youth camp safety; to the Committee on Education and Labor.

By Mr. SYMINGTON (for himself, Ms. Abzug, Mr. Anderson of Illinois, Mr. Ashley, Mr. Bingham, Mr. Blatnik, Mr. Bolling, Mrs. Chisholm, Mr. Cleveland, Mr. Conyers, Mr. Coughlin, Mr. Culver, Mr. Derwinski, Mr. Drinan, Mr. Edwards of California, Mr. Fish, Mr. Fisher, Mr. William

D. Ford, Mr. Harrington, Mr. Hastings, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Koch, and Mr. Matsunaga):

H.R. 4994. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. SYMINGTON (for himself, Mr. McCloskey, Mr. Melcher, Mr. Moss, Mr. Obey, Mr. Pepper, Mr. Pike, Mr. Podell, Mr. Rees, Mr. Rooney of Pennsylvania, Mr. Roy, Mr. Sarbanes, Mr. Seiberling, Mr. Stokes, Mr. Thompson of New Jersey, Mr. Tiernan, Mr. Udall, Mr. Waldie, Mr. Wolff, and Mr. Won Pat):

H.R. 4995. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H.R. 4996. A bill to terminate the oil import control program; to the Committee on Ways and Means.

By Mr. THONE:

H.R. 4997. A bill to promote commerce and amend the Federal Power Act to establish a Federal power research and development progy production and utilization, reduce envigram to increase efficiencies of electric enerronmental impacts, develop new sources of clean energy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN (for himself, Mr. Roncalio of Wyoming, Mr. Harrington, Mr. Eilberg, Mr. Won Pat, Mr. Gibbons, and Mr. Bingham):

H.R. 4998. A bill to improve the Nation's energy resources; to the Committee on Interstate and Foreign Commerce.

By Mr. UDALL:

H.R. 4999. A bill to amend the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. VANDER JAGT:

H.R. 5000. A bill to amend title X of the Public Health Service Act to extend for 3 years the program of assistance for population research and voluntary family planning programs; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK:

H.R. 5001. A bill to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; to the Committee on Public Works.

By Mr. YATRON:

H.R. 5002. A bill to require the Secretary of the Interior to revise the health and safety standards affecting anthracite mines, and to suspend enforcement of the Federal Coal Mine Health and Safety Act of 1969 until he has completed such revision; to the Committee on Education and Labor.

H.R. 5003. A bill to extend the period within which a reorganization plan transmitted to Congress by the President may become effective; to the Committee on Government Operations.

By Mr. ESHLEMAN:

H.J. Res. 389. Joint resolution to authorize and request the President of the United States to issue a proclamation designating October 14, 1973, as "German Day"; to the Committee on the Judiciary.

By Mr. HOWARD (for himself, Ms. Abzug, Mr. Annunzio, Mr. Archer, Mr. Biester, Mr. Bingham, Mr. Brown of California, Mr. Buchanan, Mr. Burton, Mr. Cronin, Mr. Derwinski, Mr. Donohue, Mr. Eilberg, Mr. Fish, Mr. Froehlich, Mrs. Grasso, Mr. Lent, and Mr. Mazzoli):

H.J. Res. 390. Joint resolution to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month"; to the Committee on the Judiciary.

By Mr. HOWARD (for himself, Mr. McDade, Mrs. Mink, Mr. Moakley, Mr. Parris, Mr. Pepper, Mr. Podell, Mr. Rarick, Mr. Roe, Mr. Studds, Mr. Treen, Mr. Whalen, Mr. Williams, Mr. Bob Wilson, Mr. Won Pat, and Mr. Young of Illinois):

H.J. Res. 391. Joint resolution to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month"; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.J. Res. 392. Joint resolution proposing an amendment to the Constitution of the United States providing that the term of office of Members of the House of Representatives shall be 4 years, and for other purposes; to the Committee on the Judiciary.

By Mr. PERKINS (for himself, Mr. Quie, and Mr. O'Hara).

H.J. Res. 393. Joint resolution to amend the Education Amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report; to the Committee on Education and Labor.

By Mr. RONCALLO of New York:

H.J. Res. 394. Joint resolution proposing an amendment to the Constitution of the United States to insure that due process and equal protection are afforded to an individual from conception; to the Committee on the Judiciary.

By Mr. BOB WILSON (for himself and Mr. Van Deerlin):

H.J. Res. 395. Joint resolution to establish a national music of the United States; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H. Con. Res. 131. Concurrent resolution expressing the sense of Congress in opposition to the closing of Public Health Service hospitals and clinics; to the Committee on Interstate and Foreign Commerce.

By Mr. BRADEMAS:

H. Con. Res. 132. Concurrent resolution providing for the printing as a House document of a revised edition of "The Capitol"; to the Committee on House Administration.

By Mr. SEBELIUS:

H. Con. Res. 133. Concurrent resolution requesting the President to proclaim the fourth Saturday in March of each year as "National Bake and Take Day"; to the Committee on the Judiciary.

By Mr. VANIK:

H. Con. Res. 134. Concurrent resolution requesting the President to negotiate with the Government of Canada to establish water levels for the Great Lakes; to the Committee on Foreign Affairs.

By Mr. CAREY of New York (for himself, Mr. Delaney, and Mr. Wolff):

H. Res. 258. Resolution of inquiry on the incarceration of certain prisoners; to the Committee on the Judiciary.

By Mr. FASCELL (for himself, Mr. Eckhardt, and Mr. Foley):

H. Res. 259. Resolution to amend the Rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session; to the Committee on Rules.

By Mr. SYMINGTON (for himself and Mr. Railsback):

H. Res. 260. Resolution expressing the sense of the House of Representatives with respect to an international compact regarding the safety of persons entitled to diplomatic immunity; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

55. By the SPEAKER: Memorial of the Legislature of the State of Wyoming, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

56. Also, memorial of the Legislature of the State of South Dakota, relative to the establishment of a national cemetery at a site near the Fort Randall Dam in Gregory County, S. Dak.; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 5004. A bill to convey the mineral rights in certain real property located in Izard County, Ark., to L. M. Brown, the owner of such real property; to the Committee on Interior and Insular Affairs.

By Mr. BRASCO:

H.R. 5005. A bill for the relief of Robert DiFranco; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 5006. A bill to authorize the temporary appointment of Col. Roy C. Weinstein, U.S. Air Force Reserve, to the grade of brigadier general, and for other purposes; to the Committee on Armed Services.

By Mr. BROYHILL of Virginia:

H.R. 5007. A bill to grant a Federal charter to the National Association of Auto Racing Fan Clubs; to the Committee on the District of Columbia.

By Mr. BROYHILL of Virginia (by request):

H.R. 5008. A bill for the relief of Liceria M. Bautista; to the Committee on the Judiciary.

H.R. 5009. A bill for the relief of William T. McCormick; to the Committee on the Judiciary.

By Mr. CLAY:

H.R. 5010. A bill for the relief of Henry D. Espy, James A. Espy, Naomi A. Espy, Jean E. Logan, and Theodore R. Espy; to the Committee on the Judiciary.

By Mr. GROVER:

H.R. 5011. A bill for the relief of James Lennon; to the Committee on the Judiciary.

By Mr. HENDERSON:

H.R. 5012. A bill for the relief of K. Heinz Moehring and his wife, Isle Maria; to the Committee on the Judiciary.

By Mr. JARMAN:

H.R. 5013. A bill for the relief of Lt. Comdr. Robert W. Krasnow, U.S. Navy; to the Committee on the Judiciary.

By Mr. MEEDS:

H.R. 5014. A bill for the relief of Donald L. Bulmer; to the Committee on the Judiciary.

By Mr. PETTIS:

H.R. 5015. A bill to authorize the temporary appointment of Col. Roy C. Weinstein, U.S. Air Force Reserve, to the grade of brigadier general, and for other purposes; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII,

56. The SPEAKER presented petition of the Board of Commissioners, Wayne County, Mich., relative to bombing of North Vietnam; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

THE CLYDE HANNAH FAMILY

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. CARTER. Mr. Speaker, at this time, I wish to share with my colleagues the story of the Clyde Hannah family, which appeared in the Lincoln County, Ky., Post on February 9, 1973.

Mr. and Mrs. Hannah and their son, Mark, have been selected as the FHA Outstanding Farm Family of 1973 for Lincoln County and the surrounding area.

In a time when the family farm is becoming obsolete, their story serves as an example of what can be accomplished through cooperation between Government and the individual:

THE CLYDE HANNAH FAMILY

(By Sharon Bell)

The Farm Family of the Year, The Clyde D. Hannah family, whose farm is just out of Kings Mountain on the Robertstown Road, was honored Friday, February 2 at the luncheon held at the Dix River Country Club at 12:30 p.m. Sponsors were the Livestock Improvement Association, the Farm Bureau, and the Farmers' Home Administration.

The family was recognized at the luncheon for having contributed greatly to rural community improvement while running a successful farming operation and building a good home life.

Going from their 1959 start to the luncheon for the Farm Family of the Year wasn't easy. It meant a lot of hard work and sacrifice over the years.

The Hannahs aren't new to farming and all it entails. Both grew up on Casey County farms. Mr. Hannah's father, Roy Hannah, still lives at Walltown. Mrs. Hannah's parents, Mr. and Mrs. John Williams, have moved to Shelby County.

The Hannah family bought the "Old Sears Place" in 1959. On the place were an old 4-room house, a tobacco barn in bad repair, and a lot of rock. Mr. Hannah, who bought the place from Mr. and Mrs. Mike Murphy of Kings Mountain, bought a farm that hadn't been really worked for years. Mr. Murphy has a full-time job at Corning, so farming was just a sideline for him.

The Hannahs now have developed the farm, (and four other tracts that complete it) which sold for $440–$500 in the 1930's into a $60,000 farm.

Mrs. Hannah said that farm life isn't always easy or fun, but that it does have its own rewards. It distresses her to read that the family farm is becoming obsolete. She said that anyone who would work, manage the money they earned, and borrow wisely—all the time working with the Farm Bureau, FHA, and related programs, could build a way of life that one doesn't see very often. A close family relationship built through working together toward a common goal is unusual these days.

Imagine a grocery bill of less than $100 per month! Mrs. Hannah can't imagine a larger one. She cans and freezes nearly 100 quarts per year per family member—300 quarts a year! There's a beef in the freezer and there's always a huge garden at the Hannah place.

Mr. Hannah was recognized on June Dairy Day as Outstanding Grade A Dairy Farmer in Lincoln County.

When son Mark, who is now 15, and in FFA first started showing cattle, he was 8 years old and in Mrs. Annie Leach's 4th grade class at King Mountain. Because of his age, he couldn't show outside the county, but his dad promised to take him and his cow to the Brodhead Fair where there was an open age class.

The afternoon and evening of the show, the hay had to gotten in, so Mr. Hannah couldn't go. He arranged for a friend and fellow-farmer, Homer Ware of Kings Mountain to take Mark and his cow. Momer, Mark, and the cow went in the truck, and Mrs. Hannah and Mrs. Ware followed in a car. Whether Mr. Ware, Mr. Hannah, or Mark was more excited about the ribbon won in that show is debatable!

To show Mrs. Hannah's determination, they were supposed to move into their new house in August of 1968. The builders ran three months over their schedule, so when they left on Friday evening in November Mrs. Hannah told them she'd be moved in when they came back Monday morning. She was. They finished their work rapidly.

Speaking of their thoroughly earned and richly deserved honor, both the Hannahs said they never expected to win. Mr. Winn, county FHA supervisor, told them he had to enter some one and asked if he could enter them. They agreed, gave him the information he needed for the entry, and promptly forgot about it.

Mrs. Hannah said, "We never dreamed it'd happen." Mr. Hannah agreed. She continued, "But I'm right glad it did." Mark nodded agreement with his parents.

PRESERVATION OF CAPITAL GAINS TREATMENT OF TIMBER UNDER THE INTERNAL REVENUE CODE

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 28, 1973

Mr. THURMOND. Mr. President, on behalf of the junior Senator from South Carolina (Mr. Hollings) and myself, I bring to the attention of the Senate a concurrent resolution passed by the South Carolina General Assembly.

On February 14, 1973, the South Carolina General Assembly adopted a concurrent resolution memorializing the Congress to preserve and protect the capital gains treatment now enjoyed by timber growers under the Internal Revenue Code. Senator Hollings and I jointly endorse this concurrent resolution.

Mr. President, in South Carolina and other parts of the Nation, forests are a vast and valuable resource. Because of the increased consumer demand for wood and paper products, the harvest of forest resources has been exceeding the regeneration. The capital gains treatment of these resources has created the necessary incentive to encourage private timberland owners to invest in the growing of timber.

Mr. President, on behalf of Senator Hollings and myself, I ask unanimous consent that the concurrent resolution be printed in the Extensions of Remarks of the Congressional Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

A CONCURRENT RESOLUTION

Memorializing the Congress of the United States to Preserve the Capital Gains Treatment of Timber Under the Internal Revenue Code.

Whereas, capital gains tax treatment of timber under the Internal Revenue Code has been one of the major factors responsible for the vast progress in South Carolina and the nation in forest management and the growth of forest resources during the past half century; and

Whereas, the substantial elimination of capital gains treatment for the owners of forest lands would constitute the most severe setback in this generation to the growth of forest products; and

Whereas, increased consumer demand for wood and paper products, pressures on outdoor recreation resources, and the environmental benefits of timber growth and utilization have all focused greater attention on renewable forest lands, both public and private, to the extent that our nation has seen a reversal of earlier trends of the past thirty years whereby the harvest of forest resources was exceeding the regeneration; and

Whereas, the jobs of thousands of employees and many hundreds of communities are affected by the forest industries of South Carolina and would be jeopardized by the elimination of capital gains treatment of timber. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the Congress of the United States be memorialized to protect and preserve the capital gains treatment of timber and thereby encourage private timberland owners to invest in the growing of timber so necessary to this nation's continued economic growth, security and environmental well-being.

Be it further resolved that copies of this resolution be forwarded to the President of the United States Senate and the Speaker of the United States House of Representatives and to each member of the South Carolina Congressional Delegation.

LEGISLATION TO STRENGTHEN THE CONGRESS AND THE PUBLIC'S RIGHT TO RECEIVE INFORMATION FROM THE EXECUTIVE BRANCH

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HORTON. Mr. Speaker, I am today introducing legislation to amend the Freedom of Information Act. Joining me as the principal sponsor of this bill is Congressman John Erlenborn, the ranking minority member of the Foreign Operations and Government Information Subcommittee. Additional cosponsors include Congressman William S. Moorhead, chairman of the Foreign Operations and Government Information Subcommittee, and Congressmen Gilbert Gude, Robert P. Hanrahan, Paul N. McCloskey, Jr., Joel Pritchard, Ralph S. Regula, and Charles Thone.

On this same day, I am also joining Congressman ERLENBORN and other members in cosponsoring a bill to significantly narrow the scope of executive privilege. By means of this double-barrelled approach, we hope to materially enlarge the public's and Congress' access to Government information.

Our form of Government—in fact the foundations of our society—rest upon an informed citizenry. To participate effectively in the decisionmaking process, to maintain a watchful eye over those who govern, and to act intelligently as good citizens, the public requires access to adequate and accurate information. Increasingly, in recent decades, the ability of the citizenry—or their elected representatives—to keep themselves informed has become more difficult.

Institutions by nature tend to display the good and conceal the bad. Such a practice is not peculiar to any one organization. Over the past 40 years, however, the executive branch, increasingly encumbered with ever greater responsibilities, has seen fit to withhold greater amounts of information from the public and to balk at the release of information that does not suit its purpose. It was with this impediment to constitutional freedom looming ever larger that Congress in 1967 inaugurated the Freedom of Information Act.

This act was designed as a charter of freedom dedicated to opening up the storehouses of information in Government except in limited areas involving such matters as national security, trade secrets, personal privacy, internal communications, and agency investigations.

On the fifth anniversary of this law, the Foreign Operations and Government Information Subcommittee of the Government Operations Committee initiated an in-depth review to determine how effectively the Federal agencies were administering the act and how successfully the public had been in gaining access to previously hidden information.

The subcommittee was pleased to learn that the Freedom of Information Act had helped thousands of individuals to acquire information. This was distressingly offset, however, by numerous examples of failures by Government agencies to make information available to the public that the act clearly ordained.

Among the findings of the subcommittee were serious bureaucratic delays in responding to requests for information, the need of individuals to pursue cumbersome and costly legal remedies, inadequate recordkeeping by agencies, undue specificity required in identifying records, promulgation of legally questionable regulations, and a too liberal interpretation of the act's exemptions which thereby broadened the types of information being withheld. The latter in particular proved to be the most serious abuse of the law by the agencies. It was found that information regarding the employment practices of the Federal Government and Federal contractors was being withheld; also withheld was information dealing with surveys of natural gas reserves, health and safety hazards in industries under Federal inspection, food inspection records in federally inspected establishments, housing appraisals under HUD subsidized and insured housing programs, and statistical data summarizing Internal Revenue Service operations.

As disturbing as these findings were, however, they did not equal the discovery by the subcommittee that millions upon millions of documents are presently being concealed by the Government under the shield of security classification. One prominent witness estimated that 20 million documents were being held secret of which only one-half of 1 percent should be classified. Others suggested an even worse picture. The Director of the National Archives, limiting his comments to his own area of expertise, estimated that he stood guardianship over 470 million pages of information covering only the period from 1939 to 1954.

The magnitude of this mountain of secrecy is so stupendous that any pretense of maintaining an informed citizenry to monitor those selected to govern must collapse of its own weight. It is true, of course, that certain acts of Government may need to be kept under wraps for a period of time in the interest of national security—troop movements, new weaponry, intelligence data. But, the extent of the information presently classified dwarfs that which needs to be classified.

Regrettably, the Freedom of Information Act, as enacted, left too many loopholes—as suggested above—by which information could be excluded. In the case of classified documents, for example, the act exempts all information classified under law or Executive order—thus leaving executive agencies in sole discretion as to what should or should not be made public.

President Nixon, to his credit, promulgated a new Executive order on security classification last year which tightened up the classification requirements. The extent to which this may constitute a forward step was offset, however, by a recent Supreme Court decision nullifying a presumed requirement that Federal courts, when confronted with a Freedom of Information challenge to an agency's withholding of classified documents, should look behind the classification to determine whether a document is in fact classified in accordance with the Executive order.

It is our intent in introducing this legislation amending the Freedom of Information Act, to provide a workable means for overcoming most of the barriers that presently exist to the free flow of information.

The Freedom of Information Act provides that all information in the possession of Federal agencies shall be made available to the public except information falling within nine specific categories—for example, classified information, inter-agency memoranda, investigatory files, trade secrets, and so forth. However, the Supreme Court in the case of EPA against Mink held that the Federal courts, even though they are directed to enforce the Freedom of Information Act, may not challenge an agency's refusal to make information available to the public on the grounds of alleged security classification or other claimed exemption under the act even though such claim is, in fact, not in accord with the law. This has the effect of making the Federal agencies virtually sole interpreters of their compliance with the law. Title I of our bill is designed to overturn the effects of the Mink decision by requiring the courts to look behind an agency's exemption claims and to order that agency to make public all information which does not fall within an exemption category.

Title I further amends the Freedom of Information Act to narrow three categories of exemption which to date have been given too lose an interpretation by Federal agencies and some courts. By narrowing these three categories—trade secrets, interagency communications, and investigatory records—more information will become available to the public without jeopardizing either the original purpose for their incorporation in the act or the continued effective administration of Government and law enforcement.

Title II creates a seven-member commission—four members to be appointed by Congress and three by the President for a term of 5 years—to assist the Federal courts in determining whether requested information is being properly withheld by an agency under the Freedom of Information Act. As has been recognized by courts and other authorities, such assistance is essential because the courts at present lack sufficient time or expertise in many instances to enforce the act effectively. In addition to the courts the bill also authorizes the Congress, committees of Congress, the Comptroller General of the United States, and Federal agencies to petition the commission for a review of an agency's denial of information. An individual citizen under the bill may also obtain a review by the commission of an agency's denial of information if three members of the commission agree to a review. Authority to enforce the Freedom of Information Act remains with the courts under the proposed legislation and the findings of the commission will only be advisory.

However, a commission finding that an agency has improperly withheld information from the public shall constitute prima facie evidence before the court that information has been improperly withheld. This shall have the effect of placing the burden of proof upon the agency in the court proceeding to sustain its action in refusing to make information available.

Title III provides for certain additional amendments to the Freedom of Information Act which, as a result of subcommittee hearings last Congress, were found to be necessary if the public is to receive all the information it is entitled to. These amendments first, lay down reasonable time limits for an agency to respond to a request for information, second, authorize a court to award reasonable attorney's fees and court costs to private parties who have been found to have been improperly denied information by a Federal agency, third, direct a court to enjoin an agency's improper withholding of information, and fourth, require agencies to file annual reports with the appropriate committees of Congress detailing their administration of the Freedom of Information Act.

This desire to open up the flow of information is not, I might add, aimed only at the general public. While the Freedom of Information Act specifically exempts Congress from its coverage—meaning that Congress should be recognized as having the right to receive all information in the possession of the executive branch—there have been numerous occasions when Members of Congress acting in their individual representative capacity have been denied information and forced to resort to the act. Members of Congress have been denied access to information as diverse as that relating to: the Amchitka nuclear explosion, environmental effects of the SST, privacy and security aspects of computerized criminal justice information systems, accelerated antipollution plans for the Great Lakes, Federal administration of a judicial consent decree, and the military's weather modification activities in Southeast Asia. An effective tightening of the Freedom of Information Act's requirements will have the effect, then, of improving the legislative role of the people's elected representatives in addition to making the public better informed. This proposed bill amending the Freedom of Information Act can enhance the congressional role through the creation of a commission which can be used by Congress to open up large amounts of information for use in the public arena and also to assist a Federal court in sustaining a congressional subpena for classified or otherwise concealed information.

This is not all, however. Congress as an institution—as suggested above—is entitled to information under the constitutional doctrine of separation of powers above and beyond that which the general public may be entitled to. The inability to obtain information from the executive branch in such cases must be resolved through a separate amendment to the Freedom of Information Act. Congressman **Erlenborn** and I, as indicated earlier, are today submitting executive privilege legislation to meet this issue.

Mr. Speaker, almost 7 years ago Congress took a giant step toward throwing the doors of informational freedom open to the public. Disclosure of information was to be the rule, not the exception; the burden of disclosure was to take precedence over the burden of concealment. Regretfully, these requirements have all too often been ignored. The state of our society today and the need to maintain effective restraints upon a giant Federal bureaucracy require that more stringent steps be taken. I believe enactment of this bill, amending the Freedom of Information Act, together with that on executive privilege, will go far to correct existing imbalances.

A copy of the bill follows:

H.R. 4960

A bill to amend section 552 of title 5 of the United States Code to limit exemptions to disclosure of information, to establish a Freedom of Information Commission, and to further amend the Freedom of Information Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—LIMITING FREEDOM OF INFORMATION ACT EXEMPTIONS

Sec. 101. Section 552(a) of title 5 of the United States Code (the Freedom of Information Act) is amended by adding at the end thereof the following new paragraph:

"(5) In any proceeding pending before a district court of the United States under this section in which an agency has refused to furnish records to the complainant on the grounds that such records are exempted from being made available under subsection (b) of this section, the court shall examine in camera such records, including records classified under statute or Executive order, to determine if they are being improperly withheld. In carrying out its responsibilities herein, the court may require the assistance of the Freedom of Information Commission."

Sec. 102. Paragraph (3) of section 552(a) of title 5, United States Code, is amended by adding immediately after the first sentence the following new sentence:

"Where records containing both portions that are required to be made available under this subsection and portions that may be withheld under subsection (b), an agency shall make the required portions available unless (A) a serious distortion of meaning would result if the required portions were read separately from the exempt portions, or (B) the required portions are so inextricably intertwined with the exempt portions that disclosure of the required portions would seriously jeopardize the integrity of the exempt portions."

Sec. 103. The following paragraphs of section 552(b) of title 5, United States Code, are amended to read as follows:

(a) "(4) trade secrets and commercial or financial information which the agency has obtained from a person under a statute specifically conferring an express grant of confidentiality to the extent the agency receiving the information confers confidentiality under an express written pledge."

(b) "(5) inter-agency or intra-agency memorandums or letters which contain recommendations, opinions and advice supportive of policymaking processes."

(c) "(7) investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would constitute (A) a genuine risk to enforcement proceedings, (B) a clearly unwarranted invasion of personal privacy, or (C) a threat to life."

TITLE II—FREEDOM OF INFORMATION COMMISSION

ESTABLISHMENT

Sec. 201. There is established a commission to be known as the Freedom of Information Commission (hereinafter referred to as the "Commission").

Sec. 202. The Commission shall be composed of seven members as follows:

(a) two appointed by the Speaker of the House of Representatives, both of whom shall not be of the same political party;

(b) two appointed by the President pro tempore of the Senate, both of whom shall not be of the same political party; and

(c) three appointed by the President, of whom not more than two shall be of the same political party.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

Sec. 203. Of the members first appointed—

(a) one appointed by the Speaker of the House of Representatives, one appointed by the President pro tempore of the Senate, and one appointed by the President shall be appointed for a term of five years;

(b) one appointed by the Speaker of the House of Representatives, one appointed by the President pro tempore of the Senate, and one appointed by the President shall be appointed for a term of three years; and

(c) one appointed by the President shall be appointed for a term of one year.

Sec. 204. Successors to members first appointed shall be appointed for a term of five years, except that any individual appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessors. No member may serve more than one term, but a member may serve until his successor has been appointed and qualified.

Sec. 205. No member of the Commission shall actively engage in any business, vocation, or employment other than that of serving as a member of the Commission.

Sec. 206. Four members of the Commission shall constitute a quorum.

Sec. 207. The Chairman and Vice Chairman of the Commission shall be elected from the membership by the members of the Commission for a term of two years.

Sec. 208. The Commission shall meet at the call of the Chairman or a majority of the members.

Sec. 209. Members of the Commission shall be responsible for maintaining the confidentiality of material in their custody, and all security procedures prescribed by law and Executive order shall be followed in the safeguarding of classified material.

Sec. 210. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(95) Members, Freedom of Information Commission."

Sec. 211. The Commission shall appoint an Executive Director who shall be hired by the Commission. Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(131) Executive Director, Freedom of Information Commission."

POWERS

Sec. 212. The Commission is authorized to—

(a) appoint such personnel as may be necessary subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(b) prescribe such rules and regulations as may be necessary to effectuate the provisions of this title;

(c) hold hearings, administer oaths, take testimony, receive evidence, require persons to appear and to furnish information, and sit and act at such times and places as is deemed advisable, to the extent that such actions are relevant to its duties;

(d) employ experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate individuals so employed for each day (including travel time) at rates not in excess of the maximum rate of pay for grade GS-18 as provided in section 5332 of title 5, United States Code, and while such experts and consultants are so serving away from their homes or regular place of business, to pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

(e) use the United States mails in the same manner and upon the same conditions as other agencies; and

(f) adopt an official seal which shall be judicially noticed.

Sec. 213. (a) The Commission shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation by the Commission. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(b) If a person issued a subpoena under subsection (a) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Commission) order such person to appear before the Commission to produce evidence or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) The subpoenas of the Commission shall be served in the manner provided for subpoenas by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(d) All process of any court to which application may be made under this section may be served in the judicial district wherein the person required to be served resides or may be found.

SEC. 214. Upon request made by the Commission, each Federal agency is authorized and directed to allow access to and furnish to the Commission all information, documents (including those classified under law or Executive order), data, and statistics in the agency's possession which the Commission may determine to be necessary for the performance of its duties.

SEC. 215. The Commission shall transmit to the Congress and the President an annual report not later than March 30 of each year, covering the previous calendar year, and such other reports as it deems advisable regarding its activities and containing such recommendations for legislation or other governmental action as the Commission determines to be appropriate.

SEC. 216. The Commission shall make available for public inspection at reasonable times in its office a record of its proceedings and hearings, except that the Commission shall not make public any classified information prior to declassification or other information received by the Commission in confidence.

SEC. 217. The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission shall request.

SEC. 218. (a) In investigating an inquiry under sections 219 and 220 of this title, the Commission shall hold a hearing, if requested by any party to the proceeding, at which a party is entitled to present its case or defense by oral or documentary evidence, and to conduct cross examination as may be required for a full disclosure of the facts. Such hearing shall be public unless, because of the sensitive nature of the information in dispute, the Commission decides that the hearing shall be closed.

(b) The Commission is authorized to compensate directly or order assessed against a Federal agency reasonable attorneys' fees and other litigation costs reasonably incurred in any proceeding under section 220 of this title in case of financial need by a private party. A Federal agency shall only be assessed in those instances where the Commission determines that the agency withheld information from a party without reasonable justification. An order of the Commission shall be enforceable in any district court of the United States within which the hearing is conducted, the Federal agency has its principal place of business, or the private party resides.

DUTIES

SEC. 219. The Commission shall initiate an investigation requested by a court of the United States, the Congress of the United States, a committee of the Congress, the Comptroller General of the United States, or a Federal agency concerning any allegation that information in the possession of a Federal agency is being improperly withheld under section 552 of title 5, United States Code.

SEC. 220. The Commission shall initiate, upon the vote of at least three of its members, an investigation requested by a private citizen concerning allegations that information is being improperly withheld by a Federal agency under section 552 of title 5, United States Code.

SEC. 221. The Commission shall act expeditiously in response to any request initiated under sections 219 or 220 and shall report its findings within thirty days of receipt of a request, except in case of unusual circumstances where fairness and accuracy require a reasonable delay.

SEC. 222. A determination by the Commission that a Federal agency has improperly withheld records requested of it shall be prima facie evidence against such agency in any action or proceeding brought by any party against such agency under section 552 of title 5, United States Code, or in enforcement of a subpoena issued by Congress, a committee of Congress, the Comptroller General or a Federal agency.

SEC. 223. For the purposes of this title, the term "Federal agency" means any agency, department, corporation, independent establishment or other entity in the executive branch.

SEC. 224. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this title.

SEC. 225. The Commission shall commence operations sixty days after enactment of this title.

TITLE III—IMPROVING THE ADMINISTRATION OF THE FREEDOM OF INFORMATION ACT

SEC. 301. The phrase "has jurisdiction to enjoin" in the second sentence of section 552(a)(3) of title 5, United States Code, is amended to read "shall enjoin".

SEC. 302. Section 552(a)(3) of title 5, United States Code, is amended by adding at the end thereof the following new sentence: "The court shall award reasonable attorneys' fees and court costs to the complainant if it issues any such injunction or order against the agency."

SEC. 303. Section 552(a) of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6)(A) Each agency, upon a request for records made under paragraph (1), (2), or (3) of this subsection, shall either comply with or deny the request within ten days (excepting Saturdays, Sundays, and legal public holidays) of its request unless additional time is required for one of the following reasons:

"(i) The requested records are stored in whole or part at other locations than the office having charge of the records requested.

"(ii) The request requires the collection of a substantial number of specified records.

"(iii) The request is couched in categorical terms and requires an extensive search for the records responsive to it.

"(iv) The requested records have not been located in the course of a routine search and additional efforts are being made to locate them.

"(v) The requested records require examination and evaluation by personnel having the necessary competence and discretion to determine if they are: (I) exempt from disclosure under the Freedom of Information Act (II) should be withheld as a matter of sound policy, or revealed only with appropriate deletions.

"(B) When additional time is required for one of the above reasons, the agency should acknowledge the request in writing within the ten-day period and should include a brief notation of the reason for the delay and an indication of the date on which the records would be made available or a denial would be forthcoming.

"(C) An extended deadline adopted for one of the reasons set forth above shall not exceed an additional twenty days (excepting Saturdays, Sundays, and legal public holidays) beyond the original ten-day period, except that in cases involving novel or complicated issues, the head of the agency personally may authorize an extended period of delay not exceeding thirty days upon informing the party requesting the records in writing the reasons for the additional delay and the date upon which a response shall be forthcoming.

"(D) If an agency does not dispose of a request within the ten-day period, or within an extended deadline period as authorized above, the requesting party may petition the officer handling appeals from denials of records for action on the request without additional delay.

"(E) Final action of an appeal shall be taken within twenty days (excepting Saturdays, Sundays, and public legal holidays) from the date of filing the appeal, except that in cases involving novel or complicated issues, the head of an agency personally may authorize an extended period of delay not exceeding thirty days upon informing the party requesting the records in writing the reason for the delay and the date upon which the appeal will be decided.

"(F) Denials of initial requests and appeals shall be in writing and shall set forth the exemption relied upon, how it applies to the records withheld, and the reasons for asserting it.

"(G) Any person making a request to an agency for records under paragraphs (1), (2), or (3) of this subsection shall be deemed to have exhausted his administrative remedies with respect to such a request if the agency fails to comply with subparagraphs (A), (B), (C), (E) or (F) of this paragraph.

"(H) Upon any determination by an agency to comply with a request for records, such records shal be made available as soon as practicable to the person making the request."

SEC. 304. Section 552 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Each agency shall, on or before March 1 of each year, submit a report covering the preceding calendar year to the Committee on Government Operations of the House of Representatives and the Committee on the Judiciary of the Senate which shall include—

"(1) the number of requests for records made to such agency under subsection (a);

"(2) the number of determinations made by such agency not to comply with any such request, and the reasons for each such determination;

"(3) the number of appeals made by persons under subsection (a)(6)(D);

"(4) the number of days taken by such agency to make any determination regarding any request for records and regarding any appeal;

"(5) the number of complaints made under subsection (a)(3);

"(6) a copy of any rule or regulation made by such agency regarding this section; and

"(7) the total amount of fees, the average fee, and the maximum and manimum fees collected for making records available under this section."

ANALYSIS OF PROPOSED BILL ON FREEDOM OF INFORMATION

ANALYSIS OF TITLE I

Section 101 of the bill provides that subsection (a) of section 552 of the Freedom of Information Act is amended to provide explicit authority to Federal courts to examine records in camera which an agency refuses to make available under the act. The amendment further provides that, where reasonable, the court shall order made available those portions of records which are not exempt from disclosure even if other portions remain exempt. Finally, the amendment authorizes the courts to seek the assistance of the Freedom of Information Commission—created in title II—to determine which documents, claimed to be exempted under the Freedom of Information Act, should in fact be exempted.

Section 102 amends three key exemptions under the Freedom of Information Act which have been interpreted by some agencies and under certain court decisions to provide too broad authority for withholding information from the public. The amendments seek to narrow the exemptions so that they more clearly cover only those categories of material which it is believed was originally intended to be exempted.

One of the three amendments relates to the trade secrets exemption and is directed at limiting the exemption to trade secrets and commercial or financial information as opposed to the present wording of the exemption wherein other confidential or privileged information may be withheld from the public. In addition, such information may only be withheld if it were obtained by an agency under legal authority other than the Freedom of Information Act and in obtaining such information, the agency expressly confers confidential status in writing.

The second amendment limits an agency's authority to withhold from the public inter-agency or intra-agency memorandums or letters under exemption 5 only to those that contain recommendations, opinions and advice supportive of policymaking processes. In contrast, as presently written, such memorandums or letters may be withheld if not available by law to a party—language so difficult of interpretation that even the Supreme Court refused to cope with it.

The third amendment amends exemption 7 to limit the withholding of investigatory records compiled for law enforcement purposes only to those which constitute a genuine risk to enforcement proceedings, or a clearly unwarranted invasion of privacy, or a threat to life. This is in contrast to the existing language wherein such files are exempt except to the extent available by law to a party—again, as in exemption 5, an uninterpretable phrase.

ANALYSIS OF TITLE II

Title II establishes a Freedom of Information Commission which is authorized to conduct review of documents which Federal agencies have refused to make public under one of the claimed exemptions under the Freedom of Information Act. A review may be initiated under section 219 by a Federal court, Congress or a committee thereof, the Comptroller General, or another Federal agency.

Of especial importance is the right for a court to request such a review. In title I of the proposed legislation, the Federal courts are required in camera to look behind an agency's withholding of records to see if such action is in conformity with the Freedom of Information Act exemptions. The degree of burden this could impose on a court, however, together with a court's general lack of expertise in the areas, means that such authority by itself has little substance. To correct this deficiency, a seven person commission is created—composed of two members appointed by the Speaker, two by the President pro tem, and three by the President—to engage full-time in this effort and backed up with adequate expert staff and resources.

It is to be stressed, however, that the role of the commission is fact-finding and advisory alone. It may not order any documents made public. That role is left to the courts which are charged with enforcing the act. Similarly, any requests for commission action under the proposed legislation by the Congress, Comptroller General or other agency can only result in an advisory ruling. The merit of this, however, is that the Congress and other authorized parties can use such findings in support of any request for or subpenaing of documents from an agency, and under section 222 of the act a ruling of the commission shall constitute prima facie evidence that an agency is improperly withholding records.

The other major aspect of title II is contained in section 220 which authorizes a private party to obtain a ruling from the commission on whether an agency is improperly withholding information, if three members of the commission agree to entertain the complaint.

Here again, the action of the commission is only advisory but it would go far, it is believed, in encouraging agencies to make their records available since the requesting party could seek enforcement in court. Nothing would prevent a party from going directly to a court in case of an agency's refusal to supply records, but the speedier and less expensive route vis-a-vis the commission should have the effect of making more information available to the public. To further provide assistance to those properly seeking to open records to the public, section 218(b) authorizes the commission when it finds that records have been improperly withheld to itself compensate a party for reasonable attorney's fees and litigation costs or to assess such costs upon the errant agency.

ANALYSIS OF TITLE III

Title III provides additional amendments to the Freedom of Information Act to expand the amount of information to be made available to the public.

Section 301 seeks to limit the discretion of the courts in issuing injunctions in those cases where agencies have been found to have improperly withheld information from the public.

Section 302 authorizes courts to award reasonable attorney's fees and court costs to parties which the courts have found have been improperly denied access to records.

Section 303 provides reasonable time limits within which agencies must respond to requests for records. The language is adopted almost verbatim from that proposed by the Administrative Conference of the United States under the chairmanship of Roger Crampton.

Section 304 directs that each agency submit an annual report to the House Government Operations Committee and Senate Judiciary Committee in which it details its administration of the Freedom of Information Act for the preceding year.

RECONFIRMATION OF FEDERAL JUDGES

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 28, 1973

Mr. HARRY F. BYRD, JR. Mr. President, interest is growing in the proposal for the reconfirmation of Federal judges by the Senate every 8 years.

These judges now serve for life. I believe that fixed tenure for judges, which is the practice in 47 of the 50 States, should be instituted for Federal judges. In a democracy, why should any public official have life appointment?

My proposal is embodied in Senate Joint Resolution 13, a constitutional amendment which is cosponsored by Senators ALLEN, THURMOND, TALMADGE, and NUNN.

My proposal for limited tenure and reconfirmation has received the endorsement of the State legislators of Michigan and Alabama, and more recently Chief Justice Norman Arterburn of Indiana wrote to me stating his personal support of the constitutional amendment which Senators ALLEN, THURMOND, TALMADGE, and NUNN and I have introduced to provide greater accountability for the Federal judiciary.

Two newspaper editorials taking note of Chief Justice Arterburn's position recently have come to my attention. I believe these editorials are indicative of the growing interest in limiting the tenure of the Federal judiciary, and I commend them to the attention of the Senate.

I ask unanimous consent that the editorials published in the Rocky Mount, N.C., Telegram and the Baton Rouge, La., State Times be included in the Extensions of Remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Rocky Mount (N.C.) Telegram, Jan. 30, 1973]

LIMITING THE JUDICIARY

Have federal judges abused their judicial powers in recent years? A prominent Midwestern judge thinks this is the case.

Chief Justice Norman Arterburn of the Indiana Supreme Court says the time has come to sharply curb federal judges who, having lifetime tenure, are high-handedly exercising virtually unlimited authority.

Arterburn strongly endorses a proposed constitutional amendment by Sen. Harry Byrd of Virginia.

This amendment would, in effect, limit the terms of all federal judges by requiring them to be reconfirmed by the U.S. Senate every eight years. If denied such approval, they would be retired with full pay.

In adding his support to this proposal, Justice Arterburn admits that at first he did not favor it. But he has changed his mind for a significant reason.

He now believes that more federal judges, and particularly members of the U.S. Supreme Court, have overstepped the bounds of constitutional law, got into the legislative field, imposing their ideas as to public policy and good legislation on the people of the country.

Arterburn is especially outraged by the extremities of the U.S. Supreme Court.

He refers to acts of that court in "changing the Constitution 'as of a certain time' (denying retroactivity) without going through the amending process provided in the Constitution." He believes this to be a violation of their oath of office.

"If the court is deliberately to do acts of this sort," he says, "then it is my feeling that the people should have an opportunity to review their legislative acts the same as we do members of Congress."

Arterburn feels that if a judge would stay within his judicial area there would be no need for such a periodic review, but we have too many men who are judges who feel that they are the repository of all wisdom and that they know what is better for us as individuals than we do.

[From the Baton Rouge (La.) State Times, Jan. 27, 1973]

VOICE FROM THE MIDLAND

A new voice from the Midlands has sounded in support of Sen. Harry Byrd's (Va.) proposed constitutional amendment which would curb the substantially limitless power of federal judges at all levels of that judiciary.

That the voice is that of a distinguished jurist adds to its weight.

Chief Justice Norman Arterburn of the Indiana Supreme Court is the new ally of the senator in the latter proposal that the Constitution require all federal judges to be reconfirmed by the Senate every eight years. This would, in effect, provide an eight-year term for this judiciary.

The Indiana jurist outspokenly attributed the change in his thinking, from opposition to the Byrd proposal to support of it, to what he has termed extremities of the United States Supreme court. He asserted it was his view that this tribunal had overstepped the bounds of constitutional law, got into the legislative field, imposing their ideas as to public policy and good legislation on the people of the country."

On the state level, 47 of the 50 states have fixed terms for the state judges. Only Rhode Island has life tenure for its judiciary. Massachusetts and New Hampshire mandatorily retires their judges at age 70.

Judicial restraint once was a hallmark of the U.S. Supreme Court. It was given its best expressions in the words of eminent justices, among them Oliver Wendell Holmes, Justice Brandeis, Justices Stone, Hughes and Frankfurter. Such restraint was almost an unwritten canon which endured well beyond the first century of the republic.

But, in the present century and especially as it reached its midpoint, first the Supreme Court and later lower courts diverged from the doctrine of judicial restraint and clearly began to legislate.

It is this divergence to which Sen. Byrd and others take exception, to a point of seeking limited tenure for the federal judiciary. That their position now gains support from distinguished jurists, the chief justice of the Indiana Supreme Court notable among them, is significant.

ADDITIONAL WATER SHOULD BE DIVERTED FROM THE GREAT LAKES THROUGH THE CHICAGO DRAINAGE CANAL TO REDUCE FLOODING

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. VANIK. Mr. Speaker, during the last half year, water levels on the Great Lakes have been rising to unprecedented levels. Lake Erie water levels have broken records first set in 1861—112 years ago. On Lake Erie, the present water levels are about 30 inches above their normal average, and it is expected that during the spring thaws and storms that the water level will rise even further. These record high water levels may last for up to a year or more, and it is predicted that they will cause disastrous flooding and erosion damage to shoreline communities.

Therefore, it is vital that we examine possible ways and means to divert waters out of the Great Lakes Basin and into other areas.

Today I have introduced a bill that would permit an additional diversion of water from Lake Michigan, to the Illinois river which flows into the Mississippi. At present the flow out of the Chicago Drainage canal is 3200 cubic feet per second, while my bill would increase the flow up to 10,000 cubic feet per second. The effect of this action would be to decrease the level of the Great Lakes by approximately 3 inches, approximately 6 months after the diversion begins. This actions will not eliminate the floods that are expected in the spring and summer but it will reduce the impact. This additional diversion would be limited to 3 years and could be reduced by the Corps of Engineers at any time deemed necessary, to protect communities on the Mississippi from high water levels.

The canal was first built in 1889 for sanitary purposes, but in recent years it has been primarily used for improvement of navigation in several local canals and rivers, and also for the production of hydroelectric power. In 1901 when the canal was opened the initial diversion was 4,167 cubic feet per second. At that time the International Waterways Commission reported that a diversion of 10,000 cubic feet per second at Chicago would lower the levels of the Lakes by as much as 6½ inches. The Secretary of War, at that time, feared that substantial drainage from the Great Lakes would jeopardize navigation, and attempted to place a ceiling on the diversion. After 10 years of litigation regarding water rights, the Supreme Court declared that Illinois could not divert any water from Lake Michigan without the consent of Congress.

The primary concern and dispute was that, if too much water was removed from the Great Lakes, shipping and power production would be severely curtailed. The present situation is just the reverse. We have entirely too much water in the Great Lakes—thus, making earlier arguments irrelevant at this time. Shipping does not stand to be hurt by the present lake levels, but thousands of citizens and their property are in line for destruction. The additional diversion will benefit all involved—lowering the level of the Great Lakes by approximately 3 inches.

In 1954 and 1956, Congress approved an additional diversion of 1,000 cubic feet per second intended to be added to the 4,167 cubic feet per second already being diverted through the canal. President Eisenhower vetoed the bill both times—after it passed the House and Senate both times. His reason for the the veto was that commerce would be upset. The President also pointed out that this action would upset our Canadian neighbors.

At the present time, however, the Canadians would welcome additional drainage from the canal on a temporary basis. If water levels are not lowered, many homes along the shores of Lake Ontario will be washed away causing millions of dollars in Canadian losses. Diversion of water at this time would not cause any injury or harm whatsoever to powerplants or shipping interests.

This is the first time our Government has been so forewarned about a pending flood disaster. Every possible remedy must be examined, and—if found to have merit—implemented. If we fail to do so, then the responsibility for damage yet unseen and unrealized will fall squarely on the shoulders of the Federal Government. I urge this Congress to take swift action to provide this necessary diversion of water from the Great Lakes. Although the damage will not be avoided altogether, there is action we can and should take to soften the blow.

EDITORIAL BY ANTHONY HARRIGAN IN THE AIKEN (S.C.) STANDARD

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 28, 1973

Mr. THURMOND. Mr. President, there is a great deal of controversy and discussion about President Nixon's elimination or reduction of what he considers out of date and unworthy domestic programs.

Comments I have seen in the Congress and some of the Nation's leading newspapers leave the impression the public is against most of these cuts. Many of us realize this is not the case as the public is anxious to have savings made in many areas where such savings are justified.

An interesting column on this subject has been written by columnist Anthony Harrigan entitled "New Emphasis on Self-Reliance." This column appeared in the February 13, 1973, issue of the Aiken Standard newspaper in Aiken, S.C.

Mr. President, I ask unanimous consent that this column be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

New Emphasis On Self-Reliance

(By Anthony Harrigan)

In an effort to fulfill his inaugural wish for a society geared to individual self-reliance, President Nixon is making long overdue moves to eliminate many federal subsidy programs. It has been forecast that the administration will take aim at public housing, rural assistance, education, and public employment.

Some weeks ago, the President took a commendable first step when he eliminated the federally subsidized 2 percent loans for electric cooperatives, a leftover from the New Deal era. The co-ops have howled in protest, but other citizens, who have to pay considerably more in interest when they borrow money, are likely to be pleased that the co-ops at long last will be required to come somewhat closer to paying their way like everyone else.

Other howls are coming from those involved in the subsidized housing business or who back such programs for political reasons. They are saying that the administration's moratorium on federally subsidized housing will cost the states millions of dollars in revenue. But subsidy income is not a sound basis for the economy of any state. Moreover, the public should know that there is a new class of subsidy housing builders who aren't truly a part of the free enterprise system. They live off federal subsidy programs devised by politicians. They have a vested interest in Big Government and in giveaways of the taxpayer's money.

The public undoubtedly will be treated to a variety of sob stories in connection with the moratorium on subsidized housing. In South Carolina, Dr. John A. Chase, the administrator of the Columbia Housing Authority, said in protest against the subsidy moratorium: "What is to be the answer for the 1,800 families on the Columbia waiting list for apartments? What is to be the answer to the 100 additional applicants every 30 days? What is to be the answer for hundreds and hundreds of families who are going to be displaced in South Carolina by highway construction, urban renewal and the like?"

The answer to those questions is that the people who have had great expectations of subsidized housing will have to fend for themselves like more than 2 million other South Carolinians who don't expect Uncle Sam to solve their personal housing problems.

President Richard Nixon put it very well in his inaugural address when he said: "Let each of us ask, not just what will government do for me, but what can I do for myself?" That quotation should be cited not only to those who expect to live in taxpayer-subsidized housing but to all who make money from subsidized housing.

Protests similar to Dr. Chase's will be heard across the country. In Arkansas, Jim Bradley, a state Office of Economic Opportunity Housing specialist, complained to the Arkansas Gazette that the federal freeze on subsidized housing could cost the state more than $60 million in the next 18 months. He failed to mention, however, how much the taxpayers in Arkansas and other states will save as a result of the freeze. Federal subsidies of one sort or another cost the taxpayers billions of dollars each year.

Incidentally, the OEO types have other reasons to feel blue. President Nixon has announced plans to dismantle the Office of Economic Opportunity. The OEO was the principal Great Society instrument in its fault-ridden "war on poverty."

The Johnson administration poverty programs cost billions of dollars and produced almost zero results. They created huge cadres of community action workers who managed to spend enormous sums without actually helping communities solve their problems. Many of the Great Society programs, such as the Neighborhood Legal Service, have engendered controversy and bitterness on the local level and made it difficult for municipal and county governments to function effectively.

Thus it is time to close down the Great Society programs, to shut off the food stamp distributions which have been a scandal and an insult to productive citizens who have to buy their own groceries.

It is yet to be seen how vigorously the Nixon administration will move to eliminate the entire range of Great Society federal social programs. The faster the administration moves, the happier the taxpayers will be.

The liberal bloc in Congress will resist the elimination or curtailment of vintage giveaway programs. But the administration, with firm leadership, should be able to get tremendous grassroots support for long overdue fiscal reforms. The American people are likely to subscribe strongly to a new emphasis on self-reliance.

EXECUTIVE PRIVILEGE

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ERLENBORN. Mr. Speaker, Mr. Horton and I today are introducing two bills to strengthen the Congress and the public's right to receive information from the executive branch. Mr. Horton will explain our bill to enhance a citizen's access to Government information by strengthening the Freedom of Information Act, and I would like to discuss our bill to strengthen Congress rights, in which we are joined by five other Members—Mr. McCloskey, Mr. Thone, Mr. Regula, Mr. Pritchard, and Mr. Hanrahan.

Executive privilege has been used, on occasion, by every President since George Washington as the basis for withholding certain information from Congress. As a coequal branch of Government, the Congress has contended that its right to all information is equal to that of the Executive. Thus, for this reason and others, the Congress has been unwilling to acknowledge executive privilege outright.

One of the other reasons for Congress resistance is the concern that acknowledgement of executive privilege would serve to sanction its use. Still another is that, for many at least, there is an awareness that along with our need for information there is a corresponding need for the President and his counselors in making policy decisions to be able to obtain uninhibited advice. If we act to limit the scope of executive privilege, this point of view argues, we would deny the President the free-thinking counsel he requires as Chief Executive.

Yet the plain truth is that, by not acknowledging executive privilege, the Congress has, in fact, acquiesced to its existence. What is more, our lack of acknowledgement has permitted the Executive free rein in setting boundaries for its use.

The solution, I am convinced, is one that recognizes the rights and needs of both the Congress and the President. That, briefly, is the solution proposed in the bill we are introducing today to define executive privilege.

Our proposal adds a new section to the Freedom of Information Act which Congress in 1967 enacted to guarantee access by the public to information about Government activities. Under this new section, executive privilege could be invoked only by the President. He, of course, would be allowed to claim this privilege on behalf of the heads of agencies; but he would be permitted to do so only when policy recommendations are involved, and then only when disclosure would seriously jeopardize the national interest and his ability, or that of the head of an agency, to obtain forthright advice.

With this narrow exception, our proposal asserts the right of Congress, of any congressional committees—to the extent that the information deals with subjects within the committee's jurisdiction—and of the Comptroller General of the United States to all other information, classified or not.

As provided in our bill, either the information requested or a statement in which the President invokes executive privilege, signed by him, must be submitted as soon as practicable, but in not more than 30 days, after the request is made.

Similarly, only a claim of executive privilege would excuse an officer or employee of any Federal agency from honoring an invitation to present testimony before Congress or any of its committees, and this provision would extend also to all officers and employees of the Executive Office of the President. As with requests for information, the bill provides that a committee's invitation for the presentation of testimony must pertain to matters within its jurisdiction.

The bill's reference to Congress and its committees, I should make clear, is limited to both in their official capacities, acting as a whole. Moreover, inasmuch as our bill applies to classified as well as nonclassified information, it will be incumbent upon us to exercise judgment in using the information thus made available to us.

Two other aspects of our proposal merit mention.

First, the bill does not contain any inducement for compliance because we are persuaded that, if our proposal becomes law, Federal officials would be honor bound to abide by it. Those who declined the invitation could, of course, be subpoenaed and thus exposed to the possibility of being cited for contempt of Congress.

Second, I would like to allay the concerns of those who feel our definition of executive privilege is perhaps too narrow. In communications to the Government Operations Committee, President Kennedy, Johnson, and Nixon have all indicated their belief that executive privilege should be invoked only by the President. To illustrate, I quote from President Nixon's letter of April 7, 1969, to

John Moss, then chairman of the Foreign Operations and Government Information Subcommittee:

> I believe, and I have stated earlier, that the scope of executive privilege must be very narrowly construed. Under this Administration, executive privilege will not be asserted without specific Presidential approval.

More recently, this procedure was reaffirmed by John W. Dean III, Counsel to the President, in a letter February 16, 1973 to William Moorhead, the present chairman of this subcommittee. Mr. Dean wrote:

> Executive privilege will not be asserted in response to a Congressional demand for information without specific Presidential approval.

I urge my colleagues to examine this proposal and then to give the Congress this tool to acquire the information we need if we are to be an equal and effective partner in Government.

THE PASSING OF AN OLD AMERICAN INSTITUTION — THE HOMETOWN POSTMARK

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 28, 1973

Mr. TALMADGE. Mr. President, it has recently been brought to my attention that an extremely enlightening and entertaining newspaper column concerning the U.S. Postal Service, was published in the Macon, Ga., Telegraph.

A great deal is lacking in today's mail service in the areas of speed and efficiency and, as this column by Perry Morgan of the Akron Beacon Journal points out, one of the saddest losses is the passing of an old American institution—the hometown postmark.

I commend this article to the attention of the Senate and ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Pox on All That Mail From Nowhere

(By Perry Morgan)

Everyone is perfectly entitled to his own opinion of who put this country in a handbasket going to hell.

My own prejudice, greatly cherished, is that Dwight Eisenhower was the villain and that the terrible deed was his appointment of Arthur Summerfield, an automobile dealer, as postmaster general.

Oh, it all started out innocently enough. Before Ike we always had had political postmasters general who looked after presidential politics and didn't mess with the mail. We had olive drab mail boxes and trucks, five-cent stamps, penny post cards and huge deficits. The system was thoroughly political, but the mail came, twice a day, and you knew where it came from.

Right on the face of the envelope, often placed by a human hand, was something called a postmark, something bursting with information, excitement, mystery. The postmark told you whether to open the letter immediately or set it aside, whether to open it from the end or the back. Or it made you wonder who, from some place unknown, was trying to communicate. It allowed you to get your mind set for whatever intelligence was wrapped inside the envelope.

The postmark, in sum, was the difference between the neighbor who is always bursting into your house and the neighbor who calls before a visit. Thus the envelope was as much a part of the letter as the tangy casings were part of old-fashioned hot dogs.

All this is gone now, or going, thanks to Ike and his naive urge to purify, reform and automate the post office. Summerfield first off repainted the mail boxes red, white and blue, causing dogs to avoid them and drunks to salute them. But his, as it fell out, was a mere diversion.

Ultimately postage would increase steadily in cost while deliveries were decreased and, in the confusion, the Post Office itself was abolished and replaced by something called the U.S. Postal Service, which established automated Area Mail Processing Centers (AMPCs).

This latter was no easy task. To haul mail 100 miles south to an AMPC in order to deliver it 100 miles north meant repealing the fundamental Euclidean law that a straight line is the shortest distance between two points. The "system" also repealed the basic law that every object set in motion has a starting point. If you will look at your mail these next few weeks you will see that your letters come from nowhere.

In my own case, for example I received a letter the other day postmarked GA 219.

Wondering what the devil GA 219 portended, I tore open the envelope and found it portended that I would be on my knees trying to round up two tablespoons of mustard seed which Martha Sue Abernathy of Social Circle, Ga., had mailed in return for the quarter I'd sent her after she advertised her mustard seed in the Georgia Market Bulletin.

All that I needed to warn me to open the envelope from the end rather than the back was a postmark saying "Social Circle, Georgia."

Mrs. Erna Galske of Elgin, Ill., understands perfectly the preposterous situation in which the U.S. Postal Service has placed us. Her dining room is filled with envelopes bearing postmarks from places like Fly Creek, N.Y.; Rising Fawn, Ga.; Gouge Eye, Calif.; Lickskillet, Tenn., and places in Ohio like Rush Run, Whipple, Crooked Tree, Moscow Mills, Coolville, Antiquity, Long Bottom and Round Bottom.

But Mrs. Galske and those others of us who love the lyrical names of American places—"the sharp names that never get fat," as Stephen Vincent Benet called them—will never again get mail plainly stating its origin on its face. And, as she has said so succinctly, "This is an outrage."

Herbert H. Harrington of Warren, Ohio, also understands. "These machines," Mr. Harrington says, "are taking all the romance out of postmarks. It's getting so you don't know the envelope has is a lot of cuckoo numbers on it."

Well, Brother Harrington, it had to come out that way, didn't it? We had a perfectly good deficit operation that worked and now we have a perfectly lousy, deficit operation that doesn't work. That is the way things go when Republican businessmen insist that government is a business.

You would have thought that Arthur Summerfield would know that a Post Office commanded by statute to provide rural free delivery could not ever be a business. Republican doctrine, after all, holds that "there's no such thing as a free lunch." How could a business have "free delivery?"

None of the gurus of the U.S. Postal Service has enough sense to find his way from one end to the other of Upper Black Eddy, Pa., known now as PA 217.

SUPPORT FOR CAR FIRMS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. EDWARDS of California. Mr. Speaker, I noticed with profound distress yesterday that the concept of an independent agency of the Federal Government is no longer acceptable to the Nixon administration. I am referring, of course, to an article in the Wall Street Journal headlined: "Aide to Nixon Hints Support for Car Firms in Their Bid to Ease 1975–76 Exhaust Rules." The aide in question is John Ehrlichman. His targets are the Environmental Protection Agency and the Clean Air Act Amendments of 1970 which passed this body by a vote of 374 to 1.

Since then, the automotive industry, abetted by the oil industry, has resisted this mandate to clean up automotive exhaust emissions. Detroit's paragons of mass production—the men who have given us every conceivable kind of gadget and doo-dad—now find it technologically impossible to produce a car that will not pollute the atmosphere. The protestations are particularly difficult to accept in light of the contrary evidence offered by the National Academy of Science and the Environmental Protection Agency itself. Furthermore, two small Japanese auto companies have already accomplished what our giant auto corporations claim they cannot do.

Years ago, the Santa Clara Valley, where my district is located was named "the valley of heart's delight" by some chronicler of the California countryside. And indeed it was a delight. Today, with hundreds of thousands of automobiles spewing forth their pall of pollution in the valley it is no longer as delightful. In fact, on many days you would not even know that it was a valley because you cannot see from one rim of foothills across to the other. All that is visible is a tiered blanket of air pollution. We need to stand firm on the clean air amendments.

Mr. Speaker, I insert the Wall Street Journal story describing this latest chapter in administrative meddling in the Record:

[From the Wall Street Journal, Feb. 27, 1973]

Aide to Nixon Hints Support for Car Firms in Their Bid To Ease 1975–76 Exhaust Rules

Detroit.—A top Nixon aide gave the strongest hint to date that the White House might side with auto companies in their bid to modify the 1970 clean air amendments that set strict standards for control of auto emissions in 1975 and 1976 models.

Presidential assistant John Ehrlichman, in response to a question on whether the administration would ask Congress to delay the 1975–1976 auto emission standards, said, "There are a lot of things about the law that we just don't think (are) common sense."

However, Mr. Ehrlichman wouldn't say whether President Nixon will seek a delay of the standards from Congress and declined to specify the White House's reservations about the current laws. Mr. Ehrlichman said he had already said "300%" more than he should have.

The presidential assistant noted that the Environmental Protection Agency is still considering auto companies' requests for a delay of the 1975 standards. "The ball is in EPA's court," he said.

Thus his remarks, made at a news conference prior to a speech here, left unclear what action the White House will take, if any.

Two weeks ago, a federal appeals court ruled the EPA should hold further hearings on its deadline for installing certain auto pollution devices. The EPA had already turned down one bid by the industry for a delay in implementing the 1975 standards. The new hearings are scheduled to start in March.

EPA officials have indicated that they think the 1970 clean air amendments are basically good legislation but that they would prefer a little more flexibility on deadlines.

The auto companies have criticized existing emissions law in the past. They complain, among other things, that the law includes specific levels to which auto pollution must be reduced and doesn't give the EPA authority to change those levels administratively. The auto companies want the EPA to have such authority. As things stand, relaxation of the levels to which pollution must be reduced requires congressional action.

ENDORSEMENT BY THE SOUTH CAROLINA LAW ENFORCEMENT OFFICERS' ASSOCIATION OF THE NOMINATION OF L. PATRICK GRAY III, TO BE DIRECTOR OF THE FBI

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 28, 1973

Mr. THURMOND. Mr. President, on January 12, 1973, Mr. Kennerly R. Corbett, the executive secretary of the South Carolina Law Enforcement Officers' Association, wrote a letter to President Nixon on behalf of the 4,000 members of this organization expressing their endorsement of the nomination of Louis Patrick Gray III, to be Director of the Federal Bureau of Investigation.

An editorial endorsing Mr. Gray also appeared February 26, 1973, in the Columbia Record of Columbia, S.C. This editorial expressed confidence in his competence as well as his fairness and firmness in carrying out the law. It states a good case for his confirmation as full time director of the FBI.

As Acting Director of the FBI, Mr. Gray has clearly shown that he is a man of distinct professional ability and personal integrity. His impressive record since coming to the Department of Justice in December of 1970 and his prior accomplishments in the U.S. Navy and in private practice have convinced me that Mr. Gray is eminently qualified to head the FBI. I am sure my colleagues will agree that Mr. Gray warrants the utmost respect and I urge his prompt confirmation by the U.S. Senate.

Mr. President, I ask unanimous consent that the letter from the South Carolina Law Enforcement Officers' Association dated January 12, 1973, to the President and their letter to me dated February 22, 1973, and the editorial from the Columbia Record of February 26, 1973, entitled "Pat Gray Is Right For FBI" be printed in the Extensions of Remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOUTH CAROLINA LAW ENFORCEMENT OFFICERS' ASSOCIATION,
Florence, S.C., January 12, 1973.

Hon. RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On behalf of the 4,000 members of the South Carolina Law Enforcement Officers' Association I have the privilege to express the whole hearted endorsement by the South Carolina Law Enforcement Officers' Association of Mr. L. Patrick Gray, III, for permanent appointment as Director of the Federal Bureau of Investigation.

We have been very pleased to note the very highly commendable manner in which Mr. Gray has performed as Acting Director in maintaining an example of professional efficiency for the law enforcement officers of the United States and we are very proud of the high degree of integrity the Federal Bureau of Investigation continues to exhibit under his leadership. We believe his permanent appointment will contribute very materially to good law enforcement in the United States in the years to come.

We hope you will give very serious consideration to extending his appointment.

Very truly yours,
KENNERLY R. CORBETT,
Executive Secretary.

SOUTH CAROLINA LAW ENFORCEMENT OFFICERS' ASSOCIATION,
Florence, S.C., February 22, 1973.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: I was very pleased to note the nomination by the President of Mr. L. Patrick Gray, III to serve as Director of the Federal Bureau of Investigation.

Recently, upon a motion by Chief J. P. Strom of the South Carolina Law Enforcement Division and with a unanimous vote, the Board of Directors of the South Carolina Law Enforcement Officers' Association, representing more than 4,000 members from all over South Carolina wholeheartedly endorsed the appointment of Mr. Gray to serve as Director of the Federal Bureau of Investigation.

We believe Mr. Gray has performed in an outstanding manner as Acting Director of the Federal Bureau of Investigation and we believe he has maintained a fine example of professional efficiency for law enforcement officers throughout the United States. We believe he will contribute materially to maintaining the high degree of integrity of the Federal Bureau of Investigation.

We hope that you will support his confirmation in the United States Senate.

Sincerely,
KENNERLY R. CORBETT,
Executive Secretary.

[From the Columbia (S.C.) Record, Feb. 26, 1973]

PAT GRAY IS RIGHT FOR FBI

President Nixon has named Acting Director L. Patrick Gray III as the permanent head of the Federal Bureau of Investigation and the Senate should confirm the appointment expeditiously without rancor.

A man of intelligence, impeccable integrity and absolute understanding of the necessity for keeping the FBI as a service agency, devoid of politics, Pat Gray will serve the people well in the sensitive position. He will continue the vital policy of steering the bureau clear of the shoals of political entanglement.

Pat Gray will insist upon protection of the rights of the whole people and of individuals. The files of the FBI will not be used for extra-legal prosecution of the helpless, whether they be in high position or of low estate.

He has a passion for a high standard of excellence in the performance of duties by law enforcement personnel. He understands that law enforcement people are quite human, that they make mistakes, but that there is no worse evil than corruption. He won't abide it. Not for an instance.

He is reshaping the FBI as a responsible servant of a democratic government, realizing that power flows from the people and not its leaders. He has a consuming concern for justice—justice for all people. And that's the core mission of the FBI.

Pat Gray has been, and will be, an imaginative, creative supervisor of an investigatory agency that serves and protects, rather than abuses, people. He has earned and deserves non-contentious approval by the Senate.

THE PAYOFF AT THE DINNER TABLE

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. JONES of Alabama. Mr. Speaker, the valuable work of the National Fertilizer Development Center at Muscle Shoals, Ala., was recently reviewed by Mr. Aubrey J. Wagner before the TVA's ninth fertilizer technology demonstration meeting. Mr. Wagner is Chairman of the Tennessee Valley Authority.

Although the TVA is widely regarded as a regional activity, the authorizing legislation provided the agency with a significant national assignment—to develop new and improved fertilizers and to introduce them to farmers. Mr. Wagner's remarks trace the authority's exceptional execution of that national responsibility.

The improvement of fertilizer technology, a direct result of the work the National Fertilizer Development Center, has had a meaningful payoff for each of us in the lowering of food production costs. Although prices may increase from time to time, the food costs for the average family represent a decreasing share of the take-home dollar. Today the average family spends only about 16¢ of each take-home dollar for food. This is lower than any other nation. Economy of this nature is possible only through improved agricultural technology of which fertilizer is a significant part.

The development and widespread use of better fertilizers also has a payoff in improved living conditions, because fewer and fewer people must be engaged in production of food and fiber to provide for an ever-increasing population. Labor that would be required for the production of food is free for other productive activities.

Improved fertilizer technology also has a payoff for the environment. Use of fertilizer results in more production on less land. Because fewer land resources are required for the production of crops more land can be made available for parks, wilderness, open spaces, and other amenities which we value.

Because of the significance of Mr. Wagner's speech, I include his comments at this point as a part of my remarks:

NFSA SPEECH OF THE MONTH: THE PAYOFF AT THE DINNER TABLE

Once again it is my privilege to welcome you to this conference—our ninth demonstration of new TVA developments in fertilizer technology. We always look forward to these meetings, sharing our thinking on technical matters and renewing personal acquaintances. I trust that you will feel free to call on some of our people individually, either now or in the days ahead, if we can be of special assistance in any way.

We think of these biennial meetings as a two-way channel of communication. We want to show you what we are doing. At the same time we learn from you the real problems and needs which you face day by day. This helps to make our operation a working tool serving American agriculture and industry rather than just another laboratory.

Since TVA is now operating in the midst of its fortieth year, it may be appropriate to recall the time when fertilizer production was far less sophisticated than it is today. Low analysis. Powdery, dusty materials. Products that caked if left in the bag very long. Little effort at selling.

This situation was very much a part of the background that produced the TVA Act. Senator George Norris of Nebraska and other leading members of "the farm bloc" recognized that farmers needed better fertilizers at economical prices. So, to what was basically a *regional* organization they gave a huge *national* assignment—to develop new and improved fertilizers and to introduce them to farmers.

Our first emphasis was on introducing concentrated phosphate to farmers. Then, in 1942, during World War II, we built an ammonia plant and went on to help develop and introduce ammonium nitrate fertilizer. This venture gave us capability for research and experimental production of both phosphate and nitrogen products. These were the beginnings of significant new developments with far-reaching impact.

I think we could look at the year 1953 as a major milestone. That was the year that we held our first technology demonstration for industry. Some of you may recall that the principal feature was a pilot-plant continuous ammoniator-granulator. This breakthrough symbolized a new era in fertilizer production. It pioneered a rapid switch from powdery to granular products, from low to high analysis mixes. All of you know the story from there; the ammoniator-granulator became a "standard" in the industry for manufacture of granular mixed fertilizers. We have issued licenses for use of this piece of equipment in more than 200 plants.

Out of all of this effort—and it is the broadest based research and development program of its type in the Nation—has come a steady stream of new technology.

Following the start with concentrated phosphate in the 1930's and ammonium nitrate in the 1940's was diammonium phosphate in the 1950's. Though some doubted at first, this versatile, high-nutrient product has become one of the world's leading fertilizers. Close behind was superphosphoric acid with its profound influence on the fluid fertilizer industry. Then in the 1960's came development of methodology for bulk blending and ways for incorporating micronutrient materials.

And so the list goes on to include products and processes that we are working on today: Sulfur-coated urea, urea phosphate, new ways of making suspension fertilizers, and products based in part on materials generated by environmental improvement technology—all subjects for discussion at this conference.

But I think more important than the detail is the philosophy behind the program. Certainly the primary philosophy was, and is, that of developing and implementing new fertilizer technology—for the benefit of farmers and consumers in general.

The starting point on the pipeline is, of course, research. We have broad capability for finding out "why" or "how" or "under what conditions" certain processes work or don't work.

But research is only the starting point. We are as concerned with *implementing* knowledge as with *creating* it. So we engineer promising developments on a progressively larger scale—from the lab to bench-scale apparatus to pilot plants. At each successive stage we resolve additional problems, some of them problems that become apparent only during scaleup. The ultimate scaleup is a demonstration-scale plant—a plant approaching the size that might be used in a commercial operation.

To put it quite simply, we are removing as much of the developmental risk as possible.

Our demonstration plants are of key importance in market development. The products they turn out are sold to industry firms for experimentation and for introduction to their customers. This lets producers get better acquainted with the potentials of a new product in their operations. It also "seeds" the market.

As farmers try and like a new fertilizer, they begin to ask for it. By using TVA products this way a company can build demand to a moderate level before its own production facilities are ready for operation. With a substantial market established, a new plant can be brought onstream at close to full capacity.

Education programs across the country spearhead this introduction program. Last year, for example, 211 industry firms bought one or more experimental TVA fertilizers.

We also work with about 1,000 demonstration farmers each year, in cooperation with the state land-grant universities. These provide opportunity for on-farm evaluation of new products and for developing and promoting better fertilizer use and other practices.

I want to emphasize that everything we do—the fertilizer industry and TVA—has its payoff at the family dinner table.

We have other intermediate goals, of course. For one, fertilizer technology developed here at TVA's Fertilizer Development Center helps manufacturers and distributors of fertilizer products keep up to date and competitive. A progressive fertilizer industry is essential to a healthy agriculture.

It is equally important that we share in an educational program in which the land-grant universities, the fertilizer industry, and TVA are a three-horse team—to speed the process by which farmers put to effective use the fruits of modern fertilizer research. As one product of that research, fertilizers today contain twice as much plant food as they did 30 years ago. At the same time, today's farmers can buy a unit of plant food at one-third less cost than 20 years ago.

The steps I have described to you are a vital pipeline of knowledge—a flow of technology, if you will, from the laboratory bench to the farm. Dry up or diminish the sources of that technology and the flow to the fertilizer industry and to the farmer diminishes. Business suffers. Agriculture suffers. The consumer suffers. The entire Nation suffers.

The following table illustrates. It shows the extent of first-year yield reductions in several crops and locations if the use of nitrogen and phosphate fertilizers were stopped. The figures vary considerably but average about 40 percent:

Effects of eliminating N and P fertilizer use on crop yields (from Ibach and Adams, 1968)

Crop, location, and yield reduction (Percent):

Corn, Iowa, S.E., 20.
Vegetables, Alabama, C. Plain, 55.
Cotton, Georgia, C. Plain, 39.
Tobacco, Georgia, C. Plain, 70.
Soybeans, Iowa, S.E., 0.3.
Grapefruit, Florida, Central, 94.
Corn, Illinois, E. Central, 37.
Wheat, Kansas, West and Central, 11.

This means that, without these fertilizers, the land areas required for crop production would have to be greatly increased. There would be less land for parks, wilderness areas, and other open space uses so much in demand today. And food prices would soar. The total impact on the Nation could be staggering.

With vigorous innovation such as you are seeing and discussing at this conference, some rather remarkable things occur in American agriculture. We see, for example, that American farmers for the most part have learned and are diligent in making sure that plant nutrients are applied to their fields to replace the plant foods removed by their growing crops. It does not matter that, individually, they do this in their own self-interest. Collectively spreading their fertilizers every year, these farmers systematically renew and restore the land base from which our Nation draws its sustenance. This practice must go down in history as one of the outstanding voluntary conservation efforts by any society.

As a result of these practices, America today has food in abundance. One American farmer produces enough food to feed 50 people. As recently as 1950 his production fed only 15 people. There are many reasons for this great gain. We have improved crop varieties. We have pesticides and herbicides. We have efficient farm machinery. But all told, fertilizers are estimated to account for nearly half of the gain in agricultural production in the past quarter century!

The payoff at the dinner table is the fact that food costs in the United States, while higher than they have been, account for a *decreasing* share of the take-home dollar. Today it amounts to about 16 cents, the smallest share for any nation!

We have seen in another part of the world in recent weeks a vivid example of the importance of agriculture to national strength. We have learned that the Soviet Union, where extreme drouth has curtailed food production, is now buying grain by the hundreds of millions of tons from the United States and other countries to sustain the standard of living of its people.

Yet one cannot help noting that one of the great powers of our globe—a nation which can send cosmonauts to orbit the moon and set off thermonuclear explosions of great force—is weakened because of a deficient agriculture. This is the more remarkable when it is realized, as reported by a national news magazine, that 40 million people—one-third of the Soviet work force—are employed in agriculture. In America, only one-twentieth of our work force is in agriculture, but American farmers use 80 percent more mineral fertilizer than their Russian counterparts.

The United States must never forget that an integral part of its basic strength is a productive farm economy. We have the institutions and the know-how—we have the pipeline of knowledge from laboratory to farm, as I mentioned a moment ago—to feed our people adequately and to expand production to meet emergencies. We have shared our bounty generously with nations and peoples less fortunate than we.

Our capabilities, however, did not emerge by chance. They came about because wise leaders down through our history insisted that a productive and prosperous agriculture is essential to our national well-being. Our system of land-grant universities grew out of this philosophy. National research programs have fought and won battles against plant and animal diseases, pests, and weeds. And an essential part of this mosaic has been the work of the National Fertilizer Development Center and its association with the fertilizer industry, cooperative industry, the universities, and the farmers themselves.

Will and Ariel Durant, the noted historians, concluded in a recent volume that among the great advances which mankind may be said to have achieved over the course of many civilizations, two of the greatest are the virtual abolition of slavery and the capability of avoiding famine. As for the latter, nowhere is that capability greater than in the United States. It is basic to our stature as a great Nation. The scientific, political, and economic mechanisms which sustain it must always be nourished. They are the framework within which we progress to the needs of tomorrow.

THE RING OF SUCCESS

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ROUSH. Mr. Speaker, I rise today to continue what I began the other day, namely a reporting on the success of the 911 emergency number. The more people I hear from the more impressed I am with how well the simplified emergency telephone number is working and what it means in the lives of John Q. Public.

Examples of the success of 911 are varied and nationwide. From the arthritic and diabetic in Denver who needed an all night drugstore, to the frightened couple in Mattapoisett, Maine, who were awakened to strangers fighting on their front doorstep, 911 meant help in an emergency. It meant someone to call quickly, easily, and from whom to expect a rapid response.

There are a number of very dramatic stories showing how beneficial this simple, three-digit emergency number really is.

There is the Denver mother whose 2-year-old daughter was unconscious and the 911 operator summoned firemen to her house in a few moments. That mother reports her gratitude for the "speed in getting me help in my moment of need." And that just about says it all.

In January of this year, Mountain Bell Telephone Co., operating in Denver, received a letter from another grateful woman. She had this to say:

> DEAR SIR: I would like to express my gratitude and appreciation for the emergency service provided by the 911 number.
>
> Several months ago in a tragic action my son took his own life. 911 was the number that leapt into our minds, and we called it immediately. The emergency squad was at our home in a matter of minutes. It was too late to do anything, but I know that if something could have been done it would have.
>
> 911 is an easy number to remember and use in an emergency situation, and I commend the operators at Mountain Bell for their effective service.

That letter speaks volumes about the value of 911. If in these circumstances a mother could still think to write and say thank you, you can imagine how much this emergency service must have meant to her.

From Salem, Ill., I received a report on the value of "911" during a train accident. The City of New Orleans, Illinois Central Railroad southbound train, was derailed June 10, 1971. The mayor wrote me that even before the train had stopped moving, "a call was dispatched through 911 via the Tonti Elevator operator who was watching the train as it derailed and turned over; 19 cars and three diesels." The Salem fire district's equipment was moving, he reports, "before the dust settled from the train wreck . . ." The mayor went on to say that the alarm was received in Salem at 12:27 p.m. and 7 minutes later fire apparatus was on the scene some 5 miles from the central headquarters and then the 911 dispatcher in Salem automatically made the calls to all other emergency services according to their civil defense emergency plan.

I think it is hard to top that story. Think of the lives and property that were saved by that quick response to an emergency situation.

Then there was a very graphic story sent to me about the use of 911 by a family suffering gas inhalation in Omaha.

It seems that carbon monoxide fumes from the furnace were escaping in the home of the John Cahill's. Husband, wife and three teenagers were almost killed as a result. Here is what happened.

Mr. Cahill got up about 3 a.m. to get an aspirin for his wife who had a headache—little suspecting the cause of the headache. Nor was he suspicious when he was dizzy, suspecting only that he was groggy from sleep. At 6 a.m., one of their sons fell in the bathroom and when Mrs. Cahill got up to investigate, she also passed out. Mr. Cahill explained:

> I got up then and I was really groggy, I just barely got that 911 dialed. The cop must have thought we were all on LSD trips—I told him people were passing out all over the place.

Fortunately, the story has a happy ending and the only tragedy was the old furnace which had to be replaced. The family ended up in the hospital with headaches, but alive—thanks to 911. I wonder what would have happened had Mr. Cahill not known that number, if he had had to look up and remember the old seven digit kind of emergency number? I wonder if he would be here to tell us about it today.

In the Buffalo area an individual wrote about his appreciation of 911 after having used it successfully during a coronary attack. He reported that he had had an extreme attack and was lying on the floor gasping for breath as well as fighting off nausea. His 9-year-old daughter started to cry, he said, then went to the telephone, dialed 911 and told them about her father's condition. She had learned how to do this from watching TV.

The grateful father said that within 5 minutes after dialing the rescue squad was there and giving him oxygen. The doctors told him later that he was a lucky man because they had had to reactivate his heart five times. The recovering patient attributed his recovery to 911 and his team of nurses and doctors. A delay in a situation like this could certainly mean the difference between surviving and death.

In Sandusky, Ohio, a couple wrote in about their experience with 911. They reported that their son had been injured in front of their home when he ran in front of a truck and sustained head injuries. In their own words here is what happened:

> We called 911 and explained the nature of our emergency and almost immediately the ambulance arrived to take the child to the hospital where he was admitted.
>
> This recent emergency has made us aware of the value of a simple number such as 911 in a time of stress when time is important and a wrong number is a real possibility causing further loss of critical time.

They concluded:

> We are really proud to be part of a community which provides such excellent emergency services as the 911 number, the trained fire department ambulance people, and Memorial Hospital emergency room.

Another Ohioan wrote about an emergency and gave a brief description of one of the chief values of 911:

> I am writing to express appreciation for the prompt and courteous attention my father received last Thursday at 1:40 a.m. when we called "911". It seemed like the ambulance arrived a few minutes after I called. When one is confronted with a sudden illness it is sometimes difficult to think clearly and it certainly was a great help to call this number.

All of the reports on the successful use of 911 are not in the medical field. Many are, because grateful people write in or call their local phone companies, public officials to register their appreciation. Police emergencies also indicate the value of 911.

A Sandusky, Ohio, newspaper report tells of two would-be burglars who were caught in the act of robbery after the police received a 911 emergency call. And in New York City a rapist who held three girls hostage with a knife at their throats, was captured because one of them talked him into allowing her to go to the bathroom, whereby she immediately called 911 and the police rescued the three girls.

Better than statistics showing effectiveness, these examples of real life experiences with 911 document its value and the need for nationwide adoption.

L. PATRICK GRAY III WELL QUALIFIED AS FBI DIRECTOR

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. McCLORY. Mr. Speaker, on Saturday, February 17, 1973, President Nixon made an announcement which will be heartily endorsed by citizens throughout our Nation concerned with the fight against crime in our country. He appointed L. Patrick Gray III as Director of the FBI.

The nomination of successor to the late J. Edgar Hoover is of considerable interest and concern to millions of Americans who have followed the successful role of the FBI in exposing and bringing to justice those who defy the laws of the land. I know the President has carefully weighed his decision, considered numerous outstanding leaders for this important position, and concluded that his original choice, Pat Gray, the Acting Director since last May, is the man for the job.

I heartily endorse the President's decision. To my mind, he made the right choice. I like what I have seen of Gray's leadership. I also like what I have seen of Pat Gray, the man. I have had several contacts with him and his direct approach and straight, plain talk are a refreshing trait not always found in Government service. The nature of the FBI directorship itself demands a man of exceptional merit. He must be a man of tested ability, sound judgment, and keen perception. As Acting Director, Gray has exhibited a wealth of each.

It is no secret that Pat Gray has his critics. However, I submit that no person could move into the role of FBI Director without becoming the object of controversy. Pat Gray was well aware of this, and, as was evident by his conduct and demeanor, he took this challenging role determined to accept the barbs along with the plaudits. He knew full well that his every move would be closely scrutinized.

What Gray may have lacked in law enforcement expertise and know-how he more than compensated for in hard work and forthrightness. He has done just what J. Edgar Hoover did when he was named FBI Director back in 1924. Gray has run the FBI as he interprets its role to be in our system of Government—an investigative arm of the Department of Justice, free from corruption and political influence. We could not ask for more.

One thing is abundantly clear to those who know Gray. He is his own man. No doubt this is one of his attributes which appeals to President Nixon, and I feel certain that it appeals to the American public as well. Gray has shown during his tenure as Acting Director that he is not afraid to make decisions. As can be expected, some of his decisions did not endear him to all people, both in and outside the Bureau, but he has taken the actions he deemed necessary and has stood by his decisions.

For instance, when the FBI was criticized by some for shooting out the tires of a hijacked plane, Gray did not come forth with a vague inane alibi. He said the decision was his and he stood by it.

Gray has not marked time while serving as Acting Director. He had no way of knowing whether the permanent appointment would be his or someone else's. However, in addition to a number of policy adjustments relating to personnel, he has made some direct moves going to the heart of the FBI's investigative responsibilities. As an example, he quietly instructed the FBI field offices that in the fight against organized crime he wants "quality" investigations pushed. If this means fewer cases and lower statistical accomplishments, Gray reasons, then, so be it. He wants to concentrate the FBI's major investigative thrust against the crime lords themselves and not necessarily against their henchmen. This makes sense to me.

I think it is only proper that the Senate has the responsibility of reviewing and confirming the appointment of the Director of the FBI. This procedure will help to assure that capable, outstanding individuals take over the leadership of this vital, important agency. Further, I am fully convinced that after the hearing has been conducted and all of the facts obtained, the Senate will agree with the President's selection and Mr. Gray's appointment as Director of the FBI will be confirmed.

Mr. Speaker, I would like to include with my remarks two recent editorials endorsing Mr. Gray which have come to my attention. These editorials follow:

THE ASSAULT ON PAT GRAY

With the nation's attention diverted to the one major issue of war and peace and also as a result of his illness, there has been little or no speculation about L. Patrick Gray's chances for appointment as permanent director of the FBI. Gray became acting director last Spring, soon after J. Edgar Hoover died. But to become permanent head of the department, he must win approval of the U.S. Senate.

If public interest in the appointment has languished, plenty has been going on behind the scenes. Rowland Evans and Robert Novak described the current situation in a dispatch which appeared on Page 1 of The Day yesterday. Their material was painstakingly assembled and the picture which emerged was not at all pleasant or promising.

From earlier assignments in the Justice Department, of which the FBI is a part, Gray was well aware of what conditions prevailed there after so many years of iron-fisted control by Mr. Hoover. The late director brooked no interference, filled the significant jobs with people absolutely loyal to him and knew exactly what was going on in the far-flung network of bureaus. He never really got around to choosing his successor (some said he had intimations of immortality and, in any event, gave few signs he would step aside even as his age advanced through the 70s) but he made no secret of blocking men he didn't want. The result is that the directorship may now be considered a wide-open ballgame by those in the bureau who survived.

When Gray came aboard he, too, sought to organize hs own ship. Maybe he was too much in the image of Hoover, a stern disciplinarian given to irrevocable decisions. In any event, he won the enmity of both the pro-Hoover and uncommitted cliques in the Bureau. Evans and Novak point out that these sources within the department will be quick to pass along to liberals on the Senate Judiciary Committee information and viewpoints designed to damage Gray. His nomination could signal a battle royal in the committee and in the Senate.

This kind of assault can make a travesty of the appointment. It could keep the FBI leaderness for many more months and, the longer it goes on, the more intense and bitter feelings within the Bureau will get.

Seems to us that what is needed is a recognition that the FBI is a part of the administrative fabric of the nation and as such must be run by an administrator, not by cliques within it. The question before the Senate ought to concern Gray's administrative ability as demonstrated in the past (and skippering a submarine is no small task despite what some of the mossbacks battling for power in the FBI might assert.) The FBI needs leadership and direction. It shouldn't require a vicious personal attack on a candidate in order to induct a new director.

GRAY EARNS POST

In a brief seven months L. Patrick Gray III has worked efficiently and well as acting director of the Federal Bureau of Investigation. His moves to modernize the agency by the hiring of women and minorities, his sensible relaxation of outmoded dress regulations, his openness in dealing with the press and public have united to improve morale and efficiency.

The achievement is made remarkable by the fact that Mr. Gray had the difficult task of succeeding the legendary J. Edgar Hoover, whose tenure extended an incredible 48 years. In the course of that unique career, Mr. Hoover created what Mr. Gray accurately termed "a magnificent organization."

Mr. Gray, however, wisely chose to make changes in that organization to meet criticisms that had arisen in recent years. Today, the department has an Advisory Counsel to assist it in maintaining proper touch with the national community. It has been conspicuously withdrawn from political controversy.

Mr. Gray, therefore, has moved not only efficiently, but with considerable tact. In the process, he has managed to burnish the already bright image of the nation's leading investigative agency.

Such a display of ability under pressure during a difficult period of transition has earned Mr. Gray the right to be appointed permanent director of the FBI.

WITHHOLDING OF CITY INCOME TAXES ON FEDERAL EMPLOYEES

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. KEATING. Mr. Speaker, today I am introducing legislation which will provide for the withholding of city income tax from Federal employees. Since 1952, the Tax Code has provided for the withholding of State income taxes from Government employees. As more and more cities have their own local income tax, it is imperative that Federal Government provide this essential service.

The ironic factor about this legislation is that it has been approved on different occasions by both the House and the Senate; yet both the House and the Senate blame the other body for the failure to finally pass this type of bill.

In 1960, the House passed this legislation by a vote of 222 to 160, but the bill was defeated in the Senate. During the 91st Congress, the bill was reported by the Ways and Means Committee unanimously but defeated on the floor of the House by a vote of 115 to 184 with over 100 Members not present. In the closing days of the 92d Congress, the Senate passed an amendment to a House bill, which provided for this withholding but the bill never was finally approved. This year both Houses should get together on this subject and approve legislation rapidly.

Last year, I introduced a similar bill and received considerable support. The City Council of Cincinnati passed a resolution in June of 1972, requesting that the Federal Government withhold city income tax from compensation pay of Federal employees.

The Cincinnati chapter of the National Federation of Federal Employees has endorsed this legislation. This organization which represents 14,000 Federal employees in the Greater Cincinnati area, desires this legislation which will enable them to better budget their tax dollars.

With current regulations, Federal workers must now file individual returns to pay their local taxes. Many Federal workers are unaware of the need to file city returns and this causes high administrative expenses for the city in tracking the unwitting violators.

Cities across this country withhold Federal income taxes from their municipal employees, and it seems only fair that the Federal Government do the same. The passage of this bill will save hundreds of thousands of dollars for cities across the Nation. In my own district, the city of Cincinnati has estimated that they would save $100,000 with the passage of this legislation. The city of Cleveland in Ohio has estimated that they would save between $300,000 to $400,000. Other cities in Ohio such as Akron, Columbus, and Toledo have estimated that they could save up to $35,000 annually with the passage of this legislation.

With the use of computers in the processing of payroll checks it should be a relatively simple matter for the Treasury Department to make this concept operational. It is my hope that the House Committee on Ways and Means will act quickly on this bill which it has previously approved.

HON. PAUL ROGERS OF FLORIDA

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. SYMINGTON. Mr. Speaker, I should like to call to the attention of the public and our colleagues an excellent article detailing the efforts of one of the Nation's most dedicated public officials, PAUL ROGERS, of Florida.

The February 1973 issue of Family Health magazine contains this well justified tribute to "Mr. Health" in the U.S. Congress, our distinguished colleague, PAUL ROGERS, of Florida. It is very appropriate that his outstanding role in health legislation is given such significant attention in America's largest selling health magazine.

It is only stating a fact to point out that in recent years, Congessman ROGERS has placed his constructive imprint on more health legislation than most other Members of the House or Senate. So, too, in the 93d Congress he will, I am certain, continue in his leadership for a healthier America.

We who are privileged to serve with him respect not merely his hard work and his absolute integrity, but his steadfast independence in approaching each bill with a deep personal quest for what is best for America. He wears no man's collar; but he respects every man's rights and opinions—his colleagues, the administration, each and every witness—layman or physician.

Family Health magazine does itself further honor by highlighting his many outstanding health activities. This award-winning magazine is—I should like to note—a most important health medium in the Nation today, reaching each month 3 million readers, including 1 million paid subscribers. It, too, is independent with a distinguished medical advisory board of illustrious men and the great, Mrs. Albert D. Lasker.

The Family Health article follows:

MEET "MR. HEALTH" IN CONGRESS

(By Jack Ryan)

(NOTE.—For years Paul Rogers' name appeared mostly on Washington's society pages as the capital's "most eligible bachelor," noted for courtly manners and a flair for ballroom dancing. Now, he's making news of another sort as a tough-minded committee chairman working on a blueprint to improve America's health.)

The clerk in the downtown Chicago hotel could barely hear the hoarse voice on the telephone.

"This is room 1217. My throat is quite sore, and I'm running a fever. Could you have the house doctor come up?" The distressed hotel guest had recently returned from an exhausting trip to Asia, and felt gnawing anxiety that he might be suffering something more serious than minor discomfort.

"I'm sorry, sir," the clerk replied. "But the hotel doesn't have a house doctor anymore. . . ."

Chicago is one of the nation's leading medical centers; the travelers' hotel was within blocks of hundreds of doctors' offices. There should have been no problem. Yet the clerk could not be reassuring. "I can call around, of course, but you know how things are at night, especially with doctors."

Congressman Paul G. Rogers (D.-Fla.) knew "how things are" as few other American do. As Chairman of the House Subcommittee on Public Health and Environment, hadn't he termed this very situation a "national crisis"? Rogers' sore throat proved nothing more than a troublesome infection: he had been far more fortunate, he knew, than many Amerians who, suffering more serious ailments, cannot find medical care—or, if they can, are unable to pay for it.

"The incident is minor," says Rogers today, "but the implications were not. It simply reinforced my contention that Americans—elected official or private citizen, affluent suburbanite or poverty child—are being shortchanged in health maintenance and that we must do something now to remedy the situation."

More than any other legislator, Rogers, who has recently gained public attention as the new "Mr. Health" in Congress, is trying to do something about the health situation. In the past six years, almost all major health-care bills, outside the realm of Medicare and Medicaid, have been heavily influenced by him, including bills on such diverse problems as drug and alcohol abuse, sickle-cell anemia, migrant health, nutritional studies, and noise and environmental control.

In the political battle over the state of the nation's health, Paul Rogers' legislative stand is somewhere in the middle. "Some people want to federalize our medical care system," he says. "Others want to leave it essentially alone. I think both are in error. We need change. But our medical framework shouldn't be leveled. We should discard parts that no longer serve us and keep the valid parts as a foundation to build an improved health system."

"Paul Rogers is not a creative man," says outgoing Assistant Secretary for Health at HEW Dr. Merlin Du Val. "He is an extraordinarily good synthesizer." However, in the long run Rogers may get closer to creating what he calls a "New Face of American Health" than the more innovative crusaders who are totally committed to their own ideas and antagonistic to programs offered by other health-care reformers.

In the coming 93rd Congress, Rogers' main thrust in new legislation promises some political donnybrooks which may determine the future of his career on Capitol Hill.

On one hand, with Senator Edward Kennedy, he will fight the Nixon administration by trying to take health out of the Department of Health, Education, and Welfare and make it a separate cabinet post.

On the other hand, he will battle the powerful Senator Kennedy and others over national health insurance. Rogers is dead set against Kennedy's idea of replacing our private health insurance system with a Federal one. Rogers prefers to "find alternates within the present structure."

If he succeeds in establishing a separate Department of Health and brings together the many disparate factions in a compromise on national health insurance, Paul Rogers will have enhanced his reputation as Washington's new "Mr. Health."

Rogers' rise to power and prestige has not been overnight. His career began in 1954 when his father, a long-time Representative, died and Paul won his seat in a special election. Until assuming his chairmanship 16 years later, Rogers labored in obscurity, except for being spotlighted on Washington society pages as the capital's "most eligible bachelor," a six-foot-two, 200-pounder with Southern gentleman manners and a flair for ballroom dancing.

Ten years ago, at age 41, he married Rebecca Mozley, whom the same society pages described as "one of the 10 most beautiful women in Washington." Miss Mozley was then a staff member to an Alabama Congressman and traveled widely on his behalf. "Paul and I knew each other socially eight years before we were married," she says. "I suppose Paul was just too busy establishing himself to marry earlier. And, of course, I was traveling a lot then, too. In Washington, you must understand, it takes longer for people to get together."

Today the Rogerses and eight-year-old daughter Laing live in a red-brick, two-story townhouse in the Spring Valley section of the capital in a style that is becoming old-fashioned even in Washington; intimate suppers at home with guests trailing out through French doors to a small garden carefully tended by Mrs. Rogers; black-tie dinner for 50, including an ambassador and a Supreme Court justice, at the exclusive F Street Club; golf at the power elite's Burning Tree Country Club (Rogers reportedly shoots in the 90's); and opulent openings at Kennedy Center.

In this courtly atmosphere, however, Rogers may suddenly sit down at a piano (an impulse he also gives in to on the campaign trail and in the midst of late homework) and play semi-classics skillfully. The most contemporary music in his repertoire is boogie-woogie which, Rogers ruefully admits, "pretty much dates me."

The fact that at age 51, after 18 years in Congress, Rogers is emerging as Mr. Health comes as a surprise to many on Capitol Hill, not because they underestimated his diligence and dedication, but because Rogers must constantly overcome a weak power base—he is chairman of a subcommittee which can create legislation but cannot appropriate the moneys to make the laws effective.

Rogers gets things done against the odds through a combination of legislative knowhow and just plain doggedness. Mrs. Albert D. Lasker, philanthropist and a long-time observer of health legislation, says, "I have never known a subcommittee chairman like Mr. Rogers. Most write a bill and that's that—it's out of their hands. Not Congressman Rogers. He follows through, even to the point of lobbying for its funding with the appropriations people. Recently, for example, he took the unprecedented step of writing a letter to the appropriations committee, urging funding for certain health legislation. And his pressures pay off."

On the national health scene, Rogers comes under some criticism, primarily because he appears to have no overall health-reform plan. He is accused of being an "opportunist" and attacking weaknesses in our health-delivery system on a "disease-of-the-month" basis. When sickle-cell anemia, a hereditary disease mostly affecting blacks, became a national issue, critics claim Rogers adopted it as a cause. He is also charged by HEW spokesmen such as Dr. Merlin Du Val and Dr. John Zapp, Deputy Assistant Secretary for Health Legislation, of fragmenting an already massive bureaucracy. Rogers, for example, not only wants a separate Department of Health, but individual agencies for diabetes, multiple sclerosis, and aging. Dr. Du Val says, "This is parentage of bureaucracy."

Outside a Congressional hearing room, Rogers exhibits Job-like patience, but in taking testimony he is a fiery adversary. "Most chairmen," says Mike Gorman, Executive Director of the National Committee against Mental Illness, who has had jousts with Rogers, "are performers who listen politely to special pleaders delivering useless commercials. But Rogers is a fact-finder who keeps asking—'Give us exact figures' . . . 'What is your basis for that statement?' If you don't have the facts, brother, stay out of his way or he'll fry you."

Frustration also cracks Rogers' usually placid self-containment when he reviews the National Health Corps, one of his pride and jobs, which would place medical personnel in rural and ghetto areas critically short of health services. The bill was signed into law in January 1972, but only recently have any major assignments been made—288 professionals to 122 communities. Even this is minimal, advocates say, since an estimated 5000 communities need help.

"The program has not been administered very vigorously," says Rogers with characteristic understatement.

A prime target for Rogers in his efforts to change what is bad in America's health system is the Department of Health, Education, and Welfare. "There is bitter irony," Rogers complains, "in the fact that health has been relegated to the back seat even within the Department of Health, Education, and Welfare, which works in an inverse order to its name. Social issues, educational issues—they've overshadowed health, yet health concerns every American, rich or poor, young or old, educated or uneducated."

The ineffectiveness of HEW's health planning, in Rogers' opinion, is exemplified by its failure to present solutions to the shortage of medical personnel in America. Disgusted, Rogers himself designed a Health Manpower Bill and Nurses Training Bill which, if properly funded, says Rogers, would solve the nation's medical-personnel shortages by 1980.

Rogers' criticisms of HEW have not been directed to its administrators. He called HEW's past secretary Elliot Richardson "a dedicated and honorable man." About Richardson's successor, Caspar Weinberger, former chief of the tightfisted Office of Management and Budget, Rogers sounds somewhat jaundiced—"The great problem in health has been in inadequate funding. We can only hope Mr. Weinberger will not be as zealous an advocate of health funding as he formerly was in holding back health funds as head of the OMB.

"But," he quickly adds, "individuals are not the problem of HEW. The problem lies in the office itself. No one has the time, energy, and knowledge of the three empires he must govern to do the job properly. We need a spokesman for health, and health alone.

The Administration is expected to oppose such a change. "If it's just a separation of the *H* from the *E* and *W*, then it won't be any easier to administer," says Dr. Zapp. And Dr. Du Val adds, "Rogers doesn't solve the bureaucracy problem by separating health from education and welfare."

Further insight into Rogers' philosophy comes from comparing his ideas on one of the most sensitive issues in 1973's health legislation, family health insurance. Rogers foresees a Federal plan to insure all families against catastrophic illnesses with medical costs so high the best private policies cannot cover them. He also would provide basic health insurance through private companies, but with the law setting minimums of coverage and requiring that policies clearly state what they insure.

In considering the future of health insurance, Rogers foresees an era in which "certain numbers of people will have to have insurance provided by the government; this is done now through Medicare and Medicaid. Another group will have to have some degree of help in paying for insurance. Others can buy their own policies. So I think it must be scaled somewhat to ability to pay. The existing industry can be utilized for this."

The key to Rogers' long-range health scheme is not just care for the ill but medical services that help them avoid illness in the first place. "We have now a system of almost totally curative medicine," he begins. "When disease or ill health strikes a citizen, only then does our medical system go into gear. It's a reaction system. We react to illness. We must change it from a totally curative form of practice to one of preventive medicine also."

Rogers believes the present thrust of private health insurance must share much of the blame for the minor role preventive medicine plays in our country. The skyrocketing costs of such insurance, he adds, are partly traceable to the fact that insurance companies are interested in covering illness rather than in encouraging good health.

"So we should require that any policy sold should have so many home visits, so many office visits, so many detection exams—ambulatory services, in other words. The law should encourage doctors and patients to keep people out of hospitals. This would curb the current inflation in health-care costs."

Rogers believes one tool in advancing preventive medicine is a system of health maintenance organizations, with a saving to the nation of money and lives. HMO's, doctor-patient groups which provide varied medical services for a flat annual rate, are almost a fad now among the health-care cognoscenti, but Rogers approaches them with customary caution and reserve.

"Our first problem," he explains, "is defining what an HMO should be. Everyone has different expectations of them. Will these units offer patient-members dental care? Maybe. Mental-health care? Maybe. But no matter what we come up with, the result will be to plug it into our system, not to supplant the existing system with HMO's.

"An advantage in HMO's," Rogers continues, "is that they provide an incentive to keeping people healthy. They can make money for their professional people, but failure to keep a large segment of an HMO's enrollment healthy results in bad business. Since HMO's are basically an insurance system, I feel that if we properly design this concept, we will find a large segment of the general population will be interested in such health care."

Obviously, when Rogers looks at what he calls the "New Face of Health for America" he does not see a single profile, but many different ones, each suited to the individual, layman or professional. "We are a pluralistic society," he notes, "not a monolithic one, and that should determine our thinking in health programming."

And so the new Mr. Health cautiously builds his health-care program, block by block, from the bottom up, and warns the Establishment that it can no longer abdicate its responsibilities to provide better health care.

"We do not have unlimited resources to finance our existing system with all its shortcomings," he concludes. "We must offer our people better health. If we do not, I have serious reservations about the ability of our free enterprise system as we know it today to withstand the growing demands of our society."

REPRESENTATIVE ROGERS' ACHIEVEMENTS

A $1.3 billion research program aimed principally at our No. 1 killer, cardiovascular disease.

A $1.6 billion research program to find causes and cures for the No. 2 killer, cancer.

An educational program for some 50,000 health professionals, enough to end the national shortage of doctors, dentists, nurses, and technicians by 1980.

REPRESENTATIVE ROGERS' GOALS

A separate department for health, which Rogers feels has least priority in the present Department of Health, Education, and Welfare.

Government health insurance for those not able to afford private plans, and for persons who suffer illnesses with costs too great for private insurers to cover.

Experimental health maintenance organizations which would provide clients with a wide range of medical services for a flat annual rate.

SOVIET REPRESSION OF ESTONIAN CULTURE THE FATE OF THE UNIVERSITY OF TARTU

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 8, 1973

Mr. HUBER. Mr. Speaker, it is also fitting that at this time of year when Americans, of Estonian descent, are observing the 55th anniversary of Estonia's independence, due notice be taken of the fate of cultural activities in Estonia under the Soviet Union. In the case of the University of Tartu, the faculty of Theology had to go when the Soviets took over. There is no real freedom of religion when communism rules. And, as in all such cases, a heavy layer of courses on Marxism-Leninism is made compulsory in all areas. This latter subject is boring enough to most Russian students, but it is particularly irritating to Estonians who have known the taste of freedom, however brief.

The University of Tartu has an ancient history. It was first established in 1632 as the Academia Gustaviana and has had a continuous life as a university down to the present time. Little is known about the present operations of the university, but the process of forced "Sovietization" is probably continuing. A short article from "Aspects of Estonian Culture," Boreas Publishing Co., London: 1961, follows for the edification of my colleagues.

> During the first Soviet occupation in 1940/41 relatively little was changed. The Faculty of Theology was closed, of course, a few professors were eliminated and Marxism and Leninism was made a compulsory subject to all. The subsequent German occupation 1941-1944 brought a little relief (except to those whom the occupying power thought as having found favour with the Communists), but there was definitely not much hope for a future in Hitler's Reich.
>
> The second Soviet occupation from 1944 consolidated the sovietisation they had started earlier. There was an increase in the number of students, but there is also evidence that the academic standards have been lowered. Certain political conditions have to be satisfied by students before admission. A more recent trend is to restrict admission.
>
> The attitude of the population and the university to Soviet regime can be best exemplified by actions which involved great personal risk and sacrifices. After only one year's experience with the communist university, of the total of 191 senior staff members at Tartu 90 fled the country before the second Soviet occupation in 1944. Of the remainder it is known (figures for 1945) that 28 are dead (mostly killed), 9 deported to Russia, 42 still in Estonia and the fate of 22 unkown.

A TRIBUTE TO CONGRESSMAN GREEN

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. CHAPPELL. Mr. Speaker, former Congressman Robert Alexis Green of Starke, Fla., died earlier last week and I would like to pay tribute to this fine man and the contributions he made to the growth and benefit of the great State of Florida.

He served his people as Congressman for close to 20 years, until 1944, when he resigned to join the U.S. Navy in which he served as a lieutenant commander. During his long service in Congress, he was second ranking member of the House Rivers and Harbors Committee; and was a member of the Flood Control Committee; the Immigration and Naturalization Committee; and the Committee on Territories, where he served for 10 years as chairman. He held the post of assistant Democratic whip for many years.

Lex Green rose right up through the ranks of service to the State, beginning as a messenger, then assistant chief clerk, and finally chief clerk in the Florida House of Representatives. He was elected to the House of Representatives of Florida in 1918 to 1920 and was elected judge of Bradford County in 1921, where he served until his election to the Congress in 1924.

He once said of his congressional duties:

> My supreme ambition is to serve my fellow man efficiently and my Maker faithfully.

His was a beautiful creed to live by—and I know the people of Florida will long remember his fine service to his Nation.

CLEAN AIR ACT STANDARDS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. WALDIE. Mr. Speaker, I recently discussed the problem of complying with the air pollution standards set forth in the Clean Air Act of 1970 with representatives of Phillips Petroleum who operate a refinery in my district.

I was particularly impressed with two facts that were given me—one, the expenditure of $17 million in the last 10 years by this one refinery to comply with various pollution regulations, and two, the fact that the Federal standards are even higher and more strict than are the California air pollution standards. Our State air pollution standards were far higher than any other State, and it does seem reasonable to speculate whether the Federal standards should be set higher than California pending a review of the effectiveness of the California standards.

I enclose a copy of correspondence as part of my remarks:

PHILLIPS PETROLEUM CO.,
AVON REFINERY,
Martinez, Calif., February 1, 1973.

Hon. JEROME R. WALDIE,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN WALDIE: I would like to express my sincere appreciation for you taking the time to meet with Ed Courtney, Jack Fries and myself on Wednesday, December 13, 1972, in Martinez. I would also like to apologize for the delay in confirming this conversation by letter. You may be aware that the oil industry was in contract negotiations throughout the months of November and December, and in our case final agreement was reached late in the evening of January 18, 1973. During periods such as this, unfortunately, our total time is usually involved in such negotiations.

In our discussions we told you we are quite concerned about controlling factors that affect the environment in all phases, including air, water, odors and noises. At the Avon Refinery of Phillips Petroleum Company we have spent some $17,000,000 in the last 10 years for miscellaneous facilities to comply with various pollution regulations. Due to increasingly restrictive standards, it is obvious that much more engineering effort and larger sums of money must be expended in the years to come. Fortunately, we work for a company whose corporate management has a vital concern for the environment. Our only hope is that regulations governing the various aspects of such controls will be on a reasonable and practical basis with an effort made to balance the cost against the desired environmental improvements.

In our discussion with you we expressed concern that the restrictive requirements by the Clean Air Act of 1970 are not necessarily based on sound engineering logic, or with proper consideration of the effects that such regulations will have on the further depletion of a rapidly diminishing fossil fuel reserve. It is our belief that the California standards for the control of hydrocarbons, carbon monoxides and nitrous oxides, which are designed to reduce the precontrolled emission level of these constituents to approximately 90% of that put out by the automobile with no control equipment, are sufficient to create atmospheric conditions in which people can freely live without injury to health. Dr. Haagen-Smit of the Air Resources Board of California figures that the California standards are even severe enough for an area such as the Los Angeles Basin, which undoubtedly is the most critical area in the U.S.A.

The standards adopted with the passage of the Clean Air Act of 1970 call for much more restrictive control of these three emission factors, and are designed to reduce these emissions approximately 97% of the precontrolled automobile. It is our belief that Dr. Haagen-Smit has arrived at the California standards on the basis of much more scientific evidence than was used in the drafting and final passage of the Clean Air Act of 1970. If, in fact, 90% control can curb pollution in the Los Angeles Basin, then the attainment of a 97% control becomes unnecessary and extremely costly. It is the cost of this additional control that concerns us.

The difference in emission control equipment cost per automobile to meet the Federal standards vs. the California standards is approximately $210.00 based on conservative estimates. The added operating cost for all the vehicles in the U.S. by 1985 is estimated to be $3.5 billion annually above that required to meet the California standards. Most significantly, it is estimated that it will require an additional 700,000 barrels of crude oil per day in 1985 to meet the California standards, and an additional 1.5 million barrels per day in 1985 to meet the Federal standards. If this 7% is considered unnecessary to control pollution in the most critical areas, then we would be, in effect, wasting 1.5 million barrels per day of very critical fossil fuels—primarily crude oil.

You expressed surprise that the Federal standards were more restrictive than the California standards. Very frankly, we also were surprised when these standards were made public. We feel that some very serious soul-searching by many of us will be necessary so that we can accomplish our objective of controlling air pollution within reasonable limits, and at the same time conserve our fossil fuels to the most practical degree. It appears that in order for this approach to become a reality Congress will have to give serious consideration to evaluating the standards set out in the Clean Air Act of 1970, and hopefully change these standards to conform to those adopted by the State of California. As a minimum, it appears reasonable that the California standards which we all recognize as being most severe should be given a fair test before more stringent requirements of the Clean Air Act of 1970 are adopted. This can always follow if the former proves to be inadequate. A couple of copies of the California vs. the Clean Air Act of 1970 standards and accompanying charts were given to you at our meeting in December. If you care to have additional copies we will be more than happy to send them to you.

Yours very truly,

A. P. OLBRICH, *Manager.*

I AM THE FARMER

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ZWACH. Mr. Speaker, I recently read an article, "I Am the Farmer," which was printed in the Producers Guide and has been widely reprinted by newspapers throughout the country.

I insert this article in the CONGRESSIONAL RECORD, where, I sincerely hope, it will be food for thought for all the Members of Congress.

I AM THE FARMER

We'd like to pass on this gem entitled, "I Am the Farmer," reprinted from the Producers' Guide: "I am the provider for all mankind. Upon me every human being constantly depends. A world itself is built upon my toil, my products, my honesty. Because of my industry, America, my country, leads the world; her prosperity is maintained by me; her great commerce is the work of my good hands; her balance of trade springs from furrow of my farm. My reaper brings food for today; my plows hold promises for tomorrow. In war I am absolute; in peace I am indispensable—my country's surest defense and constant reliance. I am the very soil of America, the hope of the race, the balance wheel of civilization. When I prosper, men are happy; when I fail, all the world suffers. I live with nature, walk in green fields under the golden sunlight, out in the great alone, where brain and brawn and toil supply mankind's primary needs; and I try to do my humble part to carry out the great plan of God. Even the birds are my companions; they greet me with a symphony at the new day's dawn and chum with me until the evening prayer is said. If it were not for me, the treasures of the earth would remain securely locked; the granaries would be useless frames; man himself would be doomed speedily to extinction or decay."

THE LATE RAYMOND J. STANLEY

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. MACDONALD. Mr. Speaker, the public broadcasting community was saddened last week by the death of Raymond J. Stanley, chief of the Educational Broadcasting Facilities Branch of the Department of Health, Education, and Welfare. Mr. Stanley, who was a former public broadcast executive, died Thursday night at the University of Maryland following open-heart surgery performed there earlier in the week. He was 54.

"Ray" Stanley was the director of the HEW facilities program since its inception in 1963. In that position, he administered some $68 million in grants to help establish new public stations and improve existing ones. Mr. Stanley appeared several times before the Subcommittee on Communications and Power, of which I am privileged to be chairman, to testify in support of his fine program.

Mr. Stanley began his public broadcasting career at WKAR, East Lansing, Mich., and spent 16 years, from 1946–62, at the University of Wisconsin, serving in a number of key positions with WHA, radio, and TV. In 1957–58, he took a leave of absence to work as a program associate with NET. Before joining HEW, he was general manager of WOSU-TV, Columbus, Ohio.

Mr. Stanley held bachelor's and master's degrees from the University of Wisconsin and served as an ensign in the Navy during World War II. In his private life, he was active in theatrical groups and last year had performed in the Longworth Dinner Theater production of "The Music Man."

"Ray" Stanley was the special kind of civil servant who administered his program with absolute fairness and integrity, and he was a man who made friends in all of his many endeavors. He will be missed by all of those with whom he came into contact.

THE BICENTENNIAL—LOOKING BACK TO THE CENTENNIAL

HON. EDWARD HUTCHINSON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HUTCHINSON. Mr. Speaker, on July 4, 1976, the Nation will observe the 200th anniversary of the signing of the Declaration of Independence. As the preparations for the American Revolution Bicentennial begin to take shape, it seems appropriate to review the highlights of the centennial celebration in 1876. In 1878, the National Memorial Volume—A Popular Descriptive Portraiture of the Great Events of Our Past Century—devoted a chapter to the "Centennial Commemoration of the Birth of the Republic—1876." Following is a synopsis:

Anticipations of the coming anniversary had long been prominent in the minds of the people and to this end, the centennial commission was appointed. Under this organization, the vast work of preparation commenced and, on the fourth of July, 1873, the ground (in Philadelphia) set apart for the purpose was dedicated with appropriate ceremonies. There was presented the most wondrous microcosm of civilization ever concentrated in one locality. There was, in fact, the culminating art and skill of sixty centuries of human advancement, and the products of every quarter of the globe, displayed in their richest illustrations—the beauty, utility and magnificence, of the Orient and Occident, in boundless combinations.

On the day of the formal inauguration of the exposition, and at which were present hundreds of thousands of joyous spectators, with dignitaries from both hemispheres, the occasion was appropriately introduced by the vast orchestra performing the national airs of all nations (United States, Argentine Republic, Austria, Belgium, Brazil, Denmark, France, Germany, Great Britain, Italy, Netherlands, Norway, Russia, Spain, Sweden, Switzerland, Turkey).

And then a superb chorus of nearly a thousand voices, accompanied by orchestra and organ, sang Whittier's centennial hymn. A cantata was sung with fine effect, with words by Lanier, of Georgia, and the music by Buck, after which the ceremonial presentation of the exhibition to the President of the United States was made by General Hawley to which General Grant responded, in a eulogistic speech of acceptance, reviewing the progress of the century, bidding the whole world welcome and declaring the exhibition open; the unprecedented spectacle was witnessed, of an American President and a crowned emperor—the emperor of Brazil being present and at President Grant's side—receiving the enthusiastic salutations of the American people.

The case of Dom Pedro, it may here be remaked, furnishes the only instance in the history of our century, of a reigning crowned head visiting the United States, with the execption of Kalakaua, king of the Sandwich Islands, whose tour occurred in 1874–5.

And here may be cited one of the most notable scenes which transpired on this wonderful occasion, namely, the starting of the stupendous engine constructed by M. Corliss, which was to move the fourteen acres of machinery, comprising some eight thousand different machines, in the building devoted to that specialty. This starting operation was performed jointly by President Grant and Emperor Dom Pedro II. It was in vastness, power and ingenuity the mechanical marvel of the exhibition.

The plan of construction for the accommodation of the several grand features of the exposition comprised five main buildings conveniently located at different points on the five hundred acres devoted to centennial purposes. These structures consisted . . . of the main building . . . that for machinery . . . for agriculture . . . for horticulture . . . for art . . . in addition to these, the number of special structures, including the memorial hall, and those erected by the United States Government, by foreign nations, by the different States, by the women . . . was among the hundreds. Many of these were of great cost and striking achitectural beauty and, with statutes, fountains, flower plots, and other decorative objects innumerable, produced a scene of surpassing attraction.

The woman's building, devoted entirely to the results of woman's skill, was an attractive structure covering some thirty thousand square feet and filled with the dulce and utile from all lands. The government building, of substantial and elegant design, contained a revelation of wonders connected with the army and navy, the department of agriculture, the post-office, patent office, signal service, ordnance bureau, light-house board, and all the subordinate departments and bureaus in any way connected with the government.

Space limitations do not permit reprinting the chapter in its entirety, but some of the centennial objects of interest are noteworthy:

A magnificent piece of silver bullion in one mass valued at a prodigious sum and showing, in a conspicuous manner, the metallic riches yet to be unearthed in the remote West.

The Smithsonian Institution showed every kind of American bird in an immense group by itself, also every kind of fish, mollusk, reptile and quadruped.

Queen Victoria's personal contributions comprised a number of etchings by her own hand, also table napkins spun by herself and drawings and embroideries from her princess daughters.

Among the evidences of Connecticut's skill was the huge centennial time-piece, a clock weighing six tons and having eleven hundred pieces, with wheels four feet in diameter.

A collection of models, sent by Massachusetts, of the various marine craft which have been employed in her waters, since the first settlement of Plymouth Colony . . .

From the Pennsylvania coal mines came two blocks of coal weighing, respectively, about two and one-fourth and five tons; and, from her steel works, a solid ingot of steel weighing 25,000 pounds, also a perfect steel rail, rolled, 120 feet long and weighing 62 pounds per yard.

Louisiana's products included a tree loaded with the somber hanging moss that renders some of her landscapes so gloomy, but which is now being used as a substitute for hair in mattresses and upholstery. California sent gold quartz and wonderful grain and cacti as well. Of universal interest was the original draft of the Declaration of Independence—to be looked at, not touched.

Massachusetts sent, among its rich and varied contributions, an organ of gigantic proportions, having fifty-nine stops and four banks of keys, also industrial designs, of striking character, from the Massachusetts Institute of Technology.

But why commence, even, the impossible task of describing fifty teeming acres of templed wonders from every clime, the marvels and masterpieces of nature, science and art in bewildering variety and richness.

Nor would it be scarcely less impossible, in the scope of a single chapter, to sufficiently characterize the enthusiasm, wide-spread as the continent, which ushered in and prolonged the observance of the Anniversary Day in especial—July Fourth, which numbered the first hundred years of the greatest republic upon which the sun ever shone. To say that the festal ingenuity of nearly forty great States and forty millions of people, with their tens of thousands of cities, towns and villages, fairly spent itself, in efforts to suitably commemorate the Wonderful Anniversary, is only faintly expressing the fact. It was a festival of oratory, music, poetry, parade, bells, illuminations, regattas, cannon, banners, hallelujahs and huzzas.

Great parades, illuminations and decorations were the chief features in all the large western cities of the republic.

In the southern cities, Richmond led off at midnight preceding, by the firing of guns at five different points in and about the city, the festivities continuing far into the night succeeding.

Most significant, it may be remarked, was the respect paid to the occasion in foreign countries; not only the Americans in all the European cities joined in celebrations, some of them outwardly public and participated in by foreigners, but the daily press everywhere discussed the day and its historical proportions.

Among the incidental matters of enduring interest, pertaining to the day and event, and which are here deserving of record, may be mentioned the proclamation by the chief magistrate of our nation in which, with becoming deference to and as reflecting the religious sense of the people, President Grant said: "The centennial anniversary of the day on which the people of the United States declared their right to a separate and equal station among the powers of the earth seems to demand an exceptional observance. The founders of the government, at its birth and in its feebleness, invoked the blessings and the protection of a divine Providence, and the thirteen colonies and three millions of people have expanded into a nation of strength and numbers commanding the position that was then asserted, and for which fervent prayers were then offered . . . I therefore invite the good people of the United States, on the approaching Fourth day of July, in addition to the usual observances with which they are accustomed to greet the return of the day, further, in such manner and at such time as in their respective localities and religious associations may be most convenient to mark its recurrence by some public religious and devout thanksgiving to the Almighty God, for the blessings which have been bestowed upon us as a nation, during the centenary of our existence, and humbly to invoke a continuance of His favor and of His protection."

GENOCIDE TREATY MOVES TO THE FLOOR

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RARICK. Mr. Speaker, according to news reports, the Genocide Treaty has been approved by the handling committee and awaits a vote.

I have on numerous occasions expressed my complete opposition to this measure which would clearly violate the constitutionally secured rights of every individual American.

The related newsclipping is as follows:

[From the Washington Post, Feb. 28, 1973]

GENOCIDE TREATY MOVES TO FLOOR

The Senate Foreign Relations Committee yesterday approved a 22-year-old treaty making genocide an international crime and sent it to an uncertain fate in the Senate.

The 1950 treaty has never been ratified by the United States because of a myriad of objections from senators concerned that it would interfere with the American system of jurisprudence and states' rights.

It faces a certain filibuster when it is brought to the floor. But by acting on the treaty early in the 93d Congress, the committee improved chances that the pact will be brought to a ratification vote for the first time.

THE AX CONTROVERSY THREATENS BASIC REFORMS IN DEFENSE PROCUREMENT

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RONCALLO of New York. Mr. Speaker, critics of the selection of Fairchild's Republic Aircraft Division over Northrop Corp. for, construction of 10 "preproduction" A–10 models of the AX, after a rigorous "fly-off" competition between prototype aircraft of the two contractors, are threatening the very foundations of the significant reforms which Assistant Secretary of Defense David Packard instituted in the Pentagon's weapons acquisition process. As the first major weapon system to be acquired entirely through the prototyping procedure which Packard established, the AX provides a test case for this new procedure about which we have heard so much and in which such high hopes have been placed as a means of avoiding the problems of cost overruns which have plagued the Defense Department in recent years. For this reason, the outcome of the present controversy surrounding the decision of the Air Force last month to award the AX contract to Fairchild takes on a significance that transcends the immediate fate of this important weapons program.

An article in the Washington Post of February 26, 1973, by defense analyst Michael Getler highlights some of the issues which are involved in the current AX controversy. Getler describes the end-product of the AX program as "a rugged and maneuverable attack jet, carrying some 9,500 pounds of bombs and machine guns and able to stay over the battlefield for about 2 hours—something existing jets cannot do. He says:

> It is the first plane of its kind developed by the Air Force specifically to provide close air support to ground troops and it is heavily armored to survive intensive anti-aircraft fire. The plane's design is viewed as a good one by many top Air Force generals and it also has strong support among senior civilians in the Pentagon hierarchy." [1]

From the standpoint of procurement strategy, the AX program represents the first thorough-going application of the Packard principles of weapons development. As military affairs writer Charles J. V. Murphy observed in the December issue of Fortune—

> The AX is the first weapon system to be deliberately *designed to cost*—the Packard solution as modified by John Foster.[2]

Packard's philosophy of procurement may be expressed in five maxims: first, keep the design simple, cutting out the frills and "nice-to-haves"; second, fly before you buy, giving performance requirements but not detailed specifications and letting the manufacturer figure out how to meet these requirements within definite cost constraints, resolving engineering and cost problems in developing the prototypes; third, decentralize control over the program manager, giving him authority to set program objectives; fourth, move from prototype to weapon production without detailed specifications; and fifth, choke off the paperwork, avoiding the tons of "software" studies that past programs such as the C–5A have generated.[3]

These principles have been followed in the case of the AX program thus far. As the Pentagon news release of January 18, 1973, noted in announcing the Air Force's decision to award the AX contract to Fairchild—

> Both Fairchild Industries, Inc., and the Northrop Corporation were selected to compete in the prototype development phase of the AX competition in December 1970. Each contractor built, tested, and delivered to the Air Force two prototype models in accordance with the "fly-before-buy" procurement approach. Following the first flight of each prototype in May [1972], each contractor conducted a flight evaluation program prior to turning over the prototypes to the Air Force in October. Experienced and combat veteran fighter pilots from both the developing command, Systems Command, and the ultimate using command, Tactical Air Command, then flew the prototypes during the Air Force flight evaluation which was completed in early December.[4]

Nevertheless, despite this careful evaluative process, as the Getler article points out, "more than a month has passed since Fairchild won the AX competition, but the contract still has not been signed." Although the official reason given for this delay has been an effort to better define the cost of the program,[5] the real reason appears to be political pressure rather than uncertainty over the program's cost. Getler writes that despite some concern over its cost, the AX "is still viewed as very inexpensive by Pentagon weapons cost standards and the right plane for the job." [6]

Most of the opposition to the program, Getler points out, has come from Texas, "where LTV has been manufacturing A–7 jets for both the Navy and Air Force for about 8 years, and where production lines are slowing," and from forces on Capitol Hill engaged in a continuing campaign to stop the AX in favor of the A–7 program.[7] An important part of that campaign has been a series of "test flights" in a special two-seater model of the A–7 at Andrews Air Force Base. The article continues:

> In recent weeks at least a dozen of the Air Force's top brass plus high-ranking ci-

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Footnotes at end of article.

> vilian officials and even a Texas Congressman have gone out in the A–7 and "bombed" those rusted hulks in Chesapeake Bay.[9]

Referring to two target ships in the Navy's Patuxent River bombing range.

The plane used for these demonstration flights was loaned to LTV by the Navy last year, and the firm says it spent $5 million to modify the aircraft from a standard one-seat version of the A–7 to a two-seater model. LTV says the plane was built primarily as a trainer prototype, Getler reports, but officials of the firm acknowledge that they were aware of the obvious demonstration value of such an aircraft.[9]

While it may be good business for LTV to attempt to influence decisionmakers in the Pentagon and Congress through such tactics, the fact remains that much larger issues are at stake in this matter. Keeping the AX program firmly on the "fly-before-buy" track must be a primary commitment of the Congress, if we are to achieve the objectives of cost-reduction and efficiency of production in weapons procurement which are vital to our national defense at this time. The value of the prototype concept which the AX program has thus far followed was one of the principal points brought out in last year's hearings before the Senate Armed Services Committee on the weapon systems acquisition process.[10] If the application of the principles of prototyping is to be tested in a serious fashion—and I believe that such a course is absolutely essential to the task that is before us in the matter of weapons procurement—we cannot afford to interfere with the important reforms which have been begun in this area in recent years.

FOOTNOTES

[1] Getler, Michael. Pentagon, Hill Resume A–7, AX Battle Over Best Attack Plane. Washington Post. February 26, 1973. p. A16.

[2] Murphy, Charles J. V. The Pentagon Enters Its Era of Austerity. Fortune. December, 1972. p. 150.

[3] Ibid., p. 144.

[4] Office of Assistant Secretary of Defense (Public Affairs). News Release No. 36–73. January 18, 1973.

[5] Total program cost has been estimated at $1.58 billion for 720 planes, or a unit program cost of $2.2 million. The Pentagon's ceiling price of $1.4 million per plane is based on 1970 dollars and a buy of 600 planes and excludes the costs of research and development and spare parts. Wall Street Journal. Fairchild Receives A–X Plane Award from Air Force. Jan. 19, 1973. p. 5.

[6] Getler, op. cit.

[7] Ibid.

[8] Ibid.

[9] Ibid.

[10] U.S. Congress. Senate. Committee on Armed Services. Weapon Systems Acquisition Process. Hearings before Senate Armed Services Committee, 92d Cong., 1st sess. December 3, 6, 7, 8, and 9, 1971. U.S. Govt. Print. Off., 1972. p. 208, 234–235.

EMERGENCY LOAN PROGRAM FOR FARMERS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. JONES of Tennessee. Mr. Speaker, I want to congratulate my colleagues here in the House for exercising their wisdom and their independence by providing farmers with an adequate emergency loan program. My good friend, Mr. ALEXANDER of Arkansas, chairman of the Subcommittee on Family Farms and Rural Development, deserves to be recognized for his leadership in guiding this bill through the House.

It is certainly unfortunate that we, in Congress, have had to spend so much time and energy to restore this assistance. No doubt the original program had its weaknesses, but the administration made a bad mistake by arbitrarily terminating the entire program. Adjustments could have been made by them or by us to correct the weaknesses. If this approach had been used,. thousands of farmers would have been saved from a lot of suffering.

My files are full of letters from farmers who are on the brink of bankruptcy. It is doubtful if the bill we have passed will provide assistance soon enough to save many farmers.

I also support the two amendments proposed by Mr. MATHIS and Mr. BERGLAND. These amendments make the bill fit more closely to the original intent of Congress.

The Mathis amendment reduces the maximum interest rate to 5 percent. This feature makes a distinction between an emergency loan and an ordinary FHA operating loan. When we have a natural disaster it is not an ordinary situation and the victims need something more than ordinary loans.

Mr. BERGLAND'S amendment simply makes good the word of Government officials. The incident which made this amendment necessary was indeed unfortunate. However, I am glad the Government will now live up to its promises.

I can only urge the Senate and the administration to take quick action on this measure. The new farming year is upon us and farmers in my district are still getting out last year's crop. Much of it, though, has deteriorated to the point of not being worth harvesting. Time is of the essence and I urge speedy action.

OF CRIME AND PUNISHMENT—VIII

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BAKER. Mr. Speaker, one of my constituents, Mr. LeRoy Hite, has sent me an editorial from the Presbyterian Journal which expresses the dangers of a current trend in the courts to abolish severe prison terms for any but the most vicious crimes.

The article cites a national crime commission which recommends that 5 years be the maximum felony sentence, for instance, in all but murder cases. While this would no doubt be welcomed by the offender, certainly it would do nothing to correct the growing fear of the ordinary citizen that today or tomorrow he will become a statistic in the latest crime figures.

It would be comfortable to think that we can cure all social ills of our society and by doing so eliminate all crime. The fact is, there are those unfortunate persons who have a need to be protected from their own misdeeds and from whom the public must be protected by removing them from the temptation to commit a criminal act.

Mr. Speaker, I include the article "Of Crime and Punishment—VIII" in the RECORD at this point:

OF CRIME AND PUNISHMENT—VIII

Most people have yet to appreciate the most important social fact of our time, namely, that civilization itself is in danger of being destroyed by the dominance of good will—the "love ethic" of the liberal.

It is sometimes the fashion to say that unless we develop good will among men we are doomed.

Nevertheless, it is good will that is contributing to our doom—good will as expressed by the policies and practices of men who believe that "love thy neighbor" is the key to order and stability in society.

We write this on the day that a national advisory crime commission issued its report as prepared by a 100-member task force at a cost of $2 million. The commission proposes that five years be the maximum felony sentence, except in murder cases, for any offender who is not found to be a danger to others.

Prison terms of more than five years for any felony, the crime commission says, should be imposed only when the defendant is a persistent felony offender, a professional criminal or a dangerous offender.

The maximum sentence for *any* crime except murder would be 25 years, under the commission's recommendations.

In at least seven previous editorials on this subject, we have made this point: The orderly system of punishment for crime firmly establishes the death penalty as the norm of all punishment. When this system is upset, the result is not an enhancement of human values but a cheapening of human values.

Another editorial point we have tried to make is that penalties for crime should *not* be imposed primarily for rehabilitation. The criminal who sees the error of his ways, who sincerely repents, who is soundly converted, who turns into a model citizen, *still* deserves the penalty appropriate to his misdeed.

This is not to be vindictive. This rather belongs to the very nature of things under God: "The soul that sinneth it shall die!" Mankind violates the inexorable laws of cause and effect to its peril. We have *not* reached the point (as one irate reader wrote in to say) where we no longer should believe the "superstition" that the spiritual climate of a nation has anything to do with its economic and political well being. Eternal truths have *everything* to do with a nation's material well being.

In the same edition of the newspaper reporting the crime commission, there was a story out of New Orleans in the wake of that day of terror and death at the hands of a sniper. The mood among black leaders of the community was to see the event as what happens when a human being is driven to desperation by experiences of racism at the hands of whites.

"There are lessons to be learned," said the black executive assistant to the mayor of New Orleans. He went on to suggest that the principal lesson to learn is that men sometimes will behave like animals if they are not treated like human beings.

True. *But the degree of order and stability achieved in any society does not depend upon the social contentment of the average citizen.* You don't have to first eliminate racism in order to eliminate the climate which makes people imagine they have a right to rampage, loot and kill.

Social tranquility does *not* depend upon the elimination of social problems. That viewpoint would have you believe that you must do somewhat to declare now, what to declare you can sleep nights in safety. That isn't so. A climate conducive to sleeping nights in safety can be generated in a society *still* afflicted with total depravity. It follows upon a valid approach to the problem of order.

Columnist Sydney J. Harris, writing in the same edition of that newspaper, was bemoaning the fact that nations cannot act in sensible mutual concern for the welfare of all. "Just at the time when we should be subordinating our provincial differences to our common global plight, we are drawing away from each other, in smaller and more fiercely tribal units," he wrote. "It is not merely evil; it is madness."

Mr. Harris makes no evident pretense at being a religious person. Another man, more aware of the facts of life than he, once wrote in anguish: "The good that I would I do not, whereas the evil that I would not that I do . . . Who shall deliver me from the body of this death?" Paul knew that mankind is inclined to madness as the sparks fly upwards.

The trouble today is that people who do *not* know that mankind inevitably inclines to madness are trying to make over the world by social prescriptions that will not work.

Because they are people of good will, and because they are in charge, they now propose to solve the problem of crime by eliminating punishment for crime. They are confirmed in their purpose by a host of liberal leaders of religion who also are people of good will and who also misread human nature.

Thus good will becomes a dangerous threat to our very existence.

MY RESPONSIBILITY TO FREEDOM

HON. RICHARD W. MALLARY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. MALLARY. Mr. Speaker, I am pleased to offer the remarks of the winner of Vermont's "Voice of Democracy" Contest. This contest is sponsored by the Veterans of Foreign Wars and the Ladies Auxiliary and almost a half-million secondary school students took part.

I am particularly pleased at the efforts of the 1973 Vermont contest winner, Jeffrey Lewis Yeaw of Newport. Drawing on this year's theme, "My Responsibility to Freedom," Jeff has written a clear, thoughtful, and mature statement. I am proud to offer the winning Vermont essay in this year's contest.

MY RESPONSIBILITY TO FREEDOM

Freedom. I often think about that word, though probably not often enough. And when I consider my responsibility to freedom, I am reminded now and again of the famous and oft-used quotation from the late President John F. Kennedy:

"Ask not what your country can do for you, but what you can do for your country."

This quote could be a summation to any discussion of one's responsibility to freedom. What President Kennedy was saying, in essence, was that one does not need to worry about the benefits he will receive as a citizen of the United States. Americans enjoy numerous governmental programs for all—young and old, the poor and underprivileged. The government does all in its power to stimulate a healthy economy, and to fight pollution of our air and water, both of which are beyond the power of the average citizen. Finally, our government provides and has provided security without which there would be no freedom to enjoy the life we Americans have.

Without the blood, sweat and tears of millions of our ancestors, there would be no such national system today. It took much courage for the colonists to stand up to the greatest world power of that time, and fight on until Britain at last consented to the freedom of the United States. It took fortitude for the soldiers of the Civil War to continue fighting for their principles during four long years of brother against brother, father versus son warfare, but at last those principles of Union and Universal freedom were victorious. And in this century, in two world wars and several so-called brush-fire wars, it has taken courage, fortitude and wise foresight for America to battle against aggression on other continents. One by one, the aggressors have been beaten back and prevented from reaching our shores.

So the freedom that you and I enjoy today, the freedom that allows me even to say this today, was defended by our ancestors at a great price. I do not think that price will decrease for quite a while—if ever. Now, as John Kennedy said, we must all ask what we can do for our country.

Our system is characterized as government by the consent of the governed. It is the citizen who decides who will represent him in Congress, making laws to benefit him and the nation as a whole. It is the citizen who decides who will be President, to govern the nation in its best interest, uphold the Constitution and its freedoms and appoint judges for the fair rule of law. Therefore, my responsibility to freedom, broken down into specific action, means:

First, learning all that I can about our system of government and those that oppose it, and studying the candidates for elected offices so that I can make wise choices.

Secondly, exercising my right to vote in every election. We cannot be apathetic or feel that tomorrow will take care of itself. We have only to look at history to see that freedom needs many thinking, acting people to be sustained.

Finally, as Americans, we must be quick to speak out against what is wrong with our city, state, nation and the world. When we see actions by our government which are not right, not morally sound or simply not justifiable, we must speak out and act positively; or we will lose a major freedom as a nation—the freedom of conscience.

These three areas of responsibility—awareness, voting and speaking out are the citizen's main concerns in protecting the freedoms that have been handed down to us through the years. Even young Americans, who have not reached the age of majority, can still work on developing their awareness in governmental affairs and speak out on what they feel is right and wrong with those affairs.

If I, and everyone, follow these basic guidelines of Democracy, and perhaps serve in the Armed Forces or some related field, my responsibility and your responsibility and America's responsibility to that very noble gift from God called Freedom, will be fulfilled.

PEOPLE-TO-PEOPLE DIPLOMACY—KEY TO WORLD UNDERSTANDING

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. FISH. Mr. Speaker, on June 15, 1972, Deputy Assistant Secretary of State for Educational and Cultural Affairs Alan A. Reich addressed a meeting of the Rotary Club of New York. The meeting included Rotarians from six continents. Mr. Reich discussed the Department's interest in furthering people-to-people interchange and the importance of service clubs in increasing international understanding.

I am inserting in the RECORD an article in the Department of State Bulletin dated September 4, 1972, by Mr. Reich entitled "People-to-People Diplomacy—Key to World Understanding." This article is based on the Secretary's important address before the Rotary Club of New York:

PEOPLE-TO-PEOPLE DIPLOMACY—KEY TO WORLD UNDERSTANDING

(By Alan A. Reich)

Technological advances have made nuclear war a threat to mankind's very existence. Fortunately, however, new initiatives and agreements in the disarmament field offer hope that the deadly cycle of weapons buildup may be broken. Prospects for increased government-to-government cooperation look better now than at any time since World War II. The great powers are focusing on areas of common concern rather than on their differences. The results appear promising.

But while technology has made nuclear annihilation possible, it also has sparked a revolution in communication and transportation which brings increasing numbers of people in all walks of life into direct, open, and immediate contact. International diplomacy; traditionally the task of men behind closed doors, has become a public matter. Many foreign offices no longer confine themselves to speaking with other foreign offices for peoples; they help and encourage peoples to speak for themselves across national boundaries. People-to-people communication has become a dominant force in international relations throughout the world.

Societies and their problems have become more complex. More and more people are educated and have become concerned citizens. The media reach and stimulate increasing numbers of people. The number of individuals and institutions that influence major decisions in every country is growing. This is true in international affairs as well as in domestic matters.

We share the concern of people throughout the world with the serious problems of disease, hunger, pollution, and overpopulation. We also share the frustration and sense of injustice such problems bring and the commitment to find solutions. Our futures are intertwined in the work to improve the quality of life on our planet. If we do not succeed in bringing about peaceful cooperation in the world over the next few decades, neither we nor our children will be able to give the necessary emphasis to solving our domestic problems. Working with our international counterparts and developing better communication and understanding are mutually reinforcing processes. Citizens are involved in and contributing to both.

The geometric increase in citizen involvement in world affairs has special significance for the diplomat. It is a fundamental, irreversible, and irresistible influence for peace. Nations are less likely to deal with their differences in absolute terms when their citizens communicate and cooperate with each other freely and frequently.

Nearly 500 United Nations specialists, selected by their home countries and funded by the U.N., are programed annually by the State Department through 30 other government agencies for six- to nine-month training programs in the United States.

The State Department's small but catalytic exchange-of-persons program stimulates constructive communication among leaders and future leaders in many fields here and abroad. It creates durable reservoirs of information, understanding, and empathy. It develops rewarding and lasting contacts of key people of other countries with their counterparts here.

PRIVATE SECTOR PARTICIPATION

These programs depend heavily on the willing cooperation of countless private individuals and organizations throughout the United States. Their response has been outstanding. The Department also contracts with a number of organizations to assist in carrying out these activities. For instance, COSERV—the National Council for Community Services to International Visitors—is a network of 80 voluntary organizations throughout the United States which enlists some 100,000 Americans to provide hospitality and orientation for international visitors. They serve voluntarily because they believe in the importance of their work to strengthen international understanding. This makes an indelible impression on the foreign visitors they serve.

Another organization, the National Association for Foreign Student Affairs, counsels many of the 150,000 foreign students now studying in American colleges and universities. The Institute of International Education and several private programing agencies help carry out the Fulbright and international visitor programs.

We in the Department of State are aware that our programs represent only a portion of the total private-public participation in exchanges aimed at furthering international mutual understanding. In addition to service organizations, professional associations of doctors, lawyers, journalists municipal administrators, and others link their members with counterparts throughout the world. More than 30 American sports organizations carry on international programs involving their athletes in competition, demonstrations, and coaching clinics here and abroad; several youth organizations conduct international exchanges involving nearly 5,000 American and foreign teenagers annually. Numerous foundations, businesses, and institutions throughout America facilitate the private studies of some of the nearly 150,000 foreign students who come to study in the United States annually and approximately half that number of Americans who study abroad each year. Private American performing arts groups tour other countries; reciprocal opportunities are offered to counterpart groups from abroad. The People-to-People Federation and its various committees actively promote and carry out meaningful exchanges; the sister city program of the Town Affiliation Association links some 400 American cities with communities in 60 countries of the world.

Before we undertook new exchange activities in the private sector last year, we asked the cultural affairs officers in our Embassies around the world whether they wanted an increase in exchanges by private groups. They were also asked whether these activities further our long-term purpose of increasing mutual understanding with their respective countries. Almost without exception the posts replied that they want increased exchanges. They want them to occur both to and from the United States. They confirmed that these activities contribute to removing barriers to understanding and to forming durable cooperative relationships.

Last year the Bureau of Educational and Cultural Affairs set up a special office to respond to the needs of private organizations seeking to participate in international person-to-person programs.

When people-to-people bonds and communications networks are more fully developed, there will be a greater readiness to communicate, to seek accommodation, and to negotiate. The likelihood of international confrontation will diminish, and prospects for peaceful solutions will be enhanced. This rationale governs the interest of the State Department in the furtherance of meaningful people-to-people exchange.

In the past few years, social scientists have increasingly studied the relevance of informal nongovernmental communications activities to matters of war and peace. Eminent social scientists such as Dr. Herbert Kelman at Harvard University are attempting to develop a scientific base for these cross-cultural communications activities. Their research suggests that the existence of informal communications tends to reduce the level of tension when conflicts of interest occur; they contribute to a climate of opinion in which conflicts may be negotiated more effectively. Second, their research indicates that informal relationships create a greater openness in individual attitudes toward other nations, peoples, and cultures; these predispositions also lead to greater readiness to communicate and to resolve differences peaceably. Third, social scientists tell us that international cooperation and exchange contribute to world-mindedness and to an internationalist or global perspective on what otherwise might be viewed either as purely national or essentially alien problems. Finally, international people-to-people relationships help develop enduring networks of communication which cut across boundaries and reduce the likehood of polarization along political or nationalist lines.

DEPARTMENT-SPONSORED EXCHANGES

When you think of the State Department's conduct of our international affairs, the exchange-of-persons program does not come immediately to mind. It is, nonetheless, a significant and important activity. The Bureau of Educational and Cultural Affairs works constantly and quietly to improve the climate for diplomacy and international cooperation. The exciting, challenging job of the Bureau is to utilize its modest funds and manpower to reinforce the work of American individuals and organizations who want to help construct, a little at a time, the foundation of better relationships with the rest of the world. It also coordinates, as necessary, the activities of other government agencies with international exchange programs in substantive fields such as health, education, social welfare, transportation, agriculture, military training, and urban planning.

Having come not too long ago from the business world, I have a great appreciation for what is being done for an investment of $40 million annually. There are several major elements of the exchange program:

The Fulbright-Hays exchange program over 25 years has engaged more than 100,000 people in academic exchanges. Annually, some 5,000 professors, lecturers, and scholars are exchanged to and from the United States.

The international visitor program brings to the United States about 1,500 foreign leaders and potential leaders annually for one- or two-month orientation programs. This includes nonacademic leaders and professionals, from Cabinet officers to journalists. One out of every 10 heads of state in the world today has been a State Department exchange visitor, as have some 250 Cabinet ministers of other nations.

The Department of State sends abroad annually several leading performing arts groups and athletic stars; for example, in the past year Duke Ellington toured the Soviet Union, several jazz groups performed in eastern Europe, the Utah Symphony toured South America, and Kareem Jabbar (Lew Alcindor) and Oscar Robertson of the Milwaukee Bucks visited Africa.

Some 150 prominent U.S. lecturers went abroad for six-week lecture tours in 1971.

Private Cooperation, on request, helps private organizations to become active internationally.

THE CONTRIBUTION OF SERVICE ORGANIZATIONS

In government and in the private sector, there is much to be done. Service organizations, such as Rotary International through its people-to-people programs, are doing a great job. Rotary's international youth exchange, involving 700 youths throughout the world annually, is a model program with considerable impact.

The Rotary Club matching program, which links Rotary Clubs in 150 countries with counterpart clubs for direct Rotarian-to-Rotarian relationships and shared service projects, is equally impressive. Rotary's world community service program has helped people throughout the world. Through Rotary International's small business clinic program, many individuals in less developed countries have been helped to self-sufficiency and community contribution.

Two other elements of the overall Rotary International outreach are especially meaningful. First, the mere existence of some 150,000 Rotary Clubs in 150 countries is a potent force for mutual understanding. Rotary, like other worldwide service organizations, is made up of leaders from all segments of society; this fraternal relationship—professional to professional, businessman to businessman, and so on—generates good will among millions throughout the world.

Another service which Rotary Clubs perform is the furtherance of international person-to-person relationships by others in their communities. In visits throughout the United States I have been impressed with the extent to which Rotary and other service clubs have initiated and developed sister city affiliations, people-to-people exchanges, international hospitality programs, and international activities of local performing arts and sports groups. These activities contribute to strengthened bonds between participating local groups and the nations involved.

I have been asked by leaders of service organizations what they might do to increase international understanding. Frankly, I cannot imagine a more significant organization outreach, either in concept or in program, than that of Rotary International.

I can only urge Rotary and other organizations to do more of the same—demonstrating so well the capacity for commitment of the American people in solving that most important of all human problems, the achievement of a sustained world peace, by sponsoring exchanges, providing community leadership in international programing, helping peoples of other nations to become less dependent, and strengthening international ties among key individuals and groups.

All this adds up to building a better world through people-to-people diplomacy. To accomplish this will require the patience, the persistence, and the participation of us all, public and private sector alike. But the result is well worth the effort. And I am confident that Rotary and the other service organizations will be found in the forefront of those who get the job done.

THE 55TH ANNIVERSARY OF THE ESTONIAN REPUBLIC

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HOWARD. Mr. Speaker, once again we in the Congress are reminded of the fact that many people in this world are suffering daily from the denial of their basic human freedoms, and risking their lives daily in an effort to obtain those freedoms.

February 24 marked the 55th anniversary of the establishment of the Estonian Republic. In the few brief years before the Republic was forced into the Soviet Union, a flame was ignited which burns to this day. The continuing efforts of the Estonian people, and the support provided by the Estonian community in America is an inspiration to us all. We who enjoy these freedoms as a matter of course are often not really aware of the drive which inspires others to obtain these freedoms at all cost. I believe it is important that we take cognizance of their efforts as a means of supporting them, and of reaffirming our dedication to our own democratic freedoms.

Our hearts and prayers are with the Estonians as they recall the important strides made during their years as one of the most effective new republics, and as they look forward to a continuing effort toward regaining that status.

Mr. Speaker, I insert at this point in the RECORD a resolution adopted by the Lakewood, N.J., Estonian Association during their commemorative observance on February 24:

RESOLUTION

We, Americans of Estonian ancestry, gathered on the 24th day of February 1973 at the Estonian House in Jackson, New Jersey to observe the 55th anniversary of the Proclamation of Independence of Estonia, and mindful of the fact that the homeland of our forefathers is still oppressed and suffering under the totalitarian rule of Soviet Russia, declare the following:

Whereas all peoples have the right to self-determination; by virtue of that right they freely determine their political status and freely pursue their economic, social, cultural, and religious development; and

Whereas the peoples of Estonia and the other Baltic countries of Latvia and Lithuania have been forcibly deprived of these rights by Soviet Russia; and

Whereas it has been the firm and consistent policy of the Government of the United States to support the aspirations of the Baltic peoples for self-determination and national independence:

Now, therefore be it:

Resolved, that we Americans of Estonian descent reaffirm our adherence to the principles for which the United States stands and pledge our support to the President and the Congress to achieve lasting peace, freedom, and justice in the world; also be it

Resolved, that we urge the President of the United States, in fulfillment of the provisions of House Concurrent Resolution 416 unanimously adopted by the Eighty-Ninth Congress, to direct the attention of world opinion at the United Nations and at other appropriate international forums to the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania; also be it

Resolved, that the United States delegation to the proposed Conference on Security and Cooperation in Europe seek the inclusion on the agenda of the Conference the question of freer movement of people, ideas, and information and the application of the principle of self-determination in the Soviet controlled territories in East-Central Europe; also be it

Resolved, that Radio Free Europe and Radio Liberty seek ways to initiate broadcasts on a regular basis, in the Estonian, Latvian, and Lithuanian languages; also be it

Resolved, that the President request that all maps published by the United States governmental agencies delineate the Baltic States in their original boundaries, with a footnote explaining that their military occupation and forced incorporation into the Soviet Union has never been recognized by the United States; also be it

Resolved, that the Secretary of State produce "Background Notes" on the Baltic States as a source of information for federal agencies, educators, schools, librarians and general public, and that all U.S. Government publications and lists of the nations of the world include the names of Estonia, Latvia, and Lithuania as separate entities; also be it

Resolved, that copies of this resolution be forwarded to the President of he United States, the Secretary of State, the U.S. Ambassador to the United Nations, the U.S. Senators of New Jersey, the Representatives of the Third and Sixth Congressional Districts of New Jersey, and the area press.

WEAL AND SEX DISCRIMINATION ON THE COLLEGE CAMPUS

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mrs. GRIFFITHS. Mr. Speaker, at this time, I would like to insert into the RECORD an article written by Dr. Bernice Sandler tracing the determined fight led by the Women's Equity Action League to end sex discrimination on the campus. Since WEAL filed its first complaint in 1970 against the academic community, there has been considerable progress coupled with vital extension of the law's protection to women in this area. The efforts of WEAL are to be congratulated, and I feel special thanks are due to Dr. Sandler herself for the leadership she has provided in this effort. The article follows, which appeared in the Chronicle of Higher Education, January 23, 1973:

THE DAY WEAL OPENED PANDORA'S BOX

(By Bernice Sandler)

Jan. 31, 1970, is not likely to be known as a day of historic importance, although it will undoubtedly appear as a footnote in women's studies textbooks. On that day, a small, unknown, women's civil-rights group, the Women's Equity Action League (WEAL), opened Pandora's box by filing its first complaint of sex discrimination against the academic community with an "industry-wide charge" of a pattern of sex discrimination.

The group urged that the federal government enforce the Executive Order with regard to sex discrimination in universities and colleges. The charges were accompanied by about 80 pages of documentation and later were followed by more than 360 class-action complaints filed by WEAL and other women's groups against individual institutions.

WEAL's action would have far-reaching implications for academia for years to come, but few academic pundits noticed. The "shot" rang round the campus, but few heard it.

In 1970 most men, and more than a few women, simply did not see sex discrimination as a problem on their campus, if indeed it was a problem anywhere. Very few data existed, and even the U.S. Office of Education kept no statistics on women faculty members. The concern with women's rights was slowly accelerating throughout the country, and only the bare stirrings were visible in the colleges.

On only two or three campuses, as a result of questioning and pressure from women, studies evaluating the status of women were initiated. A few individual women here and there were beginning to question their status more vocally, and, in a few places, they banded together to share complaints and press for changes. Campus "commissions on the status of women" were non-existent. By the fall of 1972 there were more than 1,000 courses in women's studies but, in 1970, only a handful of brave women taught the first courses. Student unrest preoccupied campus administrators, but the first demonstration by women concerning the firing of a woman professor received no attention. There are now more than 50 women's caucuses in the professional disciplines, but the three or four that were formed before 1970 had been greeted with laughter and derision.

NO ANTIDISCRIMINATION LAWS

When WEAL first planned its national campaign to end discrimination against women, there were no laws prohibiting sex discrimination in educational institutions. Title VII of the Civil Rights Act of 1964 forbade sex discrimination in employment but exempted educational institutions. In March, 1972, that act was extended to cover *all* educational institutions, public or private, regardless of whether or not they receive federal aid.

Title VI of the same act prohibited discrimination against the beneficiaries, such as students, in federally assisted programs, but it covered only race, color, and national origin. It was not until July 1, 1972, with the passage of the Educational Amendments Act, that discrimination on the basis of sex in federally assisted education programs was prohibited. Similarly, the Equal Pay Act excluded executive, administrative, and professional employees until July 1, 1972.

The U.S. Commission on Civil Rights had no jurisdiction over sex discrimination; in October, 1972, its jurisdiction was finally extended to include discrimination on the basis of sex. In 1970, the Equal Rights Amendment had not yet been passed by the Congress, and Rep. Edith Green's massive hearings on discrimination against women in education, the first ever to deal with the subject, were not yet scheduled. Curiously, at the time of WEAL's filing of its complaint, no one had ever testified before the Congress specifically about the discrimination women face in education.

In January, 1970, only the Executive Order applied, but it was unknown in the academic community. It covered all federal contractors, but had been enforced primarily with regard to minority blue-collar construction workers, not with regard to discrimination in educational institutions. Sex guidelines had not yet been issued by the government, and Order No. 4 (which detailed the requirements for affirmative action plans) did not apply to women, but only to minorities.

In short, women had no recourse under law in 1970, until WEAL discovered that the Executive Order applied to colleges and universities.

WEAL's filing of charges gave hope and courage to women on the campus. It confirmed what many had suspected but few knew how to document: that sex discrimination was real. It accelerated the growing concern of women on the campus about discrimination.

WEAL enlisted the aid of the federal government to help end discrimination by generating several *hundred* letters from Senators and Congressmen to the Departments of Labor and HEW. None of WEAL's charges or other class-action complaints have ever been refuted in the subsequent HEW investigations. In fact, more charges of sex discrimination in academia have been filed than those of all the other minorities put together.

The activities of WEAL, coupled with those of women on the campus, are in no small part responsible for the shift in Congress's attitude about sex discrimination on the campus. When the 92d Congress adjourned, academic women had almost all they had asked by way of legislation: Title VII of the Civil Rights Act, the Equal Pay Act, Title IX of the Education Amendments Act, the Equal Rights Amendment, and the coverage of sex discrimination by the U.S. Commission on Civil Rights. The mandate of the Congress is clear: it is a matter of national policy to prohibit discrimination against women on the campus.

Jan. 31, 1970, is a date women will remember for a long time.

VIRGINIAN CENSURES JUDGE MERHIGE

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mr. PARRIS. Mr. Speaker, I recently commented on the attempts by U.S. District Judge Robert R. Merhige, of Richmond, to legislate from his bench. And in so doing, I introduced a joint resolution calling for a constitutional amendment which would require the reconfirmation of all Federal judges every 8 years.

A former colleague of mine, Delegate Edward H. Ragsdale, recently addressed the Virginia House of Delegates on this subject and at this time I would like to include his remarks in the RECORD:

CENSURE AND CALL FOR IMPEACHMENT PROCEEDINGS OF FEDERAL DISTRICT JUDGE ROBERT R. MERHIGE

Mr. Speaker, ladies and gentlemen of the House: I rise on a point of personal privilege to speak on a subject which I feel threatens our very concept and system of government.

This legislative body may not have the total authority to act in correcting the situation; however, I would suggest very strongly that we have the obligation to speak and call on those who do have the authority to take immediate steps to correct a deplorable and crisis situation. I am sure not all of the members of this distinguished body would agree with what I am going to say. However, I would suggest that the overwhelming majority of those present have been stunned, shocked and dismayed at the arrogance, the contemptibility and abuse of authority which has been exercised by members of the Federal judiciary.

The framers of our Constitution recognized that checks and balances were essential since humans, being what they are, were subject to abuse of authority unless they have restraints placed upon them. Therefore, they very wisely provided for the legislative process to enact legislation, the judicial branch to interpret, and I would emphasize interpret, but neither legislate nor administer in relation to that legislation; with the implementation or the administration being provided through the executive branches of government.

There have been many cases which might be cited to indicate this abuse of authority, wherein the court has assumed the role of legislator and administrator. However, the most notable cases, which in themselves would justify what I will later recommend, are the school cases: I would suggest that the 1954 decision of the Supreme Court indicated that segregation was illegal but nowhere in the Constitution can one find reference to a requirement for compulsory integration or busing. We saw the beginning of the destruction of not only quality public education, but also our system of local government wherein public education is primarily the responsibility of local governments who underwrite that cost, generally at the rate of 75% of their total budget requirements, with the bulk of that revenue coming from local sources. It would follow that, if local jurisdictional boundaries can be ignored by the judiciary and local government destroyed as a result, it will be necessary for us to go back to the very beginning of Virginia's concept of local government and totally restructure local government in this State. I would submit to you that this is a clear, concise and cardinal example of an abuse of judicial authority since nowhere in the Virginia Constitution; nowhere in the Federal Constitution; and nowhere in Federal legislation has any law ever been enacted to require this and, therefore, it is purely an attempt at a legislative act by a Federal judge. In fact, without going into detail, it is obvious that the Federal court has taken over the full responsibility for the administration of the educational program in our public schools and this is in direct violation to the constitutional mandate for separation of power.

This past week we were shocked once again to see the arrogance of the Federal judiciary in an obvious attempt to circumvent the governmental immunity of the State of Virginia by ordering a public employee to pay out of his own pocket $21,265 for, if you will, physical and mental injuries and wage losses suffered by penitentiary inmates. There is no question that the Director of the State Division of Corrections, Mr. Cunningham, was acting strictly and solely on behalf of, and as an agent for, the Commonwealth of Virginia and not in any sense in a personal capacity and, therefore, this is a deliberate circumvention of the law by a Federal judge.

I don't believe there is a person here who would not vote to support a claim for reimbursement to Mr. Cunningham, should he ultimately be required to pay and I am sure that Judge Merhige knows this, which may well be why he entered the order, but the point I want to specifically make is the court's arrogance for the laws giving governmental immunity to the State of Virginia. Should this go unchallenged, obviously where it could lead us to could only stagger the imagination.

This last order is only one in a series wherein the Federal court has taken over the administration of the prison system of this State and is coddling violent criminals who are there because of crimes they have committeed against society.

Is it any wonder that we read in our papers on Saturday the article titled. "Guards Called No Longer in Control at State Prison"? The article pointed out "The guards are bewildered and they are no longer a controlling factor." It further pointed out "that the prison is operating in a dangerous power vacuum, without a controlling force." Is it any wonder in light of Judge Merhige's coddling of criminals?

Ladies and gentlemen of the House, I would suggest that a crisis exists, not only in the threat to local government and State authority, but more immediately to the control of our State prison system, which from all reports from all sides would appear to be on the verge of a serious disruption. I would suggest that the problem is so severe that we do not have time for blue ribbon panels or studies of penal reform, but that immediately the State of Virginia must assert its authority and reassume control of this State institution if the public is to be protected and, not the least to consider, is the protection that must also be given to those prisoners who are being threatened daily by fellow inmates.

Is it any less of a crime for sodomy to be committed in the penitentiary than if it is committed outside? I would suggest that our penal officials immediately begin to prosecute those who commit crime within the penitentiary against their fellow inmates to the fullest extent of the law that exists. Further, I would recommend by copy of this statement, as well as separate letter, and I do call on the Governor of the Commonwealth of Virginia to immediately transmit to the General Assembly now assembled recommendations for specific legislation to be used by the penal administrators in restoring and maintaining order within the penitentiary. Specifically I would request legislation which would put into law what has been done by administrative order all that is necessary for the orderly operation of a penal institution and further provide that any violation of these acts when adopted by the General Assembly will be felonies and will be punishable as such. Finally, I would specifically request legislation which would give the State authority to immediately place in solitary confinement charged with a violation of these sections of the statute and that they shall be authorized to retain them in solitary confinement until their cases are disposed of by due process of law or until such time as the penal authorities feel they can be re-integrated into the penal community without doing violence to the other members of that community.

If the Governor either refuses or fails to act in time for this General Assembly to take action, then I specifically request Mr. Otis L. Brown, Secretary of Human Resources, to have the necessary legislation prepared which can be pre-filed for introduction at the next session of the General Assembly.

This final statement is made with full knowledge and absolute awareness of its implications. However, in light of the facts thus stated, and many others, we have seen one man in a position of public trust be a party to or initiate actions which threaten our very system and concept of government or, specifically, which will result in the destruction of local government; which will further, totally destroy any opportunity we may have had for quality education in this country, that is essential to all of its citizens both black and white; who has further assumed administrative and legislative responsibilities in respect to our school systems, our State penal system and, of a more serious nature, has completely and totally undermined the public's confidence and respect for law and order as a result of his actions, with the public by and large holding Judge Merhige in utter contempt. Thus undermining the respect for law which is necessary if our system of government is to survive in a democratic society. All these things, plus his opprobrious behavior as a Federal judge, requires and by copy of this statement and separate letter I am requesting both Senator Byrd and Senator Scott to immediately initiate impeachment proceedings against Robert R. Merhige, judge of the Federal District Court in the city of Richmond.

I would invite those delegates who would like to join in either or both of these requests to sign the letter to the Governor and/or letters to Senators Byrd and Scott.

ESTABLISHING MAXIMUM AND MINIMUM WATER LEVELS ON THE GREAT LAKES

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. VANIK. Mr. Speaker, for the last half year, water levels on Lake Erie have reached unprecedented high levels—and are expected to go even higher this spring. These water levels, which are as much as 30 inches above long term average and 3.76 feet above low-water datum, are whipped even higher during the fierce spring and fall storms which strike the Great Lakes.

As a result of these unprecedented water levels, communities and homeowners up and down the coastlines of the lakes are suffering severe flooding and erosion problems. In low-lying areas, particularly around river mouths, entire cities are faced with massive flooding as soon as the first major storm of the year strikes. Other cities, built on the glacial bluffs characteristic of the Great Lakes shorelines, are experiencing severe erosion as waves strike portions of the soft clay bluffs which have never been subject to wave action before. In some places, this erosion has carried away up to 20 feet of shoreline in a day. The net result is that the Great Lakes shoreline communities are—and will be—suffering hundreds of millions of dollars of damage. The abrupt nature of the erosion and the seriousness of the flooding creates an immediate threat to human life.

The enormity of the disaster which threatens the Great Lakes area was well-described in an article which appeared in last Sunday's February 25, 1973, New York Times, entitled, "Great Lakes Shore Towns Await 'Flood of the Century'." This front-page article reports:

GREAT LAKES SHORE TOWNS AWAIT "FLOOD OF THE CENTURY"

(By William K. Stevens)

PORT CLINTON, OHIO, Feb. 24—The 7,200 people of this normally relaxed fishing and resort town on the southwestern shore of Lake Erie are waiting for disaster to strike.

They expect it in a month or two or three, whenever the first three-day northeast gale of 1973 roars across a lake swollen by the spring thaw to its highest level on record. The northeaster's 50- and 60-mile-an-hour winds are expected to push billions of gallons of water onto the south shore of the lake. It will be, they say hereabouts, as though a gigantic, brimful saucer were suddenly tipped.

Here and all along the shores of Lakes Erie, Michigan, Huron, Ontario and Saint Clair, citizens are piling up sandbags, building dikes and otherwise bracing for what the Army Corps of Engineers says will be the Great Lakes flood of the century.

Some communities are for the most part waiting helplessly, sure that their best efforts will not keep the waters away. Port Clinton, for instance, is particularly vulnerable to the combination of high water and high wind, situated as it is on a narrow neck of land between Lake Erie and Sandusky Bay.

"If it comes like everyone is predicting, you'll find that Port Clinton is the Venice of Ohio," Mayor John Fritz said the other day.

Three straight years of abnormally high rainfall have raised Lakes Erie and Saint Clair to their righest levels—two feet and more above average, five and six feet above past low-water marks—since record-keeping began in 1860. Towns along Lakes Michigan and Huron are experiencing their highest waters since 1900. Lake Ontario is expected to reach near-record high levels by spring.

In these lakes, any high, sustained cross-lake winds of the kind that invariably come in the spring are said to pose substantial threats to windward communities. Only Lake Superior, where the water level has been deliberately controlled for some years, appears likely to substantially escape flooding.

STORM IS CONVINCING

The Nov. 14 storm, which caused an estimated $3-million in damage in the Port Clinton area alone, made believers out of many who had not been before.

To the east of town, out on the Marblehead Peninsula, the November waves cracked to pieces a 200-yard-long dock of solid concrete that had stood for a hundred years. They tore apart the wooden docks at Limpert's Marina, not far away.

James E. Patz and his family had to evacuate their home west of Port Clinton, nearly a mile from the lake, when water poured through the living room picture window and rose to window level on a neighbor's car. "I've lived here all my life, and I thought I was safe," Mr. Patz said.

When the Patzes were evacuated by boat, they took along a wild rabbit whose fear of humans vanished in the face of the flood. Five hunting dogs across the way were not so lucky. Tethered, they drowned.

A little farther west, the November storm destroyed many beachfront homes. John Verb, 31 years old, and his family had to be evacuated by helicopter from their $27,000 home, which soon became a wreck valued at $6,000. Like many other area residents, he is trying to get a Small Business Administration loan to repair the damages.

"I love this place," said a wistful Mr. Verb. "In the summertime it was so beautiful."

VAST LOSSES EXPECTED

Ohio has made no estimate of the damage that might result from the expected spring floods, but Michigan has. That state's Department of Natural Resources has calculated that Michigan alone will suffer $112-million in damage, the most since the last major Great Lakes flood in 1952.

The present high water levels will remain for as much as a year or more. In time, the lakes will return to normal. But then, if past history is any guide, the lakes may enter a low-water cycle—a period of extended low water levels which can be devastating to the economy and employment of the region. Excessively low water levels reduce the volume of cargo which ships can carry. In 1957, the Army Corps of Engineers estimated that for every diversion of 1,000 cubic feet of water per second out of the Great Lakes drainage basin, the electric power loss at Niagara was $750,000 annually and the loss to U.S. shipping would be $240,000 annually. These loss figures would be even higher today during a low water cycle. Thus, excessively lower lake levels can cause serious economic loss to the entire Midwest.

It is obvious that it is in the best interests of the area—and of the entire Nation—to avoid these extremely high and extremely low water levels.

After the last extremely low water levels in 1963–1964, the Governments of Canada and the United States agreed to conduct a study on how the water levels on the lakes could be controlled. After 9 years, that study is still not completed.

Yet we know that these lakes—as huge as they are—can be regulated to some considerable extent. Lake Superior, the largest of the Great Lakes, and Lake Ontario both have control grates and devices which permit the International Joint Commission to regulate the flow of water out of these lakes. The water level of these two lakes cannot be controlled to the precise inch—but there is a range of maximum and minimum levels which can be maintained—maintained both for the benefit of the shoreline communities as well as for the power companies which use the waterflow and the shipping companies which need certain channel depths to navigate. If we can maintain minimum water levels on these two lakes, we can certainly maintain maximum levels which cannot be exceeded.

But while two of the lakes are controlled, the middle three: Huron, Michigan, and Erie, are not. Hopefully, the ongoing International Joint Commission study will recommend ways and means to control the levels on these three lakes. If the Commission does not, then a new Commission should take a specific look at this problem and come up with engineering recommendations which can be implemented to control the range of water levels. For example, it seems to me that widening and deepening of the Niagara River, if accompanied by the construction of control gates and matching work on the St. Lawrence River, could prevent further water level extremes on Lake Erie.

To support the development of such a study and the construction of public works to protect the economy of the Great Lakes Basin, I am introducing today a resolution requesting the President, through the Secretary of State, to enter into negotiations with Canada on the subject of controlling the level of the lakes.

Mr. Speaker, it is absurd for us in the industrial heartland of the Nation to suffer these extreme fluctuations in water levels which have such a serious impact on the economy of the whole area. It is my hope that this bill will receive favorable consideration and that this Nation will enter into negotiations with Canada to improve the safety and usefulness of the Great Lakes.

COPERNICUS WAS GERMAN

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RARICK. Mr. Speaker, for years many Americans have chuckled at the Communist efforts to cover up their shortcomings and cultural voids by rewriting history to steal credit and acclaim of accomplishment.

Americans are also aware of efforts afoot in our country to suppress history and distort truths to mold the thinking of our youth into so-called desirable egalitarian goals.

Now we learn that our Government and the liberal press have joined together to exploit for political benefit the great Prussian astronomer Nicolaus Copernicus by designating him a Pole. Quite obviously this latest cultural theft can but be designed to exploit the rift between the Poles and Germans over debated lands following World War II.

Little wonder the Soviets are reported ready to sign the 1952 Geneva Copyright Convention. They have so many agents writing out of the country they want to protect their writings within Russia.

True, we are in a new area of negotiation with the Red Poles, more trade, foreign aid, cultural exchange. A Pole was elected President of the World Bank and Chase Manhattan, Rockefeller has established a bank dialog with Poland—and now we have given the Polish Government $1,391,000 for an astronomy center to celebrate Copernicus' anniversary.

The only difference between book burning and book rewriting is a fire of politics.

Apparently the Communist theory on rewriting history is that as their forces aggress and they occupy new colonies, not only the enslaved inhabitants, but the culture and achievements of that area belong to them—even though Copernicus lived 500 years ago and the Bolshevik Revolution occured in 1917. The liberal response is, usually, "don't confuse me with facts."

Related material follows:

[From the Flushing (N.Y.), Voice of the Federation, January 1973]

Nicolaus Copernicus: The Great German Scholar

(By Hans von Thenen)

Historical lies invade everything: history books, encyclopedias, and, of course, textbooks for schools, not to speak of newspapers and the other modern mass media. To name only one example: on August 22, 1972, a news item in the daily press reported that a new complicated satellite had been launched the day before, Monday, August 21. The caption under the picture in The New York Times read in part: "The 32 inch telescope (of the Orbiting Astronomical Observatory) is the largest such instrument placed in earth orbit. Vehicle has been named for Copernicus." In the text of the report by John Noble Wilford the astonished reader finds these sentences, first that this satellite is to observe "phenommena never dreamt of by the Polish monk, the father of modern astronomy" Nicolaus Copernicus, and "among those viewing the launching were Witold Trampczynski, Poland's ambassador to the United States." Finally—the only true part of it—"Next year marks the 500th anniversary of the birth of Nicolaus Copernicus in 1473." A similar report was in the New York Daily News.

As one of those astonished readers I wrote to both papers. There was no answer from the Daily News. But I was really surprised to receive a letter from Mr. George Palmer, Assistant to the Managing Editor of The New York Times, surprised especially in view of the fact that my letter had been very frank.

In his answer, dated August 29, 1972, Mr. Palmer, said: ". . . We're sorry if our reporters have been misled by the standard reference books, which refer to Copernicus as a Polish astronomer . . ."

The reason why such errors sneaked into American reference books (they are, of course, not in German encyclopedias) may be twofold: first, Anti-Germanism plus Polish chauvinism, second negligence, on the part of German-Americans who should long ago have notified lexicographers and their publishers of that historical-biographical lie.

To people who went to German schools, the mere thought of Copernicus as a Pole is ridiculous nonsense. Yet, to avoid the suspicion that my knowledge, derived from older reference books (1914 and before), might be considered too "teutonic", I am using as main source for this article the present five-volume standard biographical work "The Great Germans." This leading reference book, which reappeared in 1956, was revised and edited by none other than Professor Theodor Heuss, the first President of the German Federal Republic, a man who is above suspicion as a supernationalist or anti-Pole, and a man who lives even in the memory of people who were not too friendly to the German cause, as an individual of truthfulness and integrity.

As can be seen and read in any German history book or any atlas, and as I had said in my letter to The New York Times, Slavic people did not cross the Vistula River before the fifth century A.D. when they started invading the territory that fills the bend of that river where today Warsaw is located. The city of Thorn was founded by the knights of the Teutonic Order in the 13th century as a bastion against the pagan Pruzzi. There Nicolaus Copernicus was born on February 19, 1473. Thorn became famous as a trade center of the German Hansa, but declined in significance when Danzig, due to its location on the sea, kept growing. Polish westward trends even then brought West Prussia, including Thorn, under temporary rule of the Polish king. I was never there, but the name was dear to me as a famous place of German literature, and because many generations of my wife's family have lived there.

The father, Niklas Koppernigk, came to Thorn about 1456. Soon he became a well-respected merchant and rose to a high position in the administration of this hometown of his choice. He married Barbara Watzelrode the daughter of another merchant. Of the four children of this marriage Nicolaus was the youngest. The father died when Nicolaus was only ten years old. The four children were then educated by their uncle, the mother's brother, Lucas Watzelrode. Lucas had studied at universities in Italy and was about to be made a bishop. Nicolaus had kept faith in his uncle all his life. In 1491 young Nicolaus went to the university of Krakau which at that time was the only one in Europe with a chair for astronomy.

Whether he had spent four full years there is to be doubted because he did not earn a degree. But it is certain that in 1495 he was back home in Germany, and in October of that year he was made a canon in the town of Frauenburg. He owed this promotion to his uncle Watzelrode who in 1489 had become bishop of the diocese of Ermland in West Prussia with the bishopric seat in the town of Heilsberg and was thus in charge of the cathedral chapter of "Frauenburg." A document which Nicolaus had prepared while in Bologna in 1497 seems to indicate that he was ordained a priest there, while before, in February 1496, he was called a simple cleric—but this is an uncertain speculation.

In Bologna he had studied Canon Law, together with his brother, and both had become members of Natio Germanica, the greatest student fraternity, open only to Germans—another proof that Copernicus and his kin were not only German by birth but also by national conviction. It was also in Bologna that Copernicus, perhaps under the influence of his teacher, Professor Domenico Maria de Novara, became doubtful about the nature of the universe as envisioned by Ptolemy, and also in philosophy where he switched from Aristotle to Plato.

The ecclesiastical authorities at that time did not put any ideological pressure on Nicolaus for his deviation from the old astronomical concept and after three years at Bologna he spent another year in Rome to participate in the festivities of the Jubilee Year 1500 and lectured there as "Professor Mathematum". After a short visit to his German homeland he went to Italy again to finish his study of Law at the university of Padua. There he also learned the classical Greek language and studied especially the works of Plato which, as he said later in the dedication of his work to Pope Paul III, gave him the inspiration for his new astronomy theory.

In 1503 Nicolaus went to Ferrara where he obtained the doctor degree of Canon Law. This is eminently important as proof of his German nationality. The original document of his promotion is still preserved, and in it Copernicus is not only named as Canon of the Cathedral of Ermland but also as "Domherr (canon) Scholasticus at the Church of the Holy Cross in Breslau". Breslau, the ever German capital of Silesia, was a completely German foundation where as early as the year 1000 there is historical confirmation of the first German bishop, Johannes, and where—as in every other town or village of Silesia—not one single stone indicates Slavic culture.

During another year in Padua Copernicus completed his medical studies, too, and back in Frauenburg he became a well-established physician. It is not known, however, whether he received a doctor's degree in Padua. After his return to Germany Copernicus remained in Ermland. But at the request of his ailing uncle he did not take residence in Frauenburg, but at the bishop's palace in Heilsberg where he lived as medical adviser until the uncle's death in 1512. It was then that he laid the groundwork for his new theories, still preserved in two manuscripts. Still theories then: it was an introduction to the essentials but without the mathematical proof. Only after decades of reckoning, self-criticism, deliberation, and led by his high sense of responsibility did he decide to have his work printed.

After Bishop Lucas Watzelrode's death Copernicus left Heilsberg and spent the rest of his life in Frauenburg. There, at the northwest corner of the old city wall, still stands the tower in which Copernicus had lived, and where the great work was born that made him immortal and one of the really great Germans. This article is not written to describe Copernicus' astronomic and philosophic achievements in detail. This can be found in every textbook and atlas about the Ptolemaic and Copernican systems. With only primitive instruments Copernicus built up his theories. But even if he refused to write anything definite yet, his fame began to spread throughout Europe, and in 1515 he was invited by the Lateran Council to cooperate in the reformation of the Calendar. Copernicus refused, for the wise reason that any attempt to revise the calendar would be futile unless the exact movements of the sun and the moon were known. It was a victory he did not live long enough to share: the calendar reform did not take place until forty years after his death—based upon Copernicus' astronomic findings.

Even as Canon of Frauenburg Copernicus also kept busy in the political and diplomatic fields, and the secular as well as the ecclesiastical authorities sought his advice in especially difficult situations. From November 1516 on he spent several years away from Frauenburg on a special commission by the Church and lived at the castle of Allenstein when the Poles openly attacked the possessions of German Knights.

The old German towns of Heilsberg, Frauenburg and Allenstein often were in the combat zone. After the war Copernicus did everything to help the population of the devastated regions. Now Copernicus showed another facet of his various abilities: the German currency had suffered much from the war, and the Prussian "Landtag" (parliament) approved a new law to stabilize the monetary system—all according to two proposals Copernicus had presented to the authorities in 1522 and 1528—which was another important service the Canon of Frauenburg rendered to his native Germany.

When Luther's Reformation threatened to split German unity, Copernicus took a conciliatory position and tried to prevent an open rift. Meanwhile interest in his new theories captured ever wilder audiences, and in 1533 Pope Clemens VII asked to be introduced to the new picture of the Universe. Among Copernicus' friends were most of all Tiedemann Giese, the bishop of KULM (I mentioned the facsimile letter Copernicus had written to him—in Latin, of course!), and Georg Joachim von Feldkirch, a young Protestant theologian of Wittenberg and professor of astronomy who became known under the name Rheticus. That there was no religious hatred among scientists at that time, can be seen in the fact that it was the Protestant Rheticus who, in agreement with the Canon of Frauenburg, published a "Vorbericht" or Interim Report (Narratio Prima) when finally Copernicus, after he had kept silence for "four times nine years", gave his life work to the public. He dedicated it to Pope Paul III to "give evidence to scholars as well as to the uneducated that he was not afraid of any man's judgment."

There was one discrepancy in the printed work whose title was "De Revolutionibus" (about the revolutions or rotations): to Copernicus his findings were not theories or hypotheses anymore but irrefutable truth. The man who supervised the printing in Nuremberg, however, Lutheran preacher Andreas Osiander, added, without Copernicus' knowledge, an anonymous preface, titled "On the Hypotheses of this work"—which was contrary to what the Canon had in mind. Since Osiander speaks of Copernicus in the third person, however, the reader knows that the preface expresses just the editor's private opinion.

Today, of course, every child knows what Copernicus has found out: that the Sun is the center of our celestial system, and the Earth just a planet among planets. In his dedication Copernicus wrote—in agreement with his friends—: "They said that, the more paradoxical my doctrine about the movement (of the planets including the Earth) seemed to be to most of them, the more admiration and thanks it will reap when those—after reading my commentaries—will see the 'mist of the paradox' disappear in view of the clear proof."

While printing of the work was in progress—in the winter of 1542-3—Copernicus suffered a heart attack, with no hope of recovery. On May 24, 1543 he passed away. In the same month his finished work began its road of triumph through History. There is but one shadow in this history—and it is of very recent origin: in all these 500 years nobody—in the scientific world or among the general public—ever thought of "making" Copernicus a native of Poland. His status as a German was so matter-of-fact that Poland in connection with his nationality was never even mentioned. And I wonder how and at what time this great German got into American reference books as a "Pole". Was it after the Russian revolution of 1917? In this connection it should not be forgotten that the new sovereign state of Poland—part or even slave of Tsarist Russia until then!—owes this sovereignty to nobody but imperial Germany, then victorious against Russia.

When The New York Times on December 28, 1972, reported on events marking the planned celebration of Nicolaus Copernicus' 500th birthday, there was again no mention that this great man was a German. With utter astonishment we read that the Poles changed the names of those old German towns: Thorn, where Copernicus was born, which the Poles changed to Torun, and Frauenburg, where Copernicus had spent most of his later life, and where he had written his famous books, to Frombork—which is sheer nonsense because this word means nothing, just an accommodation of the German word to Polish tongues. The original Frauenburg has the same meaning as the worldfamous Marienburg: there is no part of Germany where before the Reformation so many towns and churches had been named after Mary, mother of the Messiah, in German (especially in church hymns) often called "Unsere Liebe Frau".

If Poland today claims Copernicus as a Pole, the only explanation they may have, is this: they robbed ancient German land and think, everyone and everything that had lived in or was part of that territory became Polish "automatically". If the trend of our time is still anti-German, not only in our liberal leftist mass media but also in the present West-German government, represented by the Norwegian Pro-communist Brandt and the Soviet citizen Wehner, yet historical truth cannot be suppressed forever, and the time is not far away when the great Nicolaus Copernicus will again be celebrated as one of the giants of German history—and his home province will again be part of the great re-united German Reich.

A POSTSCRIPT

While I was completing this article, news items come pouring in from many sides protesting the Polish arrogance in lying Nicolaus Copernicus into a "Polish National". A West German religious paper "Heimat and Glaube" carries a short item "The Truth About Copernicus". This is in fact the report about a protest action Mr. Walter A. Kollacks, the president of DANK, (The German American National Congress), had written to the Postmaster General in Washington after American Polish groups had asked him to issue a commemorative stamp with the picture of the great "Polish" astronomer: "To call Copernicus, who was of German origin and had lived and died in the German town Frauenburg, a Pole, is plain 'cultural theft' " wrote Mr. Kollacks. In a lame reply without any explanation the American Polish organization in the State of Illinois called Mr. Kollack's statement ."inaccurate."

Even better is a letter that appeared in the German language paper of South Africa Afrika-Spiegel (Pretoria) No. 71, November-December 1972, page 23, commented by the editor under the head line "Certainly not intended". He said "South African radio is known for its objectivity and accuracy" (contrary to the news media of liberal and leftist countries). "But an occasional lapse is human." The editor received numerous irate complaints after a broadcast of Radio Springbok on August 21, 1972, had transmitted a "Soviet-Polish" news item. "The Warsaw communists "mint" the famous German astronomer Nicolaus Copernicus, 500 years after his death, into a "saloon-Pole" although he had never anything to do with those people.—If such an error occurs, it is a proper thing to write politely but firmly to the people concerned, as the best way to prevent repetition."

[From the Washington Evening Star and Daily News, Feb. 8, 1973]

World Court Elects Pole as President

The Hague.—Judge Manfred Lachs of Poland, 58, was elected president of the World Court today in succession to Sir Zafrulla Khan of Pakistan who has retired, the World Court announced. Vice President Fouad Ammoun, 73, of Lebanon, was reelected.

The world court has 15 judges elected by the United Nations General Assembly and the Security Council. The court elects its own president and vice-president.

[From the Washington Evening Star and Daily News, Feb. 21, 1973]

Center To Honor Copernicus' Birth

Warsaw.—U.S. Ambassador Richard T. Davies has given the Polish government the first installment of $1,391,000 being given by the United States for an astronomy center to mark the 500th anniversary of the birth of Polish astronomer Nicolus Copernicus.

The check was presented to Wlodzimierz Trzebiatowski, president of the Academy of Sciences. The gift will pay for a building to house a center for the study of astrophysics and related branches of physics, an embassy spokesman said.

The center will be equipped by the academy. Construction is to start in June.

Copernicus promulgated the theory that the earth and planets move about the sun. He was born in Torun, about 120 miles northwest of Warsaw, on Feb. 19, 1473.

[From the Washington Evening Star-Daily News, Feb. 26, 1973]

Soviet Copyright Move

London.—A well-informed Soviet journalist says Russia is about to sign the 1952 Geneva copyright convention.

The move would make it easier for foreign writers to receive royalties on their works published in the Soviet Union. But it could also help Soviet authorities crack down on dissident writers smuggling works to the West.

Victor Louis, a Soviet citizen writing recently in the London Evening News, said the Russians were about to sign the convention. He gave no date for the proposed signing or any further details.

Louis has high-level contacts in Moscow and is often the first to report important changes to the West, among them the removal of Nikita Khrushchev from power in 1964.

In the past, the Soviets have paid royalties only to foreign writers of their choice, usually those with Communist views or those whose writings fit Communist propaganda aims. The writers usually had to go to Russia to collect their royalties in rubles and spend them there.

If the Soviets sign the Geneva convention, it would bring Soviet law on literary piracy in line with the standards established in the rest of the world. The Russians would no longer be allowed to publish a foreign work without paying for it. And they could not translate works for publication in Russia without the author's permission.

But by signing the convention they could force dissident writers to send works abroad through legal channels or face jail sentences.

There now is no Soviet law against sending works abroad for publication, only for slandering the Soviet state.

Dissident writers have been jailed for what they said in works published abroad, rather than for sending manuscripts out of the country.

By signing the copyright convention, the Russians could change all that. Signature gives the state a legal position in international literary dealings. And since the Soviet state has a monopoly in all matters of foreign trade, an author who sent a manuscript abroad outside state channels could be jailed for breaking that monopoly.

He would then risk sentence of three to 10 years in jail, plus confiscation of property, and five years exile in Siberia.

[From the Flushing (N.Y.) Voice of the Federation, January 1973]

More on Copernicus

Our valued member from Buffalo, Mr. John Engelbrecht (whose letter appears in the Letters to the Editor) has sent us a photocopy of pages 188 and 189 (the first two pages of Chapter 18, headed "Copernicus") of a book entitled "A History of Astronomy" by A. Pannekoek, published by Interscience Publishers. The following excerpt reiterates the fact of Copernicus' German nationality:

"Copernicus (Niklas Koppernigk), born in 1473 at Thorn (now Polish: Torun), was descended from a family of German colonists, who a century before had been called into the country by the Polish king. German immigrants had already settled in these eastern regions, first under the rule of the Knights of the German Order, then under the Polish kings. They had founded a number of prosperous towns, such as Danzig, Thorn and Cracow, which became flourishing centres of trade and commerce and seats of urban culture. Such pioneers, as we remarked in a former case, are more open-minded, less prejudiced, and less bound to tradition than people staying on in their old homes."

THE CASE FOR FULL EMPLOYMENT

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. STOKES. Mr. Speaker, Mr. William Spring, a professional staff member of the Senate Employment, Manpower and Poverty Subcommittee, has prepared a brilliant and factual analysis of the "work ethic." His report appeared in the February 26, 1973, edition of the Washington Post and it was entitled, "The Case for Full Employment."

Mr. Spring has, frankly and dispassionately, explored the phenomenon of a President who extols the "work ethic" while crushing job opportunities. He examines the budget with a magnifying glass and then reaches back, into recent history, for an explanation as to why a Federal commitment to full employment is absolutely essential. Mr. Spring notes that—

> When we choose unemployment we are inevitably then choosing poverty, welfare and crime.

And he concludes with the commonsense injunction that—

> If we are serious about the work ethic we must be equally serious about providing job opportunities at decent pay for all.

I present my colleagues with this outstanding report by Mr. William Spring:

THE CASE FOR FULL EMPLOYMENT

(By William Spring)

What good is the work ethic if there is not enough work?

In Franklin D. Roosevelt's New Economic Bill of Rights in 1944, the first right was the right to a job and second the right to earn enough for a decent life. It is sad to find ourselves—nearly 30 years later—with an administration using the "work ethic" as a cattle prod against the poor while drastically cutting back those programs designed to create jobs and train people for work.

While the overall budget goes up some $19 billion, job funds are drastically slashed:

The Emergency Employment Act, passed in 1971 after years of effort as a beginning on a major public service employment program is abandoned. This year $1 billion and about 180,000 jobs in state and local government are provided.

Funds available to states and cities to operate other job creation and training programs are cut by 29 per cent below their 1972 level from $1.6 to $1.1 billion. For this fiscal year (1973) a cut of $238 million from already appropriated funds is proposed.

Funds to operate local community action programs—used to administer Mainstream, Neighborhood Youth Corps, Concentrated Employment and other programs—are also eliminated.

No supplemental appropriations for the summer Neighborhood Youth Corps jobs—when black teen-age unemployment stands at 38.6 per cent (December 1972).

One would expect an administration serious about combating urban street crime would move to increase job opportunities for unemployed city youth—not cut them.

All these cuts are in addition to ending the Model Cities program—a source of jobs for the poor—and cutting federal support for low-cost housing, and ending the Economic Development Administration's small scale efforts to revive commerce and create jobs in areas of high unemployment.

Then the administration proposes to turn over responsibility for these truncated manpower programs to state and local officials. It shows a certain chutzpah: the President saddles local officials with shrinking programs (who'll do the firing?), cuts the budget at the expense of the powerless and praises himself the while for dedication to self-reliance and local control.

It is argued that, with national unemployment down to 5 per cent, the problem is no longer really serious. But in 1970—when national unemployment last stood at about 5 per cent—a special Census Bureau survey found 9.5 per cent unemployment in the poorer areas (typically one third of the city) of 51 of our larger urban centers. And subemployment—including discouraged workers unable to secure fulltime work, and those earning under $2 an hour—stood at 30.5 per cent of the work force.

Between 1964—when Sen. Gaylord Nelson (D-Wis.), now chairman of the Senate manpower subcommittee, first introduced legislation to create a $1 billion public service employment program—and 1971—when the Emergency Employment Act actually passed—congressional recognition of the seriousness of unemployment and subemployment in rural and inner city areas has grown. It has come to be seen that the fundamental problem is not the skill levels of the workers but the nature of the job market.

While Congress saw more job creation as the best solution to the difficulties encountered by manpower programs for the poor, the administration has fallen back on the old maxim: when in trouble, reorganize. And, indeed, the welter of funding patterns for manpower programs, and the ever more complex cats-cradels of regulations spun out by the Labor Department have convinced nearly all observers that decentralization can only help—if it's carried out with care.

The administration first proposed turning over power for planning and administering manpower programs to states and cities in August, 1969. By December, 1970 the Congress had hammered out the compromises necessary to pass legislation carrying out the concept. Of course, the legislation was not in precisely the form dictated by the White House. In a democracy built on compromise and consensus, legislation seldom exactly meets presidential specification. The bill also included a beginning on a major public service employment program. In any case the President vetoed that bill with slighting remarks about "W.P.A.-type jobs."

When you make fundamental changes in the administrative arrangements for a program as complicated as manpower has grown to be—a program involving states, cities, community action agencies, the employment service, vocational education, labor unions, business groups and a series of special purpose non-profit agencies—it is essential that it be done with great care to minimize confusion and antagonism. That is precisely what the congressional process is designed to do.

However, the administration has announced its intent to move to "manpower revenue sharing" without seeking change in existing law. This will require twisting the intent of laws already on the books—for instance Title IB of the Economic Opportunity Act was drafted to assure community action agencies and the poor a significant part of the action—but just as important it leaves all the actors living in fear of government by decree, in fear of arbitrary actions by an administration not noted for either its compassion or its integrity.

Only seven months after his veto of the 1970 manpower bill the President was signing and praising the Emergency Employment Act. Under the program the 180,000 jobs have gone to Vietnam veterans (27 per cent), the poor (about 33 per cent) and unemployed aerospace workers. Jobs include police, fire, education, health and conservation work in programs run by local officials.

Now, with unemployment still at chronic depression levels in the innercities, the Emergency Employment Act (EEA) is to be ended abruptly—landing thousands of workers back on the street. The New York City budget director told the Joint Economic Committee recently that New York would have to lay off 3,000 EEA employees if Congress didn't force the administration to fund the program.

Full employment is the first responsibility of the central government in a technologically advanced nation. The unemployment-inflation trade-off is not simply between inflation for all versus temporary unemployment for a few. In the poverty communities—the source of so many of our domestic problems—unemployment remains at chronic depression levels. When we choose unemployment we are inevitably then choosing poverty, welfare and crime.

If we are serious about the work ethic we must be equally serious about providing job opportunities at decent pay for all.

The manpower and job creation programs of the last decade represent a beginning. The Nixon 1974 budget is a giant step backward. The question before us now is what Congress can or will do about it.

RETIREMENT OF MYER COHEN

Hon. PETER H. B. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. FRELINGHUYSEN. Mr. Speaker, I should like to place in the RECORD the following letter to Mr. Myer Cohen from President Nixon on Mr. Cohen's retirement last December 31 as Deputy Administrator of the United Nations development program—UNDP. Mr. Cohen served for 20 years and was chief assistant to the distinguished Mr. Paul Hoffman.

At the end of the Second World War, Mr. Cohen was Chief of Operations for the displaced persons program in Germany, Austria, and Italy—1946–47—working under the United Nations Relief and Rehabilitation Administration—UNRRA. The program assisted over 1 million persons in UNRRA camps. Just prior to his appointment at UNDP—1947–48—he served as Assistant Director General of the International Refugee Organization where he continued his work with displaced persons and refugees.

Mr. Cohen is one of a number of dedicated Americans who have served with distinction in the humanitarian agencies of the United Nations.

The letter follows:

THE WHITE HOUSE,
Washington, D.C., January 22, 1973.

Mr. MYER COHEN,
Deputy Administrator, United Nations Development Program, United Nations, New York, N.Y.

DEAR MR. COHEN: On the occasion of your retirement from the United Nations Development Program, I want to express my deep appreciation and that of the American people for the many years of distinguished service you have given to the United Nations system.

In our efforts to strengthen the United Nations, no country can give more than its capable and dedicated citizens. This nation is proud of the contributions you have made. I am pleased to join with your many friends in this country and in all parts of the world in extending to you congratulations on your many past accomplishments and warmest good wishes for the future.

Sincerely,

RICHARD NIXON.

OUR PROFESSIONAL MILITARY MEN STAND A BIT TALLER

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BOB WILSON. Mr. Speaker, all of us have been reading daily or viewing on television the touching stories of the return of our American POW's. One of the interesting sidelights in this heartwarming story was written about recently by Ray McHugh, chief of the Washington Bureau of Copley News Service. The point that the professional military man stands a bit taller now is well taken and I include his article in the RECORD for the benefit of our colleagues:

POW'S WORDS SUPPORT FAITH OF AMERICANS

(By Ray McHugh)

It's Tommy this, an' Tommy that, an'
"Chuck 'im out, the brute"
But it's "Savior of 'is country,"
When the guns begin to shoot.

Rudyard Kipling.

WASHINGTON.—The professional in uniform stands a bit taller this week.

After eight years of studied disaffection or outright animosity among large segments of the American public—including some members of Congress—the career serviceman, the modern American-style Centurion or Tommy Atkins has demonstrated once again the stuff he and the United States are made of.

He found his spokesmen on a concrete airstrip at far-off Clark Field in the Philippines, only a few short miles from the infamous Bataan Peninsula where three decades ago American Prisoners of War—most of them also professionals—underwent agonies as bad or worse as inflicted on U.S. servicemen in any of the nation's conflicts.

The spokesmen who emerged unshaken from North Vietnam's prison camps were Navy Capt. Jeremiah A. Denton, Jr., and Air Force Col. Robinson Risner.

Denton led the released POWs from the huge C141 that brought the first load of prisoners from Hanoi to the Philippines.

He had been elected to speak. In three short sentences, Denton answered millions of words of criticism about the Vietnam War, shamed more than a few doubting Thomases, and revitalized the faith of millions of his countrymen who perhaps had begun to wonder about basic American values.

Denton saluted Adm. Noel Gayler, Commander in Chief of U.S. Forces in the Pacific, shook his hand, then turned to a microphone:

"We are happy to have the opportunity to serve our country under difficult circumstances," he said.

"We are profoundly grateful to our Commander-in-Chief and to our nation for this day. "God Bless America."

It was the stuff history books are made of.

Risner, a veteran of World War II and the Korean War, was elected by the men to make a personal call to President Nixon.

"The men would like me to convey to you, Mr. President, that it would be the greatest personal honor and pleasure to shake your hand and tell you personally how proud we are to have you as our President," he said.

The two statements spoke volumes about the nation's professional servicemen. Because of the nature of the war in Vietnam, a majority of the Americans taken prisoner by the Communists were men who had committed themselves to a military career. The commitment and the dedication was there for the whole world to see. Even eight years in prison camps had not dimmed it.

For older Americans it recalled a day in early September in 1945 at Yokohama, Japan, when Gen. Douglas MacArthur greeted Lt. Gen. Jonathan Wainwright, the man who commanded the brave but doomed defense of Corregidor Island in the Philippines in 1942 and spent three tortured years in Japanese POW camps.

Author John Toland in his book "The Rising Sun" recalls the scene.

"Well Skinny," MacArthur said as he gripped the emaciated Wainwright by the shoulders.

Wainwright, who thought he was disgraced because of the surrender of Corregidor, fought for command of his emotions.

Finally he said:

"General, the only thing I want now is command of a corps. That is what I wanted right in the beginning."

A lot of Americans forgot that kind of thinking during the long, frustrating years of Vietnam. Now they have been reminded.

The flags raised to full staff for the POWs return were only exclamation points.

FREEDOM OF EMIGRATION ACT

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. FROEHLICH. Mr. Speaker, I am proud to be a cosponsor of the Freedom of Emigration Act, which prohibits most-favored-nation trade status to countries which deny their citizens the right to emigrate or impose excessive fees for emigration.

Our country was founded on religious freedom. The American ideal, and all that it stands for, is repulsed by the plight of the millions of Soviet Jews being held hostage behind the Iron Curtain. We cannot stand idle, in the face of this atrocity, any longer.

This legislation provides a vehicle to focus national and world attention upon the unjust emigration policy of the Soviets, and it puts them on notice that this repressive policy will result only in their own economic hardship.

I am heartened by the support this legislation has received in the Congress, and I am hopeful that it can be enacted at the earliest possible time. A strong vote for this bill will leave no doubt in the minds of the Soviet leaders of the intensity of our concern and of our intention to actively oppose their vicious campaign to impede and prevent the emigration of Soviet Jews.

THE POSTAL SERVICE: A CONSTANT OBJECT OF COMPLAINTS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ALEXANDER. Mr. Speaker, although in the last year the content of my constituent mail has varied greatly from month to month, each week I can always count on letters complaining of the inefficiency of the U.S. Postal Service. Although I am sure my colleagues are receiving similar letters, I would like to share with you today correspondence from one of my constituents in West Memphis, Ark.:

FEBRUARY 1973.

DEAR MR. ALEXANDER: I know in the past you have been interested in the Mail system, in the city of West Memphis. I was sorry that we did not get the Bulk Building as you had wanted.

Just in the past two weeks the mail has gotten inferior in delivery. I will give you just one example of my own mail. I had an *air mail* letter sent to me on the 30th of January, 1973, and I did not receive it until 5 February, that to me is very, very poor. I have also in the past had Air Mail Delivery specials take three or four days in which is not right, that is very slow and such a letter being sent Air Mail Delivery Special cost a lot of money to be hung up for that long.

It seems as tho it takes twice as long to get anything by mail since this system between Memphis and West Memphis has been set up, but yet it is suppose to be faster and quicker, to most people it is inferior and inadequate; and some people just don't care. To me it's slower than the Over Land Wagon Day when the mail was delivered that way and yet it cost many times more.

I don't want my name mentioned, but the people or rather some that work at the post office in West Memphis don't care.

I think the system is very poor.

Sincerely yours

(Name withheld on request.)

FEBRUARY 25, 1973.

DEAR MR. ALEXANDER: I appreciate your letter in reply to the Postal Service.

I would like to add more to what I did write.

I have had mail lost or sent elsewhere, but never received.

The delivery is the slowest of all. Back when the mail went by buggy or train, it was faster than the present delivery. What the people have to pay for stamps and etc. and then wait twice as long for it to get where it is going. I just can't see it. I don't trust the Postal Service at all.

An example. I work for Civil Service. Our checks are mailed from Omaha, Neb., or Denver, Colo. The Postal Service misplaced them several times. Now starting in March we won't get our checks handed to us. We had a choice of having them sent to where we banked or home. I choose the bank, because I just don't trust the home service here. I believe that could have been prevented.

I do not want my name mentioned, but I know some of these people that work in Post Office here simply DO NOT CARE.

Another example. A friend of mine in Memphis mailed a card to another address in Memphis. Instead of it going to the proper address in Memphis, it went to Kentucky and then finally got to the proper address. It took 6 days. Ridiculous.

I see here in West Memphis kids tampering with mail boxes every day.

I think something should be done about the postal service.

Sincerely,

(Name withheld.)

A FRIEND OF THE DETROIT METROPOLIS

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mrs. GRIFFITHS. Mr. Speaker, last fall, a long time friend of the Detroit metropolitan area, W. W. "Eddie" Edgar, was honored by the Felician Sisters and the St. Mary Hospital staff as the recipient of the first annual distinguished person award. Mr. Edgar, whose career in the newspaper field spans more than 50 years, is dean of the editorial staff of the Observer Newspapers. His tireless efforts on behalf of the community are well recognized in this award. I am pleased to insert in the RECORD the article recounting this event, which appeared in the Observer Newspapers of September 27, 1972:

EDDIE: A LEGEND IN HIS OWN TIME

Hailed as "genuinely one of the few to be a legend during his time" and "an institution of today" by longtime friends and associates, W. W. ("Eddie") Edgar, dean of the Observer Newspapers Inc. editorial staff, Sunday was honored by the Felician Sisters and the St. Mary Hospital staff as the recipient of the first annual distinguished person award.

Feeling that the Livonia hospital should each year honor an individual for outstanding services to the institution, the award was started this year by the advisory board: Mother Mary Columbine, president-corporate board; Sister Mary Calasantia, executive director; and other members of the hospital administrative staff.

Eddie, who has been closely associated with the hospital since the idea was first broached more than 20 years ago, was the unanimous choice for the initial award.

With an audience of more than 200 looking on, including longtime friends who worked with him in numerous projects in the development of the city of Livonia from a township to a bustling metropolis, and associates from the newspaper world and from bowling, the smiling Dutchman from Pennsylvania received the highest award ever given by St. Mary hospital.

"Eddie Edgar is genuinely one of the few persons I have ever known to be a legend during his time," said Publisher Philip H. Power of the Observer Newspapers Inc.

"It is a particularly delightful, pleasant honor to come at a time when this still young couple can enjoy it.

"Eddie's career breaks into three chunks. First as a professional who can stand up with any other in the state or the nation. He has always been a tough writer, a tough reporter and a darn good editor.

"He was a member of the Free Press staff during the golden era of sports. His columns in the Observers have been winners, far outshining the younger members of our staff.

His second virtue is in community service. He has compiled a high batting average for success during his more than 50 years in the newspaper field.

"He personally has more historical data than any other individual in this section of the state on the rise and growth of western Wayne county and particularly Livonia.

"He has never snubbed anyone and always answers all problems in the same warm manner that has marked him through the years. The great ones always have humbleness and that is one of Eddie's virtues."

State Sen. Carl Pursell, a longtime friend of Edgar since the days when Eddie was editor of the Plymouth Mail and Observer, told the audience: "We are paying tribute to a great man and his wife, a man who has become an institution of today."

He traced the career of Eddie from the days when he was asked by the late Mayor Albert Cobo, of Detroit, to sit in on the planning for Detroit's waterfront development, to his role in starting the Bowling Hall of Fame, his part in organizing and starting the Livonia Chamber of Commerce, the manner in which he led the fight for Livonia's own post office, and the part he played in starting a movement that resulted in the construction of the ice rink and cultural center in Plymouth.

"We are honoring a man who is nearing his 75th birthday but still as youthful in his thinking and his daily chores as when he first entered the newspaper field as a youth of 18."

Ray Grimm, who has been involved in the rise of Livonia for as many years as Eddie and was closely associated with him in most of the projects, related some of the incidents of the earlier days.

This was when he and Eddie were members of the charter commission, worked on writing the city charter, and each served on the first city council for four years.

"Eddie is different from most of us," he smiled, "He has always been a dreamer but one who is also a doer and makes the dreams come true.

"He envisioned industry along the railroad and was one of the very first to talk about the need of a hospital. He told us that industry would form a major tax base for a new city and that every effort should be made to get industry into Livonia. One just has to look along the railroad and see what has happened.

"In those days we learned quickly that when we had a problem we could go to Edgar for the answers.

"I'll never forget the day when Eddie told me he had been asked to serve on the St. Mary Hospital advisory board. Just imagine he said, 'a Presbyterian and a Mason serving on a Catholic Hospital board; what kind of thinking is that?' You must know by now that it did work out perfectly because of the kind individual Eddie is.

"It was Eddie who saw the need for paving the main thoroughfares in the city, and he told us how to get money . . . and we did.

"There was only one time when I managed to outdo Eddie. That's when we ran for council, and I received the silver medal and he the bronze."

Clarence Hoffman, who operated the Livonia Lanes for years and who never called Edgar anything but "W.W.", mentioned how Eddie has raised the level of bowling during their 35 years association.

"There was a time when pool halls and bowling alleys were looked upon as places not to visit," he said. "Then the bowling proprietors hired W.W. as moderator, and he gradually built up interest and feeling toward the game to the high level it has now.

"I have always wondered when he had time to sleep. He would attend meetings until the wee hours of the morning and be right back on the job at 9 a.m. It was that determination and will power to improve bowling conditions that made him one of our most respected leaders.

"More than that, I have always known W.W. to work at two speeds, the one he shows at most times and then the other that is a bit slower but still way faster than most at his age."

The award presentation was made by Mother Mary Columbine and the welcome address by Sister Mary Calasantia.

As an added high spot, a letter was read from Gov. Milliken and his wife expressing their disappointment at being unable to attend the affair.

LITHUANIAN INDEPENDENCE DAY

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 20, 1973

Mr. DANIELSON. Mr. Speaker, in the United States, we are fortunate to have a Constitution which guarantees to all Americans our basic rights and freedoms, and we are blessed by God with the strength to withstand aggression by others. In sharp contrast is the fact that, in many nations of the world, citizens have no inalienable rights, no freedom, and are dominated by alien powers.

One such nation is Lithuania which, through fate and happenstance, lives in the shadow of one of the world's great superpowers, Soviet Russia. Caught in the tug and pull of world events, Lithuania has struggled for independence throughout its long and turbulent history, which can be traced back to the middle of the 13th century. Despite occupation by foreign powers at many times in her history, the Lithuanian nation, the people of Lithuania, have maintained a strong culture and an indefatigable spirit of patriotism.

In this century, Lithuania enjoyed freedom and independence for only two fleeting decades—from 1918 through 1940. Today, the Soviet Union dominates Lithuania under the legal fiction that they were invited in by the Lithuanian Government—though, in fact, the invitation came from a government that attained power in an election in which only Communist Party members were allowed to vote. This is a fiction which has never been recognized by the United States.

Despite efforts of the Soviet Government to erase the Lithuanian nation through repopulation and deportation, the spirit of freedom and independence lives and thrives in the heart of every Lithuanian. The Soviet Union, with all its great strength, has been unable to intimidate the Lithuanian people. The last 32 years of Soviet occupation are punctuated with courageous acts of patriotist by Lithuanians.

This week we are commemorating the 722d anniversary of the birth of Lithuania, and the 55th anniversary of the Lithuanian Republic, which was established on February 16, 1918.

In the United States, this is an occasion for remembering the brave people of Lithuania and other captive nations who have the will, but not the resources, to achieve their freedom and independence. It is also a time to reaffirm our national commitment to the independence of all people who live under the domination of an alien power. Our constitution can only guarantee freedom to our own people, who live within the boundaries of our blessed land, but our example will keep alive the hopes which burn in the hearts of all who strive to be free.

NEWSMAN'S PRIVILEGE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HUNGATE. Mr. Speaker, the editorial in Judicature for January 1973, deals with recent developments in the department of newsman's privilege and merits consideration at this time when the measure is before Congress.

The article follows:

EDITORIAL—QUIS CUSTODIET CUSTODES?

The press has recently come into conflict with the courts as a result of demands that newsmen reveal confidential information or sources of information. A Los Angeles reporter went to jail on November 27 for refusing to identify the source of information he had published regarding the Manson trial. More recently, a reporter was jailed in Washington for refusing to produce tape recordings sought by a defendant in a criminal action arising out of the Watergate incident.

Last June the United States Supreme Court ruled that a newsman has no First Amendment right to refuse to testify when called before a grand jury (*Branzburg v. Hayes*, 408 U.S. 665 (1972)). The 5–4 majority dwelt heavily on the well-established obligation of all citizens to appear before a grand jury and answer questions relevant to a criminal investigation, and it declined to make an exception for newsmen. Justices Douglas and Stewart, in vigorous dissents, argued that this would endanger the public's right to know, and would hamper the administration of justice. Justice Douglas held out for an absolute right of a journalist not to appear before a grand jury at all, and if he does appear voluntarily, to decline to answer specific questions on First Amendment grounds.

In a concurring opinion, Justice Powell tempered the firm stand of the majority by observing that the holding does not deprive newsmen of all constitutional rights, and that if the newsman "is called upon to give information bearing only a remote and tenuous relationship to the subject to the investigation, or if he has some other reason to believe that his testimony implicates confidential source relationships without a legitimate need of law enforcement, he will have access to the court on a motion to quash, and an appropriate protective order may be entered." Justice Powell maintained that the asserted claim to privilege should be judged on its facts by striking a balance between freedom of the press and the obligation of all citizens to give relevant testimony with respect to criminal conduct, and that this should be done on a case-by-case basis in accord with "the tried and traditional way of adjudicating such questions." Justice White, speaking for the majority, considered this possibility and dismissed it as presenting practical and conceptual difficulties of a high order, and said the Court was unwilling to "embark the judiciary on a long and difficult journey to such an uncertain destination."

A reading of the 87 pages of the four *Branzburg* opinions along with the current news dispatches makes clear that there is no easy answer to this newest problem in bar-press relations. The Court's majority has reason to question the wisdom of Justice Douglas' broad-brush application of this newly-claimed privilege, especially when the need for it is to be left entirely to the subjective determination of the newsman himself. At the same time, there are sound reasons for sharing the concern of the media and others that freedom of the press not be eroded away by governmental restrictions, including judicial restrictions.

Justice Stewart suggested that the *Branzburg* ruling would harm the administration of justice by depriving law enforcement agencies not only of the specific information being sought but broad general information relating to controversial social problems. On the other hand Justice White observed that if it is indeed true that law enforcement cannot hope to gain, and may suffer, from subpoenaing newsmen before grand juries, "prosecutors with the loath to risk so much for so little." He cited "Guidelines for Subpoenas to the News Media" issued in a recent U.S. Department of Justice memo:

"The Department of Justice recognizes that compulsory process in some circumstances may have a limiting effect on the exercise of First Amendment rights. In determining whether to request issuance of a subpoena to the press, the approach in every case must be to weigh that limiting effect against the public interest to be served in the fair administration of justice." The Guidelines go on to say: "The Department of Justice does not consider the press 'an investigative arm of the government.' Therefore, all reasonable attempts should be made to obtain information from non-press sources before there is any consideration of subpoenaing the press." The Guidelines provide for negotiations with the press as a part of this process.

The *Branzburg* decision makes no change in the law. For centuries all citizens, with only a few narrow, closely-guarded exceptions, have had an obligation to appear before a grand jury and answer questions. The Supreme Court declined to make another exception for newsmen, although it acknowledged the existence of a trend in that direction. The opinion lists 17 states which now provide some type of statutory protection of a newsman's confidential sources, and similar legislation has been introduced many times in Congress.

The courts and the press are partners in combating crime and in making democracy work. When the newsmen's leads uncover information important to the administration of justice, they should not want to withhold it; but if disclosing it would dry up the source of important additional information, law enforcement officers should not want it disclosed. Here is an area tailor-made for high-minded cooperation between the two. If trust and cooperation exist, there should be no problem. The problem arises when mutual trust and cooperation are less than perfect and someone has to have the final word.

The net effect of the *Branzburg* decision is that the courts will continue to have the final word. The dissenting justices, and the newsmen who have gone to jail rather than tell, are saying that the newsman himself should have the last word. Ultimately it comes down to the question of whom we trust the most. A free press is a watchdog over all institutions, including those of government itself, and those who insist upon the newsman's exemption are really saying that they feel safer trusting the press than trusting the government, or, more specifically, the courts. But—*quis custodiet ipsos custodes*—who will watch the watchdog?

YONKERS VIETNAM SERVICE MEDAL

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. PEYSER. Mr. Speaker, recently, the Yonkers City Council passed a resolution offered by Councilman Andrew O'Rourke to establish a city of Yonkers Vietnam Service Medal. The bronze medal would be awarded to all Yonkers residents who served in Vietnam. A silver medal would be awarded to all those who were wounded in battle in Vietnam.

I want to take this opportunity to praise Councilman O'Rourke for his efforts in recognizing our servicemen who have fought so bravely for this Nation.

HOUSE OF REPRESENTATIVES—*Thursday, March 1, 1973*

The House met at 12 o'clock noon.

Very Rev. Robert H. Andrews, rector, St. Andrews Episcopal Church, Arlington, Va., offered the following prayer:

And now, O Israel, what does the Lord your God require of you, but to fear the Lord your God, to walk in all His ways, to love Him, to serve the Lord your God with all your heart and with all your soul.

God of Creation, Lord of all time and history, in your wisdom you have given us this land and this day as a part of the priceless gift of life. You have manifested your love for us in countless ways, seeking only a free commitment to the right as you have revealed that right down through the ages. Grant to us, we pray You, a fresh portion of those wondrous gifts of grace, hope, and love, that we may share them unstintingly with a world wounded by war, disease, and inhumanity. Bless especially these Members of the House of Representatives that they may judge wisely, decide charitably, and act prudently that we may find peace and justice at home and encourage all nations everywhere to follow the path of good will among men, to Thy everlasting glory. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

COTTER SUPPORTS MEAT BOYCOTT EFFORT

(Mr. COTTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COTTER. Mr. Speaker, just yesterday the Agriculture Department revealed that a typical American family's annual food bill jumped by 2.7 percent in January, the steepest increase since the Department started to keep records in 1947.

The American consumer is justifiably outraged by these endless increases. Connecticut homemakers are no exception.

The 4,000 members of the Connecticut Junior Women's Clubs are forming the nucleus of what I hope will be a nationwide homemakers' rebellion. They have chosen April Fool's Day for the start of a 1-week meat fast because they want to demonstrate that they will no longer be fooled by a price control program that simply does not work.

I urge all homemakers to join in this week-long boycott. As part of this protest, I urge people to write their name and address on the backs of grocery checkout slips and send them to the White House with a demand that the President act to lower food prices immediately.

It is very easy to promise price stability next summer, as the President has, but by that time, the price of beef could be at $2 a pound. The rallying cry of this protest should not be price stability, but a price rollback.

I am urging American homemakers to send to the White House "a message" that cannot be ignored.

I am convinced that if food prices continue to increase, any attempt to slow inflation will be a dismal failure. The fight against inflation cannot be sacrificed at the altar of high food prices.

I urge those of my colleagues who feel the same as I do to talk up the 1-week boycott or the checkout slip mail-in back home.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO FILE A REPORT ON H.R. 17 UNTIL MIDNIGHT FRIDAY

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor have until midnight Friday, March 2, 1973, to file the committee report on H.R. 17 as amended, to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO FILE A REPORT ON H.R. 71 UNTIL MIDNIGHT FRIDAY

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor have until midnight, Friday, March 2, 1973, to file the committee report on H.R. 71 as amended, to strengthen and improve the Older Americans Act of 1965, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

INFORMATION OF THE STATE OF THE UNION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-52)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

"Information of the State of the Union," which our Constitution directs shall be communicated from time to time to the Congress by the President, must consist above all of information about the well-being of the American people.

As the opening words of the Constitution proclaim, America began with "We the People." The people *are* the Union, and its condition depends wholly on theirs.

While the Nation's land and resources, its communities, its economy, and its political institutions are also vital concerns to be addressed in my reports to the Congress this year, all of these in the final analysis are no more than means to a greater end. For each of them must ultimately be measured according to a single standard: what will serve the millions of individual Americans for whom all public officials serve as trustees.

Too often in the past that standard has not prevailed. Too often public policy decisions have been founded not on the long-run interests of all the people, but on the short-run interests of special groups of people. Programs once set in motion tend to stay in motion—sometimes long after their useful life has ended. They acquire a constituency of their own, even within the Government, and they cannot easily be reformed or stopped. Means come to be regarded as ends in themselves. And no one suffers more than the people they were designed to serve.

Despite all of the factors which conspire to hinder both the executive and the legislative branches in being as objective and analytical as we should be about the soundness of activities that continue from year to year supposedly in the public interest, we can and must discipline ourselves to take a larger view.

As we consider the subject of human resources in this fourth section of my 1973 State of the Union Message, we must not confine ourselves solely to a discussion of the year past and the year ahead. Nor can we be content to frame the choices we face in strictly governmental and programmatic terms—as though Federal money and programs were the only variables that mattered in meeting human needs.

FULFILLING THE AMERICAN DREAM

I am irrevocably committed, as Presidents before me have been and as I know each Member of the Congress is, to fulfilling the American dream for all Americans.

But I also believe deeply that in seeking progress and reform we must neither underestimate our society's present greatness, nor mistake the sources of that greatness. To do so would be to run a serious risk of damaging, with unproven panaceas applied in excessive haste and zeal, the very institutions we seek to improve.

Let us begin then, by recognizing that by almost any measure, life is better for Americans in 1973 than ever before in our history, and better than in any other society of the world in this or any earlier age.

No previous generation of our people has ever enjoyed higher incomes, better health and nutrition, longer life-expectancy, or greater mobility and convenience in their lives than we enjoy today. None before us has had a better chance for fulfillment and advancement in their work, more leisure time and recreational opportunities, more widespread access to culture and the arts, or a higher level of education and awareness of the world around them. None has had greater access to and control over the natural and human forces that shape their lives, or better protection against suffering, inhumanity, injustice, and discrimination. And none has enjoyed greater freedom.

Secondly, let us recognize that the American system which has brought us so far so fast is not simply a system of Government helping people. *Rather it is a system under which Government helps people to help themselves and one another.*

The real miracles in raising millions out of poverty, for example, have been performed by the free-enterprise economy, not by Government anti-poverty programs. The integration of one disadvantaged minority after another into the American mainstream has been accomplished by the inherent responsiveness of our political and social system, not by quotas and coercion. The dramatic gains in health and medical care have come primarily through private medicine; not from federally operated systems.

Even where the public sector has played a major role, as in education, the great strength of the system has derived from State and local governments' primacy and from the diverse mixture of private and public institutions in the educational process—both factors which have facilitated grassroots influence and popular participation.

We should not tamper lightly, then, with the delicately balanced social, economic, and political system which has been responsible for making this country the best place on earth to live—and which has tremendous potential to rectify whatever shortcomings may still persist.

But we Americans—to our great credit—are a restless and impatient people, a nation of idealists. We dream not simply of alleviating poverty, hunger, discrimination, ignorance, disease, and fear, but of eradicating them altogether—and we would like to do it all today.

During the middle and late 1960's, under the pressure of this impatient idealism, Federal intervention to help meet human needs increased sharply. Provision of services from Federal programs directly to individuals began to be regarded as the rule in human resources policy, rather than the rare exception it had been in the past.

The Government in those years undertook sweeping, sometimes almost utopian, commitments in one area of social concern after another. The State and local governments and the private sector were elbowed aside with little regard for the dislocations that might result. Literally hundreds of new programs were established on the assumption that even the most complex problems could be quickly solved by throwing enough Federal dollars at them.

Well-intentioned as this effort may have been, the results in case after case amounted to dismal failure. It was a classic case of elevating means to the status of ends in themselves. Hard evidence of actual betterment in people's lives was seldom demanded. Ever-larger amounts of funds, new agencies, and increased staff were treated as proof enough of success, simply because the motive was compassionate.

The American people deserve better than this. They deserve compassion that works—not simply compassion that means well. They deserve programs that say yes to human needs by saying no to paternalism, social exploitation and waste.

Protecting and enhancing the greatness of our society is a great goal. It is doubly important, therefore, that we not permit the worthiness of our objective to render us uncritical or careless in the means we select for attaining that objective.

It will increase our greatness as a society, for example, to establish the principle that no American family should be denied good health care because of inability to pay. But it will diminish our greatness if we deprive families of the freedom to make their own health care arrangements without bureaucratic meddling.

It will increase our greatness to ensure that no boy or girl is denied a quality education. But it will diminish our greatness if we force hundreds of thousands of children to ride buses miles away from their neighborhood schools in order to achieve an arbitrary racial balance.

It will increase our greatness to establish an income security system under which no American family will have to suffer for lack of income or break up because welfare regulations encourage it. But it would erode the very foundations of our stability and our prosperity if we ever made it more comfortable or more profitable to live on a welfare check than on a paycheck.

PRINCIPLES FOR THE 1970'S

Consistently since 1969, this Administration has worked to establish a new human resources policy, based on a healthy skepticism about Federal Government omniscience and omnicompetence, and on a strong reaffirmation of the right and the capacity of individuals to chart their own lives and solve their own problems through State and local government and private endeavor. We have achieved a wide variety of significant reforms.

Now the progress made and the experience gained over the past four years, together with the results of careful program reviews which were conducted over this period, have prepared us to seek broader reforms in 1973 than any we have requested before.

In the time since the outlines of these proposals emerged in the new budget, intense controversy and considerable misunderstanding about both their purposes and their effects have understandably arise among persons of good will on all sides.

To provide a more rational, less emotional basis for the national debate which will—and properly should—surround my recommendations, I would invite the Congress to consider four basic principles which I believe should govern our human resources policy in the 1970's:

—Government at all levels should seek to support and nurture, rather than limit, the diversity and freedom of choice which are hallmarks of the American system. The Federal Government in particular must work to guarantee an equal chance at the starting line by removing barriers which might impede an individual's opportunity to realize his or her full potential.

—The Federal Government should concentrate more on providing incentives and opening opportunities, and less on delivering direct services. Such programs of direct assistance to individuals as the Federal Government does conduct must provide evenhanded treatment for all, and must be carefully designed to ensure that the benefits are actually received by those who are intended to receive them.

—Rather than stifling initiative by trying to direct everything from Washington, Federal efforts should encourage State and local governments to make those decisions and supply those services for which their closeness to the people best qualifies them. In addition, the Federal Government should seek means of encouraging the private sector to address social problems, thereby utilizing the market mechanism to marshal resources behind clearly stated national objectives.

—Finally, all Federal policy must adhere to a strict standard of fiscal responsibility. Ballooning deficits which spent our economy into a new inflationary spiral or a recessionary tailspin in the name of social welfare would punish most cruelly the very people whom they seek to help. On the other hand, continued additions to a personal tax burden which has already doubled since 1950 would reduce incentives for excellence and would conflict directly with the goal of allowing each individual to keep as much as possible of what he or she earns to permit maximum personal freedom of choice.

The new post of Counsellor to the President for Human Resources, which I have recently created within the Executive Office of the President, will provide a much-needed focal point for our efforts to see that these principles are carried out in all Federal activities aimed at meeting human needs, as well as in the Federal Government's complex relationships with State and local governments in this field. The coordinating function to be performed by this Counsellor should materially increase the unity, coherence, and effectiveness of our policies.

The following sections present a review of the progress we have made over the past four years in bringing each of the various human resources activities into line with these principles, and they outline our agenda for the years ahead.

HEALTH

I am committed to removing financial barriers that would limit access to quality medical care for all American families. To that end, we have nearly doubled Federal outlays for health since the beginning of this Administration. Next year, they will exceed $30 billion.

Nearly 60 percent of these funds will go to finance health care for older Americans, the disabled, and the poor, through Medicare and Medicaid.

But we have taken significant steps to meet other priority needs as well. In the last four years, funding for cancer and heart and lung disease research has more than doubled; it will amount to more than three-quarters of a billion dollars in 1974.

We have supported reform of the health care delivery system and have proposed legislation to assist in the development of health maintenance organizations on a demonstration basis. We have increased funds for programs which help prevent illness, such as those which help carry out our pure food and drug laws and those which promote consumer safety.

We have declared total war on the epidemic problem of drug abuse—and we are winning that war. We have come a long way toward our goal of creating sufficient treatment services so that any addict desiring treatment can obtain it. We are also making substantial investments in research to develop innovative treatment approaches to drug abuse. I will report in greater detail on our anti-drug effort in a later section of this year's State of the Union message.

Strong measures have been taken to ensure that health care costs do not contribute to inflation and price people out of the care they need. The rate of increase in physicians' fees was cut by two-thirds last year alone, and hospital price rises have also been slowed. To build on these gains, controls on the health services industry have been retained and will be strengthened under Phase III of the Economic Stabilization Program.

A major goal of this Administration has been to develop an insurance system which can guarantee adequate financing of health care for every American family. The 92nd Congress failed to act upon my 1971 proposal to accomplish this goal, and now the need for legislation has grown still more pressing. *I shall once again submit to the Congress legislation to help meet the Nation's health insurance needs.*

Federal health policy should seek to safeguard this country's pluralistic health care system and to build on its strengths, minimizing reliance on Government-run arrangements. We must recognize appropriate limits to the Federal role, and we must see that every health care dollar is spent as effectively as possible.

This means discontinuing federally funded health programs which have served their purpose, or which have proved ineffective, or which involve functions more suitably performed by State and local government or the private sector.

The Hill-Burton hospital grants program, for example, can no longer be justified on the basis of the shortage of hospital facilities which prompted its creation in 1946. That shortage has given way to a surplus—so that to continue this program would only add to the Nation's excess of hospital beds and lead to higher charges to patients. It should be terminated.

We are also proposing to phase out the community mental health center demonstration program while providing funding for commitments to existing arrangements extending up to eight years. This program has helped to build and establish some 500 such centers, which have demonstrated new ways to deliver mental health services at the community level.

Regional Medical Programs likewise can now be discontinued. The planning function they have performed can better be conducted by comprehensive State planning efforts. A second function of these programs, the continuing education of physicians who are already licensed, is an inappropriate burden for Federal taxpayers to bear.

EDUCATION

1973 must be a year of decisive action to restructure Federal aid programs for education. Our goal is to provide continued Federal financial support for our schools while expanding State and local control over basic educational decisions.

I shall again ask the Congress to establish a new program of Education Revenue Sharing. This program would replace the complex and inefficient tangle of approximately 30 separate programs for elementary and secondary education with a single flexible authority for use in a few broad areas such as compensatory education for the disadvanged, education for the handicapped, vocational education, needed assistance in federally affected areas, and supporting services.

Education Revenue Sharing would enlarge the opportunities for State and local decision-makers to tailor programs and resources to meet the specific educational needs of their own localities. It would mean less red tape, less paper work, and greater freedom for those at the local level to do what they think is best for their schools—not what someone in Washington tells them is best.

It would help to strengthen the principle of diversity and freedom in education that is as old as America itself, and would give educators a chance to create fresher, more individual aproaches to the educational challenges of the Seventies. At the same time, it would affirm and further the national interest in promoting equal educational opportunities for economically disadvantaged children.

If there is any one area of human activity where decisions are best made at the local level by the people who know local conditions and local needs, it is in the field of primary and secondary education. I urge the Congress to join me in making this year, the third in which Education Revenue Sharing has been on the legislative agenda, the year when this much-needed reform becomes law.

The time has also come to redefine the Federal role in higher education, by replacing categorical support programs for institutions with substantially increased funds for student assistance. *My budget proposals have already outlined a plan to channel much more of our higher education support through students themselves, including a new grant program which would increase funds provided to $948 million and the number assisted to over 1,500,000 people—almost a five-fold increase over the current academic year.*

These proposals would help to ensure for the first time that no qualified student seeking postsecondary education would be barred from attaining it by a lack of funds—and they would at the same time reinforce the spirit of competition among institutions that has made American higher education strong. I urge their prompt enactment.

As we work to eliminate the unnecessary bureaucratic constraints currently hampering Federal education aid, we will also be devoting more attention to educational research and development through the new National Institute of Education.

Funding for NIE will increase by almost 50 percent in fiscal year 1974, reaching $162 million.

Finally, in order to enhance the diversity provided by our mixed educational system of public and private schools, I will propose to the Congress legislation to provide a tax credit for tuition payments made by parents of children who attend non-public elementary and secondary schools.

MANPOWER

The Federal manpower program is a vital part of our total effort to conserve and develop our human resources.

Up to the present time, however, the "manpower program" has been not a unified effort, but a collection of separate categorical activities, many of them overlapping. These activities now include such programs as Manpower Development and Training Act Institutional Training programs, on-the-job training, Neighborhood Youth Corps, Public Service Careers, Operation Mainstream, and the Concentrated Employment Program. The net effect of several such programs operating in a single city seldom amounts to a coherent strategy for meeting the needs of people in that community.

While many well-run local programs are more than worth what they cost, many other individual projects are largely ineffective—and their failure wastes money which could be used to bolster the solid accomplishments of the rest.

Manpower programs ought to offer golden "second chances" for the less fortunate to acquire the skills and work habits which will help them become self-supporting, fully productive citizens. But as presently organized and managed, these second chance opportunities too often become just another dead-end exercise in frustration, rather than a genuine entree into a good job.

I believe that the answer to much of this problem lies in our program of Manpower Revenue Sharing—uniting several previously fragmented manpower activities under a single umbrella and then giving most of the responsibility for running this effort to those governments which are closest to the working men and women who need assistance. *In the next 16 months, administrative measures will be taken to institute this needed reform of the manpower system within the present legal framework.*

Manpower Revenue Sharing assistance will be freed from unnecessary Federal constraints, and aimed at developing jobs, equipped unemployed workers with useful work skills, and moving trainees into regular employment.

WELFARE

With the failure of the past two Congresses to enact my proposals for fundamental reform of the Nation's public assistance system, that system remains as I described it in a message last year—"a crazy quilt of injustice and contradiction that has developed in bits and pieces over the years."

The major existing program, Aid to Families with Dependent Children (AFDC), is as inequitable, inefficient, and inadequate as ever.

—The administration of this program is unacceptably loose. The latest national data indicate that in round numbers, one of every 20 persons on the AFDC rolls is totally ineligible for welfare; 3 more are paid more benefits than they are entitled to; and another is underpaid. About one-quarter of AFDC recipients, in other words, are receiving improper payments.

—Complex program requirements and administrative red tape at the Federal and State levels have created bureaucracies that are difficult to manage.

—Inconsistent and unclear definitions of need have diluted resources that should be targeted on those who need help most.

—Misguided incentives have discouraged employable persons from work and induced fathers to leave home so that their families can qualify for welfare.

After several years of skyrocketing increases, however, outlays for this program have begun to level off. This results from the strong resurgence of our economy and expansion of the job market, along with some management improvements in the AFDC program and strengthened work requirements which were introduced into the program last year.

Since the legislative outlook seems to preclude passage of an overall structural reform bill in the immediate future, I have directed that vigorous steps be taken to strengthen the management of AFDC through administrative measures and legislative proposals.

Under these reforms, Federal impediments to efficient State administration of the current AFDC system will be removed wherever possible. Changes will be proposed to reduce the complexities of current eligibility and payment processes. Work will continue to be required of all those who can reasonably be considered available for employment, while Federal funds to help welfare recipients acquire needed job skills will increase.

One thing is certain: the welfare mess cannot be permitted to continue. A system which penalizes a person for going to work and rewards a person for going on welfare is totally alien to the American tradition of self-reliance and self-respect. That is why welfare reform has been and will continue to be one of our major goals; and we will work diligently with the Congress in developing ways to achieve it.

NUTRITION

During the past four years, Federal outlays for food assistance have increased more than three-fold. Food stamp and food distribution programs for needy families have been extended to virtually every community in the country. More than 15 million persons are now receiving food stamps or distributed foods, more than double the 1969 total. More than 8 million schoolchildren are now being provided with free or reduced-price lunches—up from only 3 million in 1969.

We have made great strides toward banishing hunger and malnutrition from American life—and we shall continue building on that progress until the job is done.

OLDER AMERICANS

One measure of the Nation's devotion to our older citizens is the fact that programs benefitting them—including Social Security and a wide range of other activities—now account for nearly one-fourth of the entire Federal budget.

Social Security benefits levels have been increased 51 percent in the last four years—the most rapid increase in history. Under new legislation which I initially proposed, benefits have also become inflation-proof, increasing automatically as the cost of living increases.

Over 1½ million older Americans or their dependents can now receive higher Social Security benefits while continuing to work. Nearly 4 million widows and widowers are also starting to receive larger benefits—$1 billion in additional income in the next fiscal year. And millions of older Americans will be helped by the new Supplemental Security Income program which establishes a Federal income floor for the aging, blind, and disabled poor.

Nevertheless, we are confronted with a major item of unfinished business. Approximately two-thirds of the twenty million persons who are 65 and over own their own homes. A disproportionate amount of their fixed income must now be used for property taxes. *I will submit to the Congress recommendations for alleviating the often crushing burdens which property taxes place upon many older Americans.*

I also ask the cooperation of the Congress in passing my 1974 budget request for $200 million to fund the programs of the Administration on Aging—a funding level more than four times that appropriated for AoA programs in fiscal year 1972. Half of this amount will be devoted to nutrition projects for the elderly, with the remainder going to assist States and localities in developing comprehensive service programs for older Americans.

In 1973, we shall continue to carry out the commitment I made in 1971 at the White House Conference on Aging: to help make the last days of our older Americans their best days.

ECONOMIC OPPORTUNITY

No one who started life in a family at the bottom of the income scale, as I did and as many Members of the Congress did, can ever forget how that condition felt, or ever turn his back on an opportunity to help alleviate it in the lives of others.

We in the Federal Government have such an opportunity to help combat poverty. Our commitment to this fight has grown steadily during the past decade, without regard to which party happened to be in power, from under $8 billion in total Federal antipoverty expenditures in 1964 to more than $30 billion in my proposed budget for 1974.

And we have moved steadily closer to the goal of a society in which all our citizens, regardless of economic status, will have both the resources and the opportunity to fully control their own destinies.

At the beginning of this period, when Government found itself unprepared to respond to the sharp new national awareness of the plight of the disadvantaged, creation of an institutional structure separate from the regular machinery of Government and specifically charged with helping the poor seemed a wise first step to take. Thus the Office of Economic Opportunity was brought into being in 1964.

A wide range of useful anti-poverty programs has been conceived and put into operation over the years by the Office of Economic Opportunity. Some programs which got their start within OEO have been moved out into the operating departments and agencies of the Government when they matured, and they are thriving there. VISTA, for example, became part of ACTION in 1971, and Head Start was integrated with other activities focused on the first five years of life under HEW's Office of Child Development. OEO's other programs have now developed to a point where they can be similarly integrated.

Accordingly, in keeping with my determination to make every dollar devoted to human resources programs return 100 cents worth of real benefits to the people who most need those benefits, I have decided that most of the anti-poverty activities now conducted by the Office of Economic Opportunity should be delegated or transferred into the Cabinet departments relating to their respective fields of activity. Adhering strictly to statutory procedures, and requesting Congressional approval whenever necessary, I shall take action to effect this change.

This reorganization will increase the efficiency of the various programs by grouping them with other functionally related Federal efforts and by minimizing the overhead costs which in the past have diverted too much money from human needs into staff payrolls and administrative expenses. Funding for the transferred activities will stay level, or in many cases will even increase.

The only major OEO program for which termination of Federal funding is recommended in my budget is Community Action. New funding for Community Action activities in fiscal year 1974 will be at the discretion of local communities.

After more than 7 years of existence, Community Action has had an adequate opportunity to demonstrate its value within the communities it serves, and to build locally based agencies. OEO has taken steps to help Community Action agencies put down local roots through a program of incentives and training, and has incorporated the basic community action concept—participation in programs by the people whom the programs seek to serve—into all Federal anti-poverty activities. Further Federal spending on behalf of this concept, beyond the $2.8 billion which has been spent on it since 1965, no longer seems necessary or desirable.

LEGAL SERVICES

One other economic opportunity effort deserving special mention is the Legal Services Program. Notwithstanding some abuses, legal services has done much in its seven-year history to breathe new life into the cherished concept of equal justice for all by providing access to quality legal representation for millions of Americans who would otherwise have been denied it for want of funds.

The time has now come to institutionalize legal services as a permanent, responsible, and responsive component of the American system of justice.

I shall soon propose legislation to the Congress to form a legal services corporation so constituted as to permit its attorneys to practice according to the highest professional standards, provided with safeguards against politicization of its *activities, and held accountable to the people through appropriate monitoring and evaluation procedures.*

CIVIL RIGHTS

Protecting the civil rights of every American is one of my firmest commitments as President. No citizen should be denied equal justice and equal opportunity in our society because of race, color, sex, religion, or national origin.

This Administration has steadily increased the Federal financial commitment in this field. Outlays for civil rights and equal opportunity in 1974 will pass $3 billion—3½ times what they were when we took office.

We have worked hard—and with good results—to end *de jure* school segregation, to promote equal job opportunity, to combat housing discrimination, to foster minority business enterprise, to uphold voting rights, to assist minority higher education, to meet minority health problems like sickle cell anemia, and to make progress on many other fronts.

Now that equal opportunity is clearly written into the statute books, the next and in many ways more difficult step involves moving from abstract legal rights to concrete economic opportunities. We must ensure real social mobility—the freedom of all Americans to make their own choices and to go as far and as high as their abilities will take them. Legislation and court decisions play a major part in establishing that freedom. But community attitudes, government programs, and the vigor of the economic system all play large parts as well.

I believe that we have made progress, and we shall continue building on that progress *in the coming year:*

—The Department of Justice will expand its efforts to guarantee equal access to, and equal benefit from, Federal financial assistance programs.

—The Equal Employment Opportunity Commission will receive additional resources to carry out its expanded responsibilities.

—The Civil Service Commission will expand its monitoring of equal employment opportunities within the Federal Government.

—Efforts to assure that Federal contractors provide equal access to job opportunities will be expanded.

—The Small Business Administration will expand its loan program for minority business by nearly one-third.

—The Commission on Civil Rights will receive additional resources to carry out its newly granted responsibilities.

Additionally, in the year ahead, we will continue to support ratification of the Equal Rights Amendment to the Constitution so that American women—not a minority group but a majority of the whole population—need never again be denied equal opportunity.

THE AMERICAN INDIAN

For Indian people the policy of this Administration will continue to be one of advancing their opportunities for self-determination, without termination of the special Federal relationship with recognized Indian tribes.

Just as it is essential to put more decision-making in the hands of State and local governments, I continue to believe that Indian tribal governments should assume greater responsibility for programs of the Bureau of Indian Affairs and the Department of Health, Education, and Welfare which operate on their reservations. *As I first proposed in 1970, I recommend that the Congress enact the necessary legislation to facilitate this take-over of responsibility. Also, I recommend that the 1953 termination resolution be repealed.* Meanwhile the new statutory provisions for Indian tribal governments under General Revenue Sharing will assist responsible tribal governments in allocating extra resources with greater flexibility.

I shall also propose new legislation to foster local Indian self-determination by developing an Interior Department program of bloc grants to Federally recognized tribes as a replacement for a number of existing economic and resource development programs. The primary purpose of these grants would be to provide tribal governments with funds which they could use at their own discretion to promote development of their reservations.

Indian tribal organizations and Indians seeking to enter business need easier access to loan and credit opportunities; I proposed in 1970 and will again propose legislation to accomplish this objective.

Because Indian rights to natural resources need better protection, I am again urging the Congress to create an Indian Trust Counsel Authority to guarantee that protection.

In the two and one-half years that Indians have been waiting for the Congress to enact the major legislation I have proposed, we have moved ahead administratively whenever possible. We have restored 21,000 acres of wrongfully acquired Government land to the Yakima Tribe. We have filed a precedent-setting suit in the Supreme Court to protect Indian water rights in Pyramid Lake. My fiscal year 1974 budget proposes total Federal outlays of $1.45 billion for Indian affairs, an increase of more than 15 percent over 1973.

To accelerate organizational reform, I have directed the Secretary of the Interior to transfer day to day operational activities of the Bureau of Indian Affairs out of Washington to its field offices. *And I am again asking the Congress to create a new Assistant Secretary position within the Interior Department to deal with Indian matters.*

VETERANS

With the coming of peace, the Nation's inestimable debt to our veterans and their dependents will continue to command a high priority among the human resource efforts of this Administration.

During the past four years, I have twice signed legislation increasing the allowances for educational assistance to veterans. Nearly 2 million veterans are now in some form of training under the GI Bill for Vietnam-era veterans. Pension payments to veterans or their survivors who need income support have also been raised twice and the test of need has been greatly improved, including a more equitable formula for adjusting the VA pension rate when other sources of income, such as Social Security, are increased. The VA pension program now directly benefits over 2 million individuals.

Compensation payments for service-related disabilities have been raised on two occasions, and more than 2 million veterans of all wars now receive this benefit. The service-disabled veteran deserves special concern. In addition to top-priority consideration in medical care, my budget calls for VA outlays to provide disabled Vietnam-era veterans with vocational rehabilitation, housing grants, and specially equipped automobiles to be nearly doubled in 1974 compared to their 1971 level. Disability compensation is also being intensively reviewed to ensure that disabled veterans will receive compensation payments which fully recognize their earnings impairment.

VA guaranteed home loans for veterans have risen by almost two-thirds since we took office. And high-priority job programs have decreased the unemployment rate among Vietnam-era veterans by almost one-third during the past year alone.

Dramatic progress has been made in the veterans medical care program. A high level of construction and modernization of VA medical facilities has been carried on. The total number of medical care personnel staffing VA facilities has increased by one-sixth since 1969. The total number of veterans treated—both in VA facilities and as outpatients—has risen to new highs. Beneficiaries treated as hospital inpatients will go over the million mark in fiscal 1974 for the first time. Outpatient visits will climb to almost 14 million—about twice the level of 1969.

Since 1969, there has also been a steady shortening of the average length of stay in VA hospitals, a highly desirable objective from every viewpoint. This means that VA hospitals have fewer patients in bed on an average day, with shorter waiting lists, even though the total number of patients treated has gone up.

Misunderstanding these statistics, some have sought to establish by law a numerical minimum average daily patient census in VA hospitals. But such a fixed daily census would represent a backward step: it would force a sharply increased length-of-stay—an effect that is medically, economically, and socially undesirable. It is far better that our veterans be restored to their families and jobs as rapidly as feasible, consistent with good medical care. A fixed patient census would tie the hands of those seeking to serve veterans' health needs; I urge the Congress not to enact such a requirement.

The Congress is now studying several bills involving the VA pension program and cemetery and burial benefits for veterans. I hope that the Congress will work to see that the veterans pension program is realistically structured and compatible with other major income maintenance programs. On the burial benefits question, I urge that legislative action be deferred until completion of a study currently being conducted by the

Administrator of Veterans Affairs to determine the most equitable approach to improving burial and cemetery benefits for veterans. The Administrator's recommendations will be made available to the Congress in the near future.

CONSUMER AFFAIRS

The self-reliance and resourcefulness of our people when they enter the marketplace as consumers, the generally high standard of ethics and social responsibility upheld by business and industry, and the restrained intervention of government at various levels as a vigorous but not heavy-handed referee of commerce—that combination of factors, in that order, has been largely responsible for confounding predictions that American capitalism would breed its own downfall in the 20th century. We must build on each of these strengths in our efforts to protect the rights of the consumer as well as the vigor of the free enterprise economy in the 1970's.

Early in 1971, after the Congress had failed to act on my "Buyer's Bill of Rights" proposal for a new Office of Consumer Affairs directly under the President, I established such an office by executive order. Under the direction of my Special Assistant for Consumer Affairs, OCA has helped to create a stronger consumer consciousness throughout the executive branch.

This office is now ready to integrate its operations more fully with the line departments of the Government, and has accordingly been transferred into the Department of Health, Education and Welfare—the logical base for an agency concerned with human well-being.

From this new base the Office of Consumer Affairs will continue its policy formation role and educational efforts, and will also take on additional responsibilities, including representing consumer interests in testimony before the Congress and acting as a general ombudsman for the individual consumer.

VOLUNTARY ACTION

Many thousands of Americans already are volunteering their time to meet human needs in their communities—fighting disease, teaching children to read, working to solve local social problems. But now we must do more to tap the enormous reservoir of energy represented by millions of other potential citizen volunteers.

That is why three years ago I encouraged a number of our leading citizens to create the National Center for Voluntary Action to support private volunteer efforts; that is why two years ago I established the new ACTION agency to strengthen Federal volunteer programs.

We must now continue seeking new avenues of citizen service. As we turn from the concerns of war, may all Americans accept the challenge of peace by volunteering to help meet the needs of their communities—so that we can mobilize a new army of concerned, dedicated, able volunteers across the Nation.

ARTS AND HUMANITIES

I know that many in the Congress share the concern I have often expressed that some Americans, particularly younger people, lost faith in their country during the 1960's. I believe this faith is now being reborn out of the knowledge that our country is moving toward an era of lasting peace in the world, toward a healthier environment, and toward a new era of progress and equality of opportunity for all our people.

But renewed faith in ourselves also arises from a deeper understanding of who we are, where we have come from, and where we are going—an understanding to which the arts and the humanities can make a great contribution.

Government has a limited but important function in encouraging the arts and the humanities—that of reinforcing local initiatives and helping key institutions to help themselves. With the approach of our Bicentennial, we have a special opportunity to draw on the enrichment and renewal which cultural activity can provide in our national life. With this in mind, my 1974 budget requests further expansion of the funds for the National Foundation on the Arts and the Humanities, to a new high of $168 million. I ask continued full support from the Congress for this funding.

SAYING YES

Carl Sandburg spoke volumes about this country's past and future in three simple words that became the title for one of his greatest poems: "The People, Yes."

America has risen to greatness because again and again when the chips were down, the American people have said yes—yes to the challenge of freedom, yes to the dare of progress, and yes to the hope of peace—even when defending the peace has meant paying the price of war.

America's greatness will endure in the future only if our institutions continually rededicate themselves to saying yes to the people—yes to human needs and aspirations, yes to democracy and the consent of the governed, yes to equal opportunity and unlimited horizons of achievement for every American.

1973 is a year full of opportunity for great advances on this front. After more than a decade of war, we have successfully completed one of the most unselfish missions ever undertaken by one nation in the defense of another. Now the coming of peace permits us to turn our attention more fully to the works of compassion, concern, and social betterment here at home.

The seriousness of my commitment to make the most of this opportunity is demonstrated by the record level of funding for human resource programs proposed in our new budget—$125 billion in all—nearly twice the amount that was being spent on such programs when I took office in 1969.

This is both a generous budget and a reform budget. The reforms it proposes will put muscle behind the generosity it intends. The overall effect of these reforms will be the elimination of programs that are wasteful so that we can concentrate on programs that work. They will make possible the continued growth of Federal efforts to meet human needs—while at the same time helping to prevent a runaway deficit that could lead to higher taxes, higher prices, and higher interest rates for all Americans.

The opportunity is ours, executive and legislative branches together, to lead America to a new standard of fairness, of freedom, and of vitality within our federal system. We can forge a new approach to human services in this country—an approach which will treat people as more than mere statistics—an approach which recognizes that problems like poverty and unemployment, health care and the costs of education are more than cold abstractions in a government file drawer.

We know how tough these problems are, because many of us grew up with them ourselves. But we also know that with the right kind of help and the right kind of spirit they can be overcome.

Let us give all our citizens the help they need. But let us remember that each of us also bears a basic obligation to help himself and to help our fellowman, and that no one else can assume that obligation for us—least of all the Federal Government.

If we shirk our individual responsibility, the American dream will never be more than a dream.

But if the people say yes to this challenge, if government says yes to the people—and if all of us in Washington say no to petty quarrels and partisanship and yes to our public trust—then we can truly bring that dream to life for all Americans in the new day of peace that is dawning.

RICHARD NIXON.

THE WHITE HOUSE, *March 1, 1973.*

COUNTERQUESTIONNAIRE

(Mr. HUNGATE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HUNGATE. Mr. Speaker, I came across a counterquestionnaire drafted by Adam Yarmolinsky for the February 1973 Harvard Bulletin in response to one he received for his 30th class reunion.

Since I would assume that Congress as a class is one of the most questionnaire prone groups, perhaps this counterquestionnaire will suggest itself for congressional use:

COUNTERQUESTIONNAIRE

How often are you astonished these days? By yourself? By others?

Do you laugh much? About what?

Do you cry ever? About what?

What do you think about when you wake up at 3 in the morning?

When did you last forget yourself? Under what circumstances?

What is the most interesting thing about your life? The most boring?

If you had it to do over again, would you be a different person? In what ways?

If you had to be someone else, who would you be?

Are you more likely to be the victim or the perpetrator?

Do your children understand you?

What do you hope for your children? What do you fear? What do you expect?

Does God love you? Do you care?

Where are you likely to spend eternity?

What's most wrong with this world? Is it anybody's fault? Whose? Can it be fixed? Is it likely to be? What, if anything, are you likely to do about it?

Why do you drink so much? Why doesn't this question apply to you?

As between polygamy and polyandry, which would you prefer?

Does space exploration excite you? Bore you?

How do you feel about your dreams? How do the people in your dreams feel about you?

What has been your greatest disappointment?

Whom are you trying to impress? Whom are you trying to show up?

What are you really curious about?

Which of these questions was the hardest to answer? Which was the easiest? Are there any questions you'd like to ask? Or answer?

WATER AND WASTE DISPOSAL GRANT PROGRAM

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 255 and ask for its immediate consideration.

CALL OF THE HOUSE

Mr. MINSHALL of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MATSUNAGA. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 29]

Armstrong
Badillo
Bafalis
Biaggi
Bingham
Blatnik
Bray
Breckinridge
Brown, Calif.
Burgener
Chisholm
Clawson, Del
Collier
Conlan
Corman
Cronin
Daniel, Robert W., Jr.
Davis, Wis.
de la Garza
Diggs
Downing
Erlenborn
Esch
Ford, Gerald R.
Gilman
Goldwater
Grasso
Gray
Gubser
Gunter
Harrington
Harsha
Harvey
Hébert
Heckler, Mass.
Holifield
Holt
Hosmer
Johnson, Pa.
Jones, Okla.
Keating
Ketchum
King
Koch
Leggett
Litton
Lott
McCloskey
McFall
Macdonald
Mailliard
Mathias, Calif.
Metcalfe
Milford
Mills, Ark.
Mollohan
Murphy, N.Y.
O'Neill
Owens
Parris
Passman
Patman
Pepper
Price, Tex.
Rees
Reid
Rinaldo
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rose
Rosenthal
Rousselot
Ruppe
Ryan
Sisk
Smith, N.Y.
St Germain
Steiger, Ariz.
Stephens
Teague, Tex.
Thornton
Treen
Ullman
Veysey
Wiggins
Wilson, Bob
Young, S.C.

The SPEAKER. On this rollcall 342 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3694. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 7. An act to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes.

PAR VALUE MODIFICATION ACT HEARINGS

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, the Subcommittee on International Finance, of which I am chairman, will begin consideration of H.R. 4546, a bill to reset the valuation of the dollar, next week.

I propose to begin on Monday, with an informal briefing for members of the subcommittee and all other interested members of the Committee on Banking and Currency. Since this matter also impinges on other committee jurisdictions and is of interest to them, I am inviting the chairmen and ranking members of those committees to participate in this informal session. Under Secretary of the Treasury Volcker will make the presentation.

Against this background, I hope that hearings can be held with a better understanding of the situation we are confronted with in bringing our monetary house into order.

Actual hearings will commence Tuesday, March 6, with Mr. Volcker.

Federal Reserve Board Chairman Burns will appear on Wednesday, followed by Fred Bergsten, a senior economist at the Brookings Institution.

I anticipate additional witness to be heard on Thursday.

This year, a number of new issues will arise, so I believe that the hearings may be extended beyond next week, so that we can have a full and complete record. We need a thorough review, and ample information on this matter, and I propose to have hearings as long as necessary to fully explore the issues which were not successfully resolved last year.

I invite interested Members to attend. The meeting will be open.

REQUEST FOR CORRECTION OF ROLLCALL

Mr. SIKES. Mr. Speaker, I note that in the CONGRESSIONAL RECORD that on rollcall No. 28 on yesterday I was reported as not voting. I was present and I voted "nay." I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. The Chair would ask the gentleman from Florida whether his request pertains to a vote taken by electronic device?

Mr. SIKES. On yesterday; that is correct, Mr. Speaker.

The SPEAKER. The Chair will state to the gentleman from Florida that under the announcement which was made at the time of the institution of voting by electronic device it is the duty of the Member to note and verify his own presence and his own vote.

The Chair would like the gentleman from Florida to withhold his request on this.

Mr. SIKES. Very well, Mr. Speaker.

WATER AND WASTE DISPOSAL PLANT PROGRAM

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution as follows:

H. RES. 255

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3298) to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Hawaii is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 255 provides for consideration of the bill, H.R. 3298, which, as reported by our Committee on Agriculture, would restore the original congressional intent with respect to the water and sewer grant program under the Consolidated Farm and Rural Development Act. The program was established by Congress in 1965 as the Poage-Aiken Act. On January 10, 1973, the Department of Agriculture announced that it was "terminating" planning and development grants in the water and waste disposal programs of small towns on the grounds that termination would contribute to the success of the administration's plan to reduce Federal spending.

Today, after the expenditure of only 20 percent of the appropriated sum of $150 million for fiscal year 1973, the program has in fact been terminated.

Despite the arbitrary action of the administration, the enormous need for the continued life of the program is evidenced by the fact that on January 10, when termination of the program was announced, 1,685 small rural communities across the country had applications pending. Most of these communities are unable to undertake a water or waste disposal program without Federal matching grants.

H.R. 3298 would remove alleged ambiguous language in existing law, and substitute therefor a clear mandate that rural water and waste grant funds as authorized and appropriated by the Congress are to be expended by the administration as directed by the Congress.

Mr. Speaker, House Resolution 255

provides an open rule with 1 hour of general debate, the time to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, after which the bill would be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee of the Whole House shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. Speaker, I urge the adoption of House Resolution 255 in order that H.R. 3298 may be considered.

Mr. LATTA. Mr. Speaker, I support this rule, and I support the passage of this legislation.

I also support the intent of the administration to hold down spending because it is something that has to be held down, but I question some of the priorities on spending and the terminating of some programs, and certainly the program that we wish to continue today is high on the list of priorities, as far as I am concerned.

Let us see what this program would actually do if it is terminated. It would cause continued pollution of our streams. We have been trying to clean up these streams. We have mandated through Federal legislation passed by Congress that we clean up these streams. We have had Federal authorities on local communities; we have had State authorities on local communities; we have had special health departments on local communities, telling them that they have to clean up their streams.

They have condemned water systems in a good many villages throughout the country, and especially in my district.

Now we come along and say, "We are not going to help you out of the mess that we put you in. We are not going to give you any assistance from the Federal level through the Farmers Home Administration. You are going to have to go to an Environmental Protection Agency"—which itself does not have sufficient funds to do the job.

As indicated by the previous speaker, we have almost 1,600 or 1,700 communities' applications now on file with the Farmers Home Administration for assistance under this program.

I supported this program from its start because in our district alone in northwestern Ohio we have dozens and dozens of small communities that need help, and our district is not unlike other districts throughout the United States. To say to these small communities that they have got to put in a sewage treatment plant when they do not have the bonding capacity to do so is whistling in the dark. They cannot by any stretch of the imagination do it on their own, or do it without some help from the Federal Government. They cannot turn to the States. The States do not have the funds. They look to Washington.

Under this program the last time, through an amendment that I proposed to the House and the House accepted, we increased the authorization to $300 million to help out these communities. The Committee on Appropriations then came along and said $150 million should be spent. Well, a half loaf is better than no loaf at all at any time, so we passed it at $150 million. How much was actually spent? $30 million. And community after community in my district and other districts in this country are going without, and they continue to contaminate the streams and the rivers of our country. But the pressure still exists on these communities from the State and Federal levels to clean them up. Their answer is, "How?" How, without the continuation of this type of legislation?

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will be pleased to yield to my friend, the gentleman from California.

Mr. TEAGUE of California. I thank the gentleman from Ohio for yielding.

I am sure that the gentleman from Ohio does not wish to give the impression that the Federal Government is abandoning all interest in pollution abatement.

Mr. LATTA. I might say they have the interest, if they are willing to put their money where the interest is.

Mr. TEAGUE of California. All right. Then will the gentleman please be aware of the fact that the new budget provides for $1.6 billion to be spent on sewage plant construction alone as compared with only $727 million spent in this last fiscal year. That is a doubling of the amount. What the administration is proposing is 75 percent grants under the EPA rather than 50 percent grants under the Farmers Home Administration, on the theory that the Environmental Protection Agency is better qualified in the field of sewage treatment and sewage plants, and has more expertise in that area than do the people at the Department of Agriculture.

Mr. LATTA. I might say what the gentleman states is absolutely true but the money is not there. We have the applications in my district, I follow them, and to the best of my knowledge there has not been a single application approved by the Environmental Protection Agency in my district in the last 6 months. I say the proof of the pudding is in the eating.

Mr. TEAGUE of California. It seems to me unlikely if the President has requested $1.6 billion that he does not intend to spend it.

Mr. LATTA. Let me also say to my friend that in this overall picture we are talking about an amount over $1 billion but we are talking about the cities of over 10,000 in population.

Mr. TEAGUE of California. Oh no, these can go to any cities of any size.

Mr. LATTA. That is right and that includes the ones over 10,000 in population as well as those under 10,000 population, and the gentleman knows and I know that HUD has put out these funds in the millions to the cities over the years and they have put them out in the thousands to the communities in the farm areas. I say where it is fair for the cities to get aid from the Federal Government it is likewise fair for the communities under 10,000.

Mr. TEAGUE of California. I have many communities under 10,000 and I have confidence they will receive their fair share of Federal funds for sewage facilities.

Mr. LATTA. I appreciate the confidence of my friend, the gentleman from California.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, either the gentleman from California is misinformed or else this Member is wrong or misinformed. It seems to me we should ask what happens if we transfer these pending applications from FHA to EPA, we may be providing for a measure of waste disposal but there is nothing in these programs for a grant to provide for a water supply. We all know that in order to dispose of solid waste there must be some source of water supply. I know of no EPA grants, not a single one in communities of less than 10,000. As to any program the proof of the pudding is in the eating. The Farmers Home sewer and water grant program has worked well. Also let us never forget that we must have water districts in order to make the sewage disposal districts operative in our smaller communities.

Mr. TEAGUE of California. Mr. Speaker, if the gentleman will yield, certainly the point made by the gentleman from Missouri is valid but loans for water districts are available and will still be available through FHA, so a 75-percent grant from the Environmental Protection Agency plus a loan from FHA certainly should be applicable to build sewer systems.

Mr. LATTA. I thank my friend, the gentleman from California, again for discussing this. I wish I could be as optimistic as he is about this.

Mr. RANDALL. Mr. Speaker, will the gentleman yield further?

Mr. LATTA. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as far as the approval of EPA applications is concerned we will find that the large cities and middle-sized communities will be adequately and even well represented. It will be the little places that have no lobbyist. They have no one to speak for them unless we speak for them here and now today as this body enacts H.R. 3298. This bill today is for our smaller communities and even unincorporated areas.

Perhaps right now is as good a time as any to mention an instance which occurred in our district. The leaders of a proposed water district received a letter from the Farmers Home Administration State headquarters at Columbia, Mo., back in the fall, either in September or October, that their rural water district had been approved. They proceeded to spend some of their own money. Funds were raised by passing the hat. Then on January 11, 1973, out of a clear sky they were told, by the central office here in Washington of the Farmers Home Administration "we are sorry. All grants are off. Forget about our letter in 1972. The grant program has been canceled." This cancellation involved an unincorporated area that encompasses the southwest quadrant of Bates County, Mo. It is happenings or occurrences of this sort that we are trying to correct by the H.R. 3298.

Mr. LATTA. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I have no further request for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3298) to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3298, with Mr. Bevill in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. Poage) will be recognized for 30 minutes, and the gentleman from California (Mr. Teague) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. Poage).

Mr. POAGE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, back on September 23, 1965, the House of Representatives by a vote of 325 to 10, passed my bill, H.R. 10232, which provided, among other things, grants for rural water and waste disposal systems. The Senate had earlier passed a bill which provided grant assistance to water systems only, but our committee, and the House of Representatives, thought it wise to include grant assistance for rural waste disposal systems as well. The Senate on the next day, September 24, 1965, concurred in the House amendments and for the first time, rural communities could look forward to water and waste disposal systems which they needed so badly. This new law, which became known as the Poage-Aiken Act, became one of our most popular rural programs and it worked well. In thousands of instances, the grant authority for water and waste disposal systems made it possible for rural residents to build a water or sewer system which could never have become a reality had there been only loan funds available. Poor rural communities simply did not then, and do not now, have an adequate tax base or ample customers to make a system feasible without grant assistance.

That is the weakness with the suggestion made by the gentleman from California, that there is authority to make some water system loans at the present time. That is true, but the President has tried to wipe out all authority to make grants for water systems.

As the years have passed, the Congress increasingly has recognized the value of the grant program. The bill as it originally passed in 1965, permitted only $50 million in grants per year for these systems, but at a later date during the 90th Congress, Congress doubled the authorization to $100 million per year. Finally, last year the Rural Development Act tripled the grant authority to $300 million per year. Actually, that bill, as it passed the House, contained an authorization of $500 million per year due to an amendment offered by the gentleman from Ohio (Mr. Latta). The conference committee fixed the grant funds at $300,000,000 per year. Both Houses approved and President Nixon signed the bill with considerable publicity and praise.

Then on January 10 of this year, the Department of Agriculture issued a press release under the heading: "Terminate FHA Water/Waste Disposal Grants."

It did not say, "postpone" or "suspend." It said, "terminate."

The release was brief and to the point, but its effect was to smash the hopes of thousands of rural communities which are in desperate need of a water or waste disposal system. The irony of the matter is that the very poorest of our rural communities cannot possibly hope to have a water or sewer system without grant assistance. Only the more prosperous communities can construct one of these systems with loan fund only. In the past, some 2,650 rural water and waste disposal systems became a reality because they were able to secure some grant assistance under the Poage-Aiken Act. This obviously is an outstanding tribute to this program, but the very sad fact is that when this usurpation of congressional authority on the part of the administration occurred, some 1,685 communities across the United States had applications pending before the Farmers Home Administration for approximately $252.8 million in grant funds. These pending applications had just as well be destroyed if we allow the administration to get away with this intolerable action.

I must point out that since 1966 when the Poage-Aiken Act became effective, the Congress has appropriated some $498 million in grant funds only to have the administration spend less than one-half of this total—some $243.3 million. This is a feeble record, but the money that was spent has meant many times the investment because it has made so many parts of rural America a better place in which to live.

I know that many of my colleagues on the floor today have seen what a sound water or waste disposal system can do for a community. I was honored that the first waste disposal system under this program was built in a small town in my district, Chilton, Tex. I do not know how we can calculate the tremendous good this system has done for that little community.

In testimony before our committee the administration pointed out that the Environmental Protection Agency was making sewer grants to rural areas. While they have that authority, the truth of the matter is that the EPA is not making water system grants, and it does not take much intelligence to know that the type of sewer system used in this country does absolutely no good unless there is a water system to supply it.

The administration has indicated that it proposes to make this termination permanent indeed, because no funds for the Farmers Home Administration waste disposal loans have been requested in the fiscal year 1974 budget. So if the administration has its way; all that will be left for rural communities, it appears to me, is the Farmers Home Administration's water system loan program and the Environmental Protection Agency's sewer grant program. It is sheer folly to assume these programs will meet the needs of rural areas. In addition, I have a great deal of concern about the ability of rural areas to obtain a fair share of grant funds from the EPA.

The Environmental Protection Agency is snowed under with monumental problems and requests which far overshadow rural America's needs. I fear that rural America will get lost in the shuffle when the EPA must consider projects such as cleaning up the Great Lakes, the Mississippi River or the city of Los Angeles. The Farmers Home Administration has administered the rural water and waste disposal system program well because the Farmers Home Administration has a network of offices all across rural America, and its personnel know the needs of rural America. I think it is a tragic mistake for the administration to destroy this program.

Now what does H.R. 3298 propose to do? After the administration announced the destruction of this program, I asked the Department of Agriculture to cite their authority to completely wipe the law off the books.

The CHAIRMAN. The gentleman from Texas has consumed 5 minutes.

Mr. POAGE. Mr. Chairman, I yield myself 1 additional minute.

A memorandum was supplied me by the General Counsel of the Department which in essence said that the program was terminated on the grounds that the language of the law did not force the expenditure of grant funds. Therefore, this bill clearly and simply deletes the words "is authorized" and inserts the word "shall". Thus, we require that a sum equal to congressional appropriations be spent under this program. Heretofore, I have felt that it was wise to allow some discretion to the administration but after the shocking series of program terminations, I do not want to take any chances in the future. Quite frankly, I think the administration's action in this program and in a number of other programs is a blatant infringement of congressional authority. I feel that we must act promptly to put the administration on notice that we will not sit idly by and watch the power of the Congress drift away.

I will not attempt to take any more of my colleagues' time because I believe our committee's report is quite detailed. I would encourage my colleagues to vote for this legislation today, and when the Senate passes similar legislation I urge that we vote to override a veto in a resounding fashion—should the President again strike out against this vital program and against the Congress.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Ohio.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. POAGE. Mr. Chairman, I yield myself 1 additional minute.

Mr. LATTA. I thank the gentleman for yielding.

I believe the gentleman should point out something which needs to be pointed out; that the administration did have power, the way the law was written, to terminate this program.

Mr. POAGE. We recognize that.

Mr. LATTA. I believe the language being put in here is needed so that we can spell out in no uncertain terms that the program shall continue.

Mr. POAGE. That is exactly what this bill does.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Teague).

Mr. TEAGUE of California. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. Hudnut).

Mr. HUDNUT. Mr. Chairman, I rise in opposition to H.R. 3298, to restore the rural water and sewer grant program. This legislation is an assault not only on the President's efforts to control expenditures, but also on his attempts to provide better methods of delivering services to those who need them.

The issue here is not really whether there will be a smalltown sewer and waste abatement effort which I am sure we all favor. The issue is how that effort will be organized and how that assistance will be delivered.

Programs pertaining to waste treatment systems now are coordinated under the Environmental Protection Agency, as a result of the Clean Water Act which the Congress so strongly supported. Under the Clean Water Act a community may get a 75-percent grant whereas under the Farmers Home Administration grant program a community was limited to an amount not to exceed 50 percent of the cost of construction. The EPA is able to deliver grant funds to States in block fashion which enables State and local communities to appraise their problems and determine priorities for their use, so these funds may be spent more in keeping with local needs and subject to local decisionmaking. To continue the Farmers Home Administration grant program, as provided in H.R. 3298, would be a duplication of Federal funding for these purposes.

Grants for water systems may be made also from shared revenue funds if states and communities decide this is the most appropriate use of such funds.

Thus, in view of the restructuring and reorganization of the pollution abatement effort, I feel it is premature to try to force the administration to deliver this service through the U.S. Department of Agriculture as would be provided in H.R. 3298. Furthermore, I think it is a mistake for Congress to attempt to force the Administration to spend more money than it deems necessary. As I understand it, of the total $150 million appropriated for fiscal year 1973, $30 million has already been obligated, leaving a remainder of $120 million unspent for this program. The administration has announced its decision to terminate grants for water and sewage system projects in the remainder of the current fiscal year. Why make it mandatory that these duplicity grants be funded? Can we not for once vote for fiscal restraint and a more conservative stewardship of the taxpayers' dollars? Can we not vote to hold down Government spending and hopefully help bridle galloping inflation that has breadwinners and homemakers all over America crying for relief?

Mr. Chairman, I believe a vote against H.R. 3298 is a vote in favor of limiting rather than augmenting the amount of money we as a Federal Government are expending. I believe the American people want us to avoid a tax increase by putting a curb on our spending. Here is one chance—and there will be many more—to do just that. Consequently, I will vote against this measure and urge my colleagues to do likewise.

Mr. TEAGUE of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. GUYER. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Ohio.

Mr. GUYER. Mr. Chairman, I rise in support of H.R. 3298. My home State of Ohio has sustained an unseasonable period of near flood and excessive rain conditions which have not only jeopardized the harvesting of fall crop but which have also created an emphasis on the critical need for overall water, sewer, and environmental programs.

My home district desires to take its place along with other communities and the people of other States to keep in step with modern treatment and water management programs. It was a serious blow to these plans when the Department of Agriculture issued a halt to the availability of funds which were being made possible by the Rural Development Act of 1972. Under this act, small communities such as in the Fourth District of Ohio were looking forward to participating in the grants and loans features which with matching funds not only would serve our people but also help to solve these critical problems in the nonmetropolitan areas.

We realize that all of the kindred agencies have an overabundance of applications. There are more than 1,700 applications now pending under this program which were cut down at dead center when the act was abridged in January.

In the interest of good water management, sound sanitation and conservation principles, of assisting our rural neighbors, of helping achieve the objectives of the Environmental Protection Agency, and above all, in serving our people, I am voting for the continuation of this program with the hope that my colleagues will also join with me in supporting this bill so that early enactment will assure and provide this important service to the people of our district and rural America.

Mr. TEAGUE of California. Mr. Chairman, I wish to inform my colleagues that I do not feel as strongly about this bill as I have concerning some of them that I have stood down here in the well and opposed. I do want to repeat some of the statements I made during the discussion on the rule. However, so there will be no misunderstanding, I think in fairness it must be pointed out that the administration is not trying to do away with pollution control or abatement, and there is no question about the fact that FHA has done a good job.

Mr. Chairman, the President's new budget requests $1.6 billion for sewage plant construction alone in fiscal year 1974, as compared to $727 million for fiscal year 1973. That doubles the amount.

Now, I can understand the concern that my friends and their colleagues from rural areas have, because I have a rural area of my own, with a lot of small towns. They are afraid that the Environmental Protection Agency is going to give all this money to the big cities and that the small communities will be left out. I do not have that fear myself.

Under this proposal determinations will be made on recommendations by the various States. This is a very important point, and I think all of us, whether we are from large or small areas or large or small cities, should realize this. The grants will be increased from 50 percent under the present FHA to 75 percent under the EPA. As far as water is concerned to operate sewage plants, which is, of course, a necessity, loans may still be obtained—not grants but loans may be obtained—from the FHA. So this is not doing away with pollution abatement but is a recommendation that this particular phase of pollution control should be transferred from the Department of Agriculture to the EPA. For that reason it seems to me the recommendation has merit.

Mr. POAGE. Will the gentleman yield?

Mr. TEAGUE of California. I yield to the chairman.

Mr. POAGE. Do I understand that they now suggest there will be no savings but it will merely transfer funds from one agency to another?

Mr. TEAGUE of California. I think that is probably correct, but I am not entirely sure. I must say frankly that was the impression Under Secretary Campbell gave us when he testified before our committee.

Mr. POAGE. If the gentleman will yield further, there is one other matter I would like to ask about.

Mr. TEAGUE of California. I yield to the chairman.

Mr. POAGE. How is a poor community which cannot get any assistance to build a water system going to profit by this increased grant you referred to for a sewer system? Will it blow sand through the sewer system, or how will it work without water?

Mr. TEAGUE of California. No. Of course water is required. I stated that before. They borrow that money as you and I and others borrow money, but they borrow it from the Federal Government at a subsidized rate of 5 percent.

It seems to me that coupled with the fact that their grant for the construction of a sewer system itself will be increased from 50 to 75 percent will leave them better off than they are under the present circumstances.

Mr. POAGE. Will the gentleman yield further?

Mr. TEAGUE of California. Surely.

Mr. POAGE. But that gives us no assistance as far as getting a supply of water is concerned. The bonds to pay for both systems have to be sold separately, do they not? You cannot go out and issue combination bonds, can you? Especially, when your water loan is from FHA and your sewerage grant is from EPA.

Mr. TEAGUE of California. I would think that they could get their grant money for the construction of the sewer system and sell bonds for the construction of the water system.

Mr. POAGE. But if there is not enough income from the water system, they will not be able to sell bonds to build the water system, and the sewer system will not be of any value to the community without the water system. It seems to me to be poor judgment to separate these programs which have functioned so well together.

Mr. TEAGUE of California. Of course, nobody can argue with that, but I point out again they can get a 75 percent grant for the sewer system itself rather than 50 percent.

Mr. McCLORY. Will the gentleman yield for a clarification?

Mr. TEAGUE of California. Yes. I yield to the gentleman.

Mr. McCLORY. I can see some definite advantage to consolidating this water pollution control activity administered by FHA with the programs administered by the EPA. The question I have is this: Is the enabling legislation in effect at this time for transferring this activity, or does it depend on further legislative action in order for this to occur?

Mr. TEAGUE of California. I would have to consult counsel on that. I cannot answer that. Perhaps the chairman can.

Mr. McCLORY. The thing I am concerned about is that there may be a lapse or a period of time when we will have no program available for the rural areas until we take further legislative action and appropriate further money.

Mr. TEAGUE of California. My opinion is there will not be. The EPA can go ahead and do it and make the grants.

Mr. McCLORY. I thank the gentleman.

Mr. RANDALL. Will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman.

Mr. RANDALL. There certainly will be a lapse. There is no way to avoid it. There are 1,600 applications now pending that have not been funded. All of these will have to be thrown out and new applications submitted. These little communities do not have the money to spend for new engineering services. When they have to file new applications, they will have to pass the hat around to pay again for these services. You can bet that the new agency will not accept the old applications. If we agree it may be desirable to consolidate these programs at some time in the future, let us process the pending applications instead of changing the rules in the middle of the game. Start now to refuse any new applications but let us at least dispose of those that are now pending.

Is there anything in the EPA that earmarks any funds for rural areas or places under 10,000? The chairman of the committee has quite rightly emphasized that little rural applicants will be engulfed and lost among such big projects as Los Angeles and the Mississippi River projects. There is nothing earmarked in the EPA funds for the little communities.

Mr. TEAGUE of California. I am sure the little communities in your congressional district will be well represented and will get their fair share of the money. I think all of you here have the duty to see that it does come about, but under this arrangement the primary decision is made on the decision of the States as to where the money will be spent.

Also the rural communities in most States are as well represented as are the big cities in the State legislatures, and in their access to the Governor's office.

Mr. RANDALL. Mr. Chairman, again I would appreciate once again the gentleman's yielding, although perhaps I should get my own time. However, let me ask the gentleman whether there will be any direct grants. Is that what we are talking about, or are we talking about some special revenue-sharing matter that will come down the road later on, should it be approved by the Congress?

Mr. TEAGUE of California. No: the arrangement is that the money is available in the EPA, and will be disbursed in accordance with the recommendations of the States as to the priority of the sewer plant applications.

But to return to the former point made by the gentleman from Missouri, I am not entirely sure that the gentleman is correct as to the pending applications, if they are anywhere near up to date for FHA, that they cannot be used by the Environmental Protection Agency because I see no necessity for an entirely new application procedure being instituted.

Mr. RANDALL. I would suggest to the gentleman from California—and I will try to get some time on my own to ask the staff——

Mr. TEAGUE of California. I will give the gentleman time. I will yield to the gentleman.

Mr. RANDALL. Then I would ask the staff on either side of the aisle whether it has been the practice in the past when we move from one agency to another agency that we accept those applications from the former agency because I do not believe that they do.

Mr. TEAGUE of California. If it is not true, then it should be.

Mr. RANDALL. That is what we are talking about; that is what this entire debate is all about.

Mr. TEAGUE of California. I would hope that that would not be the case.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

Mr. TEAGUE of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Chairman, we all recognize that sound fiscal management requires periodic reappraisal of policies and programs to ascertain where and how we might reduce expenditures in order to realize a financial saving. When the operation to be managed is the huge monstrosity that the Federal budget has become, commonsense indicates that a general reduction in expenditures, across the board, would effect the same result with far less hardship, than to pick and choose vital categorical programs, thus creating chaos among certain segments of our people in a discriminatory manner. It seems to me that those who have the most catching up to do, are the ones being asked to impede their progress. Whenever the country is asked to "tighten its belt," it seems they too often reach for the farm belt.

I have been telling my constituents in the Ninth Congressional District of Virginia that their Government was aware of their problems. I have been telling them for years that their contributions to the national economy were recognized and appreciated. I have been promising them help in meeting their basic needs, and I was proud of the good programs that the Committee on Agriculture has been able to steer through Congress in their behalf. Now many of them have been terminated, or cut to such an extent as to be ineffective. First it was the rural environmental assistance program, then the interest-subsidized housing program. The rural water and waste disposal grant program is even more important because few of our small rural communities could ever hope to raise the funds for such a project without Government assistance.

In my district, our annual allotment of loan to grant under the rural water and waste disposal grant program has been roughly 10 to 1. We were allotted $1 million in grants for fiscal year 1973, but were cut off at less than one-half of this when the program was terminated on January 8. I include, as part of my remarks, a list of the water, sewer, and solid waste projects funded by the Farmers Home Administration in the Ninth District of Virginia. The list includes projects in operation, projects under construction, projects approved but not closed, and applications on hand at the time the program was terminated. The small grants—$340,000—tied to applications on hand reflect the attitude of uncertainty under which the Farmers Home Administration had to implement this program, even prior to the cutoff of grant funds.

The thinking that the Environmental Protection Agency and revenue sharing will fill the gap of the Farmers Home Administration and other grant programs in good theory, but it fails to understand the problems of the small rural communities of which the Ninth District has many. An example is a small community requesting a $350,000 grant and a $350,000 loan to solve a water problem where most of the wells were condemned. Revenue sharing for this locality was less than $4,000. The Environmental Protection Agency has the authority to award grants for sewage disposal systems, but not for water systems. Now, I ask you, what good is a sewage disposal system without water?

I think it is evident that the program put together in the Ninth District—$32 million in loans and grants, serving more than 19,000 families—can only be done by an agency like the Farmers Home Administration that operates at the grassroots level. This agency is in a position to tie its housing program to the water-sewer projects and give the people some guarantee of success with fixed hookup fees.

Through fiscal year 1973 in Virginia, the Farmers Home Administration will have financed more than 20,000 homes at a cost of more than $300 million. Approximately 50 percent of these were interest credit loans which were also terminated January 8, 1973. It is fair to assume that 20 to 25 percent of these loans were made in the Ninth Congressional District. Undoubtedly the loss of interest credit housing loans eats at the heart of the major problem in rural Virginia and America. The President's "do for yourself" message has much merit; however, from a decent housing standpoint the hard-working man, doing menial tasks, earning less than $100 per week, cannot improve his living conditions unless his housing payments are interest-subsidized initially. Those who were able to do for themselves through educational or birth advantages have contributed to this problem by driving up incomes at the professional and unionized levels. Thus inflation affects everything the low-income man must have.

Of all the programs the Farmers Home Administration administers, the water-sewer grant program and the interest credit housing program are the most visible programs for success in rural America. So many other things fall into place after these problems are solved.

The farmer and the small town community of rural America has always been more than willing to shoulder its share of the responsibility for a strong and solvent nation. Too often they are taken for granted and the people who have sought their livelihood in the metropolitan areas seldom give a serious thought to their dependence on the men who till the soil. But they must live too, and their needs must be met.

Mr. Chairman, I urge my colleagues to vote for H.R. 3298 to restore the rural water and waste disposal grant program.

I include the following:

Ninth Congressional District projects (water, sewer, solid waste) funded by Farmers Home Administration (cooperatively with EDA, ARC, EPA)

Projects in operation:[1]	
FHA loan	$6,185,650
FHA grants	972,630
Other grant	3,537,683
Total	10,695,963
Projects under construction:[2]	
FHA loan	2,041,700
FHA grant	782,400
Other grant	2,781,100
Total	5,605,200
Projects approved but not closed:[3]	
FHA loan	6,360,410
FHA grant	879,200
Other grant	3,816,985
Total	11,056,595
Applications on hand:[4]	
FHA loan	2,753,200
FHA grant	340,000
Other grant	2,039,100
Total	5,132,300
Grant totals:[5]	
FHA loans	17,340,860
FHA grants	2,974,230
Other grants	12,174,768
Total	32,459,858

[1] Serving 8,733 families.

[2] Serving 2,917 families.

[3] Serving 5,910 families.

[4] Serving 1,955 families.

[5] 61 Projects—To serve 19,515 families.

Mr. O'NEILL. Mr. Chairman, I rise in strong support of H.R. 3298, to restore the rural water and waste disposal grant program, which is necessary for pollution control and health in rural America.

The President's indiscriminate action on January 10 terminating this program was just one of a series of sudden and arbitrary moves by the administration to cancel out programs which have long benefited rural America. Like his decision to eliminate the rural environment assistance program, this action demonstrates the President's benign neglect of rural problems.

And it is in keeping with his budget proposal to provide no effective environmental program.

If the President's action were allowed to stand, there would be no source of grant funds for rural water systems. The grants provided under this program, administered through the Farmers Home Administration are specifically oriented toward small towns in rural areas. Small communities and other rural areas in desperate need of water systems do not have a tax base large enough to support loans necessary to finance such a system. Without grant assistance, they could not establish a rural water system.

The administration claims that funds would be available for these programs under his special revenue sharing to plan for rural America.

Now I ask you, how are small rural towns going to acquire the political muscle or tax base to enable them to scramble adequately to come up with a fair share of the funds?

At the time of the President's hatchet action on the rural waste grant program, 1,685 communities across the United States had applications pending for $252,783,208 in grants under the program. Since 1965 more than 2,650 rural water and waste disposal systems have been assisted with the grant money. And this is in spite of the fact that President Nixon impounded $58 million of appropriated funds for water and waste disposal systems.

The arbitrary actions by the administration in terminating ongoing programs mandated by Congress indicate overt moves to thwart the will of Congress.

Clearly there is a separation of powers issue inherent in the necessity for enactment of this bill. The authority given to the Department of Agriculture to administer the program to carry out the intent of Congress did not give the Department the authority to terminate a mandate of the Congress.

Congress allowed discretion to the department in carrying out the water and sewer program. But this discretionary authority has been blatantly abused.

I wish to commend the House Agriculture Committee for its constructive remedial action in removing the discretionary features of the grant program, and in reinstating the programs as originally established.

I urge all my colleagues in this Chamber to vote for the rural water and waste disposal grant program because of its meritorious benefits, determined by Congress, to hundreds of rural citizens all over this Nation.

Mr. CULVER. Mr. Chairman, I urge the House to act favorably upon H.R. 3298, a bill to restore the water and waste disposal grant program which the administration has chosen to terminate.

Since 1965 the Farmers Home Administration has authorized approximately 2,650 rural water and sewer systems under this program. These grants were essential to those small communities which could not provide a water or waste disposal system with loan funds alone. The need for these facilities still exists, but the President has chosen to ignore rural and small town America in his restructuring of the Federal budget.

The Constitution clearly gives Congress, not the President, the authority to determine how the taxpayers' dollars are to be spent. By impounding funds for programs such as the water and waste disposal grants, the President is unconstitutionally trying to impose his false priorities on the Congress and the people. Unfortunately, his priorities do not include programs for rural America, the elderly or the poor, and other programs enacted by the representatives of the people.

Mr. Chairman, I cannot agree with the President's budget proposals wherein he calls for increased military spending and the continuation of unfair tax loopholes while at the same time he is withholding appropriated funds for useful programs. I believe that it is possible to reduce Federal spending even below the President's recommended ceiling and at the same time to strengthen our efforts to meet the priority human needs of the people.

At the time the administration announced that the water and sewer grants would be terminated, 1,685 communities across the country had grant applications pending. Such numbers sometimes make it difficult to focus on the genuine human needs involved, but not when you know firsthand the communities in your own district which are being hurt by this action, such as Baldwin, Delaware, Dundee, Peosta, Prairieburg, St. Olaf, and Volga City, to name a few.

These are not large cities, and I doubt that the President or the Secretary of Agriculture is even aware of their existence. Real people live there, however, and they need good water systems and sewer systems as much as the residents of large urban areas. If we are serious about trying to maintain the values of rural living which have contributed so much to the building of our country, we cannot long ignore the needs of these people.

The President's impoundment of funds for water and sewer grants and other programs certainly runs counter to the constitutional separation of powers, but it would be a mistake to see the issue only in constitutional terms. It is also the administration's way of saying that its priorities for America do not include this important program for our small towns and rural areas. I for one cannot accept these priorities, and I welcome the opportunity to cast my vote today for the continuation of the water and waste disposal grant program.

Mr. ABDNOR. Mr. Chairman, I appreciate this opportunity today to express my wholehearted support for H.R. 3298, a bill to restore the rural water and sewer-grant program under the Consolidated Farm and Rural Development Act.

We desperately need to reinstate this grant program which the Department of Agriculture announced that it had terminated effective January 1, 1973, for several reasons.

First, rural water and waste disposal systems are essential for orderly growth and development and human health in rural communities. One of our country's major handicaps has been the problems associated with obtaining clean water and effective waste disposal. Thriving communities simply cannot exist where raw sewage flows untreated into its waterways.

Second, if our rural communities are to attract increased business, including expanded industrial development, it is necessary to install modern and efficient water and waste disposal systems.

Previous grants have eliminated the need for citizens to haul water or depend on springs, cisterns, ponds, and creeks for their water supplies. It would be extremely unfortunate if we had to resort to these mechanisms again for obtaining abundant supplies of clean water.

In the past, the grants program for water and sewer systems has played a leading role in developing and beautifying one of the great States in the United States, South Dakota. Two projects, the Lake Andes water supply project and the Platte Creek Irrigation Association project, have relied on FHA grants to help promote South Dakota's agricultural and industrial development and the tourism industry. There is nothing as important to South Dakota as water, and its continued development.

The most recent survey of water and sewer needs for towns with populations less than 5,500 was conducted in 1969, revealing that over $11 billion would be required to provide necessary water and sewer systems in these areas. Considering the impact of inflation in the construction industry, this figure is now well over $13 billion.

Many of the small rural communities in my State and others like it simply cannot afford to finance their water systems without a grant program. Congress realizes this and has taken great strides in the past few years to remedy this situation by passing a 1972 authorization for water and sewer programs under the Rural Development Act at $300 million. The intent of Congress in this matter is clear, and I urge my colleagues to join with me in supporting H.R. 3298.

Mr. JOHNSON of California. Mr. Chairman, I pledge my full support for the Agriculture Committee's efforts to reinstate the planning and development grants in the water and waste disposal programs of the Farmers Home Administration. It is clear that legislation such as H.R. 3298, which would require the Secretary of Agriculture to spend funds appropriated by Congress for this program, is necessary to meet the urgent needs of rural communities and to curb the Nixon administration's abuse of its discretionary powers.

The need for this program is as clear as the water it would clean up is polluted. The Council on Environmental Quality reported in 1970 that less than one-third of the Nation's population was served by adequate system of sewers and treatment plants. The importance of having an adequate water and sewer system was dramatically illustrated in my State in 1965 when an epidemic of water-borne diseases affected 18,000 people in Riverside.

The termination of this program left small rural communities without any feasible means of financing the systems they need. Small towns simply do not have the funds to pay for the costly, sophisticated equipment that is required. Local tax bases are too small, and property taxes are already as high as the people will tolerate. Even with the FHA grant program in effect, many of the small communities in my district were having an extremely difficult time trying to come up with the money for water and sewer systems.

Some of these towns are under orders from the State water quality control board to cease and desist discharging wastes into streams and rivers by certain dates. If they do not comply, these towns will be subject to fines of $6,000 per day until they do comply. But they just do not have the resources with which to build the plants.

With the passage of the Federal Water Pollution Control Act Amendments of 1972 these small, rural communities felt hope for the first time. Indeed the Nixon administration has suggested that the programs of the Environmental Protection Agency, as enlarged and revised in 1972, are an alternative to the FHA program. As an author of that legislation and a senior member of the committee that considered it in the House and in conference, I am well acquainted with the EPA programs and their viability as an alternative. They simply cannot meet the needs, especially since the Nixon administration has cut the water pollution program to about half of what it was intended to be under the law.

In testifying before the Agriculture Committee, I illustrated this fact with figures showing an estimated $931 million in project applications from California alone that could not be funded over a 3-year period. Those were the preliminary figures from a study by the California State Water Resources Control Board of anticipated needs and available funds. The survey has been completed now, and the final result shows $1.245 billion in project applications for treatment plants and interceptor sewers that cannot be funded in California over fiscal years 1973, 1974, and 1975. The table below summarizes the situation in California. All figures are in millions of dollars.

	Fiscal year—		
	1973	1974	1975
Needs	669	771	981
Funds available	261	392	523
Unmet needs	408	379	458

Not even one-half of the need will be met in California if these estimates prove to be accurate in the next few years.

As shocking as these figures are, Mr. Speaker, they do not tell the whole story. These figures were based on the EPA programs before they were enlarged by last year's water pollution bill. They do not include project applications for trunk sewers, collection system sewers, land or storm water facilities, which are all eligible for funds under the expanded program. A State official hazarded a guess that the amount of program funds applied for overall will double from this estimate in fiscal 1974 and 1975. Nevertheless, the funds that are already so hopelessly inadequate for the old program will be used to assume these new burdens as well.

With the tremendous needs in our State—San Francisco alone has one project application pending with a total cost of about $1 billion—small, rural communities are far down the list of priorities.

Furthermore, the cutback in the water pollution program means that, on a practical level, no EPA funds will be available for collections systems. It does no good in rural communities, where most people have septic tanks, to build a treatment plant without providing any way to get a collective system. This is the problem the Shasta Dam Public Utility District in my congressional district, for one example, faces.

Even if small, rural communities could afford to borrow funds, and they cannot because their bonding capacity is not high enough, the FHA loan program could not fill the gap. In California, we have a backlog of project applications for FHA funds totaling $6 million. In recent years, FHA has been spending about $8 million per year in California with 80 percent of that going to financing sewer projects. After June 30 of this year, if the Nixon administration gets its way, there will not even be any loan funds available for sewer systems. The small towns of rural America will be left with no place to go for help in constructing the water and sewer systems they so desperately need.

The old saying is that "What they give with one hand, they take away with the other." The Nixon administration takes with both hands when it come to water and waste treatment systems.

In general, Mr. Chairman, I agree that there should be flexibility in Federal programs so that they can be administered more easily and respond to sudden changes. This administration, however, has abused the discretionary power given it by the Congress. The Executive was given discretionary power to allow for some flexibility in administering these programs, not to terminate them.

This administration came to office on a law and order platform 4 years ago, and likes to talk a great deal about acting in a responsible manner. Yet, in the case of water and waste treatment systems, it is the administration which is violating at least the spirit of the law and irresponsibly cutting off aid to communities that need it. Instead of embarking on a wide-based effort to clean up our waters, it is conducting a comprehensive campaign to hobble that effort.

Mr. VANIK. Mr. Chairman, I rise in opposition to H.R. 3298, which has as its stated purpose the restoration of the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

The supporters of this legislation claim that this program is desperately needed. They also point out that the passage of this bill involves questions of the power of the President to impound or even terminate for a period congressionally enacted programs.

My record in support of the environment is clear, and I grant that our Nation needs more advanced waste treatment facilities. These facilities are needed throughout the Nation. But most waste treatment grants are made through the Environmental Protection Agency. In fact, additional views included in the committee's report on this bill note that in the first 6 months of fiscal year 1973, EPA made $114.2 million in grants to communities with population under 10,000—the very communities which this Consolidated Farm and Rural Development Act program is designed to serve.

In reality, this program is a duplication of the regular EPA program. It seeks to provide a special advantage to rural areas, when the real priority for waste treatment still lies in our major cities. This rural development program is not primarily an environmental program, it is a program designed to move industries from the city to the farm, with tax revenues generated in the city.

I would like to add here that some of the loans and grants made under this program can be made to profitmaking organizations. When this bill passed the House last year, the only record vote in this Chamber was on an amendment to limit grants to public bodies only. Unfortunately, that amendment—which I supported—failed, leaving this legislation with a serious defect.

Finally, on the issue of Presidential impoundments, I disagree with many of the actions taken by the President on curtailing these social programs, but until the Congress develops some system of its own to control the level of Federal spending, I cannot vote to require the President to spend every dollar which we have authorized and appropriated. We will have to make decisions as to priority programs. I believe that the waste treatment grant program administered by the EPA should be our priority program in cleaning up the Nation's environment. This program which we are considering today is in reality a special interest program which I oppose.

Mr. STUCKEY. Mr. Chairman, I rise in support of H.R. 3298. Rural communities should not be denied a water or waste disposal system because of this arbitrary action on the part of the administration. The Farmers Home Administration has done an outstanding job through the years in providing loans and grants to small towns and communities for the planning and construction of these badly needed systems. There are thousands of little communities that must have grant money in order to have a rural water or waste disposal system. They simply do not have the tax base or an adequate number of customers to make a system feasible by using loan money only.

Unfortunately it has been no secret that the administration has never looked with much favor on the grant authority provided by the legislation Congress passed back in 1965. Since that time the Congress has appropriated $498 million in grant funds only to see the administration spend some $243.3 million. While this constitutes a very weak effort on the part of the administration, it is nevertheless true that these grant funds have been of great assistance to rural America. Statistics show that some 2,650 rural water and waste disposal systems have been assisted with grant funds. Had this money not been available, most of these systems would not be in existence today.

I cannot understand the administration's rationale when it announced on January 10 that the Farmers Home Administration water and waste disposal grant program had been terminated immediately. At the time of this announcement 1,685 communities across the Nation had pending applications for approximately $253 million in grant funds. If the administration's action is permitted to stand, these applications will not be worth the paper they are written on, and the thousands of people in those areas will have to do without what should be considered a basic necessity of life.

As it now stands, all that the administration can offer to rural communities will be water system loans through the Farmers Home Administration and sewer system grants through the Environmental Protection Agency. The administration has not even requested a continuation of the waste disposal loan program of the Farmers Home Administration in its 1974 budget. I feel that in view of EPA's tremendous workload, rural communities will be lost in the struggle for Environmental Protection Agency sewer grants. But more important, is the fact that, so far as water systems are concerned, the very poorest communities cannot have a water system without grant assistance and no grant assistance is now available to them. What good is a waste disposal system without a water system anyway? The administration's action defies logic, and I strongly support this bill and after the Senate passes it, should the President veto this measure, I expect to vote to override the veto.

Mr. ALEXANDER. Mr. Chairman, the program which is the subject of our deliberations today is one of tremendous concern to me. Since even before my election to the Congress, I have been involved in efforts to improve living standards and opportunities in the Nation's countryside. I believe that individuals and families should be able to choose to live in nonmetropolitan areas without forfeiting the conveniences of modern living.

Depopulation has been a serious problem for the Nation's counties such as the ones which compose Arkansas First Congressional District which I represent. For parents to be able to choose to stay in the countryside they must be sure that their children will have access to education, economic opportunities and housing.

An essential element in desirable housing is the availability of water systems and sewage disposal systems. The water and sewer systems programs which have been operated by the Farmers Home Administration were intended, by the Congress, to make these facilities available to countryside residents.

These systems not only help insure healthful living, their availability improves the small communities' chances of persuading new businesses and industries to select them as locations. Improved job opportunities assist in expanding resources available for such public activities as educational programs.

The Department of Agriculture's decision to terminate the planning and development grant program for water and sewer projects under the Farmers Home Administration is a death warrant for small communities of the countryside. It is particularly unacceptable in the absence of a firm financial commitment from other agencies as to the resources they will make available to these nonmetropolitan areas.

To give you a clear idea of the magnitude of this problem, let me quote some statistics on the State of Arkansas. According to the 1970 census, there were 672,697 all-year-round housing units in the State that year. Of these 230,377 units did not have access to public or private water distribution systems. And, the majority of these—225,300 units—were identified as being located in rural areas.

Of the housing units in the State 317,286 were identified as not being connected with a sewer system. And, 284,257 of these units were in rural areas.

I recognize the need for fiscal responsibility, and for striving to regain and maintain control of Government spending. I support efforts to do so. But, I believe it is foolhardy to so drastically curtail health-related activities such as water and sewer system development. The burden of budget-cutting should not be laid so heavily on the shoulders of a segment of the Nation's population which has such slim resources. The effect is to further reduce their opportunities to become self-sufficient.

This problem is serious enough, alone, to warrant mandating continuing a countryside-oriented water and sewer planning and development grant program. But, there is the even more serious question of an attack on congressional authority to legislate.

When this program was enacted, Congress intended for it to operate until a future Congress—not the executive branch—determined that the need for it no longer existed, or for some other reason it should be terminated.

Whatever flexibility is built into the water and sewer program law was put there as an aid to efficient, and effective administration—not as authority for the executive branch to terminate the program.

The Congress must make clear to the executive branch that it will jealously guard, and responsibly exercise, its constitutional duty to legislate. Passage of the bill which we consider today would be another clear indication of this intention.

For that reason, and because this is a program for which there is a great need, I urge that the House act favorably on the proposal before us today.

Mr. RANDALL. Mr. Chairman, I enthusiastically support H.R. 3298, a bill to restore the water and waste disposal Grant program administered by the Department of Agriculture under the Farmers Home Administration.

The purpose of this bill is simply to reinstate or restore the program by removing the language relied upon by the administration as justification for its announcement of January 10, 1973, that it was terminating this water and sewer grant program.

For the rural areas of our congressional district and, for that matter for all rural America, January 10, 1973, will be remembered as a day filled with anguish because it was on that day that the Department of Agriculture's news service announced from Washington that the Farmers Home Administration's water and waste disposal grant program had been terminated retroactively to January 1. Throughout the entire announcement, such words as "terminating," "suspending," and "curtailing" were used. That press release, in its last paragraphs sought to lessen the shock by suggesting that the Federal Water Pollution Control Act and the new revenue sharing program would make funds available through the Environmental Protection Agency—EPA—for assistance directly to State and local communities, but that it would be up to these local officials to determine the highest priority projects.

Well, such alternatives offered in that release to those who understood the situation were not very encouraging because in truth they were not very helpful. Bear in mind that on January 10, 1973, this shocking announcement came like a bolt out of the blue from the banks of the Potomac. Bear in mind there were 1,685 small communities across the United States that had applied for grants totaling over $250 million under the program that were pending and unapproved.

Mr. Chairman, it is difficult to estimate the good that has been accomplished under the grant program authorized by the Poage-Aiken Act passed in 1965. Over 2,650 rural water and waste disposal systems have been made possible because of this grant money. These were grants to small rural communities which could not provide water and waste systems with loan funds alone.

Our Committee on Agriculture quite rightly questioned the January action of the Department of Agriculture and soon after the announcement requested the General Counsel of the Department to justify its action in terminating the grant program for water and sewers.

General Counsel responded in effect by saying that in consultation with the Department of Justice that when a Presidential authority to impound funds appropriated by the Congress to carry out a program is considered, it becomes necessary to consider the language of the substantive legislation involved. Accordingly, General Counsel John Knebel responded:

> Under the act, the Secretary of Agriculture is only "authorized" to make grants for such purposes and that furthermore under the appropriation for the Farmers Home Administration Act, the language passed by the Congress provided only that the appropriation should be available within the limits of the amounts authorized by law.

Thus the conclusion was that neither the substantive language nor the Appropriation Act compels the expenditure of the full amount authorized for the water and waste disposal grants.

The facts are that for fiscal year 1973, Congress has authorized $150 million for the program in communities with populations of 10,000 or less but, of this total, only 30 million was spent and the administration impounded $120 million.

In the face of the sudden and arbitrary move by the administration to cancel this program, the Congress is faced with no choice but to act to remove the discretionary features contained in the original language and to substitute the word "authorize" with such mandatory language as "shall." In essence, H.R. 3298 substitutes the word "shall" for the words "is authorized to" which means that the expenditures of funds appropriated by the Congress will be required.

We have listened with interest to those who in general debate today have argued that the rural people are better off under certain alternatives proposed by the administration. It was argued that to consolidate all programs now under the Farmers Home Administration over to the Environmental Protection Agency was really an avoidance of duplication. We also heard one opponent speak of this legislation as being inferior to the alternative because under Farmers Home, there were only grants of 50 percent and, under the Water Pollution Control Act, there would be grants of 75 percent. Then the stock or boilerplate argument was made that we should not force the administration to act because this bill today is premature in that some time should be allowed to see if the alternatives afforded by EPA would prove workable.

The truth, and the whole truth, is that those who argue for the alternative of EPA are either unconcerned, in that they have not taken the time to determine the plight of rural communities under EPA administration, or they are so shortsighted that they cannot see that the interests of urban America are one and the same and that the only way we can solve some of our urban problems is to revitalize rural America and make it a better place to live. Who can deny that the Farmers Home Administration programs are oriented toward small towns and rural areas, while the EPA programs are concerned with grants on a statewide basis, mostly large urban areas whose problems are entirely dissimilar to the desperate needs of small communities for the most basic water and sewage treatment systems?

There you have it in a nutshell. All of the talk about workable alternatives is so much hogwash for two reasons: First, EPA provided grants are for water disposal purposes only. There will be no grant funds and no grant programs for rural water systems. Surely, any thinking person would realize or recognize that a waste disposal system is of no value unless there is a source of water supply. Without a source of water supply, all you have when you finance such a system is some collector lines and a treatment plant that would be inoperative without water.

Second, it will become a cruel reality that those small communities in desperate need of water systems and without a tax base to support the loans necessary to finance such a system, will simply have to do without since they cannot possibly establish a rural water system without grant assistance.

Oh, it will be argued they can make application to EPA, but it is sheer folly to think that these small communities have the political muscle to equal the big urban centers in the States where they are located. It is a beautiful theory to talk about eliminating the duplicating bureaucracy and it sounds so good to talk about doing away with overlapping of Federal programs and deliver these grant funds back to the States en bloc, which enables the States and local communities to appraise their problems and determine priorities for their use.

I think I know what will happen in most of the States. I am certain what will happen in the State of Missouri if this decisionmaking is put on such a basis. It will mean that the two big metropolitan centers in the eastern part of the State, and the western part of the State, together with their populous suburbs, will make use of their big political muscle at the State capital to make sure that nearly all EPA grants go to urban-oriented sewage and water treatment projects and the rural areas will be left without.

What will very well happen in Missouri might or could be duplicated all across the country, because rural America will simply get lost in the shuffle with places like Los Angeles claiming great segments of the bloc grants for that State, and the demands in the Middle West that the Great Lakes be purified and in the East that the Hudson River be cleaned up, and also the Delaware River Valley, and back again in the Middle West that the Mississippi River be purified from the border to the gulf what chance will little communities under 10,000 population have in the face of such political muscle exercised in the State houses of our several States?

Without the political muscle, and without a tax base to enable them to get along without grants, and with revenue sharing used as a myth to justify dismantling existing programs, the little towns, and rural America are simply going to do without.

Mr. Chairman, I support H.R. 3298 not because I find any fault with the Environmental Protection Agency programs, but because I know that in the battle between the urban areas and the small towns, who will win out. I also know the rural water systems are necessary to waste disposal efforts and that rural water systems simply cannot be built on loan funds alone, and that is all there will be left under the Farmers Home Administration because the EPA provides sewer grants only and no grants for water systems.

Finally, we hear so much about the need to revitalize rural America. If we meant what we said when we reenacted the rural development act of 1972, which tripled the authorization for construction of water and waste disposal systems from 100 to 300 million, then this legislation is desperately needed. The passage of this legislation will again give hope to thousands of rural communities. It is for that reason that this bill should be passed without delay.

Mr. TEAGUE of California. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended (1) by striking out the words "is authorized to" and inserting in lieu thereof the word "shall"; and (2) by inserting after the word "grants" the words "in the amounts specified in appropriations Acts".

SEC. 2. The first sentence of section 306(a)(6) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(6)) is amended by (1) striking out the word "may" and inserting in lieu thereof the word "shall"; and (2) by inserting after the word "grants" the words "in the amounts specified in appropriations Acts".

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BEVILL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 3298) to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act, pursuant to House Resolution 255, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ALEXANDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 297, nays 54, not voting 80, as follows:

[Roll No. 30]

YEAS—297

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Barrett
Beard
Bergland
Bevill
Biester
Bingham
Blackburn
Boland
Bowen
Brasco
Breaux
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Conlan
Conte
Cotter
Coughlin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, William D.
Fountain
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Ginn
Gonzalez
Gray
Green, Pa.
Griffiths
Gross
Grover
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Kuykendall
Kyros
Landrum
Latta
Lehman
Long, La.
Long, Md.
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mann
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Melcher
Mezvinsky
Miller
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Patten
Perkins
Pettis
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Regula
Reuss
Rhodes
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruth
Sandman
Sarasin
Sarbanes
Saylor
Scherle
Schroeder
Sebelius
Shipley
Shoup
Shriver
Shuster
Skubitz
Slack
Smith, Iowa
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitten
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zwach

NAYS—54

Archer
Ashbrook
Baker
Bell
Bennett
Brotzman
Broyhill, Va.
Buchanan
Burke, Fla.
Cederberg
Clancy
Collins
Conable
Crane
Davis, Wis.
Devine
du Pont
Esch
Findley
Forsythe
Frelinghuysen
Frenzel
Goldwater
Goodling
Hanrahan
Harsha
Heinz
Hinshaw
Hudnut
Jarman
Johnson, Colo.
Kemp
Landgrebe
Lent
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mazzoli
Michel
Peyser
Powell, Ohio
Satterfield
Schneebeli
Snyder
Steelman
Teague, Calif.
Vanik
Wiggins
Wolff
Wydler
Young, Fla.
Young, Ill.
Zion

NOT VOTING—80

Anderson, Ill.
Armstrong
Badillo
Bafalis
Biaggi
Blatnik
Bolling
Brademas
Bray
Breckinridge
Brown, Calif.
Burgener
Clawson, Del
Collier
Conyers
Corman
Cronin
Daniel, Robert W., Jr.
de la Garza
Dickinson
Diggs
Erlenborn
Ford, Gerald R.
Giaimo
Gibbons
Gilman
Grasso
Green, Oreg.
Gubser
Gunter
Harrington
Harvey
Heckler, Mass.
Holt
Hosmer
Johnson, Pa.
Jones, Okla.
Keating
Ketchum
King
Koch
Leggett
Litton
Lott
McCloskey
McFall
Macdonald
Mailliard
Metcalfe
Milford
Mills, Ark.
Mollohan
Owens
Parris
Passman
Patman
Pepper
Price, Tex.
Rees
Reid
Rinaldo
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rooney, N.Y.
Rose
Ruppe
Ryan
St Germain
Seiberling
Sikes
Sisk
Smith, N.Y.
Steiger, Ariz.
Stephens
Thornton
Treen
Whitehurst
Wilson, Bob
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Thornton for, with Mr. Jones of Oklahoma against.

Mr. Gilman for, with Mr. Rinaldo against.

Until further notice:

Mr. Breckinridge with Mrs. Holt.

Mr. Mills of Arkansas with Mr. Dickinson.

Mr. Gunter with Mr. Harvey.

Mr. Rooney of New York with Mr. Bray.

Mr. Brademas with Mr. Anderson of Illinois.

Mrs. Green of Oregon with Mr. Erlenborn.

Mr. Biaggi with Mr. King.

Mr. Koch with Mr. McCloskey.

Mr. Badillo with Mr. Ryan.

Mr. Corman with Mr. Hosmer.

Mr. Diggs with Mr. Patman.

Mr. Giaimo with Mr. Collier.

Mrs. Grasso with Mrs. Heckler of Massachusetts.

Mr. Macdonald with Mr. Cronin.

Mr. Leggett with Mr. Burgener.

Mr. McFall with Mr. Gerald R. Ford.

Mr. Mollohan with Mr. Armstrong.

Mr. Stephens with Mr. Johnson of Pennsylvania.

Mr. St Germain with Mr. Roncallo of New York.

Mr. Sikes with Mr. Bafalis.

Mr. Sisk with Mr. Del Clawson.

Mr. Reid with Mr. Robison of New York.

Mr. Rees with Mr. Mailliard.

Mr. Passman with Mr. Keating.

Mr. Blatnik with Mr. Ketchum.

Mr. Brown of California with Mr. Gubser.

Mr. Conyers with Mr. Harrington.

Mr. E de la Garza with Mr. Lott.

Mr. Gibbons with Mr. Parris.

Mr. Metcalfe with Mr. Milford.

Mr. Owens with Mr. Robert W. Daniel, Jr.

Mr. Pepper with Mr. Price of Texas.

Mr. Rose with Mr. Robinson of Virginia.

Mr. Seiberling with Mr. Ruppe.

Mr. Litton with Mr. Smith of New York.

Mr. Bob Wilson with Mr. Steiger of Arizona.

Mr. Young of South Carolina with Mr. Whitehurst.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORTS ON PRIVILEGED RESOLUTIONS

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight tonight, March 1, 1973, to file reports on the following privileged resolutions: House Resolution 26; House Resolution 114; House Resolution 115; and House Resolution 143.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader to kindly advise us of the program for next week and whether there is anything more scheduled for today.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the distinguished gentleman from Massachusetts.

Mr. O'NEILL. There is no further legislative business for today. On the announcement of the program for next week I will ask unanimous consent to go over until Monday.

The program for the House of Representatives for the week of March 5, 1973, is as follows:

Monday is Consent Calendar day, and there are no bills.

There will be two measures considered under suspension of the rules:

H.R. 4278, School Lunch Act amendments; and

H.J. Res. 393, National Commission on Financing of Postsecondary Education Extension.

Tuesday is Private Calendar day, and there are no bills; and there are no bills scheduled for consideration under suspension of the rules.

The following committee travel and investigative resolutions will be considered:

H. Res. 162, Committee on the District of Columbia;

H. Res. 228, Committee on Public Works; and

H. Res. 253, Committee on Science and Astronautics.

These resolutions are all subject to being reported by the Rules Committee, and may not necessarily be reported in the order listed on the calendar.

For Wednesday and the balance of the week there will be considered:

H.R. 17, Vocational Rehabilitation Act Amendments, subject to a rule being granted; and

H.R. 71, Older Americans Act Amendments, subject to a rule being granted.

Conference reports may be brought up at any time. Any further program will be announced later.

Mr. ARENDS. I thank the gentleman.

ADJOURNMENT OVER TO MONDAY, MARCH 5, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. SEIBERLING. Mr. Speaker, on the bill that was just adopted (H.R. 3298) a group of Members, of which I am one, was at lunch downstairs in one of the dining rooms, and no buzzer sounded, and, therefore, we missed the vote. If I had been present, I would have voted in favor of the legislation.

Mr. Speaker, I wonder if we should not be checking into that kind of arrangement so that we are notified when a vote is being taken and Members are in any one of the House dining rooms.

The SPEAKER. The statement of the gentleman will appear in the RECORD.

HUBER INTRODUCES BILL TO REGULATE MALPRACTICE SUITS

(Mr. HUBER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HUBER. Mr. Speaker, the alarming growth of ever higher awards by the courts in malpractice suits has prompted me to introduce the measure I have today. Some of these awards have been so excessive as to make the cost of insuring against them by physicians prohibitive. To show just what the doctor today faces, note should be taken of the fact that an insurance premium for a class 5 malpractice suit in 1965 in Wayne County, Mich., was $544 a year and now is $3,172. Such awards, in turn, encourage outstanding doctors, in communities across the Nation, to retire early at a time when we are desperately trying to expand our medical schools to meet the doctor shortage and they are at the peak of their ability.

Recently, a case in New Jersey was brought to my attention wherein a team of doctors was carrying out a very delicate operation and the doctor in charge—the patient's doctor—died during the operation. The team of doctors that had been assembled continued the operation and it was a success. However, the patient sued on the basis that he was not operated on by the doctor he had contracted for. Such a situation is patently ridiculous. There was also another case of over $4 million awarded to a teenage boy in California recently.

My research reveals that nothing is pending on this matter in the Congress, aside from legislation that would apply only to the District of Columbia. My bill, briefly, would establish a Commission on Medical Malpractice Awards. It would consist of 24 members, four appointed by the Speaker of the House, four by the President of the Senate, four by the Secretary of the Department of Health, Education, and Welfare, four by the president of the American Medical Association, four by the president of the American Bar Association, one by the president of the American Insurance Association, one by the president of the National Association of Life Underwriters, one by the chairman of the Insurance Information Institute, and the final member would be the Surgeon General of the United States. This Commission would meet for the sole purpose of studying and making recommendation concerning the feasibility and appropriateness of establishing maximum limits on the amount of damages that may be granted against any physician, dentist or practitioner of the healing arts.

My hope is that the Congress will act on this matter before it gets any further out of hand. People should certainly be compensated for mistakes made by the healing profession that are injurious to them, but at the same time commonsense should prevail in reaching such decisions.

LEGISLATION TO IMPROVE POSTAL SERVICE

(Mr. HILLIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HILLIS. Mr. Speaker, when Congress in 1970 wrote the Postal Reorganization Act and created an independent postal corporation, it did so to take the post office out of politics, to create a more efficient service, raise employee morale instituting collective bargaining, and modernize the system to make it more self-sustaining.

These objectives were as valid today as they were 2 years ago, and there are very few people who would argue in favor of returning the postal system back to the way it was.

However, I doubt that any of the Members of Congress who voted for this reorganization expected a rapid deterioration in postal service as a result. None of us foresaw the volumes of mail we would begin receiving from our constituents complaining about poor postal service, unnecessary delays, cutbacks in traditional services, and so forth. And when we ourselves started noting some of the postmark dates on the letters coming into our office, we could easily realize something had not gone as planned.

As a member of the Post Office and Civil Service Committee, I have taken a particular interest in the decline in mail service and have tried to define the problems and come up with some solutions.

In a nutshell, the major problem seems to be the Postal Service has overlooked its No. 1 function—that of providing reliable service—in favor of accomplishing its economic objective of becoming more efficient and self-sustaining.

That's the reason we have seen a reduction of collection services, reductions in delivery service, window services, parcel deliveries, and so forth. Cost cutting is the reason behind the proposal to eliminate Saturday mail delivery and window service. And cost-cutting is the reason we are seeing unbelievable delays in mail delivery.

In order to modernize without requiring yet another postal rate increase, the management of the Postal Service last year placed a "90-day freeze" on all hiring. This freeze never seemed to get lifted and today the Postal Service has 40,000 vacancies which are waiting to be filled.

This kind of a reduction in the work force processing the mail has to show up eventually in terms of poor service and it has. To further complicate the problem, much of the large machinery which has been ordered to mechanize and speed mail processing has not yet been delivered, but the new systems are already in effect.

This has resulted in jam-ups at central distribution points, delays in moving the mail, paying of large amounts of overtime to overworked employees, and rerouting mail all over the country.

Cost-cutting efforts have also resulted in selection of less than first-class transportation service, both on the ground and in the air. First-class mail is being moved on a standby basis on many air routes, causing further delays. When the mail finally does get moved, a bottleneck is created at the distribution centers. Yet local and regional postal managers have no discretionary funds to cover these exigencies, to hire additional staff for crush hours, et cetera. Again, it is the level of service that suffers in the long run.

All of these problems were eloquently explained to Postmaster General Klassen at a recent meeting of postal managers, and Mr. Klassen promised to do something about these problems. I am relieved to hear this, and I hope that some improvements will become visible soon.

However, while the Postal Service works to iron out these problems and modernization efforts are underway, the public will not stand for the poor mail service it is receiving—who can tell how long these improvements will take. We have been promised better service and received worse.

Today I am introducing legislation which I believe can solve some of these problems without undoing all the good we have done in our postal reorganization efforts—this approach does not disturb the major objectives of the reorganization effort, but assures that the No. 1 purpose of the postal system—service—remains the No. 1 priority.

This bill will establish by law improved nationwide standards of mail service and provide a means for reimbursing the Postal Service for public service costs, while retaining a reasonable and equitable postal rate structure.

I would ask the support of all Members of Congress for this legislation so that we can assure continued high quality service by this country's major communications network—the postal system.

The full text of my legislation follows:

H.R. 5051

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(b) of title 39, United States Code, is amended by adding at the end thereof the following sentence: "In carrying out the provisions of this section, the Postal Service shall establish and assure, to all postal patrons, service standards which include but are not limited to—

"(1) Next-day delivery of mail deposited for delivery within a city;

"(2) Delivery within not more than three consecutive days of mail deposited for delivery within the United States;

"(3) Carrier service on a six-day-a-week basis;

"(4) Post office window service on a six-day-a-week basis;

"(5) Second-attempt delivery of parcel post; and

"(6) Multiple delivery and collection service.".

SEC. 2. Section 2401 of title 39, United States Code is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) Public service costs, as determined by postal service, for providing a maximum degree of effective and regular postal service nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere, and in complying with the public service policy established under section 101 (b) of this title at reasonable and equitable rates and fees shall be paid out of the general fund of the Treasury and shall not constitute direct charges in the form of rates and fees upon any user or class of users of such public services, or of the mails generally.

"(c) The sum determined by the Postal Service to be equal to the difference between the revenues the Postal Service would have received if sections 3217, 3403–3405, and 3626 of this title and the Federal Voting Assistance Act of 1955 had not been enacted and the estimated revenues to be received on mail carried under such sections and Act shall be paid directly out of the general fund of the Treasury.

"(d) The Postal Service, annually, in requesting authorizations for the amounts to be appropriated under subsections (b) and (c) of this section, shall present to the appropriate legislative and appropriations committees of the Congress a comprehensive statement of its compliance with the public service cost policy established under this section and section 101(b) of this title.

"(e) No appropriation shall be made to the Postal Service under subsections (b), (c), or (d) of this section for any fiscal year unless previously authorized by legislation hereafter enacted by the Congress.".

SEC. 3. (a) Section 3627 of title 39, United States Code, is repealed.

(b) The analysis of subchapter II of chapter 36 of title 39, United States Code is amended by striking out—

"3627. Adjusting free and reduced rates.".

(c) Section 3684 of title 39, United States Code is amended by striking out "Except as provided in section 3627 of this title, no" and inserting in lieu thereof "No".

TRIBUTE TO WINTHROP ROCKEFELLER

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) is recognized for 60 minutes.

Mr. HAMMERSCHMIDT. Mr. Speaker, my distinguished colleagues in the House of Representatives, I have requested this time to express my deep sorrow over the passing of a great American, former Governor of the State of Arkansas and a dear personal friend; and to give you the opportunity to join me in paying your respects.

Winthrop Rockefeller, who died February 22, 1972, in a Palm Springs, Calif., hospital, leaves our Nation a proud legacy from his varied career which spanned the decades and was highlighted by dedication to improvement of society and preservation of the great American principles.

He was truly a giant among men—simultaneously a philanthropist, business executive, political activist, social reformer, and gentleman farmer. As one of the five grandsons of John D. Rockefeller, "Win" continued to bear the standard of fine family tradition by investing his personal wealth, time, and efforts in the progress of American life, retention of national history, and advancement of technology.

Despite a Rockefeller inheritance, the work ethic was practiced religiously by Win from his early boyhood up to his untimely death last week. As a student in college, he held part-time jobs. After leaving college, he worked as an oil field trainee, earning the singular distinction of the only Rockefeller brother to take employment in hard manual labor.

Win's affinity for fighting to reform social conditions of mankind became apparent well before the age of 30, when he became a director of the National Urban League to deal with special problems of Negroes in urban areas. He continued in a trusteeship position for 24 years. Through a long, successful and busy career, Win never lost his deep concern for minority groups. In recent years, he donated over a million dollars for a model school system in our State with the only stipulation that the school be fully integrated.

If Win appreciated the basics of hard work, he similarly honored the duty of service to his country. He enlisted in the Army, subsequently earned a commission and fought for America in such landmark battles as Guam, Leyte, and Okinawa. His bravery and spirit of sacrifice yielded the highly distinguished Bronze Star with two oak clusters and the Purple Heart.

Following the war, Win again turned to civic-oriented work as chairman of the board of a Rockefeller foundation involved in developing and implementing methods of meeting the needs for low-cost housing both in the United States and abroad.

In 1953, Win moved to Arkansas and purchased acreage atop Petit Jean Mountain. Soon thereafter, Winrock Farms were established and Win began cattle farming and scientific agricultural demonstration projects. Today, the Brangus breed which he developed and the Santa Gertrudis strain which he cultivated are highly prized throughout the ranching world.

Win Rockefeller was soon involved in State government with his 1955 appointment by Gov. Orval E. Faubus to head the Arkansas Industrial Development Commission. His tireless efforts resulted in attracting a great variety and number of new industries into the State, which contributed a tremendous impact to Arkansas economy. His 8 years with AIDC netted some 600 new industries for Arkansas and 90,000 jobs for its citizens.

In addition to a top-level State government position requiring long hours of personal attention and action, Win became involved in the University of Arkansas Medical College and American Red Cross. He served, also during this period, as chairman of Colonial Williamsburg, the restoration begun in the 1920's by his father, John D. Rockefeller, Jr. Generations of Americans to come will appreciate the vast American heritage which has been restored and exists today in Williamsburg, Va.

By the election of Winthrop Rockefeller as Governor of Arkansas in 1966 and 1968, he personally brought the two-party system of government to the State. His accomplishments in office were great, and for years to come his contributions will actively improve the political climate for viable democracy within the State. Heading the first Republican administration since 1874, Win's programs benefited the general populace as well as low-income taxpayers and minority groups. Present Gov. Dale Bumpers cited the Rockefeller terms in office as "a watershed in the history of Arkansas" in that Win "broke new ground and opened up the processes of State government to public participation as never before."

After his 4 years as Governor, Win continued his cattle ranching, homebuilding and subdivision development, rice and soybean production, and numerous philanthropic activities. He remained active in the Republican Party as well as pursuing efforts to improve the lot of rural America through an organization he helped organize called the Coalition for Rural America.

I know that I must join countless others in the deep sorrow among us because of Win Rockefeller's death. It is too early for him to go at the age of 60. Yet if life is measured in terms of service to others, Win's life was a full one. I shall treasure forever his close friendship and warm counsel that I was privileged to have. For his adopted State of Arkansas, he had a tremendous effect on the physical and economic assets, on the attitude and outlook of the people, and their determination to have a more effective voice in government.

I am inserting, in conclusion, the February 23, 1973, editorial in the Arkansas Democrat, which is a moving tribute to Winthrop Rockefeller.

[From the Arkansas Democrat, Feb. 23, 1973]

AN UNCOMMON RICH MAN

Winthrop Rockefeller, who died yesterday at age 60, spent his last 20 years in Arkansas. They were Arkansas' most successful years, and there was never any question in his mind that they were his best years, too. In fact, with his son and grandchild now living on his farm on Petit Jean, he was enjoying life as never before when his malignancy overtook him.

The fact is that his life, apart from his Army service in World War II, had been rather pointless until he moved to Arkansas. And with his name and wealth, he easily could have become a part of the establishment and amused himself by helping the state's powerful people become even more powerful.

But as everyone now knows, he did exactly the opposite. He challenged the establishment and was soon shaking the courthouses and the banking houses as they had never been shaken before. His breakup of the one-party political stranglehold, his bringing in blue-ribbon (and high-paying) industry and his insistence that the wealthy give and pay higher taxes to support aesthetic improvements like the Arkansas Arts Center are well known. He was a reformer with not only the will but the means to bring it off.

It's interesting to note that the current session of the General Assembly is now completing action on several things that were mentioned for the first time in this state by Winthrop Rockefeller in his 1967 inaugural address—community colleges, public kindergartens, more state turnback for cities and a bigger highway program financed by revenue-sharing from the federal government.

The things that he accomplished (or paved the way to be accomplished later) helped not the rich or powerful people but the poor and the powerless. Rockefeller created thousands of decent, high-paying jobs in Arkansas. He rammed the first minimum-wage law through the General Assembly. He created the first non-political welfare department, which, for the first time, tried to help, not gyp, poor people. He opened up government with a Freedom of Information law, which gives the common people as much information as the cronies and political insiders used to have under previous state administrations. He started improving those chambers of horrors we called prisons, and he made the State Police into a professional agency that treats rich and poor alike. Blacks weren't even allowed in the State Capitol cafeteria when he was elected. But after he became governor he appointed them to public office and encouraged private employers to do likewise.

The front pages are filled today with tributes from the rich and powerful, starting at the White House. And this is as it should be because the Rockefeller family is one of the best-known in the world. But in Arkansas, the greatest sadness at his death will be felt by the ordinary people whom he helped so much in so many different ways. He was an uncommon rich man.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to my distinguished colleague, the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding.

I would like to say that I had the privilege of knowing Winthrop Rockefeller as a person as a public servant. I personally know of his contributions in time and talent to the State of Arkansas.

He helped our State as a citizen and as the Governor. If his services and accomplishments were listed they would fill several pages of the CONGRESSIONAL RECORD.

His service marked the beginning of a new era in the State of Arkansas. And, I remember Gov. Winthrop Rockefeller as a compassionate humanitarian who always kept the best interests of his people at heart.

I thank the gentleman for yielding.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield to the distinguished gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Speaker, I thank my colleague, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) for yielding to me.

Mr. Speaker, the recent news of the loss of Gov. Winthrop Rockefeller was a severe blow to all of us. I was particularly saddened by the news of Governor Rockefeller's death since my association with him had been a long standing one. Winthrop Rockefeller was one of my commanding officers in the 77th Infantry Division during World War II. I can remember that, even on my first encounter with him, there was no mistaking his great capacity for leadership. He was the type of man who inspired those around him to strive for excellence. I am sure that I express the sentiments of all men fortunate enough to serve under him in the 77th Infantry Division when I say that Winthrop Rockefeller was, in every sense of the word, a great man. He was a brave man, and an outstanding soldier whose compassion and concern for the men he commanded won our tireless devotion.

If Winthrop Rockefeller had done nothing more than serve in the 77th Infantry Division, it could truly be said that he served his country well and had made an invaluable contribution to his fellow Americans. Winthrop Rockefeller's ability and enthusiasm destined him to continue in the service of his country. As Governor of Arkansas he established a record of achievement unequaled in the history of that State.

He led the fight for integration in Arkansas, succeeded in desegregating schools and fought for equal job opportunities for all. He brought new industry into the State, creating jobs at recordbreaking rates. He successfully led the fight for Arkansas' first minimum wage law, initiated strong programs in penal reform, and overhauled the State insurance departments. The initiative which he took should serve as a model for all of us involved in the governing process. His loss is a sad one indeed, but we may take comfort in knowing that the programs which he created are still working to the betterment of this Nation. There can be no greater tribute to Gov. Winthrop Rockefeller than for us to dedicate ourselves to the tradition which he has left for us to follow.

Mr. CAREY of New York. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to my distinguished colleague, the gentleman from New York (Mr. CAREY).

Mr. CAREY of New York, Mr. Speaker, I thank the gentleman from Arkansas for yielding me this time.

Mr. Speaker, the end of this life for Gov. Winthrop Rockefeller of Arkansas is a casualty to our country. He served America beyond any measure of mere duty in war and peace, at home and abroad.

His record of domestic service as Governor of the State of Arkansas is a graphic account of epochal progress in growth. He brought to his adopted State a commitment to progress. He literally lifted Arkansas from its ordinary stature to a position of dynamic leadership in economic growth, planning, and statecraft, and effective management of its splendid natural resources. Opening the industrial and agricultural heartland of Arkansas by the completion of its great river and water resources central project is one of the brightest chapters in the Winthrop Rockefeller Arkansas story. It may be overly simplistic to state that Win Rockefeller picked up Arkansas on his back and carried it into the front ranks of our States, but the astounding 12-percent industrial growth rate of his State during his governorship did just that. Because Win Rockefeller was a front-rank man, we extend to the people of Arkansas, his neighbors and the great congressional delegation of Arkansas, our sympathy in their loss. I add my personal sense of sorrow at the loss of a courageous comrade in arms.

When Win Rockefeller entered the service of his country in 1940, he chose the infantry, the Queen of Battle, again because he thought in terms of the first file, the fighting front of combat against Axis tyranny.

His performance as an enlisted man in officer candidate school was of such outstanding character that he was appointed to the tactical faculty of that school. Under the legendary Colonel Miller of the Infantry School at Fort Benning, he led the instruction team in automatic weapons. It was my good fortune to receive instruction under Win Rockefeller as did thousands of other future combat platoon leaders. His grasp of the need for the maximum development of planning and proficiency in the use of automatic weapons for the infantry was memorable.

There is no question that the superior performance of the American infantry in battle was a result in a major way of his kind of training and teaching. Not content with the school solution to combat situations, Lieutenant Rockefeller went forth from Fort Benning to the South Pacific. In leadership at the company and battalion level, he rose to the rank of major and won the bronze star with clusters and the purple heart as a result of combat wounds in the 77th (Liberty) Division.

So deep was his devotion to the infantry that he joined the effort to build civilian reserve units after the war. Again, I had the opportunity to work with him as a member of the general staff of the 77th Infantry—Reserve—Division in New York under the late Maj. Gen. Julius Ochs Adler. There he demonstrated a depth of capacity for designing and conducting training programs to pass on to others the valuable experience gained in battle. All infantrymen owe him honor and homage.

Through his efforts, the National Infantry Museum at Fort Benning, Ga. has come into being. Truly an American "Shrine of Courage," the Infantry Museum, Hall of Fame, and collection of the records of our great infantry divisions over nearly 200 years is preserved for the future. Win Rockefeller's leadership and energy has brought over $6 million in contributions to the museum. One of the chapters in history at Fort Benning is the service under the "Queen of Battle" of Winthrop Rockefeller himself. He is honored there as a member of our hall of fame.

Like that of Winston Churchill, the life of Winthrop Rockefeller, leader in war and peace on the world scene, deserves to be remembered; and his passing leaves us diminished but not distressed for Winthrop Rockefeller led the life he loved as soldier, Governor, father, and brother of one of the great American families.

To the Rockefeller family, I extend my sincere sympathy with the hope that they will be consoled with the knowledge that their contribution as a family is remembered with gratitude as we pay tribute to Winthrop Rockefeller, outstanding American and valiant son of the Queen of Battle.

Mr. HAMMERSCHMIDT. I thank the gentleman from New York. I yield to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Speaker, I was unaware that today would be a day set aside to eulogize the passing of a former great American, Winthrop Rockefeller; therefore I rise to speak extemporaneously on his life and contributions to his fellow man.

I have the great honor of representing the Fifth District of the State of Texas but I formerly resided in the State of Arkansas, having grown up and graduated from high school in that great State.

I remember so well the contributions of Winthrop Rockefeller to my home State of Arkansas. I remember his coming to the State in the early 1950's. I remember in those days Arkansas was a State thirsty for industry. Indeed, thirsty for new hope that a brighter day was ahead for us.

I remember as a boy my feelings at the time upon the announcement that Winthrop Rockefeller was relocating in Arkansas. I remember a rekindling of this hope in my case, and in the case of my family—and in the case of my own particular family, the company my dad worked for was brought there because of the efforts of Winthrop Rockefeller and the efforts of the Arkansas Industrial Commission.

One of the great problems that rural areas and small towns have in this country today is attracting young people to stay, as opposed to their moving to the big cities.

Winthrop Rockefeller made a very great contribution in that area, and many young people are staying in Arkansas today because of his efforts and the new hope for Arkansas that he was responsible for.

If I might say in a lighter vein, he made my own party affiliation respectable in the State of Arkansas. My family all belonged to the other great American party, the Democratic Party, and were somewhat disturbed when I decided to affiliate with the Republican Party. Indeed, Winthrop Rockefeller's election as a Republican Governor made my going home a little easier than it had been during my earlier days.

America will miss this great American and Arkansas will miss this great Arkansan, but his legend lives on and we are all the greater for his having lived.

Mr. HAMMERSCHMIDT. I thank the gentleman from Texas for his excellent contribution.

Mr. MILLS of Arkansas. Mr. Speaker, it is with deep regret and great sadness that today we mourn the passing of former Gov. Winthrop Rockefeller, of Arkansas, a man of selfless compassion, courageous public conscience, and intense dedication to the two-party system. I have always had the greatest admiration for all of the Rockefeller brothers, and particularly for Win. I have truly lost a very warm personal friend.

It was a very special mark of Win's selfless compassion that as a man of enormous means he cared so much for those who have so little. In his early years, he spurned the chance to assume the lofty financial position which his wealth and family afforded, choosing instead to begin his business career among the manual workers in the oilfields. And throughout his life, perhaps his most pressing desire was to bring about concern and understanding among all people, to turn from hatred and hostility to achieve true equality, a true brotherhood of man.

It was a very special mark of his courageous public conscience that he threw his Stetson hat into the Arkansas political arena, a native New York Republican in a democratically Southern State, at first to lose, yet with the abiding courage to come back again. But the full scope of his public service was far from totally political, for first as Chairman of the Industrial Development Commission unparalleled jobs and prosperity accompanied the new industry he solicited, and then through his continuing philanthropic efforts, schools, charities, and civic activities found a new and active partner.

And it was, too, a very special mark of his intense devotion to the two-party system that he struggled to build in an alien Democratic land a viable and effective Republican Party. For greater than his Republican heritage was his realization that the essence of American politics is the choice between opposing views, and that challenge and competition question old problems, promote new solutions.

In his farewell message as Governor, Win eloquently reflecting on the accomplishments of his terms as Governor said:

> When the history of the past four years is written, I hope that the historian may think of me more than a political phenomenon, but as a catalyst who hopefully has served to excite in the hearts and minds of people a desire to shape our own destiny.

That is the way that I shall remember him, and that is the way that I believe that Arkansas will remember him.

Of the many monuments throughout Arkansas that bear witness to his selflessness, some of them the visible benefits of industrial prosperity. Less visible, but perhaps most significant, was his work toward bringing about a greater degree of understanding, a common brotherhood of man.

To his family, I extend my deepest sympathy, and from the people of Arkansas, I extend my deepest gratitude that we have had the opportunity to share with you this very special, very human man.

Mr. THORNTON. Mr. Speaker, when we want to show our respect for a capable, compassionate leader, we often call him "great," "outstanding," and "distinguished." But, sometimes, overuse of these frequently deserved superlatives obscures the genuine, human quality of the person we describe.

By any standards, Winthrop Rockefeller was a great leader. He was outstanding, and he was distinguished. But I hope we will never forget that he was also a very good man.

As a champion of prison reform, he showed human concern for the troubled inmates of our penal system.

As a champion of a statewide kindergarten program, he showed confidence in the children who will someday lead our State.

And, as a champion of constitutional revision, human rights, urban redevelopment, freedom of information and a score of other notable reforms, he showed a keen awareness of the need for changes to benefit all of the people of Arkansas.

I want to share with you the closing remarks of a moving tribute to Winthrop Rockefeller, by Paul Greenburg, the Pulitzer Prize-winning editorial writer for the Pine Bluff, Ark., Commercial. His eloquent words express how so many of us feel about Winthrop Rockefeller, the leader, and Winthrop Rockefeller, the man.

> What matters is what he did and still encourages us to do. The small things seem even smaller now—the way he would stomp past big contributors as though they weren't there, his ranking as the worst public speaker in the United States and Canada, his inability to master the slicker tricks of politics. But the big things loom even larger: His example and goodness continue to calm and guide a state making its way out of poverty and leaving hatred behind. And it seems to grow on more and more people what a good man this was, and how fortunate we are to have had him.

Mr. KLUCZYNSKI. Mr. Speaker, it is a privilege to join my voice to those across America who are paying tribute to the late Winthrop Rockefeller, former Governor of Arkansas and one of the most noted political personalities on the national scene in our time. Governor Rockefeller was a man of immense gifts and abilities, which he might have wasted idly as a leading member of one of America's wealthiest families. Instead, he chose to dedicate his life to public service as, in his own very moving words:

> A catalyst who hopefully has served to excite in the hearts and minds of people a desire to shape our own destiny.

He believed passionately in the democratic promise of America, and he never ceased to labor in behalf of the rights and liberties of all. His public career was seldom free from controversy even as his private life was marked from time to time by great unhappiness. Through it all he remained loyal to the concerns of the State of Arkansas and the wellbeing of its people. His administration provided what has been truly termed an "era of excellence," marked by industrialization, social advance, and economic progress. He overcame the liabilities of inherited wealth and social class to win widespread popular support.

Such an achievement was no accident. A dropout from Yale, Governor Rockefeller had worked in the Texas oilfields, and knew at first hand the problems and needs of the workingmen. By temperament a nonconformist, he was able to build a broad case of support from members of both parties. He had a special feeling for the veteran, having served with great distinction in the Second World War, in which he was wounded, winning the Bronze Star and Purple Heart.

His cultural and philanthropic interests were many and varied, in the Rockefeller tradition, and included the Colonial Williamsburg Foundation. His passing removes one of the ablest and most gifted men in American public life, and we are all the poorer for it. His achievements remain as his legacy to the people of Arkansas and to the Nation. To his son and his granddaughter, and to his three surviving brothers and their families, I extend my deepest sympathy, knowing that their sorrow is lightened by the enduring significance of a life well and bravely lived for worthy purposes. Not least among the Governor's qualities was the courage and the dignity with which he faced a terminal illness, qualities sustained by his faith in life and in God.

Mr. SMITH of New York. Mr. Speaker, I join today in paying tribute to the late Honorable Winthrop Rockefeller. I had the pleasure of meeting him several times and have been aware of some of the many things that he accomplished for Arkansas and for the Nation. I was not a close associate of Gov. Winthrop Rockefeller, but I know that the many good things he did have been appreciated and he will be sorely missed by those who knew him.

Mr. DOMINICK V. DANIELS. Mr. Speaker, on Februry 22, 1973, our country suffered a great loss due to the death of former Gov. Winthrop Rockefeller of Arkansas. Governor Rockefeller, a great American, will be greatly missed by his fellow Arkansans and all Americans for his spirit of generosity and philanthropic contributions in service to the citizens of this Nation.

The State of Arkansas will remember this great leader for his service to its citizens as Governor and for his work in aiding the economic growth of the State. As a Nation, we shall remember him for his philanthropic contributions, as seen in his participation in the Rockefeller Brothers Fund, and as chairman for Colonial Williamsburg. In addition, his deep concern for the welfare of the American people was expressed in his leadership in the National Urban League and his trusteeship in the National Fund for Medical Education.

The life of Gov. Winthrop Rockefeller serves as a model for all Americans to follow. I join with all my fellow Americans in honoring his memory and shall hold his accomplishments in my reverence and esteem for their contributions to the progress of this Nation.

Mr. RHODES. Mr. Speaker, I was deeply saddened by the untimely passing of a great American, Gov. Winthrop Rockefeller. Just last August I had the pleasure of working with Win when he served as a member of the Platform Committee at the Republican National Convention. During our long and arduous hours of deliberations, his personal charisma and sense of humor helped to relieve momentary tensions, but perhaps the most significant and lasting impression he made on all of us was his profound and dedicated concern for the disadvantaged. His contributions to the Republican platform of 1972 are only a part of this fine man's legacy to our society. He was truly a fine, productive ciitzen of our country, and a friend of all mankind.

Mrs. Rhodes joins me in sincere sympathy to the members of his family in their bereavement.

Mr. COHEN. Mr. Speaker, I want to join my House colleagues in mourning the recent passing of former Arkansas Governor Winthrop Rockefeller.

When "Win" Rockefeller died last week in Palm Springs, Calif., America lost one of our finest public and philanthropic leaders. Not only was he an outstanding political leader who served the State of Arkansas with distinction, but he also gave himself totally to a number of organizations that have benefited millions of Americans. His participation in the Rockefeller Brothers Fund, chairmanship of Colonial Williamsburg, leadership in the National Urban League, and trusteeship in the National Fund for Medical Education, are all examples of selfless giving to others in the tradition that has made America great.

The life of Winthrop Rockefeller has and will continue to serve as an inspiration to all of us in public and private life to dedicate ourselves to the American ideals in which "Win" so deeply believed.

GENERAL LEAVE

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter, on the life, character, and public service of the late Winthrop Rockefeller.

MEMBERS URGED TO SUPPORT H.R. 475, A BILL TO AMEND THE SOCIAL SECURITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, on the opening day of the 93d Congress, I introduced H.R. 475, a bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs will not have the amount of aid or assistance they receive reduced because of increases in monthly social security benefits. The bill also provides that recipients of veterans' pension and compensation benefits, as well as recipients of any other Federal benefits, will not have their benefits reduced because of social security increases.

I have received many letters from constituents who had their expectations raised by learning of the 20-percent increase in social security benefits. But these hopes were in many cases dashed when other benefit checks, taking into account the individual's increased income from social security, were reduced accordingly. In fact, in some instances, people are actually worse off financially because of the increase.

This circuitous process certainly does not mesh with the intent of Congress at the time the social security increase was enacted. Congress did not intend for the law to benefit State governments by allowing them to decrease their State payments. Congress did not intend for the law to enure to the benefit of the Veterans' Administration or any other Federal agency.

Rather, Congress intended that the increase would reach the people in full force, not be watered down through reductions in benefits from other sources.

Mr. Speaker, people who receive social security benefits feel the pinch of rising rent, food costs, and health care costs as much if not more than anyone else. This fact compounds the unfairness of shuffling the social security increase from one agency to another, rather than making certain that a bona fide increase in income is realized. My bill will see to it that the intent of Congress is carried out, and more importantly, it will make certain that social security beneficiaries receive the income they deserve.

I urge every Member of Congress to support this bill and to work for its early passage.

PERSPECTIVES ON LEGAL SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 20 minutes.

Mr. KEMP. Mr. Speaker, most of us will recall that in September of last year the 92d Congress and the administration reached an impasse on the question of a proposed National Legal Services Corporation. As a result, the legal services program remained within the agency which gave birth to it, the Office of Economic Opportunity.

The issue is before us once more. One of the pivotal concepts with which Congress must wrestle during the coming debate over the mission and structure of a new National Legal Services Corporation is the concept of law reform. It is definable in many ways by many people. It is acceptable to nearly everyone in some form and under some circumstrances and in other contexts is deeply repugnant to many. No discussion of the subject makes sense unless it is prefaced with a clear delineation of the particular type of law reform in question.

It is for this reason that I believe it is important for members of Congress to have the advantage of a penetrating analysis of the whole issue of law reform which has come to my attention.

The well-known social critic, Irving Kristol, wrote of the paper: "It is absolutely first rate." The paper, which deals with issues concerning legal services, was prepared by Marshall Boarman, a policy development specialist at the Office of Economic Opportunity.

Mr. Boarman has an M.A. from the University of Toronto and a licentiate degree from the University of Louvain in Belgium. He is currently preparing a doctoral thesis for the University of Pennsylvania. In addition, he is a career civil servant with 12 years experience as a civilian educational administrator for the U.S. Air Force. During the past year, he has been employed in the Office of Program Review at OEO and is currently Chief of the Evaluation Division of the Office of Legal Services.

Because this paper, Issues Concerning Legal Services, is so timely and of such a vital concern to the future of this program, I include it in full in the CONGRESSIONAL RECORD. The cost of printing is $2,252.50.

The paper follows:

ISSUES CONCERNING SERVICES

(*Page numbers refer to original paper*)

PART I: THE PROBLEM OF ACCOUNTABILITY

On August 18, the Conference Report on H.R. 12350 (the Economic Opportunity Amendments of 1972) was submitted to the House of Representatives—minus the provision which would have established the new National Legal Services Corporation. (The bill as reported was subsequently passed by the House and Senate and signed by the President.) In an editorial on August 30, the Washington Post, deploring the "private executive" of the Corporation, commented as follows:

"When the bill emerged a week later, the legal services corporation—although previously agreed upon—had vanished. Its disappearance was explained as a result of a 'failure to reach agreement' on the *composition of the board* and *'certain other elements of the corporation'*. The disagreement was not, it seems, between the House and the Senate, but between a Congress apparently willing to bend quite flexibly and an administration unwilling to compromise at all" (Emphasis added).

Now it is true that the dispute between the Administration and the Congress over the composition of the Corporation's board was one of the principal reasons for the President's veto of the Corporation the first time around (in December 1971). The President scored the Corporation then for its lack of "accountability", citing as an example of this the restrictions that would have been placed on the President in selecting board members. It is also true that the composition of the board was one of the main sticking points in the debate over the second version of the Corporation, and that the Congress went some distance towards meeting the Administration's objections in this regard.

There has been a widespread misunderstanding, however, both within the Congress and without (as evidenced by the Post editorial), of the full rationale behind the Administration's opposition to the Corporation in the form in which it has been proposed. This misunderstanding has resulted from the tendency, shared by most of the Corporation's defenders and by some of its critics, to conceive the problem of accountability in its narrowest terms, as a problem of "who appoints the board?" The fact of the matter is that the problem is much larger than this, both at the national level on which the board would be operating, and at the local level where the defects of the legal services program are usually seen as resulting merely from a lack of judgment on the part of immature, over-zealous young attorneys. The scope of the real problem is hinted at by the language of the Conference Report (quoted in the Post editorial) which refers somewhat mysteriously to "certain other elements of the Corporation". It is time for these "other elements" to be clearly identified and for all of the dimensions of the problem of accountability to be examined, so that the continuing debate over the direction the legal services program should take can be lifted above the level of peripheral issues and partisan bickering.

The point of departure for a more comprehensive analysis of the problem of accountability is furnished in a recent article on the proposed Corporation by a former official of OEO's Legal Service Office, Richard Blumenthal (81 Yale LJ 231). Blumenthal breaks the term "accountability" into two components: (1) policy-setting and (2) responsiveness. Policy-setting is defined as a concept of management consisting of the selection and definition of goals and priorities and the articulation of broad strategies to achieve these goals through coherent standards and guidelines. In the case of a public program or institution, policy-setting at the deepest level has to do with the ideological or philosophical drift of the program and poses such questions as: What social, economic and political goals and priorities are in the long-range interest of the public and will most advance the common good? What strategies for implementing these goals are most consistent with the traditions of representative democracy and with the political and constitutional premises which underlie the American system?

Responsiveness, on the other hand, has to do with the problem of control. It is "the sensitivity of an institution to the interest of its various constituencies" and to the claims of these constituencies to a voice in the management of the program or institution. Responsiveness assumes that the deep orientation of a program has already been fixed in policies and sub-policies, and asks such questions as: Who should have access to the program's levers of control? To whom is the program accountable (in the more common but narrower sense of accountable)? In the case of the Legal Services Program, accountability from the standpoint of policy-setting relates to the impact of the program's policies on the fabric of the American system, on the public-at-large and on the program's "clients" (the poor), all of these viewed as more or less passive objects, whereas accountability from the standpoint of responsiveness refers to various segments of the same public taken as agents who, having an investment in the Legal Services Program and therefore a stake in its outcome have a claim to some control.

The issue of accountability as responsiveness was given a considerable airing in the Senate debate on the Legal Services Corporation, while accountability in relation to policy-setting was little discussed. The latter aspect of accountability was, however, suggested by the President in his veto message last December, when he asked Congress to create an agency "which places the needs of low-income clients first, before the political concerns of either legal services attorneys or elected officials". The President was referring to one of the most objectionable features of the Legal Services Program as it has operated in the past: its penchant for putting causes ahead of cases, for using clients as mere vehicles to promote sweeping social and political change.

There are actually two issues entangled here: (1) the propriety of seeking out and giving priority to those indigent clients whose grievances are suited to the kind of test-case litigation the attorney wishes to pursue in his efforts to change the "system" and (2) the propriety of the use of public funds by legal services attorneys to bring about social reform, entirely apart from the question of whether the attorney's activity is or is not determined strictly by the needs of an individual client. Both of these issues presuppose a very crucial distinction between two concepts of legal services for the poor. On the one hand, legal services is conceived in the traditional manner as a program of legal aid to individual clients in an effort to obtain redress under existing law. The alternative concept, while admitting the need for conventional legal aid, puts the main emphasis on law reform, i.e. on substantive changes in existing statutes or in the interpretations of these statutes. Under this latter concept, the indigent client's real adversary is not so much the violator of a law as it is the law itself.

The distinction between these two concepts of legal services was for the most part ignored in the debate over the Legal Services Corporation, while on those rare occasions where it was adverted to by the Corporation's defenders, its validity was usually denied. It is the purpose of this paper: (1) to uphold the validity of the distinction (pp. 7–11); (2) trace the history of the vacillation in OEO between the two concepts of legal services (p. 12) and (3) present the arguments justifying the Administration's rejection of a Legal Services Corporation which would have devoted itself primarily to the practice of social action law, at public expense but without the usual public control (p. 30). The arguments can be summarized in the form of a dialogue between two attorneys, Attorney A who favors the Legal Services Corporation and Attorney B who opposes it:

Attorney A: I know why you're upset with the legal services program and with the Corporation which would replace it. You're opposed to the idea of a lot of young activist lawyers, with more zeal than judgment, ruffling the feathers of politicians and bureaucrats with their suits against the government.

Attorney B: You're referring of course to two of the standard arguments against legal services. One argument I'll call for convenience the "Murphy amendment" argument, since it was Senator Murphy of California who, a few years ago, introduced into the Congress a bill that would have barred use of OEO funds for suits against the government. The other argument can be tagged the "barefoot lawyer" argument in honor of the young legal services attorney (in Colorado I believe) who mortified officialdom by appearing in court in bare feet to argue his case. Now as regards the first argument, there is no doubt that much of the hostility encountered by OEO's legal services program throughout the country is the result of its suits against the government. Many people find something odd, if not outrageous, about the idea of the U.S. Government financing lawsuits against itself. Personally I am not in principle opposed to such suits. There are cases where they are simply harrassing actions. In any event, it is a gross distortion of the legal services issue to reduce it to the question of the propriety of suits against the government. The same goes for the second argument you mentioned: it does not reach the central issue. Of course we should begin to curb the barefoot lawyers and staff the program with older, more experienced attorneys—but I doubt this would cure the basic ills of the program. The indiscretions of the young lawyers are, in many instances, only symptoms of a deep animus against the whole system, and of a fixation on law reform regardless of the immediate interests of the individual client. This latter point is particularly important and is not linked necessarily with youth or immaturity. There certainly seems to be a pattern in the legal services program of using clients this way and I object to it. In a proper attorney-client relationship, it is the client not the lawyer who should call the tune. The lawyer should not put his private concern for social change over the needs and interests of his client.

Attorney A: Now wait a minute. I've been involved in test case litigation and I don't consider that I've been putting my concerns ahead of those of my client. In the case I'm talking about, not only did my client want me to pursue the litigation to the test-case stage, but in this instance it was the only way I could be of any real help to him. He was being victimized not by a wrongdoer but by the law itself.

Attorney B: Please don't misunderstand me. I will concede that there are times when test-case litigation is perfectly proper, just as I conceded above that there are times when suits against the government are in order. My only point was that the OEO record is replete with instances of clients being manipulated. But bad as this is, it does not disturb me nearly as much as something else about test-case litigation: its exploitation by legal services attorneys to bring about fundamental social change. This I find highly questionable. Under our system of representative government, the legislature and not the courtroom is the proper forum for the advocacy of social change.

Attorney A: Fine. We're ready to explore this route with our program of legislative advocacy.

Attorney B: But your involvement in legislative advocacy—or to use the older, blunter term, "lobbying"—in also highly questionable, this time on different constitutional grounds. Is it proper for a legal services attorney, or for any other person who has not been elected to public office, to use public funds to promote a political, philosophical or ideological point of view? There is a substantial body of opinion and law which would answer in the negative.

Attorney A: We lawyers have an ethical mandate—given us by the Code of Professional Responsibility—to engage in legislative advocacy. Publicly-funded lawyers are bound by the same Canons of the Code as privately-paid lawyers.

Attorney B: I beg to differ. Lawyers as lawyers have a mandate to improve the legal system in the sense of perfecting the law in technical and non-controversial areas. An example of a technical matter is the form and clarity of expression of a law. Another example is the relationship of one law with another: are they consistent with each other? Injustices can result from technical defects in the law and it certainly is incumbent on the lawyer as such to try to remove these injustices. But involvement in larger questions of public policy and social goals is, under our system, reserved for the legislator, and for the citizen—including the lawyer as citizen—acting, on and through his elected representatives. So a lawyer can perfectly well carry out his professional duties without engaging in social law reform. As one legal scholar wrote recently: "There simply is no ethical mandate for a lawyer to engage in social law reform".

Attorney A: I'll concede your point that while a lawyer has no mandate to engage in social law reform, he may do so as a citizen. I would add further that he may do as a publicly-paid citizen, so long as the principle of "representativeness" is not violated, a point you made earlier. Now in a sense we legal service attorneys do represent the electorate, since the funds for legal services to the poor are allotted by Congress and the program these funds pay for is administered ultimately by the President.

Attorney B: Very good. To the extent any member of the executive branch, or anyone whose authority derives ultimately—by appointment or otherwise—from the executive branch, engages in lawful lobbying, his activity must be subject to the veto of the executive branch, otherwise the "representativeness" or "accountability" of such lobbying is lost. Your last admission therefore, though not inconsistent with some sort of publicly-funded law reform, is totally inconsistent with the concept of an autonomous National Legal Services Corporation in the form in which it appeared in the latest version of the poverty bill, before it was deleted.

The paper closes with a quote from Professor Geoffrey Hazard of Yale which, by implication, suggests that the function of rendering traditional legal aid and the function of law reform should be separated and that the law reform effort should be carried on by OEO itself, in-house and at the national level, instead of being delegated to either an autonomous corporation or, as is the case at present, to back-up centers and to project attorneys in the field. The demise of the proposed Corporation indicates that the time has come for OEO to reassess its current Legal Services Program, and to revamp the guidelines of the Program in the light of the imperatives which flow from an acceptance of the distinction between the two concepts of legal services, and the other considerations advanced in this paper.

PART II: TWO CONCEPTS OF LEGAL SERVICES

In the literature dealing with legal services for the poor, two basic approaches are sharply differentiated: the traditional "legal aid" or "service function" approach and the "non-service function" or "law reform" approach. The following excerpts culled mostly from law review articles, will help clarify the distinction:

1. "The service function (is) the representation by the neighborhood lawyer of *individual* clients without regard for *broader reform*" (Lowenstein & Waggoner, 80 *Harvard LR* 810). [Note: The same article lists the following activities as examples of the non-service function: (1) law reform via litigation, with emphasis on the test case, including suits on behalf of individuals and class-action suits; (2) law reform via legislative advocacy or lobbying; (3) the representation of organized groups of poor as opposed to the representation of individual clients; (4) assistance in organizing such groups, whether they be of the self-help or pressure group variety; (5) assistance in organizing rent strikes, buyers strikes, etc.; (6) community education to apprise the poor of their legal rights and obligations. (80 *HLR* 815 sqq)]

2. "The only consideration which distinguishes appeals of this type (i.e. appeals which fall under the non-service function) from the service function is that the neighborhood lawyer places an affirmative value on winning the point of law as well as on winning the case". (Lowenstein and Waggoner, op. cit. 815)

3. "As A. Kenneth Pye, the leading historian of the development of legal services describes it . . . one approach would 'place principal emphasis upon existing legal aid organizations which had close relationship with the organized bar', and 'policies would be negotiated between OEO and the bar with the major objective being providing *more and better representation for individuals'*. The second approach entailed federal funding of new organizations which would be 'prepared to decline legal assistance to eligible applicants if providing representation to such persons would overburden their staffs . . .' and prevent them from 'achieving their *major objective of social, economic and legal reform* through the litigation of test cases" . . . (Hannon, 5 *Cal West LR* 224. Emphasis added.)

4. "The Director of Legal Services (E. Clinton Bamburger, Jr. 1966) was attempting to articulate a national policy on law reform, and he used this forum to cogently describe the role of the poverty lawyer as akin to that of his brothers in private law firms who had long functioned as 'the *architects as well as the artisans of social reform*—redesigning, reforming and creating not only legal institutions but social, economic and political institutions as well'" (Hannon, op. cit. 227. Emphasis added.)

5. "In current legal services jargon, the term 'service function' describes the traditional legal aid work of *serving individual clients*" (Hannon, op. cit., note 228.)

6. "In March 1967 the second Director of the Legal Services Program (Earl Johnson) . . . declared that 'the *primary goal* of the war on poverty's legal services program should be *law reform achieved by significant test cases* that can revise the structure of the world in which the poor live. . . . The goals of providing legal services to all of the poor, community education, legal research and test cases cannot all be reached with limited funds . . . '. For this reason 'more than in the past, legal services programs will set aside staff and funds to concentrate on developing significant appellate cases that are likely to have a substantial impact on large numbers of the poor'" (Hannon, op. cit. 229–230. Emphasis added.)

(NOTE: It is interesting that Johnson, in distinguishing between activities of the "non-service" variety and those of the "service" type, uses for the latter the term "legal services". A corporation set up to provide legal services in this strict sense would therefore not engage in law reform.)

7. "The bar got what it expected as poverty lawyers concentrated on serving individual clients on a mass production basis in the traditional legal manner. *Serving the needs of the individual client* may help the client gain confidence in the political legal system. Such service also may help the individual become more a part of that system. But it is not likely *to change the system itself*, and many observers feel that this is the greatest weakness in the traditional legal aid approach." (Hannon, 6 Cal West LR 48. Emphasis added.)

8. "Law reform . . . the view that the political system should be changed on behalf of the poor." (Hannon, op. cit.)

9. "Many lawyers will give steadfast support to organizations designed primarily *to provide services to individual poor persons* with middle class legal problems but are either apathetic or opposed to organizations with substantial commitments to providing *representation to groups* contemplating civil rights demonstrations, economic boycotts or rent strikes. . . . Hostility is certain to result in the future if the support of the bar is achieved under the guise of *giving a poor man a right to counsel* when the real objective is providing legal leadership for *institutional reform*." (Kenneth Pye as quoted by Hannon op. cit. 52. Emphasis added.)

10. "It is our view that the problems of the poor result far less from unjust rules than from inequitable distribution of wealth and power and that lawyers serving them must focus on *building legal institutions* which can enhance the power of the poor client to *economically* and *politically* cope for himself." (Hannon, quoting CRLA, op. cit. 53. Emphasis added.)

11. (The following are definitions of two elements of the non-service function of legal services, as contrasted with the service function):

"Group representation consists of services provided to an organization or association of low-income individuals who are generally residents of a particular neighborhood or area. *Law reform* may be defined as representation provided to a low-income group or individual *with the primary objective of changing a law or legal interpretation affecting the poor generally and usually involving elemental questions with respect to the distribution of power or wealth*. Such representation is distinguished from *individual casework* or service, which has *the primary objective of improving the situation of a low-income group or individual under existing law*. The two of course, overlap. But the two activities are separable in terms of primary objective." (Blumenthal, 81 *Yale LR*, note 246. Emphasis added.)

12. "Certainly the individual client's case and his need must always be the focal point of the lawyers' work. Legal service in the context of the War on Poverty, however, must mean *something more* as well. Defending the poor against the evils from which lawyers regularly insulate us is only part of the job. . . ." (The rest of the job, according to the author, comprises challenging unethical businessmen and federal and state bureaucrats, and educating the poor in respect to their rights) "In each of (their) functions, lawyers do more than handle a particular legal matter bounded by a particular set of isolated facts. They take the common threads of *social, economic and political problems affecting large groups of people and weave the test case, remedial statute or administrative reform* to solve the pervasive problems and eliminate the cause for the future. Similarly the poor must be represented on a broad and deep scale. . . . Some have cried that group representation and broad research looking to law reform—at least when done by attorneys in legal services programs—are sinister and a departure from the accepted role of lawyers. They call it 'social reform' . . . (But) the law is more than rules of rights and repressions. The law is a dynamic force for social change". (Shriver, XLI *Notre Dame Lawyer*, 848 sqq)

13. "Each of the pending applications (for incorporation submitted by several legal services projects in New York City) in setting forth purposes, is unsatisfactory in the indiscriminate mingling of social goals and legitimate legal practice. Recognizing that the law may be a constructive progressive force in the development of a community, and particularly that social goals involve significant lay leadership and lay individual engagement, the interrelation of social goals with the practice of law must still be better and even precisely defined, or if not definable, separated. In this connection the vaguely suggested subprograms for education alerting the communities to the opportunities for the assertion of legal rights, and the use of the law and its institutions in *achieving social and economic* (*as distinguished from legal*) *justice* are especially illustrative of indiscriminate mingling of goals which require either definition or separation." (Judge Preitel, 26 AD 2d 362, NY Sup. Ct. Emphasis added.)

14. "The concept of the neighborhood legal service is identical to the idea that had for decades motivated legal aid societies. The Legal Services program has however, adopted a number of additional objectives that legal aid societies either because of limited funds or lack of scope had previously shunned: *legal reform, education, representing organizations of the poor*." (Levitan, The Great Society's Poor Law, 177 sqq. Emphasis added.)

15. (The author next quoted distinguishes between four basic concepts of legal services for the poor, two of them extreme (one radical and one conservative) and two of them intermediate. I am assuming that the choice, so far as the Legal Services Corporation is concerned, is between the two intermediate ones. The point will be discussed later in this paper).

"It is possible to discern four distinct concepts of the Program. The most radical concept visualized the Legal Services Program offices as the nuclei of the Community Action Program. There were to be neighborhood-center locations, staffs of politico-legal sophisticates to develop and energize community self-help effort and a pervasive program of organization-education-action-reform. This approach excited doubt and hostility in quarters where opposition would have been fatal to the Legal Services Program, in particular the organized bar and a number of city governments including Chicago. Accordingly, it was implemented only in a few communities and even there has had a tenuous existence.

"The most conservative approach expressed in certain sectors of the bar and also 'implemented' in certain areas was even simpler: There shouldn't be a Legal Services Program, because such a program was unnecessary (the poor had no legal problems or their legal problems were already being taken care of) and essentially socialistic.

"Two intermediate concepts of a Legal Services Program therefore contended for primacy in the main thrust of the Program. One such concept was that expressed by the American Bar Association which explained the Legal Services Program to itself and to others as an expansion of traditional Legal Aid . . . (This) concept of the Legal Services Program generally shared among the legal profession was (of) a program *oriented to individual clients, concerned with individual cases and centered on the routine disorders of daily life*—domestic discord, trouble with creditors and landlords, and involvements with the police, welfare agencies and other organs of government. . . . *Litigation is recognized* as an appropriate weapon, but only uneasily and *as a last resort*. . . . In the other contending concept of the Legal Services Program . . . legal assistance *is the bridge between broad social grievance* (e.g. bad housing, racial discrimination, expensive credit, chronic unemployment) *and social reform*. . . . *In contemplation* . . . *is a legal* services program concentrated on group concerns of the poor, concerned with structural problems and centered *on change in the law itself*—reform of welfare, school administration and the law governing such relationships as landlord-tenant and creditor-debtor. The characteristic problem-solving technique is aggressive, prodding, protesting and complaining on behalf of the poor with *litigation as a routine resort* if not ordinary procedure." (Hazard, 36 *Univ. of Chicago LR* 700-703. Emphasis added.)

(Note: Hazard, in his further discussion of the two concepts of legal services, uses such expressions as "the traditional, conservative concept", and "the militant, reformist concept" to refer to what has been called the "non-service function concept". The traditional concept aims at what Hazard calls *civil justice* (procedural justice and the fairness of decision in particular cases, the sort of justice termed "commutative justice" by the Greeks and medievals) while the "militant, reformist" approach aims at *social justice* (the allocation of community resources, what the ancients called "distributive justice"). For Hazard's views on the appropriateness of the reformist approach, see below, beginning on p. 30.

PART III: HISTORY OF THE VACILLATION IN OEO BETWEEN THE TWO CONCEPTS OF LEGAL SERVICES

It should be noted that the choice which confronts policy-making is not between the "legal aid" concept on the one hand and a *pure* "law reform" concept on the other. The alternative to the traditional "legal aid" concept which is under discussion in this paper, though sometimes labeled the "law reform" concept, includes the "service" or "legal aid" component. It adds to this component the non-service functions: law reform (test-case litigation and lobbying), group representation, group organizing and community education.

Section A

All of the authors consulted who have commented on the history of the contention between the two concepts of legal services in OEO agree that, from the inception of the Legal Services Program to the present, OEO has never formally or overtly embraced one concept to the exclusion of the other. The following quotations will bear this out:

1. "The objectives of the Legal Services Program *have never been officially stated in very coherent terms*. The Economic Opportunity Act of 1964 creating OEO did not explicitly authorize a program of legal services; the renewal legislation ratified the Legal Services Program without explaining it. The diverse supporters of the Legal Services Program, ranging from the organized bar to legal elements of the New Left, *found it useful in arguing for the Program to submerge their differences over its policy*. . . . An ambiguous policy has permitted a single federal program to commence operations at a variety of local starting points, including some where no services had previously existed and some where there could already be found large and sophisticated operations. . . . As the program (reaches) perhaps the decisive point of political consideration, it remains as nearly all things to all men as its supporters have been able to make it." (Hazard, 36 *Univ. of Chicago LR* 699-702. Emphasis added.)

2. "The difference between the test case or law reform approach and that of the established legal aid societies, which emphasized service to individuals was dramatic. But OEO failed to choose between the two. It vacillated. Initially OEO did not emphasize the importance of law reform and it continually played down its own position as policy maker or planner. At this juncture national goals were blurred and great stress was placed on the promise that OEO would not dictate a policy for legal services from Washington." (Hannon 5 *Cal Western LR* 225. Emphasis added.)

3. "Professor Pye witnessed OEO's vacillating between the law reform goal and the service function, and he recognized the need for OEO to set its own priorities before allocating funds to local programs. This was not done and the following passage by Professor Pye is particularly prophetic in view of the existing struggle for control of programs: "Agreement on . . . platitudes cannot obscure the necessity of determining the basic objectives of OEO-financed legal services programs. To a large extent the choice of the programs to be financed must depend on the major objectives sought to be achieved." Unfortunately OEO did not heed Professor Pye's warning. . . . This lack of prior planning is almost inexcusable. . . ." (Hannon op. cit. 228)

(*Note:* According to Hannon, the Guidelines for Legal Services Programs which OEO published in 1966 "did not even list law reform among the program's overall objectives." The five Guidelines objectives (listed below) vaguely referred to several activities that could be directed to law reform but priority was assigned to individual casework:

"The specific objectives of the program are to:

1. fund locally-initiated and controlled programs of legal *service* for the people in poverty;
2. accumulate knowledge on the most effective method for bringing assistance of law and lawyers to the poor;
3. sponsor education and research in the areas of procedural and substantive law which affect the cause of poverty;
4. acquaint lawyers with their essential role in combatting poverty;
5. finance programs to teach the poor and those who work with the poor to recognize *problems that can best be resolved by the law and lawyers*."

(From *Guidelines for Legal Services Programs, 1966* (never revised))

The list of objectives includes several, such as community education, which fall under the "non-service function" heading, but studiously avoided any reference to test-case litigation or legislative advocacy, the two principal weapons of law reform. However, the same Guidelines, in another less obtrusive section, entitled "Scope of Services" do authorize law reform, though somewhat tepidly, as follows:

"Advocacy of appropriate reform in statutes, regulations and administrative practices is a part of the traditional role of the lawyer and should be *among the services* afforded by the program. This *may* include *judicial* challenge to particular practices and regulations, research into conflicting or discriminating applications of laws or administrative rules, and proposals for administrative and legislative changes."

Hannon comments: "The Guidelines did mention law reform later as part of the full spectrum of civil law which these programs were expected to undertake, but the emphasis at this time *was definitely not on law reform*." (op. cit. 225.)

4. "A major contributing cause of the (legal services) program's current vulnerability to such (political) interference has been a failure of *policy-setting* and responsiveness. It has been a dual failure: there has been *no clear articulation of policies for projects and personnel to follow;* nor has there been a solution to the problem of defining the proper roles of various constituencies in determining policies." (Blumenthal, 81 *Yale LR* 232)

(*Note*: Blumenthal adds that the first explicit authorization for the Legal Services Program in the Economic Opportunity Amendments of 1967 provides no clue as to which of the two concepts of legal services—the "legal aid" concept or the "law reform" concept—was favored or intended by Congress. The goal of the legal services program is, in the words of the statute, "to further the cause of justice among persons living in poverty by mobilizing the assistance of lawyers and legal institutions and by providing legal advice, and *other appropriate legal services*." The question which remains is: what other services are "appropriate" and is law reform one of these? The legislative history of the statute indicates that Congress never really faced the issue.

According to Hannon:

"Congress as yet has not been forced to face the kind of law reform oriented program which OEO now envisions. Some liberal members of Congress have spoken out in favor of this more aggressive approach, but Congress as a whole has not yet spoken. Most of the rave reviews seem to have been engendered by the lawyers' prodigious labors in servicing individual clients, and Congress has not yet witnessed the results of an extensive law reform campaign. The surprisingly warm reception of the Murphy Amendment does not bode well for the reception which awaits law reform." (Hannon, 6 *Cal Western LR* 51).

Proponents of the Legal Services Corporation largely succeeded in obscuring the issue in the recent Senate debate on the Economic Opportunity Amendments of 1972, and Congress has yet to squarely confront the constitutional questions raised by the problem of accountability on the policy-setting level (Shall the policy be law reform?), rather than on the level of responsiveness (Who exercises political control?). In respect to the motives of those in the Legal Services Program who, though committed to the "law reform" concept, have consistently failed to formally advertise this commitment, see below, pp. 16, 18)

5. "The failure of policy-setting in legal services has been evident in the vagueness of policy guidelines and standards, their silence on many issues, and the uneven nature of their enforcement. The first formal Legal Services Guidelines were issued in 1965, and were acknowledged to be vague and unspecific on a number of issues. . . The Guidelines were never again revised formally. Officials occasionally issued new interpretations of policies through OEO Instructions, or Community Action Memoranda . . . the legal force of which was never fully defined. Most often, these policy statements were expressed informally and ad hoc—in letters to individual programs, conditions on particular contracts and in speeches, articles and working memoranda. . . . Policies on lobbying (a principal instrument for law reform) were equally uncertain. . . . The Instruction on lobbying failed to clearly determine the propriety of the most common and important lobbying activities of projects, largely because of an ambiguous provision that restrictions were not to be interpreted to forbid purely informational activities. . . . The Office of Legal Services never emphasized law reform either in the enumeration of objectives or in a separate document. Nor was there any attempt to determine roughly what proportion of the projects' resources should be devoted to law reform." (Blumenthal op. cit. 238 sqq. Parenthesis added.)

Blumenthal, who once held a position with OEO's Office of Legal Services, is a fervent advocate of the "law reform" concept of legal services. He feels that the failure on the part of the Office of Legal Services to articulate law reform objectives in the form of specific written policy officially promulgated in the Code of Federal Regulations (not even the Guidelines, vague as they were, were so promulgated) made legal services attorneys much more vulnerable to the attacks and restraints of local bar associations and local administrators than would otherwise have been the case. His article on the Legal Services Program published in the Yale Law review last December was a plea to the leaders of the legal services community to spell out precisely and forthrightly guidelines and objectives for the new National Legal Services Corporation pending before Congress, lest the policy void continue to expose the program to attack, weaken its bargaining position vis a vis its critics and in general undermine the Corporation's autonomy. Some writers, speculating on the possible reasons for the failure of OEO officials to define legal services policy, have concluded that the policy-makers, torn between the claims of centralized policy-setting at the national level and those of self-determination at the local level, were themselves confused both as to which claims to honor and which concept of legal services (the legal aid concept and the law reform concept) to promote. Hannon, for example, writes:

"There is little evidence, if any, that OEO was consciously selling the program to the bar on the basis of a rather tame locally-controlled program while quietly planning a substantially different kind of federally-dominated program. Instead of a nefarious subterfuge one should properly regard the misunderstandings created in the early days of legal services for what they were—a reflection of inadequate planning and preparation by OEO officials. The fact is that at the time OEO leaders did not know what they wanted." (Hannon, *Cal Western LR*, note, 47)

But there is some evidence to show that this was not the case and that the legal services planners and policy-makers had very early and quite decisively opted for the "law reform" approach, although they manifested a continuing reluctance to broadcast this fact to lawmakers and others outside the legal services fraternity. Hannon himself, despite the charitable interpretation he places on OEO's reluctance, appears elsewhere to be accusing OEO of not being "forthright" and of bowing to the political pressures which were generated by the 1967 furor over the California Legal Assistance Corporation (CRLA) and which culminated in the Murphy amendment (a proposal which would have prohibited OEO attorneys from suing Federal, State and local governments).[1] Hannon intimates that the absence of any clearly enunciated and publicly available written policy on such matters as test case litigation not only had the effect of throwing Congress off the scent (see Hannon p. 12 & 14 above, and especially Blumenthal, p. 18 below), but also of forestalling the anticipated opposition of local bar associations. Writes Hannon:

"(The CRLA) started with the assumption that political action and economic development were part of the poverty lawyers' charge. . . . Since legal services headquarters in substance has (sic) adopted this philosophy, the reaction of the board of governors of the California State Bar to CRLA's birth is of more than passing interest to those concerned with the future of legal services. . . . The board opposed CRLA's funding because 'the proposal goes beyond the reasonable bounds of a program designed to meet unfilled legal services requirements of the poor. The proposal is basically one of militant advocacy on a state-wide basis of the contentions of one side of an economic struggle now pending. *Ostensibly designed to furnish only legal services to the poor, the proposal also encompasses the furnishing of political and economic aid.* The proposal appears to be an unwarranted departure from the concept of neighborhood legal services offices established and operated by residents of local communities. *Without any clear statutory justification,* it proposes to operate a social welfare enterprise on a statewide basis, offering its services to political and economic groups as well as individuals.'" (Hannon op. cit. 54)

The impression created by the wording "legal services headquarters *has* adopted this law (law reform) philosophy" is that CRLA did not get the word from headquarters but went off on its own, and only subsequently did OEO adopt the philosophy, thus exonerating OEO of the charge of dissembling. But the Bar's resolution opposing CRLA was passed in April 1966. In that same month, at the Symposium on Justice and the Poor held at the Notre Dame Law School, the Director of OEO's Legal Services Program, E. Clinton Bamberger Jr., clearly propounded the doctrine of law reform and OEO's espousal of it. As Hannon notes in a second article, Bamberger

"Spoke at this conference and after genuflecting in the direction of local initiative . . . explained that OEO was hesitant about funding judicare programs because full-time poverty lawyers were more likely to use the law as an instrument of social reform." (Hannon, 5 *Cal West LR* 226)

Bamberger went on to say that full-time lawyers offer the best vehicle because

"they will be able to devote the time, achieve the perspective and accumulate the knowledge to attack the legal problems of the poor on *a broad and deep scale*. This is what lawyers do for other groups. . . . Lawyers have always been more than mere agents directed by others. They have been the architects as well as the artisans of *social reform*—redesigning, reforming and creating not *only legal institutions but social, economic and political institutions as well.*" (Bamberger, 41 *Notre Dame Lawyer* 850. Emphasis added.)

Bamberger expands on this theme in the remainder of his speech, painting an extravagant picture of the lawyer, as a lawyer, responding to some kind of categorical imperative to lobby, to shape public policy and to advocate solutions to pervasive social, economic and political problems. (For more on the role of a lawyer as such, see below p 45 sqq)

In contrast with Hannon's uncertainty as to the motives of the Legal Services Program's "architects" in masking their policy goals, Blumenthal, an OEO insider, seems to have little doubt that OEO's vagueness was calculated. He writes:

"Throughout recent years, as well as earlier, the absence of written policy increased the Office of Legal Services power over local programs, allowing officials maximum discretion in dictating terms of grants and qualifications of personnel. Most important, however, it gave legal services *a low profile. It made the program a smaller, more elusive target to attack . . . Legal Services officials recognized that an absence of written policy would relieve them of the burden of facing critical arguments on the merits of issues in public forums, such as Congress, where a focus on guidelines might trigger inquiry or debate.*" (Blumenthal, op. cit. Emphasis added.)

It does credit to Blumenthal's honesty that he will not let OEO exculpate itself quite so easily, and that he calls for full and open debate on the real issues which separate conservatives from liberals on the question of legal services. He continues:

"With adequate policy-setting and responsibilities, OLS officials might have defused many suspicions played upon by opponents—particularly suspicious about their *ad hoc* mode of decisionmaking. They might have forced debate to focus on the merits of policies for the nation as a whole, not on the unique defects of particular projects, which opponents were able to use to smear the entire program." (Blumenthal, op. cit. 258)

But the targets of Blumenthal's ire, those in OEO who refused to publish their policies, knew better. They never permitted the catalog of the "unique defects of particular projects" to grow into a searching critique and general indictment of the root concept which bred these defects—and so the nation, through its elected representatives, has not yet had its debate on the merits. One can only marvel at the tactical shrewdness of Senator Mondale, Senator Javits and other advocates of the Corporation who, during the recent Senate debate on the Legal Services Corporation, enticed the opposition into prolonged debate on accountability viewed from the angle of board control, and then—after the debate was concluded—conceded to their opponents almost everything in the matter of selecting board members, having assured themselves that the issue of law reform was no longer in danger of being broached.

Section B

Whether or not legal services policy-setters have engaged in a conscious conspiracy to disguise the true nature of their enterprise from Congress, the bar associations and the American public, several things appear certain: (1) OEO's Legal Services Office has been and *still is* deeply committed to the law reform concept; (2) Congress never enacted this concept into law (contrary to the insinuations of some of its champions that they have a Congressional "mandate" for law reform) and (3) the American Bar Association, initially at least, did not endorse the concept while (4) significant opposition has been recorded on the part of a number of State and local bar associations and judiciaries where they have become aware of the emphasis placed on law reform by legal services projects.[2] Let us consider the evidence for the first of these claims:

1. Bamberger's speech in April 1966 on the subject of law reform has already been cited. The implementation of the Economic Opportunity Act's reference to "other appropriate services" by a passage on legislative advocacy in the Legal Services Guidelines (1966) has been mentioned. In March 1967, Earl Johnson, the second Director of Legal Services, at a conference sponsored by the Harvard Law school, unequivocally put OEO on record as favoring law reform, not merely as a goal incidental to the service function, but as the *primary* goal of legal services. Said Johnson:

"The *primary* (sic!) goal of the war on poverty's legal services program should be *law reform*, achieved by significant test cases that can revise the structure of the world in which the poor live." (Quoted by Hannon, 5 *Cal Western LR* 229. Emphasis added.)

2. A year later (April 1967), the Project Advisory Group, composed of 24 Legal Services staff directors and attorneys, stated that:

". . . a strong national statement from the Director on the primacy of law reform is indicated. It must be clearly and emphatically communicated to lawyers, Legal Services Boards, Community Action Programs, and other concerned parties. Law Reform must be used as the chief criterion in evaluation and funding." (Quoted by Hannon, op. cit. 230 added.)

3. In December 1967 OEO's Director, Sargent Shriver, wrote a paper "to clarify the goals of law reform" entitled "Law Reform and the Poor". In the opening paragraph he declared that OEO "is in the process of making new law through test cases and legislative activity." After describing several landmark test cases brought by Legal Services

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Footnotes at end of article.

attorneys, he quoted approvingly a "recent Harvard Law Review note" which stated:

"If the new legal services program were to restrict themselves to the *service function*, their value as part of the War on Poverty would be slight and they would be making only a limited contribution toward the goal of equal justice; the programs would not be aiding the many poor people who, whether because of fear, suspicion, apathy, or ignorance, fail to seek out the services of a lawyer at any time." (Quoted by Shriver, 17 *Amer U LR* 7)

4. Shriver's article signals the beginning of a shift in emphasis from test case litigation as an instrument of law reform, to legislative advocacy or lobbying. (See quotations in 9 and 10 below.) He writes:

"The test case technique has been used most effectively in the area of civil rights where case-by-case over period of years seggration was stripped of its legal sanction. . . . However, the limitations of the test case technique when applied to the problem of changing a structure so broad and oppressive as that facing the poor are obvious. In order for real progress to be made, *pressure must be brought to bear on the federal and state legislatures*. Advocacy of appropriate reforms in the law, whether it be done through the judiciary *or the legislature* is a part of the traditional role of the lawyer and is, as it should be, among the services provided by the various legal services projects throughout the country." (Shriver, op. cit. 8. Emphasis added.)

5. In 1969, Hannon wrote that "in recent months OEO has exerted great financial pressure on the local programs to force them to give priority to the kind of aggressive advocacy which hopefully will benefit the poor *as a whole*." (Hannon, op. cit. 230.) But the policy is still not trumpted *ad extra* or published in incriminating formal regulations. The strategy of the low-profile still prevails.

6. In August 1971, the North Mississippi Rural Legal Services project "was rated by OEO one of the best in the nation. . . . The evaluation team was impressed by this project's law reform." (Quoted by Blumenthal, op. cit. 255)

7. In August 1971, the Monmouth County Legal Services Organization in New Jersey was critized in an evaluation made by OEO's Legal Services Office for engaging in "little or no law reform." (Quoted by Blumental op cit. 238)

8. "This mode of law reform (litigation) has become a major component in the policy—and even more so in the rhetoric—of the Legal Services Program of the Office of Economic Opportunity". (Hazard, 37 University of Chicago LR 243)

(Note: Hazard, by "policy", no doubt means the *de facto* activity of project attorneys and back-up centers and by "rhetoric" the informal speeches and articles by the zealots of law reform in the Legal Services Program. Formal written policy is still as hard to come by as ever. The Program's policy is "assumed", wrote a former Legal Services official, "like the air we breathe".)

9. Fred Speaker, a former director of the Office of Legal Services, in a speech delivered in November 1971 at a meeting of the National Legal Aid and Defender Association at Denver, distinguished three techniques of law reform: (1) litigation (principally test cases on behalf of individuals or groups); (2) administrative rule-changing and (3) legislative advocacy or less euphemistically, lobbying. According to Speaker of these three techniques it is lobbying which is the weapon of choice for the future. He said:

"In many instances the frontiers of reform are the most open and the most attractive *in the legislative halls*. Statutory reforms are more permanent than administrative rule changes. And many of the early judicial victories have already been won. Thus it is good that the authority for legislative advocacy is clear in the present laws and *will continue to be clear under the proposed new legislation (for a Legal Services Corporation)*. We have the clear right and certain duty to lobby in appropriate circumstances." (5 *Clearinghouse Review* 434.)

(Note: If the "present law" referred to is the Economic Opportunity Act of 1964, as amended, it contains no such mandate for legislative advocacy or lobbying. The only other reference Speaker made to a legislative mandate is the statement: "Law reform must be a first mission because the statute says so, giving us the charge to 'eliminate the paradox of poverty' ". But it will take some doing indeed to find in the phrase "eliminate the paradox of poverty" a statutory mandate for law reform in general, much less for the species of law reform known as legislative advocacy. The real source of the "mandate" to lobby appears to be Canon 8 of the American Bar Association's Code of Prefessional Responsibility. More on this on p. 45 below.)

10. In another article in the *Clearinghouse Review* in February 1972 written by Mickey Kantor, executive director of Action for Legal Rights, Inc., a former official of the Legal Services Program and one of the principal architects of the charter for the proposed corporation, we find the following:

"The (proposed) National Legal Services Corporation Act . . . clearly authorizes legislative advocacy by Legal Services Attorneys on behalf of their clients . . .The *first priority* of the Office of Legal Services, with or without of the new corporate structure, would be to utilize any funds provided to reflect the growing need for activity in the area of (legislative advocacy) . . . Legislative advocacy, the stepchild of the Legal Services Program, must soon achieve full kinship with litigation as an advocacy tool." (5 *Clearinghouse Review*, 577–578)

In the light of the many pronouncements right up to the recent past by Legal Services officials and former officials on the subject of law reform, there can be little doubt over the course that the proposed Corporation, had it been enacted into law, would have followed. To be sure, the Corporation's board would have been able to write the guidelines, but they would have done this within the parameters set by the Act, and under the influence of the previous momentum of the program and the prevailing climate of opinion among the legal services fraternity. In respect to the Act itself, certain provisions of the title establishing the Corporation confirmed the worst fears of the Corporation's critics that the radical defects of the old program would have been institutionalized and thereby legitimized under the new Corporation. For one thing the bill was silent in respect to one of the old program's most favored activities: test-case litigation. Contrary to Blumenthal's recommendation, no guidelines covering such litigation or any of the other techniques of law reform, for that matter were included in the Corporation's proposed charter. Given the historical background, this silence could easily be interpreted as tacit ratification of the law reform orientation of the old program which was to be carried toward under the new Corporation. Secondly, the section of the charter dealing with lobbying would have given legal services attorneys free rein to use this most potent instrument of law reform, whenever or wherever it suited their agenda, so long as it was done "on behalf of the client". (A detailed analysis of the lobbying issue will be found below in Part IV, p. 40 sqq). It is true that a number of amendments were adopted purporting to improve certain features of the Corporation. But none of the amendments went to the heart of the problem: the issue of accountability from the standpoint not only of responsiveness or control but of policy-setting as well. Enactment of the title on the Legal Services Corporation would have sanctioned and frozen into institutional permanence the "militant reformist" concept of legal service for the poor despite the fact that by and large Congress has not yet really faced this issue, and despite the fact that many segments of the American bar and the informed public find the concept perilous and repugnant on constitutional grounds.

Turning now to our second claim (p. 19 above) that Congress, contrary to the assertions of some of the devotees of the law reform concept, has *not* enacted this concept into law, reference is made again to the passages from Hannon cited above (p. 14), to the unspecific language of the section on legal services in the Economic Opportunity Act Amendments of 1967 (Section 222(a)(3)) and to the lack, at that time, of Congressional debate on the merits of the two concepts of legal services. Furthermore, if there had been a clear legislative mandate, it stands to reason that the Office of Legal Services, eager to foster the concept at the local level, would not have waffled so long in setting policies. Rarely, if ever, in its many tangles with local bars and with mayors and governors, has the Office of Legal Services sought refuge in the language of the Act or in the "intent of Congress". In addition, although the two concepts of law reform were brought up obliquely in some of the speeches inserted in the *Congressional Record* at the time of the recent Senate debate on the Corporation, the issue failed to catch fire on the floor and was the subject of little or no mention in the verbal give-and-take. Almost the whole of the floor discussion dealt with important but more peripheral issues, such as the degree and apportionment of political control of the Corporation (the element of accountability which Blumenthal calls "responsiveness") and the catalog of past scandals, mere symptoms of the underlying malady in OEO's Legal Services Program. There were, to be sure, some exchanges among the Senators on the technical problems raised by the Internal Revneue Code's restrictions on lobbying, but no attempt was made to get to the deep source of these difficulties, the constitutional issue. The verdict of Hannon still stands: Congress and the country have yet to come to grips with the bedrock issue. (Note: Professor Geoffrey Hazard of the Yale University Law School, in a letter to the author agrees that "Congress didn't face the issue . . . although of course many Congressmen assumed that there was no mandate for general law reform. The difference within Congress as to assumptions on that score was why they didn't face the issue, in my opinion".)

The third claim made on p. 19 above was that the American Bar Association, initially at least, did not endorse the "law reform" concept of legal services and was in fact led to believe that OEO's Legal Services Program was to be built around the traditional approach.

1. "Support by the national bar organizations has not been without cost. In exchange for this support, OEO has been forced to play down some of the broader conceptions of the program. Although the original guidelines emphasizing institutional change through group organization and efforts at law reform were retained, and although the local agencies administering the programs were formally required to undertake such tasks to receive funds, there is no evidence that the legal aid societies have lived up to the promises they made. Lewis Powell Jr., a former president of the ABA indicated the extent of the compromise OEO had made to achieve national support: 'So long as this program stays within the broad framework of (the) legal aid concept' he reminded OEO 'there should be very few serious problems' " (Levitan, *The Great Society's Poor law*, 181).

(Note: Lewis Powell, now a U.S. Supreme Court justice, made the above statement while delivering the closing address to the National Conference on Law and Poverty, cosponsored by OEO, in June 1965. Powell was then President of the American Bar Association. Powell's full statement on the legal aid concept was as follows:

"So long as this program *stays within the broad framework of legal aid concepts,* there should be very few serious problems. I refer here not to any specific legal aid organization or agency but to the *concept of legal aid as this is widely understood by lawyers, social workers, community leaders and local governments.* We can remain within this broad concept and still achieve truly significant gains, especially in broadening the scope of services rendered in liberalizing definitions of indigency, in making service far more readily available through neighborhood centers and the like. It is to be hoped, certainly initially, that the concentration of effort will be towards these familiar ends. . . . We must build upon and benefit from the experience of *established legal aid* agencies—most of which have served with little recognition and great devotion for many years . . . The traditional concept of legal aid has normally not emphasized the use of law as an affirmative instrument to remedy social injustice or to improve economic conditions. There are no doubt many situations where the poor can be properly served in this way. With the availability of increased resources, we must also seek opportunities to practice preventive law and to educate the poor as to their legal rights." (Proceedings, Natl. Conf. on Law and Poverty, June 1965 171–172.)

Comment: There is no doubt that Powell is referring here to the antithesis "service function vs. non-service function." It also seems clear that although he is approaching the matter with great caution in deference both to the conferees, many of whom were legal services people, and to the novelty of OEO's legal services role, he conceives that role to be primarily one of providing an expanded range of *traditional* services to *individual* clients, with law reform viewed as a useful but ancillary activity. The fact that Powell concedes any kind of utility at all to law reform does not exclude him from the ranks of legal conservatives. There is law reform and law reform, which is to say that not only is there procedural law reform and substantive law reform, but there are even several approaches, some legitimate and some illegitimate, to substantive law reform. This point will be discussed more fully below when Geoffrey Hazard's views are examined. Hazard, like Powell, is not hostile to law reform in all of its modalities.

"None but the most sanguine reformists," he writes, "thought that the conservative objective of legal palliation could be ignored, and none but the most serene conservatives thought that the law needed to reform." Hazard is nonetheless a conservative in respect to legal services, which is to say he does not buy the brand of law reform which has been expoused by those who run the OEO program, for reasons to be presented shortly. In any event, Powell's comments on legal aid at the 1965 Conference have been interpreted as an endorsement (coupled with a mild warning) of OEO's legal services program seen *as merely a variation of the traditional legal aid approach.* The program was introduced in this guise by OEO's Community Action Director, Theodore Berry, at the 1965 Conference Powell attended. Berry's speech confirms this fact, as does the passage quoted from Hazard under 2 below. Moreover, one year later, another President of the American Bar Association, Orison Marden, reaffirmed the Bar's view (an erroneous one as it turned out) of OEO's Legal Services Program (see item 3 below).

2. ". . . the American Bar Association explained the Legal Services program to itself and to others *as an expansion of traditional Legal Aid.* . . . The concept of the Legal Services Program generally shared among the legal profession was of a program oriented to individual clients, concerned with *individual cases* and centered on the routine disorders of daily life . . ." (Hazard 36 *Univ. of Chicago LR* 700)

3. "In the beginning, OEO wisely sought the cooperation of the bar by presenting its plans for the proposed legal services program to the bar's leaders. . . . Through a series of high level meetings with bar leaders and by way of numerous law review articles OEO conveyed a picture of legal services. This portrait * led the President elect of the ABA (Orison Marden) to state (in 1966) that after careful study, the bar's leaders had concluded that the legal services program 'would merely involve financial assistance to local communities *for more and better legal aid.*' "

4. "The National Legal Aid and Defender Association (in 1966) welcomes the Office of Economic Opportunity's Legal Services Program. It provides means for achieving goals long aimed at by the NLADA and the bar—the *extension of Organized Legal Aid* on a scale that will make a reality of the ideal of Equal Justice under the Law". (quoted by Hazard, op, cit. 701–702)

(Note: Hazard understands the ABA and NLADA to mean by "legal aid" the generally conservative, non-reformist concept discussed in Part II of this paper.)

What is the position of the American Bar Association now? Its *pro forma* endorsement of OEO's Legal Services Program still stands on the record. Also, it would seem that it gave its official blessing to the proposed Legal Services Corporation (See the letter to Senator Javits from the President of the ABA, Leon Jaworski, in the CONGRESSIONAL RECORD, vol. 118, pt. 18, p. 23242). But as late as 1969, Hannon wrote: "The ABA has not yet thrown its weight behind the law reform movement and there is certainly some doubt about whether it or its members will". The fact that President Jaworski has endorsed the Corporation does not tell us much, for the real issues have not been openly or fairly presented to the public or to the legal profession. The chronic reluctance of those in control of OEO's legal services apparatus to formulate any clear guidelines—a charge which has been levied by some of the program's strongest adherents—has so fuzzed the picture that abuses in the program are mostly seen as merely accidental aberrations due to an excess of zeal on the part of some of the young lawyers. In any case, the judgment of Hannon is probably correct when he writes: "There is no entity which can safely be labeled 'the' bar. No organization, *including the ABA,* speaks with much authority for lawyers in this country. (The majority of the lawyers in the United States do not even belong to the American Bar Association.) It is therefore very difficult to determine the depth and strength of legal services support among lawyers. The NLADA and the ABA positions do not tell us much about the opinions of individual lawyers at the local bar level." Hannon goes on to cite evidence that the bar's membership throughout the country is, by and large, apathetic toward legal services, where it is not downright hostile.

Finally, in respect to the fourth observation above (p. 19) that many State and local bar associations and judiciaries are resisting the law reform thrust of legal services, the record is replete with so many instances of opposition that it would be tedious to try to chronicle them here. Suffice it to mention one of the more interesting and significant examples of judicial distaste, the reaction of the Appellate Division of the N.Y. Supreme Court to applications for incorporation submitted in 1966 by three legal services programs in New York City. The presiding judge, J. Breitel, a Republican who is now a member of New York's highest court, the Court of Appeals in Albany, objected to many features of the applications but in particular to the projected law reform activities. For example, he found all the proposals "deficient . . . in not prohibiting entirely and without evasive qualification political, lobbying and propagandistic activity". Each of the applications were also found to be unsatisfactory "in the discriminate mingling of *social goals* and *legitimate legal practice*" and in the use of the law and its institutions to achieve social and economic justice." In the matter of group representation, Judge Breitel decried the "woeful" lack of definition and standards of eligibility. "It would be one thing to allow neighborhood law offices to handle poor men's credit unions. It would be quite another thing to have them handle, advise, and represent *political factions* or *organizations of social and economic protest,* however worthy. . . ." The judge denied the applications and concluded as follows:

"The court . . . is hospitable to the view that new institutions must be fashioned to function alongside traditional legal aid societies. It believes that such a development will involve change and enlargement in traditional concepts of professional standards, ethics and office organization. Nevertheless it must still require that *protection of the public* be the paramount and final determinant of new programs over which it has responsibilities. Certainly factional, political and narrow group of professional interests must be either *subordinated* or *ignored entirely* in the fashioning of these new institutions, if the service of such interests would *impede the protection of the public.*"

(Note: The above passage touches on the policy-setting aspect of accountability to be discussed in Part IV below.)

In short, the court's reaction to the legal services programs' petitions was totally negative, the court indicating by way of dictum its opposition to most of the proposed innovations, i.e. solicitation, group representation and lobbying. A year later the applications, after extensive modification, were approved but the bench warned the programs "not *to sacrifice service to individual clients upon the altar of law reform.*" (Quoted by Botein, 46 *NYU LR* 749). Subsequently, the court's dictum was promulgated in a comprehensive set of official regulations severely limiting the law reform activities of poverty lawyers. Group representation was prohibited except where it was for the benefit of persons taken as indigent individuals and not as an "entity or group". Lobbying and political activities were proscribed in the following terms:

"Attorneys employed . . . may render professional legal services . . . within the same limits that an attorney in private practice . . . *except* that such attorneys shall not represent political parties or factions thereof . . . nor shall such attorneys, in the name or on behalf of the corporation, or of any other person (presumably including a client), association or group of persons, engage in any political, lobbying or propagandistic activities other than to suggest, testify, comment on, review and interpret legislation (nor shall they) organize protest or civil disobedience groups or social movements. Officers or employees of corporation supported by public funds shall not engage in any conduct prohibited by Section 1502 (a) of the Federal Hatch Act, or hold, or be a candidate for, any public or party office." (NY Ct. Rules, App Div., 1st Dept. Part 608 (a) 605.7 (b) and (c) McKinney 1970.

To appreciate the stringency of these restrictions, one has only to compare the New York regulations with related rules in the Legal Services Program's present guidelines, and with the total absence of any such restrictions in the deleted title which would

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*"The portrait of legal services which OEO initially painted is not an accurate reflection of what OEO now desires." (Hannon, 6 *Cal West LR* 47. Emphasis added.)

have set up the Corporation. A legal services attorney in New York may not organize a protest group or social movement. But under OEO guidelines he may, and is even encouraged, to do so, and the Corporation's charter gave no sign of discontinuing this prerogative. Under the New York rules, an attorney may not lobby while under the present OEO rules, he is permitted to engage in lobbying so long as it not disruptive, does not involve picketing and is not carried on by advertising in the mass media or through mass letter-writing campaigns. (The groups organized by OEO's legal services attorneys for the purpose of influencing legislation have frequently resorted to the above-mentioned lobbying techniques). The charter of the Corporation would have eliminated the restriction against the involvement by attorneys in campaigns of letter-writing and other forms of mass communications, including mass visits to legislatures.[8] This sort of grass-roots "lobbying" would have been perfectly permissible, so long as it satisfied the technicality of being conducted "on behalf of a client". Under the New York rules, a legal services attorney may not, in his free time, actively participate in the management of a political campaign or run for office himself, while there are no such restrictions on project attorneys under present OEO regulations or in the charter which was suggested for the Corporation. Incidentally, had this charter become law, there is the strong likelihood that the New York rules would ultimately have become a dead letter on the ground of Federal preemption.

The New York rules have, quite naturally, been bitterly attacked by apostles of the law reform concept, both in law review articles (see Botein, 46 NYU LR 743) and in the courts. In 1966, the rules were challenged in the U.S. District Court of the Southern District of N.Y. by the Young Lords, the National Lawyers Guild and other on the ground that they were unconstitutional infringements on free speech, free association and the equal protection of law. The motion for an injunction was denied "until plaintiffs made further efforts to resolve the issues with the defendants" i.e. the Appellate Division of the N.Y. Court of Appeals. (328 F. Supp. 66). In other words, the Federal Court refused to pass on the Constitutional issues.

Critics of Judge Breitel fear, with good reason, that his regulations will be emulated in other jurisdictions. Were this to happen, it would put a severe crimp indeed in the law reform movement being promoted so aggressively by OEO's legal services attorneys. The New York experience is pertinent to the theme of this paper inasmuch as (1) it illustrates a collision, in the judicial arena, between the two concepts of legal services for the poor compared in Part II of the paper; (2) it provides an impressive example, in a State known for being fairly progressive, of a flat repudiation of the reformist concept in favor of the conservative concept and (3) it brings into focus, though it does not plumb, the constitutional issues raised by Title IX: social justice, free speech, free association and the rights and obligations of a lawyer on the one side and the protection of the American public on the other. It is now time to probe a bit deeper in order to locate the threat to that public (the problem of accountability seen from the standpoint of policy-setting) and to exhibit the juridical, constitutional and philosophical bases for the repugnance felt in so many circles, lay and professional, toward a concept whose first clear embodiment in U.S. history came to pass in OEO's Legal Services Program.

PART IV: THE ARGUMENT AGAINST THE "MILITANT REFORMIST" OR "LAW REFORM" CONCEPT OF LEGAL SERVICES

(N.B., The "militant reformist" concept of law reform stresses the "nonservice" function of a legal services program. This component embraces community education, group representation, group organizing, and law reform, consisting of test-case litigation and legislative advocacy or lobbying. Only the latter two elements of the non-service function, test-case litigation and legislative advocacy, will be examined at any length in this paper.)

One of the few legal scholars who have expressed, on both pragmatic and constitutional grounds, deep misgivings over OEO's Legal Services Program is Geoffrey Hazard, formerly executive director of the American Bar Foundation and a professor of law at the University of Chicago, and currently a full professor of law at Yale University. Professor Hazard is highly thought of, not only by such conservatives as Justice Lewis Powell, but by the legal profession in general, including many of the "exuberant povertyists" (to borrow a phrase from Hazard) who have been promoting the establishment of a National Legal services Corporation. The argument against the law reform concept of legal services which is made in the following pages is based largely on two brilliant essays by Professor Hazard which appeared in the University of Chicago Law Review in 1969 and 1970. The articles emanated from studies done by the American Bar Foundation under contract from the Office of Economic Opportunity (CAP 67–7075, Research Contract No. OEO–4047). In the first of these articles, entitled *Social Justice Through Civil Justice* (36 *University of Chicago LR* 697), Hazard begins by drawing a sharp distinction between the two concepts of legal services discussed in Parts II and III above: the traditional "legal aid" concept and the "militant reformist" concept (see pp. 10–11 above). According to Hazard, the *"legal aid" approach (1) focuses on individual clients, (2) views litigation as a last resort, and (3) employs such litigation as a device to achieve what Hazard calls "civil justice", i.e. . . . fairness of decision in respect to the poor client, whether under existing law or under a revised interpretation or application of existing law brought about by challenging current legal procedures. The "reformist" approach on the other hand (1) concentrates on group concerns of the poor, (2) sees litigation as a routine procedure, and (3) employs such litigation to produce what Hazard calls "social justice", involving a fundamental reallocation of community resources to be brought about by substantive changes in the law.* (See p. 48 below for a comment on the distinction between substantive and procedural law reform).

Hazard then proceeds to call into question a basic assumption which underlies (though in varying degrees) *both* the "legal aid" and the "reformist" varieties of legal services for the poor. The assumption is that since litigation to enforce legal rights can improve the situation of an *individual* poor client, it can also improve the situation of the poor as a *group* and is consequently a key element in the strategy to alleviate poverty. The argument which supports this assumption is reconstructed from Hazard's article as follows:

1. *The rules of law affect the poor unfairly.*

Comment: This premise asserts that the poor, to the extent that they lack the means to purchase legal assistance are unfairly handicapped in our adversary system of justice. They are the victims of *procedural* or *"civil"* injustice.

2. *Government-furnished legal assistance helps correct this imbalance.*

Comment: As in #1, the premise seems to be non-controversial. Legal assistance, which includes help in litigating, provides the poor person with a weapon which enables him to compete fairly with his adversary.

3. *Legal assistance, including litigation, if successful, leads to a "transfer of assets" or using other terms, a "redistribution of property".*

Comment: It is argued that assistance to any individual poor person has both a psychological and (assuming the problem is resolved in the poor person's favor) an economic impact on the poor client. Psychologically, it reduces his sense of inadequacy, despair and lack of confidence in the legal system. It helps restore what Senator Javits, in the recent Senate debate on the legal services corporation, referred to a number of times as "a sense of dignity." Legal assistance also, and even more obviously, has an economic impact on the poor client. Since restitution is frequently the essential objective of a law suit, the suit, if successful, does lead to what can be termed a "transfer of assets." (Hazard, incidentally, seems to regard the economic and psychological effects of remedial justice as the primary and secondary effects of such litigation. He does not discuss the possible causal interrelationship between these effects considered independently of their common cause: successful litigation).

4. *Any transfer of assets to a poor individual alleviates his poverty.*

5. *The poor, taken as a class whose common denominator is that they live in poverty, is simply an aggregate of poor individuals.*

6. *Therefore, successful litigation on behalf of poor individuals makes a significant contribution to the war on poverty.*

Comment: According to Hazard this is one of the basic assumptions which underlie OEO's Legal Services Program, the assumption that "the problem of remedial injustice is central to the problem of poverty," which is to say that "if the *legal* wrongs suffered by the poor (discrimination, fraud, breach of warranty) were remedied for the poor as a class, the poor as a class would be substantially better off." (Hazard op. cit. 707) Hazard contests the validity of this assumption and suggests that his objection, if sustained, "has immediate policy implications for OEO's Legal Services Program."

For one thing, it would require a considerable lowering of sights on the part of the poverty lawyers. Before pursuing this point, however, it might be well to consider Hazard's argument and the counter-argument of those who represent the "militant reformist" concept of legal services for the poor. Hazard rebuts the conclusion reached in step 6 above, as follows:

7. *The transfer of assets referred to in premises (3), (4), and (5) above results either from (a) litigation before existing law or (b) litigation aimed at procedural or even substantive changes in the law without, however, calling into question the soci-politico-economic basis on which existing laws rest.*

Comment: Litigation under existing laws focuses on such wrongs as fraud, breach of contract, discrimination, etc. The law itself is not called into question. In the test cases, on the other hand, described in 7b above, existing law, (or an interpretation or application of existing law) is challenged in order to remedy either procedural inequities or substantive defects which do not involve the essential lineaments of the legal system, or of the social system which the legal system both reflects and protects. Hazard is referring to a notion of law reform here which is acceptable to most of the traditional "legal aid" school of thought. (For a discussion of the distinction between procedural and substantive law reform, see below, pp. 47–48).

It is interesting to note that most of the early planners in OEO's legal services program preferred test-case litigation to ordinary litigation. Although their real intent was substantive change in the laws, in a sense quite unacceptable to the traditional "legal aid" school, this intent was disguised by the "economy" argument: more legal aid for less money. A typical expression of this kind of smokescreening is found in a speech made March 1967 by OEO's Legal Services Director, Earl Johnson, Jr. Declaring that the top goal of the "War on Poverty's" Legal Services Program should be "law reform to be

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Footnotes at end of article.

achieved by significant test cases", he justified the preference for test-cases primarily on economic grounds: it was a time-saving and therefore dollar-saving shortcut toward the same goal as could be reached, *if unlimited sums were available*, by taking the case of each indigent individual, one by one. Ironically, the later emphasis on the superiority of legislative advocacy over test-case litigation as an instrument of law reform was partly justified by the excessive cost of test-case litigation. In any event Johnson's speech was paraphrased as follows in an OEO press release:

"Because the Legal Services Program is confronted by limited resources and expanding, heavy caseloads, its local projects must set priorities. The goals of providing adequate legal services to all of the poor (the service function) and community education, legal research and test-cases (the non-service function) cannot all be reached with limited funds. . . .

It would require an estimated $300 to $500 million to provide adequate legal representation to all poor people who have civil legal problems that merit the attention of a lawyer. Therefore, said Johnson, 'the primary goal of the Legal Services Program in the next few years should be bringing about *changes in the structure* of the world in which poor people live. The purpose is to provide, on the largest scale possible and consistent with our limited resources, a legal system in which the poor enjoy the same legal opportunities as the rest of society'."

The history of the Legal Services Program and the utterances of its policy-setters (see parts II & III above, make it clear that the "changes in the structure" Johnson was alluding to represented far more than merely an increased coverage of the poor achieved through test-case litigation. Another example of the economy argument for test-case litigation is found in an article by Sargent Shriver (17 *American Univ LR* 7) who writes:

"Equal justice cannot be accomplished by solving the problems of the poor on a case-by-case basis. There are too many problems, too few attorneys, and too many cases in which there is no solution *given the present structure of the law*, a structure which, to a large extent the poor had absolutely no hand in building. An effective *law reform* program, bringing about significant changes in the law affecting the poor, is the most economical use of time and money."

8. *Given our market system, the transfer of assets described in step 7 above does not ameliorate poverty, to any significant extent.*

9. *Therefore, the success of litigation, including test-case litigation, on behalf of the poor as a group of class is illusory.*

Comment: Whether the transfer of assets results from adjudication of the dispute before existing law or from procedural or substantative changes (in the limited sense of change described in step 7) in the law resulting from test cases, the net impact on poverty as such is minimal, claims Hazard. In other words, given the market economy system in which we operate, enforcement of the legal rights of individual poor persons, even when multiplied on a mass scale, may result in the poor getting what they pay for, but it also results in them having to pay more for what they get. In short, the poor are no better off after the inevitable price adjustments than they were before. Litigation, while it may help poor individuals here and there in the sense of improving the lot of these individuals and bolstering their confidence, does little to end poverty as such. Hazard provides of course a good deal more detail in support of his analysis than can be presented here. He concludes that the strategy of remedying poverty by righting individual wrongs through litigation has been greatly oversold by proponents of *both* the legal aid and the militant reformist" concept of legal services. The strategy doesn't deliver on its promise and comes close to hoaxing the poor.

At this point, the "militant reformist" parts company with the "legal aid conservative" and pursues a counterargument as follows:

10. *Assuming for the sake of argument that Hazard's conclusions in step 9 above are true, there is another alternative open to test-case litigation: a challenge to the market system itself.*

Comment: As Hazard puts it, given the failure of litigation, in the limited sense discusses thus far, to effect any radical lessening of poverty, "a productive strategy would seem to lie elsewhere". An alternative would be to use litigation to try to upset "the manifold market-rigging laws that special interests have succeeded in putting on the books." But this approach is hardly feasible in view of the reluctance of the Supreme Court and State appellate courts to invalidate legislation on such grounds. Another more promising alternative would be to use litigation in an attempt to "modify the effects of market exchange by schemes of taxation and redistribution." This is precisely the solution opted for by the "militant reformist" theorists of OEO's Legal Services Program. Multiple law suits on behalf of the poor, particularly lawsuits of the class action and test-case variety, are devised for the purpose of achieving an aggregate income redistribution. The strategy, in Hazard's words, aims at reaching social justice (the redistribution of income) through civil justice (the enforcement of the legal rights of the poor by means of litigation). The strategy is rejected by Hazard on the grounds that (a) it is "uneconomical and thus practically illusory" and (b) it is "self-contradictory and on this account constitutionally and politically perilous." The steps in Hazard's argument are as follows:

11. *The "militant reformist" strategy for test-case litigation describes in step 10 above is excessively costly.*

Comment: As Hazard puts it, "It is difficult to imagine a more expensive way to redistribute income than by litigation." Indeed, test-case litigation, once hailed in OEO as the principal weapon in the legal services armory, is now yielding its place of honor to legislative advocacy on grounds of economy. Wrote Mickey Kantor last February:

"Litigation was initially viewed as the most relevant and productive forum for the poor. Indeed, the most traumatic and far-reaching decisions on behalf of the poor have been the result of litigation. With all of its benefits, litigation remains expensive, time-consuming, often frustrating and it nearly always results in less for the client than was pleaded for or anticipated." (5 *Clearinghouse Review* 574)

Kantor goes on to plump for legislative advocacy as the new frontier of the law reform movement. Similar thoughts were expressed by earlier writers. In an article on legal services for the poor in the *Harvard Law Review* in 1967 we find the following:

"The law reform device which is most closely related to and arises most naturally out of the service function is the test-case. Test-cases, however, are subject to a number of disadvantages which limit their effectiveness. Much of the law which affects poor people is statutory and hence less susceptible than judge-made law to change by the courts except when vulnerable to the charge of unconstitutionality. The test-case is a long process and always involves the risk of an indecisive or adverse result. The small amounts usually involved in cases in which poor people are parties often make it to the other party's advantage to give in on the particular case rather than face the possibility of an adverse decision. Since the lawyer's first responsibility is to his client, he cannot ethically turn down a generous settlement offer simply because he would like to litigate a point of law. This has been a common problem in cases against government agencies, particularly welfare departments . . . When a more comprehensive and coordinated change in the law is sought, the usefulness of the test-case is usually more limited. If law reform is to be more than a hit-or-miss, limited pursuit, the legal services program must attempt to influence statutory and regulatory as well as judge-made law. Accordingly, almost all the large OEO-funded legal services programs expect to do some legislative work." (Lowenstein & Waggoner 80 HLR 805)

Sargent Shriver made a similar point in 1967 (17 *American University LR* 8) He wrote:

"There are several methods of obtaining reform in the substantive laws affecting the poor, the most natural of which is the test-case . . . However, the limitations of the test-case technique when applied to the problems of changing a structure so broad and oppressive as that facing the poor are obvious. In order for real progress to be made, pressure must be brought to bear on Federal and State legislatures."

One of the limitations referred to of course is the tendency on the part of many a poor person to settle with the other party, thus frustrating his attorney who is bent on winning the point of law, as well as satisfaction for his client. There is little doubt that many attorneys have tended to disregard effective service to the immediate client in their anxiety to make a good test-case. This fact is the basis of another argument against test-case litigation (see step 14 below).

It would, by the way, be inaccurate to infer that test-case litigation has been *abandoned* in favor of legislative advocacy. This simply is not the case. As Mickey Kantor notes "Use of litigation as an advocacy tool remains important (*even*) *today*". It seems safe to assume therefore that the arguments being presented here against the reformist's approach to test-case litigation also tell against the concept of legal services embodied in the Corporation which was originally a part of the Economic Opportunity Amendments of 1972.

12. *The "militant reformist" strategy for test-case litigation described in step 10 above is self-contradictory.*

Comments: On the one hand, the reformist claims that he is using test-case litigation to attack poverty by vindicating *legal ownership rights*. On the other hand, by hypothesis the wronged poor person's grievance is that he *doesn't own enough*. Hence the goal of litigation is the redistribution of income. "But income redistribution requires not only a giving to those who lack but also a taking from those who have. Since the taking cannot be justified by ownership rights, it reduces itself to expropriation . . . A court, being unrepresentative, can only engage in expropriation if it does not follow the law" (Hazard, 36 *U of Chicago LR*, 699). The militant reformist strategy cannot have it both ways. Either an individual's poverty (to the extent that it does not result from fraud, breach of contract or identifiable acts of discrimination) does not involve a violation of his ownership rights and the problem is not amenable to adjudication in a court of law or there is a violation of such rights, but this implies that the poor person is "owed" something by society, that he really "owns" a part of someone else's property, as Marx argued. But this reflects a value judgment (the poor have a right to the income of the non-poor) which is incompatible with the economic system under which we operate, and which can hardly "be reached in arguing about economic imbalance" (Hazard op. cit. p. 710).

13. *The "militant reformist" strategy for test-case litigation described in step 10 above is constitutionally and politically perilous.*

The strategy if actually implemented in spite of the self-contradictory feature, poses a serious threat to the constitutional and political props of our system. Civil justice (or "legal justice" as it is called by some) involves the enforcement of property claims recognized by law whereas social justice (sometimes called "economic justice") involves transfers of property interests through regulation or taxation. But the proper forum in which a campaign for social justice should be waged is the legislative chamber, not the courtroom. Hazard summarizes the position as follows:

"The *constitutional aspects* of this difficulty is simple: *Taxation without representation is tyranny.* Its political aspect is suggested by considering what happens when a grievance is put in the form of a legal demand.

To put the poor's claim for income redistribution in this form *entails polarizing the issue as one of the poor's need as against everyone else's responsibility; stigmatizing the intended beneficiaries in the course of proclaiming their plight; and forcing a problem of compassion into the mold of obligation.* The *ad hominem* attack involved in this sort of formulation has not been inevitably successful when directed against 'the rich'. It is almost certain to be unsuccessful when directed against those who *pay the bills* in America today—the *middle classes* of whom many are themselves near the 'poverty line'." (Hazard op. cit. 711)

Hazard's analysis suggests two comments in respect to the rationale behind the Administration's opposition to the Legal Services Corporation originally incorporated in the Economic Opportunity Amendments of 1972:

(1) To the extent that the Legal Services Corporation which would have been established by the Amendments sanctioned test-case litigation in the reformist mold (and it does—see p. 22 above), it sanctioned judge-made law in the social area and was consequently diametrically opposed, in its very concept to the Nixon doctrine of strict constructionism followed in his Supreme Court appointments, a doctrine which has met with strong approval among the more conservative elements of both parties.

(2) Hazard's remark that the redistribution of income will be at the expense of the middle classes touches on an issue of increasing concern to the average taxpayer, including the George Wallace constituency. The issue is discussed at some length in an editorial in the *New York Law Journal* by Gary Bellow (NYCJ Oct. 5, 1967). The following is excerpted from the editorial:

"It seems to me that the neighborhood (law) offices, the test-case units, the community education efforts—the whole panoply of legal and supportive services which we have created reflect a set of very narrow assumptions covering the problems with which they deal and the scope of what needs to be done."

One of the assumptions challenged by Bellow is the hypothesis that

". . . the province of legal aid service to the poor is separate from the general problem of the unavailability of legal services to much of the rest of the nation. . . . We cannot focus only the poor. We cannot continue to ignore the millions of people in this nation who do not qualify for legal aid and who in reality are without sufficient funds to hire an attorney. Poverty is a relative concept. To assist people to income levels above the poverty line where they will find themselves without services previously available can never lead to any permanent solution. . . ."

The taxing of middle and lower middle class Americans (the "forgotten clients" who usually cannot themselves afford attorneys), in order to provide the poor with expensive test-case litigation aimed at a further redistribution of the income of the average taxpayer is both inequitable and tyrannical. It is inequitable because it provides "free" services to one class while denying it to another in need. And as Hazard has noted, it is tyrannical to the degree that the reapportionment of income which is the result of much test-case litigation is, in effect, taxation with representation.

Returning to Hazard's argument, although there is some relation between social justice and civil justice and although "the courts can accept some invitations to work distributive justice in the guise of adjudicating legal rights", in the final analysis the only legitimate contribution civil justice can make to social justice in the perspective of the War on Poverty is the remedying of numberless wrongs against the poor, which are "unmistakably *legal* wrongs (such as), fraud, discrimination and unfair procedure". The poor also "suffer the involvements of criminal accusation, domestic conflict and breakdown and troubles arising out of the mismanagement of money. These wrongs correspond to traditional and commonly recognized concepts of what legal rights are and what legal remedies ought to be.

In short, the only concept of legal services which is constitutionally defensible is the "legal aid" concept, as distinct from the "militant reformist" concept. To be sure, in the context of a legal aid program which emphasizes conventional legal assistance to indigent poor persons, the contribution of civil justice to social justice is

"diffuse, microcosmic and dull. Such a program of civil justice does not command the attention, let alone the vocation, of the inventive and passionate minds who have articulated the militant reformist concept of the Legal Services Program. On the other hand, it may serve the needs of the poor. And it leaves the matter of providing social justice where it ought to rest: on the conscience of the community and its sense of prudence, as expressed in its legislation. A strategy of cooperation concerning claims formulated as appeals to conscience and self protection might succeed." (Hazard op. cit. 712)

14. *The "militant reformist" strategy for test-case litigation described in Step 10 above tends to put causes above the interests of the individual poor client.*

Comment: Another objection, in addition to those considered by Hazard, to the use of test-case litigation to achieve broad social reform is formulated by Sargent Shriver as follows:

"Attorneys allegedly tend to disregard effective service to the immediate client in their anxiety to make a good test-case" (17 *Amer Univ LR* 5).

Shriver airily dismisses the objections as being "without merit". But he qualifies his dismissal as follows:

"The one element preventing the disregard of a particular client's desires and needs is the integrity of the attorney involved . . . The fear that individual claims will be mishandled due to an interest in social and 'economic' as opposed to 'legal' justice, therefore, while not completely groundless, are largely exaggerated."[4]

Shriver's distinction between "social" as opposed to "legal" justice, which parallels that made by Hazard between "social" and "civil" justice, is based on a passage in an opinion of Judge Breitel of New York quoted in Part III above (p. 26). Breitel, in rejecting the application for incorporation submitted by Community Action for Legal Services of New York City, remarked that "the use of law and its institutions in achieving social and economic (as distinguished from legal) justice (is) especially illustrative of indiscriminate mingling of goals . . ."

In another court case argued before the Pennsylvania Court of Common Pleas, the presiding justice, Judge Sweet, referred approvingly to Judge Breitel's opinion and echoed Breitel's criticism of the tendency of legal services attorneys to put the cause of the poor as a class ahead of the concerns of individual clients, as follows:

"We are gravely disturbed by the implications of the non-service function referred to indirectly in the application as education, training and research activities. The business of a lawyer engaged by such a nonprofit corporation is to represent indigent persons one by one as they have a need for representation. It is not a class representation of the indigent, as such, nor a collective representation, nor are the poor a single and collective client. To the extent that the Anglo-American legal system still espouses a philosophy of individualism rather than a philosophy of collectivism rights belong to people, individual people, and not to any great gray mass of 'the poor'. We do not think that public money should be used to foment rent strikes, promote race riots or encourage civil disobedience."

But perhaps the most damning indictment of all are the comments of Mary Ellen Hamilton, formerly president of the National Clients' Council. In a footnote in his article on the legal services program (81 *Yale LR* 245), Richard Blumenthal writes:

"Legal Services attorneys have been known to place a high priority on some issues, such as their own status within the program, that are of less concern to the client community. Moreover, on certain issues the interests of the attorneys and the poor may be in direct conflict or at least may be felt to be so. Recently, for example, there have been increasing complaints from clients about attorneys who 'exploit' clients to launch sweeping law reform actions, when the individuals may be seeking much more limited solutions to their problems within existing laws. The clients accuse the attorneys of taking law reform 'ego trips' at their expense. The National Clients' Council has begun compiling documentation on this problem, and plans to make it a major issue. Interview with Hamilton."

But the militant reformist has not yet been checkmated. Seizing on an opening furnished by Hazard's argument, he continues:

15. *In the future, the principal weapon to be employed in the legal services program's efforts to reform the law will be legislative advocacy or lobbying.*

Comment: Assuming the militant reformists were to accept the validity of the argument in steps 11, 12, and 13 above—that test-case litigation for the purpose of righting so-called "social" wrongs is uneconomical, self-contradictory and unconstitutional, the reformists have yet another instrument which Hazard's argument against judge-made law invites them to employ, viz *legislative advocacy*. As a matter of fact, the shift in emphasis from test-case litigation in the courts to advocacy in the legislatures has been underway for some time in the thinking of legal services planners. See pages 20 and 21 Part III above, where Sargent Shriver, Fred Speaker and Mickey Kantor are quoted to the effect that the top goal of the program is no longer test-case litigation but legislative advocacy.

"Advocacy of appropriate reforms in the law, whether it be done through the judiciary *or the legislature* is a part of the traditional role of the lawyer . . . Any program designed to provide legal services to the indigent would be failing in its purpose if it did not vigorously participate in *legislative advocacy*." (Shriver 1967)

"Many of the early judicial victories (through test-case litigation) have already been won. Thus it is good that the authority for legislative advocacy . . . will continue to be clear under the proposed new legislation (for a Legal Services Corporation." (Speaker 1971)

"The first priority of the Office of Legal Services, with or without the new corporate structure, would be to utilize funds . . . in the area of legislative advocacy." (Kantor 1972)

Footnotes at end of article.

Given the fact, evinced by the above quotations and by numerous other references, that OEO's Legal Services Program is now deeply committed to legislative advocacy, the only reasonable interpretation to be placed on the passage on lobbying in the provision of the Economic Opportunity Amendments which would have set up a Legal Services Corporation is that the Shriver-Speaker-Kantor thesis would have continued to prevail under the proposed Corporation. The pertinent passage of the deleted provision reads as follows:

"906 (e) (1) The Corporation shall establish and publish procedures and guidelines to ensure that no funds or personnel made available by the Corporation shall be used to undertake to influence the passage or defeat of any proposed convention, constitutional amendment, code, statute, executive order, ordinance, regulations, rule, or similar enactment or promulgation considered in any form by any legislative body by representations to such body (or committee or member thereof) or any similar activity except where—

"(A) an attorney representing an eligible member of the client community is *requested by such member* to make such representation or undertake such activity and such representation or activity is carried out in a manner which does not *identify the Corporation* or any legal services program receiving assistance from the Corporation with such representation or activity;

"(B) personnel of the Corporation or any legal services program receiving financial assistance from the Corporation *are requested by a* legislative body (or committee or *member thereof*) to make such representation or undertake such activity.

"(C) procedures and guidelines established by the Corporation under paragraph (1) of this subsection shall ensure that, where applicable, representations or activities permitted under that paragraph are undertaken in a manner which is *consistent with the Code of Professional Responsibilities and Canons of Ethics of the American Bar Association.*" (Emphasis added.)

The use of the term "identify" in 906 (e) (1) A above seems to have been intended to free the Corporation as such from the onus of lobbying. But it is obvious that any organization which is established for the express purpose of providing legal services for the poor community and which authorizes its attorneys, by a formal provision in its charter, to include lobbying among the means to be employed in meeting the needs of the poor community, cannot disclaim official responsibility for and identification with such lobbying activity. Such a disclaimer would be valid only if the attorneys were to engage in lobbying activities as private citizens during their free time. *But the Corporation charter authorized its attorneys to lobby as part of their regular work as employees in carrying out the program and purposes of the Corporation*. Clearly where federal funds are being used to support a given activity, the federal agency which wittingly supplies such funds specifically for that activity cannot avoid identification with the activity.

Again the reference in 906(e) (2) above to the Canons of Ethics, one of which enjoins lawyers to engage in law reform, is another clear indication of the direction the new Corporation would have taken in respect to legislative advocacy (see pp. 45–47 below for a lengthy discussion of the Canon on law reform). It should be noted, by the way, that the provision on lobbying in the proposed Corporation's charter was sufficiently unequivocal to have caused the Internal Revenue Service to express strong doubts that the proposed Corporation could qualify for tax-exempt status as a non-lobbying charitable and educational activity under the Internal Revenue Code. According to the Internal Revenue Code. According to the Internal Revenue Service's Chief of the Exempt Organizations Branch, in a letter dated July 31, 1972:

"The Code and the regulations provide that an organization which otherwise qualifies for exemption from Federal income tax as an organization described in section 501 (c) (3) of the Code, will not be entitled to recognition of exemption if it engages in or is empowered to engage in more than an insubstantial amount of legislation activities. Therefore, *it appears unlikely that the Corporation could qualify* for recognition of exemption from Federal income tax as an organization described in section 501(c) (3) of the Code, if its charter contained the proposed lobbying provision."

Evidently, the Internal Revenue Service was not impressed by the proviso under which the Corporation would somehow be able to escape identification with the lobbying activities of its attorneys.

Returning now to Hazard's argument, his rejoinder to the law reformer's proposal (in step 15 above) to emphasize legislative advocacy over test-case litigation is found in a second article entitled "Law Reforming in the Antipoverty Effort" (37 *Univ of Chicago LR* 242). Here the debate over the two concepts of legal services is continued and brought to a conclusion with a consideration of the problem of legislative advocacy. Hazard opens by reiterating the conclusion of his first article as follows: Legal reforms aimed at the redistribution of income and bargaining power are "characteristically achieved through the medium of legislation" rather than through the medium of test-case litigation. Given the economic and constitutional problems attendant on test-case litigation, its potential for law reform has been greatly exaggerated by the legal services zealots etc. etc. After discussing at some length the limitations of judicial law-making, Hazard seems at first to agree with the "militant reformist" shift to legislative advocacy (proposed in step 15 above). He writes:

". . . the legislative courses would seem obviously preferable for achieving law reform on behalf of the poor that is structural rather than symptomological."

But Hazard then raises an entirely new constitutional objection, one which administers the *coup de grace* to the "militant reformist" concept of legal services. The objection applies to *both* techniques of law reform, test-care litigation and legislative advocacy, and is developed by Hazard as follows:

16. *The use of public funds to support lobbying on behalf of the poor violates constitutional or quasi-constitutional taboo embedded in the American political tradition.*

Comment: In support of his thesis, Hazard offers the following considerations:

"The question in test-case litigation, as in legislative law reform, boils down to the propriety of constituting a publicly funded agency to lobby for the special benefit of a limited sector of the general community. . . . There is a serious, if simple, question of principle involved, namely, whether government predicated on equal participation of all members of the electorate is compatible with providing some of them with special political equipage at public expense."

Hazard admits that there are instances in our history where special interests have been provided with such "equipage at public expense" but two wrongs don't make a right. He continues:

"The fact remains that in a constitutional regime partisan political activity is supposed to be a matter of private initiative. For such a regime to survive it has to stay pretty much that way in fact. However inconstantly the principle is fulfilled, it rests on a recognition that a government which creates agencies to formulate what shall be taken as the people's will is no longer a government by the people.

"The force of the point is suggested by asking what would be the consequences of generalizing the proposition that the poor should have lobbyists paid by the government: Should similar lobbyists be provided the near-poor, the middle-class, the affluent? How does one rationally allocate the political resources through which resource allocation is made? One comes uneasily to the conclusion that the idea simply does not have sustaining attraction."

The thesis enunciated by Hazard in step 16 above has rarely been debated in the pages of law reviews or by the Congress. Nonetheless it has received some very substantial support in the past in the form of several Federal statutes and in a number of court decisions. One of the statutes, entitled "Lobbying with Appropriated Moneys", reads as follows:

"No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation" (18 USC 1913).

This statute undoubtedly reflects the constitutional principle referred to by Hazard in step 16 above, the principle that "a government predicated on equal participation of all members of the electorate" is incompatible with "providing some of them with special equipage at public expense". In other words, the Federal Government ought not to be in the business of subsidizing ideological, philosophical, political or partisan points of view. This taboo is part of the unwritten tradition which underlies such constitutional formulae as the one which relates to the separation of Church and State. It is also reflected in another Federal statute, the sections in Title 26 of the U.S. Code which deal with a kind of indirect federal subsidy, namely the exemption of certain organizations from the requirement to pay taxes. In 1959, in a case which involved this section of the Tax Code (Cammarano vs. the U.S. 79 S. Ct. 524), the Supreme Court reaffirmed the taboo, noting that the use of tax money to promote the views of a particular group or organization is both unfair and dangerous. The unfairness of such a subsidy was emphasized by Justice Harlan who wrote:

"As early as 1934 Congress amended the Code expressly to provide that no tax exemption should be given to organizations, otherwise qualifying, a substantial part of the activities of which 'is carrying on propaganda, or otherwise attempting to influence legislation,' and that deductibility should be denied to contributions by individuals to such organizations. And a year thereafter, when the Code was for the first time amended to permit corporations to deduct certain contributions not qualifying as 'ordinary and necessary' business expenses, an identical limitation was imposed. These limitations, carried over into the 1939 and 1954 Codes, made explicit the conclusion derived by Judge Learned Hand in 1930 that *'political agitation as such is outside the statute, however innocent the aim . . . Controversies of that sort must be conducted without public subvention; the Treasury stands aside from them.'* Petitioners are not being denied a tax deduction because they engage in constitutionally protected activities, *but are simply being required to pay for those activities entirely out of their own pockets, as everyone else engaging in similar activities is required to do under the provisions of the Internal Revenue Code.*

"Nondiscriminatory denial of deduction from gross income to sums expended to promote or defeat legislation is plainly not 'aimed at the suppression of dangerous ideas.' Rather, it appears to us to express a determination by Congress that since purchased publicity can influence the fate of legislation which will affect, directly or indirectly, *all* in the community, *everyone in the community should stand on the same footing as regards its purchase so far as the Treasury of the United States is concerned.* Affirmed."

In the same case, Justice Douglas, in a separate concurring opinion, made the point that the use of public funds to subsidize private views was not only unfair but dangerous. Wrote Douglas:

"Congress has not undertaken to penalize taxpayers for certain types of advocacy; it has merely allowed some, not all, expenses as deductions. Deductions are a matter of grace, not of right. To hold that this item of expense must be allowed as a deduction would be to give impetus to the view favored in some quarters that First Amendment rights are somehow not fully realized unless they are subsidized by the State. Such a notion runs counter to our Decisions and may indeed conflict with the *underlying premise that a complete hands-off policy on the part of government is at times the only course consistent with First Amendment rights.*

With this addendum, I concur in the opinion of the Court."

The militant reformer now plays his last card as follows:

17. *Canon 8, of the Code of Professional Responsibility lays on the lawyer a duty to lobby for law reform.*

Legal services attorneys, to whom the charter of the proposed Corporation would have granted unrestricted authority to lobby so long as it was done on behalf of a client (see p. 41 above), were viewed by the Corporation's defenders as having, independently of the charter, not only the right but a *duty* to engage in lobbying. "We have the clear right and certain duty to lobby in appropriate circumstances" (Fred Speaker). This duty is usually said to be imposed by the American Bar Association's Code of Professional Responsibility. Subparagraph 906(e)(2) of the proposed charter of the Legal Services Corporation made reference to the Code as follows:

"Procedures . . . established by the Corporation shall ensure that . . . (lobbying activities . . . are undertaken in a manner consistent with the Code of Professional Responsibilities and Canons of Ethics of the American Bar Association".

Shriver professes to find the lobbying mandate in Canon 26 of the Code. Writes Shriver:

"Legislative activity has long been a part of the lawyer's stock in trade. More than any other profession, lawyers are in a position to determine the need for overhauling the law, refining and clarifying it, and correcting its inequities. It is therefore one of the duties that a lawyer owes to his clients and to society, to lend his particular skill to the lawmaking bodies of the nation. Indeed, the American Bar Association assumes the existence of this duty when it provides in the *Canons of Ethics*, that the same standards of conduct required for practice before the judiciary shall apply to practice before the legislature.

"Private attorneys are constantly called upon to make presentations before legislative bodies. 'This field of legal services is of increasing importance and can be a means of rendering invaluable service to the client. . . . It is an essential part of the legislative process and serves a valuable purpose in providing essential facts and in conveying the wishes of the people to the legislators'. Any program designed to provide legal services to the indigent would be failing in its purpose if it did not vigorously participate in legislative advocacy" (17 *Amer Univ LR* 9).

The Canon Shriver refers to, Canon 26, reads as follows:

"26. *Professional Advocacy Other Than Before Courts.* A lawyer openly, and in his true character, may render professional service before legislative or other bodies, regarding proposed legislation and in advocacy of claims before departments of government, upon the same principles of ethics which justify his appearance before the Courts; but it is unprofessional for a lawyer so engaged to conceal his attorneyship, or to employ secret personal solicitations, or to use means other than those addressed to the reason and understanding, to influence action."

However, the Canon usually cited as the basis for the lobbying duty is Canon 8, which reads (in part) as follows:

"*A Lawyer Should Assist in Improving the Legal System.* EC 8-4. Changes in human affairs and imperfections in human institutions make necessary constant efforts to maintain and improve our legal system. This system should function in a manner that commands public respect and fosters the use of legal remedies to achieve redress of grievances. By reason of education and experience, lawyers are especially qualified to recognize deficiences in the legal system and to initiate corrective measures therein. *Thus they should participate in proposing and and supporting legislation and programs to improve the system,* without regard to the general interests or desires of clients or former clients.

EC 8-2. Rules of law are deficient if they are not just, understandable, and responsive to the needs of society. If a lawyer believes that the existence or absence of a rule of law, substantive or procedural, causes or contributes to an unjust result, he *should endeavor by lawful means to obtain appropriate changes in the law. He should encourage the simplification of laws and the repeal or amendment of laws that are outmoded.* Likewise, legal procedures should be improved whenever experience indicates a change is needed. . . .

EC 8-4. Whenever a lawyer seeks legislative or administrative changes, he should identify the capacity in which he appears, whether on behalf of himself a client, or the public. A lawyer may advocate such changes on behalf of a client even though he does not agree with them. But when a lawyer purports to act on behalf of the public, he should espouse only those changes which he conscientiously believes to be in the public interest. . . .

EC 8-9. The advancement of our legal system is of vital importance in maintaining the rule of law and in facilitating orderly changes; therefore, lawyers should encourage, and should aid in making, needed changes and improvements."

In his critique of federally-funded legislative advocacy, Hazard does not discuss *ex professo* the problem raised by the Code of Professional Responsibility. But the argument that will now be developed (under step 18 below) against the interpretation placed on the Canons by some of the legal services fraternity is consistent with Hazard's general approach, and with his remark that "making such a choice between clients (i.e. those who might be helped by legal aid and those who might be helped by law reform) is not contemplated in the ethics and conventions defining the lawyer's role, certainly not in those defining the advocate's role" (37 *U. of Chicago LR* 253). Hazard's concurrence with the position taken in this paper is confirmed in a letter he wrote recently (see p. 50).

18. *The legislative advocacy "mandated" by Canon 8 of the Code of Professional Responsibility does not refer to advocacy that falls within the scope of social justice. To the extent that the lawyer engages in such advocacy he does so under his rights as a citizen and not under his duties as a lawyer.*

Comment: If the advocacy of substantive changes in laws relating to social policy is not countenanced by the Revenue Code's provisions on tax exemption, a form of *indirect* subsidy, then it would seem that *a fortiori* such advocacy would be inappropriate in the case of organizations such as the proposed Legal Services Corporation and its delegate agencies which would have been *directly* subsidized by the Federal government. That the advocacy of legislation dealing with broad issues of social policy is not incumbent on the lawyer as such is evident from a ruling in 1959 by the U.S. Court of Appeals in the case of John Foster Dulles vs. James Johnson, formerly Collector of Revenue for the Third District of New York (273 F2d 362).

The case involved the eligibility of New York City, County and State bar associations (organizations analogous to the Legal Services Corporation insofar as their lobbying activities are concerned) to receive tax deductible bequests in view of their extensive involvement in legislative advocacy. The court held that bequests to bar associations in New York were tax deductible despite the fact that the bar associations included, among the purposes listed in their charters, "promoting reforms in the law." Noting that various committees of the bar associations made a practice of studying proposed and existing legislation and sending copies of their reports to federal and state legislatures, the court found that the major portion of this work was "of a *technical* nature involving the adequacy of proposed and existing legislation in terms of its *form, clarity of expression and its effect on and relation to other law.*" In the court's view, the bar association reports discussed "matters uniquely within the fields of experts" and were efforts "to improve the law in *technical* and *non-controversial areas,*" e.g. to "*improve court procedure or clarify some technical matter of substantive law.*" They avoided "questions which turn largely on *economic or political decisions.*" The legislative changes advocated in the reports were not concerned with "*broad principles of social amelioration*" and were not designed to promote "*some larger principle of governmental policy.*" The plain implication of the Court's decision is that if the bar associations' lobbying activities had (1) dealt with the *content* rather than the *form* of the law, and (2) had touched on questions of *social* policy, the associations would have been ineligible for tax-deductible bequests or for tax-exempt status under Section 501 (c) (3) of the Code.

The Court's decision brings to mind a distinction, frequently mentioned elsewhere, between two types of law reform: *procedural* reform which affects the form of the law and *substantive* reform which affects the content of the law. The decision also intimates, though not too clearly, a further, somewhat more subtle, distinction between two sorts of substantive law reform. Professor Hazard is helpful here. The article in which he questions the propriety and even the constitutionality of poverty lawyers lobbying at public expense (37 *U. of Chicago LR* 242), furnishes a basis for drawing a sharper line, conceptually at least, between the two kinds of substantive law reform. Hazard's distinction between the domain of civil justice and that of social justice suggests a parallel distinction between substantive law reform aimed at enforcement of clients' *legal* rights by eliminating *legal* impediments to such enforcement, and substantive law reform aimed at bringing about *fundamental social change.*

Now all sides are agreed that the lawyer as a lawyer has a right and even a duty, whether on behalf of a client or not, to engage in legislative advocacy on behalf of *procedural* law reform. This, at the very least, is the kind of law reform activity condoned by the Court of Appeals in the case cited above and "mandated" by Canon 8 of Professional Responsibility. The lawyer *as a lawyer* may not only lobby on behalf of procedural reform but, as the Court of Appeals decision implies, he may even do so at public expense.

On the other hand, it is Hazard's view that advocacy directed at overhauling the law *in the name of social justice* is, when it takes the form of litigation, constitutionally questionable for all lawyers and when it takes the form of lobbying, constitutionally questionable for those lawyers who are on the public payroll. It would also appear that legislative advocacy of this nature, if engaged in by a non-federally-paid lawyer, is an exercise of his right *as a citizen* rather than the performance of his duties *as a lawyer*. This idea, of course, clearly runs counter to the rather grandiose conception of a lawyer's duties which prevails among "social action" lawyers. A good illustration of their views is found in an article written for the *Notre Dame Lawyer* in 1966 by E. Clinton Bamberger, Jr., former director of OEO's Office of Legal Services (XL *ND Lawyer* 847). According to Bamberger:

"The law has been the instrument for orderly social change throughout our nation's history, and lawyers have always been more than mere agents directed by others. They have been the architects as well as the artisans of social reform—redesigning, reforming and creating not only legal institutions but social, economic and political institutions as well. Wearing a wide variety of hats in American life, lawyers are not only counselors to our large corporations, business councils and cooperatives, trade unions and suburban neighborhood improvement associations, but more often, policymakers and strategists as well. Lawyers are our most effective public servants in all areas of government, in foundations and in other institutional public service. Lawyers are our lobbyists. Lawyers are our legislators. Lawyers sat in more than sixty percent of the seats of the Congress which passed the Economic Opportunity Act. In each of these functions, lawyers do more than handle a particular legal matter bounded by a particular isolated set for facts. They take the common threads of social, economic and political problems affecting large groups of people and weave the test-case, remedial statute or administrative reform to solve the pervasive problems and eliminate the cause for the future."

No doubt lawyers have done all the things Bamberg credits them with doing, and in doing these things, have contributed inestimably to the common good. But the point is—and it is more than a quibble—did they do these things *as lawyers?* It is one thing for a lawyer to do X and another for X to be done by the lawyer precisely in his capacity as a lawyer. If the involvement of a lawyer in campaigns for social and political reform does not flow from his role as a lawyer, then it is futile for him to argue that the Code of Professional Responsibility requires such involvement. To read "substantive law reform for social justice" into the Code's reference to "substantive law reform" is simply to beg the question."

The interpretation of the Code being defended here was sent to Professor Hazard for review and elicited the following comments:

"It is pertinent to observe that when the bar speaks of the lawyer's responsibility for law reform, they are usually talking about reform and improvement of the administration of justice rather than substantive legal reform, or the consolidation and modification of substantive law along lines that have already been demarcated by the judicial, legislative, political, and critical processes, e.g., the Model Penal Code, Uniform Commercial Code . . . *There is simply no ethical mandate for lawyers to adopt a program of social reform.* The line between reform of the administration of justice and social law reform, however, is no easier to draw than that between legal aid and law reform, because the distinction involved is essentially the same one".

There remains the problem of the intermediate type of advocacy which seeks to change in some sense the *substance* of laws, but within the area defined by the notion of *civil* as distinct from *social* justice. May the lawyer *as a lawyer* engage in such advocacy? Does he, as a lawyer, have a *duty* to engage in such advocacy? What if he is a lawyer on the public payroll? The answers to these questions are not at all clear. Nonetheless in light of the above analysis, there would seem to be no objection, on constitutional grounds, to the proposition that a federally-funded organization of lawyers may lobby not only for procedural reform of the law but for substantive change as well, *so long as the lawyers stay on this side of the line between civil and social justice* (an immense problem of practical definition, to be sure). The further problem of the conditions, if any, under which a Federal agency may cross this line is discussed in the next and concluding part of this paper.

PART V: SOME SUGGESTIONS FOR REORIENTING OEO'S LEGAL SERVICES PROGRAM

The theses advanced in this paper take for granted the validity of the fundamental distinction elaborated in Parts II and III between the two concepts of legal services: the traditional legal aid concept and the law reform concept (or, in Professor Hazard's words the "militant reformist" concept). Unfortunately the terminology—"legal aid" and "law reform"—tends to confuse the issue. For example, there are those who genuinely doubt the validity of the distinction and they may well be right at times, depending on what is meant by "legal aid" and "law reform". The distinction is admittedly a false one if it is between pure legal aid *without any element of law reform* on the one hand, and pure law reform or a mix of law reform and legal aid on the other. To put it another way, when the term "pure legal aid" is applied to a *program* rather than to an individual instance of legal services, the term is an abstraction and it is difficult to imagine a legal services program in the real world which would exemplify the concept. Likewise, although the term "pure law reform" does have an analogue among programs in the real world, the "militant reformist" version of a legal services program which has figured in the above discussion is not and has never claimed to be a program of pure law reform. In short, the two approaches to legal services which have been pitted against each other in this paper each contain both a legal aid component and a law reform component.

What then is the difference between the two approaches? At the very least the difference is one of emphasis, a point made repeatedly by the writers quoted in Part II of this paper. The militant reformist approach puts law reform ahead of individual legal aid, while the traditional approach will use litigation up to and including test case litigation only as a last resort. As Blumenthal puts it, the primary objective of the law reform approach is *"changing a law* or legal interpretation affecting the poor generally" in contrast with the legal aid approach which stresses "individual case work or service" and "has the primary objective of improving the situation of a low-income group or individual under *existing* law. *The two of course overlap. But the two activities are separable in terms of primary objective*" (Blumenthal 81 *Yale LR* Note 246 quoted above on p. 9. Emphasis added.)

The difficulty, however, with Blumenthal's way of characterizing legal aid versus law reform is that it suggests that the difference is merely one of degree and not also one of kind. From the Blumenthal perspective, the problem of reorienting a legal services program of the "militant reformist" type is deceptively simple: a little less law reform activity and a little more emphasis on service to individual clients might turn the trick (along with some reining in of the "barefoot lawyers" by apprenticing them to older and wiser heads). But the problem is much more complicated, if the conclusions put forward in the paraphrase of Hazard's argument in Part IV above are accepted. The complexity can be unravelled only by carefully distinguishing the *several aspects* of *each* of the three classical components of law reform: test-case litigation which operates in the sphere of judge-made law; administrative rule-changing whose bailiwick is regulatory law and legislative advocacy which seeks to change statutory law.

In the area of litigation, there is first the distinction discussed above (p. 48) between law reform which aims at *procedural* change in the law or in interpretations of the law formulated by a government agency, and reform which seeks *substantive* change. On the side of substantive change. Hazard drew a further line between test-case litigation which keeps within the limits of *"civil"* or "commutative" justice (fairness of decision in particular cases (and the test-case litigation which is directed toward *"social"* or "distributive" justice (re-allocation of community resources). He suggested that the use of litigation to achieve justice in the latter sense was "self-contradictory and on this account constitutionally and politically perilous". Hence any project to revamp a legal services program of the "militant reformist" type would include among its guidelines a definition of test-case litigation of the "fundamental social change" variety along with a strong injunction against its use. There would, of course, have to be some tolerance of the fact that the distinction between the two uses of test-case litigation ("civil" vs. "social"), though conceptually fairly clear, is at times extraordinarily difficult to draw in actual practice.

With test-case litigation to bring about fundamental social change disposed of, there is still the need for further distinctions and guidelines in respect to that form of test-case litigation which is, in principle, acceptable. For one thing it is clear that a legal services program which adheres to the "legal aid" model will keep *all* litigation to an absolute minimum, resorting to it only when all other techniques for the settlement of differences in an individual client's case have been exhausted. This rule ought to be followed even more scrupulously in the case of taxpayer-supported litigation, given the fact that litigation is the most expensive way of serving a client. Secondly, guidelines are needed to discourage the tendency of many lawyers of the social action persuasion to hunt for clients whose grievances might be suited to class-action or test-case litigation on behalf of a point of law the attorney wants to establish. (For confirmation of the fact that client-hunting is not at all uncommon, see a recent article entitled "The Action Lawyers" by Gerald Lubenow, *SR* Aug 28 1972). The problem just mention suggests another distinction which might profitably be substituted for the standard one employed throughout this paper between the legal aid and law reform concepts of legal services. The new and less ambivalent distinction would be between *client-centered or client-generated legal activity* and *non-client centered or lawyer-generated activity*.

It is important to point out at once that the term "client" in the above expressions is being used in its narrow and technical sense, as a legal term, in contrast with the looser meaning it has in such expressions as "the poor are the clients of OEO". Client-centered legal activity corresponds to the sort of activity countenanced by the traditional "legal aid" approach to legal services for the poor. It consists largely of individual case work involving non-litigative, and when needed, litigative representation, and embraces on occasion intervention in the administrative process for the purpose of changing regulatory law and, much more rarely, intervention in the legislative process for the purpose of changing statutory law, *all in the name of an individual client*. Non-client-centered or lawyer-generated legal activity on the other hand comprises for the most part intervention in the administrative and legislative processes (legislative advocacy) on behalf not of an individual client but *of the public-at-large or a segment of the public*, e.g. the segment called gun-owners, or the segment called consumers or the segment called the poor. When legal activity in the public interest moves beyond attempts to influence regulatory or statutory law and into litigation, it enters a zone of controversy where the question of standing looms as a formidable obstacle to intervention. Without attempting to resolve—or even get involved in—the latter problem, that of the legitimacy and limits of public interest litigation, this paper will conclude with a very tentative statement of some of the ways in which the distinctions made above might be applied to the problem of refashioning OEO's legal services program so that it will conform to the traditional legal aid model without this entailing the abandonment by the Agency, and particularly by the Director, of the role of advocate of the poor.

In the first place, as already noted, test-case litigation to achieve social justice in the sense defined by Hazard would be ruled out at any level, whether it be client-centered litigation by project attorneys working at the local level or non-client-centered public interest litigation at the national level (see p. 36 above for reasons for the ban). Secondly, the functions of client-centered and legitimate non-client-centered litigation would be sharply separated, with the first of these being delegated down, as at present, to the legal services projects and the second shifted to the national level. The notion of accountability taken in the sense of responsiveness (see p. 2 above) is relevant here. Client-centered litigation operates under the shield of the attorney-client relationship. Once engaged in such a relationship, the attorney's first loyalty is to his client. But another accountability is added inexorably if the attorney is on the public payroll, and there is now a potential for a serious conflict between the two accountabilities. The attorney must be responsive to his client and he must also be responsive to the public. Some purists would hold that the conflict is in principle irresolvable and would do away with legal services altogether. A more moderate view would seem to entail, at the very least, a search for devices which would diminish the potential for conflict. The separation of functions advocated above is just such a device. *When the law reformist attorneys and others try to assimilate what is essentially non-client-centered public interest litigation to client-centered litigation in order to gain immunity from public control, they simply place the whole federally-funded client-centered enterprise in jeopardy.*[5] On the other hand, the separation of the two functions would have the following advantages: (1) it would eliminate much of the temptation to exploit clients for social objectives; (2) it would reduce outside pressures on client-centered litigation and (3) it would render non-client-centered litigation more accountable, i.e. more amenable to public control. The opponents of the law reformist approach have frequently made the wrong point. They have insisted that everything the project attorneys do, they *must do on behalf of a client*, thus encouraging the very client-hunting that is deemed so objectionable. The point is rather that there are a number of things the project attorney does not *have* to do to carry out his main task and which, for the reasons given in this paper, he *ought* not to do.

Considerations similar to those adduced above in the case of litigation apply also to the other two species of law reform: administrative rule-changing of government agencies and particularly in the proceedings of Federal and State regulatory agencies is an important goal of the network of legal services projects and back-up centers as they presently operate. While the problem of administrative rule-changing has been mentioned only incidentally in this paper, it would be consistent with the general argument to separate the function of client-centered intervention in administrative proceedings from the function of public interest (or low-income-*group*-centered) intervention, and to reserve the latter activity for an in-house advocacy unit at the level of OEO headquarters. This unit would at the very least be charged with the task of speaking for the poor before *Federal* agencies, although a precedent for participating in State proceedings is found in the civil rights actions brought against State governments and local municipalities by the Department of Justice.

Finally under the plan for the reform of the legal services program proposed in this paper, almost the whole of the activity known as "legislative advocacy" or lobbying would be transferred from legal services projects and back-up centers to a national advocacy unit housed in OEO headquarters. Not only is there very little client-centered legislative advocacy anyway, but by refusing to delegate the function of lobbying for the poor, OEO and its grantees would run far less risk of breaching the thin but vital line between permissible and impermissible lobbying at public expense. It was a grave defect of the proposed legal Services Corporation that it did not provide for a separation of these functions. On the contrary, lobbying authority would have been vested not only in back-up centers but in each project attorney, rendering the problem of control insoluble.

Professor Hazard wonders why OEO has overlooked this way (the way proposed above) out of the lobbying impasse. After remarking that "it is perhaps practically impossible over time to have a litigation-oriented legal services agency and a legislative law reform agency under one roof", he concludes his article on law reform as follows:

"What the interest groups among the poor will need from the professional technicians are specific reform proposals that can be sold. Reform proposals meeting the test of the political market place must be related to some general principle of fairness or justice, respond to interests broad enough to command the necessary votes, and represent a coherent piece of work from a technical point of view."

"The task of drafting law-reform proposals that meet these tests is exacting, time-consuming and expensive. Drafting such proposals is the vocation of agencies whose endeavors have been regarded as standing on the legitimate side of the line between *legal policy analysis* and *lobbying*—for example, the National Conference of Commissioners on Uniform Laws, the American Law Institute, the Brookings Institution, the Legislative Drafting Service of Columbia Law School, the law revision commissions of several states, and an "unending series of *ad hoc* commissions at every level of government. Just why this approach to law reform has not been seriously pursued through the Legal Services Program is not clear" (37 *U. of Chicago LR* 255).

The distinction made by Hazard, in the passage just quoted, between "legal policy analysis" (including the drafting of legislation) and "lobbying" is of critical importance for any project to (1) reform the legal services program and, going one step further (2) establish an advocacy unit in OEO headquarters. Like the term "law reform", "lobbying" is a term which has been burdened with many meanings, some of them in conflict with each other. In its root sense, "lobbying" or "legislative advocacy" refers simply to any activity which aims at the passage or defeat of legislation. It was in this generic sense that the term was employed in the section of this paper devoted to legislative advocacy (p. 40 above). So taken, lobbying is neither lawful or unlawful, constitutional nor unconstitutional, proper nor improper. In order to make a value judgment on the activity, we need to know more. In the earlier discussion, for example, it was not lobbying per se, but lobbying *at public expense* which was judged by Hazard as unconstitutional, or at the very least, unwise from the policy point of view, given the traditions of a representative democracy. But obviously some further qualifications of the term "lobbying" are now needed, or else Professor Hazard can rightly be charged with contradicting himself. That is, he is on record as objecting to any federally-funded attempt to influence legislation, as follows:

"The question . . . boils down to the propriety of constituting a publicly funded agency to lobby for the special benefit of a limited sector of the general community . . . There is a serious, if simple, question of principle involved, namely, whether government predicated on equal participation of all members of the electorate is compatible with providing some of them with special political equipage at public expense." (37 *Univ of Chicago* LR 242, quoted above on p. 43)

From the context, it is clear that Hazard is using the term "lobby" in the above passage in a purely neutral, non-pejorative sense, a sense which would include an attempt to influence legislation by actually drafting a legislative proposal. The key term above is not "lobby" but "publicly funded". Yet in the second passage on legislative advocacy (cited on p. 54 above), Hazard is making a plea for a *publicly-funded* effort to draft legislative proprosals, so long as such effort is kept "on the legitimate side of the line between legal policy analysis and lobbying". How does one resolve this seeming contradiction?

In the first place, in opposing "legal policy analysis" to "lobbying", there is no question Hazard is employing the term "lobbying" in a narrower sense than he has used it elsewhere, and that he is using it in a pejorative sense ("legal policy analysis" is on the "legitimate" side of the line). But there are still several ways in which lobbying can be improper. From the context of Hazard's whole discussion, I would assume he is referring to something akin to "grassroots" lobbying, the whipping up of public sentiment for or against a piece of legislation, with the expression of that sentiment taking the form of mass letter-writing, mass visits and, on occasion, disruptive pressure. Publicly-funded "grassroots" lobbying is unacceptable for Hazard, while publicly funded lobbying in the sense of "legal policy analysis" is acceptable. "Legal policy analysis" includes for Hazard the element of "drafting legislative proposals". I would think the term could be further extended to include testimony before a legislative body, the sort of activity Judge Breitel condones when he contrasts "lobbying or propagandistic activities" with "suggesting, testifying, commenting on, reviewing and interpreting legislation (see p. 18 above).

But Breitel's remark suggests there is a need for a further distinction to round off this discussion on lobbying. The distinction, which Hazard does not make explicit, is between "legal policy analysis" which is *accountable* to the public and such analysis which is *not* accountable. Breitel would keep

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Footnotes at end of article.

legal services project attorneys from propagandistic and "grassroots" lobbying, but he would allow them to engage in "legal policy analysis", drafting legislation, testifying etc. Hazard would separate the two functions of "litigation-oriented legal services" and "legislative law reform", assigning the former to the project attorneys and the latter to a separate, and by implication, single unit, possibly located within the Office of Legal Services. The grounds for Hazard's recommendation to strip the legal services projects of the non-client-centered legislative advocacy function seem to be twofold: (1) the problem of "grassroots" lobbying would be easier to settle and (2) the *modus operandi* of a client-centered, litigation-oriented activity is so different from that of a dispassionate, non-adversary legislative reform activity that the two would be getting in each other's way were they placed "under one roof". But what about the propriety of *federally-funded* legislative reform activity? It avoids the objections Hazard lodged against test-case litigation on behalf of social change, but no matter how dispassionate and how non-adversary such legislative reform activity is, it still represents someone's socio-political point of view as to what is in the public interest. The conclusion is inescapable: *the only way to reconcile the seeming contradiction in Hazard's argument and to justify not only the detachment of legislative advocacy from local legal services projects but also its continued existence within OEO at the headquarters level is to invoke the principle of accountability*. Delegated down or contracted out, legislative advocacy is no longer accountable. Housed in the Director's office, or at the headquarters level within range of his control, it is accountable. The taboo against the federal subsidy of a point of view is not violated so long as the element of representativeness is not lost. The Director and the Agency represent the President who in turn is the elected representative of all of the people.

The role of the Director (and the Agency) as lobbyist for the poor ought not to discomfort anyone. It's not just that every government agency does it anyway, but that there is a large area of legislative advocacy in which any Federal agency has not only the right but the duty to operate. The statute against the use of Federal funds for lobbying specifically empowers Federal officials to "communicate . . . to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business." From the point of view of the Congress, the kind of lobbying which an agency may *not* indulge in is the stirring up of "grassroots" pressure for or against legislation. From the point of view of the White House, the kind of lobbying which is excluded is the drafting of proposals and testimony in support of proposals which are inconsistent with Administration policies and objectives. Within these limits, the field for legislative advocacy is wide open. Not only may the Director of OEO formulate and promote, with the concurrence of the Administration, legislation needed to carry out the objectives of the Economic Opportunity Act, but he would also seem to have the right to monitor and comment on non-OEO initiated legislation, and even to initiate legislation other than amendments to the EOA, so long as it is poverty-related—his right being based on his role as poverty-evaluator and coordinator. For a fuller discussion of non-adversary advocacy which includes OEO's intervention both in the administrative and the legislative processes (legislative advocacy) see the report of the Task Force on Advocacy which picks up where this examination of the Legal Services Program leaves off.

Marshall Boarman.

September 1972.

Addenum: The title of the concluding part of this paper is somewhat misleading. The purpose of the paper as a whole, including Part V, was not to formulate *practical* recommendations for *specific* steps to be taken in reforming OEO's legal services program. The intent was rather to lay the *conceptual groundwork* for such reform, or, at the very least, to both stimulate and (hopefully) refocus the debate within the Agency over the direction the legal services program should take. One serious problem that was not explored at all is that of group representation or the attorney's role as group organizer. This will be one of the principal issues to be discussed in a second paper on the meaning and history of the concept of "maximum feasible participation".

FOOTNOTES

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[1] This episode is not to be confused with CRLA's later (1971) troubles with Governor Reagan which led to the appointment by the OEO Director of an investigatory commission.

[2] *Poverty Law Reports*, 9163.505; 9170.50; 6 *Cal West LR* 52, 54, 55; 41 *Notre Dame LR* 860. See p. 26 below.

[3] The OEO Instruction on lobbying (Inst. 6907–01) prohibits (1) disruptive lobbying, (2) the picketing of legislators, (3) media campaigns, and (4) mass visits and mass communications to legislators. The original and amended versions of S. 3010 eliminated the crucial 4th prohibition. The Conference Report on H.R. 12350 also omitted any reference to the 4th prohibition.

[4] For a view which flatly contradicts this, see a recent article entitled "The Action Lawyers" by Gerald Lubenow, SR Aug. 28, 1972.

[5] *See* Pye, 31 Law—Contemp. Prob. 244 (Inc.).

NIGHTMARE AT 5:45 A.M.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Crane) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, flags have been flying at half-staff in my district this past week in tribute to three brave volunteer firemen who died while fighting an early morning fire in Palatine, Ill.

Too often, we take the dedication and bravery of such volunteers for granted. While most residents of Palatine were still comfortably sleeping at 5:45 a.m., these men and their colleagues from numerous other communities in my district were risking their lives, as they do so often without notice.

Many words of praise have been written about these heroes: John T. Wilson, Warren H. Ahlgrim and Richard H. Freeman. Unfortunately, the words will not return them to their families and their community.

I would like to add my sincere condolences to the Wilson, Ahlgrim, and Freeman families and to their many friends. Palatine has lost three of its most beloved sons who died doing what they had so often done, working to make their community a safe, good place to live.

The Palatine Herald published two stories on February 26 which I would like to share with my colleagues at this point:

Villagers Express Shock, Disbelief at Friday's Deaths—Fallen Firemen "Were the Best": Palatine

(By Toni Ginnetti)

"They were the best."

That was the way one volunteer described his three fellow firemen, John Wilson, Richard Freeman and Warren Ahlgrim, who were killed Friday in the fire that destroyed the Ben Franklin store in downtown Palatine.

And though they used different terms, anyone else who spoke of the dead firemen Friday expressed the same opinion. People had an obviously difficult time talking about the men in words short of superlatives.

"They were all good men who knew what to do," Palatine Fire Chief Orville Helms said. It was noticeably difficult for Helms to talk about the men and his phrases were emotionally short and direct.

"John Wilson, he's been here in Palatine all his life. Dick Freeman, he was born and raised here. Auggie Ahlgrim was also born and raised here and had his own plumbing store here in town.

"They were well trained. They were all good family men. That's all I can say," he murmured before turning away.

The firemen were killed attempting to put out the fire that gutted the store early Friday. Wilson, 40, and the father of three children, owned the store. He had been a volunteer fireman for 11 years and like Freeman and Ahlgrim, was a popular resident.

"He went to the same church that I go to," Jean Steeves said. Mrs. Steeves is employed at Olsen's Musicland, a half block south of Wilson's store. Mrs. Steeves said Wilson had a "very fine family." The Wilson family had owned the store since 1940.

There was a hint of disbelief in the voice of Dr. Charles L. Schnibben, when he spoke of Ahlgrim, who had been a volunteer since 1964. Schnibben's orthodontist office is located next to the Palatine fire department.

"He was one of the finest men in town," Schnibben said of the 32-year-old Ahlgrim. "He was always doing something for the village, like being a volunteer fireman. They don't get paid much for that.

"His daughter is a patient of mine and he had done plumbing work for me. He was just a wonderful man," he said. "I'm sure if you ask anyone in town, they'll tell you the same thing."

Two boys who knew Ahlgrim did.

"We knew Mr. Ahlgrim," 12-year-olds Mike Johnson and Wayne Prochaska said. "He was our neighbor. My folks have known him since we moved here," Mike, who likes at 360 W. Illinois, said in a firm tone.

"He was always very helpful and never in a bad mood, added Wayne, of 343 W. Illinois. "He always played with the kids in the neighborhood." The boys said Ahlgrim was the kind of man "who would say hi to you down the street."

"We knew him and that's why we came here to see the fire," Wayne said.

The third man killed, 25-year-old Richard Freeman, had only been a volunteer for two years. His father, Howard Freeman, is a lieutenant on the volunteer force and the owner of Zimmer Hardware, located a block from the Franklin store.

Ironically, the Freemans were the second Palatine father-son firemen pair to be touched by death in the line of duty. In 1946, 24-year-old Wesley Comfort III was killed in a truck-train collision while en route to a fire call. Young Wesley's father was the Palatine fire chief at the time.

One volunteer said Friday the elder Freeman was among those fighting to contain the blaze and save his son.

"They were so close to the department, too. It was convenient for them because Zimmer Hardware is only a half block from the fire department," he said.

The only other volunteer injured Friday, Jose Pannhausen who suffered a broken ankle in a fall while fighting the fire, said he had known the three "all my life." Of his own injury Pannhausen said, "I feel very fortunate."

While some may argue the deaths might have been avoided had the village had a full time, professional fire fighting force, both

Palatine Mayor Jack Moodie and Village Mgr. Berton G. Braun said the deaths were not due to the fact that they were volunteers.

"They were well-trained men," Braun said.

"The firemen run the risk all the time," Moodie said. "A combination of circumstances is what did them in."

NIGHTMARE AT 5:45 A.M.

(By Doug Ray)

John Wilson, Warren Ahlgrim and Richard Freeman died like soldiers in battle. All Palatine volunteer firemen, they were overcome by smoke and perished in the rubble of the basement of the Ben Franklin store in downtown Palatine Friday.

The fire began sometime before 5:45 a.m. A customer who entered Joseph Seidel's nearby pastry shop detected smoke in the morning darkness. Seidel immediately called the Palatine Fire Department, and within a few minutes Wilson, Ahlgrim and Freeman, who was on overnight duty at the fire station, were at the scene.

Wilson, owner of the Ben Franklin Variety Store, 36 N. Brockway, "said he thought he knew where the fire was," said Fire Chief Orville Helms. Wilson went into the basement furnace area from the back entrance and came back up. "It's in the furnace," Helms recalls Wilson saying.

Then all three men, equipped with portable oxygen units and face masks, went down the stairway of the one-story brick building. They had more than a 20-minute supply of oxygen. Half an hour passed. Wilson, Ahlgrim and Freeman were still in the basement and the fire raged on, billowing clouds of smoke over Palatine.

Wilson almost made it out of the fiery inferno. He was found at about 8:30 a.m. part way up the stairway.

His body, wrapped in a green tarpaulin, was carried from the building. He was pronounced dead on arrival at Northwest Community Hospital in Arlington Heights.

At 11:15 another body was taken from the basement. And 10 minutes later the last man was brought out. Both were taken to the hospital, but they were dead.

Helms said this weekend that all three men definitely died of smoke inhalation and that the floor above the basement did not collapse on the firemen. Apparently, the men's oxygen supply was depleted and they suffocated, he said.

Joe Pannhausen, 33, of 435 S. Benton, also a Palatine volunteer fireman, slipped on the icy surface while fighting the blaze and suffered a broken ankle. He was treated at the hospital and released Friday.

The Palatine Fire Department was aided by units from Arlington Heights and Rolling Meadows. Other firemen from throughout the Northwest suburbs came to the scene to give assistance.

And as word spread that the three comrades were dead, the story was written not only on the firemen's faces, but on those of hundreds of spectators in the downtown areas.

At 9:30 a.m., most realized the fate of Ahlgrim and Freeman, who were still inside the gutted building. A young Palatine fireman, his face blackened and his voice coarse from breathing smoke, said he just learned of the disaster. He was almost crying.

Freeman's father, Howard, battled the fire while his son lay trapped. Ahlgrim's brother-in-law, Clifford Steif, also was one of the volunteers fighting the fire.

"It was like looking inside a furnace," said Lt. David Tobin, a 15-year veteran of the Palatine Fire Department. To stop the blaze, firemen flooded the basement to the rafters, he said. And late in the morning, when the fire was contained, pumpers were used to remove water from the basement where Ahlgrim and Freeman still were trapped.

The two bodies were brought up the stairs on a stretcher and were taken to the hospital by ambulance. Firemen also removed 60 feet of hose the three men took to stop the fire in the basement.

John Wente, 25, who rode the fire truck with Freeman and manned the vehicle, said afterwards, "I just don't believe it . . . I just couldn't go to work after this." Another Palatine fireman nearby said, "Nobody will."

The basement where the men died contained toys and other items Wilson could not put on the shelves, said Henry Babcock, retail sales manager of the Ben Franklin chain stores.

Helms estimated the damage to the store at some $200,000. Much of the structure was pulled down late Friday and firemen were at the scene because rubble was smoldering.

The Ben Franklin store was located between Coleman's Pharmacy and the Left Bank, a boutique. They were not structurally damaged.

Yesterday, many flags throughout the area were dropped to half-staff in mourning for the fallen firemen. Helms said flags will remain at half-staff in Palatine for a week.

SKYJACKING LEGISLATION—"KIDNAPING BY SEIZURE OF AN AIRCRAFT"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. BAKER) is recognized for 5 minutes.

Mr. BAKER. Mr. Speaker, on November 10, 1972, three men seized control of a Southern Airways Jetliner DC–9 in Birmingham, Ala., at gunpoint. The 30 persons aboard were held hostage on a wild flight crisscrossing the United States while the three demanded ransom of varying amounts from $2 to $10 million and other considerations in exchange for the lives of the passengers.

The State of Tennessee and my district, the Third, is even more personally concerned with this incident than others since one of the three alleged skyjackers was Melvin Cale. Melvin Cale had served 13 months of a 5-year term for two robberies when he "walked away" from the prison center at Nashville. At the time of the skyjacking, Cale was attending Tennessee State University during the day, returning to the prison center at night.

The other two accused skyjackers had been charged in particularly vicious crimes—of assault and rape—in Michigan.

During the 2-day ordeal, the trio circled the Knoxville airport, demanding $10 million in ransom and other concessions, including jet fuel to fly to Cuba. When demands were not met the plane was diverted to Chattanooga, which is in my district, after a threat to crash it into the nuclear installation at Oak Ridge, which is in my district.

Ransom money was put aboard at Chattanooga along with bulletproof vests, medical supplies and 50 meals and the plane was flown to Havana. There, after some altercation with Cuban authorities it returned to Key West, refueled and again flew to Havana.

We are told that Cuban authorities were something less than enthusiastic about the refugees. This is borne out by the pact which has now been agreed to between Cuba and the United States which provides that all such fugitives will be returned.

If similar agreement can be reached with Algeria it will be a step toward controlling the mounting number of skyjackings which we have witnessed in recent months.

We must, however, move on other fronts as well. Measures must be taken to provide against such persons boarding a plane in the first place. Perhaps we need to apply more control to such programs as work-release which allowed Cale the freedom to perpetrate such a crime while ostensibly attending the University of Tennessee.

It is interesting to note that for all intents and purposes the three accused kidnaped the passengers in the Southern jetliner and held them hostage. It is also interesting to note that we have seen a resurgence of kidnapings since the recent ruling by the Supreme Court regarding the death penalty. I am today proposing legislation which would make the Lindbergh kidnaping legislation principle applicable to kidnaping by seizing an aircraft. I am pleased that representatives of the Airline Pilots Association have expressed approval of the provisions of the proposed bill feeling that it will be a definite deterrent to future skyjackers.

The bill would also allow the death penalty for such an offense at the discretion of the judge, and would fix responsibility for airport security in one agency, the Federal Aviation Administration. Under this legislation the FAA would have authority to search passengers before boarding planes, search luggage or any property at any airport or aboard any plane intended for operation in interstate or intrastate air transportation for dangerous weapons or other destructive devices. It may also deputize State and local law enforcement personnel in order to exercise this authority and carry firearms necessary to the carrying out of such provisions.

THE PRESIDENT AND CONGRESS: WHO'S IN CHARGE HERE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 10 minutes.

Mr. McFALL. Mr. Speaker, Ralph Huitt, executive director of the National Association of State Universities and Land-Grant Colleges, contributed a major paper to the Time, Inc. 50th anniversary project, "The Role of Congress." His thought-provoking remarks on the issue involved in the inherent tension between the executive and legislative branches, contained in "The President and Congress: Who's in Charge Here?" are inserted below:

THE PRESIDENT AND CONGRESS: WHO'S IN CHARGE HERE?

(By Ralph K. Huitt)

The conventional wisdom of our time holds that Congress is the weak sister in the national triune and must be propped up and reformed. Congress is weak and the President strong, so it goes, and the imbalance is becoming progressively more grave. The argument is supported by a Janus-like logic which, in its way, is unanswerable: if a flood of major legislation is passed, it is because Congress is weak and compliant; if legislation does not move, it is because Congress is weak and obstructive. A national preoccupation among the system pundits, therefore, is diagnosis of the congressional malaise and prescriptions for it. It is not a new game: Woodrow Wilson initiated the long-unrequited love affair of many American political scientists with the British parliamentary system almost a century ago. Today an array of reformers make some part of their living telling Congress what it ought to be and do.

Even some members of Congress have joined the chorus, but it is obvious that Congress itself, in its institutional life, has not got the word. It summons Executive officers just short of the President to come to the Hill to advise or to account for their performance. Members of Congress seldom budge from their marble retreats; they seem unaware even that the platoons who wait upon them have no parking at any time and no cab service after 4:30 in the afternoon. Ignorant of its impotence, Congress pigeonholes or rewrites Administration bills, re-enacts vetoed appropriations, and sometimes overrides vetoes. The Senate refuses confirmation of Supreme Court nominees. Members introduce bills of their own as if that were their right and often see all or part of their ideas incorporated into law.

The history of Congress is a curious story of failure indeed when viewed in the context of its historical counterparts. Since the time when Congress was established in the first article on the Constitution, Britain has seen its monarch—a real chief executive then—become a bored civil servant, its upper house lose all its power to the lower, which in turn has succumbed to a ministry that runs the Commons and the bureaucracy both. France has run through two kingdoms, two empires, five republics and one Charles de Gaulle. The list could go on but this should do. Congress has changed with the times within its original constitutional structure and mandate. It is today without question the most powerful national legislature in the world. The powers and prerogatives of its individual members are the envy of their brethren in the most prestigious of parliaments.

Let us examine briefly the relations of Congress with its partner and competitor, the Executive Branch, and then ponder the contradiction of its good health and its bad press.

I

The Articles of Confederation leave no doubt that the colonial Americans who beat Britain had had their fill of the Executive: they left him out entirely. Their government was a Congress empowered to perform such executive functions as were necessary through its own committees. Experience under the Articles caused the Constitution makers to believe an Executive was necessary, so a strong one was provided in the Constitution. But two features of that document insured that Congress would develop independently of the President. One is the so-called "separation of powers," which is not that at all but a separation of institutions. The respective personnel of Legislature and Executive are specifically prescribed from holding office in both. Thus the founders made impossible, perhaps unwittingly, the development here of the parliamentary form that was evolving unnoticed in Britain. The second fundamental feature, federalism, conformed to the facts of our geography and history. No nation was possible except a union of states.

These two foundation provisions are the basis of the so-far unbreakable strength of Congress. The separation put Legislature and Executive at arm's length. The Congress could not accept the leadership of the Executive, nor the information furnished by a bureaucracy controlled more or less by him, with the security of a Commons that could hold its own leadership accountable for its performance as Executive. Some Congressional mechanism was required. The chosen instrument was the committee—first, a special committee, which in time was given specialized jurisdiction. A potent instrument, which could and did become the repository of knowledge and expertise, which in time often confronted the Executive with greater experience and superior knowledge of the matter at hand. Moreover, among them the committees constituted a network of power, with the authority of the parent body parceled out among them. If the analogy is not pushed too far, the committees can be likened to a feudal system whose principal barons a king might lead but never force.

Committee chairmen still might have been intimidated by a President who could appeal to the national interest if it were not so patently true from the beginning that the members of Congress were local men. For so many decades most Americans were first of all loyal to their states. The popular requirement of residency in congressional districts grew up naturally when Congressmen spent most of their time at home, working at another job. So it has been possible for members to build their strength at the grass roots beyond the grasp of the most popular and powerful President. To the legal ascription of representative was added the strong bond of representativeness in the true sense—that of thinking and acting like the people represented. There is a story that once a new Congressman, who was obviously not up to his job, said to Speaker Rayburn: "You and I know I don't belong here, but you're not going to get rid of me because I'm just like my folks." The phenomenon of the ballot split between the President and a Congressman who opposes him is too familiar for comment. Indeed the most help a President can give a recalcitrant chairman might be to try to root him out.

The final bond of committee system independence was forged, of course, with the adoption in practice of the seniority system in committees. With it no combination of President and congressional party leaders could flank a sitting chairman.

II

What is the relative strength of the Executive and Congress?

One is confronted at once with the lack of an adequate measure of political power. Equally ambiguous is the matter of which performs better the shared functions of governance for the system. Perhaps this is the place to begin—with a summary analysis of the way each goes about the tasks of representation, legislation and controlling the government of the United States.

Whatever its deficiencies, Congress is a representative body (which may be why the American people see its flaws so clearly). Its members literally are never wholly safe with the electorate. Most keep in touch with constituents, some obsessively, through visits home, newsletters, TV and radio tapes, and a variety of other tactics. Almost any citizen can have some degree of access through his representative because no member of Congress is impotent and some are influential indeed. Interest groups need not work their way into the inner sanctum of a ministry. Multiple points of access are offered by members of appropriate committees. The marvelous flexibility of committee hearings lends itself to a variety of representational roles. Information and public education on new problems—say, radiation fallout—can be had from the best faculty the country affords. Causes that cannot win can be given their day in court. Explosive issues can be slowly deflated through progressively duller and more technical witnesses. Morality plays can be staged. The permutations are almost endless.

It is safe to say the Executive Branch cannot match the warmth and versatility of Congress's representational performance. But who can strike a balance between that and the grand role of the President as Chief of State, symbol of unity, spokesman for America? The founding fathers knew the nation needed a king and gave it one. After all, they were accustomed to a regal chief executive, monarch and politician in one. The endless difficulties caused by this unhappy mixture are well known, especially to a presidential candidate running against an incumbent. Nevertheless the combination provides assets too. In a time of crisis no committee can equal the grandeur of the single leader.

The division of labor in the legislative function is not so easy to delineate. Congress is pleased to consider the President the initiator; his bills and messages are the points of departure, at least, for what the committees do. But Congressmen initiate too, often well before a proposal has caught on with the public. When it does, the Administration appropriates it as it pleases, seldom giving credit. The specialized committees probably give an individual measure as good consideration as it could get. They are in continuous communication with the interest groups that are themselves part of the representational system. But the executive agencies are, in effect, interest groups as well. Their help is invaluable in bringing to bear the vast resources of the bureaucracy. It is useful to think, not of a legislative policy system but of many, each made up of Congressmen, bureaucrats, interest groups, and concerned publics, all of which are involved in a policy issue.

But one distinction may be made sharply: only the President can set priorities. Strengths have their costs: the decentralized power structure of Congress, which is proof against presidential domination, precludes the kind of party leadership that can make national programs. It may be argued that the appropriations committees do something like that but the supporting evidence is thin. The congressional system has respected its inner logic, rejecting devices that might exercise control over the whole body, just as the British parliamentary system has rejected whatever might dilute the perfect and responsible concentration of power in the Prime Minister and his colleagues.

What of control of the government? In his justly famous *Considerations on Representative Government*, published in 1861, John Stuart Mill said: "Instead of the function of governing, for which it is radically unfit, the proper office of a representative assembly is to watch and control the government . . ." This the House of Commons tries to do by holding the ministry, which is its own leadership, responsible for all the acts of the government. Congress requires in its rules that each specialized committee shall oversee the work of the agencies that administer the programs in the committee's jurisdiction. It is safe to say congressional oversight is not very effective. Congressmen can and do perform well as ombudsmen for constituents who think they find the bureaucracy unresponsive. But the important task of seeing to it that legislation is carried out as its authors intended is another matter. Committees try to spell out congressional intent in hearings and reports, floor debate and conference reports. There is no way they can make sure that those who write regulations and supply details will read the record.

In fairness, it should be said that the President probably does not do much better Two million civil servants spread across a continent wide nation are hardly susceptible of control by a thin overlay of temporary political appointees. What makes the bureaucracy generally a productive and responsive partner in governance is not political control, in my opinion, but professional integrity and a commitment to the democratic ideals that most of us share.

If the foregoing truncated assessments are fair, we have not offered much help in measuring the respective strengths of Executive and Congress. Perhaps it would be better to put the question more crudely: To what extent can the President get his own way? More than before?

In foreign policy, everyone knows the answer: the President is dominant; Congress is reduced pretty much to scolding. Not so in domestic affairs. The power of the President vis-a-vis Congress has shifted and continues to shift, over time and within single Administrations. Thomas Jefferson, great champion of legislative supremacy, as party leader managed Congress through three Administrations (his, Madison's, Monroe's)—a matter of 24 years. No modern President has approached that. Lincoln was a virtual dictator; his successor missed conviction on impeachment by one vote. Franklin D. Roosevelt's influence waxed and waned dramatically during twelve years. Legislative leadership likewise is spotty. The three great bursts of legislative creativity in this century occurred in the first year or so of the first terms of Wilson, Roosevelt and Johnson. Even a slight knowledge of history will suggest that situational factors were as important as the personal.

A similarly ambiguous answer is suggested by the record of the respective branches in protecting their own turfs. Each has aggressed on the other; both have avoided constitutional showdowns. Roland Young states in his *Congressional Politics in the Second World War* that both President and Congress clearly crossed the boundary into the other's domain several times; when the outcome was satisfactory neither complained. This suggests that pragmatic common sense has had much to do with the success of the partnership.

In any event, "partnership" is the key word. I do not believe the evidence shows that either partner can attain a lasting primacy over the other.

If Congress is, as I believe it to be, a highly successful political institution and a durable partner in the grand alliance, how can we account for the widespread clamor for its reform and reorganization?

The reasons doubtless are many—including always the possibility that the critics' assessment may be right. But I will suggest one: the operations of Congress are far and away more open and public than those of the President and the appellate courts. Congress, its committees and members, are on almost continuous display. We know its faults because we can see them—over and over again.

The President, who begins with the advantage of the inherent drama of his office, can, with modern technology, stage-manage almost every appearance he makes before the public. He is becoming increasingly remote from the American people. The internal life of his office is not open to systematic scrutiny by anyone. The decisionmaking processes of the administrative agencies are likewise secure from public view. It is easy, therefore, to believe that they are more rational and based on better knowledge than the untidy procedures of Congress. In my experience, they are not.

The Supreme Court enjoys even more nearly complete privacy. Black-robed Justices render decisions of far-reaching political import and explain how they arrived at them mostly in legalisms.

Not for one moment would I suggest that Congress improve its "image" through better stagecraft. Democracy at work should be seen—even when it hurts.

TO DESIGNATE THE BIRTHDAY OF MARTIN LUTHER KING, JR., AS A LEGAL PUBLIC HOLIDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, in the first session of the 92d Congress, I cosponsored with the gentleman from Michigan (Mr. CONYERS) H.R. 4099, a bill which would make the birthday of the late Dr. Martin Luther King, Jr., January 15, a legal public holiday. Today I would like to reintroduce that bill. As chairman of the House Committee on the Judiciary, it has been my privilege to refer all bills providing for a national holiday to commemorate Martin Luther King's birthday to Subcommittee No. 4 under the able chairmanship of my esteemed colleague Congressman DON EDWARDS.

All of us remember Dr. King's struggle to help black Americans secure their civil rights. But too often we forget that Martin Luther King waged battle for all Americans. Dr. King once said:

> We have learned in the course of our freedom struggle that the needs of 20 million Negroes are not truly separable from those of nearly 200 million whites and Negroes in America, all of whom will benefit from a color blind land of plenty.

For nearly a decade, Martin Luther King fought to satisfy the most basic needs of our citizens. It is fitting that as Americans we take this opportunity to honor this great man.

In 1965, Martin Luther King led 8,000 people from Selma to Montgomery in protest of the plight of thousands of disenfranchised blacks. That march resulted in passage of the 1965 Voting Rights, which initiated in the Committee on the Judiciary. In many ways, the Montgomery march epitomized Dr. King's approach to the racial problems which plagued our society. Martin Luther King knew that the right to vote is the common denominator of citizens in a democratic society. He knew that when that right is abridged for any group of people based solely on the color of their skin, the foundations of our society are threatened.

We are indebted to Martin Luther King not as black people or poor people or oppressed people, but as a nation.

He fought to free black people from the ravages of racism and he liberated all of us. At a time when our national commitment to civil rights is in dire need of reaffirmation, it is proper that we commemorate the birthday of Martin Luther King.

PANAMA CANAL: IMPORTANT REPORT ON CURRENT INVESTIGATIONS BY HOUSE SUBCOMMITTEE ON THE PANAMA CANAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, over a period of years I have addressed the Congress many times on the complicated interoceanic canal question with the purpose of clarifying its crucial issues and bringing about policies derived from reasoned lines of thought. Some of my more significant addresses were published in a volume of Isthmian Canal Policy Questions—House Document No. 474, 89th Congress. The addresses quoted therein and in subsequent issues of the CONGRESSIONAL RECORD by Senator STROM THURMOND and myself cover the more critical angles in the subject.

Following the submission on December 1, 1970, of the voluminous report of the sea level canal study group under Public Law 88–609 that took some $22.2 million to prepare, the subcommittee on the Panama Canal of the House Committee on Merchant Marine and Fisheries, under the chairmanship of my able colleague from New York (Mr. MURPHY), on November 29, 1971, started upon a comprehensive inquiry into this vital matter that is still in progress.

The first volumes of the subcommittee's hearings between November 29, 1971, and August 10, 1972, on "Panama Canal Treaty Negotiations" were published as Serials No. 92–30 and 92–30A, and given wide circulation. The first report of the activities of the Subcommittee on the Panama Canal summarizing the results of the indicated inquiry was published on January 2, 1973, in House Report No. 1629, 92d Congress, in what is the first comprehensive congressional report on Isthmian canal policy since early in this century.

Because of its importance I wish to emphasize that the indicated report—

First. Stresses that article IV, section 3, clause 2 of the U.S. Constitution vests the power to dispose of territory and other property of the United States in the Congress, which includes the House of Representatives as well as the Senate.

Second. Shows how this provision had been ignored by our officials engaged in diplomatic negotiations with Panama.

Third. Describes the ecological hazards involved in the construction of a salt water channel between the oceans.

Fourth. Exposes the narcotic problem on the Isthmus and the position of the State Department in relation thereto.

Fifth. Supplies detailed information on the Panamanian seizure of the U.S.-owned Panama Light & Power Co. and the hijacking at gun point in the Canal Zone by Panamanians of U.S.-owned buses.

The subcommittee's report is well organized, with section headings convenient for review. In this connection, Mr. Speaker, I would emphasize that many of the minor matters that have filled thousands of pages of contentious propaganda are not proper subjects for a treaty, but mere administrative adjustments between Canal Zone authorities who understand the problem at first hand and Panamanian authorities. Officials in Washington who have never served on the Isthmus and have nothing but superficial knowledge of the problems of the canal have no business dealing with matters of such magnitude. The persons who should control are the Governor of the Canal Zone and his experienced advisers who speak with the authority gained through responsibility for the maintenance, operation, sanitation, and protection of the greatest waterway in the world.

Mr. Speaker, it is indeed gratifying to note that the subcommittee emphasized the major canal issues as follows:

First. Retention by the United States of its undiluted sovereign rights, power, and authority over the canal's indispensable protective frame of the zone territory; and

Second. Major modernization of the existing Panama Canal within the Canal Zone, which does not require a new treaty with Panama.

The subcommittee's summary of major issues correctly emphasizes that all other canal questions, however important, including the much discussed "sea level" canal proposal, are "irrelevant" and should not be allowed to confuse the proper solution of the canal question. As has been stated by informed Members of Congress on many previous occasions, such solution consists merely of the increase of capacity and operational improvement of the existing canal under the time-tested and strongly supported Terminal Lake-third locks proposal for which legislation is now pending and on which hearings will soon be held. Moreover, this plan preserves the fresh water barrier of Gatun Lake between the Atlantic and Pacific oceans, thus protecting both from ecological dangers, and would revitalize the Isthmus.

Another important feature of the subcommittee's report is the inclusion of appendixes listing the various U.S. economic and military assistance benefits received by Panama since 1946. This totals $496,400,000 which amounts to over $300 for every person in that country. In addition to those direct benefits, Panama has been, and still is, a major beneficiary of the canal with an income from Canal Zone sources in fiscal year 1971 of $168,092,000 which will increase in the future.

Because of the Panama Canal the Republic of Panama has a special relationship with the United States in which it is not a partner in the canal enterprise but a principal beneficiary and our country the bearer of responsibility. A reading of the cited report will show that the time has come to terminate the present negotiations for the simple reason that there is nothing to negotiate.

As the mass news media did not feature this report as it should have been featured, I quote it as parts of my remarks and urge its careful reading by all concerned with the canal subject:

REPORT ON ACTIVITIES DURING THE 92D CONGRESS OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

(Mr. Garmatz, from the Committee on Merchant Marine and Fisheries, submitted the following report.)

Your Committee on Merchant Marine and Fisheries reports herewith on its activities during the 92d Congress on the application, administration and execution of laws or parts of laws by agencies subject to its jurisdiction, all as provided by section 136 of the Legislative Reorganization Act of 1946 (2 U.S.C. 190d), as amended by section 118 of the Legislative Reorganization Act of 1970 (Public Law 91–510); (84 Stat. 1156), and as further amended by Public Law 92–136 (85 Stat. 376).

The Merchant Marine and Fisheries Committee exercises jurisdiction, in whole or in part, over the activities of the following Federal agencies:

1. The Maritime Administration of the Department of Commerce.
2. The Federal Maritime Commission.
3. The United States Coast Guard of the Department of Transportation.
4. The Panama Canal Company and the Panama Canal.
5. The Council on Environmental Quality.
6. The National Oceanic and Atmospheric Administration.
7. The Bureau of Sports Fisheries and Wildlife of the Department of the Interior.
8. Maritime Education and Training.

* * * * *

THE PANAMA CANAL AND THE PANAMA CANAL COMPANY

Résumé of subcommittee hearings

Starting on 29 November 1971, the Subcommittee started upon a series of hearings in Washington on the Isthmus and on various aspects of the Canal equation as recorded in the printed volume entitled *"Panama Canal Treaty Negotiations."*

The principal results of those hearings were as follows: they;

(*a*) stressed the provision in the U.S. Constitution (Art. IV Sect. 3, Clause 2) that vests the power to dispose of territory and other property of the United States in the Congress, which includes the House of Representatives as well as the Senate.

(*b*) showed these provisions were being ignored by our negotiators.

(*c*) outlined some of the practices and policies of the United States that were adding to the friction between the two countries.

(*d*) revealed the ecological dangers involved in the construction of a salt water channel between the oceans.

(*e*) exposed the narcotic problem of the Isthmus and those involved in it.

(*f*) revealed the true motives of the Panamanian government with the seizure of Fuerza y Luz (the U.S.-owned Panamanian Power and Light Company) by force of arms and the more recent hijacking of U.S.-owned buses by armed Panamanians.

The purpose of the Subcommittee hearings beginning in November of 1971, was to expose to the public and the Congress enough information to dispel some of the fear that had been engendered by extremists on both sides. For example, we found a lack of communication between the U.S. negotiators, the State Department and the Congress had led to apprehension on the part of many members of Congress over the future of our $5 billion investment in the Canal. The hearings served to assure Congress and concerned American citizens that the United States intended to maintain the operation of the Canal and a defense posture commensurate with that mission.

The Panamanians took an increasingly "hard line" as the talks—and hearings—progressed and to add to the stress, on July 1, 1972, took Fuerza y Luz, the American-owned Panama Power and Light Company, by force of arms with an announced intention to "buy" the $87 million facility from its American owners, Boise-Cascade. This was followed in November by the hijacking of 17 Canal Zone buses, several at pistol point, into the Republic of Panama. The State Department worked frantically to resolve this action and was able to retrieve the buses—but apparently at the cost of another Panamanian takeover of an American business enterprise.

The treaty talks as of this report appear to be stalemated, with the Panamanians hopeful of wringing more concessions out of the United States by convening a meeting of the U.N. Security Council in March of 1973 *in Panama*. (That is the month when it will be the Panama delegates turn to be president of the Council.) It is expected that the Panamanians will use this meeting as a vehicle to publicize their complaints—and demands—against the "colossus of the North" in the hope that world opinion will force the United States to submit to the somewhat extravagant demands of the Junta Government. Aquilino Boyd, the Panamanian delegate to the U.N. in referring to Panamanian aspiration in this regard has said that the presence of the Security Council in Panama "would help public opinion to appreciate the inequities Panama has endured."

The question of House jurisdiction

In brief, based on our interpretation of the law, there is no question or equivocation—the authority of the U.S. House of Representatives is required before real and other property paid for from appropriated funds is given up or conveyed by treaty as the Executive Branch seeks to do in the proposed treaty with Panama.

The proposed sea level canal

An international ecology dispute has erupted because of the negotiations for a sea-level canal. For example, Professor of Zoology John Biggs at South Florida University states that the sea-level canal would permit widespread migration of marine animals in either direction, and he predicted that a sea-level canal would induce invasion of the eastern Pacific by more than 6,000 species and, of the Western Atlantic by more than 4,000 types. Further, he predicted that large scale extinction of marine life would take place.

Because this will have a bearing on our future thinking on a sea-level canal, discussions of this proposal were held in Panama with Dr. Ira Rubinoff, Assistant Director for Marine Biology, Smithsonian Tropical Research Institute, and Dr. Martin Moynihan, Director of the Institute. Witnesses who testified on the subject before the Committee included Dr. William A. Dunson, associate professor of biology at Penn State University, Dr. Jon Weber, associate professor of marine geology and geochemistry at Penn State and Dr. Meredith L. Jones of the Smithsonian Institution in Washington, D.C. These scientists were critical of the Interoceanic Canal Studies which neglected the question of the development of a biotic barrier in any proposed sea level canal which would prevent the movement of marine life from one ocean to the other.

The potential biological disaster that a sea level canal might bring about was highlighted in the testimony of Dr. Dunson who is an expert on the venomous sea snake (*Pelamis*). Dr. Dunson claimed that a sea level canal could cause the colonization of the Atlantic by these sea snakes from the beaches of the North Carolina-Virginia area to southern Brazil. In referring to the infestation of the

Atlantic by *Pelamis* (whose venom is deadlier than the Cobra) Dr. Dunson testified:

"The Caribbean area would stand to lose the most from the psychological effect of potentially deadly sea snakes on the tourist trade. The possible ecological effect of this snake can only be guessed at. There is always the possibility that if the snakes become numerous they may alter the population balance of a food fish which might be a commercially important species."

However, Dr. Dunson pointed out that the ecology of the two oceans could be upset by any of the ten thousand species of marine animals which might pass through a barrier free sea level canal when he testified that it is likely that:

"Such an ecological catastrophe due to the proposed canal will come from an unexpected source. Too little is known about parasites and diseases, for example, of the organisms of the Atlantic and Pacific to predict the effects of mixing. In summary it is fair to say that all scientific evidence points to successful movement and colonization of the Atlantic Ocean by the Pacific sea snake *Pelamis* if the proposed sea level canal is built *without barriers*. The canal is an unacceptable risk unless it could be demonstrated that an effective system of barriers to prevent inter-ocean movement of virtually all organisms is available."

Dr. Dunson concluded that the construction of a sea level canal "would be a disaster."

Dr. Weber discussed the possibilities of the migration of the reef-coral devouring "Crown-of-thorns" starfish into the Caribbean through a sea level canal. At worst, Dr. Weber testified:

"If *Acanthaster* were introduced to the Caribbean and permitted to multiply to the infestation levels observed on Guam and on parts of the Great Barrier Reef, the destruction of reef corals in the Caribbean could be severe and this might have very serious consequences."

While the scientists cautioned that their predictions were based on scientific opinion the important consideration is that precise knowledge on these issues is not now known. This lack of knowledge did not prevent the National Academy of Science Committee which examined the ecological implications of a sea level canal from warning that "great danger" could result and that if the canal had to be built, elaborate precautions would be necessary to prevent migration by marine animals.

In view of the evidence presented at the hearings and on-site inspections, the Subcommittee is convinced of the need for a biotic barrier in the event a sea level canal is ever built and will at the appropriate time propose the auguration of a feasibility study for such a barrier. Further, the Subcommittee will encourage the development of scientific knowledge relative to the incursion of sea life from one ocean to another and the acquiring of solid information on the range of effects of such incursions.

The seizure of the Panama Power & Light Co. and "hijacking" of Canal Zone buses

Hearings were called by the Subcommittee on July 24 and August 10, 1972, on the military seizure on June 1, 1972, of the Panama Power and Light Company, called *Fuerza y Luz* (FYL), owned by the Boise-Cascade Corporation of Boise, Idaho.

Members of this Subcommittee found it difficult to accept what in effect was a military operation against a legitimate American business enterprise. The takeover of the company was carried out by troops of the Panamanian National Guard who were posted throughout the building and who searched persons entering and leaving the premises. The takeover was directed by Colonel Manuel Noriega, the Intelligence Chief of the National Guard and Dario Arosemena, the Director of the National Department of Investigations (DENI).

During the year, negotiations between the Junta Government and *Fuerza y Luz* had been proceeding on some long standing problems that had been underway for several years. On May 31, 1972, without warning the Junta Government issued Executive Decree No. 109, which ordered the temporary occupation of the facility. Decree 109 charged that the Company had failed to pay its fuel bills, which in turn threatened a blackout of Panama's major cities of Colon and Panama City; discontinued its investment program which had stopped the normal development of the country and endangered the national economy; and that *Fuerza y Luz* had "only in mind their interest and economic gains against the Revolutionary Government, thus forgetting the general welfare."

Testimony taken during Executive session hearings on August 10, 1972, showed that the allegations made by the Junta Government in Decree 109 were *categorically not true*.

This major step in the escalation of demands on the hostile actions against the United States by the Panamanians was just one example of the attitude of the Provincial Junta Government of Panama toward this country that has given two hundred million dollars in aid and assistance since it came into power.

While the Panamanian Government's major excuse for the seizure of *Fuerza y Luz* was that the Company had failed to pay its fuel bills. In reality, the Company's dire cash position was brought about in great measure by the failure of that very same Junta Government to pay approximately $2½ million in back bills for electric and telephone service.

Despite the intimidation of a military takeover, representatives of the Company upheld its position during 30 days of negotiations in June and offered what it considered reasonable offers to the demands of the Panamanians. They also indicated to the Panamanians that they were very much interested in remaining in business in Panama. It did not take Boise-Cascade negotiators long to realize that the military regime in Panama started on that particular adventure with expropriation in mind even though they claimed otherwise. (The manager of the Panama Federal Power Commission had publicly stated that the more militant in the Junta Government were in favor of immediate expropriation rather than the 90 day drama that was acted out.)

And at the end of a series of fruitless talks in June, the military junta delivered an ultimatum to Boise-Cascade to "sell" its assets and installations to the Panamanian Government in 60 days.

If it failed to accept the Panamanian offer, the National Guard was ordered to expropriate the Company on September 1, 1972.

The hopelessness of Boise-Cascade's position was found in a memo dated July 7, 1972 which reads:

"Boise-Cascade Corporation finds itself in a very difficult position in that (1) the Government, not Boise, is in possession of the Company and the properties which the Government wishes to acquire, and (2) the success of any negotiations that could take place during the next 60 days will necessarily depend upon the willingness of the Government to truly negotiate, there being no pressure on the Government to come to mutually reasonable terms during that period."

The wisdom of that memo is found in the fact that Boise-Cascade was forced to "sell" *Fuerza y Luz* with a book value of 87 million dollars to the Panamanians for 22 million dollars.

Such treatment of United States interests hardy instills faith in the good intentions of a government with whom we are expected to sign a new treaty to operate one of the most important world waterways for international commerce and which is of utmost importance to the Southern Defense of the United States of America.

Subcommittee inquiries prior to the July-August hearings on the Boise-Cascade seizure indicated that there was ample evidence that the State Department allowed violations of the spirit and intent of President Nixon's policy on expropriations outlined in a statement of January 19, 1972.

There was also evidence that the State Department permitted violations of the laws of the United States by not exercising its responsibilities in this case.

For example, the President said that under certain expropriatory circumstances he will presume that the United States Government will withhold its support from loans under consideration in multilateral development banks. He also proclaimed that the Department of State would follow expropriation cases to determine whether the rights of Americans are being observed under international law and indeed, under the laws of the United States of America.

The Congress expressed its position in these matters in a law passed in March of 1972, which concerned itself with loans approved by the Inter-American Development Bank. This law stipulates that the United States would deny loans to any country which had expropriated *or seized ownership or control* of property owned by any U.S. citizen or corporation. Yet, on July 5, 1972, thirty-five days after the Panamanian military seized and occupied Boise-Cascade properties, the Inter-American Development Bank approved a $6.9 million loan to the Republic of Panama. That same law further states that loans will be denied to any country which has taken steps to repudiate or nullify existing contracts or agreements with any U.S. corporation. The Provisional Junta Government of Panama, by refusing to pay at latest count $2.5 million to FYL for services supplied that very government, according to the authors of this law, repudiated or nullified their contract with that company making them ineligible for American supported financial loans.

The Chairman of the Subcommittee stated at the beginning of the Boise-Cascade hearings that we were attempting to find out if this particular American firm was being given the full protection and support of the American Government as outlined by President Nixon in his White House statement of January, 1972, dealing with the policy of the United States in situations involving expropriatory acts. In his opening remarks the Chairman predicted:

"If Boise-Cascade is not receiving the full support of the American Government and its rights under international law are not being observed, this may be only the beginning of a series of seizures by the Provisional Junta Government of Panama which could ultimately deteriorate United States control and operation of the Panama Canal."

One month after the final takeover of the Panama Power and Light Company, the Panamanians seized the Canal Zone Bus Service, Inc.

State and Treasury Department witnesses testified that there was "full consideration" given to withholding the $6.9 million loan but the decision was made to grant it because in the judgment of the government the Panamanians were negotiating the Boise-Cascade takeover "in good faith". This judgment was made despite the overwhelming evidence that there was never a doubt over the true intentions of the Panamanians. They concocted a series of phony charges against the company, Fuerza y Luz then took it by force and Boise-Cascade was forced to accept one quarter of its book value of $87 million dollars in "compensation".

The State and Treasury Departments made much of the fact that Boise-Cascade was consulted in their decision-making process on the loan and that the company concurred that the Panamanians were negotiating "in good faith". The truth of the matter is that Boise-Cascade officials were fearful that if the $6.9 million loan were withheld by our government, the Panamanians would retaliate by expropriating the company outright and there would be no payment at all for the facility.

This Subcommittee feels it is time this country begins to receive from the Panamanian government the same kind of consideration we have shown the people of Panama. We will, therefore, take a hard look at loans that are now in process and at AID monies that are earmarked for the Republic of Panama with a view toward severely limiting the generous attitude we have taken toward a military junta whose leaders daily announce in a controlled press their hatred and contempt for the United States presence in their country.

In the judgment of this Subcommittee, while the Panamanian Government plays fast and loose with our country, its citizens and corporations, the State Department's position has been one of timidity, vascillation, and indecision. The Panamanian Junta is apparently pushing the United States to the wall to see how far they can go. And the Department of State appears to be perfectly willing to let the United States be pushed in a variety of areas in order to appease the Panamanians.

Seizure of Canal Zone bus company property

As the Chairman of the Subcommittee, Mr. Murphy, indicated at the end of the Boise-Cascade hearings, if the Panamanians succeeded in the takeover of that American company, we might well ask, "What is next?". The Chairman, from evidence coming to the Subcommittee, indicated that other major Americans firms were marked for similar action. And, indeed, before the final takeover of Boise-Cascade had even been consummated, a government-inspired takeover of the Canal Zone Bus Company was initiated.

The Panamanian Government has consistently protested the operation of the Canal Zone Bus Service, Inc., as a violation of the 1936 Panama-United States treaty concerning the operation of private businesses within the Canal Zone. The Panamanians argued that the bus company was in no way related to the operation of the Canal and was, therefore, illegal. The position of the Canal Zone Company has been that inasmuch as the Bus Service is used to transport the employees of the Canal to and from work, the operation of the bus company has a direct bearing on the efficient and continued operation of the Canal.

Having failed in its efforts to convince the American Government that its position was justified, the Junta Government apparently instigated the Bus Company employees to hostile action. Early in the morning of November 20, 1972, 12 of the Company's buses were illegally removed by a group of militant drivers from the Canal Zone and driven to Panama City, whereupon the Guardia Nacionale took the vehicles into "protective custody". On the night of the 20th, two additional buses were highjacked by two armed passengers who allegedly held pistols to the heads of the drivers and forced them to drive into Panama City. Subsequently, two additional buses were taken into the Republic by their drivers and a company-owned station wagon was taken on the night of November 24th. A final bus was driven into Panama City on November 25, which brought the total number of vehicles to 17 buses and the station wagon. The United States State Department indicated it viewed this action with "serious concern".

An inquiry was begun into this extreme act of provocation against a private American-owned firm. (The Canal Zone Bus Company, Inc., is incorporated in Delaware, owned by American citizens residing in Panama, whose employees are all Panamanian nationals.)

After a week of negotiations, during which time it was determined that the incident that sparked the highjacking involved a union organizer allegedly caught stealing gasoline by the company and dismissed, a group of dissident drivers demanded that this official be reinstated. In addition, these dissidents seized on the opportunity to demand social security and other benefits available to Panamanian bus drivers who work in the Republic of Panama. The United States owners who pay their drivers the U.S. minimum wage which is triple that paid to their Republic of Panama counterparts, are, of course, not under any obligation to adhere to Panamanian rules governing their employees.

It is important to note that the great bulk of the company's drivers disassociated themselves from the actions of the militants.

As a result of the State Department's intervention, the bus company will be sold to a Panamanian bus cooperative, Corporacion de Transporte S.A. (CUTSA). The State Department reports the drivers who highjacked the buses were dismissed, but they each received $200 in severance pay from the American Company.

The Guardia Nacionale returned all of the buses and the station wagon to the Canal Zone Bus Service, Inc., on November 30th.

One hundred and five of the Canal Zone Bus Service drivers petitioned Canal Zone Governor David S. Parker to keep the bus company in the Zone under American auspices. The drivers issued a joint statement to the press indicating their desires in this incident, i.e., that the Company not be sold and that it remain under control of the Canal Zone Government. They were immediately subjected to attack and vilification in the Junta Government-controlled press. The Panamanian Government charged that the statement issued by the bus drivers, which was favorable to the United States, was extracted from them in the administrative offices of the Canal Zone Company "who had a revolver pointed at their stomachs." The charge is, of course, ridiculous. However, it is an indication of the vehemence with which the military regime of Panama views any effort by the people of Panama to maintain normal relations with the people and Government of the United States of America.

CONCLUSION

The Boise-Cascade and the Canal Zone bus episodes are symbols of the loss of American rights on the Isthmus of Panama, and the Members of this Subcommittee are convinced it is time we take a stand to prevent the continued piecemeal erosion of our position there.

The United States has been largely responsible for funnelling over one-half billion dollars in economic and military assistance into the Republic of Panama since 1946. Over $200 million of this aid has gone to the current Junta Government during just the past four years.

This means that of the recent Panamanian Governments the one that appears to be most dedicated to the goal of limitless extortion of the United States and U.S. citizens has received two-fifths of all the economic and military aid during the past 26 years in less than one-sixth of that time span. (The yearly aid figures are contained in a General Accounting Office report prepared for Chairman Murphy of the Panama Canal Subcommittee and is included at the end of this report as Appendix A.)

Additional loans and other economic aid in the tens of millions are presently in the works to help Panama with its internal problems. This is in spite of the fact there is strong evidence that Administration agencies allowed violations of Public Law 92-246 and Public Law 92-247. These laws explicitly forbid economic assistance and loans to countries that:

(A) Expropriate or seize U.S. property or repudiate or nullify existing contracts with U.S. citizens or corporations such as the Boise-Cascade case, and, countries.

(B) That have failed to take adequate steps to prevent narcotic drugs from being transported through such countries for sale in the United States.

In view of the overwhelming evidence that the Panamanian Government has not only failed to stop the transshipment of drugs but is, in part, part of the conspiracy to do just the opposite, this Subcommittee intends early in the 93rd Congress to examine all current aid and loan programs to Panama to determine if the laws of the United States have been violated and the will of Congress thwarted. If this is found to be true, the Subcommittee will consider recommending to the Congress the reduction or termination of all aid programs to Panama as well as other sanctions. The continued operation and control of the Panama Canal by the United States may well depend on such actions.

MAJOR CANAL ISSUES SUMMARIZED

The inquiry is far from over. The remaining key issues to be resolved are:

(*a*) Retention by the United States of its undiluted sovereign rights, power and authority over the Canal Zone, which is the absolutely necessary protective frame of the Canal; and

(*b*) major modernization of the existing Canal within the present Canal Zone which means that we do not necessarily need a new treaty with Panama.

All other large Canal questions, however important, including the much discussed "sea level" proposal, are irrelevant and should not be allowed to confuse that of the Canal's major needs, i.e., its increase in capacity and operational improvements.

In forthcoming hearings the question of type of canal will be examined.

APPENDIX A: ECONOMIC AND MILITARY ASSISTANCE TO THE REPUBLIC OF PANAMA; SCHEDULE A

REPUBLIC OF PANAMA, TOTAL DIRECT AND INDIRECT U.S. ECONOMIC AND MILITARY ASSISTANCE, GROSS OBLIGATIONS, AND LOAN AUTHORIZATIONS, FISCAL YEAR 1946-72

	Millions of dollars
Total Direct (see schedule C)	$345.9
Total Indirect (see schedule E)	57.7
Grand total	403.6

REPUBLIC OF PANAMA

SCHEDULE B.—TOTAL ECONOMIC AND MILITARY ASSISTANCE, GROSS OBLIGATIONS AND LOAN AUTHORIZATIONS

[U.S. fiscal year, millions of dollars]

Year	U.S. direct assistance	International agencies assistance	Tota
1946-61	75.0	15.4	90.4
1962	25.5	3.4	28.9
1963	10.6	4.9	15.5
1964	25.2	.6	25.8
1965	24.4	4.0	28.4
1966	15.0	11.1	26.1
1967	37.0	10.5	47.5
1968	21.0	.4	21.4
1969	17.7	1.5	19.2
1970	16.8	53.0	69.8
1971	15.4	23.5	38.9
1972	62.3	22.2	84.5
Total	345.9	150.5	496.4

SCHEDULE C.—U.S. DIRECT ECONOMIC AND MILITARY ASSISTANCE, GROSS OBLIGATIONS AND LOAN AUTHORIZATIONS

[U.S. fiscal years; millions of dollars]

Assistance donor	1946–61	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	Total 1946–72
AID and predecessor agencies	28.9	12.5	8.8	9.1	11.4	12.8	35.2	19.6	16.0	11.8	11.1	22.8	200.0
Loans	14.8		6.0	7.5	9.2	11.3	28.5	15.8	13.1	8.5	7.0	19.1	140.8
Grants	14.1	12.5	2.8	1.6	2.2	1.5	6.7	3.8	2.9	3.3	4.1	3.7	59.2
Food for Peace: Title II Voluntary Relief agencies	5.7		.7	.8	.6	.5	.6	.3	.6	1.0	.6	1.2	13.0
Peace Corps			.4	.9	.9	1.1	.7	.9	.8	.7	.5		6.9
Social progress trust fund		10.4			2.5								12.9
Other	23.3			6.8	5.3							9.8	45.2
Export-Import Bank: Long term Economic loans	17.0	1.9		7.4	3.5					2.5	2.7	27.8	62.8
Military assistance	.1	.3	.7	.2	.2	.6	.5	.2	.3	.8	.5	.7	5.1
Total U.S. direct assistance	75.0	25.5	10.6	25.2	24.4	15.0	37.0	21.0	17.7	16.8	15.4	62.3	345.9

Note.—From fiscal year 1955 to present obligations are on a gross basis, that is, total new obligations entered into during the year; not adjusted for deobligations of prior year's funds. For period 1946–72; net AID obligations are $188,400,000.

SCHEDULE D.—INTERNATIONAL AGENCY ASSISTANCE, GROSS OBLIGATIONS AND LOAN AUTHORIZATIONS

[U.S. fiscal years; millions of dollars]

International agency	1946–61	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	Total 1946–71
IBRD	14.0		4.0							4.20		20.0	80.0
IFC											1.5		1.5
IDB		2.9		0.1	1.0	9.7	9.0			9.8	19.1		51.6
UN	1.4	.5	.9	.5	3.0	1.4	1.5	0.4	1.5	1.2	2.9	2.2	17.4
Total	15.4	3.4	4.9	.6	4.0	11.1	10.5	.4	1.5	53.0	23.5	22.2	150.5

SCHEDULE E.—U.S. INDIRECT ASSISTANCE, GROSS OBLIGATIONS AND LOAN AUTHORIZATIONS, FISCAL YEARS 1946–72

[Dollar amounts in millions of U.S. dollars]

International agency	Total assistance	Percent U.S. participation	Total U.S. indirect assistance
IBRD	80.0	25.9	20.7
IFC	1.5	27.0	.4
IDB	51.6	57.8	29.8
UN	17.4	39.0	6.8
Total	150.5		57.7

SCHEDULE F.—SECTOR BREAKOUT OF TOTAL GROSS BILATERAL AND MULTILATERAL ASSISTANCE, FISCAL YEARS 1946–72

	Amount (millions)	Percent
Transportation	$123.4	24.9
Electric power	55.0	11.1
Education	43.1	8.7
Industry, labor, and mining	41.2	8.3
Health and sanitation	40.9	8.2
Agriculture and natural resources	34.2	6.9
Social welfare and housing	32.0	6.4
Military and public safety	16.3	3.3
Private enterprise	13.8	2.8
Food for peace	13.0	2.6
Other [1]	83.5	16.8
Total	496.4	100.0

[1] Includes $6,900,000 for Peace Corps, $12,300,000 as other AID assistance such as feasibility studies, special development activities and technical support. The remainder is assistance which we were unable to identify by sector.

SCHEDULE G.—PLANNED U.S. ECONOMIC AND MILITARY ASSISTANCE, FISCAL YEAR 1973

	Millions of dollars
AID: [1]	
Loans	19.0
Grants	3.3
Food for Peace	1.1
Social Progress Trust Fund	-----
Export-Import Bank, long term economic loans	(2)
Military assistance	.5

[1] As of November 1972 AID was operating under a continuing funding resolution providing emergency financing for the foreign aid program permitting spending at the fiscal year 1972 rate.

[2] Unknown. Due to the nature of the Bank's operations—primarily export oriented—they cannot effectively project program levels by individual countries.

SUPPLEMENTAL APPROPRIATIONS FOR THE MOTOR VEHICLE INFORMATION AND COST SAVINGS ACT (PUBLIC LAW 92–513)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MOSS) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, I am making this statement on behalf of myself, Representative JOHN J. McFALL, of California, chairman of the Transportation Subcommittee of the House Appropriations Committee; on behalf of the majority party members of the Subcommittee on Commerce and Finance of the House Interstate and Foreign Commerce Committee, Representatives W. S. "BILL" STUCKEY, of Georgia, BOB ECKHARDT, of Texas, HENRY HELSTOSKI, of New Jersey, and JOHN BRECKINRIDGE, of Kentucky, on behalf of Representative CHARLES J. CARNEY, OF Ohio, and also on behalf of Senators WARREN G. MAGNUSON, of Washington, PHILIP A. HART, of Michigan, and FRANK E. MOSS, of Utah, of the Senate Commerce Committee.

It is now over 4 months since the enactment by Congress of the Motor Vehicle Information and Cost Savings Act—Public Law 92–513. It is 2 months since the convening of the 93d Congress and over 1 month since President Nixon sent his 1974 budget to Congress.

During this time the administration has failed to prepare and forward to Congress any request for supplemental appropriations for the purpose of funding the Motor Vehicle Information and Cost Savings Act during the balance of fiscal 1973—ending June 30, 1973. In addition, the administration's 1974 budget request for this legislation is only $15 million, in contrast to $37 million authorized by Congress for fiscal 1974. And this is the legislation that the President called a "significant victory for the American consumer" when he signed it on October 21, 1972. This retreat by the administration is a great disservice to every American who owns an automobile, who has paid an inflated repair bill or who has had his car repaired inadequately or not at all.

Mr. Speaker, the American public pays $7.9 billion a year in premiums for automobile property damage insurance. The American public pays an estimated $8 to $10 billion a year for repair work on automobiles which was never done, which was unneeded or which was improperly performed. This legislation, if properly administered and funded, could help save American motorists a significant portion of these expenditures.

Because of the inexcusable delay of the administration in seeking prompt funding for the Motor Vehicle Information and Cost Savings Act I am today introducing a supplemental appropriations bill on behalf of myself and my colleagues, Representatives McFALL, STUCKEY, ECKHARDT, HELSTOSKI, BRECKINRIDGE, and CARNEY. The supplemental appropriations bill which we are offering provides for the following funding, which is the funding authorized for fiscal 1973, in Public Law 92–513:

First. For carrying out the provisions of title I relating to the promulgation of bumper standards to reduce damage susceptibility of automobile—$5 million.

Second. For carrying out the provisions of title II relating to furnishing the public with comparable information on the damage susceptibility of differing makes and models of automobiles—$3 million.

Third. For carrying out the provisions of title III directing the establishment of diagnostic inspection demonstration projects for the purpose of testing safety, emission, and other defects in automobiles—$15 million.

These amounts are modest indeed compared with the potential benefits to motorists. They were carefully reviewed and substantially reduced by a bipartisan House-Senate conference committee in

October 1972. The administration's further reductions are totally unwarranted.

Mr. Speaker, I have discussed this important legislation with Chairman McFall of the Transportation Subcommittee of the House Appropriations Committee. He has agreed to join with us in cosponsoring this bill because of his belief in the potential benefits involved for every American consumer. Therefore, I know this bill will receive very serious consideration by the House Appropriations Committee.

I have also communicated with Senators Warren Magnuson, Philip Hart, and Frank Moss who were the leading sponsors of the Motor Vehicle Information and Cost Savings Act in the Senate. They have advised me that they join in this statement and have offered their cooperation in pressing for passage of similar legislation in the Senate.

Mr. Speaker, it is my belief that this Government exists to serve the people. This bill will test who the administration serves.

The text of the legislation is as follows:

H.R. 5064

A bill making appropriations to carry out the provisions of the Motor Vehicle Information and Cost Savings Act for the fiscal year ending June 30, 1973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby appropriated to the Secretary of Transportation for the fiscal year ending June 30, 1973, out of any money in the Treasury not otherwise appropriated—

(1) for carrying out the provisions of title I (relating to bumper standards) of the Motor Vehicle Information and Cost Savings Act (Public Law 92–513), $5,000,000;

(2) for carrying out the provisions of title II (relating to automobile consumer information study) of such Act, $3,000,000; and

(3) for carrying out the provisions of title III (relating to diagnostic inspection demonstration projects) of such Act, $15,000,000.

Amounts appropriated under the preceding sentence shall remain available until expended.

THE RECLAMATION LANDS AUTHORITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Kastenmeier) is recognized for 15 minutes.

Mr. KASTENMEIER. Mr. Speaker, nationwide attention has been focused on the increasing trend of giant corporations, aided by Federal tax loopholes and subsidies, to monopolize our land and agriculture. This trend has had disastrous results for the independent family farmer who has been disappearing from rural America at an alarming rate, and I find it particularly disturbing that the Government has failed to enforce laws which were intended to prevent the unhealthy development of the large agribusinesses.

In view of this situation, several of my colleagues, Mr. Brown of California, Mr. Danielson, Mr. Edwards of California, and Mr. Waldie, have joined with me today in introducing legislation, the Reclamation Lands Authority Act, which would carry out the congressional intent respecting the provisions of the Federal Reclamation Act of June 17, 1902.

That law provided that landholders could receive federally subsidized water for farms of 160 acres or less, or 320 acres in the case of a husband and wife, provided that they live on, or very near, their land. The objectives of the 160-acre limitation were to break up large, private landholdings in order to provide an opportunity for a maximum number of settlers on the land and to promote homebuilding; to spread the benefits of the subsidized irrigation program to the maximum number of people; and to promote the family-size farm as a desirable form of rural life.

In 1926, Congress strengthened the 1902 act by providing that a landowner who owns more than 160 acres should not receive water from any federally irrigated water resources project for use on the "excess" land over 160 acres unless he entered into a recordable contract agreeing to dispose of his "excess" land at a price not to exceed the approved appraised value of the land under preproject conditions. The intent of this legislation was to break up large landholdings and to prevent land speculation. For one reason or another, however, this law has not been fully enforced.

President Theodore Roosevelt, who signed the 1902 Reclamation Act into law and founded the Nation's conservation movement, explained to the Commonwealth Club of California at a 1911 meeting in San Francisco the meaning of the public policy provision in the law:

> No right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner.

He said:

> If we had a right to dispose of the land, not absolute but on condition that certain requirements are complied with, doing that in the interest of the democracy as a whole, we have a right to dispose of the land with a proviso as to the use of the water running over it, designed to secure that use for the people as a whole and to prevent it from ever being absorbed by a small monopoly.

But administration of Theodore Roosevelt's "excess" land law has fallen far short of original conservationist hopes. This has been testified to before congressional committees, declared on the floor of Congress, written into statistical Government reports and conceded by former Secretary of the Interior Stewart Udall who, in 1964, stated that administrators had "on occasion" exhibited a "degree of concern for the excess landowner—difficult to reconcile with the policies embraced by the excess land law." Hundreds of thousands, yes, millions, of acres receive subsidized water above the legal limit.

According to a November 30, 1972, General Accounting Office review of the Central Valley project in California, the largest Bureau of Reclamation project, the 160-acre reclamation law limitation has not resulted in preventing large landowners and farm operators from benefiting under subsidized irrigation programs and has not prevented landowners and farm operators from retaining or acquiring large landholdings.

The extent of the Federal water subsidy appears to range from $600 to $2,000 per acre, which remains unrepaid to the public treasury. The doorway of the treasury opens wider and wider. Congress has appropriated or authorized spending of $11 billion on reclamation projects. Meanwhile the doorway of public policy limitations shrinks narrower and narrower. Is it any wonder why giant corporations and large landowners holding many thousands of acres want the 160-acre limitation removed? In a 1945 letter to the San Francisco News explaining why the giant landowners wanted the 160-acre limitation cast aside, Harold L. Ickes, then Secretary of the Interior, bluntly wrote:

> It is the age-old battle over who is to cash in on the unearned increment in land values created by a public investment . . . Their principal objective is to avoid application . . . of the long-established reclamation policy of the Congress which provides for the distribution of the benefits of great irrigation projects among the many and which prevents speculation in lands by the few.

The principal legal loophole that permits this evasion of public policy is the absence of a provision that the Government itself shall purchase "excess" lands. The 1926 statute requires sale of "excess" lands by their owners at a preproject price, but provides no ready purchaser.

The purpose of the Reclamation Lands Authority Act, then, is to modernize reclamation law so as to fulfill the unrealized potentials of the historic 1902 act that marked the dawn of the national conservation movement. Specifically the proposals of this bill are threefold:

One, to enact a long overdue, and long recommended, method for enforcing the public interest provisions of reclamation law effectively;

Two, to finance public education by grants of revenues created from public water development, just as grants of 94 million acres of public lands financed public education at an earlier point in our history; and

Three, to enable the public itself, through a newly established authority, to plan the environment that public water development creates.

The Reclamation Lands Authority Act formally proposes Government purchase of "excess" lands to make public policy truly effective. It would authorize the Government to buy "excess" land at a preproject market price which the owner already is bound by law to sell. The Authority then would lease or sell this land at a postproject market price. The public treasury itself would be able to reap from public investment the windfall profits that the lax enforcement of the "excess" land law now gives only to the few. The concept that the Government should purchase "excess" lands is well established. In 1924, the historic Fact Finders Commission, reviewing the operation of the reclamation program, reported the recommendation:

> No reclamation project should hereafter be authorized until all privately owned land in excess of a single farmstead unit for each owner shall have been acquired by the United States or by contract placed under control of the Bureau of Reclamation.

The profits that the Government would receive from the sale or lease of the "excess" lands would be deposited in an "education, conservation, and economic opportunity fund," which would be used to serve public purposes. The Reclamation Lands Authority Act proposes that 70 percent of these revenues be earmarked as grants to public education, following the Thomas Jefferson-Abraham Lincoln tradition of financing education with land grants, and for such purposes as Congress may authorize. It transfers 10 percent of the net revenues to the Land and Water Conservation Fund. The remaining 20 percent of the fund shall be made available upon specific appropriation by Congress for the development of public facilities servicing project areas, for advancing economic opportunities of veterans and persons living in substandard conditions, for the development of healthful environments and communities needing open spaces and for such other environmental and ecological benefits as Congress may authorize.

Furthermore, this legislation creates a Reclamation Lands Authority to administer this program. The Authority will be established as an independent agency under a board of three members, appointed by the President with consent of the Senate and responsible to the President.

Mr. Speaker, although physically, the reclamation program takes place in western States, the waters that it uses and the money that finances the projects both belong to the Nation. The people of Wisconsin as well as citizens from other States not benefiting from the Federal reclamation program, nonetheless, are paying taxes and have paid taxes to build dams, reservoirs, conduits, and irrigation systems in the West. They have paid these taxes against their own economic interests because they believed it was in the national interest. I believe the American people will agree with me that, if Federal money is used to irrigate lands for farming, the beneficiaries of this Government policy should be family sized farmers and not owners of immense agricultural kingdoms.

The tax money we contribute for reclamation projects should be used to foster and maintain an agrarian democracy and not huge agrarian estates. The Reclamation Lands Authority Act reaffirms the historic purpose of the Reclamation Act, especially as it applies to the development and use of "excess" lands, and provides modern means to make that intent and purpose operative in the national interest and the direct benefit of its citizens. The purpose of the Reclamation Act, as stated by the U.S. Supreme Court in 1958, is to distribute the benefits from reclamation "in accordance with the greatest good to the greatest number of individuals," and to prevent "use of the Federal reclamation service for speculative purposes."

The reclamation program of the 1970's can adopt the same human spirit that pervaded in the 1860's. This can be done, but it will not be done unless the public insists that the circumvention of the 160-acre limitation be brought to an end, and the attacks upon it cease. The public must insist that Congress provide for purchase of "excess" lands receiving publicly subsidized water, and that the use of these lands be turned away from private speculation and monopoly toward the truly public purposes of education, conservation, and economic opportunity.

FORTY-TWO YEARS AS BUFFALO'S AM—MC FOR CLINT BUEHLMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. DULSKI) is recognized for 15 minutes.

Mr. DULSKI. Mr. Speaker, this morning marked the beginning of Clint Buehlman's 42d year as Buffalo's "AM—MC—CB."

Since March 1, 1932, Clint has been a weekday "waker-upper" feature on Buffalo radio—the last 30 years on WBEN. Over the entire period, he has worked the hours 6 to 9 a.m., extending the segment to 10 a.m. 5 years ago.

In Buffalo and all of western New York, Clint Buehlman has become an institution, doling out friendly philosophy and tidbits interspersed with the oft-repeated and vital morning informational ingredients: time and weather.

Clint's multitude of friends and listeners do not ask the temperature; instead, it is "What does Arthur say?"—meaning, of course, Arthur Mometer—our thermometer.

Being in the right place at the right time is what Clint credits for the job that became a lifetime career. Clint Buehlman was just out of high school at the beginning of the great depression and an expected job with his dad's employer fell through in the general belt-tightening. He had always liked radio and had performed often for free.

CLINT SKEPTICAL AT FIRST

In March 1931, he was hired by the Buffalo Broadcasting Corp., which then had three Buffalo radio stations, and wound up on an evening prime-time trick.

A year later, March 1932, he condescended to try the 6 to 9 a.m. stint which a station salesman was sure he could sell on the "waker-upper" approach. He promised Clint a share and Clint is still at it.

Clint had wanted from the outset to be on WBEN but he missed by a few weeks and the brandnew station was full staff when he applied. He jumped at the chance to move over to WBEN in March 1943, when the Army called the morning man, Jack Paar, who later made his own name in another broadcast medium, the Tonight show on television.

To Clint, his job is a "morning man"—he dislikes the term disc jockey—and the name of the game is "Service First," because he knows he is talking to people on-the-run.

In this respect, Clint Buehlman is the man who keeps tabs on Buffalo's extra-wintry weather, for example. He has a special telephone number and code for principals and superintendents to notify him promptly when there will be no school that day. His word is it. The same goes for major industrial plants. What is more, he keeps the Niagara Frontier informed on road conditions and other emergencies.

For 41 years, Clint has been arising daily at 4:30 a.m.—he still hates it—for his 6 o'clock date to begin helping western New Yorkers get to their jobs, schools, or whatever on time.

March is a busy anniversary month for Clint. His 42d anniversary in radio today, also his 41st anniversary as a morning man, and his 30th anniversary with WBEN. His birthday is March 8 and he usually takes his vacation in March. On March 15, hundreds of his friends are going to gather for a big anniversary party to mark his 30 years at WBEN.

Clint heard from a lot of his friends during his program this morning and I want to join from the Nation's Capital in a fond salute to Buffalo's beloved "AM—MC—CB."

COSPONSORS OF H.R. 4779, THE METRIC CONVERSION ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, when I introduced my bill, the Metric Conversion Act of 1973, H.R. 4779 on Tuesday, February 27, the name of Representative BENJAMIN A. GILMAN of New York was inadvertantly included as a cosponsor. This was the result of an error I deeply regret. Mr. GILMAN should not be considered a cosponsor of H.R. 4779.

HEARINGS ANNOUNCED FOR HOUSE RESOLUTION 220

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 10 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that Subcommittee No. 1 of the Committee on the Judiciary will hold a public hearing on March 13, 1973, to consider House Resolution 220, a resolution of inquiry, and similar resolutions.

Inasmuch as this resolution is out of the ordinary, I include the text thereof:

> *Resolved,* That the Attorney General be, and he is hereby directed to furnish the House of Representatives within ten days after the adoption of this resolution, with the following information:
>
> 1. The basis of the venue in the Northern District of Texas of the present grand jury investigation before which Kenneth Tierney, Thomas Laffey, Matthias Reilly, Paschal Morahan, and Daniel Crawford have been summoned.
>
> 2. A listing of any other districts in which the said grand jury investigation might have been conducted, together with the basis of venue for each such district.

The hearing will be held in room 2141, Rayburn House Office Building and will begin at 10 a.m.

This resolution pertains to five Irish Americans from the New York City area who are incarcerated in Fort Worth, Tex., for civil contempt of court due to their refusal to testify before a grand jury there.

PRESIDENT NIXON'S BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, a month has passed since Mr. Nixon submitted his budget to the Congress.

The budget package consists of well over a thousand pages of text, tables and numbers and, whether deliberately or not, the massiveness of the document tends to obscure some important facts. But the President's budget, like any family budget, tells you a lot about a person's hopes, dreams and sense of priority.

Now that we have had some time to study the budget, it is appropriate to try to explain just what it will mean to the American people.

My own impression is, on the whole, that Mr. Nixon's budget is the handiwork of someone who has limited vision for his country, and inadequate faith in his countrymen.

Let me be specific:

First, the President has shown selective tough mindedness. He showed himself tough minded—even ruthless—in cutting social programs. But he lost his courage when it came to the revenue side of the budget, failing even to suggest reform of the tax code. The fact is that we can close tax loopholes and thereby gain revenue to pay for programs this country really needs.

As the New York Times said editorially in January, the President has "at best half a program"—"much cutting but little or no constructive replacement." For example, the recommendation to cut funds for community mental health centers should have been coupled with a recommendation which insures that a citizen in need of mental health care has access to that care, such as through a sensible national system of health insurance.

Second, Mr. Nixon's budget is, in many ways, an appeal to selfishness. The budget does not appeal to the better instincts of our citizens. It is a reminder of the contemptuous slogan: "I fight poverty, I work." It lacks compassion for the sick, the handicapped, the poor. It lacks foresight. Critical of what he called throwing money at problems during the Kennedy-Johnson era, Mr. Nixon proposes to throw to States and localities an additional $6.9 billion along with the current $30 billion in revenue sharing—and to allow this nearly $37 billion to be spent without meaningful spending guidelines.

His talk of returning revenues to family budgets and local communities may make for short-term political popularity, but it is misleading and shows a remarkable callousness about our national problems.

No one wants a clumsy and inefficient Federal Government, but many national problems are just that—national in scope. Just as it took a national effort to put a man in space and on the moon, so it takes such an effort to forge lasting answers to poverty amid affluence; to urban deterioration; to skyrocketing costs of health and medical care; to consumer needs; and so forth.

Third, the budget is an example of social irresponsibility. Neither the President nor his budget have put forward a plan for American domestic needs. And new needs and problems will be generated by the budget iself. What is to become of the beneficiaries of current programs? The hard-core unemployed father will be deprived of emergency employment assistance; the voice of the poor in community action programs will be silenced; the working mother will be denied day care, and faced with the choice of quitting a needed job or locking her children up, unsupervised, at home.

Congress must, and will, do what the administration says it did, but very likely did not do in preparing this budget. We will scrutinize every spending program to determine its worth relative to other programs, and whether in itself it is sufficiently desirable to warrant tax expenditure. Congress will find opportunities to cut spending which the President overlooked, opportunities for tax reform which the President entirely ignored, and opportunities to restore necessary programs cut down by a wild swing of the Presidential meat axe.

Now, let us look at Mr. Nixon's priorities.

The President has resurrected the discredited notion of benign neglect and made it the motto of his domestic policy.

How does he lead this country toward the "more perfect Union" envisioned by the Constitution with a budget which provides:

No higher education program worthy of the name;

No housing program;

No long-range agricultural program;

No program for welfare reform;

No program for health and medical insurance;

No effective manpower program;

No environmental program;

No meaningful civil rights program; and

No indication of any hard thinking about how America can meet her domestic challenges.

Where is the economy in this cost-cutting budget? It has a $12 billion deficit built in. The increase in the defense budget—some $4 billion—is alone enough to wage the war on poverty for 2 full years, with funds left over.

For 4 years the President has been preoccupied with international affairs. He now seems incapable of focusing on domestic needs. "The cost of maintaining our strength continues to be substantial" he says in defense of the military budget, "but far less than the cost of allowing our defenses to deteriorate." Well, we have domestic dangers too, and they may be more pressing than foreign threats now that international tensions are relaxed.

Let us consider:

Urban needs. No hope from the President, who proposes no new funds—and no new ideas—for model cities, open space, neighborhood facilities, water and sewage systems, rehabilitation loans, public facility loans, low and moderate-income housing.

Unemployment. No hope from the President, who offers no funds—and no ideas—for solving our unemployment problem. Instead, he seeks to eliminate the Emergency Employment Program under which 280,000 jobless found public service work, and he proposes a poorly-conceived dispersion of our manpower programs. How are we ever to achieve full employment in Mr. Nixon's full employment budget?

Research. No hope from the President, who proposes cuts in a host of vital areas, including child health and safety, mass transit, ocean resources and agriculture. This country has achieved the highest standard of living the world has known because we have applied our minds and our resources to research and development. Mr. Nixon apparently thinks we now know all there is to know.

Agriculture. No hope from the President, whose budget says "no" to youngsters in the school milk and lunch programs, "no" to the needy in rural areas who are to be deprived of low-income housing loans, and "no" to the family farmer who is trying to make sense out of the administration's nonpolicy for coherent food production.

Education. No hope from the President, who proposes destruction of the Elementary and Secondary Education Act of 1965. No hope for the disadvantaged youngster, or the handicapped child, who needs special help. No hope for teacher training, library assistance, or college construction.

Civil rights. No hope from the President, whose budget carries favor with those few who need help least and neglects the many who need it most. Dollars for minority businessmen is no substitute and no excuse for abdicating civil rights efforts for citizens denied full access to American bounty and opportunity.

Tax policy. No hope from the President for the low- and middle-income taxpayers who are trapped in an increasingly regressive tax system in which many wealthy individual and corporate taxpayers do not pay their fair share. This budget amounts to a wink to those 100 taxpayers who last year paid no taxes on annual incomes in excess of $200,000 and it is an insult if not a pocket picking of the American wage earner.

Welfare reform. No hope from the President, who seems to have forgotten all about how essential he thought it was, last year, for thoroughgoing welfare reform.

Poverty. No hope from the Commander in Chief, whose budget hoists the white flag of surrender over the war on poverty. No "peace with honor" here. Can he really expect revenue sharing to solve this problem? Remember, the whole point of the community action program was that the poor, who are always a minority in the community, needed a voice so that their needs for life's bare necessities would not take a back seat to everyone else's wants. Mr. Nixon has abandoned "maximum feasible participation of the poor" for "minimum visibility and impact of the poor."

Housing. No hope from the President, who proposes to abandon a program simply because his own administration lacked the managerial talent to make a sound concept work. The housing programs the President proposes to scrap have helped 2½ million American families.

Health. No hope from the President, whose budget is so preoccupied with cutting medical research and training of health workers that he has overlooked our most pressing national health need—a solution to the surging costs of health, hospital and medical care through a system of national insurance.

Consumers. No hope from the President whose mismanagement of the economy is evident in every family's grocery bill, who proposes to slash funds for the Bureau of Consumer Protection at the Federal Trade Commission, and who has eliminated the Consumer Affairs Office from the White House for burial in the recesses of the Department of Health, Education, and Welfare.

Environmental protection. No hope from the President, who has cut EPA's solid waste management program from $30 to $5.7 million, and Interior's desalinization program from $26 to $2 million.

Now, who pays for these budget cuts?

Not the military establishment;

Not big business;

Not the millionaires who escaped all taxation last year and, under the Nixon no-tax-reform plan will avoid taxation again this year;

Not the Government contractors, who enjoy corporate welfare for cost overruns;

Not the junketing businessman who gets a tax break when he sits down to a martini and filet mignon luncheon at a New York convention; and

Not the speculators who can deduct more dollars than they actually invest.

Here is who pays:

You, the American middle-income taxpayer, who will continue to pay a disproportionately large share of your income in Federal taxes while getting fewer Federal services in return:

You, the indigent American, who are being cheated, humiliated and perpetuated in poverty as long as we fail to reform the welfare system.

You, the young American family and older citizen, who deserve real protection against the expense of skyrocketing health and medical expenses, and the economic devastation of catastrophic illness.

You, our future generation, who deserve the progress that medical, educational, technological, and social research can help assure you.

You, our American minorities, who are entitled to vigorous Federal enforcement of your rights.

Moreover, parts of the budget are seriously misleading. For example:

The crowing about fewer Federal employees obscures the fact that in most cases such employees will remain "government" employees on State and local payrolls. For example, the 7,200 Federal employees dropped from Federal payrolls will turn up on local payrolls as a result of transfer of certain hospitals to localities.

While the budget talks about national health insurance, not 1 cent is budgeted for the purpose.

Though Mr. Nixon has publicly committed his administration to billions in economic aid to postwar Vietnam, not 1 cent for this purpose appears in the budget.

The military portion of the budget is "lower" only because other items such as social security increases, distort the budget.

Revenue sharing, even with the new special revenue sharing proposed, cannot begin to solve the difficult problems the Nation faces. Nor do these funds make up the difference lost as a result of Nixon cuts. Mr. Nixon's rhetoric about all the good qualities of revenue sharing remind me of a medicine man tooting the properties of all-curing snake oil.

This is a cold-blooded budget, my friends, which does no credit to its author. It is now up to the Congress, where the people's representatives speak, for humanity, and commonsense, to be restored to our national goals.

RESOLUTION PASSED BY TEXAS LEGISLATURE PAYING TRIBUTE TO THE LATE PRESIDENT LYNDON BAINES JOHNSON

(Mr. PICKLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, one of the most moving and eloquent resolutions ever passed by any State legislative body was passed last week by the Texas legislature. It is a resolution paying its high regards to the life and accomplishments of our former President Lyndon Baines Johnson. The resolution—House Concurrent Resolution 35—was signed by the Governor of our State, the Honorable Dolph Briscoe and Lt. Gov. William Hobby and Speaker of the House Price Daniel, Jr.

Mr. Speaker, I commend this resolution to the entire membership of this body because I think it is a graphic and moving description of the life of this great man, and I therefore include this resolution in the body of the RECORD at this point:

HOUSE CONCURRENT RESOLUTION 35

Whereas, A Life which was devoted to Honour and its Country, is no longer ours.

With the death of President Lyndon Baines Johnson on January 22, 1973, Texas and the Nation lost one of their most distinguished sons and the World one of its greatest leaders. The loss is felt across the "flaming ramparts of the world."

Who can look back upon the public services and exalted virtues of the deceased, without exclaiming in the anguish of despair . . . "Is he, too, numbered among the silent dead"? He who bore the anguish and travails of a war against aggression, to which he succeeded, is gone to the realms of eternal peace; and

Whereas, History already has built around him a name and a fame that will light the pathway of generations yet unborn for centuries to come. Patriotism and admiration will not let us forget his mighty stroke of compassion for his fellowman and his unswerving devotion to duty. His talents were employed on the side of righteousness and at whose approach oppressed humanity felt a secret rapture. It was thus that he sometimes soared so high and shone with a radiance so transcendent "as filled those around him with awe and gave to him the force and authority of a prophet." President Johnson lived a life characterized by splendid manhood—crowded with deeds and crowned with honours. He was superb in his effort to attain the goals to which he aspired. His actions vitalized the principle that "they fail, and they alone, who have not striven"; and

Whereas, This tall Texan—large as Texas, herself—a son of the picturesque and enchanting vistas of the Hill Country, which he dearly loved, coursed by the cool, clear waters of the meandering Pedernales River, inspired by the rugged land from which he sprang and in which his roots were laid deep, rose to the pinnacle of world fame upon the precepts and examples taught and set by his fond and loving mother, Mrs. Rebekah Baines Johnson, and his distinguished father, Honorable Sam Ealy Johnson, Jr. with encouragement from his loyal helpmeet of 38 years, the lovely "Lady Bird" Johnson; and

Whereas, Following his graduation from Southwest Texas State Teachers College, now Southwest Texas State University, at San Marcos in February, 1927, he taught school at Cotulla, Texas, before becoming an aide to the late Honorable Richard M. Kleberg, Sr., then United States Representative from Kingsville, thereby launching a public and political career spanning nearly 40 years of continuous, constructive service to his country and to the world. After serving as Director of the National Youth Administration in 1935, he was elected to the United States House of Representatives in 1937, in which he served with dedication to the ideals of his friend, President Franklin D. Roosevelt. Following a period of "seasoning" in the House, under the leadership of Speaker Rayburn, familiarly known as "Mr. Sam", with an interlude of courageous service in the United States Navy during World War II, he was elected to the United States Senate in 1948. By dint of hard work, coupled with his innate ability, his training, his skills and energy, he became the Majority Whip in 1950. Senator Johnson was chosen as Majority Leader in 1953, in which capacity he distinguished himself and demonstrated his dynamic leadership with his policy of "reasoning" together. He was called the "most powerful man" in America, as he guided the Democratic-controlled United States Senate through a period of responsible cooperation with the Republican administration of President Eisenhower. It has been said that "Johnson was the Senate and the Senate was Johnson"; and

Whereas, With his acceptance of the nomination of his Party and his election to the Vice Presidency in 1960, Mr. Johnson served in that office with dignity, honour and loyalty while carrying out numerous missions and responsibilities delegated to him by President Kennedy. Whatsoever his hand found to do, he did it with all his might.

The leadership of our country passed into the capable and experienced hands of President Johnson when President Kennedy succumbed to the assassin's lethal messenger. There was hope and assurance for America midst the sadness of the hour. His legislative, diplomatic, political and native abilities provided him with the experience and valuable knowledge peculiar to the Office of President of the United States, gained from his close association with Presidents Roosevelt, Truman, Eisenhower and as the "right arm" of President Kennedy, available to no other man on the American scene, to lead our country; and

Whereas, Among the many and varied proposals which became the law of the land during his administration are to be found greatly increased Federal Aid to Education, Medicare and Medicaid, the 1964 Civil Rights Act, the 1965 Voting Act, the War on Poverty, to mention some. While President Johnson's public service was fraught with controversy—a characteristic of strong-willed and determined, dedicated men—nevertheless, his noblest motive was the public good. It may be said of him that he made many friends and lost very few. He made many enemies of the right kind and kept them all. He said that he could not prescribe a formula for success, but that the formula for failure is to try to please everybody. His success was due, largely, to his constancy of purpose; and

Whereas, President Johnson, like former President Truman, was plagued by a foreign conflict during which he strove to preserve the integrity of our treaty commitment, negotiated by a former administration and affirmed by subsequent action of the Congress with the adoption of the "Gulf of Tonkin Resolution." He believed that if America reneged on her agreement it would imperil many other nations and, consequently, jeopardize the peace of the world. He never wavered in his desire and efforts to bring about an honourable peace. President Johnson was, in his day, a much maligned man. He knew that blatant demagoguery and a scurrilous press must be tolerated and borne by patriots. Comfort, however, could be found in the words of General Washington who said that "Real patriots who resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people to surrender their interests"; and

Whereas, President Johnson's courage and patriotism were never more genuinely demonstrated than when, on March 31, 1968, he offered himself a willing sacrifice to the good of his country hopefully to end the Vietnam War with his decision not to become a candidate for re-election; and

Whereas, His private virtues, his public services, his great abilities, involuntarily excite the warmest feelings for him. In all the private relations of life he was honest, faithful, generous and humane and his heart was the seat of manly virtue.

His public services were many—splendid and great. His memory is enshrined in the esteem and affection of his contemporaries and will be consecrated by the gratitude of his country to future ages; and

Whereas, He may have had failings. On these let the tear that pities human weakness fall; on these let the veil which covers human frailty rest, since posterity is incurious about the minor faults of its heroes; and

Whereas, President Johnson was married to Miss Claudia Alta Taylor, familiarly known as "Lady Bird" on November 17, 1934, to which union were born two charming daughters, Lynda, now Mrs. Charles S. Robb of Charlottesville, Virginia, and Luci, now Mrs. Patrick J. Nugent of Austin, Texas, both of whom gave joy and delight to their doting father. President Johnson not infrequently said that the charming, intelligent and understanding companionship of "Lady Bird" profoundly influenced his course and career; and

Whereas, He was beloved by his friends, endeared to his family; the statesman, the patriot, is gone. At the fall of such a man, grief is silent and eloquence muses eulogiums which cannot be expressed. He has left us the remembrance of his greatness. As the gigantic figure that envelops men within the folds of his dark mantle, and even with the robe drawn about him, President Johnson seems so unshrouded that:

"Nothing can cover his high fame but
heaven;
No pyramids set off his memories
But the eternal substance of his greatness;
To which I leave him"; and

Whereas, This Concurrent Resolution was prepared at my request by Honorable Dorsey B. Hardeman, a former member of this body, a long-time member of the Senate and a friend of President and Mrs. Johnson for more than 30 years; now, therefore, be it

Resolved by the House of Representatives of the 63rd Legislature of the State of Texas, the Senate concurring, That they express their abiding sympathy to Mrs. Johnson and the surviving members of the family, and their admiration and gratitude for the life and contributions of the man whose simple dignity consisted not in possessing honours but in deserving them by his faith and his works through which he brought joy to his Creator; and, be it further

Resolved, That copies of this Resolution be forwarded to Mrs. Johnson and her daughters; to President Nixon and to all members of the Texas delegation in the Congress of the United States, by the Clerk of the House of Representatives, under the Seal of the House, and that the members of the House of Representatives and of the Senate devote this day to pious contemplation, suitable to the melancholy event which it commemorates and that pages in the respective Journals of each House of the 63rd Legislature of the State of Texas be set aside for preserving this Resolution in memory of President Johnson in the knowledge that men's homage and their love shall never cease to follow him.

SENTENCING DISPARITY SHOWN IN FEDERAL COURT SYSTEM

(Mr. HASTINGS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HASTINGS. Mr. Speaker, recently there has come to my attention a study compiled by the Southern District of New York on sentencing problems in the Federal courts.

Mr. Whitney North Seymour, Jr., the U.S. attorney for the southern district, whose office made the study, said it was based chiefly on an evaluation of 645 sentences imposed during a 6-month period between May and October 1972.

The study shows widespread disparity in sentences imposed throughout the Federal court system and underlines a need for remedial action if justice is to be really just.

Because I feel that this study is deserving of close scrutiny by everyone concerned with our Federal court system, I am submitting it for the Record:

A 1972 Sentencing Study, Southern District of New York

INTRODUCTION

Reliable information concerning sentencing practices in the Federal courts is woefully inadequate. Some generalized figures are available through Reports of the Administrative Office of the United States Courts, but these are of limited utility. Recently, more particularized information has become available through the statistical study published by the Federal Bureau of Prisons for the fiscal years 1969–1970, which provides some new insights into the sentencing disparities between individual districts. Within each Federal district, however, there is no regular compilation of data upon which one can assess the fairness of the sentencing process. In the Spring of 1972, the United States Attorney's Office for the Southern District of New York undertook to conduct a detailed case-by-case study of all sentences imposed in the district over the course of a six-month period.

The following report is largely based on an analysis of all such sentences imposed during the period from May 1, 1972, through October 31, 1972. The information was supplied by individual Assistant U.S. Attorneys in charge of the respective cases and therefore is subject to possible human error, but is believed to be essentially complete. The study covers the sentencing of 645 individual defendants. Although this is a good sample for most purposes, in the case of the analysis of sentencing patterns for specific violations or the action of specific judges, the sample sometimes becomes quite small, so that one cannot rely entirely on generalizations drawn from some of the detailed data. Nonetheless, the overall results are significant and the conclusions essentially sound.

The United States Attorney's Office is particularly indebted to three of its talented research assistants, Mrs. Poppy Quattlebaum, Federico Virella, and Richard Weisberg, for their many hours of hard work in putting together the data on which this study is based.

It should be emphasized that the recommendations set forth at the end of this study are made on behalf of the United States Attorney's Office for the Southern District of New York and do not necessarily represent the views of the Department of Justice.

OTHER RECENT STUDIES

In June, 1972, the National Institute of Law Enforcement and Criminal Justice submitted a report to the U.S. Senate Subcommittee on Criminal Law and Procedure (McClellan Committee) reporting on sentencing variations in the Federal Courts, based on a computerized study of sentences imposed during the four-year period from 1967 to 1970. The Institute concluded that there are "considerable variations in sentence length" in the U.S. District Courts which occur both between districts and within districts. Part of the study focused on variations in sentences according to the race of the defendant. Among the more remarkable findings was that 28% of white defendants convicted of interstate thefts were sentenced to prison during the four-year period, while 48% of black defendants convicted of the same offense were sentenced to prison. For postal theft, the imprisonment rate was 39% for white defendants and 48% for black defendants. In other categories of offenses the variation between racial groups was not so significant, although the study concluded:

"The percent of Black defendants given prison sentences is higher than the percent of White defendants, for all crimes except Income Tax Violation; the percent of other defendants given prison sentences is even higher than the percent of Black defendants, for the same crimes."

The Statistical Report of the Federal Bureau of Prisons for Fiscal Years 1969 and 1970 disclosed that out of all prisoners sentenced to Federal prisons during the fiscal year ending June 30, 1970, the average sentence for whites was 42.9 months, while for blacks it was 57.5 months—more than a year longer on the average. In the preceding fiscal year, the average sentence was 42.6 months and 52.9 months, respectively, a spread of 10 months.

DISCRIMINATION IN SENTENCING

Our study does not support the conclusion that there is a differentiation in sentencing in the Southern District of New York as between black and white defendants charged with the same offense. There does, however, appear to be a form of indirect discrimination growing out of the different treatment of offenders for different classes of violations. There are plain indications that white collar defendants, predominantly white, receive more lenient treatment as a general rule, while defendants charged with common crimes, largely committed by the unemployed and undereducated, a group which embraces large numbers of blacks in today's society, are more likely to be sent to prison. If these indications are correct, then one may conclude that poor persons receive harsher treatment in the Federal Courts than do well to do defendants charged with more sophisticated crimes. Many individual judges in this district have made a conscientious effort to overcome this disparity and equalize the treatment of defendants, but these efforts, unfortunately, are not universal throughout the court.

DISPARITY IN SENTENCES BETWEEN OFFENSES

During the six-month period covered by the Southern District of New York sentencing study, defendants convicted of white collar crimes stood a 36% chance of going to prison; defendants convicted of non-violent common crimes stood a 53% chance of going to prison; and defendants convicted of violent common crimes stood an 80% chance of going to prison.

Turning to specific violations, the study revealed that 100% (8 out of 8) of those convicted for the theft of securities received prison terms (with an average sentence of two years and 8 months for those with no prior criminal record); while only 66% of those convicted for securities fraud (6 out of 9) received prison sentences (with an average term of one year and 7 months for those without prior criminal records). The average sentence for those convicted of income tax evasion (5 out of 10), with no prior record, was two months; the average sentence for those convicted of inside theft of mail (14 out of 32), with no prior record, was five months (the average amount of tax evaded was $24,000, while the average amount stolen from the mails was $200).

Annexed hereto as Exhibit "A" is a schedule showing the likelihood of a prison sentence for defendants convicted of different types of offenses, and also the variations in average length of sentences imposed in cases where the defendant is sent to prison. These disparities are shown both for sentences imposed in the Southern District of New York during the six-month study period, and also the comparative national averages for the fiscal year ending June 30, 1972. It will be seen that the chances of being sent to prison in the Southern District of New York range from 23% for bank embezzlement, to 83% for bank robbery. (The national average is 20% and 89%.) The defendant convicted of bribery faces only a 25% chance of imprisonment in the Southern District compared to 55% if he were convicted of interstate theft. (The national figures are 27% and 42%, respectively.) Not only is the likelihood of going to prison much higher for certain offenses, but the average prison sentence itself is also markedly different. The average prison sentence in the Southern District of New York was 18 months for bank embezzlement; 69 months for bank robbery; 11 months for bribery; and 18 months for interstate theft. Happily the record of the Southern District of New York is substantially better than the rest of the country in many respects.

DISPARITY IN SENTENCING BETWEEN INDIVIDUAL JUDGES

The practice of "judge shopping" has been halted in the Southern District of New York by a system of assigning cases by lot. But the underlying evil has not been eliminated. The chances of a defendant going to jail are still largely determined by which judge his case is assigned to. Different judges have different personal views about different violations, and permitting these differences in personal opinion to control sentencing largely destroys the ideal of evenhanded justice for the individual defendant.

The wide disparity in personal sentencing practices can be most easily demonstrated in Selective Service violations. Because of the similarity in the nature of the cases, it is possible to analyze the sentencing philosophy of each District Court Judge by studying how he has handled the sentences in the cases before him. Such an analysis is annexed hereto as Exhibit "B". In order to insure an adequate statistical base, the study period for these cases was extended to three years (even so, the sample in some cases is obviously too small to generalize). It would clearly be impossible to explain to the parents of a boy who has been sent to prison by Judge "W", and would not have been if his case had been assigned to Judge "C", that the present system is fair and just.

On the off-chance that the special nature of Selective Service cases, which often generate heated views in many quarters, might not be typical of the whole, we also conducted a five year study of sentences imposed on postal employees charged with postal thefts with similar results. By definition, such cases are essentially similar both on the facts and on the backgrounds of the defendants. The results are set forth in Exhibit "C". Any such defendant assigned to Judge T stood a 50–50 chance of going to prison, while if he was assigned to Judge AA his chances were only 1 in 25.

DISPARITY IN SENTENCING BETWEEN DISTRICTS

The National Institute's 1972 study for the McClellan Committee, referred to above, found a wide spread between the average sentences among the 93 Federal districts, and concluded that ". . . [The] length of sentence which a defendant can expect is very much dependent upon which district he happens to be tried in."

Based on average sentences, a person convicted of forgery in the Southern District of New York will receive twice as long a sentence as one convicted in the Northern District of New York. Likewise, a person convicted of interstate transportation of a stolen motor vehicle in the Southern District of New York will receive a 50% higher sentence than a person convicted in the Northern District of New York. If he has the misfortune of being convicted in the Eastern District of New York, the sentence will be more than double that of the Northern District of New York. On the other hand, a defendant convicted of a Selective Service violation in the Southern District of New York will receive a sentence of less than one-third as long as in the Northern District of New York. An analysis of these disparities in length of prison sentences between individual districts in the Second Circuit is annexed hereto as Exhibit "D".

A similar analysis of variations between Circuits for the same offenses is annexed hereto as Exhibit "E". The range in average sentences for forgery runs from 30 months in the Third Circuit to 82 months in the District of Columbia Circuit. For interstate transportation of stolen motor vehicles, the extremes in average sentences are 22 months in the First Circuit and 42 months in the Tenth Circuit. For Selective Service Cases, the extremes are 28 months in the First Circuit and 46 months in the Tenth Circuit.

DISPARITY IN SENTENCE BETWEEN INDIVIDUAL CASES

The following synopsis of selected individual cases in which prison sentences were imposed during the six-month study period graphically illustrates the basis for the sense of injustice on the part of individual defendants at the difference in sentencing of white collar and common criminals. Other, more extreme, examples can be found in a larger period of time, but these are sufficient to make the point. All of these cases involve defendants with no prior convictions:

Case 1. Defendant A, a Caucasian male in his mid-forties and vice-president of a Wall Street brokerage firm, was charged with securities fraud by violating Regulation T and the margin requirements established by the Federal Reserve System. The amount involved in the transactions reached the sum of $3 million of excess credit, on which the defendant personally realized unlawful commissions of a good many thousands of dollars. Upon his plea of guilty, defendant A was ordered to pay a fine of $6,000.

Case 2. Defendants B and C, father and son, were charged with income tax evasion for concealing $100,000 in income over a three-year period. Defendant B, a widower, is a 65 year old Caucasian male and his son, defendant C, is a 35 year old Caucasian who is married and has a family. Both defendants are self-employed, earning $40,000 and $20,000 a year, respectively. Defendants B and C pleaded guilty and made restitution of the back taxes owed. Both were directed to pay fines of $2,500.

Case 3. Defendant D, a fifty year old Caucasian male, was employed by the IRS as a Special Agent. While in the process of carrying out his official duties D accepted a bribe in the amount of $3,000 and was arrested shortly thereafter. D, who is married and has a family, cooperated with the authorities and testified against two other agents resulting in their convictions. After pleading guilty to the charge, D was placed on unsupervised probation for one day.

Case 4. Defendant E, a 64 year old Caucasian male and doctor of medicine, with yearly earnings of $60,000, was charged with concealing $80,000 income over a three-year period. The defendant pleaded guilty, paid all taxes due, and was ordered to pay a fine of $10,000.

Case 5. Defendant G, a 40 year old Black male, had served in the Armed Forces for over fourteen years where he earned the Bronze Star. G was arrested and charged with the transportation in interstate commerce of stolen U.S. Treasury checks valued at $13,000. The defendant, who is married and has a family, had been arrested on a gun violation on a prior occasion but had no record of convictions. Defendant G pleaded guilty and was sentenced to a term of imprisonment of two years.

Case 6. Defendant H, a 34 year old black female, was the accomplice of defendant G in the transportation of the $13,000 worth of stolen Treasury checks in interstate commerce. H, who had prior arrests but no convictions, was unemployed and receiving welfare payments for herself and her three children at the time of the crime. Like G, defendant H, pleaded guilty to the charge. She was sentenced to serve six months in prison.

Case 7. Defendant I, a 31 year old Caucasian male, broke into a post office at night and stole $20,000 worth of stamps. Upon his plea of guilty, defendant I was sentenced to prison for four years.

SUMMARY AND RECOMMENDATIONS

The study of sentences in the Southern District of New York underscores the need for a more evenhanded approach to the sentencing process. The irrational disparities referred to here are not abstract numbers but real flesh and blood problems involving the sense of justice and fair play of individual human beings. Fairness in sentencing is absolutely basic to any system of justice. As expressed in the recent final report of the New York State Special Commission on Attica, headed by Dean Robert B. McKay of NYU Law School:

"Experiences with the inequities of bail, with plea bargaining, adjournments, overworked defense attorneys, interminable presentence delays, and *disparities in sentences* imposed for identical offenses leave those who are convicted with a deep sense of disgust and betrayal. If the criminal justice system fails to dispense justice and impose punishment fairly, equally, and swiftly, there can be little hope of rehabilitating the offender after he is processed through that system and deposited in a prison. . . ." [Emphasis added.]

Most of us connected with the Federal courts share a belief that the Federal system is the best in the country. But it is clear from the findings of these recent sentencing studies that the Federal system is not immune to apparent inequities in the treatment of individual defendants. For those of us concerned with maintaininng the excellence of the Federal system, the need for effective reforms is clear. But the importance of corrective action goes far beyond the Federal system itself.

Because of the presence of Federal District Courts in every state in the nation, the Federal judicial system should also be setting an example of fairness and impartiality to which state and local judges might aspire. Leadership from the Federal bench could contribute significantly to the elimination of disparity of sentencing in all courts in all parts of the country.

The following recommendations recognize the fact that any system of sentencing must be tailored to the individual defendant in the individual case. The goal in sentencing should not be uniformity in every sentence that is imposed, but rather a uniformity in policy and overall approach, with the specific sentence tailored to fit the facts of the particular case and the personality of individual defendant. The individual variations in sentencing, however, should be rational and based on recognized standards, and not merely reflect the personal predelictions of the individual judge toward the offense or his particular attitude toward corrections.

A. SHORT-RANGE GOALS

1. It is recommended that reports containing detailed data on sentences imposed in each district be compiled on a quarterly basis under the supervision of the Circuit Council, indicating the individual sentences imposed by each District Judge, together with sufficient information to permit an intelligent appraisal of the sentence under the circumstances of the case. Possibly a uniform system might be developed to show the weight given to various factors in arriving at the final sentence. These quarterly reports should then be circulated to every judge in the district for his own self-education and also as a basis for informal discussions between himself and his colleagues.

2. Annual sentencing institutes might be held within each circuit for the express purpose of discussing sentencing policies with respect to particular offenses and particular defendant personality profiles, and reviewing past sentencing patterns.

3. An annual conference on sentences might be held on the national level with focus on differences in sentencing patterns and approaches between the various circuits, with a goal of seeking common policies which can then be communicated to the individual district judges throughout the country.

B. LONG-RANGE GOALS

1. The overall approach to sentencing should be reoriented to reflect the difference between *rehabilitation* of the individual defendant and *deterrence* of others who might otherwise be tempted to violate the law. The two concepts are mutually contradictory to a large extent, and an appropriate accommodation between these two conflicting concepts must be worked out. Essentially, defendants sentenced primarily for purposes of rehabilitation should be assigned to suitable facilities and programs expressly planned and staffed to achieve rehabilitation. Defendants sentenced primarily for purposes of deterrence should be assigned to humane custodial facilities.

2. In cases where rehabilitation of the defendant is the paramount objective, primary reliance should be placed on two techniques: (a) deferred prosecution and immediate rehabilitation efforts for adequately motivated defendants in lieu of conventional prosecution, conviction and sentencing; (b) controlled use of indeterminate sentences within maximum limits fixed by the court in each case, administered by properly qualified correction administrators, utilizing suitable facilities. This includes complete overhauling of the present parole procedures and approach, with principal emphasis placed on rewarding rehabilitation progress in accordance with objective yardsticks. We recognize that there are many objections to this approach but they relate primarily to how the concept is administered rather than to the validity of the concept itself.

3. The primary objective of *deterrence* should be focused on those deliberate and willful crimes which might be prevented by prompt and firm detection, prosecution and sentencing (e.g., white collar crimes, extortion, narcotics trafficking). To achieve deterrence, it is recommended that a fixed sentence be imposed by the court (subject to some individual variation as appropriate) based on a percentage of the maximum sentence authorized by Congress under the statute. The term of imprisonment should be served in primarily custodial institutions, with rehabilitation services only secondary.

A possible workable formula would be the imposition of one-third of the maximum sentence for the first offense; two-thirds for a second offense; and the full maximum sentence for a third or subsequent offense. In determining whether the violation constitutes a second or third offense, similar prior convictions should be taken into account. Obviously, to achieve effective deterrence, no parole should be permitted under such sentences. (Similar yardsticks might be used to fix the maximum sentence to be served where rehabilitation is the goal, permitting the administrator to discharge the defendant at any time prior to the completion of the term.) In individualizing the sentence imposed for deterrent purposes, the term obviously should be increased where aggravated circumstances are present, and reduced in recognition of special efforts by the defendant to make amends, such as voluntary restitution or active cooperation with law enforcement agencies to assist in apprehending and prosecuting other violators.

If such a policy toward uniform sentences were adopted, it is also obvious that Congress should be encouraged to review the present structure of maximum sentences to be sure they are consistent with legislative intent and a sound national policy.

EXHIBIT A

DISPARITY IN SENTENCING PATTERNS BETWEEN DIFFERENT TYPES OF OFFENSES, AND BETWEEN SDNY AND THE NATIONAL AVERAGE FOR FEDERAL COURTS

Offenses	Likelihood of imprisonment (percent)		Average length of prison sentences (months)	
	SDNY[1]	All Federal courts[2]	SDNY[2]	All Federal courts[2]
Bail jumping	66.7	66.2	10.0	25.6
Bank embezzlement	23.2	19.5	18.0	21.3
Bank robbery	82.8	91.8	69.6	124.1
Bribery	25.0	42.5	11.0	15.1
Counterfeiting	51.7	53.7	14.8	40.3
Forgery	41.6	42.8	16.8	32.0
Gambling	37.2	29.9	3.3	14.5
Guns	50.0	45.3	28.2	32.1
Immigration	50.0	42.8	2.5	6.4
IRS	35.4	36.5	5.9	10.4
Interstate	54.8	43.7	18.1	33.8
Narcotics	77.0	70.6	62.4	46.4
Perjury	50.0	53.0	5.2	28.0
Postal	44.3	40.7	18.8	32.5
Embezzlement	43.7	19.0	5.0	11.6
Other	46.3	47.3	20.1	50.5
Rackets and extortion	55.5	47.1	46.2	31.2
Securities	70.4	55.4	31.8	38.7
Fraud	66.7	21.5	20.5	
Theft	100.0	57.4	36.5	38.7
Selective Service	63.3	27.8	12.4	22.2
Total[3]	54.1	43.8	35.2	38.1

[1] Figures for SDNY are based on sentences imposed during 6-month period from May to October 1972.

[2] Figures for all Federal courts are based on sentences imposed during the fiscal year ending June 30, 1972, and are from the annual report of the Director of the Administrative Office of the United States Courts. Cases for SDNY are grouped according to classification of offenses as best as can be determined from the data given in the report.

[3] Figures in the "total" section include all the crimes committed in both the SDNY and the Federal courts for the above period which were not enumerated in the chart.

EXHIBIT B

LIKELIHOOD OF A PRISON SENTENCE IN SELECTIVE SERVICE CAUSES IN THE SDNY BASED ON A 3-YEAR SAMPLING (1970–72)

Judge	Percentage of imposition of prison sentence	Total number of defendants sentenced
A	60.0	5
B	33.0	6
C	0	6
D	50.0	2
E	50.0	2
F	80.0	5
G	75.0	4
H	50.0	4
J	40.0	5
K	0	1
L	100.0	1
M	15.0	13
N	0	2
O	33.0	6
P	33.0	9
Q	50.0	2
R	0	2
S	40.0	5
T	57.0	7
U	0	4
V	0	1
W	100.0	10
X	60.0	5
Y	0	3
Z	0	2
Total	41.8	112

Note: Letter code designates judges selected at random. The study covers all convictions during the years 1970, 1971, 1972

EXHIBIT C

LIKELIHOOD OF A PRISON SENTENCE IN INSIDE POSTAL THEFT CASES AGAINST POSTAL EMPLOYEES IN THE SDNY BASED ON A 5-YEAR SAMPLING, 1967–71 (LISTING ONLY JUDGES WITH 10 OR MORE CASES)

Judge	Percentage of imposition of prison sentence	Total number of defendants sentenced
A	26.3	19
B	17.9	28
C	11.4	70
D		
E	19.0	21
F		
G	39.1	23
H	28.6	28
I		
J	19.4	31
K	29.7	37
L		
M		
N	29.2	24
O	20.5	39
P	23.6	34
Q	27.8	36
R	25.0	48
S	10.7	28
T	50.0	24
U	16.7	12
V		
W	10.6	47
X	32.4	71
Y	7.8	13
Z	34.0	53
AA	4.0	25
BB	12.5	32

Note: Letter code designates judges selected at random. The study covers al convictions during the years 1967, 1968, 1969, 1970, and 1971.

EXHIBIT D

DISPARITY IN AVERAGE LENGTH OF PRISON SENTENCES FOR SELECTED OFFENSES WITHIN THE 2D CIRCUIT DURING FISCAL YEAR ENDED JUNE 30, 1970

[From Federal Bureau of Prisons statistical report, table B–9; in months]

2d District	Forgery	Stolen motor vehicles	Selective service	Robbery
Connecticut	18.8	44.4	40.0	142.3
NDNY	15.0	20.9	48.0	68.0

2d District	Forgery	Stolen motor vehicles	Selective service	Robbery
EDNY	37.4	51.0	40.7	152.3
SDNY	32.9	30.7	14.0	100.0
WDNY	21.0	43.2	20.8	66.0
Vermont	24.0	40.0	48.0	--------
Circuit average	31.6	35.9	33.7	122.2

EXHIBIT E

DISPARITY IN AVERAGE LENGTH OF PRISON SENTENCES FOR SELECTED OFFENSES BETWEEN CIRCUITS THROUGHOUT THE UNITED STATES DURING FISCAL YEAR ENDED JUNE 30, 1970

[From Federal Bureau of Prison statistical report, table B-9, in months]

Circuits	Forgery	Stolen motor vehicles	Selective service	Robbery
1st Circuit	32.4	22.3	28.3	106.3
2d Circuit	31.6	35.9	33.7	112.2
3d Circuit	30.7	37.9	33.5	132.5
4th Circuit	34.3	35.9	42.5	185.3
5th Circuit	37.0	37.0	39.7	177.8
6th Circuit	37.3	32.4	40.0	143.1
7th Circuit	38.2	35.5	31.4	137.9
8th Circuit	32.0	36.7	39.6	157.9
9th Circuit	34.7	41.6	28.6	131.3
10th Circuit	48.7	41.8	46.7	146.1
District of Columbia Circuit	82.0	--------	--------	330.0
National average	36.4	37.3	35.7	148.2

SECURITIES EXCHANGE ACT AMENDMENTS OF 1973

(Mr. MOSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOSS. Mr. Speaker, during the 92d Congress the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce conducted an exhaustive study of the securities industry. On August 23, 1972, it issued its unanimous report containing its conclusions and recommendations for legislative action. Today, I have the privilege of introducing a bill designed to implement the conclusions and recommendations of that report. Like the report itself, the bill is cosponsored by every member of the subcommittee.

Mr. Speaker, I include herewith the bill and a short analysis thereof:

SUMMARY, BY SECTIONS, OF THE MAJOR PROVISIONS OF THE BILL INTRODUCED BY REPRESENTATIVE JOHN E. MOSS TO IMPLEMENT RECOMMENDATIONS OF THE REPORT OF THE SUBCOMMITTEE ON COMMERCE AND FINANCE WITH RESPECT TO ITS SECURITIES INDUSTRY STUDY

TITLE I—SELECTION AND ADMINISTRATION OF THE SECURITIES AND EXCHANGE COMMISSION

Section 101 amends Section 4 of the Securities Exchange Act of 1934 to:

1. Provide that any commissioner may be removed by the President for neglect of duty or misfeasance in office, but for no other cause;

2. Provide a procedure for the appointment of a Commission chairman:

3. Provide that the Commission is authorized to conduct its own civil litigation, including litigation in the Supreme Court;

4. Provide that the Commission shall submit any budget request to the Congress concurrently with transmittal to OMB; and

5. Provide that when the Commission transmits any legislative recommendations, testimony, or comment on legislation to the Executive, it shall concurrently transmit a copy to the Congress.

It also adds a new subsection concerning the obligation of the Commission to supply requested documents to the Congress.

TITLE II—REGULATION OF EXCHANGES AND ASSOCIATIONS

Section 201 amends Section 3(a) (3) of the Securities Exchange Act of 1934 to redefine "member" when used with respect to an exchange. Current law includes within this definition a person who can make use of the facilities of an exchange to execute a transaction at the so-called "intra-member rate" (a rate less than the fixed minimum commission rate charged the general public). Since the bill abolishes all fixed minimum commissions, this part of the definition of "member" is stricken and a new definitional section is added to include within the term "member" any person who agrees to be regulated by an exchange and with respect to whom the exchange undertakes to enforce the federal securities laws and the exchange rules.

This amendment shall take effect February 1, 1975, coincident with the mandatory phase-out of fixed rates.

Section 202 amends Section 6 of the Securities Exchange Act of 1934 to make it conform to Section 15A, which deals with national securities associations, so that registered national securities exchanges and registered national securities associations will be subject to substantially identical regulatory provisions. Among the changes in existing law are the following:

1. Any registered broker or dealer meeting applicable capital or competency requirements must be allowed to join any registered national securities exchange;

2. At least half of the governing body of every such exchange must be composed of "public representatives" and the exchange must provide adequate resources to permit the public representatives to employ staff or retain professional personnel independent of the exchange staff;

3. Registered national securities exchanges are prohibited from imposing any schedule of prices or fixing rates of commissions, allowances, discounts, or other charges subject to a statutory timetable for the elimination of the current fixed minimum commission rate system (Under this timetable commission rates cannot be fixed on portions of transactions involving more than $100,000 after February 1, 1974, and cannot be fixed on any transaction after February 1, 1975; except that the SEC can, by rule, extend this deadline by one year upon a finding that such extension is in the public interest);

4. Persons denied membership on an exchange are permitted to seek review of such denial by the SEC and the courts;

5. Members disciplined by an exchange are permitted to appeal such disciplines to the SEC and to the courts;

6. Disciplinary actions taken by exchanges must be publicly noticed;

7. Any proposed change in exchange rules must be filed with the SEC, the SEC must publish such proposed change and allow interested persons a reasonable opportunity for comment thereon, and the proposed change shall take effect sixty days after publication by the SEC unless the SEC disapproves it;

8. In reviewing exchange disciplinary actions the Commission may increase as well as decrease the penalties imposed by the exchange; and

9. Registered national securities exchanges are allowed, with the concurrence of the SEC, to share the cost, functions and responsibility of the conduct of examinations and inspections of members, and to furnish copies of any reports of inspections or examinations to each other.

Section 203 amends the Securities Exchange Act of 1934 by adding a new section, designated Section 6A, establishing a new procedure to be followed by the Commission in compelling exchanges to change their rules, to take the place of the procedure now found in section 19(b).

Section 204 amends Section 11(a) of the Securities Exchange Act of 1934 to give the SEC additional authority to regulate off-floor trading by exchange members.

Section 205 amends the Securities Exchange Act of 1934 by adding a new section, designated Section 11A, to deal with the so-called "institutional membership" question. The section provides for a ban on transactions with "affiliated persons" (the so-called 100-0 test) to take effect on February 1, 1974. In accordance with the Subcommittee's report, an "affiliated person" is defined to include pension funds as well as mutual funds. Persons who were members of a registered national securities exchange prior to February 1, 1973, and who do not comply with the 100-0 requirement, are given a period not to exceed one year from the effective date of the legislation to bring themselves into compliance.

Section 206 amends Section 15A of the Securities Exchange Act of 1934 so that this section, dealing with national securities associations, and Section 6, dealing with national securities exchanges, are basically identical.

Section 207 amends the Securities Exchange Act of 1934 by adding a new section, designated Section 15B, establishing a new procedure to be followed by the Commission in compelling national securities associations to change their rules to conform to the procedure to be followed with respect to exchanges in new Section 6A.

Section 208 amends Section 19 of the Securities Exchange Act of 1934 to:

1. Give the SEC the authority to suspend or expel exchange members who have violated exchange rules;

2. Direct the Commission to take such steps as are within its power to establish a national market system for securities transactions by February 1, 1975, and to report annually to the Congress its progress in such an undertaking; and

3. Delete from the section outdated matters authorizing the SEC to conduct the Special Study of 1963 and the Institutional Investor Study of 1970.

Section 209 amends the Securities Exchange Act of 1934 by adding a new section, designated Section 20A, which:

1. Prohibits national securities exchanges and national securities associations from preventing their members from executing transactions for customers in other markets whenever those markets offer a better price to such customers;

2. Requires the SEC to adopt rules to assure that customers are getting best price from their brokers; and

3. Prohibits national securities exchanges and national securities associations from preventing its members from participating in any registered clearing agency or securities depository.

Section 210 amends Section 21 of the Securities Exchange Act of 1934 to give the SEC authority to investigate and bring injunctive actions for violations of NASD and exchange rules and bring injunctive actions to compel a registered national securities exchange or association to enforce compliance with the rules of such exchange or association.

TITLE III—FINANCIAL RESPONSIBILITY; REGULATION OF BROKERS, DEALERS AND MEMBERS; REPORTS AND EXAMINATIONS

Section 301 amends Section 8 of the Securities Exchange Act of 1934 to:

1. Delete that subsection dealing with capital rules (See, however, Section 304); and

2. Broaden existing prohibitions on improper hypothecation of securities by brokers, dealers and members to embrace improper lending of such securities.

Section 302 amends Section 15(a) of the Securities Exchange Act of 1934 to require all members of a registered national securities exchange to register with the SEC.

Section 303 amends Section 15(b) of the Securities Exchange Act of 1934 to:

1. Require persons registering as broker-dealers to file certified financial statements with their application (the current procedure calls only for verified statements);
2. Require the Commission to order effective an application for registration as a broker-dealer. (The law currently provides for such application to become effective automatically unless the Commission acts to prevent it.);
3. Require that, within six months of the granting of an application for registration, the Commission, or an exchange or the NASD as designated by the Commission, examine the new broker-dealer to determine whether it is operating in conformity with the federal securities laws;
4. Add armed robbery and grand larceny to the list of statutory offenses which bar a person from becoming a broker-dealer; and
5. Require the Commission, in cooperation with the exchanges and the NASD, to devise and administer a uniform examination which, with respect to partners, officers, and supervisory employees shall include questions relating to certain enumerated matters.

Section 304 amends Section 15(c)(3) of the Securities Exchange Act to:

1. Direct the SEC, by no later than January 1, 1974, to establish minimum capital requirements providing for ample, liquid and permanent capital for brokers, dealers and members;
2. Authorize the Commission to classify brokers, dealers and members for purposes of establishing such requirements; and
3. Prohibit the SEC from exempting from such requirements any broker, dealer or member.

Section 305 amends Section 17 of the Securities Exchange Act of 1934 to:

1. Make clear the duty of registered national securities exchanges to furnish copies of documents to the SEC upon request;
2. Require registered brokers, dealers and members to supply their customers with certified comparative balance sheets and income statements; and
3. Make clear the Commission's authority to adopt rules concerning a consolidated transactional tape and a composite quotation system and to prescribe uniformity in accounting procedures and systems of brokers and dealers and members.

TITLE IV—SECURITIES PROCESSING

Section 401 amends Section 2 of the Securities Exchange Act of 1934 to provide that one of the purposes of that Act is the development of an integrated national system for the prompt and accurate processing and settlement of securities transactions.

Section 402 amends Section 3(a) of the Securities Exchange Act of 1934 further by adding new paragraphs defining the following terms; clearing agency, securities depository, participant person associated with a participant, transfer agent, bank regulatory agency, rules of a clearing agency and rules of a securities depository.

Section 403 amends Section 15(c) of the Securities Exchange Act of 1934 further by adding a new paragraph to make clear that the Commission has authority to make rules applicable to brokers or dealers regulating the time and method of making settlements, payments and deliveries and of closing accounts. Also in the interests of clarity it is provided that, in the exercise of this rulemaking authority, the Commission shall not affect the authority of the Board of Governors of the Federal Reserve System to regulate securities credit pursuant to Section 7 of the Securities Exchange Act.

Section 404 adds a new Section 17A to the Securities Exchange Act of 1934 dealing with the registration and regulation of clearing agencies, securities depositories and transfer agents. Under this section:

1. Clearing agencies, securities depositories and transfer agents are required to register with the SEC and appropriate procedures established;
2. Procedures are established under which the Commission must grant or deny applications for registration of clearing agencies and securities depositories;
3. The Commission is given the authority to establish terms and conditions under which a clearing agency, securities depository or transfer agent may withdraw from registration;
4. The SEC is given direct rulemaking power over clearing agencies, securities depositories and transfer agents;
5. The SEC is authorized to review clearing agency or securities depository action in the areas of disciplinary action or denial of admission to a participant; and
6. The Commission is given disciplinary powers with respect to clearing agencies, securities depositories and transfer agents.

This section also directs the SEC to, on or before December 31, 1976, take appropriate steps to eliminate the use of the stock certificate as a means of settlement of securities transactions between brokers and dealers.

Section 405 amends Section 24 of the Securities Exchange Act of 1934 to authorize the Commission to grant confidential treatment to material filed with it only under very limited conditions, including a finding that disclosure is not in the public interest.

Section 406 amends Section 12 of the Securities Exchange Act of 1934 by adding new subsections to:

1. Authorize the Commission to prescribe rules with respect to the form or format of securities issued by companies, any class of whose securities is registered under Section 12 of the Securities Exchange Act, or which would be required to be so registered except for the exemptions from registration provided for securities of registered investment companies or insurance companies under certain conditions; and
2. Direct every issuer whose securities are registered on a national securities exchange to consolidate in a single person the functions of transfer agent and registrar.

Section 407 further amends Section 19 of the Securities Exchange Act of 1934 to direct the Securities and Exchange Commission to conduct a study to consider the public policy implications of the growing practice of registering securities in "street name" and to determine whether steps can be taken to facilitate communications between corporations and their shareholders while, at the same time, retaining the benefits of such registration.

Section 408 amends Section 28 of the Securities Exchange Act of 1934 by adding a new subsection which prevents the imposition of state or local taxes on securities, or on the transfer of securities, solely because the facilities of a registered clearing agency or securities depository are physically located in the taxing jurisdiction.

Section 409 amends the Securities Exchange Act of 1934 by inserting a new section, designated 19A, to require registered national securities exchanges, associations, brokers, dealers, clearing agencies and securities depositories to:

1. Report information about missing, lost or stolen securities to the SEC or such person as the SEC designates; and
2. Require the fingerprinting of partners, directors, officers, and employees and the submittal of such fingerprints to the Attorney General of the United States for identification and appropriate processing.

TITLE V—MISCELLANEOUS

Section 501 amends Section 23(b) of the Securities Exchange Act of 1934 to require the SEC to include in its annual report to Congress certain designated information concerning the Commission's administration of the Freedom of Information Act.

Section 502 amends Section 31 of the Securities Exchange Act of 1934 to raise the amount of the registration fee every national securities exchange must pay to the SEC from $\frac{1}{500}$th of one percent to $\frac{1}{100}$th of one percent of the dollar amount of sales of securities (other than certain Governmental obligations) transacted on that exchange.

Section 503 amends the six acts administered by the SEC to make uniform criminal penalties which may be imposed under these acts.

Section 504 amends Section 203(c) of the Investment Advisers Act of 1940 to require the SEC to order the registration of an investment adviser effective rather than allowing such registration to take effect by the passage of time. This amendment conforms to Section 303's amendment of Section 15(b) of the Securities Exchange Act of 1934.

LIST OF COSPONSORS

Mr. Moss (for himself, Mr. Broyhill of North Carolina, Mr. Stuckey, Mr. Ware, Mr. Eckhardt, Mr. McCollister, Mr. Helstoski, Mr. Young of Illinois, and Mr. Breckinridge.)

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Securities Exchange Act Amendments of 1973".

TITLE I—SELECTION AND ADMINISTRATION OF THE COMMISSION

SEC. 101. (a) Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended to read as follows:

"SECURITIES AND EXCHANGE COMMISSION

SEC. 4. (a) There is hereby established a Securities and Exchange Commission (hereinafter referred to as the 'Commission') to be composed of five Commissioners to be appointed by the President by and with the advice and consent of the Senate. Not more than three of such Commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable. No Commissioner shall engage in any business, vocation, or employment other than that of serving as Commissioner, nor shall any Commissioner participate, directly or indirectly, in any stock market operations or transactions of a character subject to regulation by the Commission pursuant to this title. Each Commissioner shall hold office for a term of five years and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the session of Congress in session at the time of the expiration of said fixed term of office, and except (1) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) any Commissioner may be removed by the President for neglect of duty or malfeasance in office, but for no other cause.

"(b) The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). In considering any nomination to the office of Chairman the Senate shall give consideration to the qualifications of the nominee to serve as Chairman of the Commission. An individual may be appointed as a Commissioner at the same time he is appointed as Chairman.

"(c) The Commission is authorized to appoint and fix the compensation of such officers, attorneys, examiners, and other experts as may be necessary for carrying out its functions under this Act without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States and the Commission may subject to the civil service laws appoint such other officers and employees as are necessary in the execution of its functions and fix their salaries in accordance with title 5, United States Code, as amended.

"(d) Notwithstanding any other provision of law—

"(1) the Commission is authorized to conduct in its own name and through its own attorneys litigation in any State court and in the United States district courts, courts of appeal and Supreme Court in any civil action in which the Commission is participating or chooses to participate.

"(2) whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(3) whenever the Commission transmits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations or testimony or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress. In instances in which the Commission voluntarily seeks to obtain the comments or review of any agency of the United States or of any other person, the Commission shall include a description of such actions in its legislative recommendations, testimony, or comments on legislation which it transmits to the Congress.

"(e) (1) Notwithstanding section 24 of this Act, or any other provision of law, whenever the House Interstate and Foreign Commerce Committee or the Senate Banking, Housing and Urban Affairs Committee (or any subcommittee or member of either such committee under the authority of a rule or other action of such committee) makes a written request for documents in the possession or under control of the Commission, the Commission shall within two days after the receipt of such request submit to such committee all of such documents (or copies thereof).

"(2) If the Commission transfers any document in its possession or under its control to any other agency or to any person, it shall retain copies of such material, or if not feasible, shall condition the transfer on the transferee's returning such document to the Commission for purposes of complying with paragraph (1) of this subsection.

"(3) For purposes of this subsection, the term 'document' means any book, paper, correspondence, memorandum, or other record, including a copy of any of the foregoing.

"(4) This subsection shall not be deemed to restrict any other authority of either House of Congress or any committee or subcommittee thereof to obtain documents."

(b) Reorganization Plan Numbered 10 of 1950 (64 Stat. 1265) is amended by striking out section 3.

(c) The amendments and repeals made by this section shall not require the reappointment or effect the terms of members of the Commission (including the Chairman of the Commission) holding office on the effective date of the Securities Exchange Act Amendments of 1973.

TITLE II—REGULATION OF EXCHANGES AND ASSOCIATIONS

SEC. 201. (a) Section 3(a)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78c (a)(3)) is amended to read as follows:

"(3) The term 'member' when used with respect to an exchange means (A) any person who is permitted to effect transactions on the exchange without the services of another person acting as broker, or (B) any person who transacts business as a broker or a dealer who agrees to be regulated by an exchange and with respect to whom the exchange undertakes to enforce compliance with its rules and with the provisions of this title, and any amendment thereto and any rule or regulation made or to be made thereunder, and includes any broker or dealer with which a member is an associated person."

(b) The amendment made by subsection (a) of this section shall take effect February 1, 1975.

SEC. 202. Section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f) is amended to read as follows:

"NATIONAL SECURITIES EXCHANGES

"SEC. 6. (a) Any exchange may register with the Commission as national securities exchange under the terms and conditions provided in this section by filing with the Commisison a registration statement in such form as the Commission may prescribe setting forth the following information and accompanied by the following documents:

"(1) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, and its stated policies and practices relating to its organization, membership, and procedures, hereinafter collectively referred to in this title as the 'rules of the exchange'.

"(2) Such other information as the Commission may, by rule, require.

"(b) An applicant shall not be registered as a national securities exchange unless it appears to the Commission that—

"(1) such exchange will be able to comply with the provisions of this title, and the rules and regulations thereunder, and to enforce compliance by its members with this title and the rules and regulations thereunder, and with the rules of the exchange and to carry out the purposes of this section;

"(2) the rules of the exchange provide that any broker or dealer registered under this title may become a member of such exchange in conformity with the requirements of subsection (m) of this section;

"(3) the rules of the exchange assure a fair representation of its members, investors, issuers of securities listed on the exchange, and the public, in the adoption of rules of the exchange and amendments thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs, including, as a minimum, provisions that—

"(A) at least half of the governing body of the exchange, whether called a Board of Governors, Board of Directors, or some other name, consist of individuals who are not brokers, dealers, members, persons associated with a broker or dealer or persons associated with a member, and who are representative of all segments of the investing public (hereinafter referred to as the 'public representatives');

"(B) the public representatives elect their own successors to the governing body of the exchange;

"(C) on voting for members of the governing body of the exchange who are not public representatives, the exchange members have cumulative voting rights;

"(D) the governing body of the exchange has the power to amend the rules of the exchange;

"(E) the exchange appropriate for the use of the public representatives such sums as are necessary to permit the public representatives to employ such staff or retain such attorneys, consultants, or other experts as they may reasonably require, independent of the exchange staff;

"(F) the voting power of members of the exchange is distributed on a fair and equitable basis; and

"(G) there are reasonable limits on the length of time and the number of terms members of the governing body may serve;

"(4) the rules of the exchange provide for the equitable allocation of dues, fees, and other charges among its members;

"(5) the rules of the exchange are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and, in general, to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market; and are not designed to permit unfair discrimination between or among customers, issuers, or brokers or dealers, to fix minimum profits, to impose any schedule of prices, or to impose any schedule or fix rates of commissions, allowances, discounts, or other charges, except that (A) until February 1, 1974, such rules may fix reasonable minimum rates of commission for transactions or portions of transactions which involve $200,000 or less; and (B) until February 1, 1975, such rules may fix reasonable minimum rates of commissions for transactions or portions of transactions which involve $100,000 or less: *Provided*, however, That the Commission may, by rule, permit an exchange to fix reasonable minimum rates of commission until February 1, 1976, for transactions or portions of transactions which involve $100,000 or less if the Commission finds that the public interest requires the continuation, establishment, or reestablishment of reasonable fixed minimum rates for such transactions or portions of transactions.

"(6) the rules of the exchange provide that its members and persons associated with its members shall be appropriately disciplined for any violation of its rules by expulsion, suspension, fine, or censure, and in the case of a person associated with a member, by being suspended or barred from being associated with a member;

"(7) the rules of the exchange provide a fair and orderly procedure with respect to the disciplinary of members and persons associated with members and the denial of membership to any person seeking membership therein including that the rules, as a minimum, meet the requirements of subsections (f) and (g) of this section; and

"(8) the rules of the exchange are sufficient and reasonably necessary to permit the exchange to discharge its regulatory responsibilities under this title.

"(c) The Commission shall, upon the filing of an application for registration pursuant to subsection (a) publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within sixty days of the filing of an application for registration pursuant to subsection (a) the Commission shall—

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(2) institute appropriate administrative action to determine whether the application should be denied. If, after appropriate notice and opportunity for hearing, the Commission finds that any requirement of this section is not satisfied, the Commission shall by order deny such registration. The Commission shall conclude administrative action and issue an order either granting or denying an application within one hundred and twenty days of the filing of the application, unless the Commission finds good cause for extending the period, in which case, the Commission may extend such period for an additional ninety days.

"(d) A registered national securities exchange may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any such registrant or such other person for whom an application of registration is pending is no longer in existence or has ceased to do business in the capacity specified in the registration statement, the Commission shall by order cancel or deny the registration.

"(e) (1) Each registered national securities exchange shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed changes in, additions to, deletions from or amendments to the rules of the exchange, to be accompanied by a summary statement of the basis and purpose of such proposed change, addition, deletion or amendment, and such other information and documents as the Commission may require to keep current or supplement the registration statement and documents filed pursuant to subsection (a). No such proposed change, addition, deletion or amendment shall take effect except in accordance with the provisions of this subsection.

"(2) The Commission shall, upon the filing of a proposed change, addition, deletion or amendment, publish notice of such proposal together with the exchange's statement of basis and purpose, and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, deletion or amendment. Such proposed changes, additions, deletions or amendments shall take effect sixty days after publication of such notice by the Commission, unless the Commission, by order, disapproves such proposed change, addition, deletion or amendment as inconsistent with the purposes of this title or otherwise inconsistent with the public interest, but the Commission may extend this time up to an additional ninety days by providing interested persons an opportunity for oral presentation of views, data or arguments concerning the proposed change, addition, deletion or amendment.

(f) In any proceeding to determine whether a member or person associated with a member should be disciplined, rules of a national securities exchange registered under this section shall require that specific charges of any violation be brought; that such member or person associated with a member shall be notified of and be given an opportunity to defend against such charges; and that a record shall be kept. A determination to take disciplinary action shall be supported by a statement setting forth—

"(1) any act or practice in which such member or person associated with such member may be found to have engaged, or any required act or practice which such member or person associated with such member may be found to have omitted;

"(2) the specific rule or rules of the exchange or provisions of this title or rules or regulations thereunder which any such act or practice, or omission to act, is deemed to violate; and

"(3) the sanction or penalty imposed and the reasons for that sanction or penalty.

Such statement shall be publicly noticed in accordance with such procedures as the Commission shall, by rule, specify which rule shall, as a minimum, require that such statement be sent to all members of such exchange and be published in a manner reasonably designed to provide investors with notice of such disciplinary action.

"(g) In any proceeding to determine whether a person shall be denied membership, rules of a national securities exchange registered under this section shall provide that the applicant for membership shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial which are under consideration; and that a record be kept. A determination to deny membership shall be supported by a statement setting forth the specific grounds on which the denial is based.

"(h) (1) If any registered national securities exchange takes any disciplinary action against or concludes disciplinary proceedings with respect to any member thereof, or any person associated with a member, or denies admission to any person seeking membership therein, the exchange shall promptly notify the Commission. Such action or proceedings shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been received by the Commission or within such longer period as the Commission may determine. The Commission may, upon the application of an aggrieved party for review or upon the initiation of review by the Commission on its own motion, order a stay of such disciplinary action pending completion of the review proceeding.

"(i) (1) In a proceeding to review disciplinary proceedings of a national securities exchange registered under this section with respect to a member or any person associated with a member, after notice and opportunity for hearing—

"(A) if the Commission finds that such member or such person has engaged in such acts or practices, or has omitted such acts, as the exchange has charged or has found him to have engaged in or to have omitted, and determines that such acts or practices, or omission to act, are in violation of the provisions of this title, or the rules adopted thereunder, or the rules of the exchange as have been designated in the determination of the exchange, it shall by order so declare and affirm the action taken by the exchange or, if appropriate, modify the sanctions or penalties in accordance with paragraph (2) of this subsection; or

"(B) if the Commission finds that such person has not engaged in such acts or practices, or has not omitted such acts, as the exchange has charged or has found him to have engaged in or to have omitted, or that such acts or practices are not prohibited by the designated provisions of this title, or the rules adopted thereunder, or by the designated rule or rules of the exchange or that such act is alleged or found to have been omitted is not required by such designated provisions, rule or rules, the Commission shall by order so declare and set aside the action of the exchange.

"(2) If the Commission, having due regard for the public interest, finds that the disposition of the proceedings before the exchange with respect to sanctions or penalties against a member or person associated with a member is inappropriate, the Commission may, by order, cancel, reduce, require the remission, increase, broaden the scope of or otherwise require the modification of such sanction or penalty or require the imposition of a different sanction or penalty.

"(j) In any proceeding to review the denial of membership in a registered national securities exchange, if the Commission, after appropriate notice and opportunity for hearing, (A) finds that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, it shall by order so declare and affirm the exchange's action; or (B) finds that the specific grounds do not exist or are invalid under the section, the Commission shall by order so declare and set aside the action of the exchange and require it to admit the applicant to membership.

"(k) National securities exchanges registered under this section, with the concurrence of the Commission, may, with respect to any person who is a member of more than one exchange, agree to share the costs, functions, and the responsibility for the conduct of examinations and inspections of such member.

"(l) A registered national securities exchange shall furnish copies of any reports of inspections or examinations of its members to any other national securities exchange or national securities association of which such member is a member upon the request of such member, exchange or association, or upon the request of the Commission.

"(m) A registered national securities exchange shall permit any broker or dealer registered under this title to become a member of such exchange; except that, any exchange may—

"(1) deny membership to any person who has been expelled or suspended from membership in any other exchange or any registered national securities association during the period of such expulsion or suspension;

"(2) with the approval of the Commission, deny membership to any person on those grounds set forth in section 15 of this title upon which such person may be denied registration under that section;

"(3) condition membership on the member's meeting financial responsibility requirements which are additional to those imposed by rules or regulations adopted pursuant to section 15 of this title and which the Commission determines are reasonable and consistent with the purposes of this title and with the public interest; and

"(4) condition membership on the member's meeting competency requirements which are additional to those imposed by rules or regulations adopted pursuant to section 15(b) (8) and which the Commission determines are reasonable and consistent with the purposes of this title and with the public interest.

An exchange may limit the number of its members permitted to effect transactions on the exchange without the services of another person acting as broker to the extent that such limitations are found by the Commission to be justified by reason of limitations in the physical capacity of the exchange.

"(n) This section shall not require any securities exchange which was registered on the date of enactment of the Securities Exchange Act Amendments of 1973 to re-register with the Commission. Six months after the effective date of such Act, the Commission shall, after notice and opportunity for hearing, suspend the registration of any such exchange if it finds that the rules of the exchange do not conform to the requirements of this section, and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements."

SEC. 203. The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended to add after section 6 of the following new section:

"AUTHORITY TO AMEND EXCHANGE RULES

"SEC. 6A. (a) The Commission, by rule or regulation, may amend the rules of any registered exchange (the term 'amend,' when used with respect to any rule of a registered exchange, means to abrogate, or compel the adoption of an alteration of, or supplement to, such rule, or to adopt a new rule) in the following manner:

"(1) The Commission shall publish in the Federal Register its proposed rule or regulation, which shall contain the text of the proposed amendment in the rules of the registered exchange; a full statement of the bases for the Commission's determination to require the amendment; any facts upon which the Commission's determination is founded; and an evaluation by the Commission of the effect of the proposed amendment to the rules of such exchange.

"(2) Rules or regulations which have been proposed under paragraph (1) shall be promulgated pursuant to section 553 of title 5, United States Code, except that the Commission shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions. A transcript shall be kept of any oral presentation. The Commission may make written submissions or oral presentations respecting any matter on which it intends to rely under paragraph (3) in promulgating the rule or regulation. Any such submission or presentation by the Commission shall be included in the record of the proceeding.

"(3) Whenever the Commission promulgates a rule or regulation to which this subsection applies, it shall publish with such rule or regulation a statement describing the bases for the Commission's determination to require the amendment, and containing any facts upon which the Commission's determination is founded, and an evaluation by the Commission of the effect of the proposed amendment and on valuation of the principal arguments made in any oral presentation under paragraph (2) or in any written comment submitted under such paragraph.

"(b)(1) Within one hundred twenty days from the promulgation of such rule or regulation any person adversely affected by a rule or regulation prescribed under subsection (a) may file a petition with the United States Court of Appeals for the District of Columbia or for the circuit in which such person resides or has his principal place of business for judicial review of such regulation. Copies of the petition shall be forthwith transmitted by the clerk of the court to the Commission or other officer designated by it for that purpose. The Commission shall file in the court the record of the proceedings on which the Commission based its rule or regulation. For purposes of this subsection, the term 'record' means the regulation, and the statement published therewith; the transcript required by subsection (a)(2) of any oral presentations by the Commission and by interested persons; and any written submission by interested persons or by the Commission in a proceeding under such subsection and any additional views, data, or arguments adduced pursuant to paragraph (2) of this subsection.

"(2) If the petitioner applies to the court for leave to adduce additional data, views, or arguments and shows to the satisfaction of the court that such additional data, views, or arguments are material and that there were reasonable grounds for the petitioner's failure to adduce such data, views, or arguments in the proceeding before the Commission, the court may order the Commission to provide additional opportunity for the oral presentation of data, views, or arguments and for written submissions. The Commission may modify its findings, or make new findings by reason of the additional data, views, or arguments so taken and shall file such modified or new findings, and its recommendations, if any, for the modification or setting aside of its original rule or regulation, with the return of such additional data, views, or arguments.

"(3) Upon the filing of the petition under paragraph (1) of this subsection the court shall have jurisdiction to review the regulation in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief, including interim relief, as provided in such chapter; except that the regulation shall not be affirmed unless the Commission shows that, on the basis of the record taken as a whole, (A) its action is prescribing the rule or regulation is not arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; and (B) that its action is not (i) contrary to constitutional right, power, privilege, or immunity; (ii) in excess of statutory jurisdiction, authority, or limitation, or short of statutory right; or (iii) without observance of procedure required by law.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any rule or regulation under subsection (b) shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28 of the United States Code.

"(5) The remedies provided for in this subsection shall be in addition to and not in lieu of any other remedies provided by law."

SEC. 204. Section 11(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78h(a)) is amended to read as follows:

"(a)(1) The Commission shall prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors, (A) to regulate or prevent floor trading by members of national securities exchanges, directly or indirectly for their own account or for discretionary accounts, and (B) to regulate or prevent trading on the exchange but off the floor by members, directly or indirectly for their own account, or for the account of any affiliated person as defined in section 11A of this title. Rules under this section shall, as a minimum, (i) require that transactions on the floor by members, directly or indirectly for their own account or for discretionary accounts, and transactions on the exchange but off the floor by members, directly or indirectly for their own account or for the account of any such affiliated person, shall yield priority, parity, and precedence to orders of nonaffiliated persons and (ii) prevent those transactions which do not contribute to the maintenance of a fair and orderly market.

"(2) It shall be unlawful for a member to effect any transaction in a security in contravention of rules and regulations under paragraph (1), but such rules and regulations may make such exemptions for arbitrage, block positioning or market maker transactions, for transactions in exempted securities, for transactions by odd-lot dealers and specialists (within the limitations of subsection (b) of this section), and for such other transactions as the Commission may deem necessary or appropriate in the public interest or for the protection of investors. Rules under this subsection may limit the aggregate amount of such transactions in relation to the total transactions effected by such member on a national securities exchange."

SEC. 205. The Securities Exchange Act of 1934 is amended by inserting after section 11 (15 U.S.C. 78h) the following new section:

"TRANSACTIONS WITH AFFILIATED PERSONS

"SEC. 11A. (a)(1) On or after February 1, 1974, it shall be unlawful for any member of a registered national securities exchange to effect, whether as broker or dealer, any transaction on an exchange for himself or with or for any affiliated person. For purposes of this section an 'affiliated person' shall include—

"(A) any person directly or indirectly controlling, controlled by or under common control with such member, whether by contractual arrangement or otherwise;

"(B) any officer, director, partner or employee of such member or any person or account in which such member or officer, director, partner or employee of such member has a direct or indirect interest or any person or account of such person directly or indirectly controlling, controlled by, or under common control with an officer, director, partner or employee of such member; and

"(C) any person (including any investment company, insurance company, bank, trust company, pension-benefit or profit sharing or similar plan, foundation, or educational or charitable endowment), for which such member or any person controlled by, controlling or under common control with such member, or any partner, officer, director or employee of such member: (i) is empowered to determine what securities or other property shall be purchased or sold or is otherwise authorized to select the securities bought or sold or (ii) regularly furnishes advice with respect to the desirability of investing in, purchasing or selling securities or other property. For the purposes of this section a member or an affiliate of such member shall not be considered to be regularly furnishing advice with respect to the desirability of investing in, purchasing or selling securities or other property if such member or its affiliate furnishes only statistical or other factual information, advice regarding economic factors and trends, or advice as to occasional transactions in specific securities or if such member's or affiliate's advice is furnished solely through uniform publications distributed to subscribers thereto.

For purposes of this section a person controls another person if such person has a right to participate to the extent of 10 per centum or more in the profits of such other person or owns beneficially, directly or indirectly, 10 per centum or more of the outstanding voting securities of such person, or if such person accounts for 10 per centum or more of the value of exchange transactions effected by such member in any six-month period, whether as broker or dealer.

"(2) The provisions of paragraph (1) of this subsection shall not apply to—

"(A) any transaction by a registered specialist, acting in such capacity, in a security in which he is so registered;

"(B) any transaction for the account of an odd-lot dealer in a security in which he is so registered;

"(C) any transaction determined by an exchange in accordance with criteria acceptable to the Commission to be a transaction by a block positioner acting as such, except where an affiliated person is a party to the transaction;

"(D) any stabilizing transaction effected in compliance with rules under section 10(b) of this title to facilitate a distribution of a security in which the member effecting such transaction is participating;

"(E) any bona fide arbitrage transaction, including hedging between an equity security and a security entitling the holder to acquire such equity security, or any risk arbitrage transaction in connection with a merger, acquisition, tender, offer, or similar transaction involving a recapitalization;

"(F) any transaction for the account of an individual for which a member of an affiliated person exercises investment discretion if such individual is not otherwise an affiliated person of such member;

"(G) any transaction for a member who is an individual, or for an account of an affiliated person who is an individual, made in compliance with rules promulgated by the Commission under section 11(a) of this title; and

"(H) any transaction to offset a transaction made in error.

"(b) Any member of an exchange who does not comply with the requirements of this section, and who acquired membership on such exchange prior to February 1, 1973, shall be given a period not to exceed one year following the effective date of this subsection to bring itself into compliance if within thirty days after the effective date of this subsection such member shall furnish a written commitment to the exchange of which it is a member to make good faith efforts to comply with the requirements of this subsection, accompanied by a written plan setting forth in detail those steps such member intends to take to comply with such requirements. No plan filed pursuant to this subsection shall be deemed to satisfy the requirements of this subsection unless the plan has been declared effective by the exchange with which it is filed after the exchange has first reviewed the plan and determined that it is reasonably calculated to enable such member to comply with the requirements of this subsection within one year from the effective date of this subsection.

"(c) The failure of an exchange diligently and effectively to enforce any provision of this subsection, or to require diligent compliance by any of its members with the terms of an effective plan filed by such member with that exchange pursuant to subsection (b) of this subsection, shall constitute a violation of this title.

"(d) After appropriate notice and opportunity for hearing, the Commission may in addition to any disciplinary action taken by the exchange order any member to forfeit and pay over to the Treasury of the United States any commission or other charge made in connection with transactions not in compliance with the provisions of this section."

SEC. 206. Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3) is amended to read as follows:

"NATIONAL SECURITIES ASSOCIATIONS

"SEC. 15A. (a) Any association of brokers or dealers may register with the Commission as a national securities association pursuant to subsection (b) under the terms and conditions provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the following information and accompanied by the following documents:

"(1) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, and its stated policies and practices relating to its organization, membership, and procedures, hereinafter collectively referred to in this title as the 'rules of the association'.

"(2) Such other information as the Commission may, by rule, require.

"(b) An applicant shall not be registered as a national securities association unless it appears to the Commission that—

"(1) such association will be able to comply with the provisions of this title, and the rules and regulations thereunder, and to enforce compliance by its members with this title and the rules and regulations thereunder, and with the rules of the association and to carry out the purposes of this section.

"(2) the rules of the association provide that any broker or dealer who makes use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, may become a member of such association, except such as are excluded pursuant to paragraph (3) of this subsection, or a rule of the association permitted under this paragraph. The rules of the association may condition membership (i) on the member's meeting financial responsibility requirements which are additional to those imposed under section 15 of this title and which the Commission determines are reasonable and consistent with the purposes of this title and with the public interest; or (ii) on the member's meeting competency requirements which are additional to those imposed under section 15 (b) (8) and which the Commission determines are reasonable and consistent with the purposes of this title and with the public interest. Rules adopted by the association may provide that the association may, unless the Commission directs otherwise in cases in which the Commission finds it appropriate in the public interest so to direct, deny admission to or refuse to continue in such association any broker or dealer if—

"(A) such broker or dealer, whether prior or subsequent to becoming such, or

"(B) any person associated with such broker or dealer, whether prior or subsequent to becoming so associated,

has been and is suspended or expelled from a national securities exchange registered under section 6 of this title or an association registered under this section, or has been and is barred or suspended from being associated with all members of such exchange or such association, for violation of any rule of such exchange or association.

"(3) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct no broker or dealer shall be admitted to or continued in membership in such association, if such broker or dealer—

"(A) has been and is suspended or expelled from a registered securities association or from a national securities exchange or has been and is barred or suspended from being associated with all members of such association or from being associated with all brokers or dealers which are members of such exchange, for violation of any rule of such association or exchange which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade.

"(B) is subject to an order of the Commission denying, suspending for a period not exceeding twelve months, or revoking his registration pursuant to section 15 of this title, or expelling or suspending him from membership in a registered securities association or a national securities exchange, or barring or suspending him from being associated with a broker or dealer.

"(C) whether prior or subsequent to becoming a broker or dealer, by his conduct while associated with a broker or dealer, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such broker or dealer, and in entering such a suspension, expulsion, or order, the Commission or any such exchange or association shall have jurisdiction to determine whether or not any person was a cause thereof.

"(D) has associated with any person who is known, or in the exercise of reasonable care should be known, to him to be a person who, if such person were a broker or dealer, would be ineligible for admission to or continuance in membership under clause (A), (B), or (C) of this paragraph.

"(4) the rules of the association assure a fair representation of its members, investors, issuers and the public in the adoption of any rule of the association or amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs, including as a minimum, that the rules require that—

"(A) at least half of the governing body of the association, whether called a Board of Governors, Board of Directors, or some other name, consist of individuals who are not brokers, dealers, members, persons associated with a broker or dealer or persons associated with a member, and who are representative of all segments of the investing public (hereinafter referred to as the 'public representatives');

"(B) the public representatives elect their own successors to the governing body of the association;

"(C) on voting for members of the governing body of the association who are not public representatives, the association members have cumulative voting rights;

"(D) the governing body of the association has the power to amend the rules of the association;

"(E) the association will appropriate for the use of the public representatives such sums as are necessary to permit the public representatives to employ such staff or retain such attorneys, consultants, or other experts as they may reasonably require, independent of the association's staff;

"(F) the voting power of members of the association is distributed on a fair and equitable basis; and

"(G) there are reasonable limits on the amount of time and the number of terms members of the governing body may serve;

"(5) the rules of the association provide for the equitable allocation of dues, fees, and other charges among its members,

"(6) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and, in general, to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market; and are not designed to permit unfair discrimination between customers or issuers, or brokers, or dealers, to fix minimum profits, to impose any schedule of prices, or to impose any schedule or fix minimum rates of commissions, allowances, discounts, or other charges.

"(7) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or being suspended or barred from being associated with all members, or any other fitting penalty, for any violation of its rules.

"(8) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any broker or dealer seeking membership therein or the barring of any person from being associated with a member. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted.

"(B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation.

"(C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade.

"(D) a statement setting forth the penalty imposed and the reasons for the penalty.

The statement containing the information called for in (A) through (D) above shall be publicly noticed in accordance with such procedures as the Commission shall, by rule, specify, which rule shall, as a minimum, require that such statement be sent to all members of the association and be published in a manner reasonably designed to provide investors with notice of such disciplinary action. In any proceeding to determine whether a broker or dealer shall be denied membership or whether any person shall be barred from being associated with a member, such rules shall provide that the broker or dealer or person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or bar which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or bar is based.

"(9) the rules of the association include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be disseminated by any member or any person associated with a member, and the persons to whom such quotations may be supplied. Such rules relating to quotations shall be designed to produce fair and informative quotations, both at the wholesale and retail level, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting and publishing quotations.

"(10) the rules of the association are sufficient and reasonably necessary to permit the association to discharge its regulatory responsibilities under this title.

"(c) The Commission shall, upon the filing of an application for registration pursuant to subsection (b), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within sixty days of the filing of an application for registration pursuant to subsection (b) the Commission shall—

"(1) by order grant such registration if the requirements of this section are satisfied, or

"(2) institute appropriate administrative action to determine whether the application should be denied. If, after appropriate notice and opportunity for hearing, it appears to the Commission that any requirement of this section is not satisfied, the Commission shall by order deny such registration. The Commission shall conclude administrative action and issue an order granting or denying an application within one hundred and twenty days of the filing of the application, unless the Commission finds good cause for extending the period, in which case the Commission may extend such period for an additional ninety days.

"(d) A registered securities association may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing with the Commission a written notice of withdrawal in such form as the Commission may prescribe.

"(e) If any registered securities association takes any disciplinary action against or concludes disciplinary proceedings with respect to any member thereof or any person associated with such a member or denies admission to any broker or dealer seeking membership therein, or bars any person from being associated with a member, the association shall promptly notify the Commission. Such action or proceedings shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been received by the Commission, or within such longer period as Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (h), unless the Commission otherwise orders after notice and opportunity for hearings on the question of a stay (which hearing may consist solely of affidavits and oral arguments).

"(f) (1) In a proceeding to review disciplinary proceedings of a registered securities association with respect to a member thereof or a person associated with a member, if the Commission, after appropriate notice and opportunity for hearing,

"(A) finds that such member or person has engaged in such acts or practices, or has omitted such act, as the association has charged or has found him to have engaged in or omitted, and

"(B) finds that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the charges or the determination of the association,

the Commission shall by order so declare and, if appropriate, dismiss the review proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If the Commission finds that the evidence does not warrant the finding required in clause (A), or if the Commission finds that such acts or practices are not prohibited by the designated rule or rules of the association, or that such act as is alleged or found to have been omitted is not required by such designated rule or rules, the Commission shall by order so declare and, if appropriate, set aside the action of the association.

"(2) If the Commission, having due regard for the public interest, finds that the disposition of the proceedings before the association with respect to sanctions or penalties against a member or person associated with a member is inappropriate, the Commission may by order cancel, reduce, require the remission, increase, broaden the scope or otherwise require the modification of such sanction or penalty or require the imposition of different sanction or penalty.

"(3) In any proceeding to review the denial of membership in a registered securities association or the barring of any person from being associated with a member, if the Commission, after appropriate notice and opportunity for hearing, finds that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant broker or dealer to membership therein, or to permit such person to be associated with a member.

"(g) (1) The rules of a registered securities association may provide that no member thereof shall deal with any nonmember broker or dealer(as defined in paragraph (2) of this subsection) except at the same prices, for the same commissions or fees, and on the same terms and conditions as are by such member accorded to the general public.

"(2) For the purposes of this subsection, the term 'nonmember broker or dealer' shall include any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, who is not a member of any registered securities association, except a broker or dealer who deals exclusively in commercial paper, bankers' acceptances, or commercial bills.

"(3) Nothing in this subsection shall be so construed or applied as to prevent any member of a registered securities association from granting to any other member of any registered securities association any dealer's discount, allowance, commission, or special terms.

"(h) (1) Every registered securities association shall file with the Commission in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, copies of any proposed changes in, additions to, deletions from, or amendments to the rules of the association, accompanied by a summary statement of the basis and purpose of such proposed change, addition, deletion, or amendment, and such other information and documents as the Commission may require to keep current or to supplement the registration statement and documents filed pursuant to subsection (a). No such proposed change, addition, deletion, or amendment shall take effect except in accordance with the provisions of this subsection.

"(2) The Commission shall, upon the filing of a proposed change, addition, deletion or amendment, publish notice of such proposal together with the association's statements of basis and purpose, and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, deletion or amendment. Such proposed changes, additions, deletions or amendments shall take effect sixty days after publication of such notice by the Commission, unless the Commission, by order, disapproves such proposed change, addition, deletion or amendment as inconsistent with the purposes of this title or otherwise inconsistent with the public interest, but the Commission may extend this time up to an additional ninety days by providing interested persons an opportunity for oral presentation of views, data or arguments concerning the proposed change, addition, deletion or amendment.

"(i) This section shall not require a national securities association which was registered with the Commission on the date of enactment of the Securities Exchange Act Amendments of 1973 to re-register with the Commission. Six months after the effective date of such Act, the Commission shall, after notice and opportunity for hearing, suspend the registration of any such association if it finds that the rules thereof do not conform to the requirements of this section, as amended by section 206 of the Securities Exchange Act Amendments of 1973 and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements.

"(j) The Commission is authorized, if such action appears to it to be necessary or appropriate in the public interest or for the protection of investors or to carry out the purposes of this section—

"(1) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to revoke the registration of a registered securities association, if the Commission finds that such association has violated any provision of this title or any rule or regulation thereunder, or has failed to enforce compliance with such rules or with its own rules, or has engaged in any other activity tending to defeat the purposes of this section.

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered securities association any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds that such member or person has willfully violated any provision of the Securities Act of 1933, the Investment Advisers Act of 1940, the Investment Company Act of 1940, or of this title or a rule or regulation under any of such statutes, or has violated a rule of such association or of any national securities exchange of which such person was a member, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of any of such statutes or any rule or regulation thereunder or any rule of such association or of any national securities exchange of which such person was a member.

"(3) after appropriate notice and opportunity for hearing, by order to remove from office any officer, director, or employee of a registered securities association who, the Commission finds, has willfully failed to enforce the rules of the association, or has willfully abused his authority.

"(k) Nothing in this section shall be construed to apply with respect to any transaction by a broker or dealer in any exempted security."

SEC. 207. The Securities Exchange Act of 1934 is amended by adding after section 15A (15 U.S.C. 17o–3) the following new section:

"AUTHORITY TO AMEND ASSOCIATION RULES

"SEC. 15B. (a) The Commission, by rule or regulation, may amend the rules of any registered association (the term 'amend' when used with respect to any rule of a registered association, means to abrogate, or compel the adoption of an alteration of, or supplement to, such rule, or to adopt a new rule) in the following manner:

"(1) The Commission shall publish in the Federal Register a proposed rule or regulation, which shall contain the text of the proposed amendment to the rules of the registered association; a full statement of the bases for the Commission's determination to require the amendment; any facts upon which the Commission's determination is founded; and an evaluation by the Commission of the effect of the proposed amendment to the rules of such association.

"(2) Rules or regulations which have been proposed under paragraph (1) shall be promulgated pursuant to section 553 of title 5, United States Code, except that the Commission shall give interested persons an apportunity for the oral presentation of data, views, or arguments, in addition to an apportunity to make written submissions. A transcript shall be kept of any oral presentation. The Commission may make written submissions or oral presentations respecting any matter on which it intends to rely under paragraph (3) in promulgating the rule or regulation. Any such submission or presentation by the Commission shall be included in the record of the proceeding.

"(3) Whenever the Commission promulgates a rule or regulation to which this subsection applies, it shall publish with such rule or regulation a statement describing the basis for the Commission's determination to require the amendment; and containing any facts upon which the Commission's determination is founded, and an evaluation by the Commission of the effect of the proposed amendment, and an evaluation of the principal arguments made in any oral presentation under paragraph (2) or in any written comment submitted under such paragraph.

"(b)(1) Within one hundred twenty days from the promulgation of such rule or regulation any person adversely affected by a rule or regulation prescribed under subsection (a) may file a petition with the United States Court of Appeals for the District of Columbia or for the circuit in which such person resides or has his principal place of business for judicial review of such regulation. Copies of the petition shall be forthwith transmitted by the clerk of the court to the Commission or other officer designated by it for that purpose. The Commission shall file in the court the record of the proceedings on which the Commission based its rule or regulation. For purposes of this subsection, the term 'record' means the regulation, and the statement published therewith; the transcript required by subsection (b)(2) of any oral presentations by the Commission and by interested persons: and any written submission by interested persons or by the Commission in a proceeding under such subsection and any additional views, data, or arguments adduced pursuant to paragraph (2) of this subsection.

"(2) If the petitioner applies to the court for leave to adduce additional data, views, or arguments and shows to the satisfaction of the court that such additional data, views, or arguments are material and that there were reasonable grounds for the petitioner's failure to adduce such data, views, or arguments in the proceeding before the Commission, the court may order the Commission to provide additional opportunity for the oral presentation of data, views, or arguments and for written submissions. The Commission may modify its findings, or make new findings by reason of the additional data, views, or arguments so taken and shall file such modified or new findings, and its recommendations, if any, for the modification or setting aside of its original regulation, with the return of such additional data, views, or arguments.

"(3) Upon the filing of the petition under paragraph (1) of this subsection the court shall have jurisdiction to review the regulation in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief, including interim relief, as provided in such chapter; except that the regulation shall not be affirmed unless the Commission shows that, on the basis of the record taken as a whole, (A) its action in prescribing the regulation is not arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; and (B) that its action is not (i) contrary to constitutional right, power, privilege, or immunity; (ii) in excess of statutory jurisdiction, authority, or limitation, or short of statutory right; or (iii) without observance of procedure required by law.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any regulation under subsection (b) shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28 of the United States Code.

"(5) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law."

SEC. 208. Section 19 of the Securities Exchange Act of 1934 (15 U.S.C. 78s) is amended to read as follows:

"POWERS WITH RESPECT TO EXCHANGES AND SECURITIES

"SEC. 19. (a) The Commission is authorized, if in its opinion such action is necessary or appropriate for the protection of investors—

"(1) After appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to revoke the registration of a national securities exchange if the Commission finds that such exchange has violated any provision of this title or any rules or regulations thereunder or has failed to enforce compliance with such rules or with its own rules by a member or by an issuer of a security registered thereon.

"(2) After appropriate notice and opportunity for hearing, by order to deny, to suspend the effective date of, to suspend for a period not exceeding twelve months, or to withdraw, the registration of a security if the Commission finds that the issuer of such security has failed to comply with any provision of this title or the rules and regulations thereunder, or any rule of a registered national securities exchange upon which such security is listed for trading.

"(3) After appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a national securities exchange any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, whom the Commission finds has violated any provision of the Securities Act of 1933, the Investment Advisers Act of 1940, the Investment Company Act of 1940, or of this title, or a rule or regulation under any of such statutes, or has violated a rule of such exchange or of any registered securities association of which such person was a member or has affected any transaction for any other person who, he had reason to believe, was violating in respect to such transaction any provision of any of such statutes, or a rule or regulation thereunder, or a rule of such exchange or of any registered securities association of which such person was a member.

"(4) After appropriate notice and opportunity for hearing, by order to remove from office any officer, director or employee of a registered national securities exchange who, the Commission finds, has willfully failed to enforce the rules of the exchange, or has willfully abused his authority.

"(5) And if in its opinion the public interest so requires, summarily to suspend trading in any registered security on any national securities exchange for a period not exceeding ten days, or with the approval of the President, summarily to suspend all trading on any national securities exchange for a period not exceeding ninety days.

"(b) The Commission, having due regard for the public interest, the protection of investors and the need to assure fair dealing in securities, and to preserve and foster competition among exchanges and between exchange markets and markets occurring otherwise than on an exchange, shall, on or before February 1, 1975, take such steps as are within its power to establish a national market system for transactions in securities. The Commission shall, commencing in 1973 and ending in 1975, report annually to the Congress (1) the steps it has taken and its evaluation of the progress made toward the creation of a national market system, and (2) its recommendations, if any, for further legislative authority to create such a system."

SEC. 209. The Securities Exchange Act of 1934 is amended by adding after section 20 (15 U.S.C. 78t), the following new section:

"SEC. 20A. (a) No national securities exchange registered under section 6 shall by rule or otherwise prohibit any of its members, when acting on behalf of a customer, from transacting business on any other exchange, or otherwise than on an exchange, and on national securities assocation registered under section 15A shall by rule or otherwise prohibit any of its members, when acting on behalf of a customer, from transacting business on a national securities exchange.

"(b) The Commission shall adopt rules which assure that any transaction by any registered broker or dealer or member of an exchange is executed at a net price to such member's customer which is better than or equivalent to the net price which would have been obtainable if such transaction were to have been executed (in any unit of trading) on any other exchange or otherwise than on an exchange.

"(c) No national securities exchange registered under section 6 and no national securities association registered under section 15A shall by rule or otherwise prohibit any of its members from participating in any clearing agency or securities depository registered under section 17A."

SEC. 210. Section 21 of the Securities Exchange Act of 1934 (U.S.C. 78u) is amended to read as follows:

"INVESTIGATIONS, INJUNCTIONS, AND PROSECUTION OF OFFENSES

"SEC. 31. (a) The Commission may, in its discretion, make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this title or any rule or regulation thereunder, or any rule of a registered securities association or national securities exchange of which such person is a member, and may require or permit any person to file with it a statement in writing, under oath or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated. The Commission is authorized, in its discretion, to publish information concerning any such violations, and to investigate any facts, conditions, practices, or matters which it may deem necessary or proper to aid in the enforcement of the provisons of this title, in the prescribing of rules and regulations thereunder, or in securing information to serve as a basis for recommending further legislation concerning the matters to which this title relates.

"(b) For the purpose of any such investigation, or any other proceeding under this title, any member of the Commission or any officer designated by it is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records which the Commission deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

"(c) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. And such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if in his power so to do, in obedience to the subpena of the Commission, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than one year, or both.

"(d) Wherever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this title, or any rule or regulation thereunder, or any rule of a registered securities association or national securities exchange of which such person is a member, it may in its discretion bring an action in the proper district court of the United States, the United States District Court for the District of Columbia or the United States courts of any Territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices to the Attorney General, who may, in his discretion, institute the necessary criminal proceedings under this title.

"(e) Upon application of the Commission the district courts of the United States, the United States District Court for the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States shall also have jurisdiction to issue writs or mandamus commanding any person to comply with the provisions of this title or any order of the Commission made in pursuance thereof, or any rule of a registered securities association or national securities exchange of which such person is a member, or with any undertaking contained in a registration statement as provided in subsection (d) of section 15 of this title or to compel a registered national securities exchange or association to enforce compliance with the rules of such exchange or association."

TITLE III—FINANCIAL RESPONSIBILITY; REGULATION OF BROKERS, DEALERS AND MEMBERS; REPORTS AND EXAMINATIONS

SEC. 301. Section 8 of the Securities Exchange Act of 1934 (15 U.S.C. 78h) is amended to read as follows:

"RESTRICTIONS ON BORROWING BY MEMBERS, BROKERS, AND DEALERS

"SEC. 8. It shall be unlawful for any registered broker or dealer or member of a registered national securities exchange or any broker or dealer who transacts a business in securities through the medium of any such member, directly or indirectly—

"(a) To borrow in the ordinary course of business as a broker or dealer on any security (other than an exempted security) registered on a national securities exchange except (1) from or through a member bank of the Federal Reserve System, (2) from any nonmember bank which shall have filed with the Board of Governors of the Federal Reserve System an agreement, which is still in force and which is in the form prescribed by the Board, undertaking to comply with all provisions of this Act, the Federal Reserve Act as amended, and the Banking Act of 1933, which are applicable to member banks and which relate to the use of credit to finance transactions in securities, and with such rules and regulations as may be prescribed pursuant to such provisions of law or for the purpose of preventing evasions thereof, or (3) in accordance with such rules and regulations as the Board of Governors of the Federal Reserve System may prescribe to permit loans between such members and/or brokers and/or dealers, or to permit loans to meet emergency needs. Any such agreement filed with the Board of Governors of the Federal Reserve System shall be subject to termination at any time by order of the Board after appropriate notice and opportunity for hearing because of any failure by such bank to comply with the provisions thereof or with such provisions of law or rules or regulation; and, for any willful violation of such agreement, such bank shall be subject to the penalties provided for violations of rules and regulations prescribed under this title. The provisions of sections 21 and 25 of this title shall apply in the case of any such proceeding or order of the Board of Governors of the Federal Reserve System in the same manner as such provisions apply in the case of proceedings and orders of the Commission.

"(b) In contravention of such rules and regulations as the Commission shall prescribe for the protection of investors to hypothecate or lend or arrange for hypothecation or lending of any securities carried for the account of any customer under circumstances (1) that will permit the commingling of his securities without his written consent with the securities of any other customer, (2) that will permit such securities to be commingled with the securities of any person other than a bona fide customer, or (3) that will permit such securities to be loaned or hypothecated, or subjected to any lien or claim of the pledgee for a sum in excess of the aggregate indebtedness of such customers in respect of such securities.

"(c) To lend or arrange for the lending of any securities carried for the account of any customer without the written consent of such customer."

SEC. 302. Section 15(a) of the Securities Exchange Act of 1934 (14 U.S.C. 78o(a)), is amended to read as follows:

"SEC. 15. (a) (1) No broker or dealer (other than one whose business is exclusively intrastate) shall make use of the mails or of any means or instrumentality of interstate commerce, and no member of an exchange shall make use of an exchange facility, to effect any transaction in, or to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) unless such broker or dealer or member is registered in accordance with subsection (b) of this section.

"(2) The Commission may by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions or for specified periods, exempt from paragraph (1) of this subsection any broker or dealer or member of class of brokers or dealers or members specified in such rules, regulations, or orders."

SEC. 303. (a) Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) is amended to read as follows:

"(b) (1) A broker or dealer or member of an exchange may be registered for the purpose of this section by filing with the Commission an application for registration, which shall contain financial statements certified by an independent public or certified accountant and such other information in such detail as to such broker or dealer or member and any persons associated with such broker or dealer or member as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Within forty-five days of the filing of such application or any amendment to such application the Commission shall—

"(A) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(B) institute appropriate administrative action to determine whether the application should be denied, If, after appropriate notice and opportunity for hearing, the Commission finds that any requirement of this section is not satisfied, the Commission shall by order deny such registration. The Commission shall conclude administrative action and issue an order granting or denying the application within one hundred and twenty days of the filing of such application, unless the Commission finds good cause for extending the period, in which case the Commission may extend such period for an additional ninety days.

"(2) An application for registration of a broker or dealer to be formed or organized may be made by a broker or dealer to which the broker or dealer to be formed or organized is to be the successor. Such application shall contain financial statements certified by an independent or certified public accountant and such other information in such detail as to the applicant and as to the successor and any person associated with the applicant or the successor, as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. The effectiveness of such application shall be governed by the same procedures as set forth in subsection (b)(1). Should the Commission grant such application for registration, the registration shall terminate on the forty-fifth day after the effective date thereof, unless prior thereto the successor shall, in accordance with such rules and regulations as the Commission may prescribe, adopt such application as its own.

"(3) Within six months of the granting of an application for registration the Commission, or such registered national securities association or registered national securities exchange of which such broker or dealer is a member as the Commission may, by rule, designate, shall conduct an inspection of the broker or dealer or member so registered, to determine whether such broker or dealer or member is operating in conformity with the provisions of this title, and the rules and regulations adopted thereunder.

"(4) Any provision of this title (other than section 5 and subsection (a) of this section) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce are used in connection therewith shall also prohibit any such act, practice, or course of business by any broker or dealer or member registered pursuant to this subsection or any person acting on behalf of such a broker or dealer, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith.

"(5) The Commission shall, after appropriate notice and opportunity for hearing, by order censure, deny registration to, suspend for a period not exceeding twelve months, or revoke the registration of, any broker or dealer or member if it finds that such censure, denial, suspension, or revocation is in the public interest and that such broker or dealer or member, whether prior or subsequent to becoming such, or any person associated with such broker or dealer or member, whether prior or subsequent to becoming so associated—

"(A) has willfully made or caused to be made in any application for registration or report required to be filed with the Commission under this title, or in any proceeding before the Commission with respect to registration, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which is required to be stated therein.

"(B) has been convicted within ten years preceding the filing of the application or at any time thereafter of the crimes of armed robbery or grand larceny or of any felony or misdemeanor which the Commission finds—

"(i) involves the purchase or sale of any security.

"(ii) arises out of the conduct of the business of a broker, dealer, or investment adviser.

"(iii) involves embezzlement, fraudulent conversion, or misappropriation of funds or securities.

"(iv) involves the violation of section 1341, 1342, or 1343 of title 18, United States Code.

"(C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or as an affiliated person or employee of any investment company, bank, or insurance company, or firm engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.

"(D) has willfully violated any provision of the Securities Act of 1933, or of the Investment Advisers Act of 1940, or of the Investment Company Act of 1940, or of this title, or any rule or regulation under any of such statutes, or any rule or regulation of a registered national securities exchange or registered national securities association of which such person was a member.

"(E) has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of the Securities Act of 1933, or the Investment Advisers Act of 1940, or the Investment Company Act of 1940, or of this title, or any rule or regulation under any of such statutes, or any rule or regulation of a registered national securities exchange or registered national securities association of which such person was a member, or has failed reasonably to supervise, with a view to preventing violations of such statutes, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision. For the purposes of this clause (E) no person shall be deemed to have failed reasonably to supervise any person, if—

"(i) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and

"(ii) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

"(F) is subject to an order of the Commission entered pursuant to paragraph (7) of this subsection (b) barring or suspending the right of such person to be associated with a broker or dealer, which order is in effect with respect to such person.

(6) Pending final determination whether any registration under this subsection shall be revoked, the Commission shall by order suspend such registration if, after appropriate notice and opportunity for hearing, such suspension shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors. Any registered broker or dealer or member may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registered broker or dealer or member is no longer in existence or has ceased to do business as a broker or dealer or member, the Commission shall, after appropriate notice and opportunity for hearing, by order cancel the registration or application of such broker or dealer or member.

"(7) The Commission may, after appropriate notice and opportunity for hearing, by order censure any person, or bar or suspend for a period not exceeding twelve months any person from being associated with a broker or dealer or member, if the Commission finds that such censure, barring, or suspension is in the public interest and that such person has committed or omitted any act or omission enumerated in clause (A), (D), or (E) of paragraph (5) of this subsection or has been convicted of any offense specified in clause (B) of said paragraph (5) within t ne years of the commencement of the proceedings under this paragraph or is enjoined from any action, conduct, or practice specified in clause (C) of said paragraph (5). It shall be unlawful for any person as to whom such an order barring or suspending him from being associated with a broker or dealer is in effect, willfully to become, or to be, associated with a broker or dealer or member, without the consent of the commencement of the proceedings under this paraor dealer is in effect, willfully to become, or to be, associated remain, a person associated with him, without the consent of the Commission, if such broker or dealer or member knew, or in the exercise of reasonable care, should have known, of such order.

"(8) No broker or dealer or member registered under section 15 of this title shall, effect any transaction in, or induce the purchase or sale of, any security unless such broker or dealer or member and all natural persons associated with such broker or dealer or member meet such specified and appropriate standards with respect to training, experience and age, and such other qualifications as the Commission finds necessary or desirable. The Commission shall establish such standards by rules and regulation, which may—

"(A) appropriately classify brokers and dealers and members and persons associated with brokers and dealers and members (taking into account relevant matters, including types of business done and nature of securities sold).

"(B) specify that all or any portion of such standards shall be applicable to any such class.

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules and regulations, which examination shall, with respect to partners, officers, and supervisory employees (which latter term may be defined by the Commission's rules and regulations and as so defined shall include branch managers of brokers or dealers or members), include questions relating to bookkeeping, accounting, internal control over cash and securities, proper supervision of employees, proper maintenance of records, and other similar matters

"(D) provide that persons in any such class other than a broker or a dealer and partners, officers, and supervisory employees of brokers or dealers, may be qualified solely on the basis of compliance with such specified standards of training and such other qualifications as the Commission finds appropriate.

The Commission may prescribe by rules and regulations reasonable fees and charges to defray its costs in carrying out this paragraph, including, but not limited to, fees for any examination administered by it or under its direction. The Commission may cooperate with securities associations registered under section 15A of this title and with national securities exchanges registered under section 6 of this title in devising and administering examinations and may require brokers and dealers and members registered under this section and persons associated with such brokers and dealers and members to pass examinations administered by or on behalf of any such association or exchange and to pay such association or exchange reasonable fees or charges to defray the costs incurred by such association or exchange in administering such examinations.

"(9) In addition to the fees and charges authorized by paragraph (8) each broker or dealer registered under section 15 of this title not a member of a securities association registered pursuant to section 15A of this title shall pay to the Commission such reasonable fees and charges as may be necessary to defray the costs of additional regulatory duties required to be performed by the Commission because such broker or dealer is not a member of such a securities association. The Commission shall establish such fees and charges by rules and regulations.

"(10) No broker or dealer subject to paragraph (9) of this subsection shall effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) in contravention of such rules and regulations as the Commission may prescribe designed to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and in general to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market."

(b) The amendments and repeals made by this section shall not require the reregistration of any person registered pursuant to subsection 15(b) on the date on which the Securities Exchange Amendments Act of 1973 takes effect.

SEC. 304. Section 15(c)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78o (c)(3)) is amended to read as follows:

"(3)(A) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce and no member of an exchange shall make use of an exchange facility, to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest or for the protection of investors to provide safeguards with respect to the financial responsibility and related practices of such brokers, dealers and members including, but not limited to, the acceptance of custody and use of customers' securities, and the carrying and use of customers' deposits or credit balances. Such rules and regulations shall (i) require the maintenance of reserves with respect to customers' deposits or credit balances, and (ii) by no later than January 1, 1974, establish minimum capital requirements providing for ample liquid and permanent capital of such brokers, dealers and members;

"(B) The Commission shall have authority, after appropriate notice and opportunity for hearing, to order any broker or dealer or member or class thereof to restrict any of its activities if the Commission finds that such restrictions are reasonably necessary to assure continued compliance with rules under this section.

"(C) For the purposes of this paragraph, the Commission is authorized to classify brokers, dealers and members of national securities exchanges on appropriate bases including the type of business in which they are engaged and risks attendant thereto.

"(D) The Commission is not authorized to exempt any broker, dealer or member of a national securities exchange, or any class thereof, from any rule promulgated under this paragraph."

SEC. 305. Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended to read as follows:

"ACCOUNTS AND RECORDS, REPORTS, EXAMINATIONS OF EXCHANGES, MEMBERS, AND OTHERS

"SEC. 17. (a) Every national securities exchange, every member thereof registered under section 15 of this title, every broker or dealer who transacts a business in securities through the medium of any such member, every registered securities association; and every broker or dealer registered pursuant to section 15 of this title; shall make, keep, and preserve for such periods, such accounts, correspondence, memoranda, papers, books, and other records, and furnish such copies thereof, and make such reports, as the Commission by its rules and regulations may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"(b) Such accounts, correspondence, memoranda, papers, books, and other records shall be subject at any time or from time to time to such reasonable periodic, special, or other examinations by examiners or other representatives of the Commission as the Commission may deem necessary or appropriate in the public interest or for the protection of investors.

"(c) Every broker or dealer or member registered under this title shall file with the Commission, and send to its customers, such information concerning its financial condition as the Commission shall, by rule, require. Such information shall include certified balance sheets and certified income statements prepared on a calendar or fiscal year basis for the current year and, as a minimum, the preceding year.

"(d) Rules under subsection (a) of this section may include rules (1) regulating the reporting of transactions executed on an exchange, or otherwise than on an exchange; (2) regulating the reporting of bids and offers for securities traded on an exchange or otherwise than on an exchange; and (3) prescribing uniformity in accounting procedures and systems of brokers and dealers and members registered under this title.

"(e) Any broker, dealer, member or other person extending credit who is subject to the rules and regulations prescribed by the Board of Governors of the Federal Reserve System pursuant to this title shall make such reports to the Board as it may require as necessary or appropriate to enable it to perform the functions conferred upon it by this title. If any such broker, dealer, member or other person shall fail to make any such report or fail to furnish full information therein, or, if in the judgment of the Board it is otherwise necessary, such broker, dealer, member or other person shall permit such inspections to be made by the Board with respect to the business operations of such broker, dealer, member or other person as the Board may deem necessary to enable it to obtain the required information."

TITLE IV—SECURITIES PROCESSING

SEC. 401. Section 2 of the Securities Exchange Act of 1934 (15 U.S.C. 78b) is amended by striking the word "and" immediately before the phrase "to impose requirements necessary to make such regulations and control reasonably complete and effective," and by adding the following immediately after that phrase: "and to provide for the development of an integrated national system for the prompt and accurate processing and settlement of securities transactions,".

SEC. 402. Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is further amended by adding at the end thereof the following new paragraphs:

"(22)(A) The term 'clearing agency' means any person who acts as an intermediary in making payments or deliveries (or both) in connection with transactions in securities or who provides facilities (i) for comparison of data respecting the terms of settlement of securities transactions, (ii) to reduce the number of settlements of securities transactions, or (iii) for the allocation of securities settlement responsibilities.

"(B) The term 'securities depository' means any person who acts as a custodian of securities in connection with a system which permits securities so held to be transferred, loaned, or pledged without physical delivery of securities certificates, or which otherwise permits or facilitates the settlement of securities transactions or the hypothecation or lending of securities without physical delivery of securities certificates.

"(C) The terms 'clearing agency' and 'securities depository' shall not include (i) Federal Reserve Banks, Federal Home Loan Banks, Federal Land Banks and (ii) banks, brokers, building and loan, savings and loan, and homestead associations and cooperative banks by reason of lending, fiduciary, correspondent, or safekeeping functions commonly performed by them on the date of enactment of this paragraph.

"(D) The terms 'clearing agency' and 'securities depository' shall not include (i) life insurance companies, or their registered separate accounts, by reason of functions commonly performed by such entities in connection with variable annuity contracts issued by insurance companies; or (ii) registered open-end investment companies or unit investment trusts by reason of functions commonly performed by such entities in connection with shares in registered open-end investment companies or unit investment trusts.

"(23) The term 'participant', when used with respect to a clearing agency or securities depository, means any person who uses a clearing agency or securities depository for the purpose of settling or comparing transactions in securities or making or receiving payment for or delivery, lending, or hypothecation of securities; but does not include a person whose only use of a clearing agency or securities depository is through another person.

"(24) The term 'person associated with a participant' when used with respect to a registered clearing agency or securities depository means any partner, officer, director, or any person directly or indirectly controlling or controlled by such participant, including any employee of such participant. The Commission may by rules and regulations classify persons, including employees controlled by a participant.

"(25) The term 'transfer agent' means any person who engages, on behalf of an issuer, or on behalf of itself as an issuer, of securities in: (A) countersigning such securities upon issuance; (B) monitoring the issuance of such securities with a view to preventing unauthorized issuance, a function commonly performed by a person called a registrar; (C) registering the transfer of such securities; or (D) exchanging or converting such securities. The term 'transfer agent' shall not include any person who performs such functions solely with respect to variable annuity contracts issued by insurance companies.

"(26) The term 'bank regulating agency', when used with respect to a bank acting as a clearing agency, securities depository, or transfer agent required to be registered under this title means:

"(A) the Comptroller of the Currency, in the case of a national bank or a bank operating under the Code of Law for the District of Columbia, or a subsidiary of any such bank;

"(B) the Board of Governors of the Federal Reserve System, in the case of a State member bank of the Federal Reserve System or subsidiary thereof; and

"(C) the Federal Deposit Insurance Corportation in the case of a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System) or a subsidiary thereof.

"(27) The terms 'rules of a clearing agency' or 'rules of a securities depository' mean the clearing agency's or securities depository's constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, and its stated policies and practices relating to its organization, participation, rules of procedures, financial condition, methods of safekeeping, transferring, hypothecating, lending and accounting for funds and securities, and similar matters."

SEC. 403. Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)) is further amended by adding the following new paragraph at the end thereof:

"(6) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce and no member of a national securities exchange shall make use of an exchange facility to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest or for the protection of investors to regulate the time and method of making settlements, payments, and deliveries and of opening, maintaining, and closing accounts. Nothing in this paragraph shall be construed (i) to affect the authority of the Board of Governors of the Federal Reserve System, pursuant to section 7 of this title, to prescribe rules and regulations for the purpose of preventing the excessive use of credit for the purchase or carrying of securities, or (ii) to authorize the Commission to prescribe such rules or regulations for such purpose."

SEC. 404. The Securities Exchange Act of 1934 is amended by inserting after section 17 (15 U.S.C. 78q) the following new section:

"PROCESSING OF SECURITIES TRANSACTIONS

"SEC. 17A. (a)(1) One hundred and eighty days after the effective date of the Securities Exchange Act Amendments of 1973 and except as otherwise provided in this subsection, it shall be unlawful for any person, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the function of a clearing agency, securities depository or transfer agent with respect to any security unless such person is registered under this section. The Commission, by rules and regulations or by order, upon its own motion, or upon application, may conditionally or unconditionally exempt any person, security, transaction, clearing agency, securities depository, transfer agent, or any class or classes of persons, securities, transactions clearing agencies, securities depositories or transfer agents from any provision or provisions of this section or of any rule or regulation prescribed under this section if the Commission finds that the application of such provision or provisions to such person, security, transaction, clearing agency, securities depository, transfer agent, or class or classes of persons, securities, transactions, clearing agencies, securities depositories or transfer agents is not practical or not necessary or appropriate in the public interest or for the prompt and accurate processing and settlement of securities transactions.

"(2) The Commission shall include in its annual reports to Congress required by section 23(b) of this title information concerning the number of requests for exemptions received, the number granted, and the basis or bases upon which the exemptions were granted.

"(3) The provisions of this section shall apply only to securities and to persons performing the function of transfer agent with respect to securities which are registered under section 12 of this title or which would be required to be so registered except for the exemption from registration provided in subsection (g)(2)(B) or (g)(2)(G) of that section. The provisions of this section shall not apply to variable annuity contracts issued by insurance companies.

"(b) Any transfer agent may be registered for the purposes of this title by filing with the Commission a registration statement which shall state the address of its principal office or offices for transfer agent activities, the identity of the issuers and issues of securities for which it is then acting as transfer agent, and such other information in such detail as the Commission may by rule require as necessary or appropriate in the public interest, for the protection of investors or to assure the prompt and accurate processing and settlement of securities transactions.

"(c) Any clearing agency or securities depository may be registered for the purposes of this section by filing with the Commission a registration statement in such form as the Commission may prescribe setting forth the following information and accompanied by the following documents:

"(1) The rules of the clearing agency or securities depository.

"(2) Such other information as the Commission may, by rule, require.

"(d) An applicant shall not be registered as a clearing agency or a securities depository unless the Commission finds that—

"(1) such clearing agency or securities depository is organized so as to facilitate the prompt and orderly settlement of securities transactions, to safeguard funds and securities held for the accounts of participants, and to comply with the provisions of this title and the rules and regulations thereunder, and to carry out the purposes of this section;

"(2) the rules of the clearing agency or securities depository provide that (A) all registered brokers or dealers or members of a national securities exchange, (B) other registered clearing agencies or securities depositories, (C) registered investment companies, (D) banks (as defined in section 2(a)(5) of the Investment Company Act of 1940), and (E) such other persons or classes of persons as the Commission may from time to time designate by rule as appropriate to the development of an integrated national system for the prompt and accurate processing and settlement of securities transactions are eligible to become participants in such clearing agency or securities depository, subject only to such other rules of the clearing agency or securities depository as are expressly permitted under this paragraph. The rules of the clearing agency or securities depository may restrict or condition participation upon the deposit or the posting of a bond with the clearing agency or securities depository in an amount which bears a reasonable relationship to the risks attendant to such participants' use of such clearing agency or securities depository, and may deny participation to persons who have been expelled or suspended by a registered clearing agency or securities depository during the period of such expulsion or suspension. With respect to persons not included in clauses (A) through (D) above, the rules of the clearing agency or securities depository may also restrict or condition participation on the basis of the ability of the participants to meet reasonable requirements as to financial condition or operations capability and may provide for the exclusion of persons not included in clauses (A) through (D) who have been convicted within ten years preceding the filing of the application for participation of the crimes of armed robbery or grand larceny or of any felony or misdemeanor which the clearing agency or securities depository finds—

"(i) involves the purchase or sale of any security,

"(ii) involves embezzlement, fraudulent conversion, or misappropriation of funds or securities, or

"(iii) involves the violation of section 1341, 1342, or 1343 of title 18, United States Code;

"(3) the rules of the clearing agency or securities depository assure a fair representation of its shareholders (or members) and participants in the adoption of rules of the clearing agency or securities depository and any amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs;

"(4) the rules of the clearing agency or securities depository provide for the equitable allocation of dues, fees, and other charges among its participants;

"(5) the rules of the clearing agency or securities depository do not impose any schedule of prices, or fix minimum rates or charges, for services rendered by its participants;

"(6) the rules of the clearing agency or securities depository are designed to promote the prompt and orderly processing and settlement of securities transactions, to provide safeguards for securities and funds which are in its custody, to foster cooperation and coordination with national securities exchanges, national securities associations, other clearing agencies or securities depositories, brokers, dealers, banks, registered investment companies, and with other persons engaged in the settlement and processing of securities transactions, and to protect investors and the public interest; and do not have the effect of unfairly discriminating in the admission of participants in the use of such clearing agency or security depository;

"(7) the rules of the clearing agency or securities depository provide that its participants and persons associated with participants shall be appropriately disciplined for any violation of its rules by expulsion, suspension, fine, or censure, or in the case of a person associated with a participant, by being suspended or barred from being associated with participants; and

"(8) the rules of the clearing agency or securities depository provide a fair and orderly procedure with respect to the disciplining of participants and persons associated with participants and the denial of participation to any person seeking participation therein. In any proceeding to determine whether a participant or person associated with a participant should be disciplined, such rules shall require that specific charges of any rule violation be brought; that such participant or person associated with such participant shall be notified of and be given an opportunity to defend against such charges; that a record shall be kept; and that a determination to take disciplinary action shall be supported by a statement setting forth—

"(A) any act or practice in which such participant or person associated with such participant may be found to have engaged, or any required act or practice which such participant or person associated with such participant may be found to have omitted;

"(B) the specific rule or rules of the clearing agency or securities depository which any such act or practice, or omission to act, is deemed to violate; and

"(C) the penalty imposed and the reason therefor.

In any proceeding to determine whether a person shall be denied participation, such rules shall provide that the prospective participant shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial which are under consideration; that a record shall be kept and that the determination to deny participation shall be supported by a statement setting forth the specific grounds on which the denial is based. Notwithstanding any other provision of this section, the rules of the clearing agency or securities depository may provide for the temporary suspension of a participant, the prohibition of such participants, use of the clearing agency or securities depository and the closing of its accounts pending determination on the merits of any disciplinary proceeding if, in the opinion of the clearing agency or securities depository, such suspension or prohibition on use and closing of accounts are necessary for the protection of the clearing agency or securities depository or its participants or for the protection of investors or to facilitate the orderly and continuous performance of the clearing agency's or securities depository's services. The rules shall afford the participant an expedited hearing on the merits in the case of any temporary suspension.

"(e) The Commission shall, upon the filing of an application for registration pursuant to subsection (c), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within sixty days of the filing of an application for registration pursuant to subsection (b) and (c) the Commission shall:

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(2) institute appropriate administrative action to determine whether the application should be denied. After appropriate notice and opportunity for hearing, the Commission shall by order grant such registration unless it finds that any requirement of this section is not satisfied, or, in the case of an applicant who is a transfer agent, that the applicant does not have procedures or the means to be able to comply with the provisions of this section and the rules and regulations promulgated under those provisions, in which case the Commission shall by order deny such registration. The Commission shall conclude administrative action and issue an order granting or denying an application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons therefor.

"(f) A clearing agency, securities depository, or transfer agent, registered under this section may, upon such terms and conditions as the Commission may deem necessary in the public interest, for the protection of investors, or to assure the prompt and accurate processing and settlement of securities transactions, withdraw from registration by filing a written notice of withdrawal from the Commission. If the Commission finds that any such registrant or such other person for whom an application of registration is pending is no longer in existence or has ceased to do business in the capacity specified in the registration statement, the Commission shall by order cancel or deny the registration.

"(g) No clearing agency, securities depository, or transfer agent registered under this section shall, directly or indirectly, engage in any activity as clearing agency, securities depository, or transfer agent with respect to any security in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest or for the protection of investors.

"(h) If any registered clearing agency or securities depository takes any disciplinary action against any participant therein, or any person associated with a participant, or denies admission to any person seeking participation therein, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall not operate as a stay of such action, unless the Commission otherwise orders, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral arguments).

"(i)(1) In a proceeding to review disciplinary action taken by a registered clearing agency or a securities depository against a participant or a person associated with a participant, after notice and opportunity for hearing

"(A) if the Commission finds that such participant or person associated with such participant has engaged in such acts or practices, or has omitted such acts, as the clearing agency or securities depository has found him to have engaged in or to have omitted, and that such acts or practices, or omission to act, are in violation of such rules of the clearing agency or securities depository as have been designated in the determination of the clearing agency or securities depository, it shall by order so declare and affirm the action taken by the clearing agency or securities association or, if appropriate modify the sanctions or penalties in accordance with paragraph (2) of this subsection or,

"(B) if the Commission finds that the evidence does not warrant the finding required in clause (A), or if the Commission determines that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the clearing agency or securities depository or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the clearing agency or securities depository.

"(2) With respect to any penalty imposed by a clearing agency or a securities depository upon a participant or a person associated with a participant the Commission may, having due regard to the public interest, if it finds that such penalty is inappropriate, cancel, reduce, increase, require the remission, broaden the scope or otherwise require modification of such sanction or penalty.

"(j) In any proceeding to review the denial of participation in a registered clearing agency or a securities depository, if the Commission, after appropriate notice and opportunity for hearing, determines that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, it shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the clearing agency or securities depository and require it to admit the applicant to participation therein.

"(k)(1) Each registered clearing agency or securities depository shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed changes in, additions to, or amendments to the rules of the clearing agency or securites depository to be accompanied by a summary statement of the basis and purpose for such proposed change, addition or amendment, and each registered clearing agency, securities depository and transfer agent shall file with the Commission, in accordance with such rules as the Commission may prescribe, such other information and documents, as the Commission may require to keep current or to supplement the registration statement and documents filed pursuant to subsection (b) or (c). No such proposed change, addition, or amendment shall become effective except in accordance with the provisions of this subsection.

"(2) The Commission shall, upon the filing of a proposed change in, addition, or amendment to the rules of clearing agency or securities depository, publish notice of such proposal together with the clearing agencies or securities depository's statement of basis and purpose, and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, or amendment. Such change, addition, or amendment shall take effect sixty days after publication of such notice by the Commission, unless the Commission disapproves such change, addition, or amendment as inconsistent with the purposes of this section or otherwise inconsistent with the public interest: *Provided*, That the Commission may extend this period for an additional ninety days by instituting public administrative proceedings concerning such proposed change, addition, or amendment.

"(l) The Commission may, after appropriate notice and opportunity for hearing, by order, censure, bar, suspend for a period not exceeding twelve months, or place limitations upon any transfer agent, or any partner, officer, director, or employer of any such transfer agent, or revoke the registration of any transfer agent, if the Commission finds that such censure, barring, suspension, placing of limitations, or revocation is in the public interest or necessary for the protection of investors and that such transfer agent or any partner, officer, director, or employee thereof has willfully violated or is unable to comply with any provision of this section or any rule or regulation promulgated thereunder.

"(m) The Commission is authorized, if it finds such action to be necessary or appropriate in the public interest or for the protection of investors or to carry out the purposes of this section—

"(1) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or revoke the registration of a registered clearing agency or a securities depository or impose limitations upon the activities, functions, or operations of such clearing agency or securities depository, if the Commission finds that such clearing agency or securities depository has violated any provision of this title, or any rule or regulation thereunder, or has failed to enforce compliance with its own rules, or has engaged in any other activity tending to defeat the purposes of this section;

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or expel from a registered clearing agency or securities depository any participant therein, or suspend for a period not exceeding twelve months or bar any person associated with the participant, if the Commission finds that such person has violated any provision of this title or any rule or regulation thereunder or any rule of the clearing agency or securities depository; and

"(3) after appropriate notice and opportunity for hearing, by order to remove from office any officer or director of a registered clearing agency or a securities depository who, the Commission finds, has willfully failed to enforce the rules of the clearing agency or securities depository, or has willfully abused his authority.

"(n) If a proceeding under subsection (m)(1) of this section results in the suspension or revocation of the registration of a clearing agency or a securities depository, the Commission may, upon notice to such clearing agency or securities depository, apply to any court of competent jurisdiction specified in section 21(e) or 27 of this title for the appointment of a trustee. In such event, the court may, to the extent it deems necessary or appropriate, take exclusive jurisdiction of the clearing agency or securities depository involved, and the books, records, and assets thereof, wherever located; and the court shall appoint the Commission or a person designated by the Commission as the trustee with the power to take possession and to continue to operate or to terminate the facilities of such clearing agency or securities depository in an orderly manner, for the protection of participants and public investors, subject to such terms and conditions as the court may prescribe.

"(o) Each registered clearing agency, securities depository, and transfer agent shall make, keep, and preserve for such periods such accounts, correspondence, memorandums, papers, books, and other records, and furnish such copies thereof and make such reports, as the Commission by its rules and regulations may prescribe as necessary or appropriate in the public interest, or to facilitate cooperation among clearing agencies and securities depositories and the prompt and orderly settlement of securities transactions, to safeguard funds and securities held for the accounts of participants, or for the protection of investors. Such accounts, correspondence, memorandums, papers, books, and other records shall be subject at any time to such reasonable periodic, special, or other examinations by examiners or other representatives of the Commission as the Commission may deem necessary or appropriate in the public interest or for the protection of investors.

"(p)(1) The Commission shall make a full and detailed report of all examinations conducted by it of any bank which is a registered clearing agency, securities depository, or transfer agent and shall, upon request, furnish a copy of such report to the appropriate bank regulatory agency.

"(2) The Commission shall, in the conduct of its responsibilities under this title with respect to banks registered as clearing agencies, securities depositories, or transfer agents, consult and cooperate with the appropriate bank regulatory agencies toward the end that their mutual regulatory needs and responsibilities be fulfilled to the maximum extent practicable.

"(q) The provisions of this section 17A or of any rule or regulation thereunder shall not apply to any person acting as transfer agent with respect to securities transactions which occur without the jurisdiction of the United States, unless such person acts in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate to prevent the evasion of this title.

"(r) The Commission shall, on or before December 31, 1976, take such steps as are within its power to bring about elimination of the stock certificate as a means of settlement among brokers or dealers of transactions consummated on national securities exchanges or by means of the mails or other means or instrumentalities of interstate commerce. Commencing in 1973 and ending in 1976, the Commission shall report annually to the Congress (1) the steps it has taken and progress it has made toward elimination of the stock certificate as a means of settlement, and (2) its recommendations, if any, for further legislation to eliminate the stock certificate."

SEC. 405. Section 24 of the Securities Exchange Act of 1934 (15 U.S.C. 78x) is amended to read as follows:

"INFORMATION FILED WITH THE COMMISSION

"SEC. 24. (a) Any person filing information contained in a registration statement, document, report, contract, correspondence or other paper filed with the Commission pursuant to this title may make written objection to the public disclosure of such information stating the grounds for such objection. The Commission is authorized to hear objections in any such case where it deems it advisable. The Commission shall grant confidential treatment to such information for which application has been made if it finds (1) that disclosure is not in the public interest, and (2) that disclosure would (A) jeopardize the safety of funds or securities, (B) require the revealing of trade secrets or processes, or (C) impair the value of a contract.

"(b) The Commission is authorized to treat such information as confidential pending the findings required by subsection (a), but if the Commission does not make such a finding within thirty days from the date the information is received by the Commission, then the information shall cease to be afforded confidential treatment.

"(c) Nothing in this section shall prohibit the Commission from disclosing any information in any administrative or judicial proceeding.

"(d) Nothing in this section shall authorize the Commission to withhold information from the duly authorized committees of the Congress.

"(e) It shall be unlawful for any member, officer, or employee of the Commission to disclose to any person other than a member, officer, or employee of the Commission, or to use for personal benefit, any information contained in any registration statement, document, report, contract, correspondence, or other paper filed with the Commission which is not made available to the public pursuant to subsection (a) of this section: *Provided*, That the Commission may make available to an appropriate regulatory agency any information requested by such agency for the purpose of enabling it to perform its duties under this title."

SEC. 406. Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l) is amended by inserting after subsection (i) the following new subsections:

"(j) It shall be unlawful for an issuer, any class of whose securities is registered under this section or which would be required to be so registered except for the exemption from registration provided by paragraph (2)(B) or (2)(G) of subsection (g), by the use of any means or instrumentality of interstate commerce, or of the mails, to issue, either originally or upon transfer, such securities whose form or format contravenes such rules and regulations as the Commission may prescribe as necessary or appropriate for the prompt and accurate processing of transactions in securities.

"(k) Every issuer whose securities are registered on a national securities exchange shall consolidate in a single person the functions of transfer agent and registrar and otherwise comply with such rules and regulations as the Commission shall promulgate as necessary to assure the prompt and accurate processing and settlement of securities transactions."

SEC. 407. Section 19 of the Securities Exchange Act of 1934 (15 U.S.C. 78s) is further amended by inserting at the end thereof the following new subsection:

"(c) The Commission is authorized and directed to make a study and investigation of the practice of registration of securities other than in the name of the beneficial owner and to determine (1) whether such registration is consistent with the policies and purposes of this title, with particular reference to section 14, and (2) if consistent, whether steps can be taken to facilitate communications between corporations and their shareholders while at the same time retaining the benefits of such registration. The Commission shall report to the Congress its preliminary findings within six months after the date of enactment of this subsection, and its final results and recommendations within one year of such date."

SEC. 408. Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78bb) is amended by inserting after subsection (b) the following new subsection:

"(c) No State or political subdivision thereof shall impose any tax on any change in beneficial or record ownership of securities effected through the facilities of a registered clearing agency or securities depository or any nominee thereof or custodian therefor or upon the delivery or transfer of securities to or through or receipt from such agency or depository or any nominee thereof or custodian therefor, unless such transfer or delivery or receipt would otherwise be taxable by such State or political subdivision if the facilities of such registered clearing agency or securities depository or any nominee thereof or custodian therefor were not physically located in the taxing State or political subdivision. No State or political subdivision thereof shall impose any tax on securities which are deposited in or retained by a registered clearing agency or securities depository or any nominee thereof or custodian therefor, unless such securities would otherwise be taxable by such State or political subdivision if the facilities of such registered clearing agency or securities depository or any nominee thereof or custodian therefor were not physically located in the taxing State or political subdivision."

SEC. 409. The Securities Exchange Act of 1934 is amended by inserting after section 19 (15 U.S.C. 78s) the following new section:

"LOST AND STOLEN SECURITIES; FINGERPRINTING

"SEC. 19A. (a) Every registered national securities exchange, national securities association, broker, dealer, member of an exchange, clearing agency and securities depository, registered pursuant to this title, shall—

"(1) report such information about missing, lost or stolen securities in such form and within such time as the Commission determines by rule is necessary or appropriate in the public interest or for the protection of investors to the Commission or to such other person as the Commission may by rule designate, and such information shall be made available, for a reasonable fee, to any such exchange, association, broker, dealer, member, clearing agency or securities depository who shall request it; and

"(2) in the case of a clearing agency, securities depository, broker, dealer or member, require that each of its partners, directors, officers, and employees be fingerprinted and shall submit such fingerprints, or cause the same to be submitted, to the Attorney General of the United States for identification and appropriate processing. The Commission may by rule exempt from the provisions of this subsection (2), upon such terms and conditions and for such period as it deems necessary or appropriate, any one or more classifications of partners, directors, officers, or employees of any one or more of such clearing agencies, securities depositories, brokers, dealers, or members if the Commission finds that such action is not inconsistent with the public interest or the protection of investors."

TITLE V—MISCELLANEOUS

SEC. 501. Section 23(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(b)) is amended to read as follows:

"(b) The Commission and the Board of Governors of the Federal Reserve System, respectively, shall include in their annual reports to Congress such information, data, and recommendation for further legislation as they may deem advisable with regard to matters within their respective jurisdictions under this title. The Commission shall also include in its annual report each year information detailing its administration of the Freedom of Information Act (5 U.S.C. 552). Such information shall include a detailed description of its processes for handling requests under the Act, including the names of persons assigned to carry out those processes; and also include data on schedules of fees (if any), and on the number of written requests for records under the Act, the number of denials, the section relied upon in each denial, the number of administrative appeals, the elapsed time in responding to initial requests and the handling of appeals, the number of suits filed within the year, and any regulatory changes made during the year."

SEC. 502. Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended to read as follows:

"REGISTRATION FEES

"SEC. 31. Every national securities exchange shall pay to the Commission on or before March 15 of each calendar year a registration fee for the privilege of doing business as a national securities exchange during the preceding calendar year or any part thereof. Such fee shall be in an amount equal to one one-hundredth of 1 per centum of the aggregate dollar amount of the sales of securities (other than securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States or such securities issued or guaranteed by corporations in which the United States has a direct or an indirect interest as shall be designated for exemption from the provisions of this section by the Secretary of the Treasury) transacted on such national securities exchange during the preceding calendar year and subsequent to its registration as a national securities exchange."

SEC. 503. (a) Section 24 of the Securities Act of 1933 (15 U.S.C. 77x) is amended by changing the figure "$5,000" to "$10,000".

(b) Section 32(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78ff(a)) is amended by changing the phrase "or imprisoned not more than two years" to read "or imprisoned not more than five years".

(c) Section 29 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79z-3) is amended by changing the phrase "or imprisoned not more than two years" to read "or imprisoned not more than five years".

(d) Section 325 of the Trust Indenture Act of 1939 (15 U.S.C. 77yyy) is amended by changing the figure "$5,000" to "$10,000".

(e) Section 49 of the Investment Company Act of 1940 (15 U.S.C. 80a-48) is amended by changing the phrase "or imprisoned not more than two years" to read "or imprisoned not more than five years".

(f) Section 217 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-17) is amended by changing the phrase "imprisoned for not more than two years" to read "imprisoned for not more than five years".

SEC. 504. Section 203(c) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended to read as follows:

"(c) Any investment adviser, or any person who presently contemplates becoming an investment adviser, may register under this section by filing with the Commission an application for registration. Such application shall contain such of the following information, in such form and detail, as the Commission may by rules and regulations prescribe as necessary or appropriate in the public interest or for the protection of investors:

"(1) information in respect of—

"(A) the name and form of organization under which the investment adviser engages or intends to engage in business; the name of the State or other sovereign power under which such investment adviser is organized;

the location of his or its principal business office and branch offices, if any; the names and addresses of his or its partners, officers, directors, and persons performing similar functions or, if such an investment adviser be an individual, of such individual; and the number of his or its employees;

"(B) the education, the business affiliations for the past ten years, and the present business affiliations of such investment adviser and of his or its partners, officers, directors, and persons performing similar functions and of any controlling person thereof;

"(C) the nature of the business of such investment adviser, including the manner of giving advice and rendering analyses or reports;

"(D) the nature and scope of the authority of such investment adviser with respect to clients' funds and accounts;

"(E) the basis or bases upon which such investment adviser is compensated; and

"(F) whether such investment adviser, or any person associated with such investment adviser, is subject to any disqualification which would be a basis for denial, suspension, or revocation of registration of such investment adviser under the provisions of subsection (e), and

"(2) a statement as to whether the principal business of such investment adviser consists or is to consist of acting as investment adviser and a statement as to whether a substantial part of the business of such investment adviser consists or is to consist of rendering investment supervisory services.

"(3) Within forty-five days of the filing of such application or any amendment to such application the Commission shall—

"(A) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(B) institute appropriate administrative action to determine whether the application should be denied. If, after appropriate notice and opportunity for hearing, it appears to the Commission that any requirement of this section is not satisfied, the Commission shall by order deny such registration. The Commission shall conclude administrative action and issue an order granting or denying the application within one hundred and twenty days of the filing of such application, unless the Commission finds good cause for extending the period, in which case the Commission may extend such period for an additional ninety days."

AMNESTY? INDEED!

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, playing with figures and statistics is an exercise demonstrating the total inaccuracy as is so well documented by Pat Buchanan's "The 'Facts' on Exiles" which appeared in the February 20 New York Times:

THE "FACTS" ON EXILES

(By Patrick J. Buchanan)

WASHINGTON.—On Dec. 14, 1971, introducing his Amnesty Act of 1972, Senator Robert Taft of Ohio observed, ". . . estimates of the number of young Americans living in exile range as high as 70,000." Therein lies a tale.

Within 72 hours one free-lance journalist found Taft's highest estimate low and reported that "over 70,000 of these young men are now sitting in exile or in prison because of their opposition to the war in Vietnam."

Clearly, the situation called for a manifesto. On Jan. 1, 1972, sixteen worthies, anchored by the indefatigable Joe Rauh, issued a call for blanket amnesty: "There are at least 70,000 and some say as many as 100,000 young American men in Canada, men who have quit the military or refused the draft . . . We say: Let them go and let their records be made clean."

The next morning a nationally syndicated columnist redeveloped the 70,000-man army somewhat, declaring. "There are 15,000 exiles in Canada, some 55,000 in other countries."

By Jan. 11, however, The New York Times reported from Ottawa, "As many as 40,000 exiles . . . are in Toronto, the favorite haven, and some 10,000 may be in Montreal. Many others of the 50,000-to-70,000 draft resisters in Canada are not fortunate where jobs are concerned."

So it went through '72 and throughout the U.S. media. By early February of 1973, a Washington correspondent was declaring categorically, "There are about 60,000-to-100,000 draft evaders in exile from the United States."

What are the facts? Well, the fact is the United States Government places the figure of verified deserters and draft dodgers in Canada at just under 4,000. Outside Canada and the U.S. it estimates an additional 1,200.

Of the 2,533 "deserters at large" outside the U.S., the Pentagon places about 1,800 plus in Canada, while of the 2,400 "fugitives" from draft law indictments, Selective Service places just under 2,000 with our neighbor.

Official Canadian statistics do not contradict U.S. estimates. Between 1960 and 1964, before Vietnam became an American war, roughly 1,300 U.S. males between the ages of 15 and 29 annually became "landed immigrants" in Canada. If one concedes that every single American male, over 14 and under 30—above that annual average—who became a "landed immigrant" in Canada between January 1965 and January 1972, was either a draft dodger or a deserter—an obvious impossibility—even then the official total for all of Canada could have come to no more than 17,000 at the very time The New York Times located 40,000 in Toronto alone.

What about the "55,000 in other countries"? Well, the second most popular sanctuary for the "over the hill" army has been Sweden. On that situation The Washington Post reported two weeks ago: "Sweden, generally believed to have the next (after Canada) largest number of American deserters or war resisters, does maintain an official count of deserters. A count made last fall said there were 602 deserters in Sweden."

This squares with official U.S. figures.

Thanks to the statistic-mindedness of Mr. Palme's regime, we have an idea what the Stockholm crowd is up to when not guarding the national conscience. The Swedish Director of Immigration William Leth was quoted as saying last November that from 1967 to 1970, of the 585 Americans allowed to enter the country, 110 were involved in major crimes, citing the following: 36 thefts; seven robberies; 40 drug-related cases including pushing. . . . He said that 52 deserters had been jailed and nearly thirty persons deported. Quite a performance.

What Mr. Leth is telling us in a nice way is that in one three-year period, 20 per cent of our Stockholm Brigade was involved in major crimes; 10 per cent jailed, and 6 per cent deported. Those statistics seem not only a trifle high for "guardians of the national conscience"; they would have been considered an embarrassment by Crazy Joe Gallo and the Brooklyn Mafia.

What do these statistics say? This, I think. First, 7,000 to 10,000 seems a more honest, justifiable estimate of the actual Canadian contingent of draft dodgers and deserters than the 70,000 to 100,000 we have been constantly fed. Secondly, that because of an ideological bias, otherwise competent American newsmen have engaged in inexcusably sloppy journalism, swallowing whole without inspection bogus statistics fed them by Canadian-based anti-war groups—when a few phone calls and a little arithmetic would have shown the number almost certainly outlandish. Third, that, for two years, some of the nation's principal news organizations have thus grossly misled the American people about the magnitude of the problem they confront in the matter of amnesty for runaways. Fourth, that some U.S. journalists and politicians have been characterizing as the "best of our younger generation," and the "guardians of the national conscience" a collection of draft-dodgers and deserters whose statistical profile and performance in exile show them to contain more than the customary complement of malingerers, opportunists, criminals and cowards.

Especially as one watches the genuine heroes of our age and time debark at Clark Field, to hear the boys who ran away to Toronto and Montreal and Stockholm lionized as "moral heroes" is—obscene.

PRESCRIPTION DRUGS FOR ELDERLY

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, last month I was honored to join once again with my distinguished colleague, the gentleman from Wisconsin (Mr. OBEY) in introducing his bill, H.R. 2715, to include the costs of certain outpatient prescription drugs under medicare.

The need for the bill has been well documented. Statistics show that elderly persons with chronic illnesses have prescription drug expenditures three times as high as those without chronic illnesses. Furthermore, we know that nearly one-quarter of all elderly persons have incomes below the official poverty level, and that the cost of prescription drugs are a terrible burden for most. For many, drugs are a luxury they simply cannot afford.

Despite my familiarity with these facts, I was shocked today when I received a letter from two constituents detailing how much they spend a year on prescription drugs. My constituents are an elderly couple, the man is 77 and the woman is 75. In futile hope of getting some reimbursement from medicare for their drug bills, they requested the pharmacist to itemize their prescriptions for 1972, including the date of the prescription, the name of the drug, and the cost. I will include the list, prepared and signed by a registered pharmacist, in the RECORD following my remarks.

There are a total of 90 separate prescriptions for this couple over a 1-year period at a total cost of $298.65. I find these figures absolutely astounding. Undoubtedly, they say a great deal about our pill-directed society—a serious problem in itself.

But the immediate concern for my constituents is that they are paying $300 a year for prescription drugs, and this is without being forced to buy some of the more expensive drugs commonly prescribed for elderly persons.

Clearly, a minority can afford this kind of burden. But for most, we know that such costs are prohibitive. The Obey bill would bring substantial relief to those hardest hit by the high costs of prescription drugs. It deserves the prompt and favorable attention of the Congress and the administration.

The material referred to follows:

Date	Number	Patient	Cost	Drug
Jan. 8, 1972	147-452	Russell	$4.45	30 Aristocort tablets 2 mg.
Do	150-550	do	3.95	16 Tetrex capsules 250 mg.
Jan. 9, 1972	177-427	do	1.75	30 Nembutal capsules 100 mg.
Jan. 12, 1972	135-673	do	.75	4 oz. Elixophyllin elixir.
Jan. 23, 1972	135-673	do	1.50	8 oz. Elixophyllin elixir.
Do	178-307	Margaret	2.15	2 oz. Dionin solution ½ percent.
Feb. 4, 1972	139-645	Russell	2.75	25 Dyrenium tablets 100 mg.
Feb. 8, 1972	177-427	do	1.75	30 Nembutal capsules 100 mg.
Feb. 14, 1972	135-673	do	1.50	8 oz. Elixophyllin elixir.
Mar. 6, 1972	135-673	do	1.50	Do.
Mar. 10, 1972	177-427	do	1.75	30 Nembutal capsules 100 mg.
Mar. 29, 1972	135-673	do	1.50	8 oz. Elixophyllin elixir.
Apr. 6, 1972	138-176	do	2.75	100 Cardilate tablets 5 mg.
Apr. 8, 1972	155-451	Margaret	9.30	60 g. Synalar ointment.
Apr. 9, 1972	182-137	Russell	2.10	30 Nembutal capsules 100 mg.
Apr. 18, 1972	138-673	do	1.50	8 oz. Elixophyllin elixir.
Apr. 19, 1972	182-556	do	4.90	20 Tetrex capsules 250 mg.
Do	182-557	do	4.50	30 Aristocort tablets 2 mg.
May 10, 1972	135-673	do	1.50	8 oz. Elixophyllin elixir.
Do	182-137	do	2.10	30 Nembutal capsules 100 mg.
Do	183-585	do	1.25	½ oz. Bacitracin ointment.
May 15, 1972	183-768	do	3.60	30 Robaxin tablets 750 mg.
June 2, 1972	135-673	do	1.50	8 oz. Elixophyllin elixir.
June 10, 1972	182-137	do	2.10	30 Nembutal capsules 100 mg.
June 22, 1972	135-673	do	1.50	8 oz. Elixophyllin elixir.
July 10, 1972	135-673	do	1.50	Do.
Do	186-314	do	2.10	30 Nembutal capsules 100 mg.
July 14, 1972	186-534	Margaret	2.50	30 Antivert tablets 12.5 mg.
July 18, 1972	182-557	Russell	4.50	30 Aristocort tablets 2 mg.
Do	182-556	do	4.90	20 Tetrex capsules 250 mg.
July 19, 1972	186-711	Margaret	7.30	100 Arlidin tablets 6 mg.
July 21, 1972	186-825	Russell	3.20	5 cc. Cortisporin ophthalmic solution.
July 25, 1972	186-534	Margaret	2.50	30 Antivert tablets 12.5 mg.
Do	186-945	do	2.15	2 oz. Dionin solution ½ percent.
July 28, 1972	186-825	Russell	3.20	5 cc. Cortisporin ophthalmic solution.
Do	138-176	do	2.75	100 Cardilate tablets 5 mg.
Aug. 4, 1972	186-825	do	3.20	5 cc. Cortisporin ophthalmic solution.
Do	139-645	do	2.75	25 Dyrenium tablets 100 mg.
Do	135-673	do	1.50	8 oz. Elixophyllin elixir.
Do	186-534	Margaret	1.25	15 Antivert tablets 12.5 mg.
Aug. 5, 1972	187-497	do	5.25	30 Robaxin tablets 750 mg.
Aug. 8, 1972	186-534	do	3.75	45 Antivert tablets 12.5 mg.
Do	186-711	do	7.30	100 Arlidin tablets 6 mg.
Do	186-825	Russell	3.20	5 cc. Cortisporin ophthalmic solution.
Aug. 12, 1972	187-497	Margaret	5.25	30 Robaxin tablets 750 mg.
Aug. 14, 1972	186-314	Russell	2.10	30 Nembutal capsules 100 mg.
Aug. 20, 1972	187-497	Margaret	$1.80	10 Robaxin tablets 750 mg.
Do	188-030	Russell	2.95	5 cc. Cortisporin ophthalmic solution.
Aug. 22, 1972	187-489	Margaret	5.25	30 Robaxin tablets 750 mg.
Aug. 23, 1972	188-303	Russell	2.95	5 cc. Cortisporin ophthalmic solution.
Do	186-534	Margaret	2.50	30 Antivert tablets 12.5 mg.
Sept. 2, 1972	186-711	do	7.30	100 Arlidin tablets 6 mg.
Do	186-534	do	2.50	30 Antivert tablets 12.5 mg.
Do	187-497	do	5.25	30 Robaxin tablets 750 mg.
Sept. 10, 1972	187-497	do	5.25	Do.
Do	186-534	do	2.50	30 Antivert tablets 12.5 mg.
Do	188-030	Russell	2.95	5 cc. Cortisporin ophthalmic solution.
Sept. 14, 1972	186-314	do	2.10	30 Nembutal capsules 100 mg.
Sept. 15, 1972	189-213	do	1.50	8 oz. Elixophyllin elixir.
Sept. 20, 1972	186-534	Margaret	2.50	30 Antivert tablets 12.5 mg.
Do	186-711	do	7.30	100 Arlidin tablets 6 mg.
Do	187-497	do	5.25	30 Robaxin tablets 750 mg.
Sept. 21, 1972	189-471	Russell	5.32	10 cc. Blephamide ophthalmic solution.
Oct. 3, 1972	187-497	Margaret	5.25	30 Robaxin tablets 750 mg.
Do	186-711	do	7.30	100 Arlidin tablets 6 mg.
Do	186-534	do	2.50	30 Antivert tablets 12.5 mg.
Oct. 13, 1972	186-534	do	2.50	Do.
Oct. 14, 1972	189-213	Russell	1.50	8 oz. Elixophyllin elixir.
Oct. 16, 1972	190-637	do	2.10	30 Nembutal capsules 110 mg.
Oct. 21, 1972	189-471	do	5.32	10 cc. Blephamide Ophthalmic solution.
Oct. 24, 1972	186-534	Margaret	2.50	30 Antivert tablets 12.5 mg.
Nov. 3, 1972	186-534	do	2.50	Do.
Nov. 5, 1972	189-213	Russell	1.50	8 oz. Elixophyllin elixir.
Nov. 14, 1972	190-637	do	2.10	30 Nembutal capsules 100 mg.
Do	189-491	do	5.32	10 cc. Blephamide ophthalmic solution.
Do	183-585	do	1.25	1 oz. Bacitracin ointment.
Nov. 25, 1972	186-534	Margaret	2.50	30 Antivert Tablets 12.5 mg.
Do	186-534	do	2.50	Do.
Nov. 30, 1972	138-176	Russell	2.75	100 Cardilate tablets 5 mg.
Dec. 6, 1972	189-213	do	2.50	8 oz. Elixophyllin elixir.
Do	186-534	Margaret	2.50	30 Antivert tab ets 12.5 mg.
Do	192-744	do	8.00	100 Arlidin tablets 6 mg.
Dec. 7, 1972	189-471	Russell	5.32	10 cc. Blephamide ophthalmic solution.
Dec. 15, 1972	186-534	Margaret	2.50	30 Antivert tablets 12.5 mg.
Do	190-637	Russell	2.10	30 Nembutal capsules 100 mg.
Do	182-557	do	4.50	30 Aristocort tablets 2 mg.
Do	182-556	do	4.90	20 Tetrex capsules 250 mg.
Dec. 29, 1972	192-744	Margaret	8.00	100 Arlidin tablets 6 mg.
Do	186-534	do	2.50	30 Antivert tablets 12.5 mg.
Do	189-471	Russell	5.32	10 cc. Blephamide ophthalmic solution.
Total			298.65	

REMARKS OF DR. JOHN S. FOSTER, JR., TO WOMEN'S FORUM ON NATIONAL SECURITY

(Mr. STAGGERS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. STAGGERS. Mr. Speaker. Dr. John S. Foster, Jr., one of the Nation's preeminent scientific figures, delivered the keynote address, February 18, to the Women's Forum on National Security meeting in Washington, D.C. Dr. Foster has served the Department of Defense as Director of Defense Research and Engineering since October 1, 1965. In that role, he has emerged as one of the Nation's most thoughtful and articulate spokesman for national security needs, a subject on which he also has strong feelings as a private citizen. He willingly gives much of his personal time and energy to appear before important meetings, such as the Women's Forum on National Security, which brings together women delegates from 17 participating organizations across the Nation, in an exercise of concerned patriotism.

Dr. Foster's credentials are impressive. He holds a B.S. degree from McGill University in Montreal, Canada and a Ph. D. in physics from the University of California, Berkeley. His first interests were in radar and radar countermeasures, then nuclear physics, plasma physics, and high vacuum technology. Since 1953 he has been involved in the design and development of nuclear explosives for peaceful and military purposes. He has served on many notable scientific advisory committees and has been the recipient of several distinguished honors for his achievements in the public service.

I am pleased to invite the attention of my colleagues to the remarks of this distinguished scientist:

Address by Dr. John S. Foster, Jr., Director of Defense Research and Engineering Before the Women's Forum on National Security, February 18, 1973, Washington, D.C.

Last Monday, while most of us watched or listened, Navy Captain Jeremiah Denton stepped out of the first plane bringing the returning prisoners back from North Vietnam and then said:

"We are honored to have the opportunity to serve our country under difficult circumstances. We are profoundly grateful to our Commander-in-Chief and to our nation for this day. God bless America."

His words and actions and the actions of the men for whom he spoke show a remarkable commitment to the ideals of America. He said he was honored and was grateful to us. But it is we who are profoundly honored by him and by all the other men and women who have served, and who have died, in Southeast Asia. We are deeply grateful to them all.

I believe most Americans understand that the service of men like Captain Denton was necessary if our country was to achieve its goal of peace with honor in Asia and to preserve its credibility everywhere else in the world. Success always demands sacrifice. Clearly, the great twin goals endorsed by this gathering, security and peace, will require further sacrifice and special commitment—not just from our military men and women but from all of us.

Not all Americans can commit themselves, their careers and their families in just exactly the way our Armed Forces people do, nor are all Americans as active in public affairs as are those of you in this audience. But this nation would not have thrived for 200 years and would not be standing today at the door of new opportunities for security and peace if most Americans did not share in large measure the commitment of Captain Denton and the others who are returning.

So in talking about peace and security tonight, I will emphasize what our common commitments have won for our society in the past and what will be required of us in the future.

This is an appropriate time to look back and then forward, for we stand tonight at a watershed. We have a ceasefire in Vietnam. The prisoners of war and our few remaining troops in Vietnam are coming home. Our President has committed the country to the objective of a generation of peace. A new era of negotiation with the Soviet Union and China has begun.

If we look backward a decade, we must say that this day and these opportunities were not assured. Let me recall the decade of the Sixties and some of the problems we all faced:

There was trouble in Southeast Asia which grew into a war; there were social problems; we were concerned with crime, with drugs, with environment, with city riots and with student unrest; there was questioning by some of our fundamental way of life. The Sixties challenged us repeatedly—to the point where many wondered if we could make it—but we met the challenges. Let me remind you:

The North Vietnamese with the support of their allies, could easily have overrun South Vietnam in 1965 and then done as they pleased with the rest of Southeast Asia. Later in the decade, we might have abandoned our efforts—and with them our allies and our honor—and wasted the sacrifices of our young men, but we did not. We stuck it out and it now appears that we are in sight of our basic national objective of world peace.

There was racial unrest so serious that some parts of a few great cities were burned during the Sixties, and we feared for other cities. But we were able to stop the flames from spreading by renewed commitments to justice, order and equal opportunity. Problems remain, but we are making good progress and the mass destruction has stopped.

Protesters on many issues tried to disrupt the government, but they failed. Today, public protest is still a part of life, but it does not often threaten the basic stability of our government.

While many of our youth adopted during the Sixties dress and hair styles strange to my generation, a small minority of young people tried to drop out" and literally become irresponsible citizens. "Drop out" could have become the basic theme of the young, but the vast majority of our youth remain responsible contributors to society.

The problem of drugs swept like wildfire through our cities, schools and the Armed Services in the last decade, but concerned people faced the problem head-on, and now there has been a downturn in drug abuse.

And it was in the Sixties, don't forget, that the Soviets caught up to us in nuclear war technology and went ahead in raw power of long-range missiles. But nuclear holocaust did not happen, and we were successful in deterring general war.

Looking backward, we might ask just how we were able to do so well. How did the United States come through the smoldering Sixties with only a few outbursts of flame?

I believe we were successful because most Americans are like you and the people you represent. They are committed to a nation that is responsible and vigorous, that solves its problems—does not walk away or drop out—that recognizes its responsibilities around the world and makes good on its promises.

And, above all, we are a nation with a form of government which allows us to criticize ourselves and to respond to the concern of the people.

Yes, we have come through difficult times, but the generation of peace which President Nixon has set as our goal will not be achieved simply because we are proud of what we have done.

Peace has not yet come to all of Asia; our domestic problems are being addressed with new calmness and realism, but they are not solved; and the rest of the world has not suddenly turned all benign and benevolent.

No, unfortunately, we must expect to see some difficult times in the decade of the 1970s. As much as we search for brotherhood among men, experience shows that there still are aggressors in the world.

Our experience also shows us, however, that we can convert our common commitment to American ideals into practical formulas for security and peace. President Nixon is moving us from an era of confrontation further into an era of negotiation. This means in practice that we are actively seeking with our allies, means to turn potential aggressors away from serious thoughts of military actions and into serious discussions. In this process, it is our strength and clear resolve which will make an adversary change his mind; it is our strength and resolve which will permit us to negotiate without losing.

The role of the American and allied armed forces is to maintain military strength which is clearly sufficient to keep a potential aggressor from enjoying the fruits of aggression and to encourage him to negotiate. This is the essence of our first security goal: deterrence. Deterrence is a difficult and delicate art. It is based on an ability, first, to see and understand what a potential aggressor is doing, or capable of doing, and then to demonstrate that we have both the resolve and the miltiary force in-being to thwart his aggressive intentions. If deterrence fails, then we must be ready to deliver a sufficient fighting force quickly to the scene and sustain a military operation with minimum loss of life or territory and without sacrifice of national goals. If the aggressor understands that we can do all of these things well, then he will have little incentive to move militarily. He will be deterred from war and turned toward negotiations.

Out of these requirements for deterrence arise the specifications for our forces. First of all, they must be highly survivable; sufficiently mobile; they must be able to apply force quickly and precisely; they must be able to face the high quality and large numbers of weapons available to the Soviet Union and its client state.

Our most import task in the Department of Defense is to maintain an effective force for deterrence of all-out nuclear war. We must provide an adequate margin of safety here, because to fail to deter would be a disaster for the world. Our forces have successfully deterred nuclear war. If we continue to act prudently, nuclear weapons will never be used in a war. They will be used rather to save us from blackmail threats and to convince the Soviets—and others who have nuclear weapons—that negotiations and mutual arms reduction are in the common interest.

Because of the need for an extra margin of safety, we maintain three basic kinds of long-range nuclear weapons, and we improve them continually as the defensive and the offensive forces of the Soviet Union grow in numbers and change in quality. The three forces, missiles at sea, missiles on land, and intercontinental bombers, have different characteristics which permit the weapons to complement each other and, when working together, to pose an enormously difficult problem for an aggressor to solve.

Today, we are modernizing all three of our basic strategic weapons. The Polaris/Poseidon sea-based forces will get a longer-range, more versatile weapons system, the new Trident submarine will have much longer-range missiles, and will be quieter than the ships it will replace. Our basic land missile, the Minuteman, is getting an improved penetration system, extra hardening, and some ballistic missile defense. We are developing a new long-range bomber, the B–1, which will be less vulnerable to attack either in the United States or in penetrating enemy territory than the B–52 it replaces.

Of course, strategic deterrent weapons cost money, but only ten percent of the total defense budget. I believe any lesser investment would create a much higher risk of blackmail or war. We intend to maintain sufficient strategic forces while seeking further international agreements on mutual limitations.

General nuclear war is only one kind of conflict which we must be able to deter or handle. We must also be able to deter or if necessary cope with lesser situations.

Although we are not the world's policemen, we must still help our allies play their substantial—in fact, pre-eminent—roles in deterrence of smaller and local wars. Again, our forces and those of our allies must be adequate in numbers and quality to constitute an effective fighting force—in the eyes of the aggressors.

Unfortunately, confrontations can occur almost anyplace in the world—land, sea and air—and at varying levels of intensity. To deter such conflicts, we must have forces which are both conspicuous and capable. To be effective, our forces must be able to accomplish their military objectives with minimum casualties. We Americans place a special value on human life. We do not want to lose a single individual if we can help it. Thus, our General Purpose Forces must be flexible, mobile and possess accurate and effective firepower.

The spectrum of forces we may have to face is not limited to those of the smaller nations which may have aggressive intentions. The vast General Purpose Forces of the Soviet Union and its allies, and China and its allies are of vital concern. They may be used against us or our allies directly—as in Europe—or indirectly—as in North Korea and Vietnam.

At sea, the Soviet Union has already overtaken us in size of their attack submarine forces; their surface ships use modern turbine engines and advanced missiles; they are building their first aircraft carrier; and they have good long-range ocean surveillance.

The Soviet land and air forces are steadily improving, and they are providing large quantities of new equipment to their allies.

To be responsive we and our allies must have the right weapons in quantity and at minimum cost. We understand the importance of these forces, and we are making good progress in many key areas.

The difficult experience of Vietnam and our continuing efforts to maintain superiority in all our tactical forces have provided us with new technology which offers greatly increased effectiveness for the individual soldier while according him greater physical safety. Let me mention a few of these advances.

New attack and transport helicopters of improved speed and error.

Night vision instruments which allow us to see the battlefield with clarity 24-hours a day.

Remote sensors for interdiction and perimeter defense, which can give detailed information about the position and strength of the enemy without risking our people.

Remotely piloted vehicles which—further in the future—will permit our weapons to be sent unmanned into battle. The pilot cannot be killed or captured. He will stay in a safe area while he guides his weapon by remote control in the combat zone.

The so-called "smart" weapons, so effective toward the end of the Vietnam war, can guide themselves exactly to their targets. Truly revolutionary weapons, they permit us to destroy targets precisely, avoid additional destruction in the immediate vicinity, and do it all cheaper and at lower risk to our fighting men.

Lasers, already proven for weapon guidance and reconnaissance, are being pursued as tactical weapons.

Not all of our forces can be provided through this kind of "technology jump" that we Americans are so good at exploiting. The backbone of our capability still arises from steady improvement of familiar arms.

But, more important than the tactical and strategic arms I have been describing are the dedicated and capable people who run them. People are the most valuable—and the most costly—ingredient of a capable military force. In fact, as we move toward the all volunteer force this year, the cost of people has risen to 56% of the defense budget.

We are managing, however, to hold down on defense spending. For the past few years and for the next few, defense spending, in terms of purchasing power, has been and will remain about the same.

The capabilities of our potential adversaries are moving steadily upward, however. Clearly, we must make more economic use of what is available. Otherwise, we will lose the leverage that brings successful negotiations and brings what we here tonight are seeking—security and peace.

We stretch our resources in several ways.

First, we use technology to multiply the effectiveness of our military men and women.

Second, we use technology to lower the cost of our weapons and provide equipment which gives us more performance.

Third, we seek a greater contribution from our allies. We will use their scientific and technical developments when they offer an advantage over our own, and we depend on the allies to provide local deterrence and fighting capability in their areas of the world.

Fourth, we manage our resources better. We have better methods now to determine our needs, insure that we develop and buy only what we need, and monitor the whole complex process of research, development, procurement, maintenance and support.

The cost of defense will be down next year to 6 percent of the gross national product, the lowest percentage in 24 years. But, while defense outlays have remained substantially the same since 1968, non-defense federal spending has grown by 91 percent. You should understand that in defense we are cutting it as close as we prudently dare.

Let me sum up.

President Nixon is committed to the search for a generation of peace.

Obviously his commitment coincides with yours and with those of the American people.

We have a growing economy, and we are devoting that growth to domestic and private needs.

The magnitude of the problem of deterring war and of turning our adversaries to negotiation expands as the forces of our adversaries expand and improve.

But we are convinced that the combination of available defense funds, the technology within our grasp, and the calibre of people who will step forward to serve their country can provide a generation of peace.

It is difficult for your government to walk the narrow path between what is too little to deter our adversaries and what is too much to permit us to meet our domestic needs. Committed people like yourselves must help us walk this path. This is the reason I have come here tonight to talk with you. This is the reason our new Secretary of Defense, Elliot Richardson, and the Chairman of the Joint Chiefs of Staff, Admiral Thomas Moorer, are going to the Congress and to the public next month with detailed explanations of our defense plans.

But, speeches and Congressional testimony and publications are not enough to meet the challenges of the Seventies and Eighties. In the end, the only thing which will suffice will be a commitment by concerned people. The commitment we need is like the one that got us to the moon before 1970, or the one that carried us through the ordeals of the Sixties, or particularly, the one that sustained the Vietnam prisoners of war through all of their trials. They have been through so much, and yet they are grateful to America. The steadfastness and faith they showed are a tribute to those who died, an example to their comrades who still serve and an inspiration to all of us.

To gain peace, it is not enough to praise the sacrifices and the work which brought us to our new opportunities. We must also commit ourselves to meet whatever challenges lie ahead. You must realize that because of your past performance and our presence here tonight, we are already counting on your commitment.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CORMAN, for today, on account of official business.

Mr. RINALDO for today (at the request of Mr. GERALD R. FORD), on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. O'NEILL, for 10 minutes, today; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. FRENZEL) to revise and extend their remarks and include extraneous matter:)

Mr. QUIE, for 30 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. KEMP, for 20 minutes, today.

Mr. CRANE, for 5 minutes, today.

Mr. BAKER, for 5 minutes, today.

Mr. ABDNOR, for 5 minutes, today.

(The following Members (at the request of Miss JORDAN) to revise and extend their remarks and include extraneous matter:)

Mr. MCFALL, for 10 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. EVANS of Colorado, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. FLOOD, for 10 minutes, today.

Mr. HARRINGTON, for 5 minutes, today.

Mr. MOSS, for 5 minutes, today.

Mr. KASTENMEIER, for 15 minutes, today.

Mr. DULSKI, for 15 minutes, today.

Mr. FRASER, for 5 minutes, today.

Mr. EILBERG, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MOSS, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD, and the cost thereof is estimated by the Public Printer to be $2,167.50.

Mr. MADDEN, to revise and extend his remarks and to include a resolution.

Mr. HASTINGS, and to include extraneous matter, notwithstanding the fact that it exceeds five pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $595.

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KEMP and to include extraneous matter notwithstanding the fact that it exceeds 13 pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,200.

(The following Members (at the request of Mr. FRENZEL) and to include extraneous matter:)

Mr. FINDLEY.
Mr. WYATT in two instances.
Mr. DUNCAN.
Mr. BROWN of Ohio.
Mr. FROEHLICH.
Mr. CRANE in five instances.
Mr. SNYDER in three instances.
Mr. WHITEHURST.
Mr. SHOUP in two instances.
Mr. J. WILLIAM STANTON.
Mr. YOUNG of Florida in five instances.
Mr. SYMMS.
Mr. RAILSBACK.
Mr. WYMAN in two instances.

(The following Members (at the request of Miss JORDAN) and to include extraneous matter:)

Mr. CONYERS in 10 instances.
Mr. HARRINGTON.
Mr. GONZALEZ in three instances.
Mr. REUSS in six instances.
Mr. RARICK in three instances.
Mr. HELSTOSKI in 10 instances.
Mr. REID.
Mr. DE LA GARZA in 10 instances.
Mr. RONCALIO of Wyoming in 10 instances.
Mrs. GRASSO in 10 instances.
Mr. BRASCO in two instances.
Mr. MATHIS of Georgia.
Mr. UDALL.
Mr. NICHOLS in two instances.
Mr. STEED.
Mr. JOHNSON of California.
Mr. BRECKINRIDGE in five instances.
Mr. PEPPER.
Mr. RIEGLE in 10 instances.
Mr. PODELL in two instances.
Mr. HUNGATE.
Mr. DE LUGO.

ADJOURNMENT TO MONDAY, MARCH 5, 1973

Miss JORDAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 57 minutes p.m.), under its previous order, the House adjourned until Monday, March 5, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

519. A letter from the Deputy Secretary of Defense, transmitting a report covering calendar year 1972 on special pay for duty subject to hostile fire, pursuant to 37 U.S.C. 310; to the Committee on Armed Services.

520. A letter from the Acting Director of ACTION, transmitting a draft of proposed legislation authorizing continuing appropriations for Peace Corps; to the Committee on Foreign Affairs.

521. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Theodore Barry & Associates, Los Angeles, Calif., for a research project entitled "Analyze Ore Handling Systems in Underground Metal Mines for Improved Safety and Efficiency," pursuant to Public Law 89-672; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DULSKI: Committee on Post Office and Civil Service. Report on census programs of several countries in Europe and the Middle East (Rept. No. 93–34). Referred to the Committee of the Whole House on the State of the Union.

Mr. DULSKI: Committee on Post Office and Civil Service. Report on the personnel problems at the San Ysidro, Calif., customs inspection station (Rept. No. 93–35). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 4278. A bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973; with amendment (Rept. No. 93–36). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. House Joint Resolution 393. Joint resolution to amend the Education Amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report (Rept. No. 93–37). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. House Resolution 114. Resolution on inquiry into the extent of the bombing of North Vietnam, December 17, 1972, through January 10, 1973 (Rept. No. 93–38). Referred to the House Calendar.

Mr. HÉBERT: Committee on Armed Services. House Resolution 115. Resolution on inquiry into the extent of the bombing of North Vietnam, December 17, 1972, through January 10, 1973 (Rept. No. 93–39). Referred to the House Calendar.

Mr. HÉBERT: Committee on Armed Services. House Resolution 26. Resolution on inquiry into the extent of the bombing of North Vietnam, December 17, 1972, through January 3, 1973 (Rept. No. 93–40). Referred to the House Calendar.

Mr. HÉBERT: Committee on Armed Services. House Resolution 143. Resolution on inquiry into the extent of the bombing of North Vietnam, December 17, 1972, through January 10, 1973 (Rept. No. 93–41). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 5016. A bill to amend the Internal Revenue Code of 1954, to allow Federal income tax returns to be inspected by a common tax auditing agent utilized by the States; to the Committee on Ways and Means.

By Mr. BAKER:

H.R. 5017. A bill to amend the Federal Aviation Act of 1958, in order to provide criminal penalties for kidnaping by seizing an aircraft and to provide for an air transportation security force; to the Committee on Interstate and Foreign Commerce.

By Mr. BENNETT:

H.R. 5018. A bill to amend chapter 73 of title 10, United States Code, in order to provide that no further reduction be made in the retired or retainer pay of any person who elects to provide annuities under the survivor benefit plan if all beneficiaries of the annuities predecease such person; to the Committee on Armed Services.

By Mr. BINGHAM:

H.R. 5019. A bill to amend the International Travel Act of 1961, to provide for Federal regulation of the travel agency industry; to the Committee on Interstate and Foreign Commerce.

By Mr. BLATNIK (for himself, Mr. Kluczynski, Mr. Wright, Mr. Gray, Mr. Johnson of California, Mr. Dorn, Mr. Howard, Mr. Anderson of California, Mr. Roe, Mr. Roncalio of Wyoming, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Studds, Mrs. Burke of California, and Mr. Ginn):

H.R. 5020. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, to provide for minimum Federal payments for 4 additional years, and for other purposes; to the Committee on Public Works.

By Mr. BROYHILL of North Carolina (for himself and Mr. McCollister):

H.R. 5021. A bill to provide disclosure standards for written consumer product warranties against defect or malfunction and to define Federal content standards for such warranties; to the Committee on Interstate and Foreign Commerce.

By Mr. BURTON:

H.R. 5022. A bill to provide to members of the Armed Forces and Federal employees who were in a missing status for any period during the Vietnam conflict double credit for such period for retirement purposes and certain additional pay and allowances, to provide such members certain medical benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. CEDERBERG:

H.R. 5023. A bill to amend title 5, United States Code, to improve the administration of the leave system for Federal employees; to the Committee on Post Office and Civil Serivce.

By Mr. CLANCY:

H.R. 5024. A bill to amend section 509 of the Internal Revenue Code of 1954, to exempt libraries from the definition of private foundations; to the Committee on Ways and Means.

By Mr. CLANCY (for himself and Mr. Guyer):

H.R. 5025. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 5026. A bill to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad; to the Committee on Ways and Means.

By Mr. DAVIS of South Carolina:

H.R. 5027. A bill to amend title 38 of the United States Code, to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. DELANEY:

H.R. 5028. A bill to amend the Immigration and Nationality Act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

By Mr. DICKINSON:

H.R. 5029. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. DOMINICK V. DANIELS:

H.R. 5030. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DULSKI:

H.R. 5031. A bill to permit certain military service performed after December 1956, to be included in the aggregate period of service on which civil service retirement benefits are payable, even though the individual is, or would on proper application be entitled to social security benefits, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EILBERG (for himself, Ms. Abzug, Mr. Bevill, Mr. Brown of California, Mrs. Burke of California, Mrs. Chisholm, Mr. Conyers, Mr. Danielson, Mr. William D. Ford, Mr. Gunter, Mr. Harrington, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. McSpadden, Mr. Mazzoli, Mr. Metcalfe, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Mollohan, Mr. Pike, Mr. Podell, Mr. Rosenthal, Mr. Sarbanes, and Mr. Stark):

H.R. 5032. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for annual flu shots; to the Committee on Ways and Means.

By Mr. EILBERG (for himself, Mr. Studds, Mr. Stuckey, Mr. Williams, Mr. Wolff, Mr. Won Pat, and Mr. Yatron):

H.R. 5033. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for annual flu shots; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 5034. A bill to repeal the bread tax on 1973 wheat crop; to the Committee on Agriculture.

By Mr. FOLEY:

H.R. 5035. A bill to amend Public Law 90–335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation; to the Committee on Interior and Insular Affairs.

H.R. 5036. A bill to amend the Public Works and Economic Development Act of 1965, to extend the authorizations for a 1-year period; to the Committee on Public Works.

H.R. 5037. A bill to amend title 38 of the United States Code, to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. FULTON (for himself, Mr. Broyhill of Virginia, Mr. Stuckey, Mr. Dorn, Mr. Shuster, Mr. Thone, Mr. Huber, and Mr. Maraziti):

H.R. 5038. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. FULTON (for himself, Mr. Broyhill of Virginia, Mr. Moorhead of California, Mr. Camp, Mr. Roncallo of New York, Mr. Hogan, Mr. Steiger of Arizona, Mr. Chappell, Mr. Veysey, Mr. Clancy, Mr. Young of Illinois, Mr. Ichord, Mr. Burke of Florida, Mr. Lujan, Mr. Pike, Mr. Ruth, Mr. Gunter, Mr. Williams, Mr. Milford, Mr. Myers, Mr. Broomfield, Mr. Hillis, Mr. Rooney of Pennsylvania, Mr. Hudnut, and Mr. Eshleman):

H.R. 5039. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health, manpower, and facilities; to the Committee on Ways and Means.

By Mr. GREEN of Pennsylvania (for himself, Mr. Barrett, Mr. Eilberg, Mr. Nix, Mr. Williams, Mr. Coughlin, Mr. Ware, and Mr. Biester):

H.R. 5040. A bill to amend the act of June 28, 1948, to provide for the addition of certain property in Philadelphia, Pa., to Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. GUBSER:

H.R. 5041. A bill to amend the Internal Revenue Code of 1954, to allow an income tax credit for the costs of maintaining the exterior appearance and structural soundness of certain historic buildings and structures; to the Committee on Ways and Means.

By Mr. HANLEY:

H.R. 5042. A bill to provide for an equitable procedure for establishing congressional districts; to the Committee on the Judiciary.

H.R. 5043. A bill to amend title 5, United

States Code, to revise the pay structure for nonsupervisory positions of deputy U.S. marshal, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON:

H.R. 5044. A bill to amend the Defense Production Act of 1950, to establish national defense petroleum reserves; to the Committee on Banking and Currency.

By Mr. HASTINGS:

H.R. 5045. A bill to amend the Communications Act of 1934, to provide permanent financing for the Corporation for Public Broadcasting; to the Committee on Interstate and Foreign Commerce.

H.R. 5046. A bill to amend the Public Works and Economic Development Act of 1965, to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. HELSTOSKI:

H.R. 5047. A bill to amend sections 101 and 902 of the Federal Aviation Act of 1958, to implement the Convention for the Suppression of Unlawful Seizure of Aircraft; to amend title XI of such act to authorize the President to suspend air service to any foreign nation which he determines is encouraging aircraft hijacking by acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft; and to authorize the Secretary of Transportation to suspend the operating authority of foreign air carriers under certain circumstances; to the Committee on Interstate and Foreign Commerce.

H.R. 5048. A bill to amend section 403(b) of the Federal Aviation Act of 1958, to permit the continuation of youth fares; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 5049. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. MOSS (for himself, Mr. Broyhill of North Carolina, Mr. Stuckey, Mr. Ware, Mr. Eckhardt, Mr. McCollister, Mr. Helstoski, Mr. Young of Illinois, and Mr. Breckinridge):

H.R. 5050. A bill to amend the Securities Exchange Act of 1934, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HILLIS:

H.R. 5051. A bill to establish improved nationwide standards of mail service, require annual authorization of public service appropriations to the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HUBER:

H.R. 5052. A bill to establish a commission on medical malpractice awards; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. Brown of California, Mr. Danielson, Mr. Edwards of California, and Mr. Waldie):

H.'R. 5053. A bill to provide for the creation of the Reclamation Lands Authority to carry out the congressional intent respecting the excess land provisions of the Federal Reclamation Act of June 17, 1902; to the Committee on Interior and Insular Affairs.

By Mr. KEATING:

H.R. 5054. A bill relating to withholding, for purposes of the income tax imposed by certain cities, on the compensation of Federal employees; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 5055. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide for grants to cities for improved street lighting; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 5056. A bill to provide for crediting service as an aviation midshipman for purposes of retirement for nonregular service under chapter 67 of title 10, United States Code, and for pay purposes under title 37, United States Code; to the Committee on Armed Services.

By Mr. McSPADDEN:

H.R. 5057. A bill to convey certain land of the United States to the Inter-Tribal Council, Inc., Miami, Okla.; to the Committee on Interior and Insular Affairs.

H.R. 5058. A bill to authorize the imposition of the death penalty for individuals convicted of certain crimes; to the Committee on the Judiciary.

By Mr. MARAZITI:

H.R. 5059. A bill to amend the Internal Revenue Code of 1954, to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 5060. A bill to protect confidential sources of news media, and for other purposes; to the Committee on the Judiciary.

By Mr. METCALFE (for himself, Mr. Wolff, and Mr. Stokes):

H.R. 5061. A bill to assist in reducing crime by requiring speedy trials in cases of persons charged with violations of Federal criminal laws, to strengthen controls over dangerous defendants released prior to trial, to provide means for effective supervision and control of such defendants, and for other purposes; to the Committee on the Judiciary.

By Mr. METCALFE (for himself, Mrs. Burke of California, Mr. Stokes, and Mr. Hawkins):

H.R. 5062. A bill to provide for the compensation of innocent victims of violent crime in need; to make grants to States for the payment of such compensation; to authorize an insurance program and death and disability benefits for public safety officers; to provide civil remedies for victims of racketeering activity; and for other purposes; to the Committee on the Judiciary.

By Mr. METCALFE (for himself, Mr. Stokes, and Miss Holtzman):

H.R. 5063. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, in any manner affecting interstate or foreign commerce, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. McFall, Mr. Stuckey, Mr. Helstoski, Mr. Eckhardt, Mr. Breckinridge, and Mr. Carney of Ohio):

H.R. 5064. A bill making appropriations to carry out the provisions of the Motor Vehicle Information and Cost Savings Act for the fiscal year ending June 30, 1973; to the Committee on Appropriations.

By Mr. NIX:

H.R. 5065. A bill to amend title 38 of the United States Code increasing income limitations relating to payment of disability and death pension, and dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. PEPPER:

H.R. 5066. A bill to amend the Federal Aviation Act of 1958, to provide a more effective program to prevent aircraft piracy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 5067. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 5068. A bill to establish a Department of Education and Manpower; to the Committee on Government Operations.

H.R. 5069. A bill to provide a civil penalty for persons owning any vehicles which are on Federal recreational properties without having any litter bags; to the Committee on Interior and Insular Affairs.

By Mr. RARICK (for himself, Mr. Matsunaga, Mr. Wolff, Mr. Brown of California, Mr. Murphy of Illinois, Mr. Won Pat, Mr. Byron, Mr. Helstoski, Mr. Riegle, Mr. Michel, Mr. Duncan, Mr. Ketchum, Mr. Railsback, Mr. Zwach, Mr. Foley, and Mr. Kemp):

H.R. 5070. A bill to amend the Internal Revenue Code of 1954, to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 5071. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 5072. A bill to establish a comprehensive program of insurance and reimbursement with respect to losses sustained by the fisheries trades as a result of environment disasters; to the Committee on Merchant Marine and Fisheries.

H.R. 5073. A bill to amend the act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Broyhill of North Carolina, Mr. Addabbo, Mr. Anderson of Illinois, Mr. Andrews of North Dakota, Mr. Bafalis, Mr. Blatnik, Mr. Brasco, Mr. Broomfield, Mr. Broyhill of Virginia, Mr. Buchanan, Mr. Burke of Massachusetts, Mr. Burleson of Texas, Mr. Butler, Mr. Chappell, Mr. Cleveland, Mr. Coughlin, Mr. Cochran, Mr. Cronin, Mr. Davis of Wisconsin, Mr. Davis of South Carolina, Mr. Denholm, Mr. Duncan, Mr. Eshleman, and Mr. Findley):

H.R. 5074. A bill to amend the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Broyhill of North Carolina, Mr. Fisher, Mr. Frenzel, Mr. Froehlich, Mr. Fulton, Mr. Fuqua, Mr. Giaimo, Mr. Gunter, Mr. Hanrahan, Mr. Henderson, Mr. Hillis, Mr. Huber, Mr. Hungate, Mr. Hutchinson, Mr. Keating, Mr. Kemp, Mr. Ketchum, Mr. Lott, Mr. McCormack, Mr. McDade, Mr. Mallary, Mr. Martin of North Carolina, Mr. Mathias of California, and Mr. Miller):

H.R. 5075. A bill to amend the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Broyhill of North Carolina, Mr. Mitchell of New York, Mr. Mizell, Mr. Myers, Mr. Nichols, Mr. O'Brien, Mr. Passman, Mr. Pepper, Mr. Podell, Mr. Railsback, Mr. Rhodes, Mr. Robinson of Virginia, Mr. Rose, Mr. Roush, Mr. Rousselot, Mr. Sarasin, Mr. Schneebeli, Mr. Sikes, Mr. Slack, Mr. Spence, Mr. James V. Stanton, and Mr. Steiger of Arizona):

H.R. 5076. A bill to amend the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Broyhill of North Carolina, Mr. Steelman, Mr. Stubblefield, Mr. Treen, Mr. Waggonner, Mr. Walsh, Mr. Wampler, and Mr. Williams):

H.R. 5077. A bill to amend the Communications Act of 1934, to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. SAYLOR:

H.R. 5078. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 5079. A bill to establish mining and mineral research centers, to promote a more adequate national program of mining and minerals research, to supplement the act of December 31, 1970, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SHOUP:

H.R. 5080. A bill to amend chapter 2 of title 16 of the United States Code (respecting national forests) to provide a share of timber receipts to States for schools and roads; to the Committee on Agriculture.

H.R. 5081. A bill to amend section 318 of the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H.R. 5082. A bill to amend section 1402(a) of title 10, United States Code, to revise the rule for recomputation of retired or retainer pay to reflect later active duty; to the Committee on Armed Services.

H.R. 5083. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 5084. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 5085. A bill to amend the Federal Aviation Act of 1958, with respect to the transportation of Government traffic by civil air carriers of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 5086. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified prduction base; to amend the Internal Revenue Code of 1954, to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 5087. A bill to regulate commerce to protect health and the environment against toxic chemical substances; to the Committee on Interstate and Foreign Commerce.

By Mr. J. WILLIAM STANTON:

H.R. 5088. A bill to deauthorize the Lake Erie-Ohio River Canal; to the Committee on Public Works.

By Mr. STEED (for himself, Mr. Jarman, Mr. Camp, Mr. Jones of Oklahoma, and Mr. McSpadden):

H.R. 5089. A bill to determine the rights and interests of the Choctaw Nation, the Chickasaw Nation, and the Cherokee Nation in and to the bed of the Arkansas River below the Canadian fork and to the eastern boundary of Oklahoma; to the Committee on Interior and Insular Affairs.

By Mr. STEIGER of Wisconsin:

H.R. 5090. A bill concerning the allocation of water pollution funds among the States in fiscal 1973 and fiscal 1974; to the Committee on Public Works.

By Mrs. SULLIVAN (for herself, Mr. Clark, Mr. Mailliard, Mr. Dingell, Mr. Mosher, Mr. Leggett, Mr. Goodling, Mr. Biaggi, Mr. McCloskey, Mr. Eckhardt, Mr. Forsythe, Mr. Sarbanes, Mr. Ginn, and Mr. Studds):

H.R. 5091. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of New Jersey:

H.R. 5092. A bill to amend the Consumer Credit Protection Act to prohibit discrimination by creditors on the basis of sex or martial status in connection with any extension of credit; to the Committee on Banking and Currency.

By Mr. THONE:

H.R. 5093. A bill to authorize a White House Conference on Education; to the Committee on Education and Labor.

By Mr. UDALL (for himself, Mr. Dulski, Mr. Henderson, Mr. Nix, Mr. Hanley, Mr. Waldie, Mr. White, Mr. William D. Ford, Mr. Brasco, Mr. Clay, Mr. Moakley, Mr. Lehman, Mr. Hogan, and Mr. Hillis):

H.R. 5094. A bill to amend title 5, United States Code, to provide for the reclassification of positions of deputy U.S. marshal, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ULLMAN (for himself, Mr. Schneebeli, Mr. Corman, and Mr. Green of Pennsylvania):

H.R. 5095. A bill to amend the Internal Revenue Code of 1954, with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. WALSH:

H.R. 5096. A bill to require the use of U.S. materials and products in the construction, alteration, or repair of water, air, or noise pollution control facilities for which Federal assistance is provided; to the Committee on Public Works.

By Mr. WOLFF (for himself and Mr. Coughlin):

H.R. 5097. A bill to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

By Mr. YATRON:

H.R. 5098. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

By Mr. MARAZITI (for himself, Mr. Archer, Mr. Dominick V. Daniels, Mr. Rarick, Mr. Brown of California, Mr. Alexander, Mr. Hanrahan, Mr. Mollohan, Mr. Hinshaw, Mr. Mazzoli, Mr. Preyer, Mr. Bafalis, Mr. Gude, Mr. Buchanan, Mr. Fisher, Mrs. Hansen of Washington, Mr. Rinaldo, Mr. Moakley, Mr. Young of Florida, Mr. Hudnut, Mr. Camp, Mr. Fulton, Mr. Roe, Mr. Butler, and Mr. Erlenborn):

H.J. Res. 396. Joint resolution designating a "National Day of Recognition and Prayer" to honor those Americans killed in the Vietnam conflict; to the Committee on the Judiciary.

By Mr. MARAZITI (for himself, Mr. Roncallo of New York, Mr. Treen, Mrs. Chisholm, and Mr. Randall):

H.J. Res. 397. Joint resolution designating a "National Day of Recognition and Prayer" to honor those Americans killed in the Vietnam conflict; to the Committee on the Judiciary.

By Mr. PEYSER:

H.J. Res. 398. Joint resolution to authorize and request the President to proclaim April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising; to the Committee on the Judiciary.

By Mr. YATRON:

H.J. Res. 399. Joint resolution authorizing the President to proclaim the third Sunday in October of 1973, as "National Shut-In Day"; to the Committee on the Judiciary.

By Mr. PEPPER:

H. Con. Res. 135. Concurrent resolution expressing the sense of the Congress with respect to the treatment of Jews in Iraq and Syria; to the Committee on Foreign Affairs.

By Mr. DULSKI (for himself, Mr. Gross, Mr. Henderson, Mr. Hanley, Mr. Charles H. Wilson of California, Mr. Waldie, and Mr. White):

H. Res. 261. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 180; to the Committee on House Administration.

By Mr. JAMES V. STANTON:

H. Res. 262. Resolution of inquiry with respect to a pending grand jury investigation in the northern district of Texas; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. Res. 263. Resolution providing funds for the expenses of the Committee on Ways and Means; to the Committee on House Administration.

H. Res. 264. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Armed Services pursuant to House Resolution 185; to the Committee on House Administration.

H. Res. 265. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Michigan:

H.R. 5099. A bill for the relief of Jack Bradshaw, Jr.; to the Committee on the Judiciary.

H.R. 5100. A bill for the relief of Erving Fance, Jr.; to the Committee on the Judiciary.

By Mr. EILBERG:

H.R. 5101. A bill to incorporate in the District of Columbia the Catholic War Veterans of the United States of America; to the Committee on the District of Columbia.

By Mr. FOLEY:

H.R. 5102. A bill for the relief of Wilhelm J. R. Maly; to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H.R. 5103. A bill for the relief of Helena Janina Kuropatwa; to the Committee on the Judiciary.

By Mr. HUNT:

H.R. 5104. A bill for the relief of Lt. Frederick R. Marlin, Jr., U.S. Navy; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania:

H.R. 5105. A bill for the relief of Lt. (jg.) Robert Jennings, U.S. Navy (Active); to the Committee on the Judiciary.

By Mr. VAN DEERLIN:

H.R. 5106. A bill for the relief of Flora Datiles Tabayo; to the Committee on the Judiciary.

SENATE—*Thursday, March 1, 1973*

The Senate met at 11 a.m. and was called to order by Hon. J. BENNETT JOHNSTON, a Senator from the State of Louisiana.

PRAYER

Dr. John E. Howell, pastor, Crescent Hill Baptist Church, Louisville, Ky., offered the following prayer:

Lord God, we need Your strength to persevere in the cause of good when we grow weary from the struggle. We need Your encouragement when we are discouraged, Your patience and wisdom when our solutions do not match the magnitude and complexity of our problems. We believe, Father, that You are personally interested in each of us and in our needs. We also believe You have a mission for each of us to fulfill in Your service and in that of our fellows. Grant to the Members of the Senate today a keen awareness of Your presence, power, and encouragement as they renew their work.

We ask this in the name of Him who revealed both Your high expectations of us and Your continuing mercy. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 1, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. J. BENNETT JOHNSTON, a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. JOHNSTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 28, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMERICAN REVOLUTION BICENTENNIAL COMMISSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 57, H.R. 3694.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

H.R. 3694, to amend the joint resolution establishing the American Revolution Bicentennial Commission.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, was read the third time, and passed.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the Executive Calendar will be stated.

DEPARTMENT OF THE INTERIOR

The second assistant legislative clerk read the nomination of Jack O. Horton, of Wyoming, to be Assistant Secretary of the Interior.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to and the Senate resumed the consideration of legislative business.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock meridian tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I anticipate that the Senate will complete action today on the bill to require the Secretary of Agriculture to carry out the rural environmental assistance program, in which event the Senate would then adjourn over until Monday next.

Mr. President, I yield the floor.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from New Jersey (Mr. WILLIAMS) is now recognized for not to exceed 10 minutes.

THE ADMINISTRATION'S PROPOSED CHANGES IN MEDICARE

Mr. WILLIAMS. Mr. President, at this morning's session, Members of the Senate are all addressing themselves to one subject, the farcical yet tragic proposals of the President of the United States with respect to a heavy increase in the financial burden to be placed on our older citizens who are patients under medicare.

Mr. President, as chairman of the Senate Committee on Labor and Public Welfare which reported out S. 50, the Older Americans Act Amendments, I am very much pleased that the Senate approved the legislation by a vote of 82 to 9 on February 22.

The overwhelming victory justified the position of the committee that this legislation should be a top priority for older Americans.

It also clearly demonstrates that the Senate is deeply committed to improving social services for our elderly.

Last year, after this proposal received the overwhelming bipartisan support of both House and Senate, the President exercised a pocket veto to kill this urgently needed legislation.

This year, as Congress is reaffirming the need to improve services for older Americans, the President is recommending they actually be reduced by cutting the Government share of medicare costs.

I understand that on occasion Mr. Nixon has compared himself with Benjamin Disraeli, the famous British Prime Minister in the late 1800's.

Disraeli once wrote that—

> Youth is a blunder; Manhood a struggle; Old Age a regret.

I am afraid that Mr. Nixon is taking Disraeli too literally in making such a strenuous effort to guarantee that old age will be a regret for those who need medical attention.

The Nixon administration, through the Department of Health, Education, and Welfare, has recently announced that it will propose legislation to change the already burdensome patient cost-sharing provisions included in the present medicare program.

But, the President is not suggesting that we should take steps to ease the financial plight of more than 20 million older Americans by reducing or eliminating expensive charges for medical services.

To the contrary, Mr. Nixon is asking that we saddle the aged of this country with an additional responsibility for $893 million more than they are already paying out of their own limited resources for health care.

The injustice of the administration proposal, to me, is horrifying.

Under present law, every beneficiary who enters a hospital must pay an initial deductible amount equal to the national average cost of a day's stay in such facilities.

When we enacted this program, this charge amounted to $40.

Since then, the inpatient hospital deductible has been increased five times, to $44, $52, $60, $68, and recently to $72.

But beyond this initial hospital charge, the beneficiary incurs no costs until the 61st day of hospitalization—that is, at present.

Between the 61st and 90th days of a hospital stay, the patient is charged a daily amount equal to one-fourth of the initial deductible amount.

In addition, medicare patients have a 60-day lifetime reserve but they must pay a daily amount equal to one-half of the initial deductible.

In place of this cost-sharing system—which I would like to have changed to reduce the burden on the elderly, who by definition are on reduced incomes—the President is proposing that each medicare patient pay an initial deductible amount equal to 1 day's hospital charges, plus daily amounts equal to 10 percent of the charges incurred by the patient for each remaining day spent in a hospital or skilled nursing facility.

According to HEW:

> The proposed system has the advantages of tying cost-sharing to actual charges and services used, instituting it at a point where it is likely to discourage over-utilization, and eliminating high cost-sharing at the end of a long hospital stay.

That is the rationalization—misguided, I think; grossly misguided—of HEW.

Each of these arguments is absurd.

In the first place, physicians, and not patients, control admissions to hospitals, lengths of stay, and the range of ancillary services required by the patient.

It is very doubtful that cost-sharing requirements imposed on the patients are effective as utilization controls. I would hope that any patient's length of stay in an institution would be governed by the medical rather than false economic considerations. If medical judgments are not working, then Congress should address itself to that matter and not penalize the aged for poor medical practice.

In the second place, the administration's plan does not eliminate high cost-sharing at the end of a long hospital stay.

For example, during the first month of fiscal year 1973, the number of covered days of care per inpatient hospital claim averaged 11.3 days.

The majority of beneficiaries would be faced with substantially larger out-of-pocket expenses for hospital care than they now incur.

Even those who are hospitalized for a long period of time could be harmed by the administration's proposals.

For example, the patient who now spends 61 days in the hospital pays the initial deductible of $72 and a coinsurance amount of $18, a total of $90.

Under the President's proposal, the same patient would incur out-of-pocket expenses of almost $440 for the same hospital stay of 61 days.

Nobody will benefit from a proposal that is designed to transfer hundreds of millions of dollars into a liability for the aged who are ill.

The President also is recommending in this harsh package of new medical expense that the deductible under the part B, or supplementary medical insurance program, be increased from $60 to $85 and that the coinsurance payment of the balance be raised from 20 to 25 percent.

Congress just increased the deductible from $50 to $60 last year, partly in response to the President's request.

Now we are told that there is a pressing need to make additional increases in the cost-sharing devices included in this program.

In addition, the Government is raising the part B premium payments from $5.80 a month to $6.30 a month in July.

Mr. President, the proposals are not only harsh and tragic but also absurd. Indeed, to use a lighter word, they are plain nonsense.

I intend to do everything I can to defeat these ill-considered, irrational, and excessively burdensome changes in the cost-sharing provisions proposed by the administration. On the record of the Senate, I think I will be joining more than a majority—I think it will be an overwhelming number of Members of this body—in resistance to these ill-conceived irrational, and excessively burdensome changes that produce new charges upon older Americans.

If anything, I believe that a President who is sensitive to the pressing needs of the elderly would try to reduce or eliminate these ineffective approaches to utilization control.

Most unfortunately, this is not the case.

It is frightening to realize the adverse effect which this proposal will have on our senior citizens.

It can only result in denying them vital hospital care.

Nine out of 10 older Americans will be hospitalized at least once before they die.

Two-thirds will be hospitalized at least two times after they reach age 65.

In our system of values, the preservation of life must have the very highest priority.

I will wholeheartedly resist any administration proposal that denies the importance of that priority.

I will not sacrifice the health needs of our senior citizens because the administration believes their suffering may provide some marginal budgetary savings.

The only heartening aspect of this scandalous administration proposal is the opposition it is receiving today from the Senate.

As the former chairman and currently the ranking member of the Senate Special Committee on Aging, I can observe that this committee has worked for several years to relieve the elderly from the crushing burden of high medical costs. We have had considerable success. We certainly cannot fall back as far this way as the President proposes.

Therefore, I am delighted to see so many of our colleagues joining today to oppose this tragic proposal.

Our message is clear. I trust that the administration will heed it.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SPARKMAN. I believe the Senator has touched on some very vital points. I agree with him fully with reference to what he has said.

Does not the Senator feel that one of the big troubles with the President's retracting program has been that it hits so heavily the people who are less able to bear the extra burden that is imposed, and is that not particularly true with reference to medicare and medicaid and the other things the Senator has mentioned?

Mr. WILLIAMS. Without question. This is the last place I would expect an administration to impose heavy, new burdens. These are the people, as the Senator from Alabama suggests, who can least afford to pay a new and crushing burden of cost for, of all things, lifesaving medical care.

Mr. SPARKMAN. Mr. President, no one in Congress is more concerned about the problem of inflation than the senior Senator from Alabama. In August of 1970, the Congress passed legislation authorizing the President to institute wage and price controls, and on several occasions thereafter, I urged President Nixon to use this authority. Unfortunately, he waited until August of 1971 before doing anything to bring spiraling prices and wages under control. Much valuable time was lost. Nevertheless, when the President did propose wage and price controls, my committee and the Congress supported him in setting up controls. We continue to support the effort being made to stop inflation.

I know that one of the steps that must be taken in the fight against inflation is to hold down Federal spending. I am in favor of holding the line on total Federal expenditures, and, to use a popular phrase, "I want to make that perfectly clear."

Mr. President, inflation hurts us all. But its major impact, and its most tragic effect, is upon the older citizens of this country—those who must live on fixed incomes, and, I might add, these fixed incomes are pitifully small in so many, many instances. Recognizing this, it is beyond belief to me that, in establishing his priorities with regard to where to cut Federal expenditures, President Nixon would choose the elderly and the disabled. The President's recommendations with regard to medicare and medicaid single out elderly and disabled Americans to be major victims of the budget ax.

Major changes are proposed in the administration's fiscal 1974 budget. Of special significance, the new proposal would add $345 million to the hospital costs for medicare patients during the first 6 months of 1974. Under present law the elderly pay $72 and nothing thereafter for their first 60 days in the hospital. The administration proposal, however, would make medicare patients pay for the actual hospital room and board charges for the first day plus 10 percent of all subsequent hospital room and board costs. Approximately 5 million medicare beneficiaries are expected to be hospitalized during the next fiscal year.

Additionally, the administration proposes to raise the deductible for doctor bills under part B from $60 to $85 and increase the patient's coinsurance costs from 20 to 25 percent of the balance. A $600 physician charge now costs a medicare beneficiary $168. However, the patient's share of these costs would be boosted to $213.75 under the new proposals. Nearly 11.6 million medicare beneficiaries are expected to require reimbursable physician and other qualifying services during fiscal 1974.

The budget also proposes to eliminate Federal support for adult dental care under medicaid.

Mr. President, the Nixon administration has also proposed harsh measures in the field of housing, and many of these proposals fall heavily upon our older and disabled people.

New commitments for public housing, rent supplements, section 235 homeownership, and section 236 rental assistance have been suspended, effective January 5, 1973, pending the review of Federal housing programs by the administration. In the fiscal 1974 budget, the administration gave this rationale:

> Additional tax dollars cannot be committed to those programs which impose a heavy burden on future budgets, yet have proved to be ineffective.

Other major developments in the field of housing and community development include:

First. No new funding has been requested for the section 202 housing for the elderly and handicapped program;

Second. A number of programs, including model cities, urban renewal, water and sewer grants, open space, public facility loans, rehabilitation loans, and neighborhood facilities, would not have any new projects approved for fiscal year 1974. Instead, these programs would be merged into a proposal urban community development revenue-sharing package to begin in mid-1974; and

Third. Nearly $1 billion of HUD administered funds have been impounded.

Mr. President, in holding the line on Federal expenditures, and setting our priorities, I hope that the Congress will consider housing and medical care for elderly and disabled people to have the highest priority. In my view, they should be considered just as essential as food and clothing for our people.

SENATOR FULBRIGHT OPPOSES THE PRESIDENT'S PROPOSED CUTBACKS IN MEDICARE BENEFITS

Mr. WILLIAMS. Mr. President, the distinguished junior Senator from Arkansas (Mr. FULBRIGHT), has advised me of his full support for the sentiments which are being expressed in this colloquy in opposition to the President's proposed cutbacks in medicare benefits. He had intended to be on the floor at this time to voice his concern about the adverse effects that the administration's plan would have on the elderly. At this hour, however, the Senator from Arkansas is returning from his State, where he has just addressed his legislature. Therefore, Mr. President, I ask unanimous consent that his prepared remarks appear at an appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR FULBRIGHT

Mr. President, the Nixon administration has made a particularly regrettable medicare recommendation in its budget submitted to Congress last month. I refer to the proposal to sharply increase the costs of medicare by requiring the elderly who benefit from the program to increase their payments.

Under the law now in effect, medicare patients pay an initial $72 deductible charge for hospitalization and nothing thereafter until the 61st day in the hospital. The Nixon proposal would require medicare patients to pay full hospitalization charges for the first day, plus ten percent of all subsequent room and board charges. As for medicare doctor services, the administration would raise the deductible from $60 to $85 and increase the patient's share of the cost thereafter from 20 percent to 25 percent. It has been estimated that this proposal would have the aged paying an additional billon dollars annually for the same medical care they are now receiving under this program.

Mr. President, a responsible budget is certainly to be applauded, but to make the victims of these economy measures the elderly who benefit so much from the medicare program is, it seems to me, a shocking display of insensitivity to the real needs of our people. Increasing the burden on the old and sick is not the way to correct our hard-pressed economy. There are many areas of our government—particularly the unnecessary, exotic weapons systems—in which substantial cuts could and should be made, and in this regard I would urge the administration to review its priorities.

The Nixon medicare recommendations, if adopted by the Congress, will simply aggravate the health care problems of the elderly, who would be discouraged from seeking adequate medical care because of the increased financial burden. I hope that my colleagues concur in my feeling that this ill-conceived proposal should be flatly rejected.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged against the time of the Senator from Mississippi (Mr. EASTLAND) under the order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Washington (Mr. MAGNUSON) now be recognized under the previous order out of order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator is recognized.

THE PRESIDENT'S PROPOSED CUTBACKS IN MEDICARE

Mr. MAGNUSON. Mr. President, I rise to discuss very briefly the President's budget as it relates to the medicare program. First, I ask unanimous consent to have printed in the RECORD at this point a comparison between present medicare coverage and the coverage which would be provided under President Nixon's plan.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

PRESENT SYSTEM FOR HOSPITAL COVERAGE

Days in Hospital:	*Patient pays*
First day	$72
Second to 60th day	0
61st to 90th day	18
91st to 150th day	36

NIXON BUDGET PLAN FOR HOSPITAL COVERAGE

First day in hospital, patient pays total cost.

Second to 150th day in hospital, patient pays 10 percent of cost.

PRESENT SYSTEM OF PHYSICIAN COVERAGE

The patient pays the first $60 and 20 percent of the rest of his doctor bills each year.

NIXON BUDGET PLAN FOR PHYSICIAN COVERAGE

The patient would pay the first $85 and 25 percent of the rest of his doctor bills each year.

Mr. MAGNUSON. Mr. President, the administration contends that its plan would discourage persons from seeking hospitalization when they do not really need it, since they would have to pay 10 percent of the bill for the first 60 days. The administration also maintains its plan would be better for those who are hospitalized longer than 60 days.

In my mind it is highly questionable whether medicare patients get unnecessary hospitalization since it is their doctors who put them in the hospital. There is a human element involved here, too. I suppose a few people might stay in the hospital longer than they should, but they are very, very few. The people I have known who have gone to the hospital could hardly wait to get out; in fact, most people want to get out before the doctors want them to, and they comprise 98 percent of the people.

Now, while the President's plan might—and I emphasize "might"—somewhat reduce the cost for the few needing hospitalization for more than 60 days, it would penalize the great majority who require fewer than 60 days of hospitalization.

President Nixon's proposed cutbacks in medicare perfectly illustrate the nature of his entire fiscal year 1974 budget. No other proposal thus far advanced by this administration demonstrates so clearly just how consistently its priorities are inconsistent, in my opinion, with this country's real needs.

As chairman of the Appropriations Subcommittee on Labor-HEW, I have had a ringside seat from which to watch this administration at work on the budget. And when it comes to appropriations for the sick or the elderly or the poor they wield a mighty big ax. As we all know, President Nixon has vetoed five different appropriations bills for Labor, Health, and Education.

Now, while the President recommends raising military spending by about $5 billion, he prepares to chop billions from programs here at home. At least $900 million will come out of the medicare program if the President's budget proposal prevails.

And that is a very conservative figure. It may well be a billion or more. Now let us look at precisely what the President's budget recommends for medicare coverage of hospitalization and physician services.

Presently, medicare patients pay $72 for their first day in the hospital and then pay nothing more for the next 60 days. Under President Nixon's plan they would pay the whole bill for the first day and 10 percent of the bill for the next 60 days.

And that bill for the first day in the hospital might well be a hundred dollars or more. The average hospital room in the United States comes close to $100 a day. It varies, but it comes close to that.

Presently, medicare patients pay the first $60 in doctor bills and 20 percent of the remainder. Under the President's plan, they would have to pay the first $85 and 25 percent of the rest.

If this President's proposals prevail the Nation's senior citizens will pay for those cuts. They will pay either out of their own meager incomes or they will pay with the serious consequences that come from not receiving health care when it is needed.

Neither of those alternatives is acceptable to me. Apparently, they are not acceptable to the great majority of the public, either. A Harris poll published Monday showed that 92 percent of the public opposed plans to require medicare patients to pay more for their health care.

Some persons may say, "Well, the increase to the medicare patient will be a small amount." But when someone is living on the meager income that the elderly live on, it is a big amount. The question, then, is simply this: Will the administration's view of the Nation's priorities prevail over the overwhelming consensus of the Nation itself?

The answer must be "No," for 20 percent of this country's senior citizens are scraping by on incomes that fall below the poverty line. They need more help—not less.

Ultimately, Congress will have to enact national health insurance to assure health care for every American. I have advocated that kind of a program for many years and will continue to work toward the day when national health insurance becomes a reality. But in the meantime we must improve medicare coverage. That is why I have joined with the distinguished chairman of the Special Committee on Aging (Mr. CHURCH) to introduce S. 631, which would extend medicare coverage to out-of-hospital prescription drugs.

We have also jointly introduced S. 471 to provide property-tax relief for older Americans, and I await with great interest the legislation the President has promised to submit to provide such relief.

Everybody talks a great deal about property-tax deduction. It is primarily a local matter, but the Federal Government must be concerned also.

I will also be interested in the administration's response to S. 632, introduced by the distinguished majority leader (Mr. MANSFIELD), the distinguished Senator from Idaho (Mr. CHURCH), the distinguished Senator from California (Mr. CRANSTON), and myself, which would raise to $3,000 the amount a retired person may earn without losing any of his social security benefits.

These bills would help the same people—the senior citizens—who would suffer under the administration's medicare proposals.

In closing, let me say that I agree with the President that Federal spending must be held down to avoid further inflation or new taxes. I will support cuts in programs that have run their course or proved ineffective. But I will not support a budget that proposes to find the money for increased military spending or foreign aid by taking it out of the hide and health of older Americans.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Washington (Mr. JACKSON) be recognized under the order at this time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE MEDICARE PROGRAM

Mr. JACKSON. Mr. President, in 1965 we made a promise to our aged and disabled citizens to help relieve them of the severe economic burden of high health care costs through adoption of the medicare program. This Federal health insurance program has enhanced the dignity of our Nation's 23 million senior citizens by allowing them to seek necessary medical care without the worry of becoming bankrupt, dependent, or having to go on welfare.

It is therefore not just disappointing, it is appalling that the administration has made recommendations for medicare which would make a good majority of our senior citizens worse off than before this program was established.

Even under the existing medicare program, less than 50 percent of an aged person's health care costs are covered. Now that the President has recommended that medicare patients pay all first-day hospital room and board charges plus 10 percent of all the daily room and board charges after that, this situation can only deteriorate further. Currently, recipients pay a $72 first-day hospital deductible charge and nothing more through the 60th day of hospitalization. The administration also wants supplemental medicare benefits lowered by forcing the patients to pay an initial deductible of $85 instead of the present $60 and to pay 25 percent of the total bill instead of the 20 percent they now pay. For the aged and disabled, these proposals will easily wipe out any net economic gain made through the passage of last year's 20-percent increase in social security benefits.

Those of us in the Congress will recall that the administration fought tooth and nail against the social security increase. However, when the Congress passed it, the administration sent out mailings at taxpayers expense attempting to mislead the Nation's elderly into believing the President had supported the increase. And the hand that gave not then is the hand that now taketh away. The President would negate the increase in pension benefits by taking away an equivalent amount in medicare benefits. Instead of delivering on the President's promise to the elderly in a political speech last October that their economic problems would be the first order of business in our next Federal budget, the administration is breaking faith with our senior citizens.

The rationale given by the administration for this decrease in health care coverage for the elderly is twofold: First, they claim they want to give medicare patients a greater awareness of the cost of their hospitalization—and hence, decrease utilization of hospital facilities; and secondly, they claim it is an economy measure necessary to decrease Federal expenditures.

I reject the administration's arguments. I believe the existing $72 first-day deductible for the aged and disabled on low, fixed incomes is high enough to discourage misuse of hospital facilities. Furthermore, I believe the consequences of reductions in expenditures should be borne by those most able to absorb the costs—not by that segment of society least able to pay. We should not force our aged and disabled citizens to suffer financial disaster in order to receive necessary and proper medical attention.

These proposed cuts represent a broken promise which will leave a great number of our senior citizens out on the proverbial limb. Relying on the Government promise of medical insurance, many dropped their existing private health insurance policies and cannot now reinstate them without incurring financial hardships.

Let me quote from a letter of a constituent of mine who wrote me concerning the medicare problem:

> When Medicare was adopted, Grandpa dropped his King County Medical Insurance as being unnecessary, as did many older people I imagine. Now he is stuck (I should say his daughter and family) with trying to come up with money or having to go on welfare. This seems unfair. Here is a man who has never been on welfare, a pioneer of Seattle, and who figured he would be taken care of by Medicare when the need arose. Now it seems he has been given the proverbial shaft by the U.S. Government.

I could not think of a better description for the treatment this Nation's medicare patients are getting from the administration. Instead of stepping backward by allowing the administration to subvert the intent of Congress, I believe we should be stepping forward and doing more—not less—to provide health care and economic security for our older Americans. Only in this way can we insure that senior citizens will not skimp on the basic necessities of food and shelter in order to pay for essential medical attention.

Simply stated, our senior citizens deserve better treatment from the country they worked to improve and the Government they supported financially for so many years.

BUDGET BALANCING AT THE EXPENSE OF THE SICK AND ELDERLY

Mr. EAGLETON. Mr. President, I am happy to have this opportunity to reiterate my opposition to the administration's medicare proposals.

Referred to euphemistically in the President's budget as "cost-sharing reforms," in plain English they would require the elderly to pay a greater share of their hospital and medical bills than they now do.

The cost to a medicare beneficiary for an average hospital stay would be more than doubled under these proposals.

The medical insurance deductible would be increased by $15, and the beneficiary would have to pay 25 percent, rather than 20 percent, of his remaining medical bills.

All too many senior citizens are now hard pressed to pay for the health care they need.

Before they ever see their social security check, the part B medical insurance premium has been deducted from it—and that premium is higher every year.

Yet medicare pays nothing toward the cost of the drugs many of them require on a continuing basis. And every time they see the doctor, they must dig into their pockets for at least 20 percent of the bill. Where fees exceed those charges allowed by medicare, they pay an ever larger share.

Last week I received a letter concerning the proposed reductions in medicare benefits from the Reverend Albert W. Bunch, pastor of the New Salem Baptist Church in Marshall, Mo. He wrote:

> Every day I see elderly people who are struggling to survive. Many do not because they cannot afford to eat. Medical care is a luxury. Last week I buried a proud old lady who died of "pneumonia." Unfortunately she was suffering from severe malnutrition and needed medical care which she could not afford. She could not afford groceries either. So she died.

Mr. President, I believe the responsibility of this Congress is to find ways to lower—not raise—economic barriers to the health care older people need and deserve to have.

A recent St. Louis Post-Dispatch editorial makes the interesting observation that the President's budget gives no indication that proposals to reduce medicare benefits will be accompanied by proposals to reduce the payroll tax and the part B monthly premium which finance those benefits.

I ask unanimous consent that this editorial be printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. EAGLETON. Mr. President, I am confident that efforts to balance the budget at the expense of the sick and the elderly are going to have very rough sledding in the 93d Congress. They will not have my support.

Mr. President, I yield the remainder of my time to the Senator from Minnesota (Mr. Mondale).

EXHIBIT 1

SHIFTING THE COST TO THE ELDERLY

In his budget message, President Nixon said he wanted to "reform Medicaid and Medicare to reduce financial burdens for aged and disabled patients who experience long hospital stays . . ." He did not elaborate though the budget document itself reveals how he plans to do this. Mr. Nixon wants to shift $700,000,000 a year in medical and hospital bills from the Government to the nation's 23,000,000 aged and disabled.

Under present law, those covered by Medicare—almost everyone over age 65—pay $72 for the first day in the hospital. From then until the sixty-first day all care is free. From the sixty-first to the ninetieth day the patient pays $18 a day. Under the Administration's proposal, which would take effect in January 1974, the Medicare patient would pay the actual hospital charge the first day and after that would pay 10 per cent of the actual charge every day for as long as he remained.

It is true that this would save money for those Medicare beneficiaries who stay in the hospital more than 60 days, but only 1 per cent of all Medicare patients remain this long. Thus, for 99 per cent the cost of hospitalization would rise, a change that by most definitions hardly qualifies as a reform. In addition, coverage for physician's fees would be reduced. Instead of the initial deduction for physicians' fees being $60, it would become $85, and instead of the patient paying 20 per cent of physicians' fees, he would pay 25 per cent.

One rationale advanced for these changes by the Department of Health, Education, and Welfare is that they would provide "a cost awareness on the part of medical care consumers . . ." But if this is an objective, along with greater protection for those hospitalized for long periods, then the $700,000,000 in annual savings to the Government ought to be reflected in a lower Social Security tax, which finances Medicare benefits as they now exist. The President has not proposed a lower Social Security tax, however, nor has he suggested that the monthly charge imposed on retired persons for physicians fee insurance be reduced.

Congress ought to examine the Administration proposal with a skeptical eye.

Mr. MONDALE. Mr. President, I thank the Senator from Missouri for yielding. I am pleased to join with him and with the Senator from New Jersey (Mr. Williams) and other Senators in disagreeing with the President's unbelievable suggestion that $1 billion should be added to the cost of older Americans' health care. For many older Americans this will mean that the privilege of having decent health will be beyond their financial reach in this, the richest society in the world. It will have been said to them that in the administration's system of priorities there are things much more important than the elemental question of decent health for those who, above all others, have contributed to it.

I cannot believe that this is what the American people want. In fact, I know that it is opposed by virtually all Americans. A recent poll indicates that well over 90 percent of the people feel that it is an inadvisable and outrageous proposal. It is estimated that the national cost would increase the cost of medicare by $1 billion, and that the cost for the first day's hospitalization would rise from the present $72 to almost $200. That may not sound like much money to some people. However, if anyone talks to older Americans throughout the country and discovers what they have to do to save a single dollar in order to make ends meet, the disaster of that kind of treatment becomes apparent.

The changes in part B are expected to cost beneficiaries $0.6 billion in 1974 alone.

In Minnesota we have 17,300 medicare recipients. The estimated increase in State costs would be more than $250,000 in the first half of a year.

Minnesota officials make the point that the first day charges would be particularly damaging in Minnesota, where a first day's bill could easily run to $500, which would certainly cripple the opportunity of medicare beneficiaries to get the treatment they need.

I remember that a few years ago we had hearings on the health problems of the elderly. I was shocked at that time to find out that one of the biggest problems with the illnesses of older Americans was that psychologically when they are faced with what they think are serious symptoms, instead of going to the doctor or the hospital immediately for care, a surprising percentage of them are afraid that those symptoms mean that that serious illness which they have always feared has finally struck.

It is therefore very important that, rather than reacting in that way, they feel encouraged to immediately receive the best medical or hospital care so that they will receive the help when it is most essential immediately upon the realization that they have such symptoms.

I believe that such things as reasonable charges for medicare, for physicians, for drugs and pharmaceuticals are all necessary to see that they not only receive a bill that is reasonable but also to make it clear to them that such care is available to help them, so that they will more quickly receive the care that they might not otherwise receive.

For all of these reasons I feel that this proposal is—and I do not know of any other word to use—an outrage. I do not think that the Congress is going to stand for it. I think that the American people should receive the care and attention they deserve.

This is another example of the mistaken priorities of this administration.

At a time when they are adding $1 billion cost on older Americans, we are ending the war in Vietnam and they are adding $8 billion to the defense budget.

At a time when they are adding $1 billion costs to the care for older Americans, they are asking Congress to approve an increase in military and foreign aid which now total in excess of $10 billion.

At a time when they are asking for this $1 billion to be added to the health charges of older Americans, they are discussing the possibility of sending $7.5 billion to North and South Vietnam for military and other kinds of aid.

At a time when they have just recently added another $3 billion or $3.5 billion of tax loopholes for the wealthy people of this country, they want to increase the health costs of older Americans by $1 billion.

I think this is all wrong. It is an abandonment of this Nation's longstanding bipartisan commitment to the social and humanitarian needs of our citizens and a commitment to older Americans for better health care in their later years.

I cannot think of anything that is less advisable than this proposal.

I am glad to join my colleagues in announcing my opposition.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, under the order Mr. SPARKMAN was to be recognized at this time.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi still has 3 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Nevada (Mr. CANNON) be recognized under that order at this time and out of order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I join with my Senate colleagues in expressing my surprise and disappointment over the administration's proposed increase in costs for people served by the medicare program.

We can see that under the President's plan, hospital patients would pay the full cost of the first day of care and 10 percent for all costs thereafter. Right now medicare patients pay the first $72 of the hospital bill and nothing after that until the 61st day of care. I cannot help wondering if this administration is so insensitive to the needs of older citizens that they have failed to fully comprehend the meaning of the proposed changes.

If the average hospital charge per day is $72, then it takes only a little adding to see that a 10-percent charge of the hospital bill could very well mean another $425 upon discharge after 60 days.

The President would also change the formula for meeting the physician's bill. The medicare deductible for part B physicians' bills is now $60 but the new budget would raise it to $85 and after that the patient's share on the balance would rise from 20 to 25 percent.

How many of our older Americans can afford this additional burden? I want to impress upon the administration that the majority of the older citizens in Nevada cannot afford to pay more. This proposed cutback on medicare comes at a time when the administration talks in general terms about legislative proposals to alleviate the health care crisis. How can the administration talk about such proposals and, at the same time, submit this outrageous request for reduction in medicare assistance? I submit, if Congress fails to prevent this drastic cutback on services to our senior citizens, that there is a credibility gap on Capitol Hill as well as at OMB and the White House.

Shifting the burden upon those who can least afford it is not the way to go about reducing Federal spending. Does the administration feel that, because Congress recently granted a social security increase, we must now cut back on medicare services? I am tired of this giving with one hand and taking back with another, and will refuse to be a participant in such a course of action. I will oppose the administration's proposal at every possible opportunity.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time for the quorum call be charged against the time of the Senator from Alabama (Mr. SPARKMAN).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against the order recognizing the distinguished Senator from West Virginia (Mr. RANDOLPH).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore (Mr. METCALF). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 196) to authorize the President to designate the period from March 4, 1973, through March 10, 1973, as "National Nutrition Week," in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 196) to authorize the President to designate the period from March 4, 1973, through March 10, 1973, as "National Nutrition Week," was read twice by its title and referred to the Committee on the Judiciary.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against the orders recognizing the distinguished Senators from Alabama (Mr. SPARKMAN), Mississippi (Mr. EASTLAND), and Arkansas (Mr. MCCLELLAN).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the distinguished Senator from Utah (Mr. Moss) is now recognized for not to exceed 10 minutes.

MEDICARE CUTBACKS

Mr. MOSS. Mr. President, after examining the President's budgetary message with its wholesale cuts in many vital programs, I can begin to understand why the President did not want to come up to Congress to deliver the state of the Union message. And no cuts were more ill-advised and callous than those in medicare.

I certainly believe that we must limit Federal spending. Both Congress and the President must be more selective in how they use the taxpayer's money.

Incidentally, Mr. President, watching the "Today Show" this morning, one of the Governors said that Congress appropriated too much money. If he would have examined the budgetary figures, he would have found that this Congress has cut budgetary requests of the President from the total amount he asked for in every year since President Nixon has been in office.

However, I also believe that in cutting medicare the President has selected the wrong place to trim the budget, for these cuts would drastically increase medical costs for many older Americans who are already in severe financial straits.

Last year we passed a 20-percent increase in social security benefits. This was in recognition of the fact that more than one of our four seniors had incomes placing them below the poverty line. But unfortunately, even with the 20-percent increase, many of our elderly still do not have enough income for the basic necessities of life—food, shelter, and medical care.

In theory, the Medicare Act we passed in 1965 was supposed to cover the medical expenses of older Americans. But the reality is far different. This year older Americans will pay an average of $232 out of their pockets for health care, an amount that precisely equals what they spent for health care in 1965—before medicare was enacted.

Medicare now covers only 42 percent of the cost of health care for the elderly, compared to 50 percent 5 years ago. It is clear that medicare is paying for less and less of the health bill. The question is, "Why?"

Let us talk about doctor's services first. The law originally required seniors to pay $3 a month premium for coverage. In 1968 the monthly payment was raised to $4. In December of 1969, President Nixon raised the premium 32 percent to $5.30 a month. The premium is now $5.80 a month and is scheduled to go to $6.30 in July of this year. In short, the cost of this part of the program has almost doubled. The annual cost is now $69.60 and soon will be $75.60.

When medicare began, the first $40 of the cost of physician's services was paid by the patient. In 1969, the first year of the Nixon Presidency, the sum was raised to $44. In January 1970, it was raised to $52 and then went to $60 last year. The President now proposes to raise this amount to $85.

In addition to this "deductible" portion of physician's services, seniors must pay 20 percent of the remaining doctor bill. President Nixon now proposes to raise this to 25 percent of the remainder.

The best way to understand what is happening is to compare what a patient with a $100 and a $200 doctor bill pays under current standards with what he would pay under the Nixon proposals.

On a $100 doctor's bill, the patient now pays $68 and medicare pays $32. Under the Nixon proposals the patient would pay $88.75 and medicare would pay only $11.25.

On a $200 bill, the patient now pays $88 and medicare pays $112. Under the Nixon proposals the patient would pay $113.75 and medicare $86.25.

The situation with respect to hospital services is much the same. At present, seniors pay, on the average, $72 toward the first day's cost of hospitalization. Thereafter they pay nothing until after the 61st day of hospitalization. At that point they pay $13 a day for the next 30 days and $26 a day for the next 60.

Under the Nixon proposals, our seniors will pay the full costs for the first day of hospitalization. This will be substantially higher than $72 paid at present. In addition, seniors will be required to pay 10 percent of all costs after that.

The effect of these proposals will be devastating if they are allowed to be put into operation. All of us in the Congress will be flooded with letters asking why we have allowed medicare to become a broken promise. We have trouble enough explaining why medicare now covers only 42 percent of the health costs of the elderly. If the Nixon proposals are implemented, medicare's share of the costs will drop to an even smaller percentage.

It almost appears as though someone in the Office of Management and Budget took note of the 20-percent social security increase and suggested that older Americans were in a better position to help offset the costs of their own health care. But I do wonder how much longer older Americans will tolerate having the Federal Government give benefits with one hand and take them away with the other. I am just a little afraid that future historians will characterize our society as one which creates rising expectations among our elderly around election time and renders deep disappontment immediately thereafter. The rhetoric speaks of care and concern but the reality is poor care or just plain neglect.

I wonder how much longer we can maintain this kind of hypocrisy? The senior members of society are worthy of our highest respect. It is time we translated this respect into concrete acts.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Indiana (Mr. Hartke) is recognized for not to exceed 10 minutes.

MEDICARE

Mr. HARTKE. Mr. President, I want to address myself to the question of medicare, too.

Mr. President, the Nixon administration's proposal to slash funds for our medicare program is an unconscionable affront to the American people. It is an overt move which, if not by design, then by coincidence, will undermine the health and well-being of the Nation's senior citizens—our parents and grandparents.

Any reduction in medicare coverage is unthinkable, but the extent of the recommended cut is an insult to our social values. Granting administration requests would eliminate $516 million from the projected costs of medicare by increasing out-of-pocket payments for 23 million of America's aged and disabled citizens.

At a time when the Nation's conscience cannot rest with today's incredibly high hospital costs affecting Americans of all ages and economic strata, we are asked by President Nixon to accept a proposal which would add $345 million in the first 6 months of 1974 alone to hospital costs paid by those least able to pay—our elderly. Approximately 5 million medicare beneficiaries would have to bear this inhumane expense in the next fiscal year. Many of them would not be able to do so.

At present, medicare patients pay $72 and nothing more for the first 60 days of hospitalization. The Nixon administration would force patients to pay room and board charges for the first day—a charge which easily can exceed $100—plus 10 percent of all room and board charges for the remainder of hospitalization. It takes little calculation to imagine the extraordinary burden on aged Americans with long-term illnesses. This terribly inhumane situation is precisely the one which prompted me to work with my colleagues in Congress to create the medicare program in 1965.

In addition, the administration wishes to raise the deductible for doctor bills from $60 to $85, as well as increase coinsurance for the patients from 20 to 25 percent. These increases will affect nearly 11.6 million aged Americans requiring reimbursable physician's services during fiscal 1974.

There can be no justification, economic or otherwise, for the deliberate, wholesale neglect of the elderly and disabled. To make them pay for cost overruns and the comfort of corporate executives would bring us to the nadir of national disgrace. Congress must remain firm in its commitment to the health care of our elderly. We cannot allow President Nixon to undo what is perhaps some of the most enlightened legislation of our time.

Mr. President, I believe that all Americans are entitled as a matter of right to access to good quality health care. That is why I introduced the Hartke Health Care Act of 1973 (S. 444), and that is why I have proposed partial general revenue financing for medicare benefits. It is only when we accept the fact that every American—regardless of his age or his income or his place of residence—should be able to get good doctor and hospital care that we will achieve the type of just society to which this Nation should aspire.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may now be recognized under my order.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may require to the distinguished senior Senator from Utah (Mr. Bennett).

COMMUNITY ACTION PROGRAMS

Mr. BENNETT. Mr. President, I have just been made aware of a shocking example of why the Office of Economic Opportunity is exercising sound judgment in denying any further Federal money to the scandalous Community Action programs.

A printed flier now being distributed in Salt Lake City contains outrageous and false statements about President Nixon's budget for the poor and includes offensive drawings of the President. People receiving this smear sheet are asked to complain to their Utah Congressmen. They are also asked to call Representatives—and our names are listed—two telephone numbers—328-1400 and 363-4593—for further information.

The telephone numbers are those of the CAP office itself. When these numbers are called, those answering will admit that the flier is one part of an anti-Nixon campaign being waged by the Community Action Program for Economic Opportunity, Salt Lake area, located at 2033 South State Street, Salt Lake City.

In the first place, the real authors and sponsors of this piece of partisan trash do not have the courage to list themselves or their organization on the flier. They hide behind the blind telephone listings, a practice forbidden by the Corrupt Practices Act for political literature.

The propaganda handout also encourages direct pressure on the legislative system, when lobbying activity is specifically forbidden by OEO laws and regulations.

If appropriated funds were used to finance publication of this material, the publishers may be in violation of Federal laws forbidding the use of Federal moneys to influence legislation or appropriations by Congress. Title 18, United States Code, section 1913 states in part:

> No part of the money appropriated by an enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress to favor or oppose by vote or other-

wise, any legislation or appropriation by Congress.

The smear sheet lies when it alleges that President Nixon's new budget proposes "elimination or severe cutbacks of all programs providing services to those most in need, the poor, lower income and elderly persons."

In fact, the President is proposing to spend a record $125 billion on human resources, including the poor, lower income and elderly persons. This is a $19 billion increase over the current year.

The President is proposing that CAP's such as the one in Salt Lake City be abolished, a move that will not harm the poor and which will be applauded and supported by an overwhelming majority of Americans.

I am demanding that OEO renounce this pamphlet, and I have today sent a telegram to Mr. Howard Phillips, Director of OEO, asking his office to investigate whether Federal funds were used to finance the printing and distribution of this material, and whether those in charge should be subjected to legal action for criminal misuse of Federal appropriations.

I have also today sent copies of this flier to other Members of the Utah congressional delegation. I call on them to join me in denouncing this partisan attack on the President of the United States, and the clearly inappropriate use of the Salt Lake City CAP office facilities and personnel for this activity.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from West Virginia has 11 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may need, to the distinguished assistant Republican leader.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

THE PRESIDENT'S PROGRAMS FOR OLDER AMERICANS

Mr. GRIFFIN. Mr. President, today we have been witnessing and listening to a political exercise, with a succession of speakers from the majority party condemning and criticizing President Nixon in connection with his efforts to help older Americans.

Mr. President, on a day next week there may be a more complete response to some of the political oratory that has been so much in evidence here on the floor today. But, for the time being, let me focus the attention of the Senate upon the message which has come to the Congress today from the President of the United States.

Reading from that section of the message which relates directly to older Americans, I quote:

> One measure of the Nation's devotion to our older citizens is the fact that programs benefitting them—including Social Security and a wide range of other activities—now account for nearly one-fourth of the entire Federal budget.
>
> Social Security benefits levels have been increased 51 percent in the last four years—the most rapid increase in history. Under new legislation which I initially proposed, benefits have also become inflation-proof, increasing automatically as the cost of living increases.
>
> Over 1½ million older Americans or their dependents can now receive higher Social Security benefits while continuing to work. Nearly 4 million widows and widowers are also starting to receive larger benefits—$1 billion in additional income in the next fiscal year. And millions of older Americans will be helped by the new Supplemental Security Income program which establishes a Federal income floor for the aging, blind, and disabled poor.
>
> Nevertheless, we are confronted with a major item of unfinished business. Approximately two-thirds of the twenty million persons who are 65 and over own their own homes. A disproportionate amount of their fixed income must now be used for property taxes. *I will submit to the Congress recommendations for alleviating the often crushing burdens which property taxes place upon many older Americans.*

Mr. President, even those few paragraphs, it seems to me, places in much better perspective the speeches to which we have been listening.

Mr. President, I ask that the remainder of that section of the President's message on older Americans, as well as the section on health, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

> *I also ask the cooperation of the Congress in passing my 1974 budget request for $200 million to fund the programs of the Administration of Aging—a funding level more than four times that appropriated for AoA programs in fiscal year 1972.* Half of this amount will be devoted to nutrition projects for the elderly, with the remainder going to assist States and localities in developing comprehensive service programs for older Americans.
>
> In 1973, we shall continue to carry out the commitment I made in 1971 at the White House Conference on Aging: to help make the last days of our older Americans their best days.
>
> ### HEALTH
>
> I am committed to removing financial barriers that would limit access to quality medical care for all American families. To that end, we have nearly doubled Federal outlays for health since the beginning of this Administration. Next year, they will exceed $30 billion.
>
> Nearly 60 percent of these funds will go to finance health care for older Americans, the disabled, and the poor, through Medicare and Medicaid.
>
> But we have taken significant steps to meet other priority needs as well. In the last four years, funding for cancer and heart and lung disease research has more than doubled; it will amount to more than three-quarters of a billion dollars in 1974.
>
> We have supported reform of the health care delivery system and have proposed legislation to assist in the development of health maintenance organizations on a demonstration basis. We have increased funds for programs which help prevent illness, such as those which help carry out our pure food and drug laws and those which promote consumer safety.
>
> We have declared total war on the epidemic problem of drug abuse—and we are winning that war. We have come a long way toward our goal of creating sufficient treatment services so that any addict desiring treatment can obtain it. We are also making substantial investments in research to develop innovative treatment approaches to drug abuse. I will report in greater detail on our anti-drug effort in a later section of this year's State of the Union message.
>
> Strong measures have been taken to ensure that health care costs do not contribute to inflation and price people out of the care they need. The rate of increase in physicians' fees was cut by two-thirds last year alone, and hospital price rises have also been slowed. To build on these gains, controls on the health services industry have been retained and will be strengthened under Phase III of the Economic Stabilization Program.
>
> A major goal of this Administration has been to develop an insurance system which can guarantee adequate financing of health care for every American family. The 92nd Congress failed to act upon my 1971 proposal to accomplish this goal, and now the need for legislation has grown still more pressing. *I shall once again submit to the Congress legislation to help meet the Nation's health insurance needs.*
>
> Federal health policy should seek to safeguard this country's pluralistic health care system and to build on its strengths, minimizing reliance on Government-run arrangements. We must recognize appropriate limits to the Federal role, and we must see that every health care dollar is spent as effectively as possible.
>
> This means discontinuing federally funded health programs which have served their purpose, or which have proved ineffective, or which involve functions more suitably performed by State and local government or the private sector.
>
> The Hill-Burton hospital grants program, for example, can no longer be justified on the basis of the shortage of hospital facilities which prompted its creation in 1946.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 7 minutes remaining.

Mr. ROBERT C. BYRD. I thank the Chair. I yield 3 minutes to the distinguished Senator from Connecticut.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut is recognized.

MEDICARE CUTBACKS

Mr. RIBICOFF. Mr. President, I would like to join in the discussion concerning medicare cutbacks. I wish to add at this time for the Record that the gain that social security beneficiaries have received over the past 3 years have been accomplished under congressional initiative. The members of the Committee on Finance, Members of this body, have been in the forefront to assure that this Nation's senior citizens receive an adequate retirement income.

I was shocked to see that the fiscal year 1974 budget included a proposal to increase the cost burden on America's 20 million medicare recipients. The effect of such a proposal would be to force medicare patients to pay more than twice as much as they now pay for the average hospital stay. The cost to the elderly from their own savings for an average hospital stay—13 days—would increase from $72 to about $200.

This proposal would add close to $700 million a year to the medical and hospital bills of the Nation's 23 million elderly. Such a change will work a hardship on our elderly. I am opposed to it and will fight it in the Senate Finance Committee and on the floor.

Everyone wants Government to operate efficiently and save money. The President is to be commended for his efforts to cut back Federal spending in areas of waste and duplication. Those Government programs which are not successful should be ended. In this pursuit the President has my support and the support of most Americans. But budget cuts that hurt the health and well-being of older Americans who rely on medicare should be rejected.

Older Americans are least able to afford the health care that they frequently need. Older people live on fixed incomes in an inflationary economy. This is no time to add a new burden to our elderly. Clearly, there are other areas of Government where money can be saved. We can make deeper cuts in the farm subsidy program, for example.

We should be doing more to help the millions of Americans who have lived full and productive lives and who have a right to live out their retirement years in comfort and dignity.

The proposed changes would mean that for the first time medicare patients would have to pay part of their bill from their second day in the hospital to their 60th day.

The administration is also proposing that medicare patients pay more for supplemental insurance for doctor's bills.

Under the present law, patients covered by medicare pay $72 for the first day in the hospital. From then until the 61st day, all care is free. From the 61st to the 90th day, when benefits end, a patient pays $18 a day.

The administration is proposing that the medicare patient pay the actual hospital room and board charges for the first day. After that, the patient would pay 10 percent of the actual hospital charges every day.

Last year the President supported a similar provision in H.R. 1 to impose a copayment on medicare beneficiaries from the 31st to the 60th day. This provision was unanimously opposed by the Finance Committee. I am confident that our committee will again block the President's attempt to impose an even bigger burden on the senior citizens of America, and that the Senate of the United States will support such a move.

Much more remains to be done to improve the social security system. Living on social security is not easy. Nor is medicare a foolproof system for insuring that our elderly receive the health care they need and deserve. There is plenty of room for improvement in how this Nation treats its older citizens.

One goal of mine, which I have been fighting for since I was first elected to the Senate in 1962, is to repeal the earnings limitation for all social security beneficiaries.

The present law limits to $2,100 the amount of money social security beneficiaries under 72 years of age can earn. For every $2 earned above $2,100 the beneficiary loses $1 of social security benefits. There is no limitation on earnings for beneficiaries 72 or older.

As a member of the Senate Finance Committee, which writes social security legislation, I have consistently fought the concept of an earnings limitation. I have worked to increase the limitation to its present more satisfactory level, a level which is better than it has been in the past, but which is still unsatisfactory for working families. Until January 1 of this year, for example, the limitation was $1,680.

The trouble with the present law is that it allows social security recipients to receive unlimited income from investments with no penalty while men and women who wish to work—and have no investments to rely on—are virtually forced to quit their jobs or work part-time.

Social security should not be a contract to quit work. Those penalized by the earnings limitation often have the greatest need for more income than their social security benefits provide them. I believe that social security is one of the finest domestic programs the Federal Government administers. But the system is not perfect and parts of it—the income limitation, for instance—are wrong. Here we take able-bodied men and women who want to work, who are good at their work, and would feel lost without their jobs and we put pressure on them not to work and then we penalize them if they continue to work. This injustice must be corrected. It should have been corrected years ago. I hope the Congress will approve my bill to eliminate the social security earnings limitation.

Another effort to make life more comfortable for the elderly is embodied in legislation I am cosponsoring (S. 174) to extend medicare coverage to prescription drugs. Benefits would be made available for drugs purchased outside the hospital for numerous chronic diseases including diabetes, arthritis, various hearing disorders, and cancer. Coverage under medicare is presently limited to drugs used during hospitalization.

While drug costs consume a large portion of the average older person's medical bill, the problem is especially critical for those suffering from chronic illnesses. Patients who suffer such afflictions as heart and respiratory disease often are torn between bankruptcy and survival. The chronic illness patient has average prescription drug expenditures nearly three times as high as those without such illnesses.

This legislation was approved last year as an amendment to H.R. 1 by the Finance Committee despite the opposition of the Nixon administration. Unfortunately, it was deleted in conference.

I am hopeful that this crucial medicare drug legislation can be enacted into law this year.

Economy in Government is a worthwhile goal. But it must not be achieved at the expense of vital human needs.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against the time under the remaining orders preceding the order for Mr. MUSKIE.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina (Mr. THURMOND) may now be recognized for not to exceed 10 minutes, the time to be charged against the reserved time of Senators under previous orders.

The ACTING PRESIDENT pro tempore. Without objection, ti is so ordered.

Mr. ROBERT C. BYRD. But without prejudice to the order for the recognition of Mr. MUSKIE or the order for the recognition of Mr. CHURCH.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from West Virginia for his courtesy.

(NOTE.—The remarks Senator THURMOND made at this point when he introduced S. 1061, amending the Consolidated Farm and Rural Development Act, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time the Senator from Maine is recognized for not to exceed 10 minutes.

MEDICARE CUTBACKS

Mr. MUSKIE. Mr. President, the Senate has the privilege today of hearing from 12 of our distinguished committee chairmen on a single critical topic—the administration's proposals to cut back the medicare program. These proposals would reduce medicare coverage drastically, requiring the elderly covered by medicare to pay out of their own pockets an additional $500 million for medical costs now covered by medicare.

Medicare coverage for hospital costs, for instance, would be reduced by making the patient pay 10 percent of all daily hospital charges for the first 90 days, after paying for the first day's room and board; while under current law, the patient pays nothing for hospital care for the first 60 days after paying an initial $72 deductible. This change alone would each year cost a single hospitalized medicare patient, on the average, an extra $138.

As for the cost of physicians services, the administration would reduce medicare coverage from 80 to 75 percent of the "reasonable charges," and would increase the initial deductible charged to the patient from $60 to $85. This proposal would increase the patient's share of a $350 doctor bill, for instance, by 28 percent, from $148 to $198.

Rising costs by themselves are reducing medicare coverage well below the 50 percent of the elderly's health bills the program originally covered. These proposals would compound the burden of rising costs lowering effective medicare coverage to only about 40 percent of the health costs for older Americans.

It is a privilege for me to join with my colleagues in their unified expression of concern about the administration's proposals on medicare. In the years since this administration has controlled the executive branch, the Congress, under the weighty influence of these distinguished committee chairmen, has repeatedly cut this administration's budget requests when necessary. Today's response, therefore, cannot in any way be termed one of irresponsible spenders. Rather, it is the reasoned response of responsible, experienced, and economically minded legislators to an irresponsible administration proposal.

The President has couched his campaign to cut the budget in terms of increasing the self-reliance of the American people. Certainly self-reliance is a worthwhile goal and it is a quality that identifies with the people of my region. But does President Nixon expect to increase the self-reliance of the elderly by reducing the amount of aid they get for health care?

I recently attended hearings of the Special Committee on Aging, whose distinguished chairman will soon address us on the floor. At those hearings I asked the president of the National Council of Senior Citizens whether an increased exertion of self-reliance on the part of the elderly could help their plight. His response was this:

> The generation I represent has had about 70 years of self-reliance.

He saw nothing wrong with relying for once on the effort of all Americans to aid the elderly to get medical care which many of them cannot afford, notwithstanding 70 years of self-reliance.

I am curious whether indeed the administration hopes to carry the theme of self-reliance so far that it would place on the aged poor, in need of health care, the burden of increased "self-reliance" on their own scarce resources. This is one of the questions I hope to explore next week when the Subcommittee on the Health of the Elderly of the Special Committee on Aging holds its opening round of hearings on the barriers to health care for older Americans. As chairman of this subcommittee, I am looking forward to exploring many questions about the health needs of the elderly, such as rising health costs, the alternatives to institutionalization, and the fragmentation of health delivery. The first order of business for my subcommittee, will be to focus on the proposed medicare cutbacks. For this purpose, the subcommittee will be privileged to have as its leadoff witness next Monday Mr. Caspar Weinberger, Secretary of Health, Education, and Welfare. Perhaps those hearings will give us more details on the administration's proposals, and their impact on the elderly.

In the meantime, I hope that today's demonstration of concern about the administration's medicare proposals will serve as a warning to the administration that this Congress, acting in its most responsible fashion, does not intend to turn its back on the health needs of the elderly.

Mr. President, I am delighted to see on the floor the distinguished chairman of the Special Committee on Aging, the Senator from Idaho (Mr. CHURCH), who, I am sure, will make a significant contribution to this dialog.

Mr. CHURCH. Mr. President, I congratulate the able senior Senator from Maine for his excellent statement and for the hearings we propose to conduct into the whole question of barriers to the health care of the elderly.

I know that centermost in his consideration of this broad question will be the President's proposal to add many hundreds of millions of dollars to the cost of the elderly and the ill for the benefits that they now derive under the medicare program, and to continuing this care, I want to turn my remarks this morning. Before doing so, however, I commend the Senator for the initiative he has shown. And I think his hearings will demonstrate that this proposal simply lacked the backing of the American people.

I think that without any question here is a place where Congress must draw the line. We should be looking for ways and means to improve the medicare program. Certainly we ought not to retreat from the ground we have already won.

So I compliment the Senator from Maine on his initiative.

Mr. MUSKIE. I thank the distinguished Senator from Idaho.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Idaho is recognized for not to exceed 10 minutes.

PRESIDENT NIXON'S MEDICARE CUTBACKS: A PROPOSAL WITHOUT SUPPORT AND WITHOUT HUMANITY

Mr. CHURCH. Mr. President, the President of the United States likes to claim that although many of the people's elected representatives here in the Congress may oppose his policies, he somehow "knows best" and that the Nation supports him.

I, for one, have never been convinced of this alleged public backing for what are, in many cases, unilateral Presidential actions, unenlightened by public discussion or congressional consultation.

We now have evidence that in one current and shocking proposal by the President—to cripple the medicare program—Mr. Nixon faces massive public opposition. A recent poll conducted by Louis Harris revealed that a staggering 92 percent of those surveyed are against the Nixon recommendations to "make older people pay more than they now pay for medicare." These proposals are contained in the President's budget for fiscal 1974. Only 5 percent supported the President in this matter, according to the Harris poll.

But I do not rely only on this poll for evidence of overwhelming opposition to the President's medicare cutbacks. The mail that is reaching me from Idaho—and, indeed, from throughout the Nation—has yet to include a single sentence in favor of what the President is suggesting when it comes to increasing costs for medicare participants.

So, I ask, where is the public support for this policy?

And I ask a second question: What has happened to the administration's sense of humanity, decency, and concern for those who are in need? In my view, the President's proposed medicare cost increases—to be strapped on the backs of the elderly—are punitive and must be rejected. The American people know this, too, and no doubt this is why they oppose what Mr. Nixon wants to do to 23 million aged and disabled medicare beneficiaries.

A hard look at what the Nixon budget proposals would do to senior citizens on medicare makes clear the harsh consequences of the policy that the President is urging.

President Nixon's budget proposals for fiscal 1974 would cut $516 million from the estimated cost of medicare by increasing out-of-pocket payments for program participants. The President's recommendations include adding $345 million to the hospital costs of medicare patients during the first 6 months of 1974. The elderly now pay $72 initially and nothing thereafter for their first 60 days in the hospital. Under the Nixon plan, medicare patients would pay for the actual hospital room and board charges for their first day of hospitalization plus 10 percent of all subsequent hospital room and board costs. During the next fiscal year, approximately 5 million medicare beneficiaries are expected to be hospitalized.

The President is not content to stop there. His budget for fiscal 1974 also proposes to raise the deductible for physicians' bills under part B of medicare from $60 to $85 and to increase the patient's coinsurance costs from 20 to 25 percent of the balance. Let us look at what this would mean in human terms. A $600 doctor charge now costs a medicare beneficiary $168. But the patient's portion of these costs would go to $213.75 if Mr. Nixon has his way. And almost 11.6 million medicare beneficiaries are expected to require reimbursable doctor and other qualifying services during fiscal 1974.

President Nixon is proposing a policy without public support and without compassion for the elderly ill. And he is twisting national priorities out of shape in the process. Larry Evans, president of the Boise Club of the National Council of Senior Citizens, in an article in the Idaho Statesman of February 11, 1973, asked this question:

> If we can afford to increase the budget by billions for defense, billions for a space program, when both the war and the moon visits are no more, is it not reasonable to ask for an increase in social benefits instead of asking for cuts?

Mr. Evan's question is right on target. The war in Vietnam is supposed to be over but the request for the military budget calls for an increase of $5 billion. And I ask why the administration proposes to spend $3 billion on space when we have no plans to send another man to the moon?

Certainly we need tighter controls on Government spending. But dismantling the medicare program is not the way to approach the problem. As I said on the Senate floor after the President's medicare cutbacks were announced:

> This is an attempt to put the burden of budget-cutting on the backs of the old and the sick, and it should be opposed by Congress and the general public.

Now is the time to mobilize the Congress and the Nation against these insensitive proposals to tear asunder the medicare program. As chairman of the Senate's Special Committee on Aging, I join with my colleagues here today in this vital fight on behalf of the Nation's elderly. Let our senior citizens know that although the White House door may be closed to them, they can count on the continuing support of large numbers of us here in the Senate to wage the battle for the programs—including medicare and many others—that they need and deserve.

Mr. McGEE. Mr. President, I wish to join with many other Senators today and add my voice to theirs to deplore the plans of the administration in the field of medicare financing.

The proposals to add to the financial burden of our senior citizens as they face increasing probability of hospitalization simply boggle the imagination. What kind of logic is it that puts a heavier cost burden on the very persons the medicare program is designed to assist?

About the only thing worse than the proposal of the administration is its timing. Nearly every day we learn that the cost of living has jumped again; one week it is rent raises; the next it is food prices, or clothing, or utilities, or gasoline. Yet most of our senior citizens live on fixed incomes, with no prospect of any raises or cost-of-living adjustments as enjoyed by many of the workers in our society.

How, in the name of heaven, are these people expected to meet those increases?

Now these people are being told by the President that their medicare costs are to be increased, on top of everything else.

Mr. President, it is the duty of a government to be fiscally sound and prudent. But it is also the duty of a government to be humane and compassionate.

I commend the distinguished chairman of the Committee on Labor and Public Welfare (Mr. WILLIAMS) for bringing this issue to the floor of the Senate today, and I wish to associate myself completely with his remarks.

Mr. BENTSEN. Mr. President, I am pleased to join my colleagues today in this dialog concerning the administration's proposals on medicare and medicaid.

I want to register my own concern about the President's budget proposals in these fields.

When Lyndon Johnson signed the medicare program into law in 1965, he envisioned it as a means of providing health security for the millions of older Americans who would be affected. Unfortunately, the passage of time has eroded some of the original goals he espoused and fought for.

I have been distressed to learn, Mr. President, that many people 65 or over are laying out almost as much cash for out-of-pocket expenditures as in 1966. In fact, these expenses averaged about $225 in 1971, as compared with $234 in 1966 before the advent of medicare.

The reason many older Americans are little better off today than they were in 1966 is the remarkable escalation in medical costs. Doctors fees have risen over 34 percent since 1967, and the frequent disparity between what doctors charge and what medicare pays for creates the increased burden of expense on the elderly patient.

In addition, under medicare, the Social Security Administration considers a charge "reasonable" only if it is no higher than the doctor has been customarily charging all his patients, whether covered by medicare or not. The charge must also be no higher than charges made for that service in three out of every four cases by other doctors in that locality.

The problem is that the standards for rates sometimes lag as much as 18 months behind the times. Sidney Margolius, an expert on medicare, notes that as recently as June 30, 1972, insurance companies were still using 1970 rates. On July 1, 1972, the "reasonable" rates went up—but only to the 1971 level.

The fact is that the elderly need health care more often. In fiscal 1969, for example, personal health care expenditures by all Americans reached an astronomical figure of $52.6 billion. Approximately one-fourth of these outlays were spent for the care of persons aged 65 or over, even though the elderly make up only one-tenth of the population.

Today, medicare still only defrays about 45 percent of the medical expenses of older persons. Moreover, even where private insurance is purchased to supplement medicare, long-term illness can seriously upset the economic security of those forced to live on fixed and reduced incomes.

Mr. President, since the medicare program was enacted the Government has been systematically increasing its costs to the older American. Since 1966, the premium for part B has increased from $3 to a level twice that high. Last year, Congress increased the part B deductible from $50 to $60. In 1966, the part A deductible was $40; today it is 75 percent higher. And still another increase in cost was placed on the shoulders of the elderly who became ill at the start of 1972. Medicare beneficiaries with hospital stays of over 60 days began paying $17 a day for the 61st through the 90th day, up from the prior cost of $15 daily.

Considered in the context of these added burdens, the administration's proposals seem particularly untimely.

The administration would have the patient in need of hosiptalization pay the full cost of his first day and 10 percent of all costs after that. The medicare deductible would rise from $60 to $85, and after that the patient's share of the balance would rise from 20 to 25 percent.

Aside from cutting costs, the rationale seems to be that this will decrease the incidence of hospitalization. Mr. President, I seriously doubt that this will be the case.

Former Social Security Commissioner, Robert Ball, one of the fathers of this program, noted that if low patient costs were a "major thing" in promoting hospital bed utilization, there would be a higher incidence of hospitalization for those participating in the Kaiser plan, the California-based health maintenance organization which provides for virtually free hospital and medical care.

However, the incidence of hospitalization is lower in the Kaiser plan than for the public generally.

No, Mr. President, it is a mistake to attack our mounting health costs by placing greater burdens on the elderly to pay. Such strategies can only be counterproductive in the long run.

Mr. President, the White House Conference on Aging called for a comprehensive integrated plan for health coverage available to all Americans. Several proposals for such a plan are now before the Congress and will be discussed before the Finance Committee, of which I am a member.

While we discuss those proposals, it makes little sense to this Senator to increase costs or cut back on coverage for America's elderly—and I would add my voice to the others raised this morning in opposition to the administration proposals.

Mr. EASTLAND. Mr. President, I have served in this body for more than three decades.

I was a conservative when I first appeared on this floor. I have been a conservative through 30 years—in both Democratic and Republican administrations. I am a conservative this morning—and I will remain dedicated to that philosophy as long as I live.

I have always favored strict economy in Government—and I always will. I have always opposed any waste of tax dollars—and I always will.

I am—however—a firm believer in the proper utilization of Federal funds to provide needed services for our people—especially to those people who have earned the services they receive.

I can think of no more deserving segment of our population than the senior citizens of this country.

I will—therefore—oppose with every resource I can muster—the administration's recommendations to cut back medicare assistance to older Americans.

East and West—North and South—our men and women who are in the evening of their lives have already given their days to building and protecting the United States.

They symbolize, for me, the kind of people who shaped this land from a wilderness. It was they—and their predecessors—who labored all their lives to make ours the most powerful and affluent society in the history of mankind.

It is not right—nor fair—nor in the spirit of their country—to have their last years with us filled with anxiety—and even want.

The administration proposes to reduce the cost of medicare by increasing payments made by medicare patients.

The recommendation that the elderly pay actual room and board charges for their first day in a hospital—plus 10 percent of those charges thereafter—will add $345 million to the already heavy burden carried by older Americans in the first half of 1974 alone.

Another provision seeks to raise the deductible figure for doctor bills from $60 to $85. It would also increase a patient's coinsurance cost from 20 to 25 percent of the additional bill. The bill imposed on our senior citizens would be more than half a billion dollars in the first 6 months of fiscal 1974.

These recommendations can, and will, in my judgment, result in the denial of hospital care to millions of men and women who must have—and who deserve—that care.

In 1963 President Kennedy said:

> It is not enough for a great nation merely to have added new years to life—our objective must also be to add new life to those years.

I agree with that statement—and I would add that the last thing a nation like ours should do would be to contribute, in any way, to depriving the elderly of security and dignity in the autumn of their years.

I intend to work in Congress—and I will work with the administration—to control Federal spending and to insure the wise expenditure of tax dollars.

However, Mr. President, penalizing our senior citizens is a completely wrong approach to the savings we must achieve.

America owes her elderly men and women the security and the services they have earned.

Millions of our older people must not be required to produce funds which, in many cases, they do not have and cannot obtain.

I sincerely hope the administration will reconsider its recommendations on the medicare program.

Mr. ROBERT C. BYRD. Mr. President, in his initial health message, the President stated that the Nation faced a growing health crisis and pledged his administration to the task of developing a comprehensive health strategy to meet the health needs of the 1970's. Now, almost 4 years later, the administration is about to take its first concrete action to resolve the crisis.

The Department of Health, Education, and Welfare recently announced that the administration will propose legislation to modify the cost-sharing provisions included in both part A and part B of the medicare law. Unfortunately for the Nation's elderly, the effects of the administration's proposal will be simple and direct. Today, under the hospital insurance program, a medicare beneficiary who enters a hospital is responsible for an initial deductible amount of $72; he then pays nothing for hospital services until his 61st day, when he must pay a daily amount equal to one-fourth of the initial deductible. Should his hospital stay extend over 90 days he must pay a daily amount equal to one-half the initial deductible. There is no doubt that these copayment requirements constitute a substantial financial burden to many medicare beneficiaries. The President's proposal, however, would increase that burden by requiring that in addition to an initial deductible equal to 1 day's hospital charges, the beneficiary would pay daily amounts equal to 10 percent of the charges he incurs for each remaining day spent in the hospital.

The administration contends that its proposal eliminates high cost sharing at the end of a long hospital stay. The truth is that, while the proposal might be of some benefit to the small number of medicare beneficiaries who are hospitalized for prolonged periods, the majority of beneficiaries would be faced with substantially larger out-of-pocket expenses for hospital care than they now incur. Statistics compiled by the Social Security Administration show that the majority of beneficiaries are not in the hospital for 60 or 90 days or anywhere near that long: the number of covered days of care per inpatient hospital claim under medicare during the first month of 1973 averaged 11.3 days.

The administration's other contention—that the modifications in the hospital insurance provisions would serve as a check on the utilization of services by making beneficiaries more conscious of the cost of hospital care—is equally unacceptable. In the absence of financial barriers to hospital care, the patient has little or no say with respect to whether he is admitted to a hospital, how long he will stay there, or what services he will receive. These decisions are all made by his physician, presumably for sound medical reasons.

The President is also recommending that the deductible under the supplementary medical insurance program be increased from $60 to $85 and that the coinsurance requirement be raised from 20 to 25 percent. The medicare beneficiary's cost sharing responsibilities under the supplementary medical insurance program already constitutes a staggering burden: premium payments which have risen almost yearly, a deductible which was just raised by the Congress from $50 to $60 last year, partly at the President's request; and a coinsurance payment that often exceeds 20 percent of his physician's bill.

Mr. President, I am deeply concerned that the administration's proposal will reconstruct financial barriers to quality health care for the aged that the medicare program was created to level. I am even more concerned that the proposal is only part of a discernible pattern of actions which will erode the Nation's commitment to meet the needs of the elderly, the poor, and the disadvantaged.

Mr. HOLLINGS. Mr. President, I rise to oppose the proposed legislation increasing cost sharing in both the hospital insurance and supplemental medical insurance components of medicare. Such a precipitous change would impose intolerable financial hardships on those with the greatest need and fewest resources—that is, the old, the sick, and the poor.

There are presently 23.1 million persons in the country who are eligible for medicare benefits. Of these, 5.5 million, or 23 percent, live below the Federal poverty level. Are we to ask these elderly people, who are living on fixed incomes, to absorb the spiraling costs of health care? This is what the administration's proposal is asking our senior citizens to do.

The severity of this proposal is most evident in the area of hospital insurance. Under the existing system a beneficiary must pay a deductible amounting to the national average cost of 1 day's stay in a hospital, $84. For the first 60 days he pays nothing further for room and board. Now, if an individual is hospitalized for 12 days, which is the national average, it will cost them $84. The administration's proposal would increase the cost to $186 by charging a deductible amounting to 1 day's actual room and board charges plus 10 percent of each daily charge thereafter. If an elderly patient was so ill that the hospitalization extended to 60 days he would be liable for $699 for room and board under the administration's proposed changes instead of the present $84. This is an astounding 732 percent increase.

The new proposal increases supplemental medical insurance in addition to hospital insurance. In other words, the medicare patient will have to pay higher doctor bills as well as increased hospital fees. Specifically, the physician's fee would be raised from a $60 deductible plus 20 percent of the remaining charges, to $85 plus 25 percent for any balance due.

I strongly support controlling the ever expanding Federal programs that bloat the budget. But we must be wise as well as frugal and make cuts in programs that are truly extravagant. Just as we do not wish to spend money indiscriminately, so we must not withhold money indiscriminately.

America's oldest generation has contributed and sacrificed so much to and for their country. Let us not add to the sacrifices they must make but let us do what we reasonably can to mitigate their health problems so they may continue to contribute positively to their country.

SENATOR RANDOLPH OPPOSES REDUCTION IN MEDICARE FINANCING

Mr. RANDOLPH. Mr. President, Members are keenly aware that America is facing a health care crisis of major proportions. As unhappy as this situation is for the average citizen, it is a tragedy for the poor and the elderly, for they are the ones who can least afford the burden of skyrocketing medical costs.

Thus, I am concerned over the proposed medicare cutbacks in the fiscal year 1974 budget which the administration sent to the Congress in January. The budget proposals to increase the costs of medicare are clearly an effort to place the burden of expenditure reduction on the elderly and the sick. First, there are the proposals under part B to raise the deductible for doctors' bills from $60 to $85 and to increase the patient's coinsurance costs from 20 to 25 percent of the balance. Most distressing, however, is the change which could add millions to the hospital costs for medicare patients.

Our elderly citizens now pay $72 with no further costs for their first 60 days in a hospital. The administration's proposal would force these older Americans to pay the hospital room and board costs for the first day, plus 10 percent of all subsequent hospital room and board charges. The average cost per day for a hospital room is now $105.

These increases will bring financial disaster for many medicare recipients, most of whom live on a limited income. They tend to be sicker and need more hospitalization than those under 65. At a time when the administration is advocating increased expenditures in foreign aid and defense, they seem to be asking our senior citizens to pay an additional $345 million for hospital costs for the first 6 months of 1974, plus an enlarged share of doctors' bills.

Mr. President, I believe that a nation may be judged best by how it treats its weak, its handicapped, its sick, and its elderly. As a member of the Senate Special Committee on the Aging, I strongly oppose these slashes in health care for medicare recipients. We need to check Federal spending, but we must not do it at the expense of those who can least afford it. America must afford decent, adequate health care for its senior citizens.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all remaining time reserved under the orders be vacated.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

INFORMATION OF THE STATE OF THE UNION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following message from the President of the United States:

To the Congress of the United States:

"Information of the State of the Union," which our Constitution directs shall be communicated from time to time to the Congress by the President, must consist above all of information about the well-being of the American people.

As the opening words of the Constitution proclaim, America began with "We the People." The people *are* the Union, and its condition depends wholly on theirs.

While the Nation's land and resources, its communities, its economy, and its political institutions are also vital concerns to be addressed in my reports to the Congress this year, all of these in the final analysis are no more than means to a greater end. For each of them must ultimately be measured according to a single standard: what will serve the millions of individual Americans for whom all public officials serve as trustees.

Too often in the past that standard has not prevailed. Too often public policy decisions have been founded not on the long-run interests of all the people, but on the short-run interests of special groups of people. Programs once set in motion tend to stay in motion—sometimes long after their useful life has ended. They acquire a constituency of their own, even within the Government, and they cannot easily be reformed or stopped. Means come to be regarded as ends in themselves. And no one suffers more than the people they were designed to serve.

Despite all of the factors which conspire to hinder both the executive and the legislative branches in being as objective and analytical as we should be about the soundness of activities that continue from year to year supposedly in the public interest, we can and must discipline ourselves to take a larger view.

As we consider the subject of human resources in this fourth section of my 1973 State of the Union Message, we must not confine ourselves solely to a discussion of the year past and the year ahead. Nor can we be content to frame the choices we face in strictly governmental and programmatic terms—as though Federal money and programs were the only variables that mattered in meeting human needs.

FULFILLING THE AMERICAN DREAM

I am irrevocably committed, as Presidents before me have been and as I know each Member of the Congress is, to fulfilling the American dream for all Americans.

But I also believe deeply that in seeking progress and reform we must neither underestimate our society's present greatness, nor mistake the sources of that greatness. To do so would be to run a serious risk of damaging, with unproven panaceas applied in excessive haste and zeal, the very institutions we seek to improve.

Let us begin then, by recognizing that by almost any measure, life is better for Americans in 1973 than ever before in our history, and better than in any other society of the world in this or any earlier age.

No previous generation of our people has ever enjoyed higher incomes, better health and nutrition, longer life-expectancy, or greater mobility and convenience in their lives than we enjoy today. None before us has had a better chance for fulfillment and advancement in their work, more leisure time and recreational opportunities, more widespread access to culture and the arts, or a higher level of education and awareness of the world around them. None has had greater access to and control over the natural and human forces that shape their lives, or better protection against suffering, inhumanity, injustice, and discrimination. And none has enjoyed greater freedom.

Secondly, let us recognize that the American system which has brought us so far so fast is not simply a system of Government helping people. *Rather it is a system under which Government helps people to help themselves and one another.*

The real miracles in raising millions out of poverty, for example, have been performed by the free-enterprise economy, not by Government anti-poverty programs. The integration of one disadvantaged minority after another into the American mainstream has been accomplished by the inherent responsiveness of our political and social system, not by quotas and coercion. The dramatic gains in health and medical care have come primarily through private medicine, not from federally-operated systems.

Even where the public sector has played a major role, as in education, the great strength of the system has derived from State and local governments' primacy and from the diverse mixture of private and public institutions in the educational process—both factors which have facilitated grassroots influence and popular participation.

We should not tamper lightly, then, with the delicately balanced social, economic, and political system which has been responsible for making this country the best place on earth to live—and which has tremendous potential to rectify whatever shortcomings may still persist.

But we Americans—to our great credit—are a restless and impatient people, a nation of idealists. We dream not simply of alleviating poverty, hunger, discrimination, ignorance, disease, and fear, but of eradicating them altogether—and we would like to do it all today.

During the middle and late 1960's, under the pressure of this impatient idealism, Federal intervention to help meet human needs increased sharply. Provision of services from Federal programs directly to individuals began to be regarded as the rule in human resources policy, rather than the rare exception it had been in the past.

The Government in those years undertook sweeping, sometimes almost utopian, commitments in one area of social concern after another. The State and local governments and the private sector were elbowed aside with little regard for the dislocations that might result. Literally hundreds of new programs were established on the assumption that even the most complex problems could be quickly solved by throwing enough Federal dollars at them.

Well-intentioned as this effort may have been, the results in case after case amounted to dismal failure. It was a classic case of elevating means to the status of ends in themselves. Hard evidence of actual betterment in people's lives was seldom demanded. Ever-larger amounts of funds, new agencies, and increased staff were treated as proof enough of success, simply because the motive was compassionate.

The American people deserve better than this. They deserve compassion that works—not simply compassion that means well. They deserve programs that say yes to human needs by saying no to paternalism, social exploitation and waste.

Protecting and enhancing the greatness of our society is a great goal. It is doubly important, therefore, that we not permit the worthiness of our objective to render us uncritical or careless in the means we select for attaining that objective.

It will increase our greatness as a society, for example, to establish the principle that no American family should be denied good health care because of inability to pay. But it will diminish our greatness if we deprive families of the freedom to make their own health care arrangements without bureaucratic meddling.

It will increase our greatness to ensure that no boy or girl is denied a quality education. But it will diminish our greatness if we force hundreds of thousands of children to ride buses miles away from their neighborhood schools in order to achieve an arbitrary racial balance.

It will increase our greatness to establish an income security system under which no American family will have to suffer for lack of income or break up because welfare regulations encourage it. But it would erode the very foundations of our stability and our prosperity if we ever made it more comfortable or more profitable to live on a welfare check than on a paycheck.

PRINCIPLES FOR THE 1970'S

Consistently since 1969, this Administration has worked to establish a new human resources policy based on a healthy skepticism about Federal Government omniscience and omnicompetence, and on a strong reaffirmation of the right and the capacity of individuals to chart their own lives and solve their own problems through State and local government and private endeavor. We have achieved a wide variety of significant reforms.

Now the progress made and the experience gained over the past four years, together with the results of careful program reviews which were conducted over this period, have prepared us to seek broader reforms in 1973 than any we have requested before.

In the time since the outlines of these proposals emerged in the new budget, intense controversy and considerable misunderstanding about both their purposes and their effects have understandably arisen among persons of goodwill on all sides.

To provide a more rational, less emotional basis for the national debate which will—and properly should—surround my recommendations, I would invite the Congress to consider four basic principles which I believe should govern our human resources policy in the 1970's:

—Government at all levels should seek to support and nurture, rather than limit, the diversity and freedom of choice which are hallmarks of the American system. The Federal Government in particular must work to guarantee an equal chance at the starting line by removing barriers which might impede an individual's opportunity to realize his or her full potential.

—The Federal Government should concentrate more on providing incentives and opening opportunities, and less on delivering direct services. Such programs of direct assistance to individuals as the Federal Government does conduct must provide evenhanded treatment for all, and must be carefully designed to ensure that the benefits are actually received by those who are intended to receive them.

—Rather than stifling initiative by trying to direct everything from Washington, Federal efforts should encourage State and local governments to make those decisions and supply those services for which their closeness to the people best qualifies them. In addition, the Federal Government should seek means of encouraging the private sector to address social problems, thereby utilizing the market mechanism to marshal resources behind clearly stated national objectives.

—Finally, all Federal policy must adhere to a strict standard of fiscal responsibility. Ballooning deficits which spent our economy into a new inflationary spiral or a recessionary tailspin in the name of social welfare would punish most cruelly the very people whom they seek to help. On the other hand, continued additions to a personal tax burden which has already doubled since 1950 would reduce incentives for excellence and would conflict directly with the goal of allowing each individual to keep as much as possible of what he or she earns to permit maximum personal freedom of choice.

The new post of Counsellor to the President for Human Resources, which I have recently created within the Executive Office of the President, will provide a much-needed focal point for our efforts to see that these principles are carried out in all Federal activities aimed at meeting human needs, as well as in the Federal Government's complex relationships with State and local governments in this field. The coordinating function to be performed by this Counsellor should materially increase the unity, coherence, and effectiveness of our policies.

The following sections present a review of the progress we have made over the past four years in bringing each of the various human resources activities into line with these principles, and they outline our agenda for the years ahead.

HEALTH

I am committed to removing financial barriers that would limit access to quality medical care for all American families. To that end, we have nearly doubled Federal outlays for health since the beginning of this Administration. Next year, they will exceed $30 billion.

Nearly 60 percent of these funds will go to finance health care for older Americans, the disabled, and the poor, through Medicare and Medicaid.

But we have taken significant steps to meet other priority needs as well. In the last four years, funding for cancer and heart and lung disease research has more than doubled; it will amount to more than three-quarters of a billion dollars in 1974.

We have supported reform of the health care delivery system and have proposed legislation to assist in the development of health maintenance organizations on a demonstration basis. We have increased funds for programs which help prevent illness, such as those which help carry out our pure food and drug laws and those which promote consumer safety.

We have declared total war on the epidemic problem of drug abuse—and we are winning that war. We have come a long way toward our goal of creating sufficient treatment services so that any addict desiring treatment can obtain it. We are also making substantial investments in research to develop innovative treatment approaches to drug abuse. I will report in greater detail on our anti-drug effort in a later section of this year's State of the Union message.

Strong measures have been taken to ensure that health care costs do not contribute to inflation and price people out of the care they need. The rate of increase in physicians' fees was cut by two-thirds last year alone, and hospital price rises have also been slowed. To build on these gains, controls on the health services industry have been retained and will be strengthened under Phase III of the Economic Stabilization Program.

A major goal of this Administration has been to develop an insurance system which can guarantee adequate financing of health care for every American family. The 92nd Congress failed to act upon my 1971 proposal to accomplish this goal, and now the need for legislation has grown still more pressing. *I shall once again submit to the Congress legislation to help meet the Nation's health insurance needs.*

Federal health policy should seek to safeguard this country's pluralistic health care system and to build on its strengths, minimizing reliance on Government-run arrangements. We must recognize appropriate limits to the Federal role, and we must see that every health care dollar is spent as effectively as possible.

This means discontinuing federally funded health programs which have served their purpose, or which have proved ineffective, or which involve functions more suitably performed by State and local government or the private sector.

The Hill-Burton hospital grants program, for example, can no longer be justified on the basis of the shortage of hospital facilities which prompted its creation in 1946. That shortage has given way to a surplus—so that to continue this program would only add to the Nation's excess of hospital beds and lead to higher charges to patients. It should be terminated.

We are also proposing to phase out the community mental health center demonstration program while providing funding for commitments to existing arrangements extending up to eight years. This program has helped to build and establish some 500 such centers, which have demonstrated new ways to deliver mental health services at the community level.

Regional Medical Programs likewise can now be discontinued. The planning function they have performed can better be conducted by comprehensive State planning efforts. A second function of these programs, the continuing education of physicians who are already licensed, is an inappropriate burden for Federal taxpayers to bear.

EDUCATION

1973 must be a year of decisive action to restructure Federal aid programs for education. Our goal is to provide continued Federal financial support for our schools while expanding State and local control over basic educational decisions.

I shall again ask the Congress to establish a new program of Education Revenue Sharing. This program would replace the complex and inefficient tangle of approximately 30 separate programs for elementary and secondary education with a single flexible authority for use in a few broad areas such as compensatory education for the disadvantaged, education for the handicapped, vocational education, needed assistance in federally affected areas, and supporting services.

Education Revenue Sharing would enlarge the opportunities for State and local decision-makers to tailor programs and resources to meet the specific educational needs of their own localities. It would mean less red tape, less paper work, and greater freedom for those at the local level to do what they think is best for their schools—not what someone in Washington tells them is best.

It would help to strengthen the principle of diversity and freedom in education that is as old as America itself, and would give educators a chance to create fresher, more individual approaches to the educational challenges of the Seventies. At the same time, it would affirm and further the national interest in promoting equal educational opportunities for economically disadvantaged children.

If there is any one area of human activity where decisions are best made at the local level by the people who know local conditions and local needs, it is in the field of primary and secondary education. I urge the Congress to join me in making this year, the third in which Education Revenue Sharing has been on the legislative agenda, the year when this much-needed reform becomes law.

The time has also come to redefine the Federal role in higher education, by replacing categorical support programs for institutions with substantially increased funds for student assistance. *My budget proposals have already outlined a plan to channel much more of our higher education support through students themselves, including a new grant program which would increase funds provided to $948 million and the number assisted to over 1,500,000 people—almost a five-fold increase over the current academic year.*

These proposals would help to ensure for the first time that no qualified student seeking postsecondary education would be barred from attaining it by a lack of funds—and they would at the same time reinforce the spirit of competition among institutions that has made American higher education strong. I urge their prompt enactment.

As we work to eliminate the unnecessary bureaucratic constraints currently hampering Federal education aid, we will also be devoting more attention to educational research and development through the new National Institute of Education.

Funding for NIE will increase by almost 50 percent in fiscal year 1974, reaching $162 million.

Finally, in order to enhance the diversity provided by our mixed educational system of public and private schools, I will propose to the Congress legislation to provide a tax credit for tuition payments made by parents of children who attend nonpublic elementary and secondary schools.

MANPOWER

The Federal manpower program is a vital part of our total effort to conserve and develop our human resources.

Up to the present time, however, the "manpower program" has been not a unified effort, but a collection of separate categorical activities, many of them overlapping. These activities now include such programs as Manpower Development and Training Act, Institutional Training programs, on-the-job training, Neighborhood Youth Corps, Public Service Careers, Operation Mainstream, and the Concentrated Employment Program. The net effect of several such programs operating in a single city seldom amounts to a coherent strategy for meeting the needs of people in that community.

While many well-run local programs are more than worth what they cost, many other individual projects are largely ineffective—and their failure wastes money which could be used to bolster the solid accomplishments of the rest.

Manpower programs ought to offer golden "second chances" for the less fortunate to acquire the skills and work habits which will help them become self-supporting, fully productive citizens. But as presently organized and managed, these second chance opportunities too often become just another dead-end exercise in frustration, rather than a genuine entree into a good job.

I believe that the answer to much of this problem lies in our program of Manpower Revenue Sharing—uniting several previously fragmented manpower activities under a single umbrella and then giving most of the responsibility for running this effort to those governments which are closest to the working men and women who need assistance. *In the next 16 months, administrative measures will be taken to institute this needed reform of the manpower system within the present legal framework.*

Manpower Revenue Sharing assistance will be freed from unnecessary Federal constraints, and aimed at developing jobs, equipping unemployed workers with useful work skills, and moving trainees into regular employment.

WELFARE

With the failure of the past two Congresses to enact my proposals for fundamental reform of the Nation's public assistance system, that system remains as I described it in a message last year—"a crazy quilt of injustice and contradiction that has developed in bits and pieces over the years."

The major existing program, Aid to Families with Dependent Children (AFDC), is as inequitable, inefficient, and inadequate as ever.

—The administration of this program is unacceptably loose. The latest national data indicate that in round numbers, one of every 20 persons on the AFDC rolls is totally ineligible for welfare; 3 more are paid more benefits than they are entitled to; and another is underpaid. About one-quarter of AFDC recipients, in other words, are receiving improper payments.

—Complex program requirements and administrative red tape at the Federal and State levels have created bureaucracies that are difficult to manage.

—Inconsistent and unclear definitions of need have diluted resources that should be targeted on those who need help most.

—Misguided incentives have discouraged employable persons from work and induced fathers to leave home so that their families can qualify for welfare.

After several years of skyrocketing increases, however, outlays for this program have begun to level off. This results from the strong resurgence of our economy and expansion of the job market, along with some management improvements in the AFDC program and strengthened work requirements which were introduced into the program last year.

Since the legislative outlook seems to preclude passage of an overall structural reform bill in the immediate future, I have directed that vigorous steps be taken to strengthen the management of AFDC through administrative measures and legislative proposals.

Under these reforms, Federal impediments to efficient State administration of the current AFDC system will be removed wherever possible. Changes will be proposed to reduce the complexities of current eligibility and payment processes. Work will continue to be required of all those who can reasonably be considered available for employment, while Federal funds to help welfare recipients acquire needed job skills will increase.

One thing is certain: the welfare mess cannot be permitted to continue. A system which penalizes a person for going to work and rewards a person for going on welfare is totally alien to the American tradition of self-reliance and self-respect. That is why welfare reform has been and will continue to be one of our major goals; and we will work diligently with the Congress in developing ways to achieve it.

NUTRITION

During the past four years, Federal outlays for food assistance have increased more than three-fold. Food stamp and food distribution programs for needy families have been extended to virtually every community in the country. More than 15 million persons are now receiving food stamps or distributed foods, more than double the 1969 total. More than 8 million schoolchildren are now being provided with free or reduced-price lunches—up from only 3 million in 1969.

We have made great strides toward banishing hunger and malnutrition from American life—and we shall continue building on that progress until the job is done.

OLDER AMERICANS

One measure of the Nation's devotion to our older citizens is the fact that programs benefitting them—including Social Security and a wide range of other activities—now account for nearly one-fourth of the entire Federal budget.

Social Security benefits levels have been increased 51 percent in the last four years—the most rapid increase in history. Under new legislation which I initially proposed, benefits have also become inflation-proof, increasing automatically as the cost of living increases.

Over 1½ million older Americans or their dependents can now receive higher Social Security benefits while continuing to work. Nearly 4 million widows and widowers are also starting to receive larger benefits—$1 billion in additional income in the next fiscal year. And millions of older Americans will be helped by the new Supplemental Security Income program which establishes a Federal income floor for the aging, blind, and disabled poor.

Nevertheless, we are confronted with a major item of unfinished business. Approximately two-thirds of the twenty million persons who are 65 and over own their own homes. A disproportionate amount of their fixed income must now be used for property taxes. *I will submit to the Congress recommendations for alleviating the often crushing burdens which property taxes place upon many older Americans.*

I also ask the cooperation of the Congress in passing my 1974 budget request for $200 million to fund the programs of the Administration on Aging—a funding level more than four times that appropriated for AoA programs in fiscal year 1972. Half of this amount will be devoted to nutrition projects for the elderly, with the remainder going to assist States and localities in developing comprehensive service programs for older Americans.

In 1973, we shall continue to carry out the commitment I made in 1971 at the White House Conference on Aging: to help make the last days of our older Americans their best days.

ECONOMIC OPPORTUNITY

No one who started life in a family at the bottom of the income scale, as I did and as many Members of the Congress did, can ever forget how that condition felt, or ever turn his back on an opportunity to help alleviate it in the lives of others.

We in the Federal Government have such an opportunity to help combat poverty. Our commitment to this fight has grown steadily during the past decade, without regard to which party happened to be in power, from under $8 billion in total Federal anti-poverty expenditures in 1964 to more than $30 billion in my proposed budget for 1974.

And we have moved steadily closer to the goal of a society in which all our citizens, regardless of economic status, will have both the resources and the opportunity to fully control their own destinies.

At the beginning of this period, when Government found itself unprepared to respond to the sharp new national awareness of the plight of the disadvantaged, creation of an institutional structure separate from the regular machinery of Government and specifically charged with helping the poor seemed a wise first step to take. Thus the Office of Economic Opportunity was brought into being in 1964.

A wide range of useful anti-poverty programs has been conceived and put into operation over the years by the Office of Economic Opportunity. Some programs which got their start within OEO have been moved out into the operating departments and agencies of the Government when they matured, and they are thriving there. VISTA, for example, became part of ACTION in 1971, and Head Start was integrated with other activities focused on the first five years of life under HEW's Office of Child Development. OEO's other programs have now developed to a point where they can be similarly integrated.

Accordingly, in keeping with my determination to make every dollar devoted to human resources programs return 100 cents worth of real benefits to the people who most need those benefits, I have decided that most of the anti-poverty activities now conducted by the Office of Economic Opportunity should be delegated or transferred into the Cabinet departments relating to their respective fields of activity. Adhering strictly to statutory procedures, and requesting Congressional approval whenever necessary, I shall take action to effect this change.

This reorganization will increase the efficiency of the various programs by grouping them with other functionally related Federal efforts and by minimizing the overhead costs which in the past have diverted too much money from human needs into staff payrolls and administrative expenses. Funding for the transferred activities will stay level, or in many cases will even increase.

The only major OEO program for which termination of Federal funding is recommended in my budget is Community Action. New funding for Community Action activities in fiscal year 1974 will be at the discretion of local communities.

After more than 7 years of existence, Community Action has had an adequate opportunity to demonstrate its value within the communities it serves, and to build locally based agencies. OEO has taken steps to help Community Action agencies put down local roots through a program of incentives and training, and has incorporated the basic community action concept—participation in programs by the people whom the programs seek to serve—into all Federal anti-poverty activities. Further Federal spending on behalf of this concept, beyond the $2.8 billion which has been spent on it since 1965, no longer seems necessary or desirable.

LEGAL SERVICES

One other economic opportunity effort deserving special mention is the Legal Services Program. Notwithstanding some abuses, legal services has done much in its 7-year history to breathe new life into the cherished concept of equal justice for all by providing access to quality legal representation for millions of Americans who would otherwise have been denied it for want of funds.

The time has now come to institutionalize legal services as a permanent, responsible, and responsive component of the American system of justice.

I shall soon propose legislation to the Congress to form a legal services corporation so constituted as to permit its attorneys to practice according to the highest professional standards, provided with safeguards against politicization of its activities, and held accountable to the people through appropriate monitoring and evaluation procedures.

CIVIL RIGHTS

Protecting the civil rights of every American is one of my firmest commitments as President. No citizen should be denied equal justice and equal opportunity in our society because of race, color, sex, religion, or national origin.

This Administration has steadily increased the Federal financial commitment in this field. Outlays for civil rights and equal opportunity in 1974 will pass $3 billion—3½ times what they were when we took office.

We have worked hard—and with good results—to end *de jure* school segregation, to promote equal job opportunity, to combat housing discrimination, to foster minority business enterprise, to uphold voting rights, to assist minority higher education, to meet minority health problems like sickle cell anemia, and to make progress on many other fronts.

Now that equal opportunity is clearly written into the statute books, the next and in many ways more difficult step involves moving from abstract legal rights to concrete economic opportunities. We must ensure real social mobility—the freedom of all Americans to make their own choices and to go as far and as high as their abilities will take them. Legislation and court decisions play a major part in establishing that freedom. But community attitudes, government programs, and vigor of the economic system all play large parts as well.

I believe that we have made progress, and we shall continue building on that progress *in the coming year:*

—The Department of Justice will expand its efforts to guarantee equal access to, and equal benefit from, Federal financial assistance programs.

—The Equal Employment Opportunity Commission will receive additional resources to carry out its expanded responsibilities.

—The Civil Service Commission will expand its monitoring of equal employment opportunities within the Federal Government.

—Efforts to assure that Federal contractors provide equal access to job opportunities will be expanded.

—The Small Business Administration will expand its loan program for minority business by nearly one-third.

—The Commission on Civil Rights will receive additional resources to carry out its newly granted responsibilities.

Additionally, in the year ahead, we will continue to support ratification of the Equal Rights Amendment to the Constitution so that American women—not a minority group but a majority of the *whole population—need never again be denied equal opportunity.*

THE AMERICAN INDIAN

For Indian people the policy of this Administration will continue to be one of advancing their opportunities for self-determination, without termination of the special Federal relationship with recognized Indian tribes.

Just as it is essential to put more decision-making in the hands of State and local governments, I continue to believe that Indian tribal governments should assume greater responsibility for programs of the Bureau of Indian Affairs and the Department of Health, Education, and Welfare which operate on their reservations. *As I first proposed in 1970, I recommend that the Congress enact the necessary legislation to facilitate this take-over responsibility. Also, I recommend that the 1953 termination resolution be repealed.* Meanwhile the new statutory provisions for Indian tribal governments under General Revenue Sharing will assist responsible tribal governments in allocating extra resources with greater flexibility.

I shall also propose new legislation to foster local Indian self-determination by developing an Interior Department program of bloc grants to Federally recognized tribes as a replacement for a number of existing economic and resource development programs. The primary purpose of these grants would be to provide tribal governments with funds which they could use at their own discretion to promote development of their reservations.

Indian tribal organizations and Indians seeking to enter business need easier access to loan and credit opportunities; I proposed in 1970 and will again propose legislation to accomplish this objective.

Because Indian rights to natural resources need better protection, I am again urging the Congress to create an Indian Trust Counsel Authority to guarantee that protection.

In the two and one-half years that Indians have been waiting for the Congress to enact the major legislation I have proposed, we have moved ahead administratively whenever possible. We have restored 21,000 acres of wrongfully acquired Government land to the Yakima Tribe. We have filed a precedent-setting suit in the Supreme Court to protect Indian water rights in Pyramid Lake. My fiscal year 1974 budget proposes total Federal outlays of $1.45 billion for Indian affairs, an increase of more than 15 percent over 1973.

To accelerate organizational reform, I have directed the Secretary of the Interior to transfer day to day operational activities of the Bureau of Indian Affairs out of Washington to its field offices. *And I am again asking the Congress to create a new Assistant Secretary position within the Interior Department to deal with Indian matters.*

VETERANS

With the coming of peace, the Nation's inestimable debt to our veterans and their dependents will continue to command a high priority among the human resource efforts of this Administration.

During the past four years, I have twice signed legislation increasing the allowances for educational assistance to veterans. Nearly 2 million veterans are now in some form of training under the GI Bill for Vietnam-era veterans. Pension payments to veterans or their survivors who need income support have also been raised twice and the test of need has been greatly improved, including a more equitable formula for adjusting the VA pension rate when other sources of income, such as Social Security, are increased. The VA pension program now directly benefits over 2 million individuals.

Compensation payments for service-related disabilities have been raised on two occasions, and more than 2 million veterans of all wars now receive this benefit. The service-disabled veteran deserves special concern. In addition to top-priority consideration in medical care, my budget calls for VA outlays to provide disabled Vietnam-era veterans with vocational rehabilitation, housing grants, and specially equipped automobiles to be nearly doubled in 1974 compared to their 1971 level. Disability compensation is also being intensively reviewed to ensure that disabled veterans will receive compensation payments which fully recognize their earnings impairment.

VA guaranteed home loans for veterans have risen by almost two-thirds since we took office. And high-priority job programs have decreased the unemployment rate among Vietnam-era veterans by almost one-third during the past year alone.

Dramatic progress has been made in the veterans medical care program. A high level of construction and modernization of the VA medical facilities has been carried on. The total number of medical care personnel staffing VA facilities has increased by one-sixth since 1969. The total number of veterans treated—both in VA facilities and as outpatients—has risen to new highs. Beneficiaries treated as hospital inpatients will go over the million mark in fiscal 1974 for the first time. Outpatient visits will climb to almost 14,000,000—about twice the level of 1969.

Since 1969, there has also been a steady shortening of the average length of stay in VA hospitals, a highly desirable objective from every viewpoint. This means that VA hospitals have fewer patients in bed on an average day, with shorter waiting lists, even though the total number of patients treated has gone up.

Misunderstanding these statistics, some have sought to establish by law a numerical minimum average daily patient census in VA hospitals. But such a fixed daily census would represent a backward step: it would force a sharply increased length-of-stay—an effect that is medically, economically, and socially undesirable. It is far better that our veterans be restored to their families and jobs as rapidly as feasible, consistent with good medical care. A fixed patient census would tie the hands of those seeking to serve veterans' health needs; I urge the Congress not to enact such a requirement.

The Congress is now studying several bills involving the VA pension program and cemetery and burial benefits for veterans. I hope that the Congress will work to see that the veterans pension program is realistically structured and compatible with other major income maintenance programs. On the burial benefits question, I urge that legislative action be deferred until completion of a study currently being conducted by the Administrator of Veterans Affairs to determine the most equitable approach to improving burial and cemetery benefits for veterans. The Administrator's recommendations will be made available to the Congress in the near future.

CONSUMER AFFAIRS

The self-reliance and resourcefulness of our people when they enter the marketplace as consumers, the generally high standard of ethics and social responsibility upheld by business and industry, and the restrained intervention of government at various levels as a vigorous but not heavy-handed referee of commerce—that combination of factors, in that order, has been largely responsible for confounding predictions that American capitalism would breed its own downfall in the 20th century. We must build on each of these strengths in our efforts to protect the rights of the consumer as well as the vigor of the free enterprise economy in the 1970's.

Early in 1971, after the Congress had failed to act on my "Buyer's Bill of Rights" proposal for a new Office of Consumer Affairs directly under the President, I established such an office by executive order. Under the direction of my Special Assistant for Consumer Affairs, OCA has helped to create a stronger consumer consciousness throughout the executive branch.

This office is now ready to integrate its operations more fully with the line departments of the Government, and has accordingly been transferred into the Department of Health, Education and Welfare—the logical base for an agency concerned with human well-being.

From this new base the Office of Consumer Affairs will continue its policy formation role and educational efforts, and will also take on additional responsibilities, including representing consumer interests in testimony before the Congress and acting as a general ombudsman for the individual consumer.

VOLUNTARY ACTION

Many thousands of Americans already are volunteering their time to meet human needs in their communities—fighting disease, teaching children to read, working to solve local social problems. But now we must do more to tap the enormous reservoir of energy represented by millions of other potential citizen volunteers.

That is why three years ago I encouraged a number of our leading citizens to create the National Center for Voluntary Action to support private volunteer efforts; that is why two years ago I established the new ACTION agency to strengthen Federal volunteer programs.

We must now continue seeking new avenues of citizen service. As we turn from the concerns of war, may all Americans accept the challenge of peace by volunteering to help meet the needs of their communities—so that we can mobilize a new army of concerned, dedicated, able volunteers across the Nation.

ARTS AND HUMANITIES

I know that many in the Congress share the concern I have often expressed that some Americans, particularly younger people, lost faith in their country during the 1960's. I believe this faith is now being reborn out of the knowledge that our country is moving toward an era of lasting peace in the world, toward a healthier environment, and toward a new era of progress and equality of opportunity for all our people.

But renewed faith in ourselves also arises from a deeper understanding of who we are, where we have come from, and where we are going—an understanding to which the arts and the humanities can make a great contribution.

Government has a limited but important function in encouraging the arts and the humanities—that of reinforcing local initiatives and helping key institutions to help themselves. With the approach of our Bicentennial, we have a special opportunity to draw on the enrichment and renewal which cultural activity can provide in our national life. With this in mind, my 1974 budget requests further expansion of the funds for the National Foundation on the Arts and the Humanities, to a new high of $168 million. I ask continued full support from the Congress for this funding.

SAYING YES

Carl Sandburg spoke volumes about this country's past and future in three simple words that became the title for one of his greatest poems: "The People, Yes."

America has risen to greatness because again and again when the chips were down, the American people have said yes—yes to the challenge of freedom, yes to the dare of progress, and yes to the hope of peace—even when defending the peace has meant paying the price of war.

America's greatness will endure in the future only if our institutions continually rededicate themselves to saying yes to the people—yes to human needs and aspirations, yes to democracy and the consent of the governed, yes to equal opportunity and unlimited horizons of achievement for every American.

1973 is a year full of opportunity for great advances on this front. After more than a decade of war, we have successfully completed one of the most unselfish missions ever undertaken by one nation in the defense of another. Now the coming of peace permits us to turn our attention more fully to the works of compassion, concern, and social betterment here at home.

The seriousness of my commitment to make the most of this opportunity is demonstrated by the record level of funding for human resource programs proposed in our new budget—$125 billion in all—nearly twice the amount that was being spent on such programs when I took office in 1969.

This is both a generous budget and a reform budget. The reforms it proposes will put muscle behind the generosity it intends. The overall effect of these reforms will be the elimination of programs that are wasteful so that we can concentrate on programs that work. They will make possible the continued growth of Federal efforts to meet human needs—while at the same time helping to prevent a runaway deficit that could lead to higher taxes, higher prices, and higher interest rates for all Americans.

The opportunity is ours, executive and legislative branches together, to lead America to a new standard of fairness, of freedom, and of vitality within our federal system. We can forge a new approach to human services in this country—an approach which will treat people as more than mere statistics—an approach which recognizes that problems like poverty and unemployment, health care and the costs of education are more than cold abstractions in a government file drawer.

We know how tough these problems are, because many of us grew up with them ourselves. But we also know that with the right kind of help and the right kind of spirit they can be overcome.

Let us give all our citizens the help they need. But let us remember that each of us also bears a basic obligation to help himself and to help our fellowman, and that no one else can assume that obligation for us—least of all the Federal Government.

If we shirk our individual responsibility, the American dream will never be more than a dream.

But if the people say yes to this challenge, if government says yes to the people—and if all of us in Washington say no to petty quarrels and partisanship and yes to our public trust—then we can truly bring that dream to life for all Americans in the new day of peace that is dawning.

Richard Nixon.

The White House, *March 1, 1973.*

REFERRAL OF PRESIDENT'S MESSAGE ON THE STATE OF THE UNION TO VARIOUS COMMITTEES

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the President's message received today, which is another portion of the state of the Union report, be jointly referred to the Committees on Agriculture and Forestry, Finance, Government Operations, Interior and Insular Affairs, Judiciary, Labor and Public Welfare, and Veterans' Affairs inasmuch as the predominance of the subject matter covered therein falls within the respective jurisdictions of these standing committees.

The PRESIDING OFFICER (Mr. Biden). Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business of not to exceed 10 minutes, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Johnson) laid before the Senate the following letters, which were referred as indicated:

Proposed Legislation From the Secretary of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to deduct from gross tonnage in determining net tonnage those spaces on board vessels used for waste materials (with an accompanying paper); to the Committee on Commerce.

Supplemental Report on What Should U.S. Policy Be for Development Assistance to Ecuador

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a confidential supplemental report on "What Should United States Policy Be for Development Assistance to Ecuador?" (with an accompanying report); to the Committee on Government Operations.

Report of the Jewish War Veterans U.S.A. National Memorial

A letter from the President, Jewish War Veterans U.S.A. National Memorial, Inc., Washington, D.C., transmitting, pursuant to law, a report of that organization, for the fiscal year ended March 31, 1972 (with an accompanying report); to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BAKER, from the Committee on Public Works, with an amendment:

S. Con. Res. 6. Concurrent resolution making apportionment of funds for the National System of Interstate and Defense Highways (Rept. No. 93-52).

AMENDMENT OF JOINT RESOLUTION ESTABLISHING THE AMERICAN REVOLUTION BICENTENNIAL COMMISSION—ORDER FOR STAR PRINT OF REPORT

Mr. HRUSKA. Mr. President, H.R. 3694 would authorize an appropriation of $3,356,000 for the funding of the American Revolution Bicentennial Commission for the remaining months of fiscal 1973. Last fall the Commission authorized the amount of $3,356,000, which was one-half of the amount originally requested for the whole of fiscal year 1973 and provided that the period for the authorization would end February 15, 1973.

The effect of the amount provided for in this bill is to authorize appropriations of an amount not to exceed that same amount, namely $3,356,000. It should be noted that existing law provides that not to exceed $2,400,000 of the current appropriation is to be for the second year of a grant-in-aid for each of the States. I understand that the States have yet to be paid half that amount of $1,200,000.

House action last fall was occasioned by certain charges made against the Commission which have been investigated by the General Accounting Office and a staff study of the activities of the Commission directed by the House Judiciary Committee. It was the view of the House of Representatives that the important work of the American Revolution Bicentennial Commission should continue pending completion of these investigations and that the Congress should have an opportunity early in the next session to consider further funding for the American Revolution Bicentennial Commission in the light of the completion of the reports of the General Accounting Office and the staff of the House Judiciary Committee.

The House bill, subsequently concurred in by the Senate, authorized appropriations only until February 15, 1973. This bill, therefore, would authorize appropriations for the remaining months of fiscal 1973.

The reports of the General Accounting Office and the staff study of the House Judiciary Committee have now been completed and submitted to the Congress. Furthermore, the executive branch has submitted to the Congress proposed legislation to establish a new Government agency entitled "The American Revolution Bicentennial Administration." It is anticipated that early action will be taken by the Congress on restructuring the Bicentennial Commission, to become effective July 1, 1973.

In the remaining months of fiscal year 1973, while the Congress is considering what changes are to be made in bicentennial planning and organizational structure, it is essential that planning be developed and momentum maintained if there is to be a meaningful commemoration of the Nation's 200th birthday.

It is necessary for the work of the Commission to go forward while the Congress is working on the restructuring bill, and, therefore, this authorizing appropriation legislation for funding for the remaining months of fiscal 1973 should be speedily approved.

This bill is necessary because the House and Senate Appropriation Committees have already included funding for the Commission in the amount of $2,868,000 for the balance of this fiscal year. House Joint Resolution 345 which would accomplish this is at the White House awaiting the President's approval.

Mr. President, I ask unanimous consent for a star print of the committee report to accompany H.R. 3694 so as to correct an error in that report. The authorization request for funding for the period February 16 through June 30, 1973, is $3,356,000, rather than the figure of $2,868,000, as stated in the report.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARTKE:

S. 1058. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder. Referred to the Committee on Finance.

By Mr. RIBICOFF:

S. 1059. A bill to establish a Department of Education. Referred to the Committee on Government Operations.

By Mr. CRANSTON:

S. 1060. A bill for the relief of Daniel F. Soltice. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 1061. A bill to amend the Consolidated Farm and Rural Development Act to modify the provisions relating to emergency loans, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. SCHWEIKER:

S. 1062. A bill to amend the Flammable Fabrics Act to provide for a certification procedure, and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 1063. A bill to establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and to amend the National School Lunch and Child Nutrition Acts for purposes related to strengthening the existing child nutrition programs. Referred to the Committee on Agriculture and Forestry.

By Mr. BURDICK:

S. 1064. A bill to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 1065. A bill to amend section 1306(a) of the Federal Aviation Act of 1958, as amended, to authorize the investment of the war risk insurance fund in securities of, or guaranteed by, the United States. Referred to the Committee on Commerce.

S. 1066. A bill to amend title 49, United States Code, to provide for criminal penalties for all who knowingly and willfully refuse or fail to file required reports, keep required data or falsify records; provide criminal penalties for unlawful carriage of persons for compensation or hire; to increase the civil penalty limits; and for other purposes: Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 1067. A bill to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes. Referred to the Committee on Commerce.

S. 1068. A bill to ratify certain payments made by the United States under the Federal Airport Act, as amended. Referred to the Committee on Commerce.

S. 1069. A bill to provide for the conservation and management of fisheries and for other purposes. Referred to the Committee on Commerce.

S. 1070. A bill to implement the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969. Referred to the Committee on Commerce.

By Mr. JOHNSTON:

S. 1071. A bill for the relief of Mato Cibilic. Referred to the Committee on the Judiciary.

By Mr. LONG (for himself and Mr. Johnston):

S. 1072. A bill to amend title 23 of the United States Code to authorize the expenditure of Federal-aid highway funds on toll roads which are part of the Interstate System. Referred to the Committee on Public Works.

By Mr. JAVITS:

S. 1073. A bill for the relief of George Hector;

S. 1074. A bill for the relief of Carmelo Sesso; and

S. 1075. A bill for the relief of Imre Pallo. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself, Mr. Randolph, Mr. Hughes, and Mr. Cranston):

S. 1076. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of rating for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospital and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administration of Veterans' Affairs. Referred to the Committee on Veterans Affairs.

By Mr. JAVITS:

S. 1077. A bill for the relief of Patricia C. LiBassi. Referred to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 1078. A bill to authorize appropriations for the activities of the National Science Foundation, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. FONG:

S. 1079. A bill to establish an Advisory Commission on the Reconstruction and Redevelopment of Southeast Asia. Referred to the Committee on Foreign Relations.

By Mr. BAYH:

S. 1080. A bill to provide for the establishment of a Foreign Service grievance procedure. Referred to the Committee on Foreign Relations.

By Mr. JACKSON:

S. 1081. A bill to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment. Referred to the Committee on Interior and Insular Affairs.

By Mr. BAYH (for himself, Mr. Weicker, Mr. Gurney, Mr. Beall, Mr. Robert C. Byrd, Mr. Javits, Mr. Stafford, and Mr. Stevenson):

S. 1082. A bill to repeal the bread tax, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. BAYH:

S. 1083. A bill to amend certain provisions of Federal law relating to explosives. Referred to the Committee on the Judiciary.

S. 1084. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firefighters not employed by the United States who are killed or totally disabled in the line of duty. Referred to the Committee on Post Office and Civil Service.

By Mr. MONDALE (for himself and Mr. Brooke):

S. 1085. A bill to promote the foreign policy and best interests of the United States by authorizing the President to negotiate a commercial agreement including a provision for most-favored-nation status with Romania. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE:

S. 1058. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance thereunder. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, when the 92d Congress passed the increase in the debt ceiling bill last year, it not only provided a 20-percent across-the-board increase in social security payments, but it also provided a mechanism that would automatically increase social security payments as the consumer price index indicates a rise in the cost of living. The bill I am introducing today would incorporate this very same cost-of-living mechanism into the provisions of title XVI, the supplemental security income program for the aged, blind, and disabled title of the Social Security Act.

I would remind my colleagues that when H.R. 1—Public Law 92-603—started its torturous way through the Congress, it provided that Federal payments for the needy, aged, blind, and disabled would be $130 a month for the first year, $140 a month for the next year, and $15 a month for the third year.

However, when H.R. 1 finally emerged as enacted public law, it provided only that Federal payments for the aged, blind, and disabled could be and would remain at $130 a month.

My bill is an effort to rectify this deficiency and to make sure—just as we have already made sure for social security beneficiaries—that as the cost-of-living goes up, as prices for food, clothing, and shelter, and the other necessities of life rise, that those who must live on welfare, those who must depend for survival support upon title XVI assistance wil not be compelled to endure needless deprivation and hardship.

Mr. President, conscience and consistancy demand that we pass the bill I am introducing today. I ask unanimous consent that my bill be printed in the Record following these remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1058

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 214(a) of the Social Security Act is amended by inserting "or" at the end of paragraph (3) and adding after paragraph (3) the following new paragraph:

"(4) in the case of an individual who has died and who was entitled to a benefit under section 223 for the month before the month in which he died, 6 quarters of coverage;".

(b) Section 215(b)(1) of such Act is amended by striking out "shall be the quotient" and inserting in lieu thereof "shall (except as provided in paragraph (5)) be the quotient".

(c) Section 215(b) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) In the case of an individual who is blind (within the meaning of 'blindness' as defined in section 216(i)(1)(B)), such individual's average monthly wage shall be the quotient obtained by dividing (i) the total of his wages paid in, and self-employment income credited to, all of the calendar quarters which are quarters of coverage (as defined in section 213) and that fall within the period after 1950 and prior to the year specified in clause (i) or clause (ii) of paragraph 2(C), by (ii) the number of months in such quarters, except that any such individual who is fully insured (without regard to section 214(a)(4)) shall have his average monthly wage computed under this subsection without regard to this paragraph, if such computation results in a larger primary insurance amount."

(d) Paragraph (3) of section 216(i) of such Act is amended to read as follows:

"(3) The requirements referred to in clauses (i) and (ii) of paragraph (2)(C) are satisfied by an individual with respect to any quarter only if —

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such quarter and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with such quarter, or (ii) if such quarter ends before he attains (or would attain) age 31 not less than one-half (and not less than 6) of the quarters during the period ending with such quarter and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage; or

"(B) he is blind (within the meaning of 'blindness' as defined in section 216(i)(1)(B)) and has not less than 6 quarters of coverage in the period which ends with such quarter.

For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period of disability unless such quarter was a quarter of coverage."

(e) The first sentence of section 222(b)(1) of such Act is amended by inserting "(other than such an individual whose disability is blindness, as defined in section 216(i)(1)(B))" after "an individual entitled to disability insurance benefits".

(f) Section 223(a)(1) of such Act is amended—

(1) by striking out the comma at the end of subparagraph (B) and inserting in lieu thereof "or whose disability is blindness (as defined in section 216(i)(1)(B)),";

(2) by striking out "the month in which he attains age 65" and inserting in lieu thereof "in the case of any individual other than an individual whose disability is blindness (as defined in section 216(i)(1)(B)), the month in which he attains age 65"; and

(3) by deleting the second sentence thereof.

(g) Paragraph (1) of section 223(c) of such Act is amended to read as follows:

"(1) An individual shall be insured for disability insurance benefits in any month if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such month, and (i) he had not less that 20 quarters of coverage during the 40-quarter period which ends with the quarter in which such month occurred, or (ii) if such month ends before the quarter in which he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with the quarter in which such month occurred and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage, or

"(B) he is blind (within the meaning of 'blindness' as defined in section 216(i)(1)(B)) and has not less than six quarters of coverage in the period which ends with the quarter in which such month occurs.

"For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period in an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a period of disability unless such quarter was a quarter of coverage."

(h) Section 223(d)(1)(B) of such Act is amended to read as follows:

"(B) blindness (as defined in section 216(i)(1)(B))."

(i) The second sentence of section 223(d)(4) of such Act is amended by insertng "(other than an individual whose disability is blindness, as defined in section 216(i)(1)(B))" immediately after "individual".

Sec. 2. In the case of an insured individual who is under a disability (as defined in section 223(d)(1)(B)), who is entitled to monthly benefits under section 202(a) or 223 for a month after the month in which this Act is enacted, and who applies for a recomputation of his disability insurance benefit or for a disability insurance benefit (if he is entitled under section 202(a)) in or after the month in which this Act is enacted, the Secretary shall, notwithstanding the provisions of paragraph (5) of section 215(b) as amended by this Act, make a recomputation of such benefit if such recomputation results in a higher primary insurance amount.

Sec. 3. The amendments made by this Act shall apply only with respect to monthly benefits under title II of the Social Security Act for and after the second month following the month in which this Act is enacted.

By Mr. RIBICOFF:

S. 1059. A bill to establish a Department of Education. Referred to the Committee on Government Operations.

DEPARTMENT OF EDUCATION

Mr. RIBICOFF. Mr. President, I introduce for appropriate reference, the Department of Education Act of 1973. Last year we passed the Education Amendments of 1972, Public Law 92-318. That legislation, which established a National Institute of Education, was a step on the road to a separate Department of Education. Now is the time to move forward and establish such a Department.

A Department of Education is needed to coordinate and consolidate Federal education programs administered by 29 Federal agencies, costing $12 billion a year and affecting more than 64 million full-time students and teachers and many more millions of persons participating in education part time.

The new Department would absorb the functions of the Office of Education in the Department of Health, Education, and Welfare. Also taken over would be the Job Corps, Project Head Start, and Follow Through and the educational programs of the Manpower and Development Training Act.

The Department of Education would take over certain education-related programs of the National Science Foundation as well as the educational TV facilities programs of the Department of Health, Education, and Welfare and the college housing program at the Department of Housing and Urban Development.

Other activities the Department of Education would assume would be the schools operated by the Bureau of Indian Affairs, the depeidents' schools administered by the Defense Department and the graduate school run by the Department of Agriculture.

In addition, the new Department would absorb the National Institute of Education.

This legislation calls for formation of two advisory groups:

The Federal Interagency Committee on Education, consisting of representatives of Federal agencies, would coordinate Federal efforts affecting education but would be beyond the jurisdiction of the Department of Education.

The National Advisory Commission on Education, composed of educators and concerned persons appointed by the President and confirmed by the Senate, would advise the Secretary of Education.

This legislation consolidates responsibility for education at the Federal level and affords an opportunity for the first time to properly order, analyze, and carry out Federal policy for education in this Nation.

I proposed similar legislation in 1965, 1967, and 1971. The intervening years have only increased the importance of coordinating the Federal role in education. Today Federal agencies manage education programs with no coordination and little cooperation. Millions of Americans are educated through Federal programs as diverse as those of the Office of Child Development, the Defense Department, the Job Corps, and the Bureau of Indian Affairs. Nearly 6 percent of the Federal budget supports education. The $12 billion we now spend is a 500-percent increase over our activities in 1962 when I was Secretary of Health, Education, and Welfare. In addition, there are now more than 20 poorly coordinated Federal advisory councils and commissions for education.

Education plays a critical role in the lives of all Americans. More than 60 million Americans are now full-time students; 3.3 million more are professional staff. These figures do not include the millions of children who watch "Sesame Street" or the millions who receive formal education each year from industry, the military, Federal manpower programs, and adult and continuing education. When we include all of these people, 125 million Americans are part of this country's educational system.

Expenditures for formal education will exceed $65 billion this fiscal year and will be handled by 50 States, five territories, the Federal Government, 18,000 operating school districts, and more than 2,500 institutions of higher education.

But arguments of scale are only one part of the reason for better coordination and execution of the Federal role in education. We must also recognize the present importance of education and educational policy to American society, and the increase in that significance in the decades ahead. This is not just a question of increasing enrollments or expenditures.

Our society and technology continue to increase in complexity and require individuals possessed of more sophisticated educational background and preparation. In addition, one of the dominant features of contemporary life is change. It is all about us, its pace increasing, its impact on our lives more insistent.

High technology, population growth, unprecedented advances in communications and data processing, the systematic pursuit of knowledge, and the managerial revolution have stamped the present and the future with the characteristic of continual change. This new relationship of education to our lives requires that we reconsider the education system's capacity to renew and redefine itself, to reflect, anticipate, and help guide the changes which we will all experience.

My legislation is structured to achieve this. First, it establishes a separate Department of Education to serve as a focal point within the Federal Government for defining educational policy and administering Federal education programs. The proposed department would advise the President of the United States about the progress and the future of education and the appropriate policies and programs needed to foster the orderly growth and development of educational resources and facilities in the Nation. The department would conduct necessary studies, collect data and provide information and other assistance to those engaged in the development of comprehensive planning relating to education.

The new department would be specifically charged with responsibility for facilitating the continuing renewal of education in America. Assistance in this area is provided by the National Institute of Education which has been previously established to carry out the full range of research and development required to improve education in the Nation.

In addition, an advisory body, the National Advisory Commission on Education, would be created to provide the Secretary with a high-level policy advisory board. The need for such a body has been well documented. The National Advisory Commission proposed in my bill would be appointed by the President, confirmed by the Senate, and staffed independently. The Commission would assess the general progress of education, particularly in light of Federal policy, offer advice concerning present and future direction of such policies and programs, and work with the Secretary to devise an effective advisory structure for the department.

Within the new Department, the bill would create the positions of Secretary, Under Secretary, six Assistant Secretaries, and a Chief Counsel. It would retain the positions, in slightly altered rank, of the Commissioner of Education and the Director of the National Institute of Education.

Finally, the Secretary would be required to report annually to the Congress on the progress of education with special emphasis on the kinds of data necessary for Congress to legislate effectively. Particular attention is given to the presentation of data concerning the results of education, whether as a consequence of Federal programs or not.

The Secretary would also be required to identify each year policy issues which are of particular importance, and to present to the Congress a detailed analysis of the full dimensions of those issues—what their causes are, why they are important and what solutions exist to major problems.

The primary objective of this legislation is to locate responsibility for analyzing and defining educational policy within the Federal Government. But several other principles are also essential.

First, those responsible for policy need to be familiar with the operational problems of the area within which they work. The tradition of a Federal role in education is long—it dates back to the Northwest Ordinance—but the principle of local control of education dates back even further and is firmly established within our constitutional framework.

The second principle in this bill is the need to plan for the future. Educational policy must be oriented to the future. The time between the identification of educational policy needs, the incorporation of solutions into operational programs, and the achievement of desired results is often many years. Graduate programs, for example, require 4 to 8 years to begin to produce desired types of manpower. It will be 12 to 20 years before Head Start has its hoped-for effect in the society. In light of leadtimes like this, long-range perspectives are essential.

Third, my legislation recognizes the broad range of educating agencies and institutions in our society. Educational policy deliberations are normally directed to schools, colleges, and universities. But we have developed a better understanding in recent years of the numerous agencies and influences beyond the schools which have an impact on education. We know that industry, the military, the Peace Corps, and Vista all perform educational functions, formal and informal, intended and unintended.

As the new Department addresses educational policy issues, therefore, it should consider such issues from the dual perspectives of the basic educational systems—preschool, elementary and secondary schooling, and higher education—and the nonschool educational systems such as those just identified.

Finally, an idea that occupies a central position in this bill is the concept that the Federal role in education should be to stimulate, facilitate, and help bring about renewal in the educational systems of the Nation. This idea is closely related, of course, to the impact of the future and rapid change in our society upon educational goals and the institutional structures the Nation possesses for education.

The Federal Government should lead the way in uncovering the knowledge, developing new techniques, and making them available to our schools and colleges. Our curriculum must be up to date and the methods used should be based on the most current knowledge about learning and teaching. Schools and universities should be structured to generate their own renewal.

The time has come to end the uncertain status of education in the Federal Government. Education must be represented at the highest levels of policy discussion. Its voice must be strengthened through the consolidation of programs, which rightly belong together. These needed steps would be accomplished through the provisions of the bill I introduced today.

I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1059

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Education Act of 1973".

FINDINGS AND PURPOSE

SEC. 2. The Congress finds that—

(1) education is the largest single category of domestic public expenditure in the Nation;

(2) the role and importance of education increases as our society becomes more complex and more affluent;

(3) public policy toward education is vital to the present and long-range interests of the United States;

(4) education must be broadly conceived in terms of all those forces, institutions, and agencies which function as educating influences in the United States;

(5) the United States is the only major Nation which does not have a Cabinet-level department of education; and

(6) it is essential therefore to establish a Department of Education to administer and coordinate Federal education legislation, weigh and consider major educational policy issues confronting the Nation, and facilitate a continuing renewal of the educating institutions of the United States.

DEPARTMENT OF EDUCATION ESTABLISHED

SEC. 3. There is hereby established as an executive department of the Government, the Department of Education.

OFFICERS

SEC. 4. (a) The Department shall be administered by a Secretary of Education who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) There shall be in the Department an Under Secretary of Education who shall be appointed by the President by and with the advice and consent of the Senate. The Under Secretary shall perform such duties and exercise such powers as the Secretary shall prescribe during the absence or disability of the Secretary, or in the event of a vacancy in the office of the Secretary, the Under Secretary shall act as Secretary.

(c) There shall be in the Department six Assistant Secretaries of Education and a General Counsel. Each of the Assistant Secretaries shall be appointed by the President, by and with the advice and consent of the Senate. Each Assistant Secretary shall perform such duties and exercise such powers as the Secretary shall prescribe. During the absence or disability, or in the event of vacancies in the offices, of the Secretary and Under Secretary, the Assistant Secretaries and the General Counsel shall act as Secretary in the order prescribed by the Secretary.

FUNCTIONS OF THE DEPARTMENT

SEC. 5 (a) It is the principal function of the Department to promote the advancement of education throughout the United States.

(b) In addition to any other function of the Secretary under the provisions of this Act, the Secretary is authorized to—

(1) advise the President with respect to the progress of education;

(2) develop and recommend to the President appropriate policies and programs to foster the orderly growth and development of the Nation's educational facilities and resources especially in the light of long-range requirements;

(3) exercise leadership at the direction of the President in coordinating Federal activities affecting education;

(4) conduct continuing comprehensive surveys, collect, analyze, and disseminate relevant information concerning education in the United States;

(5) provide information and such other assistance as may be authorized by the Congress to aid in the maintenance of efficient school, college, and university systems;

(6) encourage comprehensive long-range planning by State and local governments, especially with respect to coordinating Federal, State, and community educational activities at the local level; and

(7) conduct studies, make recommendations, and administer discretionary programs to facilitate the continuing renewal of the American educational system.

TRANSFER OF AGENCIES

SEC. 6. (a) All officers, employees, assets, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function of the following agencies, offices or parts of agencies or offices, are hereby transferred to the Department:

(1) the Education Division of the Department of Health, Education, and Welfare;

(2) the Office of Child Development of the Department of Health, Education, and Welfare;

(3) any advisory committee in the Department of Health, Education, and Welfare giving advice to and making recommendations concerning education.

(c) In any case where all of the functions of any agency or office are transferred pursuant to this Act, except any committee transferred under paragraph (4) of subsection (a) of this section, such agency or office shall lapse.

TRANSFER OF FUNCTIONS

SEC. 7. (a) There are hereby transferred to the Secretary all functions of the Secretary of Health, Education, and Welfare—

(1) with respect to and being administered by him through the Education Division;

(2) with respect to and being administered by him through the Office of Child Development;

(3) with respect to all Federal laws concerning the relationship between Gallaudet College, Howard University, Freedmen's Hospital, and American Printing House for the Blind, and the Department of Health, Education, and Welfare;

(4) under section 394 of the Communications Act of 1934, relating to Federal grants for the construction of television broadcasting facilities to be used for educational purposes;

(5) under part B of title II and title III of the Manpower Development and Training Act of 1962 which the Director of the Office of Management and Budget determines relate to institutional manpower training; and

(6) under the Drug Abuse Education Act of 1970.

(b) There are hereby transferred to the Secretary all functions of the Director of the Office of Economic Opportunity—

(1) under sections 222(a)(1) and (2) of the Economic Opportunity Act of 1964 relating to the Project Headstart and Follow Through programs; and

(2) under part A of title I of the Economic Opportunity Act of 1964 relating to the Job Corps.

(c) There are hereby transferred to the Secretary all functions of the Secretary of Defense with respect to the operation of schools for dependents of members of the Armed Forces.

(d) There are hereby transferred to the Secretary all functions of the Secretary of the Interior with respect to the operation of schools for Indian children being administered by him through the Bureau of Indian Affairs.

(e) There are hereby transferred to the Secretary all functions of the Secretary of Agriculture—

(1) under the National School Lunch Act;

(2) with respect to the operation of the Graduate School, United States Department of Agriculture.

(f) There are hereby transferred to the Secretary all functions of the Secretary of Housing and Urban Development under title IV of the Housing Act of 1950 relating to college housing.

(g) There are hereby transferred to the Secretary all functions of the Secretary of Labor under title III of the Manpower Development and Training Act of 1962 which the Director of the Office of Management and Budget determines relate to institutional manpower training.

(h) There are hereby transferred to the Secretary all functions of the National Science Foundation which the Director of the Office of Management and Budget determines relate to instructional personnel development programs, instructional program development, and programs in computer innovations designed for use in education.

REDESIGNATION OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SEC. 8. (a) The Department of Health, Education, and Welfare is hereby redesignated the Department of Health and Welfare, and the Secretary of Health, Education, and Welfare is hereby redesignated the Secretary of Health and Welfare.

(b) All laws, orders, regulations, and other matters relating to the Department of Health, Education, and Welfare or to the Secretary of Health, Education, and Welfare shall, insofar as they are not inconsistent with the provisions of this Act, be deemed to relate to the Department of Health and Welfare or to the Secretary of Health and Welfare.

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

SEC. 9. (a) There is hereby established a "Federal Interagency Committee on Education".

(b) The Committee shall study and make such recommendations as may be necessary to assure effective coordination of Federal programs affecting education, including—

(1) development of Federal programs in accordance with the educational goals and policies of the Nation;

(2) consistent administration of policies and practices among Federal agencies in the conduct of similar programs;

(3) full and effective communication among Federal agencies to avoid unnecessary duplication of activities;

(4) adequate procedures for the availability of information on educational matters requested by the Secretary; and

(5) full and effective cooperation with the Secretary on such studies and analyses as are necessary to carry out the purposes of this Act.

(c) The Committee shall be composed of the Secretary, who shall be the Chairman, and one appropriate representative of each of the following agencies: The Department of State, the Department of Defense, the Department of Agriculture, the Department of Labor, the Department of Health and Welfare, the National Science Foundation, the Atomic Energy Commission, the National Aeronautics and Space Administration, the National Endowment for the Arts and the National Endowment for the Humanities. Other members may be added by Executive order of the President as he determines may be necessary.

(d) The Chairman may invite Federal agencies in addition to the agencies which are represented on the Committee under the provisions of subsection (c) of this section to designate representatives to participate in meetings of the Committee on matters of substantial interest to such agencies which are to be considered by the Committee.

(e) The Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Executive Director of the Domestic Council, and the Director of the Office of Science and Technology may each designate a member of his staff to attend meetings of the Committee as observers.

(f) Each Federal agency which is represented on the Committee under the provisions of subsection (c) of this section, shall furnish necessary assistance to the Committee in accordance with section 214 of the Act of May 3, 1945, (31 U.S.C. 691).

NATIONAL ADVISORY COMMISSION ON EDUCATION

SEC. 10. There is hereby established a National Advisory Commission on Education composed of fifteen members appointed by the President, by and with the advice and consent of the Senate from among individuals—

(1) who are familiar with the educational needs and goals of the United States,

(2) who have competence in assessing the progress of educational agencies, institutions, and organizations in meeting those needs and achieving those goals,

(3) who are familiar with the administration of State and local educational agencies and of institutions of higher education, and

(4) who are representative of the mass media, industry, and the general public.

Members shall be appointed for terms of three years, except that (1) in the case of initial members, as designated by the President, five members shall be appointed for terms of one year, five members shall be appointed for terms of two years, and five members shall be appointed for terms of three years, and (2) any member appointed to fill a vacancy shall serve the remainder of the term for which his predecessor was appointed.

(b) The National Commission shall—

(1) review the administration of, general regulations for, and operation of Federal education programs;

(2) advise the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of the renewal of appropriate agencies, institutions, organizations of the Nation in order to meet those needs and achieve those goals;

(3) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of Federal education programs;

(5) consult with Federal, State, and local and other educating agencies, institutions, and organizations with respect to assessing education in the United States and the improvement of the quality of education, including—

(A) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(B) determinations of priorities among unmet needs and national goals; and

(C) specific means of improving the quality and effectiveness of teaching, curriculums, and educational media and of raising standards of scholarship and levels of achievement;

(6) conduct national conferences on the assessment, improvement, and renewal of education, in which national and regional education associations and organizations, State and local education officers and administrators, and other education-related organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education;

(7) conduct, and report on, comparative studies and evaluations of education systems in foreign countries; and

(8) advise and assist in the coordination of all Federal education advisory committees, councils or commissions.

(c) The National Commission shall make an annual report, and such other reports as it deems appropriate, to the President and to the Congress, concerning its findings, recommendations, and activities.

(d) In carrying out its responsibilities under this section, the National Commission shall take, together with the Secretary, whatever action is necessary to carry out section 448 of the General Education Provisions Act, to devise a manageable and effective advisory structure for the Department. The National Commission shall advise the Secretary on the number of advisory bodies that are necessary and the manner in which such bodies relate to one another. The National Commission shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development, the National Advisory Council on Educational Research and Development and such other advisory councils and committees as may be appropriate to carry out its functions under this subsection. All Federal agencies are directed to cooperate with the National Commission in carrying out its functions under this subsection.

(e) The National Commission is authorized to engage such technical assistance as may be required to carry out its functions and the Secretary shall, in addition, make available to the National Commission such secretarial, clerical, and other assistance and such pertinent data prepared by the Department as the National Commission may require to carry out its functions.

(f) Members of the National Commission who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the National Commission or while otherwise engaged in the business of the National Commission, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 under section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the National Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(g) The President shall appoint the National Commission not later than thirty days after the date of enactment of this Act

POWERS AND DUTIES OF THE SECRETARY

SEC. 11. (a) The Secretary shall be responsible for the exercise of all functions of the Department, and shall have authority to direct and supervise all personnel and activities. thereof.

(b)(1) The Secretary is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions, as may be necessary to carry out the purposes and functions of this Act.

(2) The Secretary may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(c) The Secretary may promulgate such rules and regulations as may be necessary to carry out the functions vested in him or in the Department, and he may delegate authority for the performance of any such function to any officer or employee under his direction and supervision.

(d) The Secretary shall cause a seal of office to be made for the Department, of such design as the President shall approve, and judicial notice shall be taken thereof.

(e) The Secretary shall, as soon as practicable after the end of the fiscal year, make a report to the President for submission to the Congress on the activities of the Department during the preceding fiscal year. Such report shall also contain objective data on: enrollments; expenditures; numbers of teachers and other categories of professional and related personnel; numbers of professionals who lack full qualifications; needs for classrooms and other construction; special needs of critical concern such as the disadvantaged, rural and urban education, and progress made toward the continuing renewal of education; the results and outcomes of education and schooling; budget projections for five years based on actual or anticipated appropriations for the fiscal year in which the annual report is issued; the advisory structure of the Department, including the names and composition of advisory committees and councils and the relationships the committees and councils bear to one another; and similar data.

TRANSFERRED PERSONNEL

SEC. 12. (a) Each officer or employee of the United States or any department or agency thereof who is transferred under this Act to the Department of Education shall be deemed, effective as of the date of such transfer, to be an officer or employee of the Department. No reappointment of any such officer or employee shall be required because of his transfer to that department.

(b) The transfer of personnel pursuant to this Act be without reduction in classification or compensation for one year after such transfer, except that the Secretary shall have full authority to assign personnel during such one-year period in order to efficiently carry out functions transferred to the Department under this section.

TECHNICAL AMENDMENTS

SEC. 13. (a) Section 19(d)(1) of title 3, United States Code, is hereby amended by inserting before the period at the end thereof a comma and the following: "Secretary of Education".

(b) Section 101 of title 5, United States Code, is amended by inserting at the end thereof the following:

"The Department of Education".

(c) Subchapter II of chapter 53 of title 5, United States Code (relating to executive schedule pay rates), is amended as follows:

(1) Section 5312 is amended by adding at the end thereof the following:

"(13 Secretary of Education,".

(2) Section 5314 is amended by adding at the end thereof the following:

"(60) Under Secretary of Education."

(3) Section 5315 is amended by adding at the end thereof the following:

"(98) General Counsel, Department of Education."

"(99) Assistant Secretaries of Education (6)."

"(100) Director, National Institute of Education, Department of Education."

(4) Section 5316 is amended by adding at the end thereof the following new paragraph:

"(132) Deputy Director, National Institute of Education, Department of Education."

(d)(1) Section 405(d)(1) General Education Provision Act is amended by striking out the following: "shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code, and",

(2)(A) Section 405(d)(2) General Educational Provision Act is amended by striking out the following: "shall be compensated at the rate provided for grade 18 of the General

Schedule set forth in section 5332 of title 5, United States Code, and",

(B) Section 405(d)(2) of such Act is amended by striking the last sentence thereof.

SAVINGS PROVISIONS

SEC. 14. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any agency or office, or part thereof, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction, and

(2) which are in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, by a court of competent jurisdiction, or by operation of law.

(c)(1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such agency or office, or any part thereof, is transferred to the Secretary, or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secretary, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this Act).

(d) With respect to any function transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the department or officer in which such function is vested pursuant to this Act.

(e) Orders and actions of the Secretary in the exercise of functions transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Secretary.

(f) In the exercise of the functions transferred under this Act, the Secretary shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

AMENDMENT TO THE COMMUNICATIONS ACT OF 1934

SEC. 15. Section 396(c)(1) of the Communications Act of 1934 is amended by inserting after the first sentence thereof the following sentence: "The Secretary of Education shall be an ex officio member of the Board.".

CODIFICATION

SEC. 16. The Secretary is directed to submit to the Congress within two years from the effective date of this Act, a proposed codification of all laws which contain functions transferred to the Secretary by this Act.

FEDERAL CONTROL PROHIBITED

SEC. 17. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any local or State educational agency, institution, or school system.

DEFINITIONS

SEC. 18 As used in this Act, the term—

(1) "Committee" means the Interagency Committee on Education;

(2) "Commissioner" means the Commissioner of Education.

(3) "Education Division" means Division of Education as established in section 401 of General Educational Provision Act including the Office of Education and the National Institute of Education and any constituent agencies of such division.

(4) "Director" means the Director of the National Institute of Education;

(5) "Department" means the Department of Education;

(6) "education" means that process by which individuals and groups develop or acquire skills, competencies, attitudes, values, and new understandings. Formally or informally, education may be undertaken in, offered by, or received from preschool elementary, secondary, and postsecondary institutions as well as other kinds of institutions, agencies, organizations, and individuals, including but not limited to the home and family, the mass media, industry, and the military;

(7) "educational research" includes research, planning, surveys, evaluations, investigations, experiments (including experimental schools), development, demonstration and dissemination in the field of education;

(8) "function" includes powers and duties;

(9) "National Commission" means the National Advisory Commission on Education;

(10) "Secretary" means the Secretary of the Department of Education;

(11) "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts, or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, or a combination of local educational agencies; and includes any other public institution or agency having administrative control and direction of a public elementary or secondary school; and

(12) "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is no such officer or agency, an officer or agency designated by the Governor or by State law for this purpose.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 19. (a) This Act, other than this section, shall take effect ninety days after the enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a), any of the officers provided for in subsections (a), (b), and (c) of section 4 may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act.

By Mr. THURMOND:

S. 1061. A bill to amend the Consolidated Farm and Rural Development Act to modify the provisions relating to emergency loans, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. THURMOND. Mr. President, today I am introducing legislation to amend the Consolidated Farm and Rural Development Act.

First, this bill is intended to reinstate the emergency loan program of the Farmers Home Administration of the Department of Agriculture. Second, it is intended to modify existing operating loan provisions by defining a family farm.

The emergency loan program, which the administration terminated in December, is of vital importance to our rural areas when they are faced with disaster.

In an effort to counteract inflation and to hold down federal spending, the administration felt that it was necessary to dispense with the emergency loan program, because of the heavily subsidized interest rate of 1 percent and the $5,000 forgiveness feature. It is my belief that the legislation I am introducing today will be in line with the President's efforts to hold down spending and counteract inflation. At the same time, it will restore the emergency loan program and benefit our farmers.

Mr. President, I am proposing three changes in the legislation involving emergency loans.

First, it is my belief that emergency loans should be made when actual emergencies occur. I propose that farmers be eligible for emergency loans when they have a crop loss of one-third or more. Further, livestock or poultry farmers would be eligible for assistance if they have lost one-third of their livestock or poultry.

Second, the provisions for up to $5,000 forgiveness of every emergency loan would be eliminated. My bill will provide for emergency credit by means of a repayable loan, with no forgiveness or cancellation on the part of the Government.

Third, the interest rates on such loans would be set at 5 percent per year. I believe this provision will bring the interest rate on Farmers Home Administration loans more in line with the market rate.

Mr. President, I believe that these three changes will make the law compatible with a sound fiscal policy. Poultry and livestock farmers should be guaranteed the rights of crop farmers and fish farmers by being specifically mentioned in the legislation, and my bill will give them this assurance.

This legislation is intended to correct one further problem found in the regular operating type loans administered by the Farmers Home Administration.

To obtain such a loan, the farmer need not depend upon a disaster designation. Rather, these loans are available in the normal course of business, since the President did not terminate these loans when he announced the termination of the emergency loan program.

The basic problem involved in qualifying for this loan, however, is the fact a farmer must be a family farmer in order to participate. The regulations have limited family farms to one full-time employee plus seasonal labor.

Mr. President, my proposed change would eliminate this definition of a family farmer and provide that a family farm be defined as one which produces agricultural commodities for sale in sufficent quantities so that it is recognized as a farm rather than a rural residence. The operator and his immediate family would provide the management and a substantial part of the labor and live on the farm, or nearby, so that they could properly manage the farming operation.

It is unjustifiable to deny a farmer assistance solely, because he may employ two, three, or four full-time employees, if the farmer himself still provides a substantial part of the labor and lives on the farm or nearby.

Mr. President, many small family type farmers employ more than one full-time employee plus seasonal labor. Such an arbitrary definition, disqualifies many small farmers who deserve consideration for an operating loan from the Farmers Home Administration.

Two recent ice and snow storms in South Carolina point out the inequity in the present law. When the Secretary of Agriculture does not declare a disaster area, no emergency disaster loans can be made available for farmers. Our farmers must resort to the regular operating and housing loans from the Farmers Home Administration.

Housing loans are available when our farmers have their housing structures damaged. Some farmers may suffer damage even though their buildings are not structurally damaged, and these farmers need operating loans. A good example is a poultry farmer who experiences a loss of electricity, which affects his poultry production. Often, however, many small farmers find these loans unavailable because they employ two, three, or four full-time employees.

Mr. President, the recent snow disaster in South Carolina, with attendant financial disaster for many of our farmers, has impressed upon me the great need for the emergency loan program of the Farmers Home Administration. Further, I am convinced that operating loans must not be denied simply because a farmer employs more than one full-time employee.

If we make the changes I have suggested, the emergency loan program can be administered in line with a balanced Federal budget. I believe the President will implement this legislation for the benefit of our people. Setting a higher interest rate, providing for one-third crop loss in order to qualify, and eliminating the forgiveness feature, represent a responsible approach to the emergency loan program.

This legislation offers no handouts to our farmers, and I am convinced they desire none. Rather, this bill offers a realistic way to reinstate the emergency loan program. I ask my colleagues to give this approach their careful consideration.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1061

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 (b)) is amended by striking out the period at the end of such section and inserting in lieu thereof a comma and the following: "and provided that a farmer, rancher, or oyster planter shall have lost at least one-third of his crop, livestock, poultry, or oyster beds, as the case may be, in order to be eligible for assistance under this subtitle."

SEC. 2. Section 324 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964) is amended by striking out "3 per centum" and inserting in lieu thereof "5 per centum".

SEC. 3. Section 328 of the Consolidated Farm and Rural Development Act as added by section 5 of Public Law 92–385, is hereby repealed.

SEC. 4. Section 232 of the Disaster Relief Act of 1970, Public Law 91–606, is hereby repealed.

SEC. 5. (a) Section 343 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991) is amended by (1) inserting "livestock farming, or poultry farming" immediately after "fish farming" in clause (1); and (2) inserting "livestock farming, and poultry farming" immediately after "fish farming" in clause (2).

(b) Section 343 of such Act is further amended by redesignating clauses (3), (4), and (5) as clauses (4), (5), and (6); and by inserting after clause (2) a new clause (3) as follows: "(3) the term 'family farm' shall be deemed to include any farm that produces agricultural commodities for sale in sufficient quantities so that it is recognized as a farm rather than a rural residence, and the operator of such farm and his immediate family provide the management and a substantial part of the labor and live on the farm, or nearby, so that they can properly manage the farming operation."

By Mr. SCHWEIKER:

S. 1062. A bill to amend the Flammable Fabrics Act to provide for a certification procedure, and for other purposes. Referred to the Committee on Commerce.

FLAMMABLE FABRICS ACT AMENDMENTS OF 1973

Mr. SCHWEIKER. Mr. President, I introduce a bill to amend the Flammable Fabrics Act to provide for a certification procedure, and for other purposes.

Mr. President, the Flammable Fabrics Act Amendments of 1973 are designed to strengthen the existing Flammable Fabrics Act of speeding up the standard-setting procedure of the Department of Commerce and by giving the Federal Trade Commission new enforcement power.

This bill is similar to S. 3491, which I introduced on April 12, 1972.

The original Flammable Fabrics Act was first enacted into law 1953 after a series of tragic deaths in the late 1940's and early fifties which resulted mainly from burns received from children's rayon pile cowboy chaps and brushed rayon "torch" sweaters. At that time, the legislation applied only to wearing apparel.

The test of flammability was set by the statute. In 1954, in reaction to the rigid standard in the statute, an amendment was added to allow the marketing of apparel made from sheer fabrics like tulle and organdy.

Regretfully, the scope of the statute was too limited and the legislative standard was impractical.

Additional amendments were added in 1967 to apply the act to all articles of wearing apparel and to interior furnishings used in homes, offices, and other places of assembly or accommodation. The 1967 amendments did create a new mechanism for the setting of better flammability standards and the hope was that enforcement of the legislation would improve.

In the meantime, large numbers of serious injuries and deaths are still occurring from flammable fabrics. From 3,000 to 5,000 deaths a year occur. Non-fatal injuries amount to 150,000 to 250,000 per year. The financial loss is estimated to be over one-fourth billion dollars per year. Obviously, the pain and suffering caused to victims of these tragic burns cannot be estimated.

Our senior citizens, persons of 65 years or older, represent a large group of burn victims. Senior citizens account for about 10 percent of our country's total population, but they include 20 percent of all burned clothing cases.

Amazingly, the President's National Commission on Fire Prevention and Control has found that many firefighters use coats made of materials which the National Bureau of Standards has found to be unacceptable under the flammability standards recently issued for children's sleepwear.

On July 29, 1971, a standard was issued for children's sleepwear. Under the current procedures, which would be streamlined by my legislation, the children's sleepwear standard did not become effective until July 29, 1972. Even then, cautionary labeling was permitted for another year until July 29, 1973. Thus, 9 years will elapse between the initial publishing of the standard and its final applicability.

One of the most serious problems has been the built-in delays in the standards-setting procedure. Under section 4(a) of the act, "Proceedings for the determination of an appropriate flammability standard" are to be instituted only after the Secretary of Commerce finds "that a new or amended flammability standard—may be needed."

The procedural rules set up by the Secretary of Commerce involve two separate proceedings. An initial proceeding is for the development of an appropriate flammability standard. Later, after the conclusion of the initial proceeding, the Secretary either withdraws his finding that a new flammability standard may be needed or institutes a second "rulemaking" proceeding for the actual determination of the flammability standard.

These procedures are not required by the statute. My legislation will make it clear that only a single proceeding for the development and determination of a standard will be instituted by the responsible agency.

Under the new Consumer Product Safety Act which became law on October 27, 1972, the functions of the Secretary of Health, Education, and Welfare, the Secretary of Commerce, and the Federal Trade Commission under the Flammable Fabrics Act are being transferred to the Consumer Product Safety Commission. In addition, the functions of the FTC under the Federal Trade Commission Act regarding flammable fabrics, are transferred to the Commission.

In addition to the other problems I have mentioned, the Federal Trade Commission which has been charged with the responsibility of enforcing the legislation, has been seriously hampered by the statutory language. In June 1970, then-Chairman Caspar W. Weinberger, of the Federal Trade Commission, testified before the Subcommittee on Consumers of the Senate Committee on Commerce and recommended amendments to the existing legislation to improve the ability of the Commission to enforce the act. Although amendments incorporating Mr. Weinberger's suggestions have previously been before Congress, no changes have been made and I am incorporating these suggestions into the Flammable Fabrics. Act Amendments of 1973 in the hope that they will be enacted into law soon.

Here is what the Flammable Fabrics Act Amendments of 1973 would do:

First, it would require the Secretary of Commerce to submit a report to the Congress within 90 days setting forth the specific types of fabrics for which new flammability standards should be adopted. The Secretary would also be required to submit a schedule describing when he intends to institute proceedings for the determination of such new standards. A specific section of the report will be required regarding the need for new standards covering senior citizens.

Second, it would streamline the standard-setting procedure by making clear that only one administrative proceeding for the development and determination of an appropriate flammability standard should be held by the responsible agency. Thus, the dual proceedings which are not now required by the statute would be done away with.

Third, my bill would speed up the standard-setting procedure by making new flammable fabrics standards effective immediately, not 1 year after the standard becomes final. At the present time, there is a grace period permitted by the statute which prevents new flammability standards from going into effect for 12 months following publication in the Federal Register.

In order to prevent an inequitable application of a new standard, however, my legislation would permit firms which can affirmatively show that they cannot comply with a new standard to obtain an exemption for 1 year if a cautionary label is included on the product. That label must indicate, first, that the fabric does not meet the new standard and therefore is flammable; second, that the fabric should not be worn near sources of fire; and third, the particular standard from which the fabric has been exempted. Thus, if the standard simply could not be met, a 1-year delay with a cautionary label would be permitted.

Fourth, this bill calls for a new certifying procedure. No products could be manufactured for sale or sold unless the product is certified by the manufacturer or the importer to meet the requirements of the applicable standard.

Violations of the certification provisions will be unlawful and will constitute an unfair method of competition and an unfair and deceptive act or practice in Commerce under the Federal Trade Commission Act. The Federal Trade Commission, and eventually the Consumer Product Safety Commission would be charged with enforcement of the certification provisions.

Fifth, the legislation amend section 7 of the Flammable Fabrics Act which provides criminal sanctions for willful violations of the act. In accordance with suggestions made by the FTC, violations of the act "with knowledge," but not necessarily with "willfulness," will constitute felonies.

Sixth, the legislation specifically requires that within 6 months after the date of enactment, new standards be issued for children's sleepwear covering children up to the age of 12. Currently proposed standards only cover children up to 6 years old, and this should be broadened.

Last year, I was pleased to join with Senator Magnuson in proposing an amendment to H.R. 5066, an act authorizing appropriations to carry out the Flammable Fabrics Act. Our amendment, which passed the Senate, provided that the children's sleepwear standard which now applies to sizes zero through 6X be extended to apply to all sleepwear up to size 14. This would have protected children up to about age 12. Regrettably, our amendment was deleted in the conference version of H.R. 5066.

According to Senator Moss' statement on the conference report, the House conferees argued that the Consumer Product Safety Commission could more adequately safeguard the interests of consumers without being required to meet a deadline of July 1, 1973. The Commission reportedly would delay the effective date of the new standard beyond July 1, 1973, only if it were "persuaded that the effective date presented a technically impossible situation for the textile industry."

We are now nearing the end of February, and no new standard is in sight. It is time for Congress to take the lead again.

My bill also provides for civil penalties which will give the enforcing agency an immediate sanction and will permit the Commission to go after violators where criminal sanctions are not appropriate.

Mr. President, we have had the Flammable Fabrics Act on the books since 1953 and when you review the progress we have made in 20 years, it becomes clear that we simply have not done enough to meet the problem. I am hopeful that the Senate will act quickly on this much-needed legislation.

Mr. President, I ask unanimous consent that this bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record as follows:

S. 1062

A bill to amend the Flammable Fabrics Act to provide for a certification procedure, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Flammable Fabrics Act Amendments of 1973".

ADMINISTRATIVE PROCEEDING

Sec. 2. Section 4(a) of the Flammable Fabrics Act, as amended (15 U.S.C. 1193(a)), is amended by striking "proceedings for the determination" and inserting in lieu thereof "a proceeding for the development and determination."

EFFECTIVE DATE OF STANDARDS

Sec. 3. The second sentence of section 4(b) of the Flammable Fabrics Act, as amended (15 U.S.C. 1193(b)), is amended to read as follows: "Each such standard, regulation, or amendment thereto, shall become effective on the date on which such standard, regulation, or amendment is promulgated."

EXEMPTION FROM STANDARDS

Sec. 4. Section 4(b) of the Flammable Fabrics Act, as amended (15 U.S.C. 1193(b)), is amended by adding at the end thereof the following: "Upon a showing by any person that such person is subject to, but cannot comply with, any standard, regulation, or amendment with respect to any fabric, related material, or product, the Secretary may exempt that fabric, related material, or product from such standard, regulation, or amendment, for a period not to exceed one year, except that any fabric, related material, or product so exempted shall be clearly and conspicuously labeled, in accordance with regulations prescribed by the Commission, to indicate—

"(1) that such fabric, related material, or product does not meet with a standard, and therefore is flammable;

"(2) that such fabric, related material, or product should not be worn near sources of fire; and

(3) the standard from which such fabric, related material, or product has been exempted."

CERTIFICATION

SEC. 5. (a) Section 3 of the Flammable Fabrics Act, as amended (15 U.S.C. 1192), is amended by adding at the end thereof the following new subsection:

"(c)(1) The manufacture for sale, the sale, or offering for sale, in commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported, in commerce, or the sale or delivery after a sale or shipment in commerce, of any product, fabric, or related material, or any product made of fabric or related material, with respect to which an applicable standard of flammability has been issued or amended under the provisions of section 4 of this Act and which has not been certified by the manufacturer or importer thereof to meet the requirements of the applicable standards or other regulations issued or amended under the provisions of section 4 of this Act, shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act. For the purpose of this subsection, certification shall be based upon a reasonable testing program conducted by the manufacturer or importer which has been approved by the Secretary of Commerce in accordance with procedures established in section 4 of this Act.

"(2) This subsection and the penalties provided in section 7 of this Act, insofar as they would prohibit sale of a product without certification based upon an approved testing program, shall not apply to any product for which an application for approval of a testing program has been timely filed with the Secretary of Commerce until thirty days after such application has been finally acted upon by the Secretary of Commerce, or in the case of a rule prescribing a testing program under section 4(g)(6) of this Act, until thirty days after such rules have become effective.

"(3) In approving a testing program under section 4(g) of this Act, the Secretary of Commerce may for good cause shown allow an applicant or person required to perform such prescribed testing an additional period of not more than six months within which to implement the approved or prescribed testing program. During such period applicability of the certification requirement of this section and the penalty provisions of section 7 of this Act as they relate to the requirement of certification shall be stayed.

"(4) Neither this subsection nor the penalties provided in section 7, insofar as they relate to the requirement of certification, shall apply to any product, fabric, or related material, or any product made of fabric or related material which has been exempted from this subsection by rule or regulation issued by the Commission pursuant to the provisions of section 5(c) of this Act."

(b) Section 4 of such Act, as amended (15 U.S.C. 1193), is amended by adding at the end thereof the following new subsection:

"(g)(1) The Secretary of Commerce may approve any testing program upon application by any manufacturer or importer for the purpose of the certification requirements of section 3(c) of this Act (A) if such application is submitted in a proper form under regulations established by the Secretary of Commerce and published in the Federal Register, and (B) if the testing program is reasonably designed to prevent or minimize the manufacture and introduction in commerce of any product, fabric, or related material, or any product made of fabric or related material, which is not in compliance with an applicable standard of flammability established pursuant to this section.

"(2) Unless the Secretary of Commerce has determined to proceed under paragraph (6) of this subsection, then upon promulgation of any new or amended standard of flammability under the provisions of this section, the Secretary of Commerce shall give notice that any person required to make a certification under section 3(c) of this Act and desiring approval of a testing program must submit an application for approval for such testing program within six months after the date of promulgation of such standard or amendment.

"(3) All applications for approval of testing programs shall be approved or denied within a reasonable time. The Secretary of Commerce may consolidate similar applications for joint consideration and joint approval or denial.

"(4) A denial of an application for approval of a testing program shall set forth with particularity the reasons for denial.

"(5) Any person who will be adversely affected by such approval or denial may seek judicial review in accordance with procedures set forth in subsection (e) of this section.

"(6) In lieu of approving or denying applications for approval of testing programs, the Secretary of Commerce may promulgate rules prescribing the testing program to be used in the manufacture of any product, fabric, or related material for which a standard of flammability has been promulgated. Rules prescribing a testing program for fabrics, products, or related materials for which a standard of flammability has been promulgated prior to the effective date of this subsection shall become effective within one year from the effective date of this subsection, or six months after the date of promulgation of such rules, whichever is later. Otherwise, rules prescribing a testing program shall become effective on the effective date of any standard of flammability promulgated, or six months after the date of promulgation of such rules, whichever is later."

(c) Section 7 of such Act (15 U.S.C. 1196 is amended to read as follows:

"PENALTIES

"SEC. 7. (a) Whoever performs any act in violation of section 3 or section 8(b) of this Act with knowledge that such act is in violation of such section shall be guilty of a felony and upon conviction shall be fined not more than $10,000, imprisoned for not more than three years, or both, in addition to any other penalties, civil or criminal, imposed for such violation.

"(b) Whoever performs any act in violation of section 3 or section 8(b) of this Act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $1,000, imprisoned for not more than one year, or both, in addition to any other penalties, civil or criminal, imposed for such violation, except that no person shall be held in violation of this subsection if such person establishes that he exercised due care in the application of an approved testing program required under section 3(c) of this Act and that such application disclosed that the product, fabric, or related material was in conformity with applicable standards of flammability established pursuant to section 4 of this Act.

"(c)(1) Whoever performs any act in violation of section 3 or section 8(b) of this Act, in addition to any other penalties imposed for such violation, shall be subject to a civil penalty imposed by the Commission of not to exceed $10,000 for each such violation, except that no person shall be held in violation of this subsection if such person establishes that he exercised due care in the application of an approved testing program required under section 3(c) of this Act and that such application disclosed that the product, fabric, or related material was in conformity with applicable standards of flammability established pursuant to section 4 of this Act.

"(2) Upon failure of the offending party to pay the civil penalty, the Commission may request the Attorney General to commence an action in a court of the United States for such relief as may be appropriate. Prior to making such a request, the Commission may compromise such civil penalty.

"(d) No person shall be subject to prosecution or penalty under this section for a violation of section 3 of this Act if such person establishes that he (1) has received in good faith a fabric, related material, or product certified as required by section 3(c) of this Act signed by and containing the name and address of the person by whom the product, fabric, or related material was certified, and (2) has not, by further processing, affected the flammability of the fabric, related material, or product covered by the certification which he received.

"(e) Notwithstanding the provisions of subsection (d) of this section and section 8 of this Act, an importer who chooses to rely on the certification of a foreign manufacturer under section 3(c) of this Act shall be liable as a manufacturer under this section for any violation of section 3 of this Act."

(d)(1) The first sentence of section 8(a) of such Act, as amended (15 U.S.C. 1197(a)), is amended by inserting after the word "prosecution" the words "or penalty".

(2) Section 8(b) of such Act, as amended (15 U.S.C. 1197(b)), is amended by inserting after the word "guaranty", wherever it appears, the phrase "or certification required under section 3(c) of this Act".

REPORT TO THE CONGRESS

SEC. 6. (a) Not later than ninety days after the date of enactment of this Act, the Consumer Product Safety Commission shall submit a report to the Congress setting forth—

(1) all types of fabrics or related materials presently available to the public;

(2) the specific fabrics or related materials for which new flammability standards should be adopted to protect the public against unreasonable risk of the occurrence of fire leading to death, personal injury, or significant property damage, and the Commission's estimate of (A) the number of persons who may be affected by such occurrences, and (B) the number of severity of such occurrences;

(3) a schedule of the proposed dates for the institution of proceedings by the Commission for the determination of such new flammability standards, taking into account its findings under clause (2) of this subsection; and

(4) a statement relating to the need for standards to protect persons over sixty-five years of age.

CHILDREN'S SLEEPWEAR

SEC. 7. Section 3 of the Flammable Fabrics Act, as amended (15 U.S.C. 1193) is amended by adding at the end thereof the following new subsection:

"(g) Not later than six months after the date of enactment of the Flammable Fabrics Act Amendments of 1973 the Secretary of Commerce shall promulgate standards under this Act for children's sleepwear, including any product of wearing apparel up to and including size 12X, such as nightgowns, pajamas, or similar or related items, such as robes, intended to be worn primarily for sleeping or activities related to sleeping."

CONSUMER PRODUCT SAFETY COMMISSION

SEC. 8. Any function of the Secretary of Health, Education, and Welfare, the Secretary of Commerce, or of the Federal Trade Commission under the amendments made by this Act to the Flammable Fabrics Act shall be transferred to the Consumer Product Safety Commission in acordance with section 30 of the Consumer Product Safety Act on the later of—

(1) the date of enactment of this Act, or

(2) the date on which the functions of the Secretary of Health, Education, and Welfare, the Secretary of Commerce, and the Federal Trade Commission under the Flammable Fabrics Act are transferred to the Consumer Product Safety Commission under such section 30.

By Mr. HUMPHREY:

S. 1063. A bill to establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and to amend the National School Lunch and Child Nutrition Acts for purposes related to strengthening the existing child nutrition programs. Referred to the Committee on Agriculture and Forestry.

CHILD NUTRITION ACT OF 1973

Mr. HUMPHREY. Mr. President, I am introducing today legislation which is essential to the continuing effort to improve the nutritional health of the Nation's schoolchildren. It will authorize the first serious effort to begin a nutrition education program in the schoolroom which is tied directly to the breakfast and lunches served in the cafeteria.

The legislation also authorizes an increase in the reimbursement provided by the Federal Government for each lunch served by the local school system to children in school. Presently the Congress guarantees a payment of 8 cents for every lunch served under the national school lunch program and a payment of 40 cents for each lunch served without cost to a needy child. Inflation, the inability of the USDA to keep its promise of delivering surplus commodities, all these factors have raised the cost of serving a school lunch by nearly 10 percent since the start of the school year.

Only this month, the USDA warned us that food costs in 1973 would increase by more than 6.5 percent. Unless these increases are defrayed by the Federal Government schools will be forced to increase lunch prices—if they already have not—and fewer children will be able to participate.

That is not the reason the Congress passed the National School Lunch Act. We want to serve nutritious meals to more children, rather than fewer.

By raising the reimbursement rate on all lunches from 8 to 12 cents, we can help local school districts maintain meal service at a moderate, reasonable cost. In addition, by increasing the reimbursement rate for meals served to needy children, we will enable school districts to recover the actual cost of serving a free lunch.

These are the immediate actions which are necessary if the program is going to keep from slipping back from its present position. But marking time is not enough, particularly when fewer than half of the Nation's schoolchildren are being served by this program each day.

That is why my bill looks ahead to developing a real nutrition education program in our schools. We have talked about nutrition education for 25 years, but little has been done beyond this rhetorical nod at the need. Children who do not understand the significance of nutrition to their health, physical appearance, and their ability to do well in school can hardly be blamed for reaching for a snack. If they understand the consequences of their nutritional choices, fewer will snack and more will select their diet with care.

I am confident that an effective nutrition education program will be a key factor in pulling the lunch program from its present doldrums. It is sad to note that although the Congress has authorized substantially greater funds for school lunch, the number of children served has grown very little. There is little vision in the USDA, and a great deal of very bad administration. I can only hope the incentives I am proposing in this legislation will overcome the incapacity for improvement, and will end the aversion to actions which will bring the program to more schools and better nutrition to more children.

That is why this legislation establishes the target date of June 30, 1975, when every school district with a food service program in some schools must extend lunches to all schools. Similarly, all schools where needy children are enrolled will be required to provide food service under the National School Lunch Act by the time school starts in September 1975.

Adequate funding, nutrition education, target dates far enough ahead to allow adequate planning to expand the program, all these are positive instruments to create more effective nutrition programs and deliver vital services to our children in their school.

Mr. President, the bill that I am introducing is identical to H.R. 4974, introduced yesterday in the House by the distinguished chairman of the House Education and Labor Committee, Congressman CARL D. PERKINS, of Kentucky.

It is the hope of Congressman PERKINS, myself and others that Congress will be able to act upon this legislation early enough this year so that our Nation's schools will be able to adequately plan for next year's school year which will begin this fall.

Mr. President, I ask unanimous consent that my bill be printed at this point in the RECORD and I also wish to invite my other colleagues here in the Senate to join me in cosponsoring this important piece of legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1063

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Education Act of 1973".

SEC. 2. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate the basic elements of a nutrition education program for children to be extended on a voluntary basis through State educational agencies to schools and service institutions as a part of the school lunch and child nutrition programs. Such a program shall include, but shall not be limited to, the preparation of course outlines, based on the advice of experts in the field of child nutrition, classroom teaching aids, visual materials, the training of school food service personnel, and the training of teachers to conduct courses in nutrition utilizing the school food service program as a laboratory. In developing such a program the Secretary shall consult with the Office of Education of the Department of Health, Education, and Welfare and with recognized authorities in the field of human nutrition and nutrition education.

(b) For the fiscal year 1974, the Secretary is authorized to use not to exceed $2,000,000 out of funds made available for the conduct of school lunch and child nutrition programs for the purpose of developing a nutrition education program as outlined under (a) above. From the funds made available under this subsection, the Secretary shall advance to each State educational agency an amount not to exceed $25,000 for the fiscal year 1974. The amounts so advanced shall be for the purpose of the employment of a nutrition education specialist in each State educational agency in order to provide for the planning and development of a nutrition education program for the children in each State.

(c) For the fiscal year 1975 grants to the States for the conduct of nutrition education programs for children shall be based on a rate of 50 cents for each child enrolled in schools or service institutions within the State and, for each fiscal year thereafter, grants will be based on rate of $1 for each child so enrolled. Enrollment data so used will be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(d) The funds made available under subsection (c) may be used for the employment of personnel including supporting services, in the State educational agencies to coordinate and promote the conduct of nutrition education programs in participating school districts, and for other puropses related to such programs.

There is hereby authorized to be appropriated the funds necessary to carry out the purpose of this section.

(e) A nutrition education advisory council shall be established in each State to provide guidance and assistance in formulating the nutrition education program to be conducted in the State under the authority of this section. The members of the council shall be appointed by the chief state school officer of each State, and approved by the State educational agency and shall be professionals in the fields of nutrition, education, health, and welfare.

STATE ADMINISTRATIVE EXPENSES

SEC. 3. Section 7 of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following:

"For each fiscal year beginning with the fiscal year 1974, State educational agencies are authorized to use an amount, not to exceed 2 per centum of aggregated payments made to such agencies by the Secretary under the National School Lunch Act and the Child Nutrition Act of 1966 in the preceding fiscal year, to assist in the administration and supervision of the programs authorized under such Acts: *Provided,* That not less than 75 per centum of any funds used under this authority shall be directed to the employment of field nutrition supervisors and auditors who have a certificate of training in the subject areas or the equivalent in field supervisory or auditing experience; *Provided further,* That the funds expended under this section shall be used to supplement the existing level of administrative support services and expenditures therefor for the child nutrition programs in each State."

SCHOOL BREAKFAST PROGRAMS

SEC. 4. (a) The first sentence of section 4(c) of the Child Nutrition Act of 1966 is amended to read as follows:

"Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency to assist such schools in financing the costs of operating a breakfast program and for the purpose of subsection (d)."

(b) The second sentence of section 4(c) of the Child Nutrition Act of 1966 is deleted.

(c) Section 4(b) of the Child Nutrition Act of 1966 is amended by adding the following paragraphs at the end of such section:

"The national average payment established by the Secretary for all breakfasts served to eligible children shall not be less than 8 cents; an amount of not less than 15 cents shall be added for each reduced-price breakfast; and an amount of not less than 20 cents shall be added for each free breakfast. In cases of severe need, a payment of up to 45 cents may be made for breakfasts served to children qualifying for a free breakfast.

"For the fiscal years subsequent to the fiscal year beginning July 1, 1973, the breakfast payments specified in this subsection shall reflect changes in the cost of operating a school breakfast program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor."

NATIONAL ADVISORY COUNCIL

SEC. 5. Section 14 of the National School Lunch Act is amended as follows:

(1) In subsection (a) replace the word "thirteen" with the word "nineteen" and insert after the phrase "(or the equivalent thereof)", the first time it appears the following: "one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof); one member shall be a supervisor of a school lunch program in a school system in a rural area; two members shall be parents of school age children; two members shall be secondary school students participating in the school lunch program,";

(2) Subsection (b) is amended by striking out "nine" and inserting in lieu thereof "fifteen", and by adding the following to said subsection: "The new members to be appointed to the council as provided for by reason of the amendment to subsection (a) made by section 5 of the Child Nutrition Education Act of 1973, shall be appointed for terms of three years, except that the terms of the secondary students shall be two years."

(3) In subsection (e), delete the word "seven" and insert in lieu thereof the word "ten".

(4) Subsection (f) is amended by adding the following at the end of such subsection: "For the purpose of obtaining information incident to making the aforesaid recommendations, the council, by vote of its members present may request the appearance, at any of its meetings, of representatives from governmental or nongovernmental agencies or organizations concerned with the nutrition and welfare of children."

(5) Such section is amended by adding at the end thereof the following:

"(i) The Council shall continue in existence until terminated by Act of Congress enacted after the enactment of the Child Nutrition Education Act of 1973."

REGULATIONS

SEC. 6. The National School Lunch Act is amended by adding after section 15 the following new section:

"SEC. 16. Prior to the publication in the Federal Register of any proposed regulations to implement the provision of this Act or the Child Nutrition Act of 1966, the Secretary shall solicit the comments and recommendations of the National Advisory Council on Child Nutrion, and a representative group of State and local school food service administrators and selected lay citizens and shall establish a five-member group to work with the Department of Agriculture in the development of such regulations that reflect the comments of such groups."

REIMBURSEMENT

SEC. 7. (a) Section 4 of the National School Lunch Act is amended to delete the phrase "8 cents per lunch" as it appears in said section and substitute the phrase "10 cents per lunch. For the fiscal years subsequent to the fiscal year beginning July 1, 1973, the national average payment shall reflect changes in the cost of operating the school lunch program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor."

(b) In any fiscal year in which the national average payment is increased above the amount prescribed in the previous fiscal year, the maximum Federal food-cost contribution rate, for the type of lunch served, as provided for under section 8 of the National School Lunch Act, shall be increased by a like amount.

SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 8. Section 13 of the National School Lunch Act is amended by adding the following to subsection (d) of said section: ": *Provided, however,* That the Secretary may enter into agreement with State educational agencies for the administration of the program in situations where it is conducted under sponsorship of the local government. In such situations the Secretary shall reimburse participating service institutions through State educational agencies under agreement with the Secretary".

COMPETITIVE FOODS

SEC. 9. (a) Section 9(a) of the National School Lunch Act (nutritional and other program requirements) is amended by adding at the end thereof the following: "Additional foods which make a significant nutritional contribution may be offered for sale to children during the periods of food service conducted under programs authorized under this Act and the Child Nutrition Act of 1966 to the extent such offerings are necessary to meet nutritional needs of pupils in participating schools: *Provided, however,* That the sale of such additional foods shall be under the management and control of the food service department of the school and proceeds from such sales shall accrue to said department."

(b) the second sentence of Section 10 of the Child Nutrition Act of 1966 (42 USC 1779) is deleted.

SPECIAL ASSISTANCE FUNDS

SEC. 10. (a) Section 11 of the National School Lunch Act is amended by redesignating subsection (h) as subsection (c), and by striking out subsections (a), (b), (c), (d), (e), (f), and (g) and inserting in lieu thereof the following:

"(a) Except as provided in section 10 of this Act, in each fiscal year each State educational agency shall receive special assistance payments in an amount to be determined in the following manner: multiplying the number of lunches (consisting of a combination of foods and meeting the minimum nutritional requirements prescribed by the Secretary pursuant to subsection 9(a) of this Act) served free to children eligible for such lunches in schools within that State during such fiscal year by the special-assistance factor for free lunches prescribed by the Secretary for such fiscal year and multiplying the number of lunches served at a reduced price to children eligible for such reduced-price lunches in schools within that State during such fiscal year by the special-assistance factor for reduced-price lunches prescribed by the Secretary for such fiscal year. For the fiscal year beginning July 1, 1973, the Secretary shall prescribe a special-assistance factor for free lunches of not less than 45 cents and a special-assistance factor for reduced-price lunches which shall be 10 cents less than the special-assistance factor for free lunches. For fiscal years subsequent to the fiscal year beginning July 1, 1974, the special-assistance factor to be prescribed by the Secretary for free lunches shall reflect changes in the cost of operating a school lunch program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor.

"(b) Except as provided in section 10 of the Child Nutrition Act of 1966, the special-assistance payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools of that State in financing the cost of providing free and reduced-price lunches served to children pursuant to subsection 9(b) of this Act. The amount of such special assistance funds that a school shall from time to time receive, within a maximum per lunch amount established by the Secretary for all States, shall be based on the need of the school for such special assistance. Such maximum per lunch amount established by the Secretary shall not be less than 60 cents."

(b) Subsection (c) of such section (as so redesignated by subsection (a)) is amended by adding at the end thereof the following:

"(4) Notwithstanding any other provision of this Act, in the case of any school attendance unit in which 85 per centum or more of the students are eligible for free or reduced-price meals, all students in such school attendance units shall be served meals free of charge. In such case, all meals served in such attendance unit shall be reimbursed at the special assistance factor for free lunches approved by the State educational agency."

COMMODITIES

SEC. 11. Section 9 of the National School Lunch Act is amended by adding the following subsection:

"(d) In any fiscal year in which the Secretary is unable to expend the full amounts budgeted and programmed for the purchase of commodities under section 6 of this Act and section 32 of the Act of August 24, 1935, the amounts unexpended shall be distributed among the States for the purchase of food by public and non-profit private schools participating in school lunch program. The determination of the amounts available for such distribution shall be made by February 1 of each fiscal year and the actual distribution shall be made as soon as practicable after that date, but in no event later than March 15. The distribution of funds to the States under this section shall be made on the basis of the formula used in allocating section 6 and section 32 commodities for the school lunch program among the States."

DEFINITIONS

SEC. 12. Subsection 5(e) of the Child Nutrition Act of 1966 is amended by adding the following sentence at the end of such subsection: "For the purposes of this subsection the term 'schools without a food service' shall include those schools which have initiated food service on a temporary and emergency basis and desire to establish an improved and more effective food service on a permanent basis to better meet the needs of children in attendance."

APPROPRIATIONS FOR NONFOOD ASSISTANCE

SEC. 13. The first sentence of section 5(a) of the Child Nutrition Act of 1966 is amended by deleting the figure "$20,000,000" and substituting the figure "$40,000,000".

EXTENSION OF PROGRAM TO ALL SCHOOLS

SEC. 14. Section 8 of the National School Lunch Act is amended by adding the following before the period at the end of said section: ": *Provided*, That a school food authority that operates a school lunch program under this Act in one or more of the public schools under its jurisdiction shall operate the program in all schools under its jurisdiction by no later than the fiscal year ending June 30, 1975. It is further provided that the national school lunch program is to be extended, by September 1, 1975, to all public schools in which children are in attendance who qualify for free or reduce-price lunches under the standards established by this Act."

INCLUSION OF TRUST TERRITORY

SEC. 15. Subsection (d) of section 12 of the National School Lunch Act, as amended, is amended by inserting the phrase "the Trust Territory of the Pacific Islands," before the word "or" in paragraph (1); by deleting paragraphs (4), (5), and (6); and by redesignating paragraph (7) as paragraph (4).

GRANTS FOR PROGRAM COSTS

SEC. 16. The National School Lunch Act is amended by adding at the end thereof the following:

"LOCAL COSTS OF SUPERVISION

"SEC. 17. The Secretary is authorized to make grants to State educational agencies, out of amounts appropriated by Congress for the purposes of this section, to assist in the supervision of local program operations. The grant to each State is to be determined on the basis of $250 for each school attendance unit participating in programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966."

By Mr. BURDICK:

S. 1064. A bill to improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification. Referred to the Committee on the Judiciary.

JUDICIAL DISQUALIFICATION

Mr. BURDICK. Mr. President, in recent years changes in, and nominations to, the Supreme Court have brought public attention to the subject of judicial disqualification. But these celebrated instances have merely focused consideration upon a problem which, at one time or another, can confront every one of our 667 Federal judges.

Under section 455 of title 28, a justice or judge must disqualify himself in four instances.

First, when he has a substantial interest in any case,

Second, when he has been of counsel in any case,

Third, when he has been a material witness in any case, or

Fourth, when he is so related to or connected with any party or his attorney as to render it improper, in his opinion, for him to sit on the proceeding.

Two instances, that is, when the judge has been a counsel or material witness in a case, are fairly definite. But the other two instances are uncertain, their indefiniteness hinging upon the term "substantial" in the one instance, and upon the terms "so related to or connected with—as to render it improper in his opinion," to sit.

It will be perceived, as a practical matter, that in these two instances the statute leaves the matter of disqualification to the "subjective" opinion of the judge, or as some cases state it "to the conscience of a particular judge." However, the real evil of our present law is not so much this uncertainty of language or the subjective nature of the ultimate test but rather the fact that there is a corollary rule of law which says that a judge "has a duty to sit." In other words, our system does not permit us to indulge the judge who would "rather not" sit in a particular case. Our system says "if you are not disqualified you must sit."

It has been suggested by many, and I am inclined to agree, that the legal standard which Congress has set up under section 455 has the effect of placing a judge on the horns of a dilemma. And, of course, it may be equally unsatisfactory to litigants and their attorneys in a particular case.

The public attention to the subject of judicial disqualification prompted the American Bar Association in 1969 to appoint a special committee on standards of judicial conduct charged with the duty to study and to recommend such revisions to the Canons of Judicial Ethics as would make the canons adequate to meet the current needs and problems. The distinguished judges, lawyers, and legal scholars on this special committee were guided by Roger J. Traynor, former chief justice of the California Supreme Court. The committee included Federal judges from all levels of the Federal bench. The committee's recommendations were finally approved by the House of Delegates of the American Bar Association in August 1972. This new Code of Judicial Conduct covers many facets of judicial deportment and behavior, both on and off the bench.

Of particular concern are the provisions of Canon 3C and 3D which deal with circumstances when a judge should disqualify himself from participating in the trial or decision of a case.

The bill which is being introduced today is based upon the newly recommended ABA Code of Judicial Conduct and would amend 28 U.S.C. 455 so as to follow the new canons. This bill, as does the Canon 3C, attempts to be as specific as possible in enumerating the instances when a Federal judge should disqualify himself. In addition, the bill sets up a general standard that a judge should disqualify himself when "his impartiality might reasonably be questioned." This language eliminates the "subjective" opinion of the judge as the basis for disqualification and substitutes a so-called "reasonable man" test of impartiality. By so doing the "duty to sit" concept is eliminated.

Disqualification of a judge accomplishes a twofold purpose: it insures that a judicial decision is not tainted with partiality and it enhances public confidence in the judicial system. Certainly at a time when there are 667 Federal judges, active and retired, and at a time when Congress is asked to create an additional 62 judgeships, it is not inappropriate for Congress to say that a judge, whose impartiality might reasonably be questioned should step aside and let another judge handle the proceeding.

It is believed that the enactment of this bill will do much to remove our Federal judges from the horns of the dilemma they currently face. Congress will have specified the amount and type of financial interest, the degree of relationship, and the prior association which forces disqualification. Congress will have relieved the judge of the "duty to sit" which presently clouds his judgment when he is forced to determine whether his interest in a case is so "substantial" as to require his disqualification.

Mr. President, I believe that a revision of the existing statute on disqualification is now required. I ask unanimous consent that the test of S. 1064 be printed in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1064

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 455 of title 28, United States Code, is amended to read as follows:

"§ 455. Disqualification of justice or judge

"(a) Any justice, judge, or magistrate of the United States shall disqualify himself in any proceeding in which his impartiality might reasonably be questioned.

"(b) He shall also disqualify himself in the following circumstances—

"(1) Where he has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceeding;

"(2) Where in private practice he served as lawyer in the matter in controversy, or a lawyer with whom he previously practiced law served during such association as a lawyer concerning the matter, or the judge or such lawyer has been a material witness concerning it;

"(3) Where he has served in governmental employment and in such capacity participated as counsel, advisor or material witness concerning the proceeding or expressed an opinion concerning the merits of the controversy;

"(4) He knows that he, individually or as a fiduciary, or his spouse or minor child residing in his household, has a financial interest in the subject matter in controversy or in a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding;

"(5) He or his spouse, or a person within the third degree of relationship to either of them, or the spouse of such a person;

"(i) Is a party to the proceeding, or an officer, director, or trustee of a party;

"(ii) Is acting as a lawyer in the proceeding;

"(iii) Is known by the judge to have an interest that could be substantially affected by the outcome of the proceeding;

"(iv) Is to the judge's knowledge likely to be a material witness in the proceeding;

"(c) A judge should inform himself about his personal and fiduciary financial interests, and make a reasonable effort to inform himself about the personal financial interests of his spouse and minor children residing in his household.

"(d) For the purposes of this section the following words or phrases shall have the meaning indicated:

"(1) "Proceeding" includes pre-trial, trial, appellate review or other stages of litigation;

"(2) The degree of relationship is calculated according to the civil law system;

"(3) "Fiduciary" includes such relationships as executor, administrator, trustee, and guardian;

"(4) "Financial interest" means ownership of a legal or equitable interest, however small, or a relationship as director, advisor, or other active participant in the affairs of a party, except that:

"(i) Ownership in a mutual or common investment fund that holds securities is not a "financial interest" in such securities unless the judge participates in the management of the fund;

"(ii) An office in an educational, religious, charitable, fraternal, or civic organization is not a "financial interest" in securities held by the organization;

"(iii) The proprietary interest of a policy holder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, is a "financial interest" in the organization only if the outcome of the proceeding could substantially affect the value of the interest;

"(iv) Ownership of government securities is a "financial interest" in the issuer only if the outcome of the proceeding could substantially affect the value of the securities.

"(e) No justice, judge, or magistrate shall accept from the parties to the proceeding a waiver of any ground for disqualification enumerated in subsection (b). Where the ground for disqualification arises only under subsection (a), waiver may be accepted provided it is preceded by a full disclosure on the record of the basis for disqualification."

"Sec. 2. This act shall not apply to the trial of any proceeding commenced prior to the date of this act, nor to appellate review of any proceeding which was fully submitted to the reviewing court prior to the date of this act."

By Mr. MAGNUSON (by request):

S. 1065. A bill to amend section 1306(a) of the Federal Aviation Act of 1958, as amended, to authorize the investment of the war risk insurance fund in securities of, or guaranteed by, the United States. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 1306(a) of the Federal Aviation Act of 1958, as amended, to authorize the investment of the war risk insurance fund in securities of, or guaranteed by, the United States and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., January 22, 1973.
Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for introduction and referral to the appropriate Committee is a draft bill "To amend section 1306 (a) of the Federal Aviation Act of 1958, as amended, to authorize the investment of the war risk insurance fund in securities of, or guaranteed by, the United States."

The purpose of this proposed legislation is to amend the War Risk Insurance Provisions of the Federal Aviation Act of 1958 to permit, at the request of the Secretary of Transportation, portions of the aviation war risk revolving fund to be invested by the Secretary of the Treasury in securities of the United States or in securities that are guaranteed as to principal and interest by the United States. The bill additionally provides that the interest and benefits accruing from these securities shall be deposited to the credit of that fund.

The present aviation war risk insurance program, as provided for in title XIII of the Federal Aviation Act (49 U.S.C. § 1531–1542), provides for war risk insurance policies to be issued by the Secretary under certain conditions (49 U.S.C. § 1532) and for the premiums received in consideration for such policies to be deposited in a revolving fund in the Treasury (49 U.S.C. § 1536(a)). There is no express authority under the existing title to invest the premiums for the benefit of the fund. The Department of the Treasury has advised us that the investment of treasury revolving funds is a common practice but that express statutory authority is a prerequisite to such investment.

Examples of such authority are found in 38 U.S.C. § 5228 which confers authority to invest and reinvest money in the General Post Fund of the Veterans Administration; 10 U.S.C. § 2601(d) which confers investment authority in relation to the National Credit Union Share Insurance Fund of the National Credit Union Administration; and 46 U.S.C. § 1288(a) which confers investment authority in relation to the maritime war risk insurance program. That section pertaining to maritime war risk insurance provides as follows:

"§ 1288. Insurance fund; investments; appropriations.

(a) The Secretary shall create an insurance fund in the Treasury to enable him to carry out the provisions of this title and all moneys received from premiums, salvage, or other recoveries and all receipts in connection with this title shall be deposited in the Treasury to the credit of such fund. Payments of return premiums, losses, settlements, judgments, and all liabilities incurred by the United tSates under this title shall be made from such fund through the Division of Disbursement, Treasury Department. Upon the request of the Secretary of Commerce, the Secretary of the Treasury may invest or reinvest all or any part of the fund in securities of the United States or in securities guaranteed as to principal and interest by the United States. The interest and benefits accruing from such securities shall be deposited to the credit of the fund."

The language in our proposed bill closely follows that of the maritime war risk program, as the Treasury Department has indicated to us that this language is acceptable, and since the aviation war risk insurance program has closely followed the maritime war risk insurance provisions. As the Senate Committee on Interstate and Foreign Commerce explained in reporting on the aviation bill in 1951:

"This bill follows very closely the marine war risk insurance legislation enacted on September 7, 1950. It varies first only in the extent necessary to make it applicable to aircraft and secondly, it is more restrictive than the marine legislation in that it limits the insurance to war-risk insurance. Further more, the bill authorizes suits under it in the district courts rather than in the admiralty courts." (S. Rept. No. 128, 82d Cong., 1st Sess. (1951), p. 4)

In 1962, the maritime war risk insurance program was amended by Public Law 82–743, (76 Stat. 740), and codified at 46 U.S.C. § 1288(a), for the purpose of expressly authorizing investment of the funds reposing in the maritime war risk insurance fund. In reporting out that bill, the House Committee on Merchant Marine and Fisheries concluded that the 1962 maritime war risk insurance legislation was essentially identical to the then-existing aviation program except for the 1962 bill's grant of investment authority. (H. Rept. No. 2220, 87th Cong, 2nd Sess. (1962), reprinted at 1962 U.S. Code Cong. & Ad. News, 2782).

Today, in view of the rather sizable sum of money that is currently available in the aviation war risk revolving fund and the possible continued growth of the fund, we recommend enactment of this proposed legislation, which is similar to the 1962 amendment to the maritime act, to authorize the Secretary of the Treasury to invest and reinvest all or any part of the aviation war risk insurance revolving fund upon the request of the Secretary of Transportation.

As of December 31, 1971, the fund balance reflected total earned premiums of $8,158,837.54 and premium deposits of $1,629,468.58. The amount representing premium deposits fluctuates only slightly while the earned premium account continues to grow (presently at the rate of $400,000.00 per month). Included in the earned premium totals is an accounts receivable item of $4,881,854.77 representing a loan made by the Department to Pan American World Airways in connection with the hijacking and subsequent destruction of their Boeing 747 aircraft on September 6, 1970 in Cairo, Egypt. The cash balance remaining is approximately $5,000,000.00.

In summary, the Department feels that authority should be granted to invest these insurance premiums for the benefit of the aviation war risk insurance program. The Federal Maritime Administration has advised us that since 1962, they have earned in excess of $1.5 million in interest on the maritime war risk revolving fund which is considerably smaller than the title XIII aviation fund. At the present premium level a conservative estimate of the annual investment income resulting from the enactment and implementation of this proposal would be approximately $200,000.00.

The Department has additionally considered the environmental and civil rights implications of this proposed action and believes that implementation of this proposal would have no significant impact in these areas.

The Office of Management and Budget advises that it has no objection to the submission of this proposed legislation to the Congress.

Sincerely,

JOHN A. VOLPE.

S. 1065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1306(a) of the Federal Aviation Act, 1958, (49 U.S.C. 1536), is amended by inserting at the end thereof the following: "Upon the request of the Secretary of Transportation, the Secretary of the Treasury may invest or reinvest all or any part of the fund in securities of the United States or in securities guaranteed as to principal and interest by the United States. The interest and benefits accruing from such securities shall be deposited to the credit of the fund."

By Mr. MAGNUSON (by request):

S. 1066. A bill to amend title 49, United States Code, to provide for criminal penalties for all who knowingly and willfully refuse or fail to file required reports, keep required data or falsify records; provide criminal penalties for unlawful carriage of persons for compensation or hire; to increase the civil penalty limits; and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend title 49, United States Code, to provide for criminal penalties for all who knowingly and willfully refuse or fail to file required reports, keep required data or falsify records; provide criminal penalties for unlawful carriage of persons for compensation or hire; to increase the civil penalty limits; and for other purposes, and ask unanimous consent that the letter of transmittal, and section-by-section analysis be printed in the Record with the text of the bill.

There being no objection, the letter, analysis, and bill were ordered to be printed in the Record, as follows:

The Secretary of Transportation,
Washington, D.C., January 22, 1973.
Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: Enclosed for introduction and referral to the appropriate Committee is a draft bill "To amend title 49, United States Code, to provide for criminal penalties for all who knowingly and willfully refuse or fail to file required reports, keep required data or falsify records; provide criminal penalties for unlawful carriage of persons for compensation or hire; to increase the civil penalty limits; and for other purposes."

The Department of Transportation is proposing this legislation amending sections 901 and 902 of the Federal Aviation Act of 1958, as amended (49 U.S.C. § 1471–1472), to combat violations of the Federal Aviation Act, and regulations and orders issued thereunder by those who engage in common or private carriage of persons or property for compensation or hire. In recent years the Department has been investigating a significant number of commercial operations and has found frequent violations of provisions of the Federal Aviation Act and the regulations and orders issued pursuant thereto. This legislation has been drafted with a keen awareness of the needs of aviation safety as an attempt at deterring future violations.

Specifically, the bill would increase the maximum civil penalties in section 901 from $1,000 to $25,000 and amend section 902 to apply criminal penalties for the carriage of persons for compensation or hire without an appropriate safety operating certificate. Criminal sanctions would also attach to commercial operators and others who fail to file reports with the Civil Aeronautics Board or Secretary of Transportation, fail to keep required records, or falsify any such reports or data.

Section 901(a) of the Federal Aviation Act currently provides a civil penalty not to exceed $1,000 for each violation of titles III, IV, V, VI, VII, or XII of the Act, section 1002(i) of the Act, or any regulations or orders promulgated pursuant thereto. We are convinced that the prescribed maximum penalty is an inadequate deterrent to such violations. For example, our investigations have shown that many unlawful commercial operators assume the $1,000 civil penalty as a cost of doing business and continue to operate illegally at substantial profits. Therefore, section 1 of this draft bill would increase the maximum penalty to $25,000 to eliminate any economic incentive to maintain these unlawful commercial operations.

Section 901 of the Federal Aviation Act provides a valuable enforcement tool frequently used by the Department's Federal Aviation Administration. Increasing the civil penalty limits for each violation of the above-enumerated titles of the Act and the regulations and orders promulgated pursuant thereto, therefore, would not be confined to imposing sanctions for unlawful commercial operations. For instance, the Department could usefully employ these increased civil penalty limits to enforce the recently adopted provisions of Parts 121 and 107 of the Federal Aviation Regulations which pertain to airport and aircraft security. We feel that this amendment to section 901 of the Act would effectively assist the Department in meeting the continued threat of aircraft hijackings and would be consonant with the President's Anti-Hijacking Program. This bill retains the provision of section 901(a)(2) whereby the Secretary of Transportation may compromise the imposition of such civil penalties.

Section 2 of the bill adds new section 902(b) to provide additional criminal penalties for the unlawful carriage of persons for compensation or hire without an appropriate certificate. We feel that the existence of a substantial criminal sanction in this area, in addition to the existing non-criminal enforcement procedures, would aid us considerably in curbing this kind of operation. During hearings before the Senate Commerce Committee in March 1971, Chairman Browne of the Civil Aeronautics Board recommended that criminal penalties be applied to unlawful operators of aircraft carrying passengers or cargo for compensation or hire. We have not included criminal sanctions for the unlawful carriage of *property* in section 2 of our proposed bill, as this type of unlawful operations does not present the same potential risk to human safety as does the carriage of persons.

Section 3 of the bill amends section 902(e) of the Act. That section currently provides criminal penalties for air carriers (or any officer, agent, employee, or representative thereof) who knowingly and willfully refuse or fail to file required reports, fail to keep required data, or falsify or mutilate required reports. This amendment would place commercial operators and others within the purview of this section. We feel that this amendment is vitally needed in view of past experiences which have revealed instances of such conduct by commercial operators. We see no reason to excuse them, or others for that matter, from this responsibility.

This Department has considered the environmental and civil rights implications of this proposed action and believes that implementation of this proposal would have no adverse impact in these areas.

The Office of Management and Budget advises that it has no objection to our submission of this proposed legislation to the Congress.

Sincerely,

John A. Volpe.

Section-by-Section Analysis

Section 1. This section amends Section 901 (a)(1) of the Federal Aviation Act of 1958, as amended [49 U.S.C. § 1471(a)(1)] to increase the civil penalty limits for each violation of the provisions of titles III, IV, V, VI, VII, or XII of the Act, Section 1002(i) of the Act, and the regulations and orders promulgated pursuant to it, from $1,000 to $25,000. Past Department investigations of commercial operations have shown that the existing penalty of $1,000 is an inadequate deterrent to future violations of these provisions, since many commercial operators accept this penalty as a cost of doing business. The proposed increase in penalties to $25,000 for each violation would potentially eliminate the profit in most of these unlawful operations. Increasing the civil penalty limits for each violation would, of course, not be confined to imposing sanctions on commercial operations, as the increased limits would apply to violations of the above enumerated titles and all regulations and orders promulgated pursuant to the Act, including the recently adopted provisions of the Federal Aviation Regulations Parts 121 and 107 pertaining to airport and aircraft security. This amendment to Section 901 of the Act would substantially assist the Department in curbing aircraft hijackings.

Section 2. This section adds a new Section 902(b) to the Act [49 U.S.C. § 1472(b)] to provide additional criminal penalties for the unlawful carriage of persons for compensation or hire without an appropriate certificate issued by the Secretary of Transportation. The proposed sanctions, consisting of a fine not exceeding $25,000 or imprisonment not exceeding 5 years would aid considerably in curbing these illegal operations. The Chairman of the CAB, during hearings before the Senate Commerce Committee in March 1971, recommended that criminal sanctions attach to unlawful operators of aircraft carrying passengers or cargo for compensation or hire. This section does not include criminal sanctions for the unlawful carriage of property, as this type of unlawful operation does not present the same potential risk to human safety as does the carriage of persons. This limitation in Section 2 is based upon our awareness of the intensely difficult burden of proof associated with the prosecution of such violators.

Section 3. This section amends section 902(e) of the Act [49 U.S.C. § 1472(e)] to provide criminal penalties in amounts ranging from $100 to $5,000 for anyone who knowingly and willfully refuses or fails to file required reports, fails to keep required data, or falsifies or mutilates required reports. Section 902(e) currently provides these penalties for air carriers only. This proposed amendment would place commercial operators and others within the purview of this section.

COST ANALYSIS

We have reviewed this legislation for a 5-year period and anticipate that it will not have a budgetary impact.

S. 1066

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, The first sentence of section 901(a)(1) of the Federal Aviation Act of 1958 (49 U.S.C. § 1471) is amended to read as follows:

"Any person who violates (A) any provision of Title III, IV, V, VI, VII, or XII of this Act, or any rule, regulation, or order issued thereunder, or under Section 1002(i), or any term, condition, or limitation of any permit or certificate issued under Title IV, or (B) any rule or regulation issued by the Postmaster General under this Act, shall be subject to a civil penalty of not to exceed $25,000 for each such violation."

Sec. 2. Section 902 of the Federal Aviation Act of 1958 (49 U.S.C. § 1472) is amended by redesignating existing subsections (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), n), and (o), and any references thereto contained in such Act, as subsections (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), and (p), respectively, and by inserting a new subsection (b) as follows:

"Illegal Carriage of Persons for Compensation or Hire

"(b) Any person who knowingly and willfully operates a civil aircraft in air commerce carrying persons for compensation or hire without an appropriate certificate issued by the Secretary authorizing such operation shall be subject to a fine of not exceeding $25,000 or to imprisonment not exceeding 5 years, or to both such fine and imprisonment."

Sec. 3. Section 902(e) of the Federal Aviation Act of 1958 (49 U.S.C. § 1472(e)) is amended to read as follows:

"(f) Any person who shall, knowingly and willfully fail or refuse to make a report to the Board or Secretary of Transportation as required by this Act, or to keep or preserve accounts, records, and memoranda in the form and manner prescribed or approved by the Board or Secretary of Transportation, or shall, knowingly and willfully falsify, mutilate or alter any such report, account, record or memorandum, or shall knowingly and willfully file any false report, account, record or memorandum, shall be deemed guilty of a misdemeanor and, upon conviction thereof, be subject for each offense to a fine of not less than $100 and not more than $5,000."

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 1067. A bill to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, on behalf of myself and the Senator from New Hampshire (Mr. Cotton) I introduce, by request, for appropriate reference, a bill to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and the 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes, and ask unanimous consent that the letter of transmittal and changes in existing law be printed in the Record with the text of the bill.

There being no objection, the material and bill were ordered to be printed in the Record, as follows:

The Secretary of Transportation,
Washington, D.C., February 15, 1973.

Hon. Spiro T. Agnew,
President of the Senate,
Washington, D.C.

Dear Mr. President: There is transmitted herewith a draft of a proposed bill, "To amend the Oil Pollution Act, 1961, (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended; and for other purposes."

The proposed bill would incorporate into the existing domestic law which implements the original 1954 Oil Pollution Convention the latest amendments to the Convention adopted by the Intergovernmental Maritime Consultative Organization (IMCO) by Resolution A.175(VI) on October 21, 1969; Resolution A.232 (VII) on October 12, 1971, and Resolution A.246(VII) on October 15, 1971. You will recall that ratification of the 1969 amendments was advised and consented to by the Senate on September 20, 1971. Additionally in May 1972 the 1971 amendments were submitted to the Senate for their advice and consent. The submission of draft legislation at this time is in accord with the Executive Branch intention of seeking legislative implementation at the earliest possible time.

The 1969 convention changes, particularly as they impose more stringent constraints on oil and oily mixture discharges from vessels anywhere, represent another advancing step toward remedy of ocean oil pollution, a major international as well as national environmental problem. Those amendments abandon the concept which prohibited discharges within certain zones (generally within 50 miles of land) and which discouraged but did not prohibit indiscriminate discharges in the open sea beyond the zones. Under the amendments and the legislation here proposed, discharges will be prohibited anywhere unless certain conditions are met. Those conditions relate to discharge rate, oily mixture dilution, total quantity of oil discharged, and distance from land. For example, a tanker will be prohibited from any discharges within 50 miles of land, and beyond that distance may only discharge while proceeding enroute and so long as a discharge of oil content does not exceed 60 liters per mile, and provided that the total quantity of oil discharged on a ballast voyage does not exceed 1/15,000 of the total cargo-carrying capacity of the vessel.

The 1971 amendments apply the distance from land criterion for discharges of oil and oily mixtures to the area of the Great Barrier Reef as if it were land, and concern tank arrangements and limitations of tank size for new tank vessels. The objective of the amendments relating to tank arrangements and tank size is to limit the quantity of oil which can escape into the sea as the result of collision or other vessel casualty.

In addition to the criminal penalties now provided for violations of the 1961 Act these proposed amendments would make civil penalties also available for more flexible and effective enforcement. Article VI of the Oil Pollution Convention requires that penalties which a country imposes for unlawful discharges by domestic vessels beyond its territorial sea shall not be less than those for the same infringements within the territorial sea. That requirement will be satisfied because the civil penalties proposed in the draft bill are equal to or larger in amount than those contained in section 311 of the Federal Water Pollution Control Act (P.L. 92–500).

It would be appreciated if you would lay this proposal before the Senate. A similar proposal has been submitted to the Speaker of the House of Representatives.

The Office of Management and Budget advises that this proposed legislation is consistent with the Administration's objectives.

Sincerely,

Claude S. Brinegar.

Comparative Type Showing Changes in Existing Law Made by Proposed Bill

(Matter proposed to be deleted is enclosed in brackets; new matter is italic).

OIL POLLUTION ACT, 1961 (33 U.S.C. 1001–1015)

Public Law 87–167; 75 Stat. 402 as amended P.L. 89–551; 80 Stat. 372. An Act to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That: This Act, to implement the provisions of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended, may be cited as the "Oil Pollution Act, 1961, as amended".

Sec. 2. Definitions.—As used in this Act, unless the context otherwise requires—

(a) The term "convention" means the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended;

(b) The term "discharge" in relation to oil or to an oily mixture means any discharge or escape howsoever caused;

(c) *The term "instantaneous rate of discharge of oil content" means the rate of discharge of oil in liters per hour at any instant divided by the speed of the ship in knots at the same instant;*

[(c)] (*d*) The term "heavy diesel oil" means [marine] diesel oil, other than those distillates of which more than 50 per centum, by volume distills at a temperature not exceeding three hundred and forty degrees centigrade when tested by American Society for the Testing of Materials standard method [D. 86/59] *D. 86–71 or any later revisions subject to regulatory acceptance by the Coast Guard.*

[(d)] (*e*) The term "mile" means a nautical mile of six thousand and eighty feet or one thousand eight hundred and fifty-two meters;

[(e)] (*f*) The term "oil" means crude oil, fuel oil, heavy diesel oil, and lubricating oil, and "oily" shall be construed accordingly [.]*;* [An] *an* "oily mixture" means a mixture with [an] *any* oil content; [of one hundred parts or more in one million parts of mixture.]

[(f)] (*g*) The term "person" means an individual, partnership, corporation, or association; and any owner, operator, agent, master, officer, or employee of a ship;

[(g) The term "prohibited zones" means the zones described in section 12 of this Act as modified by notices, if any, of extension or reduction issued by the Secretary;]

(h) The term "Secretary" means the Secretary of the [Army;] *department in which the Coast Guard is operating;*

(i) The term "ship", subject to the exceptions provided in paragraph (1) of this subsection, means any seagoing vessel of any type whatsoever of American registry or nationality, including floating craft, whether self-propelled or towed by another vessel making a sea voyage; and "tanker", as a type included within the term "ship", means a ship in which the greater part of the cargo space is constructed or adapted for the carriage of liquid cargoes in bulk and which is not, for the time being, carrying a cargo other than oil in that part of its cargo space.

(1) The following categories of vessels are excepted from all provisions of this Act:

(i) tankers of under one hundred and fifty tons gross tonnage and other ships of under five hundred tons gross tonnage.

(ii) ships for the time being engaged in the whaling industry when actually employed on whaling operations.

(iii) ships for the time being navigating the Great Lakes of North America and their connecting and tributary waters as far east as the lower exit of Saint Lambert lock at Montreal in the Province of Quebec, Canada.

(iv) naval ships and ships for the time being used as naval auxiliaries.

(j) The term "from the nearest land" means from the baseline from which the territorial sea of the territory in question is established in accordance with the Geneva Convention on the Territorial Sea and the Contiguous Zone, 1958; *except that, for the purpose of this Act "from the nearest land" off the northeastern coast of Australia means a line drawn from a point on the coast of Australia in latitude 11° south, longitude 142°08′ East to a point in latitude 10°35′ South, longitude 141°55′ East—*

thence to a point latitude 10°00′ South, longitude 142°00′ East

thence to a point latitude 9°10′ South, longitude 143°52′ East

thence to a point latitude 9°00′ South, longitude 144°30′ East

thence to a point latitude 13°00′ South, longitude 144°00′ East

thence to a point latitude 15°00′ South, longitude 146°00′ East

thence to a point latitude 18°00′ South, longitude 147°00′ East

thence to a point latitude 21°00′ South, longitude 153°00 East

thence to a point on the coast of Australia in latitude 24°42′ South, longitude 153°15′ East.

Sec. 3. Subject to the provisions of sections 4 and 5, [it shall be unlawful for any person to discharge oil or oily mixture from:

[(a) a tanker within any of the prohibited zones.

[(b) a ship, other than a tanker, within any of the prohibited zones, except when the ship is proceeding to a port not provided with facilities adequate for the reception, without causing undue delay, it may discharge such residues and oily mixture as would remain for disposal if the bulk of the water had been separated from the mixture: Provided, such discharge is made as far as practicable from land.

[(c) a ship of twenty thousand tons gross tonnage or more, including a tanker, for which the building contract is placed on or after the effective date of this Act. However, if in the opinion of the master, special circumstances make it neither reasonable nor practicable to retain the oil or oily mixture on board, it may be discharged outside the prohibited zones. The reasons for such discharge shall be reported in accordance with the regulations prescribed by the Secretary.] *the discharge of oil or oily mixture from a ship is prohibited unless—*

(a) the ship is proceeding enroute; and

(b) the instantaneous rate of discharge of oil content does not exceed 60 liters per mile, and

(c) (1) for a ship, other than a tanker—

(i) the oil content of the discharge is less than 100 parts per 1,000,000 parts of the mixture, and

(ii) the discharge is made as far as practicable from land;

(2) for a tanker, except discharges from machinery space bilges which shall be governed by the above provisions for ships other than tankers,—

(i) the total quantity of oil discharged on a ballast voyage does not exceed 1/15,000 of the total cargo-carrying capacity, and

(ii) the tanker is more than 50 miles from the nearest land.

Sec. 4. Section 3 [shall] *does* not apply to—

(a) the discharge of oil or oily mixture from a ship for the purpose of securing the safety of a ship, preventing damage to a ship or cargo, or saving life at sea; or

(b) the escape of oil, or of oily mixture, resulting from damage to a ship or unavoidable leakage, if all reasonable precautions have been taken after the occurrence of the damage or discovery of the leakage for the purpose of preventing or minimizing the escape[;].

[(c) the discharge of residue arising from the purification or clarification of fuel oil or lubricating oil: Provided, That such discharge is made as far from land as practicable.]

Sec. 5. Section 3 [shall] *does* not apply to the discharge [from the bilges of a ship of an oily mixture containing no oil other than lubricating oil which has drained or leaked from machinery spaces.] *of tanker ballast from a cargo tank which, since the cargo was last carried therein, has been so cleaned that any effluent therefrom, if it were discharged from a stationary tanker into clean calm water on a clear day, would produce no visible traces of oil on the surface of the water.*

Sec. 6.

(a) Every tanker to which this Act applies and built in the United States and for which the building contract is placed on or after the effective date of this section shall be constructed in accordance with the provisions of Annex C to the convention, relating to tank arrangement and limitation of tank size.

(b) Every tanker to which this Act applies and built in the United States and for which the building contract is placed, or in the absence of a building contract the keel of which is laid or which is at a similar state of construction, before the effective date of this section, shall, within two years after that date, comply with the provisions of Annex C to the convention if

(1) the delivery of the tanker is after 1 January 1977; or

(2) the delivery of the tanker is not later than 1 January 1977 and the building contract is placed after 1 January 1972, or in cases where no building contract has previously been placed, the keel is laid or the tanker is at a similar stage of construction, after 30 June 1972.

(c) A tanker required under this section to be constructed in accordance with Annex C to the convention and so constructed shall carry on board a certificate issued by the Secretary attesting to that compliance. A tanker which is not required to be constructed in accordance with Annex C to the convention shall carry on board a certificate to that effect issued by the Secretary, or if a tanker does comply with Annex C though not required to do so, she may carry on board a certificate issued by the Secretary attesting to that compliance. Tankers under the flag of the United States are prohibited from engaging in domestic or foreign trade without an appropriate certificate issued under this section.

(d) Certificates issued to foreign tankers pursuant to the convention by other nations party thereto shall be accepted by the Secretary as of the same force as certificates issued by him. If the Secretary has clear grounds for believing that a foreign tanker required under the convention to be constructed in accordance with Annex C entering ports of the United States or using off-shore terminals under United States control does not in fact comply with Annex C, he may request the Secretary of State to seek consultation with the government with which such tanker is registered. If, after consultation or otherwise, the Secretary is satisfied that the tanker does not comply with Annex C, he may for this reason deny such tanker access to ports of the United States or to off-shore terminals under United States control until such time as he is satisfied that the tanker has been brought into compliance.

(e) If the Secretary is satisfied that any other foreign tanker which, if registered in a country party to the convention, would be required to be constructed in accordance with Annex C, does not in fact comply with the standards relating to tank arrangement and limitation of tank size of Annex C, then he may deny such tanker access to ports of the United States or to off-shore terminals under United States control.

Sec. [6] 7. [Any person who violates any provision of the Act, except section 8(b) and 9, or any regulations prescribed in pursuance thereof, is guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding $2,500 nor less than $500, or by imprisonment not exceeding one year, or by both such fine and imprisonment, for each offense. And any ship (other than a ship owned and operated by the United States) from which oil is discharged in violation of this Act, or any regulation prescribed in pursuance thereof, shall be liable for the pecuniary penalty specified in this section, and clearance of such ship from a port of the United States may be withheld until the penalty is paid, and said penalty shall constitute a lien on such ship which may be recovered in proceedings by libel in rem in the district court of the United States for any district within which the ship may be.]

(a) Any person who willfully discharges oil or oily mixture from a ship in violation of this Act or the regulations thereunder shall be fined not more than $10,000 for each violation or imprisoned not more than one year, or both.

(b) In addition to any other penalty prescribed by law any person who willfully or negligently discharges oil or oily mixture from a ship in violation of this Act or any regulation thereunder shall be liable to a civil penalty of not more than $10,000 for each violation, and any person who otherwise violates this Act or any regulation thereunder shall be liable to a civil penalty of not more than $5,000 for each violation.

(c) A ship from which oil or oily mixture is discharged in violation of this Act or any regulation thereunder is liable for any pecuniary penalty under this section and may be proceeded against in the district court of any district in which the vessel may be found.

(d) The Secretary may assess any civil penalty incurred under this Act or any regulation thereunder and, in his discretion, remit, mitigate, or compromise any penalty. No penalty may be assessed unless the alleged violator shall have been given notice and the opportunity to be heard on the alleged violation. Upon any failure to pay a civil penalty assessed under this Act, the Secretary may request the Attorney General to institute a civil action to collect the penalty. In hearing such action, the district court shall have authority to review the violation and the assessment of the civil penalty de novo.

Sec. [7] *8.* The Coast Guard may, subject to the provisions of section 4450 of the Revised Statutes, as amended (46 U.S.C. 239), suspend or revoke a license issued to the master or other licensed officer of any ship found violating the provisions of this Act or the regulations issued pursuant thereto.

Sec. [8] *9.* In the administration of sections 1–12 of this Act, the Secretary may [make use of the organization, equipment, and agencies, including engineering, clerical, and other personnel, employed under his direction in the improvement of rivers and harbors and in the enforcement of laws for the improvement of rivers and harbors and in the enforcement of laws for the preservation and protection of navigable waters] *utilize by agreement, with or without reimbursement, law enforcement officers or other personnel, facilities or equipment of other Federal agencies or the States.* For the better enforcement of the provisions of said sections, [the officers and agents of the United States in charge of river and harbor improvements and persons employed under them by authority of the Secretary, and officers and employees of the Bureau of Customs and the Coast Guard] *officers of the Coast Guard and other persons employed by or acting under the authority of the Secretary* shall have power and authority and it shall be their duty to swear out, process and to arrest and take into custody, with or without process, any person who may violate any of said provisions: Provided, That no person shall be arrested without process for a violation not committed in the presence of some one of the aforesaid officials: And provided further, That whenever any arrest is made under the provisions of said sections the person so arrested shall be brought forthwith before a commissioner, judge, or court of the United States for examination of the offenses alleged against him; and such commissioner, judge, or court shall proceed in respect thereto as authorized by law in cases of crimes against the United States. Representatives of the Secretary [and of the Bureau of Customs] and Coast Guard of the United States may go on board and inspect any ship [in a prohibited zone or in a port of the United States] as may be necessary for enforcement of this Act.

(b) To implement article VII of the convention, ship fittings and equipment, and operating requirements thereof, shall be in accordance with regulations prescribed by the Secretary. [of the Department in which the Coast Guard is operating. Any person found violating these regulations shall, in addition to any other penalty prescribed by law, be subject to a civil penalty not in excess of $100.]

Sec. [9] *10.* (a) The Secretary shall have printed separate oil record books containing instructions and spaces for inserting information in the form prescribed by the Convention, which shall be published in regulations prescribed by the Secretary.

(b) If subject to this Act, every ship using oil fuel and every tanker shall be provided, without charge, an oil record book which shall be carried on board. The provisions of Section 140 of Title 5, United States Code, shall not apply. The ownership of the booklet shall remain in the United States Government. This book shall be available for inspection as provided in this Act and for surrender to the United States Government pursuant to regulations of the Secretary.

[(c) The oil record book shall be completed on each occasion, whenever any of the following operations takes place in the ship:

[(1) ballasting of and discharge of ballast from cargo tanks of tankers;

[(2) cleaning of cargo tanks of tankers;

[(3) settling in slop tanks and discharge of water from tankers;

[(4) disposal from tankers of oily residues from slop tanks or other sources;

[(5) ballasting, or cleaning during voyage, of bunker fuel tanks of ships other than tankers;

[(6) disposal from ships other than tankers of oily residues from bunker fuel tanks or other sources;

[(7) accidental or other exceptional discharges or escapes of oil from tankers or ships other than tankers.]

(c) *The oil record book shall be completed on each occasion, on a tank-to-tank basis, whenever any of the following takes place in the ship:*

(*1*) *for tankers;*

(*i*) *loading of oil cargo;*

(*ii*) *transfer of oil cargo during voyage;*

(*iii*) *discharge of oil cargo;*

(*iv*) *ballasting of cargo tanks;*

(*v*) *cleaning of cargo tanks;*

(*vi*) *discharge of dirty ballast;*

(*vii*) *discharge of water from slop tank;*

(*viii*) *disposal of residues;*

(*ix*) *discharge overboard of bilge water containing oil which has accumulated in machinery spaces while in port, and the routine discharge at sea of bilge water containing oil unless the latter has been entered in the appropriate log book;*

(*2*) *for ships other than tankers:*

(*i*) *ballasting or cleaning of bunker fuel tanks;*

(*ii*) *discharge of dirty ballast or cleaning water from bunker fuel tanks;*

(*iii*) *disposal of residues;*

(*iv*) *discharge overboard of bilge water containing oil which has accumulated in machinery spaces while in port, and the routine discharge at sea of bilge water containing oil unless the latter has been entered in the appropriate log book.*

In the event of such discharge or escape of oil or oily mixture, as is referred to in section[s 3(c) and] 4 of this Act, a statement shall be made in the oil record book of the circumstances of, and reason for, the discharge or escape.

(d) Each operation described in section [9] *10* (c) of the Act shall be fully recorded without delay in the oil record book so that all the entries in the book appropriate to that operation are completed. Each page of the book shall be signed by the officer or officers in charge of the operations concerned and, when the ship is manned, by the master of the ship.

(e) Oil record books shall be kept in such manner and for such length of time as set forth in the regulations prescribed by the Secretary.

[(f) If any person fails to comply with the requirements imposed by or under this section, he shall be liable on conviction to a fine not exceeding $1,000 nor less than $500 and if any person makes an entry in any records kept in accordance with this Act or regulations prescribed thereunder by the Secretary which is to his knowledge false or misleading in any material particular, he shall be liable on conviction to a fine not exceeding $1,000 nor less than $500 or imprisonment for a term not exceeding six months, or both.]

Sec. [10] *11.* The Secretary may make regulations for the administration of sections 3, 4, 5, *6, 7* [8(a)], 9 and [12] *10.*

Sec. 11 *12.* (a) The Secretary may make regulations empowering such persons as may be designated to go on board any ship to which the convention applies, while the ship is within the territorial jurisdiction of the United States, and to require production of any records required to be kept in accordance with the convention.

(b) Should evidence be obtained that a ship registered in another country party to the convention has discharged oil in *violation of the convention but outside the territorial sea of the United States* [any prohibited zone], such evidence should be forwarded to the State Department for action in accordance with article X of the convention.

[Sec. 12. Prohibited zones, publications of reduction or extension of zones

[(a) All sea areas within fifty miles from the nearest land shall be prohibited zones, subject to extensions or reduction effectuated in accordance with the terms of the Convention, which shall be published in regulations prescribed by the Secretary.

[(b) With respect to the reduction or extension of the zones described under the terms of the Convention, the Secretary shall give notice thereof by publication of such information in Notices to Mariners issued by the United States Coast Guard and United States Navy.]

Sec. [14] *13.* There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Sec. [15] *14.* If a provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Sec. [16] *15.* Nothing in this Act or in regulations issued hereinunder shall be construed to modify or amend the provisions of *section 311 of the* [Oil Pollution Act, 1924.] *Federal Water Pollution Control Act,* or of section 89 of Title 14.

[Sec. 17. (a) This Act shall become effective upon the date of its enactment or upon the date the amended Convention becomes effective as to the United States, whichever is the later date.

[(b) Any rights or liabilities existing on the effective date of this Act shall not be affected by the enactment of this Act. Any procedures or rules or regulations in effect on the effective date of this Act shall remain in effect until modified or superseded under the authority of the Act. Any reference in any other law or rule or regulation prescribed pursuant to law to the "International Convention for the Prevention of the Pollution of the Sea by Oil, 1954," shall be deemed to be a reference to that Convention as revised by the "amendments of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954," which were adopted by a Conference of contracting Governments convened at London on April 11, 1962. Any reference in any other law or rule or regulation prescribed pursuant to law to the "Oil Pollution Act, 1961," approved August 30, 1961, shall be deemed to be a reference to that Act as amended by this Act.]

S. 1067

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Oil Pollution Act Amendments of 1973.

Sec. 2. The Oil Pollution Act, 1961 (75 Stat. 402), as amended (33 U.S.C. 1001–1015), is amended as follows:

(1) Section 2 (33 U.S.C. 1001) is amended—

(A) by redesignating subsections (c), (d), (e), and (f), as subsections (d), (e), (f), and (g), respectively;

(B) by adding a new subsection (c) to read, "(c) The term "instantaneous rate of discharge of oil content' means the rate of discharge of oil in liters per hour at any instant divided by the speed of the ship in knots at the same instant;";

(C) in subsection (c) [redesignated (d) by subparagraph (A) of this paragraph]:

(1) by deleting the word "marine"; and

(2) by deleting the figures "D–86/59" at the end of the sentence and inserting in lieu thereof the phrase "D.86–71 or any later revisions subject to regulatory acceptance by the Coast Guard";

(D) in subsection (e) [redesignated (f) by subparagraph (A) of this paragraph] by changing the period to a semicolon at the end of the first sentence thereof and by amending the second sentence to read "an 'oily mixture' means a mixture with any oil content;";

(E) by repealing subsection (g); and

(F) by amending subsection (h) to read "The term 'Secretary' means the Secretary of the department in which the Coast Guard is operating;".

(G) in subsection (j) by changing the period to a semicolon and by adding the following to the sentence:

"except that, for the purpose of this Act 'from the nearest land' off the northeastern coast of Australia means a line drawn from a point on the coast of Australia in latitude 11° South, longitude 142°08′ East to a point in latitude 10°35′ South, longitude 141°55′ East—

thence to a point latitude 10°00′ South, longitude 142°00′ East

thence to a point latitude 9°10′ South, longitude 143°52′ East

thence to a point latitude 9°00′ South, longitude 144°30′ East

thence to a point latitude 13°00′ South, longitude 144°00′ East

thence to a point latitude 175°00′ South, longitude 146°00′ East

thence to a point latitude 18°00′ South, longitude 147°00′ East

thence to a point latitude 21°00′ South, longitude 153°00′ East

thence to a point on the coast of Australia in latitude 24°42′ South, longitude 153°15′ East."

(2) Section 3 (33 U.S.C. 1002) is amended to read as follows:

"Sec. 3. Subject to the provisions of sections 4 and 5, the discharge of oil or oily mixture from a ship is prohibited unless—

(a) the ship is proceeding enroute; and

(b) the instantaneous rate of discharge of oil content does not exceed 60 liters per mile, and

(c) (1) for a ship, other than a tanker—

(i) the oil content of the discharge is less than 100 parts per 1,000,000 parts of the mixture, and

(ii) the discharge is made as far as practicable from land;

(2) for a tanker, except discharges from machinery space bilges which shall be governed by the above provisions for ships other than tankers—

(i) the total quantity of oil discharged on a ballast voyage does not exceed 1/15,000 of the total cargo-carrying capacity, and

(ii) the tanker is more than 50 miles from the nearest land.".

(3) Section 4 (33 U.S.C. 1003) is amended—

(A) by changing the word "shall" to "does" in the introductory clause thereof;

(B) by changing the semicolon to a period at the end of subsection (b) thereof; and

(C) by repealing subsection (c) thereof.

(4) Section 5 (33 U.S.C. 1004) is amended to read as follows:

"Sec. 5. Section 3 does not apply to the discharge of tanker ballast from a cargo tank which, since the cargo was last carried therein, has been so cleaned that any effluent therefrom, if it were discharged from a stationary tanker into clean calm water on a clear day, would produce no visible traces of oil on the surface of the water.".

(5) Insert a new section 6, to read as follows, following section 5:

"Sec. 6. (a) Every tanker to which this Act applies and built in the United States and for which the building contract is placed on or after the effective date of this section shall be constructed in accordance with the provisions of Annex C to the convention, relating to tank arrangement and limitation of tank size.

(b) Every tanker to which this Act applies and built in the United States and for which the building contract is placed, or in the absence of a building contract the keel of which is laid or which is at a similar state of construction, before the effective date of this section, shall, within two years after that date, comply with the provisions of Annex C to the convention if

(1) the delivery of the tanker is after 1 January 1977; or

(2) the delivery of the tanker is not later than 1 January 1977 and the building contract is placed after 1 January 1972, or in cases where no building contract has previously been placed, the keel is laid or the tanker is at a similar stage of construction, after 30 June 1972.

(c) A tanker required under this section to be constructed in accordance with Annex C to the convention and so constructed shall carry on board a certificate issued by the Secretary attesting to that compliance. A tanker which is not required to be constructed in accordance with Annex C to the convention shall carry on board a certificate to that effect issued by the Secretary, or if a tanker does comply with Annex C though not required to do so, she may carry on board a certificate issued by the Secretary attesting to that compliance. Tankers under the flag of the United States are prohibited from engaging in domestic or foreign trade without an appropriate certificate issued under this section.

(d) Certificates issued to foreign tankers pursuant to the convention by other nations party thereto shall be accepted by the Secretary as the the same force as certificates issued by him. If the Secretary has clear grounds for believing that a foreign tanker required under the convention to be constructed in accordance with Annex C entering ports of the United States or using off-shore terminals under United States control does not in fact comply with Annex C, he may request the Secretary of State to seek consultation with the government with which the tanker is registered. If after consultation or otherwise, the Secretary is satisfied that such tanker does not comply with Annex C, he may for this reason deny such tanker access to ports of the United States or to off-shore terminals under United States control until such time as he is satisfied that the tanker has been brought into compliance.

(e) If the Secretary is satisfied that any other foreign tanker which, if registered in a country party to the convention, would be required to be constructed in accordance with Annex C, does not in fact comply with the standards relating to tank arrangement and limitation of tank size of Annex C, then he may deny such tanker access to ports of the United States or to off-shore terminals under United States control.

(6) Section 6 (33 U.S.C. 1005) is renumbered section 7 and is amended to read as follows:

"Sec. 7. (a) Any person who willfully discharges oil or oily mixture from a ship in violation of this Act or the regulations thereunder shall be fined not more than $10,000 for each violation or imprisoned not more than one year, or both.

(b) In addition to any other penalty prescribed by law any person who willfully or negligently discharges oil or oily mixture from a ship in violation of this Act or any regulation thereunder shall be liable to a civil penalty of not more than $10,000 for each violation and any person who otherwise violates this Act or any regulation thereunder shall be liable to a civil penalty of not more than $5,000 for each violation.

(c) A ship from which oil or oily mixture is discharged in violation of this Act or any regulation thereunder is liable for any pecuniary penalty under this section and may be proceeded against in the district court of any district in which the vessel may be found.

(d) The Secretary may assess any civil penalty incurred under this Act or any regulation thereunder and, in his discretion, remit, mitigate, or compromise any penalty. No penalty may be assessed unless the alleged violator shall have been given notice and the opportunity to be heard on the alleged violation. Upon any failure to pay a civil penalty assessed under this Act, the Secretary may request the Attorney General to institute a civil action to collect the penalty. In hearing such action, the district court shall have authority to review the violation and the assessment of the civil penalty de novo."

(7) Section 7 is renumbered section 8.

(8) Section 8 (33 U.S.C. 1007) is renumbered section 9 and is amended—

(A) in subsection (a) by amending the first sentence to read as follows:

"In the administration of sections 1–12 of this Act, the Secretary may utilize by agreement, with or without reimbursement, law enforcement officers or other personnel, facilities or equipment of other Federal agencies or the States.";

(B) in subsection (a) by amending the first part of the second sentence which precedes the first use of the word "shall" to read:

"For the better enforcement of the provisions of said sections, officers of the Coast Guard and other persons employed by or acting under the authority of the Secretary";

(C) in subsection (a) by deleting from the last sentence thereof the words "and of the Bureau of Customs" and the words "in a prohibited zone or in a port of the United States"; and

(D) in subsection (b) by deleting in the first sentence thereof the words "of the Department in which the Coast Guard is operating" and by deleting the second sentence thereof in its entirety.

(9) Section 9 (33 U.S.C. 1008) is renumbered section 10 and is amended—

(A) by amending subsection (c) to read as follows:

"(c) The oil record book shall be completed on each occasion, on a tank-to-tank basis, whenever any of the following operations takes place in the ship:

(1) for tankers:

(i) loading of oil cargo;

(ii) transfer of oil cargo during voyage;

(iii) discharge of oil cargo;

(iv) ballasting of cargo tanks;

(v) cleaning of cargo tanks;

(vi) discharge of dirty ballast;

(vii) discharge of water from slop tanks;

(viii) disposal of residues;

(ix) discharge overboard of bilge water containing oil which has accumulated in machinery spaces while in port, and the routine discharge at sea of bilge water containing oil unless the latter has been entered in the appropriate logbook;

(2) for ships other than tankers:

(i) ballasting or cleaning of bunker fuel tanks;

(ii) discharge of dirty ballast or cleaning water from bunker fuel tanks;

(iii) disposal of residues;

(iv) discharge overboard of bilge water containing oil which has accumulated in machinery spaces while in port, and the routine discharge at sea of bilge water containing oil unless the latter has been entered in the appropriate logbook. In the event of such discharge or escape of oil or oily mixture as is referred to in section 4 of this Act, a statement shall be made in the oil record book of the circumstances of, and reason for, the discharge or escape.";

(B) by changing the figure "9" in subsection (d) to read "10"; and

(C) by repealing subsection (f).

(10) Section 10 (33 U.S.C. 1009) is renumbered section 11 and is amended to make the sectional enumeration read as follows:

"Sections 3, 4, 5, 6, 7, 9, and 10."

(11) Section 11 is renumbered section 12 and is amended by deleting the words "any prohibited zone" in subsection (b) thereof and by substituting therefor the words "violation of the convention but outside the territorial sea of the United States".

(12) Section 12 (33 U.S.C. 1011) is repealed.

(13) Sections 14 and 15 are renumbered sections 13 and 14, respectively.

(14) Section 16 (33 U.S.C. 1014) is renumbered section 15 and is amended by adding between the words "provisions of" and the word "the" the words "section 311 of", and by deleting the words "Oil Pollution Act, 1924," and substituting therefor the words "Federal Water Pollution Control Act,".

(15) Section 17 (33 U.S.C. 1015) is repealed.

Sec. 3. (a) Except as provided in subsection (c) of the Section, this amending Act is effective upon the date of its enactment or upon the date amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, adopted by the Assembly of the Inter-Governmental Maritime Consultative Organization on October 21, 1969, October 12, 1971, and October 15, 1971, are ratified or accepted with the advice and consent of the Senate of the United States, whichever is the later date.

(b) Any rights or liabilities existing on the effective date of this Act shall not be affected by the enactment of this Act. Any regulations or procedures promulgated or effected pursuant to the Oil Pollution Act, 1961, as previously amended, remain in effect until modified or superseded under the authority of the Oil Pollution Act, 1961, as amended by this Act. Any reference to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, in any law or regulation shall be deemed to be a reference to the convention as revised or amended by the latest amendments in respect of which the United States has deposited an instrument of ratification or acceptance.

(c) Notwithstanding the foregoing provisions of this Section, subsections (d) and (e) of Section 6 of the Oil Pollution Act, 1961, as amended by Section 2 of this bill, shall be effective upon the date of their enactment or upon the date the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended by the amendments adopted by the Assembly of the Inter-Governmental Maritime Consultative Organization on October 15, 1971, enters into force pursuant to Article XVI of that convention as amended, whichever is later; and no authority shall be exercised pursuant to Article VI bis (3) and (4) of such amendments prior to the effective date of such subsections.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 1068. A bill to ratify certain payments made by the United States under the Federal Airport Act, as amended. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, on behalf of myself and the Senator from New Hampshire (Mr. Cotton), I introduce by request, for appropriate reference, a bill to ratify certain payments made by the United States under the Federal Airport Act, as amended, and ask unanimous consent that the letter of transmittal and the section-by-section analysis be printed in the Record with the text of the bill.

There being no objection, the material

and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 9, 1973.
Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for introduction and referral to the appropriate Committee is a draft bill

"To ratify certain payments made by the United States under the Federal Airport Act, as amended."

The Federal Airport Act (49 U.S.C. 1101–1120) was amended September 20, 1961, by Public Law 87–255. This amendment, in section 5, authorized the Federal Government to encourage the installation of airport runway approach lights (ALS) by providing up to 75 per centum of the authorized individual project costs. Prior to the enactment of this amendment the Federal Government was authorized to provide up to 50 per centum of individual project costs.

Section 10 of Public Law 87–255 provides that the amendments therein "shall not apply with respect to projects for which amounts have been obligated by the execution of grant agreements before their enactment. With respect to such projects, the Federal Airport Act shall continue to apply as if this Act had not been enacted."

Subsequent to the enactment of these amendments, the then Federal Aviation Agency amended agreements with several ALS project sponsors which had originally been negotiated prior to the enactment date but which had not yet been *completed*. Pursuant to these renegotiated agreements, the Federal Aviation Administration provided *75 per centum* of the authorized project costs instead of the previously authorized *50 per centum*. (See enclosed figures)

Subsequent to the completion of these renegotiated agreements the General Accounting Office and the General Counsel of the Department of Transportation relying on section 10 of P.L. 87–255 determined that the renegotiated agreements are not authorized under existing law, with respect to the increased Federal participation from 50 to 75 per centum.

There are, therefore, two possible alternatives: to seek reimbursement for the overpayments from the several project sponsors involved, or to seek Congressional ratification of the overpayments, which amounts to an approximate total of $530,299.39 for 32 projects. It is felt that the spirit, if not the letter, of the Act was observed in permitting the overpayments; that is, to encourage the installation of ALS systems by the Nation's airports.

The time, difficulty, and expense of instituting reimbursement proceedings, and the other inherent problems, strongly suggest that Congressional ratification of these overpayments is the most appropriate course of action.

We have reviewed the environmental and civil rights implications of this legislation and have determined that there is no adverse effect from the passage of this legislation.

The Office of Management and Budget advises that it has no objection to the submission of this proposed legislation to the Congress.

Sincerely,

CLAUDE S. BRINEGAR.

SECTION-BY-SECTION ANALYSIS

Section 1 of the proposed legislation would ratify payments made under the Federal Airport Act, as amended (49 U.S.C. 1101–1120), for all contracts made under section 12 of the Federal Airport Act entered after 21 September 1961 but before 21 January 1969. Such ratification would apply only to allowable projects cost under that act. These dates delineate the time period within which the renegotiated contracts were entered.

Section 2 of the Act limits the ratification to only those payments indicated in Section 1 and specifically excludes all other overpayments, if any.

Section 10(d)(1) grants for "land required for the installation of approach light systems"

REGION, SPONSOR, AND ITEM	
Eastern:	
Baltimore, Md	$2,502.14
Islip, N.Y	3,529.67
Pittsburgh, Pa	24,989.87
Lynchburg, Va	552.00
Subtotal	31,573.68
Southern:	
Birmingham, Ala	78,122.00
Huntsville, Ala	35,831.00
Raleigh-Durham, N.C	4,460.81
Raleigh-Durham, N.C	78.59
Miami, Fla	40,219.00
Miami, Fla	33,211.00
Orlando, Fla	46,404.00
Memphis, Tenn	14,697.43
Bristol, Tenn	17,574.75
Lexington, Ky	10,365.19
Subtotal	280,963.77
Southwestern:	
Oklahoma City, Okla	1,117.15
San Antonio, Tex	23,333.02
San Antonio, Tex	12,136.58
New Orleans, La	4,136.17
Subtotal	40,762.92
Western: None	0
Northwestern: Seattle, Wash	36,065.00
Northeastern:	
Beverly, Mass	1,972.67
Portland, Maine	1,415.39
Subtotal	3,388.06
Central:	
Cedar Rapids, Iowa	7,268.08
Hutchinson, Kans	2,212.73
Omaha, Nebr	4,770.86
Subtotal	14,251.67
Rocky Mountain: None	0
Great Lakes:	
Akron, Ohio	2,175.00
Cleveland, Ohio	7,580.89
Columbus, Ohio	39,793.58
Dayton, Ohio	3,270.11
Indianapolis, Ind	6,436.52
Lansing, Mich	6,088.24
Subtotal	65,344.34
Alaskan: None	0
Pacific: None	0
All regions, section 10(d) (1) total	472,349.44

Section 10(d)(2) grants for "in-runway lighting"

REGION, SPONSOR, AND ITEM	
Eastern: None	0
Southern: None	0
Southwestern: None	0
Western: Oakland, Calif	22,279.49
Northwestern: None	0
Northeastern: None	0
Central: None	0
Rocky Mountain: None	0
Great Lakes: None	0
Alaskan: None	0
Pacific: None	0
All Regions, section 10 (d)(2), total	22,279.49

Section 10(d)(3) grants for "high intensity runway lighting," except those grants for "installation of high intensity lighting on designated instrument landing runways by the Administrator"

REGION, SPONSOR, AND ITEM	
Eastern: None	0
Southern: None	0
Southwestern: None	0
Western: None	0
Northwestern: None	0
Northeastern: None	0
Central: St. Louis, Mo	$35,600.46
Rocky Mountain: None	0
Great Lakes: None	0
Alaskan: None	0
Pacific: None	0
All regions, section 10(d) (3), total, less exception	$35,600.46

REGION, SPONSOR, AND ITEM

Section 10(d)(4) grants for "runway distance markers"

Eastern: None	0
Southern: None	0
Southwestern: None	0
Western: None	0
Northwestern: None	0
Northeastern: None	0
Central: None	0
Rocky Mountain: None	0
Great Lakes: None	0
Alaskan: None	0
Pacific: None	0
All Regions, section 10(d)(4), total	0
Section 10, grand total	$530,229.39

S. 1068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 10 of Public Law 87–255 (75 Stat. 527), there is hereby ratified and confirmed each payment of the United States made to the sponsor of an airport development project under the Federal Airport Act, as amended (49 U.S.C. 1101–1120), if that payment was made—

(a) Under a grant agreement authorized under section 12 of the Federal Airport Act, as amended, that was—

(1) entered into before September 21, 1961, and

(2) amended after September 21, 1961, but before January 21, 1969; and

(b) For an allowable project cost named in section 5(a) of Public Law 87–255 (75 Stat. 526); and

(c) In an amount equal to more than 50 per centum, but not more than 75 per centum, of that allowable project cost.

SEC. 2. Section 1 of this Act does not apply to a payment made by the United States that otherwise would not be authorized under the Federal Airport Act, as amended, if section 10 of Public Law 87–255 had not been enacted.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 1069. A bill to provide for the conservation and management of fisheries and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, on behalf of myself and the Senator from New Hampshire (Mr. COTTON), I introduce by request, for appropriate reference, a bill to provide for the conservation and management of fisheries and for other purposes, and ask unanimous consent that the letter of transmittal, statement of purpose and need, and the section-by-section analysis be printed in the RECORD with the text of the bill.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., February 13, 1973.

HON. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "To provide for the conservation and management of fisheries and for other purposes," together with a statement of purpose and need in support thereof and a section-by-section analysis.

We estimate expenditures under this legislation will approximate $100,000 annually during the first five years.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of this proposed legislation to the Congress from the standpoint of the Administration's program.

Sincerely,

FREDERICK B. DENT,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

This proposed legislation serves two major purposes:

1. It provides conservation and management authority to regulate United States vessels for fishing beyond the territorial sea;

2. It authorizes the United States to carry out its international obligations under international fisheries agreement.

Experience has shown that unregulated or only partially regulated fishing almost invariably leads to decline of the resource, and corresponding economic hardship for the fisherman. At the present time fishing by United States vessels within the contiguous zone and on the high seas is only partially regulated, either by the States, in which case only the particular State's citizens are affected, or by international treaty in those few instances where treaties exist. This proposed legislation would enable the Federal Government to act in this regard in a manner which would remedy the additional problem of "split jurisdiction", which arises from the welter of jurisdictional zones which exist today. For instance, seaward from the shoreline, the oceans are divided into three jurisdictional zones; the territorial sea, within which fishing is managed by the States pursuant to the grant of jurisdiction in the Submerged Land Act (43 U.S.C. 1301–1315); the contiguous fisheries zone, established by the Act of October 14, 1966, (16 U.S.C. 1091–1094) which, at present, is not effectively regulated by any governmental agency for fisheries management and conservation purposes; and the high seas, in which fishing is unregulated except where treaties apply. In addition, laterally along the coast, the territorial sea is split into different jurisdictions by State boundaries. This multiplicity of jurisdictional zones, each with a different degree or substance of regulation, creates an institutional barrier to the efficient management and utilization of almost all of the important sport and commercial fisheries in which United States vessels engage. This legislation would authorize Federal regulation of United States vessels in all waters beyond the territorial seas for conservation and management purposes, thus unifying and rationalizing conservation programs.

It is, recognized, however, that the several coastal States have strong legitimate interests in the management of fisheries adjacent to their respective territorial seas. It is also beneficial to promote completely unified management of our fishery stocks within the territorial sea, where they are subject to State regulation, and beyond. Therefore, the proposed legislation offers those States, or groups of cooperating States, opportunities for direct participation in the management process, by encouraging them to develop regulations for fisheries beyond the territorial sea. These regulations, upon being approved by the Secretary after opportunity for a public hearing, will be adopted by the Federal Government as Federal regulations in the contiguous fisheries zone and in the high seas beyond the zone.

Useful management of the fisheries also requires, however, that we come to grips with foreign fishing in the high seas beyond the contiguous fisheries zone. This is done presently through a series of international agreements.

The proposed legislation contains specific authority for the United States to carry out its obligations under international fishery agreements, negotiated to resolve specific problems. Several agreements have been negotiated on a bilateral basis with Japan and the Soviet Union since vessels of these countries began fishing off U.S. coasts. An example is the agreement between the United States and Japan on the King Crab Fishery in the eastern Bering Sea, signed November 25, 1964. These bilateral agreements are based on principles similar to those in the Convention, i.e., they include implicit recognition of the special interest of coastal countries in fishery resources adjacent to their coast. The proposed legislation will insure that adequate authority is present for the United States to implement these and other agreements.

In addition to the bilateral agreements referred to above, the United States has been a party to the Convention on Fishing and Conservation of the Living Resources of the High Seas since 1966. There is no specific legislation for the implementation of the Convention. This proposed legislation would provide the specific authority to discharge these treaty obligations.

The Convention came into force for the United States on March 20, 1966, after having been ratified by the required 22 countries. It imposes on all contracting governments the duty to adopt, or to cooperate with other contracting governments in adopting, such measures for their respective nationals as may be necessary to conserve high seas fishery resources. The Convention also asserts the special interest of a coastal country to maintain the productivity of those living resources which may be found on the high seas adjacent to its territorial sea, and requires other contracting governments to recognize that special interest.

Under the Convention, the United States might adopt high seas conservation measures: (1) on a unilateral basis; (2) as a result of an agreement between the United States and other contracting parties; (3) when U.S. fishermen begin fishing on the high seas in areas regulated under the Convention by other contracting governments; and (4) as a result of a decision by an arbitration committee established under the Convention.

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill gives a short title for the proposed legislation.

Section 2 defines certain terms used in the bill. The definition of "Fish" preserves the jurisdictional breakdown presently existing between the Departments of Commerce and Interior.

Section 3 sets forth the regulatory authority of the Secretary beyond the territorial sea and the procedural steps necessary for the promulgation of such regulations. Subsection (a) provides the Secretary with authority over foreign vessels but only to the extent that the flag nation has consented to such regulation in an international fishery agreement. Subsection (b) provides the Secretary with authority over United States vessels for three purposes:

(1) to fulfill our international obligations;

(2) for the conservation and management of fishery resources; and

(3) to regulate the taking of contaminated fish.

Relevant economic and social factors may be taken into account in any such regulations in order to maximize the economic and social benefits to be obtained from our fisheries resources. Provisions have been included to insure that the views, suggestions, and objections of interested persons and States will be heard before any regulations are promulgated by the Secretary of Commerce, except when the Secretary finds that an emergency situation requires immediate publication of a rule.

Section 4 makes it clear that the bill will not supersede or invalidate the authority contained in other Federal statutes. Thus, authority in legislation implementing other international conventions concerned with fisheries will continue to be exercised in the manner specified in those acts.

Section 5 provides for the relationship between the States and the Federal Government in regulation of the fishery resources beyond the territorial sea. State regulations may be adopted by the Secretary as Federal regulations, pursuant to subsection 3(b), for application to the contiguous fishery zone and the high seas beyond. Any such regulations become Federal regulations, and must be promulgated in accordance with the procedures in subsection 3(c).

Section 6 states the responsibilities of the Secretary of State under the Convention on Fishing and Conservation of the Living Resources of the High Seas, including the cooperation needed between the Secretary of State and the Secretary of Commerce in order to discharge the obligations arising under the Convention. It also authorizes the Secretary of State to engage in negotiations regarding any other international fishery agreement.

Section 7 sets forth unlawful activities and penalties under the proposed legislation.

Section 8 describes enforcement procedures. These are similar to those found in other statutes implementing treaties concerned with fisheries.

Section 9 is a disclaimer clause which recognizes the authority of a State to continue to regulate its own citizens on fishery matters where such regulation is not contrary to regulations issued under this proposed legislation. This section also makes it clear that this bill does not change the State's present jurisdiction beyond or within the territorial sea.

Section 10 authorizes the appropriation of such sums as may be necessary to carry out the provisions of the proposed legislation.

Section 11 contains severability provisions.

S. 1069

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "High Seas Fisheries Conservation Act of 1973."

DEFINITIONS

SEC. 2. For the purposes of this Act, the term—

(a) "International Fishery Agreement" means any bilateral or multilateral agreement to which the United States is a party, dealing with fishery management or conservation, but does not include those provisions of any agreement which deal solely with methods of enforcement at sea.

(b) "Contracting Party" means any government party to an international fishery agreement;

(c) "Fishing" means the catching, taking, harvesting, or attempted catching, taking or harvesting of any species of fish for any purpose, and any activity in support of such taking, catching or harvesting.

(d) "Fish" includes mollusks, crustaceans, marine mammals (except polar bears, walrus, and sea otter) and all other forms of marine animal or plant life, exclusive of birds, including the Continental Shelf fishery resource as defined in the Act of May 20, 1964 (78 Stat. 196);

(e) "Vessel" means every description of watercraft or other contrivance which is used or is capable of use on water for fishing purposes;

(f) "Owner or operator" means any individual, firm, corporation, association, partnership, government or government enterprise which owns, operates, or charters a vessel;

(g) "Fisheries Zone" means the zone contiguous to the territorial sea of the United States which was established by the Act of October 14, 1966 (80 Stat. 908);

(h) "Secretary" means the Secretary of Commerce;

(i) "State" means the several States of the United States; the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, and Guam;

(j) "Person" means any individual, corporation, partnership, association, or organization.

REGULATIONS

SEC. 3. (a) The Secretary is authorized to promulgate regulations governing fishing in the fisheries zone and all high seas seaward of such zone by vessels of a party to an international fishery agreement with the United States, pursuant to and for the purposes of such agreement.

(b) The Secretary is also authorized to promulgate regulations governing fishing in the fisheries zone and all high seas seaward of such zone by vessels documented under the laws of the United States, or otherwise registered under the laws of any State, for the purposes of:

(i) fulfilling the international obligations of the United States under any international fishery agreement;

(ii) conserving and managing the fish in such waters in such manner as the Secretary determines will result in the optimum overall nutritional, economic, and social benefits; and

(iii) controlling or prohibiting the fishing for fish which the Secretary determines, in consultation with the Food and Drug Administration, the Environmental Protection Agency, and State sanitation authorities, to be unsanitary for the purpose for which they are intended, on the basis of examination of the fish or the water quality of the marine environment from which such fish were taken.

Regulations under paragraphs (ii) and (iii) of this subsection (b) may designate zones where, and establish periods when, no fishing shall be permitted; establish size and catch limits for any species of fish; prohibit the use of certain types of fishing gear, and prescribe such other measures as the Secretary deems appropriate to carry out such purposes. In making any determination as to appropriate conservation and management measures, the Secretary may take into account relevant economic and social factors, and shall consider whether such measures will unreasonably limit competition. The Secretary may provide by regulation for the issuance of permits related to and in furtherance of such measures, except that such permits shall not be used for revenue purposes.

(c) The promulgation of regulations under this section shall be governed by the following rules:

(i) Before any regulations are promulgated under this section, the Secretary shall, to the extent practicable, consult with other agencies, with the interested States, with persons interested in the conservation of fish in these waters, and in the enhancement of all aspects of the marine fisheries of the United States, for the purpose of obtaining adequate information to develop reasonable and effective regulations: *Provided, however*, That insofar as such regulations are applicable to foreign vessels beyond the fisheries zone, the Secretary shall consult with the Secretary of State, and *Provided further*, That insofar as such regulations involve methods and procedures for enforcement at sea, the Secretary shall consult with the Secretary of the Department in which the Coast Guard is operating.

(ii) The Secretary shall publish in the Federal Register the regulations which he proposes to promulgate for all or part of the waters of the fisheries zone and all high seas seaward of such zone. Interested persons shall be afforded a period of not less than thirty days after such publication within which to submit written data, views, or comments. Except as provided in paragraph (iii) of this subsection, the Secretary may, after the expiration of such period and after consideration of all relevant matters presented, promulgate the regulations with such modifications, if any, as he deems appropriate.

(iii) On or before the last day of a period fixed for the submission of written data, views, or comments, any person who, or State which, may be adversely affected by such proposed regulations may file with the Secretary written objections to the specific provisions of such proposed regulations, stating the grounds therefor, and may request a public hearing on such objections. If the Secretary determines that the person filing objections may be adversely affected, or if a State requests a hearing, the Secretary shall not promulgate regulations with respect to which such objections have been filed until he has taken a final action upon them as provided in paragraph (iv) of this subsection.

(iv) As soon as practicable after the period of filing objections has expired, if the Secretary determines that the person filing objections may be adversely affected, or if a State requests a hearing, the Secretary shall publish in the Federal Register a notice specifying the time and place at which a public hearing shall be held, and the provisions of the regulations to which such objections have been filed and such other provisions as he may designate for consideration and shall hold a public hearing in accordance with 5 U.S.C. 553 for the purpose of receiving information relevant to the matters identified in the notice of hearing. If two or more persons or States request hearings within the prescribed period and the Secretary deems such hearing appropriate, the Secretary may, as he deems appropriate, consolidate such hearings in the interests of time and economy. At the hearing any interested person or State may be heard. As soon as practicable after the completion of the hearing, the Secretary shall act upon such objections and make his determinations public and shall promulgate the regulations with such modifications, if any, as he deems appropriate.

(v) The Secretary may from time to time revise such regulations in accordance with the procedures prescribed in paragraphs (i) through (iv) of this subsection.

(vi) Notwithstanding the provisions of paragraphs (ii) through (v) of this subsection, the Secretary may waive the requirements for notice and public hearing detailed herein, if he finds (and incorporates the finding and a brief statement of the reasons therefor in the publication of the rule) that, due to an emergency situation, notice and hearing thereon are impracticable, unnecesary, or contrary to the public interest. Written objections may be submitted within 30 days of the effective date of the emergency regulation. If any such written objection is so received, the Secretary shall, not later than 40 days after the effective date of the emergency regulation, initiate the procedures in paragraphs (ii) through (iv). The emergency regulation shall remain in effect for 90 days beyond the date on which the Secretary publishes the notice of proposed rulemaking required in paragraph (ii), unless the Secretary terminates the regulation by notice in the Federal Register at any earlier date.

APPLICATION TO OTHER TREATIES, CONVENTIONS, AND LAWS

SEC. 4. The provisions of this Act shall be deemed to be in addition to and not in contravention of the provisions of any existing international fishery agreement, or any statute implementing the same, which may apply to the subject matter of this Act.

STATE REGULATIONS

SEC. 5. (a) In the exercise of his powers under subsection 3(b), and subject to subsection (c) of this section, the Secretary may, at any time, adopt as Federal regulations the regulations of any State or group of States regarding fishing adjacent to such State or States in the fisheries zone or in all high seas seaward of such zone, if he finds that such regulations will achieve the objectives of subsection 3(b), taking into account, as he deems appropriate, uniformity with other regulations.

(b) Any regulations adopted pursuant to this section shall become Federal regulations, and shall be subject to modification, amendment, revision, or revocation in the same manner as regulations adopted pursuant to subsection 3(c) of this Act.

(c) For the purposes of subsection (a) of this section, any State or group of States may submit regulations to the Secretary for adoption. The Secretary shall within 180 days indicate his approval or disapproval of such regulations with notice thereof to the State or group of States which submitted them. In the event of disapproval, such notice shall specify the reason therefor, and the State or group of States which submitted the regulations shall be entitled, within 60 days of the receipt of notice of disapproval, to request a hearing on the matter. All interested parties may be heard at such hearing, and evidence may be offered. The burden shall be on the State or group of States to show that the regulations should be approved. Unless the Secretary shall have indicated his disapproval of such regulations within the 180-day period specified above, he shall proceed promptly with respect to such regulations in accordance with the procedures set forth in subsection 3(c) of this Act.

(d) The Congress hereby consents to any compact or agreement which is not in conflict with any law or treaty in force of the United States, between any two or more States for the purpose of preparing regulations for submission to the Secretary in accordance with this section. The right to alter, amend, or repeal this subsection or the consent granted herein is expressly reserved to the Congress.

AGREEMENTS WITH FOREIGN COUNTRIES

SEC. 6. (a) The Secretary of State, in consultation with the Secretary, and when appropriate, with the Secretary of the Department in which the Coast Guard is operating, may engage in negotiations with any contracting party to the Convention on Fishing and Conservation of the Living Resources of the High Seas in regard to measures for the conservation of the living resources of the high seas, when such negotiations are necessary to carry out the purposes of articles 4, 6, 7, 8, and 12 of the aforesaid Convention and with any contracting party to any other international fishery agreement.

(b) The Secretary of State shall notify the Secretary of receipt of the following pursuant to the aforesaid Convention:

(1) Communications from the Director-General of the Food and Agriculture Organization of the United Nations, as provided in article 5(1) of the Convention;

(2) Notice of the adoption of conservation measures by any contracting party pursuant to article 7(1) of the Convention;

(3) Notice of findings of a Special Commission provided for by article 9 of the Convention;

(4) Notification of the withdrawal of a conservation measure by the contracting party initially adopting such measures; and

(5) All other communications related to the duties of the Secretary under the Convention.

(c) The Secretary of State shall, upon notification from the Secretary of the promulgation of regulations pursuant to subsection 3(a) of this Act for waters of the high seas seaward of the fisheries zone, notify the Director-General of the Food and Agriculture Organization of the United Nations and any Contracting party to the aforesaid Convention whose nationals fish in the waters covered by such regulations of their contents. The Secretary of State, in consultation with the Secretary, is authorized to enter into agreements with any contracting party to the aforesaid Convention for the implementation of regulations adopted by the United States or by such contracting party pursuant to the aforesaid Convention in waters beyond the respective jursidiction of any such contracting party. Such agreements may provide for authorization of designated personnel of a contracting party to act as enforcement officers in implementing such regulations.

(d) The Secretary of State, in consultation with the Secretary, may, with regard to the aforesaid Convention:

(1) Enter into an agreement with any contracting party for the establishment of a Special Commission pursuant to article 9 of the Convention, and for the payment of costs and expenses of such Special Commission.

(2) Appoint the United States member to the Special Commission; and

(3) Appoint, upon the request of any contracting party to the Convention or upon the request of the Secretary-General of the United Nations, members to a Special Commission invoked to resolve a dispute between contracting parties to the Convention and to which dispute the United States is not a party.

PROHIBITIONS—PENALTIES

SEC. 7. In the case of vessels not documented under the laws of the United States or otherwise registered under the laws of any State, penalties or prohibitions with respect to fishing in all high seas seaward of the fisheries zone will only be applied if pursuant to and for the purposes of an applicable international fishery agreement.

(a) Any owner or operator of a vessel who knowingly engages in fishing in violation of any regulation pursuant to this Act shall, upon conviction, be fined not more than $25,000, and for each subsequent offense of a similar nature, in addition to a fine, the fish or the fishing gear on board such vessel, or both, or the monetary value thereof as determined by the court, may also be ordered forfeited in whole or in part to the United States or otherwise disposed of by the court.

(b) Whoever knowingly ships, transports, purchases, sells, offers for sale, imports, exports, or has in custody, possession or control any fish taken in violation of such regulations shall, upon conviction, be fined not more than $5,000, and for each subsequent offense of a similar nature, not more than $10,000.

(c) Whoever knowingly

(1) fails to make, keep, submit, or furnish any record or report required by regulation to be made, kept, submitted, or furnished;

(2) refuses to permit anyone authorized pursuant to section 8 to board a vessel for the purposes of inspecting the catch and fishing gear, or resists any lawful arrest;

(3) refuses to permit anyone authorized pursuant to section 8 to inspect any record or report required by regulation to be made, kept, submitted, or furnished, shall, upon conviction, be fined not more than $10,000;

(d) Any vessel used in fishing in violation of any regulation promulgated under this Act shall be liable for a civil penalty of not more than $10,000. Such penalty shall be assessed by the Federal District Court in the district having jurisdiction over the vessel. Clearance of a vessel against which a penalty has been assessed, from a port of the United States may be withheld until such penalty is paid or until a bond or otherwise satisfactory surety is posted. Such penalty shall constitute a maritime lien on such vessel which may be recovered by action in rem in the Federal District Court of the United States having jurisdiction over the vessel.

ENFORCEMENT

SEC. 8. This section applies only under the express terms of section 3. For vessels other than those documented under the laws of the United States or otherwise registered under the laws of any State, enforcement on all high seas beyond the fisheries zone is authorized only when pursuant to and for the purposes of an applicable international fishery agreement.

(a) The provisions of this Act and the regulations issued thereunder shall be enforced by the Secretary, and the Secretary of the department in which the Coast Guard is operating. The Secretary and the Secretary of the department in which the Coast Guard is operating may utilize by agreement, with or without reimbursement, the personnel, services, and facilities of any other Federal agency or, for the purpose of enforcement with respect to any vessel in the fisheries zone, or, wherever found, with respect to any vessel documented under the laws of the United States or otherwise registered under the laws of any State, any State agency, in carrying out the provisions of this Act and the regulations issued thereunder, including those relating to enforcement.

(b) Anyone authorized pursuant to subsection (a) of this section to enforce the provisions of this Act and the regulations issued thereunder may—

(1) Board and inspect any vessel documented under the laws of the United States or otherwise registered under the laws of any State or any other vessel subject to the jurisdiction of the United States pursuant to subsection 3(a), and its catch and gear upon the waters of the fisheries zone or upon all high seas seaward of such zone;

(2) Arrest any person, with or without a warrant, when he has reasonable cause to believe that such person has violated this Act or any regulation issued hereunder.

(3) Execute any warrant or other process issued by an officer or court of competent jurisdiction; and

(4) Seize all fish and fishing gear found on board any vessel which violates the provisions of this Act or any regulations issued thereunder wherever found. Any fish and fishing gear so seized may be disposed of pursuant to an order of a court of competent jurisdiction, or, if perishable in a manner prescribed by regulations.

(c) State officers authorized pursuant to subsection (a) to function as Federal law enforcement agents shall not be considered to be Federal employees of the United States for the purposes of any laws administered by the Civil Service Commission.

(d) The Federal District Courts shall have exclusive jurisdiction over all cases arising under this Act, and may issue all warrants or other processes as may be necessary. In the case of Guam, actions arising under this Act may be brought in the district court of Guam, and in the case of the Virgin Islands such actions may be brought in the district court of the Virgin Islands. In the case of American Samoa, such actions may be brought in the District Court of the United States for the District of Hawaii and such court shall have jurisdiction of such actions.

(e) Notwithstanding the provisions of section 2464 of title 28, when a warrant of arrest or other process in rem is issued in any cause under this section, the marshal or other officer shall stay the execution of such process, or discharge any fish seized if the process has been levied, on receiving from the respondent or claimant of the fish a bond or other surety satisfactory to the court, conditioned to deliver the fish seized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in such case. Such bond or other surety shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court. In the discretion of the accused, and subject to the direction of the court, the fish may be sold for not less than its reasonable market value and the proceeds of such sale placed in the registry of the court pending judgment in the case.

STATE JURISDICTION

SEC. 9. Nothing in this Act shall be construed to

(a) restrict the authority of any State to regulate its citizens regarding fishery matters where such regulation is not contrary to regulations adopted pursuant to this Act;

(b) extend the jurisdiction of the States to the natural resources beneath and in the waters beyond the territorial seas of the United States, or to diminish their jurisdiction to such resources beneath and in the waters of the territorial seas of the United States.

APPROPRIATIONS

SEC. 10. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEVERABILITY

SEC. 11. The provisions of this Act shall be severable and if any part of the Act is declared unconstitutional or the applicability thereof is held invalid, the constitutionality of the remainder of the applicability thereof shall not be affected thereby.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S.1070. A bill to implement the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, on behalf of myself and the Senator from New Hampshire (Mr. COTTON), I introduce by request, for appropriate reference, a bill to implement the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 15, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, "To implement the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969."

The proposed bill would, as stated in the title, implement the Convention, which was ratified by the Senate on September 20, 1971. The Convention permits a coastal nation to take whatever action it deems necessary to prevent, mitigate or eliminate a threat of oil pollution resulting from a maritime accident beyond that coastal states' territorial sea. That authority is subject to reasonable safeguards. The Convention addresses internationally some of the types of issues which arose in 1967 following the grounding of the *Torrey Canyon* off the southeast coast of England.

The bill places the authority for action in the Secretary of the department in which the Coast Guard is operating. In appropriate circumstances, actions could be taken against United States and foreign vessels. Exercise of that authority is conditioned by the requirement for an express determination by the Secretary that there exists a grave and imminent danger to the coastline or related interests of the United States from pollution or threat of pollution of the sea by oil. The bill provides necessary regulatory authority for the Secretary and sanctions for the effective enforcement of that authority.

The Secretary would be authorized to use the revolving fund established pursuant to the Federal Water Pollution Control Act as one means of funding extraordinary Federal activities under the bill. The revolving fund is now available for Federal clean-up of oil and related activities, in areas subject to United States jurisdiction. Activities on the high seas under this bill will be similar.

No effort is made in the Convention or this bill to articulate the various types of actions which could be taken. It is not possible to define all the possible incidents because their specific nature may become known only as an emergent situation develops. Under those circumstances, the full exercise of Executive Branch discretion should be available. At the same time, however, the Convention and the proposed bill contain a number of constraints to assure that the Secretary's actions will be reasonable under the circumstances. Some specific criteria upon which actions must be based are included.

It would be appreciated if you would lay the proposed bill before the Senate. A similar bill has been transmitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that enactment of this proposal would be consistent with the Administration's objectives.

Sincerely,

CLAUDE S. BRINEGAR.

S. 1070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intervention on the High Seas Act".

SEC. 2. As used in this Act—

(1) "Ship" means—

(A) any sea going vessel of any type whatsoever, and

(B) any floating craft, except an installation or device engaged in the exploration and exploitation of the resources of the sea bed and the ocean floor and the subsoil thereof;

(2) "Oil" means crude oil, fuel oil, diesel oil, and lubricating oil;

(3) "Convention" means the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969;

(4) "Secretary" means the Secretary of the department in which the Coast Guard is operating; and

(5) "United States" means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

SEC. 3. Whenever a ship collision, stranding or other incident of navigation, or other occurrence on board a ship or external to it resulting in material damage or imminent threat of material damage to the ship or her cargo creates, as determined by the Secretary, a grave and imminent danger to the coastline or related interests of the United States from pollution or threat of pollution of the sea by oil which may reasonably be expected to result in major harmful consequences, the Secretary may, except as provided for in section 10, without liability for any damage to the owners or operators of the ship, to her cargo or crew, or to underwriters or other parties interested therein, take measures on the high seas, in accordance with the provisions of the Convention and this Act, to prevent, mitigate, or eliminate that danger.

SEC. 4. In determining whether there is grave and imminent danger of major harmful consequences to the coastline or related interests of the United States, the Secretary shall consider the interests of the United States directly threatened or affected including but not limited to, fish, shellfish and other living marine resources, wildlife, coastal zone and estuarine activities, and public and private shorelines and beaches.

SEC. 5. Upon a determination under section 3 of this Act of a grave and imminent danger to the coastline or related interests of the United States, the Secretary may—

(1) coordinate and direct all public and private efforts directed at the removal or elimination of the threatened pollution damage;

(2) directly or indirectly undertake the whole or any part of any salvage or other action he could require or direct under subsection (1) of this section; and

(3) remove, and, if necessary, destroy the ship and cargo which is the source of the danger.

SEC. 6. Before taking any measure under section 5 of this Act, the Secretary shall—

(1) consult, through the Secretary of State, with other countries affected by the marine casualty, and particularly with the flag country of any ship involved;

(2) notify without delay the Administrator of the Environmental Protection Agency and any other persons known to the Secretary, or of whom he later becomes aware, who have interests which can reasonably be expected to be affected by any proposed measures; and

(3) consider any views submitted in response to the consultation or notification required by subsections (1) and (2) of this section.

SEC. 7. In cases of extreme urgency requiring measures to be taken immediately, the Secretary may take those measures rendered necessary by the urgency of the situation without the prior consultation or notification as required by section 6 of this Act or without the continuation of consultations already begun.

SEC. 8. (a) Measures directed or conducted under this Act shall be proportionate to the damage, actual or threatened, to the coastline or related interests of the United States and may not go beyond what is reasonably necessary to prevent, mitigate, or eliminate that damage.

(b) In considering whether measures are proportionate to the damage the Secretary shall, among other things, consider—

(1) the extent and probability of imminent damage if those measures are not taken;

(2) the likelihood of effectiveness of those measures; and

(3) the extent of the damage which may be caused by those measures.

SEC. 9. In the direction and conduct of measures under this Act the Secretary shall use his best endeavors to—

(1) assure the avoidance of risk to human life;

(2) render all possible aid to distressed persons, including facilitating repatriation of ship's crews; and

(3) not unnecessarily interfere with rights and interests of others, including the flag state of any ship involved, other foreign states threatened by damage, and persons otherwise concerned.

SEC. 10. (a) The United States shall be obliged to pay compensation to the extent of the damage caused by measures which exceed those reasonably necessary to achieve the end mentioned in section 3.

(b) Actions against the United States seeking compensation for any excessive measures may be brought in the United States Court of Claims, in any District Court of the United tSates, and in those courts enumerated in section 460 of title 28, United States Code. For purposes of this Act, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii, and the Trust Territory of the Pacific Islands shall be included within the judicial districts of both the District Court of the United States for the District of Hawaii and the District Court of Guam.

SEC. 11. The Secretary of State shall notify without delay foreign states concerned, the Secretary-General of the Inter-Governmental Maritime Consultative Organization, and persons affected by measures taken under this Act.

SEC. 12. (a) Any person who—

(1) willfully violates a provision of this Act or a regulation issued thereunder; or

(2) willfully refuses or fails to comply with any lawful order or direction given pursuant to this Act; or

(3) willfully obstructs any person who is acting in compliance with an order or direction under this Act, shall be fined not more than $10,000 or imprisoned not more than one year, or both.

(b) In a criminal proceeding for an offense under paragraphs (1) or (2) of subsection (a) of this section it shall be a defense for the accused to prove that he used all due diligence to comply with any order or direction or that he had reasonable cause to believe that compliance would have resulted in serious risk to human life.

SEC. 13. (a) The Secretary, in consultation with the Secretary of State and the Administrator of the Environmental Protection Agency, may nominate individuals to the list of experts provided for in Article III of the Convention.

(b) The Secretary of State, in consultation with the Secretary, shall designate or nominate, as appropriate and necessary, the negotiators, conciliators, or arbitrators provided for by the Convention and the Annexes thereto.

SEC. 14. No measures may be taken under authority of this Act against any warship or other ship owned or operated by a country and used, for the time being, only on government non-commercial service.

SEC. 15. This Act shall be interpreted and administered in a manner consistent with the Convention and other international law. Except as specifically provided, nothing in this Act may be interpreted to prejudice any otherwise applicable right, duty, privilege or immunity or deprive any country or person of any remedy otherwise applicable.

SEC. 16. The Secretary may issue reasonable rules and regulations which he considers appropriate and necessary for the effective implementation of this Act.

SEC. 17. The revolving fund established under section 311(k) of the Federal Water Pollution Control Act shall be available to the Secretary for Federal actions and activities under section 5 of this Act.

SEC. 18. This Act shall be effective upon the date of enactment, or upon the date the Convention becomes effective as to the United States, whichever is later.

By Mr. HARTKE (for himself, Mr. RANDOLPH, Mr. HUGHES, and Mr. CRANSTON):

S. 1076. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospital and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administrator of Veterans' Affairs. Referred to the Committee on Veterans' Affairs.

Mr. HARTKE. Mr. President, today I introduce the Veterans' Administration Accountability Act of 1973, a bill which is intended to prevent arbitrary action by the executive branch and restore a proper balance between it and the Congress.

Vital decisions affecting the well-being of our Nation's veterans are too often being made by faceless bureaucrats who answer to no one but themselves. These are men whose names are rarely known and when they are identified, refuse to appear before Congress to justify decisions that they and they alone have made. Meanwhile, officials at the Veterans' Administration who often have little or no say in the decisions arrived at are left with the task of attempting to defend these proposals or accepting the blame when certain outrageous schemes go awry. The end result of this government without accountability is all too evident and stark. The most notorious example was the recent plan by the bureaucrats to cut $160 million out of disability compensation payments going to seriously disabled veterans. This was a decision arrived at by men who had never appeared before this committee and who probably never will. Faced with the prospect of unilateral action by the executive branch in disability ratings and its unrestricted authority to change them at will, I introduced S. 882 which would require congressional agreement to any proposed changes in the disability rating schedule. But, I am now convinced that the threat posed to our Nation's veterans calls for even more comprehensive legislation such as embodied in this bill.

Under the Veterans' Administration Accountability Act of 1973, other major changes affecting our veteran population will not be permitted without prior submission to Congress and no change will be effective if either House by resolution within 90 days of submission of these proposals expresses its disapproval of these changes. Under this bill, no Veterans' Administration hospital, domiciliary, or regional office may be closed without prior submission to Congress. The threat to the VA hospital system by certain bureaucrats has long been known and now the fiscal 1974 budget contains vague and as yet unrevealed plans to "realine" VA regional offices and to cut back 1,500 employees in the Department of Veterans' Benefits. I have strong reason to believe that plans are currently being made which will drastically cut back the number of personnel assigned to VA regional offices in this country and that many will be closed. This, of course, will only serve to make the Veterans' Administration even more remote from those they are obligated by law to serve.

Disposition of thousands of acres of VA land which has been the subject of increased activity by the executive branch in recent years would also require submission to Congress if the transfer were a substantial one. Under this bill, the executive branch would also be required to submit proposals and plans to Congress with respect to construction or major alterations of VA hospitals. Finally, the executive branch, as under S. 882, would be required to submit to Congress any proposed changes in the disability rating schedule.

The bill which I submit today is not intended and would not have the effect of interfering with administrative discretion. No prior action would be required on the part of Congress to implement certain changes. What is required under this bill is that Congress be fully informed in advance of any major changes and further that it have the power to halt those changes which it regards as arbitrary or unwise.

Mr. President, I ask unanimous consent that the text of the bill be inserted in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1076

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Administration Accountability Act of 1973".

SEC. 2. The last sentence of section 355 of title 38, United States Code, is amended by inserting before the period a comma and the following: "but no change or readjustment in this schedule of ratings may be made by the Administrator after December 31, 1972, unless notice of such proposed change or readjustment is first submitted to the Congress in writing and, prior to the expiration of 90 calendar days of continuous session of Congress following the date on which notice of the proposed change or readjustment was submitted, neither House of Congress has adopted a resolution stating in substance that that House does not favor the proposed change or readjustment. For the purpose of this section—

"(1) continuity of session is broken only by an adjournment of Congress sine die; and

"(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 90-day period".

SEC. 3. Section 5001 of title 38, United States Code, is amended by adding at the end thereof the following:

"(g) (1) No funds may be appropriated for the construction of any hospital or domiciliary facility or for the acquisition of any such facility involving an expenditure in excess of $100,000, and no funds may be appropriated for the alteration of any such facility involving an expenditure in excess of $500,000, unless notice of the proposed construction, acquisition, or alteration is first submitted to the Congress in writing, and, prior to the expiration of 90 calendar days of continuous session of Congress following the date on which notice of such proposed construction, acquisition, or alteration was submitted, neither House of Congress has adopted a resolution stating in substance that the House does not favor the proposed construction, acquisition, or alteration, as the case may be. For the purpose of this paragraph—

"(A) continuity of session is broken only by an adjournment of Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 90-day period.

"(2) In order that the Congress may be appropriately informed regarding any such proposed construction, acquisition, or alteration, the Administrator shall transmit to Congress a prospectus of the proposed project, including, but not limited to, (A) a brief description of the facilities to be constructed, altered, or acquired, and (B) the location of the project, and an estimate of the maximum cost of the project.

"(3) The estimated maximum cost of any project as set forth in any prospectus (and not disapproved as provided in paragraph (1)) may be increased by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction or alteration costs, as the case may be, from the date of transmittal of such prospectus to Congress, but in no event shall the increase authorized by this paragraph exceed 10 per centum of such estimated maximum cost.

"(4) This subsection and subsection (h) of this section shall not apply to any project for construction, acquisition, or alteration (A) with respect to which any funds were appropriated before the date of enactment of this subsection, or (B) after any funds have been appropriated with respect to any such project after the date of enactment of this subsection.

"(h) (1) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a prospectus of each proposed project to alter any hospital or domiciliary facility involving an expenditure in excess of $100,000 but equal to or less than $500,000. In the case of each such proposed project, such prospectus shall include, but not be limited to, (A) a brief description of the facilities to be altered, and (B) an estimate of the maximum cost of the project.

"(2) No funds may be appropriated for the alteration of any hospital or domiciliary facility involving an expenditure in excess of $100,000 but equal to or less than $500,000, unless (A) a prospectus with respect thereto as required by paragraph (1) of this subsection is submitted during the session of the Congress in which such appropriation is proposed to be made, and (B) a period of 30 days has expired since the date on which the Administrator submitted such prospectus to the committees referred to in paragraph (1)."

SEC. 4. (a) Part IV of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 63—

CLOSING OF HOSPITAL AND DOMICILIARY FACILITIES AND REGIONAL OFFICES

"Sec.

"3601. Closing of hospital and domiciliary facilities and regional offices; notice to Congress.

"§ 3601. Closing of hospital and domiciliary facilities and regional offices; notice to Congress

"No hospital or domiciliary facility over which the Administrator has direct and exclusive jurisdiction and which is in operation on or after the date of enactment of this section and no Veterans' Administration regional office which is in operation on or after the date of enactment of this section shall be closed unless notice of the proposed closing is first submitted to the Congress in writing and, prior to the expiration of 90 calendar days of continuous session of Congress following the date on which notice of the proposed closing was submitted, neither House of Congress has adopted a resolution stating in substance that that House does not favor the proposed closing."

(b) The table of chapters at the beginning of title 38, United States Code, and Part IV of such title are each amended by adding immediately below

"61. Penal and Forfeiture Provisions__ 3501"

the following:

"63. Closing of Hospital and Domiciliary Facilities and Regional Offices ________________________ 3601".

Sec. 5. (a) Part VI of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 87—Transfer of real property

"Sec.

"5231. Transfer of real property; notice to Congress.

"§ 5231. Transfer of real property; notice to Congress.

"Notwithstanding any other provision of law, no real property under the jurisdiction or control of the Veterans' Administration may be transferred (by sale, lease, or otherwise) to any other department or agency of the Federal Government, to any State or subdivision thereof, to any territory or possession of the United States, or to any public or private person or other entity—

"(1) in any case in which the fair market value of such property (including all improvements to such property) exceeds $100,000 or the area thereof exceeds 100 acres unless notice of the proposed transfer is first submitted to the Congress in writing and, prior to the expiration of 90 calendar days of continuous session of Congress following the date on which notice of the proposed transfer was submitted, neither House of Congress has adopted a resolution stating in substance that that House does not favor the proposed transfer; or

"(2) in any case in which the fair market value of such property (including all improvements to such property) is $100,000 or less and the area thereof is 100 acres or less, unless written notice of the proposed transfer of such property is given to the Committees of Veterans' Affairs of the Senate and the House of Representatives at least 30 days prior to the transfer of such property. For purposes of this section—

"(A) continuity of session is broken only by an adjournment of Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 90-day period."

(b) The table of chapters at the beginning of title 38, United States Code, and Part VI of such title are each amended by adding immediately below:

"85. Disposition of Deceased Veterans' Personal Property________________ 5210"

the following:

"87. Transfer of Real Property_______ 5231".

By Mr. DOMINICK:

S. 1078. A bill to authorize appropriations for the activities of the National Science Foundation, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. DOMINICK. Mr. President, just a year ago President Nixon sent to the Congress his first message on science and technology. In that message of March 15, 1972, he spoke of a "new Federal strategy" that would refocus scientific research and technology on domestic needs. At the same time, he made clear the administration's recognition that "basic research in both the public and private sectors today is essential to our continuing progress tomorrow."

The authorization bill that I am introducing today for the National Science Foundation will enable that agency to play a major role with respect to both elements of this strategy. It will make it possible for the National Science Foundation to continue its crucial support of research at the frontiers of our knowledge, conducted primarily in the Nation's universities and nonprofit organizations. At the same time, the National Science Foundation will be able to carry forward the important mission assigned to it by the President in that same message a year ago—that of drawing "on all sectors of the scientific and technological community in working to meet the significant domestic challenges."

This bill authorizes $582.6 million for the National Science Foundation's programs in the coming year, including $3 million for the special foreign currency appropriation. These requested funds, plus the sum of $58.9 million to be carried forward from fiscal year 1973, will make possible a total program level for the National Science Foundation of $641.5 million in fiscal year 1974. This is an increase of $26.5 million over the expected level of $615.0 million this year.

The programs accorded the highest priority in the proposed Foundation budget are the research programs—both those that promote fundamental research in the long-range national interest and those that focus scientific research on domestic needs.

The Foundation's basic research support, with a proposed $14 million increase next year, will continue to include scientific research projects; 10 major national and special research programs, including the U.S. Antarctic and Arctic programs; the ocean-sediment coring program; five national research centers in astronomy and atmospheric sciences, and various other research activities. The program of Research Applied to National Needs—RANN—directed at finding practical solutions to problems of national importance, will continue this significant work, with increased emphasis devoted to solar power, earthquake engineering, and technology assessment. An increase of $9.2 million is budgeted for this effort.

Two special research programs, to which the President specifically referred in his science message as part of the new Federal effort to strengthen the economy and improve the quality of life, were begun in 1973 and will be continued in the coming year. These are the experimental R. & D. incentives program and the national R. & D. assessment program. The incentives program focuses specifically on identifying barriers that exist in the innovation process and finding means for overcoming these barriers. The assessment program is designed to provide policymakers with information on how science and technology contribute to the achievement of national goals.

The Foundation's restructed science education program for fiscal year 1974 will be increased to $60 million, or $12 million above the fiscal year 1973 level. New programs have been developed to meet changing educational requirements in the 1970's and beyond. They are designed to increase science education effectiveness, to provide greater flexibility of scientific and technical manpower to meet changing requirements of the society, and to improve the general public's understanding of science and the interactions of science and technology with society.

All of these programs taken together, in the words of Dr. H. Guyford Stever, National Science Foundation's Director, "provide for continued strong support for science in the United States with an effective balance between research and education programs."

Mr. President, it is my understanding that the timing of the decision to transfer the responsibilities and functions of the Office of Science and Technology precluded its incorporation in the National Science Foundation's budget. The Foundation is now the focal point for coordinating our Federal research and development effort and will have the increased duty of advising the President, the Domestic Council and OMB on science and technology matters. Testimony before the National Science Foundation Subcommittee on this legislation could very well indicate the need for an upward adjustment in the authorization to compensate for National Science Foundation's increased responsibilities.

Mr. President, I ask unanimous consent that the bill and a sectional analysis of this legislation be printed in the Record.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 1078

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1974 to enable it to carry out its powers and duties under the National Science Foundation Act of 1950, as amended, and under title IX of the National Defense Education Act of 1958, out of any money in the Treasury not otherwise appropriated, $579,600,000.

Sec. 2. In addition to such sums as are authorized by section 1 of this Act, there are authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1974 such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement or other employee benefits authorized by law, or other non-discretionary costs.

Sec. 3. Appropriations made pursuant to this Act may be used, but not to exceed $5,000, for official consultation, representation, or other extraordinary expenses upon the approval or authority of the Director of the National Science Foundation, and his determination shall be final and conclusive upon the accounting officers of the Government.

Sec. 4. In addition to such sums as are authorized by sections 1 and 2, not to exceed $3,000,000 is authorized to be appropriated for fiscal year ending June 30, 1974, for expenses of the National Science Foundation incurred outside the United States to be paid for in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States.

Sec. 5. Appropriations made pursuant to authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

SEC. 6. (a) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has been convicted by any court of record of any crime which was committed after the date of enactment of this Act and which involved the use of (or assistance to others in the use of) force, disruption, or the seizure of property under control of any institution of higher education to prevent officials or students in such institution from engaging in their duties or pursuing their studies, and that such crime was of a serious nature and contributed to a substantial disruption of the administration of the institution with respect to which such crime was committed, then the institution which such individual attends, or is employed by, shall deny for a period of two years any further payment to or for the direct benefit of, such individual under any of the programs specified in subsection (c). If an institution denies an individual assistance under the authority of the preceding sentence of this subsection, then any institution which such individual subsequently attends shall deny for the remainder of the two-year period any further payments to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(b) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has willfully refused to obey a lawful regulation or order of such institution after the date of enactment of this Act, and that such refusal was of a serious nature and contributed to a substantial disruption of the administration of such institution, then such institution shall deny, for a period of two years, any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(c) The programs referred to in subsections (a) and (b) are as follows:

(1) The programs authorized by the National Science Foundation Act of 1950; and

(2) The programs authorized under title IX of the National Defense Education Act of 1958 relating to establishing the Science Information Service.

(d) (1) Nothing in this Act, or any Act amended by this Act, shall be construed to prohibited any institution of higher education from refusing to award, continue, or extend any financial assistance under any such Act to any individual because of any misconduct which in its judgment bears adversely on his fitness for such assistance.

(2) Nothing in this section shall be construed as limiting or prejudicing the rights and prerogatives of any institution of higher education to institute and carry out an independent, disciplinary proceeding pursuant to existing authority, practice, and law.

(3) Nothing in this section shall be construed to limit the freedom of any student to verbal expression of individual views or opinions.

SEC. 7. This Act may be cited as the "National Science Foundation Authorization Act of 1974."

SECTIONAL ANALYSIS OF NATIONAL SCIENCE FOUNDATION FY 74 AUTHORIZATION BILL

Sec. 1—This section authorizes appropriations to the National Science Foundation for fiscal year 1974 in the amount of $579,600,000.

Sec. 2—This section authorizes, in addition to the funds authorized by section 1, the appropriation of such additional amounts as may be necessary to cover increases in Federal pay scales and related costs such as retirement and other employee benefits.

Sec. 3—This section authorizes an allowance of up to $5,000 for official consultation, representation, and other extraordinary expenses to be expended at the discretion of the Director.

Sec. 4—This section authorizes, in addition to the funds authorized by sections 1 and 2, an appropriation for fiscal year 1974 not to exceed $3,000,000 for expenses of the National Science Foundation incurred outside of the United States to be financed from foreign currencies which are determined by the Treasury Department to be in excess of the normal requirements of the United States.

Sec. 5—This section provides that appropriations made pursuant to this Act shall remain available for obligation and expenditure for such period, or periods, of time as may be specified in appropriation acts.

Sec. 6—This section outlines certain conditions under which institutions of higher education are to deny or withdraw assistance, for a period of two years under specified programs, from individuals involved in acts which constitute substantial disruptions to such institutions.

Sec. 7—This section permits the citation of the Act as the "National Science Foundation Authorization Act of 1974."

By Mr. FONG:

S. 1079. A bill to establish an Advisory Commission on the Reconstruction and Redevelopment of Southeast Asia. Referred to the Committee on Foreign Relations.

ADVISORY COMMISSION ON THE RECONSTRUCTION AND REDEVELOPMENT OF SOUTHEAST ASIA

Mr. FONG. Mr. President, I am introducing today a bill designed to establish an Advisory Commission on the Reconstruction and Redevelopment of Southeast Asia.

My bill will authorize the Commission to:

Formulate broad and comprehensive recommendations as to the extent and kind of assistance that the United States should provide for the reconstruction and redevelopment of the war-torn countries of Southeast Asia;

Receive the views of the American people and try to forge them into realistic and practical recommendations;

Solicit the views of the Members of Congress, who control the pursestrings, on economic and humanitarian assistance;

Assess the availability of manpower technical know-how which can be spared for reconstruction efforts;

Promulgate guidelines for computing cost-benefit ratio for reconstruction and redevelopment projects, inasmuch as our country has been experiencing substantial budgetary deficits and our domestic financial needs are increasing at a rapid and growing rate;

Establish the priorities of our reconstruction and redevelopment assistance for Indochina;

Determine whether aid should be channeled through multinational organizations or be given on a bilateral basis or both.

The Advisory Commission on the Reconstruction and Redevelopment of Southeast Asia will be composed of citizens from all segments of our country. Its membership will include the following from the executive branch of Government:

Secretary of State.

Secretary of Agriculture.

Secretary of Commerce.

AID Administrator.

President of the Export-Import Bank.

President of the Overseas Private Investment Corporation.

The legislative branch will be represented by eight Senators appointed by the Vice President and eight Representatives appointed by the Speaker.

The public sector will be represented by 10 outstanding Americans appointed by the President with the advice and consent of the Senate. This group will include individuals representing such fields as business, labor, education, medicine, et cetera.

Mr. President, in introducing this measure, I am confident that many Americans are willing to consider a program of assistance to the people of the war-torn countries of Southeast Asia, to the extent this is possible and practical within the limits of our fiscal ability to carry out this humanitarian undertaking.

Two Presidents of the United States have gone on record favoring U.S. assistance to help rebuild Indochina, including North Vietnam. As long ago as 1965, President Johnson said that he would ask Congress for $1 billion for the reconstruction of Indochina if North Vietnam would agree to negotiate.

On February 9, last year, President Nixon said in a message to Congress, entitled "The State of United States Foreign Policy," that—

> We are prepared to undertake a massive $7.5 billion 5-year reconstruction program as part of an overall agreement, in which North Vietnam could share up to two and a half billion dollars.

Despite these two pledges made by Presidents Johnson and Nixon in behalf of the American people, no one really knows just how much the American taxpayers are willing to contribute toward a Marshall plan for Indochina.

In addition, no one really knows what kind of a reception the President's program is going to receive in the Halls of Congress.

Mr. President, because the legislative branch of Government is coequal to the executive branch, and because Congress has the power to authorize and appropriate the expenditures of any Federal funds for any purpose, I firmly believe that Congress should be more involved in the initial stages of determining the priorities and direction of an assistance program to Southeast Asia.

I think it would be in the best interest of a Marshall plan for Indochina if Members of Congress, in advance, participate in formulating our national policy on the amount and kind of assistance the United States should render.

Even before the sounds of gunfire and exploding bombs had subsided on the Vietnamese battlefield, the executive branch was already in the process of developing plans for the reconstruction and redevelopment of war-shattered Indochina.

We know the great contribution the Marshall plan in Europe made to peace. Just as it did in Europe after World War II, it is possible American aid to help repair the devastation suffered by both our allies and enemies in Southeast Asia will contribute to peace in Asia and the Pacific.

How tragic it would be if the Congress should fight, attack, and delay the President's proposals to assist the people of Indochina because there was not enough consultation or exchange of ideas between those who plan and execute our programs on the one hand, and those who finance those programs on the other.

Recent experience with the Foreign Assistance Act, particularly in the Senate, lends much credence to my fear of the possibility that a postwar economic assistance program for Indochina could run into a similar fate.

Therefore, I am introducing this bill in an attempt to insure maximum cooperation and support for whatever assistance program is planned and developed for postwar Indochina.

To achieve this end, I firmly believe that Congress should not only serve as a financial institution that merely says "Yes," or "No," or "Maybe," to the President's requests. I am convinced that in this most important undertaking, Congress should also have a say as to the design, construction, and implementation of the total project.

The proposed Advisory Commission can serve to bring this desirable result into fruition. Besides having eight Senators and eight Members of the House of Representatives serving on it, the Commission is charged with "soliciting the views of the Members of Congress, who control the pursestrings, on economic and humanitarian assistance."

Besides having members from the legislative and executive branches serving on it, the Commission will have prominent individuals from the public sector who can be instrumental in several respects.

They can help assess the available manpower, technical know-how, and experience that could contribute toward the success of any reconstruction effort.

They can also help to compute the benefits to be derived as compared to estimated costs involved.

They can, most importantly, help to establish an order of priorities by formulating broad and comprehensive recommendations as to the extent and kind of assistance that the United States should provide for the reconstruction and redevelopment of the wartorn countries of Southeast Asia.

Mr. President, no time should be lost in developing policies for Indochina that the majority of Americans can support. Consequently, we need a formal body to which suggestions and ideas can be presented, discussed, and developed.

No section of our country has a monopoly on or mandate for good workable programs for Indochina. Neither the executive, legislative, or public segment of the United States can alone represent America.

Our country needs something like the Advisory Commission I am proposing to meet this need. It is not too soon. Indeed, it is getting late for us to develop a broadly based policy on reconstruction and redevelopment of Indochina.

More than 100 years ago, President Abraham Lincoln gave our Nation counsel that is as appropriate now as it was then:

> With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1079

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STATEMENT OF FINDINGS AND PURPOSE

SECTION 1. (a) The Congress finds that—

(1) the signing of the formal agreement ending open hostilities in Indochina is a welcome development that can lead to a generation of peace and cooperation in war-torn Southeast Asia;

(2) the movement from wartime bitterness to peacetime cooperation is one of the most significant and encouraging developments since the end of the Korean war;

(3) the peace agreement is a major achievement and symbol of the new United States policy for Asia and the Pacific; and

(4) the continuation and development of close friendship and cooperation between the United States and the countries of Indochina will make a vital contribution to the prospects for peace, prosperity, and security not only in Southeast Asia, but in the entire Asian-Pacific region.

(b) It is, therefore, the purpose of this Act to establish a temporary advisory commission to make a study with respect to future United States assistance for Southeast Asia.

ESTABLISHMENT OF THE COMMISSION; COMPOSITION

SEC. 2. (a) There is established a temporary commission to be known as the Advisory Commission on the Reconstruction and Redevelopment of Southeast Asia (hereafter referred to as the "Commission"). The Commission shall be composed of the following 32 members:

(1) the Secretary of State;

(2) the Secretary of Agriculture;

(3) the Secretary of Commerce;

(4) the Administrator of the Agency for International Development;

(5) the President of the Export-Import Bank;

(6) the President of the Overseas Private Investment Corporation;

(7) Eight Senators, appointed by the President of the Senate, no more than 4 from one party;

(8) Eight Members of the House of Representatives, appointed by the Speaker of the House, no more than 4 from one party; and

(9) Ten outstanding United States citizens, who shall be appointed by the President by and with the advice and consent of the Senate, one of whom shall be designated chairman.

(b) Members of the Commission appointed under subsection (a)(7)(9) of this section shall be appointed as soon as practicable after the date of enactment of this Act. The Commission shall meet promptly thereafter.

(c) A majority of the members of the Commission shall contribute a quorum, but a lesser number may conduct hearings and deliberations.

(d) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as that herein provided for the appointment of the member first appointed to the vacant position.

(e) Members of the Commission who are not regular, full-time employees of the United States shall, while serving on business of the Commission, be entitled to receive compensation at rates fixed by the President, but not exceeding $150 a day, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses including per diem in lieu of subsistence.

FUNCTIONS OF THE COMMISSION

SEC. 3. (a) The Commission is authorized to—

(1) formulate broad and comprehensive recommendations as to the extent and kind of assistance program that the United States should provide for the reconstruction and redevelopment of the war torn countries of Southeast Asia;

(2) receive the views of the American people and try to forge them into realistic and practical recommendations;

(3) solicit the views of the members of Congress;

(4) assess the availability of manpower and technical know-how needed to fulfill such an undertaking;

(5) promulgate guidelines for computing cost-benefit ratios for reconstruction and redevelopment projects, inasmuch as our country has been experiencing substantial budgetary deficits and our domestic financial needs are increasing at a rapid and growing rate;

(6) establish the priorities of reconstruction and redevelopment assistance to be furnished by the United States for Southeast Asia; and

(7) determine whether aid should be channeled through multinational organizations or given on a bilateral basis, or both.

(b) The Commission shall submit a preliminary report to the President and Congress not later than 4 months after the date it first meets. The Commission shall submit a final report to the President and Congress, including such recommendations as it considers appropriate, not later than 6 months after submission of its final report.

ADMINISTRATIVE PROVISIONS

SEC. 4. (a) In carrying out its functions under this Act, the Commission is authorized to hold such hearings, sit and act at such times and places, and take such testimony with respect to its functions under this Act.

(b) The Commission may secure directly from any department or agency of the United States such data and information as may be necessary to enable it to carry out its functions under this Act. Upon request of the Chairman of the Commission, any such department or agency shall furnish such information to the Commission.

(c) The Agency for International Development shall provide to the Commission, on a reimbursable basis, such personnel and administrative support services and supplies as the Commission may request.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

By Mr. BAYH:

S. 1080. A bill to provide for the establishment of a Foreign Service grievance procedure. Referred to the Committee on Foreign Relations.

THE FOREIGN SERVICE GRIEVANCE BILL

Mr. BAYH. Mr. President, during the 92d Congress, a considerable amount of congressional attention was devoted to the creation of an independent and impartial grievance system for all employees of the Foreign Service. Following hearings on a grievance bill which I had introduced in June 1971, Senator Cooper and I, together with our staffs and all interested parties spent months drafting a compromise bill designed to reflect the legitimate concerns of all interested parties. The result—S. 3722—passed the Senate twice. I believe it represented a workable and effective compromise; certainly it was the product of repeated efforts to resolve differences between the employees and the Departments involved.

As you know, during the entire debate over this proposal, the Department's consistent position was one of delay; delay until the Department could propose a final procedure; delay until an exclusive employee representative was elected; and delay until in-house negotiations were complete. As a result, hearings were held in the House, but a bill was not reported out of committee.

Now that a new Congress has begun, the question again arises of the prospects of the Foreign Service Grievance bill. It has been my position that S. 3722 merely established general principles of due process, leaving the step by step detail of any procedure to be worked out in "in-house negotiations." The general bill should be passed as a framework for negotiations. Passage of such a bill would alleviate the widespread mistrust which exists between employees and management. However, by the time the 93d Congress began, a schedule for the long-heralded negotiations had been established. Therefore, I have been content to wait and see whether employee-management negotiations could indeed produce an equitable procedure acceptable to all parties.

It is now my understanding that negotiations so far have not produced any substantial agreement, even on basic principles, between the employee representative and the Department. Indeed, I am told that the Department refuses to discuss at all the possibility of any embodying legislation setting forth the principles of a grievance procedure. The refusal to even discuss legislation directly contradicts a statement which Mr. Macomber, Deputy Under Secretary for Management, offered last year during testimony before the House Foreign Affairs Committee when he said:

> Mr. Chairman, as you and the other members of this subcommittee know, from the time of the introduction into the Congress of the first of the various bills which would prescribe in detail grievance procedures for the Foreign Service, the position of the Department of State and of the executive branch as a whole was that (taking a leaf from the private sector) a definitive grievance procedure could most appropriately be developed through the employee-management relations system; that it should be bargained out there rather than be unilaterally imposed by legislation; that once such a system had been bargained out, however, the Department would be prepared to support legislation in the form of an amendment to the Foreign Service Act incorporating the *general principles* of that grievance procedure. We stated this in the comments of the executive branch on S. 2023 to the Senate Committee on Foreign Relations in September of 1971, and I reiterated this position in my testimony to that committee in October 1971. As recently as February 15, 1972, Secretary Rogers urged the Foreign Relations Committee not to proceed with legislation at that time, while restating his personal support for later legislation incorporating the basic principles of the bargained-out definitive procedures as an amendment to the Foreign Service Act.
>
> It became increasingly clear, however, that certain members of Congress were anxious to enact legislation before the employee-management relations system could produce a definitive grievance procedure. It also became clear that, as Under Secretary for Political Affairs U. Alexis Johnson reported to the Secretary, a broad consensus existed within the Foreign Service itself favoring the adoption of grievance legislation at this time. Ambassador Johnson indicated that he personally also believed "that such legislation properly drafted is desirable."
>
> As a result, in April of this year Secretary Rogers wrote the chairman of both the Foreign Relations Committee and the Foreign Affairs Committee stating that we had "now concluded that legislation setting forth general principles for a grievance procedure . . . would be desirable at this time." What in effect he was saying was that while the Department initially preferred legislation incorporating general principles after the bargaining process was completed, we would now support general legislation before that process—as long as it was limited to general principles and still allowed the parties to work out a mutually acceptable detailed system.

As a result of the Department's apparent retrenched position, today I am reintroducing the so-called Bayh-Cooper bill to make it clear that an alternative to stalemated negotiations exists.

The general objective of the bill is to eliminate unnecessary rigidities in previous legislative proposals so as to allow the Secretary and the grievance board sufficient flexibility to meet changing needs in the Foreign Service. The Secretary is given substantial authority to author and revise the implementing regulations; the Board has authority to structure each hearing to meet the particular situation.

The rest of the bill is largely a compilation of basic rights of due process such as:

First. The right to a hearing;

Second. The right to representation at all stages of the proceedings;

Third. The right of access to documents relevant to a grievant's case;

Fourth. The right to call witnesses from the Department and to cross-examine those provided by the other side;

Fifth. The right of access to a transcript of the hearing;

Sixth. The right of freedom from interference or coercion while presenting a grievance ;and

Seventh. The right to a reasonable expectation that after a fair hearing of the findings of the Board will be carried out, and that if any due process rights are violated, the Board will have the power to enforce disciplinary action.

The employees can ask for no less; any grievance procedure worthy of the respect of the potential grievants and the public must be based on such rights. Again, I emphasize that this legislation merely provides the framework of a procedure. The language needed to secure the rights may be detailed, but the real details of the process are left up to the Department and the employees.

Mr. President, I sincerely hope that the present negotiations do lead to some basic agreement between the Department and the exclusive employee representative. However, if they do not, I intend to ask for prompt Senate consideration of the grievance bill. I would also expect prompt consideration by the House. Last year Mr. HAYS, chairman of the Subcommittee on State Department Organization and Foreign Operations, assured me that if his subcommittee did not take action on the grievance bill during the 92d Congress, he would make that bill the pending order of business before his subcommittee during the 93d Congress and that new hearings would not be required.

State Department employees have waited too long already for adequate protections of their rights of due process. It is time to establish an explicit grievance mechanism worthy of the confidence of the employees of the Foreign Service; hopefully a unified Foreign Service can then redistrict its attention to nationally important questions of foreign policy. Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1080

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title VI of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new part:

"PART J—FOREIGN SERVICE GRIEVANCES

"STATEMENT OF PURPOSE

"SEC. 691. It is the purpose of this part to provide officers and employees of the Service and their survivors, a grievance procedure to insure the fullest measure of due process, and to provide for the just consideration and resolution of grievances of such officers, employees, and survivors.

"REGULATIONS OF THE SECRETARY

"SEC. 692. The Secretary shall, consistent with the purposes stated in section 691 of this Act, implement this part by promulgating regulations, and revising those regulations when necessary, to provide for the consideration and resolution of grievances by a board. No such regulation promulgated by the Secretary shall in any manner alter or amend the provisions for due process established by this section for grievants. The regulations shall include, but not be limited to, the following:

"(1) Informal procedures for the resolution of grievances in accordance with the purposes of this part shall be established by agreement between the Secretary and the organization accorded recognition as the exclusive representative of the officers and employees of the Service. If a grievance is not resolved under such procedures within sixty days, a grievant shall be entitled to file a grievance with the board for its consideration and resolution. For the purposes of the regulations—

"(A) 'grievant' shall mean any officer or employee of the Service, or any such officer or employee separated from the Service, who is a citizen of the United States, or in the case of the death of the officer or employee, a surviving spouse or dependent family member of the officer or employee; and

"(B) 'grievance' shall mean a complaint against any claim of injustice or unfair treatment of such officer or employee arising from his employment or career status, or from any actions, documents, or records, which could result in career impairment or damage, monetary loss to the officer or employee, or deprivation of basic due process, and shall include, but not be limited to, actions in the nature of reprisals and discrimination, acts related to promotion or selection out, the contents of any efficiency report, related records, or security records, and actions in the nature of adverse personnel actions, including separation for cause, denial of a salary increase within a class, written reprimand placed in a personnel file, or denial of allowances.

"(2) (A) The board considering and resolving grievances shall be composed of independent, distinguished citizens of the United States well known for their integrity, who are not officers or employees of the Department, the Service, the Agency for International Development, or the United States Information Agency. The board shall consist of a panel of three members, one of whom shall be appointed by the Secretary, one of whom shall be appointed by the organization accorded recognition as the exclusive representative of the officers and employees of the Service, and one who shall be appointed by the other two members from a roster of twelve independent, distinguished citizens of the United States well known for their integrity who are not officers or employees of the Department, the Service, or either such agency, agreed to by the Secretary and such organization. Such roster shall be maintained and kept current at all times. If no organization is accorded such recognition at any time during which there is a position on the board to be filled by appointment by such organization or when there is no such roster since no such organization has been so recognized, the Secretary shall make any such appointment in agreement with organizations representing officers and employees of the Service. If members of the board (including members of additional panels, if any) find that additional panels of three members are necessary to consider and resolve expeditiously grievances filed with the board, the board shall determine the number of such additional panels necessary, and appointments to each such panel shall be made in the same manner as the original panel. Members shall (i) serve for two-year terms, and (ii) receive compensation, for each day they are performing their duties as members of the board (including traveltime), at the daily rate paid an individual at GS-18 of the General Schedule under section 5332 of title 5, United States Code. Whenever there are two or more panels, grievances shall be referred to the panels on a rotating basis. Except in the case of duties, powers, and responsibilities under this paragraph (2), each panel is authorized to exercise all duties, powers, and responsibilities of the board. The members of the board shall elect, by a majority of those members present and voting, a chairman from among the members for a term of two years.

"(B) In accordance with this part, the board may adopt regulations governing the organization of the board and such regulations as may be necessary to govern its proceedings. The board may obtain such facilities and supplies through the general administrative services of the Department, and appoint and fix the compensation of such officers and employees as the board considers necessary to carry out its functions. The officers and employees so appointed shall be responsible solely to the board. All expenses of the board shall be paid out of funds appropriated to the Department for obligation and expenditure by the board. The records of the board shall be maintained by the board and shall be separate from all other records of the Department.

"(3) A grievance under such regulations is forever barred, and the board shall not consider or resolve the grievance, unless the grievance is filed within a period of eight months after the occurrence or occurrences giving rise to the grievance, except that if the grievance arose prior to the date the regulations are first promulgated or placed into effect, the grievance shall be so barred, and not so considered and resolved, unless it is filed within a period of one year after the date of enactment of this part. There shall be excluded from the computation of any such period any time during which the grievant was unaware of the grounds which are the basis of the grievance and could not have discovered such grounds if he had exercised, as determined by the board, reasonable diligence.

"(4) The board shall conduct a hearing in any case filed with it. A hearing shall be open unless the board for good cause determines otherwise. The grievant and, as the grievant may determine, his representative or representatives are entitled to be present at the hearing. Testimony at a hearing shall be given by oath or affirmation, which any board member shall have authority to administer (and this paragraph so authorizes). Each party (A) shall be entitled to examine and cross-examine witnesses at the hearing or by deposition, and (B) shall be entitled to serve interrogatories upon another party and have such interrogatories answered by the other party unless the board finds such interrogatory irrelevant or immaterial. Upon request of the board or grievant, the Department shall promptly make available at the hearing or by deposition any witness under the control, supervision, or responsibility of the Department, except that if the board determines that the presence of such witness at the hearing would be of material importance, then the witness shall be made available at the hearing. If the witness is not made available in person or by deposition within a reasonable time as determined by the board, the facts at issue shall be construed in favor of the grievant. Depositions of witnesses (which are hereby authorized, and may be taken before any official of the United States authorized to administer an oath or affirmation, or, in the case of witnesses overseas, by deposition on notice before an American consular officer) and hearings shall be be recorded and transcribed verbatim.

"(5) Any grievant filing a grievance, and any witness or other person involved in a proceeding before the board, shall be free from any restraint, interference, coercion, discrimination, or reprisal. The grievant has the right to a representative of his own choosing at every stage of the proceedings. The grievant and his representatives who are under the control, supervision, or responsibility of the Department shall be granted reasonable periods of administrative leave to prepare, to be present, and to present the grievance of such grievant. Any witness under the control, supervision, or responsibility of the Department shall be granted reasonable periods of administrative leave to appear and testify at any such proceeding.

"(6) In considering the validity of a grievance, the board shall have access to any document or information considered by the board to be relevant, including, but not limited to, the personnel and, under appropriate security measures, security records of such officer or employee, and of any rating or reviewing officer (if the subject matter of the grievance relates to that rating or reviewing officer). Any such document or information requested shall be provided promptly by the Department. A rating officer or reviewing officer shall be informed by the board if any report for which he is responsible is being examined.

"(7) The Department shall promptly furnish the grievant any such document or information (other than any security record or the personnel or security records of any other officer or employee of the Government) which the grievant requests to substantiate his grievance and which the board determines is relevant and material to the proceeding.

"(8) The Department shall expedite any security clearance whenever necessary to insure a fair and prompt investigation and hearing.

"(9) The board may consider any relevant evidence or information coming to its attention and which shall be made a part of the record of the proceeding.

"(10) If the board determines that (A) the Department is considering any action (including, but not limited to, separation or termination) which is related to, or may affect, a grievance pending before the board, and (B) the action should be suspended, the Department shall suspend such action until the board has ruled upon such grievance.

"(11) Upon completion of the proceedings, if the board resolves that the grievance is meritorious—

"(A) and determines that relief should be provided that does not directly relate to the promotion, assignment, or selection out of such officer or employee, it shall direct the Secretary to grant such relief as the board deems proper under the circumstances, and the resolution and relief granted by the board shall be final and binding upon all parties; or

"(B) and determines that relief should be granted that directly relates to any such promotion, assignment, or selection out, it shall certify such resolution to the Secretary, together with such recomendations for relief as it deems appropriate and the entire record of the board's proceedings, including the transcript of the hearing, if any. The board's recommendations are final and binding on all parties, except that the Secretary may reject any such recommendation only if he determines that the foreign policy or security of the United States will be adversely affected. Any such determination shall be fully documented with the reasons therefor and shall be signed personally by the Secretary, with a copy thereof furnished the grievant. After completing his review of the resolution, recommendation, and record of proceedings of the board, the Secretary shall return the entire record of the case to the board for its retention. No officer or employee of the Department participating in a proceeding on behalf of the Department shall, in any manner, prepare, assist in preparing, advise, inform, or otherwise participate in, any review or determination of the Secretary with respect to that proceeding.

"(12) The Board shall have authority to insure that no copy of the Secretary's determination to reject a board's recommendation, no notation of the failure of the board to find for the grievant, and no notation that a proceeding is pending or has been held, shall be entered in the personnel records of such officer or employee to whom the grievance relates or anywhere else in the records of the Department, other than in the records of the board.

"(13) A grievant whose grievance is found not to be meritorious by the board may obtain reconsideration by the board only upon presenting newly discovered relevant evidence not previously considered by the board and then only upon approval of the board.

"(14) The board shall promptly notify the Secretary, with recommendations for appropriate disciplinary action, of any contravention by any person of any of the rights, remedies, or procedures contained in this part or in regulations promulgated under this part.

"RELATIONSHIP TO OTHER REMEDIES

"Sec. 693. If a grievant files a grievance under this part, and if, prior to filing such grievance, he has not formally requested that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, then such matter or matters may only be considered and resolved, and relief provided, under this part. A grievant may not file a grievance under this part if he has formally requested, prior to filing a grievance, that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part.

"JUDICIAL REVIEW

"Sec. 694. Notwithstanding any other provision of law, regulations promulgated by the Secretary under section 692 of this Act, revisions of such regulations, and actions of the Secretary or the board pursuant to such section, may be judicially reviewed in accordance with the provisions of chapter 7 of title 5, United States Code."

(b) The Secretary of State shall promulgate and place into effect the regulations provided by section 692 of the Foreign Service of 1946 (as added by subsection (a) of this section), and establish the board and appoint the member of the board which he is authorized to appoint under, as provided by such section 692, not later than 90 days after the date of enactment of this Act.

By Mr. JACKSON:

S. 1081. A bill to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment. Referred to the Committee on Interior and Insular Affairs.

FEDERAL LANDS RIGHT-OF-WAY ACT OF 1973

Mr. JACKSON. Mr. President, I introduce for appropriate reference the Federal Lands Right-of-Way Act of 1973.

The purpose of this measure is to establish a comprehensive national policy and procedure for the granting of rights-of-way across the Federal lands for those transportation and transmission purposes which meet the requirements of the act.

Mr. President, Federal legislation on right-of-way authority is now needed because the recent decision of the Circuit Court of Appeals for the District of Columbia on the proposed Trans-Alaska oil pipeline has cast a cloud of uncertainty over the Secretary of the Interior's legal authority to grant rights-of-way for oil and gas pipelines, water lines, electrical transmission lines, communication facilities, roads, and other necessary transportation facilities across public and Federal lands.

The full reach and effect of the court's decision on the case of the Wilderness Society et al. against Secretary Morton is not entirely known. It is clear, however, that many of the existing Federal rights-of-way statutes which have specific width limitations are no longer adequate. Rights-of-way granted in the past for many different purposes may now, in whole or in part, be illegal in view of the court's decision. In addition, the court's ruling means that with respect to proposals for large oil and gas pipelines, electrical transmission lines, and other facilities the Secretary does not now have the legal authority to issue rights-of-way of sufficient width to allow needed new transmission and transportation facilities be developed.

The bill I propose today is patterned in a number of important respects after the provision of title IV of the administration's proposed National Resource Lands Management Act. The bill does, however, incorporate major changes from the approach proposed by the Department of the Interior. These changes involve specific provisions on: First, land use planning; second, multiple use of common transportation corridors; third, the relationship of right-of-way legislation to the National Environmental Policy Act; fourth, the role of common carrier pipelines; fifth, environmental requirements; sixth, the liability of holders of rights-of-way across Federal lands; and seventh, various other matters.

Mr. President, there are a number of other bills and amendments pending which deal with some aspect of the Federal Government's authority to issue rights-of-way across Federal lands. Most of these measures were introduced in response to the legal uncertainties created by the court of appeals decision in the Trans-Alaska Pipeline case. Some of these proposals are very specific and relate directly to the Secretary of Interior's authority to grant a right-of-way permit to authorize construction of this pipeline. It is my view that a broader approach is needed because the problems caused by the court's decision affect much more than rights-of-way for oil pipelines in Alaska. They involve every State in which rights-of-way for many different purposes cross Federal lands.

Even though the issues presented by the court's decision go far beyond the Trans-Alaska Pipeline proposal it is evident that much of the debate on this legislation will be carried on in the context of the proposed Alaska pipeline. Because of this, some discussion of the history of this proposed facility is in order.

The critical issues of Federal law involve the Secretary of the Interior's authority to grant a right-of-way broad enough for the proper construction and operation of a modern, 48-inch pipeline, and the proposed permit's compliance with the National Environmental Policy Act of 1969—NEPA. Plaintiffs in the court case contended that the Mineral Leasing Act of 1920 forbids a right-of-way extending more than 25 feet on either side of the pipeline, and that this limit applies as well to any special land use permit that may be granted in connection with pipeline construction or operation. They also contended that NEPA requires the Interior Department to give more thorough consideration than it yet has to an alternative route through Canada before granting a permit for the trans-Alaska route. There were other legal issues but they are basically subsidiary to these two.

These issues were first tried in Federal district court before Judge Hart, who last August 15 dismissed all the complaints. On February 9, 1973, however, the U.S. Court of Appeals for the District of Columbia Circuit unanimously determined that the Interior Secretary lacked the authority to grant a right-of-way, whatever it was called, that exceeded the limits set out in the Mineral Leasing Act. The court, in a divided opinion, also declined to rule on the NEPA challenge on several grounds—that the permit's illegality under the Mineral Leasing Act made the NEPA issues moot; that even if Congress were to remove the right-of-way limitation, circumstances relevant to the NEPA issues might change in the meantime; and finally, that the record from district court was inadequate to support any finding on the appeal.

Congress can lift some but not all of the barriers to production and transportation of North Slope oil. I regret that the circuit court did not come to grips with the challenge to the pipeline under NEPA. The courts must still determine the scope of the act and the factual question as to whether the administration did give proper consideration to the relevant alternatives. These kinds of issues are ones into which Congress should not interpose its judgment into the judicial process except for the most compelling reasons. I would not, however, categorically rule out congressional intervention, should the litigation go on and on without resolution, but the case for such action is not yet clear.

The Mineral Leasing Act issue regarding the right-of-way is straightforward and urgent. No large modern oil or gas pipeline can be built or operated anywhere in the country without using more than 25 feet on at least one side. Moreover, the court's ruling casts a legal cloud over the continued operation of countless other pipelines throughout the country. The court's reasoning in the Alyeska case may be extended to other rights-of-way—electrical transmission lines, irrigation canals, and the like—raising obstacles to construction of new facilities and casting doubt on the legality of existing facilities.

Skelly Wright, in his circuit court opinion, placed this issue squarely before the Congress. He said—

> At the heart of (the) discussion is a very simple point, Congress, by enacting Section 28, allowed pipeline companies to use a certain amount of land to construct their pipelines. These companies have now come into court, accompanied by the executive agency, authorized to administer the statute, and have said, "This is not enough land; give us more." We have no more power to grant their request, of course, than we have the power to increase congressional appropriations to needy recipients. Article 4, § 3, Cl. 2 of the Constitution provides that "The Congress shall have power to dispose of and make all needful Rules and Regulations respecting the Territory and other Property belonging to the United States." The power over the public land thus entrusted to Congress is without limitations. "And it is not for the courts to say how that trust shall be administered. *That is for Congress to determine.*"

Mr. President, I ask unanimous consent that a summary of the bill and the text of the bill be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I would also like to announce that a hearing has been scheduled on March 9, 1973, before the Senate Committee on Interior and Insular Affairs to receive testimony on this bill and other pending legislative measures to clarify and authorize the granting of rights-of-way, easements, leases, and permits across federally owned lands. The hearing will be held in room 3110 of the Dirksen Senate Office Building and will begin at 10 a.m. Witnesses to be heard at that time will be representatives of the Department of the Interior and any other witnesses who request an opportunity to present testimony.

Exhibit 1

SUMMARY OF THE FEDERAL LANDS RIGHT-OF-WAY ACT OF 1973

1. Establish a comprehensive and unitary Federal policy and procedure for the granting of rights-of-way across the Federal lands.

2. Does not permit the granting of rights-of-way across lands in (a) the National Park System, (b) the Wildlife Refuge System, (c) the Outer Continental Shelf, (d) the Wilderness Preservation System, or (e) Indian trust or restricted lands.

3. Specifies the purposes for which rights-of-way may be granted. These include oil and gas pipelines and associated facilities; other pipelines; canals, ditches, tunnels, and systems for water transport; transportation systems for moving solid materials; electrical transmission lines and systems; transmission systems for communication (telephone, telegraph, radio, television, etc.,); roads, trails, highways, railroads, and other forms of transportation; and other legitimate transmission or transportation systems which are in the public interest.

4. Requires that insofar as possible rights-of-way across Federal lands be confined to common corridors designed for multiple use purposes. Also, the Secretary of the Interior is directed to initiate a land use planning process for the identification and designation of a National System of transportation and utility corridors across the Federal lands.

5. Authorizes and directs the Secretary to issue regulations designed to set forth specific requirements to protect air and water quality; to prevent and control damage to the environment and to fish and wildlife resources; to prevent any damage to private and public property; and to protect public health and safety.

6. Requires the applicant for a right-of-way across Federal lands to pay the United States the fair market value of the right-of-way.

7. Establishes that the holder of a right-of-way is liable to the United States and to third parties for any damage or injuries caused in connection with any activities conducted on the right-of-way.

8. Requires the holder of a right-of-way to furnish a bond or other security necessary to insure that all of the requirements of the Act are fulfilled.

9. Requires that before a right-of-way may issue the applicant must demonstrate financial and technical capability to complete the project in accord with the requirements of the Act.

10. Sets forth specific terms and conditions relating to protecting the environment, Federal property, and the public interest.

11. Requires that right-of-way contain terms and conditions to protect the interest of individuals living in the right-of-way areas who rely on the fish, wildlife, and biotic resources of the area for subsistence purposes. This provision has particular reference and importance for Alaska Native people.

12. Provides for the termination, abandonment, or suspension of rights-of-way.

13. Provides for the grant of rights-of-way to Federal agencies.

14. Provides for treatment of rights-of-way in the event the Federal lands involved are ever conveyed out of Federal ownership.

15. Confirms the authority under which previous rights-of-way have been granted and authorizes their conversion to rights-of-way authorized under this Act.

16. Specifically provides that nothing in this Act shall be construed to amend, repeal, modify or change any provision or requirement of the National Environmental Policy Act of 1969.

S. 1081

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Lands Right-of-Way Act of 1973".

DEFINITIONS

SEC. 2. As used in this Act—

(a) "Right-of-way" means an easement, lease, permit, or license to occupy, use or traverse Federal lands.

(b) "Federal lands" means all lands owned by the United States except (1) lands in the National Park System, (2) lands in the National Wildlife Refuge System, (3) lands on the Outer Continental Shelf, (4) lands in the National Wilderness Preservation System, and (5) lands held by the United States in trust for any Indian or Indian tribe, and lands held or owned by any Indian or Indian tribe under a limitation or restriction on alienation requiring the consent of the United States.

(c) "Holder" means any State or local governmental entity or agency, individual, partnership, corporation, association, or other business entity receiving a right-of-way under this Act.

AUTHORIZATION TO GRANT RIGHTS-OF-WAY ON FEDERAL LANDS

SEC. 3. (a) The Secretary is authorized to grant, issue, or renew rights-of-way over, upon, or through the Federal lands for—

(1) Pipelines and other systems for the transportation of oil or natural gas and storage and terminal facilities in connection therewith. Such rights-of-way shall extend to—

(A) the lands occupied by the pipeline and its appurtenances, including but not limited to the line of pipe, valves, pump stations, supporting structures (including berms), monitoring devices, surge and storage tanks, and terminals;

(B) the lands occupied by facilities necessary for the operation or maintenance of the pipelines and their appurtenances; and

(C) such adjacent lands as are necessary to protect the environment and to provide for access, operation, maintenance or public safety.

(2) Reservoirs, canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other facilities and systems for the impoundment, storage, transportation, or distribution of water;

(3) Pipelines and other systems for the transportation or distribution of liquids and gases, other than oil, water and natural gas, and for storage and terminal facilities in connection therewith;

(4) Pipelines, slurry and emulsion systems, and conveyor belts for transportation and distribution of solid materials, and facilities for the storage of such materials in connection therewith;

(5) Systems for generation, manufacture, transmission and distribution of electric power and energy, except insofar as the Federal Power Commission has jurisdiction under the Act of June 10, 1920, as amended (16 U.S.C. 796, 797);

(6) Systems for transmission or reception of radio, television, telegraph, and other electronic signals, and other means of communication;

(7) Roads, trails, highways, railroads, canals, tramways, airways, livestock driveways, or other means of transportation; and

(8) Such other necessary transportation or other systems which are in the public interest and which require rights-of-way over, upon, or through the Federal lands.

(b) Where the surface of the Federal lands is administered by another Federal agency, the consent of the head of that agency shall first be obtained.

(c)(1) Pipelines and other systems authorized under Subsection (a)(1) of this section shall be constructed, operated and maintained as common carriers, and the owners or operators thereof shall accept, convey, transport, or purchase, without discrimination, oil or natural gas produced from Federal lands and other lands in the vicinity of the pipeline in such proportionate amounts as the Secretary may, after a full hearing with due notice thereof to the interested parties and a proper finding of facts, determine to be reasonable; however, the common carrier provisions of this section shall not apply to any natural gas pipeline operated by any person subject to regulation under the Natural Gas Act or by any public utility subject to regulation by a State or municipal regulatory agency having jurisdiction to regulate the rate and charges for the sale of natural gas to consumers within the State or municipality.

(2) The Secretary, prior to granting, issuing, or renewing a right-of-way under this Act for a pipeline or terminal shall require the applicant to file a stipulation that the pipeline or terminal will be operated as a common carrier as required by subsection (c)(1) of this Act, and setting out the terms and conditions under which the owners or operators will accept, convey, transport or purchase oil or natural gas, including but not limited to: (A) conditions for, and agreements among owners or operators regarding, the addition of pumping facilities, looping, or otherwise increasing the pipeline or terminal's throughout capacity in response to actual or anticipated increases in demand; (B) conditions for adding or abandoning intake or offtake points of facilities; (C) systems and principles of accounting and tariff-setting; and (D) minimum shipment tenders. The stipulations and conditions included in the statement required by this subsection shall become part of the right-of-way permit, and shall be amended by the Secretary only after a full hearing with due notice thereof to the interested parties and a proper finding of facts.

(d) Nothing in this Act shall be deemed to limit in any way the authority of the Secretary to make grants, issue leases, licenses or permits, or enter into contracts under other provisions of law, for purposes ancillary or complementary to the construction, operation, maintenance or termination of any facility authorized under this Act.

RIGHT-OF-WAY CORRIDORS

SEC. 4. In order to minimize adverse environmental impacts and to prevent the unnecessary proliferation of separate rights-of-way across Federal lands, the Secretary shall, whenever practical and consistent with national and State land use policies, environmental quality, safety, and good engineering practice, grant non-exclusive and multiple use rights-of-way, and shall, where appropriate, require applicants for rights-of-way under this title to utilize rights-of-way in common.

The Secretary shall issue regulations including but not limited to: (1) standards for requiring and granting non-exclusive and multiple-use rights-of-way; and (2) identification and designation of a national system of transportation and utility corridors across Federal lands, to which all rights-of-way granted under this Act shall, to the extent practical, be confined.

GENERAL PROVISIONS

SEC. 5. (a) The Secretary shall specify the boundaries of each right-of-way as precisely as is practical. Each right-of-way granted, issued or renewed pursuant to this Act shall extend to the ground occupied by the facilities which the Secretary determines to constitute the project or portions of the project for which the right-of-way is given. The Secretary by lease, license, or permit may authorize the use of such additional lands as he determines to be necessary for the construction, operation, maintenance, or termination of the project or a portion thereof, or for access thereto.

(b) The Secretary shall determine the duration of each right-of-way or other authorization to be granted, issued, or renewed pursuant to this Act, and shall also determine whether the right-of-way shall confer exclusive or non-exclusive use.

(c) Rights-of-way granted, issued, or renewed pursuant to this Act shall be given under such regulations and subject to such terms and conditions as the Secretary may prescribe regarding extent, duration, application, charge, survey, location, construction, operation, maintenance and termination.

(d) The Secretary, prior to granting a right-of-way pursuant to this Act for a new project which may have a significant impact on the environment, shall require the applicant to submit a plan of construction, operation and rehabilitation which shall comply with regulations issued by the Secretary. The Secretary shall issue regulations which shall include, but shall not be limited to: (1) requirements to insure that activities in connection with the right-of-way will not violate applicable air and water quality standards; and (2) requirements to control, prevent, and restore (A) damage to the environment (including damage to fish and wildlife habitat), (B) damage to public or private property, and (C) hazards to public health and safety. Such regulations shall be regularly revised. The issuance or revision of such regulations shall be applicable to every right-of-way granted, issued or renewed pursuant to this Act, irrespective of whether that right-of-way was granted, issued or renewed prior to the issuance or revision of such regulations.

(e) Mineral and vegetative materials, including timber, within or without a right-of-way, may be used or disposed of in connection with construction or other purposes only if authorization to remove or use such materials has been obtained pursuant to applicable laws.

(f) No right-of-way shall be issued for less than the fair market value thereof, except that rights-of-way may be granted, issued or renewed to State or local governments or agencies or instrumentalities thereof, or to nonprofit associations or nonprofit corporations which are not themselves controlled or owned by profit making corporations or business enterprises, for such lesser charge as the Secretary finds equitable and in the public interest.

(g) The holder of a right-of-way under this Act: shall (1) be liable to the United States for damage or injury incurred by the United States in connection with activities conducted on the right-of-way; (2) be liable to third parties in connection with activities conducted on the right-of-way; and (3) shall indemnify or hold harmless the United States for liabilities, damages or claims arising in connection with the right-of-way.

(h) Where he deems it appropriate, the Secretary may require a holder of a right-of-way to furnish a bond, or other security, satisfactory to the Secretary, to secure all or any of the obligations imposed by the terms and conditions of the right-of-way or by any rule or regulation of the Secretary.

(i) The Secretary shall grant, issue, or renew a right-of-way under this Act only when he is satisfied that the applicant has the technical and financial capability to construct the project for which the right-of-way is requested, and in accord with the requirements of this Act.

TERMS AND CONDITIONS

SEC. 6. Each right-of-way shall contain such terms and conditions as the Secretary deems necessary to: (a) carry out the purposes of this Act and rules and regulations hereunder; (b) implement other Federal statutes and regulations, particularly any which in any way affect the right-of-way itself or the project for which the right-of-way is required; (c) protect the environment; (d) protect Federal property and monetary interests; (e) manage efficiently Federal lands which are subject to the right-of-way or adjacent thereto; (f) protect lives and property; (g) implement Federal programs and policies; (h) protect the interests of individuals living in the general area traversed by the right-of-way who rely on the fish, wildlife and biotic resources of the area for subsistence purposes; and (i) protect the public interest.

SUSPENSION OR TERMINATION OF RIGHT-OF-WAY

SEC. 7(a) The Secretary may suspend or terminate any right-of-way granted, issued or renewed pursuant to this Act if, after due notice to the holder of the right-of-way and an appropriate administrative proceeding, he determines that such action is appropriate; however, no administrative proceeding shall be required where the right-of-way by its terms provides that it terminates on the occurrence of a fixed or agreed upon condition, event, or time.

(b) Abandonment of the right-of-way or noncompliance with any provision of this Act, condition of the right-of-way, or applicable rule or regulation of the Secretary, may be grounds for termination of the right-of-way. Failure of the holder of the right-of-way to use the right-of-way for the purpose for which it was granted, issued, or renewed, for any two-year period, shall be presumed to constitute abandonment of the right-of-way.

RIGHTS-OF-WAY FOR FEDERAL AGENCIES

SEC. 8. (a) The Secretary may set aside for the use of any department or agency of the United States a right-of-way over, upon or through Federal lands, subject to such terms and conditions as he may impose. The provisions of this Act shall be applicable to such rights-of-way to the extent the Secretary deems necessary.

(b) Where a right-of-way has been set aside for the use of any department or agency of the United States, other than the Department of the Interior, the Secretary shall take no action to terminate, or otherwise limit, that use without the consent of the head of that other department or agency.

CONVEYANCE OF LANDS

SEC. 9. (a) If the Secretary decides to transfer out of Federal ownership by patent, deed, or otherwise, any Federal lands covered in whole or in part by a right-of-way, the lands may be conveyed subject to the right-of-way; however, if the Secretary determines that the right-of-way is of such a nature that continued Federal control is necessary in the public interest, he may (1) reserve to the United States that portion of the lands which lies within the boundaries of the right-of-way, or (2) convey the lands, including that portion within the boundaries of the right-of-way, subject to the right-of-way and reserving to the United States the right to enforce all or any of the terms and conditions of the right-of-way, including the right to renew it or extend it upon its termination and to collect rents.

(b) Where the Secretary determines to transfer out of Federal ownership any Federal lands covered in whole or in part by a right-of-way, he may offer the holder of the right-of-way a preference right to purchase that portion of the lands which are within the boundaries of the right-of-way, if in the judgment of the Secretary such action is (1) necessary to protect the holder's rights in the right-of-way and (2) not contrary to the public interest.

EXISTING RIGHTS-OF-WAY

SEC. 10. Nothing in this Act shall have the effect of terminating any existing right-of-way authorized pursuant to any other Federal statute. However, with the consent of the holder thereof, the Secretary may cancel such a right-of-way and in its stead issue a right-of-way pursuant to the provisions of this Act.

RULES AND REGULATIONS

SEC. 11. The Secretary is authorized to promulgate such rules and regulations as he deems necessary to carry out the purposes of this Act.

EFFECT ON OTHER LAWS

SEC. 12. Nothing in this Act shall be construed to amend, repeal, modify or change in any way the requirements of Section 102(2) (C) or any other provision of the National Environmental Policy Act of 1969 (P.L. 91-190, 83 Stat. 852).

By Mr. BAYH (for himself, Mr. WEICKER, Mr. GURNEY, Mr. BEALL, Mr. ROBERT C. BYRD, Mr. JAVITS, Mr. STAFFORD, and Mr. STEVENSON):

S. 1082. A bill to repeal the bread tax, and for other purposes. Referred to the Committee on Agriculture and Forestry.

THE BREAD TAX REPEAL ACT

Mr. BAYH. Mr. President, I send to the desk for appropriate reference, on behalf of the distinguished Senator from Connecticut (Mr. WEICKER) and myself, the Bread Tax Repeal Act. We are pleased that the distinguished Senator from Florida (Mr. GURNEY), the distinguished Senator from Maryland (Mr. BEALL), the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), the distinguished Senator from New York (Mr. JAVITS), the distinguished Senator from Vermont (Mr. STAFFORD), and the distinguished Senator from Illinois (Mr. STEVENSON) have joined us as cosponsors of this bill.

The Bread Tax Repeal Act will repeal the existing 75 cents per bushel tax imposed on wheat which is made into bread and other baked goods. It will prevent an impending and significant increase on the price of bread. It will eliminate what is perhaps the most regressive sort of a tax a nation can levy on its citizens. And yet it will not affect at all the wheat subsidy payments made to farmers across the country, nor the price the farmer receives for his wheat.

The 75 cents per bushel charge which this bill repeals—commonly known as the bread tax—is imposed under the Agriculture Adjustment Act. The tax is collected from millers, those who turn wheat into flour. The revenues collected from the millers are used to pay a portion of the cost of farm subsidy payments.

The very existence of this tax plainly tends to exert upward pressure on bread prices, for the cost to the miller is reflected in the price he charges the baker for flour, and then in the price the baker charges the consumer for bread. One recent estimate is that the bread tax results in an increase of 2 cents in the cost of the average loaf of bread. Today the situation is exacerbated, because flour prices have risen dramatically in the last 8 months, due largely to the Russian wheat deal. As every Member of Congress knows, the baking industry believes that it has been squeezed between increasing flour costs and the controlled price it can charge for bread. Bakers have repeatedly sought an increase in bread prices from the Price Commission.

Our fight against inflation would be undermined if we permit bread prices to rise. But the bakers do have a legitimate problem, and many small and independent bakers may be forced out of business if nothing is done. The proper solution, we believe, is to repeal the bread tax. This would have the immediate effect of reversing the upward pressure on flour prices, and thus on bread prices.

Another good reason to repeal the bread tax is that it is highly regressive—it hits much harder on the poor than it does on the rich. Poor people spend a higher proportion of their income on food products and on bread than do the rich; thus the poor pay a higher percentage of their income for the bread tax than the wealthy. This is just the opposite of the sound public policy reflected in our progressive income tax laws. Under our proposal that portion of the subsidy payment previously financed by the unfair bread tax—about $400 million—would be financed instead by the fairer corporation and personal income tax.

I want to emphasize that the bill we introduce today is structured in a way which leaves wheat subsidy payments to farmers unchanged. In our view the issues related to such payment are not connected to the bread tax, and should be discussed separately. This bill keeps subsidy levels exactly where they are now, but calls for financing the subsidies more fairly.

In detail the legislation we introduce today does the following: First, it repeals the 75-cent-per-bushel tax on wheat now paid by millers, effective July 1, 1973—the 1973 crop of wheat; second, it guarantees that the repeal of the bread tax would have no effect on wheat subsidy payments; and third, it directs the President acting through the Cost of Living Council to report to Congress by September 1974, on how much progress has been made in reducing or stabilizing bread prices under this act.

Other legislation aimed at the same problem has been introduced in the House and in this body, Mr. President, including a bill (S. 717) introduced by the principal cosponsor of this bill, Senator WEICKER. The reason that my friend from Connecticut and I have joined together on the bill I have just sent to the desk is that it makes explicit in statutory language two important points which were not explicit in the other bills. First, the bill we introduce today lays out plainly in the law that wheat subsidies will be maintained at their present levels, notwithstanding repeal of the bread tax. The funds lost by repeal of the bread tax would be made up by funds from the general revenue. Second, the bill we introduce today avoids all possibility that the bread tax could be reinstituted under any other provision of law. The bills previously introduced and this one are identical in intent; our bill simply takes every precaution to assure that its intent is carried out.

Mr. President, we look forward to consideration of this proposal by the Agriculture Committee and by the full Senate. We believe it is in the interest of the consumer, the baker, the farmer, and sound policy to pass this legislation.

I ask unanimous consent that the text of the Bread Tax Repeal Act be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1082

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this bill may be cited as "The Bread Tax Repeal Act of 1973".

SEC. 2. (a) Section 379e of the Agriculture Adjustment Act of 1938, as amended (7 U.S.C. § 1379e) is amended by inserting "(a)" before the first sentence thereof.

(b) Such section 379e is further amended by striking out in the last sentence thereof the words "1971, 1972, and 1973 crops of wheat" and inserting in lieu thereof "1971 and 1972 crops of wheat".

SEC. 3. (a) Section 379e of the Agriculture Adjustment Act of 1938, as amended, is further amended by adding a new subsection (b), as follows:

"(b) Notwithstanding Section 379b of the Agriculture Adjustment Act of 1938, as amended, or any other provision of law, processors shall not be charged for domestic wheat marketing certificates for the 1973 crop of wheat. Any amount which a producer would have realized under law from the sale of his farm domestic allotment of wheat in the absence of the changes made in this chapter by the Bread Tax Repeal Act of 1973 shall be paid to such producer as if such changes had not been made. The Secretary of Agriculture is authorized to issue such regulations as he determines necessary to carry out this subsection, and he is further authorized to use funds of the Commodity Credit Corporation for this purpose."

SEC. 4. The President, through the Cost of Living Council or such other agency as he may direct, shall report to the Congress by September 1, 1974 on the effect of this Act on reducing or stabilizing the retail price of bread.

SEC. 5. There is authorized to be appropriated out of the sums in the Treasury not otherwise appropriated such sums as are necessary to carry out the provisions of this Act, including payments to producers necessitated by Section 3.

Mr. WEICKER. Mr. President, I am today introducing, along with the distinguished Senator from Indiana, legislation to abolish the 75-cent-per-bushel certificate tax levied on wheat processors, such as bakeries or flour millers.

I introduced a similar measure, S. 717, on February 1, 1973. The bill we are presenting today is identical to S. 717 with respect to repeal of the 75-cent excise tax. It differs only in that it adds two new provisions. The first provision explicitly states that removal of the authority to charge wheat processors 75 cents for wheat certificates does not mean that these processors could then be charged the full certificate face value, which may be as much as double the 75 cents. A second provision would make explicit that the reduction of 75 cents charged wheat processors shall not be used to reduce, by 75 cents, the value of the certificates to farmers—in other words, the 75 cents will have to be made up from general revenues, and there would be no penalizing of farmers as a result of this bill.

This additional action seemed necessary in light of recent executive branch actions, which have taken advantage of legislative intentions that were not mandatory. The lack of specificity has been used to contradict legislative intent, and we wish to present no such vulnerability here.

Mr. President, the measure we are introducing today would effectively terminate, as of July 1 of this year, the so-called "bread tax," a tax which has increased the cost of bread by almost 2 cents a loaf. Under present law, this excise tax, which last year amounted to over 50 percent of the market value of wheat, would continue until July 1, 1974. Of all Federal excise taxes, I know of none that even approaches 50 percent of the commodity value. Without question, this is one of the most excessive and regressive of all Federal excise taxes; but an even more unfortunate aspect is that it hits hardest at those who have the least ability to bear its burden.

Of foremost concern, is the impact of this tax on the American consumer, already overburdened by food prices. Ironically, the tax applies only on wheat for food uses—like bread and flour—and not on wheat for feed. Pigs and poultry get a better tax break on their food than people.

Although supermarket prices have increased in recent months, the Government's most recent price figures indicate that still higher retail prices can be expected. In January alone, grocery prices rose nationally by 2.3 percent, the largest monthly rise in 21 years.

The wholesale price of wheat, specifically, increased during the past year by 57 percent, to about $2.46 per bushel. The original purpose of this wheat certificate tax was to assure that processors would pay an average of $2 per bushel—or the market price of about $1.25 plus a 75-cent tax. Given the present market price for wheat, it is preposterous to charge an excise tax that must be absorbed by the already overburdened American consumer.

In addition, the bread tax has all the earmarks of an anti-antipoverty program. The effect of this tax is, of course, passed on to the consumer—especially should bakeries be forced out of business by a resulting profit squeeze. Department of Agriculture statistics show clearly that wheat flour consumption goes up sharply as family income goes down, dramatically illustrating the regressive nature of this tax:

Home use of wheat products per person per week

[In pounds]

Annual income per family:	*U.S. average*
Under $2,000	3.83
$2,000 to $2,999	3.15
$3,000 to $3,999	2.84
$4,000 to $4,999	2.59
$5,000 to $5,999	2.58
$6,000 to $7,999	2.46
$8,000 to $9,999	2.29

Consumer spending for wheat products

Annual income per family:	*Percent*
Under $2,000	6.6
$2,000 to $2,999	5.9
$3,000 to $3,999	5.8
$4,000 to $4,999	5.3
$5,000 to $5,999	5.1
$6,000 to $7,999	4.8
$8,000 to $9,999	4.6

The time has clearly come for the Congress to take this step to help low-income consumers—a delay will mean a $400 million burden for those least able to pay for their daily bread.

Finally, this unique wheat certificate tax imposes an undue burden upon the independent bakeries struggling to survive under an economic squeeze of rising costs and controlled prices. The extension of this extraordinary tax will mean a loss of hundreds of jobs and threaten the economic viability of small bakers. The Milling & Baking News, on December 5, 1972, published a list of 35 wholesale bakeries that had closed in the past year for economic reasons.

A letter I received recently from Robert L. Schaus, of the Reymond Baking Co. in Waterbury, Conn. illustrates this problem. As Mr. Schaus points out:

> Our bakery has suffered to the extent of an additional $5,000.00 per week for increased flour costs without price relief. While we have the legal right to increase our prices, we cannot do so because of the competition of Tier I (for wage and price control purposes) companies who cannot increase prices because of Tier I limitations under the present Price Commission Guidelines.

I have joined with Senator TALMADGE in a letter to President Nixon requesting a meeting between Dr. John Dunlop, Mr. John Erlichman, Secretary George Schultz, and representatives of the baking industry. Such a meeting is needed to resolve the baking industry's problems stemming from decisions by the Price Commission and the Cost of Living Council.

Nevertheless, we do not ultimately want the Reymond Baking Co., or any other bakery, to raise prices. Rather, we should remove the 75-cent-per-bushel certificate tax on wheat. This would not affect consumers, or for that matter, payments to wheat farmers. Under present law, 90 percent of the funds for farm payments come from general revenue, and 10 percent come from the bread tax.

Enactment of this bill would simply mean that all farm payments would come from general revenues.

Mr. President, I urge the Congress to act quickly on this measure, as a responsible, fair, and necessary step to offset the increased costs of flour caused by recent Russian wheat sales, and to protect our consumers, independent bakeries, and all those who subsist on low incomes.

By Mr. BAYH:

S. 1083. A bill to amend certain provisions of Federal law relating to explosives. Referred to the Committee on the Judiciary.

Mr. BAYH. Mr. President, today I am introducing legislation that would remove some of the existing restrictions on commercially produced black powder used solely for sporting purposes. My bill exempts black powder and certain igniters from the licensing and permit provisions of title XI of the Organized Crime Control Act only when used in the firing of antique weapons. Thousands of law-abiding Americans own muzzle loading rifles which they use in recreational and competitive meets. Because of the present restrictions on black powder, these sporting enthusiasts are severely hampered in the enjoyment of their antique firearms. My bill would allow them to obtain the black powder they need to participate in the antique shooting sports.

My bill does not affect the strict existing criminal penalties for the misuse of explosives, including black powder and igniters. These penalties, adopted by the Congress in 1970, are designed to prevent unlawful damage to property, intimidation, personal injury, and loss of life through the use of explosives. The necessity for severely punishing these horrendous crimes is clear. And it is equally clear that access to black powder must be restricted to those sportsmen who have a legitimate need for this kind of explosive material.

I hope that my colleagues will give favorable consideration to this measure. Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1083

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 845(a) of title 18 of the United States Code (relating to exemptions from certain provisions of Federal law relating to explosives) is amended by striking out paragraph (5) and inserting in lieu thereof the following new paragraph:

"(5) commercially manufactured black powder, percussion caps, safety and pyrotechnic fuses, quills, quick and slow matches, and friction primers intended to be used solely for sporting purposes in antique firearms or devices as defined in Section 921(a) of title 18 of the United States Code; and

By Mr. BAYH:

S. 1084. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firefighters not employed by the United States who are killed or totally disabled in the line of duty. Referred to the Committee on Post Office and Civil Service.

Mr. BAYH. Mr. President, I reintroduce today for appropriate reference a bill I have introduced in every Congress since 1969. The bill extends Federal employees' compensation benefits to all policemen and firefighters who are killed or disabled in the line of duty. It recognizes the important service that dedicated firefighters and policemen perform for the whole Nation as well as for their own communities.

The reason I favor bringing policemen and firefighters under the provisions of the Federal Employees Compensation Act, Mr. President, is that this act provides benefits which are related to the needs of the public safety officer and his family. For example, under my bill, a widow without children would get 45 percent of what her husband was earning. And she would get it for life or until she remarried. If she has children, she gets 40 percent plus 15 percent for each child until she remarries, or her children reach the age of 18, or 22 if they are students. This widow's and her children's compensation could be as high as 75 percent of the deceased policeman's or firefighter's salary.

If we take that amount on a monthly annuity basis for a mother with young children, and compare it with the $50,000 lump sum settlement which has been suggested as the alternative, we will see that a mother with three small children get significantly more though the yearly impact on the Federal budget is smaller. Invested at 6 percent, $50,000 would yield only $3,000 annually. A widow with three children under my bill would get $7,500 annually on the basis of a salary of $10,000 for her husband. Under my bill an injured or disabled policeman or firefighter could get the full range of FECA benefits—medical care, rehabilitation, and more adequate compensation for loss of his limbs, or his eyesight, or his hearing, or any other disability.

There is another reason to take the approach I suggest today, Mr. President, a reason of equity. Under legislation passed in the 90th Congress, benefits comparable to those provided in the Federal Employees Compensation Act—less the amount received from certain other compensation systems—are paid to State or local law enforcement officers who suffer personal injury or loss of life in the line of duty while enforcing Federal law. However, that law does not apply to death or disability suffered in the course of investigating a non-Federal crime, nor does it apply to other public safety offices like firefighters. My bill would make benefits available to both policemen and firefighters, and would eliminate the requirement that Federal law be involved before benefits are paid.

This expanded coverage would be justified, it seems to me, because the job of law enforcement and fire protection has in many respects become a national responsibility. Fugitives from justice or persons intent on committing crimes are able to travel around the country much more easily and speedily today than ever before. A person killing or injuring a policeman or an arsonist starting a blaze which results in fatalities could easily have come within a few hours or even minutes from another State or could quickly flee from one State jurisdiction to another. Likewise, injuries are often incurred by local policemen and firefighters while they are protecting interstate travelers or those who may have interrupted their journey only temporarily while enroute elsewhere.

It is truly difficult today to draw hard and fast lines which separate jurisdictional responsibility for police and fire prevention functions. These are public employees who are devoted to protecting the lives and property of all persons without regard to their domicile, place of origin, or final destination. Whenever a public safety officer dies or is seriously injured while protecting others, his sacrifice and that of his family have been in the interest of the whole Nation. Accordingly it seems to me that Congress should recognize this national responsibility by helping compensate those who become casualties in the common task of preserving law and order. Our country owes these men no less than a guarantee that neither they nor their dependents will suffer undue economic disadvantage, because of physical harm which has befallen them while answering their call to duty.

AMENDMENT NO. 24

I am also introducing today, Mr. President, an amendment to S. 800, the Victims of Crime Compensation Act. Title III of that bill—a bill which, as a whole, I fully support—provides a payment of $50,000 to public safety officers—including policemen and firefighters—killed in the line of duty. My amendment simply permits the dependents of such a public service officer to choose to be compensated under the Federal Employees Compensation Act instead of receiving the $50,000 payment. For reasons I have already stated, I believe this is a preferable approach. Last year during Senate consideration of a bill similar to title III of S. 800, I introduced an identical amendment. While there was no objection to the thrust of my idea last year, the distinguished senior Senator from Arkansas (Mr. McCLELLAN) suggested that the amendment be withdrawn to permit further study, and I did so. I hope the Senate will agree to the amendment this year, if the bill I introduce today is not passed.

Mr. President, I realize that there are other approaches to solve this problem—approaches I can and will support if my proposal is not accepted. The exact procedure by which families of public safety officers killed or disabled in the line of duty is not as significant as is the principle that Federal assistance in this area is necessary and proper. I hope we will take prompt and effective action this session of Congress to provide benefits to these dedicated public safety officers.

I ask unanimous consent that the text of my bill and my amendment be printed in the RECORD at this point.

There being no objection, the bill and amended were ordered to be printed in the RECORD, as follows:

S. 1084

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8191 of title 5, United States Code, is amended to read as follows:

"§ 8191. Determination of eligibility.

"The benefits of this subchapter was available as provided in this subchapter to eligible public safety officers (referred to in this subchapter as 'eligible officers') and their survivors. For the purposes of this Act, an eligible officer is any person who is determined by the Secretary of Labor in his discretion to have been on any given occasion—

"(1) employed as a law enforcement officer or firefighter by a State or a political subdivision of a State,

"(2) an officially recognized or designated member of a legally organized volunteer fire department, or

"(3) serving without compensation as an officially recognized or designated member of a legally organized law enforcement agency of a State or political subdivision of a State thereof,

and to have been on that occasion not an employee as defined in section 8101(1), and to have sustained on that occasion a personal injury for which the United States would be required under subchapter I of this chapter to pay compensation if he had been on that occasion such an employee engaged in the performance of his duty."

(b) The heading at the beginning of subchapter III of chapter 81 of title 5, United States Code, and the item relating to such subchapter in the table of sections at the beginning of such chapter are amended by striking out "LAW ENFORCEMENT" and inserting in lieu thereof "PUBLIC SAFETY."

SEC. 2. The amendments made by the first section of this Act are effective only with respect to personal injuries sustained on or after the date of enactment of this Act.

AMENDMENT No. 24

On page 51, after line 14, add the following new subsection:

"(e) In lieu of the benefit provided under subsection (a), any recipient eligible under section 527 may elect to receive compensation under the provisions of the Federal Employees' Compensation Act, 5 USC, Chapter 81, as if the public safety officer had been covered by such Act."

By Mr. MONDALE (for himself and Mr. BROOKE):

S. 1085. A bill to promote the foreign policy and best interests of the United States by authorizing the President to negotiate a commercial agreement including a provision for most-favored-nation status with Romania. Referred to the Committee on Finance.

ROMANIAN TRADE ACT OF 1973

Mr. MONDALE. Mr. President, since 1949, the United States has pursued a policy designed to prevent trade with Communist nations from threatening in any way the security or national interest of the United States.

We are still pursuing this basic policy, most notably in our export controls which prohibit the export of U.S. goods or technology which could contribute to the military potential of Communist nations or in any other way be contrary to the national interest of the United States.

But in addition to policies, laws, and regulations such as these, we also carry on our books a number of other provisions which, if they ever indeed contributed to our national interest and/or military security, do not do so today. Some of these restrictions, in fact, seem actually to be counterproductive, contributing to nothing but the economic benefit of our Western competitors and the continued economic and political domination of East Europe by the Soviet Union.

One such policy—surely the most damaging symbol of irrational hostility toward the East—is the denial of most-favored-nation treatment to all nations of Eastern Europe except for Yugoslavia and Poland.

The effect of such a denial is to impose upon the products of the rest of East Europe the old Smoot-Hawley tariff rates. Given such extraordinary discrimination against their products, there is little hope for any major expansion of peaceful, nonstrategic trade in East Europe—the fastest growing market in the world. For, aside from the great political damage rendered by such discrimination, the inability to sell goods to us severely limits the amount of goods they can buy from us, and places an unnatural and irrational limit upon trade in peaceful, nonstrategic goods.

I say "unnatural and irrational" because the discrimination against imports from the East European countries makes neither economic nor political sense.

The denial of most favored nation in no way contributes to our national security. All goods bound for East Europe must be licensed, and the presence or absence of most favored nation adds absolutely nothing to this protection.

Nor does it have any significant economic effect on the nations of East Europe. The denial of most favored nation status, in fact, keeps nothing from the East Europeans which cannot otherwise find its way there from the West—legally and with full concurrence of our Government. All this denial does is to prevent the East Europeans from earning the necessary dollars with which to become customers of U.S. exports in peaceful, nonstrategic goods. It is one more explanation why in 1971, with some 13 percent of total world trade, the United States enjoyed less than 3 percent of the total trade between the East and the West.

Nor, should I add, does the denial of most favored nation make sense in terms of the products against which it most discriminates. If we had reason, for example, to raise special tariffs against certain products from the East European countries, then such tariffs should be imposed with some semblance of precision and reason. I do not happen to think that such discriminatory tariffs should be necessary as long as we have basic protection against dumping and foreign export subsidies. But the denial of most favored nation across the board imposes a totally capricious set of discriminatory tariffs upon the products of these nations, unrelated to specific products or to any coherent economic or trade policy.

Mr. Harold Scott, formerly Deputy Assistant Secretary of Commerce for Domestic and International Business and Director of the Bureau of International Commerce, visited East Europe and had this summary comment to make on the most favored nation problem:

> The lack of MFN treatment to all East European countries except Poland is the most discussed major problem. To a degree, this

> deterrent while real also is partly psychological. There is a strong feeling among East Europeans that the lack of MFN is a form of punishment. Importers not only pay a higher duty but view such treatment as a symbol of the "unwelcome mat." One of the major purposes of our Mission was an examination, product by product and country by country, of export potential to the United States. Indeed there were many specific product areas where the lack of MFN removed all possibilities. There were, however, many of their products with some U.S. potential, despite the lack of MFN, that had not been aggressively promoted. One can speculate that occasionally the lack of MFN represents a warm security blanket under which Eastern European export enterprises can quite easily hide their lethargy. It is safe and practical to conclude that trade relations will not grow rapidly until the MFN problem is resolved. It is equally sound to conclude that East European countries have specific trade opportunities in the United States today with the existing tariff structure that they are not exploiting to maximum potential.

Actually, we do give most favored nation status to two East European countries: Yugoslavia and Poland. We also grant these two nations special treatment in our export control regulations, Yugoslavia being considered as "West Europe" for such regulations, and Poland—along with Romania—being given preferential treatment over all the rest of the East European countries.

What I am proposing today, Mr. President, is that the President of the United States be given authority to negotiate a commercial agreement with Romania, extending most favored nation to that nation in return for equivalent benefits granted us and in our national interest.

This bill cosponsored by the Senator from Massachusetts (Mr. Brooke) would grant "most favored nation" status at least to that nation which seems to be, in fact, "most favored" in the eyes of our Government.

In the summer of 1969, after Mr. Nixon concluded his most successful visit to Romania, he and President Nicole Ceausescu issued a joint statement reading:

> The two heads of state devoted particular attention also to the economic relations between their countries. While noting the upward trend which these relations have displayed in recent years they also agreed on the need in the interests of both countries to develop and diversify the economic ties between the United States and Romania. In this connection it was agreed to look for new ways of realizing the potentialities which this important field offers.

In the President's 1971 foreign policy message he declared:

> There are difficulties, which we recognize, attending close political relations between Eastern European nations and the United States. But within these limits there are opportunities for economic, scientific and technological contact which we are prepared to broaden on the basis of mutual benefits.
>
> Our trade with Romania doubled in 1970. We extended credits for the purchase of agricultural commodities and liberalized certain export controls for her benefit. We expanded educational and cultural exchanges and responded with immediate relief in medical supplies, foodstuffs, and other emergency needs when Romania suffered a disastrous flood in 1970.
>
> Romania and Yugoslavia have indicated by their policies a desire for cordial relations with the United States on the basis of reciprocity. Our relations have continued to improve because the pace and scope is determined in the first instance by them. We are responsive, and other countries in Eastern Europe who desire better relations with us will find us responsive as well. Reconciliation in Europe is in the interest of peace.

Mr. President, surely the foreign policy as well as the economic interests of the United States can be furthered by granting most-favored-nation status to Romania.

In 1972, we exported $69.4 million worth of goods to Romania and imported from that nation $31.5 million—a trade surplus ratio of more than 2 to 1. Our exports to Romania last year were four times the 1968 figure of $16.7 million—a sign of the great growth potential present.

Mr. President, it is obvious, in spite of this growth in trade, that Romania, with precious few dollar holdings and almost no way to earn them in this country, cannot continue to maintain such a deficit in her accounts with the United States.

A country cannot buy if it cannot also sell. And we cannot sell if we do not also buy.

I must point out that most-favored nation is not a concession to be given without compensation. The Romanian Trade Act of 1973 does not require the President to grant most-favored nation. Rather, it authorizes him to negotiate a commercial agreement—our part of which would be an extension of most-favored nation treatment, and Romania's part to be the granting of equivalent commercial benefits to the United States.

Mr. President, I think that enactment of this legislation would be sound economics and sound foreign policy, furthering not only the commercial returns from expanded trade, but the political returns from closer ties to this key nation of East Europe.

President Nixon has indicated his full support for obtaining MFN status with Romania once Congress has granted him the authority to do so. I believe we should move quickly to grant this authority, thereby benefiting both the interests of the United States and furthering the cause of improving East-West relations.

Mr. President, I ask that the full text of this bill, the Romanian Trade Act of 1973, be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1085

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Sec. 101. This Act may be cited as the "Romanian Trade Act of 1973."

STATEMENT OF PURPOSES

Sec. 102. The purposes of this Act are—

(a) to maintain United States objectives in building a peaceful, democratic world;

(b) to promote constructive relations with Romania and to provide a framework helpful to private United States firms conducting business relations in Romania by instituting regular government-to-government negotiations concerning commercial and other matters of mutual interest; and

(c) to increase peaceful trade and related contacts between the United States and Romania, and as assistance in meeting United States balance-of-payments problems, to expand markets for products of the United States in Romania by creating similar opportunities for the products of Romania to compete in United States markets on a nondiscriminatory basis.

AUHORITY TO ENTER INTO COMMERCIAL AGREEMENTS

Sec. 103. The President may make commercial agreements with Romania providing most-favored-nation treatment to the products of Romania whenever he determines that such agreements—

(a) will promote the purposes of this Act,

(b) are in the national interest, and

(c) will result in benefits to the United States equivalent to those provided by the agreement to the other party.

BENEFITS TO BE PROVIDED BY COMMERCIAL AGREEMENTS

Sec. 104. The benefits to the United States to be obtained in or in conjunction with a commercial agreement made under this Act may be of the following kind, but need not be restricted thereto:

(a) satisfactory arrangements for the protection of industrial rights and processes;

(b) satisfactory arrangements for the settlement of commercial differences and disputes;

(c) arrangements for establishment or expansion of United States trade and tourist promotion offices, for facilitation of such efforts as the trade promotion activities of United States commercial officers, participation in trade fairs and exhibits, the sending of trade missions, and for facilitation of entry and travel of commercial representatives as necessary.

(d) most-favored-nation treatment with respect to duties or other restrictions on the imports of the products of the United States, and other arrangements that may secure market access and assure fair treatment for products of the United States; or

(e) satisfactory arrangements covering other matters affecting relations between the United States and Rumania, and the improvement of consular relations.

EXTENSION OF BENEFITS OF MOST-FAVORED-NATION TREATMENT

Sec. 105. (a) In order to carry out a commercial agreement made under this Act and, notwithstanding the provisions of any other law, the President may by proclamation extend most-favored-nation treatment to the products of Rumania.

(b) Any commercial agreement made under this Act shall be deemed a trade agreement for the purposes of title III of the Trade Expansion Act of 1962 (19 U.S.C. 1901 et seq.).

(c) Section 231 of the Trade Expansion Act of 1962 (19 U.S.C. 1861) is amended by adding at the end thereof the following new subsection:

"(c) Subsection (a) of this section shall not apply to products, whether imported directly or indirectly, of Rumania, if a proclamation is in effect under section 105(a) of the Rumanian Trade Act of 1973.".

(d) The portion of general headnote 3(e) to the Tariff Schedules of the United States that precedes the list of countries and areas (77A Stat. 11; 70 Stat. 1022) is amended to read as follows:

"(e) Products of Certain Communist Countries.—Notwithstanding any of the foregoing provisions of this headnote, the rates of duty shown in column numbered 2 shall apply to products, whether imported directly or indirectly, of the countries and areas that have been specified in section 401 of the Tariff Classification Act of 1962, in sections 231 and 257(e)(2) of the Trade Expansion Act of 1962, or in actions taken by the President thereunder and as to which there is not in effect a proclamation under section 105(a) of the Rumanian Trade Act of 1973;"

(e) Nothing in this Act shall be deemed to modify or amend the Export Administration Act of 1969 (50 U.S.C. App. 2401 et seq.) or the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.).

REPORTS TO CONGRESS

SEC. 106. The President shall submit to the Congress an annual report on the commercial agreements, program instituted under this Act. Such report shall include information regarding negotiations, benefits obtained as a result of commercial agreements, the texts of any such agreements, and other information relating to the program.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 136

At the request of Mr. SCHWEIKER, the Senator from Texas (Mr. BENTSEN) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of S. 136, to authorize financial assistance for opportunities industrialization centers.

S. 275

At the request of Mr. HARTKE, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 275 to amend title 38 of the United States Code increasing income limitations relating to payment of disability and death pension, and dependency and indemnity compensation.

S. 467

At the request of Mr. RANDOLPH, the Senator from West Virginia (Mr. ROBERT C. BYRD) was added as a cosponsor of S. 467, a bill to extend the Public Works and Economic Development Act of 1965, as amended, for 1 year, and for other purposes.

S. 648

At the request of Mr. MCGEE, the Senator from Rhode Island (Mr. PASTORE), the Senator from Nebraska (Mr. CURTIS), the Senator from North Carolina (Mr. ERVIN), the Senator from Nevada (Mr. BIBLE), the Senator from Utah (Mr. MOSS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. HUGHES), and the Senator from Maine (Mr. MUSKIE), were added as cosponsors of S. 648, to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes.

S. 649

At the request of Mr. JAVITS, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 649, to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes.

S. 793

At the request of Mr. CRANSTON, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 793, the Public Service Employment Act of 1973.

S. 798

At the request of Mr. BURDICK, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 798, to reduce recidivism by providing community centered programs of supervision and services for persons charged with offenses against the United States, and for other purposes.

S. 882

At the request of Mr. HARTKE, the Senator from Florida (Mr. CHILES), and the Senator from Minnesota (Mr. MONDALE) were added as cosponsors of S. 882, to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans.

S. 896

At the request of Mr. RANDOLPH, the Senator from Minnesota (Mr. MONDALE) and the Senator from Iowa (Mr. HUGHES) were added as cosponsors of S. 896, a bill to amend the Education of the Handicapped Act, and for other purposes.

S. 928

At the request of Mr. ROTH, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 928, to create a catalog of Federal assistance programs.

S. 1036

At the request of Mr. ROBERT C. BYRD, on behalf of Mr. MUSKIE, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1036, to amend the Internal Revenue Code of 1954 with respect to legislative activity by certain types of exempt organizations.

SENATE JOINT RESOLUTION 41

At the request of Mr. MCGEE, the Senator from Indiana (Mr. BAYH), and the Senator from Texas (Mr. TOWER) were added as cosponsors of Senate Joint Resolution 41, to authorize the President to issue annually a proclamation designating March of each year as "Youth Art Month."

SENATE RESOLUTIONS 74 THROUGH 78—SUBMISSION OF RESOLUTIONS RELATING TO THE INTERNATIONAL COURT OF JUSTICE

(Referred to the Committee on Foreign Relations.)

Mr. CRANSTON. Mr. President, today, the International Court of Justice is inadequately consulted. Less than 40 cases have been submitted to it in the last quarter of a century. At the moment, only two cases are before it. Its peaceful potential lies in substantial neglect.

As we grope for a final end to the Vietnam war, we must seek rational ways of reducing international tensions and of settling international disputes without resorting to force. We can support worldwide programs designed to stimulate world economic development, stabilize currencies, alleviate hunger, poverty, and disease, and halt international pollution. But without preventive steps to avoid another war, these fine measures may still leave us with ravaged countries and devastated populations. Our reliance upon great military strength and upon alliances with our friends has not kept us out of war. In fact, Vietnam is the fourth war we have fought in 44 years.

Devoting our keenest minds to finding alternatives to armed conflict is not a luxury, but a pressing need. We cannot continue to risk self-destruction by dabbling in peace with one hand and waging war with the other.

We cannot wait for a peace based upon vast, sweeping structural changes within the United Nations, the International Court of Justice, and other institutions created with the hope that they would bring enduring peace. Instead, hope and realism can be combined in a step-by-step approach. We can take measures designed to—

Expand the jurisdiction of the Court by gradual degrees;

Increase the number of cases submitted to it;

Contribute to the clarification and establishment of international legal precedents and principles; and

Develop, slowly but surely, the habit of relying upon the Court for the peaceful resolution of international disputes.

We herewith submit no less than five separate resolutions designed to promote these goals. Some are wide ranging, some are specific, but all are designed to make the Court a sturdier tool in the construction of peace.

The Court's potential has been stunted by a vicious circle. Nations have been unwilling to submit disputes for binding settlement because they do not know what legal principles, rules, and standards the Court will apply. Yet the more nations hold back, the less opportunity the Court has to establish precedents, develop a body of law, and contribute to the clarification of international legal disputes and to the settlement of international differences. By itself, the Court is powerless to break through this web of inaction.

All of our resolutions seek to change this pattern. One requests the United States to submit to the Court a number of relatively minor international territorial disputes with our allies. The areas in question are desolate and largely uninhabited islands in the Caribbean Sea and the Pacific Ocean. The purpose of this resolution is not merely to provide business for the Court, but to demonstrate that taking a case to Court is a friendly act rather than a provocation.

The Department of State acknowledges some 28 territorial disputes involving the United States. Three are islands or cays in the Caribbean; namely, Quinto Sueno, Roncador Cay and Serrana Bank, known as the Coral Bank Area. They lie roughly within an area roughly 60 miles square, 120 miles east of Nicaragua and 250 miles north of Panama.

The basis for the U.S. claim of sovereignty over these islands dates back to the Guano Act of 1856, passed by the U.S. Congress. Guano is a substance composed chiefly of the excrement of seafowl, and once was used extensively as a fertilizer. The Guano Act permitted jurisdiction to be acquired and the sovereignty of the United States extended over occupied and unclaimed islands containing guano deposits.

The act states that the President could determine an island to be "appertaining to the United States" and claim it upon a finding that: First, a deposit of guano had been discovered upon the island by an American citizen; second, the island was not within the lawful jurisdiction of any other government; third, it was not occupied by the citizens of any other government; fourth, the discoverer had taken and kept peaceable possession thereof in the name of the United States; fifth, the discoverer had given notice of these facts as soon as practicable to the State Department, on his oath; and sixth, satisfactory evidence was furnished to the State Department that the island was not taken out of the possession of any other government or people. Upon determining that the island appertained to the United States, the President was authorized by the act to allow the discoverer or his assigns the exclusive right, subject to termination by Congress at any time, of occupying the island for the purpose of obtaining and selling guano.

Guano was discovered on each of the three islands in the 1860's. Each was subsequently certified and listed as a guano island. However, the supply of commercially exploitable guano on each has long been exhausted. In 1919 each was proclaimed by the President to be under the sole and exclusive jurisdiction of the United States, with portions of their areas declared to be reserved for lighthouses. The latter are still in operation, but the islands host neither U.S. bases nor U.S. military personnel. The only immediate U.S. interest in the area appears to be the maintenance of navigational aids.

The other nations claiming part or all of these islands—Colombia, Honduras, and Nicaragua—have all filed a declaration accepting the compulsory jurisdiction of the World Court. The only remaining step is for one of the parties to take the case to the Court for a ruling.

In the Pacific Ocean, the United States claims 25 islands, of which seven are administered by New Zealand, 16 by Great Britain, and two by the United States and Britain together. None of the American claims has been actually pressed since the U.S. entry into World War II.

The first group of islands, claimed by the United States and Great Britain, are called the Line Islands. They include Carolina Atoll, Christmas Island, Flint Island, Malden Island, Starbuck Island, and Vostok Island. These islands were all bonded under the Guano Act.

The four islands claimed by the United States and Great Britain in the Ellice group are not guano islands. They are: Funatuti Atoll, Nukufetau Atoll, Nukulailai Atoll, and Nurakita. Here the U.S. claim gathered momentum in the 1930's, when Pan American Airways was seeking stopovers for the first flights to Australia. The islands are not, however, suitable for today's jets.

The Phoenix Islands are the last group claimed by both the United States and Britain. They include six atolls, which have little apparent importance to either country, and two islands, Canton and Enderbury. In 1939, the two countries agreed to administer the two islands jointly until 1989, when the question of ownership will be reconsidered.

Of the areas claimed by the United States and New Zealand, three are atolls in the Tokelau group: Atatu Atoll, Fafaofu Atoll, and Nukunono Atoll. Under the Tokelau Islands Act of 1948, New Zealand included them within her territorial boundaries.

The other areas claimed by the United States and New Zealand are the Northern Cook Islands. They are Danger Atoll, Manahiki Atoll, Rakahanga Atoll, and Penrhyn Atoll.

The great majority of these 25 disputed claims in the Pacific have lain dormant since World War II. They are particularly suitable to adjudication because Great Britain and New Zealand are our allies, each with a fine tradition of respect for international law.

Another resolution seeks to expand the number of cases submitted to the Court. It expresses the sense of the Senate that future treaties and amendments should include clauses providing that disputes arising from their application or interpretation should be referred to the Court or other appropriate body for settlement. This resolution could possibly be applicable to any disputes arising in the future over the Vietnam settlements. All nations would have to agree to such a course. But judging from North Vietnam's attitude toward international bodies, it is doubtful whether Hanoi would agree to World Court jurisdiction.

The principle involved in this revolution is consistent with administration policy. For example, speaking before the American Society of International Law in April 1970, Secretary of State William P. Rogers made the following encouraging statement:

> In the future, the Department of State will examine every treaty we negotiate with a view to accepting, wherever appropriate, the jurisdiction of the International Court of Justice with respect to disputes arising under the treaty. We are presently exploring the possibility of submitting several other disputes to the Court.

On February 9, 1972, President Nixon declared his willingness to consider the submission of particular disputes to the Court. He specifically reaffirmed his offer to do so in the case of a fishing dispute with Ecuador.

And way back in 1959, in a speech at the University of Chicago Law School, the then Vice President Nixon suggested that—

> The United States should affirmatively explore ways in which its controversies with other nations can be submitted to and decided by the International Court of Justice . . . One practical step is that the United States should take the initiative in proposing that in future international agreements provisions be included to the effect that disputes which may arise as to the interpretation of the agreement should be submitted to the International Court and that the nations signing the agreement should be bound by the decision of the Court in such cases.

Another resolution is directed toward several different ends. It directs the President to undertake all appropriate steps to establish regional courts of original jurisdiction with provision for appeal to the World Court. It also instructs the President to seek to amend the United Nations Charter so as to permit regional organizations to request advisory opinions from the Court. Presently, only specialized agencies of the United Nations can do so.

This same resolution is concerned with the nuts-and-bolts aspect of the Court's operations as well. One clause applies to judges. The judges are currently undertaking a review of their own rules of procedure, so that proposals on that subject would be premature. We can, however, seek to improve the process whereby judges are selected. Our resolution seeks to insure that personal qualifications will outweigh political bargains, while still permitting the representation of major legal systems or legal cultures. Finally, the resolution would facilitate access to the Court by providing for occasional meetings outside of the Hague at places more convenient to the various parties to the statute.

Another resolution would permit the Security Council, by an affirmative vote of nine states, including 80 percent of the permanent members, to refer a dispute to the Court for adjudication. Although article 36(3) of the United Nations Charter reminds the Security Council that legal disputes should, as a general rule, be referred by the parties to the International Court of Justice, the Council has followed no regular procedure for referring cases on its own. Our resolution would encourage the development and expansion of such a practice.

The last resolution would grant access to the Court to private individuals, business organizations, and other legal entities or persons. The general precedent behind it is the European Court of Justice, which has handled some 1,500 cases to date. Under the terms of the resolution, a private citizen of one country, for example, could bring suit against a corporation in another country. Responsibility for enforcing the decision would rest with the courts of the states which are parties to the statute of the Court. Amending the statute of the Court in this direction would both give more business to the Court and prevent a state-by-state monopoly of international legal transactions.

The outstanding fact of life which blocks the rule of world law is the will of nations. Some will quote this fact to shrug off peacemaking efforts. Yet the logic of national interest points to peace, not to war. We should not see the Court as a threat to our right to make our own choices and determine our own course. On the vital issue of war and peace, these choices are highly illusory. Under prevailing circumstances, leaders in other lands can make decisions which plunge us into armed conflict. Instead, we should see the Court as a plausible alternative to intervention and war.

Speaking to the Academy of Political Science in 1959, Richard Nixon, then Vice President of the United States, said:

> The time has now come to take the initiative in the right direction of establishment of the rule of law in the world to replace the rule of force. . . . Our primary problem today is not the creation of new international institutions, but the fuller and more fruitful use of the institutions we already possess.

Just as we must have order and justice under law to prevent violence on the streets and in the homes of America, so we must have order and justice under law in the world to stop future wars—or at least to limit their scope and bring them to a quick end should they break out. Strengthening the World Court and giving it a more active role in international relations are basic steps in the slow but inevitable development of international law, order, and justice.

Mr. President, the time for strengthening the International Court of Justice is long overdue. Attitudes must change, but instead of waiting passively we can give them a push.

The following summarizes the five resolutions Senator TAFT and I are introducing:

SUMMARY OF WORLD COURT RESOLUTIONS

These resolutions are designed to:

Expand the jurisdiction of the Court by gradual degrees;

Increase the number of cases submitted to it;

Contribute to the development of international law; and

Develop the habit of relying upon an expanded World Court system for the peaceful resolution of international disputes.

Specifically, they are:

First. The "28 Disputes" resolution.—The President would direct the Secretary of State to seek to submit to the Court approximately 28 territorial disputes with our allies involving desolate and largely uninhabited islands in the Caribbean Sea and the Pacific Ocean.

Second. The "Future Treaties" resolution.—This resolution attempts to include, in future treaties, clauses stipulating explicitly that disputes arising from the interpretation of these treaties should be subject to the Court's jurisdiction.

Third. The nuts-and-bolts resolution. This resolution would help to:

Set up regional courts of original jurisdiction, with provision for appeal to the World Court;

Permit regional organizations to request advisory opinions from the Court instead of states and specialized U.N. agencies alone;

Improve the procedure whereby judges of the Court are selected; and

Encourage the Court to exercise its functions outside of The Hague from time to time, at places more convenient to the parties of the dispute.

Fourth. The "Security Council" resolution: The goal of this resolution is to allow the Security Council to refer a dispute to the Court for settlement. Nine votes would be required, including 80 percent of the permanent members.

Fifth. The "Individual Access" resolution: This resolution is directed toward granting access to the Court to private individuals, business organizations, and "other legal entities or persons." A private citizen, for example, could bring suit against a corporation in another country.

It is planned that hearings on the general subject of strengthening both the Court and the U.N. will be held this spring.

Mr. President, I ask unanimous consent that the text of the five resolutions appear at this point in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

S. RES. 74

Resolution expressing the sense of the Senate with respect to the submission of United States territorial disputes to the International Court of Justice

Whereas the adjudication of disputes which affect neither the national security nor the vital interests of the parties concerned is the most practical and immediate way to develop and strengthen an international judicial system;

Whereas the International Court of Justice is today virtually moribund and must be used by parties to the Statute of the Court if it is to fulfill its purpose;

Whereas the submission of cases to the International Court of Justice for the binding settlement of disputes between friendly States is not a provocative gesture but rather a step toward international peace through law;

Whereas the submission of such disputes will give the Court the opportunity to develop a body of law and legal precedent; and

Whereas the United States has contributed greatly to the development of international law and seeks an ordered world under law; now, therefore, be it

Resolved, That it is the sense of the Senate that the President is requested to direct the Secretary of State forthwith to seek to submit to the International Court of Justice for binding decisions as many as possible of the approximately 28 territorial disputes involving our country and a number of our close allies over desolate and largely uninhabited islands in the Caribbean Sea and the Pacific Ocean.

SEC. 2. It is the further sense of the Senate that the President should direct the Secretary of State to make a full written report, to the Senate and to its Committee on Foreign Relations within one year of the adoption of this resolution and a report for each of the five years thereafter, of actions taken and progress achieved in submitting such disputes to the Court.

S. RES. 75

Resolution expressing the sense of the Senate with respect to the adjudication of disputes arising out of the interpretation or application of international agreements

Whereas the United States is committed to the universal rule of law;

Whereas the effective rule of law requires that provision be made for an agreed third party to settle disputes as to the interpretation of treaties and other international agreements; and

Whereas the absence of such provisions has often resulted in prolonged and acrimonious disputes as to the meaning of these treaties or other international agreements or the existence of a violation of the obligations incurred under them: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States endeavor to include, in all future treaties and other international agreements to which the United States shall be a party or which shall be negotiated subsequent to the adoption of this resolution operative clauses providing that any dispute arising from the interpretation or application of these treaties and international agreements which is not settled by agreement between or among the states concerned shall be subject to the jurisdiction of the International Court of Justice or other appropriate body.

S. RES. 76

Resolution expressing the sense of the Senate with respect to establishing regional courts within the International Court of Justice, increasing the categories of parties which may request advisory opinions from the International Court of Justice, selecting judges of the International Court of Justice, and having the International Court of Justice consider cases outside the Hague

Whereas the International Court of Justice has been inadequately utilized in the settlement of international disputes;

Whereas it is necessary for the Court to become more accessible and more responsive to the needs of the world community;

Whereas States and regional agencies are now precluded from seeking advisory opinions of the International Court of Justice and such preclusion hinders the peaceful settlement of international disputes;

Whereas the effective rule of law requires the election of impartial judges of high moral character and recognized competence in international law;

Whereas the Charter of the United Nations recognized the importance of the contribution of Members to the maintenance of international peace and security and to the other purposes of the organization;

Whereas the location of the seat of the International Court of Justice in The Hague is remote from non-European parties to the Statute; and

Whereas paragraph 1 of Article 22 of the Statute of the International Court of Justice provides that the establishment of the Court at The Hague shall not prevent the Court from sitting elsewhere: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should undertake all appropriate steps to have amendments to the Statute of the International Court of Justice adopted and entered into force which would—

(1) establish regional courts of original jurisdiction under the International Court of Justice to consider and decide specific disputes at the request of the parties, with judges selected by agreement of the parties to sit at any location convenient to them; and

(2) provide that decisions of such regional courts may be appealed to the International Court of Justice for its consideration and decision.

SEC. 2. It is further the sense of the Senate that the President should propose the following amendments to the General Assembly of the United Nations to article 96 of the United Nations Charter (relating to advisory opinions of the International Court of Justice), and take all appropriate measures to have such amendments adopted and entered into force in accordance with article 108 of such Charter:

(1) Amend paragraph 2 by striking out "and specialized agencies" and inserting in lieu thereof "specialized agencies, and regional organizations", so that regional organizations may also request advisory opinions of the International Court of Justice.

(2) Add the following new paragraph at the end thereof:

"3. Any two or more States may jointly request advisory opinions of the Court on any legal questions relating to a dispute between them."

Sec. 3. It is further the sense of the Senate that the President should undertake appropriate steps to improve, within the existing provisions of the Statute, the procedure whereby persons are nominated and elected to serve as judges of the International Court of Justice.

Sec. 4. It is further the sense of the Senate that the President should undertake all appropriate steps to encourage the International Court of Justice, from time to time, to sit and exercise its functions outside The Hague at places more convenient to the various parties to the Statute of the International Court of Justice.

S. Res. 77

Resolution expressing the sense of the Senate with respect to the jurisdiction of the International Court of Justice

Whereas peace between nations will be placed on a sounder foundation when they agree to follow scrupulously the terms and spirit of chapter VI of the Charter of the United Nations referring to the pacific settlement of disputes;

Whereas paragraph 3 of article 36 of the Charter provides that "legal disputes should as a general rule be referred by parties to the International Court of Justice"; and

Whereas the United States is a party to the Statute of the International Court of Justice and is dedicated to the principles by which it was founded and is guided: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should undertake negotiations with the states parties to the Statute of the International Court of Justice, which have qualified their acceptance of the compulsory jurisdiction of the Court, to have each party agree (1) to declare and deposit a declaration under article 36 of the Statute, after ratification of the declaration in accordance with the constitutional processes of such party, that the party recognizes as compulsory ipso facto and without a special agreement, and without reservation, in relation to any other State accepting the same obligation, the jurisdiction of the International Court of Justice in any legal dispute to which it is a party, in which the Security Council by an affirmative vote of nine members, including eighty per cent of the permanent members, has requested that the dispute be referred by the parties to the Court, and (2) that the declaration will not be subject to any other condition.

S. Res. 78

Resolution expressing the sense of the Senate with respect to access to the International Court of Justice

Whereas the International Court of Justice at the Hague is inadequately utilized;

Whereas the peaceful adjudication of international disputes should be available to all citizens and groups; and

Whereas the European Court of Justice has established a working precedent whereby certain disputes between citizens and groups from different nations can be settled by binding adjudication: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should undertake negotiations with states parties to the Statute of the International Court of Justice to amend that Statute to authorize that Court to accept jurisdiction of cases it deems appropriate so as:

(1) to permit private individuals, business organizations, and other legal entities or persons to accept the compulsory jurisdiction of the Court under Article 36(2) of the Statute, and to be parties in cases before the Court in disputes arising between private individuals, business organizations, and other legal entities or persons from different states; and

(2) to provide that decrees and judgments of the International Court of Justice arrived at under (1) above shall be given full faith and credit by the courts of any state accepting jurisdiction of the International Court of Justice.

(3) to permit all parties in any civil action brought in any court of any State accepting jurisdiction of the International Court of Justice to petition the International Court of Justice for the removal of such action to the International Court of Justice or any regional court thereof.

Mr. TAFT. Mr. President, the International Court of Justice, once the best hope of mankind, has been permitted to atrophy. At the present time only two cases are before the Court and less than 40 cases have been considered by it during the last 25 years. The United States has not filed a case with the Court since 1959.

On April 25, 1970, Secretary of State Rogers stated:

> A major objective of the Nixon Administration is to further the development of a stable and progressive world community based on an accepted system of international law. . . . We should try to breathe new life into the neglected—in fact moribund—International Court of Justice.

If the International Court is to be more than an impotent shield, its jurisdiction must be expanded so that it can achieve its fullest potentialities.

With expanded jurisdiction the Court can establish international legal precedents and principles which can be utilized in resolving international disputes. In this way nations and other parties can begin to rely upon the Court.

In 1970, Secretary Rogers drew a parallel to our own history saying:

> We can recall the early experience of our own Federal courts, which attracted legal business through increasing popular confidence in their handling of what at first were principally routine matters.

Rather than expecting the Court to settle major international disputes, we should develop its jurisdiction and capability for handling routine but important international questions so that confidence in the Court as an international judicial body can be established.

The extent to which the International Court has withered can be illustrated by the fact that the United States has some 28 territorial disputes at the present time. The majority of these are minor and involve isolated and uninhabited islands in the Caribbean and the Pacific. Resolution of these disputes by the International Court would be insignificant in terms of our national security.

One of these disputes involves three small islands in the Caribbean: Quinto Sueno, Roncandor Cay, and Serrano Bank. The basis for U.S. sovereignty dates back to the Guano Act of 1856. This magnificent piece of legislation provides in essence, that whoever finds bird manure in the ocean gets to keep it. Now if the Court cannot be entrusted to decide who owns these islands of bird manure, one wonders what it can decide.

Clearly there is a need to infuse the Court with new jurisdiction, new responsibility, and new authority, if it is to meet the demands of a contemporary international community and contemporary international business transactions.

The resolutions which Senator Cranston and I are introducing today are specifically designed to expand the jurisdiction of the International Court, increase the number of cases submitted to it, assist in the development of international law and develop reliance upon the Court for the possible resolution of international disputes.

The first resolution would authorize the submission to the Court of the 28 territorial disputes in which the United States is presently involved. The second resolution would give the Court jurisdiction over disputes arising from the interpretation of new treaties and international agreements. The third resolution would set up regional courts of original jurisdiction with appellate jurisdiction in the International Court at Hague. This resolution would also permit regional organizations to request advisory opinions from the Court, would improve the procedure for the selection of judges, and would encourage the Court to sit outside of the Hague at places more convenient to the parties.

The fourth resolution would permit the security council to refer disputes to the Court upon the vote of nine members, including 80 percent of the permanent members. The final resolution is one which I believe may well be the most significant. This resolution would permit the Court to accept jurisdiction over cases involving private parties where the parties are from different nations. Under this resolution disputes between American corporations and foreign corporations could be resolved in an international forum. Decrees and judgments of the International Court in such cases would be given full faith and credit by the courts of any nation accepting jurisdiction of the International Court of Justice. This full faith and credit provision would give the International Court the authority with respect to international disputes that Federal courts have with respect to diverse cases in the United States. The resolution would also permit all parties in any civil action, in any court, to petition the Court for the removal of such action to the International Court for resolution.

Under this resolution the Court would be able to establish its own criteria for the acceptance of jurisdiction in cases it deems appropriate. Obviously it is not the intent of this resolution to have the Court undertake divorce cases, landlord and tenant disputes, and other cases not suitable for resolution in an international forum. But it is the purpose of this resolution to permit multinational corporations and others to utilize the Court as an effective and impartial forum for the resolution of trade issues, patent disputes, and other business arrangements which may transcend national boundaries. The Court could certainly become an appropriate forum for these issues.

A workload of less than two cases a year hardly justifies the existence of the Court. Its magnificent building at the Hague could be put to better use as a museum. I, for one, believe that the complexities of international disputes and the increasing contact between nations and businessmen of different nations indicates that the Court must have an important role to play in the years ahead. If we are to develop workable and meaningful international legal machinery the time has come for us to make the commitment which these resoltuions reflect.

In 1960 the Republican Committee on Program and Progress published a book entitled, "Decisions for a Better America," which stated:

> We believe that the rule of law must one day replace the use of force among nations and that we must not lose sight of this principle as we pursue our goal of freedom for all peoples.
>
> For example, we can encourage the wider use of the International Court of Justice by member nations in cases where differences are susceptible of settlement by the Court. We further believe that the United States should, along with other states, extend the jurisdiction of the Court by incorporating into future treaties, in specific cases where the Senate approves, a provision requiring submission to the Court of disputes involving interpretation of their terms, and accepting the obligation of abiding by the Court's decision.

These are not principles for Republicans alone. They are principles which all Americans should espouse if we are to have an effective international forum for the resolution of international disputes.

SENATE RESOLUTION 79—SUBMISSION OF A RESOLUTION COMMENDING THE PRESIDENT CONCERNING THE RELEASE OF AMERICAN PRISONERS OF WAR

(Referred to the Committee on Foreign Relations.)

Mr. BELLMON. Mr. President, every Member of the Senate is fully aware of the tense conditions still existing in Southeast Asia. We are also aware of the immense importance that actions of this body have on public opinion both here in the United States and in world capitals around the world. Therefore, I feel it is essential at this time for the Government of this country, and particularly for the Senate, to present a united front behind President Nixon's efforts for the peace that has been won at such high cost in Southeast Asia and also to secure the rapid and full release of our POW's and the accounting of those who are missing in action in Southeast Asia.

To help carry out this objective, I am today submitting a resolution which commends the President of the United States for his efforts to achieve the complete return of American prisoners of war from Vietnam and to express the sense of the Senate that this condition be imposed before any aid for reconstruction may be provided to North Vietnam.

The resolution is short, and I ask unanimous consent that it be printed in full in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 79

Whereas President Nixon's perseverance throughout a long and difficult period in American history ultimately resulted in the signing of peace accords on January 27, 1973, which provided for a cease-fire in Vietnam, and agreements entered into in connection with those accords provided for the withdrawal of United States forces and military personnel from South Vietnam within 60 days, for the release during that 60-day period of all American servicemen and civilians captured and held throughout Indochina, and for the fullest possible accounting of those missing in action;

Whereas the United States has lived up to its agreement by reducing the number of American troops in Vietnam from 24,000 on January 27, 1973, to 11,724, a reduction of more than 50 percent;

Whereas President Nixon, in his role as Commander-in-Chief, has made the safe return of American prisoners a top priority item in the peace negotiations, the United States has acted in good faith in complying with the terms of the peace accords, and President Nixon is right in insisting that North Vietnam do likewise; and

Whereas, in view of the fact that this country has spent more than $100,000,000,000 in Southeast Asia and some 46,000 young Americans have lost their lives in the Vietnam conflict, it would be extremely unwise to refuse to invest a reasonable amount of economic aid to help guarantee that the results which were paid for so dearly are not now lost, and the President's plan to provide reconstruction aid to Vietnam, including North Vietnam, has historical precedence and should be recognized as a potential investment in peace for the future of Southeast Asia, but should not be granted unless certain conditions are met beforehand: Now, therefore be it

Resolved, That—

(1) the President of the United States, Richard Nixon, be commended for rightfully making firm demands on North Vietnam to live up to its agreement regarding the return of American prisoners of war; and

(2) it is the sense of the Senate that any reconstruction aid for North Vietnam should be contingent upon the conditions set forth in section 2 of this resolution.

SEC. 2. The conditions referred to in the first section of this resolution are that:

(1) North Vietnam should completely meet its obligations under the Vietnam and Laos ceasefire agreements, including the return of all known American prisoners of war within the time period agreed upon.

(2) North Vietnam should cooperate fully in an effort to locate or give an accounting for the more than 1,500 Americans missing in action.

(3) The United States should obtain firm assurances from other countries, including Japan, the Western European countries, the Union of Soviet Socialist Republics, and the Peoples Republic of China, that they are willing to contribute substantial amounts of aid.

(4) Other spending priorities of the United States, including funds for education, health, housing and other domestic programs, should be given full consideration in determining the amount of aid to be given to Vietnam, since these programs represent an investment in the future of citizens of this country.

AMENDMENT OF RULE XXV OF THE SENATE RELATIVE TO OPEN AND CLOSED SESSIONS OF COMMITTEES—AMENDMENT

AMENDMENT NO. 23

(Ordered to be printed and to lie on the table.)

Mr. ROTH. Mr. President, on Tuesday, March 6, Senators BROCK, CHILES, COOK, HUMPHREY, MATHIAS, STEVENSON, and I intend to offer an amendment to Senate Resolution 69, a resolution to amend rule XXV relative to open and closed sessions of committees. Our amendment has been cosponsored by Senators BAYH, CLARK, CRANSTON, GRAVEL, HASKELL, HATHAWAY, HUGHES, MCGOVERN, NELSON, PACKWOOD, PERCY, PROXMIRE, and STAFFORD.

We will have much to say about the purpose of this amendment on Tuesday. For now, I ask unanimous consent that the text of the amendment be printed in the RECORD as well as a copy of the "Dear Colleague" letter a number of us sent out 2 days ago.

There being no objection, the amendment and letter were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 23

Beginning on page 1, line 5, insert the following: strike out all through the end of the resolution and insert in lieu thereof the following:

"(b) All meetings for the transaction of business, including sessions for marking up bills or resolutions, of each standing committee of the Senate or subcommittee thereof, other than for the conduct of hearings (which are provided for in section 112(a) of the Legislative Reorganization Act of 1970), shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, by majority vote conducted by roll call, determines that all or part of the remainder of the meeting on that day shall be closed to the public."

TEXT OF "DEAR COLLEAGUE" LETTER

DEAR COLLEAGUE: As the sponsors of Senate legislation (S. Res. 22, S. Res. 65, and S. 260) designed to ensure that Senate committee meetings are as open to the public as possible and that standard procedures and rules for open and closed sessions are adopted by all Senate committees and subcommittees, we are planning to offer an amendment to S. Res. 69 to further these goals.

The present language of S. Res. 69 requires that committee business meetings be closed unless a committee majority decides to open them. We believe that the presumption should be on open committee meetings. We recognize, of course, that there is committee business which must, in the public interest, be considered in executive session. But, in a democracy, the proper approach should be to insist that the legislative process be public except when there is a compelling reason for secrecy. Accordingly, our amendment requires that all committee meetings be open unless the committee majority decides, by roll call vote, that it is necessary to move into executive session.

In shifting the presumption from secrecy to openness, we feel that the Senate will be strengthened as an institution. As Common Cause and many others have pointed out, excessive committee secrecy has contributed to an erosion of public confidence in Congress. We believe that a greater effort toward openness will help put the people in closer touch with the business of their Senate and make the Senate more accountable to the people.

VICTIMS OF CRIME ACT OF 1973—AMENDMENT

AMENDMENT NO. 24

(Ordered to be printed and to lie on the table.)

Mr. BAYH submitted an amendment, intended to be proposed by him, to the bill (S. 800) to amend the Omnibus

Crime Control and Safe Streets Act of 1968 to provide for the compensation of innocent victims of violent crime in financial stress; to make grants to the program and death benefits to dependent survivors of public safety officers; to strengthen the civil remedies available to victims of racketeering activity and theft; and for other purposes.

(Mr. BAYH's remarks on the submission of amendment No. 24 are printed under "Statements on Introduced Bills and Joint Resolutions")

ADDITIONAL COSPONSOR OF AMENDMENT

AMENDMENT NO. 20

At the request of Mr. PROXMIRE, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of amendment No. 20, intended to be proposed to the bill (S. 929) to amend the Par Value Modification Act.

NOTICE OF HEARINGS ON DAIRY PRODUCTS

Mr. HUDDLESTON. Mr. President, the Subcommittee on Agricultural Production. Marketing, and Stabilization of Prices of the Committee on Agriculture and Forestry will hold a hearing on Thursday, March 15, on S. 548 and S. 622, to provide that price support for milk and dairy products shall not be less than 85 percent of parity during the 1973 marketing year. The hearing will be in room 324, Russell Office Building, beginning at 10 a.m. Oral presentations will be limited to 10 minutes, and anyone wishing to testify should contact the committee clerk as soon as possible:

EXTENSION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be an extension of the period for the transaction of routine morning business, not to exceed 10 minutes, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HASKELL ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, March 6, 1973, immediately following the recognition of the two leaders or their designees under the standing order, the distinguished Senator from Colorado (Mr. HASKELL) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Virginia will state it.

Mr. HARRY F. BYRD, JR. Mr. President, are we in the morning hour now?

The PRESIDING OFFICER. The Senate is in the period for the transaction of routine morning business, Senator.

Mr. HARRY F. BYRD, JR. I thank the Chair.

THE PEKING AGREEMENT

Mr. HARRY F. BYRD, JR. Mr. President, the Richmond Times-Dispatch published a thoughtful editorial on Wednesday, February 28, 1973, headlined "The Peking Agreement." It deals with relations between the United States and China.

The Senator from Virginia spoke on behalf of President Nixon's proposed trip to China last year. It seems to me it is important that there be a dialog between these two great nations. I was pleased to note the President's trip to China. The proposal brought back from Peking recently by Dr. Kissinger, the President's Special Assistant, has much merit. I would hope and expect that this will lead to permitting the newsmen of both countries to visit each country because the more contact there is among the nations of the world, the better off everyone will be.

In evaluating the growing contracts between the United States and Communist China, however, it is impossible to ignore one especially troublesome question, and that is the question the Richmond Times-Dispatch editorial deals with; namely, how much further can the United States go in this direction without receiving from Peking an ultimatum on the issue of Taiwan.

Personally, as much as I want to see cordial relations established between Red China and the United States, I would hope that we would not throw overboard our long-time Chinese friends in Taiwan.

Mr. President, I ask unanimous consent to have the editorial published in the Richmond Times-Dispatch printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PEKING AGREEMENT

With the American participation in the Vietnam war now coming to an end, it was to be expected that Washington and Peking would begin to take additional steps to improve their relations, in furtherance of a process President Nixon started on his icebreaking journey to China one year ago this month.

But the news brought back from the Orient this time by America's Marco Polo—Dr. Henry Kissinger—is surprising for the giantness of the next step in the emerging Sino-American rapprochement.

The two nations are establishing diplomatic relations in everything but name. Those "liaison offices" to be set up in each other's capital will function as embassies and their chiefs will function as ambassadors—they just won't be called that. By this convenient piece of diplomatic obfuscation, Kissinger and his Chinese hosts managed to skirt the major remaining issue dividing these two giants of East and West: the status of the Nationalist Chinese regime on the island of Taiwan.

With every other government in the world, the Communist Chinese have uncompromisingly insisted that diplomatic relations be severed with Taiwan before formal relations could be established with Peking. But, uncharacteristically, the Maoist Chinese have made an exception for the U. S. They've done a little horse-trading, worthy of the most skilled wheeler-dealer in a Western parliament. And contrary to the dire predictions of many a critic, Mr. Nixon has been able to pull off a normalization of relations with mainland China without ditching this nation's honorable commitment to the freedom of 14 million persons on Taiwan. This looks like another bright foreign-policy feather in the cap of the Nixon-Kissinger team.

The Chinese no doubt have their motives for accepting at this time a continued American presence in the Pacific. One speculation given much currency has to do with the fear of the massed Russian armies on the border, and the general desire of the Chinese that the Americans act as a counterweight to expanding Soviet influence in Asia. For its part, the U. S. derives many practical benefits from opening the door to China again. Both nations may eventually benefit from increased economic trade, although projected exchanges are still just a minuscule portion of overall U.S. trade.

The U. S. range of foreign policy options is increased considerably by an end of attempts to "isolate" the world's most populous nation. It will have to be made clear to the Russians, however, that the latest big step in the China policy is in no way a step back from improved Washington-Moscow relations, which is an equally essential component of the new multi-polar politics of detente.

In evaluating the growing contacts between the United States and Communist China, it is impossible to ignore one especially troubling question: How much further can the United States go in this direction without receiving from Peking an ultimatum on the issue of Taiwan? At a press conference following his return to Washington, Kissinger emphasized that the United States continues "to maintain diplomatic relations with Taiwan," and that there "exists no immediate plan for any withdrawals" of American troops from the island. This is reassuring. But it is likely that Communist China will eventually insist that the United States abandon the Nationalist regime, which would be a high price to pay for the dubious friendship of a totalitarian country whose philosophy is the antithesis of America's respect for individual freedom and the dignity of man.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SWEDISH TELEVISION INTERVIEW

Mr. ROBERT C. BYRD. Mr. President, on Thursday, February 22, I was interviewed by a correspondent of the Swedish Broadcasting Corp. The 15-minute interview was scheduled to be shown in Stockholm this past weekend.

Mr. President, I ask unanimous consent that the text of the interview be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

TEXT OF A SWEDISH BROADCASTING CORP. INTERVIEW WITH U.S. SENATOR ROBERT C. BYRD

(Broadcast in Stockholm on the weekend of February 24–25)

JAMES FAXEN (SBC Washington Correspondent). Why are you opposed to aid to North Vietnam?

Senator BYRD. I cannot support any foreign aid program while funds are needed for important projects in my own state of West Virginia, and for other important projects in the other 49 states. Furthermore, I just cannot bring myself to support foreign aid for a country which still has military forces in South Vietnam, which has not renounced its intentions to take over South Vietnam, and which continues to have a very strong enmity toward the United States.

FAXEN. What about the strong tradition of the United States to give foreign aid to its enemies after the war has ended?

BYRD. There is not a traditional policy. We have had rebuilding programs for Germany and Japan, but those were different circumstances. Those countries surrendered unconditionally; their governments were destroyed; their military capabilities were destroyed. It was enlightened self-interest that led us to help those countries get back on their feet. The Soviet Union was poised on their borders, and possibly ready to march into Western Europe and expand its influence.

FAXEN. There are those who point out that the President made a commitment to give aid to North Vietnam when the peace treaty was signed. Do you think there is a commitment?

BYRD. The President may have made some kind of commitment through Mr. Kissinger. But I don't feel bound by that commitment, because under our Constitution any monies that are spent have to come out of the treasury by an act of Congress. The President should have taken Congress—or at least the leaders of Congress—into his confidence before he made such a commitment.

FAXEN. Our country of Sweden now has about 400 or so draft dodgers and deserters. And, apparently, all or most of them would like to go home. So, the whole issue of amnesty is very important to these men. How do you view amnesty?

BYRD. I am opposed to it.

FAXEN. Why are you opposed to it?

BYRD. When I say I am opposed to it, I have reference only to a general, or blanket amnesty. I feel that these people chose to go to Canada or Sweden, and they let down their country. I think that if your country were to get into a war, they'd be the first to leave it. They didn't see fit to do their duty; they chose to run away. Others had to take their place. It would be a great disservice to those who went to Vietnam, to the thousands who were wounded, and to the families and memories of more than 46,000 Americans who died there. Moreover, I think it would be bad for the future security interests of this country if these people were to be welcomed back with open arms, so to speak. It would also be a disservice even to those Americans who chose to go to jail, rather than to be drafted.

FAXEN. This country has a tradition of granting amnesty after wars, doesn't it?

BYRD. When we say it has a tradition of amnesty, that's sort of sloppy journalism. We've had only four war-related amnesties since the Civil War, and they really didn't amount to much. President Coolidge pardoned 100 men who deserted between the time World War I ended and at the time the official armistice was signed. President Roosevelt amnestied 1,500 men—15 years after World War I had ended, and only after all had served jail terms. President Truman, I believe, granted two amnesties; but they involved probably less than 10 percent of the World War II draft evaders and deserters. So there really hasn't been any amnesty that would compare with the kind of amnesty we're talking about here. Now your country—I have nothing against your country for harboring draft evaders and deserters. It has treated them like any other immigrants to Sweden. So I don't mean anything against your country when I say this: I recall that your own minister of immigration indicated some time ago that, of about 585 American draft evaders and deserters in Sweden more than 110 have been involved in major crimes—so that's about 20 percent of the total. As far as I'm concerned, they can stay there.

FAXEN. Your government has requested that Sweden not send an Ambassador to the United States. Given the now-cool relations between our two countries, do you think that was the proper diplomatic action to take?

BYRD. I do. I think that by any reasonable diplomatic standard, the response for called for. I don't question the sincerity of your Prime Minister, Mr. Palme. But I think he gave too great a priority to Vietnam. And, of course, he may have been trying, at least partially, to focus the attention of his own people away from their own domestic problems by calling attention to Vietnam. He may have enjoyed some short-range, personal political gains by so doing, but I think he hurt the credibility of his own country as a trustworthy neutral nation—and I know that your country is proud of its reputation as a trustworthy neutral nation. But it has lost that credibility. And I think Mr. Palme has damaged the reputation of your country severely.

FAXEN. What do you think it would take to make relations better?

BYRD. Certainly kicking Uncle Sam in the teeth, as Mr. Palme apparently likes to do, isn't going to do it. He's made the same error that a good many people have made—and that is to point the finger at the United States, to criticize the United States, while seeing no fault on the other side. I think Mr. Palme's comparison (of U.S. actions in Vietnam to World War II actions by Nazi Germany) was a vicious provocation, a libelous abuse, and I feel very strongly about it. I certainly wouldn't want Sweden to act as a moderator in any international dispute involving the United States, because I don't think it is a neutral country anymore. And I would assume that the majority of Americans share my views. These things (strained diplomatic relations) heal with time; but, so long as Mr. Palme feels as he does, things must remain as they are.

FAXEN. Thank you for sharing your views with us.

APPOINTMENT OF JOHN FOLTZ

Mr. TAFT. Mr. President, it is a real pleasure for me to call to the attention of my colleagues the recent selection of a fellow Ohioan to the position of Deputy Under Secretary for Legislative Affairs in the U.S. Department of Agriculture.

I am particularly pleased with the selection of John Foltz, because of his vast storehouse of agricultural and management knowledge gained through step-after-step advancement up the ladder of valuable experience since leaving the family farm in Bremen, Ohio. All of the Congress will benefit greatly from his appointment.

Mr. Foltz assumed positions of responsibility even before his matriculation from Ohio State University with a master's degree in agriculture. He was active in scouting, 4-H, and FFA, and was president of the Ohio Junior Fair Board. From that point on his climb has been steady and spectacular, taking time out only to serve in the U.S. Navy as an officer. His endeavors ranged from county 4-H assistant with the Extension Service in Perry County, Ohio, to teaching agriculture, public relations with the Future Farmers of America, and assistant to the Administrator of the Agricultural Stabilization and Conservation Service to USDA.

More recently Mr. Foltz served as USDA liaison officer with the House of Representatives before taking over as director of congressional relations for the Cost of Living Council in 1971, and his service as deputy director for agriculture with the Committee for the Reelection of the President.

The winner of many awards along the way, Mr. Foltz is also active in fraternal, church, and civic affairs.

I am confident, Mr. President, my colleagues will find that the service Mr. Foltz and his staff will offer this session of Congress will be unsurpassed. I congratulate him on his appointment and I commend him to you.

TO BETTER SERVE THE VOCATIONAL GOALS OF THE HANDICAPPED

Mr. HUMPHREY. Mr. President, I was pleased to join as an original sponsor of S. 7, the Rehabilitation Act of 1972, and I have strongly supported its passage by the Senate at the earliest possible time. The President's veto of almost identical legislation after the adjournment of the last Congress was unwarranted and cannot be permitted to stand.

I was shocked and saddened by the President's veto. I have called upon the President to explain why the physically handicapped, the mentally retarded, and the mentally ill are not worthy of the compassion and care of the people of this country. Of all the vetoes I have observed, this was the most cruel and the most unsubstantiated. I suggest to the President that he visit some of the countless rehabilitation facilities that I have been privileged to observe at first hand over the years. I suggest that before he again makes snap judgments on national priorities and on where Federal moneys should be saved, that he see the hope and promise that are in the eyes of thousands enrolled in these vital programs. And I suggest that he then ask himself what has gone wrong with the value system of this Government that denies people in need such crucial opportunities to obtain gainful employment and to know self-respect in being enabled to live independently.

I simply cannot comprehend the President's judgment that such legislation would jeopardize the goals of the vocational rehabilitation program and would be an example of fiscal irresponsibility. The exact reverse would be true with the enactment of the Rehabilitation Act of 1972. Revised authorization levels reflect a total reduction of over $350 million from levels in the original legislation vetoed by the President. Despite the requirement for higher initial funding levels to meet startup costs for programs authorized during fiscal 1973-76 under the present legislation, there would be only a slight increase over fiscal 1972 authorizations under the Vocational Rehabilitation Act—$1.059 billion for fiscal 1973 under S. 7, as compared to $1.010 billion for fiscal 1972 under the present law.

The actual fiscal irresponsibility, however, is that this administration would object to a spending level that is only six-tenths of 1 percent of the budget it is proposing for fiscal 1974. Yet only about 1 million of the estimated 7 to 12 million persons who could be rehabilitated receive any services from the vocational rehabilitation program. Something is terribly wrong with our national priorities when those in need at home are deprived of resources to help themselves, because the Nixon administration objected to an original authorization level of some $1.5 billion for fiscal 1974—subsequently reduced by about $100 million in S. 7—while making a budget request for $2.1 billion in a contingency fund for military aid to South Vietnam.

But the other side of the coin is that vocational rehabilitation programs have an outstanding record of fiscal responsibility. As noted in the committee report on S. 7:

> The history of this program has shown that for every $1 spent on rehabilitation programs, the Federal Treasury gets back from $3 to $5 by decreasing the welfare rolls and adding to tax revenue through income earned by rehabilitated clients.

In fiscal 1972, State Vocational Rehabilitation Agencies rehabilitated 326,138 persons to productive and meaningful lives. And I am particularly impressed by the fact that more than 37,000 mentally retarded persons were rehabilitated in fiscal 1971, twice the number of retarded persons who were rehabilitated 4 years ago.

The fact remains, however, that much more can and must be done. It is for this reason that I strongly objected to the President's memorandum of disapproval of the original legislation last October.

That memorandum, stating that the measure would jeopardize the goals of the vocational rehabilitation program through adding nonvocational elements and narrow categorical programs and through instituting organizational changes that would confuse the direction of this program, completely ignored the serious limitations under current law that prevent effective services to people in need.

It is precisely the intent of the present legislation to reverse trends under policies of the administration that have diverted efforts to achieve the central goal of providing vocational services to handicapped individuals to encourage and enable them to obtain gainful employment. To counter a deemphasis in the Department of Health, Education, and Welfare upon vocational rehabilitation for handicapped individuals, reflected in a reduction of the work force in the Rehabilitation Services Administration to less than half its strength a few years ago, this bill gives statutory responsibility to the RSA Commissioner for all vocational rehabilitation services, research, and training in connection with services to handicapped individuals. Clear lines of authority are a prerequisite to more effective management. Specifying responsibility and designating funding for clearly defined purposes are essential to focus services on behalf of the handicapped and halt the diffusion of social services for other purposes, however valid and important these purposes are.

The fact of the matter is that the vocational rehabilitation program has not been reaching those who need services the most, the severely handicapped, nor has it been enabled to provide the full services that handicapped persons need if they are to be able to get and keep a job or to live independently. The time has come for a new definition of persons with mental or physical disabilities entitled to assistance toward leading productive and self-supporting lives. Continuing advances in knowledge and technology are overcoming barriers that previously disqualified countless handicapped persons as not deserving of service, because they were wrongly deemed to lack the potential to pursue a vocational goal or to be unable to take care of themselves and contribute to their communities. These advances must receive greater support. And all handicapped persons must be guaranteed their constitutional right to equal opportunity and equal protection under the law.

These perceptions of human potential and this fundamental commitment to human dignity were totally absent from the President's memorandum of disapproval of the legislation which the Senate has now again passed—this time with a decisive mandate in an 86 to 2 vote. I urge the House to act expeditiously on the Rehabilitation Act of 1972. And I urge the President to weigh most carefully the clear consensus of Congress that major new advances must now be undertaken in services to physically and mentally handicapped individuals in America.

Mr. President, I wish to conclude by again expressing my gratification at the inclusion of provisions in this legislation which incorporate or respond to original bills which I introduced in the last Congress. The requirement in this bill for an affirmative action program, under which Federal contractors shall undertake to employ and advance in employment qualified handicapped individuals, is an important step toward fulfilling the intent of my bill to prohibit discrimination in employment solely on the basis of such handicaps and in the absence of a bona fide occupational qualification.

Second, another section of this bill specifically prohibits discrimination against an otherwise qualified handicapped or severely handicapped individual, resulting in that person being excluded from participation in, or denied the benefits of, any program or activity receiving Federal assistance. The bill which I sponsored would have amended title VI of the Civil Rights Act of 1964 to establish this protection. I firmly believe the time has come to establish the right of physically and mentally handicapped persons to dignity and self-respect as equal and contributing members of society, and to end the virtual isolation of millions of handicapped children and adults from society.

Third, the Rehabilitation Act of 1972 incorporates my original amendment to establish vocational and comprehensive rehabilitation services for public safety officers disabled in the line of duty in dealing with a criminal act or working under a hazardous condition. Such assistance is of crucial importance if these public servants, handicapped in the course of protecting society, are to be helped by society to help themselves in pursuing new occupational careers and again having that vital sense of continuing usefulness.

Finally, I welcome the provisions in this bill calling for a comprehensive study of important problems confronting handicapped clients in sheltered work situations, to be conducted by the Secretary of Health, Education, and Welfare. This study, whose objectives are further defined in a resolution adopted by the Senate Committee on Labor and Public Welfare, responds in part to the serious concerns I raised about living and income problems of handicapped persons employed on a long-term basis in sheltered workshops or work activities centers. An amendment which I introduced in the last Congress would have provided for a demonstration program to test the feasibility of providing a wage supplement to these handicapped clients. I believe it is profoundly wrong that these persons should be institutionalized, and at public expense, when with a modest income they could be enabled to live independently and function normally in their families and communities. To this end, I urge that the sheltered workshop study called for in the Rehabilitation Act of 1972 be undertaken without delay.

Mr. President, already many rehabilitation facilities are being forced to release handicapped clients, because the Nixon administration is refusing to release moneys under supplemental appropriations enacted by Congress. It is essential that Congress enact the Rehabilitation Act of 1972 promptly, to place this administration on notice that the needs of handicapped persons are a vital national concern that must no longer be ignored. The Senate has given overwhelming approval to this legislation by a vote of 86 to 2. I am recorded as being in favor of this much-needed proposal. My absence during the final vote was due to official business in Minnesota where I addressed the annual Farm Forum. There were 3,000 Midwest farm operators, businessmen, and other concerned citizens in attendance. In the evening, I met with and discussed with members of the Minnesota State Senate, the Federal budget cut-backs, and the impact of such reductions on programs in the State of Minnesota.

GOVERNMENT SPENDING

Mr. BENNETT. Mr. President, Mr. Tom C. Korologos, my former administrative assistant and now deputy assistant to the President, recently addressed the Wasatch Front Regional Council's annual meeting in Salt Lake City on the subject of Government spending.

I believe his remarks are particularly appropriate and timely and I ask unanimous consent that his address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A TOUGH LINE ON DOMESTIC SPENDING

I appreciate very much this opportunity to come "home" to Salt Lake and to meet and see so many old friends and relatives associated with the Wasatch Front Regional Council. I am told by Mr. Bott and the others here at the head table that most of this audience tonight is made up of State Legislators, County Commissioners, city mayors, councilmen, elected members of school boards on state and local levels, and other assorted elected officials.

I dare say there probably are more successful politicians in this room tonight than in any other comparable audience that I've seen—and that includes the U.S. Senate and the U.S. House of Representatives. I say that mainly because you folks here are infinitely closer to the people . . . to the heartland . . . to the salt of the earth that is represented by Tooele, Davis, Morgan, Weber and Salt Lake Counties.

And, in this fine audience composed of some of Utah's finest political successes, I'll bet you a month's interest on the national debt that not a single one of you elected officials have ever run on a platform of increasing taxes. Oh, once in a while a politician with courage comes right out and runs for office on a program of planned extravagance, but I didn't hear of any in the last election.

So, too, the President. As you know, he ran on a platform of no tax increases in the next four years and he aims to keep his pledge . . . I can assure you of that tonight.

If this nation's people were asked to name what they think is the most single, most frightening costly, frustratingly insensitive and fulsomely incompetent drag on national progress, I'd double my previous bet and say they would all answer: "Government".

The last symptomatic demonstration on this exploded in Washington when the President's budget went to Congress on January 29.

"Ruthless on social programs . . ." said the New York Times.

"Contemptuous of the needs of the American people," said Senator Harrison Williams of New Jersey.

"Intolerable social policy" said Arthur Okun, a former Council of Economic Advisor under President Johnson.

"A fiendishly clever appeal to the worst instincts of the American people," said another former Economic Advisor, Walter Heller.

I ask you, can a $268.7 billion budegt really be that bad?

Let's take a look at the President's budget and his objectives.

His first objective—was to hold down federal spending so that there will be no need for a tax increase.

Number 2—was to move the nation's economy toward the goal of a high employment prosperity without inflation and without war.

Number 3—to help bring about the change demanded by the great majority of the American people by ending the flow of power to Washington, by increasing the reliance on state and local governments to carry out what are primarily state and local responsibilities; and, by providing greater freedom for the American people to decide for themselves what is best for them.

And, Number 4—to assure the taxpayers that their money is used wisely and efficiently by the Government.

The President said on January 20 that "Government must learn to take less from people so people can do more for themselves."

The President was saying—leave the tax dollars at home. He was saying let the people decide how to spend what they earn. More than anything else this year, the President wants to get the government off your back and out of your pocket.

To do so, taxes must be leveled off . . . spending brought to heel. Much of the outcry about control of the purse strings comes from those who seek control to loose them, not tighten them up.

I've been in Washington 10 years and I can assure you that there is no such thing as a cheap politician back there.

More spending translates eventually into more taxes. It is that simple.

Higher federal tax rates are not needed now, nor in the years ahead, to assure adequate resources for a properly responsive government—IF the business of government is managed well. While new programs are often required to meet emerging problems, some existing programs prove to be ineffective or become obsolete or outmoded. Unless vigorous and determined efforts are made to restructure, reduce or terminate programs that no longer justify their cost, these programs continue and even grow.

Put yourself in the shoes of the President. A Congressman or a Senator represents his district or state and he writes and passes legislation, generally aimed at that particular district or state. After checking the headlines for his name, the Congressman or Senator then forgets about his bill or law.

The President must have the overview, the overall country in mind when his decisions are made. I'm sure every sewer grant, every public housing project, every impacted school application probably has some justification. But who looks at the overall picture, the national impact, who totals the cost, who has to enforce the law . . . one person, the President.

If the President had let spending go unchecked and accepted the kind of budget for 1973 that could have resulted from Congressionally approved actions, and if he had permitted this momentum to proceed on course the spending totals would have exceeded his actual proposals by billions. For instance, it would have been $11 billion more for 1973 . . . and $19 billion more for 1974 and upwards of $24 billion more for 1975.

These increases would have been on top of the year-to-year increases that the President did accept . . . $18 billion for 1973 . . . and $19 billion each for 1974 and 1975.

What does all that mean. It means that by holding the 1973 budget down to $250 billion, the President was able to save the taxpayers a 10 percent tax increase this year. And, that's not to mention savings from the cruelest tax of all—inflation; in addition to savings from higher interest rates.

And, what happened when the President sent his budget to Congress? War was immediately declared. You've seen the covers of the news magazines about the Constitutional crisis because the President is impounding appropriations. Congress is riding off in all directions, holding high the banner of its constitutional spending authority but at the same time, exerting much of its energy trying to preserve narrow, special interest subsidies.

The President's critics claim the budget places heavy emphasis on programs which aid the rich than for people who have the greatest human need. This is not the case. Federal outlays for human resources programs total 47 percent of the 1974 budget—up from 37 percent in 1970. By contrast, National defense spending makes up 30 percent of the 1974 budget total.

Consider the fact that Federal outlays for benefit to the poor in FY 74 will be $30 billion—$2 billion more than in FY 72.

Consider the fact that federal outlays for benefitting the elderly will amount to $63 billion in FY 74—an increase of 70 percent since 1970.

Consider the fact that federal outlays for all Federal health programs are also estimated at $30 billion for FY 74 . . . almost $6 billion more than in FY 72.

Consider the fact that federal outlays for food assistance are 240 percent higher in FY 74 than in 1969.

Consider the fact that education AND manpower totals in the FY 74 budget will be $10 billion, up from $7 billion in 1970.

Consider the fact that college student aid in 1969 was $186 million and in FY 74, the total will be $885 million—the President is giving the money to the students rather than to the professors.

And, what do we get in return: statements such as "A fiendishly clever appeal to the worst instincts of the American people . . ."

That there have been some cutbacks, some impoundments—and the President doesn't like to use the word impoundment—he prefers savings—that there have been some "savings", there is no question.

Let's examine a few of the larger ones that the President has proposed. What would they do? Why were they selected?

First, there is the housing freeze. The freeze on subsidized housing programs could not come at a better time in terms of the need for a penetrating reassessment of the social effects on these programs. New housing starts rose from 1.5 million in 1969 to 2.4 million in 1972. They are projected to remain high this year, with 270,000 of the new starts in 1973 accounted for by approved housing subsidies already in the pipeline. Many economists, in fact, are already asking the basic question: Who gets the subsidy? In a large measure, the subsidy is going to builders, bankers and developers. Outlays for subsidized housing will be $2 billion in 1974, even if we do not start another single subsidized unit. If these are supposed to be programs to aid the poor, then surely they need another look in terms of the efficiency of this spending. If they are programs to aid the housing sector, then in periods of economic strength certainly they can be held back to let the private economy carry the main load.

Let's take a look at hospital construction. There are two reasons the President wants to eliminate this $189 million activity.

For one, the hospital beds are not in general short supply. They were when the program was adopted, but conditions have changed. Another and related reason is that today, second-party financing, such as public and private health insurance, covers hospital construction costs. A special earmarked program is no longer needed.

Let's take a look at something very dear to the hearts of many of you in this room—Impacted Aid.

Since 1950, the Federal government has provided more than $7.2 billion for impacted aid.

The President's budget proposes continued funding in behalf of children whose parents both work and live on federal property (category A) and who make little or no contribution to support the schools their children attend. Funds for category A students would be made available through Education Revenue Sharing in 1974.

And, the budget calls for no funding in behalf of children whose parents live in the local community and pay full property, sales and other local taxes just like any other private citizen.

The budget cuts $120 million from impacted aid. That is $120 million from a budget of $6.5 billion for education. And, of that total $6.5, there will be $2.5 billion for education revenue sharing which is proposed legislation we will be sending to Congress later this year.

On a nationwide basis, the 100 poorest districts in America do not get as much impact aid money as the single richest district. How fair is that?

Let's take a look at Rural Electrification Loans.

REA has provided 2 percent direct loans since the mid 1930s—when Treasury borrowing costs were less than 2 percent. These loans are financed directly by the Treasury. In 1950, 80 percent of all electric connections were for farms. By the end of 1971, 80 percent of the electric connections were for urban areas.

In response to that, the President decided that insured and guaranteed loans will be made to cooperative borrowers at 5 percent interest. Private company borrowers will pay interest at about market prices. What is the effect of this action: It will be to raise the average monthly electric bill by 50 cents in five years . . . $6 dollars a year.

The list could go on. EDA, OEO, Urban Renewal, Community Action Programs, Subsidized Training Grants—all programs passed with the best of intentions and the highest of hopes.

Unfortunately, there have been some failures and the President has decided to cut down on our losses, to assure the taxpayers that their money is being used wisely and efficiently by the government.

And, if I leave any message to you elected officials of the Five County Wasatch Front area, not to mention you Federal folks from Denver, it is to be cautious in budgeting any of the funds the President has "saved" or that he has not budgeted for next year. I would be very conservative in expecting to get much of this money.

I can assure you that should Congress win the overall impoundment battle, the President's warnings will come true: no control on spending, inflationary deficits and the certainty of a tax boost—not a Presidential tax boost and I've heard the President tell the Congressional Leaders this . . . but a Congressional tax boost.

And so, Congress is in something of a box.

What we need right now is a strong, self-confident Congress—neither totally acquiescent, not totally obstructionist nor vacillating emotionally between the two, but willing and able to take on, and provide its own answer to the tough important questions the President's budget poses.

We certainly do not know everything at the White House. Congress has the tools to cut spending . . . to reorder priorities . . . to change the economy from a wartime to a peacetime economy. In order to do this, it is going to need your help. County and local elected officials have to provide the most efficient, the best and least government possible.

In your decisions on applying for this grant, for that library project, for the other more than 1,000 different federal programs from the 940 page catalogue of Federal Domestic Assistance, remember one thing; Federal money is not free money.

Somehow there is the belief that the U.S. Treasury is sitting back there filled to the gills with free money and if we do not get it in Weber County then somebody in Salt Lake County is going to . . . so let's sit down and figure out some way to spend it, because we qualify for it.

This is bad public policy in my opinion and this country has been operating on that basis for too long a period of time. Ladies and gentlemen of the Wasatch Front Regional Council, we simply cannot afford that kind of luxury any more.

We cannot afford the luxury of those programs with little or no correlation at all between money spent and results achieved. We cannot afford multi-million dollar urban renewal projects which have left thousands homeless. Some public works projects have to be slowed. We cannot afford ever-rising payments under the existing welfare system which have encouraged second and third generations to stay on the dole.

And, incidentally, on the question of welfare reform, I think that the Administration is going to make a very vigorous effort to develop welfare reform legislation in the first six months of this year.

I can't warrant to you that the work will be done. We all learned a great deal about welfare over a period of the last year. We want to profit by that education. We want to come up with legislation that is both workable and passable in the Congressional sense.

So the work has begun. It will continue very vigorously as soon as Secretary Weinberger is in place in HEW. He will be chairing the Human Resources Policy Group as Counsellor to the President and within that group we expect to see the development of a good new proposal.

What it will contain I am just not in a position to predict at this point.

I'm an optimist. I think the Congress and the Executive Branch working together, will provide the common sense required to get the job done in welfare and in spending.

It's like the story I've heard Senator Bennett tell a number of times about Brigham Young—when he was asked why he and the Pioneers left Nauvoo for the West. "We went willingly . . . because we had to," said Brigham Young.

The common sense which is applied to a family budget is equally applicable to a budget for a nation of 210 million: you cannot get away for very long with spending money you don't have. Somebody has to pay eventually, and it is the taxpayer who foots the bill for the nation's budget. That is why every American has such a vital stake in the shape and size and direction and philosophy of the budget.

Another way of saying it is that when Uncle Sam plays Santa Clause, the taxpayer ends up holding the bag.

Back in August 1969, President Nixon addressed the Nation on the urgent need to modernize our institutions to meet the urban and social crises of our time, and most importantly, the crisis of confidence in the capacity of Government to do its job.

He spoke then of the legacy of a third of a century centralized power and responsibility in Washington which has produced an unresponsive, cumbersome and ineffective bureaucracy; of a third of a century of unprecedented growth and change which has strained our institutions and raised serious questions about whether they are still adequate to meet the challenges we face; and of a third of a century of social experimentation which left us a proliferation of entrenched programs which have either outlived their usefulness or outgrown their purposes.

What was needed, he said, was a fundamental reversal of the trend toward growing centralization of power flowing from the people and the States to Washington, to a New Federalism in which power, funds and responsibility will flow from Washington to the States and the people.

Over the past three and one-half years, the Administration has been moving firmly towards this goal of the New Federalism. I am often asked how will we get there? Are we moving philosophically left, center, or right?

The answer is, we are moving forward.

Slowly, but surely, through revenue sharing, through streamlining the Federal Government's functions, through decentralization of some Federal programs and better coordination of others on a regional basis we will meet the needs of State and local government that will have profound implications as we enter our third century as a Nation.

The key to the success of the New Federalism, we profoundly believe, lies in the decentralization of responsibility—in placing responsibility at the State and local level which is most responsive to the people—and who knows that better than you people in this hall tonight.

Government, I believe, can only become more responsive when it becomes more responsible.

Participatory democracy can only work when the people feel they are participating in every sense of the word, in the decisions which shape their lives.

Power can only be effective when the gap between promise and performance is closed by multiplying the opportunities for involvement and influence by individual citizens.

In his first inaugural address, Thomas Jefferson put it this way: "The will of the people," he said, "is the only legitimate foundation of any government, and to protect its free expression would be our first object."

Like Jefferson, President Nixon's first concern is to ensure that the will of the people is heard. And, I can assure you that over the next four years, he will do all in his power to work towards that goal.

THE HIGHWAY TRUST FUND

Mr. HARTKE. Mr. President, within the past year a significant controversy has arisen surrounding the uses to which the funds in the highway trust fund should be put. Some have advocated that a substantial portion of those funds should be diverted to mass transportation needs.

To be sure, the needs of commuters and urban dwellers are great. There is a transportation crisis in our cities and it is being made worse each day by the choking volume of cars on city streets and on highways.

I have long advocated improved rail transit, and was at the forefront of the battle which resulted in the creation of Amtrak. Just this week, the Subcommittee on Surface Transportation, of which I am chairman, has been holding hearings on the Northeastern rail crisis. Also this past week, I have introduced a bill designed to assure the continuation and improvement of vital rail services for both freight and commuters.

We need improved mass transit, but the means to achieve that goal is through the straightforward use of general revenues or the imposition of a new tax—not at the expense of new highways which are badly needed in many parts of the country, including my own State of Indiana.

Mr. President, I ask unanimous consent that a statement prepared by Indiana Highways for Survival, Inc., be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INDIANA HIGHWAYS FOR SURVIVAL, INC.,
Indianapolis, Ind., February 16, 1973.

DIVERTING YOUR HIGHWAY TAXES . . . REVENUE SHARING IN REVERSE?

That most docile and uncomplaining of all taxpayers—the highway user—is about to be "had" again.

Why? Because he persists in making a public anachronism of himself. He pays his own way.

Every time he buys a tank of gasoline the motorist pays between 6 and 10 cents in state and 4 cents in federal fuel taxes per gallon. That adds up to a lot of money. But it takes a lot of money to maintain and improve 3,760,000 miles of public roads and streets. And this is why these taxes were imposed.

At least that's what we were told. We were paying in advance for better, safer highways. Unfortunately, the federal government hasn't kept its end of the bargain. Over the past several years, billions of our federal highway taxes have been withheld or impounded.

As a consequence, the Federal Highway Trust Fund now has a cash balance of about $5 billion. Although frequently referred to as such, this is not a "surplus." In fact, the fund's contract obligations with Indiana and the other states for highway improvement work now in progress totals more than $7 billion.

These obligations do not have to be paid immediately, however. And, in the meantime, your road tax dollars continue to roll into Washington. Therein lies the problem.

Whether he likes it or not—and the government isn't about to ask his opinion—the motorist is on the brink of becoming the financial godfather for all of the nation's mass transit systems.

Nobody even pretends to know exactly how much money this will require. You can get a rough idea when you consider that *one* rail rapid transit system in *one* city is costing upwards of $5 billion. That's more money than Washington released to all of the states last year for work on 902,630 miles of federal-aid highways.

Just for starters, the Nixon Administration is proposing that nearly $3.7 billion in Highway Trust Fund revenue be made optionally available in the next three years for mass transit. This is in addition to $1 billion also budgeted for this purpose annually under the Urban Mass Transportation Assistance Program.

And there are a few members of Congress who don't believe this is enough. Sen. Edmund Muskie of Maine wants to provide the Secretary of Transportation with another $550 million in highway-user taxes annually to use "at his discretion" for selected mass transit. To give you a clue as to where this money would go, three-fourths of all of last year's UMTA grants ended up in just five states—New York, Massachusetts, Pennsylvania, California and Illinois.

Not willing to stop there, Senator Muskie would earmark another $350 million a year in Trust Fund receipts to assist states in establishing emission inspection programs for all motor vehicles.

Not to be outmaneuvered in this game of deciding how your highway taxes should be spent, Sens. Edward M. Kennedy of Massachusetts and Lowell P. Weicker Jr. of Connecticut want to shift nearly half of the Trust Fund's annual total revenue—$2.75 billion—to mass transit assistance.

What they are all saying is that now is the time for the government to assume responsibility for massive, long-range federal involvement in revitalizing and subsidizing the nation's badly deteriorated urban public transportation systems.

Well and good. As travelers and commuters in most of our larger cities know, the needs are immediate and critical.

But what they are not proposing is a feasible and honest tax program to support this multi-billion dollar commitment. Diverting a billion or two dollars a year from the Highway Trust Fund *is not* the answer. On the contrary, this can only compound our total transportation problems.

No one in Washington has had the courage to come right out and tell America's 130 million motorists that all of their federal highway tax dollars, and more, are not needed to sustain an adequate road and street program. The reason is that they know this isn't true.

The National Transportation Needs Report, submitted to the Congress last year by the Federal Department of Transportation, makes it statistically and factually clear that current Highway Trust Fund revenue isn't sufficient to meet present or future highway requirements, much less provide additional billions of dollars for mass transit.

The report also underscores the fact that, in most instances, the best and most economical solution to traffic problems in our cities will continue to be highway-oriented—new buses and related bus transit services augmented with exclusive bus lanes, wider and better streets and thruways and controlled vehicle travel and parking patterns to fit the diverse transportation needs of entire metropolitan areas.

Fixed rail rapid transit lines are expensive and inflexible, and can be justified only in a relatively few densely compacted urban traffic corridors. Here, they can supplement road and street systems and relieve critical traffic pressures. They are not a cure-all substitute.

Even when fully operational, San Francisco's computerized, 75-mile Bay Area Rapid Transit System is expected to handle less than 5 percent of that area's total people traffic.

What can't be legislated away overnight is the fact that highway travel in the United States increased nearly 25 percent in the past four years, and will almost inevitably increase that much or more in the next four years.

Interstate bus systems carried 100 million more passengers last year than in 1971. Truck sales in the U.S. jumped almost 24 percent in 1972, and intercity freight movement on highways will double by 1990. New car sales in January of this year soared to a record 880,000 units, up 18 percent from last year's early and fast pace.

These are the facts of life that state highway and local road and street officials must contend with today . . . and tomorrow. Neither an act of Congress nor an Executive Decree from the White House will abrogate these responsibilities, nor can they appreciably lessen the nation's continuing economic dependence on a safe and efficient highway transportation system.

This is why it is wrong, morally and realistically, to deceive the American public with the pretense that the Highway Trust Fund can do the job it was created for and, merely with a bit of juggling, also furnish the huge injection of money needed to rejuvenate hundreds of deficit-riddled, dollar-short public transportation systems.

During the past six years, while federal-aid highway allocations were frequently being withheld, but not diverted on the massive scale now proposed, Indiana and nearly half of the other states had to increase their own fuel taxes to pick up the slack and maintain nominal highway construction and improvement programs.

By this kind of Highway Trust Fund manipulation, the government is perpetrating a "no tax increase" fraud. There will be tax increases as a consequence, but it will be the states that will have to make them.

This is revenue sharing in reverse. It is a case of calculated buck-passing with the governors, their state legislatures, and, eventually, the motorist being stuck with the whole tax bag.

It's just possible that this will be the final straw, and that "that most docile and uncomplaining of all taxpayers" has had all that he's going to take of this kind of treatment from Washington.

SPEECH BY OSCAR BREDTHAUER OF GRAND ISLAND, NEBR., AT THE 28TH ANNUAL CONVENTION OF THE NATIONAL LIVESTOCK FEEDERS ASSOCIATION

Mr. CURTIS. Mr. President, I have recently received a copy of a speech delivered by Mr. Oscar Bredthauer of Grand Island, Nebr., at the 28th annual convention of the National Livestock Feeders Association on February 7, 1973.

Mr. Bredthauer is president of the NLFA, a voluntary, nonprofit and nonpolitical trade association of persons engaged in feeding and finishing livestock for the slaughter market.

Mr. President, in view of the present concern of American housewives with the cost of meat and other food products, I believe Mr. Bredthauer's statement does much to point out the common ground which consumers and livestock producers share.

I ask unanimous consent that President Bredthauer's address be printed at this point in the Record and sincerely commend it to the attention of all my colleagues.

There being no objection, the address was ordered to be printed in the Record, as follows:

TOGETHER WE STAND

On the occasion of our 28th Annual convention I extend my very best wishes to you and add a special welcome to the 1973 annual gathering of the National Livestock Feeders Association. We're pleased that attendance at this convention includes not only members of the association, but a great many guests and interested persons representing related businesses which provide goods and services, as well as representatives of other agricultural organizations and government officials.

Today, I would like to visit with you briefly about what I feel is the greatest challenge over the next few years to those engaged in the livestock and meat business. We have many problems with which we are confronted and—in that respect—I doubt if we differ from any other business or profession.

However, we are often asked on programs and in interviews, "What is the single most important problem facing the industry?" The proper answer to that question, I believe, is the need to inform the consumers of the Nation about finished meat products and about our business.

In other words, somehow or other, we need to get our story across to those people who buy the red meat production in the United States, many of whom know very little about the business or even about the products they want.

In reality, we are in this complicated situation together and together we will stand. As producers of finished meat animals and as processors and distributors of the products from these animals, we need customers; and likewise, for highly nutritious food that is the backbone of any great nation, consumers need producers who will provide that food.

This all sounds very simple and elementary, except that in the process the matter of economics, prices, price fluctuations, costs and profits become exceedingly important considerations.

Some have been known to say that informing the public is easy. All you need to do is write the story in a very interesting and simple manner, give it wide distribution, get it printed, and that is all that is necessary. I submit to you that such is not the case.

In order to tell the livestock and meat story effectively, we must do it in such a way that it is clealy understood, and also in a way that is meaningful to those we are trying to inform. That isn't easy.

For instance, we aren't very effective when we tell a family on limited income with four growing children that on the average, consumers spend only 15.6% of their disposable income for food, and this percentage has been declining for years. Being on limited income and having six mouths to feed, that family is probably spending more than 15.6% of its disposable income for food and perhaps always has. Furthermore, now that the four children are growing up, it takes quite a little more food than it did five or six years ago, and may take considerably more in proportion to the increased earnings of that family.

At the same time we are trying to inform consumers, we must also keep in mind the necessity of providing meaningful material to those who write and prepare that material for the news media in our urban centers and for national distribution. Many of them don't understand either. Also, they are prone to lean toward the sensational and omit some of the crucial facts in the case.

How often have we seen in bold headlines an announcement that fed cattle prices set a new record in the market today, or that hog prices have reached the highest level in history and that pork at retail is bound to go up? While these headlines may be true, the writers and broadcasters omit the fact that wage rates and personal incomes have also reached new records and are higher today than they were yesterday, last week, or last year. Why should one development be newsworthy and not the other.

Some might say let's disregard the general news media. After all, the space in publications and the time over networks is available and can be purchased. Undeniably, though, there is the large matter of money for such purchases, and, at this moment, at least, I am convinced the industry would not appropriate the millions of dollars that would be required to inform consumers in that manner. For the time being, we will probably be more effective using the other avenues.

There may be another side benefit in meeting this challenge that I throw out to you. It is the probability that in developing the right kind of an informational program, we may learn some things ourselves. School teachers tell me that in the preparation of material for lectures and classrooms, they often learn more about a subject than they knew before, and more than the students learn from them. It is not outside the realm of possibility that we will discover some aspects of our dilemma that seemed unimportant to us before.

A meaningful and understandable informational program can extend beyond the problem of consumer concern about meat prices. It can very well spill over to those who are emotionally and actively involved in unrealistic pressures to clean up our water and clean up our air. Also, it can reach those who would impose unreasonable standards for the safety of employees who may be working on any job. At least there is a chance these people may be tempered somewhat if they fully understand what is involved in the production of meat animals and the meat derived therefrom.

To avoid the risk of being unjustly criticized, I want to make it plain that we are fully in favor of doing everything possible to help clean up the water, improve the air, and provide safe conditions for our workers. There are, however, certain economic limitations to such programs, and unless and until the general public exhibits a willingness to assume the added costs of all these programs, the industry will be able to go only so far. In our business, at least, the profit picture is normally quite limited and we can absorb only a small portion of the extra cost of such programs.

The question always comes up as to why we need worry about informing consumers and trying to explain the fact that livestock and meat prices may be higher today than they were at some time in the recent past. After all, despite a certain amount of grumbling, some headlines, and continual concern about the cost of living, the public is still buying all of the meat offered to them and are paying the prices that are charged. Part of the answer is: a lot of grumbling might prevail on our government to take some control action that it doesn't want to and would be very unwise. Another part of the answer is that we may not always enjoy, unless we do something about it, the continued demand for red meat that we have today, particularly under conditions of much higher production and the further introduction of substitute products. In other words, our job is necessary not only because of what is going on now, but also because of what we may face in the future.

As I call this challenge to your attention, I expect some of you, at least, will want me to tell you how we are going to meet it. I am not sure I can do that, but perhaps I can provide some insight and let you know what I think may be necessary.

Less than a month ago, I listened to a very interesting program at one of our state conventions that should give us a little clue as to what we need to do. This program involved a panel of eight ladies from a metropolitan area in Michigan. They could have been from any city of reasonable size. The ladies were articulate; they were generally intelligent; all were married and keeping a household; some of them had children while others did not. All were buying most of their groceries and some were working outside the home.

While they were talking to an audience of livestock feeders and their wives, the ladies did not know who their audience was, except the people were connected in some way with the food business. They knew nothing about the moderator other than his name.

The ladies on the panel were not prompted in any way, but were told they could and should answer questions in a frank and honest manner. The people in the audience, in turn, were instructed on the ground rules prior to the appearance of the panel. They were not to reveal who they were and, furthermore, they were not to get the least bit angry at anything that might be said.

It was a most interesting two hours; yet it was also somewhat disturbing. It was disturbing because it demonstrated how little this group of intelligent homemakers really knew about the food business and particularly how little most of them knew about meat.

For instance, most of them knew little or nothing about the various grades of beef and some admitted they paid no attention to the grade. All but one felt that prices of meat at retail were high and some said very high. Yet, when asked what consumer product, including food, might be a good buy in todays market, they could not name one. The conclusion was that everything was high, not just meat. One lady on the panel—one out of eight—defended the price of meat and other consumable goods saying she didn't think they were high at all compared to incomes and wages. After all she said, we are all better off today with much higher salaries and incomes, even though the prices of most consumable goods have gone up.

A college student's wife, whose family income was probably the lowest of any on the panel, had heard about DES and she expressed great concern. As far as she knew, she said, there was a small amount of DES residue in all beef and for that reason, she was quite concerned about eating it. Another member of the panel—the wife of a college professor—thought that the retailers profit on groceries was probably around 50%. She too expressed considerable concern about possible residues of chemicals and feed additives in meat; yet she smoked several cigarettes during the course of the program.

I could go on and on in this way, but it would take too long. Let me tell you instead just a few of the things we need to consider. First of all, I think that consumers in general couldn't care less today about whether or not our business is profitable. They might have some concern if they knew about it, including many of the variables with which we have to contend. Their major concern is that when they get to the grocery store, including the meat counter, and find some prices have gone up, the money they have left for food will not go as far as they want it to. Most are not interested in the reasons or have not thought about it.

Perhaps they can understnad, though, that increases in livestock prices and in meat prices may be more abrupt than upward trends of other prices because just prior to such an upswing, there had been a decline. You know as well as I do that the record is clear on this point. Consequently, any short term trend in livestock and meat prices is in no way representative.

I think Mrs. Consumer can also understand that a little review of her own personal family income in the past five to ten years will be somewhat of a revelation. She'll find that the price of livestock and meat have not gone up nearly as much as her own family income, nor nearly as much as the cost of clothing she buys for her children, nor nearly as much as medical and dental costs, nor nearly as much as most anything else she buys.

She can also understand that some 40% of the price of meat at retail represents costs in the processing, distributing and merchandising of meat occurring after the animal leaves a feedlot. These costs do not go up and down but have continued an upward trend for at least the past twenty years. The increased salary or wages of her husband may have directly or indirectly contributed to these higher costs.

I think she can understand, if properly told, that a 1,000 pound Choice steer yields about a 615 pound carcass from which the retailer is able to sell about 430 pounds of beef to the consumer. Of this 430 pounds of salable beef, only about 29% of it is in the form of steaks. As our society has become more affluent, more and more people want some part of this 29% of the beef carcass, and it is only reasonable that these items are priced higher, and sometimes considerably higher, than other cuts of beef. She must understand, too, that the price of steak at retail is not the price of beef.

If she does want some of this more popular segment of the beef carcass, and it gets to be a battle between the mortgage payment and the butcher; Mrs. Homemaker must decide which she wants the most. If she wants the new home with all new furniture, and a station wagon in the drive, plus a second color television set for the kids, and wishes she had a swimming pool in the backyard, she just may not be able to buy rib eye steaks whenever she wants to. After all, that 8.6% increase in her family's personal income in 1972, and the 6.8% increase in personal income during 1971, will only go so far. She simply cannot expect the livestock feeding industry, or the meat processing industry, or the retail industry, to sell her steak at a lower price so she can enjoy it and still make the extra payments on the mortgages or the purchase contracts she has.

I think she can also understand, if it is explained to her, that if some extra outside finish is trimmed off of a roast, or she buys a boneless rib roast instead of a standing rib, she is going to have to pay extra for it. She will get the same amount of red meat she would have gotten in the first place, but not for the same number of dollars because she had to pay somebody to do that trimming and boning for her. At least in some shops this little extra service comes at the rate of $6.00 an hour or 10¢ a minute. In many cases, our homemaker may have been paying her own husband this ten cents a minute or her neighbor's husband.

She might ponder a bit about another special service that costs money. Some food stores are now staying open on Sunday to accomodate shoppers. To keep just one meat cutter on hand to attend a self-service meat counter costs one local chain $100 per store for a short day on Sunday. The consumer pays this bill, too.

Perhaps, also, our consumers can appreciate a few comparisons of just how much various prices have risen in relation to other prices. Late last year, the average price of a pound of Choice beef at retail was $1.12. The highest price ever reached in August, 1972, when the average pound of Choice beef reached $1.17 per pound. in 1950, Choice beef at retail was worth 75.4 cents per pound. Had a pound of Choice beef at retail gone up as much as a first class postage stamp since 1950, it would be selling at $2.01 per pound. Had a pound of beef gone up as much as the cost of medical care, it would be selling at $1.88 per pound. Had a pound of beef gone up as much as average hourly wage rates or per capita disposable income since 1950, it would be selling at $2.11 per pound. Or compared to the cost of having a baby since 1950, a pound of Choice beef would be worth $3.11.

In 1950, Choice steers at Omaha were bringing $28.88 per hundred weight. If Choice steers had gone up as much since 1950 as a first class postage stamp, they would now be worth $77.02 per hundred weight. Compared to the rise in total medical care, they would be bringing $72.34 per hundred; or compared to the rise in average hourly wage rates, $80.69 per hundred, and to the rise in per capita disposable income, $80.89 per hundred. If Choice steers since 1950 had gone up as much as the cost of having a baby, they would not be commanding $119.13 per hundred, and a rise equal to the daily cost of hospital service would put Choice steers up to $176.69 per hundred.

As everyone knows, Choice steers were selling in the range of $42.00 per hundred weight. Our consumer friends might also like to know that according to latest information, live cattle prices in the Common Market countries of Europe at the beginning of 1973 averaged $56.00 per hundred weight for older cattle and cows culled from dairy herds. They ranged from about $46.50 in Holland to $62.00 in Italy.

These are a few of the things I think we may be able to impress upon the consumers of the nation if we work at it hard enough. Undoubtedly, there are some other explanations we can use and information we can impart that will make some impact.

I think we also need to be honest about the future cost of food and red meat. They are not going to decline appreciably as long as wages and salaries continue their upward trend, or as long as distribution and transportation costs continue to increase, or as long as the cost of machinery and equipment continues to rise and taxes keep on going up. There may be some savings possible through improved efficiency here and there, such as central cutting and fabrication of meat, but these are not going to permit a substantial decline in the end cost of the product.

We can also assure consumers there will be further increases in the domestic production of red meats provided there are neither widespread consumer reactions nor policy decisions on the part of our government that become discouraging to the livestock feeders and ranchers. Present price levels will encourage that increased production.

Over a period of about twenty years the beef producers in the United States actually doubled per capita production for the consumers of this nation. It rose from 55 pounds per capita to 110 pounds per capita despite the fact that prices did often fluctuate down and up and we experienced some periods of almost economic disaster. During these twenty years, production was out-running demand.

In about the last six years, however, production of beef has not increased so much, with the result that demand for it by consumers has generally caught up with the supply. Due to changes in the availability of cattle for feeding purposes nearly all of the increased production of beef will have to come from more calves. This takes time, but further production will be showing up before long.

As stated in a report from the National Livestock and Meat Board, it still takes two years to grow the steak or roast you have for dinner, plus 2,500 lbs. of grain, 450 lbs. of protein supplement and 12,300 lbs. of hay, silage and pasture, plus tremendous investments in labor and capital before a steer is feedlot-finished and ready for market at 1,000 lbs. I might add that we can also anticipate increases in pork production by about mid-1973 since farrowing intentions clearly indicate such an increase.

I hope this discussion proves valuable to all of you. I am sure you have heard some of it before, but perhaps it has not been put in quite the same perspective. We have a story to tell and a position to defend. In so doing, we need make no apologies to anyone.

I hope all of you will express yourselves with enthusiasm on this subject whenever the occasion arises. I can assure that your association will engage in a stepped-up program in an effort to bring the facts to the attention of all the consumers.

If we can meet this challenge and bring the facts to consumers, we will go a long way towards solving some of the other problems the industry faces and create a more favorable atmosphere for operation in the future.

My very best wishes to you for continued happiness and progress in your business. Again, I thank you and compliment you for your attendance at this 28th annual convention of our association.

THE JAMES FORD BELL LIBRARY CONFERENCE ON THE AMERICAN REVOLUTION, AT THE UNIVERSITY OF MINNESOTA

Mr. HUMPHREY. Mr. President, our Nation is approaching its 200th anniversary.

The James Ford Bell Library of the University of Minnesota at Minneapolis is sponsoring a conference May 2, 3, and 4, 1973, on the political and philosohphical origins of our country. It will be an important opportunity for students to discuss with distinguished scholars the politics of the early American years.

I find that I always benefit from a fresh look at the principles and ideals of the Founding Fathers. Their wisdom can still be applied to today's problems. This Nation's success and strength can be traced to the sound beginning they provided.

This beginning will be analyzed by some of the country's foremost scholars at the James Ford Bell Library Conference.

Mr. President, I ask unanimous consent that a letter I have received from Dr. John Parker, curator of the library, and the schedule of the conference be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MINNESOTA,
Minneapolis, Minn., February 9, 1973.

Senator HUBERT H. HUMPHREY,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: We wish to call your attention to a major event looking toward the bicentennial of American Independence. It is our belief that one of the best ways to observe the bicentennial is in serious discussion of the political and philosophical origins of our national beginnings. To this end we have invited some of the foremost experts on the American Revolution period to come to the University of Minnesota and share with students and others of this region their insights on this historic event.

Our hope is that their remarks and the discussion which follows will be published, thereby enabling us to share this conference more widely.

Our hope is that their remarks and the discussion which follows will be published, thereby enabling us to share this conference more widely.

Any publicity you could give this conference in Washington would be greatly appreciated.

Sincerely yours,
JOHN PARKER, *Curator.*

PROGRAM—THE JAMES FORD BELL LIBRARY CONFERENCE ON THE AMERICAN REVOLUTION, MAY 2, 3, 4, 1973

SPEAKERS

May 2, 7:30 p.m.

Dr. Louis B. Wright: "Motivations and aspirations for colonial settlement in North America." Former Director of Folger Shakespeare Library, Washington, D.C.; Currently Historical Consultant to the National Geographic Society.

Author: *The dream of prosperity in colonial America* (1965). *The Atlantic frontier: Colonial American civilization,* 1607–1763 (1959).

Professor Caroline Robbins: "The transmission of ideas: problems in understanding the development of a revolutionary mood in the Colonies." Chairman, Papers of William Penn Project (Historical Society of Pennsylvania).

Author: *The eighteenth century commonwealthman* (1968). *Two English republican tracts* (1969).

Professor Jack P. Greene: "The development of American politics." The Johns Hopkins University, Department of History.

Author: *The quest for power: The lower houses of Assembly in the southern rural colonies, 1689–1776* (1963).

The reappraisal of the American Revolution in recent historical literature (1967).

May 3, 2:00 p.m.

Professor Michael Kammen: "A different 'Fable of the Bees': The problem of public and private sectors in colonial America." Cornell University, Department of History.

Author: *People of paradox: An inquiry concerning the origins of American civilization* (1972). *Empire and interest: The American colonies and the politics of mercantilism* (1970).

Professor Elisha P. Douglass: "Frontier interests and independence." University of North Carolina, Department of History.

Author: *Rebels and democrats: The struggle for equal political rights and majority rule during the American Revolution* (1955). *The coming of age of American business: Three centuries of enterprise, 1600-1900* (1971).

May 3, 7:30 p.m.

Professor Pauline Maier: "Attitudes toward change in the American Revolution." University of Massachusetts, Boston, Department of History.

Author: *From resistance to revolution, colonial radicals and the development of American opposition to Britain, 1765-1776* (1972).

Professor John Howe: "Attitudes toward violence in the pre-Revolutionary period." University of Minnesota, Department of History.

Author: *The changing political thought* *of John Adams* (1966). *From the Revolution through Jackson* (1973).

Professor John Shy: "Mobilization of opinion and armed force." University of Michigan, Department of History.

Author: *Toward Lexington: the role of the British army in the coming of the American Revolution* (1965).

May 4, 7:30 p.m.

Professor Wallace Brown: "The case of the Loyalists and other non-participants." University of New Brunswick, Department of History.

Author: *The King's friends: the composition and motives of the American Loyalist claimants* (1965). *The good Americans: The Loyalists in the American Revolution* (1969).

Professor John P. Roche: "The quest for a new government." Brandeis University, Department of Politics.

Author: *Shadow and substance: Essays on the theory and structure of politics* (1964). *The major opinions and other writings of John Marshall* (1967).

Dr. Staughton Lynd: "The American Revolution as precedent." Institute for Policy Studies, Washington.

Author: *Class conflict, slavery, and the United States Constitution* (1968). *Intellectual origins of American radicalism* (1968).

WEST FRONT OF THE CAPITOL

Mr. KENNEDY. Mr. President, I strongly oppose the recommendation, announced today by the Commission on the Capitol, that $58 million in funds should be made available in the next fiscal year to extend the west front of the Capitol.

There could hardly be a more inopportune or embarrassing time for this extravagant and unjustifiable recommendation to be made. The historical, esthetic, economic, and administrative arguments against the extension of the west front are well-known. Time and again, in critical debates and votes on the Senate floor in recent years, these arguments against extension have prevailed and the Capitol has been saved, as the timeless tribute it is to the plans of Washington and Jefferson, and to the work of America's greatest architects of the past.

We know the state of present crisis over the Federal budget. We know that the funding of vital social programs is being pared to the bone to accommodate the President's austerity budget for domestic programs. How, then, can we in Congress indulge ourselves by spending tens of millions of dollars on new office space and personal convenience in the Capitol, when these urgently needed Federal funds could be better spent on far more worthy purposes?

Above all, we know that citizens throughout the country are beginning to look forward now to the 200th anniversary of our independence and the founding of our country. How, then, can we choose this time to tamper with the historic beauty and integrity of our Capitol, the most important symbol of our Nation?

I hope, therefore, that the Appropriations Committees of the House and the Senate will resist this needless and unwise new assault on the Capitol, and that once again, this unique landmark of our Nation, this bridge across our history, will be preserved.

NATIONAL VOTER REGISTRATION

Mr. McGEE. Mr. President, less than a year ago the Senate tabled the proposed National Voter Registration Act which aimed at easing the path to participation in our democratic processes for many Americans. Believing that this is an overdue movement, I have, with the cooperation of a number of other Senators, persevered. In 2 weeks, the Committee on Post Office and Civil Service, which already has held 2 days of hearings on voter registration, will resume its hearings on S. 352 and similar proposals.

Many close observers of the political scene are convinced that registration procedures now in use in many of our States constitute one of the major barriers to wider voter participation in this country. If we really intend to practice true participatory democracy in this country, we must cut through these archaic requirements which stand as a bar between the responsible citizen and the polling place. Last year, in the Presidential election, only about 55 percent of the eligible voters in America cast their ballots. That, I believe, is a deplorable fact; a situation we must act to rectify.

As the New York Times stated editorially before the Senate acted to table the question in the 92d Congress:

> Nothing is more frustrating for a citizen than to discover he cannot vote because he has not lived in his State or community long enough or because he forgot to register weeks or months before Election Day.

The Judiciary has taken a long step toward minimizing the impact crude residency requirements. But it remains for Congress to act if the frustrated voters, many of whom found themselves out in the cold on November 7, 1972, are to have the barriers of equally crude registration laws lowered. I ask unanimous consent that the New York Times editorial of March 10, 1972, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FRUSTRATED VOTER

Nothing is more frustrating for a citizen than to discover he cannot vote because he has not lived in his state or community long enough or because he forgot to register weeks or months before Election Day. Nothing could be more ironic since democracy thrives on popular participation.

The Senate is now considering a bill sponsored by Senator McGee of Wyoming, which would do much to smooth the way to the polling place. The bill would permit a citizen to vote in Federal elections, if he had been resident in a state for thirty days. Twenty-four states now require that a potential voter reside in that state for at least one year, an old-fashioned residence requirement that no longer makes sense if it ever did.

The bill would also permit potential voters to register until thirty days before an election. Most states have approximately the same registration deadline, but this provision would do away with the anomalous requirements which now prevail in a few areas.

It is also desirable to make it easier for citizens to register. Except in progressive communities which have mobile registration centers, getting one's name on the voting roll often involves a trip to an inconveniently located office on a workday. The McGee bill eliminates this obstacle. It would set up a National Voter Registration Administration within the Census Bureau to register potential voters by mail.

There is no constitutional barrier to this reform inasmuch as local governments would still control the actual registration process—the Federal form would be mailed back to the local voting registrar—and the states could still set voter qualifications for their own elections.

The McGee bill is now before the Senate, but it has encountered stiff Republican opposition. Yet this reform ought not be a partisan issue. The frustrated voter is as likely to be a suburban Republican businessman recently transferred from another state as he is to be an inner city Democrat. A simplified registration procedure is long overdue.

A RESOLUTION ADOPTED BY THE COUNCIL OF HONOLULU

Mr. INOUYE. Mr. President, yesterday, I introduced into the RECORD a resolution passed by the Council of the City and County of Honolulu calling on the President and the Congress to restore budget moneys for essential social service programs. In the past few weeks I have received similar statements of concern over priorities for Federal spending from Hawaii's Gov. John A. Burns, Honolulu's Mayor Frank F. Fasi and hundreds of Hawaii citizens.

Today, I ask unanimous consent that the text of House Resolution 12, which was adopted unanimously by the House of Representatives of the Seventh Legislature of the State of Hawaii, be made part of the RECORD.

This resolution exhorts the President and the Congress to end the administration's moratorium on new commitments for federally subsized housing and community development programs. Hawaii presently faces a severe housing shortage. It is becoming more difficult for the average, and even the above average, wage earner to buy housing in my State. Those families who make a moderate or below average income are being frozen out of the housing market. Federal subsidies are essential if only to stabilize the present housing situation in Hawaii.

The statements of Hawaii's elected officials including the Governor, Democratic, and Republican State representatives, mayors, city and county councilors, in addition to the voluminous correspondence from other citizens support my belief that the people of Hawaii do not want our country to abandon its goal of "a decent home and a suitable living environment for every American family." Our citizens do not wish to abandon our country's commitment, as stated by Abraham Lincoln, "to do for the people what needs to be done, but which they cannot by individual effort do . . . for themselves."

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

H.R. No. 12

House resolution expressing the concern of the Hawaii State House of Representatives to President Nixon's halt on approving new commitments of Federal subsidized housing and community development programs, asking the President to reconsider his decision, and requesting Congress to take appropriate action to continue and expand Federal subsidized housing programs, particularly for low and moderate income persons, and community development programs

Whereas, President Richard M. Nixon ordered a halt on approval of new commitments of federal subsidized housing and community development programs; and

Whereas, the people of the State of Hawaii have a continuing need for housing and for community improvements; and

Whereas, the President's order may have an adverse effect on the health and welfare of Hawaii's people; and

Whereas, there is a continuing inflationary spiral in Hawaii's housing market making it close to impossible for low and moderate income persons to find homes to buy or rent within their financial means; and

Whereas, easing the present housing situation in Hawaii requires heavy investments of public funds to complement the investments in housing by the private sector; and

Whereas, neither State government nor local governments in Hawaii command the necessary funds from their own resources to substantially ease the situation; and

Whereas, a flow of federal funds for housing and community development programs to the State of Hawaii is essential if the State is to improve the housing situation, particularly as it affects low and moderate income persons; and

Whereas, the President's freeze on new commitments has already had adverse effects including announcements by developers of new projects that the prices of their units would have to be increased as much as twenty-five to thirty percent and decisions by other developers to terminate or delay badly needed new housing projects; and

Whereas, these adverse consequences of the President's freeze can be expected to aggravate the already serious housing problem in Hawaii; and

Whereas, the President's action freezing federal funds for housing and community development programs may also impose hardships on the economy of the State of Hawaii; now, therefore, be it

Resolved by the House of Representatives of the Seventh Legislature of the State of Hawaii, Regular Session of 1973, that it does hereby express its concern over President Richard M. Nixon's order freezing the approval of new commitments of federal subsidized housing and community development programs; and be it further

Resolved, That the House respectfully requests the President of the United States to reconsider his decision to halt approval of new commitments for housing and community development programs; and be it further

Resolved, That the House respectfully requests the Congress of the United States to review, modify, improve, strengthen, and expand federal efforts and funding for housing and community development programs; and be it further

Resolved, That certified copies of this Resolution be transmitted to the President of the United States, the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, and Hawaii's congressional delegation.

THE ENERGY CRISIS AND THE CLEAN AIR ACT

Mr. COOK. Mr. President, on January 10, 1973, in an appearance before the Senate Committee on Interior and Insular Affairs, the Secretary of the Interior, the Honorable Rogers C. B. Morton, estimated that the Nation's demand for energy in the year 1985, will be 69 percent more than we used in 1971.

Unfortunately, the Secretary does not foresee our domestic energy capability growing by a comparable amount and estimates that our total energy imports will be almost four times greater in 1985 than they are today.

The tragedy of this forecast is threefold. In the first place, when we become dependent upon foreign powers for a large segment of our energy, we lose some of our own independence as a great power. Second, our current energy trade deficit of approximately $4 billion a year would increase to a projected $20 billion a year with a resulting devastating impact on our economy and our way of life. The recent devaluation of the dollar will automatically increase this deficit by an additional 10 percent. Finally and equally important, is the adverse impact on our domestic fossil fuel industry.

This is indeed a very disturbing forecast and I submit that it need not be so. There is an alternative. Nature has given the Nation an abundance of potential energy in the form of coal. This domestic resource is sufficient to meet our needs for several hundred years and as a minimum is certainly adequate to meet our needs until we can develop other means of supplying this energy from other domestic sources.

The problem that faces us then is not a shortage of fuel but rather a problem of how to use the abundant domestic fuel available to us without undue harmful effect on the health of the American people.

Several programs are now underway which show promise. Coal gasification should be commercially available by 1980. Other proven methods include the desulfurization and the liquification of coal. But under existing research programs, these methods are 6 or 7 years away. We just cannot afford to wait this long.

On several occasions when calling the attention of the Senate to the energy crisis, I have made specific reference to the efforts of the coal industry to supply the energy required by this Nation. One of the key contributions made by coal is in providing the fuel to generate electrical power. The full potential of this coal is not being realized and there is a danger that coal's limited contribution may no longer be possible.

The main problem facing the coal producer and the powerplant operator is that to my knowledge there is no effective commercially tested desulfurization system available for installation which will permit the consumer to burn high sulfur coal and meet the emission standards established by the EPA within the time limit established by the Congress which is 1975. The record will show that I voted for the Clean Air Act when it was passed by the Congress and I have not changed by views concerning the goals of this legislation. However, I am concerned about the rather limited effort being devoted to solving the problems related to meeting these standards.

I realize the chief objection to the use of coal from the standpoint of the Clean Air Act is its ash and sulfur content. The technology for removing fly ash from the stack gases of coal-burning plants has been developed to a high degree of efficiency and is ready available and should be employed. However, emission standards for oxides are another problem. Coals low enough in sulfur in the natural state or which can be cleaned by known means to meet these standards, are extremely limited. The techniques for removing the sulfur compounds from the stack gases are not yet commercially available.

When the State implementation plans under the Clean Air Act go into effect between now and 1975, they will specify the new source performance standard of 0.6 pounds of sulfur per million B.t.u. This will require, in the absence of other control means, the use of "East of the Mississippi" coal containing less than 0.7 percent sulfur. Unfortunately, this coal is scarce. The U.S. Bureau of Mines estimates that only about 8 percent of our coal reserves in this area of the country could meet the requirement.

In addition to meeting the above limits on new plants, I am concerned about how we can burn coal and meet the limits being imposed on existing units. Although the limits established by the EPA call for meeting the primary standards by July 1, 1975 as directed by Congress, the States are calling for the secondary standards to be met by the same date. This requirement makes it even more imperative that we devote increased effort to the problems of desulfurization and stack cleaning.

The Federal Register of May 31, 1972, quoted the EPA as follows:

> The State implementation plans to control SO_x (sulphur oxides), generally have been responsive to the mandates of the Clean Air Act. The plans provide for meeting by 1975 primary air quality standards which are designed to protect the public health. In most cases, the States determined 1975 to be the "reasonable time" allowed by the Act to meet the secondary air quality standards for SO_x which are designed to protect the public welfare. Fuel combustion regulations were designed to achieve both the primary and secondary standards by the 1975 date. In most States these emission regulations were made to apply statewide, without regard to the differing air quality in regions within the State.
>
> It is clear that achieving these rigorous state standards in the time prescribed would significantly enhance air quality in many areas of the Nation, as contemplated by the Clean Air Act. However, in addition to reviewing the effectiveness of each state implementation plan, this agency (EPA), and the Federal Government have an obligation to assess the impact of the various plans in the aggregate. From this standpoint, there is strong evidence that the complete implementation of the plans as submitted may not be attainable in the time prescribed.

By this statement EPA admits the real possibility that, under current conditions in the domestic and world fuel markets, all aspects of the State plans in the aggregate cannot be achieved by 1975 despite the best efforts of both Government and the private sector. If this is true, then I say to my colleagues that this "best effort" must be increased. It is just not the American way to accept defeat without an extensive counter effort.

I understand that EPA has been completing its studies of the aggregate situation to enable them to suggest necessary compliance schedule changes to the States. Such changes would include the modification of federally promulgated regulations for achievement of the primary standards—health related—by July 1, 1975. I will study this report very carefully and I suggest it be finalized at the earliest date and submitted to Congress and the Nation so that we may all better understand the problems ahead and the proposals to meet these problems.

According to the EPA, the States most likely to be affected by this shortage of clean fuels include Illinois, Indiana, Kentucky, Wisconsin, Michigan, Ohio, Tennessee, Alabama, Pennsylvania, West Virginia, Georgia, and New York, but others will also need to consider the availability of fuels in developing compliance schedules.

In order to determine just exactly what technological problems must be overcome to meet these standards, I dispatched a letter to Dr. Edward E. David, Director, the White House, Office of Science and Technology, on June 19, 1972, requesting information and suggesting the acceleration of programs designed to find ways to use our coal. I suggested that one solution would be for this Nation to develop a stack gas desulfurization system within the next 12 months. Such technical development would assist us as a Nation to meet our energy requirements from domestic resources.

Dr. Edward David responded to my letter and in his reply, which I request be placed in the Record, first, he informed me that "to our knowledge no system has been demonstrated on a commercial scale which meets the performance and reliability requirements of the regulations and the utilities." He also stated that there was no assurance that a system will be available within the next 12 months. This statement caused me great concern because without an acceptable system, the coal industry would be crippled severely.

As I was not satisfied with this finding, I forwarded Dr. David's letter to the Environmental Protection Agency for comment. In August I received a reply which I should like to include in the Record, second, I found EPA to be in basic agreement with the findings of the Office of Science and Technology. Dr. Greenfield, Assistant Administrator for Research and Monitoring, EPA stated:

> It is my judgment that while limited control technology now exists for dealing with some of our pollution control needs such as sulphur oxide, nitrogen oxide, and fine particles, it is at best rudimentary. Much work remains to be done to answer questions regarding process liability, life performance, and economics. Much work remains to be done to improve control systems economics and develop multipurpose systems to reduce the mounting costs of pollution control.

In his concluding remarks Dr. Greenfield states:

> I believe based on my assessment of the status of our present technology and emerging technology that even by applying our best efforts we will not be able to bring our major problems of air pollution under control until late in this decade or early 1980.

My reaction to this reply was that if much work needed to be done, then we had best get on with it, and I so urged. However, in my desire to approach this problem with care and to avoid any rash and hurried proposals, I continued to study the problems and alternate solutions for additional months.

In December of last year I again wrote to the EPA and the Office of Science and Technology and requested that they provide me with any new information which they may have.

On December 29, 1972, I received a reply from the Office of Science and Technology which reaffirmed that "it is not likely that technology would be commercially available before 1980. I would like to include this letter in the Record, third.

On January 16, 1973, the Environmental Protection Agency informed me that it would be 1980 before we could control "coal-fired electric utility sources for which fuel gas desulfurization technology is technically and economically practical. In addition, EPA informed me that it would also be 1980 before we could expect "to produce sulfur and particulate free fuels," fourth.

Mr. President, I ask the Congress, are not we being just a little bit arbitrary in demanding maximum output from our electrical power producers without a maximum effort to solve the problem which denies this same producer the use of his most available and abundant domestic source of fuel? I think we are.

Mr. President, I believe that the acceptance of this technological failure will have side effects which can have critical longrun national consequences to the economic and military security of our Nation, side effects which I do not believe were anticipated when the act was debated and enacted by the Congress. I do not believe that when the Congress moved to alleviate the threat of air pollution, it did so with a single-minded purpose which was consciously intended to transcend all other vital national goals such as fiscal integrity, national security and independence in the conducting of our foreign relations.

Mr. President, there is a real sense of urgency here. Assuming that the required technology is available in the near future, I submit that the lead time required to install a desulfurization system in our generating plants without reducing the capacity to meet the consumers' requirement for electrical power will threaten the attainment of announced goals. Admittedly, there is of course some reserve capability in each utility system which can be converted without immediate impact on output. However as units are taken "off the line" even on a very limited schedule, the remaining unconverted units must be permitted to continue operation to meet power requirements. To serve its customers, an electric utility has to deliver power reliably around the clock. This means that it can have only a small part of its' capacity—that which is in excess of demand—off the line for maintenance, repair, or experiment at any time. It cannot afford to engage in full-scale tests over long time periods with untried equipment without a crippling impact on power output. It cannot stockpile electricity. If it does not have enough capacity at the instance of demand, then it must shed part of the load or purchase power from neighboring systems. Unfortunately, today, few systems have power to spare.

I repeat, if the technology were available it would be most difficult to make necessary installations by 1975 and still meet consumer requirements. We cannot afford further delay.

In conclusion Mr. President, let me say that I am most concerned over this problem and intend to seek solutions wherever possible. I submit that without the benefit of a desulfurization system, we automatically force our utilities to turn to imported oil for fuel, thus compounding our oil shortage. The resulting dollar drain could literally cripple our economy. The recently published National Petroleum Council energy study indicated the need for 14.8 million barrels of imported oil daily by 1985. This alone would increase our trade deficit by $20 billion annually.

Perhaps an even greater danger lies in the changing global pattern of oil supply. Until very recently, nearly all residual oil imports came from Venezuela and other Caribbean nations with friendly and fairly stable governments. However, that part of the world is now producing oil to its capacity, and its oil is high in sulfur. The new imports of low-sulfur oil are coming—and will continue to come—chiefly from the Middle East where governments are volatile and are not notably friendly to the United States. They are now demonstrating their power by winning a 20 percent interest in the oil companies operating in their territory.

I have no faith that this will long satisfy them. Nor is the United States their only customer—western Europe and Japan are heavily dependent upon them. Russia is a potential customer, if only for the significant leverage it would thus obtain. It is not only possible, it is quite likely, that sooner or later one or more Middle East countries would decide to use its oil production for political purposes. The power to shut off a vital part of the energy supply upon which the United States is dependent is simply too potent a weapon to place in their hands.

These are, I believe, matters of the most far-reaching national concern which have an obvious impact on the continued viability of the Nation's coal industry as well as the Nation itself. I am certain that at least part of the impact was foreseen by Congress which attempted to moderate its impact by providing for research and development of technology which would permit coal to be used within the constraints of the act. However, regulations has today far outrun research. We must reverse this trend by increasing our research effort.

Mr. President, I ask unanimous consent that the letters which I make reference to in my remarks, be placed in the Record.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF SCIENCE AND TECHNOLOGY,
Washington, D.C., June 22, 1972.
Hon. MARLOW W. COOK,
Committee on Commerce,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOK: This letter is in response to your letter of June 19 urging an accelerated program to develop stack gas cleaning technology. This area was one of the three areas which the President designated for priority treatment in his Energy Message of last June. The EPA has been actively pursuing this technology as indicated by the attached summary of the projects which they are funding and their status. Industry has also been very active and have initiated a large number of projects with their own funds. I have enclosed a list of these activities from a recent issue of *Electrical Week.*

My office is currently participating in an interagency review of this technology which includes site visits and discussions with potential suppliers. To our knowledge no system has been demonstrated on a commercial scale which meets the performance and reliability requirements of the regulations and the utilities. While it is our hope that one or more of these systems will be proven adequate within the next 12 months we have no guarantee that such will be the case. Even if a successful demonstration should occur it would be virtually impossible to install an appreciable number of these systems in time to meet the 1975 standards.

I share your concern about the impact this will have on the coal industry, particularly in the East and Midwest. While some plants can shift to oil many do not have this option. Furthermore, it is costly and, as you point out, creates a greater dependency on imported oil at the expense of our abundant coal resources.

As Mr. Ruckelshaus stated recently, it may not be possible to meet the 1975 standards even with the best technological efforts of government and industry. I assure you we are actively pursuing programs to remove sulfur, not only at the stack, but prior to and during combustion. As you state in your letter, regulation may have outrun research. I believe it is important that Congress recognize the technological challenges involved in implementing the environmental legislation passed in recent years. If I can be of further help, please feel free to call upon me.

Sincerely,
EDWARD E. DAVID, Jr.,
Director.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., August 30, 1972.
Hon. MARLOW W. COOK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOK: Mr. Ruckelshaus has asked me to comment on the status of development of gas desulfurization systems. I agree with Dr. David's analysis of the status of flue gas desulfurization technology. Dr. David has pointed out that there has been a flurry of activity over the past two years in response to pollution control legislation. Most of this work has been undertaken by the Environmental Protection Agency (EPA) and the utility industry.

The utility industry approach has been to support the installation of at least one of most of the candidate processes which have been offered by suppliers. For the most part these processes have been the product of empirical designs by potential suppliers. The several processes now under design and construction within the utility industry represent untried systems. In the main, these are calcium based scrubbing processes which differ principally by the specific scrubbing equipment utilized.

Dr. David noted the problem associated with commercial application of gas desulfurization processes which is likely to result from the limited rate of construction and application of such processes once they have been developed. In addition, it is important to recognize that the principal candidate processes (lime, limestone, magnesium oxide scrubbing, catalytic oxidation and possibly the Wellman-Lord process) can not in themselves adequately handle the full range of sources that must be controlled. Factors such as disposal of solid waste material, marketing of marginal quality by-product, age of the power plants to be controlled and real estate requirements will significantly limit the application of these processes. Additional control processes which are capable of converting the sulfur pollutant to products that can be stored or converted to storable end-products are needed.

Most of the sulfur oxide control process work that has been done to date has been for the control of emissions from utility plants. As a result, nearly all of the emerging technologies relate most directly to control of large fossil fuel fired power plants. Of equal and frequently greater importance are the sulfur oxide problems resulting from the combustion of fossil fuel in industrial combustion units. The size of these units is frequently such as to make the application of the large regenerable processes which might be used on electric utility plants impractical for use on smaller combustion systems. Similarly, area sources, many of which reflect the use of sulfur containing fuels, are important contributors to ambient sulfur levels in many of our most polluted urban areas. The most realistic and economical approach to the control of sulfur oxides from these sources, is through the use of sulfur free fuels. At present naturally occurring fuels are inadequate to supply this need. Fuel cleaning technology is just now being developed and will not impact on the availability of low sulfur fuels until late in the decade. It is critically important, however, that we proceed with the development of fuel cleaning technology to address this segment of the problem. Fuel cleaning techniques, such as high and low BTU gasification, chemical cleaning, mechanical coal cleaning and liquid extraction processes, all offer promise for contributing to the supply of needed sulfur free fuels. The availability of viable fuel cleaning techniques would serve to make many of the high sulfur fuels available for power generation without adversely affecting the environment.

Combustion of fossil fuels, especially the combustion of coal, is a major source of air pollution other than sulfur oxide. By virtue of both the higher quantity of chemically bound nitrogen and the combustion characteristics of coal, this fuel is a principal source of nitrogen oxide emissions from stationary sources. This problem is further complicated by the lesser degree of control that can be exercised on the coal combustion process as compared to oil or gas. Coal combustion is also a major source of fine particulates which represent a major contribution of trace metal and hazardous air pollutants. To ensure that we do not find ourselves in the position of having solved one pollutant problem relating to the combustion of coal without having developed adequate solutions for the nitrogen oxide and particulate control problem, it is essential that research towards control techniques for the control of these pollutants be concurrently conducted.

The state-of-the-art of air pollution control technology is in an early stage of development. The rudimentary stage of development of technologies for the control of pollutants such as sulfur oxide, nitrogen oxide and fine particulates still forces us to consider each pollutant separately, thus compounding the potential economic burden for control. Some possibilities for concurrent control of these pollutants do exist. Clean fuel technology is an example. Our research and development programs in this and other areas are aimed at identifying and developing such systems with the objective of minimizing the cost of pollution control while still providing the technology necessary to maintain adequate air quality.

It is my judgment that while limited control technology now exists for dealing with some of our pollution control needs such as sulfur oxide, nitrogen oxide and fine particulates, it is at best rudimentary. Much work remains to be done to answer questions regarding process reliability, life, performance and economics. Much work remains to be done to improve control systems economics and develop multipurpose systems to reduce the mounting costs of pollution control. Although I feel that now is the time to begin imposing controls to check the run-away trends toward excessive pollution, it must also be recognized that our efforts are just beginning and the problem will not be solved overnight. I believe, based on my assessment of the status of our present technology and emerging technology, that even by applying our best efforts we will not be able to bring our major problems of air pollution under control until late in this decade or the early 1980's.

I hope I have been responsive to your letter. Please let me know if I can be of further assistance.

Sincerely yours,
STANLEY M. GREENFIELD, Ph. D.,
Assistant Administrator for Research and Monitoring.

OFFICE OF SCIENCE AND TECHNOLOGY,
Washington, D.C., December 29, 1972.
Hon. MARLOW W. COOK,
Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOK: The latest information available to me regarding the status of stack gas cleaning technology indicates that as of the present time two systems have been operated for short times satisfactorily in Japan, one of them an aluminum plant and one a rubber plant. While there are differences between these systems and those required for electrical utilities burning high sulfur coals, it is hoped that an adequate demonstration of the technology for utility use will be completed in 1973. However, the limestone scrubbing process continues to have serious solid waste disposal problems associated with it which render it unusable for many locations. Technology producing a marketable or disposable by-product has not yet been demonstrated. It is expected that systems now undergoing testing or still under construction will adequately demonstrate this technology sometime before 1974.

Some utilities because of the pressures upon them have begun to order stack gas scrubbing equipment in spite of the technical uncertainty at the present time. Experience to date suggests that costs will be above those projected and will probably approach $50-$70 a kilowatt for new installations. For retrofit purposes I would expect the cost to be still higher.

The combination of high cost and technical uncertainty at the present time has caused many utilities to turn to oil as a reasonably assured solution to the clean air requirements unless they operate within a region where Western low sulfur coals can be obtained at competitive prices. In either case Eastern and Midwestern higher sulfur coals would lose potential markets.

At the present time we have under review options other than stack gas cleaning which have been in the research phase and are about to enter the pilot plant phase. The chemical cleaning for coal and coal liquefaction appear to be the most promising. These options would appear to provide an attractive longer range solution to the continued use of coal in conformance with environmental standards but it is not likely that the technology would be commercially available before 1980. Such a solution would permit the utilities to burn a clean fuel derived from high sulfur coals without having to install complex chemical systems to remove sulfur at the stack. In my judgment such a solution would represent an optimum answer to the dilemma in which we find ourselves and my Office, working with the Office of Coal Research, and other agencies is evaluating these options at the present time.

Sincerely,

EDWARD E. DAVID, Jr.,
Director.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., January 16, 1973.

Hon. MARLOW W. COOK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOK: This letter is in response to your request of December 1, 1972 for additional information concerning progress in achieving commercially feasible desulfurization systems by 1975.

Over the past seven years the Environmental Protection Agency, in cooperation with private industry, has been engaged in a program for the development of desulfurization systems. Initially this effort concentrated on post-combustion flue gas desulfurization systems applicable to utility and large industrial combustion emitters. More recently, to support achievement of national ambient air quality standards, this effort has been broadened to place increased emphasis on the development of pre-combustion coal and oil cleaning processes for the control of commercial, residential and small industrial sources where complex flue gas treatment processes are impractical. These smaller sources, although contributing a small fraction of total emissions, have been shown to be the primary contributors to the degradation of urban ground level ambient air quality.

A series of flue gas desulfurization processes will have been developed and demonstrated by 1975 on commercial-scale utility and industrial combustion sources. The schedule of completion for these EPA-sponsored processes providing sulfur removal efficiencies in the range of 75% to 90% is as follows:

First, lime/limestone scrubbing will be demonstrated by June 1974 on the Shawnee plant of TVA and on the electric generating plant of the City of Key West, Florida. Over 20 commercial installations of this generic type of desulfurization process have been ordered at this time by the utility industry for the control of about 6,000 mw of generating capacity. Second, demonstration of magnesium oxide scrubbing with sulfur by-product regeneration will be completed on the oil-fired Mystic River plant of Boston Edison by December 1973, and on a coal-fired generating station of the Potomac Electric Power Company by May 1974. Third, demonstration of the Cat-Ox catalytic oxidation process producing dilute sulfuric acid will be completed on the coal-fired Wood River plant of the Illinois Power Company by December 1973. Fourth, demonstration of the Wellman Power Gas caustic scrubbing process and associated elemental sulfur recovery system will be completed with Northern Indiana Public Services Company by mid-1975.

These commercially-demonstrated processes will provide a substantial technical foundation for the control of coal- and oil-fired utility sources by 1975. It is estimated that by that date, 10,000 to 15,000 mw of the total coal-fired electric generating capacity of 200,000 mw will be operationally controlled by these flue gas desulfurization processes. An additional five years will probably be required to control all coal-fired electric utility sources for which flue gas desulfurization technology is technically and economically practical.

Rapid prograss also is being made in the development of technology for the removel of sulfur and other pollutants from coal and oil prior to combustion. This technology for coal is, however, less mature than flue gas desulfurization technology and will require considerable continued development effort before practical processes are commercially available to achieve ambient air quality standards. Specifically, EPA-sponsored projects for the chemical leaching of pyritic sulfur from coal are expected to be demonstrated and available by 1976. Solvent refining of coal and the submerged combustion of coal in molten iron to produce sulfur- and particulate-free fuels are expected to be commercially available by 1978 to 1980. Completion of the development of high- and low-Btu coal gasification technology is forecast in the 1980 to 1985 time period. The development of gasification technology is a cooperative venture between the Department of the Interior and EPA, with EPA concentrating on the removal of sulfur and other pollutants from the produced fuel gas.

I hope that this material, in conjunction with our August 30, 1972 correspondence, has been responsive to your needs. Please contact me if I can be of further assistance.

Sincerely yours,

STANLEY M. GREENFIELD, Ph. D.,
Assistant Administrator for
Research and Monitoring.

THE BUDGET CRISIS IN THE STATES

Mr. HUGHES. Mr. President, large headlines in the Des Moines Register tell us "Iowa Budget Crisis Feared." The cause of the budget crisis in Iowa is the same as in many other States—the President's proposed budget for fiscal 1974, as well as the cutbacks and impoundments already in effect. Another story is highlighted, saying "HEW Rules Will Force End to 16 Polk Welfare Projects." Not a cutback, not a tightening of the belt, but an end to programs and services which in case after case has meant the difference between being a wage-earning member of society and being on welfare. The culprit in this case is primarily the new social services regulations promulgated by the Department of Health, Education, and Welfare on February 16, 1973.

The stories speak for themselves. They indicate that if the President's budget and administrative actions are allowed to go into effect, our States and localities will be in real difficulty. Is this what the "new federalism" is all about? Is this the intended result of the admonition to do more for ourselves?

A third Iowa story concerns itself with the administration's farm program. It, too, makes one wonder where we are heading. Is it really responsible to advocate a farm program which would, according to USDA's own study result in sharp drops in farm income and would drive many smaller farmers out of business?

We are now beginning to see, Mr. President, step by step, what Mr. Nixon's proposals will mean as they affect the lives of people. I ask unanimous consent that these articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, Mar. 1, 1973]

IOWA BUDGET CRISIS FEARED: SEE BIG CUTS BY NIXON IN FEDERAL AID—IMPERILS SOME OF STATE PROGRAMS

(By James Flansburg)

President Nixon's budget policies apparently have thrown Iowa's state and local governments into their own budget crises.

The indications are that they are not going to get as much federal money as they thought they'd have.

That means that a number of programs will have to be curtailed or killed or that their financing will have to be found elsewhere.

The dimensions of the problem are not certain, but at least 10 per cent of the $240.7 million that Iowa state agencies received in federal aid this year probably will not be there next year.

That is in addition to the $70 million the President has impounded so it can not be spent on federal programs in Iowa during the current fiscal year.

IMPACT STUDY

The state's Office of Planning and Programming is making a study of the impact of the federal budget on the state budget, but the study is two weeks away from completion.

Meanwhile, Gov. Robert Ray is in Washington, D.C. for the second time in a month seeking budget answers, and members of the Iowa Legislature—currently conducting appropriations hearings on Ray's 1972–73 budget askings—are starting to come across piecemeal evidence of the impact of Mr. Nixon's budget proposals.

The University of Iowa at Iowa City reported that its federal grants over the next two years will be reduced by $9.6 million.

The state's library system reported that its $500,000 annual federal grant will end on June 30, the end of the current fiscal year.

The Social Services Department reported that its federal grants will be down at least $3 million next year.

YOUTH CORPS

The $2-million Neighborhood Youth Corps program has been killed.

Since Ray's 1973–75 budget asking of $1.579 billion are based on the premise that Iowa will continue to receive the same amount of money, two legislators, Senator Ralph MCCARTNEY of Charles City and Representative Charles Grassley of New Hartford, have suggested that the governor may want to revise his askings.

"I just think he's going to have to send up a revised budget," said McCartney.

Ray's chief budget officer, State Comptroller Marvin Selden, said he thinks a revised budget is a likelihood next year.

"I don't think we'll have any answers quick enough to do any good this year," said Selden, adding that he thinks the term budget crisis is too strong.

"DON'T KNOW ENOUGH"

"I don't think it's that earth shaking," said Selden. "But don't ask me to support my views because we just don't know enough about it yet."

Grassley, chairman of the House Appropriations Committee, said he originally had planned to pass about $30 million in Ray's capital appropriations asking through the Legislature before it recesses for a week on Mar. 9.

"But I think we'll have to drop that idea now," said Grassley.

Lt. Gov. Arthur Neu, the Senate's presiding officer, said it is likely that some state programs, partially funded by federal cash, will have to be dropped.

The alternative would be a tax increase or a shift of cash from other state programs—neither of which would find much favor in the Legislature.

"I just don't think it's realistic to think that the state can fund all these programs that are being cut," said Neu.

"Some agencies are just going to have to adjust, although I don't think the full impact is going to hit us during this session. It will be more likely to come in the interim and we'll have to handle it next year."

Republicans Hay and Neu and leaders of the Republican-controlled Legislature have been particularly frustrated because the policies of a Republican President are the cause of their problem.

Neu was asked if he wished a Democrat occupied the White House so that he could denounce him.

"It would help," said Neu, adding, however, that he strongly supports Mr. Nixon's attempts to overhaul the federal budget.

"I think all of his predecessors have been incredibly irresponsible on budgeting", said Neu.

CAUGHT IN CROSS FIRE

The big view of all this is that the state and local governments of the country are caught in a cross fire in a battle between Mr. Nixon and Congress.

Mr. Nixon has supported two forms of federal revenue sharing—general and special—to give the local governments more leeway in spending federal money.

Last year, Congress approved the general revenue sharing, sending about $75 million a year to Iowa (and $30 billion to the entire country over a 5-year period) but did not move on his special revenue sharing program.

The special revenue sharing program would replace most of the so-called categorial grants—grants to finance specific programs—and again give the local governments more flexibility in spending federal money.

Since the failure of the special revenue part of the proposal, the Nixon administration has been killing the special purpose programs that would go into the special revenue sharing system.

LEADERS MIFFED

"In effect," the Wall Street Journal reported earlier this week, "the President is telling Congress to enact his special revenue sharing system promptly; or to face the prospect of a rapidly dwindling distribution of federal cash to their communities."

While Iowa's Republican leaders support the President in his battle, they are miffed that Mr. Nixon has not outlined—even privately—his goals.

Said Neu: "If, when revenue sharing came in, he would have indicated where the cuts would be, it would have been easier to hold on to the revenue sharing money and then see if it should be applied to the existing programs."

As it is, said the lieutenant governor, the state and local governments may be put in a position of having planned the spending of the general revenue sharing cash and then have to change courses.

Meanwhile Wednesday, Democrats in the Iowa Legislature began to smell some political advantage in the budget crunch and sent off a letter to Ray suggesting that no budget decisions should be made until after the impact of the federal budget is known.

LETTER TO RAY

"That means that we'd still be in session next December," said House Ways and Means Chairman David Stanley of Muscatine, "because Congress won't get around to acting on most of this until then."

In their letter to Ray, Democratic floor leaders in both houses called on the governor to:

"Re-examine your proposed budget with the goal of presenting a new budget to the General Assembly that realistically takes into consideration all matters that will affect the budget.

"Present any information at your disposal regarding federal cutbacks that will assist the Legislature in budgeting available funds."

The letter also contained these lines without elaboration:

"We cannot be faced with the possibility of having you shifting your position regarding available money and budget priorities after the Legislature has made some major budget decisions."

The letter was signed by Senate Democratic Floor Leader James Schaben of Dunlap and his assistants, Gene Kennedy of Dubuque and Bess Van Gilst of Oskaloosa and by House Democratic Floor Leader Dale Cochran of Vincent and his assistants, Arthur Small of Iowa City and James Wells of Cedar Rapids.

[From the Des Moines Register, Mar 1, 1973]

USDA STUDY REBUTS BUTZ ON FARM AID—PREDICTS CONTINUED HIGH PRICES, FEWER FARMS WITH NO SUPPORTS

(By George Anthan)

WASHINGTON, D.C.—A little-noticed government report concludes that steps to end farm support programs would lead to sharp drops in farm income, and would drive many smaller farmers out of business.

The report was prepared recently by the U.S. Department of Agriculture's (USDA) Economic Research Service, at the request of Senator Herman Talmadge (Dem., Ga.), chairman of the Senate Agriculture Committee.

POSITIONS CHALLENGED

The report, in some aspects, challenges the official positions of the USDA, Agriculture Secretary Earl Butz and President Nixon, who contend that farmers can continue to enjoy relatively high incomes even if government aid programs and controls are phased out. Butz says farmers can continue to earn more by producing more.

President Nixon announced his proposals to phase out federal farm programs in a Feb. 15 message to Congress.

Don Paarlberg, chief of the USDA's Economic Research Service, said Wednesday the "essential parts" of his agency's report were completed before Mr. Nixon's speech.

Paarlberg said he does not believe White House officials were aware of the contents of the report prior to the message. Paarlberg emphasized the report was based on elimination of federal farm programs, instead of the "phasing out" proposed by Mr. Nixon.

The administration proposals have encountered strong opposition from some farmers, who contend these plans would lead to periods of surplus production with prices received by farmers dropping below cost levels and resulting in thousands of farm bankruptcies.

SEES DECLINE

The USDA Economic Research report states, "in the first year of no (farm) programs, aggregate farm incomes would decline sharply and would continue to decline for two or three more years."

If all price support and crop adjustment programs were discontinued, the report states, "It is by no means certain that farm prices and incomes at the end of the decade would have recovered to the levels of recent years."

(Net income realized by farmers in 1972 was a record-breaking $19.2 billion. High farm prices, largely a result of expanded exports and higher demand in the U.S. have triggered a surge in domestic food prices, causing concern among consumers and pressure on the administration and Congress to roll back the increases.)

The USDA report continues, "lower incomes would result from the absence of government payments, lower product prices and higher costs of grain production due to expanded acreage."

In one key statement, the report notes. "These factors would dominate the change in income despite the larger volume of production."

"Incomes," the report continues, "would drop first and sharpest on crop farms. Livestock production would expand little the first year or two and livestock prices would not drop significantly relative to prices that would prevail with continuation of present programs."

ADMINISTRATION VIEW

This is in contrast to some official USDA and Nixon administration productions that elimination of government supports and production controls would lead to expanded livestock herds, and thus lower meat prices at the grocery stores.

The report states that phasing out of government farm programs could lead to lower feed costs eventually, causing some increase in livestock production, and "somewhat lower prices in succeeding years."

The Economic Research Service believes "that for the next decade at least, the crop production potential of U.S. agriculture will continue to be large relative to commercial market demand.

"Most analysts suggest that United States farmers can produce more . . . food and feed grains than the commercial market will accept without a substantial decline in prices."

But a group of 50 Iowa farmers, members of the Farmers Grain Dealers Association, were assured by top USDA officials in a meeting here Wednesday that the government's best estimate is that if they produce larger crops, there will be expanded domestic and foreign markets for these products, at prices that will guarantee the farmers a reasonable return. Many members of the group expressed strong skepticism over these assurances.

$40,000 SALES

The Economic Research Service concludes that farms with more than $40,000 annual sales would suffer the greatest loss from an end to government programs.

It also states, "Farms which produce the bulk of U.S. farm production would all have substantial income resolutions."

More than 250,000 American farms have gross sales of more than $10,000 a year, and many Iowa farming operations would fall within this category.

The report backs up predictions of the Iowa farmers here that Nixon administration proposals could lead in widespread bankruptcies among farmers.

"As incomes from farming declined," the report states, "marginal producers would be forced out of production. However, some of their land and other resources would be used."

LAND PRICES

The report predicts that an end to federal farm programs also would result in lower prices for farm land and added, "Many of the ex-farmers likely would continue to reside in the rural areas while working at off-farm jobs so that more nonfarm income would flow into rural communities. With more nonfarm incomes available to support family living, the pressure to sell land would not be as severe as could be expected from the decline in farm incomes. By 1980, land values might be 5 to 6 per cent lower than with continuation of current programs."

But James Jorgenson, a Hampton, Ia., farmer, told the Senate Agriculture Committee Tuesday, "The nation's desire for a cheap food policy has caused the exodus of millions of America's rural people." He said this has caused overcrowding of urban areas with unskilled persons and has led to many social problems.

The USDA report notes that in some rural areas there are few nonfarm jobs available to provide the incomes necessary to keep former farm families from moving out.

The Library of Congress' research service also has raised serious questions concerning the Nixon administration's farm proposals.

In its own report, this agency emphasizes that administration plans to control production in the future through a general land retirement program would have an especially adverse impact on small farmers.

PREVIOUS CROPS

Currently, land is taken out of production based on how many acres of crops a farmer planted in previous years. Small farmers must use all their land for growing crops and thus would be forced to idle a larger percentage under administration plans, the agency contends.

The Library of Congress report concludes that small farmers would be at a disadvantage unless provided with a federal income supplement as well as a rental payment for crop land idled or diverted from major crop production.

[From the Des Moines Register, Mar. 1, 1973]

HEW Rules Will Force End To 16 Polk Welfare Projects

(By Stephen M. Johnson)

Unless state and local officials come up with more than $2.4 million in the next few months, 16 social welfare programs serving more than 12,000 Polk County residents will close down, a top local official said Wednesday.

Programs providing health care, day care, family planning, and services to the elderly are threatened with extinction because of recently ordered changes in federal guidelines governing the local use of federal dollars.

Quenten Emery, director of the Polk County Department of Social Service, said Wednesday these guidelines, unless changed by the Department of Health, Education and Welfare (HEW) or circumvented by Congress, will result in the loss of $2,472,400 in federal funds needed to keep many local programs alive.

The new HEW guidelines prohibit the use of local matching money to attract federal funds. Henceforth, local government and private agencies will have to pay the total cost of running such programs.

The guidelines also tighten eligibility requirements for welfare clients. Henceforth, only those clients who already receive Old Age Assistance or Aid to Dependent Children (ADC) payments will be eligible to receive federally backed social services from local agencies.

James Gillman, state director of social services, said Iowa stands to lose about $5.6 million in federal funds for social welfare programs presently being administered by counties.

Gillman said this would result in a loss of services to about 45,100 loans "if the new guidelines were put into effect right now.

"Its important to stress the diversionary aspect of the new rules," Gilman said. "There won't be any more potential clients. Only people eligible to receive public assistance will be eligible for social services."

Gillman said the result will be that his department no longer will be able to offer "preventive" services, but only "curative" services.

Gilman said that the statewide figure of $5.6 million represents the actual loss of federal funds currently flowing into the state. He said Emery's figure of $2.4 million for Polk County alone represents the "projected" loss of federal funds for programs now in operation and those programs Emery had hoped to put in operation later this year.

Polk County Budget Director James Sarcone said must meet cutbacks in federal programs are hitting Emery's department hardest, and it is these cutbacks that will force the county to come up with additional funds.

Sarcone said he does not expect substantial reductions in Law Enforcement Assistance Administration (LEAA) funds for Polk County, but he said certain new programs being drawn up by the county's Alcoholism Service Center now are in jeopardy because of the unavailability of dollars from Washington.

Emery said there is no money currently available at the county level to keep many of his programs alive, and that money can be found only by raising state or local taxes, or by using state or local revenue-sharing funds for the programs.

Emery said he will not know for sure which local welfare programs will survive until President Nixon makes known details of his future revenue-sharing proposals, and until Congress acts on his budget recommendations for fiscal 1974.

Emery also expressed hope that widespread opposition to the new HEW guidelines from state and local welfare officials will force the agency to rescind or modify the guidelines. If the guidelines are not changed, they will go into effect April 1, Emery said.

FARM SUBSIDIES

Mr. CLARK. Mr. President, two very good Iowa farmers were the subject of a New York Times article on February 28 which dealt with the value of Government farm programs. I happen to be an acquaintance of Mr. Fred McLain of Nevada so I personally know how knowledgeable and capable a farmer he is. Mr. Rudy Eahm of Creston, Iowa, was the other farmer interviewed and although I do not know him, I value his opinion.

Both of these farmers agreed that Government programs were vital to the farmer and should be retained. I think their comments and insight about farming will be valuable information for my Senate colleagues and there being no objection, I ask unanimous consent to insert this article in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Anxious Farmers Keep Eye on Washington

(By Douglas E. Kneeland)

Des Moines, Feb. 27.—While the folks in Washington began talking about phasing out farm subsidies today, some weary farmers out here in the midlands watched with growing traces of anxiety and talked a bit themselves.

There's something about the beginning of hearings on a new farm program that always leaves farmers sniffing the air as apprehensively as cattle disturbed by the sound of distant thunder.

Today, as the Senate Agriculture Committee took up work on a new farm bill in Washington, was no exception. In many farmers, a sense of restlessness has begun to dissolve the euphoria derived from a year of record livestock prices and bumper grain crops that did not, as has often been the case, depress the market.

Particularly troubling to a lot of farmers was President Nixon's proposal that Congress phase out most of the subsidies and controls under which agriculture has operated for years.

SNOW AND MUD

It's February and it's gray in Iowa. And a warm spell has left only dwindling patches of snow, which turn the brown corn fields to mud. During this dormant in-between season, according to those who know them best, the feelings of most Iowa farmers—and they are probably as typical as any in the nation—have been as ambivalent as the weather.

As always happens in a good year, let alone a great year, their free-enterprise instincts tell them that happiness would be to be rid of controls and subsidies, to plant from fence to fence, to raise all the cattle and hogs they can, to trust the marketplace and reap ever-bigger profits.

But their sense of history cautions them that farming has always run in boom-and-bust cycles, that free of controls the American farmer's productivity and competitiveness can turn out price-depressing surpluses unequaled anywhere on earth.

Moreover, they stand warned that the President's aim in seeking a free farm economy is to increase production in the hope that food prices will fall, and perhaps to produce relatively cheap grain for export to help improve the country's unfavorable balance of payments.

TOTAL FREEDOM NOT WANTED

Although farmers usually consider themselves rugged individualists, few can be found, who if pressed on the point, really want to return to total freedom in agriculture. And their fears about the results of such an action appear to cut across all sorts of political and ideological lines.

It might be difficult to find two farmers with much more diverse political philosophies and outlooks on a number of subjects than Fred McLain of Nevada (pronounced naVAY-da), about 30 miles north of Des Moines, and Rudy Eahm of Creston, about 70 miles to the southwest.

Fred McLain, 52 years old, is an active Democrat, a * * * ers Union and a former state chairman of the Agricultural Stabilization and Conservation Service under national Democratic Administration's of the nineteen-sixties.

Rudy Eahm, 45, is a Republican member of the Union County Board of Supervisors and belongs to the conservative American Federation of Farm Bureaus.

Both are successful farmers and somewhat representative of those who have given much thought to the new farm bill. Both are worried about what would happen should President Nixon succeed in eliminating subsidies and controls.

"Most all of my life we've had surplus problems and there's always been some kind of a crying need for a stabilization program," said Mr. McLain, an outgoing baldish man with a face that mirrors his shifting moods. "You go back into the fifties, the last years of the free programs. We've been cutting back every year since and even then until last year we've continued to have surpluses."

"The prices we're receiving now have nothing to do with the programs of this Administration. I think if we continue now on the road we're on with a continuing watering down of the program, that we're in for a real disaster."

Mr. McLain, who raises corn and soybeans and feeds about 200 head of cattle a year on the 1,200 acres of land that includes the farm homesteaded more than 100 years ago by a great-grandfather, said that he was afraid that because of consumer pressure as a result of high food prices, President Nixon might get his way even if he had to veto a bill passed by Congress.

If that happens, he said, he can see no way to avoid surpluses and a resultant drop in farm prices.

Mr. McLain expressed more concern, as do many farmers, about the removal of controls on the amount of land a farmer can plant in various crops than he did about the potential loss of direct subsidy payments.

A corn farmer for instance, who signs up for the present program and pulls a certain amount of his land out of production, is then eligible for a subsidy payment of 32 cents a bushel on half of his average production or he gets the difference between the market price and $1.35 a bushel, which ever is higher.

"The danger if you take away this program," Mr. McLain said, "is that the possible loss due to overproduction is perhaps double the loss of the payment in the first place."

Later, about 100 miles to the southwest, Rudy Eahm, a staunch Nixon supporter, sat in the office of his new bull-testing station on his farm in Creston and protested with equal dismay about the President's plan.

Mr. Eahm, who tests bulls for rate of gain in feed lot conditions and raises corn and hay to feed more than 400 head of his own cattle a year, said that Mr. Nixon's "feelings, I suppose, are consumer-oriented."

"I suppose the idea is to keep the old food prices down," he went on, straightening the Stetson that set off his olive suit, gold shirt, gold string tie and boots. "I don't agree with him. The programs have been good programs."

"I would say that no one likes controls," he continued, "including myself, but I don't think that we could operate, that we could go without controls, ourselves. Having controls on these crops is like having traffic controls. That doesn't mean that freedom's taken away from us. It's for our own good."

The American farmer also has the problem this year of convincing city-dwelling consumers that he has troubles.

"If you're going out on the farms," said a local bartender, who complained wearily of the 13 years he had listened to farmers in running a restaurant in a small town, "you'd better wear a raincoat. They'll get tears all over you.

"If you have two days of sunshine, they say it's going to be too dry. If you have two days of rain, they say it's going to be too wet. Farmers are the world's worst gripers."

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to current Census Bureau approximations, the total population of the United States as of today, March 1, 1973, is 210,380,160. In spite of the widely publicized reductions in our fertility levels, this represents an increase of 1,527,316 since March 1, 1972. It also represents an increase of 84,522 in just the last month.

Over the year, therefore, we have added enough additional people to fill a city larger than Detroit, and in just 1 short month, we have added a number about the equivalent of the population of Camden, N.J.

OPENING STATEMENT FOR NEWSMEN'S PRIVILEGE HEARINGS

Mr. ERVIN. Mr. President, on Tuesday, February 20, the Subcommittee on Constitutional Rights opened a series of hearings into the so-called newsmen's privilege legislation. At the outset of these deliberations, I made a statement in which I attempted to delineate the background against which this legislation must be considered and the problems which must inevitably be faced in drafting.

I ask unanimous consent that the text of these remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR SAM J. ERVIN, JR.

Thomas Jefferson wrote in 1787: "The basis of our government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without government, I should not hesitate a moment to prefer the latter."

The Founding Fathers, of course, decided that we should have both government and newspapers. Ever since then we have time and again sought to reconcile asserted government necessity—warranted or not—to the demands of the First Amendment. And today, almost two hundred years later, we again find ourselves attempting to define the relationship between these two essential components of our society. Specifically, we will consider in these hearings the question of whether government should be permitted to compel the press to reveal the identity of confidential sources of information or the content of unpublished information.

The subcommittee held hearings in late 1971 and early 1972 entitled "Freedom of the Press," and a considerable amount of testimony on the desirability of such an innovation was heard at that time.

The controversy, however, goes back considerably further. Back, in fact, at least a century. The first reported case of a newsman refusing to reveal the source of a news story to a grand jury was in 1874. There have been sporadic instances ever since. The courts, traditionally unhappy about evidentiary privileges which limit judicial access to information, by and large have refused to recognize a common law right of reports not to identify sources or to disclose confidential information.

As a consequence, some eighteen state legislatures have seen fit to pass laws providing for some type of protection. To this point, the Congress has not, although bills providing for a newsmen's privilege have been introduced in the Congress since 1929.

The situation, until the present controversy arose, has largely been one of an informal accommodation between newsmen and prosecutors. The newsman has been willing to give testimony under certain conditions, and prosecutors have sometimes been willing to recognize the harm to confidential sources in those cases where the reporter balked. Often they did not press their demands for testimony. Of course, where demands were pressed, the reporter faced a jail sentence for contempt if he insisted on remaining silent. If court challenges ensued, inevitably the reporter would lose. Even in states which had protective statutes, courts have been prone to look for ways to get around them, and thereby obtain the newsmen's testimony.

Despite the frequency of these clashes, no case involving this matter had ever come to the Supreme Court until last June, when in a controversial 5–4 decision the Court ruled that the First Amendment's guarantee of a free press did not entitle a newsman to refuse to reveal his confidential source to a grand jury. Justice White, writing for the majority, stated:

"Until now the only testimonial privilege for unofficial witnesses that is rooted in the Federal Constitution is the Fifth Amendment privilege against compelled self-incrimination. We are asked to create another by interpreting the First Amendment to grant newsmen a testimonial privilege that other citizens do not enjoy. This we decline to do . . . We perceive no basis for holding that the public interest in law enforcement and in ensuring effective grand jury proceedings is insufficient to override the consequential, but uncertain, burden on news gathering which is said to result from insisting that reporters, like other citizens, respond to relevant questions put to them in the course of a valid grand jury investigation or criminal trial. . . . [T]he evidence fails to demonstrate that there would be a significant construction of the flow of news to the public if this court reaffirms the prior common law and constitutional rule regarding the testimonial obligations of newsmen."

Justice Stewart, in his dissent, took issue with the practical effect of the majority's holding, and urged a qualified privilege of his own:

"We cannot escape the conclusion that when neither the reporter nor his source can rely on the shield of confidentiality against unrestrained use of the grand jury's subpoena power, valuable information will not be published and the public dialogue will inevitably be impoverished. . . . A corollary of the right to publish must be the right to gather news. . . . I would hold [in order for a grand jury to compel testimony from a newsman] that the government must (1) show that there is a probable cause to believe that the newsman has information which is clearly relevant to a specific probable violation of law; (2) demonstrate that the information sought cannot be obtained by alternative means less destructive of First Amendment rights; and (3) demonstrate a compelling and overriding interest in the information."

In a separate concurring opinion, Justice Powell indicated that the Court may not in the future turn deaf ears upon newsmen if the government can be shown to have harassed the newsmen, or has otherwise not acted in good faith in the conduct of its investigation or inquiry. But for now the Court has left it to the Congress to determine the desirability and the necessity for statutory protection for newsmen. This is precisely the point of our deliberations over the next two weeks.

Certainly what has happened since the Supreme Court's decision has not allayed our concern. We have been witness to the spectacle of several reporters being sent to jail for their refusals to identify confidential sources or to make available unpublished materials. To be sure, most of the recent cases have involved state, rather than federal proceedings; but they indicate nonetheless that the *Caldwell* decision may have been the green light which prosecutors and judges alike were waiting for. The large volume of mail which the subcommittee has received on this matter indicates substantial public concern that the *Caldwell-Branzburg* case may seriously stifle access to news and information.

Our problem, then, in a nutshell, is to decide whether or not to adopt some form of statutory protection and, if so, what form that protection should take. In doing so we must resolve many very delicate issues. We face a complicated legislative responsibility not unlike the one the Founding Fathers dealt with two hundred years ago, and I do not presume that we have the same wisdom as they. It would have been far better if the Court had properly faced the issue last June. To write legislation balancing the two great public interests of a free press and the seeking of justice is no easy task. This is a problem better approached through case-by-case litigation rather than through inflexible statutory words. Nonetheless, we must try.

First of all, does the lack of a testimonial privilege for newsmen really present a problem? There has never been such a federal privilege before, and yet sources of information have obviously not "dried up." There has always been a threat that the newsman may be called before a court or grand jury, and forced to reveal his sources. Yet certainly there has been continuing disclosure by informants since the beginning of the Republic.

On the other hand, we will never know how much we might have known had not this threat of a press subpoena and ultimate exposure been hanging over the sources of confidential information. It does stand to reason that sources would be more reluctant to come forward and reporters more reluctant to publish, when to do so may subject them to subpoena and an indeterminate jail sentence. A. M. Rosenthal recently wrote:

"It seems entirely plain that the destruction of confidentiality of news sources will have an impact on how much the public knows about every aspect of public affairs. There will simply be fewer and fewer people in Government and out of Government willing to take the risk that the press will be able to protect them. It will not all happen tomorrow, but it will happen as long as this country is ready to say that the price of dissidence is exposure."

To be sure, there are competing interests involved. On the one hand is society's interest in being informed—in learning of crime, corruption or mismanagement. "Enlightened choice by an informed citizenry," wrote Justice Stewart, "is the basic ideal upon which an open society is premised . . . not only does the press enhance personal self-fulfillment by providing the people with the widest possible range of fact and opinion, but it also is an incontestable pre-condition of self-government."

On the other hand, we have the pursuit of truth in the courtroom. It is the duty of every man to give testimony. The Sixth Amendment specifically gives a criminal defendant the right to confront the witnesses against him, and to have compulsory process for obtaining witnesses in his favor. Society, too, has a marked interest in identifying and punishing the violators of its laws. All of this must necessarily be made more difficult by any testimonial privilege.

In addition to the effects on law enforcement and the administration of justice, the public also worries that such a testimonial privilege will become a shield behind which irresponsible journalists may hide. Without revealing sources there is no means of evaluating the accuracy or fairness of news reporting, nor indeed whether the story is not a complete fabrication. One outraged citizen recently wrote to me expressing his doubts about the license a testimonial privilege would give members of the press:

"The public is uninformed about the issues in regard to newsmen's privilege, and it is largely the press' fault. This biased and weighted treatment is as disturbing as the alleged repression which shield legislation purports to correct. . . . How can the public judge the trustworthiness of news gathered by the media from anonymous informants or secret sources? Would not shield legislation encourage irresponsible newsmen to obtain information by theft or bribery? Would not it impede criminal prosecutions of newsmen if they had written about it? What is to prevent a newsman from asserting truth as a defense in a libel suit and then refusing to tell who the source was? If the reporter identifies his source as a member of a group, is not the entire group tainted when he refuses to reveal the name of the informer? Finally, should a privilege so susceptible of abuse be granted a profession which has no code of ethics or internal structure for disciplining its members?"

It is also significant that even some in the press have doubts about the wisdom of such legislation. They feel that, after all, the First Amendment is an unequivocal guarantee of a free press which should not be tampered with. Any legislation must unavoidably have the effect of limiting that guarantee. They look upon this legislation as bad precedent.

Furthermore, there is a serious problem faced. The Justice Department, in hearings before the House earlier this month, warned that legislative protection of the press may well lead to legislation regulation. That is not an idle worry. The same Congress which grants the privilege may condition it on proper conduct. A future Congress, irritated by a critical press, may hold repeal of the privilege as a threat to secure a more compliant press. What is now protective legislation may tomorrow be a hostage to good behavior.

The First Amendment does not contemplate that the press hold its rights at the sufferance of the Congress any more than of the President. The great right and responsibility conferred by the Constitution on the press has its price. And the price is that the press must fight its own battles. It may not come running to Congress as soon as the going gets rough.

The great rights the press now enjoys were not conferred as a gift from Congress. Quite the contrary. They were wrested from a reluctant, and more accurately, an antagonistic government. When the press was licensed, publishers went to jail to win the freedom to publish.

When prior censorship existed, they fought with their bodies and their fortunes.

When seditious libel was a crime, they nonetheless criticized king and parliament, and went to jail for the privilege.

They did the same when the Sedition law was enacted, and when colonial governors and legislators sought to restrict knowledge of their activities to official pronouncements.

Both before and after *Caldwell,* reporters and editors have gone to jail to defend their rights under the First Amendment, regardless of what courts and legislators felt.

This is not the first era when the press has had difficulties. Indeed, despite the warnings expressed by Rosenthal and others, one may well question whether the press is now under greater fire than at other times in our history.

There is a way to resolve this problem which is more difficult than legislation, but far preferable. That is to call upon the press to read its own courageous history. If reporters, editors and publishers read this history, they would not come petitioning to Congress, but would win this point like they won the other elements of their freedom in times past. They would lay their personal freedom on the line like Mr. Caldwell, Mr. Weiler, Mr. Bridge, and others have done.

It is against these general considerations that we must view the need for affirmative legislative action.

To be sure, the press feels threatened and intimidated by a hostile administration. It has begun to wonder whether it is still able to fulfill its role as a conveyor of information to the public. Members of this administration have publicly castigated and threatened press and broadcast media. Proposals have been made to set new standards for the renewal of broadcast licenses which are little more than transparent attempts to censor unfavorable comment. Funds for public broadcasting have been vetoed and public affairs programming, sometimes critical of the administration, has been curtailed. The FBI spends its time trying to catch critical reporters in illegal conduct.

The administration's stance with regard to the newsmen's privilege, while not one of vehement hostility, has nonetheless been one of resistance. In the early months of the administration, there was an unusual rash of subpoenas issued against the news media. It was stated at our prior hearings that CBS and NBC alone received 121 subpoenas in the first 30 months of the Nixon administration.

Amid mounting hostility from the media, Attorney General Mitchell promulgated in 1970 a set of guidelines which remain in effect today. They recognize in principle the value of preserving a free flow of information to the public, and set certain standards for requiring newsmen to reveal confidential information in federal proceedings. Final authorization for the issuance of subpoenas is left with the Attorney General.

The Justice Department has argued that while it does not oppose a qualified statutory privilege in principle, it is unnecessary in view of these Justice Department guidelines.

The objection of the media has been couched not so much in terms of the substantive provisions of the guidelines, as to the Attorney General being the arbiter of press interests. It is tantamount to providing the administration with one more sword to hold over the head of the press.

Forming a backdrop for the charges of government intimidation of the press is the matter of government secrecy. Classification of documents has gone far beyond safeguarding information pertinent to the national defense. It is used to keep from the public information which the administration finds embarrassing or critical. Executive privilege is invoked to prevent Congress from receiving the testimony of administration officials which might prove embarrassing, whether or not it relates to the national defense. Arthur Schlesinger recently said that the "secrecy system has become much less a means by which Government protects national security than a means by which Government safeguards its reputation, dissembles its purposes, buries its mistakes, manipulates its citizens, maximizes its power and corrupts itself."

The growing realization that government acts secretively has brought about almost an unprecedented credibility gap. As A. M. Rosenthal recently wrote:

"We have come to the point, sorrowfully, where we really do not *expect* our Governments to tell the whole truth or even a goodly part of it . . . we have come to the point where we *expect,* if not outright falsehood, then at least obscurity, double-talk, cover-up and euphemistic jargon from American officialdom. We have to remind ourselves that this time a government branch may be telling the whole truth, and how sad that is "

I raise the issue of government secrecy, and the credibility gap which it engenders, to underscore the importance of free press and the necessity for keeping open inside sources of information. With the imposition of classification on documents and restraints on official spokesmen, it becomes doubly critical that the inside informants are not stymied by the threat of subsequent exposure. They are virtually the last resort of a public which is eager to be informed.

We now have pending before the subcommittee seven bills and one joint resolution which provide some type of statutory protection for newsmen. The senators who have sponsored these measures have made the judgment that some form of protection for these sources is necessary. How that protection should be written involves a number of tough, complex issues.

First of all, should the testimonial privilege be qualified or should it be absolute? Or, as a third alternative, should it be absolute in some forums and qualified in others? Those bills which provide a qualified privilege attempt to set standards which must be met by the party seeking the information before the newsman is required to divulge sources or confidential information. While differing in specific qualifications, these bills all attempt to reconcile the interests in the administration of justice with the free flow of information. Those favoring an absolute privilege argue that it is impossible to accommodate the competing interests without critically limiting the newsmen's protection.

The second question is whether the privilege should apply only to federal tribunals or to the states as well. It is undeniable that most of the cases involving newsmen subpoenas have taken place in state courts.

This is especially true since the Attorney General guidelines were issued. On the other hand, the Congress, if it applied the privilege to the states, would in effect be prescribing a rule of evidence for state tribunals, which is a pre-emptive act which the Congress has never done before. Whether this is wise or necessary is open to serious doubt. Even more troublesome is the question of Congress' constitutional authority to legislate such a privilege for the states. Many Senators who are favorable to protective legislation, like myself, might well oppose legislation which tried to cover the states.

A third area addressed by these proposals is the matter of who is a newsman. Who should be entitled to claim the privilege? The First Amendment applies to all citizens, and protects their right to publish information for the public. But the testimonial privilege can, of course, not be available for all. Thus, a serious problem of definition is posed. It must be broad enough to offer protection to those responsible for news reporting, and yet not so broad to shield the occasional writer from his responsibility as a citizen. Any attempt at defining the scope of the privilege is in effect a limitation on the First Amendment. It will confer First Amendment protection on some who deserve it and deny it to others with powerful claims to its mantle. Do we include scholars as well as reporters? The weekly and monthly press as well as the daily? Freelance or only the regularly employed? TV cameramen? Underground papers? The radical press? We will be receiving testimony directly on this issue over the course of these hearings.

A fourth issue is whether the protection should extend only to the identity of confidential sources, or should it include unpublished confidential information. It is interesting to note that the vast majority of state statutes protect only the confidential source and information which could lead to his identity. Other unpublished information is fair game for the courts.

Separate policy considerations underlie these two categories. With the protection of confidential sources, we are interested in preserving the identity of informants. With the protection of unpublished information, it is the integrity of the newsman which is at stake. For some reason, the information was not published. A reporter may have pledged that it would not be. It may have been uncorroborated or unreliable. Or it simply might not have represented the quality of work which he customarily produced. Should such information be available for the courts? It is another question which we must answer.

A fifth issue which must be addressed, whether or not the privilege is to be absolute or qualified, is the procedural mechanism for asserting or divesting the privilege. As is often the case, the effectiveness of the substantive provisions may well depend on the method by which they are employed. Under the typical procedure, the newsman is issued a subpoena and has the choice of either moving to quash the subpoena, or appearing at the proceeding. If he appears at the proceeding and is asked a question relating to confidential material, he may object.

If there is a statutory privilege, he may assert the statute, either in a motion to quash the subpoena or in response to a question he does not wish to answer. Both of these procedures leave the burden on the newsman to show that he is entitled to the protections of the statute.

A better solution from the point of view of a newsman would be to have the burden of showing that he is not entitled to the protection of the statute rest with the party who seeks the information. To accomplish this result, some of the bills specifically provide for a separate proceeding to commence upon the assertion of the privilege. Other bills provide even stronger protection by having the party seeking the information institute a separate proceeding to decide whether the newsman is entitled to the protection of the statute *before* the issuance of a subpoena.

A sixth and final issue which is involved in a newsman's privilege is its applicability to libel and other civil suits. Critics urge that in a libel suit in which the newsman is a defendant and where the defense is based on the truth of what he has written, a newsman should not be allowed to hide behind the privilege and refuse to identify the source or information he was relying upon. To allow this, it is argued, would render ineffective the only protection which citizens have against being libeled, and the only way to make the press accountable. Some of the pending bills thus make exceptions for libel suits.

There are those who argue, on the other hand, that if this exception is made, public officials will file libel suits simply to identify inside sources who make embarrassing disclosures. Whether this is a significant problem is a matter to which we will turn our attention in the forthcoming sessions.

Finally, as a word of warning, I mention the impact which the proposed Federal Rules of Evidence could have on existing protection for newsmen even in the event no federal statute is passed.

The proposed Rules of Evidence which have been transmitted by the Supreme Court to the Congress provide that no testimonial privilege will apply in federal courts unless it is specifically provided for under the rules or by federal statute.

If no federal newsmen's privilege is forthcoming, this means that federal courts will not be able to recognize the testimonial privileges of the states in which they are sitting. For the eighteen states with such laws, newsmen involved in federal proceedings would have even less protection than they now have.

Furthermore, at least one federal circuit has ruled that in a libel suit filed by a public official in federal court, a newsman may still assert a privilege not to reveal his sources despite the *Caldwell* decision. If there were no federal statute, and the new rules went into effect, then presumably even the narrow privilege which federal courts have allowed newsmen in civil suits would no longer apply.

While the approval of the proposed rules by Congress is far from assured, we should take note of this potential problem. I am hopeful some of our witnesses will devote some of their time to it.

Assisting us in these deliberations will be prominent spokesmen from the press and broadcast media, law professors, reporters, columnists, law enforcement agencies and the Congress. I welcome their participation and their ideas. Drafting a newsmen's privilege is not a problem which lends itself to easy solutions.

FALSE ADMINISTRATION ECONOMY SHORTCHANGES NEEDY

Mr. PROXMIRE. Mr. President, late last week the Washington Post indicated that the Agriculture Department was refusing to buy nonfat dried milk for distribution to 2.6 million poor because it was too expensive. Yet there can be little argument that nonfat dried milk is one of the biggest food bargains to be found on grocery shelves today.

The current market price for dried milk is 39 cents a pound. A pound of dried milk will make five quarts—more than one gallon—of the liquid product. More than one gallon of nature's perfect food for 39 cents. And yet the administration refuses to exercise their ability as provided by law to purchase this milk at the market price.

This is another example of the administration's poor approach to the question of national priorities. Instead of continuing to nourish millions of needy Americans at minimal cost, the Federal Government is pinching pennies.

I ask unanimous consent that a copy of the Washington Post editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEEDY FACE NEW CRISIS: MILK

(By J. Y. Smith)

The Agriculture Department has exhausted its supplies of non-fat dried milk for distribution to 2.6 million needy individuals who receive assistance under the surplus food program.

In line with the Nixon administration's expressed determination to bring food prices down, the department is refusing to exercise its option to buy dried milk at the current market price, officials said yesterday.

They said that to buy now would further inflate the price of milk and other dairy products at a time when dairy production is virtually static and demand for dairy products is rising.

The 2.6 million persons who receive surplus food get their supplies from purchases made by the Agriculture Stabilization and Conservation Service. The purpose of the service is to support farm prices by buying at set levels.

The current level set for instant non-fat dried milk is 31.7 cents a pound, according to officials. The current market price for dried milk is 39 cents a pound, they said.

The last purchase of the commodity took place in November for distribution through next month. The amount that the stabilization service bought was less than that requested by the Food and Nutrition Service, which is responsible for distributing it to the needy.

Agriculture Department officials said they hoped that increasing supplies, due largely to seasonal factors, would bring prices down to the basic support level within the next several weeks. They said farmers would then be willing to sell their milk at the basic support level price again.

Officials noted that President Nixon, in a proclamation issued Dec. 30, authorized importing 25 million pounds of dried milk. They said this amount may have helped stabilize prices, but that it had not lowered them.

Thus far, the current shortage in federal stocks has hit only a few areas, according to officials. One of the hardest hit has been Massachusetts, where about 260,000 persons receive dried milk from the government. Agriculture officials here said five carloads of the product have been sent to that state and are due to arrive next week. They said this was a two-week supply for the area.

The District of Columbia and the surrounding jurisdictions in Maryland and Virginia have not been affected, officials say. This is because most of the needy in the area receive food stamps, and because there are ample supplies on hand for the relatively few who receive surplus foods under special programs.

VIETNAM TODAY

Mr. GURNEY. Mr. President, President Nixon through hard-fought negotiations in Paris and through his willingness to use military action to bring the Communists to the Paris negotiations, has achieved a workable foundation for ending the war in Vietnam. However, much work remains to be done to assure a lasting peace and many issues remain which are of great concern to Americans.

In the coming months we must concentrate our efforts on the safe return of all POW's and obtaining a full accounting of our MIA's. The four-party Joint Armistice Commission, established by the Paris peace, agreement, is responsible for this accounting. Its Subcommission on POW's will determine the mechanics of prisoner release and will remain in operation until a complete investigation of deceased and missing persons is made.

Hanoi has accepted the responsibility of providing the United States with records of combat incidents, prisoner lists and all related information. Our Government believes that Hanoi intends to fulfill this responsibility. Indeed, prisoner return is already underway.

Furthermore, the Department of Defense has established a headquarters for POW and MIA operations in Thailand to serve as a clearinghouse for information and investigative activities. There are elaborate, detailed plans for search teams which will gather data from gravesites, battlegrounds, casualty lists and other sources. Also, we may learn additional information from the returning POW's. We must leave no stone unturned to account for all U.S. POW's and MIA's.

It is also vital that we be diligent in maintaining the cease-fire agreement and in building conditions for a long-term peace in all of Indo-China. However, I take a dim view of one peacekeeping proposal. The administration has indicated it may request Congress to spend taxpayers' money for aid to North Vietnam. This will have very tough sledding here in Congress.

During the 10 years I have served in both the House and the Senate I have consistently opposed foreign aid. Now, with our country facing not only a budget squeeze but a major debate over budget priorities, increased foreign aid makes even less sense. Of even greater significance, North Vietnam started this war and brought upon herself damage by our bombers because she kept the war going for many years after she was offered generous peace terms. Russia and China, who supplied her with guns and ammunition, ought to help her rebuild.

The administration's reasoning for aid to North Vietnam is akin to the carrot and stick argument—the carrot being aid to North Vietnam as a cheaper way to preserve peace than to supply the stick to South Vietnam in the way of continued, substantial military aid to enable them to defend themselves from the North Vietnamese. However, in my opinion, the administration will have to make an exceptionally strong case for a substantial savings before Congress would look favorably upon such a proposal.

Another issue which still confronts us is that of amnesty. I am totally opposed to amnesty for those persons who fled to Canada, Sweden, or elsewhere while millions of their age group were serving in the Armed Forces, and with many in Vietnam making the supreme sacrifice—with their lives.

While much work remains to be done in order to secure a lasting peace, I am hopeful that the President's successful efforts in concluding the Vietnam war, and in reestablishing communications with the great Communist powers will, indeed, bring that peace a step closer.

DRUG ABUSE EPIDEMIC AMONG OUR NATION'S YOUTH

Mr. BAYH. Mr. President, we are facing a problem of crisis proportions in the rapidly expanding abuse of drugs, especially among the young people of this country. During the past 2 years, the Subcommittee To Investigate Juvenile Delinquency, of which I am chairman, has conducted extensive hearings on drug abuse, particularly of amphetamines and barbiturates. We have heard countless witnesses tell of the devastating social and physiological effects of these drugs. We have also learned of the terrible toll that heroin takes every year. The facts are alarming: A New York State commission recently reported that nearly half the high school students and one-fifth of the junior high school students in the public schools are using heroin or non-opiate drugs. A national survey conducted in 1971 found that 6 percent of the Nation's high school age youth have used heroin at least once. This means that 1.5 million young Americans between the ages of 12 and 18 have tried heroin.

Although we Hoosiers have not yet experienced the full impact of the drug abuse epidemic, we are by no means immune. For example, an April, 1972 drug abuse survey conducted at the Indiana Boys' School revealed that of the 408 boys, ages 13 to 18, 31 percent had used amphetamines, 34 percent barbiturates, and 12 percent heroin or cocaine.

I am deeply concerned by these reports—not only as a U.S. Senator, but as the father of a 17-year-old boy. We must find new and better ways to deal with this drug epidemic. We must find ways to help those already involved in the tragic cycle of drug dependency and addiction and to prevent even greater numbers of our young people from establishing destructive patterns of drug use.

During my 2 years as chairman of the Subcommittee To Investigate Juvenile Delinquency, I have conducted an intensive investigation into the diversion and abuse of legitimately produced narcotic and nonnarcotic dangerous drugs.

Not drugs illicitly grown in Turkey and refined in France. Not drugs grown and refined in Asia's Golden Triangle. But dangerous drugs produced legitimately within our own borders.

Additional efforts are necessary to deal with the problems of international drug traffic. But even if the war on heroin should result in total victory, the epidemic of drug abuse which plagues American society would not be vanquished; for the source of supply for growing legions of addicts is a domestic one.

We are experiencing a pandemic of psychotropic drug abuse among young and old alike. Conservative estimates indicate that at least 14 million Americans have abused methamphetamines, amphetamines, barbiturates, and other prescription drugs.

Much of this drug abuse begins with the overproduction and diversion of legitimately produced drugs to illicit markets. Quite often the feared and despised "pusher" is a family's own medicine cabinet. Casual attitudes toward these potentially destructive drugs, coupled with a readily available supply are intimately linked with the current abuse of these drugs.

In the summer of 1971 and again in the winter of 1972, the Juvenile Delinquency Subcommittee held hearings on amphetamine traffic, abuse, and regulation. Subcommittee volumes, "Amphetamine Legislation 1971," and "Diet Pill—Amphetamines—Traffic, Abuse, and Regulation." Concern regarding stricter controls on the production and distribution of amphetamines was not new in the Senate. In October 1970, this body passed an amendment to the Controlled Substances Act which placed amphetamines under schedule II which required production quotas be established to meet only current medical, scientific, research, and industrial needs. However, following intensive lobbying by representatives of the drug industry and bolstered by White House opposition to controls on the production of amphetamines, the Senate-passed amendment was deleted in the conference.

In 1972, after a 3-year struggle, the proponents of stricter controls on the production and distribution of amphetamines could claim a victory of sorts, at least for the many youngsters and others who because of the production cuts will perhaps not be exposed to an overabundance of "speed" in the family medicine chest, at school, or on the street. We were able to persuade the FDA to reschedule amphetamines by administrative order.

The 1972 quota, more than adequate to meet legitimate medical, scientific, research, and industrial needs, limited production to 235 million units. This amounted to an 83-percent reduction from 1971 production levels. Industry had requested 1972 production quotas doubling 1971 production.

Some claim that further reduction is necessary, but in contrast to 4,619 million units of amphetamine and methamphetamine produced in 1969, it is clear that production has been drastically reduced.

What this means is that in 1969 production was probably in excess of legitimate needs by an incredible 4 billion units. Thus in the past few years, while some of us were urging the establishment of production quotas, more than 10 billion amphetamines were produced in excess of legitimate needs.

What happened to those billions of pills? Mr. President, I can tell you what happened to some of them. I have seen those whose minds and lives were destroyed by chronic dependence on these pills. I have seen the bodies of some who diluted these pills in liquids to be shot into their veins with tragic results—disease, mutilations, disabilities for a lifetime and even deaths.

The number of individuals introduced to these dangerous substances and often to the long road of addiction, because of this gross overproduction is immeasurable, but it is clear that the impact on our society, particularly its youth, has been devastating, if not catastrophic.

The subcommittee has found that, as with the amphetamines, barbiturates are all too easily diverted from legitimate channels of distribution and abused in every strata of society. The subcommittee conducted a total of 7 days of hearings in December 1971, and May and June 1972. In order to obtain firsthand knowledge of the problems of barbiturate abuse and illicit diversion.

I visited a number of barbiturate treatment programs as well as several major barbiturate production plants. In order to obtain additional information on the extent of barbiturate abuse and diversion throughout the country, the subcommittee submitted detailed questionnaires to the attorneys general of every State and territory, to 148 police departments, to 197 district attorneys, and to 160 forensic toxicologists. A discussion of the nature and extent of barbiturate abuse and diversion as well as a detailed analysis of the responses to the national questionnaire can be found in the December 1972 subcommittee report, "Barbiturate Abuse in the United States."

The investigation and the hearings conducted by the subcommittee reveal barbiturate abuse to be both a substantial public health problem and an ever-increasing concern of law enforcement officials. We have found that current Federal controls on the production and distribution of shorter acting barbiturates are not adequate to curb the diversion and abuse of these drugs which are highly dangerous when taken without proper medical supervision.

The tragic effects of barbiturate abuse are generally not known by the American public. The subcommittee found that many people distinguish "hard" drugs, such as heroin and cocaine, from nonnarcotic "soft" drugs which are produced for legitimate medical purposes. This unfortunate distinction has served to perpetuate the belief that "soft" drugs, such as barbiturates, involve little risk to the abuser. As the many subcommittee witnesses, particularly the former barbiturate abusers, made abundantly clear, nothing could be further from the truth.

The actual number of barbiturate abusers in this country is not known, although various estimates have been made. The National Commission on Marihuana and Drug Abuse reported that between 500,000 and 1 million Americans are barbiturate addicts. Surveys of secondary and college students from 1966 to 1971 found that 8 to 15 percent—2 to 4 million young people—have used barbiturates for nonmedical purposes.

Barbiturates have a long history of medical usefulness, but when used improperly are capable of producing psychological dependence, tolerance, and physical dependence. Misuse of barbiturates has led many individuals, both nondependent and dependent, to an overdose or death. Both heroin and barbiturates are strongly addictive. Barbiturate withdrawal is a serious medical emergency and requires hospitalization. It is more dangerous than heroin withdrawal and can be deadly.

Barbiturates are a favorite of polydrug users and are used by abusers of many other dangerous drugs. The particularly dangerous combination of alcohol and barbiturates is, unfortunately, a popular mode of abuse. Abusers of amphetamines—diet pills—often rely on barbiturates to deaden the effect of the stimulants. Too many of these abusers, young and old alike, find themselves in the vicious addictive cycle of the uppers and downers. Barbiturates are used by heroin addicts to modify the euphoria of heroin and as a substitute when heroin is not readily available.

Violent behavior may accompany barbiturate abuse. Unlike opiates, which frequently serve to contain aggressive urges, barbiturates paradoxically often permit the ventilation of aggressive feelings. The heavy abuser is confused, agitated, aggressive, and prone to hostile activities. While the actual number of crimes committed by individuals who abuse barbiturates is unknown, several recent surveys indicate that the number is substantial. One study found that secobarbital, a barbiturate covered by my bill, was overwhelmingly selected by delinquent youths as the drug most likely to enhance aggression.

Recently, NBC News aired a chilling television documentary entitled "Thou Shalt Not Kill." For nearly 35 minutes the viewer witnessed two inmates, incarcerated on death row in the Utah State Prison, excitedly describe the macabre details of their half dozen brutal murders. What may have escaped the typical viewer were the many references to the beer and pills taken by these men during their murderous binge. During a 3-day period they reportedly ingested pentobarbital capsules by the handful approximately every 3 hours. They were described as edgy, grimy, laughing, walking zombies, all consistent with chronic barbiturate intoxication.

Whether the criminal conduct associated with barbiturates is fostered by the drugs themselves or by the need to obtain these drugs, it is clear that increasing barbiturate abuse is intimately related to the growing numbers of violent and nonviolent crimes committed each year.

How do these legitimately manufactured drugs find their way to the illicit market and the abusers?

During the course of the subcommittee investigation of barbiturate abuse, a number of sources for illicit barbiturates were reported. Witnesses at subcommittee hearings, including former barbiturate addicts and law enforcement officials, testified that illicit barbiturates are obtained from friends, street dealers, and unethical physicians and pharmacists; by forged prescriptions; and by pilfering abundantly supplied family medicine cabinets. Thefts from drug manufacturers, wholesalers, pharmacies, and doctors' offices are also a significant source of supply. Additionally, a substantial percentage of barbiturate abusers obtain their drugs legitimately for a recognized medical need and then gradually resort to self-medication for nonmedical reasons or to illicit traffic.

Two factors relating to the availability of barbiturates are widely recognized. First, barbiturates are readily available in most communities in this country. As one 16-year-old boy remarked at subcommittee hearings in December 1971:

> "It is less of a hassle to obtain downers (barbiturates) than it is to purchase cigarettes.

Second, although specific estimates differ, there is a consensus among drug abuse experts and law enforcement authorities that a significant proportion of legitimately produced barbiturates find their way into the illicit market.

All available evidence indicates that to date, most illegal barbiturate traffic has involved the diversion and illicit distribution of legitimately produced barbiturates, both in bulk and dosage unit forms. As John Ingersol, Director of the U.S. Bureau of Narcotics and Dangerous Drugs, informed the subcommittee in May 1972:

> Unlike the case of all other major drugs of abuse, it appears that *barbiturates are supplied exclusively from what begins as legitimate production* [italic added].

In fact, the Bureau has not found a single working clandestine barbiturate laboratory in the United States. This contrasts sharply with illicit amphetamine and hallucinogen traffic, which in recent years has been supplied at least in part from clandestine laboratories.

During the 92d Congress and again this session, I introduced several legislative proposals to strengthen existing controls over the production and distribution of barbiturates and to facilitate law enforcement efforts to trace barbiturates diverted to the illicit market. S. 983, the "Barbiturate Control Act," would transfer four commonly abused shorter-acting barbiturates from schedule III to schedule II of the Controlled Substances Act of 1970. Under schedule II, these barbiturates would be subject to production quotas, stricter distribution controls, and more stringent import and export regulations. This measure received strong support during the 92d Congress when it was introduced as S. 3539. It was cosponsored by 27 Members of the Senate. Since that time the subcommittee has substantiated even more fully the need for rescheduling. The extent of barbiturate abuse, the high incident of barbiturate diversion, and the clear potential for greater abuse have been documented in the subcommittee report and the many hundreds of pages of testimony recently published as "Barbiturate Abuse 1971–72."

S. 984, the Dangerous Drug Identification Act, would require all manufacturers of solid oral form barbiturates to place identifying marks or symbols on their products. This measure received strong support during the 92d Congress when it was introduced as S. 3538. Currently many of these legitimately produced tablets and capsules are unmarked. The presence of such identification would facilitate law enforcement efforts to determine the original source of the drugs they seize. Additionally, by requiring identification, an exact accounting could be made of the percent of seized capsules and tablets which are of legitimate pharmaceutical origin.

S. 985, the Dangerous Drug Tracer and Law Enforcement Information Act, would require manufacturers to incorporate an inert tracer ingredient in all schedule II and schedule III stimulants and depressants, including the widely abused amphetamines and barbiturates. The presence of these tracers will assist law enforcement agencies in the identification of diverted controlled substances, whether seized in bulk form or in the form of illicitly manufactured or illicitly capsulized pills. This measure, introduced in the 92d Congress as S. 3819, also provides for the Attorney General to conduct a comprehensive study and analysis of the diversion of controlled substances.

We have learned from the experience of major urban areas, especially those on the west coast, that barbiturate abuse and addiction are a natural outgrowth of the abuse of psychedelic drugs and amphetamines and that many heroin addicts and methadone users are abusing or are addicted to barbiturates. Patterns of abuse experienced in California are emerging in cities and towns throughout our country. This "ripple effect" should clearly alert us to the need to control and monitor more adequately the production and distribution of dangerous drugs.

In addition to investigating the abuse of amphetamines and barbiturates in this country, my subcommittee has recently begun looking into reports of increasing diversion of methadone from legitimate channels of distribution. In 1968, there were fewer than 400 patients enrolled in methadone treatment programs nationwide; today there are more than 60,0000 patients in more than 400 programs. Proposed Federal regulations contemplate an even broader proliferation of methadone distribution. This rapid expansion of methadone programs and the quantity of methadone dispensed has simultaneously provided increased opportunity for diversion of methadone into the illicit market. Illegal methadone has several primary origins: careless or unscrupulous physicians; thefts and diversion from methadone programs; and patients enrolled in methadone programs.

Methadone is a narcotic similar to heroin and morphine. Although it is dangerously addictive, methadone has been used successfully to detoxify or maintain heroin addicts. In maintenance programs methadone addiction is substituted for heroin addiction. But the methadone acts to suppress the craving for heroin. The chronic addict can be stabilized and permitted to concentrate on rehabilitative efforts. For some addicts methadone can lead to a productive life in the community.

Addicts use methadone in a variety of ways. Many prefer methadone to heroin because it is readily available, cheaper, and they find that the euphoria is of longer duration and higher quality, particularly if injected intravenously. Others buy illegal methadone to insure against withdrawal when heroin is unavailable; to boost the effects of cocaine and amphetamine and enhance their euphoric effects; to reduce the size of their heroin habits; or to sell to others.

Illicit sales lead to the addiction of others. Polydrug abusers and experimenters are among the regular purchasers of illegal methadone. Methadone programs may create a demand as well as supply. A recent study of 55 heroin addicts terminated from methadone maintenance programs found that 35 percent were abusing illicit methadone along with other drugs, and 8 percent were abusing solely methadone.

It is important to emphasize that methadone alone is not a "cure" for heroin addiction. Any effort to use the drug itself as a simple, inexpensive, large-scale answer to heroin addiction is ill-conceived and will lead to "turnstyle or breadline" treatment. Pressure for hastily developed, large-scale, under financed, under staffed programs must be resisted. The emphasis should be on the quality of services not merely the number of persons processed.

However successful methadone maintenance has been in treating certain addicts, we must not use methadone to smokescreen the effects of drug addiction on our society and the social conditions that spawn drug addiction. Methadone maintenance should not provide a fix for a complex social, political, medical, and psychological problem. Reduction of the incidence of criminal activity associated with heroin addiction is a high priority but it should not be our sole priority. If there is no hope but dope, an addict on methadone will turn to other so-called chemical solutions, most often barbiturates and alcohol. The programs should assist addicts in working toward freedom from methadone, as well as from heroin, so that they can become free and independent persons able to be fully and constructively involved in their community. Equally important, we must deal with the rapidly spreading problem of multiple drug abuse for which methadone is not even a partial answer.

The abuse and diversion of legitimately produced dangerous drugs into channels other than legitimate medical, scientific, and industrial channels should be a primary concern for all citizens. The subcommittee, the Congress, and the public at large are all too familiar with the horrors of drug dependency and addiction and their attendant destructiveness and tragedy. Unless we take action and start conducting an all-out war, not just in Turkey, or France, or in Asia's Golden Triangle, but with regard to the dangerous drugs produced legitimately right here within our own borders, we will never get on top of the problem of drug diversion and abuse.

ADDRESS OF CHARLES H. SILVER: ALFRED E. SMITH MEMORIAL FOUNDATION ANNUAL DINNER

Mr. HUMPHREY. Mr. President, a better education for each of our citizens is a goal which all of us can and do share. We are reminded of this important fact by the address by Mr. Charles H. Silver, consultant to the mayor of New York, at the recent annual dinner of the Alfred E. Smith Memorial Foundation. Mr. Silver's remarks were the keynote speech for that dinner.

He has eloquently reminded us of the vital role which education has played and continues to play in shaping our society. He points out that when it comes to the schooling of our children we cannot afford the least neglect.

The ideals of universal education are fundamental to this Nation. Yet Mr. Silver's address could not be more timely. There seems to be a large and growing number of people who are saying that education—and the money we spend for education—do not solve anything.

I, for one, do not share that view. I believe that a strong commitment on the part of this Nation to a good education for all our children is more important now than it ever has been.

Mr. President, I ask unanimous consent that the text of Mr. Silver's remarks be placed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY CHARLES H. SILVER

Your Eminence Cardinal Cooke, ladies and gentlemen of the dias, distinguished guests . . . all of you who bring love and loyalty to this great occasion—and give life to the principles of our fellowship.

This is our Twenty-Seventh Annual Dinner. Again we come together at the bidding of our beloved host, his Eminence Terence Cardinal Cooke.

We meet in the presence of many of the makers of history and movers of world events . . . outstanding figures of our age. . . .

Such leaders of thought and lovers of liberty as Vice President Agnew . . . Senator Javits . . . Senator Buckley . . . Congressman Mills . . . Governor Rockefeller . . . Mayor Lindsay . . . Governor Cahill . . . Sargent Schriber . . . Chief Justice Fuld and of course our guest of honor, Secretary-General Waldheim, and every other notable member or friend of the Alfred E. Smith Memorial Foundation on this brilliant dias.

We gather in tribute to Democracy's happy warrior . . . reminded of the moral and spiritual values that shine forth when we "look at the record" of his achievement.

Those values—so fundamental to creative citizenship, and decent human relations—should be instilled in all schools by dedicated teachers in our time—as they were in his.

And I say here and now once again—as I have said on more than one occasion at City Hall, in the State House at Albany and the Capitol in Washington—that our government must not shirk its responsibility for the education of *every* child . . . in *every* school—public and parochial.

We dare not restrict a parent's right to send his sons and daughters to any school of his choice. . . .

We must not slam the door of instruction and opportunity in the face of even a single child.

For it is the child that matters—

Not the label on his school.

It is to our national shame that the separation of church and state is used as a weapon against our children.

Fortunately, we have a man in the White House who recognizes the tragedy looming before us. Addressing the Knights of Columbus concerning the closing of Catholic Schools, he said:

"We must resolve to stop that trend and turn it around. You can count on my support to do that.

"We must see to it that our children are provided with the moral and spiritual and religious values so necessary to a great people. . . "

Those are the words of President Richard M. Nixon.

Another distinguished American has declared:

"Education is the key to our national future, the repository of our civilization the only route to a full realization of our individual and collective potential.

"Let us obey the law—but, with commitment to equal educational opportunity for all."

Those phrases were uttered by the distinguished Senator from South Dakota . . . The Honorable George S. McGovern.

Our vital obligations were further underlined in vivid and dramatic terms by that prince among the servants of God and man, our own cherished and inspired friend, Terence Cardinal Cooke.

He said: "What a tremendous service this great system of parochial schools has rendered our nation.

"How many leaders of this country found in the Catholic School the lesson of citizenship, and brotherhood that enabled them to accomplish great things!

"Although the existence of this vast network of schools has saved the American taxpayer billions upon billions of dollars . . . its greatest contribution is in providing a spirit that goes beyond the material, beyond the secular . . .

"It rings out with the very principles our forefathers enshrined in the Declaration of Independence and in the Constitution."

Let these sentiments be heard—let them be heeded in the highest legislative chambers of our land.

Educational problems have reached crisis proportions here within our own shores. But the principles of brotherhood, and freedom—to which his Eminence refers—leap all borders. They concern all peoples everywhere.

None knows this better than our honored guest, that constant advocate of international enlightenment and understanding in the councils of the world's great powers, the Secretary-General of the United Nations, Kurt Waldheim.

Now, more than ever in this century, the world's great powers seem suddenly poised on the brink of a new mutual understanding bred by the President's missions to China and Russia.

Let us make sure, with the coming of peace, that a share of the billions which went for planes and guns will go to our schools—not some of the schools—but *all* of the schools.

The last best hope of civilization . . . of a secure tomorrow for those we love . . . is being born in the classrooms of today.

This is where we can save humanity from extinction and build the brighter future in which our children will live.

Perhaps the enormity of international developments—and the domestic unrest in each day's terrifying headlines—permit us little opportunity to reflect on the old ideals of character, service and leadership, or to communicate them to the coming generation.

But it is time—and the time is terribly short—to teach all our young people fundamental Americanism, to dramatize the soul-stirring principles of democracy—and to make them live—if democracy is worth keeping alive.

Let's get things clean and decent again . . . let's "look at the record".

Let's make life worth living for every man and woman in our land—for every child in our schools.

We can do it—if we want to—and God knows we need to—

Let's get to work—with budgets big enough . . . with boldness . . . with faith . . .

And remember:

If we do not save the children—we will lose everything.

A nation . . . our great nation . . . that maps pathways to the moon—that performs millions of human miracles for all mankind—our America can surely build a better world for the young people who will inherit ours.

It is up to us—and the schools are the place where we must build the future of mankind. For this is our creed in which we come together each year . . .

To sustain the love of learning—

To restore the flame of faith—

To bear our share of the burden of humanity—

And to carry forward among men the sacred work of God.

PROBLEMS OF RURAL AMERICA

Mr. DOMENICI. Mr. President, I believe many of the citizens of our great country share a common concern over the problems faced by our rural communities. As I have traveled around my State of New Mexico, which has a significant rural population, I have learned of the problems my constituents face with stagnating rural economies, inadequate tax bases, and an inability to provide necessary services to residents.

Just recently, a newspaper article in the Chicago Tribune has pointed out that the State of Illinois also shares this concern regarding its rural communities.

Many of these towns could be revitalized to attract industry to their areas, to provide jobs for their residents and, in the process, increase the economic base of the towns. This would in turn provide an adequate tax base on which to provide city services to residents.

I believe such small town revitalization would indeed benefit our entire Nation. It would give the residents of the communities an opportunity to stay there and make a decent living. So many young people would like to stay in the towns where they were raised, but find they must move to the larger cities if they are going to make a decent living.

By giving residents of rural America an economic opportunity, we would be better able to retard the mass migration into the big cities of our Nation, which are already choked with traffic, smog, and high prices.

Therefore, I speak not only for New Mexico when I speak of the problems of rural America. This is a nationwide concern. I believe all the citizens of this country would benefit if we would develop a strong national policy on rural America.

FUNDS FOR SUPPORT OF MEDICAL EDUCATION

Mr. PELL. Mr. President, that this Nation is faced with a continuing shortage of physicians and other adequately trained medical and health personnel to support these physicians is well known to us.

The current administration has told us that it, too, is aware of the critical need for trained health manpower, and that its proposed budget for fiscal 1974 will provide for more efficient and adequate medical training and health care delivery.

But what would be the real effect and impact of the health funding proposals made by the administration? Dean Robert Ebert, of the Harvard Medical School, in a recent speech commented on the administration budget for health programs. He noted that the budget curtails funds for medical education "at a time when medical schools across the Nation are responding to new demands—the increase in class sizes, the acceptance of more members of minority groups and the growing concern for primary care and communitywide health care delivery."

And Dean Ebert notes that many once-solvent medical schools "are today close to bankruptcy."

Mr. President, I ask unanimous consent that a report of Dean Ebert's remarks from the February 9, 1973, issue of the Harvard Gazette be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

EBERT CRITICAL OF FEDERAL CUTBACKS

The multiple problems which beset the reorganization of the health care system in the United States to serve all segments of our society, and the growing trend toward the education of more physicians who are concerned with primary medical care, says Dean Ebert of the Medical School, "are ill served by the recently disclosed federal budget."

"The cutbacks in funds or the elimination of monies are not in the best interests of either medical schools or the nation's teaching hospitals."

Dr. Ebert voiced his unhappiness in the funding for fiscal 1973–74 in an address Wednesday evening before the College of Physicians of Philadelphia.

The curtailment of funds for the support of medical education, Dr. Ebert noted, "comes at a time when medical schools across the nation are responding to new demands—the increase in class sizes, the acceptance of more members of minority groups and the growing concern for primary care and community-wide health care delivery.

"The problem of funding," said Dr. Ebert, "is not only in the cutbacks noted in the budget, but in a failure to temper the trend towards the support of medicine generally on a categorical basis."

Pointing to the fact that federal spending on cancer would climb by $91 million to $455 million in 1973–74, and on heart and lung diseases by $28 million to $250 million, Dr. Ebert commented that "both are superb examples of how not to solve the problems of either research or of patient care.

"Surely," he said, "programs which attack only one aspect of the medical care problem and then must be phased out within a few years, do little to alleviate the basic problems.

"Alternatively," Dr. Ebert declared, "one could hope that the universities would be given long-term support to attack all medical education and health problems on a national and planned basis so that the health of all people might be served."

The 'golden era' of the 1950's and most of the 1960's, said Dr. Ebert, "when the National Institutes of Health provided unparalleled support of medical schools, hospitals, for research and for training, has ended. It ended in 1968 with the elimination of the 15 per cent annual increase. But it had an enormous impact on medical education and medical practice and a profound effect on their financial stability."

But, for the nation's medical schools the financial increases, noted Dr. Ebert, were really no windfalls, "though some believed they were. The facts are," he said "that many medical schools which were solvent in the pre-NIH era, are today close to bankruptcy."

"Within this Troubled Society,'" said Dr. Ebert, "We find the 'troubled physician' who sees the inadequacies of the delivery of medical care and recognizes the need for financial support to these programs in medical education (support for students as well as physicians-in-training) which will ultimately lead to the reorganization of our health care delivery system so that it serves all the people well.

"He recognizes," continued Dr. Ebert, "that others than physicians—economists and planners, experts in management and public policy, as well as members of the various communities served—must be involved in the planning and in the decision-making.

"His one recourse," said Dr. Ebert, "is to become involved! To make sure that medical care delivery is adequate for all! To assure that the financial support necessary to the process of medical education is available, whether through government (federal or state) through industrial support, through philanthropic groups, or through his own financial resources."

INEQUALITY IN WAGE-PRICE CONTROLS

Mr. BAYH. Mr. President, the administration's anti-inflation policy is on the verge of collapse under the weight of rocketing food prices. Every wage earner in America is experiencing a sharp cut in his standard of living, because while wages are controlled under phase III, little else is.

Not only are food prices soaring; in most places housing costs are up, too, as a result of removing rent controls and permitting interest rates to rise. And the President himself concedes that little or no relief is in sight.

Despite this, administration spokesmen have now reaffirmed their intention to adhere to the 5.5-percent wage increase guideline, in the interest of what they call "continuing stabilization." Translated, "continuing stabilization" means that working people will have to continue to be the foot soldiers in whatever anti-inflation fight the administration may try to wage—while the captains and generals of industry and banking stay back at the officers club and enjoy record profits.

Inadequate as the 5.5-percent guideline is for wage increases generally, many workers have not been allowed even that increase in their effort to keep abreast of inflation. In my own State, to cite only one example that has recently come to my attention, Iron Workers Local No. 22 in Indianapolis successfully negotiated a 7.5-percent wage increase to take effect in November of last year. But the Construction Industry Stabilization Committee disallowed it altogether last year, and in January of this year granted an increase of less than 1.1 percent. Yet we know that other groups of wage earners have been granted more realistic increases during the same period. And what makes this ruling even more questionable is that iron workers in other cities in Indiana—some enjoying a lower cost of living than Indianapolis—are paid at a substantially higher rate than members of local No. 22.

It is not my intention here, Mr. President, to argue the merits of any particular wage adjustment. I do, however, want to call the Senate's attention to the sharp inequities that exist in this area of the administration's economic stabilization efforts.

In the next few weeks we will have before us President Nixon's request for extension of his authority to proceed under phase III. Before I will support this Presidential request, I must be assured that a greater degree of protection will be provided to see that all groups of laborers are treated equally and equitably and that working people and pensioners are not going to be victimized while everyone else enjoys the benefits.

Every American wants inflation controlled. Most Americans are prepared to make sacrifices to achieve that goal. But no one wants to be singled out to make the lion's share of sacrifices, and that is what is happening today.

We must not let it continue.

RULES OF COMMITTEE ON FOREIGN RELATIONS

Mr. AIKEN. Mr. President, in accordance with the provisions of section 133 B of the Legislative Reorganization Act of 1946, as amended, I submit the rules adopted by the Committee on Foreign Relations on February 27 and ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

COMMITTEE AND SUBCOMMITTEE MEETINGS

1. The regular meeting day of the Committee on Foreign Relations for the transaction of Committee business shall be on Tuesday of each week, unless otherwise directed by the Chairman.

2. Six Members shall constitute a quorum for the purpose of transacting Committee business.

3. Proxy voting will be permitted on all matters, except that no measure or recommendation shall be reported unless a majority of the Committee were actually present.

4. The Chairman of the Committee on Foreign Relations, or the Chairman of any Subcommittee thereof, is authorized to fix the number of Members who shall constitute a quorum for the purpose of taking testimony.

5. Except when funds have been specifically made available by the Senate for a Subcommittee purpose, no Subcommittee of the Committee on Foreign Relations shall hold hearings involving reporting expenses without prior approval of the Chairman of the full Committee or by decision of the full Committee.

6. Unless otherwise authorized by law or Senate resolution, Subcommittees shall be appointed each Congress by the Chairman. They shall be of three general types: consultative, "study" or "oversight," and ad hoc.

Consultative subcommittees are created primarily for purposes of consultation and not for the consideration of legislation.

Study or Oversight subcommittees are created to deal with specific problem areas which may or may not require legislative action originating with the Committee.

Ad hoc subcommittees are created to act on behalf of the full Committee on specific legislation or treaties.

COMMITTEE TRAVEL

No Member of the Committee on Foreign Relations or staff shall travel abroad on Committee business unless specifically authorized by the Chairman, who is required by law to approve vouchers and report expenditures of foreign currencies, and the ranking minority Member. Requests for authorization of such travel shall state the purpose and when completed, a full report shall be filed with the Committee.

NOMINATIONS

1. Unless otherwise directed by the Chairman, the Committee on Foreign Relations shall not consider any nomination until six days after it has been formally submitted to the Senate.

2. Nominees for any post who are invited to appear before the Committee shall be heard in public session, unless a majority of the Committee decrees otherwise.

3. No nomination shall be reported to the Senate unless the nominee has been accorded security clearance on the basis of a full field investigation by the Federal Bureau of Investigation, and, in appropriate cases, has filed a confidential financial statement with the Committee.

TRANSCRIPTS

1. The Committee on Foreign Relations shall keep verbatim transcripts of all Committee and Subcommittee (except consultative subcommittees) meetings and such transcripts shall remain in the custody of the full Committee, unless a majority of the Committee decides otherwise.

WITNESSES

1. The Committee on Foreign Relations will consider requests to testify on any matter or measure pending before the Committee.

2. If the Chairman so determines, the oral presentation of witnesses shall be limited to ten minutes. However, written statements of reasonable length may be submitted by witnesses and other interested persons who are unable to testify in person.

TRANSCRIPT REGULATIONS

1. Maintenance and security of classified transcripts.

a. The Chief Clerk of the Committee shall have responsibility for the maintenance and security of the classified transcripts.

b. A record shall be maintained of each use of the classified transcripts.

c. Classified transcripts shall be kept in locked combination safes in the Committee offices except when in active use by authorized persons. They must never be left unattended and must be returned to the Chief Clerk promptly when no longer needed.

d. Classified transcripts shall be permitted to leave the Committee offices only in the possession of authorized persons. Delivery and return shall be made only by authorized persons. They shall not be permitted to leave the city or the country, unless adequate assurances are made to the Chairman for their security.

e. Transcripts classified secret or higher shall not be permitted to leave the Committee offices.

f. Extreme care should be exercised to avoid taking notes or quotes from classified transcripts. Their contents must not be divulged to any unauthorized person.

2. Persons authorized to use classified transcripts.

a. Members and staff of the Committee, in the Committee rooms, or, by permission of the Chairman, in their offices.

b. Senators not members of the Committee, in the Committee's Capitol offices, by permission of the Chairman.

c. Members of the executive departments in the departments, or, in the Committee's Capitol office, by permission of the Chairman.

3. Declassification of executive transcripts and other executive records.

Executive transcripts and other executive records of the Committee shall be released to the National Archives and Records Service for unclassified use in accordance with the policies of that Agency: *Provided*, That no such transcripts or other executive records shall be declassified within a period of 12 years except by majority vote of the Committee and with the permission of surviving members of the Committee at the time such transcripts or records were made and with the permission of the Executive Department, if any, concerned; and *Provided further*, That after 12 years from the date such transcripts or records were made, they shall be declassified unless the Committee by majority vote shall decide otherwise.

REGULATIONS FOR THE USE OF CLASSIFIED MATERIAL (OTHER THAN TRANSCRIPTS)

Receipt and distribution of classified material.

1. All classified material received or originated by the Committee shall be keyed in at the Committee's offices in the Dirksen Senate Office Building, and except for material classified as "Top Secret" shall be filed in the Dirksen Senate Building offices for Committee use and safekeepng.

2. Each such piece of classified material received or originated shall be card indexed and serially numbered, and where requiring onward distribution shall be distributed by means of an attached indexed form approved by the Chairman. If such material is to be distributed outside the Committee offices, it shall, in addition to the attached form, be accompanied also by an approved signature sheet to show onward receipt.

3. Distribution of classified material among offices shall be by Committee Members or staff only. All classified material sent to Members' offices, and that distributed wthin the working offices of the Committee, shall be returned to Room 4229, Dirksen Senate Office Building. No classified material is to be removed from the offices of the Members or of the Committee without permission of the Chairman. Such classified material will be afforded safe handling and safe storage at all times.

4. Material classified "Top Secret," after being indexed and numbered, shall be sent to the Committee's Capitol offices for use by the Members and staff in those offices only.

5. The Chief of Staff is authorized to make such staff regulations as may be necessary to carry out the provisions of these regulations.

STAFF REGULATIONS

The Committee recommends that the following concepts serve to guide the staff in its activities:

1. The staff works for the Committee as a whole, under the general supervision of the Chairman of the Committee, and the immediate direction of the Chief of Staff.

2. Any Member of the Committee should feel free to call upon the staff at any time for assistance in connection with Committee business. Members of the Senate not members of the Committee who call upon the staff for assistance from time to time should be given assistance subject to the overriding responsibility of the staff to the Committee.

3. The staff's—as, indeed, the Committee's—primary responsibility is with respect to bills, resolutions, treaties, and nominations.

4. The staff and the Committee also have a responsibility under Section 136 of the Legislative Reorganization Act which provides that ". . . each standing committee . . . shall review and study, on a continuing basis, the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that committee." In the case of foreign relations, there is an additional responsibility deriving from the advice and consent clause of the Constitution. By the same token, there are limitations deriving from the President's special constitutional position in regard to foreign relations.

5. In addition to carrying out assignments from the Committee and its individual Members, the staff should feel free to originate suggestions for Committee or Subcommittee consideration, making it clear in every case that the decision lies with the Committee or Subcommittee concerned. The staff should also be free to make suggestions to individual Members regarding matters of special interest to such Members.

It is part of the staff's duty to keep itself as well informed as possible in regard to developments affecting foreign relations and in regard to the administration of foreign programs of the United States. Significant trends or developments which might otherwise escape notice should be called to the attention of the Committee, or of individual Senators with particular interests.

6. In carrying out the responsibilities in paragraph 5, the staff should bear in mind the workload of Senators and attempt not to deal in trivia but to limit itself to broad questions of basic policy, or specific matters which point up a question of basic policy.

7. The staff should pay due regard to the constitutional separation of powers between the Senate and the executive branch. It should, therefore, try to help the Committee bring to bear an independent, objective, judgment of proposals to the executive branch and when appropriate to originate sound proposals of its own. At the same time, the staff must avoid impinging upon the constitutional prerogatives of the executive branch in the day-to-day conduct of foreign affairs.

8. In those instances when Committee action requires the expression of minority views, the staff shall assist the minority as fully as the majority to the end that all points of view may be fully considered by Members of the Committee and of the Senate. The staff must bear in mind that under our constitutional system it is the responsibility of the elected Members of the Senate to determine legislative issues in the light of as full and fair a presentation of the facts as the staff may be able to obtain.

9. The staff should regard its relationship to the Committee as a privileged one, in the nature of the relationship of a lawyer to a client. In order to protect this relationship and the mutual confidence which must prevail if the Committee-staff relationship is to be a satisfactory and fruitful one, the following criteria are suggested:

a. The staff must be completely nonpartisan and responsible only to the Committee. Staff members should be hired and fired by the Committee solely on the basis of merit and without regard to political considerations.

b. Members of the staff must not be identified with any special interest group in the field of foreign relations or allow their names to be used by any such group.

c. Members of the staff must not accept public speaking engagements or write for publication in the field of foreign relations without specific advance permission from the Chief of Staff, or in his case, from the Chairman and the ranking minority Member. In any event, such public statements should avoid the expression of personal views and should not contain predictions of future, or interpretations of past, Committee action.

d. The staff must in no circumstances discuss with anyone the proceedings of the Committee in executive session or conversations with individual Senators without specific advance permission from the Committee or the Senator concerned.

PROVISIONS OF LEGISLATIVE REORGANIZATION ACT

In addition to the foregoing, the Committee on Foreign Relations is governed by the standing rules of the Senate and the rules and procedures set forth in the Legislative Reorganization Act of 1946, as amended.

SENATOR CLARK EXPOSES DANGER IN NIXON FARM PROPOSAL

Mr. HUMPHREY. Mr. President, I want to say a few things about my colleague, the new Senator from Iowa, Mr. CLARK. Senator CLARK made an opening statement before the Senate Agriculture Committee hearings on general farm legislation that simply and succinctly summed up the effects the Nixon administration's farm proposals would have on rural America. Senator CLARK said that if farm production controls and subsidies were ended, then the majority of Iowa farmers would be phased off their land. I would like to say that the points Senator CLARK made about Iowa farmers who own small or medium sized farms applied to farmers in every State, including those in Minnesota.

Mr. President, I would like to request unanimous consent that Senator CLARK's statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY FOR SENATE AGRICULTURE COMMITTEE, FEBRUARY 27, 1973

Mr. Chairman, I commend you for holding these hearings on general farm legislation. They take on an added importance in view of the President's recent proposals asking Congress to end farm subsidies and production controls.

These hearings will provide the committee with an excellent opportunity to hear firsthand from farmers what changes they would like to see in the existing programs and whether they support the President's proposals.

Frankly, I am alarmed at many of the President's proposals and I fear that they will only lead to the destruction of the small and medium-sized farm. I base this opinion partly on information supplied the Senate Agriculture Committee by Dr. Don Paarlberg, the economics director.

In a recently received report, Dr. Paarlberg examined what would happen if production controls and price supports were eliminated. The Paarlberg report said, and I quote:

"Complete removal of all production restraints and all price support activities in 1974 might cause substantial increases in production, sharp drops in farm product prices and even greater drops in net farm incomes in the immediate years after removal of controls. The result would be an increased economic squeeze on most farmers, with possible failure or withdrawal of many marginal farms."

Iowa, my home state has more than 100,000 farms that are what I would term, small and medium-size. These farms are between 100 to 500 acres. Now it seems to me that the President's proposals would be aimed at moving these farmers off their land. They would be the ones whose net farm income would drop and whose land holdings would be incorporated into so-called "more efficient operations," or as the report says, "many marginal farm units would go out of production with some of their resources absorbed or consolidated into economically stronger units."

Additionally, the Paarlberg Report says that, and again I quote:

"In the first year of no program, corn prices would probably drop below $1.00 per bushel."

For as long as I can remember, dollar corn has been very unpopular in Iowa because it has meant economic ruin.

I strongly support curtailing economic spending and trimming the fat from subsidy programs. But, I do not believe that many people would be able to live on the land if these program changes were put into effect. If the programs need changes and if there is to be a dramatic shift in government philosophy toward farmers, let this committee and the Congress decide what needs to be done.

NOW IS THE TIME FOR ACTION ON THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, Tuesday, the Senate Foreign Relations Committee ordered the Genocide Convention reported to the Senate. The treaty will next be placed on the Executive Calendar and the Senate will once again have the opportunity to consider this important international agreement.

There is not a single proposal before the Senate that has been before the Senate as long as the Genocide Convention. This is a sad and disturbing fact. The U.S. delegation to the United Nations was among the first to sign this document which was approved by the General Assembly of that body on December 9, 1948. Six months later President Truman transmitted the convention to the Senate and here it has remained for almost 25 years.

As Chief Justice Earl Warren told an American audience in 1968:

> We as a nation should have been the first to ratify the genocide convention. . . . Instead, we may well be near the last.

Seventy-five other nations, including most of our NATO and SEATO allies, have already ratified this treaty which makes mass murder the subject of an international agreement. It is a sad irony that the United States, which has so long championed the cause of human rights, has refused to approve this treaty which guarantees the most basic of human rights: The right to life itself.

Mr. President, I urge that the Senate delay no longer in considering this document. For a quarter of a century the world has wondered at our refusal even to bring the treaty up for a vote. This is the year in which American involvement in the long and tortuous war in Southeast Asia has at last been brought to an end. This is a good opportunity to ratify this treaty to bring the crime of genocide to its end as well.

A STANDARD OF EXCELLENCE

Mr. GURNEY. Mr. President, the Committee on the Judiciary currently has before it the nomination of L. Patrick Gray III, for the directorship of the Federal Bureau of Investigation.

I know Mr. Gray to be a man of excellence, well-suited to direct an organization of unparalleled performance. As Acting Director of the Federal Bureau of Investigation, Mr. Gray has demonstrated his ability to continue this organization's mission in accord with its well-established standards. While maintaining the Federal Bureau of Investigation's standard of excellence, Mr. Gray has not hesitated to institute new procedures to meet the ever-changing demands which confront law enforcement.

Mr. Gray has indicated, in various public addresses, his awareness of the need for change in order to meet the current challenges of the Federal Bureau of Investigation as well as the necessity for continuity in order to preserve its fundamental established values.

For the enlightenment of Senators, I ask unanimous consent to have printed in the RECORD, immediately following my remarks, a speech by Mr. Gray on this subect to the Executives' Club of Chicago, delivered on October 13, 1972.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

A STANDARD OF EXCELLENCE

From time to time I hear that the Acting Director of the FBI is making far too many speeches. As is often the case, the verity . . . as well as the applicability of such remarks . . . depends on a point of view.

I think it was Gerald M. Loeb who once said, "One man's speculation is another man's investment." It depends again on a point of view.

My point of view is that the FBI belongs to all the people of the United States, serves all the people of the United States, and that all the people of the United States are entitled to hear about the FBI—if they want to.

When they want to hear about the FBI, and when they extend an invitation, they should hear from me, if possible. But, it is not always possible for me to respond.

Neither is it possible that I, nor any other member of the FBI, is always in a position to respond to each and every question put to us in a public forum.

Our duties in behalf of the people of the United States—within certain perimeters of our jurisdiction—are not open for public discussion in the public forum. And if I began to discuss our operations in these areas, cries for my scalp would be heard throughout the country . . . and rightly so.

Despite the very deep and very real interest of our fellow citizens in the work of the men and women of the FBI . . . and their right and need to know . . . there are just some areas of that work which even they do not want to see opened up for public discussion. There also are laws of the United States which prohibit public discussion of our work in these areas.

The big question for today, then, is what I can serve up in the way of a talk that might be of some interest to you who have been kind enough to ask me to be here as your guest. Actually, your kind invitation honors the dedicated men and women of the FBI, and I bring to you their warm greetings and best wishes.

You are not really interested, I know, in how many speeches the Acting Director of the FBI has been making, but you may want to know at first hand a little bit about what I have been doing for the past 23 weeks in one of the most important positions of our Government. At least you asked me to speak to you, and you must have extended the invitation because you are interested in the FBI—not necessarily in the Acting Director of the FBI.

Thomas Jefferson said of Benjamin Franklin,

"I succeed him; no one could replace him."

I could and do make the same remark about John Edgar Hoover. I follow him in a position of great responsibility to our people and to our Nation. He . . . together with the men and women of the FBI who served with him during the years 1924 to 1972 . . . created and built a magnificent organization devoted to the service of our country.

In my judgment, the prime characteristic of the FBI is a sustained and high achievement of excellence in the performance of duty throughout these years. I have been privileged . . . as no outsider has ever before been so privileged . . . to *see* at first hand this performance . . . and to *direct* this performance . . . and to *question* this performance . . . and to *evaluate* this performance.

My entry into the FBI was not that of some sparkle-eyed novice just eager and waiting to absorb the litany of the elect. But I did enter with the high degree of respect—bordering on awe—that the majority of Americans have always had for the men and women of the FBI.

And as the Bureau began to turn its professional scrutiny inward—objectively and faithfully—in response to a never-ending stream of questions from the newly minted Acting Director, that respect and that awe were richly justified.

There were times in the first six to eight weeks when I believed that one or more of the Assistant Directors would have rejoiced at my instant removal . . . when I was ready to believe that some of them were convinced that my arrival on the scene was just a bad dream . . . and when I was positive that at least a few of them were frustrated to the ultimate degree by the novice who never seemed to run out of questions, who demanded more responses when all the traditional responses had already been served up.

It is a rare tribute to Mr. Hoover . . . and to the men and women who built the FBI with him . . . for me to be able to stand before you today and tell you that his magnificent organization responded with a zest, an enthusiasm, with an all-consuming fidelity to perfection that is unparalleled in my experience.

As the days passed, the position papers and study papers that were developed achieved a degree of excellence which seemed to challenge me, my own personal staff and the senior executives of the FBI to find a point . . . a topic . . . or an area that should have been covered and was not. I could sense the pride and the spirit of achievement reflected in these works, just as it was reflected in my personal contacts with the senior executives of the FBI and with the men and women assigned to duty both at Headquarters and in the field divisions of the FBI.

Those first six to eight weeks formed the period of transition and they also formed the most intensive educational experience I have ever encountered. The 18-hour days were never drudgery, never just exhausting: they were stimulating and filled with new and different challenges.

I was moving on a fast, dry track, and I knew it. And I also knew that the top executives of the FBI, moving on that same track with me, were interested in helping me to succeed, *provided* that I could demonstrate to *them* that I possessed first the spirit . . . and then the managerial, administrative, and leadership qualities so necessary to take up the gauntlet laid down by Mr. Hoover.

The race is long and the track is still fast . . . judgment on my performance must be reserved . . . but I have no hesitation in speaking to you about some of the highlights of these 23 weeks just past.

As you know, a new man at the top can signal any number of radical changes . . . or it can mean a continuation of the same policies and procedures, with or without careful examination and evaluation. It can mean iconoclasm for its own sake—or smug complacency.

But at the outset I resolved to follow the course of continuing the same policies and procedures, with a careful examination and evaluation being conducted simultaneously—continuity and change. It is axiomatic that the new boy on campus does not move in with the broad brush of change *if* the organization has been delivering the product coupled with a handsome return on equity. This was the situation in the FBI.

This careful examination and evaluation produced the position papers and study papers that I referred to earlier. And it is true that some changes in our policies and procedures have occurred. We believe that we are *improving* the return on the equity that each American citizen has in the FBI.

Some of these changes have been substantive in nature and you are aware of some that have been rather well publicized. For example, the FBI now accepts applications from women who aspire to become Special Agents. Two young ladies are now in a new Agents' class that is scheduled to complete the course of instruction on October 25th, and four more ladies are in the new Agents' class which began the course of instruction on September 11th.

We are aware that this policy determination . . . which incidentally also happens to be in accord with the law of the land . . . has produced some resentment in certain quarters, and particularly among those of our citizens who cannot . . . for reasons of their own choosing . . . accept the fact that a woman can be a Special Agent of the FBI.

There may be resentment within the FBI too. I don't know if there is or not. If there is, this would not excite me, upset me, or make me nervous. I do not expect that each decision I make will be greeted with joyous enthusiasm and be warmly received by each man and woman of the FBI. If this were to be the case, they would not be the strong-willed and dedicated people I believe them to be.

I *do* know that the men and women of the FBI realize that I have the ultimate responsibility to make the tough policy decisions and that they have the ultimate responsibility to implement them. I also know that some young women are going to complete our requirements and come to the field divisions of the FBI for duty as Special Agents. There the traditional leadership of the FBI will take hold, and these young women will be helped to become valued members of our team and respected members of the FBI family.

Occasionally I have heard that the new Acting Director is determined to convert the FBI to the communal life style of dress—that badges are "out" and love beads "in"—and that discipline is one of the old archaic concepts that has been relegated to the archives.

I know, and every man and woman in the FBI knows, that the FBI would self-destruct without discipline. A law enforcement agency of any kind or size cannot function at all . . . let alone function in the public interest in accordance with law . . . without a firm, fair, and swift disciplinary system. We who serve our fellow citizens in the law enforcement profession recognize and accept this very fundamental fact of life.

It is true that my approach may be different simply because I am a different man. I am Pat Gray. I am not J. Edgar Hoover. At the same time, I have the gut feeling that Mr. Hoover held the same fundamental beliefs that I hold regarding the utilization and the application of the disciplinary process.

After 23 weeks I do not observe the men and women of the FBI going "mod" with the medallions, the beads, the frayed blue jeans, and the sandals, even though it is true that the traditional FBI standards of attire have been somewhat modified.

But remember, the image of the FBI held by the American public was created by the men and women of the FBI and not by some paper directive issuing from FBI Headquarters in Washington. These same men and women have enough sense of pride, enough elan, and enough of a flair for the chic . . . in the cases of our women . . . to continue to garb and groom themselves in a presentable manner. Colored shirts, hair worn a bit longer, and mustaches are not going to wipe out the fierce pride that exists within the hearts and minds of the men and women of the FBI.

From the inception, the topmost priorities among my avenues of inquiry were the areas of organized crime, general crime, espionage and subversion, drug abuse, and our grant of jurisdictional authority from the Congress and the President of the United States by Federal statute and Executive Order. *They still are, and on a daily basis.*

In each . . . with the exception of the area of our jurisdictional authority . . . I have tried to apply some resource tests and some objectives tests. First, what is the *threat*, then what are the *resources* available, and, finally, what should be our *objectives*? These are the questions that have been asked, analyzed, and answered over and over again, on an almost daily basis, as the senior executives of the FBI and I conduct what really amounts to a review in depth of each and every one of our policies and procedures. Does it work? If not, why not? And if it does work—then, so be it, and full speed ahead!

As to our jurisdictional authority, the obvious and only question is: Do we have the jurisdictional authority to investigate? In short, is this a case within the jurisdiction conferred upon the FBI? Do we have a responsibility to move in? Are we commanded by Federal law or Executive Order to act? If not, we will not act . . . we will not move in . . . and we will not investigate!

Since jurisdiction is really our ground zero, here is where it all starts and where it all comes together. And as you would expect, here is the fertile area for those who study the operations of the FBI. In some cases there is room for difference of opinion as to whether or not FBI jurisdiction is present. Whenever in doubt, guidance is requested from the Department of Justice. This is standard operating procedure, and in some cases the applicable law requires that we obtain the approval of the Department before we begin an investigation.

In any review of the work of the FBI, it helps to know exactly what we are and what we are not. We are the investigative arm of the Department of Justice. We are not policy makers. We are not legislators. We do not make the laws of the United States—but we do have a statutory responsibility to investigate violations of the laws of the United States. Even though we investigate violations of the laws of the United States—we do not prosecute the alleged violators. We do submit reports of our findings during the conduct of an investigation to attorneys of the Department of Justice—but we do not submit any recommendations as to the disposition of the particular case involved in the investigation. That is the job of others in the Executive Branch—in whose backup we provide some of the brain, and lots of brawn—and forgive the inelegance—endless amounts of just plain sweat.

So, in just a few more words, how best to recapitulate what I have been attempting to convey to you today?

The first thing to be said—it was no graven image or historical mausoleum whose leadership I inherited 23 weeks ago. It was a working organization. And it is going to *remain* a working organization.

More than that—it was a human institution, thousands of arms and legs and brains and hearts, all of them driven by a burning dedication to professionalism and by an ideal of devotion to the public service. And it is going to *remain* a servant to this Republic.

The image will take on the nuance of new times and new mores. The style will change, as of course it must. But, my friends, the *substance* will not change, and the continuity of mission will remain unbroken.

I pledge that to you. I made the same pledge to the President, 23 weeks ago. Most important of all—I pledge it to the men and women who are the FBI.

A FULL EMPLOYMENT STRATEGY FOR THE NATION: THE PUBLIC SERVICE EMPLOYMENT ACT OF 1973—S. 793

Mr. CRANSTON. Mr. President, on February 7, I introduced S. 793, the "Public Service Employment Act of 1973." Joining with me as original cosponsors of this bill are the Senators from North Dakota (Mr. BURDICK), Michigan (Mr. HART), Indiana (Mr. HARTKE), Iowa (Mr. HUGHES), Minnesota (Mr. HUMPHREY), Massachusetts (Mr. KENNEDY), South Dakota (Mr. MCGOVERN), Minnesota (Mr. MONDALE), Maine (Mr. MUSKIE), Rhode Island (Mr. PELL), West Virginia (Mr. RANDOLPH), and New Jersey (Mr. WILLIAMS). I am pleased that the distinguished Senator from Alaska (Mr. GRAVEL), has also asked to be added as a cosponsor of S. 793.

PROVISIONS OF THE BILL

S. 793 would provide funds for more than 1.15 million jobs for unemployed and underemployed Americans.

It would authorize $3 billion this fiscal year, $7 billion in fiscal year 1974, and $10 billion in succeeding fiscal years for a continuing program of public service employment. The amount authorized but unappropriated for fiscal year 1973 would remain authorized in fiscal year 1974, in addition to the $7 billion.

The legislation I am introducing would operate in much the same way as the Emergency Employment Act—with funds administered largely through State and appropriate local government prime sponsors. It is similar in its provisions to the program which the Senate passed in September 1970, as part of the Employment and Training Opportunities Act of 1970.

Unlike the Emergency Employment Act, S. 793 would require that appropriate units of local government seeking funds under the program form broadly representative public service employment councils, representing Government, business, labor, veterans, and unemployed and underemployed persons and poverty organizations; and school and public service groups, to help survey the needs for both jobs and services to help plan the program.

The council would inventory public service and economic development needs, establish priorities, and design programs. Mayors, county executives, and other eligible sponsors would file the applications for Federal funds to operate programs. Funding—90 percent Federal—would go through appropriate governmental units unless they did not apply, applied and did not qualify, or were not serving adequately the needs of the disadvantaged in a particular community.

In addition, public service job grants

could be made to such organizations as community action agencies, model cities programs, community development corporations, United Fund agencies, and other private organizations when the appropriate unit of Government was not serving the area of the poverty community in an adequate manner or if the above-mentioned organizations were approved initially by the governmental units.

In areas of particularly high unemployment where a rate equal to or in excess of 6 percent occurs for 3 consecutive months, my bill will authorize funds for a new special employment and economic development program—SEED—wherein public service employment would be coordinated with existing economic development programs in order to help these areas become more economically self-sufficient. A prime example of this would be the two-pronged effort that could be made in behalf of residents of urban and rural low-income areas upon enactment of this legislation.

In effect, section 6 of the Public Service Employment Act would bolster programs supported through title VII of the Economic Opportunity Act Extension of 1972, as enacted in the 92d Congress. Title VII of the EOA, the result of an amendment offered by Senators Kennedy, Javits, and myself—section 17 of S. 3010, now Public Law 92-424—provided for community economic development, consolidating the prior title III-A—rural loan, and title I-D—special impact programs. The section 6 provisions of the Public Service Employment Act would make more meaningful our current attempts to improve the quality of economic and social participation in community life of residents of low-income areas.

Testimony before the Senate Labor and Public Welfare Committee's Subcommittee on Employment, Manpower and Poverty regarding title VII of the EOA Extension Act of 1972 during the June 11, 1971, hearings emphasized that the significant problems of developing economically depressed areas are not resolved by income transfer and social services programs alone. Means must be found to bring purposeful economic development to people where they live. For those who have been ignored, frustrated, and relegated to the most menial jobs in our society, there has to be a reason to care about their community. Jobs are an integral part of purposeful economic development—and decent jobs are an integral part of purposeful human development—not "make-work" jobs. Jobs are what this bill is all about—and is the particular emphasis of section 6 of S. 793.

The SEED program— in section 6 of this bill—is based upon the section 6 program in the Emergency Employment Act that provides funds for areas with 6 percent or higher unemployment even after the national EEA program ends. For the month of February of this year, the Department of Labor has identified nearly 900 areas with substantial or persistent unemployment rates of at least 6 percent throughout the Nation. Under PSE, up to 25 percent of appropriations would be available for a concentrated attack on the problem and the funds could be expended for economic development as well as direct PSE job creation.

Similar to the Emergency Employment Act, my legislation would stress the special need of Vietnam era veterans for jobs. But my bill would go further by providing a priority for such veterans for public service employment—PSE—jobs. In addition, my bill requires that those on welfare, aerospace workers, older persons, the poor, persons of limited English-speaking ability, and migrants be given a fair share of the available jobs. It further requires that local PSE programs work with local welfare agencies to insure that welfare recipients have ready access to the jobs provided under this legislation.

Public service employment is not the whole answer to the crisis in joblessness that the Nation faces. But the bill represents a start—a necessary start when one reflects on the numbers game adroitly played by the current administration.

In February of this year, the Department of Labor announced that—

> Over the past year . . . total unemployment has declined by nearly 800,000.

What needs to be pointed out in conjunction with the statement is the simple fact that nearly 200,000 jobs were provided by the Emergency Employment Act of 1971—a bill whose conception was bitterly opposed by the administration; a bill whose implementation was lavishly praised by the same administration; and a bill whose expiration is anxiously awaited by the very same administration.

Furthermore, that same administration announced late last year that the unemployment rate for the month of November was 5.2 percent. In actual seasonally adjusted figures this meant that 4,498,000 American people were out of work. With some fanfare, that same administration announced that during the month of December, the unemployment rate had declined to 5.1 percent. In actual fact, 4,487,000 Americans were still out of work. In February of this year, that same administration announced that the unemployment rate again had gone down. This time it was 5 percent. But the seasonally adjusted figures showed 4,366,000 Americans unemployed. In short, while the administration points to successful efforts in terms of reducing the unemployment rate, the actual number of American citizens out of work remains well over 4 million people.

At this juncture, I would like to point out that "over 4 million people" approximates the entire civilian labor force of Iowa, Kansas, Missouri, and Nebraska being out of work at the same time. Or if one could imagine the approximate total civilian labor force of Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming, Alaska, Idaho, Oregon, and Washington being unemployed at the same time, then one could begin to appreciate just what is meant when the current administration says that "things are looking brighter."

It should also be pointed out that the civilian labor force increases by over 2 million persons a year. At such a rate of increase, it will not be to long before even a 4 percent unemployment rate—deemed acceptable by the current administration—will translate to over 4 million Americans out of work each year.

The Bureau of Labor Statistics reports that in addition to the 4,366,000 unemployed Americans mentioned above, there are another 800,000 discouraged workers. These are men and women who are not seeking or who are no longer seeking employment, because they despair of finding it. This represents a real unemployment total of over 5 million Americans. Add to that the 13.7 million Americans working for substandard wages, and we have the enormous dimension of the need—nearly 19 million decent jobs. This lack of employment opportunities affects almost 70 million Americans, taking into account the 3.6 persons in an average family. One million, one hundred and fifty thousand jobs provided by this bill would hardly be an overreaction to such a great need. On the contrary, a continuing program of public service jobs as outlined in my bill would do much to prevent the continuation of these destructively high levels of wasted humanity.

For individuals, however, every effort would be made to move them from federally subsidized jobs into permanent jobs in the civil service or appropriate employment in the private sector. Normal turnover in public payroll jobs should make it possible for most of those hired on public payrolls under this act to move on to unsubsidized jobs. For others, the expansion of economic activities in their communities, in part stimulated by this legislation, will afford new job opportunities in the private sector.

THE PROBLEM

With over 4.3 million Americans unemployed, and the estimated 13.7 million persons who are underemployed—according to the Cost of Living Council—the need for jobs in public service cannot be doubted.

Mr. President, the time has come for this Nation to face up to its responsibility to provide opportunity for work at decent wages for all our citizens.

This has been our stated goal for decades. Franklin Roosevelt made it the keystone of his economic bill of rights, proposed in those hopeful days when World War II was drawing to a close.

We have not fulfilled that promise. And the price we pay is the national humiliation, and the individual and family tragedy of American poverty. Think of it: The most prosperous nation the world has ever known must face the fact that poverty is its most pressing and persistent domestic problem. In human terms this is a problem that overshadows the greatness of our economic accomplishment of a trillion dollar gross national product.

We assert that our society is just and democratic. We want it to be nothing less. Yet the social fabric of our inner-cities and rural backlands is torn apart by desperate human need in the midst of extraordinary private affluence. The disastrous consequences of unemployment touch the lives of each of us.

PARTICULARLY NEEDY GROUPS

Many aerospace engineers, who have built their lives upon service to our Nation in space and defense have exhausted their unemployment insurance, and find themselves on welfare—where that is available—with their children hungry, their pride gone, and their families collapsing.

Veterans who have risked their very lives in the Nation's service are unable to find jobs upon returning to this great generous Nation. What a cruel expression of our national tribute.

During the second and third quarters of last year, the unemployment rate for Vietnam era veterans were particularly deplorable. In the age group, 20 to 24, the average unemployment rate for white Vietnam era veterans during the second and third quarter was 9.2 percent; for nonwhites in the same group, the rate was 15.1 percent in the second quarter and 18.5 percent in the third quarter. Such figures represent a compelling need for legislative action.

The next age grouping further underscores this need. Unemployment for nonwhite Vietnam era veterans 25 to 29 for the second quarter was 10.2 percent; for the third quarter, it was 11.2 percent. Meanwhile, over 100,000 white veterans from the same age group were unemployed during the second quarter alone.

Fourth quarter statistics for 1972 reveal that the unemployment rate for Vietnam era veterans in the 20 to 24 group remains nearly twice as high as the 5.0 percent national rate. And for the age group, 25 to 29, the unemployment rate for the nonwhite Vietnam era veteran is more than twice that of his white counterpart.

Mr. President, the two groups I have just cited—aerospace engineers and returned Vietnam era veterans—are comprised of men and women who are either highly educated or highly motivated or highly skilled or a combination of all three. In addition, many of these people are considered to be of prime labor age. It is expected that given the opportunity their contribution to the Nation's economy would be meaningful and productive. To these people the Nation offers a sympathetic ear, even though there is not always thoroughgoing followthrough. But for inter-city youth and those thousands and thousands of people, forced from farms and rural areas in the decades since World War II, for those people who have faced a generation of joblessness and hopelessness, the country is less understanding, feels less responsible, and hence is less responsive in terms of programmatic reforms.

The crisis in welfare is the ugly fruit of our long neglect or full employment as the essential first step in fighting poverty.

Why are most Americans hostile to welfare? Because they believe people ought to work and support their families. That is a belief which I share. But most Americans have simply been unaware of the number of those on welfare who could not work even if the jobs were available, and of the shocking lack of adequate job opportunities.

Under my bill, jobs would be made available for those on welfare who want and are able to work. This is offered in contrast to the position taken by the current administration that those who do not work are those who do not want to work. I believe that most welfare recipients are eager to work at decent paying jobs. Many cannot, because of a lack of day-care facilities; others, because the jobs simply do not exist. Every program that has attempted to supply training and work for those on welfare has had difficulty, because of a lack of available jobs. This would appear to be particularly true with regard to the highly publicized work incentive program—WIN.

In his recent book, "Do the Poor Want To Work? A Social-Psychological Study of Work Orientations," Leonard Goodwin, a member of the Brookings Institution governmental studies staff, states that the current welfare/work program—WIN—highly touted by the present administration, has failed—because in the final analysis most of the participants end up without jobs. Goodwin points out that a work requirement for welfare mothers could mean pushing more of them through WIN—even though 80 percent of them would not obtain jobs in the open market, or it could mean forcing them to fill the lowest paid jobs in American society. Either course, states Goodwin, would increase their psychological dependence on welfare and discourage further work effort. Public service employment would provide a program to rectify that situation by providing decent and meaningful employment in jobs that are real jobs. Individuals will be paid by the employers and not at the welfare office—the latter lacking both dignity and pride—two essential parts of any wage.

I wish to stress the concept of decent jobs, because I believe that most Americans have been simply unaware of subemployment in poverty neighborhoods over the past decades.

SUBEMPLOYMENT

The problem of job-associated poverty is much more serious than most people realize. In 1966, Secretary of Labor W. Willard Wirtz, surveyed the poverty neighborhoods of 10 major cities. He found that the problem was not simply unemployment, but part-time and low-paying jobs—jobs that paid below the minimum wage. He also found that many, many workers were so discouraged that they had ceased even to look for work.

Secretary Wirtz put these factors into a "subemployment" index, and determined that over 30 percent of the inner-city residents were not able to earn above poverty wages in the ghetto labor market.

In a memo to President Johnson, Wirtz said:

> If a third of the people in the nation couldn't make a living . . . there would be a revolution. This is the situation and the prospect unless action is taken in the nation-within-a-nation, the slums and ghettos.

As part of the 1970 census, the Bureau of the Census conducted a followup study of the 60 poverty neighborhoods in 51 cities and eight rural areas. The Government did not calculate a subemployment index, but the factors Wirtz considered are available. For Oakland, Calif., for instance, if in the first quarter of 1972 you added together the unemployed, the hopeless, and discouraged workers who no longer sought jobs, the part-time workers seeking full-time jobs, and those who were working full time but earning less than $2 per hour, you would find that a staggering 32.9 percent of Oakland was unemployed or underemployed.

For the Nation's inner cities and poor rural areas, subemployment now stands at nearly 30 percent. This means that close to one-third of the people in our poverty neighborhoods are unable to earn even minimum wages in the job market. And if we ask how many are unable to earn $3.50 per hour—the wage level needed to maintain a family of four at the Bureau of Labor Statistics' lowest adequate budget which is $7,214 a year—we find that 74.5 percent of the people are below a minimum adequate standard in earnings.

In California, partial data for 1972 indicates that major cities there are also subject to drastically high levels of subemployment. The preliminary calculations show:

San Francisco, 22.8 percent subemployed, 54.5 percent below the BLS adequate family income wage.

Los Angeles, 31.9 percent subemployed, 60.8 percent below the BLS adequate family income wage.

Oakland, 32.9 percent subemployed, 57.8 percent below the BLS adequate family income wage.

Considering the magnitude of the problem, it is no wonder that the modestly funded antipoverty programs—representing less than one-tenth of 1 percent of the Federal budget—and training programs aimed at ghetto unemployment have not solved the problem. The dual problem of unemployment/subemployment continues to grow more serious.

It is underemployment—as much as unemployment itself—that is at the roots of the poverty and welfare crisis. The effects of underemployment on welfare and poverty are discussed at length in an article, "Government as the Employer of First Resort—Public Jobs, Public Needs," by William J. Spring, professional staff member of the Senate Subcommittee on Employment, Manpower, and Poverty; Bennett Harrison, assistant professor of Economics at the University of Maryland; and Dr. Harold L. Sheppard, of the W. E. Upjohn Institute for Employment, which appeared recently in the November 4, 1972, New Republic.

States the article:

> Both sets of policies (income transfer and negative income tax), assume that the economy generates a sufficient number of jobs (except perhaps during recessions) to accommodate all who want to work, and that a worker with a full-time job will earn enough to support his or her family at or above a socially defined adequate level. Both assumptions are incorrect.

The article goes on to say that—

> The burden of our argument is that we need a strategy in place of, or in addition to, the present welfare-training approach to poverty and underemployment, one that al-

lows funds to be used selectively to expand the output of those goods and services which are underproduced by the private sector. The expanded production of these goods and services would in turn create jobs. This alternative economic policy has become known as "public service employment."

Mr. President, I ask unanimous consent that the full text of this article, as well as a similar article which appeared in the November 5, 1972, New York Times Magazine be set forth at the end of my statement after the bill.

I believe that public service employment, as a viable alternative to the present welfare-training approach, should provide for job redesign and civil service reform to assure that entry and advancement in Civil Service are based on true merit and not on arbitrary standards and tests. Such standards are an integral feature of the bill which I am proposing. S. 793 also requires that PSE employees be paid the minimum wage, or the prevailing wage, whichever is higher.

Our experience with the Emergency Employment Act indicates that jobs cost an average of $7,200 each under that program. However, that bill is very restrictive, providing less than 4 percent funding for training or for administration. A continuing program would require, and my bill does authorize, expenditures for training, administration—kept to the minimum necessary—tools, and necessary supplies and equipment. Up to 15 percent of the total appropriation could be so expended, with an individual grant limit of 10 percent on expenditures for equipment and supplies.

Mr. President, in spite of the crisis currently being faced by the aerospace worker's family, the returned veteran, and those Americans living in the inner city or the rural backlands, and others, public service employment still has its critics. But these critics, in their desire to use the Government only as an employer of "last resort," refuse to admit to the possibility that our present economic system has any shortcomings. This blind allegiance to traditional economic and employment policies obscures the fact that there are just not enough jobs to go around.

It is my firm conviction that it is more important to create jobs than it is to train people for jobs that do not exist—than it is to spend nearly $20 billion on a welfare system with which no one is happy; not the recipients; not the taxpayer; not those who administer the faltering system. According to recent Social and Rehabilitation Services Administration figurse, less than one-fifth of the total welfare population fall into the so-called employable category—these are the approximately 3 million adult AFDC recipients. The vast portion of welfare recipients—four-fifths—are the aged, the blind and disabled, and children.

It is a cruel hoax on us all, but particularly on the unwilling victims of our anger and frustration at this unwieldy system. Those victimized are least able to protest: The aged, from whom welfare administrators—often forced by law and regulations of overeager legislators—strip the last shreds of dignity; the ill and disabled; and the 7.9 million children on welfare who live a reality of frustration, mistrust, and fear—the main ingredients of the welfare cycle.

GOVERNMENT EMPLOYMENT AND ECONOMIC POLICIES

Between the end of World War II and President Kennedy's administration, the problem was ignored. Under Kennedy, modern economics began to gain acceptance in Washington. Today, even a Republican President declares himself a Keynesian.

How have the new methods worked? They have had some success in stimulating the economy as a whole. But they have not been effective in fighting unemployment where it hurts the worst, among the young, the poor, the black, the Chicano, the Indian, the disadvantaged. They have not produced significantly more jobs; they have not produced a sufficient number of decent jobs; and they have contributed to a runaway inflation which has convinced even a President who had long spoken in classical economic terms of the advisability of wage and price controls.

In September of 1971, former Secretary of the Treasury, John Connally, suggested that perhaps 5 percent unemployment is the best we can do in peacetime. With our present work force, that would mean over 4 million Americans unemployed. As the work force grows in the coming years, it would mean still more unemployed. What does the administration suggest we do with these people: Stamp them surplus and put them in mothballs? Shall we place them on the permanent dole? Or should we just place them in the mail and hope that the U.S. Postal Corporation will lose them?

Former Secretary of Labor Hodgson once asked us to concentrate on the "doughnut and not the hole." He meant the doughnut of the rising number of jobs, not the hole of unemployment. However, taking this advice can be a disquieting experience—for while we watch the slow rise in the number of jobs, the hole gets big enough to fall in. In this Nation, over 2 million persons—new entries and reentries—are added to the labor force each year. We must run just to stand still.

Yet, in the final analysis, describing unemployment as a hole is apt. In 1971, Prof. Robert A. Gordon, of the University of California, told the Joint Economic Committee, unemployment is, indeed, a hole in the lives of millions of American workers.

EUROPEAN UNEMPLOYMENT RATES

Is it practical to ask that we do better? Perhaps it would be helpful to compare the American unemployment rates over the past few years with those of the industrial nations of northern Europe. The rates have been adjusted by the Bureau of Labor Statistics to reflect American techniques for the calculation of unemployment; so they represent a fair comparison:

	United States	West Germany	Sweden	Great Britain	France
1971	5.9	0.7	2.6	5.3	2.7
1970	4.9	.6	1.5	4.0	2.2
1965	4.5	.3	1.2	2.2	1.8
1961	6.7	.5	1.4	1.9	1.9

Why so great a disparity between their performance and ours? That is a crucial question. Arthur Schlesinger in his book, "A Thousand Days," tells of President Kennedy asking why it was that in England they march on Parliament when unemployment rises above 2 percent. In this country the rate hovers at 5 percent and nobody seems to care.

I do not pretend to have the answer to the question. We have included in our bill a research section directing the Secretary of Labor to look into the structural barriers in the American economy that makes achievement of full employment difficult and to compare this situation to relevant experience in other countries.

But I do know this. The callous attitude toward the unemployed displayed by all too many key leaders in the administration—and by all too many other Americans across the land who have not themselves come face to face with unemployment—plays a crucial role in our inability to defeat unemployment.

As long as the popular impression remains that a man without a job is a man who has failed some personal moral test rather than a person who, in many instances, is a victim of economic forces beyond his control; as long as so much of the Nation holds the small men and the poor personally responsible for the failures of the entire system, just so long will adequate public policy in employment and other crucial fields of social policy remain piecemeal and halfway measures.

THE NEED FOR PUBLIC SERVICES

If this Nation were now as prosperous in public goods—in housing and schools, in hospitals and transportation, in park land and recreation facilities—as some segments of our population are in the goods of private life, then perhaps it would be time to consider resting on our oars and sharing the leisure some enjoy.

But that is not the case. The Nation, in fact, is starved for many public goods in the midst of private opulence.

We need the mind and muscle and the hard, good work of all our citizens if we are to meet the enormous challenges of the last quarter of this century and if we are to make a highly technological and growing society a fit habitat for democratic man. We need full employment, not just to provide work and income to individuals, and to sustain their families, but to meet the Nation's needs which are not now being met.

The desperate need for better public services is too well known by all of us who seek a decent life for ourselves and our children in this crowded, impersonal society.

As long ago as 1963, the Commission on Automation and Technology urged public service employment as a manpower policy and documented the need for some 5.3 million jobs.

Greenleigh Associates, a respected firm of management consultants, on contract for the Office of Economic Opportunity, stated that there were at least 4.3 million jobs available in needed public services that could be performed by the unemployed.

The Kerner Commission, in the spring of 1968 when unemployment stood at 3.6 percent recommended an immediate program of 500,000 jobs based on the Greenleigh and Automation Commission estimates of potential jobs.

The Urban Coalition commissioned Dr. Harold L. Sheppard, of the W. E. Upjohn Institute, to survey the number of jobs available in large cities. He reported in January 1969, that there were some 240,000 jobs immediately available just in the cities of 100,000 population or more.

Meanwhile, with unemployment at 5 percent and the numbers of unemployed over 4 million, the demand for State and local services continues to expand.

A growing population requires additional services just to stay in place. If our cities are to be made decent places to live, rather than fearful places of want, crime and desperate flight to the suburbs, everyone who has looked closely at the problem has recognized that a substantial expansion of public services is needed.

The administration—while basing its full employment annual budgeting on the assumption that Government income would provide a surplus if the unemployment were down to 4 percent, has seriously suggested that the 4-percent level of unemployment is an unrealistic goal.

The President's Council of Economic Advisors has suggested that persistent high unemployment accompanied by rapid inflation has become a structural feature of the American economy.

If the pursuit of full employment through stimulation of the economy as a whole has failed as a policy, if we are reaching unacceptable levels of inflation before coming close to achieving full employment through expansionary economic policies, then the time has come to go beyond such traditional job-stimulation policy.

We must not despair of achieving full employment. We must find other means of achieving it.

A full employment policy at decent wage rates for decent jobs will require very broad scale economic and social policy. It will require very extensive programs, including economic growth strategies for depressed areas, funded at a level that promises success. It will require a new policy in housing construction and in transportation. It will require a higher minimum wage, and expanded training programs.

THE PRESENT ADMINISTRATION'S APPROACH

But such a broad strategy can only be planned and carried out by an administration that takes full employment as the highest domestic priority. An administration that sought for over 2 years to fight inflation by deliberately increasing unemployment may not be considered likely to undertake such a course. But this administration at times has sensed the inadequacies of its standard approaches.

In the summer of 1971, we had the privilege of welcoming the administration to our ranks in support of the Emergency Employment Act composed of the basic provisions which the President had strongly opposed during the winter and spring of 1971.

I very much hope that President Nixon will respond positively to this legislation. In any case, Congress cannot wait upon the initiatives of the White House.

We did not wait upon the White House in drafting and passing the Emergency Employment Act of 1971. The adminstration later boasted of that program. Although now, it requests no extension of it beyond this year.

In this Congress there has already been a strong and concerted outcry against the arbitrary imposition of Presidential authority, and the usurption of congressional authority by the Executive. I believe that the Congress will continue to be forceful and assert its rights and responsibilities to initiate essential policies on the domestic scene.

During the past 2 months I have received literally thousands of letters decrying the "benign neglect" reflected in the administration's fiscal year 1974 budget. At this point in my remarks, I would like to quote in full one such particularly insightful letter from a concerned Californian:

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT,
San Francisco, Calif., February 8, 1973.

Senator ALAN CRANSTON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CRANSTON: I was gratified to learn that you are leading the fight to restore the disastrous budget cuts in Great Society programs being recommended by the President. I want you to know that I fully support your efforts and will do everything possible to help.

It is unfortunate that the President has so misread the meaning of his second term election. It appears that he has overlooked the impressive Democratic Congressional and State house victories to arrive at a personal conclusion that the people mandated him to dictatorily run the country. However, the people have rather sensibly maintained the sensitive check and balance system which has been the basic foundation for our survival.

What this means for San Francisco is that the people have reinforced the need to continue the Great Society programs. These programs are paramount to the continuous struggle to save the city from becoming a decayed urban inner-core city. The problems of housing, employment and health must receive tremendous attention which goes way beyond the slick package called revenue sharing.

The voices of the people I listen to are radiating a very ominous and sinister subliminal roar of betrayel and helplessness. This is developing an increasing number of people who have feelings of being trapped, which becomes a potent time bomb. The atrocities of the riotous sixties have too soon been forgotten, but they will reappear in the civil war of the seventies.

None of us who were a part of those explosive situations are desirous of reliving them. To prevent a more devastating and lasting war, the message from the people that must be given to the decision makers in Washington is as follows.

We do not want cuts in the Great Society program. We want realistic increases in order to begin a serious assault on the problems of the cities. We recognize the necessity to revamp, revise and release some unworkable features, but we need to get committed to doing people-business as importantly as doing economic business. Failure to relate to this plea now will result in the hearing of more deafening cries at a later date.

Good luck in your mission. The people of the United States need it.

Sincerely,
THOMAS R. HENDERSON,
Assistant Director.

Mr. President, it is generally recognized that monetary and fiscal policy alone will not bring us to full employment. The President's Council on Economic Advisers stated on page 109 of its 1972 annual report:

> When unemployment is high, the development of additional jobs in areas of unmet public needs is possible and desirable. Initiation of the . . . Emergency Employment Act was a major step forward in this area.

The Council attributes much of our current unemployment—too much, I believe—to the larger percentage of teenagers and women now in the labor force.

The Council points out that unemployment, especially among these groups, has not responded, as economic theory would predict, to expansion of the general economy. The report stated:

> The persistence of this large difference (between unemployment rates for teenagers and those for married men) in both good times and bad suggests that factors other than lack of aggregate demand cause the differential.

It is my belief, Mr. President, that the nagging persistence of unemployment, not only for teenagers and women, but for blacks and browns, Indians and migrants, and all persons living in poverty communities in our inner-cities and rural areas, is the result of the structure of our economy.

The administration took official note of the seriousness of the underemployment problem. Congress, in extending authority to impose controls on the economy, required that no ceiling be imposed on pay raises given those who are paid a substandard wage. In 1972, the Cost of Living Council defined the level of substandard wage as any pay below $1.90 an hour. The fact is that 15 percent of the labor force—some 13.7 million Americans—now work for wages beneath that Cost of Living Council standard.

Last year, the Washington Post printed a story telling how the $1.90 an hour figure was reached. The Pay Board recognized that the Bureau of Labor Statistics low adequate budget—then $6,960, now revised to $7,214, for an urban family of four—represented a reasonable figure. The Pay Board lowered that figure to take into account tax cuts and other factors and recommended a substandard wage level of $2.20 an hour.

The Cost of Living Council lowered that figure to $1.90 an hour by calculating that there are an average of 1.7 workers in each American family. However, the fact of the matter is, that for poverty families there are only the equivalent of 0.88 full-time workers per family, so that substandard wage level ought to be considerably above the $2.20 level, if anything. Whatever the administration's calculations are, it is very significant that it has now officially recognized that the poverty line—now set at $4,200 a year for an urban family of four—is not a level of income adequate to support family life.

The Bureau of Labor Statistics' figure of $7,214 is based on an actual market basket of goods needed for an adequate life. The BLS low adequate budget figure comes much nearer to defining the true extent of poverty in this Nation than the commonly accepted "poverty line" indicator. Indeed, the Senate, in passing child development legislation last Congress in S. 3617, used the BLS figures to establish the level for free child-care services.

It is clear that, if we are to provide an adequate supply of jobs at decent wages to all Americans, the Government must undertake direct job-creation efforts.

We must continue the fine beginning we have made through the Emergency Employment Act. However, as important as EEA jobs are, I do not believe that they are even near enough—the over 200,000 jobs provided through EEA to date are merely a drop in the bucket. It is time to move beyond "transitional" programs and to begin seriously to consider ways of providing decent jobs and decent wages for all Americans who seek work.

PAYING FOR THE PROGRAM

Where would the money come from? In my opinion, full employment is this Nation's only hope if we are to avoid a society divided between the working citizens and a permanent welfare class. We cannot afford continued, everlasting high rates of unemployment. It is not a question of affording jobs. We cannot afford high unemployment.

The Nation needs full employment a great deal more than it needs the estimated $6 billion increased in the already swollen defense budget for fiscal year 1973. We have cut costs in Vietnam from a high in 1969 of $28.8 billion to an estimated $7.2 billion in the fiscal year 1973 budget. This, of course, does not reflect the costs of rehabilitation services, lost resources—human as well as actual—veteran's pensions and benefits, and the like—estimates go nearly as high as four times the $133 billion the war has cost in defense budget terms.

Prof. George Perry of the Brookings Institution estimates that a reduction in the unemployment rate from 5 percent to 4 percent would lead to an increase in Federal tax revenues of a minimum of $10 billion. The Joint Economic Committee's own estimates run as high as $15 billion. That alone could pay for the cost of this program.

Perry has pointed out to the Joint Economic Committee:

> Presently the GNP gap, estimated as the shortfall of actual from potential output at 4 percent unemployment, is nearly $80 billion. We would be giving up roughly $35 billion of the GNP if we settled for 5 percent unemployment target instead. That, in turn, represents a loss of more than $10 billion in federal revenues. In terms of budget programs, at the same set of tax rates, federal expenditures would have to be lower by about $15 billion in order to stabilize the economy at 5 percent rather than 4 percent unemployment.

While $10 billion of Federal spending for public services and job creation would not result directly in $10 billion in increased Federal revenues, the multiplier effect of the program would be very considerable, leading to substantial stimulation of the economy and very much higher tax revenues in subsequent years. Moreover, in many cases there would be very direct and substantial savings in welfare and institutional costs and supporting services as families are held together through the provision of job opportunity.

A REALISTIC SOLUTION

Is my proposal realistic?

In the 91st Congress, many did not take us seriously when Senator NELSON, chairman of the Employment, Manpower, and Poverty Subcommittee, I, and other members of the subcommittee, proposed a modest public service employment program as part of the comprehensive manpower legislation then being considered. In fact, the President vetoed the legislation after it had passed Congress largely because of its public service employment provisions. But within 6 months Congress had enacted an even larger, though still modest, public service employment program, and the President signed it into law.

Many months have passed. Various policies have been launched and tested. Yet we are still afflicted with an average unemployment rate of 5 percent.

Many questions remain to be answered. How much stimulation to State and local economies can we expect from a great local expansion of public service employment opportunities? In other words, what will be the multiplier effect in terms of job creation of providing funds for 1.15 million new jobs?

What is the proper mix of jobs on public payrolls and jobs with private agencies carrying out public service employment programs?

What percentage of the jobs ought to be allocated to teenagers, middle aged and older workers, minority groups, migrants, those on welfare, and other especially hard hit groups?

How can we best insure more movement of workers from public service employment jobs onto unsubsidized employment?

What measures can be taken to stimulate economic growth in poverty areas?

Much has been learned about public service employment through experience across the land in implementing the Emergency Act. We can profit from that experience in perfecting this new act.

However, the need for more public services and the need for more jobs is desperate. The need is now. The time to act is now.

CONCLUSION

America's promise of democracy and economic opportunity is not a promise for only some of its citizens. It is the promise to all.

Mr. President, for too long we have relied upon the vast natural resources of the country and the natural workings of the economy to meet our obligations for providing adequate employment opportunity. We can do so no longer.

To continue to rely on prescriptions of the past will be to divide this Nation into the separate worlds of the employed and satisfied, on the one hand, and the jobless and the resentful, on the other. It is long past the time when we must develop remedies equal to the seriousness of the problem. It is time for a true full employment strategy for the Nation.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a brief summary of the bill's provisions, followed by the full text of the bill, and the two articles which I referenced in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE PUBLIC SERVICE EMPLOYMENT ACT OF 1973—S. 793

S. 793 authorizes $3 billion for FY 73, $7 billion for FY 74, $10 billion in succeeding fiscal years for a national program of public service employment and a public service employment-economic development program in areas of severe unemployment. (The authorization for FY 1973 which is not fully realized in appropriations would remain available in FY 1974).

It is based on the good beginning made under the Emergency Employment Act of 1971. Under the EEA, states, cities, and counties across the country are successfully administering, under contract with the Labor Department, a $1 billion public service employment program with over 169,000 present employees.

But unemployment is over 4 million Americans. More than 11 percent of the workforce averaged an unemployment period of more than 27 weeks in 1972. Youth unemployment, in the first quarter of 1972, stood at 18%, the highest recorded since WW II. Unemployment for minority groups continues to be staggering. Unemployment for blacks stands at twice the national average.

At the $10 billion level, the bill would finance more than one million jobs ($7,210 average per job). The bill authorizes expenditure of 15 percent for training and the purchase of necessary equipment, the latter being limited to 10% of the allocation to any PSE applicant.

The bill reserves 25% of its funds for areas with unemployment over 6 percent, including areas as small as urban poverty neighborhoods, like Bedford-Stuyvesant, Watts and East Los Angeles. For these areas, the bill authorizes a new SEED program (Special Employment and Economic Development). The SEED program is designed to provide a coordinated program of immediate jobs and long-range economic development (including minority ownership and low-cost housing) to help poverty areas become more self-sufficient. Also, public services would be carried out in the depressed areas themselves, to the maximum feasible extent.

Under the Public Service Employment Act of 1973, states, cities and counties (and Indian tribes) seeking to operate public service employment programs would form public service employment councils, broadly representative of government, business, labor, veterans, the poverty community, community action agencies, model cities programs, and unemployed persons; and local public institutions likely to provide employment opportunities, such as education, health, public safety, conservation, sanitation and recreation representatives.

The PSE Councils would survey both the need for jobs and the need for expanded public services and assist in preparing the application for program funds.

Of the funds under the act, 80% would be allocated to states and localities on the basis of unemployment and low-income persons. The balance would be reserved to the Secretary to be distributed at his discretion (including amounts for research—including comparative studies of other counties' experience—pilot projects, evaluation, technical assistance, and special unemployment and underemployment surveys for state and local areas). If local governments do not adequately serve the area or its disadvantaged groups, or if governments agree to direct funding to local groups, direct funding would be permitted to community action agencies, model cities programs, or other non-profit agencies.

The bill also provides priority for Vietnam era veterans in job hiring—and assurances that aerospace workers, those on welfare, older persons, those of limited English-speaking ability, and other groups of the unemployed will receive a fair share of jobs. Special linkages with welfare agencies would be required. It also stresses upward mobility in jobs and the movement of individuals assisted in PSE jobs into jobs *not* funded under the PSE Act.

S. 793

A bill to provide public service employment opportunities for unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Service Employment Act of 1973".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. The Congress finds and declares that—

(1) continued intolerable levels of poverty in the Nation's cities and rural areas are in large measure the result of high levels of unemployment and underemployment in those areas;

(2) the Nation has failed to fulfill the commitment made twenty-five years ago in the Employment Act of 1946 to assure maximum levels of employment through public policy;

(3) the unmet need for adequate public services in urban and rural areas and the existence of unused and underused manpower resources in these same areas provide an opportunity for the Nation to solve both problems at the some time;

(4) high unemployment severely limits the work opportunities available to the general population, especially low-income persons, and migrants, persons of limited English-speaking ability, and others from socioeconomic backgrounds generally associated with substantial unemployment and underemployment;

(5) expanded work opportunities must keep pace with the increased number of persons in the labor force, including the many young persons who are entering the labor force, persons who have recently been separated from military service, and older persons who desire to remain in, enter, or reenter the labor force;

(6) with high unemployment, many low-income persons are unable to secure or retain employment, making it especially difficult to become self-supporting and thus increasing the number of welfare recipients;

(7) many of the persons who have become unemployed or underemployed as a result of technological changes or as a result of shifts in the pattern of Federal expenditures, as in the defense, aerospace, and construction industries, could usefully be employed in providing needed public services;

(8) it is appropriate to assist States and local communities to hire the unemployed to fill unmet needs for public services in such fields as environmental quality, health care and public health, housing and neighborhood improvements, recreation, education, public safety, maintenance of streets, parks, and other public facilities, rural development, transportation, beautification, conservation, crime and fire prevention and control, prison rehabilitation, and other fields of human betterment and public improvement.

It is therefore the purpose of this Act to provide such unemployed and underemployed persons with employment in jobs providing needed public services and appropriate training and related services.

DEFINITIONS

SEC. 3. (a) As used in this Act, the term—

(1) "Secretary" means the Secretary of Labor;

(2) "State" includes the several States and the District of Columbia, Puerto Rico, the Virgin Island, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "public service" includes, but is not limited to, work in such fields as environmental quality, health care, education, public safety, crime and fire prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, veterans outreach, and other fields of human betterment and community improvement;

(4) "health care" includes, but is not limited to, public health services and activities, preventive and clinical medical treatment, voluntary family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services;

(5) "veterans outreach" means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38;

(6) "unemployed persons" means—

(A) persons who are without jobs and who want and are available for work; and

(B) adults who or whose families receive food stamps or surplus commodities under the Agricultural Act of 1949 or the Food Stamp Act of 1964 or money payments under title I, IV, X, or XVI of the Social Security Act (1) who are determined by the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to be available for work, and (2) who are either (i) persons without jobs, or (ii) persons working in jobs providing insufficient income to enable such persons and their families to be self-supporting without welfare assistance;

and determinations under clause (A) shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed; and

(7) "underemployed persons" means—

(A) persons who are working part time but seeking full-time work;

(B) persons who are working full time but receiving wages below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.

(b) As used in section 11(c) of this Act, the term "area" means—

(1) where the applicant is an eligible unit of government or an Indian tribe, that geographical area over which the applicant exercises general political jurisdiction, or

(2) where the applicant is a public or private non-profit agency or institution serving any area within the jurisdiction of an eligible unit of government, that geographical area over which such unit of government exercises general political jurisdiction.

AUTHORIZED APPROPRIATIONS

SEC. 4. (a) There are authorized to be appropriated to carry out this Act $3,000,000,000 for the fiscal year ending June 30, 1972, $7,000,000,000 for the fiscal year ending June 30, 1973, and $10,000,000,000 for the fiscal year ending June 3, 1974, and for each fiscal year thereafter.

(b) The amount authorized to be appropriated for any fiscal year under subsection (a) shall be increased by any amount authorized to be appropriated for the preceding fiscal year which remains unappropriated at the end of such preceding fiscal year.

(c) Notwithstanding any other provision of law, any funds appropriated to carry out this Act which are not obligated and expended prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure until expended.

(d) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to the advance funding method of timing appropriation action, this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

FINANCIAL ASSISTANCE FOR PUBLIC SERVICE EMPLOYMENT PROGRAMS

SEC. 5. (a) The Secretary of Labor shall enter into arrangements with eligible applicants in accordance with the provisions of this Act for the purpose of providing financial assistance to public and private nonprofit agencies and institutions for the creation of jobs providing employment for unemployed or underemployed persons in carrying out needed public services.

(b) For the purpose of entering into arrangements with the Secretary under this Act, eligible applicants shall be—

(1) States, counties, cities, and other units or combinations of units of general local government which have established public service employment councils pursuant to plans approved by the Secretary under section 7 in order to carry out comprehensive public service employment programs; and

(2) other public and private nonprofit agencies and institutions (including community action agencies, model cities programs, community development corporations, Indian tribal organizations, and public service agencies and institutions of the Federal Government) when the Secretary determines that (A) the appropriate unit of government eligible under paragraph (1) of this subsection has agreed to such an arrangement, or (B) such unit has not submitted a plan under section 7 or an application for any fiscal year under section 8 which meets the purposes and provisions of this Act, or (C) an applicant described in this paragraph will carry out a public service employment program which more adequately meets the needs of a particular geographical area or community or population group in accordance with the purposes and provisions of this Act.

SPECIAL EMPLOYMENT AND ECONOMIC DEVELOPMENT ASSISTANCE

SEC. 6. (a) There is hereby established a special employment and economic development assistance program. The Secretary shall reserve 25 per centum of the appropriations under this Act for each fiscal year for the purpose of carrying out this section.

(b) The Secretary shall enter into arrangements with eligible applicants meeting the criteria set forth in subsection (c) in order to make financial assistance avialable, in accordance with the purposes and provisions of this Act, for the purpose of providing employment, for unemployed and underemployed persons residing in areas of substantial unemployment, in jobs providing needed public services, which shall be carried out to the maximum practicable extent, within such areas.

(c) For the purpose of this section—

(1) "area of substantial unemployment" means any geographical area of sufficient size

and scope to sustain a public service employment program under this Act and which has a rate of unemployment equal to or in excess of 6 per centum for three consecutive months and such an area shall continue to be deemed an area of substantial unemployment until the rate of unemployment has been less than 6 per centum, on the average, for the succeeding twelve months; and

(2) "eligible applicant" means any unit or combination of units of general local government or any public or private nonprofit agency or institution or Indian tribal organization which serves an area of substantial unemployment.

(d) In determining the rate of unemployment for the purposes of section (c) (1), persons who were, at the time of their employment under this Act, being counted as unemployed in determining such rate of unemployment shall continue to be so counted if they continue in such employment.

(e) Whenever the Secretary makes any determination required by subsection (c) (1) of this section, he shall promptly notify the Congress and shall publish such determination in the Federal Register.

(f) The Secretary is authorized to use not to exceed 20 per centum of the amounts available for carrying out this section for any fiscal year to provide financial assistance for economic development, low-cost housing, public works, and economic opportunity programs designed to assist in the long-range improvement of the economy of areas of substantial unemployment. The Secretary may provide financial assistance under this subsection only in accordance with criteria which shall be prescribed by the Secretary of Labor with the concurrence, as appropriate, of the Secretary of Housing and Urban Development, the Secretary of Commerce, and the Director of the Office of Economic Opportunity.

PUBLIC SERVICE EMPLOYMENT COUNCILS

SEC. 7. (a) Any State, county, city, or other unit or combination of units of general local government which desires to be an eligible applicant in order to enter into arrangements with the Secretary under any provision of this Act shall submit to the Secretary a plan for the establishment of a public service employment council which shall—

(1) provide that the chief executive officer or governing body of the unit or units of government establishing such council shall appoint the members of the council and shall designate one member to be chairman;

(2) provide that the council shall consist of an equal number of members representing each of the following groups—

(A) community organizations, including community action agencies, model cities programs, the public employment service, education and training institutions, veterans organizations, and business and labor;

(B) job and service providers, including health, education, environmental quality, child care, recreation, public safety, and social service agencies;

(C) organizations representing low-income persons and other significant segments of the population to be served in accordance with the purposes of this Act;

(3) provide that the chairman of the council shall, with the approval of the council, appoint a staff director who shall supervise professional, technical, and clerical staff serving the council;

(4) set forth procedures under which applications for financial assistance for any fiscal year will be submitted by the applicant which shall be responsible for planning and carrying out services for which financial assistance is provided under this Act, and under which appropriate arrangements will be made for the council's participation in the planning and development of such applications;

(5) set forth the council's plans for conducting, on a continuing basis, surveys and analyses of unemployment and underemployment and needs for public services in the geographical area served by the council, to be used in the development of applications for assistance under this Act;

(6) set forth arrangements assuring that community action agencies, model cities programs, and other appropriate community organizations, will be involved in the development of applications for financial assistance under this Act;

(7) set forth the council's plans for evaluating the effectiveness of programs for which financial assistance is provided under this Act and for periodically reporting full statistical data to the Secretary for such programs; and

(8) describe the geographical area to be served by the council.

(b) The Secretary shall approve plans submitted by units of government under subsection (a) which are consistent with the purposes and provisions of this title and meet the requirements of subsection (a). A plan submitted by a unit of government may be disapproved only if the Secretary, in accordance with regulaitons which he shall prescribe, has provided—

(1) written notice of intention to disapprove such plan, including a statement of the reasons therefor;

(2) a reasonable time to submit corrective amendments to such plan; and

(3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

(c) The Secretary shall make available not more than 1 per centum of the sums appropriated to carry out this Act for the purpose of paying such amounts as may be reasonably necessary to cover the staff and other administrative expenses of the councils established pursuant to subsection (a). The amount made available for the purposes of this subsection shall be allocated from the funds available to the Secretary under paragraph (2) and section 9(a).

APPLICATIONS

SEC. 8. (a) Financial assistance under this Act may be provided by the Secretary only pursuant to an application from an eligible applicant approved by the Secretary in accordance with the purposes and provisions of this Act. Such application shall set forth a public service employment program designed to create jobs providing employment for unemployed and underemployed persons in carrying out needed public services.

(b) An application for financial assistance for a public service employment program under this title shall include provisions setting forth—

(1) assurances that the activities and services for which assistance is sought under this title will be administered by or under the supervision of the applicant, identifying any agency or agencies designated to carry out such activities or services under such supervision;

(2) a description of the geographical area to be served by such programs, and a plan for serving on an equitable basis the significant segments of the population to be served, including data indicating the total number, and the number in each such segment, of unemployed and underemployed persons and their income and employment status;

(3) a description of the methods to be used to recruit, select, and orient unemployed and underemployed persons, including specific eligibility criteria, and programs to prepare such persons for their job responsibilities, including a description of the special methods to be used to acquaint such persons of limited English-speaking ability with the availability of such programs;

(4) a description of unmet public service needs and a statement of priorities among such needs;

(5) a description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired, and the approximate duration for which participants would be assigned to such jobs;

(6) the wages or salaries to be paid participants and a comparison with the prevailing wages in the area for similar work;

(7) the education, training, and supportive services (including counseling and health care services) which complement and enhance the work performed;

(8) the planning for and training of supervisory personnel in working with participants;

(9) a description of career opportunities and job advancement potentialities for participants;

(10) an indication of the full participation and maximum cooperation among local public officials, area residents, and representatives of private organizations in the development of the program and a description of their respective roles in the conduct and administration of the program;

(11) assurances that public service employment opportunities will be provided on an equitable basis among significant segments of the population of unemployed and underemployed persons whom it is the purpose of this Act to assist;

(12) assurances that priority in filling public service jobs will be given to unemployed or underemployed persons who served in the active military, naval, or air service (as that term is defined in title 38, United States Code) on or after August 5, 1964, in accordance with criteria established by the Secretary (and who have received other than dishonorable discharges); and that the applicant shall (A) in conjunction with the veterans outreach program, make a special effort to acquaint such individuals with the program, and (B) coordinate efforts on behalf of such persons with those authorized by chapter 41 of title 38, United States Code (relating to job counseling and employment service for veterans), or carried out by other public or private organizations or agencies;

(13) that agencies and institutions to whom financial assistance is made available under this Act have undertaken analyses of job descriptions and reevaluations and, where shown necessary, revisions of qualification requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations prescribed by the Secretary, with a view toward removing artificial barriers and achieving an equitable distribution of jobs for those whom it is the purpose of this Act to assist;

(14) assurances that due consideration will be given to persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available;

(15) assurances that the applicant will maintain or provide appropriate linkages with manpower programs for the purpose of (A) providing those persons employed in public service jobs assisted under this Act who want to pursue work with the employer, in the same or a similar field of work, with opportunities to do so and to find careers with maximum upward mobility in that field, and (B) providing those persons so employed who do not wish to pursue such work with opportunities to seek, prepare for, and obtain other work;

(16) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among unemployed and underemployed persons;

(17) assurances that special consideration will be given to employing welfare recipients who want and are available for work and that appropriate linkages will be established and maintained with welfare agencies and with other programs making special efforts to assist welfare recipients to become self-sufficient;

(18) assurances that special consideration will be given to employing persons who have become unemployed as a result of technological changes or as result of shifts in the pattern of Federal expenditures, including unemployed defense, aerospace, and construction workers;

(19) such other assurances, arrangements, and conditions, consistent with the purposes and provisions of this Act, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe.

(c) Programs assisted under this Act shall, to the extent feasible, be designed with a view toward enabling individuals to move into public or private employment or training not assisted under this Act, and toward—

(1) developing new careers, or

(2) providing opportunities for career advancement, or

(3) providing opportunities for continued training, including on-the-job training.

(d) An application, or modification or amendment thereof, for financial assistance under this title, may be approved only if the Secretary determines that—

(1) the application is consistent with the purposes and provisions of this Act;

(2) the application meets the requirements set forth in this section;

(3) an opportunity has been provided to the appropriate community action agency, model cities program, and organizations representing significant segments of the population to be served in the area to be served to submit comments with respect to the application to the applicant and to the Secretary;

(4) the approvable request for funds does not exceed 90 per centum of the cost of carrying out the program proposed in such application, unless the Secretary determines that special circumstances warrant the waiver of this requirement.

Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

ALLOCATION OF FUNDS

SEC. 9. (a) The amount appropriated under section 4 of this Act for any fiscal year shall be allocated by the Secretary in such a manner that of such amounts—

(1) not less than 80 per centum shall be apportioned among the States in an equitable manner, taking into consideration the proportion which the total number of unemployed and low-income persons in each such State bears to the total number of such persons, respectively, in the United States, but not less than $1,500,000 shall be apportioned to any State, except that not less than $1,500,000 shall be apportioned among the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

(2) the remainder shall be available as the Secretary deems appropriate to carry out the purposes of this Act.

(b) The amount apportioned to each State under clause (1) of subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration the proportion which the total number of unemployed and low-income persons in each such area bears to the total number of such persons, respectively, in that State.

(c) As soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsections (a) (1) and (b) of this section.

TRAINING AND RELATED SERVICES

SEC. 10. For the purpose of providing training and related services, and the acquisition or the rental or leasing of supplies, equipment, materials, and real property necessary to enable persons to be employed in public service employment programs assisted under this Act, the Secretary shall utilize, in addition to any funds otherwise available under federally supported manpower programs, not to exceed 15 per centum of the amounts appropriated under this Act for each fiscal year.

SPECIAL PROVISIONS

SEC. 11. (a) The Secretary shall not provide financial assistance for any program or activity under this Act unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) the program (A) will result in an increase in employment opportunities over those which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed, and (D) will not substitute public service jobs for other federally assisted jobs;

(2) persons employed in public service jobs assisted under this Act shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(3) funds under this Act will not be used to pay persons employed in public service jobs under this Act at a rate in excess of $12,000 per year;

(4) all persons employed in public service jobs assisted under this Act will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits at the same levels and to the same extent as other employees of the employer and to the same working conditions and promotional opportunities as such other employees enjoy;

(5) the provisions of section 2(a)(3) of Public Law 89-286 (relating to health and safety conditions) shall apply to such program or activity;

(6) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(7) not to exceed 10 per centum of the funds available for any program under this Act will be used for the acquisition or the rental or leasing of supplies, equipment, materials, or real property; and

(8) every participant shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) Consistent with the provisions of this Act, the Secretary shall make financial assistance under this Act available in such a manner that, to the extent practicable, public service employment opportunities will be available on an equitable basis among significant segments of the population of unemployed and underemployed persons whom it is the purpose of this Act to assist, giving consideration to the relative numbers of unemployed and underemployed persons in each such segment.

(c) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under any program for which an application is being developed for submission under this Act, such organization shall be notified and afforded a reasonable period of time in which to make comments to the applicant and to the Secretary.

(d) The Secretary shall prescribe regulations to assure that programs under this Act have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and such other policies, consistent with the purposes and provisions of this title, as may be necessary to promote the effective use of funds.

(e) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

(f) The Secretary shall not provide financial assistance for any program under this Act unless he determines, in accordance with regulations which he shall prescribe, that periodic reports will be submitted to him containing data designed to enable the Secretary and the Congress to measure the relative and, where programs can be compared appropriately, comparative effectiveness of the programs authorized under this Act and other federally supported manpower programs. Such data shall include information on—

(1) characteristics of participants including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in employment situations, including information on the duration of employment of program participants for at least a year following the termination of participation in federally assisted programs and comparable information on other employees or trainees of participating employers; and

(3) total dollar cost per participant, including breakdowns, between wages, training, and supportive services, all fringe benefits, and administrative costs.

The Secretary shall compile such information on a labor market, State, regional, and national basis and shall include such information in the report required by section 13 of this Act.

(g) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(h) The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities for purposes which contravene chapter 15 of title 5, United States Code.

(i) The Secretary shall not provide financial assistance for any program under this Act unless he determines that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(j) Programs assisted under this title shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service requirements which restrict employment opportunities for the disadvantaged and for significant segments of the population whom it is the purpose of this Act to assist.

LEGAL AUTHORITY

SEC. 12. Rules, regulations, guidelines, and other published interpretations or orders issued by the Department of Labor, or any official thereof, in connection with or affecting the administration of any authority under this Act shall contain, immediately following each substantive provision of such rules, regulations, guidelines, interpretations, or orders, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based.

SPECIAL REPORT

SEC. 13. The Secretary shall transmit to the Congress at least annually a detailed report setting forth the activities conducted under this Act, including information derived from evaluations required by this Act and information (1) on the extent to which participants in such activities subsequently secure and retain public or private employment or participate in training or employability development programs, and (2) the extent to which segments of the population of unemployed and underemployed persons are provided public service employment opportunities in accordance with the purposes of this Act.

TECHNICAL ASSISTANCE AND EVALUATION

SEC. 14. From funds available to the Secretary under paragraph (2) of section 9(a) for each fiscal year, the Secretary shall reserve such amount, not to exceed 1 per centum, as he deems necessary to provide for technical assistance to eligible applicants seeking to comply with the requirements of this Act and a continuing evaluation of programs assisted under this Act and their impact on related programs.

RESEARCH

SEC. 15. The Secretary shall carry out a program of research and pilot projects into alternative ways and means to reach full employment defined as job opportunities at adequate wages for all those able and willing to work, including analyses of structural and other barriers to achieving such full employment, including a comparative analysis of the employment and poverty experience of other countries. The Secretary shall transmit the results of research efforts under this section to the Congress and make them readily available to the general public. For the purposes of this section, not to exceed $50,000,000 shall be reserved from funds available to the Secretary under paragraph (2) of section 9 (a) for each fiscal year ending prior to June 30, 1975.

LABOR MARKET INFORMATION

SEC. 16. (a) In addition to the monthly national unemployment statistics, the Secretary shall gather by survey and publish on a regular basis data on unemployment, underemployment, and job vacancies by State, labor market area, rural area, and city and poverty neighborhoods.

(b) For purposes of this section, underemployment shall include persons who have part-time work but desire full-time work, discouraged workers not in the labor force, and persons earning less than the Federal minimum wage. Separate data shall be collected and compiled showing the total number of persons earning wages at levels lower than that sufficient to provide an annual income at the level of the lower living standard budget for a family of four (adjusted for regional, metropolitan, urban, and rural differences), as determined annually by the Bureau of Labor Statistics of the Department of Labor.

(c) Vacancy data shall include information on (1) how many unfilled jobs are available in the economy, by industry and occupation, (2) what are the capability requirements of such jobs, (3) salaries, wages, and other benefits of such jobs, (4) where jobs are located, and (5) how many and what kind of jobs remain unfilled for sixty days and for ninety days. To develop such data, the Secretary is authorized to require that all job vacancies be reported to the Department of Labor.

(d) Not to exceed 1 per centum of the funds available to the Secretary under paragraph (2) of section 9(a) for each fiscal year shall be available for the purpose of carrying out this section.

ACCEPTANCE OF FUNDS

SEC. 17. The Secretary is authorized to accept and utilize in carrying out the purposes and provisions of this Act funds appropriated to carry out other provisions of Federal law if such funds are utilized for the purposes for which they are specifically authorized and appropriated.

[From the New Republic, Nov. 4, 1972]

GOVERNMENT AS THE EMPLOYER OF FIRST RESORT—PUBLIC JOBS, PUBLIC NEEDS

(By Bennett Harrison, Harold L. Sheppard and William J. Spring)

The authors are associated with the University of Maryland, the W. E. Upjohn Institute for Employment and the U.S. Senate subcommittee on employment, manpower and poverty, respectively. Their book on "The Political Economy of Public Service Employment" was recently published by Heath-Lexington

George McGovern's economic and urban affairs advisers have belatedly discovered the potential and need for a full-fledged program of public services to reduce unemployment and get done many things left undone by private enterprise. President Nixon meanwhile promises a second term of reduced government spending, and his Office of Management and Budget has killed the small existing Public Employment Program that gives jobs to about 150,000 people. Here then is one major issue on which the candidates differ. No matter who sits in the White House next January 20, it's an issue that will not die.

When Martin Luther King led the March on Washington in 1963, he called for "freedom and jobs." Jobs at decent wages, he said, would eliminate poverty and reduce inequality. He was right, but his prescription was ignored by those who developed and subsequently administered the war on poverty. We are still paying the price of their ignorance. Persistent poverty and underemployment are directly attributable to the conviction—among Democrats and Republicans—that those who cannot "make it" in our labor markets are unable to work at all, or lack the skill, drive and motivation needed to earn an adequate living.

Welfare ("income transfer") programs are addressed primarily to the first group; they are based on the political decision to provide some (small) measure of distributive justice for the very young, the very old, the disabled, and those whose family responsibilities make it undesirable (in the opinion of the policy makers) to have them participate in the world of work. The social service and manpower development programs are concerned with the second group; they try to overcome "working poverty" by improving the skills, abilities, and attitudes of low-income workers, thus making them more "employable."

"Negative income tax" proposals recognize the substantial overlap between the two groups of disadvantaged citizens, but they then recommended a mix of welfare and job training programs with graduated incentives to induce people to move voluntarily "from the welfare rolls to the payrolls."

Both sets of policies assume that the economy generates a sufficient number of jobs (except perhaps during recessions) to accommodate all who want to work, and that a worker with a full-time job will earn enough to support his or her family at or above a *socially* defined adequate level.

Both assumptions are incorrect. Even in 1966, when we had what was conventionally accepted as "full employment"—less than four percent joblessness—people in the inner city ghettos studied by the US Department of Labor in its first Urban Employment Survey had "subemployment" rates averaging 33 percent. Again in 1970, the Census Bureau's employment survey in 51 central cities and nine rural counties enabled the Senate subcommittee on employment, manpower and poverty to estimate that one out of three low-income area workers was *subemployed;* that means, out of work, employed at poverty wages, locked involuntarily into a part-time job, or so discouraged by repeated failure to find a decent job that he or she had finally stopped looking altogether. *National* subemployment during the late 1960s may have been as high as 10 percent.

Recent and forthcoming studies by a number of social scientists report the failure of the education, training and welfare policies of the 1960s to reduce significantly the poverty and underemployment of millions for whom the labor market still does not provide an exit from the American underclass. In 1970, there were still over 11 million who work 35-40 hour weeks—many of them not year-round—but who were officially "poor." The number of full-time *year-round* workers whose wages fell below the Bureau of Labor Statistics' Recommended Lower Level Budget for an Urban Family of Four Persons ($7000 in 1970) was 10.9 million—30 percent of our labor force. Especially for nonwhite workers, schools do not seem to reduce inequality; job training programs recycle their graduates back into the same kinds of low-wage, unskilled work they had held prior to training. And supplemental welfare payments serve more to subsidize the employers than enable the workers and their families to reach a decent living standard. There's nothing the matter with *their* "work ethic." The problem is with the economics and ethics of their industries. It is often assumed that those who stay poor despite expensive efforts to educate and train them really don't *want* to work. Researchers are finding, however, that poor motivation is at least as much the *result* of frustrated job expectations and entrapment in the "secondary labor market" as it is the cause of such immobility. This spills over into the controversy surrounding female-headed—especially black—urban households. Unstable family structure may be not only a cause of welfare dependency, but also a result of a woman's sensible caution about the support-reliability of the men in her circle, resulting in a need to depend on welfare, a need created by the inability of large numbers of urban black men (not all of them) to support families on the indecently low wages paid by employers in that part of the labor market to which they are confined.

The burden of our argument is that we need a strategy in place of, or in addition to, the present welfare/training approach to poverty and underemployment, one that allows funds to be used *selectively* to expand the output of those goods and services which are underproduced by the private sector. The expanded production of these goods and services would in turn create jobs. This alternative economic policy has become known as "public service employment."

The term is unfortunate. The things which a private sector systematically underproduces include goods (such as "clean" automobile engines) as well as services (such as fire protection). Moreover, the "publicness" of production derives not from the fact that government does the producing (many "public goods" are produced by private companies—

and should be), but from the fact that private companies will not automatically supply adequate quantities of the publicly needed items. Without subsidies, it is not profitable for them to do so.

The term "public service employment" also has the stigma of "make-work," "boondoggling," and this has misled many to interpret it as a program of "government as employer of last resort." Even if one thinks that publicly subsidized job creation should be undertaken only during recessions, it is nonsense to argue that the things which can only be produced by governments or with the help of government subsidies—police protection, air pollution control, public health, mass transit, to name but a few—are not needed or wanted except when the economy is depressed!

The existence of "public goods"—things which privately organized markets systematically undersupply to consumers (even those with adequate incomes)—has been known to economists for at least 20 years. The growing imbalance between the production of "public" and "private" goods and services is the central theme of the work of John Kenneth Galbraith. Yet those who make our national economic policy (and nearly all who advise them), while they see and measure private affluence, are blind to the indicators of public poverty. Or worse, they act as if they believed improvements in public services are only expenditures, never investments in greater national individual well-being.

Modest as it is, a current public employment program took nearly a decade to enact. The history is worth recalling. In 1964 Senator Gaylord Nelson (D, Wisc.) introduced a bill to finance $1 billion worth of jobs in conservation through a nickel a pack increase in the cigarette tax. Sargent Shriver's five-year budget projections for OEO included $3 billion for public service jobs. In 1966, the National Commission on Automation recommended creation of 5.3 million public service "last resort" jobs in order to cushion the impact of what was then perceived to be a technological "twist" in the private sector, away from tasks using unskilled labor. (Ivar Berg and Bennett Harrison have since shown that this fear is exaggerated; it is the credential and experience requirements demanded by *employers* that have become inflated, not so much the technical sophistication of the jobs themselves.)

Then, after the "long, hot summer" of 1967, Senator Joseph Clark and Robert Kennedy, along with Jacob Javits, reported out a modest Emergency Employment Act to provide work (and income) for the poor. It was strongly opposed, especially by the Johnson administration, which argued that with a national unemployment rate of only 3.6 percent, there were surely enough jobs already for "those who really want to work." The Clark-Kennedy bill never reached a vote; a Republican-sponsored, watered-down version was defeated by five votes.

In 1968, in cooperation with the Conference of Mayors, the National Urban Coalition commissioned a study to determine the net new jobs in a dozen categories of public services that could be created in cities of 100,000 or larger if new funds were available. In these cities alone, and at a conservative estimate, 300,000 new positions could have been created, ranging from semi-skilled to skilled and professional. The rub was that the cities did not have the revenues to provide them.

The recession of 1970–71 and the high unemployment of such politically articulate (or at least highly visible) groups as returning Vietnam veterans and aerospace workers, put new life into the idea of a public employment program. By the fall of 1970 it had been endorsed by the National Urban Coalition, the AFL–CIO, and the National Conference of Mayors, and the employment and Manpower Act of 1970, containing a $2 billion authorization for public job development, passed both houses by a wide margin. The President vetoed the bill in December, arguing that it would create only "make-work WPA-type" jobs. Public jobs, said the President, are less "real" than private jobs.

A month later, January 1971, the Labor Department released its estimate of the December unemployment rate: six percent. Perhaps this figure carries some of the symbolic power for Americans that unemployment rates of three percent seem to carry in European nations. In any case, some political response was now mandatory. So when Senator Nelson again introduced public employment legislation (tailored to meet Nixon's objections to a "permanent" program, with a "trigger" mechanism so that the program would operate only when national unemployment exceeded 4.5 percent and would shut off when it fell below that threshold), even the minority leader in the Senate backed it, and in August of last year, the Emergency Employment Act became law. It provided $1 billion a year to state and local governments to create jobs for the unemployed and underemployed, with preference to be given to veterans.

What has happened? About 150,000 jobs have been created under the provisions of the EEA. But nearly five million people are still out of work, and at least 20 million more are underemployed. Recognizing the inadequacy of the present program, Senator Alan Cranston (D, Calif.) this spring introduced legislation for a $10 billion annual public employment program, tied not to the increasingly ambiguous unemployment rate, but to the national need for jobs at decent wages and an adequate supply of public goods and services. And last month, Senator McGovern suggested creating one million public service jobs, as an alternative to the perpetration of welfare dependency for those able to work. In hearings held before the Senate manpower subcommittee in April, four economists—Galbraith (Harvard), Robert A. Gordon (Berkeley), William Fellner (Yale) and Bennett Harrison (Maryland) arrived at remarkably similar forecasts of the probable impact of such legislation. The following estimates are based on their testimony.

Ten billion dollars at $8000 per job (including overhead and capital equipment where needed) would create 1.25 million jobs. According to recent evaluations of the Emergency Employment Act operations, and contrary to initial misgivings, only about 15 of every 100 subsidized jobs are filled locally by someone who was *previously* employed by the city. Thus, the $10 billion would actually result in a *net* increase of one million new jobs.

The Bureau of Labor Statistics estimates that a million new state and local government jobs will generate about 400,000 additional *private* sector jobs, through local government purchases of supplies and services from local businesses, construction contractors, etc. From 1962 through 1971, employment in the private sector *actually* created by state and local government purchases of goods and services expanded by 58 percent, while jobs overall increased by only 19 percent. The purchasing power of these 1.4 million workers will create about 600,000 *additional* jobs over the succeeding 18–24 months, for a total of two million jobs in all. We don't know for sure how and where these jobs would be allocated, but if we apply the current average mix in the economy (roughly four-fifths private, one-fifth public), then 480,000 of these additional jobs will be in the private sector, with another 120,000 government jobs (as governments at all levels expand certain activities *without* subsidies in order to meet the increased effective demand of citizens whose incomes have already risen, due to the subsidized program).

What we're projecting, therefore, is that a $10 billion federal investment would create one million jobs in state and local government, 880,000 jobs in private industry and 120,000 additional public sector jobs, spread over the federal, state and local levels. If half of the initial ("planned") one million jobs are reserved for people now getting unemployment compensation and/or welfare (at $2000 per person), then the US Treasury will save one billion dollars a year. Assume also that 20 percent of the other million jobs are (through a combination of federal pressure, presidential exhortation and local political organizing) allocated to such citizens, there's an additional Treasury saving of $400 million. The overall net saving in unemployment insurance and welfare payments might reach $1.4 billion per year.

Most econometricians believe that an extra $10 billion of deficit spending will bring $20 billion of additional gross national product. Given the average effective federal tax rate of 20 percent from all sources of income, this investment would return an annual flow of some $4 billion to the Treasury. The net social cost of a $10 billion annual program after 18–24 months (assuming deficit financing) would be only $4.6 billion ($10 billion minus $5.4 billion). The net benefits would be two million additional jobs at nonpoverty wages, $20 billion in additional GNP, and the added public goods and services that 1.12 million additional public employees could produce.

Economic forecasts, especially those based on simple averages rather than detailed models, are always subject to wide margins of error. Moreover, there is a real trade-off between two important results of the policy we have outlined; the number of jobs developed and the degree of training imparted on the job. The greater the latter, the higher the overhead costs, so that for a given expenditure (such as $10 billion per year), the fewer will be the number of jobs created Nevertheless, a forecast of $4.6 billion cost for a return of 2 million jobs and $20 billion in additional goods and services (most of them "public" in nature) seems reasonable.

If that were achieved, the national unemployment rate would have been cut nearly in half. Its impact on underemployment would be much smaller (although existing low-wage private sector workers might find their competitive position improved somewhat by the expanded demand for unskilled labor in th public sector). But it would be a powerful start on "reordering of priorities."

A public employment program could be usefully combined with many other economic and manpower development policies. In 1970, the Supreme Court rule (in *Griggs v. Duke Power Co.*) that educational credentials and written examination scores could not longer be used by employers as hiring instruments unless they could be shown to to be statistically "valid," that is, significantly predictive of success on the job. The government might usefully combine a large-scale public employment program (which creates enough jobs to be able to allocate at least a portion to many different income and racial ethnic groups with a concerted effort at real civil service reform, aimed at eliminating the "credential barrier" that now locks so many disadvantaged workers out of government jobs.

Administrators of the public service employment program could give much needed help to the community control/local economic development movement which is growing in black and white areas (rural as well as urban) by allowing Model Cities and Community Action agencies, community development corporations and rural cooperatives to become "prime sponsors" of federal job development grants. In this way, ghetto and poverty area residents would be employed to produce and deliver public services to the residents of *their* communities and to rebuild the "infrastructure"—streets, lighting, power lines, sewers, subways—of *their* cities and towns.

Finally, planners might—and, we think, should—build into the employment program *from the start* a carefully structured on-the-job training component, so that those who are hired will be prepared (although not forced) to move "up and out" as other opportunities present themselves. This would also help to avoid inflationary bottleneck which could be created by a shortage of skilled labor as the employment program drove the unemployment rate down below four percent.

A public service employment program of the scale proposed here would represent a qualitative shift of emphasis. Part of the "blame" for personal misery, frustration and lack of fulfillment would be shifted from the individual to the economic system, where it belongs. We would be moving in the right direction—the direction indicated so long ago at the base of the Washington Monument by Martin Luther King.

NOVEMBER 1, 1972.

LETTER TO THE EDITOR,
New Republic,
Washington, D.C.

DEAR EDITOR: There are two errors contained in our recent article "Public Jobs/Public Needs", (NR November 4, 1972). We would like to take this opportunity to correct them.

The number of full time year round workers whose wages fell below $7,000 in 1970 was indeed 10.9 million but this is 30 percent of the full time year round labor force not the total labor force.

The forecast that a 10 billion public employment program a la Cranston would (with a multiplier of 2) "cut unemployment nearly in half" is also incorrect. Two million extra jobs would surely have a sizable impact on the unemployment rate, but the precise effect is hard to forecast since—as new jobs are generated by a growing economy—more people enter the labor force in search of work. If public employment is implemented without complimentary expansionist fiscal and monetary policies (or if accompanied by "compensatory budget cutbacks" or offsetting taxes) then its net effect on overall unemployment could be virtually nil. That is why we stipulate "deficit spending" as a means of financing the Cranston program.

Sincerely yours,

BENNETT HARRISON,
HAROLD SHEPPARD,
WILLIAM SPRING.

[From the New York Times Magazine, Nov. 5, 1972]

CRISIS OF THE UNDEREMPLOYED—IN MUCH OF THE INNER CITY 60% DON'T EARN ENOUGH FOR A DECENT STANDARD OF LIVING

(By William Spring, Bennett Harrison and Thomas Vietorisz)

What is wrong with the economies of America's big cities is at best poorly measured by the conventional unemployment rate published monthly by the U.S. Department of Labor and dutifully reported in the press and on television. The problem is that even those who work—or a very large proportion of them—do not and cannot earn enough money to support their families. They work for a living but not for a living wage. Many have long known this fact; certainly, the poor themselves. Now we have documentary evidence that will help bring the picture into focus for others. This lack of perception, this inability of the nation to understand the nature of the problem itself helps to explain our failure to come to the rescue of the cities.

The evidence consists of startling findings now available from surveys conducted by the Census Bureau in 51 urban areas as part of the 1970 Census, findings that should eventually lead to better solutions than welfare or income maintenance and should in the long run contribute substantially to the nation's over-all economic prosperity.

Within the neighborhoods covered by these surveys, more than 60 per cent of all workers did not earn enough to maintain a decent standard of living for their families, and 30 per cent could not even earn a poverty-level income. Of course, many of these areas are among the most depressed portions of the city, and do not represent the whole. If half of the entire city population were earning less than subsistence, what is now a crisis would long ago have become a catastrophe. But the samples cover much more than the misery in the ghetto proper. They report on conditions that affect at least a third of the total city population. Thirteen million people in all live in the areas surveyed, 49.5 per cent of them black; 47.9 per cent white, including 11.8 per cent of Spanish background; and 2.6 per cent of other racial or ethnic origin. The figures reveal economic conditions of a submerged group that spreads out from the black and brown ghettos into the neighborhoods of the white working class.

The basic findings emerge from an analysis of the Census Employmnet Survey (C.E.S.), designed by the Bureau of Labor Statistics (B.L.S.). Some 68 volumes of raw statistics from the C.E.S. have been published, but the Administration has chosen not to analyze the numbers, or even to calculate the simplest indexes of economic well-being for these 51 cities. Consequently, the staff of and consultants to Senator Gaylord Nelson's Subcommittee on Employment, Manpower and Poverty have undertaken the task of digging through these invaluable statistics to develop a picture of the state of the inner-city economy in 1970. This effort has culminated in the measurement of "subemployment"—the key to understanding what the urban crisis is all about.

UNEMPLOYMENT—SUBEMPLOYMENT

The development of the new subemployment concept began in 1966 when former Secretary of Labor Willard Wirtz decided to take a close look at the relation between the job market and poverty in the nation's inner cities. His staff conducted door-to-door sample interviewers in 10 ghettos in eight major cities. In 1967 the B.L.S. set up a task force under the direction of William Milligan to carry on research in a number of large ghettos. The team experimented with new ways of interviewing the poor, new kinds of questions, new insights from academic research, and it made use of the experience gained in administering the 1966 survey. In 1970, Milligan's group managed to have its questionnaire added to the regular Decennial Census form in 51 large cities and 9 rural counties. (Shortly after completing its work on the survey, the group was disbanded by the Nixon Administration.)

The failure of the social and economic system to provide people with adequate wages is hidden from view under the surface of traditional unemployment statistics. These statistics are excellent for measuring fluctuations in the economy but they do not go far enough as measures of the labor market. To gauge the degree of labor-market failure, it is necessary to know not only the magnitude of overt unemployment, but also the extent of worker discouragement ("discouraged workers" are those who have given up looking for jobs); the number of people who can find only part-time work; and the number who hold jobs but at inadequate pay. The subemployment index attempts to encompass all these factors.

In 1970, nationwide unemployment amounted to 4.9 per cent of the labor force (since then, it has hovered close to the 6 per cent mark month after month). In the C.E.S. central-city survey areas, the unemployment rate in 1970 was 9.6 per cent. This is very high. In France, the labor unions took to the streets last February when unemployment reached 2.6 per cent. But as high as it is here, the employment rate alone falls far short of revealing the full extent of urban crisis. When we look at the official definition of unemployment, we note that one cannot be "unemployed" unless one is currently looking for a job. It does not count those people who have given up looking for jobs after failing repeatedly to find work.

How many such discouraged nonseekers are there? The C.E.S. enables us to make a dependable estimate. For example, in New York City, the conventional unemployment rate in 1970 averaged 8.1 per cent in the survey areas (compared with 4.4 per cent for the labor force of the city as a whole), but jumped to 11 per cent when the discouraged workers were added.

This adjustment begins to give us a picture of realities of economic life at the bottom of a city's social structure. But to this we must now add another category—part-time employed workers who would like to work full time but cannot find full-time jobs. The C.E.S. survey carefully separates people who wanted to work only part time from those who wanted to work full time, and in this way adds (again, for New York) another 2.3 percentage points to our emerging index of urban poverty. In other words, adding together the officially unemployed, the discouraged jobless and the involuntary part-time workers, we can now account for at least 13.3 per cent of the labor force in the New York City sample areas.

Our adjustments have nearly doubled the official unemployment figures for the sample areas and tripled the national rate of unemployment. But, still, they are far from complete. The last and most important part of the index is the worker who does have a full-time job but then does not earn enough to make ends meet.

What is meant by "making ends meet"? What exactly is poverty? Where does one draw the line between a decent minimum and an indecent destitution?

The answer is not to be found in any simple set of criteria. Families know whether they are just poor or destitute, and act differently, according to their feelings. Poor families struggle; many of the destitute surrender. Once a family surrenders, it does not help to point out that it is "well off by the standards of Calcutta." The family does not live in Calcutta, but only a stone's throw from Fifth Avenue. Nor does it help to point out that it can provide its needed protein, vitamins and calories by eating beans or dog food, even if that is technically correct. The destitute will not act in ways that affront their basic humanity.

Can we identify the watershed between "decent" and "indecent" standards of living? The most careful (and reputable) attempt has been an item-by-item enumeration of consumption needs undertaken by the B.L.S. Since 1967, it has published a three-level list of family income needs under conditions as they exist in different cities in the United States—the lower-level income before taxes amounted to $7,183 for a family of four in New York City in the spring of 1970. In the fall of 1971, it was $7,578. (The bureau placed the middle level for an urban family of four at $12,585 in 1971, the upper level at $19,238).

The question of the line between decent poverty and destitution is clouded by the existence of an official poverty line. In 1964 when the Social Security Administration went about defining a poverty line for the War on Poverty, it began with a Department of Agriculture estimate of the absolute minimum needed to feed a family of four a survival diet and multiplied by three. Food it figured, ought to be about one-third of a poor family's expenditures. The administration came out with a figure of $3,128 for a family of four at 1963 prices; it set the official line at $3,000. Since then, the poverty line has been adjusted annually upward in line with the Cost of Living Index. The level reached $4,000 in the fall of 1971, but, still, it does not represent a true measure of need.

The B.L.S. lower family-income figure of $7,183 is much sounder. It has been recognized as such by the Congress, which, in passing the Child Development program last fall, wrote the B.L.S. figure into the legislation as the level below which services ought to be provided for a nominal fee. In extending authority for wage and price control last December, Congress prohibited controlling annual wages below the B.L.S. lower amount.

That amount is based on actual minimum costs of living in the urban areas studied. In 1970, the average family of four in New York City, to meet the B.L.S. lower standard, had to pay about $28.65 a week in various Federal, state and local taxes, or $1,490 a year; $100 a month for rent (only enough for a barely habitable apartment) or $1,200 a year. To keep it up—that is, pay for repairs, cleaning materials, curtains, furniture repair, etc., the family would run into costs of at least $15 a month, or $183 a year. Other living expenses: $40.20 a week for food, or $2,091 a year; $8.32 a week for transportation, or $433 a year—which includes the cost of necessary public transportion for the family plus the cost of buying and operating a six-year-old car; $15.59 a week for medical bills, or $811 a year; $7.25 a week, or $377 a year, for other family consumption such as movies, recreation, TV's, radios, cigars, pipe tobacco, etc., and $6.83 a week, or $347 a year, for other costs such as life-insurance premiums and charitable contributions. The expenses vary, of course; one category may be higher one month, and lower the next. But the B.L.S. researchers who checked prices in the city found total annual expenses, for living at the lower level, to be $7,183.

If we accept the B.L.S. figure of $7,183 as the least a famly of four must earn to keep its head above water in New York City in 1970 (the B.L.S.'s national urban average for 1970 was $6,960), what does this require for the family's income earner? If he or she works 50 weeks a year, 40 hours a week (which is itself unlikely in the inner city), the answer is $3.50 an hour. Here is where we find the final link in our chain of employment statistcs. For when we add those individuals who earn less than $3.50 an hour to the discouraged nonseekers, the involuntary part-timers and the officially unemployed, the statistics take a horrifying leap. In the seven New York City sample areas, the subemployment rate rises to between 39.9 per cent and 66.6 per cent of the labor force. Indeed, the average for all the sampled areas in the country comes to 61.2 per cent.

That the problem extends beyond the hardcore ghettos is demonstrated by statistics gathered for a recent New York City Planning Commission survey of industrial zones in all five boroughs of the city. The evidence shows that 60 per cent of all manufacturing establishments in the city pay median wages below the $3.50 threshold. If the median wage of an establishment is under $3.50, then more than half of its workers must be earning less than that amount.

Suppose—one may ask—that more than one member of the family works? Does each member need $3.50 an hour for the family to achieve the threshold of decent poverty? It is true that, nationwide, the average family has 1.7 full-time equivalent workers. But the majority of low-income families in America are unable to find enough work to occupy more than one "full-time-equivalent" member. In 1970, the average number of "full-time-equivalent" workers per low-income family was less than one! In other words, one person (usually the male head) worked nearly (but not totally) full time, or several family members worked, but very sporadically. It is therefore useless—and cynical—to tell those for whom jobs do not exist that they could relieve their poverty if only they would be more willing to work. Indeed, the proportions of C.E.S. four-person ghetto families—and just four-person families—with gross earnings of less than $7,000 in 1970 was also 60 per cent.

Even if we set the threshold level of subsistence at the official poverty line of $2 an hour, the Census Employment Survey shows that the seven New York City sample areas still had subemployment rates ranging from 19.3 to 27.9 per cent (the 51-city average was 30.5 per cent). Thus, even if we suppose that it takes only $2 an hour (or $4,000 a year) to hold a family of four together, we still have not solved the problem because the main reason for poverty in New York—and by extension elsewhere—is simply that not enough people can earn even this meager amount.

THE CONSEQUENCES OF HIGH SUBEMPLOYMENT

How do people in the central cities survive? They struggle for what income they can get, from jobs where possible; from welfare where necessary. They line up for manpower training programs, especially those that pay stipends. The money helps, but the training seldom leads to jobs at decent pay (a recent study of manpower programs in four cities concluded that ". . . the average enrollee who worked following training [and not all the "graduates" were so fortunate] was still earning at a rate of $3,000 per year"). The Employment Service cannot make much difference either, given the structure of the job market, 40 to 60 per cent of Employment Service nonagricultural placements in 1970 were in jobs paying less, on the average, than the minimum wage. Since "legitimate" pursuits do not yield adequate incomes, there is inevitably a good deal of economic crime. When great numbers of young workers are unable to earn enough to support wives and children in basic decency, they become demoralized and families fall apart and the welfare rolls soar. Property is not kept up, because it cannot be. Neighborhoods deteriorate, the circle of poverty and despair closes on itself and it eventually creates an enormous drag on the entire economy.

This is the urban crisis. And it is the unemployment rate which helps us to see the connection between the structure of the labor market and continued poverty and despair—a connection that is masked by the conventional unemployment rate. Last January, on the C.B.S. Evening News, commentator Eric Sevareid suggested that the measured unemployment rate actually overstates the severity of our labor market problems, presumably because it gives equal weight to women and teen-age workers, whose unemployment Sevareid (and many others) apparently believes to be less socially consequential than the unemployment of adult men. In fact, as we have seen, the conventional unemployment rate seriously understates the extent of our difficulties. Subemployment—the inability to make a living in our big cities—is from three to six times as great as simple unemployment.

These differences are hardly academic. So long as official statistics made it appear that only 5 to 10 per cent of the labor force was in trouble, even in the ghetto—or in other words, that 90 to 95 per cent were doing all right—it was possible for some to attribute the rise in the welfare rolls to laziness and immorality, and for others to perceive the fragility of the black family as a cause rather than as what is now easily seen to be a virtually inevitable consequence of sporadic low-paying employment and poverty.

In formulating an antipoverty strategy, the Government in the nineteen-sixties ignored the question of inner-city job supply, pay scales and the labor market. Its programs were built on the assumption that the cause of poverty lay in the disadvantaged condition of individuals, not in the failure of the job market. Thus, Head Start for the children, antidiscrimination and legal services for the grown-ups, community health service for the sick and, through Community Action and Model Cities agencies, a voice in city affairs for everybody. All these programs were expected to make more of a difference.

That they have made urban poverty somewhat less oppressive, that they encouraged the poor to organize and that they provided help to thousands of individuals cannot be doubted. But they have not begun—and cannot begin—to reach to the heart of the matter.

INCOME REDISTRIBUTION

What is the answer? One approach advocated across the political spectrum at one time or another from President Nixon to George Wiley of the National Welfare Rights Organization (NWRO) has been to close the income pay through transfer payments. "Welfare" would be provided not only to those who cannot work, but also to those who do work but who earn poverty-level wages, or at least to the very poorest of them.

It is estimated that the cost of raising the incomes of all Americans to the $4,000 poverty level would be "only" $12 billion. President Nixon's original welfare bill would have provided $2,400 in welfare to the nonworking poor and partial subsidies for working families earning up to $4,320. Wiley demands $6,500 for all. Nevertheless Nixon and the N.W.R.O. suported the same principle alleviation of what we now know to be chronic subemployment through income redistribution without any attempt to restructure the labor market. This kind of income transfer, if it could be achieved, would be a big step forward from the original poverty program's social-services strategy. At least, it recognizes the problem as lack of money, not a shortage of social workers. But the concept is so unpopular with the bulk of America's workers that adequate family income through transfer payments is politically unattainable.

Most Americans continue to believe (as they have been taught to believe) that there are enough "good jobs" in the economy to go around if a man really wants to work. What the blue-collar worker does not understand is that however hard-pressed he may be by taxes and the rising cost of living, labor-market conditions for the poor are much worse. The high rates of subemployment reveal a sharp division between conditions in what a growing number of young economists refer to as the "primary labor market," where unionized, relatively well paying, stable jobs are available, and a "secondary labor market" in the inner city, characterized by low wages, unstable opportunities for work and the absence of unions.

It is unfair, however to ask the working class to shoulder the burden of the lower class. George McGovern's strategists were at first deaf to the strongly expressed sentiments of the blue-collar workers concerning welfare, and they hoped to override those sentiments by appeals to high moral principle and promises to take the money only from the rich. But McGovern, of course, eventually saw the political light and withdrew his plan, as, for all intents and purposes, it appears Nixon has done, too.

If an adequate income transfer system is politically impossible for the present, what is to be done? What can be done? For the working poor, for the blue-collar workers and for much of the middle class as well, it is far better in the long run to transform or at least sharply upgrade the secondary labor market through a series of programs aimed at full employment at decent wages. If this were achieved, then welfare reform for those who cannot work would be a simple matter.

PUBLIC EMPLOYMENT AND ECONOMIC DEVELOPMENT

What we need first is a massive public-service employment program. The case for this has been made repeatedly. Opinion polls show strong public support, and a vast backlog of public-service work needs to be done. An important feature of public employment is the pay; in the Census Employment Survey, across all the 51 cities, the proportion of public jobs paying below $3.50 an hour is only half the corresponding proportion in the private sector. Those now subemployed could provide the additional services by working as policemen and firemen, teachers' aides, health workers, or in conservation, transit, recreation and antipollution jobs. Congress, led by Senator Nelson, approved overwhelmingly the beginnings of such a program—$4.5-billion over three years—in 1970, only to have it vetoed by the President. In 1971, a $1-billion plan (enough for about 180,000 jobs) was implemented under the Emergency Employment Act, which has proved to be popular with state and local officials and is administratively workable. Senator Alan Cranston has introduced legislation, now pending, to provide $10-billion to create more than a million public-service jobs, and jobs in private industries contracted for by the Federal Government to produce and distribute public goods and services, such as parks, housing and transportation facilities. In August, Senator McGovern proposed an effort of similar dimension for welfare recipients. A program on that scale is clearly needed.

Second, we must undertake large-scale regional programs of economic development. It is a little-known fact that, aside from a highway program in Appalachia, the entire budget of the Economic Development Administration in the Department of Commerce is now below $300-million a year, less than we spend on Head Start. The program was originally conceived as multibillion-dollar long-range planning for projects—public and private—in water supply, power, sewage, etc. The United States has funded more impressive—and more costly—economic development programs since World War II in many foreign nations than we have here at home. President Roosevelt boasted in 1945 that the Tennessee Valley Authority cost only the equivalent of three days of the fighting in World War II. We need to develop in the nineteen-seventies a program of regional economic development to match that of the thirties.

The nation must provide adequate financial support for economic development in its inner cities and rural areas. Many community leaders who began with protest in the early nineteen-sixties and later gained management experience with the antipoverty training programs are now organizing for economic development and self-determination. The movement received recognition and support from Senator Robert F. Kennedy, and legislation he wrote with Senator Jacob Javits still provides a measure of support for programs in Bedford-Stuyvesant in New York and some 38 other urban and rural community development corporations. Several hundred additional communities have applied for funds. These corporations not only serve to pull together their own communities but also provide a channel for downtown businesmen to provide financial and technical assistance to ghettos. Out of this comes a new social structure for the undertaking of public and private projects: new public buildings, low-cost housing, neighborhood rehabilitation, new businesses, banks, supermarkets and factories.

Finally, we must fashion a policy that attacks low-wage jobs directly. If we had full employment and thus steady work, a minimum wage of $2 an hour would raise each worker's family to at least the poverty line. The present $1.60 an hour set in 1966 would be $2.06 an hour if merely adjusted for the rise in the cost of living. Orthodox economic analysis focuses entirely on the supposed short-run loss of jobs for low-skilled workers that might result from higher minimum wages. What orthodox analysis ignore is that higher wages force producers to adopt more productive technologies, thus enabling them to pay the higher wages. In fact, whenever technological progress has occurred in the past it has in the long run always produced more jobs than it displaced. We can cope with short-run job loss through retraining and relocation subsidies for workers and technical and capital assistance for business.

Military demobilization need not immobilize our efforts to get the country moving again. On the contrary—it can help to revive it. Hard data exist (produced, in fact, by the Nixon Administration) which show that $1-billion of Federal expenditure in rural and urban development creates up to 20 per cent more jobs than $1-billion spent on military and "defense" procurement.

It will not be easy to move beyond the rhetorical commitment to full employment at decent wages. But policies to achieve these ends have this advantage. Whereas: welfare and other income-transfer schemes divide us—workers on one side and the poor with their intellectual and upper-middle-class supporters on the other—programs to achieve economic development and full employment at decent wages can unite us. Businessmen and workers alike stand to gain from them. We can aid the poor while helping the rest of the nation resolve its wide range of domestic problems, from the crises in the cities, to the lack of proper regional development, to technological obsolescence, to foreign competition, to the general quality of American life. The only way the revenues needed to meet these domestic challenges can be raised, in fact, is through full use of all our resources. The Congressional Joint Economic Committee estimates that we lose $12-billion to $15-billion a year in Federal tax revenue for every 1 per cent of unemployment. So in the long run these programs will be saving us money, instead of taking it from us. European nations have maintained unemployment at or below 2 per cent for a decade, 3 per cent is not out of the question for us. Wage and price controls will be needed to block inflation but they would have to be more stringent on the price side than those now in effect. Perhaps President Nixon's initative in wage and price controls will prove the domestic equivalent of his voyage to China; opening up what was once impossibly dangerous territory.

STATEMENT OF L. PATRICK GRAY III, ACTING DIRECTOR, FEDERAL BUREAU OF INVESTIGATION, BEFORE THE SENATE COMMITTEE ON THE JUDICIARY

Mr. HRUSKA. Mr. President, yesterday, February 28, 1973, the Committee on the Judiciary began hearings on the nomination of L. Patrick Gray III to be Director of the Federal Bureau of Investigation.

Mr. Gray's opening statement before the committee was, in my view, simply superb. It set forth the record of Mr. Gray during his term as Acting Director and, in eloquent fashion, identified a few of the nominee's basic beliefs which would shape his actions during the months and years ahead.

It would have been very helpful if every Member of the Senate could have been present to hear this testimony. So much of what has been said about the FBI and Mr. Gray has provided far more heat than light. The nominee's own presentation, on the other hand, was one of the most illuminating statements I have ever been privileged to hear.

I ask unanimous consent that the statement be printed in full in the Record immediately following my remarks and commend it to the attention of my colleagues.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT OF L. PATRICK GRAY III

Mr. Chairman, I am privileged and honored to appear before this distinguished Committee of the United States Senate.

The President has seen fit to send my name to the United States Senate, and the Senate now has the responsibility . . . and *for the first time* the opportunity . . . to advise and consent to the nomination of the Director of the Federal Bureau of Investigation.

The President has made his decision and now the United States Senate sets out to discharge its responsibility to examine my qualifications and work its will in reaching a decision.

With regard to my background and professional qualifications, Mr. Chairman, I have sent to each member of the Committee a copy of my responses to a Personal Data Questionnaire of the American Bar Association prepared by me when it was believed that I might be considered for an appointment to the Federal Judiciary. I thought these might be helpful to the Senators, since the questions of the ABA were searching and my responses detailed and documented with exhibits.

Also, for the first time, the Senate has the opportunity to inquire into and evaluate the manner in which a man other than John Edgar Hoover has discharged the responsibilities and exercised the power of this great office.

But first, Mr. Chairman, I wish to state a few of my basic beliefs that I consider to be directly related to the manner in which I have performed my duties these last ten months and in which I will perform my duties in the months and years that lie ahead.

I believe in the United States of America, not only as a nation and a people, but as an ideal that has helped to re-shape the world.

I believe in the democratic form of government, and in the sovereignty of the people.

I believe in a government of law, enacted by the people through their representatives, and not in a government of men. I believe that where this kind of law ends, tyranny begins, and I believe that the people have the right and the duty to oppose such tyranny.

I believe that individual Constitutional rights are basic to our society and our form of Government, and I include not only the rights of the accused to the full protection of the law, but also the rights of all citizens to have that same protection.

I believe that it is possible for popular government to protect itself from overthrow without denying basic freedoms, and I consider that one of the principal responsibilities of the FBI and its Director is to prove that this can be done.

I believe in the FBI as a vital American institution. When it is criticized, I will look into the charges to determine whether they have any validity. And if they do, I will make the changes necessary to maintain the FBI's posture as the finest investigatory agency in the world. If they are not valid, I will defend the FBI with all the personal energies and capabilities at my command.

I did not ask the Attorney General or the President to place me in the position of

Acting Director on May 3, 1972 . . . nor did I ask anyone else to intercede for me. I believed then and I believe now that the position of Director of the Federal Bureau of Investigation seeks the man and not vice versa.

I said then and I say today that my appointment as Acting Director was accepted by me and interpreted by me as a return to the service of my country . . . a return to the service of all the people of the United States whom I had served so long in the United States Navy without regard to party, to politics, or to ideology.

I am aware of . . . and humbled by . . . the responsibilities, as well as the power, of the office I have occupied during the last ten months. But, I am not afraid of the responsibilities, nor do I fear to use the power in the national interest and in keeping with Constitutional safeguards. Every decision I have made has been considered carefully, and I have approached each with a sense of humility.

The record of performance is there. I accept full responsibility for that record.

No one can doubt the tremendous challenge inherent in following the footsteps and building on the legacy of John Edgar Hoover, whose personal vision and ideals, and whose leadership, made the FBI an institution respected and honored by millions of our fellow citizens.

Thomas Jefferson said of Benjamin Franklin, "I succeed him: no one could replace him."

I could and do say the same about Mr. Hoover. I follow him in a position of great responsibility to our people and to our Nation. He . . . together with the men and women of the FBI who served with him during the years 1924 to 1972 . . . created and built a magnificent organization devoted to the service of our country.

I welcome this opportunity to set forth for the Committee . . . the Senate . . . and the American people . . . an accounting of my decisions and my actions . . . how I went about learning at firsthand the operations of the FBI . . . examining and evaluating them . . . the changes I have made . . . my viewpoints . . . and the conclusions I have reached about this American original.

Every American is a shareholder in the FBI. Every American has a right . . . I believe . . . to know the frank and candid reactions and views of the man who has held this responsible position since May 3rd of last year.

When I became Acting Director, I made a key decision. I decided *that I would not be a mere caretaker, making no waves and taking no actions*. Rather, as Acting Director, I would not only make those decisions necessary for the day-to-day conduct of FBI operations but also those long-term decisions essential to the continued effectiveness and efficiency of the organization.

Mr. Hoover's death left a serious void. The members of the FBI were stunned and deeply grieved. They were accustomed to strong leadership. I believed that only by taking a positive and active approach, by working closely with the traditional leadership of the FBI, could we come through this critical period of transition.

I approached my assignment with deep feelings of respect and admiration for the FBI. Yet, at the same time, there were no stars in my eyes. *I had my feet on the ground and was ready to ask the tough questions.*

It is true that I had no professional law enforcement experience prior to my entry into the FBI. I had not been handicapped or predisposed in any way—and, strange as these words may sound, I think there is sound basis for this statement. The FBI is an investigative agency accustomed to working on a daily basis with inquisitive lawyers and responding to tough questions. The law enforcement expertise is there in great abundance, and that expertise has responded magnificiently to my appearance on the scene and to my brand of leadership.

Basic to my approach, however, was a desire to learn . . . to keep an open mind . . . to *become a part of* the FBI as a living, active, human organization.

What made it tick? What were the sinews, muscles, and nerves that held it together? What were its problems? Who were the FBI people, both at Headquarters and in the 59 Field Divisions across the United States? How could I *earn* the respect of these dedicated men and women, so that I could lead them effectively and so that we could work together as the FBI had always worked—as a team, as a "we" organization.

On my very first weekend in office, I developed a series of topics to be examined by me and the senior officials of the FBI . . . which I later distilled into 13 *avenues of inquiry* . . . dealing with such topics as organized crime, subversion, narcotics traffic, and espionage. A copy of these avenues of inquiry, Mr. Chairman, is appended as Exhibit "A" to this statement.

Thus was launched the first group of a series of studies that continue to this day and will be continuing under a new Office of Planning and Evaluation far into the future.

I have been privileged . . . *as no outsider had ever before been so privileged* . . . to observe the performance of the FBI at first hand . . . to direct its performance . . . to question its performance . . . and to evaluate its performance.

It is a rare tribute to Mr. Hoover . . . and to the men and women who built the FBI with him . . . for me to be able to say to you today that this magnificent organization of human beings responded with a zest, an enthusiasm, and with an all-consuming fidelity to perfection that is unparalleled in my experience.

As the days passed, the position papers and study papers achieved a degree of excellence that seemed to challenge me, my own personal staff, and the senior executives of the FBI to find any point . . . a single topic . . . that should have been covered and was not.

These early days formed the most intensive educational experience I have ever encountered, stimulating and filled with insights. I asked the men and women of the FBI to "show me"—and, beyond all expectation, they showed me wherein the FBI's reputation resides.

At the same time, I wanted to get to know them personally. It was no graven image or historical mausoleum whose leadership I inherited when I moved into FBI Headquarters. It was a working organization. It was a human institution.

I made a special effort to visit our Field Divisions . . . and to date I have visited all of them except one. I visited the people of our Headquarters Division here in Washington. I talked to these dedicated men and women, to the Special Agents in Charge of the Field Division, to the Special Agent who workers the cases on the street, to the stenographer, to the file clerk. I met with them. I wanted to see them . . . to talk to them . . . and I wanted them to see me. This was a period of transition, a period of trial, evaluation, and measurement *on both sides*.

I consider these visits to the Field and to our Headquarters Divisions to be of overriding importance to the effectiveness of our overall effort and to our morale. I have every reason to believe that the men and women of the FBI share this view.

I moved into the FBI with a leadership philosophy that comes down, fundamentally, to a choice between the meat axe and an attitude of mutual trust and confidence. A new man can enforce control . . . which is where the meat axe comes in . . . or he can *build confidence*, confidence up and confidence down. He can run a penal colony . . . or a living, breathing, human organization, with all the risks that entails and all its incomparable strengths. I chose the latter course, and I am proud to report that the morale in the FBI is high, and I am pleased to say that it has always been high.

Very naturally, as the Acting Director, I based my conduct of the operations of the FBI on certain principles—principles that have set the tone for my ten-month administration.

I would like to share some of them with you . . . for these are principles that affect not only the FBI internally and operationally, but affect its role in our free society.

First, I am determined that the FBI will remain completely and absolutely non-political. This is one of the pillars of its historic strength. This is a policy that enables the FBI to perform efficiently regardless of which great political party holds the reins of government . . . a policy that enables the FBI to carry out its responsibilities without the pull of political allegiance or the thrust of political influence.

When I met with President Nixon last May at the time of my appointment as Acting Director he gave me only one instruction, and he re-iterated it on the 16th of this month—*that the FBI and its Director continue to stay out of politics and to remain free of politics.*

I was not at all surprised to receive this instruction. It typifies our past relationship—which, for a decade and more, has always been essentially professional . . . on my part, as a lawyer and administrator. It is going to remain that way.

I pledge to the members of this Committee . . . to the Senate . . . and to the American people . . . that, if the Senate advises and consents and the President appoints, I will cause the FBI to continue to exercise the highest degree of professional competence in the interest of our Nation and *all* its people. At no time will political considerations or influence . . . in any shape or form . . . alter or guide my decisions or the activities of the FBI.

If I am unable to persevere in this determination for any reason—if my loyalties to the Nation's elected leadership, to the Constitution, and to my job ever come into conflict—I will resign at once and return to my beloved law firm in Southeastern Connecticut.

In following another operating principle—I have tried to open the windows, so to speak, to give the public and the news media an opportunity to see a little more of the FBI's internal workings, not just its final accomplishments.

I happen to believe . . . with Thomas Jefferson . . . that our democracy is a very fragile and precious form of government, and I believe that it has lasted all these years because an interested and informed electorate has had confidence in its institutions. If the American people are informed of the facts, they can be counted on to make the right decisions and support the right decisions most of the time. And they become informed primarily through a free press, reporting objectively and factually.

I realize that the FBI cannot live in a fish bowl. We are an investigative agency and an intellingence agency. Constitutional due process and national security considerations demand a measure of secrecy for the protection of individuals, to protect the integrity of the investigative process itself, and for the common good, the general welfare of society as a whole.

It is now FBI policy, however, and to the maximum extent possible . . . to furnish information to the news media . . . to answer questions . . . to allow them to have a first-hand look at some of our activities, in the hope that such a policy will enable them to better understand and to report to the American people the facts regarding FBI operations.

If the American people are not informed, or are misinformed, some of the blame must necessarily rest with us. We are making the effort and will continue to make the effort to work with, not against, the press.

The Committee might be interested in knowing that during the past 10 months I have met with more than 1,000 members of the fourth estate representing all segments of the media. I have met with a large number of them in my office in head-to-head situations and in groups; I have talked to them over the telephone; I have answered their inquiries at press availability conferences. On my visits to our Field Divisions I have specifically announced in advance that I would be available to any interested member of the press.

I have also undertaken to make myself available through public appearances in various parts of the country—before law enforcement, civic, church, educational, and business groups. I believed then and I believe now that this is one way in which I can report to the American people about their investment in the FBI. Fourteen of thirty-three of these speeches made through November 17, 1972, and sponsored by organizations other than the FBI or the Department of Justice, were made in connection with my visits to our Field Divisions. During this same period, I also made eight speeches sponsored by the FBI or the Department. I submit, Mr. Chairman, that a fair reading of these speeches will indicate clearly that these were not political or campaign speeches. There was no intent that they be and they were not written to be political or campaign speeches.

Mr. Chairman, I have appended a list of these appearances as Exhibit "B" to this statement.

Also, I have endeavored to talk with individuals who have in the past been critical of the FBI. I believe in personal dialogue . . . in person-to-person discussions . . . where there is some chance, however slight, of correcting misunderstandings. On occasion, these have arisen because accurate information about the FBI has been lacking. I have tried . . . to the best of my ability . . . to correct such misunderstandings. I am also well aware that dialogue is of no avail if the human mind is closed.

Still another operating principle is that the FBI will continue to be a servant of the peopl . . . *all* the people . . . responsive to protecting both the security and the rights of every citizen.

I believe that there is no principle more important to a free society than that government should remain close to the people, and that the dispersion of power in our Federal system is one of the great safeguards of the liberties of a free people.

Fears have been expressed—by a very small number—that the FBI is becoming a national police force . . . that it is infringing on the liberties of the individual citizen. I pledge to this Committee . . . the Senate . . . and the American people . . . that as long as I am its Director, the FBI will not exceed the jurisdictional authority defined by the President and the Congress . . . the FBI will respect the Constitutional guidelines handed down by the Judiciary. In brief, the FBI will not take the law into its own hands.

As for my principles of management, you know that a new man at the top can signal any number of radical changes . . . or his arrival can mean a continuation of the same policies and procedures, with or without careful examination and evaluation.

I resolved to follow a course of *continuity and change* . . . that of continuing the same policies and procedures, with a careful examination and evaluation being conducted simultaneously.

It is not my way to move in with the broad brush of change *if* the organization has been delivering the product coupled with a handsome return on equity. This was the situation in the FBI.

My evaluation of the FBI . . . based on probing and study . . . is clear. The Nation can be proud of the quality of its performance. The men and women of the FBI are complete professionals. Their prime . . . and overriding . . . characteristic is a sustained pursuit of excellence in service to the American people.

It is true, however . . . based on our evaluations . . . that some changes in policies and procedures have occurred. There is nothing discrediting about this. Mr. Hoover . . . to his eternal credit . . built a superb organization uniquely adaptable to change . . . which is why it always has remained so effective in its operations.

Some of these changes have been substantive in nature and, as you are undoubtedly aware, some have been well publicized. For example, the FBI since last May accepts applications from women who aspire to become Special Agents . . . a policy determination which, incidentally, also happens to be in accord with the law of the land.

We now have seven female Agents who have been assigned to Field Divisions of the FBI following their successful completion of our New Agents' Training Course. They are performing the same duties as their male counterparts.

Eight more female Agents are still in training. Four of them are members of the new Agents class that will graduate tomorrow, and they too will be reporting to Field Divisions.

Early last June, changes were made in the grooming standards for members of the FBI—but not in the requirement that they be neat, clean, and presentable in appearance. We changed the grooming standards; we did not abolish them.

I know, and every man and woman in the FBI knows, that the FBI would self-destruct without discipline. We have not abandoned our disciplinary procedures but we do approach them and apply them in a different manner. A law enforcement agency of any kind or size cannot function at all . . . let alone function in the public interest in accordance with law . . . without a firm, fair, and swift disciplinary system.

On May 26th last, I announced that an Office of Equal Employment Opportunity Affairs was being established for the specific purpose of intensifying the FBI efforts to recruit more black Americans, Asian-Americans, Spanish-speaking Americans, and American Indians.

My initial inquiries last spring showed that the FBI's overall record in this area had been good. Special efforts had been made to recruit employees from these groups of Americans, but it had proven difficult to attract people qualified in every particular to meet the standards for FBI Agents.

Although recruiting among these Americans is tough, we will not lower our standards, and I am certain that members of these groups of Americans would not want us to do so.

Representatives of the Office of Equal Employment Opportunity Affairs visit our Field Divisions across the United States and meet with influential community leaders and members of the press, among others, in an effort to recruit qualified applicants from these groups.

Since May, 1972, we have achieved an increase in the FBI from among these groups of Americans, Mr. Chairman, and I have appended Exhibit "C" to this statement which sets forth the small gains that lots of hard work has so far produced.

Another basic change in our policies concerns the re-ordering of investigative priorities in the area of organized crime.

Organized crime is a tenacious, brutal, and costly social malady. The investment capital of the organized criminal element is generated by its tremendous illegal gambling combines and narcotics traffic throughout the country. This investment capital enables the underworld to finance other criminal activities, as well as fraudulent activities in legitimate business and industry.

In order to strike organized crime where it would do the most damage . . . that is, at the top and in the pocketbook . . . we are concentrating our manpower on the larger, more powerful hoodlum groups, on the upper echelon leaders, and on their most prolific sources of illicit revenue.

The emphasis is not on assembling statistics, or keeping a high case load, but in using our resources to hit directly at the strong points of the criminal enemy.

Along these same lines, we have improved our acquisition and dissemination of narcotics intelligence. Violations of the narcotics laws, of course, are not within the investigative jurisdiction of the FBI. But in the performance of our regular work, we receive information concerning the drug traffic and about the principals involved in this traffic.

Last summer, following receipt and study of a thorough in-house survey of the narcotics problem that I had ordered, I instructed each of our Field Divisions to designate a Special Agent as the *narcotics coordinator* for the Division. So also I directed that a narcotics coordinator be designated at FBI Headquarters, and I ordered each Special Agent in Charge of our Field Divisions to intensify the acquisition of narcotics intelligence for transmission to agencies having direct investigative responsibilities in cases involving violations of our narcotics laws.

This shift in emphasis has improved our efficiency in generating narcotics intelligence and this, in turn, is proving to be of real help to the agencies with jurisdiction in the narcotics field.

We have established a new FBI policy designed to insure *complete fairness* regarding civil rights investigations in cases involving complaints against police officers—fairness to the officers and the complainant. We do not assign Special Agents to make these investigations who have worked with the officers involved in the normal course of business. We bring in an Agent who has had no prior close association with the local police department. This policy is in the interests of all . . . our Agents, the police, and the public we both serve.

In August, 1972, the evaluation process that I had been spearheading personally for three months was formalized in an Office of Planning and Evaluation. This Office has been, and will be, conducting detailed studies of all phases of FBI operations . . . policies as well as procedures. We are giving ourselves a good, thorough overhaul, and we believe that we are the people best qualified to undertake this task.

The FBI . . . an agency of nearly 20,000 employees . . . needs topflight management. To further this objective, I have altered some, and initiated new, management programs. For example, last October I established Executive Selection Boards comprising experienced top level executives from both our Headquarters and field staffs to recommend to me those men in our ranks best qualified to advance to positions of greater responsibility and authority. Another example is the institution of management instruction programs for our executives. These individuals are required to keep abreast of the latest ideas and concepts in effective decision making, work planning and productivity, performance appraisal and evaluation, and human behavior.

And if that reference to "human behavior" seems inappropriate to the FBI Agent—it is not. The men and women of the FBI, like all law enforcement people, are expected these days to serve as baby sitters, hand holders, and behavioral scientists . . . even as we expect them to confront the most desperate criminal with guns and guts and raw courage. It is not easy for the police officer to serve in this dual capacity. But increasingly he must. He has to be more of a sociologist . . . and, simultaneously, no less of a cop.

During the past ten months, we have taken steps to bring our Headquarters and field staffs closer together. In an organization stretching from Honolulu to Bangor, Maine, from Anchorage, Alaska, to San Juan, Puerto Rico, there is always the danger of polarization, of hard-core divisiveness between the Headquarters and the fields staffs. As I indicated previously, I have visited 58 of the 59 Field Divisions. I have personally met . . . and talked at length . . . with each of our Special Agents in Charge, as well as other field officials. I want to know their problems because their problems are our problems. I seek their counsel. In fact, I demand their advice and counsel. I want to establish that *personal rapport which builds confidence and enhances performance.*

In this connection, the FBI now encourages the interchange of ideas between field and Headquarters officials. We have made this exchange a reality by visits to and from the field and to and from Headquarters by our key officials.

Most important, we have taken steps *to increase the productivity of the Special Agent in carrying out his daily assignments.* To this end, we have eliminated a number of sheer administrative chores requiring considerable paper work . . . thereby stealing his time from investigative tasks. For example, last June . . . shortly after I became Acting Director . . . we discontinued the requirement to maintain so-called "time in the office" statistics . . . that is, keeping account of the time spent by the Agent in the office during working hours.

We are seeking to free the Special Agent from unnecessary administrative burdens . . . thereby enabling him to turn in an even better performance during his day's work.

The FBI forms part of a law enforcement team . . . a team that today stands on the front lines against crime.

I have made a special effort to meet personally with my brother law enforcement officials. Last year, for example, some 50 of the Nation's chief law enforcement officials, representing the major urban and metropolitan areas of our land, met with me and top executives of the FBI in my office in small groups so that we could have meaningful, thorough discussions. We reviewed our specific needs in the fight against crime, the cooperative services of the FBI, and ways in which we could be of further help to them and they to us. Their cooperation has been, and continues to be, of great assistance to the FBI.

Last spring our new FBI Training Academy opened at Quantico, Virginia, affording increased opportunity for improved police training and thereby contributing heavily to the development of police professionals.

One of the more promising features of our National Academy program is our affiliation with the University of Virginia. We are bringing the cop to the campus and the campus to the cop. Both are profiting from a really important learning experience.

We have held three national symposia at the new FBI Academy at Quantico. These have been devoted to major police concerns such as Police-Community Relations, Urban Police Patrol Practices, and Terrorism. A National Seminar on current bombing problems began at the Academy on February 25th and concludes today (February 28).

To help law enforcement agencies cope with the growing danger of deadly attacks, the FBI developed a week-long Anti-Sniper and Survival Training course in the Fall of 1971. A total of 940 officers, representing 186 agencies, have been afforded this training at Quantico and another 200 agencies are waiting to be accommodated.

Mr. Chairman, I have prepared an exhibit to this statement that sets forth additional changes made in FBI policies and procedures during the past ten months (Exhibit "D"). I do this to save time, not to indicate that they are of lesser importance than the ones I have discussed with the Committee. Some are, but some are not.

Mr. Chairman, after ten months as a member of the FBI and from my vantage point as Acting Director, I have found the FBI to be a superb organization . . . a faithful servant to our democratic tradition. Its foundations have been well built; its people are complete professionals; and their dedication is to service, integrity, and excellence.

There have been changes in style . . . simply because I am Pat Gray and not Mr. Hoover. I have, where I felt it was necessary, made some changes . . . changes that I was convinced would be beneficial not only to the FBI but also to the people we serve.

But the FBI remains the same . . . an FBI dedicated and loyal, imbued with the concepts of fidelity, bravery, and integrity, the servant of the people.

I am highly optimistic about the future of the FBI in our free society.

I am optimistic about the future of the FBI because I know—as only an insider can ever really know—that the people of the FBI are imbued with a spirit and dedication to Constitutional principles that augurs well for the future.

The FBI, operating as it does under the constitutional controls of our democratic system of Government, is, I believe, one of our greatest national institutions.

I am honored and humbled, Mr. Chairman, to have been nominated by the President to be its Director.

AVENUES OF INQUIRY

(1) Organized Crime.

(2) Subversion (Specifically include in this paper a detailed analysis and justification for our current policies with regard to the investigation of individuals where there has been no specific violation of Federal law. Is additional legislation needed in this area?)

(3) Drug Abuse (This is one of the Nation's most pressing problems and we should be sure that the FBI is doing everything possible to assist. Set forth specific contributions which we have made during the last six months. What further should we and can we do? Imagination and ingenuity should be exercised to explore possibility of further contributions within our jurisdictional lines and without diverting substantial manpower from other critical areas.)

(4) National Police Force (What safeguards do we have to prevent the FBI from becoming a National police force? What role should the Inspection Division play and should the Inspection Division report directly to the Director?)

(5) Bureau Files (We have a vast amount of information in our general files, in the National Crime Information Center, and in the Identification Division. Are we taking adequate security precautions to prevent leaks to unauthorized persons? Are state safeguards adequate to insure the confidentiality of National Crime Information Center information? Are classification procedures completely responsive to our needs and to the needs of other Federal agencies? Is there a need for certain of our files of a very sensitive nature to be given greater security than the criminal files?)

(6) FBI Jurisdiction (Should we have an office specifically set up for the evaluation of pending legislation and to study the needs for any additional legislation? Are FBI jurisdictional lines sharply defined? Is there any need for legislation to transfer some of our responsibilities to other Federal agencies?)

(7) Police Training (Is our training responsive to the needs of the police agencies we serve? What role should the FBI assume in this field? Examine our National Academy program.)

(8) Personnel Matters (Recruiting, applicant standards, evaluation, discipline, including methods by which employee is advised of requirements.)

(9) Director's Advisory Committee (Need for, proposed make-up, and method of operation.)

(10) Director's Staff Group (Mid-range and long-range policy planning and evaluation.)

(11) Office of Minority Affairs (What steps can be taken to increase the number of qualified applicants from minority groups?)

(12) Should the FBI Special Agent Position be Opened to Women? (Requirements of the position should be carefully considered.)

(13) Grooming and Personal Appearance Standards for FBI Employees (Here we must consider the tenor of the times. We must be sure that our standards are reasonable and yet at the same time preserve the effective image of the Bureau.)

LIST OF PUBLIC SPEECHES AND FIELD OFFICE VISITS BY L. PATRICK GRAY III, AS ACTING DIRECTOR OF THE FBI

Date and location	Sponsoring organization	Type of event	Title of speech
May 8, 1972: New Haven, Conn		Field office visit	
May 10, 1972: Washington, D.C		do.	
May 12, 1972: New York, N.Y		do.	
May 15, 1972: Boston, Mass		do.	
May 17, 1972: Washington, D.C	The Thomas More Society	Luncheon address	Untitled.
May 19, 1972: Norfolk, Va		Field office visit	
May 25, 1972: Mobile, Ala		do.	
May 25, 1972: Biloxi, Miss	Governor of Mississippi	4th annual crime control conference	Challenges We Face Together.
May 26, 1972: New Orleans, La		Field office visit	
May 26, 1972: Houston, Tex		do.	
June 5, 1972: Newark, N.J		do.	
June 5, 1972: Philadelphia, Pa		do.	

Date and location	Sponsoring organization	Title of event	Title of speech
June 7, 1972: Washington, D.C	Bureau	National Academy graduation (remarks, present diplomas).	Untitled.
June 8, 1972: Washington, D.C	Boys' Clubs of America	Annual convention (closing, dinner speech)	Our Most Valuable Resource.
June 12, 1972: Detroit, Mich		Field office visit	
June 12, 1972: Chicago, Ill		do	
June 13, 1972: Washington, D.C	Bureau, NCIC	Meeting of law enforcement officials (brief remarks).	Spoke extemporaneously.
June 14, 1972: Washington, D.C	Washington Host Lions Club	Flag Day luncheon (brief acceptance remarks, citizenship award in honor of Mr. Hoover).	Do.
June 15, 1972: Washington, D.C	American Association of Editorial Cartoonists	National convention (briefing; questions and answers).	Do.
June 16, 1972: Los Angeles, Calif		Field office visit	
Do	Pepperdine University	"Great Issues" series	Masters of Change.
June 17, 1972: Santa Ana, Calif	do	Law school commencement (speech, receive honorary degree).	Perfection and the Law.
June 19, 1972: Palm Springs, Calif	National Sheriffs' Association	Annual convention (speech)	The Image of Law Enforcement.
June 19, 1972: San Francisco, Calif		Field office visit	
June 20, 1972: Sacramento, Calif		do	
June 21, 1972: Washington, D.C	Italian Historical Society of America	Bonaparte Day ceremony	Spoke extemporaneously.
June 26, 1972: Cleveland, Ohio		Field office visit	
June 26, 1972: Cincinnati, Ohio		do	
June 29, 1972: San Diego, Calif		do	
June 30, 1972: San Diego, Calif	California Exchange Clubs	Annual convention (luncheon speech)	Law Enforcement and Social Progress.
June 30, 1972: Phoenix, Ariz		Field office visit	
July 4, 1972: Philadelphia, Pa	City of Philadelphia	July 4th ceremonies at Independence Hall (keynote speaker).	Our Beloved Country.
July 11, 1972: Indianapolis, Ind		Field office visit	
July 11, 1972: Milwaukee, Wis		do	
Do	Bureau	National Academy associates sectional retraining session (banquet speech).	Law Enforcement—Protector of Our Liberties.
July 13, 1972: Washington, D.C	Bipartisan Congressional Intern Committee	Congressional summer interns (remarks, questions and answers).	Untitled
July 15, 1972: Lowell, Mass	Retired Armed Forces Association	Annual convention (dinner speech)	Spoke extemporaneously.
July 18, 1972: Denver, Colo		Field office visit	
July 18, 1972: Las Vegas, Nev		do	
Do	International Conference of Police Associations	Annual convention (banquet speech)	Our Challenge and Trust.
July 19, 1972: Omaha, Nebr		Field office visit	
July 25, 1972: Knoxville, Tenn		do	
July 25, 1972: Atlanta, Ga		do	
July 27, 1972: Washington, D C	Department of Justice	Legal clerks speaker program (remarks, questions and answers).	Untitled.
Aug 1, 1972: Albany, N Y		Field office visit	
Aug 1, 1972: Pittsburgh, Pa		do	
Aug. 8, 1972: Louisville, Ky		do	
Aug. 8, 1972: Charlotte, N.C		do	
Aug. 11, 1972: Cleveland, Ohio	The City Club of Cleveland	Luncheon speech	Freedom Under Law.
Aug. 15, 1972: Columbia, S.C		Field office visit	
Aug. 15, 1972: Savannah, Ga		do	
Aug. 22, 1972: Springfield, Ill		do	
Aug. 23, 1972: Minneapolis, Minn	VFW	Convention (remarks, accept gold medal award in honor of Mr. Hoover).	America Is Worth Fighting For.
Do		Field office visit	
Aug. 28, 1972: Little Rock, Ark		do	
Aug. 28, 1972: Jackson, Miss		do	
Sept. 1, 1972: Buffalo, N.Y		do	
Sept. 5, 1972: Anchorage, Alaska		do	
Sept. 6, 1972: Seattle, Wash		do	
Sept. 7, 1972: Portland, Oreg		do	
Sept. 7, 1972: Spokane, Wash	Washington State Bar Association	Annual convention (luncheon speech)	The Delicate Balance.
Sept. 7, 1972: Butte, Mont	Rotary Club of Butte	Monthly meeting (dinner speech)	A Nation That Cares.
Sept. 8, 1972: Butte, Mont		Field office visit	
Sept. 14, 1972: Alexandria, Va		do	
Sept. 15, 1972: Quantico, Va	Bureau	90th session, FBI National Academy (commencement address).	The FBI National Academy.
Sept. 18, 1972: Quantico, Va	do	National Symposium on police-community relations.	The Police Officer and His Community.
Sept. 19, 1972: Kansas City, Mo		Field office visit	
Sept. 19, 1972: Memphis, Tenn		do	
Sept. 21, 1972: Chestertown, Md	Washington College	William James forum	Spoke extemporaneously.
Sept. 22, 1972: Detroit, Mich	Michigan State Bar Association	Annual convention (banquet speech)	The Rule of Law—Dividing Line Between Freedom and Chaos.
Sept. 25, 1972: Washington, D.C	Scripps-Howard Editors	Annual meeting (remarks; questions and answers).	Spoke extemporaneously.
Sept. 27, 1972: Colorado Springs, Colo	Colorado Correctional Association	Annual meeting (luncheon speech)	Corrections—A Time of Opportunity.
Sept. 27, 1972: Albuquerque, N. Mex		Field office visit	
Sept. 27, 1972: El Paso, Tex		do	
Sept. 27, 1972: San Antonio, Tex		do	
Oct. 2, 1972: Washington, D.C	United Press International	UPI International editors and publishers annual conference (remarks; questions and answers).	Spoke extemporaneously.
Oct. 9, 1972: New London, Conn	United Community Services of Southeastern Connecticut.	United Fund kickoff luncheon	The American Way.
Oct. 10, 1972: Oklahoma City, Okla	Rotary Club of Oklahoma City	Monthly luncheon meeting	The Promise of America.
Oct. 10, 1972: Oklahoma City, Okla		Field office visit	
Oct. 11, 1972: Dallas, Tex		do	
Oct. 11, 1972: Birmingham, Ala		do	
Oct. 13, 1972: Chicago, Ill	Executives Club	Lucheon speech	A Standard of Excellence.
Oct. 16, 1972: Salt Lake City, Utah		Field office visit	
Oct. 17, 1972: Salt Lake City, Utah	International Association of Chiefs of Police	79th annual conference	In the Nation's Service.
Oct. 20, 1972: Hot Springs, Va	The Business Council	Fall meeting (banquet)	A Standard of Excellence.
Sept. 24, 1972: Tampa, Fla		Field office visit	
Sept. 25, 1972: Miami, Fla		do	
Sept. 25, 1972: Jacksonville, Fla		do	
Sept. 26, 1972: New York, N.Y	Rotary Club of New York City	Monthly luncheon meeting	Service in the Cause of Freedom.
Sept. 29, 1972: Washington, D.C	Bureau Employees	23d annual FBI communion breakfast	Spoke extemporaneously.
Sept. 30, 1972: Richmond, Va		Field office visit	
Sept. 30, 1972: Baltimore, Md		do	
Sept. 31, 1972: San Juan, P.R		do	
Nov. 7, 1972: Washington, D.C	Commission on Personnel Interchange	Remarks; questions and answers to personnel interchange executives.	Do.
Nov. 9, 1972: New Orleans, La	Society of Former Special, Agents of the FBI	National convention (breakfast address)	Do.
Nov. 9, 1972: Hartford, Conn	The Hundred Club of Connecticut	Annual banquet	Partners in Public Safety.
Nov. 14, 1972: St. Louis, Mo		Field office visit	
Do	The Backstoppers	Annual winter meeting (dinner address)	When Disaster Strikes.

LIST OF PUBLIC SPEECHES AND FIELD OFFICE VISITS BY L. PATRICK GRAY III, AS ACTING DIRECTOR OF THE FBI—Continued

Date and location	Sponsoring organization	Title of event	Title of speech
Nov. 15, 1972: Quantico, Va	Bureau	Symposium on urban police control practices	Spoke extemporaneously.
Nov. 17, 1972: Washington, D.C	Law Association, The George Washington University.	Annual banquet (remarks; receive distinguished alumnus award).	Untitled.
Jan. 16, 1973: Quantico, Va	Bureau	Symposium on terrorism	Do.
Jan. 24, 1973: Washington, D.C	Naval Ship Systems Command	Luncheon address	Spoke extemporaneously.
Jan. 25, 1973: Washington, D.C	Department of Justice	National conference on criminal justice (remarks: panelist).	Untitled.
Jan. 26, 1973: Bangor, Maine	Maine Bar Association	Annual meeting (luncheon address)	Fidelity to Perfection.
Feb. 1, 1973: Annapolis, Md	U.S. Naval Academy	Prayer breakfast	Spoke extemporaneously.
Feb. 14, 1973: Washington, D.C	Women's Club, National War College	Monthly luncheon	Do.
Feb. 15, 1973: College Station, Tex.	Texas A & M University	18th student conference on national affairs	The FBI in a Free Society.
Feb. 16, 1973: Milwaukee, Wis	State Bar of Wisconsin	Annual convention (luncheon address)	FBI—Change of Command.
Feb. 28, 1973: Quantico, Va	Bureau	Seminar on bombing problems	
Mar. 6, 1973: Lexington, Va	Washington and Lee University	CONTACT '73—10th annual symposium	
Mar. 22, 1973: Hartford, Conn	Hartford County Bar Association	Annual meeting (dinner address)	
Mar. 30, 1973: Quantico, Va	Bureau	Graduation exercises, 92d session, FBI National Academy (remarks).	

INCREASES IN MINORITY EMPLOYMENT—FOLLOWING IS A TABULATION AS OF FEB. 1, 1973, OF FBI EMPLOYEES WHO ARE MEMBERS OF 4 MINORITY GROUPS, COMPARE WITH THE NUMBER EMPLOYED AS OF MAY 1, 1972:

	Field offices	FBIHQ	Total
FBI black employees as of May 1, 1972:			
Agents	60	3	63
Clerks	154	1,231	1,385
Total	214	1,234	1,448
FBI black employees as of Feb. 1, 1973:			
Agents	67	5	72
Clerks	195	1,358	1,553
Total	262	1,363	1,625
FBI Spanish-surnamed employees as of May 1, 1972:			
Agents	61	1	62
Clerks	110	116	226
Total	171	117	288
FBI Spanish-surnamed employees as of Feb. 1, 1973:			
Agents	74	1	75
Clerks	120	134	254
Total	194	135	329
FBI American Indian employees as of May 1, 1972:			
Agents	3	0	3
Clerks	2	0	2
Total	5	0	5
FBI American Indian employees as of February 1, 1973:			
Agents	11	0	11
Clerks	7	1	8
Totals	18	1	19
FBI Asian American employees as of May 1, 1972:			
Agents	15	0	15
Clerks	23	22	45
Total	38	22	60
FBI Asian American employees as of February 1, 1973:			
Agents	19	0	19
Clerks	28	26	54
Total	47	26	73

ADDITIONAL CHANGES IN FBI POLICIES AND PROCEDURES—MAY 3, 1972 TO FEBRUARY 28, 1973

1. Delegation of greater authority to Special Agents in Charge to handle investigative matters.

2. Reduction in frequency of routine administrative reporting from the field.

3. Instituted annual 2-day conferences at Headquarters for Special Agents in Charge and eliminated the requirement that they attend Inservice classes.

4. Instituted policy of bringing Assistant Special Agents in Charge and supervisors to Headquarters for specialized management training.

5. Increased personal consultation between the Acting Director and the Executives Conference. Formerly, the Executives Conference met with the Associate Director.

6. Left the two Assistant to the Director positions vacant in an effort to shorten the lines of reporting between the Assistant Directors and the Acting Director.

7. Realigned supervisory responsibility of certain investigatory matters among the Headquarters divisions.

8. Instituted program of sending top Headquarters personnel to the field divisions for consultations.

9. Reorganized functions previously assigned to the Crime Research Division by transferring responsibility for Congressional and press services to the Director's Office and remaining functions to other divisions.

10. Instituted a policy of transferring top Headquarters personnel to the field and top field personnel into Headquarters.

11. Reestablished a liaison section to facilitate and expedite business with other government agencies.

12. Purged inactive arrest records of individuals age 80 and older from the fingerprint files.

13. Reduced the length of tours for personnel on foreign assignments from 3 years to 2 years.

14. Re-emphasized Inservice training for Special Agents and instituted specialized classes for Inservice training.

15. Eliminated the requirement that Agents in Resident Agencies submit daily reports of their activities.

16. Clarified the Hardship Transfer Policy, which allows transfers for personnel with severe personal hardships which could be alleviated by a change in office of assignment.

17. Modified the weight limits for Special Agents to make them more realistic in accordance with expert medical advice.

18. Changed policy on granting advance of funds to an employee officially transferred, to include advances for (1) per diem and mileage when travel is by a privately owned automobile, and (2) subsistence expenses while occupying temporary quarters.

19. Instituted voluntary physical fitness program with established standards for Special Agents, allowing them to use up to three one-hour periods per week during regular working hours for this purpose.

20. Revised procedures for evaluating disciplinary action in connection with inspections.

21. Established tougher physical tests for Agents in training.

22. Cut from two years to one the time period that Special Agent applicants must wait to be re-examined if they fail to qualify on the first try.

23. Changed the qualifications for the Special Agent position to consider certain enlisted military service as sufficient under the Modified Program for Special Agent applicants. Formerly the only enlisted service which was considered sufficient was that in military intelligence.

24. Changed the qualifications for tour leaders so that female clerical personnel are eligible to be tour leaders, a position formerly restricted to male clerical personnel.

25. Changed the smoking rules to apply equally to men and women. Formerly female employees were prohibited from smoking at their desks.

26. Changed rules to allow employees to have coffee, soft drinks, etc. at their desks. Formerly, this had not been allowed.

27. Changed policy to allow certification, where appropriate, of former employees as desirable for employment in the criminal justice field upon completion of their education as required to qualify for Law Enforcement Education Program (LEEP) loans. Prior policy was to certify, where appropriate, only current employees.

28. Discontinued the program of gathering biographical data on nonincumbent Congressional candidates.

29. Caused a White House Fellow to be assigned to the Bureau for the first time.

30. Established the Law Enforcement Training Advisory Committee.

31. Discontinued the compilation of statistics on the recovery of stolen motor vehicles which were transported in interstate commerce unless the vehicle was recovered specifically as a result of FBI investigative efforts.

32. Instituted a training program for airline personnel in anti-hijacking procedures.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RURAL ENVIRONMENTAL ASSISTANCE AND WATER BANK PROGRAMS

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the unfinished business, H.R. 2107, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2107) to require the Secretary of Agriculture to carry out a rural environmental assistance porgram.

The Senate proceeded to consider the bill.

PRIVILEGE OF THE FLOOR

Mr. TALMADGE. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during the consideration of H.R. 2107:

Harker T. Stanton, Michael R. Mc-

Leod, Henry J. Casso, Forest W. Reece, James W. Giltmier, James E. Thornton, John A. Baker, Bill Taggart, Cotys M. Mouser, and James M. Kendall.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that Mr. James Savedge, of my staff, be granted the privilege of the floor during the consideration of the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. TALMADGE. I yield.

Mr. ROBERT C. BYRD. So that the Sergeant at Arms will know whether or not these staff members are wanted on the floor during any rollcall votes, would the Senators indicate their preference in the matter?

Mr. TALMADGE. I do not desire their presence during a rollcall vote. I would think that perhaps the chief counsel, Mr. Harker T. Stanton, and the representative of the minority, Mr. Forest W. Reese, should be present during a record vote. In fact, I do not anticipate that all those named will be on the floor during this time; but if one of them should bring a document here, I desire that he be permitted on the floor.

Mr. HARRY F. BYRD, JR. My request does not include presence during a rollcall vote.

Mr. ROBERT C. BYRD. I thank the Senators.

Mr. TALMADGE. Mr. President, the bill before the Senate is very simple. It would require the Secretary of Agriculture to do two things:

First, to make payments under the rural environmental assistance program in the full amount appropriated therefor; and

Second, to enter into agreements under the water bank program to the full extent permitted by available appropriations therefor.

Both the REAP program and the water bank program are important.

I personally have witnessed the transformation of the countryside through the REAP program which was begun in the days of the great depression. Indeed, when I was a boy, Georgia was noted for its gully-ridden clay hillsides. When it rained, Georgia's streams and ditches ran red with clay soil. In times of drought, the air was heavy with dust from fields that were not covered by grass or crops.

Today I live in a different Georgia—a Georgia with grassy, well-terraced hillsides, a Georgia with well-drained, productive bottom lands, a Georgia with rich black top soil built up through good conservation practices over the years, a Georgia with clean, well-tended streams and farm ponds. Not only has the rural environment of Georgia become more beautiful and more livable because of these changes; the productivity and the prosperity of the State have increased as well. Through conservation practices over the years, farmers have covered the red clay hillsides with rich productive top soil—top soil that enables them to produce 90 bushels of corn on an acre which once produced only nine bushels.

Although my State of Georgia has received no funds under the water bank program, the hunters and lovers of wild life have received benefits just as all of the Nation has benefited. If we do not preserve the wetlands which serve as nesting and breeding areas for our migratory water fowl, then there will be no migratory water fowl for anyone to enjoy.

As important as these two programs are, the issue that the Senate faces today is much more important than these programs. The issue at stake is whether Congress will permit the executive branch to continually usurp its power of the purse—its power to tax and its power to appropriate funds. The issue at stake is whether Congress will stand idly by while the executive branch of Government ignores laws passed by Congress, while the executive branch ignores spending priorities set by Congress and refuses to implement some laws so that it can spend according to its own priorities.

Simply put, Mr. President, the question is whether we will preserve the separation of powers that is so basic to our Constitution and to our democratic form of government.

Recently, I held 4 days of hearings on the cutback and termination of farm and rural programs. I wanted to know what basis the President had for ignoring laws passed by Congress and signed by both him and past Presidents. I requested Mr. Roy L. Ash, the Director of the Office of Management and Budget, to appear before the Committee on Agriculture and Forestry to explain these actions. However, Mr. Ash refused to appear, and I put my questions to Secretary Butz. I asked the Secretary whether the President, who is picking and choosing some items that he will fund and some items that he will withhold funds for, could withhold funds for other coequal branches of government. I asked him whether the President could withhold funds for Congress or the judiciary. The Secretary responded that if the President could withhold funds from other sources, he presumed that the President could withhold funds from Congress and the judicial branch.

I know that Secretary Butz is not a lawyer and he is not an expert on the Constitution, but he was the official administration spokesman on the impoundment of funds for farm and rural programs. The question that I raised was a legitimate one. Any time we have the executive branch ignoring laws at will and picking which laws it will enforce and which laws it will disobey, we have to be concerned as to how far this trend will go.

Certainly, we have to consider the possibility of one-man rule—and one-man rule is exactly what we will have if we allow the President to flout the will of Congress and arrogate to himself increasing powers.

I was not satisfied with Secretary Butz' statement in justification of the termination of the rural environmental assistance and water bank programs during his testimony before the committee on February 1.

I was even less impressed with the justification of these terminations that was provided by the general counsel of the Department of Agriculture. The committee report deals thoroughly with the constitutional issue involved and discusses the USDA's position. The USDA's memorandum justifying the termination of the REAP and water bank programs does not squarely face the issue at hand. While it talks about impoundments in the past, it fails to address the fact that we have much more involved here than an ordinary impoundment of funds. In the case of the REAP and water bank programs, we have a termination of programs—a cancellation of programs authorized by Congress.

Moreover, the USDA justification ignores the fact that Congress has repeatedly and consistently asserted its intention that a REAP program be carried out by repeatedly enacting a program level higher than that requested by the administration. It ignores the fact that the House Appropriations Committee, in its report on the agricultural-environmental and consumer protection bill, expressed dissatisfaction with the amount of funds being expended for the water bank program and urged that the program be expedited.

These days we hear the Presidential power to impound justified by officials in terms that indicate that it is some kind of divine right. As a matter of fact, a thorough examination of the Constitution and relevant statutes will show that there is no such right based on either the Constitution or on statutes. This point is made quite well in a 1969 memorandum by William B. Rehnquist who was then Assistant Attorney General, Office of Legal Counsel:

> With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such a broad power is supported by neither reason nor precedent. There is, of course, no question that an appropriation act permits but does not require the executive branch to spend funds. See 42 Ops.A.G. No. 32, p. 4 (1967). But this is basically a rule of construction, and does not meet the question whether the President has authority to refuse to spend where the appropriation act or the substantive legislation, fairly construed require such action.

The Rehnquist memorandum is the most lucid examination of the impoundment issue that I have seen. Therefore, I ask unanimous consent that it be printed at this point in my remarks in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

DECEMBER 1, 1969.

HON. EDWARD L. MORGAN,
Deputy Counsel to the President,
The White House,
Washington, D.C.

DEAR ED: Attached is a memorandum dealing with the authority of the President to impound funds appropriated for assistance to federally impacted schools. A memorandum dealing with other education programs is in preparation.

Sincerely,

THOMAS E. KAUPER,
Deputy Assistant Attorney General, Office of Legal Counsel.

MEMORANDUM

Re Presidential Authority to Impound Funds Appropriated for Assistance to Federally Impacted Schools

You have asked us to consider whether the President may, by direction to the Commissioner of Education or to the Bureau of the Budget, impound or otherwise prevent the expenditure of funds appropriated by Congress to carry out the legislation for financial assistance to federally impacted schools, Act of September 30, 1950, as amended ("P.L. 874"), 20 U.S.C. 236 *et seq.*, and Act of September 23, 1950, as amended ("P.L. 815"), 20 U.S.C. 631 *et seq.*

In July the House of Representatives, in adopting the Joelson Amendment to the Labor-HEW Appropriations bill, added approximately one billion dollars to the sum to be appropriated for various programs administered by the Office of Education. One of the largest increases was in the appropriation to carry out P.L. 874, which was raised to $585 million, nearly $400 million over the figure requested by the Administration and reported by the House Appropriations Committee. The appropriation for P.L. 815, on the other hand, is only $15,167,000, the same as that requested by the Administration.

The question arises whether, assuming that the appropriations carried in the Joelson Amendment are not significantly reduced by the Senate, the Administration is bound to spend the money appropriated. This memorandum considers the situation with respect to P.L. 874 and P.L. 815, particularly the former. In a subsequent memorandum we shall consider the situation with respect to certain of the other items in the Joelson Amendment.[1]

P.L. 874 authorizes financial assistance for the maintenance and operation of local school districts in areas where school enrollments are affected by Federal activities. Payments are made to eligible school districts which provide free public education to children who live on Federal property with a parent employed on Federal property (§ 3 (a)) and to children who either live on Federal property or live with a parent employed on Federal property (§ 3 (b)); to those school districts having a substantial increase in school enrollment resulting from Federal contract activities with private companies (§ 4); and to school districts when there has been a loss of tax base as a result of the acquisition of real property by the Federal Government (§ 2). Where the State or local educational agency is unable to provide suitable free public education to children who live on Federal property, the Commissioner of Education is required to make arrangements for such education (§ 6). Major disaster assistance is authorized for local educational agencies under section 7 of P.L. 874. It should be noted that the $585 million provided by the Joelson Amendment is for assistance "as authorized by sections 3, 6, and 7" of P.L. 874. Consequently, no funding is provided for sections 2 and 4, and these sections need not concern us further.

Section 3 of P.L. 874 requires the Commissioner to compute the "entitlement" of a local educational agency under a formula, whereby simply stated, the number of category A children and one-half the category B children[2] is multiplied by the local contribution rate for the school district as determined under section 3(d). The determination of entitlement is not entirely mechanical, for within fairly narrow limits the Commissioner has discretion in selecting the basis for his determination of the local contribution rate, and other provisions permit him to make favorable adjustments in entitlements under narrowly defined circumstances (§§ 3(c) (2), 3(c) (4), 3(e), 5(d) (1)).

Once a district's section 3 entitlement has been determined, however, the process of making payments becomes mechanical. Section 5(b) of P.L. 874 provides:

"(b) The Commissioner shall * * * from time to time pay to each local educational agency, in advance or otherwise, the amount which he estimates such agency is entitled to receive under this title. * * * Sums appropriated pursuant to this title for any fiscal year shall remain available, for obligation and payments with respect to amounts due local educational agencies under this title for such year, until the close of the following fiscal year."[3]

However, P.L. 874 does not constitute a promise by the United States to pay the full entitlement, for the statute contemplates that Congress may choose not to appropriate sufficient money to fund the program at 100% of entitlement. In such a circumstance section 5(c) provides that the Commissioner after deducting the amount necessary to fund section 6, shall, subject to any limitation in the appropriation act, apply the amount appropriated pro rata to the entitlements.[3a] (Since the Joelson Amendment provides no funding for sections 2 and 4, this would mean that after deducting the amount necessary to fund section 6 and, perhaps, constituting a reserve for possible application to section 7,[4] the appropriation would be applied to the payment of section 3 entitlements.)

In sum, whatever limited discretionary authority the Commissioner may have with respect to determining entitlements, section 5 does not appear to permit any exercise of discretion in the application of appropriated funds to the payment of entitlements. Since the $585 million carried in the Joelson Amendment is only 90% of the total estimated entitlements, Departments of Labor and HEW Appropriations, 1970, Hearings before a subcommittee of the House Appropriations Committee, 91st Cong., 1st Sess., Pt. 5, p. 229, discretionary cutbacks on entitlements would have to exceed 10% of the total before there would be any impact on the total funding of the program.

We do not, in short, find within P.L. 874 any statutory authority for the Commissioner in the exercise of his discretion to avoid applying to the entitlements the full sum appropriated, and we conclude that the provisions of section 5 are mandatory in this respect.[5] We understand that this conclusion is consistent with the position taken over the years by the General Counsel of the Department of HEW.[6]

P.L. 815 authorizes payments to assist local school districts in the construction of school facilities in areas where enrollments are increased by Federal activities. The entitlement for assistance is computed under a statutory formula, and in addition there is provision for judicial review of a Commission's determination refusing to approve part or all of any application for assistance under the Act. (P.L. 815, § 11(b), 20 U.S.C. 641(b).) On the other hand, the mechanics of administration of P.L. 815 differ significantly from those of P.L. 874. First, the Commissioner is not required to apply appropriations pro rata among the eligible districts, but in accordance with priorities which he establishes by regulation (§ 3). Second, entitlement for assistance is not computed on an annual basis, but as a share of the cost of a particular project. Thus, if funds are held up in one fiscal year, the project may be funded the next year. Finally, the Commissioner is apparently free to allot, in his discretion, an indefinite share of the appropriation to section 14 purposes, school construction on Indian Reservations.

While we hesitate to conclude, on this fairly summary consideration, that the Commissioner has discretionary authority under P.L. 815 to delay indefinitely the obligation and expenditure of funds appropriated to carry out the statute, it does appear to us that there are enough discretionary powers throughout the statute to permit him to postpone the obligation of funds during fiscal 1970. Indeed, the Joelson Amendment provides that the appropriation for P.L. 815 shall remain available until expended, which would seem to confirm the conclusion that there is no legal requirement that the funds be obligated in the year for which the appropriation is made. However, inasmuch as the appropriation in question is relatively small and is consistent with the Administration's budget request, we see no need to discuss in greater detail the legal arguments which could be used to support a deferral of action to obligate the funds.

Notwithstanding the apparently mandatory provisions of P.L. 874, it has been suggested that the President has a constitutional right to refuse to spend funds which Congress has appropriated. In particular, there have been a number of statements by Congressmen with respect to the very programs of the Office of Education presently under consideration that Congress could not force the President to spend money which he did not want to spend.

Section 406 of the Vocational Education Amendments of 1968, 20 U.S.C.A. 1226 (Feb. 1969 Supp.) provides that notwithstanding any other provision of law, unless expressly in limitation of this provision, funds appropriated to carry out any Office of Education program shall remain available for obligation until the end of the fiscal year. The purpose of this provision was to deny to the President authority which he would otherwise have had under the Revenue and Expenditure Control Act (P.L. 90–364), §§ 202, 203, to reduce obligations and expenditures on Office of Education programs, and, in particular, the impacted area programs and title III of the National Defense Education Act, 20 U.S.C. 441 *et seq.* See Cong. Rec. vol. 114, pt. 22, p. 29155. During the debate in both Houses on this provision several members stated that section 406 would not interfere with the President's constitutional authority to reduce expenditures in the area of education. See remarks of Senators Dominick and Yarborough, p. 29157; remarks of Congressmen Perkins and Quie, vol. 114, pt. 23, p. 29477.

Similar views were expressed almost contemporaneously in connection with the House of Representatives' consideration of a Senate amendment to the Labor-HEW Appropriations Bill, 1969, (H.R. 18037), which would exempt from both the Anti-Deficiency Act and the Revenue and Expenditure Control Act an appropriation of $91 million for impacted area school assistance for fiscal 1968. In advising the House to accept the Senate amendment, Cong. Flood stated:

"Section 406 of the Vocational Education Act amendments seems to many and, I must say, not to others, to cover what the language in disagreement seeks to do; but in any event there are many instances in which it has been made clear that the President has the constitutional powers to refuse to spend money which the Congress appropriated." Cong. Rec., vol. 114, pt. 23, p. 30588.

Cong. Laird agreed:

"The language will not be interpreted as a requirement to spend because of the constitutional question which is involved. The Congress cannot compel the President of the United States to spend money that he does not want to spend." *Ibid.*

Footnotes at end of article.

More recently, in the hearing on HEW's appropriation bill for fiscal 1970, Congressman Smith stated his belief that HEW was not compelled to spend the funds appropriated for the impact aid program. Hearings before a Subcommittee of the House Appropriations Committee, 91st Cong., 1st Sess., Pt. I, p. 263. Subcommittee Chairman Flood appeared to agree. *Ibid.*, p. 264.

Taken together these statements evidence broad Congressional support for the proposition that the President has some residual constitutional authority to refuse to expend those funds to which section 406 applies. What is not clear is the nature or the precise source of the authority the speakers had in mind.

For the reasons discussed below we conclude that the President does not have a constitutional right to impound P.L. 874 funds notwithstanding a Congressional direction that they be spent. However, before proceeding with discussion of the constitutional question we might note that the Congressional statements cited above might be used in support of another argument for Presidential authority, based on statutory interpretation. It might be argued that although these statements cannot affect the interpretation of P.L. 874, since they were not made in the course of enacting or amending that statute, nevertheless P.L. 874 is not self-executing, and its operation is expressly conditioned on the enactment of subsequent appropriations legislation. Therefore, in determining the duties of the Commissioner of Education one must construe the intent of both the substantive legislation, P.L. 874, and the appropriations legislation, and the present understanding of Congress, as evidenced by the statements above, is that the enactment of the appropriation does not create a duty to spend.

Up to a point this argument has a certain amount of validity. We do not doubt, for example, that notwithstanding the terms of P.L. 874, Congress could provide in its appropriation that the money need not be spent. Or it could enact an appropriation, and then provide in contemporaneous or subsequent legislation that the money need not be spent, as was done in title II of the Revenue and Expenditure Control Act of 1968, P.L. 90–364. However, the Congressional statements cited above refer to the President's constitutional powers and not to Congressional intent. It seems doubtful that one can infer from those statements, most of them made in 1968, that Congress, in enacting the appropriations legislation in 1969, intended to exert less than its full authority to require the expenditure of funds appropriated to P.L. 874. Still, since at this writing the appropriations legislation has not yet been passed, it may be that legislative history may still be made which would support the argument that Congress does not intend to require the expenditure of the entire sum appropriated.

With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such a broad power is supported by neither reason nor precedent. There is, of course, no question that an appropriation act permits but, does not require the executive branch to spend funds. See 42 Ops. A. G. No. 32, p. 4 (1967). But this is basically a rule of construction, and does not meet the question whether the President has authority to refuse to spend where the appropriation act or the substantive legislation, fairly construed, require such action.

In 1967 Attorney General Clark issued an opinion, 42 Ops. A. G. No. 32, upholding the power of the President to impound funds which had been apportioned among the States pursuant to the Federal-Aid Highway Act of 1956, 23 U.S.C. 101 *et seq.*, but had not been obligated through the approval by the Secretary of Transportation of particular projects. This opinion appears to us to have been based on the construction of the particular statute, rather than on the assertion of a broad constitutional principle of executive authority. While the reasoning of the opinion might lend support to Executive action deferring the obligation of funds under P.L. 815, we think the case of P.L. 874 is clearly distinguishable, because, among other reasons, impounding the P.L. 874 funds would result not in a deferral of expenditures, but in permanent loss to the recipient school districts of the funds in question and defeat of the Congressional intent that the operations of these districts be funded at a particular level for the fiscal year.

While there have been instances in the past in which the President has refused to spend funds appropriated by Congress for a particular purpose we know of no such instance involving a statute which by its terms sought to require such expenditure.

Although there is no judicial precedent squarely in point, *Kendall* v. *United States*, 12 Pet. 524 (1838), appears to us to be authority against the asserted Presidential power. In that case it was held that mandamus lay to compel the Postmaster General to pay to a contractor an award which had been arrived at in accordance with a procedure directed by Congress for settling the case. The court said:

"There are certain political duties imposed upon many officers in the executive department, the discharge of which is under the direction of the President. But it would be an alarming doctrine, that Congress 'cannot impose upon any executive officer any duty they may think proper, which is not repugnant to any rights secured and protected by the Constitution; and in such cases, the duty and responsibility grow out of and are subject to the control of the law, and not to the direction of the President. And this is emphatically the case where the duty enjoined is of a mere ministerial character," 12 Pet. at 610.

It might be argued that *Kendall* is not applicable to the instant situation because the Commissioner of Education's duties are not merely ministerial. *Cf. Decatur* v. *Paulding*, 14 Pet. 497, 515 (1840). On the other hand, while discretion is involved in the computation of the entitlement of the recipient districts, as we have pointed out, the application of the appropriation to the payment of entitlements pursuant to section 5(c) of P.L. 874 might reasonably be regarded as a ministerial duty. In any event, the former distinction between discretionary and ministerial duties has lost much of its significance in view of the broad availability of judicial review of agency actions and of a remedy in the Court of Claims for financial claims against the Government. 28 U.S.C. 1491. Thus, the mere fact that a duty may be described as discretionary does not, in our view, make the principle of the *Kendall* case inapplicable, if the action of the federal officer is beyond the bounds of discretion permitted him by the law.

In an unpublished opinion letter of May 27, 1937 to the President, Attorney General Cummings answered in the negative the question whether the President could legally require the heads of departments and agencies to withhold expenditures from appropriations made. Insofar as the opinion concludes that a Presidential directive may not bind a department head in the exercise of discretionary power vested in him by statute, this opinion appears inconsistent with the views expressed in the opinion of Attorney General Clark previously cited and with constitutional practice in recent years.[7] However, the Cummings opinion also rejects any idea that the President has any power to refuse to spend appropriations other than such power as may be found or implied in the legislation itself.

It is in our view extremely difficult to formulate a constitutional theory to justify a refusal by the President to comply with a Congressional directive to spend. It may be argued that the spending of money is inherently an executive function, but the execution of any law is, by definition, an executive function, and it seems an anomalous proposition that because the Executive branch is bound to execute the laws, it is free to decline to execute them. Of course, if a Congressional directive to spend were to interfere with the President's authority in an area confided by the Constitution to his substantive direction and control, such as his authority as Commander-in-Chief of the Armed Forces and his authority over foreign affairs, *United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304, 319–322 (1936), a situation would be presented very different from the one before us. But the President has no mandate under the Constitution to determine national policy on assistance to education independent from his duty to execute such laws on the subject as Congress chooses to pass.

It has been suggested that the President's duty to "take care that the laws be faithfully executed" might justify his refusal to spend, in the interest of preserving the fiscal integrity of the Government or the stability of the economy. This argument carries weight in a situation in which the President is faced with conflicting statutory demands, as, for example, where to comply with a direction to spend might result in exceeding the debt limit or a limit imposed on total obligations or expenditures. See, *e.g.*, P.L. 91–47, title IV. But it appears to us that the conflict must be real and imminent for this argument to have validity; it would not be enough that the President disagreed with spending priorities established by Congress. Thus, if the President may comply with the statutory budget limitation by controlling expenditures which Congress has permitted but not required, he would, in our view, probably be bound to do so, even though he regarded such expenditures as more necessary to the national interest than those he was compelled to make.[8]

If Congress should direct the expenditure of funds in the carrying out of a particular program or undertaking, say, construction of a public building, but without limiting the Executive's discretion in such a way as to designate the recipient of the appropriated funds, a better argument might perhaps be made for a constitutional power to refuse to spend than is available in the formula grant situation presented by P.L. 874. Or this might be viewed simply as a situation in which the duty to spend exists but there is no constitutional means to compel its performance.

As to the availability of a remedy, if our conclusion that section 5 of P.L. 874 requires expenditure of the appropriation is correct, we believe that the recipient school districts will probably have a judicial remedy. It is true that unlike P.L. 815, P.L. 874 has no specific provision for judicial review of a refusal to make a grant. However, absence of such a provision does not imply that no judicial review was intended. See *Abbott Laboratories* v. *Gardner*, 387 U.S. 136, 139–46 (1967). It may be that a suit to compel the Commissioner to apply the appropriation would be inappropriate, see *Land* v. *Dollar*, 330 U.S. 731, 738 (1947), but if the school districts are legally entitled to payment under the statute, they can sue the Government in the Court of Claims. 28 U.S.C. 1941. Such a suit could raise interesting legal problems, for it is clear that "entitlement" under P.L. 874 is not itself equivalent to a legal obligation to pay, and it is doubtful that even entitlement plus appropriation creates a vested right which may not be destroyed by subsequent Congressional action. Accordingly, technical defenses might prevent recovery by a school district even if the court concluded that the

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Footnotes at end of article.

Executive branch had a statutory duty to spend the appropriation.

WILLIAM H. REHNQUIST,
Assistant Attorney General,
Office of Legal Counsel.

FOOTNOTES

[1] This memorandum does not consider title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. 241a *et seq.*, which, although enacted as title II of P.L. 874, is usually cited as a separate statute and is listed as a separate appropriation item in the Joelson Amendment.

[2] The terms "category A" and "category B" refer to the standards for eligibility under subsections 3(a) and 3(b) respectively.

[3] This provision for continued availability beyond the close of the fiscal year conflicts with section 405 of the appropriation bill. However, we understand that HEW regards the obligation of the funds as occurring within the fiscal year, even though the precise amount due may not be ascertained until after the close of the fiscal year.

[3] Thus, he would have no authority to vary this formula in order to provide fuller funding for category A entitlements at the expense of category B entitlements unless Congress were so to provide in the appropriation act.

[4] It is arguable that since the Joelson Amendment appropriate funds to carry out sections 3, 6 and 7, the Commissioner could set up a reserve for contingencies under section 7, disaster assistance. On the other hand, section 7(c) of P.L. 874 permits the Commissioner, notwithstanding the Anti-Deficiency Act, to grant assistance under section 7 out of moneys appropriated for the other sections, such funds to be reimbursed out of subsequent appropriations for carrying out section 7. Since the statute permits such application of funds allocated to carrying out section 3. It would be hard for the Commissioner to justify withholding funds from allocation on the basis of the possibility that they might be needed for disaster assistance.

[5] Mandatory, that is, provided that the school district is in compliance with applicable federal statutes and regulations. Where a district is not in compliance, the Commissioner may have authority to withhold or terminate assistance, see *e.g.*, Civil Rights Act of 1964, title VI, 42 U.S.C. 2000d *et seq.*; 45 C.F.R. Part 80. Whether in the event of such a withholding or termination the Commissioner would be required to apply the funds to the unfunded entitlements of other districts is a point we need not decide at this time.

[6] Memorandum of March 29, 1966 from General Counsel Willcox to Assistant Secretary Huitt; Memorandum of August 6, 1958 from General Counsel Bants to the Secretary (HEW files do not indicate whether this memo was actually sent).

[7] See, also, 2 Ops. A. G. 482 (1831).

[8] We understand that the operation of the expenditure limitation imposed by title IV of P.L. 91–47 may require curtailment of certain controllable expenditures. Paradoxically, title IV would not conflict with the increases over budgeted amounts in appropriations provided by the Joelson Amendment, because the expenditure limitation would automatically be adjusted upward. Nevertheless, we are informed that it might prove difficult to comply with title IV without cutting back on expenditure of *budgeted* funds for P.L. 874 and other Office of Education programs. Whether in such a situation title IV could be viewed as conflicting with and thus superseding the requirements of P.L. 874 depends to a large extent on the Executive's spending options at that time. Two considerations cause us to hesitate to infer from title IV a grant of authority to the President to impound appropriations for formula grants for education. First, title IV, as passed by the Senate, contained specific language permitting the impounding of funds appropriated for formula grants and other mandatory programs, but exempting from this authority education programs. The conference report contained neither the grant of authority nor the exemption. Second, section 406 of the Vocational Education Amendments of 1968 (see p. 6, *supra*) would conflict with such a grant of authority, and there is legislative history to the effect that title IV was not intended to alter the effect of section 406. See Cong. Rec. vol. 115, pt. 14, pp. 18928–9. Nevertheless, we do not rule out at this time the possibility that in appropriate circumstances title IV might permit the impounding of such funds.

Mr. TALMADGE. Mr. President, the rural environmental assistance program, which has been on the statute books since 1936, is important to the entire Nation for its results in conserving soil and water resources. In this time of increasing concern about ecology and the environment, we should remember that the REAP program is one of the first ecology programs that this Nation ever had. Those of us who remember the dust bowls and the washed over soils of the 1930's know the importance of this program. We have made giant strides since those depression years.

However, we still need the rural environmental assistance program. Because of increased concern about the total environment, the Congress made additions to the REAP program in the Rural Development Act of 1972. Now the REAP program is designed to make major contributions to air as well as water pollution abatement and control. It provides the kind of cost sharing assistance for air pollution abatement measures and practices that was formerly provided for soil and water conservation and the prevention of sedimentation of rivers, lakes, and reservoirs by the prevention of soil erosion.

Rough estimates indicate that the suspended solids reaching rivers and streams of this country from surface run-off are at least 700 times the loadings caused by sewage discharge. A substantial share of this sediment load comes from the farms and ranches of the country. Our only hope of cutting it down is by the application of a planned, phased, and thorough water conservation program of land treatment farm by farm, area by area.

The REAP program is a cost-sharing program. It is a program in which the Government shares the cost of private owners undertaking conservation measures which benefit all citizens. The REAP program and the water bank program not only will assist in pollution abatement and control, they are also positive factors in environmental enhancement, watershed protection, better forestry practices and reforestation, preservation of wildlife, improvement of wildlife habitat—all are direct benefits of these programs.

Mr. President, the funds that have been appropriated for the REAP program are only a small part of the billions that have been authorized for water quality enhancement alone, but in terms of the dollars spent, it is quite likely that a careful cost-effectiveness study of these two programs would show that the Nation is getting more for its environmental dollars, dollar per dollar, than Federal dollars spent on other Government programs. I would like to mention just two ways in which these programs more than pay for themselves:

By keeping the soil on the land and thus reducing the cost of dredging rivers and harbors; and

The reduction of pollution of the Nation's water with pesticides, herbicides, and fertilizers that cling to eroded soil particles.

Mr. President, we hear a lot about the distrust of the Government these days. When we look at arbitrary and sudden terminations of programs that citizens depend upon, it is easy to understand why. Participants in the REAP and water bank programs had every right to expect that the programs would continue as usual.

Both programs were funded in the Appropriation Act signed by the President on August 22, 1972. The REAP program had been on the books since 1936; the water bank program was signed into law by President Nixon in 1970.

Every official publication of the Department of Agriculture right up to the time of cancellation would have led any observant to believe that these programs were secure for the calendar year 1973. The committee report contains a copy of the USDA press release of September 29 announcing that the REAP program would initially be funded at $140 million. The release indicated that the final decision on the program level would be made at a later date.

As late as December 5, 1972, the Department of Agriculture lauded the effectiveness of the REAP program in protecting the environment. A quotation from the environmental impact statement of the USDA on page 11 of the committee report illustrates this point.

Then on December 26, 1972, the Department issued a press release terminating the REAP and water bank programs. In fact, the USDA terminated the program retroactively—back to December 22, 1972.

At the same time agricultural stabilization and conservation committees around the country were sending out notices containing a list of the conservation practices for which cost sharing would be offered. I have in my possession an announcement of the rural environmental assistance program in Brooks County, Ga., which was dated December 26, the same day that the Washington Office of the USDA announced termination of the program.

Mr. President, I believe that the Federal Government must keep faith with the American people. I believe that the critical period of history through which the Nation is now passing is no time to allow actions that raise legitimate questions concerning the good faith of the Government.

The question here is not whether we should spend more money. The President's termination and reduction of programs for rural America is not merely an attempt at thrift. It is an attempt to restructure the Government, an attempt to ignore the will of Congress in favor of his own priorities. We must cut these rural programs out if we are to have the billions more that the President wants for revenue sharing. We must terminate programs to rebuild rural America so that we may rebuild North Vietnam.

The Committee on Agriculture and Forestry, which reported this bill, has always been careful with taxpayers' money. I have always been a fiscal conservative. I am proud of my opposition to the President's guaranteed annual income plan, which would have placed 15 million more Americans on welfare and drained the Treasury of untold billions of taxpayers' dollars.

However, neither I nor the committee can stand idly by while rural programs of proven value are terminated on a whim of the executive branch. Mr. President, both the rural environmental assistance program and the water bank program have proven their worth over the years. They should be carried out as was intended by the Congress.

Moreover, this Congress cannot afford to permit the executive branch to constantly ignore its will. This Congress cannot afford to have its power stripped away so that it is nothing more than a great debating society. If we allow this to happen, we are derelict in our duty to the people who elected us. Therefore, I urge that the pending bill be adopted.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to my distinguished colleague from Vermont.

Mr. AIKEN. I merely wish to say that I intend to support the bill, but in order to make its purpose perfectly clear, I would like to ask the reporter of the bill, Senator TALMADGE, if the language "in an aggregate amount equal to the sums appropriated therefor" means that we are directing the Secretary of Agriculture to spend money even if he feels that certain practices are not necessary for carrying out the REAP program.

Mr. TALMADGE. Mr. President, the purpose of the bill is to require the Secretary of Agriculture to reinstate the REAP program, to carry out the program at a level intended by Congress. The bill does not take away the Secretary's discretion in administering the program in a manner designed to achieve the most benefits possible. The Secretary will still be obligated and he will have the power to make changes in the program to see that the American taxpayer receives the maximum benefits through conservation of soil and water resources and environmental protection and enhancement. The committee report deals with this issue on page 14:

> All practices and the amounts payable, however, must be approved by the Secretary. Reinstatement of the program under the provisions of the bill would not interfere with continual review by the Secretary of approved practices and such revision of them as may be necessary to assure the fullest attainment of the purposes of the Act to conserve and improve the environment.

Mr. AIKEN. I thank the Senator for the explanation, which I felt was very necessary. Before enacting this bill into law, I wanted to simply make sure that we were not obligating the Secretary to spend every dollar appropriated for this program on existing practices, without authority to review and change practices from time to time as it seemed advisable to do so. The general purpose of the bill is good—to continue the REAP program.

Mr. TALMADGE. There is no intention to do what the Senator referred to. The executive branch is determined to kill all REAP programs. This legislation is designed to let the President know that Congress has passed this law, that Congress has funded this law, and that we want it to continue into the future as it has in the past until we repeal it.

Mr. AIKEN. I might also say that 70 percent of the farmers of my State participate in the REAP program.

Mr. TALMADGE. Vermont is to be congratulated because the people of Vermont have been very appreciative of environmental quality. I congratulate the Senator for representing a State where the people have been pioneers in this field.

Mr. AIKEN. I will support the bill.

Mr. TALMADGE. I appreciate the contributions the Senator has made in this field.

Mr. AIKEN. I thank the Senator.

Mr. TALMADGE. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. TALMADGE. Mr. President, I have discussed with my distinguished colleague, the Senator from Nebraska (Mr. CURTIS), the ranking minority member of the Agriculture and Forestry Committee, the possibility of agreeing on a time limitation. I think we are in agreement.

I propose 2 hours on the bill, to be equally divided between the chairman of the committee and the distinguished ranking minority member, 30 minutes on any amendment, to be equally divided between the mover of the amendment and the chairman of the committee, with the proviso that no nongermane amendments be proposed, and that time may be yielded on any amendment from the time on the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I yield the floor.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The legislative clerk read the committee amendment, as follows:

At the top of page 2, insert a new section, as follows:

> SEC. 2. The first sentence of section 3 of the Water Bank Act (16 U.S.C. 1302) is amended by striking out the words "shall have authority to" and inserting in lieu thereof the following: "shall, to the full extent permitted by available appropriations therefore,".

Mr. TALMADGE. Mr. President, I move that the committee amendment be agreed to and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the bill as thus amended will be considered as original text for the purpose of further amendment.

Mr. CURTIS. Mr. President, I yield myself 10 minutes.

We are facing a situation that I feel very concerned about, and I am not happy or satisfied with the solution that we have before us today. Last year the Congress provided for the so-called REAP program.

We provided $225 million. The executive department went along with the program and made a public announcement that it would fund it, I believe, at $140 million. A number of people relied upon this promise. At the same time, there is no group in the country that has a greater stake in seeing Government expenses reduced than farmers. They are suffering from inflated costs perhaps more than any other persons or groups.

The continuous round of price increases and wage increases hit away at the net income of agriculture. And so far the farmer cannot add on these additional costs.

Consequently, I believe that most people in rural America are anxious to see the cost of Government reduced.

It is my understanding that the actions of the Executive in impounding money resulted in about 10 percent of the proposed reductions coming from agriculture and 90 percent of the reductions coming from nonagricultural programs.

It is my understanding that the actions of the Executive called for the phasing out of the Economic Development Administration, the reduction and phasing out and transfer of the Economic Opportunity programs, referred to as the Poverty Act, and also it meant that reductions in the program for housing and urban development would be reduced by approximately $1 billion.

The testimony of the Secretary of Agriculture, when he appeared before the Committee on Agriculture and Forestry, indicated a reduction to be proposed by the Executive of about $1.2 billion for agriculture. However, approximately half of that, $600 million, is brought about by the fact that the higher farm prices are making certain expenditures necessary at a lower level by reason of their automatic operation.

There were three principal programs in this reduction of expenditures or impounding of funds that came within the jurisdiction of the Committee on Agriculture and Forestry—the REA, the Disaster Relief, and the pending bill, REAP.

I said in the beginning that I was disappointed. I believe the time has come for us to revise financing of rural electrification. And as a result I supported the amendment offered by the distinguished Senator from Oklahoma (Mr. BELLMON) which would have limited the 2-percent money to those areas that are really rural, where they have only three or less customers per mile. That amendment failed.

I supported an amendment along somewhat similar lines offered by the distinguished Senator from Idaho (Mr. McClure). I hope that before long Congress will revise the law relating to REA financing.

I dislike the idea of Congress overspending and the President being forced to impound and then a failure to get the parties together to make a substantial reduction in expenses. Rather than offering bills to solve the matter, they do not give an inch on expenditures, but force, or attempt to force, the Executive to spend all of the money.

Congress ought also to substantially revise the program for disaster relief. There are many abuses under it. A change was made in the law to the effect that someone could get a disaster loan whether he needed it or not. It used to be that one had to show that he could not get a loan anyplace else. Also, in recent times there has been the idea of forgiveness of part of the loan. That has been inserted in the law. As a result, we have a disaster loan program where someone of great wealth can suffer a disaster, get a 40-year loan at 1 percent, and all of the taxpayers of the country have to help subsidize that loan, and that man will further have $5,000 of that loan forgiven.

It is very expensive. It is unwise. It is uncalled for. Congress should revise that law, and the Executive should help to lead the way.

We have before us today the so-called REAP program. As it stands now, the Executive has impounded the funds. If this bill passes, it is a mandate to spend the entire amount.

I do not subscribe to either practice. I think we ought to exercise our responsibility and provide for a reasonable reduction in all of these programs and meet the issue of reducing the expenditures and at the same time insist that a similar policy be followed in all other phases of the government that are not related to agriculture.

I do not like the idea that, because the agricultural people constitute such a minority throughout the country, they should become the whipping boy and the subject of all efforts to reduce Government expenditures.

There are some expenditures provided for in the pending bill that I think could be discontinued.

I do not believe that the Government should pay, for instance, for fertilizer and lime for farmers any more than they should pay for seed. I do not believe that they should pay for items of that nature any more than they should pay his tractor fuel bill.

I do think that there are other parts of the program that are in an altogether different category. And I refer to those programs that call for a structure that is permanent.

The public interest is involved here. For instance, I have in my hand a breakdown of the expenditures of REAP for the State of Nebraska, which I have the honor in part to represent.

The funds for this year include an item for animal waste storage and diversion facilities of $210,000.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 5 minutes.

Mr. CURTIS. Mr. President, this is necessary in direct response to the law passed by Congress relating to pollution. It will assist farmers to meet this problem of waste runoff from feedlots and other like situations.

There is another item in the program for the State of Nebraska: Sediment retention and water control structures, $916,000. Here again, this is a public concern. It involves our water supply. Sediment is probably the greatest factor in polluting our water in every watershed in the country. Congress and the executive have mandated the people to do something about pollution in the interests of pure water, pure air, and better surroundings.

Another item is chemical runoff control measures, $599,000. This, too, falls in the same category. The public has an interest, and these expenditures are in the public interest. The situation is somewhat similar with respect to water impoundment reservoirs, permanent cover, and terracing.

The following is a complete list of cost-shares with Nebraska farmers during 1972 and I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Total cost-shares of $5,327,000 were paid to Nebraska farmers. Almost $5,300,000, or 99.4 percent of these funds, were used for enduring type practices. Some major practices and cost-shares:

Permanent cover, $660,000.

Water impoundment reservoirs, $1,261,000.

Terraces, $660,000.

Animal waste storage and diversion facilities, $210,000.

Sediment retention and water control structures, $916,000.

Sediment or chemical runoff control measures, $599,000.

The average cost-share payment per farm was $473. The average cost-share payment for low-income farmers in Nebraska was $961 per farm.

Mr. CURTIS. It is my understanding that the distinguished Senator from Oklahoma (Mr. Bellmon) will offer an amendment limiting the use of these REAP funds to permanent type structures. In other words, a distinction is being made between sending the farmer a check to help pay ordinary recurring expenses, and those conservation measures where there is a lasting benefit, and where there is a definite public purpose.

I shall support the Bellmon amendment. I hope that it will pass, because that will make it a sounder program. I shall also support any other proposal that would be directed toward confining this program to a truly conservation program.

I hope that the logjam between the Executive and Congress can be broken, that a reasonable program can be carried on, and that, at the same time, a reasonable amount of savings can be brought about. I think that is in the interests of our agricultural groups.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. AIKEN. Mr. President, will the Senator yield very briefly?

Mr. CURTIS. I yield myself 1 minute, and yield to the Senator from Vermont.

Mr. AIKEN. Just one question. The Senator says he would approve the use of the funds to establish permanent cover?

Mr. CURTIS. I said permanent types of structures.

Mr. AIKEN. But that would mean a permanent cover?

Mr. CURTIS. It probably would, in many instances.

Mr. AIKEN. Yes. I was just wondering how one would establish a permanent cover without the use of any lime or fertilizer.

Mr. CURTIS. You would not. It is just a question of who pays for it.

Mr. AIKEN. What would the REAP program pay for otherwise? The grass seed?

Mr. CURTIS. No, I think it should be largely those items of expense that are not recurring.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. AIKEN. I shall not take any more of the Senator's time.

Mr. CURTIS. Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, at a time when ecology and our environment are such vital issues in our country, it seems to me the administration would maintain, and not eliminate a program such as REAP. REAP and its predecessor, the agricultural conservation program—ACP—were most important programs in conserving soil and water.

Many of the practices available under the REAP program were intended to control and abate pollution. An example of this would be the rural garbage disposal pits.

In North Dakota one of the more important and popular practices was tree planting, I would like to read a portion of a letter I received from Mr. Elmer Worthington, president of the Missouri Slope Izaak Walton League at Bismarck, N. Dak. Mr. Worthington is a good friend and the most ardent advocate of tree planting I know. Permit me to quote a part of his letter:

> I'm thinking about the possible elimination of the REAP and water bank programs and how that might hurt two good programs in North Dakota.
>
> The Missouri Slope Chapter of the Izaak Walton League wants to get behind your efforts to save these two parts of the REAP program. We think some of the annual REAP cost-sharing could be spared if need be, but do urge the retention of the tree planting practice in particular.

Practices available under REAP were not paid for in total with Government funds. Participation in this program was cost-shared by the farmers and the Government. For example, in North Dakota, farmers who participated in planting of trees and shrubs received a cost-share of 90 percent of the total cost of planting of the trees, and the participator paid the remaining 10 percent. Other practices were cost-shared at various levels. For instance, establishment of the vegetative cover on land was cost-shared at about a 60 percent level and the farmer paid the remaining 40 percent.

The REAP program was not a giveaway program, but one by which the Government shared the cost of these worthwhile practices with the farmers.

Mr. President I ask to have inserted as a part of my remarks a summary of how REAP funds are spent in North Dakota.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COST-SHARE PRACTICES AVAILABLE UNDER RURAL ENVIRONMENTAL ASSISTANCE PROGRAM IN NORTH DAKOTA

These are all figures from 1971 since they do not have the 1972 figures programmed out yet.

1. Planting of trees and shrubs in North Dakota rate of cost-share is about 90% $946,368
2. Establishing of vegative cover on land average cost-share is about 60% $924,813
3. Water development practices rate of cost-share is about 70% $545,434
4. Annual wind and water erosion control measures average cost-share is about 30% $398,024
5. Earth movement practices to prevent soil erosion average cost-share is 80% $254,000
6. Pollution abatement practices (just started in 1971) average cost-share is 80% $110,810.
7. Wildlife practices to promote and protect wildlife average cost-share is 50% $42,000

In 1972 the total of cost-shares earned by farmers was up about $2 million. This was quite an increase and was mostly due to an increase in participation in pollution abatement practices and establishment of vegetative cover.

Mr. YOUNG. Mr. President, the waterbank program is a new program and one I originally cosponsored in 1970, which resulted in establishing this program. Waterbank is intended to develop wetlands to propagate waterfowl. Many acres of wetlands in North Dakota were being drained each year. Although they were not producing income they were still subject to taxes. With increased cost of farm operations, farmers just had to drain these lands to improve income.

By participating in the Waterbank program, farmers would receive some compensation for not draining wetlands and would be propagating the waterfowl population.

The Waterbank program is not a widespread program, but is limited to States and local areas which have wetlands desirable for waterfowl production habitat.

North Dakota is the largest duck producing State in the United States. The Waterbank program has been very well received in the State and has proven to be very popular.

Mr. President, this amendment adding the Waterbank program to the REAP bill before us has the support, and the active support, of the Izaak Walton League, the Audubon Society, the National Wildlife Federation, and the Wildlife Management Institute. It was made a part of the pending bill through an amendment I offered in the Senate Agriculture Committee.

Mr. President, this is not an expensive program at all. The total authorization is only $10 million. It was started in fiscal year 1972, and they spent only $90,000 that year. This last year the expenditure was only $1,198,000. It is beyond me to understand why the administration wanted to eliminate this program that has such widespread support and is so popular all over the United States.

Mr. President, I support this measure without amendments. I would like to support the amendment of my friend from Oklahoma, but I believe the Secretary of Agriculture has the authority to do all that he proposes in the amendment, and I hope it will be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 11:

After "therefor" insert "for permanent soil and water conservation practices".

Mr. BELLMON. Mr. President, this amendment, in my opinion, will greatly diminish the criticism which the REAP program has unfairly received. During the hearings on this matter before the Committee on Agriculture and Forestry, the Secretary of Agriculture was asked whether he felt the administration would put the REAP program back into effect if this amendment were added. While he was not in a position to say categorically, he gave the strong impression that the administration would accept the reenactment of REAP if this amendment were added.

I consider the REAP program to be one of the finest uses of Government funds. As a farmer, I have actively participated in the program for 30 years, and I know the immense improvements that have been made in this Nation's agriculture and in the condition of soil and water resources, because of the fairly limited investment that this Government has made in these resources through the REAP program, formerly called ACP.

This program has provided the incentive and guidance which has immensely improved the stewardship of this Nation's soil and water resources by the farmers and landowners of the country. It is unfortunate and regrettable that sometimes those who own or operate farms do not fully understand the impact of some of their agricultural practices, or the damage that they may do to the land in trying to produce a maximum crop.

The agricultural community has been in a very unhealthy financial state. Frequently it is difficult for landowners and farm operators to justify the kind of soil and water conservation practices that long-range stewardship demands, unless they can get assistance from the Federal Government—such as in terracing, waterways, livestock ponds, and grazing. Without this program, our soil and water conservation program will be going steadily downhill.

Those of us who are in this body today have had the advantage of abundant agricultural production throughout our lifetimes, but sometimes we forget that this production comes from a 6-inch layer of soil, and that future generations will be equally dependent on the fertility of this very thin layer.

The REAP program, in my opinion, along with the Soil Conservation Service, is the best tool we have to conserve this essential natural resource for future generations.

I am able to remember the dust bowls, and I also remember the deep red gullies that defaced much of the topography of my State of Oklahoma and elsewhere in the Midwest. I have seen those conditions largely ended or at least controlled by the REAP program, even though there is still a great deal of work to be done.

The REAP program, with the fairly limited amount of money available, is the best means I know to keep conservation practices in operation. The figures for my State of Oklahoma show that the work being done under REAP is generally the same now as it was 20 years ago when the program was first authorized, showing that the demand is as strong as ever. Participation is limited only by the amount of funds available.

Before I go on with my amendment, I want to endorse the statement made by the distinguished Senator from North Dakota in support of the water bank program.

Mr. President, as a member of the Migratory Bird Conservation Commission, I know what the needs are in the United States to preserve wetlands so that the waterfowl population will be maintained. But it will not be met by present programs because of a lack of money.

I consider the water bank to be a basic continuation of this highly important aspect of our Nation's environment. It is not fair to expect private landowners to leave this land in a relatively nonproductive state even though it is in the national interest. Therefore, I feel that this entire appropriation of funds is necessary to encourage the land to be left in a condition that will serve as a nesting area for waterfowl. It is in the national interest to preserve the essential migratory waterfowl nesting areas.

This amendment does one thing. It would eliminate the objectionable features of the REAP program, which have been criticized and which ultimately brought about a discontinuance of the program. We are trying to take out the nonpermanent features. I realize that the program provides some discretion by the administrator, but the Agriculture Secretaries, whoever they may have been, have not taken out these nonpermanent features. As a result, the program which generally is a desirable one, has been criticized unfairly and has been weakened. By taking out the nonpermanent features, we would gain support for the program from the administration; we would eliminate the criticism that has been aimed at the program, and, I believe, we would not do serious damage to its overall objective.

I feel that this amendment would

strengthen the REAP program and would improve the possibility for its continuance.

Mr. President, I urge adoption of the amendment.

Mr. TALMADGE. Mr. President, I desire that the staff attachés of the Senate notify Senators in the vicinity of the Chamber to come on the floor, and as soon as we have 11 Senators in the Chamber, it will be my purpose to ask for the yeas and nays on the Senator's amendment.

I have great respect and admiration for my distinguished colleague from Oklahoma. He is one of the few practicing farmers we have in the Senate and has made an outstanding contribution to the work of the committee. But, in this instance, he happens to be grossly misinformed.

The Secretary of Agriculture has the authority to administer up a REAP program. He has the power and authority to determine what REAP programs we shall have, their nature, the amount of the contribution the U.S. Government will make, and the contribution the individual farmers or ranchers must make.

It is the Secretary's authority, and the Secretary's authority alone, that determines what programs we will have. He can make them temporary or permanent as he sees fit.

The Senator's amendment would limit the power of the Secretary. He has the power now to provide cost sharing to such programs as he may desire as long as these programs are consistent with the intent expressed in the Soil Conservation and Domestic Allotment Act. We are not dealing with the power of the Secretary to make decisions as to what programs he will fund, however, because he has gone beyond that. The Secretary of Agriculture has announced that he will not fund any program, temporary, permanent, or otherwise. That is what this legislation is all about.

It does not deal with the Secretary's power but it does deal with whether the Secretary has the authority to terminate a program that the Secretary requested money for, this Congress appropriated money for, and the President signed into law on August 22, 1972, and which the Secretary was advertising for people to come in and sign up—on December 26 last year, the very date they said this act of Congress would, henceforth, be null and void.

That is what the Senate is being asked to act on today. It is being asked to say whether we will abrogate the power to make laws and turn them over to the Secretary of Agriculture for the Secretary to determine whether an act of Congress is valid, whether it should be executed, or junked into the garbage can at his discretion, and his discretion alone.

This program goes back to 1936. It has been amended from time to time—and in the Rural Development Act which the Senate passed by a vote of 77 to 0 last year. We wrote some new programs into it to protect the environment, and to protect development not only of soil and water but of the air as well.

What is the delegation of power to the Secretary? It directs the Secretary to preserve and improve soil fertility. That is No. 1.

Second, promotion of the economic use and conservation of land;

Third, diminution of exploitation and wasteful and unscientific use of natural soil resources;

Fourth, the protection of rivers and harbors against the results of soil erosion in aid of maintaining the navigability of water and water courses and in aid of flood control;

Fifth, to reestablish, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive; as determined from statistics available in the U.S. Department of Agriculture and the maintenance of such ratio.

Sixth, the prevention and abatement of agriculture-related pollution.

Mr. President, that is the power delegated to the Secretary of Agriculture by the law. It does not say whether those programs should be permanent. It does not say whether those programs will be temporary. But the Secretary of Agriculture is entitled to make the determination of what programs he will fund, what programs he will not fund, what proportion the Government will fund, and what proportion the farmer will fund.

So the amendment offered by the Senator from Oklahoma not only is superfluous but also limits the power of the Secretary to make his decisions as to what programs of this nature he will fund.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

I rise in support of the amendment of the distinguished Senator from Oklahoma. It is true that there is certain discretion in the law, but it is also true that some $11 million, at least, is being spent on these conservation practices that are not permanent in nature. I wonder whether the distinguished Senator from Oklahoma would agree with that statement.

Mr. BELLMON. Mr. President, so far as I know, the statement is correct. I have available a record of the expenditures, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the record of expenditures was ordered to be printed in the RECORD, as follows:

UNITED STATES AND CARIBBEAN AREA

TABLE 1.—SUMMARY OF THE 1971 RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

SEC. 1.—PARTICIPATION AND PAYMENTS

Item	Unit	Regular REAP	Naval stores program	ECM F-4	Total regular NSCP and ECM
Participating farms	Number	611, 434	727	38, 485	645, 193
Farms participating at least once during 1967–71	do	2, 099, 990			2, 099, 990
Cost-shares	Dollar	134, 629, 092	373, 240	14, 733, 756	149, 736, 088
Small cost-share increase	do	4, 767, 144	3, 887		4, 771, 031
Amount transferred to SCS	do	6, 419, 764		390, 744	6, 810, 508
Amount transferred to other agencies	do	295, 137			295, 137
Amount used or to be used for program services	do	218, 160			218, 160
Total gross assistance	do	146, 329, 297	377, 127	15, 124, 500	161, 830, 924
Average per farm	do	239	513	393	251
Participating low-income farmers [1]	Number	9, 745			9, 745
Cost-shares for low-income farmers [1]	Dollar	2, 094, 044			2, 094, 044
Pooling agreement:					
Counties	Number	743		35	778
Agreements	do	2, 832		195	3, 027
Farms	do	17, 716		952	18, 668
Cost-shares	Dollar	5, 080, 114		819, 773	5, 899, 887

SEC. 2.—CONSERVATION PRACTICES; REGULAR

Practice name	Practice number	Number of counties	Number of farms	Unit	Extent	Cost-shares	Percent of U.S. total	Average rate per unit
Permanent cover in orchards or vineyards	A-1	3	21	Acre	476	4, 754	(2)	9. 99
Permanent cover	A-2	2, 754	141, 781	do	2, 218, 859	25, 544, 115	18. 98	11. 51
Increased acreage of rotation cover	A-3	559	19, 676	do	489, 574	2, 200, 976	1. 64	4. 50
Liming materials	A-4	1, 127	79, 479	do	1, 777, 316	9, 969, 723	7. 41	5. 61
Contour stripcropping	A-5	285	1, 966	do	65, 347	378, 002	. 28	5. 78
Field stripcropping	A-6	201	795	do	83, 448	174, 001	. 13	2. 09
Trees or shrubs for forestry purposes	A-7	1, 650	17, 604	do	142, 789	3, 043, 097	2. 26	21. 31
Trees or shrubs to prevent erosion	A-8	728	14, 757	do	24, 221	2, 083, 393	1. 55	86. 02
	A-8			Acres served	360, 738			5. 78

SEC. 2.—CONSERVATION PRACTICES; REGULAR—Continued

Practice name	Practice number	Number of counties	Number of farms	Unit	Extent	Cost-shares	Percent of U.S. total	Average rate per unit
Improvement of cover for soil protection	B-1	1,553	115,073	Acre	1,875,196	13,447,798	9.99	7.17
Improvement of cover on rangeland	B-2	500	3,484	do	1,756,921	1,220,311	.91	.69
Control of competitive shrubs on range or pasture	B-3	737	12,494	do	1,334,228	4,306,912	3.20	3.23
Tillage operations on range or pasture	B-4	38	66	do	19,099	7,774	.02	1.45
Wells for livestock water	B-5	924	6,233	Number	6,552	2,084,800	1.55	318.19
	B-5			Acres served	1,884,517			1.11
Springs or seeps for livestock water	B-6	536	2,151	Number	2,407	448,582	.33	186.37
	B-6			Acres served	401,216			1.12
Reservoirs for agricultural uses	B-7	2,271	32,931	Number	34,335	10,511,731	7.81	306.15
	B-7			Acres served	3,122,582			3.37
Pipelines or other livestock water facilities	B-8	744	2,957	do	1,506,610	1,011,797	.75	.67
Constructing permanent fences	B-9	57	479	do	187,119	122,574	.09	.66
Timber stand improvement	B-10	1,278	8,357	Acre	140,520	1,832,220	1.36	13.04
Constructing stock trails		14	42	Acres served	79,780	31,305	.02	.39
Control of noxious weeds		125	3,341	Acre	167,510	429,653	.32	2.56
				Acres served	638,488			.67
Permanent Sod waterways	C-1	1,392	17,211	Acre	30,403	5,047,416	3.75	164.39
	C-1			Acres served	873,850			5.78
Permanent cover on dams and other problem areas	C-2	702	4,349	Acre	12,896	720,362	.54	55.86
	C-2			Acres served	131,694			5.47
Contour planting orchards, vineyards, etc	C-3	3	4	Acre	59	335	(2)	5.68
Terraces	C-4	771	11,413	Acres served	458,125	3,665,969	2.72	8.00
Diversion terraces, ditches, or dikes	C-5	1,059	5,181	do	180,179	929,265	.69	5.16
Erosion control dams, storage type	C-6	417	2,438	Number	2,639	2,318,454	1.72	878.54
	C-6			Acres served	233,374			9.93
Mechanical protection of inlets or outlets	C-7	690	6,569	Number	12,166	2,243,218	1.67	184.38
	C-7			Acres served	478,131			4.69
Streambank or shore protection	C-8	152	1,023	do	153,437	703,281	.52	4.58
Permanent open drainage	C-9	733	6,584	do	352,705	1,808,587	1.34	5.13
Underground drainage	C-10	689	16,114	do	215,036	5,563,674	4.13	25.87
Shaping or land grading to permit drainage	C-11	129	946	do	30,305	410,094	.30	13.53
Installing or reorganizing irrigation systems	C-12	506	15,182	do	1,434,938	6,830,649	5.08	4.76
Land leveling	C-13	241	2,910	Acre	101,624	1,836,018	1.36	18.07
Irrigation ditch lining	C-15	184	5,918	Acres served	336,365	2,794,464	2.08	8.29
Spreader ditches or dikes	C-16	47	141	do	13,591	96,888	.07	7.13
Subsoiling	C-17	40	738	Acre	10,943	22,173	.06	2.01
Winter cover	D-1	1,175	79,187	do	2,231,347	5,020,048	3.73	2.19
Summer cover	D-2	473	12,727	do	196,460	442,072	.33	2.25
Green manure crops	D-3	35	2,100	do	79,292	70,123	.05	.88
Vegetative cover for entire crop year	D-4	35	10,685	do	122,480	240,998	.18	1.97
Stubble mulching	E-1	92	8,023	do	667,281	331,379	.25	.50
Contour farming	E-2	76	525	do	23,864	46,101	.03	1.93
Wind erosion control operations	E-3	21	1,150	do	156,178	112,584	.08	.72
Applying mulch	E-4	20	143	do	2,629	11,786	.01	4.43
Home gardens	E-5	42	1,504	do	755	30,443	.02	40.31
County conservation practices	F-2	445	7,009	Acres served	624,784	1,559,250	1.16	2.50
Practices to meet new conservation problems	F-3	55	1,786	do	173,764	302,287	.22	1.74
Wildlife food plots or habitat	G-1	892	5,028	Acre	24,863	278,159	.20	10.99
	G-1			Acres served	424,203			.64
Shallow water areas for wildlife	G-2	296	1,143	Number	1,492	459,011	.34	307.65
	G-2			Acres served	68,472			6.70
Wildlife ponds	G-3	1,214	5,382	Number	5,420	2,906,718	2.16	536.29
	G-3			Acres served	263,309			11.04
Other wildlife practices	G-4	211	1,812	do	90,748	116,071	.09	1.28
Conservation practices to enhance natural beauty	H	32	152	do	1,667	13,941	.01	8.36
Aerobic or anaerobic lagoons for animal wastes	I-1	522	1,001	Number	1,053	1,082,231	.80	1,027.76
	I-1			Animal units	255,170			
	I-1			Tons of waste	3,325,920			
Animal waste storage facilities	I-2	722	1,793	Number	1,848	2,691,042	2.00	1,456.19
	I-2			Animal units	456,150			
	I-2			Tons of waste	5,903,885			
Diversions for the management of animal wastes	I-3	356	945	Number	986	464,784	.35	471.38
	I-3			Animal units	154,261			
	I-3			Tons of waste	1,959,087			
Other animal waste management practices	I-4	7	9	Number	9	4,842	(2)	538.00
	I-4			Animal units	796			
	I-4			Tons of waste	10,348			
Sediment retention structures	J-1	214	1,351	Number	1,409	816,849	0.61	579.74
	J-1			Acres served	86,422			9.42
Sediment or chemical runoff control measures	J-2	235	5,675	Acre	18,529	2,279,452	1.69	123.05
	J-2			Acres served	246,401			9.25
Measures to stabilize a source of sediment	J-3	182	1,676	Acre	9,644	807,698	.60	83.75
	J-3			Acres served	43,327			18.64
Disposal of woodland residues without burning	K-1	17	28	do	571	3,386	(2)	5.93
Disposal of crop residues without burning	K-2	57	738	do	35,505	128,359	.10	3.62
Disposal pits for solid wastes	L-1	29	528	Number	524	134,307	.10	256.31
Other pollution abatement practices	M	49	382	Acres served	86,755	355,806	.26	4.10
Total, regular		3,069				134,629,092	100.00	

SEC 2A.—CONSERVATION PRACTICES; EMERGENCY CONSERVATION MEASURES

Practice name	Practice number	Number of counties	Number of farms	Unit	Extent	Cost-shares	Percent of U.S. total	Average rate per unit
Emergency conservation measures	F-4	302	38,485	Acres served	8,045,830	14,733,756	100.00	1.83

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[1] Those farmers who established eligibility for increased rates of cost sharing under the special provision for low-income farmers.

[2] 0.005. percent or less.

Footnotes at end of table.

Mr. CURTIS. Is it not true that what the distinguished Senator from Oklahoma is doing is drawing a distinction between those types of conservation work which have a lasting benefit, as contrasted to the more or less ordinary expenses of running a farm that recur year after year and which fall in an altogether different category?

Mr. BELLMON. The Senator from Nebraska is entirely correct. The kinds of practices we are talking about are those listed as summer cover crops. This is a crop that has been planted, and after it has grown, it is plowed under. There is nothing permanent about it. Green manure crops, vegetative cover for the entire crop year, stubble mulching—these are the practices I refer to as being temporary and not suitable for payment under the program.

Mr. CURTIS. What would be the effect of expenditures for lime and fertilizer under the Senator's amendment?

Mr. BELLMON. The expenditure for liming and other fertilizer materials would be eliminated, or prohibited, under the amendment.

Mr. CURTIS. In other words, they would fall in the same category as the farmer's expense for seed or tractor fuel or anything else?

Mr. BELLMON. That is correct. The farmers pay for fertilizer for corn and other crops. But REAP provides payment for liming materials or for legume crops. Such a crop may be planted 1 year and is plowed under, and the corn crop goes on. The nature of the liming program is, in effect, to increase the farmer's income. It does not have the kind of permanent application that I believe the program is intended to furnish.

Mr. CURTIS. Would the Senator also agree that the type of practices he would continue are those in which the public has a vital stake? I refer to their direct application to pollution and the longtime condition of our soil and resources.

Mr. BELLMON. Again, the Senator is correct. We are talking about retaining such practices as the construction of terraces and the control of certain types of erosion by planting of permanent waterways.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. Mr. President, will the distinguished Senator from Oklahoma yield to me on my time?

Mr. BELLMON. I do not have the floor. I would be glad to do so.

Mr. TALMADGE. I yield 5 minutes to the distinguished Senator. Will he yield on my time?

Mr. BELLMON. I yield.

Mr. TALMADGE. Will the Senator tell me what is permanent and what is temporary?

Mr. BELLMON. As I have said to the Senator from Nebraska, the practices generally considered to be temporary are such practices as planting winter cover crops, summer cover crops, green manure crops, and vegetative cover for the entire crop year, or stubble mulching and contour farming.

The permanent practices are such things as streambank or shore protection, permanent open drainage, the construction of terraces, the construction of waterways, the construction of water storage reservoirs, and the establishment of permanent grass cover to control erosion and upgrade the livestock carrying capacity of permanent pastures. These are practices considered to be permanent.

Mr. TALMADGE. The Senator is a good farmer. How long does lime affect the acidity of the soil?

Mr. BELLMON. It depends on the rainfall and the type of soil. In the area I come from, lime may last from 4 to 15 years. There are other areas where the application of lime may be necessary every 3 to 4 years.

Mr. TALMADGE. Is that permanent or temporary?

Mr. BELLMON. I consider it to be temporary.

Mr. TALMADGE. Is permanent pasture permanent or temporary?

Mr. BELLMON. The very definition of "permanent pasture" would indicate that it is permanent.

Mr. TALMADGE. Then, the Senator considers permanent pasture permanent?

Mr. BELLMON. That is correct.

Mr. TALMADGE. The Senator is familiar with the fact that clover will not grow in acid soil, is he not?

Mr. BELLMON. Indeed, I am.

Mr. TALMADGE. Liming is required in order for clover to grow in acid soil, is it not?

Mr. BELLMON. It also requires phosphate in most cases.

Mr. TALMADGE. That is correct. Is it possible to establish a permanent pasture without lime and phosphate?

Mr. BELLMON. It is possible. It is probably a poor economic practice.

Mr. TALMADGE. I agree with the Senator.

I think that what the Senator's amendment would do would be to limit the power of the Secretary, a power that he now has.

The Senator has read the committee report, of course, and is familiar with section 7, on page 32 of the committee report, is he not?

Mr. BELLMON. Yes.

Mr. TALMADGE. The Senator is aware that, under existing law, the Secretary of Agriculture could take any action that the Senator's amendment would permit the Secretary to take, is he not,

Mr. BELLMON. I am aware of this. I am also aware that no Secretary has done so and I am aware of the reason. The reason is that these practices are generally sought after by farmers who have tremendous influence on their county committees and on their State committees ,and that influence on their county committees and on their State committees, and that influence is reflected at the national level. Therefore, the Secretary has been very reluctant, I believe to make the changes that he personally knows ought to be made. I think it is up to the Congress to make these changes.

Mr. TALMADGE. The Senator does agree that the Secretary could make that decision,

Mr. BELLMON. Under the terms of the law, I understand that he could.

Mr. TALMADGE. If the Secretary has the capacity to kill a program, he certainly can modify his program to the degree that the Senator's amendment would provide, can he not?

Mr. BELLMON. This Secretary could, yes, but there will be another Secretary some day. There has been a whole series of Secretaries, and there is no certainty that temporary practices would not be put back into the program immediately.

I believe the Senator and I have the same objective in mind. I would like to take out the objectionable features of the program so that we can keep REAP's good features in operation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. I yield myself 5 additional minutes.

I feel that some change in the REAP program such as the Senator suggests in his amendment might be in due course the matter of legislation. But what we are dealing with today is the compelling issue of whether or not the executive branch of the Government—to wit, the Secretary of Agriculture—has the power to kill, to make null and void, an act of Congress, where the Secretary, himself, requested $140 million for this purpose, and Congress, in its wisdom, appropriated $225.5 million for this purpose, and the President signed into law, on August 22 of last year, the act of Congress appropriating the money for this purpose.

I think Congress must assert itself in these matters, unless we are to be rendered into a futile debating society.

If the Senator from Oklahoma wishes to propose this amendment in the form of legislation before our committee to modify the REAP program to make it permanent in nature and less temporary, I would have no objection to that. But I do not think we should get into that issue now when the overriding issue is whether or not Congress is prepared to abdicate its responsibility to make law. I do not share that view.

The Senator has admitted that the Secretary now has the power to do what his amendment would do. I hope the Senator would withhold his amendment and offer it at another time so we can put the issue squarely up to the executive branch on whether or not they have the power to kill acts of Congress. I do hope the Senator will withdraw his amendment and offer it later.

Mr. BELLMON. I wish to say to the distinguished Senator from Georgia that this amendment was offered in committee.

Mr. TALMADGE. I am aware of that.

Mr. BELLMON. I agree there is, perhaps, a constitutional question on whether the President and the executive branch overreached their authority. I tend to agree with the Senator that perhaps they have, but it may take several months to settle that issue and in the meantime if we keep the REAP program it will do a service to agriculture.

Mr. TALMADGE. The Senator admitted that the Secretary has the power now to do at any time what his amendment would do.

Mr. BELLMON. I am not sure this decision is made by the Secretary of Agriculture. I feel it was made by some person in the Office of Management and Budget.

Mr. TALMADGE. I share that view.

Mr. BELLMON. But I believe this amendment would persuade that person to change his mind.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TALMADGE. How much time does the Senator from Vermont desire?

Mr. AIKEN. One or two minutes.

Mr. TALMADGE. I yield to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, we have been discussing practices which may vary in different parts of the country but as the chairman said, the Secretary of Agriculture has every right to adjust the programs to fit each particular section of the country.

Over much of the country, however, it is considered important to have a temporary cover crop or nurse crop as we call it in the Northeast, to establish a permanent cover for permanent pastures or other purposes. It would be impossible to use such plants trefoil and coronilla which are used extensively for binding gravelly areas of soil, without lime and certain chemical fertilizers because they are leguminous plants and have to have that.

It is now a common practice to use chemical fegrtilizers in reforesting, particularly for growing Christmas trees where they have to use fertilizer, so you cannot restrict its use without making a great deal of trouble for some parts of the country.

Mr. President, if you seed grass or clover in the spring, where I come from you may use oats for cover, and in August and in the fall it is rye, and in some parts of the Northeast, they use wheat, too. But it is difficult to establish a permanent cover without fertilizer or lime.

Mr. TALMADGE. Mr. President, I am prepared to yield back my time if the Senator from Oklahoma is.

Mr. BELLMON. Mr. President, I yield back my time.

Mr. TALMADGE. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), the Senator from Michigan (Mr. Hart), the Senator from Arkansas (Mr. McClellan), the Senator from Wisconsin (Mr. Nelson), and the Senator from Rhode Island (Mr. Pastore) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk), the Senator from Alaska (Mr. Gravel), the Senator from Montana (Mr. Mansfield), and the Senator from South Dakota (Mr. McGovern) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from South Dakota (Mr. Abourezk), the Senator from Alaska (Mr. Gravel), the Senator from Montana (Mr. Mansfield), the Senator from South Dakota (Mr. McGovern), the Senator from Wisconsin (Mr. Nelson), the Senator from Rhode Island (Mr. Pastore), and the Senator from Mississippi (Mr. Stennis) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), and the Senator from Ohio (Mr. Saxbe) are necessarily absent.

The Senator from Pennsylvania (Mr. Scott), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) are absent on official business.

The result was announced—yeas 25, nays 59, as follows:

[No. 28 Leg.]

YEAS—25

Baker
Bartlett
Bellmon
Bennett
Brock
Buckley
Byrd,
Harry F., Jr.
Cook

Cotton
Curtis
Domenici
Dominick
Fannin
Griffin
Gurney
Helms
Hruska

McClure
Packwood
Percy
Roth
Scott, Va.
Stevens
Stevenson
Taft

NAYS—59

Aiken
Allen
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Eagleton
Eastland
Ervin

Fong
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGee
McIntyre
Metcalf

Mondale
Montoya
Moss
Muskie
Nunn
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NOT VOTING—16

Abourezk
Fulbright
Goldwater
Gravel
Hansen
Hart

Mansfield
McClellan
McGovern
Nelson
Pastore
Saxbe

Scott, Pa.
Stennis
Tower
Weicker

So Mr. Bellmon's amendment was rejected.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I sincerely regret that the amendment proposed by the distinguished Senator from Oklahoma (Mr. Bellmon) was rejected because, had it passed, the survival of the worthwhile and acceptable features of the REAP program would have been assured.

That is to say, Mr. President, the really essential features of REAP would have been retained, and I dare say that the program would have been given near-unanimity in its approval by this body—and, I suspect, by the administration.

But as matters now stand, Mr. President, what we have is just another delay, another purely political confrontation, and the great probability of a Presidential veto.

I would have been delighted to vote in support of the REAP program, had it been amended by this body as proposed by the Senator from Oklahoma. But that not being the case, I am obliged to vote in the negative.

Mr. TALMADGE. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, for the information of the Senate, only one Senator has asked for time on this side. He desires, I think, 3 minutes. I desire to speak for 2 or 3 minutes only. The Senator from Nebraska and I have agreed that, if Senators will remain in the vicinity of the Chamber, we will have a vote on final passage before long.

Mr. CURTIS. Mr. President, I yield 1 minute to the Senator from Kansas (Mr. Dole).

Mr. DOLE. Mr. President, I rise to support the pending bill and ask unanimous consent that House Concurrent Resolution 1021, passed by the Kansas House of Representatives on February 1, 1973, be printed at this point in the Record.

There being no objection, the concurrent resolution was ordered to be printed in the Record, as follows:

House Concurrent Resolution No. 1021

A Concurrent Resolution urging the President of the United States to reinstate the Rural Environmental Assistance Program

Whereas, The President of the United States, the Honorable Richard M. Nixon, has, in effect, terminated the Rural Environmental Assistance Program by freezing the funds appropriated by the Congress for such Programs; and

Whereas, It takes four hundred years to rebuild one inch of topsoil, and there is no longer any virgin soil available to develop for use in crop production and therefore it is imperative that we conserve our soil which is a most vital natural resource; and

Whereas, The present-day farmers and ranchers are not solely responsible for the condition of the soil since this is a condition which has been developing since this country was founded; and

Whereas, All of the people of this generation and of future generations, both rural and urban, have a huge stake in conserving the soil; and

Whereas, Protection of the environment will result in significant public benefits and thus part of the cost of programs designed to accomplish such environment protection should be borne by the public; and

Whereas, The REAP is not a typical subsidy program but is on a cost-sharing basis, approximately fifty-fifty for original construction of soil conservation projects, with the lifetime cost of maintenance of the structures, estimated to be at least equal to the original cost, being borne solely by the farmers and ranchers; and

Whereas, Cost-sharing encouragement is vital for many reasons such as several years of reduced production on land which has been reconstructed, a fifteen percent increase in the cost of farming terraced land as opposed to non-terraced land, the level of completion of conservation projects per year remains about the same as it was twenty years ago, a percentage of the acreage which is used for waterways does not give the normal return per acre, the need for conservation does not change with farm prices and while favorable prices exist today there is no guarantee that they will so remain for any definite period of time; and

Whereas, The farmers and ranchers are sympathetic to the administration's objective of preventing more inflation and would favor eliminating conservation practices which are of a temporary nature from the program and assuming the full cost of maintaining such temporary practices themselves; and

Whereas, The twenty-one federal reservoirs in Kansas which were built at a cost of millions of dollars to the tax-paying public are in jeopardy if soil erosion is not controlled since sediment is probably the largest single pollutant in the waters of the nation; and

Whereas, The state of Kansas has completed approximately forty percent of the needed conservation projects but there are more than fifty million acreas which still need treatment; and

Whereas, The withholding of the federal REAP funds, amounting to four and one-half million dollars, when combined with the matching amount which would be contributed by farmers and ranchers on the cost-sharing basis, would amount to a total of nine million dollars being withheld, and would, by applying a four to one multiplier effect, have the tremendous impact on the Kansas economy of a loss of thirty-six million dollars: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the legislature hereby respectfully urges the President of the United States to reinstate the Rural Environmental Assistance Program by releasing the funds appropriated therefor by the United States Congress.

Be it further resolved: That the Secretary of State be directed to send enrolled copies of this resolution to the President of the United States, the United States Secretary of Agriculture, the Governor of the State of Kansas, the Administrator of the Environmental Protection Agency and to each member of the Congressional Delegation from the State of Kansas.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. CURTIS. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I wish to call the attention of the Senate to the importance of this particular measure that relates to the total constitutional struggle being waged on the issue of impoundment. This is an example of the use of impoundment of funds to eliminate a total program.

I shall support the bill. The matter is very serious. It goes to the very essence of constitutional authority over the power of the purse. It has one other aspect which should be called to the attention of the Senate, and if that is true here, it is true in many other cases. If the President should want to do this, he should do it by asking for a rescission. I do not thing that anyone would quarrel with him if he were to come and say: "I am holding up such and such an expenditure. I think it should be rescinded. I will give you an opportunity to do it." That would be a far different course from the one he is pursuing.

Mr. President, this bears out the fact also that if we are going to proceed in this way, it should be just as possible for us to proceed in this way with regard to health, education, and housing, as it is for farm conservation practices.

The Senator from Arkansas (Mr. McCLELLAN), the chairman of the Appropriations Committee, said exactly that in the debate on Monday which relates somewhat to the same problem. I think it is so pertinent here that we have the right to invoke this precedent when we come to other bills of the exact same kind with exactly the same language.

I have already given notice that I will raise this issue on the supplemental, which I think the Senator from Arkansas (Mr. McCLELLAN) has considered, and the Senator from North Carolina (Mr. ERVIN), the author of this whole approach has indicated that he would be agreeable to this.

Mr. President, I ask unanimous consent that the colloquy which took place between the Senator from Arkansas (Mr. McCLELLAN) and me last Monday be printed at this point in the RECORD.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Mr. JAVITS. Yes. The amendment I may propose to the bill, if the chairman will kindly give me his reaction is:

"Notwithstanding any other provision of law, the full amounts appropriated under this Act for projects and activities shall be made available and obligated or contracted for by the appropriate departments, agencies, corporations, offices and other organizational units of the Government for the period which appropriated."

Mr. McCLELLAN. I wish to ask the Senator if this would apply only to the funds involved in the continuing resolution?

Mr. JAVITS. Yes.

Mr. McCLELLAN. Well, let me think for a moment about what is involved here—which is the President's impounding of funds. We are trying to say now—if we make this appropriation we want it all spent for this agency, or for that department. Why not make this amendment general, and apply to all appropriations? Why single out just the Department of Health, Education, and Welfare? There are other departments here that have the same problem. Other appropriations have been made that have been impounded. It occurs to me if Congress wants to take such action it should take it across the board and not just in one department.

Mr. JAVITS. This is the only thing before us now. I simply have to deal with whatever is before us.

Mr. McCLELLAN. The Senator is saying that Congress is going to pass a law saying that whatever money we have appropriated we expect to be spent, and so direct the President or the administration to do it. I think it should apply to all appropriations and not just one department. I do not know why it could not be voted on in that way and not just one department.

Mr. JAVITS. The reason I feel it is justified in this case is that we already have in one area of this very department, to wit, education, exactly that particular provision, in the General Education Provision Act. Second, I am trying to draw an amendment which is germane to this bill and leave to the Senate consideration of other departments, as the Senate may wish to consider them. This particular provision would be germane to this particular bill. It is something I have thought through.

Mr. McCLELLAN. It is not a limitation on expenditures; this is a directive to provide authority to spend, not a limitation.

Mr. JAVITS. When the Senator says it is not a limitation, the reason I have chosen this course is that it is an alternative to the course of reducing the time within which this continuing resolution shall stay in effect. If the Senator will advise me he prefers the latter course I will embrace it. I have no desire to delay the Senate.

Mr. McCLELLAN. I am sure we will have problems with the continuing resolution, as it is, getting it through before the deadline of February 28. We can complicate it and add amendments here and make it more difficult but we are still going to have to pass it in the Senate and get a conference report, both Houses' agreement to the conference report, and get it to the President by midnight of February 28.

I am trying to get a definite position one way or the other on the overall problem. But I see this proposal as singling out one agency of Government and directing the President to spend appropriations made by Congress. I see this as an overall problem, and not just a problem affecting one department. That is the only question I raise. I think this is something that involves all departments of Government. It is something that should be resolved as to all departments and not just one department.

Mr. JAVITS. Mr. President, I wish to point out what he said. He said:

> It occurs to me if Congress wants to take such action, it should take it across the board and not just in one department.

So, I remind my friends from agricultural States who are deeply interested in this problem that we have exactly the same problems in the urbanized States. I intend to support the bill. I believe that other Senators from urbanized States will support it. And I hope that they will remember our action on this bill.

Mr. TALMADGE. Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I commend the chairman of the committee, the Senator from Georgia (Mr. TALMADGE), and the Senator from North Dakota (Mr. YOUNG), the ranking minority member of the committee. I believe that the debate lays down clearly the intent of Congress.

Mr. President, I rise in support of H.R. 2107 as amended by our Senate Committee on Agriculture and Forestry.

Mr. President, there is a need to make completely clear the intention of the Congress regarding the required operation of the rural environmental assistance program and the water bank program for 1973 and succeeding years, this body is now considering H.R. 2107, with a committee amendment, on this subject. One of the intentions of this legislation is to reaffirm the original and continuing intent of the Congress that the funds annually authorized or appropriated by the Congress under authority of the act of February 29, 1936 (16 U.S.C. 590g–590o, 590p(a), and 590p) and the Water Bank Act (16 U.S.C. 1301–1311) for a rural environmental assistance program and a water bank program are to be made available for obligation for the purposes prescribed in these respective acts during the fiscal year and in the full amounts in which such funds are annually authorized or made available by Congress.

This bill is intended to reaffirm the intention of the Congress and require that the Secretary of Agriculture shall carry out the rural environmental assistance program—REAP—and the water bank program—WBP—at the levels specified by the Congress. The intention and history of both of these acts are clear.

For many years, the annual appropriation acts for the agricultural conservation program and its successor the rural environmental assistance program which have provided the advance authorization for the next year's program, have specified a program level amounting to a stated amount. The language was specific. It did not use the words not exceeding a specified amount. Furthermore, until recently the program announced has been the amount specified in the annual appropriation act, even though the advance authorization exceeded the Federal budget request, as it did frequently.

The rural environmental assistance program is the conservation and pollution-abatement cost-sharing program which the Congress has made available for non-Federal lands throughout the country. It has clearly been intended that eligible agricultural producers throughout the country shall have reasonable access at reasonable intervals to the authorized program cost-sharing assistance. By having the program offered at the level specified by the Congress for 1973 and in the future, eligible persons throughout the country will have the opportunity to seek and, if they perform the authorized practices, to receive such assistance within the limits and to the degree the Congress specifies.

There is no question about the need for operating a significant program for these purposes. The Department of Agriculture's national inventory of oil and water conservation needs makes it abundantly clear that the annual needs are far greater than can be fully dealt with even though all of the annual authorization be used.

Also, two recent deliberate actions by the Congress are especially pertinent to the subject:

First. When the 1973 appropriation bill was before the 92d Congress the level of the advance authorization was raised from the usual $195,500,000 to $225,500,000 in order to carry on the program at its usual level and to add in up to $30,000,000 more to share the cost of the "new pollution-abatement practices." The committee reports on the appropriation bill specifically called for announcing the program at the $225,500,000 level specified.

Second. The 92d Congress passed the Rural Development Act of 1972, of which I was one of the chief cosponsors. This act included two important sections—sections 605 and 606—to amend the Soil Conservation and Domestic Allotment Act, as amended, to expand the applicability of the program to include long-term REAP cost-sharing agreements and additional agricultural-related pollution control and abatement practices as eligible for REAP cost sharing.

The original Water Bank Act clearly stated that the Secretary of Agriculture "is authorized and directed to formulate and carry out a continuous program * * * which program shall begin on July 1, 1971." This language did not mean that the Secretary has the option or authority to operate or not to operate the program. He is directed to operate continuously. The public interest and urgent purposes of the act require that the program it directs to be operated shall be operated. And it should be rapidly accelerated to the modest level indicated in section 11 of the act.

It has been said that the individual States may decide whether they wish to finance such programs as REAP and WBP and, if so, to use their revenue-sharing and other funds for these purposes. While these programs are very strongly oriented to local needs, they are fundamentally national in their purposes, for the benefit of the general public as well as the lands on which they are used. The additional and timely conservation and pollution-abatement work they stimulate as a most important contribution to national environment enhancement, is a gain for all of the Nation's people.

In the case of the water bank program, the preservation of eligible wetlands for the benefit of migratory waterfowl is particularly a national concern. The migratory waterfowl produced in the nesting and breeding areas to which the program applies are a national, not a local, asset due to their migratory nature.

A State should not be expected and probably would not agree, to use substantial amounts of revenue-sharing and other funds to produce REAP-type and WBP-type benefits largely for the enjoyment and benefit of people in other States. These are truly national programs to solve national problems and must be treated as such.

Mr. President, I urge the message of the bill before us without further amendment. As I indicated on floor earlier in connection with the debate on the REA bill, S. 394, if the administration wants to recommend any changes in this or any other program enacted by Congress, they should submit those recommendations to us for our consideration through our hearing process. Terminating or changes duly enacted laws by press release issuances by the Executive cannot and must not be tolerated.

Mr. TALMADGE. Mr. President, the REAP program was started in 1936. It was the first program this Nation ever had regarding the environment. Every Senator present here knows what it has done for his own State. It has cleared many of our streams. It has taken many of our gullies and eroded lands in Georgia and produced beautiful grasslands. It has stabilized our streams. It has cleaned up our streams. It has prepared a million acres of forestry land so that we now have trees growing where we formerly had eroded land.

It has the overwhelming support of the people of the country—North, South, East, and West, urban and rural.

Here is the sequence of events concerning this situation. The Secretary of Agriculture and the Bureau of the Budget requested Congress to appropriate $140 million for the REAP program. Congress in its wisdom appropriated the sum of $225.5 million.

The President of the United States signed it into law on August 22 of last year. On September 29, the Department of Agriculture announced that the REAP program would receive initial funding of $140 million. On December 5 of last year the Department of Agriculture filed an environmental impact statement praising the REAP program to the skies and saying how very effective it was and what a fine job it was doing for the environment of the people of this country.

In Brooks County, Ga., on December 26, 1972, the ASCS Committee was urging the people to come and sign up for the REAP program. The same day in Washington, D.C., the Department put out a press release killing the program in its entirety—not an impoundment, not a diminution, and not a delay. The Department issued a press release and said that the program would be zero.

The question which the Senate has to decide is whether it wants to remain as a legislative body or would prefer to become a debating society. If the Senate would prefer to be a debating society, we might as well consider resigning from the U.S. Senate and go back to college and affiliate ourselves with debating societies.

Mr. LONG. Mr. President, will the Senator yield?

Mr. TALMADGE. Mr. President, I yield to the distinguished senior Senator from Louisiana.

Mr. LONG. Mr. President, we could apply for membership in the United Nations.

Mr. TALMADGE. That is a good suggestion also.

The Constitution is very clear that Congress should make the law. It is equally clear that the President of the United States has the veto power. And if he vetoes a measure, it takes two-thirds of the membership of the House and of the Senate to override his veto.

This is not involved here. The President signed the Appropriations Act for these programs into law with his own signature. He now says, after signing it into law, that he will not execute it. That is a matter that confronts the Senate of the United States.

The Constitution also says that the President of the United States shall faithfully execute the law. It does not say that the President shall faithfully execute some laws and refuse to execute some other laws. It says that the President shall faithfully execute the law.

I believe that the Senate, by asserting itself, will let the executive branch of the Government know in no uncertain terms that we do not propose to abdicate the legislative responsibility which the Constitution of the United States has imposed upon it.

Mr. President, I yield the floor. I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. TALMADGE. Mr. President, I withhold that statement, and I yield to the Senator from Alabama who, I believe, has an amendment.

Mr. SPARKMAN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant clerk read as follows:

At the end of the bill insert the following:

SEC. 3. (a) Section 516 of the Housing Act of 1949 (42 U.S.C. 1486) is amended by adding at the end thereof a new subsection as follows:

"(h) Notwithstanding any other provision of law, the assistance provided annually under this section shall equal in the aggregate the sums made available for such assistance in annual appropriation Acts."

(b) Section 517(c) of such Act (42 U.S.C. 1487(c)) is amended—

(1) by striking "may" and inserting "shall"; and

(2) by adding at the end thereof the following: "The amount of such loans made annually shall equal in the aggregate the sums made available for such loans in annual appropriation Acts. Not less than 50 per centum of the loans made from such fund in any fiscal year shall bear interest at the reduced rates authorized by section 521."

Mr. CURTIS. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. I make the point of order against the amendment that it is not germane.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the amendment must be germane. The Chair rules that this amendment is not germane; therefore, it is out of order.

Mr. TALMADGE. Mr. President, I am ready to yield back the remainder of my time, if the Senator from Nebraska is.

Mr. CURTIS. I yield back the remainder of my time.

Mr. TALMADGE. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill (H.R. 2107) was read the third time.

Mr. HUGHES. Mr. President, for cloistered bureaucrats in Washington to chop out the heart of proven programs serving rural America without benefit of administrative or congressional hearings or even advance notice is not only illegal, it is a violation of conscience and sound judgment. We object, Mr. President, not only to the elimination or maiming of important programs; we deplore the arbitrary and indefensible way in which it has been done.

The rural environmental assistance program—REAP, formerly ACP—has for years shared with farmers the cost of conservation practices to protect the soil and water resources which farmers and ranchers, in effect, hold in trust for all of our people. Farmers were enabled to minimize erosion, conserve water, conserve woodland and wildlife areas, and lessen rural pollution. Every Government dollar that went into the program required an investment by the farmer. Congress has provided an advance authorization for fiscal 1973 of $225.5 million of which only $14.5 million was utilized prior to the cutoff.

With the death of REAP, farmers have not only lost the reasonable incentive offered by the Government to carry out environmental projects on their farms for the benefit of all, but, in addition, have lost national leadership and planning in a major area of environmental protection. It is elementary that agricultural runoff is a prime factor in water pollution in rural areas.

The mayor of Iowa's second largest city was in my office last week. Among other things, he spoke of the adverse effect the elimination of REAP would have on the water treatment program of his city.

The shallow assumption by the administration that farmers will continue these environmental protection projects, assuming all of the expense and risk themselves, hardly squares with reality. With REAP, as with other recently terminated programs, it is important to note that the administration did not call for modifications or changes, but simply applied to the meat ax to the entire program.

We have all received stacks of letters and other communications from farmers protesting the elimination of REAP. A farmer recently wrote to Senator Gaylord Nelson of Wisconsin telling him in plain language what the impact of this termination means to those who have participated in the program.

The farmer writes:

> Whoever is to blame has succeeded in eliminating one of the few programs we have that benefits everyone, present and future. For many farmers it has made the difference of making a go of it. From my own experience, I am sure I would not be farming today if it weren't for ACP. Not through cost sharing alone, but it has taught me to take care of the soil and woodland through liming and other practices. I would certainly like to see our young people starting out today have the same opportunity.
>
> The explanation for termination was mainly that farmers now have sufficient income to carry out these practices on their own. This could not be farther from the truth. I am sure that 75 percent of the soil and water saving practices being carried out today will not be carried out unless there is an incentive payment.

This Wisconsin farmer touches on a point I would like to enlarge on when he indicates that farm income is better this year. Everyone should be pleased when farm income improves, as it did in 1972 due to two unrelated happenings—wheat and feed grain program payments increased to $4 billion and bad weather in the Soviet Union and China resulted in an unexpected demand and, therefore, higher prices for our wheat and feed grains.

The record farm income which makes headlines along with food price increases in largely a statistical myth achieved by multiplying total production by peak prices. Individual farmers may be better off, but most farmers are hardly rolling in wealth. A North Dakota farmer wrote to Senator Quentin Burdick:

> As everyone knows, the grain prices reached a new high this fall and winter or higher at least than they have been for twenty years. But everyone does not know that most of the farmers were not able to cash in on the better prices because the local grain elevators contracted only what they could ship out considering the boxcar shortage. Consequently, this price advantage was an unobtainable commodity for most.
>
> The higher prices reduced our fall certificate payments substantially and after sacrificing that loss, Secretary Butz called in all resealed grain and with this knowledge the grain buyers refused to bid on this grain because they know they are going to get it later for a reduced price. Durum has dropped 25 cents in the last three days and I see no reason why it should strengthen, to say nothing of reaching the former high.

There are a great many wheat and feed producers in that farmer's shoes. Others, many others, had crop failure due to the wet spring. Others look out at muddy corn and soybean fields which they cannot harvest and see that record-high income slipping through their fingers before they have spent a cent of it on the farm production expenses they owe. To use this illusory high farm income figure as an excuse to kill the REAP-ACP program is to add insult to injury.

From all parts of the Midwest have come angry and bewildered protests regarding the termination of REAP.

A South Dakota constituent wrote Senator Abourezk:

> History records that whenever the rural and food producing element of any nation is in trouble, the very survival of that nation is at stake . . . a person needs only to fly over the farm and ranch land here to see the tremendous erosion of the soil that is taking place.

An eight-county conservation group in Indiana expressed to Senator Hartke their grave concern over the sudden discontinuation of REAP.

They declared that water, soil fertility, timber, and the preservation of wildlife "are not fair subjects for political football. They are vital to our life and the life of future generations. We do not oppose government economy; we encourage it. We pay our share of the tax load. We submit, however, that there are hundreds of other areas where curtailment of government funds will not endanger the very existence of future generations."

An Illinois farmer wrote Senator Stevenson:

> It's hard for me to understand why as effective and successful a program as REAP should be scrapped. The long overdue period of "environmental awareness" is starting to produce results, but now that a very important tool is lost maybe the emphasis will also be lost and irreversible pollution could be the result.

The chairman of the Iowa water pollution control commission wrote to the President that—

> Your decision to terminate the rural environmental assistance program will seriously impair our water pollution control program in Iowa.
>
> Let me state our case. Agriculture is the largest contributor to Iowa's water pollution problems which result from both livestock and crop production. A wide range of pollutants, chemicals, coliform bacteria, organic materials, and soil are carried into our surface waters by runoff from melting snow and rain. This is not point of source entry and can only be controlled by soil conservation practices which prevent erosion and movement of soil. Unless this soil movement is controlled, we can never meet our water quality standards at all times, nor can any other state which has intensive agriculture. The only federally-funded program that addresses itself to this problem is REAP.

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have printed in the Record a statement by my colleague from Wisconsin.

The PRESIDING OFFICER. Without objection it is so ordered.

Statement by Senator Nelson

Tomorrow and next Monday, the Senate Subcommittee on Employment, Manpower and Poverty will be conducting hearings in Wisconsin on the effect of the President's budget on the people of Wisconsin. As the chairman of that subcommittee, I will be chairing those hearings.

As a result, I will be unable to be in the Senate today to vote on H.R. 2107, the bill to extend the Rural Environmental Assistance Program.

Many agricultural experts believe that portions of the Rural Environmental Assistance Program are in need of review and perhaps change. The proper procedure for doing that is through Congressional hearings and floor action. Rather than that, we have been faced with an abrupt discontinuance of the support program by the Executive without any consultation with the Congress or the American farmers whose interests these programs serve.

It is because of the importance of the R.E.A.P. program to the American farmer that I would vote in favor of H.R. 2107.

Mr. BURDICK. Mr. President, I want to state my strong support for H.R. 2107, to require the Secretary of Agriculture to carry out the rural environmental assistance program, as amended by the Senate Committee on Agriculture and Forestry to make mandatory the continuation of the water bank program at the level of appropriated funds, $10 million for fiscal year 1973.

The termination of these programs by

Executive action, without the knowledge or consent of the Members of Congress, makes a mockery of eloquent statements regarding the commitment of the administration to the improvement of environmental quality. Such action also runs counter to the expressed opinion of the general public that expenditures for clean air and water are justified.

The rural environmental assistance program is the basic agricultural conservation program that has been on the statute books since the 1930's. This is a grassroots action program through which the Federal Government shared with the people on the land the responsibility and the cost of preserving and improving our great natural resources of soil and water. This was a truly cooperative program that benefited not only the producers but all citizens by improving the environment.

North Dakota is a prairie State where the land is exposed to harsh winds and violent rain and hailstorms, subject to extreme threats of soil erosion.

The small amount of money received by each cooperator is not a gift. He must match the REAP funds with his own cash and labor to bring to the land such improvements as tree belts and cover crops to protect land from wind erosion and distribute snow for moisture conservation; grassed waterways; grass seedings; stripcropping, brush control; and animal waste disposal pits. This is only a partial list of conservation practices that have been used.

The Agricultural Stabilization and Conservation Service has administered this cost-share program with the Soil Conservation Service providing the necessary assistance of trained soil technicians.

In program year 1971, cost-share assistance from REAP provided 30 to 90 percent of the cost of establishing such needed conservation practices on 21,551 North Dakota farms, 52 percent of the farms in the State.

All of rural America benefits directly from the programs with economic spinoff going to equipment dealers for earth moving equipment; seed dealers for grass seed, small grains, and fertilizer for establishing protective cover; to tree nurseries for seedlings; and to petroleum dealers. If the termination of these programs is allowed to stand, over 1,000 jobs throughout North Dakota will be directly affected. This includes conservation contractors as well as suppliers of conservation materials and ASCS and SCS personnel. Needless to say, the curtailment of jobs will reduce income and spending for goods and services throughout North Dakota and the Nation.

The new water bank program, passed by Congress in 1970, and implemented in 1972 as a pilot program after much foot-dragging, was eliminated by a stroke of the Executive pen. This program was the result of years of intense effort by North Dakota conservation and wildlife organizations and citizens concerned with preservation of migratory waterfowl habitat. In 1972, 334 10-year contracts were signed by farmers in 15 North Dakota counties at a cost of $271,000. These contracts made possible the protection of 20,454 acres of wetlands for waterfowl habitat and nesting areas. This is only a small start on this program. Abolishing the water bank program will save very little money.

The termination of REAP and the water bank program has brought to my desk a torrent of protests, not only from farmers, officials of soil conservation district and all farm organizations in the State, but also from individual businessmen and local chambers of commerce.

Mr. President, I ask unanimous consent that a resolution passed by the Dickinson, N. Dak., Chamber of Commerce be printed in the RECORD at this point in my remarks. This resolution briefly but vividly states the value of REAP, the water bank, and other terminated farm programs to all of the people of North Dakota.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, Western North Dakota's economy, both in urban and rural areas is solely depended upon the stability of agriculture; and

Whereas, the recent cuts, by the Administration, in rural programs will result in severe economic hardship to both the rural and urban sector of Western North Dakota as well as the entire State; and

Whereas, the economic benefits from the losses of the Water Bank Program will represent a loss of some 2½ million dollars to our state's economy during the next 10 years as well as the detrimental effect it will have to the environment; and

Whereas, the deleted Rural Environmental Assistance Program (REAP) will result in the loss of several million dollars to our state as well as the loss of up to 1,000 jobs in the state, both private and public; and

Whereas, the deletion of the REA and RTA loan program creates an interest rate increase of some 250%. Rural suppliers are faced with a high investment per mile and a density too low to generate the necessary revenue to absorb the increase; and

Whereas, the loss of emergency disaster funds financed through the Farmers Home Administration and cuts in interest credit financing will mean tremendous hardship in times of natural disasters as well as the curtailment of decent housing for the state's citizens; and

Whereas, the loss of the aforementioned programs and funds will have a detrimental and adverse affect on all citizens in North Dakota as well as loss of long range benefits these programs offer our state.

Now, therefore, be it resolved that the Dickinson Chamber of Commerce respectfully requests the restoration of these programs in the best interests of our state's economy and future and asks that these programs be reinstated, and commend the Agriculture Rally to be held in Bismarck, February 16, 1973 for its efforts to restore all the above programs.

And be it further resolved that copies of this resolution be sent to the President of the United States, Senators Burdick and Young, Congressman Andrews, Secretary of Agriculture Earl Butz, Governor of North Dakota Arthur Link, North Dakota House and Senate members of the Agriculture Committee, and the Industry, Business and Labor Committee.

Mr. BURDICK. Mr. President, the benefits of these programs are not by any means confined to North Dakota. They are nationwide.

I hope that our action in the Senate today reaffirms our responsibility to see that worthy programs, passed by Congress and funded by Congress, are administered by the executive agencies in accordance with congressional intent.

Mr. BUCKLEY. Mr. President, yesterday I stated that I felt the time had come for the Senate to come to grips with its fiscal responsibilities. I thereupon found myself in lonely company as I voted against a measure, which, despite its merits, would nevertheless have mandated a level of expenditure significantly above the budgetary request. Today, we are asked once again to approve a measure which would exceed the budgetary request by almost 50 percent, which would add $85 billion to the already excessive deficit which has been projected for the current fiscal year.

Mr. President, there are a number of the programs which would be funded by the Soil Conservation and Domestic Allotment Act of which I highly approve, and which would do much to help our farmers to meet some of the new environmental practices now being required of them. I believe, however, that the overriding consideration must be to exercise the degree of fiscal responsibility which is required to avert either a ruinous round of inflation or a significant increase in taxation. I do not believe that our farmers or our society as a whole would welcome either of these alternatives.

The Bellmon amendment would have achieved this goal, and, therefore, I voted for it. Unfortunately, that amendment failed, and I will therefore vote against adoption of H.R. 2107, and in the process, will, no doubt, once again find myself in lonely company.

I feel some of us must do what we can to dramatize the urgent need for the Senate either to live by the budgetary recommendations made by the President or to live with an overall spending ceiling determined by the Congress to be appropriate.

Last October, each House of the Congress acknowledged that it would be fiscally irresponsible for the Federal Government to spend more than $250 billion in the current fiscal year. Last year each House of the Congress voted appropriations which aggragated more than $265 billion. Neither body would discipline itself to the point of indicating where the excessive appropriations should be cut back; nor would the two bodies agree as to how that discretion might be delegated to the Executive.

The Executive has moved into the vacuum, relying on a practice of impoundment which is almost as old as the Republic. I do not like that practice, but I would rather that the Executive act as it has than risk the social, political, and economic consequences which would follow on the failure of the Congress to keep expenditures within reasonable bounds.

Mr. HATFIELD. Mr. President, it is the Senate's task, once again, to place itself squarely behind a program it helped to create and fund. It is frustrating to have to continue to vote to reestablish programs that have been curtailed by the Executive without consulting Congress. How many times are we going to have to do this before we make the point that we stand by what we legislate.

The sshpension of the REAP program is particularly irksome since it is relatively inexpensive to the Government, cost shared by the farmer, and has provided incentives for environmentally sound conservation practices over a period of 37 years. We are told the program has outlived its usefullness and is the toy of a powerful lobby. Yet 4,183 farms participated in this program in Oregon alone last year. It is obvious that Oregonians have benefited. Over a 5-year period, from 1967 to 1971, 16,036 Oregon farms benefited from the cost-share program of REAP. This has made a tremendous difference to the State. The average outlay by the Federal Government to these farms was $410 which allowed farmers to engage in drainage projects, wildlife preservation, planting trees or shrubs for forestry purposes, and to prevent erosion—the list is as varied and imaginative as the program itself.

I think we should hold down Federal spending. And I am willing to support the President for such efforts. But these cuts should begin in nonproductive areas of military spending, not in domestic programs that serve the social needs of the Nation.

Whatever cuts are made, however, cannot be made solely by the President. The genius of the American experiment was that the power of the Executive was to be checked by the people, through the Congress, and I believe this balance must be restored.

James Madison said:

> The truth is that all men having power ought to be mistrusted.

And Thomas Jefferson made a similar observation:

> Let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution.

A wise distrust of centralized, uncontrolled power dominated the thinking of those who framed our Constitution. Further, they knew that in Government, power was money and money was power. If despotic power, such as that under George III, was to be prevented, then the branch of Government directly elected by the people—the Congress—had to be given the power for raising the revenues and authorizing the funds for the programs of Government.

The executive branch was to implement—or execute—these congressional mandates.

But, the reality today is nearly the complete reverse of those ideals.

Voting to require the Secretary of Agriculture to carry out REAP is one necessary step to restore the historic balance of power. It is an excellent program in and of itself; it is also an important means to an important constitutional end.

Mr. BROCK. Mr. President, at a time when over a million farm acres nationally are given over annually to housing, airports, commercialization, and abandonment, governmental support is sensible to help the small farmer conserve what farmland is left.

With the ever-increasing population growth and the subsequent urban sprawl, conservation of our natural resources is more important now than when the program was initiated in 1936; not only for food, but also because of the diminishing square footage.

Granting its obvious inadequacies and problems, even so the rural environmental assistance program has made an enormous contribution to our rural communities. It has encouraged and enabled farmers to incorporate sound conservation and environmental practices in their farming methods. The need continues.

There are many small farmers who love the land and are willing to work to see the land work. But they have to struggle to make a profit. They need help with pollution control and the incentive to invest in long-range conservation practices. They reap no immediate benefits from planting trees and setting aside wildlife habitats. But these programs are beneficial to all of us and will be of benefit to generations to come.

I do agree that Congress should reevaluate REAP and, perhaps, revise it and redirect it away from programs which serve merely to increase crop production and toward more long-range conservation practices. However, I cannot see the justification for eliminating the good with the bad while a reassessment is made.

Mr. ROBERT C. BYRD. Mr. President, I wish to voice my support for H.R. 2107, which would, if enacted, require that all funds appropriated for the rural environmental assistance program and for the water bank program be obligated by the executive department.

Earlier this year, on January 18, I spoke on the Senate floor to voice my strong objections to the administration's announced plan of eliminating these two very important conservation and environmental programs. Prior to making that statement, I had contacted the White House and the Department of Agriculture to urge reinstatement of these two programs at the funding level provided by Congress. The replies which I received from both were certainly not responsive, nor did they discuss the merits of the program; instead, they reiterated the administration's desire to hold fiscal outlays this year to $250 million, and stated that it was essentially a matter of priorities. In this instance, I do not agree with the order of priorities which proposes to eliminate REAP and other important environmental programs. It is ironic that proposals to eliminate REAP, which are advanced annually by the executive department, never originate within the operating agencies of the Department of Agriculture which administers this program, and thus, has the best opportunity to view the results. It always originates within the Office of Management and Budget. As a member of the Appropriations Subcommittee on Agriculture, Environmental and Consumer Protection, I have heard testimony, from departmental officials ascertaining this fact, for the past several years.

Since the REAP program was first authorized in 1936, it has made many important contributions toward the improvement of our natural environment by helping to protect millions of acres of land from erosion damage. It has helped small farmers and ranchers finance improvements on their land, such as farm ponds, and has promoted improved care for their farm forest lands. It should be reiterated that, while this program has made these tremendous conservation and environmental gains, they have been made in a manner consistent with both community and national needs.

REAP is of particular importance to West Virginia, because most of the small farms in my State cannot participate in the other federally sponsored agricultural programs to their advantage. REAP is one program which they can and do use to their advantage, and to the advantage of sound conservation and environmental practices. In 1971, 10,970 West Virginia farmers participated in REAP and received total payments of $1,113,000. In 1972, 13,000 farmers participated in REAP and received payments of $1,456,000. Had the program continued at the announced reduced level of $140 million, approximately 10,000 West Virginia farmers would have been able to participate in this program and they would have received $1,043,000.

Mr. President, I urge enactment of H.R. 2107. If this bill is vetoed, and that is a very real possibility, I hope the Congress can muster sufficient strength to override the veto. In the meantime, I shall continue my efforts as a member of the Agriculture Appropriations Subcommittee to urge continuation of the program at the $225 million level, which was the amount included in the agriculture appropriations bill for fiscal year 1973.

Mr. President, I ask unanimous consent to proceed for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today. The Senate will not be in session tomorrow. If it is possible to reach an agreement on certain bills that are being reported out of the Committee on Veterans' Affairs today, to allow a vote on those bills on Tuesday, the Senate would have a pro forma session tomorrow and then we would go over until Tuesday. If such an agreement cannot be reached, the Senate would have to be in session on Monday, I presume, so that debate could proceed on those bills.

In any event, there will be no session tomorrow. If there is a pro forma session, it will be just that, with no votes.

I thank the Chair.

The PRESIDING OFFICER (Mr. DOMENICI). The bill having been read the third time, the question is: Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BUCKLEY (after having voted in the negative). If the Senator from Montana (Mr. MANSFIELD) were here, he would vote "yea." I have already voted "nay." I therefore withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Michigan (Mr. HART), the Senator from Arkansas (Mr. McCLELLAN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alaska (Mr. GRAVEL), the Senator from Montana (Mr. MANSFIELD), and the Senator from South Dakota (Mr. MCGOVERN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Mississippi (Mr. STENNIS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), and the Senator from Ohio (Mr. SAXBE) are necessarlily absent.

The Senator from Pennsylvania (Mr. SCOTT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are absent on official business.

The Senator from Utah (Mr. BENNETT) and the Senator from New Hampshire (Mr. COTTON) are detained on official business.

On this vote, the Senator from New Hampshire (Mr. COTTON) is paired with the Senator from Utah (Mr. BENNETT). If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from Utah would vote "nay."

The result was announced—yeas 71, nays 10, as follows:

[No. 29 Leg.]

YEAS—71

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Dole
Dominick
Eagleton
Eastland
Ervin
Fong
Gurney
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NAYS—10

Byrd,
Harry F., Jr.
Domenici
Fannin
Griffin
Helms
McClure
Packwood
Roth
Scott, Va.
Taft

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Buckley, against.

NOT VOTING—18

Abourezk
Bennett
Cotton
Fulbright
Goldwater
Gravel
Hansen
Hart
Mansfield
McClellan
McGovern
Nelson
Pastore
Saxbe
Scott, Pa.
Stennis
Tower
Weicker

So the bill (H.R. 2107) was passed.

Mr. TALMADGE. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AID TO NORTH VIETNAM

Mr. THURMOND. Mr. President, I rise to address myself to a topic of considerable controversy to the Nation today—the question of providing economic aid to North Vietnam.

First, Mr. President, permit me to point out that debate over our postwar strategy emerged only after President Nixon successfully concluded our involvement in Vietnam. He accomplished the cease-fire despite constant and unfair criticism from some segments of our society. Because he insisted on an honorable end to our involvement in the war, he has earned a prominent place in history.

We are now engaged in debate on the propriety of helping rebuild North Vietnam. Arguments for aid are being made on both a moral and pragmatic basis. Should we feel morally obligated to rebuild North Vietnam? Or should we do it in order to cement the agreement in hopes that it may lead to a more durable peace? Of course, a third argument is that we should not, for any reason, provide aid to a country which killed over 45,000 Americans.

I completely reject the idea that the United States is morally bound to assist in rebuilding North Vietnam. True, our bombs did severe damage to parts of that country. Damage to the warmaking capabilities was widespread. By all reliable accounts we have received, damage to nonmilitary areas was minimal.

Mr. President, our bombing, especially the intensified bombing in December of 1972, was essential to obtaining the January 27 cease-fire agreement. By his firm and decisive action, President Nixon showed the enemy that he would take whatever steps necessary to force them to negotiate earnestly.

Those who maintain that we are morally committed to participate in rebuilding North Vietnam do so on the premise that it was immoral for the United States to get involved in the war at all. This I also reject. What is immoral about stopping Communist aggression? What is immoral about insisting that each country be given the chance to choose the kind of government that is best for it?

It is the Communists who, by their violent aggression, acted immorally in this war. If anything, they are the ones morally bound to heal the wounds of war.

There may be more merit to the view that aid to the North may make the Communists' commitment to the cease-fire more viable. Secretary of State Rogers said as much recently when he noted that aid could lead to an "eventual settlement by peaceful means in Vietnam."

Mr. President, this Congress will ultimately have to be the final arbiter of this question. I believe that we would be wise to keep an open mind on the matter until some very fundamental questions are answered.

Of top priority are our prisoners of war and those listed as missing in action. I have serious doubts about the accuracy and reliability of the North Vietnamese accounts, as they have been furnished so far. The South Carolina League of Families of American POW's and MIA's and "I Care, Inc.," of Charleston, have also shared with me their doubt about the accounting. We should not consider appropriating any money whatsoever, and much less appropriating funds for the North, until all captured Americans are back on American soil and until a satisfactory accounting has been given for all MIA's.

Second, Mr. President, no funds should be approved until all hostilities throughout Indochina are ended. The Vietnam cease-fire has been soiled by outbreaks of sporadic violence.

The Communists have continued to stall any efforts by the Joint Military Commission to establish adequate inspection headquarters in South Vietnam. As they refuse to cooperate, the Communists have stepped up heavy troop operations in the South. One night recently, Communist gunners fired more than 1,400 mixed mortar and artillery rounds into South Vietnamese air troops at Quang Tri.

At least, Mr. President, the Communists remain consistent. They have a history of breaking written agreements. Their continued offensive in South Vietnam is ample evidence that they have not given up their goal of Indochina domination. The United States would be making a grave mistake to even consider providing aid as long as any fighting continues.

The consideration of aid must be contingent upon our assurance that American dollars are being used for peaceful purposes. It would be a sham if our postwar aid were used to rebuild our enemy's warmaking machinery. An international body to coordinate the reconstruction program, such as the U.N., should have regular onsite inspection teams for this purpose.

If the United States of America elects to provide assistance to the North, the major Communist powers should provide aid for war-ravaged South Vietnam. International reconciliation is a two-way street.

As we weigh these issues, Mr. President, we must not have our decision distorted by irrelevant facts. Some are saying that aid to North Vietnam would be consistent with past policy of aiding Germany and Japan after World War II. I take issue with this.

The situation in 1945 was completely different from 1973. Japan and Germany had surrendered. Not only was their warmaking capability destroyed, but their spirit of international domination was effectively quashed.

During the postwar years, it was evident that our alliance with Russia was over and that the Soviet Union would be our primary protagonist in what came to be known as the cold war.

It was in the national interest that we participate in a rebuilding program of Japan and Germany to prevent the Soviets from establishing new spheres of influence.

The Marshall plan gave a semblance of order to a chaotic postwar world. However, it is my opinion that even the Marshall plan assistance should not have been given free but loaned and repayment required.

The situation in North Vietnam is completely different. As I have pointed out, the North Vietnamese have not laid down their weapons. Their intent to take over all of Indochina has not been disavowed. North Vietnam is firmly in the hands of the Communists. Given the present situation, it is beyond the realm of feasibility to expect that our economic aid, whatever the amount, will neutralize to a great extent the Communist influence.

So, Mr. President, there are many questions to be answered before we can in good conscience provide aid to North Vietnam. We must be convinced that our economic assistance to North Vietnam would contribute so much to peace that this benefit overrides the objections we have to it. Let us all hope and pray that our decision on this matter will be wise.

ORDER FOR RECOGNITION OF SENATOR BELLMON ON TUESDAY, MARCH 6, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, immediately following the recognition of the distinguished Senator from Colorado (Mr. HASKELL) the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES OF THE COMMITTEE ON PUBLIC WORKS

Mr. ROBERT C. BYRD. Mr. President, at the request of my distinguished senior colleague (Mr. RANDOLPH), I ask unanimous consent to submit the rules of the Committee on Public Works, pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, and I ask unanimous consent that the text of the rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE COMMITTEE ON PUBLIC WORKS—I. RULES OF PROCEDURE

RULE 1. REGULAR MEETING DAYS

The regular meeting day of the Committee shall be the first and third Thursday of each month at 10:00 A.M., except that if there be no business before the Committee, the regular meeting shall be omitted.

RULE 2. COMMITTEE MEETINGS

Subject to section 133(a) of the Legislative Reorganization Act of 1946, as amended, Committee meetings for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the Chairman. Subcommittee meetings shall be called by the chairman of the respective subcommittee. Notice of a meeting and the agenda of business to be discussed by the Committee will be provided to all Members not less than twenty-four hours in advance of such meeting. Additions to the agenda after that time may be made with the concurrence of the ranking Minority Member. Such 24-hour notice may be waived in an emergency by the Chairman, with the concurrence of the ranking Minority Member.

RULE 3. OPEN COMMITTEE MEETINGS AND EXECUTIVE SESSIONS

Meetings of the Committee, including hearings shall be open to the public except during Executive Sessions for marking up bills or for voting, or when the Committee, by majority vote, orders an Executive Session, or as required by section 133A (b) of the Legislative Reorganization Act of 1946, as amended.

RULE 4. PRESIDING OFFICER

(a) The Chairman shall preside at all meetings and hearings of the Committee except that in his absence the ranking Majority Member who is present at the meeting shall preside;

(b) Subcommittee Chairmen shall preside at all meetings and hearings of their respective Subcommittees, except that in the absence of the Subcommittee Chairman, the ranking Majority Member of the Subcommittee who is present at the meeting shall preside;

(c) Notwithstanding the rule prescribed by subsection (a) and (b), any Member of the Committee may preside over the conduct of a hearing.

RULE 5. QUORUMS

(a) Except as provided in subsections (b) and (d), five Members, two of whom shall be Members of the Minority party, shall constitute a quorum for the conduct of business, except for the purpose of reporting any measure or matter.

(b) Quorums for the conduct of business by the Subcommittees shall be a simple majority of the Membership of the Subcommittees with at least one Minority Member present.

(d) Notwithstanding the rule prescribed in (a), one Member shall constitute a quorum for the purposes of conducting a hearing.

RULE 6. PROXY VOTING; POLLING

(a) Proxy voting shall be allowed on all measures, amendments, resolutions, or any other issue before the Committee or any Subcommittees. Any Member who is unable to attend the meeting may submit his vote on any such issue, in writing or through personal instructions; however, proxies shall not be voted for the purpose of reporting any measure or matter except when the absent Committee Member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. A proxy given in writing shall be valid until revoked, while a proxy given orally or by personal instructions is valid only on the day given.

(b) At the discretion of the Chairman, after consultation with the ranking Minority Member, Members who are unable to be present and whose vote has not been cast by proxy, may later have their position recorded on any vote.

RULE 7. PUBLIC ANNOUNCEMENT OF VOTE

Whenever the Committee by rollcall vote reports any measure or matter, or acts upon any measure or amendments thereto, the report of the Committee on such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each Member of the Committee.

RULE 8. ANNOUNCEMENT OF HEARING

The Committee, or any Subcommittee thereof, shall make public announcement and provide notice to Members of the date, place, time and subject matter of any hearing to be conducted on any measure or matter, at least one week in advance of such hearing, unless the Committee Chairman, or Subcommittee Chairman, with the concurrence of the ranking Minority Member, determines that there is good cause to begin such hearing at an earlier date, in which event not less than twenty-four hours notice shall be given.

RULE 9. STATEMENTS OF WITNESSES AT HEARINGS

(a) Each witness who is scheduled to testify at any hearing of the Committee, or any Subcommittee thereof, shall file a written statement of his proposed testimony not later than noon of the last business day preceding the day on which he is scheduled to appear. At the time of his appearance, he shall supply for the use of the Committee or Subcommittee, 25 copies of his prepared testimony or such greater number as may be requested in the letter of invitation. Except for witnesses from the Federal government, this rule may be waived with regard to field hearings.

(b) The presiding officer at a hearing may have a witness not read his written testimony and to confine his oral presentation to a summary of his statement.

RULE 10. REGULARLY ESTABLISHED SUBCOMMITTEES

The Committee shall have six regularly established Subcommittees as follows:

—Subcommittee on Water Resources
—Subcommittee on Air and Water Pollution
—Subcommittee on Economic Development
—Subcommittee on Transportation
—Subcommittee on Buildings and Grounds
—Subcommittee on Disaster Relief

RULE 11. SPECIAL SUBCOMMITTEES

With the concurrence of the ranking Minority Member, the Chairman shall, from time to time, establish such special Subcommittees as he deems necessary to expedite Committee business.

RULE 12. SUBCOMMITTEE MEMBERSHIP

Following consultation with the Majority Members and the ranking Minority Member of the Committee, the Chairman shall announce selections for membership of the Subcommittees referred to in Rules 10 and 11.

RULE 13. ENVIRONMENTAL IMPACT STATEMENT

No project or legislation proposed by the Administration shall be approved or other action taken unless the Committee has received an environmental impact statement relative to it, in accordance with Section 102 (2) (C) of the National Environmental Policy Act of 1970, and the written comments of the Administrator of the Environmental Protection Agency, in accordance with Sec. 309 of the Clean Air Act.

RULE 14. NAMING OF PUBLIC FACILITIES

No building, structure or facility authorized by the Committee, shall be named for any living person, except former Presidents of the United States, or former Members of Congress over 70 years of age.

RULE 15. COMMITTEE RESOLUTIONS

(a) The Chairman is authorized to certify and pass on Committee resolutions for review of flood control and river and harbor reports and resolutions for studies of public building projects, and forward the resolutions to the appropriate Federal agency.

(b) Proponents of Committee resolutions shall submit appropriate evidence showing need for review or reports on river and harbor and flood control projects.

RULE 16. BROADCASTING OF HEARINGS

Public hearings of the Committee, or any Subcommittee thereof, shall be televised or broadcast, or recorded for television or broadcast, only when authorized by the Chairman, acting through the Chief Clerk. During public hearings, photographers and other reporters using mechanical recording or filming devices shall position and use their equipment in such fashion as will not interfere with the seating, vision, or hearing of Committee Members or Staff on the dais, nor with the orderly process of the hearing.

RULE 17. AMENDMENT OF RULES

The rules may be added to, modified, amended or suspended by a majority of the Committee Membership.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO MAKE TECHNICAL CORRECTIONS IN S. 7

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in S. 7. I make this request on behalf of the distinguished Senator from California (Mr. CRANSTON).

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF THE PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a resumption of the period for the transaction of routine morning business, for not to exceed 20 minutes, with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CHILEAN ELECTIONS

Mr. JAVITS. Mr. President, I wish to call the attention of the Senate, before we adjourn for the weekend, to a very critical election that is going to take place over the weekend in Chile. Chile is a very attractive country that traditionally has had perhaps the strongest democratic positions in South America.

The United States, I believe, has behaved with the most exemplary correctness toward Chile and acted in a most extraordinarily fine way toward the people of Chile. Chile has a government which was proclaimed by President Allende as being a coalition of essentially Socialist and similar left forces in the country, and notwithstanding the fears that we would in some way interfere, we did no such thing and we have respected what the Chilean people, even though it was a minority choice, felt should be their government.

Mr. President, a critical election for membership in the senate and the chamber of deputies is coming up in that country on Sunday. The entire world will watch with the greatest interest what occurs. Like other interested observers, and I have been there and respect the country enormously and value it as one of the great American states, I have been increasingly saddened by the polarization of Chilean society over the last 2 years as the Allende government sought to implement far-reaching radical reforms.

I express the hope that our country will continue its admirable policy of hands off and let the Chilean people express their will, and respect whatever that will may be, no matter how I in my heart and others may feel about what is best in terms of the future of the Americas and Chile's own future. But that does not mean we cannot and should not watch with the greatest attention what occurs, be sympathetic and understanding and as helpful as we can for the future of the people and the future of democratic institutions in South America and in one of the countries which has been the strongest adherent to such traditions.

Especially is that true, and we are so anxious to see Chilean freedom in terms of democratic institutions preserved, as the number of countries in South America which have democratic governments has been shrinking, and some of the largest and powerful South American states have been turning to military government, most regrettably; but nonetheless that is a fact of life. So we have a right to pay careful attention to what is happening in Chile, with deep and sympathetic interest in the democratic institutions, forces, and attitudes on the part of the people which will enable them to survive.

In accordance with those ideas, I call to the attention of my colleagues a news story describing the situation, which was printed in the New York Times of this morning, March 1. One of the subheadings in the article speaks of "Two Polarized Camps" as being the situation in the election in Chile. The article calls it a rare phenomenon in Chile's electoral history, which has been more like our own, a tendency to blend various forces and different ideologies in the country.

This article also speaks to the fact that former President of Chile Eduardo Frei Montalva is becoming the leader of the opposition in Chile. Americans will remember President Frei, whom I knew personally during his incumbency, to be one of the most respected democratic leaders in the world, who instituted sweeping reforms in Chile's society in respect of land reform, housing, the Chileanization of the copper industry, and promoted free union and peasant organizations, free of government control. The Chilian constitution does not allow a President to run for a consecutive second term and President Frei stepped down after he successfully completed his 6-year term.

He has been an active participant in government in his country.

This material is worth reading by every Member, especially this weekend because we do not know what policy decision may face us in respect of this rather grave situation in Chile.

The other article to which I refer is from the London Economist which is one of the most respected publications in the world. It gives an analysis of what happened in Chile in the last few years. The subtitle of the article is "Chileans Will Be Passing Judgment Next Weekend on the Performance of President Allende's Union of the Left." Again, Americans will be saddened by the assessment of this very prestigious journal of what has happened in Chile. The report is that the present rate of inflation in Chile is 160 percent, with growing shortfalls in farm production which is leading to rationing and balance of payments difficulties, with the resultant great damaging effect on the Chilean currency. A people have the right to determine their own future, as the Chilean people obviously have done and are doing. It is our duty to respect their judgment and their right, under democratic institutions, to self-determination.

Again, I urge our Government, and I am sure the Nixon administration will, to follow the precedent which was inaugurated when President Allende ran successfully and was elected.

We also have a duty—I am a member of the Foreign Relations Committee; the Senate is the advise and consent branch of the Congress—to observe carefully what goes on, to be thoroughly informed about it, to understand, to, as it were, develop a policy, before we are faced with emergencies which require one, and then to do our utmost to carry it out in the hope it will contribute to freedom, security, and prosperity for the whole Western Hemisphere.

This is an election which will have a profound significance in that regard, and I hope that my colleagues will read these pieces and will seek any other information they may choose respecting the situation in Chile and the election, and be prepared to exercise a proper role in the success of the American states as the Chilean situation, which is so grave, develops further.

Mr. President, I ask unanimous consent to have printed in the RECORD the article entitled "Change in Policy for Chile Asked" which is published in the New York Times today, March 1, 1973, and an article from the London Economist of February 24, 1973, which I have referred to.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 1, 1973]

CHANGE IN POLICY FOR CHILE ASKED—FOE OF ALLENDE VOWS FIGHT ON SOCIALISM AFTER VOTE

(By Jonathan Kandell)

SANTIAGO, CHILE, February 28.—Former President Eduardo Frei Montalva said today that if the anti-Marxist opposition scored a "clear majority" in the legislative elections Sunday, it would demand a change in the Government's socialist policies.

"We are prepared to carry out our opposition after the election in the legislature, in the unions and in the neighborhood associations," Mr. Frei said in an interview in his office atop a downtown building in the capital.

Since winning election in 1970 as head of the coalition of Socialists, Communists and other Marxists, President Salvador Allende Gossens has promised to steer the country on a clearly socialist course.

His attempts to redistribute income and extend Government control over private sectors of the economy **without the approval of** the legislature have aroused bitter opposition. The popular resentment led to abrasive 26-day transportation and business strike last October that brought the country to the verge of civil war.

TWO POLARIZED CAMPS

The election has been portrayed by both sides as a continuation of last October's battle and as a showdown between two polarized camps—a rare phenomenon in Chile's electoral history.

Mr. Frei, who served as President from 1964 to 1970, has emerged as the de facto leader of an anti-Marxist electoral coalition that includes primarily his own center-left Christian Democratic party and the right-wing National party.

He is also an overwhelming favorite to win a Senate seat from Santiago in the elections, which will fill one-half of the 50 Senate posts and all 150 seats in the Chamber of Deputies.

If the opposition maintains its majority in the Chamber of Deputies and wins two-thirds of the Senate by gaining one additional seat in the elections, it will have the power to veto all major legislative bills and even impeach President Allende.

VOTE VIEWED AS "PLEBISCITE"

Such a clear mandate for the opposition is considered possible but not likely.

However, Mr. Frei reiterated that the opposition would interpret the election results as a "morally binding plebiscite."

Other opposition leaders, particularly National party spokesmen, have raised the prospect of another general strike to force the Government to change its policies if it loses heavily at the polls.

In yesterday's interview, Mr. Frei refused to comment on such a possibility, but he made it clear that the opposition would not limit its resistance to the legislative chambers.

The former President also rejected the possibility of even a limited working relationship between his party and the Government after the elections.

Characterizing the Communist party as Stalinist and the Socialist party as "even more extreme in inspiration and action," Mr. Frei said he saw no "moderate elements" in the Government to deal with.

President Allende has rejected the opposition's argument that the elections will amount to a popular referendum. During the last few weeks he has repeatedly told the electorate that Chilean Presidents have traditionally governed with less than 50 per cent support at the polls and stressed that Mr. Frei's Christian Democratic party received only 29.8 per cent of the vote in the 1969 legislative elections.

Spokesmen for the Marxist Popular Unity coalition say they would regard any increase over the 36 per cent polled by Dr. Allende in the 1970 presidential election as a victory.

[From the London Economist, Feb. 24, 1973]

JUDGMENT OF SANTIAGO

President Pompidou is not the only head of state who will be feeling nervous on March 4th. That is also the day when the Chileans will pass judgment on more than two years of President Allende's marxist government by electing a new parliament. Far from sniffing victory, the leaders of Dr. Allende's Socialist party have been telling their followers not to worry about the results of what they claim to be merely a "routine democratic exercise"—one more move in a game whose rules they never really believed in. No one thinks that Dr. Allende's supporters can get half the votes; the opinion polls suggest that they will be lucky to get 40 percent. The really acute question now is whether they can get more than a third.

If they cannot, the new congress would be in a position to impeach the president (a move that requires a two-thirds majority) and might do so; and that would be the end of the Chilean revolution. Even if the government can preserve the necessary blocking third, a majority vote for the opposition's parties would show those who still remain to be convinced that Dr. Allende's regime is not the people's government that it claims to be.

It has never won more than minority backing for a programme that has deepened the rifts in Chilean society, brought on the worst economic crisis in the country's postwar history, and created a climate of violence and vilification in which talk of a possible civil war is more than just talk. That record, and the Chileans' likely judgment on it, are things that the French electors would do well to think about when they make their final choice, in the second round of their parliamentary elections on March 11th, on whether or not they want to have a National Assembly that contains a majority of Communists and Socialists.

EVERYBODY HAS FELT THE PUNCH

The Allende government has failed to solve the problems that the Chilean marxists used to blame on foreign investors or the whole capitalist system. They promised in 1970 to end inflation, but last year the rate of inflation rose to 160 per cent—the result both of declining production, because of the reckless and disorderly process of state takeover of private firms, and of the government's attempts to cover its whopping budgetary deficit by printing paper money. The monetary supply expanded by 171 per cent last year, according to central bank figures. The government promised to improve standards of living, and got off to a racy start early in 1971 by granting massive wage increases to lower-paid workers. Their temporary affluence led to a transient industrial boom, as factories used up their idle capacity to satisfy new consumer demand. But over the past two years the galloping inflation combined with the loss of production both in industry and in agriculture have seriously eroded everyone's living standards.

The government also claimed that, once the big farms were expropriated, more food would be produced. That is another promise that has fallen by the wayside. The country has had to double its food imports over two years, while internal consumption rose over the same period by only about 25 per cent. These figures make a nonsense of the persistent claims of the government's supporters that more food has to be imported simply because people are eating better.

The truth of the matter is that the arbitrary actions of the land reform officials (many of whom have been ready to sanction the illegal land seizures carried out by the would-be guerrillas of the Movement of the Revolutionary Left) have resulted in the decimation of cattle stocks and steep falls in production of key crops such as wheat and maize. The inevitable result—as the Christian Left, which has emerged as one of the most radical forces in Dr. Allend's coalition, was ready to admit last August—was rationing. The system of rationing that was eventually introduced in January was not just a final admission of the failure of the government's economic programme. It also gave cause for serious concern about the future of Chilean democracy, since neighbourhood committees that are in practice dominated by the Communist party are to be made responsible for deciding what are "the real needs" of each family.

Some of Dr. Allende's foreign sympathisers are ready to shrug off this depressing record as part of the necessary cost of building a socialist system. The question is whether a majority of Chileans want that system, and whether it is likely to be more rather than less open to change and new ideas than the form of parliamentary democracy that Chile has been able to maintain—despite its evident defects—for most of this century.

In every by-election, university election and trade union election held last year, the government's supporters lost ground. The protest movement that mobilised itself during the wave of anti-Allende strikes last October showed that the government is opposed by large numbers of students, peasants, white-collar workers, bus drivers and lorry drivers, merchant seamen and railwaymen as well as by employers, shopkeepers and groups of professional men.

At the same time, the longer-term strategy of the Chilean marxists has become clear. It is based on the concentration of political power in the hands of the marxist parties through the extension of state control over the private sector of the economy. The state now controls some 80 per cent of industrial production, and three-quarters of the cultivated land has been brought within the so-called "reformed sector." The financial bases of the opposition parties and the independent press have been steadily whittled away. The same process has greatly diminished the freedom of workers to strike or choose alternative employment, since many of them now depend on the favours of the political activists who have been promoted to be state managers. It is also worth noting that the communist who runs the trade union federation is also the minister of labour—a combination of roles that would make even Mr. Jack Jones's hair stand on end.

HOW COME HE'S STILL THERE?

If all this is true, many people will ask, and if on top of all this Dr. Allende's own supporters are warring among themselves, how has he survived so long? His survival, it could be argued, is due to two things. The first is the caution of the Chilean opposition, which has used every constitutional means to block the dangerous parts of his programme but, failing in this, has not resorted to unconstitutional means. The second is the support he has received from the armed forces.

When three service chiefs agreed to join the cabinet in November, Dr. Allende was spared the violent collision of forces that might otherwise have been the outcome of the most serious political crisis he had so far had to face. The armed services have been worried since then that they may appear to be underwriting an unpopular programme; an admiral dropped out of the cabinet after the introduction of rationing, although one of his colleagues took his place. General Prats, the army commander and interior minister, insists on his continuing political neutrality. After March 4th, he may have to serve as arbiter between Dr. Allende and a majority in the country who will have declared through the ballot boxes that they want the president either to apply the brakes to the process he has set in motion or resign.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a further extension of the period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PRESIDENT'S MESSAGE ON WELFARE

Mr. HARRY F. BYRD, JR. The President of the United States today submitted to the Congress a message, captioned "Information on the State of the Union." A copy has just come to the Senate. I have not had an opportunity to give careful study to the entire message. It is some 17 pages of legal size paper. I have, however, looked over, in some detail, the part of the message dealing with welfare. I am happy to note, Mr. President, that President Nixon has withdrawn—or I guess one should phrase it, will not again submit—the welfare proposals which have been submitted to the two previous Congresses. I think most of us agree that there is a need for welfare reform, but the proposals submitted by the administration, passed twice by the House of Representatives, were not welfare reform; those proposals constituted welfare expansion.

The Senate Finance Committee, twice in two separate years, 1970 and 1972, refused to approve the welfare expansion act. The Senate of the United States last year refused to approve it despite the fact that it had majorities twice in the House of Representatives.

The President's message today makes clear that he has discarded this program. I want to commend him for discarding it.

That proposal, worked up for him by some bureaucrats in the Department of HEW, was not welfare reform at all. It was totally lacking in work incentives. It would greatly add to the cost of welfare. It would write into the law the principle of a guaranteed income. And worst of all, it would have doubled the number of people on welfare. Yes, it would have doubled the number of people drawing public assistance from the taxpayers of the United States.

I think that most of us agree that what we need to do is to create job opportunities. The administration's proposal did not do this.

The President and the administration has discarded its own program and has not brought in a new one. Although it could have taken the Finance Committee action as the basis for a new program, it nevertheless has not done so. And, not having brought in a new program, the President in his message today states:

> I have directed that vigorous steps be taken to strengthen the management of the AFDC through administrative measures and legislative proposals.

The AFDC is the aid to families of dependent children section of welfare.

I am not clear at this point what the legislative proposals are. So, I cannot comment on those. However, the President says that he will take steps to strengthen the management through administrative measures. That is what needs to be done. That is what should have been done last year and the year before that and the year before that. There should be a tightening up of the administrative process. As evidence of that, I cite the President's message of today. Here is what the President has to say:

> The administration of this program is unacceptably loose.

Mr. President, the President in his message today says: "The administration of this program is unacceptably loose."

I made that point time after time to former Secretary of HEW Richardson, when he came before the Finance Committee, that the administration of this program is unacceptably loose.

I am glad to read into the record today the words of the President on that point.

The President goes on to say:

> The latest national data indicate that in round numbers one of every 20 persons on the AFDC rolls is totally ineligible for welfare; three more out of 20 are paid more benefits than they are entitled to; and another 20 are underpaid.

About one-fourth of the AFDC recipients, in other words, are receiving improper payments.

The fact that the President proclaims this indicates a change of attitude on the part of the administration—and is wholesome.

Frankly, I had no idea it was that bad. I knew that it was bad, but I could not get Secretary of HEW Richardson to admit it was bad.

I would much rather, however, have the President of the United States admit it as he does today. He says that one-fourth of the AFDC recipients are receiving improper payments. That is a strong indictment of a department that is charged with the responsibility of administering this program. I made the same indictment of Mr. Richardson when he was before the Finance Committee last year. And I second the President's indictment today.

The President also brings out in his statement:

> Misguided incentives have discouraged employable persons from work and have induced fathers to leave homes so that their families can qualify for welfare.

Mr. President, this welfare mess does need to be cleaned up. And the only way to start cleaning it up is to tighten the administration of the program. The President has taken steps, he says in his message today, to do just that.

Mr. President, this will require firmness. I hope that there will be firmness on the part of the executive branch in regard to this matter.

So, to my way of thinking, the President's message on welfare submitted to the Congress this afternoon is a meritorious one. It is one that I welcome. I welcome it because he proposes to tighten and strengthen the administration of the welfare laws and seek to eliminate from the welfare rolls those 25 percent of welfare recipients who, he says, have no right to be there.

I welcome his message today further because he stated that he is scrapping, eliminating, and will no longer present to Congress his proposal for what was called welfare reform but which was actually a welfare expansion program.

I think it is very important that that program be killed. And I want to give credit for that today. I guess that credit goes to a great many people. So I will not attempt to single out all of them.

However, the one that comes to mind particularly, and the one that comes to mind first, is one who served in this body for 24 years. At the time that this new welfare program was first presented, the then ranking Republican member of the Committee on Finance, the then senior Senator from Delaware was John J. Williams. Senator Williams, with his analytical mind, ability, and integrity, studied this proposal and told the Finance Committee that the proposal was no good and that it should not be enacted.

In doing so, he found it necessary to take issue with the leaders of his own party. Nevertheless, such was the courage of former Senator Williams of Delaware that he did just that.

It was his diligence, his hard work, and his ability that focused attention on a very complex piece of legislation.

So on this day, March 1, 1973, I commend former Senator John J. Williams. The submission to the Senate today of the President's report on welfare is in a very large way a tribute to the work which Senator Williams did in 1969, the last year that he was a Member of the Senate of the United States, before his voluntary retirement.

Another name that comes to mind is that of the chairman of the Committee on Finance, Senator RUSSELL B. LONG of Louisiana. Senator LONG took a very prominent part in the consideration of the administration's guaranteed annual income proposal. He, too, reached the conclusion that the enactment of that legislation, doubling the number of people on welfare, would not be in the best interests of our Nation. Despite tremendous pressure put on him by many sources, and despite bitter newspaper articles against him, the senior Senator from Louisiana stood firm. He was determined, and a majority of the members of the committee of which he is chairman were determined, that any legislation coming out of that committee would provide for work incentives, with the idea of getting people back to work, not with the idea of adding more and more persons to the welfare rolls.

There are many others who played an important part in killing that, in my judgment, very foolish legislation, which was first developed in HEW and then sent to the House of Representatives, passed—very unwisely in my judgment—by that body, and then submitted to the Senate committee for consideration.

I want to reiterate again what that legislation, the so-called family assistance plan, would have done had it been enacted:

It would have written into law the principle of a guaranteed annual income.

It would have increased by at least $5 billion the annual cost of welfare.

It was lacking in work incentives.

And, worst of all, it would have doubled the number of persons drawing public assistance.

So, today, I commend President Nixon for withdrawing the proposal, and I commend him also for having directed a strengthening through administrative measures of the management of the present welfare program.

I commend him as well for his candor in pointing out in his statement that 25 percent of all the people on the AFDC rolls are not properly there. To use his exact words:

> About one-quarter of the AFDC recipients are receiving improper payments.

That is what needs to be stopped, and that is where the administrators must take a strong stand.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair, with the understanding that the recess not extend beyond 5 o'clock today.

The motion was agreed to; and at 4:35 p.m., the Senate took a recess subject to the call of the Chair.

At 4:54 p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. GRIFFIN).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF RULE XXV—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, yesterday the distinguished majority leader entered a unanimous-consent agreement whereby the vote on Senate Resolution 69—a resolution to amend rule XXV relative to open and closed sessions of committees—would occur at 4 o'clock p.m. on Tuesday next. It is possible that all debate on that resolution—and amendments, debatable motions, or appeals in connection therewith—could expire prior to 4 o'clock p.m. Under the order, we would therefore he held to a vote at 4 o'clock unless the order were changed by unanimous consent. I am going to propound a unanimous-consent request that will allow for a vote on the resolution earlier than 4 o'clock next Tuesday, but which will, at the same time, protect the rights of any Senator who wishes to delay that vote until the hour of 4 o'clock p.m.

It is hoped that a final vote on the resolution could occur earier than 4 o'clock p.m., so as to allow votes on three bills—which will today be reported by the Committee on Veterans' Affairs—before too late an hour on Tuesday evening next. Hence, the following unanimous-consent requests:

ORDER FOR RECOGNITION OF SENATORS ON TUESDAY, MARCH 6, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the distinguished Senator from Oklahoma (Mr. BELLMON) has been recognized, the junior Senator from West Virginia (Mr. ROBERT C. BYRD) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER (Mr. MCINTYRE). Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the orders for recognition of Senators on Tuesday next, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER (Mr. MCINTYRE). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Therefore, Mr. President, I ask unanimous consent that at the conclusion of routine morning business on Tuesday next, the Senate proceed to the consideration of the resolution, Senate Resolution 69.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that the time for debate on that resolution be under the control of and divided between the distinguished Republican leader or his designee and the distinguished Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that time on any amendment, debatable motion, or appeal be limited to 30 minutes, the time to be equally divided between and controlled by the distinguished Senator from Delaware (Mr. ROTH) and the junior Senator from West Virginia (Mr. ROBERT C. BYRD).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time for debate on the resolution be limited to not to exceed 4 hours, with a vote to occur on the resolution at no later than 4 p.m.; that the agreement be in the usual form with respect to nongermane amendments and the yielding of time from time allotted on the resolution to Senators on any amendments, debatable motions, or appeals, et cetera;

Provided further, that if an amendment, motion, or appeal is pending at 4 p.m., the vote on adoption of the resolution would be delayed until the time for debate allowed under the agreement on that amendment, motion, or appeal has expired;

Provided further, that after such pending amendment, motion, or appeal has been disposed of, the vote will occur on the resolution without any other intervening amendment or motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the foregoing agreement be subject only to the further approval of the distinguished majority leader.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. At one point in his request, and I do not think it is a major matter—at all—but I wonder whether the Senator meant it that way. He indicated that time on any amendment, debatable motion or appeal would be divided between the Senator from Delaware (Mr. ROTH) and the Senator from West Virginia (Mr. ROBERT C. BYRD). Does the Senator not mean that would be divided between the mover of such amendment and the Senator from West Virginia?

Mr. ROBERT C. BYRD. The Senator is correct. My reason for doing that was, as I attempted to recall how the distinguished majority leader had worded his request yesterday, that I thought that was the way his request was worded, but the Senator from Michigan has called to the attention of the Senator from West Virginia a correction that should be made.

Mr. GRIFFIN. The Senator from Delaware (Mr. ROTH) will, presumably, have an amendment.

Mr. ROBERT C. BYRD. Exactly.

Mr. President, I ask unanimous consent that such modification be made, in accordance with the usual form.

The PRESIDING OFFICER (Mr. MCINTYRE). Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That on Tuesday, March 6, 1973, at the conclusion of the morning business, the Senate proceed to the consideration of S. Res. 69, a resolution to amend rule XXV relative to open and closed sessions of committees, and that time on any amendment, debatable motion or appeal be limited to 30 minutes, to be equally divided and controlled by the mover thereof and the Senator from West Virginia (Mr. Robert C. Byrd): *Provided further*, That no amendment that is not germane to the provisions of the said resolution shall be received.

Ordered, That a vote on the resolution shall occur not later than 4 p.m.: *Provided further*, That if an amendment, motion or appeal is pending at 4 p.m., the time for the vote on adoption of the resolution will be delayed until the debate allowed under the agreement on that amendment, motion or appeal has expired: *Provided further*, That after such pending amendment, motion or appeal has been disposed of, the vote will occur on the resolution without any other intervening amendment or motion.

Ordered further, That on the question of agreeing to the resolution, debate shall be limited to 4 hours, to be equally divided and controlled by the Senator from Nevada (Mr. Cannon) and the Minority Leader or his designee: *Provided*, That the said Senators, or either of them, may, from the time under their control on the adoption of the said resolution, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

UNANIMOUS-CONSENT AGREEMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon disposition of Senate Resolution 69 on Tuesday next, the Senate proceed to the consideration of the following three bills and in the order stated:

A veterans' hospital bill, S. 59; the national cemeteries bill, S. 49; and a veterans' drug bill, S. 284.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on each of the following measures, S. 59, S. 49, and S. 284, be limited to 1 hour, with the time to be equally divided between the distinguished Senator from Indiana (Mr. HARTKE) and the distinguished Senator from Wyoming (Mr. HANSEN); that time on any amendment, debatable motion or appeal be limited to 30 minutes and that the agreement on the bill in each instance be in the usual form, with the added proviso that the agreement with respect to any one of the three measures may be subject to the further approval of the distinguished senior Senator from Wyoming (Mr. HANSEN), the ranking minority member of the Veterans' Committee, who is not present in the Chamber at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, after the disposition of S. Res. 69, the Senate proceed to the following three bills—S. 59 (Veterans Hospital), S. 49 (National Cemetery), and S. 284 (Veterans Drug), in that order and that with respect to each, debate on any amendment, debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, the Senator from Indiana (Mr. HARTKE): *Provided*, That no amendment that is not germane to the provisions of the said bills shall be received.

Ordered further, That on the question of the final passage of each bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the manager of the bill, and the Senator from Wyoming, Mr. Hansen: *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be authorized to file reports from the close of business today until 5 p.m. on Monday, March 5, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 10:30 a.m. tomorrow, and that the meeting of the Senate tomorrow be a pro forma meeting only, with no speeches and no business to be transacted, and no insertions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM FRIDAY TO TUESDAY, MARCH 6, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its pro forma meeting on tomorrow, it stand in adjournment until 11 a.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10:30 a.m., for a pro forma meeting only, with no speeches, no insertions, and no business to be transacted; after which the Senate will adjourn until 11 a.m. on Tuesday next.

After the two leaders or their designees have been recognized under the standing order on Tuesday next, the distinguished Senator from Colorado (Mr. HASKELL) will be recognized for not to exceed 15 minutes; to be followed by the distinguished Senator from Oklahoma (Mr. BELLMON), for not to exceed 15 minutes; to be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes; at the conclusion of which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

At the conclusion of routine morning business on Tuesday next, the Senate will proceed to the consideration of Senate Resolution 69, a resolution to amend rule XXV relative to open and closed sessions of committees. A time agreement has been entered thereon whereby a vote—and it will be by rollcall—on the resolution, as amended, if amended, will occur at no later than 4 p.m. on Tuesday next.

After that resolution has been disposed of, the Senate will proceed to the consideration, in the following order, of S. 59, a bill dealing with veterans' hospitals; S. 49, a bill dealing with national cemeteries; and S. 284, a bill dealing with another veterans' bill.

Yea-and-nay votes may be expected on any one or more or all of these three bills. A time agreement has been entered into with respect to each of the three bills. Consequently, several yea and nay votes will occur on Tuesday next.

ADJOURNMENT TO 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:08 p.m., the Senate adjourned until tomorrow, Friday, March 2, 1973, at 10:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate March 1, 1973:

DEPARTMENT OF THE INTERIOR

Jack O. Horton, of Wyoming, to be an Assistant Secretary of the Interior.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

PRESERVING THE SPIRIT OF A NATION

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. CHAPPELL. Mr. Speaker, many of our traditions change or become outmoded, but there is one that I hope will never become passé. That is the singing of the national anthem at sports events. This is the only time many Americans are reminded about the greatness of our Nation and it would be a national shame to cast this great tradition aside.

One of my constituents, Prof. Gilbert Lycan of Stetson University in DeLand, Fla., recently expressed his views on this matter in a letter to the DeLand Sun News editor. His letter reads as follows:

[From the DeLand (Fla.) Sun News, Jan. 29, 1973]

NATIONAL ANTHEM SEEN AS HONORED TRADITION

EDITOR, Sun News: I heard on television recently that there is a movement afoot to stop the singing of "The Star Spangled Banner" at the beginning of athletic events. I, for one, would deeply regret the ending of this honored tradition.

Visualize the scene at an important football game. There are some 40 strong, robust men on each side—physically the nation's finest—who are about to take to the field for a fierce battle with each other. The stadium may have from 40,000 to 60,000 partisan fans who will soon be cheering and yelling for one team or the other. Literally millions of Americans are looking on by television, and they too are imbued with the spirit of combat, eager to see one team vanquish the other. But then, just before the struggle begins, there is a pause for the national anthem—reminding every player and every spectator that there is something, still, that should bind us all together—that in our love and admiration for our great country we all stand as one. Isn't this well worth preserving?

People who survive a great common danger, such as the battle of Gettysburg or the sinking of the Titanic, frequently form an organization and hold annual meetings for the rest of their lives. Is it not even more fitting and proper for all the citizens of the United States to memorialize the periods of dramatic dangers through which our people have passed? We should all seek to share with Francis Scott Key those hours of anxiety when he, from time to time, saw in the cannons' flash the American flag still flying over Old Fort McHenry. Our hearts should thrill with his when, at the dawn of the new day, he saw the flag still flying. It did not mean merely that Baltimore had been saved from the grasp of the invader; the whole nation had survived an hour of great peril, and all Americans of our generation are the richer for it.

The national anthem should remind us not only of that hard-won victory of 1814 but of all the hazards through which our country has passed, and it should bring to every American breast a surge of appreciation for the thousands of men who have offered their lives to preserve for us the blessings we now enjoy. I want to see the flag; I want to hear the anthem; I want to recall.

Our nation is so large, and our people are diverted by so many conflicting interests and emotions that it is difficult, at best, for us to maintain a national will and purpose, without which no nation can survive. Symbols of common interest are necessary for holding a people together. Many things are needed for establishing meaningful bonds of national unity—one of which I am firmly convinced, is that moment of suspense, when we look upon our flag and hear the challenging words and the stirring tune of our national anthem, as the nation pauses.

GILBERT L. LYCAN,
Professor of History.

Mr. Speaker, I agree wholeheartedly with Dr. Lycan and I believe the vast majority of Americans agree also. We must forever keep that one moment of harmony and closeness when we all recognize the greatness of this country.

THE HONORABLE GORDON BROWNING

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. JONES of Tennessee. Mr. Speaker, in the Seventh Congressional District of Tennessee we are fortunate to have living in our midst the distinguished elder statesman of our State, the Honorable Gordon Browning, a former Member of this body and twice Governor of Tennessee.

I have had the pleasure of knowing Governor Browning for many years and was honored to serve in his cabinet for a period of 4 years. He is the only living former Governor of Tennessee, and I can say truthfully that I have never known a greater American.

Recently, the Carroll County Historical Society honored the Governor by opening a special room at the Carroll County Memorial Library in McKenzie to house his papers. On Friday, February 23, 1973, the Dresden, Tenn., Enterprise ran a feature story on the occasion, and I include this story at this point in the RECORD:

FORMER GOV. GORDON BROWNING HONORED

Gordon Browning, the only living former Governor of Tennessee, sits at his desk in the library of his home near Huntingdon and discusses his early childhood, military days and his life in the Governor's mansion.

He was born November 22, 1889, on a farm in the Atwood District to James H. Browning and Melissa Brooks Browning, the youngest of 4 children. His father was a farmer and served at one time as a Justice of Peace. His first school days were spent at House's School and Trezevant School. The family then moved to Gibson where he attended Milan High School. After high school graduation he entered Valparaiso University in Indiana. After receiving his degree from Valparaiso University he returned home to teach school in Gibson. He taught school for 2 years then entered Cumberland University, Lebanon, Tennessee to study law. Receiving his law degree and being admitted to the bar, he returned to Huntingdon to practice law in the office of George T. McCall March 15, 1915.

When World War I broke out Mr. Browning was one of the first to volunteer. He served in the states earning the rank of Captain and later in Europe where he was decorated for gallantry and earned the distinction of being an able leader.

Mr. Browning returned to Huntingdon after the war was over and married Miss Ida Leach. He resumed his law practice in the office of George McCall. During this time he served 1 year as Deputy Clerk and Master of Chancery Court.

The peaceful existence of a small town lawyer did not appeal to Gordon Browning very long. In 1920 he ran an unsuccessful campaign for Congress. In 1922 he ran again for Congress and this time won by a landslide. Mr. Browning states that the McKenzie Banner was the first newspaper to endorse him with a double page ad. Mr. D. A. Burkhalter was editor at this time. He and Mrs. Browning moved to Washington where they spent the next 12 years while he served in Congress.

In 1934 Browning made an unsuccessful race for the United States Senate.

In 1936 he ran for Governor and won by a landslide. His first term as Governor has been described as one of the most active first terms of any Governor in the History of the State of Tennessee.

When Browning took office the State had a 143 million dollar debt and no particular way of paying it. During his term in office these debts were funded and provisions made for paying them off, saving the taxpayers several thousands of dollars.

In 1938 he was defeated for re-election.

Back home in Huntingdon he was elected Chancellor of the eighth Chancery Division without opposition. He served in this capacity for 7 years.

When World War II broke out, Browning went to the Adjutant General's office and asked how he could get a commission. He was told if he would accept the rank he held when discharged at the end of World War I he would be accepted. Once again he put on his uniform and entered the Military Government Division, becoming a Military Governor in Europe.

Captain Browning was promoted to Lt. Colonel and was decorated by five Governments.

In 1949 Browning waged another campaign for the Governor of Tennessee. He was elected, coming through with one of the largest majority votes ever given a candidate. Once again Mr. and Mr. Browning moved to the Governor's Mansion, staying there until 1953.

During the 4 years he was Governor, the State Library, Archives, The Cordell Hull Building, The House Office Building, a new School for the Blind and a school for the Deaf were constructed. Several thousand miles of roads were improved and a Conservation program introduced.

At the age of 84, Mr. Browning is still very active. He is a member of the First Methodist Church, serving as a board member, American Legion Member, VFW Member, and a Mason. Mr. Browning also owned and operated a farm until he sold it recently. He travels several hundred miles each year speaking at various gatherings and working in politics, with the aide of Jerry Kemp, Tennessee State Trooper, furnished the former Governor by the State of Tennessee.

The Brownings live in a beautiful red brick house near the Huntingdon Church of Christ. They had their home designed and built by Hart, Freeland and Roberts in 1953. The house has 3 bedrooms, dining room, library, den, kitchen and 2 baths. The rooms are all paneled with wood from Tennessee Trees.

Carroll County Historical Society recently honored Gordon Browning by opening a special room in his honor. The room is located in McKenzie upstairs in the Memorial Library. The room will be called the "Gordon Browning Room" and will serve the entire County. Personal papers, political papers, photographs, desk, military items, books with the Governor's name in gold lettering on them and many more items will be on display in this room. A large picture donated to the society will hang on one of the walls. Carroll County recently donated $1500 to help preserve these valuable items.

According to Mrs. Julian Devault, Society President, the room will open early in the spring if funds are available. Anyone having items they would like to donate to the Society please bring them to the library.

Tennessee and Carroll County is indeed fortunate to have a man like Gordon Browning living in our area. A man who has served 3 terms as governor, 7 years as Chancellor and as Congressman from our County. What greater service can one offer than service to his fellowman?

NEWSCASTERS AND A FREE PRESS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. WALDIE. Mr. Speaker, this month marked the passing of David Lawrence, founder of U.S. News & World Report, noted editor and columnist. As a New York Times tribute noted:

> Readers of every viewpoint found that though they might disagree with him, they could always respect him for his intellectual seriousness, lucid prose, vigorous advocacy and total honesty.

It is fitting that in one of the last editorials written before his death, Mr. Lawrence addressed himself to the assaults by the administration upon newscasters and the free press. This assault has included threats to use antitrust laws against television networks and to use the licensing power of the Government to enforce "fairness." Newsmen have come under fire as they attempt to protect the confidentiality of information sources.

This attack has seriously threatened the independence of the free and vigorous press necessary to a democracy. Mr. Lawrence's editorial posed the essential question when it asked: "Should governmental authority be exerted to judge the subject matter of radio and television programs, or should this be left to the people?" The answer must be that such responsibility rests with the people.

At this time, Mr. Speaker, I would like to place in the RECORD the editorial written by David Lawrence which appeared in U.S. News & World Report on February 19, 1973. The article reads as follows:

ONLY THE PEOPLE CAN REGULATE BROADCASTING

(By David Lawrence)

Five weeks ago on this page an editorial was reprinted from a January 1935 issue predicting some of the constitutional questions that would arise if the Government attempted to regulate the nature of either radio or television programs.

The Federal Communications Commission has had the power for more than 38 years to allocate licenses to broadcasting stations on the basis of "public interest, convenience and necessity." The need for this developed because the channels or frequencies are limited in number and a governmental agency had to be given authority to determine which applicants should be granted the three-year privilege of operation.

Broadcasters are required to apply a "fairness doctrine" under which opportunities must be given to present all sides of public questions. Similarly, candidates for office are supposed to get "equal time" during political campaigns in order to respond to attacks or to present their own views.

But now the controversy has expanded with protests against "bias" in broadcasting.

The Government through its spokesmen says plainly it doesn't want to impose any rules that would be regarded as censoring the content of programs. Its responsibility exists, however, with respect to judgments that must be made when licenses are up for renewal.

Clay T. Whitehead, Director of the White House Office of Telecommunications Policy, whose interview appears in this issue, recognizes the difficult problem which confronts the Government. For the mere fact that licenses may be renewed or revoked has produced the impression that a form of regulation is involved.

On one noteworthy occasion, President Nixon made a nationwide television address and immediately afterwards commentators on a network vehemently took issue with what Mr. Nixon had said. Many persons were amazed that, before the people in the audience throughout the country had time to discuss or even think about the President's speech, they were instantly confronted by the critics.

This created a lot of unfavorable reaction among listeners. In a talk a few days later Vice President Agnew spoke about the unfairness of the broadcasters. His comments got widespread support but were promptly construed by opponents as meaning that the Government was threatening to censor television.

If people are unhappy with how a radio or television licensee is serving them, Mr. Whitehead says, the Government "has to listen to them and determine whether or not they have a case." How, he asks, is a station going to be evaluated "except through a look at what it programs"?

Broadcasting is a medium analogous to the press. What would people say if the Government declared that second-class postal rates would not be given to newspapers and magazines which do not satisfy the Administration's concept of "fairness"? Should governmental authority be exerted to judge the subject matter of radio and television programs, or should this be left to the people?

If the power to license is interpreted to mean the power to regulate content, then the First Amendment to the Constitution is being ignored.

Mr. Whitehead stresses the importance of self-regulation and indicates clearly his belief that what goes on the air should be left to the stations. But in the long run the decision as to whether a license is being improperly or properly used remains with the Government.

Is there an alternative method? Newspapers are subject to criticism from time to time, and readers express their dissent. Over the years the mail from readers has always been given serious consideration by the management of the publications. An unpopular newspaper runs a risk of losing its subscribers and advertisers. Broadcasting stations might be in the same position if surveys were made of the kind of programs that are regarded unfavorably by the communities they serve.

The frequency or channel which a radio or television station is authorized to use is essential to its business. Commercial advertising is sold in order to meet the expenses of operation. But, as is not the case with newspapers, broadcasters must obtain from the Government a license to publish.

It is the fact that the licenses are issued by the Government which has caused the discussion about censorship and improper influence by officials who criticize some of the things said on television.

Mr. Whitehead is right when he says that the stations should control or regulate their own programs. If the public realizes that the responsibility is on the shoulders of the broadcasters themselves and not on the Government, there might be a different situation and a reduction of the criticisms of stations or networks as being one-sided or unfair.

THE AUTOMOTIVE INDUSTRY AND THE 1970 CLEAN AIR AMENDMENTS

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 1973

Mrs. GRIFFITHS. Mr. Speaker, at this time, I would like to insert in the RECORD the address by Lee A. Iacocca, president of the Ford Motor Co., to the New York Chamber of Commerce on February 15, 1973, regarding the automotive industry and the 1970 Clean Air Amendments. The address follows:

ADDRESS BY LEE A. IACOCCA

It's good to be in New York with you today, and especially to meet with you members of the New York Chamber of Commerce in this Great Hall.

You know, I've been reading about the plans, or lack of them, for our country's 200th anniversary in 1976. Most of them seem to suggest that 1776 was the beginning of about everything that's stamped "made in U.S.A." But you celebrated your 200th anniversary eight years ago! I'm delighted to know that not only did your organization precede the Union by eight years, but it was a group of businessmen who did it!

There are many subjects I could talk about today.

Monday, for example, our company announced the highest earnings in our 70-year history. That's a pretty good subject from my point of view.

I could talk about this year's economic prospects for the auto industry—which are great, by the way.

And we could discuss gas rationing, or the energy crisis, or devaluation, any one of which is of more than passing interest to all of us.

But I've chosen a subject—in the short run probably not as interesting as any of these—but in the long run, a subject that's vital to you, to me, to the jobs of millions of Americans, and to the economic well-being of the nation.

The subject is automobiles and clean air.

So what's new? Simply this. We could be just around the corner from a complete shutdown of the U.S. auto industry, and all that that implies.

It's not a fight over whether we should have clean air. That's been settled—and our air is getting cleaner every day, as far as automobiles are concerned.

So what's the issue? Simply this. Baked into law is a requirement that by 1975—or 1976 at the latest—we reduce the three pollutants that come out of auto exhaust pipes—hydrocarbons, carbon monoxide, and oxides of nitrogen—by 90 per cent from the levels of 1970 and 1971. We've already spent millions of dollars and we can come pretty close, but no cigar. We can't meet the precise requirements of the law. And that's the hang-up.

Let me make one point clear at the very outset. I'm talking about the Clean Air Amendment sponsored by Senator Edmund Muskie, and adopted by Congress in 1970. Early in the 60's, Senator Muskie was one of the first to identify the threat to our national environment posed by airborne pollution and he led the successful effort to pass the Clean Air Act of 1965. He was even more effective in his leadership of the effort to pass the Amendments of 1970. The vote was 73 to 0 in the Senate. In the House, it was 374 to 1. I personally think that Senator Muskie has done a courageous and important job on behalf of our environment.

Actually, the automobile industry has been cleaning up and reducing engine and exhaust pollutants since the early 1960's. For example, Ford's 1973 models have hydrocarbon levels that are 85 per cent less than those produced by cars without emission controls a decade ago. At the same time, Ford has reduced oxides of nitrogen by 48 per cent from last year's level and carbon monoxide by 69 per cent from levels given off by uncontrolled vehicles.

These gains are impressive, but they don't get us to the levels of control that the Amendments now specify for 1975 and 1976. Our industry has been backed to the cliff edge of desperation, and time is running out.

As far as Ford is concerned, the problem is simply this: As of today, February 15, 1973, we know of *no practical way* to meet the 1975 emission standards for our products in time to produce 1975 models. As far as the even-tougher 1976 requirements are concerned, nothing seems to describe our situation as well as that clincher Sam Goldwyn is supposed to have remarked: "In two words: IM . . . POSSIBLE!"

Well, why the dramatics, you ask? 1975 is almost two years away. A lot can happen between now and then. And you're right. The only catch is, in our business, it's already 1975! We are less than 17 months from "Job One" of our 1975 models, and only three months from the start of the test program we have to complete to make that first 1975 vehicle legal.

Last April we asked the EPA to suspend the 1975 standards for one year as authorized in the law. We were turned down. But, as you may have noticed, just this last weekend a ruling by the U.S. Court of Appeals gave us a new lease on life. It ordered the Environmental Protection Agency to take another look at the one-year suspension request.

No question about it, for us this was a landmark decision, even though it was more a reprieve than a pardon. In fact, even if the rehearing results in a one year postponement we still won't be out of the woods—because the basic problem remains. And that problem is the inflexibility of both the standards and the timetable for meeting them that's built into the law. Mr. Ruckelshaus, the Act's Administrator, has little enough latitude for 1975 but he has even less beyond 1976.

And so here we are—with a ray of hope for an adjustment in 1975 standards but with a continuing prospect that expensive and virtually experimental expedients will be required in 1976 if not on 1975 models.

A key factor in our ability—or inability—to meet the standards established in the time allowed is a thing we call "lead time." This is the time required to complete our new model designs, provide our suppliers with specifications and schedules and fill our production pipe lines. The fact of the matter is, we were well into plans for our 1975 models when the Clean Air Amendments of 1970 were adopted.

By last April we just couldn't wait any longer. We had to "freeze" our 1975 vehicle designs. So we took a deep corporate breath, counted to 10 and then went ahead with what is now officially known within the company as "Ford's High Risk 1975 Emission Lead Time Plan." At present, we believe our one best hope of approximating the 1975 standards is to use catalytic converters as part of our emission control systems. Not only the Government but, based on their public statements, every other American manufacturer now appears to agree on this approach.

In an effort to settle on the best parts and systems, Ford engineers and research people have been subjecting a wide variety of the latest catalytic systems to emission level and durability testing at Dearborn and Riverside, Calif. Recently we finished running 24 test cars equipped with a variety of catalytic systems over the 50,000 mile "benchmark" distance required by the '75 standards. They all failed based on the rigid EPA rules for certification testing. One vehicle at Riverside did complete 50,000 miles with emission levels below those now set for '75. But even that tiny triumph was cancelled out by the 23 vehicles that did not meet the standard. Furthermore, we find that we have had to reject more than 50 per cent of our catalysts for defects either as they arrive or after they have gone only a very few miles on our test vehicles.

These results shouldn't come as a shocker to anybody. Last year a report of the National Academy of Science said flatly: "The technology necessary to meet the requirements of the Clean Air Amendments for 1975-model-year light-duty vehicles is not available at this time." And, only last week, the U.S. Appeals Court noted that it now has "grave doubts as to whether technology is available to meet the 1975 statutory standards."

Despite the claims and counter-claims that pop up in the news from time to time, the simple fact is that nobody we've heard of yet in this highly-competitive one-upsmanship auto world has managed to produce that breakthrough device that could consistently achieve the '75 standards on a variety of production vehicles of different size, weight and power. Mind you, I'm not talking about a single prototype under laboratory conditions, but a cross section of road vehicles going the 50,000 miles required by the law.

As for the 1976 standards on nitrogen oxides—no way. We and others have developed a few vehicles and power plants—either highly experimental or much smaller than the standard U.S. vehicle size—that have met the standards one way or another for brief periods, but the goal isn't even really in sight.

But there is another thing to keep in mind. Our inability to meet completely the arbitrary standards within the arbitrary time frame set by Congress is, fortunately, not even a small threat to the health and welfare of any of us. A lot of new information and data have become available since 1970 concerning atmospheric pollution. These new facts not only clarify the relationship between pollution and health, but also bring into question the feasibility and good sense of what certainly has been a headlong, cost-be-damned approach to the problem. In short, they suggest that we may be out of our minds if we don't re-examine the criteria established by the 1970 Clean Air Amendments.

Several study groups including the Federal Office of Science and Technology have identified the essentially regional nature of air pollution in the United States. According to the OST study about 30 per cent of the country's vehicles are registered in areas, representing about 25 states, which have no ambient air quality problems from auto emissions. Think about that a minute. That means that in a 10-million-car year, 3,000,000 buyers will pay up to $500 to buy and operate equipment which provides them with no direct benefits. That adds up to one and a half billion dollars—which, in these days of belt- and budget-tightening could certainly go for something better.

The same study suggests that it may be an exercise in futility to insist that 1976 models in the New York metropolitan area meet the same standards for oxides of nitrogen as '76 models in the Los Angeles region. Simply because of the dominance of power plants and space-heating units already emitting nitrogen oxides in the New York metropolitan area, the study concludes that there would be no significant difference in air quality here even if new cars and trucks were allowed to emit three times the legal limit of oxides of nitrogen specified for 1976.

The law ignores these variations in the nature and seriousness of the problem, and provides only a set of rigid, across-the-board standards for emission levels. In these circumstances—and this is what I want to emphasize to you today—we believe there should be a serious concern that the measures required to comply may cost far more than their incremental benefits can possibly justify.

Just what does an all-out effort involve? First it involves people. Right now at Ford, we have some 4,200 people working exclusively and full-time on the problem of finding ways to meet emission requirements. And a lot of those people have made a career of it.

Next it takes money—lots of it. By next month Ford Motor Company's financial commitments and contingent obligations just for meeting the '75 standards will reach almost $100 million. By the end of this year, they will amount to almost $300 million. In all, we've earmarked up to $400 million just for this attempt to develop acceptable emission controls for our 1975 models.

In effect, we are betting $400 million that somehow we will be able to meet the '75 standards. Frankly, it's a lousy bet—especially when you remember that none of our 24 test vehicles at Riverside passed the salvia test. On top of that, our second durability fleet is failing catalysts at an unacceptable rate. Obviously, we are involved in a lot more than a day at the races. We can't sit out this race and wait for one with better odds. We either put up our money on every race or leave the tract. The reason for hanging in there, of course, is that the stakes are the jobs and incomes of hundreds of thousands of our employes and those of our suppliers and dealers right along with the dividends of our stockholders. And perhaps most important, the stakes include billions of dollars of our customers' money that is represented by the cost of complex and unproven emission control equipment.

And if our entries don't pass the emission control test—we go out of business.

Now I've been told by knowledgeable people that such an eventuality won't actually be allowed to happen—that if, in fact, we can't meet the standards, some adjustments will have to be made.

At Ford, we've practically "broken our pick" in an all-out effort to meet 1975 standards. In addition to our expenditure on research and development, we've committed for millions of dollars worth of parts, equipment and even precious metals needed in the catalytic converters. But it seems more than likely that a last-minute retreat to levels that everybody in the industry can meet may make competitive losers out of the technological winners. The Appeals Court recognized this situation when it said, "This case is haunted by the irony that what seems to be Ford's technological lead may operate to its grievous detriment." Usually, the Court observed, high achievement carries with it rewards for those who do the most and the best. Yet, in the case of emission control development among manufacturers, it might have just the opposite effect.

So much for the big picture. What does all this mean to you as an individual customer? First, it means a bigger price tag on your new car—about $300 bigger for the 1975 emission control systems including catalytic converters. Moreover, whether the catalytic approach or the present system of emission controls is retained, we believe the customer will have to pay an additional $125 to $175 for increased maintenance and loss of fuel economy over 50,000 miles. It is also possible that owners of catalyst-equipped vehicles may find themselves facing substantial costs for replacing catalysts during the lifetime of their vehicles.

And so, as we are fond of saying these days, there is no such thing as a free lunch and that goes for clean air in spades. But in my book this only adds to the obligation of both the government and our industry to make absolutely sure we get the most for every dollar we spend on emission controls. And with action now, there is a way to save our customers a lot of money and yet continue our progress toward cleaner air. Here is where that Ford proposal I mentioned earlier comes in.

We at Ford believe we can save you, our customers, at least $100 to $125 per vehicle and still improve air quality—if we don't have to put catalytic converters on your 1975 model cars. This comes out to something like a billion dollars a year.

We believe we can reduce hydrocarbon emissions 43 per cent from 1974 levels, cut carbon monoxide by 29 per cent and still continue to meet the present federal requirement of a 48 per cent reduction from 1970 levels in oxides of nitrogen—all without using catalysts. Not only would such levels represent an average one-third improvement in hydrocarbons and carbon monoxide reductions over the previous 1974-model year, but they would also represent a reduction from pre-control models of 92 per cent for hydrocarbons, 78 per cent for carbon monoxide and 48 per cent for nitrogen oxides.

In other words, we don't have to abandon our progress toward cleaner air just because we need to adjust our timetable.

For all these reasons, we want Congress, the Administrator of the Environmental Protection Agency and the public to consider and act upon a plan which we believe serves the best interests of all of us. We believe this proposal offers the nation a rational, orderly, temperate and effective program for improving air quality in all of the 50 states without unacceptable penalties to our national economy, our personal mobility, our industrial vitality or our government's credibility.

Because it appears highly unlikely that any manufacturer will be able to meet 1975 standards for a representative line of vehicles, Ford proposes that the 1975 Federal requirements be suspended for a year—as permitted by the present law—and that interim standards higher than those now required be set out at levels that can be met by vehicles without catalysts. As I suggested earlier, such interim standards could reduce by a third the mean levels of hydrocarbon and carbon monoxide from the 1974 standards and thus continue in a substantial way our progress toward cleaner air. Based on public documents, all American manufacturers could meet these interim standards.

Second, because California, and specifically, the Los Angeles area, have the nation's most difficult smog problem, we are proposing special interim standards for California that would be far more stringent than those proposed for the other states. This would permit a state-wide test and demonstration of the use of catalytic technology.

Third, we propose that the Clean Air Act be amended to permit extension of these interim standards until 1977 to permit thorough testing of the catalytic converter system in California over a two-year period.

This plan would have several important advantages. First, it would give California the benefit of the most advanced smog-control technology. Second, it would take advantage of the substantial and essential enforcement and inspection systems already in places in California. Third, we can do a better job initially by keeping the job smaller.

By setting aside at least two successive years for manufacturing and field experience with catalytic converters, the industry would gain a valuable basis for comparison of gains, losses and trends between the first and second year's experience with the system's. With the opportunity to develop and refine catalytic systems on two million California cars in 1975 and 1976, we believe we could reduce their cost by 10 to 15 per cent and substantially improve their reliability and maintenance costs before being required to install them on 100 per cent of our production.

Our interim proposal for California is similar in some respects to what is called "the two-car strategy." Under this proposal high-control, sophisticated systems would be required in 26 of the nation's air quality regions, with non-catalytic equipment for the rest of the nation.

In fact, it seems to us that some kind of "split level" or even a "local option" approach could make a lot of sense. While an Angeleno with smog-caused tears running down his cheeks might figure that even $500 a car isn't too much to get some relief, the citizens of an Idaho community, for example, may figure that as little as $100 a car for emission control is too much—especially when they may need the money to do something about the air pollution from stationary sources.

There are some complicated problems associated with such an approach, of course. But it's a serious matter, too, when we require the auto owner on the shores of Lake Superior to pick up the same emission control tab as the guy who drives in New York.

Maybe we should work toward a system that would permit people to opt for "clean," "cleaner" or "cleanest" emission control systems as regional air circumstances require.

Fourth, Ford Motor Company also proposes that the new Congressional Office of Technology Assessment begin an early review to determine the ultimate levels of control that will be required for each of the three automotive pollutants. Essentially, we'd like to have this authoritative body report to the nation whether this multi-billion-dollar trip will really be necessary in terms of air quality needs, technological feasibility and cost-effectiveness.

If catalytic systems prove successful in their two-year use test throughout California and if it is found in the public interest to do so on the basis of the Congressional study, we would propose to extend the use of catalytic systems nationwide on 1977 models.

The Ford proposals I have outlined today suggest a coordinated and we think realistic program to improve our national environment. If all our environmental goals are not achieved as quickly as some would like, these proposals may have the at-least-equal advantage of some permanence, measurable cost-benefits and the prospect of not being leap-frogged and made obsolete tomorrow by an unforeseen technological breakthrough.

Improving our environment is not a religious crusade but a human challenge on how to use available scientific knowledge at acceptable cost in dealing with the undesirable side effects of our improved standard of life in America.

In the nearly two centuries of our nation's independent history, the diverse interests represented within the United States have grown and flourished only by reacting to rational pressures for compromise, often less than seemed vital to some, but often more than seemed necessary to others. What has emerged has certainly not been utopia, but instead what is probably "the best of all possible worlds" under the circumstances.

Today appropriately happens to be the birthday of Galileo, the great Italian astronomer who was also "the father of the experimental method." Galileo's wisdom seems particularly relevant to us today in light of the problem I have identified in this talk. More than four centuries ago, he said: "It is always wise to examine the unalterable power of facts before invoking supreme authority."

We have more facts today than we have ever had before. And if we use them with intelligence and forethought they can point the way to a better life for all of us.

MENTAL HEALTH TRAINING

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. SYMINGTON. Mr. Speaker, the President's budget request for fiscal year 1974 would sharply reduce or eliminate Federal assistance for programs preparing qualified mental health personnel. One of the many groups that will be seriously affected is nursing.

In the United States today nearly half of all hospitalized patients have a mental or emotional illness. In addition, an increasing number are receiving therapy at community mental health centers. Nurses with special training in mental health are essential in all these services as well as in prevention and aftercare programs. Largely as a result of manpower training programs authorized by the National Mental Health Act, the Nation's supply of psychiatric nurses has increased 400 percent since 1950. However, today the demand is so great that 25 percent of budgeted positions are unfilled. That shortage can only increase if Government support is withdrawn.

As present there are 195 graduate and undergraduate schools of nursing in 45 States, the District of Columbia, and Puerto Rico receiving NIMH funds to improve training programs and increase the numbers of psychiatric nurses. Currently NIMH provides stipends or traineeships for 1,346 students in mental health nursing. One positive effect of the current program has been an increase in the number of qualified psychiatric nursing facility, thus improving all nursing students skills in this important area. In some of the mental health nursing programs, many of the faculty positions are supported by those training grants.

If the President's 1974 budget recommendations are enacted the impact on mental health training will be disastrous: there will be no new funds; programs would have to close as present students complete their training. What is to happen to our people when they need care and there are no psychiatrists, psychologists, social workers, or nurses to take care of them?

All 195 mental health nursing programs across the country will be affected.

All undergraduate schools of nursing will precipitously lose support thus losing faculty which has taken years to recruit. Approximately 40 graduate programs in mental health and psychiatric nursing will not be refunded as of July 1, conceivably causing the closing of many.

While much has been said by the administration about the absence of need to support health professionals' undergraduate education, in 17 States such as Arkansas and Oklahoma, there are no graduate programs in mental health nursing, thus all the leadership nurse manpower to direct patient care in mental institutions and clinics in those areas must be prepared by other States or rely on the undergraduate mental health nursing programs to at least give beginning understanding of the subject.

Mr. Speaker, the Government-funded psychiatric nurse training programs have been successful in improving quality of mental health instruction in schools of nursing and in greatly increasing the numbers of psychiatric nurses, but due to new demands for mental health manpower there are still, as I pointed out before, 25 percent unfilled positions in this field. The Congress has recognized the need to improve mental health services by enacting the Community Mental Health Centers Act and amendments. These centers and other mental health services must have an adequate supply of qualified personnel in order to carry out their mission. They would not have unless we see to it that there is adequate Federal support. I hope this body will face up to its responsibilities and exert some real pressure to redirect some of our national priorities.

GUN CONTROL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. EDWARDS of California. Mr. Speaker, the following remarks were sent to me by a constituent, Dr. Alan J. Kringel, who has obviously done serious thinking about the complex problem of gun control. I found them perceptive, thoughtful and timely and thought my colleagues might also:

GUN CONTROL

President Nixon is a proponent of capital punishment, the cruelty and ineffectuality of which have been abundantly demonstrated; yet he has been opposed to effective Federal gun control legislation, which is one of our best hopes for lowering the rate of murders and other violent crimes in America.

In the past, Mr. Nixon has said that firearms control should be left up to the individual states. This is an absurd assertion: if a criminal lives in one of the few states, such as New York or Massachusetts, that have relatively strict gun licensing laws, he need only take a short trip to other states where he can buy all the guns he wants with no trouble at all.

Every year, over 20,000 Americans are killed by firearms—in suicides, homicides, and accidents. Almost two-thirds of the murders in the U.S. are committed with firearms. If this slaughter is soon to be reduced, the 93rd Congress will need the courage to frustrate the National Rifle Association by enacting a Federal firearms control law that isn't as shot full of loopholes as the Gun Control Act of 1968.

This Federal law must ban the cut-rate, easily concealable, snub-nosed pistols and revolvers known as "Saturday night specials," which are probably used in at least half of all U.S. crimes involving guns. Prospective buyers and present owners of all categories of firearms and all ammunition must be licensed, after they have filled out application questionnaires and have been photographed and fingerprinted—to screen out those who have records of violent crimes, narcotic addicts, and others who are unfit to possess lethal weapons. These licenses, which will show the possessor's thumbprint and photograph, must be renewed periodically, as are drivers' licenses. Anyone buying a firearm or ammunition will have to personally present his license to the dealer. To combat the traffic in stolen and illicitly sold, traded, and borrowed weapons, the law must require that all firearms—rifles and shotguns, as well as pistols—be registered in the name of the person who has them in his possession. Anyone bearing or transporting firearms must always carry his firearms license and his firearms ownership registration card on his person.

To execute a gunman after a killing is a brutal and useless exercise; but to prevent him from ever getting a gun is something well worth doing!

MOORER ON DEFENSE ISSUES

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. CONLAN. Mr. Speaker, I was happy to help arrange a recent interview for Esther Clark, military editor of the Phoenix Gazette, with Adm. Thomas H. Moorer, Chairman of the Joint Chiefs of Staff.

Mrs. Clark, who has been writing military news for the Gazette for 24 years, was recipient in 1971 of the Marine Corps League's coveted Dickey Chappelle award. She has received many other military writing honors and was a war correspondent in Vietnam.

Her questions touched on some of the most important military issues of the day, and, as is the rule for Admiral Moorer, his answers were well thought out, direct, and to the point.

This interview is as succinct a digest of Admiral Moorer's views on the SALT agreement, U.S. military preparedness and discipline, and the military lessons of our Vietnam involvement that I have seen. I believe it will be of interest to everyone concerned about safeguarding America's strong national defense, and I would like to insert it into the RECORD at this point:

INTERVIEW OF ESTHER CLARK, MILITARY EDITOR OF THE PHOENIX GAZETTE, WITH ADM. THOMAS H. MOORER, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, AT THE PENTAGON, ON FRIDAY, FEBRUARY 16, 1973

CLARK. Admiral Moorer, how do you view the SALT Agreement? Would you agree that there is an inequity between what the United States is getting vis a vis the Soviet Union?

MOORER. I think you have to look at it this way: In the first place, it's divided into two parts. One is the treaty, which deals with the defensive systems—the anti-ballistic missile systems. This treaty, of course, is one that I would characterize as being a treaty of equivalence, in the sense that it provides for two sites, one of which can be where the national command authority is located. It provides for the same number of launchers and the same number of radars and the same size sites. In other words, it's the identical situation for both sides.

Now the other part is the offensive agreement—and I am differentiating between "treaty" and "agreement" because it's an interim agreement which extends for five years only. It deals with the offensive systems. Now the offensive systems are far more difficult to evaluate and to measure in quantitative terms, because in addition to the numbers one must look at such matters as geography and the number of warheads and the technological characteristics and things of that kind. Now it is true that the agreement permits the Soviets to have, for instance, 950 submarine missiles, whereas of this time we have 41.

CLARK. That's surely a disparity.

MOORER. It is a disparity, but again it comes back to this: The Soviets were moving forward with considerable momentum, building submarines, for instance, as well as land-based missiles, at a fast rate. And so this must be looked at in terms not so much of what it permits as what it prevents. The idea was to arrest this momentum.

Now the United States had no on-going programs which would provide increases in force-levels during this five-year period. In other words, no matter what action we would take, we would not have been in a position to increase our force-levels in that five-year period.

I think that it's important to inject at this point the fact that modern weapons systems require a tremendous length of time to develop. And the forces we have today are determined by decisions made eight or 10 years ago. The decisions we make today will determine the forces we have in 1980. And consequently, what we are really dealing with here is the future. So as I testified before the Congress, I do not feel that the United States is in any position of inferiority today.

CLARK. You mean military strength.

MOORER. I'm talking about strategic forces. We're talking about the SALT Agreement. At the same time, I think it's very important that we move forward with the new programs—namely, the Trident submarine, the B–1 bomber, and other technological advances and improvements that we can put in all of the systems. And in this regard, the Joint Chiefs of Staff, in taking a position on the interim agreement, I think you have to emphasize both words. First, its interim, and second, it's an agreement. And, of course, it hopefully provides the foundation for SALT II, which is going to commence every shortly. SALT I is simply the first small step, which will be picked up in SALT II, where we will make an effort further to refine and ultimately reach sufficient agreement that it would be suitable for a treaty in place of an interim agreement.

But again, we cannot stand still during this five-year period. That's the key point. And that's why it's so important that we move forward, because otherwise we will move backward into a position of obsolesence and finally inferiority, and I don't think the American people would accept that position.

Now when an agreement is reached, you always have this wave of euphoria, and some people take a deep breath and say, "Well now we'll have no more problems in the strategic area." Well this is simply not the case. Its going to take considerable and continuous effort on our part to ensure that we do not move into a position of inferiority. And I think that the United States and those involved in the negotiations will see to it that the United States does not become inferior.

So I've given you a very long answer to a very short question. But your question doesn't adapt itself to a "yes" or "no" answer. Today, of course, the answer is no, we're not in a position of inferiority. In order to continue to say no in the future, it's necessary that we continue with these improvements. That's the point I'm trying to make.

CLARK. How about overall military strength, admiral? Is the United States on an equal footing now with the Soviet Union in overall military strength?

MOORER. Well again, when you look at it quantitatively the Soviets, of course, have always maintained a much larger standing army than we have. They have a larger source of manpower for the armed services, and they keep them in the armed services. It is true with respect to their air force that they have been continually developing new types of aircraft at a faster rate than we have. And so far as the navy is concerned, of course, they have moved forward with great vigor in building a modern submarine fleet, modern surface ships, and, of equal importance, which is sometimes overlooked, but of equal importance in terms of overall seapower, they have moved forward with considerable energy towards building up a very modern and large merchant marine.

CLARK. They are ahead of us in that area, wouldn't you say, sir? Most of our ships are, what, World War II vintage?

MOORER. A large number. If you look at just raw tonnage, you could make a case that we have casting around in the various rivers and so on more tons. But you've hit the nail on the head. In terms of a modern, viable merchant marine, they are moving out ahead of us and building at a far greater rate than we are. And so you have a situation where practically all of their ships are new—by new, I mean built within the past 10 years—whereas a very large number of our ships are old.

Now, of course, President Nixon has initiated a program which is aimed at correcting the maritime posture of the United States in terms of merchant shipping. And I think it is a vital national resource that needs major attention, because, after all, we are a maritime nation. We do import large quantities of fuel and other types of raw materials. And the United States has, with the exception perhaps of Russia, longer coast lines along both oceans, and we depend heavily upon the sea.

CLARK. Is it safe to assume that the United States still has control of the sea lanes?

MOORER. I think that the United States can control those sea lanes which involve an area of immediate interest. On the other hand, I don't think we can control the sea lanes worldwide, as we could at one time. And furthermore, the Soviets are continuing to build at such a rate that this challenge to U.S. control and use of the sea is expanding. It is true that they are building at a rate faster than we are, because today we do have fewer ships, fewer squadrons, fewer divisions than we've had prior to the beginning of the war in Vietnam, which really, calendar-wise, I guess you could say started about 1964.

CLARK. Speaking about the war, admiral, what would you say the main lessons are that the United States has learned and made profit by from having participated in this largely unpopular, undeclared war?

MOORER. The way that I answer that is as follows: I don't think in terms of military doctrine and principles of military operations that we've learned anything new. We've relearned what we already knew in the past: Namely, that a gradual application of force is not nearly as effective as a heavy application of force.

I think you've got to recognize the unique characteristics of this conflict. In the first place, the North Vietnamese have had a land sanctuary. Not one hostile soldier set foot in North Vietnam. And this is certainly not a situation one normally finds in war. Secondly, on the other hand, the area of South Vietnam has never been subjected to heavy air attacks, or any air attacks. Then you had the situation where the area in Laos and Cambodia was used by the North Vietnamese for quite a while and to a large degree as sanctuaries where they could use them to accumulate supplies and to transport supplies and so on. And so that general situation, plus the nature of a war which involved conflict in the jungle, where it was difficult to identify friend from foe, where there were no battle lines as such, I think added to the uniqueness of this conflict.

But more importantly, the difficult part of it was created by the lack of public support, which was encouraged by the efforts on the part of many in this country to promote Hanoi propaganda and in effect deliberately to adopt a double-standard. Let me give you an example of what I'm talking about.

During the bombing that took place in December, you know that there was a great hue and cry about carpet-bombing and about killing civilians, and so on, whereas the facts were, by the North Vietnamese' own count, I think there were some 1,300 to 1,600 killed, which is actually very few. On that other hand, I didn't see any throwing up of hands in horror when the North Vietnamese invaded South Vietnam last March 30th, when they fired at refugees down the roads with airburst artillery, when they put 90,000 rounds in the little town of An Loc without any effort to discriminate between churches or orphanages or anything of that kind.

And so this attitude on the part of many in this country has made it very difficult for the decision-makers who have tried so hard to bring this thing to a close. And I can cite other examples.

You had a rather odd situation where U.S. citizens were actually visiting the capital of the enemy right during the time that the conflict was going on, and then reporting back in such a way as to totally discredit their own country. This was an amazing situation so far as I am concerned.

And so what all this boils down to, so far as lessons learned, is that in order to fight a war it's mandatory that we have public support. In order to have public support, the public must be involved. For instance, I feel very strongly that we should have called up the reserves at the outset, and that we should never have given college deferments—that was a mistake, because it tended to say that if you have enough money to go to college, you don't have to fight for your country. This, I think, accounts for some of the difficulties we've had in the colleges, because after all, when you have 500,000 men fighting 10,000 miles from home, I don't care what you want to call it—that's a war.

And so you've got to say at that point, "Now look, Mr. Public, these are not ordinary times. The country has got a problem. It can't be solved by some people in Washington or in the, quote, Pentagon, unquote. Everyone has got to get into the act." And that, I think—if you want to highlight a lesson that's learned as opposed to a principle of warfare—we've relearned the principles of warfare which we already knew. We certainly should have learned that public participation and public support are necessary in a large-scale conflict.

CLARK. You know, in 1964 Senator Goldwater had said, "We do not need to bomb Haiphong harbor. All we have to do is blockade it. All we have to do is breach the Red River dikes, and this will be over." Don't you think that everything he said has come to pass? At the time, he was called a warmonger. But don't you think that, had we listened, we perhaps could have saved 49,000 of our own lives, not to mention thousands and thousands of South Vietnamese? Do you concur that perhaps the war might have been ended as long ago as 1964, when Senator Goldwater said that Russia would not take any counter-measures at that time, and that we could successfully have ended it right then and there?

MOORER. I think the political situation has changed to some degree since then. But you're getting back to the point I made a while ago. And I talked to Senator Goldwater about this many times, and he and I are in total agreement that once the battle is joined, then in order to terminate the conflict at the shortest possible time it is necessary to apply the maximum amount of power. And that's in effect what you're saying.

CLARK. Do you think that there is too much permissiveness in the Navy? There are critics who contend that the Navy is soft, that it's not the gung-ho operation it used to be. What is your opinion about the permissiveness? Is there any?

MOORER. I have a very strong opinion about permissiveness in a military organization, which I would describe this way: In the first place, those who wear the uniform of their country give up many freedoms in order that those who do not wear the uniform can have theirs. In other words, you can be told to pack up and leave and go anyplace, anytime. You can be told to be present at midnight tonight for a four-hour watch. No one gives you double overtime or anything of that kind. And what we have come to think of as creature comforts and freedoms in this country are not totally available to the man in uniform.

And this says, in effect, that a military organization is not a democracy and never will be. And consequently it must perform in such a way that the orders are carried out immediately and forthwith without question. And consequently permissiveness does not fit into this pattern.

CLARK. Well along that line, the Navy has had some problems with some of its young people. I suspect that you would call them racial problems, the blacks contending that they are equal with the whites and want equal rights. But at the same time, it would seem that they're not willing to abide by that concept themselves. They want something more than equal rights, it seems to me.

MOORER. Well first they had difficulty—I think you're referring to the two aircraft carriers, the Constellation and the Kittyhawk. Of course, I've been in the Navy quite a long time, and so far as I am concerned a man is judged on the basis of his ability to produce. It doesn't have anything to do with whether he's black, white, or green.

Now the Navy has a special problem in this regard. The Navy is a highly technical service. It's not a manpower service, per se. It's a technical service. And this was even recognized at the very beginning of our country, where the Constitution says it's the responsibility of the Congress to raise an army and maintain a navy. There are two very key points there. And even in those days of sail, they recognized that it takes a long time to build a ship and a long time to train a crew, so you have to maintain it if you're going to have it ready for use.

That being the case, you can see that in one sense a ship is nothing but a big steel box full of machines. And it's necessary to have the people capable of operating and maintaining these machines. And this means, then, that it is necessary to be selective about the quality or qualifications of the people who operate on the ship, because the failure of any one of these machines to operate could, in fact, jeopardize the ship. But I have never observed anything other than selection of personnel based on capability.

CLARK. Well, then, is this a tempest in a teapot? The Navy is squared away and there will be no permissiveness? You are judged for what you produce?

MOORER. Exactly. I think that actions are being taken now, and, as you know, several thousands of the people who do not meet the qualifications are being separated from the Navy. I think, as they say in nautical terms, they're taking a round turn in this area.

Of course, I would interject at this point that I'm speaking from my position as simply an experienced naval officer, although I'm not directly involved in the discipline, promotion, and morale of any of the services in my present position. The Joint Chiefs of Staff, of course, are charged by law with strategic direction of the armed forces. And I find a big difference between my current assignment and the assignment of Chief of Naval Operations before Admiral Zumwalt relieved me.

And I don't like this particularly. In this assignment, I do not have the opportunity to deal directly with people and people problems, although, of course, I must continually consider them in the overall readiness posture of the military forces. And I'm very conscious of them. And I miss the fact that I don't have a chance to talk to the young people as often and mix with them and watch them and so on as one does when he's the chief of a service.

FOUNDRY INDUSTRY GOVERNMENT AFFAIRS CONFERENCE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HILLIS. Mr. Speaker, last week the foundry industry held its second annual governmental affairs conference here in Washington to discuss problems peculiar to the industry and try to touch bases with Federal agencies which regulate the foundry industry.

Indiana had a large delegation at this conference, and the keynote conference address was given by a Hoosier foundryman, John E. McIntyre of South Bend.

I felt Mr. McIntyre's address synopsized well the problems industries like the foundry business face today and the many ways in which Federal Government policies affect such a business. I would like to share this material with my colleagues and ask permission to insert the body of the address into the RECORD.

KEYNOTE ADDRESS BY JOHN E. MCINTYRE

Honored guests from the Senate and the House of Representatives, fellow foundrymen; Welcome to the second annual Foundry Industry Washington Conference.

I sincerely appreciate the honor of being asked to be the keynote speaker at this breakfast meeting.

The attendance here this morning is an indication that foundrymen are increasingly aware of the importance of Washington activity as a matter of continuing concern. We are grateful to our friends from Capitol Hill for taking the time from their full schedule to be with us. We know you are busy men, so we shall not detain you very long.

A year ago it was desirable to acquaint you with a number of facts and statistics about the total foundry industry through speeches at the conference and personal visits in your offices. The Environmental Protection Agency had developed into a pretty active program, and the Occupational Safety and Health Agency was beginning to exercise some of its potent efforts.

Thirteen months of experience since January 1972 have been assimilated and now we can talk from a greater background of problems actually encountered. Also, during this interim period two areas of lesser concern a year ago have developed into prime problems today, and they need to take their rightful spots in discussions with our legislators and agency people at this conference.

INDUSTRY DATA

Because there are so many small foundries in the United States—out of some 4,500 units there are no giant companies engaged exclusively in the foundry business—so the size and importance of this industry is not too well known. According to government figures we rank sixth among major manufacturing industries in value added by manufacturing. The total value of the product produced by our industry is over eleven billion dollars. Furthermore, it is safe to say that the American economy simply could not function as it does today without castings. Almost every conceivable machine tool or piece of machinery or equipment used in manufacturing contains from one to many castings. The machines that built this building—the engine block in the car that delivered you here this morning—the stoves that cooked this breakfast—your refrigerators, heating plants, yard equipment—all contain castings of which you are seldom aware.

The largest segment of the total output of the foundry industry is gray iron castings, with other ferrous castings being made from steel, malleable iron and ductile iron. Nonferrous castings—made of aluminum, brass, bronze and zinc—are important contributors to the same types of products in the American economy as ferrous castings are. We are a vital industry, both in peace and during national emergencies, although time does not permit elaborating on this point.

EPA

In past years many foundries had substantial amounts of particulate emissions entering the atmosphere, although our industry was judged to only create a very small percentage to air pollution nationally. At the time of this meeting a year ago a number of foundries using cupolas for melting iron were engaged in installation of emission control devices or were converting to the use of electric furnaces for melting purposes. The January issue of FOUNDRY magazine reports that in a recent survey 71% of the industry report they are in compliance with their area codes for air pollution control. This varies with the type of metal cast and sizes of foundries, but it still appears to show a special effort at compliance.

Unfortunately, there are cases where foundries have installed emission control systems under local, or state, codes which do not meet the federal code. Also, it was reported in May 1972 by the American Foundrymen's Society that six states had received 18-month extensions of the January 1972 deadline for filing plans to meet secondary EPA clean air standards. Thus there is confusion in the application of the law that creates confusion in the minds of operators and even may result in injustices.

Which type of cupola emission control equipment to install—or the decision to abandon cupolas and adopt electric melting processes—how to finance the extensive capital investment required—what the additional operating cost will be afterward—are questions that have been among the most difficult that foundry managers have ever had to answer. Some foundries have closed their doors rather than make the large financial investment required to install emission control devices that are completely non-productive plus the forever continuing expense of maintaining them.

It would be amusing if it weren't so deadly serious, that action taken by many foundries to control cupola emissions has created a new problem of water pollution for them. A recent American Foundrymen's Society survey showed that 24% of the respondents had waste water treatment problems. Of those reporting such problems, 78% reported this was a result of the operation of dust collection equipment.

Out of the same group of respondents, 79% reported that they had a new solid waste disposal problem, especially in ferrous foundries, and, here again, is another area of operation that is affected by overlapping or conflicting regulations of various governmental units, local—state—or federal.

PHASE III

Coming next to the subject of wage and price controls under Phase III, I can only say that we, like most other businessmen, are still uncertain as to their exact meaning and impact on our industry, but we want to contribute our share to holding down inflation. Phase II had some inequities—and many more were beginning to surface. One of these has been documented. Each of the registrants has been given a write-up of the case. We hope Phase III will prevent similar situations from occurring.

Our industry is largely made up of small enterprises. We sell to the large corporations. Many of us have to negotiate labor contracts with the same international unions which negotiate with the large corporations. We are, in a sense, at the mercy of the wage settlements negotiated by these firms. There is a "wave" effect.

If these wage settlements are held within reasonable bounds, our settlements—and hence our costs and prices—reflect that condition.

If, however, the settlements go off into the wild blue yonder, we will have to pass along these cost increases to our customers. As a rule of thumb, about 50% of the foundry's cost is for wages. Being a high labor content industry, we naturally reflect wage increases to a higher degree than do other industries in which labor content plays a less important role in the cost of a product. This high labor factor is forcing foundries to become more capital intensive in their operations. This pressing demand for capital to improve productivity is occurring at a time when expenditures for EPA and OSHA are needed.

We do believe that one reason for the existence of controls today results from the fact that even the largest corporations cannot absorb the demands of the international unions. Our business system can function effectively only if there is an equitable balance of power. Our labor laws have tipped the balance.

A strike in past years had been looked upon as an economic test of strength. Management would weigh the losses accruing from a cessation of operations against the losses resulting from further concessions to the work force. Employees were called upon to balance the loss of pay during a strike against the potential gain that would result from prolonging the strike.

Today, the effect of a prolonged strike on a company can be disastrous. The effect on the average striker may be nominal.

Between strike funds, the opportunity to "moonlight" and government subsidies in the form of welfare assistance, Federal food stamps and, in some states, unemployment compensation, some workers have even received more take home pay when on strike than when working. This has resulted in an inability of some firms to resist excessive demands, or a lengthening duration of strikes against firms which have tried to resist. There is no longer any balance in the collective bargaining process.

In our industry the average duration of a strike was once two to three weeks. In the 1960's the average gradually moved up to five to six weeks. In 1970, 1971 and 1972, the average duration was seven to eight weeks.

1970 saw the greatest percentage of strikes in our industry since we began keeping records in 1953. 1972 gave us the lowest percentage of strikes in this period, but even during a period of relative industrial peace, the strikes averaged, as I have said, seven to eight weeks.

Welfare benefits, including Federal food stamps for strikers, have certainly aided these impasses to continue for an inordinate amount of time.

OTHER LEGISLATION

I suspect each person in this audience has slightly different ideas as to priorities on what kind of legislation should be enacted that will be most helpful to all citizens and business and industry. However, I think I am safe in saying that we are all deeply concerned over the size and growth in the national debt, and the steady rise in the percentage of the national income which goes for taxation. There can only be an end to this rise when we establish some sense of priority as to what we can afford and how it shall be financed. It seems fairly clear by now that we simply cannot buy our way out of all our social problems by spending more and more billions of dollars. With the enormous federal revenue available we recognize the temptation to think that another million here, or 500 million there, will not be the straw that breaks the camel's back. And yet in total we simply cannot continue to spend unlimited amounts for unlimited programs.

If serious consideration is to be given to the adoption of a value added tax, we hope to have an opportunity to present our views as to its impact on the foundry industry. We are a very large industry in terms of value added and would, therefore, be a source of considerable revenue. However, as I mentioned before, we are a labor intensive industry and provision must be made for us to pass along the amount of such a tax in the price of our products. If other industries which compete with ours have a lesser percentage of value added to their product, such legislation could place the foundry industry at a competitive disadvantage. Also, an undesirable side effect could be an increase in unemployment in other labor intensive industries which are adversely affected. I am not sure that this impact will be very different for our industry than for some others, but we recommend that careful attention will be given to the problems which can arise from the imposition of a value added tax.

We also recommend that federal tax laws will continue the investment tax credit as an incentive especially to smaller enterprises in making capital expenditures required to comply with EPA and OSHA regulations during the immediate future years. Tax credits that encourage capital investment are a positive force in maintaining a strong economy, and when they can assist the total environment program they stimulate social as well as economic benefits.

OSHA

We have lived with the developing application of the Occupational Safety and Health Act for almost two years now and wish to emphasize that we believe in the principles of this Act and will do our best to conform to its regulations pertinent to our operations as concerned citizens in our communities, states, and nation. Thus far a number of foundries have been visited by OSHA inspectors who have chiefly concentrated on safe working conditions and practices in our shops. We are proud that George C. Guenther, former Assistant Secretary of the U.S. Department of Labor and OSHA's first administrator, wrote a letter, dated January 3, 1973, to one of our foundry trade associations, a portion of which I want to quote to you:

"Your industry is a shining example of voluntary compliance in action. Keep your program going and you will prove the Act to be a benefit not only to employees but to employers as well." (end of quote)

Mr. Guenther was referring to the efforts of the foundry industry Intersociety Safety and Health Committee in stimulating new or improved safety and health programs in the form of a comprehensive manual recently distributed to all foundries.

Last year in his keynote address to our first Governmental Affairs Conference, Burleigh Jacobs of Grede Foundries, Inc., stated that "Many experts have estimated that, in the long run, the Occupational Safety and Health Law will be more costly to the foundry industry than air and water pollution controls." (end of quote) We ask our estimable Congressmen to help influence the various administrative agencies which promulgate regulations affecting safe working conditions to especially take into consideration their impact on small business units in areas of financial investment—additional record keeping—engineering time and alteration involved in carrying out their rules and regulations. Congress passes the laws and necessarily has to turn the administration over to various government bureaus and agencies. We hope that Congress will not lose sight of the fact that implementation may go far beyond the original intent of Congress in passing the law.

We understand that Congress will be holding more "oversight" hearings on OSHA regulations in the near future. We definitely favor such re-examination sessions.

The chief impact of OSHA on the foundry industry probably will fall on the control of noise generated in its manufacturing processes. Certain key operations have always been noisy and probably in excess of the permissible decibel maximum under OSHA standards. The correction of already existing equipment operating in foundries poses a long and arduous engineering effort and large capital investments to alter such equipment to be lower in sound created than the maximum noise standards. In addition, very little new equipment nor even the technology is available as yet to permit performance within specified noise limits.

The regulations provide that if workmen are exposed to excessive noise levels, they must be rotated after certain maximum time periods to perform other work of a more quiet nature. This sounds quite simple and beneficial, but the implementation of such a practice in most foundries poses many complex problems such as job skill differences in wage rates—unwillingness of employees to be shifted onto other work they may not like to perform—higher manufacturing costs from lost time, lost production and re-training created by shifting of workers from one job to another.

Foundries with a number of noise emission processes cannot possibly change them all at one time without closing down their operation for a number of months (which would be fatal), nor can they with any fiscal responsibility afford to pay the cost of such extensive corrections over a short period of time.

ENERGY SUPPLY

The foundry industry is concerned with rapidly approaching energy supply shortages. It is unusual to pick up a newspaper or magazine that does not make some mention of growing shortages in various types of domestic fuel supplies, and the resulting shutdowns and rationing. Some foundries have already faced reduced operations as a result of this situation.

Gentlemen these symptoms must be recognized as forerunners of a potential national crisis in the next few years unless our government takes swift counter measures to effectively solve it.

The December 25, 1972 issue of Business Conditions Weekly reports that—

"The United States energy problems lie primarily in the medium term future, through the mid-eighties, and we may be confronted with energy shortages of major proportions. From a long-term standpoint, our basic energy position is reasonably sound.

"Assuming we continue our present course—with no major changes in government policies or economic conditions in the energy industries—our indigenous resources will not be developed and brought to market fast enough to meet our growing energy requirements—which will approximately double by 1985.

"We shall face at least four major problems: (1) a growing scarcity of natural gas, (2) dependency on distant foreign oil sources (predominantly Arab) for well over 50% of our crude oil requirements, (now at even higher prices because of the recent devaluation of the dollar), (3) necessity to expand output of nuclear power and coal, and (4) enormous capital inputs required to provide facilities for increased energy requirements."

We submit to everyone in this room—legislators—agency people—and foundrymen alike that our industry is critically dependent on electric power—coke and oil, and that we work together strenuously to help stimulate effective solutions.

EXPORT OF IRON AND STEEL SCRAP

According to the Bureau of Census, ferrous casting industry shipments have increased over 9% in the first eleven months of 1972 over the similar period of 1971, and some of our trade associations believe the increase is considerably higher. The foundry industry and the steel industry tend to move together in our economic cycle, both being affected by surges, or decreases, in the production of all types of machinery, equipment and structural material plus consumers hardgoods and the auto industry. Scrap is a vital raw material input in both the foundry and steel industries. As we enter 1973, both industries are running at still higher rates of production, and our demand for scrap will increase proportionately.

We are definitely concerned about the supply of scrap that will be available to us this year because:

1. World steel production is expected to advance 6½% over 1972.

2. U.S. foundries and steel mills are projected to need 12% more scrap tonnage than in 1972.

3. Projected U.S. exports of scrap in 1973 are up 60% over 1972.

Other nations, especially the Japanese, have made it clear that they will import larger quantities of steel scraps from the U.S. in 1973 since we are now the only major industrial nation permitting the export of this vital raw material.

Thus we are already in the same type of short scrap supply situation that created the chaotic condition of 1969–1970, which resulted in severe shortages of supply plus inflationary prices.

In a January 24th meeting with government officials at the U.S. Department of Commerce, representatives of the foundry and steel industries requested that it use existing authority to invoke licensing of scrap exports immediately and to restrict the total exportation of iron and steel scrap in 1973 to no more than 7 million tons. If no relief is offered by the Department, we will be back with you Congressmen for a grass roots campaign to solve this national problem.

CONCLUSION

Time is short, so I shall conclude by saying again that we appreciate your being with us and wish that we had time to discuss at more length the points we have tried to make.

Many of us will have an opportunity to visit with you on a more personal basis during the course of the next two days, and thereby we can explore some of these questions in greater depth.

We are first of all citizens—even before we are businessmen—and as such we recognize an obligation to work with you to the fullest extent toward making the American enterprise system as healthy and profitable as possible so that it may do its full share in nourishing our American way of life.

MARYVILLE COLLEGE CENTENNIAL CELEBRATION

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. SYMINGTON. Mr. Speaker, on September 5, 1872, the Female Academy of the Sacred Heart was founded in St. Louis with an enrollment of 80 boarding students and a free school for 70 underprivileged children. One hundred years later the academy has changed its name to Maryville College and has become a still growing institution of higher education with over 740 men and women enrolled in baccalaureate and associated degree programs in 33 fields of study.

Since its inception, the goal of Maryville College has been to educate its students as citizens, participating fully in the intellectual, cultural, professional, social, and moral life of the community. During the first century of Maryville's existence, many changes in the kinds of responsibility students were allowed or expected to assume have occurred.

Because of its early recognition and intensive study of the problems confronting higher education, Maryville is one of the few colleges in the Nation operating within a balanced budget, experiencing a rapid increase in enrollment and broadening programs offered to students, alumni, and the St. Louis community.

Since 1956, when medical technology was added to the list of majors, Maryville has followed a plan of offering preprofessional and professional education within the liberal arts context. By 1972, the bachelor of fine arts program, prelegal, predental, and premedical programs had become important to the focus of the curriculum. In 1972, 11 new carrier-oriented programs were added.

The ability to foresee needs in the community and among its students, whether they are intellectual, cultural, professional, social, or moral needs, will enable Maryville to continue as a truly outstanding institution of higher education in the St. Louis community in the future. I offer my congratulations to the President, Sister Harriet Switzer, and to the faculty and students of Maryville College on their centennial celebration and wish them every success in future endeavors.

TO UNDERSTAND AMERICA

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BAKER. Mr. Speaker, for the second time in less than 2 weeks I have had a glimpse of the true greatness of this country and what it is which makes it so.

Watching our prisoners of war return to their homeland with only words of gratitude and praise for America in spite of years of cruel captivity, was the first.

Last week, the crew of the Apollo 17 honored the Third District of Tennessee with a visit during the annual Engineers Week program.

I was struck with the true humility of greatness. Captain Cernan, Captain Evans, and Dr. Schmitt were disarmingly unassuming despite their spectacular accomplishment. They expressed their love of country, faith in their Creator, and pride in being Americans in a way which captivated all who heard.

Although I have supported a reduction from the top funding of the space program I am convinced the benefits greatly outweigh the expenditures. Not the least of these is the lift to our spirit which comes from seeing the kind of men who have made it a success. The kind of men who have made our country great and will keep it great. Mr. Speaker, I insert the attached editorial from the Chattanooga News-Free Press, "To Understand America" in the RECORD at this point:

TO UNDERSTAND AMERICA

A lot of people, even Americans, don't really understand America. Some of the politicians seeking public favor proved that in recent elections.

There is a tendency sometimes to hear the dissidents, to view the demonstrators, to see the welfare rolls and think: "This must be America."

But it isn't. America, of course, is not monolithic. But the real nation is composed of millions who form a steady and firm body of people who trust in God, who love their country, who work for a living, who help other people, who are not examples of perfection or of unerring rightness, but are a stable body and rudder of a great nation.

To a surprising degree, the astronauts of Apollo 17, Gene Cernan, Ron Evans and Jack Schmitt, exemplified that sound "middle America" when they appeared in Chattanooga yesterday in an outstanding Engineers Week program.

Chattanoogans were clearly impressed by them. But if the astronauts were at all impressed with themselves, they didn't show it. They were men who had been to the moon, but were quite down to earth.

They indicated their reverence for God with no self-consciousness. They did not pointedly "wave the flag," but in repeated references to their pride in being Americans and as Ron Evans said, seeing the flag and "United States of America" on the side of the space capsule after his walk halfway home from the moon, indicated their real and solid patriotism. Gene Cernan, like most other fathers, mentioned his nine-year-old little girl repeatedly, thinking about her and her future in our land more than about the tremendous thing he had done. And Jack Schmitt, the geologist, talked with humor about rocks and recalled the great history of our people, of which he was reminded by Missionary Ridge and Lookout Mountain.

If they had made a great oration, if they had announced a scientific breakthrough, if they had displayed publicly the personal greatness that surely is a part of each of them, these astronauts could not have been more impressive than they were—displaying the qualities that make up the backbone of America.

Chattanoogans were impressed with Gene Cernan, Ron Evans and Jack Schmitt for what they have done—and for what they are. Anyone wanting to know the secret of America's greatness may find a solid clue in them and in this. Many people do not understand America, but it is understandable if we view the qualities that really count and are abundantly present in so many Americans, whether great like these three men, or small like most of us.

FERTILIZER INDUSTRY HONORS TVA CHEMIST

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. JONES of Alabama. Mr. Speaker, Travis P. Hignett, Director of the Division of Chemical Development at the Tennessee Valley Authority National Fertilizer Development Center, Muscle Shoals, Ala., has been honored as making the most outstanding contribution to the liquid fertilizer industry for the past year.

Mr. Hignett, who lives at 704 Wilson Dam Circle, Muscle Shoals, has been an outstanding employee of the TVA's chemical operation for more than 30 years. His work has resulted in numerous advances in the field of fertilizer technology and has been a significant factor in the production records which have been possible on American farms.

He was recently honored by the National Fertilizer Solutions Association, and an article about his considerable efforts was printed in the magazine of the association.

I include a copy of the article detailing Mr. Hignett's activities as a part of my remarks at this point:

[From the Fertilizer Solutions, Jan.-Feb. issue]

1972 HONORARY MEMBER AWARD PRESENTED TO TRAVIS HIGNETT

Travis P. Hignett, Director of the Division of Chemical Development at the Tennessee Valley Authority National Fertilizer Development Center, Muscle Shoals, Alabama, was named as the person who has made the most outstanding contribution to the liquid fertilizer industry for 1972. Hignett was presented the Honorary Member Award, sponsored by The National Fertilizer Solutions Association.

The award was presented by John E. Fletcher, sales manager, plan foods, U.S. Borax & Chemical Corporation of New York City, at the annual banquet held in conjunction with the 18th Annual NFSA Convention and Chemical/Equipment Exhibition at the Indiana Exposition Center at Indianapolis. Fletcher was the chairman of the 1972 Honorary Member Award Committee of the NFSA.

The annual award is given to a person usually associated with an agricultural college, government agency or private enterprise which is not eligible for membership in the NFSA. To qualify, the candidate must have made contributions to both state and national associations, to state and national industry and to the liquid fertilizer industry as a whole.

Travis P. Hignett is a native of Iowa, where he still owns a farm, and holds a degree in chemistry from Drake University. He joined the Tennessee Valley Authority in 1938 after working with USDA's Fixed Nitrogen Laboratory and a consulting research firm.

Although schooled as a chemist, his bent and enthusiasm for solving engineering problems helped meet the immediate needs of TVA in its early days. This led to a career as a chemical engineer. From a night shift supervisor in a pilot plant. Hignett advanced to research project leader and in 1947 to chief of the Development Branch. This organization was concerned with bridging the gap between laboratory research and commercial application of new know-how.

In 1962, Hignett was named director of the Division of Chemical Development at the TVA National Fertilizer Development Center. In this role, he is responsible for guiding the work of more than 200 research chemists, engineers and others working to develop new fertilizer products and processes. One of his major challenges is to maintain a balance between projects of immediate usefulness and long-range research.

Hignett's work has embraced a wide range of projects. Many have been concerned with developing improved fluid fertilizer technology. He gave leadership to just about all of the developmental work in the 1950's that led to superphosphoric acid, polyphosphates and suspensions. This work has, of course, tremendously influenced the growth of the fluids industry. He also has been a leader in developing granulation technology.

He has been granted several patents pertaining to fertilizer developments.

Hignett has published extensively. Several of his recent papers have outlined in considerable detail the evolution of technology in fluids and other areas. He also has done major summaries of factors affecting trends in both technology and marketing.

His writings have been presented to most major U.S. organizations concerned with fertilizer technology. He also has addressed several international meetings. Among these are The Fertiliser Society of London (Francis New Memorial Lecture, 1969), International Superphosphate and Compound Manufacturers' Association, and UNIDO's Interregional Fertilizer Symposium.

Hignett is a member of the American Institute of Chemical Engineers, the American Chemical Society. The Fertiliser Society of London, and a director of the Fertilizer Industry Round Table.

Hignett will retire from TVA on June 30, 1973.

IS AN ARMY CAREER STILL WORTHWHILE?

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HÉBERT. Mr. Speaker, the distinguished Gen. Maxwell D. Taylor has written a clear, concise, and very thoughtful article in the February issue of Army magazine on the continued worth of a career in the Armed Forces for young men in our society. I think it is important reading for all Members of Congress who are being questioned on this subject at this very time by young men in their districts. I urge all Members of the House to read this article. I am sure we will find ourselves using it on many occasions to advise our constituents.

The article follows:

Is An Army Career Still Worthwhile?

(By Gen. Maxwell Taylor)

While reluctant to draw general conclusions from a few cases, I must confess to having detected of late unmistakable indications among some of my young Army friends of lowered morale and sometimes of a disturbing (for me) questioning of the value of a military career. The prime cause, although not the only one, appears to be the popular disesteem into which the armed forces have fallen and the anti-military bias which permeates a large segment of the public. To members of the armed forces, and particularly of the Army, there seems to be an organized campaign of defamation of the military and of the men who wear the uniform. Such treatment is hard to bear for dedicated soldiers proud of their profession who have returned from the dirtiest, most unpleasant and least glorious war in our history, never defeated by the enemy but rarely applauded by the nation which sent them into that war. It is not surprising that a few are wondering whether a military career is still worthwhile.

I would be inclined to view this attitude as a mood which would pass quickly had it resulted from the usual kind of anti-military feeling which in the past has often followed our wars but has shortly disappeared. The war just over is always the most senseless and unjustified of history, to the citizens who have been required to participate in it, and the professional soldier who remains in unform at war's end becomes the symbol of their recent unhappiness.

At the close of World War II, now often cited as a relatively popular war which enjoyed unified national support, I was not infrequently booed in public because I wore the uniform of the Army "brass" who for the moment it was fashionable to denounce. My contemporaries and I did not enjoy this kind of treatment any more than do today's veterans, but we accepted it with at least a modicum of philosophy in recognition of the fact that anyone who gives his life to the military service must expect some boos as well as plaudits, resigned to being a hero today and a bum tomorrow. Certainly lack of public gratitude never led many of us to reconsider our commitment to a lifetime military career. But the difference now is that the Vietnam veterans have never had their days as heroes. Few can remember a band playing when a Vietnam Johnny has come marching home.

There are other differences, too, in the current vendetta against the military, new factors which I do not believe have existed before. In addition to being the symbol of a particularly unpopular war, the Army is held responsible for drafting unwilling young men and forcing them to fight and sometimes die in an "immoral" war. It is held liable for most of the brutalities and cruelties of that war as it has been portrayed by press and television. The tragedy of My Lai is taken as irrefutable evidence of war criminality deserving the Nuremberg kind of justice meted out to Hitler's lieutenants. Few respected voices have been raised to defend the Army, although it is an institution which ultimately guarantees the preservation of our Constitution and the American system based upon it. If such slander goes unrefuted and leads good men to decide against the worth of an Army career it is national security which suffers the major loss.

Nevertheless, regardless of the justification for resentment, I would urge my Army friends not to take too seriously the adversities of this bleak period. Like truth crushed to earth, the record of Army achievements in Vietnam will eventually rise and overcome the present animus and, while awaiting this change of public heart, we can do well to review that record to restore confidence in ourselves.

The Army has much to be proud of—let us never forget it. From the time they landed in Vietnam in 1965, Army units provided defense for many of the principal military bases of the country, and no such base was ever lost to the enemy. They contributed mobile strike forces which destroyed major enemy units wherever found and in the many combat actions which ensued never lost a battle. In conjunction with the South Vietnamese, American forces inflicted such losses on the enemy in the prolonged ground campaign that the Viet Cong are no longer a military threat and the North Vietnamese have lost their capability for sustained offensive action.

Army achievements have not been limited to combat. Its technical units are responsible for the construction of the vast logistical system—airfields, posts, highways and telecommunications—which has made possible the projection of American military power throughout this remote, underdeveloped country. As a result of its timely construction in phase with the arrival of American forces, those forces never lacked for the facilities, supplies and equipment needed to perform their tasks. When the war is over, much of the permanent construction, such as the great port at Cam Ranh, will be of inestimable value to the peacetime economy of Vietnam.

In the long run, the Army's most important contribution may have been in advising and training South Vietnamese forces. It has been a long and often discouraging task which involved training our allies to cope with conventional, guerrilla and terrorist warfare, training often conducted in insecure areas exposed to the bullets and bombs of the enemy. But the end product has been the success of Vietnamization and the replacement on the battlefield of American soldiers by South Vietnamese. The armed forces of South Vietnam, now numbering almost a million men, are henceforth a most significant political and military factor in the power balance of Indochina—a source of strength not only in the field but also at the negotiation table.

I mention these achievements not in a boastful spirit but to remind Army men inclined to despondency that they should be of good cheer; their record is a sound basis for pride in the past and confidence in the future. And let us not be timid in speaking up when our service is under attack. At this moment, we need the voices of our friends, particularly those out of uniform. As Edmund Burke said, "When bad men concert good men must associate." Now is a time for an association on the part of friends of the Army.

So much now for ruminations over the past. What are the prospects for the future? For an Army career to have continued importance, there must be a role of continued importance for the Army in national life. While that role may change in many ways in the coming decade, with the many threats to our national values which are to be anticipated, I have no doubt as to its enduring importance.

It has been apparent since World War II that the scope of national security is widening, that it has come to connote far more than the protection of the national values, interests and assets by the armed forces from foreign military threats. These valuables, as I shall refer to them, have increased in number and are scattered more widely about the world than in times past. They include intangibles such as principles, alliances, reputation, national unity and national morale. Some are institutional—our Constitution and the government, society and the economic system based upon it. Others are spiritual and intellectual—ideals, leadership, brain power, culture, science and technology. Still others are tangible and material—our wealth, investments, trade, currency and natural resources. All such valuables require protection wherever found; they are the proper objects of concern of an adequate national security.

Apart from the increase in their number, our valuables are exposed to threats in varied forms, many of which do not involve military means or methods. The threats include acts of war in their traditional forms, but also the tactics of cold and irregular war—propaganda, psychological, economic and guerrilla warfare, political subversion and terrorism. Also of late, we have become aware of the dangers arising from social and environmental factors such as excessive population growth, pollution and the despoiling of natural resources. In combination these nonmilitary forces and environmental factors constitute a potentially powerful reinforcement to the internal threat to the American system of which we have become aware in the course of the Vietnam war.

If this evaluation of the expanding scope of our security is reasonably accurate, it strongly suggests a widened role for the Army and the need for Army leaders of broad perspectives who can shape flexible, versatile forces with a ready adaptability to a spectrum of threats extending from nuclear war at one extreme to subversion and environmental plundering on the other. They must learn from the Vietnam conflict without falling into the mistake of preparing to repeat it. A review of its lessons will tax their ingenuity to separate wheat from chaff, abiding truth from transitory appearance. I hope that they will remember that we Americans are a volatile people and that many things which today we insist we will never do again, we will find ourselves repeating tomorrow. I often recall how quickly we put aside the slogan of 1953, "No more Koreas," to accept involvement in South Vietnam in 1954.

Without attempting to forecast the many problems the new Army leadership will confront, I would like to mention a few which seem to me the most pressing.

The first is obvious: the need to restore the pride and confidence of the Army in itself and, in so doing, to regain the national prestige which it has enjoyed in better days. While some of the wounds from which our service is suffering are the doing of others, we ourselves are responsible for not a few, and these should receive our first attention.

The first step would be to purge the Army ruthlessly of marginal people, to enforce a standard of excellence for officers, noncoms and soldiers regardless of the limitation on the final size that such a standard will impose. The major advantage of the all-volunteer Army, as I see it, is the opportunity to eliminate the malcontent and the substandard, and to replace them with people who are, or show promise of becoming, loyal soldiers capable of doing their part in carrying out the increasingly complex Army missions.

The payroll cost of a volunteer force will be so high that we will not be able to afford a large Army; either a shortage of dollars or of volunteers, or of both, will impose a reduction in size below the level which the importance of the Army mission would justify. But I, for one, would accept such a reduction without complaint, feeling like Gideon that a few reliable men are more likely to defeat the Midianites than a horde which included "the fearful and afraid."

There must be quality not only in Army personnel but also in their equipment and in the military environment in which they live and work. With respect to their environment, I am thinking not primarily of the comforts of the barracks or the variety of stock in the post exchanges but in the quality of life to which a soldier is exposed and the standards by which he learns to live. Army life, in my view, should not be an extension of the civilian life which lies just over the fence of the military reservation, but something quite different which reflects the unique requirements of military life.

I am unalterably opposed to the concept that the Army is merely a segment of American society which wears a uniform but which otherwise should live as nearly as possible as civilians live. That standard is not good enough for the military profession which, like the church, the law and the medical profession, has a special commitment which requires special standards of behavior. Newton D. Baker, President Wilson's secretary of war, in defending the West Point honor system, eloquently expressed the need for military standards different from those accepted in civil life:

"Men may be inexact or even untruthful in ordinary matters and suffer as a consequence only the disesteem of their associates or even the inconveniences of unfavorable litigation. But the inexact or untruthful soldier trifles with the lives of his fellowmen and the honor of his government."

To accept the truth of Secretary Baker's view, one has only to reflect on what the conduct of one platoon leader at My Lai has done to the reputation of the Army and the honor of the United States.

If the Army insists that its men must live differently from their fellow citizens, it should be able to explain why these differences are necessary. A convincing reply must show that the difference is one arising from the special requirements of a profession which must be ever ready to use disciplined violence to oppose an armed enemy in response to the lawful order of the President. Any military habit or custom is defensible if it reinforces that purpose; it is indefensible if it works against it. The purpose is strengthened by those things which improve readiness and effectiveness in combat, create esprit de corps, induce confidence and respect for leaders and comrades, and imbue men with an appreciation of the importance of their mission. It is weakened by these things which undermine discipline and loyalty, alienate officers from their men, create internal cliques and cleavages, and destroy the public's confidence in their armed forces.

How does this philosophy provide guidance as to what traditional Army practice should be preserved and what is "Mickey Mouse" and should be discarded? How much spit and polish is too much?

I must say that I cannot get excited over such current issues as the length of a soldier's hair. The historical record as to the merits of the case affords little guidance. Samson's downfall resulted from lack of hair, Absalom's from too much. Civil War generals who look to us like hippies apparently won battles as readily as their closer-shaved successors of later wars. But I can defend a lot of spit and shine on the basis of the effect of the personal appearance of a soldier on the taxpayers who support our armed forces. No citizen can believe he is getting his money's worth of protection from a soldier whose slovenly appearance shows lack of respect for himself, for his unit and for his service. I agree with that judgment. If this is support for "Mickey Mouse," make the most of it!

Inevitably, the quality of the officer corps establishes the standards of the Army. I have an uneasy feeling that something is missing nowadays in officer-soldier relationships. One hears so much about difficulties of communications between commanders and their men that I must assume the difficulty is real. But one wonders whether there is any barrier which cannot be overcome by the officer who is deeply and sincerely concerned about the welfare of his men. Such concern cannot be feigned; it must be the real thing.

Is it beside the mark to suggest that, in the present emphasis on advanced academic degrees for officers, there may be a loss of officer interest in such prosaic things as the fit of a soldier's shoes, the health of his family and his need to understand the why of the military orders he receives? I have always admired the code of the old-time cavalry officer which decreed that he must first look after his horse, then after his men, then after himself. I hope that some similar code will survive in this bright, new Army we are contemplating—something that recognizes that an officer's insignia of grade is not a badge of privilege but one of servitude to his men.

If to Army ears all this sounds like sermonizing on the obvious, I offer the excuse of an old officer who loves the Army and owes much to it. There is a permanent quality in the appeal of military life which I wish I could convey to a young generation of Army men who have not yet grown to sense it. At the same time, I would like to strengthen the dedication to Army life of the older men who, as a result of Vietnam, may have come to doubt their profession.

So many of the satisfactions of Army service are beyond the here and now of today's tribulations and disappointments. There is an enduring value in military life which has appealed to men of a special sort throughout the ages. Such men have found the pleasure of association with comrades of a common motivation and life style who seek their rewards not in money but in difficult tasks discharged among congenial spirits in an environment of danger. They have sensed the feeling of growth and expanding capacity which arises from the wide variety of their duties, opportunities and places of assignment. Many have borne the awful responsibility of commanding men in battle and have reaped the compensation of sharing in the camaraderie of arms which unites men of all ranks and backgrounds who have together endured hardships and dangers in a common cause.

These are but some of the lasting values of a soldier's life. Like the ruler, prophet, priest and judge, the soldier represents a primordial social function which must be performed by strong men if civilization is to survive. The function may change in mode but not in essence. To fulfill it will always require many of the best citizens of any nation.

ESTIMATES OF THE COST OF VESTING IN PENSION PLANS: AND COST TO WHOM?

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ERLENBORN. Mr. Speaker, for a little over a year now, the Pension Study Task Force of the General Subcommittee on Labor on which I serve has been conducting an extensive inquiry into the many issues related to private pension plans. Among our chief concerns are providing greater protection to participants in these plans and assessing the effects of legislation designed to require vesting, funding, and reinsurance.

As a part of this study, the task force staff at the direction of our subcommittee chairman commissioned Dr. Howard E. Winklevoss, assistant professor of actuarial science and insurance at the University of Pennsylvania's Wharton School to prepare an analysis of the cost of vesting. Dr. Winklevoss' analysis has now been released by the task force in a report entitled "Estimates of the Cost of Vesting in Pension Plans."

Also included in the reports is the letter of transmittal from the staff. Our colleagues, I am confident, will want to examine both the analysis and the staff letter which together illuminate two hazy areas in the highly complex subject of regulating private pension plans.

First, the report furnishes us with a more comprehensive picture than has ever been exposed regarding the estimated cost of adding vesting to private pension plans; and, second, the report appropriately raises the question: Cost to whom?

As with other familiar studies, Dr. Winklevoss' work gives us one measure of the estimated cost of vesting, that of the increased contribution that would be involved if a pension plan takes on any of three vesting standards; but Dr. Winklevoss now adds a new dimension.

Utilizing largely empirical data associated with six pension plans and a computer model he had employed and developed in earlier studies, Dr. Winklevoss was able to simulate the operation of these plans under varying assumptions over a period of 50 years. This simulation process, under which each of the six plan populations changed forms during the projection period, has the effect of extending the results of the research to a much larger number of plans than would have been the case if the six populations were not projected into the future. Thus, this study represents a quantum jump in quality over previous studies and cost analyses.

While there is a hazard in trying to summarize Dr. Winklevoss' detailed and highly technical analysis, there is a companion need to do so. Observing this caveat, we can say that he reached two major conclusions through his research.

For the plans analyzed and the plans thus simulated, he found that the cost of vesting as provided in various legislative proposals when expressed as an increase in contributions ranged from a low of 1 percent to a high of 35 percent. He suggests, however, that a more likely upper limit from the data analyzed would be 15 percent for the 10-year and graded 15-year vesting provisions and 25 percent for the rule of 50 vesting provision.

Dr. Winklevoss also concludes that a 10-year vesting provision is consistently a little more costly than the graded 15-year provision where the benefit is lower; and that the rule of 50 provision would cost about the same for many plans as either the 10- or the graded 15-year provision, but would be more expensive in plans with older average entry ages.

When interpreting these findings, we must bear in mind that the "cost of vesting" as used in Dr. Winklevoss' analysis is limited to the percentage increase in a plan's yearly contribution brought about by the adoption of a fully retroactive vesting provision where the only vesting provision has been for retirement at age 55 with 20 years' service and whether there is no disability benefit. If a plan has disability benefits, the costs would be significantly higher. Importantly also, the results of extending these findings to other plans will differ, depending upon the plan's funding status, average entry age, turnover rates after vesting, and benefit formula—features which vary considerably from plan to plan.

As to the "cost to whom?", neither this nor any other vesting cost analyses that have been done give us specific answers. They cannot because the judgment as to who shall bear the cost—or if the cost is shared, in what proportion—has not been made. The report, however, disperses some of the fog surrounding "cost to whom?" by suggesting probable answers.

These probabilities can best be understood by viewing a pension plan in its simplest form, that is, as an equation. Its two components—contributions and benefits—must be balanced. Expressed another way, the contributions and earnings of a plan must equal the cost of the benefits that are to be paid for the plan to be solvent. In order to devise a funding formula, projections of benefit costs must be made; and the timing and level of the contributions that will be needed to fund the estimated benefits must necessarily be based on assumptions. Obviously, then, the achivement of this balance is directly dependent upon the assumptions used.

If the estimates used are borne out by the turn of actual events or if they prove to be overly conservative, all should go well—the plan should meet its funding schedule. On the other hand, if actual events deviate to any extent from the assumptions, the funding schedule may prove to be inadequate.

As we have learned from the Winklevoss study, liberalized vesting properly fits into the equation as an addition to the benefit side. Logically, then, it demands an offset.

One way it can be absorbed so as to maintain the balance in the equation is to reduce the benefit or the rate of benefit improvements. The cost in this case would become the burden of the employee.

Another way would be to liberalize the assumptions used, which would have the effect of reducing the overall costs of the plan so as to adjust for the increased vesting cost. This method suggests the possibility that the funding schedule may prove to be inadequate.

Alternatively, the contribution level could be increased, If this course is taken in plans financed by employers, the result could translate into higher consumer prices.

No one can predict which of these avenues would be followed by plan sponsors faced with the requirement to improve the vesting benefit. A look at general practices, however, affords a clue.

First, to provide a hedge against the unexpected, actuaries tend to use conservative assumptions. Second, most pension plan sponsors apparently gear pension benefits to the amount they expect to be able to contribute to the plan. In these cases, the plan actuary starts with that amount. Then, using the population characteristics of the plan together with various assumptions, the actuary computes the benefits the plan can expect to provide and the funding formula that will be necessary.

If these general patterns are as prevalent as they seem to be, we can anticipate that the cost adjustment will be made either in the assumptions or in benefits. Moreover, because the contribution level appears to be relatively inflexible in the majority of plans, we can more reasonably expect adjustments in benefits.

In any event, there is no doubt vesting entails a cost. These costs relate to some 30 million participants in a minimum of 139,000 employee benefit plans, and these plans come in numerous varieties of shape, size, benefits, and so on. Thus, there is similarly no doubt that the cost to whom as it applies to these many people and these many plans must be addressed as we contemplate establishing minimum vesting standards by law.

I commend the report to my colleagues.

THE PEOPLE'S RIGHT TO KNOW SHOULD EXTEND TO CFR

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RARICK. Mr. Speaker, possibly because the opinionmakers own and control the Nation's right-to-know machinery, we from time to time hear about the invasions on the first amendment and the actions by Government to invade the so-called privacy or privilege of reporters and newsmen.

There has been litigation before the Supreme Court to extend the first amendment through the 14th amendment to state action and there have been bills introduced in Congress to grant news gatherers a guaranteed immunity from revealing their sources of information. Such action is said to be necessary so that the people may know the truth about what is going on in their Government without recrimination against the reporters.

Here in Congress, we have even been criticized because of closed committee hearings because, it is said, this denies the people the right to know what is going on during voting, arguments, and markup.

Unfortunately, the same champions and vehicles in defense of the first amendment freedom do not champion the second amendment freedom. In fact, the first amendment freedom advocates would use their freedom to deny the second amendment freedom and somehow overlook the intended thrust of the first amendment—which was not to protect distortion, overreaction, and impartiality according to the wishes of the owners, but rather the right belongs to the people themselves.

And many Americans may find it strange that with the right-to-know machinery constantly on the attack urging overthrow of our system of government and our economic methods of doing business, they are strangely silent in any attacks or enlightenment to the public on the true imperialist establishment which is greatly responsible for the many woes in our country today. I refer to the Council on Foreign Relations, the CFR, which has been so sheltered and protected by the right-to-know people that the average American citizen has never even heard of it.

And so, I was greatly impressed last week to see that Life Lines, a patriotic voice of freedom and a newspaper headquartered at 4330 North Central Expressway, Dallas, Tex., used its first amendment freedom to raise the question as to why its fellow newsmen have never used their resources to let the people of our country know the identity of the power structure that has permeated every segment of our society and, for all practical purposes, is dictating the policies of our country. I share the concern of the author, Keith Kathan, as to why our syndicated newspapers are so eager to attack the Military Establishment, conservative organizations, religious groups, and even develop emotional hate images for some movements, but are always silent on telling the people about the Council on Foreign Relations.

Mr. Speaker, I insert the Life Lines article, as follows:

[From Life Lines, Feb. 14, 1973]

ON FREEDOM OF THE PRESS—FORM BUT NO SUBSTANCE

(By Keith Kathan)

After quite a hassle with reference books, figures and an informed intuition, I have come to the conclusion that the term Freedom of the Press is almost meaningless.

Freedom of the Press once meant the people's right to know what is going on, which meant the press, and later broadcasting, was supposed to tell them. The Press Freedom commandment is meaningless if the consuming public is not served with most of the facts on most of the important issues. When the public is fed a steady diet of half the story, then say hello to fascism or communism or whatever totalitarianism is coming into its own at the moment.

I think we have the form, or skeleton, of Press Freedom. Form but not substance. I wouldn't dare say that in a Press Club anywhere, because the press, like the wife, is usually the last to know. After two decades in this business I believe there is no substance more impenetrable than the head of a newsman whose profession is being questioned. But let us look at the facts of this profession of mine and ascertain why this is the winter of my professional discontent.

On an average day when the massive weekly newsmagazines are published, liberal dogma is disseminated to at least 60 million adults via TV, magazine and newspaper. Only vague guesses are possible as to the daily dissemination by nonliberal media because there are no conservative-oriented networks and precious few such dailies.

On a monthly basis, leftist periodicals reach at least 2.86 million Americans, while conservative periodicals reach a minimum of 1.47 million. The middle of the road dailies and periodicals contribute to the vacuous assertions of the leftist media because both fail the test of informing as to what is going on. More on that later.

A check through two source books (see footnote, column 1 inside) reveals that 26 major conservative and anti-Communist periodicals have a circulation of 1.47 million, compared to 2.86 million for leftist periodicals, a ratio of 1 to 2 (For what it is worth, my calculator tape for all these figures is five feet long).

The leftist periodicals come in various shades and hefty amounts: Radical Left, 19; Marxist and Socialist Left, 29; Underground, 27; Anarchist, 3; Liberal, 30; Civil Liberties, 10 (a euphemism for Off-the-Precipice Leftist); Peace, 22; and Racial and Ethnic Pride, 11—the latter two groups which are admittedly militant Left. The circulation in the left spectrum of periodicals, 2.86 million, has been understated to err on the side of reality.

It would be unreasonable to leave out, as we shall see but already know, the leftist newspapers which parade under the purloined label of "moderate." They are directed by members of the Council on Foreign Relations (CFR) which runs the US government (a proven fact) with a socialist bias. These left-wing dailies and weekly magazines have a circulation of 10.19 million. They are *Newsweek, Time, New York Times, Washington Post, Houston Post, Minneapolis Star* and *Des Moines Register* and *Tribune*. The *Los Angeles Times*, run by Franklin D. Murphy, has been added in, perhaps unfairly. Mr. Murphy was dropped from the CFR list two years back for reasons unknown to most; still, it is a known fact that any CFR member who wants to remain a member and is important enough can remain without recorded membership status. We frankly don't know where to put *US News & World Report*, it seems so fairer than *Time* and *Newsweek*, but why was editor David Lawrence a CFR member up to 1969? This brings up another consideration: we have been informed by those associated with the CFR that many of its members are very nice people, hardly conspiratorial types, that we are all wet, in fact consumed by paranoia and fear. Perhaps the CFR is somewhat like my Cub Scout Pack: some of the parents are in it to run it for the good of the Cubs; some are in because they were pressured; some are in it to sell the other parents real estate, and others, well, to be in the Pack is right and *prestigious!* Some drop out because of any one of a hundred reasons.

To summarize, the American people are not being told what is going on because we the people who would tell you are termed irresponsible by what must logically be assumed an overwhelming radical media force. Moderate communication is overkilled by a ratio somewhere between ten to twenty-to-one. I don't write this to make anyone feel good, I write it to tell you America's mind is being raped by Rasputin. Proof to come.

What are we getting with this overkill?

Deficit spending is enlightened economics. Amnesty for draftdodgers isn't radical and marijuana isn't harmless because bureaucrats and an expert on Guinean aborigines told us so. The UN is a humanitarian organization and we know so because corrupt Chiang Kai-shek was booted out. The Pentagon "sells" itself and isn't that an aberration of militarism? Cops kill minority group folk because there is something evil in the makeup of the cop mentality. Loyalty oaths are reprehensible exercises which disallow personal political situation ethics. Busing is good because it mixes, and the National Council of Churches is a religious organization. George Orwell poetically explained these Marxist assertions in *Animal Farm* when he made his sheep say: "Four legs good. Two legs bad."

So, on any given day according to an informed source in television broadcasting, 40 to 50 million people are reached by the network news shows and subjected to the nihilism of nattering nabob newsmen. He says the 40- to 50 million is "probably a low figure." Even more millions are subjected to the leftist doctrines in documentaries on Red China, Cuba, gun control and "right-wing extremists" etc.

This isn't Freedom of the Press, it is pure *Pravda*ism; the freedom of leftist totalitarians to bomb us all back to the cave with Communist caveman ideology that *always* results in across-the-board rationing, hunger, food riots and abolition of all the rights we once had and have less of every day.

Why do they do it? They want to run everything, your life and thoughts, because somehow if they do so this will be a "peaceful" One World Socialist Government. They believe socialism *is* the wave of the future. The *why* has also been proved.

The full story is pieced together in three books, *Fabian Freeway, the Naked Capitalist and None Dare Call It Conspiracy*. The CFR members who dominate the book publishing industry did not publish these books. One told Rose Martin who wanted him to publish *Fabian Freeway*: "So what's wrong with socialism?"

The story begins with the English dandies in the Fabian Society of London, and thickens with its ties to the Rhodes-Milner Secret Society. Back in the 1890s, the Fabians decided the world should become socialist. They formed groups, intellectualized themselves into a frenzy, sent socialists to America to lecture at Harvard, thus importing socialist ideology to the United States in the form of what was to become the Americans for Democratic Action (ADA)—which recruited Eleanor Roosevelt, Reinhold Niebuhr, Walter Reuther, Ramsey Clark, John Kenneth Galbraith and Arthur Schlesinger, Jr., among many others. But Cronkite never tells his audience Schlesinger is a socialist when quoting him several times a year.

The Rhodes-Milner Secret Society had a vision of an English-speaking federation to rule all habitable portions of the world. People like Cecil Rhodes, Alfred Milner, Lord Rothschild and Arnold Toynbee would run things from the top. But matters went awry, or became less nobly directed or were sinister to begin with. Upon the dashed hopes of American entry into the League of Nations, and under the tutelage of Fabian Socialist and Texan, Col. E. M. House, the Council on Foreign Relations and its English counterpart, the Royal Institute of International Affairs, were formed in Paris by gentlemen's agreement. James Shotwell and Arnold Toynbee, both members of the Rhodes-Milner Secret Society, were there as most agreeable gentlemen. What was really being formed was a London-Wall Street-Paris power combine composed of socialists and moneybags. I suppose the intent was to gain absolute power, but whatever that intent, it has become a One World Socialist Government precept. Guess who were members of both the ADA and the CFR, to cite examples? Reinhold Niebuhr, of Union Theological Seminary, a not so angelic angel factory; Ramsey Clark and Arthur Schlesinger, Jr. The latter two became attorney general and presidential advisor in the Johnson and Kennedy administrations.

Well, what hasn't the CFR news media reported? Wouldn't it be a colossal scoop to report that CFR members have been helping Russia since the CFR was born, that the Rhodes-Milner group did so probably before American conspirators even got Trotsky shipped off to Russia and German conspirators slipped Lenin to Russia in a sealed box car? Very scoopish, too, to reveal that the CFR has its members in every top spot in the U.S. government (list in *Life Lines* #65, 1972). Why didn't the CFR newsmen reveal that the U.N. Association is heavily interlocked with the CFR (list in *Life Lines* #20, 1972)?

Ah, the sense of achievement in revealing Henry Kissinger as a CFR member as was his President and as is the great grandson of Jacob Schiff who gave the Bolsheviks $20 million for the Communist Revolution. To dig and to reveal that Leon Trotsky admitted in his autobiography, *My Life*, that he got revolutionary rubles from an English gent, who was a cinch to have been Milner himself who was in Russia at the time.

Curious about Trotsky getting money from that English bloke while Lenin was getting some from Schiff. Max Warburg, a German banker, gave the revolution much cash, while brothers Paul and Felix were marrying into the American half of the London-Wall Street banking axis. Felix married Jake Schiff's daughter. The banking crowd was immeasurably strengthened when the Rockefeller Chase Bank was merged with the Warburg banking interests to become the Chase-Manhattan, to this day a peak of CFR power. Paul went on to engineer in secrecy the Federal Reserve System the darndest interest-bearing hoax ever perpetrated against the taxpayer.

And who once ran Radio Corp. of America (parent of NBC) but CFR member David Sarnoff, the son of a Russian radio man. Heading RCA now is Harvard-educated Robert W. Sarnoff, Vice-President of the Boy Scouts of America. He is not listed as a CFR member, but the faith has been kept and the torch carried. He married a Warburg in 1950.

Money, government and news. Quite a trio of vehicles to power. Meanwhile, we are being very nice again, to Russia. And CFR member, er Mogul, Nelson Rockefeller did lend CFR member Henry Kissinger to ex-CFR member Nixon to perform whatever good and valuable services might be rendered. You wonder. Will we really shell out our tax dollars to rebuild North Vietnam?

* * * * *

There is much to be told. But what we are told is aired or printed by the mass-circulation, mass-audience CFR publications and networks. Many CFR members are proud of their membership, so why don't the newsmen in the CFR publicly tell us who they are? (list, *Life Lines* No. 96, 1972).

On and on it goes. We bombed Russian trucks in Vietnam, yet our CFR businessmen are right now building the biggest truck factory in the world in Russia. Newsmen fairly love to sniff out incongruities like that one. Why hasn't the *Times* or Cronkite or Chancellor? We have traded with Russia since 1918, the result being one billion persons enslaved, and now watch the freighters filled with American wheat steam to Russia. All the old mistakes being repeated. The newsmen who don't tell these stories or point out the paradoxes aren't lousy newsmen. They're worse. They are kept.

There is much being said these days about Freedom of the Press, like the other day in Dallas when the national journalism fraternity, Sigma Delta Chi, came to Dallas. One speaker groaned about the threat to press freedom posed by reporters being "enjoined, subpoenaed, charged and jailed." The complaint is legitimate, but late.

The news media lost freedom when it transmitted character assassination of conservative journals, almost as though on cue from Walter Reuther and various Communist Party Congresses. Press freedom began to die when the media failed to investigate socialist capture of education and textbook publishing.

Anti-Communist journals saw it coming when Walter Reuther sent his 1961 "Memorandum" to Atty. Gen. Robert Kennedy demanding that anti-Communists be silenced.

Soon after, some congressmen made noises sounding like the memo. In 1962, IRS agents appeared in our offices followed by postal inspectors who pulled out Regulation ZOT-4 (q) and, presto, cut our circulation by 33%. Meanwhile CFR and ADA members formed the National Council for Civic Responsibility as a smear organization (Frank Altschul, CFR veep, and Harper & Row's Cass Canfield were two of many NCCR-CFR members).

The smear technique was supplemented by a Reuther group called Group Research, and the Institute for American Democracy. IAD members who played dual roles were members of the CFR. The vilification continued, as Billy James Hargis and Carl McIntyre soon found out. But conservatism wasn't the only sin: the courageous *Government Exchange Weekly* was struck by political and economic sabotage and forced out of business when it reported too much about a sex and spy scandal in Washington, D.C.

I hope newsmen who can do the job will fight back to restore press freedom to something more than a monopolist's idea that some journalists are more free than others. But I fear that those who are up to the task are ill equipped, for most of them never heard of the NCCR, the IAD or the CFR. I know some local newsmen who believe the ADA is a milk lobby and that ACLU is a defender of everyone's rights, not a socialist group which lent some of its members to IAD to smear nonliberal journals. Sadly, if ignorance weren't enough, there is the actual lie or something close to it: when the National Council of Churches convened in Dallas about the same time Sigma Delta Chi did, a *Dallas News* reporter referred to LeRoi Jones (a real live anticapitalist and black revolutionary) as a "black separatist." Fundamentalist preacher and conservative Carl McIntyre was tossed off with the label "fundamentalist right-wing extremist." Nobody is perfect, but the public deserves something better than liberal garbage.

Freedom of the Press was a noble reality until the press failed the test of competition, inquiry, and incredulity. It began to die when it refused to recognize the threat to its very existence posed by those who pretended to be allies, when it became hard-headed and listened only to the socialist poseurs. It failed to cover the greatest on-going stories of the 20th Century, the slow poisoning of the Constitution, which commanded press freedom, and the torture-death of our Constitutional Republic.

IF I WERE PRESIDENT

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, one of the finest people I have had the privilege of meeting during my 21 years as a Member of Congress is a former pastor of Saint Anthony's Catholic Church in Falls Church, Va., Rev. Richard P. Baird. I have always considered Father Baird a very close and dear friend and since he left Saint Anthony's, he has communicated with me from time to time from other sections of the country. I am always glad to hear from him and receive his counsel, advice, and suggestions. He is now at Saint Bartholomew Church in Hollywood, Fla.

In his recent communication, he has asked me to insert into the CONGRESSIONAL RECORD an article written by Jim Bishop, a reporter for the Miami Herald. While I do not concur with everything in the article, I do find it interesting and thought provoking and I am delighted to comply with Father Baird's request:

IF I WERE PRESIDENT

(By Jim Bishop)

If I were president, all usable, movable U.S. equipment in Vietnam would be shipped home. I would start a campaign to clean up America and would use all able-bodied unemployed and all healthy persons living on relief checks—no work, no pay. All persons running for public office would have to pass an intelligence test first.

If I were president I would chop oil-depreciation allowances to 10 per cent. Appoint 10 assistants to the president to become watchdogs over all the federal agencies. Cancel the license of any hospital that refused to treat an emergency case.

I would keep small, slow private planes out of high-speed jet terminals. Because we are the most powerful nation in the world, I would consider it against American interests to sign treaties of alliance with anyone. Regard automobile traffic as interstate and ask Congress to pass a uniform traffic law applicable to all states, cities and towns.

I would have all congressmen, cabinet members, bureau and department heads, and the president of the United States give an annual account of all personal assets. Abolish the system of State Insurance Commissioners and forbid companies to lend money to land developers in cases where the insurance company demands a piece of the action.

I would impose stiff wage and price controls to keep the U.S. from pricing itself out of all markets. Remove the price-readjustment clause from all government contracts. Admit that we did not attain "peace with honor," but lost 45,997 of our youth and $140 billion dollars in an Oriental sink.

I would order bar associations to be responsive to the public welfare by proper policing of courts and lawyers or submit to government control. Pass an act protecting the only Americans not safeguarded in health and welfare—infants from birth to age six.

I would stop exporting our food, if selling wheat to the Soviet Union at below cost causes the domestic price to rise. Hold a decisive federal probe of all food brokers—the middle men who rob the farmer and hold out for higher markups from food markets. Force Congress to reveal its own budget in detail—something it has never done. Pay policemen a proper wage so they will have no reason to take gifts from malefactors. Enact a law shoring up freedom of the press or be prepared to blow a kiss to Big Brother.

I would appoint a court of inquiry with powers to redress wrongs against the American Indians. Put the American president on television once a month for an informal report to the nation. Cancel liquor licenses in country clubs where certain ethnic groups are not welcome. Eliminate tax loopholes for millionaires who pay nothing. Wipe out the hypocritical 30 days of mourning on the death of an ex-president—cut it to one day of prayer, no holidays. Not spend one cent to rebuild North Vietnam.

I would learn to live with poverty and Communism, two conditions that will be part of our world for a long time. Parole felons guilty of nonviolent crimes for long periods. Pass out 20-year sentences, with no parole, to perpetrators of crimes of violence and drug pushers.

I would appoint an assistant secretary of state for trade as America's salesman to the world. Have both houses of Congress consider appointing committees of minority opposition as watchdogs on the administration. Request all members of the United Nations to sign an agreement, suggested by the Airline Pilots Association, to discontinue traffic into countries that give sanctuary to skyjackers.

I would stop glorifying and bargaining with militant blacks who do not represent the 23 million law-abiding Negroes in this country. Extend to all law-enforcement agencies equal irghts with the culprits they apprehend.

I would arrange a universal maritime sovereignty law under which all waters beyond 12 miles from shore are considered to be international. Stop sending money to foreign nations. Considering the range and power of nuclear missiles, I would take the United States out of NATO and bring the troops home. Reopen the Suez Canal with international rights. Continue membership in the United Nations, but not expect it to prevent war. Set up a science exchange program so that research for the betterment of mankind is not duplicated in several countries at the same time.

I would adopt the slogan of all other enlightened nations—"Us first."

AIRCRAFT NOISE CONTROL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BIAGGI. Mr. Speaker, a greater and greater number of American citizens each year have become concerned with the issue of aircraft noise pollution. This problem naturally affects most directly those individuals who reside in the vicinity of large urban airports. My own home in the Bronx section of New York is subject to the constant din caused by planes departing from and arriving at New York's Kennedy and La Guardia Airports. The noise level becomes particularly intolerable at night.

I would like to submit into the RECORD the results of a worldwide survey of restrictions on nighttime operations at commercial airports. My colleagues will note that major metropolitan areas around the world are imposing partial or total curfews on nighttime air traffic in an attempt to cut down on the problem of noise pollution. The obvious question is: Why has America lagged behind?

Following are the survey results and cover letter from the Town-Village Aircraft Safety and Noise Abatement Committee of Lawrence, N.Y.:

WORLDWIDE AIRPORT NIGHTTIME RESTRICTIONS

Recently we sent out questionnaires to 188 commercial airports in 85 countries. These forms were kept simple and to the point, asking only the following 6 questions:

1. Are there any restrictions of operations, either arrivals or departures, at your airport during the night hours?

2. If any restrictions exist please indicate specific restriction.

3. Are there any other restrictions such as on run-up or warm-up of engines at night?

4. If so, please specify.

5. What are the regular airport operation hours?

6. If other than 24 hours a day, please explain.

Of the 188 airports to which this form was addressed, 99 or 52.66% replied. This is considered an excellent return for any type of a mail survey and is a good indication of the interest in this subject. No forms were addressed to any U.S.A. airports.

There were six returns which stated the evening traffic was insufficient to create a problem. These were filed in the category of "no restrictions".

62.63% of the returns advised of some form of restriction enforced because of noise problems. 77.42% of the restrictions were on plane movements. These ranged all the way from enforced arrivals or departures in a specific direction to a complete closing-up of the airport.

42.42% of the returns advised of restrictions on run-ups or warm-ups. However, if the logical step be taken of adding to this number the airports completely closed at night the number would be over the 50% mark. These restrictions were from run-ups in specified areas of airport with aircraft heading a particular direction, to warm-ups at only 25% power, for a specified short time, etc., and in almost every case only after receiving special permission. Quite a number of the airports require hoods or mufflers be used during run-ups.

Of those airports not enforcing nighttime restrictions, many advised their traffic volume and the location of the airport was such as to reduce the noise problem to a tolerable level to the public.

Although we did not send any questionnaire forms to the U.S.A. airports, for obvious reason, we did send them to Canadian airports. This was done particularly in view of the claim that scheduling of overseas flights would be impracticable. Toronto International Airport is closed to jet traffic from 2300 to 0700 and Montreal International Airport is closed to jet traffic from 2400 to 0700.

There is no question, after reading over the replies, as to jet aircraft noise being a considerable problem worldwide, particularly at night. It is encouraging to note that approximately half of all the foreign commercial airports are taking some form of action to bring about an abatement, particularly in the evening hours, of this jet aircraft noise pollution.

A WORLDWIDE SURVEY OF RESTRICTIONS ON NIGHTTIME OPERATIONS AT COMMERCIAL AIRPORTS

Airport	Restrictions or curfew on aircraft movements	Restrictions on engine run-ups or warmup
Jan Smuts Airport, Johannesburg, Republic of South Africa		×
Princess Beatrix Airport, Aruba, N.A	×	×
Adelaidé Airport, Adelaide, Australia	×	
Archerfield Aerodrome, Queensland, Australia	×	×
Darwin Airport, Darwin, Australia		×
Essendon Airport, North Essendon, Australia	×	×
Perth Airport, Perth, West Australia		×
Kingsford Smith Airport, Sydney, Australia	×	×
Brussels Airport, Brussels, Belgium		×
Rio De Janeiro/Galeao Airport, Brazil		×
Sao Paulo Airport, Congonhas, Brazil		×
Montreal International, Dorval, Quebec	×	×
Toronto International, Toronto, Ontario	×	
Winnipeg International, Winnipeg, Manitoba		×
Hong Kong International, Kowloon, Hong Kong	×	×
Eldorado Airport, Bogotá, Colombia	×	
Juan Santamaria International, San Jose, Costa Rica	×	
Copenhagen International, Kastrup, Denmark		×
Ilopango International, Ilopango, El Salvador	×	
Birmingham Airport, Sheldon, Birmingham, England	×	×
Heathrow International, London, England	×	×
Luton Airport, Luton, England	×	×
Manchester Airport, Manchester, England	×	×
Haile Selassie International, Addis Ababa, Ethiopia	×	×
Helsinki International, Helsinki, Finland		×
Nice-Cote D'Azur Airport, Nice, France	×	×
Orly Airport, Paris, France	×	
Lebourget Airport, Paris, France	×	
Templehof Airport, Berlin, Germany	×	×
Koln-Bonn Airport, Bonn, Germany		×
Bremen Airport, Bremen, Germany	×	×
Dusseldorf Airport, Dusseldorf, Germany	×	×
Hamburg Airport, Hamburg, Germany	×	×
Munich Airport, Munich, Germany	×	×
Nuremberg Airport, Nuremberg, Germany	×	
Stuttgart Airport, Stuttgart, Germany	×	×
Timehri International, Demerara, Guyana	×	×
Francois Duvalier Airport, Port au Prince, Haiti	×	×
Sangster International, Montego Bay, Jamaica	×	
Osaka Internationa , Osaka, Japan	×	×
Tokyo Airport, Tokyo, Japan	×	×
Nairobi Airport, Nairobi, Kenya		×
Kimpo International, Seoul, Korea	×	
Schiphol Airport, Amsterdam, Netherlands	×	×
Rotterdam Airport, Rotterdam, Netherlands		×
Christchurch International, Christchurch, New Zealand		×
Kristiansand Airport, Kjevik, Norway	×	×
Oslo Airport, Oslo, Norway	×	×
Stavanger Airport, Sola, Norway	×	
Karachi Airport, Karachi, Pakistan	×	
Jorge Chaves Airport, Lima, Peru	×	
Lisbon Airport, Lisbon, Portugal	×	
Edinburgh Airport, Edinburgh, Scotland	×	×
Prestwick Airport, Prestwick, Scotland		×
Malmo-Bulltofta Airport, Malmo, Sweden	×	×
Basle-Mulhouse Airport, Basle, Switzerland	×	
Berne Airport, Berne, Switzerland	×	
Cointrin Airport, Geneva, Switzerland	×	
Zurich Airport, Zurich, Switzerland	×	×
Bangkok Airport, Bangkok, Thailand	×	
Coolidge International, Coolidge, Antigua	×	
Seawell International, St. Michael, Barbados, West Indies	×	

A NEW APPROACH TO AIRLINE HIJACKING

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ANNUNZIO. Mr. Speaker, this country has wrestled with the problem of airline hijacking for a number of years now. It has proven difficult to find a way to stop hijacking and yet not infringe upon the freedom or safety of other passengers. Guards and searchers have only been partially successful in that they discourage the lone criminal or lunatic. A fanatical and organized group, however, can still overpower the guards and be well received in various foreign countries.

It is obvious that the problem must be approached in new ways and it is for this reason that I have joined in the introduction of H.R. 1859, the Antihijacking Act of 1973.

This bill would authorize the President to halt air service by foreign or domestic airlines between the United States and any foreign nation which harbors airplane terrorists. In addition, air service would also be suspended with foreign countries continuing to maintain air connections with nations protecting accused skyjackers.

H.R. 1859 would also make it illegal for an airplane to fly passengers unless all passengers and baggage boarding the plane have been inspected by a metal detection device capable of detecting all metals. This provision would complete the job of inspection already begun at all our air terminals.

Regular air service has bound the world together into a community of nations. Any nation, however, which aids and encourages air terrorists has forfeited its right to be a member of this world community. This bill would penalize these nations by cutting air commerce to those who would protect the international airline hijacker.

H.R. 1859 warrants the serious attention of my colleagues, and I urge that it be considered on its merits and enacted into law.

THE AMNESTY ISSUE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. GAYDOS. Mr. Speaker, what of the tens of thousands of young Americans who, for one expressed reason or another, fled the country, or went into hiding within its precents, to dodge what their Government determined to be their military duty during the Indochina war?

This question now has moved to the forefront of our great domestic social concerns in consequence of the peace agreement. And it requires a great deal of thought in Congress and soul-searching throughout the nation.

Should these young men be granted amnesty—that is, be invited home and pardoned and thus be allowed to regain the full privileges of the citizenship whose responsibilities were fulfilled so bravely by those who did serve in Vietnam? Already the erstwhile peace groups are making this demand on the premise that draft dodging was merely a moral response to what the dodgers considered an immoral war.

But motives aside, the Nation does for the first time in its history face the necessity of deciding whether its laws pertaining to a citizen's duties can be violated with impunity by large numbers on the basis of personal views. I fear for our future if we allow this rule to become established.

I am aware of the incidents in which amnesty was granted in the past, but most of these cases were in the early days of the Republic or in the aftermath of the Civil War—both times of widespread confusion over loyalty. Never before, however, has the Nation's call to military service been so grossly and arrogantly disregarded.

The draft dodgers must be dealt with and with fairness and the customary compassion of our society. My judgment would be that they be allowed to come home only on condition that they serve at minimal pay in jobs of national service. And their service must be for a prescribed period and their duties made tough enough that their restoration to citizenship will be merited beyond question.

Similar proposals have been made by others in Congress and I shall support any legislation offered along this line, although I do feel that the President constitutionally bears the authority to grant pardons and amnesties under the provision which states: "President * * * shall have Power to grant Reprieves and Pardons for Offenses against the United States, except in Cases of Impeachment." The President, I am certain, nevertheless would welcome expressions of congressional will in the present amnesty issue.

There is much to be done across America among the poor, in the inner cities, in cleaning up the forests and the countryside, in helping the aged—in countless other ways in which manpower is needed. The draft dodgers can be put to work to earn back their rights and also the respect of the vast majority of their countrymen.

THE 55TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. O'HARA. Mr. Speaker, recently the members of the Lithuanian-American community marked the 55th anniversary of the establishment of independence in their homeland—an independence which has since been wrenched away from them by the imperialism of the Soviet Union.

The Lithuanian Americans of the Metropolitan Detroit area, at their recent commemoration of this important national holiday, adopted the following resolution which I would like to share with my colleagues:

RESOLUTION

We, the Lithuanians of Metropolitan Detroit, gathered on February 18, 1973, to commemorate the 55th anniversary since the restoration of Lithuania's independence.

Recalling that:

1. The sovereignty and independence of the Lithuanian state, restored by the act of the Lithuanian Council on February 16th, 1918, won and protected by the blood sacrifice of the Lithuanian people during 1918–1920, and recognized by the international community was destroyed by the Soviet Union in 1940 by military occupation and incorporation into the U.S.S.R.

2. The Lithuanian people continued the unequal struggle for freedom from 1944 to 1952, when large Soviet military and police forces finally managed to extinguish armed resistance.

3. The Soviet Russian occupying power has perpetuated acts of genocide in Lithuania, resulting in the deportation to Siberia and other remote areas, and in the physical extermination of about one million Lithuanians, which constitutes one-third of the nation.

4. The freedom fight of the Lithuanian nation has now acquired different forms, which have received worldwide attention. Among the recent outstanding acts of resistance are these:

(a) The defiant courtroom speech of the sailor Simas Kudirka, following his unsuccessful attempt to escape to the free world on November 23, 1970, and his condemnation in Vilnius, in May, 1971, to ten years of especially forced labor;

(b) The self-immolation of Romas Kalanta, a young student and worker, in a public park in Kaunas on May 14, 1972, of V. Stonys on May 18, 1972, and K. Andriuskevicius on June 4, 1972—actions designed to symbolize the Lithuanian people's protest against the occupying power, and their demand for freedom.

(c) The petition addressed at the juncture of 1971–1972 to the First Secretary of the Soviet Communist Party, Leonid Brezhnev, and to the Secretary General of the United Nations, Kurt Waldheim, by 17,000 Lithuanian religious believers who risked their personal freedom in protesting against the denial of religious freedom in Soviet-occupied Lithuania.

We resolve:

1. To demand that the Soviet Union withdraw its military forces and administrative apparatus from Lithuania and allow the Lithuanian people to govern themselves.

2. To request the President of the United States of America to instruct his delegation at the Conference on European Security and Cooperation in Helsinki that it demand the restoration of the sovereignty and of the independence of Lithuania.

3. To ask Senators and Congressman of the United States for their support of the above requests.

ADDRESS OF THE HONORABLE LAWRENCE J. HOGAN TO THE AMERICAN HUNGARIAN FEDERATION

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mrs. HOLT. Mr. Speaker, on January 13 and 14, 1973 the American Hungarian Federation and other national and local American Hungarian organizations of the Greater Washington area held a 2-day program commemorating the 150th anniversary of the birth of the great Hungarian poet, Alexander Petőfi.

My distinguished colleague, the Honorable LAWRENCE J. HOGAN gave the opening address at the English-language program held at the auditorium of Trinity College. At this point I would like to insert into the RECORD a copy of Mr. HOGAN's remarks:

ADDRESS BY THE HONORABLE LAWRENCE J. HOGAN

Ladies and Gentlemen: American Hungarians as well as Hungarians in many parts of the world where they have a chance to express their opinion freely, designated the year of 1973 as "Petőfi Memorial Year." Representative organizations of Americans of Hungarian descent resolved to celebrate the 150th anniversary of the birth, on January 1, 1823, of Alexander Petőfi, their greatest lyric poet of the golden age of Hungarian literature in the 19th century. These celebrations turn the searchlight upon the deeds and ideas of a true man and true poet, a patriot of impeccable integrity and a shining star for centuries to come.

Petőfi came from humble beginnings. The son of a butcher and innkeeper who had married a peasant woman, he proved his talents in his early childhood, and deserved his father's trust who sent him to high school to further his education. While his family moved from one small town to the other in the area south of Budapest, the young boy excelled in his studies, began to write poetry, executed fine drawings and developed an almost insatiable hunger for knowledge. However, in a new school, he experienced a shock—caused by a teacher who attempted to turn him against his beloved Hungarian nation—left the school and volunteered for military service. Luckily, a good-natured army doctor took advantage of a lung condition and managed to get his release from further rigors of the Austrian army drill, hardships that might have ended the life of the talented youth. Petőfi, a veteran of two years of army service at nineteen, followed the advice of his friends, left the theatrical group he had been associated with for a short time, and finished his high school studies. Then, being without any means, and since his father, too, was just going through a period of financial difficulties, the young man took to the road, went to Pozsony, the seat of the Hungarian Diet, and participated in the editing of the *Diet News* (Országgyülési Tudósitások), an informational paper launched several years by Hungary's great political leader, Louis Kossuth.

By this time, albeit a very young man of 19 years. Petőfi's name was well known in Hungary's literary circles, for he had published a few poems in the leading literary journal, *Athenaeum*. His reputation brought him a few contracts for translation of some popular foreign novels, and he soon found himself established as assistant editor of one of Hungary's leading ladies' journals. Beginning with 1844 he started publishing his own works, and, by 1847, he found a publisher for the impressive volume of his *Collected Poems*, which became an instant success.

Times passed more rapidly now than ever before. Events in the multinational political arena of Europe changed the international as well as the domestic political climate of Hungary. Petőfi, just married, felt the tensions around himself, and these opened the bright windows of his great spirit to the new currents of intellectual and political thought. He published a flow of poetry, which reflected joy and grief, love and fury, displayed feelings of unprecedented depth and affirmed uncompromising standards on private and public issues. He even started to translate Shakespeare's works into Hungarian. His name began ringing from one end of his country to the other.

The year of 1848, when groups of educated youth belonging to the old European society began to sound demands for constitutional and democratic reforms. Petőfi threw himself headlong into the fast currents of Hungary's political life—resurrected by Count Stephen Széchenyi two decades earlier—and urged, in prose and poetry, the implementation of reforms as well as the recognition of Hungary's historical rights to national unity, liberty and equality. His *National Song*, which captured the souls and minds of the citizenry in Hungary's capital city on March 15, 1848, became the battle song of the subsequent war of independence which the Hungarians, under Kossuth's leadership, fought against the armies of the Emperors of Austria and Russia. Later, even up to the present time it became an annually featured presentation number in the programs of the March 15 celebrations held by Hungarians all over the world, including this country of ours. The *National Song* rekindled the flames of love for liberty and independence in the hearts of many audiences. This poem, with its call to the nation: "Magyars rise, your country calls you"—fulfills a mission toward each generation of Hungarians as it did in 1956, when, unable to carry on a shameful, undignified life under the Stalinist boots of Hungary's rulers, the students of Budapest marched to the statue of their great poet and chanted the refrain of his *National Song*:

By the God of every Magyar
  Do we swear,
Do we swear the tyrant's handcuffs
  Not to bear!

Considering his brief life span of twenty-six years (Petőfi died at Segesvár, Transylvania, from the pike of a Czarist cavalry man on July 31, 1849) his mastery of lyric and epic poetry, his understanding of political and social principles, his maturity and insight in all matters of human, national and international relations, reveal the genius he has been recognized for ever since the first English translations began to appear in the press. We, of the Greater Washington area, should be proud of the fact that the first American translations of Petőfi's poems appeared in some of the Spring 1852 issues of *The National Era*, a Washington paper. The creator of these versions of the Petőfi poems, Grace Greenwood, was helped by the prose translations of Colonel László Berzenczey, formerly with Louis Kossuth's army, who followed his leader into the exile and accompanied him on his memorable journey to this country in 1851.

Petőfi's ideals and principles, as well as the refined qualities of his poems; many of which became folksongs, caused some of his foreign analysts to see in him some Hungarian Burns, Shelley, Wordsworth or Heine. But, being no imitator himself, he could not be fitted into any categories. The magic of this Hungarian genius inspired men to write lyrics unknown before the Hungarians themselves, and the way he portrayed the types of his nation, including the humblest among them, remains the best key to understanding nineteenth century Hungary.

The resolution by the American Hungarian Federation and other Hungarian organizations in this country and other parts of the world to commemorate the 150th anniversary of the birth of this great Hungarian poet was well advised. This afternoon's program marks the launching of the commemorative programs for the Petőfi Memorial Year; among the patrons appear twenty-two other members of the United States Congress who join me in our wish that Hungarians never leave the path of their great forebears, the grand generation of Kossuth and Petőfi!

FEMALE ACADEMY OF SACRED HEART

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. SYMINGTON. Mr. Speaker, on September 5, 1872, the Female Academy of the Sacred Heart was founded in St. Louis with an enrollment of 80 boarding students and a free school for 70 underprivileged children. One hundred years later the academy has changed its name to Maryville College and has become a still growing institution of higher education with over 740 men and women enrolled in baccalaureate and associate degree programs in 33 fields of study.

Since its inception, the goal of Maryville College has been to educate its students as citizens, participating fully in the intellectual, cultural, professional, social, and moral life of the community. During the first century of Maryville's existence, many changes in the kinds of responsibility students were allowed or expected to assume have occurred.

Because of its early recognition and intensive study of the problems confronting higher education, Maryville is one of the few colleges in the Nation operating within a balanced budget, experiencing a rapid increase in enrollment and broadening programs offered to students, alumni, and the St. Louis community.

Since 1956, when medical technology was added to the list of majors, Maryville has followed a plan of offering preprofessional and professional education within the liberal arts context. By 1972, the bachelor of fine arts program, prelegal, predental, and premedical programs had become important to the focus of the curriculum. In 1972, 11 new career-oriented programs were added.

The ability to foresee needs in the community and among its students, whether they are intellectual, cultural, professional, social, or moral needs, will enable Maryville to continue as a truly outstanding institution of higher education in the St. Louis community in the future. I offer my congratulations to the president, Sister Harriet Switzer, and to the faculty and students of Maryville College on their centennial celebration and wish them every success in future endeavors.

REVENUE SHARING: ANOTHER SUBSIDY FOR THE RICH?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RANGEL. Mr. Speaker, with President Nixon's revenue sharing program now the primary source of Federal funds for our cities, it behooves us to find out just where that money is going and how it is being used in metropolitan centers across the Nation.

I now submit for your attention, and the attention of my colleagues, Joseph Kraft's column that appeared in the February 15 edition of the Washington Post entitled: "Who Shares in Revenue Sharing?"

Mr. Kraft's article, based on a survey conducted by the Senate Subcommittee on Intergovernmental Relations, leads us to believe that revenue sharing funds are being used by local governments to provide middle class services and cover administrative spending, rather than to meet the compelling needs of underprivileged citizens.

Inner-city residents across the Nation no longer will accept the President's assurances about worthwhile programs and social services. When it comes to revenue sharing, they will not believe it will work for them until they see it work.

Before it is agreed to place the future of millions of disadvantaged Americans in the hands of Mr. Nixon and his revenue sharing schemes, we in Congress had better look very closely at the program and its implementation.

The article follows:

WHO SHARES IN REVENUE SHARING?

The chief source of federal dollars for the cities is now President Nixon's program for revenue sharing. But what do the cities do with the money they receive from Washington through that program?

Well, the best evidence shows that they don't spend it on services to the poor. On the contrary, the indications are that the money which the cities receive from revenue sharing is going for services and tax cuts favorable to middle income groups.

The best evidence is a survey made by the Senate subcommittee on Intergovernmental Relations which is headed by the Maine Democrat, Edmund Muskie. The survey asked several hundred cities how they planned to use revenue sharing monies.

The findings of the survey are necessarily imperfect. Some major cities, including New York, did not reply at first. Others gave only skimpy details. Still others have not yet decided what they are going to do with revenue sharing funds.

Still the evidence in city after city is overwhelming. In all sections of the country, cities are using revenue sharing funds to ease tax burdens or improve such services as police and fire departments.

A good example is the city of Los Angeles. According to Mayor Sam Yorty, the city will receive $35.4 million in revenue sharing funds this year as against $21.8 million for model cities, which is the next largest grant.

The final disposition of the funds has not yet been made, but Mayor Yorty's recommendations are indicative. According to the latest available figures. The mayor wants $14.9 million to be applied to the city's deficit so as to head off a tax increase. He wants $10 million applied to a reserve fund to be used against any increase in property taxes. The rest of the money would go for building a technical center to service city automotive equipment; a new increase in the fund for paying workman's compensation; and for supplies and equipment for a couple of downtown parks.

Chicago is not all that different. In his reply to the Muskie questionnaire, Mayor Richard Daley wrote:

"The city received approximately 50 per cent of its 1972 entitlement in December . . . This $31 million was used in the area of public safety. Specifically, personnel costs in the police, fire and health departments were charged directly to the trust fund established to account for this grant."

In the East, the cases of Providence and Boston are illustrative. The Providence reply to the Muskie questionnaire asserted that revenue sharing funds would go to public safety, environmental protection, public transportation, recreation, financial administration and capital expenditure, in that order. The Boston reply said revenue funds would be used "to hold the line on property taxes."

As a final example, there is New Orleans, where information on revenue spending plans comes from a recent speech by Mayor Moon Landrieu. Landrieu is one of the most progressive mayors in America, and he owes his election in large measure to black votes. Even so, he does not feel able to use revenue sharing funds for projects chiefly connected with helping poor blacks.

He has recommended that $19 million of the $330 million the city receives from revenue sharing this year go to capital improvements which will increase the city's tourist income. Among the improvements are downtown parks, a cultural center and a parking garage.

I have no quarrel with the use of funds by cities to lower taxes, improve police services and build parking garages, but I don't think we should kid ourselves about what is happening.

Revenue sharing, like so much else in President Nixon's program, is a good way to help those who are already not so badly off. It is no way to help the poor. If the idea is to help those most in need, then the federal government will have to earmark funds in a very specific way.

ECONOMIC DEVELOPMENT ADMINISTRATION

HON. JULIA BUTLER HANSEN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mrs. HANSEN of Washington. Mr. Speaker, as one of the cosponsors of accelerated public works legislation in the past, it is my desire to bring to the attention of Congress the possible demise of the Economic Development Administration. And I would like to enlist support for this important program.

Legislation calling for a 1-year extension of the economic development program has been introduced with bipartisan support. This program has been effective in assisting economically distressed communities in our Nation and should be continued despite determination by the administration to phase out these programs as quickly as possible.

PRESIDENT NIXON'S BUDGET

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. O'NEILL. Mr. Speaker, I am greatly concerned over the devastating effect Mr. Nixon's austere budget will have on my district. Boston metropolitan area alone stands to lose an incredible $82 million if President Nixon's proposed cutbacks in housing, education, community programs, and health centers are allowed to stand.

In an article which appeared in the Boston Globe, Tom Oliphant outlined most graphically the catastrophic impact the Nixon budget will have on the Boston area.

I wish to heartily commend Tom Oliphant and the Boston Globe for telling it like it is, that the present grave state of domestic affairs can be summed up in three words—President Nixon's budget.

At this point in the RECORD I would like to insert the article as it appeared in the Boston Globe:

[From the Boston Globe, Feb. 26, 1973]

THE PRESSURE IS BUILDING ON STATE AND LOCAL TAXES

(By Thomas Oliphant)

WASHINGTON.—There is both good news and bad news coming out of Washington for taxpayers these days.

First, the good news, which is that President Nixon's much publicized promise to keep Federal income taxes from rising is going to be kept.

Now, the bad news:

Social Security taxes, which just rose sharply last month, state and local sales and property taxes, and probably state and local income levies as well, are about to come under more pressure than ever before.

The historical result whenever taxes come under pressure is that they are raised.

The reason for this grave state of domestic affairs can be summued up in three words—President Nixon's budget—or more specifically the one for the Federal fiscal year that begins July 1.

Here's what's in store for Boston, for example, the figures for which come courtesy of a very angry and worried Mayor Kevin H. White.

Last year, about $200 million came into the city from Washington, some to the local treasury and some to other activities like Community Action and Model Cities. It helped pay for programs like Public Safety, Health, Job-Training, Education for the Disadvantaged and Public Employment.

Next year, Boston stands to lose half that money because of Mr. Nixon's actions. At the same time, the city will get about $18 million in general revenue-sharing payments from Washington, its share of the $6 billion or so going to states and localities without Federal strings of any kind.

The net loss, in short, will be a whopping $82 million, according to the mayor.

In terms of programs and jobs, here is White's more specific breakdown of the impact of the President's budget on some things now happening in Boston:

5000 new housing units for the poor and middle-income families will not be built because of the freeze in the Federal financing of new projects for 18 months. If they were built, they would provide work for 4600 construction tradesmen.

The local Model Cities effort, roughly $15 million worth of annual activity, will get slashed in half before getting killed entirely the following year.

The Community Action operation, run all over the city of Action for Boston Community Development, will die as of July 1.

Some 800 city workers, hired from the ranks of the unemployed and Vietnam veterans with Federal funds under the Public Employment Program, will get fired in addition to the 1600 the mayor already has decided to fire because his budget was excruciatingly tight even before Mr. Nixon made public his own budget.

—About 5,000 underprivileged Boston young people won't get jobs this summer under the Neighborhood Youth Corps Program, because there won't be a Neighborhood Youth Corps Program anymore.

Meanwhile, White estimates that next year Boston businesses and citizens will send $2.2 billion in Federal taxes to Washington, up $200 million from last year's take.

From numbers like these, White has come up with a phrase to describe Mr. Nixon's notions about the new federalism, revenue sharing and the like. He calls it "a shell game of enormous proportions."

As he put it in a guest column in the Harvard Crimson last week: "The shell game at the local level means that for every new dollar we receive in general revenue sharing, we will lose five dollars in traditional Federal funding. We will be forced to rob Peter to pay Paul and the hard arithmetic shows that we will end up starving both."

Perhaps you think White is an exaggerating crybaby. The same kinds of numbers from other cities and states make clear that he is not.

Consider this tidbit from Maine, which was collected by its senior senator, Edmund S. Muskie. It concerns simply the impact of the Administration's decision to suspend all commitments to fund new subsidized housing construction for a year and a half.

As a result, some $100 million worth of housing won't be built in a state that has a "deficit" of standard units for the less well off of 650,000 units, and an unemployment rate nearly two percentage points above the national average.

In blocking all of this activity, the Federal government will save $7 million in direct outlay. In addition, preliminary approval was just withdrawn by the Administration from 550 units in five Maine cities, which amounts to one-sixth the annual subsidized production of that state.

"The (18 months) moratorium effectively kills half the housing construction in Maine," said Muskie last week," and could put many small contractors out of business."

"In addition the housing moratorium has brutal personal consequences for families which had planned to build housing with government help, but who now might be forced to continue living in substandard housing and who might lose hard-earned dollars in planning and land."

As one of the few liberals in the Senate with a firm grasp of budgets and Federal-state relations, Muskie held hearings last week before his intergovernmental relations subcommittee on the Nixon budget, with 12 big city mayors as his star witnesses.

The picture they painted was the same as White's.

In San Francisco, for example, a town of Boston's approximate size, Mayor Joseph Alioto summed up the impact this way. He said that social programs now getting $88 million in Federal funds, whose needs next year because of inflation and normal growth in scope would be $118 million, will in fact get $40 million from the Nixon Administration.

Alioto adds that come July 1, the first of many unpleasant tasks for him will be to fire 2100 people.

In Detroit, meanwhile, Mayor Roman Gribbs has figured that the next fiscal year's Federal budget will leave his city $155 million less money, and that he will have to fire 2500 workers hired under the Public Employment Program.

Gribbs had another significant point to make about revenue sharing. He said that the effect of last year's payment was merely to give him one year's grace, during which his own budget, normal growth and all, was balanced. Next year, even with the second year of revenue sharing, he said Detroit's budget will be about $30 million in the red before a single new street light is installed or extra policemen hired or new garbage cans purchased.

On the revenue-sharing side of his equation, Gribbs threw up his hands. Property taxes are already absurd, he said, and the city is in addition imposing a utility users' levy plus a two percent income tax.

And then there's New York City, where the numbers are all huge. Mayor John Lindsay tossed out some of them last week. As a result of the Nixon budget, he said that 30,000 planned units of housing will not be built, the financing for 6000 more now under construction has been destroyed, Federal contributions to city water pollution control projects have dropped to 5% from 55% of the total cost, and 3300 previously unemployed beneficiaries of the Public Employment Program will lose their jobs.

One problem with the numbers used by the mayor is that they fail to take into account money cities will receive under what is called Special Revenue Sharing—the President's proposal to lump spending for specific programs in four areas (Job Training, Community Development, Law Enforcement and Education) into broad bloc grants which communities could spend any way they like within those four areas.

However, the fact remains that even here the amount the cities and states would receive under Special Revenue Sharing is less than the total now being spent on the individual programs it would replace.

It is also quite a bit less than the Administration itself proposed for Special Revenue Sharing one and two years ago.

Evidence on this point was supplied last week by Mayor Richard Hatcher of Gary, Ind. As things stand now, Hatcher said Gary's Federal assistance will drop next year from $30 million to less than $9.5 million, a decline of about 70%.

Should Special Revenue Sharing begin at some point in the next year or so, though, Federal aid to the city would only rise another $3.5 million which still leaves Gary short by nearly 60% of the aid it is now receiving.

Arithmetic like this is prompting mayors to have second thoughts about their original, warm endorsement of Mr. Nixon's Special Revenue Sharing proposal. As Mayor Norman Mineta of San Jose, Calif., put it last week, if the net amount of Federal aid is to be slashed, he would prefer to fight the budget cuts rather than switch to a better aid system. In the end, he implied, money matters more than philosophy in the cities.

Next week, the country's governors will be here for their annual conference, and a group of them will follow their urban counterparts to Muskie's subcommittee to do some complaining of their own.

Thus, in the three short months since Revenue Sharing began, President Nixon was re-elected, and Special Revenue Sharing proposals were readied for resubmission, the politics of the new federalism has changed drastically.

Mr. Nixon is now not just fighting the majority of Congress, he is also fighting mayors and governors as well. In the process, his role has changed from being the George Washington of the New American Revolution to playing the part of King George III.

ENGINEERS WEEK

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, last week, February 18 to 24, was designated as "Engineers Week" in the United States.

My friend and constituent, Mr. Richard L. Sobera, president of D.C. Chapter No. 1, National Association of Power Engineers, Inc., called my attention to the long and distinguished history of his organization.

As I believe both the preamble to the constitution for the NAPE and an account of its early accomplishments will be of interest to our colleagues, I insert both items at this point in the RECORD.

PREAMBLE

This Association shall not interfere in any way between its members and their employers, recognizing the identity of interests between employer and employee, and not countenancing any project or enterprise that will interfere with perfect harmony between them. Its meetings shall not be used for political or religious discussion. Preference shall be given at all times to education on engineering, in all of its various branches. Its members pledge themselves to the securing and enforcing of engineers' license laws in order to prevent the destruction of life and property in the generation and transmission of power, and for the conservation of the fuel resources of the Nation.

HISTORY OF NAPE

Local Associations of operating engineers had been started in several sections of the country and in 1879 a number of engineers met in Providence, R.I. to consider the formation of an association. On December 11, 1879, a number of engineers met in the engine room of the Providence County Court House where Henry D. Cozens was Chief Engineer. This was the beginning of the National Association of Stationary Engineers, which was changed in 1928 to the National Association of Power Engineers.

The main object of the new Association, according to its founders, was to improve the engineer morally and intellectually and make him more competent in the performance of his duties and protect the interests of competent engineers.

Recognizing the need for action on a larger scale, correspondence was started with groups of engineers in other parts of the country to join in organizing a National Association. This met with approval and a group met in Convention that was held in New York City on October 25, 1882.

This was the first National Convention. The men who organized the Association recognized the great responsibilities of the engineer, both to the employer and the public and adopted an objective, preamble and constitution. The first Mechanical Exposition in connection with the annual convention was held in Baltimore in 1884. At the next convention in St. Louis in 1885 a start was made in the securing of adequate license laws. In 1896 convention in Buffalo distinguished itself by deciding to sponsor an official publication to be called the National Engineer.

SHIP COMPENSATION BILL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HARRINGTON. Mr. Speaker, yesterday MARGARET HECKLER, FLOYD HICKS, LLOYD MEEDS, JOE MOAKLEY, GERRY STUDDS, LIONEL VAN DEERLIN and I, joined with 12 new cosponsors to introduce legislation to provide immediate payments to fishermen whose gear or boats have been damaged by foreign vessels.

The certification and authorization of claims would be under the direction of the Secretary of Commerce, and would be retroactive to January 1, 1971. Five million dollars is authorized for past and future claim reimbursement.

This bill is unique in that it will pay damage claims immediately out of general revenues, instead of requiring the claimant to await the U.S. Government's attempt to obtain compensation from foreign governments. This process of litigation is time consuming under the best of circumstances. When a ship from a country with whom we have no diplomatic relations is involved, it approaches the impossible. In the meantime, the fisherman is left without a means to earn his livelihood. This bill provides income to a fisherman while his boat is laid up for repairs and he is unable to fish. The fisherman does not have to go on welfare. He is protected while the Government processes his claim. He has income to live on until he can get back to work.

The American fishing industry has enough to worry about from foreign competition without the additional fear that they will be put out of business by a vessel not required to pay for the damage it inflicts.

For example, foreign fishing vessels have been able to occupy the same harvest areas off the American coast as our own fishermen. In the 5-year period between 1960 and 1965 the percentage of fish caught by New England fishermen off the Continental Shelf dropped from 93 percent to 35 percent.

Additionally, most foreign countries provide large subsidies to their fishing industries, allowing them to purchase advanced equipment that American fishermen cannot afford. With the uncertainty of the fishing harvest, loans from the private sector are, to a great extent, unavailable. Profits must be used for repairs. A fisherman usually has only one major economic asset—his boat and gear. When that is heavily damaged or destroyed, he is out of luck.

The extent of this problem is not widely known. A Russian trawler some months ago destroyed the lobster traps of one of my constituents. In June 1972 another fisherman, Stephan Biondo, was rammed by an East German ship while fishing north of Gloucester, and his vessel was destroyed. He is still awaiting final determination of his case. Such risk is beyond that which other businesses must cope with. Neither of these men can, at this point, turn to the Government for assistance. They cannot get a loan guarantee, or income maintenance other than welfare while their claims are being settled. And some claims may never be settled. There is no help for these men.

The State Department informed me this past summer that during the previous 2 years their estimate of gear losses amounted to about $150,000 to $200,000. Vessel losses would not account for a great increase in this amount.

This legislation is a fair and equitable solution to the problems encountered by the American fishing industry. Its cost is small in relation to the crisis facing our fishing industry.

The American fisherman pursues his difficult occupation with independence, diligence, and dedication. He asks only for an even chance to compete against the fishing nations of the world, and security for his family. This bill will be a major step toward providing an even break for the fishermen and the important American fishing industry.

FISH AND WILDLIFE CONSERVATION

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. E DE LA GARZA. Mr. Speaker, the American people have been brought to the sober realization that the Nation's fish and wildlife resources are not inexhaustible.

A few years ago Congress enacted the first legislation to provide protection for fish and wildlife determined to be threatened with extinction in the United States and abroad. This action came none too soon. Now it is apparent that a further step is needed.

We cannot afford to wait until we are face to face with the threat of extinction of species of fish and wildlife. A far sounder policy is to do what is necessary to keep the critical point of threatened extinction from being reached.

I have therefore introduced a bill to provide for the conservation, protection, and propagation of species of fish and wildlife which are likely in the foreseeable future to become threatened with extinction.

To assure such protection, my bill would remove the current ceiling imposed by law on the acquisition of essential wildlife habitat. It would also prohibit the unauthorized import or export, taking, possession, sale, delivery, and transport of species at present thréatened with extinction. Importation would be permitted at other than designated ports of entry in the interest of the health or safety of fish and wildlife.

Mr. Speaker, this measure is a logical extension of the protective legislation enacted by Congress some 6 years ago. It simply calls for protection to begin as soon as an early warning signal of threatened extinction of a species is flashed. That is just common sense.

LITHUANIAN INDEPENDENCE DAY

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. CLEVELAND. Mr. Speaker, Lithuanians throughout the world and others who defend the right of small nations to freedom and self-determination recently commemorated the 55th anniversary of the Lithuanian Declaration of Independence.

It is fitting today, more than three decades after that independence was extinguished by the Soviet Union, that we both pay tribute to the Lithuanian devotion to freedom and reflect on the larger meaning of a valiant people's plight to our world today.

We are in the midst of a reappraisal of our role on the international scene, in the initial stage of an era of negotiation rather than confrontation in pursuit of lasting peace. Yet if mankind the world over is to know the benefits of peace, our goal must recognize the interest of captive nations, and our strategies the realities of their experience.

LITHUANIA: EARLY VICTIM OF THE NEW SOVIET IMPERIALISM

Lithuania, whose people defeated czarist Russian forces on February 16, 1918, fell to the new Soviet imperialism in 1940, along with the other Baltic States of Latvia and Estonia.

During the following three decades, this was followed by the takeover of other Eastern European states after World War II, the recurring crises in Berlin, the Soviet Union's adventure in Cuba, its role in Korea and later Vietnam, its crushing of freedom in Czechoslovakia, and elsewhere.

I recite these facts not as incitement of suspicion against the Soviet Union, but as a recognition of obstacles. Tactics, often confused with policy, may change with the weather.

But a nation's fundamental policies are glacially slow to change even in a world suddenly shrunk by the technology of destruction. Our own steadfastness in Vietnam, along with our commitment to liberty exhibited in two World Wars proves the same point.

DÉTENTE: LET US REMEMBER HISTORY'S LESSONS

Nor do I imply anything less than wholehearted support for President Nixon's emphasis on negotiation. On the contrary, recognition of the seemingly irreconcilable objectives of the United States and the Soviet Union makes for greater appreciation of the degree of détente achieved to date, as well as the dangers remaining and support the President needs.

Talks are in various stages of exploration leading to full-scale negotiations of mutual and balanced reduction of NATO and Warsaw Pact forces, and political settlement of the problems of a divided Europe. In the latter area, the Soviet Union has been pushing for a Conference on Security and Cooperation in Europe, with the Soviet goal of ratifying the status quo and "liquidation of the remnants of World War II."

NATO objectives include fostering the freer movement of people, ideas, and information beyond the framework of traditional cultural exchange. But these are merely steps in the endless evolution of international relationships.

In these negotiations and other initiatives in the years ahead, the people of Lithuania and other nations whose takeover we have refused—to our credit—to recognize must not be forgotten in the bargaining between superpowers and their allies but made beneficiaries of the improvement of relations which is our common goal.

In our pursuit of expanding freedom, our Nation must also be mindful of the role our defense posture and the credibility of our commitments have played in preserving the world from global war for nearly three decades.

WASHINGTON STATE SENATE RESOLUTION

HON. JULIA BUTLER HANSEN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mrs. HANSEN of Washington. Mr. Speaker, the Washington State Senate has enacted a resolution concerning the Nation's energy crisis and the need to provide a pipeline to the North Slope oilfields of Alaska. The resolution, as enacted February 21, 1973, follows:

SENATE RESOLUTION

Whereas, The nation faces a well-documented emergency in the provision of fuels to meet all energy needs; and

Whereas, Multi-millions of barrels of oil remain undeveloped in the North Slope fields in Alaska; and

Whereas, Development of these energy sources will reduce the dependence of the nation on oil supplies from other nations; and

Whereas, In times of national defense emergency, it will be absolutely vital to have such energy sources under control of the United States; and

Whereas, The Congress presently has before it policy questions regarding the implementation of the pipeline project proposed by Aleyeska, Inc., of Bellevue, Washington; and

Whereas, Every effort should be made to expedite the construction of the pipeline from the North Slope area, with strict adherence to all ecological and environment laws and regulations;

Now, therefore, be it resolved, By the Senate of the State of Washington that the Congress immediately take such policy and legislative steps necessary that will provide for construction of the pipeline from the North Slope to tidewater in Alaska.

Be it further resolved, That copies of this resolution be forwarded to the President of the United States, the President of the United States Senate, the Speaker of the U. S. House of Representatives and the members of the delegation to the Congress from the State of Washington.

TAXATION OF FOREIGN INCOME

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. VANIK. Mr. Speaker, today, one of America's foremost economic experts delivered an exciting statement before the Ways and Means Committee on the issues of foreign investment, tax provisions relating to foreign investment and an economic appraisal of U.S. investment abroad.

Prof. Peggy B. Musgrave of Northeastern University declared that:

> Capital export is not a substitute for commodity export and foreign production by U.S.-owned companies is not a substitute for U.S. production.

In her testimony, she inquired:

> Why should the U.S. pursue a tax policy which will further reduce its competitive advantage by artificially encouraging the movement of U.S. capital and technology to our competitors among developed countries, thereby worsening the position of production originating in the U.S.

Following are some of the major portions of the statement submitted by Professor Musgrave:

STATEMENT BY PEGGY B. MUSGRAVE

I should like to submit a somewhat longer statement for inclusion in the Record and in the brief time available here limit myself to what I consider to be the most important aspects of the problem: (1) the magnitude of foreign investment, (2) a critique of two major tax provisions and (3) an economic appraisal of U.S. investment abroad. More detailed aspects such as the Western Hemisphere Trade Corporations, the Less Developed Country Corporations and investment in the U.S. Possessions are covered in the longer statement.

MAGNITUDE OF PROBLEM

The magnitudes of U.S. foreign investment are impressive. In recent years, direct foreign investment of U.S. corporations has averaged around $8 billion a year (including reinvested earnings) which compares with approximately $30 billion of net domestic corporate investment in the U.S. Direct investments abroad have a book value of nearly $90 billion. Profits thereon are close to $20 billion or some 20 percent of total profits of U.S. corporations. U.S. taxes paid on such foreign profits were only 5 percent or less than $1 billion. The output produced by U.S. affiliates abroad is about $200 billion with sales by manufacturing affiliates several times the level of U.S. manufactured exports. Ownership of foreign affiliates, finally, is concentrated heavily in a small number of large corporations, the degree of concentration being higher even for domestic production. These figures make it evident that the role of U.S. investment abroad is a major concern for our tax and foreign economic policy.

ECONOMIC ROLE OF FOREIGN INVESTMENT

Repeal of deferral and full or partial substitution of the deduction for the credit approach would, of course, result in a lower level of U.S. foreign investment. It is necessary, therefore, to consider the role of such investment. In taking a very brief look at this complex problem, I shall distinguish between (1) balance of payments effects and (2) effects on the level of U.S. income and its distribution.

BALANCE-OF-PAYMENTS EFFECTS

Foreign investment has balance of payments effects on both capital and trade account. With regard to capital account, the return flow of income from past investment has come to exceed the capital outflow. At the same time, such outflow has served to accentuate our balance-of-payments crises as they have developed in recent years.

Effects of foreign investment on the trade account are not easily assessed. It is by no means evident that capital export leads to commodity export. Indeed, production by U.S. affiliates abroad, particularly in manufacturing, may serve to displace U.S. exports and even domestic sales in the U.S. This displacement effect is the more likely since direct investment is distinguished by being U.S.-owned and controlled. It is favored with U.S. technology and the corporations which account for the bulk of manufacturing investment abroad are also major exporters. As noted before, sales of manufacturing subsidiaries abroad are now nearly three times the level of U.S. exports of manufactured products.

In all, the balance of payments effects of maintaining a share of foreign markets via production abroad are very different from doing so via domestic production and export. Thus, $1 of exports produces a $1 credit in the balance of payments, while $1 of foreign sales by a U.S. producing subsidiary abroad yields only, say, 6 cents of foreign exchange. (Such is the case if we assume a 20 percent profit margin on sales, a 35 percent foreign profits tax, a 50 percent pay-out ratio and a 15 percent withholding tax on dividends.)

EFFECTS ON LEVEL AND DISTRIBUTION OF U.S. INCOME

To make the most favorable case for foreign investment, suppose that returns to U.S. capital abroad are indeed higher than they are in the U.S. Assuming the tax factor to be neutral, the U.S. investor will do better in investing abroad. But the U.S. as a whole may well lose. This, as I have noted before, is the case because some 40 percent of foreign earnings accrue to foreign treasuries rather than to the U.S. treasury where the revenue would have benefited other taxpayers (who would have paid less) or the consumer of public services. For the U.S. as a whole to strike even, foreign rates of return before tax (assuming a 40 percent foreign rate) must be 1.7 times U.S. returns.

Moreover, while the position of investors is improved, that of wage earners is worsened. Since there is less capital in the U.S., income originating here will be lower. Consequently, both labor and capital income originating in the U.S. will be reduced but labor will not benefit from increased returns abroad. Thus the share of labor income in total income (including returns on foreign investment) will be curtailed. In this sense, the cost of foreign investment is borne by U.S. labor, while foreign labor gets a bonus.

Indeed, this makes too favorable a case for foreign investment. To a considerable degree, direct foreign investment does not reflect generally higher profitability abroad but rather rigidities in the domestic industrial structure which leads U.S. corporations to expand production abroad rather than to redirect domestic capital into other industries. Where this is the case, the gain to the U.S. is reduced further.

However, this may be, some observers hold that the U.S. really has no choice in the matter. They view future economic development as one in which our traditional comparative advantage in manufacturing will move to Europe with U.S. production shifting towards service industries. As part of this scenario, the U.S. is said to be moving into an era of continued import surplus which (hopefully) will come to be financed by massive return flows of earnings derived from an increased volume of foreign assets, to be built up by the current process of capital outflow. I doubt whether this script will materialize nor do I think it inevitable or desirable.

Capital export is not a substitute for commodity export and foreign production by U.S.-owned companies is not a substitute for U.S. production. Why should the U.S. pursue a tax policy which will further reduce its competitive advantage by artificially encouraging the movement of U.S. capital and technology to our competitors among developed countries, thereby worsening the position of production originating in the U.S. (as distinct from U.S.-owned foreign production) in world markets? Is it really desirable for the U.S. to rush into the role of 19th century Great Britain, considering the political and economic problems that emerged therefrom? Can the effects of such developments on the division of U.S. income between wages and profits be disregarded? Would it not be to our advantage instead to direct our efforts at improving productivity in the U.S. and raising the capital stock of developing countries? I believe that we do have some degrees of freedom in these matters and that policy choices can be made.

My lack of enthusiasm for stacking the tax cards in favor of foreign investment should not be taken to imply a lack of concern for foreign trade. While I have considerable sympathy with the Burke-Hartke Bill as it applies to foreign investment, I am opposed to its protectionist proposals with respect to U.S. trade, except as a bargaining device for liberalized trade policies abroad. Subsidized foreign investment combined with penalized commodity trade would indeed leave us with the worst of all solutions.

REFORM PROPOSALS

The preceding considerations lead me to the conclusion that deferral (including DISC) should be phased out and that the foreign tax credit should be modified so as to increase the tax on income derived from foreign investment. The latter might take the form of (a) substitution of deduction for crediting; (b) limitation of the credit to one-half the foreign tax; (c) limitation of the credit to one-half the U.S. tax and (d) retention of the present credit combined with application of a 10 to 15 percentage point surcharge on the U.S. corporate rate as it applies to foreign income. Illustrations included in my longer statement show that the deduction and one-half credit approaches would be similar in their effects. The surcharge (with retention of the credit) might also be set so as to result in the same general rate, but it would have the advantage of reducing intercountry differentials.

PRESIDENT PROPOSES NASA INCREASES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. LEHMAN. Mr. Speaker, while people have thrilled to our accomplishments in outer space, no one wishes to see space program increases paid for by cutting back vital health and education programs. But the President's budget proposes to do just this.

We have been told that important domestic programs are to be cut back, because there is no money. There is no money because of a $600 million increase in certain NASA programs over their fiscal year 1972 level.

Manned space flight operations are to go up by almost $100 million. Space Shuttle costs will rise almost $400 million. And funds for lunar and planetary exploration will increase another $100 million.

These programs represent a sadly misguided system of priorities which this Congress must change. Space programs are not more important than health programs. Funds for space exploration must not be increased while funds for education are decreased.

We must reject the President's space program increases until we have first alleviated the hardships of life on this planet.

EAGLE SCOUT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ASPIN. Mr. Speaker, a young man in my congressional district in Wisconsin has recently achieved an outstanding and unique honor. Mr. Bill Koch, aged 12, has earned the rank of Eagle Scout. The area Boy Scout office is aware of only one other Scout ever achieving this honor at that early age.

The Janesville Gazette of February 14, 1973, published the following article about Bill. I am extremely pleased to call to the attention of the House this outstanding young man:

BOY IS EAGLE SCOUT AT 12

Bill Koch, who Tuesday night received scouting's highest award, is a hard-working Eagle. He earned it when only 12 years old and the registrar's office of Sinnissippi Council Boy Scouts recalls only one other scout who became an Eagle here at that early age.

The son of Mr. and Mrs. Tom Koch, 227 Mohawk Rd., was presented with the enviable award at the court of honor of Troop 415, St. Paul's Lutheran School, where he is an earned Eagle by exceptionally hard work, say, too, that he is an "above average" student and a member of the basketball and flag football teams at the school.

Earning the 21 merit badges required to become an Eagle is not the only scouting achievement for Bill. He also holds the Pro Deo et Patri award, the God and Country award, which requires 100 hours of church work. Bill accomplished this by ushering, yard work, helping persons unable to do for themselves, and a community project, his participation in the Springbrook cleanup. Another community betterment endeavor of the youth, who will be 13 on March 21, consisted of writing an article on drugs and their abuse and circulating copies in the area where he lives.

Bill is also an Ordeal member of the Order of the Arrow, scouting's honor camping fraternity, and the order's election committee.

Boys are not eligible for scouting until they have completed 5th grade. His scoutmaster during the period when he earned his merit badges was Melvin North. Bill's father has just taken over the job of scoutmaster of Troop 415.

OPPOSED TO REPARATION PAYMENTS TO NORTH VIETNAM

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HEINZ. Mr. Speaker, now that the war in Indochina appears to be coming to an end and our prisoners are returning home, there is rising public concern and debate over the issue of reconstruction aid to the North Vietnamese. Because of the growing importance of this issue and because of the heavy volume of mail I have received opposing any economic assistance to Hanoi, I rise today, after giving the issue serious examination, to publicly spell out my position.

Let me state at the outset that I am irrevocably opposed to any reparation payments to North Vietnam, or to American financing of the wholesale reconstruction of Hanoi's economy. Although I believe our involvement in Indochina has been a tragic mistake, we did not start this war. Furthermore, we did not invite Hanoi's expansion into the territories of all its Indochinese neighbors. Reparations or massive reconstructive assistance for North Vietnam would only reward Hanoi's expansionist tendencies. The United States must never reward such activity.

In order to provide all concerned with a stake in lasting peace in Vietnam, there may be an argument for legislation providing certain specific and carefully defined assistance, such as refugee aid, to both South Vietnam and North Vietnam. This, I believe, could be justifiable not just from a humanitarian standpoint, but as well as in our own national interest in order to preserve and foster peace in that troubled region. Minimal assistance to build a peace is consistent with President Nixon's efforts to establish a stable international order that will insure a generation of peace.

But there are several conditions which Congress must attach to any incentive program for a lasting peace, no matter how modest such efforts.

First, no U.S. aid should be considered until the North Vietnamese have returned safely all American prisoners of war, and until we are satisfied that we have been provided a complete accounting of all men missing in action.

Second, we would be well advised to proceed cautiously and slowly before embarking on any program regardless of scale, assuring ourselves completely that all hostilities have permanently ceased. Moreover, it must be made clear that any new outbreaks of fighting will result in the cutoff of all economic aid to all sides. To not impose such a condition is to encourage both North and South Vietnam to divert their own resources from internal reconstruction to the continuation of the war.

Third, I endorse President Nixon's call for a $269 billion Federal expenditures ceiling for fiscal 1974. Therefore, if Congress decides to approve any administration proposal for Indochina reconstruction assistance, funds for such assistance must come out of the $269 billion budget. To say that under no circumstances such assistance should be financed from increased taxes or increased public debt is to put the case too mildly. It is my firm conviction that since the destruction of Indochina resulted from war, any funds for a program of economic incentives to keep the peace are also part of the cost of the war. Money to finance such a program should come from our military budget, not from our crucial domestic programs. And let me make clear that the first big slices out of the fat of the military budget should go to our problems here at home, not overseas.

If the Congress does approve any peace incentive program, we must be sure safeguards are provided against the corrupt misuse of funds by either Vietnamese government. Further, I believe we should insist on tripartite participation by both the Soviet Union and the Peoples Republic of China so that any aid is administered in a way which will vest the interest of all three major powers in preserving the fragile peace which now exists.

Only if these conditions are followed and met, Mr. Speaker, does Congress have any justification for diverting one penny more of our scarce tax-dollars away from areas of tremendous need here at home. In the absence of all these conditions, I shall strenuously oppose any reparations or economic aid to North Vietnam.

CITIZENS UNION BACKS REFORM OF NEW YORK STATE LAW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RANGEL. Mr. Speaker, nothing serves to strengthen our political system like grassroots, citizen participation. Concerned citizens across the country are organizing so that they might have a more significant effect on those officials whom they have chosen to represent them. We would do well to listen to the opinions and ideas expressed by these citizens groups and organizations. The greater input that these groups have into our political process, the more responsive and viable will our Government become.

I submit for your attention and the attention of my colleagues a recent New York Times editorial entitled "Albany's 'Dirty Dozen'," which describes the attempt of the Citizens Union of New York City to have a positive impact upon the legislative process in New York State.

ALBANY'S "DIRTY DOZEN"

After sifting legislative records in Washington, an environmental protection group last year compiled a list of Congressmen who most often voted wrong from an environmental point of view. An even dozen representatives were selected as having the worst records of all—the "Dirty Dozen." This is a term that the Citizens Union of New York City has now picked up and used in a slightly modified meaning. The good-government group points to an even dozen areas of public concern needing state legislative attention this year.

The Citizens Union favors the enactment of sweeping court reforms and an improved method for selecting judges, a "bill of rights for prisoners," a requirement that handguns, rifles and shotguns be registered and that all gun owners be licensed. Welfare, health care, housing, education and transportation are still other areas for positive action.

This list is good, its proposals generally sound; but other things must be added to it as priority issues. There is need for broad electoral reform, for permitting absentee balloting in primaries, for extending the hours of primary balloting, for reforming the city's Board of Elections, for making voter registration and the casting of ballots generally easier. Family planning services remain neglected; they merit expansion and extension.

Governor Rockefeller's proposed budget looms as a source of conflict. Is there a hidden surplus? If so, how much? If a great deal, what to do with it? The state made a commitment to localities to return 21 per cent of state income tax revenues and this is a commitment that ought to a be kept. Available funds could also be applied to a state takeover of education and welfare costs that continue to burden localities.

A bill protecting New Yorkers against the steep rent increases that flow from vacancy decontrol merits enactment as does the State Senator John Marchi's excellent bill creating a South Richmond development corporation. To its credit the Legislature has already enacted no-fault automobile insurance, a consumer-protection measure. The momentum for reform ought not to be lost.

LITHUANIAN INDEPENDENCE DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. DERWINSKI. Mr. Speaker, many Members of the House participated in a special order conducted by our distinguished colleague, Dan Flood, to commemorate Lithuanian Independence Day.

I was especially impressed by an editorial in the New World of February 16, 1973, which I insert into the Record at this point:

World's Lithuanians Don't Forget

On Feb. 16 Lithuanians throughout the world will commemorate the 722nd anniversary of the formation of the Kingdom of Lithuania in 1251, and the 55th anniversary of the establishment of the Republic of Lithuania on Feb. 16, 1918.

Both the Kingdom and the Republic live in the hearts of Lithuanians, though the Soviet Union in 1940 forcibly occupied Lithuania, Latvia and Estonia and annexed them. But Lithuanians throughout the world do not forget.

Periodically stories of presecution and suppression of human rights break through the Soviet curtain; we may be sure there are many such violations which do not become known publicly. An example of the protests are the petitions from Lithuanian Catholics, bearing 17,000 signatures, which were sent to United Nations Secretary General Kurt Waldheim last March. The petitions charged that the Soviet regime is systematically strangling religious life and the Church.

Recently a broadcast over Soviet Radio claimed that about 830 Catholic priests are active in pastoral work in Lithuania. This was a broadcast aimed at Canada, answering a question from a Canadian listener.

But, in another broadcast for "home consumption" only, members of the Communist Party were urged to "combat religion" in accord with the principles enunciated by Lenin. Therefore, this must be done, the broadcast added, because "a certain number of Soviet people are still under the influence of religion" and it is the Party's duty to combat religion and propagate atheism.

There is no indication that persecution of religion in Lithuania is abating; it is more likely to go the other way, unless the force of world opinion has an effect on the rulers of Russia.

ENVIRONMENTAL LAW COMPLIANCE

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BRECKINRIDGE. Mr. Speaker, since coming into the Congress in January, I, along with the other Members of this body, have been confronted with the question of whether to bow to the executive branch in its determined drive to dictate to the Congress which of our legally funded and functioning programs shall or shall not be administered in behalf of the citizens of these United States.

It is also an unproven proposition that it is "economical" in any sense to slash programs concerned with and dedicated to the preservation of our natural and human resources, the protection of our health and the preservation of our environment.

Even as I consider the fundamental questions involved here, it appears to me there may well be a possible violation of law in the termination of such programs as the rural environmental assistance program and the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. There is no evidence at hand that the administration has in either case filed the environmental impact statement called for by law in any "major Federal actions significantly affecting the human environment"—ref., 42 U.S.C. Section 4332—National Environmental Policy Act.

We have talked in this Chamber, we have talked in our offices, we have talked in our States and in our districts about the severe effect of the executive actions on innumerable duly adopted and funded programs; perhaps here we now have a situation which takes us beyond the talking stage and into litigation.

Certainly the abolition of such programs as those indicated above constitutes a major Federal action significantly affecting the human environment. But in its undue haste to cancel, dismantle, and impound, the executive branch appears to have not only overstepped its proper reach of authority, but perhaps to have overstepped the specific law.

It is my intention to pursue this matter in every appropriate way, and if my research of the law confirms my present view, I shall initiate such litigation as may appear warranted. I invite my colleagues to join with me.

MOUNTING PRICES AND A CRUMBLING ECONOMY

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HELSTOSKI. Mr. Speaker, in our Nation, a suspicion circulates that becomes increasingly prevalent. It suggests that the economy which has been the backbone of the world since World War I is crumbling.

Supporting this suspicion are several factors:

The economy in question has devalued its currency twice in the last 14 months and another devaluation is anticipated by many experts; this economy has a huge balance of payments dificit; this economy's currency is no longer convertible to gold; the credit of this economy has been grossly overextended; inflation and unemployment are rampant; nearly $500 billion worth of red ink soaks this economy's balance sheets, and more.

It is, of course, no secret that the economy of which I speak is our own. How accurate the prophets of doom are, I cannot say; however, it is frightening that there are so many such prophets, many of them very knowledgeable in matters of money.

Perhaps the factor supporting this doomsday argument that most frequently and harshly affects the average American is the spiralling food costs. Ascending at a dizzying rate, the prices are literally clobbering the average American. Housewives can no longer send their husbands or their children to the store with a check for the exact amount their order will cost; prices are changing too rapidly. Such changes would be tolerable if they were not always increases.

The administration attempts to comfort us by pointing out that prices in areas other than food are inflating at a much slower, more reasonable rate. It seems to overlook the fact that man's most basic need is food, and certainly agricultural products are every nation's most basic commodity. When food prices get out of control, other prices are never far behind. Post-World War I Germany is an extreme example of this. There, inflation became so severe that a loaf of bread cost over one billion marks.

Mr. Howard Kaye of Teaneck, N.J., has written an article for the Bergen Record offering a rationale for the inflationary spiral of food costs. Mr. Kaye, a partner in a chain of supermarkets as well as a former farmer and food retailer and wholesaler, knows his subject well. His article follows:

Food Costs Will Go on Rising—By Plan

(By Howard Kaye)

The American consumer is caught in a food-price squeeze. No matter what she has been told, the cost of food continues to rise.

No matter what seems to be happening in other phases of the economy, food prices continue to rise.

And, no matter what the American consumer will be told in the next several years, the cost of food will continue to rise.

The reasons:

1. World economic competition
2. Legislation
3. Repeal of the law of supply and demand.

The American consumer is caught in the middle of an economic struggle between the United States and the rest of the world.

American economic leadership and strength have been based on American ability to lead all other countries in the production of manufactured goods.

This is not the case anymore. Such nations as Japan and combinations of nations such as the Common Market have helped to force the United States into a new second-rate position in the overall production of manufactured goods.

Even those who are not steeped in the science of economics can identify the U.S. position in this struggle through the current instability of the dollar and the trade deficits of billions of dollars our country is encountering. The combination has led to the devaluation of our currency.

Instead of exporting manufactured goods all over the world, the United States has become, on balance, an importing nation.

This is the key to the rising cost of food.

The strategy of the American government in this struggle is to use farm goods (food) as a level to help the American producer compete in the world's markets.

The strategy of the people in government involves forcing domestic prices to rise as high as consumers will allow them to rise. Instead of developing a program calculated to regain leadership in the production of manufactured goods, this administration has decided to replace manufactured goods with farm goods (food, etc.), and will export farm goods no matter what the domestic consequence.

Most of the people know about the wheat sent to Russia. In addition, large amounts of other farm products are being shipped to countries all over the world, this past year to the tune of $10 billion.

The American consumer will pay twice. First, food products will be priced higher and higher domestically because producers do not have to rely on domestic markets. Second, because the American government has paid farmers not to produce (subsidies) since 1933, we have developed a farm economy less than fully efficient. In order to move these farm products into foreign markets, the American government is willing to make up this inefficiency by paying the difference between the price charged by Americans and what the foreign country is willing to pay for the products.

This is what happened in the Russian wheat deal. The wheat was taken out of the domestic market, and this caused a 5-pound bag of flour to go from 53 cents before the deal to 70 cents now—and still climbing.

And this has caused bread prices to go up.

In addition, in order to make the American export price competitive with other wheat exporting countries the American government paid exporters 20 cents a bushel to export the wheat. The consumer paid twice; higher food prices, and taxes to pay for the subsidy.

In an extension of this policy, the government is arranging for additional acreage to be used to plant certain crops this year. By reducing the subsidy to farmers who received such money for *not* planting crops, the government is hoping to increase the total tonnage of certain farm products.

The American consumer is being told that this program of increased acreage will lead to increased supplies of food products which will eventually lead to lower prices. It's not necessarily so.

The increase in production will find its way into the export strategy instead of local markets. The hope is that this increase of food exports will contribute to reducing American trade deficits, but if this increase in food production does not find its way into local markets it will have no effect on food prices.

In addition, the increased acreage will be devoted to such commodities as wheat and soybeans, not to the fruits and vegetables that relate so directly to the average consumer's food costs.

Meat prices will go even higher. Despite the high cost of meat we are exporting meat products and cattle every day as a part of our export strategy. The cost of animal feed, based on the export of farm products strategy, will stay high. The government's Phase 3 economic program has already permitted the cost of commercial fertilizer to go up and, it is expected, will soon allow increases in farm machinery, transportation, and other products and services necessary to get farm animals to market.

In President Nixon's Phase 1, controls were placed on practically every product produced in this country except raw agricultural products. The producers of farm goods were being encouraged to produce more by allowing them as much as the traffic would bear.

Phase 2 and Phase 3 have been no different. No additional farm goods have been produced, and the uncontrolled prices have steadily risen.

No more farm goods have been produced, but more and more have found their way into the export strategy, again causing prices to rise.

The Government is making it profitable to be in the agriculture business.

And who is in that business today?

The small farmer is disappearing; the family farmer is disappearing. The patterns of production and distribution of farm products have changed radically in the past 10 or 15 years.

Production of farm products has passed into the hands of giant agribusiness firms. These large business organizations will sell their products to the consumer who offers them the most return.

Unlike the small farmer of the past, the producer we are describing has many forms of consumer to select from: the American family, the foreign family, the food processor, etc.

The current big producer has new tools at his command that make it unnecessary to reduce prices in eras of great production: advertising, refrigeration technology, radiation, research, etc.

By encouraging the small farmer, whose only market is the local consumer, to go out of business, this administration is directly encouraging higher and higher food prices.

So far the Administration, through bills in Congress, has attempted to do away with agencies and procedures designed to keep the small farmer financially stable. And it has submitted a bill that redefines upward the farm products producers who are eligible for government loans and loan protection.

What is the food pricing solution?

Get to the root of the basic problem, and devise techniques to solve it. Don't make the people suffer by trying to solve one problem by creating another.

Help the segment of the economy that produces manufactured goods to produce in competition with the rest of the world. In the past, competition was the stimulus that made our economy produce better—and more—for less.

What's wrong with us now?

If we don't solve our basic economic problems we will become the second-rate nation we deserve to be.

And higher and higher costs of living will have their own consequences.

A STRATEGY FOR SCAPEGOAT-MAKING

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. STOKES. Mr. Speaker, something very dangerous is happening in the United States today. In fact, it is not too far afield from something that happened in Germany about 40 years ago. It has to do with a Government's providing the middle classes with a convenient scapegoat.

This idea was perfectly articulated on February 26, 1973, in the Washington Post. It appeared in Mr. William Raspberry's column, "A Strategy for Scapegoat-Making."

Mr. Raspberry's article is so cogent and so brilliant, that I present here without further ado:

A STRATEGY FOR SCAPEGOAT-MAKING

(By William Raspberry)

It's foolhardy, of course, to try to guess what's going on inside someone else's head, especially when that someone else is Richard Milhous Nixon.

But from here it appears that the President is trying to provide the financially strapped American middle class with a scapegoat. Things are bad and appear to be getting worse for the wage-earners who pay the country's bills, and there's just one way to keep them from blaming the Nixon administration for their plight: Give them someone else to blame. The President, it seems, is offering them the poor and the black as a focus for their frustration and wrath.

That such a tactic is at work, I repeat, is speculation, not accusation.

But if I were a President who wanted to try such a tactic, I know what I would do.

I would cut off, or reduce to the barest bones, any program designed to deliver money, goods or services to the poor. I would take care not to make it appear to be an attack on the poor, but rather a non-nonsense attempt at bringing the national budget into managable size. I would declare the war on poverty too costly and to ineffective, and I would disband it. I would cut into school lunch and free milk programs, health care for the poor, welfare payments and even aid to ghetto schools.

If I were really smart, I'd throw in some clearly unpalatable cutback (reduction of disability payments to Vietnam veterans), perhaps just to show that I wasn't picking on poor folks, and then abandon the idea at the first public outcry.

And then I would make a speech, or several speeches, declaring that with my proposed cutbacks, we could have a balanced budget and a resurgent economy without inflicting any further taxes on the hard-working middle-class people who put me in office.

If I really got into the spirit of the thing, I might even add a sweetener or two for this very special group: some hopeful thing about tax reform, for instance, or perhaps tax credits for the money they pay for their children's nonpublic education: that sort of thing, all without increasing their tax burden, of course.

I would know that the thing wouldn't work. Some of the social welfare programs clearly are wasteful and inefficient; some are theoretically unsound. But to the extent that they provide jobs and health care and food for people whose lives depend on those things, they'd have to be replaced with something. And I would know that that something would cost money and probably necessitate a tax increase.

But would I say so publicly? Not on your life. I would take advantage of the fact that pressure for relief to the poor would tend to fall most heavily on the Congress. And if the Congress caught enough flak, or had enough genuine compassion for the neediest of their constituents, they would have to legislate replacements for the programs I had cut. They might even find it necessary to override my veto a time or two.

And that would be fine by me. For by then it would be very clear to the "real Americans"—the non-poor—just whom they should blame for the inevitable tax increase.

Not me, of course: I would have tried. They'd have to blame the poor, especially the urban (read: black poor), without whose special programs there would have been enough money at the old tax rates.

They would say of me: At least he tried.

Whatever the bad effects of such an undertaking, it would at least serve to take the people's minds off inflation, devalued dollars and the all-around disastrous state of the American economy.

Not forever, of course, but maybe for four more years.

USMC SPELLS PRIDE AND ESPRIT DE CORPS

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. FISH. Mr. Speaker, one of the greatest battles of World War II was the Battle of Iwo Jima. In addition to the battle's importance in the outcome of that war, the raising of the flag which inspired the Marine Corps War Memorial in Arlington, Va., has provided this Nation with one of its greatest symbols of bravery and sacrifice in behalf of this country.

February 17, 1973, commemorated both the golden anniversary of the Marine Corps League and the 28th anniversary of that battle. The Marine Corps League's national commandant, Gilbert E. Gray, spoke at the wreath-laying ceremony at the Marine Corps War Memorial, Arlington, Va. Not only do I feel great pride in Commandant Gray because he is a constituent from the 25th Congressional District of New York which I have the honor of representing, but I believe his remarks hold a timeless message for all of us.

For that reason, Mr. Speaker, I would like to include Commandant Gray's full remarks in the RECORD:

USMC SPELLS PRIDE AND ESPRIT DE CORPS

(By Commandant Gilbert E. Gray)

"To hold sacred the history and memory of the men who have given their lives to the Nation and to foster love for the principles which they have supported by blood and valor since the founding of the Republic."

These words of sacred trust are contained in the Congressional Charter of the Marine Corps League. They explain quite clearly the purpose and reasons for our very existence. They also explain why we are assembled here this afternoon at the Marine Corps War Memorial in Arlington, Virginia.

We meet today at an historical moment in our time, in this year of our Lord 1973, as we mark with pride the 50th Anniversary of the founding of the Marine Corps League, and in reverent remembrance of the 28th Anniversary of the Battle for Iwo Jima.

This memorial stands as a symbol of a grateful Nation's esteem for the honored dead of the United States Marine Corps. Although this statue depicts one of the most famous incidents of World War II, by men who wrote their own bold chapter in the history of our beloved Corps, the memorial is dedicated to all Marines who have given their lives in defense of freedom since 1775.

Iwo Jima and Mount Suribachi—a grinding 36 day offensive that turned the tide in the Pacific—an event that captured for all time the spirit of Marines in victory. A victory that came at a high price—the highest in Marine history—5931 killed and 17,272 wounded. Only 1083 of over 20,000 Japanese survived. But the living and dead of both sides shared a grudging bond: *uncommon valor*.

To speak in memory of our honored war dead is not easy. We can add very little in words to what they accomplished in deeds. All that we can ever hope to do is follow their example—to show the same selfless courage in peace that they did in war—to return to our homes with renewed dedication to God, Country, and Corps.

Within the past three weeks, we have witnessed important world-wide events perhaps of greater significance than most in our entire lifetimes: the signing of the Vietnam cease-fire agreement on January 27th; the last American to die in Vietnam, Colonel William B. Nolde, United States Army, from Powers, Michigan, killed in action just hours before the cease-fire took effect on January 27th, and buried here at Arlington in these hallowed grounds with full military honors; and lastly and most joyously, the release of our first returning prisoners-of-war beginning on Monday of this week.

President Nixon's announcement of a peace settlement in Vietnam answered the prayers of all Americans. His achievement in Vietnam, *peace with honor*, is another proud moment in American history, Despite What the Critics and Detractors Might Say. It is a proud achievement for free men all over the world.

Ending the war and winning the peace in Vietnam did not come overnight. But we can thank God that the President stood firm for a settlement which would last—one that will protect the right of small nations to determine their own futures. It is a peace that was not purchased at the price of defeat or surrender. It was a courageous foot-by-foot advance, similar to that attained at Iwo Jima.

At the base of this statue is a roll call of Marine Corps battles fought from the Revolutionary War to the Korean Conflict. It is up to each of us to insure that this great Memorial remains, *in the eyes of all Americans,* not only as a symbol of the perpetual spirit of Marines who fell at the Battle of Trenton, Belleau Wood, Iwo Jima, and at Inchon, but including those Marines who served and fell at Khe Sanh. The real heroes of this present era are all those brave young men who served in Southeast Asia, from each branch of the service. As members of an elite Corps, it is our legacy, and our sacred responsibility, to honor all who have worn the globe and anchor, whose motto is Semper Fidelis, whose mission is devotion to duty, and whose initials U.S.M.C. spell Pride and Esprit de Corps.

I was deeply touched by something I saw on the television screen last night, on the 11 p.m. news. I watched the return to this country of our longest held prisoner-of-war, Lieutenant Commander Elveret Alvarez, who had been held captive for 8½ years, since August 1964. Upon leaving the plane, he stepped to a microphone to say a few words. And who among us will ever forget what he said. "We have come home," he said. And after a brief pause, he added, "Mr. and Mrs. America, you did not forget us."

General Jannell, distinguished guests, fellow Marines, and ladies of our Marine Corps League Auxiliary, by your very presence here today, you have proven that you have not forgotten those who have gone before us, and all of those who served their Nation under arms.

As we pause to place this wreath as a symbol of our remembrance and a grateful heart, let us ask our Heavenly Father's blessing upon all assembled here and for all of our fellow Marines who faithfully served our Country, and who sacrificed and bled that our people might have freedom and justice. We ask His help that future generations may come to know the way of peace, and that war and all its attendant evils will no longer demand the sacrifice of the flower of our youth.

A PLEA FOR A HUMAN EVALUATION OF ESEA—TITLE I

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. RIEGLE. Mr. Speaker, I was very impressed by the following letter from Dr. Charles W. Craig, principal of the Carpenter Road Community School, Flint, Mich., and would like to share it with my colleagues and all those concerned with evaluating our educational goals and priorities:

Rumor has it that Title I funds may not receive congressional approval for the 1973–74 school year. The basis for much of the disenchantment with ESEA funded programs is that they have not in general demonstrated that additional funding will provide concomitant increases in school achievement.

Although those of us in education are naturally concerned with achievement, it is my considered judgment that increased achievement is the wrong premise on which to base such programs. Rather, they should be conceived, implemented, and evaluated on the basis of whether or not they alleviated some of the human needs and problems for the school and community populations for which they were designed to serve.

As a principal of a school which receives Title I assistance mainly in terms of increased staff personnel, i.e., two reading teachers, one math teacher, three teacher aides, and one school social worker, I can justifiably report to you that without their efforts, our school and community would approach a state of unmanageability as far as dealing with the problems of our students and parents is concerned.

These additional personnel and supplies are also needed to combat a sense of "defeatism" that is often found among staff members in inner city schools. Their presence offers hope of progress, not only to one another as colleagues, but to students and their parents as well.

The elements in any given social function, such as education, can be of either a negative or positive self-fulfilling prophecy. That is, if the participants see things as going from bad to worse, they tend to give up, and by so doing, insure the very outcome they were afraid would become a reality. On the other hand, if those same participants have the feeling that everyone is united in a common effort and that hope for a better tomorrow is a constant companion, the situation is likely to improve.

The social problems which concern all of us did not materialize in the short span of a few years and they are not likely to be remedied in a similar period of time. I cannot assure you that our students and parents will show marked improvement in the various aspects of their lives with the continued support of programs such as Title I. However, without such program support, I can most assuredly promise you that our school and community environment will deteriorate from what it is today.

The decision rests with you and your colleagues.

Respectfully submitted,
Dr. CHARLES W. CRAIG,
Principal,
Carpenter Road Community School.

MR. WOLFF'S NEWSLETTER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. WOLFF. Mr. Speaker, in order to keep my constituents informed of my work as their representative in the Congress, I send each family in my district a regular newsletter. At this point in the RECORD, I should like to insert the text of my first report of the 93d Congress:

WOLFF'S NEWSLETTER

DEAR FRIEND AND CONSTITUENT: At long last they are on their way home from the jungles and the prison camps—all having suffered yet untold hardships for as long as eight years. It is a time for Americans to rejoice and be thankful that these gallant men have been released and reunited with their families and loved ones. Our nation owes them the deepest debt of gratitude for enduring. They justly deserve our admiration.

However, a hard, cold fact of war and peace remains. There are several more millions of our American veterans who served in Indochina. More than 46,000 of them made the supreme sacrifice for their nation, and for them we can only weep and remember. But, for the hundreds of thousands of the others—those with lifelong neurological disabilities, mangled bodies and permanent wounds; those wracked by heroin addiction and those finding it difficult to attain employment and return to enriching and productive lives, we can and must do more.

American industry is rightly going all out for our returning POW's with offers of top management jobs, but for our other Vietnam veterans, particularly the untrained and the unskilled, the employment rate is almost double the current national average. For the drug afflicted, the "cure" consists of two weeks of detoxification before being thrust back into society. For the remainder, who do not use drugs, there is the stigma of suspected use barring them from employment opportunities.

Think for a moment, don't you know a Vietnam veteran in your community who is facing hard times as he strives to return to the mainstream of America?

As the downstate New York member of the House Committee on Veterans Affairs and its Subcommittees on Hospitals and Education and Training, I pledge my commitment to care for and open up our resources to all these veterans.

I am recommending that the Veterans Administration institute an emergency program of drug rehabilitation running the full gamut of social, vocational and psychological services to train and enable these veterans to secure specific employment in the areas of our most pressing needs—health care, housing, education, environmental control, highway and mass transit improvement, law enforcement and crime control. Veterans with professional, educational or specialized Armed Services training and expertise should be placed in positions equivalent to their capabilities at the federal, state and local government level, as well as in the private sector. I further am recommending that our programs of care and assistance be upgraded on behalf of the Gold Star mothers, widows and children who, too, have sacrificed so much in this tragic war.

We must now make a realistic and pragmatic assessment of the total American sacrifice by our Armed Services personnel in Indochina. All Americans, I believe, will agree with me that we must honor and help, not only our brave POW's, but all our veterans who served their country by offering them every available opportunity to return to fulfilling lives.

Sincerely,
LESTER L. WOLFF,
Member of Congress.

CONGRESS BEGINS SCRUTINY OF 1974 BUDGET PROPOSALS

Your Congress has been presented an Administration budget for 1974 that, for all intent and purpose, would drastically alter the nation's basic philosophy of government. In the coming months this record $268.7 billion budget will be closely scrutinized as Congress examines the wisdom of its funding proposals and the Administration's determination to eliminate essential domestic programs.

There is no question that this nation is facing an economic crisis brought about by a variety of causes and that we must cut back on the present rate of government spending to curtail the rise in deficits, year after year. I have long advocated that this nation must limit its spending to match its revenues or face continuing erosion of the dollar and its borrowing power. My proposed legislation to this effect is pending before the Congress.

However, the budget cuts must be made in the areas of non-essential government spending, not in programs essential to the continuing well-being of American families. The cutting tool must be a scalpel, not a meat cleaver.

For example, why must this nation continue to pay billions in subsidies to farmers each year not to produce food when prices continue to soar and people go hungry in the world? Why must we continue to bail out defense contractors with enormous loans whenever they make a mistake? Why do we permit foreign nations, which owe us more than $46 billion, the continuing privilege of not paying back their debts?

The Administration's 1974 budget is asking your Congress to reduce benefits under Medicare, rather than expand them to meet the increasing needs of the elderly and the disabled. It is asking us to revise downward the structure of federal aid-to-education, to slash the Hill-Burton program to construct new hospital facilities, to agree that EOC programs, namely day care, family services, community action and manpower training are outmoded. These proposals show a callous disregard for the people.

The Administration's budget totally ignores sorely needed tax reform measures and welfare reform aimed at caring for the indigent, the elderly, the dependent child, and those unable to work. It ignores emergency unemployment assistance, veterans' needs, urban renewal and housing improvements to upgrade and infuse new life into our cities. The budget neglects programs for which your Congress appropriated funds last year by sharply curtailing or eliminating funding for pure waters and environmental control, health care, model cities, neighborhood facilities and open space.

Your 93rd Congress is facing a crucial period when it must, and will, regain its Constitutional role to enact the nation's legislation, to appropriate backup funding and to levy fair and equal tax burdens. Today, more than ever before, we cannot turn our backs on the Executive Branch's grab for these powers. The at-home needs of America have been shunted aside for far too long to pay the high cost of the Vietnam War.

We must start by re-examining spending priorities with a firm eye on meeting our domestic challenges yet reducing our budget deficits. I, for one, will energize my efforts behind those programs that are meaningful to the needs of this nation and my Congressional District. We can wait no longer to act on these needs—or, it may be too late.

DOMESTIC CHALLENGES PROMPT WOLFF ACTION

The following is a brief summary of Congressman Wolff's legislative actions during the first months of the new 93rd Congress. However, it does not purport to reflect all measures he is sponsoring or supporting.

CONSUMER PROTECTION

Co-sponsor of legislation to stabilize meat prices and require that the President submit to Congress a plan for insuring adequate meat supplies at fair prices as a step towards offsetting rising costs of food.

Co-sponsor of comprehensive package legislation to require that durable products be adequately labelled as to durability and performance and to assure sound consumer policies through "truth in labelling."

Co-sponsor of omnibus fire legislation to mandate federal standards for use of inflammable materials such as toxic plastics and polyurethane foam in buildings and furniture by amending the Flammable Fabrics Act; to establish a National Fire Academy to provide comprehensive training for firefighters; and to provide financial aid to local fire departments for the purchase of advanced equipment and self-contained breathing apparatus.

HEALTH CARE

As original sponsor of Medicare, hospital insurance program for the elderly under Social Security, HR 2713 would extend provisions to include prescription drug coverage.

Introduced legislation to insure that there be no loss of benefits (ie. veterans pensions, Medicaid) due to 20 percent Social Security increase and to insure that every beneficiary receives the full increase.

Co-sponsor to reintroduce Vocational Rehabilitation Act to extend programs of rehabilitation services to the handicapped and to provide special services for the severely handicapped, including those with kidney disease. President vetoed similar bill last year.

CRIME CONTROL

Co-sponsor of legislation to establish an Institute for Continuing Studies on Juvenile Justice to provide education and training for persons working with juvenile delinquents and to organize a data collection center on treatment control of youthful offenders.

TRANSPORTATION

Co-sponsor of legislation to amend the Urban Mass Transportation Act of 1964 to provide additional grant assistance to states. Bill would permit annual use of up to $800 million from Highway Trust Fund for purchase or construction of mass transportation systems.

[From the Long Island Press, Feb. 19, 1973]

DRUG PROBLEM IN SOUTHEAST ASIA

(By Jack Anderson)

A report now in preparation will charge that the United States isn't trying to cut off drug smuggling from Thailand, because Thai leaders are too deeply implicated and might retaliate by closing U.S. military bases.

The report will be submitted to the House Foreign Affairs Committee by Rep. Lester Wolff, D-N.Y., who has been investigating the drug problem in Southeast Asia.

He came back from an inspection tour last year to report that some top Thai officials were operating a fleet of trawlers, which was moving tons upon tons of opium to Hong Kong for shipment to American addicts.

He is now back from another tour of Southeast Asia, where he found the Thai smuggling operation relatively unchanged. The Thai opium, he will charge, is handled by dealers who are virtually immune from legal interference. They include some of the most powerful men in the country, whom the United States doesn't wish to offend.

He also has proof, he will say, that illegal drug labs are still operating in Thailand, despite State Department denials. His report will also be critical of the government's strategy of buying up opium crops. The practice does little to stop drug smuggling and is excessively expensive, he will charge.

The report will claim that most of the money allocated for the war on drugs has gone into cutting off the Turkish opium supply, with little left to fight smuggling in other areas. Meanwhile, the "Thai Connection" blossoms like a poppy in the sun.

Wolff will point out, for instance, that the United States spends millions to keep 45,000 military men in Thailand but can't scrape up enough money to keep more than 35 narcotics agents to protect the nation against Asian drug smugglers.

Finally, the report will recommend that American aid to Thailand be shut off unless the country cooperates in smashing the drug smugglers.

Congressman Wolff is the author of amendment to the 1972 Foreign Assistance Act to terminate aid to Thailand for failure to take action to halt narcotics traffic. Amendment was adopted by both House and Senate. However, entire Act did not receive Congressional approval; foreign aid programs are being funded under Continuing Resolution pending adoption of a 1973 Foreign Assistance Act.

PUBLIC WORKS—THE ARKANSAS RIVER SUCCESS STORY

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BLATNIK. Mr. Speaker, the role of public works in promoting sound, balanced national growth and in stimulating economic development in depressed areas of our country has all too often been misunderstood.

During a quarter of a century of service in the Congress, most of it as a member of the Committee on Public Works, I have taken part in the planning and direction of literally hundreds of such programs, ranging all the way from the dredging of waterways to the redevelopment of entire regions of the United States. I have seen these programs—often denounced by misinformed critics as a waste of the taxpayers' money—grow from small beginnings into monumental and lasting contributions to the well-being of our citizens, contributions that repaid their original cost many times over.

One such project, initiated by the Public Works Committee back in the 1950's, involved a 450-mile stretch of the Arkansas River from its junction with the Mississippi to Tulsa, Okla. Over a period of 15 years, and at a cost of $1.3 billion, the U.S. Army Corps of Engineers opened the Arkansas River to navigation and restored to life a vast area of mid-America that had been slowly sinking into economic ruin.

The success story of that one project—and it is only one of many public works successes—is best told in the accompanying article that appeared in the February 27 issue of the Washington Post, written by Columnist Joseph Kraft, once a vigorous critic of the Arkansas River project:

A RIVER—AND A STATE—REVITALIZED

(By Joseph Kraft)

LITTLE ROCK, Ark.—Headlong growth, bringing pollution and congestion and a riot of other ills, is visibly destroying many parts of the country along the Atlantic and Pacific coastlines. But how can growth be arrested in a country where the national ethic is to give maximum scope to individual initiative?

The answer is that instead of trying to restrict growth, it makes better sense to disperse it to less advanced parts of the country. A good case in point is the tonic effect on the area around Little Rock of the Arkansas River project.

That project has made the river navigable for 450 miles from its juncture with the Mississippi to Tulsa, Okla. Dredging and construction of 18 dams and locks cost an estimated $1.3 billion spread over 15 years beginning in 1957 with formal completion last year. During the 1960s the project became known as the "biggest pork barrel in history."

I remember flying over the project about 10 years ago with its most powerful sponsor, the late Sen. Robert Kerr of Oklahoma. The stream below us was a muddy trickle. Sen. Kerr stopped along the way to open (with a golden bulldozer) construction on various ports so obscure that I do not remember their names.

At the end of the day I asked an officer from the Army Corps of Engineers which was building the project whether it wasn't unduly expensive. "Hell," he said, "it would have been cheaper to pave the river."

But that judgment, which echoed my own sentiments, has been unsaid by the results. The river has been totally transformed.

The dams have stopped the silting, and with the sediment gone, the tiny organisms known as plankton have reappeared, reopening the river to the life-giving force of the sun. The river has become greenish-blue in color, instead of brown. Bass and other freshwater fish rare 10 years ago are now abundant. A fresh-water shrimp, unknown before, has turned up.

The cleaning up of the river and the lakes created back of the dams has made the area exceedingly attractive for recreational purposes. Arkansas has become a magnet for retirees from Illinois, Missouri and Kansas. Many companies which value recreation highly in their choice of sites are turning toward the state. The town of Russellville, 65 miles from Little Rock, is one good example.

The Firestone Company is putting in a plant. So is a food division of the conglomerate company, International Telephone and Telegraph. Middle South Utilities, the chief power company in the area, is investing an estimated $300 million in new generating facilities.

Improved navigation facilities have quickened commerce throughout the area. Hundreds of thousands of tons of Arkansas rice and soy beans go down river and across the ocean to Europe and Japan every year.

Bauxite from the Caribbean feeds aluminum plants near Little Rock. Steel from Japan is building a new bridge across the river. Over the last weekend, two new foreign auto agencies, stocked with cars shipped direct to Little Rock by sea, opened their doors here.

The result of all this activity is a mild population boom. This state lost population throughout the 1930s, the 1940s and most of the 1950s. With the Arkansas River project, the adverse trend has been turned around. Population is now back where it was in 1940—at about 2 million—and steadily rising.

No one in this state doubts that the project has paid off. "It has exceeded the highest hopes of all its sponsors by far," Dale Bumpers, the attractive and energetic young Democratic governor said the other day.

More important are the national implications of what has been done here. Ecologists and environmentalists cannot on their own check forever the pressure for more and more development along the coasts.

At best they can slow down the headlong growth. They can achieve full success only if the pressure for growth which comes from individuals and families and companies is channeled elsewhere, as it has been here in the Arkansas River Valley.

THOMAS P. O'NEILL

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. DRINAN. Mr. Speaker, I share with all of the Members of the House a warm profile of the distinguished majority leader, Congressman THOMAS P. O'NEILL. The profile is taken from the March 1973 issue of "Bridge," a magazine for the Boston College community.

This article, entitled "A Political Architect Plans a Stronger House," expresses the admiration and gratitude of the more than 40,000 living alumni of Boston College, a university from which Congressman O'NEILL graduated in 1936.

This profile of Congressman O'NEILL was accompanied by an attractive picture of the majority leader with his charming wife, Mildred. Although it is not possible to reproduce here this lovely picture, the profile which follows does nonetheless present an interesting account of the remarkable career of this distinguished statesman:

A POLITICAL ARCHITECT PLANS A STRONGER HOUSE

(By Rich Morrison)

Thomas P. O'Neill doesn't forget old friends. The night of Congressman O'Neill's election as Majority Leader in the House of Representatives was party night in Washington. During a get-together at the International Club with family and friends, and the thorough-bred Bostonian (in typical fashion) broke out into rousing song with some of the old BC crowd. Above the melodic din, Tip's dulcet tones could be heard leading an impromptu chorus of *For Boston*, the traditional fight song of the Heights, written by T. J. Hurley in 1885. It was the Class of 1936 all over again.

One of BC's most illustrious alumni to date, sociable energy notwithstanding, Tip did not forge his political career by throwing parties. His commitment to the welfare of the people he represents goes back to his student days. O'Neill has not lost an election since 1936 when, as a Boston College senior, he lost a seat on the City Council by a mere 150 votes. His 36 year fling with politics has been on the upswing ever since, the most recent stopover being the majority leader's seat, left vacant after the tragic plane crash that killed Louisiana representative Hale Boggs last fall.

The burly Irishman is described by his son Michael as a "super-fan" of Boston College. His career reflects his BC education and the strict Irish Catholic upbringing in Cambridge, where his family settled after immigrating from County Cork. When the legislature allows him some free time (he spends about 12 days a month home), he is in

Cambridge, where he lives with his wife, Mildred. Of their five children, Rosemary, 29, works for the State Department in Washington, Susan, 26, is a teacher in Virginia, Tom 3rd, 27, was just elected to the Massachusetts legislature, Christopher, 23 is a recent BC graduate and Michael, 21, is presently a student at Boston College.

After engaging in a few novice espionage techniques in an attempt to learn the congressman's home phone number in Cambridge, one colleague suggested simply, "Why don't you try the phone book?" I did and discovered that O'Neill makes it easy for his constituents to keep in touch with him. *bridge* contacted O'Neill shortly after his recent election and asked him if he saw any difficulty setting priorities between his role as congressman and as majority leader. His quick reply was, "There's no question about it. My constituents come first. And I'm dedicated to serving them with all my ability. Of course, having the majority leader's post will help my district. As majority leader I'm responsible for scheduling legislation on the floor and I'm in constant contact with the speaker and the committee chairmen. When legislation that affects my district is before these committees I know I'll get expeditious service and I schedule our bills for the floor immediately."

Possessed of a quick wit and fierce loyalty, the 60 year old alumnus is concerned with the vital issues perhaps more than any majority leader in recent history. Commenting on the fiscal crisis of the nation's cities, O'Neill said, "I definitely believe that an institution of higher education should be able to render services in lieu of taxes. After all, a college is a community organization and has a responsibility to improve the community using its resources as best it can, whether this be in the form of taxes or educational programs, it is a contribution just the same. Boston College is a national leader in community involvement and I am proud to be a member of the Board of Trustees."

O'Neill was nicknamed "Tip" by his family, after an 1880's baseball player whose name was O'Neill and who had a famous proclivity for "tipping" foul balls. He's a product of the times, from a working-class background. Parochial schools are a tradition in his family and there was a time when the four oldest children shared the same bedroom.

A nine-term member of the House Rules Committee and co-chairman of the Democratic Congressional Committee, the Roosevelt New Dealer has been among the unofficial leadership of the House since 1952, when representative John F. Kennedy moved to the Senate. Accused by some of old-time politics, the candid O'Neill has taken very visible stands on controversial issues. His split with the late Lyndon Johnson over the Vietnam war in 1967 was a difficult move for him, but one which he felt, in good conscience, had to be made.

The new majority is energetic and untiring. His roots in Boston are deep and he has never forgotten the people who elected him congressman. Both conservatives and liberals share the expectation that Tip O'Neill will provide the kind of "can do-get done" leadership in his critical House job.

THE ENVIRONMENTAL ISSUES OF THE NEW CONGRESS

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ESCH. Mr. Speaker, the 93d Congress will confront some of the most complex and controversial environmental issues in its history. The issues this session will not be nearly as clear cut as those which have already been legislated, such as air and water pollution and the need to protect wildlife.

Perhaps the most serious and most complex environmental problem is the Nation's energy crisis, which during the last winter led to the closing of schools, factories, hospitals, and also to the rationing of fuel all across the Nation. Largely responsibile for this energy shortage has been the astounding rise and demand which has far out-paced the Nation's ability to meet the demand.

Unfortunately, assuming that the demand cannot be lessened, any contemplated new source of energy to meet the demand poses already well recognized hazards to our environment. For example, the Nation may be forced to return to traditional, and highly polluting, forms of power production, such as coal burning, and the use of high sulfur oil. The expansion of our nuclear power resources is also a matter of concern, because of the risk of thermopollution. And even the need for new crude oil sources has led to controversy over the Alaskan pipeline, off-shore drilling, and the highly controversial issue of nuclear power plant siting.

There is an obvious need for a national energy policy that will strike a balance between our energy demands and our deep concern for the environment. I am a member of the new Energy Subcommittee of the Science and Astronautics Committee which has been formed to take an indepth look into our energy crisis, and to consider ways to deal with these pressing problems with minimum risk to the environment. Included will be a study of highly efficient but potentially dangerous nuclear fusion power, the feasibility of encouraging smaller and leaner automotive engines, the practicality of improving pollution control mechanisms so that lower grade coal and oil can be used in our Nation's power plants, and other alternatives. However, in the short run it is clear that we will have to increase refined and crude oil by substantially raising import quotas.

I recognize that this is just the beginning but it is evident that we cannot delay any longer.

LAND USE

A second major environmental issue will be land use. The fact is that our Nation has no organized, comprehensive land use policy designed to protect the environment. Land use policy has always been the prerogatives of the diverse State and localities who have power over planning and zoning in their jurisdiction. The balkanization of zoning jurisdictions has, unfortunately, led to a complete lack of regard for the basic relationships of land use, such as between densely populated and sparsely populated areas, between agricultural and industrial areas, and between new cities and the need for open space. Even more unfortunate is the fact that while the Federal Government owns 34 percent of all the land in the United States, Congress has never established an overall program for its use. Clearly, if the Congress is to encourage communities and States across the Nation to develop comprehensive planning and zoning it must establish a comprehensive plan of its own.

Related to the question of land use is the extremely controversial legislation to prohibit, or at least strongly limit, strip mining throughout the Nation. The Congress in its debate over this issue must consider the preservation of millions of millions of acres of forest lands and other environmental resources, as well as the incalculable harm to the thousands of families who depend on mining for their livings. This is particularly true in West Virginia where poverty has long been the area's greatest problem.

TRANSPORTATION

We must find a way to rid ourselves of our reliance on automobiles which are the major cause for air pollution. In this regard I have introduced a bill to divert highway trust funds for the construction of bicycle paths and other facilities throughout our Nation's Federal highway system. It is my belief that if we can encourage the increased use of bicycles we will not only find our air cleaner, our cities less clogged with traffic, and fewer highway traffic fatalities but we will have happier and more healthy citizens.

OTHER ENVIRONMENTAL ISSUES

One of the great sources of water pollution in the country derives from farm runoff. Earlier in the 93d Congress, Congress passed the rural environmental action program, designed to stimulate the Nation's farmers to develop efficient means of reducing land run off, as well as other environment related projects.

Another issue Congress will consider will be the question of environmental class action, similar to the law now presently in effect in Michigan. Hearings on this legislation were held last year on both sides of Congress, and it is likely that further hearings will be scheduled soon.

Perhaps the greatest issue facing the Congress is the need to coordinate Federal efforts. On the Executive side, environmental programs are fragmented between a multitude of departments including Housing and Urban Development, Transportation, Agriculture, Interior, and the Environmental Protection Agency, as well as the Corps of Engineers in the Department of Defense.

In the Congress environmental legislation is considered in no less than six committees in the House and a similar number in the Senate. Obviously, this leads to mass confusion.

In order to help resolve the question of congressional jurisdiction, I have introduced legislation creating a Committee on the Environment which would have full control over environmental matters. To simplify administration, my first step would be to transfer the Corps of Engineers to the Environmental Protection Agency, to insure that the corps considers the environment first and not last when it initiates its many and varied public works projects. I believe that anyone who has been connected with the corps' proposal to construct a polluted dredge disposal site at Pointe Mouile in Monroe County would agree with me on this issue. Unfortunately, Pointe Mouilee is but one of many examples of the corps' short-sightedness on questions of the environment.

PROGRESS

In many ways I agree with the President's recent assertion that we have made enormous progress in the field of environmental protection in the last few years. When I first came to Congress this issue was but a ripple on the surface and was greatly overshadowed by other areas which were then considered more pressing. It is clear that the environment has now assumed a top place in our Nation's priorities and that we will continue to press hard for improved environmental legislation. However, the job is bound to become increasingly difficult and the issues much more complex. Despite this complexity we must continue to maintain our interest in this most important field—the preservation of the earth on which we live.

SHIP COMMISSIONED IN HONOR OF KOREAN WAR HERO

HON. JOHN MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. MOAKLEY. Mr. Speaker, I would like to take this opportunity to make mention of an occasion which passed rather quickly but not insignificantly.

I am referring to the commissioning of a ship in honor of a Korean war hero named Jesse L. Brown.

Ensign Jesse L. Brown was born October 13, 1926 in Mattiesburg, Miss. He was educated in the public schools at Hattiesburg and Ohio State University. He enlisted in the Naval Reserves on July 8, 1946. In 1947 he accepted an appointment as a midshipman in the U.S. Navy. From here he went on to the Navy Preflight School in Ottumwa, Iowa, followed by flight training at Pensacola and Jacksonville, Fla.

In October of 1948, when he was designated a naval aviator and received his "Wings of Gold," he became the Navy's first black aviator.

Midshipman Brown joined Fighter Squadron 32 which first saw service with the carrier U.S.S. *Wright* but was later reassigned to aircraft carrier U.S.S. *Leyte*—then bound for Sasebo, Japan.

Ensign Brown's prowess as a fighter pilot was truly exemplary, resulting in his being named a section leader in addition to receiving the Air Medal for daring attacks against enemy lines of communication, transportation facilities military installations and troop concentrations at Wonsun, Chonjin, Sonjin and Sinanju.

It was this type of dedication to service and country that cost Ensign Brown his life for he died on December 4, 1950, while giving close air support to marines fighting near the Chosin Reservoir. Undeterred by heavy antiaircraft fire, Ensign Brown repeatedly attacked hostile troops and continued aggressive strafing runs until his plane was struck by enemy fire and crashed.

Ensign Brown perished in the wreckage of his plane. He was posthumously awarded the Distinguished Flying Cross for his exceptional courage.

On Saturday, February 17, 1973, the new destroyer escort, *Jesse L. Brown*, was commissioned at the Boston Naval Shipyard, Charlestown, Mass., in honor of this great American. I am particularly pleased and proud that Boston was able to share in this momentous occasion.

Taking part in the commissioning ceremonies was Mrs. Gilbert W. Thorne, widow of the late aviator, and her daughter, Mrs. Terrence Knight, Ensign Brown's only child. May God bless them both.

In closing, I am most proud to honor this true American who so unselfishly gave his life so that we who might live on can continue to pursue the everfleeting goal of peace for all men.

Because of men like Jesse L. Brown, I am confident that such a peace can and must be achieved.

AME BISHOPS MEET WITH CONGRESSIONAL BLACK CAUCUS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. STOKES. Mr. Speaker, on February 26, 1973, the Congressional Black Caucus met here in Washington, D.C., with 17 bishops of the African Methodist Episcopal Church. Also present were a large contingent of AME Church ministers from all over America. This was a historic meeting for it marked the first joint press conference to be held by the caucus and these men of the cloth. It was a dramatic occasion—one filled with the impact of the times.

Mr. Speaker, the African Methodist Episcopal Church was founded in 1816 and is the oldest institution owned by black people. Collectively these bishops represent over 2 million black people and others on four continents. Mr. Speaker, these men are leaders—they are a formidable force in America's black communities.

They came to Washington out of a sense of compassion for people. They were distressed by the recent actions of President Richard M. Nixon and they came to articulate their concerns about black and poor people all over America.

Mr. Speaker, after our press conference, these bishops had a lengthy meeting with the Congressional Black Caucus. Following this they met with you, Mr. Speaker, and with Mr. GERALD R. FORD, the distinguished minority leader of the House in order to register their concerns with both of you as leaders in the House.

Mr. Speaker, as members of the Congressional Black Caucus, we were proud to receive the support of these outstanding religious leaders. Black Americans hold their religious leaders in high esteem.

I would like to share with my colleagues the names of the bishops with whom the Congressional Black Caucus met on February 26. They are as follows: Bishop D. Ward Nichols, of Columbia, S.C.; Bishop W. R. Wilkes, of Nashville, Tenn.; Bishop H. T. Primm, of Denver, Colo.; Bishop F. D. Jordan, of Hollywood, Calif.; Bishop E. L. Hickman, of Philadelphia, Pa.; Bishop G. W. Blakely, of Philadelphia, Pa.; Bishop H. J. Bryant, of Kansas City, Mo.; Bishop H. I. Branden, of Atlanta, Ga.; Bishop I. H. Bonner, of New Orleans, La.; Bishop H. N. Robinson, of Jacksonville, Fla.; Bishop H. W. Murph, of Washington, D.C.; Bishop J. H. Adams, of Waco, Tex.; Bishop R. A. Hildebrand, of Atlanta, Ga.; Bishop S. S. Morris, Jr., of Little Rock, Ark.; Bishop H. H. Brookins, of Los Angeles, Calif.; Bishop V. R. Anderson, of Birmingham, Ala.; and Bishop F. C. James, of Sumter, S.C.

The following is the text of the statement and the resolution which the bishops issued at our joint press conference:

STATEMENT

The Bishops of the African Methodist Episcopal Church have come to the Nation's Capital today to register our deep distress at the recent actions of President Richard M. Nixon as they affect Black people and poor people across this land. We are here to protest the obvious effect on the part of this administration to negate the social progress of the past decade and plunge us in the direction of a period of social retrogression and despair. We deplore this trend.

The African Methodist Episcopal Church, established since 1816, has from its inception stood squarely for *Black Liberation, Black Dignity*, and *Black Pride*. Our history is inextricably bound with the developmental progression of our people. Their fortunes have been our fortunes; their hopes, our hopes; their defeats, our defeats. From humble beginnings in Philadelphia to the present, we have grown to nineteen Bishops, over seven thousand Pastors, ministering to a constituency of approximately one million communicants. We have churches, schools, hospitals, and service institutions located in every sector of these United States, as well as Africa and the Isles of the Sea. All that we represent is bound in the upward mobility of the Black and poor whom, through these years, we have sought to serve. It would be a negation of our total heritage should we stand mute in the face of the cruel emasculation of these vitally necessary programs.

We decry these cuts on moral grounds. It is dehumanizing to take from the Americans those supportive programs in education, in housing, in community organization, in manager training, in child care, in economic development, which have formed a small basis of hope in a raging sea of despair. We owe more than this to the *Aged*, the *Blind*, the *Halt*, the spiritually deprived.

We call upon President Richard M. Nixon today to rescind these threats to the very vital lifetime of our communities and, in his own words, to "Bring us Together"—together in confidence, not in fear; together in fulfillment, not in despair; together in achieving the American dream, not in dismantling that dream. Do not permit the vaunted *"War on Poverty"* to become a horrible *"War on the Poor."*

We call upon our constituents and our fellow Americans of good will throughout the land to "Shun that which is evil and cleave to that which is good."

May the terror of the times serve as the agent of re-creation. May we be called away from our divisive ways and drawn into that "Beloved Community" which prospers though oppressed, and cleave ever to the belief that, that which is right will ultimately triumph.

We are here today because we care. We have come to call the conscience of the nation to the moment of judgment. We call the great leaders of our minority groups to assemble a leadership conference immediately to lay out a blueprint for action.

Further, we call upon the members of the African Methodist Episcopal Church in every village, town and hamlet in America to join with those forces who are mobilizing to fight these cuts with all vigor and to appeal to the highest and best in America.

RESOLUTION

Whereas, the President of the United States, Richard M. Nixon, has used his official position to end or emasculate those programs, initiated over the past twelve years, which had as an over-all goal the elimination of poverty, and the root causes of poverty, in which approximately one in five Americans are caught,

Whereas, The programs, across the broad spectrum of our common life, in housing, in education, in nursing and day care services, in Economic Development, have given the dis-possessed of our land a reason for hope, and an introduction to the ladder of upward mobility in the areas of social and economic growth,

Whereas, The sudden announcement of the impending close of these programs has produced consternation in the poor communities, and among people of good will in every walk of life,

And whereas, Many of these people are the very people who make up our constituency,

And whereas, This action by President Nixon represents a cruel and callous disregard for the *"paradox of poverty in the midst of plenty"*, and an offense to the sensibilities of justice which lies at the heart of our Judeo-Christian faith,

Be it Resolved: That the Bishops' Council of the African Methodist Episcopal Church in session at Louisville, Kentucky, this 21st day of February, 1973, shall forthwith communicate to President Richard M. Nixon our displeasure over his recent acts which results in the dissolution of federally funded social programs which have in the past decade offered Black Citizens and other oppressed minorities the hope of sharing equally in the material abundance of this the most affluent nation in the world.

Be it Also Resolved: That in implementation of this Resolution the Council of Bishops shall immediately call upon the presiding Bishops of Episcopal Districts, Presiding Elders, Pastors, and Lay Members of the A.M.E. Church to mobilize all of the human and material resources at their command to the end that these may be applied in support of those organizations and agencies which are currently attempting to impress upon the President of U.S.A. the collective discontent of Black Citizens with all of those executive actions and policies on his part which are clearly inimical if not hostile to the social welfare of the poor and oppressed. Let the full influence of the A.M.E. Church be joined with that of other Black institutions and organizations in such a practical manner as to create a voice of discontent of such force that it will be heard in every hall of government, and reverberate throughout the world.

IN COMMEMORATION OF THE LITHUANIAN DAY OF INDEPENDENCE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. ROE. Mr. Speaker, during the month of February freedom-loving people throughout the world observed the 55th anniversary of the establishment of the Republic of Lithuania as well as the 722d anniversary of the founding of the Lithuanian State. I am pleased and honored to join with you, our colleagues here in the Congress and Americans of Lithuanian heritage throughout our Nation in commemorating these most historic and memorable events.

In their deep concern and continuing support of Lithuanians in the struggle to regain freedom and independence for the country of their origin, the Lithuanian American Community of the U.S.A., Inc., and the Lithuanian Council of New Jersey have been in the vanguard of Lithuanian-Americans in their relentless efforts to seek remedial action. I call your attention to the following resolution adopted by the Lithuanian Council of New Jersey which succinctly outlines the views they have communicated to me proposing the sovereignty of the Baltic States of Lithuania, Latvia, and Estonia as an integral part of the agenda to be discussed at the forthcoming Conference on European Security and Cooperation:

RESOLUTION

We, Lithuanian-Americans of New Jersey, gathered in Newark on February 11, 1973, to commemorate the 55th anniversary since the restoration of Lithuania's independence,

Recall: That the sovereignty and independence of the Lithuanian State, which was restored by the act of the Lithuanian Council on February 16, 1918 and protected by the bloody sacrifice of the Lithuanian people, was recognized by the international community;

That in 1940 the Soviet Union occupied and incorporated Lithuania into the USSR in violation of international law;

That this occupation resulted in acts of genocide, deportation to Siberia, and extermination of about one million Lithuanians;

That these illegal acts still continue to this present day as witnessed by the following acts which received worldwide attention:

The defiant courtroom speech of the sailor Simas Kudirka, following his unsuccessful attempt to escape to the free world on November 23, 1970, and his condemnation in May, 1971 to ten years in forced labor prison;

The self-immolation of Romas Kalanta, a young student and worker, in May 1972, which symbolized the Lithuanian people's protest against the occupying power and their demand for freedom;

The petition of 17,000 Lithuanian religious believers in 1971–1972 to Leonid Brezhnev and Kurt Waldheim, protesting the denial of religious freedom in Soviet occupied Lithuania, under the risk of their personal freedom.

We resolve: To request the President of the United States of America to instruct his delegates at the Conference on European Security and Cooperation in Helsinki to demand the withdrawal of the Soviet Union from the Baltic States of Lithuania, Latvia, and Estonia and permit these people to exercise their sovereign rights in their own lands;

To ask the Congress of the United States for their support of this request.

UNITED COMMITTEE OF LITHUANIAN-AMERICANS.
K. JANKUNAS, *President*.

Mr. Speaker, it is a privilege to join with our fellow citizens of Lithuanian ancestry in this annual observance and renewed encouragement to the Lithuanians in the Soviet Union in our mutual concern for their national independence and individual well-being.

HON. DONALD W. RIEGLE, JR.

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. REID. Mr. Speaker, I rise very briefly to welcome my distinguished colleague and friend DON RIEGLE to this side of the aisle.

I think I probably understand quite well the difficulty of the decision that DON had to make, and that I too made a year ago. I assure him, though, that the decision will be eminently worthwhile and a happy one.

DON RIEGLE's switch means much not just to me, but to our party. The Democratic Party welcomes today a man of distinction, of deep commitment and of ability, both in and out of Congress.

This is no everyday affair we are encountering today; let us salute the courage and conscience of DON RIEGLE and thank him for making our party yet a stronger institution.

To Meredith Riegle, also, Mary Louise and I extend a warm welcome.

I commend to the attention of my colleagues DON RIEGLE'S statement announcing his decision to join the Democratic Party:

STATEMENT OF CONGRESSMAN DONALD W. RIEGLE, JR.

All of us who take part in public life find that our ability to directly influence events is almost always limited by circumstances over which we have little control. The constant struggle to develop a significant degree of influence on events is really the central challenge of political figures in a self-government system.

In the political struggle of competing ideas and personalities, each participant must constantly cross-check himself to insure that his methods and efforts are both consistent with his conscience and as effective as possible in helping to solve the most urgent problems facing the American people.

It is in this context that I have just finished reviewing my own six year record of service in the U.S. Congress. I have evaluated my past experiences in an attempt to try to increase the meaning and effectiveness of my work in the future.

This appraisal has had many facets—but has time and again led back to the issue of the two party political structure in America—and the extent to which party affiliation is a major factor in influencing job performance.

Party affiliation is also a matter of conscience. These tests of effectiveness and conscience have convinced me that I should change my party affiliation from Republican to Democrat—and I am today announcing that decision.

This is an intensely personal decision that involves my deepest feelings and that necessarily affects many of the longest friendships and working relationships I have had in public life.

For many reasons it is painful to leave a party you have been part of for so many years. I am grateful to the Republican Party for the support it has given me over the years, and I wish the Party—and all its members—well in the months and years ahead.

I hope particularly to maintain my friendships—and the shared commitment to many non-partisan goals—with the active Republicans in Genesee County—with other concerned Republicans across the state of Michigan—and many of my Congressional colleagues from Michigan and across the country—most particularly Jerry Ford and Pete McCloskey.

At the same time, it is with a sense of hope and enthusiasm that I look forward to joining those people who make up the great broad stream of the Democratic Party. While neither party is without its faults, the Democratic Party in recent years has shown a greater responsiveness to the needs of all the people. Time and again it has shown itself able and willing to tolerate dissent—to undertake reform—to pursue justice and equity—and to hammer out issues in open debate. It has been willing to listen to people and try to help. While honest mistakes have been made, they have been made in the course of a search for a better answer.

Of the two major parties, the Democratic Party today is much more the people's party—its essential instinct is to care and want to help. I believe I can be more effective in serving my people by working within the party that is leading the fight to help people.

I intend to work long and hard within the Democratic Party structure to contribute whatever positive ideas and effort I can—and I am looking forward to learning much from those party members who have labored long and effectively over the years. In building new friendships and working relationships, I hope to actively participate in the search for sound and just answers to our nation's problems.

My decision to leave the Republican Party is based on a number of factors which have accumulated over a period of time.

In times past, the Republican Party has known greatness; it has been a vital national forum where diverse views were openly expressed and policies hammered out in a spirit of goodwill and mutual respect. At those times, the voice of the American people was highly valued and listened to—policy was formulated from the people up, not from party bosses downward.

In recent years however, the national Party has steadily lost this character—increasingly its policies have been imposed from the top down, by a handful of people in the executive branch of government.

As the character of party policy formulation has changed, so has the test of party loyalty. Party loyalty is no longer measured by adherence to time-honored party traditions and principles; the new test of party loyalty is unswerving obedience to the current views of the incumbent administration; ultimately, the views of one man.

It is ironic and sad that a party that for so long championed individual freedom—separation of federal powers—limited and decentralized government—open debate and free competition—should now find itself having to abandon that heritage in favor of all powerful presidential paternalism. The Republican Party has been maneuvered into a straitjacket, where it has been forced to reject its heritage by declaring itself in favor of the most extreme exercise of unlimited executive control in our nation's history.

As party policy direction has become even more tightly controlled, dissentors within the Party have been purged, had their patriotism impugned, and have been subjected to other pressures to silence or discredit their views. While many Republicans of diverse philosophical viewpoints have privately viewed these developments with growing alarm, these misgivings have not developed into an effective counter-force.

While I have been concerned about the centralization of control within the national Party, I have also been deeply troubled by many of the tactics and policies carried out in the name of the Party.

I have not been able to accept or support certain of the policies that have been imposed upon the Party, including such areas as: human rights, wasteful national spending priorities, hindrance of freedom of the press, excessive reliance on executive power, illegal and unconscionable campaign tactics and special interest government—among others.

I have tried, with others, to change the Party's positions in these areas, to promote reform and open the Party up to new people with diverse views. It is only after the repeated failures of these initiatives that I have concluded that the national Republican Party as presently structured and controlled cannot be significantly changed—at least for the foreseeable future.

A year and a half ago, I held out hope for a possible resurgence of moderate views and strength within the Republican Party. It was a small and guarded hope, but one that seemed worthy of pursuit and a major commitment of personal effort. As the months passed, that hope has been extinguished.

The openness and diversity that exists in the local Republican Party in Genesee County does not, unfortunately, exist in the present national Party structure. I believe the national Republican Party has tragically veered off course—largely abandoning the heritage of Lincoln, Teddy Roosevelt, and Eisenhower. Those who control the national Party have made it narrower, more rigid in its views—and less sensitive and relevant to the broad needs and concerns of the American people. And this has been reflected at the ballot box: in 1968 there were 31 Republican governors—today there are 19.

Working to restore the Republican Party to greatness is a worthy fight, and I deeply respect those Republicans who attempt it. Independent-minded Republicans of all viewpoints are essential to a vigorous two party system—and our country is strengthened by their dedication.

But there is an even greater crisis today, and that is the burning set of problems and issues facing America.

For me, and for most Americans, party issues are a distant second to conscience and country. In recent years, there has been a great loss of citizen faith in our self-government system—in politicians—and in our national parties. Government has largely lost touch with the most urgent and wrenching problems facing its people, and a vast number of our citizens have become cynical, apathetic and disgusted. They are wondering if they can believe anyone in politics anymore. Only 55% of the American electorate even bothered to vote in the 1972 Presidential election—a stark measure of the public's loss of faith in our political processes.

Things need to change—and change for the better. Either we regain citizen faith in the concept of self-government—or continue the slide toward inevitable one-man rule. We are dangerously far down that road now—and it is absolutely imperative that we reverse this trend by reinvigorating our political processes with integrity and meaning.

Here, in our own district, most of my constituents are working people. Most are independent minded—and they care less for partisanship than they do for some hard-nosed answers to the problems that are keeping them awake at night.

The average working person today desperately needs political leaders—and parties—dedicated to equal justice and opportunity—to more and better jobs—a safe and clean environment, a decent standard of living, good medical care people can afford, high quality education for our children and economic security in old age.

These are the goals I believe America can and must accomplish—not decades in the future—but now—for *this* generation of Americans. We have the resources and vision to do these things—but not unless we change our priorities and methods. It means we cannot passively accept a federal budget like the one that has just come from the Nixon White House—a budget that cripples needed hospital construction—diverts the resources needed to save and rebuild our cities—and takes away medical benefits from our old people who are sick—in order to fatten the defense budget or reward campaign contributors and cronies with special tax loopholes, massive subsidies and other government give-aways.

We must do better. I believe the greatest threat to America is rooted in inequity and broken dreams—of people who have been left out or find themselves locked in place on a treadmill—and these people number in the tens of millions. Americans are patient and long suffering if their burdens are equal, if their sacrifices are for just causes, and they are dealt with openly and honestly. They can be pitted against each other—and thus immobilized and exploited—only for a limited time. Ultimately, truth will prevail, and when it does, those who have twisted public policy to their own selfish ends will feel the full wrath of public outrage.

The party affiliation issue, then, comes down to a basic question of where I can be most effective in serving my people.

I believe I can do substantially more to advance these goals if I work within the framework of the Democratic Party. Believing this, I would not be honest with myself nor would I be keeping faith with my constituents if I were to remain in the Republican Party where I am convinced my efforts on these issues would have very little effect.

I should further note that challenges to existing party policy greatly irritate those who now control national party direction. Their antagonism has been an unpleasant and unremitting fact of life that one can only learn to endure.

Here at home, some local Republicans have also felt very uncomfortable about my dissenting views. Others have felt these differences should not be discussed publicly—that I should resolve them within private party channels. I understand and respect these concerns and have been deeply troubled about the discomfort I have caused many of my Republican friends.

I have not welcomed the image of an antagonist within my party—I dislike constant conflict—and I do not enjoy the role of consistent opposition to policies within my own party. I have also seen that this opposition—however well motivated—is largely unwelcome and unwanted. It has become a growing source of pain to me—and to many Republicans.

I have had to ask myself whether my energies, beliefs and abilities can best be spent defending and fighting for an unpopular minority point of view within the Republican Party; or whether these same efforts can better serve people if I am working as part of a majority coalition within the Democratic Party which shares many of these same beliefs and goals. It seems to me far wiser and more productive to work within the party where my views are more often in agreement—where I can be affirmative—a protagonist.

In concluding, I should note that while political parties are essential to our nation, I have never taken positions—or voted on issues—on the basis of party label. I have always supported issues based on my evaluation of what was best for the people—regardless of party label—recognizing that all parties have some good ideas to contribute. While I am joining a party whose long historic record is more consistent with my beliefs—there will be times when I will find it necessary to dissent. I hope always to make that dissent reasonable and constructive. Ultimately, I must vote the way that best seems to meet the people's needs and squares with my own conscience.

To my constituents I would say that I am the same Don Riegle I have been in the past.

It has been a great honor and privilege to represent you for the past six years in Congress, and I will continue our policy of full-time service to all our people. I have always kept partisanship out of the conduct of my official duties; I will do the same in the future.

Finally, I hope that my constituents, my colleagues, and the members of both parties can accept this decision with good will and a spirit of mutual faith in the concept of representative self-government. Active competition between political parties and the clash of opposing viewpoints is the very keystone of our democracy—and I believe each of us must search for the truth in our own way—at the same time respecting those whose views are different than our own. For whatever issues may divide us as individuals—within parties or between parties—there are many, many more which bind us together as fellow Americans who cherish our liberty and our processes of self-government. While we may compete aggressively on given issues—our mutual participation in the political process is an act of national unity which keeps Democracy vigorous and alive.

MORE ON MEDICAID ABUSES IN NEW YORK

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. KOCH. Mr. Speaker, the following is the fifth in an excellent series of articles from the New York Daily News describing very vividly the abuses of the medicaid system in New York. I recommend it to my colleague in Congress in the hope that Congress will soon commit itself to a comprehensive overhauling of this Nation's medical services:

[From the Daily News, Jan. 30, 1973]

HOW A PHYSICIAN CAN PRESCRIBE PURE DOLLARS

(By William Sherman)

The pharmacy in the Delancey Medical Building is only a counter in a second-floor hallway and behind that, a room with some shelves and a small working area for mixing prescriptions.

But last year, out of that small one-man operation at 80 Delancey St. came $95,000 worth of medicaid billings. The business was generated from a large group of doctors, dentists, podiatrists, and other specialists who also rent space on that floor and cater almost exclusively to medicaid clients.

And that center, which features a color television and a hot coffee machine in the waiting room, will generate more than $1 million in medicaid billings this year.

There are 1,957 pharmacies in New York City that bill medicaid for filling prescriptions. In 1971, they collectively received $30,502,341.

Many of the pharmacies, Health Department records show, are located inside group medicaid centers similar to the Delancey Medical Building. They usually pay a flat monthly rent to the owner of the center or to the building landlord.

An examination of the records revealed that some of the pharmacies, in addition to giving short counts and overbilling on drugs dispensed, also have their clientele directed to them by center personnel in violation of "freedom of choice" regulations, which require that patients must be given the freedom to choose the drugstore where their prescriptions are filled.

"This is supposed to prevent collusion among pharmacies, doctors, and center owners, many of whom are businessmen who do not practice in any of the medical professions," said Stuart Laurence, an attorney for the Health Department.

The inquiry into pharmacy practices came as part of The News' continuing Medicaid Probe series, an in-depth investigation into abuses of the city's $1.3 billion medical assistance program.

"Some of the doctors use preprinted prescriptions, handed out by pharmacies," said Laurence, "other prescriptions are filled in by pharmacists and doctors simply sign at the bottom."

One variation: Dr. Mortimer Greenberg, with offices at 724 Eighth Ave., Brooklyn, was seeing as many as 150 medicaid patients a day in addition to his 150 private patients, department records show. Nearly all his medicaid patients had their prescriptions filled at the Park Slope Pharmacy down the block at 803 Eighth Ave.

When he was called to the Health Department for an explanation, Greenberg said he had an intercom-telephone hookup with the drugstore. An investigation showed that the druggists, H. L. Yalan and his son, filled out the prescriptions and the patients simply walked down the block and picked up their drugs, never having touched the prescriptions. Greenberg stated that he visited the pharmacy at his leisure and then signed the medicaid invoices.

Greenberg, who said he saw some patients as often as 12 times a month, said he spent "about two minutes with each patient," and prescribes "mostly antibiotics, tranquilizers, and birth control pills."

"I'm sincerely doing the best I can," he said.

Greenberg is doing well, too. He has been paid $200,000 in city medicaid funds over the last three years.

Another example: a News reporter posing as a welfare client with a medicaid card visited a group practice at 481 E. Tremont Ave., Bronx. He complained of a cold and was directed to Dr. Pierre Sajous, who wrote out a prescription after a three-minute consultation.

"Get this filled down the hall," he told the reporter.

"But I have a pharmacy on my block."

"This is the only pharmacy in the city where you can get this prescription filled, said Sajous.

"What's this prescription for?" the patient later asked center pharmacist Bernard Knippel.

"Penicillin," he replied.

Another variation: One of the largest medicaid pharmacy chains in Brookyln owned by Arnold Schoenbrun. Last year his operation billed medicaid for more than $100,000 according to the Health Department.

VITAMINS AND IRON

Last month department pharmacist Eli Gorelik noted that an inordinately large number of prescriptions for Theragran (a vitamin compound) together with iron substitutes were being filled at two of Schoenbrun's medicaid center pharmacies, 353 Empire Blvd. and 426 Lafayette Ave. That prescription is for anemia.

The prescriptions were traced to two doctors: Vincent Da Luca, who practices at 426 Lafayette Ave., and Soturo Tochimoto, the owner of the Crown Heights Medical center at 353 Empire Blvd.

Senior Health Department auditor Dr. Howard Katz found the patients had been given the prescriptions were not anemic, but rather were suffering from a range of other ailments, from vaginal infections to hypertension.

Dr. Da Luca was called down to the Health Department for a hearing and asked to explain those prescriptions. There were 14 of that type filled in one day last fall.

THE DOCTOR'S DIALOGUE

"Did you write the prescriptions?" asked Dr. Katz.

"No, they were already filled in," answered Da Luca.

"Who wrote them out?"

"Somebody else, they were just handed to me."

"Why did you sign them?"

"Well, they told me they had stocked Theragran and to write for it."

"Who filled in the diagnosis 'anemia' on the invoices? It's not in your handwriting."

"The pharmacist," Da Luca replied.

And then Da Luca volunteered: "I swear by my children I never got anything from the pharmacist. They just told me to sign the prescriptions." He was given a "warning" by the Department.

35 GRAND BILLED IN 6 MONTHS

One week later, Dr. Tochimoto was called down. An examination of department records shows that he was paid $50,246 in medicaid funds in 1971, and has billed $35,088 for the first six months of 1972.

He owns the Crown Heights Medical Center, a conglomerate of specialists including a podiatrist, a chiropractor, an optometrist and several doctors. He receives 30% of their billing in addition to his own practice. The pharmacy pays a flat monthly rate to the building's landlord.

Tochimoto also said he wrote for Theragran, department records show, because it was stocked by the pharmacist.

An earlier department survey of Schoenbrun's Empire Blvd. pharmacy showed that of 26 invoices submitted, there were four cases where patients were "shorted," receiving only one or two ounces of an ointment when four were prescribed.

AGREES TO RESTITUTION

During a hearing last June 14, Schoenbrun replied to the findings in the survey and said that either his employes "were too lazy" to fill the prescriptions properly, or perhaps pilfering was going on. On Aug. 17 he agreed to make an $8,000 restitution to the city.

Eli Gorelik, the Health Department pharmacist, said that shorting and substitution is "one of the biggest abuses because patients don't pay the bills and usually can't read the prescriptions so they never know when they're being cheated."

Another pharmacy where the Health Department found irregularities was the Del Med, at 80 Delancey St. An investigation showed that prescriptions were brought to the pharmacy by attendants of the medical center.

A sample survey of 15 patients showed eight discrepancies including bills for twice the amount of the medicine actually dispensed.

The investigation also revealed that generic drugs were being substituted for brand name drugs and billed for under the more expensive brand names.

Kenneth Levy, the owner of the Del Med, replied to some of the charges. He said if the amount prescribed was not available a note was given to the patient with the amount of pills due. He added that many patients do not bother calling back for the remainder of the prescription.

EXPENSES LISTED

Levy pays $13,200 rent a year for his space in the center. Chief Pharmacist William Savin said he is paid $200 a week in salary.

Last week, Savin, who was working at the Del Med when the department's investigation was being conducted, told a news reporter, "I think pharmacists who cheat should be thrown in jail."

CONGRESS NEEDS VETO POWER ON VET AID CHANGES

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. DULSKI. Mr. Speaker, key members of the American Legion from across the Nation are in town this week to discuss matters of mutual concern to their organization and to all veterans.

The national commander, Joe L. Matthews, made an excellent presentation Tuesday to the Committee on Veterans' Affairs, of which I am a member. He touched on many subjects which will have the attention of our committee in the weeks and months ahead. In particular, he referred to the ill-advised budget decision of the administration to revise downward the pensions for disabled veterans.

Although the White House has directed the Administrator of Veterans' Affairs to call back its recommendation, I agree wholeheartedly with Commander Matthews who told the committee:

> We are not assured that this is the end of efforts to reduce budget outlays for service-connected compensation.

It is incredible to me that the administration would choose this time to propose a change in veterans' benefits, particularly those applying to men and women who suffered disabilities in the service of their country.

ILL-TIMED AND ILL-ADVISED

This revelation came even as the White House was completing negotiations for the end of the war in Vietnam and the return of the prisoners of war.

Certainly, every effort must be made by the Federal Government to cut the fat from the budget but if any area should be given extra consideration, it is the matter of reasonable consideration for our Nation's veterans.

Several years ago our committee initiated legislation which became law to bind in the benefits for disabled veterans who had been receiving such benefits for 20 years or more. Thus, the veterans of World War I, World War II, and many of those who served in Korea are protected by law.

The proposed realinement of disability ratings, therefore, would affect primarily the veterans of the prolonged war in Vietnam.

I have joined with the new chairman of our committee, the Honorable WM. JENNINGS BRYAN DORN, and other Members in sponsoring legislation to retain for Congress control over the disability rating schedule.

CONGRESS MUST HAVE SAY

This legislation, on which hearings are expected to be held by our committee shortly, would require that any change or readjustment of the disability schedule by the Veterans' Administration must first be submitted to the Congress and may only become effective if neither House of Congress has adopted a resolution of disapproval within 90 days.

Commander Matthews also gave strong renewed support for legislation to change the administration of national cemeteries. Such legislation, on which I was a cosponsor, was pocket vetoed by the President last year.

I expect our committee to reenact the national cemeteries bill early in this session and I hope that it will reach the White House at a time when the President will not have the opportunity to stuff it in his pocket and again deny to Congress the opportunity to vote on whether to override the veto.

I was pleased to have the opportunity to meet with a number of Legionnaires from my area including my own Commander Peter Drezak of Adam Plewacki Post 799, one of the largest Legion posts in the country.

Others from the Buffalo area were the Erie County Commander, Raymond P. Bojanowski; Eugene J. Kane, past vice commander; John Michaels, past 8th district commander; and Ted C. Smigiera, past commander of West Seneca Post.

COST OF LIVING COUNCIL—UNABASHED CALLOUSNESS AND INIMITABLE BLUNDERING

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. WHALEN. Mr. Speaker, when I articulated my displeasure to the Members of the House last Thursday—February 22—about the incompetence of the Cost of Living Council, I fervently hoped that there would be no further reason to have to do so again.

I was wrong, Mr. Speaker, and for the third time wish to advise my colleagues to pay most careful attention to all matters pending before the Council relating to their individual constituencies.

The latest episode I am about to recount illustrates that the Council's failings are the rule rather than the exception. Union Local No. 178, of the United Rubber, Cork, Linoleum, and Plastic Workers of America, Dayton, Ohio, wrote a registered letter to the Pay Board 4 months ago, appealing a denial by the Internal Revenue Service of a wage and benefits package for union members at a new plant.

Mr. Robert C. Yates, the local president, in a letter to me, said:

> To this day I have heard nothing from the Pay Board or any one.

Mr. Yates is understandably distraught. He believes, and properly so, that he is entitled to the courtesy of a reply to his appeal, even if it is a rejection.

The Cost of Living Council evidently could not care less. Its total lack of responsiveness in this matter, as in the previously cited cases of the Good Samaritan Hospital and the National Cash Register Co. in Dayton is incredible, Mr. Speaker. I cannot think of a single other Federal agency or operation that even begins to approach the Cost of Living Council's unabashed callousness. In my sad experience, its major claim to fame is its inimitable blundering. Were any Member of Congress to conduct himself in such fashion, his career, justifiably would be short lived.

BENEFIT CUTS FOR VIETNAM VETERANS

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. WON PAT. Mr. Speaker, despite statements by the White House to the contrary, the Washington Post on Sunday, February 25, 1973, reported that the administration has not abandoned its shocking and degrading plan to cut physical disability payments for Vietnam veterans, including amputees.

When news of this plan was first brought to the attention of Congress last week, many Members, including myself, were deeply shocked. According to Veterans Administrator Donald Johnson, his department, at the request of the Office of Management and Budget, was getting ready to save an estimated $160 million a year by slashing payments to disabled veterans of the Vietnam war. Apparently, veterans of earlier wars were saved by a congressional mandate not to cut their benefits.

After a great deal of adverse reaction by many segments of our society, the administration announced that they were withdrawing the planned cuts. Now, it seems, the decision to give Vietnam veterans less for their suffering than veterans of World War II and Korea receive is still very much alive, and may yet be instituted.

In a recent interview with staff aids of the House Veterans' Affairs Committee, Mr. Johnson said that his agency is still studying ways to save money by lowering benefits for Vietnam veterans.

Although the department is being somewhat cagey in announcing exactly how they plan to save $160 million starting with fiscal 1974, their admission that benefit payments for thousands of Vietnam wounded and crippled could still be cut by large amounts is sufficient grounds for concern. Apparently, I am not alone in my concern for our brave men and women who endured so much in Southeast Asia. According to the Post, Senator VANCE HARTKE, chairman of the Senate Veterans' Affairs Committee, and our esteemed colleague in the House, Representative BRYAN DORN, chairman of the Veterans' Affairs Committee on this side of Congress, are both preparing to start hearings this week on legislation to block any lowering of disability benefits for Vietnam veterans.

I wholeheartedly support my colleagues for their efforts to put an immediate halt to the administration's plans in this matter. I realize that this administration wishes to cut down on needless Government spending. And few would argue that a well-reasoned and fair plan to keep spending down to a noninflationary level is needed. However, must our brave servicemen, who have just completed fighting the longest and most unpopular war in our Nation's history, bear the burden of balancing the Federal budget?

I, for one, believe that we can never fully repay a serviceman who has suffered a crippling wound while serving his country. Yet, these same men and women, who just last week were being lauded as America's finest, now find their Government ready to deny them the benefits they deserve.

The changes in the disability payment schedules which the Veterans' Administration has proposed would place a tremendous hardship on a handicapped veteran of Vietnam and his family. According to the information released by the VA, many veterans who have suffered amputations would be given a 50-percent reduction in payments. In addition, Vietnam veterans who previously could claim a 50-percent disability rate and were thus eligible for extra dependency allowances, would lose these benefits in many instances under the proposed new regulations.

The economic hardship imposed by the proposed new regulations on a 100-percent service-connected veteran would be considerably worse. Were he to lose his 100-percent rating, the veteran would also be denied a host of other privileges, including PX and commissary, special medical benefits, and a special education scholarship for his children.

Saving $160 million is a laudable goal. But I trust that my fellow Members of Congress will act promptly to insure that this sum does not come from the pockets of Vietnam veterans who have already given so much to their America. Let us instead look elsewhere in the vast Federal budget to save this money.

ALEXANDER PETÖFI—POET OF HUNGARY

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. PATTEN. Mr. Speaker, recently, the people of Hungary celebrated the 150th anniversary of Alexander Petöfi, the greatest Hungarian lyric poet. He was an indomitable freedom fighter as well as a great writer. His example has inspired Hungarian youth of all periods since his own youth. Evidence of this admiration is given in the fact that it was in paying homage to him by assembling before his statue in Budapest that the demonstration began which turned into the fight for freedom of the Hungarian people in 1956.

The article below is taken from the Companion of Hungarian Studies which was written by the literary historians and historians of Hungary before the Communist takeover. It describes the poet's work and life:

ALEXANDER PETÖFI

The brightest spirit and natural leader of this new youth was Alexander Petöfi (1823–1849). He was a poet who came from the depths, from the people and held Burns among his favourites. As a young man his lot had been tolerable, but later his parents—his father was a butcher and innkeeper—lost all their money and he tasted all the afflictions of poverty. He became in fact a *declassé*, full of wounded pride and the bitterness of the oppressed. He was the first Hungarian poet to take his stand against the nobility and on the side of the peasants—and in this one sees something of the defiance of Coriolanus. It was, incidentally, Petöfi who translated *Coriolanus* into Hungarian. His avowed intention as a poet was to write for the people, in the language of the people, in the voice of the people, and through his poetry to raise the people to a higher level of culture. The tendency initiated by Petöfi, which became that of the classic figures of Hungarian literature, has thus received the adjective of "popular-national." But it is far removed from any conception of the "volkisch" category of writing; there is nothing antiurban in it, there is no inveighing against modern civilization such as one finds in so many present-day "popular" writers. Petöfi does not descend to the level of the people in order to sink himself in the mystic and uncertain depths of the soul of the people, but to raise the peasant to a more enlightened form of living.

Petöfi was a lyric poet by the grace of God; there were perpetual fluctuations in his mind, his feeling and mood changed with surprising rapidity and intensity, and found their expression with surprising facility. It is no mere coincidence that the clouds and the wind predominate in his imagery, for these natural phenomena express the perpetual changes that took place in his mind. He was an impressionist before they were impressionists, a great artist of barely perceptible atmospheric changes. He had abundant imagination, but utilized it only for lighter touches and decoration; his world was reality, the present, personal experience. His poetry is as autobiographical as that of Goethe, like the fragment of a general confession; he speaks of everything that happens to him with an openness and sincerity unique in the primness of the nineteenth century.

Petöfi was one of those poets, like Shelley and Whitman, whose lyric temperament inevitably makes them revolutionaries. He welcomed the revolution of 1848 as a long-awaited and natural fulfillment in his life. His highest ideal was the same as that which animated the best, the purest and the most heroic figures of his age, Freedom. For him, Freedom meant two things: the particular Hungarian Freedom, or rather independence, the independence of the nation against Austria and the House of Hapsburg. But, more than this, it meant to him the freedom of the people, the freedom of the world, the unconditional triumph of democracy. Among the poets of the nineteenth century there are very many for whom freedom is the highest inspiration, but we may perhaps say without national prejudice that there was none in whom the yearning for freedom was so absolute, who idealized it with such religious devotion as did Petöfi. Perhaps the great Polish writers, Mickiewicz and Slowacky, may be compared to him, but in their case the ideal of national independence is merged in a kind of mystical religious feeling, while in Petöfi it is a combative democracy.

When the War of Liberty broke out, Petöfi joined the ranks of the revolutionaries. He felt that his poetry demanded it of him, for one who had so stirred up the nation to the struggle could not remain behind. He took part in the triumphant campaign of the national army in Transylvania under the leadership of Bem, the emigrant Polish general. Later, still under Bem, he found himself face to face with the Russian army which the Hapsburgs had called into help them. The overwhelming odds crushed the Hungarian resistance, and Petöfi was last seen on the field of Segesvar where, in all probability, he was cut down by the Cossacks and his body cast into a common grave.

VOICE OF DEMOCRACY

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. HEINZ. Mr. Speaker, for 26 years, the youth of this Nation have had the opportunity to speak up for freedom by way of the Voice of Democracy scholarship program, sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary.

Each fall, 10th, 11th and 12th grade students in our public, private and parochial schools are given the chance to make a personal evaluation of their responsibility in preserving our freedom heritage.

I am enormously pleased and proud to salute the Pennsylvania State winner this year, Miss Barbara Beckman, of 46 Cherry St., Greentree, which is in the 18th Congressional District of Pennsylvania that I represent.

Miss Beckman, a senior at Mount Alvernia High School, is the daughter of Mr. and Mrs. Samuel J. Beckman. She was one of nearly half a million young people from 7,000 secondary schools across the Nation who participated in this year's Voice of Democracy program by writing a 5-minute script on "My Responsibility to Freedom."

Freedom is a responsibility, not a license, and our youths' awareness of that basic fact has been borne out in the thousands of prepared texts submitted to state VFW judges for consideration.

Each State winner receives an all-expense-paid trip to visit their Nations' Capital and the chance to compete for five national scholarships worth over $20,000.

This year's gathering of State winners will take place March 2 to 7, with the awards dinner the evening of March 6 at the Sheraton-Park Hotel. I would urge all my colleagues to meet and talk with these truly outstanding youths.

I would like to share with you the text of Miss Beckman's winning script:

MY RESPONSIBILITY TO FREEDOM

(By Barbara Beckman)

Hello, my name is Alice the Aware American, and I have some important friends of mine that I would like for you to meet. They are: Mr. and Mrs. A, Mr. M, Mr. E, Miss R, Miss I, and Mrs. C.

Will you tell us a little about yourself Mr. A? "I am an 'American'. How did I come about? All Americans are in a sense immigrants. They, or their ancestors arrived in this country as new-comers. Men and women from every land came; came as immigrants, became Americans.

"Freedom and equality are the cornerstones upon which the 'American' nation is built. Earlier America was known as a melting pot, and the different peoples made up the stew that it held. Today, instead of the old idea of melting pot, we have an American orchestra of races, ethnic groups, and cultures.

"Each member of this orchestra has the same drummer to listen to, but plays the beat with a different instrument. As an 'American' I must fulfill my responsibilities to my country. Isn't this so, Mr. M?"

"Yes, every man by being free has a chance to fulfill his responsibilities. Doing my best in all parts of my day, whether it is taking part on a jury during a trial or using my ability to lead in a group for ecology. Being able to express what I feel, is a freedom that I hold very dear. And I have to admit, this is where encouragement comes along." Mr. E, can we have your views?

"Encouragement, I couldn't keep on without it! After falling down, getting up, and falling right back down again, I find myself able to say this. I've tried with my friends when we staged a campaign to help get our school financially out of the 'red', and failed. I've worked hard on the staff of a town official and have had the experience of seeing all that he stood for, and all that we worked for lose an election! But I've also been given the privilege to vote for the people who govern our country, and to me, my 'one' vote affects the voice of my government to the point where I receive encouragement." Interrupting Mr. E, I asked him: But where does responsibility enter into freedom? Miss R answered my question by saying this:

"Responsibility, the ability to respond. Isn't that being free? Don't we have the right to choose between Good or Bad? It's proven by the awareness of, and growth of generations past and present. Today, eighteen year olds have the ability to respond in the election of their government officials. And we have to make the best of our voice in the government by being 'individuals'." Miss I had this to say about being an individual:

"Stating the fact that you are an individual and being one is something different. Being an individual is trying not to let prejudice affect you. Sometimes it's like a hair across your cheek. You can't see it, but you keep brushing at it because the feel of it is irritating. Being an individual is keeping in your head news, views, and what you personally feel. An individual cares for himself and others. Oftentimes, the eyes are blind and one must see with the heart. Am I right?" And Mrs. C answered:

"Working for and with people is what it's all about. Taking time out for others, when time is such a precious and scarce commodity. To listen—and hear feelings. To see not with your eyes, but your heart." Being unsure of what I heard I finally asked them: But can one really be this? And they answered together:

"We are Americans. And we'll spell it out for you:

"A—It's for America and the different people that it is made up of.

"M—Men—free men.

"E—Encouraged and free young Americans.

"R—Responsibility—the ability that young and free Americans have to respond to freedom.

"I—The individual—all of us who let ourselves be free.

"C—Caring—enough to give.

"A—Actors on the American stage in a drama called, 'My Responsibility to Freedom'.

"N—It's never too late. For what? To show your ability to respond as an American!"

WELCOME HOME, COMMANDER BELL

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BYRON. Mr. Speaker, over the past 8 years, all of us have been touched by the hopes and hardships of the families of American POW's. And we have shared the courage they have shown through the years of waiting. Now, let us rejoice and share in the joy of the freedom of our husbands and sons and brothers.

Last weekend, Navy Comdr. James F. Bell quietly returned to his home in La-Vale, Md.—a home he has not seen in 9 years. His impressions of that day and the reflections of his parents and neighbors have been published in a Cumberland Times feature story. I want to share it with you, so that you, too, may rejoice as I do in saying, "Welcome home, Commander Bell—America is indebted to your courage":

FIRST TIME IN 9 YEARS: COMMANDER BELL HOME OVER WEEKEND

Cmdr. James F. Bell, the Navy pilot held seven years, three months and 28 days in a North Vietnamese prison camp, quietly returned over the weekend to his home at 224 National Highway, LaVale, to a home he had not been in for nine years.

Accompanied by his parents, Mr. and Mrs. F. T. Bell, he arrived from Bethesda Naval Hospital at 10 p.m. Friday dressed in a conservative civilian suit.

His first liberty weekend was spent getting reacquainted with his home community, including even a visit to Safeway in the La-Vale Plaza Shopping Center with his parents Saturday afternoon.

While there he walked through the store being recognized only by a few, including one employe who was a classmate of his at Allegany High School where he was graduated in 1948.

His weekend included a visit to his next-door neighbors, Mr. and Mrs. George W. Montgomery at 248 National Highway.

Mrs. Montgomery said today that Cmdr. Bell looked much younger than his 41 years and showed a "nice sense of humor."

She reported that he said it was "real great" to be home and was very happy at the chance to be there.

The conversation was about family matters and Cmdr. Bell questioned her children about Allegany High School and talked much about sports there.

When asked about his impressions on being back in the states after nine years, she said he laughed about the many long-haired males he had seen.

Mrs. Montgomery said Cmdr. Bell was driven to see the changes in the city, including Sacred Heart Hospital and Bishop Walsh High School and the many new homes and apartments in Haystack Mountain developments.

When he visited the Montgomerys he was wearing a V-neck sweater and corduroy slacks.

The Bells and their son returned to Bethesda Naval Hospital, leaving here about 2 p.m. yesterday. There he faces an operation on his left shoulder, injured when he ejected from his plane after it was hit.

Yesterday the LaVale Lions Club and the LaVale Civic Improvement Association, not knowing he was home, erected signs across Route 40 at both ends of LaVale that said "Welcome Home Cmdr. Jim Bell."

They were put in place by Kenneth May and Bruce Anderson of the Lions Club.

If he and his parents desire it, the community will have an open house in his honor at the LaVale Fire Hall, Paul Boch, chairman of the welcome home committee of the LaVale Volunteer Fire Department, said today.

The event would be a joint venture of all civic organizations in LaVale, Mr. Boch said, "But we don't want to do anything until Cmdr. Bell gives his approval."

ACTING FBI DIRECTOR L. PATRICK GRAY

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, effective law enforcement under the rule of law is essential to the survival of a free people. The late J. Edgar Hoover as Director of the FBI not only believed in effective law enforcement, but probably did more than any other American to make effective progressive law enforcement a living reality in the FBI and in local and State enforcement agencies throughout the country.

Like most Americans, I have watched the performance of Mr. Hoover's successor, L. Patrick Gray III, since he was selected by President Nixon on May 3, 1972. Frankly, I like what I have seen. Mr. Gray has demonstrated leadership ability based on ideals and principles that are vital to the everyday operations of the FBI. I am convinced the President has chosen the right man.

Recently, I saw a statement by Acting Director Gray which gives some insight on his strong feelings about positive leadership in law enforcement. His remarks appeared in the February 1973 issue of the FBI Law Enforcement Bulletin. I include them in my remarks because they contain a timely message for all who are interested in the preservation of law and order in our country:

MESSAGE FROM THE ACTING DIRECTOR

Leaders of the law enforcement profession are well aware of the grave responsibilities entrusted to our profession.

To fulfill these responsibilities requires us to maintain a high standard of excellence in the performance of our duties. This is the standard that we in the law enforcement profession have set for ourselves. To do less is to fail to serve those who look to us for protection.

While we strive to maintain this high standard of excellence, law enforcement officers are called on much more often than the average citizen to make quick judgments, particularly in the fast-breaking situations which so often confront us as we carry out our duties. Like other human beings, we make mistakes, too.

There are many evils which can and do afflict our profession. None is worse than corruption. There can be no room for corruption in the ranks of the law enforcement profession. Corruption erodes the public trust and confidence which is the foundation of our profession. Without the support and cooperation of our fellow citizens whom we serve, our efforts to combat crime would be ineffectual.

The working environment of a law enforcement officer is filled with temptation. There will always be someone seeking to reward him handsomely to look the other way when the law is violated. Many criminals have no hesitancy about offering and delivering special favors to those who can assist them in their illegal endeavors. Others may, by virtue of their positions, attempt to intimidate the law enforcement officer into neglecting his duty to the law. The officer is subjected to these pressures because he stands as an otherwise insurmountable obstacle to the plans of those who would act outside the law.

Corruptive influences work steadily upon the law enforcement officer, and it is not surprising that some succumb to temptation.

It is indeed a credit to our profession that so few have been corrupted. However, we cannot afford to be complacent and relax our vigil against corruption. Its threat to the successful performance of our responsibilities is too great.

Well-meaning platitudes condemning isolated instances of corruption in law enforcement do little to correct the problem. What is needed is strong leadership to expose and take action against each case of corruption. We may never succeed in screening out at the preemployment stage those who may be susceptible to corrupting influences, but we must not allow them to infect others in the ranks of law enforcement.

To combat corruption, law enforcement personnel must clearly understand what is expected of them. Imaginative, firm, and energetic supervision is also needed. Responsible officials must provide the direction necessary to root corruption from the ranks of our profession. I am confident that corruption will not survive the challenge of positive leadership.

L. PATRICK GRAY, III,
Acting Director.

February 1, 1973.

OSHA AMENDMENTS SHOULD BE ENACTED

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. NELSEN. Mr. Speaker, because they are much needed to correct a legal monstrosity, I am today reintroducing in the 93d Congress a series of amendments to the Occupational Safety and Health Act. In doing so, I would like to urge our Education and Labor Committee that must pass on such amendments not to ignore the need to realistically revise OSHA provisions before more businessmen and farmers are needlessly driven out of business and their workers forced out of jobs.

An article appearing in the Wall Street Journal on February 20 indicates that as OSHA is operating at present, the typical small businessman may have to comply with as many as 20,000 specific rules and regulations so vague they are nearly incomprehensible to the ordinary layman.

The real tragedy is that many of these technical requirements do not seem to contribute a dime's worth to protecting workers on their jobs even thuogh the cost of compliance is enormous and is driving small enterprises into bankruptcy. A recent National Association of Manufacturers survey shows that small firms of one to 100 employees estimate it costs them $33,000 each to comply with OSHA, and the NAM believes even that figure is unrealistically low.

I fully share the view of the National Small Business Association that this law as administered violates several precious constitutional rights. Its enforcement mechanism is penal in effect and omits such constitutional protections as trial by jury, proof beyond reasonable doubt and the right to confront witnesses.

We should not continue to countenance without challenge the questionable operations of an administrative agency that can declare certain conduct to be criminal, that can conduct searches without search warrants, that can issue citations and self-executing penalties, and that can operate under the legal presumption that the accused is guilty until he proves himself innocent.

There is great need to clear up the fear and confusion that exists among small businessmen who live from day to day worrying that an OSHA inspector may come in their shop and order expensive changes on penalty of civil or criminal prosecution. We can best ease this concern by amending the law to exempt the applicability of the law more fair and realistic for larger companies.

The provisions of this bill would—

Exempt entirely from OSHA coverage both agricultural and nonagricultural employers of 25 or fewer workers;

Delay for 1 year the effectiveness of the act for employers of between 25 and 100 workers;

Provide technical help to firms with less than 100 employees to help them comply with the act;

Require the Secretary of Labor to distinguish between reasonable and unreasonable standards and to rescind those found unreasonable or with which it is impossible to comply;

Specify that no penalty may be exacted by the Secretary of Labor for noncompliance with national consensus standards unless an employer has been provided with a copy of the requirement and given 30 days in which to comply or request administrative review;

Provide compensation to any employer for costs incurred in complying with rulings not adopted pursuant to the Administrative Procedures Act:

Stipulate that failure to comply with rulings in which usual administrative procedures have not been followed may not be used against employers as evidence of neglect or wrongdoing;

Protect employers from the absolute liability provisions of the act in cases where employee carelessness is to blame;

Provide that no employer may be held accountable for fines or punishment if he can prove that implementation of questionable requirements would not have materially improved the health or safety of his employee;

Permit the Secretary of Labor to assist employers and employees with certain medical requirements of the act;

Provide the Secretary of Labor with greater flexibility to negotiate prompt compliance in lieu of the imposition of Federal penalties;

Permit the formation of employee safety committees so that workers themselves can help employers identify health or safety problems and assist in their solution; and

Require the publication by the Secretary of Labor of the estimated maximum and average cost of complying with each present or future rule as a means of determining whether compliance is possible.

Mr. Speaker, it is my understanding that the new budget calls for 80,000 inspections among the 5 million workplaces covered by OSHA during the fiscal year 1974 that starts July 1st. Unless Congress will agree to enact some reasonable, responsible modifications like those I have proposed, these inspections may well result in more small business bankruptcies and more lost jobs for workers. We should not permit this to happen.

In further illustration of the need to amend OSHA, I include for the RECORD at this point articles appearing in the Wall Street Journal on February 20 and January 30 of this year:

[From the Wall Street Journal, Feb. 20, 1973]

NEW JOB-SAFETY RULES PERPLEX THE OWNERS OF SMALL BUSINESSES; "NEEDLESS" COSTS CITED

(By Michael Jett)

Henry Weast of Dahinda, Ill., is quitting the heavy-excavation business. He says he can't afford it any more.

It isn't that the business wasn't profitable. It was a steady money maker, and in Mr. Weast's view, it might have continued that way for a long time. It might have, except for one thing—OSHA—more formally known as the Occupational Safety and Health Act of 1970.

Among other things, that massive piece of safety regulation would have required him to spend $150,000 to install safety devices on his equipment to protect operators in case the machinery toppled over. "It just looked like there would have been no end to spending money," says Mr. Weast. "If I had fixed up one thing, they would probably have found something else."

As a result, Mr. Weast and his two partners have already dismissed 20 employes and they are currently trying to sell their machinery. From now on, they plan to continue selling sand, gravel and other building materials, but that end of the business accounted for only about 20% of their total $1.5 million volume last year.

COSTLY AND "FOOLISH"

The reaction of Mr. Weast and his partners to the stringent new regulations may have been drastic, but their quitting the excavation business illustrates one effect the law has had on countless thinly capitalized small businessmen across the country. In a variety of ways, small businessmen say, the OSHA regulations—covering safety matters ranging from hard hats and guard rails to exit signs and safety posters—are causing widespread confusion, anger and frustration.

At the core of their problem, they contend, is the fact that practically every regulation—and they brand many of them foolish—requires them to spend money on measures that don't contribute to either safety or efficiency. Moreover, they complain, many of the highly technical regulations are incomprehensible to the layman. And even if the rules can be understood, these people add, compliance is difficult. In fact, by some estimates, as many as 20,000 specific rules and regulations apply to any single work establishment.

Indeed, the sheer bulk of the regulations is intimidating, and countless businessmen say that after they have waded through them all, they're hopelessly confused. Marvin Krauss, a furniture shop owner in South Amana, Iowa, says: "There are about 300 pages with pretty small print in the construction standards, and it's pretty darned hard to pick out exactly what fits you sometimes. You almost have to have a lawyer to figure it out."

Such complaints are becoming routine for officials charged with overseeing and enforcing the act. An OSHA spokesman says, however, that "some over-reaction" is to be expected. "Most of the complaints from small business people arise not from actual inspections, but from the fear of what might happen should there be one," he says. Unless there has been an accident or a complaint by an employe, the OSHA man says, smaller concerns are much less likely to be inspected than larger firms. He adds that if a small businessman finds himself in a financial pinch as a result of the regulations, he can always apply for a small business administration loan, as provided in the act.

Due in part to the confusion and lack of understanding of some of the overlapping rules, numerous small businessmen are reluctant to talk for attribution—they're worried about what might happen if an OSHA inspector should see their names and then decide to drop by. "I'd hate to meet Mr. OSHA tomorrow because of my discussion with you," says a Mid-west farm-equipment dealer who has spent nearly $100,000 on new equipment and repairs to satisfy safety rules. "We'll only know if we can really comply after somebody tears us apart." Like many other businessmen, he replaced a number of round toilet seats with horseshoe-shaped ones before OSHA rescinded the toilet-seat rule.

"AN ASININE SITUATION"

According to Herbert Liebenson, legislative vice president of the National Small Business Association, many of the fears expressed by small businessmen arise "because the Labor Department has done a very poor job of notifying people what to expect under the law." In fact, many businessmen say they still don't understand how the law is administered, and they worry they will have to answer to inspectors who know almost nothing about their particular type of business.

"OSHA worries the hell out of me," says Ralph Zuber, manager of a furniture store in Amana, Iowa. "I want to comply, but I've got to keep making a living. Did you know we've even got to paint the electrical outlets orange? Why, I don't know."

Adds James Curless, an International Harvester franchiser in Fairmount, Ind.: "It becomes an asinine situation. The dangerous facets of our business are virtually beyond anyone's control. One of our employes got hurt when he bumped the automatic transmission lever on a tractor and it rolled over his leg. No laws can cover anything like that."

What angers many small businessmen the most, however, is the cost of complying with the regulations. "I spent about $250,000 for four new punch presses, to enclose a conveyor, some electrical work and other things," says the owner of a metal fabricating shop in the Southeast, "and I dont think it did any good for safety or production. The punch presses, costing $15,000 to $30,000 apiece, had to be replaced only because they were too noisy. Those machines had been declared literally unusable."

COST MAY BE HIGHER

A survey of its members by the National Association of Manufacturers shows small concerns of one to 100 employes estimate it will cost them about $33,000 each to comply with the act. But that figure may not tell the whole story. Kenneth E. Schweiger, the association's director of employe relations, says the real cost to the small businessman is probably much higher. "He doesnt know what's expected of him," says Mr. Schweiger. "Smaller business has grossly understated estimates of the cost."

Further, once the money is spent, employers still can't be sure if they're in compliance. "I spent $125,000 directly to meet the law," complains a Midwestern contractor. "And after I spent the money I was inspected three times and was fined every time for some minor violations. There's no way I can meet the letter of the law as it's written."

When it comes to spending the money, many small businessmen are faced with a dilemma—what to try to get done first and what to try to get by with. "There's no consistency from one plan to another," complains the owner of several small woodworking factories in the Midwest. "I've been fined at one plant for something that has been overlooked at another. One will come through with flying colors and another will be penalized."

Businessmen "don't know which way to jump," Mr. Curless, the Harvester dealer, says. "They try and do a little at a time and hope that when the inspectors come they won't be too severe. We asked our insurance man to come out and inspect us. He said the way interpretations of the rules change so often, he couldn't even give us a decent inspection."

"I'D PROBABLY GO HOME"

"We've got to write our own ticket," says Bruce Martin, assistant executive manager of the National Roofing Contractors Association. "You can't comply with all of it. What we did was take the construction regulations and got it boiled down to about six pages of the most important standards and told our guys to try to comply with these."

And some are going to try to get by without doing anything at all. "I'd just run myself nuts if I tried to comply," says an Illinois heating and air-conditioning contractor. "I've only got three employes, and in a small business everyone has to be a money maker and that (complying with regulations) would be a full-time job. If an inspector walks in here, I'd probably just hand him the keys and go home. It would be giving up a lot, but it's not worth the worry and frustration."

Whatever problems the act is causing businessmen around the country, there are still some who must be delighted with the law—the safety-equipment companies. "You take a good hard look," says Mr. Liebenson of the National Small Business Association, "and the economic benefits will go to the insurance and safety-equipment companies."

"Many problems for the small businessmen," he adds, "came about because of the sales techniques of companies selling products for OSHA regulations. They became frightened and started protesting."

"We have spawned new enterprises in a variety of ways," George C. Guenther, former assistant labor secretary, told a House subcommittee on small businesses last June. "We would hope most of them are wholesome, but certainly there may be those whose consultative services are at less than desirable levels."

Still others may find themselves beneficiaries of the law. Many employers are going to be spending a lot of money for lawyers if they want to appeal a fine they feel was undeserved. Small businessmen almost never have a lawyer on their staffs.

W. C. Williamson, co-owner of an Atlanta roofing company, was fined $600 after an employe was killed when he fell through a hole in a one-story building the company was working on. Mr. Williamson says the man was shown the hole and told not to remove the cover unless there was a foreman present. Why he took the cover off and exactly how he fell through the hole aren't known, but Mr. Williamson thinks he did all he could to protect the man. "I'm going to spend about $2,000 to fight a $600 fine," he says, "but it's the principle of the thing. It would be the same thing if they fined me if he drove his car into a telephone pole on his way to the job."

"It's going to be a full-employment act for lawyers," says Lawrence Stessin, editor of a newsletter dealing with the OSHA regulations. It isn't going to hurt Mr. Stessin either. After sending out a sample issue last October, he was swamped with 30,000 subscriptions in one month. "We're just inundated" with requests for information and subscriptions, he says.

With all the confusion, some shady characters are bound to jump at the opportunity to take advantage of the situation. "The three latest rackets," Mr. Stessin says, are men posing as OSHA inspectors who are actually industrial spies, potential burglars figuring out a plant's security or con men who talk the owner into offering him a bribe for not imposing heavy "fines."

[From the Wall Street Journal, Jan. 30, 1973]

COMPLEX ISSUES RAISED BY JOB SAFETY ACT—LIKE EARMUFF DISPUTE—FLOOD COMMISSION

(By James C. Hyatt)

WASHINGTON.—One squabble was over who's to blame if somebody won't wear his earmuffs. Another was over the thickness of a wire rope. A third dispute, still to be resolved, involves the lead content of air.

These are among the cases that have come before a relatively new federal "court"—the Occupational Safety and Health Review Commission.

Congress made the commission the legal referee over federal job safety and health cases—the place where employers turn to contest Labor Department citations for unsafe working conditions. Since it began work in April 1971, the agency has received about 2,000 cases as a result of the 33,000 federal safety citations issued to date under the Occupational Safety and Health Act enacted in 1970.

The commission is only beginning to flex its legal muscles as unexplored safety-legal issues evolve. Some major questions to be resolved include the responsibility of contractors for the unsafe acts of subcontractors at a job-site, the adequacy of federal standards and even the constitutionality of the job safety act itself.

Indeed, as one employer recently discovered, even earmuffs raise significant points. The company, Pacific Food Products Co., a Seattle food canner, worked hard to get ready for the new federal law. On the advice of a visiting nurse, officials even ordered industrial-type earmuffs to protect the hearing of workers near noisy canning equipment.

THE EARMUFFS CASE

Thus the company was dismayed when the Labor Department later proposed a $17 penalty and issued a citation after an inspector found workers weren't using the earmuffs. Believing the company had fulfilled its obligation, vice president John Katona contested the complaint before the commission.

Citations that are contested are referred to one of the commission's hearing officers. The employer, the Labor Department and empolyes involved may file legal motions and introduce evidence. The hearing officer then issues a written decision, which takes effect within 30 days unless one of the three commissioners decides to call for a full review.

In the earmuff case, the hearing officer concluded that merely providing the equipment wasn't sufficient. "To avoid violation," he said, "the equipment also must be 'used,' and the final responsibility to assure that use rests with" the employer. (As a result of this decision, "we're forcing our employees to wear the earmuffs," says Mr. Katona.)

Such rulings have an impact on many employers and workers, of course. Following the earmuff case, for instance, a commission hearing officer assessed a $600 penalty against a construction concern even though the company insisted it couldn't possibly insure that all 1,000 or so workers on the job used ear plugs to guard against excessive noise.

Even the Labor Department has taken its lumps before the commission. Early decisions found some Occupational Safety and Health Administration inspectors careless in gathering evidence and arbitrary in proposing citations. One inspector charged an Illinois company with failing to display an Occupational Safety and Health Administration poster. But the hearing officer said the agency had failed to provide the poster until the time the inspection was made. He ordered the Labor Department to return a $50 penalty it had collected. Another hearing officer chided the department for causing wasted time, expense and ill feeling in an argument over whether a certain wire rope was ¾-inch thick or only ⅝-inch. The parties ought to be able to agree on such issues on the spot, he said.

WHAT'S A RECOGNIZED HAZARD?

Some tougher questions involve the agency's safety and health standards. This month, for instance, the panel dismissed a citation against Mountain States Telephone & Telegraph Co. involving an accident where a worker was electrocuted by a defective tool. The Labor Department asserted the company violated a standard making employers responsible for "the safe condition of tools and equipment used by employees," and a hearing officer upheld the finding. But the commission reversed his decision, noting that the tool's condition wasn't known at the time of the accident.

Perhaps the thorniest area involves the safety law's "general duty clause" requiring work places to be free from recognized hazards causing or likely to cause death or serious harm.

Defining "recognized hazard" is often a problem, and proper steps to abate such hazards can be controversial. In one pending case, the Labor Department has alleged that workers in an American Smelting & Refining Co. plant were exposed to lead in the air "significantly exceeding levels generally accepted to be safe working levels."

The company has asserted in part that it wasn't violating the law because despite the lead levels in the air it maintains a "preventive program" of inspections, physical examinations and reassignment of workers to other jobs when the lead content of their blood exceeds certain levels. But a hearing officer said the monitoring system "in effect uses the employes as a test device to determine hazardous conditions. This is precisely what the act is intended to prohibit." The commission is reviewing the case.

SOME CRITICISM

The commission has irked some unions by dismissing relatively minor monetary penalties. Abating hazards, the members decided, is far more important than assessing a few dollars in penalties, particularly when the cost of correcting the hazard can far exceed the penalty. (Most violations involve a maximum penalty of up to $1,000; a willful violation carries a $10,000 maximum penalty.)

In setting penalties, the commission considers the size of the employer, the seriousness of the violation, the good faith of the employer in correcting the hazard, and his history of previous violations. Recently the commission dismissed a $165 penalty against a small Pennsylvania giftware manufacturer because of the company's poor financial condition.

Bert Cottine, a staff associate at the Health Research Group, which is an affiliate of public-interest advocate Ralph Nader's organization, worries that easing monetary penalties will lessen the law's impact. The commission's rulings, he says, "set the tone for how employers will in fact comply with the law whether or not they are investigated."

Workers have only limited access to the review commission. They may contest the length of time the Labor Department proposes to give an employer to correct a safety or health hazard. But few employe appeals have been filed. Mr. Cottine asserts the appeal machinery is forbidding, particularly for a worker without a union to assist him. He says the commission's authority should be broadened to let workers appeal when the Labor Department fails to issue a safety citation on a complaint filed by an employe.

Commission members express concern over their own delays in resolving some crucial legal questions. Of 162 hearing officers' decisions currently under review, 27 are more than six months old; the oldest, more than a year. Often "we just can't get together," concedes Robert D. Moran, the chairman. We want to be damn sure we come out with the right decision."

TO ELIMINATE INDUSTRIAL HEALTH HAZARDS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mrs. SCHROEDER. Mr. Speaker, the Oil, Chemical & Atomic Workers International has recently broken new ice in the area of health protection for the American worker. It has taken the lead in seeking enforcement of the Occupational Health and Safety Act of 1970 requiring companies to provide a joint labor-management committee to monitor industrial health standards.

The following is the union's summary of the regulations insisted on in its contracts. I believe the union should be commended for its firm action and commitment to protecting the health of industrial workers. The summary follows:

TO ELIMINATE INDUSTRIAL HEALTH HAZARDS

(Oil, Chemical and Atomic Workers, International Union, A. F. Grospiron, President, Denver, Colo.)

FOREWORD

(Dr. Barry Commoner, Washington University, St. Louis, Mo.)

Most Americans are aware that the country faces serious environmental problems; we know that the air, the water and the soil are polluted. Most of us are anxious to do what we can to save the environment from destruction.

A good way to begin is to find out where pollution comes from, because it is always easier to stop pollution at its source than to clean it up after it has spread into the environment. Tracked back to their origins, many pollutants turn out to be unwanted by products of industry: chemical fumes and dusts that escape into the air; wastes that are dumped into sewage systems or directly into rivers and lakes. Clearly, the best way to rid the air and the water of these pollutants is to see to it that they are not released from the factory in the first place.

This is what some of the new environmental legislation tries to do. But one of the most effective new laws, at least potentially, is not strictly-speaking "environmental." Rather it deals with *working conditions:* the Occupational Safety and Health Act (OSHA). Yet, this act, properly enforced, can go a long way toward reducing environmental pollution—because it requires that industrial plants maintain healthy and safe conditions for their workers. This means that plants must control the release of poisonous materials and so prevent them not only from contaminating the workplace, but also from polluting the environment outside the factory gates.

Unfortunately, just passing a law is not enough to carry out its aims. People have to cooperate. The Oil, Chemical and Atomic Workers have set a good example. They have written into their new contracts with petroleum companies the requirement that key provisions of OSHA to monitor and improve the workplace environment be carried out by joint labor-management committees. By working for environmental quality in the workplace, and developing new ways to improve it, these joint committees will help to control environmental pollution at its source. We will all benefit.

The union is engaged in a strike against the Shell Oil Company, because—unlike most other U.S. petroleum companies—that company has refused to agree to this contract provision. In insisting on the provision for labor-management action to improve industrial health and safety the union is serving the best interests, not only of the people who work in the factories, but of all of us who live in the environment.

FIRST: FACTS WILL BE FOUND

New contracts between Oil, Chemical and Atomic Workers Intl. Union and nearly all American oil companies provide innovative approaches to the elimination of the health damage being wrought by the modern industrial environment.

Directly, the new contracts establish joint labor-management procedures for promoting health and safety in the work place. Indirectly, benefits will accrue to the general public and especially to those people who live near oil and chemical plants. Not only will the new contracts bring about corrective measures whenever health hazards are found within the plants, but also information will be obtained which will accelerate medical research into many unproven or unknown health hazards of modern industrial communities.

Three features of the new agreements are:

1. Surveys of plants to determine if workers are exposed to substances or conditions hazardous to health will be made by *independent* industrial health consultants. (Section 2 [*].)
2. Physical examinations and medical tests will be provided to employes to the extent necessary *in light of findings of the independent consultants.* (Section 4.)
3. Annually the company will furnish to the union all available information on the morbidity and mortality experience of its employes. (Section 7.)

These measures dovetail: the workplace is surveyed for potential health hazards; the employes are medically examined not just in a general way but specifically to determine if they have been affected by any potentially unhealthful exposures; and employe sickness and health records are made available for evaluation in light of exposures found and for comparison with general morbidity and mortality statistics.

OLD METHODS ARE NOT ADEQUATE

These forthright measures to locate and to measure occupational health damages have not been made in the past.

Measurement of health hazards in an oil or chemical plant is not a simple matter. Many dangerous substances are invisible, odorless and tasteless. Many do not cause immediate symptoms. A sensible worker cannot protect himself by exercising reasonable care. Carbon monoxide, for example, is not detectable by the human senses, but it can seriously damage the brain without the victim feeling any immediate effects. Industrial health hazards are insidious.

Measurements of the industrial health environment can be made only with instruments operated by trained people. Findings often can be evaluated only by experts.

Measuring and monitoring of toxic fumes and other potential health hazards have been the sole prerogative of management in the past. Such measurements have been made with varying degrees of thoroughness and conscientiousness. Many have been intermittent and almost casual. Others no doubt have been quite scrupulous, but the information gained has been zealously guarded by management, not subject to verification by the union or by independent scrutiny. Workers and their union representatives have not had access to findings and therefore have not been in position to present meaningful data to physicians and industrial hygienists.

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[*] Text of the standard health and safety clause is provided beginning on Page 8 of this booklet.

Physical examinations of employes have been generally superficial and irregular. Medical tests usually have been provided only for workers known to be exposed to such well-known poisons as tetraethyl lead. Results of tests often have not been given to the individual affected and rarely have been reported to the union or to medical researchers.

Incidence of particular ailments has been the subject more of guesses and rumors than of factual evaluation. Workers often comment that *"there seem to be"* many respiratory ailments in their ranks, or *"there seem to be"* too many cancer deaths, but few facts have been available to prove or disprove these vague impressions.

As facts replace guesses, corrective measures will be taken to eliminate unhealthful conditions in the oil refineries, chemical plants and other facilities covered by the new contracts. Some plants undoubtedly will be proven cleaner and the employes healthier than was previously believed. Even in these cases, there will be a good health dividend because anxieties will be relieved.

PUBLIC BENEFITS WILL ACCRUE

Lives will be saved among the workers. The living will be granted healthier, fuller lives. Then, the benefits will spread beyond the workers and their families.

Previously unavailable data will be provided to medical science, permitting more definitive evaluations of the effects of modern industrial materials on health. Ultimately every practicing physician will be better equipped to diagnose the ailments of patients who have been exposed to industrial pollutants, whether they work in the plants or only live near them.

Even more rapidly, environmental improvements made inside the oil, chemical and related facilities will benefit the neighbors. These plants are not hermetically sealed; typically, only chain-link fences separate them from surrounding communities. Whenever toxic substances leak out inside the plants, they inevitably spread to surrounding neighborhoods. Whenever corrective measures are made to eliminate these exposures inside the industrial facilities, the total environment will be improved.

A BILL OF RIGHTS WITH ENFORCEMENT

The health and safety clauses give workers a new Occupational Health Bill of Rights, guaranteeing:

1. The right to know precisely what health hazards exist in the work place.
2. An opportunity to study the effects of the work environment on health.
3. The right to act to bring about elimination of health hazards.

Machinery for enforcing this Bill of Rights is provided in the new health and safety clause. Basic control is delegated to a joint labor-management health and safety committee in each plant. Many joint committees have existed in the past, but they usually have been only advisory in nature, empowered only to suggest improvements and seldom have been provided with sufficient information on which to base sound suggestions. Such advisory committees have accomplished some good in the relatively simple field of *safety,* they have been virtually useless in the field of occupational *health.*

The new joint committees are given access to information and they have enforcement powers. They will decide the scope of industrial health research surveys by the independent consultants. They will have access to research findings. They will review research reports and determine the means of implementing corrective measures. They will meet at least once a month. Written records of meetings will be kept by both union and management.

With equal representation from management and labor, and with both parties having full access to all pertinent information, moral suasion will weigh heavily toward enforcement. Underwriting the entire clause is a provision for submission of disputes to a neutral arbitrator.

IN THE SPIRIT OF THE LAW

The OCAW health and safety contract clauses with the oil industry are significant in that they establish a new pattern for joint labor-management supervision of health and safety conditions on the job, replacing unilateral control by management.

To medical science, the clauses present new research opportunities.

To environmentalists, they promise a step toward elimination of industrial pollution.

To all Americans, they present a voluntary move in the private sector *to comply with the spirit of the law.*

Public Law 91-596 enacted by Congress and signed by the President, commonly cited as the "Occupational Safety and Health Act of 1970," begins with a Statement of Congressional Findings and Purpose: ". . . to assure so far as possible every working man and woman in the nation safe and healthful working conditions and to preserve our human resources."

This declaration is followed by 13 specific means of accomplishing the purpose. The very first of these reads:

(1) by encouraging employers and employes in their efforts to reduce the number of occupational safety and health hazards in their places of employment, *and to stimulate employers and employees to institute new and to perfect existing programs for providing safe and healthful working conditions.* (Emphasis added.)

The law empowers the Secretary of Labor to enforce health regulations and to levy fines, if appropriate, against violators.

But the first admonition of the law is that employers and employes act voluntarily. The oil companies—most of them—as employers, and the Oil, Chemical and Atomic Workers Intl. Union, representing employes, have done so by the negotiation of meaningful health and safety clauses in their contracts.

PARTICIPATING COMPANIES

The list of companies involved in this progressive effort constitutes almost a roster of the oil industry's blue chip leaders, plus many smaller companies. Included are:

American (operating subsidiary of Standard Oil, Indiana).
Atlantic Richfield.
Gulf.
Texaco.
Mobil.
Union.
Citgo (Cities Service).
Exxon (Standard Oil, New Jersey).
Sohio (Standard Oil, Ohio).
Continental.
Phillips.
Ashland.
Marathon.
Husky.
Skelly.
And many others.

Shell? No—Chevron? No.

Two large companies have refused* to enter into such agreements and thereby have flaunted the spirti of the law. They are:

Shell Oil Co. (the United States subsidiary of a world combine owned by N. V. Koninklijke Nederlandsche Petroleum Maatschappij of The Netherlands and The "Shell" Transport and Trading Co. of Great Britain).

Standard Oil of California (also known as Chevron).

OCAW has struck Shell and has called for a consumer boycott of Shell gasoline and other products because of that company's adamant refusal to negotiate on the health and safety issue and on matters relating to employee pensions. Measures will be taken against Chevron at an appropriate time. The union, having reached agreement with most oil companies on this matter of high principle will not accept inferior terms from other, competing companies.

FURTHER PLANS OF OCAW

OCAW will continue to ask the federal government for assistance, under terms of the Occupational Safety and Health Act, whenever it is necessary to do so. But the union hopes that this will rarely if ever be necessary in the plants of those companies which have agreed to joint labor-management health and safety programs.

The newly negotiated clauses present an opportunity and a challenge for management and labor to solve their own problems. President A. F. Grospiron has written a letter to the president of each company committed to these agreements stating his intentions to make every constructive effort to make health and safety clauses work.

Thus far, the new clause has been agreed to in about 300 contracts covering workers in oil refineries, petrochemical plants and some other oil facilities. It has not been included in contracts covering small groups of products terminal operations and delivery truck drivers who are not engaged in processing or blending of products.

As OCAW's contracts with various chemical companies and other employers are renegotiated, the union will insist that the health and safety clause be included.

This occupational health and safety program will be carried forward for the protection of the workers, to the benefit of the public, and in the spirit of the law.

OCAW/oil industry health and safety clause

Printed below is the standard health and safety clause as adopted verbatim in most new OCAW contracts with oil companies. Another version, adopted by one major company, is stated in somewhat different form but contains precisely the same terms. The number of committee members provided for in Section 1 was reduced in the case of a few very small plants and pipe line operations.

Article

1. There shall be established a joint Labor-Management Health and Safety Committee, consisting of equal Union and Company Representatives, and not less than two (2) nor more than four (4) each.

2. The Company will, from time to time, retain at its expense qualified independent industrial health consultants, mutually acceptable to the International Union President or his designee, and the Company, to undertake industrial health research surveys as decided upon by the Committee, to determine if any health hazards exist in the work place.

3. Such research surveys shall include such measurements of exposures in the work place, the results of which shall be submitted in writing to the Company, the International Union President, and the Joint Committee by the Research Consultant, and the results will also relate the findings to existing recognized standards.

4. The Company agrees to pay for appropriate physical examinations and medical tests at a frequency and extent necessary in light of findings set forth in the Industrial Consultant's reports as may be determined by the Joint Committee.

5. The Union agrees that each Research Report shall be treated as privileged and confidential and will be screened by the Company to prevent disclosure of proprietory information or any other disclosure not permitted by legal contractual obligations.

6. At a mutually established time, subsequent to the receipt of such reports, the Joint Committee will meet for the purpose of reviewing such reports and to determine whether corrective measures are necessary in light of the Industrial Consultant's findings,

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*As of February 15, 1973.

and to determine the means of implementing such corrective measures.

7. Within sixty (60) days following the execution of this agreement and on each successive October 1 thereafter, the Company will furnish to the Union all available information on the morbidity and mortality experience of its employees.

8. The Joint Committee shall meet as often as necessary but not less than once each month at a regular scheduled time and place, for the purpose of jointly considering, inspecting, investigating and reviewing health and safety conditions and practices and investigating accidents, and for the purpose of effectively making constructive recommendations with respect thereto.

9. All matters considered and handled by the Committee shall be reduced to writing, and joint minutes of all meetings of the Committee shall be made and maintained, and copies thereof shall be furnished to the International Union President.

10. Time spent in committee meetings by Union representatives, including walkaround time during joint inspections and investigations shall be considered and compensated for as regularly assigned work.

11. In addition to the foregoing, Company intends to continue its existing Industrial Hygiene Program as administered by Company personnel.

12. Any dispute arising with respect to the interpretation or application of the provisions hereto shall be subject to the grievance and arbitration procedure set forth in the agreement.

A letter

From A. F. Grospiron, president, Oil, Chemical and Atomic Workers Intl. Union, to the president of each company agreeing to health and safety contract clauses, in which he sets forth union attitudes on the matter.

DEAR MR. ———: In view of recent settlements made with oil companies on health and safety and top level pension review, I feel prompted to make certain observations regarding these subject matters.

I feel that this is particularly desirable because of various "fear" statements attributed to some oil company executives and managers.

As to the matter of the health and safety language, we wish to assure you and your company that our union intends to work with management in making the work place as healthy and safe as possible. In doing so, we seek to promote joint understanding and realistic solutions to health and safety problems. We do not seek confrontation nor do we seek to harass management. We propose to work together to accomplish this objective because we believe your company is also interested in the health and safety of employes.

Where we find cooperative management there should be less need for government intervention.

This position is consistent with many statements I have made and in accordance with the intent of the Occupational Safety and Health Act of 1970.

We do not seek to manage any part of your business. Results of negotiations merely give us a meaningful voice in matters which affect the health and safety of the people we represent and their work place.

We will select local union members to serve on joint committees as provided by contract, and we will monitor their meetings and the work place to determine what meaningful and corrective actions, if any, we feel are necessary. We will also review mortality statistics. Employment of independent consultants will depend on problems encountered in the work place and other findings which we feel justify such action. In other words, we will start from scratch and try to work together to avoid a build-up of problems.

The purpose of the top-level pension review agreement is to establish a factual and creditable basis on which future negotiations can be held. Also, we hope that the review committee findings will place the respective parties in a better position to negotiate and avert crisis bargaining on pension matters in the future.

I hope that my remarks on bargaining settlements made with your company are received in the spirit intended.

I believe the various companies, including yours, are to be complimented for having agreed to these clauses. A few years from now we should all be able to look back on these developments with pride.

Sincerely,

A. F. GROSPIRON,
President.

THE LYRICAL POETRY OF SÁNDOR PETŐFI

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. GUDE. Mr. Speaker, last month, American-Hungarians across the country celebrated the 150th anniversary of the birth of Sándor Petőfi, the great Hungarian poet of freedom and democracy. The Washington observance was held at Trinity College on January 13. I recommend to my colleague's attention the following speech on the lyrical poetry of Petőfi, delivered at this program by Rev. Joseph A. Bátori:

THE LYRICAL POETRY OF SÁNDOR PETŐFI

(By Rev. Joseph A. Bátori)

The lyrics of Petőfi prove the rule of all great lyrical poetry: they encompass three worlds. The poet's personnel, inner life, the concrete exterior scene in which he lives, and the realm of ideas, the spirit of the age are the elements blended in all lyrical poetry. But, although the blending of these three elements forms the unity of a lyric, one or the other will receive greater emphasis. No matter which poet we consider in the vast spectrum of the Hungarian lyric of the nineteenth and twentieth centuries, these three factors strike us. Petőfi's great forerunner, Mihály Vöröamarty, as also his great follower, Endre Ady, wrote their poems under the impact of their inner world and the spirit of the age.

Thus, their poetry became the powerful expression of the age in which they wrote but, at the same time, was a telling demonstration of the individual humanity, sensitivity and receptivity to the external truths of the great poetic figures. The lyric of Vöröamarty is philosophical; the lyric of Petőfi presents everyday episodes often chrystalized into an experience that is deeply moving through its artistic quality and presentation of universal human truth; in Ady, the emotional impact of the external world, seen through the prism of a possibly overly-sensitive soul, becomes a wondrous, lasting experience.

In what does Petőfi's originality lie? Precisely in what numerous insignificant critics of his day objected to: that he sings of the simplicity of his parents' home, of everyday cares, of his honest and exemplary life. They objected to his practice of using scenes of family life, of the life of the village and the puszta—seemingly insignificant events—and especially, that his poetry was always based on specific images imprinted on his memory.

But Petőfi's individuality, his varied images and metaphors, his love of humanity, his patriotism and love of his native country made these poems lyrics. And they are personal lyrics, though his style must be called lyrical realisms for he presents himself as he is, truthfully, with his strentghs and weaknesses, ideals and hates. His art lies in his ability to transform through the magic of poetry, the harmony he creates between his personality and the realistic scenes of his environment.

Petőfi's entire life can be reconstructed from his poetry. We see him as a child, a student, wanderer, soldier, actor and lover. We see him later, a champion of the dominant ideas of the country, as he aligns his own life with the totality of Hungarian existence, proposes, suggests, judges, urges, creates new genres in poetry, writes prose, translates, criticizes, and conducts an extensive correspondence.

It is impossible not to like the personality that emerges from his lyrics, the reflection of a warm and loving person who firmly believes that God created man for happiness. Petőfi wrote, "Until a man has been happy he can not die." Who would not wax enthusiastic and be moved by Petőfi's nobility of soul when he cries to God in "Fate, Give me Space": "my every heartbeat is a prayer for the happiness of the world." The more hypocritical the world in which one lives, the more he is struck by Petőfi's sincerity and steadfastness: "If you are a man, be a man; make your ideals your faith;/Profess this, even though your life is the price./Rather deny your life a hundred times than deny yourself;/Let life itself be lost, if only honor remains."

The poet lived and died accordingly, as we now know, and we see also that "Freedom and Love" was not merely a poetic motto for him, but his creed: "Love and Liberty—These I need;/For love I'd sacrifice my life,/ but for Liberty I sacrifice my Love."

It is not accidental that Petőfi's translators, both the English and the Germans, saw this brief poem as the expression of his beliefs even before his death. And when he died exactly as he had foretold it and as he had wished it, he stood before the world as a poet who had knowingly followed his destiny.

Another characteristic of Petőfi's poetry is the dedication to the people. "The true poet," he wrote—and Petőfi strove to be a true poet—"is he who drops his heavenly mannaon the lips of the folk." Every line he wrote, he wrote so all could understand it, so even the simplest person could identify himself with the poet's fate. Therefore he idealized the family as every man's mode of life and goal, and to this end presented not only his own life, but Hungarian domestic scenes in many of his poems. And when, after his marriage he could celebrate his own wife, his own child, his poetry soared.

But we find more than just the poetry of folk life and of the hearth, or his own personal reflections in Petőfi's lyrics. We see a rich and varied sensibility. He was not a good actor, but his instinct was right: he can assume roles masterfully in his poetry. Everyone is surprised when they learn from Petőfi's biographers that he could not tolerate wine, and never drank it since numerous drinking songs seem to attest the exact opposite. Likewise, his personality was not suited to the flirtatious interchanges of society, although his witty, jesting, occasionally sharp poems suggest something else.

A method of expression that he brought to near perfection is the genre picture. The minor episodes of Hungarian life of the mid-nineteenth century, and its human types, gained lasting representatives on an eternally human plane: the village women, the men, the provincial nobleman, the outlaw, the young lovers, smaller and larger children are all framed in one memorable picture, as for example, the evocation of the peasant room in "Winter Evenings."

Literary histories list in detail the themes of his poems, pointing out their rich variety.

But only seldom do they mention that this richness comes from his lyrical realism: the harmony and relationships of Petőfi's human and poetic personality created the poetry we know today as the characteristic Petőfi-lyric.

A prominent place among his works must be given to Petőfi's *Patriotic Lyrics*. Petőfi's insight into the Hungarian soul and the picture of Hungarians which emerges from his poetry, as well as the role he marked out for the nation, is unique and still valid. To fully understand this aspect of the poet we must know that Petőfi's family had been granted a patent of nobility by Leopold I in 1667, a full century and a half before his birth. Furthermore, Petőfi was aware of this when the Diet abolished quit-rents, and so in effect freed the peasantry, he criticized the earlier behavior of the nobles, but that day wrote in his diary, "I did not say this by way of reproach to the nobility to which I myself belong." Those who wish to transform Petőfi into a rootless individual do so because it seems to be perhaps more democratic or more romantic. But the facts prove otherwise. His youth was spent in a wholly Hungarian atmosphere. Where else could he have acquired the impressive and charming Hungarian idiom, that unsurpassedly melodic, rythmic Hungarian language, if not in the domain of Hungarian speech, folk poetry and folk song?

This tremendous Hungarian-experience gained a newer, wider sphere when the poet moved to Budapest. Let us not forget that this is the Era of Reform; the Turkish wars had been forgotten, but the Hungarian soul, too, was almost extinguished under centuries of foreign rule. In a cultured baroque society the young man became acquainted with the great representatives of western literature, the genius of Shakespeare, the revolutionary histories of Lamartine, Michelet and Mignet. In the footsteps of István Széchenyi, Petőfi became a leader among the young intellectuals of the Pilvax Coffe House.

Thus, he affirms the duty of the poet to the liberation and leadership of the people in "The Poets of the XIXth Century" as early as January 1847. Petőfi had been born into a society in which the ideals of the Reform—"the happiness of the majority"—had become both a political and a human goal. Vörösmarty, free of any fear, aided and encouraged the younger poet, and he himself maintained that "a nation's fate appeals to" the poet, and "when we had rescued that from the depths and have raised it as high as possible through the pure gleams shed by ideological battles, then we can say as we meet our ancestors: 'Life, we are grateful for your blessings: this was worthwhile work, this was man's work.' " Naturally, Petőfi, the strongest representative of the younger poetic generation, is no longer content to prepare for "ideological battles," for compromises as the decades slip by; he wants comprehensive changes—reforms which indeed the nation was able to achieve through the first responsible ministry of 1848.

We should not be surprised that Petőfi's patriotic, or rather political poetry becomes ever more radical. The Reform-generation only wished for improvements and at first even the young generation of Petőfi only sought that long-overdue reforms be implemented within the old forms, in conjunction with Austria. After all, even beyond the borders, in Austria, too, a new generation was urging progress.

When, however, the poetic message was not enough, when the alarms sounded in the "National Ode" on March 15, 1848 were dismissed by the ruling forces of the imperial court, and when, within a few months, the court revoked the reforms that had been sanctioned by the king, the "Young Hungary" of Petőfi learned the final lesson: progress and liberty can not be achieved in cooperation with Imperial Austria. Petőfi was a revolutionary from the beginning, yet it was only in the final months of the Hungarian mortal struggle, during the months of the war of independence, that he became, both as a poet and as a politician, uncomprising in demanding radical reforms.

The country, Hungary, was not yet ready for comprehensive changes. Thus Petőfi, who in March of 1848 was perhaps the most popular man in the country, had lost so much ground by June that he was defeated in his bid for a seat in Parliament. The poet of the people was denied by the people. In this bitter mood he wrote the political-philosophical poem, *The Apostle:* the tragedy of the political reformer who comes before his time. New, grand ideas emerge in it, for it contains Petőfi's poetical testament and the program and beliefs of March 1848. Later, when the poet saw that the imperial government continued the policy of "divide et impera" and incited the nationalities against the Hungarians, he wrote "Life or Death," the poem in which he demonstrated convincingly to the nation that it is impossible to turn back on freedom, to undo reforms; one must always go forward because not only the liberty of Hungarians is at stake, but the liberty of all oppressed peoples.

The rest is history. Under Lajos Kossuth a Hungarian army, the national guard, was created. Hungarian officers and soldiers in the Austrian army, as well as the masses of Hungarian citizens, joined this new unit in such forces that, augmented by the youth of other lands (Poles, Italians, Austrians), victory was well within its reach. Only with the intervention of the Russian tsar, according to the terms of the Holy Alliance, was the force defeated.

Then did Petőfi become the true tempest of the Revolution. He saw he must become a soldier, and at his own request he joined the army of Transylvania, serving as adjutant to the Polish Joseph Bem, first as a captain, later as a major. His poems immortalized Bem and inspired the Hungarian troops in the face of the overwhelming Russian army. It was here that death overtook him on July 31st, 1849 during the Battle of Segesvár; here that he was buried—as he himself had wished to be—unknown, in "a mass grave with those who died for thee, sacred Liberty."

Is it possible to compare Petőfi to any other poet? Hardly. Certainly not to any foreign poet, but not even to other Hungarian poets, for his poetry is a mirror of his life and his life was an individual, unique human life. Petőfi is a poet for all Hungarians. And, further, in Hungarian terms, Petőfi is the poet of youth, the symbol of the regenerating Hungarian nation. For the non-Hungarian who appreciated literature, however, he is the Hungarian poet. Some of his simplest poems have been translated into forty to fifty languages. If we recall that the poetic output of Petőfi, who died in his twenty-sixth year, is 850 poems, and that this is the product of five or six years, then we can see the power of his creative energy.

As the literary historian Frigyes Riedl (who published the first English history of Hungarian literature early in this century) remarked, if Shakespeare or János Arany had died at twenty-six, we would not even know they had lived. Petőfi's career was like a comet's: what he produced in his brief life is truly a marvel. If we should list the great men of Western literature chronologically, we must start with Homer; Dante, then Shakespeare and Goethe follow. After that, Petőfi must come. Yet, even if one would include two or three other names, Petőfi must be listed among the ten greatest poets.

AID FOR SOUTHEAST ASIA

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, March 1, 1973

Mr. THURMOND. Mr. President, the question of providing aid to Southeast Asia, including North Vietnam, has been suggested and may come before this body for consideration and action.

We need to study this matter very carefully during deliberative stages in order for us to make a wise decision based on fact and not emotion. In this regard, two editorials have appeared in South Carolina newspapers recently which merit serious scrutiny.

Mr. President, I ask unanimous consent that these two editorials be printed in the Extensions of Remarks. "U.S. Role in Southeast Asia," dated February 16, 1973, from the Greenville News of Greenville, S.C.; "Nixon's Post-War Plan Due Thoughtful Debate," dated February 23, 1973, from the State newspaper of Columbia, S.C.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Greenville (S.C.) News, February 16, 1973]

U.S. ROLE IN SOUTHEAST ASIA

The idea that the United States should give economic assistance to North Vietnam is repugnant to many Americans, and with considerable justification. Obviously the Communist regime of Hanoi cannot be considered friendly. To many Americans, Communist governments are entities to be defeated, not assisted in any way.

Therefore, the suggestion, first advanced by former President Johnson and now given a big push by announcement of a joint economic commission representing the United States and North Vietnam, creates considerable controversy. At this juncture there is little reason to doubt that Congress would refuse to appropriate a thin dime for North Vietnamese assistance, if the matter were put to a vote.

There also is controversy over whether the United States should give significant economic assistance in the future to South Vietnam. Indeed the larger question of foreign aid anywhere may come under close scrutiny and sharp debate. Americans have become disenchanted with the idea of overseas largesse, especially in view of the nation's domestic economic and social problems and unfavorable trade balances with the rest of the world.

But the issue is not that simple. It is not merely a case of pouring out American resources to help other peoples. The United States no longer is able to do that; in fact this country is becoming dependent upon resources no longer available here and must now rely upon other parts of the world for them.

That puts the matter of economic assistance to Vietnam and all other parts of the world in an entirely different perspective. It means that the United States now must assist developing nations to become stronger in order to remain economically strong itself. It means that this country must help develop markets elsewhere in order to have resources for its own use and outlets for its vast productive capability.

It means that the United States must reexamine and readjust relationships, economic and otherwise, with all regions of the world. We have to work for more favorable trade balances with the developed nations, such as Japan and the European Common Market. We need to expand trade with those Communist markets which can produce goods and services we need. Finally we must help develop the underdeveloped regions, including Southeast Asia, in order to further expand the potential for consuming the goods we can produce and to provide resources we now lack.

This is the real significance—indeed it is the reason for—major efforts to end the Cold War confrontation with the Communist world. Essentially we are moving from competition based largely upon military power to an economic struggle in which our survival depends upon how wisely we use our vast technological and economic power all over the world.

Without question a peaceful, productive Southeast Asia is an essential part of the larger picture. The region cannot be made productive without major rehabilitation. It cannot be made both stable and productive unless the whole region is rehabilitated. Obviously North Vietnam is an important part of that whole.

Therefore, it is necessary that the United States participate in the planning and implementation of a program to make Southeast Asia a productive, peaceful part of the world.

Certainly this country cannot be expected to carry the whole load. There must be assistance from other countries, such as Japan and the European nations. There must be participation by the Soviet Union and China.

The point is that the United States has a stake in the future of Southeast Asia, and must play its role in the rehabilitation of the region.

Refusal to participate in building a stable economy in Southeast Asia, including North Vietnam, would be the worst course of action this nation could take at this juncture.

[From the Columbia (S.C.) State, Feb. 23, 1973]

Nixon's Postwar Plan Due Thoughtful Debate

Several years ago there was a joke going the rounds that if the North Vietnamese were really smart, they would capitulate so that the United States could move in with massive aid to rebuild the country.

The gag, springing out of this nation's role since World War II in bankrolling our former enemies, isn't so funny today. The likelihood of the United States' taking a lead role in reconstruction of Southeast Asia is already evident.

Only a week ago, a joint communique, issued in Hanoi and Washington after four days of talks between Dr. Henry A. Kissinger and the North Vietnamese government, announced the creation of a Joint Economic Commission.

"The two sides exchanged views on the manner in which the United States will contribute to healing the wounds of war and to post-war economic reconstruction in North Vietnam," the statement said.

Although the communique mentioned only American aid, our State Department said it envisioned the commission as a conduit for economic aid from the Soviet Union, China, Japan, and Western Europe.

An immediate response of resentment at the prospect of helping the enemy was predictable. The hostility to the idea will not go away any time soon. Voices being raised in protest in Congress surely reflect much sentiment back home.

We suggest, however, that it is time to keep our voices lowered and approach the matter thoughtfully. The strategy evolved by Dr. Kissinger and President Nixon has brought us close to peace in Southeast Asia, and we believe that the Administration deserves a measure of confidence in its post-war strategy.

Hasty judgments and absolute positions often are based more on emotions than on sound reasons and facts. There will be ample time for debate since the Congress must appropriate any reconstruction funds. Mr. Nixon has already mentioned $2.5 billion over a five year period.

Secretary of State William P. Rogers has called it "an investment in peace." As reported in *The New York Times*, the purpose is "to persuade Hanoi that there is more to gain by accepting American aid and building up its own economy than in maintaining a wartime mentality and spending its energy on outside wars."

Mr. Rogers summed up the Administration's present view with cautious optimism saying, "We will have to make it clear to Congress that this makes sense. We will have to consult with them and cooperate with them and try to involve their interest . . . We think that, as in the past, Congress, when it finally finds out all the facts and gives full consideration to the problems and the implications of failing to help, will react responsibly."

We return to an oft advanced thought, that the decision should lie in what we determine to be the best interest of the United States in the long run. All of the facts are not yet before us.

TIMBER REVENUE

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. SHOUP. Mr. Speaker, half of the First Congressional District of Montana is Federal land, most of it under the administration of the U.S. Forest Service. We live in enclaves within these Federal lands. We do benefit from these lands in a number of ways but they do complicate our transportation, communications, education, and distribution problems, and they do not contribute to our tax base.

Mr. Speaker, chapter 2 of title 16 of the United States Code provides for a share of timber receipts from Federal lands for the counties in which the timber was cut. These moneys are earmarked for school and road purposes and are desperately needed by local governments. If this reimbursement were a reasonable share it would go far toward alleviating our property tax burden.

It is my firm conviction that the intent of the original act was to reimburse local government for loss of tax base by returning 25 percent of the gross value of timber harvested. This is not the way things have worked out. A recent sale on the Flathead National Forest involving timber worth $1,694,749 as it came out of the mill netted the county $1,509. If you wonder how such a travesty is perpetrated, take a look at a U.S. Forest Service "Appraisal Summary" form.

Over the years, there has evolved a set of calculations which in the hands of the Forest Service bookkeeping department whittles the local share down to 25 percent of the net. On a marginal timber sale, this is a paltry amount.

While the county fares badly, the Forest Service makes out quite well. They pay for slash disposal, erosion control, reforestation site improvement and road construction from timber revenues before a cent filters back to the county. Road construction is the worst offender, "Specified roads" in particular. These are permanent forest roads, frequently multipurpose in use, expensive and certainly not a legitimate expense to be paid for from timber moneys.

These forests belong to all the people. So do the roads. Let us have hard money appropriations for these roads. They will benefit the public as a whole so the cost should be borne by all, not just the Montana timber purchaser. Not only will this change benefit the local communities but the Forest Service will benefit as well. An escape from their cost-benefit timber sale policy will result in a more stable financial base on which improved forest management can build.

Mr. Speaker, I request that the text of my bill be printed in its entirety at this point in the RECORD. Thank you, Mr. Speaker.

The bill follows:

A bill to amend chapter 2 of title 16 of the United States Code (respecting national forests to provide a share of timber receipts to States for schools and roads

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 500 of title 16 of the United States Code is amended to read as follows:

"§ 500. Payment and evaluation of receipts to State for schools and roads

"Twenty-five per centum of the gross value of timber harvested during any fiscal year from each national forest shall be paid, at the end of such year, by the Secretary of the Treasury to the State in which such national forest is situated, to be expended as the State legislature may prescribe for the benefit of the public schools and public roads of the county or counties in which such national forest is situated: *Provided,* That when any national forest is in more than one State or county the distributive share to each from the proceeds of such forest shall be proportional to its area therein. In sales of logs, ties, poles, posts, cordwood, pulpwood, and other forest products the amounts made available for school and roads by this section shall be based upon the product of the volume of the sale times the awarded rate.

150TH ANNIVERSARY OF ALEXANDER PETÖFI, HUNGARIAN POET

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, March 1, 1973

Mr. SCHWEIKER. Mr. President, Hungarian-Americans throughout this country are joining this year in honor of a great Hungarian, Alexander Petöfi.

This Hungarian poet and patriot was born 150 years ago. His works, and his memory are still an inspiration around the world.

As a poet, his works have been translated into many languages, and he has received critical acclaim throughout the world.

As a patriot, he fought for freedom for his native country, and died on the battlefield. Today, his statue in Budapest stands as a monument to freedom.

It has been a privilege for me to work with many Hungarian-Americans in connection with congressional passage of the Ethnic Heritage Studies Programs Act last year, which was introduced to help all Americans have a better understanding of the culture, and heritage, and national heroes of all the ethnic and minority groups that make up our country.

Alexander Petöfi was a great Hungarian, and it is a privilege for me to join in public recognition of his achievements on the 150th anniversary of his birth.

STEED GIVEN DISTINGUISHED SCOUT AWARD

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. ALBERT. Mr. Speaker, on February 25, 1973, my good friend and colleague Tom Steed was presented the Distinguished Eagle Scout Award by the Last Frontier Council of the Boy Scouts of America. This award, one of the highest in scouting, is given only to Eagle scouts who have served scouting and their communities for at least 25 years. Tom Steed has been helping boys learn about scouting for more than 50 years.

I first met Tom Steed while he was a scoutmaster of a troop in my hometown of McAlester, Okla. Since that time I have witnessed his unceasing dedication to scouting and its ideals. Tom Steed is himself an exemplary product of the scouting movement.

I am proud to include in the Record an article containing a transcript of the Distinguished Eagle Scout Award presentation to Mr. Steed which appeared in the February 25, 1973, issue of the Shawnee, Okla. News-Star.

Steed Given Distinguished Scout Award

(By Ross U. Porter)

Sixteen year old Tom Steed, son of a Seminole County, Oklahoma cotton farmer, applied for his first job at the nearby Ada Evening News in 1920. The owner, Marvin Brown, assigned him to the stereo department which handled the hot metal type used in printing the newspaper. It was a most unglamorous occupation, but it was a starting point.

A few months later when Tom expressed a desire to become a reporter, the publisher, knowing of his keen interest in Scouting, consented to allow him to write the Ada Boy Scout Column, as a side line, while also continuing his scouting experience.

The first requirement however, was that Steed must learn to use a typewriter expertly, by typing the entire front page of The Daily Oklahoman each day, for 30 days. Tom met this requirement with unusual speed and accuracy.

The manual training teacher at the Ada High School, Professor Bradshaw, had recently organized the first Boy Scout troop in Ada, and was its Scoutmaster. It became a champion troop as it won many awards and prizes. Tom Steed's column inspired much local pride and interest from leading citizens who were stimulated by his objective reporting of the scouting events.

A distinguished Ada attorney, Orel Busby, who later served for many years until his retirement, as an outstanding member of the Oklahoma Supreme Court, decided to form the first Boy Scout Council for that area of Oklahoma. The National Council of the Boy Scouts of America granted the charter, and Steed reported the historic event with many pictures, cutlines and stories in big blackface type.

Tom Steed sensed, in two short years, he had arrived at a reporters desk with a journalistic future. The publisher too, agreed his stories were original, clever, and attracted considerable attention.

Meanwhile, Tom had determined that he wanted to become an Eagle Scout, its highest scouting award. However, he discovered the merit badge requiring one hike per week for 52 weeks, and the 50 mile bicycle merit badges, were the toughest. It was 15 miles from Ada to his home in Konawa. The roads were unpaved, crooked, dusty, muddy and sometimes "dark as pitch." Tom made that challenging round trip on two occasions and received his Eagle Award in Ada, in 1921, over 50 years ago.

Sometime later Steed was offered a reporters job on the McAlester News-Capitol in 1924, and promptly accepted. He also accepted the assignment as Scoutmaster of the Episcopal Church troop in that city, and described the troop as "17 of the finest boys I ever knew." The scouts obviously, reciprocated the accolade.

There too, for the first time he met Carl Albert, now Speaker of the U.S. House of Representatives. The long friendship between these two men is now well known to Oklahomans and to all members of the U.S. Congress. Each has carved for himself an outstanding record of service to the United States of America, contributing to the history of the Republic, and to their beloved State of Oklahoma during the past quarter century.

After McAlester, Steed joined the Daily Oklahoman staff as a news reporter, then traveled to the Bartlesville newspaper briefly. He then returned to The Daily Oklahoman—Mr. E. K. Gaylord and "Skipper" Walter M. Harrison, as an oil reporter, covering the gigantic Seminole oil boom development, from a Shawnee vantage point.

In due time the Shawnee newspaper signed him as a reporter. Eventually, he became managing editor of The Shawnee News-Star, his last newspaper assignment. He resigned this position in 1942, to volunteer for service in the U.S. Army, following this he launched into a political career. The voters in his 4th District of Oklahoma last November, reelected him to his 13th consecutive term, or 26 years, as their Congressman, by the largest majority in history.

To be eligible for this Distinguished Eagle Scout Award, the recipient must have served Scouting for at least 25 years. Tom Steed has the very rare record of having helped this great organization for 50 full years.

On behalf of the National Council of the Boy Scouts of America—and the Last Frontier Council of Oklahoma, it is truly a great privilege to bestow upon this outstanding American — Oklahoman — Scouter — the Distinguished Eagle Scout Award.

Tom Steed Earned the Rank of Eagle Scout

As a member of the Boy Scouts of America more than twenty-five years ago, in February, 1921, and

Because as an Eagle Scout, he has continued to serve his God, Country and fellow man, following the principles of the Scout Oath and Law, and

Because he has achieved distinction through service to Scouting as Scoutmaster, and

Because he has given distinguished service to his Nation and community as member of the U.S. House of Representatives since 1948, Chairman of the Treasury-Post Office-General Government Subcommittee on Appropriations, member of several other important House committees, author or co-author of legislation in the fields of education, conservation, the interstate highway program, agriculture, and public works; former newspaperman and automobile agency operator, member of the Oklahoma Hall of Fame and the Minute Man Hall of Fame of the National Reserve Officers Association; veteran of World War II service as a U.S. Army officer and in the Office of War Information; and recipient of honors from the American Veterinary Medicine Association and the General Services Administration;

Because of these and other achievements and the desire of the Boy Scouts of America, upon the nomination of his local council and the recommendation by a committee of Distinguished Eagle Scouts to the National Court of Honor, acting on behalf of the Executive Board of the Boy Scouts of America, the Honor and Rank of Distinguished Eagle Scout are awarded to and conferred upon him.

AN EDITORIAL ON LAWLESSNESS

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. NICHOLS. Mr. Speaker, each member of this distinguished body—regardless of political affiliation—is concerned about our ever-increasing crime rate. Earlier this week, authorities announced that 264 persons were murdered in the District of Columbia during 1972; during the same time, approximately 300 Americans were killed in battle in Vietnam.

In a recent editorial, Donald Wear, vice president and general manager of WAPI–TV and WAPI–Radio in Birmingham, discussed the lawlessness which is so prevalent in our country today.

Due to the timeliness of this editorial, I ask that it be included in the Congressional Record for my colleagues' study.

Editorial

With increasing frequency, it seems, we must report to you the lawlessness in our land. There appears to be no real safety when rapes, shootings, assaults, thefts and other violent, criminal acts can and do happen to anyone—anywhere. What in heaven's name has happened to our national fibre? The common decency which characterized the growth of this country seems to have eroded or at least the ability of the majority of American citizens to control the circumstances of our living appears to have been weakened. Law enforcement agencies have an overpowering task in maintaining some equilibrium in our society. They face apathy and disrespect. Danger and distillusion—and it is up to each individual to provide the support so vital to them in protection of our own lives and property. And since everything is a two way street, there is an equivalent obligation on the part of these agencies to use good judgment in the exercise of authority. This mutual cooperation—by everyone—regardless of position in life—or where they live—or work—or play—is an absolute necessity if we are to begin rebuilding the kinds of values and attitudes which will repair our decline. We believe there is something each of us can do, and that is "say something to somebody about it!" The next time you see a judge—or a lawyer—or a legislator—or congressman—or senator—

or councilman—or neighbor—or friend—say something about it. As Abraham Lincoln once said "with public opinion nothing will fail—without it, nothing can succeed." So let us rise up to the defense of our national interests. In many stadiums you hear the ringing roar of thousands of voices imploring Dee-fense, Deefense, and it works—because good men are motivated by good causes and the support of the people. Abuses of the law and the common rights of all people have no place in this America—and it's up to you to say something to somebody.

THE ATLANTIC COUNCIL CALLS FOR INTERNATIONAL TRADE REFORM

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. REUSS. Mr. Speaker, the Atlantic Council in a recent statement on international trade policy, identifies the main problems—both domestic and foreign—impeding trade expansion, and suggests possible reforms.

The text of the statement follows:

STATEMENT ON INTERNATIONAL TRADE POLICY

The Committee believes that the Administration and the Congress must give urgent attention to stimulating an increase in international trade for the benefit of business, labor, agriculture and the consumer. Improvements in world economic mechanisms, both in the monetary and trading systems, are necessary to enable us to attain this objective. Monetary reforms are already under discussion. The time has come to get trade reform underway as well.

The first urgent need is for vigorous Administration leadership in seeking authority from the Congress broad enough and bold enough to convince our principal trading partners that the U.S. is determined to seek, and has the necessary authority to negotiate for, a thorough-going reform of the international trading system parallel with reform of the international monetary system.

The second need is for the Congress to grant the necessary authority to the Administration to negotiate such changes. Only a broad, bold and forward-looking approach can meet the present and future needs of the American economy for full employment of manpower and of the country's exceptional industrial, technological and agricultural resources.

There is also need for an international sense of urgency about the task of reform and for reaching a consensus at an early date, at least among the governments of the principal trading nations, on the general nature of the negotiations to be conducted.

The need for reform in the trade field is not dictated by economic considerations alone. There is serious danger that if conditions are not provided for continuing expansion of world trade for the benefit of nations generally, we may face trade conflicts and jeopardy to the progress being made in other areas. The Atlantic Council has been deeply concerned about the possible damage to Atlantic relations, and those with Japan, that can occur as a result of increasing economic tensions. A key factor in ensuring the future maintenance of peace will be the growth of the economic strength and the cohesion of the countries of Western Europe, North America and Japan.

The negotiations will have to break new ground internationally, both as to substance and procedure. New legislation should therefore be broad enough to enable the Executive to negotiate effectively regarding the full range of subjects in which U.S. trade interests are involved. It should set forth the policies and principles of American foreign policy respecting international trade, to provide guidelines to the Executive and to make our outlook clear to our trading partners. The legislation should provide the Executive with the authority to act when the objective can be readily defined. It should provide negotiating authority subject to Congressional review in other cases.

The policy objectives to be sought should include the progressive elimination of barriers to international trade and of policies and practices which distort trade channels. They should aim at the establishment of conditions which will permit fair trade on a non-discriminatory multilateral basis. The creation of such conditions is in the general interest. It is also in the U.S. interest and should be clearly enunciated anew by the Congress as American policy.

The United States needs fair access to foreign markets to sustain our industrial employment and agricultural production. We need fair rules on competition in the marketplace. We can obtain fair access to other markets only by granting fair access to our own. The American economy is strong. Assuming that we keep it strong through sound domestic policies, the United States can compete in a fair trade system for the markets it needs to pay for its requirements for goods and services from other countries, provided that the international monetary negotiations result in the creation of an efficient and equitable process by which adjustments can be made through flexibility in exchange rates and other complementary measures.

Within the framework of the policies laid down by the Congress, the Committee believes that new trade legislation should cover the following subjects:

TARIFFS

Specific advance authority should be delegated to the President to enter into multilateral agreements for the reciprocal elimination of tariffs among the industrialized countries on a most-favored-nation basis over a specified time period of perhaps ten years, in accordance with a plan for progressive annual reductions. The elimination of tariffs would be subject to suitable safeguards for labor and industry referred to below.

NONTARIFF BARRIERS

As tariff barriers have been progressively reduced and as the trading nations move toward greater economic interdependence, nontariff barriers and their trade-distorting effects have become increasingly important. A new, vigorous attack on these barriers is needed.

The objective in dealing with non-tariff barriers would be, depending on their character, to reduce or eliminate them or to correct their trade-distorting effects and to get rid of discrimination.

Some non-tariff barriers bear exclusively on imports and may lend themselves to negotiations similar to those which have been used regarding tariffs. Other non-tariff barriers are enmeshed in domestic legislation and require different approaches. There is danger, for example, that industrial, health or safety regulations can inadvertently or deliberately create trade barriers. The domestic goals concerned should be sought by measures which, as far as possible, avoid hampering trade. Dealing with these problems will inevitably be a long-term continuing process.

This process may well include negotiating:

A. Principles of fair trade.

B. Codes of conduct for governments, with provisions for making them effective through penalties or compensatory benefits in case of violation.

C. Agreements against discrimination.

D. Liberalization and simplification of procedures and practices directly relating to international trade.

E. Harmonization of other policies, procedures and practices which substantially affect international trade.

Adequate international machinery will be needed for review of governmental action regarding these matters, for dealing with complaints of violation, and for continuing consultation and negotiation, a matter which is discussed further below.

The Congress should give the President adequate authority, and clear cut assurance of support in principle, for conducting such negotiations.

AGRICULTURE

There are unique aspects to the problems of agriculture and dealing with them is complicated by domestic legislation and political sensitivities in many countries. It is essential nevertheless that international trade in agriculture be dealt with as an integral part of the reform of world trade system proposed above, particularly as regards non-tariff barriers, which are of great significance in this area. The Kennedy Round of negotiations was able to accomplish very little in this area, which is of particular importance to the United States in view of the efficiency of our agriculture and its role in our export trade.

Agreements should be sought which would contribute to rationalization of world agriculture and result in a substantial expansion of agricultural trade. Since our own domestic legislation is involved, a clear expression of Congressional intent in this area would facilitate effective negotiations by the Executive.

Another Atlantic Council committee is preparing more specific proposals on the subject of international trade in agriculture.

ADJUSTMENT ASSISTANCE

The Congress should review and liberalize the legislative provisions for adjustment assistance to labor and industry affected by changes in international trade patterns. There seems to be widespread agreement that present programs have not been effective. More attention and support should be given to job-retraining, with improved Federal and local cooperation.

Assistance should also be extended in appropriate cases to communities which are heavily dependent on affected industries.

SAFEGUARDS

In order to bring about the desired changes, it may be necessary to provide safeguards for reducing the impact of changes on a few industries which are highly sensitive to altered conditions, by affording temporary, transitional relief from an excessive volume of imports which results in market disruption. Such measures, whether taken by the United States or other countries, should however be strictly limited in time and be subject to international consultation and review.

TRADE WITH COUNTRIES WITH CENTRALLY PLANNED ECONOMIES

The provisions of exising law bearing on trade with the USSR, Mainland China and other countries with centrally planned economies should be reviewed to determine whether they are adequate to enable the Executive to deal effectively with the governments of those countries, both as regards exports and imports, in the interest of increasing our trade with them.

TRADE WITH DEVELOPING COUNTRIES

The provisions of existing law bearing on trade among the more industrially advanced countries is not likely to be swift enough to meet the urgent trade problems of the developing countries. Legislative provision should be made for U.S. implementation of internationally agreed arrangements, already implemented by Europe and Japan, for a system of generalized tariff preferences for these countries under conditions which are fair as between the advanced countries.

INTERNATIONAL MACHINERY

One difficult problem which will have to be solved in the negotiations, but which it may not be possible to treat in the initial legislation, relates to the international machinery for dealing with trade questions. While the General Agreement on Tariffs and Trade (GATT) has performed an essential role, consideration needs to be given to the adequacy of its procedures and mandate, which go back to the early post-war period, and to providing for a closer and more effective relationship between GATT and the International Monetary Fund. Consideration will also need to be given to the development in a new era of economic cooperation of the role to be played by the OECD in coordinating the economic policies of its member countries.

REQUIRED LEGISLATION

Legislation dealing with these problems would fall into various categories. For example, provisions for adjustment assistance should become effective immediately upon enactment of the legislation. Beyond this, two types of authority will be necessary:

One, dealing with tariffs, including safeguards, and some non-tariff barriers, should constitute specific authority. The other, dealing with non-tariff barriers and agriculture, should be in the form of Congressional guidance. Results achieved in accordance with this guidance should be subject to Congressional review. In the interest of obtaining action, agreements concluded under this authority should be submitted to the Congress and take effect unless disapproved by the Congress within sixty days of the date of submission. Major progress may not be achieved in a single, one-time negotiation, but rather by a process of continuing negotiations and consultation over what may be a very long period of time.

The foregoing comments relate to the subject of trade legislation. Such legislation, however, will not be able to deal with the totality of the U.S. international trade problem. The competitive position of the American producer, at home and abroad, is affected by domestic policy and legislation in various fields. Most important, of course, are the government's general economic policies and particularly the measures taken to restrain inflation and promote economic growth through budget and fiscal policy. It is particularly important at this time to place those ceilings, both executive and legislative, on outlays and appropriations which will avoid the threat of renewed demand-pull inflation as we increasingly employ the unused resources of manpower and capacity now available in the economy.

Tax policies, anti-trust policies, energy policies and environmental policies provide examples of specific domestic measures which may have a significant effect on foreign trade. Domestic policies and legislation, and the regulations deriving from them, which have such an effect should be reviewed in the light of changing conditions in international trade. The Committee makes no *a priori* judgment regarding them. However, where they are found to require adaptation, the Committee suggests that the desirability of an international approach, of seeking international rules or harmonization through international agreement, should be kept constantly in mind.

In making its recommendations, the Committee calls attention to the large current and prospective deficit in the U.S. trade balance, which reached a total of more than six billion dollars in 1972. This deficit reflects changes which have taken place in the international economic situation and distortions and rigidities which have developed in the structure of international economic relations, preventing effective adjustment to changing world economic circumstances.

The Committee has also given attention to the continuing unduly high level of unemployment. A primary interest of labor, and indeed of the whole American economy, is the safeguarding and creation of jobs and resultant purchasing power. With respect to international trade, the Committee firmly believes that the best means of increasing employment lies in increasing efficiency of American production and through expanding exports, i.e., in the reduction of foreign barriers to trade and the re-enforcement of the competitiveness of American industry. It also believes that efforts to protect jobs through restrictive trade controls would be self-defeating by weakening competitiveness and inviting reprisals against our export trade and would operate to reduce standards of living.

The Committee has only dealt in its recommendations with actions to be taken by government. These can at best create a favorable climate for action by individual enterprises. In the final analysis, provided that the climate is favorable, it is the response of management and labor to the challenges which our problems and opportunities present which will determine the success of the American effort.

In conclusion, the Committee wishes to stress three points:

1. Action is needed urgently.
2. Only a bold, forward-looking approach can meet the present and future needs of the American economy and of American foreign policy.
3. Trade legislation should be looked on and dealt with as an integral part of our over-all efforts to achieve a peaceful and increasingly prosperous world.

DEPUTY U.S. MARSHALS RECLASSIFICATION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. UDALL. Mr. Speaker, during the closing days of the 92d Congress, the House agreed to legislation which would have reclassified a group of Federal employees, deputy U.S. marshals, who have been receiving less compensation for comparable work than any other group of law enforcement officers in our Government.

This bill was also overwhelmingly accepted by the Senate and sent to the President for action. Along with many other bills, the President pocket-vetoed it.

Today, along with many other Members, I am introducing substantially the same bill so that we may have an opportunity to enact this badly needed legislation.

As with all law enforcement personnel, the work of the deputy U.S. marshals has been broadening and increasing. Thus the classification problem is becoming more acute. Among other duties, the deputy U.S. marshals are charged with guarding Congressmen and other important political figures, witnesses testifying before congressional committees, heads of departments and agencies of the Federal Government, and a variety of other vital duties.

These employees are called upon to carry out hazardous duties over extended periods of time and in many cases have been killed or injured in the line of duty.

This bill would adjust the classification of these employees upward so that an entering deputy U.S. marshal would be paid $7,694 per year.

At the other end of the scale this bill provides that after years of service, a deputy U.S. marshal might achieve a top grade of GS-11.

Currently, nonsupervisory deputy U.S. marshals currently are classified from grades GS-4 through GS-9. My bill provides for a trainee entry level at GS-5 with other classifications at GS-7, 9, and 11.

I hope that the 93d Congress will act with the same wisdom with which the 92d Congress acted and pass this bill in timely fashion.

AFRICAN BLOC DOMINATION OF U.N.

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. RARICK. Mr. Speaker, when I first began my efforts to inform our people of the threat posed by the U.N. against America I pointed out the tightening noose of international controls over the American people—international ideas, goals, and laws replacing American ideas and laws.

It now seems that I may of been in error when I called the control "international." The voting record of the United Nations General Assembly clearly indicates the voting power of the world debating body now is in control of one group—the African bloc composed of 41 African countries. And this group grows larger each year.

The awesome power of the Africans to dominate the U.N.—to ram through resolutions almost unopposed—further strengthens the fear many American's have of growing encroachment on this country's sovereignty. Even the "internationalist one worlders" are now concerned about this growing regional control of world affairs.

Almost one-third of the voting power of the 132-member U.N. is now in the hands of the 41 African countries—which represent less than one-tenth of the world's population, and pay less than 1 percent of the U.N.'s financial obligations. The American taxpayers, incidentally, have paid from one-third to almost 40 percent of the entire cost of U.N. operations until the Congress this year reduced the U.N. contribution to 25 percent.

Africa, whose total population is about twice that of the United States, has 41 votes to our one—a voting advantage of approximately 20 to 1. It is incredible that this great Nation's taxpayers, carry the vast majority of the financial burden.

The power of the Organization of African Unity, the group that pulls the strings of the African ambassadors, even extends to the 15-nation Security Council, where African resolutions are rubber stamped in wholesale lots. The big powers, like the United States, lean over backward to appease by avoiding vetoes. Member nations with larger populations, size, wealth, and military might are afraid to incur the wrath of these underdeveloped minority countries.

The strength of the Africans to bulldoze the rest of the world into submission was evidenced last year. Bloc voting by African extremists gutted an international move aimed at preventing terrorism. They stand united, but most often side with the Russians on critical issues.

The economic sanctions imposed on Rhodesia were the result of more string pulling by the Organization of African Unity. But this group only uses the U.N. as a tool when it suits its purposes. One of its primary aims is to keep strictly African problems out of the United Nations, favoring a domestic or regional handling. The Africans want to voice control over other areas of the world, but demand a "hands off policy" when questions of Africa arise.

Only three nations have a larger population than the United States, yet the United States has only one vote while Soviet Russia has three. They pay 16.1 percent, we pay 25 percent. In fact, over half of the voting countries in the U.N. do not have the total population of the United States. United Nations advocates who call for a one-man, one-vote principle to be applied to Southern Rhodesia, are silent with regard to the abuse of this same principle in the United Nations.

And the expulsion of Nationalist China, a charter member, should remind all that peace, justice, and world representation are not U.N. objectives.

AMTRAK: IS IT EITHER NO SERVICE OR POOR SERVICE?

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. ALEXANDER. Mr. Speaker, it is not too often that a person from Arkansas has a basis for complaint about the service they have received from the Amtrak system. The reason for this situation is not that they are completely satisfied with its operation—it is just that since we have no service at all in Arkansas, we seldom have an opportunity to pass judgment on the train.

However, I would like to share with you and my colleagues a suggestion I received from one of my constituents, Dr. Wayne Workman, who has had experience with the Amtrak reservation services:

FEBRUARY 19, 1973.

DIRECTOR OF AM-TRAC,
Department of Transportation,
Washington, D.C.

DEAR SIR: On the fifth of January I called the Am-Trac toll number and requested reservations for two people, round trip, from Oklahoma City to Los Angeles, California. I asked that these tickets be mailed to us, and they be charged to my American Express Credit Card, they said that this could be done. On the seventh of January these reservations were confirmed, and the bedroom and the car numbers were given to me, however, on the fifteenth of January no information had been received from Am-Trac. Another telephone call reveals that we would have to pick these tickets up at the ticket agent in Oklahoma City, and there was much confusion. This required three telephone calls and approximately some twelve to eighteen hours to get all of this information straightened out. All of the people who handled and dealt with me were extremely nice and courteous and seemingly intelligent, and they seemed to want to be helpful.

My point is this, I think that if Am-Trac is ever going to be successful it should be computerized. If I had called and made reservations on an airline I would have known within minutes whether or not space was available and tickets would have been mailed out immediately. I have made many reservations and purchased tickets in this manner with three different airlines without any problems or complications at anytime. It is no wonder that the railroad systems are having problems, past and present, they are years behind. My suggestion is, pattern the Am-Trac operation after the airline systems, indeed the whole railroad system.

Sincerely,

W. W. WORKMAN, M.D.

ELWOOD S. MOFFETT

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. J. WILLIAM STANTON. Mr. Speaker, last week the labor movement in America lost a great leader. Elwood S. Moffett, the former president of District 50, Allied and Technical Workers, died of an apparent heart attack while en route to a labor conference in Bal Harbour, Fla. Mr. Moffett, who headed the district 50 labor union for 11 years, was a special assistant to the president of the Steelworkers Union at the time of his death.

Elwood Moffett was a unique individual. He was a man whose early life found him working in the anthracite coal mines in Pennsylvania. From this humble beginning he rose to be president of one of the truly great independent unions of our time. When district 50 merged with the Steelworkers Union last summer, they represented 180,000 members in the United States and Canada.

Despite this obvious organizational and leadership ability, I find myself remembering Elwood S. Moffett the man. I had been a Member of the U.S. Congress for less than 2 months when Mr. Moffett invited me to sit with him on the speaker's platform at district 50's international convention here in Washington. From that day forward I had the privilege of enjoying a friendship with him that I valued highly. His personal interest and compassion for everyone he represented was obvious to all who came in contact with him. He displayed a great and rare understanding for the problems of the employer as well as for the employee.

At the memorial services for Elwood Moffett the unofficial chaplain of district 50, the Reverend Monsignor William J. Snyder eulogized him as a true Christian whose church influenced and directed his activities. When Monsignor Snyder said:

His Palm Sunday was long, his Gethsemane was equally long, but his Calvary will be short.

All of those present knew exactly what he meant.

The memory of Elwood S. Moffett will live with me for many years. I trust that the labor movement and those who worked with him will continue to pursue the goals to which he devoted his life. Elwood Moffett never considered one's political affiliation as a requirement for cooperation. He treated everyone equally, whether a U.S. Congressman or the newest member of his union. The labor union has lost an outstanding leader, the country has lost a great American, and I have lost a good friend.

VA HOSPITAL AT TUSKEGEE, ALA., OBSERVES ITS 50TH YEAR OF SERVICE

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. NICHOLS. Mr. Speaker, during the recent congressional recess, I was privileged to participate in ceremonies at the Veterans' Administration hospital in Tuskegee, Ala., as that institution observed 50 years of service to our American servicemen.

The record of service, started on February 12, 1923, following an address by the then Vice President Calvin Coolidge has been commendable. It is a record of dedication by the men and women of the Tuskegee area—the employees and the volunteers.

The foundation laid by those who have already served at Tuskegee deserve the finest tribute which can be most suitably rendered by the desire to move forward and continue to build on the base they constructed through many difficulties. In many respects, the 50th anniversary of the VA hospital in Tuskegee stands as a virtual monument of the achievement of goals of patient care delivery which were undreamed of and considered impossible in 1923.

Mr. Speaker, I am sure that each of my distinguished colleagues has heard of Tuskegee, Ala.; if they have not heard of the VA hospital there, they have heard of the famed Tuskegee Institute—the school of George Washington Carver and Booker T. Washington. Tuskegee Institute, in fact, donated 300 acres of land to the Federal Government for the construction of the VA hospital.

But it is the Veterans' Administration hospital in Tuskegee which we are honoring—its director, Lucien Green, its assistant hospital director Ralph M. McClanahan; and chief of staff Dr. Daniel J. Thompson.

Mr. Speaker, at this time, I include in the CONGRESSIONAL RECORD, the history of the VA hospital as included in the commemorative program observing the 50th anniversary of this fine hospital:

The Veterans' Administration Hospital at Tuskegee

World War I ended with many problems involving war veterans; particularly those who were wounded and sick. To meet the needs of those men released from the Armed Services, the United States Veterans Bureau began rapidly building hospitals in various sections of the country to insure adequate medical care for all. The Treasury Department Hospitalization Commitee, under Dr. William Charles White, Chairman, after careful investigation found that it was almost impossible for Negro soldiers to secure proper treatment in mixed hospitals for veterans in the South. Because of this discrimination against Negro veterans, President Warren G. Harding and the Veterans Bureau were faced with the problem brought into focus by Negro public opinion.

In 1921, the Veterans Bureau of the United States Government encountered problems trying to locate a hospital at some suitable point in the south for the treatment of Negro veterans. A solution to the situation was initiated by Government leaders, including President Harding, who contacted Tuskegee Institute concerning the possibility of erecting a Veterans Bureau Hospital for Negroes in the vicinity of Tuskegee. It was also proposed that such a hospital would serve as an employment training center for young Negro physicians. Tuskegee seemed the most desirable location since it was near the geographical center of Negro population of this Corps Area and because of its leadership in problems related to the social, economic and educational problems of the Negro. For this purpose, Tuskegee Institute donated 300 acres of land to the Government. Forty plus acres were purchased by the United States from a local citizen of Tuskegee and a small parcel of land for a road was donated by local citizens. Plans for construction proceeded and building began. The next problems faced were the types of patients to be treated and personnel to staff the hospital.

The hospital was designated for the treatment of the tubercular and the mentally ill veterans. This designation met with some opposition from the community but was soon overcome through disseminated scientific and educational information directed to the public. The problem of hospital personnel loomed larger and larger as construction neared completion. Through the cooperation of Government agencies and the local citizenry, the problems which seemed insurmountable were resolved but not without difficult and trying moments. Dr. Robert R. Moton, President of Tuskegee Institute, Dr. John A. Kenney, Director of John A. Andrew Hospital, Tuskegee Institute, Dr. M. O. Dumas of the National Medical Association, Washington, D.C., citizens of Tuskegee, and the Tuskegee Institute community worked unceasingly to bring about the successful operation of the hospital.

Construction of the 600-bed hospital with 27 permanent buildings was completed and dedicated on February 12, 1923. The dedication exercises were held in the Chapel of Tuskegee Institute with the Honorable Calvin Coolidge, Vice President of the United States, as the principal speaker.

In his address, Vice President Coolidge referred to the patriotism of Negro soldiers and the loyalty of Negro citizens and appealed earnestly to the various groups which compose our country to live together in peace and in the spirit of Abraham Lincoln. He said, "It is well for us, who must live together as Americans, whatever our race or creed may be, constantly to remember the words of Lincoln: 'We are not enemies, but friends. We must not be enemies.' Those who stir up animosities, those who create any kind of hatred and enmity are not ministering to the public welfare. We have come out of the war with a desire and a determination to live at peace with all the world. Out of a common suffering and a common sacrifice there came a new meaning to our common citizenship. Our greatest need is to live in harmony, in friendship, and in goodwill, not seeking an advantage over each other, but all trying to serve each other. In that spirit let us dedicate this hospital and dedicate ourselves to the service of our country. To do that wisely, patiently, tolerantly, is to show by the discharge of our duties our indisputable title to fellow citizenship with Abraham Lincoln." These words marked the beginning of an enormous structure that would serve veterans of all wars.

On June 15, 1923 the VA Hospital at Tuskegee admitted its first 250 patients. President Harding and W. W. Brandon, Governor of the State of Alabama, appointed Colonel Robert Stanley as the first manager and medical officer in charge of the newly dedicated hospital. Dr. Charles M. Griffith succeeded Colonel Stanley as manager on September 2, 1923 and served until 1924, when Dr. Joseph H. Ward was named to the post.

Approximately 116 acres of land were transformed into a farm and incorporated into the rehabilitation and treatment program. The freshly picked vegetables, hogs, slaughtered in the abbatoir, and poultry were put to good use in the hospital kitchen. The hospital was continually involved in either a permanent or temporary expansion program of buildings and facilities for the housing and treatment of its patients. Quonset huts, surplus from the military service were added to augment the permanent brick structures. The huts were beneficial to the hospital and were utilized for a Canteen, bowling alley, therapy clinics, a portion of the general library, and storage space. The farm was eventually discontinued as a part of the therapeutic program and the quonset huts were given to the Alabama Agency for Surplus Property after permanent buildings were erected.

Through the 1930 decade, the hospital continued to grow. The bed capacity increased to approximately 1498 by 1940. As more buildings were being added to this vast complex, the United States was soon to be involved in its most gigantic global war for survival. Fortunately, the assignment of capable managers through these formative years up to and including World War II, insured that the Veterans Administration Hospital at Tuskegee would be prepared for an influx of disabled veterans.

Dr. Eugene H. Dibble succeeded Dr. Ward as hospital manager in 1936 and served until 1946. The bed capacity had now increased to 2227 by 1946 to meet the needs of the increased number of battle casualties returning from the war fronts.

Succeeding directors were: Dr. Touissant T. Tildon, 1946–1958; Dr. Prince P. Baker, 1958–1959; Dr. Howard W. Kenney, 1959–1962; Dr. Julian W. Giles, 1962–1969; and Dr. Robert S. Wilson, 1969–1972.

Each successive Hospital Director made significant contributions which made growth and change inevitable. Growth is evidenced by the increased bed capacity from 600 to 2307; expansion of treatment programs; the inauguration of Residency programs in Medicine, Surgery, Ophthamology, Dentistry and Physical Medicine & Rehabilitation; expansion of the library programs; and the establishment of Research programs.

One other change in the transformation of the VA Hospital of yesteryear into that of today involves the racial integration of patients and staff. Though historically established and operated as a segregated institution, specifically for Black veterans, full integration has evolved without incident and the hospital now serves veterans without regard to race, creed or religion.

Affiliate trainee programs are conducted in Corrective Therapy, Recreation Therapy, X-Ray Technology, Dietetic Internship, Psychology, Social Work, Hospital Pharmacy, and Nursing. Also, the hospital is involved in the Area Health Education Center effort which has as its primary purpose the training of paramedical personnel in conjunction with educational institutions in this area.

Today, the hospital is fully accredited with modern facilities and equipment. There are specialized clinics, excellently equipped surgical units, including surgical intensive care unit, a medical intensive care unit, a well equipped clinical laboratory with auto-analyzer and coulter counter among some of the more advanced equipment, a blind rehabilitation clinic, a pulmonary function laboratory, and a nuclear medicine laboratory. A coronary care unit is now under construction.

In keeping with Veterans Administration's newer concepts and philosophies in the delivery of health care and for more effective administration and operation. VA Hospital Tuskegee's operating bed capacity has been decreased to 1106 hospital beds and a 120-bed Nursing Home Care Unit.

The Veterans Administration Hospital, Tuskegee, Alabama on its 50th Anniversary stands as a monument of sincerity of purpose and hard work climaxing the realization that all people can work together for the betterment of mankind. The hospital faces the future dedicated to superior medical care and treatment for veterans of all wars.

Mr. Lucien A. Green assumed directorship of the hospital on October 15, 1972. Under his leadership we are mindful of our future obligations. Many more changes, additions and refinement are contemplated to insure that veterans will continue to receive the best medical attention available.

OKLAHOMA POSTAL TRAINING OPERATIONS GRADUATES 25,000TH STUDENT

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. STEED. Mr. Speaker, the Oklahoma postal training operations facility, operating on the campus of the University of Oklahoma, at Norman, recently passed a significant milestone.

In slightly more than 3½ years of activity, it has graduated 25,000 students. OPTO trains technical manpower essential to maintaining the sophisticated equipment now being incorporated into handling the U.S. mail.

The article that follows appeared in the Oklahoma Journal, Oklahoma City, January 20, in observance of this milestone:

Postal Grad Is 25,000th

Norman.—Oklahoma Postal Training Operations (OPTO) graduated its 25,000th student Friday at the end of three years, six months and five days of continuous education on the University campus.

Russell L. Wall, 37-year-old Minneapolis, Minn., environmental control specialist, was computer-picked for the honor of being OPTO's milestone graduate.

Wall is a veteran of four years service with the United States Postal Service (USPS) which administers the training facility.

OPTO is housed in Couch Center South, in quarters leased from OU, and operates a training program for world-wide USPS employes.

The Norman Activity is charged with training technical manpower needed to maintain sophisticated equipment now being incorporated into fast and efficient movement of the U.S. mails.

OPTO Director John J. "Jack" Kenney, former Commanding General of the Fort Sill U.S. Army Artillery Center, said Friday "there is no room for 'shade-tree' mechanics in USPS maintenance crews."

The mail service is becoming increasingly mechanized, Kenny said, and if the equipment doesn't operate, the mail stops.

Just one of the hundreds of pieces of equipment used by the mail service is a machine called the "optical character reader," capable of processing 46,000 pieces of mail per hour.

Another is known as the "ZMT" or Zip Mail Translator, which scans through thousands of envelopes per hour and automatically routes the letters to their proper mailing channels.

Kenny said USPS annually disburses a $250,000,000 payroll to 25,000 maintenance personnel for the upkeep of these sophisticated machines.

Since its inception in July, 1969, OPTO has developed and implemented approximately 40 different resident training programs covering the entire range of postal technical maintenance.

The training facility also has provided a number of followup "on-the-site" certification programs for graduates of its highly technical equipment courses.

Wall, the 25,000th graduate, is typical of other OPTO trainees in that he has previously attended two other maintenance training courses at the Norman facility.

Programs taught at Norman include automotive air-pollution control devices, tuneup and electrical systems; self-service postal units; general-purpose process control computer programming and maintenance; optical character readers and ZIP mail translator systems.

One of the center's own computers picked Wall as the milestone graduate. He was honored with presentation of a special engraved diploma, presented by Kenney at the Friday graduation ceremonies.

ESTONIAN INDEPENDENCE

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. GUDE. Mr. Speaker, this past Saturday, February 24, marked the occasion of the 55th anniversary of Estonia's independence. Forcefully incorporated into the Soviet Union in 1940, Estonians today are among those peoples who have been systematically denied their very basic human rights of self-determination and freedom of expression.

With their illegal occupation by the Soviet Union, came a concerted policy in the Baltic States of mass deportation of natives to Siberia and elsewhere in the Soviet Union, supplemented by colonization of these countries with persons of Russian stock. It is estimated that at the rates of immigration which have prevailed in the past, Estonians may be a minority in their own country by 1985. Soviet control of Estonia does not end there, however, as we find the Soviets pursuing an antireligious policy and one which is designed to suppress cultural and ethnic expression as well. The spirit of the Estonian people has not been broken, however, and we salute their bravery and integrity.

The United States extended full recognition to Estonia in July 1922. We wish on this occasion to reaffirm our strong friendship and support for the people of Estonia in their aspiration for freedom.

THE ADMINISTRATION'S $15 BILLION MISTAKE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. VANIK. Mr. Speaker, this morning before the Ways and Means Committee, Under Secretary of the Treasury Paul Volcker pleaded the administration's case for a Federal Financing Bank.

The new bank was described as an efficiency measure to permit consolidation in the financing of government debt obligations—a financing process which is presently scattered throughout the bureaucracy. We were told that the new bank would actually save the taxpayers money—reducing the need for separate debt obligation divisions within Federal agencies and corporations which have been authorized by Congress to issue obligations guaranteed by the Federal Government. The following is a list of many agencies and corporations which would be served by the proposed bank.

Funds appropriated to the President:
  International security assistance
  International development assistance
Agriculture:
  Rural Electrification Administration
  Farmers Home Administration
  Commodity Credit Corporation
  Public Law 480 long-term export credits
Commerce:
  Economic development loans
  Maritime Administration
  Financial and technical assistance
Health, Education, and Welfare:
  Health programs
  Education programs
Housing and Urban Development:
  Low-rent public housing
  Federal Housing Administration
  Government National Mortgage Association
  Community development loans
  New communities fund
  Other mortgage credit
Interior
Transportation
General Services Administration
Veterans' Administration:
  Housing loans and guarantees
  Insurance policy loans
District of Columbia
Emergency Loan Guarantee Board
Export-Import Bank
Federal Home Loan Bank Board
Small Business Administration:
  Business and investment loans
  Disaster loans
Washington Metropolitan Area Transit Authority
Other agencies and programs
GNMA Tandem plan
GNMA mortgage back securities
Export-Import Bank

The Bank would sell its securities to the public on behalf of the Federal agencies and corporations served.

When the Federal Financing Bank Act legislation was submitted to the Ways and Means Committee, it was introduced in a form that did not disclose that it was providing $15 billion in financing authority in addition to the billions of dollars of authority already held by various agencies and Federal corporations.

This was a $15 billion mistake. It points up the grave danger of taking up administration recommendations at face value.

STEEL WORKERS OF INDIANA PROTEST

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. MADDEN. Mr. Speaker, my office has been receiving great quantities of mail, not only from my district but throughout the State of Indiana, protesting the unreasonable and flagrant reductions in domestic programs which this Congress has passed during the last several sessions. I have received letters from my district from industry, labor, educational leaders, professional people, et cetera, voicing alarm concerning the turmoil which is bound to result in our urban and industrial area of the Calumet region of Indiana and over the Nation. Many civic organizations are protesting the confusion already existent among thousands of organizations and individuals as to the result of these abrupt reductions and curtailment of programs for the unemployed, the elderly, the sick, and the part-time employees, et cetera.

Mr. Jesse Arredondo, president, and Mr. Joe Sosa Alamillo, recording secretary, have forwarded to my office the following resolution which was unanimously adopted by the United Steelworkers of America, Local Union 1010, at their meeting on Thursday, February 15, 1973. I include this resolution with my remarks:

RESOLUTION

Whereas, This Country is long overdue in subsidizing Programs to help alleviate poverty in America.

Whereas, The Federally funded programs have helped to find jobs for the jobless, provided skills for the unskilled and decent housing for the ghetto, rat infested areas through urban renewal programs,

Whereas, Many of the programs affected will mean a complete halt in education, employment, and decent housing,

Whereas, President Nixon's cut-backs of these federally funded programs is showing an all out attack upon the poor people of this country and a blatant disregard for the welfare of its voting citizenry,

Whereas, 42% of Nixon's budget will come from individual income taxes, and while he is cutting back on the poor, his national defense budget has increased even though the Vietnam War has ended,

Therefore be it resolved: That this Local Union and our International Union begin at once to have our legislators fight against these irresponsible cutbacks.

Be it further resolved: That our local Union send letters to all of our Congressmen in Washington immediately to fight against Nixon's proposed cutbacks.

DR. E. GREGG ELCAN

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. MATHIS of Georgia. Mr. Speaker, on January 10 the city of Bainbridge and the county of Decatur, located in the Second Congressional District of Georgia, which I represent, were saddened by the passing of an outstanding citizen. Dr. E. Gregg Elcan, an educator, a scholar, a Christian, and a gentleman, rests now in the Deep South Georgia soil he loved so well, to which place he came from his native Virginia.

Dr. Elcan left a lasting mark on the people of southwest Georgia, and the high esteem in which he was held was expressed best, perhaps, by my dear friend, the former Governor of Georgia, the Honorable Marvin Griffin, in a front-page column of the Bainbridge Post-Searchlight on January 18, 1973. I enclose the article for the benefit of this House:

MARVIN GRIFFIN

TWO GENERATIONS ARE IN HIS DEBT

This community was saddened late last Wednesday afternoon, January 10, when E. Gregg Elcan, 88, slipped quietly away to his reward after a short illness at Memorial Hospital.

To two generations of men and women in Bainbridge, and to a host of other friends, he was affectionately known as "Fess," which is a colloquial abbreviation for the academic title of "professor."

"Fess" Elcan was not a man of different attitudes, different philosophies of life, different moods or different courses of action. He had an intense love for his Creator, his family and his country. He had great integrity, honesty, love for his neighbor and a preponderance of courage.

He was a modest man, and while he rejoiced to see his friends receive the plaudits of the crowd, he cared very little for the ostentatious ovations which could have come his way.

"Fess" was an outstanding scholar and a Christian gentleman in every meaning of the attribute, and at least two generations of citizens of this city have enjoyed happier and fuller lives because of his tutelage, and his interest in them.

PEDAGOGUE, BUT NOT A PEDANT

"Fess" came to Bainbridge to take over the Bainbridge Schools in the fall of 1917, which was 55 years ago, and as Superintendent or Schoolmaster, he spent every minute of his active working years trying to provide better educational opportunities for the boys and girls of Bainbridge. After he retired in 1949 he spent many years traveling over the length and breadth of Georgia organizing, supervising and encouraging Beta Clubs.

He was a pedagogue, but he was not a pedant. There is a vast difference in the meaning of the two words. "Pedagogue" comes from the Greek "paidagogos" (paidos, a boy plus agogos, leading) He was a leader of boys and girls, but he was no "pedant" because a "pedant" is one who usually makes a display of learning.

This young man and his young wife came to Bainbridge at a time when his professional services were badly needed.

For some reason the Bainbridge school had been permitted to run down in both academic achievement and discipline. I know, because I was in the Fifth grade when he arrived to begin his tenure of service.

Children had been permitted to stroll into classes at all hours, but he stopped that wasteful practice the first day. He had all classes line up outside the school building, and on the bell signal, they marched to their classrooms to the beat of a drum. I remember the drum because the Rev. Ralph McCaskill, Presbyterian minister emeritus, had the privilege of beating the drum to the envy of most aspiring drummer boys.

He abolished a nefarious custom called "melindy". Now, I don't know that I have even spelled the word correctly, but "melindy" was a traumatic experience.

The older boys would get to the school grounds several hours before school opened on the first day, and some of them even as early as daylight, and would wait for the beginners and new boys to arrive. The old boys would equip themselves with straps, belts or switches and would form a gantlet. Every new boy had to run this gantlet, and most times came through the files minus a sizeable segment of skin and hide. "Fess," bless his heart, abolished this inhuman practice.

He was a good disciplinarian, but he was fair. You got what he promised you, but he was as quick to reward as he was to punish.

Some of the big boys had intimidated a school man or two, but it did not take them long to realize that this soft-spoken but wiry athlete and scholar from Hampden Sydney could stand his hand.

This has to be the mark of a good and a great man because I have never run into one of "Fess's" old students who did not profess love and respect for him.

Mr. Elcan was a charter member of the present Lions Club, which was organized in 1936, and was the organization's first president. He was made a life member many years ago, and attended meetings when his health would permit.

The imprint of this fine man's deeds are indelibly fixed in the memories of his family, his Church, his friends his colleagues and in educational circles where scholars discourse.

At the time of his passing, the deceased was an Elder Emeritus of the First Presbyterian Church, which was his reward for his many active years as a member of the Session of this Church.

"Fess" was a devout and devoted member of his Church. He had abiding faith in his God, and he practiced what he believed.

As a boy I can remember the many times he conducted chapel services, and it seemed to me the 23rd Psalm was his favorite.

"The Lord was his shepherd, and he did not want."

"Surely goodness and mercy did follow him all the days of his life, and I am convinced he will dwell in the house of the Lord for ever."

No present day high school students were even born when Mr. Elcan retired, but their fathers and grandfathers and mothers and grandmothers who attended the Bainbridge schools knew him and can tell the story of a man who devoted his entire adult life to building character, scholarship and citizenship in this community.

There comes a time for every man to be called to his reward, and this good man was no exception, but I am happy I knew him, and I am sad at his going. I shall miss him.

A MORE EQUITABLE RETIREMENT BILL

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. WALDIE. Mr. Speaker, many Federal employees have in the past served in federally funded and supervised programs which have been actually administered by State and local authorities. Under existing statute, these Federal employees are not able to credit the time they served in these federally funded programs toward the calculation of their Federal retirement annuity.

Therefore, I have introduced a bill which will permit certain Federal employees to buy into the civil service retirement system, based on employment in federally funded programs operated by State and local governments.

In order to be eligible under this act, an employee must have 5 years of Federal service in addition to service in a State or locally administered program, and the time of service in such a State or local program must not be creditable toward the purchase of an annuity under any other program.

Under this act, Federal employees would be permitted to buy into the Federal retirement system by either depositing to the credit of the civil service retirement and disability fund a lump sum equal to the amount that would have been deducted during the period in question—plus interest calculated at 3 percent annum; or by making the deposit in 12 equal monthly payments withheld from their annuity as it accrues, each payment comprising one-twelfth of the deposit and interest computed at the rate of 3 percent per annum.

Application for coverage under the provisions of this act must be made within 1 year of the enactment, or within 1 year of meeting the retirement age and years of service presently in the act.

Mr. Speaker, I believe this act would correct a serious inequity dealt many current Federal employees, and I, therefore, submit it for the careful consideration of the Members.

I include the full text of H.R. 4884 in the RECORD:

TO ENCOURAGE EARLIER RETIREMENT BY PERMITTING FEDERAL EMPLOYEES TO PURCHASE INTO THE CIVIL SERVICE RETIREMENT SYSTEM BENEFITS UNDUPLICATED IN ANY OTHER RETIREMENT SYSTEM BASED ON EMPLOYMENT IN FEDERAL PROGRAMS OPERATED BY STATE AND LOCAL GOVERNMENTS UNDER FEDERAL FUNDING AND SUPERVISION

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That section 8332 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

(L) Subject to sections 8334(c) and 8339 (b) of this title, an employee or Member shall be allowed credit for any period of service performed by him (unless the employee or Member was certified as being eligible for relief) in the employment of a State, a political subdivision thereof, or an instrumentality of either, primarily in the carrying out of any program authorized by Act of Congress to be conducted in accordance with standards prescribed by Federal law and all or part of which is financed directly or indirectly by Federal funds if—

(1) the head of the Executive agency, or his designee, administering the program or assuming the function or program makes a certification to the Civil Service Commission, in accordance with such rules and regulations as may be prescribed by the Commission, concerning the service under this subsection, or such service is otherwise established to the satisfaction of the Commission;

(2) the employee or Member has at least 5 years of allowable service, under this Act exclusive of service allowed under this subsection;

(3) any such period of service has not and will not be used in obtaining an annuity under any other retirement system, including Social Security; and

(4) the employee retires—at whichever is later—within one year of enactment of subsection (L), or within one year of reaching the age and years of service requirements set forth in section 8336, unless the employee dies or is otherwise separated from the service prior to meeting the provisions of this subsection (4); and

(5) the employee or Member shall have deposited with interest at 4 percent per annum thereafter, compounded on December 31 of each year, to the credit of the civil service retirement and disability fund a sum equal to the aggregate of the amounts that would have been deducted from his basic salary, pay, or compensation during the period he had been subject to this Act, provided that in determining the amount of such deposit, the term "period of separation from the service" as used in section 8334(e) shall be construed to inclued a period of service credited under this subsection (L); and provided further that the employee or Member may either make the full deposit within 30 days from the approval of his application for retirement credit under this subsection (L), or make the deposit by twelve equal monthly payments withheld from his annuity as it accrues, each payment comprising one-twelfth of the deposit and interest computed at the rate of 3 percentum per annum. For purposes of this subsection, "State" means the several States and Puerto Rico.

Sec. 2. The annuity of any person who shall have performed service of the type described in subsection (L) of section 8332 of title 5 United States Code, as added by the first section of this Act, and who before the date of enactment of this Act shall have been retired on annuity under the provisions of subchapter III of chapter 83 of such title, or prior provision of law, shall, upon application filed by any such person within one year after the date of enactment of this Act and in accordance with the provisions of such subsection (L), be adjusted effective as of the first day of the month following the date of enactment of this Act, so that the amount of such annuity will be the same as if such subsection (L) had been in effect at the time of such person's retirement.

Similarly, the annuity of a person qualifying under the deferred annuity provisions of section 8338 and performing service described in subsection (L, shall, upon application filed by such person within one year after qualifying under section 8338, be adjusted effective as of the first day of the month in which he qualifies for the annuity.

WALDEMAR WYDLER, A REMEMBRANCE

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 1973

Mr. WYDLER. Mr. Speaker, on February 15 my best friend died. He was my father and the finest man I ever knew.

Dad was a man who had a zest for life that burned from within, with an intensity that touched all who met him. He lived each day—each minute—with a joy for living that made you feel good just to be with him. He suffered many setbacks in his life, but they never dampened his optimism for the future nor his faith in God and in his fellowman. His energy was an inspiration to me, for he enjoyed the important things on God's earth—his family, his home, and his fellowman.

Dad was a man of deep love. He was a giver and always told me:

> What you give comes back a thousand times.

This love made him like a rock, and to his children a port in the storm. He was no saint, but he had no meanness nor smallness in him. He was truly interested in other people and all liked him because they knew he cared about them. He was his brothers' keeper. His judgment and advice was good and nearly always right. I shall miss him and I know many others will, too.

I can but thank God for making him my father and letting me know him for so long a time. In the last few years he was ill and during one of his attacks he felt he was near death. He described it by saying:

> The candle almost went out.

Life is fragile—and through my father I have learned how precious, as well. The candle has now gone out—but its warmth will be with me all the days of my life.

Thanks, Dad.

CONGRESS LETS THE SUNSHINE IN

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HUNGATE. Mr. Speaker, as we hopefully settle the Vietnam conflict through secret agreement, secretly arrived at and perhaps containing secret commitments in an agreement not submitted to Congress for ratification, meanwhile, back on Capitol Hill, we open up the Congress, its committees, and the caucuses, so that at least in those matters, which the executive branch does not think too dangerous to talk about in public, we "let the sunshine in."

It may be well to reflect on the remarks of Mr. John T. Dunlop, former dean of faculty of arts and sciences, now Director of the Cost of Living Council, who remarked on January 29, 1973, before the Senate Banking Committee:

> It is my experience—I do not know how it is in politics—that people do not always say what they mean when they're saying it in public.

SENATE—*Friday, March 2, 1973*

The Senate met at 10:30 a.m., and was called to order by Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 2, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HUDDLESTON thereupon took the chair as Acting President pro tempore.

ADJOURNMENT TO TUESDAY, MARCH 6, 1973, AT 11 A.M.

Thereupon (at 10:30 and 35 seconds a.m.) the Senate adjourned, under the order of Thursday, March 1, 1973, until Tuesday, March 6, 1973, at 11 a.m.

EXTENSIONS OF REMARKS

MEETING THE DOLLAR CRISIS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HELSTOSKI. Mr. Speaker, in the past few weeks we witnessed turmoil in the money markets and a second devaluation of the dollar in 14 months. This turmoil will undoubtedly continue in the months ahead.

This second devaluation is being hailed as something good for our economy. In the long run the opposite will prove to be true since we are treating the symptoms rather than the causes of the weakness of the dollar.

One of the heavy burdens placed on the dollar is that it is still continued to be used as a reserve currency. We can not continue to be the bankers to the world at the expense of curtailing our domestic needs. This will merely increase inflation both at home and abroad.

Also, nonconvertibility places another strain on the international monetary system. Unredeemable promises to pay are but unsubstantial ersatz. We must face the fact that there is no real money operating in the world today. All the real money is securely locked up in the vaults of central banks or in the safe depositories of dealers and private hoarders.

None of it is operative even between central banks except for small quantities and in exceptional circumstances. There is no means of final payment. Instead, vast quantities of acknowledgements of debts are floating around the world under the guise of money and nobody knows what they are going to be worth next week or next year. Nowhere are the issuers of these promises to pay prepared to honor their bonds in something that has real worth.

As one prominent economist has stated:

> Our generation has experienced the ultimate in the operation of Gresham's law. All the good money has been driven out of circulation. The only means of payment in circulation, even among central banks, consists of unredeemed IOU's. Gresham's law evidently requires reformulation: "Bad debts will drive good debts out of circulation." The process is already in operation.

Recently, Dr. Nasrollah S. Fatemi, distinguished professor of international affairs at Fairleigh Dickinson University, wrote an article for the Jersey Journal calling attention to some of the reasons for our dollar crisis. Professor Fatemi by no means has exhausted the subject on this matter. Rather, he presents in a cogent and readable fashion many of the reasons which have led up to the dollar crisis and two devaluations.

The same day that Dr. Fatemi's appeared, one appeared in the Wall Street Journal concerning currency crises which can be easily triggered by multinational firms. It is interesting to note that a Senate Foreign Relations Subcommittee has begun hearings on the role that multinations play in the conduct of foreign policy, currency crises, loss of jobs, and other areas.

Lastly, I should like to call attention to a statement prepared for the Joint Economic Committee of Congress on September 13, 1972, by Dr. Daniel R. Fusfeld, professor of economics at the University of Michigan. His statement is even more significant now in light of recent events, and parallels many of the views of Professor Fatemi. Professor Fusfeld points out that fixed parities supported by foreign central banks enable part of the cost of U.S. expansionism and power to be shifted to foreigners through the financing of a U.S. payments deficit, but the wider the band of fluctuation, the less that can be shifted. With most countries allowing their currencies to float against the dollar, it is obvious that more burdens are being shifted to U.S. citizens.

In recent testimony before the Senate Banking Committee, Federal Reserve Board Chairman Arthur Burns stated that the latest devaluation will result in a 0.2 percent increase in the consumer price level, or $1.5 billion in higher costs to consumers, and perhaps double that amount if the indirect effect of diminished competition from foreign goods were taken into account. Mr. Paul Volcker, Under Secretary of the Treasury for Monetary Affairs, stated before the same committee that the latest devaluation will require a supplemental appropriations request of $2.23 billion to maintain the value of U.S. subscriptions to the IMF and other international financial institutions, and that the Nixon administration would not devalue the dollar again. I would suggest to my colleagues that with the type of international monetary system under which we are presently operating, the dollar is continuing to be devalued de facto.

Mr. Speaker, the excellent articles by Professor Fatemi, the Wall Street Journal, and Professor Fusfeld follow:

[From the Jersey Journal, Feb. 13, 1973]

MEETING THE DOLLAR CRISIS

(By Dr. Nasrollah S. Fatemi)

The dollar crisis has reached its peak in Europe. The weakness of the dollar helped the pound sterling to rise and, the West German Government recently had an emergency meeting and decide on several harsh measures to protect the country against the inflow of dollars.

These new events show that the dollar market and the international monetary system are in disarray, and soon we must resort to another devaluation.

The present very serious situation has been brought about because of the following reasons:

1. The government's balance of payments show that since 1958 the United States has spent $65 billion on military expenditures, military, economic, and grant assistance to other countries.

2. As long as the private section of our balance of payments produced a surplus, the deficit was tolerable. The preliminary trade report for 1972 indicates a deficit of $7 billion.

3. The United States' balance of payments deficit in services also is the highest in 12 years, a total of $2.5 billion.

4. When we add to the above amounts the billions of dollars transferred from the United States by corporations, speculators, and tax evaders, the result will be $80 billion in foreign banks.

The United States wants other nations to help her alleviate the deteriorating system of her balance of payments, but no nation is willing to give up her comforting position to accommodate bureaucrats in Washington.

The big problem is that the international money managers have lost confidence in the ability of Washington to cope with this situation. They observe that, while the country has the largest trade and balance of payments deficit, the administration asks $4 billion for foreign aid; $2.1 billion in military aid to Indochina; spends $4 billion in other countries; and Spiro Agnew promises new aid to every dictator and crook in Asia.

To remedy the present serious financial malady, we have to take the following steps:

1. The dollars used for military expenditures in the future should be marked only for the purchase of American goods.

2. Foreign aid and all "the welfare programs supporting crooks and tyrants all over Asia" must be terminated. It will be a great service to this nation if President Nixon impounded all appropriations for military expenditures and foreign aid, and Congress ended the "give-away era."

3. The Federal Reserve System should aim at narrowing and restricting, for the time being, the outflow of funds from the United States.

4. For 20 years the gates of this country have been open to the products manufactured by cheap labor, while every other country has restrictions and high tariffs for American goods; resulting in a $7 billion trade deficit. We must tell every nation that our trade will be based on reciprocal arrangements and no favors will be tolerated.

What we need in Washington today is a state of mind to realize it is not our aid to education, better housing, and training of the unskilled poor which is hurting the economy but the billions of foreign aid and military expenditures which have brought this nation to the verge of financial bankruptcy.

[From the Wall Street Journal, Feb. 13, 1973]

CURRENCY CRISES CAN BE EASILY TRIGGERED BY MULTINATIONAL FIRMS, U.S. STUDY STATES

WASHINGTON.—Multinational corporations control such vast quantities of money that they can precipitate international monetary crises by moving only small portions of their funds from country to country, a government study concludes.

The big companies and banks can outgun even the world's central banks in international currency dealings, the massive study by the U.S. Tariff Commission contends. And though the study absolves most multinational concerns of "destructive, predatory motives," in their currency dealings, it says that much of the speculative money surge during currency crises, such as the current turmoil in exchange markets, stems from the multinationals.

THE "LION'S SHARE"

The 930-page study of the economic impact of multinational concerns on trade, investment and employment was made by the Tariff Commission at the request of the International Trade subcommittee of the Senate Finance Committee. It's certain to add fuel to the growing debate in Congress on the effects of the multinationals, which have been under attack by organized labor as "exporters" of U.S. jobs and technology.

The study estimates that some $268 billion of short-term liquid assets were held at the end of 1971 by "private institutions on the international finance scene," and that the "lion's share" of this money was controlled by U.S.-based multinational companies and banks.

The $268 billion, the study reports, "was more than twice the total of all international reserves held by all central banks and international monetary institutions in the world at the same date." It adds: "These are the reserves with which the central banks fight to defend their exchange rates. The resources of the private sector outclass them."

Due to the immensity of the multinationals' assets, "it is clear that only a small fraction . . . needs to move in order for a genuine crisis to develop," the Tariff Commission concludes. This money "can focus with telling effect on a crisis-prone situation—some weak currency which repels funds and some strong one which attracts them." That's what has happened in the past two weeks as speculators dumped dollars and bought German marks and Japanese yen in hopes of profiting on future changes in their exchange values.

Since only a "small proportion" of the multinationals' money is needed "to produce monetary explosions," the study says, "it appears appropriate to conclude that destructive, predatory motivations don't characterize the sophisticated international financial activities of most multinational corporations, even though much of the funds which flow internationally during the crisis doubtlessly is of multinational corporation origin."

TWO POSSIBILITIES

In assessing the aims of big companies in currency crises, the report offers two possible conclusions: either that the multinationals "react protectively" with moves to protect the value of their assets or, alternatively, that most multinationals "hardly react at all, while a small minority, capable of generating heavy, disruptive movements of funds, do so." The study said the latter group includes companies that may actually "speculate" in the sense of betting on exchange-rate changes in hopes of a swift profit.

The study found that U.S. concerns invest abroad primarily to reach new markets, rather than to find lower-cost production. The search for low-wage labor is a "secondary" consideration except in a relatively few industries, including consumer electronics, footwear, toys and apparel, it says.

The study doesn't resolve the question of whether multinationals have caused major job losses in the U.S., as American unions contend. It presents three alternative explanations—two of which will please unions and one which companies will like.

The commission estimates that the presence of American-owned plants abroad represents a net loss of 1.3 million jobs in America if it's assumed foreigners would otherwise import the plants' entire output from the U.S. If foreigners imported only half of such output, and produced the rest themselves, the job loss would be calculated at 400,000. A third set of quite different assumptions produces an estimate that the multinationals have produced a net gain of roughly 500,000 jobs in the U.S.

The study concludes that the multinational corporations "played no role" in the sharp deterioration of the U.S. balance-of-payments position during the late 1960s.

The Political Economy of the U.S. Balance of Payments

(By Daniel R. Fusfeld)

The American economy is the strongest in the world. It generates more than half of the world's savings, which makes the United States the source of the bulk of the world's investment funds and New York the world's financial center. U.S. overseas investments are by far the greatest in the world: our annual net income from that source is six times as great as that of the next ten largest foreign investing nations put together. We consume close to half the world's manufactures and over half of its production of durable goods, forming the greatest market in the world. Our advanced technology and huge manufacturing capacity mean that we are the world's largest supplier of durable goods. All of these elements combine to create in the dollar the most important key currency in the international economy, held by all important trading nations as the largest portion of their international monetary reserves.

Today, however, we find ourselves in serious trouble. The dollar is weak and weakening further. We have a huge balance of payments deficit. In the last few years our imports have exceeded our exports by many billions of dollars, reversing a relationship that had prevailed for over seventy years. How did we squander our strength? What is the source of our weakness? How could such an economic giant have been brought to its knees?

WORLD POWER AND THE U.S. PAYMENTS DEFICIT

The war in southeast Asia is widely recognized as the immediate cause of our current problems. It created the domestic inflation that wiped out the U.S. surplus of exports over imports. It also added substantially to overseas military spending, which further worsened our balance of payments difficulties.

The more fundamental cause, however, is that we pushed corporate foreign investment and military-related aid and spending abroad beyond the levels that our foreign earnings from exports and investments could support. We insisted on spending more for world power than we earned. The resulting payments deficit ran upwards from one to four billion dollars annually for a generation, and U.S. policy encouraged rather than discouraged those activities. For example, tax benefits and investment guarantees promoted corporated investment aboard. Foreign nations acquiesced, perhaps grudgingly, partly because of the importance of the dollar in international trade, partly because our favorable balance of trade made it possible to rescue the system if things got too bad, and partly for political and economic reasons of their own. But when domestic inflation, itself rooted in American militarism, changed our balance of trade to a deficit position, the game was up and the crisis of 1971 was precipitated. Even without the events of 1971, however, foreign nations would have ultimately rebelled, partly because it was senseless for them to accumulate excessive and unwanted dollars, and partly because the international financial system was being used for American economic and political aggrandizement at their expense.

BRETTON WOODS AND THE IMPACT OF U.S. DEFICITS

The Bretton Woods agreements of 1945 required that central banks stabilize the value of their currencies within one percent of par. If the value of the dollar fell relative to the currency of another country, that nation's central bank had to buy dollars with its own currency. These purchases increased both the demand for dollars and the supply of the foreign currency, and were continued as long as necessary to bring the relative values of the two currencies back to within one percent of par value.

This method of sustaining fixed exchange rates had several effects:

1. The U.S. was able to maintain its payments deficits for an indefinite and unlimited length of time. The financing of the deficit was shifted to foreign central banks by the requirements of the system.

2. Because of the persistent U.S. payments deficit, foreign central banks gradually built up large holdings of U.S. dollars until they had far more than they needed or wanted. This was one price they had to pay to maintain the international payments system.

3. Inflation was fostered within the foreign country. Purchase of dollars by a foreign central bank has the same effect as any open market purchase. It increases the reserves of the banking system and encourages an expansion of the money supply. This inflationary effect could be countered by other fiscal and monetary policies, but they would have the effect of dampening domestic economic expansion while making funds for expansion available to Americans.

4. It promoted transfer of ownership of foreign-held real assets into the lands of Americans. Holders of dollars were able to exchange them for foreign currencies at a penalty of, at most, one percent. They were then able to buy foreign assets with those currencies. In this way the financing of the U.N. balance of payments deficit promoted the worldwide spread of U.S.-based international corporations. To the extent that some of those assets were used by the U.S. government for military expenditures, aid and offshore procurement, foreign central banks helped finance the maintenance of U.S. power and the Vietnam war. It is a well-recognized fact that an overvalued dollar enables American multinational firms to acquire assets throughout the world on favorable terms, and understates the real cost of U.S. military activities abroad. What is not usually recognized is that our balance of payments deficit brought actual transfer of assets from foreign to U.S. ownership, financed by the process of pegging currency values.

5. Finally—and this point is poorly understood in this country—these transactions helped create inflationary pressures *within the United States*. Americans obtained added purchasing power through creation of credit by foreign central banks. The resulting inflationary pressures cannot be held within national boundaries, but tend to spread everywhere in the world through international trade and investment. The effect on the U.S. was probably not large, but it helps to explain some of the persistent inflationary pressures that have affected the U.S. and the world in recent decades.

In this fashion the international financial system enabled the U.S., through its persistent payments deficit of upward of $1 billion annually, to draw upon the assets and resources of other nations to maintain U.S. military power and promote the expansion of U.S. corporations. Inflation was one of the costs. More important, however, the fundamental conflict of interest embodied in these relationships undermined both the political system of world order that developed after World War II and the expanding pattern of world trade.

An historical analogy is appropriate here. When ancient Athens formed the Delian League in the 5th century B.C. to present a united front against Persian aggression its allies entered enthusiastically. But when Athens began to use the league for its own selfish benefit, opposition and revolt quickly followed. Much the same thing has happened with the postwar international financial system and its use by America for her own purposes.

THE INEVITABLE BREAKDOWN

The breakdown of this system has to come, particularly when foreign nations began to realize, as they did during the 1960s, that they were gradually turning the world over to the American international corporation and the U.S. military. Once that realization came it was more and more difficult for the U.S. government to get foreign central banks to finance our deficit. The French, in particular, were recalcitrant. U.S. gold reserves had to be used instead, until by the late 1960s they were sufficient to cover only a few years' deficit. Then, when inflation destroyed the U.S. surplus of exports over imports and made it necessary to finance a deficit that might run as large as $10–20 billion, foreign central banks were no longer willing to support the dollar and the devaluation of 1971 followed. The Smithsonian agreements of 1971 provide some breathing space and time to work out new arrangements. The few indications we have indicate that the chief objective of the U.S. negotiators is to reestablish a system that would permit U.S. corporate investment and military expenditures overseas to continue unhampered by financial constraints.

EFFORTS TO PATCH UP THE SYSTEM, 1967–71

The Smithsonian agreements of 1971 made only a small change in the international financial system. The most important change widened the band of permissible fluctuations around par value for any country's currency from one percent to 2¼ percent. This wider band could increase the cost of foreign investment to U.S. corporations to a premium of 2¼ percent instead of one percent. But international differences in rates of return of that magnitude are by no means extraordinary. This change will stop the financing of U.S. corporations abroad by foreign central banks, but will merely slow it down somewhat.

The system has also been modified in recent years by the introduction of Special Drawing Rights (SDRs) and by the use of currency "swaps" between central banks. The latter provides greater flexibility to the system, while the former enlarges the total of world monetary reserves. Both of these changes enable the U.S. to finance its continuing deficit for an even longer period of time. As a consequence, the process of shifting foreign assets into U.S. hands is continued, and the inflationary pressures set in motion by the U.S. payments deficit are extended.

FEDERAL RESERVE SUPPORT OF THE DOLLAR

More recently, the Federal Reserve system has begun to actively support the dollar on the basis of the new par value established by the Smithsonian devaluation. This action contributes to deflation and reduced purchasing power in the U.S.

The process works, in essence, in the following manner. The Fed sells foreign currencies in the New York money markets to drive down their prices relative to the dollar. It receives payment by check, in dollars, drawn on a U.S. bank. Clearing of the check reduces the reserves of the U.S. banking system, just like any open market sale. The deflationary effects can be neutralized by countervailing open market purchases by the Fed, usually of Treasury bills, but this has an added effect of fostering lower interest rates. If open market purchases neutralize the deflationary effect on bank reserves of Federal Reserve support of the dollar, they create inflationary effects by promoting lower interest rates. It is extremely difficult to gauge these conflicting effects accurately and completely neutralize the effects of Federal Reserve support of the dollar.

But where does the Fed get foreign currencies to sell, when the U.S. has a persistent payments deficit? Initially, U.S. reserves at the International Monetary Fund can be tapped. Ultimately, however, the foreign currencies are obtained by purchase or swaps from foreign central banks. When that happens payment is made in dollars and command over U.S. resources passes to foreigners. Thus American assets are transferred into foreign hands, which has been the traditional way of settling a payments deficit.

The costs of Federal Reserve support of the dollar are borne by the average citizen, first through the destabilizing effects of monetary policy, and second by the real costs of financing a deficit by transfer of assets to foreigners.

SHIFTING THE FULL BURDEN TO THE U.S. CITIZEN

U.S. policy has moved strongly toward placing the burden of financing the U.S. payments deficit on the American citizen. We have been moving away from the older system in which foreign central banks financed our deficit, to the detriment of their citizens. Federal Reserve support of the dollar is a major step in that direction.

Insight into the future was provided by former Secretary of the Treasury John Connally shortly before the Smithsonian Agreement was reached. He proposed devaluation of the dollar to the extent needed to create a favorable U.S. balance of trade of $13 billion dollars annually. He argued that this amount would provide adequate amounts of foreign currencies for both high levels of U.S. private investment abroad plus substantial offshore military procurement and aid, and still leave about $2 billion for emergencies. The actual devaluation under the Smithsonian Agreement amounted to about half that, at most (at price levels then prevailing). But whether the Connally proposal made sense or not is less important than the strategy it indicated. What Connally was proposing, in essence, was that the present U.S. military position in the world continue unchanged and that U.S. based international corporations continue to expand abroad, but that the costs be shifted entirely to U.S. citizens.

For a $13 billion U.S. balance of trade surplus is a $13 billion tax on the American economy. It represents $13 billion of goods and services that are produced here but consumed abroad. In real terms we would be $13 billion poorer. Devaluation makes the American worker pay for U.S. military adventures abroad and for the overseas expansion of U.S. corporations. Of course, U.S. jobs would be generated at the expense of unemployment abroad, but that is true only in the short run. In the long run any nation can maintain full employment at home by the proper mix of fiscal and monetary policies, and need not rely on its balance of trade for that purpose.

The strategy implied by the Connally proposals is to establish the value of the dollar, and stabilize it within relatively narrow limits, at such a level that the trade surplus to be generated would be large enough to adequately finance U.S. power and economic expansion. It also implied self-restraint on the part of U.S. policymakers not to exceed the limit imposed by the trade surplus. And there's the catch. For in the past American economic and military aggression has never been willing to accept that kind of economic limit. We were unwilling to stay within the limits imposed by our former balance of trade surplus. There is no reason to believe that we will be more self-disciplined in the future.

The problem arises because the benefits from American economic expansion and power accrue largely to a narrow group of corporate executives, families of great wealth, and military leaders, while the costs are borne by the average citizen in high taxes, rising prices, battlefield deaths and prisoners of war. The international financial system of the past even allows some of those costs to be shifted abroad. As long as a few with power reap the benefits while the many without power bear the costs, the self-restraint required for a workable international financial system will be swamped by the greed that ultimately brings down any favored elite. We have just witnessed the end of stage one, the growing reluctance of foreign nations to bear a part of the burden. We are about to enter stage two: a shifting of the full burden to the average American.

FIXED PARITIES AGAINST FLEXIBLE EXCHANGE RATES

The debate in the last few years over restructuring the world financial system has increasingly come to focus on the issue of whether fixed parities, such as those contained in the Bretton Woods and Smithsonian agreements, are more desirable than flexible exchange rates. Much of this debate ignores the realities stressed in this paper.

Fixed parities supported by foreign central banks enable part of the costs of U.S. expansionism and power to be shifted to foreigners through the financing of a U.S. payments deficit. The band of permissible fluctuations determines how much of the burden can be so shifted: the narrower the band, the more can be shifted; the wider the band, the less can be shifted. To the extent that the Federal Reserve System supports the dollar, the burden is borne within the U.S. It is not surprising to find the U.S. government supporting a new system of fixed parities.

Devaluation forces Americans to bear a larger share of the burden of U.S. expansionism. By increasing U.S. sales of goods and services abroad it makes more domestic resources available to promote U.S. interests abroad.

Flexible exchange rates place the full burden on U.S. workers and consumers. A persistent balance of payments deficit created by overseas investment and military spending would bring a continuing fall in the value of the dollar—in effect, persistent devaluation—to generate the exports necessary to finance the deficit. Indeed, in the absence of frictions there would be no deficit—only a continuing fall of the dollar. In this case, two effects are bound to be felt. First, foreign nations can be expected to retaliate with barriers to U.S. exports, starting a chain reaction that will diminish and hinder world trade. Second, the entire international financial system would be weakened by the deteriorating position of its most important key currency.

We are forced to the conclusion that no system of international financial institutions can long survive a continuing drive toward world power and economic dominance by the U.S. government and American corporations.

CONCLUSIONS

The sickness that afflicts the international monetary system is the same that afflicts the United States as a whole. As long as this country puts world power and economic dominance at the first priority in determining its policies there can be no stability in the world's financial institutions. The slogan of "maintaining the security of the free world" has become a cloak for a 20th-century version of the Medici motto in 15th-century Florence: "Money to get power, power to protect the money." It is those policies that have destroyed the post-war international financial system and will continue to undermine any successor. U.S. policy must ultimately come to terms with that reality.

As the burdens of U.S. policy come ultimately to be borne domestically within the U.S.—through devaluations and Federal Reserve support of the dollar, and perhaps flexible exchange rates—the average American will come to realize that he is paying the costs while giant corporations and banks and the military-industrial complex gain the benefits. When that understanding comes the U.S. international financial position will truly become a domestic political issue. This will be the third stage in the resolution of the problem. Perhaps then we will be able to discuss solutions that provide real benefits to the average American rather than arrangements which make him pay for someone else's wealth and power.

THE 93D CONGRESS SCOUTING SURVEY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BROWN of Ohio. Mr. Speaker, I have just finished gathering the data for the 93d Congress on Members' participation in Scouting. I have conducted this Scouting survey during the past four Congresses as a service to Scouting and others interested in the Scouting movement. The information gathered is found useful by speakers and writers, including many of my colleagues. I am therefore today placing the results in the CONGRESSIONAL RECORD, along with the accompanying news release, so the survey will be readily available for use:

WASHINGTON, D.C.—More than three-fifths of the Members of the 93rd Congress have participated in Scouting, either as members during their youth or as adult scouting volunteers, according to a biennial survey by Ohio Congressman Clarence J. Brown.

Brown, a former Eagle Scout who has surveyed the House of Representatives and the Senate for the Boy Scouts of America during each of the past four Congresses, said 321 of the Members of Congress had participated in scouting.

That number includes 40 Representatives and Senators who have come to Capitol Hill since the last survey made in 1971.

The number of Members who attained Scouting's highest rank of Eagle remained unchanged from the 92nd Congress. The net loss of one Eagle Scout Representative was offset by the gain of one Eagle Scout Senator, Brown explained.

Brown's own Scouting activities began as a member of Troop 5 in Washington, D.C., where he served as a Senior Patrol Leader and earned the rank of Eagle. He was also Assistant Scoutmaster of Troop 47 in his hometown of Blanchester, Ohio, a counselor at Camp Hugh Taylor Birch at Yellow Springs, Ohio, and has served as a member of the Tecumseh Council, BSA, in southeastern Ohio.

The results of the Scouting survey were placed in the Congressional Record by Brown to be available for use by other Members of the House and Senate, and turned over to the BSA national headquarters for distribution within the organization and to other organizations and individuals active in the Scouting movement.

BREAKDOWN OF 93D CONG. SCOUTING SURVEY

	Representatives	Senators	Total
Scout (only)	157	40	197
Scout and leader	75	13	88
Leader (only)	30	6	36
Total	262	59	321

Note: Total who were leaders, 124; percentage of Members who were scouts, 60 percent.

EAGLE SCOUTS

Senators—Frank Moss, Utah (D), Richard Schweiker, Penn. (R), Lloyd Bentsen, Tex. (D), Hubert Humphrey, Minn. (D) and Sam Nunn, Ga. (D).

Representatives:
Bill Alexander, Ark., (D)
Burt Talcott, Calif. (R)
Victor Veysey, Calif. (R)
Charles Bennett, Fla. (D)
Roger Zion, Ind. (R)
John Culver, Iowa (D)
Keith J. Sebelius, Kans. (R)
Larry Winn, Jr., Kans. (R)
Gerald R. Ford, Mich. (R)
John A. Blatnik, Minn. (D)
Thad Cochran, Miss. (R)
John E. Hunt, N.J. (R)
Barber E. Conable, N.Y. (R)
Mark Andrews, N.D. (R)
Clarence J. Brown, Ohio (R)
J. William Stanton, Ohio (R)
Tom Steed, Okla. (D)
John R. Dellenback, Ore. (R)
Daniel J. Flood, Penn. (D)
Bill Archer, Tex. (R)
J. J. (Jake) Pickle, Tex. (D)
Henry S. Reuss, Wisc. (D)
M. Caldwell Butler, Va. (R)

SILVER BEAVER

Senator: Mark Hatfield, Ore. (R)
Representatives:
Del Clawson, Calif. (R)
Larry Winn, Jr., Kans. (R)
John McCollister, Neb. (R)
John N. Happy Camp, Okla. (R)
John Ware, Penn. (R)

SILVER ANTELOPE

Senator Mark Hatfield, Ore. (R) and Rep. John Ware, Penn. (R)

CUB SCOUT DEN MOTHER

Rep. Ella T. Grasso, Conn. (D)
Rep. Marjorie Holt, Md. (R)

RESULTS OF BOY SCOUT SURVEY: 93D CONGRESS, FIRST SESSION, CONDUCTED BY CONGRESSMAN CLARENCE J. BROWN OF OHIO

Scout denoted by S; Leader or Adult Volunteer denoted by L; Scout and Leader denoted by S&L.

ALABAMA

Sen. John Sparkman (D) S&L
John Buchanan, Jr. (R) L
William Dickinson (R) S
Walter W. Flowers (D) S&L

ALASKA

Sen. Mike Gravel (D) S
Sen. Theodore F. Stevens (R) S&L

ARIZONA

Sen. Barry Goldwater (R) S
Sen. Paul Fannin (R) S
John J. Rhodes (R) S
Morris K. Udall (D) S&L

ARKANSAS

Bill Alexander (D) S
John Hammerschmidt (R) S
Wilbur Mills (D) S&L
Ray Thornton (D) S

CALIFORNIA

Sen. Alan Cranston (D) S
Sen. John Tunney (D) L
Alphonzo Bell (R) S
Del Clawson (R) S&L
James Corman (D) S
George Danielson (D) S
Ronald Dellums (D) S
Don Edwards (D) S
Barry Goldwater, Jr. (R) S
Richard Hanna (D) S&L
Craig Hosmer (R) S
Harold Johnson (D) L
Robert Leggett (D) S&L
John McFall (D) L
William Mailliard (R) S
Bob Mathias (R) S
Paul McCloskey (R) L
John E. Moss (D) S
Carlos Moorhead (R) L
Ed Reinecke (R) S&L
John Rousselot (R) S
Edward Roybal (D) S
Burt Talcott (R) S&L
Charles Teague (R) S
Lionel Van Deerlin (D) S
Victor Veysey (R) S&L
Jerome Waldie (D) S
Bob Wilson (R) S

COLORADO

Donald Brotzman (R) S
Frank Evans (D) S&L
James Johnson (R) S
Patricia Schroeder (D) S

CONNECTICUT

Sen. Lowell Weicker (R) S
Sen. Abraham Ribicoff (D) S
William Cotter (D) S
Robert Giaimo (D) S
Stewart McKinney (R) S
Robert Steele (R) S

DELAWARE

Sen. Joseph Biden (D) S
Sen. William Roth, Jr. (R) L

FLORIDA

Sen Edward Gurney (R) S
Sen. Lawton Chiles (D) S&L
L. A. Bafalis (R) S
Charles Bennett (D) S
J. Herbert Burke (R) S
Dante B. Fascell (D) S
Louis Frey (R) S
Don Fuqua (D) S&L
Sam Gibbons (D) S
Bill Gunter (D) S
James Haley (D) L
Paul Rogers (D) S
Claude Pepper (D) S&L
Robert Sikes (D) S
C. W. Young (R) S&L

GEORGIA

Sen. Sam Nunn (D) S
Benjamin Blackburn (R) S&L
Jack Brinkley (D) L
John Flynt, Jr. (D) S&L
Bo Ginn (D) S
Phil Landrum (D) S
Dawson Mathis (D) S&L
Robert Stephens, Jr. (D) S&L
W. S. (Bill) Stuckey (D) S&L

HAWAII

Sen. Hiram Fong (R) S&L
Spark Matsunaga (D) S

IDAHO

Sen. Frank Church (D) S
Sen. James McClure (R) S
Orval H. Hansen (R) S&L

ILLINOIS

Sen. Charles Percy (R) S&L
Frank Annunzio (D) L
Leslie Arends (R) S
Harold Collier (R) S
Philip Crane (R) S
Edward Derwinski (R) S
John Erlenborn (R) S
Robert McClory (D) S
Edward Madigan (R) S
Ralph Metcalfe (D) S
Morgan Murphy (D) S
Dan Rostenkowski (D) S&L
Sidney Yates (D) S
Samuel Young (R) S

INDIANA

John Brademas (D) S&L
William G. Bray (R) S
David Dennis (R) S
Lee Hamilton (D) S
Elwood Hillis (R) S
W. H. Hudnut (R) S
Roger Zion (R) S&L

IOWA

Sen. Dick Clark (D) L
Sen. Harold E. Hughes (D) S
John C. Culver (D) S
Wiley Mayne (R) S
Neal Smith (D) L

KANSAS

Sen. Bob Dole (R) S
Sen. James Pearson (R) S
Keith Sebelius (R) S
Garner Shriver (R) S&L
Joe Skubitz (R) L
Larry Winn, Jr. (R) S&L
William R. Roy (D) S

KENTUCKY

Sen. Marlow Cook (R) S
Sen. Walter Huddleston (D) S
John Breckinridge (D) S
William Natcher (D) S
Gene Snyder (R) S
Frank Stubblefield (D) S
John C. Watts (D) S

LOUISIANA

Otto E. Passman (D) S
David Treen (R) S
Joe D. Waggonner (D) S

MAINE

Sen. William Hathaway (D) S
Sen. Edmund Muskie (D) S
William Cohen (R) S
Peter Kyros (D) S

MARYLAND

Sen. Charles McC. Mathias (R) S
Sen. Glenn Beall (R) S
Goodloe Byron (D) S&L
Samuel Friedel (D) S
Lawrence Hogan (R) L
Marjorie Holt (R) S&L
Gilbert Gude (R) S&L
Clarence Long (D) S
Paul Sarbanes (D) S

MASSACHUSETTS

Sen. Edward Brooke (R) S
Paul Cronin (R) S
Michael Harrington (D) S
Thomas O'Neill, Jr. (D) L
John Moakley (I) S

MICHIGAN

Sen. Robert Griffin (R) S&L
William Broomfield (R) S&L
Garry Brown (R) S
Elford Cederberg (R) S
John H. Dingell (D) S&L
Gerald R. Ford (R) S
Edward Hutchinson (R) S
Lucien N. Nedzi (D) L
Philip Ruppe (R) S

MINNESOTA

Sen. Hubert Humphrey (D) S&L
Sen. Walter Mondale (D) S
Bob Bergland (D) S
John Blatnik (D) S
Donald Fraser (D) S
Bill Frenzel (R) S
Joseph Karth (D) S&L

MISSISSIPPI

David Bowen (D) S
Thad Cochran (R) S&L
G. V. Montgomery (D) S

MISSOURI

Bill Burlison (D) S&L
William Clay (D) S
William L. Hungate (D) S
William J. Randall (D) S

MONTANA

Sen. Lee Metcalf (D) S&L
Richard Shoup (R) S

NEBRASKA

Dave Martin (R) S&L
John McCollister (R) S&L

NEVADA

Sen. Howard Cannon (D) S

NEW HAMPSHIRE

Sen. Norris Cotton (R) S
Sen. Thomas McIntyre (D) L
Louis C. Wyman (R) S

NEW JERSEY

Sen. Clifford Case (R) S
Sen. Harrison Williams, Jr. (D) L
James J. Howard (D) S
John E. Hunt (R) S&L
Joseph Minish (D) S
Charles Sandman (R) S
William Widnall (R) S&L

NEW MEXICO

Manuel Lujan (R) S&L
Harold Runnels (D) S&L

NEW YORK

Herman Badillo (D) S
Hugh L. Carey (D) L
Barber Conable, Jr. (R) S&L
Thaddeus Dulski (D) S&L
Hamilton Fish (R) L
Benjamin Gilman (R) S
James Grover, Jr. (R) S
James F. Hastings (R) S
Frank Horton (R) S&L
Jack Kemp (R) S
Carleton King (R) L
Robert McEwen (R) S
Donald Mitchell (R) S
Otis Pike (D) S&L
Bertram Podell (D) S&L
Howard Robison (R) S&L
John Rooney (D) S
Henry Smith III (R) S&L
Samuel S. Stratton (D) S&L
John Wydler (R) S

NORTH CAROLINA

Sen. Jesse Helms (R) S
Ike Andrews (D) L
James Broyhill (R) S
L. H. Fountain (D) S
David Henderson (D) S
Walter Jones (D) S
James Martin (R) S
L. Richardson Preyer (D) S&L
Earl Ruth (R) S
Roy Taylor (D) S&L

NORTH DAKOTA

Mark Andrews (R) S

OHIO

Sen. William Saxbe (R) S
Sen. Robert Taft, Jr. (R) S&L
John Ashbrook (R) L
Clarence J. Brown (R) S&L
Samuel Devine (R) S
Tennyson Guyer (R) S&L
William Harsha (R) S
Wayne Hays (D) S&L
Delbert Latta (R) S
Clarence Miller (R) S
William Minshall (R) S
Charles Mosher (R) L
Walter Powell (R) S
J. William Stanton (R) S
Louis Stokes (D) S&L
Chalmers Wylie (R) S&L

OKLAHOMA

Sen. Dewey Bartlett (R) S
Carl Albert (D) S&L
John N. Happy Camp (R) S&L
John Jarman (D) L
James Jones (D) S
Tom Steed (D) S&L

OREGON

Sen. Mark Hatfield (R) S&L
Sen. Robert Packwood (R) S
John R. Dellenback (R) S
Al Ullman (D) L

PENNSYLVANIA

Sen. Richard Schweiker (R) S&L
Sen. Hugh Scott (R) S
Edward Beister (R) S
Frank Clark (D) S&L
Robert Corbett (R) S
R. Lawrence Coughlin (R) S
Joshua Eilberg (D) S&L
Daniel Flood (D) S
James Fulton (R) S
Albert Johnson (R) L
Joseph McDade (R) S
Thomas Morgan (D) S
Fred Rooney (D) S
John Saylor (R) S&L
Herman Schneebeli (R) S
E. G. Shuster, (R) S
John Ware (R) S&L
J. Irvin Whalley (R) S&L
L. G. Williams (R) S
Gus Yatron (D) S

RHODE ISLAND

Sen. Claiborne Pell (D) S
Robert Tiernan (D) S

SOUTH CAROLINA

Senator Ernest Hollings (D) S
Sen. Strom Thurmond (R) S&L
Mendel Davis (D) S
Floyd Spence (R) S&L

SOUTH DAKOTA

James Abdnor (R) S
Frank Denholm (D) S

TENNESSEE

Sen. William Brock III (R) S
Ray Blanton (D) S&L
John Duncan (R) S&L
Richard Fulton (D) S&L
Ed Jones (D) S
Dan Kuykendall (R) L

TEXAS

Sen. Lloyd Bentsen (D) S&L
Bill Archer (R) S
Omar Burleson (D) S
Bob Casey (D) S&L
James Collins (R) S
O. C. Fisher (D) L
Eligio de la Garza (D) S&L
Henry Gonzalez (D) S&L
Abraham Kazen, Jr. (D) S
Dale Milford (D) S
Wright Patman (D) L
J. J. Pickle (D) S
W. R. Poage (D) L
Robert Price (D) L
Ray Roberts (D) S&L
Olin Teague (D) S
Richard White (D) S&L
Charles Wilson (D) S
James Wright, Jr. (D) S&L

UTAH

Sen. Wallace Bennett (R) S
Sen. Frank Moss (D) S
K. Gunn McKay (D) S&L

VERMONT

Sen. Robert T. Stafford (R) S

VIRGINIA

Sen. William Scott (R) L
M. Caldwell Butler (R) S
W. C. Daniel (D) L
Thomas Downing (D) S&L
Stan Parris (R) S
J. Kenneth Robinson (R) S&L
David Satterfield III (D) S
William Wampler (R) S

WASHINGTON

Sen. Henry Jackson (D) S
Brock Adams (D) S
Thomas Foley (D) S
Lloyd Meeds (D) S&L

WEST VIRGINIA

Sen. Robert Byrd (D) S
Sen. Jennings Randolph (D) S
Ken Hechler (D) S
Robert Mollohan (D) S
John M. Slack, Jr. (D) S
Harley O. Staggers (D) L

WISCONSIN

Sen. William Proxmire (D) S
Glenn R. Davis (R) L
Robert W. Kastenmeier (D) S
Henry S. Reuss (D) S&L
William A. Steiger (R) S
Vernon W. Thomson (R) S

WYOMING

Sen. Gale W. McGee (D) S

SPARTANBURG COUNTY FOUNDATION

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. MANN. Mr. Speaker, Spartanburg, S.C., is fortunate to be the home of W. S. Montgomery, who 30 years ago founded the Spartanburg County Foundation. This foundation has made a career of anticipating and responding to the goals of the community, extending a generous hand to assist the schools, to promote medical care and the arts, and setting a progressive pace for the people of the county.

On this 30th anniversary of the foundation, I should like to add my "thank you" to Walter Montgomery and the many fine people who have contributed to the good works of the Spartanburg County Foundation and to include in the RECORD the following tribute by the Spartan Radiocasting Co.:

> WSPA takes note of the 30th anniversary of the establishment of The Spartanburg County Foundation and W. S. Montgomery its founder. The good works of The Spartanburg County Foundation are almost too numerous to mention. Businesswise the purchase of Camp Croft at the end of World War II gave this community an Industrial Park almost before the word was known.
>
> The Spartanburg County Foundation has given 102 scholarships from its funds and 250 scholarships from special funds. It gives annually a Bible to each graduating senior of each high school of the county and also makes a valedictory award for scholastic achievement to the top scholar in each high school.
>
> It has given over a half million dollars to the colleges of this county and has given to the community the Little Theater, has supported the Arts Center, The Gallery, The Brevard Music Center, The Charles Lea Center, The Spartanburg Boys Home, Walnut Grove Plantation and many other good works almost too numerous to name.
>
> In addition to its liberal support of the Spartanburg General Hospital the Foundation joined with others in giving Isolettes. At that time the Spartanburg County premature death rate was one of the highest in the nation.
>
> Of all the good works of The Spartanburg County Foundation few could have had farther reaching effect than the Peabody Report on the Spartanburg County School System underwritten and paid for by the Foundation. That Report showed that there were more School Districts in Spartanburg County, South Carolina, than in the whole state of West Virginia. When its recommendations were implemented by proper legislation, the schools were consolidated into the present seven school districts.
>
> To W. S. Montgomery and those leaders in this community who established The Spartanburg County Foundation, an organization always willing to survey the needs and strike a spark to implement the proper remedy . . . to all of you WSPA says thank you.

THE SUPREME COURT'S DECISION ON ABORTION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. FRASER. Mr. Speaker, reaction to the recent Supreme Court decision on abortion has been mixed. It has also been sharp. On the one hand, the decision has been attacked as an unwarranted intrusion into legislative jurisdiction and as a condonation of murder. On the other, it as been hailed as a vital increment to human liberty.

I think it is important when feelings run high that we both respect and listen to the views of those with whom we disagree, no matter how strongly.

My colleague, the gentleman from Illinois (Mr. FINDLEY) has included the full text of the majority and dissenting opinions in the CONGRESSIONAL RECORD of February 26, 1973—pages 5428 and following. I join him in his plea that every American read the decision before making up his mind about it.

To indicate how evenly divided the country is on this issue, I am placing in the RECORD the results of two recent public opinion polls:

[From the Minneapolis (Minn.) Tribune, Jan. 31, 1973]

SEVENTY PERCENT FAVOR ABORTIONS IN SOME CIRCUMSTANCES: MINNESOTA POLL

Seven in 10 Minnesotans said abortion should be permitted when a woman and her doctor feel it is in her best interest or when the child might be deformed.

Two in three said they are opposed to unrestricted abortion in the early months of pregnancy.

Men and women shared similar views on when abortion should be permitted. People under 30 years of age were more willing and Catholics were less willing to allow abortion than were Minnesotans in general.

These are the findings of a statewide public opinion survey by the Minneapolis Tribune's Minnesota Poll. The poll was completed about a week before the U.S. Supreme Court struck down a Texas statute, much like Minnesota's. The court ruled that states cannot prohibit abortions during the first three months of pregnancy and advised that states cannot interfere with the judgment of the woman and her doctor about an abortion at that time.

The survey shows that Minnesotans were about evenly divided on whether the 1973 Minnesota Legislature should change the state's abortion law and that both sides were firm in their convictions.

Forty-nine percent said the law should be changed to make abortions easier to get. Sixty-five percent who held this view said they felt strongly that the law should be changed.

On the other hand, 48 percent said the law should not be changed and 79 percent of these people were strongly opposed to changing it.

Of those Minnesotans who strongly favored changing the law, 9 in 10 said abortion should be permitted when the child might be deformed or when the woman and her doctor thought it best, and 6 in 10 said any woman who wanted an abortion should be allowed to have one.

Virtually all who felt strongly that the law should not be changed said they were opposed to unrestricted abortion. But 4 in 10 said abortion should be permitted when the child might be deformed or when the woman and her doctor decide it is in the woman's best interest.

The 600 men and women in the survey were asked if they agreed or disagreed with the following statements:

[In percent]

	Agree	Disagree	No opinion
Abortions should be permitted when there is evidence the child might be mentally or physically deformed	70	26	4
In early months of pregnancy, any woman who wants an abortion should be permitted to have one	33	63	3
Abortion should be permitted when a woman and her doctor decide it is in the woman's best interest	69	27	3

Interviewers then asked the following questions (replies already shown):

"Under present state law, abortions are permitted only if the woman's life is in danger. Do you think the 1973 Minnesota Legislature should or should not change the law? (If should or should not) Do you personally feel strongly about your position on the abortion issue or not?"

The results of the Minneapolis Tribune's Minnesota Poll are based on personal in-the-home interviews with 600 men and women 18 years of age or older. Respondents are selected by probability sampling procedures and interviewed by a staff of 110 trained interviewers. The Minnesota Poll was established in 1944 as a public service.

BUT HALF IN LATEST SURVEY EXPRESS OPPOSED: COURT DECISION CAME AT TIME OF GROWING PUBLIC SUPPORT FOR LEGALIZING ABORTION

(By George Gallup)

PRINCETON, N.J., January 27.—Although the U.S. Supreme Court last week ruled 7-2 that abortions are legal during the first three months of pregnancy, the public in a recent survey is found to be evenly divided on the issue, with 46 per cent in favor, 45 per cent opposed, and 9 per cent undecided.

However, support for legalizing abortion has grown since a November 1969 survey when the vote was 50 to 40 per cent against the right to terminate pregnancy during the first three months.

The change since 1969 has come about almost entirely among persons under 50 years old. Those over 50 remain steadfastly opposed.

Increased support since the earlier survey is also recorded among both Protestants and Catholics. Protestants are now divided on the issue, while a majority of Catholics remain opposed.

Persons with a college background are most likely to favor liberalizing abortion laws. In the latest survey they vote 2 to 1 in favor of making abortion legal for the first three months of pregnancy.

Here is the question asked in the latest survey, with a comparison of the latest results with those recorded in a survey taken three years earlier:

Would you favor or oppose a law which would permit a woman to go to a doctor to end pregnancy at any time during the first three months?

[In percent]

	Favor	Oppose	No opinion
Latest (December)	46	45	9
November 1969	40	50	10

The following table shows the comparison by key groups between the latest survey and the one taken three years earlier. The percentages represent those in favor:

PERCENT IN FAVOR OF LAW PERMITTING ABORTION DURING 1ST 3 MONTHS

	Latest	1969	Point change
National	46	40	+5
College	63	58	+7
High school	44	37	+1
Grade school	30	31	−6
Under 30 years	55	46	+9
30 to 49 years	48	39	+9
50 and over	39	38	+1
Protestants	45	40	+5
Catholics	36	31	+5
Men	49	40	+9
Women	44	40	+4

The current survey is based on personal interviews with 1,504 adults, 18 and older, in more than 300 scientifically selected localities across the nation, interviewed during the period Dec. 8-11. The previous survey, in which the identical question on abortion was asked, was based on personal interviews with 1,511 adults, interviewed Nov. 14-17, 1969.

On Jan. 22, the Supreme Court overruled all state laws that prohibit or restrict a woman's right to obtain an abortion during her first three months of pregnancy. The vote was 7-2.

The majority ruling of the Court specified the following:

For the first three months of pregnancy the decision to have an abortion lies with the woman and her doctor, and the state's interest in her welfare is not "compelling" enough to warrant any interference.

For the next six months of pregnancy a state may "regulate the abortion procedure in ways that are reasonably related to maternal health," such as licensing and regulating the persons and facilities involved.

For the last 10 weeks of pregnancy, the period during which the fetus is judged to be capable of surviving if born, any state may prohibit abortions, if it wishes, except where it may be necessary to preserve the life or health of the mother.

The majority rejected the idea that a fetus becomes a "person" upon conception and is thus entitled to the due process and equal protection guarantees of the Constitution. This view was pressed by opponents of liberalized abortion, including the Roman Catholic Church.

Justice Harry A. Blackmun concluded for the majority that "the word 'person' as used in the 14th Amendment does not include the unborn," although states may acquire, "at some point in time" of pregnancy, an interest in the "potential human life" that the fetus represents, to permit regulation.

It is that interest, the Court said, that permits states to prohibit abortion during the last 10 weeks of pregnancy, after the fetus has developed the capacity to survive.

A WORD OF CAUTION ON THE ELECTRONIC VOTING SYSTEM

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PEYSER. Mr. Speaker, I would like to take this opportunity to caution my colleagues in the House about certain aspects of the electronic voting system.

On Tuesday, February 27, 1973, I inserted my voting card to vote in favor of H.R. 3577, the extension of the interest equalization tax, but failed to check the board to see if my vote had been recorded. At the conclusion of the voting, I learned that for some reason, my vote had not registered.

Later, I attempted to change my vote and have it recorded properly. I found that under the new system, such changes are not possible.

I bring this to the attention of all the Members of the House so that you may avoid similar situations.

NEDA

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. SIKES. Mr. Speaker, the National Environmental Development Association has taken strong exception to the recommendations of the National Water Commission's intended report regarding a proposed water resource policy for our Nation. NEDA is a privately funded organization fostering conservation, development and use of America's resources to protect and enhance its environment. The news release on NEDA's comments on the proposed report and the detailed statement made before the National Water Commission are of sufficient importance that I submit them for printing in the RECORD:

NEWS RELEASE

WASHINGTON.—The National Water Commission's proposed report to the President and the Congress would be a serious and unnecessary blow to the future economic growth of this country, according to Thomas A. Young, president of the National Environmental Development Association. In a statement today, Young said:

"There is much that we agree with in the draft proposals, and we commend the Commission for its diligent study the past five years.

"But the overall thrust of the report is strictly no-growth. We must balance development and the use of America's resources to protect and enhance the environment. In essence, the intended report of the Commission advocates a virtual halt to all future development of our water resources. Our water resources are so basic that such a wild scheme would stunt the future economic growth of this country. And that is serious and unnecessary and sheer folly.

"We cannot agree to that, and we believe that the American people do not agree with it. Hopefully, the Commission will revise its position before sending the final draft to the President and to Congress."

Young submitted a statement of NEDA's position to the Water Commission for its consideration. Copies of the statement are available, but here are some of the highlights of NEDA's statement:

NEDA disagrees that multipurpose water impoundments will not be needed in the future. On the contrary, more will be needed to meet the soaring demand for outdoor recreation, pollution-free energy fossil fuel conservation, etc.

It also disagrees that the government charge a higher rate of interest, than the treasury pays now to borrow, for projects that it does undertake.

NEDA also takes sharp issue with these other recommendations that are being proposed by the National Water Commission in its review report:

That Congress provide no more funds for destructive flood protection unless the beneficiaries repay the full cost.

That the U.S. charge tolls on the country's inland waterways.

That the U.S. build or replace no more inland waterway projects not necessary for defense unless some non-federal entity repays the full cost plus interest.

That subsidies be ended for agricultural irrigation, upstream flood control, draining land for production, etc. Perhaps the Commission is unaware that American agriculture is the marvel of the world—that the world needs our excess capacity now, that President Nixon has embarked on a program to do just that. And that undoubtedly the world will need more of our farm production in the future. Also that farmers were the first "environmentalists."

For your information, NEDA is a privately-funded non-profit corporation fostering conservation, development and use of America's resources to protect and enhance its environment.

STATEMENT OF THE NATIONAL ENVIRONMENTAL DEVELOPMENT ASSOCIATION BEFORE THE NATIONAL WATER COMMISSION

Honorable Commissioners: The National Environmental Development Association appreciates the opportunity to comment on the National Water Commission's draft of its intended report to the President and Congress regarding a proposed water resource policy for the people of the United States.

The National Environmental Development Association (NEDA) is a non-political, non-profit, non-stock corporation comprised of labor, agricultural, industry and other private and public interest organizations and individuals, recently incorporated in the fall of 1972 with headquarters in Washington, D.C.

NEDA was established for the purpose of promoting the conservations, development and use of the resources of the United States in a manner that will enhance the quality of the human environment of its many millions of people, who aspire to work and to improve their welfare, and the welfare of their children and grandchildren, in the decades ahead.

NEDA endeavors to do this by encouraging public awareness, understanding, and informed input on those proposed public policies which may serve, or impair, the achievement of that desirable human goal.

Within this framework, we have assembled our thoughts on the extent to which the water resource policy here proposed by the commission may serve that goal, as this is the means by which all such proposals must be judged.

We do so respectfully, and with full deference to the commission's duty to report as to the way it believes the Congress of the United States must discharge its manifold, constitutional responsibilities for the public use of this Nation's waters.

In a draft of the size we deal with here—over four years of preparation, on a matter so primal, by staff not responsible for water resource matters, and extending well over one thousand, heavily footnoted pages—it is no surprise to find ourselves in strong agreement with some of the proposed commission recommendations, and in strong considered disagreement with many others. We emphasize our agreements first.

We agree with those extended explanations, that consume so very much of the report, that the country must support and fund more study and research, improved planning, and more research and development on all aspects and avenues of water resource conservation, development, and management.

And we especially agree with much of the analysis on water pollution, today the country's number one water problem. This problem was brought about by a socially elevating economic movement of which we today, our forefathers, and our children are all the beneficiaries. And our program to correct it now should proceed as a collaborative undertaking involving the American economy—not as an attack on it. (Our regret is that the commission did not convey its views on the matter in a section 3(b) interim report to the Congress a year ago, when it was seeking legislative guidance in this area.)

We agree that full implementation of existing water quality standards will result in higher prices and severe employment and other economic dislocations in certain areas; that discharge limitations should allow for the known assimilative capacity of receiving waters; that the economic, social, and related environmental costs of achieving improved water quality should be weighed in setting specific standards; and that their implementation should be undertaken with the prudence necessary to prevent those pollution control excesses that would create a greater human "environmental blight" than the problem to be corrected.

The report is equally forthright on the matter of generating plant heat dissipation. Even assuming "zero population growth", and its limited energy conservation potential, electric energy consumption will triple by 1990. As new generating units installed between now and year 2000 will have a thermal conversion efficiency not significantly greater than the present 40 percent, generating plant waste heat is an environmental reality. The report recognizes that dissipating this directly to water may be far less costly, in environmental as well as economic terms, than dissipating it to air by the various cooling pond and tower methods possible, depending on the degree of aquatic life affected. These are our views also, and we commend the commission conclusion and recommendation that: "Rigid environmental standards which largely denied the ability of water to assimilate waste heat, regardless of the environmental costs of once-through cooling (which in some areas could be quite minimal), would deny the opportunity to make a rational evaluation", and water pollution control law "should recognize the waste assimilative capacity of receiving waters as a valuable resource for dispersing waste heat."

The recommendation that recreation be elevated "to a high priority" in the use and construction of Federal multipurpose reservoir lakes is both needed and timely. For we know of no more responsive way of meeting the now nearly unmanageable need for additional public water based recreation, and relieving those already damaging over-use pressures on the environment of our existing beach and land recreation areas. We would complete the report's catalogue of "Federal and federally-assisted" reservoir lakes by the addition of those hundreds of hydroelectric reservoir lakes licensed by the Federal Power Commission—many of which far exceed in lake surface, beach and related land area and recreation facilities, and public recreation utilization those now tabulated in the report. Moreover, considering the increasing outdoor recreation contribution to be supplied by these existing and proposed multipurpose impoundments in the future (at no cost to government treasuries), we would direct a recommendation to that agency also, in the interest of expediting their licensing and relicensing of these developments for their demonstrably needed, public environmental benefits of outdoor recreation, pollution free energy, fossil fuel conservation, and alleviation of dollar drain.

The report rejects the argument that the discount or interest rate for the needed water projects government undertakes which industry does not, should be the interest rate industry would charge if it did. The rejection is deserved—for the same reason that government's long term interest rate is not a fair measure for return on industry undertakings. Controversy on this issue is often admixed with the issues of whether a project is needed, whether industry can undertake it on the optimum scale, and whether it can at a cost that serves the project purpose, or purposes. To be sure industry can undertake many needed water resource developments, or certain purposes thereof, as well, and sometimes better than government. But such are separate controversies, the answers to which do not affect the fact that government's interest cost on long term water developments is government's cost of borrowing long term money.

In identifying our areas of major disagreement with the review draft we have tried to be brief as well as constructive.

Although the report acknowledges the increasingly adverse effects of excessive environmentalism, it proposes to solve this crisis with more of the proceduralism that is its cause. This problem—of making decisions on "conflicting values"—will be solved by making decisions.

The excesses of environmental proceduralism have already accumulated to unduly burdensome levels. In last year's Water Pollution Control Act, for example, Congress found it necessary to declare that: "It is national policy that to the maximum extent possible the procedures utilized for implementing this act shall encourage the drastic minimization of . . . interagency decision procedures". The excesses of "public participation" in agency processes have already escalated, former AEC Chairman Schlesinger recently pointed out, to where this now provides lawyers with "a lucrative substitute for ambulance chasing", and that "the techniques which were employed in the anti-Communist crusades" are now being employed in the name of the environment.

We approach this issue cognizant that the subject of the National Environmental Policy Act of 1969 is "the quality of the *human* environment" (emphasis added). The lack of needed project services and products has very adverse effects on the quality of the human environment—attested by destructive floods, crop losses, water shortages, long hot summer recreation crises, power shortages, lack of employment, and industrial curtailments. We need no new procedures for determining and disclosing those adverse effects.[1]

Accordingly, in addition to identifying and disclosing an undertaking's negative effects, means of minimizing them, and its alternatives, the commission should urge that they also identify a project's positive human contributions—which agencies now do not do adequately. Then, with all effects clearly in mind, the project decision can be made intelligently and promptly. Such full disclosure will also help the public in general, rather than a select group serving its own purpose, to discern and determine their own "alternative futures". It also will fulfill the congressionally declared policy of the National Environmental Policy Act.[2]

We appreciate this full disclosure decisional remedy does not appeal to the sectaries of excessive environmentalism, but we have faced the fact—as we believe this commission must—that the ends and objectives they have chosen for themselves are not adequate to America. They cannot sustain our economy, employ our millions, educate our children, provide for our aged, and finance the public improvements needed for the human environment in the decades ahead.

Finally on this subject, we particularly reject Commission encouragement of the notion that CEQ or EPA engage in "independent" environmental determinations on projects, authorized or unauthorized. They are ill-suited to do so by their institutional predispositions and particular lack of any project responsibility whatsoever. We oppose the idea that CEQ be left free to advise the President against a congressionally authorized project without also advising the Congress. Last, we would urge as a recommendation the Commission's observation that: "If Congress reassesses a project and determines that it should continue, perhaps in appropriating funds after considering the possible environmental impacts of the project, the decision is made by the same entity which authorized the project to proceed in their first instance."

Concerning municipal and industrial water supply, the draft states that: "some water shortages are now apparent and others are likely to develop in certain regions", recent surveys showed many people are drinking poor water, and that the reasons include lack of needed water supply projects and fundings. The report notes the United States has attempted in many ways to assist State and local governments meet their primary municipal, industrial and other water supply responsibilities. However, the draft adds, "the Nation" may not have "the willingness or, in some cases, the ability to erect the institutional arrangements needed" effectively to meet "the expected doubling of municipal, and the tripling of industrial, needs by the year 2020." Notwithstanding, the draft affirms "full agreement" with the proposition that: " 'The responsibility for water resources projects, of which public and industrial water supplies are a primary consideration, should rest with that echelon of Government or of private interests closest to the people benefitted.' " We urge that the Commission conclusion be reoriented to reflect the realities Congress itself has recognized in numerous recent measures. For instance, in enacting the Northeast Water Supply Act of 1965 during the most recent disastrous Delaware River basin drought, Congress declared (Public Law 89-298): "That assuring adequate supplies of water for the great metropolitan centers of the United States has become a problem of such magnitude that the welfare and prosperity of this country require the Federal Government to assist in the solution of water supply problems." The Rural Development Act of 1972 makes the same point, Public Law 92-419.

The recommendation that Congress provide no funds for destructive flood protection unless the beneficiaries repay the full cost thereof, ignores the fact that beneficiaries reside beyond project States, ignores the social and economic benefits of such works to the Nation as a whole, and would effectively end continuance of a national program that has repayed itself many times over since its inception. During the period 1936-1969, for example, Corps of Engineers flood control projects costing $5.4 billion prevented damages of $18 billion, prevented flood deaths, sickness and suffering, and permitted productive taxpaying endeavor in many important parts of America. Last June Hurricane Agnes caused damages of $3.5 billion, deaths to the number of 120, inordinate, still continuing human dislocation and ruination, and an immediate Federal emergency expenditure exceeding $300 million, with much more to follow, in the Northeast. Corps projects in operation there prevented additional damages of $1.5 billion; others, regrettably unbuilt but authorized or recommended for the area (and clearly costing more than their beneficiaries can pay), would have saved still more. As a compassionate Congress cannot ignore such adverse human environmental effects of this Nation's waters and waterways, we urge that the draft recommendation be modified to affirm our country's established policy: "That the Federal Government should improve or participate" in flood control undertakings "if the benefits to whomsoever they may accrue are in excess of the estimated costs, and if the lives and social security of the people are otherwise adversely affected." (33 U.S.C. 701a)

The inland waterway program provides a service of ramifying importance to industry, agriculture, foreign trade, and the price levels of consumer goods. Its necessary navigation structures serve the essence of the country's interstate commerce flow. They are built and maintained by the United States, for functionally, legally and economically they exceed the concern and capacity of a project locality. The draft recommends the United States not build or replace any such project not necessary for national defense unless some non-Federal entity repays its "entire construction cost, plus interest thereon". We oppose this, and the similarily objectionable proposal concerning user charges. These recommendations violate the elemental interests of interstate and foreign commerce, industry, agriculture, and consumers.

The draft notes the American people subsidize production of their food by three programs involving water: conserving and supplying it to irrigate land, protecting agricultural land against floods, draining low lying land valuable for agriculture. In these and other ways, we note (for the draft does not), the American people: feed themselves on the most wholesome food in the world; spend less of their disposable income for it than any other people; feed their poor and underprivileged; export vast quantities of it, helping balance payments; make emergency food grants to diverse, periodically famine-stricken people in other lands, helping foreign policy; protect an important part of our land against the environmental ravages of nature, preserving it as America the beautiful; and help maintain resourceful present and future generations of citizens across our continent, removed from the social congestion problems of megalopolis. Based on analyses prescinding these social and environmental benefits, and focused only on an isolated estimate of the cost of food and fiber production, the draft concludes and recommends: we have adequate agricultural productive capacity to year 2000, there is 'no need in the next 30 years for federally subsidized (agricultural) water resource development," and the three programs have added to "excess productive capacity of agriculture".

We oppose this conclusion and recommendation for several reasons. It will result in a level of food prices to consumers greater what they now pay plus the portion of their taxes attributable to these programs. It makes no provision for replacing the associated social and environmental benefits or requirements they provide. And we disagree with the conclusion that we need no further programs to insure agricultural adequacy. To wit, world climatic conditions in 1972 and projected for 1973 indicate that, with few exceptions, there are no surpluses of agricultural commodities; due to extreme droughts in Russia and Mainland China, United States grain bins are practically empty; curtailed production of food in India will create an additional demand for food and feed grains; there is great demand for high protein meal, causing the highest prices in history; and the recent Flanigan report is that with free trade in agricultural commodities, export demand for grains, feeds, oilseeds, livestock and their products will increase from $7.8 billion in 1971 to $18.4 billion by 1980. We believe the draft recommendation should be altered to reflect the last recommendation of the U.S. national academy of science, committee on resources and man (1969): "That the efficiency and capacity of agricultural productivity, both in the United States and abroad be increased to the maximum levels possible. This is necessary not only to assure national food reserves, but also to help those countries in need."

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[1] We do not discuss the subject of Federal power plant siting legislation, to be considered elsewhere.

[2] I.e.: "to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans." 42 U.S.C. 4331(a)

Numerous other draft recommendations we oppose include the proposition that Federal construction grants for water pollution control facilities should be terminated by 1982, and that present programs of the Department of Agriculture for the control of rural soil erosion and run-off, which control the growing problem on non-point pollution and accelerated eutrophication of waters, should not be expanded or accelerated. The interests of brevity dictate we not discuss here these and other draft recommendations we deem equally contrary to the public interest.

We conclude with the hope the Commission will consider these latter matters we have mentioned, to the end of enabling the Congress to fulfill its manifold, constitutional responsibilities to insure the conservation, development, and use of this Nation's waters to serve its many public purposes in the decades ahead. For to quote the words of the conference report on the Act establishing the Commission: "If the Commission is to be successful in accomplishing its mission, its recommendations must be susceptible of fulfillment." (H. Rept. No. 90–1862)

We would add a final note. We have seen certain pamphlets and brochures urging unreserved support of the draft, on the grounds that, if implemented, its recommendations will prevent continuance of this country's efforts to conserve its water resources. We are satisfied this was not the intent of the Commission.

DEFENSE CONTRACTORS MAKE DONATIONS TO NAACP

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. RARICK. Mr. Speaker, in the days of Al Capone the protection racket was recognized for just what it was—a blackmail shakedown to buy peace and keep out of trouble.

We now read where the Nation's largest shipbuilding concern in nearby Newport News, Va., has seen fit to buy peace from the NAACP through a $2,500 corporate membership in that controversial "civil rights" association.

Since the Newport News Shipbuilding & Dry Dock Co. operates under military funds for the construction of naval vessels, it should be interesting to see how they write off this $2,500 "peace" donation; that is, as a protection fee, legal expenses, overhead, or as a contribution to the enemy to assure continued legal agitation, thus perpetuating the need for defense contractors.

One thing is certain. It is the American taxpayer who is footing the bill, and there will be little auditing of this influence peddling gift by defense contractors.

A related newsclipping is as follows:

[From the Washington Post, Feb. 25, 1973]

DRY DOCK FIRM JOINS NAACP

NEWPORT NEWS, VA., February 24.—Newport News Shipbuilding & Dry Dock Co., not too long ago the object of pressure by the federal government to improve its minority employment practices, recently joined the NAACP.

The $2,500, five-year corporate membership, a spokesman said, "is indicative of the changing times. There is nothing in the NAACP's charter that we don't already stand for."

The yard's conglomerate parent, Tenneco, Inc., of Houston, Tex., is a member of the Houston chapter of the association.

ANOTHER SIDE OF THE STORY

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. JOHNSON of California. Mr. Speaker, on several occasions we have seen projects which have been authorized by Congress and for which environmental impact statements have been prepared and filed challenged and halted under demands of further environmental study. Often the charges lodged against projects, regardless of merit, are accepted as fact by many people because no rebuttal is made by proponents of the projects and there are few, if any statements in the press to support them. This is due primarily because once a project is authorized the advocates tend to "disorganize" and the constructing agency does not feel that it has an advocacy role since the project decision to build or not to build rests with the Congress.

One such project in this situation is the Auburn Reservoir on which we have invested several millions of dollars to initiate design and construction of a multiple-purpose project now being built by the Bureau of Reclamation. The completion of this project would offer flood control, water resources, recreation and fish and wildlife benefits and the generation of a substantial quantity of hydroelectric energy. The benefit-cost ratio on this project is excellent and there are many environmental advantages connected with the completion of the project. Favorable environmental impacts of the project have not been discussed publicly until a short time ago when the Auburn Journal took a look at the situation and reported the comments of one outstanding conservationist, Mr. Frank Nissen, who does support the completion of the project.

Although the article is directed specifically at the Auburn project it is my feeling that the author, in fact, speaks for many projects in similar circumstances and therefore I would like to share with my colleagues the recent column published under the name of the Auburn Auricle.

The article follows:

ANOTHER SIDE OF THE STORY

The attempts by environmentalist groups to halt construction of the Auburn Dam-Folsom South Canal and virtually scrap the $550,000 multi-purpose reclamation project have figured prominently in this newspaper in recent weeks.

The news stories principally have dealt with a federal court suit which seeks to delay the project pending a review of its environmental impact report, and with a letter and anti-dam forces have written to budget officials of the Nixon Administration in the hope that they will for all time quit funding the job on which more than $100 million already has been spent.

Local officials of the U. S. Bureau of Reclamation and their regional bosses in Sacramento have declined specific comment on the strategems and charges of the groups opposed to the project because they are, after all, involved in litigation resulting from the suit and, perhaps more important, because governmental protocol requires that the top brass—persons like U. S. Interior Secretary Roger C. B. Morton and whoever the new U.S. Reclamation Commissioner is—issue such statements.

The results has been that the conservationists, preservationists or whatever you want to call them have had a field day pasting the project because there's been nobody to take 'em on.

Oh, I guess that I could sit down at the mill and bat out a few thousand words in defense of the dam, but if I did I'd stand accused of being the bureau's stooge or, worse than that, being on the take.

I got to thinking about this yesterday when Frank Nissen, a longtime Auburn area resident, walked into the office and handed me a hand-printed letter which he said I might want to read and, perhaps, publish in the paper.

I read the letter—Frank surprised me with his flair for words—and agreed to print it because, in a fairness to the other side, it represents the feelings of a helluva lot of people who want to see the project completed and who have not had the time nor the resources—things like financial grants from foundations—to voice their opinions.

At this point I must identify Frank Nissen more fully. He resides in the Shirland Tract area and, by way of earning a living, is recording secretary of Local 1486 of the Carpenters Union.

Yipes! I can hear the screams already. Many of you are probably thinking, why the blazes should I read what a union official has to say in defense of the Auburn Dam? After all, the dam means jobs and that's what he's interested in, isn't it?

Well, you're wrong if you think this is what Nissen is trying to do. Nowhere in his letter—let's call it an essay—is there any reference to the employment and economic boosts that will be generated by the project.

Don't take our word for it. Read what Nissen has to say.

The arguments contained in the federal court suit against the project appear to be invalid and illusory for the most part.

It is claimed that "a scenic canyon will be destroyed." This conclusion is entirely debatable. Admitted that a portion of the canyon walls will be covered with water, but it is purely a matter of personal opinion whether or not something has been "destroyed" or something else "created"—and what is "scenic" and what is not.

Speaking for many property owners in Placer, El Dorado and Sacramento counties who enjoy a view of Folsom Lake, there is no question that the scenic value of the lake overshadows by far that of the canyon it "destroyed."

There has to be a similar evaluation regarding the scenic potential of the reservoir created by the Auburn Dam, as shown by the greatly accelerated land values, sales and development along the anticipated shoreline.

It is a well known fact that a certain amount of water will be diverted from the American River. However, the plaintiffs in the suit must concede that this "diverted" water will be supplied by the Auburn Reservoir and not necessarily by the normal flow of the river itself. An acceptable and guaranteed flow below Nimbus Dam should satisfy the desires and needs of everyone and everything involved.

It is significant to note that in all the arguments advanced by those who would maintain the status quo of our rivers and streams we never hear about the benefits or "scenic value" of free-flowing streams in times of flood, during excessive spring runoffs from melting snow or, conversely, the waterless stream beds during the dry season. We wonder how many valley flood victims and water users consider structures like Shasta and Folsom dams as "killer dams"?

The suit declared the project "would have deleterious effects on fish, wildlife and recreational opportunities for all citizens including the plaintiffs." For those who did not have their dictionaries handy when news stories of the suit were published, deleterious means, in effect, "to destroy." We must argue that construction of the Auburn Dam can only multiply the fish population, enhance the habitat for such wildlife as populates the area—except for rattlesnakes which might inhabit the area near the present river shoreline—and most certainly will greatly increase the recreational opportunities on and along each side "of the 23 and 25 miles of north and middle forks of the American River."

For almost 20 years Folsom Lake has been living proof of how the fish population can be increased, along with a variety of recreational activity unmatched by anything the "destroyed area" had to offer, plus the capacity to satisfy the recreational needs of a growing population included in a much larger area than had ever been served previously by the river.

The plaintiffs (and we are wondering about the identity and number of individuals actually involved—are they a majority of the citizenry?) claim that "construction of the unit would cause substantial, irreparable environmental loss." It would seem this so-called "loss" should be spelled out in considerable detail if the argument is legitimate. We fail to recognize any loss, especially when the obvious benefits of the project are considered.

We would remind the environmental groups involved in this suit that a severe power shortage is at hand. If the construction of nuclear and fossil-fueled power plants is curtailed, we will certainly need something besides geothermal installations and future breeder reactors to supply our power needs. What cleaner and more natural source do we have than the powerhouses such as those included in the Auburn Dam Project?

In conclusion, we submit that, while environmental preservation is everybody's job, the needs of the people—all the needs of all the people—should receive consideration as well. Construction of the Auburn Dam-Folsom South Canal will contribute to the environment—in the valley as well as locally—and will most certainly satisfy a multitude of human needs.

Thank you, Frank. Take a bow for giving us the other side of the hassle.

ANNOUNCEMENT OF HEARINGS ON TREATMENT AND REHABILITATION OF NARCOTIC ADDICTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. EDWARDS of California. Mr. Speaker, I would like to announce that Subcommittee No. 4 of the House Judiciary Committee is continuing their series of hearings on the treatment and rehabilitation of narcotics addicts.

The latest report from the Office of the Comptroller General on "Narcotic Addiction Treatment and Rehabilitation Programs in Chicago, Ill.," will be the topic for these hearings.

The hearings will commence with testimony from the Office of the Comptroller General of the United States on Thursday, March 8, 1973, at 10 a.m. in room 2226 of the Rayburn House Office Building, Washington, D.C.

Those wishing to testify or to submit statements for the record should address their requests to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

MY RESPONSIBILITY TO FREEDOM

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. WYATT. Mr. Speaker, the Veterans of Foreign Wars of the United States and its ladies' auxiliary annually conduct a most commendable program, the Voice of Democracy contest. This year's theme was "My Responsibility to Freedom," and the winning speech from the State of Oregon was written by Jim Montgomery, a senior at Beaverton High School in Beaverton, Oreg.

It is both refreshing and inspiring to read the words of Mr. Montgomery; therefore, I proudly insert a copy of his fine, prize-winning speech for the benefit of my colleagues and the general public:

MY RESPONSIBILITY TO FREEDOM

(By Jim Montgomery)

The time: July 4, 1776

The place: Independence Hall, Philadelphia, Pennsylvania

The event: The signing of the Declaration of Independence

It's been almost a month in the making, but it's finally ready. The unanimous Declaration of the Thirteen United States of America is now being signed by the representatives of the thirteen colonies. The colonies, who have been at war with England ever since the battles at Lexington and Concord over a year ago, are finally coming out and declaring their independence from England. It's too bad that these "Americans", as they call themselves, will probably lose. Even though they have great spirit and loyalty, that's no match for England's superior training and armament. At least in my mind, the outcome is obvious. I only hope England doesn't abandon the new world after crushing the revolution—it's really quite a nice place . . .

I wonder if that's what it was really like two hundred years ago. July 4, 1776. And to think, from those shaky beginnings, that brash young nation grew into one of the largest and most powerful in the world. That may not seem like so much, but think of this. As America approaches her 200th birthday, she has the distinction of spending all of these years under one single government.—A government that belongs to the people, not just a monarch or a dictator.

America has changed a lot since then. She's added 37 stars to her flag, has covered half a continent, and has increased her population by over 200 million people. She's been through on the winning side of two World Wars, and has put a man on the moon, but through all of this, she's still maintained that unique quality that makes her what she is. As Abraham Lincoln put it, "A government of the people, by the people, for the people". No other country can claim having such a government that has lasted so long.

But what is it? What is it that has made America last so long?

I think it's something very, very special. Something called freedom.

But what is freedom? Does it mean you can do whatever you want? Or does it involve more than that? That's a Question many people wonder about. The answer is yes—it does involve more than that. It involves responsibility.

And there's another rather indiscriminate term. Responsibility. It can mean so many different things. To some people, it means the responsibility to register and vote. To others, it goes deeper. They feel it means to run for office, or to help someone else run for office. To me, it goes even a bit farther. It's not just accepting that freedom, it's also acknowledging other people's rights to that freedom, and protecting and preserving that freedom, so that everyone, everywhere can partake of it.

Of course, there's a hitch—there always is. To some people, the freedom of others isn't as important as their own freedom. That's alright as long as they stay to themselves. Unfortunately, though, the reason they forsake the freedom of others is to grab more for themselves. They want the power that unlimited freedom gives them. And in getting this power, if they step on someone else, well that's life. All they care about is themselves.

And that's why everyone who feels this strong sense of responsibility has got to stand up and put a stop to those who are so disrespectful of the freedom of others. And they do. They did in 1940, they did in 1918, they did in 1860, and they did in 1776.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for more of us, the war is over. Yet despite the cease-fire agreements' provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is my daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

ATROCITIES IN NORTHERN IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BIAGGI. Mr. Speaker, stories of atrocities occurring daily in Northern Ireland are beginning to fall upon deaf ears. Too many individuals the world over are now turning their eyes from the conflict raging constantly in Belfast.

Unless the day-to-day horror of their situation can be dramatized on a regular basis, we run the risk of allowing the bloodshed to continue while peaceful nations stand by in apathy. It is the responsibility of the Members of this House to see to it that the true story of what is happening in Northern Ireland is kept before the eyes of all Americans.

It is for this reason, Mr. Speaker, that I would like to read into the RECORD the heart-rending letter which Paul Nathanson, an English citizen whose family was directly affected by the ongoing Belfast tragedy submitted to the editor of the London Evening News. He speaks of 12-year-old Philip Rafferty—a cousin of the Nathanson family—who was recently abducted, hooded, and shot through the head. This frail, asthmatic child was just one of the hundreds and hundreds of innocent victims who have been chosen by heartless murderers for senseless execution.

Mr. Speaker, if the people of the United States and their elected representatives succumb to indifference in the face of such an outrage, then we must share responsibility for the brutal death of Philip Rafferty. I would encourage my colleagues to join in the effort aimed at keeping the Northern Ireland issue before the American public. If the pressure of international opinions can contribute to bringing about peace in Belfast, then we must register our sense of outrage at the slaughter of such defenseless victims as Philip Rafferty.

Mr. Nathanson's letter to the editor follows:

LONDON, ENGLAND.

SIR: I am a Jew. I came from Austria to England as a little boy over 30 years ago when six million of my people were put to death.

I recall among my murdered family a cousin, with whom I shared my early childhood, who was made to give up his life for being a Jew in Hilter's gas chambers at the age of 12.

My wife was born in England. Her father was Irish, Her mother is of the same background as me—we shared the same six million dead.

My wife and I have two little girls. Now, nearly 30 years after the Second World War, the journey to the moon and other various wars, my little girls have just lost their own little cousin.

He was a small, frail boy who suffered from asthma and who had a Mum and Dad, Brother, sister, uncle and aunts.

One day while the kids played, he was abducted, hooded, shot through the head and his body dumped.

Why did he die? What had he done? For what cause did he die? Why? Why?

Were the Jews murdered throughout the ages for the religion they were born into? Was Philip murdered because he was a Catholic? Did he die for Ireland? For Glory? For God? Oh no!

No, never!

I am a Jew. I am alive! To You who murdered my people, to You who kill in other corners of the world, to You who murdered a terrified innocent child because of his Christian label, I say:

"Philip Rafferty, and all other 'Philips' whatever their creed, do not die as heroes or martyrs, nor do they die for a cause—they die in vain—for nothing!

"You murdered a child for no reason!

"One day, when you will have to justify your deeds, there will be no defence—for any of us. And only then, when this is realized, will Philip Rafferty have died for a cause."

I am dear Sir,

PAUL NATHANSON.

PRESIDENT LYNDON B. JOHNSON

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PICKLE. Mr. Speaker, on January 25, the Honorable Homer Thornberry, judge of the U.S. Court of Appeals, Fifth Circuit, delivered a most moving and eloquent memorial for President Lyndon Johnson to a joint session of the Texas Legislature.

Judge Thornberry was a long-time and dear friend of President Johnson. When President Johnson was elected to the U.S. Senate in 1948, Judge Thornberry was elected to take President Johnson's congressional office for the 10th District of Texas. Judge Thornberry served ably in that office until 1963 when he resigned to take a place on the Federal court. At that time, I succeeded Judge Thornberry as the Congressman for the 10th District.

But Judge Thornberry's contacts with the Johnson family go back even farther, far in 1923. Judge Homer Thornberry was a page in the Texas House of Representatives where Sam E. Johnson, the father of Lyndon B. Johnson, served as a member.

I know for a fact that Judge Thornberry knew our mutual friend President Lyndon Johnson as well as anyone in America, and I know President Johnson admired and respected Homer Thornberry as much as anyone in America. I thus insert in the RECORD at this time, Mr. Speaker, a copy of Judge Thornberry's remarks to the Texas Legislature:

ADDRESS BY THE HONORABLE HOMER THORNBERRY

For I, the Lord thy God, will hold thy right hand, saying unto thee, fear not: I will help thee.

I first came to this chamber officially in 1923, employed as a page in the 39th legislature, in which the Honorable Sam E. Johnson, father of Lyndon Baines Johnson, served as a representative; I came again in 1937 to serve as member of the House in the 45th legislature. I return because of the high honor you have bestowed on me by inviting me to participate with you in honoring the memory of our friend and neighbor.

No mortal words which I might say here can add to the illustrious memory of the great and magnificent Lyndon B. Johnson.

When the news of his passing reached us, there came a solemn and sober moment in the lives, not only of those of us who knew him and loved him, but in the lives of countless people throughout this Nation and the world who never knew him personally.

While we are staggered by an overwhelming sense of loss, a new sense of values takes charge of our minds and hearts.

Lyndon Johnson was one of the most thoughtful persons I ever knew. He understood what it meant to be a good neighbor. Lyndon Johnson *was* his brother's keeper.

That great heart, which finally failed him, prompted him time and again to provide succor and relief to a multitude of friends—in time of bereavement, illness, or financial need.

Many times he and his noble wife, Lady Bird, were the *first* to provide love and consolation or the solution to a critical problem. Compassionate beyond belief, he was a friend to every man—in every city, in every village, in every mansion, in every hotel—encompassing the globe.

He had a warm sense of humor. He was a picturesque story teller. Time and time again, we have heard him tell a down-to-earth story to illustrate an important point. I think he would want me to say this. He was the most superb domino player I've ever known. I give personal testimony—I never won a game!

In that rugged hill country just west of here he developed the strength of character, the courage, the vision, the sense of realism, the compassion which enabled him to perform with effectiveness the tasks of his office.

He understood the principle—so often overlooked and forgotten—that the art of politics is the art of achieving the possible. He truly believed there was more good than bad in every person.

Lyndon Johnson has been rightly called a skilled political and legislative leader, unexcelled and unequalled. He was recognized as leader of his political associates. Now, in retrospect, we recall the many times in this nation's history he rose above the partisan and political differences of the moment to fight with courage and wisdom for the security of our country and the enduring freedom of men, women, and children everywhere. One of the greatest periods of our history unfolded under his leadership, both in the Congress and the White House. As President, he once said, "I would like to be remembered as the President who helped those unable to help themselves."

In his first address before the Joint Session of Congress, November 27, 1963, President Johnson said, "we will carry on the fight against poverty and misery, ignorance and disease—in other lands and in our own."

From that moment, he moved directly to the solution of age-old problems which have assailed mankind in our beloved country.

He sought removal of barriers and limitations which have humiliated fellow Americans.

Can we ever forget that speech to a Joint Session of Congress on March 15, 1965, when he said, "their cause must be our cause, too. Because it is not just Negroes, but really it is all of us, who must overcome the crippling legacy of bigotry and injustice. And we shall overcome." No other President has said words like those. Having said them to us, no one of us in this living America will ever be the same.

He sought the elimination of poverty and ignorance from sections of our Nation.

He sought the building of a great society for all America.

He sought to accomplish, through every possible avenue, peace on earth.

We mourn—and yet we rejoice—for Lyndon Baines Johnson was triumphant in the eyes of those who shared the drama of his vision.

Other Presidents had dreams and aspirations which momentarily seemed lost in defeat.

Abraham Lincoln dared to believe in a viable citizenship for the enslaved.

Woodrow Wilson envisioned nations banded together in a quest for peace; he was scorned by his own countrymen.

Always there are those who would doubt, deny, or diminish. We have seen and heard indications that the great society is no longer viable.

The great society is no tangible, physical institution which can be closed down overnight. It exists in the hearts of us all—never to be forgotten. Like a seed which germinates to full fruition, the great society will continue its undying influence.

Some have said his was an impossible dream, but "he fought for the right—without question or cause—to right the unrightable wrong."

These words well could have been written for him,

"I know that if I'll only be true to this glorious quest
That my heart will be peaceful and calm when I'm laid to my rest
And the world will be better for this
That one man, scorned and covered with scars,
Still strove with his last ounce of courage
To reach the unreachable star."

We mortals say in the words of the poet—"Mr. President, 'approach thy grave like one who wraps the draperies of his couch about him and lies down to pleasant dreams.'"

For now, Lyndon Baines Johnson has gone to "join that innumerable caravan that moves to that mysterious realm."

An immortal voice must be saying, "well done thou good and faithful servant. Inasmuch as ye have done it unto one of the least of these, my brethren, ye have done it unto me."

Farewell, great spirit! Lyndon Baines Johnson now belongs to the ages.

TRANSLATORS

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. SHOUP. Mr. Speaker, I am introducing a bill to amend section 318 of the Communications Act of 1934, as amended. Its purpose is to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programing and commercials and to authorize FM radio broadcast translator stations to operate unattended in the same manner as is now permitted for television broadcast translator stations.

Translators were conceived as simple, inexpensive devices which would serve to provide small communities with TV and FM radio programing. Financial rewards for installation and operation of this equipment is modest at best. Population in areas served by translators is sparse and all the operator is permitted to transmit is the program material that his translator has picked up. He cannot originate any local programs nor can he run commercials. This service, so much appreciated by small remote communities must depend on public generosity for its support.

FM radio suffers from an additional handicap under existing statutes. The FM translator, frequently installed on a remote mountain top, cannot be operated remotely, unattended. Keeping an operator at the translator site during operating hours is prohibitively expensive.

Translators offer great promise for rural America if their functions can be expanded even to a limited extent. This can be achieved through amendment of the statute. This legislation will permit the FCC to revise its rules to allow remote operation of FM equipment, limited local programing and the transmission of commercial material. I would welcome support of this legislation.

Mr. Speaker, I insert the text of my bill in its entirety at this point in the RECORD:

H.R. —

A bill to amend section 318 of the Communications Act of 1934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (3) of the first proviso of section 318 of the Communications Act of 1934 (47 U.S.C. 318) is amended—

(1) by striking out "solely" and inserting in lieu thereof "primarily", and

(2) by striking out "television".

THE MONETARY IMPLICATION OF THE ENERGY CRISIS

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HANNA. Mr. Speaker, an article in today's Wall Street Journal, which we include hereinbelow and ask unanimous consent to be inserted, serves as only a vague outline of one of the most serious problems facing our Nation. The foreign policy implications of the energy crisis have been very carefully documented in a report from Congressman CULVER, chairman of the Subcommittee on Foreign Economic Policy of the Foreign Affairs Committee. What would be equally important is a report on the monetary and balance-of-payments implications of the same energy crisis and particularly as it involves the problem described in the Wall Street Journal article.

The buffeting the dollar received in the shifts of reserves, which include, as the article indicates, a sizable portion of Arabian and Middle East holdings, while disturbing in its implications for the present, is fraught with panic in terms of the future projections of the increased cost of oil in the Middle East together with the probable increases of imports between now and 1980. It appears predictable that the same nations which are already a disrupting element in the $80 billion ocean of reserves will increase to a figure in excess of $100 billion by 1980. This represents a force which could bring down any currency, including the dollar, which shows any signs of weakening in the international monetary system. The knowledge of this fact and that this knowledge is reasonably available to any inquiring and interested mind should suggest not only the scope of the problem but as well the challenge of finding some answer for this problem.

It is additionally important to question the alternatives. One of them quite obviously would be a restriction of production. However, since the available alternative sources of oil are not at all evident, this is a threat to present levels of economic activities in the industrialized countries, especially here in America. Another alternative lies in encouraging a volume of investment by the Arabian countries which would suggest an immense input of assistance, not presently visible, for the Arabian money managers—assistance in assessing the quality of investment and the requirements of a presently nonexistent policy which such investment would serve. It is rather ironic that we in the United States who stand in the eye of this monetary storm are at the present time in such poor stance to work cooperatively and intelligently with these oil-producing countries. We should help find a use of the Middle East oil fund which will be constructive rather than contributing to the turmoil described in today's Wall Street Journal article. The complete contents of the article are included below and we believe it would be of interest to the Members to read carefully this report and think about it in relation to the points we have made:

MIDDLE EAST OIL FUNDS PLAY AN INCREASING ROLE IN MONETARY TURMOIL—DESPITE EARLIER ASSURANCES, ARABS HELPED SINK DOLLAR; IRAQI AIDE: "WE PROFITED"—"HOW CAN YOU BLAME THEM?"

(By Charles N. Stabler and Ray Vicker)

The prospects for any lasting stability in the world's monetary system seem dubious indeed. And a major reason is the role played by Middle Eastern nations in the turmoil in gold and foreign-exchange markets.

This is the gloomy conclusion of some international economists and other analysts, who have watched with alarm as oil money flooded first into Swiss francs, then into German marks and now into gold. How much of this volatile money is involved in the current crisis can't be determined, but, whatever it is, the volume is bound to rise in future years. This means that a major and growing source of instability is being added to an international monetary system already tottering under massive money flows from international corporations and speculators. And, most analysts agree, there isn't much if anything, that can be done about it.

"The problem poses nearly impossible dilemmas," says Walter J. Levy, a New York petroleum-industry consultant. Any way you try to sterilize the money (from oil sales or put rules on (the oil nations') use of these funds will just mean that they won't increase production" to meet the world's growing energy needs.

OIL ON TROUBLED WATERS

The Middle Eastern threat to the world's monetary system had been anticipated by many analysts. But prior to the recent flare-up of money troubles and the devaluation of the dollar Arab leaders had been making soothing statements. They would not, they said, use their funds to disturb the monetary system any more than they would use them for political pressures in the turbulent Middle East.

Just days before the flare-up, for example, Anwar Ali, the governor of Saudi Arabia's monetary agency, said, "We realize it is to our advantage to handle our surplus funds in a manner that doesn't disrupt the system.

Stability is as important to us as it is to the Western world."

But with the first breath of doubt over the dollar, official agencies of the oil states took steps to protect themselves, some of them now confirm. And there seems little doubt that their sales of threatened dollars helped bring that currency down, just as their purchases of German marks, Swiss francs and gold are driving those prices up.

CRIME AND PUNISHMENT

"Who can blame them?" a New York banker asks with a sigh. "The head of an Arabian central (government) bank is in the same position as the treasurer of a multinational company, only worse. If the Arab gets caught in a devaluation, they cut off his head."

In London, an official of a major American bank says: "It's common knowledge around the London money market that a considerable volume of Middle Eastern money was getting out of the dollar in the recent monetary crisis. It probably will go back into dollars before long, until the next money crisis."

Like international money managers everywhere, most Arab officials are closemouthed about their operations. But some are willing to talk.

"We profited from the devaluation of the dollar," an Iraqi government official says in Baghdad. In Kuwait, which reportedly threw hundreds of millions of dollars on the market in the days leading up to devaluation, a government agency now says: "Precautions had been taken in anticipation of possible devaluation." Similar reports come from Jedda in Saudi Arabia. In Tripoli, a Libyan source says, "We have been protecting ourselves."

THE ART OF SELF-PROTECTION

In foreign-exchange trading, protection means cutting the risk of loss caused by a reduction in the value of foreign funds held mostly dollars. When the dollar appears weak, these assets are exchanged for stronger currencies, such as the Swiss franc or mark. Then, if devaluation occurs, the upward revaluation of the strong currencies results in a profit. This profit affects the loss on dollars still on hand or on those sold earlier at low prices.

Kuwait, for example, has the equivalent of $2.5 billion in officially held foreign-exchange assets. But, according to the finance ministry, only about $300 million was "fully exposed" to devaluation of the dollar.

Reserves of Middle East nations are held as deposits with commercial banks, in Eurodollar investments, in gold and in financial instruments of various governments and agencies. Because the U.S. has frowned upon central-bank investments in Eurodollars—that is, dollars on deposit abroad—big European central banks have all but withdrawn from this market. But central banks of smaller nations have taken their places.

One major American bank recently made a confidential survey of the Eurodollar market. It concluded that as much as $15 billion of the $80 billion total outstanding had come from central banks. A little under half that total may be from Middle Eastern and North African countries, one official of this bank says.

Money in the Eurodollar market may be transferred fast into a strong currency in any money crisis. Because any such money goes through commercial banks, it is almost impossible for any outsider to evaluate totals. A Middle Eastern nation, for instance, may have funds with a dozen different banks from First National City Bank to Union Bank of Switzerland in Zurich and from Bank of America to Deutsche Bank in Frankfurt.

If there is any dollar dumping, a foreign-exchange dealer may not know the source of it; he is usually dealing with commercial banks. Incoming dollars may be received by the dealer as if they were holdings of the banks rather than of their clients. Moreover, banks, mindful of the huge amounts of business that may be coming their way in the future from the Mideast, fear being connected in any way with discussions of customer habits and inclinations.

When one London branch of an American bank is asked for information, a spokesman pleads, "Don't even call us a New York bank. Say we are in Philadelphia." Then he relents to add: "All right, make it New York, but please don't call us a *big* New York bank."

Central-bank holdings, of course, represent only a part of the money in the Mideast. There are substantial private holdings in the Persian Gulf, in major Saudi Arabian cities and in Lebanon. One estimate, made by the Financial Times of London, places Kuwait's total foreign holdings at about $6.6 billion, for instance.

Middle Eastern money is of special significance because that area can claim to be the world's fastest-growing store of capital. And the outlook for further gains in revenues from oil is staggering.

Economists at New York's Chase Manhattan Bank estimate that crude-oil production from the Middle East will double by 1985, rising to 40 million barrels a day, says John D. Emerson, a bank vice president. Saudi Arabia, probably destined to be the world's largest producer of oil, received about $13 billion in oil revenue between 1960 and 1972. During the next 13 years, from 1973 through 1985, "a conservative estimate of Saudi Arabian receipts from oil is $150 billion," Mr. Emerson says.

PROBLEM: HOW TO SPEND MONEY

Add in Kuwait and the Persian Gulf states including Abu Dhabi and Dubai, and expected oil revenues would rise from $27 billion during the last 12 years to $227 billion this year through 1985, Mr. Emerson calculates.

Some of the revenue being collected by these Middle Eastern oil nations can be spent, of course, on domestic economic development. But Mr. Emerson says, "There are limits to the rate at which a country with a small, poorly educated population can spend money."

If one assumes that these countries can spend, say, 50% of their annual oil income on economic development and investment, their reserves of gold and foreign exchange will rise to well over $100 billion in 1985.

"Entire world reserves currently amount to $150 billion," Mr. Emerson says. He adds that he isn't trying to make an accurate prediction of how much Middle Eastern gold and foreign-exchange reserves will actually amount to but is "only trying to show you the extent to which their power and influence in the world of finance will grow."

And political influence will grow, too, some analysts fear. Already, Japan, which is even more dependent on Middle Eastern oil than the U.S. or Europe, "apparently feels it has to be very cognizant of Arab feelings when its delegates vote in the United Nations," one economist says in New York.

Some efforts are already underway to reduce the world's dependence on the Middle East for oil or somehow corral the financial and political problems this reliance brings. One idea: The U.S. could improve its bargaining position with the Middle East by building enough mammoth tanks or other facilities to store a two-year supply of fuel. The cost of this move would add an estimated 40 cents a barrel to the present $3.50-a-barrel price of oil. Thus, although expensive, the move would allow more effective bargaining on future supplies from Arab countries and would provide time for the development of other energy sources.

More immediately, private and official institutions in the West are trying to tap the Middle Eastern money pool for investments. This move is in line with Arab desires and would remove some capital from the "hot-money" flows that periodically disrupt foreign-exchange markets. However, for various political and economic reasons on both sides, prospects are slim for sopping up a substantial amount of oil money in this way.

WORLD BANK AND THE ARABS

The International Bank for Reconstruction and Development (World Bank) sees the Arab nations as a source of funds for relending to other nations. Robert McNamara, who heads the bank, recently visited several Arab nations to make such a pitch.

Venezuela is urging its partners in the Organization of Petroleum Exporting Countries (OPEC) to join in creating an OPEC bank. "The time has arrived for OPEC members to have a bank of their own for financing economic and oil development in their respective countries," says Hugo Perez la Salva, Venezuela's minister of hydrocarbons.

Bank of America and private Middle East investors have set up the Bank of Credit and Commerce-International in Luxembourg. International Maritime Banking of London has opened a Beirut office to cover the Middle East. Britain's National Westminster Bank recently opened an outlet in Bahrain, in the Persian Gulf, to cover the area. Morgan Guaranty has purchased an interest in a Beirut bank. The second-largest bank in Beirut is Moscow Narodny Bank, the Soviet Union's bid for garnering some of the financial traffic in the Middle East.

In Beirut, a key Mideast banking center, 37 of the country's 73 banks are foreign-owned or affiliated, with several big American banks represented.

Union de Banques Arabes et Francaises—a consortium established with Credit Lyonnais, Paris, and 22 leading Arab banks—has established branches in London and Rome. Shortly it plans to open another in Frankfurt. Recently, this consortium extended a $10 million medium-term loan to the Brazilian state of Rio de Janeiro for highway construction. This was a typical type of deal for putting some of the Mideast money to work. Banque Franco-Arabe—a consortium of Societe General of Paris and several private banks in the Persian Gulf—is promoting trade between Europe and the Mideast.

This month another consortium, Compagnie Arabe et Internationale d'Investissement, was formed at Luxembourg, with European and Arab banks as members. Its prospectus says it intends to "contribute to the solving of financial and investment problems which, on account of their new size, will require broad, diversified and powerful international associations."

ABHORRENT AND CONTINUING PERSECUTION OF JEWS IN IRAQ AND SYRIA

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PEPPER. Mr. Speaker, I am introducing today a concurrent resolution, expressing the sense of the Congress with respect to the treatment of Jews in Iraq and Syria, which is identical to the resolution introduced last week by my colleague, EDWARD L. KOCH, of New York.

It is shocking that citizens of these two countries should be denied basic human rights simply because they are Jews.

The rulers of these two countries seem determined not only to wipe Israel from the map, but to wage a domestic campaign, the only effect of which would be virtual extermination of their own citizens who cling to their Jewish faith.

My resolution, which I hope all of our colleagues will join with me in supporting, calls for the President of the United States to condemn the anti-Semitic policies of those governments; and that the Attorney General should use his authority to make easier emigration of Jewish citizens of those countries to the United States.

I believe that passage of this resolution, and action by the Federal authorities called for in it, would serve notice that we will not complacently sit by while this persecution of our Jewish brethren takes place.

EULOGY OF THE LATE MICHAEL J. LYDEN, PRESIDENT EMERITUS OF THE OHIO AFL–CIO

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. CARNEY of Ohio. Mr. Speaker, on February 12, 1973, Mr. Michael J. Lyden, first president emeritus of the Ohio AFL–CIO, died at the age of 93. With his passing, the city of Youngstown lost a good citizen, organized labor lost an outstanding leader, and I lost a cherished friend.

Mike Lyden was an Irish immigrant. Shortly after he came to America, he began working as a streetcar operator. He immediately joined the Amalgamated Street, Railway, and Motor Coach Employees Union. During the 1920's and early 1930's, Mike Lyden was a leader in the United Labor Congress of Mahoning County. In 1935, he was elected President of the old Ohio State Federation of Labor, and was unanimously reelected to that office every 2 years for more than 20 years. When the Ohio State Federation of Labor and the Congress of Industrial Organizations merged into the AFL–CIO, Mike Lyden was chosen as its first president. He retired from that post in 1960.

I have known Michael J. Lyden for a long time. In fact, I went to school with his twin sons, James and John. Later on when I was a member of the Ohio State Senate, I had the opportunity to work closely with him on labor problems. But, he was more than a labor leader; he was a kind and compassionate man. He will be sorely missed by his family, friends, and everyone who knew him.

Mr. Speaker, on Wednesday, February 14, 1973, the Youngstown Vindicator published an editorial on Michael J. Lyden which I would like to insert in the RECORD at this time:

MICHAEL J. LYDEN, GOOD CITIZEN

Union labor in the Youngstown district and Ohio loses an important figure in the death of Michael J. Lyden who was the first president of the Ohio AFL–CIO and later became its president emeritus.

During the 1920s and 1930s, Mr. Lyden was a leader in the United Labor Congress of Mahoning County, the central labor body here which preceded the formation of the Committee on Industrial Organizations and continued to function for American Federation of Labor unions after the CIO's formation.

Mr. Lyden was president of the Ohio Federation of Labor when in the late 1950s it finally merged with the CIO to form the Ohio AFL–CIO Council of which he became president.

Youngstowners also will remember Mr. Lyden as a street car conductor and later a bus driver with a friendly word for everyone and a cheerful countenance. He early gained notice as an orator of considerable distinction.

Although a vigorous union leader, Mr. Lyden by no means limited his regard and interest, but had many friends in business and other lines of endeavor. Moreover, he put his citizenship first and often was a peacemaker in the period of extreme contention over unionization of workers in the 1930s.

Unionization was a fundamental in Mr. Lyden's life but he never allowed it to obscure the demands of good citizenship and regard for others. Mr. Lyden will always be remembered as a good citizen.

THE 55TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PATTEN. Mr. Speaker, this past Saturday, February 24, marked the 55th anniversary of Estonian Independence. Estonia is a country in Eastern Europe, and it is the smallest of the Baltic States. The Estonians are a brave and fierce people who have always had to fight against terrible odds to maintain their homeland. They are right now involved in a struggle to be free, and I want to take this opportunity to say that I support their efforts.

The Estonians have always been a hard working people who wanted merely to live in dignity and have rights over their own land. Yet, they have suffered a history of aggression and subjugation from all sides. When in 1918 they had an opportunity to govern themselves once again, they seized upon the chance. Their Constitution was a mature example of democracy and a republican form of government. The Estonians emphasized human rights and dignity. Remembering their own subjugation, they allowed their minorities to use their own language in the courts. As a result of her efforts, Estonia was recognized as a nation by the world community, and she quickly became a spokesman for the small democratic states. The work of her people in staffing the League of Nations Secretariat is well known.

Estonia was not allowed to enjoy her freedom for long, however. Under a secret agreement Nazi Germany and Russia divided Eastern Europe, and Estonia was given to Russia. In less than a year, tiny Estonia was completely under Soviet domination. For her people began a reign of terror, imprisonments, and mass deportations which depleted the population by 10 percent. The Estonians today still suffer under Soviet rule, and their fierce independent nature has caused the russification of their nation to be all the more strict.

Mr. Speaker, we as a nation have never recognized the Soviet takeover of Estonia. Therefore, I urge that our country continue to do all it can to work for the independence of Estonia. Her people are brave, and their struggle for the freedom we so often take for granted should not go unnoticed by the outside world. I certainly pledge to all of Estonian descent in my district that I will work for the independence of their homeland.

ELIMINATING "CATCH 22" FROM THE LAST SOCIAL SECURITY HIKE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BRASCO. Mr. Speaker, the social security system in this country has stood the test of time since its inception during the New Deal. Today, American life would be disrupted beyond belief if there were negative tinkering with this system. As time has gone on, in fact, we have grown increasingly to depend upon this vast operation to cure a variety of social ills.

As inflation has grown and eaten away at fixed income of the elderly, our natural response was to increase social security benefits going to the 25 million-plus elderly. During the last Congress, heeding their anguished collective cry, the Congress enacted a 20-percent increase in social security to bring some balance between their income and galloping prices.

Our intent was good, and I believe Congress did what should have been done. However, in the process, we forgot that every action has a reaction. In this case, while seeking to aid the elderly, we created a negative situation for others in American society intimately involved in a variety of Government undertakings.

Many other forms of Federal benefits use "income" as criteria for participations. Thousands of social security recipients are either not receiving the full benefit of the 20-percent social security increase, due to their participation in other Federal assistance programs, or their Federal benefits are being penalized as a result of the increase.

Major areas in which social security recipients stand to lose are: veterans pensions and benefits; federally assisted welfare payments, such as old-age assistance, food stamps, low-rent housing, and medicaid.

In some known cases, for example, veterans have found their pension reduced, and in some cases totally eliminated, because the increase has to be counted as income for the purposes of determining pension eligibility. The same holds true for other Federal benefits programs which use income as a criterion for participation.

So it seems that inadvertently, when

enacting the recent 20-percent social security increase, Congress gave with one hand and took from some with the other. The social security increase must stand by all means. But the oversight harming innocent people must be immediately corrected.

Mr. Speaker, the only way this can be accomplished is through corrective legislation, which I am joining in sponsoring. This comprehensive measure is being introduced to prevent the 20-percent social security increase from being counted as part of an individual's income for purposes of participating in Federal programs and to insure that all social security recipients will receive the full benefit of the increase. It covers all of the areas I have already referred to. As such, it qualifies as the most comprehensive of all the measures offered on this subject so far.

It is worth noting that the bill has broad bipartisan support, commanding support and sponsorship from both sides of the aisle and all elements of the political spectrum.

NIXON'S NEW BUDGET IS WRONG IN FAILING TO DISTINGUISH GOALS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HELSTOSKI. Mr. Speaker, a debate which began several years ago has come to a full head in the 93d Congress, and that is the constitutional prerogative of the Congress to maintain power of the purse and the attempts by the executive branch to usurp that power.

The legislative priorities established by the Congress have been rearranged by the executive branch. The legislative branch, being more aware of, and closer to, the needs of the people is challenging this attempt at executive supremacy.

Prof. Nasrollah S. Fatemi of Fairleigh Dickinson University wrote an article on this matter, which appeared recently in the Bergen, N.J., Record. He quite appropriately points out the divisive factors inherent in this problem, as well as the causes, nature and tragic consequences of this constitutional crisis.

Mr. Speaker, I should like to call this timely and informative article to the attention of my colleagues.

The article follows.

[From the Bergen (N.J.) Record,
Feb. 20, 1973]

NIXON'S NEW BUDGET IS WRONG IN FAILING TO DISTINGUISH GOALS

(By Nasrollah S. Fatemi)

For some time there has been a serious controversy between President Nixon and the Congress on the question of the power of the purse. Unfortunately, neither congressional nor White House spokesmen have tried to present to the public the causes, the nature, the tragic consequences of this constitutional crisis.

The Administration has tried to portray Congress as the irresponsible big spender. Congress, not possessing the propaganda facilities of the Administration, has not been able to defend itself against these charges; but a study of the records shows that many times Congress has sought to be more responsible and more thrifty than the Administration.

For example, some congressional leaders contend that the Administrations proposed 1974 budget of $268 billion should be scrutinized very carefully and possibly reduced to $250 billion. They are well aware that the federal budget has tripled since 1960, and that during the last four years the budget deficit has totaled $100 billion and the deficit for the current year may be close to $20 billion. Furthermore, both Congress and President Nixon have made it clear that they are against any tax increase and they will do everything possible to keep the budget as low as possible. Then, one wonders, what is the reason for the present crisis?

1. President Nixon's bid for executive supremacy.

2. The difference between the priorities of the Congress and the Administration.

MORE GUNS, LESS BUTTER

Administration's spokesmen before the House Appropriations Committee stated that even if Congress accepted President Nixon's ceiling or reduced it, but appropriated differently than the Administration suggested, they could not assure the Congress that Mr. Nixon would implement the budget.

As to priorities, the Johnson and the first Nixon administration believed in both guns and butter; but the second Nixon administration has increased appropriations for guns and has cut vital domestic programs.

This sudden shift, without consultation with Congress, has sharpened the debate on our purposes and priorities. Many congressmen believe that today's society should have three goals, and that the national budget should be arranged accordingly.

The first national purpose should be optimum real economic growth. This clearly defined in the Employment Act of 1946 means full employment, fair and equitable taxes, and training and opportunity for every American who has a desire to work and live a decent life.

The second national purpose is to supply our domestic needs as well as our defense requirements. Because of our involvement in the cold war and the Vietnam war, we have neglected during the last two decades many of our domestic needs.

The third goal is elimination of public poverty—shortcomings in public health, housing, education, mass transportation, care centers, antipollution measures, conservation, and the development of our natural resources.

The budget now before Congress hardly meets the national priorities. The request for the defense budget is the highest since the end of the Second World War. The $20-billion annual cost of the Vietnam war has disappeared and the Administration is asking for another $5 billion.

The lamentable confusion in the President's budget is its failure to distinguish the goals of the economic system and to plan toward their attainment.

The stability, nobility, and greatness of a nation depend on domestic happiness, harmony, and economic balance among all the sectors of private and public spending and the distribution of national wealth on the basis of priorities and economic justice.

PANAMA CANAL ZONE

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. SNYDER. Mr. Speaker, I wish to call to my colleagues' special attention the extremely important remarks made by Mrs. SULLIVAN, chairman of the Merchant Marine and Fisheries Committee, which appeared in the RECORD of Tuesday, February 27.

As ranking Republican member on the Panama Canal Subcommittee, I want to acknowledge the lead which Mrs. SULLIVAN has taken in the vital matter of retaining U.S. sovereignty over the Canal Zone. That Mrs. SULLIVAN, as chairman of our full committee, has seen fit to raise and champion this issue gives me great hope that the entire Congress may stand united on this question so central to our national security.

Mr. Speaker, the coming months are going to see challenges to the Congress and to the United States over our desire and ability to maintain control over this crucial area. I hope that each of my colleagues will read Chairman SULLIVAN's remarks and the resolution which they preface. They provide an excellent primer to the Canal question, and I want to thank Mrs. SULLIVAN for her astute leadership and concern with this problem so vital to our future as a free Nation.

NICOLAUS COPERNICUS

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PATTEN. Mr. Speaker, I have an honor shared by several others of my colleagues in that we represent districts which have a large percentage of citizens of Polish descent. It is my privilege today to talk about a man who is being remembered by Polish-Americans as well as Poles everywhere.

I speak of Nicolaus Copernicus, the Polish astronomer who changed our thinking about the universe and paved the way for the exploration of outer space. This year marks the 500th anniversary of his birth in Torun, Poland, on February 19, 1473. Throughout America celebrations are taking place to honor the memory of this great man. Plans are under way to have the President designate the week of April 23 as "Nicolaus Copernicus Week" during which a commemorative stamp will be issued in his honor.

Copernicus was a well educated man having spent several years in the study of religion, medicine, law, and astronomy. As canon of Frauenburg and also as an assistant to his uncle, the bishop of Ermeland, Copernicus made great and unselfish use of his religious and medical training among the poor. He was also known for his work as a mapmaker and his work on a coinage reform system. His secret love, however, was astronomy.

As he delved into this subject, he came to have doubts about the theories of Ptolemy which had been the basic thinking in astronomy for over 1,300 years. Ptolemy believed that the earth was the immovable center of the universe around which the sun and planets revolved. Copernicus found discrepancies in this theory, however; and he began doing research among the ancient Greek writings as well as making his own observations. He finally came to the conclusion that the earth rotated daily on its own axis, and it also orbited around the sun. His theory astounded the scholars of the day, and he was ridiculed. His manuscript was not even published until shortly before his death. But the genius and persistence of Copernicus had laid the groundwork for those to follow, such as Sir Isaac Newton, Galileo, and Kepler.

Copernicus was truly the Father of Modern Astronomy, and he was a Pole. I join my friends of Polish ancestry in commemorating the birth of this great man. They truly have a forefather in whom they can be very proud.

PERSPECTIVES OF THE POET

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PODELL. Mr. Speaker, in times of great turmoil we often are so caught up in the affairs of government and the pressing details of everyday life that we fail to see in its broadest perspective much of what is happening.

Perspective of ordinary men is distorted by the immediacy of events, by the emotions of the moment. Often, more is perceived with the passage of time or distance. The wisdom we associate with age is not so much the product of a superior intellect or the mere accumulation of knowledge as it is with the arrangement of events in their proper perspective. What passes for wisdom is as often as not the simple arrangement of things as they really were with the confusing chaff of trivia and emotion blown away.

Perhaps next best to that wisdom, which seldom accompanies anything but age, is the insights and rhythms struck by the poet. I recently came upon some verse of a poet, one of my constituents, Barry John Wiseman. Author Wiseman considered moments of some of our recent Presidents and in a series of four poems memorialized their deeds. The works are dedicated to Presidents Johnson, Truman, and Nixon.

With the thought that it may be some time before we have revealed to us the wisdom of the ages and the perspective it brings, I ask that some of the verse and the perspectives of Poet Wiseman be spread on the RECORD at this point for the insights it may reveal to us, as follows:

JANUARY 23, 1973.

ON A JOURNEY TO PEACE

(Dedicated to the memory of L.B.J.)

My father, My father
Where has thou gone?
You left us, you left us,
All alone.
But we're not alone.
Your Greatness,
Your Kindness,
Has shown you're on another mission.
Another Mission,
A Man of Wisdom,
A Man of Vision,
Has left us a New Dimension.
A man who grew into a Giant
Who cast his Shadow!

DECEMBER 26, 1972.

JUST PASSING BY

(Dedicated to the memory of Harry Truman)

I'm a Man of the Earth,
A man of the Sky,
I'm a Man of the People,
Just passing by.
But I wouldn't be gone,
I'll just return to the Earth,
As a tree has grown,
A tree has died,
This tree has only
Matured into the Sky.
So please be Wise,
Do you understand that
that I'm just passing by?

JANUARY 25, 1973.

A WORLD FULL OF PEACE

(Dedicated to President Richard M. Nixon and Dr. Henry Kissinger)

There's Peace For the World,
We Want Peace for the World
to bring Happiness to All.
Peace for our children,
And the Children of the World.
Peace for People who have
waited so long.
Peace for People who
have struggled so hard.
Peace for the Poor
who want nothing more,
than to be mighty and strong,
so there be no more wrongs!
Yes there's Peace,
Thank the Lord,
People of the World,
the President has made Peace.
Yes We Want Peace on Earth
nothing but more.
For Mankind must not do, any more wrongs!
The President Made Peace for People of All,
Yes there's Peace for the World
And A World Full of Peace!

JANUARY 28, 1967.

THE GREAT SOCIETY

(Dedicated to President Lyndon Baines Johnson—Great Society)

This is the land of the Great Society,
where everybody is so free,
can't you see, what I mean.
This is the daring triumph Great Society,
just made for you and me.
Where we all work in harmony
and share in our prosperity,
In peace and tranquillity,
here in the land of fertility.
That's the Great Society, in Our open Society.
where everyone loves everybody everyday,
that's the quality of equality.
In the Land of the Great Society,
where we all help one another to discover,
to learn from each other,
So we can now earn something in this Society,
In the Land of the Great Society.
Let us not forget our Great Society,
for Brotherhood and Peace across this land.
That's the Great Society to man, in Our open Society.
This Is The Great Society, made just for you and me!

CARL SCHURZ ANNIVERSARY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. ANNUNZIO. Mr. Speaker, Friday, March 2, is the 144th anniversary of the birth of Carl Schurz, Senator from Missouri, Union brigadier general, Secretary of the Interior, and Ambassador to Spain.

Carl Schurz was born and educated in Germany and received his doctorate from the University of Bonn in 1847.

In 1848, Schurz became involved through his gift of oratory in the German revolutionary movement. It was at this time that many Germans, regarding the United States as a model for establishing democratic institutions in Germany, joined in revolt against oppressive Prussian monarchy.

Royalist troops eventually crushed the revolutionary army, and, as one of the leaders of the uprising, Carl Schurz found his own life in jeopardy. He was forced to flee to Switzerland. Schurz, however, risked his newly found safety in a daring escapade to rescue his former professor, Gottfried Kinkel, who had also been deeply engaged in the attempt to bring democracy to Germany.

Kinkel had been sentenced to life imprisonment in a Berlin jail. Though himself on the proscribed list, Carl Schurz reentered Germany and for 9 months planned the liberation of his former teacher. Both men finally reached England, and Schurz' unselfish heroism was crowned with success.

In 1849, knowing he had no future under the tyranny in his homeland, Carl Schurz moved to the United States. Within 5 years, he had achieved a sufficient mastery of English to campaign for Lieutenant Governor of Wisconsin, losing by only 107 votes. Schurz then became very active in the 1860 presidential campaign and worked vigorously for Abraham Lincoln in the Midwest.

Out of gratitude for his efforts, Lincoln, on becoming President, appointed Schurz U.S. Ambassador to Spain. Schurz, however, bored by the largely ceremonial post, returned to the United States after only 6 months and requested a part in the winning of the Civil War. Highly regarded by his troops for his personal courage, Brigadier General Schurz led several major campaigns. His capable leadership won him the respect of Sherman, Hancock, and others who ranked among the best of the northern generals.

Around the end of the Civil War, Schurz dedicated himself to journalism as Washington correspondent for Horace Greeley's New York Tribune and as editor-in-chief of the Detroit Post. During this time, Schurz moved from Detroit to St. Louis where he again went into politics and became a Senator from Missouri in 1869. Schurz remained a Senator for one term and would pack the galleries of the Senate with his incessant attacks on corruption in Government.

In 1877, under the Hayes administration, he became Secretary of the Interior. As Secretary, he installed the merit system in the civil service, was a pioneer in the conservation of natural resources, and kept the War Department from taking over Interior's affairs because of the Custer massacre.

Throughout his long and varied public career, Carl Schurz had an unassailable reputation for personal integrity. A perceptive man for his time, he dedicated himself to such causes as a low tariff, free trade, sound money, justice for the

Indian, and around the turn of the century, he came out vociferously against American imperialism.

Mr. Speaker, in Chicago we have honored Carl Schurz by dedicating a high school to his memory. Carl Schurz High School is located in the 11th district, which I am proud to represent, and in the years 1939–41, I taught at this fine educational institution. I send my greetings to J. P. Maloney, principal of Schurz High School, and to all the students, faculty, and staff at the school.

It is a privilege for me to join the residents of German descent in the 11th district, in the city of Chicago, and across the country as they commemorate the birth of this distinguished statesman, and his amazingly productive record of contributions to this Nation of Emigrants.

JOE MOLONY REMEMBERS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. DULSKI. Mr. Speaker, although he has been away from our city for the past 7 years, Buffalonians know well of Joseph P. Molony, one of the best labor leaders of our time.

I have known Joe personally for some 30 years, during most of which time he was a leader of the United Steelworkers of America with headquarters in Buffalo. It was in 1965 that he was picked by union members to be their national vice president with headquarters in Pittsburgh.

Joe is about to retire under his union's mandatory age rule. His has been a career that bridges the lean and the improved days for the steelworkers.

A Pittsburgh bureau writer for the Wall Street Journal has put together an excellent story on Joe Molony which I call to the attention of my colleagues. The kudos it contains could not be more fitting, as anyone who knows Joe personally—or professionally—will immediately agree.

Mr. Speaker, as part of my remarks, I include the text of the Journal's excellent profile:

[From the Wall Street Journal, Feb. 28, 1973]

JOE MOLONY REMEMBERS THE PICKET LINES

(By Michael K. Drapkin)

Samuel Gompers may well have enunciated the labor movement's guiding principle—"More"—but for 36 years Joseph P. Molony of the Steelworkers, an Irishman of impish wit and glib tongue, has surely helped refine it.

Once, during the bitter copper strike of 1967–68, a company negotiator suggested he might add a few cents to the wage offer—if only Mr. Molony could get the miners to eat their lunches underground.

"And what'll you be givin' me," the union man replied in his soft, measured brogue, "if I can get 'em to *live* underground?"

For Joseph Molony, who grew up in the famine-ridden Ireland of a half-century ago, and who helped organize the Steelworkers in the face of company police atop the mills with machine guns, "More" has never been defined as money alone.

First as an organizer, then as district director and finally, for the past eight years, as vice president of the United Steelworkers of America, Joe Molony has always stressed the other concerns of his members—the working man's status as a man, the safety of his work place, the ability to buy a decent home and to send his kids to college.

Now, after years of speaking with great authority in the inner councils of the nation's second-largest industrial union, Mr. Molony reaches the mandatory retirement age of 65. Pausing over a cup of coffee at a Pittsburgh hotel the other day, he could sum up his views of the labor movement—past, present and future—very simply as "the last, best refuge of the poor."

That's not a fashionable view today, when much of the public castigates organized labor for a range of real or fancied ills. The unions often are seen as the epitome of the greed that fuels inflation, as bastions of racism and corruption, as harboring a public-be-damned attitude, and for their authoritarian internal rule.

THE WAY IT USED TO BE

But those weren't the concerns of Joseph Molony and his compatriots of four decades ago. They worried, instead, about the basic wage rate in the unorganized steel industry—47 cents an hour—and the unconcealed hate with which management greeted the Steelworkers Organizing Committee (SWOC), headed by Philip Murray, an organizer on loan from John L. Lewis and his United Mine Workers.

"At first the issue was recognition, not money," Mr. Molony recalls of those days in the 1930s. Franklin Roosevelt and the National Labor Relations Board helped settle that issue. "We probably all would have failed but for F. D. R. and the Board," said Mr. Molony. Typically, he credits the late President, rather than his union's organizing efforts, for bringing "the industrialists to heel."

Progress was slow in steel, but then U.S. Steel Corp., the industry leader, stunned other companies by granting SWOC a contract in 1937. The rest of the steelmakers, known collectively as "Little Steel," took a strike for more than a year. SWOC failed to crack them then, but by 1942 all the big steel producers had recognized the union.

Mr. Murray sent Joe Molony to organize deck hands on the ore boats working the Great Lakes. Then when the USW was formed out of SWOC in 1942, Mr. Molony became its director in New York State, a post he held until 1965 when he teamed up with I. W. Abel, his friend and ally, to challenge the leadership of then USW President David J. McDonald.

PLAYED KEY ROLE

As a $42,500-a-year vice president, Mr. Molony has been a perfect counterpoint to Mr. Abel, a skilled administrator and negotiator. It's been Mr. Molony and the excitement that his speeches can generate that Mr. Abel has called on to rally rank-and-filers to the union cause, be it approval of a dues increase or ratification of a hardwon contract.

Invariably, those speeches have a reminiscent tone, recounting past struggles and ultimate triumphs. Today Mr. Molony can speak of "deadly dull" days on the picket lines, but at a Steelworkers convention his tales of the same event sparkle with meaning and purpose.

It troubles Joseph Molony that so many people don't share his enthusiasm and, in fact, have a negative attitude toward organized labor. People think "we take a great glee in mucking up the system, that we have supreme power, that we use the strike weapon with abandon," he says. "Of course, none of that is so."

Rather, he says, there's the great faith on the part of most unionists in capitalism as a system. "It's put more goods in the hands of more people than any other," he says. But it's the unions, he believes, who've made the system work. "Capitalism never was worth a damn, except to a handful of millionaires—until the unions came along."

To make the system work, it takes militancy and, yes, occasionally even a strike, Mr. Molony suggests. While there hasn't been a strike in the steel industry since the record 116-day walkout of 1959, Mr. Molony is wary of suggestions that the USW lay aside its chief economic weapon. "The right to abstain from work is something we can't surrender," he says resolutely.

NOT ORGANIZING TODAY

Such economic pressure has served well in the past, he says, and continues to be useful today. Thus as the nation turns from an industrial to a service economy, the labor movement should follow. "If I've a harsh word for labor today, it's not that it's cozying up to Nixon. After all, you've got to live with the people who are in power. It's that we aren't organizing fast enough." Only 25% of the nation's work force is unionized, he notes.

Thus, Mr. Molony applauds the efforts of militant young labor leaders like Victor Gotbaum of the Municipal Workers and Jerry Wurf of the Government Employees, who, he feels, are seeking the same goals he sought in those early days.

"They may be dealing with a new era, but they're asking the same questions we asked," he says.

Looking up from his cup of coffee, he waves his arm in a wide arc. "You can throw a stone from where we're sitting and hit people making lousy wages. These people need a union as badly as I needed one 36 years ago."

But it's a special kind of unionism he's calling for, a kind that believes strongly in the working man. Unions "have to be big and strong," he says, "and, above all, honest."

But they need another element as well. "You can hire lots of smart guys to run your union, but to do the job you've got to have compassion."

That's the kind of union man Joe Molony of the Steelworkers has been for more than four decades.

THE FIRST AMENDMENT: WHO HAS THE FINAL WORD?

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HANNA. Mr. Speaker, among the many items of major concern before the 93d Congress is the matter of the newsman's privilege under the first amendment. As we all know, both the House and Senate Judiciary Committees are currently conducting hearings on legislation redefining the establishment of such a privilege. The conflict now raging between the claim of privilege by the free press and the claim of right for essential information by prosecutors raises the thorny question: In a collision between the prosecutors' rights and the presses' privilege, who has the last word?

The most significant recent battle in this war resulted in the Branzburg against Hayes decision by the Supreme Court in June of 1972, in which the Court refused to make an exception for newsmen from the general obligation of all citizens to appear before grand juries and answer questions presented them in that forum.

What this case and the resultant legislation has accomplished is to bring us to the ultimate test—quis custodiet ipsos custodes; who will watch the watchdog? A free press is considered by most to be a watchdog over all institutions, Government included, but we must ultimately consider whether we as a people are safer trusting the press with an absolute privilege rather than trusting the law enforcement agencies not to abuse a less than absolute privilege.

Looking at the Branzburg decision, we note the dissent by Mr. Justice Douglas in which he argued for an absolute right for a journalist not to appear before a grand jury at all, and if he agreed to appear voluntarily to respond only to those questions he, in his sole subjective judgment, felt were appropriate on first amendment grounds. Taking another aproach was Mr. Justice Powell, who asserted in a concurring opinion that a case-by-case methodology could strike an appropriate balance between the freedom of the press and a citizen's obligation to give testimony when relevant to suspected criminal conduct.

For the majority, Mr. Justice White dismissed the broad brush advocated by Justice Douglas and he tempered the stand of Justice Powell, as presenting major practical and conceptual problems, and noted the Court's unwillingness to "embark the judiciary on a long and difficult journey to such an uncertain destination." We contend that the Court has not and should not avoid such "long and difficult" journeys in appropriate and necessary circumstances. We, nevertheless, find ourselves endorsing the majority's views that, in such an "uncertain" field, an appropriate self-restraint should be exercised by the courts in granting subpenas on newsmen for grand jury activities.

We do believe, however, that the court should have appropriate guidelines in achieving this balance:

First. Newsmen, when subpenaed, must make a solid case for a refusal to reveal the subject sources; and

Second. Prosecutors, when subpenaing, must show both a solid case for the disclosure of the requested information and that no other source for obtaining the information is available.

In this way, the courts can insure that our law enforcement authorities do not abuse, and possibly ultimately destroy, the valuable function a free press can provide to our society. For, as noted in an editorial in the January 1973, issue of Judicature:

> The courts and the press are partners in combating crime and in making democracy work. When the newsmen's leads uncover information important to the administration of justice, they should not want to withhold it; but if disclosing it would dry up the source of important additional information, law enforcement officers should not want it disclosed. Here is an area tailor-made for high-minded cooperation between the two. If trust and cooperation exist, there should be no problem. The problem arises when mutual trust and cooperation are less than perfect and someone has to have the final word.

Our suggestion is that legislation should make it clear that the courts have the final word—guided by the restraints recited above as balancing the contending interests.

ST. MARON'S FEAST DAY MARKS DEDICATION OF NEW MARONITE CENTER IN YOUNGSTOWN, OHIO

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. CARNEY of Ohio. Mr. Speaker, on Sunday, February 25, 1973, I had the honor and the pleasure of attending the St. Maron's Feast Day Banquet in Youngstown, Ohio.

This year the St. Maron's Feast Day had a special meaning for the Maronite community of the Mahoning Valley because it marked the dedication of the beautiful new Maronite Center located at 1555 South Meridian Road in Youngstown. Nearly 1,000 Maronite Rite Catholics—Catholics of Lebanese descent—gathered to dedicate the first phase of the "Center of Bet Moroon." A delegation of Maronite clergy, including most Reverend Francis M. Zayek, D.D., bishop of the St. Maron's diocese of Detroit, were in attendance.

Mr. Speaker, I had the distinct privilege of introducing the guest speaker for the occasion, a former colleague in the U.S. House of Representatives and now a distinguished Member of the U.S. Senate from South Dakota, the Honorable JAMES ABOUREZK. JIM ABOUREZK is a Maronite Catholic and the first American of Lebanese descent to be elected to the U.S. Senate.

Mr. Speaker, I would like to take this opportunity to extend my sincere congratulations and best wishes to the St. Maron's Parish of Youngstown for the fulfillment of all their noble goals and prayers. I insert several documents pertaining to the St. Maron's Feast Day Dedication Banquet in the RECORD at this time:

ST. MARON'S DIOCESE OF DETROIT—
U.S.A.,
Detroit, Mich., February 8, 1973.

REV. PETER TAYAH AND PARISHIONERS OF ST. MARON CHURCH,
Youngstown, Ohio

DEAR FATHER TAYAH AND PARISHIONERS OF ST. MARON: It is with pleasure and pride that I will join you on the occasion of the dedication of your new "Center of Bet Moroon". Your unity, determination and generosity will lead you toward the achievement of your ideals, which could set an example to be followed by many of our Maronite communities in these United States.

You are to be commended for your decision to build a new church and facilities of first class, second to none. If only our Maronites will unite and set for themselves these same goals, our Diocese will not be hindered in its prosperity and progress.

It is not with words that anyone builds, but with deeds, generosity and sacrifice. This is what I will be witnessing on the Dedication Day and hope to always see the future in our parish of Youngstown, Ohio.

May the good Lord, through the intercession of St. Maron, our patron, bless you and your efforts that you may glorify and praise His Holy Name and uphold our Antiochene Maronite Rite and our beloved people.

With warm congratulations and prayerful good wishes, I remain,

Sincerely yours in Christ
The Most Reverend FRANCIS M. ZAYEK, S.T.D.,
Bishop of St. Maron Diocese, Detroit-U.S.A.

HONORED GUESTS AND FRIENDS,

MY DEAR PEOPLE OF BET MOROON, tonight, the privilege of being the soul of this great Dedication, and your presence to share in this Agape of Love, make me realize the awesomeness of the hour. Time seems to suspend its course. Past and future meet the present. Generations of saints and heroes, multitudes of little ordinary people join us in praising the One who made all dreams become reality.

One of the great hours in the history of Bet Moroon!

Bet Moroon: a Name, a Palmares, a Chart of Life!

Like the Brethren of Antioch were called "Christians," the followers of St. Maron, staunch defenders of the Council of Chalcedon, were scornfully named Bet Moroon. For this name, three hundred and fifty martyrs gave up their lives in 517, ten thousand were massacred in 1860; and between these two immolations, the Maronite name has stood a symbol of fidelity and self sacrifice.

But we are not simply trying to evoke glorious moments of the past. Bet Moroon, for each Maronite, stands as a Chart of Life. This semitic expression tells of the openness, the hospitality, the willingness to serve and to suffer, that the Church itself, in the wake of Vatican II, wants to be. Bet Moroon translates to the best, the human and the social face, as well as the dynamic presence of the Church in the world. Bet Moroon suggests the people of Maron, as well as the place, the house, where these people live, suffer, pray and strive for the better.

Bet Maroon: a long history of glories . . . and miseries. From the highlands of Northern Syria in the Fifth Century, to the slopes of Mount Lebanon in the Tenth, to the Mahoning Valley in the nineties, to the gentle site where we stand now. From Saint Maron, to Patriarch Howayyek, principle maker of Lebanon, to Francis Zayek, protagonist of our Maronite awakening in this country. What a pilgrimage! Our semitic body must have kept the vigor of the original nomadic ancestor! "Nomadism," says T. E. Lawrence, "that most deep and biting social discipline," so desperately missing in our "relaxed" society.

Isaiah the Prophet, singing the return from exile of the People of God; and return means our spiritual revival, could not find better than these words, "The Glory of the Lebanon shall be given to them." (35,2).

May the Glory of the Almighty inhabit our dwelling, and may you, Dear Friends and all you of Bet Moroon, be filled with His saintly joy!

Devotedly yours in Christ,
Reverend WADIH PETER TAYAH,
Pastor.

PROGRAM

Processional March, Joe Ranalli Orchestra.

National Anthem, Miss Helene Dohar.

Lebanon's National Anthem, The Moroonsingers.

Invocation, Very Rev. Seely Beggiani, *Rector, Maronite Seminary, Washington, D.C.*

Toastmaster, Dr. Elias T. Saadi, M.D., Chairman, *Vice President, St. Maron's Parish Council.*

Welcome, Rev. Wadih P. Tayah, Ph.D., Pastor, *St. Maron Parish, Youngstown, Ohio.*

Remarks, Atty. Ronald G. Galip, *President, St. Maron's Parish Council;* Mayor Jack

Hunter, *City of Youngstown; and* Very Rev. Msgr. Peter A. Eid, *Former Pastor, St. Maron's Parish, Youngstown, Ohio.*

Message, Very Reverend Msgr. William A. Hughes, *Vicar General, Representing* The Most Reverend James W. Malone, D.D., Ph.D., *Bishop of Youngstown.*

Speaker, The Honorable James Abourezk, *U.S. Senator, South Dakota.*

Concluding Remarks, The Most Reverend Francis M. Zayek, S.T.D., J.C.D., D.D., *Bishop of the Saint Maron's Diocese of Detroit-U.S.A.*

Benediction, Rt. Rev. Chorbishop George J. Webby, *Vicar General, St. Maron's Diocese of Detroit, U.S.A.*

Entertainment by Joe Ranalli Orchestra.

Bet Moroon's Ministries

REV. WADIH PETER TAYAH, PASTOR

Parish council

Executive Committee

Atty. Ronald G. Galip, President; Dr. Elias T. Saadi, Vice President; Anthony Thomas, Treasurer; Michael J. Dohar, Secretary; and Joseph Beshara, Member at Large.

George Abraham, Mrs. Elias Alexander, Remon Hayek, Joseph T. Joseph, Mrs. Martin Joyce, Michael Mike, Joseph Nohra, and (Helene Dohr: Recording Secy.).

Building and Finance Committee

Executive Committee

Joseph Beshara, Chrm.; Albert Abraham; Louis Ellis; Maroon Gabriel; George Hanna; Joseph T. Joseph; Joseph F. Simon; and George Abraham.

Joseph Alexander; George Barkett; Fred Beshara; Jeffrey Chahine; Norman Coury; Thomas Joseph; and Anthony Landis.

Joseph Mike; George Rohan; Russell Saadey; Minnie Simon; Elmer Thomas; James Thomas; and Tommy Thomas.

Social Games Committee

Elmer Thomas, Chairman; Nassef Thomas, Co-Chairman; Aniece Matta, Secretary; George Barkett; Donald Dempsey; Thomas Joseph; and Joseph Beshara, Parish Council Liaison.

Organizations

Immaculate Conception Sodality, Mrs. Alexander Hayek, President.

Daughters of Our Lady of Lebanon Sodality, Mrs. Willie Lewis, President.

Saint Maron's Club, Sr., Patrick Simon, President.

Saint Tobias Society, Caiser Joseph, President.

M Y O (Maronite Youth Organization), Rochelle Galip, President.

CCD Classes

Sister Etienne Abood, Coordinator; Mother Lawrence Massoud; Mrs. Antoine Khoury (Terry); Joann Bukovinsky; Tawnya Brenner; Barbara Thomas; and Marilyn Markovich.

Choir: The Moroonsingers

Elaine Hanna, Director; Barbara Ellis, Organ; and Tawyna Brenner, Flute.

Mother Lawrence Massoud, Mrs. Kay Nakley, Mrs. Wadih Mike, Helene Dohar, Linda Dohar, Joe Dohar, Nina Abraham, Anne Marie Rouhana, and Mary Lisa Joseph.

George Abraham, Peter M. Dohar, Jr., Gabriel El-Hage, Adwana Sleiman, Violette Tayah, Terri Thomas, Dawn Thomas, Jamie Thomas, and Mary Ann Nohra.

Dedication Committees

Dr. Elias T. Saadi, General Chairman.

Atty. Ronald G. Galip, Co-Chairman.

Protocol Committee

Rev. Wadih P. Tayah, Dr. Elias Saadi, Atty. Ronald Galip, and K. Anthony Hayek, AIA.

Ticket Committee

Joseph Nohra, Chairman; Joseph Beshara; Joseph T. Joseph, and Mrs. Martin Joyce.

Arrangements Committee

Mrs. Elias Alexander, George Abraham, Michel Dohar, George Ellis, and Michael Mike.

Food Committee

Mrs. Michael Mike, Coordinator; Mrs. Joseph Beshara; and Mrs. Michael Dohar.

Acknowledgements

Building

K. Anthony Hayek and Associates, A.I.A., Architect.

B. & B. Construction Company, Inc., General Contractors.

Mr. Steve Sabanick, Superintendent.

Food

Mrs. Albert Abraham, Mrs. Mae Alexander, Mrs. Roger Clouse, Mrs. Fred David, Mrs. Kamilie Dohar, Mrs. Sadie Dohar, Miss Alice Ellis, Mrs. George Ellis, Mrs. Louis Ellis, Mrs. Carroll Essad, and Miss Alice Galip.

Mrs. George Galip, Mrs. Ferris George, Mrs. William Hammond, Mrs. Caiser Joseph, Mrs. Mary Kanaan, Mrs. Nassif Mansour, Mrs. Joseph Mike, Mrs. Mary Nohra, Miss Violette Tayah, Mrs. Elmer Thomas, and Mrs. Thomas Joseph.

Decoration

Mrs. Willie Lewis, Mrs. James Thomas, Mrs. Charles Thomas, and Miss Rose Abraham.

Parking and Coat Room

MYO—Maronite Youth Organization.

Hostesses

Mrs. Albert Abraham, Mrs. William Beshara, Mrs. Fred David, Mrs. Adele Dohar, Miss Helene Dohar, and Mrs. Carroll Essad.

Mrs. Ferris George, Mrs. Margaret Landis, Mrs. Joseph Mike, Mrs. Ray Nakley, Mrs. Donald Sunderlin, and Miss Violette Tayah.

Ushers

Claude Abraham, Randy Abraham, Michael Dohar, Jr., William George, and Joseph Mike.

Michael Mike, Joseph Thomas, Richard Thomas, Ray Nakley, Jr., and Joe Farris, Jr.

Special Thanks

Edmund Salata, City Engineer.

William Wade, 5th Ward Councilman.

Special Ticket Committee

Miss Beverly Galip, Chairman.

Miss Mary Beth Burke, Miss Alice Marie Ellis, Miss Debbie Ellis, Mrs. Ronald Galip, and Mrs. K. Anthony Hayek.

Mrs. Anthony Landis, Mrs. Vincent Morgione, Miss Ida Nassar, Miss Cyndy Thomas, and Mrs. Nassef Thomas.

Additional Acknowledgements

St. Maron's Center Contractors

Crogan Heating & Plumbing, DeAntonio Plumbing, Waynco Electric, Roth Brothers, Joseph Painting Contractors, and Cabinet Design Industries.

Gennaro Pavers, Standard Floors, Acme Tile Company, Century Equipment Co., Youngstown Office Equipment, and Youngstown Carthage.

Senator James Abourezk Biography

A biography of newly-elected Senator Jim Abourezk goes a long way toward explaining why he became, in 1970, the first Democrat in 36 years to be elected from South Dakota's Second Congressional District.

Jim was born in Wood, South Dakota in 1931, which at that time was part of the Rosebud Sioux Indian Reservation. His father had emigrated to the United States from Lebanon in 1895 and worked as a pack peddler throughout the area, walking from house to house with a pack on his back until he could later afford to buy a horse and then a buggy. He finally opened his first store in Wood, South Dakota in 1910. Jim's family still operates one of his father's stores in Mission, South Dakota.

Jim Abourezk attended elementary and secondary schools in both Mission and Wood. After service in the United States Navy, he went on to receive a Bachelor of Science degree in Civil Engineering from the South Dakota School of Mines and Technology. After working for a time as a civil engineer, Jim attended the University of South Dakota School of Law and received the Juris degree with honors.

Jim established a law practice in Rapid City where he still maintains a home. While achieving a high degree of success in private law practice, Jim was also prominently involved in the civic affairs of the area: he served on the Board of Directors of the West River Mental Health Center, the Black Hills Consumer League, and the Rosebud Legal Services Program, and was elected by members of the Rapid City low-income community as their representative to the Western South Dakota Community Action Board of Directors.

During his freshman year in Congress, Jim authored major legislation such as the Family Act of 1972, the National Power Grid Act, and amendments to the 1970 Disaster Relief Act. Jim served on the house Judiciary and Interior Committees.

Senator Abourezk has been assigned to the Committee on Aeronautics and Space Sciences and the Committee on Small Business Administration.

Dedicate Maronite Center

The feast day of St. Maron, 1973 was of special significance in the Mahoning Valley Sunday as nearly 1,000 gathered to dedicate the new Maronite Center on S. Meridian Road, the first phase of the new complex of Bet Moroon (House of the Maronites).

The celebration brought to Youngstown a large delegation of Maronite clergymen, headed by the Most Rev. Francis M. Zayek, D.D., of Detroit, first bishop for Maronite Rite Catholics in America, along with political and community leaders.

Congratulatory messages were read from President Nixon and Gov. John J. Gilligan at the banquet which climaxed the day-long events for which Dr. Elias T. Saadi was general chairman.

Bishop Zayek was principal celebrant at a concelebrated Mass in the center Sunday morning and U.S. Sen. James Abourezk, D-S.D., the first U.S. senator of Lebanese descent, was the principal banquet speaker.

The $1 million complex at 1555 S. Meridian Road is to include, in addition to the center, a 400-seat church which is under roof, parish hall, offices and rectory on the 23-acre site. The center will be available for all kinds of public events.

PRAISES CARNEY

Sen. Abourezk drew heavy applause for his remarks that Youngstown Rep. Charles J. Carney represents the people of this district "extremely well" and for his praise of Fred Beshara, president of B. & B. Construction Co., who, the senator said, was a generous contributor to his campaigning in South Dakota and asked him to come to Youngstown. Beshara's firm is constructing Bet Moroon.

The senator issued a strong call for unity among all Arabic-speaking people in the United States, stressing that they could become a significant political force by joining together.

He pleaded with them not to become factionalized by villages or religion but to have one common goal—unity for the benefit of the United States.

CALLS FOR PEACE

Sen. Abourezk mourned the tragic events of recent years in the Middle East.

"Peace in the Middle East can never come so long as vengeance is practiced by both sides," the senator declared.

"I think what I want to do, if I have any power in the Senate, is bring peace to that part of the world and I ask your support," Sen. Abourezk said.

He also asked for support in his campaign to help small farmers and, as chairman of the Indian Affairs subcommittee of the Senate, for support in "righting the wrongs" against American Indians.

Sen. Abourezk, who grew up on the Rose Bud Reservation of the Sioux in South Dakota, told how his father, an immigrant from Lebanon, was first a pack peddler and then a store owner, and helped both whites and Indians during the depression. He recalled how the Indians lined the streets in respect at his father's funeral in 1951.

In a general discussion of ethnic revival, Sen. Abourezk said the "melting pot" is a misnomer for the United States because it implies that heritage should be forgotten.

"One of the great things in the United States is that we have been able to live together. Instead of destroying our differences, let us celebrate them, retain our religions, music, and other values," he said.

BISHOP HAILS PARISH

At both the Mass and the banquet, Bishop Zayek congratulated St. Maron's Parish. "Your unity, determination, and generosity will lead you toward the achievement of your ideals, which could set an example to be followed by many of our Maronite communities in the United States," he said. He noted that this is the first Maronite complex of its kind in this country.

The Rev. Wadih Peter Tayah, pastor of St. Maron's since 1970, expressed his gratitude to all parishioners for their devotion and hard work in bringing to fruition a "golden dream." His sentiments were echoed by the Rev. Msgr. Peter A. Eid, now retired after serving St. Maron's for 32 years.

Congratulations from the Roman Catholic Diocese of Youngstown were extended by the Rev. Msgr. William A. Hughes, vicar general, who said, "Our lives are enriched by the various rites of the Catholic Church, all of them contributing to the vitality of faith in the Mahoning valley."

Plaques and resolutions commemorating the occasion were presented to the bishop and senator by Mayor Jack C. Hunter, State Sen. Harry Meshel for the Ohio Senate, and 5th Ward Councilman William Wade for City Council.

OTHERS PARTICIPATE

Other banquet speakers were Dr. Saadi; Atty. Ronald G. Galip, president of St. Maron's Parish Council, Rep. Carney, who introduced Sen. Abourezk; the Rev. Ronald Zidian, administrator-director of the National Shrine of Our Lady of Lebanon at North Jackson, who gave the invocation; and the Rt. Rev. Chorbishop George J. Webby, vicar general of the Maronite Diocese, who gave the benediction.

At the Mass, celebrated in English, Arabic, and ancient Syriac, the concelebrants with Bishop Zayek were Choribishop Webby, Father Tayah, Rev. Msgr. Elias el-Hayek, professor of liturgy and canon law at St. John Seminary, Plymouth, Mich.; Msgr. Eid; the Rev. Seely Beggiani, rector of the Maronite Seminary in Washington, D.C., and Father Zidian. Msgr. Hughes was on the altar representing Bishop James W. Malone.

In his homily, Msgr. el-Hayek said, "This house is your house. It is here that our spiritual destiny will be decreed. Let Bet Moroon Center be a monument to your love of God." Joseph Nohra was commentator and Albert Abraham and Atty. Galip were lectors.

The Moroonsingers sang at the Mass with soloists Mrs. James Peters and Norman Nemer. Also singing was the CCD junior choir.

In the evening entertainment was presented by Bernie Johnson and Joe Kohut and the Joe Ranalli Orchestra.

93D CLUB

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. CRANE. Mr. Speaker, the Republican 93d Club, under the leadership of our colleague from Arizona's Fourth Congressional District (Mr. CONLAN), has undertaken an effort in behalf of budget reform which I think merits serious consideration. Their proposal that all Federal spending be wrapped up into a single appropriations bill instead of the present system of approving funds for the various departments in separate measures has, I know, the support of many of their colleagues.

Recently, Mr. Frank van der Linden discussed this point in a column about the 93d Club, distributed nationally by the United Feature Syndicate of New York. I insert Mr. van der Linden's column at the conclusion of my remarks.

The column follows:

UNITED FEATURES SYNDICATE, WASHINGTON.—A fight to hold down Federal spending and to avoid a tax increase will be the Republicans' main issue in this Congress and in their efforts to take control of the House away from the Democrats in the 1974 elections.

In private strategy conferences on Capitol Hill, the Republicans have agreed to give maximum help to President Nixon's coming clash with the Democratic Congress over control of the budget.

The Democrats will try to pass popular bills over the President's veto—bills containing billions for water and sewer projects, schools, health, welfare, farm programs. It will be tough for his own party members to stand with him.

"We'll be whip-lashed by the lobbyists for each pressure group," said Representative John B. Conlan, the articulate conservative from Phoenix, Arizona, who is the newly-elected president of the "93rd Club." It's composed of the 43 new minority members of the 93rd Congress.

In an effort to curb "the grab-bag boys," as Conlan calls the pressure groups, many Republicans will support a bill to wrap up all Federal spending into a single bill, instead of the present system of approving funds for various departments in separate measures.

"We freshmen will push very heavily for budget reform," the former Arizona State Senator said. "We think it's incredible to have a bill zinging out one day for the Defense Department, another bill for education, another for something else. This causes 'pork barrel-itis.' "

"Instead, we want a single money bill," he said. Let's see it all out in the open and make an intelligent decision. If it's too much, send it back to committee and cut it down."

Warned that the single money bill would be fiercely opposed by the veteran Democrats who head the Appropriations Subcommittees and by the whole party hierarchy in Congress, Conlan replied: "We'll put them on the spot. If the Democrats refuse to pass the bill we will take it to the voters in 1974."

Has he had some encouraging conversations with presidential assistants about the single money bill proposal?

"None that I can talk about," Conlan said. "I'm sure that we'll get White House cooperation, though."

Conlan, 42, won Arizona's new congressional seat last fall by beating Jack Brown, a liberal Democrat who endorsed Senator George McGovern in the state's presidential primary. Senator Barry Goldwater criss-crossed his home state by air, campaigning for the Nixon-Agnew-Conlan ticket.

When the "93rd Club" met a few days ago, the conservatives smoothly elected their entire slate of officers after beating down, 30 to 10, a motion by the moderate-liberals to adjourn without electing anybody. Chosen with Conlan were George O'Brien of Illinois, vice president; Donald Mitchell of New York, secretary; Marjorie Holt of Maryland, treasurer; Trent Lott of Mississippi and Harold Froehlich of Wisconsin, Policy Committee members; and David Treen of Louisiana, the freshmen's spokesman on the executive committee that assigned all Republicans to their legislative committees.

Conlan insisted "it was no coup de' etat." just a harmonious election.

NEANDERTHAL MAN IS ALIVE AND WELL IN IRAQ AND SYRIA

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BRASCO. Mr. Speaker, the world is full of moral souls mouthing solemn profundities over the evils one people visits upon another. In fact, one is hard put these days to pick up a paper, watch a news show, or read a publication without coming across passionate mention of the fate of some innocent group or another.

Recently, world opinion has risen in righteous wrath over the shooting down of a Libyan airliner by Israel, after it had flown 50 miles into the Israeli-occupied Sinai area.

The United Nations has added pious pronouncements to the universal chorus of condemnation. Across Europe, self-appointed guardians of the world's conscience, immune themselves from daily threats to their lives, have launched vocal crusades against the Israeli action.

Here at home, many papers have carried editorials condemning actions of the Israelis, who, conditioned by 25 years of bloodcurdling threats of annihilation, made a dreadful mistake and shot down that plane. I do not excuse any excess the Israelis may have committed in the name of defense, although I certainly understand how it could have taken place.

Resulting world opinion, however, leaves me all the more puzzled at the curious blind spot the world seems to show to the plight of Jews wherever they are persecuted, and persecuted they are, with a vengeance.

Today, 3½ million Russian Jews live under a regime which penalizes them daily for their religious faith. Few righteous voices in Europe or in certain media outlets seem to find their plight worthy of moral condemnation. The unique Russian exit tax, applied almost exclusively to Russian Jews, does not offend the conscience of many who seem to consider themselves guardians of mankind's morals.

Today, the Jews of the Soviet Union are not being physically wiped out on a methodical basis. Occasionally, a few die in a Soviet forced labor camp, but the rest are relatively immune from the old practices of mass murder that have characterized the life of Russian Jews for so many centuries. That syndrome, however, has shifted its location, and is still to be found.

Nowadays it dominates the lives of those Jews remaining in certain nations of the Arab world.

It is worth noting that for every Arab who fled from what is now Israel and became a refugee, in spite of Israeli pleas for them to remain, a Jew was forcibly exiled from an Arab land. Most Arab countries of the Middle East for centuries boasted flourishing Jewish communities. Virtually all these groupings have been forcibly uprooted, violently assailed and relentlessly scattered to the winds. Many found haven in Israel. In almost all cases, their significant property holdings were confiscated by various states, with no compensation offered. Most Jews from Arab lands, as a matter of fact, considered themselves fortunate to have escaped with their lives intact. Many were marked in body and mind for the remainder of their existences, as a result of policies followed by several regimes in question.

Some, however, remained behind, either by choice or because they were simply unable to leave. Today they are trapped, at the mercy of implacably hostile governments who take out their frustrations and rage upon them, notably in Syria and Iraq.

Both countries are today characterized by barbarous regimes, closely allied with the Soviet Union, and blatantly anti-Semitic. Neither of these two states, whose internal politics would do justice to Byzantium at its worst, is known for reason, logic, or adherence to accepted rules of international behavior.

Woe unto any Israeli who falls into the hands of the Syrians, who also are the most fanatical adherents of the terrorist cause and its bloody methods. Syria's minuscule 4,500-person Jewish community today lives in acute daily terror, awaiting that inevitable violence the regime will visit upon it, either as a group or individually. Denied any basic human rights, these people are spied upon, arrested, blatantly discriminated against and violated in every conceivable manner. All they wish is to leave and flee to any of several countries which would gladly accept them.

In Iraq the situation is even worse, if possible. Iraq, it should be recalled, is that same nation which in 1969 staged public executions of a number of its Jewish nationals in a Baghdad square.

Only a few hundred Jews remain in that unhappy nation, tiny remnants of a community which once numbered several hundred thousand. Once again, the neanderthal Ba'ath regime has begun violent persecution of these few people, who of course are guilty of the most heinous crime of all—being practicing Jews.

Arrests are made with frightening regularity by the Iraqi secret police, and a number of these Jews are today held incommunicado in their prisons. We have learned that in the past few weeks a number of these Jewish prisoners, reputed to be at least 9 or 10 in number, have been foully murdered by their captors in the secrecy of these prisons.

Despite media attention to what is supposed to have transpired, Iraq has issued no charges, announced no trials, and absolutely refused to confirm reports of their deaths. It is feared, and with good reason, that Iraq may be on the verge of repeating its bloody deeds of 1969 at the expense of these few remaining Jews. These people, like the Syrian Jewish community, only seek the privilege of emigrating, with only the clothes on their backs, if that is the sole manner in which they may be freed. Again there is no word.

Where, I wonder, are the outraged voices of conscience? Where are the outcries from civilized nations of Europe who are so outraged at the recent Israeli action in Sinai? Could it be that it has something to do with the politics of oil?

Where is the voice of the United Nations, which leaps so eagerly to condemn Israel? How about some of the media? I listen intently, but hear them not.

A resolution has been introduced in Congress expressing the outrage of that body over persecution of these two isolated and helpless Jewish communities by publicly condemning these two governments for this abominable policy they share and follow. It also urges the Attorney General to authorize parole authority for any Syrian or Iraqi Jew who wishes to enter America. In the past, stretching back to the early days of the republic, we have spoken out against such oppressed people. It would be an act of morality and compassion to save them from excesses now being perpetuated against them.

The floor of the House is usually no place for philosophical dissertations, but a further word is in order here.

Does not anyone wonder about the fate of all mankind when the civilized world watches silently while still another generation of these people walk the ancient path of persecution worn so smooth by their forebears?

Sad to say, many have a total blind spot where the Jews are concerned. Today the Arabs, armed by the Soviets, still believe in and seek total annihilation of the Jewish state, and would leap to the task with alacrity if given the opportunity.

Would the world watch in silence while such a bloody deed was perpetrated, wringing its hands all the while?

Would the world cry out if the entire Jewish population of Iraq and Syria were massacred tomorrow? The same questions arise regarding the Russian Jewish community.

When so much is said of conscience, and so little is done in its name on behalf of the helpless, what will we call those who beat their breasts and cry out? The answer is obvious.

AMEND THE TARIFF AND TRADE LAWS OF THE UNITED STATES

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. DUNCAN. Mr. Speaker, on February 21, 1973, I introduced H.R. 4515, for myself and Mr. SAYLOR, a bill to amend the tariff and trade laws of the United States.

The purpose of the bill to assure a healthy growth of foreign trade while establishing conditions that will prevent the ill effects of unduly rapid increases in imports and unduly deep penetration of our market from disrupting and even halting normal economic growth in the United States.

To this end it seeks restoration of the competitive conditions that fostered the development of the world industrial leadership achieved by this country in the past 75 years. The system of production and distribution developed in this country represented a sharp departure, not only from our own past, but also from our economic forebears in Europe. While the industrial revolution which brought such great industrial changes to England predated our industrial development, our subsequent adoption of mass production in the 20th century as an offspring of a dynamic technology, soon moved us far afield from our earlier industrial heritage.

Particularly noteworthy among the basic supporting actors in our great departure were: First, a recognition of competition as an incitement to effort by producers to merit consumer favor as a condition of producer reward, second, perception of the dependence of mass production on mass purchasing power, and third, appreciation of the role of employee compensation as the predominant ingredient of the buying power of the marketplace.

Pursuit of production in this framework, guarded by laws against monopoly, by laws designed to prevent erosion of purchasing power through low-wage competition, such as outlawing of child labor and sweatshop operation, plus minimum wage laws, and laws in support of collective bargaining, led to an amazing proliferation of production of a vast variety of consumer goods far beyond the level of necessities—propelled by the profit motive.

Because of dependence of production on consumption, and the propensity of consumers to respond to the condition or anticipated condition of their pocketbook, the system, so highly geared to the production of nonessentials, became sensitive to any factors that might be expected to affect the market, either favorably or unfavorably. Such factors might be visible and stubborn and therefore directly influential with consumers, or anticipatory or suspected and therefore psychologically operative in either a negative or positive fashion on both producers and consumers. The antennae of producers were sensitized to both actual and anticipatory movements that might affect the market, that is, consumer inclination to purchase more or less.

Negative factors led to producer hesitation or outright retrenchment while positive factors or interpretations fostered expansion.

Although imports and exports each represents only approximately 4 percent of the gross national product, different products partake in widely varying degrees above and below the average. In other words, both imports or exports may be important in particular industries.

In combination the effect of imports may produce a depressing effect on domestic production beyond the positive displacement of workers in domestic plants because of repercussions of the market outlook thus induced and entertained by domestic producers. If imports increase rapidly because of a decided market advantage the domestic producer may cancel any current plans to expand his operations, and await developments. He will not hire any part of the increasing work force that appears on the labor market each month and each year.

If he is a producer of a new and developing product such as historically in this century have expanded into great industries or even into smaller ones and have thus employed in the aggregate millions of workers in newly generated jobs, he will not commit his capital nor will his enterprise attract risk capital very copiously, if he cannot have reasonable assurance that the market will be his if he develops it; or if it seems quite clear that despite his patents he will face competition from abroad that will rob his patent of all meaning.

It is not necessary that his product be a wholly new one. Thousands of existing products are constantly undergoing improvement through invention and research, in efforts to reduce costs and to gain a march on competitors who are in the field, similarly motivated. At home a productive innovation may be protected by patents, and the producer can feel reasonably assured—patent infringement aside—of the fruits of his labors for a reasonable period of time. He willingly undertakes projects that may require several years to mature.

If, however, he knows that he may be outflanked from abroad his outlook is clouded. He may even decide to move a substantial part of his own operations overseas because of wage differentials, particularly if the export of his product beckons as a source of additional profit. Because he finds that by employing workers abroad he can produce at a lower cost, he will forego his efforts to export from this country or he will supplement his exports by producing abroad, thus hedging his future. Alternatively, he may license foreign producers to use his patents.

Meantime the increased employment that he would have provided in this country is curtailed or set aside completely. If unemployment in this country is not to increase, someone else must then hire the additional workers that come on the scene by population increase. The workers he employs abroad do not absorb the new workers in this country.

Thus is subverted the formula by which this country rose to world industrial leadership in this century. New products or radically improved products can no longer be put on the market in this country with the assurance that the great national consumer potential might be tapped through progressive cost reductions aimed at an elastic demand, because of the danger and the overt evidence of outflanking possibilities from abroad.

Even if the producer protects himself by going abroad, American employment is outflanked.

PROVISIONS OF THE BILL

The bill is designed, not to reduce our foreign trade, but to bring its growth under control in such fashion that the American producer can operate under the same assurance that he had during the years before the American technology had been adopted and so energetically pursued by other industrial countries. Under present conditions he can no longer do so for the simple reason that foreign products may virtually preempt the market growth that he could formerly claim confidently as his own.

The bill provides for import limitations under specified circumstances, with well-defined exceptions. At least 10-percent market penetration must have occurred during the two immediately preceding years to qualify for a quota. Also there must have been an upward trend in the past few years in the imports of any given product before eligibility can be established.

The base year for the quota is the average imports during the 3-year period of 1969–71. If imports have increased rather sharply during the past several years a moderate cutback in imports may be made from the base period.

Items on the free list will not be subject to quotas, nor items that are now under quota limitation so long as they remain so limited.

Imports once under a quota may increase or decrease in proportion as domestic consumption of the article increases or declines in this country.

The bill makes no effort to discourage foreign investments.

However, it seeks to prevent the objectionable effects that are imputed to foreign investments: First, by limiting imports to a defined share of our market if the penetration is over 10 percent, and then restricting import growth to that recorded by our domestic market, second, by fixing limits on the share of the market that may be supplied by imports of products that have patent protection. During the first 5 years of a patent's life imports may not rise above 5 percent of our market for the same article. During the second 5 years not over 10 percent of our market for the article may be supplied by imports in any one year. In the next 5-year period the limit is 15 percent, and this will be the final limit.

Once the patent expires the imports will be governed by the other provisions of the legislation.

By thus controlling imports of patented products the usurpation of our market by imports will be inhibited. Domestic patent-holders are then assured of a market that will enable them to proceed in full confidence that they will not be prevented by cost-advantaged imports from reaping the benefits of their efforts to establish a national market.

The domestic investment climate will be restored to the conditions under which this country developed the world's most productive economy. Expansion of production, the opening of new facilities and the hiring of additional workers to meet using production schedules, will be sparked by the vision of a mass market as costs are cut to a level low enough to tap the mass pocketbook. Under these conditions assuming elasticity of demand, consumption will rise sufficiently to call for rising employment in this country. Imports, limited as provided in the bill, will not remain a hovering threat as they are now, poised to despoil the market for domestic producers; nor, on the other hand, will they be discouraged insensibly or unreasonably.

Any article may be produced abroad by domestic or foreign capital without limitation. The domestic market will not be closed to such products produced abroad, but it cannot be ruined as a source of employment or as a source of profit for domestic capital invested in the home market by unimpeded imports of products from low wage, low unit cost areas of the world.

THE TWO-WAY STREET OF THE INTERNATIONAL ECONOMY

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HANNA. Mr. Speaker, in further regard to my concerns as expressed to this body of late as to the American future in the international economy, I would like to bring to my colleagues' attention a recent article in the Wall Street Journal.

I have long felt and argued that the flow of capital, trade, and investment in the international economy must be on a two-way street. Throughout the 1960's, I believe the statistics would show that these three items would fall in the "outgoing" column in our ledger. It is time now—and Mr. Janssen's article illustrates the beginning of this trend—that these items fall in the "incoming" column, that in the 1970's the United States will be the recipient of these flows, for a variety of reasons. In the interest of educating ourselves in this area, I commend the following to the close scrutiny of the Members:

[From the Wall Street Journal, Feb. 26, 1973]

APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

BRUSSELS.—You're a successful European industrialist, looking for a good place to put a plant abroad. In your direct investment dreamland, inflation isn't rampant, taxes aren't confiscatory. Preferably, the populace isn't given to paralyzing general strikes, the authorities aren't inclined to expropriation, coups aren't a constant threat, and neighboring nations don't dispatch guerrilla raiders across the borders.

Italy, or Uganda, or Chile or almost any place you can think of falls short on one score or another. But you do think of them, and you don't think of the most obvious place—the United States.

So far, that is. There are some signs that foreign businessmen are becoming more interested in putting roots in the vast American market. Signs such as the "BP" emblems at British Petroleum service stations in the U.S., or Sony's decision to expand its color TV tube plant at San Diego. Companies such as Shell, Lever and Olivetti are so well entrenched that they're scarcely thought of as basically foreign any more.

In total, though, the traffic has been heavily the other way. The Commerce Department figures emerge slowly, so that the latest ones are for 1971. But in that year, the increase which brought U.S. direct investment abroad to $86 billion was $7.8 billion. The increase alone equalled more than half the total book value then of foreign direct investment in the U.S.—a slim $13.7 billion, up $434 million from 1970.

Moreover, foreign investment in the U.S. tends to be rather narrowly concentrated, both as to origin and purpose. The table below shows the book value at the end of 1971 by major industry and by selected countries of origin (omitting Japan, because a gush of debt prepayments statistically pushed the book value to below zero from $229 million in 1970):

Industry and billions:

Manufacturing	$6.75
Petroleum	3.11
Insurance	2.35
Trade	0.568
Other	0.921

Natl. origins and billions:

United Kingdom	4.43
Canada	3.34
Netherlands	2.22
Germany	0.767
France	0.315

The figures suggest something of the obstacles, one of which is language. "It shouldn't be, but it is," sighs a U.S. banker here. More than half the foreign direct investment in the U.S. (as opposed to portfolio investment in stocks and bonds) has come from the U.K. and Canada, with the third biggest chunk from the Netherlands, where English is a strong second tongue.

Closely related to language is what former Common Market official Raymond Barre calls the "inferiority complex" of Continentals, a legacy of World War II and its aftermath of massive American foreign aid and investment. "There is a certain timidity" among Europeans about starting or acquiring American facilities," agrees Jeffrey S. Howles, the Bank of America's London-based regional vice president. "They just don't think their management abilities are up to modern American standards," says another U.S. financial man.

The very vastness of the U.S. market that makes it tempting also makes it forbidding. "They look at the map and see Seattle way over there and Miami way down there, and say, 'How the hell can I possibly handle that?' " observes a U.S. expert.

Similarly, the European impression of the size of native competitors to be faced on American soil is often frightening. "They only think of IBM and GM, because those are the names they see over here," explains Charles A Fagan III, industrial development attache in the U.S. embassy at Brussels. To reassure them, he cites the existence of "more than 400,000 manufacturing firms in the U.S." most of them obviously small.

The most frequently mentioned deterrent to more foreign subsidiaries in the U.S., though, is clearly the belief that the Justice Department will go gunning for them while winking at anti-trust infractions by American companies. The European Common market fosters this fear, stating matter-of-factly in a recent publication that would-be European direct investors are "hampered by U.S. laws that discourage the establishment and operation of subsidiaries of foreign companies."

The U.S. government vigorously denies any such bias, of course, as it is anxious for the balance-of-payments help that such investment inflow would bring. The charges of anti-trust bias are "a whole lot of horsefeathers," fires back Mr. Fagan. "Certain antitrust difficulties" can and do arise, Mr. Howles of the Bank of America advises, but stresses that any deals between large companies with big shares of the market bring this risk regardless of whether one is foreign.

European industrialists fret, too, about tighter U.S. controls on selling strategic goods to the Communists, whether the Commerce Department's complex curbs on capital outflows could hamper repatriation of profits, higher hourly wage rates, the need to deal with unfamiliar small local banks in factory towns, and the much stricter public disclosure rules.

All these mental reservations form a formidable obstacle. But in launching a promotional campaign to overcome them, the Bank of America may have hit upon the most effective appeal—fear. The bank's brochure puts it subtly and at the bottom of the list of advantages, but the message comes through clearly enough:

"While a trade war is not anticipated, if protectionist sentiment should succeed in insulating world trading blocs, foreign subsidiaries located in the United States would not be subject to U.S. import restrictions and thus would maintain their access to the market."

Now that President Nixon once again has devalued the dollar, Mr. Fagan finds foreigners much more receptive to the message that "there just isn't any way to protect their share of the market" aside from actually manufacturing in the U.S. It isn't just that the cheaper dollar makes exporting to the U.S. harder and investing in it easier, but that the abrupt action was accompanied by tough talk about new trade barriers.

Fear, to be sure, isn't the sort of reason businessmen like to cite for investment decisions. But, in this situation, it could be both a compelling and a constructive force.

ALGERIA: ARE WE FINANCING TERRORISM?

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PODELL. Mr. Speaker, fortunately, the last few months have been free of incidents of terrorist skyjackings. However, every time I travel between Washington and New York, I am reminded of the paranoia which has become an integral part of air travel. My baggage is inspected, my person is electronically searched. I am not immune from such things because I am a Member of Congress—nor should I be. It is a sad commentary on mankind that a handful of aberrant desperadoes have made us so distrustful of one another. And yet, until there are mutual extradition treaties between all nations of the world, skyjackings will continue to threaten our safety.

Protection of air travel is currently a major concern of the 93d Congress. There are now a number of bills before the committee on which I sit, the House Interstate and Foreign Commerce Committee, which offer solutions to the problem of air piracy. Most focus on the posting of armed guards at airports. My own bill would have specially trained military personnel stationed as guards at Federal expense.

However, even with increased protection on the ground, hijackers may still slip through and endanger the lives of hundreds of people. And as long as they feel they can get away with it by escaping to a safe haven, these pirates will continue to extort money and political concessions from civilized governments.

In the mid-1950's the United States all but openly supported a revolutionary named Castro in his bid to overthrow the Battista military dictatorship in Cuba. Almost immediately thereafter, Castro threw in lots with Russia giving Communist imperialism its biggest single base in the Western Hemisphere. It became a safe-haven for criminals and revolutionaries hijacking American commercial aircraft.

Things recently took a turn for the better when the United States and Cuba reached an agreement on the extradition of skyjackers and the return of stolen aircraft. This event augurs well not only for the average air traveller, but for the state of American diplomacy in the Western Hemisphere. It is the first dealing the United States has had with Cuba in over 10 years, and is a more realistic approach in our attitude toward Castro's government. However, there is still a major blind spot in our attempts to secure safety for air travellers: Algeria.

Algeria has long been anti-West, and particularly anti-American. Its leftist dictatorship openly encourages criminal acts and turmoil in North Africa and the Middle East. In recent years, Algeria has become a haven for skyjackers that not even Cuba would admit. It has harbored black nationalist fugitives from the United States, such as Eldridge Cleaver. The Algerian Government has given aid, comfort, and support to the very Arab terrorist groups who have hijacked so many airplanes. The United States has no diplomatic relations with Algeria. And yet, we are indirectly giving them a form of financial assistance, much the same as we did Cuba in aiding Castro to consolidate his hold on the country.

In the last fiscal year, the Export-Import Bank, which is a U.S. government-owned corporation run along the lines of a typical commercial bank, authorized over $21 million in direct loans to Algeria. It should be noted that this money never leaves the United States but is used in transactions between the Algerian Government and American companies supplying equipment and services for various projects in Algeria. Algeria then repays the loan at an interest rate of 6 percent. The loans finance ordinary commercial transactions for American-made goods exported to the borrowing country. Ordinarily, these transactions prove of great benefit to the United States, by improving our balance of trade, stimulating industry and economic growth, and opening new markets for American goods. In Algeria's case, however, the benefits are highly dubious in light of Algeria's role in encouraging Arab terrorism.

Loans the Export-Import Bank has given to Algeria have financed the purchases of a wide variety of products. Outstanding among them are large purchases of commercial aircraft and oil drilling and refining equipment. The most recent loan authorization, for $3.5 million, was in September 1972, and would be used for a feasibility study for agricultural and industrial projects in Algeria.

I objected when that loan was made and was told that "The Department of State does not find that the Export-Import Bank's loans to Algeria are contrary to U.S. foreign policy." However, I see a total lack of coordination between the Export-Import Bank's actions, on the one hand, and the avowed policy of the United States on the other, which is to cut off nations that harbor hijackers and terrorists from the community of civilized men. The Export-Import Bank is acting in total disregard of American public opinion in continuing to finance Algerian purchases in this country.

I find it unconscionable that American commercial interests are permitted to take precedence over the lives and safety of American air travelers. Loans to Algeria should be withheld until such time as that nation shows itself willing to engage in responsible, nonviolent solutions to world problems. As long as Algeria continues its open support of terrorists, we are worse than fools to give her even the most indirect form of financial assistance. By making it possible for Algeria to borrow U.S. dollars with which to purchase U.S. goods, we are in effect permitting Algeria to devote more of her own resources to financing the Palestinian terrorist movement.

We are, in the final analysis, creating a situation in which planes will continue to be hijacked and passengers' lives will continue to be threatened. The U.S. Government must once and for all coordinate all its branches so that the left hand is not working against the right hand.

The Export-Import Bank must stop financing terrorism.

DRUG ABUSE—PUBLIC ENEMY NO. 1

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. WHITEHURST. Mr. Speaker, one of the great problems facing our Nation and its youth is drug abuse. This dilemma does not respect status or background, but seems to have its strongest appeal to youth during their turbulent teenage years. The problem is under attack by Federal, State, and local governments, and by religious authorities, parents, and various youth organizations. The power and weight of these groups, and the affirmative action they are taking, would seemingly solve almost any problem. But such is not the case with drug addiction.

There have been inroads. The results of the efforts of dedicated people can be seen. And yet the problem is still with us, indeed in some cases it appears to be worsening. This Nation owes a great debt to the many people devoting their time to remove this blight from the United States.

One of the unanswered questions facing us is what makes teenagers turn to drugs. The potential horror facing a drug user would seemingly keep people from using drugs, but it does not. At this time there is no answer, no simple formula, no one statement that can identify for us the reasons for the appeal of drug abuse.

Perhaps we can only learn from examples, the life history of addicts. Perhaps by listening to their story we can begin to understand.

Recently two articles in Navy publications were brought to my attention by the Honorable Joseph Campbell, Commonwealth's attorney for the city of Norfolk, and Police Lt. L. W. Hurst, head of the Narcotics Squad of the Norfolk Police Department.

Mr. Speaker, these two individuals are leading the fight against drug abuse in Norfolk, a city I proudly serve and represent in the House of Representatives.

The Navy magazine articles reveal the outstanding cooperation between the Navy and Norfolk officials in the battle against drug abuse in Tidewater. As a member of the Armed Services Committee and Second District Representative, I am pleased to report this cooperation and coordinated effort between the military and civilian officials, and I commend all those involved.

Mr. Speaker, I include the first of these two articles, entitled "Mech Interviews a Drug Addict," from the fall 1972 issue of Mech the Naval Aviation Maintenance Safety Review magazine to be inserted in the RECORD at this point. The article follows:

MECH INTERVIEWS A DRUG ADDICT

Kris is 22 years old, and a pretty girl as you can see. She started taking drugs at the age of 16, and for 4 years lived the life of a junkie. She tells here how she made the trip to hell, and what near tragedy caused her to try the difficult return trip.

Until her 21st birthday, Kris was a Navy dependent. She was first busted at age 18 and charged with drug possession.

Kris is still on drugs, but now the drug is methadone. It is being administered under clinical supervision.

Kris exposes her drug experience to Mech readers for one reason—to possibly deter others from making the same scene.

MECH. Kris, what type of drug or narcotic did you start with?

KRIS. I started with diet pills because I used to be real heavy in high school and my girlfriend was stealing them from her doctor in sample packs. I asked her for some and she started giving them to me.

MECH. Was there any emotional problem involved about being heavy?

KRIS. Yes, as I said, I was heavy, almost fat, and I couldn't get dates all through high school and I was miserable and I drank a lot.

MECH. You drank?

KRIS. Yes, I drank pretty heavy—especially on weekends.

MECH. When did you graduate to other drugs?

KRIS. I started smoking grass right after I started taking the diet pills.

MECH. How long after?

KRIS. Oh, a couple of months. I started dating a guy from California and he had a lot of grass and I started smoking it and I enjoyed it.

MECH. How long did you stay on grass?

KRIS. About 5 or 6 months, grass and diet pills.

MECH. Then you went into something else?

KRIS. I went into acid. I met another guy from California who was in the Navy and he brought 2 kilos of Mexican grass with him and some LSD. So, I smoked a lot of grass and did some acid with him and I liked the acid even better than grass because, I always liked grass, but I didn't like it that much—you know. I could take it or leave it. I liked the diet pills better, and once I did the acid, I liked the acid better, so I thought whatever other drugs I ran into, I'd probably like them even better.

MECH. When you were 16 and started on diet pills, were you in school?

KRIS. Yes. I was in junior high school.

MECH. And did you go on and graduate from high school?

KRIS. Yes, I did. Barely, just by the skin of my teeth, because after I started doing those drugs, during my senior year, I started doing heroin and once I started doing that and all the other drugs . . .

MECH. How did you get introduced to heroin?

KRIS. Another girl and I got started together. She was hanging around with a rock band at the time and I started hanging around them too, and they had just been introduced to heroin by a cat, so I saw how they felt on it and they looked like they felt better than I've seen anybody feel on anything so I thought, 'This has got to be the best feeling drug I've ever seen.' So, I tried it too, and it was. To me, before I got strung out, it was like artificial love. I loved everybody and I was completely happy while I was doing it.

MECH. After you got on heroin, how often did you take it?

KRIS. A couple times a week for the first 2 years.

MECH. Did you have to buy it or did somebody supply it free?

KRIS. No, I had to buy it.

MECH. How much was it then?

KRIS. It was $4 a cap. Sometimes $3. Since then, it's gone to $7.50 to $10 a cap.

MECH. Where did you get the money to pay for drugs?

KRIS. Well, the first couple of years I did it, I got it from different places—I'd steal money from my mother now and then. I had a few jobs where I got money. Sometmes I had a boyfriend who would just buy it for me.

MECH. Did you ever do anything illicit to get it?

KRIS. Not during the first 2 years.

MECH. So, you really started paying from the beginning—no one gave it to you?

KRIS. Right. Nobody came around the school turning people on like it's heard to be. I've never seen that done. No.

MECH. Now when you bought it, were the people you bought it from addicted themselves—were they junkies?

Kris. We started copping from a cat down on Charlotte Street. That's right near Church Street, downtown. I later found out that the guy we were copping from was a big pusher in Norfolk and he was probably strung out himself, I'm not sure.

Mech. Did you generally do drugs alone or with other people?

Kris. No, it was always with other people. The first 2 years I did it, it was almost always with other people, but when there was nobody around, if I could cop, and had the money, I'd do it by myself.

Mech. You say you met someone who never took anything himself but he was giving it away—you never saw him take money for it, as such, but he gave it to his pushers, to give away?

Kris. Right. Well, I was doing . . . Do you want me to explain it?

Mech. Yes.

Kris. Okay, I was doing all sorts of drugs for the first 2 years I was on drugs. Two and a half years, but I wasn't strung out on anything except the speed—well, at one time I was doing LSD every night for a month. A couple tabs every night and I started having bad trips, so I quit doing that. So, I got strung out on methadrine after that. I'd moved to Washington where I was doing a lot of junk and I left Washington and moved back home because I didn't want to get strung out. Right after that I moved to New York and bought 2 ounces of methadrine, which is speed, the kind that you shoot up or snort; you can't eat it. I got really strung out on speed, which is physically and mentally brutal—like it says, 'Speed Kills'—and it does. I came back to Norfolk after 3 months of being strung out on speed in New York and by that time I was so messed up and so mentally disturbed that I started doing a lot of junk to come down. The first month I'd steal money from my mother and father—I'd get money however I could, but I didn't do anything illegal to get it—except for stealing from my mother—which is not illegal with the law, but it was bad. The first month I was doing one or two caps of heroin a day and I got strung out. It wasn't a bad habit, but it was mentally bad and physically a little bad and I knew I was strung out so I started 'tricking' after that to get my money. When I started 'tricking', I got a lot more money.

Mech. What is 'tricking'?

Kris. Oh, prostituting. I got a lot more money so my habit could come up and I'd say I got up to five and six caps a day. My girlfriend and I were both living together and 'tricking' together. So after being strung out about 3 months we met a guy from Portsmouth, who was the biggest dealer in Portsmouth. He'd go to New York and cop thousands of dollars worth of dope and bring it back or have somebody bring it back for him. He would never touch the stuff but he would give it to his dealers to sell for him. His dealers were junkies. They'd sell it for him and take their junk out of it to support their habits and then give him the money so that he hardly ever had any heroin in his possession, except for when he copped it and when he cut it and capped it. Other than that, it was always in the dealer's possession and eventually all of them have gotten busted and he's gotten all new ones since we met up with him. He started out giving us 10 caps of heroin a day. He rented us an apartment, bought us clothes, bought us food and gave us spending money. Then from 10 caps a day, he started giving us between 10 and 15 caps a day. After he'd go to New York and cop, he'd give us 15 caps a day. Some cocaine, sometimes too, after he'd cop some of that. After about 3 months of living with him, my girlfriend and I—well, we weren't living with him, but he was keeping us—I got sick to death of it and I got in a fight with him and I left but my girlfriend stayed on with him. I left and I had to start tricking again to get my money and by that time my habit was so big, I couldn't get enough money to support it—by tricking alone. So my habit came down. I was sick for quite a while but I could only get so much money. My habit came down to between 6 and 8 caps a day.

Mech. Where were you living during this time?

Kris. I moved back home and I was tricking. I was like a call girl. My tricks would call me at home and I'd meet them around the corner or down the street or somewhere.

Mech. Did they call you at home?

Kris. Right. At my mother's house.

Mech. And she didn't realize what was going on?

Kris. Not at first, but after a couple of months she did start getting suspicious because of all the different guys that were calling. I started out with just a couple of tricks and those couple of tricks spread my name by word of mouth and I started getting dozens of them—just from having a couple who told their friends about me. My mother found out about it and she asked me and—my mother and I are so close, I can't lie to her. I can try to, but she knows, and then I break down and I tell her. So I told her, and during that year and a half she put me in the hospital four times to kick and each time I got out—they put me on methadone for 2 weeks—and each time after the 2 weeks were over and I was off the methadone, as soon as I would get out of the hospital, I'd go out and cop again and get strung out all over again. I just couldn't do without it.

Mech. You came in contact with lots of people. Would you say that a good many of them were Navy, or let's say, military personnel?

Kris. No, I didn't come in contact with many military guys, hardly, at all. I knew there were a lot of—well, I did come in contact with some—I was thumbing from Portsmouth one day and these three Navy guys picked me up, who had copped themselves in Norfolk a little while before and they were doing a lot of junk, so they took me down to their house in Ocean View. They went out and copped some more and brought me back some junk and we became friends because they weren't strung out on junk but they liked it a whole lot, and I was, and whenever I'd go there, they'd usually give me some. But they were—I think they were the only military I came in contact with. It was due to the junk.

Mech. When was it that you injected your arm and had the problem there?

Kris. It was in July 1970.

Mech. What happened?

Kris. I had just gotten on methadone a couple months in April of 1970. It was a methadone maintenance program. It was supposed to be only about 6 weeks of short maintenance. I got on the program through my psychiatrist, which was 2 years ago. It drew out and drew out. I couldn't get off of methadone in 6 weeks, so after a couple of months of that, I was hitting up every now and then. I wasn't completely off drugs. A friend called me up one night. He was having a party down the beach. I went down there. They were all shooting up reds, which are seconals, sleeping pills, and they were all messed up, so I got a couple of reds from them and I tried to hit up one. Reds are real chalky when you mix them up with water, and with heroin you put a match to the cooker underneath it and it all dissolves completel, so it is clear. But with seconals, you have to mix it up with a lot of water and it's chalky and there's no way to make it unchalky. So I drew it up through the water about three times and it was still chalky, but that was as clean as I could get it. So I injected it into a vein I'd been using for 3 years but it was sunken—it was used so much it had sunken down into my arm real deep. So I had to put the needle in real deep to get it. But instead of getting the vein, I went right through it and I hit the artery which, unexperienced I, can't tell the artery from the vein. Some people think that you should be able to, but the blood's darker and redder—brighter red with the artery. But I couldn't tell. Only a doctor can tell that. I had no idea I was hitting the artery. So I pulled the plunger to see if it registered blood and it did. So I shot the seconal in. Within a second after I shot it in, my arm became completely paralyzed, and it was the most painful thing I've ever felt in my entire life. I just didn't know what could have happened, so I booted it in. I pulled the plunger out to see if it registered and it still did, so I shot it in again and shot the blood in again and the pain was excruciating and I just started screaming and crying. I called my psychiatrist and he said, 'Oh, you probably got a bad needle or something. Go to the hospital.' But I knew a bad needle couldn't do that—a dirty needle, so I went to Portsmouth Naavl Hospital. After 12 hours of being in the emergency room and the ward, they finally operated. They cut my arm open from m wrist to my elbow on the other side. It was completely black inside, they told me later.

Just almost completely dead because all the circulation had been cut off. For 2 weeks they told my parents that they didn't know if they could save the arm—that they might have to amputate. But they never did tell *me* that. After a couple of weeks they operated again and they thought after that that they probably wouldn't have to amputate, but it would be paralyzed, maybe, the rest of my life, or for a good long time. They didn't know how long it would be paralyzed. Altogether, then, I had three operations on it, and I was in the the hospital 6 weeks. When I got out it was paralyzed for about 6 months, just about completely, where I couldn't use it at all. After about 6 months, real slowly and gradually, I was working on it and getting therapy and the feeling started coming back in it, and I could move it a little bit until about a year and a half later after it happened. I started writing again and it's just like a miraculous thing, you know, where I came so close to losing it, and came so close to having it paralyzed for life, that it's almost completely well now. I can write, I can do everything with it, except I can't close it tight—you know, I can't ball it up in a fist. I can't straighten it up real well but other than that I can do most normal things with it.

Mech. You still hadn't given up drugs even though you'd done this?

Kris. Yes.

Mech. You had?

Kris. Yes, after I did this, I gave up drugs completely.

Mech. When was it, then, that the police got hold of you?

Kris. Oh, they got hold of me before then—a couple of months before then.

Mech. But you were out?

Kris. Right. I was out on bail when it happened. After it happened and I went to court, one of the cops in court tried to say, "We busted her and after we busted her, she messed up her arm, so evidently she was still doing drugs." But then my lawyer said, "She was evidently still doing drugs then but after she went through all this, the pain and agony, she quit doing drugs altogether, so she has learned a lesson." And I have.

Let me say one thing, after this happened to my arm, for the next year I never touched any drugs at all. After the year, I did try to do heroin again twice but I didn't shoot it and it didn't do me any good, and I didn't like doing it so I haven't done any since.

Mech. What do you mean, you didn't shoot it?

Kris. I snorted it. I was too scared to shoot anything. I've given it all up. I've only done it twice in the past 2 years and I'll never do it again—I don't think; I hope not.

I'm still on methadone now and I don't seem to be able to get off it, or at least any time soon, but I'm gonna try to get off it again. I don't know how I'll do it, but at least I'm working now. I've got a good job and I'm living a normal life.

MECH. How long have you been on methadone?

KRIS. Two years.

MECH. Have they been decreasing the amounts?

KRIS. Yes, at first they decreased the amounts and I couldn't stand it, so they increased them again. I came into this program, the new Renaissance Program, at the Mental Health Center. I've been on that for about 2½ months and they tried decreasing me then, again. I wanted to detoxify, to try to get off it altogether. They'd taken me down 40 milligrams, and I got so sick. I swear, I got so sick; I almost lost my job. The first week I stayed in bed every day because I couldn't stand getting out of bed; I was so sick. I almost lost my job and I was getting ready to go out and cop dope again and do junk so they increased it again, and I've been maintained on a regular level for about the past month and a half. I guess I'll try again sometime soon to go down. I don't know how it'll be but I know this past time, I couldn't stand it. It's not good being on methadone, but it's better than being on junk and I'm as normal as I can be.

MECH. It's administered by medical people?

KRIS. Right. They give it to you at the clinic. It's in pill form and they dissolve it in a little bit of water and pour orange juice in it to make it taste better. You have to drink it right there so there's no chance of . . . Like, when they give it in pills, people could stick it under their tongue, or hide it and save it up and get high on it, or they could sell it. This way, you have to drink it there and there's no way of that happening.

MECH. You think the biggest single factor that influenced you to take the cure is when you messed up your arm?

KRIS. Yes. Before that I'd wanted to get off it, but I just couldn't. I was on the methadone, but even with that, I couldn't. I just didn't think it was enough. When I messed my arm up I knew that it was a God-send; that I wasn't meant to do drugs anymore. I haven't. I don't want to.

MECH. I'm sure you know a lot of other people who are in this program. How many people, actually, do you think are successful in giving up drugs?

KRIS. Well, a lot of people on the program are 'chipping.' They do the methadone, and when they have a chance, they do heroin, too. Some of them aren't sincere at all. They just want to get detoxified so that they'll be clean so they can start their habit off again and have it so that they won't have to do as much. You know what I mean? Their habit will be cheaper and they can get high easier. They're not sincere on getting off of it. Those are the people who give it a bad name and the people who try to 'rip things off' from the clinic. But a good number of the people are sincere and the number of them that I've talked to haven't been 'chipping' at all, or they try not to, and they've been doing pretty good. I think.

MECH. What would you say to anybody who would even think about taking drugs?

KRIS. Oh. For the past 2 years I've gone to a junior high school in Virginia Beach a couple of time, I've talked at American Legion meetings, church meetings, PTA meetings, all sorts of places. A couple of weeks ago, I went up to Washington and spoke to the Senate—the Senate Subcommittee that Birch Bayh headed—about drugs. The older kids that have already tried drugs, I can't reach—they're already in it too deep or they don't want to listen, but the younger kids who haven't tried it yet . . . I don't try to scare them; I just tell them what can happen—what's happened to me and if they do get into it, what hell they might go through if they get into it too heavy. I don't recommend it.

MECH. Do you think that there was some point where you could have given drugs up without having the serious problems you've had up to now?

KRIS. I really don't know. I've never thought about it. I dont even know if I had looked ahead when I started doing drugs . . . if I saw what would have happened—you know, how I got strung out and messed up my arm—I dont know if it would have stopped me. I can't say.

MECH. You can't define any one place that you might have been able to say, 'Alright, lets knock it off,' and you feel that you could have?

KRIS. No. Not at all. I enjoyed drugs too much and when I wasn't strung out on heroin, it was the most beautiful drug I'd ever done. Like, for example, a girlfriend of mine and her boyfriend were strung out. They met when they were strung out, and they got married when they were strung out. So, as I say, to me, heroin is like artificial love. They got married, and when they both got busted and went to jail and got clean, they knew they didn't love each other, but it was just the heroin they had in common. So, that's what I mean by artificial love and how happy it makes you. But once you get strung out, it's holy hell. It's not any fun getting strung out anymore. It's just that you have to maintain it to keep normal—to keep from getting sick and to keep from going through hell. Just to stay normal.

MECH. Was there ever a point in your drug taking that you contemplated suicide?

KRIS. Yes. I thought about it a lot. I didn't really want to, but I thought about it a lot. For instance, my mother had put me in the hospital about three times already, and I got strung out again. I just couldn't go to her again and tell her that I was strung out and needed to go to the hospital. So I took an overdose of phenobarbital, which I was taking for my epilepsy, that I knew probably wouldn't kill me because they were weak. But I took them, and right after I took them—I took about 35 of them—after I took them I told Mom I was going out and I thumbed to the hospital. I told them what I had done so they wouldn't put me in the hospital and they called my mother and by the time she came, I was passed out. I didn't have to face her, but they put me in the hospital and I told her why I had done it after they put me in. She understood. My mother and father have been the most helpful people and I think without them I would probably still be strung out or dead or something. I've OD'd three or four times, and once a trick took me to a gas station after I copped—he didn't know what I was doing, but I told him I had to go to the bathroom. So I went in the gas station bathroom and I hit up and the next thing I knew, I woke up 4 hours later on the floor with the needle still in my arm. I'd OD'd. I guess I was lucky nobody came in the bathroom because they would have called the cops and I'd been in jail. But I had to call my parents to come pick me up 'cause I couldn't walk. I told them what had happened and they came to pick me up. They've gotten really mad but they've understood, and they've helped me.

MECH. Do you think most of the kids take drugs for emotional reasons or do a lot of them take it because they are called chicken?

KRIS. Yeah, they want to be around in the crowd . . . I think that a lot of kids take it because of the influence that friends have on them—because their friends were taking it. They want to be liked, and they take it so they will be liked. I hear kids talk nowadays, like young kids—15, 16 years old—like, "Wow! I did some skag last night; it was really good, Wow!" Like they're bragging about it because they think it's neat. Like, I took it because these people I met were taking it—and they looked so happy taking it. I didn't take it to go along with the crowd, but they looked like they were enjoying it immensely.

MECH. What is skag?

KRIS. Heroin. They think it's neat. They think it's the "in" thing to do.

MECH. You mean they jump right in with heroin?

KRIS. Some people do. But, most kids start out doing other drugs first.

MECH. I understand with heroin you have to work slowly before you start shooting it directly into your system.

KRIS. Well, I did. The first time I did it, I shot it up. But when you first start out, you can't shoot a lot of it. Like, you have to build up to do more and more of it. If you shoot a lot, you'll OD right away.

MECH. That's why some of these people take overdoses?

KRIS. Right. Plus you can't ever tell how much you're getting. You can't ever tell that.

MECH. You don't know what the percentage of heroin is?

KRIS. Right. Some people say, "Well, I got some pure heroin yesterday" If they'd gotten pure heroin, they'd be dead right on the spot. You know, it's cut so much, it's just outstanding how much it's cut. It's got to be cut a lot.

MECH. Do you have a job?

KRIS. Yes, I work for a TV station, although it's hard for addicts to get jobs. A lot of them have records; people don't want to hire them because they have records, and stuff. Like being on the maintenance program. I'd gone to Nursing Aid School for 3 months and then found out that none of the hospitals would hire me because of my drug addiction. I am thankful that the TV management knew I was an addict, but still gave me a job.

MECH. How long have you been working?

KRIS. I've been working 8 months now. That's the longest I've ever worked in my life. I've never worked over a month at anything, so it's really an accomplishment.

MECH. Kris, what do you think the future holds for you?

KRIS. I can't really say. No, I can't really say.

JAPANESE WAGES AND OUR TRADE DEFICIT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. GAYDOS. Mr. Speaker, we are all familiar with our adverse trade balance with Japan. In 1972, our trade deficit with that country was a little over $4 billion, or nearly a billion dollars higher than in 1971.

The highly unbalanced state of our trade with Japan has given rise to a succession of negotiations, and has been an important contributor to the financial difficulties we have experienced in the past few years and which became acute once more very recently.

Many ideas have been advanced toward a solution of our difficulty in trading with Japan. There is one approach, however, that seemingly has escaped the notice it deserves. It has to do with the wage levels prevailing in Japan, linked with the greatly increased productivity of Japanese industry.

Mr. Speaker, I wish to offer a short paper on this subject prepared by O. R. Strackbein, who heads the Nationwide Committee on Import-Export Policy. I am convinced that the paper will provide not only food for thought, but also a course of action that would be inestimable benefit to Japan herself:

JAPAN'S NEED FOR A BROADER HOME MARKET

(By O. R. Strackbein)

In 1971 Japan had a civilian labor force of 51 million, of which only 1.3% was unemployed.

The United States had a civilian labor force of 84 million in the same year. 5.9% was unemployed.

The per capita gross national product in the United States in 1970 was $4,734. In Japan it was $1911.

While the per capita gross product of Japan quadrupled between 1960 and 1970 compared with an increase of only 67% in the United States, Japan was still nearly $3,000 below the level in this country, or only 40% of our per capita product in 1970. (Statistical Abstract of the United States, 1972, Table 1326, p. 812, and Table 1329, p. 813).

While the Japanese economic ascent has been very rapid the gulf between her level and that of this country was so wide in 1960 that it is not yet bridged in spite of Japan's rapid rise.

In the field of industrial production Japan rose from an index of 70 in 1960 to 270 in 1971, where 1963 equals 100. This was a 2.86 fold increase.

The comparative U.S. industrial-production growth went from 87 in 1960 to only 139 in 1971. This was an increase of only 59%. The Japanese growth was therefore 4.8-fold that of this country. (Stat. Abs., 1972, Table 1332, p. 815). The Japanese growth was particularly steep from 1965 to 1971. It moved from 120 to 270 during that period. This country moved from 117, which was close to the Japanese index of 120, to only 139. To repeat, Japan moved to 270, i.e., over twice the 1965 figure. This meant, of course, that the growth of the Japanese economy really took wing after 1965.

The Japanese output per man-hour in manufacturing rose to 152.3 in 1970 from 52.6 in 1960 and 79.0 in 1965, where 1967 equals 100. Here again the jump since 1965 was 73 points compared with only 26.4 points from 1960 to 1965.

By comparison the output per man-hour in manufacturing rose to only 107.8 by 1970 in this country, compared with 152.3 for Japan. Moreover, we were already at 80.5 in 1960. Therefore our increase was only 27.3 points in ten years compared with the nearly 100 point increase in Japan. From 1965 to 1970, the U.S. increase was only 9.1 points compared with 73 points in Japan. (Stat. Abs. 1972, Table 1328, p. 812).

In the case of man-hour compensation, in national currency, this country rose from 76.6 (where 1967 equals 100) to 121.6 in 1970, whereas Japan went from 43.3 to 164.6. Our increase was 58.7%; that of Japan 180%. However, our hourly earnings (production workers) were already at $2.26 in 1960, whereas the Japanese pay averaged barely 40 cents per hour. An increase of 20% above our $2.26 per hour would be 45 cents and this would be equal to a 100% increase in the Japanese 1960 rate of 40 cents per hour.

Therefore the sharp increase in Japanese wages in terms of percentages was still insufficient to close the gap. Today the average hourly pay in manufacturing in this country is $4.00.

In 1971 the average nonagricultural pay in Japan was approximately $236 per month (calculated at 360 yen to the dollar). Weekly hours were 43. The monthly hours therefore was approximately 185. Therefore the average hourly pay was about $1.27. In this country the rate was $3.43, still leaving a gap of $2.16 per hour or 164% above the Japanese wage. (Bulletin of Labor Statistics, International Labor Office, 4th quarter 1972, pp. 41, 50).

SOLUTION OF THE JAPANESE TRADE PROGRAM

The growth of the Japanese economy has been phenomenal. It reflected the great postwar technological advancement in the production facilities. This advancement greatly exceeded that of the United States, as might be expected, because the new technology in Japan replaced a technology of a lower order, thus resulting in great leaps in productivity, while in the United States replacement machinery was usually only a moderate improvement over the existing equipment.

As in the United States, employee compensation no doubt represents the greater part of the gross national product in Japan. As we have seen the per capita GNP of Japan is only 40% of the level in this country.

The great rise in Japanese productivity has been such that the economy would support a higher per capita product than the $1911 of 1970, compared with $4,734 in the United States. Had it been $2500 in 1970 instead of $1911, the purchasing power of the Japanese people (103,000,000 in 1970) would have been increased by about $60 billion. It would have been about $257 billion instead of the actual $197 billion (Approx).

Japan would have found its home market much more attractive than the American market which even in 1972 took only $9 billion in imports from Japan.

Should the American per capita GNP shrink to the $1911 level of 1970 Japan our economy would collapse beyond resusitation. In 1970 when our GNP *merely failed to grow* by more than 5% we went into an uncomfortable recession.

An increase of only $200 in the per capita GNP of Japan would widen the Japanese home market by over $20 billion. Total Japanese exports were $19.3 billion.

While it is true that Japan needs heavy exports in order to purchase her needs for food and raw materials, a richer market at home would enable her to import more as well as export more; but the need to export would be much less pressing. The increase in wages that would swell the gross national product would also expand demand, i.e., effective, money-backed demand for consumer goods at home. Japanese consumers could buy more, both of home-produced goods and of imports.

Japan's undoubted need for foreign markets would shrink hand in hand with an upward curve in the standard of living at home. There is a built-in potential market at home that, if more fully developed, would reduce dependence on exports while increasing consumption of domestically-produced goods within Japan.

The business community need have no fear that this course would reduce profits. The American experience proves the contrary. The same rate of profit on a larger sales volume produces a higher total profit than the same rate on a lower volume of sales.

OEO DESERVES TO CONTINUE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HARRINGTON. Mr. Speaker, President Nixon's termination of vital social programs will deprive many Americans of the Federal assistance they need and deserve. The agency most directly attacked is, of course, the Office of Economic Opportunity.

The elimination of this agency which has become a symbol of hope to millions would truly be a regressive step. Howard Phillips, the Acting Director of OEO, made the administration's position clear when he said:

> I think in many ways OEO has had negative impact.

Mr. Phillips has previously stated:

> We found that the Office of Economic Opportunity was functioning mainly as a make-work program designed to lay off summer riots.

Statements such as these are indicative of the callousness demonstrated by the administration toward those Americans who are in the greatest need of Government services.

Any major agency will undergo various administrative difficulties. OEO is no exception, but has taken admirable steps to avoid excess complications. The agency has consistently responded to changes through self-evaluation and reform. A recent study conducted by OEO, known as the "Utilization Test Data," revealed that most of the 591 agencies evaluated, were working closely with local governments and adjusting to achieve more effective administration.

Lou Cannon writing on OEO in the Washington Post, Sunday, February 4, 1973, discussed the situation. The article follows:

OEO CHIEF SAVORS SHUTDOWN

(By Lou Cannon)

The man who is to dismantle the Office of Economic Opportunity believes that OEO has undermined authority, challenged the family, promoted the welfare ethic and eroded domocratic safeguards.

Howard Phillips, 32, acting director of the agency, is cheerfully looking forward to his task.

"I personally believe in what I'm going to be doing, so it's going to be a very easy job for me to do from that standpoint," Phillips said. "I'm not going to have any mental hangups or reservations and I'm just going to hope that I have the judgment and the skill to do it well."

The chief casualties of the dismantling—and the backbone of what Lyndon B. Johnson once called the "war on poverty"—are the 907 community action agencies scattered around the country.

The budget presented to Congress by President Nixon last week suggests that local communities may want to use revenue-sharing funds to keep the community action agencies going. Phillips has no doubt that many of them simply will be closed down, and that is all right with him.

Community action agencies, in Phillips' view, often have become "captives of their staffs" and "really representative of no one." He thinks that these programs and OEO itself have fostered "harmful illusions" about the nature of poverty.

"I think in many ways OEO has had negative impact," Phillips told The Washington Post in an hour-long interview. "When we spend public dollars, we have to decide not merely whether they're being spent effectively but whether there are some ways in which they've been harmful. And to the extent that we have promoted the welfare ethic out of OEO, to the extent that some people funded by us have advanced the notion that the main values of American life are without merit, then I think OEO has done a great disservice to this country. And unfortunately there have been a number of instances of that."

Phillips concedes that OEO has become a symbol for the poor, but he does not believe it a symbol that should be perpetuated.

"To me, OEO has come to symbolize a number of unfortunate things," Phillips said. "It's come to symbolize challenges to the importance of the family. It's come to symbolize the seeking to change beyond the ken of orderly democratic process. Boycotts and demonstrations and riots and so forth and so on may be legal. They shouldn't be subsidized by the federal government. And even if they're conducted privately, they tend to erode the kind of normal majoritarian democratic safeguards that are incident to the electoral process."

The destruction of community action agencies—whose representatives met in Washington last week and voted to raise a war chest of $75,000 to fight the issue in Congress and the courts—comes at a time when an OEO evaluation of the agencies celebrated them for their effectiveness in mobilizing local resources "to help the poor become self-sufficient."

The evaluation, based on a study of 591 of the 907 agencies, found them working closely with local governments and making institutional changes of benefit to the poor.

"The total emerging picture of community action clearly shows that CAAs are rapidly becoming very positive forces in their communities that can play significant roles in helping communities rise to the challenges of revenue-sharing and other forms of government decentralization," the evaluation stated.

The biggest challenge to revenue sharing, as it has turned out, may be trying to stretch the money to pay for the community action agencies in communities that want to keep them.

The evaluation was published in limited numbers in January but Phillips, acting at the direction of the Office of Management and Budget, halted its distribution.

A number of employees nonetheless passed the survey around, and the document is likely to become a cornerstone of the political arguments made by community action representatives on Capitol Hill.

Many of the OEO agencies have an admittedly small constituency in Congress. But the community action agencies, in the views of their backers, have the potential for generating congressional support because they are scattered around the country and have local ties.

"Even where they're not popular, the city governments have used them as a buffer zone with poor people," says one OEO employee. "When they go the buffer goes too."

This is why such big-city mayors as Chicago's Richard Daley have protested the community action close-down. In the big cities, the community action agencies employ a heavy proportion of blacks and other racial minorities. In the rural South, community action agencies are sometimes a major employer.

Across the country, community action agencies employ 184,500 persons, half of whom were below the poverty line when they were hired. They make an average annual wage of $5,200.

"There's very little chance that many of these people will be picked up by local government," said Wayne Kennedy, president of the National Council of OEO Unions. "Many of these people are poor people who are going to be forced back onto welfare."

In the eyes of Kennedy and other OEO activists, the closedown also will put pressure for jobs on the all-white construction unions. He says that AFL-CIO President George Meany "is not prepared to deal with this pressure."

The supporters of OEO see the closedown of the agency as an indication that the government, under the Nixon administration, has given up on the poor.

"Even when you earmark funds for the poor, it's unlikely that the money will get there," Kennedy said. "When you throw it into the general pot, there's no chance they will get it. What we're asking for in seeking the retention of the community action agencies is spending $328 million on the poor, the equivalent of one lousy subsidy for a big corporation."

Kennedy's hope is that the Nixon administration will report a reorganization plan including OEO to Congress and that Congress will reject it. Even if this happens, however, it is questionable whether Congress can force a President to spend money on an agency that is part of the executive office of the President.

On the other hand, Congress will definitely have a say about the future of the OEO legal services program, which President Nixon maintains he wants to preserve in the form of a legal services corporation.

Last year, Congress substituted its own legal services corporation for the President's plan after both sides refused to compromise. Mr. Nixon promptly vetoed the bill.

This year, the administration has earmarked $71.5 million for legal services and declared its intention to resubmit a bill to Congress. Phillips, who played an important role in the fight over the corporation last time, said the new bill hasn't been written yet.

When the legislation is submitted to Congress, probably in mid-February, the administration will have the whip hand. Legal services will have no home in OEO after the office is abolished July 1, and the administration, in effect, is saying to Congress: pass the President's bill if you want to keep legal services going.

Five Democratic senators nonetheless introduced their rival bill for a legal services corporation Friday and proposed appropriating $171.5 million to fund it instead of the $71.5 million requested by Mr. Nixon.

The main issues on legal services, however, are ideological rather than economic.

The President last year proposed a corporation that would be appointed entirely by him and that would restrict political activity and lobbying by the legal services lawyers as well as the type of legal actions that could be filed. The Democrats, led by Sen. Walter Mondale of Minnesota, Edward Kennedy of Massachusetts and Alan Cranston of California, responded with a board that would be appointed from a variety of sources and would impose few restrictions on attorneys.

The same kind of fight is brewing again.

Phillips says that legal services programs have in many cases served the objectives of the lawyers rather than of the clients. He gave this example:

"The way the legal services program is now structured, if a client comes in and says, 'Mr. Legal services attorney, I want a divorce,' the attorney can say, 'Gee, I'm sorry. This week we're just suing the President, try us next week,' and the client doesn't have much choice. Similarly, if the attorney pursues a particular course of action and the client doesn't like it, there isn't much the client can do about it."

He also points to political and organizing activities conducted by lawyers who have tried to "politicize" and "radicalize" the poor and who spend a disproportionate amount of their time with anti-government test cases.

This picture of an OEO-sponsored legal services program which serves mainly as a battle station for harassing the establishment is contradicted by Theodore Tetzlaff, who heads the OEO legal services program.

He says that OEO attorneys have 1.2 million clients. These attorneys spend 42 per cent of their time on domestic relations programs, 18 per cent on consumer and job issues, 12 per cent on housing problems, 10 per cent on juvenile problems and most of the rest of their time on issues of veterans' benefits, welfare and Social Security.

"Less than one-half of 1 per cent of the time spent by the lawyers was in group representation or class actions," Tetzlaff said.

A similar conclusion was reached in November by William R. Klaus, chairman of the American Bar Association's Committee on Legal Aid, in a reply in the *ABA Journal* to criticisms of legal services made by Vice President Spiro T. Agnew.

"The professional record of legal services lawyers as a group has been exemplary," Klaus wrote. "This record, far from showing that these lawyers have been irresponsible or unresponsive to their clients' needs, shows that they have vigorously and in the preponderance of cases successfully represented their indigent clients."

Phillips would not agree.

"Legal services lawyers . . . have been organizing chapters of the National Welfare Rights Organization, they've been organizing chapters of the National Tenants Organization, they've been organizing United Farm Workers Unions around the country with taxpayers' funds," he said.

It is an open secret in the dying OEO that Phillips and Tetzlaff, 28, the office's legal services director, disagree on fundamental issues.

Tetzlaff is a staunch defender of legal services and wary of restrictions on the type of service an attorney can offer a poor client. He believes that good attorneys will be reluctant to work for any legal services programs unless they offer their clients the full range of actions that would be available to a paying client.

But Tetzlaff, who has been caught in a crossfire between Phillips and poverty-lawyer groups, also believes that local boards of attorneys should advise lawyers and even impose restrictions consistent with the canons of judicial ethics.

Too often, Tetzlaff said, a young attorney in a legal services program is like a doctor just out of medical school "asked to perform open heart surgery."

Another medical analogy, one that is far more critical of OEO attempts to limit legal service activity, is offered by Michael Bennett, administrator of California Rural Legal Assistance.

"Phillips apparently wants a legal services program with lawyers prohibited from using the traditional tools of their profession." Bennett said. "That's simply fraud. It would be like establishing a program of 'doctors for the poor' and prohibiting the doctors from prescribing anything but aspirin."

The "medicine" prescribed by Phillips last week for the entire OEO was strong.

Taking over as acting director at a time that job security fears were sweeping through the agency, Phillips ordered a flat ban on promotions, hiring and nonlocal travel. He also sent out an order limiting refunding of grants to a 30-day basis.

The limitation was an understandable one for programs which are being phased out or transferred. In the case of legal services, complains legal rights lobbyist Noel H. Klores, the action "simply amounts to harassment."

Phillips also distributed an explanation of the OEO phaseout which showed the work force reduced from 2,271 on June 30, 1972, to 1,500 this June 30. These 1,500 will be transferred to other agencies with more than half of them (834) going to the General Services Administration.

Of the declining OEO appropriation, $33 million will be transferred to the General

Services Administration for "liquidation activities."

This bluntly worded phrase and Phillips' actions in his first week as OEO acting director showed that the administration was wasting no time in bringing the war on poverty to its inconclusive end. No one could have been happier about it than Howard Phillips.

CUTS IN SOCIAL SERVICES

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. REID. Mr. Speaker, the Nixon administration is planning to make drastic cuts in a wide range of federally supported social service programs such as aid for children, the elderly, the retarded, and the addict.

These cuts will be accomplished through substantial changes in HEW regulations proposed on February 16. The net effect will be to cut social services by more than $700 million below the already restrictive $2.5 billion ceiling set by Congress last fall, and to deny millions of working poor a chance to become self-sufficient.

It is clear that this is nothing more nor less than a device to effect improper impoundment of urgently needed funds. It is a devious and unconscionable invasion of legislative prerogative which will work incalculable hardship upon innocent children and families who through no fault of their own are economically deprived.

Standards for social services have been so narrowed that only the working welfare recipient is eligible. Thus the working poor are denied a chance to achieve independence and many will, in fact, be forced back onto welfare. Federal standards for child care have been eliminated, an invitation to a return to mere warehousing of children. The use of private funds as part of the State's share in claiming Federal reimbursement has been prohibited. States which rely heavily on these funds will be forced to make up the deficit or suspend services and private enterprise is denied a chance to make a meaningful contribution to community involvement.

On February 22, I sent to Secretary Caspar Weinberger a letter protesting the new regulations, signed by myself and 67 Members of the House. A copy of this letter is attached.

Within the next several days I plan to introduce legislation to prevent implementation of these regulations. I urge all my colleagues who care about helping the poor gain a meaningful place in our society to sponsor this legislation.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 22, 1973.
Hon. CASPAR WEINBERGER,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: We are writing to register our strong protest over the new social service regulations issued on February 16, by the Department of Health, Education, and Welfare.

In our opinion, these regulations are not only inhumane, but fail to carry out the mandate of Congress under which your Department operates.

Last year Congress established stringent spending limits for social services. But these regulations go far beyond this budgetary efforts. Not only will spending be curtailed by over $700 million, but further, the primary intention of the law—to move the poor toward self-sufficiency—has been thwarted.

To make additional cutbacks in vitally needed services for children, mothers, the retarded, the aged, the drug addict is unconscionable. To so constrict eligibility for these programs that only the working welfare recipient is eligible is to deny the working poor a chance to become independent. To eliminate standards for child care is to relegate our young children to ghettoized warehousing or babysitting at best. To prohibit the use of private funds for matching is to deny private enterprise the chance to share in responsibility for community involvement.

We urge you, on behalf of the millions of affected Americans, to withdraw these regulations and return to regulations consistent with Congressional intent.

Sincerely,

Ogden R. Reid, Joseph P. Addabbo, Thomas L. Ashley, Herman Badillo, Jaime Benitez, Mario Biaggi, Jonathan B. Bingham, John Brademas, George E. Brown, Jr., Phillip Burton,
Shirley Chisholm, William Clay, John Conyers, James C. Corman, Dominick V. Daniels, Ronald V. Dellums, Ron de Lugo, John H. Dent, Charles C. Diggs, Jr., Robert F. Drinan,
Bob Eckhardt, Don Edwards, Joshua Eilberg, Dante B. Fascell, Walter E. Fauntroy, Donald M. Fraser, Richard H. Fulton, Kenneth J. Gray, Gilbert Gude,
Michael Harrington, Augustus F. Hawkins, Ken Hechler, Henry Helstoski, Elizabeth Holtzman, Barbara Jordan, Edward I. Koch, Peter N. Kyros, Robert L. Leggett, William Lehman,
Spark M. Matsunaga, Romano L. Mazzoli, Lloyd Meeds, Ralph H. Metcalfe, Patsy Mink, Parren J. Mitchell, John Moakley, William S. Moorhead, John M. Murphy, Claude Pepper,
Bertram L. Podell, Melvin Price, Charles B. Rangel, Donald W. Riegle, Peter W. Rodino, Jr., Fred B. Rooney, Benjamin S. Rosenthal, Edward R. Roybal, Paul S. Sarbanes, Patricia Schroeder.
Fortney H. Stark, Louis Stokes, W. S. Stuckey, Jr., Frank Thompson, Jr., Robert O. Tiernan, Lionel Van Deerlin, Lester L. Wolff, Antonio Borja Won Pat, Andrew Young.

REALITY: HOME AND ABROAD

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. HANNA. Mr. Speaker, the subject of the multinational corporation and its impact on our economy is very much on the minds of the Members of the House. I am providing for their benefit the following informative speech by Mr. James W. McKee, Jr., president of the CPC International Inc. of New Jersey:

It is appropriate that Los Angeles is the focal point of Southern California and Southwest industry, and a gateway port to the Pacific Basin and trade with Latin America, Australia, Japan and the Far East. For I am going to urge today that business and opinion leaders of this country must look in both directions—abroad as well as at home—for our own prosperity and survival.

There are growing numbers of people in this nation who would have us look inward only, and reject the larger world of opportunity that lies beyond our shores. And I believe that this is a defeatist and dangerous attitude.

NATIONAL SELF-INTEREST

We must—as indeed all nations must—look inward to the well-being of our domestic industry, our labor force, our economy. And follow those courses of action that will yield the most benefit, over the long term, and for the greatest number of our people. A healthy self-interest, if you will, that looks to keep our house in order.

But the near-sighted vision of protectionism, that sees only those factors closest at hand, and cannot or will not see their relationship to all the other elements of the world situation outside our borders, is not a healthy self-interest. A course of action that attempts to seal this counry off from the rest of the world is simply not realistic and will not create domestic strength, but weakness.

To a certain extent in the world of economics we can see a parallel to the law of physics which states that every action has an equal and opposite reaction. What we do inside this country produces a reaction outside, and actions taken abroad have an effect on our domestic well-being.

If we look at events of recent times with a broad vision, we can see the ways in which these inward and outward actions have affected this country and will continue to do so.

In the years since World War II, the reality of a world united in mutual trade and interdependence has grown to a degree that seemed impossible 50 years ago. Economic cooperation has accomplished more in two decades than politics and ideology have ever been able to do. We have seen the beginnings of rapproachment with the Soviet Union and China. We have witnessed the Common Market override the centuries-old animosities of Western Europe through economic cooperation. These nations have come to trade with us and each other because of the needs of their people for food and other necessities of life, by a need for resource development and utilization, and a desire to expand trade.

These gains can be extended and enriched, and a world united in prosperity brought closer to reality, with this country as a leader. The outward trend to unity should be continued through active encouragement and promotion not only by the government but by all responsible persons.

These economic gains have not been achieved without some problems in all nations, of course. There has been some slowing down of the pace of growth recently. There is inflation. There are areas of unemployment, worldwide. There have been monetary imbalances. There have of course been strains in the patterns of things-as-they-were as national economies have moved from the narrower confines of country and regional markets into the broader sweep of a global economy. These real problems have generated fears both here and abroad which form the emotional and unreal basis of protectionist sentiment.

TO ENCOURAGE EXPANSION

But the stresses of this expansion in our country can be eased by adjustment of the instruments that have worked generally quite well, rather than by dismantling them and returning to more localized parochial outlooks and limitations on this expansion . . . including tariffs, quotas, investment restrictions and the infinite variety of devices that block the international movement of goods, capital and technology . . . the economic warfare that has so often led to political turmoil and war. Rather, let our internal actions produce an external reaction which encourages worldwide economic expansion.

I am most concerned that one of the major targets of protectionist forces is the multinational corporation. Not only because I am president of such a company, but because the multinational corporation has become one of the dynamic sparkplugs—a vital energizer—of the world economy. The MNCs have been one medium through which capital, science, technology, and human resources have flowed between the industrial nations. And, of increasing importance to the future of the industrial nations, the multinational corporation is the most important active interface—where the most practical actions are going on—between the have and have-not nations.

Government aid programs—with the Marshall Plan the most spectacular success—have played their part in building the early foundations of the present world economy. But in recent years, it has been private capital, carrying the explosion of new concepts in science, technology and management across borders and oceans, that has sparked prosperity on a global scale. And brought mutual benefit to investors, including Americans, and the recipient peoples and countries.

The very success of the multinational has attracted an increasing public awareness of the extent of their activities . . . their size and resources . . . their very multi-*nationality*. Awareness of what may seem a totally new creation of world business has engendered confusion and misunderstanding.

And, indeed, some legitimate confusion does exist. No one, for example, seems to agree on the definition of a multinational corporation. The American Office of Foreign Direct Investment, for purposes of regulation, lists 3,350 U.S. companies that invest directly outside our borders to one degree or another, although not all of these would be considered multinationals.

MULTINATIONAL TRADITION

Actually, multinational corporations have been in business for many years, of course. My own company began mnaufacturing and marketing abroad over 50 years ago. Our experience has not been unique, although we happened to start investing abroad earlier than most other firms to hold and gain markets that could not be reached by export with our types of food products.

And what we have done abroad has benefited us—and our nation—at home: interaction outward and inward. Like other multinationals, earnings from abroad have been distributed to American individuals, institutions and funds holding shares, and have been re-invested in the business. Our net return flow from dollars invested abroad has made a substantial contribution to the U.S. Balance of Payments. Our manufacturing operations abroad have generated the export of American machinery and agricultural commodities (produced by other firms) currently in the range of more than $85 million a year. We import some raw materials, as well, but the net balance is over $35 million on the export side. So, our investments abroad, by helping to generate U.S. exports and a return flow of dollars, have contributed to the U.S. domestic economy.

At the same time, investments abroad have created wealth in the host countries, providing employment and economic stimulus, as well as raising living standards. Both sides—U.S. and host—have gained from a mutual exchange of benefits.

What my company has been able to do has been done by many other multinationals. And, more importantly, the *potential* for *much more* economic development lies with the concept of the multinational corporation.

For the great surge in world economic development to date has been sparked by just such private capital and technology flows among nations, in an atmosphere of investment and trade freedom. Regarding trade, it is generally recognized today that fully 50 percent of Western world trade per se is the result of direct capital investment among nations.

But only a small part of the task has been accomplished so far. For we of this nation and other developed countries face beyond our borders almost three-quarters of a world which has not had the same economic advantages in such basic areas as food, housing and clothing. Nearly three-quarters of a world which consumes as little as one-seventh of the global resources at mankind's disposal.

While there has been some improvement in the number of developing countries showing gains in basic living standards, the gap between fundamental needs and true well-being is still considerable. In the vital area of agriculture, for example, the developing nations are falling farther behind in food production.

CHALLENGE AND OPPORTUNITY

The condition of this great majority of the world's peoples represents for us both a challenge and an opportunity—but also a potential danger. Looking outward, we can see the danger that could affect us inwardly. The imbalance in distribution of the world's food and basic goods necessary for a satisfactory life—the existence of hunger, poverty and hopelessness side by side with comfort in a world of almost instant communication—bears a potential for social unrest, violence and political adventurism. For, as psychologist Rollo May points out in his recent book, "Power and Innocence," it is not power, but its opposite—impotence—that leads to violence.

I am proposing that the developed nations have the means at our disposal to *create* the *potential* for betterment of living conditions where that possibility does not now exist. For this country, our failure to act outside our borders could lead to economic and political turmoil abroad that would profoundly affect our domestic well-being.

And governments alone cannot do this job, although they have the potential to facilitate or frustrate the task. As far as aid is concerned, the *total* aid of the industralized countries to the under-developed amounts to less than one per cent of the Gross National Product of the industrialized nations.

Private industry of the world, however, has amassed a great reservoir of technology, skill and expertise required to direct the employment of development capital creatively, in ways that can build solid foundations for further economic growth and development.

Another factor has been emerging worldwide in recent years which favors a logical, meaningful use of development funds. This is the increasing focus on values growing out of the needs of the individual—with human beings as the end, not the means, of economic development; the desire to make capitals and technology the tools of men, rather than the other way around.

NEW VALUES WORLDWIDE

We have seen this value-shift in our own country expressed in the goals of Consumerism, of Corporate Responsibility, of Zero Economic Growth and Zero Population Growth, in the demands for environmental improvement—and in Europe, in the questions posed by the Club of Rome—all of which reflect deeper historical movements in the value-direction of our technological society.

The same considerations are expressed in the Third World nations through their insistence on participation in future negotiations on world monetary systems in the International Monetary Fund. By the so-called Group of 77 in the United Nations, now actually numbering over 90 Third World nations, concerned with employment, hunger, and malnutrition. Third World nations are demanding a voice in the direction and employment of development capital to match their internal re-ordering of priorities from a preoccupation with straight-line economic growth in conventional terms to a regard for the basic needs of their people—for food, employment, housing, education. New Priorities, for example, that rank food before automobiles and housing before steel mills.

The situation, then, as I see it, is an enormous amount of economic wealth and ability in the industrialized quarter of the world, and an overwhelming need now—not in some indeterminate future—for scientific, technical, and financial assistance in the underdeveloped quarters of the world, to bring their people above the level of hunger and bare subsistence.

There can be a healthy self-interest here, too, for the concerns of our domestic economy. We know from experience that our capital invested abroad earns dollars for our home country. We also know that when we invest our technology and expertise abroad, we earn not only dollars on the transaction, but increase the productivity—the utilization—of these resources and receive valuable technology in return. It is common knowledge, as well, that raising the level of living standards of other societies creates demand for export products from our home industrial base.

I believe that experience has also shown that generally, one of the most viable, practical pipelines already working to transfuse the lifeblood of capital from the haves to the have-nots, is the multinational corporation.

And yet at this juncture the multinationals have come under increasing questioning and attack. There are fantasies aplenty but precious little fact in the current controversies, both inside the U.S. and outside. Within the short space of a few months, some four different international studies of multinational corporations have been launched: The International Labor Organization, the U.N. Economic and Social Council, the U.N. Conference on Trade and Development and, in our own country, The Brookings Institution. Others will undoubtedly be undertaken by our new Congress.

MORE HARMONY NEEDED

But the international need now is not more or less government involvement, but more inter-govermental as well as inter-corporate *harmony* in the new priorities affecting multinational enterprise. The accusation is often made that multinationals are subject to the laws of no nation. This could almost be amusing to corporations such as mine, which is subject to the laws, regulations—and tax structures—of 42 different nations outside our own. We face almost unbelievable complexity in meeting the regulations of so many different nations in regard to taxation, tariffs, financing, product standards, labeling and packaging, ingredients, container sizes, and even definitions. Some of these requirements reflect genuine regulatory traditions peculiar to the different nations. But some, however, are thinly-veiled protectionist actions that erect barriers to trade.

Some efforts have been made to reach international agreement on standard requirements, such as the International Organization for Standardization in the field of mechanical standards and, in the food field, the work toward a *Codex Alimentarius* of uniform worldwide food standards, by the Food and Agriculture Organization and the World

Health Organization. These efforts indicate, to me, the most sensible course—an adjustment and reorganizing of existing instruments of world development with proven ability to get the job of economic growth done.

Therefore, I most fervently hope that the studies of multinationals now getting under way will lead to a sensible reordering of regulations and agreements on international requirements affecting broad areas of trade and investment. Collaboration and planning among national governments and multinational companies could, as well, lead to more orderly development and a building of mutual trust.

There are infinite varieties of *new* possibilities open to us in the United States and other developed nations. New instruments and bodies of international cooperation and harmony. New codes of law and conduct multilaterally agreed to among nations. New means of moving scarce capital and technology—as, indeed, knowledge itself is capital—to the peoples and nations where it is needed.

FORCE OF WORLD ECONOMICS

We are already wrestling successfully with techniques of economic cooperation between nations of East and West whose ideologies and politics are directly opposed on a theoretical basis. East and West are moving on converging courses because of the inexorable forces of world economics powered by a totally new value system based on human need. We are seeing the separation of economic and political power advocated by Servan-Schreiber.

Looking outward, we can see the evolution of a global combination of systems working towards the protection and utilization of the world's resources for the benefit of all the world's peoples. And the dynamic mover is the *multinational concept*—whether it be the multinational company as it exists today or a new combination of instruments that will evolve to meet tomorrow's needs.

Looking inward, we can see these forces at work now in the United States, as they have been in our recent years of turmoil and change. Our institutions of government, education and industry are *responding* to the pressures of the new needs and values. American corporations have undergone more change in their response to our society's needs in the past four years than in any comparable period before. On questions of poverty, urban problems, racial and sexual discrimination, the environment, education, nutrition—a whole range of issues once thought to be outside the realm of corporate concern.

And it is precisely because business *is* concerned and is using its enormous resources to effect progressive changes in our society, that our country is making headway in coping with and surmounting its problems. Contrary to traditional dogma, it is America and American business which are in the forefront of radical evolutionary changes in our society—positive changes wrought through innovation of new and adaptation of *existing* institutions that are fundamentally sound.

If we have difficulty seeing ourselves in this role, others have perceived it. Jean-Francois Revel, in his amazingly fresh view of the world, "Without Marx or Jesus," declares that "the new American revolution has begun" and that it will lead to a Second World Revolution.

The United States was a major instrument of the First Revolution, which Revel sees as the substitution of institutions for the despotism of personal rule in the domestic affairs of state. The Second Revolution he foresees as the substitution of institutions for the despotism of power politics in international relations, with its goal the establishment of a human world order based on equalization of the standard of living throughout the world.

NEW DEMANDS, NEW INSTITUTIONS

But we are concerned with evolution of new institutions built on the old, to accommodate new demands, rather than with destruction of what is workable. Above all, Revel sees the United States as the great innovator, the creator of *new* institutions and instruments, free of the rigid ideologies of the past, to bring about change—like his compatriot deTocqueville a century earlier, today Revel reaffirms a greater capacity for change in America than in any other country.

Contrast the boldness, the forward-looking hopefulness of these concepts with the narrow provincialism of protectionism and its proposals, which have been described as "a United States declaration of war on our trading partners." The proposals made to date would not, in fact, serve the long-term self-interest of our nation. I believe that enactment of the stringent protectionist measures proposed would, in the long run, suffocate our business and industry, and lead the United States to the status of a second-rate power in the world.

We have made a beginning, with our investment in world development, toward the creation of a world economy offering equal potential for better living standards. These investments have served us inwardly, as well, in the stimulation of our domestic economy. I firmly believe that the best way for all Americans to prosper is to look and work in both directions—inward and outward—to leadership and participation in the massive global economy from which we can benefit—and to which we as individuals, as business, and as a nation, can *contribute* so much.

AID TO NORTH VIETNAM

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. SYMMS. Mr. Speaker, now that American involvement in the unhappy war in Vietnam is ended, we are told that a new, sophisticated diplomacy demands that we pay our enemies billions to rebuild their economy. But I cannot agree. When President Johnson first advanced this proposal, on April 7, 1965, the late Senator Dirksen of Illinois responded with words which exactly express my feelings today:

> The President offers a billion dollar lure as a step toward peace in Vietnam. . . . Do we actually buy peace with an American aid program? Do you buy freedom for a humble people? I doubt it, and I doubt also that we can preserve face and prestige with such an approach.

Some say that aiding our defeated foes is "traditional policy" for the United States. But we have never before aided a government with whom we went to war. We helped Germany and Japan after World War II. But the dictatorships with whom we fought we removed from office and replaced with free governments. Germany and Japan surrendered and were scheduled to pay reparations to us, which we canceled to help them get on their feet. The North Vietnamese are not asking us to cancel their reparations—they are brazenly demanding that we pay them. And we do not owe them a thing.

At the end of World War II, world markets were disrupted. By helping Germany, Japan, and other nations, there was at least some possibility that we were revitalizing our own prospects for world trade. But this is certainly not the case with North Vietnam.

The major political aim of foreign aid after World War II was to prevent war-ravaged nations from turning Communist. Secretary of State Marshall, in proposing massive aid, said that if we did not support Europe financially, then "we must accept the consequences of its collapse into the dictatorship of police states." But North Vietnam is already under Communist domination. Giving them billions would only stabilize their economy and thus further their capacity to disrupt life in Southeast Asia.

Germany and Japan were industrialized nations which welcomed a massive rebuilding through private enterprise. North Vietnam had no industry to speak of before the war. If we spent billions giving new life to their economy, they would actually be better off for having fought us. To reward them under these circumstances would open the gate to a flood of requests for more foreign aid by the other nations of the world. We could not, and ought not, respond by increasing grants everywhere. But what lesson would we leave with the international community if we rewarded countries with whom we went to war more generously than those with whom we maintained friendly relations? Any dictator with a slide rule could see that it was to his advantage to stir up conflict.

Payment of billions to North Vietnam would also make necessary cuts in domestic spending politically impossible. We cannot cut back questionable spending at home only to substitute more questionable aid to our enemies.

The U.S. Treasury is broke. The budget is unbalanced. The value of our dollar is declining on an almost daily basis. To pay out billions to aid North Vietnam would be fiscally irresponsible even if it were not a bad idea for so many other reasons.

I hope the American people will make known to Congress, in no uncertain terms, their opposition to all aid to Hanoi, so that a majority of my colleagues will join me in voting for legislation to prohibit such expenditure of tax dollars.

CHICAGO: MARKETPLACE OF THE WORLD FOR FUTURES TRADING

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. FINDLEY. Mr. Speaker, the soundness of the American free enterprise system and the overwhelming worldwide superiority of American agriculture is demonstrated through markets such as the Chicago Board of Trade and the Chicago Mercantile Exchange.

With prices for many farm products at all time highs and total farm income setting a new record high in 1972, the great value and importance of these markets is clear.

The Chicago Board of Trade and the Chicago Mercantile Exchange claim 83 percent of the total commodity business of the Nation. This makes Chicago, the Nation's so-called second city, the world's No. 1 agricultural marketplace.

Although Illinois' 20th Congressional District which I represent is over 100 miles away from Chicago, farmers of this area, and indeed all of its residents, know well the importance of these markets.

Because of the vital roles they play in keeping our agriculture healthy and our people well-fed, it is time we paid tribute to these two great markets and the city that is the futures trading center of the world. For this reason, and because many of our colleagues may not be aware of the scope and significance of the Chicago Board of Trade and the Chicago Mercantile Exchange, I insert the following into the RECORD:

CHICAGO: AGRICULTURAL MARKETPLACE OF THE WORLD

Chicago, the city of "broad shoulders" as described by Carl Sandburg, was originally chosen as the site for U.S. commodity exchanges because of its central location between the producing areas of the west and the consuming sections of the east. The choice was well made.

THE CHICAGO BOARD OF TRADE

The Chicago Board of Trade was organized in early 1848. It was a semi-formal confederation of eighty-two grain merchants until 1859, when incorporation was granted by legislative act of the Illinois General Assembly.

At that time, Chicago's first grain exchange was little more than a meeting place (the second floor above a feed and grain store) where grain merchants discussed their mutual problems. Prior to the erection of the exchange building at La Salle and Jackson in 1885, the Chicago Board of Trade occupied space at a dozen different downtown Chicago addresses.

The exchange's present building, a forty-four story landmark, was completed in 1930 and is located in the heart of the City's financial district. Today, the Board of Trade's membership numbers 1,402 and represents farmers, elevators, grain companies, manufacturers and processors of commodities, and exporters.

In recent years, the achievements of the Chicago Board of Trade have been dramatic. In 1967, 1968, and 1969, the Board's trading, measured in dollars volume, was at a level of approximately $40 billion. In 1970 it rose to $73 billion; in 1971 it was $88 billion, and in 1972, dollar volume jumped to $123 billion. This makes the Board of Trade the largest financial organization in Chicago and one of the largest in the world.

This achievement has been the prime factor in moving to market the enormous American agricultural output. But while the Board of Trade has become established as the major marketplace for buying and selling agricultural products, it has also begun applying the principles of futures trading to non-agricultural products. In 1968 the Board began trading in silver and plywood and, just this past year, opened trading in stud lumber. Plans are underway to open a market in stock options in the near future, and gold also will be traded by the Board if Congress enacts legislation to permit American citizens to own gold.

CHICAGO MERCANTILE EXCHANGE

In 1919, members of the Butter and Egg Board, the forerunner of the CME, studied the possibilities of futures trading in other commodities and formed the existing organization, with a clearing house to handle fuures transactions.

Over the years, the CME has preserved the system of open, public and competitive pricing, reflecting the changing values of the commodities traded. It has become a most effective mechanism for reflecting supply and demand. As a consequence, the movement of commodities through all stages of production and distribution is made easier.

The commodities listed on the Exchange include frozen pork bellies, live hogs, live cattle, lumber, shell eggs, milo, which is a yellow grain sorghum, and Idaho potatoes. In May of 1972, a separate exchange, the International Monetary Market of the Chicago Mercantile Exchange, Inc., was organized to provide futures trading in seven foreign currencies. The principles and economic benefits of trading in futures contracts are now applicable to what might be considered the ultimate commodity—money.

The contract specifications describe exactly the amount, quality, delivery period, and approved delivery points for each listed commodity.

Hedging opportunities on the CME are valuable to industry as an additional pricing tool. By buying and selling futures contracts, various industry segments reduce their risk of loss from price fluctuations. In other words, the hedger need not wait until his product is ready for market and then take what the cash market will bring at that time.

Bank loans are more easily secured and protected if one hedges on the CME or the IMM. Available financing for the hedger allows merchandisers or ultimate buyers to absorb surplus supplies and to carry that surplus until it is needed later when production is smaller.

Price and news dissemination relative to each listed commodity is another economic function provided to the nation by the CME. Not only is price information publicized instantly and nationally by the Exchange and its member firms, but numerous reports pertaining to demand, as well as potential production, are readily available to any interested parties.

Modern expansion of the CME began in 1961 when the frozen pork belly contract was introduced. After a slow start, pork bellies and later live cattle have become two of the most actively-traded commodities in the world.

The year 1972 proved to be an exciting one, highlighted by the establishment of the International Monetary Market, and the tally of a record-breaking 4.5 million futures contracts traded on the CME. The 1972 figure was some 40.7 percent above the 1971 total and 19.4 percent higher than the previous all-time record of 3.8 million set in 1969. The estimated value of contracts traded on the CME reached a record-breaking $66.1-billion, compared with the previous record of $40.8-billion set in 1971.

On the IMM, 143,699 contracts changed hands by the end of 1972. Approximately $19.8 billion worth of contracts were traded in the British pound, Canadian dollar, deutschemark, Swiss franc, Italian lira, Mexican peso and Japanese yen.

Finishing off the year in high style, the CME and IMM moved into their own new, $6-million building, located west of Chicago's loop at 444 West Jackson Boulevard. The new facility has been called the most modern of its kind, and is providing improved and expanded services to members of the Exchange, agribusiness, multi-national firms, and the public.

On the floor of the Exchange, some 500 individuals and companies buy and sell contracts for future delivery of commodities listed for trading. This act of trading—a fascinating thing to behold—is done by open outcry. This occurs with such vigor, that the noise makes it virtually impossible in active markets for anyone to hear what is being said and, as a result, the traders utilize hand signals.

Trading on the CME increases the competitiveness of pricing, because all transactions immediately become public knowledge and individual bargaining power is reduced in importance. Sellers have the opportunity to look for higher prices and buyers can look for lower prices, with the consumer benefiting through this competitive system.

RARICK REPORTS TO HIS PEOPLE ON THE GREAT UNITED NATIONS RIP-OFF

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. RARICK. Mr. Speaker, today I reported to my people on the funding of the United Nations with their tax money. I insert the text of that report:

Every year around this time, when each American sits down to figure out his personal income tax, a common question echoes from coast to coast: Where did the money go? Today I thought we'd talk about one place where taxation without representation is the order of business: The United Nations.

When the U.N. crowd of internationalists came to Washington last year to get their annual Christmas present from the taxpayers of the United States, Congress thought it had spanked their wrists and sent them home with less money than they planned on. Over the years the U.S. Congress had dutifully picked the public's pocket and gave the United Nations crowd whatever it asked for—often upward to 40 percent of the U.N.'s operating budget. So when the assessed contributions to the regular U.N. budget were reduced from 31.5 percent to 25 percent you should have heard the howls from New York City and our foreign-aid friends. Headlines around the world rocked with dire predictions of U.N. bankruptcy and the perilous financial course the U.N. will surely face as a result of the Congressional action. The U.N. trembled in print with fear that the reduction could signal a slash of all U.S. contributions to the world organization.

And Congress patted itself on the back, for a job well done in the name of fiscal responsibility, and of slowing down reckless spending. Conservatives across the country breathed a sigh of relief: maybe now the United States government is coming to its senses. After all, the U.N. specialists told the committee that by reducing the assessed contributions to 25 percent would be a saving to the American people of $25.1 million, and that's a start.

But let's not kid ourselves. After all the hand-wringing, and head-shaking of the UN money lobbyists from the State Department was over, and the UN crowd went back to New York City with the money the Congress had given them, the United Nations had ripped off more money from the U.S. taxpayer than ever before. It's amazing that year after year the United States treasury is plundered by the vandals from the UN, while the Congress sits by scratching its collective head, wondering where all the money went. In the 26 years that we've been a member of that "global village country club," our dues have cost the American taxpayer over four billion, seven hundred million dollars.[1] That's a lot of money. $4.7. And that doesn't include the

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Footnotes at end of article.

$65 million club house we built for them in New York City.

When the American people began bankrolling the UN in 1946, the U.S. Congress opened a bank account in the name of, and signed a blank check made out to: United Nations, New York, New York. You may not be familiar with it, but the check the Congress signed, quote: "authorized to be appropriated annually to the Department of State, out of the Treasury, such sums as may be necessary for the payment by the United States of its share of expenses of the United Nations as apportioned by the General Assembly. . . ."[2] What this U.S. public law says is that the UN tells us how much, they decide our tax and we give it to them.

How does the Contributions Committee arrive at the amount the U.S. is expected to pay to support UN activities? They have developed a formula of assessments based on a member's "capacity to pay." The scale they use hasn't changed substantially over the past 26 years. Capacity to pay is determined on the basis of national income estimates which are gathered for the Committee by the UN statistical office. So the financing of the United Nations world government is based on an international income tax.

Does the phrase "capacity to pay" sound familiar? It should. It comes directly from the socialist-communist principle: "From each according to his ability, to each according to his need." This was lifted by the founders of the U.N. from that wonderful humanitarian document, the Constitution of the U.S.S.R. The Russian Constitution is an interesting piece of propaganda literature but if you've read the U.N. charter you don't need to read the Russian constitution since whole passages of the U.N. charter were copied verbatim from it.

Our share of the financial burden of the U.N. has always headed the list of assessment percentages. It was initially suggested that the U.S. kick in 50 percent of the budget, but that amount was negotiated downward to 39.89 percent. Since then our assessment to the regular U.N. budget had been gradually lowered. But the United States still pays more than twice the amount paid by any of the other 132 members. Our closest competitor for the dubious honor of contributing the most money to the U.N. general budget is the Soviet Union. Their share is 14.18 percent, but that really doesn't mean very much since they don't pay their bills anyway. The Russians owe almost $90 million back dues.

As of January, 87 or roughly two-thirds of the 132 member nations were $167.7 million in arrears on contributions to the three major accounts of the U.N. The crowd that runs the U.N., are calling the shots with our money and they don't even pay their dues to their debating club. The U.S. pays the bill, they have the votes.

Almost one half of the members of the world debating body are assessed at the minimum rate. This minimum rate, incidentally, was lowered to two tenths of one percent when the U.S. assessment was lowered to 25 percent. So even though our so-called obligation was lowered, so was everyone elses, and inequity of the whole system of payments remains.

During calendar year 1972, the total amount assessed against the United States by the United Nations was $130,522,000. While this is a great deal of money it's overshadowed by many of our other foreign aid giveaway schemes. Our contribution to the U.N. regular budget is the figure most often pointed to by the pro-U.N. lobby as just a drop in the bucket compared to the money we spend for national defense and other internal programs. But what these same people fail to mention is that our "voluntary contributions" to various "special programs" of the U.N. run more than the total U.N. regular budget.

These so-called voluntary contributions is the sly way that more of your tax money is being funneled into the United Nations system, often right under the noses of some well meaning Congressmen. The U.N. uses these funds to finance special programs. The legislative basis for our voluntary contributions to U.S. special programs is the Foreign Assistance Act, the same blank check legislation passed to fund the regular budget. It gives the President authority to make voluntary contributions on a grant basis to international organizations and programs. Only one of these special giveaways, the U.N. Development Program, has a ceiling for U.S. contributions and that is set at 40% of the total amount pledged by other nations.

There is no legislative limitation on voluntary contributions to other special programs. This loophole—a deceitful dodge—has been used by the State Department to siphon money from the treasury and pour it into the U.N. you hear talk of limitations assessed contribution and nothing about voluntary contributions. During calendar year 1972, $351,445,000 of your money was drained out of this country in this manner. The percentages of our contributions to some voluntary activities of the U.N. last year ran as high as 78% on an entire U.N. program, with most of them well over the one fourth ceiling placed on the regular budget.

It's no wonder that the U.N. money lobby expressed concern when Congress lowered the assessed contribution percentage to 25 percent. It could start a trend that would cut-off their gold mine. But they really had nothing to fear from the Administration. After all, the U.N. has an ace in the hole in the form of the Lodge Committee recommendation which has a key proviso often overlooked. But no concerned American should overlook this crucial statement of U.N. money manipulation from the American people: "Each reduction in the U.S. share of the regular budget must be clearly marked by at least a corresponding increase in U.S. contributions to one or more of the voluntary budgets or funds in the U.N. system."[3] This statement summarizes the nature of the internal protection the U.N. enjoys from the White House. I call this the "Tar Baby Principle of U.N. finance." You remember the story of Brer Rabbit's bout with the Tar Baby. Every time he'd take a swing at the sticky little devil, he'd end up stuck worse than before. That's what the Congress has done. When Capitol Hill cuts off some fund to the U.N. general budget, the White House adds those same cuts back on to another U.S. program. It's a vicious circle, and the American public is the loser.

The State Department gave Congress an idea of what we have gotten for our money, when they justified the U.N. requests before the Appropriations Committee last year.

"The U.N.," they tell us, "provides public forum for clarifying to a wide audience our position of issues of vital concern to us . . . and for enlisting support for international action on matters of prime concern . . ."[4]

So for the $481,967,000 the U.S. taxpayer shelled out in 1972 to the U.N., we bought a soap box upon which we could stand and "clarify" to the world our position. We paid almost half a billion dollars last year for a soap box, and an effective one at that. Instead of our excessive admission fee providing a soap box to sell American goals and solutions to the world what we really bought was a podium to sell U.N. and it's Red and Socialist members goals and ideas in America.

For the past two years Congress (to its credit) has killed the foreign-aid bill, and voluntary contributions to the UN are in this bill. So the unsuspecting citizen reading of this action may be led to believe that our massive giveaways are being phased downward. But don't you believe it.

The internationalists still hold the purse strings. Enough votes were mustered to pass so-called "Emergency Legislation" entitled "Further Continuing Appropriations, 1973." The annual funding level for fiscal 1973 amounts to more than $3.6 billion, nearly one half a billion dollars above the 1972 level. So the voluntary funding of UN programs continues higher than before. But if you read the Continuing Appropriations bill, you won't find a single mention of the United Nations. The money they get is covered up, hidden away in the astronomical figures of the great foreign-aid steal.

All but eleven, 121 of the 132 members of the United Nations have received US foreign assistance since the end of World War II. A total that reached $161.1 billion in 1971. Not only do we pay the vast majority of the UN's bills directly, but we also pay the other countries' dues indirectly with foreign-aid.

So the Tar Baby syndrome continues. And each year we get stuck tighter and tighter. The United Nations continues to grow on your tax dollars. Think about where your tax money goes when you sign your income tax forms this year.

FOOTNOTES

[1] Figures relative to US contributions, etc. researched by Library of Congress.

[2] *United States Code,* Title 22—Foreign Relations and Intercourse, Chapter 7, Sec. 287e, p. 5639 (1970).

[3] Quoted: *Up Date,* January, 1973. (U.N.A. publication).

[4] Hearings Before a Subcommittee of the Committee on Appropriations, 92nd Congress, p. 424.

MORE ON MEDICAID ABUSES

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. KOCH. Mr. Speaker, I would like to call the attention of my colleagues to the sixth in a series of excellent articles from the New York Daily News on the problem of medicaid abuses in New York:

[From the New York Daily News, Jan. 31, 1973]

FOOT DOCS WEARING A $35 MILLION GOLDEN SLIPPER

(By William Sherman)

(Sixth of a series)

Podiatrists have socked the city for more than $35 million in the last seven years. The taxpayers are footing the bill for expensive and often unnecessary care, according to the city's Health Department.

A News reporter, posing as a welfare client with a medicaid card, recently asked for a podiatrist at a lower East Side group practice. He found that bills and X-rays come first, before he even took off his socks and shoes.

At the Delancey Medical Building, 80 Delancey St., the "patient" was ushered into a small room on the second floor where a young receptionist took his medicaid card, began filling out an invoice and then said, "We're going to X-ray your feet."

"But I want to see the podiatrist," insisted the patient.

"He's busy; go into that room for X-rays," she ordered.

"You haven't even asked me what's wrong yet, nobody has even seen my feet," he argued.

SAYS IT DOESN'T MATTER

"It doesn't matter," she said, the city requires that we X-ray everybody's feet before we see them."

The patient refused and a Health Department podiatrist said later, "It's absolutely ridiculous to X-ray someone's feet before you examine them. More important, it's unhealthy to expose someone to radiation unnecessarily."

Stuart Laurence, an attorney for the department, said that some podiatrists were X-raying so many feet without reason at about $12 a pair, that an order had to be issued limiting foot doctors to X-raying no more than 40% of their new patients.

From 1969 through 1971, the city paid podiatrists $23,094,030 for care of medicaid patients. Much of that sum, said Laurence was billed for unnecessary bandaging, padding, X-raying, orthopedic shoes, and other services.

The podiatry inquiry came as part of the News' continuing Medicaid Probe series, an investigation into abuses of the city's $1.3 billion medical assistance program with the close cooperation of the city's Health and Welfare Departments.

"Many of the high-billing podiatrists have rooms in group medicaid practices where their patients are generated from other specialists' referrals," said Laurence.

When the News reporter refused the X-rays, the receptionist, Maggie Rivera, brought in podiatrist Neil Blatt, who said he was "sitting in for somebody else."

Blatt examined the patient's feet, noted a slight rash on the left foot, sprayed the foot, rubbed some ointment on, bandaged the foot heavily and wrote out two prescriptions. He didn't comment about the X-rays except to say, "They are necessary for diagnosis."

The treatment took five minutes. Such an examination usually costs the city $5.20, according to the standard medicaid fee schedule. Including the bandages and the prescription the bill would total about $15.

The man Blatt was "sitting in for" was Jay Rosenberg, and Health Department records show that he earned $69,611 in medicaid funds in 1971. During the first six months of 1972 he billed for $43,086, an increase over his previous year's earning rate. That figure made him the number one billing podiatrist out of 702 practicing in the city last year.

Rosenberg works on the same floor with a group of more than 20 other specialists, including a chiropractor, general practitioners, optometrists and dentists. The center is one of the largest in Manhattan and will generate more than $1 million in medicaid billing this year.

SAW 50 PATIENTS A DAY

A Health Department investigation of Rosenberg's practice last summer showed that on many occasions he was seeing more than 50 patients a day. Department podiatrist Benjamin Watkins maintains that 35 patients per day is the maximum a foot doctor can see to insure quality care.

Rosenberg, records show, also billed for 60 toe jackets, during one day's practice. Toe jackets cost the city $11.20 each. They are made from a plaster cast of a toe, consist of moleskin and fit over the toe like a miniature sock.

The average podiatrist, Watkins said, rarely makes more than four toe jackets a day. The jacket is used in rare cases to prevent severe friction or to protect an arthritic, or deformed joint.

Some of Rosenberg's patients, the investigation revealed, complained that their toe jackets collapsed in a few weeks. The department found that Rosenberg was using polyfoam for the jackets instead of moleskin.

Rosenberg agreed to make a restitution of $6,000 to the city and to a short suspension from the medicaid program.

The number two biller for the first six months of last year was Leslie Unger, who works out of offices at 2315 Mermaid Ave., Brooklyn.

An investigation by the department shows that Unger was seeing whole families when only one family member requested treatment; was X-raying more than 40 of his patients; was billing twice for services rendered. In one case, he submitted nine bills for one patient. In another incident, he billed for a fracture when none was evident in an X-ray. He agreed to make a $12,000 restitution to the city.

Another podiatrist called down to the department for review was Allen Feinberg who billed for more than $80,000 in 1971 out of offices at 201 Dyckman St.

A sample review of 210 invoices showed that in 137 cases he billed for "toe slings," a treatment wherein a bandage is wrapped around one toe and then extended around several others to keep the injured toe secure.

A department podiatrist stated that the high number of slings "exceeded by many times," the proportion in the average podiatrist's practice.

Feinberg insisted that each of the 137 patients in a sample "had a hammertoe." The Health Department did not accept his explanation and he was suspended for several months.

COACH BILL TALLEY

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BYRON. Mr. Speaker, today coaches of professional teams often make as many headlines as their players. And as a result of all this publicity they overshadow some of the great unsung coaches in sports—those unselfish and dedicated individuals who work with our sons and daughters in our high schools. Bill Talley of Walkersville High School is such a man as the following brief biography in the Hagerstown Morning Herald aptly points out:

BILL TALLEY LEAVES WALKERSVILLE HELM

(By Steve Nikirk)

WALKERSVILLE.—Twenty years of basketball at Walkersville High School under coach Bill Talley came to an end Tuesday night.

Following the Lions' final game of the season at Brunswick, Talley announced his retirement as head coach at the small Frederick County school.

"After twenty years of continuous coaching, I feel that it is time to turn the reins over to a younger man," Talley commented.

His decision punctuates the final chapter in one of the most illustrious coaching careers in Western Maryland.

In 1953, the Frederick High School graduate came to the old Walkersville High School as the first full time physical education teacher ever at the school.

Talley's duties were far reaching as he coached every sport with the exception of baseball.

Expanding the sports program in 1955, he organized and coached the first Lions' track and field squad.

With all the long hours put into building the sports curriculum at the school, Talley worked hardest at his basketball program.

Under Talley's tutelage, the Lions compiled a record of 271 wins and 133 losses while playing under three different state classifications. Five times in Talley's career, the Lions reached the state finals. Twice, Walkersville came home victors, as Class C champions in 1960 and as Class B titlists in 1964. Talley's Lions were runners-up in Class C in 1958, Class A in 1962 and Class B in 1965. Three of his varsity squads went undefeated.

Always looking to the future, Talley also coached the junior varsity hoop squads for 19 years. The Lion Cubs compiled a 284–55, including two undefeated seasons.

Walkersville overwhelmingly dominated Frederick County basketball under Talley. The Lions reached the District playoffs 11 consecutive years.

Winning with Talley was not confined to basketball. Coaching soccer from 1953 to 1962, Talley led the Lions to 11 consecutive county championships. His track teams also were county powers in the 1960s.

In addition to being a capable coach, Talley was also an innovator. His string of "firsts" is impressive. He was the first small school coach in Frederick County to schedule Class A and AA competition from Hagerstown and Montgomery County. He was the first coach to organize a Christmas Tournament. He was also the first coach to voluntarily move up a classification in the state system, jumping from Class B to Class A in the 1961–62 season.

Chuckling as he recalled the latter change, Talley explained the reason for the upward movement.

"Brunswick that year was Class B and looked very powerful. I knew we would have a rough time beating them. As it turned out they beat us twice that year but lost in the district. By virtue of being Class A, we got all the way to the state finals and lost to Surrattsville. It's just funny, but that would have never happened if we had stayed Class B."

Talley singled out the 1964 state championship squad as his best at Walkersville. Made up of Gordon Smith (later captain at Cincinnati U. and drafted by the Boston Celtics), Sonny Barrick, Eddie Cook (later prolific scorer at Bridgewater College), Larry Haines and Joe Beeson, this squad ran over all competition, including a mighty Mt. Savage five in the District One Class B playoff, and eventually went all the way.

Talley rated that District One Playoff with Mt. Savage as the best game of his career. The Lions won, 103–93, over Savage, whose squad included Bobby Robertson (now a player with the Pittsburgh Pirates) and Ralph Wilson (later a top-notch player at Western Maryland College).

Regarding the greatest players he had ever coached, Talley pointed again to the 1964 squad and Gordon Smith. He also added, "I have coached many other tough competitors here at Walkersville, including Gordon Smith's brother Bob, Dick Murray, Denny Remsburg, Eddie Cook, Ronnie Cook, Mike Trout, Ron Linton, Tim Shaw and Larry Haines. All real fine ballplayers."

"I have really enjoyed coaching and I have struck up many fine acquaintances with not only my players as students, but also as adults," Talley said. "It has been just like a father-son relationship with these athletes, even years after having coached them."

On the future of Talley and his Walkersville sports endeavors, the coach said, "I will stick with the track team and remain as athletic director."

Talley said he will probably miss coaching, but laughingly shared the thoughts of his ten-year-old son, who was happy to see him quit. The coach's son who goes to almost all of the Lions' games, said to his father, "Dad, I'm glad to see you get out of coaching. That way they can't call any more technical fouls on you."

1973 AGRICULTURE AND FOOD FAIR PRESENTED WITH PRIDE

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. DE LUGO. Mr. Speaker, on Saturday, February 17, I had the great pleasure of attending the 1973 Agriculture and Food Fair of St. Croix.

As Members who have visited the largest of our Virgin Islands may know, St. Croix, in its past history, was highly regarded for its agricultural productivity. Indeed, it was referred to as "The Garden of the West Indies."

For many years after the demise of the sugar industry agriculture on St. Croix languished. An island which was self-sufficient in vegetables, fruits, and livestock now depends on importation of most items for the tables of its residents.

The Agriculture and Food Fair was an informative exposition of the present potential for agricultural development on St. Croix. Virgin Islands Commissioner of Agriculture Rudolph Shulterbrandt, who coordinated this annual 4-day event, is to be commended for his efforts. I also wish to compliment the members of his staff, agriculture industry personnel and other citizens who participated in this undertaking.

The importance of this fair was noted in the editorial column of the St. Croix Avis on February 22, 1973. The Avis, as it proudly proclaims on its masthead, has been serving the Virgin Islands since 1844. Published today by Canute A. Brodhurst, the St. Croix Avis is one of the leading newspapers in the Virgin Islands. It is noted for its accurate and incisive reporting, its varied and entertaining features, and its reasonable and worthwhile observations on Virgin Islands' affairs. Mr. Brodhurst and the newspaper's able managing editor, Jerome Dreyer, are among the most highly regarded journalists in our islands.

Mr. Speaker, I believe the St. Croix Avis commentary on the 1973 Agriculture and Food Fair will be of particular interest to Members. The Avis well described the fair, its culinary delights, its air of community cooperation, and its fascinating exhibits. It also managed to elucidate the less than apparent essential value of this event.

I am pleased to now insert this editorial in the CONGRESSIONAL RECORD:

PRESENTED WITH PRIDE

It was a heartwarming four days, the annual St. Croix Agriculture and Food Fair. It was a get-together of a truly cross-section of the people of the island, thousands of them who came alone, in pairs and in families for what undoubtedly was the most successful affair of its kind in the history of St. Croix.

It was a holiday mood, not of the rambunctious nature of carnival but rather a display of residents whose smiles and friendly exchanges of gretting, even strangers unto strangers, revealed a pride in the excellence of the project, responsibility for which was in the most part in the hands of the island's people. To Commissioner of Agriculture Rudolph Shulterbrandt, who epitomized perpetual motion during the four days, his aides and those responsible for private exhibits congratulations of the highest kind are in order. And to those fine ladies in the food area, never were their native preparations more delicious. It took strong willpower to resist all of the offerings.

In the agricultural and plant booths we once more witnessed the results of people with pride in their endeavors.

All Crucians, not just the parents, can be proud of the handicraft of our girls and boys in elementary, junior high and high schools—from knitted and sewn articles by the girls to woodwork, ceramics and vocational training projects by the young men. This certainly gave ample proof that the youngsters, willing and anxious to learn, can come through with the proper and sufficient material. There should be no reason why arts and crafts teachers should be forced to scrounge from private sources.

In any event, those of us who have seen the fair grow in scope over the years so that other Caribbean areas now exhibit can safely predict that the day is not far off when all of the West Indies will be represented as well as stateside groups.

MORE ON MEDICAID ABUSES IN NEW YORK

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. KOCH. Mr. Speaker, again I call the attention of my colleagues to the New York Daily News series on medicaid abuses in New York. The following is the seventh in the series of articles:

PAIR OF MEDICAID KINGS WITH A MIDAS TOUCH

(By William Sherman)

Meet the Medicaid Kings: Two men from Long Island who in three years parlayed a corner dental office on W. 125th St. in Harlem into a multimillion-dollar medicaid conglomerate, the biggest in the city, offering services from allergy care to methadone and piercing ears.

According to Health Department records, examined by THE NEWS as part of an investigation of medicaid, the top billing center in the city is run by Benjamin Schneider, 57, and his brother-in-law, Victor Marcus, 58.

Back in 1946, soon after they were discharged from the Army, Schneider and Marcus started to practice dentistry at 79 W. 125th St.

Twenty-three years later, medicaid came to Harlem, and today, Schneider, who lives in Woodmere, and Marcus, of Roslyn, preside over the Ben-Vic Corp.

That corner office on the second floor has been expanded into the Lenox Medical Building, three floors of waiting rooms, 12 dental chairs, a $100,000-a-year pharmacy, and offices for obstetrics, internal medicine, podiatry, pediatrics, optometry, ear-nose-throat and gynecology. The center is supported by medicaid and is open six days a week, from 10 a.m. to 7 p.m.

"You know," said Marcus, "last year our dentistry did over $400,000." It is the highest grossing medicaid dental operation in the city.

One of the center's physicians, Dr. Donald Cunningham, 52, was the No. 1 medicaid-billing physician in the city during 1971 with $165,096 in earnings. For the first six months of 1972, he billed medicaid for $98,862.

Half of that sum went to Schneider and Marcus by a rental agreement under which the center provides Cunningham with an examining room, receptionist and nurses in return for 50% of his gross billing. Other practitioners at the building have identical agreements with Ben-Vic, or the NewMar Corp., another Schneider-Marcus enterprise.

"Everybody in Harlem knows me," said Schneider. "You see me walk down the street, all the blacks say hello. We've been up here for years, that's how we built up our practice."

But inside the center, the atmosphere isn't always that friendly. Marcus, Schneider and Cunningham carry licensed guns in their waistbands.

"I never fired it, I've just had to pull it out a couple of times to threaten people who were getting rough," said Schneider.

"I hire all black help and I try to stay in the back. The blacks that come in here don't want to see a white face. It's bad for business so I let the girls handle the patients."

During peak periods last year, patients passed through examining rooms at the rate of one every five minutes. On some days, one doctor was seeing more than 75 patients in less than six hours, according to the Health Department.

Many ended their visits at the pharmacy, a 4-by-10-foot area partitioned from the main waiting room by glass.

The pharmacy is part of a chain of seven medicaid oriented drugstores owned by the HTC Corp. "We do about $100,000 a year here," said pharmacist Mark Skopov who said he is paid $400 for his six-day work week.

"I fill from four to 500 prescriptions a week and we pay Schneider $650 a month rent," he said.

In the basement of the center are two 3-by-5-foot rooms, that had been rented to Alpone Labs for $3,000 a month. In return, Alpone had exclusive rights to process all lab tests for the center's patients.

Alpone billed the city for processing the tests at its headquarters at 903 Lexington Ave. In 1971, they were the highest billing medicaid lab in the city with $652,000 in earnings. Last year they doubled their earnings rate and during the first six months billed for $616,052—and remained No. 1. The center has since dropped Alpone.

THEY'RE PAID $10 AN HOUR

The dentists, who work in well-equipped rooms in a third-floor wing, are paid $10 an hour, according to Schneider plus a small percentage of their medicaid billing. The remainder goes to BenVic.

"We do about $1,000 a day, mostly in prosthetics (false teeth), and it's our biggest business—all clean and legal," Marcus said. He supervises the dental offices while Schneider runs the rest of the center.

In offices on the second floor, Arnold Regan, a podiatrist, sees patients and pays BenVic $355 a month rent. Optometrists, "who come and go," according to Schneider, work in another small room and pay the corporation $35 a day in rent.

The center has its own X-ray apparatus, including a $4,000 developer so that doctors can read most of their own plates. The more complicated X-rays are diagnosed by radiologist David Chastanet who billed the city independently for $47,651 in 1971.

For the three floors of offices, BenVic and NewMar pay building landlord Theodore Parisi $1,100 a month rent, according to Schneider.

"When we started up here in Harlem, years ago, it was virgin territory, and gradually we built up our practice," said Marcus, a stocky congenial man.

"Then three years ago, when medicaid got going strong, we decided to expand. Most of the first floor was occupied by a radio store. We took that over, invested $130,000 and put up the center," said Schneider.

"Business started picking up when we started getting referrals from narcotics treatment agencies and we got into methadone detoxification," said Schneider. He said the program was "set up by the city."

Dr. Cunningham saw most of the addicts, and while billing as an interview with an average of $8 a visit he was often seeing more than 80 patients a day.

"I gave them all the best care in the time I had," said Cunningham, a native of Guyana, who lives in St. Albans, Queens.

However, during a Health Department investigation of the center last summer, Cunningham was warned that an internist should see no more than 25 patients a day to insure quality care.

"Look," he said. "I saw those patients because they came here. I worked long hard hours." The department, however, said that he worked only six hours a day at the center.

Then the Health Department probed further and senior medical auditor Dr. Howard Katz found other discrepancies and in reports cited double billing for services rendered, wholly inadequate patient records, and inadequate physical examinations.

Pediatric records reviewed by Katz showed that routine immunizations, such as for measles, small pox, and booster shots were omitted. The Health Department is now holding back $20,000 worth of Cunningham's bills.

Cunningham denied the charge of double billing in a recent interview and said that the computer downtown was fouled up.

Schneider told a News reporter: "I'm not saying we give the best care, but we give good care and perform a service in the community. I wouldn't hire a doctor who wasn't high quality."

Cunningham, whose income last year was supplemented by a private practice, said, "They pay a man $100,000 to throw a football and everybody cheers. A doctor earns $200,000 and they scream bloody murder."

WATER AND WASTE DISPOSAL PLANT PROGRAM

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. ROBISON of New York. Mr. Speaker, as was mentioned on Thursday, March 1, by the gentleman from Ohio (Mr. SEIBERLING), I was—along with him—one of a number of Members who were attending a luncheon in the Martin dining room here in the Capitol where, although the warning lights telling of the vote on final passage of H.R. 3298, a bill to restore the rural water and waste disposal planning and development grant program, did appear there was no accompanying warning buzzer with the result that we all missed, inadvertently, that vote.

Given the nature of this issue, to accept this accident in silence might be to comply with the old admonition that "discretion is the better part of valour." However, even as my aforementioned colleague advised the House that, had he gotten upstairs in time, he would have voted "yes" on this bill, I feel compelled to say that I, correspondingly, would have voted "no."

Mr. Speaker, I am growing increasingly concerned over the corner into which we seem bent on painting ourselves when it comes to issues such as this one and the several others that have preceded it as we play out what can only be called a game to see whether we, or the President, are indeed "king of the hill." I am as jealous as the next fellow of the true prerogatives of Congress. I believe the power of the purse belongs rightfully with the Congress. I am unhappy as any one else here over the accelerating tendency of the President to impound funds and to freeze programs, even though the fuzziness of the Constitution and the precedents through the years as offered in the form of actions taken by former Presidents both seem—until we can fashion either a proper response or summon up the necessary self-discipline to make that kind of action unnecessary—to validate such actions by Mr. Nixon.

But I am, at the same time, equally convinced that we must find some better tactic to pursue, if we really mean to win this contest in a responsible fashion, than to continually seek—as we are with this series of "thou-shalt-spend" measures—only political confrontation after political confrontation with the President.

Now, lest I be misunderstood, let me say here and now that I generally favor—and have always supported—this particular program which provides assistance to rural communities in meeting their obvious needs for sewer and water systems, as well as for planning the same. I would be something considerably less than a proper Representative of the many communities of less than 10,000 population in my district if I did not try, thus, to help them meet those needs.

And, yet, if we wish to be honest with one another—and with our respective constituencies—it is clear that this program, like all Federal grant-in-aid programs, is probably not perfect; that it, too, could stand our own searching review—just as could the REAP program we have previously insisted upon, as is—and that, at the very least, the Presidential ideas for restructing and reorganizing this small aspect of our overall pollution abatement effort do deserve our consideration. If, after such consideration, we were disposed to reject those Presidential ideas, that would be one thing. But to insist—as we do in this bill, H.R. 3298—that we know best, and that the President's ideas are, without even looking at them, of no merit, is quite another.

At this point in time, since I do not serve on the Committee on Agriculture and am no self-avowed expert in this field of concern, I truly do not know whether or not the proffered Environmental Protection Agency program is, or can become, a substitute for this specific program as originally fashioned. Nor, do I know whether or not, as some charge, shifting from grants to loans, alone, for rural water systems—through the Farmers Home Administration—would leave too many smaller communities across the Nation without the capacity to meet their more urgent needs for developing or repairing such facilities. The reason I do not know these answers is because this committee, in reporting out this bill, has rejected the President's arguments in defense of his position without even considering them.

That, I submit, is an irresponsible reaction on our part to the challenge the President has thus thrown at us. It may be a self-satisfying reaction but, at the same time, I believe it to be a self-defeating one, as we shall eventually find out.

Mr. Speaker, it is all very well for us to wave our arms and inveigh, as some of us are, against what some are calling Mr. Nixon's "Olympian disdain for congressional powers." And it is all very well for the critics of both the President and the Congress to rail about the helplessness of the Congress in the impasse that presently confronts us and the Nation.

But, at the same time, we are not helpless.

We can choose as between responsibility and irresponsibility.

For it is a fact—no matter how painful—that Mr. Nixon has not usurped our rightful powers; instead, we have, over recent years, abdicated them.

Which is why, had I been present to vote on H.R. 3298, I would have voted "no" as the only responsible thing to do under the existing circumstances.

JUDGE LUCHOWSKI RETIRES

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. DULSKI. Mr. Speaker, members of the judiciary frequently are criticized, often in blanket fashion.

We all know that blanket criticism usually is irresponsible because every profession and business have distinguished and dedicated members.

Within the judiciary, I would like to take this opportunity to cite the distinguished career of my lifetime friend and an outstanding lawyer and jurist, Frank J. Luchowski, of Buffalo, N.Y.

Born in Buffalo and a graduate of the University of Buffalo School of Law, Judge Luchowski has been in public service since 1947, when he was appointed to surrogate court, legal division, and subsequently became probate clerk.

Over the years, in his various roles as lawyer and judge, he has served with distinction and compassion which has endeared him to his colleagues and friends and earned the respect of all with whom he has come in contact.

Until his retirement several weeks ago, he had spent a decade first as deputy corporation counsel and then as associate judge in the Buffalo City Court.

At the retirement dinner in his honor Judge Luchowski, continuing his practice on the bench, focused his concern upon the youth in whose hands the future of our Nation lies. He recalled youthful adventures and campus eruptions which had been the subject of cases before his court. Then he told the gathering:

> I have had the opportunity, as judge, of trying to impress our youth with the greatness and potential of this wonderful country.
>
> With its rich heritage, created by the founders of this great Nation—and their successors—every one of us should contribute something to further enrich our heritage—by deed, action or, at the least, by proper and lawful conduct.

In acknowledging a gift of the proceeds of the dinner, Judge Luchowski said—

> I feel it would be fitting and proper that we should share this moment with people who are not as fortunate as we are.

Then the judge asked that the net proceeds of the dinner be shared by the Bar Association of Erie County Foundation, to aid needy lawyers and their families, and the Police Benevolent Association.

The judge's closing comment, taken from the Bible, was:

> What doth the Lord require of thee but to do justly, to love mercy and to walk humbly with thy God.

As an infant, Judge Luchowski was taken to Poland by his parents for several years but returned to Buffalo where he completed his elementary, secondary, and college education. Before he took up the study of law he worked as a chemist on the basis of his bachelor of science degree. He had a distinguished military record in World War II.

During his decade in city court he has presided over thousands of cases and has been a great inspiration to his associates who hold him in special respect and affection.

He is active in his church and serves on the Bishop's Lay Council of the Diocese of Buffalo and its Board of Governors.

Although Judge Luchowski has stepped down from the bench he is going to continue the practice of law in my home city of Buffalo, where I am certain he will continue to be the same inspiring participant in public affairs, particularly those dealing with our youth.

SOCIAL SECURITY INCREASE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. LEHMAN. Mr. Speaker, recently I joined with several of my colleagues in introducing legislation to provide that the recently enacted 20-percent social security increase be disregarded when determining income eligibility for a number of federally assisted programs, such as food stamps, low-rent public housing, medicaid, old-age assistance, and, of course, veterans' pensions and benefits.

In my 2 months in office, I have received numerous letters from older people in my district regarding the "give with one hand and take it away with the other" policy that an oversight in the enacting legislation created. For many of these people, the 20-percent increase in benefits meant a miniscule overall gain.

Three letters, which I recently received, point this up in very clear terms, and I include them here for that reason:

FEBRUARY 1, 1973.

DEAR CONGRESSMAN LEHMAN: Today, I received my check from the Veterans Administration in St. Petersburg for $26.71 instead of $38.88. They explain it is because of the twenty percent I got on Social Security. That is a cut of over thirty-one percent. It seems they give with one hand and take more away with the other.

I understand there was a bill in the House to counteract this sort of thing. I do wish you would consider sponsoring a bill making it impossible for us to have a decrease in one pension when we are given a raise in another.

Yours very truly,

A VOTER.

FEBRUARY 22, 1973.

DEAR SIR: Having lost my pension of $78.70 per month due to the 20% increase in my Social Security, I would very much appreciate your vote in favor of an increase in earned income, so I can get my pension reinstated. Thank you.

Respectfully submitted,

A VOTER.

FEBRUARY 18, 1973.

DEAR SIR: I am a veteran eighty-one years of age. Neither my wife or I are able to work.

The recent increase in Social Security and subsequent decrease in my pension left me a net gain of fifty-one cents per day.

Not much to cover living cost increase which Social Security increase was intended to correct.

Therefore, I hope you will carefully consider any legislation which will help veterans of World War I.

Your truly,

A VOTER.

KOCH URGES PRESIDENTIAL INTERCESSION FOR VIETNAM ORPHANS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. KOCH. Mr. Speaker, I am deeply concerned over the tragedy of the orphaned and abandoned children left in the wake of the Vietnam war.

These children, estimated to number about 700,000, have suffered terribly during the course of the conflict and will continue to suffer even more as our forces withdraw from Vietnam, since a large number of these children, perhaps 10,000 to 50,000, were fathered by U.S. servicemen. At present the South Vietnamese Government has placed strict barriers on the emigration of these children of U.S. soldiers and has indicated its opposition to special aid for these children if it is not matched in equal amounts with aid for Vietnamese orphans.

The problem of caring for these youngsters demands resources much greater than the present South Vietnamese Government is capable of offering. Present Vietnamese adoption services are not always adequate or helpful in the case of children fathered and abandoned by U.S. soldiers, because these illegitimate and racially mixed children may have to face social ostracism in traditional Vietnamese society.

It is surely both necessary and appropriate that our Government help assume the moral obligation to help care for these unfortunate children. Last year in Congress legislation was introduced, which I cosponsored along with 41 other House Members, which would authorize the President to enter into arrangements with the Government of South Vietnam to provide assistance through the establishment of a Vietnam Children's Care Agency for the purpose of improving the welfare of children in South Vietnam and of facilitating the adoption of orphaned or abandoned Vietnamese children, particularly the children of U.S. servicemen. This legislation has again this year been introduced by my colleague Representative KASTENMEIER, along with another bill sponsored by Representative MINK removing U.S. immigration barriers for these children.

In order that the President's attention be called to this most important matter, I have written to Mrs. Nixon—who has so many times before taken a lead in aiding unfortunate children all over the world—requesting that she urge the President to support such legislation and to intercede with the Government of South Vietnam in order to have the emigration and assistance barriers removed so as to permit U.S. citizens to adopt the unwanted children of American servicemen.

The following article by James Reston in the New York Times describes this tragic situation in Vietnam, and I recommend it to the attention of my colleagues:

ORPHANS OF THE WAR

(By James Reston)

WASHINGTON, February 27.—The American troops in Vietnam are now down to about 11,000 and the prisoners, despite some delays, are coming home; but nothing has yet been done about the orphans of the storm, and particularly about the children fathered and then abandoned in Vietnam by American servicemen.

This is one of the continuing tragedies of the war. The State and Defense Departments say they have no official figures on the number of illegitimate children left behind by the departing G.I.'s, and no way of getting accurate information on the problem, but private estimates range from 15,000 to over 100,000.

Even in the case of an American soldier wanting to bring his own illegitimate child back to the United States, the problem of doing so is very complicated.

An illegitimate child born in this country naturally acquires all the rights of a citizen because of the place of its birth, but one born overseas must be "legitimate" or face an almost impossible set of legal complications before being allowed to enter the United States.

Also, the law insists that the father of the child must have lived in the United States for ten years before the birth of the child, and five years after the age of 14, before the child can be considered for entry into this country.

Harry J. Hennessy of the Bronx, New York, raises a moral question about this situation: "The progeny of our military personnel and Vietnamese girls," he writes, "are often branded as outcasts or half-breeds in Vietnamese society. Yet by virtue of blood, these children have as much right to be citizens of the United States as of Vietnam. Don't we Americans have responsibilities, morally compelling ones, to these children? To me they are the most pathetic of all the victims of the war."

This, of course, is a highly controversial question within both the executive and the legislative branches, but it is at least timely. For the Nixon Administration is now in the process of drafting legislation to provide economic aid to both North and South Vietnam, and unless the issue is now brought directly to the attention of the public, it could easily be overlooked among all the other more dramatic arguments over aid to Vietnam.

Among the issues to be considered are the the following:

Should the U.S. Government not insist that part of the economic aid be set aside specifically to assist the abandoned children of G.I.'s in South Vietnam?

Should the military regulations and laws be amended to simplify the procedures for a soldier who wishes to bring his legal wife and children back to this country?

Same for a serviceman who wants to take responsibility for raising his own illegitimate child?

At a time when more Americans are seeking to adopt children than there are children for adoption, should the immigration laws and adoption regulations be changed to deal with this specific problem of the abandoned Vietnam children?

Senator Harrison Williams Jr. of New Jersey has introduced a bill, now buried in the Senate Foreign Relations Committee, to create a temporary Vietnam child care agency to help particularly those children fathered by U.S. servicemen.

The South Vietnamese Government, however, places strict barriers against permitting children of G.I.'s to leave the country, and also objects to special aid for the half-American children if it is not also available to Vietnamese children whose parents were killed in the war.

Nevertheless, there is a precedent for dealing generously with the problem. After the French forces were driven out of Vietnam in 1954, the French Government offered citizenship and educational assistance to the illegitimate children of French soldiers.

The U.S. Embassy in Saigon, which is closer to the problem of the abandoned children than officials here, has been urging the South Vietnamese Government to pass a modern adoption law that would allow Vietnamese children born out of wedlock to be adopted by American families, "while protecting the rights of the children."

But even if this were done, the laws of the United States, passed in 1952 to deal with normal situations, are not relevant to the special conditions of the war and its human consequences.

Accordingly, the immediate problem here is to raise the question to the level of official and public attention. People will agree and disagree over Pearl Buck's conclusion that "We Americans must take up our responsibility because we helped bring these children into the world," but at least the question should be faced and debated.

MASSACHUSETTS STATE SENATE RESOLUTION

HON. JOHN MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. MOAKLEY. Mr. Speaker, I was deeply distressed to learn that British troops, later to be deployed in Northern Ireland, were being trained at Camp LeJeune, N.C. With this latest information, the tragic question of Northern Ireland once again comes to the forefront.

I believe that we in the United States must act in a constructive manner to assist in finding a solution to this problem. What I consider a wise American policy is summed up well in a resolution passed by the Massachusetts State Senate. The members of that body have called upon our Government to use its good offices to urge the withdrawal of all British troops from the streets of Northern Ireland and to request that the British Government declare an intent to withdraw all military personnel from this troubled area.

I believe these actions would be helpful in opening the way for an amicable political solution among the various factions involved in Northern Ireland.

Mr. Speaker, the resolution of the State Senate follows:

THE COMMONWEALTH OF MASSACHUSETTS

RESOLUTIONS URGING THE PRESIDENT OF THE UNITED STATES, THE CONGRESS OF THE UNITED STATES, AND THE U.S. STATE DEPARTMENT TO USE THE FULL WEIGHT AND POWER OF THEIR OFFICES IN IMPLORING GREAT BRITAIN TO REMOVE ITS TROOPS FROM NORTHERN IRELAND AND TO GRANT FREEDOM TO ALL POLITICAL PRISONERS

Whereas, It is the natural right of every nation to govern itself; and

Whereas, The artificial division of Ireland by outsiders has resulted in injustice and oppression; and

Whereas, The struggle for a United Ireland is a legitimate struggle for political self-determination; and

Whereas, The British propaganda machine has succeeded in depicting the age-old Irish struggle for freedom as an eruption of bigotry based on ancient and petty grudges; and

Whereas, Certain persons in the United States government have fallen prey to such propaganda and have involved themselves on the side of the British oppressors, therefore be it

Resolved, That the Massachusetts Senate urges the President of the United States, the Congress of the United States and the United States State Department to use the full weight and power of their offices in imploring Great Britain to unconditionally release and grant freedom to all political prisoners in Ireland and Britain, to withdraw all British troops from the streets of Northern Ireland and further requesting the British Government to declare an intent to withdraw all military personnel from Northern Ireland; and be it further

Resolved, That a copy of these resolutions be sent by the Senate Clerk and Parliament to the President of the United States, to the presiding officers of each branch of the Congress of the United States, to the United States State Department and to each member of Congress from the Commonwealth.

ENVIRONMENTAL QUALITY

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. BREAUX. Mr. Speaker, much remains to be done in our fight to achieve and maintain environmental quality, but significant gains have been made by both the public and the private sector. I am very pleased to congratulate an industry facility in my district which has shown outstanding achievement in the field of pollution abatement and monitoring.

Cities Service Oil Co. shared top national honors this year in the gold medal awards program presented annually to industry for achievement in water pollution control. Cities Service this year accepted the grand award winner plaque in the single plant category from the Sports Foundation, Inc. This award was given for technological innovation and demonstration of environmental concern at the company's Lake Charles, La., lubrication oil and wax plant. Effluent from this plant flows into the Calcasieu River, feeding into numerous lakes on its path to the Gulf of Mexico—important recreation waters for swimming, fishing, shrimping, and boating.

To help this effluent meet the criteria established by the Louisiana Water Quality Act of 1968, the company engaged in extensive feasibility studies of various processes for treatment of lube waste water. The resultant system, completed this past year, consists of an air flotation unit for removal of oil and suspended solids; an equalization basin; an aeration basin where biological treatment occurs; a clarifier for removal of solids; a final finishing pond—quality of this water is demonstrated by the presence of small minnows and other aquatic life; and post aeration for the final polishing of the effluent prior to discharge. Also incorporated is a chemical neutralization pit and retention basin for the segregation of strong wastes.

Established in 1968, the Gold Medal Awards cite those members of industry who have shown initiative and investment in pollution abatement, helping to solve the critical problem of environmental contamination.

Judges for the program are nationally recognized leaders in the field of water pollution control and the environmental sciences. Entries are evaluated on the basis of the technological innovations and advancements developed by the company in the area of pollution abatement; corporate awareness and initiative in the establishment and implementation of a water pollution control program; and the monitoring and evaluation system organized for the program's effectiveness.

It is my feeling that environmental quality and planned economic growth can go hand in hand. I am pleased to offer my congratulations to Cities Service for this striking illustration of that belief.

UNIVERSITY OF TEXAS EXES MEET IN OBSERVANCE OF TEXAS INDEPENDENCE DAY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. PICKLE. Mr. Speaker, every year during the first week of March, the University of Texas Ex-Students Association of Washington meets in reunion. This meeting brings together some of the outstanding citizens of Washington and this country—both present and future.

One does not have to search very far to find the imprint of the University of Texas on members of the highest circles of Government, as this great university has been providing public leaders for America since its birth in the late 19th century.

Last night the Texas Exes met and were privileged to hear remarks delivered by former Ambassador Edward Clark of Austin, Tex. Ambassador Clark is a perfect example of the kind of outstanding public servants that have been associated with the University of Texas for so many years. This Austin attorney has served as assistant attorney general of Texas, as an assistant to a Governor of Texas, as secretary of state of Texas, as the Ambassador to Australia during the very difficult years of the mid-1960's, and as a Director of the Inter-American Bank.

It was entirely fitting that Ambassador Clark's remarks were delivered on the eve of Texas Independence Day. The uniqueness of Texas Independence Day was best stated by Ambassador Clark last night when he said:

> Tomorrow is the anniversary of Texas independence, and I am reminded that I know of no other occasion in history where an independent Republic voluntarily surrendered its sovereignty to become part of a federation of states as did our beloved Texas as the Lone Star flag of the Republic was furled and she became the 28th and brightest star on the field of blue, February 19, 1845.

Ambassador Clark's remarks were both factual, statistical, and full of promise for continued growth of this great institution. I insert a copy of Ambassador Clark's remarks at this point in the Record:

Address of Hon. Edward Clark, Member, Board of Regents of the University of Texas System, Before the Texas Exes Club of Washington, D. C., March 1, 1973

On my last visit with you in Washington, I had returned only a few months before from Australia where I had the privilege of serving as President Johnson's Ambassador to that delightful and friendly land; the best friends we have in the world; our most responsible ally; no bums or gimme-crats out there. On that occasion, I spoke as the Chairman of the Ex-Students' Association special committee that was then planning the first successful International Alumni Reunion ever held on any campus.

Of the many activities of The University and its Ex-Students' Association in which I have been involved, I have to regard that as one of the finest. When that great International Ex-Students' Conference was held in May of 1970, we had Elizabeth Hutchinson on our steering committee, and more than 400 foreign nationals who call the University of Texas their alma mater came from more than 30 countries around the world to attend. It was an event that attracted headlines in newspapers everywhere and did much, I am sure, to raise the stature of The University as an educational institution in the eyes of the world. I know that it made me feel a deep sense of pride in being an alumnus of a great University whose influence is being felt today in every part of this globe, largely because of the leadership role in local, state and national affairs enjoyed by the more than 10,000 foreign nationals who hold degrees from The University of Texas.

Now, three years later, I am here to represent our University in still another role—that of Regent. As one of nine Regents, I am in somewhat the same position as the director of a corporate business or a city council member in a medium-sized community. And although I share with President Stephen Spurr the view that any great university is not a corporation or a political entity but a learning society, there are a great many parallels between The University of Texas today and a city—even a metropolitan city like Washington.

Whether my friends in education like to admit it or not, the fact is that all multiversities like The University at Austin have become more like self-contained communities within the larger city than purely institutions of learning. The Board of Regents can be compared with a city council, as I said, the President is as much a mayor as he is an academic officer, and the faculty, staff and students represent a political and social constituency as varied as can be found anywhere. They also are as diverse.

The University of Texas today is larger than two-thirds of all American cities. With a student body of 40,000, a staff of 6,000 and a faculty of 1,700, the population on and near the Austin Campus approaches 48,000. Add the number of visitors and others who are on the campus for one reason or another, and the average population of the square-mile area surrounding the old Forty Acres is well over 50,000 people at any given moment. And a population of 50,000 persons per square mile is a higher density of bodies than most large cities can claim.

Today the central campus, or central city, of The University occupies 400 acres in the heart of Austin. Like any other city, it has to have most of the municipal services that urban dwellers have come to expect. The one or two nightwatchmen which some of us remember as the total security force have been replaced by 129 highly-trained, uniformed and armed patrolmen who cruise the campus in orange and white scout cars equipped with blinking red lights and the inevitable siren.

Although The University still depends on the city of Austin for most of its fire protection, the campus does have its own fire marshal and a staff of assistants. It also has its own hospital and medical staff provides its own heating and power and even maintains the equivalent of a country club in the Forty Acres Club which now has been purchased by The University and is being renovated for the exclusive use of the faculty and staff, perhaps Regents and you distinguished Texas-Exes who honor us by coming home.

Naturally, a city has to have its suburbia, and The University does. About four miles north of the campus is the great Balcones Research Center, housing some of the nation's greatest scientific minds.

Two miles west of the campus on the Brackenridge Tract along Lake Austin are the hundreds of apartment units built by The University for its married students. About one-fourth of the students are married, and all are older than they were a few years ago. Today the average age is 21.4 years and almost one-fifth of all of the students are past the age of 21. Now that 18 year-olds can vote, Austin finds itself with a bloc of 40,000 new voters that sometimes do not agree with the city fathers on all issues.

Like any growing municipality, The University has a welfare problem among a large segment of its constituents. This year, 15,570 students—almost 40 percent of the total enrollment—are receiving some kind of direct financial aid. Another 11,349 work either full or part-time in jobs provided through The University's own employment bureau, the Office of Student Financial Aids. Several thousand others get their own jobs with local Austin businesses.

The University also is an ethnic and cultural mix in its self-contained city, although not quite in the same ratio of a New York, a Washington, or even a Dallas. Last year, out of an enrollment of 39,900, there were 33,654 Caucasians; 1,539 Mexicans and those of Spanish descent; 1,277 foreign nationals from more than 100 countries; and 327 blacks.

For the most part, residents of the University city have living standards that probably are a little above the average. Almost half of them—16,390—live off campus in apartments that range from tiny efficiencies to luxury layouts. Another 6,120 owned or rented houses, another 1,256 live in sorority or fraternity houses, 364 in University cooperatives and only 5,227 live in the University dormitories.

Marriage is not as popular as it was only a few years ago. The latest figures show that only 8,115 students are married and 29,346 are single. The number who have made living arrangements without benefit of clergy isn't known, but *The Daily Texan* occasionally runs feature stories about couples who are living happily, and publicly, together in what we used to refer to in San Augustine as "living in sin."

Whether married, single or simply sharing, students find transportation and parking a continuing problem in The University city. Only 13,000 live within a mile of the campus More than 10,000 live from three to five miles away and more than 700 live from 40 to 100 miles from classes and commute. They own 9,951 cars which are registered with The University, and at least several hundred more which are not. And, if they don't drive, they may be able to ride to the campus from almost anywhere in Austin aboard The University's' own private transit system. These buses are operated for The University under a contract with a private operator and the students pay a fee each semester for unlimited riding privileges. The buses carry more than 10,000 riders each day.

To provide the housing, classrooms, laboratories, faculty and staff offices and other facilities demanded by the campus community, The University constantly is building. Last year, a $10 million Physics-Math-Astronomy Building was completed and another $15.6 million went into the addition of 14,000 seats in Memorial Stadium and the construction of Bellmont Hall, a 250,000 square foot building housing gymnasia, offices and other facilities as an addition to the stadium.

Presently underway are another $35 million in buildings at Austin and another $18.6 million in construction has been approved, including a $5.2 million swimming pool (it's Olympic size) and a $2 million tennis center. Plans for another $66.4 million in buildings are on the drawing boards. The operating budget is $120 million for The University of Texas in Austin annually.

There is no end to statistics like this which make the University appear to be more like a municipality than an institution of learning. To those of us who remember the campus when it was small and the enrollment was an eighth of what it now is, the very size of today's University can be a cause for concern. Recently President Spurr said in a speech:

"Perhaps the commonest question put to me is how, in a community of forty thousand students, can the individual student receive personal attention. My answer is a counter question. How in a city of fifty thousand inhabitants, does the individual receive personal attention? The parallel in this case is real.

"A city is not necessarily more impersonal than the country. The multiversity similarly is not necessarily more impersonal than a small liberal arts college. True, the freshman coming to The University of Texas may disappear into the university city just as the youth moving to Houston may have the opportunity of moving into a boarding house and live a lonely and remote life surrounded by people. The fact is, however, that the university has many subcultures and that the great majority of students find friends, companionship, and purpose for life in one or more of the subcultures."

In ever increasing numbers, University graduates are finding their place in the world. In 1972, The University conferred 8,858 degrees. This is a startling number when one considers the fact that from 1885, when the first class was graduate, through 1949, The

University of Texas granted a total of only 47,744 degrees—an average of less than 700 per year. Then came the post-war boom in enrollments and during the decade from 1950 through 1959, The University graduated a total of 32,921. Then the real enrollment increase came and between 1960 through 1972, a total of 70,800 degrees were awarded. This means that during the last 22 years, The University has graduated more than twice as many as it did during the first 64 years of its existence. More than half of these have graduated since 1960. As a result, more than one-third of all our graduates are under 30 years of age today!

Statistics like these are intriguing to hear, but they say little about what The University really is. It is not enough to have a great number of young alumni, or to brag that ours is the third largest campus in the nation Neither is it enough to have land on which to build, and the means with which to erect more and bigger buildings. The important product of The University are the minds that it gives to the world. It is to these intellects that we look for the well-springs of a state and nation's future.

We must never become so preoccupied with growth and ever more bricks and mortar that we cease to demand wise leadership in the future from those we are spending our resources to train now. And never we forget the debt that our University owes to some of the great minds in its past. Whenever Texas Exes gather, as we have tonight, it should be our happy duty, even our obligation, to recall the tremendous contribution of men in fields as different as engineering and English, geology and the classics, law and medicine, who made today's great institution a reality.

John Udden didn't bury oil beneath Texas, but he predicted all the major developments of the petroleum industry. George W. Brackenridge was a businessman, but he founded a school of home economics at the University, gave 800 acres of land along the Colorado River for what he hoped would one day be the campus and offered to underwrite the cost of operating the university for a biennium out of his own funds when a governor vetoed its budget. George W. Littlefield was a cattleman, but the University owes its Wrenn Library, a dormitory and many other benefactions to his generosity. Swante Palm didn't build the great University library, 15th among all of the nation's book depositories, but he founded it. Ashbel Smith, Governor Roberts, Governor Hogg, Will Hogg and many another were not content to dream of the future of the University. They took off their official coats and labored for it.

To do the same for the University is the challenge facing us Texas Exes tonight, whatever our age or whatever our station in life. It matters little whether the "Forty Acres" of yesterday has grown ten times in size, or whether the friendly campus many of us knew has now become a city of tall buildings, snarled traffic and 40,000 unknown faces. It may be a different University, but it still is *our* University and we have a lasting obligation to it.

The Ex-Students' Association provides the best vehicle, in my judgment, through which that obligation we all owe can best be repaid. Like the University, the Ex-Students' Association also has changed. Founded in 1885 primarily to provide "fellowship between alumni," it still performs that function through a hundred simultaneous Texas Independence Day celebrations like this one tonight. But today its functions have been vastly broadened and improved to meet the needs of a growing University and a changing body of alumni.

Today, The Ex-Students' Association, through the *Alcalde* and other publications, provides the only regular communications link between its members and The University. Each year, its scholarship program enables more than 100 young men and women to get the best education available anywhere in the South. Its "Helping Hand" program not only helps graduates find a job, but helps them find friends and contacts in a new community when they relocate. And from the rolls of The Ex-Students' Association each year come the more than 1,000 volunteer alumni who serve on the Board of Regents. The Department Board, the various foundation advisory councils and the dozens of other committees and boards that provide The University with the kind of time and leadership talent that no amount of money can buy.

I am proud to be a Texas Ex. I am proud that, among the nine members of the Board of Regents, eight are Life Members of The Ex-Students' Association. Three have been given the Distinguished Alumnus Award—the highest honor that can be bestowed on any Texas Ex. All nine are active, concerned, committed alumni because they love The University of Texas.

It is that affection for The University from its alumni which has done more than anything else to make it the great institution that it is. After all, a university—any university—is mainly tradition. Sometimes it is the tradition of events or proclamations. It is Harry Benedict, one of the greatest of its presidents, saying that public confidence is the main endowment of a public university. It is Swante Palm hauling 10,000 books by mule up the long hill from his home to begin a library on the Forty Acres. It is yesteryear's annual raid on old B Hall and the cannon firing in protest against President Winston's edict against a holiday on March 2nd.

It is the stag lines at the old Saturday night Germans and the grading of engineering papers with a Ramshorn. It is Ashbel Smith telling Andrew White that education succeeds upon the idea—and that Texas had the idea. It is a pint-sized back scoring a touchdown from 90 yards out and getting called back on a penalty, and then running the same 90 yards on the next play. It is a wistful president hoping to induce better manners by constantly announcing, "The eyes of Texas are upon you." It is a student, scribbling what he considered farcical verse on the back of a brown laundry sack, setting them to the tune of a railroad section hand's lament, and giving Texas and the world a hymn that shall live always.

These, and a hundred others like them, are the traditions that make me proud to be a son of The University of Texas. I hope that it is a feeling that you share, and will always share. I hope, too, that you will always regard those Forty Acres as some precious real estate in which you share title, and to which you are always welcome to return.

Thomas Wolfes' novel, "You Can't Go Home Again," doesn't apply to the sons and daughters of Texas. Atlhough "The Eyes of Texas" may very well be upon you here in this great and beautiful capital City, and will be all the live long day, I hope you will always yearn to come home—at least before Gabriel blows his horn.

THE LATE HONORABLE GEORGE COLLINS

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. WHALEN. Mr. Speaker, those of us who had the opportunity to work with the late Honorable George Collins of Illinois during his one term in the House soon became aware of the deep commitment which he had to the goal of improving the lives of our urban poor. He never relented in his efforts to provide them with adequate housing, health services, and jobs. As we continue our efforts to aid our cities' residents, we will greatly miss his perception and perseverance.

Yet George's service to the people of his Illinois district spanned a much longer period of time than the 2 years he spent in the House of Representatives. The children's Christmas party he was preparing was an event he had held for many years. Certainly, the people of Chicago were, indeed, fortunate to have a man with the concern and dedication of George Collins working for them.

Mrs. Whalen joins me in extending to Mrs. Collins and her son our deepest sympathy.

May George Collins rest in peace.

CORRECTION OF RECORD

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. LEHMAN. Mr. Speaker, in my remarks of January 29 on the President's proposed budget, the Record is in error concerning the Headstart program.

While it is true that Headstart funding through the Office of Economic Opportunity is to be totally eliminated, the program will receive continued funding through the Office of Child Development at HEW.

HOUSE OF REPRESENTATIVES—*Monday, March 5, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Show me Thy ways, O Lord, teach me Thy paths.—Psalms 25: 4.

Almighty and Eternal God, who dost reveal Thyself in many ways, deepen within us the sense of Thy presence as we face the duties of this day. As our fathers before us worshiped at this altar of prayer so do we now lift our hearts unto Thee with thanksgiving.

We thank Thee for Thy Word which reveals to us the way to life and for Thy love which enables us to live fully and faithfully in the service of our beloved Republic. By Thy spirit may we bind all our prayers into one high resolve to keep ourselves devoted to Thee and dedicated to the welfare of our country.

Bless our Nation with Thy favor and

grant that the citizens of this free land may obey Thy Commandments, be true to Thy law, and walk together in good will with justice for all.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2107. An act to require the Secretary of Agriculture to carry out a rural environment assistance program.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS

The SPEAKER laid before the House the following communication from the chairman of the committee on Public Works, which was referred to the Committee on Appropriations:

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, and the Treasury, Postal Service, and the General Government Appropriation Act, 1973, the House Committee on Public Works approved the following projects:

CONSTRUCTION OF NEW BUILDINGS

Project and approval date

Department of Health, Education, and Welfare Social Security Administration Payment Centers (1) San Francisco, California (Bay Area) (2) Chicago, Illinois (3) Philadelphia, Pennsylvania, February 27, 1973.

LEASE CONSTRUCTION

Chicago, Illinois, (a) SSA Payment Center, February 27, 1973.

Sincerely yours,
JOHN A. BLATNIK,
Chairman.

THE LATE CLEO A. NOEL, JR., U.S. AMBASSADOR TO THE SUDAN

(Mr. HUNGATE asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. HUNGATE. Mr. Speaker, the tragic and senseless assassination of the American Ambassador Cleo A. Noel, Jr., of Moberly, Mo., and his deputy, George C. Moore, shocked and stunned us all.

This crime offends not only the United States, but all nations who seek a civilized society where reason replaces force. Ambassador Noel and the other diplomats dedicated their lives to the pursuit of peace and died in the service of mankind.

Ambassador Noel was born August 16, 1918, in Oklahoma City, Okla. He grew up in Moberly, Mo., in my congressional district, where his mother still resides. He attended Moberly Junior College and received masters of arts degrees from the University of Missouri and Harvard University. Ambassador Noel served in the U.S. Navy from 1941 to 1945 as a lieutenant commander, gunnery officer, and began his foreign service career in 1949.

Cleo Noel was a respected specialist in the Arabic language and Arab affairs, and his senseless murder shall be felt by all as we miss his untiring efforts toward achieving peace in the Middle East.

I join Ambassador Noel's many friends and colleagues around the world in extending sincere sympathy to this family on their great loss.

PERSONAL ANNOUNCEMENT

(Mr. RIEGLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. RIEGLE. Mr. Speaker, it is a great honor and privilege to address the House for the first time from the Democratic side of the aisle.

My purpose in speaking today concerns rollcall No. 27, a previous-question vote on February 28, 1973. The effort to defeat the previous question, led by the gentleman from Illinois (Mr. ANDERSON), was to afford an opportunity for an amendment which would have allowed the minority party to appoint, upon request, up to one-third of the staff members on our various standing committees.

I have long supported the minority staffing proposals and my support has had no basis in partisanship. I supported minority staffing as a Republican Member of Congress and I will continue to do so as a Democrat.

On the day in question, I was addressing a meeting of the League of Women Voters in the Cannon Building when the vote was demanded on the previous question. When I arrived on the floor, I was misinformed as to the nature of the vote and thus voted "aye." Had I clearly understood the nature of the amendment being offered, I would have voted "nay."

While my vote did not alter the outcome of the issue, I did want to make my position clear.

TRIBUTE TO THE MEMORY OF SENATOR GUY M. GILLETTE

(Mr. MAYNE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MAYNE. Mr. Speaker, it is my sad duty to inform the House of the passing this weekend on March 3 at Cherokee, Iowa, of former Representative and Senator Guy M. Gillette, Iowa's senior distinguished statesman.

Guy Gillette was best known for his service in the Senate, but he also represented the people of northwest Iowa very capably in the House of Representatives, serving in the 73d and 74th Congresses until his resignation November 3, 1936 upon his election to the U.S. Senate to fill a vacancy. Of his colleagues during his service in the House, only Congressman WRIGHT PATMAN of Texas, Congressman GEORGE H. MAHON of Texas and House Republican Whip LESLIE C. ARENDS continue to serve in this body.

Many of the Members of the House will recall, however, working with U.S. Senator Guy Gillette on many occasions. Elected to the Senate to fill the vacancy caused by the death of Richard Louis Murphy for the term ending January 3, 1939, he was reelected in 1938 and served from November 4, 1936 to January 3, 1945. An unsuccessful candidate for reelection in 1944, he was appointed chairman of the Surplus Property Board until he resigned July 15, 1945 to become president of the American League for a Free Palestine. He served in that capacity until January 1, 1948. He won in a comeback election to the Senate and served from January 3, 1949, to January 3, 1955. Defeated for reelection in 1954, he served as counsel with the Senate Post Office and Civil Service Committee in 1955 and 1956, and then served as counsel with the Senate Judiciary Committee until retiring to his home in Cherokee, Iowa in June 1961, at the age of 82.

Guy Gillette began his very distinguished career serving the people of northwest Iowa as a lawyer and county attorney in Cherokee County and then as a State senator. On his first election to the House of Representatives in 1932, he represented the 13 counties of the then Ninth District of Iowa. All of those counties are in the present Sixth District which I am privileged to represent. I am deeply grateful for his unfailing courtesy and friendship over many years, and especially since my election to the seat he occupied with such distinction in the 73d and 74th Congresses.

While he made outstanding contributions in many areas, Senator Gillette was perhaps best known for his work on the Senate Foreign Relations Committee. His eloquent voice was one of the most influential in the discussions which led to the organization of the United Nations after the Second World War. During his absence from the Senate from 1945 to 1949 he remained actively involved in public affairs, carrying out a series of highly important special assignments for Presidents Roosevelt and Truman. In and out of public service Guy Gillette proved himself worthy of the title "Citizen of the Republic" and a true humanitarian. One of his outstanding characteristics was a commanding presence, dignified and quietly impressive, which earned him the respect and attention of all who heard him.

I have many warm memories of Senator Gillette, one of the most vivid being an address he delivered in his home city of Cherokee on October 16, 1966. Very fittingly, Guy Gillette had been invited to give the principal speech at the dedication of the new Cherokee County courthouse. As he spoke all of us who were privileged to listen knew that we were in the presence of greatness. His remarks on that occasion demonstrated that despite his well-deserved national and international reputation, his greatest strength sprang from a deep and abiding faith in our representative government at the grassroots level.

Funeral services will be held tomorrow, March 6, at the Presbyterian Church in Cherokee. I am sure all my colleagues join me in extending deepest sympathy to Senator Gillette's son, Mark Gillette, who survives him. We have lost a dedicated public servant of whose character and record not only all Iowans but all Americans can be very proud.

HON. GUY M. GILLETTE

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GROSS. Mr. Speaker, it is with regret that I learned during the weekend of the death at Cherokee, Iowa, of the Honorable Guy M. Gillette, a former Member of the House of Representatives and the U.S. Senate.

Mr. Gillette, who died at the age of 92, had a long and varied career as a farmer, lawyer, serviceman, and public servant. He was one of the few remaining veterans of the Spanish-American War, having served in that conflict as a sergeant. In World War I he served as a captain in the Army.

A Democrat, he was elected to the House of Representatives in the election of 1932 and served in that capacity until November 3, 1936, when he resigned to take his seat in the U.S. Senate to which he was elected to fill the unexpired term of the late Richard Louis Murphy.

Shortly thereafter, he opposed President Franklin D. Roosevelt's efforts to "pack" the U.S. Supreme Court and because of his opposition Mr. Gillette was placed on Roosevelt's so-called list to be "purged" at the next election. However, Senator Gillette survived the attempted "purge," was re-elected to a full term in 1938, and served in the Senate until January 3, 1945. For several years thereafter he served in various capacities in government.

One son, Mark, survives, Mrs. Gillette having preceded him in death a number of years ago.

Guy Gillette served his State of Iowa and his country faithfully and well.

HARASSMENT OF JEWS IN THE SOVIET UNION

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, the continued harassment of Jews in the Soviet Union—particularly those who have applied for exit visas to leave the country—is a situation which we, as Representatives of a free people can neither understand nor tolerate. There are a number of resolutions and bills currently pending which both express the outrage of the Congress and call for specific action against the Soviet Union designed to ease their repressive policies. I hope that the full House will soon have an opportunity to act on these measures so that the Soviet Government will know the full extent of our concern.

I have recently learned of a situation involving one Jewish family in the Soviet Union which, I fear, is but a typical example of many. Dr. Victor Lapidos, a doctor of technical sciences who worked in Moscow's Automobile Industry Research Institute, applied for an exit visa to Israel last August and was granted permission to leave the Soviet Union upon payment of a $30,000 exit fee. This is an astronomical amount of money in the Soviet Union, and Dr. Lapidos could not hope to accumulate that much any time soon.

Suddenly, he was told he would not have to pay the fee if he left the U.S.S.R. within 10 days. He and his wife quit their jobs, his 11-year-old daughter withdrew from school and his 19-year-old daughter and her husband were expelled from the university. The family was evicted from their apartment and, after the payment of approximately $1,000 for an exit visa for each member of the family, they were told it had all been a mistake and they would not be permitted to leave.

The Soviet Government does react to world opinion and I believe it is imperative that we take prompt and favorable action on the legislation which is pending to indicate our deep moral concern and indignity over the denial of basic human rights in that country.

NOMINATION OF L. PATRICK GRAY III TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION

(Mr. SPENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SPENCE. Mr. Speaker, as we all know, a few days ago the President nominated the Honorable L. Patrick Gray III to succeed the late Honorable J. Edgar Hoover as Director of the Federal Bureau of Investigation. I applaud this action and I am hopeful that Mr. Gray's nomination will be confirmed forthwith.

By his service as Acting Director of this important agency since Mr. Hoover's death, Mr. Gray has demonstrated his ability to provide the leadership which the FBI must have in order to discharge the great responsibilities assigned to it and to accomplish what we expect of it. In view of the vital role of the FBI in our society, I feel that we are particularly fortunate in having an individual of Mr. Gray's stature and ability designated as its Director.

ACTION OVERDUE TO END BARBARISM

(Mr. FISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FISH. Mr. Speaker, I am deeply saddened and outraged over the events in Khartoum over the past few days. The kidnapping and murder of the American Ambassador and two other diplomats by the members of the "Black September" movement, is yet another example of the madness that lies at the roots of international terrorism.

Even given the tragic results of the terrorism, I applied the President's courageous refusal to bow to the blackmail. As the New York Times emphasized in a March 5 editorial:

> If other governments . . . had been courageous enough to resist audacious blackmail demands, the warped motivations for incidents like the Khartoum kidnappings would have long since disappeared.

Mr. Speaker, before Khartoum, it was Brussels, the massacre at Munich, and the slaughter at Lod Airport. The time is long overdue for concerted action by the world community to end this barbarism. In addition, nations not supporting terrorism must stop lending themselves as sanctuaries for terrorist groups operating and recruiting on their soil.

FINANCING OF CHILD NUTRITION PROGRAMS

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4278) to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973, as amended.

The Clerk read as follows:

H.R. 4278

A bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CONGRESSIONAL FINDINGS

SECTION 1. The Congress finds that the volume and variety of Federal food donations to the school lunch and child nutrition programs are significantly below the amounts programed and budgeted for the fiscal year ending June 30, 1973, and that schools participating in these programs are confronted with serious financial problems in obtaining sufficient supplies of the foods required to meet the nutritional standards established by law for these programs. It is, therefore, the purpose of this Act to provide an effective and immediate solution to this nutritional crisis.

SCHOOL PURCHASES OF FOOD SUPPLIES

SEC. 2. Section 6 of the National School Lunch Act is amended by adding at the end thereof the following new subsections and by redesignating the existing portions of said section as subsection (a):

"(b) As of March 15, 1973, the Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during the fiscal year ending June 30, 1973, to States for school food service programs under the provisions of this section and section 32 of the Act of August 24, 1935. If such estimated value is less than 90 per centum of the value of such deliveries initially programed for the fiscal year ending June 30, 1973, the Secretary shall pay to State educational agencies, by not later than April 15, 1973, an amount of funds that is equal to the difference between the value of such deliveries initially programed for such fiscal year and the estimated value as of March 15, 1973, of the commodities and other foods to be delivered in such fiscal year. The share of such funds to be paid to each State educational agency shall bear the same ratio to the total of such payment to all such agencies as the number of meals served under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, bears to the total of all such meals served in all the States during such fiscal year: *Provided,* That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to any such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, bears to the total of such meals served in all the schools in such State in such fiscal year. Each State educational agency, and the Secretary in the case of nonprofit private schools in which he directly administers school food service programs, shall promptly and equitably disburse such funds to schools participating in the lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods for their food service program. Such food shall be limited to the requirements for lunches and breakfasts for children as provided for in the regulations by the Department of Agriculture under title 7, subtitle b, chapter II, subchapter a, parts 210 and 220.

"(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriations may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

"(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 7 of this Act."

The SPEAKER. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 31]

Andrews, N.C.
Ashbrook
Ashley
Aspin
Badillo
Bell
Biaggi
Blatnik
Bolling
Brasco
Brinkley
Brown, Mich.
Broyhill, Va.
Chisholm
Clark
Clausen, Don H.
Clay
Cohen
Collier
Conyers
Corman
Cronin
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Diggs
Dorn
Dulski
Edwards, Calif.
Findley
Flynt
Ford, William D.
Froehlich
Giaimo
Gray
Hammerschmidt
Harsha
Harvey
Hawkins
Hébert
Hogan
Hosmer
Kastenmeier
Keating
King
Kluczynski
Koch
Landrum
McCloskey
Mann
Maraziti
Mathis, Ga.
Milford
Mills, Ark.
Mills, Md.
Minish
Mink
Mitchell, Md.
Murphy, Ill.
Murphy, N.Y.
Nix
O'Hara
Owens
Parris
Passman
Patman
Pike
Podell
Price, Tex.
Reid
Reuss
Rodino
Roe
Roncallo, N.Y.
Rooney, N.Y.
Rosenthal
Ruppe
Ryan
Sandman
Skubitz
Staggers
Stanton, J. William
Steed
Steiger, Ariz.
Stephens
Symington
Taylor, Mo.
Thompson, N.J.
Thornton
Van Deerlin
Waldie
Wilson, Bob
Yatron

The SPEAKER. On this rollcall 335 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FINANCING OF CHILD NUTRITION PROGRAMS

The SPEAKER. The gentleman from Kentucky is recognized.

Mr. PERKINS. Mr. Speaker, the bill before us today, H.R. 4278, amending the National School Lunch Act, was reported unanimously last week by the Committee on Education and Labor. The purpose of the bill is to allow the Department of Agriculture to make full use of the funds already allocated to it this year for the purchase of commodities in the school-lunch and school-breakfast programs.

The need for the bill has come about because the amount of foods being distributed this year by the Department to the States for the lunch and breakfast programs has declined substantially below the level of last year. In fact, most States are receiving half as much this year in commodities as they received last year. And some States are even receiving as little as 30 percent of last year's level.

But I want to emphasize that this situation has arisen not because of any fault on the part of the Department of Agriculture. Rather, it is simply that market conditions are so good for agricultural products this year that the Department has not been able to spend the full amount available to it for the purchase of commodities. At the committee's hearings the Department told us that as of February 16 it had as much as $52 million in unexpended funds under section 6 and section 32 alone. Last year, at this same time, the Department had spent 94 percent of its funds for commodities, but this year it has been able to spend only 65 percent of these funds.

Furthermore, because of the normal timelag between the actual purchase of commodities and their distribution to the schools, commodities purchased after March 15 may not be available to the schools for their programs this year.

H.R. 4278, therefore, requires that the Secretary of Agriculture make an estimate on March 15 of the amount of commodities which he will realistically be able to purchase and deliver to the schools this year. And if this estimate is less than 90 percent of the amount originally programed, then he must distribute the difference in cash payments to the States. These funds will then be used by local school districts to purchase their own foods.

This bill will not require the expenditure of any additional funds. It simply allows the Department to make full use of the funds already allocated to it by the Congress.

Mr. Speaker, if this bill is not passed today, I am fearful that a recent trend pushing middle-class students out of the lunch program may be accelerated. The reason for my concern arises from a survey just completed by the Committee on Education and Labor on the lunch program for the school year 1972–73. One of the major findings of our survey is that there has been a substantial decline in the number of paying students within the past year.

We found that in 1972 14,579,200 students paid the full cost of their lunches as compared with 14,917,811 in 1971. Although some of these 338,611 students who paid the full cost last year may now be receiving free or reduced price lunches this year—due to the liberalized elegibility requirements—my suspicion is that many of these student are middle-class students who are no longer participating in the lunch program. And the reason for their dropping out is that many local school districts have had to raise substantially the prices of their lunches within the last few years because of the increased costs of food and higher employee salaries. If this bill is not passed today, I am afraid that many school districts will have to make further increases in the prices of their lunches; and this will surely lead to even more middle-class students dropping out.

The committee is beginning hearings on the school lunch this coming Thursday, and I can promise my colleagues that we will investigate this matter fully. But I would also urge my colleagues to support H.R. 4278 today in order to halt this disturbing trend.

Mr. Speaker, I urge the passage of H.R. 4278.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I do not see any statement by the Department of Agriculture in the report. Have they taken a position with reference to this legislation?

Mr. PERKINS. The Department of Agriculture came before the committee a week or so ago and testified at length. We held adequate hearings and their position is to the effect they felt we should give a little more time, as I construed their position, to see if they could come along and purchase the commodities and make the distribution, but it seems to me they admitted the delay in getting the commodities to the local school districts in some instances was 4 months or 5 months. If we gave a little more time, inasmuch as they have been unsuccessful up to the present time in getting these commodities to the local school districts, I was fearful and the committee felt that we would lose out completely this year in the local school districts and they would come out on the short end. For that reason we decided to move on.

There is no earthly way, and I think the gentleman will agree, that they will be able to buy the commodities they have not been able to purchase up to this time. There is no assurance that they could in the next few weeks get these commodities because they are in scarce supply now, and they are scarcer than they were 6 months ago or 3 months ago when these purchases should have been made.

Mr. WYLIE. Mr. Speaker, will the gentleman yield for another question?

Mr. PERKINS. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, what the gentleman from Kentucky is saying, then, is that the Department of Agriculture has really not opposed the bill as such?

Mr. PERKINS. It does not. I think Mr. QUIE will state that they have the money available, but they have to have an authorization and direction before these funds can be transferred to the States for the local school districts. They will be restricted otherwise.

They will be able under this bill to make payments to all the participants in the school lunch and breakfast programs so that these participants can make their own purchases of food.

Mr. WYLIE. Will the gentleman yield for one more question?

Mr. PERKINS. Yes, I yield.

Mr. WYLIE. Has the Department of Agriculture felt that by additional delay there would be more cost or more expense in the purchase of these commodities?

Mr. PERKINS. They did not state that, but the gentleman from Ohio and I know that food prices are going up every day. It will be a great savings and a great encouragement to the local school lunch programs if we get the money to them, but this is the only way we are going to get it through and the only way the commodities will be purchased.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Should this bill pass and become law, the Secretary of Agriculture will be required to pay in cash for any surplus food distribution shortage below 90 percent of that which is budgeted.

I am wondering whether it will be fair to charge any such shortages against the Department of Agriculture; should they not be charged against the budget of the Department of Health, Education, and Welfare?

Mr. PERKINS. Let me say this: The gentleman's point of view has been argued here on the floor time and time again, but I have always believed that the Department of Agriculture happens to be the appropriate Department of Government to handle the school lunch program, instead of the Department of Health, Education, and Welfare.

The Department of Agriculture has been acquainted with the problem for years, and has handled the commodities. Much of the school lunch food comes from the commodity programs under section 32——

Mr. LATTA. I understand that, and I agree with what the gentleman is saying.

My question, however, is since we are embarking on a different distribution program, should the Secretary of Agriculture be required to come up with the additional cash? Should these cash outflows not be charged against HEW?

Mr. PERKINS. To answer the gentleman's question, practically I feel that it should be charged against the Department of Agriculture, although it is serving a humanitarian purpose.

Many people feel that it should be charged against HEW, but the Department of Agriculture handles many food programs which serve the needy people in this country. I think we all know that notwithstanding the large budget of the Department of Agriculture, that they are humanitarian in that many of the programs that they administer are welfare programs.

Mr. LATTA. I quite agree with the gentleman that a lot of these programs charged to the Department of Agriculture are welfare programs and ought to be under HEW.

It seems to me that the committee should be giving some consideration to charging these cash payments, and they are going to be made, to HEW.

Mr. PERKINS. Let me say to my distinguished colleague from Ohio that there is nothing unusual about this. This has been done in the past. It is money that is already appropriated. There are no new funds to be charged against any department under this bill. Instead, all it does is make it possible for the Department of Agriculture to use all the funds already allocated to it by the Congress for these programs. We are just trying to make certain that the school lunch programs serve the people, the elementary and secondary school children and breakfast children that they should serve.

Unless we get the commodities to them or the cash to them to purchase food there is no other way to do it. This is the only way we can do it.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Minnesota.

Mr. QUIE. I just want to make clear to the gentleman from Ohio that there is no extra 10 percent in this bill. What this says is that the Department of Agriculture budgeted a certain amount for the distribution of commodities. If they cannot distribute that much in commodities we want them to make up the difference in cash.

They do not have to go up to the total amount they budgeted. If they just come within 90 percent of what they budgeted they do not have to distribute the cash. If they provide less than 90 percent of what they budgeted in commodities, then they will make up the difference in cash.

It is true this is cash instead of commodities, but the Department of Agriculture uses cash either way. Either it buys the commodities or it pays the money out to the school districts.

The problem we find ourselves in is that at this late date if they opt to spend all their money in commodities they may not be able to get them to the schools before the schools close. However, if they give the cash, it would have to be used to buy the commodities by the schools. The schools could buy the commodities or the food and feed the children before the school year is out.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Ohio.

Mr. LATTA. I certainly agree with the comments which have been made.

The question is whether or not the Department of Agriculture is to be charged for programs not directly related to agriculture?

We all agree that this is a good program. We support the school lunch program. But it seems to me a lot of these programs are erroneously charged against the farmers and they give our city friends a distorted picture of the agricultural budget. Many believe that all of the money in the agricultural budget goes directly to the Nation's farmers. We all know that many of these programs are not for the farmer and this program now under consideration is a good case in point.

Mr. PERKINS. It would not be advisable to switch to the Department of HEW and to have another department handling this, or the food stamps, for we would have to set another bureaucracy in this Government and it would cost hundreds of millions of dollars extra to do that.

I believe the Department of Agriculture in the past, over a period of years, has done a good job in this connection, and I am sure they will follow in the direction we are giving them here.

Mr. QUIE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as I was explaining a little bit earlier here, there is no additional money in this bill over what the administration has already budgeted.

The schools, as the report indicates, had the expectation that 7 cents a meal worth of food would be purchased either from the commodity programs or section 32 or section 6 of this bill and made available to the schools.

The schools in the past couple of years have gotten 7 cents or a little bit more per meal. They have become used to receiving commodities, so they have budgeted accordingly.

In the School Lunch Act we also gave them 8 cents a meal cash plus paying for the free lunches.

So the schools have found themselves for the first time in a situation that the Department of Agriculture appears not able to buy enough commodities.

I agree with the gentleman from Ohio that it would be better if this were budgeted over in HEW, or in some way to the consumer, because this is primarily money that helps the children pay for their meals. However, section 32 is the source of the money we are really talking about here, because I expect the administration will fund the purchase of commodities in section 6. Section 32 is used normally to buy the surplus commodities.

It just happens that we have the good fortune that farm prices are higher now. The administration, under this bill we have before us, will have a choice. It will have the choice either of buying the commodities and distributing them to the schools, so they will not have to distribute any cash, or else distributing the cash because they cannot get the commodities out. One of the problems they find is that they have contracts out to buy the commodities, but the prices went up so high that these firms do not want to fulfill their contracts because they are losing money.

If that is the case, it is not the fault of the Department of Agriculture, and it is not the fault of the schools, but we just want to make certain the schools have the money to pay for the lunches for the kids.

Mr. Speaker, the administration came in and testified against the bill, the bill that was crossed out here, the language that is crossed out in the bill. Assistant Secretary of Agriculture Clayton Yeiter appeared before us. He pointed out a number of things. One of them is that they may come so close to buying enough commodities, that it is just too expensive administratively to just hand out a little dribble of money.

So we amended the bill, "If you get within 90 percent, you do not have to distribute any cash."

He also pointed out the bill did not make assurance that the children in nonpublic schools would be able to get the money, if money was distributed instead of commodities, so we corrected that in the amendment.

There were also some who indicated that there may be purchases other than commodities and food permitted by regulations for a class A lunch, and we corrected that in the amended language.

So, Mr. Speaker, I would say we have an acceptable piece of legislation here. We have not received any formal notice yet from the administration, so they have not said formally whether they are for or against it. They are still in their same old position of being against the bill that was crossed out by our amendments.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I appreciate the gentleman yielding.

I think he has very well explained what was the intent of the original bill and the amendments that were made to perfect the original bill.

But let me clarify, if I can, even further what the gentleman is saying.

H.R. 4278 was objected to by the administration as originally introduced, and testimony was submitted by the administration in opposition to H.R. 4278?

Mr. QUIE. The gentleman is correct.

Mr. GERALD R. FORD. As a consequence of the testimony and the efforts of the subcommittee and the full committee of the Committee on Education and Labor, we now have, beginning on page 3, what appears to be substantially a new version of H.R. 4278?

Mr. QUIE. The gentleman is correct.

Mr. GERALD R. FORD. There is no formal indication of opposition by the administration to the bill as it appears at the beginning of page 3?

Mr. QUIE. The gentleman is correct.

The SPEAKER. The time of the gentleman has expired.

(By unanimous consent, Mr. QUIE was allowed to proceed for 3 additional minutes.)

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the distinguished majority leader.

Mr. GERALD R. FORD. Mr. Speaker, let me ask one further question.

As I understand it, what this bill does is to permit the same quantity of food to be bought and paid for, even though it may cost more dollars; is that the net result?

Mr. QUIE. No; it is the same amount of money to be spent, even though the prices may be up and there will be a lesser quantity of food.

Mr. GERALD R. FORD. In other words, it would be the same amount of money?

Mr. QUIE. The gentleman is correct.

Mr. GERALD R. FORD. Even though it may result in a lesser quantity?

Mr. QUIE. That is right, because with food prices going up—and I just want to say right now I am not opposed to those farmers getting more money at all; I am all in favor of it—you do not buy as much food with the dollar or with the 7 cents. This will not go any further than the 7 cents per meal that the administration has budgeted for.

Mr. GERALD R. FORD. The administration may have to put up $40 million in cash to buy a lesser amount of food?

Mr. QUIE. The gentleman is correct.

Mr. GERALD R. FORD. They were, however, budgeting or did budget for $40 million in fiscal year 1973?

Mr. QUIE. No; they budgeted for about $300 million; $40 million was about the value of 1 cent per meal and so they budgeted $313 million, to be exact.

Mr. GERALD R. FORD. And this $40 million came out of that $313 million?

Mr. QUIE. That means that if they distribute 6 cents worth of food, they will have about $40 million they would have to distribute in cash. Do you follow on that? You see, the budget is $313 million, and that is approximately 7 cents a meal. Now, suppose they can only distribute what would approximate 6 cents a meal. Then there would be about $40 million that they did not distribute in commodities, and this bill would require they distribute that in cash.

Mr. Speaker, I think we have an excellent piece of legislation here. We have worked out the difficulties that seemed to appear before us, that the administration pointed out, and I urge my colleagues to support the bill even though the administration does not indicate support for it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Iowa.

Mr. GROSS. The school lunch program has been, is now, and will continue to be a general welfare program. Does not the gentleman agree with that?

Mr. QUIE. The school lunch program is a welfare program to the extent that you provide commodities and a cash payment of 8 cents per meal to those who could afford the meals. It is welfare in that it provides free lunch or reduced-cost lunch for those who are poor.

Mr. GROSS. For the general welfare?

Mr. QUIE. For the general welfare.

Mr. GROSS. That was the question of the gentleman from Ohio (Mr. LATTA). Why, then, should it be charged to the farmer or to any farm program? Why should it not be charged to general welfare?

Mr. QUIE. I guess it is because we started out with this program, as I recall reading about it before I came to the Congress, as a means of distributing that food which we bought in order to support farm prices, to distribute it to somebody who could use it. The school lunch program is one of the places where we distributed surplus food, and it never got shifted in its budget at all to the Department of Health, Education, and Welfare.

At times when the Department of Agriculture works out its budgets to show what expenditures are truly for the benefit of the farmer and what are truly for the benefit of all of the people of this country, that would be the best way of understanding where this program ought to be.

I have many times suggested that the Department of Health, Education, and Welfare ought to administer this program, but that never seems to get done.

Mr. MARTIN of Nebraska. Will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

Mr. QUIE. Mr. Speaker, I yield myself 3 additional minutes.

Mr. MARTIN of Nebraska. Is it true that the fact that the Department of Agriculture has not spent on a percentage basis the same amount this year as the cutback in Federal programs as ordered by the President and the Secretary of Agriculture Butz also has something to do with the slowness with which they have purchased commodities this year? I know the gentleman brought out the argument that since the prices of farm commodities have gone up they have not made so many purchases, but does not this have something to do with it, also?

Mr. QUIE. No. We got nothing from the administration to show that this was a part of their reduction of expenditures in the Department of Agriculture to keep spending within the $250 billion. Of course, if they did not spend it, it would be approximately $40 million that they could spend some place else and still stay within the $250 billion, but they have never made the claim that they were attempting to buy fewer commodities with section 32 funds in order to save the Federal dollar at all.

Mr. MARTIN of Nebraska. Is not the end fact of this legislation before us very similar to what we had in the legislation on the REAP program 2 or 3 weeks ago in that it pretty much makes it mandatory for the Department to spend the funds either in commodities or cash?

Mr. QUIE. To that extent it is similar to the REAP program where we demand the expenditure of the difference. That is correct.

Mr. MARTIN of Nebraska. One other question. I talked to the gentleman on the phone about this legislation this morning. It was my understanding from my conversation that the administration is still opposed, as stated by the Assistant Secretary of Agriculture, to the legislation we have before us this morning.

Mr. QUIE. I would say that we have nothing formal from them.

Mr. MARTIN of Nebraska. I understand that, but I mean in the conversation with the Assistant Secretary.

Mr. QUIE. I said I would have to assume that they still were not in favor of the legislation. However, it may be that in this period of time they just did not have time to run this new bill through the OMB and find out whether it was acceptable or not.

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. BLACKBURN. Mr. Speaker, today, the House is again considering under suspension calendar a major piece of legislation, H.R. 4278, a bill regarding the financing of child nutrition programs. I am becoming increasingly distressed with regard to the practice of considering bills which involve expenditures of $150.8 million being handled under a procedure which limits debates to only 40 minutes and prohibits the proposing of any amendments. Surely, this early in session, it would be very simple to obtain a rule from the Rules Committee in order to allow proper debate and amendments.

This bill is an effort to compel spending by a major agency. The sponsors have not considered the inflationary impact this legislation could have. At a time when food prices, especially protein food such as meat, are at an alltime high, it might not be in the best interest of the Government or the consumer to purchase large amounts of foods at such high prices. If the Department is granted discretion with regard to spending the funds, the Government might be able to obtain the products at lower prices. The Department of Agriculture stated that purchases for the food lunch program have been slowed because of strong commercial demands for food products. Nevertheless, the Department feels that all funds appropriated will be expended within the next several weeks.

Mr. Speaker, if the funds are going to be expended, I do not see any need to force the Secretary of Agriculture to spend these funds by a fixed date, especially in light of the fact that this action might well force purchases of some products at a time when their prices are the highest.

In closing, I would like to state that my views might be considered old fashioned. I still feel that parents have the primary responsibility to see to the caring of their children, and feeding them is the first necessity. Programs such as this may tend to decrease family responsibilities and put more of the burden of providing for the family upon the Government rather than on the individual. Trends such as this should be carefully watched.

Mr. VANIK. Mr. Speaker, I rise in support of the passage of this legislation designed to insure vitally needed distribution of commodities and other foods to the States for use in the school lunch and school breakfast programs. This bill reqires the Department of Agriculture to make an estimate on March 15 of the amount of commodities and other foods which the Department will deliver to the States for the school lunch and school breakfast programs for fiscal year 1973. If the Department's survey finds that less than 90 percent of the value of the supplies which the Department had initially programed and promised the States will actually be delivered before the end of the fiscal year on June 30, then the Department must pay the various States, by no later than April 15, 1973, an amount of money equal to the difference between the value of deliveries initially programed and the value which the March 15 survey indicates will actually be delivered.

This legislation is necessary, because the Department has fallen way behind in puchasing commodity goods and delivering them to the States. The result has been an extreme hardship on the States and serious strain on their education and child feeding budgets. In my own State of Ohio, the delivery of commodity foods and assistance is down approximately 61 percent. Out of a promised $150 million in commodity assistance, only about $99 million has been delivered, and the end of the 1972–73 school year is rapidly approaching.

Mr. Speaker, the Department has indicated that it has experienced delays in providing commodity foods because of the unusual behavior and high prices of the commodity markets this year. This, of course, is not the fault of the various school systems and States.

It is a strong statement, Mr. Speaker, but I feel that the delays in the commodity program may just be part of an overall delay and underfunding of child-feeding programs by the Department. It could well be a form of impoundment, of delay and bureacratic confusion for budget purposes. It appears that the Department places much more weight on a balanced budget than it does on nutritious and balanced meals for children.

As the distinguished chairman of the committee knows, I have long had a special interest in section 13 of the National School Lunch Act. This section, known as the special food services program, provides lunches for low-income children during the summer months and for the pre-school children in day care centers on a year-round basis.

This program has had, in the 4 years of its existence, almost continuous budget problems. The Department has seemed to oppose this program at every step of the way, despite its admitted success.

I recently polled the various State directors of this program and found that there appears to be a shortage of funds of between $12 and $13 million for the proper administration of the year-round program. It is estimated that my own State of Ohio is short of necessary funds by at least $2.5 million. The result is that tens of thousands of low-income children are denied the benefits of this program—a program intended to insure adequate nutrition for all American children.

As the Education and Labor Committee continues its efforts this year to insure the proper administration of the various child feeding programs, I hope that they can give consideration to further improvements in the section 13 program.

I might add, for the committee's use, that the poll to which I just referred is printed in the CONGRESSIONAL RECORD of February 28, 1973, on page 5963. In addition to providing information on the budget shortages for this program, a number of the State directors made additional comments on the program in letters to me. These comments indicate severe problems in the administration of this program. Since these letters were received, the Department has issued new guidelines governing the administration of the section 13 program. While I support a number of these changes in the regulations, I fear that some of them are specifically designed to limit the number of applicants and to reduce the nutritional quality of the meals—thus limiting the cost to the Department of this program by increasing the number of ill-fed children in our cities and poorer rural area.

I would like to include portions of these letters in the RECORD at this point as a further indication to the committee and to the House of the difficulties which are being encountered in the child feeding programs administered by the Department of Agriculture.

From the director of the California section 13 program:

> Currently we are reaching approximately 7,000 children in our year-round program, and, as you know, the Department of Agriculture has frozen the program at this level. We conservatively estimate that we could double the program if we had the assurance that the necessary funding would be available. We have on file 120 applications which we have been unable to approve, but this is not a true indication of need since we have been unable to make any effort to expand the program because of the freeze.
>
> It is our goal to reach 250,000 children during June, 1973 and 500,000 children during July and August, provided adequate funding is available and, most important, guaranteed

> early in the year. To achieve this goal it will require approximately $6,000,000.00.

From Colorado:

> Our office encourages any interested eligible institution to apply for the Special Food Service Program for Children. However, "the word is out" that this program has not expanded in over a year's time. Therefore, we are not getting the volume of phone calls or applications that we got last year. All applications from last year are still on file should funding become available. We have 12 applications on file requesting $46,704 and an additional 26 sponsors who have received applications but have not returned them.

From Hawaii, which faced cutbacks last spring:

> First, may I note that revision of section 13 with the phrase ". . . such sums as are necessary . . ." was interpreted by me to provide the funding for expansion of the SFSPC. However, as you well know, funds are being allocated at specified levels.
>
> This sum will possibly be insufficient to provide full reimbursement at earned levels. A reduction in reimbursement rates will probably be necessary by March or April to the 12 child care centers reaching 1,421 children in the SFSPC in Hawaii.
>
> We have a few applications on file, and have discouraged other centers from applying because of the level of funding. It is estimated that an increase of 50% in funds would be effectively used if available.

The problems of administration are described by the director of the Iowa program:

> There is one point we wish to call to your attention. This is the lack of funds to employ adequate staff to administer these programs.
>
> Far more staff time is spent in administering these year-round and summer-only programs per program than is spent comparatively on other child feeding programs.
>
> We have one consultant to cover all Special Food Service Programs in the entire state. We refer to processing and approving applications, administrative on-site reviews, food cost reviews, correspondence, telephone inquiries, etc.
>
> In our opinion this is not adequate to do the job the way it should be done.
>
> Is there any help your office can give to get federal-state administrative expense funds increased for FY 1974?

The importance of food to education is well described by the Kentucky administrator:

> The efforts of each member of Congress to provide food service to children is greatly appreciated. It is the feeling of the Kentucky staff that "food comes first" and that without adequate food pupils do not achieve to the maximum. If adequate food is absent and TLC (tender loving care) is missing the 3 R's are bound to suffer.

The problems caused by fund restrictions was described in detail by the director of the New Jersey program:

> At the present time New Jersey has 77 applications on file for participation in the Special Food Service program, which we are not able to honor due to lack of available Section 13 funds. These centers would service approximately 4,000 children daily at an estimated cost of $400,000.00 for fiscal year 1973. Therefore, New Jersey needs approximately $868,060.00 in Section 13 funds to initiate programs in all centers which have expressed in writing a desire to participate in the Special Food Service Program for Children.
>
> In addition many centers now operating programs are not able to expand substantially because of the limited funds available; and several others are currently receiving rates less than the prescribed $.30 for lunch and supper, $.15 for breakfast, and $.10 for snacks so that other centers could be approved for participation. Given the available funds, New Jersey could provide food service to 250 centers serving 14,000 children daily at a cost of $1.2 million. At the present time New Jersey serves 120 centers, serving 7,500 children at a cost of $468,060.00.
>
> Despite the fact that funds for the Special Food Service (summer operation) have in the recent past been more adequate than those alloted for the year-round program, we are still not able to meet the entire current demand. Since we have barely begun to collect applications for the Summer Special Food Service Program for the upcoming year, we do not know the precise extent of demand, but we anticipate that the fiscal need for this program will exceed the previous summer's, and perhaps reach $2,500,000.

Additional administrative problems are described in the letter from the director of the North Carolina program:

> North Carolina's share of Section 13 funds seem to be adequate at this time for the requests received. However, we are not beginning to reach children who need the benefits of this program. Cited as reasons are—the large amount of paper work necessary with inadequate labor for regular day care and lack of sponsors and necessary labor both paid and volunteer for summer programs.

The following information was provided from Pennsylvania:

> Since it was apparent that funds would not permit new sponsors to participate this year, we have not had interested parties file applications. Instead of an application we have had interested sponsors file a letter of intent to participate, if additional funds could be made available. Presently we are holding 51 letters of intent in a pending file.
>
> Each week there are numerous requests to participate in the Special Food Service Program for Children. The growth possibilities in Pennsylvania really are unlimited. Your efforts to secure additional funds for this program will be greatly appreciated.

Finally, I would like to include the full text of a very thoughtful letter from the Oklahoma program. This letter expresses the frustration which the State directors face in their efforts to use this program to feed hungry children in their States:

> Hon. CHARLES A. VANIK,
> *Member of Congress, Ohio, House of Representatives, Washington, D.C.*
>
> DEAR CONGRESSMAN VANIK: We have your December 11 letter about the Special Food Service Program—Section 13 of the School Lunch Act. We appreciate your continued interest in nutrition for day care programs and feel compelled to give more than a simple answer to your questions.
>
> Both the year-around program and the summer program are distressing to us. We have not had enough money for the year-around program since the funds were split. We really resent the fact that they were divided, because it eliminates our judgment value completely as to where that money will do the most good. Our summer funding last year was almost 80% as much as the year-around program, and, in our opinion, 20 or 25% of that would have done much more good added to the year-around funding. This would allow us to accept all applications on hand. We would make any kind of a compromise to limit the summer program to the advantage of the year-around program.
>
> We deplore going through the period every year of not knowing about funds. The sponsors go through an agonizing period of not knowing, as they usually start with little money and a lot of faith. The publicity about federal help for day care adds to the confusion. Some of them have gone through all of the preliminary planning and expense to start a program, with our help in the budget, and then found they could not participate. Some of them have been understanding in the beginning and, with our encouragement, hopeful while Congress was in session and working on our bills—and some have been very unhappy from the start. It is hard to pass the buck to Congress, USDA and the President—we're the ones on-the-spot!
>
> We have gone through periods of being confused because state people in other agencies called for our help as a result of advice from their USDA counterparts. We first though that their Federal agency had knowledge of what was happening at the Washington level and had acted faster than USDA in passing it on. But, no! The freeze was on!
>
> To eliminate the confusion and duplication of effort, we would like to see feeding programs for pre-school children combined, regardless of which Federal Agency administers them.
>
> If the program could be stabilized and adequately funded, we could do a lot to help with a minimum of staff expansion. We already have a nucleus of school lunch field consultants visiting schools and conducting state and local training programs. Because of the workload of day-care personnel and incentive, it is hard to find time to get them into training classes. There is also a heavy turnover, therefore, the centers need many on-site visits. We never feel that training is wasted, because many better their income in nursing homes, hospitals and institutions, as well as commercial establishments, as a result of training. We do need additional State Administrative Expense funds to do a better job and have this in our State Plan of Operation for 1974.

It is obvious that the need for better and more efficient food assistance programs to our Nation's low-income families are still desperately needed—and the failure to provide adequate support to the section 13 program contributes to the tragedy of hunger in this, the world's wealthiest Nation.

Despite these clear indications of inadequate funding, the administration's budget shows a formal cutback in the section 13 program from $20.775 million to an even $20 million. A telephone check with the Department, however, indicates that they actually plan to spend some $80.6 million in section 13 in fiscal year 1972. Thirty million will be for the year-round program and approximately $50.6 million for the program in the summer of 1973. These funds are apparently available through the section 32 program and from carry-overs on money unspent in previous years. It is important that we in the Congress tie down the exact source of these funds and ensure their firm commitment to the program.

While I certainly welcome the general increase over the years in support of this program, as the table indicates, there is still considerable unmet year-round need. From the table it appears that the budget for fiscal year 1974 falls short of the need by at least $12 million—

and this is without providing room for program growth or expansion. I also find it interesting that the Department presently indicates a total support for this program of $80.6 million; but last summer, when asked to estimate the total cost of the special food service program for fiscal year 1974, the Department provided an estimate of $90 million, rising to $100 million by fiscal year 1975—see Senate report 92–1027. Between last summer and now, the budget estimate was somehow reduced.

There is a clear need for an increase in the budget for this child feeding program. I hope that the Members of this House—and of the other Chamber—will examine this information which I provided and will help support efforts in committee and on the floor of the Congress to provide for a more flexible and adequate support of this program.

Mr. Speaker, in further speeches in this Chamber, during the next few days, I will attempt to point out ways in which the administration of the section 13 program can be improved, both through legislative changes in line with some of the recommendations provided by the State Directors, and through amendments to the proposed Federal Register regulations issued in late February by the Department of Agriculture.

In closing, Mr. Speaker, I urge the passage of H.R. 4278 and commend the committee and its distinguished chairman (Mr. PERKINS) for their continuing fine work on behalf of child nutrition programs.

Mr. QUIE. Mr. Speaker, I have no further requests for time.

Mr. PERKINS. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill H.R. 4278, as amended.

Mr. PERKINS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 352, nays 7, not voting 72, as follows:

[Roll No. 32]

YEAS—352

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Bafalis
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biester
Bingham
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins
Conable
Conlan
Conte
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kuykendall
Kyros
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Parris
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—7

Blackburn
Crane
Davis, Wis.
Schneebeli
Landgrebe
Martin, Nebr.
Shuster

NOT VOTING—72

Anderson, Ill.
Andrews, N.C.
Ashbrook
Ashley
Aspin
Badillo
Bell
Biaggi
Blatnik
Bolling
Brasco
Brinkley
Brown, Mich.
Broyhill, Va.
Carter
Chisholm
Clay
Cohen
Collier
Conyers
Corman
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Dorn
Dulski
Edwards, Calif.
Findley
Flynt
Ford, William D.
Froehlich
Giaimo
Hammerschmidt
Harvey
Hawkins
Hogan
Hosmer
Keating
King
Kluczynski
Koch
Landrum
McCloskey
Mann
Maraziti
Mathis, Ga.
Milford
Mills, Ark.
Mitchell, Md.
Murphy, Ill.
Murphy, N.Y.
Nix
Owens
Passman
Patman
Pepper
Podell
Price, Tex.
Reid
Rooney, N.Y.
Ruppe
Ryan
Stanton, J. William
Steed
Stephens
Symington
Taylor, Mo.
Van Deerlin
Waldie
Wilson, Bob
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Anderson of Illinois.
Mr. Biaggi with Mr. King.
Mr. Mills of Arkansas with Mr. Hammerschmidt.
Mr. Mitchell of Maryland with Mr. Ashley.
Mr. Blatnik with Mr. Brown of Michigan.
Mr. Brasco with Mr. Findley.
Mrs. Chisholm with Mr. Corman.
Mr. Kluczynski with Mr. Collier.
Mr. Koch with Mr. Conyers.
Mr. Mathis of Georgia with Mr. Ashbrook.
Mr. Van Deerlin with Mr. Bell.
Mr. Yatron with Mr. Cohen.
Mr. Steed with Mr. Carter.
Mr. Stephens with Mr. Broyhill of Virginia.
Mr. Symington with Mr. Hawkins.
Mr. Clay with Mr. Dulski.
Mr. Brinkley with Mr. Froehlich.
Mr. E de la Garza with Mr. Hogan.
Mr. Dominick V. Daniels with Mr. Harsha.
Mr. Pepper with Mr. Harvey.
Mr. Podell with Mr. Nix.
Mr. Reid with Mr. Keating.
Mr. Waldie with Mr. McCloskey.
Mr. Aspin with Mr. Owens.
Mr. Andrews of North Carolina with Mr. Price of Texas.
Mr. Davis of Georgia with Mr. Ryan.
Mr. Giaimo with Mr. Maraziti.
Mr. Davis of South Carolina with Mr. Taylor of Missouri.
Mr. Dorn with Mr. Murphy of New York.
Mr. Flynt with Mr. Edwards of Califonia.
Mr. William D. Ford with Mr. Ruppe.
Mr. Landrum with Mr. Bob Wilson.
Mr. Mann with Mr. Passman.
Mr. Murphy of Illinois with Mr. J. William Stanton.
Mr. Milford with Mr. Badillo.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 4278.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ADDITION TO LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker, I take this time to announce that I have been informed that the distinguished chairman of the Armed Services Committee (Mr. HÉBERT) intends to call up tomorrow House Resolutions 26, 114, 115, and 143, all pertaining to the bombing of North Vietnam.

These are all resolutions of inquiry which were reported unfavorably by the Armed Services Committee.

It is my understanding that the chairman, Mr. HÉBERT, will move to table each of the resolutions.

REFERENCE OF H.R. 372

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of the bill (H.R. 372) to amend the Federal Meat Inspection Act to provide that certain meat food products are adulterated, and that the bill be rereferred to the Committee on Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HAMMERSCHMIDT. Mr. Speaker, on the recorded vote just had (rollcall No. 32) I missed the vote. Had I been here, I would have voted "yea."

NATIONAL COMMISSION ON FINANCING OF POSTSECONDARY EDUCATION EXTENSION

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 393) to amend the Education Amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report.

The Clerk read as follows:

H.J. RES. 393

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 140(d) of the Education Amendments of 1972 is amended by striking out "April 30, 1973" and inserting in lieu thereof "December 31, 1973".

(b) Section 140(h) of such Act is amended by striking out "1973" and inserting in lieu thereof "1974".

(c) Section 140(b)(1) of such Act is amended by striking the last sentence and inserting in lieu thereof the following: "Upon the submission of its final report required by subsection (d) the Commission shall cease to exist, except that it shall, if necessary, have a reasonable time (but not later than June 30, 1974) to terminate the affairs of the Commission."

The SPEAKER. Is a second demanded?

Mr. DELLENBACK. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, section 140 of the Education Amendments of 1972 authorized the establishment of a National Commission on the Financing of Postsecondary Education. The Commission, which is composed of 13 Presidentially appointed members and four Members of Congress, is assigned the task of undertaking a complete study of the financing of postsecondary education. The Commission was appointed 6 months ago and is presently involved in carrying out its task.

Existing law requires the Commission to file a final report of its study on April 30, 1973. As my colleagues know, it took 2 years to complete action on the higher education amendments. The date of April 30, 1973, was a reasonable reporting deadline at the time the higher education amendments were first introduced.

It was recognized in our conference proceedings, however, on the higher education amendments—a year and a half after the bill had been introduced—that the April 30 deadline would not allow as complete and thorough a study as was being called for.

We were unable to extend the date in conference because that possibility was not before the Conference Committee. House Joint Resolution 393 simply extends the time for making the final report from April 30, 1973, to December 31, 1973.

Enactment of this resolution will not involve any additional costs to the Federal Government. The Commission was authorized funding at $1,500,000. This amount was appropriated in the Supplemental Appropriation Act for fiscal year 1973. This money is available for expenditure until June 30, 1974.

Finally, Mr. Speaker, the resolution perfects the statute in that it will allow for an orderly termination of the Commission's activities. As originally authorized, the Commission ceased to exist at the time the final report was submitted. The resolution still requires that the Commission cease its operations upon submission of the final report, except that reasonable time is given for the Commission to terminate its affairs.

Mr. Speaker, I know of no objection to the resolution, and accordingly, I urge its approval.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Why not stop the funds at the end of December 1973 when the Commission reports?

Mr. PERKINS. Let me state to my distinguished colleague that they do not have time to make as comprehensive a study as is statutorily called for. There is so much involved in the study of the financing of post secondary education that more time is needed.

Mr. GROSS. I understand all that, but if the life of the Commission is supposed to expire December 31, 1973, why not stop the funds? They are enabled by this legislation, apparently, to continue the staff of the committee, for some unknown reason—or unknown to me, at least.

Mr. PERKINS. The gentleman is correct; but authority is proposed only for terminating the affairs of the Commission after December 31, 1973.

Mr. DELLENBACK. Mr. Speaker, will my colleague the gentleman from Kentucky yield to me?

Mr. PERKINS. I yield to the distinguished gentleman from Oregon.

Mr. DELLENBACK. I thank the gentleman for yielding.

The question of our colleague from Iowa is a completely sound one. Of course, as the chairman of the full committee has pointed out, there is no additional authorization, nor indeed is there any additional appropriation here.

The question of the gentleman from Iowa does not conflict with that, but says that if that is the case why do we not stop funding the money at that time.

As a member of the Commission, one of the four congressional appointees, I can say we have discussed this point. I can only assure the gentleman that there is no intention of doing anything extensive after the time the report is submitted. Rather than cutting funds off sharply at that date, however, it would be anticipated, as has been true of some commissions in the past, that it might be necessary to have some carryover beyond that date because, frankly, we can only get the report in against that December 31 deadline. There may be some printing problems or other problems after that time.

We would have a few of the identical staff beyond that time to do these things. We can assure the gentleman, however, that it is not intended that we use the time beyond that date either to undertake a study or to keep any excessive staff on at all or really to act in any sort of an advocacy role. But we feel if we set an arbitrary deadline for that time, we might very well find ourselves so close with our report that it would be impossible to meet that deadline date.

Mr. GROSS. Mr. Speaker, will the gentleman yield so I may ask the gentleman from Oregon a question?

Mr. PERKINS. I will yield to the gentleman.

Mr. GROSS. You have given this Commission an extension of 8 months, according to the report.

Mr. DELLENBACK. In actual point of time, that is correct.

Mr. GROSS. But you propose in this resolution to go on spending money on this study until June 30, 1974; is that not correct even though the Commission is mandated to file its final report by December 31, 1973?

Mr. DELLENBACK. Mr. Speaker, under the resolution as put forward, it would be possible to have that take place. That is what I have just told the gentleman. It is true we do have that problem, but we are less certain about spending money after that date, except in relatively minor amounts, than we are about making sure we can properly wind up the work of the Commission at the deadline so then we will have gotten in the draft of the report.

Mr. GROSS. The gentleman has spoken of the million and a half dollars that the Commission is given to make this study. I cannot conceive of any other purpose for keeping a staff on the job for 6 months after the report has been filed but to spend money.

I think every possible dollar ought to be saved if the Commission is going out of existence on December 31, 1973.

Mr. DELLENBACK. Mr. Speaker, will the gentleman yield further?

Mr. PERKINS. I yield to the gentleman.

Mr. DELLENBACK. Mr. Speaker, let me say, as I have said and have tried to make clear, the Commission has studied this, and the Commission has no intention whatever—and, of course, the Commission consists of a bipartisanship membership—the Commission itself is not going to sit and let any amounts of money be wasted.

However, we are working under such a very tight pressure timewise, and that is the reason we come before this body with this resolution and that is why I want to ask for the extension of time.

We are going to be working right up against that December 31 deadline date. We will have our report in by that time. There may be some contracted research studies which may have to be put out in the form of a supplemental report immediately thereafter; there may be some other minor steps to be taken.

Mr. Speaker, as one member of that Commission, I will assure this body we will do our very best to make certain that only small amounts will be spent beyond the time the December 31 report is made and we will do everything we can to make certain it is accomplished in this light.

Mr. O'HARA. I am pleased, Mr. Speaker, that my first floor action in my capacity as chairman of the Special Subcommittee on Education is to report for consideration by the House a resolution which, first, has the unanimous support of the members of the Committee on Education and Labor, and which, second, will cost the Government no additional money.

House Joint Resolution 393 makes a technical change in those provisions of the Education Amendments of 1972 which created the National Commission on the Financing of Postsecondary Education.

The Commission was created to conduct a study of the financing of postsecondary education, including the impact of past present and anticipated Federal, State, local, and private programs, the appropriate role of the States, and the desirability of additional governmental and private assistance. Even as we were enacting the massive Education Amendments of 1972, there was broad agreement in the Congress and in the education community that such a study was needed, to provide all concerned with a good outside look at what we have done, and what we might do in years ahead.

When the Commission language was first approved by the House in 1971, it seemed as though April 30, 1973, would be a good deadline for the report, and that date was fixed in the legislation.

But, as every Member of this House is aware, the education bill became embroiled in a number of controversies, and it followed a long and difficult path from its original passage in the House to a place on the statute books. By the time the Act was signed, on June 23, 1972, the time remaining for the study had been seriously shortened.

The Commission nevertheless was appointed, including four Members of the Congress—the gentleman from Indiana (Mr. BRADEMAS), the gentleman from Oregon (Mr. DELLENBACK), the Senator from Rhode Island (Mr. PELL) and the Senator from Maryland (Mr. BEALL)—and it has begun its study. The Committee on Appropriations approved and the Congress enacted an appropriation for the work of the Commission during its entire life, of $1,500,000, as authorized by the act, and the work is moving along.

However, because of the forshortening of the time available to the Commission, it became almost immediately apparent to everyone concerned that there would not be time available by April 30, 1973, to file a final report. So, at the request of the Commission itself and with no objection from any quarter, the Committee on Education and Labor has reported this amendment to give the Commission until December 31 of this year to file its report with the Congress and the President. While the original legislation would have the Commission go out of existence immediately upon the filing of the report, this amendment would allow a reasonable period of time to wind up the Commission's affairs, arrange for the printing and distribution of the report and receive and forward to the Congress and the President any final reports of research contractors, and to perform in an orderly manner, the housekeeping chores inseparable from terminating the Commission's substantive activities.

The committee, in its report emphasizes that the Commission is to complete its work without returning to the Congress for additional funding. The moneys already appropriated for the Commission's activities are enough, in our judgment, and, while the proposed amendment will allow those funds to be spent during the termination period, it does not authorize and we do not anticipate any further funding.

Mr. Speaker, the Commission is performing a useful function, and it should be permitted this short extension of time so that its report will be more useful to the Congress, the President, and the education community.

I urge the passage of this resolution.

Mr. DELLENBACK. Against this background, Mr. Speaker, I rise in strong support of this particular action and urge that we take this opportunity to operate under the date that the chairman has already told us about. We cannot do it in the time that was given initially.

Mr. Speaker, as both the ranking member on the subcommittee having jurisdiction over higher education legislation and one of four congressional appointments to the National Commission on the Financing of Postsecondary Education, I would like to give just a brief background of this resolution.

The proposal to create a national commission was adopted by the House Education and Labor Committee on September 30, 1971. The initially proposed reporting date of June 30, 1973, at that time was 21 months away. The House passed H.R. 7248, containing this provision, on November 4, 1971. Then, as we well remember, the issue of school busing lengthened the subsequent legislative process on this bill and it was not until May 24, 1972 that the Senate agreed to the conference report, and June 8, 1972 that the House approved the conference report. The President signed the Education Amendments of 1972 into law on June 23, 1972.

Because of House rules governing conference actions, the final reporting date for the proposed Commission could not be changed to a later date. Actually, in order to allow the Commissioner of Education time to comment on portions of the Commission's report and file his own report to Congress prior to June 30, 1973, the Commission was asked to make its report by April 30, 1973.

On September 21, 1972, the President announced the appointment of the National Commission. Following is the press release announcing the Commission:

THE WHITE HOUSE,
September 21, 1972.

The President today announced the appointment of 13 members of the National Commission on the Financing of Postsecondary Education. The Commission was created when the President signed S. 659, the Education Amendments of 1972, on June 23, 1972. The President today also is designating Donald E. Leonard as Chairman and Marian W. La Follette as Vice Chairman of the Commission. The appointees are:

Donald E. Leonard, of Lincoln, Nebraska; Attorney with the firm of Nelson, Harding, Marchetti, Leonard and Tate; and President, Labor Finance Industrial Bank of Denver, Colorado.

Marian W. (Mrs. John) La Follette, of Encino, California; Member and former President of the Board of Trustees, Los Angeles Community College.

Ernest L. Boyer, of Albany, New York; Chancellor, State University of New York, Albany, New York.

Joseph P. Cosand, of Washington, D.C.; Deputy Commissioner for Higher Education, Office of Education, Department of Health, Education and Welfare.

Governor Winfield Dunn, of Nashville, Tennessee; Governor of Tennessee.

Tim R. Engen, of Sioux Falls, South Dakota; Junior and Student Body President, Bradley University, Peoria, Illinois.

George Kaludis, of Nashville, Tennessee; Vice Chancellor for Operations and Fiscal

Planning, Vanderbilt University, Nashville, Tennessee.

Dan M. Martin, of Chicago, Illinois; President, Associated Colleges of the Midwest, Chicago, Illinois.

Walter C. Mercer, of Columbus, Ohio; President and Chief Executive Officer, The Ohio National Bank, Columbus, Ohio.

John W. Porter, of East Lansing, Michigan; State Superintendent of Public Instruction, Lansing, Michigan.

Louis P. Rodriguez, of Phoenix, Arizona; Faculty Associate, Arizona State University, Tempe, Arizona; and Administrative Assistant, Phoenix Elementary School District No. 1.

Sister Jane Scully, of Pittsburgh, Pennsylvania; President, Carlow College, Pittsburgh, Pennsylvania.

Ruth C. Silva, of State College, Pennsylvania; Professor of Political Science, Pennsylvania State University, University Park, Pennsylvania.

In addition to the 13 members appointed by the President, the Commission includes two Senators from different political parties appointed by the President of the Senate, and two Representatives from different political parties appointed by the Speaker of the House. The Congressional members are:

Senator J. Glenn Beall, Jr., Republican of Maryland;

Senator Claiborne Pell, Democrat of Rhode Island;

Congressman John Brademas, Democrat of Indiana;

Congressman John Dellenback, Republican of Oregon.

The members of the Commission will serve until the Commission makes its final report to the President and the Congress on the results of its investigation and study, not later than April 30, 1973. Upon submission of the final report the Commission will cease to exist.

P.L. 92-318 (the Education Amendments of 1972) calls upon the Commission to study: the impact of past, present and anticipated private, local, State and Federal support for postsecondary education, alternative student assistance programs, and the potential Federal, State and private participation in such programs.

The law specifies that the 13 members appointed by the President be: from the Office of Education; from various state and local educational and governmental agencies; education administrators; teachers; students; financial experts from the private sector, and other appropriate fields.

Mr. Speaker, the Commission has so far met on four different weekends in addition to numerous committee meetings of Commission members. I feel the work of the Commission is now well under way and anticipate that very helpful insights into postsecondary finance will come out of the Commission's research.

As the committee report points out, what we are doing today in no way increases the authorization for appropriations or expenditures of the Commission. The Supplemental Appropriations bill of October 1972, included $1,500,000—the authorized amount—for the Commission, which sums can be expended until June 30, 1974.

The Commission, under the changes proposed in this resolution, will be required to submit its report by December 31, 1974. This deadline was agreed to be reasonable by the Commission. But it was also felt that there might be necessary wrap-up functions for a few months following the December 31 date. This resolution allows for that kind of function to be carried out. The Commission does not intend to use this time to act in an advocacy role or to undertake new study initiatives.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. Yes, I will yield to the gentleman.

Mr. WYLIE. Mr. Speaker, I wish to ask the gentleman, how much of the original $1.5 million has been spent?

Mr. DELLENBACK. The amounts at this time, I will inform the gentleman from Ohio, are relatively minor, because although we are projecting expenditures, a number of the dollars will have to be spent under contracts. We have had four meetings already during this time. We have programed the work for the full life as expected of the duration of the Commission, but we have at this time spent relatively few of those dollars.

It is expected within the next couple of months, we will be making commitments for outside studies in large part that will take care of the bulk of the dollars which it will be indeed necessary to spend.

Mr. WYLIE. But you are reasonably certain at this time there will not be any need for any additional supplemental appropriation?

Mr. DELLENBACK. I assure the gentleman from Ohio we will make sure as we go forward and project these expenditures that we are doing the very best we can to see that not only will we not be asking for additional dollars, but hopefully there will be some of these dollars that will be returned.

Mr. WINN. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Kansas.

Mr. WINN. In a part of the funds you are requesting the extension for, would there be additional reports coming out of this Commission?

Mr. DELLENBACK. The possibility exists that although the Commission itself will have its report in by the December 31 deadline date—and we find the schedule very tight, but we are doing it—if indeed some of the studies I have just alluded to done by outside contract are not in by that time, in spite of the fact that we are pressing for them to be in, we will find ourselves in a situation where we will have to prepare an addendum to our report. We will try to make December 31 the final report, but anything else that is not done by that time hopefully will be relatively minor.

Mr. WINN. Then, it is your opinion that the reports on which you have outside studies and possibly additional hearings will be all printed and there will be no additional expenditure incurred after that period of time?

Mr. DELLENBACK. It is our anticipation that there will be no additional expenditures asked for whatsoever. Whether it is necessary to spend every dollar before that time or spend a few of them a few weeks or a few months thereafter, it is not intended that we will be asking for additional funds now or in the future.

Mr. GROSS. Will the gentleman yield?

Mr. DELLENBACK. Of course.

Mr. GROSS. The point is that the life of the Commission, under the terms of this particular piece of legislation, expires December 31, 1973, this year. Is that not true?

Mr. DELLENBACK. No. The report is due in by that time, Mr. GROSS, but it is anticipated that the life of the Commission will go on until sometime in 1974.

Mr. GROSS. Yes. June 30, 1974.

Mr. DELLENBACK. That is right. June 30, 1974.

Mr. GROSS. Yes. But if the Commission is due to report on December 31, 1973, why continue this staff and this Commission and give them any authority to spend any money thereafter? If their work is done, let that be the end and hopefully return some money to the Treasury. If we do not begin to save a few thousand dollars here and there, we will never save a few million dollars, and if we do not save a few million, we will never save a few billion dollars. We will go right on feeding inflation, which is eating the heart out of this country. It is about time all these study commissions were made to report on time and we stopped spending money to carry them on and on. This is one of them.

Mr. DELLENBACK. I will say to my colleague from Iowa, as one who, like he, has been a recipient of the Watchdog of the Treasury Award since coming to the Congress, that I yield nothing to him in my desire to save as many dollars as we possibly can. But in this particular instance we are finding ourselves in the time bind to which the chairman of the full committee already alluded. We are faced with a severe problem. We have accelerated the completion date as much as we possibly can, because we want this Congress to be able to deal with that report in the early days of 1974. However, under those circumstances we cannot say that everything that needs to be done will indeed be wound up by the end of 1973. Under those circumstances, if the job is to be effectively done, and if the dollars we have already appropriated are to be effectively used, we should not artificially and arbitrarily set this date at this time where the last dime cannot be spent or where the dollars must be spent before that time or else they cannot be spent at all.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman.

Mr. ROUSSELOT. Will either the gentleman from Oregon or the chairman of the committee answer the question as to some kind of an estimate as to what has been spent so far? Have you spent, let us say, $1 million?

Mr. DELLENBACK. So far, Mr. ROUSSELOT, there have been a relatively few thousand dollars spent in order to take care of the staff for the Commission. The major expenditures are going to be for outside contract studies in the sense of getting the data so that the full Commission can authorize those studies in the next month or two.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. DELLENBACK. I yield to the gentleman from California.

Mr. ROUSSELOT. Maybe I can direct this question to the chairman of the committee, the gentleman from Kentucky (Mr. PERKINS).

Has this Commission spent—and I am sure there must be some staff member who is keeping track of it—has this Commission spent $1 million yet?

Mr. PERKINS. If the gentleman will yield, let me say to my distinguished colleague that the Commission has not expended $1 million. If you will note on page 2 of the report, it says:

> The committee further anticipates and directs that the Commission begin the reduction of its staff and other expenses as rapidly as possible after the submission of the report on December 31, 1973.

May I add also that funds have already been appropriated through June 30, 1974. The bill requires that the report be filed on December 31 of 1973. It is possible that Members and others will want additional information about the report and study—what it contains, and so forth. There should be a small staff to answer and explain questions relative to the study and the contents of the report. That is the reason it is being extended to June 30, 1974. It is not to waste money, but to save money in my judgment. Again may I state that the Appropriations Act carries the appropriation through June 30, 1974.

Also please do not forget that a study of the financing of postsecondary education is a major undertaking and a difficult one. You cannot accomplish any thing sound in a few weeks or in a few months. This extended time is absolutely necessary in order to save the Government money, in my judgment.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, if I understood the gentleman from Kentucky correctly as of this date this Commission has not spent $1 million?

Mr. PERKINS. That is correct, and it may be less than $100,000.

Mr. ROUSSELOT. And so far as the gentleman knows the full $1.5 million will not be needed?

Mr. PERKINS. That is my best judgment. I believe the amount may be a little excessive. Let me assure you there will be no money wasted. Also there will be no request for any additional appropriations.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. I yield to my colleague, the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I would like to address a question to the gentleman from Kentucky.

The gentleman says that the money was appropriated to be used until June 30, 1974. The gentleman must be in error, because the pending bill extends the life of the Commission until that date. The Appropriations Committee did not appropriate the money to be used up to June 30, 1974. It made the appropriation of $1,500,000 based on a termination date of July 1, 1973, not 1974.

Mr. PERKINS. Mr. Speaker, if the gentleman will yield, let me say to my distinguished colleague that the language in Public Law 92-607, the Supplemental Appropriation Act for 1973, provides that this money shall remain available until June 30, 1974, not 1973.

Mr. GROSS. That is what you are saying in this bill by amendment.

Mr. DELLENBACK. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Speaker, having been unavoidably detained and unable to vote on the bill H.R. 4278, the School Lunch Act amendments, I wish to say that I have always supported this program; and had I been able to do so, I would have voted "yea."

Mr. DELLENBACK. Mr. Speaker, we have no further requests for time.

Mr. PERKINS. Mr. Speaker, we have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the joint resolution (H.J. Res. 393).

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 332, nays 29, not voting 70, as follows:

[Roll No. 33]

YEAS—332

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Aspin
Bafalis
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biester
Bingham
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cochran
Conable
Conte
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Horton
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kuykendall
Kyros
Landgrebe
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mailliard
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills, Md.
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Parris
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, James V.
Stark
Steele
Steelman
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Veysey
Vigorito
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—29

Archer
Blackburn
Clancy
Cleveland
Collins
Conlan
Crane
Derwinski
Devine
Gettys
Gross
Hudnut
Lott
Madigan
Michel
Montgomery
Powell, Ohio
Rarick
Roncalio, Wyo.
Rousselot
Sebelius
Skubitz
Spence
Steiger, Ariz.
Symms
Teague, Calif.
Waggonner
Winn
Wydler

NOT VOTING—70

Andrews, N.C.
Ashbrook
Ashley
Badillo
Bell
Biaggi
Blatnik
Bolling
Brasco
Brinkley
Brown, Mich.
Broyhill, Va.
Chisholm
Clay
Cohen
Collier
Conyers
Corman
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Dulski

Edwards, Calif.
Evans, Colo.
Findley
Flynt
Ford, William D.
Froehlich
Giaimo
Harvey
Hastings
Hawkins
Hogan
Hosmer
Keating
King
Kluczynski
Koch
Landrum
McCloskey
Mann
Maraziti
Mathis, Ga.
Milford
Mills, Ark.
Mitchell, Md.
Murphy, Ill.
Murphy, N.Y.
Nix
Owens
Passman
Patman
Pepper
Podell
Price, Tex.
Reid
Rooney, N.Y.
Ruppe
Ryan
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Symington
Taylor, Mo.
Van Deerlin
Waldie
Wilson, Bob
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Hastings.
Mr. Steed with Mr. Ruppe.
Mr. Flynt with Mr. Harvey.
Mr. Brasco with Mr. Brown of Michigan.
Mr. Waldie with Mr. Bell.
Mr. Mathis of Georgia with Mr. Broyhill of Virginia.
Mr. Murphy of New York with Mr. Bob Wilson.
Mr. Evans of Colorado with Mr. Findley.
Mr. Dulski with Mr. Hogan.
Mr. Van Deerlin with Mr. Conyers.
Mr. Murphy of Illinois with Mr. Collier.
Mr. Biaggi with Mr. King.
Mr. Passman with Mr. Froehlich.
Mr. Badillo with Mr. Hawkins.
Mr. Pepper with Mr. Price of Texas.
Mr. Edwards of California with Mr. McCloskey.
Mr. Mann with Mr. Mosher.
Mr. Podell with Mr. Cohen.
Mr. E de la Garza with Mr. Andrews of North Carolina.
Mr. Ashley with Mr. Clay.
Mr. Davis of South Carolina with Mr. Keating.
Mr. Landrum with Mr. Ashbrook.
Mrs. Chisholm with Mr. William D. Ford.
Mr. Koch with Mr. Nix.
Mr. Giaimo with Mr. Maraziti.
Mr. Reid with Mr. J. William Stanton.
Mr. Stephens with Mr. Taylor of Missouri.
Mr. Blatnik with Mr. Steiger of Wisconsin.
Mr. Corman with Mr. Brinkley.
Mr. Dominick V. Daniels with Mr. Mitchell of Maryland.
Mr. Davis of Georgia with Mr. Milford.
Mr. Kluczynski with Mr. Mills of Arkansas.
Mr. Owens with Mr. Ryan.
Mr. Yatron with Mr. Symington.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan (Mr. O'HARA), be permitted to extend his remarks immediately following my remarks, and that all Members may have 5 legislative days to extend their remarks and include extraneous matter on the measure just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

RESIGNATION FROM COMMITTEE ON APPROPRIATIONS

The SPEAKER laid before the House the following resignation from the Committee on Appropriations:

MARCH 1, 1973.

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: In view of the fact I have changed my party affiliation from Republican to Democrat, effective the 27th of February, I hereby submit, with regret, my resignation from the Appropriations Committee.

I have deeply appreciated the chance to serve on this committee for the past six years and to take part in the determination of our national spending priorities. It has been a special honor and privilege to work with all the members of the Committee and I will deeply miss these working relationships.

Thank you for your consideration in this matter.

Sincerely,

DONALD W. RIEGLE, JR.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

THE OLD, THE POOR, THE UNEMPLOYED

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, last week Mr. Nixon sent Congress his message on human resources. Resourceful it was. Humane it was not.

I came to one passage where Mr. Nixon said—and I quote:

> The real miracles in raising millions out of poverty, for example, have been performed by the free-enterprise economy, not by Government anti-poverty programs.

First of all, the problem of poverty is nowhere near solved. It remains one of the major problems facing this Nation today. Second, I would point out that big business did not offer job training to the unskilled and jobs for the disadvantaged until the Federal Government set the example and encouraged and directed big business to follow suit.

Yesterday I was happy to read a short article by Henry Steele Commager—one of this Nation's most distinguished historians—which effectively demolishes Mr. Nixon's spurious contention. In his article, published in the New York Times, Dr. Commager points out:

> For a century and a half almost every major reform in our political and social system has come about through the agency of the national government. . . ."

I include the entire article to be printed in the RECORD:

THE OLD, THE POOR, THE UNEMPLOYED

(By Henry Steele Commager)

AMHERST, MASS.—The object of President Nixon's "new federalism" (which is neither new nor federalism) is to balance the budget, dismantle ineffective social services, and to provide more money for the military. It is submitted to the people not in this bald fashion, however, but as a reduction in Big Government, and a return to localism and voluntarism, that is to "grass roots" democracy. The notion that voluntarism and local authorities can deal effectively with the national and global problems which crowd about us is without support in logic or history, and is dangerous to the well being of the Republic.

The fact is that for a century and a half almost every major reform in our political and social system has come about through the agency of the national government and over the opposition of powerful vested interests, states and local communities.

It is the national government that freed the slaves, not the states or the people of the South, and there is no reason to suppose that these would ever have done so voluntarily. It is the national government that gave blacks the vote, guaranteed them political and civil rights, and finally—in the face of adamantine hostility from Southern states and bitter resentment from local communities, provided some measure of social equality, legal justice and political rights for those who had been fobbed off with second-class citizenship for a century. Ask the blacks if they would have "overcome" through voluntarism.

It is the national government which finally gave the suffrage to women and which, in the past decade, has so greatly expanded the area of woman's rights. It is the national government, too, which extended the suffrage to those over eighteen. And it is the federal courts that imposed a one-man, one-vote rule on reluctant states.

It is the national government which, in the face of the savage hostility of great corporations and of many states, finally provided labor with a Bill of Rights, wiped out child labor, regulated hours and set minimum wages, and spread over workers the mantle of social justice. Ask the workingmen of America if they prefer to rely on the voluntarism of private enterprise rather than on government.

It is the national government that first launched the campaign to conserve the natural resources of the nation and that is now embarked upon a vast program to curb pollution and waste, and to save the waters and the soil for future generations—a program which Mr. Nixon's new federalism is prepared to frustrate. Ask conservationists whether they can rely on the states, or on voluntary action, to resist giant oil, timber, coal and mineral interests for the fulfillment of their fiduciary obligations to future generations.

It is the national government, not the voluntarism of the American Medical Association that finally brought about social security and medicare—just as in Britain, France, Scandinavia and Germany it was government, not private interests, that established socialized medicine. It is the national government, not states or private enterprise (which did their best to kill it) that finally provided social security for the victims of our economic system. Ask the old, the poor, the unemployed, the "perishing classes of society" whether they wish to go back to the voluntarism of private charity or the haphazard of local welfare.

It is the national government, through national courts, which has imposed "due process of law" on local police authorities, and on the almost arbitrary standards of many states. We have only to compare the administration of justice and of prisons in local and federal jurisdictions to realize that many of the values of voluntarism and localism are sentimental rather than real.

It is the national government not the local which through its almost limitless resources has finally acted to ameliorate the awful inequalities on public education at all levels. And it is the national government which has, in recent years, given vigorous support to the arts, music, libraries, higher education and research in every part of the country.

Now these and many other achievements of nationalism in the arena of health, welfare, conservation, economic equality, and justice are not to be explained on some theory that those who work for the nation are more compassionate than those who work on the local level. The explanation is at once more simple and more practical; namely that as the problems we face are inescapably national, they cannot be solved by local or voluntary action. Pollution is a national problem, no one state can clean up the Mississippi River or the Great Lakes, regulate strip mining, or cleanse the air. Civil rights, medical and hospital care, drugs and mental health and crime, the urban blight, education, unemployment—these are not local but national in impact, and they will yield only to national programs of welfare and social justice. All of them are as national as defense, and all as essential to the well being of the nation, and not even Mr. Nixon or Secretary of Defense Richardson has proposed a return to the militia system, though that would be logical enough in the light of their philosophy.

Only the national government has the constitutional authority, the financial resources, the administrative talent and the statesmanship to deal with these problems on a national scale.

The Nixon-Richardson program is not a philosophy, it is an escape from philosophy; it is not a program, it is the fragmentation of a program.

CIA TO DISCONTINUE ASSISTANCE TO LOCAL POLICE

(Mr. HOLIFIELD asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. HOLIFIELD. Mr. Speaker, there have been several reports in the newspapers recently of technical assistance by the Central Intelligence Agency to local police officers in several metropolitan areas. This assistance was reported to be in the form of briefings, instructions, and demonstrations about techniques to detect explosives and wiretaps, conduct surveillance of individuals, and maintain intelligence files.

I should explain, Mr. Speaker, that police organizations of our big cities are not fenced off from the criminals who operate across national borders and in countries of their choosing. The police organization in a large city must maintain intelligence not only on domestic criminals but on foreign criminals who invade its precincts. Also, it must be informed of the latest developments in science and technology relating to crime detection and prevention and be proficient in analytical techniques for handling intelligence data.

To illustrate this point and show how the CIA became involved in this matter, the New York City police in 1972, with the assistance of the Ford Foundation, developed an analysis and evaluation unit within their Intelligence Division. It was at the suggestion of a Ford Foundation representative that the New York City police sought assistance from the CIA as to the best system for analyzing and evaluating intelligence data. Although the Agency's techniques and procedures involve only foreign intelligence, the techniques were considered basic and applicable to the needs of the New York City police. A 4-day briefing was arranged, and a group of New York City police was briefed on the theory and technique of analyzing and evaluating foreign intelligence data, the role of the analyst, and the handling and processing of foreign intelligence information. This briefing was given by a CIA training staff, based upon material used in training its own analysts, and without any significant added expense. The CIA did not give specific guidance on how the New York City police system should be set up, but rather presented its own basic approach, which could be applied as the local police organization saw fit.

The CIA assistance to local law enforcement agencies was generally of two types. First. Those in which the local police department sent one or two officers to the Agency to receive an hour or two of briefing or demonstration of techniques. For this purpose, police officers from six local or State jurisdictions came to CIA headquarters. Second. Those who sent officers for training and briefing lasting 2 or 3 days. Instruction was given in such techniques as record handling, clandestine photography, surveillance of individuals, and identification of explosive devices. For such instruction, officers were sent from nine metropolitan or county jurisdictions. According to CIA information, less than 50 local police officers were involved in both types of assistance.

After several stories on this subject had appeared in the New York Times, the gentleman from New York (Mr. Koch) made a statement on the floor, which appeared in the Congressional Record of February 6, 1973—page 3358. In a letter of the same date, the gentleman from New York sent me a copy of the statement and urged the Committee on Government Operations to investigate the matter. His primary concern was that by providing such technical assistance to local law enforcement officers, the CIA might be engaging in improper activities. The Agency's organic legislation—The National Security Act of 1947—bars the Agency from having police, subpena, or law enforcement powers, or internal security functions.

The Agency's response to this charge was that the technical assistance provided to local law enforcement officers is authorized by, and fully consistent with, the congressional intent in the Omnibus Crime Control and Safe Streets Act of 1968, which favors Federal assistance to State and local jurisdictions in improving law enforcement and developing new methods for the prevention and reduction of crime. The act authorizes the Law Enforcement Assistance Administration to use the available services, equipment, personnel, and facilities of all Government agencies, military and civilian, in discharging its responsibilities of crime prevention and law enforcement.

Mr. Speaker, the CIA maintains that the assistance provided to local law enforcement officers was limited in extent and duration and made in response to local requests. There may be some argument as to whether the initiative in every single case was local, since the Agency may have offered some suggestions of its own or may have had some requests routed through the Law Enforcement Assistance Administration. Rather than quibble about such technicalities, I believe that we need to place this issue in a larger perspective. On the one hand, the public certainly favors, as does this Congress, the mobilization of every available Federal resource in the war against crime. On the other hand, there are certain policies and properties which must be observed. The CIA undoubtedly has great expertise and resources for improving domestic law enforcement, but that is not the Agency's mission. Other Federal agencies can do the job more appropriately.

Following inquiries made by our staff and in discussions with CIA representatives, it appeared to me that whereas the Agency had an understandable desire to be cooperative and to respond to local requests, these requests could become so popular and frequent that too great a demand would be put upon the Agency's resources which were designed for other purposes; and, more important, the Agency would be increasingly involved in domestic-type activities contrary to the spirit and intent of its enabling legislation.

Accordingly, I addressed a letter to the newly appointed Director of the Central Intelligence Agency, the Honorable James R. Schlesinger, Jr., recommending that the Agency discontinue such assistance activities except in unusual and compelling circumstances and only upon approval by the Director. Provision for assistance in exceptional circumstances is warranted, in my judgment. I can conceive that in special situations, such as those involving foreign criminals or international drug traffickers, the President might call upon the CIA to assist in a particular effort, and the Director should not be completely estopped from providing such assistance. However, this should be the exception and not the rule.

My letter to the CIA Director also pointed out that the Intergovernmental Cooperation Act of 1968, reported from our committee, permits Federal agencies to provide specialized or technical services to State and local units of government. Requests for assistance must be made in writing, and there is a provision for summary reports to the Congress by the Federal assisting agency. A format developed in accordance with the provisions of this act would enable the Congress to be informed of such activities.

I am pleased to report, Mr. Speaker, that Mr. Schlesinger, the CIA Director, has responded affirmatively to my letter. He informs me that a review of Agency activities in this area has been instituted, and in the future such activities will be undertaken only in the most compelling circumstances and with his personal approval. For the information of the House, I enclose the exchange of correspondence with the CIA Director. Also, I want to thank the gentleman from New York (Mr. KOCH) for pointing up some of the important issues involved in this matter.

The exchange of correspondence follows:

HOUSE OF REPRESENTATIVES, COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C., February 23, 1973.

Hon. JAMES R. SCHLESINGER,
Director, Central Intelligence Agency, Washington, D.C.

DEAR MR. DIRECTOR: Recent newspaper reports that the Central Intelligence Agency has been "training" police officers from New York City and several other cities have led to a request by Representative Koch of New York that the Committee on Government Operations investigate this matter. Mr. Koch argues that since your agency is barred by the National Security Act of 1947 from internal security functions, the reported assistance given to local police officers is in violation of the law.

Your Legislative Counsel, Mr. John M. Maury, has rejoined in a letter to Representative Koch that the assistance activities in question were minimal, involving less than 50 officers, were in response to requests from the local jurisdiction, were not initiated by the Agency, were not considered to violate the letter or spirit of the above-mentioned National Security Act restrictions, and were well within the congressional intent as expressed in the Omnibus Crime Control and Safe Streets Act of 1968 (Public Law 90-351). That Act favors Federal assistance to State and local governments in strengthening and improving law enforcement and authorizes the Law Enforcement Assistance Administration to use the resources of all Federal agencies, military and civilian, in carrying out its activities.

In discussions with members of your staff, we were advised that the so-called training was in the nature of short duration courses and orientation briefings. Whereas the Agency's desire to be cooperative and to respond to requests for assistance on matters within its special competence is understandable, two kinds of problems could be in the making. Requests for assistance could become so frequent as to generate a significant drain on resources needed for the performance of other functions. More important, an extension of assistance activities in this direction could involve the Agency improperly in domestic activities, contrary to its basic mission.

The sensitive nature of the Agency's work, and the mandate of its enabling legislation, to refrain from engaging in domestic law enforcement activities, would seem to compel a reconsideration of the recently publicized activities in question. To avoid possible misunderstandings and protracted controversies, I recommend that except in unusual or compelling circumstances and subject to your personal approval, the Agency discontinue providing such services to local law enforcement agencies.

In addition to requiring your personal approval, I would suggest also that whenever such specialized assistance is rendered by the Agency, a format be developed for receiving, evaluating, and reporting such requests. Since the Law Enforcement Assistance Administration is the agency primarily concerned with such matters, particularly where Federal assistance funds are involved, it would seem that the need for Federal agency assistance to local law enforcement agencies should be coordinated by that Administration.

Your attention is called also to legislation, reported from our committee, which became the Intergovernmental Cooperation Act of 1968 (Public Law 90-577; 82 Stat. 1102). This statute, as implemented by Budget Circular No. A-97, dated August 29, 1969, permits Federal agencies to provide specialized or technical services to State and local units of government. Requests for assistance must be in writing. There is also a provision for summary reports to Congress by the Federal assisting agency.

A format developed in accord with the provisions of this Act would enable the Congress to be informed of any specialized or technical services rendered by your Agency to State or local units of government.

Your consideration of the matter set forth above, and a reply, would be greatly appreciated. Please accept my best wishes as you undertake your new and vitally important assignment as Agency Director.

Sincerely yours,

CHET HOLIFIELD,
Chairman.

CENTRAL INTELLIGENCE AGENCY,
Washington, D.C., March 1, 1973.

Hon. CHET HOLIFIELD,
Chairman, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you very much for your letter of 23 February 1973. I appreciate your kind wishes as I undertake the job as Director of Central Intelligence.

As suggested in your letter I had already called for review of Agency activities which included the "so-called training" of municipal police. In keeping with the sensitivity of this matter I have directed that such activities be undertaken in the future only in the most compelling circumstances and with my personal approval. We will, of course, comply with applicable laws and regulations regarding coordination with other Federal agencies.

Sincerely,

JAMES R. SCHLESINGER,
Director.

THE CIA

(Mr. NEDZI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. NEDZI. Mr. Speaker, I welcome this opportunity to express my appreciation to the gentleman from California for his fair-minded and measured statement in this matter. I agree with his assessment.

The House should be advised that when information first appeared describing training given by the CIA to some metropolitan police departments, the Special Intelligence Subcommittee of the House Armed Services Committee, of which I am the chairman, immediately took the matter under consideration.

We subsequently learned that an inquiry had been directed to the Government Operations Committee.

The circumstances under which my able colleague, Chairman HOLIFIELD, took action in this matter is understandable. He acted, in our judgment, with dispatch and discretion, and with our full knowledge and concurrence. The Intelligence Subcommittee has no quarrel with him. Nevertheless, and with all respect, it must be emphasized that the basic jurisdiction in CIA matters remains with the House Armed Services Committee and the subcommittee has been diligent in fulfilling its responsibilities.

I share the view that the CIA should refrain from domestic law enforcement activities and that some of the activities described by our colleague, Mr. KOCH, and the Agency itself, could have been performed much more appropriately by other agencies.

I am pleased, therefore, that the new Director of the CIA, Dr. James R. Schlesinger, in one of his first official acts, has made clear that such activities will be undertaken in the future only in the most compelling circumstances and with his personal approval.

RAYMOND J. STANLEY

(Mr. STAGGERS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. STAGGERS. Mr. Speaker, the name at the head of this column may not tax the public tongue every hour of every day. Yet the untimely passing of the urbane and talented gentleman who was its owner is of more than ordinary import to the age which he served with devotion.

The commercial broadcasting industry is a glamour industry. Its ministering servants bask in public homage and thrive on showering wealth.

Not so with the educational broadcasting industry. It is a poverty industry, and those who serve it work in the obscurity of nonrecognition.

Yet both industries are supported by public money, in a sense. Educational broadcasting is supported largely by direct taxation. Commercial broadcasting is supported by advertising revenue, which acts as an unavoidable tax on all purchasers of modern commodities. Commercial broadcasting is largely concerned with entertainment. On the other hand, education is commonly regarded as the handmaid of civilization.

Mr. Stanley has been the organizer of educational television. He has made of it an almost indispensable tool in today's educational circles. It seems fitting, then, that the voice which has been stilled in the silence of death be awakened in appreciating tribute to Mr. Stanley's devoted and honorable service to his Nation. The following was written by those who were associated with him in his effective work:

RAY STANLEY, 1919-73

The public broadcasting community was saddened last week by the death of Raymond

J. Stanley, Chief of the Educational Broadcasting Facilities Branch of HEW and former public broadcaster. Mr. Stanley died Thursday night at the University of Maryland Hospital following open-heart surgery performed earlier in the week. He was 54.

Mr. Stanley—known warmly to all in public broadcasting as "Ray"—was the first and only director of the HEW facilities program since it went into operation in 1963. In that position, he administered some $68 million in grants to help establish new public stations and improve others.

Mr. Stanley began his public broadcasting career at WKAR, East Lansing, Mich. and spent 16 years, from 1946–62, at the University of Wisconsin, serving in a number of key positions with WHA, radio and TV. In 1957–58, he took a leave of absence to work as a program associate with NET. Before joining HEW, he was general manager of WOSU–TV, Columbus, Ohio.

Mr. Stanley held bachelor's and master's degrees from the University of Wisconsin and served as an ensign in the Navy during World War II. In his private life, he was active in theatrical groups and last year had performed in the Longworth Dinner Theater production of "The Music Man."

Mr. Stanley, who lived in Laurel, Md., is survived by his wife, Nancy, his daughter, Dana Rae and his son, John.

National Association of
Educational Broadcasters,
Washington, D.C., February 26, 1973.
Hon. Harley O. Staggers,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Staggers: Undoubtedly you've already heard of the death of Raymond Stanley who administered the Educational Broadcasting Facilities Program, but I wanted to suggest the possibility of your putting a few words in the Congressional Record about his passing. I know his many friends would appreciate it. You saw him a number of times testifying in behalf of the Educational Broadcasting Facilities Program which he administered since 1962. As is always the case, no program can be successful without adequate staff to administer it. The Facilities Program as you well know was very successful indeed and most of the thanks for its operation have to go to Ray Stanley.

About all I would say on a personal level is that those of us who were privileged to work with him knew him as a friend as well as a fellow professional in helping to make public broadcasting work. And it's not often that those in the federal government who have to administer programs are so known by those with whom they work in the private sector. It certainly could be said that the civil service could well be very proud of Ray Stanley and the good work he did over the years.

Cordially,

Chalmers H. Marquis.

CORRECTING RETIREMENT INEQUITIES

(Mr. GOLDWATER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GOLDWATER. Mr. Speaker, according to a study made recently by the Library of Congress, approximately 823,000 veterans receiving pensions and 960,000 veterans' survivors receiving pensions are adversely affected by Public Law 92–336, which provided for a 20-percent increase in social security benfits. This results because 90 percent of all social security payments is counted in determining total annual income under income limitations. In applying income limitations which are imposed upon receipt of pension, all of the income received by a veteran or his survivor is counted unless it falls within a category specifically excluded by law.

In addition to veterans and veterans' survivors, there are also about 1.1 million people who receive both old-age assistance benefits and social security, and they are affected by income limitations. The limitation also applies to many who receive some other form of Federal and State assistance.

While an increase in social security benefits is certainly welcome to millions of Americans, it can also result in an inequity to others. I think Congress has a responsibility to those on a fixed income to make certain that an increase in one Federal retirement or disability program does not result in a decrease in another program.

Therefore, I am introducing a bill today that would prevent future increases in retirement or disability benefits under Federal programs from being taken into consideration in determining a person's need for aid or assistance under any Federal or State public assistance programs. Certainly, this bill or one comparable to it must be enacted if we are to do justice to those Americans who must live on a fixed income. The text of my bill follows:

H.R. 5127

A bill to amend the Social Security Act to provide that future increases in retirement or disability benefits under Federal programs shall not be taken into consideration in determining a person's need for aid or assistance under any of the Federal-State public assistance programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(a)(10)(A) of the Social Security Act is amended by inserting "(I)" immediately after "(i)", by striking out "(ii)" and inserting in lieu thereof "(II)", and by adding immediately before the semicolon at the end thereof the following ", and (ii) the State agency shall, in the case of any individual who is entitled to periodic benefits under a Federal retirement or disability program, disregard any part of such benefits whch results from (and would not be payable but for) the enactment after June 1971 of one or more general increases in the level of the benefits payable under such program".

(b) Section 402(a)(8)(A) of such Act is amended by striking out "and" at the end of clause (i), by striking out "; and" at the end of clause (ii) and inserting in lieu thereof ", and", and by adding after clause (ii) the following new clause:

"(iii) in the case of any individual who is entitled to periodic benefits under a Federal retirement or disability program, any part of such benefits which results from (and would not be payable but for) the enactment after June 1971 of one or more general increases in the level of the benefits payable under such program; and".

(c) Section 1002(a)(8) of such Act is amended by striking out "and" at the end of clause (B), and by inserting immediately before the semicolon at the end thereof the following: ", and (D) shall, in the case of any individual who is entitled to periodic benefits under a Federal retirement or disability program, disregard any part of such benefits which results from (and would not be payable but for) the enactment after June 1971 of one or more general increases in the level of the benefits payable under such program".

(d) Section 1402(a)(8) of such Act is amended by striking out "and" at the end of clause (B), and by inserting immediately before the semicolon at the end thereof the following: ", and (D) the State agency shall, in the case of any individual who is entitled to periodic benefits under a Federal retirement or disability program, disregard any part of such benefits which results from (and would not be payable but for) the enactment after June 1971 of one or more general increases in the level of the benefits payable under such program".

(e) Section 1602(a)(14) of such Act is amended by striking out "and" at the end of subparagraph (C), by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(E) the State agency shall, in the case of any individual who is entitled to periodic benefits under a Federal retirement or disability program, disregard any part of such benefits which results from (and would not be payable but for) the enactment after June 1971 of one or more general increases in the level of the benefits under such program;".

Sec. 2. Section 1101(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(9) The term 'Federal retirement or disability program' means the insurance system established under title II of this Act, the program of annuities and pensions under the Railroad Retirement Act of 1937, the program of compensation and pensions for veterans and their dependents and survivors under title 38, United States Code, and any other pension, annuity, retirement, or similar fund or system, established, regulated, or financed in whole or in part by the United States or any agency or instrumentality thereof, which provides for the payment of periodic benefits based on retirement or disability to qualified individuals or to such individuals and their dependents or survivors."

Sec. 3. The amendments made by this Act shall be effective with respect to calendar quarters beginning after 1971.

FEDERAL FINANCIAL ASSISTANCE TO SCHOOL DISTRICTS UNDERGOING DESEGREGATION

(Mr. LEHMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN. Mr. Speaker, last June the Congress enacted the Emergency School Aid Act, the first Federal program providing substantial financial assistance to school districts undergoing court-ordered or voluntary desegregation. As I was chairman of the Dade County School Board for the last 2 years, I can tell my colleagues of the help which desegregating school districts anticipated as a result of the passage of this act.

I fear, however, that the potential of this legislation will not be realized if the administration continues with its decision to spend only $20 million during this present fiscal year on grants under the act, even though the Congress appropriated over $220,000,000. In my own State of Florida, for example, during the first half of this school year, school districts received $1,890,000 in grants under the temporary program. But these school districts will be eligible for grants totalling only $800,000 during the second semester.

Court-ordered desegregation places an enormous financial burden on school districts. Without ESAA funds, these communities must pay for such programs as in-service training, human relations workshops, additional security and the like, which result from trying to comply with the Federal Court orders. Without ESAA, the only source of funds available are those earmarked for education programs. Already unpopular court decisions are made even more distasteful as parents see educational funds so diverted.

It is also impractical to restrict the use of ESAA funds in regard to transportation costs. If additional busing is mandated, there is no other choice financially but to eliminate or cut back on education programs are personnel in order to find the money for transportation costs.

The funding reduction and the restrictions on the use of ESAA funds will indirectly and directly cause loss of community support for public schools, and will lead to the increasing pattern of white flight.

I urge the administration to reconsider its decision regarding the funding of this program for this year. The intent of ESAA may well be thwarted and the original potential will be lost unless the administration revises its decision and properly funds this program.

COST OF LIVING COUNCIL TO CONSIDER FOUR BORN-LOSER MEAT PROPOSALS

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MELCHER. Mr. Speaker, tomorrow the Cost of Living Council meets and hasty add-ons to their agenda call for consideration of all four ill-founded schemes to control meat prices.

I want to assure my colleagues here in the House that consumers' strong pleas for stable red meat prices are shared at every level that I know from ranchers and farmers who produce and feed livestock through the whole chain of handling, processing and selling the product to the housewife who buys the Nation's food basket.

Because of the historic cycles of ups and downs of the livestock market all of those in the various facets of the meat business have an earnest desire to experience stable, steady markets and retail prices acceptable to consumers.

The history of Government intervention in attempts to manipulate meat prices is noted for its failures. The four meat price schemes the Cost of Living Council takes up tomorrow behind closed doors and without the benefit of public discussion are born losers.

They are:

First. Price ceilings at January-February levels which create the psychology that retail meat prices are bound to climb, leading to manipulation of supplies, fake pricing of cheaper grades, and finally a black marketeering with a lower volume going through normal legitimate channels resulting in higher overhead costs. We went through that during and following World War II where the illigitimate operator became prosperous as well as popular and exorbitant prices were paid by ordinary consumers.

Second. Use costly incentive payments to increase cow slaughter this year—with the result that consumers eat in 1973 what would be mothers of calves for future production. This is bovine genocide. If an extra million cows are slaughtered this year, there will be 900,000 fewer calves next year resulting in future shorter supplies and higher prices to follow.

Third. Meatless days are another of the propositions and it is hardly worth the time of the Cost of Living Council to discuss what every housewife can readily decide for herself with a glance at her own pocketbook and an evaluation of her own family's appetite and disposition. To make it a national policy would invite stocking up on Thursday for meat that would not be available on Friday and disrupt normal handling of supplies adding to overhead costs.

Fourth. Finally, the Cost of Living Council proposes to consider an embargo of meat sales from this country. When they get to this item they are getting down to the pig's tail, or more exactly the cow's liver, because that is one of the items that makes up the less than 1 percent of U.S. meat that is exported.

There is a legitimate concern about the discussion that the Cost of Living Council is holding on meat prices because the areas they propose to consider are not conducive to good results. Rather than meeting behind closed doors, they should seek solutions through the time-tested process of public hearings. They would find then the better route toward stable meat prices is the gradual increase in livestock numbers with production to meet future demand.

Worldwide consumer demand for red meat is increasing faster than supplies. We eat 180 pounds per capita in the United States while a billion or more people on earth annually eat less than 25 pounds per person. Japanese, West Europeans, Mexicans, and affluent Africans are increasing their meat consumption. All of this adds to the increasing red meat demand.

The administration's beef import quota suspensions have encouraged foreign meatpackers to send us more meat but the volume of imported meats has not increased by a substantial margin, and prices for the boned out beef have gone up. Because of the dollar devaluation, we have seen an increase in our meat prices with the foreign beef ending up in higher priced hamburger and hot dogs.

We produce and consume about 25 percent of the world supply of beef right now. It hardly follows that with dollar devaluations making imports higher priced that the United States is going to help our consumers by getting more of the meat products from abroad.

The salvation of meat demand of U.S. consumers lies right here in the best meat producing country in the world. Government tinkering would not do it. But a recognition that stable prices follow stable production will accomplish what both consumers and producers want. We can get that by avoiding precipitous moves by the Cost of Living Council that would interfere with what comes naturally to the ranchers and farmers of America—a few more cattle and pigs to satisfy the growing demands of America's people. Meat on the table when we want it—with the least amount of Government interference—is as American as the Fourth of July and apple pie.

Cost of Living Council take heed.

LEGAL SERVICES: STOP THE DISRUPTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 10 minutes.

Mr. BELL. Mr. Speaker, I am today introducing a bill to guarantee that the legal services program will continue unimpaired for the next few months until the Legal Services Corporation to be established by Congress can begin its administration.

I am very pleased that a substantial majority of the Subcommittee on Equal Opportunity, to which this legislation shall be referred, is cosponsoring this measure, including the subcommittee chairman, Congressman HAWKINS, the ranking minority member, Congressman STEIGER, of Wisconsin, and subcommittee members BENITEZ, CHISHOLM, and CLAY. In addition, Congressmen BADILLO, BURTON, DELLENBACK, ESCH, HANSEN of Idaho, and THOMPSON of New Jersey, of the Education and Labor Committee, and Congressman STOKES are joining in this bipartisan cosponsorship.

Frankly, Mr. Speaker, no one seems to know what the status of the legal services program is today. We have all been dismayed by reports that legal services offices all over the country have been forced to refuse new cases, to terminate old ones, and in some instances, to close their doors because of the administrative actions of the Office of Economic Opportunity. Whether those actions were intended to have this effect, or whether they were drastically misinterpreted in a tragic failure of communication does not really matter. The effect of the confusion, be it intentional or inadvertent, has been to deprive thousands and thousands of poor people the legal services which our Government has sought to provide them. Despite recent statements from OEO, that confusion persists today.

That this has been permitted to occur is especially surprising since the legal services program has been easily one of the most effective and popular social programs conceived by the Federal Government in recent history. It appeals to liberals and conservatives alike as an entirely appropriate way of assuring that the rights of our Constitution and equal justice under law are provided to all our citizens, whether they are rich or poor. The President has strongly supported the program and has provided for it in his budget request, and the Congress has already authorized appropriations for it through June 30, 1974. The American people have recognized that the legal services program represents an orderly and responsible means of securing change and resolving differences, and that it is a program the United States can be proud of.

It is to put an end to the uncertainty and confusion surrounding the program that we are introducing legislation today. Briefly, our bill directs and requires the OEO to continue to provide financial assistance to any legal services agency which was receiving assistance in December 1972. The bill provides that the continued assistance will be at least the December 1972 level, and that it will continue either until a Legal Services Corporation enacted by the Congress begins to administer the program, or the end of this year, whichever occurs earlier. In the event the OEO ceases to exist before a corporation has begun to function, the bill directs the General Services Administration to perform the OEO's functions in caretaker fashion. Nothing in the bill affects the OEO's authority to assure that its grantees obey all provisions of law.

Mr. Speaker, an overwhelming majority of the Congress as well as the President favor that a Legal Services Corporation be established, and that it be established very quickly. For the existing legal services program to be dismantled just months or weeks before a corporation takes over defies economic efficiency, commonsense, and our commitment to provide legal services to the poor. Certainly a smooth transition from the existing program to the corporation is in the interests of the client population as well as those charged with administering the program. Our bill today is a stopgap measure to preserve the existing legal services agencies and prevent further disruption of them in order to minimize costs to all involved until the corporation has a chance to take over.

I am sincerely disappointed that legislation of this type appears to be necessary, for I had hoped that the OEO had successfully clarified and resolved the situation in actions taken last week. Unfortunately, however, there appear to be grave inconsistencies between the testimony of the Acting Director of the Office of Economic Opportunity before our subcommittee early last week and the subsequent actions of the office he heads.

As an example, I was gratified to hear from the Acting Director at the hearings that the period of controversial short-term refundings of legal services had come to an end, and that all refunding would revert to the normal 12-month grant. Yet the OEO subsequently submitted information to the subcommittee which indicates that at least two short-term grants have been issued since the Acting Director's statement to the contrary. Furthermore, whereas I had been led to believe by the Acting Director that almost 100 percent of the legal services agencies other than back-up centers would be refunded on a yearly basis, and although the Acting Director testified at our hearing that an explicit decision to grant or deny renewal applications would be made for every agency, preliminary analysis of the information OEO submitted suggests that of the 43 legal services offices whose grants expired before March 1 of this year, 27 are still awaiting approval.

Mr. Speaker, we fervently hope and expect that the Office of Economic Opportunity will take steps in the very near future to reverse its communications difficulties and to resolve this very distressing situation. Such a restoration of efficient and effective operations to the legal services program would happily make our proposed measure unnecessary. If those steps are not taken, however, this legislation demonstrates that Congress does not lack the means of assuring that its commitment to provide legal services to the poor shall be honored completely and ungrudgingly.

The text of our proposed legislation, the preliminary analysis of the information submitted to the subcommittee by the OEO, and the information itself follow:

H.R. 5109

A bill to guarantee the continued operation of the legal services program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress directs and requires the Office of Economic Opportunity to continue to provide financial assistance to any public or private nonprofit agency providing legal services pursuant to section 222(a)(3), 230, 232 or any other provision of the Economic Opportunity Act of 1964, as amended, which was receiving such assistance in December 1972. Such continued assistance shall be sufficient to enable such agency to operate at at least the same capacity at which it operated in December 1972.

SEC. 2. The Congress directs and requires that the Office of Economic Opportunity provide such continued assistance (a) without regard to the expiration in 1973 of any contract or other commitment by the Office of Economic Opportunity to such agency, unless such agency rejects such continued assistance in writing to the Office of Economic Opportunity; and (b) until December 31, 1973, or such time as a National Legal Services Corporation authorized by the Congress shall begin to administer assistance to such agency, whichever occurs earlier.

SEC. 3. Nothing in this law shall be construed (a) to limit in any way the congressional authorization of the legal services program in sections 2(a) or 3(c)(2) of Public Law 92-424, the Economic Opportunity Amendments of 1972, or any other provision of law; or (b) to prevent any agency from entering into an agreement with the Office of Economic Opportunity to provide a higher level of assistance than that which was provided in December 1972, or to have such assistance continue beyond the date prescribed in section 2 of this Act.

SEC. 4. Notwithstanding any other provision of law, the Office of Economic Opportunity may not delegate, transfer or assign to any other agency or entity the functions it is required to perform by this Act, but if for any reason it is unable to perform such functions, the Congress directs and requires the General Services Administration to perform such functions and to be bound in performing them by the regulations of the Office of Economic Opportunity concerning the legal services program which were in effect on December 1, 1972.

ANALYSIS OF INFORMATION SUBMITTED TO THE SUBCOMMITTEE ON EQUAL OPPORTUNITY BY THE OFFICE OF ECONOMIC OPPORTUNITY

I. STATUS OF APPLICATIONS FOR REFUNDING—LOCAL GRANTEES

A. Program year ending before March 1, 1973

Approved: 16.

Not yet approved: 27.

5 in headquarters.

20 in regional offices.

1 application not yet received.

1 limited grant.

B. Program year ending between March 1, 1973 and June 30, 1973

Approved: 2.

Not yet approved: 50.

34 in regional offices.

16 applications not yet received.

C. Program year ending in fiscal year 1974

3 applications not yet received.

D. Program year ending not identifiable

Approved: 1.

Not yet approved: 4.

1 in regional office.

4 applications not yet received.

II. STATUS OF APPLICATIONS—HEADQUARTERS GRANTS

A. Program year ending before March 1

Approved: 0.

Not yet approved: 6.

3 in headquarters.

1 in regional office.

1 application not yet received.

1 limited grant.

1 cannot be determined from the information.

B. Program year ending March 1, 1973 to June 30, 1973

Approved: 0.

Not yet approved: 5.

2 in headquarters.

1 not yet received.

1 limited grant.

1 cannot be determined from information.

INFORMATION ON THE STATUS OF THE LEGAL SERVICES PROGRAM SUBMITTED TO THE SUBCOMMITTEE ON EQUAL OPPORTUNITY BY THE OFFICE OF ECONOMIC OPPORTUNITY MARCH 2, 1973

PYE and program	Date submitted	Status
REGION I		
April 30:		
New Britain	Feb. 23, 1973	Being prepared in ROLS.
Waterbury (2d half)	Aug. 29, 1972	Do.
Worcester	Feb. 26, 1973	Do.
June 30:		
Boston (2d half)	Oct. 23, 1972	Do.
Revere (2d half)	Nov. 7, 1972	Do.
March 31: Maine (2d half)	Aug. 2, 1972	Do.
REGION II		
September 30: CALS	Feb. 21, 1973	Do.
October 31: Albany	Not yet received	
December 31:		
Essex/Essex-Newark	Nov. 13, 1972	Approved by headquarters Feb. 28, 1973; being processed for release.
Newark	Nov. 13, 1972	Do.
January 31: Puerto Rico (2d pt.)	Apr. 26, 1972	To be reviewed in headquarters on Mar. 2, 1973.
February 28: Bergen County	Jan. 7, 1973	Approved by headquarters Mar. 1, 1973; being processed for release.
April 30: Niagara (2d pt.)	Sept. 4, 1972	Being prepared in ROLS.
REGION III		
December 31: Wilkes-Barre, Pa	Dec. 20	Being packaged in ROLS.
January 31: Scranton, Pa	Nov. 30	Do.
December 31: ARDF		Approved in OLS Feb. 27.
March 31:		
Washington, D.C. (2d pt.)	No application necessary.	Being packaged in ROLS.
Philadelphia, Pa. (2d pt.)	do	Do.
Baltimore, Md. (2d pt.)	do	Do.
April 30:		
Roanoke, Va	Jan. 9	Do.
Mingo County, W. Va	Jan. 15	Do.
May 30:		
Harrisburg, Pa. (flood)	No application received.	ROLS waiting for application.
Chester, Pa. (2d pt.)	do	Being packaged in ROLS.
November 30: Charlottesville, Va	Dec. 1	Approved in OLS Mar. 1.
June 30: Washington-Greene, Pa. (2d pt.).	No application necessary.	Being packaged in ROLS.
REGION IV		
Jan. 31: Knoxville, Tenn	Jan. 9	ROLS waiting for audit resolution.
Feb. 28: Elk-Duck, Tenn	Not received	ROLS waiting for application.
Apr. 30: Jacksonville, Fla	do	Do.
May 31: Columbia, S.C	do	Do.
June 30:		
Miami, Fla	Jan. 17	Being packaged in ROLS.
Birmingham, Ala. (2d pt.)	No application necessary.	Do.
Atlanta, Ga. (2d pt.)	do	Do.
Georgia L.S. (supplemental)	do	Do.
July 31:		
Huntsville, Ala	Not received	ROLS waiting for application.
Georgia Legal Services	do	Do.
REGION V		
Oct. 31: Bay-Midland	Sept. 11, 1972	Preparation in ROLS, delayed due to pending decision on whether to merge.
Dec. 31:		
Grand Rapids	Oct. 2, 1972	Approved in headquarters Feb. 28, 1973; being processed for release.
Oakland County	Sept. 5, 1972	Do.
Cleveland	Dec. 5, 1972	Being prepared in ROLS.
Jan. 31:		
Gary	Jan. 10, 1973	Being prepared in ROLS approved.
St. Joseph	do	Feb. 28, 1973; being processed for release.
Ohio State	Dec. 14, 1972	Approved in headquarters Feb. 28, 1973; being processed for release.
Land-of-Lincoln	Nov. 30, 1972	Approved in headquarters Mar. 2, 1973; being processed for release.
Feb. 28:		
Detroit (2d half)	Aug. 17, 1972	To be reviewed in headquarters Mar. 2, 1973.
Indianapolis	Jan. 17, 1973	Being reviewed in headquarters.
Upper Peninsula	Nov. 27, 1972	To be reviewed in headquarters Mar. 2, 1973.
Lorain County	Jan. 23, 1973	Being prepared in ROLS.
Mar. 31:		
Milwaukee and FTE (2d half)	do	Do.
Lansing	Jan. 11, 1973	Do.
Cook County	Jan. 3, 1973	Being prepared in ROLS.
Licking County	Not yet received	
Apr. 30:		
St. Paul	Jan. 5, 1973	Do.
Harcatus	Jan. 22, 1973	Do.
June 30: Chicago (2d half)	Nov. 6, 1972	Do.
REGION VI		
Feb. 28:		
Albuquerque, N. Mex	Dec. 27	Approved in OLS Feb. 27.
Dallas, Tex	Jan. 8	Do.
Mar. 31:		
Oklahoma City, Okla	Jan. 23	Do.
Brownsville, Tex	Feb. 10	Being packaged in ROLS.
San Antonio, Tex	Feb. 20	Do.
Apr. 30:		
Jackson County, Ark	Feb. 4	Do.
Waco, Tex	Not received	ROLS awaiting CAA application.
Austin, Tex	do	Do.
May 31: Fort Worth, Tex	do	ROLS awaiting application.
June 30:		
Houston, Tex	do	Do.
Baton Rouge, La. (2d pt.)	No application necessary.	Being packaged in ROLS.
July 31: Sandoval County, N. Mex. (prefund).	Not received	ROLS awaiting application.
REGION VII		
July 31:		
Des Moines	do	(1).
Scottsbluff	do	Waiting for application.
Nov. 31: St. Louis (remaining 4 mos.)	do	(1).
Jan. 31: Omaha, Nebr	Feb. 15, 1973	4 mos. grant application Mar. 2.
Feb. 28: Kansas City, Mo	Feb. 23, 1973	Being packaged.
Mar. 31:		
Kansas City, Kans	Not received	(1).
Wichita, Kans	do	(1).
Waterloo, Iowa	do	(1).
REGION VIII		
Jan. 31: Pueblo, Colo	Jan. 17, 1973	Received in headquarters Jan. 31, 1973.
REGION IX		
Sept. 30: S.F. LAF (remaining 6 months).	May 5, 1972	Being packaged in R.O.
Dec. 31:		
Fresno (remaining 4 months)	Oct. 13, 1972	Do.
L.A. Legal Aid (remaining 5 months).	Oct. 4, 1972	Do.
San Fernando (remaining 6 months).	Oct. 10, 1972	Do.
San Gabriel (remaining 6 months).	Oct. 4, 1972	Do.
Monterey (remaining 6 months)	Oct. 19, 1972	Do.
Sacramento (remaining 4 months).	Oct. 16, 1972	Do.
Clark County (remaining 6 months).	Oct. 3, 1972	Do.
Jan. 31:		
Maricopa (remaining 4 months)	Nov. 2, 1972	Do.
Orange	Oct. 11, 1972	Approved in OLS Mar. 1, 1973.
San Joaquin (remaining 6 months).	Nov. 13, 1972	Being packaged in R.O.
Feb. 28:		
Coconino	Nov. 27, 1972	Do.
Kern	Dec. 12, 1972	Approved in OLS Mar. 1, 1973.
Merced	Dec. 26, 1972	Do.
San Diego	Dec. 7, 1972	Do.
Stanislaus	Jan. 19, 1973	Do.
Mar. 31:		
Berkeley	do	In region awaiting CAA submission.
Ventura	Jan. 8, 1973	Do.
Hawaii	do	Do.
Contra Costa	Jan. 11, 1973	Being packaged in R.O.
Marin	Jan. 24, 1973	Do.
San Mateo	Jan. 2, 1973	Do.
Solano	Jan. 9, 1973	Do.
Washoe	do	Do.
Apr. 30: Pinal	Jan. 29, 1973	Do.
June 30:		
Western Center		
Western Center (refunding)	Not received	
California Indians	do	
REGION X		
Dec. 31, 1972: Portland, Oreg. (2d pt.).	Not available	Being packaged in R.O. (7 months grant).
Mar. 31, 1973: Seattle, Wash	January 1973	Approved Mar. 1, awaiting release.

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[1] Regional office has received information for parts of refunding applications by telephone; remainder forthcoming.

OFFICE OF LEGAL SERVICES—HEADQUARTERS GRANTS

[A. A list of all applications which are pending for refunding in a regional or national office, the data of their program year end, the date they submitted their application, and the status of the application]

PYE and Program	Submitted	Status
Dec. 31, 1972: Dixwell Legal Rights Association.	October 1972	In OLS for packaging.
Jan. 31, 1973: Harvard College (education center).	November 1972	2 mos. refunding grant signed in OLS Mar. 1, 1973.
Mar. 31, 1973: N.Y. Law Associates (employment).	January 1973	In GC for review.
Apr. 30, 1973: Cook County computer project.		Program using unexpended funds.
Oct. 31, 1973: ABA corrections project.		OLS approved extension in January 1973.
Mar. 31, 1973: Leech Lake (Indian) LSP.	December 1972	In GC for review.
Dec. 31, 1972: South Dakota (Indian) LSP.	November 1972	Awaiting OEO announcement.
Feb. 28, 1973: Wind River (Indian) LSP.	December 1972	In OLS from CGC for corrections in package.
Dec. 31, 1972: Denver paraprofessional project.		OLS awaiting application.
Jan. 31, 1973: National Paralegal Institute.	January 1973	In OLS for packaging.
June 30, 1973: NLADA		OLS awaiting application.

TENNESSEE POW'S

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. BAKER) is recognized for 5 minutes.

Mr. BAKER. Mr. Speaker, the State of Tennessee has more than 60 families who have a member either in prisoner-of-war status, former prisoner-of-war status, or listed as missing in action. Their quiet courage through the ordeal of the last few years is something in which we take great pride.

Now, although present law exempts the accumulated pay of POW's who live to return, many families are encountering some difficult tax problems which we of the Tennessee Congressional Delegation want to help alleviate. I am, therefore, offering this tax relief measure on behalf of our entire delegation.

One serious problem involves the families of our servicemen who have long been listed as missing in action, but whose death at a prior time has now been established. Under present law, if the widow is now notified that her husband actually died, for instance, 3 years ago, she is required to amend her tax returns for the past 3 years, filing as a single person or as head of household, instead of the joint return she has been filing, and owing considerably more money.

This legislation we offer today would permit these widows to file joint tax returns through the year in which the death of their husbands is discovered, rather than the year of actual death. These widows would also be excused from paying Federal income tax on their late husbands pay that continued to be paid during the time their husbands were listed as missing in action. Under present law, this pay—except for combat pay—is taxable for the years after the year in which the military man actually died.

Our bill would also permit servicemen hospitalized as a result of combat wounds to continue to treat their military pay as combat pay up to the time they are released from the hospital, even if all combat activity has previously ceased. Under present law, this exemption would stop on the date that combat in Vietnam is declared to have ended.

This legislation has also been requested by the administration, and we are hoping the Ways and Means Committee will be able to act expeditiously to resolve the problems and inequities.

PEACE AGREEMENT IN VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, I am introducing today a resolution which applauds and praises President Nixon for the peace agreement he obtained in Vietnam. The resolution also pays tribute to the negotiating skill of Dr. Kissinger.

As I have said before, this has been the most difficult war in America's history. The decisions were never easy and each decision was followed by a round of criticism that the decision went too far or that it did not go far enough.

But President Nixon weathered the storm of denunciation, much of it more alarmist than based on fact and much of it emanating from people at home and abroad who possessed a penchant for hyperbole and a tendency toward doom discipleship. He stuck to his task of securing an honorable peace when those who would not acknowledge the difference between an honorable and a dishonorable settlement called for abandoning ship.

Mr. Speaker, President Nixon has not received the acclaim he deserves for perservering on the path to peace. Our boys are coming home because of his steadfastness, our prisoners of war are being released, and the 17 million people of South Vietnam have been given an opportunity to determine their own future. There has been a strange silence from many quarters, especially from those whose vocal chords have been so well exercised by 4 years of chorusing constant criticism of the President and his policies.

I am introducing this resolution to give every Member of Congress an opportunity to acknowledge and applaud the hard work and the accomplishments of the President in his quest for peace in Vietnam. I am confident that history will affirm this resolution. And I believe that whatever our differences in the past on Vietnam policy, we can now close ranks in expressing support of President Nixon's achievements toward a peace that will last.

THE BUDGET DEBATE: HOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 5 minutes.

Mr. FRENZEL. Mr. Speaker, another excellent pair of articles appeared in the Washington Post on Saturday, March 3, titled "The Budget Debate: Housing."

Taking the administration's viewpoint, Assistant Secretary of Housing and Urban Development, Floyd H. Hyde wrote of the 3-year commitment to community development under the urban community development revenue sharing proposed to begin on July 1, 1974, at an annual rate of $2.3 billion.

Hyde did not "gloss over" the transitional problems. The termination of grant programs will be traumatic, but, according to Hyde,

> The potential long-term benefits of the UCDRS approach far outweighs the temporary problems of transition.

Writing for the cities was the president of the National League of Cities, Detroit Mayor Roman S. Gribbs. Gribbs reaffirmed the National League's and the Conference of Mayors' support for the revenue sharing—block grant—approach, but strongly criticized the immediate budget cuts which he said would "have a drastic effect on our citizens."

These thoughtful articles, in tandem, represent different viewpoints of reasonable men which are probably not so directly in conflict as is generally believed.

Pipeline projects and previous commitments can absorb some of the transitional cuts, but perhaps additional efforts will have to be made. In any event, the UCDRS seem a prize worth a little compromise on all sides.

SEA-LEVEL PANAMA CANAL CONTROVERSY: AN INTERNATIONAL SYMPOSIUM AT MONACO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, the interoceanic canal problem is a challenging subject because it is inexhaustible. One of the relatively new Isthmian developments is the potential marine biological catastrophe that may be caused by the construction of a sea-level salt water channel across the Central American Isthmus. Because of its grave implications, especially for countries bordering on the Caribbean, it has aroused international interest.

Among the activities of the 17th International Zoological Congress held at Monaco during September 24–30, 1972, was its Interoceanic Canal Symposium, which included papers summarizing marine ecological studies of the Bosporus, Suez Canal, and the proposed canal of sea level design at Panama. The paper on the last was given by Dr. John C. Briggs, an eminent marine biologist who is now the director, graduate studies, University of South Florida, Tampa.

An informative and timely article on the "Sea-level Panama Canal Controversy: An International Symposium," by Dr. Briggs was published in the February 1973 issue of the Defenders of Wildlife News, one of the Nation's leading conservation magazines of Washington, D.C. In this article, he summarizes the papers presented at the symposium.

In his own paper, Dr. Briggs emphasized the importance of retaining the fresh water barrier of Gatun Lake between the oceans to avoid serious consequences to marine life, such as the infestation of the Atlantic with the poisonous yellow bellied Pacific sea snake and the crown of thorns starfish and the possible loss of the shrimp industry in the Bay of Panama. Emphasizing the advantages of the time-tested and strongly supported Terminal Lake-Third Locks plan for ecological and other reasons as offering the best solution, he reports that this proposal aroused considerable interest because it retains the protection of the existing fresh water barrier.

In an address to the House of Representatives on "Keystones for Western Security: Continued U.S. Sovereignty Over Canal Zone and Major Modernization of Panama Canal," in the CONGRESSIONAL RECORD, volume 117, November 8, 1971, I quoted an illuminating paper delivered by Dr. Briggs before the 1971 annual meeting of the Panama Canal Society of Washington, D.C., on the "Ecological Dangers of a Sea-Level Panama Canal," which is commended for background reading on this aspect of the interoceanic canal problem.

In order that Dr. Briggs' latest contribution be available to the Congress and all interests concerned with Panama Canal problems, including the governments of Caribbean and Central American countries, I quote it as part of my remarks:

THE SEA-LEVEL PANAMA CANAL CONTROVERSY: AN INTERNATIONAL SYMPOSIUM

(By John C. Briggs)

Since December of 1970, when the U.S. Atlantic-Pacific Canal Commission recommended to the President of the United States that a sea-level canal be excavated across the Isthmus of Panama, the controversy about this project has become very active. So far, the possible ecological effects of such a canal have stirred up considerably more interest than the economical or political aspects. Until recently, most of the discussions on the ecology had been confined to meetings that took place in, and journals that were published in, the United States.

In 1971, the planning committee for the 17th International Zoological Congress, in selecting topics of worldwide importance for a meeting to be held the following year, decided on the subject of the biologcal effects of inter-oceanic canals. Consequently, a symposium, one of seven which were arranged for the Congress, was organized. Dr. O. H. Oren or Israel, an expert on the Suez Canal, was selected as chairman and he in turn invited 19 participants from various countries.

The Congress was held as scheduled in Monte-Carlo from September 24–30, 1972. The Interoceanic Canal Symposium was well attended and invoked considerable discussion among the delegates. Since the various papers given at the Symposium have not yet been published, neither the general nor the scientific public has been informed about the information presented. Therefore, it seems worthwhile to give a general account at this time. Dr. Oren chose to utilize a broad approach to the subject and invited participants who were knowledgeable about three critical geographic areas, the Bosporus, the Suez Canal and Panama.

THE BOSPORUS

Although it is a natural rather than a man made channel, the Bosporus, which connects the Mediterranean to the Black Sea, has had some interesting biological effects. A German scientist, Dr. H. Caspers, presented a significant paper on the benthic fauna of the Bosporus. He showed that this passage provided an access to the Black Sea for the relatively rich fauna of the Mediterranean. In contrast, he found no evidence of faunal pressure from the Black Sea to the Mediterranean. The Bosporus is an old connection between the two seas (having been open for 10,000–11,000 years) and is responsible for the fact that most of the present day Black Sea fauna is derived from the Mediterranean.

SUEZ

Eleven papers, the largest group in the Symposium, dealt with the biology of the Suez Canal and adjacent areas. These contributions presented up-to-date information about the effects of the only man-made, sea-level canal in the interoceanic category. Although the Suez Canal has been open since 1869, allowing a good period of time for study, its biology was virtually neglected until the past few years. In the Symposium, the general nature of faunal movements in the Canal was discussed as well as those of specific animal groups such as the fishes, fish parasites, polychaete worms, decapod crustaceans (crabs shrimps, etc.), hydroids, and several planktonic species.

Once a species makes its way through a canal to successfully invade a new territory, it is important to find out how it has been able to make a place for itself. Does it establish a peaceful coexistence with the native species in the same habitat or does it owe its success to its ability to outcompete and displace the native species? Two Israeli bioligists, M. Ben-Yami and T. Glaser documented the history of the invasion of the eastern Mediterranean via the Suez Canal by the Red Sea lizardfish (*Saurida undosquamis*). They showed that the expansion of the lizardfish population was achieved at the expense of its ecological equivalent in the Mediterranean, the Hake (*Merluccius merluccius*). Additional examples of competitive displacement, involving other fish species, were noted.

As far as successful invasion is concerned, the movement of species has been almost entirely from the Rea Sea into the Mediterranean. These northward migrations appear to be on the increase due to the changing ecology of the Suez Canal. The high salinity of the Bitter Lakes area has become reduced, the cessation of ship traffic has lowered the turbidity, and the Aswan Dam has cut down on the inflow of fresh water in the vicinity of the northern entrance to the Canal. So far, 140 species of Red Sea animals have established themselves in the eastern Mediterranean but authentic records of Mediterranean species in the Red Sea are very few.

PANAMA

Five of the Symposium papers were devoted to the marine fauna of the Panama area, three of them dealing specifically with the proposed sea-level canal. The latter three may be summarized as follows:

In his report on the Decapod Crustacea, L. G. Abele of the University of Miami pointed out that shrimp from the Bay of Panama form Panama's third largest export item and that the social structure of almost every village along the coast of the Bay is closely tied to shrimp fishing. Since a sea-level canal would permit the invasion of competitive species from the Caribbean, which might possibly result in the loss of the commercial shrimps of the Bay of Panama, Dr. Abele stated that any such canal should be equipped with a tested, effective biological barrier.

A different outlook was expressed by I. Rubinoff, of the Smithsonian Tropical Research Institute in the Canal Zone. He felt that the joining of two oceans by means of a sea-level passage across the Isthmus of Panama would be a "fantastic natural experiment" and that biologists who advised otherwise were being "harbingers of doom." Nevertheless, he concluded by observing that methods of preventing biological exchange through any new seaway must also be investigated.

G. L. Voss, of the University of Miami, expressed the opinion that the "dire warnings" issued by some biologists about the ecological dangers of a sea-level canal were without foundation. However, he did recognize that at least two dangerous or harmful animals could pass through the proposed canal, the poisonous seasnake (*Pelamis platurus*) and the crown-of-thorns starfish (*Acanthaster planci*). Accordingly, Dr. Voss advocated the establishment of a temperature barrier in the canal to be provided by the building of a thermonuclear power generator. By using canal water for cooling purposes, such a plant could raise the temperature of the water to a lethal level.

J. C. Briggs, of the University of South Florida, called attention to the existence of two zoogeographic principles that would govern the exchange of marine organisms should a sea-level canal be built. First, whenever two regions are separated by a barrier that is partially passable, the region with the richest (most diverse) fauna will donate species to the region with the lesser fauna but will accept few or no species in return. Since it seems clear that the Caribbean side of Central America supports the richest fauna, and that a sea-level canal would permit a formerly complete barrier to become passable, the predominate faunal movement would be from the Atlantic to the Pacific.

The second important principle states that along mainland shorelines each major habitat is probably supporting its maximum number of species. In such situations, it must be recognized that the introduction of additional species can only temporarily increase the diversity and that, over a period of time, the number of species present can be expected to drop back to its original level. This means that a species that has been introduced or has migrated into a new area may either survive in its new home by eliminating a species already there or it may meet so much resistance by the native species that it will be unable to establish itself.

It was observed that, in the advent of a sea-level canal across Panama, we may expect several thousand Atlantic species of marine animals would succeed in reaching the Pacific and vice versa. What would be the results of such a mixture? It was predicted, on the basis of the two principles stated above, that

(1) the Atlantic species would prove to be the better comeptitors and (2) they would eventually eliminate their Pacific relatives.

It is the prospect of a huge and irrevocable loss of perhaps thousands of species native to the Eastern Pacific that constitutes the major biological problem presented by the Panama sea-level canal. In contrast, the fauna of the Western Atlantic may remain relatively little affected. However, there do exist in the Eastern Pacific a number of marine animals that originally came from the Indo-West Pacific, the largest and most diverse of all the tropical regions. Among them are such animals as the poisonous seasnake and the crown-of-thorns starfish. It is expected that these animals would be capable of migrating through a saltwater canal and, once having gained access to the Atlantic, would establish themselves in that ocean.

Dr. Briggs concluded his presentation by advocating the "Terminal Lake-Third Locks Plan" as an alternative to a sea-level canal. Briefly, this Plan would modify the present canal by eliminating the Pedro Miguel Locks, combining Gatun and Miraflores Lakes into one body of water, and installing a third set of larger locks. The Plan has highly important advantages: (1) we would still have a freshwater canal that would prevent interoceanic movement of marine animals, (2) capacity would be increased enough to allow about the same amount of ship traffic as would be provided by a sea-level canal, and (3) the construction cost would be about $850 million compared to at least $2.88 billion for a sea-level structure.

CONCLUSIONS

Although the subject of the Symposium was the biological effects of interoceanic canals in general, its focal point was the prospect of the construction by the United States of a sea-level canal across Panama. The information presented about the Bosporus and the Suez Canal served to underscore the importance of the possible marine biological effects of the Panama proposal. I believe it is fair to state that, in general, the delegates felt that a Panama sea-level canal should not be built without strong, dependable safeguards to prevent migrations by marine animals. Considerable interest was expressed in the Terminal Lake-Third Locks Plan with its obvious advantage of permitting the continuation of the present, effective freshwater barrier.

GHANA'S 16TH ANNIVERSARY OF INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Diggs) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I am very happy on this the 16th anniversary of the independence of Ghana to congratulate the people of Ghana on their achievements and to commend their progress. I was part of the official U.S. delegation, under the leadership of the then Vice President, Richard Nixon, to the celebration of the coming to independence of this great African nation. There are deep and longstanding bonds of friendship between our two nations; and I am sure that I speak for all Americans in extending best wishes to the people of Ghana and in conveying warmest independence anniversary greetings as they celebrate another landmark in their country's history.

I wish to insert, Mr. Speaker, for the benefit of my colleagues, the statement issued by the Embassy of Ghana on its 16th birthday and speaking of the remarkable progress that has been made by this great African nation.

Ghana Is 16 Years Old: The Achievements of the National Redemption Council

Ghana, which is 16 years old today, has already experienced many vicissitudes. More than one year ago, Ghana had one of the worst balance of payments crises known to the developing world. We were up to our necks in inflation. Food was scarce and the prices were very prohibitive. Today, Ghana is on the way to achieving her first balance of payment surplus in many years. The country's visible balance of trade during 1972 showed a moderate surplus as against a deficit in 1971. We have succeeded at the same time in controlling inflation and our food production has shown a remarkable increase. We have done this from our own resources, without borrowing and adding to our external debt burden.

Our policy of self-reliance has paid off very well for not only have we been able to grow enough food for our people but we are also working hard to produce raw materials for our industries. From the results of "Operation Feed Yourself", we are moving forward to involve all the people in development through a new co-operative program which will lead to the creation of co-operative societies. We are moving the principle of self-reliance to a new plane where the people will not only feed themselves but will work to change their entire living conditions.

We have launched a campaign to provide houses for the people and we are adopting our educational system to suit our development needs.

The students of our three universities without prompting, voluntarily decided on their own to assist in the harvesting of sugar cane and to plough the land to mark a new turning point in our history inspiring a nation-wide determination to conquer the land and feed ourselves from its resources.

We recognize that the type of education imposed by colonialism has been detrimental to our interests. We have been brought up to hold white collar jobs in reverence and to look on manual labour with scorn. The result is that with our fertile land, abundant water and our proverbial sunshine, Ghana has been one of the greatest importers of food.

We are taking steps to correct this situation. The curricula of our educational system, from primary to university, are being revised to reflect the needs of our society. The Government is taking steps to involve the institutions of higher learning in the practical problems of development.

The Agricultural Facilities of the University of Science and Technology and the University of Ghana have been asked to join the State Farms Corporation and the Agricultural Development Bank in a consortium to plan and implement a programme of oil palm development designed to make Ghana self-sufficient in oil palm production.

A similar consortium is to be promoted again by the two faculties, the Agricultural Development Bank and the Cattle Development Board to plan and execute a project to make Ghana self-sufficient in the production of cattle and meat preparations.

The Physical Planning and Architectural Departments of the University of Science and Technology have been requested to undertake project studies for the replanning and modernization of our cities and the planning of new townships which will replace some of our villages.

Priority is being given to the training of Ghanaians for the high technical grades of the mining industry and for all the key sectors of our economy. This is to prevent the domination of our economy by powerful foreign interests.

In our world today, it is impossible for any single country to do it alone. The people and nations of the world must depend upon one another but this process of inter-dependence must be based on the new concept of partnership expressed in the form of joint ventures. Instead of seeking total ownership of major economic enterprise, we are asking foreign businessmen to think joint ventures with our people so that the profits they earn may be jointly shared, partly for the development of the land and partly to reward the foreign entrepreneurs.

It is on the basis of this that the National Redemption Council has taken steps to acquire majority shareholding in our main extractive industries. Ghana already has such fruitful partnerships with a number of United States businesses.

This is a Government which in just over one year has shown practical understanding of our problems to evolve realistic plans to resuscitate our economy.

The National Redemption Council has recently been described by West Africa, a magazine published in Britain, as purposeful, energetic, honest, and worthy of every help from abroad. The magazine, in addition, has admitted that its earlier misgivings about the Council were wrong.

The people of Ghana through a determined effort of self-reliance and loyalty are making their country a much happier place to live in. We shall overcome.

CIA AND LOCAL POLICE FORCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, in a New York Times article, December 17, 1972, David Burnham revealed that 14 New York City policemen had received training from the CIA. Prompted by this disclosure, I determined to pursue this matter with the agency to ascertain the nature and purpose of the training and the legislative authority under which it was provided. I was under the impression that the CIA was precluded under law from engaging in domestic law enforcement activities.

On February 6, 1973, I advised my colleagues of the rather startling response I had received from the CIA: That there was no specific law which authorized the CIA to undertake the training of local police forces, but that the CIA believed that the statute which created LEAA indicated an intent that all Federal agencies should assist in law enforcement and crime prevention efforts in America; and that training had been provided to police personnel in about a dozen jurisdictions. Since the National Security Act of 1947 provides that the CIA "shall have no police, law-enforcement powers or internal security functions," I requested Senator Sam Ervin and Congressman Chet Holifield, respective chairmen of the Senate and House Government Operations Committees, to investigate what I considered to be a most grievous involvement by the CIA in matters not within its jurisdiction.

Today, Chairman Holifield reported to the House that James R. Schlesinger, Director of the CIA, had advised him that the CIA is discontinuing its former involvement with local police departments, and that such activities would be "undertaken in the future only in the most compelling circumstances" and with the Director's personal approval. While I certainly do commend Chairman Holifield for his immediate response to my request and for having reduced substantially the involvement of the CIA in local police enforcement matters, I continue to maintain that the CIA has never been empowered by law to engage in domestic law enforcement activities. Even though the Agency contemplates such actions "only in the most compelling circumstances," it is my own feeling that if the administration believes that the CIA should have such powers, then it should introduce appropriate legislation amending the present law, and granting such powers. The appropriate congressional committee would hold hearings and determine if such an amendment is wise and should be brought to the floor for a vote. In the meantime, the CIA should cease all such activities.

I have written today to the General Accounting Office advising that Agency of the difference of opinion between the CIA and myself in our interpretation of the law, and requesting a ruling as to whether the 1947 legislation is binding, and expressly prohibits the kind of activities in which the CIA has been engaged and intends to engage, within the continental limits of the United States.

A HOPEFUL DEVELOPMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. Preyer) is recognized for 5 minutes.

Mr. PREYER. Mr. Speaker, the recent decision by the NAACP in Atlanta to consent to a desegregation plan for Atlanta's public schools is an important and hopeful development. The plan agreed to accepts a minimum of integrated classrooms in exchange for a maximum of integrated administrative positions. The plan requires the busing of 2,060 pupils as against the school board's plan which called for the busing of 18,395 children.

The NAACP plan maintains the goals of integrated education and equalization of the educational process while recognizing that there are more intelligent ways to reach these goals than by proportional racial balancing in schools through busing. It is a decision made by the community itself after balancing all the factors involved rather than an arbitrary decision imposed by the courts.

Atlanta is saying, in effect: "We believe in the goal of integrated education and we who know the conditions in our city at first hand think this is the most sensible way to move toward the goal at this time." As long as a community adopts this forward-looking, experimental attitude toward solving the problem of equalization of educational opportunities, there is reason to believe the courts would approve. In fact, the courts should welcome local initiatives of this kind. Courts probably do not enjoy issuing busing decrees. When a community digs in its heels and waits for the courts to act, they risk busing orders. We will see more of the Atlanta sort of thing occurring around the country—the offering of better alternatives than busing to the courts. The goal remains the same, but busing is no longer the only acceptable tactic.

What is needed now is legislation intended to make this kind of thing happen and which will structure it, organize it, and give it long-range potential. With congressional legislative endorsement of this approach, it seems almost certain that the courts would accept it. Such legislation would change the course of the law, it would create a stopping point not superficially like the antibusing bills but fundamentally and without encountering any of the problems of the antibusing bills.

Such a bill could also take advantage of the trend toward subject matter revenue sharing and away from categorical grants by serving as a restructuring proposal. Atlanta, for example, should be able to channel Federal funds so as to best implement its school plan, rather than relying on the hit-or-miss system of categorical grants, some of which might not meet Atlanta's particular educational needs.

The Preyer-Udall bill—H.R. 13552—introduced in the 92d Congress, was designed to carry out these purposes. A revised bill will soon be introduced in the 93d Congress, and your consideration is especially invited in view of the impetus supplied by the Atlanta development.

The following article from the New York Times reports the Atlanta compromise:

A Hopeful Development

(By Jon Nordheimer)

Atlanta.—The National Association for Advancement of Colored People, in a major departure from past policy, has consented to a desegregation plan for Atlanta's public schools that accepts a minimum of integrated classrooms in exchange for a maximum of integrated administrative positions.

If approved by the federal courts, the plan would leave a majority of Atlanta's black children in all-black schools.

The settlement was further evidence of a new pragmatism in the civil rights movement in cracking the difficult desegregation cases in the large cities of the South. Last month, Memphis schools desegregated under a plan that left many inner-city blacks in racial isolation.

Under pressure from all sides—including one of the most intense anti-busing campaigns waged by black parents and black spokesmen in the South—lawyers for the NAACP agreed to a formula that provides for less classroom desegregation than a plan advanced by the Atlanta Board of Education.

WHITE EXODUS FEARED

The plan would require the busing of only 814 white students and 1,246 blacks. A previous plan designed by court-appointed experts to desegregate 106 virtually all-black schools in the district had called for the busing of 18,395 children.

The NAACP's executive director, Roy Wilkins, said in a telephone interview that the goal of integrated education in large cities had not been lost, but that achieving quality education for black children was the primary objective and superseded the other.

"Our general position has been there is no sacrifice of racial pride or loss of education if blacks go to school with blacks," he said. "If the school board agrees to the improvement in education and a program that leads to meaningful equalization of the educational process, black children will not suffer by attending an all-black school."

However, he said, an integrated education where white, and black children can learn about each other in a classroom setting remains a desirable goal, if not the exclusive one.

At the heart of the compromise was recognition on both sides that any extensive busing plan would drive the remaining white minority out of the city schools. Under the settlement, the 20 all-white schools remaining in the city will have a black enrollment of 30 percent.

When the original suit was brought by the NAACP in 1958 on behalf of black parents, Atlanta's public schools were segregated, and more than 70 percent of the children in the district were white. Today, as the city is becoming a mecca for whites and blacks from all over the South, nearly 80 percent of the city school's 96,000 enrollment is black, while virtually all of the school systems in the suburbs surrounding the city are white.

The major concession won by the NAACP was agreement by the Board of Education to hire a black superintendent and to bring blacks into top administrative positions that will eventually create a 50–50 racial balance within the decision-making apparatus.

GROUP UNDER PRESSURE

In previous desegregation cases in the South, the courts have ordered transfers of teachers to integrate faculty staffs and in many cases have protected the jobs of black school principals, but this is believed to be one of the first cases where a school district has committed itself to bring blacks into every phase of administrative control.

"Once we are on the inside, we can tell what's going on," said Mrs. Ruby Hurley, regional NAACP director whose office is in Atlanta.

She conceded that the association had come under pressure from local blacks who were "unenthusiastic" about a plan proposed in 1971 that would have required extensive busing. At that time, she said, the Atlanta case was being spearheaded by the NAACP's Legal Defense and Educational Fund, Inc., the former legal arm of the association.

Although the organizations are constantly confused by laymen, a philosophical drift has occurred between them, especially after Thurgood Marshall left the fund for a series of federal appointments that led him to the Supreme Court.

HEARINGS ON WESTERN HEMISPHERE IMMIGRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Eilberg) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to advise the House that Subcommittee No. 1 of the Committee on the Judiciary has scheduled hearings on March 21 and 22, 1973, to consider legislation which would establish a preference system for immigrants from the Western Hemisphere. The hearings will be held in room 2237, Rayburn House Office Building, and will begin each day at 10 a.m.

These hearings will also be concerned with the modification of the present preference system as well as the need for a worldwide numerical ceiling on immigration.

As my colleagues are well aware, the present 120,000 limitation on Western Hemisphere immigration and the lack of a preference system for this hemisphere have resulted in innumerable hardships for potential immigrants.

The Western Hemisphere ceiling was ill conceived and hastily considered. In fact, it became effective in July 1968, despite the recommendation of the Select Commission on Western Hemisphere Immigration that a further study of this matter was required. As a result, there is presently a 20-month backlog and it is not anticipated that this backlog will be reduced, since the demand for immigrant visas continues to increase at a rapid rate.

Moreover, it is quite evident that the lack of a preference system for the Western Hemisphere has placed intending Eastern Hemisphere immigrants in a preferential position and has thereby created an attitude of resentment among many countries of the Western Hemisphere. In addition to the March 21 and 22 hearings, my subcommittee plans a comprehensive study of all aspects of the Western Hemisphere immigration problem. Further hearings will be announced at a future date.

Members of Congress and other interested parties who wish to testify or submit statements for inclusion in the hearing record should address their requests to Subcommittee No. 1, Committee on the Judiciary, room 2139, Rayburn House Office Building, Washington, D.C. 20515.

PRIVATE PENSION PLANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 15 minutes.

Mr. DENT. Mr. Speaker, the general Subcommittee on Labor has been interested for some time in the problems that many of our private pension plans are facing. In hearings, conversations, field trips, and other investigations we have found that in some pension plans there is every indication that they may not be able to survive. There have been many plans terminated and many more will be unless we can get the kind of cooperation from all of the participants in the plans that we must have—trust officers, actuaries, fiduciaries, contributors, and from Members of Congress in particular.

We have known for a long time that pension reforms are needed. The difficulty arises from the very size of the private pension system, 135,000 separate plans covering from 25 workers up to 1,000. There are no plans for firms of under 25 employees but these run well into the thousands.

The problem is so great that I cannot estimate at this time what may happen unless this Congress does something about the situation.

The example I am going to give is one covered in the Financial Post published in Toronto, Canada. It is titled "How Secure Is Your Firm's Pension Plan?" The story follows.

HOW SECURE IS YOUR FIRM'S PENSION PLAN?

(By Amy Booth)

MONTREAL.—How safe is your pension?

With all the government legislation in recent years designed to regulate private pension plans and safeguard pension rights, most pensioners and employees probably think their pension payout is a guaranteed sure thing.

Well, not quite, as the employees and pensioners of Domco Industries Ltd., Montreal, learned to their shock and sorrow recently.

"We regret to inform you," began a terse company announcement, "that the board of directors of the company, after a thorough study of the company's finances, have decided to discontinue the hourly paid and salaried employees' pension plans, effective Jan. 1, 1973. Contributions made by individual members of the Domco retirement plan will be reimbursed in the very near future."

It was a shock to the financial community, too. Other than in bankruptcy or closing-out situations, companies simply don't cut out their pension plans.

"We took the decision with the utmost reluctance," says Lazarus Phillips, chairman of the board.

"NO ALTERNATIVE"

A. G. Mazza—brought in at the beginning of the year as vice-president and general manager to try to get the company out of its desperate straits—told FP:

"We had no alternative."

Some of the nearly 1,000 employees will fare worse than others:

Hourly paid employees still on staff will get nothing, as they belong to a noncontributory plan.

Former hourly paid employees now on pension will continue to receive benefits for perhaps one year. After that, they will get nothing.

Former salaried persons now on pension henceforth will receive a reduced pension.

Salaried persons still on staff will get their contributions back without interest. Whatever amounts have been vested in their name will be turned into an annuity at retirement.

How did it all happen?

With Domco, the situation goes back to the beginnings of the company as essentially a family-owned enterprise.

Until 1961, the company provided pensions to its loyal employees on a somewhat formalized grace-and-favor arrangement.

In 1961, Domco put in a formalized contributory plan for its salaried employees, in which the company undertook to provide full service pensions—that is, at retirement a pension would be based on total number of years with the company, not just those subsequent to 1961.

This created an immediate liability for the company of $4 million.

Domco undertook to amortize the debt on an annual basis between 1961 and 1990.

In 1965, a noncontributory plan with full service benefits was instituted for hourly paid employees. An immediate $3 million liability in this plan was also amortized in 1990.

By last year, the company had put $4 million into the pot in annual chunks of $200,000-$400,000 in addition to annual payments for current service of approximately $54,000.

These amounts were easy to handle in the early 1960s when the company was earning net income as high as $1.5 million, had up to $9.7 million in working capital, an investment portfolio of almost $7 million, and a surplus in 1965 of almost $16 million.

But conditions have deteriorated drastically at Domco (formerly Dominion Oilcloth & Linoleum Co.). The investment portfolio is gone, and the surplus is understood to be all but wiped out. When final figures for the year ended Oct. 31, 1972, are completed, they may show a loss including writeoffs of $10 million. The company has not paid a dividend since 1967 and the stock is trading around $4, only one-twelfth of the record high of $48¾ reached in 1958.

To stay afloat, the Italian interests that control the company are pumping another $2 million into Domco, and are wielding the axe in all directions to—as Mazza puts it—"stop the hemorrhage."

But they say—again according to Mazza—they "can't handle the $3-million underfunding in the pension plans."

As it turns out, much of the money that has gone into the fund has already been given out to pensioners, some of whom retired shortly after the plans went into effect.

The hourly plan has been operating virtually on a cash-flow basis since the beginning—that is, monies that were put into the fund were sufficient only to meet payouts to pensioners.

The company's pension consultant, F. E. Telfer, vice-president of G. Gordon Symons Co., told FP the value of the hourly fund is approximately $230,000 and cash requirements for pensioners are approximately $185,000 a year. As there are expected to be some expenses involved in terminating the plan and liquidating the fund, hourly paid pensioners can't expect much more than a year's additional pension.

The salaried plan has approximately $2.6 million available for distribution.

According to Telfer, under rules of the Quebec pension law, voluntary contributions by employees into the plan must be paid back first, followed by return of required contributions. After that, vested monies will be turned into annuities for employees. (Monies put into a pension plan by employers and employees are vested in each individual once he has completed 10 years of service and has reached age 45.) Whatever money is left will be allocated to persons already on pension.

Given the company's financial straits, says Telfer, it had no alternative but to discontinue its plans. Furthermore, trying to arrive at some kind of a compromise that would have kept the plans in operation would have been all but impossible.

The problem, Telfer says, is that under an ongoing plan, pensioners have rights to whatever benefits are spelled out in the pension agreements. To make a compromise, he says, it would be necessary to get agreement from current pensions to forego part of their pensions in order to protect the future pensions of current employees. Telfer doesn't see any reason why current pensions would agree to this.

NOT REQUIRED

What did the Quebec government say? It expressed concern—but, apparently, it could do little more.

There are no rules requiring a company to keep a pension plan in force. A company must notify the government if it decides to drop its plan, and the government will make sure the liquidated assets are distributed properly. Other than that, the government has only moral suasion on its side.

Legislation governing private pension plans in Quebec, as in other provinces, spells out vesting requirements and sets out terms for discharging unfunded liabilities. In none of the provinces does the law require a company to have a pension plan. If it does have a plan, it must conform to the terms of the legislation. The legislation is aimed at making the plans solvent, but it does not guarantee the full payment of pensions.

When Domco put in its plans providing pensions for past service with the company prior to institution of the plans, it immediately created an unfunded liability ($4 million for one plan; $3 million for the other).

The legislation stipulates the period over which these unfunded liabilities are to be paid off, by which time there would be a fund of sufficient size to pay the pensions to which the employees are entitled by virtue of their past service.

But there is no law that says a company must discharge its unfunded liabilities. If it can't, as Domco couldn't, the plan is in trouble.

One way of trying to prevent Domco-type discontinuance of plans would be to insure the unfunded liabilities. Canadian pension authorities did consider an insurance scheme when legislation was being drafted in the 1960s but opted instead for a relatively short period for paying off unfunded liabilities, coupled with strict actuarial accounting by the plans to government pension commissions.

Some proposals contemplated an insurance premium of one-half of 1% of payroll which would be paid to a government insuring agency.

Laurence Coward, executive vice-president, William M. Mercer Ltd., Toronto-based pension consultants, says Canadian pension authorities basically rejected the insurance idea because of the difficulties foreseen in sorting out genuine and false claims, deciding under what circumstances a plan wind-up would be eligible for insurance, difficulties in arriving at a standard method for calculating unfunded liabilities and hesitancy about creating another government agency.

Worst off among long-service employees of Domco are salaried employees getting close to retirement. They apparently will receive back, in cash, all contributions without interest made by them between 1961 and 1966. Contributions by themselves and by Domco on their behalf between 1966 and the end of 1972 will be turned into an annuity to be paid out at their retirement. They will receive no benefit whatever from service prior to 1961.

One such employee admitted to FP:

"It was a blow all right. But it was either that or they would have closed the plant. What else can you do but carry on—unless you put a pistol to your head?"

If this can happen in a country where they have had regulations and controls which go far beyond anything we have had up to this time, it is one of the main reasons that I have introduced two bills relevant to this subject matter.

H.R. 2 deals with fiduciary responsibilities, funding, and regulation of the amount of company funds held in shares of stock by company officials, and the amounts contributed to a pension fund in which the company has a direct interest.

We also hope to introduce an investigation of fiduciaries and trust officers which will prevent loss of funds through unwise speculation and investments.

H.R. 2 is well on its way to committee action. We hope to very shortly come up with an answer.

H.R. 462 deals with pension insurance and portability. We find we must first establish a vesting rule before we can get a proper reading on the cost of insuring and to what extent we are insuring. So far as portability is concerned, it must depend on the type of vesting rule we can get support for.

The committee has arrived at a reasonable vesting provision through a study conducted for us by the Wharton School of Business in the University of Pennsylvania. We are soon starting another report project dealing with portability and funding.

I can assure the House we are not interested in destroying any present pension plan regardless of what its condition may be. We know we need a wide latitude in guidelines so we can establish sound regulations that will not destroy plans which look weak for one reason or another. We believe we are uncovering a reasonably sound approach on the part of plan participants who wish to avoid the same threat as the employees of Domco Industries of Canada.

In order to preserve funds now existing, we wish to cover all angles. Keep in mind that the more important feature is not the plan, it is the people it serves. When we arrive at a reasonable cost for insurance, it will give us the best security we can obtain for the country's workers. We will be well on the way to saving the private pension system from collapse and bankruptcy.

SOMEBODY MUST BE TRUSTED: AN ESSAY ON LEADERSHIP OF THE U.S. CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, we face 4 more years of divided government—a Democratic Congress and Republican President in conflict over the direction which the country will take. Charles O. Jones, of the University of Pittsburgh, presented a paper entitled "Somebody Must Be Trusted: An Essay on Leadership of the U.S. Congress" to the Racquet Club in Chicago on December 5, 1972, as part of the Time, Inc., symposia on "The Role of Congress."

Jones argues for more effective congressional leadership as a remedy to fight an increasingly strong Chief Executive, but he warns against unrealistic reform proposals that do not take into consideration the political milieu in which Congress must operate.

I am pleased to introduce this paper into the CONGRESSIONAL RECORD:

SOMEBODY MUST BE TRUSTED: AN ESSAY ON LEADERSHIP OF THE U.S. CONGRESS

As the nation prepares for two and possibly four more years of divided government, the matter of who will lead Congress becomes paramount. President Nixon will be inaugurated on Jan. 20, understandably confident that an overwhelming majority of Americans approves of the substance and style of his leadership. Yet the 93rd Congress will convene with the Democrats continuing in the majority in both houses and actually having increased their margin in the Senate. No election in history better illustrates the eccentricity and the miracle of American politics. Like Dr. Doolittle's magnificent "Pushmi-Pullyu," the political system seems headed in both directions at once. If both halves are healthy, movement can occur only through cooperation and coordination. But the "Pushmi" Congress does not appear strong enough to withstand the independent movement of the "Pullyu" President. I will argue for more effective congressional leadership as a remedy, cautioning against unrealistic reform proposals.

In his classic commentary on *Congressional Government,* Woodrow Wilson concluded that:

"If there be one principle clearer than another, it is this: that in any business, whether of government or of mere merchandising, *somebody must be trusted,* in order that when things go wrong it may be quite plain who should be punished. . . . The best rulers are always those to whom great power is entrusted in such a manner as to make them feel that they will surely be abundantly honored and recompensed for a just and patriotic use of it, and to make them know that nothing can shield them from full retribution for every abuse of it." [1]

Wilson's words reflect one variant of our political wants and needs. We do want "responsible leaders." Most Americans would probably agree with Wilson that "power and strict accountability for its use are the essential constituents of good government." On the other hand, Americans have consistently distrusted political leaders. We have seldom been willing to provide our leaders with enough authority to facilitate strict and unambiguous accountability. So while agreeing with Wilson that "somebody must be trusted," we support a political system based more on the operating principle of Inspector Clouseau (Peter Seller's many-thumbed French police inspector): "I trust no one; I suspect everyone." The founding fathers sought to institutionalize the Clouseau principle, believing with Lord Action, that:

"Power tends to corrupt and absolute power corrupts absolutely. Great men are almost always bad men, even when they exercise influence and not authority; still more when you super-add the tendency or the certainty of corruption by authority. There is no worse heresy than that the office sanctifies the holder of it.[2]"

A review of documents from the Constitutional Convention clearly shows that James Madison and his colleagues quite intentionally divided, separated, mashed, pared and diced power, making possible countervailing institutions once the two-party system developed. For Madison, "the accumulation of all powers . . . in the *same* hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective, *may justly be pronounced the very definition of tyranny.*" [3] Strong on the need for trust, Woodrow Wilson was critical of Madison's success in incorporating this principle in the Constitution. "It is . . . manifestly a radical defect in our federal system that it parcels out power and confuses responsibility as it does." [4] He speculated that if it were possible to reconvene the Convention in modern times ". . . to view the work of their hands in the light of the century that has tested it, they would be the first to admit that the only fruit of dividing power had been to make it irresponsible." [5]

Whether or not we can agree that the framers made a fundamental error in building a system on distrust, it is a fact that our national political institutions developed within the basic guidelines established in 1787. What those men might do in a rewrite is anybody's guess; what their work has become is everybody's reality.

Being neither a revolutionary nor a dilettante, I propose here to focus more on reality than what might have been. And though that declaration sounds commonplace, many, if not most congressional reform proposals offered by journalists, political activists and some of my colleagues bear little relationship to how and why Congress organizes and does its work. To have any chance of approval and ultimate success, leadership reform in Congress has to be *contextually appropriate.* Every proposal should be tested by whether it is consistent with the power and functions of the American Congress. Those designed primarily to establish a parliamentary system in an American setting should be rejected out-of-hand as contextually unsuitable.

What is the political context in which congressional leaders must live and work? It is surely shaped by the following realities.

1. The Constitution diffuses responsibility, thus confusing accountability of leaders.

Footnotes at end of article.

2. Americans still don't much like powerful leaders.

3. "Congress" is not a single institution—it is composed of two very different chambers.

4. Members of Congress are unlikely to support any change viewed as a threat to their careers.

5. Representatives, Senators, and the President may be expected to respond to different interests in different ways.

6. The nature of modern issues, demands, and problems makes necessary a highly specialized organization in Congress.

7. Political parties have limited bases of support nationally and almost no sanctions available for use by congressional leaders.

8. The President gets more national attention than Congress and is the principal source of the congressional agenda.

One other political reality deserves emphasis in any essay on the strategy of reform. *Congress can be changed but it reforms itself.* Whatever is suggested here or elsewhere amounts to very little unless Congress or congressional parties can be convinced of the need to make improvements.

Some of these realities act as barriers to reform. Others set limits within which change is possible. Taken together they suggest that planning institutional change or seeking to re-distribute power nationally involve very complex processes requiring much more patience and understanding than most reformers have demonstrated in the past. That does not mean change is impossible. Many changes have obviously taken place in national political institutions. Thus, for example, Woodrow Wilson was concerned that "the predominant and controlling force, the centre and the source of all motive and of all regulative power, is Congress." [6] He would be quite astonished to read Sir Denis Brogan's recent analysis that "the Office of President of the United States has become the great overshadowing force in the American political system," [7] to hear several observers refer to the presidency as the "American monarchy," [8] and to learn that many liberals want to re-establish the primacy of Congress.

No, changes in power have clearly occurred in the past. Indeed, the shift in power from Congress to the presidency has caused concern, particularly since it has come with the cooperation of a Congress seemingly unable to meet the complex demands of a technetronic society frequently at war. Adaptive change over time is not excluded by the constitutional and political context. What is restricted is planned short-run change leading to comprehensive, rational distribution of power and responsibility. In fact, the restrictions are so great as to preclude that type of change and I suggest, therefore, we not pursue it. A rather more fruitful line of inquiry is to identify those changes that are contextually appropriate and yet are likely to get the job done.

What is the job to be done? What is it we want out of Congress? I hope I speak for most Americans when I say that Congress should be the first branch of government. It was, after all, treated first in the Constitution. The House of Representatives was the only national political institution originally elected by "the People of the several States." It should continue to be the most public of our institutions—*the place of access*, of contact with the people. The Senate was intended to be *the place of debate and deliberation*, somewhat detached from public contact and, according to Hamilton, "less apt to be tainted by the spirit of faction, and more out of the reach of those occasional ill-humors, or temporary prejudices and propensities, which, in small societies, frequently contaminate the public councils, beget injustice and oppression of a part of the community, and engender schemes which, though they gratify a momentary inclination or desire, terminate in general distress, dissatisfaction, and disgust." [9]

Providing for access and debate is not enough, however. There must be a means of bringing the process of information gathering, investigation and deliberation to a conclusion if people's needs are to be met. I have selected my words carefully here. Reaching conclusion is a more comprehensive process than simply passing laws. It includes identifying and defining problems, setting priorities, determining policy, and seeing to it that policy is administered as Congress intended. These are legitimate legislative functions. When they are delegated to the Executive and the bureaucracy, Congress is weakened and therefore democracy is threatened. In the words of Theodore J. Lowi, we get "policy without law." [10]

Access, debate, conclusions—those functions constitute my short list of what ought to be happening in Congress. Of these, it is primarily the function of leadership *to see to it that conclusions are reached in Congress.* But conclusions about what? The President is, of course, the single most important source of items for the congressional agenda and he may be expected to try and get his program enacted into law. No one questions that the President has every right to exert this type of influence in Congress. At issue is the extent of that influence and whether Congress should have independent capacity to generate proposals and/or modify the President's program. My own view on that issue is unequivocal. The President's influence should be limited and his program modified by the Congress's own sources of information and support. I take it as given, therefore, that congressional leaders have an important role to play independently of the President.

Now one other point has to be emphasized before criticizing congressional leadership and discussing reasonable, feasible change. We have had strong leadership in Congress in the past—particularly in the House of Representatives. Indeed, the curent diffusion of leadership among senior committee chairmen, so debilitating for centralizing responsibility in party leaders, can be traced to the backlash in Congess to the tyrannical reign of Speaker Joe Cannon in the House and the strong hand of Senator Nelson W. Aldrich in the Senate during the first decade of this century. Speaker Cannon wielded impressive authority—rewarding his friends and harshly punishing his enemies. He did it by emphasizing the political-party appeal. A journalist of that era, George Rothwell Brown, describes how it worked:

"The party appeal . . . was the most powerful psychological factor in the House, and the leadership not only made use of this, but over-capitalized it, until in the end the man of independent spirit and liberalized mind who sought to strike out for himself along new pathways of action, and to explore the uncharted seas of experimental legislation, was terrorized by having brought against him the allegation of party disloyalty. The mass tendency in the House was to preserve instinctively the party system upon which its great power as the champion of free institutions against the autocracy of the Executive was dependent; the individual instinct was to destroy it, as something hampering to free will.[11]

Individual instinct won out, of course, and rather than simply changing party leaders, the House effectively destroyed the basis of party leadership. Committee chairmen then emerged with independent authority as seniority emerged as a major determinant of congressional leadership.

I would guess that returning to Cannonism or Aldrichism is not a viable option in the search for effective and trusted leadership in Congress. Thus, in rejecting that alternative, I am finally able to put the central question for this essay: *How can congressional leaders get their respective chambers to reach conclusions without being tyrannical or thwarting the processes of access and debate?* I propose only to begin analysis of that most difficult question by recommending a style or basis of change both inside and outside Congress.

WHAT SHOULD HAPPEN IN CONGRESS

The problem with the present leadership structure in Congress is that it facilitates access and debate but not conclusions. There is no way to knock heads together and say: "Enough is enough! Find out what you want to do and do it!" Whatever other fine qualities they may have, the current stable of party leaders in Congress do not strike one as aggressive head-knockers. For example, when Senate Majority Leader Mike Mansfield was called upon in 1963 to "behave like a leader" he responded:

"I shall not don any Mandarin's robes or any skin other than to which I am accustomed in order that I may look like a majority leader or sound like a majority leader—however a majority leader is supposed to look or sound. I am what I am and no title, political face-lifter, or imagemaker can alter it. . . . I do my best to be courteous, decent, and understanding of others and sometimes fail at it. But it is for the Senate to decide whether these characteristics are incompatible with the leadership." [12]

The Senate has not, to date, made any such decision. Mansfield is completing 12 years as majority floor leader—a record for floor leader in either party.

Senator Mansfield's judgment that the Senate decides on its leadership should be amended to say that political parties make that decision. Since 1910 and the turn away from strong leadership, both parties in both houses have typically selected the Mansfields over the Mandarins. Though there have been exceptions, those men holding the title of "leader" have been satisfied simply to guarantee a maximum amount of independence for the membership. When a consensus develops or a majority wants to move, the "leaders" try to get it where it wants to go—at its own pace.

A political activist would be climbing the walls if forced to spend a week observing the leadership techniques of Senator Mansfield or Speaker of the House Carl Albert. But, of course, given the political context, an activist leader would be ignored. Senator Mansfield's "soft-sell" may not meet any of the commonly accepted standards of leadership, but it apparently has been acceptable to Senate Democrats to date. Should he decide tomorrow to do a turn-about and try to move the Senate he will find very little authority to back him up and even fewer sanctions to employ when powerful Senators watch in wry amusement.

The trick then is to provide some incentives, some rewards for increasing the authority and changing the expectations of congressional party leaders. Reform proposals should be evaluated in terms of whether and how the members will benefit. Does this smack of compromise? It certainly does. And I see nothing wrong with that. Compromise is not a mode of decision making developed to "bug" the moralists of this nation. It is well suited to the constitutional and political context within which Congress operates. So many limits have been imposed on institutions and their leaders that every major decision has to be arrived at through bargaining and accommodation. Thus, any change so fundamental as increasing the authority of party leaders must be accomplished by reassurance and guarantees either that the new arrangement will have pay-offs for the members or that maintaining existing patterns will hurt them. *Failure to acknowledge this basic fact*

Footnotes at end of article.

of political life in proposing change assures that the proposal will simply be dropped into the bottomless well of good intentions.

I am not prepared at this time to support specific changes inside Congress to accomplish the goals I have outlined. This clearly requires careful study, involving the members themselves. I can, however, list possible changes to be evaluated by the test of improving the congressional capability for reaching conclusions and the test of political feasibility (e.g., whether members can be convinced of the benefits):

1. Provide for more formal nomination and campaign procedures in electing party leaders.

2. Increase the authority of party leaders to control legislative production in Congress, including methods by which legislation can be acted on in committees (e.g., careful monitoring of committee progress on major legislation; authority to withdraw legislation from a committee).

3. Require an end-of-session review of the legislative record of party leaders before a joint caucus of party members from both houses. Such a session should provide for debate of the record and be open to the press and the public.

4. Commission a study of the efficiency and effectiveness of the existing party structure in each house—directed by an independent agent but including members of both parties and both houses.

5. Expand the Congressional Research Service and the Office of Legislative Counsel; establish Offices of Congressional Committee Organization and Administration; and reduce the size of existing committee staffs.

6. Review the existing research capabilities for congressional political parties, possibly increase staff available for that purpose, make party leaders directly responsible for use of research staff, and require periodic reporting by party leaders in caucus.

I emphasize again that these are not reform proposals as such. If any strike a responsive chord, however, then each should be thoroughly evaluated for its effect on access, debate and reaching conclusions. I am stressing reform strategy here—a first order of business in making change.

WHAT SHOULD HAPPEN OUTSIDE CONGRESS

Congress is basically not a self-sharting institution. If the President is not actively and aggressively pursuing a program, the Congress is unlikely to initiate a program of its own, regardless of the pressures of issues. The same holds for initiating congressional reform. New members, fresh from having slain the dragon, and middle-aged members, wilted from the frustrations of heavy processes, may agree on the need for change but lack the influence, backing, communication, knowledge or sagacity to get the ball rolling. Creating a climate of support for change among the general public *outside* Congress may overcome the resistance to change inherent in existing processes and structures. In a period of unexcelled communications technology, surely greater attention to Congress can have an impact—both in improving congressional capabilities and in providing leaders with the support necessary to counteract the centrifugal tendencies of congressional power.

In this sphere, of course, one does not depend solely on Congress to act. Rather an effort can be made to generate pressure for reform. "Congress can be changed," after all—both over time as a result of changes in society and hopefully in response to public concern that Congress is losing power. After all, both postwar Legislative Reorganization acts, 1946 and 1970, were enacted following a period of presidential dominance.

The television networks, and magazines and newspapers with national circulation, are particularly potent vehicles for creating a climate of support for and trust in party leaders. But first they must devote more sympathetic and constructive attention to Congress. I propose that the media buck the trends, or at least dam up the swift current of attentiveness to the President and his court. I acknowledge the self-sacrifice called for in that request—understanding that the media, too, "can be changed, but reform themselves." But what better time to accept such a challenge? If, for example, Dr. Henry Kissinger is the best national journalists can do for a "sex symbol" in national politics, then I submit they have not completed the search. However unglamorous the members of Congress, some surely have more sex appeal than Dr. Kissinger. In a more serious vein, President Nixon has already indicated he plans no dramatic new programs. A period of consolidation is the perfect time to analyze the role of Congress. When government is reorganizing to do the job better, copy with "grab" is difficult to come by. The media, therefore, have nothing to lose by expanding their coverage of Congress and even taking the initiative in developing national support for strong and effective leadership in the national legislature.

One important caveat must be entered at this point. It will hurt rather than help the cause for the media to criticize only (though criticize they must) or submit to the understandable temptation to sensationalize, to be preoccupied with a few ethical lapses of members. An effort must be made to accentuate the positive, to feature those less-newsworthy legislators seeking responsible change or those unexciting reports so necessary as the basis of that change. That will require initiative and careful planning, of course, not unlike that displayed by Time Inc. in organizing meetings like this. And hopefully, where others have accentuated the negative, someone in the media will seek to turn the criticism into positive recommendation for change.

A number of specific recommendations come to mind for creating a climate of support for stronger and more effective leadership in Congress. Most of these are designed to monitor what goes on there, as well as encourage evaluation of performance by the public, journalists and the members themselves. An attentive press can act both as a means of support for party leaders in their efforts to get Congress to reach conclusions, and as a source of criticism to prevent the autocracy characteristic of Cannonism:

1. Expand coverage of the election of party leaders in Congress—including background on candidates, the campaign and how members voted. (Note: if the American public is presumed to be interested in presidential nominating conventions as dull as that held by the Republicans this year, it can be presumed to find the upcoming struggle for majority leadership in the House of Representatives absolutely gripping.)

2. Evaluate the performance of party leaders in Congress, taking account of problems with recalcitrant members or difficult committee chairmen.

3. Expand coverage of the nominating process for congressional candidates, including the financing of campaigns.

4. Develop special features on Congress—television specials, cover stories, possibly even a separate publication of Congress (less comprehensive, more popular and more willing to evaluate than either the *Congressional Quarterly Weekly Report* or *The National Journal*).

5. Conduct year-end reviews of party performance in each house (based on careful research conducted by competent scholars of Congress).

6. Trace the development of specific legislation—showing not only what the President requested but the ways in which congressional leaders (both party and committee leaders) were involved.

7. Take special note of the fantastic array of public documents on Congress—possibly featuring a particularly important set of committee hearings and then judging the extent to which the findings resulted in legislation.

8. Maintain the expanded coverage over time. Changing institutions requires patience—consolidating the changes demands even more. Little will be accomplished if Congress is again treated as a second-class institution by the media.

One could continue this list indefinitely. The point has been made, however. Congress desires more constructive attention than it has been getting. Any institution is shaped by expectations. Being told that Congress is a second-class institution, unable to do its job, naturally reduces our expectations of what is possible in that institution. Eventually first-rate people decline association with Congress and reality soon coincides with prophesy. Since what happens outside Congress is absolutely vital for what happens within, the media should become an active partner in evaluating, improving and maintaining that most public of our national political institutions.

CONCLUDING OBSERVATIONS

Congress does not need more power—it has more than any other legislature in the world. It does need to find ways in which it can use its power effectively in the post-industrial society, however. Party leaders can play an important role in achieving that goal but only if given commensurate measures of responsibility and accountability. Woodrow Wilson saw this as a matter of trust. And yet Americans are accustomed to withholding trust—relying rather on mutual suspicion and doubt in government. This pattern in politics has become anomalous in view of the fact that the technological era has made American individualists very dependent. We have come to trust technology implicitly—insisting on very few checks and balances to prevent horrendous excesses. I am not arguing for such a high degree of trust in congressional leaders, but I am promoting enough so that we can legitimately hold them accountable for what they do, or fail to do. I do not expect many to argue this point—the problem is how to develop that confidence in a political system accustomed to operating on the principles of Inspector Clouseau.

FOOTNOTES

[1] Woodrow Wilson, *Congressional Government* (Boston: Houghton Mifflin, 1885), pp. 283–284.

[2] Lord Acton, *Essays on Freedom and Power* (Glencoe, Illinois: The Free Press, 1948), p. 364.

[3] *The Federalist* (New York: Modern Library edition, 1937), p. 313. Emphasis added.

[4] Wilson, *op. cit.*, p. 284.

[5] *Ibid.*, p. 285.

[6] *Ibid.*, p. 11.

[7] Sir Denis Brogan, "U.S. Presidency: As Powerful as Caesar in Rome?", *The Christian Science Monitor*, November 3, 1972, p. 9.

[8] See, for example, George E. Reedy, *The Twilight of the Presidency* (New York: World Publishing Co., 1970).

[9] *The Federalist*, p. 167.

[10] Theodore J. Lowi, *The End of Liberalism* (New York: W. W. Norton & Son, 1969).

[11] George Rothwell Brown, *The Leadership of Congress* (Indianapolis: Bobbs-Merrill, 1922), p. 124.

[12] *Congressional Record*, 88th Cong., 1st Sess., November 27, 1963, pp. 21758–59.

SCHOOL TAX EQUALIZATION ACT OF 1973

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBEY. Mr. Speaker, today I am introducing the School Tax Equalization Act of 1973—a bill I hope will help solve the school finance riddle posed by recent court decisions holding that States cannot continue to use the present system of local property taxation to finance elementary and secondary education.

Here are the school finance facts that form the backdrop for our riddle:

Of the $47 billion spent for schools last year, 52 percent was from local taxes, $24 billion; 41 percent was from State taxes, $19 billion; and 7 percent was from Federal taxes, $4 billion.

Of the $24 billion in local spending for schools, 88 percent, $21 billion, came from the property tax.

A recent public opinion survey conducted for the Advisory Commission on Intergovernmental Relations shows that the property tax is 2½ times more unpopular than the Federal income tax and 3½ times more unpopular than State sales taxes.

The purpose of the bill I am introducing today is to furnish financial assistance to the States to assure that their resources—when supplemented by this Federal assistance—will be adequate to:

First. Substantially equalize the quality of elementary and secondary education available to every individual throughout each State; and

Second. Permit a reduction in the use of local property taxes for the purpose of financing elementary and secondary education.

Mr. Speaker, this bill spells out two formulas to achieve its aims, and in so doing, offers significantly more help than existing Federal programs to States that are taxing themselves heavily to meet their own needs.

The first formula advances the principle that, those States making the most serious effort to equitably finance the cost of government and having the greatest need should be most heavily supported with Federal assistance.

Under this formula, in 1975 each State would receive anywhere from $32 to $66 per school-age child, depending on how it compares with other States on three counts: Per capita income, total tax collections as a percentage of personal income, and income taxes as a percentage of total tax collections. These three recognition factors will give greater fiscal relief to States like Delaware, Maryland, New York, Hawaii, Wisconsin, North Carolina, Alaska, Vermont, Idaho, Minnesota, Oregon, Kentucky, and others whose total tax effort as a percentage of personal income in extremely high. It will also reward States that have progressive tax structures and penalize States that do not.

The second formula encourages States to pick up a larger share of education costs to permit reduction of local school property taxes. Under this formula, each State in 1977 would receive anywhere from $2 to $25 per school-age child, depending on how much of the school finance burden it removes from the local property tax.

The bill requires States to file a plan showing that they will distribute these funds in a way that is inversely related to the wealth of the local district—in effect, boosting the assessed valuation that backs each school-age child.

Distributing the funds this way means striving for equity on the premise that parents in the Wisconsin community of Ashland, for example, should not have to tax themselves at twice at the rate that applies in well-to-do areas of the State in order to provide the same level of education for their kids.

And it will mean a significant reduction in property taxes in the poorer areas of a State.

Obviously there are many factors, tangible and intangible, that affect the formal education of a child—his home and neighborhood, the effectiveness of his teachers, the general quality of the school, that is. Certainly the dollar is not the only requirement for a quality education. However, equal financial resources seem to me to be a necessary and reasonable starting point toward equal educational opportunity for all children.

When fully operational in 1977, estimates for the School Tax Equalization Act, based on currently available data, show that Wisconsin would rank 10th in total grant entitlement per school-age child—a sharp contrast with other Federal aid programs which place Wisconsin at or near the bottom.

Mr. Speaker, I should like to make these points in further explanation of the School Tax Equalization Act:

This bill differs from others of its kind that tie how much a State would receive to what it is spending now. The trouble with doing it that way is that it builds in a bias in favor of wealthier States that can afford to spend more on education. This bill also does not make the assumption that is made in some quarters that exact equality in per pupil expenditures guarantees equal education, because education costs vary in different kinds of communities. Instead, this plan is geared to the economic needs of each school district, and to recognition of tax effort and the fairness of the tax structure a State employs to finance its schools.

This bill incorporates several proposals contained in recent reports by the President's Commission on School Finance, the Senate Select Committee on Equal Educational Opportunity, the National Education Finance Project, and other studies of school financing issues:

It increases the Federal share of financial support for elementary and secondary schools;

It provides an incentive to shift more of the burden for financing education from localities to State governments;

It encourages greater reliance on more progressive taxes for the support of public education, thereby reducing the reliance on local property taxes, and

It will reduce the inequality in spending among school districts within a State.

This bill by itself is certainly not the whole answer. It needs to be tied to an expansion and re-writing this year of special education, and other title I programs for the disadvantaged to concentrate them where they are most needed. It also needs to be tied to a loophole-closing, revenue-raising tax reform measures like those of Congressman Henry Reuss, (Democrat of Wisconsin), Congressman James Corman, (Democrat of California), or Senator Gaylord Nelson (Democrat of Wisconsin), to pay for the program.

This legislation is a substantially revised version of a bill I first introduced in June of 1972. Since then, an intensive and I feel highly successful, effort has been made to tighten up important sections of the bill and clarify key concepts in it. In revising the bill we drew heavily on the expert advice of some of our country's leading education finance specialist—(including some at the Brookings Institution, Wisconsin's Department of Public Instruction, the Urban Institute, George Washington University, the University of California at Berkeley and Harvard University) and while none of them in any way endorses this proposal—none in fact has been asked to endorse it—I want to publicly extend my appreciation for their comments and suggestions. I intend to circulate this proposal as widely as possible for further study and criticism, and will invite other Members of the House to join me in sponsoring it.

Mr. Speaker, here are details of the formulas and amounts involved.

BASIC ASSISTANCE GRANT

Formula No. 1: A State's entitlement equals the adjusted basic assistance amount times the number of children aged 5 to 17 living in the State. The adjusted basic assistance amount is calculated by giving equal weigh—one-third—to how a State compares with other States on each of three counts: Per capita income, total tax collections as a percentage of personal income, and income taxes as a percentage of total tax collections.

The basic assistance amount starts at $50 in fiscal 1975, and rises to $70 in fiscal 1976, $100 in fiscal 1977, $130 in fiscal 1978, and $175 in fiscal 1979. Basic assistance grants would total $2.6 billion in fiscal 1975, $3.6 billion in 1976, and $5.1 billion in 1977.

INCENTIVE ASSISTANCE GRANTS

Formula No. 2: A State's entitlement equals the adjusted incentive assistance amount times it school-age population as defined above. The adjusted incentive assistance amount equals the ratio of State revenue made available to public schools—as a percentage of total State and local revenue made available to public schools—to 75 percent. In other words, the incentive assistance amount rises as the local revenue share shrinks to 25 percent of the total State and local revenue made available to public schools.

The incentive assistance amount starts at $25 in fiscal 1977 and rises by $25 a year to $75 in fiscal 1979. Incentive assistance grants would total $800 million in fiscal 1977.

In fiscal 1977, when the bill was fully operational, basic assistance and incentive grants would total $5.9 billion.

Finally, I include a set of tables listing the States and their estimated grant entitlements alphabetically, and ranking them according to type of grant and total grants and an explanation of the entitlement formulas used for the basic grants and incentive grants that would be provided under the bill.

The materials follow:

APPENDIX I

ALPHABETICAL ESTIMATES OF STATE ENTITLEMENTS UNDER OBEY SCHOOL TAX EQUALIZATION ACT,[1] FOR FISCAL YEARS 1975, 1976, AND 1977

[In thousands of dollars]

State	Basic assistance grant only		1977, basic and incentive		
	1975	1976	basic grant	Incentive grant	Total grant
Alabama	46, 144	64, 622	92, 314	23, 225	115, 539
Alaska	5, 494	7, 692	10, 989	2, 200	13, 189
Arizona	22, 933	32, 120	45, 885	6, 665	52, 550
Arkansas	24, 617	34, 477	49, 252	9, 356	58, 608
California	247, 456	346, 578	495, 112	65, 269	560, 381
Colorado	29, 004	40, 623	58, 033	5, 909	63, 942
Connecticut	30, 662	42, 947	61, 353	6, 067	67, 420
Delaware	9, 672	13, 546	19, 353	3, 656	23, 009
Florida	51, 392	71, 975	102, 817	32, 268	135, 085
Georgia	61, 825	86, 600	123, 712	24, 604	148, 316
Hawaii	12, 675	17, 752	25, 361	5, 075	30, 436
Idaho	12, 307	17, 236	24, 623	2, 956	27, 579
Illinois	135, 204	189, 382	20, 551	39, 004	309, 555
Indiana	59, 835	83, 816	119, 739	15, 031	134, 770
Iowa	34, 334	48, 087	68, 698	8, 351	77, 049
Kansas	24, 580	34, 424	49, 178	5, 633	54, 811
Kentucky	48, 913	68, 501	97, 860	18, 312	116, 172
Louisiana	50, 259	70, 401	100, 572	22, 460	123, 032
Maine	12, 090	16, 933	24, 190	3, 271	27, 461
Maryland	68, 570	96, 028	137, 183	17, 664	154, 847
Massachusetts	81, 844	114, 632	163, 758	11, 872	175, 630
Michigan	120, 168	168, 323	240, 459	40, 162	280, 621
Minnesota	62, 686	87, 791	125, 416	20, 062	145, 478
Mississippi	31, 575	44, 228	63, 182	14, 027	77, 209
Missouri	52, 683	73, 763	105, 389	14, 924	120, 313
Montana	10, 630	14, 888	21, 269	1, 790	23, 059
Nebraska	16, 671	23, 331	33, 356	2, 387	35, 743
Nevada	4, 063	5, 692	8, 131	1, 888	10, 019
New Hampshire	7, 433	10, 413	14, 876	395	15, 271
New Jersey	60, 111	84, 190	120, 274	16, 638	136, 912
New Mexico	15, 471	21, 667	30, 954	7, 700	38, 654
New York	275, 521	385, 927	551, 258	63, 535	614, 793
North Carolina	79, 020	110, 668	158, 093	32, 925	191, 018
North Dakota	8, 158	11, 424	16, 322	1, 931	18, 253
Ohio	104, 693	146, 613	209, 440	32, 774	242, 214
Oklahoma	28, 271	39, 597	56, 566	11, 230	67, 796
Oregon	33, 138	46, 412	66, 303	3, 713	70, 016
Pennsylvania	144, 548	202, 466	289, 242	49, 104	338, 346
Rhode Island	10, 862	15, 216	21, 736	3, 051	24, 787
South Carolina	40, 261	56, 385	80, 550	15, 809	96, 359
South Dakota	7, 295	10, 217	14, 596	2, 120	15, 656
Tennessee	40, 779	57, 106	81, 576	17, 245	98, 821
Texas	96, 776	135, 535	193, 613	51, 598	245, 211
Utah	17, 040	23, 867	34, 095	6, 027	40, 122
Vermont	7, 238	10, 137	14, 481	1, 369	15, 850
Virginia	64, 702	90, 616	129, 451	17, 558	147, 009
Washington	30, 188	42, 280	60, 402	15, 076	75, 478
West Virginia	20, 949	29, 343	41, 919	9, 341	51, 260
Wisconsin	76, 292	106, 851	152, 645	13, 132	165, 777
Wyoming	3, 323	4, 654	6, 649	1, 021	7, 670
District of Columbia	9, 368	13, 112	18, 737	4, 075	22, 812
Total [2]	2, 549, 723	3, 571, 084	5, 101, 513	800, 395	5, 901, 908

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[1] Estimates based on currently available data for school-age population, per capita income, tax collections and other factors. The actual entitlement for a State could differ from these estimates due to changes over time in 1 or more of the factors affecting the entitlement levels for each State.

[2] In addition, grants are authorized for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

APPENDIX II

RANKING OF STATES BY BASIC GRANT ENTITLEMENT PER SCHOOL AGE CHILD UNDER OBEY SCHOOL TAX EQUALIZATION ACT[1]

	Fiscal year—		
	1975	1976	1977
1. Maryland	$66. 38	$92. 96	$132. 80
2. Delaware	65. 35	91. 53	130. 76
3. Wisconsin	63. 79	89. 34	127. 63
4. New York	63. 66	89. 17	127. 37
5. Hawaii	62. 44	87. 45	124. 93
6. Alaska	62. 43	87. 41	124. 88
7. Oregon	62. 29	87. 24	124. 63
8. Idaho	62. 16	87. 05	124. 36
9. Vermont	61. 86	86. 64	123. 77
10. North Carolina	60. 00	84. 03	120. 04
11. Minnesota	59. 93	83. 93	119. 90
12. Massachusetts	58. 46	81. 88	116. 97
13. Kentucky	58. 23	81. 55	116. 50
14. District of Columbia	57. 47	80. 44	114. 95
15. South Carolina	56. 23	78. 75	112. 50
16. Utah	54. 79	76. 74	109. 63
17. Montana	54. 51	76. 35	109. 07
18. Virginia	54. 28	76. 92	108. 60
19. Georgia	50. 76	71. 10	101. 57
20. New Mexico	50. 23	70. 35	100. 50
21. Mississippi	50. 04	70. 09	100. 13
22. California	49. 78	69. 72	99. 60
23. Arkansas	49. 73	69. 65	99. 50
24. Pennsylvania	49. 69	69. 60	99. 43
25. Alabama	49. 67	69. 56	99. 37
26. Colorado	49. 58	69. 44	99. 20
27. Michigan	$49. 31	$69. 07	$98. 67
28. Rhode Island	48. 71	68. 23	97. 47
29. Louisiana	48. 56	68. 02	97. 17
30. West Virginia	47. 61	66. 69	95. 27
31. Illinois	47. 49	66. 52	95. 03
32. Arizona	47. 48	66. 50	95. 00
33. North Dakota	46. 88	65. 66	93. 80
34. Maine	46. 86	65. 63	93. 76
35. Iowa	46. 46	65. 07	92. 96
36. Missouri	44. 76	62. 67	89. 54
37. Oklahoma	44. 38	62. 16	88. 80
38. Indiana	43. 39	60. 78	86. 83
39. Nebraska	43. 30	60. 60	86. 64
40. Kansas	43. 20	60. 50	86. 43
41. Tennessee	40. 86	57. 22	81. 74
42. Connecticut	40. 08	56. 14	80. 20
43. New Hampshire	39. 54	55. 39	79. 13
44. South Dakota	39. 22	54. 93	78. 47
45. Ohio	37. 31	52. 25	74. 64
46. Wyoming	36. 12	50. 59	72. 27
47. Washington	34. 50	48. 32	69. 03
48. New Jersey	33. 60	47. 06	67. 23
49. Texas	32. 41	45. 39	64. 84
50. Nevada	32. 25	45. 17	64. 53
51. Florida	32. 06	44. 90	64. 14
U.S. average	49. 62	69. 49	99. 26

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[1] Estimates based on currently available data for school-age population, per capita income, tax collections and other factors. Actual grant entitlements for a State could differ from these estimates due to changes over time in one or more of the factors affecting the entitlement levels for each State.

APPENDIX II.—*Ranking of States by incentive grant entitlement, per school age child under Obey School Tax Equalization Act*

[Fiscal year 1977, per pupil]

1. Alabama	$25. 00
2. Alaska	25. 00
3. Hawaii	25. 00
4. New Mexico	25. 00
5. North Carolina	25. 00
6. District of Columbia	25. 00
7. Delaware	24. 68
8. Mississippi	22. 23
9. South Carolina	22. 08
10. Kentucky	21. 80
11. Louisiana	21. 70
12. West Virginia	21. 23
13. Georgia	20. 20
14. Florida	20. 13
15. Utah	$19. 38
16. Minnesota	19. 18
17. Arkansas	18. 90
18. Oklahoma	17. 63
19. Tennessee	17. 28
20. Texas	17. 28
21. Washington	17. 23
22. Maryland	17. 10
23. Pennsylvania	16. 88
24. Michigan	16. 48
25. Nevada	14. 98
26. Idaho	14. 93
27. Virginia	14. 73
28. New York	14. 68
29. Arizona	13. 80
30. Illinois	13. 70
31. Rhode Island	13. 68
33. Maine	12. 68
32. California	13. 13
34. Missouri	$12. 68
35. Vermont	11. 70
36. Ohio	11. 68
37. Iowa	11. 30
38. North Dakota	11. 10
39. Wyoming	11. 10
40. Wisconsin	10. 98
41. Indiana	10. 90
42. Colorado	10. 10
43. Kansas	9. 90
44. New Jersey	9. 30
45. Montana	9. 18
46. Massachusetts	8. 48
47. Connecticut	7. 93
48. Oregon	6. 98
49. Nebraska	6. 20
50. South Dakota	5. 70
51. New Hampshire	2. 10
U.S. average	15. 59

APPENDIX II.—*Ranking of States of total grant entitlement per school age child under Obey School Tax Equalization Act, basic grant and incentive grant combined*

[Fiscal year 1977, per pupil]

1. Delaware	$155.44
2. Hawaii	149.33
3. Maryland	149.90
4. Alaska	149.88
5. North Carolina	145.04
6. New York	142.05
7. District of Columbia	139.95
8. Idaho	139.29
9. Minnesota	139.08
10. Wisconsin	138.61
11. Kentucky	138.30
12. Vermont	135.47
13. South Carolina	134.58
14. Oregon	131.61
15. Utah	129.01
16. New Mexico	125.50
17. Massachusetts	125.45
18. Alabama	124.37
19. Virginia	123.33
20. Mississippi	122.36
21. Georgia	121.77
22. Louisiana	118.87
23. Arkansas	118.40
24. Montana	118.25
25. West Virginia	116.50
26. Pennsylvania	116.31
27. Michigan	115.15
28. California	112.73
29. Rhode Island	111.15
30. Colorado	109.30
31. Arizona	108.80
32. Illinois	108.73
33. Maine	106.44
34. Oklahoma	106.43
35. North Dakota	104.90
36. Iowa	104.26
37. Missouri	102.22
38. Tennessee	99.02
39. Indiana	97.73
40. Kansas	96.33
41. Nebraska	92.84
42. Connecticut	88.13
43. Ohio	86.32
44. Washington	86.26
45. Florida	84.27
46. South Dakota	84.17
47. Wyoming	83.37
48. Texas	82.12
49. New Hampshire	81.23
50. Nevada	79.51
51. New Jersey	76.53
U.S. average	114.85

APPENDIX III.—FORMULAS FOR DETERMINING GRANT ENTITLEMENT UNDER OBEY SCHOOL TAX EQUALIZATION ACT

BASIC ASSISTANCE GRANT

State entitlement equals adjusted basic assistance amount times school-age population.

"Adjusted basic assistance amount" equals the sum of:

One-third of basic assistance amount times per capita income, all States, divided by per capita income, State.

One-third of basic assistance amount times tax collections as percent of personal income, State, divided by tax collections as percent of personal income, all States.

One-third of basic assistance amount times income taxes as percent of total taxes, State, divided by income taxes as percent of total taxes, all States.

"School-age populations" equals the number of children aged 5–17, inclusive living in State.

Definitions

1. "Basic assistance amount" equals $50 in fiscal year 1975, $70 in fiscal year 1976, $100 in fiscal year 1977, $130 in fiscal year 1978, $175 in fiscal year 1979.

2. "Tax collections" means total tax collections of all kinds in the State, including collections by political subdivisions.

3. "Income taxes" includes both individual and corporate income tax collections, in the State, including collections by political subdivisions.

INCENTIVE ASSISTANCE GRANT

State entitlement equals adjusted incentive assistance amount times school-age population.

"Adjusted incentive assistance amount" equals the sum of:

Incentive assistance amount times State revenue made available to public schools as percent of total State and local revenue made available to public schools, divided by 75 percent; but *not* to exceed the "incentive assistance amount."

Definitions

1. "Incentive assistance amount" equals $25 in fiscal year 1977, $50 in fiscal year 1978, $75 in fiscal year 1979.

2. "Revenue made available to public schools" includes all revenue receipts derived from State or local sources made available for public, elementary and secondary education.

FIFTY-SECOND ANNIVERSARY OF THE DISABLED AMERICAN VETERANS

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, it gives me great pleasure to salute a fine veterans organization on the occasion of its 52d anniversary—an organization with the single purpose of helping the wounded and disabled veteran solve his problems.

The 52-year history of the Disabled American Veterans is a proud one. I have great respect and admiration for this nonprofiit organization. Members and officials of DAV are vigilant in overseeing, protecting, and promoting the rights and interests of disabled American veterans. Their organization stretches out a helping hand to veterans in the smallest town and the large metropolis.

From its inception, the DAV has been composed of people devoted to God and country. They came together in Detroit over a half century ago with a great resolve—to champion equitable treatment for the disabled veteran and his family, his widow, and his orphans. The DAV has always dedicated itself to America's best interests.

The members of the DAV can look at the reorganization's history and proudly recite its accomplishments—promotion of legislation necessary for the care and rehabilitation of disabled veterans, the furthering of disabled veterans' training under the GI bill, a highly successful program of national service to disabled veterans, efforts on behalf of Vietnam war prisoners and men missing in action, a scholarship program for the children of disabled veterans, the establishment of Boy Scout troops for handicapped youths led by disabled veterans, and always the attitude of vigilance at strengthening our national security.

This willingness to meet today's problems with today's solutions has earned the DAV and its members the respect of all of us who represent them in Congress. It is with pride that I pay tribute to the DAV on its 52d anniversary. Each DAV member can be proud of the emblem he wears.

EATING CROW ON VIETNAM

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, the February 24, 1973, edition of the Washington Post contained a column written by Kenneth Crawford.

In his article, Mr. Crawford emphasized that President Nixon's methods of achieving peace in Vietnam were correct and have proven successful. Mr. Crawford reaches the conclusion that through the President's skillful diplomacy and determination, an honorable and lasting peace has been established despite a wide range of criticism.

With the unanimous consent of the House, I would like to place the column in the RECORD:

EATING CROW ON VIETNAM

(By Kenneth Crawford)

You can lead people to crow but you can't make them eat. It is futile to try. Nevertheless, repeated tries made by President Nixon and public officials who stood by him through his Vietnam ordeal are understandable and, in elementary justice, pardonable. They have been subjected to merciless abuse for a very long time by critics who said their policies would never produce an agreed ceasefire much less peace, and by some who denied that they were really trying.

These abusers are of several kinds—spokesmen for foreign governments, U.S. members of Congress, American newspapers, columnists, television commentators and periodicals with national and international circulation. Some of them have indulged a penchant for alarmist prediction as well as savage criticism.

During the climactic bombing raids on Hanoi and Haiphong, for example, the President's sanity was called into question and he was threatened with impeachment. All this just before the truce agreement that started U.S. prisoners of war on their way home and Indochina on its way to an admittedly fragile peace.

The fragility of the peace is what makes a backward look at the excesses of faultfinding with administration performance desirable. Perhaps a dose of retrospect will make the critics a bit more tolerant in the future. It is probably too much to expect that Sen. George Aiken's call for restoration of bipartisanship in foreign affairs will be heeded.

But perhaps some of the venom can be extracted from the partisanship. This would help in the remaining difficult task of converting the ceasefire agreement, so far honored almost as much in the breach as in the observance, into a real peace.

Moreover, those of us who have sympathized with the President's determination to achieve what he describes as an "honorable peace" and who, in the past, have been ridiculously over-optimistic about the prospects in Vietnam have endured a lot of taunting. We are entitled, if not to a last laugh, at least to a last growl.

Mr. Nixon himself growled at a post-ceasefire press conference about journalists who can't see any distinction between an honorable and a dishonorable peace. Secretary of State William Rogers growled in an appearance before the House Foreign Affairs Committe about the prime minister of Sweden, who compared the bombing of North Vietnam with Hitlerian genocide, which, incidentally, neutral Sweden did nothing to stop.

Given an opening, Rogers would doubtless have let go, too, at Prime Minister Indira Gandhi, who said in a speech that the U.S. would never have treated Europeans as it treated the Asians of North Vietnam. She seemed to forget that Asian casualties in North Vietnam were a fraction of European casualties inflicted by U.S. forces in the second world war in bombing raids on German and German-occupied cities. Also that since the war the U.S. has shown almost $10 billion worth of concern for the Asians of Mrs. Gandhi's India.

Years of simmering discontent with the President's course in Indochina boiled over when, after Henry Kissinger's announcement that peace was "at hand," the bombing of Hanoi and Haiphong was resumed and intensified. Even then the so-called "carpet bombing" was nothing like as devastating as second-world-war air attacks. Yet it brought the Communists back to the bargaining table, probably not because it had a crippling military effect but because it served as a warning that more and worse could follow.

Comment in Congress ranged from Democratic Leader Mike Mansfield's prediction that the bombing would prolong the war to Sen. Vance Hartke's conclusion that it amounted to a nuclear challenge to Moscow and Peking. "Armageddon may be only hours away," Hartke declaimed. To Sen. Edward Kennedy it was a "senseless act of military desperation by a President incapable of finding the road to peace." Rep. Bella Abzug talked of impeachment.

Anti-Nixon columnists and newspapers were equally vehement in their denunciations. One columnist spoke of "nukes," reluctantly he said, as the only thing Mr. Nixon had in his arsenal still untried. Another called the renewed bombing "war by tantrum." Still another declared it "morally outrageous and politically useless." To a particularly fervent administration critic it spelled "failure on a grand scale."

A normally quite restrained opposition newspaper found the ultimate bombing "so ruthless, so difficult to fathom politically as to cause millions of Americans to cringe in shame and to wonder at their President's very sanity."

News magazines emblazoned their covers with such captions as "The Specter of Defeat."

Network television commentators agreed almost unanimously that the President when he first blockaded North Vietnamese harbors had thrown away his chance for a summit meeting in Moscow. One of them questioned whether the Soviet Union, "to save face," wouldn't respond by stirring up new trouble in Europe or the Middle East and North Vietnam by overrunning strategic Kontum in South Vietnam.

As we now know, none of these dire forebodings was borne out by events. Yet none of the foreboders has seen fit to acknowledge excessive pessimism. One newspaper complained that it was being ridiculed for doom saying "as if anyone who warns of danger is proved the fool if danger is averted." This draws a fine line between warning of danger and predicting disaster.

Anyway, Mr. Nixon and Kissinger have come through with an agreement. Those who said it couldn't be done their way have been proved wrong. Critics can console themselves with arguments that the bombing didn't do it or that it should have been done sooner or that, in any case, it won't prevent an ultimate Communist victory. They will never admit that they were dead wrong this once, as who ever does? The Nixonites wouldn't if the shoe were on the other foot, as it has been at times along the way.

Crow just isn't edible in public places.

RETHINKING A WELFARE STRATEGY

(Mr. FRASER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRASER. Mr. Speaker, in his recent book, "The Politics of a Guaranteed Income," Patrick Moynihan chronicled the battle during the 91st and 92d Congresses over the family assistance plan.

That battle has been fought and lost. Just last week, FAP was officially buried by President Nixon in a speech on human resources.

The family assistance plan, as a response to the welfare crisis, may have disappeared from the national spotlight but the crisis, itself, shows no sign of going away. Welfare continues to be a demeaning and dehumanizing way of life for millions of Americans and State governments continue to stagger under the financial burden of rising case loads.

Before we can move ahead on the welfare reform front, it is clear that we must spend some time rethinking the issue of welfare dependency. If FAP has been tried and found wanting, new concepts will have to be developed to take its place.

One new approach is outlined by Tom Joe in a paper entitled "Rethinking a Welfare Strategy." Joe, a former special assistant to the Under Secretary of Health, Education, and Welfare, proposes that we take a new look at the relationship between welfare and employment. In doing so, Joe suggests, we may discover that the unemployment insurance system can be fashioned into a welfare reform tool.

I want to take this opportunity to insert "Rethinking a Welfare Strategy" in the RECORD:

RETHINKING A WELFARE STRATEGY

(By Tom Joe)

The new year is upon us, and the traditional end of the year news summaries are full of post-mortems on the demise of welfare reform. Different analysts have laid the blame with various members of Congress, or with Congress as a whole, with HEW, or with the White House. The failure has been attributed to phone calls that were not returned, numbers that didn't add up, strategies that didn't pan out, and the general stress of election-year politics. But all are generally agreed that the historical moment has passed, and that the prospects for national welfare reform, in the near future at least, are dim indeed.

It is obvious, however, that the tremendous problems and pressures that made welfare a national issue is 1969 are still with us and, if anything, getting worse. Costs and caseloads continue to increase (though perhaps at a slower rate) and the efforts of financially overburdened States to deal with these problems themselves only tend to exacerbate the built-in inequities of the present system. With welfare reform removed from the national spotlight, selling reform at the State and local levels can only mean cutting costs at the expense of the poor. In short, poor people in this country cannot afford to wait around until the national climate is once again right for welfare reform.

So, while the pundits are undoubtedly correct in asserting the futility of another frontal attack on welfare reform, it is equally clear that the problems of the welfare system demand a national solution—now more than ever. It is therefore essential that we undertake a total rethinking of our welfare strategy. Not our political strategy; a new approach to the welfare question will not arise like a Phoenix out of the ashes of FAP and its numerous ill-begotten and ill-fated offspring. At this point it is utterly irrelevant whether H.R. 1 would have passed *if* . . . the sun had not risen in October. In three years of debate on the issue, the only consensus ever arrived at was that the welfare system was desperately in need of reform, and it was our inability to arrive at a "political settlement" among the disparity of interests involved that kept it from happening. Our concern now must be the development of an entirely new strategy for fulfilling our obligations to poor poeple in this country.

Perhaps the moment for FAP and H.R. 1 has passed, and perhaps it is just as well that it has. But hopefully the glaring necessity for a fundamental overhaul of a program that is widely admitted to meet neither societal nor individual needs will prove to be of more lasting concern.

RETHINKING THE PROBLEM

The necessary first step in developing a new welfare strategy is a new perspective on our statement of the problem. The preponderance of the rhetoric surrounding the welfare debate has centered on the glib, catch-all phrase "the welfare mess," and there have been numerous diagnoses of what the *real* welfare mess is. Any attempt to develop a new approach to the mess must begin with the understanding that the biggest problem is the very existence of welfare in the first place. As one State legislator, quoted in James Welsh's article in the New York Times Magazine, put it, "I know you're trying to help the poor, but what we mean by welfare reform is taking people off the rolls, not adding more." Surely everyone involved in the welfare battle, on all sides, knew that people don't like welfare, and that most people would like to see less of it. But this was "known" only as a political reality to be dealt with. The point is raised now not as a political caveat, but because of the obvious questions that must follow from it: who does welfare serve, and what is it supposed to do for them? And why, if welfare is not what anyone wants, do we keep getting more of the same?

REFORMING THE JUNK PILE

Welfare is the receptacle for the failures of all of our other social institutions and social insurance programs. If there can be said to be a theory behind the system, it is that welfare should act as a safety net to catch the people who have slipped past the network of programs and institutions that are the primary line of defense against poverty and dependency: the education system, which should prepare people for participation in the mainstream of society; juvenile delinquency programs and the legal system in general, which should serve to reintegrate people into society, instead of reinforcing their alienation from it; the health institutions, both public and private, workman's compensation, vocational rehabilitation and other programs which should prevent individual incidents of illness or injury from resulting in life-long dependency; and the manpower development and unemployment insurance programs, which should deal with problems of joblessness before they lead to welfare dependency.

Each of these programs, and the many others which could be added to the list, was designed in response to an identified need. But the existence of the catch-all welfare net has, in effect, taken the pressure off the other programs. So, while welfare rolls and costs have "burgeoned" or "spiraled", the institutions which should be keeping people off welfare have completely failed to keep pace with normal increases in need and demand for services, and they have not even begun to deal with the increased pressures brought on by a deflated economy. In the thirty years since its inception, the welfare program has multiplied twenty-fold through a process of picking up the pieces, a process which has built a program almost entirely devoid of internal rationale or consistency of purpose.

The welfare population includes young children and old people; incapacitated fathers and unemployed fathers; mothers who have lost their husbands and mothers who never had husbands; middle-class hippies and blue-collar workers; the able-bodied and the disabled; people who do work, people who don't work and people who, according to various interpretations, should work. People may end up on welfare because of poor education, inability to find work, inability to support a family, illness, injury, unwanted pregnancy, divorce or desertion or emotional disturbance. And they may have encountered those problems for any one of a thousand other reasons, not the least important of which are wide-spread institutional racism and sexism.

Yet despite the fact, readily apparent to even a superficial look at the characteristics of caseloads, that the problems of the welfare population are as diverse and as deep as the problems of society itself, reformers, the press and the public persist in viewing welfare as a single problem, and welfare recipients as a monolithic group. From these generalizations spring the welfare mythology: recipients are lazy, they are immoral, they have babies just so they can get more welfare; *the* problem is the poor administration, *the* problem is that welfare is soft on chiselers, that it gives able-bodied adults something for nothing.

Even when it is possible to identify a single problem area that has a significant impact on welfare caseloads, the proposed solution must wend its way through a bureaucratic system based on the active partnership of three levels of government, and the advice and consent of all three branches of government. All too often policy decisions made at the Federal level get sidetracked on their way through fifty State and 1150 county welfare administrations: they may not be implemented at all, or the programs that finally reach the people may completely miss the original intent. For example, there has long been evidence to indicate that a major cause of both initial and prolonged dependency is unwanted pregnancy. However, it took us more than two decades to implement an effective and nonrepressive program for family planning.

Is it really surprising that efforts to isolate the cause of welfare dependency, to develop the single program that will meet the needs of all welfare recipients, have not met with spectacular success? And, in view of the chaotic state of the welfare system, a system that has failure built into it, is it at all surprising that it has become so vulnerable to attack from all quarters? The welfare system has not only taken on the burden of the ever-increasing demand for solutions to people's problems; it has also borne the brunt of public dissatisfaction with ineffective social institutions. It has, in short, become the whipping boy for very nearly everything that anyone thinks is wrong with American society.

So, to return to the questions we began with, who does welfare serve? It serves a diverse group of people with a wide range of problems. The only things that all welfare recipients can truly be said to have in common are their poverty and their powerlessness. And why do we keep getting more welfare when that is not what we want? Because the welfare system has become the catch-all, the junk-pile for all of society's failures.

People on welfare are people who are dispossessed—not just psychologically or politically, but in the harshest reality. They have been aced out of the protections of the front-line systems—the educational system, the health system, the unemployment insurance system, and so on down the line. In the thirty years preceeding this administration's welfare-reform initiative, while we were quietly waiting around for "the welfare problem" to go away, we were also institutionalizing a dual system of law in this country; one for the rich, and one for the poor. Not only family law relating to social programming, but also a separate and unequal system of civil and criminal law that has grown up around the complex of social institutions for the poor that is called "welfare." This shadow-system of American justice is only now being uncovered in the courts and in the press, through the efforts of people who do not feel that welfare recipients should have to fight to establish their right to privacy, to a fair hearing, to due process and equal protection of the law: the rights which, for most people, are written into the Constitution.

Until this dual system of law is broken down, until the institutions that are specifically designed to deal with identifiable problems are made accessible to all Americans who share those problems, until all of our social institutions are forced to catch up with the current level of demand for their services, welfare costs and caseloads will continue to increase, and the "welfare mess" will continue to defy solution.

The point of this paper is that we must begin to deal with *problems* through the institutions and programs that can do the job, not with the symptom that indicates that those institutions have failed. We must rationalize the chaos of the welfare system by separating out the myriad functions that welfare has assumed by default, and reassigning them to the agencies that are intended and equipped to deal with them. This process was begun with the passage of H.R. 1 which created a revolutionary Federal program of supplemental security income for the aged blind and disabled. However, a great deal remains to be done. The following is a proposal to continue this rationalizing process in one specific area: the problems of welfare and work. The purpose is *not* to go over the same ground we covered beginning with FAP, the quest for a single piece of legislation, the monolithic solution, or the new catch-all phrase that says it all. Rather, this is a proposal for a concerted attack on one separable part, which happens to be a large part, of the welfare problem.

WELFARE AND WORK

The employment problem is singled out for two reasons. First, it is undoubtedly the stickiest issue in the whole welfare mess, the core of public controversy, misconception, and distrust of the entire welfare program. Second, and most important, there is an established institution which provides a logical and viable mechanism for dealing with work related and manpower problems in a more rational and consistent way: The Federal-State system of Unemployment Insurance.

The dichotomy between employable and non-employable welfare recipients has been the source of more mythology and inequity, more administrative and programmatic chaos, than any other single issue. Attempts to make the welfare system responsive to the needs of both groups have produced more problems than solutions.

Who is employable?[1]

The underlying assumption in all of the debates over how many welfare recipients are employable is that there is some way to determine objectively at least the probability of success in employment. Research has failed, however, to turn up any objective "employability factor": for example, every piece of employment-related legislation specifically exempts the blind, the disabled and mothers of pre-school children from work requirements, presumably because these people are "unemployable." Yet if you turn the question around and look at the characteristics of people who *do* work, you will find that blind people, disabled people, and mothers of pre-school children are active in the labor force.

It is therefore not surprising that the welfare system has proven itself to have little ability, and even less credibility, in making such determinations. Both existing research and common sense indicate that the employability determination cannot be made on the basis of blanket criteria. The problem is compounded by the fact that welfare agencies have no direct connection with the labor force, and no expertise that would enable them to make individual determinations on the basis of the realities of the job market. And so the confusion about the employable adults who are on the welfare rolls has been generalized into the widely-believed myth that welfare recipients are either lazy bums who won't work, or chiselers who do not report their incomes, or both.

How can the welfare system encourage people to work, or at least not serve to discourage people from taking work?[1]

The gross inequities of the welfare system, which provides fiscal disincentives to family stability and to employment, were pointed out over and over again during the three-year discussion of welfare reform. It was surprising to many observers on the liberal side of the issue that the equity argument alone produced an early consensus that, as a matter of policy and of principle, no intact working family should have a lesser total income than it would have if the head of the family either deserted the home or stopped working. This principle appeared in the various reform proposals in the form of work-incentive formulas.

There is little if any evidence to support the assumption that financial work incentives actually affect the behavior of welfare recipients. However, the subject of work incentives has become the focus of more writing and debate than any other aspect of the welfare problem. More attention has been devoted to the mechanistic details of developing an equitable work incentive than to the human problems of the people whose behavior is supposed to be affected. Work incentives have become a given . . . in any formula for welfare reform, and they have been the undoing of more than one reform proposal. Work incentives essentially pit the interests of those who do work, whether they are welfare recipients or the working poor outside the welfare system, against those who do not work: the better the incentive, the larger the pool of eligibles for assistance, and the less money is available to provide a decent standard of income for the truly needy.

This is precisely the problem that was bothering the State legislator quoted above. There is a strong sense that the person who works hard, at a job he probably does not like, to support family should not end up poorer than a person who does not work at all, whether because of incapacity or inability to find a job. And yet there is an equally strong sense that we should not try to improve the situation of people who are striving to be self-sufficient by putting them on welfare, and at the expense of those who are already on welfare. At a time when cutting costs and caseloads is the primary concern of State and local welfare agencies, the dilemma between meeting the needs of those who cannot work and ensuring that the working poor do not suffer unfairly in comparison is a serious one. It is a problem very much tied up with conceptions and misconceptions about the present welfare system, about what it should do and for whom. As a result of trying to do everything for everyone, it has become virtualy impossible to develop an adequate and sensible response to the problems of any one group.

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[1] For more detailed data, see attached Tables 1–4.

What role does the welfare system itself play in providing employment related services such as job training and job development?[1]

The welfare system is ill-equipped for the task of training people for work: there are no institutional linkages to bridge the gap between work or training undertaken as a welfare recipient and the possibility of entry or re-entry into the mainstream of the economy. Welfare is, by definition and by structure, a dead-end. Manpower and job development programs are incredibly disorganized: there are at least 22 different Federal manpower programs currently in effect, most of which are financed by the Department of Labor. The relationships between the various DOL programs, HEW programs such as vocational rehabilitation, and the welfare system itself are totally muddled. Attempts to superimpose new structures over the underlying chaos, such as the WIN program, have been notoriously ineffective: the training programs typically have little relevance to the interests or desires of the trainee, and no relevance at all to the realities of the job market. Efforts in job development and public service employment have been characterized by menial jobs outside the mainstream of the economy, paying substantially less than minimum or prevailing area wage.

Looking at the problem from the other side of the fence, the present system of manpower and job development programs, which are aimed at the welfare population rather than at the unemployed population *per se*, is not geared to meet the needs of the growing number of unemployed workers not yet on assistance who are in need of retraining to upgrade their skills or to change careers.

WELFARE AND UNEMPLOYMENT INSURANCE—TWO SIDES OF THE SAME COIN

The problems created by trying to serve employable adults through the welfare system boil down to one major question:

What is the relationship between welfare recipients who are expected to work or who do work and the mainstream of the labor force?[1]

How can the rights of welfare recipients be protected so that they do not become an exploited, isolated reserve pool of labor?

It is significant that able-bodied welfare recipients are termed "employable"—not unemployed. The latter connotes the absence of a job, while the former clearly implies the absence of a willingness to take a job. In point of fact, both the welfare mythology and the welfare structure serve to isolate recipients from the opportunities and protections that are available to those on the other side of the arbitrary welfare classification. Discussions of the problems of welfare recipents and work generally center on the virtues of sweeping floors and the difficulty of getting anyone to iron shirts these days, the implication being that welfare recipients should be forced to take whatever jobs are available. And yet despite the rising tide of insured unemployment in this country, no one has suggested that people drawing unemployment insurance should necessarily take any given job—because the UI program protects the unemployed worker's right to a suitable job at a fair and suitable wage.

The question arises, is there an inherent distinction between unemployed welfare recipients and UI beneficiaries, a difference in skills, expectations or needs that justifies the radical differences in the way the two groups are treated? The data indicates that there is not: of 2.6 million parents on AFDC in 1970, 355,000 were employed either full or part-time; of those not employed, 1.6 million had previous employment experience, and more than 1.1 million, or 44 percent of the parent caseload has actually been on UI and had exhausted their benefits.[1] Employable welfare recipients are essentially people who are denied the rights and protections guaranteed by the UI system because they have exhausted their benefits, or because they have insufficient work-experience in UI–covered employment. Once they have been switched-off onto the welfare track, the difficulties of getting back into the job market are compounded by their isolation.

In short, the whole problem of unemployed welfare recipients is a clear-cut example of the welfare system's failure in an area that simply should not be its responsibility in the first place.

Unemployment is a major national problem, indeed a crisis, which must be attacked frontally, not through the back door of the welfare system. The implications of any attempt to address the unemployment problem weigh very heavily on the delicate balance between the interests of labor and of industry, and any concerted effort in that direction must be a joint effort of labor, industry and government. The Federal-State Unemployment Insurance system is the ideal instrument for this effort, since the tri-partite relationship is the very foundation of the UI mechanism.

UPDATING THE UI MECHANISM TO MEET TODAY'S NEEDS

The UI system was designed both to protect the individual worker from income-loss due to unemployment, and to protect the economy as a whole from the depressing effect of lost purchasing power. In recent years, however, the UI system has failed to hold the line against the eventual dependency on public assistance of substantial numbers of unemployed workers. The reason most often given for the failure to improve the UI system so that it can respond to this increased need is that it was originally designed to protect against frictional, not structural unemployment. And indeed, under the current structure, based entirely on the concept of limited employer liability for unemployment, it is really only equipped to deal with such short term unemployment. In view of the present unemployment situation, this makes about as much sense as medical insurance that covers the cost of band-aids, but not hospitalization. An insurance system is certainly not serving its function if it is geared to collapse when the contingency against which it is supposed to protect becomes most severe.

There have been attempts to deal with UI's built-in self-destruct mechanism through emergency extensions in periods of high unemployment. But no one has looked beyond the present bounds of the program to the possibilities for a comprehensive attack on the broad problems of unemployment for the unemployed. What is required, if we are to address seriously the current unemployment problem, is not a patchwork of exceptions and disparate programs, but a fundamental overhaul of the UI program that will make it the instrument for a national effort to deal with structural unemployment.

The two essential elements of any effort to combat structural unemployment are:

1. Reform of the basic UI system to improve coverage, benefit levels, and duration of coverage. UI must be the single program designed to meet the needs of all individuals seeking work. The artificial and destructive distinction between the "unemployed" (those on welfare) must be eliminated if we are at all serious about breaking down the dual system that isolates over a million potential members of the labor force from the mainstream of economic activity.

2. The linking of the UI system to a major national program of manpower and job development. The complex system of programs dealing with labor problems must be tied together into a comprehensive, national program for the financial protection and eventual re-employment of all unemployed workers. Unless the obvious connection between the loss of a job and the need for a job is built into a single, rational system, we will end up tinkering around with work incentivees and other mechanistic gadgets for years to come, and we will be no closer to a solution of the real problem.

THE PROPOSED STRATEGY FOR REFORM

The key points in a reformed Federalized program of unemployment insurance are improvement of benefit levels, extended uniform Federal eligibility, and the critical linkage with a strong program of manpower development and public service job creation. Such a package would constitute major structural reform of our diffuse approach to the problem of unemployment, rather than the intermittent tinkering that has proved so ineffective on all fronts in the past. At the same time, such a comprehensive program does not in any way depart from the basic UI concept of protecting wage earners incomes against unemployment. On the contrary, this proposal will modernize and streamline the UI program so that it can take on the total responsibility for unemployment problems, restoring the welfare system to the residual, second-order role that it was originally intended to have.

1. Establish a national, minimum-wage related benefit floor to ensure adequate benefits for all unemployed workers, and to eliminate the inequitable discrepancies of the present State-run system.

2. Establish Federal uniform eligibility standards, which would ensure the inclusion of all unemployed workers under the general umbrella of the UI system. Coverage would be extended in the following three areas:

(a) Extend basic UI coverage to all wage and salary earners, and extend the duration of basic coverage with a uniform Federal minimum and maximum. This would be financed through the employed tax or a modified employer tax.

(b) Provide for extension of benefits beyond the maximum time covered by the basic program, so that the long-term unemployed are not arbitrarily shunted off onto another system which is ill-equipped to meet the needs of job-seekers. This extension program would supplement the basic UI program, but would in no way affect the operation of the trust fund. Instead, extended benefits would be financed through general revenues. The concept of a time limit on unemployment insurance benefits is based on the assumption that the loss of one job is the direct cause of unemployment for some finite time; after that, the cause of unemployment is not the loss of job A, but the unavailability of job B. Therefore, employer liability for unemployment is necessarily finite. While this is certainly a valid basis for the insurance system, it is also true that the unemployed individual does not suddenly become a different person with different needs and expectations after an elapsed time of "x" weeks. Under a program of extended benefits financed through general revenues, the UI trust fund and employer tax base would be undisturbed, while the unemployed individual would experience uninterrupted coverage under the same general program and, most important, would not suddenly lose the basic rights protected by the UI program.

(c) Cover all unemployed persons ineligible for UI under a pre-insurance program, financed through general revenues and administered through the UI system. This coverage is essential if we are to eliminate from the very start the false dichotomy between workers with rights and workers with no rights, and cut off the flow of labor into an isolated, exploited work-force. While there would still be a distinction between the insured and the non-insured unemployed, both would be served by an agency designed and equipped, through a strong Federally administered program of training and public service job development, to meet their needs as job seekers. Eligibility for those without recent job experience would be linked to participation in job training, which would provide a basis on which to judge the suitability of employment offers when training was completed. Benefit levels could be linked to minimum wage.

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[1] For more detailed data, see attached Tables 1–4.

3. Undertake a complete overhaul for the present programs for manpower development and job creation, with the aim of establishing a unified Federal program in these areas administered through the UI system. Thus, when the "unavailability of job B" leads the long-term unemployed worker, or the new, untrained entrant into the job market to seek training, the UI system itself will be equipped to meet that need. Most important, a manpower and job development program that is linked to the UI system will be able to take advantage of the existing labor-management structure of UI to design training and public service job programs that are relevant to the needs of the job market. In addition, this new manpower branch of the UI system would take on the function of determining whether individuals who apply for public assistance are employable. This shift will not only make the determination process more rational, since it will be performed by an agency with direct knowledge of the demands of the job market; it will also dramatically improve the credibility of the residual welfare program, which will be clearly understood to serve people who are truly in need of assistance.

It must be emphasized that this is not a proposal for more bureaucratic paper shuffling, an attempt to reduce the welfare caseload simply by transferring recipients from one form of welfare to another. The whole premise is that the UI mechanism is uniquely equipped to deal with the problems that have stymied us in the welfare program:

It is not another gimmick, but builds on a program that has existed for as long as welfare itself;

The UI system already exists in every State;

The work requirement is an integral and commonly accepted part of the UI program, along with the protections of certain basic rights;

The program is based on the vested interest of both labor and employers, and is supported by both groups;

The proposal, like the UI system, is based on the assumption of eventual re-employment for all beneficiaries.

Perhaps most important, the establishment of a single program for all people who are expected to return to or join the labor force will finally permit the residual welfare system to return to its original function: it will be able to deal with the individual, critical problems of the truly needy.

At the same time, this strategy does not call for the commitment of new resources. It is a matter of redeploying our resources, of spending the money we are now pouring down the welfare drain in a manner that will help over 50% of the present welfare population to become active, contributing members of society once again. It is an opportunity to turn our priorities around, to make social insurance the primary program and welfare the residual.

THE WORKING POOR

Operating on the assumption that a large part of the welfare mess is the result of the fact that welfare has assumed, by default, the ultimate responsibility for far too many fundamental social ills, we have attempted to begin a process of simplification by singling out the general subject of "employment-related problems" and reassigning the specific problem of unemployment to an appropriate agency, the UI system. However, one large part of the original problem has not been dealt with: the matter of providing equitable treatment for the working poor. By "working poor" we mean an intact family in which the head-of-household works full- or part-time, and whose income falls below some Federally-defined level.[2]

The simple justice of income supplementation for the working poor was argued eloquently by supporters from all points on the political spectrum throughout the FAP–H.R. 1 debate. Regardless of one's conception of the purpose of government assistance in general or welfare in particular, the fact that millions of poor people are ineligible for any form of assistance simply because they are members of intact, working families strikes home as a fundamental flaw in the system. The introduction of a comprehensive program for the unemployed does not remove the basic injustice of a system that asks many Americans to choose between their families and jobs, and an adequate level of income, either from welfare or from UI.

At this point one might begin to feel that trying to untangle the welfare mess is a hopeless task: whenever one thread is loosened, a new series of knots is revealed. The attempt to untangle "employment-related problems" reveals that unemployment and *under*-employment are not the same problem, although there are many similarities. The problem of the working poor is certainly one of the most complex that we face: like unemployment, the matter of sub-standard wages is tied up with the entire structure of our economy, and has profound implications for both labor and management: and, like welfare, it is a matter of our concepts of society's obligation to meet the pressing and immediate needs of the poor. Organized labor's support of the concept of income supplementation over the past several years was not based on the belief that it was a solution to the problem of poor wages; rather, it represented a resolution to place the urgent needs of poor people above labor's own vested interest in the continuing struggle for improved wages.

However, the working poor do not really fit, financially or conceptually, with either the unemployed or the residual welfare group. The critical difference is that, for the working poor, the problem is one of *supplementation* of earned income, not the provision of a temporary benefit linked to prior standing with the labor force, or to minimum wage. Indeed, the primary purpose of supplementation must be to ensure that complete welfare dependency or unemployment is never more profitable than work. It would be totally counter-productive, in terms of developing rational responses to identified problems, to gloss over the difficulties and arbitrarily wedge the working poor into either the UI or the welfare system in the interest of a superficial simplicity. Income supplementation must be a completely Federally financed program, administered through whichever Federal system promises the greatest fiscal and managerial efficiency. There are a number of administrative options which should be considered, including the Internal Revenue and Social Security structures. Nor should the UI and welfare mechanisms be excluded from the list of alternatives, as long as the critical distinctions between the programs can be maintained.

It must be emphasized that, in urging the importance of certain conceptual distinctions, the intention is not to create rigid boundaries between inflexible programs. Certainly, for example, many of the working poor will have need of the training services which we propose to locate in the UI system. In attempting to "rationalize" the present system, we must be certain that it does not become so rational that people no longer fit in. However, it is essential that we begin to identify and demarcate specific problem areas if we are ever to develop sensible responses to them. For example, if income supplementation were established as an independent program, we might want to take another look at wage-based regional variations of the benefit floor. This appeared to be far too complex a device, and presented too many difficulties when applied to the entire H.R. 1 welfare population, but it might make a great deal of sense in a program designed specifically for the working poor.

A THREE-RING CIRCUS?

The purpose of removing certain specific problem areas from the direct responsibility of the welfare system is *not* simply to make life easier for the welfare program. The purpose is to discover better ways of dealing with those problems. We must not replicate the junkpile on a smaller scale and in a different agency, by lumping together problems that are only superficially similar. Therefore, this proposal for sorting out the "welfare mess" calls for a two-tiered system for employment-related problems: the UI system would take on primary responsibility for unemployment and the unemployed, while a separate Federal program would handle income supplementation for the working poor. It may seem that the quest for rationality and simplicity has lead us instead to the creation of a three-ring circus. However, the primary point of this paper in urging a "new perspective" on the welfare mess is that three different acts cannot perform in the same ring without interferring with each other; even the most talented ringmaster would be hard-pressed to bring order out of such chaos.

Finally, this proposal is not intended as an ultimate solution to the welfare mess, but rather as the beginning of a process. Certainly the residual welfare program will still need to be reformed, but we will be able to make those reforms with a cleared notion of our problems and our goals. Such issues as the establishment of a Federal minimum benefit floor will go to the heart of the matter of streamlining eligibility, without stumbling over ideological boundaries and philosophical arguments. We will, in short, be able to get on with the urgent business of providing an adequate income to those Americans who are truly in need of, and unquestionably deserving of, society's assistance.

TABLE 1.—NUMBER OF ADULT RECIPIENTS BY EMPLOYMENT STATUS AND BY ELAPSED TIME SINCE LAST EMPLOYMENT

Item	Total	Fathers	Mothers
Total	2,599,000	325,900	2,273,100
Currently employed	354,756	4,056	350,700
Not currently working [1]	2,244,244	321,844	1,922,400
Previously employed	1,600,294	[2] 321,844	1,278,450
Employment covered by unemployment insurance	1,158,254	273,567	884,687
Elapsed time since last employed:			
Less than 1 year	401,456	125,433	276,023
1 to 2 years	224,299	52,670	171,629
2 to 3 years	133,293	23,592	109,701
3 to 4 years	88,958	16,414	72,544
4 to 5 years	63,147	10,949	52,197
5 years or longer	247,102	44,509	202,593
Employment not covered by employment insurance	442,040	48,277	393,763
Elapsed time since last employed:			
Less than 1 year	144,989	22,135	122,854
1 to 2 years	85,685	9,295	76,390
2 to 3 years	52,990	4,163	48,827
3 to 4 years	35,185	2,897	32,288
4 to 5 years	25,164	1,932	23,232
5 years or longer	98,027	7,855	90,172
Never worked	643,950	0	643,950

[1] Includes approximately 25,000 adults currently receiving unemployment insurance.

[2] Assumed all AFDC fathers had previous employment.

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[2] See tables 5 and 6, attached, for National, Regional and State earnings-distribution data.

TABLE 2.—PERCENT OF ADULT RECIPIENT BY EMPLOYMENT STATUS AND BY ELAPSED TIME SINCE LAST EMPLOYMENT

Item	Total	Fathers	Mothers
Total	100.0	100.0	100.0
Currently employed	13.6	1.2	15.4
Not currently working	86.4	98.8	84.6
Previously employed	61.6	98.8	56.2
Employment covered by unemployment insurance	44.6	83.9	38.9
Elapsed time since last employed:			
Less than 1 year	15.4	38.5	12.1
1 to 2 years	8.6	16.2	7.6
2 to 3 years	5.1	7.2	4.8
3 to 4 years	3.4	5.0	3.2
4 to 5 years	2.4	3.4	2.3
5 years or longer	9.5	13.7	8.9
Employment not covered by unemployment insurance	17.0	14.8	17.3
Elapsed time since last employed:			
Less than 1 year	5.6	6.8	5.4
1 to 2 years	3.3	2.9	3.4
2 to 3 years	2.0	1.3	2.1
3 to 4 years	1.4	.9	1.4
4 to 5 years	1.0	.6	1.0
5 years or longer	3.8	2.4	4.0
Never worked	24.8	0	28.3

TABLE 3.—NUMBER OF RECIPIENTS BY EMPLOYMENT STATUS OF ADULT RECIPIENTS AND BY ELAPSED TIME SINCE LAST EMPLOYMENT CF ADULT RECIPIENT

Item	Total	Fathers	Mothers
Total	10,043,900	1,638,000	8,405,900
Currently employed	1,317,300	20,400	1,296,900
Not currently working	8,726,600	1,617,600	7,109,000
Previously employed	6,345,300	1,617,600	4,727,700
Employment covered by unemployment insurance	4,646,500	1,374,900	3,271,600
Elapsed time since last employed:			
Less than 1 year	1,651,100	630,400	1,020,700
1 to 2 years	899,400	264,700	634,700
2 to 3 years	524,300	188,600	405,700
3 to 4 years	350,800	82,500	268,300
4 to 5 years	248,000	55,000	193,000
5 years or longer	972,900	223,700	749,200
Employment not covered by employment insurance	1,698,800	242,700	1,456,100
Elapsed time since last employed:			
Less than 1 year	465,500	111,300	454,200
1 to 2 years	329,200	46,700	282,500
2 to 3 years	201,500	20,900	180,600
3 to 4 years	134,000	14,600	119,400
4 to 5 years	95,600	9,700	85,900
5 years or longer	73,000	39,500	333,500
Never worked	2,381,300	0	2,581,300

TABLE 4.—STATUS OF ADULT RECIPIENTS IN THE HOME AND NOT WORKING

	Parents in the home		
	Total	Fathers	Mothers
Total	2,244,244	321,844	1,922,400
Enrolled in WIN	158,400	54,700	103,700
Awaiting enrollment	86,000	30,300	55,700
Seeking work	198,244	63,544	134,700
Not seeking work	286,100	----------	286,100
No marketable skills	192,900	----------	192,900
Incapacitated	385,800	173,300	212,500
Need in the home as a homemaker	185,486	----------	185,486
With preschool children	751,314	----------	751,314

TABLE 5.—PERCENTAGE OF MALE 4-QUARTER WORKERS AGE 25 TO 44 WITH EARNINGS UNDER $3,500 (1967)

State	Employed in SMSA's		Employed outside SMSA's	
	Total workers (in thousands)	Percent earning under $3,500	Total workers (in thousands)	Percent earning under $3,500
Geographic Divisions:				
New England	822.5	6.8	196.2	11.5
Middle Atlantic	3,022.9	6.9	603.4	7.6
East North Central	2,899.0	5.5	916.8	9.4
West North Central	770.1	7.1	661.2	18.9
South Atlantic	1,599.8	12.5	966.8	21.6
East South Central	495.0	12.8	497.0	26.5
West South Central	1,044.0	14.2	506.1	21.5
Mountain	377.2	9.8	261.6	15.4
Pacific	1,963.3	7.7	366.3	12.9
New England:				
Maine	21.7	8.8	51.5	15.5
New Hampshire	23.7	5.5	36.7	9.0
Vermont	---	---	39.3	12.0
Massachusetts	453.0	7.6	24.7	10.9
Rhode Island	62.0	8.2	10.1	7.9
Connecticut	262.1	4.9	33.9	9.1
Middle Atlantic:				
New York	1,636.3	6.8	233.5	8.0
New Jersey	499.7	7.3	155.2	5.8
Pennsylvania	886.9	6.8	214.7	8.4
East North Central:				
Ohio	791.8	5.7	204.9	8.8
Indiana	323.6	7.1	179.0	9.2
Illinois	872.4	6.1	184.2	11.3
Michigan	693.1	4.2	170.5	7.2
Wisconsin	218.1	4.3	178.2	10.4
West North Central:				
Minnesota	206.2	5.2	130.7	18.2
Iowa	101.1	7.8	147.8	17.0
Missouri	297.1	7.2	127.3	20.8
North Dakota	7.2	18.1	44.3	21.4
South Dakota	10.0	12.0	41.3	27.6
Nebraska	59.4	9.3	73.3	20.9
Kansas	89.1	7.2	96.5	13.
South Atlantic:				
Delaware	47.0	4.7	13.5	20.0
Maryland	249.5	9.5	58.0	14.3
District of Columbia*	200.2	7.2	---	---
Virginia	196.3	14.0	154.7	20.2
West Virginia	59.5	8.4	78.4	14.4
North Carolina	196.5	14.5	243.4	24.9
South Carolina	88.9	16.1	113.5	25.1
Georgia	244.4	12.6	146.8	24.9
Florida	317.5	17.1	158.5	18.4
East South Central:				
Kentucky	117.8	9.1	112.5	24.6
Tennessee	202.6	12.6	149.8	26.2
Alabama	145.2	15.6	108.9	23.4
Mississippi	29.4	15.0	125.8	31.3
West South Central:				
Arkansas	50.6	19.0	89.7	28.5
Louisiana	164.4	15.4	108.6	19.1
Oklahoma	117.0	10.8	81.9	20.3
Texas	712.0	14.2	225.9	20.3
Mountain:				
Montana	13.8	8.0	43.9	15.5
Idaho	13.6	6.6	43.7	13.5
Wyoming	---	---	28.9	10.4
Colorado	132.6	10.2	42.9	19.8
New Mexico	23.5	13.2	45.1	17.1
Arizona	105.5	10.9	31.3	16.6
Utah	60.2	7.5	18.0	11.7
Nevada	28.0	8.9	7.8	15.4
Pacific:				
Washington	208.5	5.8	90.7	13.1
Oregon	114.3	5.5	66.0	8.8
California	1,600.2	8.1	180.8	15.3
Alaska	---	---	17.8	6.7
Hawaii	40.3	7.0	11.0	6.4
Puerto Rico	97.0	52.4	36.3	70.2
Virgin Islands	---	---	---	---

TABLE 6.—EARNINGS DISTRIBUTION OF MALE WORKERS IN SSA COVERED EMPLOYMENT, 1967, PERCENTAGE OF MALE WORKERS AGE 25 TO 44 WITH 4-QUARTER EARNINGS OF SPECIFIED AMOUNTS BY CENSUS DIVISION IN METROPOLITAN AND NON-METROPOLITAN AREAS

Location of employment	Workers (thousands)	Cumulative percent earning less than—						Percent earning $6,600 or more
		$2,500	$3,000	$3,500	$4,000	$4,500	$6,600	
Metropolitan area:								
Northeast	3,845.4	3	5	7	9	17	34	66
New England	822.5	3	4	7	8	14	31	67
Middle Atlantic	3,022.9	3	5	7	10	17	35	66
North Central	3,669.1	3	4	6	7	12	28	72
East North Central	2,889.0	2	3	5	6	11	26	73
West North Central	770.1	4	5	7	9	16	33	67
South	3,138.8	6	9	14	17	28	49	51
South Atlantic	1,599.8	6	9	13	17	27	49	51
East South Central	495.0	6	8	13	17	27	49	51
West South Central	1,044.0	7	10	14	18	29	48	51
West	2,340.5	4	7	8	11	17	32	68
Mountain	377.2	5	7	10	12	20	40	60
Pacific	1,963.3	4	6	8	10	15	29	70
Nonmetropolitan areas:								
Northeast	799.6	5	7	9	12	21	44	56
New England	196.2	6	8	12	16	26	50	50
Middle Atlantic	603.4	4	6	8	11	20	41	58
North Central	1,578.0	9	11	13	18	28	50	51
East North Central	916.8	7	9	9	14	22	44	58
West North Central	661.2	11	15	19	24	36	58	42
South	1,969.9	12	17	23	29	44	64	36
South Atlantic	966.8	11	16	22	28	43	65	35

Footnotes at end of table.

TABLE 6.—EARNINGS DISTRIBUTION OF MALE WORKERS IN SSA COVERED EMPLOYMENT, 1967, PERCENTAGE OF MALE WORKERS AGE 25 TO 44 WITH 4-QUARTER EARNINGS OF SPECIFIED AMOUNTS BY CENSUS DIVISION IN METROPOLITAN AND NON-METROPOLITAN AREAS—Continued

Location of employment	Workers (thousands)	Cumulative percent earning less than—						Percen earning $6,600 or more
		$2,500	$3,000	$3,500	$4,000	$4,500	$6,600	
Nonmetropolitan areas—Continued								
East South Central	497.0	15	20	27	34	49	68	32
West South Central	506.1	11	15	21	27	40	57	42
West	627.9	9	11	14	18	27	45	55
Mountain	261.6	9	12	15	21	32	52	48
Pacific	366.3	8	10	13	15	24	41	59
All areas, total:								
Northeast	4,645.0	4	6	7	11	19	37	64
New England	1,018.7	4	6	8	10	18	36	64
Middle Atlantic	3,626.3	3	5	7	10	18	36	64
North Central	5,247.1	4	6		10	17	34	66
East North Central	3,815.8	3	4	6	8	14	30	69
West North Central	1,431.3	7	10	13	16	25	44	56
South	5,108.7	8	12	17	22	34	54	45
South Atlantic	2,566.6	8	11	17	21	33	55	45
East South Central	992.0	10	14	20	25	38	58	41
West South Central	1,550.1	8	12	17	21	32	51	48
West	2,968.4	5	7	9	12	19	35	65
Mountain	638.8	7	9	12	16	25	45	55
Pacific	2,329.6	5	7	9	11	17	31	69

Note: All workers with reported earnings equal to or greater than $6,600—the maximum taxable wage base in 1967—are considered to be 4-quarter workers. A 4-quarter worker is one for whom earnings are reported in each quarter of the year, or whose earnings in any quarter raised the total for the year to $6,600. Location represents place of employment.

Source: 1-percent Continuous Work History Sample, SSA, Office of Research and Statistics, Apr. 21, 1971, M.O.

GOVERNORS, ATTORNEYS GENERAL WIRE SUPPORT FOR CRIME COMMITTEE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, as chairman of the Select Committee on Crime I take special pride in placing the first of a series of telegrams and letters into the CONGRESSIONAL RECORD from distinguished individuals and important associations which have commended the Select Committee on Crime for its past work and support its upcoming investigation into street crime.

The first group of wires and letters today came from the Governors of nine States, many of whom were here this week for the National Governors Conference, during which crime and its control was a main issue, and 16 attorneys general as well as some of the most outstanding State and district attorneys in the country.

I might add that all 11 members of the Crime Committee were overwhelmed and gratified by the outpouring of support which was received in 1 week from all over the country.

These wires and letters make all the more worthwhile the 100 days of hearings this committee has conducted and is certain evidence that our labors and our standards of fairness were appreciated by hundreds of important Americans who share our concern for reducing crime, the most critical problem facing this Nation today.

The telegrams and letters follow:

TALLAHASSEE, FLA.,
February 21, 1973.

Representative CLAUDE PEPPER,
Washington, D.C.

DEAR MR. ALBERT: The Governor and the Cabinet of the State of Florida recognize that public awareness of all aspects of the crime problem is necessary in any attempt to prevent crime, administer justice, corrections and rehabilitation, and enforce the law generally. The Select Committee on Crime of the United States House of Representatives thru its Chairman, the Honorable Claude Pepper of Florida, and its other Members has rendered an essential service since its creation on law at May 1, 1969 thru its research into all facets of crime, investigations of specific instances of criminal activities, organized and otherwise; public exposure and legislative initiatives and, in general, its outstanding service to the country has reflected the concern of the Congress with the problem of crime in America. The Select Committee on Crime of the United States House of Representatives has affected specific accomplishments in its brief period of existence, such as: 1. Leading efforts to curtail the importation of heroin into this country and to place domestic controls on the flagrant and unnecessary over-production of drugs, particularly amphetamines. 2. Contributing to the acceptance of an amendment to the Law Enforcement Assistance Administration Act (LEAA) which provides permit levels of funding for corrections. 3. Succeeding in incorporating recommendations on the reform of law as it pertains to juveniles in the Juvenile Justice Act, passed by the United States House of Representatives during the 92nd Congress. 4. Authorizing an amendment incorporated into the special action office on drug abuse prevention bill which authorized funds of up to 70 million to develop new research into anti-heroin drugs. 5. Exposing organized crime attempts to infiltrate horse racing by purchase, bribe, or hidden ownership. 6. Recommending increased levels of Federal funding to school boards so that they might begin to identify the scope of the drug problem in the schools and to find help for young people so involved. 7. Urging thru its chairman and members increased levels of funding thru the States to localities for law enforcement in the fight against crime. The Select Committee on Crime must be reconstituted thru the adoption of House Resolution 205 in the 93rd Congress so that it might undertake an investigation into street crime and narcotics traffic.

GOVERNOR AND CABINET OF THE STATE OF FLORIDA.

TALLAHASSEE, FLA.,
February 20, 1973.

Congressman CLAUDE PEPPER,
House Office Building,
Washington, D.C.:

As Governor of the ninth largest State, I fully support the continuation of the House Select Committee on Crime under the able leadership of Congressman Claude Pepper. The committee has served to focus public attention on areas of drug abuse, violent crimes and other criminal justice matters of national concern. Its inability as a select committee to report legislation directly to the Congress has not diminished its important investigative and fact-finding role. In my judgement, Congressman Pepper's Committee on Crime should be continued and upgraded to the level of a standing committee in order to increase its effectiveness.

REUBIN O'D, ASKEW,
Governor of Florida.

ALBANY, NEW YORK,
February 21, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
U.S. House of Representatives, Washington, D.C.:

I understand from Congressman Pepper that there is a resolution pending to extend the existence of the House Select Committee on Crime for two years.

The people of this State, in my opinion, have benefitted greatly from the efforts of the select committee in examining matters of great public concern, including drug abuse in the schools and other aspects of criminal activity. I urge you to take any appropriate steps open to you to secure a renewal of the select committee's charter.

NELSON A. ROCKEFELLER,
Governor.

COLUMBIA, S.C.,
February 16, 1973.

Hon. CLAUDE PEPPER,
Member of U.S. Congress,
Washington, D.C.:

I would like to voice my support of House Resolution Number 205 continuing for two more years the life of the House Select Committee on Crime. The continuance of this important investigative body is vital to primary areas of crime control in all of these States since crime control is of utmost importance at this time. Please give every consideration to the passage of this resolution.

JOHN C. WEST,
Governor, State of South Carolina.

FRANKFORT, KY.,
February 21, 1973.

Hon. CLAUDE PEPPER,
Member of Congress,
Capitol Hill, D.C.:

Continuing inquiry into street crime and narcotic traffic in America with resultant criminal justice programs is of vital importance to Kentucky. The continued life of the House Committee on Crime, in order to complete its investigatory activities, is crucial for an orderly process of decision making at the national and state level in this important area.

WENDELL H. FORD,
Governor.

SALEM, OREGON,
February 16, 1973.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.:

House Select Committee on Crime has done commendable job in study of street crime and narcotics traffic. I urge that the life of the committee be extended for two years so it may complete its work.

TOM MCCALL,
Governor, State of Oregon.

HONOLULU, HAWAII.

Hon. CLAUDE PEPPER,
House Office Building,
House of Representatives,
Washington, D.C.

SPEAKER ALBERT: I wish to express support for the passage of House Resolution 205 which would continue the Select Committee on Crime for two years. Street crime and narcotics traffic are matters of public concern in Hawaii and the committee's efforts in these areas should be continued. I hope the foregoing statement proves helpful to our common cause. Aloha.

JOHN A. BURNS,
Governor of Hawaii.

JUNEAU, ALASKA,
February 16, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
U.S. Congress,
Washington, D.C.:

Earnestly solicit your support for continuation of the operations of the House Select Committee on Crime. I sincerely believe it is in the best interests of the Nation to continue the work already begun by this committee.

WILLIAM A. EGAN,
Governor of Alaska.

BISMARCK, N. DAK.

Rep. CLAUDE PEPPER,
House Office Building,
Capitol Hill, D.C.:

CARL ALBERT, Speaker of the House: As Governor of North Dakota I strongly support the House Select Committee on Crime in its effort to continue the investigation of street crime and narcotics traffic in the United States. North Dakota, along with the other states, is faced with an increase in the rate of crime. Therefore, we are extremely concerned that there be a continuing investigation by the House Select Committee on Crime under the chairmanship of Representative Claude Pepper.

Sincerely,

ARTHUR A. LINK,
Governor of North Dakota.

SAN JUAN, P.R.

Hon. CLAUDE PEPPER,
Member, U.S. Congress,
Capitol Hill, D.C.:

I support House Resolution 205 for the continuation of the House Select Committee on Crime so that it may continue its investigations on street crime and narcotics traffic in America. These activities are of importance to the Nation and the Commonwealth of Puerto Rico.

RAFAEL HERNANDEZ COLON,
Governor.

MADISON, WIS.

Hon. CLAUDE PEPPER,
Chairman, House Select Committee on Crime, U.S. House of Representatives, Washington, D.C.:

As attorney general of the State of Wisconsin and president-elect of the National Association of Attorneys General I respectfully urge your support of House Resolution 205 which if passed will permit the House Select Committee on Crime to continue its vital functions for 2 more years. Street crime and the trafficing of narcotics and dangerous drugs continued to be the dominant areas of concern of our decent law abiding citizens and should also be a dominant concern of all public officials. This committee should be permitted to continue its investigation of these critical problems especially in view of the fact that it is the only committee with authorized jurisdiction to explore these areas. It is clearly in the public interest to permit the House Select Committee on Crime to have this extension so that it may complete its vital assignment.

ROBERT W. WARREN,
Attorney General of Wisconsin.

FEBRUARY 21, 1973.

Hon. CARL ALBERT
Speaker of the House,
House of Representatives,
Washington, D.C.:

Because of my position as Chairman of the Criminal Law Committee of the National Association of Attorneys General I have had an opportunity for personal contact with the Honorable Claude Pepper in his capacity as Chairman of the House Select Committee on Crime and know of his sincere purpose in trying to expose all facets of the illegal narcotics problem. Nebraska is intensely interested in the problem and in developing additional facts which will help us in meeting it. I therefore urge that support and encouragement be given to Congressman Pepper to continue his work through continuation of the House Select Committee on Crime.

CLARENCE A. H. MEYER,
Attorney General of Nebraska.

FEBRUARY 21, 1973.

Hon. CLAUDE PEPPER,
Cannon House Office Building,
Washington, D.C.

SPEAKER ALBERT: I urge your support of H.R. 205, to continue the House Select Committee on Crime. No greater area of concern exists today than the Committee's field of inquiry and continued existence of this investigative body would be in the public interest.

LOUIS J. LEFKOWITZ,
Attorney General, New York State.

SAN FRANCISCO, CALIF.

Hon. CLAUDE PEPPER,
Member of Congress,
Washington, D.C.:

Following message sent to Hon. Carl Albert today: "The House Select Committee on Crime, under the chairmanship of the Hon. Claude Pepper, is making a significant contribution to the cause of effective law enforcement through its investigation of street crime and narcotics traffic in America. Those of us engaged in law enforcement at the State and local level hope that the Committee will be permitted to complete its work and I therefore urge the continuance of this important investigative body."

EVELLE J. YOUNGER,
Attorney General of California.

MOORESTOWN, N.J.

Congressman CLAUDE PEPPER,
Washington, D.C.

DEAR MR. SPEAKER: I urge your favorable consideration of House Resolution 205 which would allow for the continuance of the House Select Committee on Crime. Having testified personally before this committee and kept abreast of its outstanding and beneficial work, I can attest that this committee of the House of Representatives has been one of the finest and most welcomed committees by all persons interested in safer streets and law enforcement. We, in Florida, hope that this committee will not be disbanded so that it may continue its fine work and help not only all Floridians but all Americans.

ROBERT L. SHEVIN,
Attorney General State of Florida.

FRANKFORT, KY.

Hon. CLAUDE D. PEPPER,
Capitol Hill, D.C.:

Consider it urgent that Select Committee on Crime be extended for 2 years. Recommend passage of House Resolution 205 to accomplish this extension.

ED W. HANCOCK,
Attorney General, Commonwealth of Kentucky.

PROVIDENCE, R.I.

Hon. CLAUDE PEPPER,
Member of Congress, Chairman, House Select Committee on Crime, Capitol Hill, D.C.:

I understand that the continuation of the House Select Committee on Crime of which Honorable Claude Pepper, chairman will be considered in the very near future. I consider the work of that committee to be of vital national interest.

Respectfully,

RICHARD J. ISRAEL,
Attorney General, State of Rhode Island.

STATE OF MONTANA,
February 12, 1973.

Hon. CARL ALBERT,
Speaker of the House, House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE ALBERT: It is my understanding that the House of Representatives is currently considering House Resolution 25, dealing with the continuation of the House Select Committee on Crime.

I believe that it is necessary to continue the existence of this select committee so that they may complete their investigation of narcotics and street crime in the United States.

It is my sincere hope that the House of Representatives will see fit to approve House Resolution 25.

Very truly yours,

ROBERT L. WOODAHL,
Attorney General.

SANTA FE, N. MEX.

Congressman CLAUDE PEPPER,
Capitol Hill, D.C.:

We urgently request that the House Select Committee on Crime be given the additional 2 years to complete its work as introduced by House Resolution 205 so that it may continue its investigation of narcotics traffic and street crimes in America. Street crimes and drugs are prime areas of concern to the people of all States today.

DAVID L. NORVELL,
Attorney General.

JUNEAU, ALASKA.

Congressman CLAUDE PEPPER,
U.S. House of Representatives,
Washington, D.C.:

The State of Alaska, Department of Law, supports House Resolution 205 by Congressman Claude Pepper to continue the important and valuable work of the House Select Committee on Crime for two more years. We urge this extension of the committee's life so that it may complete its investigation of the serious problems of narcotics traffic and street crime. (To: Hon. Carl Albert, Speaker of the House of Representatives)

JOHN E. HAVELOCK,
Attorney General, State of Alaska.

JACKSON, MISS.

Congressman CLAUDE PEPPER,
Chairman, House Select Committee on Crime, House of Representatives, Washington, D.C.:

Respectfully urge the continuance of the House Select Committee on Crime. We feel this committee is urgently needed to perform a function unique only to Congress.

A. F. SUMMER,
Attorney General, State of Mississippi.

BATON ROUGE, LA.

Congressman CLAUDE PEPPER,
House Office Building,
Washington, D.C.:

Copy of telegram sent to Speaker CARL ALBERT:

We believe that House Resolution 205 continuing the House Select Committee on Crime should be adopted extending the life of this important committee so that it may continue its investigation of narcotic traffic and street crime in America. The committee urgently needs this additional time to complete its work. As you know the crimes in drugs are prime areas of concern to people of all the States today and this is the only committee with authorized jurisdiction to explore these areas. I wish to express my deep concern in this matter and believe it will best serve the public interest for the House Select Committee on Crime to be continued for another two years.

WILLIAM J. GUSTE, Jr.,
Attorney General, State of Louisiana.

BOISE, IDAHO.

Congressman CLAUDE PEPPER,
House of Representatives,
Washington, D.C.:

As attorney general of the State of Idaho I am firmly in support of House Resolution 205 which will continue the life of the House Select Committee on Crime for two more years. It is my belief, as the State officer in charge of narcotics enforcement in my State and as chairman of the State planning agency for LEAA funds, that narcotics traffic and its correlary, street crime, are prime areas of concern to the people of this State. Since this is the sole committee authorized jurisdiction to investigate and explore these vital areas, I urge you to exert your considerable influence on behalf of continuation of the Select Committee on Crime.

W. ANTHONY PARK,
Attorney General, State of Idaho.

PIERRE, S. DAK.

Congressman CLAUDE PEPPER,
Chairman, House Select Committee on Crime,
Capitol Hill, D.C.:

The House Select Committee on Crime has performed valuable services to the people of the State of South Dakota and United States. The committee's important work in the area of narcotics traffic and street crime should be continued. It would most definitely be in the public interest for the House Select Committee on Crime to be continued for another 2 years. Thank you.

KERMIT A. SANDE,
Attorney General, State of South Dakota.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.:

Understand continuation of the House Select Committee on Crime will be voted on this week. I know of no Congressional Committee which has done more to publicize and highlight the nature and extent of street crime and narcotics traffic in America. Accordingly, I urge the Committee to be continued in its present role.

ROBERT MORGAN,
Attorney General,
Raleigh, N.C.

Hon. CARL ALBERT,
Speaker of the House of Representatives:

I have been distressed to learn that there is a possibility that the House Select Committee on Crime chaired by Congressman Claude Pepper may not be continued for an additional two years. The work of this Committee on narcotics traffic and street crime in our country is of great interest and importance to this office. I am hopeful and urge that this Select Committee be authorized and funded to continue its efforts for the next two years in this vital investigative area.

Sincerely,

CHAUNCEY H. BROWNING, Jr.,
Attorney General,
State of West Virginia.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.:

I recommend the favorable consideration of the House Resolution 205 to continue the House Select Committee on Crime for two more years.

Street crime and narcotics traffic represent two of the most serious domestic problems facing our country. Only the most complete and thorough knowledge of the root causes and means needed to combat it successfully will enable the Nation to deal with it effectively. This committee has made an excellent beginning and should be extended so that its work may be completed.

FRANK S. HOGAN,
District Attorney,
New York County.

Speaker CARL ALBERT,
U.S. House of Representatives,
Washington, D.C.:

Crime continues to be one of our most serious and difficult national problems. Intensified efforts at all levels of Government are essential if any progress is to be made in combating this menace. Obviously, the Congess must play an important leadership role in this fight. It is therefore critical that the Congress authorize the Crime Committee to continue its significant efforts in the battle against crime.

MAURICE NADJARI,
Special State Prosecutor,
State of New York.

ARDMERE, OKLA.,
February 15, 1973.

Hon. CARL ALBERT,
Speaker, U.S. House of Representatives,
House Office Building,
Washington, D.C.

DEAR MR. SPEAKER: For several months I have observed the workings of the House Select Committee on Crime. I have observed their work in the areas of drug abuse, particularly the manufacture and dissemination of amphetamines and barbiturates; horse racing, and the gambling that exists thereto; securities and banking violations; and correctional reform. As a member of Governor David Hall's Organized Crime Prevention Council and the Oklahoma Crime Commission, I am vitally interested in all of these areas and am encouraged by the Select Committee's work therein.

The crime areas in which the Committee is working affect all of our nation. It has been my experience that uncontrolled distribution of dangerous drugs, gambling and so called "white collar" crimes are spreading to the central part of the United States. I feel that something should be done now to help stop the spread of crime and organizations like the Select Committee should be encouraged and supported in every way possible.

I read recently that certain members of Congress had approached you with the proposition that the Committee should be abolished. Whether this is true or not, I feel that this should not be done; and, in fact, the committee should be given more resources with which to do its work. I am of the opinion that other committees currently operating in the Congress are not equipped to render the performance the Select Committee has been.

I urge your support of this Committee.

Respectfully yours,

JAMES CLARK,
District Attorney.

MASSACHUSETTS DISTRICT ATTORNEYS ASSOCIATION,
Dedham, Mass., February 20, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Relative to House Resolution No. 205, "To continue for two more years the House Select Committee on Crime", we in the Norfolk County District Attorney's Office feel that the work of this Committee is of vital importance to the continued war on crime.

As the only House constituted Committee with such general authorization to conduct full and complete investigation and study of all aspects of crime affecting this country, its existence is essential to those working in law-enforcement.

As president of the Massachusetts District Attorneys Association, I speak for all my colleagues in urging the support of House Resolution No. 205.

Sincerely,

GEORGE G. BURKE,
President.

KEW GARDENS, N.Y.

Hon. CARL ALBERT,
Offices of the Speaker, House of Representatives, Washington, D.C.:

I cannot urge too strongly the extension of the House Select Committee on Crime for two more years under House Resolution 205. Street crime and narcotics present the two major confrontations to the quality of the American life in my county, the fifth largest in the United States. The work of the crime committee will be watched closely to present solutions that will work on the local as well as Federal level.

THOMAS J. MACKELL,
District Attorney,
Queens County.

KEW GARDENS, N.Y.

Hon. CARL ALBERT,
Offices of the Speaker, House of Representatives, Washington, D.C.:

Sharing to a minor modest extent your unsurpassed standing as a Rhodes Scholar and Phi Beta Kappa Statesman, I appeal to your quarter-century experience as a legislative leader to extend for two more years the life of the House Select Committee on Crime. The Committee is concerned with solving the two major problems confronting quality of American life—narcotics and street crime. I have sent proposals to the Committee on Gun Control, that provide a viable solution to street crime. The Senate, before whom I have testified twice, has taken leadership in the gun area. Because Federal jurisdiction for control of weapons is based on the intrastate taxation power rather than the commerce clause, bills in this area must originate in the House as revenue measures under the Constitution. I urge the extension of the Crime Committee for the purpose of full-scale investigation report, and workable legislation in this critical area.

FREDERICK J. LUDWIG,
Chief Assistant District Attorney,
Queens County.

BRONX, N.Y.

Hon. CLAUDE PEPPER,
Member of Congress,
Capitol Hill, D.C.:

I have this day sent a telegram to Honorable Carl Albert, Speaker, House of Representatives urging his efforts to pass your House Resolution 205 for extension of time to complete the vital essential work of the House Select Committee on Crime.

MARIO MEROLA,
District Attorney, Bronx County.

Hon. Carl Albert,
Speaker, U.S. House of Representatives, Washington, D.C.:

Urge passage of H.R. 205 to continue work of the House Select Committee on Crime.

James L. Shonkwiler,
Executive Director, Prosecuting Attorney's Association of Michigan.

Mineola, N. Y.,
February 21, 1973.

Following is a copy of a telegram sent to Speaker Albert of the House of Representatives:

"As one who is vitally interested and concerned with street crime and narcotics traffic, I sincerely urge that the present House Select Committee on Crime under Congressman Claude Pepper be continued for another two years. Their sincerity of purpose, objectivity, dedication, and public commitment, will insure eventual success in the battle against crime. Retreat at this moment would be tragic. I believe its continuance is vital to our Democratic Way of Life."

Very sincerely yours,

William Cahn,
District Attorney.

Los Angeles, Calif.

Hon. Claude Pepper,
Chairman, House Select Committee on Crime, House Office Building, Capitol Hill, D.C.:

The following message was telegramed to the Hon. Carl Albert this date: as district attorney of Los Angeles County, I urge passage of House Resolution 205 which will continue the life of the House Select Committee on Crime, the work of this committee is most important to law enforcement throughout the United States. The problems of street crime and drug traffic are common to the majority of law enforcement jurisdictions in the Nation. As the head of the Nation's large district attorney's office and an official of the national district attorneys association, I assure you that the efforts of this committee in investigating the crime problem is of immense help to local agencies.

Sincerely,

Joseph P. Busch,
District Attorney, County of Los Angeles.

Miami, Florida.

Hon. Claude Pepper,
House of Representatves, Washington, D.C.:

I consider Congressman Claude Pepper's House Select Committee on Crime one of the most important tools available in our continuing effort against criminal elements and urge congressional authorization for its further investigative activities.

Richard E. Gerstein,
State Attorney, Miami, Fla.

Office of District Attorney,
Contra Costa County,
Martinez, Calif., February 15, 1973.

Hon. Carl Albert,
Speaker of the House of Representatives, Washington, D.C.

Dear Speaker Albert: May I urge the continuance of the House Select Committee on Crime chaired by the Honorable Claude Pepper. I personally attended the sessions in San Francisco approximately three years ago. I was most impressed and have followed the committee since that time and in its recent visit to San Francisco, I was able to supply its investigators with informational material.

Because of the unique status of this committee, and its ability to air crime and narcotics problems, I strongly urge that you continue the life of this committee.

Very truly yours,

William A. O'Malley,
District Attorney.

Albuquerque, N. Mex.,
February 15, 1973.

Hon. Carl Albert,
Speaker of the House of Representatives, Washington, D.C.:

We feel that House Resolution 205 should be adopted so that the Select Committee on Crime will be continued for two more years.

James L. Brandenburg,
District Attorney.

Jacksonville, Fla.

Representative Claude Pepper,
Capitol Hill, D.C.:

I believe it is of utmost importance that House Resolution 205 is continued for an additional two years. The committee urgently needs time to complete its work. I urge you to permit the committee to continue its investigation of street crime and narcotics traffic.

Donald G. Nichols,
State Attorney.

Dedham, Mass.

Representative Claude Pepper,
Washington, D.C.:

Respectfully urge Select Committee on Crime to be continued in its outstanding work under Chairman Pepper be made permanent, if necessary, but surely extended two more years.

District Attorney George G. Burke,
President, Massachusetts District Attornies Association.

Mineola, N.Y.

Hon. Claude Pepper,
House of Representatives, Washington, D.C.:

As one who is vitally interested and concerned with street crime and narcotic traffic I sincerely urge that the present House Select Committee on Crime under Congressman Claude Pepper be continued for 2 more years. Their sincerity of purpose, objectivity dedication and public commitment will ensure eventual success in the battle against crime. Retreat at this moment would be tragic. I believe its continuance is vital to our democratic way of life.

William Cahn,
District Attorney, Nassau County.

Los Angeles, Calif.

Hon. Claude Pepper,
House of Representatives, Capitol Hill, D.C.:

This office joins other local law enforcement agencies in urging passage of the House resolution authorizing the two-year extension of the House Select Committee on Crime.

Richard W. Hecht,
Head, Organized Crime and Pornography Division, Los Angeles District Attorney.

Hon. Carl Albert,
Speaker of the House of Representatives, Washington, D.C.:

As State Attorney of the Twelfth Judicial Circuit of Florida, I, like other State Attorneys, am vitally concerned with the prosecution of all crimes, including but not limited to street crime and narcotics traffic, which the House Select Committee on Crime has manifested as of primary concern.

Accordingly, I respectfully request and urge the passage of House Resolution 205 extending the life of the said House Select Committee on Crime another two years.

John J. Blair,
State Attorney, 12th Judicial Circuit of Florida.

THE LEGION OF HONOR, INC.

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, it is my honor and privilege to bring to the attention of my distinguished colleagues a very fine organization and its esteemed president, who have not forgotten those individuals who, at grave personal risk, strive to do something to better humanity. The Legion of Honor, Inc., and its distinguished president, my dear friend Mr. Arthur M. Nardin, have presented 12 awards for valor to 12 brave citizens of Miami who have brought great credit upon themselves, their families, their city, and their country by their conspicuous and meritorious gallantry and service to their fellow man; they include:

Four police officers, a fire chief and six civilians—including four teenagers—make up the honor role compiled by the Legion of Honor, a community organization, during its first year of activity in Dade County.

Efforts are being launched to have the names of each of the recipients inscribed on a memorial scroll to be displayed at the Miami Beach Auditorium, according to Arthur Nardin, president of Legion of Honor, Inc.

The deeds of valor of the recipients were varied:

In early March, Miami Patrolman Michael S. Tucker was one of a group of policemen, FBI agents, and Coast Guardsmen called to Watson Island to try to prevent two hijackers from forcing a Chalk's Flying Service airplane to fly to Cuba.

The first officers to arrive had engaged the hijackers in a gun battle, but the officers stopped firing when they learned there were six innocent passengers on board the aircraft.

The situation was stalemated, with the hijackers hidden inside the aircraft and police ringing the outside. Mike Tucker asked for and received permission to take off his gunbelt and walk, unarmed, over to the plane and find out what the hijackers wanted to end the stalemate.

They said they wanted a seaplane sitting in the ramp moved out of the way of the aircraft they had captured. Tucker and other officers moved the craft, allowing the hijackers to flee to Cuba and saving the lives of the six passengers.

Nine-year-old Tracy Rabin was pushing her bicycle across busy North Kendall Drive near her home at 8510 SW. 102d Avenue, when an automobile struck her, knocking her 100 feet.

When Florida highway patrol trooper William E. Patterson, 23, arrived, she was not breathing, she had no pulse and her eyes were open and glassy. But her tiny body was still warm and Patterson refused to give up hope.

He put the child in his patrol car, radioed ahead to alert the hospital and, when he arrived in the emergency room, gave her external heart massage until medical help arrived and brought the child back from "clinical death."

Policewoman Diane Gilbert, 26, was having lunch when she learned that a robbery was being committed at Paradise Farm Market, 4801 NW. Seventh Avenue.

She immediately went to the store, where robber Tommy Lee Wilson, 21, instead of surrendering, tried to strike her on the head with a section of lead pipe.

With a single shot from her service revolver, she killed him.

On April 16, Roy Behrens, 19, and Richare Monty, 15, were driving on the 79th Street Causeway.

Suddenly, off to one side, they saw a wrecked automobile, upside down and burning.

The two youths jumped from their car, raced to the stricken vehicle, pulled out the driver, his wife and two children and extinguished the blaze.

On the same day, Carmen Bond, a 23-year-old Miami-Dade North student was driving on Miami Beach when she saw a woman having trouble swimming in rough water.

Miss Bond stopped her car, swam out to the woman, brought her back to shore and revived her.

Robert Heuwetter, North Bay Village fire chief, does not send his men into danger alone.

When he received a call that two workmen were dangling from a broken scaffold 90 feet above the ground on the side of a high-rise, Heuwetter and two of his men went to the scene together.

The fire chief sent his two men up to the top of the building to drop ropes down to the men on the scaffold. Heuwetter went to the eighth floor, broke out a window and, standing with one foot on the window ledge and the other on the remnants of the scaffold, pulled the workmen to safety.

Forrest Bowen, 22, and his father had gone shopping for a used car lot on August 15 when they saw a man running from a policeman.

Young Bowen, although unarmed, pursued the armed gunman, who had just robbed a convenience store and tackled him. As they went down, Bowen heard the gun go off beside his ear, but the bullet missed.

The delay enabled the policeman to get close enough to the robber to wound and stop him.

"My father always taught us to be involved," said 19-year-old Mary Lou Whittaker, daughter of Kenneth Whittaker special agent in charge of the Miami FBI office.

So when a shoplifter broke loose from security guards in the store where she was working as a cashier supervisor, Miss Whittaker wrapped both arms around him and hung on until security guards arrived.

Hialeah Police Sgt. Fred Kemper, in an unmarked patrol car was checking out a tavern parking lot at 4 a.m. June 19 when two men left the bar, which they had just robbed.

One robber, armed with a shotgun, headed for Kemper's car, apparently intending to rob him. As Kemper reached for his pistol, the robber fired sending shreds of glass into Kemper's face and arms and shotgun pellets into his gun hand.

The wounded officer shot the shotgun wielder and captured the other robber.

On May 4, 16-year-old Michael O'Brien of 820 West Superior Street, was working in his front yard when 2-year-old Chuckie Hedden, swimming in the family pool next door, slipped out of his lifejacket and sank to the bottom of the pool.

O'Brien raced to the pool, dived in and pulled the child out.

The boy had stopped breathing, but O'Brien began immediately giving him mouth to mouth resuscitation. He kept it up for 45 minutes until Chuckie began breathing once again.

LYNDON BAINES JOHNSON

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the passing of Lyndon Baines Johnson from the American political stage, of which he has been a vital part from his entry into the House of Representatives and which he to a large extent had dominated for decades, ends not only the personal career of a man but an era in American politics. Lyndon Johnson and I became associated when the clouds of war were gathering over Europe and we both were working with President Roosevelt to try to avert the war and to prepare America for the storm of war which might hit us. I then felt the magic of this man and the depth of his feeling for his country. We often met at the home of a mutual friend, also a Texan—from Austin—publisher of many southern newspapers, a man who like ourselves was supporting the President's efforts—Charles Marsh.

Our association continued through the years as our friendship deepened. I was his colleague for awhile in the Senate. I saw him from time to time while I was out of the Congress when he was majority leader. In my first campaign for the House in 1962 he came to Miami Beach as Vice President and spoke at a testimonial dinner for me with his usual warmth and moving eloquence. I worked with him from time to time while he was in the White House. I supported him with happy zeal in his great domestic program and in his efforts to conclude the war in a manner that would realize our objectives and honor the cause of freedom in the world.

As President he did me many favors and we often talked of our mutual friend, Charles Marsh. Once when I was at the White House he exhibited his usual thoughtfulness of others by saying:

> Tomorrow is Charles Marsh's birthday, send him a wire.

Earlier, while he was Vice President, after Charles Marsh had suffered a stroke, he sat on one side of Marsh's bed and I on the other as we rekindled our friendship for this old friend. We kept up our correspondence after he left the White House. As President and after his retirement whenever I had a testimonial occasion he sent a gracious telegram. So to my wife, Mildred, and to me the passing of President Johnson is the loss of a dear and cherished friend as well as the loss of a noble leader.

As a Representative, Lyndon Johnson was a close friend of President Roosevelt and worked intimately with the President in the support of his many programs for domestic progress and peace in the world. He exhibited at that early stage of his political career the warmth of personality, the deep dedication to the public interest, the diligence and the determination to achieve great deeds which characterized his whole political life. In a little while after he came to the Senate the same keen intelligence, sound judgment, deep feeling for people, and skill in parliamentary procedure and congressional work gained him recognition

Before long he became the youngest majority leader in the history of the Senate and, as leader, he not only led but in a fine sense dominated the Senate for all the many years that he was there. Under his leadership the Senate responded with a friendly accord and with wholehearted cooperation as it had never done before in the history of this Nation. That achievement was a rare feat in the political history of this country.

Yet, Senator Johnson achieved this degree of support from the Senate by an intensity of labor, singularity of purpose, and a degree of dedication to his task also never equaled in the annals of American public life. One of his close confidants told me a while before the Senator left the Senate that he was concerned about the Senator's health if he remained majority leader in the Senate because, as he put it, "Senator Johnson works days, nights, Sundays, holidays—all the time—at the job of majority leader." It was his consuming passion and purpose.

Probably President Johnson would have had better success in his race for the Presidency if he had devoted more time to his campaign and less to his duties as Senate majority leader. But his sense of duty to the Senate and to the country would not allow him to do that, whatever his personal political sacrifice.

As majority leader of the Senate, President Johnson, departing from some of his past, induced the Senate to support civil rights legislation which it had never before enacted. Senator Johnson, still the young, zealous, Democratic liberal who caught the eye of President Roosevelt, also led the Senate to the adoption of many other great humanitarian programs. The same love of country and patriotism which led him to be the first Member of Congress to join the armed services in uniform at the beginning of World War II moved him to take the lead in supporting the foreign policy and program of President Eisenhower when he thought it was good for America and for the world. He was too big an American to allow political party differences with President Eisenhower to deter him from serving his country in the Senate as he had gallantly done in uniform.

It was a rather shocking transition for Senator Johnson to move from the dynamic activity of the Senate into the necessarily subordinate position of Vice President. Yet, he served his President as Vice President with that same fidelity and loyalty which he would have extended to him had he remained Senate majority leader. He took the roles assigned him and discharged his duties with characteristic competence and zeal. He and his beloved and remarkably able and exceptionally talented wife, Lady Bird, became a great part of the Kennedy team and both at home and abroad they rendered distinguished and memorable service to the Kennedy administration and to America.

When the awesome responsibility of the Presidency fell upon the shoulders of Lyndon Johnson he revealed that humility and, yet, that strength which are the attributes of greatness. He determined to carry on the program of his fallen President and he did, with consummate skill and unrelenting determination so that he was able to feel in his conscience that whatever immeasurable losses the country had sustained in the passing of its revered and beloved young President, at least he had assured the country that the President's program would not suffer but became the law of the land. In the ensuing years of his Presidency, President Johnson led the Congress to enact, and the country to approve, a volume of legislation unequalled in the history of America, save in the stirring, unparalleled 100 days of President Franklin D. Roosevelt when he took the leadership of America as it stood upon the brink of dissolution and collapse.

This program of President Johnson securing the rights of all of our people to enjoy the rich inheritance of everything that was best in America, assuring education, health care, better homes, indeed a richer life, for the masses of the people of this country, I venture to say, will never be excelled however long the glory and grandeur of this great republic may last. He followed the idealism of Franklin Roosevelt, the practical wisdom of Harry Truman, the romantic vision of John F. Kennedy in extending the hand of the Federal Government to the disfranchised, to the poor, to the ill, to the homeless, to the ignorant, to all those who needed help and with that great Federal hand he lifted up the people of a nation to walk on higher ground. I said the passing of Lyndon Johnson ended an era; for now we see his successor as President brazenly proposing to abolish those programs, to remove that hand of warm Federal help to those millions who had so gratefully clasped it. Yet, what Lyndon Johnson, like Franklin Roosevelt, did for America shall never be lost nor will any President ever be able to remove it from the goals and dreams of American life.

There are many who lament President Johnson's deepening involvement in Southeast Asia. Yet, to him, tragic as has been the cost of our participation in that endeavor, American help to South Vietnam was still the act of an America which was willing to raise its hand, and if necessary its sword, to defend the victim of brutal aggression, to help the little man to resist the cruel tyranny of the big and the powerful who would rob him of his inheritance of freedom. The spirit that led Lyndon Johnson deeper and deeper into Vietnam was the same spirit that led Woodrow Wilson and Franklin D. Roosevelt to defend the freedom of western Europe against the tyranny and the Kaisers' and of Hitler's aggression. It was the same spirit that prompted the United States to save little Cuba at the beginning of this century from foreign and cruel domination.

It is the same spirit that has made America traditionally the friend of the needy—the Nation that held up the bright light of freedom as the right of all men everywhere in the world. Happily, our participation in that conflict is now nearing an end and, we are led to believe that the ideals and aims that led President Johnson heavily into that contest are going to be realized. But what we have done in that war in the opinion of the peoples of the world in retrospect will I believe be regarded as in character for America, tragic as has been its cost.

And now Lyndon Johnson is a part of American history and of the annals of the world. He is now a memory—indeed a legend. For Lyndon Johnson was the kind of a man who becomes a legend; powerful in physique, strong in character, unswerving in courage, indefatigable in labor he was one of the giants of his time. Nature made him so from the beginning and he only became what nature had fitted him to be and to do.

And so the long light of his life and deeds will ever stretch across all this great land, North and South, East and West, and indeed will illuminate the world. He towered above men in his deeds as he did most men in his stature. In every sense of the word Lyndon Johnson was a big man. He walked in seven league boots across his time; he ascended the mountain tops in his career. He laid his loving hand upon innumerable hearts and heads; he quickened the nation to a keener conscience and he stirred many men to heroic deeds.

Those of us who were privileged to see him laid to rest amidst the interlacing boughs of those protecting five-oaks above the little cemetery established by his forebears, beside whom he now sleeps, a short distance from where he was born and went to his first school and where he lived his last years, were touched as one seldom is by the strength and courage of a loving wife and children, the beauty of the scene, the lovely solemnity of the occasion, the moving eloquence of the tributes paid him, the inspiration of the songs sung and the hymns played and by a sort of spiritual feeling that he had done his work and now he lay down to rest. He had come home to the bosom of nature which he loved and to the arms of his God whom he so deeply revered. As one turned away from the scene he heard ringing in his heart the words uttered by Anthony over the body of the fallen Brutus upon the field at Philippi when he said,

> His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, this was a man.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. Patman (at the request of Mr. O'Neill), for today and Thursday, March 1, on account of illness.

Mr. Corman, for today, on account of official business.

Mr. Drinan (at the request of Mr. McFall), for March 6, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Heinz) and to revise and extend their remarks and include extraneous matter:)

Mr. Bell, for 10 minutes, today.

Mr. Baker, for 5 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mr. Frenzel, for 5 minutes, today.

(The following Members (at the request of Miss Holtzman) and to revise and extend their remarks and include extraneous matter:)

Mr. Flood, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Diggs, for 5 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Preyer, for 5 minutes, today.

Mr. Eilberg, for 5 minutes, today.

Mr. Dent, for 5 minutes, today.

Mr. McFall, for 5 minutes, today.

Mr. Matsunaga, for 30 minutes, on March 6.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks was granted to:

Mr. Obey and to include extraneous matter, notwithstanding the fact that it exceeds five pages of the Congressional Record and is estimated by the Public Printer to cost $425.

Mr. Fraser and to include extraneous matter, notwithstanding the fact it exceeds 4¾ pages of the Congressional Record and is estimated by the Public Printer to cost $807.50.

Mr. Nedzi to extend his remarks following the remarks of Mr. Holifield.

Mr. Flood and to include extraneous matter, notwithstanding the fact that it exceeds 7¼ pages of the Congressional Record and is estimated by the Public Printer to cost $1,232.50.

(The following Members (at the request of Mr. Heinz) and to include extraneous matter):

Mr. Goldwater.

Mr. Rinaldo in three instances.

Mr. Derwinski in four instances.

Mr. McKinney.

Mr. Spence.

Mr. Forsythe in two instances.

Mr. Baker.

Mr. Brotzman.

Mr. Wyatt.

Mr. Zwach.

Mr. Hogan in three instances.

Mr. Bray in three instances.

Mr. Wyman in two instances.

Mr. Whitehurst.

Mr. Sebelius.

Mr. Chamberlain in two instances.

Mr. McClory.

Mr. Mitchell of New York.

Mr. Frenzel.

Mr. Grover.

(The following Members (at the request of Miss Holtzman) and to include extraneous matter):

Mr. Moakley.

Mr. Mann in 10 instances.

Mr. Drinan in five instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Waldie in three instances.

Mr. Evins of Tennessee.

Mr. Clark.

Mr. Koch in two instances.

Mr. Bingham in two instances.

Mr. Vanik in two instances.

Mr. Dorn in five instances.

Mr. Chappell.

Mr. Edwards of California.

Mr. Howard.

Mr. Poage.

Mr. Rogers in five instances.

Mr. Fascell.

Mr. Danielson.

Mr. Moss.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3694. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended.

ADJOURNMENT

Miss HOLTZMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 56 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 6, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

522. A letter from the Governor, Farm Credit Administration, transmitting the 39th Annual Report on the work of the cooperative Farm Credit System, covering fiscal year 1972, pursuant to Public Law 92-181 (H. Doc. No. 93-18) to the Committee on Agriculture and ordered to be printed with illustrations.

523. A letter from the Secretary of Defense, transmitting a report on disbursements from the appropriation for "Contingencies, Defense" during the first 6 months of fiscal year 1973, pursuant to Public Law 92-570; to the Committee on Appropriations.

524. A letter from the Secretary of Defense, transmitting a report covering the first half of fiscal year 1973 on funds obligated in the chemical warfare and biological research programs, pursuant to 50 U.S.C. 1511; to the Committee on Armed Services.

525. A letter from the Secretary of Defense, transmitting a report for fiscal year 1974 on military manpower requirements, pursuant to section 302 of Public Law 92-436; to the Committee on Armed Services.

526. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars and half-dollars; to the Committee on Banking and Currency.

527. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations for the Department of State, and for other purposes; to the Committee on Foreign Affairs.

528. A letter from the Comptroller, Defense Security Assistance Agency, transmitting a report on sales and guarantees to economically less developed countries under the Foreign Military Sales Act, pursuant to 22 U.S.C. 2775; to the Committee on Foreign Affairs.

529. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

530. A letter from the Acting Assistant Secretary of Commerce for Science and Technology, transmitting copies of proposed amendments to the Standard for the Surface Flammability of Carpets and Rugs (DOC FF 1-70) and the Standard for the Surface Flammability of Small Carpets and Rugs (DOC FF 2-70); to the Committee on Interstate and Foreign Commerce.

531. A letter from the Vice President for Public and Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for November 1972, pursuant to section 308 (a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

532. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended (8 U.S.C. 1154(d)); to the Committee on the Judiciary.

533. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of an order entered in the case of an alien found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(28)(I)(ii)(b)); to the Committee on the Judiciary.

534. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the Act (8 U.S.C. 1182(d)(6)); to the Committee on the Judiciary.

535. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1254 (c)(1); to the Committee on the Judiciary.

536. A letter from the president and chairman, Little League Baseball; transmitting the annual report and audit of the corporation for the fiscal year ended September 30, 1972, pursuant to section 14(b) of Public Law 88-378; to the Committee on the Judiciary.

537. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to extend and make technical corrections to the National Sea Grant College and Program Act of 1966, as amended; to the Committee on Merchant Marine and Fisheries.

538. A letter from the Secretary of Commerce, transmitting a report covering fiscal year 1972 on mobile trade fair activities, pursuant to section 1 of Public Law 87-839 (46 U.S.C. 1122(b)); to the Committee on Merchant Marine and Fisheries.

539. A letter from the Secretary of the Army, transmitting a recommendation that the proposed project for flood protection for Buena Vista, Va., be added to those which would be authorized by the previously submitted draft of proposed legislation authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control and other purposes; to the Committee on Public Works.

540. A letter from the Fiscal Assistant Secretary of the Treasury; transmitting the 17th Annual Report on the financial condition and operations of the highway trust fund, covering fiscal year 1972, pursuant to section 209(e)(1) of the Highway Revenue Act of 1956, as amended (23 U.S.C. 120, note) (H. Doc. No. 93-54); to the Committee on Ways and Means and ordered to be printed.

Received From the Comptroller General

541. A letter from the Comptroller General of the United States, transmitting a supplement to the report on the administration and effectiveness of U.S. economic and military aid to Ecuador; to the Committee on Government Operations.

542. A letter from the Comptroller General of the United States, transmitting a report that better use could be made of U.S. assistance and other support to the Philippines; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on March 1, 1973, the following report was filed on March 2, 1973*]

Mr. PERKINS: Committee on Education and Labor: H.R. 17. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes; with amendment (Rept. No. 93-42). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education. H.R. 71. A bill to strengthen and improve the Older Americans Act of 1965, and for other purposes; with amendment (Rept. No. 93-43). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 5107. A bill to strengthen and improve the Older Americans Act of 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. BAKER (for himself, Mr. Beard, Mr. Duncan, Mr. Evins of Tennessee, Mr. Fulton, Mr. Jones of Tennessee, Mr. Kuykendall, and Mr. Quillen):

H.R. 5108. A bill to amend sections 112, 692, 6013, and 7508 of the Internal Revenue Code of 1954 for the relief of certain members of the Armed Forces of the United States returning from the Vietnam conflict combat zone, and for other purposes; to the Committee on Ways and Means.

By Mr. BELL (for himself, Mr. Badillo, Mr. Benitez, Mr. Burton, Mrs. Chisholm, Mr. Hansen of Idaho, Mr. Clay, Mr. Dellenback, Mr. Esch, Mr. Hawkins, Mr. Steiger of Wisconsin, Mr. Stokes, and Mr. Thompson of New Jersey):

H.R. 5109. A bill to guarantee the continued operation of the legal services program; to the Committee on Education and Labor.

By Mr. BIAGGI:

H.R. 5110. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 5111. A bill to reorganize the functions of the executive branch of the Government which relate to the regulation of commercial uses of nuclear power, except those which relate to source materials, by transferring such functions from the Atomic Energy Commission to the Administrator of the Environmental Protection Agency subject (in certain cases) to disapproval by the Federal Power Commission or the Secretary of the Interior; to the Committee on Joint Committee on Atomic Energy.

By Mr. BLATNIK (for himself, Mr. Walsh, Mr. Abdnor, and Mr. Taylor of Missouri):

H.R. 5112. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. BRADEMAS (for himself, Mr. Eshleman, Mr. Perkins, Mr. Quie, Mrs. Mink, Mr. Hansen of Idaho, Mr. Meeds, Mr. Peyser, Mrs. Chisholm, Mr. Sarasin, Mrs. Grasso, Mr. Badillo, Mr. Lehman, and Mr. Mazzoli):

H.R. 5113. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. Eshelman, Mr. Perkins, Mr. Quie, Mrs. Mink, Mr. Hansen of Idaho, Mr. Meeds, Mr. Peyser, Mrs. Chisholm, Mr. Sarasin, Mrs. Grasso, Mr. Badillo, Mr. Lehman, and Mr. Mazzoli):

H.R. 5114. A bill to strengthen and improve the Older Americans Act of 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. BROTZMAN:

H.R. 5115. A bill to establish an Environmental Quality Corps; to the Committee on Education and Labor.

By Mr. BROYHILL of North Carolina:

H.R. 5116. A bill to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BURKE of Massachusetts:

H.R. 5117. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 5118. A bill to amend the Wilderness Act for the purpose of removing wilderness areas from all forms of appropriation and disposition under mining and mineral leasing laws; to the Committee on Interior and Insular Affairs.

Mr. CARTER:

H.R. 5119. A bill to amend chapter 34 of title 38, United States Code, in order to increase the educational assistance allowance payable to eligible veterans to cover in full the cost of tuition and books; to the Committee on Veterans' Affairs.

By Mr. CLANCY:

H.R. 5120. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

By Mr. CLANCY (for himself and Mr. Devine):

H.R. 5121. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of police officers and firefighters killed in the line of duty; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 5122. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

By Mr. ESCH:

H.R. 5123. A bill to amend the Economic Opportunity Act of 1964 to authorize a legal services program by establishing a National Legal Services Corporation, and for other purposes; to the Committee on Education and Labor.

By Mr. FRASER:

H.R. 5124. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 5125. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus supplies and equipment to State boards of education; to the Committee on Government Operations.

H.R. 5126. A bill to provide a national program in order to make the international metric system the predominant but not exclusive system of measurement in the United States and to provide for converting to the general use of such system within 10 years; to the Committee on Science and Astronautics.

By Mr. GOLDWATER:

H.R. 5127. A bill to amend the Social Security Act to provide that future increases in retirement or disability benefits under Federal programs shall not be taken into consideration in determining a person's need for aid or assistance under any of the Federal-State public assistance programs; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 5128. A bill to protect collectors of antique glassware against the manufacture in the United States or the importation of imitations of such glassware; to the Committee on Interstate and Foreign Commerce.

H.R. 5129. A bill to amend the Internal Revenue Code of 1954 to provide reasonable and necessary income tax incentives to encourage the utilization of recycled solid waste materials and to offset existing income tax advantages which promote depletion of virgin natural resources; to the Committee on Ways and Means.

By Mr. GUNTER (for himself, Mr. Pepper, Mr. Sikes, Mr. Denholm, Mr. Derwinski, Mr. Harrington, Mr. Brinkley, Mr. Lehman, Mr. Ryan, Mr. Brown of California, Mr. Roncallo of New York, Mrs. Grasso, Mr. Bray, Mr. Gibbons, Mr. Murphy of Illinois, Mr. Martin of North Carolina, Mr. Duncan, Mr. Murphy of New York, Mr. Bell, Mr. Ketchum, Mr. McCollister, Mr. Won Pat, Mr. Fascell, Mr. Fish, and Mr. Kyros):

H.R. 5130. A bill to permit any returned prisoners of war of the Vietnam conflict to import free of duty additional personal and household effects during 1-year period after his return to the jurisdiction of the United States; to the Committee on Ways and Means.

By Mr. GUNTER (for himself, Mr. Bingham, and Mr. Price of Illinois):

H.R. 5131. A bill to permit any returned prisoners of war of the Vietnam conflict to import free of duty additional personal and household effects during the 1-year period after his return to the jurisdiction of the United States; to the Committee on Ways and Means.

By Mr. GUNTER (for himself, Mr. Pepper, Mr. Sikes, Mr. Denholm, Mr. Derwinski, Mr. Harrington, Mr. Brinkley, Mr. Lehman, Mr. Ryan, Mr. Brown of California, Mr. Roncallo of New York, Mrs. Grasso, Mr. Bray, Mr. Gibbons, Mr. Murphy of Illinois, Mr. Martin of North Carolina, Mr. Duncan, Mr. Murphy of New York, Mr. Bell, Mr. Ketchum, Mr. McCollister, Mr. Won Pat, Mr. Fascell, Mr. Fish, and Mr. Kyros):

H.R. 5132. A bill to amend titles 10 and 37 of the United States Code in order to provide to members of the Armed Forces who were in a missing status for any period during the Vietnam conflict double credit for such period for retirement purposes and certain additional benefits and to provide such members certain medical benefits; to provide double retirement credit to Federal employees in such status during such conflict; and for other purposes; to the Committee on Armed Services.

By Mr. GUNTER (for himself, Mr. Bingham, and Mr. Price of Illinois):

H.R. 5133. A bill to amend titles 10 and 37 of the United States Code in order to provide to members of the armed forces who were in a missing status for any period during the Vietnam conflict double credit for such period for retirement purposes and certain additional benefits and to provide such members certain medical benefits; to provide double retirement credit to Federal employees in such status during such conflict; and for other purposes; to the Committee on Armed Services.

By Mr. HANRAHAN:

H.R. 5134. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. HARRINGTON:

H.R. 5135. A bill to authorize the Secretary of Labor to provide financial and other assistance to certain workers and small business firms to assist compliance with State or Federal pollution abatment requirements; to the Committee on Banking and Currency.

By Mr. HARRINGTON (for himself, Mr. Breaux, Mr. Pettis, and Mr. Roe):

H.R. 5136. A bill to provide compensation to U.S. commercial fishing vessel owners for damages incurred by them as a result of an action of a vessel operated by a foreign government or a citizen of a foreign government; to the Committee on Merchant Marine and Fisheries.

By Mr. HENDERSON (for himself, Mr. Clay, Mr. Froehlich, Mr. Gonzalez, Mr. Hanley, Mr. Johnson of California, Mr. Kuykendall, Mr. Kyros, Mr. Leggett, Mr. McFall, Mr. Myers, Mr. Rooney of Pennsylvania, Mr. Rose, Mr. Smith of Iowa, and Mr. Teague of Texas):

H.R. 5137. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

By Mr. KLUCZYNSKI (by request):

H.R. 5138. A bill to authorize appropriations for certain transportation projects in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

By Mr. KYROS (for himself, Mr. Denholm, Mr. Eilberg, Mr. Hechler of West Virginia, Mr. Duncan, Mr. Burton, Mr. Stark, Mr. Brown of California, Mr. Moakley, Mr. Yatron, Mr. Wolff, and Mr. Harrington):

H.R. 5139. A bill to amend title 39, United States Code, to permit the attendance, without loss of pay or deduction from annual leave, of certain U.S. Postal Service employees at funerals of honorable discharged members of the U.S. Armed Forces, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. Brown of California, Mr. Burton, Mr. Frey, Miss Holtzman, Mr. Moakley, Mr. Roy, and Mr. Sarbanes):

H.R. 5140. A bill to authorize and direct the Secretary of Defense and the Administrator of the General Services Administration to insure the procurement and use by the Federal Government of products manufactured from recycled materials; to the Committee on Government Operations.

By Mr. LEHMAN (for himself, Mr. Brown of California, Mr. Burton, Mr. Frey, Miss Holtzman, Mr. Moakley, and Mr. Sarbanes):

H.R. 5141. A bill to authorize and direct the Administrator of the General Services Administration to prescribe regulations with respect to the amount of recycled material contained in paper procured or used by the Federal Government or the District of Columbia; to the Committee on Government Operations.

By Mr. LEHMAN (for himself, Mr. Brown of California, Mr. Burton, Miss Holtzman, Mr. Moakley, and Mr. Sarbanes):

H.R. 5142. A bill to amend chapter 9 of title 44, United States Code, to require the use of recycled paper in the printing of the Congressional Record; to the Committee on House Administration.

By Mr. LUJAN:

H.R. 5143. A bill to declare the certain federally-owned land is held by the United States in trust for the pueblo of Nambe, N. Mex.; to the Committee on Interior and Insular Affairs.

H.R. 5144. A bill to declare that the United States holds in trust for the Pueblo of Santa Ana certain public domain lands; to the Committee on Interior and Insular Affairs.

H.R. 5145. A bill to declare that the United States holds in trust for the Pueblo of Santa Ana certain public domain lands; to the Committee on Interior and Insular Affairs.

H.R. 5146. A bill to declare that the United States holds in trust for the Pueblo of Santa Ana certain public domain lands; to the Committee on Interior and Insular Affairs.

H.R. 5147. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 5148. A bill to amend title 28 of the United States Code to provide for recovery of costs by criminal defendants in certain cases; to the Committee on the Judiciary.

H.R. 5149. A bill to amend title 38 of the United States Code to deem certain prisoners of war to be permanently and totally disabled for purpose of receiving wartime disability compensation, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McFALL:

H.R. 5150. A bill to amend the State and Local Fiscal Assistance Act of 1972 to provide that, in the case of entitlement periods beginning after June 30, 1973, the one-third of the funds under such act which would go to the State governments shall be returned to the general fund of the Treasury; to the Committee on Ways and Means.

By Mr. MACDONALD:

H.R. 5151. A bill to amend title II of the Social Security Act to provide that any individual may qualify for disability insurance benefits and the disability freeze if he has 20 quarters of coverage (and meets the other conditions of eligibility therefor), regardless of when such quarters were earned; to the Committee on Ways and Means.

By Mr. MAZZOLI:

H.R. 5152. A bill authorizing the Secretary of Defense to utilize Department of Defense resources for the purpose of providing medical emergency transportation services to civilians; to the Committee on Armed Services.

H.R. 5153. A bill relating to withholding by the United States of certain taxes imposed by States, and political subdivisions thereof, in the case of Federal employees; to the Committee on Ways and Means.

By Mr. MEEDS:

H.R. 5154. A bill to provide for funding the Emergency Employment Act of 1971 for two additional years, and for other purposes; to the Committee on Education and Labor.

By Mr. MELCHER:

H.R. 5155. A bill to establish an independent agency to be known as the Intergovernmental Office of Consumers' Counsel to represent the consumers of the Nation before Federal and State regulatory agencies with respect to matters pertaining to certain regulated services; to provide grants and other Federal asistance to State and local governments for the establishment and operation of such consumers' counsels; to improve methods for obtaining and disseminating information with respect to the operations of regulated companies of interest to the Federal Government and other consumers; and for other purposes; to the Committee on Government Operations.

By Mr. MELCHER (for himself, Mr. Burton, and Mr. Carney of Ohio):

H.R. 5156. A bill to amend the Budget and Accounting Act of 1921 to require the advice and consent of the Senate for appointments to Director of the Office of Management and Budget; to the Committee on Government Operations.

By Mrs. MINK:

H.R. 5157. A bill to amend the Service Contract Act of 1965 to extend its geographical coverage to contracts performed on Canton Island; to the Committee on Education and Labor.

By Mr. MINSHALL of Ohio:

H.R. 5158. A bill to amend title II of the Social Security Act to provide disability insurance benefits thereunder for any individual who is blind and has at least six quarters of coverage, and for other purposes; to the Committee on Ways and Means.

By Mr. NEDZI:

H.R. 5159. A bill to amend title 38, United States Code, to stabilize and freeze as of January 1, 1973, the Veterans' Administration Schedule for Rating Disabilities, 1945 edition, and the extensions thereto; to the Committee on Veterans' Affairs.

By Mr. OBEY:

H.R. 5160. A bill to assist the States in providing the opportunity for an elementary and secondary education of equal quality to all students throughout each State and in providing for greater equity in the distribution of the burden of school financing; to the Committee on Education and Labor.

By Mr. QUIE:

H.R. 5161. A bill to extend titles I through VII of the Agricultural Act of 1970 for 5 years, and for other purposes; to the Committee on Agriculture.

By Mr. QUIE (for himself and Mr. Sisk):

H.R. 5162. A bill to amend title 37 of the United States Code in order to deem illegitimate children to be dependents under certain circumstances for purposes of paying quarters allowances; to the Committee on Armed Services.

By Mr. QUIE:

H.R. 5163. A bill to amend title I of the Elementary and Secondary Education Act of 1965 to provide for a more concerted and individualized attack on educational disadvantage based upon assessments of educational proficiency, and for other purposes; to the Committee on Education and Labor.

By Mr. RARICK:

H.R. 5164. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of compensation paid to law enforcement officers and firemen in any taxable year shall not be subject to the Federal income tax; to the Committee on Ways and Means.

By Mr. ROBISON of New York:

H.R. 5165. A bill to reestablish and extend the program whereby payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 5166. A bill to provide for the establishment and carrying out of a child advocacy program and for other purposes; to the Committee on Education and Labor.

H.R. 5167. A bill to protect confidential sources of the news media; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. Corman, and Mr. Moss):

H.R. 5168. A bill to provide that certain aliens illegally in the United States may have their status adjusted to that of permanent residents; to the Commission on the Judiciary.

By Mr. ROYBAL (for himself, Ms. Abzug, Mr. Bell, Mr. Brown of California, Mr. Burton, Mrs. Chisholm, Mr. Diggs, Mr. Harrington, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moss, Mr. Murphy of New York, Mr. Riegle, Mr. Rosenthal, and Mrs. Schroeder:)

H.R. 5169. A bill to assure the right to vote to citizens whose primary language is other than English; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 5170. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; to the Committee on Public Works.

H.R. 5171. A bill to amend section 231 of the Social Security Act to make it clear that the provision of coverage for individuals of Japanese ancestry who were interned in the United States during World War II applies to any such individual who (at the time of internment) was a resident of the United States, without regard to his or her citizenship; to the Committee on Ways and Means.

H.R. 5172. A bill to amend section 582 of the Tariff Act of 1930 to require search warrants in connection with certain body search procedures conducted with respect to persons entering the United States from foreign countries, and for other purposes; to the Committee on Ways and Means.

H.R. 5173. A bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, so that benefits for husbands and widower's will be payable on the same basis as benefits for wives and widows; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, Mr. Brown of California, Mr. Cleveland, Mr. Corman, Mr. Danielson, Mr. de Lugo, Mr. Derwinski, Mr. Mann, Mr. Moss, and Mr. Won Pat):

H.R. 5174. A bill to amend the Social Security Act to provide for certain documentation before the issuance of social security account numbers to aliens and citizens; to the Committee on Ways and Means.

Mr. SAYLOR:

H.R. 5175. A bill to designate the Big South Fork of the Cumberland River in the States of Kentucky and Tennessee as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SNYDER:

H.R. 5176. A bill to provide price support for milk at not less than 85 per centum of the parity price therefor; to the Committee on Agriculture.

H.R. 5177. A bill to provide that the Consumer Price Index prepared by the Bureau of Labor Statistics shall give appropriate weight to Federal, State, and local taxes; to the Committee on Education and Labor.

By Mr. SPENCE:

H.R. 5178. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 5179. A bill to provide for annual authorization of appropriations to the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. TAYLOR of North Carolina:

H.R. 5180. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. VEYSEY (for himself and Mr. GUBSER):

H.R. 5181. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 5182. A bill to permit immediate retirement of certain Federal employees; to the Committee on Post Office and Civil Service.

H.R. 5183. A bill to amend title II of the Social Security Act to provide that the coverage extended to individuals of Japanese ancestry who were interned in the United States during World War II shall also be extended to individuals of Japanese ancestry who voluntarily left the areas of their residence in order to avoid such internment; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California:

H.R. 5184. A bill to provide for annual authorization of appropriations to the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. WOLFF:

H.R. 5185. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the Committee on Veterans' Affairs.

By Mr. WOLFF (for himself and Mr. ADDABBO):

H.R. 5186. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

By Mr. WOLFF (for himself, Mr. YATES, Mr. BROOKS, and Mr. LUJAN):

H.R. 5187. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-States public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 increase in such benefits, either by disregarding it in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. ABDNOR (for himself, Mr. BAFALIS, Mr. BUCHANAN, Mr. ESHLEMAN, Mr. FISHER, Mr. FRASER, Mr. HEINZ, Mr. HUDNUT, Mr. KETCHUM, Mr. KUYKENDALL, Mr. McDADE, Mr. PARRIS, Mr. RARICK, Mr. THONE, Mr. TREEN, Mr. WALSH, Mr. WARE, Mr. WINN, Mr. WON PAT, and Mr. ZWACH):

H.J. Res. 400. Joint resolution to honor American war dead in Vietnam, Laos, and Cambodia by flying the flag at half staff for 30 days after the last American prisoner has returned from Southeast Asia; to the Committee on the Judiciary.

By Mr. BURKE of Massachusetts (for himself, Mr. ADDABBO, Mrs. CHISHOLM, and Mr. NIX):

H.J. Res. 401. Joint resolution to authorize the emergency importation of oil into the United States; to the Committee on Ways and Means.

By Mr. DENHOLM:

H.J. Res. 402. Joint resolution to amend the Constitution of the United States providing for a limitation of annual appropriations to achieve national fiscal responsibility; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.J. Res. 403. Joint resolution authorizing the President to proclaim April 14 of each year as "John Hanson Day"; to the Committee on the Judiciary.

H.J. Res. 404. Joint resolution authorizing the President to proclaim September 12, 1974, as "Battle of North Point Memorial Day"; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.J. Res. 405. Joint resolution authorizing the President to proclaim the first Monday in August of any year in which a former President is living as a national day of celebration of the birthday of any living former President; to the Committee on the Judiciary.

H.J. Res. 406. Joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H. Con. Res. 136. Concurrent resolution praising President Nixon and National Security Adviser Kissinger for securing the release of American prisoners of war and for ending U.S. involvement in the Vietnam war in such a way as to provide South Vietnam the chance for self-determination; to the Committee on Foreign Affairs.

By Mrs. GRASSO:

H. Con. Res. 137. Concurrent resolution calling upon the President to institute a 120-day moratorium on grain and feed grain exports; to the Committee on Banking and Currency.

By Mr. HARRINGTON (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. BADILLO, Mr. BINGHAM, Ms. BURKE of California, Ms. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. DE LUGO, Mr. DRINAN, Mr. ECKHARDT, Mr. HAWKINS, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. KYROS, Mr. MOAKLEY, Mr. MITCHELL of Maryland, Mr. MOSS, Mr. REID, Mr. ROSENTHAL, Mr. STARK, Mr. STOKES, Mr. STUDDS, and Mr. WALDIE):

H. Con. Res. 138. Concurrent resolution expressing the disapproval of the Congress with respect to the delegation of functions of the Office of Economic Opportunity to other Government agencies; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself and Mr. WON PAT):

H. Con. Res. 139. Concurrent resolution expressing the disapproval of the Congress with respect to the delegation of functions of the Office of Economic Opportunity to other Government agencies; to the Committee on Education and Labor.

By Mr. LUJAN:

H. Con. Res. 140. Concurrent resolution to establish a joint committee to conduct an investigation of the U.S. Postal Service; to the Committee on Rules.

By Mr. MAZZOLI:

H. Con. Res. 141. Concurrent resolution expressing the sense of the Congress that the Soviet Union should be condemned for its policy of demanding a ransom from educated Jews who want to emigrate to Israel; to the Committee on Foreign Affairs.

By Mr. STEIGER of Wisconsin (for himself, Mr. HAWKINS, Mr. BURTON, Mr. HANLEY, Mr. OBEY, Mr. PERKINS, and Mr. RUPPE):

H. Con. Res. 142. Concurrent resolution it is the sense of the Congress that the President, in accordance with the policy of the United States established by law, should continue the Office of Economic Opportunity administering and supervising the important activities entrusted to that office under the provisions of the Economic Opportunity Act of 1964 and submit a revised budget request for such activities for fiscal year 1974; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself, Mr. ANDERSON of California, Mr. BERGLAND, Mr. BREAUX, Mr. FASCELL, Mr. HASTINGS, Mr. LEHMAN, Mr. MOSS, Mr. PARRIS, Mr. RANGEL, Mr. ROE, Mr. ROYBAL, Mr. STUDDS, and Mr. VEYSEY):

H. Res. 266. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each Delegate to the House, and for other purposes; to the Committee on House Administration.

By Mr. MORGAN:

H. Res. 267. Resolution authorizing the Committee on Foreign Affairs to conduct a full and complete investigation of matters relating to the laws, regulations, directives, and policies including personnel pertaining to Department of State and such other departments and agencies engaged in the implementation of U.S. foreign policy and the oversea operations, personnel, and facilities of departments and agencies of the United States which participate in the development and execution of such policy; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

57. By the SPEAKER: Memorial of the Senate of the Commonwealth of Massachusetts, relative to returning prisoners of war; to the Committee on Armed Services.

58. Also memorial of the Legislature of the State of South Carolina, relative to continuing the implementation of the Library Services and Construction Act; to the Committee on Education and Labor.

59. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to the conflict in Northern Ireland; to the Committee on Foreign Affairs.

60. Also, memorial of the Legislature of the State of Oklahoma, relative to the charging of fees for the use of certain lakes; to the Committee on Interior and Insular Affairs.

61. Also, memorial of the Legislature of the State of New Mexico, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men

and women; to the Committee on the Judiciary.

62. Also, memorial of the Legislature of the State of Idaho, relative to funds for the construction of a bridge across the Snake River between Lewiston, Idaho, and Clarkston, Wash.; to the Committee on Public Works.

63. Also, memorial of the Legislature of the State of South Carolina, relative to Federal aid for highway construction; to the Committee on Public Works.

64. Also, memorial of the Legislature of the State of Minnesota, relative to a Federal-aid Highway Act; to the Committee on Public Works.

65. Also, memorial of the House of Representatives of the State of Washington, relative to veterans' pensions; to the Committee on Veterans' Affairs.

66. Also, memorial of the Legislature of the State of New Hampshire, relative to preventing welfare assistance or veterans' pensions from being reduced because of increases in social security benefits; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRANE:

H.R. 5188. A bill for the relief of Jack T. Arnold; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.R. 5189. A bill to authorize and direct the Secretary of the Department in which the Coast Guard is operating to cause the vessel Anna Lynn to be documented as a vessel of the United States with full coastwise privileges; to the Committee on Merchant Marine and Fisheries.

By Mr. ICHORD:

H.R. 5190. A bill for the relief of Sherman E. Neblett; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 5191. A bill for the relief of Samuel T. Ansley; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 5192. A bill for the relief of Bora Kacarevic; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

57. The SPEAKER presented petition of William Moyer and Efrain Delgado, Joliet, Ill., relative to redress of grievances; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

WORLD FREEDOM DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DERWINSKI. Mr. Speaker, one of the great commemorative events celebrated in the Republic of China is World Freedom Day which was held on January 23 this past year. A featured speaker at the program was our respected colleague, Congressman Wilbur C. Daniel, of Virginia.

I am pleased to insert into the RECORD at this point addresses by His Excellency President Chiang Kai-shek, His Excellency President Park Chung Hee, of the Republic of Korea, His Excellency President Nguyen Van Thieu and people of the Republic of Vietnam, and a cable message from His Excellency Ferdinand E. Marcos, President of the Republic of the Philippines:

PRESIDENT CHIANG KAI-SHEK'S WORLD FREEDOM DAY MESSAGE

Nineteen years ago today more than 22,000 Chinese and Korean prisoners of war defied Communist intimidation and lures in a collective choice of freedom. This marked a glorious milestone in man's struggle for liberty. The voice of justice and righteousness was broadcast to every corner of the world and anti-Communists and freedom fighters were given immense encouragement. This is a time when the atmosphere of international appeasement is rampant. The Chinese Communists, who are the public enemies of mankind, are stepping up the tempo of their united front conspiracy abroad. It is at such a moment that people of all walks of life within our country are expanding the World Freedom Day Movement, and have invited outstanding anti-Communist leaders from five continents and representatives of freedom fighters in Vietnam and Korea to come here especially to attend the World Freedom Day Rally of the Republic of China, 1973. This really has the greatest significance and represents the shouldering up of a most solemn mission.

The world situation has been marked by turmoil and unrest during the last year. Some democratic countries have failed to distinguish right from wrong and have flouted principle and justice. This has created new opportunities for the Chinese Communists to engage in struggle, to infiltrate under the guise of negotiation, to utilize the seat they usurped at the United Nations to further schemes of "revolution against the world" and to split the free nations by holding out false lures of trade and diplomatic relations. The basic contradiction between the democracies and the Communist camp can never be removed. There is no relaxation of the conflict on the surface; in actuality it has been sharpened.

The rules governing the evolution of mankind have indicated that justice has always prevailed over injustice and freedom has always triumphed over despotism. Wicked trickery and treacherous scheming may fool some of the people some of the time but can never fool all of the people all of the time. The Chinese Communists have exported violence and chaos the world over to support terrorist activities and encourage subversion and division. They have completely exposed their ugly face of aggressive expansionism. Unceasing waves of refugees from the mainland, serious shortage of food on the mainland, power struggle of the Chinese Communist leadership and the further intensification of the "criticism-revisionism-rectification" campaigns combine to demonstrate that the Peiping regime is internally barren and so weak as to be fast approaching collapse. Recently the Chinese Communists have resorted to underhanded attempts at so-called "unification, return and identification" to lure the overseas Chinese. Their heads are hidden but their tails are showing. Such conduct shows their fear and the hollowness of their hearts; in the end they have no choice except to reveal the dangers they hold in their hands.

Our Republic of China, based on the Three Principles of the People, is the central magnetic pole to which Chinese everywhere give their allegiance, and is also the pillar of indestructible stone blocking the adverse current of international appeasement. The entire nation has been firm with dignity and self-reliant with vigor for the past year. People at home and abroad have worked hard and successfully with one heart and one soul, ever stronger in their confidence that the fate of the nation is in our own hands and that victory and success depend on our own efforts. We must henceforth unify culture and politics among compatriots in front of and behind the enemy lines, as well as those overseas. We must also join forces with the expanding forces of freedom and justice within the anti-Communist movement thoughout the world. In doing so, we shall smash the united front tactics of the Chinese Communists, strengthen the forces of freedom and move forward in the struggle for total victory to assure the freedom of mankind. I hope that all of us will join together in achieving these ends.

MESSAGE FROM HIS EXCELLENCY PARK CHUNG HEE, PRESIDENT OF THE REPUBLIC OF KOREA

It is a great pleasure for me to extend my sincere greetings on the occasion of the 1973 "World Freedom Day."

Nineteen years ago today, north Korean and Communist Chinese prisoners of the Korean War decided of their own volition to put an end to their dark life under Communist rule, and chose to lead a bright and hopeful life in the Free World.

Now in observing the anniversary of this historic day, we come to appreciate an important lesson that only the courageous and the decisive can afford to enjoy priceless freedom.

Though trends of the world today are characterized by the decline of ideology and the emergence of power politics, this does not mean that the importance of freedom is being reduced.

Freedom, before anything else—even political ideology—is a basic requirement for human dignity, and freedom is a natural mode of life for all mankind.

We should now divorce ourselves from the past stance of defensive freedom when we were chiefly concerned about what to oppose in order to preserve our freedom. Instead, we should now be more concerned about active freedom; that is, how to adapt ourselves voluntarily to the changing situation of the times and strive more strenuously to realize this active freedom and further promote it.

Here I once again express my profound appreciation for your devoted efforts and accomplishments to assist the oppressed peoples of the world, and look forward to your continued and even more vigorous efforts to achieve and foster this active freedom.

I pray that your worthy efforts, coupled with the cooperation of all free peoples of the world, will bring about early realization of our common goal: freedom, peace and prosperity for all mankind.

MESSAGE FROM HIS EXCELLENCY NGUYEN VAN THIEU, PRESIDENT OF THE REPUBLIC OF VIET-NAM, ON THE WORLD FREEDOM DAY

On behalf of the Government and people of the Republic of Viet-Nam, I wish to extend my cordial greetings and heartfelt congratulations to all freedom-loving people from every part of the world on the occasion of the World Freedom Day.

The year of 1972 witnessed crucial events and developments which profoundly altered the patterns of international relations, particularly in the Asian Pacific region.

In the face of these difficulties, it is important that freedom loving people everywhere consolidate their forces and unite their ranks in the fight for freedom and democracy.

In the year which has just elapsed, the people of South Viet-Nam have thwarted an all-out offensive launched by the North Vietnamese aggressors.

It is significant that during the North Vietnamese Communist invasion of South Viet-Nam, almost one million people fled their homes in the areas temporarily controlled by the Communists to seek freedom in resettlement centers under the Republic of Viet-Nam Government protection. This mass exodus once more eloquently demonstrated the Vietnamese people's yearning for freedom and recalled the historic exodus of one million people from North Viet-Nam in 1954, and the gallant deeds of 22,000 Chinese and North Korean prisoners of war who, under the United Nations principle of voluntary repatriation, resisted Communist inducements and elected to seek freedom on January 23, 1954.

The commemoration you are holding in the Republic of China today bespeaks free men's resolve to build a world of peace in liberty and justice. I sincerely wish you every success in the week long activities highlighting the human deep attachment to freedom everywhere.

Cable Message From His Excellency Ferdinand E. Marcos, President of the Republic of the Philippines

On the occasion of "World Freedom Day," the Filipino people affirm their oneness with all of those who champion freedom and dignity all over the world.

Freedom for us Filipinos is precious indeed, because we attained it through the dedication and sacrifices of countless men and women. Our commitment to freedom is a continuing one, sustained by the vigilance of our people and affirmed by our labors to make our nation strong.

Today when the battle for freedom is fought in many parts of the world by men who would not be enslaved, it is the duty of each of us to make the cause of human liberty, freedom and dignity a constant creed, an everyday task, an unending commitment.

NATIONAL NUTRITION WEEK

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. GROVER. Mr. Speaker, the American Dietetic Association has proclaimed the week of March 5, 1973, National Nutrition Week. On this occasion, I would like to pay honor to the American Dietetic Association, who for the past 50 years has taken the lead in bringing to the American people the values and the necessity of proper nutrition as an integral part of good health.

The American Dietetic Association, 24,000 strong, has constantly brought good nutrition programs to the attention of every sector of the American public.

In a day when many things are taken for granted, I believe it is only appropriate that we pause and thank this organization which has done so much for the continued betterment of the health of the people of the United States.

FIGHTING FILTH

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. GAYDOS. Mr. Speaker, this country, despite the high moral values of the vast majority of our citizens, is in danger of being swamped by a tide of pornographic filth.

Many once fine movie houses have become smut palaces while a money-hungry band of film producers turns out a growing number of pictures of shocking and disgusting character.

This has resulted from the refusal of our courts to crack down. Instead of upholding decency, the jurists have quibbled and nit-picked over the question of what is and what is not an instance of obscenity and their constitutional right to deal with it.

I can point out to them that never since the adoption of the Constitution has there been such a wave of smut and that if those who drafted this cherished document has meant for it to give a green light to degeneracy then they would have allowed it in their time—and, most certainly, did not.

Singularly responsible for today's dirty movies and the scatology which passes for some of the so-called modern literature is that U.S. Supreme Court finding that an obvious obscenity is not illegal if it can claim some redeeming social or artistic value. We have seen what clever lawyers in the hire of venal producers and publishers have done with that loophole.

With this in mind and fearful, as is every truly concerned American, with the effects of this salacious binge on the morals of the rising generation, I am glad to note that the Justice Department has not given up entirely. Federal grand juries in Washington and Memphis, Tenn., now have indicted dozens of filth purveyors—producers, distributors, and exhibitors and the hope is that these cases will bring about new court decisions to allow our country to cleanse itself and, indeed, deal firmly with the pornography profiteers.

If these cases fail to produce such rulings, then it will become the responsibility of Congress to devise and submit whatever kind of constitutional amendment is required to clear up the legal confusion and correct this problem. I realize that the obscenity bit has become a cause celebre with certain groups of persons who consider themselves to be ultraliberals and advanced thinkers, far out beyond the mental precepts of ordinary folk. But how can these people with their vaunted notions about freedom actually condone as proper the lasciviousness of certain current movies and publications?

Aside from enriching their makers and merchants, these things can have no other purpose than to strip another layer from the civilization of our society and seek to turn mankind back toward the jungle. The courts backed by an aroused public opinion and supporting the police either must bring a stop to this, or Congress must seek to do so by the amendment process.

COMMONSENSE NEEDED FOR AUTOMOBILE EMISSIONS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. COLLINS. Mr. Speaker, pragmatic solutions are needed for pollution control in this years transition. The immediate actions required by our present legislation must be modified.

This is particularly true in regard to automobile emission levels. In the Clean Air Act passed in 1970 the Federal standards were so stringent that they required that by 1976, emissions of carbon monoxide, hydrocarbons, and oxides of nitrogen be reduced to an average 5 percent of pre-1968 levels.

We would do well to consider changing Federal standards to the California level. The automobile industry has made tremendous strides. By 1972, the cars had 50 percent emission standards. However, by 1976, the standards will run over $787 per car if we meet the Federal requirements. To meet the California standard, we would cost out around $397 per car.

It is already much more expensive to drive an automobile. My car is now running on 10 miles to the gallon where I had expected to be getting 14. With the additional emission equipment I anticipate next year's car will be getting 7 miles to the gallon. One of the first positive actions we should take in Congress is to move this transitional date of 1975–76 to 1980. We have been spending 300 years developing our pollution economy. It would be more pragmatic to take 10 years to begin work on an effective transition to clean air.

The automobile makers need more time to improve the vitality of the new motors. Twice I have driven from home without allowing my car 10 minutes to warm up. On those two occasions I got about 50 yards down the street and the car konked out like it was flooded. The emission controls definitely limit an even supply of gasoline.

In this day of rising costs we should try to effect the clean air level while still keeping the cost of operating a car as low as possible. With more gasoline being required this means the cost of gasoline will be about 40 percent more for a new car owner. Optimistically, manufacturers hope that the emission control equipment overhaul will be every 50,000 miles, but to be realistic, it will probably be around 25,000 miles. Added to this comes all this new safety equipment with its electronic chances of shorting. With the limitations of skilled mechanics and an oil shortage within the United States we should be considering greater utilization of these resources.

KEYNOTE ADDRESS BY WILLIAM J. GUSTE, JR.

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. LONG of Louisiana. Mr. Speaker, the distinguished attorney general of the State of Louisiana delivered the keynote address to the 42d Annual Convention of the National Housing Conference yesterday here in Washington. I believe his excellent speech will be of widespread interest and I am pleased to include it in the RECORD:

KEYNOTE ADDRESS BY WILLIAM J. GUSTE, JR., ATTORNEY GENERAL OF LOUISIANA TO THE NATIONAL HOUSING CONFERENCE

Since its organization in 1931, the National Housing Conference has been recognized as the conscience of the public interest in programs for housing, urban renewal and community development. Its members include representatives of public interest organizations, local officials, labor officials, church, business and professional groups who share the goal of providing adequate housing for people of all income.

This 42nd Convention of NHC may well be the most important which has ever been held. For programs which it has taken years to develop and to bring to a reasonable point of productivity are threatened, and if it were left alone to the will of the Administration abolished.

This Convention then is a test of the depth of sincerity of every person in attendance and the constituencies which you represent. It is a test of the values which American people hold and the respect and compassion which they have for their fellow Americans.

Some new terminology has suddenly burst into the vocabulary of local and national officials and the public at large. Words like "general revenue sharing" and "special revenue sharing" and "community development".

Now I believe that it is most important that the National Housing Conference not let the Nation get confused with terminology. Here I refer specifically to the Administration's so-called "Community Development Special Revenue Sharing".

Actually, this is a program of consolidating several existing grant-in-aid programs into a single block grant to be allocated to units of local government.

We believe that in general this is a far superior method of administering grants for community facilities and services.

Suffice it to say that it would go a long way towards overcoming the difficulties implicit in applying for and securing separate, narrow, categorical programs for cities.

Furthermore, I am convinced that local governments do have the capacity to decide what programs are best for their communities.

Yes, our cities need a more efficient delivery of federal funds to serve their people. They need the grant procedures simplified and grants expanded.

But, they want these programs improved—not "canned".

They want these programs speeded up—not postponed.

They don't want programs abandoned, that are in fact serving a vital purpose, until Congress has created workable alternatives.

Yes, NHC believes that each community should decide upon a comprehensive community development plan which would include action to eliminate slums and blight and provide for housing its low and moderate income families and provide adequate facilities and social services and full employment opportunities for all its citizens.

But this Conference does not want, and I don't believe the American people, when they realize what is being done, will want the promise of special revenue sharing if it means the phasing down and phasing out of vital programs for decent housing in suitable neighborhoods which have taken years to build to their present level of service.

We don't want the cities of this Nation to flounder for a year or more and in addition lose the momentum they have developed in meeting the needs of their people.

And that's what we're talking about: the needs of people with low and moderate incomes—for a home that is safe and warm, for plumbing and a sewer system that works and does not pollute, for better streets and drainage, for pure water. In a word, we're talking about things and services that affect human lives and alleviate real human miseries.

Certainly, we should eliminate flaws in the categorical programs. Certainly, the programs as a whole can be improved. This is precisely what National Housing Conference has been trying to do for years.

But, I don't believe we can tell the American people that they must wait two or three years for a house that doesn't leak and a better and safer neighborhood while the Administration tries to figure out ways to improve its administration.

Yes, we want block grants. But, we want the categorical grants—which have taken years to develop—to continue with full and, where necessary, increased funding, right up to the time that the community development block grant programs are put into effect.

This means that programs like urban renewal, neighborhood facilities, open space land basic water and sewer facilities and model cities programs should be continued without interruption.

This means that in addition to physical development, necessary social services and on-going planning and management activities should be continued without interruption.

And this means that adequate funds be authorized and appropriated, *and not impounded,* to cover the unmet needs of America's cities and their people without interruption.

But instead of following such a policy of continuity, the President has interrupted, suspended or terminated programs, imperative for the survival of American cities.

He has suspended the Housing Assistance programs: the Section 235 and 236 programs, the Public Housing Program, and the Non-Profit Sponsor Aid Program, all effective January 5, 1973.

He has suspended the program to improve Public Housing effective June 30, 1973.

He has announced the *termination* of the Community Development Programs: the Model Cities Program, the Neighborhood Facilities Program, the Urban Renewal Program, and the Rehabilitation Loans Program all effective June 30, 1973.

The Open Space Land Program, Water and Sewer Facilities Program, and Public Facility Loans Program, are all terminated January 5, 1973.

Furthermore he has suspended most housing programs of the Farmers Home Administration: the interest credit loans Program, the 502 and 515 home ownership and rental housing Programs water and waste disposal grants, and, all loans and grants for farm labor, all effective January 9, 1973.

But, beyond this, President Nixon has stated in his budget that the Department of Housing and Urban Development will not approve any new projects under any of these programs in 1974, and neither will the Farmers Home Administration.

And at a press conference following the budget submission, he announced that if Congress were to restore his cuts in programs, he would veto them; and if Congress passes them over his veto, *he would impound the funds.*

The audacity and over-confidence of the President is unbelievable! His action and his posture is arbitrary, unilateral and flies in the face of the will of Congress. In effect, he is repealing laws enacted by Congress and signed by the President.

As a State Senator, it was my privilege to be the author of Urban Renewal Enabling legislation for Louisiana. And later to bring the Model Cities Program to New Orleans. I don't propose to let those vital programs go down the drain for my State or for any other state.

Without them, the spread of slums and blight will continue, the flight to the suburbs will continue, crime will increase, and the expenses of operating city government will be left to a residuum population least able to support the costs of municipal services yet most requiring them.

As Attorney General, I am studying the possibility of a suit against the President and Executive Branch of government prohibiting the impoundment of funds which rightfully enure to the benefit of my State and its cities on the grounds that such impoundment denies Louisiana and each individual state the protection and the benefits of the separation of governmental powers assured each state in the United States Constitution.

But beyond this, I do not believe the Congress of the United States should lie supinely on its back and permit the President to trample on its programs. It cannot permit one man to override the vote of 535 members of Congress. It cannot permit government by presidential decree!

I believe that at this point, our Nation's legislators should rise above partisan politics. Every Congressman—Republican or Democrat—should recognize that the President's policy of impoundment—of in effect vetoing programs on a line item basis—and unilaterally repealing laws is an affront to Congress as a branch of National Government, and an affront to each individual member.

For the question which is involved here is not simply whether this Nation will continue to work toward the national goal of a decent house in a suitable living environment for all our people.

The question has now become whether we will change our constitutional form of government. The question is whether the Congress of the United States should become an Advisory Committee to the President.

For my part, I do not believe it should.

Congress must re-assert itself. Congress must enact laws to control impoundment. Congress must rewrite the budget. It must once again establish that housing our people in decent homes and good neighborhoods is still America's number one domestic problem.

Now the President argues that he is using the budget to prevent increased taxes and to control inflation. What is really happening is that he is telling the people in cities that if they want to prevent their city from dying, if they want to restore and revitalize it; if they want to help the poor and the elderly, the untrained, the unemployed, the sick, the school drop-out and other victims of poverty who are concentrated in our cities, then vote increased sales and property taxes.

When the Mayors of our Nation's cities sought revenue sharing—they were seeking a way to share in the national income derived from taxes based on ability to pay.

They were not seeking advice from the President to raise regressive local sales and property taxes!

They were seeking relief vital to their communities. They were not asking the President to dump an additional load on the backs of their local property taxpayers.

And then there is the myth about inflation.

And here I'd like to ask a few questions. What is worse a 5 or 6 or 7 per cent annual increase in costs—or the total loss of a pay check through unemployment.

What is worse: a slight reduction in purchasing power—which for working Americans can and should be offset by a wage increase—or the loss of over 3 million man years of employment?

And that's what it's all about. The National Housing Conference has estimated that the President's Program to hold back on new housing starts in Fiscal years 1973 and 1974, and not use the contract authority under Section 235 and 236, and to hold back on related facilities and services, will result in a loss of 660,000 HUD commitments for homes and 100,000 Farmers Home Administration homes. And it will have a total economic impact loss of $28.5 billion in expenditures.

And, I repeat, this represents an employment loss of over 3 million man years.

Now my question is this: Should we fight inflation by increasing unemployment?

Should we fight inflation by putting people out of work?

Should we fight inflation by putting working men on welfare?

No, I don't believe that that is the way to fight inflation. I don't believe the American people want to fight inflation that way.

Yes, cut the fat out of the budget to fight inflation.

But, don't cut programs designed to bring the under-privileged into the main stream of American life.

Don't cut programs designed to fight the cause of crime in the streets.

Don't cut programs which provide jobs for the jobless, and which can make it possible for all to find a job.

Yes, we must live within our means. But, let's not stifle the national economy in doing so. Yes, we must cut, but in doing so let's not bring on a recession. And let's not cut where it most effects the least fortunate people of our country.

Just one other point about inflation. If we cut down on housing production in the face of increased population, and hence increased demand for housing, there can be only one result. Since the demand is greater than the supply, the cost of housing will go up!

Since housing is in short supply, the average American of low and moderate income will have to pay more rent each month and more on his monthly note.

His cost of living will increase!

And this is the real inflation that threatens the American people if the President's budget and plans restricting the construction of decent homes is permitted to go unchallenged.

The President declares that he wants to restore to our cities and states the authority to determine their own fate. But, the fact is that through impoundment and veto he is imposing on the Nation's cities his personal choice of programs to be funded. He is depriving our cities the free choice they now have to participate or not to participate in programs designed to meet national goals.

If this is the new federalism, the American people cannot accept it.

NHC members know that an essential of a suitable living environment is employment.

Yet the Administration's budget proposes to eliminate more than 50 per cent of the funds presently available for manpower training and for jobs for those who really want to work and can't find jobs.

It would terminate the public employment programs so that there will be 180,000 less job opportunities for those in need, many of whom are Viet Nam Veterans.

It proposes no monies for summer programs which provided 740,000 jobs last year for young people. It cancels opportunities for 2 million youths to engage in summer recreational and cultural programs. And a million more will not get to a job or recreation because of lack of transportation.

And all of this is in addition to the countless job opportunities which will be lost because of cutbacks on new housing and related facilities construction starts.

All of these people, these families, will be without a paycheck when these programs expire.

Last month, as Attorney General of Louisiana, I attended the National Conference on Criminal Justice sponsored by the Law Enforcement Assistance Administration of the Department of Justice. Over and over, it was emphasized that the quality of life in the United States depends on curbing crime.

But, cracking down on criminals *alone* is not the answer.

Most cities need more and better policemen, swifter justice, and correction procedures that really correct.

But, the mere apprehension of an offender does not solve the problem that caused the crime in the first place.

If we are to fight crime and preserve domestic tranquility, we must fight the causes of crime.

And all of the evidence will support the fact that a great percentage of crime is bred in slums and blight, in poverty and ignorance and unemployment. It is bred in inner cities and rural areas where people have lost faith in the system; where people have lost hope; and where there no longer exists the opportunity, and the promise for them that America once held.

If we really want to make our streets safe and our homes secure, the best way to do it is to improve our homes and home life, and our neighborhoods, and provide adequate education and job training and jobs for all.

There is no better way to do this than to continue without postponement those programs designed to bring back to life and decency our rural areas as well as the hearts of American cities.

Through our individual states and cities, we must appeal to every Congressman. Congress must recapture its own soul. It must accept responsibility to reorder national priorities and to produce a balanced budget; it must control impoundments.

We must not let negativism capture our spirit.

We must get back to fundamentals.

The National Housing Conference and the Congress must renew the national commitment to meet the Nation's housing needs of 26 million homes in the decade of the 70's. It must step up the pace of construction if it is to reach the goal of 6 million new homes for low and moderate income families with related community facilities.

In this task, Congress will have the full support of the National Housing Conference. For there is no higher priority than decent homes in suitable environments in our rural areas, in our cities, and in our suburbs.

But over and beyond this, we can never forget that the poor, the ill-housed, the aged, the unemployed are not abstractions. They are living flesh and blood. And we cannot ignore their plight—for we are, under one God, indeed our brother's keepers.

PAN AM TO SOLICIT UNICEF FUNDS FOR UNITED NATIONS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. RARICK. Mr. Speaker, donations to UNICEF are reportedly being solicited by Pan Am from their passengers returning from foreign travel.

Many American travelers finding themselves with foreign change may prefer giving their donations to the Salvation Army to help underprivileged American children rather than supporting Red causes of the U.N. The Salvation Army Headquarters is located at 503 E Street NW., Washington, D.C. 20001.

I include a related news clipping at this point:

[From the State Times (Louisiana), February 4, 1973]

COINS GO TO UNICEF

Passengers on Pan American World Airways' flights to the United States soon will have an excellent use for all those foreign coins that seem to accumulate during a vacation or business trip abroad.

Pan Am cabin attendants will distribute envelopes addressed to the United Nations Children's Fund on all international flights to U.S. destinations. Passengers need only slip their unwanted foreign coins and currency in the envelope, and the money will be put to good use by UNICEF to provide food, medicine, and education for children in 111 countries around the world.

SOUTH CAROLINA GENERAL ASSEMBLY URGES HIGH LEVEL OF HIGHWAY CONSTRUCTION

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DORN. Mr. Speaker, the South Carolina General Assembly has approved a very timely concurrent resolution urging the Congress to continue Federal aid highway programs at present levels. The authors of this resolution, Representatives Jarvis Klapman, Norma C. Russell, George Dean Johnson, Richard T. Hines, James B. Brandt, Lucius O. Porth, Albert L. Kleckley, E. Jarvis Morris, James H. Moss, Thomas A. Hutto, and Charles N. Plowden are to be highly commended for their action. They are, in our opinion, absolutely right. Mr. Speaker, the concurrent resolution follows:

H. 1421

A concurrent resolution to memorialize the Congress of the United States to continue Federal aid to State highway construction at present levels to prevent serious deterioration of our highway system

Whereas, federal aid to highway construction has for many years been a basic support to the construction and maintenance of highways throughout the nation; and

Whereas, state programs have been planned assuming federal assistance would be available; and

Whereas, federal revenue from gasoline taxes should properly be used for highways purposes; and

Whereas, there are present indications in the news media and elsewhere that federal assistance to state highway building programs will be substantially curtailed which, if true, would severely damage existing and planned state highway programs. Now, therefore,

Be it resolved, by the House of Representatives, the Senate concurring:

That the Congress of the United States be, and hereby is, memoralized to maintain at least at present levels, the federal aid programs for highway construction in the state to insure continued progress and improved safety on these vital arteries of commerce and public and private transportation.

Be it further resolved that copies of this resolution be forwarded to each member of the South Carolina Congressional Delegation, the President of the Senate and the Speaker of the House of Representatives in Washington, D.C.

ONE-MAN RULE?

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. PICKLE. Mr. Speaker, some commentators say that the recent congressional protestations over Presidential encroachment on the other branches of Government are much ado about nothing.

I may agree that some Members of Congress, being politicians, have a proclivity to exaggerate. But mark my words, Mr. Speaker, that I am extremely serious when I note with alarm and shock the implications of a recent statement by John Ehrlichmann, the President's domestic affairs advisory.

Mr. Ehrlichmann, one of the most powerful men in America, due to his closeness to the President, has recently stated that the President is one-man rule, and that is the way it should be.

Mr. Ehrlichmann's statement lessens democracy, and weakens our Constitution. This statement makes any congressional protestations about the Constitution valid—so valid that it is frightening.

WCBS Radio, of New York, recently broadcast an editorial on Mr. Ehrlichmann's statement. I include the transcript of that editorial to be reprinted here in the RECORD, and I associate myself with the views of WCBS on this subject:

PRESIDENTIAL POWER

FEBRUARY 13, 1973.

The confrontation in Washington over Presidential power may seem a bit abstract to some people. The fine points of the Constitution are the province of the lawyers, the judges, the experts and the historians. Whether or not the President has the authority to refuse to spend money, for example, will probably be decided in the heady atmosphere of the Supreme Court.

But it's wrong for any of us to think we are removed from that debate. At stake is not only how money is spent, but the form of our government itself.

We were given insight into the Administration's viewpoint recently by John Ehrlichmann, the President's Domestic Affairs Advisor. He reasserted the right of the President to manage the budget with White House advisors, not answerable to Congress. He was asked by a reporter if this wasn't drifting into the area of "one-man rule."

(Tape insert)

JOHN EHRLICHMANN. "That's what the President of the United States is, Mr. Rather."

DAN RATHER. "One-man rule?"

JOHN ERLICHMANN. "Yes, sir. He's the only elected officer elected by all the people of the United States, unlike the Senators or Congressmen."

(Tape ends)

Well, there we have it. One-man rule, endorsed by one of the President's closest advisors.

We're not qualified to comment on the fine points of the Constitution. But we are qualified to comment on one-man rule. We don't like the idea. We think it's dangerous. It's certainly not part of the meaning of the word "democracy" as we understand it.

Mr. Ehrlichmann is right when he says the President is elected by the people. But not as a one-man ruler. He is elected in the context of checks and balances, a system designed to prevent one-man rule.

The President can make a strong argument for cutting back on wasteful spending. The Congress can make a strong argument against the President altering policies it has voted. As we said, the final answer in that dispute will come from the Supreme Court. Whatever the outcome, we hope that the principle of "majority rule" is reaffirmed.

TREES FOR CONGRESS

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. WYATT. Mr. Speaker, I am very happy to be able to advise all Members of the Congress that during last week each congressional office received a 2-year-old noble fir tree seedling. I hope and trust each office will take great care with the seedling tree.

These seedling trees were grown in tree nurseries of the Industrial Forestry Association located in Canby, Oreg., in my congressional district. They were grown from seed-bearing cones collected on the slopes of Mount Hood and they are being given to each congressional office through the courtesy of the National Forest Products Association.

If you are careful with the care and feeding of your young noble fir seedling tree, you will have an opportunity to observe in microcosm what occurs in some of the great, managed forests of America from coast to coast. You should be aware that this seedling tree, later in the spring, can be moved outside and planted in a sunny spot. With frequent watering it will develop roots quickly. In time your seedling can grow and develop into a magnificent tree affording you many years of enjoyment.

The noble fir so-called because of its straight, majestic growth and excellent quality of its wood, is native to the mountainous regions of western Oregon and Washington. It grows best in climates with a short, cool growing season and abundant annual precipitation. However, it is adaptable enough to be planted and grown in most parts of the United States.

The environmental importance of trees such as your new noble fir seedling is, in my opinion, every bit as important as the economic significance of trees. Planting your small tree will someday, hopefully, enrich people you may never know. That is why the planting of trees and the growing of trees holds a special place in the minds of most people, including most of the Members of Congress. The regrowth of forests in this country is one of Nature's greatest benefits and one which, on both private and public lands, we in the Congress should give special attention to.

The forest products industries in the United States plant more trees every year than any other group in the world. But they do not consider this an act of nobility; rather they view it as an act of wisdom. More than a million and a half acres of forest land are planted each year—or more than one tree for every tree we use.

Obviously of great importance are the products we obtain from our trees and forests, including particularly the lumber, plywood, and other products used in housing. I think it is important to recognize that wood is a basic structural material like steel, aluminum, brick, or concrete. It is potentially the most plentiful industrial raw material in North America, and the only one that can be perpetually renewed by nature. Equally significant, it does not require irreplaceable ores or fossil fuels in its formation which depends only on solar energy, soil and water.

I mention all of the above matters in connection with the story of the noble fir, because I am pleased that each congressional office will have an opportunity to share with me my enthusiasm for trees and for their regeneration and growth. I appreciate the thoughtfulness of the National Forest Products Association in making these 2-year old tree seedlings available and for arranging to have one delivered to each congressional office. I hope every Member will give his or her tree seedling the very best of care.

HANOI MUST ANSWER MIA QUESTIONS

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. CHAMBERLAIN. Mr. Speaker, an editorial from Lansing's State Journal, which has recently come to my attention raises the question of the whereabouts of MIA's who were known to be prisoners and who have not shown up on Communist POW lists. As this article suggests, the concern that the United States should not consider economic aid to North Vietnam until Hanoi provides answers regarding MIA's is a very real and valid concern, and one that must be recognized. Mr. Speaker, I include this editorial in the RECORD:

HANOI MUST ANSWER MIA QUESTIONS

The joy and relief experienced by all Americans as prisoners of war trickle back from Vietnam will mount as more groups of POW's are released until the exchange is over sometime late in March.

By that time well over 500 American prisoners will be back home. Thousands of North and South Vietnamese prisoners also are being released.

But for many other Americans there remains only anxiety and uncertainty. The reason is that there are an estimated 1,300 Americans officially listed as missing in action throughout Indochina. As yet, they are unaccounted for by Communist forces.

The problem of accounting for the missing has been a staggering one in any war. It will be more so in the tangled jungles of Indochina, large portions of which are still occupied by Communist forces.

A sinister aspect of the current situation, however, is the growing evidence that some of the MIA's, the number is uncertain, were known to be prisoners at one time. Their names have not shown up on any of the official Communist POW lists—yet. Why Hanoi remains silent on this question is still a mystery.

Once the current exchange has been completed, it is essential that the U.S. Government wage a full scale diplomatic offensive demanding that Hanoi, the Viet Cong and other Communist units in Laos and Cambodia make an accounting on the MIA's.

There should be no serious thought of economic aid to North Vietnam until Hanoi provides some answers.

OUR BLOATED STATE DEPARTMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. LEHMAN. Mr. Speaker, we have all been impressed by the work of Dr. Henry Kissinger in formulating our foreign policy and handling our foreign affairs. Even more impressive is the fact that Dr. Kissinger handles his job with a staff of only 120 persons.

Since all of the important work in our foreign affairs is apparently now accomplished by Dr. Kissinger's office, for better or worse, the question arises as to the necessity of maintaining our State Department in its presently bloated and topheavy condition.

The President's proposed budget for fiscal year 1974 lists 22,671 State Department personnel who deal solely with the administration of our foreign affairs. This figure, an increase of 244 in the past 2 years, does not even include those persons involved in foreign aid, international organizations, educational exchange programs, or refugee assistance.

While the need for Ambassadors and visa clerks is clear to all, this huge overall personnel total averages out to 194 people for each of the 117 countries, large and small, where we now have Ambassadors.

This clearly excessive number commands a payroll of some $83 million—up almost $4 million in 1 year.

Even more astonishing is the great concentration of highly paid executives in this section of the State Department:

EXECUTIVE POSITIONS IN THE STATE DEPARTMENT, FISCAL YEAR 1974 (ADMINISTRATION OF FOREIGN AFFAIRS)

Class	Salary range	Positions
Ambassadors	$36,000–$42,500	117
Executive level	36,000– 60,000	40
Supergrades	29,472– 36,000	972
High level	18,737– 33,260	2,706
Total		3,835

If you exclude ambassadors from the total, the State Department still has 31 times the number of executives that Dr. Kissinger feels he needs to run America's foreign affairs.

A thorough review of State Department personnel requirements is badly needed. As the Congress moves to reset our national priorities, let us take a good, hard look at the wasteful numbers of bureaucrats filling the many costly positions at the State Department.

SOCIAL SECURITY FOR INTERNED JAPANESE AMERICANS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. WALDIE. Mr. Speaker, the Social Security Amendments of 1972, in one particular respect, moved to correct a longstanding injustice to a certain sector of American society—Japanese Americans. This particular provision in the 1972 amendments gave social security credit to those Japanese Americans who were interned during World War II.

This provision was a step in redressing the suffering and hardship imposed upon these people. However, it has come to my attention that an important segment was omitted from receiving these benefits—those Japanese-Americans who voluntarily evacuated restricted areas. These people—just as those who were interned—were forced on extremely short notice, to give up their personal possessions, leave their friends, and start life again in a totally different and oftentimes, hostile environment.

It might be argued that these people who voluntarily evacuated had an opportunity to work and therefore earn social security credits. However, if relying upon this argument, it would be good to remind oneself of the atmosphere and general societal attitude toward Japanese-Americans and then picture the discrimination they, in all probability, faced in attempting to obtain good, steady employment.

Mr. Speaker, I urge the prompt and favorable consideration of this bill which would further rectify a grave injustice to a people who have contributed much to this country.

The text of the bill follows:

H.R. 5182

A bill to amend title II of the Social Security Act to provide that the coverage extended to individuals of Japanese ancestry who were interned in the United States during World War II shall also be extended to individuals of Japanese ancestry who voluntarily left the areas of their residence in order to avoid such internment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 231(a) of the Social Security Act is amended by inserting "(1)" after "(a)", and by adding at the end thereof the following new paragraph:

"(2) Such term also includes an individual who—

"(A) resided on December 7, 1941, in a military or geographic area in the United States from which persons of Japanese ancestry were evacuated or excluded during World War II and interned as described in paragraph (1); and

"(B)(i) voluntarily departed from such area in anticipation of the order for such evacuation or exclusion, and remained outside such area (and all similar areas) during any period of time from December 7, 1941, through December 31, 1946, with the consent or approval of the public authorities having jurisdiction therein, in order to avoid being interned as described in paragraphs (1), and (ii) would have been so interned but for such departure."

(b) Section 231(b)(1) of such Act is amended by striking out "(in addition to any wages actually paid to him)", and by adding at the end thereof (after and below clause (B)) the following new sentence:

"Wages which an individual is deemed to have been paid during any period under the preceding sentence shall be in addition to any wages actually paid to him; except that, in the case of an individual who is an 'internee' with respect to the period involved solely by reason of subsection (a)(2), the amount of the wages which he is deemed to have been paid during such period under such sentence shall be reduced by the amount of any wages or self-employment income with which he is otherwise credited for such period on the records of the Secretary under section 205(c)."

SEC. 2. The amendments made by the first section of this Act shall apply with respect to monthly insurance benefits payable under title II of the Social Security Act for months after December 1972, and with respect to lump-sum death payments under such title in the case of deaths occurring after such month.

WINTHROP ROCKEFELLER

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 1, 1973

Mr. COLLIER. Mr. Speaker, the death of Winthrop Rockefeller is a loss not only to the State which he served so well as Governor, but a loss to the Nation as well.

Having been born to great riches as a grandson of John D. Rockefeller, he could have lived a life of ease. He chose instead to follow the example of his grandfather, who considered himself to be a steward of wealth rather than a mere possessor of it.

The many contributions of the Rockefeller family to numerous worthy causes are well known and I will not burden my colleagues with a lengthy recital. I do want to mention his activities in connection with the restoration of colonial Virginia's capital at Williamsburg.

The 500 restored or reconstructed buildings are a reminder of what life was like in the days when such giants as George Washington, the Father of His Country; Thomas Jefferson, the author of the Declaration of Independence; Patrick Henry, who thrilled his hearers and posterity with "Give me liberty or give me death!", and George Mason, who penned the Bill of Rights. One can almost feel the presence of these and other famous men as he tours colonial Williamsburg. The restoration of this capital city was made possible by the philanthropy of Winthrop Rockefeller and his family.

Mr. Speaker, while a nation can no more live in the past than can an individual, it must nonetheless keep green the memory of the men who have contributed greatly to its advancement. A nation that completely obliterates its past will not have much of a future. Let us remember Winthrop Rockefeller, not just for his business and political successes, but for his efforts to preserve our historical and cultural treasures.

LEE HAMILTON'S WASHINGTON REPORT OF MARCH 5, 1973, CONCERNING CONTROL OF THE BUDGET

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my March 5, 1973, Washington Report concerning the control of the budget.

CONGRESSMAN LEE HAMILTON'S WASHINGTON REPORT

A basic problem in the Federal government is the lack of control over the budget. In the 54 years since 1920 the federal budget has been in deficit 37 times. In 32 of these years Presidents submitted a budget to the Congress with a deficit. Since 1931 there have been only 6 surpluses (1947, '48, '51, '56, '60 and '69).

The largest deficits in the administrative budget have occurred in recent years, as follows: 1968—$28 billion; 1970—$13 billion; 1971—30 billion; 1972—$29 billion; 1973—$34 billion, (est.)

The need to get the budget under control is apparent. Presidents are fond of blaming the Congress for these deficits, but the Congress has approved reductions in the President's appropriations in each of the last 20 sessions of the Congress. Both the President and the Congress shape the budget and they must share the blame. The important step is not to fix the blame but to correct the procedure. I am encouraged that we are beginning to do it.

The fundamental reason the Congress cannot meet its fiscal responsibilities and match expenditures with revenues is that it is not structured to handle the budget effectively. Because of the structure of Congressional committees the raising and spending functions have been split. For example, in the House the Committee on Ways and Means drafts the laws to raise revenues, and an entirely separate committee (Appropriations) decides how to spend the money with only limited knowledge and attention to the amount of income. The Appropriations Committee is subdivided into 13 subcommittees which fragment the entire spending process and separate it from the acquisition of revenues even more. As a result there is a lack of coordination between tax and expenditure policies and the House can never put all the fiscal pieces together into the whole picture.

Another reason the federal budget is out of control is that not all federal spending is approved by the Appropriations Committee. Approximately 40 percent of budgetary expenditures bypass the Appropriations Committee. This "backdoor spending" is the authority to spend without the approval of the Appropriations Committees of the Congress and it includes huge sums of money for various purposes, for example, social security, interest on the national debt, funds for revenue sharing, student loan guarantees, black lung and veterans benefits.

Much of the federal budget is relatively uncontrollable because the President and the Congress are unable to make current adjustments in spending levels. In fiscal year 1975, it is estimated that 75 percent of the budget will be in this category, including social security, medicare and unemployment and welfare benefits. These "uncontrollable" expenditures make it necessary that the President and Congress limit not only spending in any given year, but future spending too ("new obligational authority" is the budget term).

A special joint study committee chartered by the Congress to study budget control now recommends that the Congress determine the proper level of spending for the year, establish a ceiling and determine the national priorities within that ceiling. The ceiling would apply to the "backdoor" spending as well as to the regular appropriations. To be effective the ceiling must be established promptly at the outset of a Congressional session and prior to other legislative actions affecting the budget, and it should apply to current and future spending.

The study commitee also proposes that the Congress consider the effect of expenditures of existing and proposed legislation, not alone for the current year, but for 3 to 5 years ahead.

These control procedures are to be implemented by permanent legislative committees on the budget in both Houses, which committees would include representatives of the appropriations and tax committees. These committees would be responsible for overall review of tax and expenditure policy. They would have a non-partisan, professional staff which would be equipped with the computers and the technical ability to provide Congress with its own source of information and analysis of budgetary questions.

Today the President has an army of budget personnel working on his budget for as long as 16 months in advance of its presentation to the Congress. The Congress must adapt its structure and procedures so that it can carefully evaluate and adjust the President's budget, present constructive alternatives to it, and achieve these things in time to obtain appropriations at, or near, the beginning of the fiscal year (and not several months afterwards as is usually the case today). Authorizations should be timed at least one year in advance of the fiscal year so that appropriations can be made on time.

The federal government has no higher priority than to get the federal budget under control. The study committee, through its interim recommendations, has made significant contributions toward the goal of improving the Congress' ability to handle the budget. I endorse such reforms because they are necessary if the Congress is to be an equal partner with the President in meeting our responsibilities to the nation for prudent taxing and spending policies.

RESOLUTION OF U.S. CHAMBER OF COMMERCE

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. HOGAN. Mr. Speaker, the U.S. Chamber of Commerce board of directors recently adopted a resolution concerning the cease-fire in Vietnam. I submit their resolution for the RECORD:

U.S. CHAMBER BOARD OF DIRECTORS LAUDS NIXON'S SUCCESS IN VIETNAMESE CEASE-FIRE

The Board of Directors of the Chamber of Commerce of the United States, speaking for more than 3,700 chambers of commerce and business and professional associations, and 44,000 business firms, hereby congratulate and express its deep appreciation to President Nixon for his unprecedented leadership in terminating with honor the war in Vietnam in which this nation had been involved for more than a decade.

His vision, his courage and his great fortitude have brought the results that millions of people were hoping for. We wish him well in his continuing efforts for world peace.

The world owes him a debt of gratitude.

CONGRESS MUST REINSTATE THE CUTBACKS IN THE EDUCATION BUDGET

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. KOCH. Mr. Speaker, the administration's education budget proposals for fiscal year 1974 constitute a direct challenge to those of us in Congress who have voted time and time again in support of meaningful funding for various education programs.

The President's budget for the Education Division of the Department of Health, Education, and Welfare proposes cutbacks of approximately $5 million from last year's level. Within this overall decrease, there has been considerable shifting of moneys resulting in increased Federal control and direction of the remaining programs. Such cuts in spending for education, already only a fraction of the amounts authorized, represent a misplaced sense of rational priorities at a time when the proposed funding level for many less vital programs is the same as—or even greater than—that for the present fiscal year. In addition, the effect of such cutbacks is amplified by the failure of spending for education to keep pace with either inflation or the overall growth of the budget.

A most striking example of misplaced priorities is the proposed elimination of all Federal library resource programs. The amount of $163,708,000 was appropriated under these in fiscal 1972 to assist community, school, and college libraries. New York State has been receiving approximately one-tenth of this aid, or $17 million, and will suffer severely if this assistance is withdrawn.

The administration has totally disregarded the serious financial plight of the Nation's colleges and universities with its failure to request funding for several programs of higher education institutional assistance. These include the following: University Community Services, Language and Area Studies fellowships and research under the National Defense Education Act—NDEA—Undergraduate Instructional Equipment, the annual appropriation to Land-Grant colleges, and two new programs authorized by the Education Amendments of 1972—Public Law 92-318—General Institutional Aid and Veterans' Cost-of-Instruction Payments. New York State will be particularly hard hit by the loss of $4.3 million under the Nurse Training Act, the loss of $3 million for higher education facilities construction, and the loss of $29 million for student assistance funneled through institutions of higher education.

Also proposed for zero-funding in the fiscal 1974 education budget are the following essential programs: Strengthening State Departments of Education—an Elementary and Secondary Education Act—ESEA—program which has fostered increased effort toward evaluation and reform of public education by State education agencies; funds for public school equipment and minor remodeling under the NDEA; all programs authorized by the new Indian Education Act—Title IV of Public Law 92-318; several Education Professions Development Act programs, aimed at the improvement teacher preparation and of the quality of classroom instruction; plus Environmental and Nutrition and Health education, and Installation of Exemplary Projects, to all of which the administration itself has referred as "National Priority Programs."

The list of programs for which a substantially reduced level of funding is requested by the administration is also distressing. These activities include: Vocational Education Research; College Teacher Fellowships; Dropout Prevention; the highly popular Sesame Street and Electric Company television programs; and Follow Through, an Economic Opportunity Act program designed to prevent disadvantaged children who have completed the Head Start program from losing the gains they have made thereby.

I was greatly alarmed when I first heard of these callous cutbacks in so many of our most important education programs. It is really beyond my comprehension how the President can speak in terms of individual self-improvement and at the same time almost totally emasculate the educational system by which this can be achieved. But I wish to remind my colleagues in Congress and the public at large that the President's proposals are only that—proposals. It is the Congress which must review, revise, and extend these. It is the Congress which in the end decides whether these essential programs will continue to be funded, and I call upon my colleagues here to confirm again this year our legislative commitment to quality education by supporting the reinstatement of these programs in the budget.

CAPT. EUGENE CERNAN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DERWINSKI. Mr. Speaker, last week my distinguished colleague and congressional neighbor, HAROLD COLLIER, and I attended a banquet at the Sheraton-O'Hare Motor Hotel in Des Plaines, Ill., honoring Capt. Eugene Cernan, commander of the Apollo XVII moon flight. Captain Cernan, a Naval Academy graduate, was a resident of the village of Bellwood in suburban Cook County and his mother and other members of the family still reside there. He has maintained close contact with his friends and neighbors throughout his distinguished career. The great attachment which the community holds for him and which he in turn reciprocates is dramatically described in an article by Paul Coffman which appeared in the Star-Sentinel Newspapers on Thursday, March 1, 1973.

The article follows:

A GREAT DAY FOR BELLWOOD

(By Paul Coffman)

Last Sunday will be remembered by many Bellwoodians and residents of Proviso Township as a great day in the history of the community . . . for on that day thousands of local residents paid homage to Astronaut Eugene Cernan for his great contributions to the space program of our country.

The day was a typical Cernan day from start to finish. There was the parade throughout the village which attracted thousands to their windows and along the parade route to see their hero in his triumphant return to his home town, a personal appearance before hundreds of youngsters at Roosevelt Junior High Shool, a huge banquet attended by over 1000 at the Sheraton O'Hare Motel and two appearances the following morning before the student bodies of Proviso East and West high schools.

There wasn't a dull moment for Captain Cernan, his wife or his daughter as the admirers of this "home town" family showed their admiration wherever they appeared. It was a long to be remembered day for his mother as well, who shared in the accolades bestowed upon her son by a grateful community.

To say that we are proud to claim Astronaut Eugene Cernan as our very own is putting it very mildly. His dedication to the purpose of exploring space, his willingness to sacrifice for a program he considered so important to all of the world and his genuine love for the community in which he grew up should make us all proud that he is our ambassador of good will wherever he goes.

Proviso Township can be proud that so many of our young people have gone on to make their place in the world and bring fame to our local communities, but one young man who will always stand out as a leader among leaders is Captain Cernan.

He will not only be known for what he has contributed to our space program, but he will be revered in the hearts of many for the genuineness he portrays. He is a typical example of what most of us think on "All American" boy should be.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

ALABAMA'S VOICE OF DEMOCRACY CONTEST

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DICKINSON. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy contest. This year nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. First prize is a $10,000 scholarship, second prize is $5,000, third prize is $3,500, fourth prize is $2,500, and the fifth prize is $1,500. This year's contest theme was "My Responsibility to Freedom."

A young man from my district, the Second District of Alabama, Robert Callen Naftel, of Montgomery, has won the State contest and will soon be in Washington to compete with other State winners for the national awards.

Robert is a 16-year-old student at Sidney Lanier High School and works as a disc-jockey and sports announcer. He wants to continue his education and make a career in broadcasting.

I am extremely proud of Robert, as is the State of Alabama, and of his winning speech which sets forth his responsibility to freedom. I would like to place a copy of that speech in the RECORD at this time:

MY RESPONSIBILITY TO FREEDOM

Why should I declare that I owe freedom anything? Is freedom actually qualified enough to deserve anyone's responsibility? After all, glance around you. To your right is a racial demonstration—people protesting a white bigotry of past generations. To your left is an "end the war" rally—people protesting a senseless and distasteful war. Behind you are union workers—people protesting low rates and long hours. And then in front of you is a wall. To define which side of it you are standing on would be useless. The decision is yours to be made. It may be thought of in one of two ways. You are standing within an enclosure. The rest of the world is on the outside blocked by this vast structure. You and only those about you are aware of the problems that surround you. The entire world is separated from you by this wall. Thus, they neither hear nor see these tensions. Accordingly, they can do nothing to solve these problems.

Now you are on the opposite side of the wall. The same situation exists with the demonstrations, rallys, and protests about you. But now you are outside of the wall and everyone is made aware of the existing problem. A cure is sought and hopefully found. In a sense, this is freedom. Without freedom the problems may be enclosed by a wall and forgotten. After all, if a problem is not seen or heard, one may conclude it is not there. All the life as we know it is not much like this. It very well may be with the lack of freedom.

Inasmuch as our society is not a perfect one, it possibly would be much cruder, containing a higher scale of oppression in a country without freedom. With the advantage of freedom, we, as Americans, have an opportunity to take steps in solving our problems, instead of shutting them out and pretending they are non-existent.

Our society is not a faultless one by any means, but our task of solving the problems that plague us will be an easier one with the aid of freedom. Men will always contend that an injustice is being carried out against him, and in a society containing those who value freedom, its accusations, no matter how just or unjust they may be, will be heard. The problems may be solved by letting each side of an opposing viewpoint work out in good faith a meaningful, profitable, and just answer to the situation. This is done only with the expanded and dedicated use of freedom.

When is my responsibility to freedom? To do my part in working with the masses of this country and the world, to solve our nation's vast and numerous problems—to live to my fullest extent to better mankind and dedicate myself to nothing else.

Whether I agree or disagree with what is being said, I should do my part to get along with my fellowman. Problems will continue as long as man's inhumanity to man exists and I shall do my part to win this battle of injustice with the aid of man's strongest element, a desire for freedom. What is my responsibility to freedom? A large and vast one—containing a high respect and gratitude for it and a complete coherence to its calling, and to be able to return my gratitude by, if it so requires, dying for it.

AN UPDATE ON THE ACTIVITIES OF PHILIP BERRIGAN

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. SPENCE. Mr. Speaker, as we all know, Daniel and Philip Berrigan have become folk heroes in some quarters over the past few years.

For whatever reason, some members of this very body have from time to time denounced the Federal Government for presuming to prosecute the brothers for destroying Government property.

So that we can remain up-to-date on the activities of Philip Berrigan, who was just released from jail in December, I ask that a UPI report which appeared in The State newspaper in Columbia, S.C., on February 19, 1973, be inserted in the CONGRESSIONAL RECORD at this point.

BERRIGAN: POW'S CRIMINALS

PHILADELPHIA.—Rev. Philip J. Berrigan, anti-war militant priest who was released from jail in December, has described America's returning prisoners of war as "war criminals."

"We are overpublicizing the war criminals that are coming home," the 49-year-old priest told a fund-raising dinner for the Camden "17" Saturday in suburban Wynnewood.

"But what else could we expect from the government, but to distort the true nature of the men? The returning prisoners are just what Nixon would want them to be, but they're going to have to come to terms with themselves."

The defendants in the Camden "28," now the Camden "17" are currently on trial in a U. S. District court in Camden, N.J., for destroying selective service records in August, 1971.

KATHY KAZEN REPRESENTS FLORIDA IN VFW VOICE OF DEMOCRACY CONTEST

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. ROGERS. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct a Voice of Democracy Contest throughout the Nation. The theme for this years contest was "My Responsibility to Freedom," and nearly 500,000 secondary school students throughout the Nation took part in this year's competition. Those selected among the top five State winners will share in scholarship awards including a first-prize scholarship of $10,000. I am certainly pleased to announce that one of my constituents, Miss Kathy Kazen, of West Palm Beach, Fla., is representing the State of Florida in the national competition and I certainly extend my congratulations to her for a very fine speech. At this point I insert a copy of Kathy's speech in the RECORD for the benefit of my colleagues, and I would like to wish her continued success in the national competition:

MY RESPONSIBILITY TO FREEDOM

After she fell down that amazing rabbit hole, Alice knew exactly what to do. She knew she had to keep running if she was even to stay in the same position, let alone progress. Wonderland was quite a demanding place.

America is our Wonderland. It is a nation abounding in opportunities for self-fulfillment. It is a country that strives to maintain "liberty and justice for all." It is a country sympathetic to the needy. It is a country which aims to better the lives of all its citizens through health care and education. It is the homeland of widely different—yet miraculously alike—individuals.

But it is also a nation that is constantly evolving—and if we are to preserve the rights to life, liberty and the pursuit of happiness for each individual, we, like Alice, must keep running. We have to follow her fine example and make action our key force. We cannot even afford to stay where are are—we have to move and change.

In third grade, I was taught that I lived in the greatest country in the world. We sang about our land and had a nice cake on George Washington's birthday because he is "the father of our country." At this time we were imbued with the fundamentals of patriotism. I advocate this. But I strongly oppose this great nation resting on its laurels concerning the issue of freedom.

Everyone wants to be free. I want to be free. But I want to feel all the refreshing manifestations of the concept of freedom—not just told I am free. I want to think and act freely. In other words, I want to keep running.

This is where my responsibility to freedom enters the picture. It is up to me to maintain a free, fluid state of mind. If I begin to feel cramped or abused, it is my duty to try and change things. If, as a young American, I feel unjustifiably threatened by authority, it is my obligation to petition, to let my feelings of frustration be known in a rational exhibition. Maintaining freedom is and should be a constant struggle. The longer we stand still in this kaleidoscopic Wonderland, the more problems will arise. The very essentials we strive for could be destroyed.

I, as an American, am proud of the dissent in our nation. I am proud that the people care enough to organize themselves in demonstration of their frustration. I am proud to live in a country where this public display of emotion is allowed, where unlike Alice's experience, there is no haughty queen to yell, "Off with her head!"

Our leaders should look upon this behavior as one of the strong points of America, not one of her weaknesses. If we as Americans could apply a positive attitude toward freedom of speech, if we could get away from the idea that perfect order is success, and if we could only see that there will always be dissatisfied persons and that they must be listened to, our country would see itself nearing utopia.

Because I want to work toward this goal, I feel my responsibility is to keep moving and to continually assess America's actions while still, and always recognizing the marvels of this Wonderland.

LYNDON B. JOHNSON

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. HOWARD. Mr. Speaker, all Amercans, and especially those who were here in Washington during the "Johnson years" will deeply miss the late President. His strong leadership, his enormous sense of compassion and humanity, and his great drive to insure a better life for all Americans, combined to make this man a monumental figure in our time.

He will remain with us, however, in the effects of his efforts; in the programs he molded into being to help those less fortunate in our society; in his very basic belief that together we can do great things.

I personally found Lyndon Johnson an inspiration as I came to Washington and watched this man move through the Congress and the executive agencies, persuading, cajoling, molding, and developing programs and concepts which he felt would lead this Nation to a higher standard of ethical and national greatness. I did not always agree with him, but even in those areas where one did not agree, one had to deeply admire his courage and strength of character.

Mr. Speaker, I believe one of the most sensitive recollections I have read about our former President over these past weeks was written by Mr. Carl Rowan, and appeared in the Washington Post. I include it at this point in the RECORD:

ONE MAN'S MEMORY OF LYNDON B. JOHNSON

(By Carl T. Rowan)

How shall I remember LBJ?

I think of a man I had scarcely met, poking his index finger against my chest one sultry day in Saigon in 1961 and saying: "Mr. Roe-ann, you don't know me. But one of these days you're gonna discover that I'm a goddamn sight more liberal than most of these so-called liberals you've been cottoning up to."

And I shall remember that when the public mood turned mean and ugly in America and lesser liberals ran with the mob, Lyndon Johnson remained true to his decent convictions.

I shall remember LBJ as a man driven to success, a man who didn't know how to take it easy, whether ordered to by his doctor or begged to by the Secret Service.

There was that incredibly hot day in some unbelievably dusty villages on the outskirts of Agra, India, when he kept whispering to me: "Stay close to me—right by my shoulder." He was nurturing the illusion that I was some kind of expert on India just because I had written a book about it.

I gasped as I tried to stay near him as he plowed through the grasping crowds. As I wiped my sweaty forehead with the front of my hand and my parched lips with the back of it, I asked myself: "Is this a man who has suffered a massive heart attack?"

I remember his telephone call on March 15, 1965, asking if I would sit with his wife and daughters while he delivered his address on the Voting Rights Act to a joint session of Congress. That was the speech—the last touches written by him on the way to the Capitol as he cursed the slowness of his speechwriters—in which he startled millions of Americans by using the emotional slogan, "We shall overcome."

And after that speech I remember sitting with him in his living quarters as the White House operator fanned out long-distance calls all over the land.

"How did I do?" Johnson kept asking. He was a man who meant it when he talked about bringing Americans together, healing the nation's wounds, making this a land of equal opportunity. He wanted so badly to be reassured that what he had done that night was courageous, and good for all America.

Yet, I remember Lyndon B. Johnson as one of the most complicated men I ever met. He could seem petty, even mean, about trifling things and then display the broadest vision about the human needs of men and nations.

Johnson was at heart a sentimentalist—the kind of man who would weep in San Antonio during the 1964 campaign when an aged black man stood in the back of a pickup truck at a shopping center and said: "I'm a black man, born two blocks from this spot. I never dreamed I'd live to see the day when a Mexican congressman (Henry B. Gonzalez) would introduce me so I could ask you to vote for a white Texan for President."

And Johnson would dismiss his tears with the comment that "A man ain't worth a goddamn if he can't cry at the right time."

I always felt that a lot of Johnson's toughness, even ruthlessness, was part of his effort to hide his sentimentality.

I felt that he waded deeper into Vietnam, and for a longer time, than his instincts and intellect dictated because he never wanted the Joint Chiefs of Staff to think they had a sentimental sissy in the While House. He seemed to want to say to Gen. Curtis LeMay: "I don't puff a one-foot cigar, but I'm as tough as you are."

There is special irony and tragedy in the coincidence that the war that killed Johnson politically should be grinding to a close just as the fates snuffed out his life completely.

There is double irony in the fact that he died on the eve of a White House campaign to erase much of the "Great Society" whose foundation Johnson built.

We have had our truce in the war on poverty; we have our moratoriums on federal subsidies for housing for the poor and middle classes; we have had vetoes of education bills and public works projects. We are told not to ask what government can do for us, but what we can do for ourselves.

There will be more of this. But not in 4 years nor 40 will they erase all that Lyndon Johnson did to change this society—not any more than they have been able to erase the mark of Franklin D. Roosevelt.

Maybe it's a little girl sleeping in a nightgown that won't go up in flames at the slightest spark—because Johnson *believed* in consumer protection; maybe it's a "hillbilly" girl who in June will become the first of her family ever to graduate from college—because Johnson *insisted* that higher education be put within reach of all; maybe it's a black family, walking into a motel in Mississippi tonight where in years past they would have been chased away—because Johnson wanted a public accommodations act sincerely enough to browbeat Congress into passing it.

I shall remember him as a man who, for all that Simon Legree posture he could assume, truly respected integrity of viewpoint. I shall never forget the time in India when he was irked at me for two or three days because I disagreed on a policy matter. Johnson returned from a session with Jawaharlal Nehru and, apropos of nothing, said to me:

"You were right, goddammit, you were right."

As I fumbled for a modest reply he poked me in the chest and said, "Let me tell you something: It never hurts to get knocked down a few times for standing up for what you believe."

He walked perhaps 20 paces away, then turned sharply to shout: "But you'd know that, wouldn't you? Cause you've been getting knocked down all your life."

I knew then that, whatever else they might say, Lyndon Johnson was a man.

IN MEMORIAM: GEN. RALPH F. STEARLEY

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. BRAY. Mr. Speaker, a few weeks ago, a great and good friend of mine was laid to rest in Arlington National Cemetery. Gen. Ralph F. Stearley was one of the last of a vanishing breed of men who proudly, honorably, and nobly wore his country's uniform.

His military career extended from the horse cavalry days, when he served on the Mexican border, to commanding fleets of heavy bombers, in the atomic age. The Indianapolis News compiled a record of General Stearley's service to his country, and I am proud to include it in the Record as a tribute to him:

Gen. Ralph S. Stearley

He was graduated from the U.S. Military Academy at West Point, N.Y., in 1918.

Gen. Stearley retired in 1963 after serving as commander of the 20th Air Force on Okinawa during the Korean War.

In the cavalry he developed his lifelong habit of rolling his own cigarettes, a custom he followed even at formal dinners.

Gen. Stearley transferred to the Army Air Corps in 1925 and soon became a pilot. He served a while in the Philippines and later was transferred to Chicago for duty with Army air mail operations. Later he was a flight instructor.

In 1942 Gen. Stearley was appointed chief of the air group of the Military Intelligence Service of the War Department General Staff in Washington.

In 1944 he joined the 9th Tactical Air Force in Europe as operations officer. Later the same year he became operations officer of the new Allied Airborne Army and in April, 1945, he was appointed commanding general of the 9th Tactical Air Division of the 9th Air Force which operated in France and Northern Germany.

Gen. Stearley became commander of the Air Section, 15th Army Theater General Board in the European theater of operations in September, 1945.

He returned to Air Force headquarters in 1946 as deputy chief of the legislative and liaison division of the War Department General Staff.

In 1948 he was appointed director of Legislative and Liaison Division of the directorate of public relations in the office of the secretary of the Air Force.

Gen. Stearley held several other assignments before being named commanding general of the 20th Air Force at Kadena Air Force Base, Okinawa, in July 1950.

On Okinawa he commanded a fleet of Strategic Air Command B29 bombers. During the same period he had conferences with Gen. Douglas MacArthur and Nationalist China's Generalissimo Chiang Kai-shek.

Gen. Stearley's U.S. awards include the Distinguished Service Medal, Legion of Merit, Air Medal, Bronze Star Medal and Commendation Ribbon.

His foreign decorations include commander of the Order of the British Empire, the French chevalier de la Legion d'honneur and Croix de Guerre with palm, and the Netherlands' Order of Orange Nassau, degree of commander.

Gen. Stearley returned to Brazil after retiring from the Air Force and served as president of the Chamber of Commerce and was active in various civic enterprises. He was a member of the Masonic and Elks Lodges, Rotary Club, First United Methodist Church and Veterans of Foreign Wars.

Survivor—wife Mildred.

MY RESPONSIBILITY TO FREEDOM

HON. JOHN MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. MOAKLEY. Mr. Speaker, I would like to share with my colleagues and the public at this time the inspiring speech of the winner of Massachusetts' Voice of Democracy contest. The contest is sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary; and more than 500,000 students from over 7,000 secondary schools participated in this 26th annual program.

I am delighted to insert at this time the remarks of the 1973 contest winner, Miss Beth Kevill Lambert of 5 Greenbrier Road in Canton, Mass. Writing on this year's theme, "My Responsibility to Freedom," Ms. Lambert states that "the only way the ideals of this country are to be achieved is through the participation of every individual," a sentiment I wholeheartedly endorse.

Ms. Lambert is to be congratulated for her excellent essay, and the Veterans of Foreign Wars to be commended for providing this rewarding program for our young people.

The essay follows:

My Responsibility to Freedom

"If ever our freedoms are lost, it will not be because the enemy was so strong, but because we, ourselves, were so lazy that we preferred to play at piety rather than to work at responsibility." These are the words of Robert Cook, President of King's College and author of several books on Theology. The words seem rather harsh but I believe they aptly sum up my responsibility to freedom. If I am apathetic to the obligations of liberty, allow myself to be ruled and dictated by my situation rather than assume my role as a citizen then I have no right to freedom, or to hypocritically malign others for the same fault.

This brings us back to the basic question, "What are these responsibilities?" The first is a case of earning or acquiring freedom. The second, preservation of this idealistic quality. The third, protection. We must be ready to come to its defense at the slightest intimidation or threat. The fourth is a constant refreshing or renewing of our compact with freedom. It is a living quality whose lifespan depends on those who support it. The fifth is respect. Perhaps this is the most important, because it implies a mutual sharing. I must follow these five guidelines to be deserving of this high-priced quality.

To me Freedom is a challenge! It is not a duty, but it entails action. It is not possessed by everyone, but everyone works to attain it. I must reach out for my individual freedom in a world drowning in humanistic collectivism. In defining my role concerning liberty, I synonymize my responsibility to America. Our country, the helmsman of freedom, was founded on the democratic principles and individual liberties stated in our Declaration of Independence and the Constitution especially the Bill of Rights. The only way the ideals of this country are to be achieved is through the participation of every individual. I must be willing to take this step. Not after everyone has stormed the citadels of freedom. But now when the need is greatest. Be ready to stand up for the principles the founding fathers established—life, liberty, the pursuit of happiness, Freedoms of Religion, Speech and the press. I must keep the documents of freedom from becoming dank, decadent papers, but rather preserve them as living contracts between myself and the government that represents me. But in my effort I will be careful not to coerce other men in my eagerness.

Freedom lives from day to day. If we let it rest, do not follow its challenges, then little by little it will disappear. One day we will turn to look for it but it will not be there. Then we will realize how much freedom was worth, and the penalty paid will be our own personal undoing. If ever our freedoms are lost, it will not be because the enemy was so strong, but because we ourselves were so lazy that we preferred to play at piety rather than to work at responsibility.

Thank you.

NATIONAL DE MOLAY WEEK OBSERVED

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. McCLORY. Mr. Speaker, it is my privilege to call to the attention of my colleagues the forthcoming observance of National De Molay Week, March 11 through March 18, 1973. All across our country, bright-eyed youth between the ages of 13 and 21 years of age will be celebrating the 54th anniversary of the founding of this order.

In the 13th District of Illinois, I am most familiar with the Anchor and Ark Chapter, Order of De Molay, whose current membership resides in the Waukegan, Zion-Benton, and Winthrop Harbor areas. Now in its 43d year of organization, the Anchor and Ark Chapter has 19 members whose religious dedication to God, country, and family renders them outstanding.

The Master Councilor is Fred King, who is in his junior year at Zion-Benton High School. In his immediate family, two of his brothers are also members of the Order of De Molay, with James King, Jr., a past Master Councilor and District Master Councilor.

Guiding Anchor and Ark Chapter members are several Dad Advisors including Messrs. Joseph Peterson, Tom Love, Clyde Golwitzer, and George Schumacher.

Encouraging the members by official notice—the mayors of the cities of Waukegan, North Chicago, and Zion have agreed to proclaim local observance of National De Molay Week. During the period of March 11 to March 18, 1973, Anchor and Ark members will visit the city halls and the Lake County Courthouse, where former De Molays are active in governmental affairs.

Included are Lake County Sheriff Orville "Pat" Clavey and Circuit Court Judges Fred H. Geiger and Harry D. Strouse, Jr.

These are names of former members which come readily to mind. However, in the 43 years that Anchor and Ark Chapter has been providing guidelines for the youth of our community, there are innumerable members who have advanced to leadership and prominence in all areas of community service. Many of them have gone into military service and achieved both rank and honor.

Mr. Speaker, I extend to all members of the Order of De Molay—wherever they are—my greetings and good wishes on the occasion of their founding anniversary. May they continue in the good works which they have begun.

TWO HUNDREDTH VICTORY

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. BAKER. Mr. Speaker, in Cleveland, Tenn., the townfolk are justifiably excited about the Lee College basketball team which has just chalked up its 200th victory.

The driving force behind this enviable record is the coach of the team, Dale Hughes. At 30 years of age, Dale is one of the few coaches who has a string of 200 wins under his belt. But Dale is unimpressed with this achievement for he is far too busy with the many other interests which occupy his time to be impressed with himself.

Despite many demands on his time, Dale is vitally interested in the well-being of his country and takes an active role in political affairs. He is a member of the county school board. His participation in my campaign as Bradley County chairman influenced many students to become interested in political and governmental affairs. I salute Dale Hughes as the kind of young man we can all admire and ask that the attached article from the Chattanooga News Free-Press be included in the RECORD at this point:

LEE'S DALE HUGHES GETS 200TH VICTORY

MARYVILLE, TENN.—Dale Hughes acted as though it were just another night in the life ot the most successful small college basketball coaches in the nation . . . but it wasn't.

With Larry Carpenter putting on a brilliant performance from the floor, hitting on 17 of 20 shots and scoring 36 points. Lee College won its 20th game of the season here Thursday night, defeating Maryville 91–73.

But that wasn't the important thing.

It was also Dale Hughes' 200th win as a college coach. Several coaches have 200 wins, but not many of them are under 35. Hughes not only is under 35, he's only 30, which could make him the youngest coach in the nation to reach the 200-win plateau.

Even so, he was hardly excited.

"To be truthful, I didn't even think of it until Rudy (Felton, the team statistician) called it to my attention three weeks ago. Since then I've been looking forward to it, but, of course, we've got and we've had some fine players," Hughes said.

The handsome, young coach was escorted to the showers by his players, but his pleas for mercy were heeded.

I told them to wait until the tournament. I had some new shoes on. Actually, I think winning the SCAC tournament would mean more to me, and to us as a team, than winning this game," he continued.

Hughes, who has been head coach for only nine years, took over the Lee reins at the age of 22.

MARCH 5, 1770—THE BOSTON MASSACRE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DRINAN. Mr. Speaker, on this date more than 200 years ago, March 5, 1770, a few humble citizens of Boston, Mass., paid the first installment of the blood and sacrifice by which this country's independence was finally to be achieved.

The Boston Massacre, as the unfortunate incident has come to be called, marked an end as well as a beginning. The shots that rang out that cold evening on King Street—now State Street—can indeed be said to have started the Revolution—for their echoes rang up and down the continent. As John Adams, later our second President, said:

> On that night, the foundation of American independence was laid.

Yet the musketry signaled also the death knell for a policy which a misguided imperial government had been foolishly trying to rivet onto the Americans for a decade.

In fact, if the Boston Massacre and the years of unwise taxation and attempts to maintain military strongarm order in Boston proved anything, it was that a government which will not understand the historical context in which it acts cannot ever succeed in governing.

The Parliament of Great Britain shortsightedly believed that whatever served English mercantile interests must automatically benefit the entire Empire, and that anyone in America who failed to understand that simple "truth," must be either a fool or a traitor.

Mr. Speaker, the lessons of the Boston Massacre are relevant to the agony which faces this country today. Taken in their widest import, they teach us this: The material welfare of a great nation is not the lodestar of its continuing greatness; the magnitude of a government's power is no assurance that its power will prevail, if its policy is not founded upon reason and humanity; and neither violence nor repression can reverse the course of history.

The deaths on King Street, as Prof. Hiller B. Zobel has written in the Boston Massacre "were but an eddy in that growing tempest" which, fanning the flames of freedom in 1770, has not yet today spent its force. As we pause now to commemorate again what happened so long ago, we shall resolve so to dedicate ourselves that the fire shall warm the tabernacle of our democracy, rather than consume it utterly.

AHEPA PRESIDENT URGES RESTORATION OF DEMOCRACY IN GREECE

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. BRADEMAS. Mr. Speaker, the political situation in Greece is, I know, of great interest to many Americans.

Mr. Speaker, 2 weeks ago, Dr. Michael Spirtos of Ohio, the new supreme president of the Order of Ahepa, issued a public statement on the political situation in Greece, following a visit that he and other Ahepa officials paid last month to Athens, Nicosia, to the Ecumenical Patriarchate in Constantinople, and King Constantine the II.

Mr. Speaker, this statement is of special significance because Ahepa is the largest organization of Americans of Greek origin and because Dr. Spirtos must be regarded as the principal spokesman of Americans of Greek descent.

Mr. Speaker, I include the text of Dr. Spirtos' statement, of February 24, 1973, in the RECORD:

STATEMENT BY DR. MICHAEL SPIRTOS

The Supreme Lodge of AHEPA has just returned from a trip to Europe, including visits to Athens, Nicosia, and the Ecumenical Patriarchate in Constantinople, and King Constantine the II of all Hellenes.

I wish to reiterate at this point that AHEPA is a non-political, non-partisan fraternal organization, expressing the ideals of the community of Americans of Hellenic descent.

This community, whose civic spirit has most recently been praised by President Nixon himself, has consistently supported the declared policies of the Government of the United States in the field of foreign affairs. One of these stated policies, which is of particular import to all Americans of Greek extraction, is the desire of the United States to see Greece return to democratic government as soon as possible.

The restoration of democracy in Greece has also been the declared intention of the present Greek Government, expressed both in public statements and privately to the U.S. Ambassador, Henry Tasca.

For all the above reasons I cannot but express my disappointment in not observing any real direction toward constitutional government at the present time.

I consider it my duty as an American and as an Ahepan to speak in defense of our democratic ideals and to urge all brother Hellenes in positions of leadership to raise themselves to the heights of mature statesmanship dictated by our sacred Hellenic tradition of responsible citizenship.

NICOLAUS COPERNICUS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. EILBERG. Mr. Speaker, 1973 marks the 500th anniversary of the birth of the father of modern astronomy, Nicolaus Copernicus, in the Polish city of Torun. It is fitting that this man's contribution to mankind be commemorated.

Copernicus, or Mikolaj Kopernik in his native tongue, was born in Torun on February 19, 1473, the son of a wealthy merchant and the nephew of an influential bishop. He spent his boyhood in his native city and, from 1491 to 1496, studied mathematics, astronomy, theology, and medicine at the University of Krakow. He later enrolled as a student of canon law at the University of Bologna. However, even in turning to the study of church law during his years in Italy, he never gave up his passionate interest in scientific studies. In the jubilee year of 1500 the young priest traveled to the Rome of Alexander VI to lecture on mathematics and astronomy. He then studied medicine at Padua and later took his doctorate in canon law from Ferrara. Copernicus thus had the benefit of the finest education available in Renaissance Europe.

At an early stage in his career, Copernicus began to question the Ptolemaic astrological view that the earth was stationary and that all heavenly bodies revolved around it. He came to the conclusion that the sun rather than the earth was at the center of the universe. He undersood that the earth was a planet revolving around the sun in the company of the other planets and, thus, like its fellow planets, was a heavenly body. Because the earth itself is in the heavens, he concluded, the contrast between heaven and earth vanished, being replaced by the concept of space. From 1503 to 1510 Copernicus worked on the outline of this theory of the construction of the universe. He conducted his observations, using instruments of his own construction, from the tower of his uncle's cathedral-church at Frombork.

Copernicus' research also obliged him to revise the then current conception of gravity. Prior to the development of the Copernican theory it was commonly thought that the fall of objects toward the center of the earth was, at the same time, a movement toward the center of the universe. Copernicus, however, posited that there was no single center of gravity in the universe and that every heavenly body had its own center of gravity. Such theories were sufficiently radical that initially their propounder dared not publish his findings lest, like other nonconformists, he be punished, possibly by death. Eventually he was encouraged to circulate his findings among a few friends and specialists, and finally his masterpiece, "The Revolution of the Heavenly Spheres," was published. It is interesting to note the tradition that the great professor received the first printed copy of his work on May 24, 1543, the day of his death. Since that spring day four and a half centuries ago "De Revolutionibus Orbium Coelestium" has become a cornerstone of modern scientific thought and stands as an ageless monument to one of the great minds history has known.

Mr. Speaker, through the efforts of Polish-American civic, fraternal, and cultural organizations in cooperation with academic leaders across the Nation the quinquecentennial of Copernicus' birth will be appropriately commemorated this year. In my own city of Philadelphia, the Kopernick Commemorative Committee, under the direction of Msgr. Peter J. Klekotka and Mr. Alex Macones, has undertaken the laudable task of erecting a monument to this great Polish scientist whose influence on men's thinking is still felt. The proposed Copernicus Monument in Philadelphia is to stand at 18th Street and the Benjamin Franklin Parkway.

It is also fitting that the U.S. Postal Service has authorized the issuance of a special commemorative stamp honoring the Father of Modern Astronomy.

STATEMENT ON 40TH ANNIVERSARY OF SOUTHERN STATES INDUSTRIAL COUNCIL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. CRANE. Mr. Speaker, during a period when freedom and free enterprise have come under increasing attack, both at home and abroad, the Southern States Industrial Council has provided an important eloquent voice in their defense.

While many in America have held the mistaken view that they might oppose government intervention in the economy, yet themselves receive subsidization from that same government, your organization has been aware of the fact that, as Lord Acton said long ago, power corrupts, and absolute power corrupts absolutely.

Government never enters any area of life—whether it be education, business, medicine, or agriculture—without also seeking to control it. The Southern States Industrial Council has understood that the way to avoid that control is, at the beginning, to oppose that intervention.

Similarly, in foreign affairs, your organization has advocated a firm policy toward aggression and tyranny and has repeatedly called for a strong national defense. You have learned the lessons of history which too many others in our country have refused to learn, that the best hope for peace is through strength, and the best way to maintain security is to repel aggression at the earliest possible moment. You understood that the war in Vietnam was a commitment against aggression, and that if that aggression was not stopped at that time and place it would have had to be stopped at a different time and place at a much higher cost.

I am confident that history will prove that the positions advocated so forcefully and effectively by the Southern States Industrial Council, since its founding in 1933, will be proven correct. I extend to you congratulations upon your 40th anniversary and the hope that your good work will continue for many years to come.

POSTAL SERVICE ANNOUNCES JOB EVALUATION PROGRAM

HON. FRANK M. CLARK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. CLARK. Mr. Speaker, we are aware of the difficulties inherent in managing an organization as large and geographically diverse as the U.S. Postal Service. The need for capable and innovative management personnel was recognized by Congress when postal reorganization was discussed and implemented. A Postal Service information release has come to my attention in which Postmaster General Klassen announces the implementation of a job evaluation program designed to maintain compensation and benefits for all employees on a standard comparable to compensation and benefits paid for comparable levels of work in the private sector of the economy.

Mr. Klassen points out that the Postal Service shall provide compensation, working conditions and career opportunities that will assure the attraction and retention of qualified personnel and that through the efforts of a well-trained and well-motivated force the effectiveness of postal operations will be increased.

I am certain that we, and our constituents, wish the Postal Service success in their efforts to improve service by offering incentive to their personnel. I include the information release to be printed in full for the convenience of my colleagues:

GENERAL RELEASE No. 13

A job evaluation program designed to benefit immediately or potentially at least two-thirds of all management employees in the U.S. Postal Service was announced today by Postmaster General E. T. Klassen.

An estimated 77,000 postmasters, managers and supervisors are affected, with none due for any pay cut under this program.

Mr. Klassen also announced that the Postal Service was granting a $500 across-the-board pay increase plus a $166 temporary cost-of-living adjustment. Both will be granted as if they had been put into effect November 14, 1972, rather than March 3, 1973, the date of job evaluation implementation. Adjustments for the November 14-March 3 period will be paid as quickly as procedurally practicable.

These increases will first appear in the March 22 and 23 paychecks, covering the period beginning March 3.

The increases are consistent with the decision in order of the Pay Board dated February 15.

The job evaluation program resulted from the Postal Reorganization Act of 1970, which states: "It shall be the policy of the Postal Service to maintain compensation and benefits for all officers and employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy."

Accepting this as a mandate from Congress, Mr. Klassen announced last August that particular emphasis will be placed on opportunities for career advancement of all postal employees, and added.

"We shall provide compensation, working conditions and career opportunities that will assure the attraction and retention of qualified and capable supervisory and other managerial personnel.

"And we shall establish and maintain a program for all such personnel that reflects the essential importance of a well-trained and well-motivated force to improve the effectiveness of postal operations."

The Postmaster General said today that putting job evaluation into effect is in line with this expressed intent to make postal pay equal to compensation for comparable skills in private industry.

THE ENVIRONMENTAL QUALITY CORPS

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. BROTZMAN. Mr. Speaker, the people of America are getting fed up with costly Government programs that do not accomplish what they set out to do. Billions of dollars are being spent to find work for the unemployed and on welfare programs, for example, that are simply not giving the American people the return on their investment that I feel they deserve. There are plenty of things that need doing around this country and too many people without work.

Although unemployment is dropping slowly from its previous highs of last year, the young especially are still faced with an intolerably high unemployment rate. Such enforced idleness among the young contributes to their disillusionment with the system and has a direct correlation to their involvement in the Nation's high rate of crime. Although most do not turn to crime, the only other choice available is too often the Government dole, where they still represent a drain on the economy.

At the same time, many young people have expressed to me a deep and abiding commitment to helping the Nation solve its environmental problems.

Therefore, the bill I am today introducing would establish an Environmental Quality Corps, composed of 100,000 volunteers, to put America's youth to work on projects designed to better the environmental lot of all Americans.

My bill would involve them in reforestation, park and campground construction and maintenance, recreational facilities construction in both urban and rural settings, and highway beautification. It would take them off the Government dole and give them a job they could point to in later life with pride.

Corpsmen, aged 18 through 26, would be selected from all walks of life, without regard to their race, social class, economic status, or sex. Veterans who have completed service with the Armed Forces and have been honorably discharged would be granted special consideration, however.

Service in the Corps would be for 1 year with an option to reenlist for a second year. Corpsmen would be provided with room and board, a modest allowance, and the training necessary to make them productive members of the Corps and more marketable laborers on the outside job market.

In providing these services for its volunteers, the corps has been directed in my bill to make extensive use of existing governmental facilities and equipment. Government units, including those on the State and local level, who contract for the services of corpsmen would be required to provide as much of the necessary equipment and facilities at their own expense as they are able. For those facilities they could not provide, the Corps would be authorized to utilize surplus Federal property made available by the General Services Administration and the various Federal agencies involved. Thus, it is my hope that the Corps could escape the largest portion of the overhead costs of equipment and facilities.

Benefits derived from the program would be manifold. Those agencies and levels of Government which cannot now afford new projects to better the physical environment for their constituents would suddenly find themselves with a new source of inexpensive labor. This in itself should encourage the development of more of these types of programs at the local level.

At the same time, however, careful precautions have been taken in the bill to assure that corpsmen are not used to replace regularly employed workers. The agency involved is further required to prove a maintenance of effort to protect and improve the quality of the environment.

Mr. Speaker, I feel that such a program would prove a great asset to the national effort in this area. It would provide the Nation with a continuing means of absorbing our surplus manpower while at the same time giving the Nation something in return. Too few of our Federal assistance programs do this these days.

I plan to ask the chairman of the House Education and Labor Committee to take up this bill in its consideration of the authorizing legislation for the programs of Action. I understand hearings on this subject will be held this spring, and I hope we will be able to work together to see this program enacted as soon as possible, so that the energies and talents of the young can be diverted to correcting the environmental problems of the country at an early date.

COMPLAINTS REGARDING THE U.S. POSTAL SERVICE IN RURAL AREAS

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. SEBELIUS. Mr. Speaker, several weeks ago the U.S. Postal Service held a management conference working session in Washington to find ways to improve service performance. In a letter to me from the Congressional Liaison Officer, the Postal Service explained that a cooperative effort among Postal Service management was essential to improving mail service.

I make mention of this today, because I have been critical of the postal service we are receiving in rural areas, and because I do not share the optimism continually expressed in the many reports and press releases I receive from the U.S. Postal Service. Every day the mail is delivered to my office in Washington, I can count on an increasing amount of complaints regarding the postal service in rural areas. These complaints are in direct contrast to the reports I receive from the U.S. Postal Service—so much in contrast that I sometimes think we are talking about two different agencies.

The key, I think, to improving postal service is the cooperative effort mentioned in the recent management conference. Last week my office received an unusual telephone call from a good friend in behalf of a postal employee in Kansas. The question involved the alleged forced retirement of a postal employee, because of a new directive regarding termination of employees who have diabetes. This particular employee has 20 years of service with the Postal Service and, of course, wanted to know why the directive could not be limited to new employees. In other words, he asked the commonsense question:

> Why did the Postal Service wait 20 years before telling me I was not suitable for work?

Now, in most cases our citizens in Kansas feel free to contact their elected public officials directly. But, this particular gentleman knew full well he could not do that. Because of his unique position as an employee within the Postal Service, he has been instructed not to contact his Congressman regarding any matters concerning postal policy. That is why he went through a mutual friend.

In an effort to be of help, my office contacted Mr. Jeff Krause, of the Postal Service Legislative Liaison Office, and asked whom we could visit with regard to the new directive concerning diabetics. We were trying to locate someone for the postal employee to call so that he, in turn, could ask about the new directive without making the matter the subject of an official complaint.

My office staff was informed, that postal policy states we could not talk to anyone in the postal corporation. We were further informed that an employee could not talk to anyone at a policy level. The only recourse open to the employee was to work through the grievance procedure and his local postmaster.

Mr. Speaker, I do not know of any Federal agency, other than the U.S. Postal Service, where an elected representative of the people is not permitted to talk to anyone within that agency. I also do not know of any agency within our Government that either officially or unofficially does not permit their employees to contact their elected representatives.

We have here a case where an employee of the U.S. Postal Service has been forced to contact his Congressman through a "middleman" regarding a policy decision that sounds discriminatory and that may be in violation of his rights. Furthermore, we have been told that it is official postal policy that we cannot contact anyone within the Postal Service, only those in the liaison office. I have been down that road before. In the great majority of the cases our relationship with the liaison office has been good and our requests have been answered without delay. Of course, the answers we receive relative to employee problems, postal rates, closing of rural post offices, consolidation of routes, mail delay, and others, are not favorable, but they are always prompt and courteous.

I full well realize that there must be a "chain of command" within any organization and that employees should follow accepted policy relative to personnel problems. To do otherwise would be to invite mass confusion. Nevertheless, for my constituents, my office serves as a court of last resort with the bureaucracy. Any policy that denies any citizen the basic right to contact his or her Congressman should be changed.

I wonder what the reaction of Mr. Krause would be should he call my office and be refused permission to speak to me—that instead he must first go through my district office in Norton, Kans., then to my office in Dodge City, and then in turn to Salina, and then to my office here in Washington. I am considering adopting that policy, especially when the Congress is considering postal appropriations. In the meantime, if an emergency dictates immediate action, Mr. Krause could always utilize the Postal Service's overnight mail delivery service from Kansas to Washington. The letter should arrive in my office sometime within 10 days.

SUPREME COURT DECISION UPHOLDING THE RIGHTS OF BLACKS

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. RIEGLE. Mr. Speaker, last week the Supreme Court ruled unanimously that a suburban swimming club cannot refuse to accept blacks who live in the immediate neighborhood if the club gives a membership preference to residents of the neighborhood. The decision was based on an 1866 civil rights statute which insures to all citizens the same right to buy, sell, and rent property as white citizens have. The Supreme Court, in an opinion written by Justice Harry A. Blackmun, overruled a fourth district court of appeals decision.

I applaud the Court's decision which protects the rights of blacks to enjoy the full benefits of residency when buying or leasing within an area. The decision of Moose Lodge last year which allowed the discriminatory membership practices to continue was a narrow decision based on lack of State involvement in the discrimination. The recent decision of the Court shows that the Court is still sympathetic to the rights of minorities.

CONGRESS' RESPONSIBILITY ON THE BUDGET

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. CHAPPELL. Mr. Speaker, many citizens are disturbed that the President has seen fit to simply hold back any funds for programs he personally dislikes. Following such a totally chaotic manner of reaching some kind of budget balance is simply not the way to handle the matter. Abruptly cutting off funds where States have already provided for their share of a program is confusing to the State officials. Likewise, with the knowledge that any program can be chopped out of the budget at the last minute, leaves them totally bewildered as to how to deal with their own planning and their own budgets.

Recently, Gov. Reubin Askew of Florida met with the State's congressional delegation to discuss the problem impoundment has presented to our State. There is no question other States are experiencing similar difficulties.

Governor Askew pointed out the impossibility of developing a meaningful State budget for programs already in being and often requiring matching funds, when it is not known from day to day which program will be in existence and which will be cut or abolished.

Mr. Speaker, this is no way for a responsible government to deal with other governmental entities. Aside from the question of the relative powers of the President and the Congress, we face the equally important question of the powers and duties of State legislators, Governors, mayors, school boards and county commissioners, charged by local and State law to arrive at a firm budget by a date certain. Impoundment has made this impossible. If we allow this trend to go unchecked, the congressional intent—counted on by State and local government—will be meaningless and important local level programs will not be requested or funded on congressional intent alone, but instead will be delayed without timely implementation on the chance the program will be chopped by Executive fiat, leaving the local government out on the limb for a program it cannot fund by itself.

We in the Congress are faced with the total stripping of our responsibility to the people with respect to the budget if the trend toward impoundment continues. President Nixon, during his first 4 years, has impounded over $40 billion. Since his recent election he has impounded funds to be used for housing, agriculture, and water pollution.

We are all concerned about the national debt. It is, of course, vital that we cut out every form of reckless spending and balance the budget. Certainly no individual can spend himself rich, and this country cannot accomplish that either. However, it is foolish for us to turn over the most powerful check that was given to us in the Constitution and allow any Chief Executive, whoever he might be, to completely take over the budget, spending or deleting as he deems appropriate without regard to the needs as presented to and determined by the Congress in its various committees nor for its positions as direct representative of the people. I think the people of the United States are neither ready nor willing to vest this much power in one man.

Many of us in the Congress have sponsored legislation to notify the Congress whenever the President impounds funds and to provide a procedure whereby the House of Representatives and Senate may approve the President's action or require him to cease such action. The bill, H.R. 3296, in effect, would again allow the checks and balances so necessary to the smooth operation of our Government and to the fairness it was intended to create.

Mr. Speaker, I urge every Member of the Congress to look closely at this type of legislation and to support this measure as a new thrust for the Congress assuming its responsibilities.

SMALL BUSINESS ADMINISTRATION HAS IMPRESSIVE RECORD UNDER ADMINISTRATOR THOMAS S. KLEPPE

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. EVINS of Tennessee. Mr. Speaker, as chairman of the Select Committee on Small Business, one of the primary concerns of our committee is the oversight over the operation of the Small Business Administration, the organization charged with aiding, counseling, assisting and protecting the interests of American small business.

I believe the country is indeed fortunate to have a man such as Thomas S. Kleppe, a former colleague of ours in the House, as Administrator. The able management of SBA by Administrator Kleppe has put this agency, serving the Nation, in the forefront.

In this connection, I insert in the RECORD a report on SBA's recent accomplishments.

The report follows:

U.S. SMALL
BUSINESS ADMINISTRATION,
Washington, D.C., January 11, 1973.

Hon. JOE L. EVINS,
Chairman, Select Committee on Small Business, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed is a status report in capsule form of some of our accomplishments here at SBA.

I think you will find the report to be very self-explanatory in brief terms but I would add that the dedication and attitude of our 4,000 people scattered throughout 80 offices in the United States have produced above and beyond what they themselves thought could result.

I am personally pleased with the overall status of the Agency today in connection with our legislative direction and our mission, but probably the last paragraph is the high point of management and efficiency. To be able to increase our work and our activities double, triple, or even quadruple in some areas and to do it all in light of serious demands upon our time and manpower for servicing disasters and yet to do it all with more than 200 people less than we had when I came here is probably the greatest accomplishment.

Thank you, Joe, for all of your wonderful cooperation.

Sincerely,

THOMAS S. KLEPPE,
Administrator.

THE SBA RECORD

This year, during which we will observe the 20th anniversary of the creation of the U.S. Small Business Administration by the Congress, it is especially fitting that the dramatic record of this Agency be reviewed.

Congress has always recognized that the Nation's small businesses are an economic constituency that must be encouraged and protected. A healthy small business community lifts the entire economy.

Small, free, independent enterprise is the heritage of our past and the life blood of our future, providing all of our citizens with their most prized possession: opportunity.

Small Business was the fountainhead of our inventive achievements and industrial giants of today, and it remains the basic source of our invention and industry of tomorrow.

The number of small businesses has grown enormously—contrary to the general impression that it is declining. The Census Bureau reports there are 8 million small businesses in America today. That is one million more than we had 10 years ago. There are over two million small businesses than 20 years ago, when SBA began. Indeed, rather than being bypassed by bigness, small business is an ever-growing thing and is now providing jobs for half our people and contributing 44% of our Gross National Product.

SBA has kept stride with this growth. It has become one of the finest, well-organized, sensible, and valuable of Federal agencies. It has maintained an extremely modest posture in size, yet it has performed at a progressively increasing rate to the point of historic proportions.

Twenty years ago, SBA handled $29 million in loans. Ten years ago it approved $358 million. Today, for the calendar year just ended on December 31, the SBA made more than $3 billion in loans of all kinds.

The potential of SBA has been most fully utilized during the past two years. This was brought about by a realistic reassessment of goals by its management. It concluded that in order to fulfill properly SBA's mandate as defined in the Small Business Act, the agency must motivate the private sector more, it must educate small business as to what the Agency has to offer, it must make better use of Federal funds available, it must decentralize its personnel, and it must get more productivity out of its employees.

The Agency put down its operational plans as follows:

1. Raise the level of its existing services;
2. Give minorities a bigger piece of the action;
3. Fill the increasing demands for new types of assistance;
4. Increase private sector help and counsel to small business;
5. Take politics out of the Agency because small business does not know the difference between a Republican, Democrat, or Independent any more than it knows the difference between a White, Black, Spanish-American, Indian, or any other group.
6. Communicate fully with the Executive Branch and the Congress as to its accomplishments and future plans.

The Agency's track record proves that it is doing something right. SBA has really "delivered" to small business. Fiscal year 1972 was particularly dramatic.

In 1972, SBA loaned more than $1.5 billion to small business. This was 40% more than in 1971 and more than double 1969.

In 1972, SBA's total portfolio climbed to more than $3.7 billion, 85% more than in fiscal 1969.

In 1972, SBA's Community Development Program funded 639 projects costing $147 million. This was a 14% gain in projects and 43% more dollars than in the previous year. It reversed a downward trend that surfaced in 1971. Two-thirds of these projects were located in rural areas or small communities of less than 10,000 population.

In 1972, active Small Business Investment Companies (SBICs) became larger and their financings in small businesses greater. There were 274 SBICs reporting private capitalization of $340 million, a gain of 5% over 1971. Their financing activity was $169 million, a gain of 8%. These figures reversed previous decreases in the venture capital industry.

Even though small business received $11.5 billion in prime and subcontracts from the Federal Government in 1971, its share of the total declined from the previous year. It was a continuation of the trend of several years. In 1972, that trend was reversed—the first turnaround since 1968. The dollars received by small business rose to $12.6 billion, a 10% increase, and small business share of the total pie gained 1% and stood at nearly 29%.

Natural disasters have been rising and SBA has responded accordingly. In fiscal 1972, the number of disaster loans to businesses and homeowners jumped to a staggering 93,000, or 63% more than the previous year, 450% more than in 1970, and 40 times the volume in 1969. The dollar outlay was $327 million, up 9% over the previous year.

(In calendar year 1972, which incorporates Hurricane Agnes, the greatest natural disaster on record, SBA approved 183,000 disaster loans valued at more than $1 billion. That is 90% more loans and 180% more dollars than in the previous 12 months.)

SBA has done the largest share in the Federal Government in building minority enterprise. In 1972, SBA loans to minority businesses amounted to $258 million, increasing 21% over the previous years, and 145% over 1969.

An average of 19% of the SBA business loan dollar has gone to minorities during the last three years.

The 8(a) program of setting aside Federal contracts for the socially and economically disadvantaged was up sharply. SBA had forecast a dollar value of $100 million for 1972. It actually achieved $152 million, a rise of 134% over 1971. The number of contracts—most of them going to minority businesses—was 1,700, compared with 28 in 1969.

A new Limited Small Business Investment Company concept, which is pioneering as a major source of equity money for minorities, had 31 operating firms in 1972, compared to 21 the previous year. Their capital investment was up 145% at $10.3 million, and their financings in monority businesses were up 75% at $3.5 million.

SBA has added many new assistance programs to its arsenal in order to meet the demands of small business. Many of these have just begun their growth:

Surety bonding, under which SBA guarantees bonds needed to obtain a contract . . . $94 million, up from $1 mllion;

The guaranteeing of rental payments on leases in class-A locations—$150 million, up from $121 million;

Establishing and guaranteeing a revolving line of bank credit for construction contractors—$32 million, up from $3 million;

And three programs just beginning their first year:

Liberalizing benefits to veterans—6 million Vietnam vets have been made eligible for Economic Opportunity Loans;

Expanding assistance to agriculture-related businesses;

Establishing secondary markets to give banks liquidity on SBA "paper".

SBA has been utilizing the private sector and its resources to an unparalleled degree.

It has conducted an ambitious sales campaign on banks, and they have responded favorably. Part of this positive reaction comes from the fact that SBA has made loan-making easier—cutting loan processing time in half and eliminating unnecessary red tape. Two-thirds of the Nation's 14,000 banks are now investing in SBA loans, compared to just 10% in 1969.

Ninety-five percent of all the funds provided for small firms under SBA's regular business loan program in 1972 came from these banks. They invested $1.3 billion, 53% more than in the previous year.

The private sector is participating in other ways:

SBA's Community Development Program has fostered initiative among local individuals and groups to rebuild their own communities with the help of SBA money earmarked for such self-development.

The number of SCORE and ACE volunteers, comprising both retired and working executives, has risen to 6,600. These men and women are providing the bulk of SBA counseling and other management assistance;

Increasing agreements have been made with professional and trade organization to make their management skills available;

In a pilot program, business students at one university were used to help small businesses about to "belly up". Through their efforts, three-fourths of those businesses were saved. SBA has now established a new "Small Business Institute" program involving 37 universities, hundreds of students, and thousands of small firms.

All told, SBA has achieved its objectives to date.

The Agency loaned 125% more dollars to the small businessman in fiscal 1972 than it did just three years ago.

The total of business loans made during the last three fiscal years was $3.4 billion.

Thus, 40% of all the business loan dollars in SBA's entire history were disbursed in the last three years.

Assistance to minorities during the last three years—nearly $900 million in loans and contracts—also exceeds all previous SBA assistance historically.

SBA has stimulated the total economic growth of the country. There is an undetermined capital "gap" in the small business community—the annual needs for capital that are not met by banks and other commercial money sources. Some estimates put those needs at $5 billion dollars. SBA is reducing the gap significantly.

In 1972, SBA loans and contracts, directly and indirectly, went to more than 150,000 companies throughout the Nation, 10,000 of these being new businesses.

SBA has meant more jobs. Its loan programs generated new jobs and maintained existing employment for a total of 300,000 jobs in 1972.

Federal contracts to small business during the year meant another 1 million jobs.

The key to SBA's recent performance is that it has operated in a business-like way. This approach to Federal government has worked.

As a result of its efforts in administration and management, SBA has become a model in the President's Federal Assistance Review program (FAR).

The Agency has decentralized in fact, not just on paper. More authority has been given to the field offices. Its regional managers now sit on SBA's policy-making Management Board. A top-level position as chief of field operations has been created. People have been shifted from the Washington office to the field offices so they can be more responsive to local communities and Congressional districts.

SBA has streamlined its operations. Processing time on loans, contracts, and aid for disaster victims has been cut drastically. And the speed-up has actually improved its efficiency.

In administration, SBA has chopped away at bureaucracy, paperwork, and inefficiencies. It formed a more cohesive administrative staff. It computerized its administrative functions and cut in half the internal reports being made. It discovered that it could reduce the 2,400 different official forms used by the Agency to 1,600, and they are still trimming. It found that minority people can be effective workers, and they now constitute one-fifth of SBA's total 4,000 work force.

ISRAELI OFFERS TO AID SOVIETS BY PUTTING LEAD IN THEIR PENCIL

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. RARICK. Mr. Speaker, an Israeli businessman has offered to help Soviet war production by supplying lead for their pencils.

Meantime, President Nixon gives Mrs. Meir reassurances that Israel does not stand alone, but will receive additional sophisticated aircraft and weaponry under an "Israelization plan," formulated as a balance of power against Soviet weaponry.

I insert a related newsclipping at this point:

[From the Evening Star-Daily News, March 1, 1973]

ISRAELI COMPANY OFFERING MARKED AID TO RUSSIANS

JERUSALEM.—An Israeli businessman has offered to sell the Soviet Union 35 million pencils.

Alex Raphaeli, owner of the Jerusalem Pencil Co., made the offer after the newspaper Muskovskaya Pravda reported the shortage in the Soviet Union.

The report blamed the pencil problem on inefficient production and irrational distribution.

The Soviet newspaper said one Moscow pencil factory lost 3,500 man-days of work last year because of mechanical breakdowns in the production line.

Raphaeli said he made the offer in writing through a neutral European country. Israel does not have diplomatic relations with the Russians.

THE AMERICAN LEGION PRESENTS THEIR DISTINGUISHED PUBLIC SERVICE AWARD TO CONGRESSMAN GEORGE MAHON, CHAIRMAN, HOUSE COMMITTEE ON APPROPRIATIONS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. TEAGUE of Texas. Mr. Speaker, it gives me great pleasure to be able to insert in the RECORD, the remarks of our colleague, GEORGE MAHON, chairman of the House Committee on Appropriations, following the presentation of the American Legion's Distinguished Public Service Award, February 28, 1973, at their annual congressional banquet.

There are few people in this country who deserve such an award for public service as does GEORGE MAHON. He is the man where, in the late Harry Truman's words, "the buck stops" when it comes to getting the Federal dollar. I have great admiration for GEORGE, he is a great American and truly a public servant. As chairman of the House Committee on Veterans Affairs Committee for many years, I was always most appreciative of the great consideration he and his committee always gave to the veterans and the veteran program of this country. He is most deserving of this award.

The speech follows:

REMARKS BY GEORGE MAHON

National Commander of the American Legion, Joe Matthews, Mrs. T. G. Chilton, National President of the Legion Auxiliary, distinguished head table guests, my colleagues from the Congress, distinguished Legionnaires, ladies and gentlemen:

My special greetings to the returned Prisoners of War at Table 117. We are greatly honored by your presence as just demonstrated by the audience.

I wish to express my deepest thanks for the honor which you have conferred upon me tonight. Thank you, Joe. The award is even more priceless because it comes during your Administration.

When I reflect on those who have received your award previously, all of them men who have contributed greatly to the strength of our nation, I am both humbled and greatly honored.

In the 32 years I have been working on military appropriations, the American Legion has been of great assistance to me, both in a direct and an indirect way. Your representatives regularly appear before my Subcommittee on Defense Appropriations. You have been of invaluable assistance to us in our efforts to maintain sufficient military strength for our nation. By your influence throughout the length and breadth of this land, you have helped create an atmosphere that has made it possible for us each year to pass through Congress a reasonably adequate defense appropriation bill. I give you my pledge that we shall continue our standard of performance.

This country owes more than it will ever know to the members of the American Legion who have unceasingly and in many ways served veterans, their families, and the nation as a whole. You have been an indispensable factor in providing the leadership which has helped shape the course of our country.

But your work is not over. You must continue to be watchful, well informed, and active in the cause of peace and stability and in behalf of Veterans and their dependents to whom so much is owed.

More so than in recent years, this occasion tonight is a happy one. For the last six or seven years when we have met here together, there was fighting by U.S. ground forces in South Vietnam. Tonight we are grateful for the cease-fire and for the return of a number of our prisoners of war. We impatiently await the return of the others. We are saddened that there is not more hopeful news about the missing in action. We anxiously and prayerfully await further word. And we honor the memory of those who have suffered and sacrificed for our beloved country.

Mrs. Helene Knapp, you honor us in joining us here tonight representing the families of the prisoners of war and the missing in action. Thank you.

We all recognize the fact that our country is faced with many problems. I am concerned, but I am not pessimistic. The fact that enough of us are worried encourages me to believe that we will manage to deal adequately with the vitally important and highly complex challenges which confront us.

As we look to the State of the Nation, we wonder what should be done about the controversial Federal budget now before Congress, a budget which estimates that the national debt will increase this year by $34 billion and next year by $30 billion, a $64 billion increase in just two years. And all of this is piled on top of debt increases which have been the pattern for years and which have contributed to inflation and the decline of the dollar and the loss of our position in world trade. In the coming fiscal year, interest on the national debt will increase to a new high of $24.7 billion!

Do we as Americans have the will to discipline ourselves, to do what must be done for the environment, health, education, and welfare, and all the rest, and cope adequately with inflation and the rising national debt? Are we willing to move more nearly toward paying our way with funds on hand, not borrowed dollars?

In establishing priorities, will we have the good sense to continue national survival in a less than stable world as our number one priority? Do we have the capacity and courage to develop the fiscal restraint necessary to meet the needs of our people and to maintain the viability of our nation in the context of world responsibility?

Discipline among our people must become a major priority—more major than it is today. This means discipline in the homes. In the schools. And yes, discipline in the Armed Forces of the United States!

Spending for defense has remained fairly constant, with some pay raises and inflation escalations, but spending for the social programs and for government generally has skyrocketed. Defense spending in fiscal year 1974 is estimated to be about the same as in fiscal year 1969. On the other hand, non-defense spending for the coming year is estimated to exceed non-defense spending in 1969 by $84 billion, about a 65% increase.

Now that our direct war costs have been sharply curtailed and there is evidence of a reduction in tensions between our country and Russia and China, there are those who speak in terms of a peace dividend making possible a sharp reduction in the defense budget. But I would warn that our best hope of peace and world stability lies in our willingness to maintain adequate military and economic strength. Only through the maintenance of strength can there be real hope that an era of peace and stability can be attained.

We must find a way—difficult and painful as it may be—to modify or weed out nonproductive federal programs and provide effective methods to achieve our goals for all Americans.

In the area of foreign affairs, we must exploit the commendable initiatives by the President in regard to China and the Soviet Union. We must not succumb to discouragement in our determination to move toward an extended era of peace and world stability.

These are some of the hard challenges facing Congress and the nation. Meaningful solutions must be found and implemented if this country is to continue its position of world leadership.

The policy of the American Legion and the policy of a majority of the Members of Congress has been in support of the President's effort to achieve peace with honor in Vietnam. Of course, we agree that many difficulties lie ahead.

It is estimated that 150,000 North Vietnamese troops remain in South Vietnam. Active fighting continues. The situation in Laos is critical. The cease-fire is a fragile thing. We are all pleased that the President has been able to achieve the cease-fire and that our direct participation in the fighting has almost ended. We, of course, all hope that the fighting will soon be ended throughout Southeast Asia.

There is room for much hope and encouragement provided we maintain the capacity to deal with friend and foe alike from a position of economic and military strength.

The same kind of steadfastness that has brought us thus far must be continued if we are to protect what we have already gained. The record clearly demonstrates that you of the Legion know what steadfastness means.

The American Legion, from its beginning, has been a vital and persistent force for the preservation of the American way of life. The strong voice of the Legion is needed today in every area of the United States.

As we proceed through the 1970s and into the remainder of this century, you the Legionnaire, will have a tremendous responsibility to exert your influence for the preservation of peace and security and the American way of life. You have not failed America in the past. I can say with confidence you will not fail her in the coming days.

I salute you and encourage you to continue to bear your heavy burden of responsibility to the Veteran and to the Nation.

In closing, let me say that tonight is a great moment for my wife, Helen, and for me. We are deeply grateful. In accepting this award, I do so with the feeling that we in this hall tonight share the same objectives for our nation and its well-being—a strong national defense as our number one priority, proper care for our veterans and a safe and happy land for all.

God bless America and enable us once again to live in the sunlight and starlight of peace.

SCHOOL LUNCH PROGRAM

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. WALDIE. Mr. Speaker, the House today will consider an important bill which will require the Secretary of Agriculture to make full use of the funds available to the Department of Agriculture during fiscal year 1973 for the purchase of commodities for school lunch programs.

According to the data gathered by the Education and Labor Committee, the USDA is far behind in its purchase of these commodities—it still has a total of $52 million to expend in fiscal year 1973. It is reluctant to purchase these commodities due to the lack of substantial surpluses of goods for distribution and the rising costs of food. However, this would seem to be even more of an impetus to insure that children receive at least one balanced and nutritious meal while they are at school—for it is unlikely that their families are able to afford nutritious, but unfortunately expensive, food in the home.

In view of the great benefits that the school lunch program has to children across the United States, Mr. Speaker, I am confident that this bill will receive the two-thirds vote necessary for passage.

THE ENERGY CRISIS, AND WHAT WE CAN DO ABOUT IT

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. MOSS. Mr. Speaker, our colleague, Henry S. Reuss of Wisconsin, spoke today at an environmental seminar in Milwaukee on the topic of "The Energy Crisis, and What We Can Do About It." He kindly gave me a copy of the text of his speech. It is a concise and thoughtful analysis of the subject. I believe it will be very helpful to Members of this House and to the public, as we focus on the various problems relating to the "energy crisis." I, therefore include the text of his statement at this point in the Congressional Records

The Energy Crisis, and What We Can Do About It

During the past year, there has been much talk about the "energy crisis"—shortages of fuel, rising prices, brownout after brownout since the big Northeast Blackout of November, 1965. This winter we saw schools closing in Denver because of insufficient natural gas to heat schoolrooms. factories shut down in Iowa because of lack of heating oil, and cold homes in the mid-west and New England.

The 1965 Northeast Blackout resulted from failure of a switch in Canada. But it showed up the weaknesses in electric utility interconnections and transmission facilities. The local shortages of heating oil and gas were partly due to unusually cold weather. An equal contributor, however, was the oil industry's use of refinery capacity to produce gasoline to take advantage of recent price increases rather than to refine less profitable heating oil.

But the shortages demonstrate that there are real problems of energy supply in these days of zooming demand for energy to run our factories; to heat, air condition, and light our homes; to operate our automobiles, trucks, buses and airplanes; and to provide the massive amounts of power and energy demanded by our modern electricity-oriented style of life.

The energy crisis, in some measure results from the fact that consumers—and that means all of us, in our homes, manufacturing plants, cities and farms—are accustomed to having energy available at all times, in any quantity required, and at relatively low prices, whenever we flick a switch or start a motor or jiggle the thermostat. But now we find the power is not always there, and we see prices for gas, electricity and oil rising rapidly.

Is there an "energy crisis"? What should we do about it?

Our present civilization is built on energy. During most of mankind's existence, our sources of energy were primarily human and animal muscle-power, with later assistance from the wind (for propelling sailing vessels) and the burning of wood for heat. Then, a few hundred years ago, we began using coal, water power, oil and gas, and now nuclear energy, for heat, electricity, motive power for transportation, and for the enormous variety of work and activity that is characteristic of present day civilization.

Here in the United States we were blessed with abundant forests, many flowing rivers, and enormous deposits of coal, oil and gas. They made possible the great growth of our industry and technology. But this industrial expansion—together with our burgeoning population and the wasteful and inefficient manner in which we consume our forests, oil, gas and electricity, and pollute our air and waters—create skyrocketing demands on our energy supplies. Today, with hardly 6 percent of the world's population, the United States consumes about 35 percent of the world's energy.

Our energy supplies are not unlimited. We are told that our natural gas is being burned twice as fast as we are finding reserves; that our oil reserves are substantially less than in 1956; that there are few sites remaining for construction of hydroelectric plants.

Although we have large reserves of coal, more than half of all our coal contains over 2 percent sulfur. This is well beyond the sulfur emission limits now being promulgated by many States and cities and the proposed Federal 0.7 percent standard for new plants under air pollution abatement laws. Since present technology cannot as yet effectively remove the sulfur from stack gases of coal-burning power plants, electric utility plants are turning to low sulfur oil and natural gas. There is increasing pressure on our natural gas reserves. The potential for finding new gas fields is now more in relatively expensive and environmentally controversial areas such as Alaska and the continental shelf rather than in the lower 48 States. It is now generally acknowledged that unless natural gas needs are met by foreign and Alaskan imports and the gasification of coal and crude oil, natural gas cannot be considered a stable source of energy over the next 10 or 12 years.

Nuclear power is still in its infancy. As of June, 1972, there were 26 nuclear power plants, with a capacity of about 11,800 megawatts, or less than 3/10 of 1 percent of the energy now used in the United States. There are 51 additional nuclear plants being constructed and 66 planned, with reactors ordered, which will add a combined capacity of 109,000 megawatts. However, these light water reactor plants use only the rare isotope of Uranium-235, which constitutes hardly one percent of our limited supply of uranium. This fuel will be exhausted within the next 2 or 2½ decades. Furthermore, there are still widespread fears about the possibility of catastrophic explosions, radioactive leakage, and the grave problems of disposing of wastes which will emit lethal radioactivity for thousands of years.

The spokesmen for the fuel industries are now waging a multi-million dollar campaign in the news media and on radio and TV. They are trying to convince the people of this country that we can solve our energy problems only by strip-mining more coal, by totally deregulating natural gas, by retaining import restrictions against foreign oil, by relaxing anti-pollution laws and standards, and by continuing tax loopholes for the minerals industry.

They assume, and want us to believe, that the most important objective of our national policy is to satisfy our ever-rising demands for power and energy, no matter how wastefully or inefficiently used, and no matter what environmental damage may result to our land, air, water, landscape, and work places.

They urge a return to the "efficient disciplines" of letting market prices balance energy demand with available supplies. They say it is in the national interest to expand development of our outer continental shelf resources, to accelerate the rape of our land in order to exploit its minerals, and to reject measures which place "unreasonable" restrictions and burdens on such development. This approach should be enshrined, they say, into a "national energy policy."

I agree that we must have abundant energy to fuel and power our civilization. But are the fuel industries' recommendations for "solving" our energy problems the total answer? I say they are not.

It no longer is—I doubt that it *ever* was—in the public interest:

To relax our newly strengthened air and water pollution control laws and regulations to permit use of polluting fuels;

To strip-mine our lands in order to extract coal without positive advance guarantees that effective reclamation of the land can and will be promptly undertaken and achieved;

To build the trans-Alaska pipeline;

To extract minerals from lands now dedicated as national forests and wilderness areas;

To build superports for oil tankers near our scarce public beaches, or refinery complexes in our valuable wetlands; or

To totally free natural gas from regulation.

We must tackle the gap between energy supply and energy demand with greater regard for our natural resources, the need to protect our environment and the health of our people, and with more efficient use of the finite amounts of energy available to us and to future generations.

On the supply side, we should:

First. Greatly expand Federal research and development programs to achieve new and more efficient ways of generating and transmitting electric power.

Although electric power is clean and convenient at the point of use, its generation and transmission often involve low efficiencies and environmental hazards. Reliance on coal-burning plants stimulates strip-mining and the devastation of thousands of acres of good land. They emit much of the sulfur dioxides and fly-ash which contaminate our atmosphere. They degrade our rivers and streams by discharging as waste heat about 60 percent of the heat produced. Although hydroelectric generating plants do not pollute the air, their reservoirs flood large acreages of fertile farmland and wildlife habitat, and their operations are often harmful to fishlife. The present light-water nuclear reactors are even more inefficient, consuming our limited supply of uranium, and discharging into rivers and streams about 65 percent of the heat produced.

Research on the fast breeder reactor, which will be able to produce more fissionable nuclear fuel than it consumes, should go forward. But I agree with nuclear physicist Edward Teller that if we do not keep "each step of the process . . . under control, the consequences could be terrifying."

We must also give equal emphasis to the development of other, and in the long run potentially better, methods of producing clean energy such as:

Nuclear Fusion. Its basic raw material, the heavy isotope of hydrogen in sea water, is almost limitless; it would discharge far less radioactivity than fission reactors; and it would not, unlike the breeder reactor, produce large amounts of plutonium which could be used for the production of nuclear bombs.

Solar energy. I am told that the sunlight that falls on a square mile of land would produce a million kilowatts of power if harnessed at 40 percent efficiency. Developing central station production of solar energy would require considerable capital cost. But so does a nuclear plant. Furthermore, the development of commercially available technology and materials for direct cooling and heating of buildings would enable use of solar energy to supplement or substitute for presently used oil, and gas and electricity.

The fuel-cell, which is already being used on a small scale in space vehicles.

Magnetohydrodynamics, which would enable the extraction of 65 to 75 percent of the heat energy of coal without air pollution.

Expanded development of geothermal energy, which is already being used for generating electricity in several parts of the world.

Commercial gasification of coal to supplement natural gas.

Desulfurization of coal.

Using solid wastes to generate power, thus solving problems of waste disposal while generating energy. This is done in several cities in Europe. The first effort in this country was recently begun under an EPA grant to the City of St. Louis. There 300 tons per day of residential solid refuse are used to generate electricity at a Union Electric Company power plant.

Energy from the tides and the winds. There are many places where such energy can be developed to provide supplementary power, and some that can provide base-load energy. The Passamaquoddy project, which would have made tidal energy available to New England, was shelved when the interest rate was increased. But as the cost of fuel rises and energy becomes scarcer, the "Quoddy" project should again receive serious consideration.

Second. We should scrap the Oil Import Quota system. It keeps oil prices at artificially high levels, encourages the exhaustion of our domestic resources, and makes some parts of the United States vulnerable to interruption of imports while others remain self-sufficient. Instead, we should encourage the import of foreign oil to relieve our shortages. We should require the storage in the United States of sufficient oil to eliminate the possibility of abrupt cutoffs of imports from the Mid-East due to international friction or price blackmail. In any event, we should certainly seek improved arrangements for imports from Canada and the Western Hemisphere.

Third. We should use the trans-Canada route. The Interior Department is supporting the Trans-Alaska pipeline, to carry Alaska's North slope oil deposits across the fragile tundra of Alaska to the Port of Valdez, and thence by tanker to the Puget Sound area. Instead, we should bring that oil to the Mid-West by the trans-Canada route, which is far less environmentally hazardous than the trans-Alaska and tanker route. Incidentally, this could spur the development of much-needed refinery capacity in the Mid-West.

We must also look at the *demand* side of the energy problem if we are to survive comfortably for many more generations.

There are many ways to save energy. For example:

—many home appliances, such as air conditioners, are quite inefficient, using far more energy than needed to accomplish their purpose;

—we could save the equivalent of several hundred thousand barrels of oil per day simply by setting our home thermostats a couple of degrees lower in winter and a couple degrees higher in summer;

—since automobiles account for more than half of the consumption of energy used for transportation, we could save enormous amounts of energy by (a) using smaller cars which consume less gas per mile, and (b) shifting more of our national transportation from the high-energy-consuming airplane to railroads and buses, and from the inefficient automobile to the more efficient mass transit.

I have yet to see evidence that the Administration grasps the urgency of the urban transportation problem. For instance, the President impounded one-third of the $900 million appropriated for fiscal year 1972 by Congress for construction grants and loans under the Urban Mass Transit Act.

Office buildings, apartments, and homes are still being built with little or no thought to the impact on energy conservation. Poor insulation, high ceilings, and large glass areas result in wasteful heat losses. Sealed windows in office buildings, factories, and schools require year-round air-conditioning simply to breathe. Offices without windows require increased lighting even on the sunniest days. All of these practices lead to high fuel consumption, wasting our resources, and unnecessarily increasing consumers' fuel costs.

Both in our role as purchasers of products and as individuals, we can help to conserve energy. Here are a few suggestions:

Let's rely less upon our automobiles, let's demand large-scale manufacture of small cars, and let's campaign for an aggressive mass transit program, using some of the heretofore sacred highway trust funds;

Let's insist that all appliances be labeled to show their electrical efficiency, so that consumers can compare and choose appliances that are economical in the long run.

Let's reduce unnecessary lighting in residences and office buildings;

Let's change our building designs to reduce the rate of exposed surface to usable volume;

Let's improve the thermal insulation of our homes.

Another fertile energy-saving area is the utility pricing structure. Utilities now charge lower rates to the larger consumers of electricity, thus penalizing those least able to pay, and fostering excessive consumption and waste.

Because it would help reverse our extravagant use of electricity and avoid putting an undue burden on the small consumer, I endorse an inversion of the present rate structure to make the first 500 kilowatt-hours per month the cheapest, and the higher levels of demand more expensive. This approach is working successfully in France, where power used during the day is costlier than that used in the off-peak night hours. It is being tried in some States, like Michigan. It should be a standard practice in all States.

Most importantly, effective environmental controls for the exploration, development and use of fuels, and the protection of workers in the energy industries, must be adopted and vigorously enforced. Environmental controls need not inhibit resource development. Rather, they will encourage the development of improved technology and better use of our resources without degradation of our environment and harm to workers.

We must develop a national policy of energy conservation to replace the policies of exploitation and extravagant promotion which now dominate our energy policies. Too much of the energy we produce or import is simply wasted. We can do our work, travel, light our homes and cities, keep warm in winter and reduce the heat of mid-summer, without wasting, as we now do, about ⅓ to ½ of the energy.

Let's save, not waste, energy—our nation's precious resource.

CONGRESS MUST ACT TO SAVE THE OFFICE OF ECONOMIC OPPORTUNITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. RANGEL. Mr. Speaker, the 20,000 Americans who were in attendance on the Capitol steps on February 20 are symbolic of the millions and millions more citizens who are outraged by the President's attempted dismantling of the Office of Economic Opportunity and its worthwhile programs. Concerned and compassionate people cannot comprehend a peacetime budget in which defense expenditures are increased and social programs erased. Neither can I.

The Economic Opportunity Compliance Act of 1973 that I have introduced in Congress forbids any unauthorized interference with the programs provided for in the Economic Opportunity Act of 1964.

I now submit for your attention and the attention of my colleagues, a Washington Post editorial of February 22 commenting on the President's plan to dismantle OEO regardless of the will of Congress and entitled: "OEO: Cato Strikes by Night."

It must be the goal of every Representative in Congress to see to it that the hopes and needs of so many Americans are met by allowing OEO to continue.

The article follows:

OEO: CATO STRIKES BY NIGHT

Ever since the administration appointed Howard Phillips to be acting director and dismantler of the Office of Economic Opportunity, its zeal to destroy that office has become less and less seemly. Consider two recent disclosures concerning the way the present heads of the organization think and operate. The first is a highly self-revelatory comment made by Mr. Phillips to Ted Tetzlaff, the fired head of the Legal Services program, last summer.

"Every country needs its Cato . . . Well, I'm going to be this country's Cato. Carthage was destroyed because it was rotten. I think Legal Services is rotten, and it will be destroyed."

The second is an internal OEO memorandum discussing strategies for handling Congress as the process of dismantling OEO is accomplished. The memorandum says: "Thus, unless a focus on OEO is politically desirable, program transfers and shutdowns should be prompt, before the opposition musters strength (or will) to put Humpty Dumpty together again." And again, the memorandum calls for "a swift and successful dismemberment" of OEO by June 30, before there is time for "congressional opposition to gather and develop a legislative counterstrategy."

Despite a statement from OEO that the memorandum was nothing more than a staff paper reflecting the views of only one man, the events set in train by Mr. Phillips since his assumption of the office a couple of weeks ago, suggest that the main lines of thought embodied in his personal statement and in the congressional strategy paper are rapidly being put into practice. Without going through all the gory details of the dismantling, a few examples of what has happened during Mr. Phillips' brief tenure will demonstrate the pattern.

On January 29, Mr. Phillips sent out a directive announcing the phase-out of the grants under section 221 of the Economic Opportunity Act, which provide general support for the Community Action Agencies. The President's fiscal year 1974 budget contains no items to support the Community Action Agencies (CAAs). In the same directive, Mr. Phillips forbade community action directors to use OEO funds to travel, presumably to hinder them from getting together to generate any kind of protest against his course of action. The directive also suspended appeals and hearing procedures generally provided in cases of refusals to refund. And, over in Legal Services, although there are promises that the administration will ask again for a corporation to shelter the program, the people in the field are being held on such a short financial tether that their morale is cracking. Some programs are borrowing money and others are closing down.

If bamboozling the Congress while Catoing the poverty programs and the hopes of the poor are indeed the aims of Mr. Phillips' program, then his efficiency and his success rival any governmental accomplishments we have seen in this town in a long time. Never mind that Congress may have intended something else, that the President's budget message seemed to promise continued Legal Services and never mind that workers are losing their jobs and the poor are losing hope. Under the Phillips assault, the walls are tumbling down.

But, that doesn't seem to be what Congress intended. Over the years, Congress has tightened up the broad discretion originally delegated to the director of OEO with respect to CAAs to the extent that last year in authorizing fiscal '73 and fiscal '74 funds it also specifically earmarked local initiative—that is, basic support for the Community Action Agencies—for *both* fiscal years. And the Duration of the Program section of the act mandates the director to carry out the program, including Community Action, through June 30, 1975. Never mind the intent of Congress, though, the strategy paper takes care of all of that. Give Sen. Norris Cotton (R-N.H.) "courtesy advice only." Give Sen. Warren G. Magnuson (D-Wash.) courtesy advice because he is "not thoroughly acquainted with programs and concerned about duplication of HEW and Labor activities."

There is touch-up strategy for a number of members of both Houses but mainly there are the admonitions to "avoid confrontation between the constitutional powers of the President and the Congress," to take the issues through the appropriations committees rather than those with legislative jurisdiction and, above all, to "present the Congress with a *fait accompli.*" There is also arrogance and at least the appearance of lawlessness. There is impoundment and the apparent avoidance of the procedures Congress has set up for the reorganization of the government.

In a word, there is a brazen usurpation of the powers of Congress and as crass an assault on its prerogatives as we can imagine. All of this is being done by an administration which came to power on a law and order theme and by a director who has yet to utter a word of testimony before a congressional committee in confirmation hearings or elsewhere. The question finally comes down to whether the Congress has either the will or the initiative to stop this modern day Cato in his tracks. If it does not, it is not just the powers and the pride of the Congress that will have suffered—though suffer they surely will—it will be the poor who are blasted all over the landscape and it is our national decency and the quality of the fabric of the lives of all the rest of us that will have been severely eroded.

SAVE YOUR VISION WEEK

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. FAUNTROY. Mr. Speaker, it is my pleasure to call the attention of my colleagues to President Nixon's proclaiming March 4–10, 1973, as "Save Your Vision Week." He said:

Like many precious possessions eyesight is usually taken for granted until it is lost.

It is a shame that this statement is all too true in this day and age when vision care is available to all.

In this regard, the president of the Optometric Center of the National Capital, Dr. Barry Ephraim, stated that the center's clinic cares for those who, because of financial reasons, could not receive needed vision care. He also reported that screening projects are being carried out in a number of schools in this area in order to find those children who have vision deficiencies.

He said:

> Preventive measures for the preservation of vision should start at an early age. Regular professional vision care should begin at a very early age to detect any development vision problems and should continue throughout the school years into adulthood to detect and correct any physical or perceptual problems.

Because of the importance vision plays in all our lives, I join the President in recognizing Save Your Vision Week and insert his proclamation in its entirety:

PROCLAMATION 4184: SAVE YOUR VISION WEEK, 1973

(A proclamation by the President of the United States of America)

Like many precious possessions, eyesight is usually taken for granted until it is lost. Yet the preservation of vision—one of life's greatest blessings—need not be left to chance. There are steps all of can take to help keep our eyes healthy for a lifetime of useful service.

Simple safety precautions can substantially reduce the number of accidents which cause loss of vision. Potential sources of eye injury in the home, at work, and at school can be sought out and eliminated.

However, most blindness in the United States is the result not of injury, but of disease. Proper attention to hygiene, good nutrition, and, most important, regular professional eye examinations can minimize the risk of visual disability.

Glaucoma, one of the most common eye diseases, can be detected through a simple and painless test and, if detected early, can usually be arrested and controlled.

Many elderly Americans are unnecessarily blind because of cataracts. It is tragic that unwarranted fear of cataract surgery—successful in 95 percent of the cases—keeps many of our older citizens from regaining their sight.

For visual loss that can now neither be prevented nor cured, research such as that conducted by the Federal Government through the National Eye Institute offers new hope.

To encourage greater awareness of the importance of preserving sight, the Congress, by a joint resolution approved December 30, 1963 (77 Stat. 629), requested the President to proclaim the first week in March of each year as Save Your Vision Week.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby proclaim the week of March 4, 1973, as Save Your Vision Week. I invite the Governors of the States and appropriate local government officials to issue similar proclamations, and I call upon the Nation's mass communications media to join in bringing to the attention of all Americans the importance of preventive vision care.

In witness whereof, I have hereunto set my hand this twenty-ninth day of January, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-seventh.

RICHARD NIXON.

RUSS DEEMPHASIZE 50TH ANNIVERSARY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DERWINSKI. Mr. Speaker, I have emphasized to the Members the need to objectively recognize the complications within the Soviet Union so as to thoroughly understand the reasons why the rulers of the Kremlin must for a period of time adjust their policies and pursue certain economic contacts with the United States. A very interesting analysis of the situation in the Soviet Union is contained in an article by the distinguished international correspondent of the Copley Press, Dumitru Danielopol, which appeared in the Aurora, Ill., Beacon-News of February 6.

The article follows:

RUSS DEEMPHASIZE 50TH ANNIVERSARY

(By Dumitru Danielopol)

WASHINGTON.—Last Dec. 21, the Kremlin celebrated the 50th anniversary of the founding of the USSR, but with considerably less fanfare than five years earlier when they celebrated the half century since the 1917 October revolution.

The reason is obvious. Soviet leaders would like to keep the spotlight away from a critical failure—the relationships between nationalities within the USSR.

The first Union of Soviet Socialist Republics created in December, 1922, merged the Russia, the Transcaucasian, the Ukrainian and Byelorussian Soviet Socialist republics.

After the October revolution in 1917 Lenin granted various non-Russian nationalities that had been part of Czarist Russia the right of self-determination. Many of them chose freedom, including Finland, Poland and the Baltic states, the Ukraine, Georgia, Bessarabia, etc., etc.

This obviously wasn't what Lenin had in mind.

As his Bolsheviks consolidated their power, Lenin sent the Red Army into most of the newly formed independent states to bring them back into the new Communist empire.

The Ukraine was one of the early victims after a little remembered but fierce war. Hitler helped the process along in the 1930s and now the USSR is composed of 15 Soviet republics.

But Lenin's dream that internationalism, propagated by the Communists would be so attractive that in the long run, nationalist feelings would erode and disappear has proved a fallacy. Not only did the Marxist experiment fail but nationalism survived, grew. Today the Soviet Union is a union only in name, although the Moscow police state wields unquestioned internal power.

Even this power is sometimes challenged by Nationalist demonstrations.

They have been reported from Tallin to Tashkent in recent years. The Ukraine appears to be seething against large-scale repression. The magnitude problem has been recognized within the USSR. In a memorandum addressed to party boss Leonid Brezhnev, the maverick intellectual Andrei D. Sakharov, developer of the Soviet hydrogen bomb, reviewed a series of ills that affect the Soviet Union. One's the "aggravation of the nationalities problem."

He suggested that Soviet republics be given the right to secede. You know how far he got with that idea!

The same unrest has been apparent in the countries of Central and Eastern Europe which since the 1940s have come under the Moscow boot. Poland, Czechoslovakia, Hungary, Romania and Bulgaria are really independent only in name. The facade serves Soviet interests, but no one can seriously doubt who is boss in any moment of crisis.

"For 20 years now Eastern Europe has remained unstable," says London's Soviet analyst, "and there is every reason to expect further convulsions there . . . A similar view may be taken in the Soviet Union."

Nationalist tendencies are held in check only by the power of the state and party, it says. "The demands of the people have not been faced," it claims. "This can work only in the short run. In the long run it is explosive."

THOUGHTS ON TRADE AND MONETARY REFORM

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. KOCH. Mr. Speaker, I would like to call the attention of my colleagues to a speech delivered by Donald C. Platten, chairman of the board and chief executive officer of Chemical Bank, before the American Chamber of Commerce in Geneva, Switzerland, on February 27, 1973. The subject of international trade and monetary reform is an extremely important one, especially now with our balance-of-payments deficit and the recent dollar devaluation, and I recommend Mr. Platten's proposals to my colleagues for their thoughtful consideration:

WILL THERE BE A NIXON ROUND?

(By Donald C. Platten)

First, let me admit that this is a substitute title for my remarks today. Two months ago, when I received your kind invitation to come to Geneva, it did seem appropriate to discuss some aspects of world trade. Your city, the home of GATT, have become synonymous with the great advances in international commerce since World War II—advances made possible by the completion of six major rounds of trade negotiations.

I was aware that a seventh round was scheduled to begin in September, the so-called Nixon Round. And I knew the preparatory committee would be meeting here this month to begin defining the broad issues of the Nixon Round. It seemed likely that the most important issues would involve the three biggest trading blocks of GATT—Europe, America and Japan. My plan, two months ago, was to review with you today some of those issues under the speech title: "Old America, New Europe and Modern Japan." It seemed back in December that America's biggest problem in the Nixon Round would be an old problem, that Europe's newness would be its major problem, and that everyone would have a problem in not fully realizing they would be dealing with a modern Japan.

Back in December, I didn't think there was much question that there would be a Nixon Round. Now there seems to be reason to wonder whether or not there will be one. If there is one, then the comments you are about to hear on Old America, New Europe and Modern Japan may serve a useful purpose. If the Nixon Round—as I will define it—doesn't come to pass, we could all be in so much trouble by September that it won't matter much that I wasted a few minutes of your time today.

Incidentally, since the obligation of a speaker who raises a question is to at least suggest an answer, I intend a little later on to offer an answer of sorts to the question of the day: Will there be a Nixon Round?

First, let's talk about America's old problem: the revival of protectionism.

In the 1930's, protectionism came out of the woodwork in the form of the Smoot-Hawley Bill. Today we call it Burke-Hartke. When Burke-Hartke was first proposed, it received only scattered support from some union leaders, some congressmen, some businessmen and a few university economists. But in the wake of America's $6.5 billion trade deficit in 1972, support for Burke-Hartke has been spreading.

President Nixon does not want the Burke-Hartke Bill to become law. But he recognizes now that the revival of protectionism in the United States has become so forceful that it must be dealt with realistically. This became quite clear two weeks ago in Treasury Secretary George Shultz's dollar devaluation statement.

You will recall that in discussing trade legislation Mr. Shultz said, "The President has decided to send shortly to Congress proposals for comprehensive trade legislation. Prior to submitting that legislation, intensive consultations will be held with members of Congress, labor, agriculture and business to assure that the legislation reflects our needs as fully as possible."

And he added, "This legislation, among other things, should furnish the tools we need: First, to provide for lowering tariff and non-tariff barriers to trade, assuming our trading partners are willing to participate fully with us in that process; second, to provide for raising tariffs when such action would contribute to arrangements assuring that American exports have fair access to foreign markets; third, to provide safeguards against the disruption of particular markets and production from rapid changes in foreign trade; fourth, to protect our external position from large and persistent deficits."

It's too early to tell how successful the Nixon Administration will be in keeping the hard-line Burke-Hartke advocates at bay. But it seems obvious that whatever trade legislation emerges from Congress, it will be much more restrictive than the full-scale tariff-cutting authority which Congress gave the White House for the Kennedy Round 10 years ago.

Make no mistake: America's old problem of protectionism poses a real threat to the further liberalization of world trade.

Now for Europe, New Europe . . .

When the Kennedy Round got under way almost a decade ago, The Europe of The Six essentially was a Europe of the economies of The Six. Foreign policy, in the political sense, was still reserved to the six sovereign nations. The European Community made little effort to speak with one voice in the political arena of the world. As a result, the European Community of the 1960's had little, if any, political identity.

But in December 1969, all this began to change. In a really historic conference at The Hague, the heads of state of the six member nations and the functional heads of the European Community achieved a momentous breakthrough toward political union. Since then, developments have been coming hot and heavy. In June 1970, negotiations were undertaken which have brought Britain, Denmark and Ireland into the Community. In January 1971, new regulations came into effect under which the Community's major institutions will have their budgets financed from the Community's own revenues. On February 9, 1971, the Community took a giant step toward political union when it created a blueprint for establishing full-scale economic and monetary union before the end of the 1970's. And in 1972, the Community reaffirmed its goal of creating a common European currency in the 1980's.

This is a new Europe, one determined to build The Europe of The Six into a politically united Europe of The Nine. It is a Europe, too, that now embraces special trade agreements between the Community and other important European countries such as Switzerland, Sweden and Austria. Intensely involved with its own internal affairs, could the new Europe achieve the necessary compromises with other trading blocks on which the success of the Nixon Round would hinge? That was Europe's problem as I saw it two months ago.

Japan's problem seemed somewhat different—different but not totally dissimilar.

We think of Japan largely as a big industrialized nation: Japan, the dynamic exporter of electronic products, textiles, iron and steel, big ships and a raft of lesser items; Japan, whose trade balance with America last year was over $4 billion in surplus; Japan in commercial confrontation with America and increasingly with Europe.

But Japan can no longer be viewed merely as a big industrialized nation confronting the rest of the world with a chronic trade surplus. Japan has matured into a post-industrialized society. It's afflicted with labor shortages. Its raw material supplies are problematic. Its distribution problems are imposing severe limitations on further substantial expansion of manufacturing and processing plants beyond the main centers of the Japanese archipelago.

This is modern Japan. And to understand Japan's problems with the Nixon Round requires an understanding of Japan's problems at home. As a post-industrial society, the Japanese people do not think of world trade as their most urgent day-to-day problem. Health problems, substandard housing, pollution and traffic congestion are the passionate everyday concerns of the man-in-the-street in Tokyo.

And the Japanese government has determined to allocate a huge portion of the nation's financial resources to meet these internal demands.

Could the Japanese negotiators, mindful of their tremendous investment needs at home, be expected to give up a big slice of their trade surplus in the Nixon Round? And if so, in exchange for what?

Generally, that was the underlying problem I thought Japan would be bringing to the Nixon Round. I really didn't think, back in December, that there would be grave doubts today as to whether there would be a Nixon Round. Certainly, there were monetary problems. The Smithsonian Agreement, although only a year old, was splitting a bit here and a bit there at the seams. But like most people, I thought the fabric would hold together long enough to give us time to devise a new system of greater staying power.

We all should have known better. Patchwork solutions do not answer enduring problems. Today, in the midst of the ninth international monetary crisis since 1967, we have another patchwork response, the 10 percent dollar devaluation announced two weeks ago—another Band-Aid. When do you think the next monetary crisis will come?

On February 14, The Wall Street Journal said, "There's one school of thought in Europe that believes that from now on U.S. devaluations may come every year or two, Latin American style . . . psychology is heavily against the U.S. as a world leader as long as its dollar is ranked as little more than a piece of paper."

In fact, America's role as the leader of the western nations has been diminishing for some time. Indeed, any realistic assessment of the Nixon Round's prospects must begin with recognition of the significant shifts in world relationships in recent years.

After World War II and into the Sixties, the western nations continued to regard America as their political leader, with the Soviet Union the recognized leader among eastern nations. In both east and west, the political cement of defense alliances seemed, a decade ago—well, immutable may be too strong a word—but at least fairly enduring.

However, as we moved through the Sixties, it gradually became apparent to millions of people in both east and west that there would be nuclear stalemate rather than nuclear war. The political cement began to crack. There was first the Sino-Soviet split. Then, as France withdrew from NATO, there was the first sign of what one observer has described as "the transatlantic fault."

In the Seventies, we now see the political cement of the Fifties and Sixties crumbling in all directions at once. Instead of America and the Soviet Union exchanging threats, we are now exchanging trade missions. Commerce between the People's Republic and Japan increases every day across the China seas. In both Eastern and Western Berlin, a principal topic of conversation these days is Chancellor Willy Brandt's Ostpolitik. On both sides of the divided city hopes are high that the Berlin wall may soon be coming down.

In short, as political alliances have become a much less cohesive force in world relationships, the western nations have felt far more free to make their own economic decisions, indisputable evidence of this can be seen in the collapse of the Smithsonian Agreement. In less than a year, many of the major parties to the agreement—one after the other—felt compelled to discard the currency parities fixed in the agreement for either two-tier systems or outright floating.

It took 38 years before the dollar was devalued in 1971. In the space of 14 months, it has been devalued again. Today, the international monetary system reminds me of the patch on the back pocket of a boy in blue jeans that I saw recently. It said—"Don't follow me—I'm lost, too!"

The Smithsonian Agreement was intended as a stopgap arrangement to give the major trading nations two or three years' time to construct a new system of international payments. But as the momentous events of the past month have shown, time is a luxury we can no longer afford. For the clock has run out.

Will there be a Nixon Round?

In my view, there is no chance that Old America, New Europe and Modern Japan can reach a lasting trade accord unless and until it is based on a new international payments system. As I tried to indicate earlier, the fundamental interests of the three major trading blocks are in basic conflict. To reconcile these differences first requires recognition by all concerned that the time-frame of negotiations must be shortened. I freely admit that it would take a miracle of political compromise to create this climate by September when the formal negotiations of the Nixon Round are scheduled to begin.

I don't believe in political miracles. And so, to the question—Will there be a Nixon Round? My answer today is that I hope we don't even attempt another round of trade negotiations without simultaneously coming to grips with the need for monetary reform. To attempt one without the other would be to attempt an Alpine run on one ski.

In my view, President Nixon has been dead right in taking the position that our urgent trade and monetary problems can no longer be considered as separate problems. They are one ball of wax. And as Business Week magazine pointed out in a recent editorial: "The whole fabric of world trade woven so painstakingly since World War II could be shredded by special controls on currency flows, competitive devaluations, and beggar-my-neighbor trade policies."

What we must do is to go back to Bretton Woods and complete the unfinished business of history. Today when we speak of Bretton Woods, it's in reference only to the International Monetary Fund. But part of the original agreement at Bretton Woods was to include the establishment of a new International Trade Organization, the ITO. It was intended that the ITO would have a common membership with the IMF. The charter for the ITO actually was drawn up in 1948 but never was ratified. The reason for this was the expressed conviction of the Truman Administration that the U.S. Congress would not approve it.

Instead, trading rules eventually were agreed to here in Geneva which came to be known as GATT—the General Agreement on Tariffs and Trade. There is no need to gild the lily. No need to cite in Geneva the accomplishments of GATT in cutting tariffs and reducing other barriers to world trade.

But that's the past, gentlemen. What of the future? IMF and GATT have developed as separate institutions with no political powers of their own. Are they strong enough in their present form to get the job done?

I don't think so. I feel that IMF and GATT must be united into a single International Monetary and Trade Organization if we are to deal effectively with our urgent monetary and trade problems. The new institution could be called IMTO. But whatever its acronym, it must be given political status and permanent political powers. Only then will there be any chance of avoiding the recurring crises of the recent past.

Obviously, however, political decisions of such prospective consequence can be made only by political leaders.

Our most urgent need at this point is not another round of trade negotiations as in the past. What we desperately need is a summit meeting of heads of state to create a new political institution for the future.

Our most urgent concern today should not be whether a Nixon Round of trade negotiations will begin in September but whether a Nixon Round of political negotiations will begin tomorrow.

A tremendous undertaking, but again—the clock has run out.

And so I leave with you today my original question but in a different context:

Will there be a Nixon Round—the political round we need?

EDWARD K. GAYLORD: AT AGE 100, STILL MINDING THE STORE

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. ALBERT. Mr. Speaker, today marks the 100th birthday of E. K. Gaylord, the strongest editorial voice in the State of Oklahoma and one of its most successful businessmen.

In 1903, E. K. Gaylord bought the Daily Oklahoman which he developed into the most widely circulated newspaper in Oklahoma. His success in newspapering has been duplicated in magazines, radio, television, transportation, and other business endeavors. He has also been a leader in industrial development, aviation, economic growth, and civic work.

Not only has E. K. Gaylord witnessed Oklahoma's entire history from an excellent vantage point, but he has become an important part of that history. His influence will not soon be forgotten. Even today, at age 100, Mr. Gaylord still writes editorials and displays a powerful image in and beyond Oklahoma City area. Always active, and always involved. Mr. Gaylord works a full 6-day week and can be seen on any given day walking briskly in downtown Oklahoma City.

I am happy to insert at this point in the RECORD an article that recently appeared in the Quill magazine that depicts the remarkable career of E. K. Gaylord:

EDWARD KING GAYLORD: AT AGE 100, STILL MINDING THE STORE

(By Jack M. Bickham)

Every morning, six days a week, the editorial writers leave their paneled cubicles and walk down the carpeted corridor to the large office at the east end. They go through a reception room, exchanging greetings with the woman there, and enter the publisher's office. It is comfortable, arranged with leather chairs and couches, dominated by a single desk that faces the door. Draperies cover one wall. There is a color television set, and in one corner an old grandfather clock. The slight, gray-haired man at the desk greets each man as he enters; sometimes he allows himself a faint smile, sometimes he doesn't.

The writers sit down. The man at the desk looks at whatever materials he has on his desk, usually copies of the *Wall Street Journal* and his own publications, the *Daily Oklahoman* and Oklahoma City *Times*.

Usually it's very quiet in the room while the writers wait for the publisher to speak. The clock tickets softly. The publisher turns pages and seems to read.

Finally he looks up. "I see," he says softly, "that the governor . . ." (or the President, or the legislature), and mentions a news story.

This opens an area of discussion. The writers give their views, and he agrees or disagrees, often saying very little but indicating the line of his own thought. Sometimes the entire "conference" is discussion of a single topic; other times, a dozen items may be touched upon.

Either way, precisely 30 minutes after the meeting began, the publisher arranges his papers on the desk again says, "Thank you," and the writers file out. They go to their own offices, discuss what was said, select topics, and produce the next day's editorials.

Low-key. Polite. Formal. Typical, it would appear, for an operation conducted by E. K. Gaylord, president of the Oklahoma Publishing Co. in Oklahoma City.

Gaylord runs his empire, which includes television outlets in four states, Oklahoma City's premier radio station and numerous other subsidiaries, with this characteristic quiet firmness and attention to detail. He has been enormously successful, and his daily contribution to operations might not be so unusual if he were a younger man.

On March 5, 1973, he will be 100 years old.

He does not look it. Obviously, he does not act it, either. Although he does not do all his own driving, as he did until only a few years ago, he can still walk younger men into the sidewalk, hiking back up the slope from the heart of downtown Oklahoma City to "The Hill," that slight rise at the city's NW Fourth and Broadway where his newspaper plant sprawls. And although he seldom visits the newsroom on the fourth floor of the company's modern new plant, his presence is still keenly felt by all those who work there.

"We need him," one long-time newsman said recently. "I don't care if he even knows my name—although I think he does.

"He's a newspaperman."

This feeling of reliance upon and dedication to E. K. Gaylord is not a bogus phenomenon. People outside the company refer to him as "E. K."; a few very oldtimers sometimes call him "The Chief," while others, not quite so old, call him "The Old Man." But the usual appellation is "Mr. Gaylord " to his face or behind his back; it stands for respect, and admiration, and even love.

One way to measure authority is the stories they tell about a man.

They tell about the young editor on the *Oklahoman's* state staff who was covering a tornado by telephone one night. It was late and he was near a tough deadline. A call for information came from a voice that said, "This is Gaylord. What can you tell me about this story?"

The young editor thought it was an AP writer named Gaylord Shaw.

"Listen, Gaylord," he snapped, "I'm too busy to talk to you right now. Just leave me alone and you'll get your information when I can get to you."

The next morning, word filtered down that Mr. Gaylord had mentioned to the managing editor that one of the staff had been "somewhat short with him" on the telephone the previous night.

It was explained. The young editor stayed on. Nothing more was said.

They tell about the new girl in the women's department who happened to be riding up in the elevator with this nice elderly gentleman who wore an expensive-looking powder blue suit.

"That's a pretty suit," she told him. "It looks expensive. I can tell you don't work around here."

Nothing was ever said about that one, although other employes on the elevator almost shriveled in their tracks.

They also tell about an employe who had been loyal, and fell ill, and was kept on the payroll for a decade or so while bedridden.

But those are internal yarns, the kind only newsmen can appreciate. History may look more toward Gaylord's contributions to the business, the city and the state.

All have been noteworthy.

He was born Edward King Gaylord on March 5, 1873, on a farm near Muscotah, Kan. When he was six, the family moved west, living first in Denver and later in Grand Junction, Colo. Between the ages of 11 and 15, he picked strawberries for a truck farmer and worked in a second-hand store. In 1891, with $17 in his pocket, he entered Colorado College in Colorado Springs. He became editor of the school paper, and in his junior year became a partner with his brother, Lewis, in buying the Colorado Springs *Telegraph*.

The story of Gaylord's rise to power began in December, 1902, when he was business manager of the St. Joseph (Mo.) *Gazette*. He was 29 years old at the time. As Gaylord tells it, as Christmas approached, he decided to go to St. Louis for a few day's rest.

"In reading the newspaper, I found an item in the St. Louis *Republic* which was a brief interview with Mayor Carter Harrison of Chicago. He said he had been in Texas and coming back through Oklahoma Territory on the train, he saw fields of cotton, white for the harvest. He said Oklahoma Territory could raise the crops both of the south and the north, and being between Texas and Kansas, some day it should develop into a state with comparable cities and towns. He further remarked that if he were a young man, he would go there to start his career.

"His statement electrified me with an intention to locate there and launch or acquire a newspaper of my own."

Of the two largest cities, Gaylord selected Oklahoma City over Guthrie because the former, he had been told, "had a live bunch of young men in business who were wide-awake and progressive." Oklahoma City when he arrived was living literally in the horse and buggy era. There were no automobiles, and all the streets except for a few blocks were dirt roads.

There was no wire service for either of the two existing newspapers. News was transmitted at intervals over the Western Union and by pony service.

"There was one morning paper, the *Daily Oklahoman,* and an evening paper, the *Times-Journal,*" Gaylord said. "Before going to either of them, I went into a bank and interviewed the cashier. I told him I wanted to investigate the two newspapers and perhaps buy an interest in one if I could. I asked him which would be the better paper.

"He said, 'It won't make a damned bit of difference which one you buy; neither one of them is worth a whoop in. Hell.' "

On Feb. 6, 1903, Gaylord and two others bought 45 per cent of the stock of the *Daily Oklahoman,* a then-struggling eight-year-old. In 1906, he bought the property at NW Fourth where the company now stands. In 1911, he started the *Oklahoma Farmer-Stockman,* an agricultural pioneer which continues to this day with regional publications in Kansas and Texas.

The Oklahoma Publishing Co. (Opubco) bought the Oklahoma City *Times* at a sheriff's sale for $30,000 in 1916. Gaylord became president of Opubco in 1918. In 1928 he purchased radio station WKY in Oklahoma City.

Gaylord's son, Edward L., is executive vice president and treasurer of Opubco, and a daughter, Edith Gaylord Harper, is secretary of the organization.

As early as 1904 he began making innovations. In February of that year he installed a seven-day Associated Press wire even though his paper ordinarily did not publish on Sunday. When the Russo-Japanese war broke out, he ordered a Sunday extra that was distributed statewide and into portions of Kansas, beating all opposition. Other firsts have come regularly, including innovations in stereotype color plates and publication of the industry's first completely computer-set newspaper, that in 1963.

Gaylord's publications have always been synonymous with growth for Oklahoma City. Industrial growth has been spurred by his efforts not only on the editorial page, but in countless closed-door meetings. He was one of a handful of civic leaders who helped establish Tinker Air Force Base near the city, bringing in a 20,000-man payroll. When Oklahoma City faced repeated serious water shortages in the 1950s, it was Gaylord who spearheaded the drive to build a 100-mile water pipeline into southeastern Oklahoma, where water was abundant. (The pipeline met heavy opposition; Gaylord's private reservation about it today is said to be that it's too small—that another pipeline is needed.)

It's doubtful that many major state projects have been completed without a trek to Fourth and Broadway by one or more members of the planning organization. Turnpike construction and business development in remote areas have sometimes turned on Gaylord's decision. In a career spanning the entire life of Oklahoma as a state, he has probably held, and used, as much power as any individual in the history of the region.

Gaylord's recreations today are few. He neither smokes nor drinks. He says he gave up golf "when I was about 75." Looking back on a life that saw $17 become a multi-million-dollar empire, he says, "It isn't easy work that gives you satisfaction. It's the hard things that we overcome that make us and make our business." He often cites another line as a personal conviction: "No man has the right to be less of a man than he can be."

Having risen from poverty to wealth in another age, Gaylord espouses an editorial policy on national and international affairs that is as conservative as his policies on urban development are progressive. Headlines on editorials such as "Foreign Aid Must Go" and "Red Menace Grows" are not uncommon. The most bellicose international editorials appear on the front page; this position indicates Gaylord himself wrote them. He seems to prefer writing an editorial himself if the alternative is to issue a direct order in the matter; he says no one on his staff is ordered to slant stories, and he would not employ a writer who would accept such an order.

Staffers bear this out. They feel free, as one put it, "to be just as good as we can be; that's the only limitation on us—our own talent." On the other hand, the papers lost an extraordinary managing editor a few years ago when he began campaigning against certain practices of the local business establishment. And serious coverage of the Oklahoma City ghetto does not exist, again reflecting a general tendency to view the city's only legitimate news as the events of the affluent.

These characteristics leave Gaylord with detractors as well as friends in Oklahoma. No one denies the enormous impact he and his publications have had on the city and state.

Oklahoma oil magnate Dean A. McGee, one who has had his differences with Gaylord, describes the seemingly ageless editor-publisher as "a wise and intellectual visionary builder of his community" and "'a living legend."

"From the beginning," McGee said, "Mr. Gaylord and the newspapers, which his leadership and ingenuity guided to national eminence, have been active in promoting the progress of his adopted city and state. He personally led the fight for statehood which culminated in 1907 when Oklahoma became the 46th state to join the Union. He also successfully championed the establishment of the state capital in Oklahoma City. A great many of the good things we see about us in Oklahoma and especially in this community had their birth in the mind of this man."

MORE EXCUSES FOR SOVIET FOOD FAILURES

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. RARICK. Mr. Speaker, the Communist Party bureaucracy in the Soviet Union continues to fabricate excuses as to why its system fails to supply the incentive to feed its own people.

At first, Americans were told that the food shortages resulted from bad weather, then the two top Communist bureaucrats charged with agriculture production were discharged because of incompetency then we were advised that the Soviet farmer lacked sophisticated farm machinery to be able to plant and harvest the crop, and now we have the latest excuse. The Communist Party Daily, Pravda, reports that the seed grain is of inferior quality.

Interestingly enough, the Soviet seed grains were procured from Americans of Russian ancestry who came to this country to escape tyranny and brought their grain seeds with them. The story is reminiscent of the tales of Lysenko. The source of the American grain—Moscow, Kans.

I insert the related news clipping:

[From the Christian Science Monitor, Mar. 2, 1973]

RUSSIAN FARMERS WARNED TO IMPROVE SEED GRAIN

Moscow.—Soviet farmers have been warned to improve the preparation and selection of seed grain needed for this year's crucial harvest.

A front-page report in Pravda, the Soviet Communist Party daily, says farms are behind schedule in this work in a number of republics including Tadzhikistan, usually one of the first to begin spring sowing.

Last year's poor harvest, which totaled 168 million tons and fell 22 tons below target, means that special attention should be given to this year's seed grain, the Pravada report says.

Pravda recalled that a drought in southern harvest areas last summer stopped farmers obtaining high-quality seed grain, while wet weather during harvest work in the east also affected grain quality.

In addition, many areas intended for winter sowing were not sown with grain due to bad weather, and they would have to be sown with the most productive seed grains in the spring, the newspaper says.

Soviet agricultural planners are hoping to help offset last year's setback—which meant Western grain imports costing some $2 billion—by sowing a larger area of land this spring.

Already this year there has been concern over the lack of snow cover for the winter crop which has left it vulnerable to killer frosts.

WHAT JOHNSON DID FOR THE BLACKS

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. GOLDWATER. Mr. Speaker, Mrs. Almena Lomax of Canoga Park, Calif., is a constituent of mine, and a reporter-staff writer for the San Francisco Examiner.

After the death of former President Johnson, Mrs. Lomax wrote an article that was included in the Examiner's coverage of President Johnson's death. She was uniquely qualified to write this piece, as she drew upon personal experience.

The article speaks for itself, and I would like to present it now:

WHAT JOHNSON DID FOR THE BLACKS

(By Almena Lomax)

Nine years ago is ancient history to young militants straining against the tensions of racial discrimination, oppression, and inequality of opportunity in urban ghettos today.

But nine years ago, July 2, 1964, Lyndon Baines Johnson cut the ties of a bondage which were but one step removed from actual slavery, giving American Negroes the greatest push forward since Abraham Lincoln signed the Emancipation Proclamation 101 years before.

To any Negro who remembers pre-1964 America, Lyndon Johnson will always be regarded as the second Emancipator.

An instance in my life and that of my family will perhaps vividly illustrate this.

AUTO TRIP

On the night of July 2, 1964, I and my children were driving through Texas, running into detour after detour as we tried to reach Austin where there was a Negro-owned motel.

To any Negro traveling through the South and largely through the North before that day, getting to the Negro motel, hotel or the home of a friend, was as important as the mode of transportation. Otherwise, one would find oneself spending the night in his car, or in a bus, railroad station or airport, all of which I have done because there was "no room in the inn" for a person of my race.

MONEY TALKS

San Franciscians are largely ignorant of this because money was usually as important as race in determining where a person could eat or sleep in this city.

But in Los Angeles where I grew up, married and reared six children, only famous concert artists like Marian Anderson could stay in downtown hotels, and then they had room service, until former Gov. Edmund G.

Brown signed the 1958 fair employment practices law as his administration's first order of business.

The law didn't "take," however, in Southern California past San Bernardino and motorists usually went very fast through border towns like Blythe, called "a little bit of Texas" because, racially-speaking, it was a little bit of Texas.

LBJ RANCH

On that July 2 in 1964, traveling through Texas, we came to the gates of the LBJ Ranch.

It was almost midnight and the four youngest children were asleep, piled one on top of the other in the back seat.

My eldest daughter, Michele, alternated sleep with plucking her eyebrows—"My last touch with reality," she would say archly—throughout the five days of what was known as "another of Mother's journeys to the beginning."

There were five of them; I crossed Texas, all 880 miles of it 10 times in four years, either covering the civil rights struggle and trying to live down there where a responsive chord was struck in me, where, northern-bred, though Texas-born, I had, and have, deep feelings that it all began for me down there.

As Michele burrowed sleepily into the shoulder of my eldest son, Michael, he looked angrily and sleepily at the big double gates of the LBJ Ranch and said, "I bet he's sleeping behind those very gates.

"We ought to knock on the door and ask him, 'Is you is, or is you ain't the President of all the people and where in this God-forsaken state can a black man lay his head?"

MORE THAN DECENT

A little ways on, Michael, then 16 and nowhere near a militant, spoke again.

"Look, Mother," he said, "I'm not going to drive all over Austin looking for THE Negro Motel. I'm sleepy. You pull into the first half-way decent-looking motel you come to."

As the saying goes, I had heard the man.

I pulled into the first motel I came to when we reached Austin—it was more than half-way decent-looking, and Michael untangled his long legs from Michele's and we went into the office.

The clerk seemed to jump as he turned to face us in response to my "Good evening" but he replied, "Good evening."

Inwardly, I discounted that. White southerners will be polite even when they are doing something as monstrous as denying you a glass of water because of your race.

"I would like two connecting double rooms with two double beds for me and my family:" I said.

"Yes, mam," he said promptly, and I could hear the tension drain out of my son's body.

I and the girls slept late, but the three boys got up and went swimming in the motel pool.

And all the little white children's parents called them out of the pool—but that had happened to the boys in Blythe where we had stayed overnight for car repairs.

When we had dressed and paid the bill to a blandly courteous clerk, we went to the coffee shop for brunch.

Enroute, I noticed Michele buy a copy of the Austin paper, take one look and fold it over quickly, with what I called her "Queen Nefertiti smile" of mystery on her face.

DINERS STARTLED

Inside the coffee room, several forkfuls of the blue plate special went past the holders' mouths into thin air as we sat down, but the waitress appeared promptly and willingly enough with the menus.

After we had ordered, Michele handed me the newspaper and I opened it.

"President Signs Civil Rights Act," the headline read.

"Austin Will Resist."

From Austin on, that was a trip!

We decided on a first rate meal, rather than the fruit, carrots, candy, and soft drinks travelers between Negro accommodations customarily bought at grocery stores and gas stations after the shoe boxes of home-prepared lunch gave out on expeditions such as this.

We drove to the best looking motel in Beaumont, went into the dining room, and sat down while a white man led his family out, cursing "niggers" all the while.

The little blonde, bedizened waitress was a sport, however, and served us with a mixture of respect, satisfaction, and subdued excitement in her face.

V FOR VICTORY

After we were all set up and "boarding to beat the band," as Michael said, the Negro cook and dishwasher came and stood in the doorway and watched us, holding their fingers in the V-for-Victory sign, broad smiles on their faces.

In the five trips to Tuskegee, Eufaula, and Mobile, Ala., Albany and Atlanta, Ga., and back to Los Angeles, between 1961 and 1965, my kids integrated most of the restrooms of the gas stations on Highways 80 or 90.

They had a system. The youngest boy, who has my mother's blue eyes and auburn hair, would go first and get the '"white key." Then his browner brothers would follow.

GIRLS, TOO

The youngest girl, who has the Mexican-Indian coloration of her paternal grandparents, would get the "white key" to the ladies' room, and her sisters would follow.

I have the strongest kidneys of man or beast and once drove from Eufaula, Ala., on the Georgia state line, across Alabama, Mississippi and to the Negro motel in Monroe, La., without moving from the driver's seat.

That was the Negro's lot before Lyndon Johnson, after watching George Wallace's mounted troopers ride women down on the Alabama River bridge to Selma, rared back and signed the greatest civil rights package—equal accommodations, voting rights, school desegregation, equal job opportunities—in the history of this country into law.

SIT-IN

In 1961, I and my children sat-in in a Greyhound bus depot cafeteria in Big Spring, Tex., because the proprietor wouldn't serve us unless we went to the dingy lunch counter outside, reserved for Negroes.

Only July 8, 1964, thanks to LBJ, I,and my family ate without incident in one of the finest French restaurants in Mobile.

When Martin Luther King was buried and I covered his funeral, I stayed in the finest hotel on Atlanta's famed Peachtree Street.

NEGRO TOWN

In 1961, when we went to Tuskegee, a predominantly Negro town, the downtown drugstore removed its seats rather than seat Negroes. The voting rolls were composed of dead, moved and infant white. Today, the town has a Negro mayor and a mixed City Council.

All of this came about because of Lyndon Johnson, a man who agonized, prayed, cried out, "Lord, let this cup pass me by," but then arose from his knees a bigger, stronger man and went before Congress and pledged, "We shall overcome."

EXCERPTS FROM ABORTION DECISION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. HOGAN. Mr. Speaker, the Supreme Court, in its recent abortion decisions Roe against Wade and Doe, and others against Bolton, nowhere refers to medical evidence or evidence of any type which was developed by the trial courts. The reason there is no reference to facts developed in the trial courts is because no facts were developed. No depositions were taken and no witnesses testified in either of the two cases. The Supreme Court has at least tentatively—motion for rehearing is before the Court—decided probably the most important and far-reaching decision that it has ever made without the benefit of any testimony which had been subjected to the chaffing effect of cross-examination in the trial courts.

In contrast, legislatures throughout the country have spent literally thousands of hours listening to medical experts present the facts concerning human life before birth.

Why the Supreme Court chose to violate its own precedents and commonsense and decide such grave constitutional issues with a deficient record remains unknown; however, the reason the record was in such condition is not a matter of speculation. Roy Lucas, a New York City attorney who has traveled the length and breadth of the country promoting litigation to strike down protective abortion legislation in numerous jurisdictions, including the Texas and Georgia cases mentioned above, and decided by the Supreme Court, has advised his fellow litigants to avoid having live witnesses. His advice was founded on Mr. Lucas' failures to convince State courts that fetuses within the womb of human mothers were not human beings. One of the cases where it was not possible to follow Mr. Lucas' advice was in the Commonwealth of Massachusetts, where pro-abortionists unsuccessfully intervened in a criminal abortion trial, Commonwealth against Brunelle.

Fortunately, excerpts from the Commonwealth against Brunelle trial have been printed in the scholarly quarterly publication Child and Family, volume 9, No. 2. With the permission of the editor of the publication, Herbert Ratner, M.D., who is also the public health director of Oak Park, Ill., I am pleased to insert these excerpts in the Record. These excerpts reveal the fallacies of the arguments given for abortion under cross-examination of witnesses and demonstrate the truth of the abortion matter; for example, the fetus is a living human being distinct from his mother, dependent upon her only for his life-support system as an astronaut in space is dependent upon his life-support system.

The material follows:

COMMONWEALTH V. BRUNELLE

INTRODUCTION

Commonwealth v. *Brunelle* is the case of Pierre Victor Brunelle, an unlicensed physician charged with performing an illegal operation. In concert with a national strategy, protagonists for abortion on demand seized upon this case as an opportunity to challenge the constitutionality of the Massacusetts' law. The defendant held, in the words of his lawyer, Mr. Joseph Oteri, that:

"The statute violates the Massacuhsetts Constitution, in that it compels citizens of the Commonwealth to complete an unwanted pregnancy which can result in shame to them, harm to their existing life mode, and unwanted economic consequences, all in deprivation of their constitutional right to happiness"(1: 16V17.[1] Dec. 9, 1969).

In pursuit of this challenge, Mr. Oteri was prepared to bring in numerous experts from the varied fields of theology, philosophy, gynecology, from all over the country (1:4).

The Court ruled, however, that witnesses would be limited to medical testimony, and these were subsequently brought to the stand on the basis of their alleged special knowledge of the abortion issue.

The following witnesses appeared for the defense:

1. Robert Hall, M.D., gynecologist, of New York City, who, among other credentials, identified himself as a member of the following organizations: International Planned Parenthood-World Population Federation; Population Association of America; American Association of Planned Parenthood Physicians; Abortion Reform Association, of which he was vice-president, and the Association for the Study of Abortion, of which he has been President for the past six years.

2. Christopher Tietze, M.D., demographer and statistician, and Associate Director of the Bio-Medical Division of the Population Council of New York City.

3. E. James Lieberman, M.D., psychiatrist, of Washington, D.C., a staff member of the National Institutes of Mental Health, Chevy Chase, Maryland.

4. Garrett Hardin, Ph.D., Professor of Biology at the University of California, Santa Barbara, who also identified himself as a member of the Ecological Society of America, the American Society of Human Genetics, the American Eugenics Society and the International General Semantics Society.

5. Malkah T. Notman, M.D., psychiatrist, of Brookline, Massachusetts, an instructor in psychiatry at Harvard Medical School, Associate in Psychiatry at Boston University School of Medicine and an Assistant Psychiatrist on the staff of Beth Israel Hospital, Boston.

Because of the preponderance of out-of-state witnesses, the attorney for the Commonwealth, Mr. John Irwin, decided on additional witnesses to the one local obstetrician originally scheduled. As a result, on Monday, December 15, 1969, the Editor of *CF* received and accepted a telephoned invitation to testify on December 17. He was informed that one other out-of-state witness, a psychiatrist from Baltimore, would also testify.

Witnesses for the Commonwealth were:

1. William A. Lynch, M.D., Brookline obstetrician and gynecologist who, among other credentials, identified himself as a member of the American Fertility Association, the Society for the Study of Sex in Marriage and as a founding member and trustee of the Human Life Foundation.

2. Frank J. Ayd, Jr., M.D., Baltimore psychiatrist and Associate Editor of *Medical Counterpoint*.

3. Herbert Ratner, M.D., preventive medicine specialist, Public Health Director of Oak Park, Illinois, former Editor of the *Bulletin of the American Association of Public Health Physicians* and present Editor of *Child and Family*.

Because this case held considerable interest as an early contemporary court test of the constitutionality of a restrictive state abortion law, the Editor studied the transcript of the entire trial. Of central interest was the testimony dealing with the nature of the fetus for this is the paramount question in the issue of abortion: Whether the target of the abortion procedure, the fetus, is or is not a human being. To read the testimony of "experts" under oath, speaking for or against the humanity of the fetus—testimony typical of contrasting viewpoints—and to see how these experts defend their representative positions under cross-examination is an intriguing experience which *CF* is eager to share with its readers.

Toward this end we have excerpted the testimony of all the witnesses bearing on this question. As an aid to this exercise we make available the following lexicon. It consists of standard concepts attached to key terms in the testimony.

Abortion: An untimely birth (L.); technically an abortion is a termination of pregnancy during the first 20 weeks—the period before current technology can maintain the child's viability outside the womb.

Baby: An infant (ME.).

Being: One that exists as an actuality or entity in time and place, *e.g.*, a living person.

Child: An unborn or newborn son or daughter; baby, infant (AS.); *with child*, pregnant.

Conceive: To become pregnant with (a child or young) (OF.).

Conception: That which is conceived; a beginning.

Embryo: A young organism in the early stages of development (Gr.); the growing animal before its specific characters can be deciphered; in man, up to eight weeks.

Fertilization: *Biol.* Impregnation; the union of *egg* and *sperm* to form a new individual (*zygote*).

Feticide: The killing of an unborn child.

Fetus: Offspring, the young in the womb (L.); that period of growth during which specific characters can be recognized, technically the period from eight weeks to birth.

Homicide: The killing of one human being by another.

Homo Sapiens: Man, regarded as a biological species (L.).

Homo: Man (L.). The genus of mammals consisting of mankind.

Sapient: To know (L.).

Human: Pertaining to mankind (L.); characteristics of man.

Infant: One who cannot speak (L.); a child in the first period of life.

Man: A human being; a member of the human species (*Homo sapiens*) .

Mature: Brought by natural process to completeness of growth and development; full-grown; ripe (L.).

Organism: *Biol.* An individual constituted to carry on the activities of life by means of organs (or parts) separate in function but mutually dependent; any living being.

Person: A human being; a particular individual.

Potential: Existing in possibility, not in actuality (L.).

Pregnancy: A state of being with young or child (L.); the period from conception until delivery.

Stage: *Biol.* One of several periods in the development and growth of many animals and plants, as in the *pupa* stage; a stage of one's life.

Young: New to life (AS.); the offspring of animals; *with young*, with child; pregnant.

Zygote: The union of an egg and sperm (Gr.).

* * * * *

CROSS EXAMINATION OF ROBERT HALL, M.D., BY MR. IRWIN

Q. (by Mr. Irwin). Do you take into consideration when you advise an abortion the right of the fetus to be born?

A. (Dr. Hall). I regard the fetus as a potential human being, and in that sense I take it into consideration.

Q. At what times does it become a human being?

A. When it is born.

Q. When it is passed from the mother's womb?

A. Right.

Q. And that is the only time it becomes a human being; is that your testimony?

A. Prior to birth it is my belief, and most of the medical profession's, that it is a fetus.

Q. I am asking your opinion: Is it a human being prior to passing through the birth canal into the world?

A. Before it is born? Of course . . .

Q. Not?

A. Of course not.

Q. Do you know there are laws in Massachusetts and in your own State of New York on the civil side that designate the youngster in the mother's womb as a human being? Do you know that?

A. Are you referring to it as a youngster?

Q. As a human being.

A. You referred to the "youngster," not human being.

Q. Strike the word "youngster." As a fetus in the human womb?

A. No, I am not aware of that.

* * * * *

Q. Dr. Hall, I think you testified that, in answer to my question, that at some point a fetus becomes a human being, when it leaves the womb of its mother after it is born; is that correct?

A. Yes. Right. That is the only time it becomes a human being; right.

Q. Now, does that apply to the situations where the mother carries full term only?

A. I don't understand your question.

Q. Does this fetus become human only after it is carried full term and is expelled from the mother's womb by the phenomenon we know as birth?

A. It becomes full term, I mean it becomes human if it is born capable of surviving.

Q. Can you tell us how old it is when it becomes human; how long it has been living?

A. A fetus is incapable of surviving if it is born before the 20th week or fifth month of the pregnancy.

Q. I asked you at what age it becomes human.

A. I think that I have answered it insofar as I am able. It becomes human if it is born and capable of surviving.

Q. The point I am driving at, is it human at seven months?

A. If it is born, it is.

Q. If it was born prematurely at seven months, it is human?

A. Right.

Q. Your distinction is that it is human if it is expelled from the womb and capable of living, is that right?

A. Yes; exactly.

Q. Whether the fifth, sixth, seventh, eighth or ninth month?

Q. It has no human existence prior to that?

A. Prior to that, it is called "the fetus," and it is a potential human being, in my opinion.

Q. That is your opinion. Is that the accepted medical opinion of today?

A. It certainly is.

Q. That there is no human life until it leaves the mother's womb?

A. Would you pose the question again, please?

Q. Is it the accepted medical thesis in your field of medicine that the fetus is not human until it leaves the mother's womb?

A. Prior to the 20th week, as I said, it is regarded as a fetus, and a potential human being, not as a human being per se.

Q. Would you define for the Court what a potential human being is?

A. The potential human being, in the frame we are talking about, is the fetus that we are talking about, which . . .

Q. No, no. Define, will you, what a "potential human being" is, you just spoke about, prior to 20 weeks?

A. It is the fetus we are talking about, which continues to be nurtured in the mother's womb for a sufficiently long time and is born alive and may be capable of surviving.

Q. What is a potential human being?

A. I have defined it as best I can.

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[1] The first number signifies the day in court, the numbers following the colon signify the pages of the official transcript.

Q. At what point is a human being that is eventually born that is leaving the mother's womb and is capable of living, at what point in the process of, the entire process of conception, fetus, birth—at what point does he receive the characteristics of life, such as his genes, his hair, his eyes, his shape of his body? Tell the Court those factors, will you please? When, for example, do the arm buds or the limb buds form?

A. These various characteristics of human form are assumed by a fetus in gradual stages. The chromosomes you mentioned are set at fertilization of the egg. The formation of eyes, limbs, and so forth are gradual processes of the first part of the pregnancy.

Q. It takes place at impregnation?

A. The chromosomes. Those are all the factors that do take place at that time.

Q. What are the choromosomal factors?

A. Genetic factors which determine the color of the eyes, and so forth.

Q. What are the genetic factors?

A. I am not a geneticist.

Q. You know, do you not?

A. I am not withholding anything. The genes, as far as I know, predetermine the color of the skin, the color of your eyes and hair, and that sort of thing.

Perhaps your stature.

Q. How about sex?

A. Sex.

Q. So that is determined from the moment of conception, is that correct?

A. Correct.

Q. To wit, when the sperm meets the ovum and fertilizes it?

A. Those are the characteristics of the potential human being.

Q. That forms what is known, immediately speaking, as a zygote?

A. Right.

Q. Is that zygote a human growth?

A. I have never heard that expression.

Q. That is a human . . .

A. It is potentially human.

Q. Would you tell the Court what you mean when you say a zygote is potentially human?

A. It has the genetic characters we have established, but very little else in common with human beings. It is incapable of independent survival.

Q. But if it is left to itself and is not bothered with or tampered or otherwise touched or inhibited in any way, it will, will it not, proceed to grow into a human being?

A. Sometimes.

Q. Most times?

A. Most times, but often it is miscarried spontaneously.

Q. Most times, but apart from when it is spontaneously miscarried?

A. That is how we all got here.

Q. Now, Doctor, in the oath that all doctors take, the Hippocratic Oath . . .

A. Pardon me?

Q. The physician's oath—did you take that oath?

A. I did.

Q. And in that oath, is there a reference to abortion?

A. I think there is.

Q. Would you tell us what it is?

A. I think the Hippocratic Oath, among other things, forbids abortion. Also forbids removal of a kidney stone.

Q. It forbids abortion, does it not?

A. I think so, among other things.

Q. Has it traditionally been the function of the physician, Doctor, to save life rather than to destroy it?

A. To save actual human life; it certainly has.

Q. Then I understand that you don't believe that when you, as a doctor, perform an abortion, if you do, that you are destroying human life?

A. I don't believe that abortion destroys actual human life?

Q. You do not believe that abortion destroys actual human life?

A. Right.

Q. Regardless of what stage of the pregnancy?

A. Abortion is defined as termination of pregnancy during the first 20 weeks.

Q. Whose definition of abortion is that?

A. The medical community's. All the textbooks on obstetrics in this country.

Q. You would not recommend abortion after 20 weeks?

A. No, I would not.

Q. All right. Under any circumstances, is that correct?

A. It wouldn't be an abortion.

Q. What would it be?

A. At what time of pregnancy?

Q. Any time after 20 weeks.

A. They are different. Between the 20th and 28th week, it is called an immature birth; after, a premature birth; and finally a term birth.

* * * * *

DIRECT EXAMINATION OF WILLIAM A. LYNCH, M.D., BY MR. IRWIN

Q. (by Mr. Irwin). Would you please tell us directly on what factors you base your determination that therapeutic abortion is not a medically competent procedure?

A. (Dr. Lynch). Whenever a woman applies for an abortion, she is looking for help and not an abortion. The proper management of the problem is to treat her disease, whatever it be, whether it be psychological, psychiatric or medical. She is looking for help when she comes to see a physician. When the patient comes to see a physician because of abortion, she comes because she knows she is pregnant. The doctor determines that she is pregnant. Under these conditions, it is, I believe, the doctor's duty to point out to her there's two patients here: the mother and the baby, and that that child has a right to live, and that anything that involves convenience, even though the convenience might be considerable, is not germane to the doctor's problem and the doctor's commitment to maintain human life and protect it.

* * * * *

Q. As an obstetrician and gynecologist, you are familiar, are you not, with the whole process of human reproduction?

A. Yes.

Q. Would you tell us, sir, about the development of a child from fertilization to birth—and do you have some document with you by which you can illustrate this development at certain periods?

A. When the sperm and the egg are fused, there is formed a zygote, which is a new life, a new living being, which promptly goes on to develop from the zygote all of the facets and all of the notes that make up the human being into a fully formed state. Everything that the human being will become is found in the zygote: all inherent material is found there.

In the course of the first month there is formed what is called a blastocyst, which is simply a small cyst which is found, a plate of tissue which has a discernible head curve and incurve, which indicates the first beginnings of the notion of the human.

After the fifth week, we develop what we call the embryonic stage, in which the attachment and nourishment supply between the baby and the mother in the early stages are definitely formed. The discus is formed in the stage where a body stalk is also formed, and the sac in which the baby is found is approximately one to three millimeters, which is something in the nature of a 16th of an inch.

At the end of the sixth postmenstrual week the chorionic sac found around the baby and attached to the mother is 20 to 30 millimeters—about an inch in size. The embryo is five millimeters, which is slightly less than a quarter of an inch. The heart is already formed. The arm and leg buds are formed, and the umbilical cord, the cord which is to attach the baby in a free-floating way to the mother, has already begun to form.

At eight weeks the embryo measures 22 to 24 millimeters. The head is large, as it always is in the embryonic form. Fingers and toes are formed, and the external ears are formed.

At the end of the tenth postmenstrual week, we have what is generally called the determination of the fetal stage, which is now 30 millimeters in size. At this beginning of the fetal stage, all the structures, major structures of the body, have now been formed, in the opinion of the consensus of embryologists.

At the end of the third month, the baby is seven to nine centimeters—2.2 centimeters to the inch. The centers for development of bones are already formed. External genitals are there. The fetus, if born at this time, will make spontaneous movements if it is still within the sac or if the sac has been ruptured—the bag of waters, as it is commonly referred to—if the baby is put into a warm saline, warm salt solution, it will make spontaneous movements. This is the first attempt of the baby to move spontaneously and independently.

In the fourth or fifth month, it largely grows from the nine centimeters at the end of the third month to approximately 22 centimeters at the end of the fifth month, and weighs 300 grams.

At the end of the sixth month, it weighs approximately 600 grams, and the skin becomes wrinkled and begins to look like a little old man or little old lady that we refer to in a premature baby; and the fetus born at this period attempts to breathe, and generally will live for a day or two. It almost always dies, although occasionally they live at this stage. These are the one-pounders and ten-ounce babies we hear about in the newspapers all the time.

From the point of the sixth month on, it is largely a question of development. We generally state that the baby has better than 50–50 chance, if born at the end of the seventh month, and the chances increase beyond that time. It is largely a question of putting on weight in the last two months, where it doubles in size.

Do you have with you today an accepted medical handbook which pictorially reveals the growth of an infant, along the lines that you have just explained to the Court?

A. Yes, I do.

Q. All right. And would you produce that particular journal?

A. Yes.

Q. Would you read to the stenographer the title of it?

A. It is called, *A Child is Born: The Drama of Life Before Birth*. Photographs by Lonnart Nilsson, with the text by Dr. A. Ingelman-Sundberg.

Q. Doctor, are there photographs in there of the fetus at certain stages of development in their mother's womb?

A. Yes, this is the unique flavor of the book, in that the photographs are unprecedented.

Q. Are they authentic photographs?

A. Yes.

Q. Of the fetus?

A. Yes.

Q. And do they fairly represent the growth of the fetus as you have explained it to the Court, at various stages?

A. Yes, it does.

Q. And would you, by virtue of that particular book, point out to the Court the appropriate pictures of the youngster and the fetus at various stages we have enumerated, to the Court, and would you please keep your voice up so the stenographer may record what you are saying, and would you make a note for the benefit of the stenographer as to what page you are referring to when you demonstrate those picture to the Court?

* * * * *

Q. With reference to your experience, training, education and studies and surveys that you have conducted in this particular field—based upon all of those factors, do you have an opinion as to whether or not this particular embryo or any given embryo is in fact a human being?

A. Yes, I do.

Q. Do you have an opinion on it?

A. Yes, I do.

Q. Will you tell us what your opinion is?

A. Yes. I think at the moment of conception, with the union of a human sperm and a human egg, you have the beginning of new life. This is human. I don't really understand how it could be anything other than human.

Q. Now, Doctor, will you tell us on what factors you base that opinion?

A. The potency for human life, or the potential for human life resides within the sperm and the egg. When these two come together, you have the union of two human reproductive substances which produce the human zygote, which at that moment has everything that develops into a human adult. Everything, the entire genetic package, is found in that zygote. There is nothing that is added to it by any means afterwards. . . . This is human from the very beginning and cannot be otherwise; to have something start off as human and become something different is incongruous. To have something start off as human and become inhuman is equally incongruous.

The babies people try to abort, they do so because they want to prevent the birth of a human being.

Q. Are you familiar with the science of fetology?

A. Yes.

Q. Would you define for us what the science of fetology is?

A. The science of fetology is of rather recent origin. It has to do with the development and functions and diseases of the human fetus while it is *in utero*.

It has developed to the point where 10,000 learned scientific articles have been published in the literature every year for the past five years, and the whole program started with Dr. Liley from Australia, who started with the intrauterine transfusion to protect the human being inside of the mother's womb, or the Rh problem.

U.S. VIETNAM INVOLVEMENT CONTINUES

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. BINGHAM. Mr. Speaker, the continuing U.S. presence in Vietnam and the possibility of renewed U.S. military intervention there constitute a troubling backdrop to the return of our prisoners. The facts of our continuing commitments and involvement in Vietnam, and the likely results of trying to "guarantee the unguaranteeable" there are concisely summarized in a February 1 article in the Wall Street Journal by Arthur Schlesinger, Jr., Albert Schweitzer professor of humanities at the City University of New York.

As the primary sponsor in the House of legislation (H.R. 3349) identical to the Church-Case bill in the Senate to preclude a renewal of U.S. military activity without congressional authorization once all the prisoners are returned, I found Professor Schlesinger's article most interesting, and I am pleased to submit it for the RECORD:

ARE WE REALLY OUT OF VIETNAM?

(By Arthur Schlesinger Jr.)

Is it really over at last, this longest, most unpopular, most useless, most mysterious war in the history of the republic? Combined hope and weariness incline us to accept the Paris Accord at face value and suppose that we will never have to worry about Vietnam again. But it is rash to take anything on faith in international affairs. Repellent as the idea may be of thinking about Vietnam any more, it may be worth a moment to take a hard look at the Paris documents.

The principle on which agreement was based—the principle that Henry Kissinger had pressed and Hanoi had resisted so long—was that a military cease-fire must precede a resolution of the political issues. In finally accepting this last October, Hanoi, as Washington has repeatedly told us, made a notable concession. Another Hanoi concession was to drop the demand for the immediate dethronement of General Thieu. However, Washington made its concessions too; and, since it has talked a good deal less about these, it may be well to list some of them here:

1. We have agreed to withdraw all our troops and dismantle all our military bases in South Vietnam within 60 days, while 145,000 North Vietnamese troops (our count; 300,000 according to General Thieu) may remain in South Vietnam so long as the Vietcong want them there. (The agreement provides that this question "shall be settled by the two South Vietnamese parties in a spirit of . . . equality.") "What kind of a peace," General Thieu asks not unreasonably, "is a peace that gives the North Vietnamese the right to keep their troops here? What kind of a treaty is a treaty that legalizes their presence here de facto?" Mr. Kissinger said the other day that these North Vietnamese regulars would somehow fade away in time through "the normal attrition of personnel." The prospect of waiting around while they die of old age may not be totally consoling to General Thieu.

2. We have agreed to supply no further arms to South Vietnam except on a one-for-one replacement basis, while Russia and China can continue to send arms to North Vietnam without any limit as to type or quantity.

3. We have obliged the Saigon regime to accept as full and equal partners on a National Council of National Reconciliation and Concord both the neutralists, whom the regime had been sending into prison or exile, and the Communists, whom it had outlawed. And we have confided to this National Council, on which each partner has a veto, the authority to organize elections. Thus we have not only legalized the presence of North Vietnamese troops in South Vietnam; we have also legalized the Vietcong as an equal partner in determining the future of South Vietnam.

4. We have promised to pay reparations to North Vietnam in the form of reconstruction assistance and in the magnitude of $2.5 billion.

5. We have thrown overboard the whole theory on which our intervention was based and for which 50,000 Americans died—the theory that North and South Vietnam were separate states, one of which had wantonly invaded the other. Mr. Kissinger now casually refers to the conflict as "the civil war." The agreement pledges us to "respect" the "unity and territorial integrity of Vietnam" and endorses reunification as a laudable objective.

A GREAT SOCIALIST VICTORY

Such concessions may have been indispensable to a settlement. Some of them may even have been desirable in themselves. But there is no point in pretending that they were not made. When one considers how much was conceded, it is easy to see why Le Duc Tho, the North Vietnamese negotiator, should call the agreement "a very great victory for the Socialist countries" and why General Thieu should be filled with such alarm and foreboding.

The point of the concessions was to persuade Hanoi to accept the Kissinger principle of a cease-fire in advance of a political settlement. Not everyone experienced in these matters on the American side thought the Kissinger approach a good idea. For the essence of this approach is to leave the substantive political issues, i.e., the causes of the war, unresolved. Those, like Averell Harriman and Clark Clifford, who thought a political settlement should come first, did so in the belief that the contending parties were so diametrically opposed, their differences so bitter and irreconcilable, that, unless these differences were settled in advance, any cease-fire would be certain to break down after a short time.

To this, view the Kissinger reply has been that a cease-fire will set in motion a political evolution that will end by resolving the political differences. We must pray that Mr. Kissinger is right, and we will now see how much merit his argument has. We will see whether General Thieu and the Vietcong, after all the years of hatred, betrayal and killing, are going to get together; whether supervisory personnel can maintain the cease-fire over the crazy-quilt of ill-defined jurisdictions; whether the National Council, required to operate on a basis of unanimity, will be able to agree on a procedure for elections.

Of course in its Article 11 the Paris Accord says incredibly: "Immediately after the cease-fire, the two South Vietnamese parties will: Achieve national reconciliation and concord, end hatred and enmity, prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other." Only a grammarian can comment adequately on the curious use of "will" in this context. When the agreement adds that Saigon and the Vietcong "will" also "ensure the democratic liberties of the people: personal freedom, freedom of speech, freedom of the press" and so on, up to and including the "right to free enterprise," one can only wonder with what amused tolerance of Western eccentricity the representatives of the Saigon, Hanoi and Vietcong regimes, none of which has shown notable enthusiasm for democratic liberties, watched this attempt to import the concepts of Western individualism into their non-individualistic cultures and with what cynicism they affixed their signatures to the document.

MR. ARNETT'S VIEW

No one has followed the Indochina situation longer or more carefully than Peter Arnett of the Associated Press; and he is almost certainly right when he predicts that a "dirty war" will be followed by a "dirty peace." Neither side has the slightest faith in the desire of the other to compromise the political issues. On December 30 General Thieu told Oriana Fallaci that bloodshed would be "inevitable" with a cease-fire. "It is not that we are overly suspicious," he said after the agreement was announced. "It is because we have had plenty of experience with the Communists in this regard and we don't place too much trust in their signature." The Vietcong, we may be sure, are equally suspicious. As Le Duc Tho said in Paris, "According to Marxist-Leninst theories, so long as imperialism persists in the world there will be wars." Each side is undoubtedly right about the other.

General Thieu has already said he will not agree to elections until the North Vietnamese troops leave South Vietnam. If elections are not held, this will very likely lead the Vietcong, still denied a political role, to become guerrillas again. If the cease-fire gradually disintegrates, what will the United States do? When President Nixon announced the settlement to the country on January 23, he said that all parties must "see to it" that the peace lasts and that "interested nations" must "help ensure that the agreement is carried out." What does these veiled phrases mean? Does or does not the President have in mind a continuing role for the United States as a guarantor of the agreement?

There is a short-run argument for ambiguity on this point. That argument is that, if the United States were to tell the world we were out of Indochina forever, this would tempt Hanoi to violate the agreement. But advocates of this tactic should never forget Theodore Roosevelt's warning: never draw unless you mean to shoot. What really do we intend to do if things go sour? The New York Times had a story from Saigon saying that General Thieu has received "official" assurances from Washington pledging American re-intervention in case of "blatant" Communist violations of the cease-fire. Have in fact such pledges been made? Does Congress know about them? Will we react in the same way in case the blatant violations are made by the Saigon regime?

MR. NIXON'S OPTIONS

As long as the Seventh Fleet remains in Indochinese waters, the bombers on our carriers can readily strike again. Exhilarated by what he no doubt regards as the success of the December B52 raids, President Nixon may feel that he can control Hanoi from the air. Or perhaps he thinks that Moscow and Peking can control Hanoi for him, though he would be mistaken if he supposes that their influence over Hanoi is any greater than ours over Saigon. He has, of course, another lever on the situation in reconstruction assistance. If agreements were violated, for example, aid could be cut off to the violator. This could not be done effectively, however, unless aid were distributed by an international organization; for President Nixon, by calling the Thieu regime "the sole legitimate government of South 'Vietnam," has already recommitted America to one side in the conflict.

This is the ultimate danger in the formula of a cease-fire in advance of a political settlement—that, as the cease-fire breaks down under the pressure of those deeply-felt and still unresolved political issues, the United States, as a party to the settlement, may be drawn back into the quagmire.

No doubt the administration rejected the other road to a negotiated agreement—a political settlement first—on the ground that no such settlement was possible without abandoning General Thieu, which would be, by the President's definition, dishonorable. Yet, if we were unwilling to do that (and how General Thieu acquired such a hammerlock on the American official conscience is another mystery), then perhaps historians many conclude that, rather than tie the United States into an inherently unstable and almost certainly unworkable agreement, we would have done better to follow the course recommended by such disparate figures as General Maxwell Taylor and Senator George McGovern—the course, in General Taylor's words, "of terminating the American commitment without recourse to a formal agreement involving Hanoi and the Vietcong."

Unilateral withdrawal, for example, would not have legalized North Vietnamese troops in South Vietnam. It would not have conferred new juridical status on the Vietcong. Above all, it would not have entangled the United States—as today we stand murkily entangled—in the position of seeming to guarantee the unguaranteeable. In the end, we will probably be forced to abandon General Thieu after all; or else reenter the war in the effort to save him.

MORE ON MEDICAID ABUSES IN NEW YORK

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. KOCH. Mr. Speaker, again I call the attention of my colleagues to the New York Daily News series on medicaid abuses in New York. The following is the eighth in the series of articles:

[From the New York Daily News, Feb. 2, 1973]

MEDICAID LOSES AS DOCS PLAY BEAT THE CLOCK

(By William Sherman)

Playing an expensive version of Beat the Clock, some medicaid psychiatrists routinely dismiss patients after a 10-minute chat, then bill the city for a full hour's psychiatric examination. One doctor charged $700 for 35 hours of work in one day and sometimes, the Health Department said, bills are paid for patients who were not seen at all.

Psychiatrists are paid $20 an hour for medicaid clients and last year billed the city for more than $4 million. Yesterday it was learned that the State Health Department has raised the maximum fee in New York to $30 an hour. The city has the option to maintain the $20 fee, or raising it to $30.

"The only control we have over psychiatrists is that we will not pay an individual for more than 10 hours a day, six days a week," said Stuart Laurence, Health Department attorney.

"Unfortunately, we have no way of knowing whether he's seeing those 60 patients in two hours, and then goes back to his private practice, or if he's really spending the time," Laurence said: "He may not see some of the patients at all," he said.

The continuing News investigation into abuses in the city's $1.3 billion medical assistance program revealed that some of the psychiatrists work in large medical group centers where patients are referred to them by other specialists.

This reporter, posing as a medicaid patient complaining of a cold at a Queens group center, was ushered in to see a psychiatrist after he had been sent to a podiatrist and an internist.

"Some psychiatrists' offices are literally bridge tables located between a podiatrist's and a chiropractor's examining rooms," said Laurence.

Under city medicaid regulations, psychiatrists have been directed to bill by units, with each $4 unit representing 15 minutes. They can bill in fractions of units, for instance, 1.5 units represents $6 or 22 minutes.

"I have never seen any bill less than $20," said Laurence.

Another psychiatrist who works in a group medicaid center is Dr. Max Packer, who sees patients at the South Jamaica Medical Center, 107–53 New York Blvd., Queens. Health Department records show that on several occasions during 1971 he was billing for up to 30 hours a day.

When he was asked to explain his billing procedures, Packer replied that some of the invoices were clerical errors.

However, an examination of Health Department records revealed that during August 1971, Packer billed the city for 2,590 units, or $10,360—17 hours a day for each day of that month.

WORKED 6-DAY WEEK

He told Health Department officials that he worked 12 hours a day six days a week, and that other practitioners at the center referred patients to him.

On April 26, 1972, Packer agreed to a reduction of his previous billing to 36 hours a week and subsequently has made the resulting restitution. He still is in the medicaid program.

The highest billing medicaid psychiatrists, department records show, are those who own private methadone clinics. There is no limit on the volume of patients, and the centers are paid $4 every time a patient comes in and swallows his dose of methadone. An average dose costs a dime.

However, Dr. Elio Maggio, who runs the Bronx Psychiatric Center, a methadone clinic, 1420 Grand Concourse, Bronx, was billing at the hourly rate during the summer of 1971.

THE 35-HOUR DAY

Records show that he regularly billed for about 100 hours a week, but reached a peak when he charged for 35 hours work in one day.

When confronted by the department, Maggio protested that he spent more than one hour with each patient and complained that medicaid didn't pay for the methadone.

After further questioning he said he could not be concerned with (billing) units. The department reduced his payments to 32 hours a week.

On June 15, 1972, Maggio was indicted by a Bronx grand jury for selling dangerous drugs and violating the state health laws. He was charged with selling methadone to private patients for $50 a week without giving proper follow-up care, including urine analysis tests to detect the presence of heroin, and counseling.

GROSSED $3,000 IN 2 DAYS

During a two-day period, including his medicaid and private patients, he grossed $3,000. His case has not yet been brought to trial and he has not been suspended from the medicaid program.

"In most of these clinics, the patient never sees the doctor," said senior Health Department medical auditor Dr. Howard Katz.

"He simply walks in, swallows his dose, and leaves," he said.

The biggest methadone operation ever run in the city was owned by Dr. Rafiq Jan, who accepted both private and medicaid patients. From 1969 through 1971, he was grossing $20,000 a week out of two offices: 35 W. 92d St., and 137 W. 96th St.

A $277,000 YEAR

From May through December 1971, Jan's operation grossed $277,000 in medicaid funds, in addition to more than 800 private patients who were paying up to $20 a week for their medicine.

During an investigation, Katz said he found that patients were standing 10 deep in the reception room waiting to hand money or a medicaid card to "an individual behind a cage" who handed out pills.

"The doctors were keeping records in dime store pocket notebooks . . . there were 17 doctors and psychiatrists employed at different times," he said.

Jan was suspended from Methadone maintenance programs, and the Health Department demanded $15,000 restitution. However, he was not suspended from medicaid and now is operating a group center at 137 W. 96th St., offering services from pediatrics to psychiatry.

DIRECTIVE IS ISSUED

Recently, an investigator with a medicaid card had two 13-minute consultations with Jan at his new office. When the bills came in they each were for one-hour visits.

On Oct. 12, in an effort to control psychiatrists billing, the Health Department issued a directive that doctors indicate the specific session time and date on each patient's bill.

MEET AT HOSPITAL

However, members of the Bronx Mental Health Center, directed by Dr. Hugo Morales, protested saying it was impossible to keep such records because in the South Bronx, patients come in and leave at odd hours, and doctors spend at least 30 minutes with each patient doing paperwork and making telephone calls.

A meeting was held at Prospect Hospital and attended by city medicaid officials and Rep. Herman Badillo (D.-Bronx) and State Sen. Robert Garcia (D.-Bronx).

During the meeting, Morales said, the psychiatrists insisted that they were not paid enough, and that patients, when questioned by department investigators, could not accurately remember what time a doctor saw a patient.

The Health Department insisted it was a valid and simple request. However, Dr. Tibor Fodor, executive medical director of medicaid, said "Badillo and Garcia insisted we rescind the order."

Badillo responded to this by saying he was not advocating cheating but that he thought the directive was unnecessary so long as psychiatrists did not bill for more than 10 hours per day.

At any rate, the directive was suspended by the city and Dr. Fodor said he referred the matter to the State Health Department. No action has been taken.

SMALL COMMUNITIES SHOUT "HELP"

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. ZWACH. Mr. Speaker, one of the drawbacks that keep people from estabing residence in the countryside is the lack of health care facilities. There are many towns in our Minnesota Sixth Congressional District that had two or three doctors 20 years ago that have none or only one today.

Worst of all, there seems to be no end in sight to this shortage.

Some of our rural communities are trying a unique approach. They seek out talented young people who would like to enter the medical profession, but lack the financial resources. They contract with these young people to finance their education on a loan basis with the provision that the young medics will return to the sponsoring community to practice medicine.

However, as one sponsor ruefully commented:

> This contract is not very air tight.

Nor does it guarantee that the student will continue his education to a conclusion.

Mr. Speaker, this shortage of medical practitioners was excellently dealt with by Mrs. Madonna Kellar, editor of the Heron Lake News, a weekly newspaper in our Minnesota Sixth Congressional District.

With your permission, and to give my colleagues and all of the other readers the opportunity to make a judgment of this shortage of medical personnel in the countryside, I insert Mrs. Kellar's editorial in the RECORD:

SMALL COMMUNITIES SHOUT "HELP"

Every small town has a fight on their hands the fight for survival. They either have the problem of too little housing, no doctor, no dentist, inadequate facilities or other inconveniences.

Shortage of doctors seems to be high on every town's list and the critical situation is not getting any better. The young graduate does not wish to tie himself down to a 24 hour a day job where he will be giving shots, delivering babies and aiding the dying in the wee small hours. Dedication—to a degree—has been diminished as the shortage became more acute. Young doctors are shopping for places where the load is not so heavy, where recreation is close at hand and where the financial remuneration is good. And who can blame them? They can age in a hurry when burdened with so great a responsibility. However, perhaps they are not weighing the great advantages of the small community where they can live in comparative safety among people who really care about them. They can live more economically where the small community is calling them.

Dental care is another need. It is difficult to get appointments when they are needed because the dentists are overworked as well.

It would seem that licensing between states should have a greater degree of reciprocity which would enable us to invite doctors from other states to join the ranks.

It is true that our legislators are working hard to get medical and dental care for the small communities, but the time element is tremendous. In the meantime a severe accident could occur which would cost a life that could have been saved by quick medical attention.

Maybe a deluge of letters to legislators could help speed up the wheels of politics to get something done more quickly. Perhaps it would be more vivid to them that their friends at home are in dire need of help.

It a country where education has been of prime importance it would seem that there would be at least one young doctor who would be dedicated enough to want to heal the ills of the people of our communities. In time, no doubt, there will be a physician and a dentist who will realize the potential of this area and who will come to the rescue. At least Hope springs eternal!!

THE ADMINISTRATION'S "BENIGN NEGLECT" HAS CHANGED TO PLAIN "NEGLECT"

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DANIELSON. Mr. Speaker, President Nixon's budget assumes that many of our pressing domestic problems have been solved. On this assumption, President Nixon has asked for an end to or a severe cutback in many of the programs that have been designed to provide improved health care, housing, education, manpower training, and other critical needs of our Nation's people.

To further justify his position, President Nixon's budget states that many of these programs are not working. He has been quick to criticize people-oriented programs, but very slow to offer alternatives to these programs. The problems of poor health care, low income, deteriorating housing, high unemployment, and low quality education have not disappeared. In fact, if some of these programs are not working, the fault would probably lie with the way they are being administered and not with the programs themselves.

The administration once used the phrase "benign neglect" to describe its policies toward these problems. Now the phrase has been changed to "self reliance"; perhaps it would have been more accurate to shorten the original description to just plain "neglect."

Certainly the Federal Government cannot and should not try to do everything, but the Federal Government has the responsibility to provide leadership in dealing with national problems on a national scale, and this role should not be abandoned.

THE CONTAMINATION OF CALIFORNIA LETTUCE BY MONITOR 4

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. WALDIE. Mr. Speaker, a problem of disturbing proportions appears to have developed involving misuse of pesticides and affecting the well-being of farmworkers and consumers. Monitor 4 is a poisonous organophosphate which has been used by California growers as a pesticide for lettuce growing. It is a highly poisonous substance, a poison that in its pure and undiluted form attacks the central nervous system and can cause death. It is, in fact generally a part of the "nerve gas" family.

The established Federal tolerance level of this poison is one part per million, but in recent tests by the Department of Agriculture, lettuce samples showed contamination of up to eight parts per million. Over 10,000 acres of California's Imperial Valley are affected by this contamination. Each acre yields approximately 12,000 heads of lettuce, which means that a total of over 9 million heads of lettuce appear to have been poisoned with this deadly organophosphate. The severity of this widespread contamination is confirmed by the reaction of the chemical companies involved. According to Ralph Lichte, Los Angeles County Agriculture Commissioners—

> The entire lettuce crop was so contaminated that the chemical companies offered to buy it all to avoid lawsuits. The growers refused.

Instead, shockingly and almost unbelievably to me, the lettuce was sent to market.

After discovering this contamination, the Department of Agriculture condemned thousands of cartons of lettuce that were to have been sent to retail stores for general consumption, belatedly preventing at least those shipments of contaminated vegetables to the general public. The USDA nevertheless permitted retail stores to "recondition" earlier shipments of contaminated lettuce and sell it to the public. This "reconditioning process" apparently consists of simply removing the outer leaves of lettuce that show the greatest signs of contamination. A shipment of this same contaminated lettuce left Arizona for Canada within the last 2 months, to be sold to the unsuspecting public.

The health and safety of the farmworkers is similarly not taken into consideration in this instance it appears, by anybody, not the Government enforcement agencies, not the growers, and certainly not the chemical pesticide companies. No effort whatsoever has been made to check the poisoning levels of the lettuce workers, that I have yet determined, even though it has already been proven that exposure to organophosphates such as Monitor 4 can cause physical disabilities. In a 1970 report by a team of doctors—sponsored by the New York Field Foundation—the worst incidents of human illness were proven to be those exposed to both organophosphates and chlorinated carbons. Monitor 4 is an organophosphate. Department of Agriculture tests also showed the presence of Thiodan, the second most toxic chlorinated hydrocarbon. The result of increased exposure to these two substances includes headaches, sleeplessness, loss of coordination, blurred speech, slow reaction time, losses in vitality, high irritability, and poor memories. Nevertheless, the poisons are still used. They continue to infect the workers and contaminate the consumer products.

The most shocking rationale I have yet discovered for this misuse of pesticides was offered by one major lettuce grower in California who frankly admitted that Monitor 4 is more dangerous than DDT. His explanation was—

> We could get away with DDT, but its banned now, so we have to use the stronger stuff, like Monitor 4. It's good for getting rid of the insects and that's what we're interested in.

This sort of attitude regards consumers and the farmworkers of this country as mere insects. They have been regarded as such for too long, and I will do all I can to insure that they will be treated as such no longer.

Even now, this pesticide, possibly more dangerous than DDT, is being used, and apparently abused. On supermarket shelves across the country the contaminated lettuce is being sold to the unsuspecting public. Where was the Federal Government when this pesticide was being indiscriminatly abused, and the contaminated lettuce was piling up for commercial sale? Where is the Federal Government now??

I have called for a full and complete three-pronged Federal investigation by the Environmental Protection Agency; the White House Consumer Affairs Adviser; and the Occupational Safety and Health Administration of the Department of Labor. It seems to me, that to insure the safety of the consumers and the workers, this substance should be banned from the market, and its use discontinued until the appropriate Federal agencies have had the opportunity to complete adequate testing. If Monitor 4 is found to be unsafe, as many claim, then it should follow in the footsteps of DDT and be permanently banned from commercial use.

THE HORSE PROTECTION ACT

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. ROGERS. Mr. Speaker, for the past several months, members of the Public Health and Environmental Subcommittee have received an enormous number of inquiries from Americans across the Nation, calling attention to the provisions of Public Law 91–540, an act which prohibits the movement of sored horses in interstate or foreign commerce. The law originated in the Subcommittee on Public Health and Environment and we are well aware that it was the intent of Congress in passing it that the brutal practice of soring be abolished. Therefore, we were shocked to learn that despite the Federal statute of 1970, soring continues throughout the country.

As a consequence, I wrote the Secretary of Agriculture, December 5, 1972, asking for detailed information concerning their procedures and methods of enforcement. I received their reply dated February 14, 1973.

I also asked the American Horse Protection Association, Inc., to submit their comments on the Department of Agriculture's reply. Representatives of this nonprofit humane organization, which is dedicated to the welfare and protection of all horses, both wild and domestic, have battled for over 10 years against this vicious maiming of horses. They have attended a large number of walking horse shows, both before and after the act went into effect. It was deeply discouraging to note their charge that "there are just as many sore horses in the show ring today as there were before the law went into effect." As a recent editorial from the Nashville Tennessean stated:

> Perhaps by the year 2000 some progress will have been made on the problem of soring horse.

But there is no need to wait until the year 2000 to correct this unhealthy situation. We intend to take whatever action is necessary to eliminate persistent confusion on the part of the Department of Agriculture concerning their powers of enforcement and the will of Congress.

At this time and for the information of my colleagues, I shall insert in the RECORD my questions of the Department of Agriculture, their responses to those questions and the comments of the American Horse Protection Association to USDA's answers. I also insert the entire editorial from the Tennessean.

The material follows:

QUESTIONS AND COMMENTS

Congressman Roger's question—How many horses were inspected by the U.S. Department of Agriculture at the National Celebration, Shelbyville, Tennessee, prior to their entry in the show?

USDA answer—In the Horse Protection program, inspection of a horse involves a visual observation as well as physical examination. Entry in the show means that an entry form has been executed and submitted to the show management along with the required entry fee. These entry forms and fees are requirements of the horse show. In shows such as the Celebration, entry is made several weeks before the horse show actually occurs. At this show, every horse that entered the ring under saddle to be judged was usually observed by at least five different U.S. Department of Agriculture (USDA) inspectors. A number of horses were observed and examined several times because they were shown in more than one class. Our figures for the National Celebration disclose 1,753 horses entered. Of these, 680 horses were never shown. This could be due to numerous reasons. We know that 115 of the 680 horses were excused by representatives of show management. To the best of our knowledge, none were excused for the stated reason of being sored. Horses numbering 565 were never presnted for showing. We believe many of these horses were entered in a class and an entry fee paid so that they could qualify for stall space. This would get the horse in an area where horsemen and potential horse buyers were prevalent. It is also possible that some of these horses were not shown because of the Department's presence and activities.

AHPA's comment—U.S.D.A. admits that out of 1,753 horses entered in the 1972 "Celebration," 1,245 were never examined by U.S.D.A., i.e., "680 horses were never shown" and "565 were never presented for showing." Inasmuch as 1,753 horses were officially entered in this horse show, this leaves a remainder of 508 horses which were shown, but only 314 of that number were examined by U.S.D.A. Thus, the remaining 194 horses were shown in the ring but none of this number was inspected by Federal Veterinarians. Why were these 194 horses exempted from U.S.D.A. inspection?

U.S.D.A. Rules and Regulations state that an "exhibitor," as defined in Section 11.1(s) "means the owner or other person who enters a horse in any horse show or exhibition," and Section 11.5 defines access to premises for inspection of horses. One must take for granted that the owner of any horse listed in the official program of the "Celebration" has paid the required entry fee and his horse is therefore officially entered in the show.

(See Section 11.21 (b)). Therefore, there is no excuse for U.S.D.A. not examining the 1,245 horses which were officially entered, for whatever purpose, in the "Celebration."

U.S.D.A. states that out of this number, they examined only 314 horses, which indicates that over a period of eleven days, eighteen Federal inspectors examined only thirty horses a day. In contrast, the three veterinarians hired by the show management were able to inspect, during the same period, 1,188 horses, "some of them several times."

There is also no excuse for their not having examined the 115 horses which were said to have been excused by the show veterinarians. All press accounts indicate that only "35 horses were excused for alleged violations" during the "Celebration", but whatever the exact number, one would think that these excused horses in particular would have been under immediate suspicion of soring, and that U.S.D.A. would have recognized its duty under the law to inspect them.

The above would clearly indicate malfeasance on the part of U.S.D.A.

Question. How many horses prior to showing were found by U.S.D.A. veterinarians to be sored?

Answer. None. The horses were observed prior to showing; however, the inspection of the horses was not complete until after the showing. No horse was considered sore on visual observation only. The diagnosis of soring is made only when a visual examination and a physical examination are made. Palpation of the allegedly affected limbs is a vital part of the examination and diagnosis.

AHPA—No comment.

Question. How many horses were inspected by the U.S.D.A. veterinarians after showing?

Answer. Approximately 314 horses were examined after being shown. These horses were selected for post-show inspection by virtue of being recipients of ribbons, or by exhibiting a gait which could be indicative of a sored horse, or by random selection.

There is no sufficient time to examine all horses exiting a class in the short time between classes. Any attempt to do so would unduly delay the show. Additionally it would seem impractical under the circumstances to examine horses that appear normal in their gaits. Examination of horses showing symptoms that might be indicative of soring, as well as those receiving ribbons, is the most effective way to utilize the personnel available for assignment to a particular horse show.

AHPA—No comment.

Question. Of this number, how many horses were found to be sored?

Answer. Fifty-nine cases of alleged violations at the Celebration have been submitted from the field for evaluation. There are an estimated 70 additional alleged violation cases being prepared.

AHPA's comment—In answer to the question "Of this number, how many horses were found to be sored?" U.S.D.A. states that "there are an estimated 70 additional alleged violation cases being prepared." Are we to understand that these 70 cases concern violations at the "Celebration", or elsewhere in the United States?

Question—What was the procedure followed upon determination by a USDA veterinarian that a horse was sored?

Answer—Our procedures included provisions for enforcement personnel to assemble information necessary for prosecution for those horses thought by USDA veterinarians to be sored. This included statements to establish the horse was sored for the purpose of affecting its gait and that the soring may reasonably be expected to cause pain, extreme physical distress or inflammation. The responsible persons were identified, often by affidavits, and commerce was established. Each alleged violation also includes, by documentation, that the show was or was not in violation and that the trucker was or was not involved. Many of these items are difficult to obtain. Often meetings had to be arranged with the trainer and his lawyer, at which time the lawyer would advise his client not to comment. Some problems are being encountered in establishing commerce. Most exhibitors are reluctant to swear they brought their horse interstate for the purpose of show or exhibition.

When all the above was obtained, it was sent to the national program staff for review. If it appeared complete and accurate, it was sent to the Department's Office of the General Counsel with the Animal and Plant Health Inspection Service's recommended action.

AHPA's comment—concerning U.S.D.A.'s answer to the question, "What was the procedure followed upon determination by a U.S.D.A. veterinarian that a horse was sored?", we do not understand why meetings had to be arranged by U.S.D.A. with trainers and their lawyers. This procedure is not called for in either P.L. 91–540 or the Rules and Regulations. Thus, why was this action taken in the face of a clear violation of the law?

2. Question—To your knowledge, how many horses were inspected by independent veterinarians?

Answer—The private practitioners hired by show management examined every horse brought to the showring for showing under saddle. Halter classes were not examined, as soring is not a factor in these classes. Horses numbering 1,188 were examined, some of them several times.

AHPA—no comment.

Question—Of this number, how many were found to be sored?

Answer—To the best of our knowledge, no such horses were diagnosed by the independent practitioners as sored as defined by the Act.

Show management has committed an unlawful act if they conduct a horse show subject to the Act in which sored horses are shown unless show management complies with the regulations of USDA. Most of the larger shows, and many of the smaller ones, hire a veterinarian to prevent this from happening. The practitioner can accomplish this purpose by excusing any horse for unsoundness or for having a gait not typical of the breed. It has been easier for this type of diagnosis to be made by the show veterinarian and/or the judge than to make a diagnosis of soring as defined by the Act. They fear lawsuits as well as being reluctant to make such a serious charge against a client. The judge, who is almost invariably a trainer and owner, also is reluctant and seldom excuses a horse for being sore. In the most extreme cases, if he must do something, he offers the rider the opportunity to excuse himself. The announcer will then say: "Horse number —— has asked to be excused."

AHPA's comment—In reference to U.S.D.A.'s answer to the question, "Of this number (1,188), how many were found to be sored?", U.S.D.A. states that to the best of their knowledge, "no horses were diagnosed by the independent practitioners as sored as defined by the Act". And yet 35 out of 107 horses were excused from the show ring on the second night of the "Celebration" by these same "independent practitioners". Certainly some reason must have been given for their unprecedented action, which caused a riot in the ring and the "Celebration" to be closed temporarily for that evening. Veterinarians paid by the show management are not required to make a diagnosis of soring, and are, of course, hesitant to make such a serious charge against their clients. Conversely, U.S.D.A. veterinarians are bound by law to make this determination. Again, U.S.D.A. admits they did not do their job!

Question—Was there a procedure whereby horses, determined to be sored by the independent veterinarians, were referred to USDA veterinarians for further inspection?

Answer—A USDA veterinarian was working just inside the area where the private practitioners were examining horses. He was advised as to which horses were passed or were excused.

AHPA's comment—It is obvious that U.S.D.A. hedged in answering the question, "Was there a procedure whereby horses, determined to be sored by the independent veterinarians were referred to U.S.D.A. veterinarians for further inspection?" U.S.D.A. did not state that U.S.D.A.'s inspection building was cut off from view of the area used by the show veterinarians to inspect horses. One might also ask what use U.S.D.A. made of whatever information they received from the show veterinarians concerning those horses which were excused.

3. Question—Kindly provide a listing of the number of cases referred to the Department of Justice as a result of a determination by an independent inspector that soring had occurred.

Answer—(With comments regarding commerce and willful violations.) The Act is clear that delivery of a sored horse for showing constitutes a violation of the Act, but it must be shown that such a person had reason to believe the horse was sored when moved and that this movement was in commerce as defined in Section 2 of the Act. The Act is also explicit in that the showing or exhibiting of a sored horse constitutes a violation of the Act with the stipulation that the horse or any other horse was moved to such show or exhibition in commerce. There have been no cases forwarded to the Department of Justice as a result of a determination by an independent inspector that soring had occurred. As mentioned above, the practitioner can perform the duties for which he was hired by pointing out horses to management that are not sound. Sored horses fall in that category. Practically speaking, the purposes of the Act are accomplished by prohibiting this sored horse from showing. If this were to happen routinely, the practice of soring would come to an end.

AHPA's comment—A.H.P.A. takes strong exception to U.S.D.A.'s theory, as stated in their answer to question 3, that "the purposes of the Act are accomplished by prohibiting this sored horse from showing. If this were to happen routinely, the practice of soring would come to an end." In no instance have we observed U.S.D.A. in the act of prohibiting any sored horse from competition, nor is this the primary function of the show management. Instead, it is the clear responsibility of U.S.D.A. under the law. Inasmuch as U.S.D.A. has charged so very few alleged violators (only four to date after the 1972 season) out of an estimated 110,000 horses they allegedly examined, it is pathetically clear that USDA's presence has not become an effective deterrent to soring. This fact is further illustrated in their reply to the following question in which they admit that they have referred only 8 cases of alleged violations to U.S. Attorneys throughout the U.S. We should also like to question why no cases have been referred to any U.S. Attorney in Tennessee inasmuch as the majority of the horses which we observed at the "Celebration" were in our opinion, and according to our veterinarian, painfully sored.

Question—Kindly provide a listing of the number of cases referred to the Department of Justice with respect to horses determined by the USDA inspectors to be sored.

Answer—There have been eight cases referred to the United States Attorneys as a result of determinations made by USDA inspectors. These are in Texas, South Carolina, Indiana, Illinois, and Alabama. A number of other cases are currently being prepared for referral to various United States Attorneys.

4. Question—Is there a formal arrangement with the Department of Justice governing referral of cases involving willful violations of the Act?

Answer—Cases involving willful violations are referred to the Department of Justice pursuant to Section 7 of the Act. Such referrals are sent directly to the U.S. Attorney in the district where the violation occurred for his consideration and action. This s normal procedure in criminal cases of this nature, and no specific written agreement in this regard exists.

AHPA—No comment.

5. Question—In your judgment, do the provisions of the Horse Protection Act provide your Department with ample authority to prevent the practice of the soring of horses or is further authority necessary? For example, should the law be amended to provide USDA representatives with the authority to confiscate horses or to stop horse shows? Should you be provided with the authority to bring actions in Federal court to enforce provisions of the Act? Is the authorization of $100,000 annually sufficient to allow you to properly implement the provisions of the Act?

Answer—An evaluation of the effectiveness of the Act cannot fully be made until cases have been tried in a court of law. If convictions are obtained, it can be determined if these convictions will prevent others from continuing the practice of soring.

The authorty to confiscate horses may cause more problems than benefits. The responsibility for these extremely high-priced horses would be great, especially when considering the risk involved in transporting them to controlled stabling areas. Even if this were successfully accomplished, damage is done to show horses when taken out of training. We understand that although some humane associations have the authority to confiscate horses, such action has not been taken.

The present legislation provides authority to bring action in Federal courts for willful violations in Section 7. Civil penalties are also provided for in Section 6 when the violation is nonwillful in nature.

With regard to the $100,000 annual authorization for administration specified in the Act, our experience to date is that this amount provides only limited ability for field surveillance and enforcement. After accounting for national level staff support, training and training aids, travel, and other costs, less than $1,000 is available to each field office in each State for enforcement purposes. It is estimated that the average cost per show is approximately $500, based on attendance at both large and small shows. Should we concentrate on the larger shows only, the average will be much higher. It is estimated that the cost to the Department for our activities at the 11-day Celebration at Shelbyville, Tennessee, was $27,305.99, without consideration of the costs to the Office of the General Counsel for legal services. During calendar year 1972, USDA inspectors were actively inspecting horse shows that lasted from one evening to 11 days. During this time, we were at over 800 horse shows and inspected over 110,000 horses.

The 1972 horse show season has been an extremely busy and educational one. Department personnel not only had to familiarize themselves with the Tennessee Walking Horse breed and its distinctive gait, but had to become familiar with the deviations to the natural gait which could be attributed to soring as defined by the Act. Since the Act is applicable to all breeds, it also became necessary to be familiar with the training and showing procedures of all other breeds as well. Enforcement cannot be accomplished without a thorough knowledge of show management practices and we could not expect compliance at any significant level without expending a great deal of time contacting and working with all segments of the industry informing them as to what the Act and its regulations required of them.

We believe that the industry is now informed. We further believe that continued opposition will occur until the industry is convinced that they must stop the practice of soring and that equality of competition is necessary for their own good.

AHPA's Comment—In reference to U.S.D.A.'s answer to the final question, we should like to submit that representatives of the A.H.P.A. have attended a great many Walking horse shows during the 1972 show season. It was a most "educational" experience for us too, but more importantly, it taught us that there are just as many sore horses in the show ring today as there were before the law went into effect. It is quite evident to us, if not to the Department of Agriculture, that the Walking horse industry has absolutely no interest in "compliance" with the law, nor are they "convinced that they must stop the practice of soring". For two years they have flagrantly violated the law with enormous success, and they have no reason to believe the Federal government will prosecute their continued violations. This unhealthy situation would certainly indicate a serious problem on the part of U.S.D.A. whose responsibility it is to translate the strength of the law into effective action. They in turn prefer to wait until the industry reforms itself, which will never happen. It is obvious to us that U.S.D.A. is more interested in waiting for "compliance" than in using the full force of the law to end, once and for all, the brutal practice of soring.

A THIRD CHARGE OF HORSE SORING

The Agriculture Department has filed charges against a third person accused of soring a Tennessee Walking Horse.

Mr. James Altman of Arnold, Mo., is also accused of transporting a horse across a state line and with covering the area of the lower leg with grease in violation of the 1970 Horse Protection Act. The horse was entered in an Illinois show, but didn't compete. Mr. Altman pleaded innocent.

The previous charges were against a Tennessee horse trainer and a Texan. The astonishing thing is that the Agriculture Department has found only three persons to charge with soring horses since passage of the 1970 act.

One can either conclude that the Walking Horse industry has made valuable strides in attacking the problem itself, or that the Agriculture department is astonishingly inept in finding evidence sufficient to bring charges.

If it is the latter case, perhaps by the year 2000, some progress will have been made on the problem of soring horses.

NEWS BULLETIN OF THE AMERICAN REVOLUTION BICENTENNIAL COMMISSION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. WHITEHURST. Mr. Speaker, I am inserting in the RECORD the February 26, 1973, edition of the news bulletin of the American Revolution Bicentennial Commission in an effort to help my colleagues be informed of actions being taken across the country in preparation for the coming 200th anniversary of the United States in 1976. The bulletin is compiled and written by the staff of the ARBC Communications Committee:

BICENTENNIAL BULLETIN, FEBRUARY 26, 1973

"Let's Talk Bicentennial" is the theme of the New Jersey statewide conference to be held March 3 at the State Museum Auditorium. Sponsors are the New Jersey Historical Commission and the newly created New Jersey American Revolution Bicentennial Commission and the official County Bicentennial Committees have also been invited to serve as co-sponsors. Governor William T. Cahill issued invitations to all counties and the "Big Six" cities—Camden, Elizabeth, Jersey City, Newark, Paterson and Trenton—to send ten delegates each to the conference. He urged them to make their delegations "as broadly representative as possible of the communities which you serve. Such representation is essential if the Bicentennial is to involve all of the people of New Jersey," the Governor said. This is the second such meeting to be held in the state—the first, held in April 1971, stimulated formation of county and municipal planning committees; the second will emphasize reports of programs and plans of each county and "Big Six" city. A film on "Liberty Park," a major Bicentennial project of the state, and officially recognized by the national ARBC will be shown. Professor Richard P. McCormick of Rutgers, and a member of the national organization, will be featured speaker.

"American Idea," the Ford Motor Company's TV presentation will get its first viewing on March 18 (8 p.m. EST on ABC-TV) with a program dedicated to the proposition that land is good; that America was built around the goal of owning property. Henry Fonda, Dick Van Dyke, Cloris Leachman and the late Edward G. Robinson will star in this installment. The second program built around the cowboys and Indians and their natural dependence on the land will be shown sometime in early summer and a third episode based on the waves of immigrants will come to the small screen next fall. The series is expected to continue into 1976.

In Guam the Bicentennial Commission has met and set up task forces and committees to enthusiastically launch activities related to the theme areas. Under task force Heritage, a Calendar of Events of happenings from 1776 to 1976 will be developed and the Horizons Committee will sponsor a contest among high school students to develop a Guam Bicentennial logo and letterhead. Further plans will be discussed at the March 1 meeting.

The University of South Alabama in Mobile is developing an Ethnic-American Art Slide Library as a project of the Department of Art. Its holdings now include almost one thousand slides of American Indian artworks and five hundred slides of Mexican-American art. Scheduled to begin later this year is a collection of Oriental-American art. The work is being carried on under the sponsorship of the Samuel H. Kress Foundation of New York who has recognized the importance of developing Ethnic-American art slide collections for use by scholars in the various subject matter areas comprising the Humanities.

Billed as a "sure non-best-seller" at $100 per copy, "The American Campaigns of Rochambeau's Army, 1780, 1781, 1782, 1783," has been recently published and represents eight years' work by its author, Mrs. Anne S. K. Brown, and is a major event for the Rhode Island Bicentennial Commission's celebration of the nation's 200th birthday who presented Mrs. Brown with a citation. The book details the campaigns of the Comte de Rochambeau, the French general who commanded a French army that helped the Americans defeat the British at Yorktown. The book looks at the campaign through the diaries of three young officers, and not only provides an essential view into the understanding of the Revolution but an entertaining glimpse of colonial America by three sophisticated Frenchmen . . . who found the custom of "bundling" particularly curious. The two volumes have been printed in an original issue of 2,500, more than half of which have been sold so far, mostly to libraries.

New in the Old Dominion: Along with their new license plates, residents of Virginia are receiving an enclosure which displays the new highway signs being installed throughout the state. The signs are essentially the same as the "international" traffic signs used in most other countries of the world. Most states are providing these easily recognized guides for tourists. There are few efforts which could make travel more pleasant and easier for the influx of visitors from other countries whose numbers are expected to be particularly great during the Bicentennial year.

The National Archives Conference on the "Meaning of the American Revolution" will be held during November 1973. Session topics will explore the implications of the Revolutionary experience in American beyond the Revolutionary War period itself. Among the subjects that will be considered are political and economic implications, law and constitutionalism and cultural and religious implications of the Revolution. A session highlighting the holdings of the National Archives in the area of pre-Federal studies will emphasize certain basic institutional resources available to the scholar both in manuscript form and on microfilm.

The Maine State American Revolution Bicentennial Commission has announced the appointment of chairmen and members of its three key committees—Heritage 1776, Festival U.S.A. and Horizons 1976. Heritage will develop a plan to encourage the preservation of historic documents and sites; a publication program will be established and the participation of museums, historical societies and patriotic organizations will be solicited. Festival will direct its main efforts towards schools, libraries and other educational bodies, encouraging pageants and reenactments and setting up criteria for grants in aid to groups. The committee will also explore how the fine, applied, performing and visual arts resources in Maine can be related to the Bicentennial celebration. Horizons program goals are to encourage and promote activities both ecologically and of a conservational and restorative nature to leave as a legacy to the state of Maine.

The New York State American Revolution Bicentennial Commission has produced a useful booklet, "Independence and Statehood," a Framework for Observing the Bicentennial in New York State. The booklet is divided into areas headlined Guiding Principles, The Three Phase Approach (referring to the dates of phases of project implementation), the Endorsement Policy and in addition, lists a great number of suggested Bicentennial programs, among them: Bicentennial history of your community for children, cookbooks, ethnic histories, competitions of diverse sorts and demonstrations of 18th century crafts and "Heritage Workshops." The "New York Master Calendar" of Revolutionary events from 1770 to 1783 is presented in the back of the book. New York recognizes its preeminence in the story of the American Revolution, and has since 1968 been hard at work to fulfill its mandate for a fitting anniversary.

Two state agencies have received commendation from the Nevada American Revolution Bicentennial Commission for initiating the first historical project of the Bicentennial era. The Nevada Department of Education and the Nevada Highway Department have created a multi-media kit, "Trails Across Nevada," which will be used in Nevada junior high schools. The kit consists of a color booklet, a carousel with 74 slides and one audio tape. Vicki Nash, Bicentennial Director commented on the package," "Trails Across Nevada emphasizes the evolution of early trails to modern highways and is a fine example of Nevada's heritage."

LAWRENCE F. TAYLOR URGES DEMOCRATIC PARTY TO UNITE AND EARN RESPECT OF VOTERS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. FASCELL. Mr. Speaker, recently, Mr. Lawrence F. Taylor was installed for his second term as the president of the Biscayne Democratic Club, Miami Beach, Fla. He was returned to office because he has demonstrated the qualities which he advocates as essential for leadership. His is a dedicated Democrat. He recognizes the need for strong local effort if the Democratic Party is to make its contribution to the strength of this country through the operation of an effective two-party political system.

In his remarks accepting his second term, Larry Taylor called on all members to exert every effort possible to make the Democratic Party stronger, more united, and to redouble support for those principles for which the Democratic Party stands and which made it the party of the people.

He correctly warns that we must continue to earn the respect of our fellow man if we are to be entrusted with the challenge and responsibility of leadership, both local and national. I thoroughly concur with these observations. I am sure all Democrats are as impressed as the many who attended the installation banquet.

In a humble yet potent manner Lawrence F. Taylor, who is giving his best for the Democratic Party at the local level, reminds us all that we must have the will to strengthen the Democratic Party; that we must have everyone's cooperation; that the strength of the Democratic Party is in local organizations such as the Biscayne Democratic Club of Miami Beach, Fla.; that adversity must unite us; that we must have strong national candidates and that we must be more determined in our effort to be of service to the people of this country if the Democratic Party is to remain the party of the people.

Mr. Speaker, Lawrence Taylor's remarks are timely. I commend his very capable leadership on behalf of the Democratic Party. I know all my distinguished colleagues join me in expressing our appreciation for his fine work, and wishing him continued success.

SHELL OIL'S REFUSAL TO BARGAIN ON OCCUPATIONAL HEALTH

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. REUSS. Mr. Speaker, the Occupational Safety and Health Act of 1970 established a landmark Federal program to guarantee safe and healthy workplaces to all American workers. Often overlooked, however, is the first admonition of the law: That employers and employees act voluntarily "to institute new and to perfect existing programs for providing safe and healthful working conditions."

The oil industry, by and large, has made a magnificent response to this law. In contracts negotiated with the Oil, Chemical and Atomic Workers—OCAW—nearly all American oil companies agreed to health and safety clauses of far-reaching importance. These companies include American, Atlantic Richfield, Gulf, Texaco, Mobil, Union, Citgo, Exxon, Sohio, Continental, Phillips, Ashland, Marathon, and Skelly.

Shell Oil Co., however, has flouted the spirit of the law by stubbornly insisting that health and safety is not a bargaining issue. One of the richest corporations in the world, it has gone so far as to file an "unfair labor practice" charge against the OCAW with the National Labor Relations Board. Because of this resistance to basic worker rights, the OCAW is striking at Shell refineries and calling for a consumer boycott of Shell products

I wish the Oil, Chemical and Atomic Workers success. It is the stated policy of this Nation that management and labor should work together to guarantee safe and healthy working conditions. Shell, for some reason, is slow to move in this American style. Is it because Shell is 69 percent owned by two European companies—Royal Dutch Petroleum Co. of the Netherlands and the "Shell" Transport & Trading Co. of Great Britain? Why should Shell behave differently from the U.S. companies?

A copy of the OCAW's standard health and safety clause follows:

HEALTH AND SAFETY CLAUSE

1. There shall be established a joint Labor-Management Health and Safety Committee, consisting of equal Union and Company Representatives, and not less than two (2) nor more than four (4) each.

2. The Company will, from time to time, retain at its expense qualied independent industrial health consultants, mutually acceptable to the International Union President or his designee, and the Company, to undertake industrial health research surveys as decided upon by the Committee, to determine if any health hazards exist in the work place.

3. Such research surveys shall include such measurements of exposures in the work place, the results of which shall be submitted in writing to the Company, the International Union President, and the Joint Committee by the Research Consultant, and the results will also relate the findings to existing recognized standards.

4. The Company agrees to pay for appropriate physical examinations and medical tests at a frequency and extent necessary in light of findings set forth in the Industrial Consultant's reports as may be determined by the Joint Committee.

5. The Union agrees that each Research Report shall be treated as privileged and confidential and will be screened by the Company to prevent disclosure of proprietary information or any other disclosure not permitted by legal or contractural obligations.

6. At a mutually established time, subsequent to the receipt of such reports, the Joint Committee will meet for the purpose of reviewing such reports and to determine whether corrective measures are necessary in light of the Industrial Consultant's findings, and to determine the means of implementing such corrective measures.

7. Within sixty (60) days following the execution of this agreement and on each successive October 1 thereafter, the Company will furnish to the Union all available information on the morbidity and mortality experience of its employees.

8. The Joint Committee shall meet as often as necessary but not less than once each month at a regular scheduled time and place, for the purpose of jointly considering, inspecting, investigating and reviewing health and safety conditions and practices and investigating accidents, and for the purpose of effectively making constructive recommendations with respect thereto.

9. All matters considered and handled by the Committee shall be reduced to writing, and joint minutes of all meetings of the Committee shall be made and maintained, and copies thereof shall be furnished to the International Union President.

10. Time spent in committee meetings by Union representatives, including walkaround time during joint inspections and investigations shall be considered and compensated for as regularly assigned work.

11. In addition to the foregoing, Company intends to continue its existing Industrial Hygiene Program as administered by Company personnel.

12. Any dispute arising with respect to the interpretation or application of the provisions hereto shall be subject to the grievance and arbitration procedure set forth in the agreement.

BICENTENNIAL REFLECTIONS

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. BYRON. Mr. Speaker, the minds of many Americans will soon be turning to our Nation's bicentennial celebration in 1976. It was with this occasion in mind that Mrs. Arita VanRennsselaer recently penned her latest poem.

I commend this patriotic piece to you now, because its message represents the very spirit upon which we should celebrate our Nation's bicentennial:

Bicentennial Reflections

Across the valley of the years
Our forbears marched in sweat and tears
With simple faith and trust in God
They climbed the hills to the prairie sod.
Then over the mountains sharp and steep
They drove their cattle and grazed their sheep
From the bowels of the earth they withdrew its gold
And many a tale of hardship is told.
Pushing on through the wilderness and grassy plain
They felled the trees and drove a train.
Now, "We The People" took a stand
To become a free and sovereign land;
To elect from our own the people's choice
With loud acclaim from heart and voice.
Joy abounded. Political parties grew,
From Wigs and Federalists to "Nothing they Knew";
Democracy forever; slogans became strong
The Republic must be saved and right win over wrong.
Cities they built to pierce the sky
Awed with the grandeur was each passerby.
Always the belief in the open door
Welcomed the stranger ever more.
To the land of the free and the home of the brave;
This the motto to each one they gave.
Machines replaced laborers more and more
And cotton became king in every store.
The iron horse carried the roadway west
The stage coach with its team came to a rest.
The Pony Express was the first fast mail
But now everything went by the new iron rail.
With water and fire they created steam
And rivers became highways; yes, this dream
Had over the years besought mankind
To harness the treasurers of creative mind;
To march, to sing, to dance, to float
On the "Father of Waters" in a steam powered boat.
While bales of cotton, tons of wheat
Lay piled in bundles, high and neat
Even heaped upon each other at the ocean's door
Waiting and waiting to reach the distant shore.
But within this giant of a land
The parts divided; the treasure grand
Was torn asunder in mutual strife
And everyone fought for his home and his life.
The forces that build could now destroy
Life, liberty and happiness; forgotten their joy.
Homes laid waste, and the widow's cry
Rent the air with only a whispered sigh.
Oldest sons with careers but newly made
Were snatched with vengeance, nothing stayed
The hand of the giant turned on its self;
Spent was the happiness, spent was the wealth
Gone were the hearthstones, gone too was their health.
Only the heartache came to stay
To fill the void for those gone away,
Only the anguish, for those left alone
Only the loved ones remembered the unknown.
Only to God could their names be called
Only in memory would they be installed.
And then again the nation grew.
Became as one, where it had been two.
Divided no more, it reached out in war
To save the world—and just as before
The needless slaughter, the fights were large
And again a son of the pioneers took charge.
The young nation had become an adult at last
Learning the lessons from civilizations long past:
That Peace is more diffficult to wage than is war,
That ever as we strive the world to improve
There are valleys to cross, and mountains to move.
There are streams of unhappiness and discontent
There are emotions unleashed, demonstrations to present
The course of true justice, the misuse of Power
Become the overwhelming demands of the hour.
The hunger for rightousness, mobs screaming for food
The yearning to know what is best, what is good
For every man, every woman and each child
And evermore upward, the cry grows more wild
The dream that drove the first settlers to seek a new land
To practice a belief in their God, without demand
For a common faith, by government control;
That dream was lost; freedom of faith no longer the goal.
A freedom has come, but with its the soul
Has lost its meaning; in diversity to please
The many; yet so few remember the driving force
That started our Nation on its upward course
To the place of leadership; of holding the Light
Of Liberty and Justice, with truth and right
Established for each human being on the face of the earth.
Is this dream too large; too costly form its worth?
The challenge is here, now, at long last
The cry for peace, Peace Now, not of the past.
"One Nation Under God", is still the loud call
With Liberty and Justice and Freedom for all.

APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. POAGE. Mr. Speaker, with the recent sharp increases in food prices, the unhappy housewife looks for someone to blame, and naturally so, but the blame unfortunately and unjustifiedly has been falling on the farmer.

One point that should be kept in mind is that the farmer only gets 40 cents of each dollar spent for food. The other 60 cents goes for transportation, processing, distribution, and marketing.

Another is that, notwithstanding recent increases in prices received by farmers, they still are getting only about the same for their crops now as they did 20 years ago. Only their efficiency and improved technology over these years has made it possible for consumers to get food now for only 16 percent of their income after taxes. The average family spent 23 percent of its net income on groceries in 1952. While farm prices are at about the same levels those prevailing 20 years ago, the cost of labor, machinery, fertilizers, and other input items of production have doubled and in some cases tripled.

The real cause of the inflationary spiral is the abundance of hard cash in circulation, even though a great many people individually have not shared in this increased flow of money. How that bears directly on the rise in food prices is lucidly set forth in an article published in today's Wall Street Journal. I recommend its reading. It should help answer complaints of persons who understandably want something done and mistakenly think the farmer is to blame for the situation.

The article follows:

[From the Wall Street Journal, Mar. 5, 1973]

Appraisal of Current Trends In Business and Finance

(By John O'Riley)

Food prices. Not even sex or taxes is getting more attention in conversation and commentary these days. They are "going through the roof" it is said. And indeed their upward march is sharp. They have jumped at retail some 33% since the middle of the last decade. But beyond the fact of the steep climb, the confusion and befuddlement is unlimited. The farmer is blamed. The "middle man" is blamed. The supermarket is blamed. And all wrongly. The basic forces behind the trend it would seem actually should be pretty obvious.

The prime pusher is something seldom mentioned in relation to food costs. It is simply the huge growth of the number of dollars American families have to spend on food and everything else. If food prices have indeed gone through the roof, the level of personal income is some twenty feet above the roof.

The table below traces the story in the official yardsticks used to measure both food prices and income. The retail food price index (1967 equal 100) is that prepared by the Bureau of Labor Statistics. The per capita disposable personal income (after taxes) figures come from the Commerce Department. The 1965 starting point is used because that is about the time the current brisk inflation began. The 1972 figures are December for food and the final quarter for income.

FOOD PRICES VERSUS INCOME

Year	Food prices	Per capita dispersible income
1965	94. 4	$2, 436
1966	99. 1	2, 604
1967	100. 0	2, 749
1968	103. 6	2, 945
1969	108. 9	3, 130
1970	114. 9	3, 366
1971	118. 4	3, 595
1972	126. 0	3, 954

What the official record since 1965 adds up to is:

Retail Food Prices: Up 33%.

Per Capita Income: Up 62%.

There is more to the big rise in income than individual wage increase—as sharp as these have been. Important, too, is the unprecedented gain in multiple paychecks within individual families. The leap in the number of women and teenagers on payrolls makes this clear. The paychecks of adult women are especially important.

Tabled below are Labor Department figures on employed women (20 years old or older and teenagers of both sexes. The country's population growth is included for comparison.

WOMEN AND TEENAGE EMPLOYMENT

[Millions]

	1965	1972	Up (percent)
Women	22.6	28.1	24
Teenagers	5.0	6.6	32
Population	194.3	208.8	7

With personal income dollars up nearly twice as much as food prices since the mid-1960s, it is surprising that the cost of eating is up as much as it is? Isn't it, rather, surprising that such a flood of buying power hasn't pushed it even higher? Only the gigantic food production capacity of the U.S. has kept this from happening.

The pace at which the well-heeled American public has swung to "better eating" (more meat) in recent years is amazing. From about 88 pounds in 1962, per capita consumption of beef has bounded upward to an estimated 118 pounds this year. That is a jump of some 34%. And the leap is not measured in dollar prices. It is pounds of beef on the plate.

This brings us to another and probably more potent pressure on food costs in the immediate past. People in Europe and Japan have grown more prosperous too. They, too, are "eating better." And they are reaching across the seas to the American garden for more nourishment.

The U.S. exports relatively little meat as such. But the foreigners are growing more animals of their own. And this is where the U.S. enters the picture.

Steers don't get fat on fresh air. Cows don't produce more milk and cheese on psychological contentment alone. Broiler chickens don't grow plump from eating grasshoppers. They need grain—all of them. Grain is really meat-by-the-bushel. And the feed grain flow overseas from the U.S. rises sharply.

Here are some corn export figures spanning the last decade. Not all destination countries are included, of course. So the ones given don't add up to the export total.

U.S. EXPORTS OF CORN

[Millions of bushels]

Destination	1959	1971
Belgium-Luxembourg	12.3	24.3
France	0.2	2.0
West Germany	17.7	45.5
Italy	0.4	47.3
Japan	7.3	116.1
Netherlands	34.1	89.5
All countries	210.1	500.9

Foreign crop conditions cause yearly figures to fluctuate. But the trend is steeply up. The total was some 670 million bushels in one recent year. And the current year is the real whopper. It is projected at a billion bushels or more.

Or take soybeans. Soybean cake and meal is widely used in feed for dairy cattle and chickens. And the rise in exports of U.S. soybeans has been spectacular. Such exports came to 141 million bushels in 1959. This year they are expected to hit 475 million bushels, aided by a Latin American slump in production of fish meal (soybean meal substitutes for it).

Prices on feed grains, pressured by huge home-and-foreign demand, have naturally soared. Corn that brought $1.20 bushel just a year ago is now around $1.60. Runaway soybeans have jumped from some $3.30 a bushel a year ago to the $6.65-a-bushel neighborhood today. And when feed grain prices rise, it follows as the night the day that prices on beef, pork, chickens, and eggs must do likewise.

The mighty U.S. farm factory can produce more of both grain and meat. The problem heretofore has been to keep it from overproducing. Many unplanted acres are now due to go back into planting. But if the U.S. meat eating binge keeps up, and if foreign demand for U.S. meat-by-the-bushel keeps soaring, the U.S. farmer may have a run for his money to keep the cost-of-eating from going even higher.

ADA LOOKS AT THE DEFENSE BUDGET

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DRINAN. Mr. Speaker, it is dismaying to see the defense budget rising to record levels at a time when many domestic programs are being drastically cut, sometimes killed outright, and often plundered by unprecedented impoundments of congressionally approved funds.

While the domestic casualties of the President's so-called economy drive seem endless, the President has approved a Pentagon budget asking for a fantastic $85.2 billion in new budget authority for fiscal 1974, a huge increase of $5.5 billion over fiscal year 1973. Apparently the Defense Department, where cost-overruns and inefficient management are the status quo, is to be exempted from budgetary restraints while already hard-pressed civilian programs are cut to the bone—or cut out altogether.

This massive military budget is indicative of the ill-conceived priorities of this administration. While "people-oriented" programs are to be sacrificed, the Pentagon is to continue spending far in excess of what is needed to effectively provide for the security of this country. Despite the continuing improvements in relations among the super-powers—including the Vietnam peace accord and the SALT agreements—the defense budget is going up, at a time when logic would indicate that it should be going down.

Unless Congress takes a strong stand and redirects the fiscal priorities of this administration, the Pentagon's budget will have increased by $26.3 billion in the 6 fiscal years of the Nixon administration.

These budgetary figures and other convincing information are obtained from a carefully researched analysis of the defense budget prepared by Americans for Democratic Action and carried in its March 1, 1973, Legislative Newsletter. Using the Pentagon's own figures as well as General Accounting Office reports, this analysis gives a comprehensive overview of the new Pentagon budget and some of the more controversial defense programs.

Mr. Speaker, I include a copy of this analysis in the CONGRESSIONAL RECORD and I commend this information to my colleagues:

A LOOK AT THE DEFENSE BUDGET

The defense budget goes up and up at a time when many domestic programs are being cut back. Any peace dividend from the decline in Indochina war expenditures is being consumed by new weapons systems and rising personnel costs. This newsletter, accordingly, is devoted to an analysis of the defense budget and some of its more controversial aspects.

AN OVERALL VIEW

Fiscal year 1974's defense budget is heading toward a new peacetime high. The Nixon Administration is requesting $87.3 billion in new national defense spending authority, a category which includes Pentagon spending, Atomic Energy Commission spending for such items as AEC warhead production, and other defense-related activities.

For immediate national defense outlays—what the Administration expects to spend in FY 1974, with the rest of the authorized spending deferred to future years—the budget calls for $81.1 billion.

For Pentagon spending alone, with AEC and other defense-related items eliminated, the new budget represents a whopping $5.5 billion increase in new budget authority (to $85.2 billion) and a $4.2 billion increase in new spending (to $79.0 billion) over the FY 1973 budget.

If however we include, as do some economists, veteran's benefits and war-related costs in the national debt, FY 1974 defense outlays in reality will reach $111.3 billion.

All this—despite a Pentagon-estimated decrease in Southeast Asia costs from $21.5 billion in FY 1969 to $2.9 billion in FY 1974, despite SALT agreements limiting defensive weapons systems, and despite improved relations with China, the Soviet Union and even North Vietnam.

Let us put DOD budget authority requests into a chart comparing defense costs at the height of the Vietnam war to defense costs today:

DOD BUDGET AUTHORITY

[In billions of dollars]

Year	Non-Indochina forces	Additional Southeast Asia costs	Total
Fiscal year 1969	56.0	21.5	77.5
Fiscal year 1973	73.5	6.2	79.7
Fiscal year 1974	82.3	2.9	85.2
Plus or minus, 1969–74	+26.3	−18.6	+7.7

Source: Former Assistant Secretary of Defense Robert Moot's budget briefing of Jan. 27, 1973, plus statistics supplied by the Pentagon at a congressional staff briefing.

In short, the long-anticipated Vietnam "peace" dividend has been swallowed up by new defense costs. The Pentagon claims that the bulk of the increase of $26.3 billion in non-Indochina defense costs (or baseline, in Pentagonese) between 1969 and 1974 is due to salary hikes, the effort to create a volunteer army, and inflation. But another large part of the increase is due to building vast new weapons systems, long deferred by the war claims the Pentagon, including the Trident nuclear submarine, the B-1 long-range bomber and the CVN-70 nuclear aircraft carrier. The Pentagon insists that it has "needed" these new weapons systems for a long time but had to postpone their realization because it was conducting a war.

A MODEST PROPOSAL TO SAVE $10.4 BILLION

ADA proposes a minimum modified defense budget, in light of the domestic budget squeeze and the ceasefire in Indochina, keeping non-Indochina defense expenditures at last year's level. The Pentagon has requested a $4.2 billion increase in outlays; that increase should be denied. The Pentagon is spending $6.2 billion on Indochina in FY 1973; a like amount can be excised from the budget because of the peace agreement. This $10.4 billion saving would merely keep non-Indochina military spending at last year's level. Holding to this line will force the Pentagon to absorb price increases and pay boosts; it also will force the Pentagon to make decisions about programs it sees as immediately necessary and others which it can postpone or even kill.

DEFENSE SPENDING VERSUS DOMESTIC NEEDS

While the Pentagon pleads poverty due to inflation and rising personnel costs, its rising budget should be examined in light of the Administration's squeeze on domestic programs. In discussing the budget, figures of hundreds of millions and billions of dollars are hard to visualize.

Some of these vast sums can be better understood if measured against domestic programs. For instance, if the Trident submarine were cut back to research and development of its missile system, $1.5 billion would be saved in FY 1974. That savings more than equals the $950,000,000 savings that the Nixon Administration is claiming for FY 1974 by not spending water pollution funds.

Another example: by not building two of the trouble-plagued F-14 fighter planes which are reported to cost $16.8 million *each*, the Nixon savings of $27 million for reduced subsidies to Amtrak could easily be matched.

Elimination of $657 million for the CVN-70 aircraft carrier of such dubious value would match any saving derived from suspension of the housing subsidy program and the heavy destruction of OEO war-on-poverty programs totaling $633 million as claimed in the Nixon budget.

Each American family will pay about $200 for the new B-1 bombers if this program is carried out to its estimated eventual cost of $11.1 billion; about $20 for each aircraft carrier costing $1 billion; $100 for the F-14 jets so stubbornly dogged by cost overruns; and approximately $400 for the Trident and SSN-688 submarine programs.

And if the entire $2.9 billion for Southeast Asia war costs were eliminated, perhaps the President would feel less need to impound the $2 billion of Environmental Protection Agency funds in FY 1973 or the $529 billion of HUD money.

In short, while fantastic sums are bandied about in the coming defense budget debate, it may be helpful at times to compare the cost of building one airplane or tank to the cost of the new library not built, the hospital renovation postponed or pollution unabated.

TRIDENT SUBMARINE

The Trident nuclear ballistic submarine program is the most costly weapons program in FY 1974. The Pentagon is asking for $1.7 billion this year, with the eventual costs for ten submarines estimated by the Navy to be $13.5 billion. Last year the Pentagon accelerated the program, advancing the completion date from 1981 to 1978, mainly, as explained by former Secretary Laird, as a "signal" to the Soviets of U.S. "will." At $13.5 billion, Trident is a pretty expensive signal.

This new submarine will follow hard on the completion of 41 Polaris submarines, the oldest being only 13 years old and the newest six. With a life of 30 years, the present fleet of submarines will be usable until the 1990's, is presently invulnerable, and is currently undergoing conversion (at a cost of $498.2 million in FY 1974) which is putting 10-14 MIRV's on each of 16 Poseidon missiles on 31 of the submarines. This will give us a total of 6,400 submarine nuclear weapons by 1976. (See The Defense Monitor, June 7, 1972, published by the Center for Defense Information.)

Opponents of the program argue for the development of the Trident ballistic missile which can be placed in the existing sub force, thus providing most of the advantages of the Trident submarine at a much smaller cost. By rushing to build Trident before it is necessary, the program is more likely to lead to waste and cost overruns (complete blueprints were not ready at the time of the request for the acceleration) and the Tridents will be built to an insufficiently-tested design. In addition, it is wise to proceed cautiously on Trident development until the murky nature of anti-submarine warfare clears a bit.

B-1 BOMBER

One of the more controversial defense programs calls for spending $473.5 million in FY 1974, part of an ultimately $11 billion investment, to build 244 B-1 bombers over the next ten years. This new bomber force is designed to replace the present bomber mainstay, the B-52 which proved so vulnerable to Hanoi's air defense during the Christmas 1972 bombings. The B-1 is under especially heavy fire because of the dubious need for bombers in an ICBM and nuclear submarine age; it will require eight hours to travel the 5,000 miles from base to target, arriving long after the 30 minutes of travel time for ICBM's or 15 minutes for sea-based missiles on station.

Even without the B-1's, by 1980 the U.S. will have over 13,000 nuclear weapons, or three times enough weapons to destroy both China and Russia. Moreover, the U.S. has already spent over $3 billion improving the present B-52 force and is requesting another $3 billion for further modernization of 300 B-52 jets, designed to extend the life of the B-52 into the late 1980's. Yet the Pentagon wants to move ahead with new bombers while freely spending on the old ones. The main argument in 1973 may be whether the marginal increase in overall U.S. strategic offensive capacity due to a better bomber is worth an $11 billion price tag. (For further information see The Defense Monitor, January 22, 1973, Center for Defense Information.)

SAFEGUARD ABM

As a result of SALT accords signed May 26, 1972, in Moscow, the U.S. and the U.S.S.R. agreed not to build nation-wide ABM systems. Each will limit ABM systems to two sites, at most, one in defense of an ICBM field and another around the national capital. After the agreement, the U.S. abandoned three of its four potential sites, concentrating on its most advanced site at Grand Forks, North Dakota. Despite the lack of Administration plans to build a Washington, D.C., ABM and despite the fact that Grand Forks is 90 percent complete, the Administration is requesting an additional $401.5 million in FY 1974 for Safeguard as well as $170.1 million for Site Defense, the follow-on to Safeguard and $100 million for advanced ballistic missile defense research. The Pentagon estimates that it will have spent $6 billion for one ABM network of 100 interceptors, or a cost of $60 million per interceptor.

F-14 NAVY FIGHTER PLANES

The F-14 is the Navy's multibillion dollar fighter plane program. The Administration is asking for $615.8 million in FY 1974 for the planes, with a total program cost estimated by the GAO to be $5.3 billion. The plane is involved in another spiraling cost dispute this one between the Navy and Grumman Aerospace Corporation. The Navy, prodded by Congress, said on December 8, 1972, that it wants the next batch of 48 planes for the existing contract price of $16.8 million per plane, but Grumman is refusing to build because of a claimed loss of $2 million per plane, due to rising costs. With only 86 of an anticipated 313 F-14 fighters under contract, Secretary of Defense Richardson has been required by Congress to come forth with new program recommendations by early March, killing it entirely, raising the Government-paid price, or cutting back on the number ordered. Congress will have to choose among the alternatives.

DD-963 DESTROYERS

DD-963 is a $2.8 billion program to build naval destroyers using Litton Industries' new shipbilding techniques at its Pascagoula, Mississippi, plant. While the original plan called for building 30 of these ships, doubts about Litton's ability to build without major cost overruns and delays are rampant in Congress. Rep. Otis Pike (D-N.Y.) pointed out in a June 27 floor speech last year that Pascagoula's other major program, the construction of LHA amphibious assault ships, is two years behind schedule, has risen in cost from $43 million per ship to an estimated $183 million and has suffered a 50 percent personnel turnover. House Armed Services Chairman Hébert, in a June 9, 1972, letter to the Pentagon, was speaking for the entire committee when he wrote about "serious doubt as to the contractor's future capability to perform on the DD-963 contract." As a result of committee concern, the fate of the FY 1974 request for $590.9 million is uncertain. The final decision will be complicated by the elevation of Roy Ash, former head of Litton, as OMB director, plus a proposed $192 million "bailout" for Litton's LHA contract which Rep. Les Aspin (D-Wisc.) discovered tucked away in the Pentagon's FY 1974 proposals.

CVN-70 NUCLEAR AIRCRAFT CARRIER

CVN-70 will be the fourth U.S. nuclear aircraft carrier; the others are the Enterprise, commissioned in 1961; the Nimitz, scheduled for delivery in 1973; and the Eisenhower, scheduled for delivery in 1975. The Administration is asking for $657 million for this one ship in FY 1974, with fleet use expected in 1980 at a cost of about a billion dollars. The proponents of the carrier stress its superiority over the conventional carrier, its increased length of time in the water, and its greater striking capability. What they fail to point out is the carrier's ineffectiveness except in intervention. The DOD acknowledges that the carrier is not effective otherwise by failing to put it on the strategic weapons list. The Soviet Union seems to agree; it has no aircraft carriers today (while the U.S. has 16). Moreover, the cost of this one ship is pricing it out of the water. While Essex class ships of World War II cost $1.5 million, the Enterprise about $200 million, and the Nimitz half a billion, this new carrier again will double carrier cost. That price tag does not include the tremendous support force needed for each carrier plus the jets which fly off the carrier, doubling or tripling the final cost. (See floor speech by Rep. Robert Leggett (D-Calif.), June 27, 1972.)

INDOCHINA WAR COSTS

One of the easier amounts to eliminate from the defense budget should be the $2.9 billion slated for Pentagon use in Southeast Asia. Former Assistant Secretary Moot on Jan. 27, 1973, described this request as prepeace agreement. $1.9 billion of this amount was slated for support of "Free World" forces in South Vietnam and Laos. The remaining $1 billion was scheduled for support of U.S. naval and air forces in Indochina—forces for which the Pentagon has avoided announcing any redeployment plans. Moot was unable to say how much the $2.9 billion figure would be decreased (or even *increased*) in light of the ceasefire.

VETERAN'S BENEFITS AND RECOMPUTATION

Veteran's benefits will be getting more attention this year. By the end of FY 1973, there will be over 900,000 retirees on the rolls at an annual cost of $4.4 billion. From 1960 to 1975, it is estimated that the number of retirees on the rolls will have more than quadrupled and the cost will have increased sevenfold. Even if the present system of benefits is not revised upwards, Rep. Stratton's (D-N.Y.) Special House Subcommittee on Retired Pay Revisions estimated that the cost of veteran's benefits, cumulative to the year 2000, will be $339.3 billion (Committee report H.A.S.C. No. 92-80 of December 29, 1972).

With mushrooming veteran's costs, it is little wonder that even staunch military advocates such as Armed Services Chairmen Stennis (D-Miss.) and Hébert (D-La.) are critical of proposals to increase retirement pay. Yet Nixon has thrown a sleeper into his budget by proposing the recomputations pay with a FY 1974 cost of $360 million and a probably lifetime cost of over $17 billion. The armed forces already have an extremely generous retirement system which allows a soldier to leave the military after only 20 years of service and immediately begin to draw retirement pay, in addition to many other benefits, and protects him against inflation with an escalator clause.

The Nixon recomputation proposal would provide a double jump in retirement pay: the normal cost of living increase and a new one based on increases in active-duty pay scales. Such an expensive proposal in a tight budget would seem an ideal target for budget-cutters; yet it is politically difficult to oppose veteran's benefits on the Senate or House floors. A similar proposal last year was barely defeated by the determined opposition of Hébert.

CIVILIAN PERSONNEL COSTS

The Pentagon contends that the main cause of high defense budgets is the huge cost of maintaining a volunteer army, pointing to 57 percent of the FY 1974 budget for manpower. These high costs come despite a decline in military strength from 3.5 million military personnel in 1968 to 2,288,000 by June 1973 and a further reduction of 55,000 by the end of FY 1974. However, it should be stressed that a whopping $10 billion goes to pay Pentagon civilians, and that the civilian level will rise slightly in FY 1974 to 1,013,000 people. Thus even if the armed forces level remains at about 2.2 million, the one million-plus Pentagon-employed civilians are a prime target for cutbacks.

COST OF CONTROVERSIAL FISCAL YEAR 1974 DEFENSE PROGRAMS AT A GLANCE

Program and kind of weapon	Fiscal year 1974 request [1]	Estimated total cost of program from R. & D. to finish [2]
Trident: Nuclear ballistic missile submarine	$1,712,000,000	[3] $13,500,000,000
B-1: Long-range bomber	473,500,000	11,100,000,000
Safeguard: ABM defense for Grand Forks, N. Dak.	401,500,000	[4] 6,000,000,000
F-14: Navy fighter	615,800,000	5,300,000,000
DD-963: Naval destroyer	590,900,000	2,800,000,000
CVN-70: Nuclear aircraft carrier (1)	657,000,000	1,000,000,000
AWACS (E-3A): Airborne Warning and Control System	209,500,000	2,700,000,000
SAM D: Army surface to air missile	194,200,000	5,200,000,000
SSN-688: Nuclear attack submarines	921,600,000	8,100,000,000

Other DOD programs:	Fiscal year 1974 request	
South East Asia war costs	$2,900,000,000	
Military assistance (grant aid, military credit sales, and security supporting assistance)	1,942,000,000	
Recomputation on veteran's benefits	360,000,000	

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[1] All figures from DOD-published "Program Acquisition Costs by Weapon System" for fiscal year 1974.

[2] All figures in this column except those noted are from GAO accounting report of Nov. 24, 1972, based on DOD-supplied information.

[3] Navy estimates quoted by Senator Stuart Symington (Democrat Missouri) in floor speech of July 27, 1972.

[4] DOD figure submitted to House Armed Services Committee on June 13, 1972.

MARYLAND WINNER IN VFW ESSAY CONTEST

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. HOGAN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy contest. This yearly contest recently drew nearly 500,000 secondary school students from all over the country inviting each participant to write an essay around the theme "My Responsibility to Freedom."

It is my pleasure to congratulate this year's winner of the contest, Miss Stephanie Cheek, a junior from High Point High School in Beltsville, Md. Her essay portrays the spirit of our young citizens and their willingness to insure its continuance.

It is for this reason that I wish to insert Miss Cheek's speech in the RECORD, and I recommend it to the attention of my colleagues.

I include the following material:

MY RESPONSIBILITY TO FREEDOM

America is singing. Throughout our nation a song is heard. Sounding clearly at times—straining faintly at times—but ceasing never to tell a story—The story of America—its past, present, and future. Its way of life—its freedom—its democracy.

Although verses are continually being added to this song of freedom, the original composers were our founding fathers. They wrote the first three verses when they created the Declaration of Independence, the Constitution, and the Bill of Rights. This last verse states vividly the rights and liberties guaranteed to all Americans.

Just as all songs contain important symbols, such as sharps and flats, freedom's song has its symbols. Since adopted, the stars and stripes have stirred the hearts of many. And, although the lyrics were written by just one American, the Star Spangled Banner continues to represent the pride of those who live in "the land of the free." Then, also, there is the Statue of Liberty whose light rekindles hope in those seeking this free life.

Our song also has directions. One direction is *crescendo*, meaning to increase the sound. This indicates that we Americans must strive to broaden our knowledge and make our voices heard. Another signal is *fermata*, meaning hold. We must grasp freedom to insure that it is everlasting.

Although the words, symbols, and directions of freedom's song were composed by others, the manner in which the song is delivered is up to each American. Each individual performs according to the way he hears the song. To some, the song is clear, vibrant, and strong. To others, it is vague, listless, and faint. Some do not hear the song clearly because they do not recognize that inherent in freedom is responsibility. They are vague or ignorant as to the meaning of responsibility, apathetic, or are so accustomed to freedom that they take it for granted.

My responsibility to freedom is never to let the freedom song become faint to me. To deliver the song well, I must have a solid foundation upon which I base my beliefs. Therefore, it is my responsibility to strive always to deepen my understanding of my country and its way of life.

How can I deepen this understanding? First, I must be a selfish student. I must utilize every educational opportunity within my grasp. I must constantly seek out meaningful information that will make me a better person and a better American.

I also must expose myself to those messages disseminated by way of mass media. I must be aware of all sides of important issues—not just of those with which I initially agree. Too, I must carefully examine all that I receive. Not until then can I formulate objective opinions.

Furthermore, my understanding can be improved through listening to others. I must keep my mind open to others' views, so that I can better form my own. Here again, in observing the reactions others take toward freedom, I will be gaining insight that will aid me in understanding freedom's song.

My responsibility, however, does not end with understanding. I must, as a citizen, become involved with freedom. Verse by verse the song is delivered in the actions I take as a performer.

I must act by assuming all duties of a responsible citizen. Among other duties, I must participate in the selection of our leaders and share in the decision of the guilt or innocence of a fellow man. It is not my responsibility, however, to abuse the rights of others. I must respect my fellow men. I must never let fear, self-interest, or prejudice interfere with the equal rights of all men. For, equality is a word found in every verse of freedom's song.

Throughout our heritage, men have seen this nation grow and prosper. Our country has slowly climbed the ladder to greatness, and the freedom song has risen to the top of the charts. I am very proud of this country, and I feel that I have a responsibility to respect and support it—not only when the tone is one of joy but also when it is one of sorrow.

These, then, are my responsibilities to freedom. Through deepening my understanding of my country and through acting responsibly, I can perform the song of which I am so proud.

Most songs fade away and die at the end. But I hope the song of freedom will never die. I have faith that it will flow clearly over the nation and that all Americans will meet their responsibilities. In so doing, we will keep our country and our song alive.

"MY RESPONSIBILITY TO FREEDOM," 26TH ANNUAL VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM, 1972–73

The Voice of Democracy Scholarship Program sponsored by the VFW and its Ladies Auxiliary is conducted annually in our nation's secondary schools during the fall term. It is a national broadcast scriptwriting program which provides an opportunity for 10th, 11th and 12th grade students in our public, private and parochial schools to think, write and speak up for freedom and democracy.

"My Responsibility to Freedom", theme for the VFW's 26th annual Voice of Democracy Scholarship Program, focuses the attention of youth on the principle that freedom is a responsibility and not a license. It calls upon the youth of America to make a personal evaluation of their responsibility in preserving our freedom heritage.

Participating students prepare and transcribe on magnetic tape a three to five minute broadcast script addressing their remarks to the theme, "My Responsibility to Freedom." At each level of judging—school, community, District, State and National—winners are selected from the evaluation of the judges using three basic criteria. These criteria and the maximum point value assigned to each are: Content, 45; Originality, 35; and Delivery, 20.

Upwards of 500,000 students from over 7,000 secondary schools participated in this year's 26th annual Voice of Democracy Program.

Each state winner receives an all-expense paid trip to Washington, D.C., March 2–7, 1973, and competes for one of five national scholarship awards provided by the VFW. The first place winner receives a $10,000 scholarship to the school of his or her choice; 2nd place, $5,000; 3rd place, $3,500; 4th place, $2,500; and 5th place, $1,500. In addition, the monetary value of scholarships and awards presented by the VFW and its Ladies Auxiliary to the winners at the Post, County, District and Department levels will be in excess of $300,000 this year.

During the five days in Washington, D.C., the state winners have an opportunity to meet their United States Senators and Representatives, visit the shrines and monuments in our nation's capital and observe firsthand the workings of our federal government.

The Voice of Democracy Program was originated by the broadcasting industry and the United States Office of Education 26 years ago, and for over a quarter of a century now it has had the continuing support of the National and State Associations of Broadcasters and Secondary School Principals. Broadcasters and Educators alike have been enthusiastic in their endorsement of the Voice of Democracy Program and have contributed generously of their time and expertise in the programs' development.

TRAVEL BY CONGRESSMAN FRENZEL DURING THE 92D CONGRESS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. FRENZEL. Mr. Speaker, today I am inserting for the RECORD a list of all of the traveling I have done between Washington and my congressional district, or to other locations on legislative business during the 92d Congress. The list includes trip expenses, reimbursements, and the source of reimbursement.

This list indicates that the number of trips provided by the House of Representatives is not adequate to keep me in close contact with my district as I would like. I do not feel that it is appropriate for such groups as the League of Women Voters, local chambers of commerce, local trade associations, schools and colleges, or my own volunteer committee to have to pay for my return to the district to report on my own activities and to find out what the needs and desires of the people of my district are. I note with pleasure that the number of trips between Washington and each Congressman's district have been increased for calendar year 1973. That is a fine improvement, but I think more is needed.

Following the list of trips is a list of honorariums received by myself during the 92d Congress. From time to time I have published in the RECORD various bits of personal information like this in order that my constituents may be as fully informed as possible about my activities. The two lists follow:

TRAVEL BY CONGRESSMAN FRENZEL DURING 92D CONG.

Dates	Destination	Total cost	Reimbursement	By whom—
Jan. 28-30, 1971	Minneapolis, Minn	$226.55	$155.60	House of Representatives.
Feb. 5-6, 1971	do	146.90	145.20	Do.
Feb. 11-13, 1971	do	153.20	143.00	St. Paul Lincoln Republicans.
Mar. 1, 1971	Boca Raton, Fla	136.40	134.00	American Warehousemen's Association.
Mar. 4-6, 1971	Minneapolis, Minn	146.80	145.20	House of Representatives.
Mar. 12-13, 1971	do	165.64	138.00	Frenzel Volunteer Committee.
Mar. 18-21, 1971	do	260.62	241.52	Do.
Mar. 26-27	do	149.75	138.00	Do.
Apr. 5-6, 1971	Philadelphia, Pa	69.00	69.00	Minneapolis School Board Association.
Apr. 15-17, 1971	Minneapolis, Minn	141.60	141.60	House of Representatives.
Apr. 21, 1971	do	138.00	138.00	Greater Minneapolis Chamber of Commerce.
Apr. 29-May 1	do	144.10	138.00	Frenzel Volunteer Committee.
May 7-8, 1971	do	151.80	149.60	House of Representatives.
May 27-31, 1971	do	288.45	None	Paid personally.
June 5-10, 1971	do	274.69	162.29	House of Representatives.
June 17-20, 1971	do	259.05	None	Paid personally.
June 24-27, 1971	do	158.50	146.00	Frenzel Volunteer Committee.
July 23-25, 1971	do	156.50	155.60	House of Representatives.
July 30-31, 1971	do	62.25	None	Paid personally.
Aug. 8-30, 1971	do	200.45	170.00	House of Representatives.
Sept. 17-19, 1971	do	164.00	162.60	Do.
Sept. 23-26, 1971	do	293.25	273.75	Frenzel Volunteer Committee.
Sept. 30-Oct. 2	do	159.90	153.20	House of Representatives.
Oct. 1, 1971	Lake of the Ozarks, Mo.	(1)	(1)	General Mills, Inc.
Oct. 10-11, 1971	Minneapolis, Minn	164.70	146.00	League of Women Voters of Minneapolis.
Oct. 15-16, 1971	do	178.08	146.00	Frenzel Volunteer Committee.
Oct. 23-24, 1971	do	162.00	145.00	Minnesota Jaycees.
Nov. 2-3, 1971	do	160.00	146.00	University of Minnesota.
Nov. 12-13	do	158.00	190.00	Greater Minneapolis Chamber of Commerce.
Nov. 21-24, 1971	do	158.60	158.00	House of Representatives.
Dec. 3-6, 1971	do	154.40	154.40	Do.
Jan. 10-15, 1972	do	162.05	186.00	Minneapolis Builders Exchange.
Jan. 21-23, 1972	do	162.80	161.40	House of Representatives.
Feb. 3-5, 1972	Minneapolis, Minn	249.64	249.64	General Mills, Inc.
Feb. 10-11, 1972	do	168.93	149.60	House of Representatives.
Feb. 14-16, 1972	do	225.22	None	Paid personally.
Feb. 24-25, 1972	do	182.55	146.00	Western State Bank, St. Louis Park, Minn.
Mar. 9-13, 1972	do	221.01	149.60	House of Representatives.
Mar. 23-25, 1972	do	148.40	146.00	Frenzel Volunteer Committee.
Apr. 13-15, 1972	do	150.95	149.60	House of Representatives.
Apr. 28-29, 1972	New Haven, Conn., Minneapolis, Minn.	236.64	155.10	Do.
May 4-7, 1972	Minneapolis, Minn	285.90	273.75	Frenzel Volunteer Committee.
May 12-13, 1972	do	156.20	146.00	Do.
May 18-19	Wilmington, Del	17.00	None	Paid personally.
May 24-30	Minneapolis-Duluth, Minn.	283.30	167.00	American Metal Stampers, $146; Frenzel Volunteer Committee, $21.
June 2-3, 1972	Minneapolis, Minn	156.65	155.60	House of Representatives.
June 15-18, 1972	do	279.30	146.00	Macalester College.
June 22-24, 1972	do	159.10	146.00	Protective group.
July 4-14, 1972	do	170.20	151.55	House of Representatives.
July 22, 1972	do	146.00	146.00	Frenzel Volunteer Committee.
July 28-30, 1972	do	154.90	146.00	Do.
Aug. 4-6, 1972	do	173.02	149.60	House of Representatives.
Aug. 11-13, 1972	do	176.35	166.00	Frenzel Volunteer Committee.
Aug. 18-Sept. 1	do	194.60	146.00	Do.
Sept. 7-10, 1972	do	174.10	164.40	House of Representatives.
Sept. 14-17, 1972	do	175.64	150.00	Frenzel Volunteer Committee.
Sept. 22-27, 1972	do	175.20	150.00	Mortgage Bankers Association.
Sept. 29-Oct. 1	do	157.00	152.40	House of Representatives.
Oct. 6-10, 1972	do	159.70	150.00	Frenzel Volunteer Committee.
Oct. 14-17	do	160.85	150.00	Do.
Oct. 19-27	do	162.00	150.00	Do.
Oct. 29-Nov. 8	do	564.10	154.80	House of Representatives.
Nov. 27-Dec. 2	do	181.65	162.20	Do.
Dec. 13, 1972	Haddenfield, N.J	34.15	29.50	Department of Transportation.
Dec. 19, 1972	Morgantown, W. Va	(1)	(1)	Do.

[1] Private plane.

HONORARIUMS RECEIVED BY CONGRESSMAN BILL FRENZEL DURING 92D CONG.

Date	Organization	Amount
Oct. 13, 1971	General Mills, Inc	$750
June 6, 1972	Brookings Institute	150
July 19, 1972	Macalester College	200

RENOWNED EDUCATOR RETIRES AFTER 40 YEARS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. RINALDO. Mr. Speaker, Dr. Robert LaVanture, principal of Jonathan Dayton Regional High School in Springfield, N.J., for the past 11 years, has retired after 40 years of outstanding service in the field of education. As this dedicated educator retires, I would like to share with my colleagues the highlights of Mr. LaVanture's distinguished career, as they appear in the Springfield Leader:

DR. ROBERT LAVANTURE RETIRES AFTER 40 YEARS

A native of Carlisle, Pa. Dr. Robert LaVanture holds a Ph. D. degree from Dickinson College in that city, and an M.A. in social studies from Montclair State College. He continued his studies at New York University, completing all requirements but a seminar for a doctor of education degree.

Before coming to Dayton, LaVanture served from 1953 as principal of Morristown High School. Prior to that, he was director of guidance at Morristown High from 1952–53; director of the Morristown Community Adult School in the same years; principal of the George Washington elementary school in Morristown from 1949–52, and registrar and chairman of the admissions committee at Rutgers University College in Newark from 1947–49.

From 1936–43 and 1946–47, he was a teacher and coach at Morristown High. From 1944–46 he was attached to the officer selection and classification section of the Bureau of Naval Personnel in Washington.

LaVanture served as field director of military and naval welfare service of the American Red Cross in Bainbridge, Md. from 1943–44. His teaching career began in 1931 at Blair Academy in Blairstown, where he was employed until 1936.

His professional activities included membership and service as president, vice-president and committee chairman with the N.J. Secondary Schools Principals Association. He is past president of the Watchung Conference; past president of the Jersey Hills Conference; a former member of the board of educational directors at Farleigh Dickinson University, and of the board of directors of the N.J. Council on Economic Education.

He was a member of seven Middle States evaluation committees, and a representative at 10 national conventions of the National Association of Secondary School Principals. He is a member of that association, the N.J. Association of Secondary School Principals, the National Education Association, the N.J. Educational Association and Phi Delta Kappa fraternity.

His civil activities include service on the board of directors of the Springfield Rotary Club, membership in the Morristown Juvenile Conference Committee and work on the board of directors of the Morristown Kiwanis Club.

He was on the board of trustees of the Presbyterian Church in Morristown and the board of directors of that community's chapter of the American Red Cross. He is a Mason and is an elder in the Morristown Presbyterian Church.

Mr. Speaker, as you can see, Dr. LaVanture has lived a full and active life. His contributions to the field of education have made him a respected leader in New Jersey. I join with his many colleagues, friends, and admirers in wishing him well in his retirement and for the people of New Jersey I say, thank you Dr. LaVanture.

POTENTIAL PROBLEM IN THE MIDDLE EAST

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 5, 1973

Mr. DERWINSKI. Mr. Speaker, the potential problems which exist in the Middle East are certainly recognized by objective observers and the need for a columnist's objectivity should be obvious to all. In my judgment, the article in the Chicago Tribune of Thursday, March 1, 1973, was a very sound commentary on the Middle East situation.

The article follows:

STILLNESS IN THE MIDDLE EAST

An international incident does not grow into an international crisis unless someone really wants it to do so. No one, fortunately, is trying thus far to turn the shooting down of a Libyan jetliner by Israel into such a crisis.

In the days before the tragedy there had been a feeling that the Middle East was moving toward peace. In the hours immediately after it there was fear that this prospect had been destroyed with the aircraft.

Today, days after the incident, one finds a surprising lack of response by the Arabs to the incident. There has been no act of retaliation. The responsible leaders of the Arab world have been restrained in their rhetoric. Even the leader most directly aggrieved, Libya's mercurial Col. Muammar Kadafi, has remained uncharacteristically quiet.

We don't know what has muted the Arab response. Maybe the Arabs are still considering what to do. Maybe Russia has told them to keep cool.

Whatever the reason, the longer the stillness continues the cooler all heads will become. And for this we are grateful. It gives the United States and other countries time in which to pursue their efforts to bring peace to the troubled area.

HOUSE OF REPRESENTATIVES—*Tuesday, March 6, 1973*

The House met at 12 o'clock noon.

Rev. Levi J. Sides, Hebron Church of Christ, Joppa, Ala., offered the following prayer:

Holy Father, God of heaven and of earth, we come to praise Thee and to magnify Thy great name. We rejoice in Thy great love and marvelous goodness unto the children of men.

In times of doubts, when our belief is perplexed by new learning, our faith tried by facts too hard for us to grasp and by riddles too deep for us to read, give us still the humility of disciples and the trust of believers. Grant us patience to master the facts, courage to face the issues, insight to penetrate the mysteries, loyalty to truth already known, and courage to welcome new truth yet to be made known.

It is in the name of the Prince of Peace that we make this petition. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

THE LATE HONORABLE FRANKLIN H. LICHTENWALTER

(Mr. BIESTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIESTER. Mr. Speaker, it is with great regret that I rise to inform the House of the death of a distinguished former Member of Congress, the Honorable Franklin H. Lichtenwalter, of Center Valley, Pa. Mr. Lichtenwalter died this past Sunday in Harrisburg, Pa.

Mr. Lichtenwalter served in the Pennsylvania State Legislature beginning in 1939 and was speaker of the Pennsylvania House of Representatives in 1947. He left that post to fill a vacancy in the 80th Congress, representing the Eighth Congressional District of Pennsylvania, the district which I now have the honor to represent. Mr. Lichtenwalter was reelected to a full term in 1948 and served in Congress until 1951, when he became vice president of the Pennsylvania Electric Association. He served the Eighth Congressional District well and had a justly deserved reputation as a Congressman who worked for his people. He also had a warmth and a wit which made working with him not only productive but a pleasant experience. He was a fine legislator.

Mr. Speaker, services will be held today in Harrisburg and tomorrow near his home in Center Valley, Pa.

I will later request a special order so that other Members may express themselves with respect to the passing of our former colleague.

NATIONAL PROCRASTINATION WEEK

(Mr. PODELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PODELL. Mr. Speaker, yesterday was the start of National Procrastination Week, and for that reason I would like to put off my remarks on the subject until a later time.

BOMBING OF NORTH VIETNAM, DECEMBER 17, 1972, THROUGH JANUARY 3, 1973

Mr. HÉBERT. Mr. Speaker, by direction of the Committee on Armed Services, I call up House Resolution 26 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 26

Resolved, That the President and the Secretary of Defense be, and they are hereby, directed to furnish the House of Representatives, within ten days after the adoption of this resolution, with full and complete information on the following—

(1) the number of sorties flown by United States military airplanes, for bombing purposes, over North Vietnam during the period December 17, 1972, through January 3, 1973.

(2) the tonnage of bombs and shells fired or dropped on North Vietnam during the period December 17, 1972, through January 3, 1973.

(3) the number and nomenclature of airplanes lost by the United States over North Vietnam or its territorial waters during the period December 17, 1972, through January 3, 1973.

(4) the number of Americans killed, wounded, captured, and missing in action while participating in flights over North Vietnam during the period December 17, 1972, through January 3, 1973.

(5) the best available estimate of casualties among the North Vietnamese during the period December 17, 1972, through January 3, 1973.

(6) the cost of all bombing and shelling carried on by the United States in or over North Vietnam during the period December 17, 1972, through January 3, 1973, including the costs of bombs and shells, ships, and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes, salaries of United States military personnel involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in missions over North Vietnam, and all other expenses attributable to such bombing and shelling, during the period December 17, 1972, through January 3, 1973.

(7) the extent of damage to any and all facilities struck by bombs, including "after

action reports" and such other data as is available to the Defense Department.

Mr. HÉBERT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, today, under the requirement of the rules, the House is called upon to give its attention to an idea whose time has passed.

I hope we can dispose of this matter with the brevity that prudence dictates.

The idea of which I speak is the idea that by requiring detailed information about the air operations against North Vietnam during late December and early January, the House could change or dramatically affect the course of events in the war.

These ideas were contained in four separate and, for practical purposes, identical privileged resolutions, House Resolution 26, House Resolution 114, House Resolution 115, and House Resolution 143, on which I submit today an adverse report from the Committee on Armed Services.

The Committee on Armed Services met in open session on Wednesday, February 28, and received from Defense Department witnesses detailed answers to all of the questions raised by the resolutions. The hearings have been printed and are available to everyone as House Armed Services Committee Document No. 93–2.

Mr. HARRINGTON of Massachusetts, the principal sponsor of the resolutions, in a letter to me dated February 23, 1973, explained that the resolutions, when introduced, were designed only to be a mechanism to effect possible quick action on the course of events. He added that because of the signing of the cease-fire agreement in Vietnam and the Laotian agreement, it "seems to me that the necessity for the resolution has been obviated." Mr. HARRINGTON, therefore, requested that the committee dispose of the resolutions in such a way as to meet the requirements of parliamentary procedure so as to avoid bringing the resolutions before the House.

The rules of the House required the committee to dispose of the resolutions, and we did so by reporting them adversely; and in this, the vote of the committee was unanimous.

I will move that the resolutions be tabled.

Mr. BRAY. Mr. Speaker, this is one of those rare instances where, in considering a matter before the House, we have the privilege of hindsight. Hindsight reveals the lack of wisdom that informed these resolutions.

I want the House to know that the principal sponsor of the resolution was notified in writing of the committee meeting and all of the other sponsors were notified by notice in the CONGRESSIONAL RECORD. Neither the principal sponsor nor any other sponsors saw fit to take the time to appear before the committee when the resolutions were considered. Likewise, no other person appeared in the committee and asked to speak in favor of the resolution.

The information requested by the resolutions was provided to the committee by the Department of Defense during our public hearing.

At the time they were introduced, the resolutions, in my view, were attempts to force public disclosure of information so as to affect the course of negotiations then going on, although the sponsors of the resolutions had no way of knowing the substance of those negotiations. These actions were based therefore, on a lack of faith in the President, a lack of willingness to leave in the hands of the President the conduct of foreign affairs which the Constitution reserves to him and an unwillingness to believe that the President could bring about a successful conclusion to the American involvement in the war. Events have proved the sponsors wrong, and therefore their disowning of their privileged brainchild is understandable.

The American involvement in the war has been concluded successfully. The prisoners are coming home and those who, in the words of Mr. ARENDS, "saw fit to stay their course," have proved to be men of greater wisdom. One of the hardest lessons for politicians to learn is that when the going is rough wisdom is sometimes best expressed by silence.

I support the chairman's motion to defeat the resolution.

MOTION TO TABLE OFFERED BY MR. HÉBERT

Mr. HÉBERT. Mr. Speaker, I offer a motion to table House Resolution 26.

The Clerk read as follows:

Mr. HÉBERT moves to table House Resolution 26.

The SPEAKER. The question is on the motion to table offered by the gentleman from Louisiana (Mr. HÉBERT).

The motion to table was agreed to.

A motion to reconsider was laid on the table.

BOMBING OF NORTH VIETNAM, DECEMBER 17, 1972, THROUGH JANUARY 10, 1973

Mr. HÉBERT. Mr. Speaker, by direction of the Committee on Armed Services, I call up House Resolution 114 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 114

Resolved, That the Secretary of Defense be, and he is hereby, directed to furnish the House of Representatives within ten days after the adoption of this resolution the following data:

(1) The number of sorties flown by United States military airplanes, for bombing purposes, over North Vietnam during the period December 17, 1972, through January 10, 1973.

(2) The tonnage of bombs and shells fired or dropped on North Vietnam during the period December 17, 1972, through January 10, 1973 .

(3) The number and nomenclature of airplanes lost by the United States over North Vietnam or its territorial waters during the period December 17, 1972, through January 10, 1973.

(4) The number of members of the Armed Forces of the United States killed, wounded, captured, or missing in action while participating in flights over North Vietnam during the period December 17, 1972, through January 10, 1973.

(5) Documents giving the best available estimate of casualties incurred by the North Vietnamese during the period December 17, 1972, through January 10, 1973.

(6) The cost incurred by the United States as a result of all bombing and shelling carried on by the United States in or over North Vietnam during the period December 17, 1972, through January 10, 1973, including the costs of bombs and shells, ships, and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in bombing missions over North Vietnam, and all other expenses attributable to such bombing and shelling, during the period December 17, 1972, through January 10, 1973.

Mr. HÉBERT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MOTION TO TABLE OFFERED BY MR. HÉBERT

Mr. HÉBERT. Mr. Speaker, following the procedure used for the previous resolution, I offer a motion to table House Resolution 114.

The Clerk read as follows:

Mr. HÉBERT moves to table House Resolution 114.

The SPEAKER. The question is on the motion to table offered by the gentleman from Louisiana (Mr. HÉBERT).

The motion to table was agreed to.

A motion to reconsider was laid on the table.

BOMBING OF NORTH VIETNAM, DECEMBER 17, 1972, THROUGH JANUARY 10, 1973

Mr. HÉBERT. Mr. Speaker, by direction of the Committee on Armed Services, I call up House Resolution 115 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 115

Resolved, That the Secretary of Defense be, and he is hereby, directed to furnish the House of Representatives within ten days after the adoption of this resolution the following data:

(1) The number of sorties flown by United States military airplanes, for bombing purposes, over North Vietnam during the period December 17, 1972, through January 10, 1973.

(2) The tonnage of bombs and shells fired or dropped on North Vietnam during the period December 17, 1972, through January 10, 1973.

(3) The number and nomenclature of airplanes lost by the United States over North Vietnam or its territorial waters during the period December 17, 1972, through January 10, 1973.

(4) The number of members of the Armed Forces of the United States killed, wounded, captured, or missing in action while participating in flights over North Vietnam during the period December 17, 1972, through January 10, 1973.

(5) Documents giving the best available estimate of casualties incurred by the North Vietnamese during the period December 17, 1972, through January 10, 1973.

(6) The cost incurred by the United States as a result of all bombing and shelling carried on by the United States in or over North Vietnam during the period December 17, 1972, through January 10, 1973, including the cost of bombs and shells, ships, and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in bombing missions over North Vietnam, and all other expenses attributable to such bombing and shelling, during the period December 17, 1972, through January 10, 1973.

Mr. HÉBERT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MOTION TO TABLE OFFERED BY MR. HÉBERT

Mr. HÉBERT. Mr. Speaker, following the procedure used for the previous resolutions, I offer a motion to table House Resolution 115.

The Clerk read as follows:

Mr. HÉBERT moves to table House Resolution 115.

The SPEAKER. The question is on the motion to table offered by the gentleman from Louisiana (Mr. HÉBERT).

The motion to table was agreed to.

A motion to reconsider was laid on the table.

BOMBING OF NORTH VIETNAM, DECEMBER 17, 1972, THROUGH JANUARY 19, 1973

Mr. HÉBERT. Mr. Speaker, by direction of the Committee on Armed Services, I call up House Resolution 143, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 143

Resolved, That the Secretary of Defense be, and he is hereby, directed to furnish the House of Representatives within ten days after the adoption of this resolution the following data:

(1) The number of sorties flown by United States military airplanes, for bombing purposes, over North Vietnam during the period December 17, 1972, through January 10, 1973.

(2) The tonnage of bombs and shells fired or dropped on North Vietnam during the period December 17, 1972, through January 10, 1973.

(3) The number and nomenclature of airplanes lost by the United States over North Vietnam or its territorial waters during the period December 17, 1972, through January 10, 1973.

(4) The number of members of the Armed Forces of the United States killed, wounded, captured, or missing in action while participating in flights over North Vietnam during the period December 17, 1972, through January 10, 1973.

(5) Documents giving the best available estimate of casualties incurred by the North Vietnamese during the period December 17, 1972, through January 10, 1973.

(6) The cost incurred by the United States as a result of all bombing and shelling carried on by the United States in or over North Vietnam during the period December 17, 1972, through January 10, 1973, including the costs of bombs and shells, ships, and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in bombing missions over North Vietnam, and all other expenses attributable to such bombing and shelling, during the period December 17, 1972, through January 10, 1973.

Mr. HÉBERT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MOTION TO TABLE OFFERED BY MR. HÉBERT

Mr. HÉBERT. Mr. Speaker, following the procedure used for the previous resolutions, I offer a motion to table House Resolution 143.

The Clerk read as follows:

Mr. HÉBERT moves to table House Resolution 143.

The SPEAKER. The question is on the motion to table offered by the gentleman from Louisiana (Mr. HÉBERT).

The motion to table was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject matter contained in the four resolutions which were just tabled and, further, I would direct the attention of the Members that the joint hearings held on these four separate resolutions are available to all Members at any time that they wish to use them.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS OF U.S. MERCHANT MARINE ACADEMY FOR 1973

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

MARCH 1, 1973.

The Honorable CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the 78th Congress, I have appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1973.

The Honorable Thomas N. Downing of Virginia.

The Honorable Bob Eckhardt of Texas.

The Honorable Charles A. Mosher of Ohio.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,
LEONOR K. (MRS. JOHN B.) SULLIVAN,
Chairman.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING INVESTIGATION AND STUDY BY COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 162, Report No. 93-44), which was referred to the House Calendar and ordered to be printed:

H. RES. 162

Resolved, That, effective January 3, 1973, the Committee on the District of Columbia, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 5 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 238 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 162 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will

the House now consider House Resolution 162?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 162.

A motion to reconsider was laid on the table.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield to the gentleman from Ohio (Mr. LATTA) 30 minutes, pending which I yield myself such time as I may consume.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 34]

Abzug
Ashley
Badillo
Biaggi
Blatnik
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Chisholm
Clark
Clay
Cochran
Collier
Corman
Dellums
Dent
Diggs
Drinan
Esch
Evans, Colo.
Findley
Fish
Fraser
Giaimo
Ginn
Gray
Green, Pa.
Hanna
Harrington
Harsha
Harvey
Hastings
Hébert
Hosmer
Huber
Ichord
Kemp
King
Koch
Kuykendall
Landrum
Lehman
McEwen
Mills, Ark.
Nedzi
O'Brien
Peyser
Price, Tex.
Quie
Rooney, N.Y.
Rooney, Pa.
Ruppe
Stanton, J. William
Stephens
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Waldie
Williams
Young, S.C.

The SPEAKER. On this rollcall 371 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

AUTHORIZING INVESTIGATION AND STUDY BY COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BOLLING. Mr. Speaker, House Resolution 162 is the travel investigative resolution for the Committee on the District of Columbia. This resolution has no foreign travel in it, and to the best of my knowledge it is not controversial.

I made the mistake of saying that the last time we had a District of Columbia travel resolution come up. I hope I am not jinxing the resolution. I have checked pretty carefully, and I find no controversy on this one.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa, Mr. GROSS.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I think the gentleman in his statement on this occasion is on very solid ground.

Mr. BOLLING. I thank the gentleman.

Mr. LATTA. Mr. Speaker, I quite agree with the gentleman from Missouri, Mr. BOLLING, that this is a noncontroversial resolution. It is similar to the resolution that Congress passed for the District of Columbia in years past, and I support the resolution.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING STUDIES AND INVESTIGATIONS BY COMMITTEE ON PUBLIC WORKS

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 228, Rept. No. 93–45) which was referred to the House Calendar and ordered to be printed:

H. RES. 228

Resolved, That, effective January 3, 1973, the Committee on Public Works, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 16 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Public Works of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 228 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 228?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 228.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I know of no controversy on this matter. This resolution accords with the standards enacted last year with the modification of the new decision on how to deal with foreign travel.

I repeat for the benefit of those who were not here last week that the leadership, the Committee on Rules, determined that they will not attempt to do the supervising job for committee chairmen and for the committees.

This resolution is, to the best of my knowledge, completely without controversy.

Does the gentleman from Iowa desire me to yield?

Mr. GROSS. Yes. I thank the gentleman for yielding.

This is House Resolution 228; is it not?

Mr. BOLLING. That is correct.

Mr. GROSS. The resolution dealing with the Public Works Committee investigation and travel?

Mr. BOLLING. That is correct.

Mr. GROSS. I note that at least one member of that Public Works Committee is promoting a dog track which would be installed in the District of Columbia, perhaps in the white elephant District of Columbia stadium. I wonder if this authority or funds could or would be used for foreign travel to investigate dog racing and gambling operations in foreign countries with a view to this promotion.

Mr. BOLLING. The gentleman has an opinion, and the gentleman would surely expect no such use would be made of public moneys. The gentleman has no specific information on the matter to which the gentleman from Iowa refers, but I think it is safe to say, particularly after this colloquy, that there would be no possibility of those funds being used for that purpose.

Mr. GROSS. I thank the gentleman for his observation.

Mr. BOLLING. I now yield to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, I support this resolution, but I must say this resolution does differ from the resolutions passed in the 92d Congress relative to travel. With regard to this particular committee, House Resolution 142 that the House passed on March 2, 1971, limited travel to places within the United States, Commonwealths, territories, and possessions thereof, Canada, Mexico, and those Central American and South American countries in which the Pan American Highway is located, and further authorized the committee to attend conferences and meetings on matters within its jurisdiction wherever held in the United States, Commonwealths, territories and possessions thereof, Canada, Mexico, and those Central American and South American countries in which the Pan American Highway is located. So the resolution that was passed last time was quite restrictive.

But in view of the fact that we have been giving other committees, with the exception of the District Committee, the travel right within and without the United States without any restrictions whatsoever, I repeat once again that I support this resolution.

I believe that this committee should have the right to travel the same as any other committee.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING COMMITTEE ON SCIENCE AND ASTRONAUTICS TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 253, Rept. No. 93–46), which was referred to the House Calendar and ordered to be printed:

H. RES. 253

Resolved, That, effective January 3, 1973, the Committee on Science and Astronautics, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 18 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Science and Astronautics of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 253 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 253?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 253.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, this is the travel and investigative resolution for the Committee on Science and Astronautics. I believe that there is no controversy on this resolution, and I believe there is no change from the past procedure. They are given authority to travel within and without the United States.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the statement just made by the gentleman from Missouri (Mr. BOLLING) that this is an identical travel resolution as that which passed the House in the 92d Congress.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING INVESTIGATION BY COMMITTEE ON FOREIGN AFFAIRS

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 267, Rept. No. 93–47), which was referred to the House Calendar and ordered to be printed:

H. RES. 267

Resolved, That, effective January 3, 1973, the Committee on Foreign Affairs, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries within its jurisdiction as set forth in clause 7 of rule XI of the Rules of the House of Representatives. However, the committee shall not undertake any investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 2. (a) For the purpose of making such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act, subject to clause 31 of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee, or any member designated by him, may administer oaths to any witness.

(b) Pursuant to clause 28 of rule XI of the Rules of the House of Representatives, the committee shall submit to the House, not later than January 2, 1975, a report on the activities of that committee during the Congress ending at noon on January 3, 1975.

SEC. 3. (a) Funds authorized are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee on Foreign Affairs of the House of Representatives and employees engaged in carrying out their official duties for the purposes of carrying out the committee's authority, as set forth in this resolution, to travel outside the United States. In addition to any other condition that may be applicable with respect to the use of local currencies owned by the United States by members and employees of the committee, the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of such committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754).

(2) No member or employee of such committee shall receive or expend an amount of local currencies for transportation in excess of actual transportation costs.

(3) No appropriated funds shall be expended for the purpose of defraying expenses of members of such committee or its employees in any country where local currencies are available for this purpose.

(4) Each member or employee of such committee shall make to the chairman of such committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation, and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

(b) Amounts of per diem shall not be furnished for a period of time in any country if per diem has been furnished for the same period of time in any other country, irrespective of differences in time zones.

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 267 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 267?

The question was taken, and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 267.

Mr. BOLLING. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution is the same as it was last year, or at least it is my understanding that it is the same as it was last year. I know of no controversy to the resolution.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the same resolution that we passed in the 92d Congress relative to the travel of this committee, and I support the resolution.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING, 1972—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In accordance with Section 396 (i) of the Public Broadcasting Act of 1967, as amended, I hereby transmit the annual report of the Corporation for Public Broadcasting covering fiscal year 1972.

RICHARD NIXON.

THE WHITE HOUSE, *March 6, 1973.*

ADDITION TO LEGISLATIVE PROGRAM

Mr. McFALL. Mr. Speaker, I take this time to announce an addition to the program for tomorrow, when we will consider House Resolution 259, open committee meetings, under an open rule with 1 hour of debate.

THE NATIONAL HOUSING CONFERENCE HONORS JOHN E. BARRIERE AND CARL A. S. COAN, SR.

(Mr. BARRETT asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. BARRETT. Mr. Speaker, last night the National Housing Conference at its 42d annual banquet honored John Barriere and Carl Coan, Sr., for their long and dedicated services in the cause of housing and urban development. I have known both Carl and John for over 20 years and can testify to their superb skills, high degree of dedication, and loyal services to the Members of Congress of the United States.

John Barriere served for almost 20 years on the staff of the House Committee on Banking and Currency and for most of that time as the staff director of the Housing Subcommittee. I have served on the Banking Committee all during John's many years of dedicated and loyal service to the committee and I can think of no better staff man that I have ever worked with than John Barriere. I believe it is a compliment to our distinguished Speaker that he has a man of such talents as John working for him as executive director of the Democratic Steering Committee.

Carl Coan, Sr., has complemented John's service in the House with his distinguished service to the Senate Committee on Banking, Housing and Urban Affairs. Carl's calm and careful staff work has been hailed for years by many Senators and I have worked with Carl over the years on many difficult and complicated pieces of legislation.

Mr. Speaker, the National Housing Conference has honored two distinguished servants of the Congress and I would like at this point to include in the RECORD following my remarks the appreciations presented by the National Housing Conference to these two distinguished public servants:

To: JOHN E. BARRIERE,
Executive Director,
Democratic Steering Committee,
U.S. House of Representatives:

GREETINGS from the National Housing Conference on the occasion of its 42nd Annual Meeting, and . . .

THANKS for his years of leadership in the cause of good housing, good government, and sound legislation.

Without his skillful direction of critical housing programs through the legislative process for more than two decades, there homes produced anywhere for families of would have been little progress and few low and moderate income.

Members of the National Housing Conference meeting in Washington, D.C. on March 5, 1973, are honored to inscribe this message of gratitude and affection to John E. Barriere, while expressing the hope that his leadership in the House of Representatives will continue for years to come.

By Resolution of the Membership of The National Housing Conference, Washington, D.C., March 5, 1973.

On the occasion of its 42nd Annual Meeting
The National Housing Conference
HONORS

CARL S. COAN, SR., master innovator of Federal housing policies and legislative tools to make them work.

As Staff Director of the Subcommittee on Housing of the Senate Committee on Banking, Housing and Urban Affairs, for years Carl Coan has been a wise counselor, a superb technician, a brilliant tactician, and constant friend of American families with critical housing needs.

Members of the National Housing Conference, meeting in Washington, D.C. on March 5, 1973, are proud to inscribe this special message of commendation and gratitude to Carl Coan, for his years of dedicated public service in the field of good housing for All Americans.

By Resolution of the Membership of The National Housing Conference, Washington, D.C., March 5, 1973.

INTRODUCTION OF NATIONAL HEALTH CARE ACT OF 1973

(Mr. BURLESON of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURLESON of Texas. Mr. Speaker, I join today with Members of the House of Representatives to introduce the National Health Care Act of 1973. H.R. 5200. This legislation is, I believe, a practical and pragmatic attempt to deal with the complex problems associated with meeting our national health needs. We do need a marked improvement in our healthcare system, Mr. Speaker. We need to restrain the rising cost of treatment and care; we need to make available complete benefits for all Americans; we need to safeguard the public against sudden and catastrophic illness; we need to enlarge and improve the supply and distribution of trained medical personnel, and we need to plan for the improvements which assure everyone quality care.

This is what I believe the National Health Care Act of 1973 will do. As was reflected by the 1972 Government Accounting Office (GAO) report, entitled "Studies of Health Facilities Construction Costs," there are many acute problems in the health care field. Not the least of these is total cost. The National Health Care Act of 1973 is intended to meet comprehensive problems. Its first-year cost is estimated to require only $8.1 billion in additional taxes, an expense which is substantially below some other proposals.

The National Health Care Act of 1973 succeeds H.R. 4349, the National Healthcare Act of 1971. A number of substantive and technical changes have been made which, in our opinion, make the bill more responsive to national health care needs. Among these is a provision which provides that any covered individual who incurs $5,000 in medical expenses within a 12-month period is eligible to receive up to $250,000 in benefits, even if some or all of that $5,000 is reimbursed by insurance. This provision would end the fear of financial ruin caused by an overwhelming illness. That fear troubles many millions of Americans today.

Mr. Speaker, I believe that the National Health Care Act of 1973 addresses each of the most pressing health problems—rising costs, manpower shortages, lack of cost and quality controls, better facilities and better facility utilization, unequal benefits and unequal health manpower distribution and catastrophic illness. It does so within a framework that makes use of the skills embodied in the private sector. At the same time, it requires both State and Federal agencies to play a positive role in carrying out the provisions of the act.

In my opinion, and the opinion of those who cosponsor this bill, the National Health Care Act is a better bill because it provides comprehensive health coverage without turning to the already overburdened social security tax mechanism. It provides the means to gradually replace medicaid with a system of better benefits, thus assuring the poor and near poor quality care with dignity. Rather than demean the role of the States, the bill preserves and strengthens the system of State regulation of insurance. This bill also retains the element of free choice in health care and, rather than demand many billions in new taxes, seeks to finance the program with minimal reliance on new taxes.

For this reason, Mr. Speaker, those of us who sponsor the National Health Care Act of 1973, believe that this bill is capable of reaching the root causes of the full range of national health care problems, not just a portion of those problems.

Mr. Speaker, I insert in the RECORD following my remarks a summary of the key features of the bill and a section-by-section analysis of these features:

THE KEY FEATURES OF THE NATIONAL HEALTH CARE ACT OF 1973—FEBRUARY 1973

INTRODUCTION

The goal of the National Healthcare Act of 1973 is to meet the personal health needs of every citizen. It seeks to achieve this goal by containing health care costs, improving the organization and delivery of health services, and making comprehensive health insurance available to all.

The objectives of the National Healthcare Act are to:

1. Increase the supply and improve the productivity and distribution of health manpower.

2. Develop ambulatory health care services to promote health maintenance and reduce costly hospital use.

3. Improve health care planning to distribute current and future health resources more equitably and effectively.

4. More directly contain the escalation in health care costs and upgrade quality of health care.

5. Establish national goals and priorities to improve health care.

6. Improve the financing of health care, including catastrophic illness, for everyone.

1. *Increase the supply and improve the productivity and distribution of health manpower.*

Shortages and maldistribution of health manpower constitute the greatest obstacle to an improved health delivery system.

To correct these deficiencies, the bill calls for the following steps to be taken:

A. Appraisal by the Federal government of the adequacy of present grant, loan or other Federal aid programs for health manpower training and development, and the need for expansion. The study's objective would be to recommend procedures for program consolidation, coordination, and increased efficiency, as well as to develop proposals for promotion of health careers.

B. Improve student loan programs with built-in financial incentives to physicians, optometrists, dentists, nurses and allied health personnel to encourage service in inner-city and rural areas.

C. Provide Federal grants to schools to spur the training of additional physicians and allied health personnel, particularly in provision of family ambulatory care or administration of ambulatory care centers.

D. Meet immediate needs through a temporary Federal grant program to physicians, nurses, and allied health personnel agreeing to serve during the next five years in areas most critically short of services.

2. *Develop ambulatory health care services to promote health maintenance and reduce costly hospital use.*

Greater access to effective and less costly health care for all will be achieved through expansion in every community of ambulatory health care services.

These services would include preventive care, diagnosis, treatment and rehabilitation. They would be provided in facilities that might range from reorganized hospital outpatient departments or expanded group medical practices to prepaid group practice plans or other health maintenance organizations.

To this end, the bill calls for the following action:

A. Extend present Federal programs of hospital construction grants, and hospital and outpatient facility loan guarantees, to encourage private and public financing of comprehensive ambulatory health care centers, particularly in areas of special need.

B. Make such grants and loan guarantees available to subsidize ambulatory health care center costs for the first three years of operation.

C. Include ambulatory and preventive care benefits in all health insurance plans.

3. *Improve health care planning to distribute current and future health resources more equitably and effectively.*

Improved planning for health care systems is essential to the development of rational approaches to effective and economical delivery of community health services.

The bill, therefore, calls for reinforcing the key role and authority of state and areawide comprehensive health planning agencies through the following action:

A. Increase substantially financial support for comprehensive health planning at community and state levels.

B. Enlarge specific responsibilities of planning agencies to include:

a. Setting priorities on community needs, with emphasis on coordinated health care programs, and health education of the public.

b. Reviewing and certifying as to need all applications for a Federal grant, loan, loan guarantee, or other Federal aid exceeding $100,000 for the purpose of proposed new or modernized health care services, facilities or equipment.

4. *More directly contain the escalation in health care costs and upgrade the quality of health care.*

A more rational health delivery system must have built into it controls to assure quality of care and containment of rising costs. The bill provides that the following safeguards be implemented:

A. Tie all Federal loans, grants or contracts for a health facility or service to the certification of need by a comprehensive health planning agency.

B. Planning agencies would assist facilities to submit capital expenditure proposals consistent with the State health plan, and to develop efficiency and cost saving incentive programs for optimum use of manpower, services, and equipment.

C. Tie payment for health care under Federally-supported programs to prevailing fees and to peer review of those professional services that fall outside of professionally established guidelines, assuring appropriateness of treatment, quality of care, and reasonableness of physician fees. Review and approval would come from an appropriate health services review organization or, in its absence, by the organizations administering Federal programs.

D. Payment to hospitals or other health care institutions under Federal programs would be subject to approval by a State Healthcare Institutions Cost Commission appointed by the Governor. All such institutions would be required to:

a. Have an active review committee to check appropriateness and quality of services.

b. Utilize a standard system of accounts and cost finding.

c. Use "prospectively approved charges" for all patients. Such a system would involve review and approval in advance by the State Commission of the proposed charges, assuring charges reasonably related to the cost of effectively providing necessary services.

5. *Establish national goals and priorities to improve health care.*

Only national leadership can bring about unified health policies, goals and guidelines which are properly balanced against other priorities of society.

The bill, therefore, proposes the following steps be taken:

A. The President deliver to Congress annually a Health Report on the state of the nation's health at Federal, state, and local levels, with legislative proposals as appropriate to improve the organization, delivery, and financing of health care.

B. Congress create a Council of Health Policy Advisors in the Executive Office of the President, analogous to the Council of Economic Advisors. Composed of three members appointed by the President, with Senate consent, the Council would:

a. Help prepare the President's annual Health Report.

b. Recommend procedures for coordinating, consolidating or eliminating health related programs of the various Federal agencies and departments.

c. Conduct health care research.

d. Provide guidelines for health care funding allocations.

e. Develop recommendations for national policy to improve the organization, financing, delivery and quality of health care.

C. Congress direct every Federal agency to include in all legislative recommendations or other major Federal actions a statement on the impact of the proposal on the health care system, including adverse effects, alternatives, relative priority, and any irreversible commitments of resources involved.

6. *Improve the financing of health care for everyone.*

Financial barriers to dignified access to health care for all citizens must be removed. This objective can best be achieved by broad action on two fronts:

One, Federal stimulus to the development of health insurance coverage which would promote ambulatory and preventive care and the availability of new forms of health delivery. This would serve to shift the focus from costly hospital inpatient care to a more economical setting.

Two, ensure the availability of comprehensive coverages to all which build on the broad base of existing voluntary health insurance plans within a unified Federal-state program. Costs for most people should continue to be met by individuals and employers, with public funds used for those needing total or partial support in financing their health care.

To this end, the bill calls for adoption of these innovative measures:

Federal standards for minimum ambulatory, preventive, and institutional care benefits, including comprehensive coverage for catastrophic illness.

Phasing-in of benefits on a time-table basis.

Use of existing private health insurers (including insurance companies, Blue Cross-Blue Shield, and prepaid group practice plans) to provide benefits.

Federal income tax incentives to help assure that comprehensive benefit levels are maintained.

Establishment of state pools of private health insurers to provide standard benefits for the poor, near-poor and those previously uninsurable for health reasons, with those benefits for the poor and near-poor being subsidized by Federal and state funds.

Federal Standards for Healthcare Benefits

These standards, to be known as Minimum Standard Healthcare Benefits, would be set by the governments in consultation with providers, consumers and health insurers. Emphasis would be placed on benefits for ambulatory and preventive care to shift the focus from high-cost in-hospital treatment to lower-cost and more accessible out-of-hospital care.

Maximum benefits limits for catastrophic expense would be not less than $250,000. By 1985, there would be no maximum limits on ambulatory care and only realistic limits on institutional care.

Phased-in Benefits

Under the Healthcare bill, the following Minimum Standard Healthcare Benefits schedule is illustrative of the type of national standard which could be put into effect as the manpower and facilities became available.

The Minimum Healthcare Benefits for private group and individual plans, which would initially be effective in 1975, would cover charges for:

All diagnostic X-ray and laboratory examinations on an ambulatory basis.

All surgery and radiation therapy in a physician's office or ambulatory health care center.

Three visits per year per family member to a physician in his office or ambulatory health care center for other types of medical treatment.

Well baby care including immunizations, up to six visits during first six months after birth.

Charges for physicians' services while institutionalized.

First 30 days of semi-private general or psychiatric hospital care per illness.

First 60 days of convalescence in a skilled nursing home per illness.

First 90 days in an approved home health care program per illness.

Benefits for state pool plans for the poor, near-poor and those previously uninsurable for health reasons would begin initially effective July 1, 1974 and would cover charges for:

All diagnostic X-ray and laboratory examinations on an ambulatory basis.

All surgery and radiation therapy in ambulatory health care centers.

Six visits per year per family member to a physician in his office or ambulatory health care center for other types of medical treatment.

Well baby care including immunizations, up to 12 visits during the first two years.

Charges for physicians' services while institutionalized.

Dental care for children under 19, including annual examination, fillings, extractions, and dentures.

Prescription drugs for all persons.

Rehabilitation services, including prosthetic appliances and physical therapy.

Maternity care.

Family planning services and supplies.

First 120 days of semi-private general or psychiatric hospital care per illness.

First 120 days of convalescence in a skilled nursing home per illness.

First 180 days in an approved home health care program per illness.

In 1980, the Minimum Standard Healthcare Benefits for private group and individual plans would be raised to the level initially required for the state pool plans. The standards for state plans would be increased so that essentially all ambulatory care would be covered without limit for children and adults, and institutional care would be covered within the following realistic limits:

300 days of semi-private general or psychiatric hospital care per illness.

180 days of convalescence in a skilled nursing home per illness.

270 days in an approved home health care program per illness.

In 1985, the Minimum Standard Healthcare Benefits for private group and individual plans would be brought up to the 1980 standards for the state pool plans.

Those medical care expenses which experience shows lead to overutilization may be subject to a modest amount of co-payment. In order to prevent co-payments from becoming an undue burden on the family, there will be an aggregate limit charged in any one year that is related to family income.

Catastrophic Illness

Any covered individual who incurs $5,000 of medical expenses (including those reimbursed by insurance) within 12 consecutive months shall immediately become entitled to the maximum benefits specified above, regardless of phasing, up to at least $250,000.

Federal Tax Incentives

Under Federal tax incentives, beginning in 1975, the amount of tax deductibility allowed an employer for health care expenditures would be reduced from 100 percent to 50 percent, unless the employer's group plan contained the Minimum Standard Healthcare Benefits established by the government, further reduced to 25% in 1976, and completely eliminated after 1976.

For persons not belonging to groups, tax incentives would also be offered to obtain individual policies meeting all of the requirements. These would be known as Qualified Individual Healthcare Plans.

State Pool Plans for Poor and Near-Poor

Minimum Standard Healthcare Benefits would be available to persons on public assistance through Qualified State Healthcare Plans which would be participated in by private health insurers and supported by state and Federal subsidies.

These state programs would reduce the need for Medicaid and eventually replace it as a means of financing care for the medically indigent.

Persons on public assistance would not pay any portion of the premium for their coverage. The near-poor would make a contribution scaled to their income.

Individuals who cannot obtain adequate protection because of poor health also would be eligible for benefits subject to their paying the premiums.

Each Qualified State Healthcare Plan would be a pooled arrangement underwritten by all participating private health insurers in each state. One carrier or group of carriers in each state would be designated by the state to administer the plan.

Solvency

Rules are provided to fully protect all claimants against the insolvency of any qualified healthcare plan.

Healthcare Program Cost

The additional taxes required in fiscal 1976 (the first full year of operation) to pay for the Healthcare Program are estimated at $8.1 billion.

National Health Care Act—Section-by-Section Analysis

TITLE I—FINDS AND DECLARATION OF PURPOSE

Section 101. This section states that: (a) America confronts a critical testing of its capacity to meet for all of its citizens one of the most basic of human needs, that of protecting and maintaining personal health; (b) every citizen of the United States of America should have access to quality health care, but too many Americans find it difficult to secure quality health care when they need it, where they need it, at prices they can afford; (c) the nation needs systems of health care organization, delivery, and financing which combine the high scientific and technical competence of the medical and allied health professions; the flexibility, innovativeness, efficiency, and managerial skills of private enterprise; the legislative and fiscal capacities of government at all levels; and the potentialities of consumer and community participation in developing and maintaining such systems of health care.

SEC. 102. This section declares the purpose of the Act to be to improve the organization, delivery, and financing of health care for all Americans by increasing health personnel, promoting ambulatory care, strengthening health planning, establishing national standards of health care benefits including coverage for medical catastrophes, encouraging provision of such benefits through comprehensive health care insurance, and by assisting persons of low income or in poor health to secure that insurance.

TITLE II—PROVISIONS TO INCREASE THE SUPPLY AND IMPROVE THE DISTRIBUTION OF HEALTH CARE PERSONNEL

STUDENT LOANS FOR TRAINING IN THE HEALTH PROFESSIONS AND NURSING

SEC. 201. The medical student loan provisions of the Public Health Service Act are amended to allow a medical student to borrow the full cost of tuition, fees, and reasonable amounts for room, board, books, supplies, and other related costs or $5,000 (whichever is less) each academic year. Under present law, 85 percent of this loan may be cancelled or repaid by the Secretary of HEW in return for 3 years service in designated areas of medical manpower shortage.

The bill authorizes $100 million a year for FY 1975, 1976, and 1977 for this purpose.

Loan provisions for student nurses are amended to allow loans covering the full cost of tuition, fees, and reasonable amounts for room, board, books, supplies and other related costs or $3,500 (whichever is less) each academic year. Under present law, 85 percent of this loan may be cancelled or repaid by the Secretary of HEW in return for 3 years service in designated areas of medical manpower shortage.

The bill authorizes $75 million a year for FY 1975, 1976, and 1977 for this purpose plus such sums as are needed in the following three years to allow students who started on the loan program to complete their education.

SCHOLARSHIP GRANTS AND STUDENT LOANS FOR TRAINING IN THE ALLIED HEALTH PROFESSIONS

SEC. 202. Scholarship grants may, in accordance with regulations of the Secretary of HEW, be awarded according to the needs of the individual, up to the full cost of his tuition, fees, books, equipment and living expenses.

The bill authorizes for this purpose $10 million for FY 1973, $30 million for FY 1974, and $50 million a year for FY 1975, 1976, and 1977.

Loan provisions for students in the allied health professions are amended to allow loans covering the full cost of tuition, fees, and reasonable amounts for room, board, books, supplies, and other related costs. Up to half of the loan may be forgiven at the rate of 20 percent a year for service in a public or nonprofit private institution or agency. Up to 100 percent of the loan may be forgiven at the rate of 33⅓ percent a year for appropriate service in an area designated as having a substantial shortage of allied health professionals.

The bill authorizes $7.5 billion for FY 1973, $15 million for FY 1974, $40 million for FY 1975, $60 million for FY 1976 and $75 million for FY 1977 for this purpose plus such sums as are needed in the following three years to allow students who started on the loan program to complete their education.

TRAINING FOR PERSONNEL NEEDED IN COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

SEC. 203. For purposes of training grants under the Public Health Service Act, this section amends the term "training center for allied health professions" to include junior colleges, colleges and universities which offer training in health care center administration or curriculums providing the allied health-professionals needed to operate comprehensive ambulatory health care centers.

It also establishes a new program of special project grants to help education institutions meet the cost of developing curriculums and training programs to develop the skills needed to administer and staff comprehensive ambulatory health care centers.

The bill authorizes $10 million for FY 1973, $25 million for FY 174, $40 million for FY 1975, and $50 million a year for FY 1976 and 1977 for this purpose.

GRANTS TO PERSONNEL IN THE HEALTH PROFESSIONS, ALLIED HEALTH PROFESSIONS, AND NURSING FOR SERVICE IN AREAS OF CRITICAL NEED

SEC. 204. This section establishes a program of Federal grants to medical personnel in return for service in urban and rural areas of critical need to alleviate the maldistribution of health care personnel.

The Secretary of HEW is authorized to contract with individual health professionals, nurses, or allied health professionals who agree to provide health care services for a period of at least two years in an area designated by the Secretary, upon recommendation of the appropriate State comprehensive health planning agency, as having a critical need for those services.

The purpose of the grant is (1) to compensate the individual for providing health care services in an area where his normal compensation for services is less than equivalent health personnel receive elsewhere; and (2) to compensate the individual for his loss of time in getting established in a more lucrative area.

The amount of the grant, therefore, is that amount which, when added to the recipient's income from providing health care services for each contract year, provides a total income equal to 110 percent of the national annual median income for persons of comparable education and training, or 110 percent of his earnings from providing health care services in the previous year, whichever is greater.

In determining the precise amount of the grant, the Secretary may consider such factors as he deems relevant. He must consider, however:

(1) the national median annual income for the applicant's profession;

(2) the cost of living in the area of need;

(3) the background, training, and education of the applicant;

(4) the amount of income the applicant can reasonably expect to receive from service in the area;

(5) the number of persons of the applicant's profession needed in the area; and

(6) where appropriate, cost of equipment, supplies, and facilities.

The bill authorizes $10 million for FY 1973, and $50 million a year thereafter until June 30, 1977, for this purpose.

EFFECTIVE DATE

SEC. 205. Title II becomes effective upon enactment.

TITLE III—COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

The purpose of this Title is to provide for grants to comprehensive ambulatory health care centers (as defined in amendments made by Section 309). The Public Health Service Act currently provides for grants for the construction or modernization of "out-patient facilities," but no funds are earmarked specifically for such facilities, nor are the facilities required to provide comprehensive ambulatory health care services. This Title would set up a special category of grants to comprehensive ambulatory health care centers which offer a greater range of medical services than current law now specifies for "out-patient facilities" grants.

AMENDMENT OF PURPOSE

SEC. 301. This section amends the declaration of purpose of Title VI of the Public Health Service Act to recognize specifically the concept of a comprehensive ambulatory health care center.

AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION AND MODERNIZATION GRANTS

SEC. 302. For the next five fiscal years commencing after June 30, 1973, an additional $200 million a year is provided hereunder in grant authority to be used for the construction of comprehensive ambulatory health care facilities, or the modernization of such existing facilities. This sum is provided through a new allotment category which is separate from existing allotment categories for construction and modernization of hospitals and other medical facilities. It is contemplated that a portion of the funds available for grants hereunder will be used to assist nearly-constructed facilities to pay initial start-up and operation expenses during the first three years of operation of such centers.

STATE ALLOTMENTS

SEC. 303. Funds available for the construction and modernization of comprehensive ambulatory health care centers will be allotted to the several states on the same basis as allotments are now made for construction of hospitals and other medical facilities. Transfers from allotments for the construction and modernization of comprehensive ambulatory health care facilities to allotments for the construction of other types of facilities are not authorized. Existing law permitting carryovers of unused allotments from one fiscal year to the other is unchanged.

PRIORITY OF PROSPECTS

SEC. 304. Priorities for awarding grants to comprehensive ambulatory health care centers would be given to proposed facilities in densely populated areas now lacking such facilities. This is to relieve pressures on general hospitals in such areas, to bring preventive and treatment facilities to populous areas not now receiving coordinated health care, and to create lower-cost facilities in lieu of expanding high-cost in-patient facilities.

STATE PLANS

SEC. 305. In its evaluation of the health needs of its citizens, the State health planning agency would be required to determine as part of its planning process the number of comprehensive ambulatory health care centers needed in the state and a plan for distribution of such centers. It would also have to adopt a program providing for construction of those comprehensive ambulatory health care centers identified as needed in its State plan, or for modernizing such existing facilities.

RECOVERY OF FUNDS

SEC. 306. This section would add comprehensive ambulatory health care centers to the list of types of health facilities from which recovery of federal funds may be made by the federal government from facilities which no longer qualify.

LOAN GUARANTEES AND LOANS FOR MODERNIZATION AND CONSTRUCTION OF COMPREHENSIVE AMBULATORY HEALTH CENTERS

Sec. 307. The Public Health Service Act provides for loans, guarantees and interest subsidies for qualified agencies wishing to construct or modernize health facilities. This section adds comprehensive ambulatory health care centers to the list of types of facilities which qualify for such loans, guarantees and interest subsidies.

DEFINITION OF COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

Sec. 308. Comprehensive ambulatory health care centers are specifically defined so as to encompass only facilities which provide a wide range of preventive, diagnostic and treatment services for ambulatory patients and thus relieve overutilization of general hospitals and make health care more accessible.

TITLE IV—PROVISIONS TO STRENGTHEN HEALTH CARE PLANNING

SUBTITLE A—HEALTH REPORT OF THE PRESIDENT; COUNCIL OF HEALTH POLICY ADVISERS HEALTH REPORT OF THE PRESIDENT

Sec. 401. Beginning in 1974. the President shall make a health report to the Congress no later than July 1 of each year on the status of the nation's health needs and health care system with a program for meeting those needs.

COUNCIL OF HEALTH POLICY ADVISERS

Sec. 402. This section creates a three-man Council of Health Policy Advisers in the Executive Office of the President, its members appointed by the President with the advice and consent of the Senate.

EMPLOYMENT OF OFFICERS, EMPLOYEES, EXPERTS AND CONSULTANTS

Sec. 403. The Council is authorized to hire officers, employees and such experts and consultants as may be needed.

RESPONSIBILITIES OF COUNCIL

Sec. 40. This section outlines the responsibilities of the Council in assisting the President in the preparation of his Health Report and the setting and coordination of overall health policy.

The Council is required to make an annual health report to the President not later than April 1 of each year, starting in 1974. This report shall be transmitted to the Congress as a supplement to the next Health Report of the President to the Congress. In its first report to the President the Council shall specifically review and advise the President on health programs. The Council shall develop and recommend goals for a national health policy to promote efficiency, eliminate waste and duplication in the utilization of health facilities and resources, and shall recommend specific programs to streamline and consolidate health manpower programs.

CONSULTATION WITH OTHER ADVISORY BODIES AND REPRESENTATIVE GROUPS—COOPERATIVE UTILIZATION OF SERVICES, FACILITIES AND INFORMATION

Sec. 405. The Council shall consult with the National Advisory Health Council, other advisory councils or committees as well as such representatives of the private sector as it deems advisable and shall utilize the services, facilities and information of other public and private organizations to the fullest extent to avoid unnecessary overlapping or duplication of effort.

COMPENSATION OF MEMBERS

Sec. 406. The Chairman shall be compensated at the rate of Level II and the other members at the rate of Level IV of the Executive Schedule Pay Rates.

AUTHORIZATION OF APPROPRIATIONS

Sec. 407. Authorizes such sums as are needed to enable the Council to function, not to exceed $1 million in any fiscal year.

SUBTITLE B—DEPARTMENTAL RECOMMENDATIONS AND REPORTS

STATEMENTS REGARDING EFFECT OF DEPARTMENTAL PROPOSAL ON NATION'S HEALTH CARE

Sec. 411. Every agency of the Federal Government is required to include, to the fullest extent possible, in each report on proposals for legislation or other major Federal action significantly affecting health or the health care system, the impact of the proposal on the nation's health care system, adverse effects, alternatives, the relative priority established by the Council of Health Policy Advisers, and any irreversible or irretrievable commitments of resources involved. Prior to making this report the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise relative to the health impact of the proposal. These comments, with comments of appropriate Federal, State and local agencies shall be made available to the President, the Council, and the public, and shall accompany the proposal through the existing agency review process.

AGENCY OBLIGATIONS UNDER OTHER FEDERAL STATUTES

Sec. 412. The preceding section (sec. 411) shall not affect the obligations imposed on Federal agencies by other Federal statutes.

SUBTITLE C—COMPREHENSIVE HEALTH PLANNING AMENDMENTS

Part A—Definition of "appropriate comprehensive health planning agency"

Section 431. Adopts for purposes of the entire Public Health Service Act the definition of "appropriate comprehensive health planning agency" provided in section 444 of this bill.

Part B—State and areawide comprehensive health planning agencies

State agency review and certification

Sec. 441. In order to qualify for the comprehensive health planning grants currently provided by section 314 of the Public Health Service Act, a State plan for comprehensive State health planning must, in addition to existing requirements, provide for the project certification procedures established by this Part B.

Areawide comprehensive health planning agencies

Sec. 442. This section increases the funds authorized for project grants for areawide health planning to $60 million for FY 1973, $100 million for FY 1974, and $100 million for FY 1975.

To be eligible for the grants the agency must be prepared to function as the "appropriate comprehensive health planning agency" for the area or region. The agency must be prepared to play a strengthened role in coordinating areawide health affairs, including the determination of health needs, capital expenditure programs, cooperative use of facilities, optimum use of available manpower, and improved management techniques. The agency must provide for consultation with the areawide health planning council and other groups, for the representation of health care facilities and physicians, for enlisting public support, and for educating the public concerning the proper use of facilities and services available.

Comprehensive procedure for review and certification

Sec. 443. In the case of applications for Federal grants, loans, or other financial aid involving more than $100,000 which require certification by the appropriate comprehensive health planning agency, the application may be approved by the Secretary only after he is satisfied that the review provisions of this section have been met. The section, strengthening the role of the agency, requires that it have reasonable opportunity to review and comment on the application, and has certified to its essential need and high priority. If the "appropriate comprehensive health planning agency" is a metropolitan or other local planning agency, that agency, after reviewing the application, must have communicated its comments to both the applicant and the State agency. The State planning agency must make its own determination that the application fits in with the State's overall needs and priorities as expressed in the State plan.

If two or more States are involved, each State agency must make a separate certification as to the need and priority of the project in its State.

Definitions

Sec. 444. In the case of a project affecting an entire State, the appropriate comprehensive health planning agency is the agency designated in the State plan. In the case of a project affecting a region, metropolitan area, or other local area, the appropriate comprehensive health planning agency is the agency or organization designated under section 442 of this bill or such other public or nonprofit private agency determined in accordance with regulations to be performing the required health planning functions.

TITLE V—PROVISIONS TO MAKE COMPREHENSIVE HEALTH CARE INSURANCE AVAILABLE TO ALL

Title V of the bill contains provisions designed to accomplish three major objectives:

(1) To establish minimum nationwide standards for individual health care benefits;

(2) To establish a system of nationwide health care insurance, utilizing both privately and publicly financed plans, which will assure that every individual requiring medical care will have the funds required to pay the cost of the care when his need for it arises, irrespective of his economic status; and

(3) To control the cost and quality of medical care to the consumer by strengthening controls over the prices charged by institutional and individual providers of medical care that may be exercised by the public and private insurers who pay the providers' charges. Provisions to achieve the first of these objectives appear in Subtitle A, which establishes the Minimum Standard Healthcare Benefits, as well as in provisions of the remaining subtitles which implement these minimum standards by requiring that they be met as a condition to eligibility for the tax and other public financial incentives provided under those other subtitles. Provisions to serve the second of these major objectives appear in Subtitles B and C, which provide federal tax incentives for the establishment of private health insurance plans by employers and individuals, and in Subtitle D, which supplies public financial assistance, to be shared by federal and state governments, for state health care insurance plans designed to meet the needs of needy and uninsurable individuals. Provisions to accomplish strengthening controls over the cost and quality of medical care to the consumer, although woven into the fabric of all the provisions of Title V, appear mainly in the institutional rate reimbursement provisions of Subtitle D, in those provisions of Subtitle A which permit private insurers to impose limits on the charges for which providers of medical care may be reimbursed, as well as in those provisions of Subtitle A

which, through the definition of minimum standard health care benefits, shift emphasis from high-cost in-patient hospital care to lower-cost types of ambulatory and preventive care.

SUBTITLE A

MINIMUM NATIONWIDE STANDARD HEALTH CARE BENEFITS ESTABLISHED

SEC. 501. Minimum national standards for the health care of all individuals are prescribed by section 501 of the bill. The terms of the bill by which these standards are to be put into effect will make them nationwide in their application; will guarantee that the minimum standards of health care required will be at least as high or higher for needy and uninsurable individuals as for others; will assure that the standards prescribed will operate to set a minimum rather than a maximum for health care actually obtainable by an individual; will shift emphasis from the present day concentration on high-cost institutional and specialized health care to lower-cost ambulatory and preventive care which serves the comprehensive health care needs of an individual; and will permit the minimum standards to be phased in over a period of time in accordance with a schedule of priorities that will not give rise to unrealistic expectations for medical care beyond the level of medical facilities and professional talent the Nation is capable of delivering.

Nationwide application of minimum health care standards laid down by section 501 is effected by insertion in federal law, namely the Internal Revenue Code and the Social Security Act, of requirements that benefits paying for not less than the health care required under the minimum standards must be included in private or state established health care plans as a condition of eligibility for the federal tax or other public financial assistance accorded under the bill (see I.R.C. §§ 280 and 213, added by the bill).

To assure that the health care standards prescribed under section 501 will operate only as a minimum and will not discourage an individual's initiatives to secure even higher standards of health care for which he is willing to pay, the bill contains several provisions making it clear that the standards named are only minimums and that provision of benefits for high levels of medical care will not prevent a health care benefit plan from qualifying for advantages accorded under the new law. Such provisions include the one making it clear the standards established are only minimums (I.R.S. §§ 219); the ones specifically permitting additional benefits (I.R.C. §§ 280(c)(9)(C) and 213(g)(3)(D); the ones permitting a qualified private health care plan to provide for a covered individual's payment of medical expenses exceeding established "deductible" and "copayment" standards (I.R.C. §§ 280(c)(9) and 213(g)(3)); and the ones permitting qualifying health care plans to include various other "optional" provisions (I.R.C. §§ 280(c) and 213(g)(3)).

Provisions in the bill to assure that the minimum standards of health care required to be provided needy and uninsurable individuals will be no less than those required for the more fortunately situated appear in the sections that apply the definition of minimum standard health care benefits to private and publicly assisted plans alike (Social Security Act §§ 2002(a); I.R.C. §§ 280(c)(4) and 213(g)(1), as well as in the benefit phase-in schedules requiring the timing of benefit implementation to be faster under publicly assisted plans for needy and uninsurable individuals (Social Security Act 2002(a)) than under private qualified plans (I.R.C. §§ 280(c)(4) and 213(g)(1)).

Provisions in the bill to stimulate a shift in emphasis to the provision of comprehensive health care on an ambulatory and preventive care basis, and away from reliance on higher-cost in-patient institutional care appear throughout the definition of the Minimum Standard Healthcare Benefits generally (see I.R.C. §§ 219) and particularly in provisions which bar higher co-payments for ambulatory-treatment of a given condition than for institutional treatment of the same condition.

The bill contains provisions to meet the problem of preventing the required minimum standard of health care benefits from outstripping the Nation's health care delivery capabilities. This is accomplished by provisions in the bill which assign one of three "priority designations" to each of the benefits in the Minimum Standard Healthcare Benefits (I.R.C. §§ 219(b)) and by related provisions which require benefits in the several priority categories to be phased-in in accordance with a schedule prescribed in the law (I.R.C. §§ 280(c)(4) and 213 (g)(1)). To permit the flexibility required to deal with unexpected shortfalls in development of the health care facilities and services needed to deliver the care covered by a particular benefit, the President is empowered, under restricted conditions stated in the law, to defer the scheduled time for phase-in of benefits that have not become legislatory at the time he acts (I.R.C. §§219(f)).

The initial Minimum Standard Healthcare Benefits for individuals covered under qualified private plans and those for individuals covered under qualified public plans include the following:

(A) For non-occupational accidents and illnesses other than pregnancy:

(1) Diagnosis and non-surgical treatment by a physician in his office or at a hospital on a non-in-patient basis—three visits per year for individuals covered under private plans and six visits per year for individuals covered under public plans. Patient pays $2.00 per visit.

(2) Treatment by surgery or radiation therapy by a physician in his office or at a hospital on a non-in-patient basis—unlimited visits under both private and public plans. Patient pays $2.00 per visit.

(3) X-rays, laboratory tests, electrocardiograms, and other diagnostic tests performed in connection with the care provided in (1) or (2) above—unlimited coverage under both private and public plans. No co-payment required.

(4) Birth control counseling by a physician in his office or fitting of contraceptive devices—covered only under public plans. No co-payment required.

(5) Well-baby care (including immunizations) during first six months—six examinations covered under both private and public plans. No co-payment required.

(6) Well-baby care (including immunizations) during next 18 months—six examinations covered only under public plans. No copayment required.

(7) Physical therapy rendered or prescribed by a physician—covered only under public plans. Patient pays 20%.

(8) Diagnosis and treatment of any condition by a physician in a hospital or extended care facility—unlimited subject to co-payment of $2.00 per day during the first 30 days of confinement and $5.00 per day thereafter for individuals covered under private plans, and $2.00 per day for the first 120 days of confinement and $5.00 per day thereafter for individuals covered under public plans.

(9) Annual oral examination by a dentist (including prophylaxis)—applicable only to children under age 19 covered under public plans. No co-payment required.

(10) Amalgam fillings, extractions, and dentures—applicable only to children under age 19 covered under public plans. Patient pays 20%.

(11) Drugs requiring a prescription and certain life-preserving non-legend drugs prescribed by a physician—covered only under public plans. Patient pays $1.00 per prescription.

(12) Prosthetic appliances—covered only under public plans. Patient pays 20%.

(13) Hospital services (semi-private accommodations and ancillary services while confined as an in-patient)—the first 30 days of confinement for individuals covered under private plans and the first 120 days of confinement for individuals covered under public plans. Patient pays $5.00 for each day of covered confinement.

(14) Extended care facility services (semi-private accommodations and ancillary services while confined as an in-patient)—the first 60 days of confinement for individuals covered under private plans and the first 120 days of confinement for individuals covered under public plans. Patient pays $2.50 per day of covered confinement.

(15) Home health agency services under a prescribed plan—those rendered during the first 90 days of the plan for individuals covered under private plans and during the first 180 days of the plan for individuals covered under public plans. The patient pays $2.50 per day of services rendered.

(B) For pregnancies. Diagnosis, treatment, and institutional confinement for pregnancy and any complications thereof from date of conception until the ninetieth day following termination of the pregnancy—covered only under public plans. Patient pays 20%.

Co-payments by patients have been used as a deterrent to excessive utilization of certain services. However, families have been protected against having these co-payments be a serious financial burden by means of a limit on the total amount of co-payments that may be required in any one year.

In the absence of a Presidential deferral, those Minimum Standard Healthcare Benefits that are initially provided individuals covered under qualified public plans but not private plans will become available to individuals covered under qualified private plans on January 1, 1980. Similarly the proposed 1980 improvements in the Minimum Standard Healthcare Benefits for qualified public plans will become effective for qualified private plans in 1985.

CATASTROPHIC ILLNESS

The initial Minimum Standard Healthcare Benefits include a catastrophic benefit applicable to both individuals covered under qualified private plans and individuals covered under qualified public plans. Any covered individual who incurs $5,000 of medical expenses (including expenses remibursed by insurance) within 12 consecutive months shall immediately become covered for essentially all ambulatory care and up to 750 days of institutional and home health care per illness. Initially these benefits may be subject to a maximum dollar limitation of $250,000 per person. This benefit limitation must be dropped from public plans January 1, 1980, and from private plans by January 1, 1985. At that same time the requirement that the covered individual incur $5,000 of medical expenses is also eliminated. (I.R.C. §§ 219(c)(2), 219(e)(10), 280(c)(9)(E), and 213(g)(3)(E); Social Security Act § 2002 (e).)

To further guard against financial hardship, annual limits on the total amount of co-payments which may be required in any one year are provided. These limitations are income-related and range from $50 to $1,000 (I.R.C. § 280(c)(9)(B) and Social Security § 2002(f)(1)).

SUBTITLE B AND C

QUALIFIED EMPLOYEE AND INDIVIDUAL HEALTHCARE PLANS

Subtitles B and C of the bill provide significant federal income tax incentives to stimulate the extension of comprehensive health care insurance under qualifying privately financed plans maintained by employers for employees, or by individuals for themselves and their dependents.

QUALIFIED EMPLOYEE HEALTHCARE PLANS

SEC. 511. The bill amends the Internal Revenue Code to restrict the federal income tax deduction otherwise allowable to an employer for any amount paid or incurred by the employer for medical care of any employee or his dependents. This deduction is restricted to 50 percent of the described expense for medical care of the employee paid or incurred in 1975, 25 percent of that expense in 1976, and is completely eliminated thereafter. However, if the employer establishes and maintains a Qualified Employee Healthcare Plan, the restriction will not apply, and 100 percent of the described expense is deductible. This section is applicable to taxable years ending after December 31, 1974, except that, in the case of any employer plan providing medical care for employees which was established pursuant to a collectively-bargained agreement, the restrictions on the deduction will not apply until the expiration of the agreement, or December 31, 1976, whichever occurs first.

Each Qualified Employee Healthcare Plan must provide at least the Minimum Standard Healthcare Benefits described in Subtitle A. A qualified plan must be in writing, adopted by the employer, and communicated to his employees. Substantially all active full-time employees must be eligible to be covered, and the coverage must continue upon certain terminations of employment or certain temporary absences of the employee. A limitation is placed on employee contributions to the plan scaled to wages. A coordination of benefits provision must be included in a qualified plan to avoid costly duplication of coverage. The plan also must permit eligible employees to seek coverage instead from any approved health maintenance organization in cases which specified conditions are satisfied.

QUALIFIED INDIVIDUAL HEALTHCARE PLANS

SEC. 521. The Internal Revenue Code presently restricts an individual's deduction for his expenses paid for insurance which constitutes medical care to an amount (not in excess of $150) equal to 50 percent of the amount actually paid. The portion of the expense not so deductible may be deducted only to the extent that it exceeds 3 percent of adjusted gross income. The bill amends the Internal Revenue Code, for taxable years commencing after December 31, 1974, to remove these restrictions and to allow 100 percent of medical care insurance premiums as a deduction, if such expenses are paid by an individual who is covered by a Qualified Individual Healthcare Plan, a Qualified Employee Healthcare Plan, or a Qualified State Healthcare Plan.

Each Qualified Individual Healthcare Plan must provide at least the Minimum Standard Healthcare Benefits described in Subtitle A. A qualified individual insurance contract must contain provisions which obligate the insurer to renew the policy, and allow covered dependents to continue their coverage under the policy after the death of the insured as if he were still alive.

SUBTITLE D

GRANTS TO STATES FOR QUALIFIED STATE HEALTHCARE PLANS FOR THE NEEDY AND UNINSURABLE

SEC. 531. The bill adds a new Title XX to the Social Security Act to provide for the establishment of publicly subsidized health care insurance plans on a state by state basis. Each state will have a health insurance pool, which all private entities in that state (both profit and non-profit) which currently indemnify the cost of health care would be required to underwrite. One or more private insurance carriers will be designated by the state to administer the state plan on a retention accounting basis. These state plans will guarantee that Minimum Standard Healthcare Benefits are made available to individuals and families who previously were unable to purchase health care insurance, either because of their low income or their extremely poor health (secs. 2001; 2002(a); 2002(d); 2003(a); 2003(b); 2010; 2015(d) of Title XX).

Individuals or families who are eligible to receive public cash assistance under a program financed in whole or in part by federal funds will be enrolled in the state plan automatically, and without cost. Those individuals who are financially capable of procuring health insurance, but who are uninsurable because of poor health, may enroll in the state plan at their own expense; however, these individuals may not be charged more than the established rate for other individuals enrolled in that state plan. Enrollment of other individuals and families who had low incomes the previous year (less than $4,000 for single individuals, less than $6,000 for a family of two, and less than $8,000 for a family of three or more) is voluntary. Such individuals and families would elect to be enrolled once each year and would be required to make modest contributions toward the cost of insuring their own health care, depending on the size of their family and the amount of their income. No assets or other means tests are required (secs. 2003 (a); 2003(b); 2005(a); 2005(c); 2006(a); 2006(b) of Title XX).

The premiums to be charged for each policy year under a state plan will be actuarially determined in each state, and for each family size risk category. The established premiums are subject to annual review by designated federal and state agencies, and if the premiums are found to be unjustifiably high within a particular state, the Secretary of Health, Education, and Welfare may direct a reduction in the federal appropriation for that state's premium cost. Each state has the primary obligation to provide the uncontributed premium cost for its plan; but if the state implements and utilizes controls which are designed to promote the delivery of lower-cost higher-quality institutional health care services, if it exempts Qualified State Healthcare Plan transactions from state taxation, and if it eliminates discriminatory state tax treatment among domestic health care insurers then the state will receive federal appropriations reimbursing it for a percentage of its total uncontributed premium cost. This federal percentage reimbursement is greater in poor states than in richer states. The base figure may be between 70 and 90 percent, depending on the state's per capita income, but further adjustments to this percentage may be made if institutional rates charged in any particular state for health care services are unjustifiably high in comparison with other states. States are given the authority to review in advance the rates to be charged by health care institutions for their services, and to refuse to approve these rates for payment under the state plan. The cost and quality of health care services provided by physicians and other medical practitioners will be controlled in each state.

A professional service, otherwise covered by these state plans, shall be reimbursed only if it falls within professionally established utilization guidelines or is found to be necessary health care by a qualified peer review committee. Furthermore, no charge for a necessary service shall be reimbursed to the extent that it exceeds the prevailing charge in a locality for similar services (secs. 2002(f)(2); 2004; 2006(e); 2008; 2009; 2010 (c)(3); 2012(a); 2012(d); 2014 of Title XX).

If the premiums collected and other monies received under the state plan are not sufficient to pay the claims incurred and the other costs of operating the state plan, the private underwriters of the plan shall bear the losses to the extent of 3 percent of the premiums collected for that year. The state will bear the excess losses and will receive a federal appropriation reimbursing it for that portion of the excess losses equal to the base federal percentage for that state's premium costs (secs. 2010 and 2012(b) of Title XX).

To avoid costly duplication of coverage, enrollment is not available to those individuals or families covered under a Qualified Employee Healthcare Plan; enrollment is not generally available to classes of individuals or families who will receive substantially all of their medical care under a non-Social Security federal or state program; all eligible state plan enrollees must have Medicare Part B supplementary medical insurance coverage, the material cost of which would be borne by the state and the benefits of which would be coordinated with state plan benefits (secs. 2002(f)(3); 2003(a)(2); 2003(a)(3); 2013 of Title XX).

Specific provision is made in the bill (sec. 2012(a) of Title XX) to protect the federal government against having to bear such part of the cost of a Qualified State Healthcare Plan as may be attributable to a state's decision to have the plan provide greater benefits than the minimum required for qualification under Title XX.

Applicants for enrollment in the state plan must provide and certify all information required to make an eligibility determination. Any federal or state agency may be required to furnish information deemed by the administering carrier to be necessary to verify eligibility (secs. 2005 and 2011 of Title XX).

Capital, surplus, and reserve requirements are provided to protect claimants against the insolvency of any underwriter of qualified healthcare plans. A mechanism for making assessments against other carriers in case of an insolvency is also provided (sec. 2016 of Title XX).

CARRIER COMPLIANCE

The bill requires insurance carriers to pool their efforts and resources to insure that all individuals and families will receive higher-quality, lower-cost health care benefits. This section provides that these carriers will not be subject to federal or state antitrust legislation solely as a result of their efforts to comply with provisions of the bill.

CONFORMING AMENDMENTS TO TITLE XVIII OF THE SOCIAL SECURITY ACT

SEC. 533. Individuals and families eligible for enrollment in the Medicare Part B supplementary medical insurance program are required to be enrolled in said program as a condition for enrollment in a Qualified State Healthcare Plan. Section 1837 of Title XVIII of the Social Security Act is amended by the bill to remove existing limitations on Medicare Part B enrollment which might prevent otherwise eligible state plan enrollees from qualifying for Qualified State Healthcare Plan coverage. Each state which has a Qualified State Healthcare Plan is required to pay the premium for supplementary medical insurance benefits under Part B of Title XVIII of the Social Security Act for individuals and families who are eligible to enroll in the Part B program and who are also eligible to receive public cash assistance under a federally financed program. Section 1843 of Title XVIII is amended by the bill to allow a state to enter into an agreement with the Secretary of Health, Education, and Welfare pursuant to which all of these indigent state plan enrollees will be enrolled under the program established by Part B of Title XVIII.

CONFORMING AMENDMENTS TO TITLE XIX OF THE SOCIAL SECURITY ACT

SEC. 534. The bill amends Title XIX of the Social Security Act (Grants to States for Medical Assistance Programs) to avoid unnecessary and costly duplication of federally subsidized health care programs. Title XIX presently pays for the cost of various medical items and services which will be required to be provided under Qualified State

Healthcare Plans. On July 1, 1975, or upon a state's establishment of a Qualified State Healthcare Plan, whichever occurs first, payment for items and services now covered under Title XIX would be excluded if they also would be covered under a Qualified State Healthcare Plan. Title XIX will continue to pay for items and services which are not covered by Qualified State Healthcare Plans.

CONFORMING AMENDMENTS REGARDING "REASONABLE COST"

SEC. 535. The bill (sec. 531 of the bill and secs. 2002(f)(2); 2008; and 2009 of the new Title XX it adds) establishes standards for strengthening controls over the quality and cost to enrollees for health care services provided by physicians or other medical practitioners and for health care services rendered to state plan enrollees in health care institutions. The bill provides that these standards shall apply to determine "reasonable cost" under the existing federally subsidized health care programs established by Titles V, XVIII, and XIX of the Social Security Act.

CONFORMING AMENDMENTS TO THE INTERNAL REVENUE CODE

SEC. 536. The premiums and other monies received pursuant to the operation of a Qualified State Healthcare Plan will, to the extent feasible, be invested by the administering carrier in interest-bearing obligations and other income-yielding securities. The bill amends Section 115 of the Internal Revenue Code to exempt this interest or other income from federal income taxation.

EFFECTIVE DATE

SEC. 537. Sections 531, 532, 533, 534, 535, 536, and 537 of the bill are to become effective upon enactment, except that Qualified State Healthcare Plans will not provide benefits before July 1, 1974.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICE ACT

(Mr. WON PAT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WON PAT. Mr. Speaker, today I send to the desk for appropriate reference a bill which will rectify an inequity to the American citizens of Guam by making them eligible for participation in the benefits of the excess property provisions of the Federal Property and Administrative Services Act of 1949.

Under the existing statutes, although Guam has been a part of the United States since 1898, the territory is nevertheless considered as a "foreign area" for the purposes of surplus property disposal, and thus is ineligible to receive any Federal property on Guam which may be declared surplus.

The measure I propose today would correct this inequity to our fellow Americans on Guam by amending the definition of "foreign excess property" found in section 3(f) of the act to include Guam as one of the areas eligible to receive surplus property from the Federal Government. As presently written, the act, as found in 4 U.S.C. 472(f), reads:

> 3(f) The term "foreign excess property" means any excess property located outside the States of the Union, the District of Columbia, Puerto Rico and the Virgin Islands.

As you can see, Guam is the only U.S. territory not included within the provisions of the Federal Property Act. Such discrimination against the American citizens of Guam is patently unfair, and should be corrected as soon as possible.

Guam's ineligibility to participate in the Federal Property Act stems from the fact that when the original law was written in 1949, Guam's status was that of a possession under U.S. Naval administration. At that time, all the other off-shore areas mentioned in the act, however, were full-fledged territories.

In 1950, barely a year after the Federal Property Act was passed by Congress, Guam was granted equal status with the Virgin Islands. The people of Guam are full American citizens, who have proved their unquestionable loyalty to this country many times.

Since the Federal Government now owns some 34 percent of Guam's very limited land area, which is only 210 square miles, amending the 1949 Federal Property and Administrative Services Act to permit the territorial government to receive excess Federal real property on Guam could have an important impact on any future plans for the territory. The Government of Guam desperately needs all the space it can obtain to build new schools, hospitals, and other public buildings. And, the amount of land Guam has available for public parks and other related uses is also very limited.

In addition, amending section 3(f) of the Federal Property Act of 1949 would make the Government of Guam eligible to receive personal property which the naval and Air Force bases on Guam periodically declare as surplus. Under present regulations, such surplus property must either be sold locally to the highest bidder or returned to the States for disposal.

Last year, the Navy conducted a land-use study on Guam under the directives of Presidential Executive Order No. 11508. Although this study is still classified as secret, I am working with officials in the Department of Defense and the White House to have nonstrategic information pertaining to Guam declassified. Access to this information would give the Government of Guam the ability to plan our own land needs for the next decade. In any event, passage of my measure to amend the 1949 act would be of considerable value to the territory should the Federal Government decide to declare some of its vast land holdings on Guam as surplus property.

LAND AND WATER CONSERVATION FUND CHANGE URGED

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, today I am introducing legislation which would amend the Land and Water Conservation Fund Act of 1965 to equalize recreation opportunities in the United States. The amendment which I propose would allow for the recreation planning, acquisition, or development of indoor, as well as outdoor, facilities.

At the present time the land and water conservation fund provides Federal moneys to State recreation commissions with which the respective commissions can provide matching fund grants for the development of community recreation facilities—but only for facilities which are outdoors. One of the most common uses for these funds has been the construction of swimming pools.

The Land and Water Conservation Fund Act allows for excellent recreation programs in many areas of this Nation, and it is a program which I commend. However, my State of Wyoming suffers an injustice under the act.

The reason for this injustice is simple—outdoor swimming pools in Wyoming are uneconomical. In several of Wyoming's cities, an outdoor pool can only be used during the heat of the day through July and August—and even during these months temperatures may drop to the high 30's or low 40's in the evenings. During the remaining 10 months of the year freezing weather can be expected any night. Under such conditions, outdoor swimming is neither possible nor is it a pleasure.

I am hopeful Congress will see fit to amend the Land and Water Conservation Act to allow for indoor facilities, Mr. Speaker. It would be a considerable contribution to the physical health of America's young people if year-round recreation facilities were available to them.

A TRIBUTE TO SENATOR GUY GILLETTE

(Mr. CULVER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CULVER. Mr. Speaker, on Saturday, Iowa lost one of its most beloved and ablest political figures—Guy Gillette, who served both in the House of Representatives and Senate. He died in Cherokee at the age of 94.

Guy Gillette's public and professional career spanned all of this century. Indeed he served as an enlisted man in the Spanish-American War as well as a captain in World War I. During most of the Second World War he was a member of the U.S. Senate, where he was a legislator particularly devoted to moving this country along a foreign policy path which would foreclose the possibility of future world conflagrations.

During his 4 years in the House and two separated periods in the Senate which totaled 14 years. Guy Gillette came to be quickly respected as a man of forthrightness, independent judgment, and great integrity. His influence transcended party, and he enjoyed wide admiration among colleagues and voters in both parties. After his Senate career ended in 1955, he continued to take a keen interest in the affairs of his State and party.

By any measurement Guy Gillette lived a life of fulfillment and accomplishment. Whether in the private practice of law, in public advocacy, in community service, in party leadership, or in his wide network of private friendships, Senator Gillette always brought honor and distinction to the causes he espoused and the principles he served.

We mourn his passing with the knowledge that his life gave enrichment to the State of Iowa and to the Nation at large.

Mr. Speaker, I insert this editorial from the Des Moines Register of March 6, 1973, regarding Mr. Gillette's death:

GUY GILLETTE OF CHEROKEE

> Guy Gillette died where he was born in Cherokee, Ia. He was 94 when he died the other day, and he had been retired since 1965. But as long as his health was good he enjoyed the role of elder statesman and gave interviews and made comments from time to time. One of his most frequent comments was support for the United Nations.
>
> Once considered an isolationist, Senator Gillette helped prepare an early United States draft for a United Nations Charter, and he became a supporter of the idea and of the institute as it emerged.
>
> Gillette was a Democrat who had a knack of winning a good many Republican votes also. He ran better than President Harry Truman in Iowa in the surprise election of 1948. The state elected a Republican governor and sent all Republicans to Congress, but Gillette made a comeback in the U.S. Senate that year by a large margin while Truman carried Iowa by a tiny margin.
>
> Gillette first went to Congress in the Democratic landslide of 1932, and he was a loyal Democrat. But he was always of an independent turn of mind. He opposed President Franklin Roosevelt's court-packing scheme, and in the 1938 Democratic primary Roosevelt tried to "purge" him along with other Democrats he considered uncooperative. The people of Iowa backed Gillette.
>
> Gillette's public life fell into two sectors, with long periods for other careers. He practiced law for 17 years in Cherokee. He ran a dairy farm for another dozen years after getting out of the World War I army. His service in Congress and in the Senate filled all but four years of the period from 1933 to 1955. With his tall stature and his snowy hair, he looked like a senator.

MOBILE HOME AND RECREATIONAL VEHICLE SAFETY LEGISLATION

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, together with 36 cosponsors, I am today reintroducing in amended form the National Mobile Home and Recreational Vehicle Safety Act of 1973, which I introduced in the last Congress.

The mobile home and recreational vehicle industries are among the fastest growing in the country. More than 7 million persons now live in mobile homes and 95 percent of all homes sold for under $15,000 are mobile homes. In addition, 3.7 million recreational vehicles—motor homes, travel trailers, camper trailers, and pickup campers—are now in use. Moreover, 600,000 mobile home units and 525,100 recreational vehicles were manufactured in 1972 alone.

With the phenomenal increase in the demand for mobile homes and recreational vehicles and the rapid changes in the configuration and variety of both, insufficient resources and technology have been devoted to sound construction and safety features. Moreover, a few manufacturers have openly employed unsafe construction materials and techniques.

MOBILE HOME SAFETY HAZARDS

The major safety problem is the hazard of fire. The State of Oregon, one of the few States to keep mobile homes statistics, estimates that the average loss to a mobile home as compared to its value is 3.8 times greater as for a conventional home and the mortality rate in mobile homes fire is 3.29 times greater. An analysis made by Foremost, which insures 85 percent of all mobile homes, of 5,543 mobile home fires in 1971 estimated that the damage due to such fires amounted to $6,780,972.34.

Foremost Insurance Co. found 19.2 percent of all mobile home fires last year were due to faulty electrical wiring. The primary cause was the extensive use made of aluminum wiring and heat tape. Heat tape has a life expectancy of about 3 years and eventual failure takes the form of an electrical short. When tape is placed around the water pipe adjacent to the inflammable insulation in the flooring of a mobile home, the short can ignite a fire very early. Thirteen percent of such fires are due to faulty furnaces and flues. The area surrounding furnaces, gas water heaters, stoves, and so forth, should be, but are not, protected with fire retardant material. Insulation used in mobile homes should also be fire retardant.

Aside from the many sources of ignition, the second basic hazard related to fire in mobile homes is the lack of adequate escape provisions.

Since mobile homes are inherently faster burning than ordinary homes, the doors and windows should be more accessible. They have been chosen on the basis of cost and installation convenience in most mobile homes, however, and are much less accessible than those in ordinary homes. The rear door in most mobile homes opens inward to a very narrow hallway. The furnace compartment opens into this hallway so the hallway would serve as the first fire chamber as a furnace fire spreads. There is no way out of the bedrooms except through this hallway. The windows, which should serve as an alternate exit, are generally too small, too high, or do not open properly to serve as an exit.

The furnace location and kitchen location, as well, should be chosen for maximum exit freedom, because of the large proportion of fires that start in both. Both kitchen and furnace should be at the ends of the trailer. The exit doors should then be located so that they will provide easy exit from the kitchen or furnace area, yet not require going through either area to exit from other parts of the house. The furnace compartment should be structurally sealed off from the rest of the house with fireproof materials. The furnace, itself, should be equipped with automatic shutoffs not only to sense the pilot going off but also to sense overheating.

A recent paper on mobile home fires prepared for the National Commission on Fire Prevention concluded:

> The primary safety problem with mobile homes is that they burn so fast. According to observers in several fire departments, it is rarely more than a few minutes from the time a mobile home fire starts until there is no further hope of escape, and only a few minutes more until the home is a total loss. The basic structural deficiencies which bring this about appear to be present in all mobile homes, regardless of their quality level, and the changes which must be made if this form of housing is to be continued, very basic.

The second major safety problem is wind damage. Most States and local governments do not require that a mobile home be tied down at the site. Without foundations, mobile homes are particularly vulnerable to being blown over in windstorms.

A recent Civil Defense publication estimates that high winds damage or destroy nearly 5,000 mobile homes every year. Just this year, Hurricane Agnes in Florida alone resulted in the death of eight occupants of mobile homes, the destruction of 186 units, and major damage to 456 others.

Mr. J. W. Jarrad, vice president of the Customer Service Division of Foremost Insurance Co., recently stated at a National Association of Independent Insurers (NAII) workshop:

> From the period December 10, 1971 to April 12, 1972, in the states of Illinois, Indiana, Kentucky and Ohio only, we had a total of 3,550 claims from windstorm; 329 of these claims (or just under 10%) were totals. The total claims dollars spent was $2,450,250. These were general winds; there were a few small tornados, but the vast majority of these were general winds that are regularly suffered by these midwestern states. With tie downs, we estimate that the $2,450,250 loss over that five month period of time, could have been reduced by 80% to a loss of $490,000—a savings of $1,960,000.
>
> I bring these facts up, primarily to illustrate that if you are writing mobile homes throughout the central states, the mid-west, the far west, the northeast, the southeast, the southwest or the Rocky Mountains, you are going to have wind losses from general winds. No area of the country is immune. General winds, I define, as being any wind causing damage to mobile homes short of direct hits by tornados. Any wind will tip a mobile home off its blocks, and cause extensive damage and such losses are completely unnecessary, since they can be prevented for a cost of less than $150 per mobile homes—a one time cost lasting season after season.

Wind damage can occur anywhere in the United States. All but seven States have been characterized as high-wind loss areas. Sustained winds of over 80 miles per hour have been recorded in most of them.

But, even in Florida where no part of the State is safe from hurricane-force winds, only five counties out of 67 have tie-down ordinances.

The best tie-down system has been developed by the Defense Department's Civil Preparedness Agency. They have developed a model tie-down ordinance which employs both frame ties and over-the-coach ties. Most local ordinances, however, do not require either over-the-coach ties or an adequate number of ties. Dade County, Fla.—Miami—in the center of the hurricane belt requires only frame ties, and Corpus Christi, Tex., where the mobile home parks were hard hit by Hurricane Celia calls for only two over-the-top ties for each mobile home, whereas the Defense Civil Preparedness Agency model ordinance specifies up to six when winds of 100 miles per hour are to be resisted.

There are other serious over-the-road hazards associated with the transportation of mobile homes such as load stability, structural integrity in a crash and hitch safety. However, no State or Federal studies have been made or data collected.

Since the vast majority of mobile homeowners are either retired or young persons just getting started who have put their life savings and personal possessions in the mobile home, any fire or loss imposes quite a hardship. Seventy-seven percent of mobile homeowners in Florida, for instance, are retired and the average income for a Florida mobile homeowner including social security is $5,702.

Most losses, moreover, are not covered by warranties. The warranties are often times of very short duration and hard to comply with. Some companies, for instance, require the mobile home be returned to the point of purchase.

In addition, insurance companies have become more and more reluctant to insure certain models of mobile homes due to the high risk of loss involved. Consequently, insurance rates for mobile homes are considerably higher than those for standard homes. Insurance on the average $6,000 mobile home is equivalent to the insurance on a $40,000 conventional home.

The president of Foremost Insurance Co., Vestal Lemmon, stated in correspondence to me, as follows regarding insurance on mobile homes:

> The absence of clearly-defined, enforceable safety legislation for mobile homes has had inevitable consequences in the insurance industry. As you pointed out in your recent comments on the floor of the U.S. House, the average mobile home fire loss has almost doubled in the last six years . . . As our industry strives to provide the broadest possible protection at affordable and equitable rates, these conditions are unfortunately creating unnecessarily high underwriting exposures which are having a telling impact upon insurance costs. It is a bad situation and certain to get worse unless meaningful safety provisions are adopted and enforced.

RECREATIONAL VEHICLE SAFETY HAZARDS

Because of the sudden emergence of the recreational vehicle, little factual information has been collected although the presence of certain kinds of hazards such as excessive loads, structural integrity on impact, and fire are well known. According to the National Transportation Safety Board, "accident data relating to recreational vehicles use have not been collected by any known jurisdiction." A number of Federal agency studies have been conducted, however, which indicate hazards of the same magnitude as with mobile homes, depending upon the quality and cost of the particular vehicle.

On June 14, 1972, a "Special Study of Safety Aspects of Recreational Vehicles" was issued by the National Transportation Safety Board which dealt in some detail with both the nonoperating—housing—and operating—over-the-road hazards of recreational vehicles. The study—the most comprehensive on recreational vehicles—involved the inspection of 3,000 travel trailers, 1,000 pickup campers, 800 camping trailers and 200 motor homes.

Among the operating hazards cited were:

One, failure to maintain structural integrity in a crash;

Two, loads too heavy for the frame;

Three, overloading of electrical circuits;

Four, lack of dynamic stability under varying road and weather conditions; and

Five, hitch safety problems.

Among the many "nonoperational"—housing—hazards associated with recreational vehicles as revealed through the study of the National Transportation Safety Board are:

First, hitching and unhitching, which involves the fastening or releasing of link-up hardware under load, in which a slip or a mistake could mean the loss of a finger, or worse;

Second, the presence of LPG—gas—in storage and in transmission lines, in which a leak could cause explosion or disastrous fire;

Third, toxic fumes, such as carbon monoxide when the car engine is run for battery charging or for space heat, or the fumes from cooking and heating gas;

Fourth, special flammability hazards because of the nature of activity and interior furnishings, and the presence of heating and cooking flames;

Fifth, electrical shock or burns, when exterior power lines are connected for lighting, cooking, or heating; and

Sixth, static instability resulting from the failure of a support leg—jack—or the settling of unstable earth under concentrated loading, leading to vehicle upset from a parked position.

Among the many letters I have received on fires in recreational vehicles and mobile homes is the following:

> On May 18, 1972 at approximately 8:30 p.m., while returning from (the Doctor's) . . . accompanied by my wife, we detected a strange odor in the motor home. I thought it might be a gas leak so I opened the windows and pulled into the nearest parking space.
>
> My wife and I vacated the vehicle and I went to inspect the gas bottle compartment. As I did, I noticed flames underneath the vehicle which seemed to be in the area beneath the driver's seat. I immediately ran back to the motor home and tore the fire extinguisher from the wall. I emptied the extinguisher in an attempt to put out the fire. The fire continued to spread underneath the vehicle.
>
> Father —— of the church called the Fire Department. They arrived swiftly and put out the fire which had just about reached the gas bottle compartment. It seemed to me that the urethane foam insulation burned fiercely, emitting black billows of smoke and contributed greatly to the spread of the fire.
>
> In my haste to put out the fire I destroyed my suit and broke my glasses. My wife was quite shaken up and is quite fearful of entering any vehicle insulated with urethane foam. I also share her fears.

The safety problems of recreational vehicles have been traced to a total lack of regulation early in the history of this relatively young industry which tended to force down the quality of the vehicles. Manufacturers who took the time and spent money to make sure their vehicles were strong enough and handled properly were hurt by competition from manufacturers who did not.

Peter R. Finch, president of PRF Industries has stated:

> It's shocking how few companies in this business today have performance engineers working for them.

GAPS IN REGULATIONS

Despite the enormous increase in the production and sale of mobile homes and recreational vehicles in recent years and the known existence of the above safety hazards, all levels of government have failed to respond with effective safety regulation. The resultant confusing patchwork of local, State, and Federal regulation has made the manufacture of mobile homes and recreational vehicles more costly while failing to provide protection to their occupants.

Neither mobile homes nor recreational vehicles are subject, for the most part, to local building codes, nor should they be. The structural characteristics of mobile home and a recreational vehicle are so different from conventional housing built on foundations that the local ordinances, unless they contain special provisions for mobile homes or recreational vehicles, have no relevance and were not intended to cover either.

Local regulation, whether specially tailored to mobile homes and recreational vehicles or not, has not and cannot operate effectively. Since the mobile home is usually constructed outside the local jurisdiction and arrives completed, it cannot be inspected for conformity with local plumbing, heating, electrical and structural codes. Moreover, the problem created by special local regulations which are not based on general standards is that it becomes necessary to make changes in units constructed for use within the jurisdiction, which increases costs.

Thirty-six States have adopted varying versions of the mobile home code drafted by the American National Standards Institute—ANSI—and nine have adopted all or part of the recreational vehicle safety code developed by ANSI.

Because of the expense involved in conducting research and developing standards, the States have had to rely exclusively on the standards developed by ANSI. The code, however, has been criticized by many as not requiring usage of the latest technology and, thereby, providing inadequate protection to the consumer.

The inadequacies in the code are due to a lack of resources, and the use of the "consensus" criterion.

The American National Standards Institute lacks the resources for its own research and must rely on that of the industry. It is unable to conduct its own independent research to develop standards. Secondly, the Institute uses the "consensus" criterion in adopting a new standard. Rather than requiring adequate safety and quality levels, "consensus" puts its emphasis on acceptability.

The final report of the National Commission on Product Safety comments on "consensus":

> In our judgment, safety standards should exclude from the market products which are unreasonably hazardous when used in a foreseeable manner. The "consensus" required in the past for standards approved by ANSI cannot guarantee such exclusion.

Although the ANSI code is used by many States, those States that use it have referenced it in various fashions, and deleted or added standards. It certainly has not been adopted or used in a uniform manner.

Some States authorize the promulgation of the most recent edition of ANSI A119.1 and the subsequent amendments made by the American National Standards Institute. Other States adopted a specific edition of the ANSI A119.1 standards and do not authorize subsequent promulgation of amendments made to it. Alaska, for instance, provides that the Department of Commerce shall adopt, as the official minimum mobile home standard for the State, the American National Standards Institute Code A119.1—1969 for mobile homes.

LACK OF ENFORCEMENT

Even more important than the lack of adequate, uniform State standards, is the lack of enforcement by States which have codes and the great variance in their enforcement procedures. The variance in the quality and manner in which the standards are enforced, more than the standards themselves, make reciprocity between the States impossible.

In a number of States, no State enforcement agency has been designated. Missouri has made the sale of mobile homes which do not meet the ANSI standard a misdemeanor, but has provided no procedures or State agency with enforcement powers.

The enforcement agency exists only on paper in some States because no funds have been appropriated to implement enforcement or no procedures were given to the State agency for enforcement.

Nine States have not implemented mobile home enforcement or inspection procedures yet: Colorado, Indiana, Kentucky, Louisiana, Maryland, Minnesota, Nevada, North Dakota, and Wisconsin. The State of Washington, on the other hand, provides for the compulsory adoption and enforcement of mobile home standards at the local level.

As a result of the lack of enforcement in the above States, 87,668 mobile homes were manufactured in 1971 that were not subject to any enforcement or inspection procedures whatsoever.

In those States where funds have been appropriated for enforcement of the State law adopting ANSI A119.1, inspection staffs are often too small to inspect all mobile homes or recreational vehicles sold in the State. For example, only one inspector is employed, on a quarter time basis, to enforce construction requirements for 3,700 mobile homes sold in Nebraska in 1971. Florida, where more mobile homes and recreational vehicles are sold than any other State in the Nation, had only three inspectors from the time the ANSI A119.1 constructions standard was adopted in 1968 until July 1972, when three more inspectors were authorized. Minnesota, by comparison, employs 11 inspectors for 7,000 mobile homes sold in 1971.

A few States which have small inspection staffs allow the manufacturer to self-certify. Some States—for example, Florida—allow the manufacturer himself to certify that the mobile home or recreational vehicle complies with the standards, while others—for example, Maryland—may select an employee of the company who is a "State certified inspector" to inspect and certify the homes or vehicles produced by his employer.

Even when sufficient funds have been appropriated for a reasonable number of inspectors, the inspection procedures used still may allow a steady flow of substandard mobile homes and recreational vehicles.

Mobile home and recreational vehicle defects vary greatly from unit to unit due to individualized assembly. If the mobile homes or recreational vehicles are inspected on dealer sales lots, defects may have already been sealed from the inspector's view. To ensure compliance with the standard's construction requirements, each mobile home or recreational vehicle should be inspected at the factory at some stage of assembly.

Several States however, admit they do not inspect every mobile home or recreational vehicle at the factory. Mississippi, for example, employs one engineer to inspect plants and six inspectors to check mobile homes when they suspect hidden defects in mobile homes sold in Mississippi.

Ineffective State enforcement programs are not confined to States with relatively new inspection programs. Theoretically, California inspectors have been enforcing a mobile home and recreational vehicle construction code since 1958, the first code in the Nation. This effort, however, has apparently been ineffective in insuring construction of mobile homes that meet the standard. The August 17, 1972, edition of the Los Angeles Times carried the following news item:

> A survey of mobile home factories and sales lots in California showed that 94% of the homes failed to meet state requirements, state officials reported Wednesday."
>
> Donald F. Pinderton, director of Housing and Community Development said violations included such things as faulty wiring, obstructed heat flues, and roof nails that were spaced 18 instead of 12 inches apart. Of all the units surveyed, 41% contained immediate hazards such as blocked flues. These, Pinkerton, explained, could cause fires. Forty one percent of the 432,578 mobile homes sold in California in 1971 works out to over 13,000 mobile homes which pose immediate hazards to their occupants.

Some States use "third party" certification companies to improve the quality of enforcement. In some States, such as North Carolina, this has been an effective enforcement tool as it is financed by fees paid by the manufacturer and makes reciprocity easier.

However, in many States "third party" certification is not effective. Some State agencies fail to monitor the "third party" certifier. Also, since such companies are paid by the manufacturers, there tends to be competition between the third party certifiers for the business, resulting in cheaper rates and less stringent inspection.

Only one State, Texas, authorizes the training of mobile home and/or recreational vehicle inspectors. Other States not using third party inspectors presumably rely upon on-the-job training for inspectors.

Of the 34 States with mobile home and or recreational vehicle codes only two provide direct protection to the consumer, beyond making a violation of the standards a misdemeanor or cause to revoke a license granted to manufacture or sell mobile homes or recreational vehicles. Kentucky requires a $10,000 bond from each dealer as "indemnity for any loss sustained by any person by reason of any acts of the licensee constituting grounds for suspension or revocation of his license." North Dakota provides that the purchaser of a mobile home in violation of the State standard may within 3 years require correction of the defect by the seller. If the seller on proper demand refuses to correct the defect, the sale may be rescinded.

RECIPROCITY

The primary weakness in the State regulatory pattern is the lack of reciprocity between the States which have adopted a state mobile home and/or recreational vehicle code. The effect to achieve reciprocity has been slow although a large proportion of mobile homes and recreational vehicles are manufactured in one State and sold in another.

Some States specifically exclude from construction requirements mobile home units or recreational vehicles manufactured for export to another State. Pennsylvania, for instance, recently enacted a mobile home construction code which provides that "the provisions of this section shall not apply to the manufacture or sale of mobile homes designated for sale or use outside of the Commonwealth."

Moreover, on the importing side, some States only regulate mobile homes or recreational vehicles which are manufactured in the State and not mobile homes or recreational vehicles sold in the State. Thus, units manufactured outside one of these States and sold in the State are not regulated.

Furthermore, even if the receiving State regulated both the manufacture and sale of mobile homes or recreational vehicles, mobile homes or recreational vehicles manufactured in another State without a code, a code that exempts them for export, or which does not enforce the code, are effectively excluded from regulation. Inspections must be made during the manufacturing process itself, and not afterward

Even if reciprocity is feasible, not all States with codes are authorized to enter into reciprocity agreements. The provisions also vary.

Even where States have adopted mobile home or recreational vehicle codes which are substantively comparable, there is still a reluctance to grant reciprocity. North Carolina, for instance, for good reason does not trust enforcement programs of other States and believes they must personally inspect out-of-State mobile home manufacturers. For North Carolina, this means the monitoring of 125 manufacturers' plants located in 23 other States.

A number of States have informal reciprocity agreements or place other States on a reciprocity list. As yet, however, no formal reciprocity agreements have been included.

Lack of reciprocity has created a loophole to dodge standards. When Colorado refused to issue certification seals to manufacturers of substandard mobile homes, some manufacturers moved the defective units to other States where they could be sold. Of course, once a mobile home or recreational vehicle has been manufactured and is transported or sold out-of-State, inspection for compliance with standards becomes almost impossible.

FEDERAL REGULATIONS

There is no formal safety regulation of mobile home or recreational vehicles at the Federal level, either. Both the FHA and VA require before they guarantee a mobile home mortgage it must meet the ANSI standard. This is far from adequate, however, since they have insured mortgages on only a fraction—17,000—of the mobile homes manufactured. The FHA employs a "self-certification" process which in reality means no regulation at all. The VA, on the other hand, has just initiated a quarterly inspection of manufacturing plants by a person from each of their State offices. Experts in the industry tell me a great deal of expertise is required to adequately inspect a mobile home and they are skeptical of the VA's capabilities in this regard.

The National Highway Traffic Safety Administration—NHTSA—has adopted some standards for recreational vehicles, but they deal primarily with over-the-road safety and not the "housing" characteristics of recreational vehicles. Furthermore, few over-the-road standards have been formulated since there is no legislative mandate, machinery, or appropriation for NHTSA to deal with recreational vehicles. And, the regulations that have been promulgated have in many cases been truck standards they have adopted for recreational vehicles.

The "Special Study of Safety Aspects of Recreational Vehicles" conducted by the National Transportation Safety Board stated with regard to NHTSA standards for recreational vehicles:

> Most of These Vehicles are not specifically identified or defined in the Federal Motor Vehicle Safety Standards (FMVSS) promulgated by the National Highway Traffic Safety Administration (NHTSA). Most FMVSS do apply to some aspects of recreational vehicles, but not in measures which cope directly with the range of problems and safety hazards involved.

THE NATIONAL MOBILE HOME AND RECREATIONAL SAFETY ACT OF 1973

The National Mobile House and Recreational Vehicle Safety Act, which I reintroduce today, would by establishing uniform safety standards and minimum State enforcement requirements replace the confusing patchwork of ineffective State and local regulation and provide greater protection to the 7 million occupants of mobile homes and the 3.7 million owners and occupants of recreational vehicles. When passed, it will also result in the expanded use of mobile homes and recreational vehicles as manufacturers will be able to manufacture to only one standard and prospective purchasers will be more assured the mobile home or recreational vehicle they purchase meets certain basic safety standards. Furthermore, insurance costs and manufacturing costs should be reduced.

Since the great majority of mobile homes and recreational vehicles are manufactured in one State and sold in another, it is imperative that the Congress act to establish national uniform standards which adequately protect the occupants of mobile homes and recreational vehicles. Moreover, the Federal Government alone has the resources available on a national scale to develop and enforce construction standards.

This legislation recognizes the differences in the usage and construction of mobile homes and recreational vehicles by providing for the separate establishment and enforcement of standards for each. The legislative scheme includes both because they are manufactured in large part by the same companies, involve similar construction techniques and hazards, and both are inadequately regulated. Moreover, States which have the largest population of both mobile homes and recreational vehicles—Florida, California, and Arizona—regulate both together.

Even more importantly, however, is the fact that travel trailers and motor homes, although more of a vehicle than a mobile home, are used as housing. Travel trailers are, after all ancestors of the mobile home and are still used by a small percentage for housing. To provide Federal regulation only for mobile homes would leave a serious gap which would have to be filled sooner or later.

My bill would add a separate title for "Mobile Home and Recreational Vehicle Safety Standards" to the National Traffic and Motor Vehicle Safety Act. The development of such standards is divided between the Departments of Transportation—DOT—and Housing and Urban Development: DOT would develop "operational" over-the-road safety standards and HUD would develop nonoperational—housing—safety standards.

The National Highway Traffic Safety Administration—NHTSA—in DOT will develop the over-the-road standards and actually promulgate all the safety standards. NHTSA's jurisdiction over the over-the-road characteristics of both mobile homes and recreational vehicles will be express, whereas, heretofore, it has been tenously implied under the National Traffic and Motor Vehicle Safety Act, resulting in few standards being promulgated, and standards which for the most part, do not directly apply to recreational vehicles.

The development of housing standards will be accomplished in HUD through a National Institute for Mobile Home and Recreational Vehicle Safety. The institute would have comparable status to NHTSA in DOT.

The bill does not disturb current regulation by NHTSA as existing standards and regulations promulgated under title I of the National Traffic and Motor Vehicle Safety Act shall remain in effect until replaced by either initial standards or revised standards are issued pursuant to the act. The Secretary can determine which title will best achieve the objective of safety.

Separate advisory councils—a National Mobile Home Safety Advisory Council and a National Recreational Vehicle Safety Advisory Council—are established to advise the Secretary on proposed standards. A majority of each council shall be representatives of the general public, including representatives of State and local governments, and the remainder shall include representatives of mobile home or recreational vehicle manufacturers, dealers, insurers, and nationally recognized standards-producing organizations.

Research, testing, development, and training are authorized to produce the necessary factual base and technology on which the development of Federal safety standards will be based. Presently, there are no national statistics on which to base standards. Moreover, there are many resources, public and private, which can be tapped for the first time to develop adequate safety standards for mobile homes and recreational vehicles.

The criteria to be employed by DOT and HUD in developing the standards follows:

> (1) consider relevant available mobile home and recreational vehicle safety data, including results of research, development, testing, and evaluation activities conducted pursuant to this title, and those activities conducted by nationally recognized standards—producing organizations to determine how to best protect the public;
>
> (2) consult with such Federal, State, or interstate agencies (including legislative committees) as they deem appropriate;
>
> (3) consider whether any such proposed standard is reasonable, practicable, and appropriate for the particular type of mobile home or recreational vehicle for which it is prescribed;
>
> (4) consider whether any such standard will result in a substantial increase in the retail price of mobile homes or recreational vehicles; and
>
> (5) consider the extent to which any such standard will contribute to carry out the purpose of this title.

Once standards have been promulgated, every manufacturer of a mobile home or recreational vehicle is required by section 408 to submit detailed plans and specifications of each model to the Secretary for approval. Most substandard conditions which occur in mobile homes and recreational vehicles appear in the plans themself. Thus, preapproval will catch many of the safety hazards. If the manufacturer follows the plan as approved, he cannot be held to be in violation of the Federal standards.

The Federal standards may be enforced by the States if they submit a plan for enforcement which is approved. The State plan will be approved if it:

> (1) designates a state agency or agencies as the agency or agencies responsible for administering the plan throughout the State;
>
> (2) provides for a right of entry and inspection of all factories, warehouses, or establishments in such state in which mobile

homes or recreational vehicles are manufactured, and which is at least as extensive as that provided in Section 409;

(3) contains satisfactory assurances that such agency has or will have the legal authority and qualified personnel necessary for the effective enforcement of such standards;

(4) give satisfactory assurances that such state will devote adequate funds to the administration and enforcement of standards;

(5) requires manufacturers, distributors, and dealers in such state to make reports to the Secretary in the same manner and to the same extent as if the state plan were not in effect; and

(6) provides that the state agency will make such reports to the Secretary in such form and containing such information as the Secretary shall from time to time require.

Grants of up to 90 percent will be made to States to assist them in developing State enforcement plans and grants up up to 50 percent may be made to assist States in administering and enforcing such plans.

Since a number of States do have effective enforcement programs, every effort should be made to utilize that experience and also to encourage other States to enforce the Federal standards.

If the States have no desire to enforce the Federal standards, enforcement will be by the National Highway Traffic Safety Administration—NHTSA—in the Department of Transportation. NHTSA has had much experience in enforcing the National Traffic and Motor Vehicle Safety Act, including the enforcement of a number of regulations affecting mobile homes and recreational vehicles.

Section 409 of the bill authorizes either third-party inspectors or qualified employees of NHTSA to enter without notice any warehouse or factory to inspect and investigate mobile homes and recreational vehicles to insure they conform to Federal standards. Each manufacturer must maintain and submit such records and technical data as may be required.

If the mobile home or recreational vehicle conforms to the Federal safety standards, a certification label will be affixed to each such home or vehicle. Recertification is required for every mobile home or recreational vehicle which is modified after original certification, but before sale to the first purchaser.

If NHTSA or a manufacturer determines that there is a defect in any mobile home or recreational vehicle manufactured, the manufacturer is required to notify each purchaser within a reasonable time after discovery of the defect and in a manner prescribed in section 410. The manufacturer is further required to remedy any defect which is found at a hearing to violate the Federal standards when sold to the purchaser.

In addition, the manufacturer of any mobile home or recreational vehicle shall either repurchase a nonconforming mobile home or recreational vehicle from the distributor or dealer or furnish complying parts and expenses for installation.

If the manufacturer refuses to repurchase or furnish conforming parts, then section 407(b) authorizes the bringing of suit for damages by the distributor or dealer against such manufacturer.

NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT VERSUS CONSUMER PRODUCT SAFETY ACT

This approach placing mobile home and recreational vehicle in the National Traffic and Motor Vehicle Safety Act, it seems to me, makes more sense than placing the responsibility for mobile home and recreational vehicle safety in the Consumer Product Safety Commission, which is not even operational.

The National Mobile Home and Recreational Vehicle Safety Act of 1973 builds upon present regulation and contains provisions which more directly relate to the regulatory needs of mobile homes and recreational vehicles. HUD presently requires housing safety standards for the mobile homes they insure financing for and DOT is regulating, to a limited extent, the over-the-road aspects of mobile homes and recreational vehicles. Moreover, this bill attempts to use and upgrade State enforcement machinery. But, if the States fail to enforce the Federal standards, enforcement machinery already exists in DOT. Also, the scheme of the bill provides for the correlation of operational—over-the-road—and nonoperational—housing—standards which would not result under the Consumer Product Safety Commission.

The bill I introduce today contains other provisions, not present in the Consumer Product Safety Act, which deal directly with mobile homes and recreational vehicles:

First, the establishment of a National Mobile Home Advisory Council and a National Recreational Vehicle Advisory Council;

Second, the establishment of a separate research, development, and training program for mobile home and recreational vehicle safety;

Third, preventing the financing of mobile homes by FHA, FA, or Federal Savings and Loan Associations unless they meet the Federal standards;

Fourth, enforcement provisions such as submission of plans on each model, recertification, and reciprocity between the States; and

Fifth, remedies such as repurchase from the dealer or distributor or repair of mobile homes or recreational vehicles in the possession of a purchaser.

Moreover, mobile homes and recreational vehicles were intentionally excluded from the Consumer Product Safety Act. The definition of "consumer product" in the act was construed not to include either, and all products subject to regulation under the National Traffic and Motor Vehicle Safety Act—recreational vehicles—were excluded. To bury mobile homes and recreational vehicles with every other consumer product, not relate their regulation to existing enforcement activity, and not provide for regulation which recognizes their unique characteristics, makes no sense.

CANADIAN JUSTICE—OR INJUSTICE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 30 minutes.

Mr. MATSUNAGA. Mr. Speaker, the United States and the Commonwealth of Canada share not only a common boundary, but the two nations also share, in a derivative sense, many common institutions. These institutions have their genesis, of course, in Great Britain, once the mother country of both North American nations. Perhaps the most important contribution that Britain made to her two offspring across the Atlantic was the English system of jurisprudence. In full force and effect in the Thirteen Colonies at the time of the War of Independence was the English common law, the great unwritten body of law of England relating to the government and security of persons and property. In addition, England also gave to the young American Nation the body of jurisprudence called equity, a branch of remedial justice not found in the common law, but which was based on such humanitarian considerations as fairness, justness, and right dealing.

Today, after nearly 200 years of existence of the United States as an independent nation and over 100 years since the birth of the self-governing Canadian Confederation, there appears to be little in the jurisprudence of the Commonwealth of Canada to show its once proud heritage of the English system or juridical principles.

It was my sad experience in recent months to become involved in a Canadian case which, in my opinion, represents the most glaring departure from the time-honored principles of law and equity. It was a case involving criminal charges against two young Americans, both college students, one a legal resident of Hawaii and the other a legal resident of California. The great sin these two young Americans committed was to assume, because of the disarmingly easy access into Canada, where English is also the mother tongue, that justice would be the same as it is in the United States. Much to their sorrow, they discovered too late that it is not.

Harvey DeWayne Fisher, Jr., my constituent, and his companion, James Joseph Edmondson, were charged, tried by court, and convicted of "importing" into Canada from the United States a quantity of marijuana. Although this was their first criminal offense and they were not members of any organized crime syndicate, they were sentenced to serve a term of 10 years, a sentence which was subsequently denounced as "ridiculously excessive" by Royal Canadian Chaplain R. L. MacDougall in an evaluation report of the two young American citizens which he submitted on April 12, 1972 to the Canadian National Parole Service, which nevertheless denied the parole request.

I read with great care the 493-page trial transcript from the standpoint of a U.S. lawyer who was once extensively engaged in trial practice. Upon completing my reading, I could not help but feel that the essential element of the alleged offense—importation—had not been proven beyond a reasonable doubt although the trial court decided otherwise.

It was uncontradicted that Fisher and his companion were traveling eastward from Regina, Saskatchewan, to Toronto, Ontario, the delivery destination of the packages of marihuana, at the time they were apprehended. Assuming that the young men had acquired possession of the contraband in the United States, a more logical route they would have taken from southern California, where their automobile trip originated, would have been along a high-speed U.S. interstate highway until they had reached a point fairly close to Toronto before going through a Canadian customs port of entry to get into Ontario.

The fact that they had used the relatively isolated customs port of entry of Climax, Saskatchewan, by way of the State of Montana, tends to corroborate their testimony that, at the time of entry into Canada, they were headed for Regina, Saskatchewan, to meet one Daniel Sutherland from whom they reportedly received the illegal packages for interprovince transportation. It is persuasive reasoning that an isolated customs port, with its comparatively light traffic, would be more conducive to an unhurried and thorough search on the part of the authorities—and thereby increase the likelihood of discovery of concealed contrabands—than one that is busy and heavily travelled.

Moreover, considering the status of both the accused—students—their almost total lack of personal luggage, their driving a rented instead of a personally owned vehicle, and their style and manner of dress—very light and inadequate for a Canadian winter—it is incomprehensible that they would have the means to purchase in the United States the 52 packages of marihuana, weighing approximately 72 pounds and having an estimated "street" value of over $20,000, which reportedly were removed from the vehicle involved, for purposes of resale or delivery in Canada.

It was clearly evident from the trial record that the two young men were not members of any drug ring, nor were they "pushers" of drugs. If it were not for the seriousness of the charges under Canadian law, the whole undertaking could be dismissed as a foolish indiscretion by the two young inexperienced Americans.

These matters appear not to have been given their proper evidentiary weight by the trial judge in determining the guilt or innocence of the accused and the imposition of sentence under the particular Canadian statute, which I also studied at length.

As a matter of fact, the learned Canadian trial judge, disregarding centuries of evolutionary English jurisprudence, meted out his own personal brand of justice. At the time of sentencing, he is reported to have said to the Americans in court:

> We are going to set an example of you University people from the States to other American students who are likewise inclined.

The result: A vindictive sentence of 10 years for an offense for which the Americans would probably have drawn a suspended sentence in the United States.

After serving 2 years in a Canadian penitentiary as model prisoners they were denied parole. Under the mistaken notion that U.S. laws relating to marihuana would apply if they could physically return to the United States, the two Americans escaped from their Canadian prison. They were apprehended in the State of Minnesota, and returned to the custody of Canadian officials upon completion of the formalities of the extradition process.

While the matter was under consideration by the U.S. State Department, I urged Prime Minister Pierre Trudeau to soften the harshness of law with equity and temper justice with mercy in the case of these two Americans by withdrawing the request for their extradition to Canada. The reply from the Canadian Department of External Affairs, prepared several weeks after the Americans had been returned to the penitentiary in Winnepeg, Manitoba, merely perpetuated the original miscarriage of justice:

> Executive clemency is not indicated in this case.

Mr. Speaker, these two Americans, who are fully repentent over their indiscretion, have already spent 2½ years in jail. In his parole recommendation of April 12, 1972, Royal Canadian Chaplain MacDougall, an enlightened and perceptive minister of the Gospel in a land in which its leaders appear to have lost sight of its heritage of justice and mercy, stated:

> The year they (Fisher and Edmondson) have already put in here at Stony Mountain (Penitentiary) has more than satisfied for their indiscretion.

Mr. Speaker, as Members of Congress, we can still salvage the lives of these two unfortunate Americans by actively seeking a pardon in their behalf. I strongly urge my colleagues to undertake this humanitarian effort.

Historically, in Canada, the British monarch has possessed the royal prerogative of mercy. The Revised Statutes of Canada—chapter C–34, section 686—provide that nothing in the Canadian Criminal Code limits or affects the royal prerogative of mercy. The Code also authorizes Queen Elizabeth's representative, the Governor General in Council—the Governor General acting after seeking the advice of one member of the Canadian Cabinet—to grant pardons to persons convicted of an offense, and the person pardoned shall not have any record for the offense.

There appears to be no statutory procedure established for the presentation of a plea for pardon from the Governor General in Council, nor any form specified for the wording of the plea for pardon.

Forgiveness by the Crown would enable these young Americans to complete their college education and to become productive, law-abiding members of society. How infinitely better to have two rehabilitated American lives instead of two personality-scarred Canadian prisoners, the victims, in the words of Royal Canadian Chaplain MacDougall, "of a system that does not understand."

Mr. Speaker, in the hope that many voices united in fervent plea for equity will awaken our Canadian neighbors to recognize their overly harsh treatment of these two repentent Americans, I ask my colleagues to join me in seeking a pardon for Harvey DeWayne Fisher, Jr. and James Joseph Edmondson.

THIRTY-TWO FOR H.R. 32

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 5 minutes.

Mr. BELL. Mr. Speaker, it is with great pleasure that I reintroduce in the House, H.R. 32, the National Science Policy and Priorities Act of 1973. I have been joined by 32 of my colleagues in an effort to encourage the transfer of existing and the development of new technologies to meet the needs of our society.

I urge each of you to carefully examine your position on this matter and invite you to join with us in supporting the passage of this measure.

I include the following list of cosponsors:

COSPONSORS

George Brown
Charles Carney
James Corman
Paul Cronin
George Danielson
Joshua Eilberg
Marvin Esch
Bill Frenzel
William Green
Richard Hanna
Orval Hansen
Michael Harrington
Augustus Hawkins
Ken Hechler
Henry Helstoski
Frank Horton
Dan Kuykendall
Norman Lent
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John Moss
Stewart McKinney
Bertram Podell
Charles Rangel
Edward Roybal
Thomas Rees
Robert Steele
Jerome Waldie
Charles Wilson (Calif.)
Lester Wolff
Antonio Won Pat
Gus Yatron

CONGRESSMAN EDWARDS OF ALABAMA CALLS FOR CONSTITUTIONAL AMENDMENT TO GIVE STATES AND FEDERAL GOVERNMENT POWER TO IMPOSE DEATH PENALTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the U.S. Supreme Court's 5-to-4 decision which placed heavy restrictions on the death penalty has been the subject of much debate since the ruling was made almost a year ago.

The Nation's highest court held that the sentence of death was not in itself necessarily cruel or unusual punishment, but that to impose the death sentence arbitrarily and capriciously was impermissible.

In other words, the death penalty can be imposed only when the law makes it mandatory.

Presently in my State of Alabama there are no laws that carry a mandatory death sentence.

Murder, robbery, rape, and several other crimes in Alabama set the death penalty as the maximum punishment but in each category, the law allows a jury to select between a life or lesser sentence or the death penalty, and this is what the U.S. Supreme Court has ruled is unconstitutional.

One of the many questions to be answered in the future is whether the Alabama Legislature will repeal many of the State's present laws pertaining to crime and punishment and make the death sentence mandatory for certain crimes. This is a matter I am sure our State legislators are presently considering and will continue to consider during the next regular session of the legislature.

I have introduced House Joint Resolution 329 calling for a constitutional amendment which would, if passed by the Congress and three-fourths of the States, give the States and the Federal Government the power to impose the death penalty for the willful taking of another's life and for treason.

Skyjacking had been considered for inclusion on the list, but was ruled out on the thought that a death sentence for skyjacking would place passengers and crewmen in more certain danger if a skyjacker had nothing to lose.

With such a constitutional amendment on the records, a mandatory death sentence would not be required. This certainly would give States and juries more leeway in determining the punishment to suit the crime and the facts in each individual case.

It has been argued that the Supreme Court should have gone a step further and outlawed the death penalty all together.

I think if that had been done, this country would live to regret such a decision.

The death penalty may not serve as a total deterrent to crime, but it is my firm belief that we must have a supreme penalty for those who with malice aforethought murder a fellow human being or commit an act of treason against this country.

To me, there is no reason strong enough to pardon the willful, intentional taking of another's life.

By the same token, treason is unpardonable in my opinion. The availability of the death penalty in such cases should not be taken from the courts.

No constitutional amendment should be taken lightly. I would hope that the Congress will give early and close scrutiny to my proposal.

ASSESSMENT OF EDUCATIONAL DISADVANTAGE—TITLE I, ESEA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. QUIE) is recognized for 30 minutes.

Mr. QUIE. Mr. Speaker, yesterday I introduced H.R. 5163, to amend title I of the Elementary and Secondary Education Act of 1965. This new legislation is designed to improve the 1965 act in ways which will benefit all children in educational need.

Since ESEA was first enacted into law I have been concerned with the use of census data in determining the allocation of funds. My concerns were based on the fact that census data becomes obsolete very quickly and because of my belief that economic criteria is a poor surrogate for educational need.

I am also convinced that the American system of education requires some fundamental reforms. The national statistics on the number of high school graduates who cannot read, on the amount of drug use and violence in the schools, and on the disaffection of parents and taxpayers with the schools are frightening.

Although no one solution can deal with all of these problems, I am firmly convinced that the best way to begin changing the schools is to require them to individualize their instructional programs so that children are treated as individuals and not as impersonal numbers in a vast school district.

Combined with this attention to individual needs should be a mechanism for more extensive involvement of parents in their education. In this regard my bill proposes the adoption, on a national scale, of a proven method for parental involvement.

As I noted earlier, the use of census figures on income is a most imperfect way to determine if actual educational need exists. Although there is unquestionably a high degree of correlation between poverty and educational deprivation, that is only half the story. There are also hundreds of thousands of children who do not fall within the strict definition of poverty, and many more who are from low middle income families who are in desperate need of educational assistance. One has only to walk into an average elementary school anywhere and spend a few hours to discover the needs which exist.

A study done in 1970 by Gene V. Glass of the laboratory of educational research at the University of Colorado entitled "Data Analysis of the 1968–69 Survey of Compensatory Education (Title I)" cites some very interesting statistics. In one table Glass charts critical needs in education as they relate to income per family member. If we assume an average family of four, we find that 68 percent of fourth grade students from families with incomes between $800 and $2,000 had a critical need in reading. In math the figures were 59.5 percent. That statistic bears out my own impressions and I do not question the fact that these students need a great deal of assistance. However, the Glass table shows that 34.8 percent of students from families with incomes between $4,400 and $8,000 also need assistance in reading. The percentage requiring assistance in mathematics is 30.2 percent. The figures for those between $8,000 and $12,000 income are 27.2 percent for reading and 23.7 percent for math.

Put another way, we can extrapolate from the figures in the Glass study the fact that less than one-quarter of all students with educational deficiencies in the area of reading are in the below $2,000 family income classification. And since the current distribution of title I moneys is still based on a formula which counts students from families with less than $2,000 income, plus an adjustment for AFDC payments above that level, many schools and school districts are not even eligible for aid, even though they are free under current law to spend funds on any student who is in educational need. That does little good if the average family income is $3,000 for a school, and it is located in an area where families choose not to go on, or are not eligible for, AFDC payments.

This new system would overcome many problems which exist in using the current law. For example, why should a school with 800 children, 400 of them from families with incomes below $2,000 get aid while another school, not get aid because that school has 1,600 children, 400 of whom are educationally disadvantaged? The 400 in the second school may have educational needs even more critical than the 400 in the first school. Yet, under the current law the second school would not get any aid because the children there may be from families with incomes averaging $3,000 per year rather than $2,000. Under my approach both schools would get Federal aid and all of the children would be helped.

The other side of the coin is that, as the figures I have cited show, many low-income students are simply not in need of compensatory education.

There are those who suggest changing the title I formula by substituting a higher figure, perhaps $4,000, for the $2,000 in current law. Even that will not permit students to be aided wherever they live and attend school, if they have an actual and measurable financial need.

My unhappiness with the formula in the current law has two parts. The first, the mislabeling of low income and educational need, is but one-half of that concern. My other major objection to census data is because the figures so quickly become outdated and useless. In 1973 we are still using census data which was collected in 1960 and was in turn based on 1959 income figures. The result is that the figures are 14 years out of date. Even if we move this year to the use of 1970 census figures, the data will be 4 years out of date since the income figures collected are based on 1969 earnings. Anyone who has studied, as I have, the changes in low-income population between 1960 and 1970 will be truly shocked by the tremendous changes which have occurred.

Nationally, the number of low-income people has decreased by almost 47 percent. However, the variation among the States is startling, ranging from a 23-percent increase in Nevada to a 60-percent decrease in North Carolina. Listed in the chart following are the State-by-State tables on how the new figures compare with the old and how each State's allocation is affected. The figures in the last two columns show what percentage of the allocation each State would receive if 1970 figures were used and what percentage they have been receiving using 1960 figures:

	1960 census [1]		1970 census [1]		1960–70 percent change, minus unless noted
	5–17 population, $2,000 p.a. (1959)	Percent	5–17 population, $2,000 p.a. (1969)	Percent	
50 States and District of Columbia	4, 948, 119	100. 00	2, 645, 838	100. 00	46. 53
Alabama	242, 522	4. 90	94. 984	3. 63	60. 42
Alaska	4, 796	. 10	4, 262	. 16	11. 13
Arizona	38, 851	. 79	29. 328	1. 11	24. 51
Arkansas	148, 158	2. 99	52. 247	1. 97	64. 74
California	206, 572	4. 17	214, 413	8. 10	+3. 80
Colorado	38, 581	. 68	25, 367	. 96	24. 46
Connecticut	20, 731	. 42	22, 226	. 84	+7. 20
Delaware	7, 422	. 15	5, 556	. 21	25. 14
Florida	142, 533	2. 88	100, 693	3. 81	29. 36
Georgia	239, 789	4. 85	93, 139	3. 52	61. 16
Hawaii	8, 832	. 18	7, 229	. 27	18. 15
Idaho	12, 257	. 25	7, 397	. 28	39. 65
Illinois	147, 518	2. 98	103, 789	3. 92	29. 64
Indiana	76, 386	1. 54	41, 836	1. 58	45. 23
Iowa	71, 789	1. 45	22, 459	. 85	68. 72
Kansas	40, 263	. 81	22, 133	. 84	45. 03
Kentucky	193, 559	3.91	68, 780	2. 60	64. 47
Louisiana	201, 090	4. 06	114, 600	4. 33	43. 01
Maine	18, 408	. 37	10, 067	. 38	45. 31
Maryland	55, 716	1. 09	43, 120	1. 63	19. 73
Massachusetts	47, 065	.95	41, 679	1. 58	11. 44
Michigan	124, 712	2. 52	83, 713	3. 16	32. 87
Minnesota	77, 280	1. 56	31, 885	1. 21	58. 74
Mississippi	254, 903	5. 15	98, 695	3. 73	61. 28
Missouri	125, 159	2. 53	59, 163	2. 24	52. 73
Montana	14, 106	. 29	8, 182	. 31	42. 00
Nebraska	34, 411	. 70	15, 831	. 60	53. 99
Nevada	3, 230	0. 07	3, 964	0. 15	+22. 72
New Hampshire	5, 932	. 12	4, 538	. 17	26. 50
New Jersey	59, 845	1. 21	57, 733	2. 18	3. 53
New Mexico	37, 554	. 76	27, 942	1. 06	25. 60
New York	200, 060	4. 04	194, 566	7. 35	2. 75
North Carolina	323, 096	6. 53	99, 224	3. 75	69. 29
North Dakota	26, 346	. 47	8, 065	. 30	65. 45
Ohio	151, 895	3. 07	104, 125	3. 94	31. 45
Oklahoma	84, 779	1. 71	37, 316	1. 41	55. 98
Oregon	23, 933	. 48	19, 583	. 74	18. 18
Pennsylvania	175, 394	3. 54	102, 040	3. 86	41. 82
Rhode Island	12, 083	. 24	8, 805	. 33	27. 13
South Carolina	206, 638	4. 18	71, 844	2. 72	65. 23
South Dakota	30, 712	. 62	10, 763	. 41	64. 96
Tennessee	220, 048	4. 45	81, 832	3. 09	62. 81
Texas	398, 217	8. 05	192, 639	7. 28	51. 62
Utah	11, 680	. 24	9, 638	. 36	17. 48
Vermont	7, 208	. 15	3, 489	. 13	51. 60
Virginia	167, 874	3. 39	67, 779	2. 56	59. 63
Washington	33, 072	. 67	29, 722	1. 12	10. 13
West Virginia	106, 406	2. 15	35, 484	1. 34	66. 65
Wisconsin	58, 446	1. 18	34, 579	1. 31	40. 84
Wyoming	5, 408	. 11	3, 314	. 13	38. 72
District of Columbia	14, 854	. 30	13, 081	. 49	11. 94
American Samoa					
Canal Zone					
Guam					
Puerto Rico					
Virgin Islands					

[1] US. Department of Commerce, Bureau of the Census, special listings, 1960 and 1970 census.

Keep in mind while digesting this table that States are still being paid on the basis of a student who was enrolled 14 years ago. That means that if the student were in the second grade in 1960 he has probably graduated from high school, completed junior college and begun a family of his own. I see no defense for continuing to pay States as if that 21-year-old man or woman were still in the second grade.

Today I am proposing that we abandon for once and for all this impossible system which pretends that obsolete census data can tell us where educationally disadvantaged children live; and move decisively to adopt a system that actually measures where need exists and then distributes the Federal money on that basis.

In the last several years a relatively new type of test instrument has come into rather widespread use. In technical terms it is known as a criterion referenced test. In testifying before the General Education Subcommittee on February 27, 1973, Dr. H. Eugene Wysong, president of the Association for Measurement and Evaluation in Guidance, described this new type of testing instrument:

> A criterion referenced test is one in which the performance on the test is described by using scores which show how the performance is compared to some desired level of performance. A score of 60 percent means that the individual has performed correctly 60 percent of the items in the test. If the predetermined desired level of performance is judged to be 80 percent correct, the individual who scores 60 percent might be judged to be below the specified level of competency. Scores can also be used to describe a group's performance on a single item.

In other words, through the use of a criterion referenced test we could determine how well the average third grader should be able to read, test third graders to determine how many fell far below that expected level of competency, and then allocate funds to be used to bring those students up to the expected level. This system would be far preferable to the current one which makes the assumption, often unwarranted, that low income is prima facie evidence of educational need, and assumes further that only the low income children have real education problems.

My bill, H.R. 5163, would distribute funds among the States on the basis of relative scores on a criterion referenced test in reading and mathematics. I propose that a scientifically drawn sample of children in each State be tested, rather than testing all children. I have been in touch with companies who have had extensive experience in the designing of a matrix sample and I am convinced, on the basis of their experiences, that a test administered to 3,000 children at any given grade level will produce results which very accurately predict the needs of all children at that age level. National Assessment of Education Progress, operated by the Education Commission of the States, utilizes such a procedure.

Once allocations among the States are determined, I would leave it to each State to decide what particular form of measurement it would use to distribute the money within the State, based on the number of educationally disadvantaged children in each school district.

Although I am proposing a revision of the formula, an action which is certain to gain a great deal of attention, also significant is that section which deals with how the money is to be used once it reaches the local school.

As I indicated earlier, I am firmly committed to the concept of both parental involvement and the need to individualize instruction so that the educational problems of each student are treated in a manner which gives reasonable promise of success.

Specifically, my bill requires each school district to individually diagnose and assess both the educational deficiencies and the educational potential of each student requiring remedial assistance. Following this determination, goals will be established for each student in a cooperative arrangement involving the teacher, the parents, and the student. Each of the participants in the agreement would agree to carry out certain actions.

The contribution of the parents would, of course, vary with the extent of the educational need which exists, the abilities of the parent, and the age of the student. Parents might agree to work with their son or daughter so that they might memorize the multiplication tables by the end of a 6-week period. Or, the parents might agree to take the student to a library once a week to read certain books to the child in a given period of time.

The objective is to raise the skill level of each student as rapidly as possible, in a manner which reinforces learning in the home and makes the school an integral part of the community. I would expect that as a result of this approach the parents will be more supportive of the schools, including school tax elections, and the child will develop a healthier attitude toward school since he will be actively involved in determining what his own goals and capacities might be.

I cannot overemphasize the importance of this approach. For the past several years a great deal of work has been done in the area of creating individual approaches to education by the Kettering Foundation and by the education research organization known as Research for Better Schools. The success of both organizations in moving schools to the adoption of methods of individual instruction has been most encouraging. Programs based on one or another of these models are operating today in virtually every State.

The advantages of parental involvement has been cited again and again in testimony before the General Education Subcommittee. On February 28 a group of State title I coordinators appeared. Virtually every one of them mentioned the two key elements in the success of title I projects as parental involvement and individualized approaches to education. In Flint, Mich., parents are already engaged in cooperative efforts with teachers and students in establishing performance goals for their sons and daughters. My bill leaves in place the local title I parent councils. Their performance and contribution to reforming compensatory education have been well documented.

My bill also would provide extensive aid to the handicapped who are now excluded from any general support by the Federal Government. Since almost all handicapped children are below grade level in school they would be identified on the basis of the testing program and each State and local district would receive funds to assist in meeting the educational needs of that child, be he handicapped or not.

In all cases, the Federal Government would be paying for the excess costs of providing those particular remedial services which are required to bring the students performance level up to what is expected of a student of that age. Comparability would be required so that all Federal funds are in addition to the basic education which a student receives from the local district. I feel that each local district has the obligation to provide for the basic costs of educating every student in that district. However, the costs of educating the disadvantaged and the handicapped should not be borne by that district alone. Each of these conditions is something which, if uncorrected, could very easily result in that child becoming a permanent burden on society, either through welfare, job training, or any number of other social service programs. The money spent by the Federal Government to correct a condition which exists in a child will be but a small fraction of what would be required to service that citizen in succeeding years if his or her condition is ignored.

Another subject of great concern to the Members is the education of children in nonpublic schools. This bill would require each school district to consult with the officials of the nonpublic schools and, to the extent consistent with the number of educationally disadvantaged nonpublic children in that district, each school district shall make provision for including educational services and arrangements of a secular, neutral, and nonideological character in which the eligible nonpublic students can participate. If any State is legally unable to provide such services, the U.S. Commissioner of Education would arrange for the provision from funds withheld from that State's allotment.

Our committee has also heard a great deal of testimony about how title I funds are spent. Although in the first few years of the program's existence a great deal of money was unwisely spent, it seems clear that almost all States are today requiring that the vast bulk of the funds be spent on the basic skill areas of reading and mathematics. In 1972 in the Equal Educational Opportunities Act, President Nixon proposed that at least 75 percent of title I funds be spent on these two subject areas. Some of the witnesses who have appeared have indicated that they are already spending as much as 90 percent of their funds in this way.

In my bill I propose that 85 percent of all title I funds be spent on reading and mathematics. After all, if our children cannot read a map or a job application, make change in a store, or figure out the number of hours worked in a week, how much chance do they have not becoming a burden on society?

During the weeks that I have been preparing this legislation, I have been asked whether the installation of a national program of educational assessment was possible, how much will it cost? How do you know it can work? To each of these points I have responded with specific information based on actual facts, not speculation, which I would like to share with you.

First, the expertise and the technology does exist to install this new method of allocation. Since 1968 the actual level of educational skill of American people has been assessed in a wide variety of subject areas. The results of each of those annual assessments have been reported and are available through the Government Printing Office. For a variety of reasons, the program in current operation, known as the national assessment of educational progress, has chosen to compare students by region rather than by State. In addition, the national assessment uses the same type of testing instrument which I have specified in my legislation, the criterion referenced test. The national assessment tests children at the ages of 9, 13 and 17 as well as young adults. A number of other States are adopting statewide assessment programs of their own, most of them based on the national assessment. The major differences between the bill I am offering and the national assessment is that under my plan testing would take place only in the areas of reading and mathematics and we would test students in every State rather than only in regions.

As to the cost to operate such a testing program, I have been in touch with a number of firms who are currently involved in test design, test administration, and test evaluation. From the information I have gathered, I estimate that a program using criterion referenced tests to allocate funds among the States utilizing results from children tested at three age levels could be conducted for about $5.3 million. If the tests were administered every other year the annualized cost would be about $2.6 million, or a little more than one-tenth of 1 percent of the annual appropriation for title I. Considering the misuse of money which occurs through funds being spent on children whose educational needs are not as severe as many children who receive no aid at all, I believe this will be money well spent.

Finally, I have been asked "Will it work?" In answer to that question, I would refer Members to the program, which I mentioned earlier, currently being operated in the State of Michigan. The glowing tributes to that program expressed by State School Superintendent John Porter and school administrators in Michigan is proof positive that the distribution of funds on the basis of test scores does work. Indeed, Dr. Porter told me last week that public support for State programs for the disadvantaged has mushroomed since the previous barrier which kept aid out of nonpoverty schools has been eliminated. In addition, the parents and school officials in areas heavily populated by poor and minorities are very pleased with the new program since they not only continue to receive the lions' share of the money, but will also benefit from increases in appropriations as public support pushes the funding of the program higher. I understand that Florida, Colorado, New Jersey, Oregon, and Minnesota are studying the Michigan program as a model for programs in their own States.

This last point, the public support for the program, is, in my view, one of the most important reasons for changing the formula of title I. I want to see title I fully funded. I am convinced that it will never be fully funded as long as the only public support for it comes from the poorest elements of our society. If we begin counting needy children, not poor children, we will create a program support base which will include virtually every parent and the relatives of every child who is in need of compensatory services. The pressure from those people to move the funding levels upward will be enormous.

Mr. Speaker, a brief section-by-section description of my bill follows:

DESCRIPTION

The bill amends Title I of the Elementary and Secondary Education Act of 1965.

Section 101 declares it to be a national policy for the Federal government to assist the states and local school districts in educating children with special education needs by providing financial aid for those programs which involve individualized assessment of educational deficiencies.

Section 102 states that the program of grants to state agencies will begin with fiscal year 1975.

Section 103 creates a National Commission on Educational Disadvantaged, consisting of 15 members appointed by the President, to develop a single test to be used for interstate distribution of funds. This section also sets standards for that test and stipulates that the first series of tests will be administered in fiscal year 1974. This will permit approximately 18 months for the development and certification of the testing instrument. Tests are to be administered at least every 24 months.

Section 121 provides for payments to the states based on the number of Educationally disadvantaged children, as determined by the test, the number of students in state-run programs for the handicapped, the number of migratory children and the number of neglected and delinquent children in state institutions. Each state is to receive a proportion of the total appropriation equal to its share of the total number of disadvantaged in the nation, plus funds for the other special programs noted above. Each state's payment will be a maximum of 40 per cent of the state or national average per pupil expenditure, whichever is higher, times the number of children counted. However, the amount used for the State per pupil expenditure could not exceed 150% of the national average.

Section 122 establishes a procedure for state applications. To receive funds, each state must agree to institute a program which identifies the actual educational needs of the children within that state.

Section 131 directs the state to make payments to each local school district based upon the number of children identified as educationally disadvantaged. Payments to the local agencies will be limited to the excess costs over normal costs necessary to provide the individualized program of support needed by the disadvantaged students in that district. This section also contains a provision directing the district to provide services to non-public school children consistent with their needs. At least 85% of all expenditures must be on programs in reading and mathematics. Each district must establish a program of individually assessing students with educational difficulties and providing services so that that child might reasonably be expected to overcome such difficulties. In case appropriations are not sufficient to fully fund the program each district must concentrate services either on the most educationally disadvantaged, in school attendance areas having the highest concentration of the disadvantaged or in age groups or grade levels where the most effective results might be obtained. The decision on how to concentrate will be made by the local district and approved by the state, except that the Commissioner would assure that the needs of the most educationally disadvantaged are fairly considered. A parental advisory committee is established for each school.

Section 141 provides a method for making payments and specifies that each district must maintain fiscal effort per child.

Section 142 provides for pro-rata reductions to the states in case of insufficient appropriations.

Section 143 provides a by-pass mechanism for the provision of services to children in non-public schools where prohibited by state law.

Section 144 states that the Commissioner of Education may withhold payments upon failure of a state education agency to comply with the assurances set forth in the bill.

Section 145 provides for judicial review in cases of withholding and in cases where the state application may be denied.

Section 146 contains definitions.

PERSONAL TRIBUTE TO AMBASSADOR CLEO NOEL AND DEPUTY MINISTER CURT MOORE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. VANDER JAGT) is recognized for 30 minutes.

Mr. VANDER JAGT. Mr. Speaker, last Friday while a dust storm howled outside, inside the Saudi Arabia Embassy on the outskirts of Khartoum, Black September terrorists murdered two remarkable Americans who had served their country with great skill and devotion. Our new U.S. Ambassador to the Sudan, Cleo Noel, and his chief deputy, Curt Moore, and three other diplomats had been seized 24 hours before at a farewell party for Moore, hosted by Saudi Arabian Ambassador Abdullah al Malhouh. When demands for release of prisoners held in Jordan, Israel, West Germany, and the United States were rejected, the terrorists began carrying out their threat to execute the hostages "beginning with the American Ambassador." Noel, Moore, and a Belgian diplomat were given 25 minutes to write farewell messages to their families and then murdered in cold blood.

People everywhere shared feelings of sympathy for the grief stricken families and revulsion for the barbaric perpetrators of the cold blooded murders.

Cleo Noel and Curt Moore were very likeable men in very different ways. Cleo was a tall, quiet man with a gentle considerateness that grew on people. Curt was shorter, with an outgoing affability that people responded to at once.

Only a few weeks ago I had been Ambassador Noel's guest for 3 days and 2 nights in Khartoum. He had left his wife behind in Washington with the frustrating chores of house subletting and car selling and came on to Khartoum with the family's two terrier dogs, and he was greatly concerned about their adjustment to the hot climate at their advanced age.

Mrs. Noel—she arrived in Khartoum on the same flight from London that was to take me on to Kenya—told me:

> The dogs will be just fine. Cleo just worries about them too much.

Cleo was my constant companion in Khartoum helping me discharge my various duties as President Nixon's personal envoy to encourage U.S. trade and investment in seven African nations. Over dinner and after dinner we talked of his long career, mutual friends, the foreign service, Sudan, America, the Congress, his family, the past, and mostly about the future. We came to know each other in that special way that two men with affinity can when thrust together in such unique circumstances in a distant land.

The Ambassador's residence was small but its beauty overwhelming in a subtle, quiet way. The central feature of the home was a softly lighted, beautifully landscaped patio garden, highlighted by an illuminated goldfish pond and flowing fountain that separated the living and sleeping quarters.

Sitting in the garden sipping a drink, I luxuriated in the almost fairy tale atmosphere of that spot and learned from Cleo how the tastefully blended beauty had been achieved. Seven years ago he and his family had lived there when it was the DCM's residence. Slowly plant by plant, shrub by shrub, flower by flower, light by light he had fashioned the over-all impression. His efforts were aided by the remarkable growing season and fertile soil in the Sudan. He was particularly proud of a palm tree now taller than the house. "When I planted that tree, it did not even come up to my knees," he explained with the satisfaction of a man who could now gaze upon a beautiful scene that began as only a dream in his mind's eye years before.

Cleo had been the DCM in Khartoum when the Sudanese broke diplomatic relations with the United States in 1967. With incredible skill he presided over the evacuation of 548 Americans on the last day alone. And then with an empty ache he and the few officers left behind packed up personal belongings in 128 American homes and sent them on to the States. Characteristic of his own calmness in time of danger and rigid sense of tidiness, he disapproved of the few families who had left without even bothering to wash the dinner dishes and he did not reprove a subordinate who had simply packed the dirty dishes in with the clean ones and shipped them off to family that had hurried away.

With a lonely forlorness in his heart, Cleo lowered the American flag and watched the Dutch flag raised in its place over his residence and prepared to return to Washington where he took up his new duties in the office of the Director General of the Foreign Service.

The Dutch had agreed to provide refuge for the U.S. interest section that remained on in the Sudan under the Dutch banner. Curt Moore was hand picked for the lonely, difficult assignment of heading up that interest section in a nation where Americans were no longer welcome. Curt's cheerfulness and outgoing personality served him in good stead in the arduous task of unobstrusively keeping the door ajar to a future resumption of diplomatic relations. Most of the Sudanese and foreign diplomats I met during my 3 days in Khartoum went out of their way to tell me of the great skill with which Curt had discharged his duties, the affection they all felt for him, and the decisive role Curt played in making possible a healing of the breach between the United States and Sudan.

Now with diplomatic relations restored and a new and capable Ambassador on the scene, Curt's mission was complete. Almost apologetically Curt described to me the deep emotion he felt at the ceremony when, after a few speeches, the Dutch flag came down and the U.S. flag went back up over our U.S. residence in Khartoum. Curt said:

> It may sound corny but by the time Old Glory reached the top of that flag pole tears were streaming down my cheeks. I was relieved to discover tears in the eyes of every American there—and the Dutch and the Sudanese, too.

With three trying years behind them, Curt and his wife were looking forward to coming home again. The whole diplomatic corps of Khartoum had turned out to pay tribute to the difficult diplomatic job Curt Moore had done so well and bid farewell to a man they liked so much when the Arab terrorists shot their way into the goodbye party and eventually fired the shots that meant Curt Moore would never go home again.

Because of the sadness of his departure, Cleo Noel's return to the Sudan as the new U.S. Ambassador held a special poignant joy. Twice before Cleo had served in the Sudan, first in 1958 as political officer and again in 1967 as deputy chief of mission.

Now at the age of 54 it was quite a "feather in his cap" to be returning to the Sudan as U.S. Ambassador. It was in that spirit that I commented as the two of us dined on a delicious Nile perch:

> It must be a great feeling to return as U.S. Ambassador to a post where you have served far down in the ranks.

"Oh, it is. It is," he responded with feeling but not for the reasons that I was thinking. Cleo thought of his return not primarily in terms of the personal triumph it was but in terms of the triumph it was for the country he served with such devotion.

Cleo explained:

> I'll always remember the forlornness I felt in evacuating Americans from this country where we were not wanted; the sorrow I felt not only for us but for the Sudanese who needed us so desperately and for whom I felt so fond; and the sickness at the pit of my stomach as I watched the U.S. flag and all it stood for come down from the residence. And then from America I watched in anguish while nationalized businesses went broke and the Russians milked the benefits of the few successes there were.
>
> That's why that colorful recognition ceremony in the palace gardens on the bank of the Nile meant so much. Until then restoration of relations was not complete and no U.S. flag had flown anywhere in the Sudan since our 1967 departure. In the brilliant sunlight President Numairi received my credentials and the helmeted colorfully uniformed Sudanese Army band played the Sudanese National Anthem. And then the Sudanese band played the Star Spangled Banner and *I stood taller* than I ever stood in my life.
>
> During the ceremony the driver had attached the U.S. flags, which I hadn't even thought about, to my limousine's flagless front fender flag poles and I've never seen a prettier sight than those stars and stripes flapping in the breeze as we drove from the presidential palace back to the residence. Sudanese along the street cheered the sight of our flag and the playing of our national anthem by the Sudanese band still filled my heart. Yes, it was an unforgettable thrill to return here as the new U.S. Ambassador.

Typical of Cleo's unassuming modesty was the way he brushed aside the outpouring of affection and love by scores of Sudanese governmental and business leaders who attended a reception he gave one night in my honor. It was the first occasion since his return he had had to see most of the Sudanese leaders, many of whom he had known for years when all of them had played lesser roles in their nations' affairs. The Sudanese welcomed him like a long-lost friend. Many of them expressed privately to me how overjoyed they were that President Nixon had selected as Ambassador to the Sudan a man so admired, respected, and loved by the Sudanese. When I commented on all of this to Cleo after the last guest departed, he said:

> Oh, they are just so happy to have America back in the Sudan that I am just the lucky beneficiary of all that joy.

It was obvious that the Sudanese fondness for Cleo Noel was fully reciprocated. He saw their tremendous needs and was moved by them. He had great faith in the ability of the Sudanese people to develop their latently rich resources with the proper kind of developmental help.

Even though his heart wanted to do so much for the Sudanese, Cleo was painfully aware of the stresses on the U.S. budget and his first and foremost concern went always to the best interest of the United States. His primary worry was "over expectation" by the Sudanese of U.S. aid and he took great pains to warn the Sudanese of the meagerness of the American foreign aid dollar and asked me to do the same.

Still he thought there was an important role for the United States to play in the development of the Sudan and he was thrilled to be a part of it. He compared the bleakness, the heat, the dust storms, the inconveniences, the danger, the diplomatic problems of the Sudan to the prestige and comfort and easy security with the Dutch during his service in The Hague a few years before. Still he preferred service in Khartoum. Not that he did not like the Dutch. On the contrary he had an especially warm feeling for them, often quoting the words the Dutch used in rejecting rent for the space the United States occupied in their building during America's 5-year exile from the Sudan.

> What the U.S. did for us in World War II we can never repay. You gave your lives. The least we can do now in your difficult time is give a little office space.

Cleo simply felt there was a greater need for his services in the Sudan than in the Netherlands. And wherever Cleo Noel could serve his country best, that is where he preferred to serve.

Cleo's bloody death in the basement of the Saudi Arabian embassy then was an awful tragedy not only for his family and friends but for Sudan and the United States. His exceptional skills, farsighted vision, and quiet dedication will never again develop the patio garden or the Sudan, both of which he loved so much. There will be no one to fret over the two family dogs or to sit in the quiet gentle beauty of that garden gazing in appreciation of the palm tree that stood taller than the house.

The utter senselessness of his murder is a painful reminder that whoever presumes to be above the law, whether it be an angry rioter, a morally indignant protester, a righteous nationalist, or an inflammed demonstrator, however just his motives or well-intentioned his cause, does grave damage to the fabric of all life and deserves swift and firm punishment. Sympathy for the cause of a law violator is never justification for condoning his illegal act.

Yesterday afternoon Cleo Noel and Curt Moore returned to a mourning nation at Andrews Air Force Base outside Washington. The flag-draped coffins and the grief of their families and colleagues reminded us all that the Nation's Foreign Service officers are a corps of highly competent, professional people in a highly difficult, demanding, dangerous job.

Cleo Noel and Curt Moore did not have much time in their careers to think of the officer part of the "Foreign Service officer" title they wore so proudly. Yesterday I could not help thinking of what Cleo told me late one night about his concern that more and more people were concentrating on the privileges and prerogatives and rights that went with being a Foreign Service officer.

He said:

> Too much emphasis is being put on the officer part rather than the service part of that title.
>
> The real emphasis should be on what a privilege it is to serve.

Oh, he said:

> I've done my share of griping about moving allowances, promotion systems, educational reimbursements, and entertainment expenses. But in general I was so busy trying to meet the challenges of the assignment I didn't have much energy left over to worry about my own prerogatives and, all in all, things usually worked out pretty well. Somehow the U.S. diplomatic corps must discover a simple fact: that the job is first and foremost a unique opportunity to serve your country with your whole life.

Cleo Noel and Curt Moore served their country with their whole lives.

I think that even the modest Cleo Noel would have been proud of the silent sad tribute they received when the Marine guards carried their flag-draped coffins down the ramp of the Presidential plane in the rain at Andrews Air Force Base. I think Cleo and Curt would have been proud of the choking pride those assembled felt in the distinguished service their two careers represented—and the pride it gave their colleagues of the profession they shared. And as their beloved families stood at attention and the Air Force band played the Star Spangled Banner, I think Cleo might have recalled how tall he stood when he heard that National Anthem in the Sudanese palace garden on the bank of the Nile and Curt might have recalled his "corny pride" when, as he put it:

> I watched Old Glory go back up over the Sudan.

I like to think both of them stand even taller now, that both somehow know their lives had not been in vain.

For me I will always remember Cleo Noel and Curt Moore as two men who spelled service in the title Foreign SERVICE Officer with capital letters.

URGES CANADIAN OIL PIPELINE STUDY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, 41 Members of Congress and I have sent a letter to President Nixon today urging him to begin environmental studies of a Canadian oil pipeline as an alternative to the Alaskan route.

We have also called upon the President to open negotiations with Canada concerning a Canadian alternative route to the Alaskan route.

No matter how you slice it, environmentally and economically, a Canadian pipeline is superior to the Alaskan route. It is true that a trans-Canadian route would help alleviate future fuel oil shortages in the Midwest and East and lower inflated fuel oil prices currently being paid by East and Midwest consumers.

In view of the recent court of appeals decision which would prohibit the building of any pipeline across Federal lands to pipe North Slope oil, it is now quite likely that the trans-Canadian route could be built more quickly than the proposed trans-Alaskan route. In the past, the Interior Department has always argued that a Canadian alternative is unacceptable because it involves significant delays in beginning the piping of oil from Alaska's North Slope. But, those of us who have signed the letter to President Nixon today believe that the current court decision has even debunked this argument. The court, in its decision, has invited Congress to make a decision whether to build a route through Alaska or Canada. But it would be difficult to make an intelligent decision about which route to build if environmental studies are not begun immediately along with the opening of negotiations with Canada.

I believe that it is important to outline the exact environmental and economic benefits of a Canadian as opposed to Alaskan route. Environmentally, the Alaskan route is full of danger. An Alaskan pipeline would travel through the most earthquake-prone region of North America. With the likelihood that earthquakes will occur, breaks in the line could result in significant spills permanently damaging the Alaskan environment. In addition, an Alaskan route would require the tankering of oil from Valdez to points on the west coast. A fleet of supertankers traveling through the treacherous waters from Valdez to the west coast could result in massive oil spillages permanently scarring our coastline and the waters of the North Pacific. Economically, a Canadian route would both increase supplies of crude oil to the Midwest and East and lower prices. Economist Charles J. Cicchetti estimates that the price of crude oil per barrel on the east coast would drop from $4.06 to $3.73 if a Canadian route is built. Prices in the Midwest would drop from approximately $3.90 per barrel to $3.49 per barrel.

In view of the environmental and economic superiority of the Canadian route, we are hopeful that the Nixon administration will undertake environmental studies of the Canadian route and also open negotiations with the Canadian Government.

A letter to President Nixon and the signators follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 5, 1973.

President RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In view of the recent Court of Appeals ruling blocking the construction of a trans-Alaska pipeline, we are writing to you today to urge that you direct the Department of the Interior to immediately begin comprehensive environmental studies of a Canadian pipeline route and initiate intensive negotiations with the Canadian government concerning such a pipeline.

There is no doubt that a trans-Canadian pipeline would be both environmentally and economically superior to a trans-Alaskan route. As currently proposed, the trans-Alaska pipeline would transverse the most earthquake prone region of North America. Future earthquakes, which are quite likely, would undoubtedly disrupt the pipeline and could cause massive oil spills. In addition, the necessity of carrying oil from southern Alaska to the West coast on supertankers would risk environmentally catastrophic oil spills from the tankers.

In addition to environmental problems connected with the trans-Alaska pipeline, it is clear that a trans-Canadian route would help alleviate future fuel oil shortages in the Midwest and East. Piping oil through Canada to the Midwest would lower the inflated oil prices currently being paid by Eastern and Midwestern consumers.

In the past, the Department of the Interior has always argued that a Canadian alternative is unacceptable because it would involve significant delays in beginning of the piping of oil from Alaska's North Slope. We believe that the recent court decision has debunked even this argument. It is now quite likely that a trans-Canadian pipeline could be built more quickly than the proposed Alaska route.

Hence, we urge you today to begin needed environmental studies of the Canadian route and open negotiations with the Canadian government. To do otherwise would only delay the possible building of a Canadian pipeline which can significantly alleviate future fuel oil shortages and lower prices for Eastern and Midwestern consumers.

Thank you for your consideration of this matter.

Sincerely,

LES ASPIN,
Member of Congress.

Honorable William Hathaway.
Honorable George McGovern.
Honorable Thomas McIntyre.
Honorable Walter Mondale.
Honorable William Proxmire.
Honorable Adlai Stevenson III.
Honorable Bella Abzug.
Honorable Thomas Ashley.
Honorable Jonathan Bingham.
Honorable John Brademas.
Honorable George Brown.
Honorable Harold Donohue.
Honorable Edwin Forsythe.
Honorable Donald Fraser.
Honorable Henry Helstoski.
Honorable Frank Horton.
Honorable Robert Kastenmeier.
Honorable Edward Koch.
Honorable Peter Kyros.
Honorable William Lehman.
Honorable Clarence Long.
Honorable John Moakley.
Honorable David Obey.
Honorable Ogden Reid.
Honorable Henry Reuss.
Honorable Donald Riegle.
Honorable Peter Rodino.
Honorable Benjamin Rosenthal.
Honorable Edward Roush.
Honorable Ronald Sarasin.
Honorable Patricia Schroeder.
Honorable John Seiberling.
Honorable Bill Stuckey.
Honorable Gerry Studds.
Honorable Guy Vander Jagt.
Honorable G. William Whitehurst.
Honorable Sidney Yates.
Honorable John Zwach.
Honorable Antonio Borja Won Pat.
Honorable Pete Stark.
Honorable Michael Harrington.

NEWSPERSONS' INFORMATION AND SOURCE PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Mrs. GRASSO) is recognized for 15 minutes.

Mrs. GRASSO. Mr. Speaker, subcommittees of both Houses are presently conducting hearings on legislation to insure the first amendment right of freedom of the press. The bills under consideration would protect the free flow of information through the media by either limiting or precluding Government accessibility to the notes and sources of reporters and journalists.

Strong arguments have been made within the media, in both Houses, and elsewhere for an absolute privilege against the revelation of information or sources by members of the press. Yet, congressional enactment of an absolute newspersons' privilege bill leaves unanswered vital questions involving the protection of society and national security. However meritorious it may at first viewing appear, an absolute bill would leave unreconciled the relationship of the first amendment right of a free press with the right of a fair trial and the right of the State to "establish justice, insure domestic tranquillity, [and] provide for the common defense."

A qualified newspersons' privilege bill may better insure that an individual's rights as a journalist do not conflict with his or her duties and obligations as a citizen.

Adequate protection of a newsperson's opportunities to gather information is essential to enable the reporter to fulfill his or her public trust and responsibilities freely, fully, and without fear of Government intimidation.

For indeed, the free flow of ideas and information on public affairs is the lifeblood of a democracy and is synonymous with a free press.

Throughout our Nation's history, the press has played a unique role in American life. Even before the founding of the Republic, the press acted as the chief conduit of information to the people, and the Founding Fathers recognized its importance. James Madison wrote that—

> A popular government, without popular information, or the means of acquiring it is but a Prologue to a Farce or a Tragedy; or, perhaps, both.

For generations, Americans have taken this basic freedom guaranteed in the Bill of Rights for granted. Those individuals who knew a world with a less than free press, however, realized its importance. Alexis de Tocqueville, that perceptive 19th century commentator on American life, wrote:

> The more I consider the independence of the press in its principal consequences, the more am I convinced that in the modern world it is the chief and, so to speak, the constitutive element of liberty.

Periodically, freedom of the press has been challenged in our Nation. Fortunately, it has survived. However, recent events have created a foreboding atmosphere for this cherished right.

In 1972, the Supreme Court affirmed that under certain circumstances reporters could be compelled to divulge confidential information and the sources of information. According to the Hartford Courant—which long ago led Connecticut's assault against the infamous Stamp Act—the Supreme Court decision, coupled with similar rulings by lower courts, constitutes "an assault on the constitutional right of Americans to a free flow of news."

The potential impact of the Court's decision on the flow of information was noted by Mr. Justice Stewart when he stated that—

> The full flow of information to the public protected by the free press guarantee would be severely curtailed if no protection whatever were afforded to the process by which news is assembled and disseminated.

To provide this protection, a number of bills have been introduced in both Houses of Congress to prevent newspersons from having to divulge information or its sources. Some individuals consider them "newspersons' shield bills" and "newspersons' protection bills"; yet, in truth, both descriptive phrases are misleading. These measures are not designed to protect newspersons, but rather to insure that the continued flow of information to the people through the press is not impaired.

After analyzing the present situation, and finding nonlegislative remedies inadequate, I am today introducing my own bill, to protect the free flow of information.

The legislation overcomes what I believe to be the major hurdle in developing a privilege law—one that reconciles the freedom of the press with the legitimate interests of the state. Writing in the Columbia Journalism Review, Fred Friendly, the former president of CBS News, advocated a precisely written bill which would "provide protection for the public's need to know, but not be a sanctuary for those who because of fear, special interests, or just plain irresponsibility are seeking a privileged place to hide." The bill I have introduced today will provide this necessary balance.

In brief, my bill first provides protection against a newsperson's having to reveal information or the source of information to Federal grand juries, executive agencies or commissions, and the Congress and its committees.

Second, my bill establishes a procedure to allow an individual seeking disclosure of information or sources of information from a newsperson to petition for waiver of the newsperson's privilege in certain trials before a Federal court involving a crime against person, espionage or an established breach of national security. In district court, the petitioner must specify the information sought, indicate its relevance to the central issue of the trial, and demonstrate that attempts have been made to gain the information by alternative means. If all the criteria have been met, the judge may waive the privilege.

Mr. Speaker, I truly regret that this type of legislation is needed in our country. However, without some strong protection, the press could, indeed, lose its ability to keep the public fully informed.

A reporter is only as good as his contacts, both official and unofficial. The official sources provide a reporter with statements, speeches, press releases, and occasional leaks of information. Because of a reporter's obligation to present the news, he or she transmits these stories to the public faithfully and regularly through the media.

Often there are also stories behind the stories—the why and the wherefores which place the press releases within a proper perspective. A reporter develops these stories by following tips from unofficial sources, often people in the bureaucracy or the military. These unofficial sources usually demand and receive assurances of anonymity from the press.

Now the Court has ruled that a reporter may be compelled under threat of prison to reveal sources of confidential information received during the investigation of a story. Many of these sources provide the press with information at the risk of their jobs—and in the area of crime reporting at the risk of their lives. If they believe that their identity will be made public, they might not assume the risk. Consequently, unofficial sources inside and outside Government will disappear. Without them, warn A. M. Rosenthal, managing editor of the New York Times:

> You have only freedom to print speeches and handouts and that's not a freedom worth talking about.

The press—often called the fourth branch of Government—was never intended to be the servant of Government. In fact, the press has always been skeptical of the motives of those in power. The historic adversary relationship between Government and the press is essential if we are to have responsive, responsible Government. Both Government and the media have not only survived these tilts; both have clearly benefited from the recurring experience.

However, in the recent past we have witnessed an ever increasing, almost systematic attempt by Government to intimidate, belittle, and even suppress both the printed and electronic media. Like the ancient king who killed the bearer of bad tidings, Government has been known to blame the press for its own difficulties. Thomas Erskine, the Lord Chancellor of England during the early days of the French Revolution, correctly said that—

> If Government finds itself annoyed by it [the press], let it examine its own conduct and it will find the cause.

Indeed, the press would be abdicating its responsibility if it lost its traditional skepticism, if it ceased to criticize the actions of Government which it finds unacceptable, if it failed to prod Government and offer recommendations for alternative public policy actions.

Certainly this is not to imply that the press is above reproach. Writing during the Constitutional Convention, Madison noted that—

> Some degree of abuse is inseparable from the proper use of everything, and in no instance is this more true than in that of the press.

But he also realized—

> That it is better to leave a few of its noxious branches to their luxuriant growth than, by pruning them away, to injure the vigour of those yielding the proper fruits.

It is not the function of Government to judge the press. Only its readers should judge the validity of its comments. Don O. Noel, Jr., editorial page editor of the Hartford Times, realizes that the press will make mistakes and, hopefully, will profit from them:

> If we don't improve, that's a matter between us and our readers. If a newspaper loses the confidence of its audience, they'll stop buying.

Surely, the reader audience has at its disposal more effective leverage than any kind of Government control.

Mr. Speaker, the people's right to know must be preserved. This right can only be assured through the enactment of appropriate legislation which will protect the press from unnecessary and unwarranted interference by Government.

The 93d Congress has a responsibility to meet this challenge.

WOLFF INTRODUCES TENANT'S TAX RELIEF BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, the President's decision to end rent control has resulted in substantial rent increases for tenants across the country, particularly in large urban areas where housing is hard to come by. These rent hikes, coupled with the inequity in our system which affords no tax relief for renters, has created a considerable and unfair burden on tenants, who in many cases, are those least able to absorb additional financial pressures.

I have joined with several of my colleagues in calling upon the President to reinstate rent controls. While this would provide some measure of relief, tenants will continue to be treated unfairly unless Congress acts to equalize tax treatment for tenants. Much has been said about the need to reform our system of taxation so as to equalize the burden among persons of all income groups, and to eliminate the discriminatory features embodied in the law.

At present, a homeowner is permitted a tax deduction for the amount of his property tax as well as the interest on his mortgage. The owner of a cooperative apartment is allowed to deduct that portion of his rent or maintenance which represents the property taxes on his building and the interest on the mortgage. A tenant, however, is permitted no such deduction, even though his rent includes a proportion of the property tax passed on by the landlord. In effect, a tenant presently reaps no benefit from the taxes he pays.

To correct this inequitable feature in our tax structure, I am reintroducing legislation to permit a tenant to deduct from his personal income tax 25 percent of his annual rent. By acknowledging the substantial contribution made by the tenant to the property tax on his building, this legislation I feel will effectively equalize tax treatment for renters and homeowners alike, and be an important step in our overall reevaluation of our tax system. I also feel that this bill will provide the additional relief needed in the absence of rent controls.

This bill closely resembles a measure proposed in the New York State Legislature last year by Assemblymen Eli Wager and Irwin Landes which would permit a 25 percent deduction from the New York State personal income tax.

I urge my colleagues to join with me in restoring a long-absent measure of justice in our tax treatment of tenants and in taking this step to offset the additional burden of rent hikes.

MR. BURKE OF MASSACHUSETTS REINTRODUCES FOREIGN TRADE AND INVESTMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 30 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I know that the usual format for a Member is to say it is with great pleasure I reintroduce my bill with so many cosponsors. The truth of the matter is it gives me very little pleasure to find it necessary to reintroduce for the second Congress my Foreign Trade and Investment Act, better known in the press and to millions of Americans, as the Burke-Hartke bill. Even those who have argued strongly against the need for such legislation from the first day my bill was filed back in September of 1971 cannot take much comfort in what has happened on the world trade and international currency scene since my bill was first filed. In other words if I thought my bill was necessary in September of 1971, as a coherent, consistently thought-out alternative to this Nation's present trade policies in any long overdue national debate and reconsideration of those policies, then subsequent events have only served to reinforce those sentiments. As a matter of fact, in my most pessimistic moments back in September of 1971, I would not have expected that subsequent months would witness whopping trade deficits of $2 billion in 1971, $6.4 billion in 1972, a devaluation in December of 1971 of 7.89 percent to be followed little over a year later by a further 10-percent dollar devaluation. To be sure the possibility of devaluations and whopping trade deficits was very real in September of 1971; but both the size of the deficits and the devaluations, as well as the repeat performances, was much worse than even the gloomiest prognosticators were predicting.

The worst part of it all as I see it today as I refile the Burke-Hartke bill with additional cosponsors is that the future looks even gloomier than we thought it did in September of 1971. Everyone is resigned to another huge trade deficit for 1973 and today's papers are filled with stories of the troubles the dollar is encountering once again in foreign currency markets. This weekend's reports of the President having to take to the media to reassure not only America but the rest of the world that he does not intend to devalue to me only underlines the real possibility that in a very short time a further devaluation will be the order of business. The fact of the matter is, who can put to much faith in the words of the same men who twice before reassured the American people and the world at large that devaluation was not really being given serious consideration? Ask the Japanese how much faith they are putting in the President's most recent series of reassurances.

Back in September of 1971 when the Burke-Hartke bill was first introduced, it stood out as a radical departure from our traditional American approaches to foreign trade in the preceding quarter of a century. Understandably, it sent shivers up and down the spine of those who had a vital stake in the traditional way of doing business overseas, the multinational corporations. Hardly a day went by that some newspaper editorialist in some town across this land did not attack it as "extremist" and based on an unnecessarily gloomy view of America's trade problems. Sure, they argued in one editorial after another, America was going through a difficult period in its foreign trade and balance of payments, but such a development was surely only a momentary aberration or at worst a transitional period before a new era of unparalleled growth and prosperity. Well, I do not know what these editorialists meant by momentary aberration or temporary periods of readjustment, but as a Congressman representing areas hard hit by such developments with factories closing beneath the avalanche of foreign imports and unemployment on the rise, I cannot enjoy the luxury so many financial editors apparently can of regarding such prolonged periods of trading deficits and frequent recourse to dollar devaluations as momentary aberrations. It seems to me that we in Congress and the leadership downtown have a responsibility to look behind the whole series of recent trading deficits and the obvious lack of confidence overseas in the American dollar and get at the uderlying problems where they exist. Two years of trading deficits is more than a passing phenomenon; the handwriting has been on the wall for anyone with the brains to read for many years now.

Too, it seems to me that altogether too much faith is being placed on devaluation as a sufficiently strong mechanism to restore balance in our trade. Since our only response to date on the national level to our trade crisis of the past 2 years has been to devalue twice, I get the impression that people in high places around here are in fact putting all their hopes in the devaluation basket as the trick that will do the trick. For one thing, I would have thought we learned from the British experience back in the late 1960's that it took months, in fact, almost a couple of years before any benefits from devaluation began to show up. It is just too much to hope that devaluation's benefits will be realized in trade terms in a matter of weeks or even months. As a matter of fact, on the contrary, the initial impact of a devaluation is usually a deterioration in a nation's trading position, since imported goods for which there are firm commitments cost more, while expenses overseas cost more the next day, too.

There is another aspect about devaluation which can backfire if it is used too frequently and that is it damages the reputation of a country's currency irretrievably in foreign markets. While I am not suggesting for a minute that the United States is on the verge of becoming a weak currency country on the level with some South American currency, we nevertheless are already beginning to discover that the psychological nature of frequent devaluations is to encourage a built-in expectancy for future devaluations.

In any event, when all is said and done, devaluation is just not strong enough or quick enough a mechanism to fundamentally restore a nation's trading posture. For one thing, in order for it to be really effective, a sort of once-and-for-all deal, it has to be sufficiently large enough to capture a trade advantage for a nation's goods. Recent experience seems to indicate that our trading partners in the IMF would never give approval to a devaluation which goes far enough for fear of losing their trading advantages altogether. The usual compromise is to settle for something which is less than necessary, something which is not big enough to do the job and something which makes further devaluations inevitable if that is all a nation is going to rely on to meet its trade problems. In this respect, I was pleased to see no less an advocate of do-nothingism as far as our present trade policies are concerned, the Wall Street Journal point out on the front page of its paper the day after devaluation that most experts doubted very much whether devaluation would really change our current trade picture much at all.

So, devaluation is not the complete answer; whatever value it might have as a stopgap measure or a necessary currency adjustment to reflect the real value of the dollar in the world today, a nation must reexamine its domestic policies against inflation as well as negotiate seriously the removal of foreign trade barriers to its goods. Failing that, a nation has to examine the realities of world trade for what they are and make sure its policies are not out of step with what is going on in the rest of the world.

No doubt, there was a time in American history when "free trade" philosophy made sense. The world in the period immediately following World War II was a world almost entirely dominated by the undiminished strength and commercial superiority of American technology and commerce. Our major partners were emerging from a grueling ordeal by war: Europe lay in smouldering ruins and the Orient bombed into submission. Germany and Japan as the vanquished foe were hardly in a position to give us much competition in international trade. Aid with strings attached and what trade there was worked to our advantage. Year after year of huge trading surpluses conditioned a whole generation of Americans into accepting the infinite wisdom of the free trade philosophy. The demand was to reduce trade barriers and to open up all the markets of the world to the penetration of American products and technology. Trading surpluses allowed the United States to conduct one of the most massive foreign aid programs in the history of mankind, arm and equip divisions in Europe to maintain the peace and even conduct the Korean war. It was one of those periods which powerful nations experience at different times in their history when there is that most fortunate coincidence and what makes good moral sense makes good business sense. Victorian England went through such a period in the last century.

But the world has changed in 25 years, almost without our noticing it, while several generations of American students have been imbued with the enthusiasm and euphoria of the 1950's for free trade, by economists who grew up believing that the Spirit of Bretton Woods and GATT would never die. They were, in effect, being taught to ignore in reality. The 1965 Kennedy rounds in Geneva has always appeared to me in retrospect to be the high watermark of this free trade euphoria. The order of the day in Geneva in 1965 appears to have been "10 cents on the dollar." By that I mean for every dollar America reduced its barriers, our trading partners magnamimously matched us by 10 cents. It is as if our trade negotiators were instructed to capitulate rather than negotiate. The irony is that the world in 1965 already had very little in common with the postwar free trade world of the 1950's. Already in the early 1950's, our trade figures were beginning to show just how much the world had changed and how drastically America's wide competitive edge was being eroded by a revitalized industrial Europe and the trade juggernaut that is modern Japan. In other words, the Kennedy round in Geneva was already an historic anachronism before it occurred and had very little to do with the real world of international trade. Its justification had already ceased to exist by the time it occurred.

But old myths die hard, none harder than the free trade myth. Today, 8 years after the Kennedy round, there are those in America who feel the order of business is to open American markets even more to foreign penetration in a hope—that seems based more on religious conviction than any realistic reading of the world around us—that other nations will some day follow suit. As the New York Times so consistently and piously intones, American political leaders must resist the temptation to abandon our traditional commitment to free trade and lowering trade barriers and not rush to join the unfortunately growing ranks of those finding comfort behind increasingly more impenetrable trade barriers. Unfortunately, I must part company with the New York Times. It seems to me there comes a time when the better part of wisdom is to meet your competition on their own terms. In short, "if you can't lick 'em, join 'em."

Fortunately, recent accounts emanating from the White House would seem to indicate that there are those in high places who are beginning to read the discouraging trade reports and see them as part of some long-term trend rather than any monetary aberration. Apparently, plans have been abandoned to request Congress for another helping of authority for the President to negotiate a further round of Kennedy-type reductions in America's tariffs and instead come to Congress to request authority for the President to increase tariffs as well as to lower them. The relative ease with which such a reversal in approach has been accepted in the financial community and even the press indicates to me just how much things have changed since September of 1971. Very few eyebrows have been raised when it was reported that the administration is prepared to compromise and meet the Burke-Hartke bill halfway. I only regret that it took 2 years of trade deficits and two devaluations to bring about such a change of heart.

Having said this much, however, I feel I should caution supporters of the Burke-Hartke bill and the American public about rushing too quickly to endorse the administration's approach. Too little is known at the moment about the contents of the administration's likely trade proposals for anyone to give them blanket endorsement and abandon their commitment to other proposals. As a matter of fact, what little is known about the administration's plans to seek authority to both raise and lower tariffs on foreign goods makes me feel just a little uneasy about the real motives behind the administration's plans. It seems to me that Congress should be very wary about giving such a broad slice of authority to the President at this time and should take steps to insure that it would be a more involved participant in the conduct of this Nation's trade policies. Such a broad grant of authority to the White House to be exercised over a period of years could well free this administration and future administrations from a need to include Congress in the conduct of this Nation's foreign trade policies. Furthermore, it may be that the administration in reading correctly the increasing restlessness of the American people with this Nation's free-trade policies has decided to cloak its request for authority to reduce trade barriers even further with the appearance of being prepared to get tough with our foreign trading partners. In other words, the President in being able to move in either direction would at long last have gained what he has wanted for the past 3 years and that is permission at some future date to lower trade barriers even further. I think Congress should be very wary about granting the President such a carte blanche. I think Congress ought to keep its important role in the conduct of this Nation's foreign trade policies and not abdicate to the President further authority in this area.

I also question the wisdom of the Administration's apparent willingness to rely on the tariff mechanism as its chief weapon in negotiations with our foreign trading partners for protection of American jobs and production. This seems to be a strange philosophy coming from an administration which ran down the Burke-Hartke bill as a lineal descendant of Smoot-Hawley. Tariffs might be more flexible than quotas, but there is reason to suspect that tariff barriers would not be very effective, since a 15-percent or even 20-percent or even 50-percent increase in the costs of a foreign made pair of shoes is not going to have much impact on the selling price of such shoes in America, given the huge profit margin that exists today between the cost of those shoes f.o.b. and their final selling price. In other words, how much impact can we expect an increase of 10 percent on a $4.50 pair of shoes f.o.b. to have on the consumption of such shoes when they are in fact already being retailed at $11, $12, or $13. In other words, I still have to be convinced that tariffs are an effective enough mechanism against low-priced goods with very inexpensive foreign labor. Tariffs may give quite a bit of protection to the higher priced goods where the price difference is not too great, but where foreign goods have made the biggest inroads—in footwear, textiles, and consumer electronic products—I wonder just how much impact tariffs will have. Before granting any such broad tariff authority to the President, in other words, Congress should examine very carefully the comparative advantages and disadvantages of a quota approach or tariff approach.

So, I feel it is particularly timely to file the Burke-Hartke bill with additional cosponsors at this juncture, because I see much to be gained from continuing the debate over trade policies and the need for an alternative in the debate with the White House over the conduct of this Nation's trade policies. Furthermore, there is much more to the Burke-Hartke bill than quotas. After all, that is only one title of a many-titled bill. There are other titles in the Burke-Hartke bill which address themselves to the operations of the multinationals overseas, something about which very little has been said in reports emanating from the White House. As part of the hue and cry for reexamining tax loopholes, it seems to me absolutely incumbent upon this Congress that America's treatment of income earned by multinational corporations be subject to reexamination at this juncture. At a time when Congress is encouraging investment at home through such devices as investment tax credits and liberalized accelerated depreciation range it seems to me we should ask ourselves how we can justify subsidizing to the tune of some $4 billion a year investment overseas by our multinational corporations.

If capital is so scarce, if Secretary of Commerce Stans could argue for years that American industry has just not kept up its investment in research and development to the extent necessary to make American technology truly competitive in the world today, if America desperately needs investment in pockets of high unemployment in depressed areas such as Appalachia, how can we possibly justify to the American people their subsidizing to the tune of $4 billion a year investment overseas? Are unemployed American workers supposed to be satisfied that the firms making such investments reap a handsome return? Are they supposed to be satisfied with this latter day trickle down theory? Are they supposed to be satisfied with a $6 billion return on such investments in the balance-of-payment figures as a substitute for a $6.4 billion in deficit in our balance-of-trade figures? Are American communities hit by one plant closing after another supposed to accept the philosophy that the decision to invest overseas or at home is a business decision with no political implications? Should American corporations be allowed to move capital around the world free from Government review and intervention, simply because the rate of return is higher in a foreign country than at home? Should American firms be allowed to take advantage of more generous tax treatment overseas and avoid the burden of U.S. taxation which after all, supports the programs and expenditures voted by Congress and supported by a majority of the American people. It seems to me that the American people have a right to expect that this Nation in its commitment to a policy of full employment will not allow such a policy to be frustrated by such an obvious loophole as investment overseas.

These are some of the areas that the Burke-Hartke bill addresses itself to, areas which should figure prominently in any forthcoming national debate over trade policies. To insure that such important policy questions are considered in the months ahead, I am refiling today with additional cosponsors the Burke-Hartke bill. Now is not the time to relax our efforts to rewrite the Nation's trade policies just because a few optimistic reports are coming from downtown, just because the President appears to be modifying his stance somewhat on the trade question, just because there were reports from Miami that organized labor and the White House are beginning to talk trade. On the contrary, this should be the time to prepare ourselves for some serious bargaining and negotiations; that is the only way the resulting compromise on our trade policy, which we all know is inevitable, will be the best deal possible for both the American economy, the American dollar and, last, but most important, the American people.

A REFRESHING SPIRIT IN THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 5 minutes.

Mr. TIERNAN. Mr. Speaker, I wish to bring to the attention of my colleagues the editorial that appeared in the Washington Post on Tuesday, February 27 concerning congressional reforms which have been endorsed by the Democratic caucus.

In guiding the adoption of these proposals. the Democratic leadership has demonstrated a deep commitment to find more effective, more open and more democratic ways to meet our responsibility. In meeting this real obligation, the Democratic caucus, under the leadership of Speaker ALBERT and Majority Leader O'NEILL, has demonstrated to the American people that the Democratic Members of the House are committed to insuring that the House of Representatives operates as a representative body. I am proud to have voted in favor of these reforms and to be part of a party that has made this kind of commitment.

With your permission I place the full text of the editorial in the CONGRESSIONAL RECORD:

A REFRESHING SPIRIT IN THE HOUSE

In a remarkable show of sustained energy, the House Democratic caucus has just completed a series of reforms which could produce lasting and salutary changes in the structure and operations of the House of Representatives. The goal has been, as Speaker Carl Albert said recently, "to find more effective, more open and more democratic ways to meet our responsibility." Though the full impact of the reforms cannot be measured yet, the Democrats have moved toward that goal much faster and more harmoniously than seemed possible when the 93d Congress convened on Jan. 3.

The thrust of the reforms has been to strengthen the role of the party caucus, to open choice committee and leadership posts to more members, and to make the expanded party and committee leadership more accountable. In its most recent step, the caucus voted last Thursday to create a policy committee composed of the party's House leadership and a cross-section of the rank and file.

Two other reforms advanced last week could have tremendous impact on the way business is conducted in the House. First, the caucus agreed to restrict the use of closed or no-amendment rules for considering bills on the House floor. The new procedure, which will primarily affect tax, trade and social security measures from the Ways and Means Committee, is designed to ensure that amendments backed by a majority of House Democrats can be offered on the floor. Even more revolutionary was the caucus' endorsement of a proposed change in the House rules which would require all committee meetings, including voting sessions, to be open to the press and public unless members of a panel should vote, in the open, to close a particular session. Several House committees have already adopted similar "sunshine" rules, and the all-embracing reform should be approved by the full House without delay.

All in all, the House Democrats have agreed achievements testify to the maturity of the force, and to the emergence of Speaker Albert as a strong, effective, reform-oriented party leader. Perhaps most significant is the changed attitude of most of the committee barons of the House, who are now going along with changes which they had refused to entertain for years. It is not yet certain that this new spirit will survive through the stormy passages of reforming the appropriations process and overhauling the committee structure of the House. But the record so far is heartening to all who favor the rejuvenation of the House as an effective, open legislative body.

THE NOMINATION OF ROBERT LONG AS ASSISTANT SECRETARY OF AGRICULTURE FOR CONSERVATION, FORESTRY, RESEARCH, AND EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today, one more attempt is being made by the administration to eliminate programs that will be helpful to the poor and the middle class. I refer to the nomination of Robert Long as Assistant Secretary of Agriculture for Conservation, Forestry, Research, and Education. Mr. Long is a vice president of the Bank of America—in charge of their agriculture loans—and as such deals with the huge corporate agribusiness of California. I represent a largely urban district, but it is my constituents who suffer the high cost of food prices, the pesticide-infested food, the lack of consumer protection, that is promulgated by the Ortho Chemical Co. and other large agribusinesses in our State.

It is my hope that this Congress will press forward in every way to call public attention to Mr. Nixon's continuing attempt to bring favor and fortune to his chosen inner circle at the expense of the every-day citizen. It is for that reason that I, today, testified before the Senate Committee on Agriculture and Forestry in opposition to Mr. Long's nomination. I submit that if Mr. Long's appointment is an example of reorganizing the Agriculture Department in an effort to help the ordinary citizen, it is akin to taking the rooster out of the hen house and letting the fox in.

In conclusion, I am inserting the full text of my testimony this morning. I am also inserting a copy of the telegram sent by my friend, Cesar Chavez, to the chairman of the Senate Agriculture Committee which I include in the RECORD at his request:

STATEMENT OF REPRESENTATIVE FORTNEY H. "PETE" STARK—THE NOMINATION OF ROBERT LONG AS ASSISTANT SECRETARY OF AGRICULTURE BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, MARCH 6, 1973

Mr. Chairman, I welcome this opportunity to present testimony on an important agricultural issue. I will tell you straight out that my expertise on farming is limited to buying produce at the farmers' markets along the highways of California's San Joaquin Valley.

You might wonder by what right a big city Congressman comes poking his nose into agricultural matters. It is a fair question, but I think I have a fair answer. You don't have to be a farmer, a Department of Agriculture official, or even a farm-district congressman to feel the impact of the revolutionary changes that are occurring in agriculture. I have some of the victims of those changes in my urban district—displaced families of farmers, farm workers and rural business people. I also have a huge constituency of agricultural consumers who increasingly are chagrined not only about the rising cost of food, but also the declining quality of food. And California environmentalists, whether urban or rural, are concerned about the ecological impact of agriculture land and water usage.

The issue of who will control the production of food in America, family farmers or corporate agribusiness, is not a rural issue. It affects us all directly and significantly, and we must all have a say in resolving that question. As you know, California agriculture is coming more and more under the domination of corporations—Tenneco, Pacific Lighting, DiGiorgio, Southern Pacific, Del Monte, Getty Oil, Consolidated Foods, Norton Simon, Tejon Ranch, Standard Oil and others. Corporate and government officials assure us that there are benefits from this corporate involvement, but I can assure you that there are costs as well. I meet some of those costs every day in my urban district.

Those costs are what bring me to the hearing on the nomination of Robert Long.

There is nothing wrong with being a banker—I was one myself—but I do not want to see Bank of America's agricultural loan officer making policy decisions of such sweeping, social impact as those required of this Assistant Secretary of Agriculture. The agricultural record of Robert Long and of the Bank of America do not suggest a broad view of agricultural responsibility. Bank of America, in California, means giant agribusiness. It finances half of California agribusiness, and it serves its client loyally. Its enormous economic power has been exerted to develop the most corporate-dominated agriculture in the world, even what that has meant exerting its power against the interests of relatively powerless people. Consider farm workers—the Bank was an enthusiastic advocate of the notorious *bracero* program; the Bank refused assistance to a strawberry cooperative organized by farm worker families; and there is evidence now that the Bank contributed $10,000 to support California's "Proposition 22," which would have destroyed the effort of the United Farm Workers to organize. The

Bank has fought for unlimited water subsidies for corporate land holders, a move that is against the interests of family farmers and against the interests of urban residents in California, who must bear the financial burden of the cheap water policy. Then there is the Bank's strong support for the California Water Project, which has been described as an ecological disaster, but has profited the giant, land-holding clients of the Bank.

Mr. Chairman, Robert Long has been involved in serving these narrow interests, both as an executive at Bank of America and as an executive with Irvine Company. He has been an aggressive proponent of agricultural policies and programs tailored to meet the special needs of a corporate elite. I don't believe that is socially responsible business, and I know that it would not be responsible government.

The highly-integrated, highly-capitalized, highly-industrialized agriculture that Robert Long wants to create undoubtedly would meet any banker's concern for "audited financial statements, cash flow, performance statistics and pro forma analysis." But we must ask more of agriculture and rural America than that. People are involved here. And those people—whether farm workers in the San Joaquin Valley or consumers in Oakland—ought to be the direct concern of *research, education, conservation* and all other agricultural programs.

Those people are my concern. I am not convinced that Robert Long is concerned enough about them, and I do not believe that his vision of agriculture makes room for them. In this position, Robert Long would affect too many people that he knows too little about. I am opposed to his nomination.

Mr. Chairman, yesterday in San Francisco, a press conference was held by a number of California groups opposed to the nomination of Robert Long. I have copies of statements made at that conference, and I have been asked by them to submit them for the hearing record and for your consideration.

I am joined in this statement by some of my Congressional colleagues from California who are unable to be here to present their views in person. Those include Representatives Philip Burton, Ronald Dellums, Gus Hawkins, and Edward Roybal. They share my concern about the broad impact of agricultural policies, and they share my opposition to Robert Long. Two others, Representative George Brown and Representative Jerome Waldie, have submitted statements of opposition to this Committee, and they asked that I call your attention to their statements and request that they be included in the hearing record.

Thank you.

MARCH 5, 1973.

HERMAN TALMADGE,
Chairman, Agriculture and Forestry Committee:

The United Farm Workers Union disapproves of Robert Long's designation as Assistant Secretary of Agriculture. He has shown himself to be no friend of farm labor or the small farmer. Last year Bank of America, of which he is Senior Vice President for Agriculture, contributed $10,000 to the California Agricultural Conference, which was created as a fund-raising front for Proposition 22 (a proposition designed specifically to destroy the United Farm Workers Union).

We wonder what business the world's largest bank has involving itself in labor disputes at all. We know that this contribution is probably a violation of California law. When our pickets break the loitering law they are arrested. When Robert Long breaks the law he is nominated to the second-highest post in the U.S. Department of Agriculture. Where is the justice of that? We urge you to vote against the nomination of Robert Long.

CESAR CHAVEZ,
Director, United Farm Workers.

MAYORS, POLICE CHIEFS AND LAW ENFORCEMENT ASSOCIATIONS WIRE SUPPORT FOR CRIME COMMITTEE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, today I submit telegrams and letters which came to my attention as well as that of the Honorable Speaker of the House of Representatives, CARL ALBERT, from 22 mayors and city managers and from 12 police chiefs and law enforcement associations commending the Select Committee on Crime for its past work and offering assistance in our upcoming hearings on street crime.

Included today is a telegram recently received today from Mr. Harold S. Vance, president of the National District Attorneys Association, who was kind enough to comment positively on the work of the Crime.

I am particularly pleased to advise the House that the cities of Hartford, Conn., and Sacramento, Calif., in regularly scheduled counsel meetings passed resolutions supporting the work of the crime committee.

I feel privileged to add these to the list of Governors, attorneys general, and district attorneys which were submitted yesterday.

The material follows:

NATIONAL DISTRICT ATTORNEYS ASSN.,
Chicago, Ill.

Hon. CARL ALBERT,
Speaker of the House,
Capitol Hill, D.C.

As president of the National District Attorneys Association representing 5000 prosecuting attorneys, as District Attorney of Harris County Texas and as prosecutor I strongly urge the support of House Resolution 205 which is for the continuance of the House Select Committee on Crime. This is one of the few committees in Washington that has been of assistance to the prosecutors of this Nation and has offered invaluable service through its National hearings.

CAROL S. VANCE,
President and District Attorney.

NEW YORK, N.Y.

Hon. CLAUDE PEPPER,
Chairman,
House Select Committee on Crime,
Washington, D.C.

This message has been sent to Carl Albert, Speaker, House of Representatives: I have been informed that the important work of the House Select Committee on Crime may not be completed because the committee itself may not be continued.

It would be a grave national mistake to kill this committee. The committee's investigation of street crime and narcotics traffic is especially important to our country's urban areas.

In view of the administration's tremendous freeze of Federal funds and Federal interests in the various problems of the cities, it would be most unfortunate, perhaps disastrous, for Congress itself not to attempt to fill the gaps left by the administration, especially in the areas of street crime and narcotics traffic.

I have been most interested in the work to date of the House Select Committee on Crime and I personally share the concern of Select Chairman Claude Pepper in the crime and addiction problems of all our cities and their rapid spread to surrounding suburbs. I do believe the public wants to see the Select Committee complete its work; and this committee which is the only committee right now with the specifically authorized mandate to investigate street crime and narcotics traffic needs more time to complete its work.

I know that city officials across the country must feel the same way. I urge you strongly to continue the existence of the House Select Committee on Crime for another two years.

ABRAHAM D. BEAME,
Controller.

OKLAHOMA CITY, OKLA.

Representative CLAUDE PEPPER,
Capitol Hill, D.C.:

We wish to express our support for House Resolution 205 which continues the House Select Committee on Crime for an additional 2 years.

The continued investigation of street crime and narcotics traffic may very well be the most serious problem facing this Nation. L.E.A.A. input has produced an impact of tremendous magnitude on law enforcement. We believe this resolution will also effect law enforcement and we encourage its continuation.

NATE ROSS,
City Manager.

KANSAS CITY, MO.,
February 20, 1973.

Hon. CLAUDE PEPPER,
House Select Committee on Crime,
Washington, D.C.

DEAR CONGRESSMAN PEPPER: I have today sent the following telegram to Speaker of the House Carl Albert:

"As Mayor of the second largest city in the state of Missouri I am deeply concerned with the problems of street crime and narcotics traffic in our cities. I am informed that the United States Congress is now considering House Resolution No. 205 to continue for two more years the activities of the House Select Committee on Crime.

"I urge favorable consideration of the continuance of this most important committee."

Yours truly,

CHARLES B. WHEELER, Jr., M.D., J.D.,
Mayor.

HARTFORD, CONN.,
February 21, 1973.

This is to certify that at a recessed meeting of the Court of Common Council, February 20, 1973, the following Resolution was passed.

Whereas, Street crime and narcotics traffic are prime areas of concern to the people of America today; and

Whereas, The United States House of Representatives Select Committee on Crime is the only presently constituted Congressional Committee with authorized jurisdiction to explore these areas of public concern at this time; and

Whereas, The House Select Committee on Crime has introduced House Resolution 205 to continue for two more years the life of the important said Committee; and

Whereas, Said Committee urgently needs the additional two years of time to complete its work; and

Whereas, United States Representative Claude Pepper, Chairman of the House Select Committee on Crime, has requested an expression of our support for the continuation of this important investigative body; now, therefore, be it

Resolved, That the Hartford Court of Common Council does hereby go on record as supporting and urging the acceptance of said House Resolution 205 and the continuation for two more years of the said House Select Committee on Crime; and be it further

Resolved, That a copy of this resolution be forwarded to the Honorable Carl Albert, Speaker of the U.S. House of Representatives, to the Honorable Claude Pepper, Chairman of the House Select Committee on Crime, and to the Connecticut Delegation in the U.S. House of Representatives.

Attest:

ROBERT J. GALLIVAN,
City Clerk.

HARTFORD, CONN.,
February 20, 1973.

Representative CLAUDE PEPPER,
Washington, D.C.:

As mayor of a core city, I strongly urge the passage of House Resolution 205 which would continue House Select Committee on Crime for two more years. Street crime and narcotics traffic are prime areas of concern today, and this is the only presently-constituted committee with jurisdiction to explore these areas. The committee urgently needs the additional time to complete its work. (CC: Honorable Carl Albert)

GEORGE A. ATHANSON,
Mayor.

SACRAMENTO, CALIF., *February 21, 1973.*

Hon. CLAUDE PEPPER,
Washington, D.C.:

The Sacramento City Council at its regularly scheduled meeting of February 15, 1973, adopted resolution number 682 urging continuation of the House Select Committee on Crime.

Mayor RICHARD H. MARRIOTT.

DETROIT, MICH., *February 22, 1973.*

Representative CLAUDE PEPPER,
U.S. House of Representatives,
Washington, D.C.:

I am fully behind your efforts to continue the House Select Committee on Crime for another two years, House Resolution 205. Thank you for your support in the past on urban programs.

Mayor ROMAN S. GRIBBS.

MILWAUKEE, WIS., *February 21, 1973.*

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.:

Respectfully urge your support for House Resolution 205 to continue for two more years the life of the all-important House Select Committee on Crime so that it may continue its efforts in the investigation of street crime and narcotics traffic in America. As Mayor of one of our nation's major central cities I fully realize that street crime and narcotic traffic are prime areas of concern to the people today. I believe the continued work of this committee will be helpful in dealing with this national problem.

HENRY W. MAIER,
Mayor.

LINCOLN, NEBR.

Hon. CLAUDE PEPPER,
House of Representatives,
Washington, D.C.:

I urge support for House Resolution 205 which will enable the House Select Committee on Crime to continue for 2 more years. Street crime and narcotics traffic are of prime concern to all communities in this nation. The continued existence of this committee and its efforts in exploring for solution in this area is of vital public concern and is in the best interest of this entire country. Original sent to Carl Albert.

SAM SCWARTZ,
Mayor.

MIAMI, FLA.

Congressman CLAUDE PEPPER,
House of Representatives,
Washington, D.C.:

Continuation of House Select Committee on Crime is essential to vital national interest from my personal experience.

Mayor DAVID T. KENNEDY.

MEMPHIS, TENN.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: It is the opinion of your writer that it is absolutely essential that House Resolution 205 providing for the continuation for two more years of the House Select Committee on Crime be voted on favorably. Here in Memphis the crime situation has become so grave that we have taken stringent stop-gap measures including stake-outs and increased walking patrolmen in our efforts to curtail it. Further study is an absolute imperative. I hope that you will give this every consideration.

WYETH CHANDLER,
Mayor.

NEW ORLEANS, LA.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.:

Urge your serious consideration of an extension of the Select Subcommittee on Crime under the chairmanship of Congressman Claude Pepper in order that it may complete its work which promises to be of great value to the cities of the Nation.

MOON LANDRIEU,
Mayor.

SHREVEPORT, LA.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.:

I urge your support of House Resolution 205 in order that the work of the House Select Committee on Crime may continue their important work for an additional two years. Narcotic as well as street crimes are Mayor's problems to cities throughout the country.

Again your support will be greatly appreciated.

Very respectfully

L. CALHOUN ALLEN, Jr.,
Mayor.

TALLAHASSEE, FLA.

Representative CLAUDE PEPPER,
Chairman, House Select Committee on Crime, Washington, D.C.:

As mayor of the city of Tallahassee I wish to express my support for the continuance of the House of Representatives Select Crime Committee of which Mr. Claude Pepper is chairman.

JAMES R. FORD,
Mayor.

PROVIDENCE, R.I.

Congressman CLAUDE PEPPER,
Washington, D.C.:

I strongly urge you to support House Resolution 205 extending for 2 years the House Select Committee on Crime chaired by Congressman Pepper.

As mayor of 1 of 80 cities that had a decrease in its crime rate for the year 1972, I am well aware of the need to combat street crime and narcotics traffic in our cities.

JOSEPH A. DOORLEY, Jr.,
Mayor.

HIALEAH, FLA.

Hon. CLAUDE PEPPER,
Washington, D.C.

Copy of telegram sent to Honorable Carl Albert Speaker of the House of Representatives:

Please do all in your power to continue work of House Committee on Crime. All of south Florida, including Hialeah, has experienced decrease in crime. We can only think that committee no crime was instrumental in bringing this about. Thank you.

Mayor HENRY MILANDER AND
CITY COUNCIL.

KNOXVILLE, TENN., *February 21, 1973.*

Hon. CARL ALBERT,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I am writing to you in support of House Resolution 205 which extends for two more years the life of the House Select Committee on Crime.

During 1972 the House Select Committee on Crime held extremely productive hearings on drug abuse throughout the cities of this nation. The committee's report "Drugs in our Schools" has become a leading document for enlightening local officials on the problems of drug abuse among our youth. The committee is to be commended for focusing public attention on what President Nixon labeled as "public enemy number one".

In addition, I viewed with great interest the committee's investigation of organized crime in sports. With a major university located in my city, I was especially interested in how the Mafia-backed Sportservice Stadium Concession Company infiltrates college and professional sports.

All in all, Chairman Pepper and his committee provide a great public service to those of us responsible for the health and safety of those we represent. I urge you to retain this most important congressional committee.

Sincerely,

KYLE C. TESTERMAN,
Mayor.

DENVER, COLO., *February 16, 1973.*

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.:

I respectfully urge the continuation for two years of the House Select Committee on Crime to allow them to continue and complete their investigation of street crime and narcotics traffic in America.

Mayor W. H. MCNICHOLS, Jr.

YORK, PA., *February 21, 1973.*

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.:

HONORABLE CARL ALBERT: As mayor of York, Penna., I believe that the best interest of our city is served by continuation of effort of House Select Committee on Crime in areas of investigation of crime and narcotics traffic in America. I encourage on behalf of our citizens a persistent effort toward continued Federal action and assistance.

ELI EICHELBERGER, M.D.,
Mayor.

NEW HAVEN, CONN., *February 20, 1973.*

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.:

I urgently request that you take steps to continue the House Select Committee on Crime through House Resolution 205.

It is abundantly clear that street crime and drug traffic are major issues facing city government. Unless direction and information comes from Congress, mayors are left without the necessary orientation for their efforts.

I appreciate your attention to this matter.

BARTHOLOMEW F. GUIDA,
Mayor.

PONTIAC, MICH.

Congressman CLAUDE PEPPER,
Washington, D.C.:

We urge your support of House Resolution 205 to continue congressional efforts for investigation of street crime and narcotics traffic. Local agencies cannot effectively combat the problem alone. Congressional awareness and action is essential.

FRANK SMILEY,
City Manager.

SOUTH BEND, IND.,

Hon. CARL ALBERT,
Washington, D.C.:

I am asking you to support House Resolution 205 to continue the investigation of street crime and narcotics in our community. In the past 7 months has had a 13 per cent increase in serious crime which is attributed to legislation. We hope that you will do everything possible to support this resolution.

Sincerely,

JERRY J. MILLER,
Mayor.

CHICAGO, ILL., *February 16, 1973.*

Hon. CARL ALBERT,
Speaker,
House of Representatives,
Washington, D.C.:

As Sheriff of Cook County and Chief Law Enforcement Officer for more than five and a half million people I am most deeply concerned about the passage of H.R. 205, which would permit the continuance of the House Select Committee on Crime. May I urge your immediate affirmative action to continue the work of this committee in the vitally important areas of Narcotics Control and Street Crime.

We have been most impressed by the work of this committee and hope to continue to cooperate with it and its chairman, Representative Claude Pepper in its final investigation and report.

I am sure that I speak for all concerned citizens in Cook County when I ask you to support this endeavor. I would appreciate hearing from you as to your action in this matter.

Sincerely,

RICHARD J. ELROD,
Sheriff of Cook County.

NEW YORK, N.Y.

Hon. CARL ALBERT,
House of Representatives,
Washington, D.C.:

Crime continues to be one of our most serious and difficult national problems. Intensified efforts at all levels of government are essential if any progress is to be made in combating this menace. Obviously the Congress must play an important leadership role in this fight. It is therefore critical that the Congress authorize the Crime Committee to continue its significant efforts in the battle against crime.

MAURICE NADJARI,
Special State Prosecutor.

LOS ANGELES, CALIF.,
February 20, 1973.

Hon. CLAUDE PEPPER,
Washington, D.C.:

It is my understanding that within the next few days, Resolution 205 will be introduced to Congress in order that the House Select Committee on Crime may be funded and continued for the next two years. I believe I speak for an appreciable representation from the law enforcement community when I strongly endorse the continuance of this committee. The House Select Committee on Crime has sat in the city of Los Angeles and its investigation and considerations were regarding extremely topical and timely crime and delinquency problems in the Southern California area. Since these problem areas concern youth crime and street crime as they are affected by the traffic in narcotics, we believe that the committee's investigations are pertinent to the safety and welfare of the citizens throughout the entire United States. It is my belief that the discontinuance of this critical committee would work a great disadvantage to the proper Administration of Justice in the United States and would be harmful to the safety and welfare of citizens in all major urban areas. Please accept my most emphatic endorsement for the passing of Resolution 205 in order that the House Select Committee on Crime may continue its highly significant and useful work.

JACK G. COLLINS,
Acting Chief of Police.

AMERICAN FEDERATION OF POLICE,
North Miami, Fla., February 19, 1973.

Speaker CARL ALBERT,
House of Representatives, Washington, D.C.

DEAR SPEAKER ALBERT: We are concerned that the work of the House Select Committee on Crime may be destroyed and with it the hopes and dreams of many law enforcement officers in the progress made by Rep. Claude Pepper.

Speaking on behalf of our national association of law enforcement officers we hope that you will use your power, intelligence and authority to keep this very important Committee in operation.

Last month we lost 17 police officers in the line of duty. In the past six years a 300% increase in such deaths have made us unite and to realize that we must have support from you and others like Claude Pepper.

Rep. Pepper's father was a police chief. This man is well aware of the plight we face. Crime as a crisis is a major issue with the public.

To vote out this Committee would be, in my opinion, a vote against law and order and we hope that you will pass on this message to other Congressmen.

We need help. We need Claude Pepper. We need that important Committee.

Sincerely,

GERALD S. ARENBERG,
Executive Director.

FRATERNAL ORDER OF POLICE,
Richmond, Va., February 21, 1973.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR SIR: It is recommended that House Resolution 205 be approved so that the vital work of the House Select Committee on Crime can continue for an additional two years.

Very truly yours,

DORIS S. COZART,
Secretary.

NEW ENGLAND STATE POLICE,
ADMINISTRATOR'S CONFERENCE,
February 16, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Congress of the United States, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: This letter is to express our ardent support for and to urge the continuation of Representative Claude Pepper's Select Committee on Crime due to its tremendous impact in aiding law enforcement expose organized crime and corruption to the general public.

It was most gratifying to learn that the Rhode Island State Police was able to contribute significantly to assist the Select Committee on Crime to attain its goal by working with its investigators for months to expose organized crime as it applied to illegal gambling, and the fixing of horse races.

During my 40 year career as a police officer, I have had the opportunity of testifying before the McClellan Committee on several occasions and in 1963 I presented testimony which proved instrumental in the recognition of the existence of organized crime in New England and identifying Raymond L. S. Patriarca as its boss. Subsequently, investigations focused on the activities of these identified organized crime figures with the end result being that Raymond Patriarca and many other of his underworld associates have been and are presently incarcerated.

Therefore, I fully realize the importance of such congressional committees which have a tremendous impact on the public over and above that of state and federal grand jury investigations. I might add that the recent accomplishments and inroads gained by Chairman Pepper's Select Committee on Crime once again have proven their value to all law enforcement throughout the country. The loss of this vital committee would, in my opinion, deal a severe blow to law enforcement in its efforts to keep the public informed about such vital matters.

We are fervently hopeful that you will give the Select Committee on Crime your continued support and approval.

With warm regards and best wishes, I am

Sincerely,

Col. WALTER E. STONE,
Chairman.

SAN FRANCISCO POLICE DEPARTMENT,
February 21, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Longworth House Office Building,
Washington, D.C.

MR. SPEAKER: It has come to the attention of this Agency that a decision is to be made pursuant to the continuance of the House Select Committee on Crime. It is the position of the San Francisco Police Department to support the program of the Committee and urge that it be continued for the necessary time to fulfill its objectives.

Very truly yours,

DONALD M. SCOTT,
Chief of Police.

SAN FRANCISCO, CALIF.

Hon. CLAUDE PEPPER,
Capitol Hill, D.C.:

Urge passage of H.R. 205 continuing investigation of street crime and drug traffic. Failure to permit the committee to conclude the investigation already underway would be a wanton waste of the tax funds already invested. I stand ready to aid the committee in any way of which my office is capable.

RICHARD D. HOMGISTO,
Sheriff of San Francisco.

MIAMI SHORES, FLA.

Congressman CLAUDE PEPPER,
Capitol Hill, D.C.:

I would like to go on message with the Miami Shores Dept. to recommend that the House Resolution No. 205 be continued for 2 more years. In our opinion they have just started with inspection and investigation on street crimes and narcotic investigation.

Chief WAYNE H. THURMAN.

MIAMI BEACH, FLA.

Hon. CLAUDE PEPPER,
House of Representatives,
Washington, D.C.:

I strongly urge the continuation of the House Select Committee on Crime through passage of House Resolution 205. The House Select Committee on Crime has been of invaluable assistance to professional law enforcement agencies. To terminate a committee with authorized jurisdiction to explore street crime and the widespread traffic in narcotics in America today would not appear to serve the public interest.

ROCKY POMERANCE,
Chief of Police.

BATON ROUGE, LA.

Speaker CARL ALBERT,
House of Representatives,
U.S. Congress.

MR. SPEAKER: Urgently request that you support House Resolution 205 to continue the House Select Committee on Crime. Street crime and narcotics traffic in America is one of the major problems of concern to the people of this community and to the people of this country.

W. W. Dumas,
Mayor-President.
R. E. Ratcliff,
Chief of Police.

Oakland, Calif.

Hon. Claude Pepper,
House of Representatives:

The following message was sent to Hon. Carl Albert on this date:

In my judgment, the House Select Committee on Crime is an important investigative body and the public interest will be served if the committee is continued for another two years.

Chief C. R. Gain,
Police Department.

San Francisco, Calif.

Hon. Carl Albert,
Speaker of the House of Representatives, Washington, D.C.:

The San Francisco Juvenile Probation Office urges Congress to approve resolution 205 to continue the House Select Committee on crime. This is the only committee authorized to explore the areas of street crime and narcotic traffic.

J. J. Botka,
Chief Probation Officer.

Trenton, N.J.

Hon. Claude Pepper,
House of Representatives:

The following message was sent to Honorable Carl Albert, Speaker of the House: I know of no more important problem in this country than street crime and narcotics and the work being done by the House Select Committee on crime is in my view highly significant. I urge the passage of House Resolution 205 continuing that committee for two more years.

Evan William Jahos,
Division of Criminal Justice.

St. Louis Police Department,
St. Louis, Mo.

The Hon. Carl Albert:

Our persistent problem with narcotic trafficking and its related crime calls for continuing inquiry and legislative action to assure our citizens their constitutional right of security and well-being. As the only presently constituted House committee with jurisdiction, the House Select Committee on Crime has begun the vital investigative work through its legislative hearings on the national crime problem and the public interest surely compels this committee to continue in this important task. With 28 years of experience and close association with the suffering caused by criminal activity and my personal knowledge of the people's great concern for the elimination of crime as the Nation's number one priority, I am compelled to strongly urge you to favorably consider House Resolution 205.

Respectfully,

Capt. Earl Halveland.

Holiday, Fla.,
February 22, 1973.

Representative Claude Pepper,
House of Representatives,
Washington, D.C.

Honorable Sir: Being a police officer for the past thirty years in fighting street and organized crime in one of Michigan's largest cities, working up from a beatman to Commissioner of Police, I support the Crime Committee 100% and would say to abolish this Crime Committee would be a grave mistake; it affects all the people of this country.

This Committee has done an outstanding job in fighting crime; its record speaks for itself.

Today police officers in our country need all available tools at their disposal to fight crime, and this committee is one of the tools.

Whoever is anti-law and order is against this country and what it stands for.

I am sending a copy of this letter to Representative James O'Hara. Mr. O'Hara is a personal friend of mine.

Yours very truly,

Walter W. O'Bee,
Former Member Michigan Organized Crime Task Force.

Insurance Crime
Prevention Institute,
Westport, Conn.

Hon. Carl Albert:

I have been advised that the leadership of the House of Representatives is currently giving consideration to H.R. 205, which would extend for 2 years the life of the House Select Committee on Crime. As a former police chief still active in the law enforcement community, I am familiar with the valuable work of this committee in exploring the critical problems of crime in America. Spectacular rise in recent years of street crime and drug abuse has placed a crushing burden on our fragile institutions of criminal justice and has contributed heavily to the atmosphere of fear and repression which now surrounds any discussion of the issue. The danger is that if our lawmakers fail to act for constructive solutions to the problems of crime and criminal justice, we may soon be tempted to act out of fear. And this can have only the most dire consequences for the future course of this Nation. I strongly urge you and your colleagues in the House to support the continued efforts of the Select Committee on Crime during the next 2 years.

James F. Ahern,
Director.

San Francisco, Calif.

Hon. Carl Albert,
Speaker, House of Representatives,
Washington, D.C.:

The San Francisco Juvenile Probation Office urges Congress to approve Resolution 205 to continue the House Select Committee on Crime. This is the only committee authorized to explore the areas of street crime and narcotic traffic.

Joseph Botka,
Chief Probation Officer.

South Carolina Department
of Corrections,
Columbia, S.C.

Hon. Carl Albert:

This is to urge favorable consideration of House Resolution 205 extending the efforts of the House Select Committee on Crime for 2 years. I have testified before this committee on several occasions concerning criminal justice problems and needs. I am optimistic that through its investigation the Committee will develop major proposals for combating crime and narcotics traffic in America. Sincerely.

William D. Leeke,
Director.

THE PANAMA CANAL ZONE

(Mr. BLACKBURN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, today I am introducing a resolution which states that it is the sense of the House of Representatives that the Government of the United States should maintain and protect its sovereign rights and jurisdiction over said Canal Zone and Panama Canal and that the U.S. Government should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property to any other sovereign nation or to any international organization which sovereign rights, power, authority, jurisdiction, territory, and other property are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere, including the canal and Panama.

A report by the canal study panel under Public Law 88–609 recommended the construction of a second canal of sea level design, with tidal locks, in Panamanian territory about 10 miles west of the existing canal at an initially estimated cost of $2,880,000,000. This estimate does not include the costs of the necessary right-of-way and of an inevitable huge indemnity to Panama, which would have to be added thereto.

The report urges the negotiation of a new treaty with Panama to provide for a unified canal system consisting of the existing canal and the proposed new canal to be operated and defended under the effective control of the United States participation with Panama. Such treaty, for which negotiations were resumed in June 1971, hinges upon surrender to Panama of U.S. sovereignty over the U.S. owned Canal Zone for what is actually nothing but an option to construct such a new canal.

By the Hay-Bunau-Varilla Treaty of 1903, it was agreed by the Republic of Panama and the United States that the United States would be granted by the Republic of Panama full sovereign rights, power and authority in perpetuity over the Canal Zone for the construction, maintenance, operation, sanitation and protection of the Panama Canal. It was further agreed that these sovereign rights and power would be those of the United States exclusively.

During the Johnson administration, the United States conducted negotiations with Panama which resulted in the proposal of treaties by which the United States would have relinquished its control over the Canal Zone and the canal and would have given both to the Republic of Panama. However, reactions against these treaties in Panama, in the United States, and in the Congress, were so strong that they were never signed.

In talks with Foreign Minister Juan Antonio Tack, of Panama, Secretary of State William P. Rogers, on June 26, 1970, requested that the negotiations for new canal treaties be resumed. Despite the formal rejection by the revoluntionary government of the proposed 1967 treaties, the Presidents of Panama and the United States agreed on October 25, 1970 to resume the negotiations.

Officials of Panama have often stated that if they were unable to negotiate a treaty satisfactory to them, they would take other measures, including an appeal to the United Nations. On January 16, 1973, on the invitation of Aquilino Boyd, the radical Panamanian representative in the United Nations, the Security Council decided to hold a series of meetings of the Council starting on March 15, 1973, in Panama. It might be pointed out that Aquilino Boyd is the radical who in 1958 led an anti-U.S. demonstration into the Canal Zone, and will be President of the Council during the scheduled meetings. I think it is also significant that the Panamanian proposal received strong support from the U.S.S.R., Red China, India, Yugoslavia, and Indonesia, nations that have been major recipients of U.S. generosity.

It should also be pointed out that Panamanian officials have often stated that if they cannot secure possession of the Canal Zone peacefully, they will do so by force, even if it requires the lives of a generation of Panamanian youth.

As you know, because of its strategic location, the Panama Canal has become of supreme defensive importance to the United States, and cannot be allowed to fall into unfriendly hands. If this were allowed to happen, it could even lead to a situation similar to the Cuban missile crisis.

The United States now faces a potential three-pronged and outrageous assault on the Canal Zone: First, one via treaty negotiations through the State Department; second, another by means of the United Nations; and third, by an invasion of the Canal Zone by the Panamanian National Guard and mobs, which would include sabotage of vital canal structures if not properly guarded.

Certainly, there is no choice but to be ready for these moves. It is easy to see, Mr. Speaker, that the most sure way of protecting American security is to see that U.S. power and sovereign rights in the Panama Canal Zone are in no way weakened or abrogated. Therefore, the resolution I introduced today needs the support of all of my colleagues in the House of Representatives.

THE CLEAN AIR ACT OF 1970

(Mr. BLACKBURN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, today our colleague, the Honorable Louis C. Wyman, is introducing legislation which would amend the Clean Air Act of 1970 to provide that automobile carbon monoxide and hydrocarbon emissions be reduced to a requirement of 90 percent of the actual emission of these pollutants, instead of the 96 percent below the emission level of 1970 required by 1975 in accordance with the Clean Air Act. I believe that this is very realistic when we consider several facts which have not been brought to the American public's attention.

It is well known that air pollution caused by automobile emission is rapidly decreasing. Recent surveys in major cities indicate a decrease in pollutants found in the air of those cities today as compared with 5 years ago. The 1973 model cars are reducing emissions to one-seventh of that of the 1966 models. If all automobiles on the road today were 1973 models, the air pollution caused by emissions would return to approximately the levels experienced in 1943.

One of the biggest misconceptions is that man, and especially his automobile, is the prime source of emissions. This is far from the truth. Nature itself is the major source of the three basic atmospheric gases emitted by the automobile. Nature produces 15 times as many oxides of nitrogen as man, about 10 times as much carbon monoxide, and 6 times as many hydrocarbons.

It has also been determined that nature is not only a source for these substances, but it also has effective ways of disposing of them. As just one example of these natural disposal systems, fungus in the soil in the United States alone has the capacity to consume more than double the total carbon monoxide produced by all the motor vehicles and factories in the world. This is not to say there should be no motor vehicle emission controls, but it does help show that automotive emissions are not the problem many once believed.

If these Federal standards are implemented, the consumer must bear the cost. Presently, the cost of a 1973 model automobile has increased $100 because of emission control. If the requirements are met by 1975, emission control costs will increase the cost of the average automobile by $500. This will have a depressing effect on the automobile industries' ability to attract customers for new automobiles.

Emission controls and necessary engine modifications have the net effect of increasing fuel consumption. Moreover, additional crude oil and more expensive processing will be required to produce gasoline essentially free of materials such as phosphorous and lead and thus suitable for use in vehicles. Hence, gasoline will cost more to the consumer. If the Federal standards are met, by 1985 the consumption of crude oil will increase by 1.7 million barrels per day. The energy crisis this Nation is facing will only be aggravated.

An increase in crude oil consumption must be met by importation of oil from foreign sources. This will only increase our dependency on politically unstable areas such as the Middle East. Our balance of trade and payments will be further worsened since the cash outflow will be approximately $2.8 billion annually.

The question before the American public is: Are the standards established by the Clean Air Act of 1970 essential for public health, are they economically feasible, and are they realistic in the present state of automobile technology? Every reasonable presentation which has been brought to my attention indicates that we acted hastily in 1970 without giving a balanced consideration for all the needs of the country as well as environmental concerns. In short, it seems to me that we are guilty of environmental overkill where the benefit to be received is many times exceeded by the cost to implement the standards. If we have acted intemperately, then we should now move to rectify our mistake.

The State of California, as is well known, due to peculiarities of location, climate, frequent inversions of warm air, has suffered more than other States from photochemical reactions created by automobiles and other pollutants. That State has adopted standards which seem to me to be far more realistic than those established by the Federal act. Under the California standards, automobile emissions would be reduced to 17 percent of the pre-1968 levels. These requirements will increase the cost of an automobile by $290 in 1975 compared to present requirements which would increase the cost by $500. The California requirements will increase our consumption of crude oil by only 0.5 million barrels a day compared to the present standards which would increase the crude oil by 1.7 million barrels a day. These expenses must be compared with the benefits which would be derived by reducing carbon monoxide to one-fifth of that of 1968, reducing hydrocarbons to one-seventeenth of that of 1968, and by reducing oxides of nitrogen to one-fourth that of 1968. I have every confidence that reductions of this magnitude would be entirely consistent with protecting the good health of the American public.

After considering all these facts, I believe that the Federal standards are more restrictive than necessary. In cosponsoring Mr. Wyman's legislation, I urge my colleagues to take a long hard look at the history of the Clean Air Act of 1970, considering the political mood of the country at that time and the emotionally charged atmosphere regarding environmental concerns which had dominated the political scene, and ask themselves if we could not do the country a service by making a change in these requirements.

SALARY AGREEMENT FOR EMPLOYEES OF MANPOWER DEVELOPMENT TRAINING PROGRAM

(Mr. PODELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, in June 1972, the United Federation of Teachers and the New York City Board of Education reached an interim agreement on salary increases for employees of the manpower development training program. This agreement was forwarded to the Pay Board, which took no action at all during the summer. As a result, the manpower employees returned to work in September with no new contract, and at the same salaries they were working for the previous year.

In October 1972, and again in November 1972, I was contacted by those of my constituents who were affected by this agreement, as well as by the UFT. I was informed that the Pay Board had not yet approved the pay increase of manpower workers, and was asked to do what I could on their behalf.

I wrote to the Pay Board over 2 months ago, and recently received a reply. It seems that in March of 1973, over 9 months since the agreement between the UFT and the board of education was made, there is still no approval forthcoming from the Pay Board of the salary increase that had been promised.

How long does the Nixon administration expect people to be patient? We all know how rapidly prices have increased in the last few months. It is unconscionable that these people must be kept working at the same pay level, when an agreement for a pay increase has been reached in good faith.

I was informed by the Pay Board that they believe the reason for this outrageous delay is the slowness of the Internal Revenue Service, which has the authority to rule on all pay increase requests under 7 percent, in deciding that it could not rule on this one request. IRS then passed the buck to the Pay Board, which is now taking its own sweet time in acting on the UFT's request.

The irony of this situation does not escape me. Now that we are in phase III, much of the bureaucratic machinery jury-rigged to deal with wage and price controls is being dismantled. The Pay Board has 90 days to clear its backlog of requests for approval of wage increases. I think that the UFT and the manpower development training program employees would have been infinitely better off had they held off for a year on reaching an agreement with the board of education. That way they could have avoided this interminable waiting, and gotten their long deserved wage increase without waiting for a governmental blessing that was never forthcoming.

I regard this is another of a long line of incidents demonstrating the administration's disregard of the needs of the American people. True, the people involved in this case were few in number. But they typify all those who have suffered under the President's unrealistic economic policies. Not only were their salaries held at an unnaturally low level, but they were doubly penalized by rising prices during the time their salaries were held down.

President Nixon's phase III policies deserve serious scrutiny by the Congress. He said that the guidelines for salary increases will still be kept to 5.5 percent. But where are his guidelines for price increases. How are we to deal with the housewife whose food budget increases by 15 to 30 percent a year, while her husband's income increases by 5.5 percent? What are we to tell her? What do I tell my constituents employed by the manpower development training program? Their patience, like mine, is at an end. It is time for a realistic approach by the President to the problem of increasing prices and wages. Controls are no longer an anathema to the people of the United States. In fact, a majority of them favor some form of governmental controls of wages and prices.

But if we are to have a system of controls, let it be realistic. Do not make the workingman pay twice.

CUTBACKS IN SOCIAL SERVICE FUNDS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, on February 16, the Department of Health, Education, and Welfare issued proposed new regulations which drastically limit Federal support for social service programs. Among the programs affected by the new cutbacks are the many local day-care centers which receive Federal assistance. I would like to share with my colleagues a letter from a counselor at the Lillian Sklar Filler Day Care Center, which is located in my district. I believe that this letter expresses the fears of many concerned Americans, and I insert it in the RECORD:

February 20, 1973.

DEAR MR. PODELL: I am very much distressed at the new guidelines for day care eligibility suggested by Secretary Weinberger. I work directly with applicants for day care and I know vividly the problems of working parents in finding adequate day care. Working single women as well as two-working-parent families need day care and for many of them this care must be subsidized. It would be nice to think that American families could make it on their own without government help; this attitude is not realistic. It is gross injustice to do what the suggested regulations would do to working Americans.

Instead of restricting day care, the government should be providing comprehensive day care for the children and families of Americans. I ask your firm support in providing superior, caring and low-cost day care programs for the many in our country (and most immediately this city) who need it.

Sincerely,

WILLIAM C. ALTHAM,
Family Counselor.

Because of my concern for these programs, I joined with more than 65 of my colleagues in a letter to Secretary Weinberger, protesting the new regulations and urging that they be withdrawn. Yesterday, I sent an additional letter to the Acting Administrator of the Social and Rehabilitation Service, and I include this letter at this point in the RECORD:

MARCH 5, 1973.

Mr. PHILIP J. RUTLEDGE,
Acting Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. RUTLEDGE: I object to the proposed new regulations for the Social and Rehabilitation Service, which were published in the Federal Register on February 16, 1973. I believe that these regulations are a travestry and an outrage. They were drafted not by HEW, but by the President's Office of Management and Budget, to replace the more liberal rules which HEW was about to announce before the election.

The proposed rules would make a day care an *optional* service of state agencies, instead of mandatory, as under the current rules. In addition, the requirement that states comply with the Federal Interagency Day Care standards would be eliminated.

The new regulations cut off federal matching grants for private contributions to state agencies. This would be particularly harmful since many private agencies, such as the United Fund, make substantial contributions to state agencies for day care services.

Moreover, the new rules severely limit eligibility requirements so as to *exclude* from middle-income families from day care programs. Evidently, the purpose of the new regulations is to reduce the number of children enrolled in day care centers by reducing federal funding. This seems to be part of the Administration's new policy of "malignant neglect" toward America's social problems.

I am appalled at the hypocrisy of an Administration which tells everyone to "get out and work," but cuts back funds for valuable day care programs which allow parents to take full-time jobs. I urge you to reject these repressive regulations, or at least to suspend their implementation until such time as the Congress can investigate all facets of day care services in this country.

Very truly yours,

BERTRAM L. PODELL,
Member of Congress.

MURDERS IN KHARTOUM

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, during the last few days we have witnessed the nauseating spectacle of political terrorism at its worst. Two American diplomats were executed in the Sudan in the name of the Palestinian liberation movement.

It is most ironic that just as the world was busy condemning the unfortunate error in the downing of a Libyan aircraft, these wanton and depraved criminals invaded the Saudi Arabian Embassy in Khartoum and held five diplomats hostage. The actions of the Black September terrorists were revolting to all civilized men. The demands they made—including freeing Senator Kennedy's assassin Sirhan Sirhan—demonstrated the moral and political bankruptcy of the entire Palestinian terrorist cause.

I do not mean to absolve Israel entirely from blame in the incident of the Libyan aircraft. Israel has made all the amends she could reasonably be expected to make, and she will no doubt suffer for this tragic mistake for a long time to come. Can the same be said of those nations which have fostered the Black September movement and permitted it to grow like a cancer, until it is now destroying the very nations that have nurtured it? Will the Arab States be willing to pay their dues for what, in the final analysis, is their shared fault and responsibility?

Saudi Arabia and the Sudan were long and strong supporters of Black September. Egypt, Lebanon, Syria, Jordan, all gave arms, money and moral support to the terrorists. None of them are safe now from the Palestinians. Black September has declared open war on the Arab States with its attack on the Saudi Arabian Embassy. These "heroes" of the Palestine liberation movement are no better than wild dogs, biting the hands outstretched to them in friendship. They cannot and should not be trusted by anyone.

My heart goes out to the families of the men who died in Khartoum. They died bravely, in the manner of great men. But they should not have had to die. This should never have happened, and never would have happened if the Arab States were not so intransigent in their attitude toward Israel, if they would accept reality.

It cannot be denied that the true responsibility for what happened in Khartoum lies with the Arab States. They are now reaping the rewards of the hatred and evil which they spent years cultivating. Because of their unwillingness to approach the Mideast crisis in any rational way, they provided the fertilizer for the ground in which Black September grew. Because the Arab States are unwilling to make even the smallest compromise, the Palestinian refugees have been kept needlessly homeless for more than 20 years. Because the Arabs persisted in maintaining a state of war for 25 years, the Palestinian refugees became political pawns, and finally, out of their desperation to be heard, turned to terrorism. The ultimate responsibility for their desperation lies with the Arab States.

Often, like a phoenix rising out of its own ashes, good comes from tragedy. The plane crash in the Sinai and the murders in Khartoum may be the ashes from which the phoenix of peace in the Mideast will rise. Only the most insensitive and obtuse mind could not see and understand that this situation has become intolerable. Perhaps now that the Arabs see they are no longer safe from terrorism they will be willing to come to an agreement with Israel.

I call on President Nixon to condemn the Black September assassins and demand their punishment. I am sure that the Sudanese Government, under the pressure of world opinion, will make sure that these inhuman murderers get what they deserve. I also call on the President to take a strong initiative to bring about peace talks between Israel and the Arab States. If they will not sit at the same table, then let there be proximity talks. But in the name of humanity, for the sake of peace, let us make sure that nothing like this ever happens again.

It is not just that American diplomats were the ones killed. My feeling would be as strong and my sensibilities as deeply shaken were the dead men Arabs. Acts such as these make no distinctions between nationalities. Not only American diplomats, but any person representing his nation overseas is now fair game for a madman with a political ax to grind. The real danger is that the longer such a situation is allowed to exist, the more difficult it will be to make peace, and the more lives will be sacrificed by a mob of amoral hoodlums.

We owe it not only to the memory of Cleo Noel and George Moore, but to the preservation of the rule of law over men, that this is the last act of terrorism Black September ever commits. The civilized world should work toward that end.

PEPPER'S COMMITTEE A WINNER

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I know that our friend and colleague CLAUDE PEPPER must be gratified with the recent editorial comments expressed back home for his work as chairman of the Select Committee on Crime.

The Miami Herald in an editorial of March 5 headlined "Pepper's Committee a Winner." The Miami News commented a few days earlier on some achievements of the Pepper committee. Ralph Renick, the dean of TV commentators in Miami, devoted two editorials in a single week to the move to terminate the committee.

As we all know, the committee will continue its work especially in the area of street crime, before its activities are phased into a subcommittee of the Judiciary Committee on June 30.

This led TV commentator Ralph Renick of WTVJ to conclude that the move to kill the committee outright was the "Crime That Didn't Happen."

Mr. Speaker, I call to the attention of our colleagues the editorial support of the Miami news media for the Select Committee on Crime.

The article follows:

Pepper's Committee a Winner

The scalpers on Capitol Hill got to the House Select Committee on Crime and killed it off, effective in June. But maybe the chairman, Dade Rep. Claude Pepper, lost the battle and won the war.

What the aging battler for good causes wanted most was to get at the root causes of drug addiction among the young. He turned up statistics that were sickening and fearful. And he traced back from those statistics to the boundless manufacturer of uppers and downers, the pills that are at the heart of the drug culture among the young. Marijuana is a stunt that evolves more from peer pressure than anything else. But those little red and blue pills—the goofballs—offer the thrills that young people seek, the hallucinations sought as accompaniment to heavy rock music.

Drug companies have agreed to cut back their production of amphetamines sharply, thus reducing the flow into the black market. And now the TV industry has voluntarily agreed to stop propagandizing over-the-counter medication as not being habit forming or addictive.

The broadcaster will also stop showing people taking pills on camera and expressing their gratitude for instant relief. The pitch for drugs will be removed from time slots that are likely to find children in front of the tube. These will be no more testimonials from celebrities or those rich-voiced "doctor" figures.

Rep. Pepper was convinced by the committee's probing that crime among young people was linked with drugs.

Reducing the availability of goofballs and clamping down on the drug pitchmen on television will stand as monuments to the congressman's effort to reduce that crime.

They killed his committee, but not before it did good work for the nation.

Select Decision

Even though Claude Pepper's Select House Committee on Crime will go out of business in four months, the committee leaves behind a good record for its replacement. The Congressman and his aides brought a lot of pressure on the House leadership to extend the life of the committee but a select committee was never intended to have more than a temporary status and thus a compromise has been effected.

In the wake of four years of hard work, the House now recognizes it must have a permanent committee to keep an eye on crime and racketeers in this country and will turn the task over in June to a Judiciary Committee subcommittee.

Rep. Pepper's principal achievements are twofold. His investigation revealed the black market and the worthlessness of most amphetamines in the control of diets, and he convinced the Congress to invest $70 million in scientific research for an anti-heroin substance which would be more effective than methadone in fighting drug abuse. This is a positive record of accomplishment.

One Crime We Do Not Need in Washington

Senator John Stennis is gunned down in front of his home in Washington, The Gallup Poll lists the American public's number one concern as crime.

Violence, fear, safety on the streets and in the home, is a continual concern no matter who you are or where you live.

The matter, naturally, is a concern of the Congress.

That is why the House of Representatives, back in 1969, established a special committee on crime. It is headed by Claude Pepper of Miami . . . an old hand on Capitol Hill . . . and a Congressman with vigor at the age of 72.

CRIME COMMITTEE

In its four years of work, the Pepper Committee has looked into organized crime, aerial hijacking, the nation's drug crisis and is now ready to embark on an intensive probe of street crime.

It is ready, that is, if Pepper's fellow Congressmen let him.

Select committees are temporary entities, normally funded for a two-year operation. Pepper needs at least one more year to wrap things up.

But there are forces trying to kill the committee when its current appropriation runs out a week from Wednesday.

The drug manufacturers lobby, for one, is not happy with the committee's recommendations on stiffer prescription drug controls.

Republican House leadership reportedly would just as soon see street crime revelations curtailed . . . the crime rate may not have dropped as the administration has claimed. The G.O.P. is not enthusiastic about continuing the committee's life.

There are some internal committee jurisdictional disputes with some Congressmen feeling that the Pepper Committee is stealing some of their territory and thunder.

Whether the committee gets a new lease on life may be decided next week.

RENICK

We can find no good reason to kill the committee.

One of its major accomplishments has been in the field of drug use in schools with a proposal that every school in the nation have a drug counselor on campus.

Now, the committee is ready to turn its attention to the area of street crime. . . . a subject well known to Senator Stennis and to millions of other Americans.

The committee is generating research and findings that will be helpful to law enforcement agencies, legislators and the public.

The crime now would be to scuttle the House Select Committee on Crime.

The Crime That Didn't Happen

On Monday, we editorially called for a continuation of the efforts of The House of Representatives in the investigation of all aspects of crime in the United States.

Four years ago, the House established a temporary select committee on crime, chaired by Claude Pepper of Miami.

The committee's funded life expires a week from today.

Pepper, within the hour, returned from a meeting with the Speaker of the House, the Majority and Minority leaders and various committee chairmen involved in associated fields of crime investigation.

Pepper tells us a compromise was reached. His temporary committee will be phased out of operation by June 30th. Its responsibility will be transferred to the House Judiciary Committee which will have its membership enlarged and its staff expanded to handle the additional responsibility.

CLAUDE PEPPER

Pepper said he agreed to the arrangement because crime investigation will now rest with a permanent Congressional Committee . . . not a temporary one. "We alerted the Congress," said Pepper, "we stimulated it into increased activity in this field. It is a victory for my select committee on crime. More will now be done rather than less . . . the functions will be shifted to a permanent committee."

RENICK

We said on Monday that it would be a crime to scuttle the work of the Pepper committee.

We're glad to add this follow up . . . that the crime, fortunately, was not committed.

CONGRESSIONAL PARTICIPATION IN THE UPCOMING TRADE TALKS

(Mr. CULVER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. CULVER. Mr. Speaker, I rise today to recommend to my colleagues that any new trade legislation contain a provision providing for appropriate bipartisan congressional participation in the upcoming round of multilateral trade negotiations.

Since the administration is now formulating a new trade bill, I have also conveyed this recommendation to Secretary of State Rogers, Secretary of the Treasury Shultz, William Eberle, the President's special trade representative, and Peter Flanigan, the Executive Director of the Council on International Economic Policy.

In the past, the effectiveness of our negotiators has often been impaired by the lack of coordination within the executive branch, and the lack of cooperation between the Executive and Congress. During the last round of negotiations, foreign governments came to doubt the ability of the Executive to deliver on commitments made during the negotiations because Congress did not act to remove certain trade barriers.

It is evident that one of the main areas of discussion in this new set of negotiations will be nontariff barriers, an area in which the Executive will, most likely, be negotiating on the basis of a congressional declaration of intent, rather than a specific delegation of authority. In this situation, the results of the negotiation will ultimately have to be submitted to the Congress for final approval. It is, therefore, all the more important that an effective mechanism for continuous and close communication between the Executive and the Congress be provided.

A first step requires that key congressional committees should be consulted at an early stage and kept fully and currently informed of developments in the final preparation of legislation, the agenda for the negotiations, and of progress in the negotiations themselves.

Second, the innovation of the Trade Expansion Act of 1962 to provide for members from each House to be accredited members of the U.S. delegation should be continued. Of course, as during the Kennedy round, the value of this arrangement will be limited by the schedules of the Senators and Congressmen concerned, but I am confident it will prove to be a useful and important means of obtaining congressional views on current issues in the negotiations.

Finally, congressional participation in the trade talks will also help the Congress to better understand the issues involved, and assist us in exercising our constitutional responsibility to regulate foreign commerce.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Corman, for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Butler), to revise and extend their remarks, and to include extraneous matter:)

Mr. Bell, today, for 5 minutes.

Mr. Edwards of Alabama, today, for 5 minutes.

Mr. Quie, today, for 30 minutes.

Mr. Vander Jagt, today, for 30 minutes.

(The following Members (at the request of Mr. Young of Georgia) to revise and extend their remarks, and to include extraneous matter:)

Mr. Aspin, today, for 10 minutes.

Mr. Gonzalez, today, for 5 minutes.

Mrs. Grasso, today, for 15 minutes.

Mr. Wolff, today, for 5 minutes.

Mr. Burke of Massachusetts, today, for 30 minutes.

Mr. Tiernan, today, for 5 minutes.

Mr. Stark, today, for 5 minutes.

Mr. Won Pat, on March 7, for 5 minutes.

Mr. Stokes, on March 7, for 15 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Burleson of Texas and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,232.50.

Mr. Hawkins and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,360.

(The following Members (at the request of Mr. Butler), and to include extraneous matter:)

Mr. Hanrahan in two instances.

Mr. Symms in three instances.

Mr. Esch.

Mr. Scherle in 10 instances.

Mr. McClory in two instances.

Mr. Roncallo of New York.

Mr. Derwinski in three instances.

Mr. Bob Wilson.

Mr. Hunt.

Mr. Whitehurst.

Mr. Bafalis in five instances.

Mr. Sandman.

Mr. Hosmer.

Mr. Veysey.

Mr. Regula in three instances.

Mr. Baker.

Mr. Bell.

Mr. McKinney.

Mr. Wyman in two instances.

Mr. Young of South Carolina.

Mr. Cronin.

(The following Members (at the request of Mr. Young of Georgia), and to include extraneous matter:)

Mr. Stokes.

Miss Holtzman in 10 instances.

Mr. Rarick in three instances.

Mr. Gonzalez, in three instances.

Mr. Kastenmeier.

Mr. Harrington in three instances.

Mr. William D. Ford in three instances.

Mr. Mann in three instances.

Mr. Wolff in two instances.

Mr. Brinkley.

Mr. Pepper.

Mr. Dan Daniel.

Mr. Rodino.

Mr. Morgan.

Mr. Burke of Massachusetts.

Mr. Brasco in two instances.

Mr. Bingham.

Mr. Dominick V. Daniels.

Mr. Denholm in two instances.

ADJOURNMENT

Mr. YOUNG of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 7, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

543. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the law authorizing the President to extend certain privileges to representatives of member states on the Council of the Organization of American States; to the Committee on Foreign Affairs.

544. A letter from the Director, U.S. Information Agency, transmitting a draft of proposed legislation to authorize appropria-

tions for the U.S. Information Agency; to the Committee on Foreign Affairs.

545. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to designate Interstate Route I-70 from Washington, D.C., to Denever, Colo., Interstate Route I-25 from Denever to Cheyenne, Wyo., and Interstate Route I-80 from Cheyenne to San Francisco, Calif., as the Dwight D. Eisenhower Highway; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 162. Resolution authorizing the Committee on the District of Columbia to conduct an investigation and study of the organization, management, operation, and administration of departments and agencies of the government of the District of Columbia (Rept. No. 93-44). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 228. Resolution authorizing the Committee on Public Works to conduct studies and investigations within the jurisdiction of such committee (Rept. No. 93-45). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 253. Resolution to authorize the Committee on Science and Astronautics to conduct studies and investigations and make inquiries with respect to aeronautical and other scientific research and development and outer space (Rept. No. 93-46). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 267. Resolution authorizing the Committee on Foreign Affairs to conduct a full and complete investigation of matters relating to the laws, regulations, directives, and policies including personnel pertaining to Department of State and such other departments and agencies engaged in the implementation of U.S. foreign policy and the oversea operations, personnel, and facilities of departments and agencies of the United States which participate in the development and execution of such policy (Rept. No. 93-47). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 259. Resolution to amend the Rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session (Rept. No. 93-48). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 272. Resolution providing for the consideration of House Resolution 259, resolution to amend the Rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session (Rept. No. 93-49). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 273. Resolution providing for the consideration of H.R. 71, a bill to strengthen and improve the Older Americans Act of 1965, and for other purposes (Rept. No. 93-50). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 274. Resolution providing for the consideration of H.R. 17, a bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes (Rept. No. 93-51). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAHON:

H.R. 5193. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may disapprove the President's action and require him to cease such impounding; to the Committee on Rules.

By Ms. ABZUG (for herself, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Stokes, and Mr. Won Pat):

H.R. 5194. A bill to protect confidential sources of the news media; to the Committee on the Judiciary.

By Ms. ABZUG (for herself, Mr. Conyers, and Mr. Mitchell of Maryland):

H.R. 5195. A bill to exonerate and to provide for a general and unconditional amnesty for certain persons who have violated or are alleged to have violated laws in the course of protest against the involvement of the United States in Indochina, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H.R. 5196. A bill to amend the Controlled Substances Act to move certain barbiturates from schedule III of such act to schedule II; to the Committee on Interstate and Foreign Commerce.

H.R. 5197. A bill to amend the Controlled Substances Act to require identification by manufacturer of each schedule II dosage unit produced; to the Committee on Interstate and Foreign Commerce.

H.R. 5198. A bill to insure a free flow of information; to the Committee on the Judiciary.

By Mr. ANDREWS of North Dakota:

H.R. 5199. A bill to authorize the establishment of the Knife River Indian Villages National Historic Site; to the Committee on Interior and Insular Affairs.

By Mr. BURLESON of Texas (for himself, Mr. Baker, Mr. Byron, Mr. Casey of Texas, Mrs. Chisholm, Mr. Davis of Georgia, Mr. Derwinski, Mr. Duncan, Mr. Evins of Tennessee, Mr. Fuqua, Mr. Guyer, Mr. Kuykendall, Mr. McClory, Mr. Myers, Mr. Nelsen, Mr. Quillen, Mr. Roberts, Mr. Sikes, Mr. Stubblefield, Mr. Thone, Mr. Winn, Mr. Won Pat, Mr. Wylie, Mr. Yatron and Mr. Young of Illinois):

H.R. 5200. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself, Mr. Butler, Mr. Clark, Mr. Fisher, Mr. Froehlich, Mr. Gunter, Mr. Hudnut, Mr. Jones of Tennessee, Mr. Lujan, Mr. Montgomery, Mr. Rangel, Mr. Roncalio of Wyoming, Mr. Steiger of Arizona, Mr. Thomson of Wisconsin, and Mr. Zwach):

H.R. 5201. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; to the Committee on Ways and Means.

By Mr. BADILLO (for himself, Ms. Abzug, Mr. Bell, Mr. Burton, Mr. Conyers, Mr. Corman, Mrs. Chisholm, Mr. Clay, Mr. Danielson, Mr. Dellums, Mr. Fauntroy, Mr. Fraser, Mr. Hawkins, Mr. Helstoski, Mr. Koch, Mr. Mazzoli, Mr. Mitchell of Maryland, Mr. Nix, Mr. Rangel, Mr. Riegle, Mr. Rosenthal, Mr. Roybal, Mr. Stark, and Mr. Stokes):

H.R. 5202. A bill to amend title 18 of the United States Code to provide rules for the treatment of prisoners in Federal correctional institutions; to the Committee on the Judiciary.

By Mr. BELL (for himself, Mr. Brown of California, Mr. Carney of Ohio, Mr. Corman, Mr. Cronin, Mr. Danielson, Mr. Eilberg, Mr. Esch, Mr. Frenzel, Mr. Green of Pennsylvania, Mr. Hanna, Mr. Hansen of Idaho, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Horton, Mr. Kuykendall, Mr. Lent, Mr. Mazzoli, Mr. McKinney, Mr. Moakley, Mr. Moss, Mr. Podell, and Mr. Rangel):

H.R. 5203. A bill to amend the National Science Foundation Act of 1950 in order to establish a framework of national science policy and to focus the Nation's scientific talent and resources on its priority problems, and for other purposes; to the Committee on Science and Astronautics.

By Mr. BELL (for himself, Mr. Rees, Mr. Roybal, Mr. Steele, Mr. Waldie, Mr. Charles H. Wilson of California, Mr. Wolff, Mr. Won Pat, and Mr. Yatron):

H.R. 5204. A bill to amend the National Science Foundation Act of 1950 in order to establish a framework of national science policy and to focus the Nation's scientific talent and resources on its priority problems, and for other purposes; to the Committee on Science and Astronautics.

By Mr. BENNETT (for himself, Mr. Frey, Mr. Kuykendall, Mr. Roy, and Mr. Yates):

H.R. 5205. A bill to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data; to the Committee on Interior and Insular Affairs.

By Mr. BURKE of Massachusetts (for himself, Mr. Addabbo, Mr. Annunzio, Mr. Barrett, Mr. Bevill, Mr. Brasco, Mr. Byron, Mr. Carney of Ohio, Mrs. Chisholm, Mr. Dominick V. Daniels, Mr. Danielson, Mr. Donohue, Mr. Eilberg, Mr. Evins of Tennessee, Mr. Flood, Mr. Gaydos, Mr. Green of Pennsylvania, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Madden, Mr. Mollohan, Mr. Morgan, Mr. Murphy of New York, and Mr. Nix, and Mr. Owens):

H.R. 5206. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. Patten, Mr. Perkins, Mr. Podell, Mr. Price of Illinois, Mr. Rangel, Mr. Rodino, Mr. Roe, Mr. Roncalio of Wyoming, Mr. Runnels, Mr. St Germain, Mr. Stratton, Mr. Thompson of New Jersey, Mr. Vigorito, Mr. Wolff, Mr. Won Pat, Mr. Yatron, Mr. Denholm, and Mr. Boland):

H.R. 5207. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself and Mr. Hechler of West Virginia):

H.R. 5208. A bill to provide certain special rules with respect to the application of the Internal Revenue Code of 1954 to certain flood victims; to the Committee on Ways and Means.

By Mr. CARNEY of Ohio:

H.R. 5209. A bill to amend the Internal Revenue Code of 1954 to provide an income tax deduction for the performance by an individual of volunteer services for a Federal, State, or local governmental agency; to the Committee on Ways and Means.

By Mr. DEL CLAWSON:

H.R. 5210. A bill to provide for the U.S. District Court for the Central District of California to hold court at Santa Ana, Calif.; to the Committee on the Judiciary.

By Mr. CONYERS:

H.R. 5211. A bill to provide for home rule for the District of Columbia; to the Committee on the District of Columbia.

H.R. 5212. A bill to authorize and direct the Commissioner of the District of Columbia to conduct an election for the purpose of a referendum on the question of statehood for the residents of the present District, election of delegates to a constitutional convention, and for other purposes; to the Committee on the District of Columbia.

By Mr. DAN DANIEL (for himself and Mr. Robinson of Virginia):

H.R. 5213. A bill to amend the Occupational Safety and Health Act of 1970 to permit the States to continue to enforce their safety and health standards pending final action on State plans they have submitted; to the Committee on Education and Labor.

By Mr. E de la GARZA:

H.R. 5214. A bill authorizing the Secretary of the Army to construct three floodwater channels for flood prevention and other purposes in the Lower Rio Grande Basin, Willacy, Hidalgo, and Cameron Counties, Tex.; to the Committee on Public Works.

By Mr. EDWARDS of Alabama:

H.R. 5215. A bill to authorize the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial, private, and non-Federal public forest landowners, and for other purposes; to the Committee on Agriculture.

By Mr. EILBERG:

H.R. 5216. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. EILBERG (for himself, Ms. Abzug, Mr. Arends, Mr. Bevill, Mr. Boland, Mr. Brown of California, Mrs. Burke of California, Mr. Burton, Mr. Carney of Ohio, Mrs. Chisholm, Mr. Clark, Mr. Collins, Mr. Davis of Georgia, Mr. Denholm, Mr. Drinan, Mr. Duncan, Mr. Fish, Mr. Gaydos, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. Jones of North Carolina, Mr. Leggett, Mr. Lehman, Mr. McCloskey, and Mr. Moakley):

H.R. 5217. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

By Mr. EILBERG (for himself, Mr. Murphy of Illinois, Mr. Podell, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Stark, Mr. Symington, Mr. Tiernan, Mr. Vander Jagt, Mr. Ware, Mr. Williams, Mr. Charles H. Wilson of California, and Mr. Yatron):

H.R. 5218. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

By Mr. EILBERG (for himself, Mr. Bevill, Mr. Boland, Mr. Brown of California, Mr. Buchanan, Mr. Burton, Mrs. Chisholm, Mr. Clark, Mr. Collins, Mr. Davis of Georgia, Mr. Denholm, Mr. Fish, Mrs. Holt, Mr. Jones of North Carolina, Mr. Moakley, Mr. Murphy of Illinois, Mr. Podell, Mr. Roe, Mr. Roybal, Mr. Rosenthal, Mr. Symington, Mr. Ware, Mr. Williams, Mr. Charles H. Wilson of California, and Mr. Yatron):

H.R. 5219. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

By Mr. ESHLEMAN (for himself, Mr. Thone, Mr. Ware, Mr. McDade, Mr. Rooney of Pennsylvania, Mr. Heinz, and Mr. Fuqua):

H.R. 5220. A bill to authorize and direct the Comptroller General of the United States to hire comptrollers to examine proposed expenditures of the executive agencies to determine if each such expenditure is consistent with the legislative intent of Congress with respect to the legislation authorizing it, and if it is inconsistent, to prohibit the making of such expenditure; to the Committee on Government Operations.

By Mr. EVINS of Tennessee:

H.R. 5221. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41 et seq.) to provide that under certain circumstances territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. EVINS of Tennessee (for himself, Mr. Addabbo, Mr. Bergland, Mr. Broyhill of North Carolina, Mr. Carney of Ohio, Mr. Conte, Mr. Harrington, Mr. Harvey, Mr. Keating, Mr. Kemp, Mr. Kluczynski, Mr. McCollister, Mr. McDade, Mr. Mitchell of Maryland, Mr. St Germain, Mr. Smith of Iowa, Mr. J. William Stanton, Mr. Steed, Mr. Thomson of Wisconsin, and Mr. Wyman):

H.R. 5222. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 5223. A bill to amend title 37, United States Code, so as to extend from 1 to 3 years the period that a member of the uniformed services has following his retirement to select his home for purposes of travel and transportation allowances under such title, and for other purposes; to the Committee on Armed Services.

By Mr. FREY (for himself, Mr. Anderson of Illinois, Mr. Ashley, Mr. Bafalis, Mr. Bell, Mr. Biester, Mr. Brown of Michigan, Mr. Broyhill of Virginia, Mr. Buchanan, Mr. Cronin, Mr. Danielson, Mr. Donohue, Mr. Eilberg, Mr. Fascell, Mr. Frenzel, Mr. Gibbons, Mrs. Grasso, Mr. Hastings, Mr. Hicks, Mr. Horton, and Mr. Hosmer):

H.R. 5224. A bill to provide for a uniform application of safety standards for mobile homes and recreational vehicles in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Mr. Kemp, Mr. McClory, Mr. McCollister, Mr. McDade, Mr. McKinney, Mr. O'Hara, Mr. Pepper, Mr. Pettis, Mr. Roy, Mr. Roybal, Mr. Steele, Mr. Whitehurst, Mr. Williams, Mr. Wolff, and Mr. Zwach):

H.R. 5225. A bill to provide for a uniform application of safety standards for mobile homes and recreational vehicles in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON (for himself, Mr. Broyhill of Virginia, Mr. Sebelius, Mr. Winn, Mr. Shriver, Mr. Brown of Michigan, Mr. Dellenback, and Mr. Nichols):

H.R. 5226. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expense of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mrs. GRASSO:

H.R. 5227. A bill to provide certain protection against the disclosure of information and sources of information by newspersons; to the Committee on the Judiciary.

By Mr. GUDE:

H.R. 5228. A bill to amend title 35, United States Code, "Patents," and for other purposes; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 5229. A bill to provide for annual authorization of appropriations to the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. HAWKINS (for himself, Ms. Abzug, Mr. Benitez, Mr. Brown of California, Mrs. Chisholm, Mr. Clay, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Dent, Mr. Diggs, Mr. Fauntroy, Mr. Harrington, Ms. Holtzman, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Nix, Mr. Rangel, Mr. Roybal, Mr. Stokes, and Mr. Young of Georgia):

H.R. 5230. A bill to enforce the Treaty of Guadalupe-Hidalgo as a treaty made pursuant to article VI of the Constitution in regard to lands rightfully belonging to descendants of former Mexican citizens, to recognize the municipal status of the community land grants, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HELSTOSKI:

H.R. 5231. A bill to repeal the bread tax on 1973 wheat crop; to the Committee on Agriculture.

H.R. 5232. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Ms. HOLTZMAN:

H.R. 5233. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself, Ms. Abzug, Mr. Badillo, Mr. Brown of California, Mr. Danielson, Mr. Dellums, Mr. Donohue, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Fraser, Mr. Gibbons, Mr. Moakley, Mr. Moss, Mr. Obey, Mr. Rangel, Mr. Rosenthal, Mr. Studds, Mr. Tiernan, Mr. Vanik, and Mr. Won Pat):

H.R. 5234. A bill to amend the Clayton Act to preserve competition among corporations in the production of oil, coal, and uranium; to the Committee on the Judiciary.

By Mr. McKAY:

H.R. 5235. A bill to amend the family planning provisions of the Economic Opportunity Act of 1964; to the Committee on Education and Labor.

H.R. 5236. A bill to provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER (for himself, Ms. Abzug, Mr. Foley, Mr. Gude, Miss Holtzman, Mr. Meeds, Mr. Mezvinski, Mr. Price of Illinois, Mr. Railsback, and Mr. Symington):

H.R. 5237. A bill to repeal section 411 of the Social Security Amendments of 1972, thereby restoring the right of aged, blind, and disabled individuals who receive assistance under title XVI of the Social Security Act after 1973 to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 5238. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MORGAN (for himself, Mr. Clark, Mr. Dent, Mr. Eilberg, Mr. Flood, Mr. Green of Pennsylvania, Mr. Rooney of Pennsylvania, Mr. Saylor, and Mr. Vigorito):

H.R. 5239. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr MORGAN (for himself, Mr. Clark, Mr. Dent, Mr. Eilberg, Mr. Flood, Mr. Gaydos, Mr. Green of Pennsylvania, Mr. McDade, Mr. Rooney of Pennsylvania, Mr. Saylor, Mr. Vigorito, Mr. Ware, and Mr. Heinz):

H.R. 5240. A bill to provide for orderly trade in iron and steel products; to the Committee on Ways and Means.

By Mr. OWENS:

H.R. 5241. A bill to promote the employment of unemployed Vietnam veterans; to the Committee on Ways and Means.

By Mr. OWENS (for himslf and Mr. McKay):

H.R. 5242. A bill to authorize and direct the acquisition of certain lands within the boundaries of the Wasatch National Forest in the State of Utah by the Secretary of Agriculture; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H.R. 5243. A bill to amend title 38 of the United States Code, so as to entitle veterans of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively; to the Committee on Veterans' Affairs.

By Mr. PATMAN (for himself, Mrs. Sullivan, Mr. Widnall, and Mr. Wylie):

H.R. 5244. A bill to provide a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars and half-dollars; to the Committee on Banking and Currency.

By Mr. PEYSER:

H.R. 5245. A bill to place methaqualone on schedule II of controlled substances; to the Committee on Interstate and Foreign Commerce.

By Mr. PRITCHARD:

H.R. 5246. A bill to allow a credit against the Federal income tax for State and local real property taxes, or an equivalent portion of rent, paid on their principal residences by individuals who have attained age 62; to the Committee on Ways and Means.

By Mr. RARICK:

H.R. 5247. A bill to provide a mandatory death penalty for air piracy, kidnapping, assassination of certain public officials, and treason against the United States; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 5248. A bill to amend title 18 of the United States Code, to define and discourage certain criminal conduct by U.S. nationals and certain foreign nationals in Antarctica; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 5249. A bill to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes; to the Committee on Education and Labor.

H.R. 5250. A bill to extend to volunteer fire companies and volunteer ambulance and rescue companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations; to the Committee on Post Office and Civil Service.

By Mr. RONCALIO of Wyoming:

H.R. 5251. A bill to amend the Land and Water Conservation Fund Act of 1965 to allow for the recreation planning, acquisition, or development for indoor facilities; to the Committee on Interior and Insular Affairs.

H.R. 5252. A bill to reimburse the Shoshone and Arapahoe Tribes of the Wind River Reservation, Wyo., for tribal funds that were expended to benefit only individuals in the construction, operation, and maintenance of the Wind River irrigation project; to the Committee on Interior and Insular Affairs.

H.R. 5253. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSTENKOWSKI:

H.R. 5254. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. SATTERFIELD:

H.R. 5255. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELMAN (for himself, Mr. Patman, and Mr. Charles Wilson of Texas):

H.R. 5256. A bill to name a Federal office building in Dallas, Tex., the "Earle Cabell Federal Building;" to the Committee on Public Works.

By Mr. STEIGER of Arizona (for himself, Mr. Collins, Mr. Bafalis, Mr. Haley, Mr. Baker, Mr. Fisher, Mr. Landgrebe, Mr. Archer, Mr. Henderson, Mr. Buchanan, Mr. Blackburn, Mr. Camp, Mr. Robinson of Virginia, Mr. Price of Texas, Mr. Ware, Mr. Crane, Mr. Young of Florida, Mr. Dickinson, Mr. Parris, Mr. Teague of California, Mr. Rousselot, and Mr. Spence):

H.R. 5257. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

By Mr. STOKES (for himself, Mr. Dellums, Mr. Dent, Mr. Fauntroy, Mr. Mitchell of Maryland, Mr. Pepper, Mr. Price of Illinois, and Mr. White):

H.R. 5258. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has enough quarters of coverage to be fully insured for old-age benefit purposes, regardless of when such quarters were earned; to the Committee on Ways and Means.

By Mr. VIGORITO:

H.R. 5259. A bill to authorize the Corps of Engineers to cooperate with the States and subdivisions thereof in the enforcement of State and local laws and ordinances in lands owned by the United States and developed by the Corps of Engineers for public use; to the Committee on Public Works.

By Mr. WAGGONNER:

H.R. 5260. A bill to provide that the terms of pension, retirement, and similar insurance plans which call for different retirement ages for men and women shall be unlawful; to the Committee on Education and Labor.

H.R. 5261. A bill to amend the Internal Revenue Code of 1954 to provide a distribution deduction in the case of certain cemetary perpetual care fund trusts; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 5262. A bill to amend title 38 of the United States Code to provide an alternative method for computing dependency and indemnity compensation in order to insure that in certain instances the survivors of deceased veterans receive an amount of compensation equal to that to which they would have been entitled if such veterans had been civil service employees killed while performing job-related functions; to the Committee on Veterans' Affairs.

By Mr. CHARLES H. WILSON of California:

H.R. 5263. A bill to require that all schoolbuses be equipped with seatbelts for passengers and seatbacks of sufficient height to prevent injury to passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. WON PAT:

H.R. 5264. A bill to amend section 3(f) of the Federal Property and Administrative Services Act of 1949, with respect to Guam; to the Committee on Government Operations.

By Mr. FULTON:

H.J. Res. 407. Joint resolution to clarify certain provisions of the Supplemental Appropriations Act, 1973; to the Committee on Appropriations.

By Mr. LONG of Maryland (for himself, Mr. Hechler of West Virginia and Mr. Denholm):

H.J. Res. 408. Joint resolution prohibiting U.S. rehabilitation and reconstruction aid to the Republic of Vietnam, the Democratic Republic of Vietnam, or any other country in Indochina until certain conditions have been met, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ROE:

H. Con. Res. 143. Concurrent resolution expressing the sense of the Congress with respect to an international conference on air piracy; to the Committee on Foreign Affairs.

By Mr. BLACKBURN:

H. Res. 268. A resolution to declare U.S. sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, Mr. HELSTOSKI, and Mr. O'NEILL):

H. Res. 269. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each Delegate to the House, and for other purposes; to the Committee on House Administration.

By Mr. TEAGUE of Texas:

H. Res. 270. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 253; to the Committee on House Administration.

By Mr. THOMPSON of New Jersey:

H. Res. 271. Resolution to provide funds for the expenses of the investigations and study authorized by House Resolution 187; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

67. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Virginia, relative to the rural environmental assistance program; to the Committee on Agriculture.

68. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to no-fault insurance; to the Committee on Interstate and Foreign Commerce.

69. Also, memorial of the Legislature of the State of New Hampshire, relative to the observance of Memorial Day and Veterans Day; to the Committee on the Judiciary.

70. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to pollution control grants; to the Committee on Public Works.

71. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to reimbursement to localities for certain water pollution control works; to the Committee on Public Works.

72. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to a flood control survey of the Chowan River and tributaries in Virginia; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H.R. 5265. A bill for the relief of Leda Morassutti; to the Committee on the Judiciary.

By Mr. FORSYTHE:

H.R. 5266. A bill for the relief of Ursula E. Moore; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

58. The SPEAKER presented petition of the city councils of Anchorage and Fairbanks, Alaska, in joint session, relative to the issuance of a pipeline construction permit from Prudhoe Bay to Valdez, Alaska; to the Committee on Interior and Insular Affairs.

SENATE—*Tuesday, March 6, 1973*

The Senate met at 11 a.m., and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, we pray for this Nation, born in Thy faith and nourished in Thy truth, that it may seek unselfishly to serve Thy great purposes for mankind, and so prove itself worthy of Thy manifold blessings.

We pray for ourselves in this Chamber, that amid the stress and strife of these demanding days we may be faithful to the highest and best we know. Grant us grace that we may obscure no truth, evade no duty, nor shrink from any sacrifice which will achieve justice and peace.

We pray for all mankind, that we may be joined with the whole family of Thy creation to build Thy kingdom on earth.

Through Him who is King of Kings and Lord of Lords. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 6, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of March 1, 1973, the following reports of committees were submitted on March 2, 1973:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 721. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes (Rept. No. 93–53).

By Mr. HARTKE, from the Committee on Veterans' Affairs, with amendments:

S. 49. A bill to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes (Rept. No. 93–55).

By Mr. CRANSTON (for Mr. HARTKE), from the Committee on Veterans' Affairs, with amendments:

S. 59. A bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery (Rept. No. 93–54); and

S. 284. A bill to amend chapter 17 of title 38, United States Code, to require the availability of comprehensive treatment and rehabilitative services and programs for certain disabled veterans suffering from alcoholism, drug dependence, or alcohol or drug abuse disabilities, and for other purposes (Rept. No. 93–56).

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, March 1, and Friday, March 2, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 3298. An act to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act;

H.R. 4278. An act to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973; and

H.J. Res. 393. Joint resolution to amend the education amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 3694) to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. HATHAWAY).

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 3298. An act to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act; and

H.R. 4278. An act to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973; to the Committee on Agriculture and Forestry.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Chair recognizes the Senator from Montana.

INEQUITABLE TREATMENT OF INDIANS

Mr. MANSFIELD. Mr. President, first, let me say that I do not believe in assaults on persons or property. With that statement, I wish to discuss the situation at Wounded Knee, S. Dak., where matters remain in a state of uncertainty, with negotiations still going on. It would be my hope that the Federal Government which has a direct responsibility for Indian affairs would undertake a thorough inquiry and investigation into the complaints which have been raised and the reasons for them. When I speak of the Federal Government, I also mean Congress because these decendants of the original Americans, these troubled and unhappy citizens, should be given the full consideration which is their due.

Reference has been made to broken treaties, and I am very certain that many of the treaties which have been entered into between the Federal Government and the various Indian nations and tribes have not been carried out in good faith. On the basis of research, I find the matter is not one for consideration by the Foreign Relations Committee. Evidently, the Foreign Relations Committee was not consulted, nor did it pass on the treaties when they were originally entered into between the Federal Government and the Indian nations or tribes. There are somewhere between 370 and 400 of these Indian treaties and they were entered into on the basis of what we would now call executive agreements, rather than treaties in the strict sense of the word. They were agreements apparently reached between agents of the executive branch of the Government and the Indian tribes and nations, with Congress playing a minor part, if any, in the matters involved. The problems of "one branch" government obviously have long roots.

What is called for, I believe, is a thorough and complete shakeup of the Bureau of Indian Affairs. It may well have to be shaped into a separate, independent agency, staffed by the best people possible, funded adequately and having as its major concerns the rectification of Indian wrongs and the welfare of the Indian people. I should note, in this connection, that President Nixon, in his 1974 budget, has asked for $1.45 billion for Indian affairs which is an increase of more than 15 percent over the total requested for fiscal year 1973.

The treatment of these people, in general, has been based on misunderstanding, a lack of appreciation and a downright exploitation of our fellow citizens down through the years of our history.

If my memory serves me correctly, the last Indian battle occurred at Wounded Knee in 1883 with the annihilation of the Indians. Just 8 years prior to that, the battle of the Little Big Horn took place in Montana—a battle which resulted in the defeat of Col. George Custer and the annihilation of his command. I cite these two dates only to indicate that within the past 100 years there have been difficulties of a savage nature with the Indian population in various parts of our—perhaps I should say, their—country.

The difficulties have not been overcome in recent years, but on occasion, have even been exacerbated. Almost always, the Indian has been the victim. The aggression, the greed, the alleged superiority of the white man, coupled with a lack of understanding and appreciation on the part of the Federal Government, has done much to bring about this strained relationship. It is time to find an equitable solution to the cumulative ills and the evils which have been inflicted on the Indians by the arrogance and insensitivity of the rest of us.

I would point out that the Indians, as a group, have, on a percentage basis, furnished more volunteers in all the wars in this century than any other group. This group, despite its grievances, has proved its loyalty to and love for the United States in times of stress and strain. Very few Indians have ever claimed exemption from military service and no other group, by and large, has been as devoted and as loyal to the country which was once their ancestors' and from which they were driven onto the reservations.

I would suggest, therefore, that the President, in addition to what he has already done, undertake an immediate initiative to bring about a solution to the problems at Wounded Knee, to do so on a basis which would take into consideration the welfare, the well-being of the people involved in this situation and the rectification of wrongs suffered by all Indians. The most serious consideration should be given to abolishing the present Indian Bureau and to replacing it with an independent agency along the lines already suggested. I would also urge the distinguished chairmen of the Senate and House Interior Committees, Senator JACKSON and Representative HALEY, to undertake a thorough investigation to the end that Indian inequities can be removed, wrongs corrected, and appropriate legislation proposed which would treat the Indians in a manner which will rectify as many as possible of the complaints which have been raised.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by the Library of Congress, Congressional Research Service, on the subject of U.S. treaties with Indian tribes.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., March 1, 1973.

To: Senate Committee on Foreign Relations.
From: Marjorie Ann Browne, Analyst in International Relations.
Via: Chief, Foreign Affairs Division.
Subject: U.S. treaties with Indian tribes.

Beginning with the ratification of the Delaware Treaty by the Continental Congress in September 1778, and continuing after the adoption of the Constitution in 1789, the United States followed a policy of making treaties with the Indian nations or tribes. This practice continued until the act of March 3, 1871 (16 Stat. 566) by which Congress declared that no Indian nation or tribe would be recognized "as an independent nation, tribe, or power with whom the United States may contract by treaty."[1]

"So far as matters of form and procedure on the part of the United States were concerned, Indian treaties followed precisely the same course as did treaties with foreign nations; after signature they were submitted to the Senate by the Executive, and they received the advice and consent of the Senate, or were rejected, or were amended, as the case might be. Indeed, the practice in the Senate regarding its consideration of treaties generally was considerably influenced in the early years of the Constitution by the procedure in respect of certain treaties with Indian nations."[2] Between 1778 and 1871, 370 treaties were made with Indian tribes and ratified by the Senate.[3] These treaties were considered to have the same authority as treaties with foreign nations; they were all treaties pursuant to Article 2, section 2 of the Constitution.[4] After 1871 agreements with Indian tribes were not considered treaties, although the form and substance was the same.

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[1] That does not mean that agreements were not concluded between representatives of the colonies or of the United States before 1778 and after 1871. These agreements were not considered treaties, as understood by U.S. constitutional law.

[2] The preceding was taken verbatim from Miller, Hunter, ed. Treaties and Other International Acts of the United States of America, vol. 1. Plan of the Edition, Lists, and Tables. Washington, U.S. Govt. Print. Off., 1931. Pages 5–6.

[3] U.S. Congress. House. Committee on Interior and Insular Affairs. List of Indian Treaties. A Memorandum and Accompanying Information from the Chairman of the Committee on Interior and Insular Affairs . . . to the Members of the Committee. September 8, 1964. Washington, U.S. Govt. Print. Off., 1964. (88th Congress, 2d session. Committee Print No. 33). See pages 1–6 for chronological listing.

[4] Butler, Charles Henry. The Treaty-Making Power of the United States, vol. 2. New York, Banks Law Publishing Company, 1902. Pages 203, 212–215; Cohen, Felix S. Handbook of Federal Indian Law. Washington, U.S. Govt. Print. Off., 1942. (U.S. Department of the Interior. Office of the Solicitor.) Pages 33–36.

CONSIDERATION BY THE SENATE

A sampling of the Senate Executive Journal for the period 1841–1845 and the Senate Executive Proceedings for the period 1915–1929 reveals that treaties with Indian tribes, listed apart from treaties and conventions with foreign nations, were sent to the Senate Committee on Indian Affairs, which appears to have had jurisdiction from the time when such treaties were first considered by a standing committee until passage of the 1871 statute. (During the early Congresses Indian treaties were considered by the entire Senate or by a select committee appointed for that purpose.)

It would appear that no Indian treaties were referred to the Foreign Relations Committee. Thus, it could be argued that because the Committee on Interior and Insular Affairs became responsible for relations between the United States and American Indians, it would be the proper committee for consideration of matters arising under treaties with the Indians. However, Senate Rule (number 25) assigns all jurisdiction over treaties to the Foreign Relations Committee, and we have been told by the Senate Parliamentarian that any question involving treaties per se, including Indian treaties would be referred to the Foreign Relations Committee.

On the question of whether the President has the power and authority to make treaties with Indian tribes, in view of the 1871 act, John Bassett Moore, in vol. 5 of the Digest of International Law (Washington, U.S. Govt. Print. Off., 1906. Page 220–221), cites debate on the act:

> It was admitted that if the President should undertake to make a treaty with the Indians, Congress could not interfere with his so doing, by and with the advice and consent of the Senate. . . .

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from New York, the acting minority leader, desire to be recognized at this time?

Mr. BUCKLEY. Not at this time, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Colorado (Mr. HASKELL) is recognized for not to exceed 15 minutes.

CONDUCTING THE GOVERNMENT'S BUSINESS IN THE OPEN

Mr. HASKELL. Mr. President, I wish to comment briefly today on the necessity of conducting our Government's business in the open. This is a general principle that has been breached both in the executive and in the legislative branches.

I can best express the reasons for conducting the business in the open by quoting the words of Thomas Jefferson who, with his usual economy of phrase, wrote to Baron von Humboldt in 1807:

> When a man assumes a public trust, he should consider himself public property.

Mr. President, the fact that in this Chamber we have galleries open to the public, the fact that we have debate in public, and the fact that our votes are recorded, carry out and illustrate the desires of those who formed our Constitution that the business be conducted in the open. The reason is very clear. Public business conducted behind closed doors invites suspicion, invites the suspicion that citizens are not listened to but that possibly special interests are.

It is important today, perhaps more than ever in this country's history, to dispel any suspicion because of the widespread alienation of many of our country's citizens to our Government.

"Washington is not responsive," is a phrase that I heard time after time in the campaign I conducted for this office last fall. The suspicion that exists—at least, in the people to whom I talked in my State—is that not they, the ordinary citizens, are listened to, but that big money, whether the big money to be corporate or whether the big money be union, is listened to.

The real decisions, according to many of those to whom I talked, are made behind closed doors.

Lack of confidence in Government, in my opinion, is probably the single most important problem facing our Nation today. Democracy, for its very existence, depends upon confidence. If the people of our country lose confidence in their Government, we may very well drift, as France may today be drifting, toward a totalitarian form of government.

Therefore, Mr. President, I suggest that we must do everything we possibly can to assure that no business is conducted behind closed doors and that the people's business is accessible to the people. We must insure at this time that our decisions and the decisions of the executive branch are conducted in the open and that the secrecy prevailing in the executive branch, through overclassification of documents and otherwise, is dispelled.

First, however, I submit that we must put our house in order. Today, in a very short time, this body will be discussing a change in the rules of the U.S. Senate. The debate will be as to whether the meetings of all committees, when bills are amended and votes are taken on amendments and on bills, will be open, unless, for good and sufficient reason, by a majority vote be closed.

After 60 days, which is all the time I have been in this Chamber, it is my estimate—an estimate, obviously, on a short period of time—that no Senator can be familiar with all legislation coming before this Chamber. We must depend upon the committee system to hear all parties and to fine-tune legislation to an acceptable form by amending it as necessary.

As a guess—and admittedly at this point it is possibly an untutored guess—I would suggest that 80 percent of the Senate's business is conducted in committee. If I am even close to being accurate, this means that a substantial majority of the decisions are made in committee. These decisions surely must be with open doors and not behind closed doors, which invite suspicion; because to do so behind closed doors, I submit, plays into the hands of our detractors. It increases the alienation of our citizens, and it is harmful to our constitutional form of Government.

Thus, Mr. President, it is my hope that today the rule that will prevail and will be adopted will be one which provides that all committee meetings, for all purposes, except for national security or when other good and sufficient reasons exist, be open to all members of the public.

Once we put our house in order, we can make demands on the executive branch. We can demand an end to its secrecy, to its closed doors, to the decisions that are made by faceless and unreachable appointees.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time does the distinguished Senator from Colorado have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Colorado has 7 minutes remaining.

Mr. ROBERT C. BYRD. Would the Senator have any objection to my reserving that time?

Mr. HASKELL. Certainly not.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the remaining time be reserved and be controlled by me.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against the time of the distinguished Senator from Colorado (Mr. HASKELL).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time allotted to Mr. BELLMON under the previous order be allotted instead to the distinguished Senator from New Hampshire (Mr. McINTYRE).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the remaining time allotted to Mr. HASKELL continue to be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks Senator McINTYRE made at this point on the introduction of S. 1100, the National Health Care Act of 1973, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

Mr. McINTYRE. Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that request?

Mr. McINTYRE. I withhold it.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator's time, if he has any remaining, be reserved.

The ACTING PRESIDENT pro tempore. The Senator has used up his time.

Mr. ROBERT C. BYRD. I thank the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may require to the distinguished Senator from South Dakota (Mr. McGOVERN) out of my time.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. McGOVERN. I thank the Senator from West Virginia.

LEGAL SERVICES

Mr. McGOVERN. Mr. President, it is time for an honest accounting of the administration's efforts to scuttle the OEO legal services program.

Many of us have come to recognize OEO legal services, including the backup system and the Reginald Heber Smith Fellowship program, as one of the most effective and successful programs to come out of the 1960's.

Last year legal services lawyers represented 1.3 million people who would otherwise have been without legal representation—up from 291,000 in 1967. The work includes landlord-tenant, domestic relations, breach of contract, governmental rulings and administrative hearings, and a series of other areas in which all of us must rely on the help of legal counsel. The program has had the services of excellent lawyers, young and old. It is worth noting, too, that the average cost per case has dropped dramatically—from $97 in 1967 to about $59 in 1970—as the program has grown.

The Congress has responded properly to that record with additional funds. From an initial appropriation of $26 million in 1966, legal services funding has risen to $71.5 million for the current fiscal year. At present there are some 2,500 poverty lawyers working out of 900 offices throughout the country.

There was good reason for President Nixon to lay special stress on this program when he announced his broad strategy for dealing with the needs of the poor in his first term. And he did just that. Along with the Family Assistance plan, he announced plans for a "strengthened and elevated" office of legal services. He noted that:

> The sluggishness of many institutions at all levels of society in responding to the needs of individual citizens is one of the central problems of our time.

And he argued that—

> Disadvantaged persons in particular must be assisted so that they fully understand the lawful means of making their needs known and having those needs met.

We were told then that the poor must have advocates in dealing with social institutions, and that legal services was the vehicle.

During that period, many of us concluded that while Mr. Nixon quarreled with the means of the previous administration, he remained committed to the same ends of social justice that have inspired our labors since the 1930's.

But what are we to believe now?

The Family Assistance plan is clearly out of favor at the White House, with Mr. Moynihan off to India and the poor advised to ask what they can do for themselves. Meanwhile, the administration seems to be seething with antagonism toward legal services; either that or Acting OEO Director Howard Phillips, charged with dismantling the agency he heads, is simply incompetent as well as insensitive.

The renewal of all grants expiring before March 1 has been limited to only 30 days, except in very unusual circumstances. Even those grants made for a period longer than 30 days are to have their funds released every 30 days, rather than on the usual quarterly schedule.

In my own State, the annual grant of $300,000 to South Dakota legal services expired on December 31. Yet the funds for 1973 have still not been released—in plain violation not only of the law, but of Mr. Phillips' own 30-day rule. The program is now left with the 400 cases hanging in the air.

Last year, this agency served some 10,000 clients in South Dakota who would have otherwise been without legal advice, The attorney general of South Dakota, the president of the South Dakota Trial Lawyers' Association, a number of States attorneys and many judges have all contacted me testifying to the need for an active and healthy legal services program in South Dakota. Yet if funds are not released immediately, South Dakota legal services will be forced to close its doors in a few days' time.

The same predicament prevails all across the country. In California, some 400 legal services attorneys see an estimated 200,000 low-income clients per year, or 4,000 new clients per week. They carry an open caseload of roughly 60,000 cases. Each of 34 separate programs in the State is a local nonprofit corporation, controlled by the local bar association. Six of those programs have already been forced to close their doors to new clients. Ten more were due to close last week. Those 16 programs alone carry an open load of 37,000 cases, each of them immediately threatened with loss of counsel. And thousands of poor people, urgently seeking legal help, are now being turned away as legal services, faced with a total shutdown within days, are unable—either ethically or legally— to make additional commitments.

Another example of the effect that the administration's policy is having in the field is the case of Appalachian Research and Defense Fund, Inc., a legal aid program administered through the West Virginia Institute of Technology. This program, which handled approximately 3,500 cases in 1972, had its annual grant of $432,000 expire last December 31. Since that time, although they have received a copy of a 4-month extension from OEO, with confirmation on January 30, they have yet to receive a single dollar. The fund has 2,500 open cases pending and all the confirmations in the world are not going to keep their doors open if the funds continue to be withheld.

The 30-day policy was supposed to terminate on March 1. But it does not, of course, make the slightest difference what the grant period is if the money is still tied up in Washington.

I suspect there is no Member of the Congress who could not make a similar report. The legal services program is near a state of chaos nationwide, and everyone who is aware of the condition of the program knows that that is not an exaggeration.

Perhaps the administration does retain an interest in legal advocacy for the poor. But if that is true, then the entire matter has been bungled outrageously. The current situation is plainly absurd.

For that reason, it seems likely to me that the opposite is true and the administration has revealed its real intentions in its own words.

Presumably many Senators have seen the internal memo from Vice President AGNEW quoted in the press:

> Of all the OEO programs, Legal Services is the one most capable of fundamentally altering America. For that alone, it should be the first eliminated.

In other words, what the Vice President seems to be saying is that since this is the most effective program in dealing with the problems of the poor, this is the one that should be knocked in the head first.

We have also seen another memo describing the strategy for dealing with congressional dissent to the swift and successful dismemberment of OEO, by presenting a fait accompli.

I have another instructive memorandum on hand. It is dated February 13, 1973, and it comes from Marshall Boarman, acting director of program evaluation for the Office of Legal Services. He states:

> The problem of what to do about OEO's Legal Services backup centers is most urgent. Howard Phillips asked me to prepare a rationale for phasing them out and replacing them with an in-house unit.

Mr. President, I want to draw attention to the point that Mr. Boarman makes clear in that memorandum that he was not asked for his judgment about phasing out these backup centers, but was asked by the acting director of the center to prepare a rationale for killing it, not a rationalization of our legal service centers.

Legal services programs throughout the country can currently receive help from any of the 15 national and five State backup centers. These centers, usually affiliated with university law schools, specialize in different aspects of poverty law. They are the real technical expertise for the program.

But what Mr. Boarman said in his memo is that the decision was already made to eliminate the backup centers, and his job was to come up with a reason for doing what the administration had already decided to do to get rid of the experts.

In his rationale, Mr. Boarman set forth more of the administration's thinking. He said in part:

> If . . . a corporation should indeed be set up, the central problem with which this paper has been dealing, unaccountable advocacy, would be greatly magnified, unless steps are taken now to wind down the backup center as it is presently constituted. This is so because a backup center network funded by a semi-autonomous corporation would be even further removed from Government surveillance and control than is the case at present.

In other words, what Mr. Boarman is saying to his boss is that: "If you really want to gut the legal services organization, make sure that you get rid of these backup centers first. Then the job of killing the program will be made much easier."

The memo speaks of "unaccountable advocacy." But every lawyer is accountable to his client, to standards of professional ethics, and to the law. And the administration has not been able to come up with a single case in which a poverty lawyer has violated those standards. What they are really concerned about is lawyers who are responsive to the poor—as the program intended—but not to politicians.

So under the curious rationale of making the program less political, Howard Phillips is trying to make it more so—to destroy its independence and let political appointees decide when and how the rights of the poor may be asserted. If there is to be a legal services program at all, they are saying in effect that it must be fully responsive to political control from the administration in power.

Mr. Phillips has left little doubt about how much control would be exercised—to interpose political judgments between the low-income client and the law.

He despises this program and he is out to get it. In testimony before the House Committee on Equal Opportunities, he blamed the dramatic rise in the welfare rolls not on high unemployment rates or any other administration policy, but on the "* * * success of some legal service lawyers."

That is not true. But even if it were, Mr. Phillips would be suggesting a shocking, curious doctrine—that the access of poor people to welfare should depend not upon the laws adopted by the Congress, not upon the interpretations of the courts, but simply upon some bureaucrat's decision that they should be unable to assert their right. In other words, he is furious that lawyers acting under the legal services program simply explain to people what their rights are under the law.

Mr. President, this philosophy is an attack on the integrity of legal services lawyers, and it is an assault of some of the most vital guarantees of American citizenship. Everyone in this country should be entitled to legal representation when he is in trouble.

Through the fifth and 14th amendments, the Constitution mandates that every person shall enjoy equal protection of the laws of the United States and the various States. Effective and independent legal representation is the bulwark of this guarantee. A legal services corporation dominated by politics would plainly flout that legal right.

Legal aid attorneys, like all lawyers, are members of the bar in the States in which they practice. As such they are bound by the same canons of ethics that bind other attorneys—including Canon 5 of the Code of Professional Responsibility which states:

> A lawyer should exercise independent professional judgment on behalf of his client. The professional judgment of the lawyer should be exercised within the bounds of the law, solely for the benefit of his client and free of compromising influences and loyalties.

Yet the administration's strategy would require legal services lawyers to be responsible not to their clients alone, but to political influence from above, and this is the nub of the matter.

I hope the Congress will not tolerate this strategy, and I hope the President will instruct Mr. Phillips to abandon his disorderly administration of OEO.

Because of their own concern about some of the points I have been discussing, the House of Delegates of the American Bar Association recently reaffirmed its support for federally funded legal services for the poor. Its resolution of February 16 called for an increased level of Federal funds, a legal services program that is independent from political pressures, and enactment of legislation to establish a Federal legal services corporation reflecting those principles.

That is sound and sensible and fair advice, and it is reflected legislatively in several bills, including S. 706, by Senator MONDALE, to create an independent National Legal Services Corporation. I look forward to early action on legislation of that kind.

In the meantime, common sense alone dictates that existing legal services programs across the country should be funded immediately, pending a determination by the Congress on how the program will be administered when the new fiscal year begins.

Mr. President, the administration's general complaint against the landmark social legislation of the 1960s is that it has not worked. But their real objection to the legal services program seems to be that it has worked too well.

Before they rush that philosophy into public policy, both Mr. Phillips and President Nixon might reflect on the principle stated so well by the eminent jurist Learned Hand:

> Thou shalt not ration justice.

Mr. President, I thank the Senator from West Virginia for yielding time to me.

Mr. ROBERT C. BYRD. Mr. President, the Senator from South Dakota is welcome.

UNITED NATIONS COMMITTEE ON PEACEFUL USES OF THE SEABED AND OCEAN FLOOR BEYOND THE LIMITS OF NATIONAL JURISDICTION—APPOINTMENT BY THE PRESIDENT OF THE SENATE

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY). The Chair, on behalf of the President of the Senate appoints the Senator from Washington (Mr. MAGNUSON) as an adviser to attend the meetings of the United Nations Committee on Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction, to be held in New York, March 5–April 6, 1973, and in Geneva, Switzerland, July 2–August 24, 1973.

ORDER FOR RECOGNITION OF SENATORS HUGHES AND BELLMON ON THE NEXT DAY THAT THE SENATE MEETS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the next day that the Senate meets, following the remarks of the two leaders or their designees under the standing order, the distinguished Senator from Iowa (Mr. HUGHES) be recognized for not to exceed 15 minutes, and that he be followed by the distinguished Senator from Oklahoma (Mr. BELLMON) for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR BUCKLEY ON THURSDAY

Mr. ROBERT C. BYRD. I ask unanimous consent that on Thursday following any other orders for the recognition of Senators which may already have been entered, the distinguished Senator from New York (Mr. BUCKLEY) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

TRANSACTION OF ROUTINE BUSINESS

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY). Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

GHANA—16 YEARS OF INDEPENDENCE

Mr. FULBRIGHT. Mr. President, 16 years ago today, the country of Ghana established its independence and has had a history of considerable diversity, including successes and difficulties since that time.

She has experienced many of the same difficulties the United States is experiencing today, but she has achieved real success in meeting these problems—and I hope we may be able to do as well with our own economy.

For the information of my colleagues, I ask unanimous consent that a statement prepared by the Ambassador of Ghana describing his country's experience be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Ghana Is 16 Years Old: The Achievements of the National Redemption Council

Ghana, which is 16 years old today, has already experienced many vicissitudes. More than one year ago, Ghana had one of the worst balance of payments crises known to the developing world. We were up to our necks in inflation. Food was scarce and the prices were very prohibitive. Today, Ghana is on the way to achieving her first balance of payment surplus in many years. The country's visible balance of trade during 1972 showed a moderate surplus as against a deficit in 1971. We have succeeded at the same time in controlling inflation and our food production has shown a remarkable increase. We have done this from our own resources, without borrowing and adding to our external debt burden.

Our policy of self-reliance has paid off very well for not only have we been able to grow enough food for our people but we are also working hard to produce raw materials for our industries. From the results of "Operation Feed Yourself", we are moving forward to involve all the people in development through a new co-operative program which will lead to the creation of co-operative societies. We are moving the principle of self-reliance to a new plane where the people will not only feed themselves but will work to change their entire living conditions.

We have launched a campaign to provide houses for the people and we are adapting our educational system to suit our development needs.

The students of our three universities without prompting, voluntarily decided on their own to assist in the harvesting of sugar cane and to plough the land to mark a new turning point in our history inspiring a nation-wide determination to conquer the land and feed ourselves from its resources.

We recognise that the type of education imposed by colonialism has been detrimental to our interests. We have been brought up to hold white collar jobs in reverence and to look on manual labour with scorn. The result is that with our fertile land, abundant water and our proverbial sunshine, Ghana has been one of the greatest importers of food.

We are taking steps to correct this situation. The curricula of our educational systems, from primary to university, are being revised to reflect the needs of our society. The Government is taking steps to involve the institutions of higher learning in the practical problems of development.

The Agricultural Faculties of the University of Science and Technology and the University of Ghana have been asked to join the State Farms Corporation and the Agricultural Development Bank in a consortium to plan and implement a programme of oil palm develepment designed to make Ghana self-sufficient in oil palm production!

A similar consortium is to be promoted again by the two faculties, the Agricultural Development Bank and the Cattle Development Board to plan and execute a project to make Ghana self-sufficient in the production of cattle and meat preparations.

The Physical Planning and Architectural Departments of the University of Science and Technology have been requested to undertake project studies for the replanning and modernisation of our cities and the planning of new townships which will replace some of our villages.

Priority is being given to the training of Ghanaians for the high technical grades of the mining industry and for all the key sectors of our economy. This is to prevent the domination of our economy by powerful foreign interests.

In our world today, it is impossible for any single country to do it alone. The people and nations of the world must depend upon one another but this process of inter-dependence must be based on the new concept of partnership expressed in the form of joint ventures. Instead of seeking total ownership of major economic enterprises, we are asking foreign businessmen to think of joint ventures with our people so that the profits they earn may be jointly shared, partly for the development of the land and partly to reward the foreign entrepreneurs.

It is on the basis of this that the National Redemption Council has taken steps to acquire majority shareholding in our main extractive industries. Ghana already has such fruitful partnerships with a number of United States businesses.

This is a Government which in just over one year has shown practical understanding of our problems to evolve realistic plans to resuscitate our economy.

The National Redemption Council has recently been described by West Africa, a magazine published in Britain, as purposeful, energetic, honest, and worthy of every help from abroad. The magazine, in addition, has admitted that its earlier misgivings about the Council were wrong.

The people of Ghana through a determined effort of self-reliance and loyalty are making their country a much happier place to live in. We shall overcome.

THE SOCIAL SERVICES FUND

Mr. FULBRIGHT. Mr. President, a few days ago I joined 45 of my colleagues in a bipartisan letter to the Secretary of Health, Education, and Welfare stressing the serious impact which certain proposed changes in the Federal regulations for social services would have in my own State and across the country.

The Department's proposals, which were published in the Federal Register of February 16, would drastically revise the eligibility standards for social services, the kind of services which could be provided, and the qualification of State and local matching funds required for Federal assistance to community programs. If adopted in their present form, these proposals would result in the abolishment of some of the most worthwhile programs in Arkansas.

The Washington Post of Sunday, February 17, contained an editorial which provides an excellent analysis of the long struggle over the Federal Social Services Fund and a good account of the present controversy. In view of the importance of the outcome of this controversy to the thousands of Arkansans currently being helped through programs which operate with Federal assistance from the Social Services Fund, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

The Social Services Fund

Things are never quite what they seem, in the long struggle over the federal Social Services fund. The public has fallen under an impression that Mr. Nixon is drastically cutting federal outlays on social welfare, and rapidly returning broad discretion to the states. Neither half of that impression happens to be true, in the case of the massive Social Services fund, but it suits the purposes of neither the administration nor its critics to say so out loud. In fact, the Social Services fund has evolved into a careless and unintentional kind of revenue-sharing. The administration's desperate attempts to control it have nothing to do with the ideological warfare over the Great Society. To the contrary, they offer a highly Instructive premonition of the troubles that President Nixon may have with his further experiments in revenue sharing.

The Social Services fund has had a bizarre history. An obscure item in the budgets of the 1960s, it offered states three-fourths of the cost of certain services to help people get off, or keep off, welfare. The fund ran to $366 million a year when Mr. Nixon took office. But then the California state government perceived that, if viewed with imagination (and sympathy), half the state's budget might be considered to be social services. The federal fund started to shoot up in 1970, with 40 per cent of it going that year to one state—California, where a Republican governor was running for re-election and did not care to raise taxes. Then New York began to see the potential in this interesting fund. From state to state, word spread. Congress had never put a limit on the fund. The Treasury was obligated to pay three-fourths of the cost of any state or local program that met the definitions set by the Department of Health, Education and Welfare. HEW's definitions turned out to be strangely loose and inviting. The Social Services fund paid out $800 million in fiscal 1971, and $1.9 billion in 1972. The states' applications shot upward as they grew increasingly audacious in shifting large parts of their routine budgets onto the federal Treasury.

At the beginning of last year, the administration originally budgeted only $1.2 billion for this fund in fiscal 1973. But the states' demands totaled twice as much by last May, and by June they came to $5 billion. HEW urgently warned the White House, but the White House told the department to keep quiet and do nothing. The President, it might be recalled, was then running for reelection and wanted no trouble with governors. Later in the summer Jodie Allen, an economist at the Urban Institute, published the figures. In a flurry of embarrassment the President and Congress hastily agreed to place a limit of $2.5 billion a year on the fund.

The current stage of the controversy began last week when HEW brought out new regulations for the Social Services fund. These regulations are a reversion, almost to the point of parody, to the worst traditions of an ingrown and paternalistic bureaucracy. A state can extend services to an individual person, under this program, only after a social worker has drawn up a "service plan" for that person, proving his eligibility, listing what services he is to receive, showing how they will lead to "goals" and setting "target dates for goal achievement." And it all has to be reviewed every six months. Boom days are ahead for the paper industry and for the legion of minor clerks who will crank the wheels inside this large new welfare machine. But for that part of the population which is poor, and may actually need help, the outlook is not so jolly.

As a budget device, the new regulations amount to impoundment by red tape. Although the authorization is $2.5 billion, Mr. Nixon's budget provides only $1.9 billion for it next year. The administration is clearly counting on the weight of the regulations to prevent the states from obtaining full allotments.

One sad and revealing provision in the regulations prohibits states from using private funds, donated to voluntary social agencies as matching money in this program. In his first term, Mr. Nixon talked much about the crucial role of the volunteer in American society. Apparently that idea also is fading.

The collision between the states and the Nixon administration over the Social Services fund has nothing to do with the New Deal or the 1960s. The fund took off upward under the Nixon administration, which deliberately exploited it as revenue-sharing to certain key states. It then flew out of control altogether. Now the administration is trying to recapture it by drawing up regulations of a density and detail calculated to discourage states from using it. The next question is whether this melancholy experience does not foreshadow the mistakes still to be made in President Nixon's other revenue-sharing ventures.

A GREEK TRAGEDY: THE CASE OF DR. PANDELAKIS

Mr. FULBRIGHT. Mr. President, the New York Times of February 21 reported that a special military tribunal in Athens has sentenced two prominent Greek citizens to long prison terms on charges of planting bombs. The New York Times press report alleges that one of those sentenced, Dr. Stephanos Pandelakis, was subjected to torture.

These allegations of torture of Dr. Pandelakis are not new. On August 4, the New York Times published a story by James Becket about the Pandelakis case. After reading the story, I wrote the Secretary of State and said that I would appreciate knowing whether the Embassy in Athens had any information with respect to Mr. Pandelakis or any basis on which to judge the accuracy of the facts alleged by Mr. Becket. The Department of State replied that the Embassy in Athens had been requested to investigate the matter. In a further letter, dated September 15, the Department passed on to me the results of the Embassy's investigation. According to the Department's letter, the exact charges against Mr. Pandelakis had not been specified, no date for trial had been set, the Embassy had learned from "competent authorities" that Mr. Pandelakis was in satisfactory health, but was not in a position to confirm or refute allegations that he had been subjected to mistreatment, and the Embassy had not been able to determine whether he had been held incommunicado subsequent to his arrest.

On September 21, I again wrote the Secretary of State asking a number of further questions including what the provisions of Greek law were with respect to specifying charges, how long a citizen could be held indefinitely without charges being specified, from what "competent authorities" the Embassy had learned that Mr. Pandelakis was in satisfactory health and whether the Embassy had been in contact with members of Mr. Pandelakis' family. The Department of State replied in a letter dated October 27.

I ask unanimous consent that the report from the New York Times of February 21, the story in the August 4 issue of the New York Times and my exchange of correspondence with the Department of State be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 21, 1973]

GREECE FINDS TWO GUILTY AS REBELS—COLONEL AND DOCTOR, ALLEGING TORTURE, ARE SENTENCED

(By Alvin Shuster)

ATHENS, February 20.—A Greek war hero and a well-known physician were sentenced to stiff prison terms today on charges of planting bombs in protest against the Greek Government.

A special military tribunal which heard testimony for two days, sentenced Anastasios Minos, a 53-year-old retired air force lieutenant colonel, to nine years and ten months. Dr. Stefanos Pandelakis, a 43-year-old pediatrician, was sentenced to seven years and eight months. There is no appeal.

The trial has stirred unusual attention in Greece and abroad because of the prominence of the defendants. They confessed to having planted the bombs, but declared that their confessions were obtained under torture.

Evaghelos Sloratos, the prosecutor, rejected the assertion that the defendants had taken precautions to insure that no one was hurt by the blast. He added:

"They are terrorists. They have no respect for the life or physical integrity of fellow human beings."

Colonel Minos, who said that the planting of the bombs had been his only means of protesting against a regime imposed by force, is a World War II hero who fought in occupied Greece and with the British in North Africa. He also flew bombing raids against Greek Communist insurgents in the late nineteen-forties.

He told the five uniformed judges today: "I am prouder of what the indictment says about me than of my war records."

Dr. Pandelakis was described by two American professors who testified in his defense as an outstanding pediatrician with a worldwide reputation. The testimony came from Dr. Saul Blatman, Professor of Maternal and Child Health at the Dartmouth University Medical School, and Dr. Leon Eisenberg, professor of psychiatry at Harvard.

Although the court brushed aside charges of torture, the families of the two defendants circulated statements describing the treatment in detail. They said that the statements came from the defendants.

According to the statement attributed to Dr. Pandelakis, he was arrested at 10:30 in the morning last April 22. When he refused to provide the information demanded by the security police, the statement said, they took him to a back room to a wooden bench.

The statement continued:

"Swearing, using insulting language and laughing at me, they took off my jacket, made me lie down on the bench on my back, took off my trousers and shorts, tied up my legs, hands and body tightly with a thick rope and covered my face with a towel so I couldn't see.

"They told me I have five minutes left to talk before they would deal with me. I continued to keep silent and I suddenly felt a pointed object scratching the skin of my lower abdomen. After a while, when someone gave the word, the machine was switched on and I started to feel excruciating pain.

"I thought that they were tearing my flesh. I was violently twitching and jerking. This became increasingly more intense as they moved it all around my stomach and genitals. I was howling with pain."

The statement said the torture consisted of electric shocks and that, after a pause, it resumed as Dr. Pandelakis continued to refuse to name accomplices. Finally, it said, the security officers agreed he had enough.

"I got up dizzily," the statement said. "I picked up my trousers and was taken down to the second floor. I signed what they wanted. It must have been 2 o'clock in the morning."

A statement that members of the Minos family said came from the retired military officer also went into detail in supporting his assertions that he was tortured.

Nearly 40 pages long, the statement quoted Colonel Minos as saying that he had been forced to stand for 11 days and nights, during which time he had been beaten by soldiers and had suffered hallucinations.

"My feet are so swollen that the flesh overflows my shoes like a cake that overflows its pan," the document said, adding:

"I've lost the sense of time. It becomes day, noon and night and I stand always at the same place, sleepless, beaten and insulted."

Dr. Eisenberg, who said he first met Dr. Pandelakis in 1969, charged tonight that the trial was a "travesty of justice." He said that the defendants' statements that they had been tortured should have led to an immediate investigation by the court before it proceeded with the case, but that the court had said instead the matter was of no concern.

The defendants were arrested as the alleged founders of an anti-regime underground organization known as A.A.A.—the initials stand for the Greek words resistance, liberation and independence. The group had taken responsibility for about 15 explosions, most of them under the parked cars of American diplomats and officials. There were no casualties.

TORTURE AS AN INSTITUTION

(By James Becket)

GENEVA.—I have just learned that a friend, Stephanos Pandelakis, a Greek pediatrician, has been tortured. For nine days after his arrest in Athens in April no one knew where he was. He was alternately kept in a dark hole and beaten, which he was able to stand, and then tortured with electricity which he was not able to stand.

Because I know him, my personal anguish is immediate and overwhelming. Yet Stephanos is only one of thousands of victims of a practice that seems to have erupted around the world—the use of torture by governments as a means of governing.

Whether the methods be modern as in the mental asylums of the U.S.S.R. or primitive as in the torture chambers of Brazil, torture has become institutionalized, its practitioners generally members of the military and security forces, part of the state administration. This phenomenon is something other than the excesses of individual police officers known to every country, or the mass atrocities of wars like Algeria and Vietnam; it is the deliberate and systematic use of torture against the citizen who is believed to oppose the state.

Torture as an open means to preserve a ruling system is not new in history, one need only recall the inquisition or the torture of slaves in ancient Greece and Rome. However, over the last two centuries a consensus against torture grew up, finding international expression in Article 5 of the Universal Declaration of Human Rights.

A climate was created where at least the torturer felt compelled to deny it. But today reports of torture come from every quarter. One day we read about the burning "metal table" in Iran and the trials where the only evidence are the confessions of those to be executed; another day it is Uruguay where the recent discovery of a judicious blend of physical torture and "truth drugs" has produced spectacular results, or Northern Ireland where the British Army employs the same refined techniques it used in Cyprus and Aden.

Some argue that this development in the 1960's was the justified response to terrorism, to the violent apostles of Guevara and Marighella. Yet in the majority of cases torture preceded the urban guerrilla. The Greek colonels used it from the first day of their coup, it was used in Algeria long before the F.L.N., it was used in Brazil from 1965 on, in Russia where the dissenters are nonviolent, in Turkey it was used before the first kidnapping. In most cases, state terrorism preceded opposition terrorism.

In looking for the reason for its growing use, the essential point is that torture is politically very effective, particularly for those who govern without the consent of the governed. Those who condemn torture on practical grounds, "there are better ways to get information," miss its major political use, which is not to gain information, but to neutralize the majority of the population. If the state sets torture as the price of dissent, the rulers can be assured that only a small minority will react. This minority can then be isolated and the repressive power of the state concentrated on it. The human tragedy is that this minority generally includes the most idealistic and generous spirits of the society who feel the moral obligation to resist a system part of which is based on torture.

What is most bitter for the victim is his helplessness. There is no international protection of human rights, the Universal Declaration is only that, the U.N. Human Rights Commission is a mockery, and the one regional system that has some power, the European Convention on Human Rights, was employed in the case of Greece. The regime was found guilty of torture and ostracized from the Council of Europe. This has hardly helped Dr. Pandelakis.

Although we Americans are tired of being blamed for the ills of this world, it is valid to raise the question of why so many of our client states, the Greeces, the Brazils, the Portugals of our world use these methods as an administrative practice. There is the unfortunate coincidence that a number of the torturers have received police training in the U.S. under A.I.D. programs. While it is impossible to believe that foreigners would be taught methods of torture in the U.S., one would also have thought it impossible that those who wield real economic and political power in this country would not condemn these practices. And yet we see the Rockefellers attack a New York television station for showing a film about torture in Brazil rather than condemn the practice in Brazil, and we see Mr. Nixon's Administration embrace the Shah of Iran, Premier Papadopoulos and the Brazilian generals rather than rap them on the knuckles.

Perhaps the most depressing side of these depressing developments is the attitude of public opinion. The public seems to have lost its capacity to be shocked, responding with indifference and even signs of acceptance. Surely this would be one issue on which mankind could continue to agree, at least on the principle. Torture is the ultimate corruption, the grossest denial of man's humanity, and its use never justified.

August 4, 1972.

Hon. William P. Rogers,
Secretary of State, Washington, D.C.

Dear Mr. Secretary: I am writing you with reference to an article in the August 4 issue of the *New York Times* regarding the alleged torture of a Greek pediatrician, a copy of which is enclosed. I would appreciate knowing whether the Embassy in Athens has any information with respect to Mr. Pandelakis or whether the Embassy has any basis on which to judge the accuracy of the facts alleged.

Sincerely yours,
J. W. Fulbright,
Chairman.

Department of State,
Washington, D.C., August 21, 1972.

Hon. J. William Fulbright,
Chairman, Committee on Foreign Relations, U.S. Senate.

Dear Mr. Chairman: The Secretary has asked me to reply to your letter of August 4 concerning the alleged arrest and torture of Stephanos Pandelakis that was reported in a recent newspaper article.

The American Embassy in Athens has been requested to investigate the matter, and I will be pleased to forward its findings to you as soon as they are received.

Sincerely yours,
David M. Abshire,
Assistant Secretary for Congressional Relations.

Department of State,
Washington, D.C., September 15, 1972.

Hon. J. William Fulbright,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: With regard to your letter of August 4 concerning the arrest and confinement of Mr. Stephanos Pandelakis, I am pleased ot pass on to you the results of the Embassy's investigation of this matter.

Mr. Pandelakis and two other Greek citizens were arrested by Greek authorities on April 22 this year reportedly for alleged complicity in placing nineteen explosive devices in the Athens area during the period between February 8 and the date of their arrest. The targets of these bombs included the private vehicle of the American Consul General, Archbishopric building, and French Embassy property. At this time Mr. Pandelakis is under confinement awaiting trial. The exact charges against him have not been specified as yet nor has a date for trial been set.

The Embassay has learned from competent authorities that Mr. Pandelakis is in satisfactory health although neither the Embassy nor the Department of State is in a position to positively confirm or refute the allegations that he has been subjected to mistreatment. The Embassy has not been able to determine whether or for what period Mr. Pandelakis may have been held incommunicado subsequent to his arrest. However, it is known that the general practice of the Greek authorities normally limits any period of solitary confinement in cases such as that of Mr. Pandelakis to only a brief period for initial interrogation. At this time, Mr. Pandelakis reportedly enjoys the rights and privileges normally accorded to other prisoners. These include access to counsel and visits by members of his family.

I regret that we have been unable to provide you with more detailed information in response to your inquiry, but I hope that the above will prove helpful. Please continue to call upon me whenever you believe we can be of assistance to you.

Sincerely yours,
David M. Abshire,
Assistant Secretary for Congressional Relations.

September 21, 1972.

Hon. William P. Rogers,
Secretary of State,
Washington, D.C.

Dear Mr. Secretary: On August 4 I wrote you concerning an article in the New York Times which alleged that a Greek pediatrician, Stephanos Pandelakis, had been tortured. I said that I would appreciate knowing if the Embassy in Athens had any information on which to judge the accuracy of the facts alleged. Mr. Abshire replied for the Department of State in a letter dated September 15. That letter leads me to ask the following further questions:

1. Mr. Abshire's letter states that Mr. Pandelakis and two other Greek citizens were arrested on April 22 "reportedly" for their complicity in placing explosive devices in the Athens area. I would like to know what the word "reportedly" means in this sentence. Does it refer to press reports or to statements by Greek officials?

2. Mr. Abshire also states that the exact charges against Mr. Pandelakis "have not been specified as yet nor has a date for trial been set." What are the provisions of Greek law with respect to "specifying" charges against a citizen who has been arrested? Must charges be "specified" within a certain time after arrest or can a citizen be held indefinitely without charges being "specified"? What are the provisions of Greek law with respect to setting a date for trial? Is there a specific period after arrest within which a date for trial must be set or can a citizen be held indefinitely without trial?

3. Mr. Abshire's letter goes on to state: "The Embassy has learned from competent authorities that Mr. Pandelakis is in satisfactory health although neither the Embassy nor the Department of State is in a position to positively confirm or refute allegations that he has been subject to mistreatment." Who were the "competent authorities"? How has the Embassy "learned" that Mr. Pandelakis is in satisfactory health in view of the fact that the Embassy is apparently not in a position to confirm or refute allegations that Mr. Pandelakis was tortured? Does this sentence simply mean that Greek officials told an Embassy officer that Mr. Pandelakis was in satisfactory health? What efforts has the Embassy made to obtain information which would enable it to "positively" confirm or refute allegations that Mr. Pandelakis had been tortured? Has the Embassy been in contact with members of Mr. Pandelakis' family, with his counsel or with Greek "competent authorities" on this question? Does the Embassy have any information at all regarding the alleged torture of Mr. Pandelakis? The use of the word "positively" in Mr. Abshire's letter would so indicate.

4. Mr. Abshire's letter then states: "At this time, Mr. Pandelakis reportedly enjoys the rights and privileges normally accorded to other prisoners." What does the word "reportedly" mean in this sentence? If Mr. Pandelakis "reportedly" now enjoys the rights and privileges normally accorded to other prisoners, including access to counsel and visits from his family, can the Embassy determine when these rights and privileges were restored to him?

Sincerely yours,
J. W. Fulbright,
Chairman.

Department of State,
Washington, D.C., October 27, 1972.

Hon. J. W. Fulbright,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: The Secretary has asked me to reply to your letter of September 21 in which you ask a number of questions with reference to my letter of September 15 concerning the arrest and imprisonment of Dr. Stephanos Pandelakis.

In response to your first question concerning the use of the word "reportedly" in reference to the date of and reason for Mr. Pandelakis' arrest, the Athens press of April 30 identified Mr. Pandelakis as one of those persons arrested in connection with two explosions that damaged American-owned automobiles on the evening of April 20/21. The

Athens press of May 4 carried a Greek Ministry of Public Order statement alleging that Mr. Pandelakis, among others, was responsible for placing a total of nineteen explosive devices in the Athens area between February 8, 1972 and the date of his arrest.

Concerning the first part of your second question, i.e. "specification" of charges against an individual arrested in Greece, Greek law provides that no person, except one apprehended in *flagrante delicto*, can be arrested without a judicial warrant stating the reasons therefor. Within twenty-four hours of the arrest the suspect must be presented before an examining magistrate for a hearing of the case. Within three days of this presentation (or five at the request of the suspect), the magistrate must charge him with specific violations of specific provisions of the law. With respect to setting a trial date, Greek law provides that pretrial imprisonment may not exceed six months in the case of misdemeanors and twelve months for felonies under ordinary circumstances, but that in exceptional cases, these time limits may be extended by an additional three months for misdemeanors and six months for felonies.

It should be noted that the relevant provisions of Greek law are not set forth in any one document. The description presented above represents the interplay of various articles of the Greek constitution, constituent acts, legislative decrees, royal decrees, civil and military penal codes, and armed forces command proclamations.

As you know, there are certain bounds to the inquiries and representations that our government can appropriately make on behalf of individuals who are arrested and detained by the authorities of other governments and who have no claim to American nationality. Even though we may have an active interest in specific cases, there are limits to what we can effectively do to influence favorably their outcome. Such information as we can obtain about the treatment of such persons is derived from contact with local government authorities, newspaper and other public accounts, and interested private parties. As we have no direct access to the individuals imprisoned, we are unable to "positively confirm or refute" allegations of mistreatment.

We must, of course, be careful in discussing the sources of any specific information provided in confidence to the Embassy. However, in Mr. Pandelakis' case, the Embassy indicates that reports derived from several sources appear to confirm that he is in satisfactory health.

Our Embassy in Athens has not contacted the family of Mr. Pandelakis or his counsel. We have asked the Embassy to attempt to learn when the normal rights and privileges of prisoners in Greece, including access to counsel, visits by his family, receipt of mail, and access to physicians, were restored to Mr. Pandelakis. If the Embassy is able to obtain this inforamtion, I will, of course, inform you. If you would like to discuss this case further, Mr. George Churchill, the Country Director for Greece, would be pleased to call on you at your convenience. If we can be helpful to you in any other way, please let me know.

Sincerely yours,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

Mr. FULBRIGHT. Mr. President, I continue to be appalled at these reports of mistreatment of prisoners and lack of regard for due process of law on the part of Greek authorities. It is, of course, a prerogative of the Greek Government to deal with its citizens in whatever way it wishes. But we continue to lend our support to that regime through arms sales, the home porting of U.S. naval vessels, and visits by high-level American civilian and military officials, many of whom make public statements replete with kind for the Greek regime. At the same time, despite years of close association with various governments in Greece and hundreds of millions of dollars in military and economic assistance, our officials in Greece seem to know little about events in that country, as I believe my exchange of correspondence with the Department of State so clearly shows. They not only know very little, but they do not seem to care very much. This is the sort of policy which causes great concern and even disillusionment on the part of many American citizens who cherish the reputation of this country for being a humane society and interested in the preservation of some degree of democracy. When they see us supporting with vast amounts of aid those governments which still engage in torture of their citizens, it is, I submit, one of the reasons why there is so much discouragement about the course of our foreign policy in recent years.

Accordingly, I hope that some of my colleagues will take a greater interest in the kind of activities around the world which we are supporting with our foreign aid program.

Mr. President, I yield the floor.

ORDER FOR EXTENSION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. BIDEN). Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, how much time remains for the transaction of routine morning business?

The PRESIDING OFFICER. Four minutes remain.

Mr. ROBERT C. BYRD. Mr. President, I ask that the time for morning business be extended for not to exceed an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 58, Senate Concurrent Resolution 6.

The PRESIDING OFFICER (Mr. BIDEN). The resolution will be stated by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 6) making apportionment of funds for the National System of Interstate and Defense Highways.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Public Works with an amendment to strike out all after the resolving clause and insert:

That the Secretary of Transportation shall apportion $1,000,000,000 of the sums authorized to be apportioned for fiscal year 1974 for immediate expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in Revised Table 5, House Report Number 92-1443.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BAKER. Mr. President, Senate Concurrent Resolution No. 6, which was reported unanimously from the Committee on Public Works, is an emergency measure designed to assure that interstate highway funds continue to be available for obligation by the States without interruption. This resolution directs the Secretary of Transportation to apportion $1 billion of the $4 billion authorized for the Interstate Highway System for fiscal year 1974 upon the basis of the 1972 cost estimate. The availability of these funds is especially critical as the buy spring construction season approaches.

While Congress in 1970 authorized funds for the interstate program through fiscal year 1976, these funds cannot be apportioned for obligation by the States until the revised estimate of the cost to complete the Interstate system is approved by Congress. The share of each State of the funds available for the interstate program is based upon the ratio of the costs of completion of the system within each State to the total system cost. Usually the estimates of these costs are approved at the close of each Congress, but Congress was unable in the closing hours of the 92d session to conclude action on the Federal-aid Highway Act of 1972, and the revised 1972 cost estimate was not approved.

It has been the practice of many of the States to contract after the first of the year on the basis of apportionments made from authorizations for the fiscal year beginning the following July 1. Since the spring construction season is normally the one in which the most contracts are let for bids, these States are in immediate need for fiscal year 1974 apportionments. If Congress delayed action upon the approval of the revised cost estimate for only a few more weeks it would result in an interruption of State construction schedules. In several States this would result in even further delays in the completion of vital segments of their interstate system. In as many as 16 States it would cause substantial reduction in construction activities with repercussions in the labor and economic areas.

Section 103 of S. 502—the Federal-Aid Highway Act of 1973—mandates approval of the apportionment factor for the entire interstate authorization. This bill is presently under consideration in the Public Works Committee. Although the committee is dedicated to the expeditious consideration of this legislation, it is estimated that final enactment of the measure may require several weeks.

The Federal-aid highway law permits approval of the revised cost estimate by congressional resolve. Thus, although Senate Concurrent Resolution 6 enjoys the support of the administration it will become effective immediately upon passage by the House without Presidential signature.

Senate Concurrent Resolution 6 is only an interim measure. It will not supplant the need for further action in the near future to make the total authorization available to the States. But Congress must act now to approve the noncontroversial 1972 cost estimate. Several States, my own among them, are on the brink of exhausting their interstate highway funds. One, Virginia, has already run out.

I ask unanimous consent to have printed in the RECORD a summary of those States who have nearly exhausted available funds and a list of the funds which would be apportioned to the States by the concurrent resolution.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNOBLIGATED BALANCES OF APPORTIONED FEDERAL-AID HIGHWAY FUNDS

NUMBER OF STATES WHOSE FUNDS ARE NEARLY EXHAUSTED

Interstate System (as of February 1, 1973): One State (Virginia) has no funds left. Eight States have less than $5 million remaining: (1) Arkansas; (2) California; (3) Delaware; (4) Kansas; (5) Kentucky; (6) Mississippi; (7) Tennessee; (8) Texas.

Seven States have between $5 million and $10 million remaining: (1) Maine; (2) Nevada; (3) New Mexico; (4) North Dakota; (5) South Carolina; (6) South Dakota; (7) Vermont.

Five States have between $10 million and $20 million in unobligated balances.

All other States have more than $20 million.

Interstate funds to be available to the States under the $1 billion apportionment include

(*In millions*)

Alabama	$20
Arizona	20
Arkansas	7.6
California	65
Colorado	20
Connecticut	29
Delaware	1.5
Florida	31
Georgia	24
Hawaii	10
Idaho	4.4
Illinois	49
Indiana	12
Iowa	10
Kansas	12
Kentucky	14
Louisiana	30
Maine	5.2
Maryland	38
Massachusetts	31
Michigan	35
Minnesota	23
Mississippi	8.9
Missouri	19
Montana	10
Nebraska	$1.5
Nevada	4.9
New Hampshire	4.4
New Jersey	28
New Mexico	9.3
New York	38
North Carolina	18
North Dakota	1.5
Ohio	30
Oklahoma	7.2
Oregon	25
Pennsylvania	49
Rhode Island	8.9
South Carolina	8.2
South Dakota	3.6
Tennessee	13
Texas	45
Utah	11
Vermont	3.8
Virginia	43
Washington	36
West Virginia	23
Wisconsin	11
Wyoming	5.6
District of Columbia	24

Mr. BENTSEN. Mr. President, when the Congress failed last year to enact a new Federal-Aid Highway Act, the Secretary of Transportation was denied the authority to apportion funds for continued construction of the Interstate Highway system to the States. Normally, interstate funds are apportioned and become available for obligation 6 months in advance of the year for which they are authorized. Under this system, fiscal year 1974 interstate funds could have been apportioned and released to the States in January of this year. Many States had geared their construction schedules in anticipation of these funds. Therefore, when there was no authority provided for the Secretary to apportion the funds, the States were caught short. Many had already obligated substantial portions of their fiscal year 1973 funds. A number of States have exhausted their available obligational authority and with each passing week, their ability to continue interstate construction diminishes.

Mr. President, there were a number of controversial issues in the highway bill last year and there are still several critical questions that must be resolved in 1973 before we can successfully act on a new highway bill.

There was no controversy last year over continued development of the interstate system and there is none this year. There are questions as to the funding level which should be committed to the interstate system between now and the time it is completed.

But, it is generally accepted that progress must be continued. Senate Concurrent Resolution 6, which we consider today, would direct the Secretary of Transportation to apportion to the States $1 billion of the money already authorized for interstate construction in fiscal year 1974. Although the full amount authorized for fiscal year 1974 is presently $4 billion, the committee chose to apportion only $1 billion at this time for several reasons. The availability of $1 billion would permit the States to award construction contracts this spring at the beginning of the construction season when activity of this type normally is greatest. Further, the committee did not believe it would be wise to apportion the full amount since we are now considering a reduction in the annual authorization for interstate construction.

The new Federal-Aid Highway Act (S. 502) reported last week by the Subcommittee on Transportation, reduces the annual interstate apportionment from $4 billion to $3.25 billion. In addition, in recent years, there has been the practice of the administration to withhold from obligation part of the amount authorized by the Congress. During fiscal year 1973, for instance, only $2.8 billion of the $4 billion authorized was released by the administration. Therefore, while the $1 billion authorized for apportionment in the Senate Concurrent Resolution 6 is only one-fourth of the amount authorized by law. It is approximately 40 percent of the $2.6 billion which the administration has indicated it will release in fiscal year 1974.

Mr. President, the adoption of Senate Concurrent Resolution 6 will in no way impair the ability of the Congress to enact a new general highway bill. It has been considered by some that the urgent need for interstate funds would be an incentive for prompt action on the bill.

The committee considered this situation in deciding to apportion only $1 billion at the present time. The continued nonavailability of the remainder of the fiscal year 1974 funds should remain as one of the encouragements for prompt action, but reduce the pressure sufficiently to prevent us from being rushed more than is necessary for the thoughtful deliberations that are required on the highway transportation issues we face this year.

Mr. President, the adoption of Senate Concurrent Resolution 6 will have an impact on the highway programs of each State. I ask unanimous consent that the table showing the approximate portion of the $1 billion that will be released to each State be included in the RECORD at this point.

Interstate funds to be available to the States under the $1 billion apportionment include

(*in millions*)

Alabama	$20
Arizona	20
Arkansas	7.6
California	65
Colorado	20
Connecticut	29
Delaware	1.5
Florida	31
Georgia	24
Hawaii	10
Idaho	4.4
Illinois	49
Indiana	12
Iowa	10
Kansas	12
Kentucky	14
Louisiana	30
Maine	5.2
Maryland	38
Massachusetts	31
Michigan	35
Minnesota	23
Mississippi	8.9
Missouri	19
Montana	10
Nebraska	1.5
Nevada	4.9
New Hampshire	4.4
New Jersey	28
New Mexico	9.3
New York	38
North Carolina	$18

North Dakota	$1.5
Ohio	30
Oklahoma	7.2
Oregon	25
Pennsylvania	49
Rhode Island	8.9
South Carolina	8.2
South Dakota	3.6
Tennessee	13
Texas	45
Utah	11
Vermont	3.8
Virginia	43
Washington	36
West Virginia	23
Wisconsin	11
Wyoming	5.6
District of Columbia	24

HIGHWAY BUILDING FUNDS SHOULD BE USED NOW

Mr. RANDOLPH. Mr. President, in recent days we have seen signs of coming spring in the city of Washington. I look forward to this season, for it is always one of the loveliest times of the year in our National Capital City. The coming of spring, however, is more than just the arrival of the spring flowers. It is the season when our Nation's construction industry gears up to carry its work forward to another building season.

It is important for large projects to be started early in the year, so that construction can continue through the months of favorable weather.

Throughout the country, our highway building programs have followed this tradition of the spring start. Unfortunately, Mr. President, the Highway Departments of this country are uncertain as to whether they can award construction contracts this spring. The inability of the Congress last year to enact a highway bill prohibited the Secretary of Transportation from carrying out his usual practice of making funds available in advance of the starting of a new fiscal year. The situation is especially critical with regard to Interstate Highway Systems. One State, neighboring Virginia, has already exhausted all of its available Interstate funds. Several others have only small amounts of interstate funds available for obligation.

Mr. President, the measure before the Senate, Senate Concurrent Resolution 6, will alleviate this condition. It is, so far as I know, a noncontroversial proposal that would permit the Secretary of Transportation to apportion to the States $1 billion of the funds already authorized for interstate activities in fiscal year 1974. The distinguished Senator from Texas, the chairman of our Subcommittee on Transportation (Mr. Bentsen), and Senator Baker, active leader in this proposal, have explained why this resolution should have the affirmative vote of every Senator. To these remarks I add my own endorsement. The Interstate System is our largest roadbuilding activity. The impact of halting it would be severe and widespread. While the Congress works to produce a new general highway bill, there could be widespread unemployment in the highway construction industry and severe disruption of State construction schedules. At the same time, continuing inflation would push the ultimate cost of the system to new highs.

Mr. President, this resolution is important to every State in our country. I urge its prompt adoption.

The PRESIDING OFFICER. The concurrent resolution is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of Transportation shall apportion $1,000,000,000 of the sums authorized to be apportioned for fiscal year 1974 for immediate expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in Revised Table 5, House Report Numbered 92-1443.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Hathaway) laid before the Senate the following letters, which were referred as indicated:

Proposed Amendments to the Standard for the Surface Flammability of Carpet and Rugs

A letter from the Acting Assistant Secretary for Science and Technology, Department of Commerce, transmitting, for the information of the Senate, proposed amendments to the Standard for the Surface Flammability of Small Carpets and Rugs, published in the Federal Register on June 2, 1972 (with accompanying papers); to the Committee on Commerce.

Report of National Railroad Passenger Corporation

A letter from the Vice President, Public and Government Affairs, National Railroad Passenger Corporation (AMTRAK), transmitting, pursuant to law, a report of that Corporation, for the month of January 1973 (with an accompanying report); to the Committee on Commerce.

Proposed Legislation From Department of State

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend Public Law 90-553, to create an International Center to make sites available for chanceries of foreign embassies in Washington and for a new headquarters for the Organization of American States (with an accompanying paper); to the Committee on Foreign Relations.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on the Judiciary:

"Senate Concurrent Resolution Memorializing Congress Relative To Changing the Holiday Dates of Memorial Day and Veterans Day

"Whereas, The citizens of the state of New Hampshire and the Veterans Organizations of the state in particular have a genuine awareness of their responsibility to preserve those American ideals supported by tradition; and

"Whereas, The traditional commemoration in honor of the many brave sons and daughters who so gallantly give and have given their lives in defense of our cherished freedom; and

"Whereas, The significance of the commemorating ceremonies in honor of these patriots has a personal meaning to those who annually pay their respect, as being based primarily on traditional historical considerations and not legislative manipulation for convenience; and

"Whereas, The people of the state of New Hampshire are reluctant to depart from such matters of well founded tradition which do not infringe upon the pursuit of life, liberty and happiness of all its people; and

"Whereas, The Senate and House of Representatives in General Court convened, have re-established as legal holidays in the state of New Hampshire the thirtieth day of May to be commemorated as Memorial Day and the eleventh day of November to be commemorated as Veterans Day;

"Now, Therefore Be It Resolved by the Senate, the House of Representatives concurring:

"That the Congress of the United States of America be memorialized to re-establish nationally the traditionally accepted May thirtieth as Memorial Day and November eleventh as Veterans Day in commemoration of the dead and the living heroes of our great nation; and be it further

"Resolved, That certified copies of this resolution be forwarded by the secretary of state to the members of the United States New Hampshire delegation, Clerk of the United States Senate, the Clerk of the United States House of Representatives, and to the President of the United States of America."

By Mr. McINTYRE:

A resolution adopted by the City Council of Portsmouth, N.H.; to the Committee on Armed Services.

THE NEED FOR A JUNIOR AND SENIOR HIGH SCHOOL FOR PEASE AIR FORCE BASE

Mr. McINTYRE. Mr. President, the city of Portsmouth, N.H., is doing an excellent job of educating the young people of that community and assisting in the education of the children of military personnel and Federal employees assigned to Pease Air Force Base as well as to the Portsmouth Naval Shipyard.

However, serious questions have been raised by the Administration about the future of the impacted aid program for education. If this program should be drastically cut it would place the city of Portsmouth in a very difficult situation.

Coupled with this is the fact that the children population at Pease Air Force Base appears to be growing, further straining the educational facilities in the locality.

Finally, just last week the Portsmouth School system suffered a severe blow when the Mary Dondero High School burned to the ground. This left the city without adequate facilities for 600 students.

In face of these problems, Portsmouth is seeking assistance. Specifically the city is requesting the construction of a junior and senior high school on Pease Air Force Base to help in relieving the pressures on the school system.

The City Council of Portsmouth has memorialized the New Hampshire delegation in regards to the needs at Pease Air Force Base.

Mr. President, I ask unanimous consent that the resolution from the City Council of Portsmouth be placed in the Record at this point and be referred to the appropriate committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Resolution No. 14

Resolution concerning schooling of military dependents:

To the New Hampshire Congressional Delegation: the Honorable Norris Cotton, U.S. Senator; the Honorable Thomas J. McIntyre, U.S. Senator; the Honorable Louis C. Wyman, Member of Congress; the Honorable James C. Cleveland, Member of Congress:

Whereas, there is located in the City of Portsmouth, New Hampshire, Pease Air Force Base, a vital link in the Strategic Air Command Defense System; and,

Whereas, there are 5,980 members of the military and their families living on Pease Air Force Base; and,

Whereas, there are 2,003 military dependents attending Portsmouth schools who are associated with Pease Air Force Base; and,

Whereas, there presently exists in the City of Portsmouth a tremendous overcrowding in the Junior High School and the High School; and,

Whereas, the large number of military dependents contribute greatly to this overcrowding;

Now therefore, be it resolved by the City Council of the City of Portsmouth that you do everything in your power to have a new junior and senior high school built on Pease Air Force Base to take care of the military dependents.

By Mr. McINTYRE:

A concurrent resolution of the General Court of the State of New Hampshire; to the Committee on Finance.

SOCIAL SECURITY INCREASES AND WELFARE AND VETERANS PENSIONS' REDUCTIONS

Mr. McINTYRE. Mr. President, the people of New Hampshire are concerned about reductions in welfare assistance and veterans' pension reductions when social security benefits are increased.

I am cosponsoring legislation that will protect veterans and those on welfare from losing their benefits when social security benefits are raised.

A clear demonstration of the concern in New Hampshire about this problem is contained in a memorial to the Congress of the United States by the Senate and House of Representatives of the General Court of New Hampshire passed on February 27, 1973.

Mr. President, I ask unanimous consent that this resolution of the New Hampshire General Court be printed in the Record at this point and referred to the appropriate committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Senate Concurrent Resolution Memorializing the Congress of the United States to enact legislation which will grant the Social Security increase without having any welfare assistance or veteran's pension reduced.

Whereas, Social Security payments were increased effective as of October 1, 1972.

Whereas, there are social security recipients of New Hampshire who have been terminated from the donated food program and/or who have had their old age assistance grants or veteran's pension reduced as a result of receiving the social security increase.

Whereas, these particular recipients have thus had no actual increase in their economic status because of the reductions in their welfare assistance or veteran's pension.

Now therefore be it resolved, by the Senate of the General Court of New Hampshire, the House of Representatives concurring:

That the Congress of the United States is hereby memorialized to enact legislation which will grant this recent social security increase without having any welfare assistance or veteran's pension reduced because of such social security increase, and

Be it further resolved, that pending such congressional action all federal, state and local officials, in their respective official capacities, are urged to attempt to remedy administratively this unfortunate situation, and

Be it further resolved, that these recipients are urged to exercise their legal rights to rectify this situation, and

Be it further resolved, that the secretary of state be instructed to forward a copy of these resolutions to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to each member of the congressional delegation from New Hampshire.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, Mr. Church, from the Committee on Foreign Relations, submitted a report entitled "International Convention on the Prevention and Punishment of the Crime of Genocide," Executive O, 81st Congress, 1st session, together with three Understandings and one Declaration, which was ordered to be printed (Exec. Rept. No. 93–5).

REFERRAL OF A NOMINATION

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the nomination of Michael P. Balzano, Jr., of Virginia, to be Director of ACTION, be referred jointly to the Committee on Foreign Relations and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BAKER:

S. 1086. A bill to assure protection of public health and other living organisms from the adverse impact of the disposal of hazardous wastes, to authorize a research program with respect to hazardous waste disposal, and for other purposes. Referred to the Committee on Public Works.

By Mr. CURTIS (for himself, Mr. Allen, Mr. Dole, and Mr. Talmadge):

S. 1087. A bill to amend section 103 of the Internal Revenue Code of 1954. Referred to the Committee on Finance.

By Mr. MANSFIELD (for Mr. Bayh):

S. 1088. A bill to protect the public interest in fair and impartial execution of the antitrust laws of the United States, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. TOWER:

S. 1089. A bill for the relief of Socorro Sanez-Manzano. Referred to the Committee on the Judiciary.

By Mr. PASTORE (for himself and Mr. Magnuson):

S. 1090. A bill to amend the Communications Act of 1934 with respect to recess appointments to the Board of Directors of the Corporation for Public Broadcasting and to extend certain authorizations for such Corporation and for certain construction grants for noncommercial educational television and radio broadcasting facilities. Referred to the Committee on Commerce.

By Mr. SCOTT of Pennsylvania:

S. 1091. A bill for the relief of Manuel Sicuan Uson and his wife, Nancy Santa Rosa Uson;

S. 1092. A bill for the relief of Salvatore di Bella, his wife, Providencia di Bella, and their children, Carmelo di Bella and Santo di Bella; and

S. 1093. A bill for the relief of Alfredo Giammatteo. Referred to the Committee on the Judiciary.

By Mr. SCOTT of Pennsylvania (for himself, Mr. Mathias, and Mr. Stevenson):

S. 1094. A bill to improve the regulation of Federal election campaign activities. Referred to the Committee on Rules and Administration.

By Mr. SCOTT of Pennsylvania (for himself and Mr. Mathias):

S. 1095. A bill to amend the Communications Act of 1934 with respect to the application of the equal time provisions of section 315 to candidates for Federal elective office, and for other purposes. Referred to the Committee on Commerce.

S. 1096. A bill to provide for a campaign mail privilege for qualified candidates for Federal office. Referred to the Committee on Post Office and Civil Service.

S. 1097. A bill to amend the Internal Revenue Code of 1954 to provide that political contributions are not subject to the gift tax. Referred to the Committee on Finance.

By Mr. BIBLE (for himself, Mr. Abourezk, Mr. Beall, Mr. Burdick, Mr. Cannon, Mr. Eagleton, Mr. Eastland, Mr. Gurney, Mr. Hollings, Mr. Kennedy, Mr. McGovern, Mr. McIntyre, Mr. Moss, Mr. Nelson, Mr. Pastore, Mr. Randolph, Mr. Scott of Virginia, Mr. Sparkman, and Mr. Williams):

S. 1098. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business. Referred to the Committee in Finance.

By Mr. HUMPHREY:

S. 1099. A bill to establish a Federal-State Legislative Council. Referred to the Committee on Government Operations.

By Mr. McINTYRE (for himself, Mr. Pastore, Mr. Hruska, Mr. Fannin, and Mr. Baker):

S. 1100. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes. Referred to the Committee on Finance.

By Mr. HART (for himself and Mr. Griffin):

S. 1101. A bill to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Michigan for potential additions to the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

By Mr. HART:

S. 1102. A bill to declare that certain federally owned land is held by the United States in trust for the Keweenaw Bay Indian Community and to make such lands parts of the reservation involved. Referred to the Committee on Interior and Insular Affairs.

S. 1103. A bill to provide for public financing of campaigns for nomination for election, or election, to the Congress of the United States. Referred to the Committee on Rules and Administration.

By Mr. HART (for himself, Mr. McGovern, Mr. Case, Mr. Moss, Mr. Packwood, Mr. Ribicoff, Mr. Stafford, Mr. Pell, Mr. Humphrey, Mr. Cranston, and Mr. Hathaway):

S. 1104. A bill to promote and protect the free flow of interstate commerce without unreasonable damage to the environment; to assure that activities which affect interstate commerce will not unreasonably injure environmental rights; to provide a right of action for relief for protection of the environment from unreasonable infringement by activities which affect interstate commerce and to establish the right of all citizens to the protection, preservation, and enhancement of the environment. Referred to the Committee on Commerce.

By Mr. PERCY (for himself and Mr. Dole):

S. 1105. A bill to provide income tax incentives for the modification of certain buildings so as to remove architectural and transportational barriers to the handicapped and elderly. Referred to the Committee on Finance.

By Mr. PERCY:

S. 1106. A bill to amend the Federal Reports Act to avoid undue delays in the collection of information by Government agencies. Referred to the Committee on Government Operations.

By Mr. McGEE:

S. 1107. A bill to permit immediate retirement of certain Federal employees. Referred to the Committee on Post Office and Civil Service.

By Mr. MONDALE:

S. 1108. A bill to amend the Internal Revenue Code, in order to protect farm property from estate taxation based upon its valuation for nonfarm use. Referred to the Committee on Finance.

By Mr. MONDALE (for himself, Mr. Bayh, Mr. Cranston, Mr. Eagleton, Mr. Hart, Mr. Hathaway, Mr. Mansfield, Mr. McGee, Mr. McGovern, Mr. Moss, and Mr. Proxmire:

S. 1109. A bill to amend the Internal Revenue Code of 1954 to provide that the designation of payments to the Presidential Election Campaign Fund be made on the front page of the taxpayer's income tax return form. Referred to the Committee on Finance.

By Mr. GURNEY (for himself and Mr. Chiles):

S. 1110. A bill to provide for orderly trade in fresh fruits and vegetables, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. McCLURE:

S. 1111. A bill to quitclaim the interest of the United States to certain land in Bonner County, Idaho. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUDDLESTON:

S. 1112. A bill for the relief of Mukhtar M. Ali. Referred to the Committee on the Judiciary.

By Mr. CRANSTON (by request):

S. 1113. A bill to amend the Small Business Act. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. EAGLETON:

S. 1114. A bill to authorize assistance for demonstration projects designed to develop reforms in the criminal justice system in the United States. Referred to the Committee on the Judiciary.

By Mr. COOK:

S. 1115. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs. Referred to the Committee on the Judiciary.

By Mr. HUGHES (for himself and Mr. Clark):

S. 1116. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes. Referred to the Committee on Commerce.

By Mr. HARTKE:

S. 1117. A bill to amend the program of supplemental security income for the aged, blind, and disabled (established by title XVI of the Social Security Act) to provide for cost-of-living increases in the benefits provided thereunder. Referred to the Committee on Finance.

By Mr. PASTORE (for himself, Mr. Pell, Mr. Aiken, and Mr. Stafford):

S. 1118. A bill to amend section 5034 of title 38, United States Code, to increase the number of nursing home beds in each State for war veterans in need of nursing home care. Referred to the Committee on Veterans' Affairs.

By Mr. MONTOYA (for himself and Mr. Domenici):

S. 1119. A bill to authorize the Secretary of the Interior to make water available for a minimum recreation pool in Elephant Butte Reservoir from the San Juan-Chama unit of the Colorado River storage project. Referred to the Committee on Interior and Insular Affairs.

By Mr. RIBICOFF:

S. 1120. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. Abourezk, Mr. Beall, Mr. Clark, Mr. Hathaway, Mr. McIntyre, Mr. Mondale, and Mr. Pell):

S. 1121. A bill to amend the Federal Regulation of Lobbying Act, and for other purposes. Referred to the Committee on Government Operations.

By Mr. COOK:

S. 1122. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials and for other purposes. Referred to the Committee on Commerce.

By Mr. MOSS:

S. 1123. A bill to amend title 5, United States Code, to provide for the reclassification of positions of deputy United States marshal, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. MONDALE (for himself, Mr. Bayh, Mr. Brooke, Mr. Case, Mr. Cranston, Mr. Hart, Mr. Hughes, Mr. Humphrey, Mr. Javits, Mr. Kennedy, Mr. McGee, Mr. McGovern, Mr. Moss, Mr. Nelson, Mr. Pell, Mr. Randolph, Mr. Schweiker, Mr. Stevenson, and Mr. Williams):

S.J. Res. 71. A joint resolution to provide for a study and evaluation of the ethical, social, and legal implications of advances in biomedical research and technology. Referred to the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAKER:

S. 1086. A bill to assure protection of public health and other living organisms from the adverse impact of the disposal of hazardous wastes, to authorize a research program with respect to hazardous waste disposal, and for other purposes. Referred to the Committee on Public Works.

Mr. BAKER. Mr. President, I am today introducing, for appropriate referral, legislation designated as the "Hazardous Waste Management Act of 1973."

This legislation was developed by the administration and was discussed by President Nixon when he submitted his environmental message to the Congress last month.

The primary feature of the bill is the creation, in section 5, of a new Federal regulatory procedure for controlling solid wastes that would cause "substantial damage to human health or to other living organisms." I am informed that the Environmental Protection Agency estimates that there are approximately 20 substances that would be so classified. They include products such as mercury, cadmium, and arsenic.

It should be noted that present law does not normally control such pollutants if disposed of on land. Such wastes would be controlled when discharged into a river or emitted as air pollutants. But if placed on land, they would normally go unregulated. Existing law merely calls for a Federal study of possible Federal disposal sites for especially hazardous materials.

This new legislation, in section 4, also authorizes the EPA to establish national standards and guidelines for enforcement by the States for other forms of hazardous solid wastes. As section 4 indicates, it is the view of the administration that the handling of solid wastes should rest primarily with local governments.

Other provisions of the bill establish civil penalties of up to $25,000 a day for violation of a hazardous waste procedure; authorize continued Federal research, including studies of freight rates affecting recycled materials; apply applicable standards to Federal agencies; permit citizen suits similar to those authorized by the Clean Air Act and the Federal Water Pollution Control Act; and authorize such sums as may be necessary to carry out the act.

This constructive legislative proposal from the administration will, I know, be evaluated with great care by the Committee on Public Works. While the Senate has earlier this session passed legislation that extends the existing Solid Waste Disposal Act for 1 year, it is essential that the committee initiate a broad evaluation of new initiatives for implementation later this year or early next. There will be other proposals for the Senate to consider, including some that I may put forward. There may also be a need to extend further the authorization for the existing Solid Waste Disposal Act, which is not amended by this bill, in order to continue the significant efforts now underway.

Mr. President, this proposal from the administration follows a period of careful review by the EPA, including the recent preparation of a major report on recycling, required by section 205 of existing law. This 205 report to the Congress is a most thorough and instructive one—delving deeply into the many impediments to more effective resource recovery.

Mr. President, I ask unanimous consent that a copy of the bill, a section-by-section analysis of the bill, and the section 205 study be printed at this point in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1086

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled.

Section 1. This Act may be cited as the "Hazardous Waste Management Act of 1973."

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds—

(1) that continuing technological progress, improvement in the methods of manufacture, and abatement of air and water pollution has resulted in an ever-mounting increase of hazardous wastes;

(2) that improper land disposal and other management practices of solid, liquid and semi-solid hazardous wastes which are a part of interstate commerce are resulting in adverse impact on health and other living organisms;

(3) that the knowledge and technology necessary for alleviating adverse health, environmental and aesthetic impacts associated with current waste management and disposal practices are generally available at costs within the financial capacity of those who generate such wastes, even though this knowledge and technology are not widely utilized:

(4) that private industry has demonstrated its capacity and willingness to develop, finance, construct and operate facilities and to perform other activities for the adequate disposal of hazardous and other waste materials;

(5) that while the collection and disposal of wastes should continue to be a responsibility of private individuals and organizations and the concern of State, regional and local agencies, the problems of hazardous waste disposal as set forth above and as an intrinsic part of interstate commerce have become a matter national in scope and in concern, and necessitate Federal action through regulation of the treatment and the disposal of the most hazardous of these wastes, and through technical and other assistance in the application of new and improved methods and processes to provide for proper waste disposal practices and reductions in the amount of waste and unsalvageable materials.

(b) The purpose of this Act therefore are—

(1) to protect public health and other living organisms through Federal regulation in the treatment and disposal of certain hazardous wastes;

(2) to provide for the promulgation of Federal guidelines for State regulation of the treatment and disposal of hazardous wastes not subject to Federal regulation;

(3) to provide technical and other assistance to public and private institutions in the application of efficient and effective waste management systems;

(4) to promote a national research program relating to the health and other effects of hazardous wastes and the prevention of adverse impacts relating to health and other living organisms.

DEFINITIONS

SEC. 3. When used in this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico.

(3) The term "waste" means useless, unwanted, or discarded solid, semi-solid or liquid materials.

(4) The term "hazardous waste" means any waste or combination of wastes which pose a substantial present or potential hazard to human health or living organisms because such wastes are nondegradable or persistent in nature or because they can be biologically magnified, or because they can be lethal, or because they may otherwise cause or tend to cause detrimental cumulative effects.

(5) The term "secondary material" means a material that is or can be utilized in place of a primary or raw material in manufacturing a product.

(6) The term "generation" means the act or process of producing waste materials.

(7) The term "storage" means the interim containment of waste after generation and prior to ultimate disposal. Containment for more than two years shall be considered disposal.

(8) The term "transport" means the movement of wastes from the point of generation to any intermediate transfer points, and finally to the point of ultimate disposal.

(9) The term "treatment" means any activity or processing designed to change the physical form or chemical composition of waste so as to render such materials nonhazardous.

(10) The term "disposal of waste" means the discharge, deposit, or injection into subsurface strata or excavations or the ultimate disposition onto the land of any waste.

(11) The term "disposal site" means the location where any final deposition of waste materials occurs.

(12) The term "treatment facility" means a location at which waste is subjected to treatment and may include a facility where waste has been generated.

(13) The term "person" means any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, State, municipality, or any legal representatives agent or assigns.

(14) The term "municipality" means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law with responsibility for the planning or administration of waste management, or an Indian tribe or an authorized Indian tribal organization.

(15) The term "waste management" means the systematic control of the generation, storage, transport, treatment, recycling, recovery, or disposal of waste materials.

STANDARDS AND GUIDELINES FOR STATE REGULATION

SEC. 4. (a) Within 18 months after the date of enactment of this Act, and from time to time thereafter, the Administrator pursuant to this Section and after consultation with representatives of appropriate Federal agencies shall by regulation—

(1) identify hazardous wastes;

(2) establish standards for treatment and disposal of such wastes; and

(3) establish guidelines for State programs for implementing such standards.

(b) In identifying a waste as hazardous, pursuant to this section, the Administrator shall specify quantity, concentration and the physical, chemical, or biological properties of such waste, taking into account means of disposal, disposal sites, and available disposal practices.

(c) The standards established under this Section shall include minimum standards of performance required to protect human health and other living organisms and minimum acceptable criteria as to characteristics and conditions of disposal sites and operating methods, techniques, and practices of hazardous wastes disposal taking into account the nature of the hazardous waste to be disposed. Such standards shall include but not be limited to requirements that any persons generating waste must (1) appropriately label all containers used for on-site storage or for transport of hazardous waste; (2) follow appropriate procedures for treating hazardous waste on-site; (3) transport all hazardous waste intended for off-site disposal to a hazardous waste disposal facility for which a permit has been issued. In establishing such standards the Administrator shall take into account the economic and social costs and benefits of achieving such standards.

(d) The guidelines established under paragraph (a)(3) of this Section shall provide that:

(1) With respect to disposal sites for hazardous wastes, the State program requires that any person obtain from the State a permit to operate such site;

(2) Such permits require compliance with the minimum standards of performance acceptable site criteria set by the guidelines;

(3) The State have such regulatory and other authorities as may be necessary to carry out the purpose of this Act, including, but not limited to, the authority to inspect disposal sites and records, and to judicially enforce compliance with the requirements of an approved program against any person.

(e) Within 18 months of the promulgation of final regulations under this Act, each State shall submit to the Administrator evidence, in such form as he shall require, that the State has established a State program which meets the requirement of the guidelines of paragraph (a)(3) of this Section. If a State fails to submit such evidence, in whole or in part, the Administrator shall publish notice of such failure in the *Federal Register* and provide such further notification, in such form as he considers appropriate, to inform the public in such State of such failure.

FEDERAL REGULATION

SEC. 5. (a) Within 18 months after the date of enactment of this Act and from time to time thereafter, the Administrator after consultation with representatives of appropriate Federal agencies may with respect to those hazardous wastes identified pursuant to subsection (a)(1) of Section 4 determine in regulations those of such wastes which because of their quantity or concentration, or because of their chemical characteristics, could if allowed to be dispersed into the environment result in, or contribute to, the loss of human life or substantial damage to human health or to other living organisms.

(b) The Administrator may promulgate regulations establishing Federal standards and procedures for the treatment and disposal of such wastes. Such Federal standards and procedures shall be designed to prevent damage to human health or living organisms from exposure to such wastes identified pursuant to subsection (a) and may include—

(1) with respect to hazardous waste disposal sites—

(A) minimum requirements as to the characteristics and conditions of such sites,

(B) minimum standards of performance for the operation and maintenance of such sites, and

(C) recommendations as to specific design and construction criteria for such sites; and

(2) with respect to hazardous waste treatment facilities—

(A) minimum standards of performance for the operation and maintenance, and

(B) recommendations based on available technology as to appropriate methods, techniques, or practices for the treatment of specific wastes.

(c) The Administrator may issue a permit for the operation of a hazardous waste disposal site or treatment facility if, after a review of the design, construction, and proposed operation of such site or facility, he determines that such operation will meet the requirements and standards promulgated pursuant to subsection (b).

(d) Within 18 months after the date of enactment of this Act, the Administrator shall promulgate regulations establishing requirements for generators of hazardous wastes subject to regulation under this section to—

(1) Maintain records indicating the quantities of hazardous waste generated and the disposition thereof;

(2) Package hazardous waste in such a manner so as to protect human health and other living organisms, and label such packaging so as to identify accurately such wastes.

(3) Treat or dispose of all hazardous waste at a hazardous waste disposal site or treat-

ment facility for which a permit has been issued under this Act.

(4) Handle and store all hazardous waste in such a manner so as not to pose a threat to human health or other living organisms.

(5) Submit reports to the Administrator, as such times as the Administrator deems necessary, setting out—

(A) the quantities of hazardous waste subject to Federal regulation under this subsection that he has generated;

(B) the nature and quantity of any other waste which he has generated which he has reason to believe may have a substantial adverse effect on human health and other living organisms; and

(C) the disposition of all waste included in categories (A) and (B).

(e) The Administrator may prescribe regulations requiring any person who stores, treats, disposes of, or otherwise handles hazardous wastes subject to regulation under this section to maintain such records with respect to their operations as the Administrator determines are necessary for the effective enforcement of this Act.

(f) The Administrator is authorized to enter into cooperative agreements with States to delegate to any State which meets such minimum requirements as the Administrator may establish by regulation the authority to enforce this section against any person.

FEDERAL ENFORCEMENT

SEC. 6. (a) Whenever on the basis of any information the Administrator determines that any person is in violation of requirements under Section 5 or of any standard under Section 4(a)(2) under this Act, the Administrator may give notice to the violator of his failure to comply with such requirements or may request the Attorney General to commence a civil action in the appropriate United States District Court for appropriate relief, including temporary or permanent injunctive relief. If such violation extends beyond the thirtieth day after the Administrator's notification, the Administrator may issue an order requiring compliance within a specified time period or the Administrator may request the Attorney General to commence a civil action in the United States District Court in the District in which the violation occurred for appropriate relief, including a temporary or permanent injunction. *Provided* That, in the case of a violation of any standard under section 4(a)(2) where such violation occurs in a State which has submitted the evidence required under Section 4(e), the Administrator shall give notice to the State in which such violation has occurred 30 days prior to issuing an order or requesting the Attorney General to commence a civil action. If such violator fails to take corrective action within the time specified in the order, he shall be liable for a civil penalty of not more than $25,000 for each day of continued non-compliance. The Administrator may suspend or revoke any permit issued to the violator.

(b) Any order or any suspension or revocation of a permit shall become final unless, no later than 30 days after the order or notice of the suspension or revocation is served, the person or persons named therein request a public hearing. Upon such request the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this Section the Administrator may issue subpoenas for the attendance and tesitmony of witnesses and the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(c) Any order issued under this Section shall state with reasonable specificity the nature of the violation and specify a time for compliance and assess a penalty, if any, which the Administrator determines is a reasonable period and penalty taking into account the seriousness of the violation and any good faith efforts to comply with the applicable requirements.

(d) Any person who knowingly violates any requirement of this Act or commits any prohibited act shall, upon conviction, be subject to a fine of not more than $25,000 for each day of violation, or to imprisonment not to exceed one year, or both.

RESEARCH, DEVELOPMENT, INVESTIGATIONS, TECHNICAL ASSISTANCE AND OTHER ACTIVITIES

SEC. 7. (a) The Administrator shall conduct, encourage, cooperate with, and render financial and other assistance to appropriate public (whether Federal, State, interstate, or local) authorities, agencies, and institutions, private agencies and institutions, and individuals in the conduct of, and promote the coordination of, research, development, investigations, experiments, surveys, and studies relating to—

(1) any adverse health and welfare effects on the release into the environment of material present in waste, and methods to eliminate such effects;

(2) the operation or financing of waste management programs;

(3) the development and application of new and improved methods of collecting and disposing of waste and processing and recovering materials and energy from wastes; and

(4) the reduction of waste generation and the recovery of secondary materials and energy from solid, liquid, and semi-solid wastes.

(b) In carrying out the provisions of the preceding subsection, the Administrator is authorized to—

(1) collect and make available, through publication and other appropriate means, the results of, and other information pertaining to, such research and other activities, including appropriate recommendations in connection therewith;

(2) cooperate with public and private agencies, institutions, and organizations, and with any industries involved, in the preparation and the conduct of such research and other activities; and

(3) make grants-in-aid to and contract with public or private agencies and institutions and individuals for research, surveys, development, and public education. Contracts may be entered into without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

(c) The Interstate Commerce Commission, the Federal Maritime Commission, and the Office of Oil and Gas in the Department of the Interior, in consultation with the Environmental Protection Agency and with other Federal agencies as appropriate, shall conduct within twelve months of the date of enactment of this Act and submit to Congress, a thorough and complete study of rate setting practices with regard to the carriage of secondary materials by rail and ocean carriers. Such study shall include a comparison of such practices with rate setting practices with regard to other materials and shall examine the extent to which, if at all, there is discrimination against secondary materials.

INSPECTIONS

SEC. 8. (a) For the purpose of developing or assisting in the development of any regulation or enforcing the provisions of this Act, any person who stores, treats, transports, disposes of, or otherwise handles hazardous wastes shall, upon request of any officer or employee of the Environmental Protection Agency or of any State or political subdivision, duly designated by the Administrator, furnish or permit such person at all reasonable times to have access to, and to copy all records relating to such wastes.

(b) For the purposes of developing or assisting in the development of any regulation or enforcing the provisions of this Act, officers or employees duly designated by the Administrator are authorized—

(1) to enter at reasonable times, any establishment or other place maintained by any person where hazardous wastes are stored, treated, or disposed of;

(2) to inspect and obtain samples from any person of any such wastes and samples of any containers or labeling for such wastes. Before undertaking such inspection, the officers or employees must present to the owner, operator, or agent in charge of the establishment or other place where hazardous wastes are stored, treated, or disposed of appropriate credentials and a written statement as to the reason for the inspection. Each such inspection shall be commenced and completed with reasonable promptness. If the officer or employee obtains any samples, prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the sample obtained and if requested a portion of each such sample equal in volume or weight to the portion retained. If an analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge.

(c) Any records, reports, or information obtained from any person under this subsection shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information, or particular part thereof, to which the Administrator has access under this section if made public, would divulge information entitled to protection under section 1905 of Title 18 of the United States Code, the Administrator shall consider such information or particular portion thereof confidential in accordance within the purposes of that section.

ENCOURAGEMENT OF INTERSTATE AND INTERLOCAL COOPERATION

SEC. 9. The Administrator shall encourage cooperative activities by the States and local governments in connection with waste disposal programs, encourage, where practicable, interstate, interlocal, and regional planning for, and the conduct of, interstate, interlocal, and regional hazardous waste disposal programs; and encourage the enactment of improved and, so far as practicable, uniform State and local laws governing waste disposal.

IMMINENT HAZARD

SEC. 10. (a) An imminent hazard shall be considered to exist when the Administrator has reason to believe that handling or storage of a hazardous waste presents an imminent and substantial danger to human health or other living organisms the continued operation of a disposal site will result in such danger when a State or local authority has not acted to eliminate such risk.

(b) If an imminent hazard exists, the Administrator may request the Attorney General to petition the district court of the United States in the district where such hazard exists, to order any disposal site operator or other person having custody of such waste to take such action as is necessary to eliminate the imminent hazard, including, but not limited to, permanent or temporary cessation of operation of a disposal site, or such other remedial measures as the court deems appropriate.

PROHIBITED ACTS

SEC. 11. The following acts and the causing thereof are prohibited and shall be subject to enforcement in accordance with the provisions of subsection 6(d) of this Act—

(a) Operating any disposal site for hazardous waste identified pursuant to Section 5 without having obtained an operating permit pursuant to such Section.

(b) Disposing of hazardous waste identified pursuant to section 5 in a manner not in compliance with requirements under section 5.

(c) Failure to comply with the requirements of section 5 in labeling containers used for the storage, transport, or disposal of hazardous waste.

(d) Failure to comply with (1) the conditions of any Federal permit issued under this Act, (2) any regulation promulgated by the Administrator pursuant to section 4(a)(2) or section 5 of this Act, or (3) any order issued by the Administrator pursuant to this Act.

APPLICATION OF STANDARDS TO FEDERAL AGENCIES

SEC. 12. (a) Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any property or facility, or engaged in any activity which generates, or which may generate, wastes shall insure compliance with such standards pursuant to subsections 4(a)(2), 5(a), and 5(c) as may be established by the Administrator for the treatment and disposal of such wastes.

(b) The President or his designee may exempt any facility or activity of any department, agency, or instrumentality in the executive branch from compliance with guidelines established under section 4 if he determines it to be in the paramount interest of the United States to do so. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods of not to exceed one year upon the President's or his designee's making of a new determination. The Administrator shall ascertain the exemptions granted under this subsection and shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year.

(c) Within 18 months after enactment of this Act and from time to time thereafter, the Administrator, in consultation with other appropriate Federal agencies, shall identify products which can utilize significant quantities of secondary materials and shall issue guidelines with respect to the inclusion of such secondary materials to the maximum extent practicable in products procured by the Federal Government.

(d) In any proceeding initiated before the Interstate Commerce Commission or the Federal Maritime Commission after the enactment of this Act where a determination is made by such Commission as to any individual or joint rate, fare, or charge whatsoever demanded, charged, or collected by any common carrier or carriers, a specific finding by the Commission will be required that such rate, fare or charge does not or will not cause discrimination against secondary materials.

CITIZEN SUITS

SEC. 13. (a) Except as provided in subsection (b) any person may commence a civil action for injunctive relief on his own behalf—

(1) against any person who is alleged to be in violation of any regulation promulgated or order issued under this Act;

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act which is not discretionary with the Administrator.

Any action under paragraph (a)(1) of this subsection shall be brought in the district court for the district in which the alleged violation occurred and any action brought under paragraph (a)(2) of this subsection shall be brought in the district court of the District of Columbia. The district courts shall have jurisdiction without regard to the amount in controversy or the citizenship of the parties, to enforce such regulation or order, or to order the Administrator to perform such act or duty as the case may be.

(b) No action may be commenced—

(1) under subsection (a)(1) of this section—

(A) prior to sixty days after the plaintiff has given notice of the violation (i) to the Administrator, (ii) to the State in which the alleged violation occurs, and (iii) to any alleged violator of the standard, limitation, or order, or

(B) if the Administrator or State has caused to be commenced and is diligently prosecuting a civil or criminal action in a court of the United States or a State to require compliance with requirements of this Act or order issued hereunder;

(2) under subsection (a)(2) prior to sixty days after plaintiff has given notice of such action to the Administrator.

Notice under this subsection shall be given in such manner as the Administrator shall prescribe by regulation.

(3) In such action under this section, if the United States is not a party, the Attorney General may intervene as a matter of right.

(d) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any regulation or to seek any other relief (including relief against the Administrator or a State agency).

STATE AUTHORITY

SEC. 14. (a) If the Administrator has promulgated regulations under Section 5 no State or municipality may without the approval of the Administrator impose more stringent requirements than those imposed under the provisions of Section 5 on the transport, treatment, or disposal of hazardous wastes.

(b) No State or municipality shall impose, on wastes originating in other States or municipalities, requirements respecting the transport of such wastes into or disposal within its jurisidction which are more stringent than those requirements applicable to wastes originating within such receiving States and municipalities.

AUTHORIZATION AND APPROPRIATION

SEC. 15. There is hereby authorized to be appropriated to the Environmental Protection Agency such sums as may be necessary for the purposes and administration of this Act.

JUDICIAL REVIEW

SEC. 16. (a) A petition for review of action of the Administrator in promulgating any regulation pursuant to Sections 4 or 5 shall be filed in the United States Court of Appeals for the District of Columbia. Any person who will be adversely affected by a final order or other final determination issued under Section 6 may file a petition with the United States Court of Appeals for the circuit wherein such person resides or has his principal place of business, for a judicial review of such order or determination. Any such petition shall be filed within 30 days from the date of such action or order, or after such date if such petition is based solely on grounds arising after such 30th day.

(b) Action of the Administrator with respect to which review could have been obtained under subsection (a) shall not be subject to judicial review in civil or criminal proceedings for enforcement.

(c) In any judicial proceeding in which review is sought of an action under this Act required to be made on the record after notice and opportunity for hearing, if any party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceedings before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, in such manner and upon such terms and conditions as the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

RELATIONSHIP TO OTHER LAWS

SEC. 17. (a) This Act shall not apply to—

(1) Any source material, special nuclear material, or byproduct material subject to regulation or control pursuant to the Atomic Energy Act of 1954, as amended;

(2) lethal chemicals subject to regulation pursuant to 50 U.S.C. 1511, et seq., as amended.

(b) This Act shall not be construed to relieve any person from any present or future requirement arising from any other Federal law.

SECTION-BY-SECTION ANALYSIS: HAZARDOUS WASTE MANAGEMENT ACT OF 1973

Section 1—short title. The proposal is intended to replace the Toxic Waste Disposal Control Act proposed by the President in his 1972 Environmental Program and is intended to supercede the Solid Waste Disposal Act, as amended.

Section 2—*Findings and Purpose*—Congressional findings and public policy reasons for this Bill. The emphasis is on the protection of the public and other living organisms through State regulation of the treatment and disposal of hazardous wastes in general, through Federal regulation of the most hazardous forms of waste, and through research, development and similar activities relating to the health and other effects of hazardous waste.

Section 3—*Definitions*—Defines various terms used in the bill.

Section 4—*Standards and Guidelines for State Regulation*—This Section establishes a mechanism whereby the States are basically responsible for the regulation of hazardous wastes. The Administrator will identify hazardous wastes, establish standards for treatment and disposal of such wastes and establish guidelines for State programs for implementing the standards. Within 18 months of the promulgation of these standards and guidelines States are to submit evidence to the Administrator that they have established a State program which meets the requirement of the guidelines and are in a position to enforce the standards the Administrator has established. If the State fails to submit such evidence, the Administrator shall publish notice of such failure in the Federal Register and also shall provide notice of the failure to the public.

Section 5—*Federal Regulation*—Authorizes Federal regulation of the most hazardous wastes. Federal regulations will be promulgated to regulate both disposal sites and generators of such wastes. The regulations shall provide for issuance of permits for operation of waste disposal sites for these wastes and for standards dealing with the construction and operation of such sites. Generators of these hazardous wastes would be required to maintain records, package and label hazardous wastes in such a manner as to protect human health and other living organisms, submit certain reports to the Administrator, insure that hazardous wastes are either disposed of on-site in accordance with Federal standards or transferred to a disposal facility having a permit, and insure that hazardous wastes are held and stored in such a manner as not to pose a threat to human health or other living organisms.

Section 6—*Federal Enforcement*—In the case of a violation of any requirement pertaining to hazardous wastes subject to Federal regulation under the previous section, the Administrator is authorized by this Section to either give notice to the violator of his failure to comply or else request the Attorney General to commence immediately a civil action. If notification is given, and the violation extends beyond the thirtieth day after such notification, the Administrator may issue an order requiring compliance or may at that point request the Attorney General to commence an action. The Administrator is also given the same authority to proceed against violators of the standards of Section 4, provided he gives 30 days notice to the State if the State is one that has submitted evidence of having a regulatory program.

Section 7—*Research, Development, Investigations, Technical Assistance of Activities*—The Administrator is authorized to himself conduct, or to assist others to conduct, research and development, surveys and studies, and experiments relating to adverse effects on health and welfare of waste materials, operating and financing of waste management programs, production of waste generation and the recovery of secondary materials and energy from wastes, and development and application of new improved methods of collecting and disposing of wastes. The Administrator is authorized to carry out these provisions by collecting and making available information, cooperating with various agencies in the conduct of such research and other activities, and making grants to and contracting with various entities for such research and development. The Section also mandates the Interstate Commerce Commission, the Federal Maritime Commission, and the Office of Oil and Gas to do a study of rate-setting practices with regard to the carriage of secondary materials.

Section 8—*Inspections*—Any person who stores, treats, transports, disposes of, or otherwise handles hazardous wastes has to make records relating to such wastes available to the Administrator or the State. The Administrator's designates are authorized to enter and to inspect establishment or places where hazardous wastes are stored, and to obtain samples of wastes, such activities to be conducted at reasonable times and to be concluded and treated with reasonable promptness. Protection of confidential information is provided for the persons subject to this section.

Section 9—*Encouragement of Interstate and Interlocal Cooperation*—Requires the Administrator to encourage cooperative activities by the State and local governments in connection with waste disposal programs.

Section 10—*Imminent Hazards*—If an imminent hazard exists so that handling or storage of a hazardous waste or the continued operation of the disposal site will result in imminent and substantial danger to human health, the Administrator may request the Attorney General to take appropriate legal action to eliminate the hazard.

Section 11—*Prohibited Acts*—Certain acts or the causing thereof are prohibited, specifically—operating a disposal site subject to Federal regulation without having obtained the appropriate operating permit, disposing of hazardous wastes subject to Federal regulations in a manner not in compliance with the Federal requirements established under Section 5, failure to comply with the requirements of section 5 in labeling containers, and failure to comply with conditions of a Federal permit, with any regulations promulgated by the Administrator or with an order issued by him.

Section 12—*Guidelines for Federal Agencies*—The Administrator, in consultation with appropriate Federal agencies, shall identify products which can utilize significant quantities of secondary materials and issue guidelines with respect to inclusion of such materials to the maximum extent practicable in products procured by the Federal government. Federal agencies shall be required to be in compliance with standards and guidelines established by the Administrator for the treatment and disposal of wastes. The section also provides that in Interstate Commerce Commission and the Federal Maritime proceedings relating to fares or rates to be charged by any common carrier, a finding must be made that such rate or fare does not cause discrimination against secondary materials.

Section 13—*Citizen Suits*—Any person may commence a civil action against any person who is in violation of the Act or against the Administrator if he fails to perform a non-descretionary action.

Section 14—*State Authority*—No State may impose more stringent requirements than those imposed by the Administrator under the Federal regulatory program on the transport, treatment, or disposal of hazardous wastes. No State or municipality may impose "non-importation" laws.

Section 15—*Authorizations and Appropriations*—Such sums as may be necessary for the purposes and administration of this Act are authorized to be appropriated.

Section 16—*Judicial Review*—Petition for review of the actions of the Administrator in promulgating regulations is to be filed in the United States Court of Appeals for the District of Columbia and any person who will be adversely affected by a final order under Section 16 may file a petition for judicial review in the United States Court of Appeals where such person resides or has principal place of business. Such petitions must be filed within 30 days from the date of the action in the order.

Section 17—*Relationship to Other Laws*—The Act does not apply to nuclear material subject to regulation or control under the Atomic Energy Act or to certain lethal chemicals regulated under other law. The Act would not relieve persons from compliance with any other Federal law.

REPORT TO CONGRESS ON RESOURCE RECOVERY

(NOTE.—Figures and tables referred to are not printed in the RECORD.)

PREFACE

Section 205 of the Solid Waste Disposal Act (P.L. 89-272) as amended requires that the U.S. Environmental Protection Agency (EPA) undertake an investigation and study of resource recovery. This document represents EPA's Report to the President and the Congress summarizing the Agency's investigations to date and reporting the manner in which the Congressional mandate is being carried out.

The findings of this report are based on a number of contractual efforts and analyses by the Agency staff carried out since the passage of the Resource Recovery Act. Extremely valuable assistance in these investigations has been provided to EPA by The Council on Environmental Quality.

The report is organized into a summary, four major sections, and an appendix. The first section discusses the problem to which resource recovery is the potential solution. Next, key findings related to resource recovery are presented. A section outlining major options follows. The report concludes with a discussion of EPA's program activities in resource recovery.

The appendix presents summaries of information about the status of resource recovery by major materials categories and a listing of existing resource recovery facilities.

SUMMARY

This report represents an exploration of resource recovery as a method of solid waste management and resource conservation. Information developed over the past several years is summarized and the many questions surrounding the complex subject of resource recovery are discussed.

The emphasis of the report is on the recovery of materials and energy from mixed municipal wastes and other "post-consumer" wastes that are discarded outside the normal waste collection channels. Although only 5% of the total national solid waste load, these wastes tend to have the most frequent population impact in that they occur in the nation's urbanized places. More than 50% of the total waste load comes from agriculture and is usually returned to the soil. More than 40% of the total burden is mining waste, which occurs in the hinterland.

Nearly all major materials are recovered to some extent by recycling. Most recovered materials are derived from industrial fabrication wastes. Post-consumer wastes are also recovered to some extent (waste paper, old automobiles); post-consumer recycling has grown in an absolute sense. However, the proportion of the nation's materials requirements satisfied from recycling materials has remained constant or has declined in most instances.

The level of recycling depends almost entirely on economics. Recycling takes place to the extent that it is the most efficient use of resources. In the absence of artificial economic subsidies for "natural" or "virgin" materials more secondary or recycled materials would be used. The economics of recycling are also influenced by apparently inequitable freight rates—both ocean and rail—which make the transportation of secondary materials relatively more costly than the movement of virgin resources.

There has been sufficient technology development to allow extraction of materials and energy from mixed municipal wastes. However, few full scale recovery plants exist. The Environmental Protection Agency is funding the demonstration of the most significiant conceptual alternatives.

The costs of recovery plants are estimated to be relatively high, making recovery by technological means attractive only in areas where high disposal costs prevail and local markets for the waste materials exist. There is evidence that recovery by separate collection is not only feasible but economically attractive provided that the collection makes use of an existing transport system and markets for the collected materials exist.

Preliminary research and analysis indicates that, when compared with virgin materials extraction and processing, resource recovery results in lower quantities of atmospheric emissions, waterborne wastes, mining and solid wastes, and energy consumption. There is substantial disagreement among experts about the extent of such differential effects over time, particularly as strengthened environmental constraints on use of both virgin and seconday materials begin to narrow the differentials that now exist.

Recycling should become more economical relative to other solid waste disposal options during the next several years. Energy costs are rising, making energy recovery more attractive and more economical. As pressures increase to bring about environmentally sound waste disposal, the costs of disposal will rise and recovery will become more attractive as an alternative. Finally, to the extent that air and water pollution control regulations are intensified, the incentives of industry for using secondary materials will improve.

Other incentives for recycling also exist under existing Federal policies. The General Services Administration does not purchase paper unless it contains a specified amount of recycled paper. The military services are exploring procurement policies to reduce waste quantities or to mandate inclusion of secondary materials. The Treasury Department has determined that tax exempt industrial revenue bonds may finance the construction of recycling facilities built by private concerns to recycle their own wastes.

Additional Federal incentives for recycling are not considered desirable at this time. Studies to date indicate that the effectiveness of specific incentive mechanisms that can be formulated is extremely difficult to predict. New tax incentives may well distort the economics of resource utilization much as preferential treatment of virgin materials distort them today.

Trere is an obvious need for further exploration of the complex issues of materials utilization in the Nation in the context of total resource utilization. Resource recovery is an important part—but only a part—of the larger picture. Before additional Federal policies are developed—aimed possibly at overcoming institutional and market imperfections in some areas—a better understanding of the complex materials and energy situation must be developed.

SECTION 1—THE PROBLEM

U.S. Materials-Use Pattern. Resource recovery in its varied aspects must be seen as part of a much larger economic structure—the total materials and energy use patterns of the nation. Today the recovery of waste materials supplies a very small part of the total material and energy requirements of the U.S. population, and while both population and materials consumption are increasing, the use of materials from waste sources is declining relative to overall consumption.

In 1971, the U.S. economy used an estimated 5.8 billion tons of materials for its total activity, equivalent to 28 tons for each man, woman and child. Of this total approximately 10 percent comes from agriculture, forestry, fishing, and animal husbandry (food and forest products); 34 percent is represented by fuels; and 55 percent comes from the minerals industries in the form of metals, construction materials, and other minerals.

Materials use is growing at the rate of 4 percent to 5 percent yearly. Per capita consumption was 22 tons in 1965, 24.7 tons in 1968, and 28 tons in 1971.[2] During the same period, population grew at a rate of 1.3 percent annually.

A high rate of materials and energy consumption means a high rate of waste generation. Approximately 10 to 15 percent of annual inputs to the economy represent accumulation of materials in use (in structures, plant and equipment, etc.); the rest of the tonnage is used consumptively with residues discharged to the land, water, and air, or is used to replace obsolete products and structures which in turn become waste.[3]

Nearly all of the materials and energy required in the U.S. comes from virgin or natural resources. The tonnage of fabrication and obsolete wastes recycled is approximately 55 to 60 million tons,[4] equivalent to less than 1 percent of total minerals tonnage required overall by the nation.

If we disregard food and energy substances the estimated 1971 demand for nonfood, nonenergy materials was 3.6 billion tons, and waste recovery satisfied 1.5 to 1.7 percent of the total requirement.

Environmental Consequences of Materials Use. Any form of materials use has environmental consequences. Materials resources must be extracted, purified, upgraded, processed, and fabricated into products; in addition, there are transportation steps between most of these steps.

At every point solid, waterborne, and airborne wastes are generated and either enter the environment or are removed from processing steps at some expense.

The production of 1,000 tons of steel, for instance, results in 2,800 tons of mine wastes, 121 tons of air pollutants, and 970 tons of solid wastes.[5] Similar waste flows are associated with every materials flow, although, of course, the magnitudes vary depending on the types of materials obtained. The sheer growth in materials consumption per capita indicates that more pollution and waste is generated per citizen today than was generated in years past.

As will be discussed, reports at this time indicate that the amounts of air pollution, water pollution and waste that result from production systems that use recycled wastes are lower than the effluents from production systems that rely on virgin resources. Thus, any decrease in resource recovery relative to total consumption means an increase in the quantity of residuals generated.

Solid Waste Generation. Ever increasing per capita materials consumption necessarily means that more solid waste is generated. This can be illustrated graphically by trends in packaging consumption since packaging is a short-lived product category which becomes waste immediately after use.

Per capita packaging consumption in pounds per capita) has been increasing steadily as shown below.[6]

1958	404
1960	425
1962	450
1964	475
1966	525
1970	577

The situation in packaging is merely an illustration of a general phenomenon of waste generation resulting from a materials consumption rate which grows faster than population.

The total quantity of waste generated in 1971 is estimated to have been 4.45 billion tons, up nearly 1 billion tons from 1967. The make-up of this waste is shown below:

	Million Tons
Municipal* [7]	230
Industrial [8]	140
Mineral wastes [9]	1,700
Animal wastes [10]	1,740
Crop wastes [10]	640
Total	4,450

* Includes residential, commercial, demolition, street and alley sweepings, and miscellaneous (e.g., sludge disposal).

The 230 million ton municipal waste load plus that portion of industrial waste occurring in large metroplitan areas constitute what is normally referred to as the "solid waste problem" in popular discussion.

One reason for the growing solid waste burden is that resource recovery has declined relative to total materials consumption. A second reason is the substitution of materials-intensive practices (practices which result in consumption of large amounts of raw materials) for less materials demanding practices, e.g., one-way containers for returnable bottles, paper towels for cloth towels, and disposable one-time use products of all sorts—in the home, the office, the hospital, etc.—for products designed for reuse.

The resulting solid waste load is especially burdensome in urban areas because of greater population concentrations and because disposal in urban areas is particularly difficult. The urban population, for example, has grown from 64 percent of the total population in 1950 to 74 percent in 1970, thereby increasing the quantity of solid waste in urban areas by a substantial percentage. Additionally, urban populations generate more waste than nonurban residents—approximately 20 percent more per capita.[11]

Disposal in urban areas is an especially difficult problem because in the city, waste disposal is, at the same time, an environmental, economic, and political problem. Waste collection is labor intensive, labor costs are rising rapidly, and the productivity of most municipal waste collection systems is low. In many urban areas, land suitable for waste disposal has disappeared or is rapidly being used up. Movement of the waste across the boundaries of the political jurisdiction where it occurs is difficult and sometimes impossible. As cities are required to travel longer distances to dispose of their waste or alternatively are forced to process them to achieve volume reduction, the costs of waste management are increased. To eliminate potential air and water pollution from landfills and incinerators, the waste processing facilities must be properly designed, located, and operated, and must include proper pollution control devices. This degree of control is technologically possible but often costly, particularly in the case of incineration.

Given these circumstances, many cities increasingly are viewing resource recovery as both an environmentally and economically desirable alternative to disposal. Unfortunately, this option is most often not available because demand for materials from wastes is nonexistent or severely limited.

The Recovery Rate. Nearly all major materials are recovered to some extent by recycling. The recovery rate varies from nearly 100 percent for solid lead (50 percent for all lead),* 50 percent for copper, 31 percent for iron and steel, and 19 percent for paper and board, to 4.2 percent of glass (Table 1). The percentages refer to the proportion of total consumption of the materials satisfied from both wastes recovered in fabrication steps in industry and wastes recovered from obsolete products like junk automobiles and old newspapers.

Consumption of major materials—iron and steel, paper, nonferrous metals, glass, textiles, and rubber was taking place at a rate of 190 million tons in the 1967–1968 period. During this period the total recycling tonnage of the same materials was 48 million tons, equivalent to 25 percent of consumption of these materials.

Historical data in this aggregated form are not available for all materials. In general, however, for most materials, the portion of total consumption of that material derived from waste sources has been declining. Consumption of these waste materials has generally not kept pace with total consumption.

Paper waste consumption as a percent of total fiber consumption has declined from a rate of 23.1 percent in 1960 to 17.8 percent in 1969.[12]

Iron and steel scrap consumption as a percent of total metallics consumption has declined slightly overall from the 1959–1963 to the 1964–1968 period, from 50.3 to 49.9 percent. Purchased scrap consumption,* representing the recycling of fabrication and obsolete wastes, has been losing ground: in the 1949–1953 period it was 44.9 percent of total scrap; in the 1964–1968 period, 40.0%.[13]

Rubber reclaiming is a declining activity both absolutely and in relation to total rubber consumption. In 1968 reclaim consumption was 18% of total rubber consumption, in 1970, 9.5%.[14]

The major nonferrous metals—aluminum, copper, zinc, and lead—are reused at a composite rate of around 40% of total consumption and this percentage has remained fairly constant over time.[15]

Historical data on other materials are not readily available in aggregate form, but declining recovery is generally the rule.

It is reasonable to assume that a secondary material, one that has already been proc-

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*A substantial proportion of lead is used in gasoline as an anti-knock additive; this lead is dispersed and is unrecoverable.

*In the iron and steel industry, distinctions are made between "home" scrap, a process waste in furnaces and in mills; prompt scrap, occurring in fabrication plants; and obsolete scrap, from discarded products or obsolete structures. Purchased scrap is the combination of the last two categories.

essed, should be a more attractive raw material to industry than a virgin material that must be extracted or harvested and processed. The secondary material is already purified and concentrated; scrap steel, for instance, is nearly 100 percent steel while the iron ore from which it is made contains high proportions of silicate materials which must be removed. Why, then, the relatively low recycling rate found in the United States today? The low rate is the result of the action of a number of forces, among them the following:

(1) The delivered price of virgin raw materials to the manufacturer is almost as low in many cases as the cost of secondary materials, and virgin materials are usually qualitatively superior to salvaged materials. Consequently, demand for secondary materials is limited.

(2) Natural resources are abundant and manufacturing industries have directed their operations to exploit these. Plants are generally built near the source of virgin materials (e.g., paper plants near pulpwood supplies). Technology to utilize virgin materials has been perfected; due to the adverse economics, similar technology to exploit wastes has not been developed.

(3) Natural resources occur in concentrated form while wastes occur in a dispersed manner. Consequently, acquisition of wastes for recycling is costly, and is particularly sensitive to high transportation costs.

(4) Virgin materials, even in unprocessed form, tend to be more homogeneous in composition than waste materials and sorting and upgrading of mixed wastes is costly.

(5) The advent of synthetic materials made from hydrocarbons, and their combination with natural materials, cause contamination of the latter, limiting their recovery. The synthetics themselves are virtually impossible to sort and recover economically from mixed waste.

(6) There are artificial economic barriers which favor virgin material use over secondary material use. For example, depletion allowances, favorable capital gains treatments and apparently favorable freight rates are available to virgin materials processors but not to secondary materials processors. Also, producers presently do not have to internalize all costs of environmental pollution.

SECTION 2—KEY FINDINGS

The key findings of this report can be reduced to four major points:

(1) The use of recycled materials appears to result in a reduction in atmospheric emissions, waste generated, and energy consumption when compared with virgin materials utilization.

(2) The recovery of materials from waste depends largely on economics. The cost of manufacturing products from secondary materials is generally as high or higher than manufacturing products from virgin materials, and consequently only high quality and readily accessible waste materials can find a market. Artificial economic advantages available to virgin materials users (e.g., depletion allowances and capital gains treatments, and inability of the traditional market to internalize pollution and resource depletion costs) appear to have been major contributors to this economic situation.

(3) There has been sufficient technology development to allow extraction of materials from mixed municipal wastes. However, the cost of extraction is high making recovery processes attractive only in areas where high disposal costs prevail and favorable local markets exist for the materials.

(4) Recovery of materials (as opposed to energy) from mixed municipal wastes, while conceptually the best alternative to disposal, cannot be instituted on a large scale in the absence of: a substantial reduction in processing costs and/or upgrading in quality, which is simply unattainable given reasonable projection of technology; and/or a major reordering in relative virgin and secondary materials prices, to make secondary materials more economically attractive.

A more detailed discussion of each of these findings follows.

Environmental Impacts. The environmental impacts of recycling are of major importance. Studies conducted to date indicate that resource recovery generally results in reduced consumption of energy and materials and reduced effects of air and water pollution.

Resource recovery has three major environmental benefits: (1) recovery and reuse of a material conserves the natural resources from which that material is derived; (2) recycling of materials eliminates disposal, thus, the negative environmental effects of inadequately controlled solid waste disposal are reduced; (3) substitution of waste materials for virgin materials in the production system results in decreased energy requirements and decreased air and water effluents (based on studies of glass, paper, and ferrous metals) and avoids other kinds of environmental degradation, particularly in the extraction phase (e.g., strip mining). Data to substantiate these points are presented below.

Glass. Environmental impacts occur at every step of glass manufacturing from the mining of raw materials to final waste disposal. Changes in the amount of cullet (glass scrap) in the raw materials batch are responsible for significant changes in environmental effects.

Comparing the environmental impact of glass manufacturing using 15 and 60 percent cullet mixes, it is clear that increased cullet usage results in reduced quantities of residual discharge. Table 2 illustrates the impact changes for the two cullet mixes. A 60 percent cullet batch would result in over 50 percent less mining and postconsumer waste, 50 percent less water consumption, and up to 22 percent less atmospheric emissions. The energy requirements either increase 3 percent or decrease 6 percent depending on the recovery system used for obtaining the cullet.

Paper. There are significant changes in environmental impact when waste paper is substituted for virgin wood pulp in the production of paper products. Table 3 summarizes the environmental impacts produced by manufacturing 1,000 tons of pulp from recycled fiber rather than from virgin wood pulp. The recycled fiber case requires 61 percent less water and 70 percent less air pollutants.

If deinking and bleaching is required to upgrade the secondary fibers for high quality finished products, recycling still produces environmental benefits in almost every category. Table 4, which compares virgin pulp with recycled deinked pulp, indicates that 15 percent less water and 60 percent less energy are required, and 60 percent less air pollutants generated. However, the waterborne wastes increase significantly. The increase in solid wastes generated in processing is more than offset by the recovery of paper from municipal solid waste.

Ferrous Metals. There are also substantial changes in environmental impact from utilizing recycled steel rather than producing steel from iron ore. A comparison of the impacts of producing 1,000 tons of steel reinforcing bars from virgin ore and from scrap indicates that 74 percent less energy and 51 percent less water are used in the recycling case. Additionally, air pollution effluents are reduced by 86 percent and mining wastes by 97 percent (Table 5).

The results presented in Tables 2–5, were derived from surveys conducted from 1968–1970 and represent pollution in a relatively uncontrolled situation. As air and water pollution control legislation and implementing regulations become more effective some of the costs of environmental degradation will be internalized. This might result in an improvement in the environmental impacts of virgin material utilization and decrease the cost advantage of virgin versus secondary materials. EPA is carrying out further analysis of this process and the attendant costs and results will be presented in subsequent reports to Congress.

The results presented indicate that in most cases studied the atmospheric effluents, waterborne wastes, solid wastes, energy and water consumption are substantially lower for resource recovery as compared to virgin material utilization. However, the full environmental impact of this result is difficult to assess completely. Residuals and wastes produce different degrees of environmental damage depending both upon their composition and the location in which they are released. Emissions in high population areas could affect public health and welfare, while in rural areas, plant and wildlife ecology could be altered. Further research and analysis is needed to evaluate the overall environmental impact of the different mix and different location of emissions brought about by increased levels of recycling.

Economics. There are a number of historical, technical, locational, attitudinal, and other reasons for the decline of resource recovery, all of which can be translated into relatively high *total* costs for waste recovery compared with virgin materials processing. Secondary materials derived from municipal waste in almost every instance have a higher cost to the material user than virgin materials.

Again glass, paper, and ferrous metals provide illustrations.

Glass. Cost comparisons of glass manufacture from either waste glass (cullet) or virgin raw materials depend primarily on the delivered cost to the plant of each raw material. Glass can be made from cullet in existing plants with minor and inexpensive process changes. The production costs are essentially the same with either raw material. Similarly, a new plant designed to use cullet would be very similar to a plant based on virgin materials and would be no more costly to construct.

Table 6 compares the cost of using virgin raw materials with the cost of using cullet. The lower end of the cullet price range reflects a transportation distance of 25 miles or less. As distance from the glass plant increase, the price obviously rises. Since most recovered glass would need to be moved more than 25 miles, the upper end of the range provides the best estimate.

Glass manufacturers are not likely to make even the minor process changes required to increase cullet consumption where the cost of using the virgin materials from well established sources with predictable supplies and prices is equal to or less than that of bringing an unfamiliar, possibly contaminated substitute.

Paper. The comparative economics of using supplemental waste paper in existing mills for manufacturing certain paper products are shown in Table 7. These examples are by no means exhaustive of the many paper industry products, but these cases representing three products with different economic characteristics support what would seem to be obvious from the current industry orientation. The cost penalty for increasing the use of paperstock is $2.50/ton for corrugating medium, $3.75/ton for linerboard (corrugating medium and linerboard are the materials used to make corrugated boxes), and $20–$30/ton for printing/writing paper. The latter cost differential is the result of substantial upgrading of waste paper that would be required to produce a product of the present high quality required in the printing/writing grade of paper. The cost of newsprint manufacture, however, is lowered by using 100 percent recycled fiber (deinked newsprint). This has been the only major new market for waste paper in recent years.

The economics of constructing new mills based on either virgin or secondary fibers also shows why the industry has preferred to build plants utilizing virgin fiber. An analysis of folding boxboard (combination board made from secondary fiber versus solid wood pulp board made from virgin pulp) found the return on investment for the virgin based plant to be 8.1% while that for a plant based on waste paper (combination board) was only 4.5%. Under such circumstances, construction of new combination board mills is highly unlikely.

Ferrous Metals. The costs to an integrated steel producer of using scrap versus ore are difficult to determine. The steel industry does not maintain or at least does not report such figures. Estimates have been made, however, which indicate that the cost of using high-grade scrap is higher than the cost of using ore.[16]

The point of equivalency of scrap and ore in the production process is the point where either hot molten pig iron or melted scrap is used to charge a basic oxygen furnace (BOF). The total cost of scrap at this point was estimated to be $44.00 per ton, including $33.50 purchase price of the scrap, $6.00 melting cost, $3.50 for scrap handling, and $1.00 for increased refractory wear caused by scrap usage. The cost of molten pig iron (which competes directly with scrap) was estimated at $37.50 per ton including $28.50 for the ore and associated raw materials, and $9.00 for melting cost. Thus, the cost of scrap ready for charging to a BOF is about $6.50 per ton greater than the hot metal derived from ore at the same point. Thus, without a reduction in scrap cost of at least $6.00 to $7.00 per ton, it is unlikely that there will be a substantial increase in utilization of scrap by existing steel mills in BOF steel production.

Nonintegrated steel mills using electric furnaces (which operate on virtually a 100 percent scrap charge) of course, find scrap use economical. These scattered mills are usually located near metropolitan areas and transport cost of scrap is not a major expense.

The above cases illustrate the fundamental economic barriers to the increased utilization of secondary materials. The economics of recovery today result in the recovery of all waste materials that are of high quality and can be obtained from reasonably concentrated sources. Extraction of materials from solid waste is limited both by the relatively low quality of such wastes due to contamination and admixture with foreign materials, and by the relatively greater effort required to acquire such materials.

Economic Disincentives. A part of the cost differentials between secondary and virgin raw materials are in fact artificially created by public policy actions. Virgin materials enjoy depletion allowances and other subsidies such as favorable capital gains treatments. For example, due to the 15 percent depletion allowance on iron ore, the ore producer could lower his selling price by 13.5 percent without reducing his profit margin. Publicly controlled freight rates appear to discriminate against the movement of scrap materials. To a large extent, virgin materials prices do not reflect the full costs of environmental degradation the materials create. Furthermore, the fuels required for energy to extract and to process the virgin materials—which are high energy consumers—are also subsidized by depletion allowances.

Environmental regulations will tend to internalize pollution costs and many partially close the relative cost gap between use of virgin and recycled materials. However, the overall timing and impact of these measures is difficult to predict. Under the present market conditions, pollution regulations may in some cases work to the detriment of recycling. For example, in the paper industry many combination board mills (the major users of secondary paper) are already economically marginal operations and will find it difficult to absorb additional pollution control expenditures. Also, many type of environmental degradation resulting from virgin materials use, e.g., strip mining are not currently subject to controls.

Resource Recovery Technology. Technology to process mixed municipal wastes for recovery as materials, commodities and energy has been and is being developed by private industry, generally without Federal support.

EPA's resource recovery demonstration program, carried out under Section 208 of the Solid Waste Disposal Act, is designed to demonstrate the major technologies that have been developed in areas where both economic and market conditions for successful demonstration can be found.

The major technical options being considered are the following:

Materials separation into saleable components.

Composting of waste and production of soil modifiers.

Waste heat recovery in conventional incineration.

Waste heat recovery in high temperature incineration.

Direct firing of prepared waste as fuel.

Pyrolysis of waste to generate steam or gaseous, liquid, or solid fuel.

Of these options, a number have already been or are now being demonstrated.

Wet materials separation employing a system developed by the Black-Clawson Company has been demonstrated at Franklin, Ohio, with EPA support. After shredding, metals, glass, and saleable pulp are separated.

A number of composting plants have been built and have been operated successfully from a technical point of view (See Appendix). The majority have failed, however, because markets for the compost products did not materialize. The rather high cost of producing compost is not sufficiently offset by income from its sale.

Waste heat recovery in conventional incineration has been demonstrated both here and broad; this is also a well known practice. (See Appendix).

Direct firing of prepared waste as fuel is now being demonstrated in St. Louis, Missouri. Waste is shredded; ferrous metals are removed by a magnet; and the remaining waste, including nonferrous metals and broken glass, is introduced into a utility boiler where it is burned with coal to generate steam for the utility's turbines.

Partial separation of incinerator residues, i.e., the extraction of steel cans by magnets, has been demonstrated at a number of locations.

Major technical options or variants that have not yet been demonstrated included the following:

Total Incinerator Residue Separation as Developed by the Bureau of Mines. This system recovers glass, nonferrous metals and some fractions of the minerals in residues in addition to iron and steel. A pilot plant has been operated by the Bureau of Mines.

Dry Mechanical Waste Separation. Various components of such systems (such as shredders, magnets, grinders, conveyors, etc.) are commercially available. An air separator which performs a gross division of wastes into combustible and noncombustible fractions has been employed as part of an EPA contract with Combustion Power Equipment Co. in Los Angeles, California. Materials separators have been widely used in other industries such as mining and agriculture. To date application of these technologies to solid waste separation have not been fully exploited by industry because secure markets for output products do not exist.

Waste Heat Recovery in High Temperature Incineration. Several such incinerators have been developed; all operate in a similar manner.

Pyrolysis. Several systems have been developed by high-technology companies (Monsanto, Hercules, Garrett, Union Carbide). Like high temperature incinerators, these are also very similar in operation. They can be designed to yield output of fuel gas, oil, and char, or can be utilized directly to generate steam.

Economic data on the investment costs, operating costs, and revenues of major resource recovery system options have been developed by Midwest Research Institute under contract with EPA and the Council on Environmental Quality. All of the major systems examined show a net cost of operation: revenues are not sufficient to cover all operating costs. In a municipally owned plant with an input capacity of 1000 tons per day, net costs will range from a low of $2.70 per ton for fuel recovery by direct waste firing to a high of $8.97 per ton for incineration with electrical generation (Table 8). While the costs indicate that resource recovery by processing is not a profitable venture, in those communities where disposal costs are high, the lower cost resource recovery options offer a means of reducing disposal costs.

Figure 1 shows that recovery system economics improve with size. These data are based on current prices for secondary materials (Table 9). The results show that recovery by processing could be attractive in large cities generating large quantities of waste if the increased quantities of materials recovered do not drive secondary material prices down. Table 10 shows the sensitivity of system economics to the market price of recovered materials. It can be seen that, if higher prices are obtained, which may be the case if incentives for use of secondary materials are instituted, system economics are signficantly improved. Using the case of materials recovery as an example, a 50 percent increase in prices results in a reduction of net costs from $4.77 per ton to $2.56 per ton. A materials price decrease of the same amount would raise net costs to $6.98.

The costs presented in Tables 8 and 10 suggest that resource recovery is a more economical option than incineration. The fact that there is no apparent move to install resource recovery systems is partially explained by the fact that the markets for recovered commodities are uncertain. Cities are unable to obtain purchase contracts with local buyers of waste materials at fixed prices. The failure rate of compost plants, due to lack of markets, has solidified feelings of market uncertainty. And finally, traditional municipal reluctance to undertake large scale capital investment, particularly where there is some element of risk, and other institutional problems have also contributed to the failure to move to resource recovery systems.

In summary, in most cases technology is available for implementing resource recovery through the processing of mixed municipal wastes. The technical processing route is costly but, in some of the technical options, costs approach those of other means of disposal. Although technological improvements would result in some cost reductions, technology is not likely to dramatically improve the marketability of products. If incentives for secondary materials consumption were instituted, and improved prices for waste-based commodities were established, further technology development by the private sector could be expected.

Recovery from mixed municipal waste

In order to achieve recovery of materials from mixed municipal waste economics must be favorable at two key points. The municipality must find the cost of resource recovery competitive with disposal, and secondly, the user of the materials from these systems must find the cost of these second-

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ary materials competitive with virgin materials substitutes. Recovery of materials from mixed municipal waste requires processing. With the exception of a score or so of very large cities, most communities have disposal costs which are lower ($2 and $3 per ton) than the resource recovery alternative. As shown above, recovery processing costs tend to exceed revenues from the sale of products, and the resulting net cost is higher in most places than current disposal costs.

Even in areas where disposal costs are already high—in excess of $5 per ton—resource recovery is limited because no markets can be guaranteed for recovery plant outputs at the tonnage levels at which they can be produced.

From the standpoint of the municipality, when, two changes that would bring about larger scale recovery of mixed municipal waste are (1) higher prices for recovery plant outputs or—alternatively—reduced recovery plant production costs and (2) an increase in demand for waste-based raw materials.

These requirements, however, are somewhat at odds with the requirements of the user who must purchase the outputs of such plants. As has been shown, the economics of virgin materials use are already more favorable than the economics of secondary material use. Lower waste prices are needed to change this situation. In order to insure a demand for secondary materials, they must either decrease in price or—alternatively—their use must be subsidized.

SECTION 3—DISCUSSION OF MAJOR OPTIONS

EPA's studies have progressed to a point where the major options available to bring about resource recovery at an increased rate—where such action can be justified on environmental and conservation grounds—are generally identifiable. The fundamental requirement is to create a situation wherein industrial materials users will substitute secondary materials for virgin materials to the extent this results in more efficient use of resources. This situation could be brought about by three types of activities: (1) actions to inhibit the use of virgin materials, (2) actions to create a demand for secondary materials, and/or (3) actions to create a supply of secondary materials of such quality and at such a price that they will appropriately satisfy the new demand.

Inhibitory mechanisms, aimed at restricting the consumption of virgin materials, would normally take the form of disincentives or regulatory actions. Actions to create demand or supply would normally require the provisions of positive incentives. An analysis of each of the major options follows.

Inhibition of Virgin Materials Use. If the supplies of virgin materials available to industry were denied or restricted, the cost of the remaining available portion would rise as a consequence of continuing demand. In relation to secondary materials, then, virgin materials would become more expensive, and more secondary materials would be used. Similarly, if the costs of virgin materials were raised artificially (by taxation, by removal of depletion allowances, capital gains treatment, or other means), the same consequence would result.

The desirability of major intervention into virgin materials use in order to increase recycling can be easily questioned on the grounds that a very large materials tonnage (5.8 billion tons) may have to be affected in order to increase a small portion (55 to 60 million tons).

Several "natural" events are likely to cause virgin materials to rise in cost without any form of government intervention. These events include: (1) tighter pollution control regulations and enforcement, resulting in higher pollution control costs; (2) increasing energy costs, which will affect virgin materials proportionately more because they are more energy intensive than secondary materials; (3) depletion of high quality domestic reserves and the need to exploit leaner ores or to import raw materials across greater distances; (4) potentially adverse foreign trade policies; and others. The timing and impact of these market corrections is difficult to predict but are expected to be significant.

"Artificial" intervention is possible through the institution of virgin materials taxes and/or the removal or modification of favorable tax treatment of virgin materials and energy substances, regulation of virgin materials that are available from Federal land, denial of markets to virgin materials through Federal procurement policies, changes in transportation costs through Federal regulation of rail and ocean freight rates, changes in Federally mandated labeling regulations, and, at the extreme, the institution of national materials standards that would limit the use of virgin materials in major materials to some percentile below that now common.

The costs, benefits, and probable effectiveness of each major action listed above are under analysis. Based on initial findings, EPA sees justification for more aggressive Federal procurement policies to limit the use of virgin materials in products (with all the implied consequences of such a leadership posture), actions to remove freight rate disparities that appear to favor virgin materials, and removal of labeling regulations that discourage consumer purchasing of products that contain "waste" materials.

An example of Federal procurement changes already exists. The changes introduced in 76 paper product specifications by the General Services Administration under orders from the President are already having some impact on paper and board production. Intensification of such actions is certain to have beneficial impacts on resource recovery.

Fiscal measures (e.g., taxes to discourage virgin use) could be addressed to the artificial economic benefits which now favor virgin materials use. Such measures, however, would have a variety of other impacts as well, which are being evaluated to determine whether or not fiscal measures to inhibit virgin materials uses are cost effective. In light of a series of natural events that will raise virgin materials costs—especially rising energy costs—fiscal intervention may not appear either necessary or desirable.

Regulatory actions are viable alternatives for increasing resource recovery, but such actions, as related to virgin materials resource use, need further evaluation to determine their side effects, which may be adverse.

Demand Creation. EPA's investigations to date lead to the conclusion that positive economic incentives may be desirable in order to arrest the relative decline of materials recovery and to increase the proportion of total national materials needs satisfied from waste-based raw materials.

There is evidence that energy recovery from mixed municipal waste will become a very real option to both private and public sector waste management organizations without incentives of any sort and that limited materials recovery—steel, aluminum, and glass—will accompany such energy recovery activities.

The most efficient incentive for materials recovery would be one which results in the creation of new demand by industry for secondary materials, such as some form of tax incentive or subsidy payment to users of secondary materials. If an incentive results in a "demand pull" by industry, such demand will automatically result in changes in the way wastes are stored, collected, and processed. The key to increased recovery is the waste commodity buyer rather than the commodity supplier. Only if the buyer finds waste materials a more economical alternative than virgin materials will greater quantities be utilized. Incentives provided directly to the buyer are most likely to have the most dramatic effect on his actions.

Demand creation incentives can take a variety of forms. The particular form the incentive takes is important from the administrative and legal points of view. Also, different types of incentives have different efficiencies (cost—effectiveness). The important point—regardless of mechanism used—is that the materials producer (steel mill, paper mill, glass plant, etc.) should find himself in a situation where the use of secondary material is to his economic advantage.

Potentially, several types of incentive measures satisfy this criterion: investment tax credits, tax credits for use of secondary materials, subsidy payments or bounties, subsidy of plant and equipment for processing or using secondary materials, etc. If the incentive is made available to the materials consumer directly, a demand for waste materials will result.

Functionaly, the incentive must be high enough so that—at the point of materials consumption—the cost of the secondary material to the buyer is at least the same (in the same quality range) as the cost of the virgin material. Investigations are underway to identify the level of necessary incentives. As shown in a previous section, it appears that the incentive required to "equalize" the costs of virgin and secondary materials would range from $2.50 to $30 per ton of material recovered. These values are based on a limited number of comparisons and should be viewed as somewhat tentative. It is estimated that as "across the board" incentive sufficient to result in substantial increases in resource recovery would range from $3 to $5 per ton of material recovered. A subsidy of this magnitude should be largely offset by savings in disposal costs since materials recycled would be removed from the waste stream and thus would not incur the cost of landfill or incineration. In addition, there would be important environmental benefits from increased recycling.

Supply Creation. Incentives for demand creation are veiwed as sufficient inducement to bring about resource recovery at an accelerated rate. Such incentives, if appropriately designed, should spur private and public investment in resource recovery plants and systems, to deliver to industry the types and quantities of secondary materials it will demand.

As incentives bring about demand by consumers for increased quantities of secondary materials, the demand will reverberate down the chain of suppliers and will bring about some changes in supply patterns. It is likely, for example, that increased "skimming" of accessible wastes (removal from wastes before discard) such as newspapers, corrugated boxes, and office papers would occur from municipal and commercial sources and that such recovery would take place at lower overall costs than technological sorting.

Most of the solid waste materials that would be demanded by industry now pass through the hands of municipal solid waste management organizations who collect waste in mixed forms. In order to sell all proportions of waste now collected, these organizations face two alternatives: to collect waste fractions separately or to process mixed wastes into separate fractions.

Both alternatives have drawbacks. Separate collection of different waste fractions, while once widely practiced has virtually disappeared. Combined waste collection using the more efficient compactor truck has become standard in residential, institutional, and commercial waste collection practice. Reinstitution of separate collection will require changes in practices and equipment.

The processing option is capital intensive. The economics of processing require large plant sizes in order to take advantage of economics of scale. In order for the economics to be attractive, plant sizes of 1000 tons per day of input or higher are required. There are few communities with such high generation rates.

If demand incentives result in higher secondary materials prices, public and private waste management organizations would be able to justify processing of municipal wastes for recovery in lieu of processing for disposal. Higher prices for waste-based commodities will also permit the use of smaller capacity plants; the higher prices will compensate for the higher processing costs of small plants.

In smaller communities, where recovery by processing is not likely to be economical, provision of supplies by separate collections is a possibility. The separate collection option, which was once practiced extensively, will require technical, institutional, and social changes to become a part of today's society. At this point, enough knowledge has been gained to see that citizen enthusiasm for resource recovery (expressed in the institution of thousands of neighborhood recycling centers), holds the potential for new and innovative options for solid waste collection. Furthermore, the successful experience of Madison, Wisconsin, where city crews collect newspapers separated from other wastes by the citizenry, indicates that alternatives to large scale recovery plants do indeed exist.

Such approaches to supply creation are still being analyzed as part of EPA's resource recovery studies program.

Other Options. In addition to action programs that would impact directly on resource recovery, a number of related activities are also under consideration whose consequences would be to attack the broader problem of "excessive materials consumption" in the United States rather than one aspect of that problem, low resource recovery rates.

Source reduction proposals are usually aimed at a particular product (beverage containers) or a class of products (packaging, appliances).

Source reduction options fall into four categories: (1) bans or other disincentives applied to a product or class of products; (2) performance standard setting that will result in longer-lived products, whereby more "use" or "service" is obtained from a given quantity of materials than is the case if rapid obsolescence is promoted; (3) substitution of production processes with low waste yields for waste-intensive processes, for instance, dry paper making in place of wet pulping; and (4) substitution of products with low-materials requirements for those with high materials requirements, for instance, electronic calculators for the more material-intensive mechanical calculators or substitution of electronic communications media for media that require paper.

EPA's investigation of source reduction concepts is currently aimed at packaging and other disposables, products which are particularly significant in their contribution to solid waste quantities and whose consumption has been growing rapidly. An EPA study is underway to examine alternate taxing and regulatory measures for reducing the quantities of packaging materials consumed.

Such measures might be successful in either (a) reducing consumption of packaging and other disposables, (b) stimulating designs of more recyclable packaging or products, or (c) providing funds for defraying the litter cleanup, collection and disposal costs presently associated with these materials. The secondary effects of these measures, such as economic dislocation and employment disruptions are also being examined.

Of the various major options available for increasing the rate of recovery, intensified Federal procurement of waste-based products and further exploration of positive demand incentives appear most desirable in the long term, accompanied by activities to bring into line virgin and secondary materials freight rates. More information is needed about the necessity for and the effects, fairness, and workability of both source reduction and resource recovery incentive concepts before any such measures are implemented.

Demand creation would be achieved most efficiently by the direct route of rewarding the waste consumer for using secondary materials. Incentives for demand creation, if properly designed may bring about resource recovery at an accelerated rate less and would probably spur private and public investment in resource recovery plants and systems to supply secondary materials. Certain changes in supply patterns may emerge which will result in some waste materials circumventing the recovery plants. "Skimming" of accessible wastes such as newspapers, corrugated boxes and office papers is such a change. For smaller communities where recovery by processing is not likely to be economical, provision of supplies by separate collection is a potential solution.

Actions aimed at removing certain artificial barriers are under serious consideration by EPA, especially Federal procurement policies to increase the use of secondary materials in products and actions to remove freight rate disparities that appear to favor virgin materials.

Taxes and regulation to reduce the consumption of certain product categories such as packaging to reduce the load on the solid waste stream are presently under investigation. Stimulation of more recyclable package designs and provision of funds for litter clean-up are secondary benefits of such actions.

SECTION 4—DISCUSSION OF PROGRAM ACTIVITIES

The foregoing presentation and preliminary conclusion as well as the data, information, and discussions of specific materials included in the Appendix are based on EPA resource recovery program activities, carried out both by in-house staff efforts and contract research in support of internal analysis.

An overview of the basic plan for carrying out the Congressional mandate is shown in Figure 2. The problem is defined in terms of the adverse environmental effects of materials processing and disposal and efficiency of resource utilization. The broad solutions identified to the problem are increased resource recovery and source reduction activities. A number of policy options available to achieve the solution are shown. Next, specific program activities to implement the policy option are shown arranged into "primary" and "secondary" priority emphasis categories. Finally, an evaluation procedure by which specific action programs will be selected for recommendation is outlined.

Figure 3 shows the various alternatives available for reaching the objective of increased waste utilization; Figure 4 illustrates the alternatives available to obtain the objective of source reduction; and Figure 5 illustrates the points in the materials cycle where the various action program alternatives would have their impacts.

For purposes of discussion, EPA's program efforts can be classified into three types of activities: (1) background studies that provide for understanding the subject of resource recovery in its many facets; (2) studies to formulate and to analyze action programs; and (3) studies to evaluate the impacts and effectiveness of action programs that appear to have merit. In what follows, the various past, on-going, and projected activities of EPA will be discussed under these headings.

Background Studies. Background investigations include data collection, survey, and information classification in order to establish the status and trends of recycling and identify problems, barriers and opportunities for increased waste use. To date a number of background investigations have been completed and are nearing publication. A list of completed studies is presented on Table 11. These cover topics such as municipal resource recovery practices, secondary materials recovery, unit processes in resource recovery, and comprehensive recovery systems.

Review of this information is underway, data and information gaps have been identified, and the need for further background investigations has been established in the following areas:

(1) Recycling base line—In order to assess an incentive mechanism designed to increase recovery of wastes, it is first necessary to the project future recycling that is likely to occur in the absence of the proposed incentive. Factors which could influence this base line are:

Rising municipal disposal costs.
Envrionmental legislation.
Recovery technology development.
Rising energy prices.
Change in labor productivity.
Private sector and local government actions.

An investigation is being carried out to forecast this base line in the absence of Federal Government activity.

(2) Available for recycling—It is also important to estimate the practical upper limit on recovery in order to assess the effectiveness of proposed recycling measures. It is not feasible to recover all of the solid waste generated. The amount available for recycling is determined by factors such as:

Losses in processing, collection and handling.
Amounts generated in remote areas.
Self-disposal activities.
Materials dispersed in trace quantities.
Materials concealed or mixed in products.

The practical limits on recycling are being projected to serve as a guide for evaluating recycling activities.

(3) Freight rates—Transport rates may have an unfavorable effect on the prices of secondary materials as compared to virgin materials. However, differences which exist may be justified by cost to the carrier. An investigation of the basis and structure of transport rates is being carried out in an attempt to:

Compare actual freight rates for secondary and primary materials.
Compare carrier cost of shipping and factors affecting this cost.
Establish the effect of rates on the relative prices of virgin and waste materials.

TABLE 11—COMPLETED STUDIES AND INVESTIGATIONS

Background studies

Salvage Markets for Commodities Entering The Solid Waste Stream—An Economic Study. Midwest Research Institute, 1971.

Studies to Identify Opportunities for Increased Solid Waste Utilization—Studies completed for Aluminum, Lead, Copper, Zinc, Nickel and Stainless Steel, Precious Metals, Paper and Textiles. Battelle Memorial Institute and National Association of Secondary Materials Industries, 1971.

Identification of Opportunities for Increased Recycling of Ferrous Solid Waste. Battelle Memorial Institute and Institute of Secondary Iron and Steel, 1971.

An Analysis of Federal Programs Affecting Solid Waste Management and Recycling. SCS Engineers, 1971.

Catalog of Resource Recovery Systems for Mixed Municipal Waste. Midwest Research Institute and Council of Environmental Quality 1971.

Recovery and Utilization of Municipal Solid Wastes. Battelle Memorial Institute, 1971.

Formulation and analysis of action programs

An Analysis of the Abandoned Automobile Problem. Booz-Allen Hamilton, 1972.

Incentives for Tire Recycling and Reuse. International Research and Technology, 1971.

An Analysis of the Beverage Container Problem with Recommendations for Government Policy. Research Triangle Institute, 1972.

The Economics of the Plastics Industry. Arthur D. Little, 1972.

Strategies to Increase Recovery of Resources from Combustible Solid Wastes. International Research and Technology, 1972.

Evaluation

Economic and Environmental Analysis—Studies completed for Paper, Ferrous Metals and Glass. Midwest Research Institute and Council of Environmental Quality, 1971.

Preliminary Report on a Federal Tax Credit Incentive for Recycling Post Consumer Waste Materials. Resource Planning Associates, 1972.

(4) Source separation and collection—In order to analyze incentives and policies to promote increased recycling, the reliability and costs of obtaining wastes from different sources must be known. There are three source separation techniques currently employed to collect wastes segregated at households or business establishments:

Community recycling centers.

Separate collections (by volunteer organizations, municipal or private collectors, and secondary material dealers).

Separation of wastes during regular household collections.

An example of the latter type of operation exists in Madison Wisconsin, where segregated newspapers are collected with other household wastes and placed in a separate bin hung below the collection vehicle.

In order to provide the background information needed to evaluate these techniques, studies will be carried out to assess:

Consumer attitudes to source separation techniques.

Costs involved in collecting segregated materials and transporting them to users.

Amounts of material that can feasibly be recycled through these channels.

Formulation of Action Programs—Work in this area involves identifying and formulating means of increasing recycling through demand creation, supply creation and inhibiting virgin material use. Studies of incentive alternatives that have been completed but not yet released are listed in Table 11. These involve incentives for automobile hulks, plastics, tires, beverage containers and combustible wastes. These studies are presently under internal review and, where appropriate, recommendations will be forthcoming. The contract reports will be availble for public distribution when the review is complete.

Program plans are being developed for the following incentive and regulatory measures which will be analyzed and evaluated in the next year.

Economic Incentives:

Recycling tax credit or subsidy for the use of post consumer waste.

Investment credit or subsidy for recovery equipment.

Virgin material tax to increase cost of virgin material use.

Waste generation tax to reduce the amount of waste produced.

Government procurement to create a demand for waste materials.

Depletion allowance adjustment to increase costs of virgin materials.

Regulatory Measures:

Transport rate adjustment to equalize freight rates.

Material standards specifying waste use in certain products.

Virgin resource control on Federal lands.

Regulation of waste and virgin material imports and exports.

Evaluation. Evaluation of the programs listed above consists of determining:

1. The wastes recycled.
2. The resources conserved.
3. The environmental impacts.
4. The costs and savings.
5. The implementation requirements.
6. Other impacts such as employment, foreign trade, industrial dislocation, etc.

Work in this area involves first developing a methodology for carrying out the evaluation of the different aspects and secondly applying the methodology to the specific incentive and regulatory measures. As indicated by the reports listed on Table 11, environmental impact analysis for paper, ferrous metals, and glass has been started and a preliminary cost effectiveness study has been carried out for one type of incentive—the recycling tax credit.

As will be discussed below, additional work is required in the areas of predicting waste recycling and estimating resource requirements and environmental impacts. The costs and savings follow directly from these measures. The implementation requirements and other impacts must be evaluated on an individual basis for each particular incentive or regulatory mechanism.

(1) Predicted recycling—In order to predict the amount of waste material that would be recycled as a result of an incentive or regulation, it is necessary to estimate the elasticity of supply and demand with price for the waste and the competitive virgin material. This requires analysis of historical price-quantity data, financial analyses to determine the effect on profit, return and investment decisions, and analysis of material processing costs. Work is underway aimed at recycling through the major waste using industries (such as waste paper, scrap steel, and glass).

(2) Environmental impacts and resource consumption—Work in this area involves laying out the entire waste material use system from acquisition to disposal. At each element of the system the air and water pollution produced are calculated along with the energy, water and materials consumed. Comparisons are made with and without recycling and the net environmental impact is determined. The work completed for paper, ferrous metals and glass will be expanded to include calculation of the pollution abatement cost savings due to recycling. Similar analyses will be carried out for aluminum, rubber, textiles and plastics.

In summary evaluation of the regulatory mechanisms and incentives involves

1. Determining the effectiveness of the measures proposed.
2. Comparing this to the recycling base line and practical upper limit.
3. Estimating costs and benefits.
4. Making an informed judgment as to the value of the measure.

Program activities described above are aimed at providing information necessary to formulate meaningful resource recovery policy. In the last half of the fiscal year ending June 30, 1973, recommendations will be made for measures to accomplish the goal of increased resource recovery on an environmentally, economically and socially sound basis. These measures will be described in the Second Annual Report to Congress.

FOOTNOTES

[1] Ayres, R. U., and A. V. Kneese. Environmental Pollution. In Resource Recovery Act of 1969 (Part 2). Hearings before the Subcommittee on Public Works, United States Senate, 91st Congress, 1st session, Serial No. 91–13. Washington, U.S. Government Printing Office, 1969. p. 821.

[2] Ayres, and Kneese, Environmental pollution, p. 821. (Data for 1968 and 1971 are extrapolations from the 1963, 1964, 1965 base data.)

[3] Ayres, and Kneese, Environmental pollution, p. 819.

[4] Darnay, A. J., Jr., and W. E. Franklin, Economics of salvage markets for commodities entering the solid waste stream. Unpublished data, 1972. (To be published as Salvage markets for materials in solid wastes. Washington, U.S. Government Printing Office.)

[5] Midwest Research Institute. Economic studies in support of policy formation on resource recovery. Unpublished data, 1972.

[6] Darney, A., and W. E. Franklin. The role of packaging in solid waste management, 1966 to 1976. Public Health Service Publication No. 1855. Washington, U.S. Government Printing Office, 1969. p. 105.

[7] FPA extrapolation based on (1) data for 1967 from: Black, R. J., A. J. Muhich, A. J. Klee, H. L. Hickman, Jr., and R. D. Vaughan. The national solid wastes survey; an interim report. (Cincinnati), U.S. Department of Health, Education, and Welfare, (1968). p. 13. (2) Census data from Statistical Abstracts of the U.S.

[8] EPA extrapolation based on (1) data for 1965 from: Combustion Engineering, Inc. Technical-economic study of solid waste disposal needs and practices. Public Health Service Publication No. 1886. Washington, U.S. Government Printing Office, 1969. (705 p.)

[9] EPA extrapolation based on (1) data for 1965 from: Air pollution—1966. Hearing before the Subcommittee on Air and Water Pollution of the Committee on Public Works, United States Senate, 91st Congress, 1st Session, October 27, 1969. Washington, U.S. Government Printing Office, 1970. 244 p.

(2) Bureau of Mines estimates.

[10] EPA extrapolation based on (1) data for 1966 from: Air pollution—1969. (2) Agricultural handbook. 1971.

[11] Black, Muhich, Klee, Hickman, and Vaughan, The national solid wastes survey: an interim report, 1968, p. 13.

[12] Darnay, and Franklin, Economics of salvage markets for commodities entering the solid waste stream. Unpublished data, 1972. Chap. 4. p. 26.

[13] Darnay, and Franklin, Economics of salvage markets for commodities entering the solid waste stream. Unpublished data, 1972, Chap. 5, p. 16.

[14] Darnay, and Franklin, Economics of salvage markets for commodities entering the solid waste stream. Unpublished data, 1972, Chap. 9.

[15] Darnay, and Franklin, Economics of salvage markets for commodities entering the solid waste stream. Unpublished data, 1972, Chap. 6.

[16] Midwest Research Institute. Resource recovery from mixed municipal solid wastes. Unpublished data, 1972.

By Mr. MANSFIELD (for Mr. BAYH):

S. 1088. A bill to protect the public interest in fair and impartial execution of the antitrust laws of the United States, and for other purposes. Referred to the Committee on the Judiciary.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Indiana (Mr. BAYH), I introduce a bill, and I ask unanimous consent that a statement prepared by him together with the text of the bill be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

THE ANTITRUST SETTLEMENT ACT OF 1973

(Statement by Senator BAYH)

Mr. President, I introduce for appropriate reference "The Antitrust Settlement Act of 1973." This bill which I also introduced in the last Congress is designed to reform the process by which antitrust cases are settled in two important respects. First, it will provide a meaningful way for interested citizens to make their views known before an antitrust case is settled. Second, it will require the Department of Justice to explain to the court and to the public the reasons it has agreed to the proposed settlement.

One of the many lessons which can be learned from the extensive Judiciary Committee hearings last year into the manner in which the Justice Department reached a settlement of its antitrust suit against ITT is that there is currently no effective mechanism for ensuring that the public interest is protected in negotiated antitrust settlements. For this reason, the public is rightfully skeptical about the nature of the relationship between government and large private economic interests.

Few political realities are more evident today than the need to increase public confidence in the integrity of government. The legislation is a means of accomplishing that goal in an area where public confidence is especially low at the present time. How we react to this and other measures, which combine public involvement and full disclosure, will ultimately determine whether our system of government can fulfill its high goals. Democracy simply will not succeed if government insists on being aloof from the people from which its power flows.

The vast majority of antitrust cases are settled by agreement between the Department of Justice and the alleged violator without a full trial of the issues. Yet under present regulations, individual citizens have precious little opportunity to bring to the attention of the court and the Department their views of the terms of the settlements. Today, after secret negotiations between the Department and the antitrust defendant are concluded, the Department simply sits back and allows the public to comment for 30 days. There are no requirements that the Department publicize the terms of the proposed settlement, or seriously consider the comments that it receives. The bill I introduce today will change that.

The Antitrust Settlement Act of 1973 will require that the terms of every antitrust settlement be broadly publicized, and that relevant documents be made available to the public around the country. This will ensure that concerned citizens know that the Department has decided to forgo a full trial of the case, and that these citizens have the information they need to make intelligent comments about that decision. Further, the bill will require that the court to which the proposed settlement has been submitted withhold a decision on whether to accept the settlement for at least sixty days, during which time it and the Department will consider the comments the public submits.

There are two other important aspects of this bill, both of which are substantial and necessary changes from present practice. First, the court is directed to hold a hearing on the proposed settlement unless it finds that there is no substantial controversy about it. This will give the public a chance in every important case to bring its arguments directly to the judge or if the court so directs, to a special master appointed to hold the hearing. Second, and perhaps most important of all, the bill requires the Attorney General to present to the court and to the public before the settlement becomes final a full statement of the reasons that he believes the proposed settlement to be consistent with the antitrust laws and to be in the best interests of the United States.

Mr. President, such a statement by the Attorney General is the best safeguard the public has to ensure that antitrust settlements are really reached in the public interest. When the Department has good reasons for settling a case—and when it has thought those reasons through—it should have no objection to making its reasons public. And by making them public the Department will avoid the cloud of suspicion that all too often surrounds antitrust settlements. If the Department has done its job conscientiously, there will be little or no administrative burden involved in submitting to the court and the public the statement of reasons this bill requires.

Our antitrust laws reflect our nation's basic faith in the free enterprise system and our nation's healthy skepticism of the concentration of power—political or economic—in the hands of the few. Antitrust actions by the Justice Department are the most important single means of enforcing these laws. I do not go so far as to say that antitrust regulation is too important to be left to the regulators. But I do think that the regulators and the courts will benefit from listening to the views of interested citizens. And, equally important, public confidence in the way that antitrust settlements are reached will increase markedly if the public has a meaningful way to participate in the process.

It has come to my attention, Mr. President, since I introduced this bill in the 92nd Congress that it may be desirable to examine ways in which its provisions can be expanded to apply to consent judgments entered into by the Federal Trade Commission. In addition, I believe the subcommittee should also consider whether provisions can be added to this legislation which would protect the government in situations where the settlement of private antitrust actions may have a substantial effect on related litigation being conducted by the Department of Justice or the FTC. This problem was, of course, brought into focus recently when IBM and Controlled Data Corporation reached a private settlement that resulted in the destruction of evidence which was central to the government's litigation of IBM. I would hope that these issues can be examined by the subcommittee in its upcoming hearings.

My distinguished colleagues, the junior Senator from California (Mr. Tunney) and the senior Senator from Florida (Mr. Gurney) have introduced legislation which in some respects is similar to the provisions of this bill. Both bills will be considered in hearings before the Antitrust Subcommittee next month. I invite others of my colleagues who support the concept of open settlements, openly arrived at to join me in this effort.

S. 1088

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this bill may be cited as "The Antitrust Settlement Act of 1973".

Sec. 2. (a) Before any court of the United States permits any proposed consent judgment on decree or other settlement of any suit, action or proceeding arising under the antitrust laws and brought by or on behalf of the United States to become final, it shall:

(1) direct the United States to publicize the terms of the proposed settlement—

(A) by publishing for seven days over a period of two weeks in newspapers of general circulation of the district in which the case has been filed, in Washington, District of Columbia, and in such other districts as the court may direct (i) a summary of the terms of the proposed consent judgment or decree or other settlement, (ii) a description of the case (including the alleged conditions which lead the Department of Justice to conclude that the antitrust laws had been violated), (III) a list of the materials available under subsection (a) (1) (B) and the places where such material is available for public inspection, and (iv) an invitation to members of the public to send their comments on the terms of the proposed consent judgment or decree or other settlement to the Attorney General; and

(B) by making available to members of the public at United States courthouses in every district mentioned in subsection (a) (1) (A), and in such other districts as the court may deem appropriate, copies of the proposed consent judgment or decree or other settlement and such other documents as the court deems necessary to permit meaningful comment by members of the public on the proposed settlement; and

(C) by taking such other steps as the court deems appropriate to insure that members of the public have knowledge of the terms of the proposed consent judgment or decree or other settlement and an opportunity to comment thereon; and

(2) withhold decision on whether to permit the proposed consent judgment or decree or other settlement to become final for at least sixty days, or such other longer period as it deems necessary to allow the public adequate time to comment thereon and the United States and the court adequate time to consider such comments: *Provided, however,* That the court shall not permit the proposed consent judgment or decree or other settlement to become final before the Attorney General has complied with the requirements of subsection (b) and a hearing has been held in compliance with subsection (c).

(b) The Attorney General or his designate shall (1) distribute to the court and to the defendant copies of any comments he receives on the terms of the proposed consent judgment or decree or other settlement, and (2) if no substantial changes of public interest are made in the proposed consent judgment or decree or other settlement, submit to the court, by such date as the court may direct after the expiration of any period under subsection (a) (2), a statement that he has taken into consideration the comments, if any, received from members of the public and that he believes the proposed consent judgment or decree or other settlement to be consistent with the antitrust laws and to be in the best interests of the United States, together with a full and complete articulation of the reasons for his belief: *Provided,* That if substantial changes of public interest are made in the proposed consent judgment or decree or other settlement the provisions of sections (a) and (b) of this section will be applicable as if the proposed consent judgment or decree or other settlement were being presented to the court for the first time.

(c) The court shall order that a hearing be held on whether the proposed consent judgment or decree or other settlement should be allowed to become final, unless it finds after the Attorney General has complied with subsection (b) that there is no substantial controversy concerning the proposed consent judgment or decree or other settlement. The court may direct that such hearing be held before a special master appointed for that purpose.

(d) (1) The costs of any publicity ordered by a court pursuant to this section shall be borne equally by the United States and the defendant.

(2) The court, after deciding whether to allow the proposed consent judgment or decree or other settlement to become final, may award to any person the actual, necessary and reasonable costs incurred by such person in preparing and presenting comments or preparing and presenting responses to comments (other than the report required of the Attorney General by subsection (b) (2)) pursuant to this Act, whenever the court finds it is in the public interest to make such an award.

(e) Nothing in this section shall limit in any way the power of the courts of the United States to make such other orders, in connection with a proposed consent judg ment or decree or other settlement of any suit, action or proceeding arising under the antitrust laws or any other laws as the court may lawfully make; nor shall anything in this section limit or expand in any way the power of the courts to accept or reject a proposed consent judgment or decree or other settlement of any suit, action, or proceeding arising under the antitrust laws or any other laws; nor shall anything in this section limit or expand in any way the rights of any person to intervene in any suit, action, or proceeding arising under the antitrust laws or any other laws.

By Mr. SCOTT of Pennsylvania (for himself, Mr. MATHIAS, and Mr. STEVENSON):

S. 1094. A bill to improve the regulation of Federal election campaign activities. Referred to the Committee on Rules and Administration.

By Mr. SCOTT of Pennsylvania (for himself and Mr. MATHIAS):

S. 1095. A bill to amend the Communications Act of 1934 with respect to the application of the equal time provisions of section 315 to candidates for Federal elective office, and for other purposes. Referred to the Committee on Commerce.

S. 1096. A bill to provide for a campaign mail privilege for qualified candidates for Federal office. Referred to the Committee on Post Office and Civil Service.

S. 1097. A bill to amend the Internal Revenue Code of 1954 to provide that political contributions are not subject to the gift tax. Referred to the Committee on Finance.

Mr. SCOTT of Pennsylvania. Mr. President, the 1972 elections were held 4 months ago and it is appropriate to ask ourselves now whether we know as much about them as we should. After all, the Federal Election Campaign Act of 1971 was supposed to tell us who gave how much to whom and when. If I were a professional critic, I would have to give the new law mixed reviews, citing its bold structure but spotty performance.

I introduced a very strong and effective campaign reform bill 2 years ago. If it had been enacted, the entire aura of the presidential campaign would have been strikingly different. I can say this because had my original proposal for an independent Federal Elections Commission been a part of the law, there would be no question as to the legality of certain campaign contributions and there certainly would not have been continuous haggling over various campaign practices and procedures. Many of the problems we encountered in 1972 were created because of a split between the administrators and the enforcers of the law, in addition to the three-way split among the repositories for the various Federal offices being sought. I said it 2 years ago, and I will say it again—what we need is an independent Federal Elections Commission to regulate campaign spending.

I am today introducing, along with the distinguished senior Senator from Maryland (Mr. MATHIAS), four bills to correct some of the deficiences in the existing campaign disclosure law—the greatest of which is the absence of a Federal Commission.

The first bill deals principally with the reporting and disclosure of campaign contributors. We propose to create a six-member Federal Elections Commission, appointed by the President and confirmed by the Senate. Each member would serve a 6-year term. The Commission would have full legal powers, including the subpena of witnesses and evidence. Furthermore, it would be empowered to "initiate, prosecute, defend, or appeal any court action . . . through its own legal representative." To avoid an overly large, year-around staff, the Commission would be able to use, at peak periods, the personnel and the facilities of the Department of Justice and the General Accounting Office. The Commission would submit its budget directly to Congress along with any recommendations it may have for legislation. Those functions now maintained in the GAO, the Secretary of the Senate and the Clerk of the House would be given an orderly transfer to the new Commission.

It would be helpful, at this point, to recall that the Senate previously supported the creation of a Federal Elections Commission by a vote of 89 to 2. Unfortunately, the House did not agree, and the conference committee had to compromise. But we are already on record in support of a very significant reform proposal. Perhaps the House might now be willing to go along with us.

There are a number of new features in our bill aimed at reducing the volume of paper work and eliminating the temptation to obfuscate the law. First, every candidate would be required to utilize the concept of a central campaign committee, through which all of his reports must pass. Regardless of the number of committees supporting his election, each must submit its report to the parent committee. The parent committee would, in turn, file its report with the Commission. Second, reports would include each amount contributed of $100 or more. Current law requires only amounts in excess of $100. Obviously, there is a substantial gap in the law here and we hope to close it. Third, we would require that cash contributions of $2,500 or more be reported within 24 hours. Current law stipulates that contributions of $5,000 or more be filed within 48 hours. We hope to pick up on the public record more large contributions in a shorter period of time. Fourth, we would eliminate the two reports now filed 15 and 5 days before an election and replace them with one report filed 10 days before an election. It is a small change, but it would mean greater public disclosure through a more simplified filing procedure.

Pursuant to an amendment I successfully offered in 1971, several Federal regulatory agencies have issued rules restricting the extension of unsecured credit to candidates who use regulated businesses such as airlines, telephones and telegraph. The campaign of 1968 simply spawned too many debtors. The bill we are offering today would move a step further. When any debt is compromised, that is, settled for less than full value, the candidate must file:

A statement as to the consideration for which any such debt is extinguished or a statement as to the circumstances and conditions under which any such debt is cancelled.

The second bill we are offering would exempt the equal time requirements in the broadcasting law for all Federal offices—President and Vice President, Senator, and Representative. This is the only fair way since each office should be given the fullest possible exposure through the medium of broadcasting. Once again, I would remind the Senate that this proposal was previously adopted by a vote of 71 to 21. The House of Representatives did not support our action and the entire matter was dropped in the conference committee.

I believe it is terribly important to give the broadcaster an opportunity to present the candidates' views to the public without giving time to every marginal candidate in an election. The public is the real loser if we do not do something to make free broadcast time available to legitimate candidates.

Our bill would also expand the definition of a legally qualified candidate to include persons who have publicly announced for office or have knowledge that contributions and expenditures have been made in their behalf. This new definition would cover those candidates who sometimes fly under false colors as "non-candidates".

The bill would also direct the Federal Communications Commission to study the effect of the equal time suspension on both the congressional and presidential campaigns. Congress would receive reports at the end of 1974 and 1976.

The third bill we are offering is substantially similar to a proposal we submitted 2 years ago dealing with campaign mail. We now propose to offer all candidates for Federal office the privilege of sending out a specified number of pieces of political mail at rates currently paid by nonprofit organizations.

Generally speaking, a candidate would be permitted to have two mailings, equal to the voting age population, prior to any election. Minor party candidates would be allowed a similar mailing, but only half the number of pieces. This bill stipulates that mail can only be addressed to persons in the area in which the candidate is eligible for office. In other words, if he is a Representative, he could not take "soundings" with reduced-rate mail if he was only interested in a Senate seat. He would have to qualify first.

I feel that all candidates, both incumbents and challengers, ought to be given the opportunity to communicate with the electorate in this unique way. Only through the fullest presentation of different political points of view can the public make the best choice.

The fourth bill we are submitting deals with the tax treatment of cash contributions to a political campaign. Current law now subjects contributions in excess of $3,000 to a Federal gift tax. What this has done is to encourage donors and donees to route many contributions of this size through numerous "committees of evasion." To encourage full reporting and disclosure, and to simplify the filing requirements for candidates and political committees, the bill exempts all cash contributions from the gift tax. The revenue loss here is minimal, perhaps even nonexistant. However, the benefits of this new bill would far outweigh any loss in revenue to the Treasury.

Mr. President, the current campaign finance law is beginning to take hold, but changes are necessary and there is room for improvement. Hearings will soon be held on some pending legislation in the Senate Commerce Committee. My own Rules Committee will probably hold some hearings a little later. I hope that through this process we will be able to improve upon the present law without undermining it.

I ask unanimous consent to have printed in the RECORD the text of the four bills along with a brief outline of their contents.

There being no objection, the bills and outline were ordered to be printed in the RECORD, as follows:

S. 1094

A bill to improve the regulation of Federal election campaign activities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Federal Election Campaign Act Amendments of 1973".

(b) Except as otherwise expressly provided, whenever in this Act a reference is made (by way of amendment, repeal, or otherwise) to a section, title, or other provision, the reference shall be considered to be made to a section, title, or other provision of the Federal Election Campaign Act of 1971.

ESTABLISHMENT OF A COMMISSION; CENTRAL CAMPAIGN COMMITTEE

SEC. 2. (a) Title III (relating to disclosure of Federal campaign funds) is amended by redesignating sections 308 through 311 as sections 311 through 314, respectively, and by inserting after section 307 the following new sections:

"ESTABLISHMENT OF COMMISSION

"SEC. 308. (a) There is hereby established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Elections Commission, which shall be composed of 6 members, not more than 3 of whom shall be members of the same political party, who shall be chosen from among persons who, by reason of maturity, experience, and public service have attained a nationwide reputation for integrity, impartiality, and good judgment, are qualified to carry out the functions of the Commission and shall be appointed by the President, by and with the advice and consent of the Senate. Two of the original members shall be appointed for terms of 2 years, two for terms of 4 years, and two for terms of 6 years, beginning from the date of enactment of this Act, but their successors shall be appointed for terms of 6 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member to serve as Chairman of the Commission and one member to serve as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and 4 members thereof shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) Members of the Commission shall, while serving on the business of the Commission, be entitled to receive compensation at a rate fixed by the Director of the Office of Management and Budget but not in excess of $125 per day, including traveltime; and while so serving away from their homes or regular places of business they may be allowed travel expenses, included per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

"(f) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers at any other place.

"(g) All officers, agents, attorneys, and employees of the Commission shall be subject to the provisions of section 9 of the Act of August 2, 1939, as amended (the Hatch Act), notwithstanding any exemption contained in such section.

"(h) The Commission shall appoint an Executive Director without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, to serve at the pleasure of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(i) The Chairman of the Commission shall appoint and fix the compensation of such personnel as it is deemed necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(j) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(k) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"POWERS OF COMMISSION

"SEC. 309. (a) The Commission shall have the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to accept gifts and voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665 (b));

"(7) to initiate, prosecute, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of this title through its own legal representative; and

"(8) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d)(1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. The central campaign committee shall receive all reports made by any other political committee accepting contributions or making expenditures for the purpose of influencing the nomination for election, or election, of the candidate who designated it as his central campaign committee. No political committee may be designated as the central campaign committee of more than one candidate.

"(b) Notwithstanding any other provision of this title, each statement or report that a political committee is required to file with or furnish to the Commission under this title shall, if that political committee is not a central campaign committee, be furnished instead to the central campaign committee for the candidate on whose behalf that political committee is, or is established for the purpose of, accepting contributions or making expenditures.

"(c) Each political committee which is a central campaign committee shall receive all reports and statements filed with or furnished to it by other political committees, consolidate, and furnish the reports and statements to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission."

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(132) Executive Director, Federal Elections Commission."

(c) Upon the appointment of all the members of the Commission, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within 30 days after the date on which all such members are appointed, of all records, documents, memoranda, and other papers associated with carrying out their responsibilities under title III as it existed on the day before the date of enactment of this Act.

(d) Title III is amended by—

(1) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Elections Commission;";

(2) striking out "supervisory officer" in section 302(d) and inserting "Commission";

(3) amending section 302(f) relating to organization of political committees) by—

(A) striking out "appropriate supervisory officer" in the quoted matter appearing in paragraph 1 and inserting "Federal Elections Commission",

(B) striking out "supervisory officer" in subparagraphs (A) and (B) of paragraph (2) and inserting "Commission",

(C) striking out "which has filed a report with him" in paragraph (2) (A) and inserting "which has filed, or for which a report has been filed by a central campaign committee, with it";

(4) amending section 303 (relating to registration of political committees; statements by—

(A) striking out "supervisory officer" each time it appears therein and inserting "Commission",

(B) striking out "he" in the second sentence of subsection (a) of such section and inserting "it", and

(C) by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a central campaign committee, reports and notifications required under this section to be filed with the Commission shall instead be filed with the appropriate central campaign committee, in accordance with regulations prescribed by the Commission under section 310.";

(5) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting "Commission" and "it", respectively,

(B) striking out "supervisory officer" where it appears in the second sentence of subsection (a) and in paragraph (13) of subsection (b), and inserting "Commission", and

(C) adding at the end of subsection (a) the following new sentence: "Each treasurer of a political committee other than a central campaign committee shall file the reports required under this section with the appropriate central campaign committee, in accordance with regulations prescribed by the Commission under section 310.";

(6) striking out "supervisory officer" each place it appears in section 305 (relating to reports by others than political committees) and section 306 (relating to formal requirements respecting reports and statements) and inserting "Commission";

(7) striking out "Comptroller General of the United States" and "him" in section 307 (relating to reports on convention financing) and inserting "Federal Elections Commission" and "it", respectively;

(8) striking out "SUPERVISORY OFFICER" in the caption of section 311 (as redesignated by subsection (a) of this section) (relating to duties of the supervisory officer) and inserting "COMMISSION";

(9) striking out "supervisory officer" in section 311 (a) (as redesignated by subsection (a) of this section) the first time it appears and inserting "Commission";

(10) amending section 311 (a) (as redesignated by subsection (a) of this section) by—

(A) striking out "him" in paragraph (1) and inserting "it or a central campaign committee",

(B) striking out "him" in paragraph (4) and inserting "it", and

(C) striking out "he" each place it appears in paragraphs (7) and (9) and inserting "it";

(11) amending subsection (c) of section 311 (as redesignated by subsection (a) of this section) by—

(A) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking "his" in the second sentence of such subsection and inserting "its", and

(B) striking out the last sentence thereof;

(12) amending subsection (d) (1) of section 311 (as redesignated by subsection (a) of this section) by—

(A) striking out "supervisory officer" each place it appears therein and inserting "Commission",

(B) striking out "he" the first place it appears in the second sentence of such section and inserting "it", and

(C) striking out "The Attorney General on behalf of the United States" and inserting "The Commission or the Attorney General on behalf of the United States"; and

(13) striking out "a supervisory officer" in section 312(a) (as redesignated by subsection (a) of this section) (relating to statements filed with State officers) and inserting "the Commission".

(e) The Campaign Communications Reform Act is amended by striking out "Comptroller General" where it appears in paragraphs (3) (C), (4) (B), and (5) of section 104(a), and in section 105, and inserting in lieu thereof "Federal Elections Commission".

AMOUNTS TO BE REPORTED

SEC. 3. (a) Section 302 (relating to organization of political committees) is amended by—

(1) striking out "in excess of $100 in amount" in subsection (d) and inserting "of $100 or more"; and

(2) inserting "equals or" before "exceeds" in subsection (d).

(b) Section 304 (relating to reports by political committees and candidates) is amended by—

(1) striking out "$5,000" in subsection (a) and inserting "$2,500", and

(2) striking out "in excess of $100" each place it appears in subsection (b) and inserting "of $100 or more".

(c) Section 305 (relating to reports by others than political committees) is amended by striking out "in excess of $100" and inserting "of $100 or more".

(d) Section 311(a) (7) (as redesignated by section 2(a) of this Act) is amended by striking out "in excess of $100" and inserting "$100 or more".

TIME OF REPORTING

SEC. 4. (a) Section 302(f) (2) (relating to publication of annual reports) is amended by striking out "March 10" and inserting "April 10".

(b) Section 304(a) (relating to time of reports) is amended by—

(1) inserting "(1)" immediately after "Sec. 304. (a)",

(2) amending the second sentence thereof to read as follows: "Such reports shall be filed on the tenth day of April, July, and October in each year, and on the tenth day next preceding the date on which an election is held, and also by the thirty-first day of January.",

(3) striking "forty-eight hours" in the third sentence thereof and inserting "twenty-four hours", and

(4) adding at the end thereof the following new paragraph:

"(2) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in the second sentence of paragraph (1), and require instead that such a candidate or political committee file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more than 11 reports (not counting any report to be filed on January 31) under the provisions of this paragraph during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code."

REPORTING OF COMPROMISED CAMPAIGN DEBTS

SEC. 5. Section 304(b) (12) (relating to reports by political committees and candidates) is amended to read as follows:

"(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the Commission may prescribe, including (notwithstanding the provisions of subsection (a) with respect to filing dates) continuous reporting of such debts after the election at such intervals as the Commission may require until such debts are extinguished, together with a statement as to the consideration for which any such debt is extinguished or a statement as to the circumstances and conditions under which any such debt is cancelled;".

REPORTS BY CERTAIN MEMBERSHIP ORGANIZATIONS

SEC. 6. Section 304(b) (relating to reports by political committees and candidates) is amended by redesignating paragraph (13) as (14) and by inserting after paragraph (12) the following new paragraph:

"(13) in the case of an organization whose principal activity is an activity other than attempting to influence the nomination for election, or election, of a candidate, the name and address (occupation and principal place of business, if any) of each member or partner, if the organization is a membership organization or a partnership, or of each director and officer, if the organization is a corporation; and".

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. Title III (relating to disclosure of Federal campaign funds) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 315. There are authorized to be appropriated to the Commission such sums as may be necessary for it to carry out its duties under this title."

S. 1095

A bill to amend the Communications Act of 1943 with respect to the application of the equal time provisions of section 315 to candidates for Federal elective office, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 315 (a) of the Communications Act of 1934 is amended by inserting", other than a candidate for Federal elective office (including the Vice Presidency)," after "any public office".

SEC. 2. (a) Section 102 (4) of the Campaign Communications Reform Act is amended by—

(1) striking "and", and

(2) inserting before the period the following:

", and (C) has public announced his candidacy for such office, or has knowledge or information that any other person or political committee has received contributions or made expenditures for the purpose of bringing about his nomination for election, or election, to such an office and has not notified that person or political committee in writing to cease receiving such contributions or making such expenditures".

(b) Section 315(f)(2) of the Communications Act of 1934 is amended by—

(1) striking "and"; and

(2) inserting before the period the following: ", and (C) has publicly announced his candidacy for such office, or has knowledge or information that any other person or political committee has received contributions or made expenditures for the purpose of bringing about his nomination for election, or election, to such an office and has not notified that person or political committee in writing to cease receiving such contributions or making such expenditures".

SEC. 3. The Federal Communications Commission shall study the effects of the amendments made by this Act, particularly with respect to the application of section 315 of the Communications Act of 1934 to circumstances arising in connection with campaigns for nomination for election, and campaigns for election, to Federal office at the elections held in November, 1974, and November, 1976. The Commission shall report to the Congress the results of its study, including its findings and conclusions, and any recommendations it may have—

(1) in a preliminary report submitted to the Congress not later than December 31, 1974, and covering the period beginning on the date of enactment of this Act and ending on November 30 of that year, and

(2) in a final report submitted to the Congress not later than December 31, 1976, and covering the period beginning on the date of enactment of this Act and ending on November 30 of that year.

S. 1096

A bill to provide for a campaign mail privilege for qualified candidates for Federal office.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Campaign Mail Act".

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—CAMPAIGN MAIL

"DEFINITIONS

"SEC. 501. As used in this title—

"(1) 'Federal office' means the office of President, Senator, or Representative in, or Delegate or Resident Commissioner to, the Congress;

"(2) 'major party candidate' means—

"(A) the legally qualified candidate of a political party whose candidate in the next preceding general election for the same Federal office received at least 30 percent of the total number of votes cast for all candidates for such office; or

"(B) any legally qualified candidate for election to a Federal office who is not affiliated with a political party and who was a candidate for the same office in the next preceding general election for such office and who received at least 30 percent of the total number of votes cast in such election for all candidates for such office;

"(3) 'minor party candidate' means any legally qualified candidate for election to Federal office who is not a major party candidate;

"(4) 'State' means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands;

"(5) 'campaign mail' means campaign literature mailed by a candidate for nomination for election, or election, to Federal office in connection with his campaign for nomination or election; and

"(6) 'voting age population' means resident population eighteen years of age and older, certified and published by the Secretary of Commerce as provided in section 503 (d).

"RATES

"SEC. 502. On and after the first day of January following the date of enactment of the Campaign Mail Act, campaign mail which is mailed in accordance with section 503 of this title and regulations promulgated by the Postal Service to carry out the provisions of this title (and the Postal Service is authorized to promulgate such regulations)—

"(1) shall be considered matter mailed by a qualified non-profit organization under section 4452(b) of title 39, United States Code, as such section existed on August 11, 1970; and

"(2) may be mailed at the same rates of postage that any such organization is authorized to mail matter under such section or section 3626 of such title, as enacted by section 2 of the Postal Reorganization Act.

"ELIGIBILITY

"SEC. 503. (a) A major party candidate in a general or special electon shall be eligible to mail a number of pieces of campaign mail equal to two times the voting age population of—

"(1) the State in which he seeks election, in the case of a candidate for election as Senator or as Delegate or Resident Commissioner to the Congress,

"(2) the district in which he seeks election, in the case of a candidate for election as a Member of the House of Representatives, or

"(3) any State in which he is a legally qualified candidate under State law, in the case of a candidate for election as President.

"(b) A minor party candidate in a general or special election shall be eligible to mail a number of pieces of campaign mail equal to the voting age population—

"(1) the State in which he seeks election, in the case of a candidate for election as Senator or as Delegate or Resident Commissioner to the Congress,

"(2) the district in which he seeks election, in the case of a candidate for election as a Member of the House of Representatives, or

"(3) any State in which he is a legally qualified candidate under State law, in the case of a candidate for election as President.

"(c) Any candidate for nominaton for election to Federal office shall be eligible to mail a number of pieces of campaign mail equal to—

"(1) two times the voting age population of—

"(A) the State in which he seeks such nomination, in the case of a major party candidate for nomination for election as Senator or as Delegate or Resident Commissioner to the Congress if the candidate secures the signatures of 5 percent of the eligible voters in that State,

"(B) the district in which he seeks such nomination, in the case of a major party candidate for nomination for election as a Member of the House of Representatives, if the candidate secures the signatures of 5 percent of the eligible voters in that district, or

"(C) any State in which he is a legally qualified candidate under State law, in the case of a major party candidate for nomination for election as President, if the candidate secures the signatures of 2 percent of the eligible voters in that State; or

"(2) the voting age population of—

"(A) the State in which he seeks such nomination, in the case of a minor party candidate for nomination for election as Senator, or as Delegate or Resident Commissioner to the Congress, if the candidate secures the signatures of 5 percent of the eligible voters in that State,

"(B) the district in which he seeks such nomination, in the case of a minor party candidate for nomination for election as a Member of the House of Representatives, if the candidate secures the signatures of 5 percent of the eligible voters in that district, or

"(C) any State in which he is a legally qualified candidate under State law, in the case of a minor party candidte for nomination for election as President, if the candidate secures the signatures of 2 percent of the eligible voters in that State.

"(d) Within 60 days after the date of enactment of this Act, and during the first week of January in 1974 and every subsequent year, the Secretary of Commerce shall certify to the Postal Service and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

"(e) The Postal Service is authorized to enter into agreements with State and local governments for the verification of signatures of eligible voters, and to reimburse such governments for the costs of such verification.

"MAILING AREA

"SEC. 504. A candidate shall be entitled to send campaign mail under the provisions of this title only to addressees located within the State or district with respect to which his eligibility is determined under section 503. A candidate for nomination for election, or for election, as President may not send campaign mail under the provisions of this title to addressees located in a particular State unless, and only to the extent that, he is eligible under section 503 to send campaign mail to addressees located in that State."

S. 1097

A bill to amend the Internal Revenue Code of 1954 to provide that political contributions are not subject to the gift tax

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That (a) section 2503 (b) of the Internal Revenue Code of 1954 (relating to exclusions from gifts) is amended to read as follows:

"(b) EXCLUSIONS FROM GIFTS.—

"(1) In general.—In computing taxable gifts for the calendar quarter, in the case of gifts (other than gifts of future interests in property) made to any person by the donor during the calendar year 1971 and subsequent calendar years, $3,000 of such gifts to such person less the aggregate of the amounts of such gifts to such person during all preceding calendar quarters of the calendar year shall not, for purposes of subsection (a), be included in the total amount of gifts made during such quarter. Where there has been a transfer to any person of a present interest in property, the possibility that such interest may be diminished by the exercise of a power shall be disregarded in applying this subsection, if no part of such interest will at any time pass to any other person.

"(2) Political contributions.—No part of a contribution to a political committe or organization, or to a legally qualified candidate for public elective office, for use in connection with that candidate's campaign for nomination for election, or election, to such office shall be consisted a gift for purposes of this chapter."

(b) The amendments made by this Act shall apply with respect to taxable years ending after the date of enactment of this Act or with respect to which the period for claiming a refund or credit for overpayment of taxes has not expired.

MAJOR POINTS IN CAMPAIGN REFORM BILLS

I. REPORTING AND DISCLOSURE

A. Creation of a 6 member Federal Elections Commission, appointed by the President, each member serving a 6 year term (subject to Senate confirmation). The Commission would have full legal powers (including subpoena) and would act as its own counsel in legal proceedings.

B. Every candidate would have a central campaign committee which would report for all of his various "subcommittees".

C. Reports would include contributions of $100 or more (current law says "in excess of $100").

D. $2,500-or-more contributions would be reported within 24 hours (current law says "$5,000/48 hours").

E. There would be only one ten-day pre-election report (current law has two, at fifteen and five days).

II. BROADCASTING

A. The "equal time" requirements would be waived for *all* federal offices.

B. The definition of "legally qualified candidate" would be expanded to include those who have knowledge (without specifically disclaiming) that money is being raised or spent in his behalf.

III. CAMPAIGN MAIL

A. Candidates for all federal offices, in primaries and general elections, are eligible to send out specific amounts of political mail, at low rates (equal to rates paid by non-profit organizations).

B. Major party and minor party candidates are protected, although major party candidates would be entitled to larger mailings.

C. Mail would be limited to the area in which the candidate is eligible for office.

IV. TAX ON POLITICAL CASH CONTRIBUTIONS

A. Exempt all cash contributions from the federal gift tax (current law taxes contributions in excess of $3,000).

REFORMING THE CAMPAIGN FINANCE LAWS

Mr. MATHIAS. Mr. President, on January 16, Senator Stevenson and I introduced the full disclosure bill, a bill which attempts to change some of the prevailing public attitudes about federally elected officials which have become so dominant in the last decade—attitudes, which were particularly evident during the 1972 campaigns. Senate bill 397 provides for complete disclosure of the financial activities of Members of Congress. If enacted, we are confident it will assist the public in making realistic political judgments and contribute to restoring the needed confidence in the American political process.

In addition to taking the political pulse of the Nation, the 1972 elections witnessed the operation of a new comprehensive law aimed at regulating Federal elections. On February 7, 1972, the President signed into law the Campaign Reform Act of 1971. In this act, Congress for the first time in its history attempted to provide an effective means by which the public can adequately judge a candidate's campaign practices as opposed to the past practice of hiding the candidate's financial ties behind the officialdom of phoney committees and deceptive practices. The act provided, among other things, a systematic means for the candidate to disclose to the public the amount of political contributions and expenditures made during particular periods of the campaign.

My interest in creating an effective means to regulate Federal campaigns is well known in the Congress. Senator Scott and I on February 25, 1971, introduced Senate bill 956, a most comprehensive bill dealing with campaign practices. The majority of that bill is now contained in the present Campaign Reform Act along with 13 amendments which I offered to that bill when it was considered on the floor of the Senate. I was most happy to contribute to passage of this legislation, and it is with this same sincere interest that today, along with my distinguished colleagues, Senator Scott of Pennsylvania and Senator Stevenson, I introduce the 1973 campaign reform amendments. These amendments reflect our collective judgment of the application of the existing act in the 1972 elections as well as the reintroduction of concepts which have previously been the subject of extensive congressional and public debate, but are felt once again to be important enough to warrant consideration.

It should be noted that for the sake of convenient committee assignments, we have introduced four separate bills. The major bill entitled "The Federal Campaign Election Act Amendments of 1973" with its nine categories and seven sections, deals exclusively with amendments to title III of the Federal Election Reform Act of 1971, while the other three bills deal with the separate subjects of: Amendments to the Internal Revenue Code; mailing privileges; and amendments to the Communications Act of 1934. I will now discuss each of the four bills.

I. THE FEDERAL CAMPAIGN ELECTION ACT AMENDMENTS OF 1973

Section 2. The establishment of an independent elections commission and a central campaign committee.

During the debate on the current Campaign Reform Act, a key issue was the manner in which the act was to be monitored and enforced. More fundamentally, the issue centered around the independence of the enforcement effort apart from the influence and control of Congress and the political process. Recognizing the critical need for effective and impartial enforcement, I supported an amendment which established an independent commission as a substitute to the committee's proposal and the now present arrangement of dividing the monitoring of the act between the Justice Department and the three supervisory offices—the Government Accounting Office, the Clerk of the House, and the Secretary of the Senate.

Under the existing law, all candidates for the Senate transmit their campaign reports directly to the Secretary of the Senate. In the case of Delegate or House races, all candidates are responsible to the Clerk of the House for filing reports. In Presidential races, this reporting responsibility is overseen by the Government Acounting Office. The GAO also acts as a national clearing house for information with respect to the administration of all Federal elections. The Justice Department is charged by the law with the responsibility of prosecuting any violation brought to its attention by any one of the three supervisory offices. Section 308(d)(1) of the law states in clear terms that the Justice Department "shall" institute a civil action in these cases. In other words, the Justice Department should have no opportunity to exercise its discretion in the case of providing civil remedies. However, in the case of criminal sanctions, it appears from section 308(a)(12) that the Justice Department has complete autonomy to decide whether or not it wants to prosecute. I am aware of one civil action commenced by Justice, and it is well documented that the Department has proceeded criminally on only a few violations in response to literally thousands of complaints from the three supervisory offices.

The problem of this tripartite arrangement was aptly summarized in testimony by Sam Hughes of GAO when testifying on December 5 before an Ad Hoc Committee on Congressional Reform chaired by Senator Stevenson and I, when he said, with regard to the role of the Justice Department:

> The question . . . is whether any Attorney General of any party is in a position to go after the finance chairman of his boss' campaign committee, or for that matter whether he is really free to go after the finance chairman of the opposition party. He is not an unencumbered enforcement official, at least as I perceive it. I think that would be true no matter which party were majority party in the Congress and which party were represented in the White House.

Mr. John Gardner of Common Cause went on to say:

> It seems to me that that would be much less of a problem if we were not saddled with an extremely unfortunate tradition of a highly political Department of Justice.

With only one full-time attorney working in this campaign enforcement effort, it is little surprise that Justice has done so little. The need for an independent role is vividly apparent.

The amendment which we are today offering for consideration adopts the spirit of the Pearson amendment introduced during the last debate but goes one step further to assure complete independence of the enforcement effort. As submitted today, a six-member commission and staff will have plenary enforcement and monitoring powers in all Federal elections. All campaign reports now required under the act will be transmitted directly to the Commission for review. The Commission will decide whether a report or the operation of a particular campaign is in compliance with the law and, it, in turn, will have the authority to proceed on any violation. The Department of Justice will have no role whatsoever, except, of course, from the standpoint of technical advice. It is intended for the Commission to take the enforcement of the Campaign Reform Act out of the political arena and into the hands of an impartial professional staff.

The Commission's six members are to be chosen by the President with the advice and consent of the Senate. Not more than three can be members of the same political party. Section 309 of the proposed amendment clearly defines the Commission's duties and powers. It is given the power to investigate, subpena, administer oaths, prosecute, and other reasonable functions incidental to its objective of maintaining compliance of the 1972 act.

One of the purposes of the Commission

is to coordinate and centralize the reporting functions under the act. The creation of a "central campaign committee" can assist the Commission in this objective, and Section 31 contains such a proposal. Under present procedures, each political campaign committee raising or expending over $1,000 must transmit reports to its supervisory office. Each candidate may have more than one political committee and, in fact, the Federal gift tax regulations encourages the proliferation of committees. I will discuss this area later in my remarks. When the candidate does operate under numerous committees which accepts and spends contributions in his behalf, such an arrangement results in paperwork, redtape, and expense for everyone.

Section 310 of this proposed amendment creates the concept of the central campaign committee. While not outlawing or discouraging the creation of political committees, it does correct the reporting confusion produced by the present arrangement by consolidating each candidate's reports prior to transmittal to the supervisory officer or the Commission, as the case may be. This bill requires each candidate for Federal office to have a central campaign committee for the purpose of reporting all information as required under the act to the Commission as opposed to the many reports filed by each of the candidate's political committees. In operation, each one of the candidate's political committees would file its reports to the central campaign committee which, in turn, would forward the information to the Commission, thus making the route to the Commission direct and as coordinated as possible.

This proposal is identical to Amendment No. 279 which I offered during the 1971 debate. Most experts in the field consider this procedural change a crucial one from the standpoint of streamlining the operation of the current law.

Sections 3 and 4: Amounts to be reported and the times for reporting.

Under the present act, contributions "in excess of $100" must be reported to the supervisory officer by the treasurer of the political committee for review by the public. During the 1971 debate on this act, I felt that the "in excess" provision shielded a good number of $100 contributions from the public's view and as a result, I offered Amendment No. 284 to change the wording to "100 dollars or more." This amendment passed the Senate; however, it was deleted in the conference committee. Today, I offer the same amendment.

It would seem logical that a person would be more apt to give a contribution in the amount of $100 rather than $101, and if the objective of the law is to disclose to the public, contributions of the $100 level, we are defeating the purpose of the act by keeping this present language. I look forward to the GAO report which will detail the categories of contributions in order to determine how many $100 contributions during the 1972 elections avoided the public scrutiny.

Under the current act, financial statements are submitted on the 10th of March, June, and September and 5 and 15 days prior to a primary, special, or general election. Today, we offer an amendment which will change the reporting dates to the 10th of April, July, and October, and 10 days prior to the special, primary, or general election. The final report required by the act on January 31 remains unchanged.

The amendment is responding to complaints about the costly and cumbersome process of fulfilling the reporting requirements. By moving the monthly reports up one full month from March to April, we are assured of more accurate and timely accounting of campaign expenses. And by combining the 5- and 15-day reports prior to the election to one report 10 days prior to the election, we would be alleviating many of the redtape complaints.

These sections makes two additional, important changes with regard to reporting. First, it requires the reporting of contributions within the last 10-day period of $2,500 or more to the Commission or the Supervisory Office as the case may be, within 24 hours of receipt as compared to the present $5,000 cutoff point. This proposed change provides another reason for excluding one of the two final preelection reports; it also discourages last-minute large contributions. Second, these sections respond to the problem of an organization which gives money to candidates in more than one State.

Under the present act, a political committee must file reports to its supervisory officer 5- and 10-days prior to a general, primary, or special election—under these proposed amendments, they would report only 10 days prior to the election to the Commission. It is not inconceivable for one political committee engaged in campaigns in more than one State, to be required to file as frequently as three or four times during one particular week—causing innumerable hardships and expenses. The amendment which we offer today permits the Commission to waive the reporting dates for these multi-State committees with the proviso that they cannot require the filing of reports less frequently than once a month. Such a waiver could come from either the particular interstate committee, the candidate—in the case of a Presidential candidate—or upon the Commission's own initiative.

Section 5. Compromising a debt.

Section 304 of the current law provides that all debts are to be reported until they are extinguished; however, the means or the consideration by which they are extinguished are not reported. Under the law, one can forgive a debt or pay token consideration for its satisfaction, and the report will only indicate that the debt was satisfied or extinguished. Section 5 requires that when the debt is canceled, that the report indicate the amount of money or consideration for which the debt was extinguished or a statement as to the circumstances under which the debt was canceled.

The purpose of this amendment is to assure that the candidate's financial reports accurately reflect the character of every contribution and the purpose of every expenditure. I offered amendment No. 278 during the 1971 debate on this act which had a similar objective.

Section 6. Reports by certain member organizations.

With every technical piece of legislation, one is apt to encounter technical loopholes. We have identified one.

The loophole occurs when an organization like an investment club or some organization not organized for the purpose of influencing an election, uses some part of its dues to influence the outcome of an election. Under such circumstances, if the organization collects or spends over a thousand dollars, it qualifies as a political committee and, thus, must report to its supervisory officer. In such a case, however, the dues-paying member is shielded from the public view. In other words, if an established social club—or one established to circumvent the law—diverts some of its regular—or irregular—dues for the purpose of getting Mr. X elected to Federal office, the club, if it spent over $1,000, would file as a political committee; however, as a committee, it would be required only to file the names of its officers. It would not be required to disclose the names of the members of the organization who have paid the dues which eventually became a contribution for Mr. X. The only possible section which would outlaw such a shield it seems to us, would be section 301 which prevents the giving of money in the name of another. This is the provision which is supposed to prevent the pass-through donation. But like most pass-through gifts, enforcement is virtually impossible. Section 6 corrects this loophole by requiring the reporting of names and addresses of members of a non-political committee which attempts to influence the outcome of an election.

Let me speak for a moment on the general subject of "pass-through" donations. This is a serious problem and it deserves more than a passing comment.

THE PROBLEM OF PASS-THROUGH DONATIONS

Though no legislation is now being offered to correct this particular problem, I feel it is important at least to discuss the ways in which we feel the problem can be remedied.

The problem occurs when a donor gives to another—either a political committee or another person—under the act, when a person gives or accepts more than $1,000, he becomes a political committee—and this immediate recipient in turn gives the donation to a candidate's political committee according to the wishes of the original donor. This method of giving results in the original donor being shielded from a relationship with the candidate who ultimately receives and spends the money. The intermediary step passes through the original. What is reported and disclosed in these cases is that first, the original donor gave to "X" or X's political committee and second, that the political committee gave the donation to "X" candidate.

Although the most common example of this practice occurs when a national political organization or committee receives a donation under the instructions to give it to candidate "X", a more sophisticated use of this evasion occurs when a donor gives to a person outside the country and this person, in turn, gives the money to a recognized domestic political committee representing a particular candidate. Of course, the evasion can take place anytime a donor uses another or a series of persons to shield his contribution.

This practice is a violation of law; section 301 prohibits the giving of a contribution in the name of another. After much thought, it was concluded that a legislative remedy is impractical—except, of course, to impractically outlaw political committees or to prevent the fugibility of donations over a certain amount. A better remedy to this problem, we feel, is the establishment of a strong independent Commission with effective enforcement and monitoring capabilities. We want to alert the Congress to this problem and offer the creation of the Commission as one means of solving it.

Section 7. Additional appropriations are authorized to carry out the additional purposes of this act.

II. AMENDMENT TO THE COMMUNICATIONS ACT 1934

Section 2. Definition of candidate.

During the 1971 debate, I offered amendment No. 271 which was subsequently narrowly rejected by rollcall vote. The amendment called for a new definition of the term "candidate" as it applies to the act. We now reintroduce that amendment to title I of the act and once again will ask the Senate to reconsider its merits.

The definition of the term "candidate" is particularly significant in title I of the act for it triggers the media spending limitations for the candidate. In title I of the current law a "legally qualified candidate" is one who first, meets the qualifications prescribed by the applicable laws to hold the Federal elective office and second, is eligible under applicable State law. This narrow definition is contrary to the more inclusive definition contained in titles II and III where a candidate is defined in terms of accepting contributions or expending money to influence one's candidacy or having the knowledge of another doing same. To contain a more narrow definition applicable to spending limitations than to the title's dealing with criminal sanctions with reporting and disclosure, seems inconsistent and contrary to the objectives of the act. Furthermore, the FCC contains a definition of a "candidate" which is broader in scope than the one contained in title I and one which is equal in scope at least to the one contained in titles II and III. It could be argued quite persuasively, I think, that the new legislative definition would pre-empt any regulatory one. It is also perplexing that title II contains a similar definition to that contained in title III, for it is here in title II that the act contains the other spending prohibition—that is, the prohibition of a candidate contributing to his own election beyond certain prescribed amounts.

The narrow definition in title I permits unlimited spending during a time when a candidate might be a candidate in every way except formality. Under the definition contained in title I, a candidate can meet the first criteria of qualifying under Federal law, say, in the case of a Senate election, by merely being 30 years of age and a natural born citizen. The second criteria of qualifying under applicable State law varies, of course, from State to State; however, in some States, it is the responsibility of the candidate to file a petition followed by a period of grace when the petition is considered by State authorities. In this latter case, we encounter the most obvious example of permitting the candidate to have a "Roman carnival." During this interim period, he may spend what he wants without any statutory limitations, and only when the State acknowledges the petition and the candidate is registered does he formally come within the purview of the statute.

However, the point is that in this definition, the criteria requires only affirmative action therefore permitting the candidate to be a passive, unannounced, or informal candidate for any period of time—accepting and spending contributions given to influence his candidacy without regard to any spending limitations. Because of the inconsistent coverage in titles I and III of the act, it would not seem improbable for a candidate, during this unrestrained period, to be required to file reports under title III.

Certainly the application of the law should commence at the first act of candidacy or the last act of noncandidacy. Clearly, however, this definition permits one to act like a candidate in the eyes of the public and, at the same time, hide behind the cloak of loose legislative draftsmanship. Obviously, if all States allowed writein candidates, it could be argued that the problem would not exist for then the candidate, by his mere presence, would, as a matter of law, have qualified under State law; however, this is obviously not the case.

The amendment which we are offering today would add a new and third criteria to this title I defintion of "legally qualified candidate." The new addition would cover the candidate who has publicly announced, or has knowledge that another person or political committee has received contributions or made expenditures in behalf of his candidacy. This addition would restore the public's right to know what the candidate is spending once he begins to act and function like a candidate for Federal office.

Section 3. Equal time clause.

Section 11 repeals the equal time clause of the broadcast law for all Federal elections. Accompanying this repeal is the proposed creation of a study commission to review the repeal of the law. The Commission will report back to the Congress in December of 1974 and 1976 after the respective congressional and presidential races. This section is similiar to one contained in Senate bill S. 956 as introduced by Senator Scott and I. The reasons for the need of such an amendment have been discussed many times on the Senate floor and need not be discussed at length at this time. The need for the repeal of the equal time clause relates to the need of "fairness" and "accountability" which is in the general spirit of underlining the broadcast law.

IV. THE CAMPAIGN MAIL ACT

As contained in previous campaign reform bill introduced by Senator Scott and myself, we are once again offering for consideration a bill which would provide limited franking privileges for all candidates for Federal office. This bill is similar to the bill contained in Senate bill S. 956 as well as amendment No. 291 offered during the 1971 debate. Although there has been much debate on the need for such a privilege on the floor of the Senate, the last congressional hearing on the subject of franking privilege occurred in 1966. I am told that the House has scheduled hearings for this month. I am glad to see this development. We have clearly waited too long, and the time is ripe for congressional action.

The creation of such a privilege will provide the public with better exposure to all the candidates and, thus, elect officials who are more responsive to the public interest. It will go a long way in undoing the great advantage which an incumbent has over a challenger, and, more than anything else, the passage of such a bill would indicate to the public that we, in Congress, are interested in fair play. It will tell them that we do not feel like we "own" any office and, like every other elected public servant, we are always compared to our opponent and subject to the public's approval.

This proposed act provides a franking privilege for candidates in Federal, general, special, and primary elections. The amount of free mail depends upon whether one is a major or minor party candidate. A major party candidate is one whose candidate in the preceding general election for the same Federal office received at least 30 percent of the total number of votes cast. A minor party candidate is defined as one which is not a major party candidate. A major party candidate is entitled to mailing privileges in any general or special election equal to two times the number of eligible voters in the jurisdiction in which the candidate is running; however, in order to receive the same privilege in any primary, he must obtain, if it is an election for the Senate or the House, the signatures of 5 percent of the eligible voters in the State or district in which he runs for election. In the case of a Presidential race, he must obtain the signatures of 2 percent of the eligible voters in the State in which he wants the mailing privilege to apply. In the case of a minor party candidate in general, special, and primary elections, he is entitled to mailings equal to one times the number of eligible voters in the jurisdiction which he is running; however, in the primary, the same percentage of signatures must be obtained by the minor party candidate to afford himself of the primary mailings in any of the above mentioned Federal elections.

IV. AMENDMENTS TO THE INTERNAL REVENUE CODE

EXEMPTION OF POLITICAL CONTRIBUTIONS FROM THE FEDERAL GIFT TAX

Under the present tax rules, a political contribution over $3,000 is subject to a Federal gift tax. As I have previously mentioned, that rule has been systematically circumvented by the creation of numerous political committees. As a result, a donor who wishes to contribute more than $3,000 to any particular candidate can give less than this amount—any number of times—to numerous political committees. This overt evasion of the law creates a situation as in the Corrupt Practices Act where the law is being consciously violated at the expense of the credibility of the entire Federal effort.

Section 10 exempts political contributions from the Federal gift tax. This, in my mind, is in keeping with the general spirit of the law which encourages voluntary disclosure while not discouraging large contributions. Furthermore, it is absolutely essential that we no not create another feeble Corrupt Practices Act; we need respect for this law. The present act with this particular circumvention clouds and colors the entire act. Of course, an alternative to this suggestion would be to outlaw political committees, an alternative which, in my mind, is entirely unworkable.

By Mr. BIBLE (for himself, Mr. ABOUREZK, Mr. BEALL, Mr. BURDICK, Mr. CANNON, Mr. EAGLETON, Mr. EASTLAND, Mr. GURNEY, Mr. HOLLINGS, Mr. KENNEDY, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MOSS, Mr. NELSON, Mr. PASTORE, Mr. RANDOLPH, Mr. SCOTT of Virginia, Mr. SPARKMAN, and Mr. WILLIAMS):

S. 1098. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business. Referred to the Committee on Finance.

SMALL BUSINESS TAX SIMPLIFICATION AND REFORM ACT OF 1973

Mr. BIBLE. Mr. President, as chairman of the Select Committee on Small Business, I introduce for appropriate reference a bill entitled "the Small Business Tax Simplification and Reform Act of 1973," a comprehensive attempt to reform our tax laws and thereby provide greater benefits for small businesses everywhere. I request unanimous consent that there be printed in the RECORD at the conclusion of my remarks a section-by-section analysis of the bill together with language changes we have made in our bill today as compared with comparable legislation before the Senate (S. 1615) in the 92d Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BIBLE. Mr. President, the present tax system is strangling small business and free enterprise in this country. Large business pays taxes at lower rates than all but the smallest firms. New companies are smothered under tax and paperwork burdens. In short, our present tax system is discouraging the enterprise that made America a great economic power. This bill is a serious, studied effort to do something about this situation.

COMPANION HOUSE BILL INTRODUCED BY REPRESENTATIVE JOE L. EVINS

As a key phase of our cooperative effort to benefit the hard-pressed small businessman nationally in what may well be a tax reform-minded Congress, my distinguished colleague from Tennessee (Mr. EVINS), chairman of the House Select Committee on Small Business, has again graciously offered to serve as the chief sponsor of the bill in the other body. I am advised his introduction of a companion bill with representative cosponsorship will take place today as we again pursue our goal of helping the small businessman where he is hurting the most—in his tax-paying pocketbook.

BIPARTISAN SUPPORT

We are particularly pleased at the bipartisan support of this bill in this body by the Senators who are cosponsoring this bill: Senators JAMES ABOUREZK (Democrat of South Dakota), J. GLENN BEALL (Republican of Maryland), QUENTIN N. BURDICK (Democrat of North Dakota), HOWARD W. CANNON(Democrat of Nevada), THOMAS F. EAGLETON (Democrat of Missouri), JAMES O. EASTLAND (Democrat of Mississippi), EDWARD J. GURNEY (Republican of Florida), ERNEST F. HOLLINGS (Democrat of South Carolina), EDWARD M. KENNEDY (Democrat of Massachusetts), GEORGE MCGOVERN (Democrat of South Dakota), THOMAS J. MCINTYRE (Democrat of New Hampshire), FRANK E. MOSS (Democrat of Utah), GAYLORD NELSON (Democrat of Wisconsin), JOHN O. PASTORE (Democrat of Rhode Island), JENNINGS RANDOLPH (Democrat of West Virginia), WILLIAM L. SCOTT (Republican of Virginia), JOHN SPARKMAN (Democrat of Alabama), and HARRISON A. WILLIAMS Democrat of New Jersey). Likewise, we are pleased with brood cosponsorship and support in the other body.

We do not claim that we have final answers to all small business tax problems, but we do believe we have a meaningful proposal which can be used as a rallying point for those of us committed to securing realistic help for the small businessman who is being squeezed tighter by big government and by big business.

During the 92d Congress, almost 2 dozen Senators and over 100 members of the other body of both major parties were listed as cosponsors or expressed their support of the Bible-Evins bill by letter. Taking the next step in the 93d Congress—serious consideration of this bill by the House and Senate—can open the door to tax equity for the 97½ percent of firms in this country which are new, small, family, local, and independent business.

TAX SYSTEM NOW DISCOURAGING ENTERPRISE

As we have said repeatedly since 1970, the present tax system places disproportionate burdens on these small businesses. We, sponsors of this small business tax reform bill, do not claim this proposal will cure all of the problems or that it is a perfect piece of legislation. We do regard it as a basic framework from which to build toward meaningful tax reform for nearly 12 million small business owners, their families, and their employees.

In recognition of this fact, we have made major efforts since 1967 to learn the problems and the views of small business associations, legal, tax, and accounting organizations and individual firms, and to make their good suggestions part of this bill. Some 3 dozen national, regional, and statewide groups have been consulted in this process.

The focus of these efforts has been the Select Committee on Small Business as it was in 1958, when the only other major small business tax bill was considered and passed by the Congress. Many other Senators and members of Congress have been concerned with these issues. I will mention the distinguished Senator from Utah (Mr. BENNETT) who introduced the administration's small business tax bill in 1971 and the distinguished Senator from Nebraska (Mr. CURTIS) who has stood up for small business within the Finance Committee. The Senator from Alabama (Mr. SPARKMAN) has been in this fight nearly every year. Many members of the other body are joining Representative EVINS in speaking out on this question.

We have tried to take that responsibility to heart. There are many diverse segments making up the small business community. We realize that retailers and manufacturers may have different financial and tax problems and therefore different ideas in the tax field. New businesses do not share the same outlook as long-established ones.

We also recognize that certain State governments would prefer the system of taxing business which they have developed and tested. My own State of Nevada, for instance, feels this way to some extent, and I strongly feel that Nevada and all other States should have an opportunity to express their views fully during the legislative process so that the rules on State taxation of interstate commerce will come as near as humanly possible to accommodate my State without imposing undue burdens on smaller businesses elsewhere.

THIS BILL IS A FRAMEWORK FOR CONSIDERATION OF VARIED SMALL BUSINESS TAX NEEDS

My point is that the bill we introduce today is put forward as a seed from which small business tax reform can spring. Certainly, there should be a comprehensive examination of the plight of all the various segments of the small business community which our committee has a duty to represent. This we have tried to do. From the time of introduction, however, the shaping of the final legislative product becomes the responsibility of the tax-writing committees of the House and Senate, and the full House and Senate. The Constitution provides that all revenue measures such as this "originate" in the House of Representatives. The Ways and Means Committee of that body has the power and the expertise to accommodate small business interests to the larger administration of the internal revenue system and to refine individual proposals in this bill.

OPPORTUNITY PRESENTED BY CURRENT TAX REFORM HEARINGS

It is well known that questions of small business equity have not received their share of attention over the years. In both the 1969 and 1971 tax acts, small business received substantial setbacks.

However, the climate in this 93d Congress is different because of the commitment of the distinguished chairman of the House Ways and Means Committee (Mr. MILLS) to tax reform. There is now an opportunity to make up the setbacks of past years. I am referring to the landmark series of hearings on tax reform which began on February 5. Not since 1959 has there been an inquiry of such depth and breadth into the many-sided issues of tax equity. Panels of experts have been available for questioning by Ways and Means Committee members and by each other. In my opinion, everyone who is seeking responsible solutions to the Nation's fiscal problems owes a debt of gratitude to Chairman MILLS for the leadership which he has again exercised in an effort to reform the tax law and the way his committee is tackling this job.

There has already been testimony before that committee that small firms and family enterprises have been disadvantaged by recent tax legislation. Witnesses have stated that in the aggregate the small business community does not appear to be a significant part of the tax problem. For instance, as to the taxation of capital gains, Prof. Richard A. Musgrave of Harvard University stated that the small firms represented perhaps 5 percent of the capital gains tax base and deserve well-considered treatment which would allow them to stay in business so that our tax law could proceed to deal equitably with the other 95 percent of the capital gains tax base.

This testimony highlights the greatest problem of small business generally in the tax field. Because they are not large factors in the aggregate figures, and because they are not as well represented in Washington as big business, small enterprise tends to be largely ignored.

However, my pledge to the small business community is that I will do all I can to see that they are not ignored in the quest for tax reform in the 93d Congress. Already a letter has been written to the chairman of the Ways and Means Committee urging that small business tax reform be considered this year.

Further, I have asked to make a joint appearance with the distinguished chairman of the House Small Business Committee (Mr. EVINS) before that committee to focus its attention on the unique tax problems of new and small business. It is my hope to bring home to the tax-writing committees and to other Members of Congress that the problems created for small enterprise by the tax system are serious and too often fatal.

EFFECTIVE TAX RATES

It is just beginning to become known that big business pays a lower rate of taxes than small business, as shown in the following table drawn from U.S. Government figures:

Asset size	Profit rate [1]	Rate of profit after taxes	Percent decline [2]
All manufacturing corporations	16.5	9.675	41.36
Under $1 million	4.975	7.30	51.25
$1 to $5 million	17.375	8.575	50.64
$5 to $10 million	18.075	8.70	51.86
$10 to $25 million	16.325	7.95	51.30
$25 to $50 million	15.875	7.825	50.70
$50 to $100 million	16.075	8.225	48.83
$100 to $250 million	17.20	9.275	46.07
$250 to $1,000 million	17.675	9.85	44.27
$1,000 million and over	16.00	10.375	35.15

[1] Profit rate based on percent of stockholders equity before Federal taxes.

[2] Percent decline in profits resulting from taxes or "effective tax rate."

Note: Federal Trade Commission, "Quarterly Financial Report," 4th quarter, 1971, p. 11, table 5.

Thus, small- and medium-sized businesses pay tax at about 50 or 51 percent of their income while the largest firms pay at about 35 percent.

Prof. Stanley Surrey of Harvard Law School, in his Ways and Means Committee testimony, has referred to the 35-percent tax rate by big business; and Representative VANIK, who has made a continuing study of these matters, stated recently that the largest 4,348 corporations have an effective tax rate of only 26.9 percent.

It may thus be hard to believe, but it is true that the biggest U.S. corporations as a class pay taxes at half the rates of those paid by small- and medium-sized businesses as a class. It seems to me that this penalty tax against small business is economically unsound and morally unfair.

HANDICAPS UPON NEW BUSINESS

Furthermore, businesses opening their doors in 1933 faced an initial tax rate of 13½ percent. In 1973, new firms are immediately hit with a 22-percent Federal tax. The tax rate for these fledgling businesses rises steeply to 48 percent as soon as the firm reaches $25,000 in earnings—or $500 a week. A firm earning $50 million a week is subject to the same 48-percent rate, but the statistics show that the bigger the firms, the more successful they are in avoiding taxes.

Proliferating tax and government reporting requirements impose an additional burden on other new firms. Our committee has determined that a new family restaurant business must spend about $820 in accounting fees to fill out the forms required during its first year whether or not it makes a dime of profit.

Thus, new enterprise is not getting an even break in America in the 1970's. It faces extra burdens. It is safe to say that enterprise is being discouraged by this tax system and that small enterprise is being penalized compared to big business.

My estimate of the Revenue Act of 1971 was that 40 percent of the $11½ billion in annual tax benefits in that bill were funneled to less than 400 of the Nation's largest corporations. It seems to me that the Revenue Act of 1971 piled new tax favoritism for the rich businesses on top of the existing top-heavy system.

LONG-TERM EFFECTS OF TAX DISCRIMINATION

If this tax system remains unaltered by the Congress for any length of time, it is reasonable to predict that thousands of long-existing valuable firms may be forced to close their doors and the thousands of new enterprises will never see the light of day. Not only will owners and employees suffer, but so will neighborhoods and communities. Ultimately, it is the quality of life as well as the economy of the Nation that is suffering.

We might expect that economic power under the present system will become increasingly concentrated to a small group of giant corporations and financial institutions. President Franklin Roosevelt once expressed the fear in that free enterprise was being replaced by "corporate enterprise." From my observations, President Roosevelt's fears are being realized.

The free enterprise is what has made the Nation great. Our current balance-of-payments' performance may be a signal that this engine of economic advance has been throttled down by a tax system which burdens most those businesses that can afford it least.

POSSIBILITY OF REVERSING THE TRENDS

The Congress has a historic opportunity to do something about these inequities this year and next year. Action can be taken to eliminate or at least mitigate the discrimination against new, small, family, local, and independent business enterprises. We can start the process of true reform and relief on behalf of the 97½ percent of less-advantaged businesses in this country. The sponsors of the small business tax simplification and reform bill will be doing everything we can to advance our proposals and meritorious small business tax proposals of other Members of Congress in order to make 1973–74 the time of meaningful tax reform for small business.

Mr. President with reference to the detailed provisions of this bill, it includes more than 3 dozen sections and upward of 40 proposals for change. These sections are grouped in eight chapters, logically related to each other as well as the life cycle of a small and growing business.

SPECIFIC RECOMMENDATIONS

In brief the bill provides for:

First. Permanent Government and small business advisory machinery for simplifying tax laws and tax forms;

Second. Lower tax rates for smaller business, and particularly new business;

Third. Promoting the growth of new and small firms by liberalizing first-year depreciation, and increasing permissible accumulation of earnings;

Fourth. Easing the raising of capital by providing more equitable treatment for possible losses through loans or stock purchases, and allowing tax benefits for the floating of securities issues;

Fifth. Making subchapter S closely held corporations more flexible and less dangerous to use; and

Sixth. Encouraging the continued independence of family firms by making it easier to pay estate taxes based on business interests over a 10-year period.

The bill as I introduce it today contains five changes from the 92d Congress version (S. 1615) as follows:

First. Section 104 of the 1973 bill—relating to studies of small business tax matters—has been modified to reflect the reenactment of the investment tax credit. It specifies that the study of capital allowances previously called for should take account of the investment credit as it relates to special small business needs.

Second. Section 108 is new; it proposes

that persons invited to consult with the Internal Revenue Service regarding the simplification and improvement of the Internal Revenue Code or its administration, including tax forms, be provided with reimbursement for travel and per diem expenses; and that the Treasury and the IRS should give consideration to the views of representatives of small business in this process.

Third. Section 301 relating to new businesses has been modified to reduce the amount of income a new business may earn free of Federal tax from $1 million per year to $25,000 per year for each of the first 3 years. A new, growing business might also defer its tax on the next $75,000 of income for 10 years, providing earnings are reinvested in the business and subject to recapture in the ensuing 10-year period. This section has also been further tightened to preclude from eligibility any company receiving a direct, participation or guaranteed business loan under section 7(a) of the Small Business Act.

Fourth. Section 403 of S. 1615 has been dropped because of the 1971 enactment of the investment credit which was proposed as to small business by that section of the bill. As mentioned above, section 104 is intended to focus attention upon the practical effects of this provision, as enacted, upon capital formation by new, small and independent businesses. The remaining subsections of title IV of the bill have been renumbered accordingly.

Fifth. Section 402 has been modified to delete the portion elevating depreciation guidelines to statutory status, since this was accomplished by the Revenue Act of 1971.

Mr. President, in conclusion may I invite other Members of the Senate who are interested in the small businessman's tax problems to join as cosponsors of this bill and as colleagues in this effort.

Exhibit 1

Section-by-Section Analysis of the Small Business Tax Simplication and Reform Bill

OVERALL ANALYSIS

The Small Business Tax Simplification and Reform Act of 1973 is the successor bill to S. 4039, introduced in the 91st Congress on June 30, 1970, and S. 1615 (H.R. 7692), submitted to the 92nd Congress on April 22, 1971.

It is designed to present a comprehensive set of proposals for tax relief, affecting each stage of the life cycle of new, small, and growing and matured businesses.

REVENUE BALANCE

Extensive efforts have been made to present this legislation as balanced in the revenue sense, with slight, immediate, and long-term increases of tax revenues through minimally higher normal tax rates on giant corporations, and the cultivation of vigorous new small enterprises which will enlarge the tax base in the future.

Even for the largest corporations, the statutory rates under this proposal would remain below the surtaxed corporate rates of the 1960's while the effective rates for these corporations would continue to remain far below the effective rates paid by smaller and medium-sized companies.

The revenue gains made possible by the rescaling of normal rates would make it possible to shift a small fraction of the corporate tax (about 1 percent) on the basis of the ability to pay. Corporations with earnings in excess of $1 million per year would be yielding commensurate benefits to new enterprise, small existing family and independent business, and firms willing to modernize to meet the terms of national and international competition.

Because of the enactment of the investment tax credit in 1971, which was previously a part of this bill, it is believed that the 1973 bill will result in a revenue gain of about $300 million.

TAX SIMPLIFICATION AND REFORM

To focus continuing professional attention on tax simplication, the bill also proposes institutional arrangements by way of 1) a standing intergovernmental committee on tax simplification, 2) a Business Advisory Council on which the small business community would be assured a significant voice, and 3) creation of an Office of Small Business Tax Analyst within the Treasury Department.

Several major studies of small business tax issues are requested so as to lay a basis for orderly simplification of the total internal revenue system as it applies to smaller firms.

ORGANIZATION OF THE BILL

This bill consists of 39 substantive sections grouped into 8 chapters, as follows:

TITLE I—TAX SIMPLIFICATION RELATING TO SMALL BUSINESS

Sec. 101. Intragovernmental committee on tax simplification for small business.

Sec. 102. Treasury Department small business tax analyst.

Sec. 103. New Internal Revenue Code chapter on small business.

Sec. 104. Revision of depreciation policy.

Sec. 105. Equalization of treatment of fringe benefits as between incorporated and unincorporated small businesses.

Sec. 106. Special study of differential effect of tax law changes on businesses of varying sizes.

Sec. 107. Frequency of collection of certain employment and excise taxes.

Sec. 108. Consultation with Treasury Department by small business representatives; reimbursement of expenses.

TITLE II—ADJUSTMENT OF CORPORATE NORMAL TAX

Sec. 201. Corporate normal tax rates.

TITLE III—SPECIAL PROVISIONS TO ENCOURAGE ESTABLISHMENT OF NEW SMALL BUSINESS ENTERPRISES

Sec. 301. Exemption of $25,000 of net operating income of new small business corporations for first 3 years.

Sec. 302. Deduction of organizational expenses of partnership.

Sec. 303. Bad debt deduction for guarantors of obligations of, and lenders to, small business corporations.

Sec. 304. Losses on small business stock.

Sec. 305. Patronage benefits for qualified new community development cooperatives.

TITLE IV—PROVISIONS TO ASSIST SMALL BUSINESS GROWTH

Sec. 401. Increase in additional first-year depreciation allowance.

Sec. 402. Elimination of reserve ratio test for small business.

Sec. 403. 10-year carryover of small business net operating losses.

Sec. 404. Accumulated earnings tax.

Sec. 405. Amortization of expenditures incident to issuance of stock.

Sec. 406. Period for amortization of research and experimental expenditures.

Sec. 407. Multiple surtax exemptions for certain small business corporations under single family control.

TITLE V—PROVISIONS RELATING TO PARTNERSHIPS

Sec. 501. Guaranteed payments from partnership to partner.

Sec. 502. Closing to taxable year of partnership on death of partner.

Sec. 503. Termination of partnership.

Sec. 504. Limitation on partner's distributive share of losses.

TITLE VI—PROVISIONS RELATING TO "SUBCHAPTER S" CORPORATIONS

Sec. 601. Increasing number of permissible shareholders.

Sec. 602. Broadening classes of permissible shareholders.

Sec. 603. Termination of election by majority.

Sec. 604. Termination of election—passive investment income.

Sec. 605. Termination of election—inadvertence.

Sec. 606. Carryover of disallowed deductions for corporation's net operating loss.

TITLE VII—BUSINESS DEVELOPMENT CORPORATIONS

Sec. 701. Reserves for losses on loans of business development corporations.

Sec. 702. Nonrecurring income of nonprofit local business development corporations.

TITLE VIII—PRESERVATION OF SMALL BUSINESS INDEPENDENCE

Sec. 801. Refunds of overpayments of estimated income tax before end of taxable year.

Sec. 802. Debt-financed corporate acquisitions.

Sec. 803. Valuation of unlisted securities for estate tax purposes.

Sec. 804. Extensions of time for paying estate tax.

Sec. 805. Amalgamation of interests in closely held businesses for estate tax purposes.

Sec. 806. Study and recommendations by Treasury Department with respect to preservation of independent small business.

Section-by-Section Analysis

TITLE I—TAX SIMPLIFICATION

Sec. 101. Intragovernmental Committee on Tax Simplification for Small Business: The first substantive section creates a permanent standing committee of the Federal Government for the purpose of devoting continued attention to the simplification of the internal revenue system—including the Code, the regulations, instructions, procedures, and other publications relating to business taxation.

The membership of the Committee would include: representatives of the Secretary of the Treasury (for policy matters): Internal Revenue Service (for technical matters); Bureau of the Budget (for coordinating the paperwork aspects of IRS forms, in view of the Federal Reports Act) and the Small Business Administration to express the interests of the small business community.

The Committee would provide a forum for regular and periodic contact between the various Federal agencies concerned and the businessmen affected with sufficient formality to engage the attention of the press, the public, and the Congress. The proposed Advisory Council is intended to provide for an effective voice for small business by containing a delegation large enough to reflect the diversity of interests of small enterprise.

Sec. 102. Office of Small Business Tax Analysis at the Treasury Department: S. 4029 proposed a position of Small Business Tax Analyst, which would be one official in the Treasury Department responsible for looking at tax problems primarily from the view of small business and the free enterprise system rather than the Government's interest in raising revenue. The 1971 and 1973 bills would enhance this concept by constituting this function as an "Office of Small Business Tax Analysis" of which the Small Business Tax Analyst would be a part.

Such an office could provide a focus for assisting in the studies and reports proposed in this Act. Beyond this, a small business tax analyst could supply a continuity of effort required to assess the difficult and multifaceted problems raised by the impact of

Federal, State, and local taxation on small business competition, and the free enterprise system.

Sec. 103. Internal Revenue Code Chapter on New and Small Business: The present Internal Revenue Code of 1954, organized mainly by subject matter, does contain Subchapter S on one type of small business corporation. This section would have the Treasury consider a special title or chapter of the Code which consolidated and referenced those tax provisions relating particularly to new and small enterprise. This should be helpful to both non-tax-specialist attorneys and others counseling small firms, as well as to small businessmen, and prospective entrepreneurs. The present section strengthens the emphasis on references to material contained elsewhere in the Code.

Sec. 104. Revision of Depreciation Policy: Recent developments, such as abolition and restoration of the investment credit, call for a re-evaluation of the nation's depreciation policy from the viewpoint of the 90 + % of firms which are small businesses. In addition to the specific proposals embodied in sections 401 and 402 of the predecessor bills (S. 4039 and S. 1615), those bills called upon the Treasury Department for a comprehensive study of depreciation policies with particular attention to: the impact of recent legislation, including the Tax Reform Act of 1969 and such provisions of this legislation which may be enacted; the rapid advances in technology to which small business must adapt; and the practices of other industrialized nations. The Nixon Administration's task force study entitled "Business Taxation" of Sept., 1970, did not fulfill this need, since it did not contain any reference to the particular problems of small firms. The same small business problems remain, as well as others raised in the 1970 study, such as the possibility of eliminating salvage value from the computation for small firms.

Section 104 of the 1973 bill has been modified to reflect the re-enactment of the investment tax credit. It specifies that the study of capital allowances previously called for should take account of the investment credit as it relates to special small business needs.

Sec. 105. Equalization of Benefits Among Incorporated and Unincorporated Businesses: The Tax Reform Act of 1969 restricted retirement and pension benefits for small firms based upon comparability with unincorporated business. This section calls upon the Treasury to study the entire range of pension, retirement, health, medical, and insurance benefits in the larger context of what both corporations (including large corporate enterprise) and other forms of business are providing for their employees and executives. Such conclusions continue to be needed in light of the legislative and administrative initiatives of the Nixon Administration in 1972.

Sec. 106. Study of differential effect of tax law changes on businesses of varying sizes and ages: To fill a gap in present research capabilities, this section would direct the Treasury Department, through the office of the Small Business Tax Analyst, to document the impact which changes in the tax system between 1954 and 1972 have had on small compared with large businesses, and new compared to existing firms.

Sec. 107. Frequency of collection of federal taxes from businesses: This would replace four different collection schedules of federal business taxes with a single schedule of once per month if total deposits do not exceed $7000 during that month.

Sec. 108 is new in 1973: proposes that persons invited to consult with the Internal Revenue Service regarding the simplification and improvement of the Internal Revenue Code or its administration, including tax forms, be provided with reimbursement for travel and per diem expenses. It would also provide that the Treasury and the IRS should give consideration to the views of representatives of small business in this process, which is not done at present.

TITLE II—ADJUSTMENT OF CORPORATE NORMAL TAX

Sec. 201. Corporate Normal Tax Rate: The Tax Reduction Act of 1964 lowered tax rates for unincorporated business by approximately 20 percent; but for corporations where the bulk of the business is done, the reduction was only 10 percent. Although there was material relief for small business by reversal of the application of corporate normal and surtax rates, the same 2-step graduated structure was retained.

Recent studies make clear that large corporations pay taxes at a lower effective rate than do small and medium-sized companies. This title would effect a modest progressive reform in the entire corporate tax structure by providing for reductions in normal corporate tax rates for corporations earning less than $500,000 a year. From income of $500,000 to $1 million, the base rate of 22 percent would remain the same, but the effective rate of taxation would drop due to the reduced percentages in the lower brackets. As corporate earnings rose above $1 million per year the normal tax would incline slightly upward to a maximum of 24 percent for corporations earning over $1 billion annually.

In all, an 8-step graduated scale would bring corporate taxation more nearly into accordance with the principle of the ability to pay which has long been in effect for individual income taxes. The suggested rate schedule is as follows:

(b) NORMAL TAX.—The normal tax is the amount determined in accordance with the following table:

If the taxable income is	The normal tax is:
Not over $50,000	20% of the taxable income.
Over $50,000 but not over $250,000	$10,000, plus 21% of excess over $50,000.
Over $250,000 but not over $500,000	$52,000, plus 21½% of excess over $250,000.
Over $500,000 but not over $1,000,000	$150,750, plus 22% of excess over $500,000.
Over $1,000,000 but not over $10,000,000	$215,750, plus 23% of excess over $1,000,000.
Over $10,000,000 but not over $100,000,000	$2,285,750, plus 23½% of excess over $10,000,000.
Over $100,000,000 but not over $1,000,000,000.	$23,435,750, plus 23¾% of excess over $100,000,000.
Over $1,000,000,000	$237,185,750, plus 24% of excess over $1,000,000,000.

TITLE III—SPECIAL PROVISIONS TO ENCOURAGE ESTABLISHMENT OF NEW SMALL BUSINESS ENTERPRISES

Sec. 301. Exemption of $25,000 Operating Income for three-year Period: In 1970, this section of S. 4039 introduced the concept that new enterprise should be encouraged by allowing freedom from Federal income taxation for a period of three years. The proposal was put forward as a partial equalizer for small firms which must compete with companies which have not only been established for many years, but which may have built up substantial financial resources during the period when there was little or no corporate taxation in this country. The benefits of this section would be restricted to persons entering a business for the first time, and who would be spending full time in the capacity of an owner-manager of an active trade or commercial business. Further limitations were: 1) to benefit only the operating income of the enterprise, excluding gains from security and real estate transactions, which would be subject to taxation in the regular manner; 2) a ban on "successor" businesses of any kind; and 3) a disqualification based on prior ownership of more than 5 percent of any business.

The 1973 section reduces the amount of income a new business may earn free of Federal tax from $1 million per year to $25,000 per year for each of the first three years. A new, growing business might also defer its tax on the next $75,000 of income for 10 years, providing earnings are reinvested in the business and subject to recapture in the ensuing 10 year period. This section has also been further tightened to preclude from eligibility any company receiving a direct, participation or guaranteed business loan under section 7(a) of the Small Business Act.

Sec. 302. Amortization of Organization Expenses of Partnership: This would extend to partnerships the option now enjoyed by corporations, to amortize their organization expenses over 60 months, if they so desire.

Sec. 303. Bad Debt Deduction for Lenders to or Guarantors of Corporate Obligations: This provision would equate the tax treatment of lenders to or guarantors of business obligations, whether the businesses are incorporated or not, by extending the ordinary loss rule presently applicable to unincorporated business lending.

Sec. 304. Losses on Small Business Stock: To update incentives to invest, directly in small business which are presently contained in the Code, this section would increase from $25,000 to $50,000 the amount of allowable losses resulting from the purchase of section 1244 stock.

A second provision of this section would expand the definititon of a "small business corporation" authorized to issue such stock from $1 million to $1,500,000 in "equity capital" as defined by the section.

This subsection would have the effect of allowing previously ineligible corporations with equity capital of between $1 million and $1,500,000 to issue 1244 stock in the amount of $750,000 (compared with $500,000 under the present section) and to permit previously eligible small business corporations to issue stock up to the $750,000 amount, if they are otherwise in compliance with the applicable rules.

Further provisions of section 305 would enlarge from 2 years to 5 the time within which a section 1244 plan must be executed and would preclude stock options to employees from disqualifying such a stock issue.

Another subsection would promote awareness of sec. 1244 benefits by newer firms by encouraging an entry on the tax return to bring the matter to the level of attention. Filing a copy of the plan with the return as optionally provided would have additional benefits of stabilizing its timing and content.

Sec. 305. Patronage Benefits for Certain New Cooperative Enterprise.—To encourage the formation of cooperatives which have so well enriched rural American life, this section would permit such a new cooperative to retain 100 percent of declared patronage refunds (rather than the current 90 percent) for the first 5 years of its existence on the condition that substantially all of the membership and patrons are persons of low income and reside within a limited geographic area.

TITLE IV—PROVISIONS TO ASSIST SMALL BUSINESS GROWTH

The seven sections of Title IV are designed to provide encouragement for modernization, efficiency, and cost reduction. It has been estimated that from $\frac{2}{3}$ to $\frac{4}{5}$ of all capital used in business is internally generated. There is wide agreement that small businesses must rely most heavily on retained earnings since it becomes progressively easier to employ sophisticated methods to attract external capital as a business increases in size and experience.

It is contemplated that these sections will be reviewed as more becomes known about the relative impact of the ADR and investment credit provisions enacted in 1971.

Sec. 401. Additional First-Year Depreciation Allowances.—This section would increase additional first-year depreciation from $10,000 to $20,000 in accordance with increases in the cost of living and doing business since the section was previously revised in 1958.

Sec. 402. Elimination of Reserve Ratio Test for Small Business: For the same purposes, this section of the predecessor bills proposed that the liberalized depreciation guidelines contained in Revenue Procedure 62–21 more fully available to small businesses by elevating the status of that publication to a regulation pursuant to statute. This part of the section would not be affected when the January 11 proposal becomes effective, although the language initially fixing the length of guideline lives as those contained in the Revenue Procedure would be affected. The elimination of the reserve ratio test for firms designated as "small business" by the Small Business Administration would survive since the January 11, 1971, ADR proposal which carried an effective date of January 1, 1972, and this section would extinguish liability previous to that date.

Section 402 has been modified to delete the portion elevating depreciation guidelines to statutory status, since this was accomplished by the Revenue Act of 1971.

Section 403 [old]: Partial Restoration of Investment Credit: Every advanced industrialized nation has both a modernized depreciation system and investment incentive device. All of the 91 percent of small corporations accounted for less than $\frac{1}{4}$ of the investment tax credit, but its use by small business contributed greatly to the forward progress of the American economy through innovative investment.

The 1970 and 1971 bills proposed partial reinstatement of the 7 percent investment credit in a manner which would be highly tailored to reduce its cost and concentrate its benefits in areas which can do the maximum good for the economy. Corporate manufacturing would be allowed $50,000 worth of qualified investment. However, permissible investment for other corporations and individuals would be scaled down to $10,000 and $5,000 respectively. In each case there would be an appropriate income ceiling of $500,000, $100,000, and $50,000, above which such high-income taxpayers would receive no benefits from the section.

In the 1973 bill, Section 403 has been dropped because of the enactment of the investment credit, which was accomplished in 1971. As mentioned above, section 104 is intended to focus attention upon the practical effects of this provision, as enacted, upon capital formation by new, small and independent businesses.

The remaining subsections of Title IV of the bill have been renumbered accordingly.

Sec. 403. 10-year Carryover of Small Business Net Operating Losses: The section would extend the period and flexibility in use of loss carryover provisions for small business by allowing existing corporations to carry losses forward up to 10 years at their option. These 1971 and 1973 formulations are derived from the Administration's 1970 proposal, but with a more established definition of small businesses which are eligible.

Sec. 404. Accumulated Earnings: In accordance with the emphasis of this bill in growing businesses, this section would raise the permissible amount to $150,000 immediately, and adds a proposal that the Commissioner of Internal Revenue be given discretion to formulate standards by which expanding firms might qualify for a credit of up to $250,000.

The subsection of the predecessor bill on burden of proof has been retained so far as the application of Subchapter G. Part I procedure to proceedings in any court, not just the Tax Court. The portion of subsection 4405(b) of the predecessor bill relating to ultimate burden of proof has been omitted.

Sec. 405. Amortization of Certain Securities Expenditures: One of the most critical hurdles for a growing small business is selling its securities to the public. This section would allow the expenses of certain types of small business stock flotations, such as those under Regulation A and section 1244 of the Code, which are not otherwise deductible, to be amortized over a period of 60 months. A further helping provision in this vein would accord the same treatment for the expenses of an initial registration of a company's securities on a regional stock exchange. The 1973 bill specifies that this benefit would be available only to small businesses.

Sec. 406. Amortization of Research and Development Activities: This provision would allow research and development expenses to be amortized beginning at the time they are made, rather than waiting until the taxpayer "first realizes benefits" from these expenditures.

Sec. 407. Multiple Surtax Exemptions Under Single Family Control: In order to encourage opportunities for family ownership of business and eliminate discrimination presently in the law, this section would permit a limited number of surtax exemptions (up to 5) in the event members of a family are placed in proprietary positions where they have ownership of at least 50 percent of the stock (or other interest) and full time management of a separately incorporated unit of a family business.

TITLE V—PROVISIONS RELATING TO PARTNERSHIPS

Sec. 501. Guaranteed Payment to Partner: This section is designed to avoid double taxation of guaranteed payments from a partnership to a deceased partner. At present a partnership interest is includable in gross estate in full, and payments from the same assets may now be taxed as distributive income of a person now considered a partner under section 707(c).

Sec. 502. Closing of Taxable Year at Death of Partner: Additional flexibility in the affairs of the deceased partner would follow from this section, which would allow the closing of the partnership year for such a decedent at any of the following times: (1) normal close of the partnership year if there has been no prior sale, exchange, or liquidation of the partnership interest; (2) the date of any of the above-described transactions; or (3) the day after the partner's death.

Sec. 503. Termination of Partnership: This section would modify present section 708(b)(1)(B) which provides that a partnership will be considered terminated if there is a sale or exchange of 50 percent of the total partnership interest within a 12-month period. An exception would be provided for transactions among the partners themselves provided they have been members of the firm for at least 1 year.

Sec. 504. Limitation of Distributive Share of Losses: This section would amend section 752 to permit a partner to deduct currently his share of partnership losses in excess of the adjusted basis of his partnership interests, in the event that the partner is unconditionally obligated for his share of such partnership losses.

TITLE VI—PROVISIONS RELATING TO SUBCHAPTER S CORPORATIONS

Sec. 601. Increase in Number of Permissible Shareholders: This section would allow enlargement of the Subchapter S "tax-option" small business corporations in the following 3 ways: (1) initial shareholders could number 15, rather than the present 10; (2) shareholders in excess of this ceiling who take their stock by reasons of heirship would not disqualify election; and (3) after 5 years, the number of permissible shareholders would increase to 25, broadening possibilities for motivating employees by way of stock options and for infusion of fresh capital for the expansion. The heirship exemption is limited to the first generation heirs of original shareholders.

Sec. 602. Broadening Classes of Permissible Shareholders: The classes of shareholders would also be expanded by this section to include: (a) trusts where stock passes pursuant to a will, and where the trust is used merely to convey the stock to a long-term eligible holder within 60 days; (b) trusts where the entire income is taxable to the grantor; and (c) small business investment companies, subject to the elimination of the dividends-payed credit on such income.

Sec. 603. Termination by Majority of Shareholders: Under the present law, a new shareholder can void the Subchapter S election for himself, the corporation, and all other shareholders. Under the rule proposed by this section, a new shareholder would stand on the same footing as all other shareholders, and any 51 percent of the stock ownership could revoke the election.

Sec. 604. Termination of Election—Passive Income: This section provides additionally for nondisqualification of a Subchapter S corporation by reason of exceeding the limit of 20 percent passive income in a single year. The election privilege could still be lost pursuant to this proposal if the limit is exceeded in any 2 of 4 consecutive years.

Sec. 605. Termination of Election—Inadvertence: This section would relieve considerable pressure on small business corporations in the event there has been a termination of status because of events beyond its control. If the corporation is able to establish that the termination was, in fact, inadvertent and can gain full compliance within 90 days of notification, its Subchapter S status would be preserved for future years.

Sec. 606. Carryover of Losses: This section would equate carryover treatment of Subchapter S loans in excess of basis under section 1374(c) with those of partnerships under section 704(d). Thus, if the basis was rebuilt in a future year, the excess loss would become available as a current deduction.

TITLE VII—BUSINESS DEVELOPMENT CORPORATIONS

Sec. 701. Bad Debt Reserves of Business Development Corporation: To encourage State and local development companies to extend long-term financing to non-bankable new enterprises, such companies would be permitted a bad-debt reserve deduction up to 10 percent of outstanding loans.

Sec. 702. Non-recurring Income of Business Development Corporation: Since these institutions are in a unique position to foster community development by taking long-term risks with private capital non-recurring income of certain types would be insulated from tax upon the condition that the proceeds from such unusual transactions are re-invested within the area of service and no part of these proceeds inures to the benefit of any individual or private institution.

The section has the additional requirement that the companies to be benefited must not compensate any person performing services for it. The original section has also been liberalized to allow a period of three, rather than two, years for reinvestment in accordance with the long lead time in transactions of this kind.

TITLE VIII—PRESERVATION OF SMALL RUSINESS INDEPENDENCE

Sec. 801. Quarterly Adjustment of Estimated Tax: In the event corporations suffer financial reverses in 1 or 2 quarters, they cannot now recover amounts paid to the Federal Government in estimated taxes. This section would allow recovery of such amounts to the extent the newly estimated tax for the year is less than the amount already paid in. These readjustments could occur at each quarter.

Sec. 802. Debt-Financial Corporate Acquisitions: The objective of this section is to afford a practical means of discouraging mergers by disallowing interest deductions beyond $500,000 on any loan for acquisition purposes. It would be clear that financing through banks and other financial institutions, whether by a line of credit or otherwise' would be covered by this section, as well as debenture financing.

Sec. 803. Valuation of Stock of Closely-Held Corporations: A problem of disposition of any interest in a close-held business has been valuation. The present law provides for comparison only with companies listed on a stock exchange which are often more established than those which are not. This proposal would permit valuation comparisons with any similar company whether or not it is listed on an exchange.

Sec. 804. Extensions of Time for Paying Estate Tax: A new section 804 aims at administration of the estate tax which is more congenial to allowing closely-held businesses to remain in family hands following death of a major stockholder. To this end, it changes the standard of "undue hardship" (required to qualify for 10-year estate tax installments) to "hardship," which should be easier to meet.

Sec. 805. Amalgamation of Interests in Closely-Held Businesses: At present, under section 6161(d) it is required that a decedent own at least 50 percent of a business in order that its value be eligible for aggregation to meet the tests allowing installment payment of estate tax attributable to such business interests. This provision would make it easier for businessmen to qualify for aggregation by permitting addition of interests exceeding 33⅓ percent of a business toward the totals.

Sec. 806. Recommendations as to Preservation of Independent Small Business: The final provision would have the Treasury conduct a comprehensive examination of the converging pressures of income taxes, capital gains tax, reorganization rules, and estate and gift taxes which are causing so many small businesses to sell or merge out of existence rather than continue in independent form. The section calls for a report and recommendations which would improve the tax climate at this stage of the business life cycle for preservation of independent enterprises.

Technical changes: The title of the bill has been changed to reflect the current year, and other numbering, date, and technical changes have been made where needed.

Mr. BURDICK. Mr. President, I am pleased to again join with the distinguished chairman of the Senate Small Business Committee, Senator Bible, as a principal sponsor of the Small Business Tax Simplification and Reform bill of 1973.

When this bill was first introduced back in 1970, it was my pleasure to be the original cosponsor at that time. By the end of the 92d Congress, 23 Senators and over 78 Members of the House of Representatives had added their names to the list of cosponsors, and others had indicated their support of the measure by letter.

My observations are that the tax situation of family and farm businesses is worse in 1973 than it was in 1970. There were large tax breaks for big businesses in the Revenue Act of 1971. Costs of doing business have increased steeply in the past 3 years. In addition, the Federal Government itself is stepping up pressures on small business in areas such as new sanitation requirements, occupational safety and health standards, and the paperwork of related reporting.

The hearings in the House Committee on Ways and Means under the chairmanship of Representative Wilbur Mills have given us hope that something might be done in this field at long last.

Small business needs tax simplification. It needs tax reform. It needs enactment of legislation along the lines of this bill, which has been developed by Senator Bible over the past 6 years. I will do all I can to encourage consideration and enactment of this kind of meaningful tax relief for small business in the 93d Congress.

By Mr. HUMPHREY:

S. 1099. A bill to establish a Federal-State Legislative Council. Referred to the Committee on Government Operations.

ESTABLISHMENT OF FEDERAL-STATE LEGISLATIVE COUNCIL

Mr. HUMPHREY. Mr. President, I am today introducing a bill to establish a Federal-State Legislative Council.

More than 60 percent of the Members of this Congress have at one time or another served as members of State legislative bodies. Nevertheless, there has never been a formal means for promoting communications between us or for solving the unique problems we share.

I am today introducing a bill which I believe can do much to remedy this neglect in intergovernmental interchange. The bill creates a permanent, 24-member, bipartisan Federal-State Legislative Council. Six Senators and six Representatives would serve on the Council along with 12 State legislators.

The Council will have the responsibility for exploring and researching the problems common to the legislative process. It will likely conduct hearings into the matters of legislative management, communication between Congress and the respective State legislatures, substantive program evaluation, and issues of Federalism. We could use some scrutiny of the relationship between legislative and administrative bodies, coordination of program administration, Federal preemption, intergovernmental taxation and budgets.

The service which the Council will perform as envisioned by this legislation was never more needed than today. Legislative institutions at all levels are being tested and challenged by administrative concentrations as well as to accelerating demands of social and technological change. Our very survival as relevant social institutions depends on our ability to make decisions quickly and well.

In order to do this, we must have generalists who have easy access to useful expert information. We can improve our access to the kind of information which we can use in decisionmaking and we can improve our institutional procedures to facilitate reasoned decisionmaking. This is just one example of the kind of problem the Council could address itself to. Moreover, because of its composition, I believe the Council's recommendations would be given great weight at both the State and Federal levels.

We are all aware that the legislative decisions we made here often have a very direct impact on State governments and the decisions that must be made by State legislators. This Council would be singularly qualified to explore ways of minimizing the friction that sometimes results and maximizing the cooperation that is needed.

The Council will study these problems and will make annual reports to the Congress and the legislatures. It will also make recommendations and perhaps draft model legislation.

State and Federal legislators share much more than a common occupational designation. We share similar problems, outlooks and goals and we must recognize that we share the same future. The Congress needs 50 functioning State legislatures and the State legislatures need the Congress. Neither can succeed without the other. The work of the Council would nurture this cooperative relationship and could bring a new dimension to American Federalism.

It is my hope that prompt congressional consideration will be given this proposal during the current session of Congress.

Mr. President I ask unanimous consent that the text of this legislation appear at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1099

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a Federal-State Legislative Council (hereinafter referred to as the "Council") which shall be composed of twenty-four members appointed so as to achieve a geographic balance and representation and as follows:

(1) Six members to be appointed by the President of the Senate from the United States Senate;

(2) Six members to be appointed by the Speaker of the House of Representatives from the United States House of Representatives; and

(3) Six members to be appointed by the President of the Senate from among a list of 24 persons nominated by the Nation's Legislative Conference and the State Legislative Leaders organization from among the members of the upper legislative bodies of the several states;

(4) Six members to be appointed by the Speaker of the House from among a list of 24 persons nominated by the National Legislative Conference and the State Legislative Leaders organization from among the members of the lower legislative bodies of the several States.

(b) Of the members enumerated in subsection (a) (1) and (2) of this section, three shall be from the majority party of each

House and shall be appointed from Members designated by the majority leaders of the respective Houses and three shall be from the minority party of each House and shall be appointed from Members designated by the minority leader of the respective Houses. Of the members enumerated in subsection (a) (3) of this section, not more than six shall be from any one political party.

(c) The term of office of each member of the Council shall be four years; members may serve until their successors are appointed, except that in any case in which any member ceases to serve in the official position from which he was originally appointed under this section, his term of office on the Council shall terminate at the time he ceases to serve in such official position. No member may serve for more than two terms.

(d) Any vacancy in the membership of the Council shall not affect its powers and shall be filled in the same manner as the original appointment was made.

(e) The Council shall select a Chairman and Vice Chairman from among its members annually. The Vice Chairman shall act in the place of the Chairman in the absence of the Chairman. The Chairmanship shall alternate between members of the Council appointed from the United States Congress and members appointed under subsection (a) (3) of the first section of this Act. The Vice Chairman shall be chosen from the category of members (Members of Congress or persons appointed under subsection (a) (3) of the first section) other than the category from which the Chairman was selected.

(f) Seven members of the Council shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COUNCIL

SEC. 2. (a) The Council shall form substantive committees to conduct such studies as are necessary or desirable to identify and investigate problems common to the legislative process which are of mutual concern to the legislatures of both the Federal and State governments. Based on such studies, the Council shall make such recommendations from time to time for the solution of such problems as it deems appropriate. The Council shall also develop and prepare proposed legislation to carry out its recommendations.

(b) The Council shall meet at least once quarterly but may hold such additional meetings as it deems necessary. At least one-half of the meetings held by the Council shall be held outside Washington, D.C.

(c) The Council may issue such reports regarding its findings and recommendations as it deems advisable, and shall submit an annual report of its findings and recommendations to the President and the Congress the State Governors and each State Legislature not later than the first day of February of each year.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 3. (a) The Council or, on the authorization of the Council, any committee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Council, committee, or member deems advisable. Any member authorized by the Council may administer oaths or affirmations to witnesses appearing before the Council or any committee or member thereof.

(b) Each department, agency, and instrumentality of the Federal Government, including independent agencies, is authorized and directed to furnish to the Council, upon request made by the Chairman or Vice Chairman, such information as the Council deems necessary to carry out its functions under this Act.

(c) Subject to such rules and regulations as may be adopted by the Council, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermitten services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

COMPENSATION OF MEMBERS

SEC. 4. (a) A member of the Council who is a member of Congress or a full-time salaried official of the body of which he is a member when appointed to the Council shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of duties vested in the Council.

(b) A member of the Council other than one to whom subsection (a) of this section applies shall receive $100 per day when engaged in the actual performance of duties vested in the Council and shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

By Mr. McINTYRE (for himself, Mr. PASTORE, Mr. HRUSKA, Mr. FANNIN, and Mr. BAKER):

S. 1100. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance—including coverage for medical catastrophies—available to all Americans, and for other purposes. Referred to the Committee on Finance.

THE NATIONAL HEALTH CARE ACT OF 1973

Mr. McINTYRE. Mr. President, together with the Senator from Rhode Island (Mr. PASTORE), the Senator from Nebraska (Mr. HRUSKA), the Senator from Arizona (Mr. FANNIN), and the Senator from Tennessee (Mr. BAKER), I introduce for appropriate reference the National Healthcare Act of 1973. This bill provides a comprehensive program of health care by strengthening both organization and delivery of health care throughout the Nation, as well as making comprehensive health insurance available to all Americans, and for other purposes.

Mr. President, we live in a time of both rising aspirations and rising fears. The American public, quite correctly, expects higher performance from its national institutions so that they will function to the greater good. The American public also expects that this most affluent Nation should provide to all a better quality of life. At the same time, the public has many fears, and the fast pace of our modern world reinforces these fears, among the most prevalent of which is the fear of major illness.

It is not merely the fear of being incapacitated by illness, but rather the financial threat implicit in such illness. Overwhelming and sudden catastrophic illness is something Americans fear more than a lower standard of living, unemployment, inflation and even war according to a recent study. The seemingly random aspect of catastrophic illness or injury makes this fear very much like the fear of crime, a kind of personal helplessness in the face of overwhelming forces.

Now, one can argue that the incidence of catastrophic illness is statistically small, but this will not materially reduce the individual citizen's fear that the lightning bolt could still strike him or a member of his family.

Further, the average citizen can see around him the daily evidence of other problems in our national system of health care. When hospital rooms soar in cost to $100 a day and beyond the citizen knows the system is askew. When costs of medical fees and related therapy keep rising, the citizen wonders how he can cope with the situation.

If it is assumed that routine medical care comes at high cost, it is assumed by the citizen that involved and prolonged medical care comes at astronomic costs.

But the ordinary citizen is troubled by other aspects of the faltering health system. If he lives in a small town, he may find there is no physician at all to serve him. If he lives in the city, particularly in the urban ghetto, he may find a similar dearth of trained medical personnel. And for all citizens, everywhere, other symptoms of trouble can be found. There is the familiar problem of trying to get an immediate doctor's appointment. Lacking the time to make house calls, many doctors do not even have time to diagnose or prescribe for a flu patient over the telephone. The moves toward group practice and wider use of paramedical personnel have so far failed to blunt the problems of medical manpower shortages.

If the citizen is over 65 or has to assist his elderly parents, he also sees the great gap between the promise of medicare and the reality.

We enacted medicare in 1965 to relieve older Americans from rising health costs. The program did make available health care dollars to defray the costs of hospitalization, treatment, and so on. But medicare, which provided no additional doctors and no additional hospitals, helped to accelerate the already high costs of health care.

Thus, the elderly have seen their out-of-pocket costs for the program go up twice, while the wage earner who pays for this program through his social security tax, together with his employer, have been caught in a series of incremental increases. In 1967, when Congress had to vote a 25-percent wage tax increase just to keep medicare solvent, the wage base on which social security tax was levied was $7,800 and the tax rate stood at 4.4 percent. Today the wage base is $10,800 and the tax rate is 5.65 percent. The rate will rise to 6.05 by 1987, under present law, and will eventually exceed 7 percent even if no new taxes are added.

Because social security tax is levied even on those whose incomes are below the designated "poverty-line," everyone has had to pay the cost of medicare.

At the same time, because medicare created heavier demand on medical personnel and facilities without increasing them, the cost of care went up so that the wage earner paid not only more social security tax but higher premiums for his own private health insurance, because private insurors also had to face this supply-and-demand problem. In short, we have had an inflation situation of the classic variety—and it is a no-win condition.

In this cause-and-effect situation people saw the visible effect, but lost track of the cause. It is a peculiarly ironic comment that in the field of health and medicine, we have been treating symptoms without getting to the disease.

That is why, Mr. President, I believe that if we are to achieve any significant improvement in health care and meet the needs and expectations of the public, we have to come up with a total program that addresses itself to a wide range of problems, not merely those that are most visible. We must make the entire system more flexible, more responsive, more innovative. We must cover a broad range of care—from dentistry to psychiatry—if we are truly to deal with modern health care needs. And we need to do it now.

I would like to point out, Mr. President, that I strongly believe in fiscal responsibility. I want to see that our needs are met without inordinate increases in taxation. No one needs to remind this Senator that throwing tax dollars at national problems is an imprudent way to solve problems.

I think we can solve our health problems in America. I think we can do so in a straightforward way, using the skills and strengths which we have at our disposal and providing the kind of care need at a price we can afford.

Mr. President, it is all too easy to become carried away by the rhetoric of crisis. We have serious problems in the health care field, problems which require immediate and responsible answers. As I indicated earlier, we cannot address ourselves to the most visible of these problems and forget the others. Nor can we, in our zeal and desire to provide a remedy, fall prey to the old inflammatory language and describe our health care problems as a "national health disaster," as some of my colleagues have done, or refer to our health problems as "a massive crisis." That way lies the mistakes we have made in the past.

I do not think we need to find scapegoats. I think we need answers.

I do not believe we can solve all of the national health care problems of the United States by passing a law which deals only with catastrophic illness. It is obvious that problems of health care go far beyond this single emotionally fraught question.

Nor do I believe, however, that we must scrap the entire health apparatus in this Nation—including 300,000 health insurance workers—to construct a wholly new Federal bureaucracy to deal with a national health insurance program.

Surely this is wasteful of skilled manpower and an approach that, by adding additional new tax costs, would diminish our national capability for meeting other priorities.

Harry Schwartz, the New York Times reporter who has written "The Case for American Medicine," has observed that:

> The myth that government can produce magic answers dies hard, despite debacle after debacle in education, housing, mail service, military production and other areas. Must American medicine become another disaster area before the lesson is learned?

Even if we disregard Mr. Schwartz' polemics, there is valid reason to suspect that a new and large-scale Federal insurance system will not necessarily reduce the high costs of medical care.

The writer notes, for instance, that other changes are needed to put Americans on the path to better health—including:

> Fundamental changes in lifestyle away from patterns that conduce to sickness and early death and toward new patterns that promote well being.

Like so many other national problems, there is no precise parting point between health and other challenges—money we spend to improve auto safety, for instance, may be a significant factor in reducing our national health problems. And the same can be said about drug and alcohol abuse.

Therefore, Mr. President, I believe we need to take a pragmatic look at the broad spectrum of our national health problems, involving both private enterprise and Government in the job of problem-solving. In that way, we will husband our tax dollars and avoid the tunnel vision which has plagued us in the past.

I believe the National Healthcare Act of 1973 is a practical bill. It will:

First, increase the supply and improve the productivity and distribution of health manpower.

Second, develop ambulatory health care services to promote health maintenance and reduce costly hospital use.

Third, improve health care planning to distribute current and future health resources more equitably and effectively.

Fourth, more directly contain the escalation in health care costs and upgrade quality of health care.

Fifth, establish national goals and priorities to improve health care.

Sixth, improve the financing of health care, including catastrophic illness, for everyone. It will do so by:

Federal standards for minimum ambulatory, preventive and institutional care benefits, including comprehensive coverage for catastrophic illness.

Phasing-in of benefits on a time-table basis.

Use of existing private health insurers—including insurance companies, Blue Cross-Blue Shield, and prepaid group practice plans—to provide benefits.

Federal income tax incentives to help assure that comprehensive benefit levels are maintained.

Establishment of State pools of private health insurers to provide standard benefits for the poor, near-poor and those previously uninsurable for health reasons with those benefits for the poor and near-poor being subsidized by Federal and State funds.

For instance, in covering catastrophic illness, the National Health Care Act provides that any covered individual who incurs $5,000 worth of medical bills in a 12-month period will be eligible for up to $250,000 in benefits, whether or not some or all of that $5,000 in bills has been reimbursed by insurance.

The bill also recognizes that one of the continuing factors in high cost of treatment is use of in-patient hospital facilities. If we cut average hospital confinement by just 1 day, we can save $2 billion per year.

Thus the bill encourages development of ambulatory care facilities which could handle such things as diagnostic work, X-rays, and other tests, as well as 25 percent of the surgery now done in hospitals.

The bill strengthens the power of health planning agencies, so they can more realistically review facility plans, eliminate duplication and assure that medical facilities are coordinated.

Cost and quality control measures are utilized through plans which provide for prospective rate review for hospitals.

Meanwhile, provision is made to upgrade manpower through reappraisal of Federal training programs, improved grants to medical schools and better student loan programs.

Everyone is assured equal access to quality health care, through Federal standards which prescribe by law the best schedule of benefits. Additional benefits will be phased-in as health facilities increase. But benefits for the poor, near-poor and previously uninsurable will come into operation faster.

The bill's provision to phase in benefits in stages over a period of time permits the system to adjust to the pace of rising demand for services.

This feature alone will tend to restrain costs.

In contrast, other proposals would increase demand overnight and place a tremendous strain on the system and upward pressures on prices of medical care.

We must not make the mistake again of promising more than we can deliver.

With regard to the economically disadvantaged and high-risk individuals, my bill provides that the poor would pay no premium, the near poor would pay only partial premiums, and the uninsurable would pay a full, but reasonable premium.

Both employer and the covered individual employee would receive a tax deduction, thus encouraging implementation of better benefits. The bill embodies copayment features which are designed to encourage preventive and ambulatory, rather than institutional, care.

I might add that when the patient has a stake in holding down costs he can be expected to make better use of medical services than when they are "free" as it might be considered if offered under the umbrella of a pure government program.

Also, Mr. President, the bill calls for a Cabinet-level health council to improve organization, delivery, financing, and quality of health care.

The cost of the National Health Care Act of 1973 to the taxpayers is $8.1 billion in new taxes. I submit that this amount will be significantly below the cost of a program which calls for a massive new Federal agency to administer health insurance, and below the cost of other comprehensive programs as well.

Moreover, health care does not turn to the social security tax mechanism as a means of financing.

I believe, Mr. President, that the National Health Care Act of 1973 can accomplish what it sets out to do—and do so without sacrificing any essential part of a system which allows the right of free choice.

In fact, by calling upon the traditional partners in problem solving, the public and private sectors, the Health Care Act strives to build upon sound foundations rather than tear down and build anew.

Dispensing with rhetoric and emotionalism, let me say finally that the National Health Care Act of 1973 aims to get the job done. No more and no less. I, therefore, invite my colleagues to join with me in supporting an approach which I believe is responsive without being expensive, the National Health Care Act of 1973.

Mr. President, I ask unanimous consent that a summary of the key features of the National Health Care Act of 1973 be printed in the RECORD at this point, followed by the text of the bill, and then by a section-by-section analysis of the bill.

There being no objection, the summary, bill, and analysis were ordered to be printed in the RECORD, as follows:

THE KEY FEATURES OF THE NATIONAL HEALTH CARE ACT OF 1973—FEBRUARY 1973

INTRODUCTION

The goal of the National Health Care Act of 1973 is to meet the personal health needs of every citizen. It seeks to achieve this goal by containing health care costs, improving the organization and delivery of health services, and making comprehensive health insurance available to all.

The objectives of the National Health Care Act are to:

1. Increase the supply and improve the productivity and distribution of health manpower.
2. Develop ambulatory health care services to promote health maintenance and reduce costly hospital use.
3. Improve health care planning to distribute current and future health resources more equitably and effectively.
4. More directly contain the escalation in health care costs and upgrade quality of health care.
5. Establish national goals and priorities to improve health care.
6. Improve the financing of health care, including catastrophic illness, for everyone.

1. Increase the supply and improve the productivity and distribution of health manpower

Shortages and maldistribution of health manpower constitute the greatest obstacle to an improved health delivery system.

To correct these deficiencies, the bill calls for the following steps to be taken:

A. Appraisal by the Federal government of the adequacy of present grant, loan or other Federal aid programs for health manpower training and development, and the need for expansion. The study's objective would be to recommend procedures for program consolidation, coordination, and increased efficiency, as well as to develop proposals for promotion of health careers.

B. Improve student loan programs with built-in financial incentives to physicians, optometrists, dentists, nurses and allied health personnel to encourage service in inner-city and rural areas.

C. Provide Federal grants to schools to spur the training of additional physicians and allied health personnel, particularly in provision of family ambulatory care of administration of ambulatory care centers.

D. Meet immediate needs through a temporary Federal grant program to physicians, nurses, and allied health personnel agreeing to serve during the next five years in areas most critically short of services.

2. Develop ambulatory health care services to promote health maintenance and reduce costly hospital use

Greater access to effective and less costly health care for all will be achieved through expansion in every community of ambulatory health care services.

These services would include preventive care, diagnosis, treatment and rehabilitation. They would be provided in facilities that might range from reorganized hospital outpatient departments or expanded group medical practices to prepaid group practice plans or other health maintenance organizations.

To this end, the bill calls for the following action:

A. Extend present Federal programs of hospital construction grants, and hospital and outpatient facility loan guarantees, to encourage private and public financing of comprehensive ambulatory health care centers, particularly in areas of special need.

B. Make such grants and loan guarantees available to subsidize ambulatory health care center costs for the first three years of operation.

C. Include ambulatory and preventive care benefits in all health insurance plans.

3. Improve health care planning to distribute current and future health resources more equitably and effectively

- Improved planning for health care systems is essential to the development of rational approaches to effective and economical delivery of community health services.

The bill, therefore, calls for reinforcing the key role and authority of state and areawide comprehensive health planning agencies through the following action:

A. Increase substantially financial support for comprehensive health planning at community and state levels.

B. Enlarge specific responsibilities of planning agencies to include:

a. Setting priorities on community needs, with emphasis on coordinated health care programs, and health education of the public.

b. Reviewing and certifying as to need all applications for a Federal grant, loan, loan guarantee, or other Federal aid exceeding $100,000 for the purpose of proposed new or modernized health care services, facilities or equipment.

4. More directly contain the escalation in health care costs and upgrade the quality of health care

A more rational health delivery system must have built into it controls to assure quality of care and containment of rising costs. The bill provides that the following safeguards be implemented:

A. Tie all Federal loans, grants or contracts for a health facility or service to the certification of need by a comprehensive health planning agency.

B. Planning agencies would assist facilities to submit capital expenditure proposals consistent with the State health plan, and to develop efficiency and cost saving incentive programs for optimum use of manpower, services, and equipment.

C. Tie payment for health care under Federally-supported programs to prevailing fees and to peer review of those professional services that fall outside of professionally established guidelines, assuring appropriateness of treatment, quality of care, and reasonableness of physician fees. Review and approval would come from an appropriate health services review organization or, in its absence, by the organizations administering Federal programs.

D. Payment to hospitals or other health care institutions under Federal programs would be subject to approval by a State Healthcare Institutions Cost Commission appointed by the Governor. All such institutions would be required to:

a. Have an active review committee to check appropriateness and quality of services.

b. Utilize a standard system of accounts and cost finding.

c. Cost "prospectively approved charges" for all patients. Such a system would involve review and approval in advance by the State Commission of the proposed charges, assuring charges reasonably related to the cost of effectively providing necessary services.

5. Establish national goals and priorities to improve health care

Only national leadership can bring about unified health policies, goals and guidelines which are properly balanced against other priorities of society.

The bill, therefor, proposes the following steps be taken:

A. The President deliver to Congress annually a Health Report on the state of the nation's health at Federal, state, and local levels, with legislative proposals a appropriate to improve the organization, delivery, and financing of health care.

B. Congress create a Council of Health Policy Advisors in the Executive Office of the President, analogous to the Council of Economic Advisors. Composed of three members appointed by the President, with Senate consent, the Council would:

a. Help prepare the President's annual Health Report.

b. Recommend procedures for coordinating, consolidating or eliminating health related programs of the various Federal agencies and departments.

c. Conduct health care research.

d. Provide guidelines for health care funding allocations.

e. Develop recommendations for national policy to improve the organization, financing, delivery and quality of health care.

C. Congress direct every Federal agency to include in all legislative recommendations or other major Federal actions a statement on the impact of the proposal on the health care system, including adverse effects, alternatives, relative priority, and any irreversible commitments of resources involved.

6. Improve the financing of health care for everyone

Financial barriers to dignified access to health care for all citizens must be removed. This objective can best be achieved by broad action on two fronts:

One, Federal stimulus to the development of health insurance coverage which would promote ambulatory and preventive care and the availability of new forms of health delivery. This would serve to shift the focus from costly hospital inpatient care to a more economical setting.

Two, ensure the availability of comprehensive coverages to all which build on the broad base of existing voluntary health insurance plans within a unified Federal-state program. Costs for most people should continue to be met by individuals and employers, with public funds used for those needing total or partial support in financing their health care.

To this end, the bill calls for adoption of these innovative measures:

Federal standards for minimun ambulatory, preventive, and institutional care benefits, including comprehensive coverage for catastrophic illness.

Phasing-in of benefits on a time-table basis.

Use of existing private health insurers (including insurance companies, Blue Cross-Blue Shield, and prepaid group practice plans) to provide benefits.

Federal income tax incentives to help assure that comprehensive benefit levels are maintained.

Establishment of state pools of private health insurers to provide standard benefits for the poor, near-poor and those previously uninsurable for health reasons, with those benefits for the poor and near-poor being subsidized by Federal and state funds.

Federal standards for health care benefits

These standards, to be known as Minimum Standard Healthcare Benefits, would be set by the government in consultation with providers, consumers and health insurers. Emphasis would be placed on benefits for ambulatory and preventive care to shift the focus from high-cost in-hospital treatment to lower-cost and more accessible out-of-hospital care.

Maximum benefit limits for catastrophic expense would be not less than $250,000. By 1985, there would be no maximum limits on ambulatory care and only realistic limits on institutional care.

Phased-in benefits

Under the Healthcare bill, the following Minimum Standard Healthcare Benefits schedule is illustrative of the type of national standard which could be put into effect as the manpower and facilities became available.

The Minimum Healthcare Benefits for private group and individual plans, which would initially be effective in 1975, would cover charges for:

All diagnostic X-ray and laboratory examinations on an ambulatory basis.

All surgery and radiation therapy in a physician's office or ambulatory health care center.

Three visits per year per family member to a physician in his office or ambulatory health care center for other types of medical treatment.

Well baby care including immunizations, up to six visits during first six months after birth.

Charges for physicians' services while institutionalized.

First 30 days of semi-private general or psychiatric hospital care per illness.

First 60 days of convalescence in a skilled nursing home per illness.

First 90 days in an approved home health care program per illness.

Benefits for state pool plans for the poor, near-poor and those previously uninsurable for health reasons would begin initially effective July 1, 1974 and would cover charges for:

All diagnostic X-ray and laboratory examinations on an ambulatory basis.

All surgery and radiation therapy in ambulatory health care centers.

Six visits per year per family member to a physician in his office or ambulatory health care center for other types of medical treatment.

Well baby care including immunizations, up to 12 visits during the first two years.

Charges for physicians' services while institutionalized.

Dental care for children under 19, including annual examination, fillings, extractions, and dentures.

Prescription drugs for all persons.

Rehabilitation services, including prosthetic appliances and physical therapy.

Maternity care.

Family planning services and supplies.

First 120 days of semi-private general or psychiatric hospital care per illness.

First 120 days of convalescence in a skilled nursing home per illness.

First 180 days in an approved home health care program per illness.

In 1980, the Minimum Standard Healthcare Benefits for private group and individual plans would be raised to the level initially required for the state pool plans. The standards for state plans would be increased so that essentially all ambulatory care would be covered without limit for children and adults, and institutional care would be covered within the following realistic limits:

300 days of semi-private general or psychiatric hospital care per illness.

180 days of convalescence in a skilled nursing home per illness.

270 days in an approved home health care program per illness.

In 1985, the Minimum Standard Healthcare Benefits for private group and individual plans would be brought up to the 1980 standards for the state pool plans.

Those medical care expenses which experience shows lead to overutilization may be subject to a modest amount of co-payment. In order to prevent co-payments from becoming an undue burden on the family, there will be an aggregate limit charged in any one year that is related to family income.

Catastrophic illness

Any covered individual who incurs $5,000 of medical expenses (including those reimbursed by insurance) within 12 consecutive months shall immediately become entitled to the maximum benefits specified above, regardless of phasing, up to at least $250,000.

Federal tax incentives

Under Federal tax incentives, beginning in 1975, the amount of tax deductibility allowed an employer for health care expenditures would be reduced from 100 percent to 50 percent, unless the employer's group plan contained the Minimum Standard Healthcare Benefits established by the government, further reduced to 25% in 1976, and completely eliminated after 1976.

For persons not belonging to groups, tax incentives would also be offered to obtain individual policies meeting all of the requirements. These would be known as Qualified Individual Healthcare Plans.

State pool plans for poor and near-poor

Minimum Standard Healthcare Benefits would be available to persons on public assistance through Qualified State Healthcare Plans which would be participated in by private health insurers and supported by state and Federal subsidies.

These state programs would reduce the need for Medicaid and eventually replace it as a means of financing care for the medically indigent.

Persons on public assistance would not pay any portion of the premium for their coverage. The near-poor would make a contribution scaled to their income.

Individuals who cannot obtain adequate protection because of poor health also would be eligible for benefits subject to their paying the premiums.

Each Qualified State Healthcare Plan would be a pooled arrangement underwritten by all participating private health insurers in each state. One carrier or group of carriers in each state would be designated by the state to administer the plan.

Solvency

Rules are provided to fully protect all claimants against the insolvency of any qualified healthcare plan.

Health care program cost

The additional taxes required in fiscal 1976 (the first full year of operation) to pay for the Healthcare Program are estimated at $8.1 billion.

S. 1100

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "National Healthcare Act of 1973".

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TITLE I—FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. FINDINGS.

The Congress hereby finds that:

(a) America confronts a critical testing of its capacity to meet for all of its citizens one of the most basic of human needs, that of protecting and maintaining personal health;

(b) Every citizen of the United States of America should have access to quality healthcare, but too many Americans find it difficult to secure quality health care when they need it, where they need it, at prices they can afford;

(c) The Nation needs systems of healthcare organizations, delivery, and financing which combine the high scientific and technical competence of the medical and allied health professions; the flexibility, innovativeness, efficiency, and managerial skills of private enterprise; the legislative and fiscal capacities of government at all levels; and the potentialities of consumer and community participation in developing and maintaining such systems of health care.

SEC. 102. DECLARATION OF PURPOSE

The Congress declares the purpose of the Act to be to improve the organization, delivery, and financing of healthcare for all citizens of the United States of America by increasing health personnel, promoting ambulatory care, strengthening health planning, establishing national standards of health care benefits including coverage for medical catastrophies, encouraging provision of such benefits through comprehensive health care insurance, and by assisting persons of low income or in poor health to secure that insurance.

TITLE II—PROVISIONS TO INCREASE THE SUPPLY AND IMPROVE THE DISTRIBUTION OF HEALTH CARE PERSONNEL

SEC. 201. STUDENT LOANS FOR TRAINING IN THE HEALTH PROFESSIONS AND NURSING.

(a) STUDENT LOANS FOR TRAINING IN THE HEALTH PROFESSIONS.—Subsection (a) of section 741 of the Public Health Service Act is amended to read as follows:

"(a) In the case of any student, the total of the loans from a loan fund established under this part for any academic year (or its equivalent, as determined under regulations of the Secretary) may not exceed the lesser of $5,000 or the sum of

"(1) the actual cost of tuition and fees, and

"(2) the reasonable expenditures (as determined in accordance with regulations) for supplies, books, room and board, and other related costs.

In the granting of such loans, a school shall give preference to persons who enter as first-year students after June 30, 1973."

(b) AUTHORIZATION OF APPROPRIATIONS.—Effective with respect to fiscal years beginning after June 30, 1974, subsection (a) of section 742 of such Act is amended—

(1) by striking out all that follows clause (3) in the first sentence and inserting in lieu thereof the following:

"there are authorized to be appropriated $100,000,000 each for the fiscal year ending June 30, 1975, and the two succeeding fiscal years.";

(2) by striking out "June 30, 1975" in the second sentence and inserting in lieu thereof "June 30, 1978"; and

(3) by striking out "July 1, 1974" in the second sentence and inserting in lieu thereof "July 1, 1977".

(c) CONFORMING AMENDMENT.—Section 743 of such Act is amended by striking out "1977" wherever it appears therein and inserting in lieu thereof "1980".

(d) STUDENT LOANS FOR NURSE TRAINING.—Subsection (a) of section 823 of such Act is amended to read as follows:

"(a) In the case of any student, the total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds established pursuant to agreements under this part may not exceed the lesser of $3,500 or the sum of

"(1) the actual cost of tuition and fees, and

"(2) the reasonable expenditures (as determined in accordance with regulations) for supplies, books, room and board, and other related costs.

In the granting of such loans, a school shall give preference to licensed practical nurses and to persons who enter as first-year students after June 30, 1973."

(e) AUTHORIZATION OF APPROPRIATIONS.—Effective with respect to fiscal years beginning after June 30, 1974, the first sentence of section 824 of such Act is amended to read as follows: "There are authorized to be appropriated to the Secretary of Health, Education, and Welfare for Federal capital contributions to student loan funds pursuant to section 822(b)(2)(A) $75,000,000 each for the fiscal year ending June 30, 1975, and the two succeeding fiscal years, and such sums for the fiscal year ending June 30, 1978, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1977, to continue or complete their education."

(f) CONFORMING AMENDMENT.—Section 826 of such Act is amended by striking out "1977" wherever it appears therein and inserting in lieu thereof "1980".

SEC. 202. SCHOLARSHIP GRANTS AND STUDENT LOANS FOR TRAINING IN THE ALLIED HEALTH PROFESSIONS.

(a) RECOMMENDATIONS OF COUNCIL OF HEALTH POLICY ADVISERS.—Subsection (a) of section 794B of the Public Health Service Act is amended by adding the following after the word "prescribe": ", with due regard to any relevant recommendations of the Council of Health Policy Advisers established pursuant to title IV of the National Healthcare Act of 1973".

(b) SCHOLARSHIP GRANTS FOR TRAINING IN THE ALLIED HEALTH PROFESSIONS.—Subsection (d) of such section is amended to read as follows:

"(d) Any scholarship awarded from grants under subsection (a) to any individual for any year shall cover such portion of the student's tuition, fees, books, equipment, and living expenses as the agency, institution, or organization making the award determines, in accordance with regulations provided by the Secretary, the student needs for such year on the basis of his requirements and financial resources."

(c) AUTHORIZATION OF APPROPRIATIONS.—Subsection (f) of such section is amended to read as follows:

"(f) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1973, $30,000,000 for the fiscal year ending June 30, 1974, and $50,000,000 each for the fiscal years ending June 30, 1975, and the two succeeding fiscal years."

(d) STUDENT LOANS FOR TRAINING IN THE ALLIED HEALTH PROFESSIONS.—Subsection (b)(1) of section 794D of the Public Health Service Act is amended to read as follows:

"(b)(1) In the case of any student, the total of loans from a loan fund established under this section for any academic year (or its equivalent, as determined under regulations of the Secretary) may not exceed the full cost of tuition and fees, and reasonable expenditures for supplies, books, room and board, and other related costs as determined in accordance with regulations. In the granting of such loans, the agency, institution, or organization shall give preference to persons who enter as first-year students after June 30, 1973."

(e) CANCELLATION OF STUDENT LOANS.—Subsection (b)(2)(C) of such section is amended to read as follows:

"(C) not to exceed 50 percent of any such loan (plus interest) shall be canceled for full-time employment as an allied health professional in any public or nonprofit private institution or agency (including comprehensive ambulatory health care centers), at the rate of 20 percent of the amount of such loan plus interest thereon, which was unpaid on the first day of such service, for each complete year of such service, except that such rate shall be 33⅓ percent for each complete year of service as an allied health professional in any area in a State which is determined by the Secretary, upon recommendation by the appropriate State comprehensive health planning agency (designated or established pursuant to section 314(a)(2)(A) of this Act), in accordance with regulations of the Secretary, to be an area which has a shortage of and need for such allied health professionals, and for cancellation at such higher rate, an amount equal to an additional 50 percent of the total amount of such loans plus interest may be canceled;".

(f) AUTHORIZATION OF APPROPRIATIONS FOR LOANS.—Subsection (c) of such section is amended to read as follows:

"(c) There are authorized to be appropriated to the Secretary for Federal capital contributions to the student loan funds pursuant to subsection (a)(2)(B)(i) $7,500,000 for the fiscal year ending June 30, 1973, $15,000,000 for the fiscal year ending June 30, 1974, $40,000,000 for the fiscal year ending June 30, 1975, $60,000,000 for the fiscal year ending June 30, 1976, and $75,000,000 for the fiscal year ending June 30, 1977, and such sums for the fiscal year ending June 30, 1978, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1977, to continue or complete their education. Sums appropriated pursuant to this subsection for the fiscal year ending June 30, 1973, or any subsequent fiscal year shall be available to the Secretary (1) for payments into the fund established by subsections (f)(4) and (2) in accordance with agreements under this section for Federal capital contributions to schools with which such agreements have been made, to be used, together with deposits in such funds pursuant to subsection (a)(2)(B)(ii), for establishment and maintenance of student loan funds."

(g) DISTRIBUTION OF ASSETS FROM LOAN FUNDS.

(1) Subsection (e) of such section is amended by striking out "1977" wherever it appears therein and inserting in lieu thereof "1980."

(2) Subsection (f)(1)(A) of such section is amended by striking out the word "two" and inserting in lieu thereof "four."

(3) Subsection (f)(3) of such section is amended by striking out "$35,000,000" and inserting in lieu thereof "$100,000,000."

SEC. 203. TRAINING FOR PERSONNEL NEEDED IN COMPREHENSIVE AMBULATORY HEALTH CARE CENTER.

(a) Section 795(1)(A) of the Public Health Act is amended—

(1) by inserting "health care center administration," immediately after the first reference to "dental hygiene"; and

(2) by inserting "which shall include the curriculums for various types of allied health professions which the Secretary finds to be necessary for the effective operation of comprehensive ambulatory health care centers (defined in section 645)," immediately after "regulation,".

(b) Section 795(1)(C) of the Public Health Service Act is amended to read as follows:

"(C) which, if in a college or university which does not include a teaching hospital or a comprehensive ambulatory health care center (defined in section 645) or in a junior college, is affiliated (to the extent and in the manner determined in accordance with regulations) with such a hospital or a comprehensive ambulatory health care center,".

(c) Title VII of the Public Health Service Act is amended by adding the following new part I after section 799A as follows:

"PART I—GRANTS FOR PLANNING AND ESTABLISHMENT OF CURRICULUMS FOR TRAINING COMPREHENSIVE AMBULATORY HEALTH CARE TEAMS

"SEC. 799B. (a) There are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1973, $25,000,000 for the fiscal year ending June 30, 1974, $40,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 each for the fiscal year ending June 30, 1976, and the succeeding fiscal year, for special project grants under subsection (b) of this section. The portion of the sums so appropriated for each fiscal year which shall be available for grants under such section shall be determined by the Secretary unless otherwise provided in the Act or Acts appropriating such sums for such year.

"Special Project Grants

"(b) Grants may be made, from sums available therefor from appropriations under subsection (a), to assist schools of medicine, training centers for allied health professions (defined in section 795), and other educational institutions—

"(1) to meet the cost of special projects to plan, develop, demonstrate, and evaluate curriculums or establish new programs or modifications of existing programs of education, to train physicians to coordinate teams of health care personnel engaged in providing comprehensive health care on an ambulatory basis; or

"(2) to meet the cost of developing curriculums and training programs for new levels or types of health professions, nurses and allied health professions needed to staff comprehensive ambulatory health care centers (defined in section 645); or

"(3) to meet the cost of planning experimental teaching facilities or other facilities necessary to initiate, strengthen, improve, or expand programs to train persons to administer and staff such comprehensive ambulatory health care centers.

"Applications for Grants

"(c)(1) The Secretary may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications for grants under subsection (b) for any fiscal year must be filed.

"(2) To be eligible for a grant under this part, the applicant must (A) be a public or other nonprofit school of medicine, training center for allied health professions, or other educational institution which includes or is affiliated with a comprehensive ambulatory health care center (defined in section 645), and (B) be accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education, except that the requirement of this clause (B) shall be deemed to be satisfied if in the case of a school which by reason of no, or an insufficient, period of operation is not, at the time of application for a grant under this part, eligible for such accreditation, the Commissioner finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the Secretary makes a final determination as to approval of the application.

"(3) The Secretary may approve any application for a grant under this part if he determines, after giving due consideration to any relevant findings or recommendations of the Council of Health Policy Advisers, that the proposed grant will serve to alleviate the shortage of health care personnel.

"(4) A grant under this part may be made only if the application therefor—

"(A) is approved by the Secretary upon his determination that the applicant meets the eligibility conditions set forth in subsection (c)(2) of this section;

"(B) contains such additional information as the Secretary may require to make the determinations required of him under this part and such assurances as he may find necessary to carry out the purposes of this part; and

"(C) provides for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part.

"(5) In determining priority of projects, applications for which are filed under subsection (c)(1) of this section, the Secretary shall give consideration to—

"(A) the extent to which the project will increase enrollment of full-time students receiving the training for which grants are authorized under this part;

"(B) the relative need of the applicant for financial assistance;

"(C) the extent to which the project may result in development of curriculum, curriculum improvement, or improved methods of training or will help to reduce the period or required training without adversely affecting the quality thereof; and

"(D) the health care needs of the Nation and the extent to which the proposed project will assist in the alleviation of shortages in health care personnel."

SEC. 204. GRANTS TO PERSONNEL IN THE HEALTH PROFESSIONS, ALLIED HEALTH PROFESSIONS, AND NURSING FOR SERVICE IN AREAS OF CRITICAL NEED

(a) AUTHORITY TO MAKE GRANTS.—Title VII of the Public Health Service Act is amended by adding after section 799B (as added by this Act) the following new part J as follows:

"PART J—GRANTS TO PERSONNEL IN THE HEALTH PROFESSIONS, ALLIED HEALTH PROFESSIONS, AND NURSING FOR SERVICE IN AREAS OF CRITICAL NEED

"SEC. 799C. (a) There are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1973, and $50,000,000 for each of the fiscal years in the period beginning July 1, 1973, and ending June 30, 1977, for the establishment and operation of a special fund from which the Secretary shall make grants to personnel in the health professions, allied health professions, and nursing for the purpose of alleviating the maldistribution of such health care personnel and improving health care services in areas having a critical need for such personnel.

"Applications for Grants

"(b)(1) The Secretary may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) before which applications for grants under this part for any fiscal year must be filed.

"(2) To be eligible for a grant under this part, the applicant must be (A) a health professional, allied health professional, or nurse, or (B) a person engaged in a course of training who will, at the time the grant is to commence, be a health professional, allied health professional, or nurse.

"(3) Applications for grants from the special fund established by this part may be approved by the Secretary only if—

"(A) the applicant is qualified by education and training to provide a type of health care service determined by the Secretary, upon recommendation of the appropriate State comprehensive health planning agencies, to be needed in areas which have critical health manpower shortages;

"(B) the applicant agrees to perform health care services in an area of a State which has been designated by the Secretary, upon recommendation of the appropriate State comprehensive health planning agency, as having a critical need for such health professional, allied health professional, or nurse; and

"(C) the application contains reasonable assurance that the applicant will provide health care services in an area of critical need for a period of not less than two years.

"(4) Any application for a grant filed by a person mentioned in subsection (b)(2)(B) may be approved by the Secretary only on the condition that such applicant shall have met the qualifications of subsection (b)(2)(A) and subsection (b)(3) at or before the time the grant is to commence.

"GRANTS FOR SERVICE IN AREAS OF CRITICAL MANPOWER SHORTAGES

"(c) The Secretary or his designee is authorized to enter into individual contracts with applicants approved pursuant to subsection (b) of this section. Such contracts shall provide for the payment of grants from the special fund established under this part and shall provide for payment to be made quarterly on an annualized basis. Such contracts shall also specify that at the end of each contract year an additional payment shall be made, if necessary, in an amount sufficient to guarantee that the applicant receives, from all payments made under this part with respect to the contract year and all other income derived during the contract year from providing health care services in the area of critical need, a total amount equal to at least 110 per centum of the national annual median income for persons of comparable education and training or 110 per centum of the applicant's earnings from providing health care services in the previous year, whichever is greater.

"In determining the actual amount of a

grant under this part the Secretary or his designee shall take the following factors into account:

"(1) the national median annual income for the applicant's profession, determined in accordance with regulations;

"(2) the cost of living in the area in which the applicant is to serve;

"(3) the background, training, and education of the applicant;

"(4) the amount of income the applicant can reasonably expect to receive from service in the area of critical need;

"(5) the number of persons of the applicant's profession needed in the area of critical need;

"(6) where appropriate, all or part of the reasonable cost of equipment, supplies, and facilities; and

"(7) such other factors as the Secretary deems reasonable."

(b) CONFORMING AMENDMENT.—Section 329(b)(1) of the Public Health Service Act is amended by inserting after "(A) designate" the phrase "upon recommendation of the appropriate comprehensive health planning agencies,".

TITLE III—PROVISIONS TO ENCOURAGE COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

SEC. 301. AMENDMENT OF PURPOSE.

Section 600(a) of the Public Health Service Act is amended by inserting ", including comprehensive ambulatory health care centers" immediately after "other medical facilities".

SEC. 302. AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION AND MODERNIZATION ON GRANTS

Effective with respect to each of the five fiscal years beginning after June 30, 1973, section 601 of the Public Health Service Act is amended by adding after subsection (c) the following new subsection:

"(d) $200,000,000 for grants for the construction and modernization of comprehensive ambulatory health care centers, and for those administrative, operating, and maintenance costs during the first three years of operation of such centers as may be approved by the Secretary."

SEC. 303. STATE ALLOTMENTS

Effective with respect to appropriations pursuant to section 601 of the Public Health Service Act for fiscal years beginning after June 30, 1973, section 602(a)(1) of such Act is amended to read as follows:

"(a)(1) Each State shall be entitled for each fiscal year to an allotment bearing the same ratio to the sums appropriated for such year pursuant to subparagraphs (1), (2), and (3), respectively, of section 601(a), to an allotment bearing the same ratio to the sums appropriated for such year pursuant to section 601(b), and to an allotment bearing the same ratio to the sums appropriated for such year pursuant to section 601(d), as the product of—

"(A) the population of such State, and

"(B) the square of its allotment percentage, bears to the sum of corresponding products for all of the States."

SEC. 304. PRIORITY OF PROJECTS

Section 603(a) of the Public Health Service Act is amended by adding after subparagraph (7) thereof the following new subparagraph:

"(8) in the case of projects for the construction of comprehensive ambulatory health care centers, to facilities located in densely populated areas where such facilities do not now exist, as determined by the Secretary."

SEC. 305. STATE PLANS

(a) Section 604(a)(4) of the Public Health Service Act is amended by redesignating subparagraphs (D) and (E) thereof as subparagraphs (E) and (F), respectively, and inserting after subparagraph (C) thereof the following new subparagraph:

"(D) the comprehensive ambulatory health care centers needed to provide adequate ambulatory health care services for patients residing in the State, including many services which traditionally have been rendered in hospitals, and a plan for distribution of such centers throughout the State."

(b) Section 604(a)(5) of the Public Health Service Act is amended by inserting "comprehensive ambulatory health care centers" immediately after "outpatient facilities."

SEC. 306. RECOVERY OF FUNDS

Section 609(b) of the Public Health Service Act is amended by inserting "comprehensive ambulatory health care center," immediately after "outpatient facility,".

SEC. 307. LOAN GUARANTEES AND LOANS FOR MODERNIZATION AND CONSTRUCTION OF COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

Section 621 of the Public Health Service Act is amended by inserting "comprehensive ambulatory health care centers," immediately after "outpatient facilities," in paragraphs (1) and (2) of subsection (a) thereof.

SEC. 308. DEFINITION OF COMPREHENSIVE AMBULATORY HEALTH CARE CENTER

Section 645 of the Public Health Service Act is amended by adding after paragraph (1) the following new paragraph:

"(m) The term 'comprehensive ambulatory health care center' means a facility (located in or apart from a hospital and whether or not part of a health maintenance organization) which is organized, equipped, and staffed so as to provide to individuals and families, on a coordinated and continuing basis, a broad range of ambulatory health services, and which:

"(1) has a staff of physicians licensed to practice medicine who provide medical and surgical care for patients not requiring hospitalization;

"(2) possess or has reasonable access to one or more operating rooms and appropriate recovery rooms, adequately equipped and staffed, in accordance with standards promulgated by the Secretary, to perform those surgical procedures which can be safely performed on a nonconfinement basis;

"(3) is equipped to provide a broad range of diagnostic tests, including X-rays and electrocardiograms, and either has its own laboratory facilities or has reasonable access to such facilities;

"(4) maintains a unified medical record, stored in a central file, for each patient treated in such facility;

"(5) has arrangements with a general hospital and, to the extent possible, with convalescent institutions, home health agencies, and custodial care institutions to assure that services of such institutions will be available to patients of such facility when they can no longer be treated on an ambulatory basis;

"(6) provide preventive care services, including a health education program;

"(7) has a program of peer review to assure quality care and efficient utilization of services; and

"(8) has a program to utilize allied health personnel to assist its professional staff to the maximum extent practicable."

TITLE IV—PROVISIONS TO STRENGTHEN COMPREHENSIVE HEALTH PLANNING

SUBTITLE A—HEALTH REPORT OF THE PRESIDENT; COUNCIL OF HEALTH POLICY ADVISERS

SEC. 401. HEALTH REPORT OF THE PRESIDENT.

The President shall transmit to the Congress not later than July 1 of each year, beginning in 1974, a health report (hereinafter referred to as the "Health Report") which shall set forth (1) the status and condition of the health care system of the Nation; (2) current and foreseeable trends in the health care needs of the Nation, the organization, financing, delivery, and quality of health care services, and the effects of those trends on the health of Americans and the social, economic, and other requirements of the Nation; (3) the adequacy of available manpower and physical resources for fulfilling the health care needs of the Nation in the light of expected population pressures; (4) a review of the health programs and activities of the Federal Government, the State and local governments, and nongovernmental entities, with particular reference to their contribution the achievement of the policy set forth in title I of this Act; and (5) a program for carrying out the policy set forth in title I of this Act, together with recommendations for legislation.

SEC. 402. COUNCIL OF HEALTH POLICY ADVISERS.

There is created in the Executive Office of the President a Council of Health Policy Advisers (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. The President shall designate one of the members of the Council to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainments is exceptionally well qualified to analyze and interpret trends in the health care field; to appraise programs and activities of the Federal Government in the light of the policy set forth in title I of this Act; and to formulate and recommend national policies to promote the improvement of health care.

SEC. 403. EMPLOYMENT OF OFFICERS, EMPLOYEES, EXPERTS AND CONSULTANTS

The Council is authorized to employ and fix the compensation of such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary to carry out its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

SEC. 404. RESPONSIBILITIES OF COUNCIL

(a) GENERAL FUNCTIONS AND DUTIES.—It shall be the duty and function of the Council—

(1) to assist and advise the President in the preparation of the Health Report;

(2) to review and appraise the health programs and activities of the Federal Government in the light of the policy set forth in title I of this Act for the purpose of determining the extent to which programs and activities are contributing to the achievement of such policy, and to make recommendations with respect thereto;

(3) to develop and recommend procedures for the interagency coordination of Federal health programs, to propose interagency consolidations of programs and eliminations of programs to assure efficient, effective, and economic operation of all Federal health programs and to avoid waste and duplication;

(4) to develop and recommend goals for a national policy to foster and promote the improvement of the organization, financing, delivery and quality of the Nation's health care;

(5) to conduct studies, survey, research, and analyses relating to health care in the Nation;

(6) to conduct a continuous evaluation of policies and programs related to the Nation's health care and make recommendations for the revision, expansion, and improvement of such policies and programs, including the assignment of priorities to the implementation of such recommendations in accordance with their relative urgency or desirability;

(7) to develop and recommend measures designed to assure the provision of adequate manpower, services, and facilities for the Nation's health care, including the mobilization, allocation, utilization, and retention of such manpower, services, and facilities;

(8) to develop and recommend guidelines for the allocation of funds for health care designed to furnish all citizens equal access to quality health care; and

(9) to make and furnish such studies, reports thereon, and recommendations with respect to matters of health care policy and legislation as the President may request.

(b) ANNUAL HEALTH REPORT TO THE PRESIDENT.—The Council shall submit to the President a first report not later than April 1, 1974, and an annual report not later than April 1 of each year thereafter. Each such report shall also be transmitted to the Congress supplementary to the next Health Report of the President.

(c) CONTENTS OF INITIAL ANNUAL HEALTH REPORTS.—In its first report and in the first of its annual reports to the President as required by subsection (b) of this section, the Council shall (1) specially report on all Federal programs which provide grants, loans, or other financial aids for the training and development of health manpower of any type; (2) appraise the adequacy of such programs to meet the health care needs of the Nation; (3) develop and recommend procedures for the consolidation, coordination, expansion, and improved efficiency of administration of such existing programs; and (4) develop and recommend measures designed to assure the wider dissemination of public information regarding the existence and purpose of such programs, the aids available thereunder, and the advantages and benefits of training for career opportunities in the health, nursing, and allied health professions.

SEC. 405. CONSULTATION WITH OTHER ADVISORY BODIES AND REPRESENTATIVE GROUPS; COOPERATIVE UTILIZATION OF SERVICES, FACILITIES, AND INFORMATION

In exercising its powers, functions, and duties under this Act, the Council shall—

(1) consult with the National Advisory Health Council established by section 217(a) of the Public Health Service Act, with any other advisory council or committee required or permitted to be created under any provision of the Public Health Service Act, and with such representatives of consumer groups, providers of health care, health researchers and educators, insurers, health service organizations, public agencies concerned with health care, voluntary health and welfare organizations, and other groups, as it deems advisable;

(2) utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

SEC. 406. COMPENSATION OF MEMBERS

Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

SEC. 407. AUTHORIZATION OF APPROPRIATIONS

There are authorized to be appropriated such sums, not to exceed $1,000,000 in any fiscal year, as may be necessary to enable the Council to carry out its functions under this Act.

SUBTITLE B—DEPARTMENTAL RECOMMENDATIONS AND REPORTS

SEC. 411. STATEMENTS REGARDING EFFECT OF DEPARTMENTAL PROPOSAL ON NATION'S HEALTH CARE

(a) The Congress authorizes and directs that, to the fullest extent possible, all agencies of the Federal Government shall include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting human health and the organization, financing, delivery, and quality of the Nation's health care, whether with regard to all citizens generally or only to classes or segments of the public, a detailed statement by the responsible official on—

(1) the impact of the proposed action on human health and the Nation's health care system;

(2) any adverse effects which cannot be avoided should the proposal be implemented;

(3) alternatives to the proposed action;

(4) the relative priority, if any, assigned to the proposed action (or to any similar or alternative proposal designed to fulfill the same immediate purpose or need) by the Council of Health Policy Advisers established by subtitle A of this title in its most recent report to the President submitted pursuant to section 404(b) thereof; and

(5) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

(b) Prior to making any detailed statement required by subsection (a) the responsible Federal officials shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any impact on human health and the Nation's health care system. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies which have responsibilities in such areas shall be made available to the President, the Council of Health Policy Advisers and to the public as provided by section 552 of title 5, United States Code, and shall accompany the proposal through the existing agency review processes.

SEC. 412. AGENCY OBLIGATIONS UNDER OTHER FEDERAL STATUTES

Nothing in section 411 shall in any way affect the specific statutory obligations of any Federal agency (1) to accord priorities or preferences to applications for Federal financial aids in public health and health care programs and activities, based on factors required to be considered by law or regulations pursuant thereto, (2) to coordinate or consult with any other Federal or State agency, or (3) to act, or refrain from acting, contingent upon the recommendations or certification of any other Federal or State agency.

SUBTITLE C—COMPREHENSIVE HEALTH PLANNING AMENDMENTS

PART A—DEFINITION OF "APPROPRIATE COMPREHENSIVE HEALTH PLANNING AGENCY"

SEC. 431. APPROPRIATE COMPREHENSIVE HEALTH PLANNING AGENCY DEFINED

Section 2 of the Public Health Service Act is amended by—

(1) redesignating subsections (m), (n); (o), (p), and (q) thereof as subsections (n), (o), (p), (q), and (r), respectively; and

(2) adding after subsection (l) thereof a new subsection (m) as follows:

"(m) The term 'appropriate comprehensive health planning agency' shall have the meaning assigned to it by section 314(h) (4) (C) of this Act;"

PART B—STATE AND AREAWIDE COMPREHENSIVE HEALTH PLANNING AGENCIES

SEC. 441. STATE AGENCY REVIEW AND CERTIFICATION

Section 314(a)(2) of the Public Health Service Act is amended by—

(1) redesignating subparagraphs (D), (E), (F), (G), (H), (I), (J), and (K) thereof as subparagraphs (E), (F), (G), (H), (I), (J), (K), and (L), respectively; and

(2) adding after and below subparagraph (C) thereof a new subparagraph (D) as follows:

"(D) provide for the performance of the functions assigned to it by subsection (c)(3) of this section with respect to certification by the appropriate comprehensive health planning agency;"

SEC. 442. AREAWIDE COMPREHENSIVE HEALTH PLANNING AGENCIES

Section 314(b) of the Public Health Service Act is amended to read as follows:

"PROJECT GRANTS FOR AREAWIDE HEALTH PLANNING

"Grants for Areawide Agency Authorization of Appropriation

"(b)(1)(A) The Secretary is authorized during the period beginning July 1, 1966, and ending June 30, 1975, to make, with the approval of the State agency administering and supervising the administration of the State plan approved under subsection (a) of this section, project grants to any other public or nonprofit private agency or organization (but with appropriate representation of the interests of local government where the recipient of the grant is not a local government or a combination thereof or an agency of such government or combination) to cover not to exceed 75 per centum of the costs of projects for developing (and from time to time revising) comprehensive regional, metropolitan area, or other local area plans for coordination of existing and planned health services, including the facilities and persons required for the provision of each such services and including the provision of services through home health care; except that in the case of project grants made in any State prior to July 1, 1968, approval of such State agency shall be required only if such State has such a State plan in effect at the time of such grants. For the purposes of carrying out this subparagraph (A), there are hereby authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1973, $100,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975.

"Grants for State Agency Acting in Areawide Planning

"(B) Project grants may be made by the Secretary under subparagraph (A) with respect to a particular region or area to the State agency designated or established pursuant to subsection (a), but only if (i) no application for such a grant with respect to such region or area has been filed by any other agency or organization qualified to receive such a grant, (ii) such State agency certifies, and the Secretary finds, that ample opportunity has been afforded to qualified agencies and organizations to file application for such a grant with respect to such region or area and that it is improbable that, in the foreseeable future, any agency or organization which is qualified for such a grant will file application therefor, and (iii) such State agency has made or will make provision for acting as the appropriate comprehensive health planning agency with respect to such region or area for the purposes of subsection (c) of this section.

"Planning agency representation, interests of hospitals, and other facilities, and physicians

"(2) No grant may be made under paragraph (1)(A) after June 30, 1973, to any agency or organization to develop or revise health plans for an area unless the Secretary determines that such agency or organization provides means for representation of the interests of hospitals, other health care facilities and practicing physicians serving the general public.

"Additional grant conditions

"(3) No grant may be made under paragraph (1) after June 30, 1973, to any such agency or organization unless the application therefor contains or is supported by reasonable assurance that—

"(A) there has been or will be established, in or for the area with respect to which such grant is sought, an areawide health planning council, which shall include representatives of public, voluntary, and nonprofit private agencies, institutions, and organizations concerned with health (including representatives of the interests of local government, of the regional medical program for such area, and of consumers of health services), and that a majority of the members of such council are or will be representatives of consumers of health services;

"(B) such agency or organization had made or will make provision for determining the present and future health needs of its area on a continuing basis;

"(C) such agency or organization has developed or will develop measures designed to coordinate all health care facilities and programs in its area to the fullest extent possible and to assist such facilities in (i) planning their programs for capital expenditures for replacement, modernization, and expansion, consistent with the State plan approved under subsection (a), (ii) developing efficient systems of administration, (iii) incorporating in such systems incentives for optimum use of manpower, facilities, and equipment, (iv) entering into agreements with other facilities and institutions, where feasible, for the combined purchasing of equipment and the cooperative use of services and facilities, and (v) adopting and instituting such other management techniques appropriate to the use of health care facilities, equipment, and services without duplication and otherwise in the most efficient and economical manner;

"(D) such agency or organization has made or will make provision, when it acts as the appropriate comprehensive health planning agency, for reviewing, commenting on, and, as appropriate, making certifications as to the applications referred to in subsection (c) and pursuant to the procedures set forth therein; and

"(E) such agency or organization will make provision for (i) consulting with the areawide health planning council, and other groups as it deems advisable, in connection with the carrying out of its assurances pursuant to this subsection, (ii) enlisting public support for the areawide plan as developed and from time to time revised, and (iii) educating the public in its area concerning the proper use of the facilities and services available therein."

SEC. 443. COMPREHENSIVE PROCEDURE FOR REVIEW AND CERTIFICATION.

Section 314 of the Public Health Service Act is further amended by—

(1) redesignating subsections (c), (d), (e), (f), and (g) thereof as subsections (d), (e), (f), (g), and (h), respectively; and

(2) inserting after subsection (b) thereof a new subsection (c) as follows:

"(c) When any provision of law or regulation pursuant thereto requires that an application for a Federal grant, loan, loan guarantee, or other Federal financial aid may be approved by the Secretary or other responsible Federal official only after certification by the appropriate comprehensive health planning agency and the application involves an amount in excess of $100,000, the Secretary or such other responsible official may not approve any such application unless he is satisfied (on the basis of evidence contained in or submitted in connection with the application) that—

"(1) reasonable opportunity for review of and comment on such application has been provided to the appropriate comprehensive health planning agency;

"(2) such agency (if it is not the State agency designated or established pursuant to subsection (a)(2)(A)), after review, has communicated its comments in writing to both the person making application and such State agency and, if the appropriate comprehensive health planning agency recommends approval of the application, has made certification as to the essential need for and high priority of the project in the region, metropolitan area, or other local area, as the case may be;

"(3) the State agency designated or established pursuant to subsection (a)(2)(A) has certified as to the need for and priority of the project under the State plan approved pursuant to subsection (a), either (i) following its own initial review and comment on the application as provided in clause (1) hereof, (ii) following initial review and comment, and certification of need and priority by the appropriate comprehensive health planning agency, as provided in clause (2) hereof, or (iii) if such appropriate comprehensive health planning agency initially received the application but has withheld certification and approval, following the holding by such State agency of a public hearing thereon within the area concerned at which the person making application and such other agency were afforded an opportunity to present views on the application;

"(4) the application is for a project which is entitled to priority over other projects within the State under the State plan approved pursuant to subsection (a);

"(5) if the area for planning of the agency referred to in clause (2) hereof includes areas in two or more States, the State agency for each State designated or established pursuant to subsection (a)(2)(A) has made a separate certification to the need for and priority of the project within such State."

SEC. 444. DEFINITIONS: "APPROPRIATE COMPREHENSIVE HEALTH PLANNING AGENCY" AND VARIOUS OTHER DEFINITIONS RELATING TO FEDERAL ASSISTANCE

Section 314(h) of the Public Health Service Act (formerly section 314(g) thereof as redesignated by section 443 of this Act) is amended by—

(1) striking out "subsection (d) of this section" in clause (1) thereof and inserting in lieu thereof "subsection (e)";

(2) striking out "subsection (a) or (d) of this section" in each of clauses (2) and (3) thereof and inserting in lieu thereof at each place "subsection (a) or (e) of this section";

(3) striking out "and" at the end of subparagraph (A) of clause (4) thereof;

(4) deleting the period at the end of subparagraph (B) of such clause (4) and inserting in lieu thereof a semicolon; and

(5) inserting after subparagraph (B) of such clause new subparagraphs (C) and (D) as follows:

"(C) The term 'appropriate comprehensive health planning agency' means—

"(i) in the case of a project affecting an entire State, the State agency designated or established pursuant to subsection (a)(2)(A), or

"(ii) in the case of a project affecting a region, metropolitan area, or other local area, either the agency or organization which has received a project grant with respect to such area pursuant to subsection (b)(1)(A), the State agency which has received a project grant with respect to such area pursuant to subsection (b)(1)(B), or such other public or nonprofit private agency which is determined in accordance with regulations to be performing health planning functions for such area similar to those performed by an agency or organization of the kind referred to in subsection (b)(1)(A); and

"(D) As used in subsection (c), the term 'other Federal financial aid' includes a Federal contract; the term 'application' with reference to a contract includes a bid, offer, or proposal to contract; and the term 'project' means the object of the Federal grant, loan, loan guarantee, or other Federal financial aid, whether such object be facilities or goods, services, training or scholarship."

TITLE V—PROVISIONS TO MAKE COMPREHENSIVE HEALTH CARE INSURANCE AVAILABLE TO ALL

SUBTITLE A—ESTABLISHMENT OF MINIMUM STANDARD HEALTHCARE BENEFITS

SEC. 501. DEFINITION OF MINIMUM STANDARD HEALTHCARE BENEFITS

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by redesignating section 219 as section 220, and by inserting after section 218 the following new section:

"SEC. 219. MINIMUM STANDARD HEALTHCARE BENEFITS.

"(a) IN GENERAL.—For purposes of this title and title XX of the Social Security Act, the Minimum Standard Healthcare Benefits shall, subject to the other provisions of this section, be equal to the amount by which the charges for services and articles listed in subsection (b) exceeds the copayments specified in subsection (b) (or, if applicable, exceeds the deductible plus the copayments specified in section 213 or 280, as the case may be). The priority (I, II, III) applicable to any given benefit is as indicated in the description of that benefit in subsection (b), except as provided in subsection (c)(2).

"(b) SERVICES AND ARTICLES COVERED.—The charges, copayments, and priorities referred to in subsection (a) are as follows:

"(1) Charges made by a licensed physician for professional services rendered—

"(A) at a physician's office, by the physician or, at his direction, by his staff of nurses (RN) and allied health professionals—

"(i) for diagnosis or treatment of one or more conditions (other than diagnosis or treatment by surgery or radiation therapy),

"(I) on the first 3 days of such care per year per individual (copayment $2 per day per physician's office; priority I),

"(II) on the next 3 days of such care per year per individual (copayment $2 per day per physician's office; priority II), and

"(III) on any additional day of such care per year per individual (copayment 50 percentum for mental conditions and $2 per day per physician's office for all other conditions; priority III);

"(ii) for one or more surgical procedures for diagnosis or treatment of conditions (including any charge for anesthesia or the administering thereof, for casts, dressings or other surgical supplies, or for any postoperative visit)—all days of such care per year per individual (copayment $2 per day per physician's office; priority I);

"(iii) for radiation therapy for treatment of conditions by X-ray or radioactive materials (including the charges for such materials)—all days of such care per year per individual (copayment $2 per day per physician's office; priority I);

"(iv) for diagnostic tests (including X-rays, electrocardiograms, and laboratory tests) required in connection with services described in clause (i), (ii), or (iii) or in subparagraph (B) (copayment none; priority I);

"(v) for counseling on birth control or fitting of contraceptive devices (copayment none; priority II);

"(vi) for periodic health examinations (including immunizations)—

"(I) for an infant under age 5 (well baby care)—

"(a) during the first 6 months following birth, the first six such examinations (copayment none; priority I);

"(b) during the next 18 months, the first six such examinations (copayment none; priority II), and

"(c) during the next 3 years, the first three such examinations (copayment none; priority III);

"(II) for an individual age 5 through 39, one such examination every 5 years (copayment none; priority III); and

"(III) for an individual age 40 or over, one such examination every 2 years (copayment none; priority III);

"(vii) for physical therapy (copayment 20 percent; priority II); and

"(viii) for speech therapy (copayment 20 percent; priority III);

"(B) at the individual's home or elsewhere (other than at a hospital, skilled nursing facility, or the physician's office), by the physician, for diagnosis or treatment of one or more conditions (copayment 50 percent for mental conditions and $5 per day per physician for all other conditions; priority III);

"(C) at a hospital, by the physician, for the diagnosis or treatment of one or more conditions—

"(i) during the first 30 days of a confinement (copayment $2 per day, applicable only to the charges of the attending physician; priority I),

"(ii) during the 31st through 120 days of a confinement (copayment $2 per day, applicable only to the charges of the attending physician; priority II),

"(iii) during the 121st through 300th day of a confinement (copayment $2 per day, applicable only to the charges of the attending physician; priority III),

"(iv) on any day of a confinement for which no hospital benefit is payable under paragraph (6)(A) (copayment $5 per day per physician; priority I); and

"(v) on any day when no confinement is involved (the copayment and the priority are the same as those that would be applicable had the service been rendered at the physician's office); or

"(D) at a skilled nursing facility, by the physician, for the diagnosis or treatment of one or more conditions—

"(i) during the first 60 days of a confinement (copayment $2 per day, applicable only to the charges of the attending physician; priority I),

"(ii) during the 61st through 120th days of a confinement (copayment $2 per day, applicable only to the charges of the attending physician; priority II),

"(iii) during the 121st through 180th days of a confinement (copayment $2 per day, applicable only to the charges of the attending physician; priority III),

"(iv) on any day of a confinement for which no skilled nursing facility benefit is payable under paragraph (7)(A) (copayment $5 per day per physician; priority I), and

"(v) on any day when no confinement is involved (the copayment and the priority are the same as those that would be applicable had the service been rendered at the physician's office).

"(2) Charges by a qualified independent laboratory for laboratory examinations performed by it and prescribed by a licensed physician pursuant to his rendering the services described in paragraph (1)(A)(i), (ii), and (iii) and paragraph (1)(B) copayment none; priority I).

"(3) Charges by a licensed dentist for professional services rendered either by the dentist or at his direction by his office staff of allied health professionals for—

"(A) one annual oral examination, including prophylaxis and dental X-rays, for—

"(i) an individual under age 19 (copayment none; priority II), or

"(ii) an individual age 19 or over (copayment none; priority III);

"(B) amalgam fillings, extractions or dentures for—

"(i) an individual under age 19 (copayment 20 percent; priority II), or

"(ii) an individual age 19 or over (copayment 20 percent; priority III); or

"(C) other dental care, except orthodontia (copayment 50 percent; priority III).

"(4) Charges for the following when prescribed by a licensed physician—

"(A) drugs requiring a prescription, and insulin, digitalis, and such other life-preserving nonlegend drugs as may be specified in regulations, but only to the extent that such prescription and other drugs are not furnished by a hospital for use during a confinement (copayment $1 per prescription; priority II);

"(B) contraceptives for birth control requiring a prescription (copayment $1 per prescription; priority III):

"(C) prostheses (copayment 20 percent; priority II);

"(D) services of physical therapist (copayment 20 percent; priority II); or

"(E) services of speech therapist (copayment 20 percent; priority III).

"(5) Charges for the following vision care services—

"(A) eye refractions by a licensed physician or optometrist for—

"(i) an individual under age 19, no more than one examination per year (copayment none; priority III), or

"(ii) an individual age 19 or over, no more than one examination every three years (copayment 50 percent; priority III); or

"(B) eyeglasses newly prescribed by a licensed physician or optometrist, including contact lenses only when required as an integral part of intraocular surgery, for—

"(i) an individual under age 19, no more than one set of frames and lenses per year (copayment none; priority III), or

"(ii) an individual age 19 and over, no more than one set of frames and lenses every 3 years (copayment 50 percent; priority III).

"(6) Charges by a hospital for—

"(A) ward or semi-private accommodations and ancillary services (other than charges referred to in paragraph (4) (except subparagraph (A)) and (5)) used during a confinement for one or more conditions—

"(i) during the first 30 days of the confinement (copayment $5 per day; priority I),

"(ii) during the 31st through 120th days of the confinement (copayment $5 per day; priority II), and

"(iii) during the 121st through 300th days of the confinement (copayment $5 per day; priority III), and

"(B) services rendered by it on any day when no confinement is involved (the copayment and the priority are the same as those that would be applicable had the services been charged for by a licensed physician and rendered at his office).

"(7) Charges (other than changes referred to in paragraph (4) and (5)) by a skilled nursing facility for—

"(A) ward or semi-private accommodations and ancillary services used during a confinement for one or more conditions—

"(i) during the first 60 days of the confinement (copayment $2.50 per day; priority I),

"(ii) during the 61st through 120th days of the confinement (copayment $2.50 per day; priority II), and

"(iii) during the 121st through 180th days of the confinement (copayment $2.50 per day; priority III); or

"(B) services rendered by it on any day when no confinement is involved (the copayment and the priority are the same as those that would be applicable had the services been charged for by a licensed physician and rendered at his office).

"(8) Charges by a home health agency for home health services (other than charges referred to in paragraph (4) and (5)) rendered by it under a plan—

"(i) during the first 90 days of the plan (copayment $2.50 per day of services rendered; priority I),

"(ii) during the 91st through the 180th days of the plan (copayment $2.50 per day of services rendered; priority II), and

"(iii) during the 181st through 270th days of the plan (copayment $2.50 per day of services rendered; priority III).

"(c) Special Rules.—In applying subsection (b)—

"(1) Pregnancy Copayment and Priority.—When any service or article is furnished in connection with a pregnancy or any complication thereof during the period beginning with the date of inception of the pregnancy and ending with the 90th day after termination of the pregnancy, the copayment is 20 percent in lieu of the amount specified in subsection (b) and the priority is priority II in lieu of the priority specified in subsection (b);

"(2) Catastrophic Benefit Priority.—When a catastrophe is sustained by a covered individual, the priority of every benefit described in subsection (b) shall in respect of such individual thereafter be priority I in lieu of any other priority specified in subsection (b).

"(3) In determining the period of any confinement for purposes of subsection (b), any two or more periods of confinement shall be considered a single period of confinement unless separated by at least 60 days without any confinement for any cause.

"(d) Exclusions.—The charges specified in subsection (b) do not include any of the following:

"(1) any charge for any care for any injury or disease arising out of and in the course of employment and for which any amount is payable under any workmen's compensation or similar law;

"(2) any charge for hearing aids;

"(3) any charge for treatment for cosmetic purposes;

"(4) any charge for travel (other than travel by local professional ambulance to the nearest health care institution qualified to treat the illness or injury);

"(5) any charge for confinement in a private room to the extent in excess of the institution's charge for its most common semiprivate room; or

"(6) any charge by health care institutions specified in the table to the extent that it is determined under section 2008 of title XX of the Social Security Act that the charge exceeds the rates approved thereunder, or any charge for services or supplies rendered or prescribed by a physician, dentist, or other health care personnel specified in subsection (b) to the extent that it is determined under the procedures established in section 2002(f)(2) of title XX of the Social Security Act that the charge is unreasonable or that the services or supplies for which the charge is made are not necessary.

"(7) any charge for the treatment of flat foot conditions or the prescription of supportive devices therefor, the treatment of subluxations of the foot, or routine foot care (including the cutting or removal of corns or calluses, the trimming of nails, and other routine hygienic care) except when the patient is being treated for a peripheral-vascular disease that is so severe that routine foot care not under the direct supervision of a physician would be hazardous to the patient; or

"(8) any charge for orthoptics (eye exercises).

"(e) Definitions.—In applying this section—

"(1) The term 'physician' means a doctor of medicine (M.D.), doctor of osteopathy (D.O.), doctor of podiatry (D.P.M.) and, for purposes of oral surgery only, a doctor of dental surgery(D.D.S.) or a doctor of medical dentistry (D.M.D.).

"(2) The term 'physician's office' means any facility in which the physician usually treats his ambulatory patients. For purposes of determining the amount of copayment due in subsection (b), a physician shall be considered to have a separate office unless he is a member of a group of physicians who have joined together under a contractual arrangement and bill as a single entity, in which case the group of physicians shall be considered to have a single 'physician's office.'

"(3) The term 'attending physician' means the physician having primary responsibility for the medical care rendered the individual.

"(4) The term 'skilled nursing facility', 'home health agency' and 'hospital' (herein referred to as 'health care institutions'), and 'home health services' shall have the meanings as assigned to them in section 1861 of the Social Security Act.

"(5) The term 'licensed' means that the practitioner or health care institution is legally authorized by the State to provide the services rendered in that State.

"(6) The term 'copayment' means the portion of a charge that is not payable by a qualified healthcare plan and which is thus the obligation of the covered individual concerned to pay.

"(7) The term 'covered individual' means an individual who is covered under a qualified healthcare plan, except that an individual covered under a Qualified Employee Healthcare Plan who is not required to be so covered pursuant to section 280(c)(5) shall not be treated as a covered individual unless he is eligible under such plan for at least the Minimum Standard Healthcare Benefits.

"(8) The term 'qualified healthcare plan' means a Qualified Employee Healthcare Plan (as defined in section 280(c) of the Internal Revenue Code of 1954), a Qualified Individual Healthcare Plan (as defined in section 213(g) of the Internal Revenue Code of 1954) and a Qualified State Healthcare Plan (as defined in section 2002 of the Social Security Act).

"(9) The term 'confinement' means confinement on an inpatient basis in a health care institution.

"(10) The term 'catastrophe' means, in the case of any covered individual, the incurring of $5,000 or more of charges for his medical care rendered while a covered individual under one or more qualified healthcare plans and within a period of 12 consecutive calendar months. For purposes of this paragraph, charges shall be taken into account only if and to the extent they would be required to be covered, without regard to any deductibles or copayments, under a qualified healthcare plan, were priorities I, II, and III, described in subsection (b), all in effect.

"(f) Presidential Power to Defer Phase-In of Benefits.—The President of the United States, after receiving from his Council of Health Policy Advisers the Council's Annual Health Report for any year, may find that there are not then in being in the Nation sufficient health care facilities and services to supply any benefit included in the Minimum Standard Healthcare Benefits having a priority designation such that the benefit is not then required (under the applicable provisions of law otherwise fixing the time for phase-in of such benefit) to be provided as a condition to qualification of a qualified healthcare plan. If he so finds, the President may, by Executive order issued not less than 12 months prior to the time otherwise scheduled for phase-in of such benefit under such a plan, defer to some new date the time for phase-in of such benefit. If the President, by Executive order issued by him pursuant to the provisions of the preceding sentence, defers the time otherwise scheduled for phase-in of a benefit under such a plan, no such benefit shall be required to be provided under such a plan until the new date specified in such Executive order for phase-in of such benefit."

(b) Conforming Clerical Amendment—The table of sections for such part VII is amended by striking out the last item and inserting in lieu thereof—

"Sec. 219. Minimum Standard Healthcare Benefits.

"Sec. 220. Cross references."

SUBTITLE B—QUALIFIED EMPLOYEE HEALTHCARE PLANS

Sec. 511. Employer's Deduction for Employee Health Care Expenditures

(a) In General.—Part IX (relating to items not deductible) of subchapter B of chapter 1 of subtitle A of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"Sec. 280. Employer's Deduction for Expenditures for Employee Health Care

"(a) Limitation on Deduction.—Except as provided in subsection (b), no deduction shall be allowed for the disallowed pecentage of any amount otherwise allowable as a deduction for the taxable year under section 162, 212, or 404 for any amount paid or incurred by the taxpayer for medical care of any employee of the taxpayer, the employee's spouse, or any dependent of the employee. The disallowed percentage of the amount referred to in the preceding sentence is—

"(1) 50 percent if the amount is paid or incurred in 1975,

"(2) 75 percent if the amount is paid or incurred in 1976, and

"(3) 100 percent if the amount is paid or incurred after 1976.

"(b) Exceptions and Limitations.—Subsection (a) shall not apply to any amount paid or incurred by the taxpayer—

"(1) Where Employer Maintains Qualified Employee Healthcare Plan.—For any portion of the taxable year during which the taxpayer has in force a Qualified Employee Healthcare Plan which satisfies all the requirements of subsection (c).

"(2) Taxes.—As a tax imposed by the United States, a possession of the United States, a State, or a political subdivision of the foregoing, or by the District of Columbia.

"(3) Medical Care Provided Directly By Employer.—To directly provide medical care, through healthcare personnel who are employees of the taxpayer, principally for employees of the taxpayer, or to acquire or maintain equipment or supplies to be used by such personnel for such purpose.

"(c) Qualified Employee Healthcare Plan Defined.—For the purposes of this title, the term 'Qualified Employee Healthcare Plan' means a plan of employee health care benefits (as defined in subsection (d) (4)) which satisfies all of the following requirements:

"(1) In Writing.—The plan must be in writing.

"(2) Adopted by Employer.—The plan must be adopted by the taxpayer employer.

"(3) Communication to Employees.—The terms of the plan must be communicated by the taxpayer to his employees.

"(4) Minimum Standard Healthcare Benefit Priorities.—Except as provided in Section 219(f), the plan must provide at least the Minimum Standard Healthcare Benefits (described in section 219) in accordance with the following schedule:

"(A) Priority I benefits after December 31, 1974;

"(B) Priority I and II benefits after December 31, 1979; and

"(C) Priority I, II, and III benefits after December 31, 1984.

"(5) Eligibility.—The plan must be one under which the individuals eligible to be covered include—

"(A) each qualified employee of the taxpayer,

"(B) any such employee's spouse, and

"(C) any such employee's dependent unmarried child under age 19.

"(6) Coverage Continuation.—The plan must provide for continuation of coverage under each of the following circumstances:

"(A) Coverage for the employee and his covered dependents must be continued for at least 1 month during a labor dispute, with no increase in required contributions and with provision for continuation for up to 11 more months during such labor dispute, subject to the employee not being required to contribute at a rate more than the premium then required under the plan for the coverage of the employee and his covered dependents for such period.

"(B) Upon termination of employment, other than as a result of death of the employee, the employee must be permitted to have coverage under the plan continued for himself and for his covered dependents to the end of the second calendar month following the calendar month in which employment terminated.

"(C) Upon the death of an employee, his covered dependents must be permitted to have coverage under the plan continued to the end of the second calendar month following the calendar month in which death occurred.

"(D) During an employee's absence due to illness or injury, coverage for the employee and his covered dependents must be permitted to continue for up to 30 months from the beginning of such absence.

"(E) Coverage for an employee's dependent unmarried child must be permitted to continue until the child's twenty-first birthday, but only if the child was covered under the plan prior to attaining age 19, became totally disabled prior to that age, and remains so disabled. The employee must not be required to contribute more for such coverage than would have been required were the child a dependent under age 19.

"(F) Any employee or dependent entitled to continuation of coverage under any of the above subparagraphs at a time when the employer changes his plan and who would thereby lose his continuation of coverage, must be eligible under any successor plan for not less than the continuation of the coverage that would have been required to be continued had the prior plan remained unchanged.

"(G) For purposes of this paragraph, a 'covered dependent' is any individual, other than the employee, who by reason of his relationship to the employee was covered as a dependent under the plan just prior to the event described in subparagraph (A), (B), (C), or (D). A child born after the event described in subparagraph (A), (B), (C), or (D) but before the end of the continuation period so specified, shall be deemed a covered dependent. Coverage for a covered dependent shall not be required to be continued beyond the date the dependent would have ceased to be eligible for coverage as a dependent if the event described in subparagraph (A), (B), (C), or (D) had not occurred.

"(H) Notwithstanding subparagraphs (A), (B), (C), and (D), coverage need not be continued for a covered individual beyond the date such individual first becomes eligible for benefits under title XVIII of the Social Security Act.

"(7) Coordination of benefits provisions.—The plan must include a provision identical with or substantially similar to the suggested model group antiduplication provision as modified and interpreted in the report of the industry task force on coordination of benefits attached to the report of the C–1 Accident and Health Protection Subcommittee as set forth in volume I of the 1971 proceedings of the National Association of Insurance Commissioners.

"(8) Employee election for coverage by approved health maintenance organization.—The plan must permit any employee required to be made eligible for coverage thereunder to elect instead to apply for coverage from any approved health maintenance organization and to have the employer pay toward the cost of coverage by such organization an amount equal to the amount the employer would pay toward the cost of coverage of such employee under the employer's plan. Such election shall be required to be permitted in respect of any particular approved health maintenance organization only if—

"(A) 10 or more eligible employees of the employer so elect and are accepted by such organization, and

"(B) the employer has 50 or more employees who are eligible under paragraph (5)(A) for coverage under the employer's plan.

"(9) Optional provisions.—The plan shall not be treated as failing to meet the requirements of this subsection by reason of the inclusion therein of any one or more of the following optional provisions:

"(A) Deductible.—The plan may require a deductible (in addition to the authorized copayments) which may apply before benefits for some or all types of health care expenses are payable. The amount of the deductible may not be greater when a service is rendered on an ambulatory basis than when that service is rendered on an inpatient basis in a hospital or other health care institution. With respect to the charges from which minimum standard healthcare benefits must be provided in any calendar year pursuant to paragraph (4), there shall be a maximum limit on the aggregate of the deductibles for that year for the employee and, if covered, his spouse and eligible children, which shall in no event exceed $100.

"(B) Copayments.—The plan may require copayments for charges for medical care in excess of any required deductible in an amount not to exceed, as to any given charge, whichever of the following amounts is the higher—

"(i) 20 percent of such charge, or

"(ii) the amount specified in section 219; except that, with respect to charges for which minimum standard healthcare benefits must be provided in any calendar year pursuant to paragraph (4), the sum of the deductibles and copayments for the calendar year for any employee and, if covered, his spouse and eligible children, shall not exceed $1,000.

"(C) Additional Benefits and Coverage.—The plan may provide any benefits for medical care in addition to the minimum standard healthcare benefits described in section 219 and may also cover any individual in addition to the individuals required under paragraph (5) to be made eligible for coverage.

"(D) Employee Contributions.—The plan may require employee contributions toward its cost; except that the maximum employee contribution shall not exceed the lesser of—

"(i) 100 percent of the premium rate currently charged under the plan for the employee's coverage either as employee without covered dependents, as an employee with one covered dependent, or as an employee with two or more covered dependents whichever is applicable; or,

"(ii) 10 percent of the excess, if any, of the employee's wages paid by the employer during the preceding calendar month over $167 for an employee without covered dependents, over $250 for an employee with one covered dependent, or over $333 for an employee with two or more covered dependents.

When a plan requires employee contributions, the plan must provide each eligible employee who is not then enrolled a period of at least thirty days each year in which to decide whether to enroll in the plan. An employee who elects not to enroll during any such period will not again be eligible to enroll until the next such period.

"(E) Catastrophic Benefit Limit.—The plan may, in respect of any covered individual who has incurred a catastrophe (as defined in section 219), limit to $250,000 the benefits payable under the plan between the date the catastrophe occurred and the date priority I, II and III benefits are required for all eligible individuals under qualified healthcare plans.

"(d) Definitions.—For purposes of this sections—

"(1) Employee.—The term 'employee' shall have the meaning prescribed by section 3121 (d).

"(2) Medical Care.—The term 'medical care' shall have the meaning prescribed by paragraph (1) without regard to paragraphs (2) and (3) of section 213(e).

"(3) Dependent.—The term 'dependent' as used in this section in reference to a dependent of an employee means an individual over half of whose support, for the calendar year in which the taxable year of such employee begins, was received from such employee.

"(4) Plan of Employee Health Care Benefits.—The phrase 'plan of employee health care benefits' as used in subsecton (c) includes—

"(A) a contract or contracts of insurance (whether one or more group contracts or a group of individual contracts) covering medical care for employees;

"(B) any uninsured arrangement established by an employer to provide medical care for employees;

"(C) an arrangement to secure medical care for employees from any approved health maintenance organization; and

"(D) any combination of contracts or arrangements described in subparagraphs (A), (B), or (C).

"(5) Approved Health Maintenance Organization.—The term 'approved health maintenance organization' shall have the meaning prescribed by section 2015 (e) of title XX of the Social Security Act.

"(6) Qualified Employee.—The term 'qualified employee' means, with respect to any employer, any employee who—

"(A) has been such an employee for more than 2 calendar months; and

"(B) either—

"(i) is considered to be a full-time employee; or

"(ii) is not considered to be a full-time employee, but who is expected to work at least 20 hours a week for at least 26 weeks during the next 12 months; or

"(iii) is not considered to be a full-time employee, but who has actually worked at least 20 hours a week for at least 26 weeks during the previous 12 months.

"(7) Child.—The term 'child' means a son or daughter of the employee including a legally adopted son or daughter."

(b) Conforming Clerical Amendments.—

(1) Section 162(h) of the Internal Revenue Code of 1954 (relating to cross references) is amended by adding at the end thereof the following new paragraph:

"(3) For limitation on employer's deduction for employee health care, see section 280."

(2) Section 404 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(g) Cross Reference.—

"For limitation on employer's deduction for employee health care, see section 280."

(3) Section 212 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following cross reference:

"Cross Reference.—

"For limitation on employer's deduction for employee health care, see section 280."

(4) The table of sections for part IX of subchapter B of chapter I of subtitle A of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

"Sec. 280. Employer's Deduction for Expenditures for Employee Health Care."

(c) Effective Date.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending after December 31, 1974.

(2) Certain Collectively Bargained Plans.—In the case of any plan providing benefits for medical care of employees which was established by an employer taxpayer pursuant to an agreement which resulted from collective bargaining between the employer and representatives of his employees and which has not expired at the time specified in paragraph (1), the amendments made by this section shall not apply to such employer taxpayer until the first taxable year beginning after the last date such agreement is in effect or the date two years after the time specified in paragraph (1), whichever such date occurs first.

SUBTITLE C—QUALIFIED INDIVIDUAL HEALTHCARE PLANS

Sec. 521. Qualified Individual Healthcare Plans

(a) Unlimited Deduction for Medical Insurance Expenses of Individual Covered by Qualified Healthcare Plan.—Section 213 (a)(2) (relating to individual's deduction for medical insurance expense) of the Internal Revenue Code of 1954 is amended to read as follows:

"(2) the sum of—

"(A) an amount (not in excess of $150) equal to one-half of the expenses (other than those deductible under subparagraph (B)) paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and dependents (as defined in section 152); and

"(B) in the case of a taxpayer who at any time during the taxable year is covered under a qualified healthcare plan (as defined in section 219), an amount equal to all the expenses paid during the taxable year for any insurance (whether provided under such qualified healthcare plan or otherwise) which constitutes medical care for the taxpayer, his spouse, or dependents (as defined in section 152), and which constitutes coverage during such portion of the taxable year as the taxpayer is covered by such qualified healthcare plan.

(b) Definition of Qualified Individual Healthcare Plan.—Section 213 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(g) Qualified Individual Healthcare Plan Defined.—For purposes of this title, the term 'Qualified Individual Healthcare Plan' means insurance which covers medical care referred to in subparagraphs (A) and (B) of subsection (e)(1), as modified by paragraphs (2) and (3) of subsection (e), and which satisfies all of the following requirements:

"(1) Minimum Standard Healthcare Benefit Priorities.—Except as provided in section 219(f), the plan must provide at least the Minimum Standard Healthcare Benefits (described in section 219) in accordance with the following schedule:

"(A) Priority I benefits after December 31, 1974,

"(B) Priority I and II benefits after December 31, 1979; and

"(C) Priority I, II, and III benefits after December 31, 1984.

"(2) Contract Requirements.—Each contract of insurance forming a part of the plan must contain provisions—

"(A) which obligate the insurer to renew the contract until the earlier of—

"(i) the date on which the individual in whose name the contract was issued first becomes eligible for coverage under Title XVIII of the Social Security Act, or

"(ii) July 1 of the year in which the insurer shall have given at least one hundred and twenty days prior notice that it is nonrenewing all contracts issued in that state that either then qualify under subsection (g) or previously have so qualified and that it will no longer issue such contracts, and which also reserve to the insurer the right to adjust premium rates by classes in accordance with its experience under the type of contract involved;

"(B) which enable the individual in whose name the contract was issued to secure priority II and priority III benefits at such times as those benefits are required to meet the requirements of paragraph (1) and which provide that the benefits thereof will be subsequently modified to reflect any changes at any time brought about as a result of amendment to the provisions of paragraph (1); and

"(C) which, upon the death of the individual in whose name the contract was issued, permits every other individual then covered under the contract to elect (within such period as shall be specified in the contract) to continue his coverage (under the same or a different contract) until such time as he would have ceased to be entitled to coverage had the individual in whose name the contract was issued lived.

"(3) Optional Provisions.—An insurance contract shall not be treated as failing to meet the requirements of this subsection by reason of the inclusion therein of any one or more of the following optional features:

"(A) Insurance with Other Insurers.—The contract may contain a provision coordinating its benefits with any other contract if such provision is approved by the appropriate regulatory authority of the State of issue.

"(B) Deductibles.—The contract may require the covered individual to pay a deductible before benefits for some or all types of health care charges are payable under the plan. The amount of the deductible may not be greater when a service is rendered on an ambulatory basis than when that service is rendered on an inpatient basis in a hospital or other health care institution.

"(C) Copayments.—The contract may require copayments for charges in excess of any required deductible, in an amount not to exceed, as to any given charge, whichever of the following amounts is the greater:

"(i) 20 percent of such charge, or

"(ii) the amount specified in section 219.

"(D) Additional Benefits.—The contract may provide any benefits for medical care in addition to the Minimum Standard Healthcare Benefits.

"(E) Catastrophic Benefit Limit.—The contract may, in respect of any covered individual who has incurred a catastrophe (as defined in section 219), limit to $250,000 the benefits payable under the contract between *the date the* catastrophe occurred and the date priority I, II, and III benefits are required for all eligible individuals under qualified healthcare plans."

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1974.

Sec. 522. Procedure for Rulings on Qualification of Employee and Individual Healthcare Plans

In exercise of the power to issue rulings which is vested in him under section 7805 of the Internal Revenue Code of 1954, the Secretary of the Treasury (or his delegate) may accept the determination of the State insurance regulatory authority that a plan of health care benefits filed with and approved by such authority is a plan satisfying all requirements for qualification either as a Qualified Employee Healthcare Plan (as defined in section 280(c) of the Internal Revenue Code of 1954) or as a Qualified Individual Healthcare Plan (as defined in section 213(g) of the Internal Revenue Code of 1954).

Sec. 523. Regulations

Any regulations promulgated by the Secretary of the Treasury (or his delegate) with regard to amendments of the Internal Revenue Code of 1954 made by subtitles A, B, or C of this title shall be promulgated in final form not less than 120 days prior to the first day of the calendar year during which they will apply. Such regulations shall be effective only if (a) promulgated in final form within the time prescribed in the preceding sentence, and (b) notice of such regulation in proposed form and of opportunity for public hearing thereon shall have been published not less than sixty days prior to the date of promulgation thereof in final form.

SUBTITLE D—GRANTS TO STATES FOR QUALIFIED STATE HEALTHCARE PLANS FOR THE NEEDY AND UNINSURABLE

Sec. 531. Grants to States for Qualified Healthcare Plans.

The Social Security Act is amended by adding after title XIX the following new title:

"TITLE XX—GRANTS TO STATES FOR QUALIFIED STATE HEALTHCARE PLANS

"Sec. 2001. Appropriations.
"Sec. 2002. Qualified State Healthcare Plan definition.
"Sec. 2003. Eligibility for enrollment.
"Sec. 2004. Determination and review of premium rates.
"Sec. 2005. Procedure for enrollment.
"Sec. 2006. Individual and family contributions and State premium payments.
"Sec. 2007. Extension and termination of coverage.
"Sec. 2008. Approval of institutional rates of reimbursement by State Health Care Institutions Cost Commissions.
"Sec. 2009. Review of levels of institutional rates of reimbursement by Secretary of Health, Education, and Welfare.
"Sec. 2010. Operation of the Qualified State Healthcare Benefits Pool.
"Sec. 2011. Furnishing of information by other agencies.
"Sec. 2012. Provisions and conditions for Federal appropriations.
"Sec. 2013. Eligibility of those now covered under certain State or Federal programs.
"Sec. 2014. Premium taxes.
"Sec. 2015. Definitions.
"Sec. 2016. Protection against insolvency.
"Sec. 2017. Regulations.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 2001. For the purpose of providing comprehensive health care insurance to needy individuals and families in a manner which will enhance personal dignity, and to make available comprehensive health care insurance coverage to individuals who are uninsurable, there is authorized to be appropriated for each fiscal year a sum sufficient to carry out this title. The sums appropriated pursuant to this section shall be used for making payments to Qualified State Healthcare Plans which have been approved by the Secretary of Health, Education, and Welfare.

"QUALIFIED STATE HEALTHCARE PLAN DEFINITION

"GENERAL RULE

"Sec. 2002. (a) A qualified State healthcare Plan shall be a contract or other agreement between a State and an administering carrier designated by the State with the approval of the Secretary, and shall pay to practitioners, health care institutions and other providers, on behalf of the individuals and families required under section 2003 to be made eligible therefor, the Minimum Standard Healthcare Benefits (described in section 219 of the Internal Revenue Code of 1954) in accordance with the following schedule—

"(1) Priority I and II benefits for policy years (as defined in section 2015(f)) beginning before July 1, 1979, and

"(2) Priority I, II, and III benefits for policy years beginning after June 30, 1979, except as provided in subsection (b).

"Presidential Power to Defer Priority III Benefits

"(b) If the President of the United States, by Executive order issued by him pursuant to section 219(f) of the Internal Revenue Code of 1954, defers the date otherwise scheduled under section (a) for phase-in of a priority benefit such benefit shall not be required to be provided under Qualified State Healthcare Plans until such new date as shall be fixed by the President for phase-in of that priority benefit.

"Option To Elect Coverage Under an Approved Health Maintenance Organization

"(c) An individual or family eligible for enrollment in the Qualified State Healthcare Plan under section 2003 may, upon written request, submitted to the administering carrier with his enrollment application, elect coverage, if available, under an arrangement between the administering carrier and an approved health maintenance organization (as defined in section 2015(e)), in lieu of coverage under the Qualified State Healthcare Plan: Provided, however, That the charges made to the State through the administering carrier for such alternative coverage shall not exceed the charges that would have been made to the State had the individual or family not made such election and had enrolled instead in the Qualified State Healthcare Plan.

"Reinsurance Condition

"(d) The contract risk under a Qualified State Healthcare Plan shall be reinsured, through the Qualified State Healthcare Benefits Pool described in section 2010, by all carriers (profit and nonprofit) licensed in or otherwise authorized by the State to issue coverage for one or more items of health care, by all approved health maintenance organizations doing business in the State, and by all other persons in the State who provide uninsured plans that are Qualified Employee Healthcare Plans (as defined in section 280 of the Internal Revenue Code of 1954).

"CATASTROPHIC BENEFIT LIMIT

"(e) The contract or agreement between the State and the administering carrier shall in respect of a covered individual who has incurred a catastrophe (as defined in section 219 of the Internal Revenue Code of 1954), limit to $250,000 the benefits payable under the contract or agreement between the date the catastrophe occurred and the date priority I, II and III benefits are required for all eligible individuals under Qualified State Healthcare Plans.

"LIMITATIONS AND EXCEPTIONS

"(f)(1) The aggregate copayments for a policy year with respect to Minimum Standard Healthcare Benefits (described in section 219 of the Internal Revenue Code of 1954) shall be limited as follows:

"(A) In the case of an individual or family eligible pursuant to Section 2003(a), the limitation is the lesser of $1,000 or the amount by which 10 percent of the adjusted gross income of such individual or family for the last taxable year ending prior to April of the calendar year in which such policy year commenced, exceeds—

"(i) $2,000 for a single individual,

"(ii) $3,000 for a family of two, and

"(iii) $4,000 for a family of three or more;

but in no event shall the limitation be less than $50.

"(B) In the case of an individual eligible pursuant to Section 2003(b), the limitation is $1,000.

"(2) (A) No charge for a benefit otherwise described by this section, other than charges by a health care institution, shall be reimbursed to the extent that it exceeds a reasonable charge. In determining the reasonable charge for a given health care service there shall be taken into consideration the charge for the service, when rendered under comparable conditions, which is customarily made by the physician, or other person furnishing such service, but in no event shall the payment be in excess of the prevailing charge in the locality for the service. The prevailing charge in a locality shall be the amount at the seventy-fifth percentile of a low to high distribution of the actual charges made for similar services in the same locality during the preceding calendar year. The prevailing charge shall be recalculated each year by the administering carrier upon the basis of the actual charges during the preceding calendar year and such prevailing charge shall be in effect from July 1 of the current year until June 30 of the succeeding year. When a service is rendered a relatively small number of times in a locality in a given year, the prevailing charge for that service shall be determined by the administering carrier in accordance with regulations specified by the Secretary for this purpose.

"(B) No charge by a physician (as defined in Section 219 (d)(1) of the Internal Revenue Code of 1954) for a benefit otherwise described by this section shall be reimbursed to the extent that it is for health care services rendered by the physician or at his direction and determined not to be necessary according to utilization guidelines that have been established by physicians deemed competent by their peers. Payment for health care services beyond such guidelines may be made only if approved by the health professional staff of the administering carrier of the Qualified State Healthcare Plan, after review by a Professional Standards Review Organization established by the physicians of the locality, if such exists, pursuant to part B of title XI of the Social Security Act.

"(C) No charges for care rendered in any health care institution shall be reimbursed if it is determined, in accordance with and subject to the provisions of section 2008, that the health care institution is not complying with the prospective rate approval conditions established by section 2008.

"(3) No charge for a benefit otherwise described by this section shall be reimbursed to the extent it is a proper reimbursement or would be in the absence of this title under any other insurance plan providing health care benefits, including, but not limited to, benefits provided under title XVIII of the Social Security Act.

"Optional Election of Services of Christian Science Practioner.

"(g) An individual or family eligible for enrollment in a Qualified State Healthcare Plan under section 2003 may elect, in writing, at the time the individual or family makes application for enrollment, to have the term 'physician' mean 'a Christian Science practitioner listed as such in the Christian Science Journal current at the time the practitioner provides the service' in lieu of the meaning set forth in section 219(d)(1) of the Internal Revenue Code of 1954. Such election shall not apply to any service or article furnished in connection with a pregnancy or any complication thereof.

"ELIGIBILITY FOR ENROLLMENT

"Needy Individuals and Families

"SEC. 2003. (a) Every individual or family (as defined in section 2015(1))—

"(1) who is a resident of the State;

"(2) who is not eligible to enroll (through either spouse in the case of a family) in a Qualified Employee Healthcare Plan (as described by Section 280 (c) of the Internal Revenue Code of 1954);

"(3) who, if eligible to enroll in the supplementary medical insurance program for the aged described in part B of title XVIII of the Social Security Act, is, in fact, enrolled in said insurance program; and

"(4) who meets one of the three following conditions—

"(A) whose adjusted gross income for his or its last taxable year preceding April first of the calendar year in which the policy year, for which eligibility is being determined, commenced was less than—

"(i) $4,000 for a single individual,

"(ii) $6,000 for a family of two, or

"(iii) $8,000 for a family of three or more; or

"(B) who does not meet condition (A) but who furnishes the administering carrier satisfactory evidence that his or its adjusted gross income was less than—

"(i) $83.00 for a single individual,

"(ii) $125.00 for a family of two,

"(iii) $166.00 for a family of three or more, for each of the last two calendar months, who agrees that his or its continued eligibility during that policy year will be contingent upon furnishing satisfactory proof that his or its adjusted gross income for each succeeding calendar month is below the applicable amount specified above and who furnishes such proof prior to the last day of the calendar month next following the month with respect to which proof is furnished; or

"(C) does not meet either condition (A) or (B) above but is a Federal cash recipient as defined in section 2015(1)—

shall, in accordance with, and subject to the other provisions of this title, be eligible to enroll in the Qualified State Healthcare Plan.

"Uninsurable Individuals

"(b) Every individual—

"(1) who is a resident of the State;

"(2) who is not eligible to enroll (through either spouse in the case of a family) in a Qualified Employee Healthcare Plan (as described in section 280(b) of the Internal Revenue Code of 1954);

"(3) who is not eligible to enroll in the insurance program described in part B of title XVIII of the Social Security Act;

"(4) who is not eligible to enroll in a Qualified State Healthcare Plan because he fails to meet any of the conditions specified in subsection (a)(4); and

"(5)(A) who has made application, to three carriers licensed to issue individual health care insurance in the State, at least one of which is licensed to issue individual health care insurance in all the 50 States and the District of Columbia, for an individual health care insurance policy providing at least the Minimum Standard Healthcare Benefits described in section 2002(a), and each such carrier either—

"(i) refused to issue such a policy, or

"(ii) offered such a policy only for a premium rate greater than 200 per centum of the current premium rate being charged to the State for a single individual enrolled in the Qualified State Healthcare Plan, or

"(B) who became disabled while insured under a Qualified Employee Healthcare Plan, has been disabled at least 15 months, and whose coverage has continued under a temporary extension required of the Qualified Employee Healthcare Plan by section 280(b)(1)(D) of the Internal Revenue Code of 1954—

shall, in accordance with and subject to the other provisions of this title, be eligible to enroll in the Qualified State Healthcare Plan during an open enrollment period.

"Time for Determining Eligibility

"(c) For the purpose of applying the conditions of eligibility under this section, all determinations shall be made on the day application for enrollment for the policy year is made.

"DETERMINATION AND REVIEW OF PREMIUM RATES

"GENERAL RULE

"SEC. 2004. (a) The premium rate to be charged under a Qualified State Healthcare Plan for each policy year shall be actuarially established in each State for each of the risk categories—

"(1) single individual,

"(2) family of two, and

"(3) family of three or more

"Composition of Premium

"(b)(1) The premium rate for a given risk category to be charged for the initial policy year shall be determined by the administering carrier on the basis of the sum of only the following factors—

"(A) the arithmetic average of the separate estimates of incurred claim costs for that risk category for the first policy year filed with the insurance regulatory authority of the State pursuant to requests by such authority to two nondomestic insurance companies licensed to issue health care insurance in the 50 States and the District of Columbia, two domestic insurance companies licensed to issue health care insurance in the State, one domestic nonprofit hospital expense indemnity organization, and one domestic nonprofit medical expense indemnity organization;

"(B) the charge for administration as set for the policy year by the administering carrier; and

"(C) a risk charge equal to 1 per centum of the amount determined in subparagraph (A).

"(2) The premium rate for a given risk category to be charged for each subsequent policy year shall be determined by the administering carrier on the basis of the sum of only the following factors—

"(A) the incurred claim costs for that risk category for the prior policy year;

"(B) an amount equal to any projected increase or decrease in incurred claim costs for that risk category for the policy year;

"(C) an amount, if needed, to repay in full any pool losses (described in subsection 2010(c)) of prior years borne by the reinsurers of the pool and not yet recovered by them;

"(D) the charge for administration as set for the policy year by the administering carrier; and

"(E) a risk charge equal to 1 per centum of the sum of the amounts in subparagraphs (A) and (B).

"Review of the premium rates

"(c)(1) The premium rates determined for each State for each policy year pursuant to subsection (b) and the utilization and other assumptions underlying the rates are to be filed by the State with the chief actuary for the Social Security Administration, and if, within ninety days after such filing, the chief actuary determines that the rates are unjustifiably high for the State, he shall recommend to the Secretary a commensurate reduction in the Federal Healthcare Percentage described in section 2012(e). The Secretary, to the extent he concurs in and adopts such recommendation, shall advise the State of the reduction he proposes to promulgate.

"(2) The State may request a hearing within thirty days after receipt of notice of the proposed reduction pursuant to paragraph (1). In such event, the Secretary shall, upon request by the State for a hearing and within thirty days thereof, appoint a hearing board of three actuaries, each of whom shall be a member in good standing of the American Academy of Actuaries, including one actuary who shall be appointed with the concurrence of the Governor of the State, and one actuary who shall be appointed with the concurrence of the administering carrier.

"(3) If a State does not request a hearing, of if the hearing board appointed pursuant to paragraph (2) concurs in the finding that the rates are unjustifiably high, the Secretary shall promulgate the proposed reduction in the Federal Healthcare Percentage, which shall apply throughout the period that the rates on which the hearing was based remain in effect.

"(4) If the hearing board appointed pursuant to paragraph (2) determines that the rates are not unjustifiably high for the State, the Federal Healthcare Percentage shall not be reduced.

"PROCEDURE FOR ENROLLMENT

"General Rule

"SEC. 2005. (a) (1) The appropriate State agency shall enroll each Federal cash recipient, required under section 2003 to be made eligible therefor, in the Qualified State Healthcare Plan, and shall file his application with the administering carrier on forms to be provided by the administering carrier.

"(2) All other individuals, or the member of a family who provides the family's chief support, otherwise required under section 2003 to be made eligible therefor, may enroll in a Qualified State Healthcare Plan upon filing an application with the administering carrier on a form to be provided by the administering carrier.

"Information Required of Each Applicant

"(b) Each eligible applicant described in section 2003 shall provide the administering carrier all information and evidence required to make an eligibility determination, and provide or certifiy any other essential information required under regulations prescribed by the Secretary, including but not limited to—

"(1) certification of his eligibility as a Federal cash recipient;

"(2) certification of his, or his family's adjusted gross income;

"(3) certification that he and his applicable family members, if eligible for the supplementary medical insurance program for the aged described in part B of title XVIII of the Social Security Act, are enrolled thereunder; or, if not then eligible, certify that he and his applicable family members who may become eligible during the policy year for the insurance program described in part B of title XVIII will enroll in such program: and

"(4) permission for the administering carrier to confirm his, or his family's, adjusted gross income with the Internal Revenue Service.

"Enrollment Periods

"(c) Applications for enrollment in a Qualified State Healthcare Plan shall only be made and filed during an open enrollment period which shall be the calendar month of April of each year for coverage commencing for the policy year beginning the following July 1, except applications for enrollment—

"(1) shall be made by the appropriate State agency on behalf of an individual or family who establishes (other than during an open enrollment period) that he is a Federal cash recipient eligible for enrollment pursuant to section 2003(a), but not then enrolled; and shall be filed with the administering carrier by the appropriate State agency within thirty days following the day on which the State receives satisfactory evidence that such individual or family has established eligibility as a Federal cash recipient; or

"(2) may be made by an individual or family who is not a Federal cash recipient and who is currently eligible for enrollment pursuant to section 2003(a) but was not so eligible at the time of the last open enrollment period and, if so made, shall be filed with the administering carrier by the individual or family within thirty days following the first day, after the last open enrollment period, on which such individual or family so became eligible.

"Effective Date of Coverage

"(d) Qualified State Healthcare Plan coverage for an individual or family eligible to enroll shall commence on the first day of the third calendar month following the calendar month in which application for enrollment was filed with the administering carrier, except that—

"(1) coverage shall not commerce unless and until—

"(A) any contribution required of the individual or family pursuant to section 2006 has been paid, and

"(B) the applicable premium has been paid by the State;

"(2) as to an individual or family eligible pursuant to subsection 2003(a) (4) (B), coverage shall commence on the first day of the calendar month following the two calendar months whose wages are used as the basis of such eligibility provided application for enrollment is filed and contributions and premiums paid within thirty days of such date; and

"(3) as to an individual or family who is a Federal cash recipient, coverage shall be retroactive to the first of the month in which the individual or family became eligible as a Federal cash recipient, and the State shall pay the appropriate premiums for the period of retroactive coverage, as well as the premium for the next month, at the time application for enrollment is submitted to the administering carrier.

"INDIVIDUAL AND FAMILY CONTRIBUTIONS AND STATE PREMIUM PAYMENTS

"Individual and Family Contributions

"SEC. 2006. (a) Individuals and families enrolled in a Qualified State Healthcare Plan shall be required to contribute toward the cost of the plan for any given policy year, by paying to the administering carrier, for each month for which coverage is provided, an amount limited as follows—

(1) In the case of an individual or family whose eligibility is based on having met the conditions set forth in section 2003(a) (4) (A), the contribution for each month is one-twelfth of 10 per centum of the excess of the adjusted gross income of such individual or family for the taxable year on which eligiblity is based over—

(A) $2,000 for a single individual,

(B) $3,000 for a family of two, and

(C) $4,000 for a family of three or more—provided, however, that the amount so determined shall be reduced (but not below zero) by the total premium, if any, paid for such month by the individual or family to the Social Security Administration for enrollment in the supplementary, medical insurance program for the aged described in part B of title XVIII of the Social Security Act.

(2) In the case of an individual or family whose eligibility is based on having met the conditions set forth in section 2003(a) (4) (B) the contribution for each month is—

(A) $16.67 for a single individual

(B) $25.00 for a family of two, and

(C) $33.33 for a family of three or more.

(3) In the case of an individual described in section 2003(b) the contribution is the amount equal to the full premium determined under section 2004 to be applicable for the risk category of a single individual.

(4) No contribution shall be required of an individual or family whose eligibility is based on having met the conditions set forth in section 2003(a) (4) (C).

"State payment of contributions on behalf of certain individuals and families

"(b) As to any month of a policy year that an individual or family has established that he or its is a Federal cash recipient, any contribution required for that month pursuant to subsection (a) shall be paid by the State on behalf of that individual or family.

"State's Share of the Premium

"(c) Each State which has a Qualified State Healthcare Plan shall pay the administering carrier an amount equal to—

"(1) the total premium cost for the policy year, less

"(2) the total amount of contributions actually paid to the administering carrier by the individuals and families as provided for in this section, plus

"(3) the total amount refunded pursuant to subsection (e) (5).

"Nonvariability of Contributions and Premiums

"(d) The amount of contribution and the amount of premium shall be established by family size category on the day application for enrollment was made, and shall not change as a result of a change in family size thereafter.

"Due Date of Contributions and State Premium Payments

"(e) (1) Except as otherwise provided in this subsection (e), any contribution required of an individual or family, or of the State on behalf of a Federal cash recipient, for a given month of a policy year shall be due and payable—

"(A) in advance of the first day of that month, or

"(B) in the case of the initial contribution by an individual or family whose coverage may commence retroactively to the first of the month pursuant to the exception permitted by subsection 2005(d) (2), on the date application for enrollment is made.

"(2) As to any individual or family whose monthly contribution would, in the absence of this paragraph, be less than the administering carrier's cost of billing and collecting such contributions, the administering carrier shall require contributions to be paid quarterly, semi-annually or annually in advance, whichever is necessary in order to first bring such cost below the amount of the less frequent contribution.

"(3) Any individual or family member who is required to make contributions for his coverage other than in accordance with (2) above and who is an employee (as defined in section 3121(d) of the Internal Revenue Code of 1954) may require his employer to make periodic deductions from his wages, and remit each contribution to the administering carrier on or before the due date specified in subsection (1).

"(4) (A) At least 15 days prior to the first day of a given calendar month, the administering carrier shall estimate the excess of the total premiums due that month over the total contributions that will be paid by enrolled individuals and families that month and shall bill the State for such estimated excess. If payment by the State of any such billing is not received by the first day of the month it is due, the administering carrier shall not be liable for benefit payments thereafter.

"(B) After the end of any given policy year, the carrier shall determine the amount required to be paid by the State in accordance with subsection (c) and shall

(I) charge the State with any excess of the amount so determined over the total of the estimated monthly payments made by the State with respect to that policy year; or

(II) credit the State with any excess of the total of the estimated monthly payments made by the State with respect to that policy year over the amount so determined.

Any such charge shall be paid by the State within 30 days of receipt of written notice from the administering carrier.

"(5) If at the end of any given policy year an individual or family covered for all or part of that policy year furnishes the administering carrier satisfactory evidence that his or its adjusted gross income for his or its last taxable year preceding April first of the calendar year in which that policy year ended was less than—

"(A) $2,000 for a single individual

"(B) $3,000 for a family of two or

"(C) $4,000 for a family of three or more, then the administering carrier shall refund to that individual or family the total amount of contributions he or it paid with respect to that policy year, and such refund shall be a valid charge to the State by the administering carrier.

"State Payment of Premiums for Part B Medicare Benefits

"(f) Each State which has a Qualified State Healthcare Plan shall make available, and pay premiums for, supplementary medical insurance benefits under part B of title XVIII of the Social Security Act to any individual or family member who is enrolled in that State's Qualified State Healthcare Plan, who is eligible for such supplementary medical insurance benefits and who either:

"(1) has established eligibility as a Federal cash recipient at the time his application for enrollment in the Qualified State Healthcare Plan is made; or

"(2) had adjusted gross income for the taxable year on which eligibility is based less than—

"(A) $2,000 for a single individual,

"(B) $3,000 for a family of two, or

"(C) $4,000 for a family of three or more.

Such benefits shall be made available pursuant to an agreement entered into under section 1843 of the Social Security Act, or by reason of the payment of premiums under such title by the appropriate State agency on behalf of the individuals.

"EXTENSION AND TERMINATION OF COVERAGE

"General Rule

"SEC. 2007. (a) Except as provided in subsection (d), subject to timely payment as specified in section 2006(e) of any contribution required under section 2006 by the individual or family and subject to timely payment of the State's share of the premium as specified in section 2006(e), Qualified State Healthcare Plan coverage shall remain in force—

"(1) with regard to an individual or family made eligible under section 2003(a)(4)(A), for the balance of the policy year;

"(2) with regard to an individual or family made eligible under section 2003(a)(4)(B), until the end of the calendar month following the first calendar month with respect to which the individual or family fails to furnish satisfactory evidence that his or its adjusted gross income was below the applicable amount specified in section 2003(a)(4)(B) or the end of the policy year if earlier; and

"(3) with regard to an individual or family made eligible under section 2003(a)(4)(C), until the end of the third calendar month following the calendar month in which eligibility for public cash assistance ceased or the end of the policy year if earlier.

"Extended Coverage

"(b) Qualified State Healthcare Plan coverage shall immediately extend to any child born to, or adopted by, any eligible family member subsequent to the day the application for enrollment was made, and shall continue in force until the date the family's coverage would otherwise terminate in accordance with this section.

"Continued Coverage

"(c) Qualified State Healthcare Plan coverage during the policy year shall not be terminated because an individual who was an eligible family member on the day the application for enrollment was made ceases to be an eligible family member subsequent to the date of application.

"Termination of Coverage

"(d)(1) Qualified State Healthcare Plan coverage shall terminate as of the first day of any calendar month if any contribution due with respect to that month has not been paid by the applicable due date specified in section 2006(e).

"(2) If Qualified State Healthcare Plan coverage is terminated in accordance with paragraph (1) and a request for reinstatement is made within 30 days following the day coverage terminated, the individual or family will be extended continuous coverage upon payment of the overdue contribution and all remaining contributions due during the balance of that portion of the policy year that coverage would have remained in force pursuant to subsection (a) had timely payments been made plus a service charge of $10.

"(3) If Qualified State Healthcare Plan coverage is terminated in accordance with paragraph (1) and the individual or family fails to request reinstatement as provided for in paragraph (2), the individual, or family shall not be eligible for any coverage under the Qualified State Healthcare Plan for the balance of the policy year concerned, and if such individual or family is eligible and desires to enroll for the next policy year, he or it must first pay pay a service charge of $10.

"APPROVAL OF INSTITUTIONAL RATES OF REIMBURSEMENT BY STATE HEALTH CARE INSTITUTIONS COST COMMISSIONS

"State Commission

"SEC. 2008. (a) In the operation of a Qualified State Healthcare Plan no charge for services rendered or supplies furnished by hospitals, skilled nursing facilities or Home Health Agencies (herein collectively referred to as "health care institutions") shall be reimbursed to the extent that such charges exceed the rates approved by a State Health Care Institutions Cost Commission. Such Commission shall be a State agency designated by the Governor of each State for the purpose of performing the functions described in this section. Such Commission shall operate with the advice of a council appointed by the Governor. The council shall include at least two consumer representatives, one hospital representative, one skilled nursing facility representative, one Home Health Agency representative, one hospital service organization representative, one insurance company representative, and one representative of the State health planning council established pursuant to section 314 (a)(2)(B) of the Public Health Service Act. One of the representatives shall be designated as chairman of the advisory council.

"Reviews of Budgets and Charges

"(b) The Commission shall review budgets and proposed charges for the health care institutions in the State in order to establish prospectively approved charges which shall be applicable without discrimination to all purchasers of services and supplies from health care institutions, irrespective of whether the purchasers are insured pursuant to any provision of this title and irrespective of type of underwriter which may provide insurance to a purchaser. Once each year, each health care institution shall file its budget and proposed charges with the Commission. The Commission may approve the use of a single charge for all of a group of services commonly rendered a class of patients or a single all-inclusive daily charge for all in-patient services of the health care institution. Filed charges shall be deemed approved unless disapproved by the Commission within 60 days after filing.

"Standards for Health Care Institutions

"(c) In reviewing the proposed charges of health care institutions in the State, the Commission shall require at least the following standards of each such institution—

"(1)(A) an active review committee of qualified physicians and other personnel that effectively determines whether the services rendered are—

"(i) of good quality,

"(ii) needed for the proper treatment of the patient, and

"(iii) provided only as long as necessary within the health care institution; and

"(B) management that takes effective and prompt action with respect to adverse findings;

"(2) utilization of a standard system of accounting and cost finding established by the Commission;

"(3) utilization of the approved charges for all patients; and

"(4) a budget of its expenses for each fiscal year, using the approved standard system of accounting and cost finding, and established charges for services reasonably related to the cost of efficient production of such services.

The Commission shall also take into consideration economic factors in the health care institution's geographical area, costs of comparable institutions providing comparable services, capital requirements, and the need for incentives to improve service and institute economies which might be secured from the sharing of joint services with other health care institutions.

"Amortization of Capital Costs

"(d) In reviewing that portion of a health care institution's charges which results from financing costs and depreciation relating to prior capital expenditures, the Commission shall accept the determination, if any, of the appropriate comprehensive health planning agency (as defined in section 2 of the Public Health Service Act) that the construction of such facility was consistent with the health needs of the area.

"Appeal by Health Care Institution Following Disapproval by Commission

"(e) If the budget submitted by a health care institution reveals significant operating inefficiencies or if the proposed charges otherwise appear to be unjustifiably high, the Commission shall disapprove the proposed charges. If the proposed charges are disapproved, the affected health care institution may request consideration of the advisory council constituted by virtue of subsection (a). Upon receipt of such request, the council shall hold a hearing at which the interested parties may appear to present the facts which support the Commission's decision and the facts which support the affected health care institution's position. Following such hearing the council shall advise the Commission of its recommendation, and the Commission shall thereupon render a final decision.

"Federal Payment for Cost Commission's Expenses

"(f) The Secretary shall pay to any State which has a Qualified State Healthcare Plan an amount equal to 75 per centum of the reasonable amounts expended by the State each quarter as found necessary by the Secretary for the proper and efficient administration of the State's Health Care Institutions Cost Commission and its advisory council except that there shall be no reimbursement by the Secretary for the cost of any institutional audits that may be conducted by the Commission.

"REVIEW OF LEVELS OF INSTITUTIONAL RATES OF REIMBURSEMENT BY SECRETARY OF HEALTH, EDUCATION, AND WELFARE

"Filing With the Secretary

"SEC. 2009. (a) Annually on a date specified by the Secretary, each State Health Care Institutions Cost Commission shall file with the Secretary, on a form prescribed by him, a report of the level of rates of institutional reimbursement approved by the Commission for such categories of health care institutions as shall be established by the Secretary. The categories shall take into consideration the type and size of the institutions and differing economic characteristics by geographic areas within each State so that each category will include institutions with similar conditions of operating cost.

"Review by the Secretary

"(b) In the event the Secretary determines that the level of rates approved for a given category of health care institution in a State is unjustifiably high in relation to those of other States, he shall order a reduction for that State in the Federal Medical Assistance Percentage (as defined in section 1905(b) of Title XIX of the Social Security Act), and a reduction in the Federal Healthcare Percentage (as defined in section 2012(d)) to compensate for the excess cost resulting from the unjustifiably high level of rates for that category of health care institutions in the State. The State may appeal the Secretary's decision, and upon receipt of an appeal, the Secretary shall appoint a hearing board of three members which shall hold a hearing at which the interested parties may appear to present the facts which support the Secretary's decision and the facts which support the appellant State's position. The members of the hearing board shall each be knowledgeable with respect to the costs of operating health care institutions of the category concerned and may not be an employee or an owner of any of the health care institutions concerned. Following such hearing the hearing board shall advise the Secretary of its recommendation, and the Secretary shall thereupon render a final decision. There shall be no further right of appeal or review by the State. If the State, whose Federal percentages have been reduced, takes action to correct the situation which produced the unjustifiably high level of rates for the category of health care institutions, it may so notify the Secretary and request restoration of the full amount of the Federal Medical Assistance Percentage and the full amount of the Federal Healthcare Percentage. If the Secretary is satisfied that corrective action has been taken, he shall restore the Federal percentages to their full amount for that State as of the date he deems the corrective action to have eliminated the unjustifiably high level of rates.

"OPERATION OF THE QUALIFIED STATE HEALTHCARE BENEFITS POOL

"General Rule

"SEC. 2010. (a) The Qualified State Healthcare Benefits Pool (hereinafter in this section referred to as the Pool) shall be administered by the administering carrier.

"Fiscal Operation

"(b) (1) The premiums collected pursuant to this title, the service charges described in section 2007(d) and the reimbursements for Pool losses described in subsection (c) (2) shall be paid into the Pool.

The Pool shall be available—

"(A) without fiscal year limitation to pay all Qualified State Healthcare Plan benefit claims certified by the administering carrier;

"(B) without fiscal year limitation to pay premiums to approved health maintenance organizations (as defined in section 2015 (e));

"(C) to pay the risk charges specified in section 2004(b);

"(D) to repay to Pool reinsurers the losses, if any, specified in section 2004 (b) (2) (C);

"(E) to pay the administrative charge of the administering carrier described in section 2004(b); and

"(F) to pay any other charges for which the Pool has a liability.

"(2) The moneys in the Pool shall be invested and reinvested in interest-bearing obligations, which may be sold for the purpose of the Pool. The interest on, and the proceeds from the sale of, such obligations become a part of the Pool.

"Experience Accounting

"(c) (1) At the close of each policy year, an experience accounting for the Pool for the policy year shall be prepared by the administering carrier and submitted to the Secretary, to the State, and to all reinsurers specified in section 2002(d).

"(2) (A) All reinsurers shall participate in any Pool losses in accordance with a formula, designed by the administering carrier and approved by the Insurance Commissioners, that equitably allocates Pool losses to carriers and approved health maintenance organizations in proportion to their total health care business and to uninsured plan in proportion to their benefit payments under Qualified Employee Healthcare Plans. The aggregate Pool losses for any policy year to be apportioned among the Pool participants shall be limited to 3 per centum of the Qualified State Healthcare Plan premiums collected by the Pool for the year. Losses in excess of this limitation shall be borne by the State.

"(B) The State shall collect the uninsured plans' share of the Pool losses, and remit such amount together with the State's payment for its share of the losses to the administering carrier within forty-five days after the experience accounting has been submitted. The other reinsurers shall remit their share of the loss to the administering carrier within thirty-one days after the experience accounting has been submitted.

"(3) If the experience accounting reflects a gain (computed after deduction of the reinsurers' risk charge described in section 2004(b)) for the policy year, the gain shall be retained in the pool and used to minimize future premiums to be paid by the State.

"FURNISHING OF INFORMATION BY OTHER AGENCIES

"General Rule

"SEC. 2011. (a) The head of any Federal or State agency shall furnish such information as the administering carrier needs for purposes of spot auditing eligibility for the Qualified State Healthcare Plan, or verifying other information with respect thereto.

"Carrier's Liability

"(b) A reliance by the administering carrier on information furnished by any Federal or State agency shall relieve the carrier from liability for failure to charge sufficient premiums, overpayment of benefits, or any other erroneous act resulting from the carrier's reliance on such information.

"PAYMENTS TO STATES

"Premiums

"SEC. 2012. (a) From the sums appropriated therefor, the Secretary shall pay to each State which has a Qualified State Healthcare Plan an amount equal to the product obtained by multiplying the total premiums for the Qualified State Healthcare Plan paid by a State to the administering carrier by the Federal Healthcare Percentage defined in subsection (e). In applying the preceding sentence, the amount used as total premiums paid by a State for a Qualified State Healthcare Plan shall not include any portion thereof that is determined by the Secretary to be attributable to benefits provided under the Plan which are in excess of the Minimum Standard Healthcare Benefits then required by section 2002(a) to be provided.

"Pool Losses

"(b) From the sums appropriated therefor, the Secretary shall pay to each State which has a Qualified State Healthcare Plan an amount equal to the product obtained by multiplying the excess Pool losses paid by the State to the administering carrier (as provided by section 2010(c) (2) (A)) by the Federal Healthcare Percentage defined in subsection (d). For the purpose of this subsection, the Federal Healthcare Percentage shall be as determined before any reduction thereof provided for under section 2004(c) (3), or section 2009.

"Condition for Payment and Compliance

"(c) The amounts authorized to be paid a State under this title shall not be paid by the Secretary unless the State annually certifies to the Secretary, on a date or dates set by the Secretary, that—

"(1) it has established a Qualified State Healthcare Plan the administering carrier of which has been approved by the Secretary;

"(2) it has authorized the Insurance Commissioner of that State (as defined in section 2015(a)) to review the premium rates of the Qualified State Healthcare Plan pursuant to section 2004(c) (1);

"(3) it has authorized a state agency to enroll Federal cash recipients in the Qualified State Healthcare Plan pursuant to section 2005(c) (1);

"(4) it has authorized the State Treasurer or other appropriate official to make the payments required of the States under sections 2006, 2008, and 2010;

"(5) it has authorized a State agency to perform the functions of the State Health Care Institution Cost Commission described in section 2008;

"(6) the Insurance Commissioner of that State is carrying out the duties with regard to protection against insolvency as prescribed by section 2016; and

"(7) it is carrying out the remaining administrative and other duties specified in title XX.

Such certification shall, after 60 days of receipts by the Secretary, be deemed acceptable unless prior thereto the Secretary notifies the State, in writing, that the certification has not been accepted.

"Federal Healthcare Percentage

"(d) The term 'Federal Healthcare Percentage' for any State shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 45 per centum as the square of the per capita income of such State bears to the square of the per capita income of the continental United States (including Alaska and Hawaii); except that (1) the Federal Healthcare Percentage shall in no case be less than 70 per centum or more than 90 per centum, and (2) the Federal Healthcare Percentage for Puerto Rico, the Virgin Islands, and Guam shall be 70 per centum. The Secretary shall promulgate the Federal Healthcare Percentage for each State as soon as possible after enactment of this title, which promulgation shall be conclusive for each of the four quarters in the period beginning July 1, 1974, and ending with the close of June 30, 1975. Thereafter, the Federal Healthcare Percentage for any State shall be promulgated in accordance with the provisions of section 1101(a) (8) (B) of title XI of the Social Security Act.

"ELIGIBILITY OF THOSE NOW COVERED UNDER CERTAIN STATE OR FEDERAL PROGRAMS

"Federal Programs

"SEC. 2013. (a) Any class of individuals or families, other than employees of the Federal

Government and their families, whose members at the time of enactment of this Act, are receiving all, or substantially all, of their medical care under a Federal program, other than a program pursuant to the Social Security Act, shall not be eligible for coverage under a Qualified State Healthcare Plan unless—

"(1) all members of the class who are resident in the State are enrolled in the Plan;

"(2) the Federal Government pays the premium for supplementary medical insurance benefits under part B of title XVIII of the Social Security Act for all such members of the class as are eligible therefor;

"(3) the Federal Government arranges for the enrollment of such individuals and families in the Qualified State Healthcare Plan and pays the full premium therefor on behalf of such persons without requiring any sharing by the State; and

"(4) the Federal Government agrees to pay the State that proportion of any excess Pool losses, charged to the State pursuant to section 2010(c)(2)(A), which the average number of such persons enrolled in such Plan during the policy year bears to the average number of all persons enrolled in such Plan during that year. In applying section 2012(b), the amount of such payment shall reduce the excess Pool losses to which the Federal Healthcare Percentage would otherwise be applied.

"State Programs

"(b) Any class of individuals or families, other than employees of a State or local government and their families, whose members, at the time of enactment of this Act, are receiving all, or substantially all, of their medical care under a State program of medical care, other than a program pursuant to the Social Security Act, and who are not otherwise eligible for enrollment in the Qualified State Healthcare Plan, shall be eligible for coverage in a Qualified State Healthcare Plan provided—

"(1) all members of the class who are resident in the State are enrolled in the Plan;

"(2) the State pays the premium for supplementary medical insurance under part B of title XVIII of the Social Security Act for all such members of the class as are eligible therefor;

"(3) the State arranges for the enrollment of such individuals and families in the Qualified State Healthcare Plan and pays the full premium therefor on behalf of all such persons; and

"(4) the State agrees to absorb, without any sharing by the Federal Government, that proportion of the excess Pool losses, charged to it pursuant to section 2010(c)(2)(A), which the average number of such persons enrolled in such plan during the policy year bears to the average number of all persons enrolled in such Plan during that year. In applying section 2012 (b), such amount shall reduce the excess Pool losses to which the Federal Healthcare Percentage would otherwise be applied.

"PREMIUM TAXES

"SEC. 2014. In order to be eligible for Federal appropriations pursuant to this title, a State (or any political subdivision thereof)—

"(1) may not impose any tax of any kind on or with respect to any premium, benefit, income, or other transaction or occurrence connected with any Qualified State Healthcare Plan or Benefits Pool provided for under this title, and

"(2) may not impose any tax or fee on any domestic carrier which provides health care insurance in the State with respect to any premium or other income received or any benefit provided, or on any other transaction or occurrence, in connection with any health care insurance contract, unless any such tax or fee is applied equally to all domestic carriers which provide health care insurance in the State.

"DEFINITIONS

"SEC. 2015. As used in this title the following terms shall have the following meanings:

"Insurance Commissioner

"(a) 'Insurance Commissioner' means the public official charged with the regulation of insurance in each State.

"Secretary

"(b) 'Secretary' means the Secretary of Health, Education, and Welfare.

"States

"(c) 'State' shall include each of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

"Administering carrier

"(d) 'Administering carrier' means either—

"(1) a carrier licensed to issue health care insurance in each of the 50 States and the District of Columbia,

"(2) a carrier licensed to issue health care insurance in at least one of the 50 States or the District of Columbia which has one or more affiliates or wholly owned subsidiaries licensed to issue health care insurance, if in each of the 50 States and the District of Columbia the carrier or at least one of its affiliates or wholly owned subsidiaries is licensed to issue health care insurance, or

"(3) a domestic carrier, or an assemblage of domestic carriers operating as one administering unit, which the Insurance Commissioner of the State finds will perform its obligations as administering carrier efficiently and effectively and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

"Approved health maintenance organization

"(e) 'Approved health maintenance organization' means a public or private organization (profit or non-profit) which—

"(1) provides, either directly or through arrangements with others, health services to individuals enrolled with such organization on the basis of a predetermined periodic rate without regard to the frequency or extent of services furnished to any particular enrollee;

"(2) offers, in accordance with the priority schedule applicable, either directly or through arrangements with others, all of the services and articles described in the Minimum Standard Healthcare Benefits specified in section 219 of the Internal Revenue Code of 1954;

"(3) provides physicians' services primarily (A) directly through physicians who are either employees or partners of such organization, or (B) under arrangements with one or more groups of physicians (organized on a group practice or individual practice basis) under which each such group is reimbursed for its services primarily on the basis of an aggregate fixed sum or on a per capita basis, regardless of whether the individual physician members of any such group are paid on a fee-for-service or other basis;

"(4) demonstrates to the satisfaction of the Insurance Commissioner of its State of domicile and any other agency specified by State statute proof of financial responsibility and proof of capability to provide comprehensive health care services, including institutional services, efficiently, effectively, and economically; and

"(5) assures that the health services required by its members are received promptly and appropriately and that the services that are received measure up to quality standards which are established pursuant to applicable regulations.

"Policy Year

"(f) 'Policy year' means a period beginning any July 1 and ending the close of the following June 30.

"Carrier

"(g) 'Carrier' means an insurance company, hospital service or hospital expense indemnity organization, a medical service or medical expense indemnity organization, dental service or dental expense indemnity organization, fraternal benefit society or other similar organization or society which provides coverage for one or more types of health care.

"Uninsured Plan

"(h) 'Uninsured plan' means a plan provided by a person (other than a carrier or an approved health maintenance organization) having an arrangement which has been communicated or described in writing to covered individuals, and which covers at least 26 individuals for at least 26 weeks of the calendar year, and which provides, pays for, or reimburses the whole or any part of the cost of the health care of such individuals, but shall not include the Federal Government with respect to programs established by it.

"Federal Cash Recipient

"(i) 'Federal cash recipient' means an individual or family who has established eligibility for public cash assistance under a program financed in whole or in part by Federal funds.

"Adjusted Gross Income

"(j) 'Adjusted gross income' shall have the meaning set forth by section 62 of the Internal Revenue Code of 1954.

"State of Domicile

"(k) 'State of domicile' means the State in which an underwriter, other than an insurance company, maintains its principal place of business. For an insurance company which is an underwriter, 'State of domicile' means the State in which it is incorporated.

"Family

"(l) 'Family' means an individual and his spouse if not legally separated under a decree of divorce or of separate maintenance and each of their dependent (as defined in the introductory clause of section 152(a) of the Internal Revenue Code of 1954) unmarried children who have not attained the age of nineteen.

"Underwriter

"(m) 'Underwriter' means a carrier, an approved health maintenance or organization, or the person who provides an uninsured plan.

"PROTECTION AGAINST INSOLVENCY

"Definitions

"SEC. 2016. (a) As used in this section, the following terms have the following meanings:

"(1) 'NHI' means pertaining to one or more qualified health care plans (as defined in section 219(e)(8) of the Internal Revenue Code of 1954.)

"(2) 'Premium' means the premium, enrollment fee, or such other comparable fee or periodic charge of an underwriter for NHI coverage.

"Capital and Surplus Requirements

"(b) An NHI underwriter shall have a combined capital and surplus of not less than one million five hundred thousand dollars. In lieu of holding such capital and surplus, an underwriter may, subject to the approval of the Insurance Commissioner of the State of domicile, either secure a performance bond issued by a company licensed to issue such bonds in the underwriter's State of domicile in an amount of one million five hundred thousand dollars; or, secure a written contract, from one or more carriers authorized to write NHI contracts in such State and having at least fifteen million dollars of unassigned surplus, which provides that the contracting party will, in the event that and as of the date that, such underwriter ceases to be authorized to provide NHI coverage, provide without qualification NHI coverage for all individuals or families so affected.

"Reserve Requirements

"(c) Each NHI underwriter shall:

"(1) Maintain NHI reserves in an amount not less on any day than:

"(A) the total amount of its liability for unearned premiums, future contingent benefits, and amounts not yet due on claims,

"(B) the total amount of its liability for due and unpaid claims in course of settlement, and incurred but unreported claims, and

"(C) 12½ per centum of the total amount of its NHI claims paid during the preceding calendar year but not more than $25 million, which amount shall be called the NHI Contingency Reserve (hereinafter "NHICR") and may be maintained either directly or as a portion of the underwriter's surplus; provided, however, that such 12½ per centum requirement shall be applied to the total amount of an approved health maintenance oragnization's premium during the preceding calendar year. (The underwriter may, subject to the approval of the Insurance Commissioner of its State of domicile, credit against its NHICR the value of those of its contracts with providers of health services as guarantee the delivery of the contracted services even in the event of insolvency of the underwriter.

"(2) Maintain NHI reserves, including the NHICR, in assets qualified as legal investments for insurance companies of the same size by the laws of the State of domicile.

"(3) Submit an affidavit, executed by its chief executive officer or by a member of the American Academy of Actuaries or another actuary approved by the Insurance Commissioner of the State of domicile, to such Insurance Commissioner within 90 days after the end of each calendar year that its NHI reserves comply with the requirements of this section. Such affidavit shall be accompanied by a financial report for the prior calendar year on a form prescribed by the Insurance Commisioner describing its NHI business including but not limited to:

"(A) information substantiating the adequacy of its NHI reserves;

"(B) disclosure of the manner in which its NHICR was computed;

"(C) balance sheet; and

"(D) income statement.

"(4) Submit an affidavit to the Insurance Commissioner of each State in which the underwriter does NHI business within 90 days after the end of each calendar year showing the amount of NHI premiums paid for lives in that State during such calendar year. For an uninsured plan, such NHI premiums shall be the greater of:

"(A) the deduction for a taxable year under section 162, 212 or 404 of the Internal Revenue Code of 1954 claimed by a person having such arrangement with respect to benefits provided under NHI coverage plus the amount of any contributions collected from its members for NHI coverage with respect to the year concerned, or

"(B) 104 per centum of NHI claims paid by the uninsured plan during the calendar year.

"State Supervision

"(d) An underwriter not otherwise subject to the supervision of its business by the Insurance Commissioner of its state of domicile shall, as a condition to providing NHI coverage, file with that Insurance Commissioner a notarized affidavit agreeing to subject its NHI business to his supervision and to pay any assessments duly levied pursuant to this subtitle D.

"Procedure To Prevent Impairment

"(e)(1) Any NHI underwriter whose NHICR fails to meet the requirements of this section shall be impaired for purposes of this title and promptly shall:

"(A) cease issuance of any new group or individual NHI policies; provided, however, such NHI underwriter may continue to issue coverage under an existing group plan; and

"(B) provide the Insurance Commissioner of the underwriter's State of domicile with:

"(i) an appraisal by a member of the American Academy of Actuaries or an actuary approved by the Insurance Commissioner of the capacity of the underwriter to pay claims on its outstanding NHI coverage; and

"(ii) either a plan for reinsurance of its NHI obligations with an NHI carrier, or a plan for reconstituting its NHICR.

"(C) advise the obligor under the performance bond, if such bond was purchased pursuant to subsection (b), of the NHI underwriter's possible financial inability to meet its obligations under this Act.

"(2) An Insurance Commissioner, upon receipt of such information, shall:

"(A) determine whether the proposed reinsurance carrier has NHI reserves adequate to comply with this section after accepting the proposed reinsurance and, if he approves the proposed plan for reinsurance, notify the impaired underwriter to execute such plan within 60 days. If the plan for reinsurance is not approved, the Insurance Commissioner shall notify the impaired underwriter that the plan for reinsurance has not been approved and that a plan for reconstituting its NHICR must be submitted within 30 days; and

"(B) if an impaired underwriter submits a plan for reconstituting its NHICR, appoint a committee to supervise the reconstitution of the NHICR. The committee shall be chaired by the Insurance Commissioner of the impaired underwriter's State of domicile, a representative of the Insurance Commissioner of one of the States in each National Association of Insurance Commissioners' Zone in which the impaired underwriter issued NHI coverage and at least one officer from five NHI carriers other than the impaired underwriter.

"(3) The committee's responsibilities shall include:

"(A) approval or disapproval of the impaired underwriter's plan for reconstituting its NHICR;

"(B) if such plan is approved, the committee shall provide the Insurance Commissioner with periodic reports concerning the execution of such plan and the need for any additional protection for NHI policyholders, members or participants of the impaired underwriter; and

"(C) if the plan for reconstituting the impaired underwriter's NHICR is disapproved, the committee shall determine whether an assessment is necessary to meet the impaired underwriter's NHI obligations.

"(4) If the committee determines that an assessment is necessary, it shall be made according to the following formula where NHI premiums are net after reinsurance:

"(A) the total assessment shall be allocated among the States in which the impaired underwriter issued NHI coverage in proportion to the ratio of the impaired underwriter's NHI premiums paid in the State to the total of its NHI paid premium in all States for the last completed calendar year; and

"(B) a State's share of the assessment, as determined in subsection (A), shall be allocated among NHI underwriters in that State in proportion to the ratio of each underwriter's NHI premiums paid in that State for the last completed calendar year to the total NHI premiums paid in that State for that year by all NHI underwriters other than the impaired underwriter; provided that if the impaired underwriter is an insurance company, then the portion of a State's assessment that would be so charged to Blue Cross Plans and Blue Shield Plans shall instead be assessed on the remaining insurance companies which are NHI underwriters in proportion to their shares of that State's assessment, and if the impaired underwriter is a Blue Cross Plan or a Blue Shield Plan, then the portion of a State's assessment that would be so charged to insurance companies shall instead be assessed on the remaining Blue Cross Plans and Blue Shield Plans which are NHI underwriters in proportion to their shares of such assessment.

"(5) The Insurance Commissioner of each State in which the impaired underwriter did NHI business shall furnish NHI underwriters in the State with:

"(A) a copy of the committee's report;

"(B) the total amount of the assessment upon all NHI underwriters;

"(C) the underwriter's share of the assessment produced under the formula; and

"(D) a demand that payment of the assessment be made within three months, or such longer period of time as the Insurance Commissioner may authorize if such payment would, in the opinion of the committee, endanger the ability of the assessed underwriter to fulfill its contractual obligations.

"(6) Failure to make timely payment of the assessment shall be cause for withdrawal of the underwriter's privilege to conduct NHI business.

"(7) Any assessment made upon and paid by an NHI underwriter under this section, shall be deductible from any other assessment made under a state insolvency law or other requirement which relates to the NHI underwriter which was deemed impaired pursuant to this section.

"REGULATIONS

"SEC. 2017. Any regulations promulgated by the Secretary (or his delegate) with regard to this title shall be promulgated in final form not less than nine months prior to the first day of the policy year during which they will apply. Such regulations shall be effective only if (i) promulgated in final form within the time prescribed in the preceding sentence, and (ii) notice of such regulation in proposed form and of opportunity for public hearing thereon shall have been published not less than sixty days prior to the date of promulgation thereof in final form."

SEC. 532. CARRIER COMPLIANCE

Nothing contained in antitrust legislation enacted by the Congress of the United States or by the Legislatures of one or more of the several States shall be construed as limiting or in any other way applying to carriers in any activity undertaken in compliance with or in an effort to comply with any provision of this Act.

SEC. 533. CONFORMING AMENDMENTS TO TITLE XVIII OF THE SOCIAL SECURITY ACT

Title XVIII of the Social Security Act is amended—

(1) by adding after section 1837(g) the following new subsection:

"(h) Notwithstanding the provisions or limitations of subsections (a), (b), (c), (d), (e) and (f), there shall be a general enrollment period during the month of April in each year for individuals who are enrolling for the first time in a Qualified State Healthcare Plan described in title XX of the Social Security Act."; and

(2) by adding after section 1843(h) the following new subsection:

"(i) The Secretary shall, at the request of a State, enter into a modification of an agreement entered into with such State pursuant to subsection (a) under which the covered group described in subsection (b) and specified in such agreement is broadened to include individuals who are described in section 2006(f) of title XX of the Social Security Act."

SEC. 534. CONFORMING AMENDMENTS TO TITLE XIX OF THE SOCIAL SECURITY ACT

Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"EXCLUSION FROM COVERAGE

"SEC. 1908. Notwithstanding any other provision of this title, no payment under this title may be made (a) for any expenses incurred for services or articles (1) which are covered under a Qualified State Healthcare Plan (as defined in title XX), (2) which are incurred after July 1, 1975, and would have been covered under a Qualified State Healthcare Plan had the State adopted such a plan, or (b) for any copayment required under a Qualified State Healthcare Plan."

SEC. 535. CONFORMING AMENDMENTS REGARDING "REASONABLE COSTS"

Wherever reference is made to titles V. XVIII, and XIX of the Social Security Act to making payments to a provider on the basis of "reasonable costs" or "reasonable charges", with regard to any amount paid after June 30, 1974, that payment shall not be considered reasonable to the extent that it exceeds the amount which would be determined to be reasonable and necessary under section 2002(f)(2) of title XX of the Social Security Act.

SEC. 536. CONFORMING AMENDMENTS TO THE INTERNAL REVENUE CODE

"(a) Section 115(a) of the Internal Revenue Code of 1954 is amended by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or" and by adding after paragraph (2) the following new paragraph:

"(3) interest, or any other item of income, derived from any investment by a Qualified State Healthcare Benefits Pool (as defined in section 2010 of title XX of the Social Security Act)."

"(b) Section 501(c)(8) of the Internal Revenue Code of 1954 is amended by the addition of the following item:

"(C) For purposes of this section, payments made directly or indirectly to a Qualified State Healthcare Benefits pool by a fraternal beneficiary society, order or association under provisions of the National Healthcare Act shall not in any way disqualify such group from its tax exempt status under this section.

SEC. 537. EFFECTIVE DATE

The amendments made by this subtitle shall become effective on the date of enactment of this Act, except that a Qualified State Healthcare Plan provided for under new title XX of the Social Security Act shall not provide benefits before July 1, 1974.

NATIONAL HEALTHCARE ACT—SECTION-BY-SECTION ANALYSIS

TITLE I—FINDS AND DECLARATION OF PURPOSE

Section 101: This section states that: (a) America confronts a critical testing of its capacity to meet for all of its citizens one of the most basic of human needs, that of protecting and maintaining personal health; (b) every citizen of the United States of America should have access to quality health care, but too many Americans find it difficult to secure quality health care when they need it, where they need it, at prices they can afford; (c) the nation needs systems of health care organization, delivery, and financing which combine the high scientific and technical competence of the medical and allied health professions; the flexibility, innovativeness, efficiency, and managerial skills of private enterprise; the legislative and fiscal capacities of government at all levels; and the potentialities of consumer and community participation in developing and maintaining such systems of health care.

Section 102: This section declares the purpose of the Act to be to improve the organization, delivery, and financing of health care for all Americans by increasing health personnel, promoting ambulatory care, strengthening health planning, establishing national standards of health care benefits including coverage for medical catastrophes, encouraging provision of such benefits through comprehensive health care insuracne, and by assisting persons of low income or in poor health to secure that insurance.

TITLE II—PROVISIONS TO INCREASE THE SUPPLY AND IMPROVE THE DISTRIBUTION OF HEALTH CARE PERSONNEL

Student loans for training in the health professions and nursing

Section 201: The medical student loan provisions of the Public Health Service Act are amended to allow a medical student to borrow the full cost of tuition, fees, and reasonable amounts for room, board, books, supplies, and other related costs or $5,000 (whichever is less) each academic year. Under present law, 85 percent of this loan may be cancelled or repaid by the Secretary of HEW in return for 3 years service in designated areas of medical manpower shortage.

The bill authorizes $100 million a year for FY 1975, 1976, and 1977 for this purpose.

Loan provisions for student nurses are amended to allow loans covering the full cost of tuition, fees, and reasonable amounts for room, board, books, supplies and other related costs or $3,500 (whichever is less) each academic year. Under present law, 85 percent of this loan may be cancelled or repaid by the Secretary of HEW in return for 3 years service in designated areas of medical manpower shortage.

The bill authorizes $75 million a year for FY 1975, 1976, and 1977 for this purpose plus such sums as are needed in the following three years to allow students who started on the loan program to complete their education.

Scholarships grants and student loans for training in the allied health professions

Section 202: Scholarship grants may, in accordance with regulations of the Secretary of HEW, be awarded according to the needs of the individual, up to the full cost of his tuition, fees, books, equipment and living expenses.

The bill authorizes for this purpose $10 million for FY 1973, $30 million for FY 1974, and $50 million a year for FY 1975, 1976, and 1977.

Loan provisions for students in the allied health professions are amended to allow loans covering the full cost of tuition, fees, and reasonable amounts for room, board, books, supplies, and other related costs. Up to half of the loan may be forgiven at the rate of 20 percent a year for service in a public or nonprofit private institution or agency. Up to 100 percent of the loan may be forgiven at the rate of 33⅓ percent a year for appropriate service in an area designated as having a substantial shortage of allied health professionals.

The bill authorizes $7.5 million for FY 1973, $15 million for FY 1974, $40 million for FY 1975, $60 million for FY 1976 and $75 million for FY 1977 for this purpose plus such sums as are needed in the following three years to allow students who started on the loan program to complete their education.

Training for personnel needed in comprehensive ambulatory health care centers

Section 203: For purposes of training grants under the Public Health Service Act, this section amends the term "training center for allied health professions" to include junior colleges, colleges and universities which offer training in health care center administration or curriculums providing the allied health-professionals needed to operate comprehensive ambulatory health care centers.

It also establishes a new program of special project grants to help education institutions meet the cost of developing curriculums and training programs to develop the skills needed to administer and staff comprehensive ambulatory health care centers.

The bill authorizes $10 million for FY 1973, $25 million for FY 1974, $40 million for FY 1975, and $50 million a year for FY 1976 and 1977 for this purpose.

Grants to personnel in the health professions, allied health professions, and nursing for service in areas of critical need

Section 204: This section establishes a program of Federal grants to medical personnel in return for service in urban and rural areas of critical need to alleviate the maldistribution of health care personnel.

The Secretary of HEW is authorized to contract with individual health professionals, nurses, or allied health professionals who agree to provide health care services for a period of at least two years in an area designated by the Secretary, upon recommendation of the appropriate State comprehensive health planning agency, as having a critical need for those services.

The purpose of the grant is (1) to compensate the individual for providing health care services in an area where his normal compensation for services is less than equivalent health personnel receive elsewhere, and (2) to compensate the individual for his loss of time in getting established in a more lucrative area.

The amount of the grant, therefore, is that amount which, when added to the recipient's income from providing health care services for each contract year, provides a total income equal to 110 percent of the national annual median income for persons of comparable education and training, or 110 percent of his earnings from providing health care services in the previous year, whichever is greater.

In determining the precise amount of the grant, the Secretary may consider such factors as he deems relevant. He must consider, however:

(1) the national median annual income for the applicant's profession;

(2) the cost of living in the area of need;

(3) the background, training, and education of the applicant;

(4) the amount of income the applicant can reasonably expect to receive from service in the area;

(5) the number of persons of the applicant's profession needed in the area; and

(6) where appropriate, cost of equipment, supplies, and facilities.

The bill authorizes $10 million for FY 1973, and $50 million a year thereafter until June 30, 1977, for this purpose.

Effective date

Section 205: Title II becomes effective upon enactment.

TITLE III—COMPREHENSIVE AMBULATORY HEALTH CARE CENTERS

The purpose of this Title is to provide for grants to comprehensive ambulatory health care centers (as defined in amendments made by Section 309). The Public Health Service Act currently provides for grants for the construction or modernization of "out-patient facilities," but no funds are earmarked specifically for such facilities, nor are the facilities required to provide comprehensive ambulatory health care services. This Title would set up a special category of grants to comprehensive ambulatory health care centers which offer a greater range of medical services than current law now specifies for "out-patient facilities" grants.

Amendment of purpose

Section 301: This section amends the declaration of purpose of Title VI of the Public Health Service Act to recognize specifically the concept of a comprehensive ambulatory health care center.

Authorization of appropriations for construction and modernization grants

Section 302: For the next five fiscal years commencing after June 30, 1973, an additional $200 million a year is provided hereunder in grant authority to be used for the construction of comprehensive ambulatory health care facilities, or the modernization of such existing facilities. This sum is provided through a new allotment category which is separate from existing allotment categories for construction and modernization of hospitals and other medical facilities. It is contemplated that a portion of the funds available for grants hereunder will be used to assist nearly-constructed facilities to pay initial start-up and operation expenses during the first three years of operation of such centers.

State allotments

Section 303: Funds available for the construction and modernization of comprehensive ambulatory health care centers will be allotted to the several states on the same basis as allotments are now made for construction of hospitals and other medical facilities. Transfers from allotments for the construction and modernization of comprehensive ambulatory health care facilities to allotments for the construction of other types of facilities are not authorized. Existing law permitting carryovers of unused allotments from one fiscal year to the other is unchanged.

Priority of projects

Section 304: Priorities for awarding grants to comprehensive ambulatory health care centers would be given to proposed facilities in densely populated areas now lacking such facilities. This is to relieve pressures on general hospitals in such areas, to bring preventive and treatment facilities to populous areas not now receiving coordinated health care, and to create lower-cost facilities in lieu of expanding high-cost in-patient facilities.

State plans

Section 305: In its evaluation of the health needs of its citizens, the State health planning agency would be required to determine as part of its planning process the number of comprehensive ambulatory health care centers needed in the state and a plan for distribution of such centers. It would also have to adopt a program providing for construction of those comprehensive ambulatory health care centers identified as needed in its state plan, or for modernizing such existing facilities.

Recovery of funds

Section 306: This section would add comprehensive ambulatory health care centers to the list of types of health facilities from which recovery of federal funds may be made by the federal government from facilities which no longer qualify.

Loan guarantees and loans for modernization and construction of comprehensive ambulatory health centers

Section 307: The Public Health Service Act provides for loans, guarantees and interest subsidies for qualified agencies wishing to construct or modernize health facilities. This section adds comprehensive ambulatory health care centers to the list of types of facilites which qualify for such loans, guarantees and interest subsidies.

Definition of comprehensive ambulatory health care centers

Section 308: Comprehensive ambulatory health care centers are specifically defined so as to encompass only facilities which provide a wide range of preventive, diagnostic and treatment services for ambulatory patients and thus relieve overutilization of general hospitals and make health care more accessible.

TITLE IV—PROVISIONS TO STRENGTHEN HEALTH CARE PLANNING

Subtitle A—Health Report of the President; Council of Health Policy Advisers Health Report of the President

Section 401: Beginning in 1974, the President shall make a health report to the Congress no later than July 1 of each year on the status of the nation's health needs and health care system with a program for meeting those needs.

Council of Health Policy Advisors

Section 402: This section creates a three-man Council of Health Policy Advisers in the Executive Office of the President, its members appointed by the President with the advice and consent of the Senate.

Employment of Offices, Employees, Experts, and Consultants

Section 403: The Council is authorized to hire officers, employees and such experts and consultants as may be needed.

Responsibilities of Council

Section 404: This section outlines the responsibilities of the Council in assisting the President in the preparation of his Health Report and the setting and coodination of overall health policy.

The Council is required to make an annual health report to the President not later than April 1 of each year, starting in 1974. This report shall be transmitted to the Congress as a supplement to the next Health Report of the President to the Congress. In its first report to the President the Council shall specifically review and advise the President on health programs. The Council shall develop and recommend goals for a national health policy to promote efficiency, eliminate waste and duplication in the utilization of health facilities and resources, and shall recommend specific programs to streamline and consolidate health manpower programs.

Consultation With Other Advisory Bodies and Representative Groups—Cooperative Utilization of Services, Facilities, and Information

Section 405: The Council shall consult with the National Advisory Health Council, other advisory councils or committees as well as such representatives of the private sector as it deems advisable and shall utilize the services, facilities and information of other public and private organizations to the fullest extent to avoid unnecessary overlapping or duplication of effort.

Compensation of Members

Section 406: The Chairman shall be compensated at the rate of Level II and the other members at the rate of Level IV of the Executive Schedule Pay Rates.

Authorization of Appropriations

Section 407: Authorizes such sums as are needed to enable the Council to function, not to exceed $1 million in any fiscal year.

Subtitle B—Departmental recommendations and reports

Statements Regarding Effect of Departmental Proposal on Nation's Health Care

Section 411: Every agency of the Federal Government is required to include, to the fullest extent possible, in each report on proposals for legislation or other major Federal action significantly affecting health or the health care system, the impact of the proposal on the nation's health care system, adverse effects alternatives, the relative priority established by the Council of Health Policy Advisers, and any irreversible or irretrievable commitments of resources involved. Prior to making this report the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise relative to the health impact of the proposal. These comments, with comments of appropriate Federal, State and local agencies shall be made available to the President, the Council, and the public, and shall accompany the proposal through the existing agency review process.

Agency Obligations Under Other Federal Statutes

Section 412: The preceding section (sec. 411) shall not affect the obligations imposed on Federal agencies by other Federal statutes.

Subtitle C—Comprehensive health planning amendment

Part A—Definition of "Appropriate Comprehensive Health Planning Agency

Section 431: Adopts for purposes of the entire Public Health Service Act the definition of "appropriate comprehensive health planning agency" provided in section 444 of this bill.

Part B—State and Areawide Comprehensive Health Planning Agencies

State agency review and certification

Section 441: In order to qualify for the comprehensive health planning grants currently provided by section 314 of the Public Health Service Act, a State plan for comprehensive State health planning must, in addition to existing requirements, provide for the project certification procedures established by this Part B.

Areawide comprehensive health planning agencies

Section 442: This section increases the funds authorized for project grants for areawide health planning to $60 million for FY 1973, $100 million for FY 1974, and $100 million for FY 1975.

To be eligible for the grants the agency must be prepared to function as the "appropriate comprehensive health planning agency" for the area or region. The agency must be prepared to play a strengthened role in coordinating areawide health affairs, including the determination of health needs, capital expenditure programs, cooperative use of facilities, optimum use of available manpower, and improved management techniques. The agency must provide for consultation with the areawide health planning council and other groups, for the representation of health care facilities and physicians, for enlisting public support, and for educating the public concerning the proper use of facilities and services available.

Comprehensive procedure for review and certification

Section 443: In the case of applications for Federal grants, loans, or other financial aid involving more than $100,000 which require certification by the appropriate comprehensive health planning agency, the application may be approved by the Secretary only after he is satisfied that the review provisions of this section have been met. The section, strengthening the role of the agency, requires that it have reasonable opportunity to review and comment on the application, and has certified to its essential need and high priority. If the "appropriate comprehensive health planning agency" is a metropolitan or other local planning agency, that agency, after reviewing the application, must have communciated its comments to both the applicant and the State agency. The State planning agency must make its own determination that the application fits in with the State's overall needs and priorities as expressed in the State plan. If two or more States are involved, each State agency must make a separate certification as to the need and priority of the project in its State.

Definitions

Section 444: In the case of a project affecting an entire State, the appropriate comprehensive health planning agency is the agency designated in the State plan. In the case of a project affecting a region, metropolitan area, or other local area, the appropriate comprehensive health planning agency is the agency or organization designated under section 442 of this bill or such other public or nonprofit private agency determined in accordance with regulations to be performing the required health planning functions.

TITLE V—PROVISIONS TO MAKE COMPREHENSIVE HEALTH CARE INSURANCE AVAILABLE TO ALL

Title V of the bill contains provisions designed to accomplish three major objectives:

(1) To establish minimum nationwide standards for individual health care benefits;

(2) To establish a system of nationwide health care insurance, utilizing both privately and publicly financed plans, which will assure that every individual requiring medical care will have the funds required to pay the cost of the care when his need for it arises, irrespective of his economic status; and

(3) To control the cost and quality of medical care to the consumer by strengthening controls over the prices charged by institutional and individual providers of medical care that may be exercised by the public and private insurers who pay the providers' charges. Provisions to achieve the first of these objectives appear in Subtitle A, which establishes the Minimum Standard Healthcare Benefits, as well as in provisions of the remaining subtitles which implement these minimum standards by requiring that they be met as a condition to eligibility for the tax and other public financial incentives provided under those other subtitles. Provisions to serve the second of these major objectives appear in Subtitles B and C, which provide federal tax incentives for the establishment of private health insurance plans by employers and individuals, and in Subtitle D, which supplies public financial assistance, to be shared by federal and state governments, for state health care insurance plans designed to meet the needs of needy and uninsurable individuals. Provisions to accomplish strengthening controls over the cost and quality of medical care to the consumer, although woven into the fabric of all the provisions of Title V, appear mainly in the institutional rate reimbursement provisions of Subtitle D, in those provisions of Subtitle A which permit private insurers to impose limits on the charges for which providers of medical care may be reimbursed, as well as in those provisions of Subtitle A which, through the definition of minimum standard health care benefits, shift emphasis from high-cost in-patient hospital care to lower-cost types of ambulatory and preventive care.

SUBTITLE A

Minimum nationwide standard health care benefits established

Section 501: Minimum national standards for the health care of all individuals are prescribed by section 501 of the bill. The terms of the bill by which these standards are to be put into effect will make them nationwide in their application; will guarantee that the minimum standards of health care required will be at least as high or higher for needy and uninsurable individuals as for others; will assure that the standards prescribed will operate to set a minimum rather than a maximum for health care actually obtainable by an individual; will shift emphasis from the present day concentration on high-cost institutional and specialized health care to lower-cost ambulatory and preventive care which serves the comprehensive health care needs of an individual; and will permit the minimum standards to be phased in over a period of time in accordance with a schedule of priorities that will not give rise to unrealistic expectations for medical care beyond the level of medical facilities and professional talent the Nation is capable of delivering.

Nationwide application of minimum health care standards laid down by section 501 is effected by insertion in federal law, namely the Internal Revenue Code and the Social Security Act, of requirements that benefits paying for not less than the health care required under the minimum standards must be included in private or state established health care plans as a condition of eligibility for the federal tax or other public financial assistance accorded under the bill (see I.R.C. §§ 280 and 213, added by the bill).

To assure that the health care standards prescribed under section 501 will operate only as a minimum and will not discourage an individual's initiatives to secure even higher standards of health care for which he is willing to pay, the bill contains several provisions making it clear that the standards named are only minimums and that provision of benefits for high levels of medical care will not prevent a health care benefit plan from qualifying for advantages accorded under the new law. Such provisions include the one making it clear the standards established are only minimums (I.R.S. § 219); the ones specifically permitting additional benefits (I.R.C. §§ 280(c)(9)(C) and 213(g)(3)(D); the ones permitting a qualified private health care plan to provide for a covered individual's payment of medical expenses exceeding established "deductible" and "copayment" standards (I.R.C. §§ 280(c)(9) and 213(g)(3)); and the ones permitting qualifying health care plans to include various other "optional" provisions (I.R.C. §§ 280(c) and 213(g)(3)).

Provisions in the bill to assure that the minimum standards of health care required to be provided needy and uninsurable individuals will be no less than those required for the more fortunately situated appear in the sections that apply the definition of minimum standard health care benefits to private and publicly assisted plans alike Social Security Act § 2002(a); I.R.C. §§ 280(c)(4) and 213(g)(1), as well as in the benefit phase-in schedules requiring the timing of benefit implementation to be faster under publicly assisted plans for needy and uninsurable individuals (Social Security Act § 2002(a)) than under private qualified plans (I.R.C. §§ 280(c)(4) and 213(g)(1)).

Provisions in the bill to stimulate a shift in emphasis to the provision of comprehensive health care on an ambulatory and preventive care basis, and away from reliance on higher-cost in-patient institutional care appear throughout the definition of the Minimum Standard Healthcare Benefits generally (see I.R.C. § 219) and particularly in provisions which bar higher co-payments for ambulatory-treatment of a given condition than for institutional treatment of the same condition.

The bill contains provisions to meet the problem of preventing the required minimum standard of health care benefits from outstripping the Nation's health care delivery capabilities. This is accomplished by provisions in the bill which assign one of three "priority designations" to each of the benefits in the Minimum Standard Healthcare Benefits (I.R.C. § 219(b)) and by related provisions which require benefits in the several priority categories to be phased-in in accordance with a schedule prescribed in the law (I.R.C. §§ 280(c)(4) and 213(g)(1)). To permit the flexibility required to deal with unexpected shortfalls in development of the health care facilities and services needed to deliver the care covered by a particular benefit, the President is empowered, under restricted conditions stated in the law, to defer the scheduled time for phase-in of benefits that have not become legislatory at the time he acts (I.R.C. § 219(f)).

The initial Minimum Standard Healthcare Benefits for individuals covered under qualified private plans and those for individuals covered under qualified public plans include the following:

(A) For non-occupational accidents and illnesses other than pregnancy:

(1) Diagnosis and non-surgical treatment by a physician in his office or at a hospital on a non-in-patient basis—three visits per year for individuals covered under private plans and six visits per year for individuals covered under public plans. Patient pays $2.00 per visit.

(2) Treatment by surgery or radiation therapy by a physician in his office or at a hospital on a non-in-patient basis—unlimited visits under both private and public plans. Patient pays $2.00 per visit.

(3) X-rays, laboratory tests, electrocardiograms, and other diagnostic tests performed in connection with the care provided in (1) or (2) above—unlimited coverage under both private and public plans. No copayment required.

(4) Birth control counseling by a physician in his office or fitting of contraceptive devices—covered only under public plans. No copayment required.

(5) Well-baby care (including immunizations) during first six months—six examinations covered under both private and public plans. No co-payment required.

(6) Well-baby care (including immunizations) during next 18 months—six examinations covered only under public plans. No copayment required.

(7) Physical therapy rendered or prescribed by a physician—covered only under public plans. Patient pays 20%.

(8) Diagnosis and treatment of any condition by a physician in a hospital or extended care facility—unlimited subject to co-payment of $2.00 per day during the first 30 days of confinement and $5.00 per day thereafter for individuals covered under private plans, and $2.00 per day for the first 120 days of confinement and $5.00 per day thereafter for individuals covered under public plans.

(9) Annual oral examination by a dentist (including prophylaxis)—applicable only to children under age 16 covered under public plans. No co-payment required.

(10) Amalgam fillings, extractions, and dentures—applicable only to children under age 19 covered under public plans. Patient pays 20%.

(11) Drugs requiring a prescription and certain life-preserving non-legend drugs prescribed by a physician—covered only under public plans. Patient pays $1.00 per prescription.

(12) Prosthetic appliances—covered only under public plans. Patient pays 20%.

(13) Hospital services (semi-private accommodations and ancillary services while confined as an in-patient)—the first 30 days of confinement for individuals covered under private plans and the first 120 days of confinement for individuals covered under public plans. Patient pays $5.00 for each day of covered confinement.

(14) Extended care facility services (semi-private accommodations and ancillary services while confined as an in-patient)—the first 60 days of confinement for individuals covered under private plans and the first 120 days of confinement for individuals covered under public plans. Patient pays $2.50 per day of covered confinement.

(15) Home health agency services under a prescribed plan—those rendered during the first 90 days of the plan for individuals covered under private plans and during the first 180 days of the plan for individuals covered under public plans. The patient pays $2.50 per day of services rendered.

(B) For pregnancies. Diagnosis, treatment, and institutional confinement for pregnancy and any complications thereof from date of conception until the ninetieth day following termination of the pregnancy—covered only under public plans. Patient pays 20%.

Co-payments by patients have been used as a deterrent to excessive utilization of certain services. However, families have been protected against having these co-payments be a serious financial burden by means of a limit on the total amount of co-payments that may be required in any one year.

In the absence of a Presidential deferral, those Minimum Standard Healthcare Benefits that are initially provided individuals covered under qualified public plans but not private plans will become available to individuals covered under qualified private plans on January 1, 1980. Similarly the proposed 1980 improvements in the Minimum Standard Healthcare Benefits for qualified public plans will become effective for qualified private plans in 1985.

Catastrophic illness

The initial Minimum Standard Healthcare Benefits include a catastrophic benefit applicable to both individuals covered under qualified private plans and individuals covered under qualified public plans. Any covered individual who incurs $5,000 of medical expenses (including expenses reimbursed by insurance) within 12 consecutive months shall immediately become covered for essentially all ambulatory care and up to 750 days of institutional and home health care per illness. Initially these benefits may be subject to a maximum dollar limitation of $250,000 per person. This benefit limitation must be dropped from public plans January 1, 1980, and from private plans by January 1, 1985. At that same time the requirement that the covered individual incur $5,000 of medical expenses is also eliminated. (I.R.C. §§ 219 (c) (2), 219(e) (10), 280(c) (9) (E), and 213 (g) (3) (E); Social Security Act §§ 2002(e).)

To further guard against financial hardship, annual limits on the total amount of co-payments which may be required in any one year are provided. These limitations are income-related and range from $50 to $1,000 (I.R.C. §§ 280(c) (9) (B) and Social Security §§ 2002(f) (1)).

SUBTITLE B AND C

Qualified employee and individual healthcare plans

Subtitles B and C of the bill provide significant federal income tax incentives to stimulate the extension of comprehensive health care insurance under qualifying privately financed plans maintained by employers for employees, or by individuals for themselves and their dependents.

Qualified employee healthcare plans

Section 511: The bill amends the Internal Revenue Code to restrict the federal income tax deduction otherwise allowable to an employer for any amount paid or incurred by the employer for medical care of any employee or his dependents. This deduction is restricted to 50 percent of the described expense for medical care of the employee paid or incurred in 1975, 25 percent of that expense in 1976, and is completely eliminated thereafter. However, if the employer establishes and maintains a Qualified Employee Healthcare Plan, the restriction will not apply, and 100 percent of the described expense is deductible. This section is applicable to taxable years ending after December 31, 1974, except that, in the case of any employer plan providing medical care for employees which was established pursuant to a collectively-bargained agreeemnt, the restrictions on the deduction will not apply until the expiration of the agreement, or December 31, 1976, whichever occurs first.

Each Qualified Employee Healthcare Plan must provide at least the Minimum Standard Healthcare Benefits described in Subtitle A. A qualified plan must be in writing, adopted by the employer, and communicated to his employees. Substantially all active full-time employees must be eligible to be covered, and the coverage must continue upon certain terminations of employment or certain temporary absences of the employee. A limitation is placed on employee contributions to the plan scaled to wages. A coordination of benefits provision must be included in a qualified plan to avoid costly duplication of coverage. The plan also must permit eligible employees to seek coverage instead from any approved health maintenance organization in cases which specified conditions are satisfied.

Qualified individual healthcare plans

Section 521: The Internal Revenue Code presently restricts an individual's deduction for his expenses paid for insurance which constitutes medical care to an amount (not in excess of $150) equal to 50 percent of the amount actually paid. The portion of the expense not so deductible may be deducted only to the extent that it exceeds 3 percent of adjusted gross income. The bill amends the Internal Revenue Code, for taxable years commencing after December 31, 1974, to remove these restrictions and to allow 100 percent of medical care insurance premiums as a deduction, if such expenses are paid by an individual who is covered by a Qualified Individual Healthcare Plan, a Qualified Employee Healthcare Plan, or a Qualified State Healthcare Plan.

Each Qualified Individual Healthcare Plan must provide at least the Minimum Standard Healthcare Benefits described in Subtitle A. A qualified individual insurance contract must contain provisions which obligate the insurer to renew the policy, and allow covered dependents to continue their coverage under the policy after the death of the insured as if he were still alive.

SUBTITLE D

Grants to States for qualified State healthcare plans for the needy and uninsurable

Section 531: The bill adds a new Title XX to the Social Security Act to provide for the establishment of publicly subsidized health care insurance plans on a state by state basis. Each state will have a health insurance pool, which all private entities in that state (both profit and non-profit) which currently indemnify the cost of health care would be required to underwrite. One or more private insurance carriers will be designated by the state to administer the state plan on a retention accounting basis. These state plans will guarantee that Minimum Standard Healthcare Benefits are made available to individuals and families who previously were unable to purchase health care insurance, either because of their low income or their extremely poor health (secs. 2001; 2002(a); 2002(d); 2003(a); 2003(b); 2010; 2015(d) of Title XX).

Individuals or families who are eligible to receive public cash assistance under a program financed in whole or in part by federal funds will be enrolled in the state plan automatically, and without cost. Those individuals who are financially capable of procuring health insurance, but who are uninsurable because of poor health, may enroll in the state plan at their own expense; however, these individuals may not be charged more than the established rate for other individuals enrolled in that state plan. Enrollment of other individuals and families who had low incomes the previous year (less than $4,000 for single individuals, less than $6,000 for a family of two, and less than $8,000 for a family of three or more) is voluntary. Such individuals and families would elect to be enrolled once each year and would be required to make modest contributions toward the cost of insuring their own health care, depending on the size of their family and the amount of their income. No assets or other means tests are required (secs. 2003(a); 2003(b); 2005(a); 2005(c); 2006(a); 2006(b) of Title XX).

The premiums to be charged for each policy year under a state plan will be actuarially determined in each state, and for each family size risk category. The established premiums are subject to annual review by designated federal and state agencies, and if the premiums are found to be unjustifiably high within a particular state, the Secretary of Health, Education, and Welfare may direct a reduction in the federal appropriation for that state's premium cost. Each state has the primary obligation to provide the uncontributed premium cost for its plan; but if the state implements and utilizes controls which are designed to promote the delivery of lower-cost higher-quality institutional health care services, if it exempts Qualified State Healthcare Plan transactions from state taxation, and if it eliminates discriminatory state tax treatment among domestic health care insurers, then the state will receive federal appropriations reimbursing it for a percentage of its total uncontributed premium cost. This federal percentage reimbursement is greater in poor states than in richer states. The base figure may be between 70 and 90 percent, depending on the state's per capita income, but further adjustments to this percentage may be made if institutional rates charged in any particular state for health care services are unjustifiably high in comparison with other states. States are given the authority to review in advance the rates to be charged by health care institutions for their services, and to refuse to approve these rates for payment under the state plan. The cost and quality of health care services provided by physicians and other medical practitioners will be controlled in each state.

A professional service, otherwise covered by these state plans, shall be reimbursed only if it falls within professionally established utilization guidelines or is found to be necessary health care by a qualified peer review committee. Furthermore, no charge for a necessary service shall be reimbursed to the extent that it exceeds the prevailing charge in a locality for similar services (secs. 2002 (f) (2); 2004; 2006 (e); 2008; 2009; 2010(c) (3); 2012(a); 2012(d); 2014 of Title XX).

If the premiums collected and other monies received under the state plan are not sufficient to pay the claims incurred and the other costs of operating the state plan, the private underwriters of the plan shall bear the losses to the extent of 3 percent of the premiums collected for that year. The state will bear the excess losses and will receive a federal appropriation reimbursing it for that portion of the excess losses equal to the base federal percentage for that state's premium costs (secs. 2010 and 2012(b) of Title XX).

To avoid costly duplication of coverage, enrollment is not available to those individuals or families covered under a Qualified Employee Health Care Plan; enrollment is not generally available to classes of individuals or families who will receive substantially all of their medical care under a non-Social Security federal or state program; all eligible state plan enrollees must have Medicare Part B supplementary medical insurance coverage, the material cost of which would be borne by the state and the benefits of which would be coordinated with state plan benefits (secs. 2002(f) (3); 2003(a) (2); 2003 (a) (3); 2013 of Title XX).

Specific provision is made in the bill (sec. 2012(a) of Title XX) to protect the federal government against having to bear such part of the cost of a Qualified State Healthcare Plan as may be attributable to a state's decision to have the plan provide greater benefits than the minimum required for qualification under Title XX.

Applicants for enrollment in the state plan must provide and certify all information required to make an eligibility determination. Any federal or state agency may be required to furnish information deemed by the administering carrier to be necessary to verify eligibility (secs. 2005 and 2011 of Title XX).

Capital, surplus, and reserve requirements are provided to protect claimants against the insolvency of any underwriter of qualified healthcare plans. A mechanism for making assessments against other carriers in case of an insolvency is also provided (sec. 2016 of Title XX).

Carrier compliance

The bill requires insurance carriers to pool their efforts and resources to insure that all individuals and families will receive higher-quality, lower-cost health care benefits. This section provides that these carriers will not be subject to federal or state antitrust legislation solely as a result of their efforts to comply with the provisions of the bill.

Conforming amendments to title XVIII of the Social Security Act

Section 533: Individuals and families eligible for enrollment in the Medicare Part B supplementary medical insurance program are required to be enrolled in said program as a condition for enrollment in a Qualified State Healthcare Plan. Section 1837 of Title VIII of the Social Security Act is amended by the bill to remove existing limitations on Medicare Part B enrollment which might prevent otherwise eligible state plan enrollees from qualifying for Qualified State Healthcare Plan coverage. Each state which has a Qualified State Healthcare Plan is required to pay the premium for supplementary medical insurance benefits under Part B of Title XVIII of the Social Security Act for individuals and families who are eligible to enroll in the Part B program and who are also eligible to receive public cash assistance under a federally financed program. Section 1843 of Title XVIII is amended by the bill to allow a state to enter into arrangement with the Secretary of Health, Education, and Welfare pursuant to which all of these indigent state plan enrollees will be enrolled under the program estabished by Part B of Title XVIII.

Conforming amendments to title XIX of the Social Security Act

Section 534: The bill amends Title XIX of the Social Security Act (Grants to States for Medical Assistance Programs) to avoid unnecessary and costly duplication of federally subsidized health care programs. Title XIX presently pays for the cost of various medical items and services which will be required to be provided under Qualified State Healthcare Plans. On July 1, 1975, or upon a state's establishment of a Qualified State Healthcare Plan, whichever occurs first, payment for items and services now covered under Title XIX would be excluded if they also would be covered under a Qualified State Healthcare Plan. Title XIX will continue to pay for items and services which are not covered by Qualified State Healthcare Plans.

Conforming amendments regarding "reasonable cost"

Section 535: The bill (sec. 531 of the bill and secs. 2002(f)(2); 2008; and 2009 of the new Title XX it adds) establishes standards for strengthening controls over the quality and cost to enrollees for health care services provided by physicians or other medical practitioners and for health care services rendered to state plan enrollees in health care institutions. The bill provides that these standards shall apply to determine "reasonable cost" under the existing federally subsidized health care programs established by titles V, XVIII, and XIX of the Social Security Act.

Conforming amendments to the Internal Revenue Code

Section 536: The premiums and other monies received pursuant to the operation of a Qualified State Healthcare Plan will, to the extent feasible, be invested by the administering carrier in interest-bearing obligations and other income-yielding securities. The bill amends Section 115 of the Internal Revenue Code to exempt this interest or other income from federal income taxation.

Effective date

Section 537: Sections 531, 532, 533, 534, 535, 536, and 537 of the bill are to become effective upon enactment, except that Qualified State Healthcare Plans will not provide benefits before July 1, 1974.

By Mr. HART:

S. 1103. A bill to provide for public financing of campaigns for nomination for election, or election, to the Congress of the United States. Referred to the Committee on Rules and Administration.

CONGRESSIONAL ELECTION FINANCE ACT OF 1973

Mr. HART. Mr. President, I send to the desk for appropriate reference the Congressional Election Finance Act of 1973, a bill to provide adequate public subsidies for primary and general election campaigns for the Senate and the House of Representatives.

The bill is not designed to cure all the defects and strains in the present process of election campaigns. Its primary goal is to permit serious candidates to avoid reliance on large private contributions.

At this point I ask unanimous consent that a copy of the bill, together with a short memorandum describing its operation, a section-by-section analysis, and a table indicating the subsidies afforded Senatorial candidates from each State, be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1, 2, 3, and 4.)

Mr. HART. Mr. President, in 1971, under the dedicated and effective leadership of the senior Senator from Rhode Island (Mr. PASTORE) the Congress finally cut the Gordian knot of campaign regulation and passed the first major revision of our campaign financing laws in almost half a century, the Federal Election Campaign Act under which candidates operated in 1972. Hopefully, we can build upon that landmark without waiting another half century. Certainly the news stories of the past 12 months and the public disgust they have generated should convince us that it is time we traveled further down the road toward a healthy political climate at campaign time.

Teddy Roosevelt and Harry Truman both concluded, after serving in Government at every level, that we should subsidize our election campaigns. I believe they were right. Let us not beat about the bush. As I emphasized during the so-called ITT hearings on Mr. Kleindienst's nomination as Attorney General last year, big money contributors can only be relieved of excessive influence—or what is as bad, the appearance of influence in the eyes of a wisely distrustful electorate—if politicians are relieved of excessive dependence on big money contributors.

I know that many will regard this as a new raid on the Treasury by greedy office holders. But I think many people, upon reflection, will realize that this will be as wise an investment as a democracy can make. When a politician's success depends on a combination of dollars and votes, the Nation is clearly less democratic than it would be if victory depended on votes alone. Congress annually disposes of a Federal budget in the hundreds of billions of dollars and takes actions with tremendous impact on a trillion-dollar economy, not to mention their impact on the incalculable values of our health, safety, and liberty. Surely in that context public campaign subsidies would be a growth stock for everyone.

Let me indicate briefly what this bill involves, and what it does not involve. First, the bill does not force every congressional candidate to operate under its provisions. Instead, it offers a two track system. It would still be possible for a House or Senate candidate to refuse Federal moneys and to run a campaign in the traditional manner raising the money himself under the limits of existing law. But that candidate in all likelihood would have to be prepared to be labeled as the beneficiary of big-money contributors.

Second, the bill would not apply to presidential elections in regard to which Congress has already endorsed the general concept of publically arranged financing by enacting the tax checkoff provision of the 1971 Revenue Act.

Third, this bill does not seek to tell the candidate how to run his campaign. He is left free to "do his own thing."

What the bill is designed to do is to provide a subsidy adequate to run without further resort to private financing. Senatorial candidates would receive 10 cents for each voting-age person in their State in the primary election and 15 cents in the general. There would be minimum amounts for the smaller States.

These amounts may need to be adjusted in light of hearings, but based on a range of recent expenditures by successful candidates, I believe they would provide enough money for thorough and effective, if not extravagant, campaigns. Nevertheless, in order to permit some "play at the joints" for public involvement and individual participation in the campaign process beyond the ballot box, subsidized candidates could also raise small amounts privately within strict limits. Senate candidates might gather private funds up to 2 cents per voting age resident in the primary and 3 cents in the general. The table I have offered for the RECORD show the amounts—rounded off—this would provide in each State for subsidy and for all expenditures permitted if private funds were also used.

House candidates would receive a subsidy of 14 cents per voting-age resident in the primary election and 20 cents in the general. They could additionally raise private funds up to 3 cents per person in the primary and 5 cents in the general. Since most districts cluster around 300,000 voting-age population, the typical

House candidate would receive a primary subsidy of $40,000 in the primary and $60,000 in the general election. If they used private funds, they could spend a total of $50,000 in the primary and $75,000 in the general.

The possibility of providing subsidies which varied among House districts and also the arguments for providing primary subsidies as large as those in the general election were considered and have merit, but I concluded that, on balance, the disadvantages of each outweigh the rationale for them.

Finally, if a candidate does supplement his subsidy with private funds, no individual or organization may give more than $250 to a Senate or House candidate.

Any candidate who willfully violates the basic provisions of the act is subject to a fine of up to $50,000 or the total amount of his subsidy, whichever is greater as well as up to 5 years in jail.

Minor party candidates would be eligible for Federal funding according to ratios based on the party's previous performance at the ballot box.

Participation is all or nothing. Those receiving Federal funds in the primaries must remain under the act through the general election.

The problem of the frivolous candidate or the political charlatan is one that has always plagued proponents of Federal campaign financing. How do you screen out publicity seekers or other frivolous candidates who might easily be attracted by more Government campaign moneys.

Under my bill no candidate would be eligible for the Federal money until he or she:

Had met all State filing and petition requirements for candidacy.

Had sworn to comply with the act.

Had filed a security deposit amounting to 20 percent of the Federal money the candidate is eligible for.

How does the candidate get the security deposit? He must raise it in small amounts—$250 maximum from each source—from a sizable number of citizens.

If the candidate fails to get 10 percent of the vote in the next election, the security deposit is forfeited to the Government.

If he fails to get 5 percent of the vote, he forfeits the security deposit and, in addition, is personally liable for the return of all Federal campaign funds disbursed to him.

Candidates receiving more than 10 percent of the vote must return the security deposits to donors.

In developing this bill, I have had extremely helpful assistance from a number of private groups and individuals with whom I have worked closely for several months. In particular, Common Cause provided a great number of provisions based on their own work in this area which have been incorporated in this bill and many other valuable suggestions, as well as the analysis based on their monitoring of the 1971 act. The National Committee for an Effective Congress also provided invaluable counsel and the benefit of their long experience in this difficult field.

Neither group, nor anyone else who worked with me on this bill is committed to each and every provision. Nor am I. It is certainly not offered as the optimal solution. Any venture into this morass involves endless hard policy choices, close constitutional questions, and innumerable practical problems to be met. I hope prompt hearings will be held to explore all of these issues further. But I believe this is a plausible scheme which can serve as a vehicle for discussion in the months ahead. It is a reasonable effort to pass constitutional muster under the decisions of the Supreme Court involving the test of equal protection for varying treatment of different parties. And I also believe it meets the requirements of the first amendment.

Above all, it is time Congress took the lead in renewing public interest in public financing of our congressional elections. This bill is an attempt to make a beachhead toward that goal.

EXHIBIT 1

S. 1103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Election Finance Act of 1973".

DECLARATION OF PURPOSE

SEC. 2. It is the purpose of this Act—

(1) to provide public financing of certain costs incurred by candidates campaigning for nominaton for election, or for election, to Congress, thereby increasing the opportunities for meaningful participation in such electoral contests without regard to the financial resources available to individual candidates;

(2) to prevent the relatively few individuals who have access to great wealth from having an excessive influence upon the presentation of competing viewpoints within the political process and from pre-empting the channels of mass communication as candidates or as contributors;

(3) to provide for a determination of the extent to which present expenditure levels in Congressional election campaigns may be substantially higher than necessary for the conduct of a competitive, informative, and effective campaign; and

(4) to reduce the pressure on Congressional candidates for dependence upon large campaign contrbutions from private sources due to unprecedented campaign expenditure levels and the absence of public financial assistance.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Board" means the Congressional Election Board established under section 5:

(2) "Campaign expenditure" means any expenditure incurred by a candidate or any person acting on his behalf in connection with his campaign for nomination for election, or for election to Congressional office during the campaign expenditure period and any such expense incurred prior to the campaign expenditure period for goods or services to be used or rendered during such period. The term "campaign expenditure" shall include amounts expended to qualify as a candidate under State election law including fees, but shall not include any amounts posted as security under section 7(a) (2).

(3) "campaign expenditure period" means the 18-month period preceding the date of the general election for the office which a candidate seeks;

(4) "candidate" means an individual who has taken the steps necessary under applicable law to qualify to have his name appear on a ballot for nomination for election, or for election, to the Congress as a Senator, Representative, Delegate, or Resident Commissioner;

(5) "Candidate Campaign Account" means one bank account established by a candidate for Congressional office in a bank insured by the Federal Deposit Insurance Corporation for the sole purpose of receiving subsidy payments from the Fund and contributions or other monies raised from personal resources.

(6) "Congressional office" means the office of Senator or Representative in or Resident Commissioner or Delegate to, the Congress of the United States;

(7) "contribution" means any

(A) payment, distribution, loan guaranty, deposit or gift of money or anything else of value, to a candidate, his agent or political committee;

(B) payment by any person other than the candidate, his agents, authorized agents or political committees, of compensation for the personal services of another person which are rendered to a candidate's campaign;

(C) goods, advertising or services furnished to a candidate's campaign without charge, or at a rate which is less than the rate normally charged for such goods or services;

(D) payment by any person other than the candidate, his authorized agents or political committees for any goods or services used by a candidate's campaign.

(E) expenditure in connection with any other activity undertaken independently of the candidate's campaign,

made or furnished for the purpose of influencing the results of a primary for the nomination for election, or the results of an election to Congressional office, or for the purpose of paying obligations incurred in connection with such elections.

The term "contribution" shall not be construed to include

(A) personal services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee,

(B) communications by any organization, excluding a political party solely to its members and their families on any subject, and

(C) communications (including advertisements) to any person on any subject by any organization which is organized solely as an issue-oriented organization, which communications neither endorse nor oppose any candidate for Congressional office,

(D) normal billing credit for a period not exceeding 30 days.

(8) "funds" means the Congressional Campaign Assistance Fund established under section 4;

(9) "major party" means—

(A) a political party whose candidate received 25 percent or more of the total number of votes cast for all candidates in any determining election; or

(B) a candidate not affiliated with a political party who, as such a candidate, received 25 percent or more of the total number of votes cast for all candidates in the next preceding general election for the same office as the election for which campaign assistance is sought under this Act;

(10) "minor party" means—

(A) a political party whose candidate received 10 percent or more (but less than 25 percent) of the total number of votes cast for all candidates in any determining election; or

(B) any candidate not affiliated with a political party who, as such a candidate, received 5 percent or more (but less than 25 percent) of the total votes cast in the next preceding general election for the same office as the election for which campaign assistance is sought under this Act;

(11) "determining election" means—

(A) in the case of a candidate for nomination for election, or for election, as a Representative, Delegate, or Resident Commissioner, the most recent general election held for the election of a Representative in the district from which the candidate seeks election, or the most recent gubernatorial election held in the State in which that district is located, or the most recent Presidential election;

(B) in the case of a candidate for nomination for election, or for election, to the office of Senator, the most recent gubernatorial election held in the State in which he seeks election, or the most recent Presidential election;

(12) "Party campaign account" means one bank account established by a national committee or the State central committee of a political party for the sole purpose of receiving contributions for distribution to congressional candidates under this Act.

(13) "person" means individual, partnership, company, association, firm, society, or other organization or group of persons which may lawfully make a political contribution under the laws of the United States and under applicable state law. An organization, and any parent, subsidiary, affiliate or regional branch of such organization shall constitute one "person" for purposes of this Act.

(14) "personal resources of the candidate" means personal funds or property of the candidate and the personal funds or property of this immediate family.

(15) "immediate family" means any child, parent, grandparent, brother, sister, or spouse of the candidate, any dependent of the candidate or of his spouse as defined by the Internal Revenue Code of 1954, and the spouse of any such individuals.

(16) "State" means each of the United States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

(17) "voting age population" means resident population, eighteen years of age or older. Within sixty days after the date of enactment of this Act, and during the first week of January, 1974, and every year thereafter, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

ESTABLISHMENT OF FUND

SEC. 4. There is established within the Treasury a trust fund to be known as the "Congressional Campaign Assistance Fund". There is appropriated to the fund $500,000,000 out of amounts in the general Fund of the Treasury not otherwise appropriated. Any money in the Fund not needed for current operation shall be invested in bonds or other obligations of, or guaranteed by, the United States. The Fund shall remain available without fiscal year limitation and shall consist of such amounts as may be appropriated to it, any interest or other receipts on investments, and amounts otherwise covered into the Fund by the Board under this Act. No amounts shall be transferred out of the Fund except as may be provided in appropriation Acts.

ESTABLISHMENT OF BOARD

SEC. 5. (a) There is established a Congressional Election Finance Board which shall be composed of seven members, not more than three of whom shall be affiliated with the same political party. Members of the Board shall be appointed by the President by and with the advice and consent of the Senate, for a term of six years, except that, of the members first appointed to serve—

(1) three shall be appointed for terms of two years,

(2) two shall be appointed for terms of four years, and

(3) two shall be appointed for terms of six years.

Any individual appointed to fill a vacancy occurring for reasons other than expiration of a term shall be appointed only for the unexpired term of the member whom he succeeds. A member whose term expires shall continue to serve until his successor qualifies.

(b) The members of the Board shall elect a Chairman and Vice-Chairman from among their members to serve for terms of 2 years each. No member elected to be Chairman or Vice-Chairman may succeed himself in such office. The Chairman shall be responsible on behalf of the Board for administrative operations of the Board and shall appoint and fix the compensation of such officers and employees as he deems necessary to assist the Board in the performance of its functions. The Board may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code. The Vice-Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

(c) A vacancy in the Board shall not impair the right of the remaining members to exercise the power of the Board. Three members of the Board shall constittue a quorum.

(d) The Board shall have an official seal which shall be judicially noticed.

(e) At the close of each fiscal year the Board shall report to the Congress and to the President concerning its activities and operations during that fiscal year, including the names, salaries, and duties of all individuals employed by it and the moneys it has disbursed. The Board may make such additional reports to the Congress and to the President on the matters within its jurisdiction, including recommendations for additional legislation, as it deems desirable.

(f) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"(60) Members, Congressional Election Finance Board."

(g) The principle office of the Board shall be in or near the District of Columbia, but it may meet or exercise any of its powers at any other place and, during election campaigns, establish field operations in such locations as it deems appropriate.

DUTIES AND POWERS

SEC. 6. (a) It shall be the duty of the Board—

(1) to develop forms for the making of such reports and statements as it may require;

(2) to prepare and publish a manual setting forth recommended uniform methods of bookkeeping and reporting for use by persons required to make reports and statements under this Act;

(3) to develop a filing, coding, and cross-indexing system consistent with the purposes of this Act;

(4) to make the reports and statements filed with it available for public inspection and copying during regular office hours, and to permit copying by hand, or by copying machine at the expense of the individual requesting the copies;

(5) to preserve such reports and statements for a period of ten years from the date of receipt; and

(6) to do such other things as may be necessary to carry out the provisions of this Act.

(b) In carrying out its duties under subsection (a), the Board shall consult with the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives, and utilize the reporting, filing, and accounting procedures and forms developed by them in carrying out their duties under title III of the Federal Election Campaign Reform Act of 1971 to the greatest extent possible. To the extent the Board determines that its duties under this Act can be satisfactorily performed by using the data available to the Secretary of the Senate and the Clerk of the House of Representatives, it shall not require additional or separate reports to be made to it by any candidate who is complying with the provisions of title III of that Act.

(c) The Board is authorized to prescribe such rules and regulations, to conduct such examinations, and investigations, and to require the keeping of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this Act. Within 180 days of the general election, the Board shall conduct a complete examination and audit of the expenditures made, expenses incurred, and financial assistance received by or on behalf of any candidate who has received assistance under this Act in connection with his primary or general election campaign, and shall furnish to the Congress and the President a report of the results of each such examination and audit.

(d) If the Board determines on the record after an opportunity for a hearing that any portion of the amount transferred out of the Fund to the account of a candidate was in excess of the aggregate amount to which that candidate was entitled under this Act, it shall require the candidate to pay to the Board for covering into the fund an amount equal to such excess less any amounts paid to the Board under section 11 (f). No determination of an overpayment shall be made initially more than one year after the date of such overpayment.

(e) In exercising its authority under this Act, the Board is authorized

(1) to compel the attendance of any person to answer questions under oath relating to the financial matters of any campaign for which transfers have been received from the Fund or relating to any proceeding under Section 14; and

(2) to compel under oath the production for inspection or copying of documents, papers, books, records or other writing relating to the financial matters of any campaign for which transfers have been received from the Fund or relating to any proceeding under Section 14.

Any District Court of the United States within the jurisdiction of which such person is found, or is doing business, shall issue an order, on conditions it deems just, requiring compliance with a valid order of the Board issued under this subsection upon petition by the Board or on a motion to quash by such person.

(f) The Board shall report suspected violations of this Act or any other related statutes to the appropriate law enforcement authority.

ELIGIBILITY FOR ASSISTANCE

SEC. 7. (a) In order to be eligible to receive amounts from the fund, a candidate shall—

(1) file with the Board, at such time and in such manner as it shall require (but not sooner than January 1 of the year in which the election for which he seeks a campaign subsidy is to be held or three months before the primary election for that office, whichever is earlier) a sworn statement in which he agrees

(A) to maintain and make available to the Board such records, books, and other information as the Board may require;

(B) to forfeit to the Fund the security furnished under paragraph (2) if he fails, to receive at least 10 percent of the votes cast in the primary in which he was a candidate, or the votes cast for all candidates in the general election (as the case may be).

(C) to repay into the fund the aggregate amount of transfers made to his account from the fund if he fails to receive at least 5% of the votes cast in the primary in which he was a candidate or the votes cast for all candidates in the general election (as the case may be).

(2) furnish the Board a security deposit in an amount equal to one-fifth of the amount of the subsidy which he is entitled to receive from the Fund in connection with the

election for which he requests assistance (but in no event to be less than $3,000). The security deposit posted under this paragraph is forfeitable to the Board in the event he fails to make a payment required under paragraph (1). A candidate who, having posted security in connection with a party primary election and having won such primary, is the nominee for election of that party, may ask the Board to retain his security in satisfaction of this paragraph for the receipt of subsidies in the general election. The Board shall retain and accept such security for this purpose without any increase being made in the amount of the security.

(3) furnish the Board with evidence satisfactory to the Board that he has qualified under applicable laws for nomination and election to the office which he seeks; and

(4) furnish the Board, in a form prescribed by the Board, a sworn statement of all campaign expenditures made prior to the date of such statement and all contributions received which have been used for campaign expenditures or which remain available for campaign expenditures. The statement shall include the date, amount and nature of each expenditure, the date and amount of each contribution, and the name, address and, in the case of individuals, the occupation of each contributor. The statement shall also list each amount of the personal resources of the candidate which have been used for campaign expenditures or which remain available for campaign expenditures, the date such amount was made available and the source of the amount.

(5) furnish in a separate statement, with the information required by paragraph (4), all of the contributions and personal resources used to post the security deposit under this section. After the election, if the bond is not forfeited to the Fund pursuant to paragraph (1), the Board shall return to those contributors and sources of personal resources an amount of money equal to their respective contributions.

(b) No candidate shall be eligible to receive transfers to this account from the Fund if he has been convicted of violating any provision of this Act, the Federal Election Campaign Act of 1971, or the Presidential Election Campaign Fund Act.

(c) No candidate shall be eligible to receive transfers to his account from the Fund in connection with his general election campaign unless—

(1) he received such transfers in connection with his primary election campaign.

(2) he was not a candidate for nomination for election in any primary election held for the selection of candidates for election to the office to which he seeks election, or

(d) Any candidate who has received transfers to his account from the Fund in connection with his primary campaign shall be subject to the provisions of this Act, in any general election campaign for the same office, without regard to whether he seeks transfers in connection with the general election.

(e) The Board shall promptly notify any candidate who applies for assistance from the Fund if he is eligible to receive transfers from the Fund, together with a verification of the total amount to which he is entitled in connection with his primary election campaign and the total amount which he would be entitled in connection with his general election campaign, should he be nominated in the primary.

PAYMENTS FROM THE FUND

SEC. 8. (a) Upon application made by a qualified candidate, the Board shall transfer to the bank account designated by the candidate, the amount to which he is entitled from the Fund for payment of his campaign expenses. The amount to which a candidate is entitled shall be transferred in approximately equal installments paid not less frequently than monthly during the period beginning on the date the candidate is notified of his eligibility and ending on the date of the election. Amounts determined under section 10(d) shall be transferred not later than 30 days after the date of the appropriate election.

(b) The Board may, upon demonstration of reasonable need by the candidate under procedures prescribed by the Board, make transfers to the candidate from the Fund in uneven amounts as requested by the candidate.

(c) Prior to receipt of the second, and any subsequent transfers from the Fund to the candidate's account under section 8(a), the candidate shall furnish the Board with a report of all contributions received, all amounts made available from the candidate's personal resources to the campaign, and all expenditures made since the last report. The report shall include the same information regarding each such expenditure, contribution and amount made available from the personal resources of the candidate as is required in the application for subsidies under section 7(a) (4).

(d) If, on the date a candidate for nomination for election to congressional office becomes eligible for transfers from the fund, no other candidate has qualified for that primary under State law, the eligible candidate shall receive in the manner prescribed by subsections (a), (b), and (c), no more than one-third of the subsidy to which he is entitled under section 10. If, at any subsequent time prior to the deadline for filing, another person qualifies under state law to oppose him, then the Board shall transfer, in the same manner, the remaining two-thirds of the subsidy to which the eligible candidate is entitled. No candidate who receives subsidies under this Act, nor anyone acting on his behalf, shall procure the candidacy of another as an opponent.

(e) Whenever the Board determines that amounts remaining in, or available to, the fund will be, or may be expected to be, inadequate to meet obligations arising under this section, it shall—

(1) advise the Congress of its determination, together with a recommendation concerning the amount which must be added to the fund in order to meet fully such obligations during the current fiscal year; and

(2) notify by registered or certified mail each candidate currently entitled to receive transfers from the fund that the amount which is available to him under the provisions of this title may be reduced.

(f) Whenever the Board makes a determination under subsection (c), it shall reduce the amount available for transfer to the account of each candidate by a percentage equal to the percentage obtained by dividing (1) the total amount to which all qualified candidates who have made application at the time of such determination to receive amounts from the Fund are entitled (less any amounts already transferred at such time to such candidates) into (2) the amount remaining in the Fund at the time of such determination. If additional qualified candidates make application thereafter, the Board shall make such further reductions in amounts transferable as it deems necessary to carry out the purposes of this Act. The Board shall notify such candidates by registered mail of the reduced amounts available to them. If, as a result of a reduction under this subsection in the amount available to any candidate, transfers have been made from the Fund to the candidate's account in excess of the amount to which he is entitled, such candidate shall be liable for repayment to the Fund of the excess under such procedures as the Board may prescribe by regulation. If it is necessary to reduce the amount transferable out of the Fund to a candidate's account, the Board shall increase the amounts which that candidate may receive as contributions under section 11 (b), (c), or (d) by an amount equal to the amount of the reduction.

PAYMENTS FROM CANDIDATES ACCOUNTS

SEC. 9. (a) Each candidate making application for the transfer of money from the Fund to his account under section (8) shall establish a single Candidate Campaign Account in a bank insured by the Federal Deposit Insurance Corporation for the sole purposes of receiving transfers from the Fund and private monies received for use in the campaign and for making campaign expenditures.

(b) All payments received from the Fund, and all contributions or personal resources of the candidate to be used for campaign expenditures shall be deposited in the Candidate Campaign Account. Each deposit made in the Account shall be accompanied by a short statement, in the form prescribed by the Board, showing each payment from the Fund, contribution or amount of personal resources deposited, the date each contribution was received and each amount of personal resources was made available, and the name, address and, in the case of individuals, occupation of each contributor and of the source of the personal resources. The statement shall be verified as to the amounts deposited by the depository and then transmitted to the Board within 14 days after the deposit is made. The depository shall furnish to the Board at least every fourteen days a statement of all withdrawals made from the Account.

(c) The candidate shall designate for purposes of this Act by writing, filed with the Board, an individual or individuals (not to exceed three) who shall be authorized, in addition to the candidate, to withdraw funds from the Campaign Account and who each shall share responsibility with the candidate, jointly and individually, for compliance with the provisions of this Act.

(d) No person authorized to make withdrawals from the Candidate Campaign Account shall pay any amount out of that Account for goods, or services furnished, other than staff salaries, except upon the presentation of an invoice submitted by the person to whom the payment is to be made. The invoice shall describe the goods or services furnished to or for the benefit of the candidate, and shall be accompanied by a sworn statement executed by that person certifying that the charges are not in excess of amounts usually charged by him for similar goods and services, and containing such other information as may be required by the Board. Such invoices and statements shall be preserved by the candidate and made available for reasonable inspection by employees of the Board. Copies of the invoices and statements shall be furnished to the Board upon request.

DETERMINATION OF AMOUNTS TRANSFERABLE

SEC. 10 (a) The amount which may be transferred out of the Fund under section 8 to the Account of a major party candidate for nomination for election, or election, to the office of Senator is

(1) in connection with a primary election campaign, the greater of—

(A) 10 cents multiplied by the voting age population of the State from which he seeks to be nominated for election, or

(B) $75,000

(2) in connection with a general election campaign, the greater of—

(A) 15 multiplied by the voting age population of the State from which he seeks election, or

(B) $150,000.

(b) (1) The amount which may be transferred out of the Fund under section 8 of the Account of a major party candidate for nomination for election to the office of Representative, Delegate or Resident Commissioner in connection with his primary election campaign is an amount not in excess of

14 cents multiplied by the voting age population of the district in which he seeks nomination. The amount transferable out of the Fund for the general election campaign expenses of a candidate for election to such office shall not exceed 20 cents multiplied by the voting age population of the district from which he seeks election.

(b) (2) A major party candidate for nomination for election, or for election to the office of Representative in an at-large district for an entire state shall be entitled to receive the same amount which a candidate for Senator from that State would be entitled to receive in connection with the primary election or the general election (as the case may be). An at-large candidate for Representative also is entitled to receive contributions and use personal resources pursuant to section 11 in an amount equal to the amount which a candidate for Senator in that state would be entitled to receive or use in a primary election or a general election (as the case may be).

(c) (1) The amount transferable out of the Fund to the Account of a minor party candidate shall not exceed the greater of—

(A) one-fifth of the amount transferable under section 8 to the Account of a major party candidate for nomination for election, or for election (as the case may be) to the same office, or

(B) an amount which bears the same ratio to the amount transferable under Section 8 to the Account of a major party candidate for the nomination for election, or for election (as the case may be) to the same office as the number of popular votes received by the candidate of that minor party in the preceding general election for that office bears to the number of popular votes received by the candidate of the major party who received the lowest number of votes.

(c) (2) The amount transferable from the Fund to the account of a candidate of any party who fails to qualify as either a major party candidate or a minor party candidate shall not exceed the greater of—

(A) one-tenth of the amount transferrable under section 8 to the account of a major party candidate for nomination for election, or for election (as the case may be) to the same office, or

(B) an amount which bears the same ratio to the amount transferrable under section 8 to the Account of a major party candidate for the nomination for election, or for election, to (as the case may be) to the same office as the number of popular votes received by the candidate of applicant candidate's party in the preceding general election for that office bears to the number of popular votes received by the candidate of the major party who received the lowest number of votes.

(d) (1) A minor party candidate who receives more than 25 percent of the total votes cast for all candidates for nomination for election, or for election, to the office sought by the candidate may have additional amounts transferred out of the Fund for campaign expenses incurred by him in connection with his campaign. The total amount of such additional transfers may not exceed the difference between the amount to which he was entitled as a minor party candidate and the amount to which he would have been entitled had he been a major party candidate, reduced by the amount, if any, of contributions he received in accordance with section 11(f) which is in excess of the amount of contributions he could have received as a major party candidate under subsection (d) or (e) of section 11.

(2) A candidate who does not qualify as a major party candidate or as a minor party candidate, but who receives 10 percent or more (but less than 25 percent) of the total votes cast for all candidates for nomination for election, or for election, to the office sought by that candidate may have amounts transferred out of the fund to his account in an amount equal to the amount to which he would have been entitled had he been a minor party candidate. If such a candidate receives 25 percent or more of the total votes so cast, he may have amounts transferred out of the fund in an amount equal to the amount to which he would have been entitled had he been considered a major party candidate.

(3) No amount shall be transferred under this subsection to the account of any candidate in excess of the amount by which that candidate's outstanding campaign debts exceed the campaign funds available to that candidate other than under this subsection.

(e) The amount which may be transferred out of the Fund under section 8 to the account of a candidate who is a candidate in a runoff election shall be an amount equal to the amount which was transferable to his account in connection with his campaign preceding the election which made the runoff election necessary, except that the determination of whether he is a major party candidate or a minor party candidate shall be based upon the percentage of the vote received by him in that election.

(f) No amount in excess of 30 percent of the amount transferred from the Fund to a candidate's account for a particular election campaign shall be payable as salary, or reimbursement of personal expenses, to all persons employed by or on behalf of that candidate for purposes of that campaign.

(g) For the purpose of determining the amount which is transferable from the Fund for any candidate who seeks nomination for election or election to the House of Representatives from a district which has been established or whose boundaries have been altered since the next preceding general election for such office, the calculation of such amount shall be made by the Secretary based upon the number of votes cast in the next preceding general election for such office by voters residing within the area encompassed by the new or altered district.

(h) The amount made available from the Fund for the payment of campaign expenses incurred in connection with a primary election campaign may not be expended for any debt incurred after the date on which such election is held. No amount made available for the payment of campaign expenses incurred in connection with a general election campaign may be expended for any debt incurred in connection with a primary election campaign.

(j) (1) (for the purpose of paragraph (2)):

(A) The term "price index" means the average over a calendar year of the Consumer Price Index (all items—United States city average) compiled monthly by the Bureau of Labor Statistics.

"(B) The term 'base period' means the calendar year 1970.

"(2) At the beginning of each calendar year (commencing in 1974), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Attorney General and publish in the Federal Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under this section and section 11 shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

LIMITATIONS ON NON-FUND

SEC. 11. (a) Any candidate who receives transfers out of the Fund under section 8 to his account shall be entitled to receive contributions and utilize personal resources for his campaign, subject to the limitations set forth in this section.

(b) In the case of a major party candidate for nomination for election, or for election, to the office of United States Senator who receives a transfer from the Fund, the candidate may, in addition, receive contributions and utilize personal resources which, in the aggregate, do not exceed the following amounts—

(1) in connection with a primary election campaign, the greater of—

(A) 2 cents multiplied by the voting age population of the State from which he seeks to be nominated for election, or

(B) an amount which, when added to the amount transferable out of the Fund for his primary election campaign expenses, totals $100,000; and

(2) in connection with a general election campaign, the greater of—

(A) 5 cents multiplied by the voting age population of the State from which he seeks election, or

(B) an amount which, when added to the amount transferable out of the Fund for his general election campaign expenses, totals $200,000.

(c) In the case of a major party candidate for nomination for election, or election, as United States Representative, Delegate, or Resident Commissioner who receives a transfer from the Fund, the candidate may, in addition, receive contributions and utilize personal resources which, in the aggregate do not exceed—

(1) 3 cents multiplied by the voting age population of the district from which he seeks nomination for election, in a primary election campaign, and

(2) 5 cents multiplied by the voting age population of the district from which he seeks election, in a general election campaign.

(d) Any other candidate who has a transfer made out of the Fund to his campaign account may receive contributions, in addition to any such transfers made out of the Fund, in an amount which, when added to the total amount transferable out of the Fund for use in his campaign equals the total amount (including transfers from the Fund, and the permitted amount of contributions and personal resources) available to a major party candidate in connection with his campaign for the same office.

(e) Funds obtained by a candidate in accordance with the provisions of subsection (b), (c), or (d) in connection with a primary election campaign which are not needed for the payment of primary election campaign expenses may be used to defray general election campaign expenses, but only if the amount of funds so used has been offset by the Board in determining the total amount of additional funds which may be obtained by contribution for the payment of general election campaign expenses so that the total amount of such funds available for expenditure in connection with the candidate's general election campaign is not in excess of the applicable limitation. Funds obtained by a candidate in accordance with the provisions of such subsections which are not needed for the payment of campaign expenses shall be paid to the Board for covering into the Fund within 120 days after.

LIMITATIONS ON INDIVIDUAL CONTRIBUTIONS

SEC. 12. (a) No candidate who has amounts transferred from the Fund in connection with his campaign (or, who, because of the application of section 8(c), fails to receive amounts to which he is otherwise entitled) shall—

(1) receive contributions from any person in connection with his primary election campaign, his general election campaign or the posting of security under section 7(a) (2) which, in the aggregate, exceed $250.

(2) raise additional private funds from his personal resources for use in connection with his primary election campaign, or his general election campaign which, in the aggregate, exceed $250

(3) raise additional private funds from his

personal resources for use in connection with the posting of security under section 7(a) (2) which, in the aggregate, exceed $250

(b) No person shall make contributions to any candidate receiving assistance under this Act which, in the aggregate, exceed the limitations imposed by this section.

(c) In the event that a candidate, his agent or political committees receive a contribution in violation of this section or a contribution which, in conjunction with other contributions received exceeds the maximum amount of contributions that candidate is permitted to receive under section 13, such contribution excess portion thereof shall be returned to the donor or paid to the Board for covering into the Fund pursuant to subsection (f) of this section.

(d) No person shall make a contribution to a candidate for nomination for the election, or for the election to Congressional office in the name of another person, and no person shall knowingly accept such a contribution.

(e) The limitations of this section shall apply to any contribution within the campaign expenditure period and any contribution made prior to such period which is used for campaign expenditures.

(f) Contributions permitted each person under this section may not be made under any pooling arrangement or any other formal or informal arrangement for combining such contributions. The preceding sentence shall apply to contributions not counted in determining compliance with sections 11 and 13 by reason of subsection 13(b).

LIMITATIONS ON CAMPAIGN EXPENDITURES

SEC. 13 (a) No candidate who receives transfers from the Fund to his account in connection with any election campaign may make campaign expenditures in connection with that campaign in excess of the sum of (1) the amount transferred to his account under section 8 and (2) the amount of contributions he may receive and personal resources he may utilize under section 11.

(b) For purposes of this section and section 11, contributions and expenditures shall not be included in determining compliance with the limitations imposed if such amounts are expended as contributions within the meaning of section 3(7)(E) and the independent activity is undertaken unilaterally by the contributor and not at the request or suggestion of the candidate, his agents or political committees nor in cooperation with them.

POLITICAL PARTY CAMPAIGN FUND ASSISTANCE

SEC. 14. (a) The national committee of a political party and the central committee in each State of a political party may, in addition to the contribution permitted any "person" under section 12, underwrite all or a portion of the private campaign financing permitted candidates governed by this Act in accordance with the provisions of this section.

(b) The national committee or central State committee shall establish a party campaign account for the purpose of receiving contributions for distribution to congressional candidates of its party in the general election who receive any transfers from the Fund under this Act.

(c) The national or central State committee shall open a single bank account as its party campaign account and register the account with the Board.

(d) No moneys shall be deposited in a party campaign account except individual contributions made expressly to such account, and no person may make contributions to any one such account which, in the aggregate, exceed $250. No such contribution shall be earmarked, expressly or by informal arrangement, for a particular candidate.

(e) Each deposit made in the account shall be accompanied by a short statement, in the form prescribed by the Board, showing the amount and date of each contribution included in that deposit, and the name, address, and in the case of individuals, occupation of the contributor. Such statement shall be verified by the depository as to the amount deposited, to be then transmitted to the Board within one month after the deposit is made. The depository shall furnish to the Board at least monthly a statement of all withdrawals made from the account and the payee of each withdrawal.

(f) The treasurer of the committee establishing the account shall be the only person authorized to make withdrawals from the account. Payments may only be made from the Account—

(1) in the case of an Account established by a State central committee, to the candidate campaign account of a candidate of that party for election to congressional office from that State, and

(2) in the case of an Account established by a national committee, to the candidate campaign account of a candidate of that party for election to congressional office.

(g) The amount transferrable from any party campaign account to a candidate campaign account shall not be in excess of the total amount of private contributions the candidate is permitted to receive under section 11, and any amounts transferred shall be counted with other contributions in determining compliance with that section.

(h) The contributions permitted under this section shall be in addition to the amount of contribution which a person may make under section 12 of this Act.

ENFORCEMENT AGAINST VIOLATIONS

SEC. 15. (a) The Board is empowered, as hereinafter provided, to prevent any person from engaging in any acts or practices which constitute or will constitute a violation of any provisions of this Act or any regulation or order issued thereunder.

(b) Any person who believes a violation of this Act has occurred may file a complaint with the Board. If the Board determines there is reason to believe such a violation has occurred, it shall expeditiously make an investigation, which shall also include an investigation of the campaign finances of the complainant if he is a candidate of the matter complained of.

(c) Whenever a charge is filed—

(1) by the Board, or

(2) by or on behalf of a person claiming to be aggrieved, the Board shall serve notice of the charge (including the specific nature of the alleged violation) on such person expeditiously and shall make an investigation thereof. Charges shall be in writing under oath or affirmation and shall contain such information and be in such form as the Board requires. The Board shall make a determination on reasonable cause expeditiously and so far as practicable not later than ten days from the filing of the charge.

(d) Whenever in the judgment of the Board there is reasonable cause to believe any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act or any regulation or order issued thereunder, the Board shall hold a public hearing after affording due notice and an opportunity for a hearing by all parties, including the complainant and promptly issue its findings and an appropriate order.

(e) If the respondent fails to comply with the findings and order of the Board, the Board shall bring a civil action against any respondent named in the charge. The person or persons aggrieved by the violation shall have the right to intervene in a civil action brought by the Board. If a charge filed with the Board pursuant to subsection (b) is dismissed by the Board, if within ten days from the filing of such charge, the Board has not held a public hearing on such charge, or if within five days from the date of issuance of an order pursuant to subsection (d) the Board has not filed a civil action under this section and the violation has not been corrected, a civil action may be brought against the respondent named in the charge or against the Board (A) by the person aggrieved.

REVIEW OF BOARD DETERMINATIONS

SEC. 16. (a) Any candidate for nomination for election or for election to congressional office who is aggrieved by—

(1) a determination of ineligibility under Section 7(d) to receive transfers from the Fund;

(2) the determination by the Board of the candidate's participation in the operable to receive; or

(3) any other determination, action or failure to act by the Board with respect to the candidate's participation in the operation of this Act may petition the Board for a prompt hearing on its determination, action or failure to act.

(b) The Board shall order such a hearing held on the record, with the opportunity to be heard and present evidence, expeditiously and at a location reasonably convenient to the candidate.

(c) If, after the hearing on the petition, the Board does not reverse or revise its determination, action or failure to act, and the petitioner remains aggrieved, he may bring a civil action for judicial review of the matter.

JURISDICTION OF DISTRICT COURTS

SEC. 17. (a) Each United States district court shall have jurisdiction of actions brought under this Act. Such action may be brought in the U.S. district court for the District of Columbia, in the U.S. district court for the judicial district in the State in which the unlawful action or practice is alleged to have been committed, or in the U.S. district court for judicial district in which the candidate who has or may benefit from the action of the respondent is running for federal elective office.

(b) In any action brought under this Act the summons and subpenas for witnesses may run into any other district.

(c) Any action (or appeal therefrom) brought under this Act shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this Act), to the greatest possible extent.

SEC. 18(a). Penalties. A willful violation of the contribution or expenditure limits imposed by sections 12(a), 12(c) and 13, or a willful misuse of any transfers received from the Fund, or a willful falsification of any record or statement required to be submitted or retained by the candidate under this Act shall be punishable by a fine of not less than $5,000, nor more than $50,000 or the total amount of transfers received from the Fund whichever is greater, and not less than six months nor more than five years' imprisonment.

(b) Violation of any other provision of this Act, or of any rule or regulation promulgated by the Board under this Act, shall be punishable by a fine of not more than $10,000, or imprisonment for not more than one year, or both.

(c) Except in prosecutions for willful falsification of records or statements under subsection (a), no evidence obtained from any record, statement or application required to be kept or submitted by a natural person by this Act shall be used, directly or indirectly, as evidence in a criminal proceeding, against that person with respect to a violation occurring prior to or concurrently with the filing of such statement or application or the making of such record.

SEC. 19. State Laws Not Affected. Nothing in this Act shall be considered to invalidate or make inapplicable any provision of any state law, except where compliance with that provision of law would result in a violation of a provision of this Act.

Sec. 20. Relationship To Other Federal Election Laws. (a) The Board shall consult from time to time with the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives, the Federal Communication Commission and with other Federal officers charged with the administration of laws relating to Federal elections, in order to develop as much consistency and coordination with the administration of such other laws as the provisions of this Act permit. The Board shall use the same or comparable data as that used in the administration of such other laws whenever possible.

(b) (1) Section 301(e) of the Federal Election Campaign Reform Act of 1971 is amended by—

(A) striking "and" at the end of paragraph (4); and

(B) redesignating paragraph (5) as (6), and inserting after paragraph (4) the following new paragraph:

"(5) a transfer of funds to a candidate's account made out of the Congressional Campaign Assistance Fund under section 8 of the Congressional Election Finance Act of 1973; and".

(2) Section 301(f) of the Federal Election Campaign Reform Act of 1971 is amended by—

(A) striking "and" at the end of paragraph (2);

(B) inserting "and" after the semicolon in paragraph (3); and

(C) inserting at the end of subsection (f) the following new paragraph:

"(4) a payment of campaign expenses made out of amounts received from the Congressional Campaign Assistance Fund under section 8 of the Congressional Election Finance Act of 1973;".

SEPARABILITY

Sec. 21. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of this Act and the application of that provision to other persons and circumstances shall not be affected by that holding.

AUTHORIZATION OF APPROPRIATIONS

Sec. 22. (a) There are authorized to be appropriated to the fund such amounts, in addition to the amount initially appropriated under section 4, as may be necessary to carry out the operations of the fund.

(b) There are authorized to be appropriated to the Board such sums as may be necessary to carry out the other provisions of this Act.

EXHIBIT 2

CONGRESSIONAL ELECTION FINANCE ACT OF 1972—SUMMARY OF THE ACT

I. BASIC APPROACH

The major purpose is to permit "serious" candidates for Senator or Representative to run without reliance on private contributions, if they so desire.

It is also hoped that, over time, the very fact that one candidate runs on public money while his opponent is running on large private contributions will itself become a campaign issue. There should be gradually increasing pressure for candidates to take the public-funding route.

A secondary goal is to show that campaign expenditures have spiraled out of hand; to demonstrate that informative, effective campaigns can be run for less than is often spent today.

Also, while the subsidy is intended to be adequate for a thrifty campaign, some play is given to controlled private financing. For major party candidates this would amount to only one-fifth of their total allowable expenditures. The size of the contributions would be strictly limited. This "hybrid" approach leaves room for the positive political involvement of fund raising. It also eases the problem of giving minor party candidates smaller subsidies. The minor party candidate can be permitted to offset this difference by raising more private funds in such amounts that the total expenditures permitted both minor and major party candidates remains equal. Here, the Act demonstrates a way of eliminating the danger or appearance of undue influence by limiting the amount of individual contributions.

II. OPERATION

The Act would operate as follows:

1. A separate fund is established in the Treasury and a Board is created to administer the Act and to dispense subsidies. It would be a seven-member, bipartisan one, with staggered terms.

2. The Board is given general powers to develop reporting methods and implement the Act with more detailed regulations. *To the greatest extent possible,* the Board is to utilize the reporting, filing and accounting procedures and the information required by the 1971 Campaign Reform Act, in order to eliminate duplication and minimize paper work.

3. The Board has subpoena power, can conduct investigations of possible violations and can seek court injunctive relief. A candidate aggrieved by Board action can seek a prompt hearing and Court review.

4. Candidates "qualify" for subsidies by filing a sworn undertaking to comply with the Act and to pay a penalty if they fail to win 10% of the vote in the election for which the subsidy is received—that is, 10% of all the votes in their party's primary if it is a primary subsidy, and 10% of the vote for all candidates if they receive a subsidy for the general elections. If they fail to win even 5% they are liable to repay the full subsidy. These two provisions, would deter frivolous or crank candidates without substantial support.

Second, they file a security deposit which is forfeitable for the payment of this penalty. This security deposit is in the amount of one-fifth of the subsidy they are eligible to receive, with a minimum of $3,000. (See No. 8 for limitations on how this deposit can be raised). However, a successful primary winner can roll over his security and use it for his security in the general election without increasing the amount, even though the general election subsidy is somewhat larger.

Third, they submit proof they have qualified for the ballot under state law.

Fourth, they supply information on contributions and expenditures in connection with their candidacy made prior to that date. Expenditures made in the 18-month period preceding the date of the general election, or before then for goods or services used in that period, and contributions used or still available for such expenditures are covered. This provides a cut-off for determining how far back, before he files, a candidate's private expenditures and contributions will be counted in applying the contribution limits and included in his overall spending limits.[1]

5. The Board notifies eligible candidates. It deposits subsidy installments monthly in a separate account which candidates must set up. The Board may pay the money in uneven amounts upon a reasonable showing by the candidate for such request.

6. The candidate must open a single Campaign Account for the deposit of the subsidy and of all private monies raised. The Board is given periodic reports on all deposits and withdrawals including the source and amount of each contribution. Withdrawals can only be made by the candidate or any of up to three individuals he designates, who *also share legal responsibility* with him for compliance with all provisions of the Act.

7. For calculating subsidies, the Act recognizes three categories of candidates: "major party;" "minor party" and all others.

In Senate races, major party candidates get a subsidy of 10¢ per capita (voting age population) in the primary and 15¢ in the general election. In addition they may raise privately 2¢ per capita for the primary and 3¢ for the general election.

In Michigan, that primary subsidy would amount to $587,500; total primary expenditure would be limited to $705,000. In the general election the subsidy would be $880,000; the total expenditure permitted would be $1,050,250.

For House races, the subsidy would be 14¢ per capita in the primary and 20¢ per capita in the general election. In addition, candidates could raise 3¢ per capita for the primary and 5¢ per capita for the general election.

In a "typical" District (with 300,000 voting age population) this would mean a subsidy of $42,000 in the primary with total expenditure of $51,000. In the general election, the subsidy would be $60,000; and the total expenditure permitted would be $75,000. N.B. *Any* candidate who qualifies to run in the primary of a major party is entitled to these levels of subsidy in the primary.

8. The statute makes explicit that the total expenditures a candidate makes in connection with his campaign may not exceed the sum of (a) the subsidy for which he is eligible, and (b) the amount of private funds he is permitted to raise.

9. The following limitations are placed on the amount of any individual contribution or independent activity undertaken to influence the outcome of an election:

A. A "person" includes any individual, corporation, partnership, or association, etc. Its definition would include unions.

B. "Contribution" is broadly defined *to include* (1) any gift, loan or guarantee of money or anything of value, (2) payment of compensation for personal services which are rendered to the candidate or payment for goods used by the candidate, (3) furnishing goods or services without charge or at less than the usual rate, or, (4) expenditures made in any other activity undertaken independently of the candidate's campaign to promote his candidacy or oppose other candidates. The definition of "contribution *does not* include: (1) personal services provided without compensation by individual volunteers, (2) internal communications by an organization solely[2] to its membership and their families, (3) communications to the general public by an organization which is solely an issue-oriented group, where the communication neither endorses nor opposes particular candidates, and (4) normal billing credit not exceeding 30 days.

C. For purposes of the limit imposed on the amount of contribution from any single source, all contributions—and also the candidate's use of his own and his immediate family personal resources—are treated the same. No "person," whether an individual or organization can contribute in any way, and no candidate or his agent can accept amounts which, in the aggregate exceed $250. Contributions made for use in posting the security deposit, for use in the primary or the general election campaign, and "contributions" in the form of expenditures undertaken independently of the candidate's campaign are cumulative. No person can give, in any of these forms combined, more than $250 to a candidate.

D. Similarly, a candidate's own resources and those of his immediate family cannot in the aggregate (that is, combining amounts from the candidate's own funds, from his children or a sibling, etc.) exceed $250 for his primary and general election campaigns combined. However, he is allowed to use an additional $250 for the security deposit.

Footnotes at end of article.

E. However, for purposes of the limit on the total private funding, a candidate may use, two types of contributions are not counted. First, the amount posted for security—since it cannot be used in the campaign—is not included.

Second, "contributions" in the form of expenditures for independent activity on behalf of a candidate (as opposed to resources in some form or other put at the campaign's disposal) which are not undertaken at the suggestion or request of the candidate are also excluded. (Although as just noted above, they *are* covered by the limit on individual contributions, and for that purpose are cumulative with amounts turned over to the campaign.)

There is an anti-pooling provision, so that an organiztaion which itself is limited to $250 worth of independent activity, could not also arrange for all its members to expend the $300 permitted each of them for independent activity as a fractional payment of, say, an expensive broadcast. To permit that would, in effect, permit the organization to swing the same clout as if it had collected voluntary payments and then purchased a $60,000 spot advertisement as its own independent activity.[3]

10. In addition to limitations on private individuals and organizations, there is a special provision for fund-raising by political parties. In their case, the premise is that because they are a part of the essential political process itself, they may serve as a pooling mechanism for private resources without our worrying about their having undue influence on their party's candidate. This provision is limited to campaign assistance in the general election only. National and state party committees must each set up a single bank account for this purpose, which shall be audited by the Board, as are the candidates' campaign accounts. No funds can be transferred to it from general party coffers. The party may only deposit in this account contributions from individuals or other organizations in an amount not exceeding $100 per person or organization. From this account the national or state level party committee may, in their discretion, contribute to their nominees for the House or Senate in varying amounts for each, up to the total of private funds each candidate is permitted to use in that election. Such funds are included in his over-all expenditures.[4]

In other words, in the case of parties, the limit is put on the intake side; no one can contribute more than $250 to these special party Congressional campaign accounts. Hence, they cannot be used as a funnel for a wealthy individual nor can the contributions be earmarked for a particular candidate. On the other end, the party can give the candidate more than the individual contribution limits placed on direct givers. Senator Hart could get the entire $200,000 permitted him in private funds from the Michigan or National Democratic parties. In the case of other organizations, this bill imposes no limit on the amount which members may give to the organization's political fund, but that organization, in turn, may only make the amount of contribution to a candidate permitted any individual contributor.

11. A "major party" candidate is one whose party won 25% of the vote in a "determining" election (the election used by the Act for the party's track record).

12. A minor party is one which won between 10% and 25% of the vote in any "determining" election. A minor party candidate is entitled to a minimum subsidy of one-fifth the subsidy given a major party candidate. He can receive a greater subsidy based on the ratio of the vote his party received in the last general election for that office to the votes received by the major party candidate with the lowest vote in that election.

13. Any candidate not qualifying as either a major or a minor party candidate would receive a minimum subsidy equal to 1/10th of the subsidy given a major party candidate. He too could receive a greater amount based on a ratio of his party's vote in the last general election for that office to the votes obtained by the major party candidate with the lowest vote in that general election.

14. However, the difference in the subsidy given to major party candidates and other candidates is mitigated by three provisions:

First, minor party candidates may raise proportionately more private funds, as indicated above, so that the total resources each may expend remains equal.

Second, if the minor party candidate's showing in the election in question is of major party proportions—25% of the vote—then he is entitled to a post-election supplement increasing his subsidy after-the-fact to the extent he has outstanding campaign debts.

Third, the candidate can invoke any one of several "determining elections" to establish major party status. A House candidate could rely upon whichever was his party's best showing among the last House race in that District, or the statewide vote in the last gubernatorial campaign or the nationwide vote in the last presidential campaign. A Senate candidate could use either of the last two.

14. Participation is all or nothing. If someone receives subsidies in a primary, he must remain under the Act and is limited in the amount of private funds he can use in the general election. Conversely, if he has operated outside of this Act in the primary, he is ineligible for subsidies in the general election.

15. There are various safeguards to promote compliance. Prior to receiving his second and subsequent subsidy installments, the candidate must make available to the Board an account of his contributions and expenditures since the previous report. (But remember the Board shall utilize, to the extent possible, information in the form supplied under the 1971 Act). In addition, the Board requires keeping records available and does a complete audit of each candidate's campaign financing after the election. Punishment for violation in four instances—willful violation of the expenditure or the contribution limits, willful misuse of subsidy funds, or willful falsification of information—can be a fine up to the full amount of the subsidy received, and up to five years in jail. Other violations could receive a fine not to exceed $10,000 and a jail sentence of no more than three years.

FOOTNOTES

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[1] For a November, 1974 election, the period runs back to May 6, 1973. If a Senate candidate files for subsidies on January, 1974, he lists expenditures made since May 6, 1973, or more before then for goods or services to be used in connection with the campaign after May 6. He also must list contributions made since May 6, 1973, and contributions made before then which were used or are still available for such expenditures.

[2] A broadcast to the general public put on or paid for by a business organization or union would not be exempt.

[3] The bill was prepared with First Amendment consideration in mind. Nonetheless, to prohibit a direct contribution for a $60,000 T.V. spot because of the danger of undue influence, but then to permit the supporter to decide on its own to purchase the time and put no such an ad is to exalt form over substance. Putting limits on the amount of independent activity anyone may undertake. but not including that expediture in the candidate's limit on private financing in his campaign seems the best compromise to meet competing considerations. It controls the influence of any group or person. It avoids the dilemna of either giving the candidate a veto power over such independent activity (as is the case under the current election law) or putting the candidate at the mercy of whomever carries on such independent activity, even if he would rather use the amount of private financing he is permitted in other ways. Thus, it preserves to everyone *some* right of political expression which they can undertake independently, regardless of whether the candidate has already used the amount of private funds he is permitted and regardless of whether the expression they wish to make on the candidate's behalf "fits in" with is campaign plans.

[4] All of these provisions apply only to party financing of candidates subsidized under this bill.

EXHIBIT 3

SECTION-BY-SECTION ANALYSIS OF CONGRESSIONAL ELECTION FINANCE ACT OF 1973

Section 1. *Title.*

Section 2. *Purposes:*

To provide adequate financing for candidates without regard to the private resources available to them;

To prevent undue influence by the wealthy and the opportunity for such influence which diminishes public faith in the political system;

To determine the degree to which present campaign expenditures are excessive;

To reduce pressures on candidates to become beholden to large contributors.

Section 3. *Definitions.*

"Board"—The Congressional Election Finance Board which administers this Act.

"Campaign Expenditure" and "Campaign Expenditure Period"—The 18-month period preceding the date of the general election for the office sought is the expenditure period. Any expenditure in connection with the campaign made during that period or prior to it for goods or services to be used within the period is a campaign expenditure.

"Candidate"—someone qualifying under state law for the primary or the general election ballot in a House or Senate race.

"Candidate Campaign Account"—is a single bank account into which the candidate must deposit all subsidies and contributions.

"Congressional Office"—the office of Senator, Representative, Resident Commissioner or Delegate.

"Contribution"—is defined to include any:

(1) payment, gift, loan or guaranty to a candidate's campaign;

(2) payment for personal services rendered to the campaign;

(3) payment for any other services or any goods provided to the campaign;

(4) provision of goods or services at less than full value to the campaign;

(5) independent activity carried on apart from the campaign

made for the purposes of influencing the results of a primary or general election. Categories 1 through 4 cover alternative ways of putting campaign resources at the disposal and discretion of the candidate and his assistants. Category 5 covers campaigning done unilaterally on behalf of the candidate. All five categories are treated the same for purposes of individual contribution limits, and they are all aggregated for that purpose. However, category 5 is treated differently in computing the candidate's permitted amount of private financing beyond the subsidy. (See sections 12 and 13, *infra.*)

Volunteer services, internal communications by an organization to its members communications by and issue group to the general public which do not endorse or oppose specific candidates, and normal billing credit not more than 30 days, are all excluded from the definition of contributions.

"Fund"—the campaign subsidy fund established in the Treasury and administered by the Board.

"Major Party"—a party (or independent candidate) receiving at least a quarter of the vote in any "determining election."

"Minor Party"—a party or independent candidate receiving between 25% and 10% of the total vote cast for that office in any "determining election."

"Determining Election"—in a House race, either the last general election for that office *OR* the last gubernatorial race in that state *OR* the last presidential election. The party candidates in a primary or general election can invoke the party's showing in any one of these three previous elections with regard to House races; either the previous presidential or gubernatorial race can be used to establish major or minor party status in a Senate race.

Thus in a State where the Republican gubernatorial candidate had won at least 25% of the vote in the last election, every Republican candidate in a primary or general election for a House seat from that State would be entitled to receive major party level funding, even though the Republican candidate had not won 25% of the vote in the House race in a particular district in the previous election.

"Party Campaign Account"—a single bank account established by the national committee or a state central committee of a political party for receiving contributions to aid subsidized Congressional candidates.

"Person"—an individual, any form of business association, other organization or group of individuals lawfully entitled to make campaign contributions. An organization and parent, subsidiaries, affiliates and regional branches constitute one "person."

"Personal resources"—funds from the candidate and his immediate family.

"Immediate family"—parents, children, siblings, dependents, spouse, and in-laws.

"State"—D.C., Guam, Puerto Rico, the Virgin Islands and the fifty States. This and other provisions indicate that candidates for Delegate or Resident Commissioner are treated the same as House candidates.

"Voting age population"—the resident population 18 years or older of a State or district, to be certified annually by the Department of Commerce.

Section 4. *Establishing the fund.*

This section tries to make adequate funding available without locking in the Appropriations Committees to its expenditure.

The authorizing legislation, itself, establishes a sizeable fund in the Treasury. However, its transmittal to candidates requires further appropriation legislation.

Section 5. *Establishment of the Board.*

A seven member bipartisan commission is created with staggered six year terms. Members elect a chairman to serve for two years, and the first chairman appoints the staff. Three members comprise a quorum. All members have the status of Executive Schedule Level III, which is the one held by the chairmen of regulatory commissions. The Board makes annual fiscal and operational reports to Congress and to the President.

Section 6. *Board duties and powers.*

Subsection (a) requires the Board to develop appropriate forms, bookkeeping and reporting methods, and a filing and retrieval system. The Board must preserve reports filed with it and keep them available for public inspection.

Subsection (b) directs the Board to consult with the Senate Secretary, the House Clerk, and the Comptroller General in order to utilize *to the greatest extent possible* the reporting filing and accounting procedures used to comply with the 1971 Campaign Reform Act of 1971. The subsection expressly provides that if possible the Board shall utilize the reports furnished under the 1971 Act and not require additional filings. It might merely obtain copies of such filings from the officers administering the 1971 Act. This eliminates duplication, minimizes paperwork and permits the public and media to familiarize themselves with only one basic reporting system for Senate and for House races.

Subsection (c) directs the Board to conduct a final audit of all subsidized campaigns and report the results. It also authorizes the Board to issue rules and regulations, to require reports and records and to conduct interim reviews. Subsection (d) requires a hearing before any determination that a candidate has received more money from the fund than he was entitled to and must repay it. The same is true with regard to a proceeding for forfeiture of security. The statute of limitations on recouping overpayment is one year.

Subsection (e) give the Board subpoena power.

Subsection (f) directs the Board to report violations to law enforcement authorities.

Sections 7–14—Sections 7 through 14 set forth the basic financing scheme: Section 7 prescribes how one qualifies for subsidy. Section 8 provides the mechanism for payment from the fund. Section 9 prescribes how the candidate may make payments from his separate candidate account. Section 10 states the formula for determining the subsidy to which each candidate is entitled. Section 11 sets the limits on the private monies which can be added to the subsidy. Section 12 limits individual contributions. Section 13 indicates expressly that the amount a candidate may spend equals the sum of this subsidy and the private funds he is permitted to raise. Section 14 provides a special mechanism for larger amounts of aid from political parties. The specific operation and interaction of these sections are as follows:

Section 7. *Eligibility for Assistance.*

Subsection (a) requires filing a sworn statement, a security bond equal to one-fifth of the subsidy to which he is entitled and proof of qualification for the ballot under State law. The statement obligates the candidate to compile the records and reports required and to repay all amounts received from the Fund in excess of that to which he is entitled. He also agrees to forfeit his security if he fails to receive 10% of the vote in the election for which he is receiving assistance. (That is, 10% of all votes cast in his party's primary, or 10% of the vote cast for all candidates in a general election, as the case may be) and to be personally liable for the repayment of all of the subsidies he has received if his vote falls below 5%. A separate sworn statement details the source and amount of contributions received and the campaign expenditures made prior to the date of the application. The candidate must list separately such information for all contributions used to post the security deposit. If the deposit is not forfeited, the Board returns those contributions to the donors.

Subsection (b) prohibits candidates who have previously failed to comply with the Act from receiving further subsidies.

Subsection (c) prohibits candidates from using unrestricted private funding in the primary, i.e., not coming under this Act, and then receiving subsidies in the general election. He must have either received primary subsidies, or not run in a primary, or have been ineligible because he ran unopposed in his party's primary.

Subsection (d) prohibits candidates receiving primary assistance from then running in the general election outside this Act, i.e., with no restriction on private assistance.

Subsection (e) requires prompt notification by the Board that a candidate has qualified and of the amount to which he will be entitled in the primary, and if he is nominated, in the general election.

Section 8. *Payments from the Fund.*

Subsection (a) provides for payment of the subsidy by the Board in approximately equal amounts monthly into an earmarked account in an FDIC bank, during the period beginning at the time of notification of eligibility. Post-election supplements are paid within 30 days of the election.

Subsection (b) provides for payments in unequal amounts upon request and a justification by the candidate.

Subsection (c) provides that, at the time a primary candidate becomes eligible to receive transfers from the Fund, if no other candidate has qualified under state law, the applicant shall initially receive only one-third of the subsidy for which he is eligible in such installments. If prior to the filing deadline, at least one other candidate qualifies under state law, then the Board shall transfer the remaining two-thirds of the applicant's primary subsidy in similar installments.

Subsection (d) requires the Board, if it determines there are insufficient monies in the Fund, to pay each candidate the appropriate subsidy, to so advise the candidates and the Congress with recommendation to the latter of the necessary supplemental appropriation.

Subsection (e) requires the Board in such cases to reduce pro rata the subsidy to each candidate and notify them of the reduction by registered mail. However, the amount which a candidate would then be permitted to raise privately under section 11 would be increased by an amount equal to the reduction in subsidy.

Section 9. *Payment from the Candidate's Account*

Subsection (a) and (b) require the candidate to establish a single campaign account and to deposit therein all subsidies and contributions received. The Board receives statements identifying the amount and source of all contributions deposited and indicating all withdrawals.

Subsection (b) limits the power to withdraw from this account to the candidate and, at most, three other individuals he designates who also each are responsible for compliance with all provisions of the Act.

Subsection (d) prohibits payment, except staff salaries, for any goods or services without an invoice from the payee and a sworn statement certifying the charges are normal and certification shall be preserved by the candidates for inspection and copies shall be furnished upon request to the Board.

Section 10. *Determination of Amounts Payable.*

The amounts are calculated under a formula of so many cents per voting age resident of the State or House district in question. Subsection (a) provides that a major party primary candidate for Senate nomination would receive the greater of:

10¢ multiplied by the voting age population, or

$75,000

and that a major party candidate in a general Senate election would receive the greater of

15¢ multiplied by the voting age population, or

$150,000

Subsection (b) provides that a major party candidate for nomination to a House seat would receive 14¢ multiplied by the voting age population; a House candidate of major party in the general election would receive 20¢ multiplied by the voting age population.

Since the voting age resident population of most House districts clusters around 300,000 this would mean a typical subsidy of $42,000 in a House primary and a $60,000 subsidy in a general election. A candidate for an at-large House district receives the same subsidies as a Senate candidate from that State.

Subsection (c) provides that a minor party candidate would receive 20% of the amount of subsidy to which the corresponding major party candidate would be entitled under subsections (a) and (b). All other candidates who qualified under State law to be on the ballot would receive a subsidy equal to 10% of the amount for major party candidates.

Subsection (d) provides a post-election "bonus" if a minor party candidate's performance in the instant election is of major party proportions—25% or more of the vote. The extra money would be payable, however, only to the extent the minor party candidate had valid campaign debts outstanding; the bonus would not be available simply for the party's general coffers.

Subsection (d)(2) provides for bonuses to candidates who did not even qualify for minor party status before the election. If their actual showing is 10% they are entitled to a bonus bringing the level of their subsidy up to that of a minor party candidate. If they win 25% of the vote they are entitled to a bonus bringing their total subsidy up to the level of major party candidates. In each case the bonus is subject to the same setoff and valid debt limitations applicable to bonuses for minor party candidates.

Subsection (e) provides for funding in runoff elections. The subsidy shall equal the amount available for the election which precipitated the runoff. However, the determination of whether a candidate has major or minor party satus for calculating his subsidy in the runoff shall be based on the vote he received in the precipitating election.

Subsection (f) limits the amount of any subsidy which can be used for campaign salaries to 20%.

Subsection (b) provides for determining the subsidy for a candidate in a newly drawn district.

Subsection (h) provides that primary subsidies may not be used after the primary election and that general election subsidies may not be used to retire primary campaign debts.

Subsection (i) provides a cost of living escalator provision for the amount of subsidies and for the amount of private financing each candidate is permitted to raise.

Section 11. *Limitations on Non-Fund Financing.*

Subsection (a) states that a subsidized candidate may also utilize private resources as specified in this section.

Subsection (b) permits a major party Senate candidate to raise privately

2¢ multiplied by the voting age population for the primary (with a $25,000 minimum)

3¢ multiplied by the voting age population in the general (with a $50,000 minimum)

Subsection (c) permits majority party House candidates to raise privately

3¢ multiplied by the voting age population in the primary

5¢ multiplied by the voting age population in the general election

Subsection (d) provides that subject to certain limitations, a minor party candidate can raise private funds such that the sum of the private funding and the subsidy to which he is entitled equals the total funds available to a corresponding major party candidate.

Section 12. Limitation on individual contributions (a) and (b) limit the amount any person may contribute in any manner to an aggregate of $250 per candidate. That is, amounts one makes available for a primary campaign, or for the candidate's general election campaign, or for his posting security to receive subsidies, or on independent activity undertaken to promote his candidacy are all cumulative with regard to these limits. However one spends the $250—or $100 in a House race—he cannot provide more than $250 worth of support.

The candidate, himself, is permitted to contribute the same amounts to his campaign from his own resources (and those of his immediate family). He is also permitted to contribute an additional $250 to raising the necessary security deposit for his subsidy.

Subsection (c) requires that contribution in excess of the limits permitted be returned or covered into the Fund.

Subsection (d) prohibits contributions made in the name of another.

Subsection (e) makes the limitation applicable to any contribution made before the candidate files for subsidies, as long as they were used for "campaign expenditures." (See Definitions, *supra*) or remain available for campaign expenditures.

Subsection (f) prohibits pooling of the contributions permitted each person. N.B. This does not bar an organization from having a voluntary political fund into which its members contribute, although the organization may only give the candidate $250 from its funds, however they are raised. What this subsection *does* bar is an organization itself giving $250 from its funds, and also arranging for a combination of the $250 permitted each of its members as individuals, e.g., arranging for each to pay a $250 portion of the cost of a $1 million television broadcast coordinated by the organization. To permit that would defeat the purpose of the individual limitation on the contributions at the disposal of any single organization.

Section 13. *Limitations on Expenditures.*

Subsection (a) provides that the total expenditures a candidate may utilize in his campaign shall not exceed the sum of the subsidy he may receive under Section 10 and the amount of private funds he may raise under Section 11. This does *not* mean the candidate may take less than the full subsidy to which he is entitled and then raise proportionately more private funds. Section 11 is a firm limit on private financing. Section 12 simply makes explicit the overall limit.

Subsection (b) provides that if the person expends the $250 contribution to which he is limited by section 11, in the form of truly independent activity—made neither at the request nor in cooperation with the candidate's campaign, but on the contributor's unilateral initiative—then such independent expenditures on the candidate's behalf shall not be counted as part of the total private fund raising permitted the candidate. This prevents anyone from wielding undue influence because of large independent expenditures on the candidate's behalf. But it still permits everyone some form of political expression on behalf of candidates whom they favor without having to obtain the approval of the candidate or be excluded from making any such expression once the candidate has spent his limit.

Section 14. *Political Party Campaign Assistance.*

Subsection (a) permits the state central committee or national committee of a political party to underwrite all or a portion of the private financial assistance permitted subsidized candidates.

Subsections (b) and (c) require the national or state committee to establish a single Party Campaign Account for this purpose, registered with and monitored by the Board. Subsection (d) provides that only contributions expressly made to this Account can be used and no other party funds may be transferred to it, but such contributions may not be earmarked for particular candidates. Contributions to this Account are limited to $250 per person.

Subsection (e) requires a record of deposits and withdrawals from Party Campaign Accounts.

Subsection (f) provides that a committee may only aid its party's nominees and only in the general election. A state committee may only aid such candidates in its state.

Subsection (g) states that each committee may give as much as it chooses to any particular candidate, but it may not give more than the total amount of private funds that candidate is permitted to use under this Act, and it may only give a smaller amount to the extent that the candidate chooses also to receive funds from other private sources.

Subsection (h) provides that contributions under this section are permitted in addition to the contribution allowed each person under section 12.

Section 15. *Enforcement Against Violations.*

Subsection (a) empowers the Board to seek to prevent actions in violation of the provisions of the Act.

Subsection (b) permits private persons to file complaints of such violations.

Subsection (c) requires the Board to notify the person charged and to investigate.

Subsection (d) requires the Board to hold a public hearing on the record if it finds probably cause a violation has occurred or is about to occur.

Subsection (e) permits the Board to make findings and issue an appropriate order. If the order is not complied with, the Board may institute a civil action. If the Board fails to act or to order a cessation of a violation, or to institute suit for failure to comply with an order, then the private party who filed the complaint with the Board may institute such a suit.

Section 16. *Review of Board Determinations.*

Subsection (a) permits a candidate who is receiving or has applied for subsidy to appeal Board determinations affecting his right to subsidy or the amount of subsidy, or to challenge the Board's failure to act or any other action.

Subsection (b) requires the Board to review the complaint and hold a prompt hearing.

Subsection (c) permits the aggrieved candidate to seek judicial review, if necessary, of the Board response to his complaint.

Section 17. *Jurisdiction of District Courts.*

Subsection (a) vests jurisdiction in the United States District Courts to hear actions under this Act.

Subsection (b) provides for nationwide service of process in such actions.

Subsection (c) requires that such suits be advanced on the docket to the extent possible.

Section 8. *Penalties.*

Subsection (a) provides that for a willful violation of the individual contribution limitations, or the overall spending limitations, or falsification of information, or misuse of federal subsidies, a person may be punished by a fine of not less than $5,000 nor more than the greater of $50,000 or the full amount of subsidies received, and not less than 6 months nor more than 5 years imprisonment.

Subsection (b) punishes all other violations by a fine of not more than $10,000 or one year's imprisonment, or both.

Subsection (c) then provides that information obtained through such reports and records may only be used, directly or indirectly, in the prosecution of a violation under subsection (a) for falsifying information.

This format is designed to meet a possible constitutional problem of self-incrimination.

Section 19. *State Laws Not Affected.*

This is a general disclaimer of any intent to affect state law except where compliance with state law would constitute a violation of this Act. (It then falls under the Supremacy Clause of the Constitution.)

Section 20. *Relationship to Other Federal Laws.*

This section conforms this bill and prior legislation, particularly requiring a report for purpose of the 1971 Campaign Disclosure Act, of any subsidy received under this Act.

Section 21. *Separability.*

Section 22. *Authorization of Appropriation.*

This section authorizes additional appropriations as needed for subsidies and as needed for administration of this Act.

EXHIBIT 4

AMOUNTS AVAILABLE TO SENATE CANDIDATES UNDER CEFA[1]

State	Primary: Primary subsidy (10 cents)	Primary: Total primary expenditures (12 cents)	General election: General election subsidy (15 cents)	General election: Total general election expenditures (18 cents)
Alabama	227,000	273,000	341,000	409,000
Alaska	20,000	24,000	30,000	36,000
Arizona	124,000	149,000	186,000	223,000
Arkansas	131,000	157,000	197,000	236,000
California	1,400,000	1,680,000	2,100,000	2,500,000
Colorado	156,000	187,000	234,000	280,000
Connecticut	211,000	253,000	316,000	379,000
Delaware	37,000	45,000	56,000	67,000
District of Columbia	52,000	62,000	78,000	93,000
Florida	511,000	613,000	766,000	919,000
Georgia	310,000	372,000	466,000	559,000
Hawaii	53,000	64,000	80,000	96,000
Idaho	48,000	57,000	72,000	86,000
Illinois	755,000	906,000	1,132,000	1,350,000
Indiana	360,000	421,000	526,000	632,000
Iowa	190,000	229,000	285,000	342,000
Kansas	154,000	185,000	231,000	277,000
Kentucky	221,000	265,000	331,000	397,000
Louisiana	234,000	281,000	351,000	421,000
Maine	67,000	80,000	99,000	120,000
Maryland	269,000	323,000	403,000	484,000
Massachusetts	396,000	475,000	593,000	712,000
Michigan	588,000	705,000	880,000	1,050,000
Minnesota	256,000	307,000	384,000	461,000
Mississippi	140,000	168,000	210,000	253,000
Missouri	327,000	392,000	490,000	588,000
Montana	46,000	55,000	69,000	83,000
Nebraska	102,000	123,000	153,000	184,000
Nevada	35,000	42,000	52,000	63,000
New Hampshire	52,000	63,000	78,000	94,000
New Jersey	503,000	603,000	754,000	905,000
New Mexico	64,000	76,000	95,000	114,000
New York	1,280,000	1,536,000	1,920,000	2,304,000
North Carolina	346,000	416,000	519,000	623,000
North Dakota	40,000	48,000	60,000	72,000
Ohio	719,000	862,000	1,078,000	1,293,000
Oklahoma	181,000	217,000	272,000	326,000
Oregon	150,000	180,000	225,000	270,000
Pennsylvania	816,000	979,000	1,244,000	1,469,000
Rhode Island	67,000	81,000	101,000	121,000
South Carolina	171,000	205,000	256,000	307,000
South Dakota	43,000	52,000	65,000	78,000
Tennessee	271,000	326,000	407,000	488,000
Texas	786,000	922,000	1,152,000	1,383,000
Utah	69,000	83,000	103,000	124,000
Vermont	31,000	37,000	46,000	56,000
Virginia	320,000	384,000	480,000	575,000
Washington	237,000	285,000	356,000	427,000
West Virginia	118,000	142,000	177,000	213,000
Wisconsin	296,000	355,000	443,000	532,000
Wyoming	23,000	27,000	34,000	41,000

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[1] Every candidate would be eligible to receive a minimum of $75,000 in the primary and $150,000 in the general election, as subsidy from the fund. In addition, every candidate would be eligible to raise a minimum of $25,000 in private funds in the primary and $50,000 in the general election. Thus, regardless of the figures on the above chart every candidate would have available at least $100,000 to spend in the primary and $200,000 to spend in the general election, whatever the size of his State.

By Mr. HART (for himself, Mr. McGovern, Mr. Case, Mr. Moss, Mr. Packwood, Mr. Ribicoff, Mr. Stafford, Mr. Pell, Mr. Humphrey, Mr. Cranston, and Mr. Hathaway):

S. 1104. A bill to promote and protect the free flow of interstate commerce without unreasonable damage to the environment; to assure that activities which affect interstate commerce will not unreasonably injure environmental rights; to provide a right of action for relief for protection of the environment from unreasonable infringement by activities which affect interstate commerce and to establish the right of all citizens to the protection, preservation, and enhancement of the environment. Referred to the Committee on Commerce.

Mr. HART. Mr. President, on behalf of myself, Mr. McGovern, Mr. Case, Mr. Moss, Mr. Packwood, Mr. Ribicoff, Mr. Stafford, Mr. Pell, Mr. Humphrey, Mr. Cranston, and Mr. Hathaway, I introduce the Environmental Protection Act of 1973, a bill to facilitate citizen suits to protect the environment.

The contents of the bill for the most part resemble S. 1032, the Environmental Protection Act of 1972, as it was considered by the Committee on Commerce in the closing days of the 92d Congress. The new bill has been changed to respond to reservations expressed by the committee about S. 1032. In addition, the form and language have been changed considerably to simplify and tighten the proposed legislation. I ask unanimous consent that the text of the bill and the October 12, 1972, Statement of the Committee on Commerce supporting the principles of S. 1032 be printed in the Record following the introductory remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. HART. Mr. President, the environment is everybody's concern. As the Congress declared in enacting the National Environmental Policy Act several years ago, as to the environment, each of us is a "trustee" for the benefit of future generations. The thrust of the bill introduced today is to enable each of the 205 million such fiduciaries to become a "working trustee." Protection and preservation of the environment is simply too important for us, for our children, and for our children's children to leave it all to be protected by over extended and, in many cases, inertia-ridden bureaucracies. The people must have the power directly to go into Federal court to sue polluters who are violating a Federal agency regulation on environmental protection. Private citizens should additionally have the "standing" to challenge any major decision that significantly affects the environment and could impair environmental quality.

The individual American citizen is a potentially significant resource in the effort to save and enhance the environment. Yet he is a resource that has been insufficiently appreciated and often just plain ignored. Citizens have, of course, been told they can help by going to work in car pools, conserving water, and using white instead of colored tissues; but that is only a part of the solution. Individual citizens have not been adequately shown that they can contribute by gathering evidence to present to agencies, intervening in agency determinations, appealing to the courts from adverse agency actions, and bringing private suits directly against polluters.

Much would be gained by citizens assuming a greater role in legal battles against pollution. Private suits can serve an important publicity function, informing the public of conditions and generating pressure for better and more responsive performance. Such suits can also relieve some of the burdens on government environmental officials. Direct citizen participation would give potential victims of permanent environmental degradation a role in its prevention and, in the process, a greater control over their own futures. As the Senate Commerce Committee report stated last fall:

> (T)he committee believes that because of the importance of environmental rights, special review procedures not generally accorded to those protecting other interests ought to be accorded to citizens who seek to protect the environment.

Despite its support for the basic principles of the legislation, the Committee expressed reservations with respect to two of its features. First, it was concerned that S. 1032 had extended the concept of "standing to sue" too far beyond existing law by authorizing "any person" to bring suit under the act. The new bill takes a median position between the extremes on this question, in effect adopting the view of standing expressed by Mr. Justice Blackmun in his dissenting opinion in *Sierra Club* v. *Morton,* 3 ERC 2039 (U.S. Sup. Ct. 1972). Under section 104(a) of the bill:

> Suits may be brought under this Act by any person or persons who are adversely affected or aggrieved by the action or activity which is the subject of the suit or who speak knowingly for the environmental values asserted in such suit.

The committee's second reservation reflected its "considerable concern about the prospect of numerous burdensome suits against the same defendant for the same activity arising under this and other similar acts." In response to this concern, the new bill establishes in section 105 a system of actual notice to potential plaintiffs for the purpose of encouraging them to join in the same litigation. In the same vein, such plaintiffs are given an unconditional right to intervene with respect to questions of law and fact in common with the original complaint. As a further safeguard, the act provides in section 104(b) for the consolidation or merging in one lawsuit in one court of suits brought in different courts against the same defendant.

Mr. President, in reintroducing the Environmental Protection Act, I should point out that the purpose here is actually more basic than that of environmental protection. What is really at issue is the broadening of participation by citizens in the resolution of problems which directly affect them. Both within and outside the environmental movement, we increasingly witness the frustration of those who, while deeply committed on matters of public policy, feel powerless to influence such matters. If commitment of this sort is harnessed in the proper manner, it can be relied upon to alleviate many of society's ills. If it continues to be frustrated, however, both the physical and moral environment of our country may be damaged irreparably. It is my hope that the bill introduced today will in some manner help to shield us from the threat of such damage.

EXHIBIT 1

S. 1104

A bill to promote and protect the free flow of interstate commerce without unreasonable damage to the environment; to assure that activities which affect interstate commerce will not unreasonably injure environmental rights; to provide a right of action for relief for protection of the environment from unreasonable infringement by activities which affect interstate commerce and to establish the right of all citizens to the protection, preservation, and enhancement of the environment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—GENERAL PROVISIONS

SHORT TITLE AND TABLE OF CONTENTS

SEC. 101. (a) This Act may be cited as the "Environmental Protection Act of 1973".

(b) Table of contents.

TITLE I—GENERAL PROVISIONS

Sec. 101. Short title and table of contents.
Sec. 102. Findings and purposes.
Sec. 103. Definitions.
Sec. 104. Procedure.
Sec. 105. Actual notice.
Sec. 106. Limitations.
Sec. 107. Other remedies.
Sec. 108. Effective date.

TITLE II—SUITS TO REVIEW ACTIONS OF FEDERAL AGENCIES

Sec. 201. Applicability.
Sec. 202. Remedy.

TITLE III—SUITS TO ENFORCE AGENCY REGULATIONS AND TO ENJOIN ENVIRONMENTALLY HARMFUL ACTIVITY

Sec. 301. Applicability.
Sec. 302. Remedy.
Sec. 303. Notice.
Sec. 304. Coordination with States.

FINDINGS AND PURPOSES

SEC. 102. (a) The Congress finds and declares that each person is entitled by right to the protection and enhancement of environmental quality and that each person has a responsibility to contribute to the protection and enhancement of the environment as a trustee for the benefit of future generations.

(b) The Congress further finds and declares that it is in the public interest to provide each person with an adequate remedy to protect environmental quality from impairment and degradation.

(c) The Congress further finds and declares that hazards to environmental quality are caused largely by persons who are engaged in interstate commerce or in activities which affect interstate commerce.

DEFINITIONS

SEC. 103. As used in this Act—

(1) "Environmental quality" means those aspects of life and those objectives which are delineated in section 101(b) of the National Environmental Policy Act of 1969 (42 U.S.C. 4331(b)) and which it is the purpose of such Act to protect.

(2) "Federal agency" means the executive departments and independent establishments of the United States and corporations primarily acting as instrumentalities of the United States.

(3) "Includes" or "including" should be read as if the phrase "but is not limited to" were also set forth.

(4) "Person" means an individual, partnership, corporation, unincorporated association or organization; or a department, agency, or instrumentality of the United States, a State or political subdivision of a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territorial possession of the United States.

PROCEDURE

SEC. 104. (a) Suits may be brought under this Act by any person or persons who are adversely affected or aggrieved by the action or activity which is the subject of the suit or who speak knowingly for the environmental values asserted in such suit.

(b) When two or more actions, at least one of which is brought under this Act and all of which involve the same defendant and a common question of law or fact, are pending in two or more jurisdictions, such pending proceedings, upon application of any party reasonably made to the court of one such jurisdiction, may, if the court so decides, with the concurrence of the courts of the other jurisdictions concerned, after giving due consideration to the convenience of parties and witnesses and the order in which the suits were originally filed, be consolidated for trial by order of such court. The court granting such order of consolidation shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby. Nothing in this subsection shall be construed to preclude consolidation in any case not specifically referred to in this subsection.

(c) Upon clear and convincing evidence offered by any defending party in a suit under this Act that a temporary restraining order or preliminary injunction will result in irreparable damage to such party, the court may condition the issuance of such order or injunction upon the plaintiff or plaintiffs giving security to cover the costs and damages that may be incurred and suffered by such party if relief is wrongly granted. Such security shall not be required if, in the judgment of the court, imposition would unreasonably hinder the plaintiff or plaintiffs in the maintenance of the suit, would tend unreasonably to prevent a full and fair hearing on the action or activity complained of, or would otherwise not be in the public interest. Except as provided in this subsection, no bond shall be required by the court of any plaintiff in a suit under this Act.

(d) In a suit under this Act, the court may appoint a master to take testimony and to make a report. The court or master, as well as the parties to the suit, may subpena expert witnesses and have the assistance of nationwide service of process for the production of records, documents, and other information reasonably necessary for just disposition.

(e) Any suit under this Act shall be supported by the affidavits of not less than two technically qualified persons stating that to the best of their knowledge the action or activity complained of will or reasonably may impair or degrade environmental quality.

(f) The costs of litigation, including reasonable attorney's and expert witness fees, may be apportioned to the parties whenever the court determines that such an award is appropriate.

ACTUAL NOTICE

SEC. 105. (a) The Administrative Office of the United States Courts shall establish an environmental registry under the direction of the Director. The Director shall list the names and addresses of all persons in the United States who request to be listed as persons (1) interested in environmental quality and the protection and preservation of the environment from impairment or degradation; and (2 who wish to receive the notice provided under subsection (b) of this section as to actions pending in one or more geographical regions. The Director shall operate the environmental registry, maintain materials relating to the rights recognized in this Act, and provide for payment of membership fees to cover the cost of the notice provided under subsection (b) of this section.

(b) Upon the filing of the original complaint in a suit under this Act, the clerk of the court in which such suit is filed shall promptly send a copy of the complaint and attached exhibits and affidavits to the Director. Upon receipt, the Director shall promptly send a notice of such pending litigation to each person listed in the environmental registry as of that date. The notice shall state—

(1) the names of the parties to the action;

(2) the date on which the complaint was filed;

(3) the name and address of the court in which the suit is pending;

(4) the allegations in the complaint and the relief requested, in summary form; and

(5) the procedure for obtaining expeditiously a copy of the documents in the suit, including the cost of a reproduction copy. Upon receipt of a copy of an original complaint pursuant to this subsection, the Director shall also cause a copy of such complaint, or a summary thereof, to be published in the Federal Register.

(c) Any person who is entitled to bring a suit under this Act may, in accordance with applicable rules of civil procedure, intervene as of right as a plaintiff in any suit under this Act with respect to any questions of law or fact in common with the original complaint. In deciding the timeliness of applications to intervene, the court shall consider the operation of the notice provisions referred to in subsection (b) of this section and shall ensure that there is adequate opportunity to respond to the notice provided.

(d) The Director shall submit annually to the Congress, together with copies of the annual report required to be submitted under section 604(a)(4) of title 28, United States Code, a statement of the number of actions brought under this Act, the number of such actions dismissed, settled, or brought to trial, and the number of such actions which appear to arise out of the same transaction or occurrence as any previous suit under this Act or any other Federal statute relating to environmental quality.

LIMITATIONS

SEC. 106. (a) No suit may be brought under this Act against the Congress of the United States.

(b) Nothing in this Act shall be construed to affect the specific statutory obligations of any Federal agency or any other person—

(1) to comply with criteria or standards of environmental quality;

(2) to coordinate or consult with any other Federal or State agency; or

(3) to act or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency,

to the extent that such obligations are more protective of environmental quality than those arising under this Act.

OTHER REMEDIES

SEC. 107. Nothing in this Act shall be construed to restrict any right or remedy which a person may have under any other provision of law or at common law, to seek relief or redress to protect himself or environmental quality.

EFFECTIVE DATE

SEC. 108. The provisions of this Act shall be applicable to activity prior to the date of enactment only to the extent that the National Environmental Policy Act of 1969 (42 U.S.C. 4331(b)) is held by the courts to be applicable to activity conducted prior to the date of enactment of such Act.

TITLE II—SUITS TO REVIEW ACTIONS OF FEDERAL AGENCIES

APPLICABILITY

SEC. 201. (a) A person, on his own behalf or on behalf of other persons similarly situated, may maintain a suit in accordance with this Act for review of an action of a Federal agency, including promulgation or failure to promulgate a rule or regulation, if—

(1) such agency action allegedly constitutes an impairment or degradation of environmental quality under subsection (b);

(2) such agency action allegedly constitutes a major action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (42 U.S.C. 4331); and

(3) such suit seeks enhancement of environmental quality through agency action more protective of environmental quality.

(b) An action of a Federal agency constitutes an impairment or degradation of environmental quality if—

(1) with respect to action taken pursuant to the Clean Air Act, as amended (42 U.S.C. 1857), or the Federal Water Pollution Control Act, as amended (33 U.S.C. 1151), the agency action fails to comply with any explicit substantive or procedural requirements for the protection of environmental quality prescribed for agency action in such statute;

(2) with respect to action taken pursuant to any other Federal statute—

(A) such action fails to comply with any explicit substantive or procedural requirements for the protection of environmental quality prescribed for agency action in such statute, or

(B) notwithstanding that such action is consistent with such requirements, to the extent that the agency has discretion in the matter—

(i) the environmental and economic costs of the action exceed the benefits to be derived from such action, or

(ii) the agency fails to select, within the limits of its discretion, an alternative to the action in question which creates less risk of environmental damage, is of comparable social (including environmental) benefit, does not involve unreasonable additional costs, and meets a similar need; or

(3) with respect to any action taken, such action is in violation of a Federal agency standard, order, permit, or other regulation for the protection of environmental quality.

(c) A suit under this title may be brought without regard to the amount in controversy in any district court of the United States in which venue is appropriate under section 1391 of title 28, United States Code: *Provided*, That if such suit concerns a specific agency action under a Federal statute which includes a provision for review of any such action affecting environmental quality under such statute, the suit shall be brought in conformity with the venue requirements and time limitations of such provisions.

REMEDY

SEC. 202. (a) The court shall grant whatever equitable relief is necessary to prevent impairment or degradation of environmental quality, including declaratory judgments and mandatory or prohibitive injunctive relief, upon an affirmative finding with respect to paragraphs (1), (2), and (3) of section 201 (a).

(b) The court is authorized to grant interim equitable relief in suits under this title. Such relief may include relief against any agency pending the completion of agency procedures leading to an agency action or against any person whose activities may be prohibited, controlled, or authorized by such agency action.

(c) The court may refer the parties or remand the action in any suit maintained under this title to the administrative and regulatory procedures provided by other law or regulation. The court shall order such reference or remand upon a finding that expeditious and informed resolution of the action would be advanced by reference or remand in whole or in part. Nothing in this subsection shall be deemed to prevent the granting of interim equitable relief necessary to protect the rights recognized in this Act.

(d) If an action is remanded under subsection (c), the court may direct the agency in question to take additional evidence subject to such terms and conditions as the court may prescribe. The court may also take additional evidence itself in any suit under this title if it determines that the taking of such evidence will most effectively and efficiently protect the rights recognized in this Act.

(e) In a suit under this title any determination of questions of fact by a Federal agency and agency action, findings, and conclusions based on such determination shall be presumed by the court to be correct unless such presumption is rebutted by a preponderance of the evidence.

(f) In a suit under this title, all questions of law shall be determined by the court. There shall be no presumption as to the correctness of agency determinations of questions of law.

(g) Except as otherwise provided or as otherwise required to effect the provisions and purposes of this Act, the provisions of chapter 7 (Judicial Review) of title 5, United States Code shall apply to all suits under this title.

TITLE III—SUITS TO ENFORCE AGENCY REGULATIONS AND TO ENJOIN ENVIRONMENTALLY HARMFUL ACTIVITY

APPLICABILITY

SEC. 301. (a) A person, on his own behalf or on behalf of other persons similarly situated, may maintain a suit in accordance with this Act for declaratory or temporary or permanent equitable relief, including mandatory relief, to protect environmental quality from activity if—

(1) such activity allegedly constitutes an impairment or degradation of environmental quality under subsection (c);

(2) such activity allegedly constitutes a major action significantly affecting the quality of the environment;

(3) such suit seeks enhancement of environmental quality; and

(4) such activity allegedly affects interstate commerce.

(b) A suit under this title may be maintained against any person to the extent permitted by the eleventh amendment to the Constitution of the United States, except that no suit may be brought under this title against any Federal agency.

(c) An activity constitutes an impairment or degradation of environmental quality if—

(1) where standards, orders, permits, or other regulations for the protection of environmental quality issued by a Federal agency are applicable to the activity in question; or where standards, orders, permits, or other regulations issued by a State or political subdivision thereof, pursuant to the Clean Air Act, as amended (42 U.S.C. 1857), or the Federal Water Pollution Control Act, as amended (33 U.S.C. 1151), are applicable to such activities; such activity is in violation of such regulations; or

(2) where no such standards, orders, permits, or regulations are applicable—

(A) the environmental and economic costs of the activity exceed the benefits to be derived from such activity; or

(B) the defendant can accomplish the purpose of such activity in an alternative manner which creates less risk of environmental damage, is of comparable social (including environmental) benefit, and does not involve unreasonable additional costs.

(d) A suit under this title may be brought without regard to the amount in controversy in any direct court of the United States in which venue is appropriate under section 1391 of title 28, United States Code. Such jurisdiction shall be concurrent with that of the courts of the several States.

REMEDY

SEC. 302. (a) The court shall grant such relief as is necessary to prevent impairment or degradation of environmental quality upon an affirmative finding with respect to paragraphs (1), (2), (3), and (4) of section 301(a).

(b) The court may grant interim equitable relief where required and for such period of time as is necessary to protect the rights recognized in this Act.

(c) The court may refer the parties or remand the action in any suit maintained under this title to the administrative and regulatory procedures provided by other law or regulation. The court shall order such reference or remand upon a finding that expeditions and informed resolution of the action would be advanced by reference or remand in whole or in part. Resort to such procedures shall not be required if such suit is maintained to enforce administrative regulations as provided in section 301(c)(1). This subsection shall not be construed to limit the authority of the court under subsection (a) or (b).

NOTICE

SEC. 303. (a) No suit may be commenced under this title—

(1) until the plaintiff has given notice of intention to commence such suit to—

(A) the defendant;

(B) the attorney general of the State or States in which the activity which is the subject of such suit has occurred; and

(C) the Council on Environmental Quality: *Provided*, That upon a showing by the plaintiff of irreparable harm, this notice requirement may, in the discretion of the court, be waived or modified; or

(2) if a Federal or State agency is diligently pursuing a suit for relief similar to that sought by the plaintiff, under this title or otherwise: *Provided*, That such plaintiff may intervene as a matter of right in any such suit to protect the rights recognized in this Act.

(b) In any suit brought under this title, any government agency whose jurisdiction extends to the environmental impact of the activity in question may, if not a party, intervene as a matter of right.

COORDINATION WITH STATES

SEC. 304. (a) No suit may be brought under this title with respect to an activity which is specifically authorized or approved by the government of any State or political subdivision of such State. This subsection is inapplicable if such activity (1) results in or reasonably may result in a significant effect on environmental quality outside such State or political subdivision, or (2) is in violation of standards, orders, permits, or regulations referred to in section 301(c)(1).

(b) If a judgment is rendered under this title against a political subdivision of a State, such State shall assume financial responsibility for any expenses which are incurred as a result of such judgment if the laws of such State limit the capacity of the political subdivision to raise the revenues needed to pay such expenses. In any suit which might lead to any such judgment, the State shall be joined as a party.

EXHIBIT 2

STATEMENT OF THE COMMITTEE ON COMMERCE ON S. 1032, THE ENVIRONMENTAL PROTECTION ACT OF 1972

COMMITTEE SUPPORT FOR PRINCIPLES OF THE LEGISLATION

The committee has discussed the legislation reported by the Subcommittee on the Environment and has reached agreement on a number of general principles. First of all, the committee agrees that under existing law there is insufficient opportunity for judicial review of the substance of Government agency decisions concerning the environment. Both the National Environmental Policy Act and the Administrative Procedure Act have been read to impose limitations on review which the committee believes should be removed or significantly modified. Under the National Environmental Policy Act, courts have frequently declined to provide any review of the substance of agency decisions. While a few courts have indicated a willingness to conduct such review, even those have noted that the actions reviewed should be sustained unless found to be arbitrary or clearly wrong. Not one agency action has yet been overturned under the act on substantive grounds. (The committee takes no position as to the soundness of these court decisions or as to whether they are in fact mandated by the act as written.)

The Administrative Procedure Act and other statutory review actions clearly provide for substantive review. Yet under the terms of such statutes, only "arbitrary and capricious" actions or those which are "not supported by substantial evidence" may be overturned. The "presumption" test of the subcommittee bill would provide a broader standard of review and one which the committee regards as preferable.

Second, the committee agrees that agencies should be required to institute an interest balancing test in all major actions significantly affecting the quality of the human environment. The committee acknowledges that it was the intention of the National Environmental Policy Act to require such balancing by the agencies. Yet it recognizes the desirability of making more explicit the dimensions of the test to be conducted.

Third, the committee believes that because of the importance of environmental rights, special review procedures not generally accorded to those protecting other interests ought to be accorded to citizens who seek to protect the environment.

Finally, the committee agrees that while the prospective increase in court cases resulting from legislation of this sort should be examined to the extent feasible, an increase in caseload should not of itself constitute a reason for rejecting this legislation.

RESERVATIONS WITH RESPECT TO THE LEGISLATION

Despite the agreement on these various points, the committee was disturbed by some features of the legislation which it felt should be investigated more thoroughly before reporting a bill. There was some concern that the bill as introduced and as reported by the subcommittee may have extended the concept of "standing to sue" further than was desirable. One of the purposes of the legislation has been to extend standing beyond the holdings of cases such as *Sierra Club* v. *Morton*, 3 ERC 2039 (U.S. Sup. Ct., 1972) to the llimts of what the Constitution will allow. Yet the committee felt that there should be further analysis of what those limits are and of whether it is in fact desirable to expand standing under the legislation. Some on the committee prefer the concept of standing as defined in the Sierra Club case.

Second, there was considerable concern about the prospect of numerous burdensome suits against the same defendants for the same activity arising under this and other similar acts. Further analysis was thought necessary to prevent the harassment of defendants which might result from repetition and duplication of litigation. The committee instructed its staff to research the possibility of a "one stop" procedure to insure that to the extent possible consistent with the Constitution all claims by all plaintiffs involving the same activity would be merged into one litigation. The staff was directed to examine possible time and venue limitations and possible procedures for consolidating cases which would not impose unreasonable restrictions on citizens desiring to bring suit under the act.

In light of these concerns with respect to the legislation and the lack of time remaining in the session, it was felt that a more thorough and meaningful effort could be put forward by the committee in the next Congress. Accordingly, the committee agreed not to report the legislation but rather to take it up as its first order of business when the new Congress convenes in January.

By Mr. PERCY (for himself and Mr. DOLE):

S. 1105. A bill to provide income tax incentives for the modification of certain buildings so as to remove architectural and transportational barriers to the handicapped and elderly. Referred to the Committee on Finance.

ANTIENVIRONMENTAL BARRIERS BILL

Mr. PERCY. Mr. President, in past years I have searched hard to find for our handicapped citizens some legislative solutions to equal educational opportunity, equal job opportunity, and equal treatment before the law. One of the least publicized and understood discriminatory practices confronting handicapped citizens is the thoughtless proliferation of architectural and transportation barriers that stand in their paths.

Today, along with Senator DOLE, I am introducing my antienvironmental barriers bill to provide appropriate tax incentives to stimulate public and private action for eliminating these barriers from the American scene. Before I begin, I would like to quote from Judith Martin's very moving Washington Post article entitled, "When 'Up' is a Down":

> Step right up.
>
> Up the curb, up the marble public steps, up the lobby stairs to the elevator. Down it all again and over to the stores. Up the parking lot rim, up the entrance stairs, up and onto the escalator. Down that again, and home. Up the garage steps, up the house stoop, or up the apartment house lobby steps.
>
> People climb up and down all day every day, and nobody thinks anything of it.
>
> Unless, of course, they are:
> Elderly.
> Pregnant.
> Heart patients.
> Vertigo sufferers.
> Pushing baby carriages.
> Pulling grocery carts.
> Learning to walk.
> Using walkers, braces, crutches or wheelchairs.

As one of Ms. Martin's interviewees very aptly pointed out:

> Nobody really has to worry about curbs or steps if they're not going to be sick or grow old.

The truth is that the problems of environmental barriers really affect each and every one of us, for no one can be assured of physical fitness for every day of his life. The Department of Transportation estimates that short-term illnesses or injuries incapacitate about 4.6 million people at any one time. Over 200,000 people per year are permanently disabled in accidents, in war, and during birth. Eight out of 10 families have a family member afflicted with a temporary or permanent disability at one time or another. And old age, of course, will catch up with every one of us. Estimates show that 71 percent of the population born in the years from 1959 to 1961 can expect to live past the age of 60.

Ms. Martin is quite correct when she concludes that the problem of environmental barriers "Doesn't seem to cross many people's minds or to stick in the minds of those who build the streets, plan the subway or even construct Federal buildings, which are required by law to be accessible to handicapped people."

However, I do not believe that the American people, if they understood the problem, would continue to deny the handicapped, the elderly, the pregnant, the heart patients, and those temporarily disabled their opportunity to make their rightful way. Given the chance, the American people would rise, I am sure, to the challenge to create a barrier-free environment for the good of everyone—young and old, handicapped and nonhandicapped.

There is no doubt in my mind that a barrier-free environment is possible, for the cost of such an environment would not be great; design for accessibility is basically a business of eliminating rather than adding features. In 1967, the National League of Cities made a cost study of three new buildings—a civic center, a city hall, and a hotel. Comparing what was spent to what would have been spent to make these buildings accessible to the handicapped, the league found that the increased cost would have been less than one-tenth of 1 percent. The league also made cost estimates of seven hypothetical buildings, each representing a type commonly being built today, and determined that the extra cost of building them barrier-free would be less than one-half of 1 percent.

Although cost figures for making existing facilities fully accessible and usable are less certain, the General Services Administration reports that the increased cost for accessibility renovations is minimal—1 percent or less of total renovation costs.

Speaking further in strictly economic terms, only 36 percent of this country's handicapped people are employed, compared with 71 percent of the nonhandicapped population. If this country were a barrier-free society, it is estimated that

13 percent of the chronically handicapped population aged 17 to 65—189,000 people—could return to work. Employment of this group at salaries at the level prior to their disability would result in total yearly economic benefits of more than $824 million—a sum large enough to offset the cost of my bill.

But people are more important than cost. My antienvironmental barriers bill would help America take a step toward a barrier-free society where public buildings and transportation systems are no longer off limits to the handicapped and the elderly, insuring these citizens their right to belong, to pursue their aspirations, to develop their talents, to exercise their skills, to move about freely, and to live in dignity and self-respect as every other American.

I would like also to take this opportunity to congratulate the Labor and Public Welfare Committee and, especially, its Subcommittee on the Handicapped for their outstanding work in bringing about the passage of the Rehabilitation Act of 1973, of which I am a cosponsor.

I am very pleased and grateful that the Rehabilitation Act of 1973 has again incorporated my antienvironmental barriers amendments as integral parts of the bill. These amendments, I believe, will help make every American aware of the problems environmental barriers create for the handicapped and the elderly and bring about the elimination of those barriers so that new public buildings and transportation systems will be designed to serve everyone.

I am also very pleased and grateful to see the inclusion of provisions in the bill to protect the employment rights of the handicapped and to insure their equal participation in programs receiving Federal financial assistance. These provisions carry through the intent of bills which I introduced jointly with the Senator from Minnesota (Mr. Humphrey) in the last Congress.

Since its creation in 1920, the vocational rehabilitation program has been one of the most successful social programs administered by the Federal Government. It has been estimated that for every dollar invested in the rehabilitation of a handicapped individual, there is a return of $5 in increased earnings. More important, the goal of the program through the years has been to assure that handicapped persons have, as near as it is possible, the same opportunity to succeed and to lead productive and independent lives as have nonhandicapped persons.

The Rehabilitation Act of 1973 deserves the administration's support. I hope the President will sign this bill into law.

I now ask unanimous consent that the text of my antienvironmental barriers bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1105

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"Sec. 189. Expenditures To Remove Architectural and Transportational Barriers to the Handicapped and Elderly

"(a) Treatment as Expense.—

"(1) In general.—A taxpayer may elect to treat qualified architectural and transportational barrier removal expenses which are paid or incurred by him during the taxable year as expenses which are not chargeable to capital account. The expenditures so treated shall be allowed as a deduction.

"(2) Election.—An election under paragraph (1) shall be made at such time and in such manner as the Secretary or his delegate prescribes by regulations.

"(b) Definitions.—For purposes of this section—

"(1) Architectural and transportational barrier removal expense.—The term 'architectural and transportational barrier removal expense' means an expenditure for the purpose of making any facility owned or leased by the taxpayer for use in connection with his trade or business more accessible to, and usable by, handicapped and elderly individuals.

"(2) Qualified Architectural and Transportational Barrier Removal Expense.—The term 'qualified architectural and transportational barrier removal expense' means an architectural or transportational barrier removal expense with respect to which the taxpayer establishes, to the satisfaction of the Secretary or his delegate, that the resulting removal of an architectural or transportational barrier meets the standards set forth by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development under the Act entitled 'an Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped' approved August 12, 1968 (82 Stat. 718; 42 USC 4151)."

"(c) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such part VI is amended by adding at the end thereof the following new item:

"Sec. 189. Expenditures to remove architectural and transportational barriers to the handicapped and elderly.

(c) The amendments made by this Act shall apply to taxable years ending after the date of the enactment of this Act, but only with respect to expenditures paid or incurred after that date.

ANTIENVIRONMENTAL BARRIERS ACT

Mr. DOLE. Mr. President, today I am pleased to join my distinguished colleague from Illinois (Mr. Percy) in introducing antienvironmental barriers legislation.

Certain existing environmental barriers prohibit not only the handicapped from becoming active or participating members of society, but also the elderly, persons with disabling diseases such as emphysema, arthritis, heart diseases, and a certain segment of the population suffering temporary disabilities. This actually involves almost the entire population at one time or another.

The purpose of this bill is to provide an income tax incentive for the modification of buildings to remove architectural and transportational barriers to the handicapped.

The majority of public buildings and transportation systems in our country are inaccessable to approximately 44 million people because of certain barriers. These people are unable to use public transportation. In addition, they are confronted obstacles we consider normal, but to them can be almost insurmountable barriers, such as curbs, steps, or doorways. Many times, if the handicapped person is able to enter a building he may find the elevators too small to accommodate his wheelchair, restroom facilities inadequate, telephones and drinking fountains to high, and other problems most people are not ordinarily aware of.

These barriers force certain handicapped persons either to become solely dependent upon others for their mobility or to remain immobile. These problems can prevent a disabled person from obtaining an education or making an adequate living.

It is the hope that this legislation will provide a tax incentive for environmental modifications, and educate the public on barriers the disabled and the elderly must face, and help motivate them toward the elimination of these obstacles. The approximately 44 million disabled persons represent a consumer force that businessmen should keep in mind when deciding whether or not to modify their buildings. If these disabled persons were able to move about with greater ease they would become a much more prominent consumer group.

If our environment remains adequate only for healthy and normal people, the resources of the handicapped will be lost. This could cost our country a great deal in dollar terms, but most important of all in human terms.

I have been studying the serious matter of environmental barriers for quite some time. In my own State of Kansas there is an outstanding group working for the elimination of environmental barriers. This group is the Kansas University Committee for the Architecturally Handicapped and is active on campus as well as in the community in helping to make citizens aware of frustrations handicapped persons face in trying to move about in today's active world.

Robert Harris, a Kansas University graduate student is a member of this committee. Confined to a wheelchair himself, Robert is certainly aware of the problems of the disabled and is an excellent spokesman for this committee. The following is a statement by Mr. Harris concerning environmental barriers.

Statement From Robert Harris—Kansas University Graduate Student

The residents of this campus and of the surrounding community of Lawrence, Kansas, have recently become aware of the fact that environmental barriers are not just the problems of people in wheelchairs, they are the problems of all people. Together we are making a concerted effort to examine our environment from the functional perspectives of use, our least concern being that of the number of ramp curbs to accommodate students in wheelchairs. However, these modifications are not only used by persons with disabilities but more often than not they are used by people in general, including services and delivery personnel. These small changes have brought an awareness to many that has shifted the focus from the cursory recognition of environmental problems and those problems specific to persons with disabilities. These changes have created more local understanding of those same problems as applicable to all persons who use the facilities in our community.

Even though some facilities are designed to serve only persons with particular disabilities such as raised lettering denoting room numbers to the blind and specifically equipped restrooms for orthopedically disabled, we feel that such provisions should be made because all people have a right to be part of the community. The additional fixtures, space, and other features needed to make buildings accessible, do increase cost but not substantially. The 1968 estimate by the Social and Rehabilitation Service Department of H.E.W. promotes new construction and modifications of existing structures (excluding elevators) and suggested that the increase may be no more than 1% of the total cost. In view of the many benefits to persons with disabilities, this minimal increase in cost is a sound solution and improves savings for the able-bodied.

When service personnel cannot make their deliveries, when persons with heart conditions find stairs too steep to climb, when the orthopedically disabled discover that curbs and sidewalks inhibit their mobility, then environmental barriers have severely limited our efficiency in performing necessary tasks and has caused our community thousands of dollars in wasted man hours.

Again, we have discovered that not just persons with disabilities have to suffer the consequences of being limited by the inadequate environment, but rather people of our community. When a person with a disability has the necessary skills to meet the demands of his chosen occupation, but is prohibited from realizing his potential because of a restrictive environment, we all lose.

The person with a disability loses because he must rely on other sources of income such as aid to the disabled, to support his family and himself, when he knows he can fulfill the duties of the job for which he has been trained. Furthermore, the loss of the community in such situations is manifold. First, we overburden our welfare system by making it necessary to support people who are incapable of supporting themselves. Second, we lose the tax dollars these people would provide to help support and maintain the community. Third, we lose the resources of capable people to provide skills necessary to the community. Finally, we have learned that no one can measure the cost in terms of peoples' lives. The person who can perform a job and is frustrated by environmental barriers is not given the chance to develop pride and satisfaction in accomplishment of his productive skills. In addition, he has been denied the opportunity to feel he is a respected member of the work force that can provide a service.

The psychological implications of environmental barriers in their devastating consequences cannot be estimated in dollars and cents, if we are aware of the persuasiveness of these effects on persons from all walks of life, in all sectors of the country, and in all age groups.

We have organized a committee to survey our campus and city in order to demonstrate the exact nature of the architectural barriers in our environment. Moreover, we have made every effort to involve people of varied interests and persuasions in an attempt to provide the widest range of perspectives possible on this issue. Committee members include *persons in* architectural design, architectural planning, lawyers, physicians, psychologists, maintenance personnel, city commissions and officials, university administrators, occupational therapists, students, and persons with disabilities. This latter group has been especially instrumental in bringing about an awareness of the general nature of the problem to the committee. The people of the university and of the community have donated their time and effort for making our environment a place in which all people can live and work and enjoy themselves.

As Mr. Harris stated very simply, our environment should be a place in which all people can live and work and enjoy themselves.

Through this antienvironmental barriers legislation hopefully our environment will assume new dimensions where as our public transportation systems and buildings will be more accessible and not off limits to the handicapped and the elderly.

By Mr. PERCY:

S. 1106. A bill to amend the Federal Reports Act to avoid undue delays in the collection of information by Government agencies. Referred to the Committee on Government Operations.

Mr. PERCY. Mr. President, Congress enacted the Federal Reports Act in 1942 to cut bureaucratic inefficiency and curb Government harassment of small business. But in the ensuing years, under several administrations, the Budget Bureau and its latter-day successor, the Office of Management and Budget, has misread congressional intent. Using the Federal Reports Act, OMB largely controls the investigatory functions of Federal agencies.

The Federal Reports Act emerged during World War II crisis years. Massive Government information-gathering accompanied price controls and rationing. People waited in long lines occasioned in part by paperwork, overkill, and redtape. Congress acted quickly to alleviate the situation. Unwittingly, it gave the then Bureau of the Budget broad discretionary authority over Government information gathering.

Federal agencies, under the act, must now receive OMB approval for collecting identical information from more than nine persons or business firms. Agencies send their questionnaires to OMB for review. OMB industry advisory committees—composed of representatives of big businesses rather than the small businesses the act was designed to protect—screen the data requests. Whole questions or series of questions can be stricken from the questionnaires. Information requests can be denied altogether, or as happens more commonly, requests are delayed until the desired information is no longer relevant or necessary. In the end, OMB decides what information the Government can gather, at least as to situations covered by the Federal Reports Act.

There is a clear conflict of interest. Representatives from the firms and industries affected select which questions the Government can ask. Moreover, there is no time limitation as to the length of time OMB can withhold its approval. Indeed, OMB can delay a questionnaire indefinitely. Denial of information merits no explanation whatsoever. And, at least until recently, most OMB advisory committee meetings have been conducted in secret. It is expected that passage last year of the Federal Advisory Committee Act—Public Law 92–463—will correct that unhealthy situation.

Delay tactics abound. Testimony offered during hearings of the Subcommittee on Intergovernmental Relations last year indicated that the national waste inventory survey was detained 7 years by OMB-sanctioned devices. The OMB advisory committee reportedly favored granting corporate property rights over poison effluents. No Federal agency could then survey an industry's waste chemicals.

Congress designed the Federal Reports Act to halt uneconomic duplication by information-gathering agencies and to insulate small businesses from burdensome Government inquiries. Present delay procedures are, however, costly. The consequence of affording immunity to probing investigations, as into monopolistic behavior or anticompetitive conduct, can mean even greater harm to small businesses.

To be effective, Federal agencies require reasonable investigatory privileges. Where a request is unreasonable, it should be rejected or modified, but OMB should explain any such actions. Otherwise, delay is default. I am, therefore, introducing this measure to appropriately limit the OMB review period to 60 days and require a full explanation for any disapproval of information requests by agencies.

Many Americans lack faith in the Federal Government. Many believe that information is deliberately being suppressed. A free government must merit public respect. A first step in that direction is to be willing to explain its actions and to conduct its affairs in public view. Those who operate in the public's name should operate in the public view.

If Government cannot assemble accurate and needed information without undue interference, it cannot govern effectively.

I call the attention of my colleagues to the fact that the provisions of this legislation were incorporated last year in my Federal Advisory Committee bill, which was unanimously approved by this body. This section, however, was knocked out in the House-Senate conference as being nongermane to the subject matter at issue. Since in fact the provisions apply not only to advisory committees but to all agencies of Government, I believe that separate legislation at this time is appropriate to accomplish the stated purposes.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1106

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Section 3509 of title 44, United States Code, is amended by inserting "(a)" before the words "A Federal agency" and by adding at the end thereof the following new subsections:

"(b) A determination of disapproval by the Director shall be accompanied by a full statement of the reasons therefor.

"(c) Any collection of information which has been referred to the Director of the Office of Management and Budget for his approval under section 3506 of this title or under subsection (a) of this section shall be approved or denied within sixty days or such approval shall be deemed to have been granted."

By Mr. McGEE:

S. 1107. A bill to permit immediate retirement of certain Federal employees. Referred to the Committee on Post Office and Civil Service.

Mr. McGEE. Mr. President, I introduce for appropriate reference, a bill to permit the optional retirement on reduced annuity of Federal employees with at least 25 years of service, or, after becoming 50 years of age, with at least 20 years of service.

Mr. President, this legislation was submitted and recommended by the Civil Service Commission, and I ask uanimous consent that the communication be printed at this point in the RECORD.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., February 26, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate.

DEAR MR. PRESIDENT: The Commission submits for the consideration of the Congress, and recommends prompt favorable action on, the attached legislative proposal which, during a major reduction in force in a department or agency, would permit the optional retirement on reduced annuity of Federal employees with at least 25 years of service, or after becoming 50 years of age, with at least 20 years of service.

The proposed legislation would be of inestimable benefit to employees, management, and the community in which an installation undergoing a reduction in force is located. Reductions in force have a depressing effect on employee morale and result in severe personal hardships caused by loss of income and uncertainty regarding future employment. Major reductions in force, through multiple "bumping" actions, also have a disruptive effect on agency management. To the extent that attrition, particularly retirement, reduces the need for involuntary separations and the chain-effect displacement of employees with lower retention rights by those with higher retention rights, these hardships and disruptions are mitigated.

In a smaller community where a Federal installation is a main source of employment, a major reduction in force may adversely affect the community's economy. In a larger community, the release of many employees in some occupational categories may place on an already troubled labor market people for whom there are no comparable occupationas in the private sector. Permitting people to retire on annuity income and spreading voluntary retirements throughout an entire department or agency, or a subdivision of a department or agency, as the attached legislation proposes, would at least moderate these adverse effects of reductions in force on the community.

Another benefit to be derived from the proposed legislation is that it will enhance the agency's future effectiveness in carrying out its mission by helping to retain younger employees. Nothing raises the average age of an organization more quickly than a substantial reduction in force in which the youngest employees with the lowest retention standing are separated and the oldest employees are retained.

Under present law, an employee who is at least age 50 and has at least 20 years' service, or 25 years' service regardless of age, may retire on an immediate annuity if he is involuntarily separated, as when he is reached by reduction in force. Unless the employee is old enough and has sufficient service to retire optionally (age 55 with 30 years of service, age 60 with 20, or age 62 with 5), if he is not reached for reduction in force, he does not have the right to retire even if he is desirous of doing so, and thus permit an employee who wants to continue to work to be retained. The proposed legislation would simply give the long service employee who is not eligible to retire under the regular optional retirement provision of the law the opportunity to retire voluntarily during a limited period when his agency is undergoing a major reduction in force.

Under the proposed legislation, the Commission would make the determination as to when a reduction in force is major and would fix the time within which employees could exercise the option to retire. In determining when a reduction in force is a major one, the Commission intends to take into account such things as the impact it will have upon the local economy, the degree of disruption of the operations of an agency or installation, and the effect on its future capability to effectively carry out its mission. A reduction in force which affects a large number of employees in relation to the total number in the agency, or a large number of employees in the same competitive area or in a community would clearly be a major one. The time within which the option to voluntarily retire could be exercised would be set by the Commission so that employees could not defer a decision until the reduction-in-force had been nearly completed. The Commission will also make the determination as to whether eligible employees throughout the agency could exercise the option to retire, or whether the option to retire would be restricted to eligible employees of the agency who are employed in specific geographic areas or organizational units where the effects of the reduction in force are particularly severe. Like employees who are involuntarily separated those who exercise the option to retire voluntarily in a major reduction in force will have their annuities reduced by 1/6 of 1 percent (2 percent a year) for each month they are under age 55.

As in regular optional retirement cases, the Commission would be vigilant in enforcing the requirement that a retirement under the proposed legislation is the result of the employee's voluntary action rather than of coercion by his agency. Also in situations where voluntary retirements are not confined to designated geographic areas, the Commission would require an agency to try to place an employee adversely affected by a reduction in force in one geographic area in a job vacated by retirement in another area.

Inasmuch as the number of employees eligible to retire if the proposed legislation were enacted would depend on whether the Commission authorized voluntary retirement on an agency-wide, or on a more restrictive geographic basis, it is not possible to provide more than speculative cost estimates.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to submission of this draft bill to Congress.

A similar letter is being sent to the Speaker of the House.

By direction of the Commission:

Sincerely yours,
ROBERT HAMPTON,
Chairman.

By Mr. MONDALE:

S. 1108. A bill to amend the Internal Revenue Code, in order to protect farm property from estate taxation based upon its valuation for nonfarm use. Referred to the Committee on Finance.

FARM PROPERTY ESTATE TAX VALUATION ACT

Mr. MONDALE. Mr. President, urban sprawl and the Federal estate tax are combining to force the involuntary sale of family farms.

The problem addressed by the bill which I introduce today arises where land presently in use for farming has a much higher value if employed for nonfarm use. For example, land worth $400 per acre for farming might be worth $10,000 per acre for location of high-rise apartments. Often this is the case where farm property is located on the outskirts of a metropolitan area, or in the path of a corridor connecting metropolitan areas.

Section 2031 of the Internal Revenue Code provides for inclusion in the gross estate, for Federal estate tax purposes, of all real property owned by a decedent. While Internal Revenue Service regulations do not speak specifically to this issue, IRS practice has been to value property for estate tax purposes at "fair market value"—its value on the open market—at its "highest and best use."

Under the doctrine of "highest and best use," the farmland would be valued for Federal estate tax purposes at the higher amount, even if the farm has been bequeathed to surviving family members who want to continue its operation. Payment of the increased estate tax would certainly cause hardship and might require the heirs to sell the farm.

Section 6166 of the present law protects closely held family businesses, including farms, by permitting payment of estate tax over a 10-year period, so long as the business or farm remains within the decedent's immediate family. This is helpful, but it is not enough where farmland has been subjected to high valuation for alternate, nonfarm uses.

Retention of land for agricultural use, and preservation of the family farm, are in the vital interest of this Nation.

And yet, the present estate tax law throws the power and weight of the Federal Government into the balance to force the sale of family farms, and to convert farmlands to nonagricultural purposes.

A law which encourages farm families to leave the land—or requires them to suffer through lean years in order to pay an estate tax bill—is intolerable.

Therefore, the bill which I introduce today provides for valuation of farm property at farm value for estate tax purposes.

To avoid creating a tax shelter for those retaining farm property but later converting it to alternate use, the bill defers the remaining tax which would be assessed if the property were valued at its "highest and best use." This deferred tax would be assessed when the land is, first, converted to nonfarm use or, second, transferred out of the immediate family.

Mr. President, I ask unanimous consent that the text of the bill may appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1108

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Property Estate Tax Valuation Act".

SEC. 2. Part III of subchapter A of chapter 2 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 2045. REAL PROPERTY USED IN FARMING.

"(a) VALUATION OF FARM PROPERTY.—In the case of real property used in farming by the decedent, the value of such property to be included in the gross estate shall be the value of such property for farming purposes, provided that the executor agrees to the provisions of subsection (b).

"(b) SPECIAL RULES.—The election to include farm property in the gross estate at the value provided in subsection (a) shall apply only if—

"(1) The provisions of section 6166 apply to the farming business or businesses of the decedent, and the executor could elect to pay the tax imposed by section 2001 attributable to the inclusion of the value of such property in the gross estate in installments, and information as to value in alternative uses is submitted with the estate tax return; and

"(2) The executor agrees to the payment of tax computed in accordance with the provisions of section 1253 upon the disposition of the property (a) in any manner which would accelerate the payment of tax under section 6166(h), or (B) if any partnership, trust, or corporation to which the farming property may be transferred ceases to use such property for farming.

"(c) EXCEPTION.—Where an interest in farming property (with respect to which estate tax under section 2001 has been determined using the value provided in subsection (a)) is subject to transfer as the result of the death of a person described in section 6166(h)(1)(D), such transfer shall not constitute a disposition under subsection (b), and the amount of tax with respect to such earlier transfer of such property which would have become due upon disposition of such interest shall not become due as a result of such transfer and shall not thereafter become a libaility upon subsequent transfer of such interest."

SEC. 3. Part IV of Subchapter P of Chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 1254. Gain from disposition of farming property.

"(a) CIRCUMSTANCES UNDER WHICH SECTION APPLIES.—This section shall apply to any transfer of property valued under section 2045(a) which is a disposition under section 2045(b)(2).

"(b) TAX.—In lieu of the tax imposed by section 1, there is hereby imposed upon the disposition of property to which section 2045 applied a tax which shall consist of the sum of (1) the amount by which the estate tax determined under section 2001 would have exceeded the estate tax determined by valuing farming property at farming value had such farming property been valued without regard to section 2045 or at a value at date of disposition if such value is less than the value wtihout regard to section 2045, plus (2) if any amount is due under (1) and if the disposition would be taxable under other provisions of this subtitle, an amount determined in accordance with such other provisions using as basis the value for making the detemination under (1).

By Mr. MONDALE (for himself, Mr. BAYH, Mr. CRANSTON, Mr. EAGLETON, Mr. HART, Mr. HATHAWAY, Mr. MANSFIELD, Mr. MCGEE, Mr. MCGOVERN, Mr. MOSS, and Mr. PROXMIRE):

S. 1109. A bill to amend the Internal Revenue Code of 1954 to provide that the designation of payments to the Presidential Election Campaign Fund be made on the front page of the taxpayer's income tax return form. Referred to the Committee on Finance.

THE $1 CAMPAIGN FUND CHECK-OFF

Mr. MONDALE. Mr. President, I am today introducing legislation to require the Internal Revenue Service to place the $1 check-off for the Presidential Election Campaign Fund on the front page of individual tax returns.

Joining with me in introducing this legislation are the Senators from Indiana (Mr. BAYH), California (Mr. CRANSTON), Missouri (Mr. EAGLETON), Michigan (Mr. HART), Maine (Mr. HATHAWAY), Montana (Mr. MANSFIELD), Wyoming (Mr. MCGEE), South Dakota (Mr. MCGOVERN), Utah (Mr. MOSS), and Wisconsin (Mr. PROXMIRE).

In 1971, Congress voted to allow every taxpayer to contribute $1 to a Presidential Election Campaign Fund by making a check-off on his or her income return.

It was clearly our intention and understanding that this check-off would go on the front of every taxpayer's return.

Now it turns out that the Internal Revenue Service has decided to place it on a separate form that is unlikely ever to come to the taxpayer's attention. This form—form 4875—is hidden away in the back of the package of material sent to taxpayers. Many banks, post offices, and other places where income tax forms are obtained do not have the form.

Because of this, only about 4 percent of the taxpayers filing returns so far this year have taken advantage of the check-off. If this keeps up, obviously the new law will fail to achieve its purpose, and perhaps the entire concept of public financing of campaigns will be placed in jeopardy.

In order for the Presidential Election Campaign Fund to contain enough money to allow each major party to receive the $20 to $22 million authorized it in the 1971 act, at least 10 to 15 percent of the taxpayers would have to use the check-off each year.

I am convinced that the number of people participating in the checkoff system would be doubled or tripled if the administration had not taken this action to undermine the system's effectiveness.

The Nixon administration has never believed in this system. When he signed it into law, the President expressed confidence that the Congress would see the "defects" of the checkoff system and would repeal it. Apparently he is doing everything possible to see that the system fails so that his prediction will come true.

Public financing of presidential campaigns is the most fundamental and potentially far-reaching election reform adopted in this century. If it works—as I am confident it can work—it will effectively divorce presidential politics from the corrosive influence of big money and special interests.

So long as we have a system of campaign financing which not only relies on but encourages large contributions from the wealthy, so long will we have a government in which moneyed interests speak louder than people interests. That is what the dollar checkoff is designed to correct and that is why its effectiveness is so crucial to the integrity of our political system.

This bill I am introducing should not even be necessary; the original intent of the Congress was perfectly clear. But if we have to pass laws saying we really mean what we said the first time, we will do it.

The bill requires that, starting next year, the $1 checkoff appear on the front page of each taxpayer's return. In addition, since the IRS has done little to publicize the checkoff this year, it also requires the IRS to give "extensive publicity" to the provision, with emphasis on the fact that a dollar contributed to the checkoff fund does not cost the taxpayer anything extra.

The distinguished Senator from Minnesota (Mr. HUMPHREY), and the distinguished chairman of the Finance Committee, the Senator from Louisiana (Mr. LONG), have both looked into this effort by the IRS to thwart the intent of Congress, as has my colleague from Minnesota, Congressman DONALD FRASER. In addition, Common Cause has sought to persuade IRS to give greater publicity to the checkoff.

I ask unanimous consent that a number of newspaper articles describing their efforts appear in the RECORD at this point, along with the text of the bill being introduced today:

There being no objection, the bill and articles were ordered to be printed in the RECORD, as follows:

S. 1109

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 6096(c) of the Internal Revenue Code of 1954 (relating to the manner and time of designation) is amended by inserting after "any taxable year" the following: "on the first page of an individual's income tax return form".

(b) The amendment made by subsection (a) shall apply with respect to taxable years ending after the date of enactment of this Act.

SEC. 2. (a) The Secretary of the Treasury or his delegate shall give extensive publicity to the Presidential Election Campaign Fund, including prominent notice in explanatory material sent to individuals, posters, and the use of radio, television, newspapers and other media. This publicity shall emphasize that the designation provided for in section 6096 of the Internal Revenue Code of 1954 does not increase an individual's tax liability.

(b) Subsection (a) shall take effect upon the date of enactment of this Act.

[From the Washington Post, Nov. 22, 1972]

NO SPACE ON 1972 TAX FORMS FOR $1 CAMPAIGN CHECK-OFF

(By Morton Mintz)

The Internal Revenue Service will be taken to court for omitting a space on 1972 tax forms for taxpayers to participate in the "dollar check-off system" for public financing of presidential elections, it was learned yesterday.

Congress enacted the check-off system a year ago to permit any taxpayer to assign $1 from his income tax to the political party of his choice. A married couple filing a joint return can assign $2. The amount of tax owed is not increased for persons who participate.

The taxpayer also may assign the money to a nonpartisan general account for all eligible presidential and vice presidential candidates.

Though the new tax forms don't contain a check-off space, an IRS spokesman said each Form 1040 and 1040A will arrive in a package that, in a multi-colored printed notice on the cover, calls attention to a "Presidential Election Campaign Fund" form inside.

Also on the cover is a special message from the Commissioner of the IRS that calls attention to the contribution form, which bears the number 4875, the spokesman said.

Common Cause, a people's lobby, said it will file by Monday a lawsuit that, if successful, would force the IRS to abandon the 1972 forms, which it has been printing for about a month, and substitute new ones.

Sen. Hubert H. Humphrey (D-Minn.), in a related development, charged that the forms adopted by the IRS are an effort to "deliberately thwart" full taxpayer participation in the check-off system for public financing on presidential elections.

The IRS spokesman, rejecting the charge, said the package system of separate forms was adopted to prevent any possible intrusion of a taxpayer's expression of a political preference into the administration and auditing of his tax return.

The legislative history of the law, which is to go into effect in the current tax year, clearly shows that it was intended to "reduce the dependency of candidates for the presidency on large contributors and to encourage the participation of all Americans in the financing of presidential campaigns," Humphrey said in a letter yesterday to Treasury Secretary George P. Shultz.

The law's history also shows that Congress intended Forms 1040 and 1040A each to have an entry so that a taxpayer could check off a contribution, Humphrey said.

This contention is shared by Common Cause and Tax Analysts and Advocates, a public-interest tax law firm. The organizations independently discovered the omission of a check-off from the tax forms.

Humphrey protested to Shultz that the IRS decision to omit the check-off entry and use a separate form will deny the opportunity that Congress intended to offer millions of taxpayers, many of whom "will not even recognize the opportunity."

"If IRS does not include an easy to understand check-off system" in the standard forms, Humphrey said, "only higher income persons—persons who normally file more than one tax schedule—will be encouraged to exercise the option of giving to the political party of their choice."

[From the Boston (Mass.), Herald American, Jan. 3, 1973]

"People" Agree With IRS

(By David Barnett)

WASHINGTON.—Common Cause, the so-called people's lobby, has won a compromise of sorts with the Internal Revenue Service over the "dollar checkoff system" for public financing of presidential elections.

Congress last year changed the tax law to permit a taxpayer to allocate $1 of his income tax payment to the political party of his choice or to a non-partisan general account for presidential candidates.

Instead of putting a simple checkoff box on the basic income tax forms 1040 or 1040A, the IRS decided to handle the checkoff on a separate form 4875.

Common Cause last November threatened a law suit to force the IRS to abandon the 1972 forms which already were being printed. Negotiations between the agency and Common Cause produced this general compromise.

The IRS will use the forms as printed but will give widespread publicity to the checkoff system.

The IRS will hold public hearings in the spring before deciding how to handle the system on 1973 forms.

Mitchell Rogovin, the lawyer who handled the Common Cause side of the dispute, conceded that it wasn't much of a victory.

He said innocent persons would have been harmed had the matter been taken to court.

He said he suspected IRS had used the separate form system to try to get a low response and thus persuade Congress the system was unworkable.

In signing the tax bill containing the checkoff Dec. 10, 1971, President Nixon expressed confidence that Congress would see the "defects" of the checkoff system and would repeal it.

The IRS contends it developed the separate form to prevent any possible intrusions of a taxpayer's expression of political preference into the administration and auditing of his tax return.

A Common Cause spokesman called that a fake issue. The checkoff box, he pointed out, could have been attached to the main form by perforation, detached and put into a separate pile after the form had been filed.

Packages of tax forms mailed to taxpayers will carry a multi-colored printed notice on the cover calling attention to the presidential election campaign fund form inside.

Common Cause is more concerned with the forms distributed individually in banks and other places on the theory that the taxpayer will forget to pick up the checkoff form and there is nothing on the 1040 to remind him.

Some 160 million separate forms are distributed in such fashion in some 16,000 locations.

The Elusive Tax-Checkoff Form

(By Clayton Fritchey)

This a report on how a determined administration can thwart the will of Congress and the public by violating the spirit, if not the letter, of the law. This revealing example involves the financing of presidential election campaigns, now very much in the public mind because of the Watergate scandal.

Even before the Watergate revelations aroused interest in the $10 million secret Nixon campaign fund, however, Congress, prodded by the mounting concern of the electorate, passed a bill providing for public financing of presidential election campaigns.

The plan was simplicity itself. It invited every taxpayer to make a checkmark on his income-tax return indicating whether he would like $1 of his payment to be set aside to subsizide the presidential campaign of his party's nominee or an independent. The idea was that this would free all of the nominees from obligating themselves to special interests.

It was calculated that the checkoff (not costing the taxpayer anything) would provide $20.4 million for each of the major presidential candidates, as well as substantial sums for any minor candidate. The candidates were not required to accept the public subsidy, but if they did, they could not legally accept private money in addition.

Although the bill generated bipartisan support on Capitol Hill, it was poison to the Nixon moneymen who, with their connections to the rich and big business, rightly figured they could raise twice as much as the opposition, regardless of who the Democratic nominee might be.

The upshot was a compromise. Faced with a presidential veto, Congress got the bill through by postponing the effective date from 1972 to 1976. This enabled Mr. Nixon to swamp the Democrats last year with a record campaign chest of $50 million, or maybe more.

The word from the administration was: Don't worry about 1976. After the re-election of Mr. Nixon, there would be four years in which to discredit, sabotage or repeal the $1 checkoff reform. As will be seen, this was not idle talk. The operation has begun.

The discrediting started last week with "leaks" intimating that the checkoff plan, contrary to general belief, had little popular support. The administration reported that only 4 per cent of the first 12 million income-tax returns received this year approved $1 being set aside for financing future political campaigns.

But Sen. Russell Long (D-La.), chairman of the Senate Finance Committee and author of the checkoff, was not born yesterday. In his politically shrewd mind, something was wrong in Denmark, or at least in the Internal Revenue Service.

Within 24 hours, he had the answer. The government has not alerted the taxpayers to the checkoff box on this year's income-tax form. In fact, it wasn't included on Form 1040 and 1040–A at all. It appeared only on a small supplementary form, which millions of taxpayers are not likely to notice.

Over in the House, Rep. Donald Fraser (D-Minn.) also has done some investigating, which shows that the Internal Revenue Service (IRS) has not only done little to publicize or explain the checkoff innovation but in many cases has made it difficult for taxpayers even to get this special checkoff form, known as Form 4875.

The checkoff, Rep. Fraser says, is "one of the most important political reforms for the last 50 years, but IRS is not doing much to let people know about it." Rep. Fraser put it mildly. The IRS has not provided Form 4875 to banks, post offices and other places where millions of taxpayers pick up their forms.

Even those who get tax packets mailed out by the government are not likely to be alerted to the checkoff. There is a brief explanation, but, as Rep. Fraser points out, it "neglects to tell the taxpayer that he can allocate $1 to the party of his choice at no extra cost to himself. Not until he gets to the form itself at the back of the packet does he get this information."

Even if Sen. Long and Rep. Fraser succeed in getting some co-operation from the IRS, the administration has still other ways of circumventing the checkoff reform. As the legislation stands, the money earmarked between now and 1976 will require a further appropriation act before it can be used, and that, of course will be subject to a presidential veto.

Forms Available, IRS Replies—Campaign Checkoff Handling Criticized

(By John Hanrahan)

Rep. Donald M. Fraser (D-Minn.) has complained to the Internal Revenue Service that the agency is discouraging people from allocating $1 of their income tax to the 1976 presidential campaign by inadequately publicizing the new $1 tax-checkoff system.

An IRS spokesman disputed his contention.

Fraser said last week that a survey by his staff had disclosed that the $1 check-off form Form 4875, was unavailable at eight Washington area locations and three Minneapolis locations that handle other federal tax material.

A Washington Post telephone survey disclosed that the form is available at only three Washington-area locations that handle other federal tax forms.

"The form is included, it's true, in the instruction packet mailed out by IRS, but only a brief word of explanation is provided on the front of the packet," Fraser said.

"This explanation neglects to tell the taxpayer that he can allocate $1 to the party of his choice at no extra cost to himself. Not until he gets to the form itself at the back of the packet does he get this information."

Fraser said that the checkoff should have been included on the basic 1040 and 1040A forms most taxpayers use instead of being on a separate form. Fraser said he had asked IRS Commissioner Johnnie M. Walters to give more publicity to the $1 checkoff before the April 15 filing deadline.

Under the voluntary checkoff plan, a taxpayer can check off whether he wants $1 of his tax payment to be used to finance the presidential campaign of the party of his choice, or whether he wants the money to go into a nonpartisan fund to benefit all candidates.

Fraser called the check-off "one of the most important political reforms of the last 50 years, but IRS is not doing much to let people know about it."

IRS spokesman Wilson Fadely disputed Fraser's arguments Thursday, saying that IRS is adequately publicizing the plan and is not causing any taxpayer a hardship.

Fadely acknowledged that many first-time taxpayers or people who move during the course of the year do not receive tax packets in the mail. He said that if these people went to banks or post offices, which handle the 1040 and 1004A forms, they would be unable to get the tax check-off forms.

But, he insisted, this does not provide any hardship.

"They could phone us and we'd mail the forms to them," he said. "Or, they could come to our national office or to one of our field offices and get them."

The IRS tax information office said the check-off forms are available in the D.C. area only at 1201 E St. NW, the IRS headquarters; and at field offices in Wheaton Plaza in Maryland and at Baileys Crossroads in Virginia.

Fadley said that the check-off provision was not included on the 1040 and 1040A forms for reasons of space and the taxpayers' privacy. He said that IRS officials auditing a taxpayer's return should not be able to know the taxpayer's political affiliation for fear of being accused of bias toward Republicans or Democrats.

As for publicity, Fadley said that IRS district offices throughout the country have set up radio spot announcements and sent out news releases publicizing the check-off provision.

By Mr. GURNEY (for himself and Mr. Chiles):

S. 1110. A bill to provide for orderly trade in fresh fruits and vegetables, and for other purposes. Referred to the Committee on Agriculture and Forestry.

FRESH FRUITS AND VEGETABLES MARKET-SHARING ACT OF 1973

Mr. GURNEY. Mr. President, today I am reintroducing, joined by my colleague from Florida (Mr. Chiles), legislation which is designed to give relief to the U.S. fruit and vegetable industry from a serious problem which continues to plague domestic production.

In the past 10 years, imports of foreign fresh fruits and vegetables have increased to a point where it has significantly hindered or altered the domestic agriculture industry. For example, the percentage of tomatoes imported into the United States from Mexico over a 10-year period has increased by 216 percent, for peppers the increase was 284 percent, for cucumbers, 1,090 percent; for squash, 5,235 percent, and for eggplant, 1,243 percent. Moreover, the greatest part of these increases have taken place in the past 5 years. Clearly, with figures like these, the domestic producer cannot continue to operate under these conditions and survive indefinitely.

In my own State of Florida, for example, this unregulated increase in volume of foreign imports has created chaos. Prices of domestic products have dropped, farmers have gone into bankruptcy, and the income of farm laborers has fluctuated downward.

Few persons are truly cognizant of the effects these imports are having on the economy of both Florida and the Nation due to the lack of an effective U.S. reciprocal trade agreement. Every other country in the world with whom the United States does business has a well-defined foreign trade policy which is tailored to its domestic needs as well as designed to promote its world trade position. Therefore, the present U.S. trade policy in fresh fruits and vegetables leaves American producers at a domestic, as well as an international, disadvantage.

Opponents of market-sharing or quota-type legislation argue that such a policy would interfere with the U.S. Government's long-term efforts to increase U.S. agricultural exports by reducing foreign trade barriers. Such reductions are one of the major objectives of GATT—General Agreement on Tariffs and Trade—but since Mexico is not a member of GATT, that should not be a consideration. Of greater concern is the fact that Mexico is becoming, if it has not become already, the principal supplier of U.S. imports of fresh fruits and vegetables.

Mr. President, the worst part of all is that the biggest blow is falling on the American producers. We are expecting him to pay high wages, taxes and the cost of research and development, but we do not consider what will happen if he cannot sell his produce on the domestic market.

This legislation, if enacted, would require our Government to direct its efforts toward achieving a reasonable agreement with trading partners, and back these agreements with an effective import quota law. It would provide that the total exports to the United States during the season would not exceed an agreed upon level based upon volume of shipment during a representative period, and it would give the President the power to adjust this policy in times of emergencies, that is, crop failures.

The enactment of this legislation will establish an equitable and orderly marketplace, consistent with the maintenance of a strong and expanding U.S. agricultural policy. At the same time it will provide corrective action for a situation which is presently threatening our domestic industry. I, therefore, urge my fellow colleagues to take a good hard look at the problem I have outlined and then take the necessary steps by supporting this legislation.

Mr. President, I ask unanimous consent that a statement prepared by Senator Chiles be printed at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement of Senator Chiles

Mr. President, over the past year members of my staff and I have met on a number of occasions with fresh fruit and vegetable producers, particularly tomato growers, who are deeply concerned over the survival of their industry. They are facing not only the problem of continuing increases in cost of production and marketing, but the continuing increase in imports of foreign produce, especially Mexican tomatoes.

As a result of my conversations with growers, I am convinced that due to higher costs of production and higher wages in the country, imports of fresh fruits and vegetables will undoubtedly continue to increase if left uncontrolled and will continue to destroy the market for domestic produce.

In the 92nd Congress, Senator Gurney and I introduced a bill, S. 3547, to provide for orderly trade in fresh fruits and vegetables. We are reintroducing that proposal again today, declaring it to be the policy of the Congress that access to the United States market for foreign produced fresh fruits and vegetables should be established on an equitable and orderly market-sharing basis consistent with the maintenance of a strong and expanding United States production and designed to avoid the disruption of U.S. markets and the unemployment of our agricultural workers. This bill authorizes and directs the President to undertake negotiations with other governments for the purpose of fixing agreements to provide orderly trade in fresh fruits and vegetables, including the quantitive limitation of imports.

Our bill seeks to control imports of fresh fruits and vegetables by either (1) voluntary limitation agreements, or (2) if a voluntary agreement is not reached, then by imposing of limitation which reflects a 5 year average of the import of any one particular commodity. Neither measure, we feel, is inflexible nor would they be unduly restrictive.

The fruits and vegetables affected by this measure are limited to those produced in commercial quantities in the United States. I urge my colleagues to support this bill—to exercise some control over the carloads of Mexican tomatoes—and other fruits and vegetables appearing without prior notice and causing prices to drop drastically, hurting our own farmers through disruption of the domestic market.

By Mr. HUDDLESTON:

S. 1112. A bill for the relief of Mukhtar M. Ali. Referred to the Committee on the Judiciary.

Mr. HUDDLESTON. Mr. President, I am today introducing a bill for the relief of Dr. Mukhtar M. Ali.

Generally, I have reservations about the advisability of private bills. Dr. Ali's case is, however, somewhat unusual, and, for that reason, I am introducing this bill. Dr. Ali was born in Tangra, India, and prior to coming to the United States in 1966 was a member of the faculty of the University of Rajshahi, East Pakistan. Dr. Ali entered the United States for the purpose of studying under a Fulbright scholarship and with the understanding that he would return to his homeland upon completion of his doctoral studies. As we all know, however, the situation in what was Dr. Ali's homeland has changed drastically in recent years. In the meantime, Dr. Ali has proved himself a very valuable member of the faculty of the University of Kentucky, where he is now an associate professor. I hope, consequently, that this bill on his behalf will receive prompt consideration.

By Mr. CRANSTON (by request):

S. 1113. A bill to amend the Small Business Act. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. CRANSTON. Mr. President, I introduce a bill to increase the total amount of loans, guarantees, and other obligations under paragraph 4 of section 4(c) of the Small Business Act.

Mr. President, this bill is being submitted on recommendation of the Small Business Administration and I ask unanimous consent that the bill and analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 1113

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$7,400,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$800,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$650,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$500,000,000".

ANALYSIS OF S. 1113

The bill would effect four amendments to the provisions of section 4(c)(4) of the Small Business Act governing the amount of loans, guarantees, and other obligations or commitments which may be outstanding at any one time from the Business Loan and Investment Fund.

The first of these amendments would increase from $4,300,000,000 to $7,400,000,000 the amount which may be outstanding from the fund at any one time under sections 7(a), 7(b)(3), 7(e), and 8(a) of the Small Business Act, and Title IV of the Economic Opportunity Act of 1964. The second amendment would increase from $500,000,000 to $800,000,000 the amount which may be outstanding at any one time under Title III of the Small Business Investment Act of 1958. The third amendment would increase from $500,000,000 to $650,000,000 the amount which may be outstanding at any one time under Title V of the Small Business Investment Act of 1958. The fourth amendment would increase from $350,000,000 to $500,000,000 the amount which may be outstanding at any one time under Title IV of the Economic Opportunity Act of 1964.

In accordance with a procedure prescribed by Congress in 1962 (H. Rept. No. 1974, 87th Cong., 2d Sess.), a review has been made of the probable requirements through June 30, 1976, of the programs governed by the existing limitation of $4,300,000,000. These projections indicate that a limitation of $7,225,900,000 is needed for the combined activities. In order to provide a reasonable reserve for contingencies, it is recommended that the limitation amount be increased to $7,400,000,000.

The projected amount outstanding at June 30, 1976, for business loans under Title IV of the Economic Opportunity Act of 1964, as included in the figure of $7,225,900,000 cited above, is $450,700,000. Allowing in this instance also a reserve for contingencies, it is recommended that the present limitation of $350,000,000 for title IV loans be increased to $500,000,000.

Section 4(c)(4) provides a separate limitation of $500,000,000 on the amount of loans, guarantees, etc., which may be outstanding at any one time for Small Business Investment Company financing under Title III of the Small Business Investment Act of 1958. The projected amount outstanding at June 30, 1976, for these financing activities is $778,400,000. In order to provide a reserve for contingencies in this limitation too, it is recommended that the existing limitation of $500,000,000 be increased to $800,000,000.

Section 4(c)(4) provides an additional separate limitation of $500,000,000 on the amount of loans, guarantees, etc., which may be outstanding at any one time for loans to State and local development companies under Title V of the Small Business Investment Act of 1958. Projections of probable limitation requirements for these loan programs also have been made through June 30, 1976. These projections indicate that the amount outstanding as of that date will be $616,600,000, without any provision for contingencies. In order to provide a reserve for contingencies for these programs, it is recommended that the current limitation of $500,000,000 be increased to $650,000,000.

By Mr. EAGLETON:

S. 1114. A bill to authorize assistance for demonstration projects designed to develop reforms in the criminal justice system in the United States. Referred to the Committee on the Judiciary.

CRIMINAL JUSTICE REFORM ACT

Mr. EAGLETON. Mr. President, I am today introducing, for appropriate referral, the Criminal Justice Reform Act. I ask unanimous consent that the full text of the bill be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EAGLETON. Mr. President, as American participation in the war in Vietnam is being terminated, as our fighting men who have been held prisoner are coming home, I propose that we turn our energies and resources to fighting a new war—a war against crime here in the United States. It is a war that must be fought with all the determination and imagination that we can command, Mr. President, for in this war the enemy has imprisoned not thousands, but millions, of Americans in a cage of fear that leaves them incapable of carrying on the normal activities of daily life.

I make this proposal with some hesitancy, Mr. President. In recent years, we have declared war on poverty, on hunger, and on a host of other social ills. In each case, after the initial fanfare of the declaration of war and the announcement of bold new programs, there followed a steady erosion of support for that particular effort. Parenthetically, I wish only that the administration could have gotten us out of the Vietnam war with the same efficiency and dedication that it brings, for example, to the task of terminating the war on poverty.

Regardless of these reservations, I have concluded that a declaration of war on crime would not be simply another exercise in governmental hyperbole. For it seems that only in wartime do we achieve the determination and the unity of purpose among our people that are necessary if we are to check the ever-growing rise in crime.

The available evidence points to the conclusion that, on this issue, the public is indeed aware and concerned and ready to support an attack on crime. National polls have repeatedly showed that Americans rate crime as the most serious domestic problem and the one that should be given top priority by government. Perhaps of equal importance are the surveys showing that a great majority of the people even support increased government spending in this area.

Aside from these practical considerations, there is the certain knowledge of the debilitating effects of crime on the quality of life in this country and on the confidence and esteem accorded the government by its citizens. If government cannot protect us in the streets and in our homes against assault, and robbery, and rape, and murder, it might reasonably be asked, then of what value are the other accomplishments of the government here, or abroad, or in space.

It has to stop. We simply cannot go on being the prisoners of crime—working behind locked doors in offices and even in retail establishments where customers must ring for admission—fearing to venture out to cash pension checks—living with the terror that any one of us may be the next victim. And no one is immune. Certainly the recent assault on Senator STENNIS, like the shooting of Governor Wallace, and like the assassinations of major public figures in the 1960's, must have taught us that we are all vulnerable to the threat posed by crime and violence.

There are those who say that crime can be dealt with effectively only by attacking the underlying problems—lack of job opportunities, inferior education systems, discrimination against minorities, and a host of other social inequities. Improvements in these areas necessarily involve massive programs of social reform, taking many years to influence the makeup of our society. I do not believe we have to wait that long. I believe we can start now.

We can begin by making improvements in the criminal justice system which we rely upon to deal with crime problems as they exist today. There is no need to wait for the millennium to reform the criminal justice system. Its deterioration has long been noted and there is a broad consensus on the need for improvement. But this system does not have an alumni body, or a parent-teachers association, or a lobby that can be depended upon for a forceful and timely presentation of its interests. It is largely dependent upon a public awareness of its needs, and a public concern that it be equipped to deal with modern criminal problems.

Given these circumstances, there is a great deal that can be done by the Federal Government to aid local law enforcement agencies—without absorbing them. It can offer financial support and technical assistance. Perhaps most importantly, it can provide leadership to point the way for the comprehensive reforms needed to equip the entire criminal justice system to combat crime more effectively.

Substantial financial assistance is already being provided. As a nation, we are now spending close to $10 billion annually for law enforcement purposes at all levels of Government. Nearly 10 percent of that amount is dispensed by the Federal Law Enforcement Assistance Administration—LEAA—in the form of grants to States and communities under the authority of the Safe Streets Act of 1968, as amended.

More money will help, and I support President Nixon's efforts to allot additional Federal funds for law enforcement. But money alone will not suffice in the absence of imagination and leadership for reform.

It was hoped that such leadership would be forthcoming from LEAA, but the track record of LEAA shows this not to be the case. LEAA has functioned largely as a disbursing agent, with relatively little influence on the manner in which funds have been used. These conditions were perhaps inevitable, given the block grant approach and the unwieldly administrative structure for LEAA contained in the original Safe Streets Act. Improvements have been made, both in revising LEAA administration through subsequent legislation and, it is my understanding, in the imposition of better fiscal controls.

Nevertheless, the fact remains that LEAA has not served as a necessary catalyst for reform of the criminal justice system; rather, it has tended to reinforce the existing system in its traditional modes of operation.

There are exceptions to this pattern. Among the most noteworthy have been a number of programs funded through the Missouri Law Enforcement Assistance Council. This is not just my opinion as a booster of the State I represent—it is drawn from the observations of experts who do not have a parochial view.

When we speak of reform, we are talking about some of the very things that are being done in Missouri. Such things as statewide police recruitment and training standards, support for training of law-enforcement officers of all kinds, extension of parole and probation services, revision of the State's criminal code, and supplying alternatives for the care and treatment of juvenile offenders.

But, again, the experience in Missouri is an exception to the national rule. Even authorities within LEAA concede that disproportionate amounts of Federal funds have gone for arms and other equipment, or for construction of facilities that are not essential to the immediate task of reducing the amount of crime.

I am convinced, Mr. President, that no substantial improvements will come about until we approach the problems of law enforcement on a systematic basis. Indeed, it is an overstatement to refer to the current modes of enforcing criminal justice as a system. A 1969 staff report to the National Commission on the Causes and Prevention of Violence gives the following picture of the manner in which criminal justice is enforced in this country:

> A system implies some unity of purpose and organized interrelationship among component parts. In the typical American city and state, and under federal jurisdiction as well, no such relationship exists. There is instead, a reasonably well-defined criminal process, a continuum through which each accused offender may pass: from the hands of the police, to the jurisdiction of the courts, behind the walls of a prison, then back into the street. The inefficiency, fallout, and failure of purpose during this process is notorious . . .

The bill I propose today represents an effort to change this pattern. This bill is grounded on the principle that what we call the criminal justice system must be viewed in its entirety, for if any one part malfunctions, the effectiveness of the whole is impaired. An excellent police force is hampered in preventing crime if there are long delays in bringing a defendant to trial. A criminal court system that disposes of cases quickly and fairly cannot salvage a convicted defendant who is sentenced to an institution which is only a breeding place for more crime.

The bill authorizes LEAA to make grants to States and localities which elect to participate, on a strictly voluntary basis, for the purpose of bringing about comprehensive reform. Initially, grants would be limited to a few States and localities as pilot programs, with the hope that these will point the way toward implementing the program nationally.

The bill does not contemplate detailed directions from Washington as to how each State must improve its system. Rather it sets a number of goals which participating States must undertake to meet—each through its own methods, each in the light of local conditions.

These goals—which encompass the entire criminal justice system—are drawn from a variety of sources, ranging from the findings of President Johnson's Crime Commission to Chief Justice Burger's recommendations regarding the speedy disposition of criminal cases.

In this connection, I am pleased to note that the goal-oriented approach embodied in this bill as received wide acceptance since I introduced a similar bill in January 1971. In a speech delivered shortly thereafter in Pasadena, Calif., on February 19, 1971, former Attorney General Mitchell separately endorsed this concept stating:

> What is needed now is a set of national goals and standards in the operation of police forces, in the administration of courts, and in the upgrading of correction systems.
>
> I therefore propose that Federal, state and local governments join together in establishing such standards and goals. The Federal Government's role would be to provide financial support and technical expertise. The state and local governments would bring to such discussions their own professional experience. Working together, the three levels of government could agree upon a set of specific objectives to be achieved on a nationwide basis.

The Advisory Commission proposed by former Attorney General Mitchell was thereafter convened and has now nearly completed its work. It has addressed itself to the task of formulating standards and goals for law enforcement of the kind that are expressed in my bill.

I will not attempt to enumerate all of the standards contained in this bill but they cover such things as the recruitment, training, pay and retirement benefits of law enforcement personnel—criminal court operations, including the mandatory disposition of criminal cases within a fixed period after arrest, the extension of probation and parole services, correctional facilities, from local jails to State institutions, juvenile offenders, treatment of narcotics addiction, and alcoholism. For the most part, these are performance standards—that is, each State would be free to devise the most suitable way for it to meet the goals set out in the bill without Federal dictation at each step along the way, so long as these goals are being attained.

I do not suggest, Mr. President, that this bill is the final answer to the problems of fighting crime. We all know that those problems are too many and too complex to admit of a "single package" solution, but my bill does provide a starting point. Moreover, it may well be suited to amendments offered in the light of the final report of the National Advisory Commission on Criminal Justice.

Neither do I expect this bill—or any other bill—to reform human nature. Yet there are two things that we know can be done, and we know how to do them: first, law enforcement agencies can be improved so that more offenders are apprehended and brought into the criminal justice system; and, second, the entire system can be improved so that punishment will have greater meaning as a deterrent and incarceration will more nearly operate to rehabilitate.

For too long, Government at all levels has acted as though an ever-increasing rate of crime is an inevitable fact of modern life—even though the rate of increase has been greater than population growth—has exceeded the rate at which our society has become urbanized—and has gone beyond the limits of our citizens' tolerance.

We have it within our power to reverse the upward trend in crime. Continued rising crime need not be an "inevitable" fact of life in this decade if we are willing to commit against it our talent, our means, and our determination.

EXHIBIT 1

S. 1114

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Criminal Justice Reform Act".

DECLARATION OF POLICY

SEC. 2. The Congress finds that—

(1) in order to obtain effective control and prevention of crime, there is a need for demonstration projects to test within States and localities comprehensive criminal justice reforms, including reforms in recruiting, training, compensating, and supervising police and other law enforcement personnel, expediting and improving criminal court procedure, and strengthening correctional systems; and

(2) the recommendations of the President's Commission on Law Enforcement and the Administration of Justice, together with the planning and recommendations of a number of State planning agencies and commissions and other agencies, provide an excellent basis for the adoption of such reforms.

DEMONSTRATION PROJECTS AUTHORIZED

SEC. 3. (a) The Administrator of the Law Enforcement Assistance Administration is authorized to make grants to and to enter into contracts with States and where appropriate, with localities for the conduct of demonstration projects designed to test the effectiveness of comprehensive criminal justice reforms as described in subsection (b) of this section.

(b) A demonstration project assisted under this section may involve the testing of the following comprehensive criminal justice reforms:

(1) A State or, where appropriate, a locality will establish with respect to police and other similar law enforcement personnel—

(A) standards for recruitment which are uniform throughout the State;

(B) appropriate educational requirements for advancement which are uniform throughout the State;

(C) beginning compensation and increases in compensation which are appropriate for a professional, considering the size of the community and the cost of living in the community in which such personnel serve;

(D) a retirement system that is uniform throughout the State, and a statewide pension plan for such personnel;

(E) to the extent possible, uniform promotional policies for such personnel throughout the State;

(F) to the extent appropriate, standard operational procedures for such personnel throughout the State;

(G) lateral entry between law enforcement agencies of each locality within the State and between Federal, State, and local law enforcement agencies located within the State, with appropriate conditions on the period of initial service for such personnel; or

(H) facilities offering short-term mandatory training for all such personnel within the State.

(2) A State or a locality having jurisdiction over the trial of criminal offenses will implement such necessary reforms as will insure that (A) the trial of all such offenses (excluding juvenile offenses) will be commenced no later than sixty days from the date on which the defendant was arrested or from the date on which the defendant was charged by the authorities with such offense, whichever occurs first, and (B) the charges will be dismissed with prejudice for failure to comply with the requirements of this paragraph, except that the Administrator shall by regulation, provide for the exclusion from such sixty-day period of any periods of delay that he designates as may reasonably be necessitated in the interest of justice; and reforms under this paragraph may include, without limitation—

(i) increasing the number of judges trying criminal offenses;

(ii) improving the efficiency of criminal court procedures;

(iii) appointing professional court administrators; and

(iv) increasing personnel engaged in prosecuting and defending criminal cases.

(3) A State or, where appropriate, a locality within such State—

(A) will establish a system for classifying persons charged with, or convicted of, criminal offenses so as to permit individualized treatment and security standards appropriate to the individual;

(B) will establish a range of correctional facilities that are adequately equipped and staffed to treat the particular classifications of inmates assigned there, including small-unit, community-based correctional institutions;

(C) will provide comprehensive vocational and educational programs designed for the special needs of rehabilitating each class of persons charged with or convicted of criminal offenders;

(D) will provide separate detention facilities for juveniles, including shelter facilities outside the correctional system for abandoned, neglected or runaway children;

(E) will establish standards applicable throughout the State for local jails and misdemeanant institutions to be enforced by the appropriate State corrections agency;

(F) will provide parole and probation services for felons, for juveniles, for adult misdemeanants who need or can profit from community treatment, and supervisory services for offenders who are released from correctional institutions without parole;

(G) will establish caseload standards for parole and probation officers that vary in size and in type and intensity of treatment according to the needs and problems of the offender;

(H) will establish statewide job qualifications and compensation schedules for correctional officers, including probation and parole officers, along with a mandatory system of in-service training;

(I) will develop and operate programs of treatment and rehabilitation for persons suffering from alcoholism and drug abuse, available both to inmates and as an alternative to incarceration.

(4) A State will study by an appropriate and responsible group the consolidation of law enforcement agencies within such State best suited to the particular needs of that State; and will report to the Administrator on its findings not later than two years following the approval of its application;

(5) A State or a locality will study by an appropriate and responsible group the application of the criminal laws, as well as the propriety of the application of such laws to—

(A) alcoholism and drunkenness;

(B) narcotics addiction and drug abuse;

(C) gambling;

(D) vagrancy and disorderly conduct; and

(E) such other related areas which the State deems appropriate.

and will report to the Administrator on its findings with respect to such matters not later than two years after the approval of its application.

(c) No grant may be made and no contract may be entered into under this section unless an application is made to the Administrator at such time, in such manner, and containing or accompanied by such information as he may reasonably require.

LIMITATION

SEC. 4. No grant may be made and no contract may be entered into under section 3—

(1) for any State-wide comprehensive criminal justice reform with more than ——— States; or

(2) with more than ——— localities located in any one State, or with more than ——— localities in all States, not covered by paragraph (1) of this section.

ADDITIONAL PROVISIONS OF AGREEMENTS

SEC. 5. Any agreement evidencing a grant or contract under this Act shall contain provisions adequate to assure that—

(1) Federal funds made available under this Act will not be used to supplant state or local funds for the purpose for which the agreement is made;

(2) whenever there is a failure to comply with the provisions of that agreement, the Administrator may withhold further payments, until there is no longer such a failure;

(3) in the case of the construction of any facility—

(A) the design and cost of construction will be reasonable; and

(B) all laborers and mechanics employed by contractors or subcontractors will be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5); and

(C) in any case in which the interests of the United States will be protected:

(i) the ownership of the facility ceases to be a public agency, or

(ii) the facility ceases to be used for the purposes for which it was constructed unless there is good cause for releasing the applicant from the requirement of this clause, as determined by the Administrator,

TECHNICAL ASSISTANCE

SEC. 6. The Administrator is authorized to provide by grant, contract, or otherwise, technical assistance to a State or locality required to carry out the provisions of this Act.

PAYMENTS AND AUDIT

SEC. 7. (a) The Administrator shall pay in any fiscal year to each State or locality with which he has entered into an agreement pursuant to this Act for that fiscal year the Federal share of the cost of such agreement as determined by him.

(b) The Federal share for each fiscal year shall be 75 per centum of the cost of the programs and projects assisted under this Act.

(c) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(d) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grant recipient under this Act that are pertinent to the grant received.

DEFINITIONS

SEC. 8. As used in this Act—

(1) "Administration" means the Law Enforcement Assistance Administration;

(2) "Administrator" means the Administrator of the Law Enforcement Assistance Administration;

(3) "criminal offense" includes juvenile offenses, except as otherwise specified;

(4) "locality" means any city or other municipality (or two or more municipalities acting jointly) or any county or other political subdivision or State (or two or more acting jointly) having general governmental powers; and

(5) "State" means each of the several States of the Union, and the District of Columbia.

APPROPRIATIONS AUTHORIZED

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of the Act.

By Mr. COOK:

S. 1115. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs. Referred to the Committee on the Judiciary.

NARCOTIC ADDICT TREATMENT ACT OF 1973

Mr. COOK. Mr. President, on February 6 of this year I introduced S. 778, a bill to amend the Controlled Substances Act to provide for the separate registration of practitioners administering narcotic drugs on a regular, treatment basis. This was the same bill which I introduced into the 92d Congress and on which the Senate Subcommittee To Investigate Juvenile Delinquency has now held 4 days of hearings in various cities throughout the country.

As a result of these hearings and further discussions between officials at the Bureau of Narcotics and Dangerous Drugs in the Justice Department and officials at the Food and Drug Administration in the Department of Health, Education, and Welfare, the two agencies primarily responsible for the implementation of the legislation, I am introducing today, for the administration, a revised version of that bill. Although the changes that have been made are relatively minor, they merit our careful consideration and I would like to outline them here for you.

Under section 2 a specific time limit of 21 days has been added to the definition of "detoxification treatment."

The Administration of Narcotic Drugs on a regular basis for any period in excess of that would be considered "maintenance treatment" and would be subject to the provisions of the legislation. The inclusion of the arbitrary 21-day time limitation would make this definition of detoxification treatment identical to the one included in the FDA regulations governing the use of methadone, which are scheduled to go into effect on the 15th of this month. The inclusion of this limitation would allow any regularly licensed physician to administer narcotic drugs to an individual patient for a period of up to 21 days without obtaining a separate registration for that purpose. A physician wishing to take longer than the 21 days to detoxify a patient would be required to register separately and abide by the rules and regulations established for maintenance treatment programs.

The second revision was made in section 3(g)(1), where the wording was altered to give the Secretary of Health, Education, and Welfare, as well as the Attorney General, specific authority to determine the qualification of each applicant for registration with respect to the standards set by their individual departments.

The third and final revision was made in section 5 where specific references to the use and disclosure of patient records was dropped from the original language of the legislation. In his letter of transmittal to the Senate, the Attorney General takes great care to point out that the confidentiality of patient records is assumed with respect to records kept and required by law for administrative and regulatory purposes, and that the inclusion of such a specific reference could actually weaken rather than strengthen the presumption of doctor-patient confidentiality.

I have introduced this bill with these specific changes, because I feel that the revisions suggested by the administration have some merit and deserve, at the very least, our careful consideration. However, I would hope that any further discussion of this legislation will provide a thorough and specific scrutiny of all the possibilities.

By Mr. HUGHES (for himself and Mr. CLARK):

S. 1116. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes. Referred to the Committee on Commerce.

Mr. HUGHES. Mr. President, today I introduce, on behalf of myself and my distinguished colleague from Iowa (Mr. CLARK), a bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes.

A similar bill was introduced in both Houses of Congress last year, but too late in the session for adequate consideration.

The property on which the airport is located was conveyed by the U.S. Government on March 20, 1947, pursuant to section 16 of the Federal Airport Act. All conveyances made pursuant to that act contain a reversionary clause which provides that in the event the property conveyed is not developed, or ceases to be used, for airport purposes, it automatically reverts to the United States.

The purpose of this bill is to authorize the Secretary of Transportation to grant a release from this reversionary clause so that the city of Algona may use a portion of the property for industrial development. The bill contains a safeguard against abuse in that the Secretary's authority is made subject to the provisions of section 4 of the act of October 1, 1949 (50 App. U.S.C. 1622c).

This section, in effect, requires that before property is released for nonairport purposes it must be determined that the property is no longer necessary to accomplish the purpose for which it was originally transferred and is not necessary to protect or advance U.S. civil aviation. It further provides that the Secretary may impose such conditions on the conveyance as he deems necessary so as to insure that any proceeds arising from nonairport use of the property will be used for the development and maintenance of the airport.

Similar legislation was approved by the Congress in connection with airport property in Clarinda, Iowa, in 1966 (Public Law 89-649, approved October 13, 1966).

Industrial development is urgently needed, Mr. President, if we are to halt the decline of population and opportunities in the small towns of this country. An industrial park near the airport can make it possible for companies profitably to relocate in places like Algona.

In this specific case, the urgency is compounded by discussions underway at the present time in which the prospective availability of an industrial park is a prime consideration. I hope that the Commerce Committee and the Senate will give this matter prompt and favorable action.

By Mr. HARTKE:

S. 1117. A bill to amend the program of supplemental security income for the aged, blind, and disabled—established by title XVI of the Social Security Act—to provide for cost-of-living increases in the benefits provided thereunder. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, when the 92d Congress passed the increase in the debt ceiling bill last year, it not only provided a 20-percent across-the-board increase in social security payments, but it also provided a mechanism that would automatically increase social security payments as the Consumer Price Index indicates a rise in the cost of living. The bill I am introducing today would incorporate this very same cost-of-living mechanism into the provision of title XVI, the supplemental security income program for the aged, blind, and disabled title of the Social Security Act.

I would remind my colleagues that when H.R. 1—Public Law 92-603—started its tortuous way through the Congress, it provided that Federal payments for the needy, aged, blind, and disabled would be $130 a month for the first year, $140 a month for the next year, and $150 a month for the third year.

However, when H.R. 1 finally emerged as enacted public law, it provided only that Federal payments for the aged, blind, and disabled could be and would remain at $130 a month.

My bill is an effort to rectify this deficiency and to make sure—just as we have already made sure for social security beneficiaries—that as the cost of living goes up, as prices for food, clothing and shelter, and the other necessities of life rise, that those who must depend for survival support upon title XVI assistance will not be compelled to endure needless deprivation and hardship.

Mr. President, conscience and consistency demand that we pass the bill I am introducing today. I ask unanimous consent that my bill be printed in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1117

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1611 of the Social Security Act (as enacted by section 301 of Public Law 92-603) is amended—

(1) in subsection (a)(1)(A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,560";

(2) in subsection (a)(2)(A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,340";

(3) in subsection (b)(1), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,560"; and

(4) in subsection (b)(2), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,340".

(b) Part A of title XVI of the Social Security Act (as enacted by section 301 of Public Law 92-603) is amended by adding at the end thereof the following new section:

"COST-OF-LIVING ADJUSTMENTS IN BENEFITS

"SEC. 1617. (a) Whenever the Secretary pursuant to section 215(i) increases benefits payable under title II effective with the first month of the calendar year following a cost-of-living computation quarter, he shall also determine and publish in the Federal Register on or before November 1 of the calendar year in which such quarter occurs (along with the publication of such benefit increase as required by section 215(i)(2)(D)) the supplemental security benefit rate (as determined under subsection (b)) which shall be effective (unless such increase in benefits under title II is prevented from becoming effective by section 215(i)(2)(E)) under this title for months beginning with the first month in which such increase in benefits payable under title II is effective.

"(b)(1) As used in this section, the term 'supplemental security benefit rate' means whichever of the following is the greater—

"(A) the dollar amounts (viz, $1560 and $2340, referred to in section 1611(a)(1)(A), 1611(a)(2)(A), 1611(b)(1), and 1611(b)(2)), or

"(B) the dollar amounts (referred to in such sections) which were in effect immediately prior to the most recent increase under this section.

"(2) The supplemental security benefit rate which shall be effective by reason of an increase brought about by the application of subsection (a) shall be such rate, as in effect immediately prior to such increase, plus a per centum thereof equal to the per centum of increase in benefits payable under title II brought about pursuant to section 215(i).

"(c) Notwithstanding the preceding provisions of this section, no increase shall be made in the supplemental security benefit rate, if, during the calendar year in which the determination (under subsection (a)) is made for an increase in such rate, there is enacted a law providing an increase in such rate."

SEC. 2. The amendments made by the first section of this Act shall become effective on January 1, 1974.

By Mr. PASTORE (for himself, Mr. PELL, Mr. AIKEN, and Mr. STAFFORD):

S. 1118. A bill to amend section 5034 of title 38, United States Code, to increase the number of nursing home beds in each State for war veterans in need of nursing home care. Referred to the Committee on Veterans' Affairs.

Mr. PASTORE. Mr. President, I am introducing today legislation designed to increase the number of nursing care beds that State Veterans Homes can construct with Federal assistance.

The current law limits the number of nursing care beds in State Veterans Homes to 1½ beds per 1,000 war veterans.

The proposed legislation I am offering with my colleague, Mr. PELL, and Senators AIKEN and STAFFORD, from Vermont, would increase the number of eligible beds to 2½ beds per thousand.

This change is needed, because of the 22 States in the Union that have nursing care beds at State veterans homes, only two of them—Vermont and Rhode Island—are filled to capacity and have long lists of veterans waiting to use the nursing care beds at State homes.

The effect of this legislation would increase the eligible number of beds in my State of Vermont from 80 to 133 and in Rhode Island from 177 to 295.

Since I am advised that the administration has an estimated $16 million in unobligated funds for funding Public Law 88–450, which is the authority to pay on a cost-sharing basis the construction of nursing care beds in State homes, this proposed change in the law will not need any new appropriations to fund it in the near future.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S. 1119. A bill to authorize the Secretary of the Interior to make water available for a minimum recreation pool in Elephant Butte Reservior from the San Juan-Chama unit of the Colorado River storage project. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, the history behind the bill which Senator DOMENICI and I now introduce is set forth succinctly in a statement prepared by the Permanent Water Pool Commission for Elephant Butte Lake. I believe this statement will be of interest to committee members and staffs and others interested in this bill. Therefore, I ask unanimous consent that a copy of the statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MONTOYA. It must be admitted, Mr. President, that the ruling concerning Lae Powell which has handed down by U.S. District Judge Willis W. Ritter in Salt Lake City last week adversely affects the possibility that the permanent pool which this legislation envisions will ever become a reality. That decision required that the water level at Lake Powell be maintained at 100 feet below capacity. At this level—3,606 feet elevation—the amount of water which can be stored in Lake Powell is reduced by more than 50 percent.

This, in turn, reduces the amount of water available for diversion through the San Juan project into the Rio Grande in New Mexico. Once in New Mexico, this water is allocated to a variety of users. One of these users is the city of Albuquerque, the party which has agreed to relinquish its rights to 50,000 acre-feet of water needed to form the proposed pool, and to another 6,000 acre-feet annually needed to replace water lost through evaporation.

Thus, if water flowing from the Colorado is reduced, prior claims will be asserted and no water will be available for the pool. Nonetheless, I strongly believe that we should press forward and pass this bill in the hopes that the water will be made available eventually.

EXHIBIT 4

ELEPHANT BUTTE RESERVOIR—A CASE STUDY OF ALTERNATIVE WATER RESOURCE DEVELOPMENT IN AN ARID ENVIRONMENT

New Mexico, consisting of 121,666 square miles, with a population of about one million people, is one of the most delightful and pleasant areas of the United States in which to live, work, or visit. Six life zones exist in the state; the Lower Sonaran of the deserts to the Arctic-Alpine zone in the higher mountains. The climate of the state is such that outdoor recreation and sports may be enjoyed in most areas on a year-round basis.

Substantially all of the state is characterized by clear air, plenty of sunshine, magnificent vistas of mountains and deserts. There are numerous geological and archaeological sites of interest as well as picturesque villages representative of the first European settlements in the United States beginning in 1598. New Mexico is truly unique.

Water, both surface and ground, constitutes the limiting resource in the state. This paucity of water has severly limited industrial and agricultural expansion and has diminished the opportunity for development of water-based recreation. It has been estimated[2] that there is only about an average of 200 square miles of water surface available for recreation in major reservoirs in New Mexico. This represents only about one-sixth of one percent of the total surface area of the state. This limited water surface was largely created by flood control and irrigation impoundments and consequently storage levels will fluctuate widely from year-to-year with resultant limiting effects upon recreational utilization.

ESTABLISHMENT AND OPERATION OF ELEPHANT BUTTE RESERVOIR

In the early 1890's, water shortages began to occur[5] along the Rio Grande in Mesilla Valley of New Mexico and El Paso Valley of Texas, and people near Juarez in Mexico, across the river from El Paso, complained to the Mexican Government. The latter filed a claim for damages against the United States, alleging that the water shortages were due to increasing diversions from the river in Colorado and New Mexico. The United States Department of State then instituted an investigation of the situation through the International Boundary Commission, and the outcome was the "embargo" of 1896 and the Mexican Treaty of 1906. The "embargo" was an order by the Secretary of the Interior of the United States which prevented further irrigation development of any magnitude in the Rio Grande Basin in Colorado and New Mexico through suspension of all applications for rights-of-way across public lands in those States for use of Rio Grande water. With some modification in 1907, this embargo remained in effect until May, 1925, when it was lifted. Under the terms of the Mexican Treaty, the United States guaranteed to Mexico, in return for relinquishment of all claims for damages, an annual delivery in perpetuity in the Rio Grande at the head of the Mexican Canal near El Paso, of 60,000 acre-feet of water.

Both to insure fulfillment of the Mexican Treaty and to develop a reclamation project in the Elephant Butte-Fort Quitman section, the United States provided for construction of the Elephant Butte Reservoir by the Bureau of Reclamation (Act Februrary 25, 1905, 33 Stat. 814). This reservoir, with an original capacity of 2,639,000 acre-feet, together wtih other initial works for the Rio Grande Project, was completed in 1916.

Thus as a direct result of surface water shortages beginning nearly a century ago, Elephant Butte Reservoir and the Rio Grande Federal Irrigation Project, New Mexico-Texas, was constructed. It is important to remember that the conceptual planning for this development was initially done less than twenty years after the cessation of the Indian wars between the United States Army and the various Apache Tribes living in the immediate area. The concept of planning for recreational use in water resource development during this period in time was unheard of. Consequently, Elephant Butte Reservoir was constructed solely for the purpose of impounding irrigation water for the Rio Grande Federal Irrigation Project and for the storage of water to meet the obligations of the United States to the Republic of Mexico under terms of the treaty between the two nations proclaimed January 16, 1907 (34 Stat. 2953). The practice of providing for inviolate recreation pools in major impoundments evolved a number of years after the authorization and construction of Elephant Butte Dam and Reservoir.

However, the recreational use of the reservoir by the general public became significant only a few years after construction of the dam. This use, initially consisting of fishermen and water fowl hunters, has increased steadily through the years. In July, 1962 (P.L. 87–542, 76 Stat. 171) legislation was passed by the Congress of the United States providing for facilities for boaters and campers at Elephant Butte. These facilities were constructed by the Bureau of Reclamation, and immediately leased to the State of New Mexico for administration. New Mexico through its State Park and Recreation Commission created the Elephant Butte State Park. The state has maintained, enhanced, and significantly added to the original facilities provided by the initial legislation. Al-

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Footnotes at end of article.

though these facilities have been in existence for only about eight years, they are inadequate, particularly on holiday week-ends, for the numbers of people attempting to use them. Elephant Butte State Park now has the highest use rate of any park, state or federal, in New Mexico. Use of this park exceeds one million visitor days each year.

The amount of water reaching Elephant Butte Reservoir has been declining for a number of years. This decline has been due [3] to a number of complicated factors including a coincident decline in precipitation, over-diversions in Colorado, extension of phreatophytes in the watershed, and aggradation of the river valley between Cochiti, New Mexico and Elephant Butte Reservoir. This reduction in inflow to Elephant Butte Reservoir finally created critical shortage conditions in the storage and use of waters of the Rio Grande below Elephant Butte. Beginning in 1951 the Rio Grande Project has continuously been under a strict rationing program. Deliveries to the Republic of Mexico were similarly curtailed. Table 1 [1] gives the maximum and minimum storage of water in Elephant Butte Reservior for the period 1950–1972, inclusive. This table reveals that storages of less than 50,000 acre-feet occurred during seven of the 23 years. A storage of 50,000 acre-feet in Elephant Butte has a surface area of 2,931 acres, or about 4.6 square miles. It is felt by many that this level of 50,000 acre-feet should constitute the minimum storage level of the reservoir and that below this storage the recreation utilization of the reservoir rapidly becomes impaired with resultant economic losses to the recreation industry of the state.

TABLE 1.—MAXIMUM AND MINIMUM STORAGE IN ELEPHANT BUTTE RESERVOIR, 1950–72

Year (1)	Maximum storage in acre-feet (2)	Stage in feet (3)	Date (4)	Minimum storage in acre-feet (5)	Stage in feet (6)	Date (7)
1950	667,800	4,343.00	Mar. 16	322,700	4,314.45	Nov. 25.
1951	330,100	4,315.79	Jan. 1	17,600	4,262.30	Sept. 12.
1952	423,200	4,324.59	July 18	16,800	4,261.89	Mar. 9.
1953	378,100	4,320.49	Jan. 3	87,600	4,283.19	Sept. 12–13.
1954	173,700	4,297.30	Mar. 7–8	9,900	4,258.03	Aug. 6.
1955	160,800	4,295.46	Mar. 19	62,200	4,277.56	July 25.
1956	211,800	4,304.40	Mar. 12	22,800	4,268.44	Sept. 10.
1957	776,100	4,350.79	Dec. 31	33,100	4,272.68	Jan. 1.
1958	1,216,700	4,373.67	June 25	690,100	4,345.45	Apr. 13–14.
1959	988,800	4,362.70	Jan. 1, 19–20	516,100	4,333.19	Oct. 26–28.
1960	595,400	4,339.04	May 2	384,700	4,322.38	Oct. 11–13.
1961	452,200	4,329.10	Jan. 31	183,800	4,301.99	Sept. 5.
1962	460,900	4,329.80	May 23	219,300	4,306.49	Sept. 6.
1963	432,800	4,327.52	Jan. 31	66,500	4,282.07	Aug. 31.
1964	168,600	4,299.93	Mar. 15–16	42,100	4,275.51	Sept. 9.
1965	517,200	4,334.18	Dec. 31	88,200	4,286.75	Jan. 1.
1966	573,200	4,338.30	Feb. 1	258,400	4,311.03	Sept. 4.
1967	366,800	4,321.84	Jan. 26	122,900	4,293.03	Aug. 7.
1968	343,500	4,319.70	Feb. 29	135,700	4,295.09	Aug. 1.
1969	528,200	4,335.00	Dec. 31	238,500	4,308.77	Sept. 10.
1970	544,200	4,339.40	Feb. 8	167,400	4,303.02	Sept. 16.
1971	380,000	4,326.41	do	30,600	4,271.19	Sept. 7.
1972	301,600	4,319.02	Dec. 31	53,200	4,279.67	Aug. 19.

During two of the years where extreme low storage conditions prevailed, the United States was involved in litigation which attempted to set minimum levels at the reservoir. This litigation caused a division between the citizens of the state who were proponents of the recreation aspects versus the citizens involved with the irrigated agricultural segment who depend upon the waters of the reservoir for irrigation. Since the El Paso County Water Improvement District No. 1 of Texas has substantial rights to waters stored in Elephant Butte Reservoir, possible future litigation attempting to create a minimum level in the reservoir utilizing water owned in part by the El Paso district could cause interstate problems between New Mexico and Texas. Similarly, water belonging to the Republic of Mexico is stored in the reservoir and any impediment imposed upon the delivery of this water could cause international problems between the two nations.

RATIONALE FOR CREATING A PERMANENT POOL OF 50,000 ACRE-FEET

It has been determined [8] that the value added to the state's economy, measured as the sum of primary value added plus value added by purchases, considering the Rio Grande Basin was as follows, per acre-foot of water:

Agriculture—$44 to $51.
Recreation—$212 to $307.
Industry—$3,040 to $3,989.

It has been stated [8] and the thesis seems logical for the Rio Grande Basin at least, that the lack of water serves to limit industrial expansion except in a psychological sense, since industry can buy water rights for reasonable prices. The general aridity prevailing in the area, coupled with tenuous surface water availability from year-to-year have probably precluded consideration by industry to locating in the Rio Grande Basin.

Industries that would introduce large quantities of pollutants to either the air or water would no doubt be opposed strenuously by environmentally concerned citizens.

The foregoing coupled with an absence of basic raw materials and distance from markets will probably mean that few heavy water using industries will locate in the Rio Grande Basin in New Mexico.

The public use for recreation of New Mexico's waterways and impoundments is increasing at a much faster rate than the population increase. It is predicted as a conservative estimate [8] that the current rate of fishing-camping traffic in New Mexico will double in the next 20 years. This means that recreational use of Elephant Butte Reservoir could be between two and three million visitor days by the mid-to-late 1980's.

Outdoor recreation has experienced a phenomenal boom since the end of World War II and particularly since the Korean War. The manufacture of goods, transportation of persons and supplies, provision of facilities, and consumption spending for outdoor recreation have been estimated [4] to place outdoor recreation among the top ten major economic activities of the nation. Tourism and recreation spending in New Mexico will very probably become the most important economic factor in the state.

Current national policy concerning the new construction of impoundments is expressed in Section 1 of P.L. 89–72, the Federal Water Project Recreation Act, and reads as follows:

"... it is the policy of the Congress ... that ... in investigating and planning any Federal navigation, flood control, reclamation, hydroelectric, or multiple purpose water resources project, full consideration shall be given to opportunities, if any, which the project affords for outdoor recreation ..."

The foregoing clearly shows that it would be in the best economic interest of New Mexico to consider the dedication of unused and/or unappropriated waters to recreation purposes. The use of Federal reservoirs for this purpose is now national policy. A guarantee of a minimum pool of 50,000 acre-feet in Elephant Butte Reservoir would allow orderly development of recreational facilities, both public and private, to serve the public using the reservoir.

AVAILABILITY OF WATER FOR A 50,000 ACRE-FOOT PERMANENT POOL

All of the surface water in the Rio Grande Basin in New Mexico has been appropriated many years ago and is not, except by purchase of existing rights, available for creation of a permanent recreation pool in Elephant Butte Reservoir. However, as the result of the creation of the San Juan-Chama Project (Public Law 87–483; 76 Stat. 96) water from the Colorado River Basin is imported to the Rio Grande Basin for specified use by municipal and agricultural entities. Pending the negotiation of contracts and completion of construction for furnishing water supplies for tributary irrigation units as authorized by Section 8 of the aforementioned act, and subject to the availability of stored water in Heron Reservoir in excess of 100,000 acre-feet, which water is not required for existing authorized uses, a portion of this water, subject to Congressional approval, might be available for the creation of a 50,000 acre-foot permanent pool at Elephant Butte and the maintenance of that pool by replacing evaporation losses at a maximum rate of 6,000 acre-feet per year for ten years. Presumably, after ten years has elapsed, water to offset evaporation losses can be secured from other sources by retirement of existing rights.

The Elephant Butte Irrigation District of New Mexico and the El Paso County Water Improvement District No. 1 of Texas have both endorsed the creation of this permanent pool in Elephant Butte. Both districts have generously agreed to relinquish storage rights up to 50,000 acre-feet in order to cooperate with the recreational interests. This has been a generous decision on their part and has been offered in a spirit of comity and good will.

ENVIRONMENTAL IMPACT

The quality of the waters of Elephant Butte Reservoir at low storage levels have been rather extensively tested during 1971 and 1972.[6] These tests indicate that levels of the microbiological parameters are such that primary contact recreation may be safely enjoyed. Primary contact is defined as: [7]

"... activities in which there is prolonged and intimate contact with the water involving considerable risk of ingesting water in quantities sufficient to pose a significant health hazard. Examples are wading and dabbling by children, swimming, diving, water skiing, and surfing. (Secondary contact sports include those in which contact with the water is either incidental or accidental and the probability of ingesting appreciable quantities of water is minimal.)"

However, the water at low storage levels is marginal as regards pH and turbidity. It would be expected that additional recreational use of the reservoir above levels now experienced would not significantly alter the quality of the water so as to preclude its use for primary contact sports. Additionally, a minimum storage level of 50,000 acre-feet would prevent deterioration of the water

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Footnotes at end of article.

and/or biota that would begin to occur at lower storage levels.

SUMMARY

The creation of a permanent recreation pool at Elephant Butte Reservoir is in keeping with national policy. It is also greatly desirable from the standpoint of economics in that it will expand the recreation industry in New Mexico. No adverse effects to the environment will occur; rather, a significant improvement should occur. Recreational use of water in this instance represents a higher yield of return to the economy of the state and the nation than any other foreseeable uses. Finally, the establishment of this permanent pool will eliminate controversy between conflicting economic interests that have an interest in Elephant Butte Reservoir.

FOOTNOTES

[1] "Daily Gage Height in Feet and Storage in Acre-Feet of Elephant Butte Reservoir, 1950–1972", Bureau of Reclamation, Rio Grande Project, New Mexico-Texas, El Paso, Texas.

[2] Gray, James R., "Economics of Water in Recreation Development", *Eleventh Annual New Mexico Water Conference*, New Mexico State University, Las Cruces, New Mexico, 1966, pp. 70.

[3] Jetton, E. V., and Kirby, J. W., "A Study of Precipitation, Streamflow, and Water Usage on the Upper Rio Grande", *Report No. 25*, Atmospheric Science Group, Department of Civil Engineering, The University of Texas at Austin, Austin, Texas, June, 1970, pp. 176–179.

[4] "Proposed Report of the National Water Commission", Washington, D.C., November, 1972, pp. 5–137, 5–138.

[5] *Regional Planning*, "Part VI, The Rio Grande Joint Investigation in the Upper Rio Grande Basin in Colorado, New Mexico, and Texas, 1936–1937", National Resources Committee, Washington, D.C., February, 1938, pp. 8.

[6] "Water Quality Conditions—Elephant Butte Reservoir, 1971–1972", unpublished report, Bureau of Reclamation, El Paso, Texas, 1972.

[7] "Water Quality Criteria", *Report of the National Technical Advisory Committee to the Secretary of the Interior*, Washington, D.C., April 1, 1968.

[8] Wollman, Nathaniel, *et al.*, *The Value of Water in Alternative Uses*, The University of New Mexico Press, Albuquerque, New Mexico, 1962, pp. XVII, 21–22, 221–222.

Mr. DOMENICI. Mr. President, today my colleague, the distinguished senior Senator from New Mexico (Mr. Montoya) and I are introducing legislation concerning a matter of serious economic importance to our State of New Mexico. The bill will provide for the creation of a 50,000 acre-foot permanent pool at Elephant Butte Reservoir near Truth or Consequences, N. Mex.

The bill also provides for the maintenance of that pool by replacing evaporation losses at a maximum rate of 6,000 acre-feet per year for 10 years.

Both Senator Montoya and I feel that the present recreational use and the potential industrial benefit with their resultant use boosts in employment and to the economy are strong arguments in favor of passage of this measure. I should also note that passage will require no appropriation by this body as no Federal cost is attached to this legislation.

Seven years out of the past 23, the water storage level at the reservoir has fallen below 50,000 acre-feet. The business community in nearby Truth or Consequences has presented evidence that when the storage level falls below 50,000 acre-feet, there is an immediate, resultant economic loss to the recreation industry of the State.

I believe a minimum pool of 50,000 acre-feet in Elephant Butte would allow an orderly development of recreational facilities to serve the public now using the reservoir. And it appears that recreational use of water in this instance represents a higher yield of return economy of the State and the Nation than any other foreseeable use. For these reasons, I urge prompt passage of this bill.

By Mr. RIBICOFF:

S. 1120. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

OPTIONAL SOCIAL SECURITY FOR GOVERNMENT WORKERS

Mr. RIBICOFF. Mr. President, today I am introducing legislation to permit Federal employees to elect to be covered by the social security system. At present these employees are denied the opportunity to participate in social security. Such a situation is inequitable. Private-sector employees get social security coverage in addition to their private pension plans. There is no reason why public employees should not also be able to receive social security benefits in addition to their Government pension.

Under the terms of my bill, new Federal employees would have 2 years from the date of their employment within which to file a certificate indicating their desire for social security coverage. Existing employees would also have a 2-year period to select coverage. In addition, in order that employees might have a further opportunity, because of changed family or financial conditions, to elect coverage, the bill provides that at the end of a 5-year period, each employee will have one further chance to elect coverage. There would be 6 months within which to elect coverage at that point.

The bill provides that the employee would pay the employee contribution to the social security trust fund by a payroll deduction.

This legislation is an extension of my proposal in the last Congress to allow public employees to participate in the medicare system through a "buy in" provision. That bill was enacted into law as an amendment to H.R. 1, the Social Security Amendments of 1972.

The legislation I am proposing today will benefit thousands of civil service workers throughout the country. Twenty thousand Government and postal workers work in Connecticut, for example, and another 10,000 residents, who are Government employees commute to New York. In addition, thousands of additional family members of these employees would directly benefit from my proposal.

I am pleased that the Connecticut membership of the American Postal Workers endorse this legislation. In addition, the bill is supported by the National Association of Letter Carriers, the National Federation of Federal Employees, the American Federation of Government Employees, and the National Association of Internal Revenue Employees.

Identical legislation has been introduced in the House by Ways and Means Chairman Wilbur Mills.

By Mr. KENNEDY (for himself, Mr. Abourezk, Mr. Beall, Mr. Clark, Mr. Hathaway, Mr. McIntyre, Mr. Mondale, and Mr. Pell):

S. 1121. A bill to amend the Federal Regulation of Lobbying Act, and for other purposes. Referred to the Committee on Government Operations.

AMENDMENTS TO THE FEDERAL REGULATION OF LOBBYING ACT

Mr. KENNEDY. Mr. President, on behalf of Mr. Abourezk, Mr. Beall, Mr. Clark, Mr. Hathaway, Mr. McIntyre, Mr. Mondale, and Mr. Pell, I introduce for appropriate reference a bill to amend the Federal Regulation of Lobbying Act of 1946, the principal law governing the activities of lobbyists in their contacts with Congress.

The bill, the Federal Regulation of Lobbying Amendments of 1973, would amend the Lobbying Act in three principal respects, each of which would close a major loophole in existing law:

First, coverage of the Lobbying Act would be expanded to include individuals or organizations having as a substantial purpose the influencing of legislation. Second, coverage of the act would be expanded to include individuals or organizations expending their own funds to influence legislation. Third, coverage of the act would be expanded to include individuals or organizations seeking to influence legislation indirectly—the so-called grassroots lobbyists.

The first two provisions would apply to individuals or organizations receiving or expending more than $250 a year for lobbying activities. The third provision would apply to grassroots lobbyists receiving or spending more than $1,000 a year for such activities.

Under present law, as interpreted by the Supreme Court in its landmark decision in United States against Harriss, in 1954, the Lobbying Act is applicable only to individuals or organizations whose principal purpose is to influence legislation. In the past, many organizations have successfully avoided compliance with the act, on the ground that their lobbying activities, while substantial, are not a principal purpose of the organization. In recent years, there have been some notable abuses in this area, involving organizations and groups that have mounted enormous lobbying activities in opposition to major legislation pending in Congress, but which have not felt themselves required to comply with the provisions of the Lobbying Act, because, as they say, lobbying is not one of their principal activities.

In addition, under present law, the act is applicable only to a person who solicits, collects, or receives money or any other thing of value for lobbying activities. In interpreting this language in the Harriss Case, the Supreme Court held that persons who merely expend their own funds are not covered by the act. However, the Court's opinion by Chief Justice Earl Warren contained an explicit invitation to Congress to act—as the Court stated, if a broader construction of the act is to become law, it is for Congress to accomplish by further legislation. The invitation is more timely than ever now, because, as Mr. Justice Jackson stated in dissent in the Harriss Case—

> More serious evils affecting the public interest are to be found in the ways lobbyists spend their money than in the ways they obtain it.

In addition, the Harriss decision interpreted the act as applicable only to the sort of lobbying that involves direct communication with Members of Congress on pending or proposed legislation. As a result, many individuals and organizations—the grassroots lobbyists—who seek to influence legislation indirectly through mass letter campaigns or other methods, are not subject to the act.

It is an anomaly that the present law does not cover lobbyists who spend substantial sums in their activities, or who expend their own funds, or who stimulate lobbying activities by others. Indeed, these three existing loopholes in the Lobbying Act are widely criticized as gaping holes through which wealthy individuals and organizations routinely pour large amounts of influence money, to the detriment of the public interest. It is time that these major loopholes were closed, and the bill I am introducing today is designed to accomplish that task.

One of the most flagrant examples of the massive circumvention that exists under the current Lobbying Act is contained in the reports—or the lack thereof—filed with respect to the lobbying activities of the National Rifle Association of America, the organization that has led the fight with such tragic effectiveness against effective gun control legislation by Congress. Certainly, no Member of Congress is in doubt over the position of the NRA on this issue. No one doubts that the NRA has dedicated itself over the years to a massive lobbying juggernaut against Federal gun control.

In the 92d Congress, for example, a number of Senators, including myself, joined in a major legislative effort to secure enactment by the Senate of an effective gun law. After extensive committee hearings and executive sessions, a modest but forward-looking bill reached the Senate floor in August 1972, outlawing the cheap handguns called Saturday night specials. After 3 days of debate on the Senate floor, including a series of futile votes to strengthen and extend the bill to cover other types of guns, the Senate passed a weakened version of the bill, only to see it die in the House of Representatives when Congress adjourned in October at the end of the session. Thanks largely to the efforts of the NRA, effective gun legislation had failed again in Congress.

Now, if we were to search the public reports of NRA lobbying activities filed with the Secretary of the Senate under the Lobbying Act, we might reasonably expect to find a record of NRA activities, naming lobbyists and listing the expenditures and receipts of the organization and its agents in their efforts to influence legislation. And we might reasonably expect this record to be commensurate with the known scope of the NRA's lobbying efforts.

But our expectations would be disappointed. The search of the record would be in vain. The National Rifle Association of America itself is not even registered as an organization that engages in lobbying. It files no reports whatever of its own receipts and expenditures for its nationwide lobbying activities.

True, the name of the NRA does appear in the current records. It is listed as the employer of one—or at the most, two—individuals with Washington area addresses, who report that they are engaged in lobbying for the organization. The records are revealing in themselves. The following table, compiled from quarterly reports filed with the Secretary of the Senate under the Lobbying Act and published in the CONGRESSIONAL RECORD, tell the story:

REPORTS RELATING TO LOBBYING BY THE NATIONAL RIFLE ASSOCIATION OF AMERICA

	Receipts	Expenditures
1971; 1st quarter: C. Richard Rogers	0	0
2d quarter: C. Richard Rogers	0	0
3d quarter: Maxwell E. Rich	$625	0
4th quarter: Maxwell E. Rich	625	0
1972; 1st quarter: Maxwell E. Rich	625	0
2d quarter: Maxwell E. Rich	625	0
3d quarter: Maxwell E. Rich	625	0
4th quarter:		
Maxwell E. Rich	625	0
Benjamin W. Fridge	4,375	$1,155.03

If the issue were not so serious, the juxtaposition between the reality we know and the reports we see would be laughable. Does anyone seriously believe that the NRA's lobbyists spent the grand sum of only $1,155.03 on lobbying throughout the 92d Congress, or that even this paltry sum was restricted entirely to the final quarter of 1972, long after the debate in Congress had ended? Does anyone seriously believe that the NRA spent nothing on lobbying throughout 1971, or that it spent nothing in the first three quarters of 1972? Does anyone believe that the only salaries or fees the NRA paid its lobbyists totaled $1,250 in 1971 or $6,875, in 1972?

The miniscule information in these phantom reports of lobbying for the NRA is useless and misleading, if not outright deceptive. With these cynical reports, the NRA has made a travesty of the Lobbying Act. Seldom has there been such a clear-cut demonstration that a major piece of legislation passed by Congress is an empty sieve, full of holes and escape hatches that allow lobbyists to stalk the Halls of Congress with their bankrolls and identities undetected.

And the NRA is only the beginning of the list. Doubtless, many similar abuses and cynical lobbying reports could be documented, matching known lobbyists and lobbying organizations with the official reports they file. Whatever teeth the Lobbying Act may have had when it was enacted in 1946, it is toothless today, and Congress cannot allow this situation to continue.

In addition to the three principal provisions outlined above, the bill I am introducing contains several other provisions to improve the overall operation of the lobbying laws, all of which were contained in Senator Mike Monroney's legislative reorganization proposals in 1966 and all of which passed the Senate in 1967, but were never enacted into law. These provisions are as follows:

The bill will transfer the responsibility for policing the Lobbying Act from the Secretary of the Senate and the Clerk of the House to the Comptroller General, who is given authority to require full disclosure of lobbying activities covered by the act, to compile and tabulate the reports, to ascertain compliance with the act, and to refer violations of the act to the Department of Justice. One of the major defects of the present act is its failure to establish clear-cut responsibilities for administration and enforcement in each of these areas, with the result that even the information that is now available under the act is often unusable.

It will require full disclosure of contingent fee arrangements for lobbying, in cases where fees are made dependent on the success or failure of the lobbying activity.

It will extend to the broadcasting media the exemption now available to newspapers and other periodicals publishing news items, editorials, or paid advertisements in the ordinary course of business.

It will repeal section 310(b) of the act, which prohibits an individual from engaging in lobbying activities within 3 years of his conviction under the act. The Supreme Court's decision in the Harriss case cast strong doubts on the constitutionality of this provision.

And, where a registrant under the act is unable to differentiate his lobbying expenses from his other expenses, the proposed legislation will require that he list his total receipts and expenditures and make a good faith allocation of the portion representing lobbying activities. One method by which the current act has been subverted in the past is the practice by which some organizations and national trade associations have simply reported their entire budgets, thereby frustrating the purpose of the act by failing to provide a meaningful breakdown between lobbying and other activities.

Each of these provisions is essential to more effective operation of the Lobbying Act. Overall, the various aspects of the bill will produce major improvements in the existing law. The proposals to expand the coverage of the act will eliminate some of the most serious current defects. They will bring within the terms of the act a significant number of individuals and organizations currently engaged in extensive lobbying activities, and will provide important new information as to the scope and intensity of efforts to influence legislation.

The purpose of the provisions is to eliminate the arbitrary exemptions for lobbyists under present law. The Federal Regulation of Lobbying Act is based on the straightforward rationale that sunlight is the best disinfectant, that disclosure is the most suitable control over lobbying, and that lobbying laws should identify pressures, not restrict them. That rationale applies equally to all persons engaged directly or indirectly in substantial lobbying activities, whatever the source of their funds. It in no way interferes with the fundamental right of all citizens, protected by the first amendment, to petition Congress for the enactment of legislation.

The purpose of the 1964 act was eloquently summarized by Chief Justice Warren in the Harriss case:

> Present day legislative complexities are such that individual Members of Congress cannot be expected to explore the myriad pressures to which they are regularly subjected. Yet full realization of the American ideal of government by elected representatives depends to no small extent on their ability to properly evaluate such pressures. Otherwise, the voice of the people may all too easily be drowned out by the voice of special-interest groups seeking favored treatment while masquerading as proponents of the public weal. This is the evil which the Lobbying Act was designed to help prevent.
>
> Toward that end, Congress has not sought to prohibit these pressures. It has merely provided for a modicum of information from those who for hire attempt to influence legislation or who collect or spend funds for that purpose.

More than 25 years have now passed since Congress last acted to require information about lobbying pressures. In the intervening years, there has been a revolution in the role of Congress and in the way lobbyists operate, and it is time to meet the modern challenge of reform. Congress and the American people are entitled to know the ways our laws are made.

Last year, the Congress overwhelmingly approved major new election reform legislation, requiring comprehensive reporting and disclosure of political contributions and expenditures. The time is long overdue for us to apply the same full disclosure principle to lobbying activities, and I hope that there will be early action on the legislation I am introducing.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1121

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Regulation of Lobbying Act Amendments of 1973".

DEFINITION OF COMPTROLLER GENERAL

SEC. 2. Section 302(d) of the Federal Regulation of Lobbying Act (2 U.S.C. 261(d)) is amended to read as follows:

"(d) The term 'Comptroller General' means the Comptroller General of the United States."

MULTIPURPOSE CONTRIBUTIONS AND EXPENDITURES

SEC. 3. (a) The caption of section 305 of the Federal Regulation of Lobbying Act (2 U.S.C. 264) is amended by striking out "CLERK OF HOUSE" and inserting in lieu thereof "COMPTROLLER GENERAL".

(b) Subsection (a) of such section is amended—

(1) by striking out "Clerk" and inserting in lieu thereof "Comptroller General";

(2) by striking out "subparagraph (a) or (b) of"; and

(3) by adding at the end thereof the following new sentence: "Where contributions are received or expenditures made in part for the purposes designated in section 307 of this title and in part for any other purpose, the statements required to be filed by this subsection shall include only that part of the amount of any such contribution or expenditure which was for the purposes described in such section, except that if the relative proportions cannot be ascertained with reasonable certainty, such statements shall show total receipts and expenditures together wth an estimate by the registrant of the part thereof which was for the purposes described in such section, and an estimate of the part thereof which was for other purposes.".

(c) Title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out—

"Sec. 305. Statements to be filed with Clerk of House."

and inserting in lieu thereof—

"Sec. 305. Statements to be filed with Comptroller General.".

FIVE-YEAR PRESERVATION OF RECORDS

SEC. 4. (a) Section 306 of the Federal Regulation of of Lobbying Act (2 U.S.C. 265) is amended—

(1) by striking out in the caption of such section "TWO" and inserting in lieu thereof "FIVE";

(2) by striking out "Clerk" each time it appears and inserting in lieu thereof "Comptroller General";

(3) by striking out "of the House of Representatives"; and

(4) by striking out "two" and inserting in lieu thereof "five".

(b) Item 306 of title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out "two" and inserting in lieu thereof "five".

APPLICABILITY; SUBSTANTIAL PURPOSE CONTROLLING

SEC. 5. Section 307 of the Federal Regulation of Lobbying Act (2 U.S.C. 266) is amended to read as follows:

"PERSONS TO WHOM APPLICABLE

"SEC. 307. (a) The provisions of this title shall apply to any person (except a political committee as defined in section 301 of the Federal Election Campaign Act of 1971), who by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, receives, or expends money or any other thing of value exceeding $250 during any calendar year, a substantial part of which is used to aid, or a substantial purpose of which person is to aid, in the accomplishment of any of the following purposes:

"(1) The passage or defeat of any legislation by the Congress of the United States.

"(2) To influence, directly or indirectly, the passage or defeat of any legislation by the Congress of the United States.

"(b) The provisions of this title shall also apply to any person (except a political committee as defined in section 301 of the Federal Election Campaign Act of 1971), who by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, receives, or expends money or any other thing of value exceeding $1,000 during any calendar year, which has as its purpose the passage or defeat, or influencing the passage or defeat, by the use of any means involving direct communication by others with the Congress of the United States, of any legislation by the Congress of the United States."

CONTINGENT FEES; BROADCASTING

SEC. 6. (a) The caption of section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) is amended by striking out "SECRETARY OF THE SENATE AND CLERK OF THE HOUSE" and inserting in lieu thereof "COMPTROLLER GENERAL."

(b) Subsection (a) of section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267(a)) is amended—

(1) by striking out "Clerk of the House of Representatives and the Secretary of the Senate and shall give to those officers" and inserting in lieu thereof "Comptroller General and shall give to that officer,"; and

(2) by striking out "Clerk and Secretary" and inserting in lieu thereof "Comptroller General".

(c) Such subsection is further amended by inserting immediately after the first sentence thereof the following new sentence: "Any person required to register pursuant to this subsection in connection with any activities for which he is to receive a contingent fee shall, before doing anything for which such fee is to be paid, file with the Comptroller General, in such detail as he may require, a description of the event upon the occurrence of which the fee is contingent, and, depending on the arrangement, a statement of the amount of the fee either in terms of a dollar amount or in terms of percentage of recovery. A copy of any such contingent fee contract may be filed with the Comptroller General by any registrant, and shall be so filed at the request of the Comptroller General."

(d) The next-to-last sentence of such subsection is amended by striking out "publications in which he has caused to be published" and inserting in lieu thereof "publications, or any broadcasting stations, in or from which he has caused to be published or broadcast".

(e) Such subsection is further amended—

(1) by inserting "any licensed radio or television broadcasting station or" before "any newspaper or other";

(2) by striking out "newspaper or periodical" and inserting in lieu thereof "broadcasting station, newspaper, or periodical";

(3) by inserting "or broadcasts" before "news items, editorials,"; and

(4) by inserting "broadcasting station," before "newspaper, periodical, or individual,".

(f) Subsection (b) of such section (2 U.S.C. 267(b)) is amended by striking out "Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly," and inserting in lieu thereof "Comptroller General shall be compiled by him and transmitted to the Speaker of the House of Representatives and the President of the Senate".

(g) Title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813) is amended by striking out—

"Sec. 308. Registration with Secretary of the Senate and Clerk of the House."

and inserting in lieu thereof—

"Sec. 308. Registration with Comptroller General.".

ADMINISTRATION BY COMPTROLLER GENERAL

SEC. 7. (a) Sections 310 and 311 of the Federal Regulation of Lobbying Act are redesignated as sections 311 and 312, respectively.

(b) That Act is amended by inserting immediately after section 309 thereof the following new section:

"POWERS AND DUTIES OF THE COMPTROLLER GENERAL

"SEC. 310. The Comptroller General as the agent of Congress shall—

"(1) develop and prescribe methods and forms for the filing of reports and statements required by this title, and promulgate regulations for the administration of this title, including regulations to achieve full and complete disclosure of the activities with respect to which such reports and statements are required to be filed.

"(2) make available for public inspection all reports and statements filed pursuant to this title;

"(3) ascertain whether any person has failed to file any report or statement as required by this title, or has filed any incomplete or inaccurate report or statement under this title, and notify such person that he is obligated to file such report or statement in compliance with the requirements of this title;

"(4) refer to the Department of Justice for appropriate action any information coming to his attention, through complaints or otherwise, of any failure to register, or the filing of any false, improper, or incomplete registration or information under this title;

"(5) make such studies and transmit to the Congress such recommendations as the Comptroller General may deem to be necessary or appropriate to further the objectives of this title;

"(6) retain for a period of not less than five years each report and statement filed under this title, and, during such period, make such reports and statements, or true and correct copies thereof, available as public records open to public inspection; and

"(7) compile and tabulate the reports and statements filed under this title, and transmit to the Congress annually a full and complete report on the administration of this title.".

(c) Title III of the table of contents of the Legislative Reorganization Act of 1946 (60 Stat. 813 is amended by striking out—

"Sec. 310. Penalties.
"Sec. 311. Exemption."

and inserting in lieu thereof—

"Sec. 310. Powers and duties of the Comptroller General.
"Sec. 311. Penalties.
"Sec. 312. Exemption.".

VIOLATION OF REGULATIONS

SEC. 8. Section 311 of such Act (2 U.S.C. 269), as redesignated by section 7(a) of this Act, is amended—

(1) by striking out "(a)" in subsection (a) thereof;

(2) by inserting "or any regulation of the Comptroller General issued pursuant to this title," immediately before "shall, upon conviction," in the first sentence thereof; and

(3) by striking out subsection (b) thereof.

PARTIAL INVALIDITY

SEC. 9. If any provision of this Act, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of such Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 10. This Act shall take effect on January 1, 1974.

By Mr. COOK:

S. 1122. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials and for other purposes. Referred to the Committee on Commerce.

INTERSTATE RECYCLING EXPANSION ACT OF 1973

Mr. COOK. Mr. President, I send to the desk for appropriate referral, the Interstate Recycling Expansion Act of 1973. This legislation is aimed at eliminating totally unjustifiable federally sponsored barriers to the recycling of solid waste materials. The bill further proposes to replace those roadblocks with new incentives which will immediately stimulate interstate and foreign commerce in recyclable and recycled commodities.

When Congress overwhelmingly passed the Resource Recovery Act in 1970, it directed the Environmental Protection Agency to investigate existing Federal disincentives to solid waste recycling and to formulate actions which might be taken to encourage vitally important resource recovery from our growing mountains of solid waste. That act also suggested that Federal agencies should endeavor to utilize the vast Federal procurement network to create new markets for recyclable and recycled materials. Unfortunately, however, almost 3 years have now passed since the Resource Recovery Act became law and we find that little or nothing has been done to eliminate the existing Federal barriers to recycling or to create new, effective Federal leadership in the procurement of products manufactured from recyclable commodities.

In the meantime, the President's National Industrial Pollution Control Council, the National Materials Advisory Board of the National Academy of Sciences, the President's Council on Environmental Quality, and the Citizen's Advisory Committee to the President on Environmental Quality have all unanimously recommended that action be taken without further delay to remove the Federal roadblocks to recycling and to encourage recycling through the Federal procurement system.

Accordingly based on those recommendations, I have prepared the proposals contained in the bill now introduced, and I sincerely hope this legislation will receive early, favorable consideration in this body.

THE NATURE OF THE SOLID WASTE CRISIS

Early action on this legislative proposal is clearly necessary, because our Nation is confronted with a solid waste crisis of staggering proportions. In August 1970, the President's Council on Environmental Quality reported to Congress that solid waste materials are piling up in the United States at the alarming rate of 4.3 billion tons a year, including agricultural wastes. Industrial solid wastes alone account for 110 million tons, of which more than 15 million tons are scrap metal; 30 million tons are paper and paper product wastes; while the balance consists of waste plastics, bales of rags, and other textiles and assorted wastes. Alarmingly, the President's Council projects that these solid waste materials will double by 1980.

In addition, statistics compiled by the President's Council show that each year Americans throw away more than 250 million tons of residential, commercial, and institutional solid wastes. Collected wastes alone in these categories include 30 million tons of paper, 60 billion cans, 30 billion bottles, 4 million tons of plastics, 100 million tires, and millions of discarded automobiles and major appliances. Again, the President's Council projects that these types of solid waste will also double in volume by 1980.

The record simultaneously shows that while our domestic recycling industries have done a truly remarkable job over the years in the reclamation of waste materials and in supplying critical raw materials required in times of emergency, adverse economic pressures—promoted in large part by the Federal Government—have made it impossible for them to keep pace with the growing mountains of solid waste. For example, only 3 million tons of nonferrous scrap metals and 11 million tons of waste paper are recycled each year, meaning that, on the average, only about 40 percent of the waste nonferrous metals and 19 percent of the wastepaper available for reuse is presently being recycled here in the United States. The percentage is even lower in the textile industry where only 17 percent of the available textile wastes are being recycled.

But, the tragedy does not end there. While our Federal policies and inaction have stifled recycling growth, the evidence shows that the costs borne by State and local governments to collect, bury or burn solid waste materials have spiraled out of control. Simultaneously, available land-fill areas are evaporating and municipal incinerators are usually among the worst air pollution offenders. In New York City, which struggles daily to dispose of ever increasing piles of solid waste, collection costs alone have risen to $36 a ton, and they are still climbing.

Finally, the Federally sponsored economic impediments to increased recycling automatically mean that the drain on our precious natural resources is unnecessarily continuing at a ravenous rate. Indeed, our existing Federal policies seem to proceed on the theory that our resource abundance will last forever, and that those who deplete our forests and our mines should actually be rewarded for doing so. In 1970, the Senate Report in support of the Resource Recovery Act stated—

> This Nation has always enjoyed resource abundance and has acted as though that abundance would last forever. Studies prepared for the Senate Committee on Public Works, testimony before the Subcommittee on Air and Water Pollution, and information generally available suggest that the anticipation of continued resource abundance is not only unwise—it is folly.

And, in its 1970 environmental report, the President's Council on Environmental Quality stated—

> Population growth threatens the Nation's store of natural resources. Currently, the United States with about 6% of the world's population, uses more than 40% of the world's scarce or nonreplaceable resources and a like ratio of its energy output. Assuming a fixed or nearly fixed resource base, continued population growth embodies profound implications for the United States and the world.

An excellent example of how recycling operates to reverse this disastrous exhaustion of natural resources is found in the paper industry today. As stated above, recycled paper stock presently accounts for about 19 percent or 11 million tons of the paper industry's total raw material supplies. The industry's utilization of this recycled wastepaper thus saves 200 million trees a year. If the industry would increase that utilization to only 50 percent of its raw material requirements—that is approximately the same percentage it formerly utilized during World War II—the result would be an annual saving of 500 million trees—a forest roughly equal to the areas covered by New England, New Jersey, New York, Pennsylvania, and Maryland.

THE FEDERALLY SPONSORED DISINCENTIVES TO RECYCLING

Recycling will never be able to play its vitally important role unless and until the Federal Government acts to remove all of the existing economic impediments to recycling which it has unfortunately and unnecessarily fostered over the years.

Among the worst impediments to recycling are grossly discriminatory rail and ocean freight rates charged for the transportation of recyclable and recycled materials. All of these rates are subject to the jurisdiction and control of either the Interstate Commerce Commission under the Interstate Commerce Act and other related regulatory statutes, or the Federal Maritime Commission under the Shipping Act.

The record involving the Interstate Commerce Commission shows that over the past several years, the Secretary of the Interior, the Commerce Department, the Office of Emergency Planning, the President's Council on Environmental Quality and the Enviromental Protection Agency as well as the recycling industry itself, have repeatedly urged the Commission to eliminate the serious discrimination in rail freight rates against recyclable and recycled materials and, until that is done, to refuse to license additional rate increases for recyclables. The Commission has responded, first, by doing absolutely nothing to eliminate the existing discriminatory rates and secondly, by licensing five successive rate increases for recyclables in the past 4 years.

Indeed, the Commission has even failed and refused to support its actions in this regard with the environmental impact statements required under the National Environmental Policy Act of 1969. This attitude caused a group of law students known as Students Challenging Regulatory Agency Procedures—SCRAP—and the Enviromnental Defense Fund to sue the Commission, and a three-judge district court in Washington ruled the Commission's behavior was a violation of the National Environmental Policy Act, While certain elements of that case are now before the Supreme Court for review, the overall picture is nevertheless clear: The Interstate Commerce Commission does not intend to rectify the existing discriminatory freight rate structure against recyclables unless Congress specifically directs it to do so and within a fixed time frame.

The Senate, of course, passed a bill last year which contained such directives, but because those directives were included in broader legislation which would have required the Federal Government to expend millions of dollars in new railroad relief, the bill did not clear the House. Generally, however, the recycling provisions were not in dispute and Congress should move soon to require both the ICC and the FMC to eliminate all unjustifiable rate discriminations against recyclable commodities without further delay and procrastination.

Another Federal disincentive to recycling is found in the Wool Products Labeling Act of 1939. That statute requires our recycled textiles, which must compete directly with foreign unlabeled, recycled textile imports to be labeled "reused" or "reprocessed." Such stigmatic labeling requirements have all but foreclosed textile recycling in the United States, whereas the record shows that formerly the textile recyclers were the strongest, most significant of our domestic recycling industries. At the very least, therefore, the "reused" or "reprocessed" labels should be replaced by the term "recycled," with the hope that today the American consumer, who more and more is making a commitment to recycling, will buy products which contain perfectly good recycled wool fibers.

Finally, the record shows that a division of the Department of Commerce has recently taken actions which would require our surviving textile recycling industry to add new superfluous weight designations to bales of wiping cloths and other rags sold exclusively for industrial utilization. Organizations such as Goodwill Industries, the Volunteers of America, and other similar textile recyclers who operate with almost no profit margin would be forced out of recycling if they have to meet these unnecessary requirements which are contrary to historic practices and even to the Government's own procurement specifications. Obviously, this should not be countenanced today when the need is to increase recycling, not to regulate recycling out of business.

THE FEDERAL PROCUREMENT PROBLEM

As stated before, in 1970, Congress urged Federal procurement agencies to take the lead in changing all procurement policies which favor the purchase of virgin products when equally good products manufactured from recycled materials are readily available. The General Services Administration, after considerable pressure exerted by the President's Council on Environmental Quality, finally took some steps in that direction by changing certain of its papers and paperboard specifications to eliminate the bias against products made with recyclable paper. Clearly, however, GSA has not gone far enough and the Public Printer and the Government Printing Office have done absolutely nothing to my knowledge.

The record simultaneously shows that today the city and State of New York and other local government bodies in various parts of the country have switched to paper products made from recycled wastepaper, and large corporations like A.T. & T., the Bank of America, Canada Dry, and scores of others have done likewise.

The time has certainly arrived, therefore, when all of the Federal procurement agencies should be directed to change their ways and where good, usable paper products are readily available at competitive prices, they should be procured. Only in this way will the Federal Government exercise the necessary leadership for the country at large.

PROPOSED LEGISLATIVE SOLUTIONS

In order to eliminate the aforementioned Federal disincentives to recycling, my bill—

First. Directs both the ICC and the FMC to investigate promptly all freight rate discriminations against recyclable commodities and within 2 years to enter appropriate orders terminating all such unreasonable discrimination in transportation charges;

Second. Directs all Federal procurement agencies to work closely with the Environmental Protection Agency in the establishment of new rules and procedures to maximize the procurement of recyclable materials and products which contain recycled materials;

Third. Amends the Wool Products Labeling Act to replace the stigmatic labels "reused" and "reprocessed" with the term "recycled"; and

Fourth. Amends the Fair Packaging and Labeling Act of 1966 to enable the domestic textile industry to continue to sell its recycled industrial rags and textiles as it has done for more than 50 years and without any new unnecessary, debilitating label requirements such as those recently sponsored by the Department of Commerce.

CONCLUSION

Each day the Congress fails to pass this simple, remedial recycling legislation, vast quantities of solid waste which should and could be recycled by the American recycling industry are continuing to pile up and plague us throughout the Nation. I, therefore, urge the Congress to consider these proposals as promptly as possible and to enact them into law at the earliest feasible date.

By Mr. MOSS:

S. 1123. A bill to amend title 5, United States Code, to provide for the reclassification of positions of deputy U.S. marshal, and for other purposes. Referred to the Committee on Post Office and Civil Service.

DEPUTY U.S. MARSHALS

Mr. MOSS. Mr. President, I am today introducing a bill which would reclassify the positions of deputy U.S. marshal. In the last session, a similar bill was passed in amended form by both Houses of Congress but was vetoed by the President. The memorandum of disapproval stated that there was no justification for such "highly preferential treatment, which discriminates against all other government employees who perform work of comparable difficulty and responsibility and whose pay is now the same as that of deputy marshals."

I do not dispute that other Government employees may be underpaid, but that does not change the great inequities in the rates for deputy marshals. Deputy marshals presently enter their service at pay as low as GS-4—beginning at $6,882 per annum. There are presently over 1,000 deputy marshals who are receiving less than $10,000 per year, which is the entry level pay for a police private on the District of Columbia police force. I do not see how we can expect to attract and retain qualified and competent men to the deputy U.S. marshal service if we do not offer a competitive salary.

We are all aware that it is vitally important to have competent, well-trained men and women in our law forces. The

92d Congress recognized this imperative when it passed H.R. 13895 last year. I am asking this Congress to reaffirm its support for quality in law enforcement personnel by early passage of this legislation.

The work of the deputy U.S. marshals is becoming more diverse and their responsibilities are increasing. They are charged with guarding Congressmen and other important political figures, witnesses testifying before congressional committees, heads of Departments and Agencies of the Federal Government; serving civil and criminal processes issued under the authority of the United States; making arrests; transporting prisoners; seizing and disposing of property under court orders. They are called upon in emergencies to supplement other local and Federal enforcement services and to carry out hazardous duties over extended periods of time and at irregular hours. They have been killed and injured in the line of duty. There is no question that they perform valuable service to their country at great risk to themselves.

The bill I am introducing provides for reclassification of deputy U.S. marshals to GS–5—trainee entry level—GS–7, GS–9, and GS–11. Deputy U.S. marshals are presently classified at GS–4, 5, 6, 7, 8, and 9.

There are a little over 2,000 U.S. marshals and deputy U.S. marshals. This bill affects the pay only of the deputy U.S. marshals; they would receive increments of approximately $1,000 per man in annual salary.

So, the annual cost of this bill would be less than $2 million. For the potential returns in maintenance of an effective, qualified law enforcement service, I do not think that this is a particularly high investment and I hope that the 93d Congress will make it.

By Mr. MONDALE (for himself, Mr. BAYH, Mr. BROOKE, Mr. CASE, Mr. CRANSTON, Mr. HART, Mr. HUGHES, Mr. HUMPHREY, Mr. JAVITS, Mr. KENNEDY, Mr. McGEE, Mr. McGOVERN, Mr. MOSS, Mr. NELSON, Mr. PELL, Mr. RANDOLPH, Mr. SCHWEIKER, Mr. STEVENSON, and Mr. WILLIAMS):

S.J. Res. 71. A joint resolution to provide for a study and evaluation of the ethical, social, and legal implications of advances in biomedical research and technology. Referred to the Committee on Labor and Public Welfare.

HEALTH SCIENCE AND SOCIETY

Mr. MONDALE. Mr. President, I introduce for myself and Senators BAYH, BROOKE, CASE, CRANSTON, HART, HUGHES, HUMPHREY, JAVITS, KENNEDY, McGEE, McGOVERN, MOSS, NELSON, PELL, RANDOLPH, STEVENSON, SCHWEIKER, and WILLIAMS for appropriate reference a joint resolution to create a National Advisory Commission on Health Science and Society. This is the same as Senate Joint Resolution 75, which was reported by the Committee on Labor and Public Welfare on November 29, 1971 and passed by the Senate on December 2, 1971. Unfortunately, the House did not act upon it.

Hearings by the Senate Health Subcommittee last week have again shown the need for early attention to the problems to be addressed by the Commission. We have seen that the doctrines of "informed consent" and "peer review"—in which great confidence has been expressed—are often sadly deficient in practice. Experimentation on human beings has been carried out with flagrant violations of the rights of those involved. If we have not yet developed successful techniques to protect citizens from the practice of today's medicine, how much less prepared are we to cope with the new biology and other frontiers in biomedical research and technology?

Recent advances in biology and medicine make it increasingly clear that we are rapidly acquiring greater powers to modify and perhaps control the capacities and activities of men by direct intervention into and manipulation of their bodies and minds. Certain means are already in use or at hand—for example, organ transplantation, prenatal diagnosis of genetic defects, electrical stimulation of the brain. Others await the solution of relatively minor technical problems, while still others depend upon further basic research. All of these developments raise profound and difficult questions of theory and practice, for individuals and for society.

To consider and study the ethical, social, and legal implications of advances in biomedical science and technology, I propose in this measure the creation of a 15-member Commission on Health Science and Society. This Commission would also report on the public policy implications of its findings in interim reports and in a final report at the end of its 2-year study.

Mr. President, 5 years ago I introduced a joint resolution which was essentially the same as the one I am introducing today. At that time, heart transplants were a startling new medical breakthrough. Since then, several hundred heart transplants have been performed. When I reintroduced the resolution in the 91st Congress, the first successful test tube fertilization of a human egg had just been reported.

Two years ago, Nobel Prize winner Dr. James D. Watson told the House Committee on Science and Astronautics that we will soon see the day when a baby will be conceived in a test tube and placed in a woman who will bear the child. As you may recall, Dr. Watson predicted that when such an implantation is successfully made, "All hell will break loose."

These brief comments indicate that the need for a sober and thoughtful analysis and evaluation of biomedical advance is even more urgent now than it was 5 years ago when I first proposed this Commission.

The past 5 years have seen great advances in genetics. There have been major increases in the ability to detect genetic diseases, even in fetuses still unborn. By examining fetal cells present in fluid obtained from the wombs of pregnant women, diagnosis of diseases such as Mongolism are now being made. As treatment for most genetic diseases is not now available, the diagnosis is generally followed by abortion of the affected fetus.

But major steps have been taken toward developing a technology of genetic engineering which might eventually be able to provide a cure for diseases such as hemophilia, cystic fibrosis, or diabetes. Single bacterial genes have been obtained in pure form, both by isolation from biological material and by chemical synthesis from simple building blocks. And British scientists have artificially corrected a genetic defect in mouse cells by inserting some healthy genetic material from chick embryos.

But these welcome prospects are accompanied by others which are frankly disturbing. In other areas of genetic research, work has progressed which may soon make possible the asexual production of large numbers of identical humans, by a technique known as cloning. Work is also in progress to make possible the predetermination of the sex of unborn children.

Research into the nervous system and behavior proceeds at an accelerated pace. The use of amphetamines on schoolchildren to treat the so-called hyperactive syndrome, which has been the subject of public concern and controversy, is only a foretaste of things to come as the science of psychopharmacology becomes more sophisticated. New drugs offer possibilities both for novel therapies and for novel abuses.

Behavior modification has shown great promise in training the retarded. But it has also been introduced as a standard tool for managing normal children in school districts through the country. Often parents are unaware of the use of such techniques. Yet, where they are informed of the proposed adoption of behavior modification, they have frequently voiced strenuous objection. Are they not entitled to know when their children are being subjected to such efforts to control their behavior?

There has also been increasing experimentation with electrical stimulation and with selective destruction of certain areas of the human brain, in order to achieve desired behavioral changes. After some 50,000 operations on the brains of living persons in the United States, during a 20-year period ending about 1955, the operation known as a lobotomy became thoroughly discredited. Today, there is a resurgence of interest and activity in psychosurgery.

At the University of Mississippi, a 9-year-old boy was subjected to a new form of brain surgery using electrodes to cause lesions in certain target areas of his brain. The objective was to control his behavior and make him more manageable. Repeated operations were carried out when the results were not satisfactory. After three operations and four lesions he had become "much more irritable, negativistic, and combative," and suffered "impaired memory." A fourth operation, and two more lesions, evidently satisfied the surgeon, who reported that the boy "displayed marked improvement in behavior and memory." He added that "Intellectually, however, the patient is deteriorating."

This is not an isolated case. There are an estimated 1,000 brain operations in the United States each year. In 1970, more than 100 psychosurgeons met in

Copenhagen and formed the International Society for Psychosurgery.

In the area of clinical medicine, there has been considerable effort to resolve existing confusion concerning the definition of clinical death. This confusion is due to the fact that, thanks to medical progress, the traditional signs of life—heartbeat and respiration—can now be maintained almost entirely by machines. Since many human matters depend upon the distinction between a man alive and a man dead, the importance of resolving this dilemma cannot be overemphasized.

Increasingly, State legislatures and medical societies are struggling with the concept of "death with dignity." Who shall determine when life-preserving measures are to be considered heroic or hopeless? Shall the patient, himself, decide? Who shall, if he is not competent? And who shall determine whether the patient is no longer competent?

There is great ferment now in cancer research, and we may be nearing the day when men may live out their lives without fear of this dread disease. And while on the subject of longevity, we should not negelct the claims of some scientists that the time is now ripe for an attack on the biological processes of aging. If this attack is successful, the result could be many added years of healthy life for all.

While holding forth the promise of continued improvements in medicine's abilities to cure disease and alleviate suffering, these developments also pose profound questions and troublesome problems. There are questions about who shall benefit from and who shall pay for the use of new technologies. Shall a person be denied life simply because he does not have enough money for an organ transplant?

There will be questions about the use and abuse of power. When and under what circumstances can organs be removed for transplating? Who should decide how long a person is to be kept alive by the use of a machine? Exactly what constitutes informed consent for a prospective transplant donor or recipient? The extent to which the consent is informed and voluntary may very well depend not only on what is said, but how it is said.

There will be questions about our duties to future generations and about the limits on what we can and can not do to the unborn. Is it ethical for a man and wife, each carrying a gene for a serious hereditary disease, to procreate, knowing that their children have a significant chance of acquiring the disease? Should the law enjoin certain marriages or require sterilization for such eugenic consideration? What rights do unborn children have to protect them in experiments involving genetic engineering or test tube fertilization?

We shall face questions concerning the desirable limits of the voluntary manipulations of our own bodies and minds. Some have expressed concern over the possible dehumanizing consequences of increasing the laboratory control over human procreation or of the increasing use and abuse of drugs which alter states of consciousness.

We shall face questions about the impact of biomedical technology on our social institutions. What will be the effect of genetic manipulation or laboratory-based reproduction on the human family? If laboratory fertilization can produce children for sterile couples, what will be the consequences for those orphaned or abandoned children who might otherwise have been adopted by these couples? What will be the effect on the generation gap of any further increases in longevity?

We shall face serious questions of law and legal institutions. What will the predicted new-fangled modes of reproduction do to the laws of paternity and inheritance? What would happen to the concept of legal responsibility if certain genetic diseases were shown to predispose to antisocial or criminal behavior? What would be done to those individuals with such traits?

We should expect that some people will try to have certain particularly frightening technologies banned by statute. Should this be done? Could such prohibition be effective? If effective in our country, what about other nations?

Finally, we as legislators will face problems of public policy. We shall need to be informed of coming developments, of the promises they hold forth and the problems they present, and of public attitudes in these matters. We shall need to decide what evenues of research hold out the most promise for human progress. And we shall need to help devise the means for preventing undesirable consequences.

Mr. President, as serious and as vexing as these practical questions may be, there is yet another matter perhaps more profound. The biomedical technologies work directly on man's biological nature, including those aspects long regarded most distinctively human. Thus, we should expect major challenges to our traditional image of man as this technology unfolds. The impact on our ideas of free will, birth, and death, and the good life is likely to be even more staggering than any actual manipulation performed with the new technologies. These are matters of great moment, and we urgently need to take counsel from some of our best minds.

The questions raised require the competence of persons with different training and background. Accordingly, I propose that the commission include individuals drawn from the fields of medicine, law, theology, biological science, physical science, social science, philosophy, humanities, health administration, Government, and public affairs. The physician and the philosopher, the scientist and the theologian need to get together and to educate each other. We have much to gain from their collective learning. The commission I propose will provide the vehicle for this much needed exchange.

There is also a need for improved communication between laymen and scientists. The layman needs to learn more about the prospects and implications of expected developments. The scientist needs to acquire a broader understanding of the possible ramifications of his work and the concerns of the people it will affect. The Commission I propose will provide a vehicle for such communication.

Mr. President, we can ill afford to wait until the crush of events forces us to make hasty and often ill-considered decisions. We cannot again allow events to pass us by. We face an increasing number of new and far-reaching technological possibilities, touching the very nature of man. We face the need for some wise, deliberate, and sober decisions. These questions are not going to go away or answer themselves. They will become progressively more difficult as time goes on. As Dr. Watson said in his testimony:

"If we do not think about the matter now, the possibility of our having a free choice will one day suddenly be gone."

It would be foolish to expect the Commission to provide answers to all the questions we face, but we can expect that it will provide help in making some of our difficult decisions. The findings and considered judgments of excellent minds with a wide range of experience and training will be invaluable to individuals who must struggle with the awesome responsibility of coping with these new technologies. Perhaps most importantly, the Commission could help to devise new structures, policies, or procedures for coping with new and difficult issues as they arise.

We make no prejudgments. We do not call for controls. We ask only for a thorough and thoughtful consideration of every aspect of these complex, difficult, and profound questions and problems. I and the Senators who join with me in sponsoring this resolution sincerely hope that Congress will act with dispatch in creating this much needed Commission.

The hearings on this resolution before the Senate Health Subcommittee in November 1971, have been published. They contain substantial material elaborating on my brief remarks, including a number of articles and statements on various facets of biomedical technology. We are indebted to the strong role of the Senator from Massachusetts (Mr. KENNEDY) in helping to explore these problems and chart our course for dealing with them. I urge interested persons to review those hearings.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 71

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "National Advisory Commission on Health Science and Society Resolution".

ESTABLISHMENT OF COMMISSION

SEC. 2. There is hereby established a National Advisory Commission on Health Science and Society (hereinafter referred to as the "Commission").

MEMBERSHIP

SEC. 3. (a) The Commission shall be composed of fifteen members to be appointed by the President from the general public and from individuals in the fields of medicine, law, theology, biological science, physical science, social science, philosophy, humanities, health administration, government, and public affairs.

(b) Any vacancy in the Commission shall not affect its powers.

(c) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

(d) Eight members of the Commission shall constitute a quorum.

DUTIES OF THE COMMISSION

Sec. 4. (a) The Commission shall undertake a comprehensive investigation and study of the ethical, social, and legal implications of advances in biomedical research and technology, which shall include, without being limited to—

(1) analysis and evaluation of scientific and technological advances in the biomedical sciences, past, current, and projected;

(2) analysis and evaluation of the implications of such advances, both for individual and for society;

(3) analysis and evaluation of laws, codes, and principles governing the use of technology in medical practice;

(4) analysis and evaluation through the use of seminars and public hearings and other appropriate means, of public understanding of and attitudes toward such implications; and

(5) analysis and evaluation of implications for public policy of such findings as are made by the Commission with respect to biomedical advances and public attitudes toward such advances.

(b) The Commission shall make maximum feasible use of related investigations and studies conducted by public and private agencies.

(c) The Commission shall transmit to the President and to the Congress one or more interim reports and, not later than two years after the first meeting of the Commission, one final report, containing detailed statements of the findings and conclusions of the Commission, together with its recommendations, including such recommendations for action by public and private bodies and individuals as it deems advisable.

POWERS OF THE COMMISSION

Sec. 5. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission, or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed, to the extent permitted by law, to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this joint resolution.

(c) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title, and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at daily rates for individuals not in excess of the maximum daily rate for GS-18 of the General Schedule under section 5332 of such title.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

COMPENSATION OF MEMBERS

Sec. 6. Members of the Commission (other than members who are officers or employees of the Federal Government) shall receive compensation for each day they are engaged in the performance of their duties as members of the Commission at the rate prescribed for positions at level II of the executive pay schedule in section 5313 of title 5, United States Code. Members of the Commission who are officers or employees of the Federal Government shall receive no additional pay on account of their services on the Commission. All members of the Commission shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

APPROPRIATIONS AUTHORIZED

Sec. 7. For the purpose of carrying out this joint resolution, there are authorized to be appropriated such sums as may be necessary, but not to exceed $1,000,000 for each of the two years during which the Commission shall serve.

TERMINATION

Sec. 8. On the ninetieth day after the date of submission of its final report to the President and the Congress, the Commission shall cease to exist.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 56

At the request of Mr. Gravel, the Senator from Alaska (Mr. Stevens) was added as a cosponsor of S. 56, a bill for the relief of Michael Korhonen.

S. 59

At the request of Mr. Cranston, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 59, a bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery.

S. 284

At the request of Mr. Cranston, the Senator from South Dakota (Mr. McGovern) and the Senator from Indiana (Mr. Bayh) were added as cosponsors of S. 284, a bill to amend chapter 17 of title 38, United States Code, to require the availability of comprehensive treatment and rehabilitative services and programs for certain disabled veterans suffering from alcoholism, drug dependence, or alcohol or drug abuse disabilities, and for other purposes.

S. 371

At the request of Mr. Tower, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of S. 371, a bill to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas.

S. 580

At the request of Mr. Percy, the Senator from Michigan (Mr. Hart), and the Senator from California (Mr. Tunney) were added as cosponsors of S. 580, to establish an Institute for Continuing Studies of Juvenile Justice.

S. 582

At the request of Mr. Scott of Pennsylvania, the Senator from Kentucky (Mr. Cook), the Senator from Florida (Mr. Gurney), and the Senator from West Virginia (Mr. Randolph) were added as cosponsors of S. 582, providing social services for the aged.

S. 586

At the request of Mr. Dominick, the Senator from Nebraska (Mr. Hruska) was added as a cosponsor of S. 586, a bill to amend the Occupational Safety and Health Act.

S. 607

At the request of Mr. Kennedy, the Senator from California (Mr. Tunney) and the Senator from New Jersey (Mr. Case) were added as cosponsors of S. 607, a bill to amend the Lead Based Paint Poisoning Prevention Act, and for other purposes.

S. 626, S. 627, S. 628, AND S. 629

At the request of Mr. Moss, the Senator from Minnesota (Mr. Humphrey) was added as cosponsor of S. 626, to provide increases in certain annuities payable under chapter 83 of title 5, United States Code; S. 627, to provide that the first $4,000 received as civil service retirement annuity from the United States or any agency thereof shall be excluded from gross income; S. 628, to eliminate the annuity reduction made in order to provide a surviving spouse with an annuity during periods when the annuitant is not married; and S. 629, to increase the contribution by the Federal Government to the costs of Federal employees' health benefits insurance.

S. 703

At the request of Mr. Bellmon, the Senator from Kentucky (Mr. Cook) was added as a cosponsor of S. 703, a bill to control Federal spending by requiring an annual ceiling on expenditures and new obligational authority.

S. 753

At the request of Mr. Scott of Pennsylvania, the Senator from Maine (Mr. Muskie) was added as a cosponsor of S. 753, to amend the Disaster Relief Act of 1970 with respect to eligibility for relocation assistance.

S. 799

At the request of Mr. McGovern, the Senators from Rhode Island (Mr. Pastore and Mr. Pell) were added as cosponsors of S. 799, a bill to compensate Vietnam era prisoners of war.

S. 808

At the request of Mr. Gravel, the Senator from Massachusetts (Mr. Kennedy) and the Senator from Minnesota (Mr. Mondale) were added as cosponsors of S. 808, a bill to authorize the Commissioner of Education to undertake a program to screen elementary education school children in order to identify children with specific learning disabilities.

S. 838

At the request of Mr. TOWER, the Senators from Florida (Mr. CHILES and Mr. GURNEY) were added as cosponsors of S. 838, a bill to amend title 10, United States Code, to permit the recomputation of retired pay of certain members and former members of the Armed Forces.

S. 842

At the request of Mr. KENNEDY, the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD) were added as cosponsors of S. 842, a bill to assist the survival of publications threatened by increased postal rates, and for other purposes.

S. 847

At the request of Mr. NELSON, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 847, the School Bus Safety Act.

S. 874

At the request of Mr. JAVITS, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 874, to amend the Elementary and Secondary Education Act of 1965, to provide a program for gifted and talented children.

S. 919

At the request of Mr. GURNEY, the Senator from Rhode Island (Mr. PASTORE), the Senator from Maine (Mr. HATHWAY), the Senator from Wyoming (Mr. MCGEE), the Senator from Illinois (Mr. STEVENSON), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. MONDALE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Utah (Mr. MOSS), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 919, a bill to permit spouses and widows of medicare beneficiaries to purchase medicare coverage.

S. 980

At the request of Mr. JAVITS, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of S. 980, to permit payment of extended unemployment compensation benefits to additional workers, and for other purposes.

S. 1004

At the request of Mr. MCGOVERN, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1004, a bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act.

SENATE JOINT RESOLUTION 18

At the request of Mr. JAVITS, the junior Senator from New York (Mr. BUCKLEY) was added as a cosponsor of Senate Joint Resolution 18, to authorize and request the President to proclaim April 29 as a day of observance of the 30th anniversary of the Warsaw ghetto uprising.

SENATE JOINT RESOLUTION 56

At the request of Mr. CRANSTON, the Senator from Massachusetts (Mr. BROOKE) and the Senator from Maine (Mr. MUSKIE) were added as cosponsors of Senate Joint Resolution 56, a joint resolution to authorize the President to proclaim the week containing February 12 and 14 as Afro-American History Week.

SENATE JOINT RESOLUTION 64

At the request of Mr. CHURCH, the Senator from Indiana (Mr. BAYH), the Senator from Maryland (Mr. BEALL), the Senator from Utah (Mr. BENNETT), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. COOK), the Senator from Mississippi (Mr. EASTLAND), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of Senate Joint Resolution 64, a joint resolution to protect religious rights in the case of abortion and sterilization procedures.

SENATE CONCURRENT RESOLUTION 14—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO NATIONAL PRIORITIES

(Referred to the Committee on Government Operations.)

Mr. HUMPHREY. Mr. President, I am introducing today a resolution on national priorities that I believe will help prevent an era of retrenchment and retreat on the pressing domestic problems in our country.

This resolution would call for a fiscally responsible Federal budget for fiscal 1974 while at the same time placing the Congress clearly on record for reduced military expenditures and a reformed tax system. It would provide a means for meeting our domestic needs in public employment, health care, urban rehabilitation, rural economic development, housing, education, and pollution control.

Mr. President, this resolution squarely challenges the assumption that, in a time of peace, the United States must have a bigger and higher military budget. It certainly is an ominous sign that at the time when the energies so long postponed by the Vietnam war should be turned to the problems at home, the fiscal year 1974 budget ushers in an era of domestic retreat.

We saw the same thing happen after the Korean war in the 1950's. We should have moved ahead then—on our domestic problems. We did not, and in part, the problems of the 1960's resulted from the indifference of the 1950's.

We simply cannot allow that to happen in the 1970's.

Under my resolution, we can take the first step toward meeting the responsibilities of the 1970's.

This resolution expresses the sense of Congress that $5 to $7 billion can be pared from the military budget in such areas as weapons procurement, weapons research and development, and by economizing in foreign assistance and space programs, and that through the elimination of unwarranted tax preferences in the internal revenue code another $5 to $7 billion in revenues can be produced.

We can use these funds to promote full employment, quality education and health care, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunity for all Americans.

We can do these things while at the same time providing, through a fiscally responsible Federal budget, for the promotion of national security, stable prices, and tax justice. We can place the additional dollars realized through the paring of nonessential defense expenditures and the elimination of unwarranted tax preferences, into programs to meet vital domestic human needs.

In short, through a rearrangement of priorities, we can fund some of the programs that the Nixon administration refuses to fund.

And, we can do so without increasing the Federal deficit.

Mr. President, I am asking for nothing more than that the Congress apply the same standards toward defense, space, military assistance, and tax subsidy budgets that the President has applied to domestic programs.

We have streets that need repair. We have critical air and water pollution problems to solve. We have poverty and racial injustice to overcome. We have massive housing and transportation problems. We have serious health needs and educational needs.

These are the priorities before us. These are the challenges of our time. And we must seize the opportunity now to target Federal funds effectively in serving these vital national interests. That is the purpose of my national priorities resolution.

I ask unanimous consent that a copy of my resolution be printed at this point in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 14

Resolved by the Senate (the House of Representatives concurring), Expressing the sense of Congress that certain economizing and tax reform measures shall be taken to assure through a fiscally responsible Federal Budget for Fiscal 1974 effective action to promote national security, stable prices, tax justice, full employment, quality education and health care, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunity for all Americans.

Whereas the Constitution of the United States places the power of the purse in the Congress of the United States and requires the President to "take care that the laws be faithfully executed," and

Whereas it is in the national interest that the Legislative and Executive Branches work in harmony to promote prosperity and opportunity for the American people, and

Whereas the priorities, revenue policies and spending decisions of Federal Government play a critical role in assuring the health of the economy, equal opportunities for all citizens, a secure national defense, and a high quality of public services, and

Whereas control of inflation requires fiscal responsibility, the avoidance of unjustified deficit spending and the most prudent use of taxpayers' dollars, and

Whereas the Federal Budget for Fiscal 1974 and future budget projections call for the expansion of military programs but the elimination or drastic reduction of some $14 billion in domestic programs annually notwithstanding the cessation of hostilities in Vietnam, and

Whereas it is estimated that the Administration's budget requests for military, foreign assistance and space budgets can be reduced by between $5 to $7 billion without danger to our national security and without jeopardizing our international commitments, and

Whereas it is recognized by Treasury Department officials, the appropriate Committees of Congress and recognized experts that minimal, long overdue tax reform can produce $5 to $7 billion in new revenues and without increasing the tax burden of the average taxpayer, and

Whereas unilateral elimination or reduction by the Executive of federal domestic programs, contrary to law, without thorough evaluation of those programs by the Legislative Branch neither serves the national interest nor complies with the spirit or letter of the Constitution; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that (1) equally rigorous economies shall be applied by Congressional review to military, foreign assistance, space programs, and unwarranted tax preferences.

(2) Congress shall set as a target for action by the relevant committees with respect to the proposed Federal Budget for Fiscal 1974.

(a) the realization of savings of $5 to $7 billion by paring unneeded weapons procurement, weapons research and weapons development, by reducing excessive forces in the military, and by economizing in foreign assistance and space programs, and (b) the elimination of unwarranted tax preferences in the Internal Revenue Code, to produce additional revenues of $5 to $7 billion.

(3) These budgetary resources—all within a fiscally responsible and non-inflationary budget ceiling as developed by the Congress—shall be redirected to promote full employment, quality education and health care for citizens, environmental protection, safe and improved living conditions in urban and rural areas, and equal opportunities for all Americans, with particular but not exclusive emphasis given to providing for health care and national insurance coverage of health care costs for all Americans, expanded public service job opportunities, improvements in public assistance and social services programs, increased federal assistance for housing, education, and the rehabilitation of urban areas, adequate law enforcement, the promotion of rural economic development, and new programs designed to improve the living conditions of American working families.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 14

At the request of Mr. SCHWEIKER, the Senator from Utah (Mr. MOSS) was added as a cosponsor of Senate Resolution 14, to amend rule XXVII of the standing rules to provide for the appointment of Senate conferees.

AMENDMENT OF THE ECONOMIC STABILIZATION ACT TO ESTABLISH AN EMERGENCY RESOURCE ALLOCATION BOARD—AMENDMENT

AMENDMENT NO. 25

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. EAGLETON. Mr. President, in what may be the beginning of phase two of the fuel crisis, my office has just received at least 10 new complaints about shortages of gasoline and diesel fuel.

Most of the complaints come from independent service station operators whose supply has been reduced or cut off entirely by major oil companies. I have also heard from the Bi-State Transit Co. of St. Louis which faces a 30 percent cutback in service and a Missouri truck manufacturing company which cannot obtain enough fuel to test drive and deliver its products.

As serious as these incidents are for the companies concerned, they may be only a preview of what lies ahead for large areas of the Nation. That, at least, is the opinion of some experts who have predicted widespread gasoline shortages this summer.

In the face of this situation and the recent experience with shortages of heating fuel, I find it disturbing that no agency of the Federal Government today is empowered to act directly to assure rational and equitable allocation of resources when shortages develop.

Responding to my letter in behalf of an independent service station which is threatened with bankruptcy because it cannot get sufficient fuel, the Acting Director of the Office of Emergency Preparedness had this to say:

> I emphasize that my Office has no authority to determine the allocation or distribution of petroleum products, except in the case of a declared national emergency. In our opinion, the national fuel situation does not justify a declaration of national emergency at this time.

General Lincoln of the OEP, in a recent statement to the Senate Interior Committee, indicated that there is very little any Federal agency can do to meet the problem:

> In meeting problems of resource shortages affecting the civilian economy, such as disruption of petroleum supplies, the sphere of Federal action is circumscribed. A few provisions in regulatory law allow for permissive and expediting measures. For example, ICC may grant emergency permits to truckers and divert rail cars to places of need and FPC may require continuation of natural gas service during periods of curtailment upon proper showing of essential need. Except for measures such as these, there is little beyond persuasion or "jawboning" which the government may undertake to affect industrial output and distribution in commercial markets.

The long-range answer to the fuel problem, of course, is to increase overall supplies. While we wait on that development, however, some means must be found to deal with the serious problems created by existing shortages. We cannot allow independent businesses to go down the drain or vital public purposes to be shortchanged simply because no one has thought to provide the necessary authority to act.

Independent service stations account for less than 20 percent of the total retail oil business in this country, but that figure does not measure their importance in restraining the overall price level of petroleum products. In many respects, they may be the consumers' only competitive edge in this market.

In passing the Economic Stabilization Act Amendments of 1971, Congress did express some concern about this problem. It established as one of the standards for wage and price orders that they prevent gross inequities, serious market disruptions and domestic shortages of raw materials. But there the act stops. No provision is made for dealing with shortages which develop despite all precautions.

A case probably can be made that phase I and II pricing policies had something to do with our shortages of heating fuel and now of gasoline. Regardless of cause, the fact is shortages do exist and are likely to get worse before they get better. And the fact is there is no authority, short of a declaration of national emergency, to do much about it.

Today, therefore, I am introducing an amendment to the Economic Stabilization Act for myself, Senators McINTYRE, RANDOLPH, HART, BIBLE, and MUSKIE. The amendment would provide authority to the President to establish an Emergency Resource Allocation Board which would allocate scarce resources where shortages develop to maintain and promote competition in certain industries and to assure adequate supplies to meet essential needs.

I emphasize that this amendment is a stopgap measure only and not a substitute for a comprehensive energy policy to deal with all aspects of the fuel problem. The immediacy of the problem, however, would seem to make this an imperative course.

Mr. President, I send my amendment to the desk and ask that it be referred to the appropriate committee and that the text be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 25

At the end of the bill, add the following:

SEC. 2. (a) The first sentence of section 202 of the Economic Stabilization Act of 1970 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and that in order to maintain and promote competition in certain industries and assure sufficient supplies of scarce commodities to meet the essential needs of various sections of the Nation, it is necessary to provide for the rational and equitable distribution of those commodities."

(b) The first sentence of section 203(a) of such Act is amended—

(1) by striking out "and" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof "; and "; and

(3) by adding at the end thereof a new clause as follows:

"(3) provide for the establishment of priorities of use and for systematic allocation of supplies of scarce commodities in order to meet the essential needs of various sections of the Nation, and to prevent anticompetitive effects resulting from shortages of such commodities."

SENATOR RANDOLPH COSPONSORS A BILL TO CREATE AN EMERGENCY RESOURCE ALLOCATION BOARD

Mr. RANDOLPH. Mr. President, as usual our country must face a crisis—in this case an energy crisis—before effective action is taken. As we approach the 200th year since our founding, it would appear that the greatest threat to our way of life is not from external sources, but the lack of an adequate national response, by both Government and industry, to the domestic challenges within our own society.

Today, and tomorrow, as a nation, we face shortfalls in our supplies of basic energy resources and refined petroleum products, principally crude oil, natural gas, automobile gasoline, diesel fuels, and distillate fuel oils. All of these energy supplies are essential to the maintenance of the American way of life.

This course was charted, in recent years, by the failures of Government policies and industry actions alike. More significantly, however, these shortages must be viewed as the early symptoms of an energy crisis; one that can be expected, in the next few years, to affect all forms of energy supply with sufficient force to possibly create economic chaos for our country.

Although environmental concerns have irritated the immediate problem, the events which created this energy crisis were, without question, initiated several years ago. Over the last 10 years, both shortsighted actions and failures to undertake necessary actions have led the United States down a perilous road. We have passed from the status of a net exporter of energy resources to a position with all the earmarks of a long-term heavy dependence on not only imported oil and gas but also on foreign supplies of refined products.

While the Federal Government was derelict in permitting this to happen, industry, which constantly advocates a "free market," was also derelict in not assuming the leadership role necessary to avoid the current energy crisis. Shortfalls in natural gas supplies have extended to refinery products, as witnessed in the recently reported shortages in distillate heating oil and transportation fuels.

Although petroleum serves as a direct source of energy, it also serves as the feedstock of our refineries and our petrochemical industries, which produce a wide range of conversion products such as heating oil, low-sulfur residual oil, automobile gasoline, and a wide range of other transportation fuels—essential to commerce.

In recent months, winter demands for heating oil and transportation fuels have exceeded supply. Under current constraints on refinery production, one form of refined product can only be increased at the expense of others. Consequently, at least for the short-term, energy supplies are not expected to meet consumer demands.

Now, the Congress must assume the burden and propose an Emergency Resource Allocation Board to distribute scarce energy resource among certain competing companies. This step is being undertaken because no Federal agency is empowered to act during periods of resource shortages to assure rational and equitable allocation of energy resources. The Office of Emergency Preparedness is only authorized to act when our national security is affected.

Senator EAGLETON's amendment to S. 398, the Economic Stabilization Act Amendments of 1973, which I cosponsor, would create an Emergency Resource Allocation Board to act in situations which fall short of a declaration of national emergency.

It is obvious to me that the single most significant factor contributing to the current shortages of refined petroleum products is the apparent reality that we are fast approaching the limit of our domestic refinery capacity.

Long-term national energy policies are needed which provide a climate for the expansion of domestic refinery capacity through the establishment of a national policy for the siting of domestic refineries and, possibly, other energy facilities consistent with economic, environmental, and societal needs; and the establishment of Federal economic incentive, such as accelerated depreciation, which will serve to stimulate the construction of domestic refineries in preference to foreign based operations.

I recognize that there are environment implications to the building of additional refinery capacity in the United States; however, the advantages of importing refined products may not be as great as some people think.

Unlike importing crude oil, foreign supplies of refined products cannot be replaced overnight should they be unexpectedly interrupted. There also is a far greater stability to crude oil supplies than there is for foreign refined products supplies.

Should crude oil supplies be cut off from one source, there are excellent chances of securing substitute supplies from other sources. Refinery capacity on the other hand is ordinarily tailored closely to market demands and thus cannot readily be made available to satisfy other than existing contracted markets.

To date, the hearings of the Senate's National Fuels and Energy Policy Study, being conducted by Senator HENRY M. JACKSON, have concentrated on the issues associated with assuring adequate supplies of basic energy resources, such as natural gas; however, in the months ahead, I understand the study will continue its review of the adequacy of domestic refinery capabilities. This investigation will consider anticipated short-term and long-term policy issues as the basis for legislation to stimulate the development of an expanded domestic refinery capability consistent with economic, environmental and societal needs.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 18

At the request of Mr. TOWER, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of amendment No. 18 intended to be offered to S. 371, a bill to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas.

NOTICE OF HEARINGS ON BUDGET ESTIMATES FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS OF 1974

Mr. BIBLE. Mr. President, I wish to announce the Subcommittee on the Department of the Interior and Related Agencies, Committee on Appropriations, began hearings on the budget estimates of agencies and activities under its jurisdiction on Monday, March 5, 1973. Secretary of Agriculture Earl L. Butz, in his capacity as Counselor to the President on Natural Resources, and Under Secretary John C. Whitaker, representing Secretary of the Interior Rogers C. B. Morton, were the first witnesses.

The hearings will extend through April 16 for departmental witnesses.

I have scheduled Tuesday, May 8, for hearing testimony from Members of Congress. Outside witnesses will be heard May 10 and, if necessary, May 11, 1973.

It will be appreciated if Members of Congress will advise me or the clerk of the subcommittee as soon as possible if they desire to appear.

NOTICE OF RURAL DEVELOPMENT SUBCOMMITTEE HEARINGS

Mr. CLARK. Mr. President, the Rural Development Subcommittee of the Senate Committee on Agriculture and Forestry will formally initiate its planned quarterly legislative oversight hearings on the implementation and administration of the Rural Development Act of 1972 and other Federal rural development programs on March 27 and 28, 1973.

The hearings will be in room 324, Russell Office Building, beginning at 10 a.m. each morning. Anyone wishing to testify should contact the committee clerk as soon as possible.

Mr. President, some of the provisions of the Rural Development Act of 1972 are already in operation throughout the country. Other of the provisions have not yet been implemented.

Counsel for Community Affairs, James T. Lynn, Secretary of Housing and Urban Development, Hon. Roy L. Ash, Director of the Office of Management and Budget; and Assistant Secretary of Agriculture for Rural Development, William W. Erwin have been invited to testify March 27, 1972. The subcommittee will discuss with them the extent to which each of the provisions of the Rural Development Act has been implemented; the problems and issues that have been encountered; the manner in which such issues have been resolved; and the schedule and plan for implementation of those provisions of the Act which are not yet in full operation.

As the Senators will recall, this act, which was passed unanimously by the Senate, was signed by the President on August 30, 1972. In October 1972, $500,000 was included in the Supplemental Appropriation Act as startup funding for such of the provisions as would be administered under the Consolidated Farm and Rural Development Act. Other provisions do not require new appropriations, since they merely expand the scope and authorizations of programs that the Department of Agriculture is already administering. Still other provisions will require new funding.

The subcommittee will seek information concerning both the organizational structure that is being established for administration of the different provisions of the act, and the proposed funding for each provision.

On the second day of the hearing, March 29, the subcommittee will welcome the comments and recommendations of concerned citizens and of the representatives of any groups, organizations, local governments, or other associations who are interested in rural development associations.

The hearings on both days will be open.

NOTICE OF HEARINGS ON LEGISLATION AUTHORIZING RIGHTS-OF-WAY ACROSS FEDERAL LANDS

Mr. JACKSON. Mr. President, on March 1, 1973, in connection with the introduction of S. 1081, the Federal Lands Right-of-Way Act of 1973, I announced that the Senate Interior and Insular Affairs Committee would hold hearings on Friday, March 9, on four pending legislative measures concerning the granting of rights-of-way across Federal lands. The committee originally planned to consider two other measures which would authorize construction of the trans-Alaska pipeline in specific locations, in addition to treating some technical issues regarding its right-of-way permit.

Mr. President, to clarify this matter I want now to announce that the hearing on March 9 will only deal with the substantive legislative proposals concerning the granting of rights-of-way across Federal lands. Bills to be considered are: S. 1081, S. 1056, title IV of S. 1041, and section 122 of S. 1040.

The scope of the hearing has had to be restricted because of the greater urgency of the right-of-way issue, and the fact that a single day of hearings will obviously be inadequate to deal properly with both issues.

Many people have wired and called the committee offices in the belief that the principal purpose of the hearing was to review the routing, location, and merits of the proposed trans-Alaska pipeline. S. 993 and S. 970 are indeed project authorization bills that involve issues which the Department of the Interior has requested the Solicitor General to appeal to the U.S. Supreme Court. Pending the Supreme Court's action on this appeal, however, I do not feel that these issues have the same urgency as the right-of-way question, where the Court of Appeals decision has cast a cloud over the legality of many utility rights-of-way across the public lands.

Accordingly, the hearing on March 9, will not deal with S. 993 or S. 970, nor hear testimony regarding the desirability and routing of the trans-Alaska pipeline. Later in this session I shall make an announcement regarding the schedule and format for hearings on these issues.

NOTICE OF HEARINGS CONCERNING THE MARKETING, DEVELOPMENT, AND USE OF PRESCRIPTION DRUGS

Mr. NELSON. Mr. President, I wish to announce that the Subcommittee on Monopoly of the Select Committee on Small Business will continue the hearings held in early February on the Food and Drug Administration's role in the marketing, development, and use of prescription drugs in this country.

The hearings will be held on March 14 and 22 in the Caucus Room (318) of the Old Senate Office Building starting at 10 a.m. each day.

NOTICE OF HEARINGS CONCERNING THE FARM PROGRAM AND RELATED SUBJECTS

Mr. TALMADGE. Mr. President, the Committee on Agriculture and Forestry has scheduled hearings through March 9 on the farm program and related subjects. In order to accommonate additional witnesses, the committee is scheduling further hearings March 13 and 14. They will be in room 324, Russell Office Building at 10 a.m. and anyone wishing to testify should contact the committee clerk as soon as possible.

SURFACE MINING HEARINGS SET FOR MARCH 16, 1973

Mr. JACKSON. Mr. President, I would like to advise the Members of the Senate and other interested persons that the hearings on surface mining legislation scheduled by the Committee on Interior and Insular Affairs for March 13, 14, and 15, will be continued on March 16. Many people have asked to testify and this additional day will give the committee the opportunity to hear them.

The hearings will be held in room 1202, Dirksen Senate Office Building on March 13, and in room 3110, Dirksen Senate Office Building on March 14, 15, and 16, and will begin each day at 10 a.m.

CONTINUATION OF HEARINGS ON THE "NEW FEDERALISM"

Mr. MUSKIE. Mr. President, on March 8, 14, and 15, the Subcommittee on Intergovernmental Relations of the Committee on Government Operations, will continue taking testimony on the impact of the President's proposals for a "New Federalism" on the relationship between the Federal Government and State and local governments. The hearing on March 8 will begin at 9:30 a.m. and the hearings on March 14 and 15 will begin at 10 a.m. in room 3302, Dirksen Building.

Anyone wishing to testify or submit a statement for the record should contact Mrs. Lucinda Dennis, chief clerk of the subcommittee. She can be reached by calling 202-225—4718.

ADDITIONAL STATEMENTS

THE REBUILDING AND HEALING OF VIETNAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an editorial entitled "Vietnam: Let Us Begin," written by Norman Cousins, and published in World magazine of recent date.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

VIETNAM: LET US BEGIN

(By Norman Cousins)

The rebuilding and healing of Vietnam now becomes the single most important item on the American agenda. Seldom in our history has there been so overwhelming a need and so towering an occasion for the compassionate purpose of the American people. The mobilization of the nation's morally creative energies must now become our magnificent obsession. If ever we have been capable of an explosion of the imagination, that time is now.

We must do this not just because the people of Vietnam need it but because we ourselves need it. In the years and months ahead, the American people will have to come to terms with deeds carried out in our name that have no logic or sanction in our history. And we will need moral equivalents if we are not to tear ourselves to pieces in agonized retrospect.

We will have to find some way of dealing with the outpouring of facts on how the Vietnam war came into being and how it was prolonged. Truths only partially seen until now will dominate the national forums. The disclosure of the Pentagon Papers last year may only be a prelude to larger and more consequential revelations. Dozens of books will be published—and, indeed, are even now being written—about the deceit practiced on the American people by their own government in fighting a full-scale war outside the constitutional processes—a war that dimmed no lights in America and ravaged no cities but that bequeathed to future generations of Vietnamese a land pitted by more than 20 million bomb craters.

It will not be pleasant to see the documentation that our original intervention in Vietnam was more for the purpose of forestalling a test of self-determination than for the purpose of assuring it. Nor will it be edifying to learn that the United States took part in the subversion of existing governments and was involved in the assassination of the head of a state. We will be appalled, too, to learn the extent to which the Vietnam war was used as the proving grounds for new weaponry—with live ammunition being used against human beings. And in the end, it may be seen that the institutions of the American people were as much in jeopardy as the institutions of South Vietnam. All this, because there was no point at which we were courageous and wise enough to admit we were afraid of "losing face"—yet with each additional day the war was prolonged, we jeopardized further our standing in the world community.

Something is owing to the Vietnamese people. For more than thirty years, their lives and their land have been chewed up by the balance-of-power struggles of the major nations. Before the United States, it was France, and before France, the Japanese. The rest of humankind can never make right out of all the wrongs done to the Vietnamese, but what is clearly within our capability is to demonstrate that we are as determined and ingenious in matters of mercy, reconstruction, and all the processes of creative growth, as we have been in demolition and devastation. And the rehabilitation of Vietnam must come ahead of any of our own internal needs—severe though they may be.

It will be said that we cannot afford such a program. This argument is shallow and dishonest. If we could afford to spend $32,000 to kill a single Vietnamese, we can afford at least that much to rebuild the life of a single family. If we could afford $325,000 to destroy a single village, we can afford at least that much to help reconstruct the huts and the homes. If we could afford to send over bombing planes, each of which cost several millions of dollars, we can afford to send in mobile health clinics, food distribution trucks, literacy vans, sanitation and agricultural crews. In short, if we were able to spend upwards of $30 billion annually for six years in the destruction of Vietnam, we can afford to spend a fraction of that amount in helping to build a new nation.

Obviously, acts of mercy cannot be superimposed. No one knows whether North Vietnam would have any interest in accepting help from the United States. But it is likely that the spirit in which our hand is outstretched may have a great deal to do with the response. Certainly we ought not immobilize ourselves out of fear of being spurned.

Vietnam can become a jewel among nations. It should have the finest schools, nurseries, clinics, hospitals, science laboratories, and village communities of any nation in the Far East. All the scientific knowledge and techniques at our command should be used to restore the chemically poisoned soil and make of it once again a good earth. We can provide higher education for talented young Vietnamese in the sciences and the arts. There is no limit to what needs to be done or what we are capable of doing. Vietnam has been a symbol of almost everything that is irrational and unworkable in our world. We can help make of it a symbol for everything associated with decency, reverence of life, and human creativity.

If the only way we can do this is through sacrifice, then so much the better. Restitution for great wrongs never comes cheaply. We are lucky that we have the opportunity to make the effort. What is most fortunate of all is that we also have the opportunity to remake ourselves in the process.

TESTING AND COUNSELING CENTER FOR TROUBLED YOUNG PEOPLE AND THEIR PARENTS

Mr. TOWER. Mr. President, in June 1970, a professor of psychology and sociology at Texas Wesleyan College in Fort Worth, Tex., launched an exciting community service program—a testing and counseling center for troubled young people and their parents. Certainly there are other similar programs throughout the Nation; however, I feel the testing and counseling center at Texas Wesleyan is particularly unique in that it was developed on the sheer determination, compassion, and humanitarianism of its counselors.

The testing and counseling center was begun by Dr. Charles Hager—its director—using volunteer services of upper level psychology, sociology, and guidance and counseling students to staff the center. These students work under Dr. Hager's supervision providing group counseling sessions to young people and their parents who are experiencing difficulties in living. Everyone involved in the project is a volunteer. The testing and counseling center has no government funding and has neither requested nor received contributions from any source.

I am particularly gratified to see my constituents engaging in such altruistic activities, and commend their efforts.

Mr. President, in order that Senators may have an opportunity to study this worthwhile program, I ask unanimous consent that an article entitled "Help for Troubled Youth, Parents," published in the Fort Worth Press on Sunday, February 11, 1973, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HELP FOR TROUBLED YOUTHS, PARENTS—COUNSELING OFFERED AS SERVICE TO COMMUNITY

(By Pat Patrick)

For months, they had been at each other's throats. Mother and daughter.

Now they had entered another stage. They were past recriminations, past arguing. There was a wall of silence in the house.

The wall came tumbling down one night at a counseling session when the mother suddenly said, "I'm a stage mother.

"All these years I've been trying to make my daughter be something I wanted her to be. I've been trying to relive my life through her."

Parent and child made a new beginning that night. After a few more weeks, they quit coming to the group counseling sessions conducted at Texas Wesleyan College by Dr. Charles Hager and counselors—upper level psychology, sociology and guidance and counseling students.

Provided free as a community service, the counseling is for both troubled youth and their worried parents.

Some of the youth in the program are referred to Dr. Hager by junior and senior high school counselors and a few by "kids who themselves have been through the counseling."

"But most, about one-half, are referred by the Juvenile Probation Dept. and police Youth Division, says Dr. Hager, director of Testing and Counseling Center at TWC and also a consulting psychologist for the state Mental Health-Mental Retardation Dept.

When begun in June, 1970, the counseling service was then offered just to youth.

"We soon found out, though, that you can't deal with kids' problems without dealing with the parents, too," says Dr. Hager.

The rebellious lad that convinced Hager to conusel parents also was a boy counselors "just weren't getting through to."

One night the father was called in and during a private session began telling all the things he planned to do for his son.

Finally the boy burst out, "Dad, that's just what I don't want. I've got to do something for myself."

Five or six families, on an average, are usually involved in the group counseling, parents in one group, youth in another.

At no time are parents told by counselors what is said in the youth group or vice versa.

Dr. Hager and his counselors hope that parents and youth come to such an understanding that they can bring things said in their own groups out in the open themselves.

What goes on in the counseling sessions? Dr. Hager likes to think of it as "education in living."

"Everybody has problems with living; some just have more problems than others. They go into psychotherapy to learn how to handle these problems."

What are the problems that bring youth and parents to counseling?

"Drug abuse, running away (most common), shoplifting, indecent exposure, general rebelliousness."

Basically, the problems of today's youth are "not really any different than the ones I had when I was growing up in a small town in Colorado," says Dr. Hager.

The vehicles and technology available to youth to carry out their feelings—that is what is different.

"Ten times out of 10, the problem boils down to an alienation syndrome—nobody loves me, nobody gives a damn about me."

And parents are just as subject to that feeling as youth.

ANNOUNCEMENT OF MEETING OF U.S. GROUP OF THE INTERPARLIAMENTARY UNION

Mr. METCALF. Mr. President, the regular meeting of the United States Group of the Interparliamentary Union will be held in the old Senate Chamber, S-228, in the Capitol, at 4 o'clock tomorrow afternoon, Wednesday, March 7. All Senators who are interested are urged to attend.

ON REMOVING UNCERTAINTY

Mr. BELLMON. Mr. President, I would like to call our colleagues' attention to a very perceptive column by Holmes Alexander about the new junior Senator from Virginia (Mr. SCOTT). It provides an excellent insight into the thoughtful manner with which he approaches new problems. I will be interested in learning his conclusions as to how the Congress can best meet its fiscal responsibilities.

I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON REMOVING UNCERTAINTY

(By Holmes Alexander)

WASHINGTON.—Before he came to the House in 1967 and this year to the Senate, William Scott, R-Va., was a Justice Department trial lawyer—not a prosecutor, but an advocate in civil cases—and his mind has a satisfying exactness in its address to political matters.

Dark-visioned and deliberate-spoken at 57, Scott is one who pushes logic to its terminal conclusions. For example, other senators oppose aid to Red Vietnam as an extravagance or a travesty, but Scott sees it as dangerous and provocative. He reasons that to give cash awards to an aggressor is to encourage aggression.

Likewise, Scott finds the President's ideas of the work ethic entirely incompatible with domestic handouts of any kind—and, therefore, he believes that even the squeezed-down Nixon budget is too big. Also, Scott finds an irreconcilable contradiction of language and policy in an administration which hucksters both equal opportunity and black capitalism—where's the equity there for non-blacks?

Additionally the Old Dominion junior senator is stumped when clergymen come around with strongly taken positions on battle strategy and environmental protection systems. He taught adult classes in Bible studies for 20 years at his Methodist Church in Fairfax County, and doesn't believe that military science and the economics of conservation could be well learned in theological seminaries.

Truths of such unanswerable logic are the newsman's treat in an interview with Scott. Those already mentioned might be considered as little more than axiomatic, but immaterial trivia in a capital where hard news is the preferred fare. However, at the time I called Scott had just sent over to the Library of Congress for some background material on a very newsy subject, the Office of Management and Budget (OMB) and was orally putting it through his process of thought.

He had voted with the minority in a 63-17. Senate decision that would make the OMB director and deputy director subject to confirmation. As Scott thought it out, the traditional separation of powers permits a President to make use of a confidential kitchen cabinet of subministers, such as Roy Ash and Henry Kissinger. In voting itself into this little White House circle, the Senate was on the wrong approach to the curbing of executive power. The OMB relates closely to the national purse, and might properly be considered an agency of Congress, rather than of the executive.

Scott wants to study some more before deciding firmly, but he has in mind a landmark measure that would move the Office of Management and Budget to the control of Congress. This would put it in the echelon with the Government Accounting Office and the Library of Congress, and would end all bickering over the creeping usurpation of presidential power in the field of national finance. The governmental branch closest to the people would presumably know best in what programs the people wishes to invest, and how much.

If the country should consistently send a liberal majority to Congress, we would have a perpetual New Deal or Great Society, and become a unitary democratic socialist republic in nature, if not in name. Contrariwise, if the country sent up rational conservatives like Bill Scott, and some others who are already leaning his way, we would have the kind of self-reliant, decentralized, Phoenix-from-the ashes nation that the President envisioned on Inauguration Day.

A number of southern and western senators favor the result of presidential impoundment of funds, but aren't quite certain that it's lawful. One way to remove that uncertainty would be to make Congress the undisputed master of the budget.

1975-76 STANDARDS FOR CONTROL OF AUTO EMISSIONS

Mr. MANSFIELD. Mr. President, it is sometimes disquieting to find oneself to be a prophet. A year ago, I wrote the Senator from Maine, Mr. MUSKIE, the author of the Clean Air Act Amendments of 1970, warning that the U.S. auto companies seemed to be expending too little of their resources on finding a way to meet the emission standards laid down for 1975 in the Clean Air Act, and too much of their resources seeking to delay implementation of these standards. I also warned that the auto companies should not be given the delay they sought, nor should they be permitted to think they could get the delay at some future time. In polite terms, what I indicated was that delay would not get us compliance with the standards; it would only get more delay.

Not long after I put these views on record, Mr. Ruckelshaus, the Administrator of the Environmental Protection Agency, opened hearings on the request of the auto companies for a 1-year delay, and subsequently he denied the request. The auto companies sued in Federal court, seeking to overturn that decision. The court did not rule one way or the other, but remanded the issue back to EPA for further hearings.

That whiff of success, apparently, was enough. Shortly thereafter the president of the Ford Motor Co. proposed, in addition to the 1-year suspension, that Congress amend the law, postponing the 1975 standards until 1977. The 2 years, he said, should be used for still another study. "We cannot meet the 1975 standards," said Mr. Iacocca of Ford. He was echoed by Mr. Cole of General Motors and Mr. Ricardo of Chrysler. They threatened us with a shutdown of the auto industry in mid-1974.

If one listened only to the auto companies and the oil companies, one would be convinced that the whole effort to control automotive air pollution is ill conceived and ought to be abandoned.

Fortunately, there are other voices.

The National Academy of Science was charged by the Congress with making a study of the technical feasibility of meeting the 1975 standards, and advising the Environmental Protection Agency and the Congress of its findings. The NAS made its report 2 weeks ago. Here is what it said:

> 1. Four types of systems will meet the prescribed emissions standards during certification testing. There are: the modified conventional engine equipped with an oxidation catalyst, the carbureted stratified-charge engine, the Wankel engine equipped with an exhaust thermal reactor, and the diesel engine. For the catalyst system, one catalyst change must be permitted during the 50,000 mile durability testing for certification, and fuel with a suitably low level of catalyst poisons must be allowed. In determining whether vehicles mass-produced comply with an outstanding certificate of conformity under Section 206 of the Clean Air Act, provisions must be made for averaging of emission test results within a vehicle and engine class.
>
> 2. Vehicles incorporating these systems can be mass-produced in great enough volume to satisfy, in aggregate, the expected demand for vehicles in model year 1975.
>
> 3. It is important for two reasons that a suitable maintenance and inspection system be established for vehicles in use by the public.
>
> First, there are no data concerning the deterioration of emission-control systems under conditions of customer use, and the Committee believes that the certification procedure alone is not a sufficient indicator of system durability. Even if it is demonstrated that properly maintained vehicles can comply with the standards under conditions of customer use, an adequate vehicle maintenance and inspection system will be required to assure that most vehicles will meet the standards when used by the general public; that is especially important for catalyst-equipped vehicles.
>
> Second, if it is determined that a substantial number of any class of vehicles or engines, although properly maintained and used, is not meeting the standards in use, Section 207(c) of the Clean Air Amendments empowers the Administrator of EPA to require the manufacturer to submit a plan for remedying the nonconformity. Under such a plan, the manufacturer is required to correct only those vehicles or engines which have been properly maintained and used.
>
> 4. The average increase in sticker price due to the emissions-control systems of a catalyst-equipped vehicle is estimated to be $160 above a current (1973) vehicle and $230 above a 1970 model year vehicle. Except for the diesel engine, lesser increases are expected for the other emission-control systems, when comparing vehicles of similar size and type.

The Environmental Protection Agency, charged by the Congress with administering the act, recently completed a staff study of the feasibility of meeting the 1975 standards:

> 2. If EPA adopts the averaging of emissions from vehicles in a given engine family to determine compliance with the assembly line test and warranty/recall provisions of the Clean Air Act, then manufacturers currently representing at least 85% of the current U.S. market will probably be able to certify vehicles that comply with all requirements related to meeting the 1975 standards.

Parenthetically, I might point out that the total cumulative per car cost of reducing automotive emission by 90 percent is about or somewhat lower than the cost of a car air conditioner. I do not really want to get into cost in this discussion, except to say that EPA and CED figures show that the cost-benefit ratio of all air pollution abatement is better than 1-to-1. In other words, we will more than get our money back and enjoy the health and esthetic benefits of clean air to boot.

However, back to the main theme. The most interesting information developed by EPA in its feasibility study concerns its report on the Honda:

> CONCLUSIONS 1975
>
> Honda will be able to meet the 1975 standards. Honda may also be able to have 100% of their production be below the 1975 standards. EPA evaluation of the data from Honda indicates that the average emissions of the 25 stage-3 vehicles plus three standards deviations times the highest DF reported for each of the pollutants results in predicted emissions for Honda which are still below the 1975 levels.
>
> Compared to all other manufacturers surveyed, in the judgment of the report team, Honda has developed the best 1975 system. No other manufacturer has achieved this combination of low emissions, good vehicle performance, and fuel economy. Honda has also been the boldest and most innovative. No other manufacturer is developing an alternative to the premixed charge gasoline engine for 1975 production. Most have relied heavily on their suppliers for emission control systems and hardware.

The Honda tested is slightly smaller than the subcompacts like the Vega and Pinto, but is higher powered. There is little difference in its load-carrying capacity. Moreover, computer simulation indicates that Honda system would meet the 1975 standards on all but the very largest U.S. vehicles.

I think it is fair to ask at this point what have the American auto companies been doing? Is it possible that they can give us a $200 tail fin, but not a 5-mile-an-hour crash bumper; power windows, but not air bags; 500 horses under the hood, but not emission control?

I do not believe it. And I serve notice on the United States auto companies that this Congress will not amend the Clean Air Act to permit them additional delay. Indeed, I wish I were as sanguine about the resolution of the White House on this matter. At times it has appeared that Mr. Ruckelshaus, the Administrator of the Environmental Protection Agency has had to fight off the Office of Management and Budget and White House aides in order to hew to the line which Congress marked out.

The most recent—and unsettling—evidence came no later than February 27. John Erlichman, a presidential assistant, was asked whether the White House would ask the Congress to delay the auto emission standards. His quoted reply was:

> There are a lot of things about the law that we just don't think (are) common sense.

When pressed, he refused to say more, adding he had already said "300 percent" more than he should have.

I hope this is not a forerunner of pressure on Mr. Ruckelshaus to do the bidding of the White House, administratively and before this body. Should that be the case, and should Mr. Ruckelshaus be unable to withstand that pressure, we may seek legislative remedy in order to provide incentive to the auto companies to hew to the Congressional schedule for cleaning up emissions.

Certainly, if it is a matter of time, we might require the auto industry to delay model changes until the emission problem is solved. In that case, as they worked out the emissions problems with different models or model families, they could be introduced to the market.

Additionally, the Congress repealed the excise tax on autos not long ago. It did so as a matter of public policy, in order to stimulate the auto industry and the economy at large.

It might well be a matter of public policy, in view of both the measurable and immeasureable costs of air pollution, to impose an excise tax—the former tax was 7 percent—on autos which do not meet the emission standards.

There are other legislative remedies which might be devised. The point is that, in spite of the statements of the auto companies to the contrary, the evidence from unbiased sources is that they can meet the 1975 emission standards in 1975 and it is the intent of the 1970 Clean Air Act Amendments that they should do so.

Mr. President, I ask unanimous consent that an article from the Wall Street Journal of Tuesday, February 27, 1973, entitled "Aide to Nixon Hints Support for Car Firms in Their Bid To Ease 1975–76 Exhaust Rules" be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Aide to Nixon Hints Support for Car Firms in Their Bid To Ease 1975–76 Exhaust Rules

Detroit.—A top Nixon aide gave the strongest hint to date that the White House might side with auto companies in their bid to modify the 1970 clean air amendments that set strict standards for control of auto emissions in 1975 and 1976 models.

Presidential assistant John Ehrlichman, in response to a question on whether the administration would ask Congress to delay the 1975–76 auto emission standards, said, "There are a lot of things about the law that we just don't think (are) common sense."

However, Mr. Ehrlichman wouldn't say whether President Nixon will seek a delay of the standards from Congress and declined to specify the White House's reservations about the current laws. Mr. Ehrlichman said he had already said "300%" more than he should have.

The presidential assistant noted that the Environmental Protection Agency is still considering auto companies' requests for a delay of the 1975 standards. "The ball is in EPA's court," he said.

Thus his remarks, made at a news conference prior to a speech here, left unclear what action the White House will take, if any.

Two weeks ago, a federal appeals court ruled the EPA should hold further hearings on its deadline for installing certain auto pollution devices. The EPA had already turned down one bid by the industry for a delay in implementing the 1975 standards. The new hearings are scheduled to start in March.

EPA officials have indicated that they think the 1970 clean air amendments are basically good legislation but that they would prefer a little more flexibility on deadlines.

The auto companies have criticized existing emissions law in the past. They complain, among other things, that the law includes specific levels to which auto pollution must be reduced and doesn't give the EPA authority to change those levels administratively. The auto companies want the EPA to have such authority. As things stand, relaxation of the levels to which pollution must be reduced requires congressional action.

POOR POSTAL SERVICE

Mr. DOMINICK. Mr. President, the editor of the Colorado Springs Sun, William J. Woestendiek, recently wrote a series of columns in that newspaper citing examples of poor postal service which had been experienced by him, members of his staff, and the public in general. In his articles, he also quotes discouraged and disgruntled postal employees who complain that they are simply unable to perform their jobs adequately under present circumstances.

Mr. President, I sympathize with the complaints expressed by Mr. Woestendiek and I concur with his conclusion that there is an urgent need for an investigation of the entire mail delivery system in this country. In fact, both the House and the Senate Post Office Committees are scheduling hearings on this subject in early March, and I am hopeful that those hearings will produce some meaningful solutions to a problem that affects all members of our society on a daily basis.

Whenever I have discussed this matter with people in Colorado, I have advised them not to send me anything by special delivery, because for reasons unknown to me that stamp seems to guarantee long delays and in some cases, even nondelivery. Unfortunately, the only way we find out about nondelivery is when I receive a followup letter by regular mail demanding to know why I have not acknowledged the previous letter.

In his column, Mr. Woestendiek discusses the various new postal machines which are supposed to speed delivery. In my opinion no postal machine has yet been developed which will equal the performance of a good employee, and I am particularly concerned that many of the good employees in the Postal Service appear to be disillusioned to the extent that morale in some post offices is at an all-time low.

The price of postage has been on the increase, while the service received has been declining, and I think it is high time that Congress took a close look at this situation and demanded that the necessary steps be taken to provide the kind of quality service that our taxpayers deserve and that the postal employees want to provide.

I commend Mr. Woestendiek for this provocative series of articles and for his efforts to develop grassroots support for postal reform. Judging from the volume of mail which has arrived in my office in response to his articles, I believe that there is a deep resentment among the people in Colorado over the unsatisfactory performance of the Postal Service. I urge all of my colleagues to read these articles and ask unanimous consent that they be placed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Thinking Out Loud

(By Bill Woestendiek)

An interesting—and disturbing—thing happened the other day.

I had just started writing my column and had written the following:

Are you having problems with the postal service? It seems to me that despite all of the propaganda about improvements and one-day service, the service has been getting steadily worse.

For example, we sent some important documents to a Denver attorney on Oct. 26. He received them about 10 days later. Several times, syndicated columns from Chicago have arrived four-to-five days—air mail, special delivery—late. When we mailed a birthday box and a birthday card to our son John at the University of North Carolina, the box arrived several days ahead of the card.

Some of our friends say they've had similar problems. How about you? Let me know about them and we'll pursue the problem of poor postal service.

That's all I had written when I stopped to go through the mail. And that's when I found the letter—a letter from a mail carrier's wife. And here are some of the things she wrote:

"The Colorado Springs Post Office is a good example of how the taxpayers can get fooled with managed news. I know something about this because my husband works there as a carrier. He says there was all this rah-rah newspaper propaganda about how the mail was getting through in our last blizzard.

"That was fine as far as it went, but what the post office didn't say was that the mail has been piled up and delayed in a way that is hard to hide any more. He says that patrons on his route ask him where their important first class mail is, and he doesn't have the heart to tell them, 'probably back in some corner stacked up like the snowdrifts.'

"Talking with one of the clerks about this, he found out that on circular mail the local post office is 16 days behind now and they want the clerks—in fact they are forcing the clerks to work six days a week, 10 or 11 hours a day . . .

"The clerk . . . said that never in the 22 years he had been in the postal service had such a delay occurred . . . it was just something that did not happen. It was never allowed to happen."

"If the post office news can be made to sound good, it's all trumpeted out in the paper. If it's unfavorable in any way, it's carefully suppressed. I say let the Postal Corporation tell it the way it really is—the bad right along with the good.

"Every word I've typed here is true. Naturally, I'm not going to sign my name. My husband carries the delayed letters for a living."

The letter was signed: "A carrier's wife."

Because of that letter and because of continuing complaints about the U.S. Postal Service, Sun reporters were assigned to check out the complaints.

You saw the result in yesterday's Sun, a story by Columbus Smith and Vikki Porter to the effect that local mail sometimes is shelved for as long as two weeks because of understaffing at the local mailing unit.

Although postal officials deny any delay, it doesn't take a supersleuth to know that a delay exists. A check mailed by The Sun to Denver on Nov. 6 still had not been received as of Nov. 17. Letters sent air mail special to The Sun from Chicago have taken as long as five or six days.

"Just too much mail and not enough people," a postal source told our reporters.

What with Christmas coming up fast, something needs to be done—and soon.

The problem appears to be a serious one. Covering it up won't help any. It is essential that the people of Colorado Springs, indeed throughout the United States, get better mail service. It seems to be that the postal service has spent a lot of time telling the American public how service has improved, but very little time demonstrating any improvement.

Thinking Out Loud

(By Bill Woestendiek)

Postal authorities can deny mail delays all they want; the facts indicate otherwise.

All the authorities need do is talk to any of their many dissatisfied customers. In fact, all they need do is talk to their own employes.

For complaints continue to come to The Sun from both local residents upset with "pony express" service and from postal employes upset with the kind of poor service they claim they are being forced to provide.

The problem is not only local; it is a national shame. Angry postmen, tired clerks, personnel problems, the hiring freeze all combine to spell poor service.

As one of the many local residents who have written The Sun points out "our mail service should be better with new technology individual motorized trucks, and the Zip Code."

The same writer cited this incident:

"A birthday card was mailed locally and postmarked Nov. 13 for an 87-year-old woman whose birthday was Nov. 15. It was received five days later—in the same city. Historically, the pony express took six days from . . . Nebraska to . . . Nevada . . . just 112 years ago . . . without Zip Code."

Another caller told of receiving a newspaper mailed from 400 miles away 50 days later. These aren't isolated instances, there are too many complaints.

Then there's the letter from a mailhandler who, for obvious reasons, I won't identify. He has the rough job of sacking and handling mail. He writes:

"I liked your (column) very much. It is true and our people appreciate your interest."

He continues:

"I know what they are doing when they won't let me put letters through the canceling machine until they have changed the dyes at midnight. I mean the mail comes in one day but they make me wait to cancel it until the dyes for a new day are put in the machine . . . The supervisor tells me to do it this way . . . it makes the mail look a day faster than it really is. It is not fair but I do not argue about it . . ."

It seems to me that our national postal service is spending far too much money telling people how good it is when its actions belie its words.

Only the day after I wrote that our postal service was poor, I received a handsome brochure telling me all about one-day delivery. Our office receives press releases regularly singing the praises of our country's postal service, telling how much it has improved. (Incidentally, before all these improvements began I used to receive my Wall Street Journal on the day of publication. Now I almost always get it a day late).

Maybe that advertising and promotion money ought to be spent on service—that's what most of us would prefer to have.

No one is anxious to fault the delays and the problem; everyone is anxious to see something done to correct them. The people of Colorado Springs, the people of the United States deserve more efficient service. Necessary steps must be taken to provide that service. We can all understand and forgive problems if a serious effort is being made to correct them.

Christmas mail service can be a headache under the best of circumstances. With the situation as bad as it is currently, the outlook on fast Christmas mail is bleak.

There is one thing we all can do to try to help: do our Christmas shopping and mailing early—and keep our fingers crossed.

Thinking Out Loud

(By Bill Woestendiek)

"The Post Office is funded with public money. The public are our stockholders—they should know how good/bad the company is doing . . . I am for more publicity—as you said—and less secrecy."

The above comments on our postal service came, not from a disgruntled victim of poor mail service, but from a local post office supervisor. (See story elsewhere on this page.)

In a letter signed "Redfaced and honest about it," the supervisor expressed regret for the poor service.

"I regret the poor service, I think, even more than you," wrote the supervisor. "It is most embarrassing to search the workroom floor for some hundreds of Air Force checks that have become lost in the post office shuffle and remained undelivered for several days. It is difficult to answer the complaints and queries of patrons about such a foolish delay."

It sure is. And it is foolish of postal authorities to deny the problems or to think they can kid the public. How can they try to tell us the service is good when its shortcomings are visible daily?

For example, I received a note from Dr. Jack Paap of our town telling me of cross-town mail that has taken as long as five days. And he enclosed a copy of a letter from the University of Nebraska. The letter, dated Nov. 14 said, in part:

"For some reason or other your letter of Oct. 13, 1972, has just arrived."

One month from Colorado Springs to Omaha!

Isn't it time we, the people, started demanding an investigation of our postal service both locally and nationally. I'd suggest you write your Congressman—and hope he gets your letter. Our postal service is becoming a national disgrace.

And a lot of good, hard working postal employees, including mailhandlers, letter carriers, and supervisors are just as upset about it as the rest of us.

Another letter carrier's wife has written me about the postal service. Here are excerpts from her letter:

"We have been pleased that the P.O. backlog has been brought to the public's attention. The employes are as upset as the patrons over the slow delivery but what can they do? The carrier can only deliver what is given him to deliver, but he is the one the people ask why the mail is so slow. If people only knew the hours of overtime the postal employes are putting in, but with such a shortage of help they are still behind.

"It used to be when a carrier retired his route was bid on and someone else took it over but now it is absorbed by several adjoining routes. This may work fine in a town whose growth is stationary, but can you imagine how it works in a city growing as fast as ours?

"What would help the most would be to put some men experienced in postal problems in the high offices in the postal corporation instead of big business men who are completely unfamiliar with postal problems . . .

"Keep up the good work—we are behind you!"

Almost everyone, it seems, has experienced problems because of postal delays. These problems become even more serious when money is involved, when mortgage payments are not delivered on time, when homeowners have to pay late costs because the postal service didn't do its job.

The letters complaining about late deliveries of checks continue to come to The SUN. A local woman wrote of her experience with her gas bill.

She mailed her payment on Nov. 15. On the 27th, she received notice of a shut off for non-payment. On the 28th, her check reached the gas company. Her letter took 12 days to travel two miles.

Why?, she asks. What would have happened if the shut off notice had been late and her gas turned off this week in freezing temperatures (she has five children)?, she asks.

Good questions. The postal service is letting many people down. And the Federal Times, a weekly newspaper for civilians in government, reported this week that the Postal Service is expected to cut 225,000 employes over the next three years.

"Less people are needed," a postal authority in Washington is quoted as saying.

I don't know about that. I do know that better service is needed—and badly.

Thinking Out Loud

(By Bill Woestendiek)

Believe it or not, in yesterday morning's mail, just as I started to write something about our poor postal service, I received a copy of the U.S. Postal Service's first annual report, together with a statement from Postmaster General E. T. Klassen which he "thought might be of interest to you."

It sure is. And I would imagine your reaction to some of Klassen's statements would be similar to mine. They really need no comment.

"We have pursued two major goals: to improve the quality and reliability of mail services and reduce cost," Klassen said.

He added that 94 per cent of first-class mail destined for local delivery is being delivered the next day.

"Another indicator of improved service was a reduction in the average time for delivery," he stated. "Without regard to the time of day deposited or to the distance sent, the average time (of delivery) for first-class letters decreased from 1.7 to 1.6 days."

That's what the report says. But speaking of reduced costs, let me get on to what I had started writing when the mail arrived on my desk and the postal report caught my eye.

Did you know that the Postal Service has spent more than $145,000 to tell us that airmail and first class mail aren't the same thing?

Didn't you know that already? And wouldn't you rather the Postal Service spent that kind of money improving is service instead of trying to sell airmail stamps?

The cost of the slick mail advertisement that has been sent to hundreds of thousands of people—at a time when the Postal Service is trying to cut costs faster than it delivers letters—is staggering.

The breakdown of the airmail add costs, according to figures dug up by Mike Royko of the Chicago Daily News, includes $35,000 for a list of names obtained from American Express; $50,000 for printing; and $50,000 for handling and delivery.

Those figures do not include the fee paid to the big New York advertising agency handling the campaign (and you know they don't work for peanuts).

What a waste of time and money. If the people on that expensive mailing list didn't know the difference between first class and air mail, it would be only because they have learned that neither one is very fast anyway. And air mail special delivery is slower yet.

With that kind of thinking—and spending—at the top, is it any wonder that our postal service is slow and that its morale is bad—regardless of the slickness of that first annual report?

Arthur Pusch of our town mailed us a note the other day with much more success than a previous letter he had mailed to the Tuberculosis Association. This was his comment:

"Here's one for our 'Improved Postal Services:'

"On Dec. 18, I sent a contribution to the Colorado Tuberculosis Association, here in Colorado Springs, and yesterday, Dec. 22, the letter was returned to me. The stamp hadn't even been canceled. I'm sending it on again today hoping it will get the half dozen blocks from my house to their address on Cascade."

Thinking Out Loud

(By Bill Woestendiek)

Has the postal service finally hit bottom?

The examples of poor postal service continue to come to our attention but I think

Mrs. Iris Sandefur of our town has contributed the best—or worst—experience yet.

Can you top this? (Her letter follows:)

"I thought you would like to know that the Post Office must have gotten to the bottom of the mail pile. We received a package mailed three years ago at Christmas time from Auburn, Calif. We received it the day after your column on the poor mail service."

A West Virginia senator has asked for a congressional investigation. A Texas congressman is demanding some answers. Across our nation everyone is asking questions about our poor postal service.

Questions need to be asked. I'd urge all of you who share our concern to write Senator Peter Dominick and/or Sen. Floyd Haskell and Rep. William Armstrong in Washington to urge them to support such an investigation.

The complaints continue. Mrs. James N. Day of our town called yesterday to say she could top the story of the Christmas package that took three years to get here from California. It seems that Mrs. Day subscribes to her hometown paper in Kingman, Kansas, a distance of approximately 500 miles.

Well, she recently received the Dec. 29 edition of the paper. As a matter of fact she received the Dec. 29 issue on Dec. 13. That's the Dec. 29, 1968 issue, received on Dec. 13, 1972.

Again, can you top that?

Really, the three-year packages, the four-year newspapers, the 10-day letters and even the sad but funny story of the unpleasant pheasant that took so stinking long to get here (printed in yesterday's Sun) are, although aggravating, not as big a problem as the delays in delivery of time payments, utility bills, etc. Over and over we get complaints from citizens who have paid their bills, only to get dunning letters or threats of disconnected services because the checks have been delayed in the mails.

I've experienced the same problem twice in recent weeks. Only yesterday American Express wrote for the second time requesting payment of a statement for the month of November, paid by me in early December.

It's frustrating, aggravating, and disturbing—to people in Colorado Springs and across the nation. It's also frustrating to many postal employes who seem to be trying to do what may be an impossible job.

So it is time for a Congressional investigation of our Postal Service from the top down, to find out the reasons for the inadequacies, to find out why the Postal Service is spending so much money on advertising and providing such poor service, to come up with a solution to this important problem.

Write your Senators and your congressman; ask them to support such an investigation.

There are undoubtedly some who will gripe about the increased tight security at our airport and airports across the country.

However, I am sure that most of us, however much we dislike the discomfort of having our bags and persons searched, appreciate the reason for the security. After all, a few minutes of bag searching is small price to pay for safety from skyjackers.

I do think, however, that travelers and visitors have the right to expect courtesy from the security guards who are handling the mob scenes at many of our airports.

Fortunately, that is not a problem at our airport, but at Stapleton Airport in Denver the other night I witnessed a very rude and indifferent performance by a security man who seemed to enjoy pushing people around. That's an added headache we don't need.

There is, of course, nothing funny about skyjacking. But I'm sure you all enjoyed the anecdote in The Sun the other day, as told by a Sun reporter who was observing the new security at our Municipal Airport.

It seems that a woman passenger carrying a baby was preparing to board an aircraft. As described by one of the agents:

"One woman advised me not to put my hand in that didie bag. But I had to search it. She said I'd be sorry.

"She was right."

THINKING OUT LOUD

(By Bill Woestendiek)

"Mail service is deteriorating and that is a fact that can't be hidden behind promotions and gimmicks. If Ford or General Motors made claims about their automobiles that are as far out of line as the Postal Service makes about their deliveries, the consumers would march on Detroit."

These comments were made recently by Rep. J. J. Pickle, D-Tex., as a result of the number of complaints he has received about mail service throughout the country.

And while I'm not urging you to march on Washington, I would like to suggest that you join me in writing to our senators and representatives (see names and addresses on Page 31) urging them to push for a complete investigation of what's being done—or left undone—by our postal service.

While the complaints of foul-ups and poor service continue to The SUN, the greatest postal "horror story" yet came out of Washington last week.

Congressional sources said the U.S. Postal Service is planning to scrap more than $18 million worth of mail processing equipment it put into service only last July, according to a Scripps-Howard report.

Key members of Rep. H. R. Gross' Post Office Committee said they were preparing to investigate what one called "the continuing horror story of foul-ups."

The equipment in question is located in New Jersey at a bulk-mail processing plant. The Postal Service is planning to move the bulk processing business from the facility which opened only last July to a new plant, three miles away.

When House Post Office Committee members asked what would be done with the equipment at the first plant, they were told most of it would be scrapped. The congressmen said there was some indication the equipment had been "improperly designed" from the beginning and that a large number of packages have been damaged while being processed.

As if that isn't enough, there is also great concern about the new equipment for the new plant. It seems that much of it has been standing, improperly covered, on a railroad siding for five months. As a result, according to the congressmen, the equipment is badly rusted.

Some people are beginning to think that our postal service management is badly rusted. The waste, in the $17.5 million deception advertising program, in the misuse or abuse of $18 million of processing equipment, and in the everyday snafus being committed across the nation, is incredible.

Although our personal postal experiences pale by comparison when you think of the millions of dollars being wasted at the same time the postal service is talking economy and trying to do the job with insufficient manpower, let me describe my latest experience.

Last October I ordered, by mail, what I thought would be a small gift for Kay for Christmas. In the rush of daily events, I forgot about it—until I received a card from the manufacturer saying that the package had been delivered but that I had refused it. He wanted to know why.

I wrote back that I had never seen or heard of the package, that there must have been some mistake and to please remail it.

I forgot about it again, until shortly before Christmas when I received another notice from the manufacturer saying the package had been mailed to me again, that I had refused delivery again and asking why again.

Again, I wrote the manufacturer explaining that the whole thing had reached the ridiculous stage and pointing out that I had yet to see, feel, or even receive notice of any package.

Nothing further happended—until one night last week. The doorbell rang and a neighbor's daughter handed me a small package.

"This was left at our house by mistake this morning," she said.

There it was—finally. The package was properly addressed. After three mailings, and four months, I had finally received it. But only because of the courtesy of the young lady next door.

You can write Senators Peter Dominick and Floyd Haskell and Reps. William Armstrong and Frank Evans. For what can you ask them?

Help!

SENATOR CLARK, OF IOWA, MOVES FORCEFULLY ON BEHALF OF IOWA AND THE NATION

Mr. McGOVERN. Mr. President, the Senator from Iowa (Mr. CLARK) has compiled an impressive record in the few weeks we have been in session. He has taken an active role in the work of the Committee on Agriculture and Forestry, and has not been hesitant to speak out in defense of the people's interest.

Senator CLARK moved quickly to defend the interests of his constituents in Iowa who have been threatened by the cutback by this administration of many programs vital to rural States. He represents his constituents with great distinction.

Mr. President, the Senator from Iowa is exemplary among a group of exemplary freshmen Members of this body. Recently, my hometown newspaper, the Mitchell Daily Republic of Mitchell, S. Dak, published a story about Senator CLARK, written by George R. Hohnann, of the newspaper's Washington bureau, I ask unanimous consent that the article be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRESHMAN IOWA SENATOR BATTLING NIXON'S ACTIONS

(By George R. Hohnann)

WASHINGTON.—Richard C. Clark has not changed his informal lifestyle since he entered the august chambers of the U.S. Senate this year.

He still dresses casually, goes by the nickname Dick Clark instead of the more formal Richard, engages in long relaxed conversations with visitors, and prefers the small towns of his native Iowa to the glitter of the nation's capital.

But that informality can be misleading. He is a dedicated midwestern Democratic liberal in the classic tradition who brings an orthodox liberal approach to the Senate.

A powerfully built man whose rough-hewn features remind one of actor Richard Boone, Clark is a former college professor who became a Senator at the age of 42 by a political fluke.

He literally walked his way into the Senate, and is the only one of the 13 Senate freshmen without previous experience in elective office.

As an aide to Iowa Rep. John Culver, Clark this time last year was preparing the way for his Democratic boss to challenge Republican Sen. Jack Miller, when Culver decided not to make the run, Clark jumped into the race himself.

A 99-day, 1,313-mile walking tour of Iowa overcame his lack of identity among voters of his state. A controversy over special interest legislation sponsored by Miller helped him with a surprise victory with 54.6 per cent of the vote.

During his first two months in the Senate, Clark has aligned himself with fellow liberals, as well as conservatives, in the struggle over Presidential versus Congressional power, the overriding issue of this session.

In a recent hour-long interview, Clark propped up his feet, rocked back in his office chair and talked about himself and the issues Congress faces.

Clark questions "whether the President, this President or any President, has the power to refuse to spend money that has been appropriated," and whether the Congress or the President will set the nation's priorities.

Clark vehemently disagrees with Mr. Nixon's assertion that a President has the right to impound funds if the action is necessary to prevent inflation or tax increases.

"In effect, he is saying he has the right to end any program Congress ever passes," said Clark, adding, "if that's the case, clearly we aren't a Congress or a legislative body—we're an advisory council."

Clark thinks Congress will respond to the challenge because both liberals and conservatives strongly believe the President is overstepping his authority.

As to who is in charge of setting national priorities, Clark believes it is Congress' job. He says there is general agreement in Congress that federal spending must be curtailed, but he disagrees with Mr. Nixon's contention that "human programs" are the ones that must get the ax.

Clark would like to keep the federal government's housing, economic development and social programs. The money Mr. Nixon wants to save, he says, should be trimmed from the defense and space budgets and through reform of tax loopholes that favor big business.

'If we go ahead and build the Trident submarine at $1.5 billion and the B-1 bomber at almost a billion, next year the Defense budget will really be high," Clark observes.

"I'd hate to see the argument made that we're going to have an increase in taxes and inflation if we don't cut these human programs," Clark says. "It seems the President is presenting this kind of story. But that is just not the argument."

Clark is not sure Congress will agree with his views and frankly admits that he and others with similar convictions will be lucky this year "just to resist the cuts."

"If we can hold the line this year and hold the line on future commitments to new defense systems, then I think in another year we can begin to reverse the trend."

Cutting the defense budget and reforming the tax system were issues in Clark's campaign, but the overriding issue in a state that produces $3.8 billion yearly in farm goods was, of course, agriculture.

Since Clark took office, he has been named to the Senate Agriculture Committee and has been assigned a subcommittee chairmanship.

During his first weeks on Capitol Hill he moved immediately into the agriculture issues, voicing support for the farm programs cut by Mr. Nixon and working to alleviate the rail boxcar shortage that hinders his constituents' ability to get grain to market.

Clark, like Mr. Nixon, wants to see farmers produce more and take advantage of expanding foreign markets like Russia and China. But he will fight the President's proposed new policy of letting farmers fend for themselves.

"It seems clear we have the potential markets overseas for our farm products," Clark says. "But if we overproduce and can't sell the products, the farmers are going to be hurt with low prices."

Accordingly, Clark is not prepared to support Mr. Nixon's proposals to dismantle the existing farm programs which provide a network of government price supports farmers can utilize if the free market can utilize if the free market fails to generate satisfactory price levels.

"If the Administration and the Congress are confident we have these overseas market, OK. Let's produce more but let's not make the farmer be the scapegoat—let's give him high price supports. After all, if the markets are there, the high price supports won't cost the federal government anything.

Clark taught college history and political science for five years, before entering politics as an aide to Culver in 1965. During most of that time he operated out of the Congressman's field office back home.

He still prefers the "peaceful and pleasant" surroundings of hometown Marion (pop. 13,028), where his wife and two children continue to live.

E. K. GAYLORD—PUBLISHING PIONEER

Mr. BELLMON. Mr. President, on Monday, March 5, one of Oklahoma's most distinguished citizens reached a milestone that is achieved by relatively few mortals. On that date, Mr. E. K. Gaylord, of Oklahoma City, celebrated his 100th birthday.

Few Oklahomans talk about his age, however. Most of them regard him as ageless, because to this day he continues to set a pace that some younger men find hard to match.

For example, last Friday night, a dinner was held in his honor in Oklahoma City and I had the opportunity of attending and hearing Mr. Gaylord make some remarks. He told a story about a woman who had reached her 100th birthday and a similar event was being held. During the festivities, a young college girl came up to her and said:

> It is so great that you are celebrating vour 100th birthday. I just hope I can come back and help you celebrate next year.

To which the older woman replied:

> Well, I don't see why not. You look healthy enough.

If that is not an optimistic outlook, I don't know what is. I am told that after the rigors of the evening, Mr. Gaylord showed up for work as usual on Saturday morning.

Yesterday in a special appearance before a joint session of the Oklahoma Legislature, Mr. Gaylord talked for 30 minutes about Oklahoma's history, taking the occasion to correct a few things the historians have written. He also presented some farsighted proposals and challenges.

Although several special events were held for his birthday, I am inclined to think that E. K. Gaylord should be acclaimed not for how long he has been around, but for what he has accomplished. In reviewing the contributions this amazing man has made to his community, his State, his Nation, and to his profession, it is easy to see how he has become almost a legendary figure.

For 70 years, since he founded the Oklahoma Publishing Co. in what was then Oklahoma City, Oklahoma Territory, E. K. Gaylord has influenced the economic, social and political life of our State to a degree unmatched by anyone else. In a quiet but forceful way, he has shaped the civic affairs of Oklahoma City and the development of the State of Oklahoma, from the time he helped lead the fight for statehood in 1907 and locate the State capitol in Oklahoma City.

E. K. Gaylord is truly an Oklahoma pioneer. He is also a strongly patriotic American. With a mind as alert as his body is strong, he personally directs the editorial policies of his newspapers and when the occasion calls for it he writes front-page editorials championing the fundamental principles on which this country was founded.

An outspoken advocate of a strong national defense, he has gone to great lengths to inform himself about the respective defense capabilities of the United States and countries which could pose a threat to our Nation's security.

Mr. President, it has been an honor and a privilege to have known E. K. Gaylord throughout my political career. His life of service has been an inspiration to me as it has to countless others. He was quoted one time as saying:

> I'm still interested in what's ahead. The past is gone. I'm interested in what's going to happen tomorrow and the succeeding day. The past can't be retrieved now.

Perhaps this philosophy has been responsible more than anything else for keeping him keenly interested and actively involved in the events of our day.

Of all the tributes paid to this man during the past few days, none was more stirring than a recorded message by President Nixon, which was played at last Friday night's dinner. The message was brief but meaningful.

Mr. President, I ask unanimous consent that the text of the President's message be printed in the Record.

There being no objection, the text was ordered to be printed in the Record, as follows:

Text of Message by President Nixon on E. K. Gaylord

Mrs. Nixon and I are proud to join you tonight in honoring E. K. Gaylord and in wishing that his 100th birthday be the happiest birthday of them all. In E. K. Gaylord's lifetime we have gone from the prairie schooner to a land rover on the moon. From Kansas to Colorado to Oklahoma, when it was still a territory, Mr. Gaylord has covered a lot of American ground. He has made great contributions to his neighbors and countrymen every step along the way. The poet Sophocles wrote, "You have to wait until the evening to see how splendid the day has been." As he reaches this great milestone, E. K. Gaylord can look back and say that the day has indeed been splendid.

Mr. BELLMON. Mr. President, in order that Members of the Senate can fully appreciate the achievements of this publishing pioneer and farsighted leader, I ask unanimous consent that a biography of E. K. Gaylord be printed in the Record, along with an article from the Quill magazine, and two of Mr. Gaylord's speeches.

May I join in saluting E. K. Gaylord, an outstanding Oklahoman, a great American.

There being no objection, the material was ordered to be printed in the Record, as follows:

E. K. Gaylord—Brief Biography

Edward King Gaylord was born March 5, 1873, on a farm near Muscotah, Kansas, son of George Lewis Gaylord and Eunice M. Edwards Gaylord. In 1879, the family moved west, living first in Denver and later settling in Grand Junction, Colo. Between the ages of 11 and 15, Gaylord picked strawberries for a truck farmer and worked in a second hand store. In 1891, with $17 in his pocket, he entered Colorado College in Colorado Springs. He was business manager and later, also, editor of the college newspaper.

In his junior year, he and a brother, Lewis, bought the controlling interest in the Colorado Springs Telegraph. Gaylord studied law at night and later was chief deputy court clerk in Cripple Creek, Colo. He was advertising salesman and an editorial writer for the Telegraph before the brothers sold their interest in it. Lewis Gaylord next invested in a St. Joseph, Mo. paper and Edward was its business manager.

In 1902, Edward Gaylord went to Oklahoma City, Oklahoma Territory. On Feb. 6, 1903, he and two others bought 45 percent of the stock in the Daily Oklahoman, then eight years old, and they formed the Oklahoma Publishing Co. Gaylord was business manager. In 1906, Gaylord bought property at NW 4 and Broadway where the present newspaper plant stands.

Gaylord was a leader in drives for Oklahoma statehood and to locate the capitol in Oklahoma City.

In 1911, he started a farm paper, known then as the Oklahoma Farmer-Stockman. It now is The Farmer-Stockman and also publishes editions for Kansas and Texas. The publication was sold in 1972 to a group of its employees.

On Dec. 29, 1914, Gaylord married Miss Inez Kinney, Bellaire, Ohio, a national YWCA secretary.

In 1915, Gaylord was elected president of the Oklahoma City Chamber of Commerce. He has served as a director of it since that time.

In 1916, the Oklahoma Publishing Co. bought the Oklahoma City Times at a sheriff's auction for $30,000. Gaylord became president of the Oklahoma Publishing Co. in 1918 and continues as president and general manager as well as editor and publisher of The Daily Oklahoman and Oklahoma City Times.

In 1928, Gaylord purchased radio station WKY in Oklahoma City. The company now also owns WKY–TV in Oklahoma City and other television stations in Houston, Tampa, Fla.; the Fort Worth-Dallas area and Milwaukee. Other divisions of the company include Oklahoma Graphics, a quality offset printing house; National Packaging, makers of printed cellophane and polyethelene packaging; and Publishers Petroleum, an oil and gas development firm.

In 1931, Gaylord formed Mistletoe Express, an express trucking service in Oklahoma, Texas, Kansas, Missouri and Arkansas.

Gaylord has been president of the Southern Newspaper Publishers Association; director of the Associated Press; and was an organizer of the Frontiers of Science Foundation of Oklahoma, Inc. He has fostered every major civic enterprise in Oklahoma City and the state personally and/or through his newspapers since 1903. In 1968, the newspapers began operating from a new $3 million plant adjacent to the old building at NW 4 and Broadway.

Gaylord and his wife live in Oklahoma City. There are three children: Edward L. Gaylord, Mrs. Ralph Neely and Mrs. Fdith Gaylord Harper, all of Oklahoma City, nine grandchildren, and one great grandchild.

Edward King Gaylord: At Age 100, Still Minding the Store

(By Jack M. Bickham)

Every morning, six days a week, the editorial writers leave their paneled cubicles and walk down the carpeted corridor to the large office at the east end. They go through a reception room, exchange greetings with the woman there, and enter the publisher's office. It is comfortable, arranged with leather chairs and couches, dominated by a single desk that faces the door. Draperies cover one wall. There is a color television set, and in one corner an old grandfather's clock. The slight, gray-haired man at the desk greets each man as he enters; sometimes he allows himself a faint smile, sometimes he doesn't.

The writers sit down. The man at the desk looks at whatever materials he has on his desk, usually copies of the *Wall Street Journal* and his own publications, the *Daily Oklahoman* and Oklahoma City *Times*.

Usually it's very quiet in the room while the writers wait for the publisher to speak. The clock ticks softly. The publisher turns pages and seems to read.

Finally he looks up. "I see," he says softly, "that the governor . . ." (or the President, or the legislature), and mentions a news story.

This opens an area of discussion. The writers give their views, and he agrees or disagrees, often saying very little but indicating the line of his own thought. Sometimes the entire "conference" is discussion of a single topic; other times, a dozen items may be touched upon.

Either way, precisely 30 minutes after the meeting began, the publisher arranges his papers on the desk again, says, "Thank you," and the writers file out. They go to their own offices, discuss what was said, select topics, and produce the next day's editorials.

Low-key. Polite. Formal. Typical, it would appear, for an operation conducted by E. K. Gaylord, president of the Oklahoma Publishing Co. in Oklahoma City.

Gaylord runs his empire, which includes television outlets in four states, Oklahoma City's premier radio station and numerous other subsidiaries, with this characteristic quiet firmness and attention to detail. He has been enormously successful, and his daily contribution to operations might not be so unusual if he were a younger man.

On March 5, 1973, he will be 100 years old.

He does not look it. Obviously, he does not act it, either. Although he does not do all his own driving, as he did until only a few years ago, he can still walk younger men into the sidewalk, hiking back up the slope from the heart of downtown Oklahoma City to "The Hill," that slight rise at the city's NW Fourth and Broadway where his newspaper plant sprawls. And although he seldom visits the newsroom on the fourth floor of the company's modern new plant, his presence is still keenly felt by all those who work there.

"We need him," one long-time newsman said recently. "I don't care if he even knows my name—although I think he does.

"He's a newspaperman."

This feeling of reliance upon and dedication to E. K. Gaylord is not a bogus phenomenon. People outside the company refer to him as "E. K."; a few very oldtimers sometimes call him "The Chief," while others, not quite so old, call him "The Old Man." But the usual appellation is "Mr. Gaylord," to his face or behind his back; it stands for respect, and admiration, and even love.

One way to measure authority is the stories they tell about a man.

They tell about the young editor on the *Oklahoman's* state staff who was covering a tornado by telephone one night. It was late and he was near a tough deadline. A call for information came from a voice that said, "This is Gaylord. What can you tell me about this story?"

The young editor thought it was an AP writer named Gaylord Shaw.

"Listen, Gaylord," he snapped, "I'm too busy to talk to you right now. Just leave me alone and you'll get your information when I can get to you.

The next morning, word filtered down that Mr. Gaylord had mentioned to the managing editor that one of the staff had been "somewhat short with him" on the telephone the previous night.

It was explained. The young editor stayed on. Nothing more was said.

They tell about the new girl in the women's department who happened to be riding up in the elevator with this nice elderly gentleman who wore an expensive-looking powder blue suit.

"That's a pretty suit," she told him. "It looks expensive. I can tell you don't work around here."

Nothing was ever said about that one, although other employees on the elevator almost shriveled in their tracks.

They also tell about an employee who had been loyal, and fell ill, and was kept on the payroll for a decade or so while bedridden.

But those are internal yarns, the kind only newsmen can appreciate. History may look more toward Gaylord's contributions to the business, the city and the state.

All have been noteworthy.

He was born Edward King Gaylord on March 5, 1873, on a farm near Muscotah, Kan. When he was six, the family moved west, living first in Denver and later in Grand Junction, Colo. Between the ages of 11 and 15, he picked strawberries for a truck farmer and worked in a second-hand store. In 1891, with $17 in his pocket, he entered Colorado College in Colorado Springs. He became editor of the school paper, and in his junior year became a partner with his brother, Lewis, in buying the Colorado Springs *Telegraph*.

The story of Gaylord's rise to power began in December, 1902, when he was business manager of the St. Joseph (Mo.) *Gazette*. He was 29 years old at the time. As Gaylord tells it, as Christmas approached, he decided to go to St. Louis for a few days' rest.

"In reading the newspaper, I found an item in the St. Louis *Republic* which was a brief interview with Mayor Carter Harrison of Chicago. He said he had been in Texas and coming back through Oklahoma Territory on the train, he saw fields of cotton, white for the harvest. He said Oklahoma Territory could raise the crops both of the south and the north, and, being between Texas and Kansas, some day it should develop into a state with comparable cities and towns. He further remarked that if he were a young man, he would go there to start his career.

"His statement electrified me with an intention to locate there and launch or acquire a newspaper of my own."

Of the two largest cities, Gaylord selected Oklahoma City over Guthrie because the former, he had been told, "had a live bunch of young men in business who were wide-awake and progressive." Oklahoma City when he arrived was living literally in the horse and buggy era. There were no automobiles, and all the streets except for a few blocks were dirt roads.

There was no wire service for either of the two existing newspapers. News was transmitted at intervals over the Western Union and by pony service.

"There was one morning paper, the *Daily Oklahoman*, and an evening paper, the *Times-Journal*," Gaylord said. "Before going to either of them, I went into a bank and interviewed the cashier. I told him I wanted to investigate the two newspapers and perhaps buy an interest in one if I could. I asked him which would be the better paper.

"He said, 'It won't make a damned bit of difference which one you buy; neither one of them is worth a whoop in Hell.' "

On Feb. 6, 1903, Gaylord and two others bought 45 per cent of the stock of the *Daily Oklahoman*, a then-struggling eight-year-old. In 1906, he bought the property at NW Fourth where the company now stands. In 1911, he started the *Oklahoma Farmer-Stockman*, an agricultural pioneer which continues to this day with regional publications in Kansas and Texas.

The Oklahoma Publishing Co. (Opubco) bought the Oklahoma City *Times* at a sheriff's sale for $30,000 in 1916. Gaylord became president of Opubco in 1918. In 1928 he purchased a radio station WKY in Oklahoma City.

Gaylord's son, Edward L., is executive vice president and treasurer of Opubco, and a daughter, Edith Gaylord Harper, is secretary of the organization.

As early as 1904 he began making innovations. In February of that year he installed a seven-day Associated Press wire even though his paper ordinarily did not publish on Sunday. When the Russo-Japanese war broke out, he ordered a Sunday extra that was distributed statewide and into portions of Kansas beating all opposition. Other firsts have come regularly, including innovations in stereotype color plates and publication of the industry's first completely counter-set newspaper, that in 1963.

Gaylord's publications have always been synonymous with growth for Oklahoma City. Industrial growth has been spurred by his efforts not only on the editorial page, but in countless closed-door meetings. He was one of a handful of civic leaders who helped establish Tinker Air Force Base near the city, bringing in a 20,000-man payroll. When Oklahoma City faced repeated serious water shortages in the 1950s, it was Gaylord who spearheaded the drive to build a 100-mile water pipeline into southeastern Oklahoma, where water was abundant. The pipeline met heavy opposition; Gaylord's private reservation about it today is said to be that it's too small—that another pipeline is needed.)

It's doubtful that many major state projects have been completed without a trek to Fourth and Broadway by one or more members of the planning organization. Turnpike construction and business development in remote areas have sometimes turned on Gaylord's decision. In a career spanning the entire life of Oklahoma as a state, he has probably held, and used, as much power as any individual in the history of the region.

Gaylord's recreations today are few. He neither smokes nor drinks. He says he gave up golf "when I was about 75." Looking back on a life that saw $17 become a multi-million dollar empire, he says, "It isn't easy work that gives you satisfaction. It's the hard things that we overcome that make us and make our business." He often cites another line as a personal conviction: "No man has the right to be less of a man than he can be."

Having risen from poverty to wealth in another age, Gaylord espouses an editorial policy on national and international affairs that is as conservative as his policies on urban development are progressive. Headlines on editorials such as "Foreign Aid Must Go" and "Red Menace Grows" are not uncommon. The most bellicose international editorials appear on the front page; this position indicates Gaylord himself wrote them. He seems to prefer writing an editorial himself if the alternative is to issue a direct order in the matter; he says no one on his staff is ordered to slant stories, and he would not employ a writer who would accept such an order.

Staffers bear this out. They feel free, as one put it, "to be just as good as we can be; that's the only limitation on us—our own talent." On the other hand, the papers lost an extraordinary managing editor a few years ago when he began campaigning against certain practices of the local business establishment. And serious coverage of the Oklahoma City ghetto does not exist, again reflecting a general tendency to view the city's only legitimate news as the events of the affluent.

These characteristics leave Gaylord with detractors as well as friends in Oklahoma. No one denies the enormous impact he and his publications have had on the city and state.

Oklahoma oil magnate Dean A. McGee, one who has had his differences with Gaylord, describes the seemingly ageless editor-publisher as "a wise and intellectual visionary builder of his community" and " a living legend."

"From the beginning," McGee said, "Mr. Gaylord and the newspapers, which his leadership and ingenuity guided to national eminence, have been active in promoting the progress of his adopted city and state. He personally led the fight for statehood which culminated in 1907 when Oklahoma became the 46th state to join the Union. He also successfully championed the establishment of the state capital in Oklahoma City. A great many of the good things we see about us in Oklahoma and especially in this community had their birth in the mind of this man."

TRADITION LIVES ON

(Introduction by Dr. George L. Cross, President, Oklahoma Heritage Association:

(Ladies and gentlemen: We have at our speakers table today a number of our leading citizens who are chairmen of our active statewide Oklahoma Heritage Association committees whom I would like to present to this magnificent audience, but in the interest of giving our speaker all the time he will take I'll forego the introduction.

(And now I have the privilege to present to you as our speaker the dean of American editors and publishers. He is a man who has been a loyal citizen of Oklahoma since 1903, a man who is well known throughout America, our beloved citizen and friend, President of the Oklahoma Publishing Company, Mr. E. K. Gaylord:)

I was invited to talk for 15 or 20 minutes on some events in the early history of Oklahoma City and especially to relate incidents demonstrating the faith and loyalty of pioneers in the future of their city and state.

Many of you have listened to talks by other old-timers and it is possible that I shall duplicate some of the stories you already have heard. I hope to tell you some things you have not heard.

On my arrival here in December, 1902, the last house north was considered to be the Dewey cottage at 12th and Hudson. Classen had marked off all the blocks from 13th north to 16th as a bon ton residential district, but it was all planted in wheat, although trees had been set out along the front of the lots.

The only house under construction was the Overholser Mansion. The foundation was in and the walls just beginning to rise.

The last house west on Main Street was in the 900 block. A blackjack grove north covered a large acreage. I think a few of those blackjacks are still standing in some east side lots and one or two in the sidewalks.

Oklahoma City was a typical western frontier cow town. The block on Broadway between Grand Avenue and Main Street, opposite where the Huckins Hotel was later constructed, was known as "battle row" and every building but one was either a gambling house or saloon. The one exception was the Saddle Rock restaurant where you could get a ham sandwich and a cup of coffee for 15 cents.

In January, 1903, when I became a permanent resident, I obtained a room and board in a house on 3rd street where the sixteen story Southwestern Bell Telephone building is now located. I paid $4.00 per week for twenty one meals and my room. Figuring the meals at 15 cents, the twenty one meals would be $3.15, leaving 85 cents a week for room rent. The meals were adequate, too. And the room was comfortable for me and a room mate.

Like all pioneer settlements, Oklahoma City was a man's town and it was estimated that there were three men to one woman in the city. Everybody was young and it was claimed that there was only one merchant on Main Street over thirty years of age. This was a slight exaggeration, but the city was almost devoid of old people.

Zack Mulhall, who founded the town of Mulhall on his ranch north of Guthrie, had two daughters. Bossy Mulhall was a cowgirl in Buffalo Bill's show and she had been publicized quite a bit because of her performance in that show. Her younger sister, Lucille Mulhall, was in Oklahoma City one day and rode her horse over a high curb into Two Jack's Saloon in Battle Row and ordered a whiskey straight without getting out of the saddle. The bartender and several customers were quite agitated, but the horse and Lucille were unconcerned and turned around and went out as if it were a daily occurrence.

All the railroads were running monthly excursions, called "home-seekers excursions" into Oklahoma and most of them to Oklahoma City. There was great optimism on the part of all citizens and nearly everyone claimed to be a "booster." If you were not a booster, you were a "knocker" and would be ostracized. Some enthusiasts claimed that Oklahoma City, in a few years, would have 25,000 population. Conservatives discounted this but a few more enthusiastic boosters even predicted it would have a population of 50,000.

Seymour Hyman, who was very active in the Chamber of Commerce and ran a clothing store on Main Street, went out with Chamber of Commerce excursions and made many booster talks. A few years later, a man from Elk City came into his store and said, "Mr. Hyman, I want to apologize to you. You were in Elk City a few years ago and bragged that Oklahoma City would some day have a population of 100,000. I made fun of you as a dreamer and a hot air artist, but now I see you were right and you will soon have 100,000 and I just want to apologize to you."

Seymour Hyman put his hand on the man's shoulder and said, "Don't you apologize to me. If I had believed half of what I told you, I would be a millionaire today."

Henry Overholser was the outstanding town builder. He was the one responsible for getting the Frisco Railroad to build into Oklahoma City instead of Guthrie. He campaigned for several years to get a water supply for the city was getting its water from pipes driven into gravel beds in the North Canadian River.

After three elections, bonds were finally voted for Lake Overholser and we had a visible water supply.

Henry insisted that we should have a state fair and he bought 160 acres of school land on Eastern Avenue and built some buildings as a start for a state fair. He wanted Classen, who owned the street railway to build a car line out to the fairgrounds. Classen said he would not build it unless they would pave 8th street so they could put the car tracks on a paved street. Overholser tried to sign up property owners along 8th street but many refused.

There were a good many vacant lots on the street and Overholser bought them all up, got a majority of lots along the street and signed the papers to have the paving charged to the lot owners and the paving and the street car line was built.

I. M. Putnam was a real estate developer and a great town booster. When Thomas E. Wilson came to town and had a secret meeting with leaders of the Chamber of Commerce, he offered to build a $3,000,000 packing plant, provided a large tract of ground was made available and the citizens would pay a bonus of $300,000.

John Shartel, who ran the street railway for Mr. Classen, Mr. Classen, Sidney Brock, president of the Chamber of Commerce and I were the committee to make a deal with Mr. Wilson.

At one o'clock in the morning, after hours of negotiation, we each signed a contract with Mr. Wilson that the citizens would pay a $300,000 bonus and the land for the packing house site would be optioned.

The deal was kept secret for several weeks until all the farm land needed was purchased or contracted for. The Chamber of Commerce called a meeting of citizens to raise the $300,000. I. M. Putnam was master of ceremonies. One citizen after another volunteered a pledge until finally $265,000 had been raised. When that point was reached, Putnam waved his hands in a grand manner and said, "I will take the rest." It had taken less than two hours to raise that money.

A year later another packing company offered to build a plant costing $3,000,000 and demanded a $300,000 bonus. It took about two weeks to obtain pledges in that amount.

Many individuals gave small sums, $100 or even less, but every one wanted to participate. Such was the spirit of loyalty to Oklahoma City.

When an initiative petition to move the capital from Guthrie to Oklahoma City was filed, the Chamber of Commerce enlisted more than two hundred speakers to go to towns throughout Oklahoma to plug for Oklahoma City as the capital. The Chamber sent out four special trains in different directions and many business men left their stores or places of business to join in the campaign. Oklahoma City won the election by more than 50,000 votes.

With many people, the growth and welfare of the city was paramount to their personal gain.

In 1906, the famous Sarah Bernhardt was coming to put on a play in the Overholser Opera House. Our society editor suggested that we wire her an invitation for her and her company to attend dinner after the show. She had turned down an invitation to such a dinner at the Union Club in Chicago. I thought she would refuse, but we received a telegram in French, accepting. It was then up to all the society people in Oklahoma City to rent white ties and tails for a grand dinner.

The only place to hold it was in the Marquette Club on the top floor of the Empire Building, a five story building adjoining the Criterion theatre, which had not been built then.

Every seat in the opera house was occupied and the whole play was in French but everybody was thrilled by Bernhardt's magnificent voice and acting.

Meals at the Marquette Club were normally 35 cents, but the price of this dinner was boosted to the unheard of price of $1.50.

All of the elite of the town attended but I imagine that Sarah Bernhardt was disappointed that guests were not in cowboy costume.

In about 1905 or 1906, the Oklahoma Cattlemen's convention invited the Texas cattlemen to meet in a joint meeting in Oklahoma City. A man named King was appointed a committee of one to prepare the entertainment. There were more than 1,000 cattlemen from Texas and Oklahoma and a dancer from Chicago was introduced as "Queenie." There probably were fifty or more prominent Oklahoma City business men in attendance. Queenie began dancing and presently threw off a cape she was wearing. A little later, shed another garment and the audience sensing what was coming, yelled, "Take 'em off, take 'em off."

She dropped a skirt—in those days they wore underskirts, took off her waist and finally, one by one, all her garments but the last, and they had to do a lot of yelling before she appeared absolutely nude.

The news of Queenie's disgraceful disclosure spread like wild-fire over the city. Women, whose husbands were not home that night, were demanding "Were you there?" Some of the men, thinking discretion was the better part of valor, claimed they were playing poker with Bill Pettee. Bill had calls from a lot of housewives, asking if their husbands had been playing cards with him last night. Bill was equal to the occasion. "Why yes, George was here" and another one would call—"Yes, Roy was here playing with us." I think Bill alibied for at least twenty or twenty five husbands who had gone to the entertainment without any knowledge of the Queenie act.

One man who lived on East 10th street and I have forgotten his name, was more candid than cautious. He went home and his wife was asleep so he did not disturb her. When he awoke in the morning, he heard his wife in the kitchen and went out there and found her breaking some eggs to fry in the frying pan. He said, "Honey, last night I saw a woman take off her clothes one garment at a time—her waist and her skirt and her corset and everything until finally she dropped her drawers and there she was naked as . . ." he never finished the sentence. His wife grabbed the frying pan and, wham, those fried eggs went right in his face.

It seems that the wives of the Texas cattlemen were the most incensed—they laid the law down to their husbands that never again will you go to Oklahoma City to a cattlemen's convention. That was 65 years ago and the Texans haven't been back, but Queenie was a fighting word among housewives in Oklahoma City for many years.

The great booster spirit of the early days continued on. The Oklahoma City Chamber of Commerce took up the challenge and led the way to more and greater achievements.

It was Stanley Draper who developed the plan of asking citizens to underwrite projects of the Chamber of Commerce to develop new industries and to purchase land for the expansion of city institutions. For instance, about 15,000 acres of land was purchased around the Tinker area, including land for Stanley Draper Lake and the expansion of the city water system.

Some of the underwriting money of citizens was used also to buy a portion of the new lake site this side of Stanley Draper Lake, all of which was transferred to the city without profit.

You are familiar with the story of how an Air Force Captain and Lieutenant from Washington came to the chamber and issued an ultimatum at nine o'clock in the morning that many things must be provided by four o'clock that afternoon if the Air Materiel base was to be located here.

They required more than forty miles of streets, eight miles of six lane paving, ten miles of water mains twenty four inches in diameter, a gift of land and an option of a still larger amount of land and dozens of other requirements.

They assumed it was impossible to fulfill their demands and bought tickets to go to Wichita where they wanted to locate the air depot.

Stanley Draper took charge, the state highway department, the city council, county commissioners and others were organized and a guarantee to fulfill all demands was handed to the Air Force representatives at four o'clock.

That's why we have Tinker Field today.

From then on more than one thousand citizens, time after time, signed notes, many of $100,000 or more, amounting, over the years, to over $40,000,000 and the money was used by the Chamber to develop not only Tinker Field and the Federal Aviation Center, wholesale and manufacturing districts and scores of other projects which have made Oklahoma City a metropolitan center of 650,000 population.

One important project was the purchase of many tracts of land around the site of Will Rogers airport and which was transferred to an aviation trust set up by the city.

The purchase of land for the Western Electric Company resulted in a new industry employing thousands of people. The land for the Federal Aviation Center was purchased and leased to the government, ensuring another very important source of employment.

The notes of all these underwriters were cashed by the leading banks of the city and the money made available for city projects.

All of these notes have now been paid off and there is no further liability to the underwriters.

No citizen ever lost any money on the credit which he loaned to the Chamber of Commerce.

I want to end this talk with one more story.

Dan Hogan used to have a bank in Yukon but he moved to Oklahoma City and bought the Farmers' Bank at the corner of Grand and Robinson. Most bank accounts were small but one day a Greek who had a shoe shine parlor on Grand Avenue walked into the Farmers' National Bank and pulled out $51,500 in cash to deposit. Dan was terribly excited and quizzed the Greek as to where he got the money—did he make it out of his business? Yes, he had saved it up, he said. Dan said, "Well you ought to be a member of the Rotary Club. This shows what America can do for a Greek immigrant who comes to this country and works hard and saves his money. I am going to propose you as a member of the Rotary Club."

The Greek was duly elected a member, inducted and instructed—he must always be loyal to Rotary, must always tell the truth and must work for the benefit of his community, to which he agreed. After he was inducted, they asked him if he would like to say a few words. He said, yes, he was glad to be a member but he had promised to tell the truth and he wanted to clear up a misunderstanding. He said that $51,500 I deposited, the $1,500 was money I had saved, but the $50,000 belonged to my sister. She runs a whore house. No doubt Rotary was very proud of their new member.

I was asked to forecast something about the future of Oklahoma City but I am not a prophet nor a diviner.

Some of you will remember that during the 1920's the Chamber of Commerce and the city campaigned with the slogan, "200,000 in 1930." This was so well publicized that I received a letter from Seattle directed to E. K. Gaylord, 200,000 in 1930. No other address was given.

In the census of 1930, we were nearly 15,000 short as the population was given at something over 185,000.

Again, in the 1950's, we campaigned for 600,000 in 1960 and offered $5,000 in prizes for the nearest guesses to the actual population within a thirty-mile radius of the state capital. Again we fell short, as the census figures were a little over 535,000.

It might be well to set a fairly easy goal of 800,000 in 1980, for in the census of 1970 the metropolitan area was defined as the three counties—Oklahoma, Canadian and Cleveland. This left out part of Oklahoma City which is in Pottawatomie County and another small population in McClain County. However, the total population for the three counties was 640,889 and in the next eight years we would need to gain only 159,111 to make the goal of 800,000; instead of being short of our goal, we might have some surplus over the 800,000.

Population, however, is not our major goal. The quality of citizenship, the facilities and opportunities for education and culture should be and are our primary goals. Oklahoma City can be proud of its schools and churches and colleges and universities, its Art Center, Symphony, its Cowboy Hall of Fame, its Mummers theater, its Frontiers of Science, its zoo and Planetarium and scores of other organizations and institutions which upgrade the quality of life in Oklahoma.

I have confidence that the booster spirit still lives and that the people of Oklahoma City will continue to embrace these goals.

THE OKLAHOMA PUBLISHING COMPANY

(By E. K. Gaylord)

(NOTE.—This Address, dealing with the history of The Oklahoma Publishing Company, was delivered at the "1971 Oklahoma Dinner" of The Newcomen Society in North America, held at Oklahoma City when Mr. E. K. Gaylord was the guest of honor and speaker on March 25, 1971.)

My fellow members of Newcomen: It is a signal honor for The Oklahoma Publishing Company to have its story placed in the archives of The Newcomen Society in North America. It was a great surprise to us that our company should be selected to appear in company with so many distinguished corporations.

Perhaps its beginning, with almost nothing, in a very crude, frontier town and its growth through sixty-eight years under one management, may be somewhat unique.

The growth of Oklahoma City and the growth and development of The Oklahoma Publishing Company are so completely intertwined that the recital may seem more like a skeleton history of Oklahoma City than our company.

The story begins in December, 1902, when I was business manager of the St. Joseph, Missouri, *Gazette*.

As Christmas approached, I decided to go to St. Louis for a few days' rest. In reading the newspaper, I found an item in the St. Louis *Republic* which was a brief interview with Mayor Carter Harrison of Chicago. He said he had been in Texas and coming back through Oklahoma Territory on the train, he saw fields of cotton, white for the harvest. He said Oklahoma Territory could raise the crops both for the south and the north, and, being between Texas and Kansas, some day it should develop into a state with comparable cities and towns. He further remarked that if he were a young man, he would go there to start his career.

His statement electrified me with an ambition to locate there and launch or acquire a newspaper of my own.

I knew nothing of the towns in Oklahoma, their size nor what newspapers were there. I looked up an N. W. Ayer Newspaper Directory and found that there were just two towns of any size in Oklahoma Territory, Guthrie and Oklahoma City. Strangely, the population of Guthrie in 1900 was 10,006 and the population of Oklahoma City was 10,036. The mystery of this will be explained later.

That night I went to the theatre and sat next to a traveling man who I found had covered Oklahoma on numerous trips. He told me that Oklahoma City was far bigger and better than Guthrie; it had more railroads, but the main reason was that it had a live bunch of young men in business who were wide-awake and progressive.

The next day I made arrangements to leave for Oklahoma City.

Right here I must digress to explain that Oklahoma Territory was not by any means what is now the state of Oklahoma. The state of Oklahoma comprises nearly 70,000 square miles, but the first opening for settlement of Oklahoma Territory, on April 22, 1889, was a small patch, comprising only 2,950 square miles, roughly covering only five counties. There were five subsequent openings of Indiana lands to settlers and ultimately, Oklahoma Territory could be described roughly as the western half of the original Indian Territory.

Arriving in Oklahoma City, I checked into a little hotel on Main Street where the John A. Brown Department Store is now located. I set out to see the business district. Stores and retail businesses were confined mostly to the two blocks on Main Street and Grand Avenue, between Broadway and Harvey. Most buildings were either one or two story brick, and traffic on the streets was chiefly lumber wagons with now and then a horse and buggy because, of course, this was prior to the advent of automobiles.

All streets were dirt roads except for one block of paving on Main Street, one on Grand Avenue and two on Broadway, between Grand and 1st Street.

There was a livery stable on the corner of 1st and Robinson where the First National Bank now stands. At the northwest corner of Grand and Robinson, where the Colcord office building is located, there were cottonwood trees and a small pond where water was standing. West of that location was a lumber yard opposite the present Oklahoma Hotel.

On this corner, where we are now sitting, Armour and Company had a wholesale meat store and halves of beef and pork were hung from racks and there was a loading dock on the rear, connecting with the Rock Island, whose trains, both freight and passenger, ground their way through the center of the city on what is now Couch Drive. The Frisco Railroad also came into the center of the town, circling in from the south and its passenger and freight terminals were located where the city hall now stands.

Just west of Armour and Company, in this block, was the flour mill of the Oklahoma City Mill and Elevator Company. There was another flour mill two blocks south of the Santa Fe depot. These appeared to be the only manufacturing plants in Oklahoma City, except a brick plant farther west. Practically everything north, south, east and west of the business center consisted of frame houses, except for an occasional church or school.

My first objective was to look in all the retail store windows and see the kind of merchandise for sale, because you can size up the kind of people by the class of merchandise they purchase.

Most of the stores showed an average, good type of merchandise for a frontier town and I was surprised to find a music store, offering several Kimball pianos and one Steinway. This convinced me that there were people of refinement and education among the early settlers.

I walked in each direction as far as there were homes, west on Main Street to the 900 block, east across the Santa Fe to the 1100 block and north to 13th Street.

From 13th Street north to 16th and between Shartel and Robinson, it was all of flourishing wheat field. It was marked out into blocks and streets, but there were no houses, except the Overholser mansion which was beginning construction.

Classen had laid out this area for the bon ton residential section which now is known as Heritage Hills.

Beyond 16th Street were farms. South, over the North Canadian River there were perhaps 20 or 30 small houses.

The hastily built town was crude and uninspiring, but its possibilities as the metropolis of a future state intrigued the imagination.

There was one morning paper, *The Daily Oklahoma*, and an evening paper, *The Times-Journal*. Before going to either of them I went into a bank and interviewed the cashier. I told him I wanted to investigate the two newspapers and perhaps buy an interest in one if I could. I asked him which would be the better paper. He said, "It won't make a damned bit of difference which one you buy; neither one of them is worth a whoop in Hell."

I went to *The Times-Journal* first but they were not interested in selling an interest nor employing a business manager. I went to *The Daily Oklahoman*, which was wholly owned by Roy Stafford. The paper was published in a store building at 18 South Broadway, in a room 25 feet wide by 60 feet long. It was the dirtiest plant I ever saw, cobwebs hung down from the ceiling, dirt was on the floor.

There was two or three desks on either side as you entered and both a job shop and newspaper machinery occupied the back. *The Oklahoman* was printed on a flat-bed press, limited to eight pages and producing about 800 copies per hour. There were just two Linotypes. The floor was covered with cuttings of paper from the job press. There were less than 20 employes.

It was the most magnificent opportunity I had ever seen because there was so much room for improvement.

Mr. Stafford was very agreeable, admitted he was in debt, and seemed much interested in selling an interest and getting a business manager experienced on larger newspapers. We exchanged business references and agreed we would meet again in about two weeks. Returning on January 17, with the help of attorneys, we made a contract to incorporate as The Oklahoma Publishing Company.

Stafford would not sell the control but sold a substantial minority interest to me and two young men I brought with me from St. Joseph, Ray Dickinson, an advertising man, and Roy McClintock, a news editor.

After cleaning the plant as thoroughly as possible, we sold the job printing equipment to give us more room. I rented an office for myself in an adjoining building.

The Oklahoman had no wire service but received a pony service or news dispatches at intervals over the Western Union. We arranged for the full night wire service with a telegraph operator and as soon as possible made a contract for a new building at the northeast corner of California and Robinson with an area six times larger.

We bought more Linotype machines and ordered a 16-page perfecting press with a color deck and moved into the new plant in October.

A few weeks after my arrival, the city entertained a cattlemen's convention and to head a parade, obtained a company of cavalry soldiers from Fort Sill. Some drunken bystander shot and killed a soldier, a murder that would disgrace the city. I stayed at the plant that night to see that every angle of the murder story was in print.

The next morning, to my consternation, there was not a word in the paper about the murder. I was very provoked and went to the office to see why it had not run and was told that Mr. Stafford had killed it because the president of the Chamber of Commerce had asked him to, saying that it would hurt the town to publish such a story.

I said, "The story will be in the Guthrie, Kansas City and Dallas papers, and everybody in town will wonder why you suppressed it. We are going to get out an extra." An extra had never been heard of in Oklahoma before.

Fortunately or unfortunately, there was another murder in the alley adjoining our building that morning and by noon we got out an extra with the story of two murders instead of one.

Shortly after we moved into our new quarters at California and Robinson, I came to the office early as usual and the society editor rushed out to warn me that the assistant chief of police was there with a gun in his hand, threatening to kill somebody. We had had a story that morning that the assistant chief of police was the payoff man and collected money from all the gamblers.

I went back to the reporters' room and there was the assistant chief of police, in uniform, gun in hand, standing over a reporter sitting in a chair against the wall, his face deathly pale. As I entered the room, the police chief turned toward me and demanded, "Did you write that article about me?" I said, "I am not a reporter, I did not write it, but I am the manager of this paper and am responsible for it, but you are wearing the uniform of a peace officer and coming down here with a gun in your hand and threatening to kill somebody. Go and take off that uniform for you are no peace officer."

He wilted, stammered and fumbled as he tried to put his gun back in the holster and then he slunk out of the room and we heard no more from him.

During all this perid of rapid city growth there was talk of statehood for Oklahoma, combined with Indian Territory and in Indian Territory particularly, there was a good deal of clamor to have separate states.

The Oklahoman strongly advocated single statehood. The Territories had begun to attract attention and the railroads even ran special excursions once a month to bring in prospective settlers to the city and other towns. Population boomed.

Citizens claimed that there were three men to one woman in the population and that there was only one retailer on Main Street who was more than 30 years old. That was only a slight exaggeration and the predominance of men in the population was correct, for many single young men had come to start a career in a new frontier.

An extraordinary good fortune came to *The Oklahoman* in February of 1904. *The Oklahoman* had no Monday edition. Neither did the morning papers in Guthrie or Wichita, Kansas. News dispatches Saturday were very ominous in that a war might break out between Russia and Japan.

I was very concerned that war might start on Sunday and we would have no paper until Tuesday morning. We asked the Associated Press if we could have a Sunday and Sunday night wire and what it would cost. They replied that all we had to do was to pay the telegraph operator.

We got a skeleton crew in the composing room, stereotype room and news room and began receiving dispatches. Soon there was a story that Japan had attacked the Russian fleet. The telegraph editor made a seven column head of the war and sent it to the composing room. Dispatches began coming in from Baltimore that there was a great fire on the docks.

To make a long story short, in a matter of hours, we had far more copy on the two hundred million dollar fire in Baltimore than we had on the war. We wound up with a four-column head on the Baltimore fire and a three-column head on the Russo-Japanese war.

We had telephoned to Wichita and Guthrie and found that their newspaper plants were dark and we decided to print as many copies as possible and sent boys with 2,500 copies to Wichita and 1,500 to Guthrie. We doubled or trebled the regular orders of all news dealers throughout the state, without asking permission.

Papers were sold out everywhere and *The Oklahoman* had made a sensational scoop which brought us new subscribers from all over the state.

In 1906, Scripps-Howard established *The Oklahoma News*, an evening paper, in Oklahoma City. About the same time, two brothers started a free afternoon paper called *The Pointer*, supposed to be delivered free to every home.

Its competition injured *The Times-Journal* and *The News* without too much effect on *The Oklahoman*. *The Oklahoman*'s chief competitor seemed to be the Guthrie morning paper named *The Oklahoma State Capital* which swore to a circulation of 21,000. *The Oklahoman*, at that time, had about 8,000 circulation.

We heard that the Guthrie paper was printing not more than 6,000 copies and an investigation showed that that must be true. From the post office department in Washington we obtained the weight of all second class mail sent through the Guthrie post office. There were 14 publications, mostly monthly or weekly, in Guthrie, and the figures showed that if all the second class mail was *The State Capital*, it could not have over six or seven thousand circulation.

I wrote a long letter to *Printers' Ink* which was the Bible of advertising agencies and advertisers, giving all the figures showing that the Guthrie paper was fraudulently claiming 21,000 circulation.

Printers' Ink published the letter, covering three or four pages.

It made a sensation in the newspaper world and shortly after a man named Wells appeared in my office from the Darcy Advertising Agency in St. Louis. He asked if he could see our books and watch our press run. I told him he was welcome to see everything and talk with any carriers or employees and we would give him any information we had. He checked everything and verified our circulation.

He went to the Guthrie but was refused an opportunity to check their circulation. However, Wells stayed around there and through pressroom windows timed their press run, counted the number of mail sacks and talked with their carrier boys and was convinced they had no more than 6,000 circulation.

He reported this to advertising agencies and advertisers and soon many advertisers were demanding refunds from *The Guthrie State Capital*. In a year or so the Guthrie paper folded up.

Our exposure of the fraudulent circulation claims of the Guthrie newspaper was one of the factors which a few years later led to the organization of the Audit Bureau of Circulations. Our company was a charter member and I was elected a director. The Audit Bureau now is universally recognized and no publication dares to refuse to be audited.

Early in this story I mentioned the mystery of Guthrie and Oklahoma City as having almost exactly 10,000 population in the census of 1900. The explanation was this—the Secretary of the Interior was a czar that controlled the Territories and he issued an edict that no city in Oklahoma could vote bonds to build a city hall until it had 10,000 population.

In 1900, both Guthrie and Oklahoma City lacked considerably of having 10,000 population.

Enterprising citizens copied names off of hotel registers, names on tombstones in graveyards, invented the ages and occupations and other necessary statistics and census enumerators accepted them. They were added to the population. This enabled each city to vote bonds and build their city halls.

While Congress was considering a bill to give statehood to Oklahoma, President Theodore Roosevelt ordered a special census for both territories in April, 1907. Oklahoma City had a population of 32,405 and Guthrie 10,000. Two years and eight months later, at the 1910 census, our city had a population of 64,205, nearly doubled.

In October, 1907, President Teddy Roosevelt closed all banks in Oklahoma and in the nation. A citizens' committee from the Chamber of Commerce issued scrip to be used in lieu of money.

Believing that the banks would eventually open, we advertised annual subscriptions at $2.95 and we would accept checks on any bank in Oklahoma. We got thousands of checks from all over the state because many people thought they would never get their money out of their banks and they could at least save a year's subscription by sending a check.

Gradually restrictions were removed and the banks operated normally.

The agitation for statehood finally brought results and Congress passed the Enabling Act in June of 1907, with the provision that the two Territories were to be merged into the State of Oklahoma and state government organized and to begin operations on November 16, 1907.

The Act also provided that the state capital should remain in Guthrie until 1913, although the location was far less accessible from Oklahoma City.

The Constitution provided for initiative petitions and I asked Judge Ledbetter to prepare a petition for voters to vote their choice between Guthrie, Oklahoma City and Shawnee. Our circulation solicitors obtained signatures to the petition from towns all over the state and an election was called.

A tremendous campaign was put on by the Oklahoma City Chamber of Commerce and other organizations and Oklahoma City led Guthrie by more than 50,000 votes and Shawnee had a very small vote.

A suit by Guthrie resulted in the State Supreme Court invalidating the election on the ground that the question as phrased by the attorney did not use the exact language of the statute. This meant a second petition and second election between Guthrie and Oklahoma City and again Oklahoma City triumphed by more than 50,000 votes.

In the meantime, Governor Haskell had moved the state offices to Oklahoma City and the Supreme Court of the United States upheld the right of a sovereign state to locate its institutions wherever the voters chose.

In October, 1908, a man named Thomas E. Wilson, who was executive vice president of the packing firm of Morris and Company, came to Sidney Brock, who was president of the Chamber of Commerce and said he wanted to build a packing plant in Oklahoma City, but wanted all arrangements made with just a few leaders and without any publicity.

A committee consisting of Sidney Brock, Anton Classen, John Shartel and myself was appointed to work up a contract with Mr. Wilson. About one o'clock in the morning we signed a contract guaranteeing to raise a bonus of $300,000.00 for Morris and Company to build a $3,000,000.00 plant southwest of the city.

Nothing was published and farms were bought and options on land around the site were obtained because it was planned to sell lots in a business district and residential districts.

The announcement was a sensation and $300,000.00 was pledged in two hours at a public meeting.

About one year later, Swartzschild and Sulzberger, another packing company, offered to build a plant adjoining the Morris plant and demanded a $300,000.00 bonus. The city agreed and the money was pledged in a few days.

A short time later, Thomas E. Wilson, who had left Morris and Company and organized his own packing company, bought out Swartzschild and Sulzberger and later on Morris and Company sold its plant to Armour and Company.

In 1906 *The Oklahoman* bought lots at the corner of 4th and Broadway. In January, 1909, we started clearing the lots and excavating at 4th and Broadway, after making a contract with a St. Louis firm to build the building. We were printing *The Oklahoman* at the northeast corner of California and Robinson, when suddenly, about eleven o'clock in the morning, there was a loud explosion of gas in the basement and fire started immediately.

We got everybody out of the building and the fire department was pouring water into the building from three sides. The fire burned the floor in the composing room and our five Linotypes crashed into the basement.

While the fire was still burning, I made arrangements to print eight pages for *The Oklahoman* in *The Times-Journal* plant and it was two or three weeks before we could replace the Linotypes and other machinery that was destroyed.

Our building at 4th and Broadway was practically complete October 1st, and we moved in, occupying about half of the space. Hard times were coming on and we rented half the front office to a tire company and office space to other firms.

The city very much needed a new post office and the bankers, leading citizens and the Chamber of Commerce unanimously agreed it should be located on the west side of Harvey, between Grand and Main. This area was frequently flooded because there were insufficient storm sewers.

We sent a photograph of the area when it was under six or eight inches of water to the postal authorities at Washington. No one knew this. When the official came to select a location, he was given a unanimous recommendation of the Harvey location. To their astonishment, he rejected it and on his own motion selected a corner on the hill at 3rd and Robinson. Chamber officials and citizens were dumbfounded that it should be located three blocks from Main Street, and they never knew why.

We had nothing to do with the selection of 3rd and Robinson where the entire block is covered with the Federal courts and post office and the Federal Reserve Bank is across the street.

By 1910, *The Free Pointer* had taken a lot of advertising away from the newspapers and it had no news service other than a local reporter or two and carried about 90 percent advertising. It was injuring all the papers and we decided to launch a free paper called *The Free Press*. We made it a real newspaper, carrying as much or more news as *The Times* or *Oklahoma News* and it was distributed free. This made a flood of newspapers in the city and eventually *The Pointer* sold out to *The Times* and we suspended *The Free Press*.

The Times and *News* were both losing money and in 1915, *The Times* suspended publication and The Oklahoma Publishing Company bid it in at sheriff's sale for $30,000,000, but we received only its circulation list and name. Its other property was sold to liquidate indebtedness. *The Times* had about 10,000 circulation but now has more than 100,000.

We had been publishing a weekly *Oklahoman* but in 1911 we converted this to a farm magazine which is now called *The Farmer-Stockman* and published monthly. It now covers the three states of Kansas, Texas and Oklahoma.

Oklahoma City and the new state of Oklahoma were riding high on their rapid growth when they were struck by the worst drought in their history. The rainfall in 1911 was a little more than half of normal and crops dried up, cattle were starving and thousands of farmers abandoned their farms and many trekked to Arkansas or Tennesee in covered wagons. Their farms were left to the insurance companies who held the mortgages.

Many businesses closed and advertising and circulation were drastically reduced. There were 7,000 vacant houses in Oklahoma City. We had to cut wages and salaries of every person and reduced employment as much as possible.

There was a slow recovery during 1912 and 1913 and general pick-up in 1914 when World War I broke out.

In 1914, Governor Williams appointed a commission, of which I was a member, to build the state capitol. The legislature passed a law authorizing the building, but restricted it to three stories.

The architect planned a three-story building, but put in it a basement, and subbasement and a mezzanine, thus providing six floors in a three-story building. Otherwise, the capitol building would have had to use twice as much ground.

During the war years we were restricted on the use of newsprint and other materials and lost many employees to the armed forces.

During the summer of 1918, Roy Stafford sold his stock to the company, and I was elected publisher, editor and general manager, the positions I have held ever since.

The period from 1920 to 1929 was one of steady growth for our papers and for the city and state.

For more than 20 years the city had tried to get the Rock Island and the Frisco railroads to take their tracks out of the business district. Finally, a committee of three tentatively agreed with the railroads that freight trains would be routed around the city but passenger trains would remain. Trains frequently blocked traffic on Broadway, Robinson and other streets.

I was greatly disturbed and it occurred to me that both railroads were bankrupt and in the hands of a receiver and the Metropolitan Life Insurance Co. owned most of their bonds.

Mr. Ecker, the president, was a friend of Frank Buttram, and they were partners in some oil wells.

I asked Mr. Buttram to see if Mr. Ecker would order both companies to remove the tracks. He immediately took the matter up and Mr. Ecker said, "Of course, Oklahoma City ought to have the tracks moved," and he ordered the officials of the roads to make the best deal they could, but remove the tracks.

In 1929 the city voted $4,000,000.00 and purchased about 20 acres, including land for the Civic Center and Couch Drive.

A fabulous Christmas present came to the city on December 24, 1928, with the discovery of an oil field within the city limits.

The financial panic covered the country in 1929 but our oil field boom helped carry us through the depression years.

Early in 1930 the railroads cut off many passenger trains, delaying or destroying our means of delivering newspapers throughout the state. There had been a morning and afternoon train to Lawton and as a substitute, one train left the city about ten o'clock in the morning, too late for *The Oklahoman* and too early for the afternoon *Times*.

Our circulation department was forced to buy or lease trucks but the business was too great to be handled by the circulation department and we incorporated Mistletoe Express in 1931. Mistletoe not only took care of the delivery of our newspapers, but it handled merchandise of every description from retailers and manufacturers and for years it has covered not only Oklahoma, but expanded into four other states. It now has terminals in fifty or more important cities. Its service is a great asset to many businesses in the Southwest.

In 1932 President Franklin Roosevelt was elected and immediately closed all banks. nation-wide. Again the Chamber of Commerce issued scrip which was used in lieu of money until the banks reopened. Oklahoma was afflicted with a drought in the years from 1932 to 1936 and business was depressed nation-wide until 1937.

In the early 1930's the Associated Press was developing the wire photo to transmit photographs by telegraph. Experiments had been going on for a long time and one day in 1934 I was in Dallas and was paged in the hotel. The manager of the AP in New York told me that they could give service to *The Oklahoman* and only 14 cities would be on the line to start with.

We could get on the Continental wire going through Kansas City to the west coast.

I asked the cost. Roughly it was $39,000, plus the cost of the operator and the zinc metal for the pictures. I said, "Well, roughly that will be $50,000, but we will take it."

The Oklahoman thus was a charter member among only 14 cities.

Some months after this I met the publisher of *The Tulsa World* and he asked how in the world we could afford to spend $50,000 for wire photos. I said, "That was not the question—the question was how could we afford to do without them."

It was several years before Tulsa got the service.

The Oklahoma News, without previous notice, suspended publication in February, 1939. It had operated for 36 years and had lost money in 33 of those years.

This left *The Olakhoman* and *The Times* as the only daily papers published in Oklahoma City until 1964 when *The Oklahoma Journal* began publication as a morning daily, which is still in the field.

After Pearl Harbor, the government was frantically trying to build military installations, including an air materiel depot in the Southwest. Stanley Draper, the managing director of the Chamber of Commerce, had anticipated this and had contacts with the big brass of the Air Force in Washington.

Two Air Force officers were sent here with a list of five locations, Oklahoma City being No. 1. They refused to meet with a committee of the Chamber but asked for one man to consult with them for a week. At weekend, at nine o'clock in the morning, they brought in a list of demands which had to be fulfilled by four o'clock the same day. Their demands included a gift of 490 acres and options on additional land, an eight-lane concrete road six miles east of Capitol Hill, 40 miles of state highway graded and graveled, a 24-inch water main from a city water supply, the removal of all pipelines and obstructions from the site, a railway line built in to serve the plant and numerous other requirements.

They assumed that it would be impossible for Oklahoma City to fulfill their demands and they bought tickets to Wichita, where they had friends and hoped to locate the air depot.

Stanley Draper, who has done more to expand and upbuild Oklahoma City than any other person, took charge with the aid of Mayor Hefner and a few others and a written guarantee covering each requirement was handed to them at four o'clock. They were dumbfounded and Tinker Field was located in Oklahoma City.

This was a tremendous boost to the employment and the population of Oklahoma City, the creation of Midwest City and other suburbs and the biggest lift to Oklahoma City's economy which had ever occurred. It was accompanied by a government arrangement with Douglas Aircraft to build a manufacturing plant which produced 5,700 DC planes during the war.

Tinker started with an estimated payroll of about $40,000,000.00 and in recent years with nearly 30,000 employees, the payroll is nearer $250,000,000.

It is impossible to list the scores of other industries which have come to Oklahoma City since, including the FAA center, but in the census of 1960 there was a population of 535,000 within 20 miles of the state capitol building. In 1970 we had grown to at least 625,000.

The Oklahoma Publishing Company's growth accelerated right along with that of Oklahoma City. It not only quadrupled the size of its printing plant, but established a chain of broadcasting properties which began with the acquisition of WKY Radio in 1928.

We built studios and a transmitter and went on the air November 11, 1928. It was bound to lose money because few people had receiving sets and radios cost as high as $500.

It was nearly two years before it became profitable. It was the first commercial radio station in the state.

In 1948 many states had no television stations. The Federal Communications Commission was practically begging people to take out a license and begin broadcasting televised programs.

The Oklahoma Publishing Company decided the state ought to have a television station and applied for a license. We expected the usual red tape would take several months, but the license came almost by return mail. We then had to build studios and a transmitter before anyone had a television set.

When the programs went on the air, people began buying receivers but too few in number to pay the expense of operation.

WKY was the first television broadcasting station in the state and it had to operate a considerable time before it paid expenses. A few years later, WKY was one of the first in the country producing programs in color.

In February, 1955, we purchased and operated a station in Montgomery, Alabama, which we sold in September, 1959.

In 1956 we purchased a television station in Tampa-St. Petersburg which we continue to operate. In 1962 we contracted for a station in Fort Worth which covers the Dallas-Fort Worth area and in 1964 we bought a station in Milwaukee. In 1966 we bought a station in Houston, Texas, all of which we are operating.

The recent decades of the 1950's and the 1960's were periods of very rapid and substantial growth for Oklahoma City and the state and likewise for The Oklahoma Publishing Company. This record is well known to you.

This story will have to be deplorably incomplete because it should contain the names and activities and accomplishments of hundreds of prominent citizens who fashioned and molded Oklahoma as it is today. Likewise, it is my great personal regret that I cannot list here the names and the invaluable services of hundreds of men and women who created what is The Oklahoma Publishing Company and its thriving subsidiaries. If I were to mention even a few of the able and devoted staff members whose work helped establish the reputation and career of this company, I would be doing a great injustice to the hundreds of others not included who were just as eager and helpful in building this company's foundation.

For that reason, I am mentioning only my son, Edward L. Gaylord, who for 15 years has been executive vice-president and who one day will take over my position.

At some other time and in some other way I hope to pay due credit to literally the thousands of employees who have built up this company in the past 68 years.

In its entire history, Opubco has fought under the banner of honesty in government, progress in education and culture, high standards of morality, generosity in philanthropy, betterment of social conditions and the steady improvement of economic conditions.

"Actorum Memores simul affectamus
Agenda!"

E. K. Gaylord: "In its entire history, Opubco has fought under the banner of honesty in government, progress in education and culture, high standards of morality, generosity in philanthropy, betterment of social conditions and the steady improvement of economic conditions."

REMARKS OF SENATOR MONDALE ON BEHALF OF THE DEMOCRATIC LEADERSHIP OF CONGRESS IN RESPONSE TO PRESIDENT NIXON'S MESSAGE ON HUMAN RESOURCES

Mr. MANSFIELD. Mr. President, last Friday, Senator WALTER F. MONDALE delivered an address on radio at the request of the Democratic leadership in response to the President's radio message on human resources.

The presentation by Senator MONDALE represents fairly and fully the questions that must be faced by the Congress in determining where this Government shall place its emphasis in the matter of human resources.

I ask unanimous consent that this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MARCH 2, 1973.

Mr. MONDALE. Good afternoon.

Last month President Nixon submitted his budget proposals. Last Saturday, in a nationwide radio address, he defended his proposals for human resources.

The Congressional Democrats have received equal time and I have been asked by the leadership of the Congress to present our response.

There are some things in the President's message which we all agree with, and are proud of. We *have* made important advances in social security, medicare, higher education, human rights, cancer research, reducing hunger and elsewhere.

All of these came about through cooperation between the President and the Democratic Congress.

But most were Democratic initiatives. And many . . . including the 20 percent Social Security increase . . . were initially opposed by the President.

We have often disagreed with the President's proposals; he has often disagreed with ours. But when there has been a will on both sides to work together, programs have been enacted that have benefitted all Americans.

This is as it should be.

But now the President is challenging both our shared commitments . . . and our tradition of cooperation and constitutional government. And he is doing it in a way that is causing confusion and uncertainty across the nation.

This past week, mayors and governors came to the Congress to tell us they don't know where to turn. They know they'll be getting less help next year, but they don't know how much less . . . and the White House won't tell them. Those in the Executive Branch who will talk don't know the answers. And those who know won't talk.

It's ironic that this Administration talks so much about returning power to the local level . . . when they concentrate so much power in a small group of anonymous Presidential aides. The most fundamental decisions affecting the Amrican people are now often beyond the reach of State officials, local officials, and even the Congress.

The President's real message is not in his speech. It is in his budget. Where a government puts its money tells the truth about its commitments.

The President's budget calls for severe cutbacks in our existing investments in decent housing . . . employment . . . education . . . health . . . the poor and the aged . . . the family farmer

This budget would, among other things, eliminate 180,000 desperately needed jobs . . . end federal aid for low and moderate income housing . . . slash health research, aid to education, medicare benefits for the aged . . . and abolish practically every effort to strengthen rural America.

While nearly 100 programs to help people would be destroyed, the defense and foreign aid budgets would rise dramatically . . . and not a single tax loophole for the rich would be closed.

The President claims that our investment in human resources is increasing. But these increases are in the social security program, which is separate and self-supporting. They are not inflationary because they are fully funded by the payroll tax. And we have passed most of them over the President's objection.

Aside from social security. this budget is nothing less than a disaster for people

Can you imagine recommending that hospital charges for most older Americans under Medicare be doubled?

Can you imagine ending this nation's Community Mental Health Centers?

Can you imagine cutting job training programs by 29 percent in two years and abolishing public service employment?

Can you imagine reducing aid to our public schools?

That is what this budget does.

And the President has not just proposed cutbacks for Congress and the nation to consider, as Presidents have done in the past. In many cases he has simply gone ahead on his own . . . often in direct violation of the law. This has caused enormous confusion and uncertainty . . . and created one of the most serious constitutional crises in America's history.

He is impounding . . . without legal authority . . . half the funds for pollution control enacted by the Congress over his veto.

Without consulting Congress, he is destroying the poverty program which he asked the Congress to continue . . . and he signed into law . . . last fall.

By executive order he has ended virtually all of our housing and rural development programs.

We are not witnessing a policy of restraint. We are witnessing a retreat from our commitment to social and economic justice.

As one major newspaper said recently:

"This is a break with more than forty years of an essentially liberal momentum supported by the dominant elements in both parties, that has carried this nation forward to a more just and humane society within the framework of enlightened capitalism."

It is a call to abandon our national commitment to a better life for ordinary Americans . . . and especially the poor. It is telling us to ignore the difficult problems we've had the courage to face . . . and to forget our efforts to build a more decent America.

Yet this is the time . . . with the war ending . . . to return to our nation's fundamental pursuit of human justice.

It is a time, as John Kennedy said twelve years ago, for Americans to ask "not what your country can do for you—but what you can do for your country."

It is *not* a time, as we heard the President say last month, to ask "What can I do for myself."

As a prominent economist said:

"Instead of restoring self-reliance, President Nixon is putting self-interest on a pedestal. Instead of restoring confidence in government, he is inviting contempt for government in general and Congress in particular. Instead of focusing efforts on a higher quality of life, he is appealing to instincts of crass materialism. . . . But somehow a crusade to think small, think simple, and think selfish does not strike me as the best path to either personal salvation or national greatness."

And I agree.

The Administration asks us to forget our commitments to people . . . and to spend the money elsewhere. They propose an increase to $10 billion for military and other foreign aid. They want $8 billion for new Pentagon spending as the war ends. And we're told they may ask for $7½ billion more for the two Vietnams.

Yet their budget contains no proposals to close loopholes through which the wealthy escape their fair share of the tax burden. It doesn't deal with cost overruns in military spending. It conceals subsidies for executive jets and business lunches.

One commentator said, "This is free enterprise for the ordinary citizen . . . and socialism for the rich."

If a farmer needs disaster relief, he's on his own. But if a major corporation loses money, we're expected to bail it out.

And who pays for all this? The ordinary taxpayer who has no loopholes.

We need to take a tough look at this budget. The American people cannot afford to repeat the deficits of recent years.

I agree that we must look for waste in "every nook and cranny of the bureaucracy." I agree we must "get rid of old programs that have outlived their time, or that have failed."

And I agree with the tests the President proposed last Saturday . . . to get more value out of every tax dollar . . . and to make our delivery system more efficient and less paternal. I don't know anyone in Congress who is opposed to reforming our programs, and making them more effective.

But *every* budget item must meet these tests. Waste, inefficiency and out-moded programs are not found only in agencies that deal with human needs.

Sure we've made mistakes. And some human programs have not worked. But getting rid of programs doesn't get rid of problems. And a program that doesn't work perfectly may be better than no program at all.

And sometimes we promise too much. But the answer to overpromising is to tone down the rhetoric. The answer to failure is to find new approaches which will work.

And even conceding these difficulties, with the help of thousands of dedicated public servants—who deserve our praise—these programs have accomplished an enormous amount for the people of this country.

In the last decade alone, 15 million people have been helped out of poverty;

In the last 20 years, the number of young people attending college has doubled.

And who can forget . . . the comfort Medicare has brought to millions of old people who used to suffer alone and uncared for . . . the hope and the jobs our expanded education programs have provided to thousands of Americans . . . and the opportunities for a fuller life now available to handicapped children and adults throughout this country. And this is not a full list by any means.

The issue is clear. We can continue our commitment to social and economic justice . . . or we can turn away. The President has made his recommendation. His budget comforts the comfortable. But when it comes to helping those in need, it says, "If at first we don't succeed quit."

We must do better than that.

Of course, there are limits to what we can afford. And as practically everyone in Congress agrees, we must establish a non-inflationary budget ceiling. But we will not forfeit Congressional responsibility to decide how funds are spent within the ceiling. We will not give any President absolute power over how your money is spent.

If we take a tough look at every proposed expenditure . . . we can easily save $8–$10 billion in military waste . . . foreign aid . . . tax giveaways . . . and inefficient social programs . . . Over $3 billion could be raised by simply ending super depreciation breaks for big business. And we could responsibly cut Pentagon waste by $5 billion . . . especially now that the war is ending.

I believe we should invest these hard-earned tax dollars wisely . . . in carefully designed programs meeting human needs.

We cannot do everything at once. But we can begin bringing health care within the reach of every American family . . . strengthening our rural and urban communities . . . improving housing opportunities.

And we can begin . . . mounting an effective campaign against crime . . . reducing pollution . . . cutting unemployment . . . improving education . . . and bringing dignity to the sick and the aged.

With these savings we could:

Find public service jobs for 300,000 unemployed Americans.

Double Head Start . . . bringing hope and opportunity to another 500,000 young children.

Prevent the proposed new hospital charges for Medicare . . . and roll back monthly Medicare premiums.

Ease the financial crisis in public education . . . and relieve the growing pressure on the property tax.

Restore disaster aid and housing programs.

Turn the tide against crime by expanding police protection and improving our criminal justice system.

And protect our environment to the fullest extent of the law.

These are the kinds of investments we need. They stand the test of helping people. And that's what our government should be all about.

We can make them . . . or investments like them . . . and honor our national commitment to human justice.

Or we can accept the Administration's budget . . . and accept its decision to abandon that commitment, begun so many years ago.

This is an old debate for Americans. We've all been a part of it. Those who fought against Social Security and rural development in the 1930's . . . or against Medicare and aid to education in the 1960's . . . used the same argument we're hearing now. "These aren't national problems," they claimed. "We don't know how to solve them. And we cannot afford to try."

My answer is the answer Franklin Roosevelt gave to these same arguments 40 years ago:

"Government can err," FDR said. "Presidents can make mistakes, but [we are told that] divine justice weighs the sins of the coldblooded and the sins of the warmhearted on a different scale. Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference."

No matter how hard we try, we will make some mistakes. But with your help we can apply the power, the strength, the wisdom and the spirit of our great country to the solution of the problems of our people. Please give us your help.

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

Mr. CURTIS. Mr. President, the Occupational Safety and Health Act of 1970 is continuing to haunt the Congress of the United States and will do so until some far-reaching changes are made in that law.

For Senators who may think that the storm of protest is over, and that no one is fighting any more for the changes which were successfully bottled up in the Labor Committees of the House and Senate last year, I have some unwanted news.

The first news to which I would call your attention is an article that appeared in the Wall Street Journal on February 20.

The article, by Michael Jett, was published under the headline, "New Job-Safety Rules Perplex the Owners of Small Businesses; 'Needless' Costs Cited." Above the main heading appears an overline which declares descriptively, "An Asinine Situation."

Second, I would point out that the Government of the United States has either dismissed the penalties or agreed to compromises, greatly reducing them in every instance to date where the constitutionality of the act has been challenged by accused persons, and the Government has done this in each instance, just short of allowing the constitutional issues to go to trial.

Government lawyers who would have to defend the Occupational Safety and Health Act do not want a court confrontation on the constitutional issues. They know they have got a bear by the tail if the issues ever get to court, and I will tell you why.

The Occupational Safety and Health Act delegates to administrative authorities in the Department of Labor the power to impose extremely high punitive fines for past violations without ever going to court. It goes beyond any law ever previously enacted by Congress in its wanton delegation of legislative and judicial powers to the executive branch.

The act allows no judicial body below the Federal Court of Appeals to take jurisdiction in a case. It provides no trial by jury for the accused.

Cases challenging the act's constitutionality have been refused by both the Federal Appeals Court and the U.S. Supreme Court on grounds that administrative remedies have not been exhausted. Yet there is no way that administrative review boards or commissions can rule on issues of constitutionality—they have no such powers and fortunately have not yet been bold enough to try to assume them.

In the face of this dilemma, the administrator-prosecutors of OSHA and their lawyers have slashed penalties and dismissed charges to avoid all confrontations in court. They have refused to go to court whenever an accused person has stood up to them.

Under these circumstances, Mr. President, I would hope that Congress will act soon to modify and correct the act. I intend to offer a bill to do so in the near future. My bill is in the drafting stage. I will make it available for cosponsors because I know of the great interest which has carried over from the thousands upon thousands of complaints received by Members of the Senate during the past 2 years.

In the meantime, I would advise anyone who gets socked with a steep fine by the Labor Department or any of its OSHA review examiners or commissions to fight to get the case into court. The constitutional issues need to be aired and acted upon. Until the administrator-prosecutors and their lawyers are willing to face those issues in court, or until the law is changed so they can face them, the penalties will continue to be reduced sharply or dropped. The law is faulty, and the fault is with Congress.

I respectfully request at this point that the Wall Street Journal article of February 20 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"AN ASININE SITUATION"—NEW JOB-SAFETY RULES PERPLEX THE OWNERS OF SMALL BUSINESSES, "NEEDLESS" COSTS CITED

(By Michael Jett)

Henry Weast of Dahinda, Ill., is quitting the heavy-excavation business. He says he can't afford it any more.

It isn't that the business wasn't profitable. It was a steady money maker, and in Mr. Weast's view, it might have continued that way for a long time. It might have, except for one thing—OSHA—more formally known as the Occupational Safety and Health Act of 1970.

Among other things, that massive piece of safety legislation would have required him to spend $150,000 to install safety devices on his equipment to protect operators in case the machinery toppled over. "It just looked like there would have been no end to spending money," says Mr. Weast. "If I had fixed up one thing, they would probably have found something else."

As a result, Mr. Weast and his two partners have already dismissed 20 employes and they are currently trying to sell their machinery. From now on, they plan to continue selling sand, gravel and other building materials, but that end of the business accounted for only about 20% of their total $1.5 million volume last year.

COSTLY AND "FOOLISH"

The reaction of Mr. Weast and his partners to the stringent new regulations may have been drastic, but their quitting the excavation business illustrates one effect the law has had on countless thinly capitalized small businessmen across the country. In a variety of ways, small businessmen say, the OSHA regulations—covering safety matters ranging from hard hats and guard rails to exit signs and safety posters—are causing widespread confusion, anger and frustration.

At the core of their problem, they contend, is the fact that practically every regulation—and they brand many of them foolish—requires them to spend money on measures that don't contribute to either safety or efficiency. Moreover, they complain, many of the highly technical regulations are incomprehensible to the layman. And even if the rules can be understood, these people add, compliance is difficult. In fact, by some estimates, as many as 20,000 specific rules and regulations apply to any single work establishment.

Indeed, the sheer bulk of the regulations is intimidating, and countless businessmen say that after they have waded through them all, they're hopelessly confused. Marvin Krauss, a furniture shop owner in South Amana, Iowa, says: "There are about 300 pages with pretty small print in the construction standards, and it's pretty darned hard to pick out exactly what fits you sometimes. You almost have to have a lawyer to figure it out."

Such complaints are becoming routine for officials charged with overseeing and enforcing the act. An OSHA spokesman says, however, that "some over-reaction" is to be expected. "Most of the complaints from small business people arise not from actual inspections, but from the fear of what might happen should there be one," he says. Unless there has been an accident or a complaint by an employe, the OSHA man says, smaller concerns are much less likely to be inspected than larger firms. He adds that if a small businessman finds himself in a financial pinch as a result of the regulations, he can always apply for a small business administration loan, as provided in the act.

Due in part to the confusion and lack of understanding of some of the overlapping rules, numerous small businessmen are reluctant to talk for attribution—they're worried about what might happen if an OSHA inspector should see their names and then decide to drop by. "I'd hate to meet Mr. OSHA tomorrow because of my discussion with you," says a Midwest farm-equipment dealer who has spent nearly $100,000 on new equipment and repairs to satisfy safety rules. "We'll only know if we can really comply after somebody tears us apart." Like many other businessmen, he replaced a number of round toilet seats with horeshoe-shaped ones before OSHA rescinded the toilet-seat rule.

"AN ASININE SITUATION"

According to Herbert Liebenson, legislative vice president of the National Small Business Association, many of the fears expressed by small businessmen arise "because the Labor Department has done a very poor job of notifying people what to expect under the law." In fact, many businessmen say they still don't understand how the law is administered, and they worry they will have to answer to inspectors who know almost nothing about their particular type of business.

"OSHA worries the hell out of me," says Ralph Zuber, manager of a furniture store in Amana, Iowa. "I want to comply, but I've got to keep making a living. Did you know we've even got to paint the electrical outlets orange? Why, I don't know."

Adds James Curless, an International Harvester franchiser in Fairmount, Ind.: "It becomes an asinine situation. The dangerous facets of our business are virtually beyond anyone's control. One of our employees got hurt when he bumped the automatic transmission lever on a tractor and it rolled over his leg. No laws can cover anything like that."

What angers many small businessmen the most, however, is the cost of complying with the regulations. "I spent about $250,000 for four new punch presses, to enclose a conveyor, some electrical work and other things," says the owner of a metal fabricating shop in the Southeast, "and I don't think it did any good for safety or production. The punch presses, costing $15,000 to $30,000 apiece, had to be replaced only because they were too noisy. Those machines had been declared literally unusable."

COST MAY BE HIGHER

A survey of its members by the National Association of Manufacturers shows small concerns of one to 100 employees estimate it will cost them about $33,000 each to comply with the act. But that figure may not tell the whole story. Kenneth E. Schweiger, the association's director of employee relations, says the real cost to the small businessman is probably much higher. "He doesn't know what's expected of him," says Mr. Schweiger. "Smaller business has grossly understated estimates of the cost."

Further, once the money is spent, employers still can be sure if they're in compliance. "I spent $125,000 directly to meet the law," complains a Mid-western contractor. "And after I spent the money I was inspected three times and was fined every time for some minor violations. There's no way I can meet the letter of the law as it's written."

When it comes to spending the money many small businessmen are faced with a dilemma—what to try to get done first and what to try to get by with. "There's no consistency from one plant to another," complains the owner of several small woodworking factories in the Midwest. "I've been fined at one plant for something that has been overlooked at another. One will come through with flying colors and another will be penalized."

Businessmen "don't know which way to jump," Mr. Curless, the Harvester dealer, says. "They try and do a little at a time and hope that when the inspectors come they won't be too severe. We asked our insurance man to come out and inspect us. He said the way interpretations of the rules change so often, he couldn't even give us a decent inspection."

"I'D PROBABLY . . . GO HOME"

"We've got to write our own ticket," says Bruce Martin, assistant executive manager of the National Roofing Contractors Association. "You can't comply with all of it. What we did was to take the construction regulations and got it boiled down to about six pages of the most important standards and told our guys to try to comply with these."

And some are going to try to get by without doing anything at all. "I'd just run myself nuts if I tried to comply," says an Illinois heating and air-conditioning contractor. "I've only got three employees, and in a small business everyone has to be a money maker and that (complying with regulations) would be a fulltime job. If an inspector walks in here, I'd probably just hand him the keys and go home. It would be giving up a lot, but it's not worth the worry and frustration."

Whatever problems the act is causing businessmen around the country, there are still some who must be delighted with the law—a good hard look," says Mr. Liebenson of the National Small Business Association, "and the economic benefits will go to the insurance and safety equipment companies."

"Many problems for the small businessmen," he adds, "came about because of the sales techniques of companies selling products for OSHA regulations. They became freightened and started protesting."

"We have spawned new enterprises in a variety of ways," George C. Guenther, former assistant labor secretary, told a House subcommittee on small businesses last June. "We would hope most of them are wholesome, but certainly there may be those whose consultative services are at less than desirable levels."

Still others may find themselves beneficiaries of the law. Many employers are going to be spending a lot of money on lawyers if they want to appeal a fine they feel was undeserved. Small businessmen, almost never have a lawyer on their staffs.

W. C. Williamson, co-owner of an Atlanta roofing company, was fined $600 after an employee was killed when he fell through a hole in a one-story building the company was working on. Mr. Williamson says the man was shown the hole and told not to remove the cover unless there was a foreman present. "Why he took the cover off and exactly how he fell through the hole aren't known, but Mr. Williamson thinks he did all he could to protect the man. "I'm going to spend about $2,000 to fight a $600 fine," he says, "but it's the principle of the thing. It would be the same thing if they fined me if he drove his car into a telephone pole on his way to the job."

"It's going to be a full-employment act for lawyers," says Lawrence Stessin, editor of a newsletter dealing with the OSHA regulations. It isn't going to hurt Mr. Stessin either. After sending out a sample issue last October, he was swamped with 30,000 subscriptions in one month. "We're just inundated" with requests for information and subscriptions, he says.

With all the confusion, some shady characters are bound to jump at the opportunity to take advantage of the situation. "The three latest rackets," Mr. Stessin says, are men posing as OSHA inspectors who are actually industrial spies, potential burglars figuring out a plant's security or con men who talk the owner into offering him a bribe for not imposing heavy "fines."

POST OFFICE BOX NUMBERS

Mr. CASE. Mr. President, I ask unanimous consent that an article appearing in the New Jersey Vailsburg Leader concerning Post Office box numbers be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POST OFFICE PROTECTS CONSUMER FROM "ANONYMOUS" FIRMS

Consumer who buy from a firm using a Post Office box number as its address can now obtain the name, address, and phone number of the box holder from their local postmaster.

In the past, consumers sometimes experienced problems when they bought by mail from a firm whose only advertised address was a post office box.

If the consumer was dissatisfied with the purchase or if he experienced nondelivery, he had no way of communicating directly with the seller.

Assistant Postmaster General William J. Cotter has advised Richard Givens, Federal Trade Commission regional director, that, according to the Post Office legal department, "under current regulations postmasters may disclose names, addresses, and telephone numbers of post office box holders when it is known that such boxes are being used for the purpose of doing or soliciting business with the public.

"When the holder has indicated on the box application his intention of using the box for commercial purposes, or when an inquirer presents documentation of such use such as an advertisement soliciting business at the post office box address—this information may be revealed to any interested party."

If there is doubt as to whether the box is being used commercially, the information will be delayed until a determination has been made.

ADMINISTRATION POLICY BAD FOR RURAL AMERICA

Mr. McGOVERN. Mr. President, the actions of the administration to terminate farm price supports and rural assistance programs, and to cut back severely on those which remain, have been discussed and debated in this body and elsewhere since the Congress convened.

One of the more eloquent statements on these terminations and cutbacks, and their effect on rural America, is contained in a column by Jerry Voorhis, a former Member of Congress and former president of the cooperative league.

Because of its eloquence and force, I ask unanimous consent that the column be inserted in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

The Human Side of the Market Place

(By Jerry Voorhis)

The Nixon Administration's program for American agriculture is now clear enough. It is—in a nutshell—the liquidation of the owner-operated farm and replacement with corporation agriculture.

During the Christmas holidays the program was announced.

No more soil conservation program.

No more water conservation program.

No more disaster loans to farmers suffering severe crop damage.

No more rural housing loans though more than half the sub-standard housing is in rural areas.

Drastic lowering of price supports.

Increased imports of farm products.

An 80 percent increase in interest rates on commodity loans.

And most cruel of all a repeal of the Rural Electrification Law and requirement that rural electric cooperatives pay interest rates of 5 percent instead of the lawful 2 percent on loans for REA.

This clever device will force many of the cooperatives to sell out to private power companies. It will increase costs of production for farmers and living costs for all rural people. It will increase food prices to consumers.

But the big private power companies will be pleased and greatly benefited.

Unless Congress asserts itself and stands up to the executive and reverses these disastrous proposals their effect will be virtually to repeal, by arbitrary executive order, the Rural Development Act, passed by the last Congress and signed by Mr. Nixon.

For what the Administration is proposing is to subvert the basic purpose of that act and to use it as a rural depopulation and depression act instead of a rural development act. The act was certainly not intended to *supplant* existing programs—rather to *supplement* them.

Mr. Nixon is trying exactly to reverse that Congressional intent.

The American pattern of Agriculture based on the principle that he who tills the soil shall own it has created the most efficient production unit known to man the owner-operated scientific farm.

That American pattern will be destroyed unless the purposes of the Administration are reversed by determined action of the Congress of the United States.

In our next column we will discuss an example of how, through their cooperatives, farmers and rural people can fight back effectively—in fact how they are doing so already.

IMPOUNDMENT OF FUNDS

Mr. SCOTT of Pennsylvania. Mr. President, last week a narrow majority of the Foreign Relations Committee approved language tying the President's authority to spend money on foreign assistance programs to the release of unspent domestic program funds. I was interested to note that even among those who question the President's authority to impound funds, there is the view that this is an inadvisable method of dealing with the issue.

An editorial published in the February 28 issue of the Baltimore Sun exemplifies this view and I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

No Way To Beat Impoundment

At the urging of Chairman Fulbright, the Senate Foreign Relations Committee has narrowly approved a measure that would forbid the President to spend money for foreign assistance as long as he was refusing to spend funds voted by Congress for domestic purposes. Senator Fulbright has said several times over the past few years that he questions the wisdom of spending overseas when problems at home are going unsolved.

We don't think this is the best way to go about trying to establish a balance between foreign and domestic obligations. For one thing, it probably won't work. The administration can just keep running foreign assistance programs under old laws until the new budget year begins. Even if the President should then acquiesce in the committee's demand, he could still impound funds. Two years ago when a similar situation arose, Mr. Nixon just timed things right, then released one year's impounded funds and immediately impounded more. We believe, as does Senator Fulbright, that a serious and dangerous problem lies at the heart of presidential impoundment used on a scale and for purposes such as those now involved. But we don't believe the Foreign Relations Committee's way to handle it is the best way. This is guerrilla warfare. Foreign aid deserves to be considered on its merits, as the domestic programs deserves to be on theirs. Provisional budgets (if A then B, but if C . . .) are no answer to anything.

SIOUX FALLS ATHLETIC DIRECTOR HONORED

Mr. McGOVERN. Mr. President, I am greatly pleased to note that a constituent of mine, Mr. Wallace M. Diehl of Sioux Falls, has just recently received one of the highest honors open to secondary school athletic directors.

Wally Diehl is one of the six athletic directors nationwide who will complete for "Athletic Director of the Year," a recognition program sponsored by the National Council of Secondary Athletic Directors and Schering Corp. He was chosen from among 30,000 members of his profession throughout the country.

This is a highly deserved honor for Wally Diehl, who continues as an outstanding leader in sports not only in Sioux Falls but throughout the State and the region.

Mr. President, I have a statement announcing this award and describing more of Mr. Diehl's fine record; and I ask unanimous consent that it be inserted at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Wallace M. Diehl, Sioux Falls, S. Dak., Chosen as Nominee for Athletic Award

Washington, D.C.—Wallace M. Diehl, athletic director of the Sioux Falls, S.D., public school system for the last 24 years and meet director of the Howard Wood Dakota relays for 25 years, has been chosen as a semifinalist for one of the highest awards in his profession.

He was selected as one of the six regional winners who will compete in the second annual "Athletic Director of the Year" award program on the secondary school level.

The program is co-sponsored by the National Council of Secondary School Athletic Directors (NCSSAD), with offices in Washington, D.C., and Schering Corporation, a pharmaceutical firm.

More than 30,000 secondary school athletic directors throughout the country were invited to submit applications.

Wally, who holds a B.A. degree and an M.S. degree from South Dakota State University, Brookings, S.D., and was a Lt. Colonel in the Air Force during World War II, will represent the central region of his association in the final selection on April 12 before an independent panel of judges who are nationally prominent in sports and education. The national award will be presented at the annual convention of the American Association of Health, Physical Education and Recreation (AAHPER) to be held in Minneapolis, April 13–17. NCSSAD is a division of AAHPER, an affiliate of the National Education Association.

Purpose of the awards is to give recognition to secondary school athletic directors, totaling more than 30,000, who exemplify the highest standards of their profession and who, through their influence on the lives of young people under their direction, have made significant contributions to their schools and communities.

LONG LIST OF APPLICANTS

Wally Diehl was selected from a long list of applicants in his region by a selection committee composed of: R. H. (Bud) White, Director of Athletics, Iowa City Community Schools, Iowa City, Ia.; Willis Jones, Athletic Director of Beatrice High School, Beatrice, Neb., and Lloyd Dobratz, Principal, Lincoln High School, Sioux Falls.

Wally Diehl, who, at present is athletic director of two high schools and four junior highs, is the driving force behind all athletics in Siuox Falls, which has a population of 80,000. Since it is South Dakota's largest city, it has the finest athletic facilities in the state and therefore is called upon to sponsor most of the large athletic events. Whether the school or the city sponsors the event Wally Diehl is always called upon to administer the program.

Writing to the judging committee, Mayor M. E. Schirmer of Sioux Falls said, "probably one of his major accomplishments has been the management and promotion of the State A. and B. Basketball Tournaments held in Sioux Falls for the last 10 years. Without question, there is no tournament that runs more efficiently, bearing in mind the interest of students primarily as well as the general public. During this time Wally has without a doubt supervised approximately 100,000 people, at one time or another."

MANAGES STATE TOURNAMENTS

This year marks Wally's ninth straight year as manager of both of South Dakota's high school basketball tournaments.

"These tournaments," wrote D. W. Evans, Executive Secretary of the High School Activities Association, "fall on successive three-day weekends and require a tremendous amount of planning, supervision and work. Wally oversees everything from the sale of tickets to the organization of half-time entertainment."

Track and field is where Mr. Diehl has made some of his finest contributions to sport in South Dakota.

As manager of the Howard Wood Dakota Relays, now in their 47th year, Wally Diehl has gained tremendous experience. Again he does the planning, organization and operation of the entire meet, now recognized second only to the outstanding Drake Relays. This year's meet has again attracted more than 1,500 athletes from a five state area representing 125–130 universities, colleges and high schools.

The meet was founded by Howard Wood in 1923 as the Dakota relays. Following his death, Mr. Wood's name was prefixed as part of the official name of the relays in memory of the man who served as coach of all sports and as athletic director of the Sioux Falls public school system from 1908 to 1949.

MANY NOTED ATHLETES TOOK PART

Through the years, fans who have attended the meets have seen the best performers from the surrounding area and many of the nation's top track and field starts. Names from the past include Joie Ray, famous sprinter from the University of Illinois; Major John L. Griffin, former Big Ten Commissioner; Frank McCormack, former Pacific Coast Commissioner; Jim Kelley, University of Minnesota and U.S. Track Coach, and two all-time South Dakota track greats, Joe Mendel of Onida and Weert Engelmann of South Dakota State University.

Wally Diehl was the first man from outside the National Association of Intercollegiate Athletics membership to be elected to the NAIA Hall of Fame in Track.

Wally also was the responsible administrator during the development of a beautiful multi-purpose city arena, a beautiful and functional combination football stadium and track, as well as numerous play and practice fields and gymnasiums for the city's junior high schools and elementary schools.

In addition to in-depth program for boys, Wally has developed and started a competitive program for girls. There are interscholastic teams in track, tennis, golf and gymnastics, plus intramural teams in basketball and volleyball. Part of the problem in launching this program is sufficient facilities; they were designed for boys, and obtaining funds to rectify this is one of his key objectives. "But we are underway," Wally said, "and that's what counts."

He has three married children—Mike, Peggy, and Beth—and six grandchildren, and resides with his wife, Medora, at 2213 South Hawthorne Avenue, Sioux Falls.

GHANA—16TH ANNIVERSARY

Mr. AIKEN. Mr. President, I am glad to call attention to the 16th anniversary of the creation of the country of Ghana.

I do so with full knowledge of the distinguished ancestry of the name, Ghana, which in ancient days applied to a large portion of West Africa.

However, like the Government of Ghana itself, we are looking at today's achievements and we are looking toward the future—rather than dwelling on the past.

In this connection, it is gratifying to learn that in 1972 it achieved a moderate surplus in its visible balance of trade.

This achievement, and it is a great achievement, has been brought about only through the remarkable exercise of national self-restraint and national cooperation.

The details of this achievement are set forth in a relatively brief information release issued by the Embassy of Ghana for the occasion.

I ask unanimous consent that the entire release be included in the RECORD at this point.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

GHANA IS 16 YEARS OLD: THE ACHIEVEMENTS OF THE NATIONAL REDEMPTION COUNCIL

Ghana, which is 16 years old today, has already experienced many vicissitudes. More than one eyar ago, Ghana had one of the worst balance of payments crises known to the developing world. We were up to our necks in inflation. Food was scarce and the prices were very prohibitive. Today, Ghana is on the way to achieving her first balance of payment surplus in many years. The country's visible balance of trade during 1972 showed a moderate surplus as against a deficit in 1971. We have succeeded at the same time in controlling inflation and our food production has shown a remarkable increase. We have done this from our own resources, without borrowing and adding to our external debt burden.

Our policy of self-reliance has paid off very well for not only have we been able to grow enough food for our people but we are also working hard to produce raw materials for our industries. From the results of "Operation Feed Yourself", we are moving forward to involve all the people in development through a new co-operative programme which will lead to the creation of co-operative societies. We are moving the principle of self-reliance to a new plane where the people will not only feed themselves but will work to change their entire living conditions.

We have launched a campaign to provide houses for the people and we are adapting our educational system to suit our development needs.

The students of our three universities without prompting, voluntarily decided on their own to assist in the harvesting of sugar cane and to plough the land to mark a new turning point in our history inspiring a nationwide determination to conquer the land and feed ourselves from its resources.

We recognise that the type of education imposed by colonialism has been detrimental to our interests. We have been brought up to hold white collar jobs in reverence and to look on manual labour with scorn. The result is that with our fertile land, abundant water and our proverbial sunshine, Ghana has been one of the greatest importers of food.

We are taking steps to correct this situation. The curricula of our educational systems, from primary to university, are being revised to reflect the needs of our society. The Government is taking steps to involve the institutions of higher learning in the practical problems of development.

The Agricultural Faculties of the University of Science and Technology and the University of Ghana have been asked to join the State Farms Corporation and the Agricultural Development Bank in a consortium to plan and implement a programme of oil palm development designed to make Ghana self-sufficient in oil palm production!

A similar consortium is to be promoted again by the two faculties, the Agricultural Development Bank and the Cattle Development Board to plan and execute a project to make Ghana self-sufficient in the production of cattle and meat preparations.

The Physical Planning and Architectural Departments of the University of Science and Technology have been requested to undertake project studies for the replanning and modernisation of our cities and the planning of new townships which will replace some of our villages.

Priority is being given to the training of Ghanaians for the high technical grades of the mining industry and for all the key sectors of our economy. This is to prevent the domination of our economy by powerful foreign interests.

In our world today, it is impossible for any single country to do it alone. The people and nations of the world must depend upon one another but this process of inter-dependence must be based on the new concept of partnership expressed in the form of joint ventures. Instead of seeking total ownership of major economic enterprises, we are asking foreign businessmen to think of joint ventures with our people so that the profits they earn may be jointly shared, partly for the development of the land and partly to reward the foreign entrepreneurs.

It is on the basis of this that the National Redemption Council has taken steps to acquire majority shareholding in our main extractive industries. Ghana already has such fruitful partnerships with a number of United States businesses.

This is a Government which in just over one year has shown practical understanding of our problems to evolve realistic plans to resuscitate our economy.

The National Redemption Council has recently been described by West Africa, a magazine published in Britain, as purposeful, energetic, honest, and worthy of every help from abroad. The magazine, in addition, has admitted that its earlier misgivings about the Council were wrong.

The people of Ghana through a determined effort of self-reliance and loyalty are making their country a much happier place to live in. We shall overcome.

Mr. AIKEN. Mr. President, we should highlight Ghana's policy of self-reliance in the field of agriculture, both because of the excellent results of what has been named "operation feed yourself," and because agricultural self-sufficiency surely must be generally regarded as the key to development efforts in almost all of Africa.

I am particularly impressed that the students of the country's three universities have volunteered to work on the land.

It is gratifying that these institutions of higher learning are developing programs which focus on this most essential field of agriculture.

I cannot let this occasion pass without congratulating the country of Ghana on its anniversary and without noting that it has given priority to the field of agriculture which it and its friends abroad regard as the key to a successful future.

POLL ON PRESIDENT'S ACTIONS TO HOLD DOWN GOVERNMENT SPENDING

Mr. SCOTT of Pennsylvania. Mr. President, an independent national telephone poll was recently conducted in which a majority of those polled supported the President's actions to hold down Government spending where to do otherwise would necessitate a tax increase. I ask unanimous consent that a summary of the poll results be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

NATIONAL TELEPHONE POLL: 1,200 RESPONDENTS

1. The President said that he will veto bills for government spending programs that would result in tax increases. Should Congress override these vetoes or sustain them?

Polling dates, Jan. 12–14, 1973:	
Override	31
Sustain	44
No opinion	25

2. The President said he will withhold spending of funds Congress has authorized if they would result in tax increases. Do you favor his withholding funds or do you favor his spending the money as Congress directs?

Polling dates, Jan. 12–14, 1973:	
Favor withholding	47
Favor spending	28
No opinion	25

3. In general, do you favor more government programs or do you favor keeping taxes down?

Polling dates, Jan. 12–14, 1973:	
Favor programs	13
Favor keeping taxes down	74
No opinion	12

CUTBACKS IN FEDERAL PROGRAMS

Mr. BIDEN. Mr. President, cutbacks in Federal programs, as proposed by the the present administration, could cause serious problems at the State and local levels.

The Delaware State News recently explored the potential effects on Delaware of the administration's proposed cutbacks.

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL CUTS POSE BIG PROBLEMS HERE

DOVER.—Model Cities and housing programs in New Castle County, anti-poverty agencies in Wilmington and Sussex County, agricultural subsidies and the Public Employment Programs in all three Delaware counties look to be the big losers as a result of President Nixon's proposed federal budget cuts.

The cutbacks in federal monies will also hit the Capital and Caesar Rodney school districts, fledgling sewer projects in eastern Sussex County, proposed construction of community mental health centers throughout the state, daycare services in Wilmington, farm conservation efforts everywhere and a $3 million rehabilitation project in Laurel.

Still reeling, meanwhile, is the state's Division of Vocational Rehabilitation. Although not specifically hit by the latest series of budget cuts, the state V-R program was crippled by Title IV-A cutbacks and a cut in funds under the federal Vocational Rehabilitation Act.

The futures of dozens of other programs that depend on federal funds to keep them going are in doubt, as administrators and government officials wait for definite word from Washington or watch for the possibility of Congressional action that might rescue them. (See accompanying story.)

If the President's proposals remain intact, however, a number of Delaware programs are in definite trouble.

MODEL CITIES

Word on the Model Cities program in Wilmington came last week. The government is giving the $1.7 million program only $330,000 to operate next year, as the administration continues its plan to merge Model Cities, along with urban renewal and neighborhood development programs, into block-grant revenue-sharing.

The Delaware Model Cities program, which was hit earlier by Title IV-A cutbacks, was in turn forced to withdraw commitments to drug clinics, housing programs and other projects.

ACTION AGENCIES

Also facing their demise are Community Action of Greater Wilmington, Inc. and the Sussex County Community Action Agency. The two anti-poverty programs, which operate under the wing of the doomed Office of Economic Opportunity (OEO), will probably be phased out by June 30 unless Congress comes to the rescue.

OEO officials estimate that about 165 workers in the $700,000 state program will lose their jobs.

AGRICULTURE

Agriculture subsidies in Delaware will also drop under the general presidential plan to cut about $1 billion from the stabilization monies paid to farmers not to grow wheat and corn. In Delaware the estimated $1.2 million in subsidy payments in 1972 could be cut to half that amount, although more farmers may sign up and bring the total amount back up.

To the average farmer receiving subsidy payments, the cut will translate to a drop from about $730 to $350, according to one official on the state's Agricultural Stabilization and Conservation committee.

PEP PROGRAM

The Public Employment Program, which provides paychecks for over 100 government workers in all three Delaware counties, is another one of the casualties. But administrators of the program say they are hopeful many of the displaced employes will be absorbed permanently into county and state jobs when the federal funding is completely cut off.

LAUREL PROJECT

The West Laurel rehabilitation project was to be undertaken under the Department of Housing and Urban Development's neighborhood development program. The first $500,000 installment of the $3 million project had been expected by town officials this month, but they got word instead the funds would not be granted.

MENTAL HEALTH

Community mental health centers in the state are also being hard hit. Title IV-A cuts curtailed the program somewhat last fall, and the Nixon budget proposals cut deeply into planned outpatient services and facilities for consultations and emergencies.

Although it's not completely clear yet, the centers planned by the state may have also been hurt by the phasing out of the Hill-Burton hospital construction act. $1.2 million in grant funds for the program in Delaware were jeopardized by the Nixon proposals.

HOUSING

The Housing situation, especially those in New Castle County, has been complicated by the federal moratorium on subsidized housing starts. Progress on five projects in the state has been halted for at least six months, and others are in danger if the moratorium continues after that.

In 1973, the impact of the HUD moratorium is estimated to involve 1,300 units of low- and moderate-income housing and a loss of some $26 million worth of construction. A temporary hold on water and sewer grant approvals has also held up housing production.

IMPACT FUNDS

Probably the most dramatic impact of the budget in the Dover area is the proposed elimination of PL 874 funds, or federal aid to "impact areas," where children of federal employes or military personnel attend schools in a district.

The two districts most affected by the proposed cut are Caesar Rodney and Capital, both of which serve students whose parents are in service at Dover Air Force Base. The two district superintendents estimated a loss of about $250,000 in federal aid.

Caesar Rodney Supt. F. Niel Postlethwait said his district could stand to lose about $140,000, or 24 per cent of the entire operating budget. Caesar Rodney serves over 800 children of uniformed military personnel.

Capital has approximately 730 military dependents and could lose between $100,000 and $125,000 in aid.

The purpose of PL 874 money is to counteract the effects of large federal institutions on local communities.

According to Postlethwait, the impact funds may not be cut entirely, but he expects at least some drastic reductions.

SEWER SYSTEMS

The proposed cutbacks could have its severest effect on the state's water pollution abatement program, particularly if Delaware is not allowed to follow its so-called phased funding construction system.

Delaware's sewer construction money was cut from $32 million to $13 million for fiscal 1973, although it appears the '74 funds will be about $16 million. The money came under the Clean Water Act of 1972.

If the state is allowed to fund sewer projects in phases, it can have its major sewage treatment plants (in Sussex and New Castle Counties) completed in time for the federal 1977 clean streams deadline.

But, said one official, if Delaware has to go on a priority system—as the federal Environmental Protection Agency is proposing—New Castle will get the priority because of population and more urgent need over Sussex's proposed system.

REAP

Also to be greatly affected—since the program was completely terminated last Christmas by President Nixon—is the Rural Environmental Assistance Program, (REAP) which in its original form was started during the Depression in the 1930's by Roosevelt administration.

The killing of the REAP program, though it only meant about $200,000 in federal money, will, nevertheless, greatly affect farm conservation efforts. These efforts included the planting of trees on clear-cut farm land, soil erosion conservation, man-made waterfowl ponds. Because of the wildlife aspects the REAP program is under the state Division of Fish and Wildlife.

Land and water conservation funds could take a considerable dive, from $1.7 million to only $476,000. Such severe cuts would greatly affect the state's acquisition of park areas and forests.

U. OF D.

Department of Agriculture cuts will affect the University of Delaware's Agricultural Experiment Station in Newark. Dr. William E. McDaniel, dean of the university's College of Agricultural Sciences, says the proposed 20 per cent cut in the station's federal grant money could "cut the program back considerably." He estimates the station will lose about $106,000 in federal funds.

SCHOOL FUNDS

The federal budget proposes many cuts in the Elementary and Secondary Education

Act of 1965, including some programs that would be entirely eliminated.

One of these is Title V of the act, which supplies aid to state departments of education. In the case of the Delaware Department of Public Instruction, almost one-half of the staff has all or part of their salaries paid for out of federal funds.

Aid to libraries would also be eliminated, in addition to funds for certain innovative programs.

Last year Delaware received $299,471 in Title V money.

REMARKABLE ACHIEVEMENTS IN FOREIGN RELATIONS MADE BY NIXON ADMINISTRATION

Mr. FANNIN. Mr. President, the Nixon administration has made remarkable achievements in foreign relations during the past 4 years.

The Vietnam war has been halted and our imprisoned servicemen are returning home.

A new era of negotiation with the Soviet Union and Red China has begun.

The United States has managed to keep other hotspots from flaring into warfare.

President Nixon has made these achievements despite the constant irrational sniping by radicals and dissident groups within the United States. These critics have been strangely silent during recent weeks as it has become apparent to the overwhelming majority of Americans that the President is delivering on his commitment to a generation of peace.

An excellent article discussing the President's achievements, and pointing out the consequences of what could have happened had the Nixon critics prevailed, was carried in the February 18, 1973, Los Angeles Times. This article was written by the Reverend Dr. John McLaughlin, who is a deputy special assistant and speech writer to President Nixon.

Mr. President, I believe President Nixon deserves our support and our admiration for the record of his administration. I request unanimous consent that this article be printed in the RECORD at this time so that my colleagues will have the opportunity to read it:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NIXON SPEECH WRITER LOOKS FORWARD TO AN "ERA OF NOBLE ACCOMPLISHMENT"

(By John McLaughlin)

A retrospective view of the war suggests that one of its unfortunate by-products was the spawning of a new elite that regarded itself as a kind of corporate Rosetta stone, empowered to pronounce on the morality of a given action as though by some special charisma.

One began to feel that in many instances the critics had veneered their preconceived political opinions with designations like "Christian" and "un-Christian" or "moral" and "immoral."

The greatest threat posed by the critics went beyond the Vietnam war. Potentially, the Nixon Doctrine, affecting the whole new foreign policy thrust of this nation, might have been torpedoed.

If the containment of North Vietnam had been successfully undermined, it is doubtful that the Nixon Doctrine would now be operational. This would mean that the extraordinary relaxation of tensions within the international community would never have taken life.

Look at these striking movements: Senior officials of North Korea and South Korea have met for the first time in 27 years to examine problems of unification.

The Indians and the Pakistanis, in the aftermath of their third war in a single generation, have entered into an agreement which provides for the withdrawal of military forces.

More astonishingly, Japan has met with its long-time adversary, China, replicating President Nixon's earlier contact. Thailand, another long-time rival of China, has also moved towards accommodation.

In the Middle East, a cease-fire engineered by the United States 30 months ago still remains in force despite the abhorrent Munich killings. Although prospects of early settlements are somewhat clouded, neither side has closed the door to diplomatic attempts.

East Germany and West Germany have signed a treaty that permitted over half a million West Germans last Christmas to visit their relatives on the other side of the Berlin Wall for the first time in seven years. West Germany and France have moved closer towards a common policy on European relations with the United States.

Greece, Turkey and Cyprus have begun to resolve their disputes. And it has recently been reported that signs exist that the border claims dispute between Russia and China may be somewhat easing.

"An irresistible trend," is the way Chinese Premier Chou En-lai describes the burgeoning international attitude. Peoples now seem determined, he observed, to "settle their mutual disputes reasonably."

Richard Nixon can take a lion's share of credit for this new diplomatic climate whose implications and ultimate effect on morality are ranging, profound and wholesome.

Not only does there exist almost a universal deemphasis on the use of force in the settling of disputes among nations, but international commerce, communication, transfer of ideas and personnel are being greatly augmented. This betterment redounds not only to improve economies and standards of living but to improve social conditions and humane values with their consequent impact on morality and the spirit.

President Nixon has often spoken about peace with honor. This means peace with responsibility, peace with justice, peace with morality. The morality that invests the settlement can be best understood, perhaps, if one reflects on the intolerable set of moral consequences that would have been unleashed had the President not persevered but chosen to exit abruptly from Vietnam.

Hostilities would have continued to rage, and South Vietnam almost certainly would have collapsed. The hope of political self-determination for South Vietnam, for which the blood and wealth of America has been so unstintingly expended, would have been crushed.

American POWs would probably have been held as ransom by Hanoi for fiscal "indemnifications," there being no pressure on the North Vietnamese for their release. The confidence of the free world nations would have been shaken by the severance of our involvement at the eleventh hour.

Laos would have gone under and Cambodia absorbed by a single Vietnam of 30 million riding the crest of exhilarated morale, having vanquished the most powerful nation on earth.

Estimates of the size of the ensuing Southeast Asian program vary from 500,000 to 1 million-plus persons.

Other political developments, fraught with odius moral consequences, would have involved other parts of Southeast Asia. A Communist insurgency in northeastern Thailand would have taken on fresh life from Communist successes in adjacent nations, and Thailand would probably have fallen. Likewise, Malaysian Communist guerrillas would have been reinforced and, at a minimum, Indonesia would have aligned itself with Peking.

In Latin America, anti-U.S. leftists might well have rallied, turning to Peking. A widespread resurgence of Chinese influence would have forced Russia, in turn, into a competitive response, endorsing and even instigating Communist expansionist penetrations.

One contingency seems beyond dispute: Had we cut-and-run in Vietnam, Richard Nixon would not have been able to transform the spirit of the international community into one of accommodation and compromise.

Rather, the United States would be trying to put out brush-fires of insurgency around the world or standing aside like a helpless giant as belligerence gathered. Containment of North Vietnam was the prerequisite for the Nixon Doctrine with its dynamic of negotiation, concession and compromise.

To have washed his hands of the most unpopular war this country has ever waged—an ugly legacy which had been passed on to him—would have been politically seductive to any U.S. President. It would also have been morally intolerable.

The President chose to face the lonely vigils, the wracking decisions, the roller-coaster emotional ups and downs, the outright anguish that inevitably attend the exercise of such immense responsibility. His prudence, his equilibrium, his conviction, his staying power was tested on a wheel of fire. And he held.

Meanwhile, the President's critics—with some self-important clergymen among them—were delivering themselves of shrill moral assertions. The Cambodian incursion was immoral. The bombing of the north was immoral.

The reality? The Cambodian incursion shortened the war. The mining and air strikes in the north ruptured the lifeline of the 12-division, panzerlike invasion of the south. The rainy season came and went with no flooding. Not a single dike had been breached by an American bomb. In December, the resumed bombing moved the stalemated Paris discussions off dead-center.

The moral justification for what the United States has done in this war from the beginning and throughout rests on the continued application of the principle of legitimate self-defense (of South Vietnam) by proportionate means. Not only is this principle recognized by moral theology but by international law.

The assistance we have offered to South Vietnam in its exercise of self-defense is analogous to that of a person who helps a victim resist criminal assault. In moral terms, the act is rendered the more honorable by reason of the nature of the good being protected. In this instance, it is the highest possible human good, even higher than life itself—human freedom and human justice.

Richard Nixon has terminated a war, gained a robust popular mandate, and lowered America's profile abroad, releasing that sense of responsibility within nations by which they will assume an appropriate share of the burden for their own well-being.

Now, if his critics will curb their hand-wringing and doom-saying and envy-tantrums—and give the peace a chance to work its healing—the President will be able to usher in a new era of benevolence, prosperity, civility and calm. It will be not only an era of good feeling, but an Era of Noble Accomplishment, at home and abroad—for the President and for all Americans.

SENATOR MUSKIE AGAINST SOVIET BLACKMAIL

Mr. RIBICOFF. Mr. President, a conference on United States-Soviet trade was recently held here in Washington. As one with a particular interest in this subject, I followed it with some interest.

Two statements in particular made at this conference are deserving of special mention—one for its positive content, the other, unfortunately, for its outrageous nature.

According to a news report in the Washington Post of February 28, Mr. Arbatov, identified in the article as a "leading Soviet official," said that congressional denial of most-favored-nation treatment to the Soviet Union would create a major obstacle to detente, which in turn would, "spur up anti-Semitic feelings in the United States."

I am outraged by this crude, heavy-handed threat delivered by a Russian official at a gathering of 800 American businessmen. Mr. Arbatov, who is head of the Soviet Institute for U.S. Studies, certainly has a great deal to learn about Americans and the U.S. Congress. Americans are not easily blackmailed—particularly at a time when Russia needs trade concessions and American technology because of serious Soviet economic failures. Instead, Mr. Arbatov should have listened carefully to the reasoned, eloquent statement of my colleague, Senator Muskie, who addressed the same meeting earlier that day.

Senator Muskie, one of the most thoughtful men in this body, described the current situation very accurately when he said that the Soviet leaders would be profoundly mistaken if they underestimated Americans feelings on the exit visa question. Senator Muskie stated that Americans properly perceive the exorbitant taxes on Jewish emigrants as being in violation of fundamental human rights and freedoms. He warned that should the Soviet Union continue to exact ransoms on those educated persons seeking to leave, most favored nation status is "seriously jeopardized."

I concur in his judgment; more than three-fourths of the Senate, and almost two-thirds of the House have already gone on record on this issue. These include Republicans and Democrats, conservatives and liberals, elected representatives from every region of the United States.

It is not the Congress of the United States, nor as Mr. Arbatov claimed, American Jews, who should be blamed for standing in the way of normalized relations between the two countries—but Mr. Arbatov himself, because of his attempt at intimidation and the discriminatory policies of his own government.

It remains to be seen whose view the participants of the United States-Soviet Trade Conference will follow—Mr. Arbatov's threats of anti-Semitism or Senator Muskie's sound analysis of the problem.

I have faith that Mr. Arbatov's twisted views will be repudiated by these businessmen, by all Americans, and ultimately by the Soviet Government itself, whose stake in improved trade relations with our country should convince it of the futility of its present course.

I ask unanimous consent that the text of Senator Muskie's remarks before the United States-Soviet Trade Conference be printed in the Record at this point along with the article in the Washington Post mentioned earlier.

There being no objection, the material was ordered to be printed in the Record, as follows:

Remarks of Senator Edmund S. Muskie, United States-Soviet Trade Conference

I want to thank the National Association of Manufacturers for asking me to participate in this historic conference. Ever since the late 1960's when I was Chairman of the Senate Subcommittee on International Finance, I have been particularly interested in the whole question of East-West trade. And I warmly welcome this opportunity to discuss the current state of American trading relations with the Soviet Union.

Happily, today's discussion—as well as this entire conference—takes place in an atmosphere different from that which existed during much of the postwar period. At times during that period, municipal ordinances have forbidden the sale of Soviet products, and dock workers have refused to handle goods bound for or coming from communist nations. I remember all too well the difficulties which President Kennedy encountered in trying to complete a wheat deal with the Soviet Union. I also recall the resistance within the U.S. Congress during the 1960's with respect to proposals to grant most-favored nation treatment to Eastern European countries.

Today there is strong support for expanded commercial relations with the Soviet Union. Trade between the two nations nearly tripled last year. The relaxation of old export controls and the creation of new credit arrangements have helped enormously to erode the artificial economic barriers that have long stood between us. And since last May's Summit meeting in Moscow, we have seen specific new bilateral accords on trade, grain, lend lease and maritime matters—the nuts and bolts of what we must hope are only first steps toward the substantial expansion of economic relations between two great countries.

On this planet, where a stubborn pursuit of self-sufficiency can only mean a future of stagnation, we must advance all the policies that bring two giant neighbors onto common ground. But we must be realistic about those obstacles that still exist between the goal of improved Soviet-American commercial relations and its realization.

And while I want to accentuate the positive aspects of this exchange, I must balance those considerations against two problems which are of concern to me and which would seriously damage Soviet-American trade. One problem—the treatment of Jews seeking to leave Russia—is already high on the Congressional agenda. The other issue—disruption of American transport facilities—is assuming new and potentially serious dimensions.

The first of these issues arises from the current Soviet policy of charging prohibitive fees to would-be emigrants. The Universal Declaration of Human Rights adopted by the United Nations over 24 years ago says specifically, in Article 13, Point 2: "Everyone has a right to leave any country, including his own, and to return to his country." That declaration is further confirmed in the international convention on the elimination of all forms of racial discrimination, ratified by the Supreme Soviet on January 22, 1969. Further, Article 129 of the "Principles of Civil Legislation of the U.S.S.R. and Union Republics" establishes that international agreements to which Russia is a party override any conflicting domestic legislation.

For more than two million Soviet Jews, however, those provisions of international and domestic law are dead letters. Despite substantial recent increases in the number of Jews allowed to emigrate, the Soviet Government is, in fact, barring the free departure of many professional, skilled Jews who seek to build new lives for themselves in Israel. To the extent that such a policy is continued, another high Moscow priority—most-favored Nation status for trade with America—is seriously jeopardized.

Soviet leaders would be profoundly mistaken if they under-estimated American feelings on the exit visa question. The concern is not limited to the American Jewish community. It is shared widely throughout our country, and its impact on Congress is heavy. Americans properly perceive the exorbitant taxes on Jewish emigrants from the Soviet Union as being in violation of fundamental human rights and freedoms.

That perception of the tax is the direct source of today's widespread objections to liberalizing trade arrangements with the Soviet Union. Until the head tax is eliminated, the objections will persist, and the Congress will respond to them.

In November of last year, the Joint Economic Committee of the U.S. Congress made a study trip to the Soviet Union. The avowed purpose of the trip was to discuss with Soviet leaders the problems and prospects of expanded East-West trade. In Moscow, members of the study group met with Premier Kosygin and Minister Patolichev. In its official report on the trip, which was issued barely two weeks ago, the Committee noted that Soviet leadership did not seem to sense the concern of the U.S. Congress on the matter of Soviet exit fees. If this is true, it is regrettable.

Earlier this month, Representative Wilbur Mills, Chairman of the Ways and Means Committee, and Representative Charles Vanik, a Member of that Committee, jointly introduced legislation, "The Freedom of Emigration Act of 1973." The bill is designed "to restrain trading privileges or 'Most-Favored Nation treatment' with any nation until that country ceases its discriminatory emigration policies." And in introducing this legislation, the Congressmen explicitly referred to current Soviet exit visa policy. The Mills-Vanik Bill now has over 260 co-sponsors and the list is growing longer daily.

In the Senate, eighteen of my colleagues are currently circulating a letter asking support for legislation with intent identical to the House's Mills-Vanik Bill. As many of you know, when similar legislation was introduced last year, it received my support and the bipartisan backing of 75 other Senators, or more than ¾ of the Membership.

Thus, the issue of Soviet exit visa policy is a matter of major concern to Congress and to the American people. And it would truly be a shame if Soviet persistence in this policy acted as a roadblock in the way of broadened commercial relations between the Soviet Union and the United States.

A second, quite different problem related to expanded Soviet-American trade is the potential disruption which such trade may cause for our domestic marketing capabilities. I am particularly concerned at present about the impact of the recent grain agreement on domestic shipping. Poultry and dairy farmers in my own region of New England are currently experiencing economically disastrous delays in receiving grains for their own use, as a result of a nationwide freight car shortage. The shortage, although not wholly or even largely due to the Russian grain shipments, is in part a consequence of such shipments.

I cite this disruption of normal domestic marketing patterns, not as any unusual consequence of foreign trade, but because of its potential political implications. In recent months, I have received countless letters and several visits from persons and companies who have urged me to do all I can to prevent further export ventures with the Soviet Union.

The Equal Export Opportunity Act of 1972 explicitly authorizes export controls to the extent necessary to protect the U.S. economy from an excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand. But there is no effective authority being exercised at this time to cushion the impact of abnormal foreign demand on our domestic market capabilities.

This is clearly a problem. And unless the American government better anticipates such potential dislocations in the future and prevents their occurrence, this problem, too, could become a formidable barrier to improved commercial relations between the Soviet Union and the United States.

I raise these two issues not to dampen enthusiasm for expanded Soviet-American trade. Indeed, I welcome such expansion. I have supported legislation to broaden East-West trade in the past and hope to support similar legislation in the future. However, I think we all gain by being aware of certain current problems surrounding Soviet-American economic relations. For only with awareness and understanding can the problems be overcome.

[From the Washington Post, Feb. 28, 1973]

ADMINISTRATION PUSHES SOVIET TRADING BREAK

(By Marilyn Berger)

Administration officials yesterday seized on a U.S.-Soviet trade conference to mobilize American business support for favorable tariff treatment for the Soviet Union.

The proposal, which President Nixon is pledged to make under the terms of the Soviet-American trade agreement, has run into heavy criticism on Capitol Hill. Bills have been introduced in both houses to withhold most-favored-nation tariff treatment from the Soviet Union until Moscow lifts the recently imposed exit fees that limit emigration of Soviet Jews.

A leading Soviet official, meanwhile, warned that a denial of "most-favored-nation" (MFN) treatment would create a major obstacle to detente which would in turn "spur up anti-Semitic feeling in the United States." The Jews, warned G. A. Arbatov, head of the Soviet Institute for U.S. Studies, would be blamed for standing in the way of normalized relations between two countries.

Arbatov also warned that Moscow would look elsewhere for trading partners if MFN treatment were not forthcoming. U.S. officials note that such treatment—which would allow Soviet goods to enter the United States at whatever the lowest tariff rates are for similar imports from other nations—would not have a significant financial effect, but Moscow demands it for its symbolic value.

Granting of MFN treatment is linked to payments of the Soviets' lend-lease debt. Unless equal tariff treatment is forthcoming, the Russians would be absolved from lend-lease payments under the arrangements negotiated.

William Casey, under secretary of state for economic affairs, told the 800 businessmen attending the conference at the Shoreham Hotel: "We hope no unusual delays will threaten the implementation of this (Soviet-American trade) agreement" implicitly urging them to lobby their congressmen to oppose any bill that would deny MFN treatment to the Soviet Union. He said the agreement would provide "modest but welcome benefits for the balance of payments," that it would be job-creating" and that it would set commercial relations on a fresh and positive course."

Casey said that failure to implement the MFN provisions of the trade bill "would be seriously detrimental to the whole design."

Presidential aide Peter M. Flanigan raised the spectre of foreign competition for Soviet purchases. During his luncheon address he told the businessmen: "We need your help and the help of Congress and the public at large if we're going to score as well as our competitors." Noting the opposition to MFN because of the exit fees, he said: "We feel strongly that a solution to this problem . . . can best be found through diplomacy."

Casey and Flanigan were stating the administration position that is being urged directly upon congressmen. The trade bill has not yet been sent up to the Hill, but U.S. officials indicate that MFN treatment for the Soviet Union will be included in the overall legislation in which the President is seeking authority to negotiate tariffs with all countries.

Arbatov suggested that the exit fees were being used as a "pretext" to prevent passage of MFN by those who oppose detente generally. He added that if Jews were to be exempted from paying the fees there would be a revival of the anti-Semitism in the Soviet Union that had existed in Czarist days. He added that Soviet citizens might not approve of the treatment of Negroes in the United States, but that Moscow refrained from saying anything about it.

HIGHLIGHTS OF ACTIVITIES OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. GOLDWATER. Mr. President, 1972 was by far the most successful and outstanding year enjoyed by the United States in its activities in space and aeronautics.

So that my colleagues and others who read the RECORD might know just what we did during that year, I ask unanimous consent that the "Highlights of 1972 Activities" of NASA be inserted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION HIGHLIGHTS OF 1972 ACTIVITIES

Manned spaceflight

Early in January, President Nixon recommended, and the Congress approved, proceeding with the development of the Space Shuttle—a reusable manned space vehicle which will be used for a wide variety of space missions in earth orbit. The Space Shuttle will be launched as a rocket and landed as an airplane.

The Shuttle will operate from Kennedy Space Center in Florida and Vandenberg Air Force Base in California. North American Rockwell Corporation's Space Division, Downey, California, was selected as the prime contractor.

With the return to earth of Apollo 17 on December 19, the United States completed the last, longest, and most successful of seven lunar landings.

Apollo 17 records included:

Longest manned lunar landing flight; 301 hours, 51 minutes.

Largest lunar sample return: An estimated 115 kilograms (249 pounds).

Longest total extravehicular activity time: 23 hours, 12 minutes.

Longest time in lunar orbit; 147 hours, 48 minutes.

Apollo 17 was launched at 12:33 a.m. December 7. It was manned by Eugene A. Cernan, Commander; Ronald E. Evans, Command Module Pilot; and, Harrison H. Schmitt, Lunar Module Pilot.

The fifth manned lunar landing, Apollo 16, took place April 19. After liftoff from Cape Kennedy April 16, John Young, Commander, and Charles Duke, Lunar Module Pilot, spent nearly three days exploring the Descartes highlands region of the moon while Ken Mattingly, Command Module Pilot, orbited the moon operating a complex array of scientific instruments and two lunar mapping cameras. Appollo 16 splashed down in the Pacific Ocean April 27.

During his visit to Russia in May, President Nixon signed an agreement with Chairman Kosygin of the USSR to conduct an earth orbital rendezvous and docking of a U.S. spacecraft with a Russian spacecraft. In July 1975, a U.S. Apollo spacecraft will link up with a Soviet Soyuz spacecraft and while docked together, astronauts and cosmonauts will visit both spacecraft and perform a number of scientific tasks. A major purpose of the Apollo Soyuz Test Project (ASTP) is to develop a rescue capability by demonstrating systems that will permit the docking in orbit of any future manned spacecraft of either nation.

For Skylab, the nation's first space station, 1972 was the year when it all began coming together. The three flight crews and two backup crews were named in January and promptly began an intensive year of training.

The hardware elements—spacecraft components and equipment for conducting scientific, technical and biomedical investigations—were built and tested in many parts of the country and then shipped to Florida for final assembly and testing.

Back-to-back 1973 launches, planned for May 14 and 15, will get Skylab started on an eight-month operational period during which the spacecraft cluster will be visited three times for periods of up to 56 days by three-man crews who will conduct a wide range of experiments in earth resources, solar astronomy, medical and other fields.

The manned orbital research facility will have features that cannot be found on earth: zero-gravity; a broad view of the earth's surface features; a capability for examining the sun and stars from outside the earth's dense and hampering atmosphere.

Space science

Mariner 9 was put into orbit around Mars late in 1971. The windmill-shaped, solar-powered spacecraft circled the planet 698 times in 349 days and before being shut down on October 27, completely mapped the bleak Martian surface.

As the spacecraft's TV cameras watched the seasons change below, its scientific instruments returned a wealth of data that has revised all previous concepts of Mars.

Among Mariner 9's major observations were:

A geologically active planet with volcanic mountains larger than any on earth;

An equatorial crevasse three to four times deeper than the Grand Canyon;

Indications that free-flowing water may have once existed on Mars;

The evolution of an monumental dust storm that raged to an altitude of 50 to 60 kilometers (30 to 35 miles), cooling the surface and warming the atmosphere—a measurement of great value to scientists who have long been trying to calculate the effect of increasing pollution on earth's global climate.

Mariner 9's findings laid the groundwork for America's next venture to Mars, the Viking expedition in 1975–76 which will search for evidence of life on the planet.

Meantime, a new era in space exploration opened March 2 with the launch of Pioneer 10 toward Jupiter on man's first probe of the giant outer planets.

Pioneer 10 is the first spacecraft to fly beyond the orbit of Mars, the first to penetrate the Asteroid Belt, the first intended to look closeup at Jupiter, a thousand times as big as earth, and the first destined to escape the solar system.

As the year ended, Pioneer 10 had passed safely three-fourths of the way through the Asteroid Belt but still had a quarter of a billion miles to fly before training its camera on Jupiter's colorful bands and roving Great Red Spot in December of 1973. From that distance its radio signal will take 45 minutes to reach earth.

The heaviest and most complex of U.S. space observatory, named for the Polish astronomer Copernicus, was launched on August 21 and began studying ultraviolet and X-ray sources in the heavens with a clarity never before possible. So precise is the pointing accuracy that Copernicus could hold its telescope, the largest ever placed in space, on an object smaller than a basketball if seen at a distance of 650 kilometers (400 miles).

Two other U.S. scientific satellites were launched during 1972: Explorer 47, designed to study earth-sun interactions from an orbit reaching half way to the moon; and Explorer 48, which surveyed the sky for gamma ray sources. Explorer 48, launched for NASA by an Italian crew from a platform in the Indian Ocean, was the 26th success in a row for the NASA Scout rocket, a new record for the U.S. space program. In addition, NASA launched four scientific satellites for, or in cooperation with, European organizations.

Two dozen scientific spacecraft orbited in earlier years continued to return miles of tape-recorded data on the solar system and the universe beyond. Ten of them, plus far-off Pioneer 10, teamed up to observe great solar storms in August, giving early warning of the disruption and detecting the first evidence of nuclear reactions on the surface of the sun.

Applications

On July 23 a major step was taken toward the establishment of a comprehensive information base about the earth's resources and its surface environment with the launch of the first Earth Resources Technology Satellite (ERTS–1).

The 891-kilogram (1,965-pound) satellite was placed into a 920-kilometer (570-mile) orbit by a Delta launch vehicle from the Western Test Range (WTR), California, and began returning excellent pictures of the earth's surface July 25.

The main purpose of this first mission is to demonstrate the usefulness of remote sensing of conditions on the earth's surface and environment on a global scale and on a repetitive basis. It is expected that data from ERTS–1 will contribute importantly to the fields of agriculture, forestry, geology, geography (land use management), hydrology, pollution control, oceanography, meteorology and ecology.

Two weather satellites were launched on Delta rockets from WTR: National Oceanic and Atmospheric Administration-2 (NOAA–2) and NASA's Nimbus-5.

NOAA–2 is an operational meteorological satellite launched by NASA October 15 for the NOAA as part of that Agency's operational weather satellite system. Nimbus, launched December 11, is a research and development satellite carrying three new experiments along with three improved experiments similar to those carried in earlier satellites. One experiment involves, for the first time, taking vertical temperature measurements through the clouds down to the surface of the earth.

Two commercial communications satellites in the INTELSAT IV series were launched January 22 and June 13 for the Communications Satellite Corporation aboard NASA's Atlas Centaur launch vehicle to become part of the global communications satellite network.

In addition, a small communications relay satellite, Oscar-6, was carried into orbit aboard the NOAA-2 launch vehicle for the Radio Amateur Satellite Corporation. It is being used by ham radio operators around the world. And the first in a new series of Canadian domestic communications satellites, TELESAT–A of "Anik" (Eskimo for brother), was launched by NASA on a Delta rocket. Both the Intelsats and the Canadian satellite were launched from Kennedy Space Center, Florida.

Aeronautical research and technology

Major thrusts of NASA's areonautical research and technology efforts were keyed to jet engine noise abatement and the reduction of airway and airport congestion.

Significant progress has been achieved in programs to develop technology for a quiet jet engine, to develop designs for quieting U.S. commercial jetliners flying the nation's airways today, and to develop quieter aircraft takeoff and landing procedures.

Programs for control of jet engine exhaust emissions have demonstrated techniques for achieving significant reductions in pollutants.

Additional progress was achieved in composite materials research avionics, aerodynamics (including the supercritical and antisymetrical wings), electronic flight control systems, general aviation safety, supersonic and hypersonic research, and in basic research in materials and structures.

Technology utilization

NASA continued to distribute information about benefits from aerospace technology to both the private and public sectors of the national economy at an ever-increasing rate during 1972.

Noteworthy during the year was accelerated use in such fields as medicine, nondestructive testing, and engineering design. Many other fields and disciplines used NASA services in creating new commercial products, and improving others.

A compact, fully automatic gas analyzer now on the commercial market offers prompt information on respiratory and metabolic functions. It can be used in hospital intensive care units and by anesthesiologists.

Ultra-clean laminar air-flow techniques developed by NASA for assembling spacecraft are helping surgeons prevent infections in hospital operating rooms. The number of these special clean room surgeries has risen from less than 50 a year ago to nearly 200 today.

Devices such as eye-operated switches have been used in a Huntsville, Alabama, hospital to test various applications of NASA-developed technology to aid quadriplegics.

Immobile patients are able to do such things as open and close doors and windows, control room temperatures, change radio and TV stations, adjust the position of their beds, and signal the nurse.

Nondestructive testing techniques developed by NASA are gaining widespread industrial use. A good example is a rapid-scan infrared tire tester being used daily by a major U.S. tire manufacturer.

NASTRAN, a computer program designed by NASA to analyze the behavior of structures under stress, is now a design tool familiar to more than 600 American engineers outside the space agency. More than 70 industrial firms, universities, laboratories and Government agencies are using it to solve their structural engineering problems.

For example, front suspension and steering linkages in a line of American cars and light trucks are now being designed with NASTRAN assistance. NASTRAN analysis can also be applied in the construction of bridges, power plants, skyscrapers, and airplanes.

Increasingly items of fireproof or fire protective clothing and fire-retardant or fire-resistant building materials appeared on the commercial market, spurred by NASA research.

NASA has developed several fire retardant or nonflammable foams, paints, fabrics, and glass fiber laminates. The International Association of Firefighters recently asked NASA to develop protective suits from new materials first developed for the space program.

New, successful lines of high-energy batteries appeared on the commercial market during 1972, providing sure, fast starts for portable power tools and sports equipment, thanks to battery technology originally developed by NASA.

These new products include both lead-acid and nickel-cadmium batteries capable of being recharged 90 to 100 times faster than existing batteries. Most commercial batteries required 14 to 16 hours for full recharge. All of the new batteries can be recharged in 15 to 20 minutes without damage to the cells and some nickel-cadmium units can be recharged in as little as 6 minutes.

A heat pin, developed jointly by NASA and the Atomic Energy Commission, found increasing use during 1972 in products for industrial and household markets. The heat pin, first used in NASA spacecraft and in cooling nuclear reactors can transport heat at about 500 times the rate possible with the best solid conductors. It is being used to speed the cooking of roasts, to recover heat lost in furnace flues and to cool the oil in motorcycles.

Paper-thin flat conductors, an adaptation of space technology, are now being marketed commercially. The adhesive-backed flat cables and switches are applied on walls, ceilings and floors with no need for costly installation inside walls or ceilings. They are readily concealed by paint, wallpaper, tile or carpeting.

International affairs

The principal events affecting the NASA international program in 1972 were the May 24 US/USSR Agreement Concerning Cooperation in the Exploration and Use of Outer Space and the European decision to proceed with system definition studies of a Sortie Laboratory for use with the Space Shuttle.

In other areas of cooperative international activity, 1972 was marked by satellite and probe launchings, foreign participation in approved NASA missions, the issuance of nineteen Announcements of Flight Opportunities (AFO's) inviting foreign participation, continued and expanded activity in the earth resources and lunar sample programs, two new agreements completed in support of Project Skylab, and tracking and data acquisition assistance between NASA and certain foreign space activities.

Launch record

The year 1972 was the first in NASA's history in which all of NASA's launches and missions were successful. The 1972 record of eighteen successful launches includes two Saturn Vs, four Atlas-Centaurs, seven Deltas and five Scouts. Eight each were launched from Cape Kennedy and the Western Test Range and one each from Wallops Station, Virginia, and the San Marco platform off the coast of Kenya, Africa.

NASA's Scout rocket, a 100-foot high, all solid-propellant rocket, currently has 28 straight successful launches, a record for the space program. Overall, Scout has an 89 percent success record out of 55 launches while the workhorse Delta rocket has 91 percent successes out of 93 launches.

More than 80 sounding rockets also were launched by NASA in 1972 on a variety of scientific and meteorological missions.

Summary

In 1972, some programs came to close with their initial goals reached or surpassed, while newer programs were being developed with a confidence based on successful past performance. In 1972, NASA-developed technology and systems found increasingly wider use in both the private and public sectors of the national and international economy. In summary, 1972 was a year marked by solid accomplishment both in flight programs and in supporting research and technology.

AVAILABILITY OF THE INDEX TO THE DAILY CONGRESSIONAL RECORD

Mr. HUMPHREY. Mr. President, I am one of those who believes that, despite its limited circulation, the CONGRESSIONAL RECORD is an extremely useful research and public information document.

I try to use the few subscriptions available for assignment by me for the benefit of libraries and others who engage in research.

I wonder if Senators and subscribers are aware that the "CONGRESSIONAL RECORD Index" which appears bimonthly is not automatically sent to subscribers of the daily CONGRESSIONAL RECORD?

An experienced Washington lobbyist recently commented to a member of my staff how unfortunate it was not to have an index to the CONGRESSIONAL RECORD until the annual one comes out in the middle of the following year. Much to our surprise, he did not know about the biweekly CONGRESSIONAL RECORD Index.

Mr. President, I mention this small matter because new Senators may not be aware that the CONGRESSIONAL RECORD Index is not sent to the subscribers they have placed on the list to receive the CONGRESSIONAL RECORD unless this specifically is requested. Moreover, there may be some readers of the CONGRESSIONAL RECORD who would like to request that the Index be sent to them. My staff periodically reviews our list to be sure that libraries in particular are receiving the bimonthly Index.

NIGERIAN PROGRESS SINCE THE CIVIL WAR

Mr. PERCY. Mr. President, on January 21, 1971, I reported to the Senate on my visit to Nigeria the previous fall, and expressed the hope that this war-torn land could achieve its goals of national reconstruction and reintegration, and a return to civilian leadership. I have been heartened by press reports in the 2 years since then, which indicate that Nigeria has made important strides forward in achieving national unity and reconciliation, and that its economy is booming. While there remain many problems to solve, including corruption and continuing tribal rivalries—and the first step toward a return to civilian rule is still ahead—I am encouraged by the progress already achieved.

Mr. President, I ask unanimous consent that an article which appeared in the Washington Post on January 13 on Nigeria since the end of the civil war be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NIGERIAN BOOM BEING FUELED BY AN OIL BONANZA

(By Larry Heinzerling)

LAGOS, NIGERIA.—The defiant, tortured land that called itself the republic of Biafra collapsed just three years ago.

The war-weary secessionist state, reeling from shell shock, mass hunger and destruction, could fight no more.

The surrender marked the end of 30 months of civil war, the worst conflagration in Africa since colonial flags began coming down. Estimates of the dead ranged from 1 million to 2 million.

Nigeria, a bustling, culturally diverse nation, let the anniversary on Friday of Biafra's defeat pass with little if any public comment.

The military government, riding a booming oil economy, is too busy planning a bright future for a "new Nigeria." Oil has made possible a breathtaking recovery in the war-ravaged east, and a national policy of reconciliation has eased the post-war transition.

Foreign policy has focused in recent months on the creation of a West African economic community, with Lagos as its hub. Nigeria's military ruler, Gen. Yakubu Gowon, aims to make this nation of 60 million the undisputed leader of black Africa.

The Olympic-style all-Africa sports extravaganza now under way reflects Nigeria's yearning to be the center of attraction.

Oil production, reduced to a trickle during the war, has soared to almost 2 million barrels a day. Oil income this year is expected to reach $51.5 billion, an economic bonanza for a developing nation emerging from civil war. Nigeria now ranks sixth among petroleum exporters.

But the great strides forward have not eliminated a variety of potentially explosive problems.

Corruption infects all levels of government. This is a chronic problem in Africa, because demand for everything outstrips supply. One of the largest consumers is the standing army of 250,000, the largest in black Africa.

The gap is widening between the new urban elite and the rural masses, a trend also visible in other African countries. Mass unemployment, poor agricultural production, squalid public health facilities and rising crime are other irritants.

Tribal or ethnic rivalry remains a persistent source of potential trouble despite the crushing of the Ibos in Biafra. Three major groups—the Ibos, Hausas and Yorubas—are squabbling over how to cut the national cake.

Gowon has staked his reputation on a policy of national unity and reconciliation. There have been no war trials, no executions or other reprisals, and no reparations demanded.

In what was once Biafra, businesses now are opening, the once-empty market stalls are overflowing and construction everywhere is replacing the rubble. Unemployment and a serious lack of capital are hindering full recovery, however.

The starving babies of Biafra are no more. The energetic Ibos are crisscrossing the country again, drumming up business.

In Lagos, the federal capital, night clubs flourish again. A new freeway system is in operation, skyscrapers are going up, and the stores are glutted with imported goods from Japanese television sets to French wines. The country is building a new highway system and constructing 16 airports, with a $74-million expansion at Lagos.

A decree to take effect next year will reserve to Nigerians a variety of businesses now owned and operated by foreigners. The government is seeking greater participation in the oil business, currently dominated by foreign oil concerns, and foreign-run banks.

A census scheduled for November is to be the first step toward a return to civilian rule, which Gowon has promised by 1976.

A debate is already under way over what form of government should replace the military. Whether Gowon, who is 38, is considering taking off his uniform to run for election in civilian dress is not clear. Unlike many African leaders who frequently visit London or Paris, he keeps to the African circuit, making new friends and spreading influence. African diplomats from other countries flock to Nigeria, reflecting Nigeria's growing political leadership.

DANGEROUS COSMETICS

Mr. EAGLETON. Mr. President, on February 15 I introduced S. 863, the Cosmetic Safety Act of 1973. This bill embodies a number of long overdue changes in the Federal Food, Drug, and Cosmetic Act of 1938.

Title I of the Cosmetic Safety Act calls for mandatory ingredient and warning labeling of cosmetic products, as well as the elimination of the longstanding exemptions from the law for soaps and coal-tar hair dyes. Title II sets forth a new procedure for pre-market testing of cosmetic products. Title III calls for mandatory registration of cosmetics establishments, submission of statements of composition for each product, and submission of complaint letters from consumers on a regular basis to the Food and Drug Administration.

On February 25 an article appeared in the Sunday Sun, Baltimore, Md., entitled "Caution: Ingredients in Cosmetics May Be Hazardous to Your Health." This article by Patricia Kavanaugh discusses several cases which give support to my view we need a much tougher law for the regulation of cosmetics.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAUTION: INGREDIENTS IN COSMETICS MAY BE HAZARDOUS TO YOUR HEALTH

(By Patricia Kavanaugh)

Pick up a jar of cold cream, a bottle of mouthwash, or a can of shaving cream, and look at the label. If the ingredients are listed, it's probably a drug. If they aren't, it's a cosmetic.

Everyone uses cosmetics, although most people equate them with make-up. In fact, the legal definition embraces anything that is "applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness or altering the appearance," which includes baby powder, shampoo, suntan oil, wigs and deodorants. If a manufacturer claims, on the other hand, that a product will cure a disease or affect the structure or function of the body, his concoction is a drug, and is subject to federal regulation.

In a move that consumer advocates hope will be a first step toward stiffer treatment of the $6 billion-a-year industry, the Food and Drug Administration has proposed mandatory labeling of ingredients. A petition by Joseph A. Page, Georgetown University law professor, and the Consumer Federation of America, requiring the disclosure of cosmetic ingredients on product labels, was published in the Federal Register February 7. After a two-month public comment period, a final regulation will be issued, to become effective after 90 days.

INEQUITIES CITED

The inequities of current regulations are illustrated by two products of the Purex Corporation. Sweetheart soap is a cosmetic, while Cuticura, whose label carries medical claims, is a drug. Cuticura contains 0.325 per cent TBS (tribromosalicylanilide), for which a new drug application was submitted to FDA. At the same time, Sweetheart soap contains 0.6 per cent TBS, almost twice the amount in Cuticura. But because manufacturers do not make medical claims for Sweetheart, it need not be labeled for TBS, nor approved as safe by FDA.

While industry spokesmen have argued traditionally that disclosure of ingredients would force them to reveal trade secrets to competitors, Professor Page noted, "With modern technology, any chemist can break down a competitor's product." The proposed regulation contains a provision for exemption of demonstrated trade secrets. Colors, flavors, and fragrances need not be identified further. Even with these loopholes, ingredient labeling will reveal an unknown number of drugs, such as TBS, used in cosmetics without FDA's—or the consumer's—knowledge.

About 60,000 people each year are disabled for at least a day or seek medical help for injuries caused by cosmetics, but FDA can seize a product only if it is misbranded, unsanitary, or proven poisonous by serious or widespread reaction.

FDA examines some 400 of about 1,300 known cosmetics establishments annually, inspecting for sanitary manufacture and packaging, and testing random samples of shipments for pathogenic bacteria. Based on FDA discoveries of contamination in 1972, shipments of 12 products were recalled voluntarily by manufacturers.

Tests conducted by Dr. Louis A. Wilson of the Medical College of Georgia revealed that 9 per cent of new eye make-up is contaminated at the time of sale. Dr. Wilson ascribes this bacteria to "sloppy control at the factory," and noted that, unlike eye medication, make-up need not be sterile when sold.

In a related study he concluded that "well over half of used eye make-up samples were contaminated. Most of these bacteria are on our skin surfaces," the doctor commented, "but when they get into used make-up and grow, 2 organisms can become 2 million." The bacteria become dangerous if the eye is scratched by a make-up applicator. Of five such cases, resulting in ulcerated corneas, treated at the Medical College of Georgia, three patients sustained visual damage.

Staphylococcus inflammation can occur as well, resulting in granulated eyelids, repeated sties, and loss of eyelashes. To minimize the dangers of eye make-up, Dr. Wilson cautioned users against sharing eye preparations, or moistening the cosmetic with saliva, and he recommended that consumers replace eye cosmetics quarterly, since the chances of contamination increase with the age of a product.

Allergic reactions to cosmetics frequently show up around the eyes, even though the allergy may be to a preparation used on another part of the body. Seventy-eight per cent of all reactions to nail polish, for example, show up in the eye area.

DIFFICULT TO DETECT

Perfume is frequently implicated in cases of dermatitis or photosensitivity. Since virtually every cosmetic from shaving cream to lipstick is perfumed, it is almost impossible to detect the offender. Hypo-allergenic cosmetics, a booming $50 million-a-year business, are generally fragrance-free, although a user can react to other allergens in the products. There is no regulated standard for hypo-allergenics.

Sometimes a person will become allergic to a product after years of use. This allergy may be due to a change in formula under the same label, with a new ingredient causing the trouble. Or the reaction may be due to sensitization, in which the body builds up an allergy through repeated use. Such was the case of a 70-year-old barber who, after 40 years of applying hair tonic to his customers, developed debilitating inflammation of his hands.

Sensitization can be acute with coal-tar dyes, responsible for blindness and even death in women who used them to dye their eyelashes or eyebrows. Since 1938 manufacturers of hair colors have been required to label products with a warning against use near the eyes and to specify a patch test to be taken 24 hours before applying the dye. Since 5 of 8 people who are allergic will react only with repeated applications, the test must be performed each time.

Beauty operators are often lax even with the first-time patch test. Of five local salons telephoned for an appointment for hair color, none told the customer to come in for a patch test, even though the caller said she had never used hair dye. When the customer asked if she should have a patch test, three operators asked her to come in the day before the scheduled appointment. A spokeswoman for a fourth establishment offered to give the test when the customer arrived, and the fifth person said that a test was "usually not necessary."

Dr. Raymond C. V. Robinson, assistant professor of dermatology at Johns Hopkins, said, "I don't think the average person is qualified to patch test themselves, and it happens that many beauty salons don't bother with the patch test. Most are sensible enough to carry insurance, but when they have patients who react, many try to treat the patient themselves, which is practicing medicine without a license."

MISUSED AT TIMES

Cosmetic injuries can result from misuse by children or adults. Karen Collins, assistant director of the Maryland Poison Information Center, said, "So many mothers are very aware of other poisons in the household and keep them locked up, but it's never dawned on them that a cosmetic could be dangerous."

Mrs. Collins said the center answers at least one call a day from parents whose children have swallowed perfume or make-up. Intoxication and hypoglycemia are possible effects of drinking cologne or perfume, and "G.I" symptoms can result from eating powder or other make-up, according to Mrs. Collins. Although hospitalization is not usually required, vomiting should be induced and if the child has swallowed more than two or three ounces of cologne, a blood-sugar or blood-alcohol test is sometimes recommended.

INADEQUATE INSTRUCTION

Adults often ignore instruction on product labels, and sometimes labels fail to include adequate instructions or warnings. Female deodorant sprays, designed for use in the external genital area, are the source of controversy because of the high number of complaints. Penetration of the vaginal tissue can cause severe rashes, burning, and swelling, but the labels of ten products on the shelves of Baltimore stores carried the typical legend, "designed expressly for the external vaginal area" as a description, not as part of instructions or warnings.

Three products bore the warning "do not overspray," and only one instructed the customer to "discontinue if rash or irritation develops." None warned against spraying tampons before use, or against use immediately before intercourse, a practice which can cause irritation of both partners.

Opponents of the female sprays feel that the contents themselves are dangerous. If sprayed too close to the body, contents can enter the vagina or propellants can freeze mucous membranes. Perfumes can cause irritation, or worse in the eyes of doctors, mask an infection of which malodor is a symptom.

FDA has not moved to reclassify the sprays as drugs, although Dr. Robert Schaffner, director of the Office of Product Technology in the Bureau of Foods, noted that hexachlorophene, once used in many of the sprays, is no longer allowed even as preservative in products to be used on mucous membranes. Nonetheless, two products in a Baltimore drug store bear the label, "Contains Hexachlorophene."

CONSUMER COMPLAINTS

Warner-Lambert, manufacturer of Pristeen, and Alberto-Culver, manufacturer of FDS, admitted to receiving 6 complaints per million units sold in 1971. The level of consumer complaints is cited by foes of the deodorant sprays. One complainant reported a burned hand. Another woman was hospitalized after using a spray for swelling so severe she could not walk.

Asked if a particular level of complaints will motivate FDA to investigate a product, Dr. Schaffner said, "While it's not a hard and fast rule, where we do have information, we will take notice if complaints exceed 6 to 8 per million units sold."

One of FDA's problems is that it is unusual for a cosmetics company to release information on complaints, since they are not required by law to do so. A proposed standard for voluntary filing of complaints, the third stage of a voluntary program of cooperation with FDA, was published in the *Federal Register* last November.

BIG FIRMS REGISTER

The tripartite program, launched last year, involves registration of establishments with FDA, followed by listing of product ingredients and finally, reporting of "cosmetic product experiences" for the purpose of identifying offending ingredients.

Dr. Richard J. Sykes, a cosmetics specialist associated with Ralph Nader, noted, "On the whole the voluntary program is working well, but with major holes. All the big, well-known companies have registered, but many small companies, who account for about 20 percent of production but who normally would take less notice of FDA, haven't registered."

Meanwhile get-tough advocates have proposed legislation to give FDA increased authority over cosmetics. Congresswoman Leonor K. Sullivan, of Missouri, once nearly blinded herself by coal-tar dye, has introduced an omnibus FDA reform law including pre-market clearance of cosmetics similar to existing new drug laws and removal of the exemption of coal-tar dyes and soap from cosmetic regulations. Senator Thomas Eagleton of Missouri has introduced a bill requiring ingredient labeling, warning labeling, and pre-market testing for safety. His bill would also make mandatory the registration with FDA of manufacturers and packagers, their cosmetic product formulas, and records of consumer compaints.

Pre-market testing is a point of contention since manufacturers claim to pretest all products. Critics say that the tests are inadequate, FDS, for example, was tested for 3 days on 20 female rats, for 6 weeks on intact skin of 67 humans, and for 5 weeks in normal use by 31 women.

RESOURCES LIMITED

The Cosmetics, Toiletry, and Fragrance Association, whose 180 member manufacturers account for 85 percent of cosmetics sales, opposes pre-market safety clearance. Suzanne Sommer, director of consumer relations, said, "We believe that this is unnecessary and time consuming. FDA does not have the staff nor the financial ability to undertake clearance."

Critics have accused FDA of caving into political pressure on a variety of issues but the agency's caution is due at least in part to limited resources. "Lack of funding is one factor," admitted Dr. Sykes. "Cosmetic regulation has always been the poor boy of FDA, buried away in the Bureau of Foods. It really has grown up with the regulation of color additives."

Dr. Sykes solution to the pre-testing problems is to put on industry the responsibility and expense of pretesting cosmetics, with FDA reviewing standards and results. "If FDA really took a hard line they could pressure the industry into a more progressive attitude," he commented. "Cosmetics manufacturers aren't the old robber baron types who say 'damn the public.' They want to keep a good image.

"There's no doubt that the situation is far more ripe now than it has been for a number of years."

ANALYSIS OF THE ENERGY PROBLEM—SPEECH BY SENATOR DOMINICK TO THE NATIONAL WESTERN MINING CONFERENCE AND EXHIBITION

Mr. FANNIN. Mr. President, although the energy crisis has only recently become a topic of widespread discussion and debate, there are Members of this Chamber who have long been aware of the problems and have sought to warn the Nation.

One of these men is my distinguished colleague from Colorado, Senator Dominick.

Last month he gave an excellent speech to the National Western Mining Conference and Exhibition in his home State.

This speech provides a summary of how we got into our present dilemma, and the steps we must take to get out of it. The Senator very appropriately points out that there is no one solution which will answer all of our environmental, economic, and national security needs. There will have to be some tradeoffs, some sacrifices, some costs which will hurt.

Mr. President, I would like to commend the Senator for his very penetrating analysis of the energy problem and for his proposals on how it can be best solved. I wish to bring this speech to the attention of the Congress, and I ask unanimous consent that it be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech by Senator Peter H. Dominick

The energy crisis is now a favorite topic of speakers from all segments of our society . . . public officials, industry people, environmentalists and consumer groups.

At the risk of saying "I told you so," let me point out that I have been conscious of the impending crisis and have been talking about it for years. In my position as a member of the Joint Committee on Atomic Energy, and to a lesser extent, perhaps, as a member of the Senate Armed Services Committee, I have been listening to testimony concerning our energy resources and the potential dangers associated with our policies toward them for as many years as I have served on those committees.

Back in August of 1971 when I was out here on a speaking tour during a recess, I used portions of a scenario developed by Glenn Seaborg, the former Chairman of the Atomic Energy Commission. That scenario assumed that a moratorium was suddenly placed on the use of atomic energy as a power source and it described the resulting havoc when the nation had to rely almost exclusively on a dwindling supply of fossil fuels to meet its power needs. Schools closed, hospitals went on emergency power, businesses shut down, fuel for transportation was rationed, buses, trains and airplanes were on reduced schedules or not operating at all. Environmental restrictions were waived to permit greater use of high sulphur coal with resultant increases in smog in all the major cities. Mines went into increased production with health and safety considerations pushed to the wall, prices skyrocketed, miners threatened and then went on strike, federal troops were called in to get the mines back in operation, and so on. This was a hypothetical scenario, you understand.

Thank heaven we haven't declared a moratorium on the use of atomic energy, even for the 3 to 4 percent of our power needs which it provides. But perhaps you recognize some similarities between our present situation in Denver and other cities around the country, and this story I have just paraphrased.

I mention this to indicate that while I recognize that energy speeches are in vogue today, I am not a Johnny-come-lately to this area, and I firmly believe that while we will *probably* get through the present emergency without the chaos contained in Seaborg's scenario, some of these forecasts are facing us and if we do not get on with the business of developing some long term solutions to this major challenge right now, all may face us.

Before we even attempt to discuss what some of the solutions may be, permit me to explore the reasons that I think we find ourselves in this situation today. A recent issue of Newsweek Magazine described it this way: "America has passed from a long period of dirt-cheap energy that made it the world's leading industrial power into an era in which its ability to meet its own growing demands for energy comes more into question with each succeeding year." The magazine reveals that "With but 6 percent of the world's population, the U.S. guzzles 33 percent of the globe's energy. . . ."

In a recent speech to the American Gas Association, Stephen Bechtel of San Francisco, pointed out that "For almost every year in our history until 1953, we had a surplus of energy and were net exporters. However, in each of the last 20 years we have become a net importer; and currently about 15 percent of our supplies come from foreign sources." The Bechtel speech, by the way, is an excellent thesis on the whole energy question and contains some sound proposals for bringing it under control. I will be drawing further upon that speech as I continue.

But here we are in 1973 with our demands for every source of energy outstripping our own readily available supplies and the other industrial nations of the world rapidly reaching out to the same foreign sources which we have been using to meet their own skyrocketing demands.

Ironically, the United States is not even close to having exhausted the *minerals* which are the sources of energy contained without our borders. Experts differ on the exact figures, and all are estimates, of course, but most will agree that we have enough coal in this country to furnish our total energy requirements for over a hundred years. There is an ample supply of uranium to serve our energy needs for years to come, even using the reactors now being installed, and with the implementation of the fast breeder reactor, these supplies could become practically inexhaustable. It is true that our demands for oil and gas have already exceeded our production capacity, and there is little optimism that this trend can be reversed, at least so long as we continue to employ these products for the wide range of requirements which they must satisfy today.

Then, what is the problem? With regard to coal, you are well aware that environmental constraints have been largely responsible for the trend toward substituting other fuels—and I think we will start to refer to them as "Premium Fuels"—such as oil and natural gas for coal. Natural gas became an attractive substitute for coal as a source of electrical power and for use in factories because it burned cleaner and was much cheaper. The same is true of oil. As more factories and power generating plants began to turn to these products, the demands went up, and the supplies were taxed with the resulting alteration of our export/import situation.

The picture with regard to atomic energy is somewhat different. It must be remembered that we did not begin to develop atomic energy for generating electrical power until about twenty years ago, and nuclear power has yet to become a major operating alternative source. Progress in getting additional nuclear generating plants on the line has been slowed by court actions and executive decisions based on environmental considerations. The breeder reactor, which many, including me, see as a potential medium range answer to our energy problems is still some years away—perhaps as much as twenty years away.

The Congress, the President and industry are involved in developing sound programs which each considers will be the blueprint to meet this most important domestic challenge. Within Congress, there is probably more of a divergence of opinion than in any other segment of society. My colleagues who feature themselves as the champions of the consumer (and frankly any of us who don't act in what we consider to be the best interests of the consumer *and* the nation won't be around very long!), but those who seem to seek the label of consumer advocate to the exclusion of all else, will be looking for some program which will give us ample energy, clean air, and adequate balance of payments situation and sound national security—at no increase in costs to the constituents! The man who can deliver that under the conditions we now face is not on this earth.

My point is, any program which will accomplish the objectives I have just stated, and I consider them sound objectives, is going to cost plenty. Peter Flanigan has summed it up rather well as quoted in that Newsweek article: "Everything must give a little—national security, environmental quality, and price." To which Newsweek responds, "Compromise pleases no one completely, of course, but the alternative seems to be to throw the nation out in the cold."

Let us begin with those thoughts as our frame of reference, and examine what I consider to be some possible short range and longer term solutions to this problem. Two immediate steps must be taken: First we must increase our imports of oil and to a lesser extent natural gas, and second, we must convert industry from those fuels to coal.

The National Petroleum Council's "U.S. Energy Outlook" has concluded that "Because of long lead times required to increase domestic production, energy imports must increase over the next few years. In the short term, through 1975, options are limited for altering the trend toward greater dependence on foreign energy sources."

This is a solution which I suggest with the greatest reluctance for two very significant reasons: balance of payments and national security. Again quoting from the NPC's Energy Outlook, "Greater oil and gas imports will have a major impact on the nation's balance of payments. The cost of imported fuels, less the sales revenue from fuel exports, results in a sizeable net dollar drain. This dollar drain was $2.1 billion in 1970. It will range from about $9 to $13 billion in 1975 . . ." The report projects a threefold to fifteenfold increase in foreign exchange requirements by 1985 over current levels. The Council concludes that "To pay for our imports of fuel, we will need to seek additional exports of other goods and services. The magnitude of the potential problem in this area is highlighted by the fact that today our total annual exports of all goods and services is only about $65 billion."

And a U.S. Commerce Department report discussing the growing reliance on Saudi Arabia for oil says it is only a matter of time before the U.S. slips into a net deficit in trade with that country for the first time in history. It concludes that: "The aggressive selling on the part of U.S. exporters that might possibly prevent this from occurring has yet to develop." Nevertheless, this increase in imports must be taken as one *short-term* solution, and I emphasize that for my part, I would like to see it terminated at the earliest possible opportunity.

Part of my reason for that is as I suggested a few minutes ago, the matter of national security. Again from the Petroleum Council Report: "Besides the possible large increases in volumes of imports, a shift in the source of those imports through 1985 is indicated. A larger share of U.S. imports will come from the Eastern Hemisphere. Thus, as imports rise, the country will become increasingly dependent on the political and economic policies of a small number of distant countries. This, in turn, can have important consequences with respect to the military, political and economic position of the United States. Consideration should be given to the need for additional storage to cushion the impact of possible near-term interruptions of foreign supplies, and the desirability of utility plants being constructed to burn more than one type of fossil fuel."

On this same note, Ray Vicker, writing from Saudi Arabia in the January 23 edition of the Wall Street Journal notes, "Like it or not, Washington may have to pay more attention to Arab wishes and sensitivities—because by 1985 it is estimated the U.S. will be importing about half of its oil, and most of this will come from the Middle East."

So far all of this talk about reliance on foreign resources has centered on the political considerations within the countries with whom we will be doing business. But let me add some personal observations from my seat on the Senate Armed Services Committee.

You need only recall the events if June 1967 to realize how quickly the international situation can change with regard to our traditional sources of supply and the routes by which we receive them. The Middle East War could have dried up our supplies in a matter of weeks, had it gone on. But further, the supplies cannot reach us if our free access to the seas and waterways of the world is challenged.

As you know, for many years this country went unchallenged as the major sea power of the world, able to guarantee without question the right of access to the sea lanes of the world to all nations. However, our superiority is facing a serious challenge. The Russian Navy has grown dramatically in the last ten years. Most of their ships are less than 20 years old while many of ours should have gone into moth balls years ago. They have weapon and missile systems equal to and in some cases perhaps superior to our own, and the Russian submarine force presents a very serious potential threat to our traditional freedom of the seas. In addition, the Soviets seem to have made inroads into many countries positioned along the narrow waterways and straits through which we must pass—and which we must keep open—to insure delivery of foreign oil to this country. President Nixon has made progress in his talks with the Soviet Union, and we are in less danger of an international confrontation now than we were even a year or two ago, but all of these factors, together with the tenuous cease-fire arrangement which still exists in the Middle East must be considered, and we must reduce our reliance on foreign imports as quickly as possible.

The second portion of my short-range solution is of particular importance to you. We must begin right now to convert industry from oil and gas to coal. Most studies I have seen conclude that gas is an improper source of energy for industrial uses. *Gas must be considered a premium fuel.* It must be reserved for that segment of our markets which cannot economically or for other reasons utilize coal—residential, commercial and other special areas.

My friend, Russ Cameron, in an address in Billings, Montana, last fall declared that between 25 percent and 40 percent of the gas being consumed in this country today is used for purposes for which other fuels are suitable. But he points out that we are now about to reverse the substitution process which accounts for those percentages, because we are nearly out of that low cost gas that started the change in the first place.

A similar situation exists with oil. Oil supplies about 45 percent of our total energy requirements, and a good percentage of that requirement cannot be economically satisfied in any other way. Autos, airplanes and buses are not likely targets for coal substitution, and it is doubtful that we could convince the railroads to go back to the steam locomotive, even though many a romantic railroad buff still longs for the sound of old number nine. But we must change over those uses of oil that can be switched to another fuel, and one excellent alternative fuel is low sulfur coal. The only problem is that the transition is still going the other way: industry is still converting to low sulfur oil and the supplies are getting scarce.

In order to begin the transition in earnest, we must make such a step attractive to the industry concerned. There are some obvious incentives, of course, and others must be developed. The most obvious incentive to any industry is economic. Another winter with interruptible natural gas service and resultant shut down of operations would not be a pleasant prospect for anyone trying to make a profit. Scurrying around later this year to nail down contracts for enough low sulfur fuel oil appears to be a similarly unenviable prospect. But if the costs of low sulfur coal are significantly higher, transition to coal will proceed at a much slower pace. Frankly, I don't believe this will be the case in the foreseeable future, because the only way we will meet even the present demands for natural gas and oil is through the increased imports we have talked about and new exploration and development at home. Neither of those alternatives is cheap, and it is anticipated that costs from either alternative will drive prices up to the extent that low sulfur coal will be quite competitive. It may be that we will have to come up with some other means to encourage transition to coal, such as rationing, tax incentives and certainly an intensive public relations and sales program aimed at, as Russ Cameron puts it, taking gas and oil out from under the industry's boilers and putting it where it's needed more.

We have plenty of low sulfur coal to replace some uses of gas, oil and even high sulfur coal. We can see it becoming competitive in cost through improved mining techniques, new innovations in transportation, such as coal slurry pipelines, and the inevitable increases in the costs of oil and gas.

There is one more problem, and this is the matter of environmental considerations. While the end product may be compatible with emissions standards now in effect, the means of obtaining the product—the mining operation itself—is, as you all know, coming under ever-increasing scrutiny because of the effects on the natural environment. And this applies to the entire mining industry, not merely to coal mining, of course. But even in 1970, 44 percent of all coal came from surface mining and current trends seem to indicate even greater emphasis on surface extraction in the future.

Let me tell you before I go on that I am in no way suggesting that we abolish surface mining operations for coal or any other minerals. I recognize too well the disruption in our economic structure and the deleterious effect on our standard of living. But what I am saying is, there are pressures from segments of our society to do just that, and there are others of us in this society who are unwilling to accept unrestricted, or insufficiently regulated surface mining in those remaining portions of our country which are essentially unspoiled.

Pollution of lakes and streams, dust and noxious gases in the atmosphere, unreclaimed stripped areas, and the dangers of accessible open pits or other terrain characteristics remaining after abandonment of strip mines have left their mark upon the land and in the minds of millions of people who desperately desire to protect our dwindling natural resources, one of which is the many wilderness areas of our country.

Many of you know that late last year, in response to the concerns of people on the Western Slope and articles in the Ouray County Plaindealer and Herald, I wrote the Bureau of Land Management expressing my concern over a leasing arrangement for strip mining coal by Kemmerer Coal Company of Wyoming in our Cimmaron Ridge District. It is my feeling that such an operation is not compatible with the present uses assigned that land, namely hunting, fishing, grazing, camping and general outdoor activity. At the very least, I sought assurances that every possible consideration be given to environmental impact, and if such consideration resulted in negative conclusions, that we seek to terminate the leases.

Again, let me emphasize that I probably recognize our national energy needs more than most of the people with whom you will be facing similar objections. And I further recognize that as we move toward resolving our energy crisis, compromise will be necessary. But compromise means movement on both sides, and my point here is that as we place heavier demands for low sulfur coal, and for that matter the many other minerals which must be surface mined, you must be prepared to spend larger sums on reclamation and you should also be prepared to explain your plans in the greatest possible detail to the public prior to commencement of your operations.

Environmentalists are not unreasonable or unintelligent people. I believe that compromise is essential for the benefit of the nation's mineral needs, but it will take some increased spending on your part for environmental controls and reclamation, a willingness on the part of the public and some of their representatives in the Congress to accept the resultant higher costs of the end product, and concerted effort to exchange information and ideas among all the parties to indicate good faith. Along this line, incidentally, I have been told recently that coal producers like to think in terms of spending about $200 an acre on reclamation. It has been said that even spending up to $25,000 an acre in some areas, the cost of the coal would not increase by more than 10c a ton. Now before you react too strongly, let me add that I recognize the many factors which determine both the cost of reclamation and the cost per ton of coal, and similarly I under stand that an acre of land which might be in an area where the going price for undeveloped land was $75 an acre would not be a likely target for a $25,000 per acre reclamation project! But again, the need for greater concern for our remaining undisturbed lands, streams and lakes must become a major consideration as demands for surface mined minerals increase in the wake of our present crisis.

Increased imports of oil and liquid natural gas and increased use of low sulfur coal as a substitute for them where possible are my two primary short-range solutions. Others include an immediate effort toward more efficient use of energy through improved operation of our appliances and automobiles, for example. Some have suggested at least a temporary waiver of further emission control devices for autos because the controls put into effect thus far have reduced efficiency of the engines to the extent that fuel consumption is up about 7% and still rising. This *is* an area where compromise may be necessary. And it is also another reason why better means of transportation—such as the proposed people mover project in the Denver area—must be developed as rapidly as possible.

In the immediate future, we must work to overcome environmental problems—real and imagined—which hamper immediate construction of more nuclear power plants for electrical power.

Also in the immediate future, we in Congress must pass some legislation deregulating the price of natural gas at the well head, a step which would, of course, result in price increases, but which would also be a factor in encouraging industrial users to move to coal and which would insure home dwellers and other premium customers adequate supplies of gas. The other factor in deregulating the well head price, of course, is to stimulate additional exploration and development of our domestic natural gas resources.

We can also look for some sharp increases in oil costs and I believe that we must not entertain the slightest thought of tampering with the 22 percent oil depletion allowance at a time when additional incentives may be necessary.

This will not be a pleasant pill to swallow. We have enjoyed an energy bargain in this country for years, but experts now predict increases in total energy costs of 50 to 150 percent over the next ten years, and some estimates are even higher.

The longer range solutions to our energy needs are fascinating. The breeder reactor, which I have already mentioned and which uses plutonium to generate more fuel than it actually uses, the concept of harnessing solar energy, and beyond all of this, the great adventure of controlled thermonuclear fusion. It is my hope that we can have a large economically feasible thermonuclear demonstration power plant in operation by the year 2000. These are just a few of the longer range possibilities.

Closer, perhaps, is oil and even gas from shale, with the work on our Western Slope most important to the future of this energy source. Oil from coal and coal gasification are two more possibilities which are now economically infeasible, but which through increased research and development and the projected cost increases of our conventional energy sources, could very well become medium range alternatives. The nuclear stimulation of natural gas deposits, such as proposed in Rio Blanco and accomplished in Project Rulison is another possibility. There are others, of course, and this subject becomes more fascinating as it becomes more challenging.

In reflecting on the situation in which we find ourselves, I think there is some interesting food for thought . . . It seems to me that over the three hundred and some years that we have occupied portions of this continent, we have always been faced with the challenge of pushing farther out, opening new territory, and taking the resources we needed as we continued to grow and prosper. I believe we are now turning our attentions to a new challenge, that of conquering our environment. The challenge is the maintenance of a quality of life and the effective management of the resources necessary to maintain it. It seems to me that the transition from conquering nature in the form of new lands to conquering our environment and the challenges it presents may be difficult but it is necessary. It means acquiring a new understanding of the value and availability of our resources and a recognition that we have attained a highly developed and advanced society but not without paying a high price in terms of resources expended to accomplish it. Over the remainder of this century, much more of our attention will be expended toward increasing the efficiency of our technology, and encouraging the conservation of our natural resources in search for an even better quality of life for all mankind.

CONCERNED STUDENTS

Mr. HUMPHREY. Mr. President, in the wide realm of the American political process I find nothing more personally satisfying than seeing the involvement of young people in the workings of our Government.

Last week over 700 students from across the Nation came to Washington to lobby for those interests unique to the student population of America. This effort in participatory democracy was being sponsored by the National Student Lobby, a permanent organization working closely with the Congress for the interests of students. With the enthusiasm and fervor so characteristic of young people, these students met with scores of Representatives and Senators to express their opinions, their criticisms, their hopes and their aspirations about the future direction of America. Whether we support the particular programs or not that they advocate is of little importance. It is their very presence here in the Nation's Capitol that gave me so much pride and which prompted me to commend their activity.

Out of the apathy of the 1950's and the cynicism of the 1960's, the students of the 1970's have embarked on a path of reasoned and dedicated involvement in their society and its government. They are demonstrating their deep concern for the problems that beset the United States and their willingness to work within the system for the eradication of those problems. Beginning with involvement in political campaigns and moving into issues directly related to students, young people have now involved themselves in vital issues of national importance. It is only fitting that they do so.

It is the student population along with millions of other young Americans who have a profound stake in the operation of this Nation. For it is they who shall inherit whatever we have built—all of our achievements and all of our problems. Accordingly, they are anxious to see change come quickly to America, and we cannot fault them for that hope. More important, we have a responsibility not to let them down.

Mr. President, there is so much to be learned from the voices of young Americans that I welcomed the opportunity to meet with them. I believe that this sentiment is shared by my colleagues.

CHALLENGES TO THE NATION

Mr. SAXBE. Mr. President, as the 93d Congress gets down to work, the Nation stands at an interesting and challenging point in world and national history.

Thankfully, a settlement has been achieved in Vietnam, and there is a glimmer of hope that world peace may, indeed, become a reality for the first time in many years.

With the world growing smaller and the destructive capacity of nations growing larger each day, every effort must be made to reduce tensions between peoples and nations, and to develop an international spirit of cooperation in seeking solutions to mutual problems.

The "One World" envisioned by Wendell Wilkie in the early 1940's is truly upon us. Recognizing this, President Nixon has embarked upon a course to improve relations with all countries, the foundation of which is the need for interdependency imposed by modern economic and social conditions.

Hopefully, we will be able to ultimately improve relationships to the point where war will no longer be a constant threat.

But, until such time, we must continue to maintain high-level military capability to deter any would-be aggressor—large or small.

On the domestic scene, we have made substantial progress toward strengthening the economy and in reducing the growth of crime.

I am in general agreement with the direction of President Nixon's proposed budget which aims to cut out wasteful spending, reduce the size of the Federal bureaucracy, and return more power and responsibility to local and State governments.

The most immediate problem—that of avoiding runaway inflation—is tied directly to the budget deliberations.

A sharply reduced rate of Federal spending will make a significant contribution toward stabilizing the economy.

There are numerous other problems with which all of us must come to grips. Major among them this year will be:

First. The growing cost of medical care.

Second. The changing needs in education.

Third. The Nation's energy supply.

Fourth. The drug problem.

Fifth. Environmental concerns.

Sixth. The restoration of congressional powers and authority eroded away over a period of years.

All of these things are of great concern to the people of Ohio, and I intend, as their representative, to devote much of my time in seeking their solutions.

Following is a review of my activities in regard to the major concerns of the past year:

VIETNAM

No other issue so concerned the U.S. Senate during the past 2 years as did our involvement in Vietnam and the subcontinent of Southeast Asia.

The so-called end-the-war amendments were tacked on to many bills being considered by the Senate. In essence, these amendments proposed the cutting off of funds supporting our involvement in Vietnam. Several of these proposals passed the Senate, but died in the U.S. House of Representatives and were thus defeated. I consistently opposed these amendments on the grounds that the President was the only one who could, as a practical matter, end our involvement in this tragic conflict.

My hopes and beliefs and those of my fellow Ohioans were sustained in January of this year when President Nixon, through his emissary, Dr. Kissinger, concluded an agreement with the North Vietnamese.

As I write this, our prisoners of war are on their way home to their families and loved ones, some for the first time in more than 8 years. In South Vietnam there is peace, although its existence is a fragile one. I hope that peace will continue in that corner of the world and that we can now begin to direct our attention to other matters of great concern to Americans.

I believe this Nation owes a debt of gratitude to the President for his steadfastness in pursuit of an honorable peace agreement. This accomplishment was achieved in spite of intense domestic pressure to withdraw on any terms. It is easy to hold to your position when there is unanimity of opinion in support thereof. It is the mark of greatness to adhere to a belief when a substantial segment of your countrymen are repudiating it, and you will be the individual who will be judged in history on the success or failure of your policies.

DEFENSE SPENDING

Aside from the war in Southeast Asia, no single issue influenced the defense spending policy of our country more than the interim agreement between the United States and the Soviet Union to limit strategic offensive weapons. Although the impact of this agreement on the military budget was not fully felt in the 92d Congress, all controversial weapons systems in the military procurement authorization bill were considered with reference to the language of the SALT agreement.

Under the agreement, the United States and the U.S.S.R. agreed to a 5-year restriction on strategic offensive missile launcher deployments pending negotiation of more complete limitations on strategic offensive arms. Briefly, the parties agreed to curtail construction of land based intercontinental missile sites and to limit submarine launched ballistic missiles to numbers operational and under construction on the date of the agreement, May 26, 1972. Under the agreement the United States may have 1,054 land-based missiles and 710 missiles in 44 submarines. And, the Soviet Union may have 1,618 land-based missiles and 950 missiles in 62 submarines.

I voted in favor of the joint resolution authorizing approval of the interim agreement, and for the amendment urging the President to seek a future treaty which would not limit the United States to levels of intercontinental strategic forces inferior to limits given the Soviet Union as new and more permanent SALT agreements are made. The interim agreement together with other treaties provide for a more stable strategic balance in the next several years. Strategic arms competition must not go unchecked, and this type of negotiation and agreement between the United States and the Soviet Union is the first steps in ending the arms race.

The military procurement authorization bill was pending in the Senate Armed Services Committee during and after the SALT agreements. My colleagues and I, as members of this committee, evaluated requests for strategic weapons systems contained in the procurement legislation with direct reference to the SALT agreement.

The acceleration of the development and procurement of the Navy's Trident submarine was one of the most controversial budget requests. I voted for the amendment to return the Trident to its original production schedule. A weapons systems should not be produced until the research, design and testing is completed. To do otherwise is to promote cost overruns and lower cost effective weapons systems. I believe we need the Trident, but accelerating the program would escalate the arms race beyond the thrust of SALT at high cost to the American taxpayer. My vote supported return of the submarine to its original construction schedule approved by the Department of Defense last year. I preferred to see acceleration of the development of the undersea long range missile which would allow our present Polaris fleet to expand its range, lowering the possibility of detection by Soviet antisubmarine forces.

For the same reason, cost effectiveness, I drafted and sponsored an amendment deleting the authorization for the CVN–70 nuclear strike aircraft carrier. In an all-out war, carriers would be prime targets, vulnerable to surface-to-surface missiles, submarines, and air-to-surface missiles. Vulnerability reduces the use of carriers to primary roles of limited warfare and showing our flag around the world. Also, a vote for the long-lead funds in this bill committed us to spend approximately $1 billion according to current Navy estimates. However, the two nuclear carriers now under construction have increased 88 percent in cost over the original projections. In short, the CVN–70 was too much, too soon. It was too expensive and not an important priority.

The military procurement legislation passed the Senate authorizing over $20 billion for fiscal year 1973. This amount included money for military research and development, testing, ABM construction and prescribed personnel expenditures for active armed service and selected reserve manpower. I voted for the bill after the Trident and CVN–70 amendments were defeated. The Senate Armed Services Committee reduced the authorization by almost 12 percent for the budget request, and the bill contained a number of vital strategic and tactical programs. Even with SALT agreements an annual procurement bill will be needed. I also supported the appropriation bill and conference report that was finally passed by both Houses of Congress and signed by the President in the amount of $74.4 billion—down $5.2 billion from the Departmentof Defense request.

We must strengthen our viable military programs and maintain an adequate nuclear deterrent, as well as modern tactical ability. In this regard, it is important that Congress spend more time and effort analyzing the military budget. We must not be so parochial that we lose sight of the scope of the entire budget and its effect on our national priorities. Instead, each item requested by the Department of Defense must be gone over with a fine-tooth comb. Blanket percentage cuts will not work if we are to spend tax dollars for cost effective defense systems that will adequately deter an attack against us. And, Congress must take full responsibility for its authorizations and appropriations if it is ever going to reestablish itself as a full partner in the balance of power sustaining our democracy.

HEALTH

Health costs have become a major concern to virtually every American family.

In the Congress, a number of proposals are currently being considered that would provide some form of national health insurance designed to assist families in handling the problem of the growing cost of health care.

I am particularly interested in the concept of added protection against catastrophic loss incurred by families experiencing a major hospitalized illness such as cancer or prolonged disease of vital organs.

In such cases, families may be hit so hard that their entire life savings may be wiped out, or they may be left with debts from which they are never able to recover.

I intend in this session to continue to fight for a solution to the many health care delivery problems.

During the 92d Congress, I introduced a bill designed to reorganize, expand and improve the Nation's health care delivery system. Many aspects of my bill were incorporated in the health maintenance organization bill which passed the Senate this year. Unfortunately, the Senate HMO bill did not become law because the House did not complete action on it.

Perhaps the most significant health legislation to pass Congress in 1972 was H.R. 1, the massive social security legislation containing some new reforms of the Medicare system. A major addition to the medicare system is the professional standards review organization, a physician's peer review system designed to provide some cost and quality control checks on our runaway medicare expenses.

We must continue to explore ways we can improve health services for the aged, but we must be sure that medicare is properly funded to avoid the cost-balance squeeze that has been experienced in connection with the current medicare program.

EDUCATION

Education in America is coming under greater scrutiny than at any time since the turn of the century.

There was a time when a general course was sufficient to prepare young people for various roles in society. But the advent of the mid-century technological explosion brought with it the need to provide a wider variety of educational options and opportunities.

Unfortunately, the educational system was slow to respond, except in the field of higher education. At the secondary school level, students were forced to continue in college-preparatory programs with little or no alternative. Since only 35 percent of our young people enter college, 65 percent enter the labor market without skills to command good paying jobs.

Today, there is new emphasis on career education, which provides broader opportunities in all types of occupational education, as well as preparation for college.

We must continue to seek ways and means to provide the young people of America with full educational opportunities, whether or not they plan to go to college.

Every effort should be made to improve higher education, particularly in relation to the training of those who choose to enter the professional and semiprofessional fields. And we should do everything we can to encourage the development of alternate courses of education for those who want to go to work in nonprofessional areas right out of high school.

HIGHER EDUCATION

The omnibus education bill was passed by the Congress and signed into public law by the President on June 23. The Senate approved it by 63 to 15 and the House by 218 to 180. I was among those voting for it.

The compromise measure authorized $19 billion for higher education through fiscal 1975, and includes new "basic" grants entitling needy college students to a maximum of $1,400 a year less family contributions. It also creates college operating subsidies linked largely to each institution's enrollment of basic grant recipients and its other Federal student aid receipts.

It creates a National Institute of Education proposed as an agency for research on the learning process and other educational questions. In addition, the bill authorized $1 billion in each of the next 2 fiscal years for aid to desegregating school districts. It extends and expands present higher education programs as well as authorizing the new student aid and college subsidies. Other new programs cover aid for college recruiting and enrolling more Vietnam veterans, for Indian education, and for posthigh school occupational education.

The bill also creates a National Student Loan Marketing Association to increase the volume of Government-backed private loans for college students. Also authorized are Federal incentive grants for State student aid programs.

COMMUNITY SCHOOL CENTER

I was a cosponsor of S. 2689, the Community School Center Development Act. Unfortunately, the Congress adjourned without acting on it. I feel that it is an excellent piece of legislation and it will be reintroduced early in the 93d Congress.

The community school concept aims at transforming the traditional role of the neighborhood school into that of a total community center for people of all ages and backgrounds. The school could work in partnership with other groups in the community to provide recreational, educational, and a variety of other community and social services. Economy could result from new uses of existing resources as well as elimination of duplication of effort, which now occurs.

BUSING

No single issue was more visible in the field of education legislation in the 92d Congress than busing. The bill sent to Congress by the administration in March was a defensible one. It had been carefully thought through in terms of what would have to be done if the bill were to stand up constitutionally. One of the vital distinctions was much tougher restrictions on the crosstown busing of elementary schoolchildren than on the busing of older children in areas where outright segregation persisted. This was in line with court pronouncements that age is a legitimate consideration in ordering what amount of busing is necessary.

In late August the House passed the bill, but in much tougher form. It erased the vital age distinction, applying the busing-distance restrictions to children in all grades; and its provision to permit the reopening of long-settled desegregation suits threatened an explosive collision between the legislative and judicial branches. The bill was simply too hard-line to survive in the Senate and has been set aside until the 93d Congress when, hopefully, there will be a more rational atmosphere on the busing issue.

I do not support unnecessary transportation to achieve arbitrary racial balance. I do, however, accept busing as a remedy to overcome officially imposed segregation and to serve the purpose of equalizing educational opportunity within a reasonable area. There are other ways to integrate schools such as building new, centralized educational parks, redrawing school attendance zones within a district and pairing previously segregated schools and exchanging students between them.

ENVIRONMENTAL CONCERNS

Six major environmental bills were enacted into law during the second session of the 92d Congress, classifying it as the most productive environmental session in history. As an outdoorsman and nature enthusiast, I have long been a strong advocate for pollution control measures. During the second session of Congress, I have consistently voted for preventive safeguards designed to protect our environment.

Since the beginning of the 19th century, a steadily expanding population and economic growth in the United States has placed unprecedented demands on our freshwater supplies. The Nation's water resources are fundamental to the well-being of present and future generations and represent priceless national assets which can and must be managed to meet all needs. Therefore, I strongly supported and voted for the water pollution bill which set a national goal of eliminating all pollutant discharges into the U.S. waters by 1985 and an interim goal of making the water safe for fish, shellfish, wildlife, and recreation by 1983.

At the same time, the realization is growing that man cannot tolerate indefinitely the levels and types of noise that are presently a party of a modern industrialized nation. I voted for the noise control bill which is the first comprehensive Federal legislation aimed at reducing noise detrimental to the human environment. It provided for Federal noise emission standards on commercial products including construction and transportation equipment.

Another major bill, which I supported is the Toxic Chemical Act, designed to regulate pesticides for the protection of human beings and the environment. An emphasis is being placed on minimizing the use of persistent pesticides, finding effective substitutes which are less harmful in the environment and developing alternative approaches to pest control. The second major task is to intensify the search for solutions to those aspects of the problem which are still beyond the reach of our knowledge.

Our natural coastal areas are being nibbled away. Pollution of estuaries and ocean dumping of wastes pose further problems. Therefore, I voted for both the coastal zone management and the ocean dumping bill. Coastal zone management provided for Federal grants to the States to help them develop programs under Federal guidelines in the national interest. The Ocean Dumping Act declared a national policy of regulating ocean dumping to protect human health and welfare, the marine environment and the economic potential. It banned the transportation out to sea or dumping under any circumstances of radiological chemical or biological welfare agents or high level radioactive wastes.

I also stood behind and supported the marine mammal bill which established a permanent moratorium on most killing of ocean mammals and on the importation of their products.

In the last 6 months this country's tremendous and growing appetite for fuels has stimulated a major emphasis on the merits of energy conservation versus a clean environment. We have seen growing evidence that supplies of oil and gas have not been sufficient to meet energy needs. At the same time society wants both a plentiful supply of energy and the quality of life provided by a clean environment. We should strive for a balance to meet our commitments and responsibilities in both areas of concern. Bearing in mind that different areas in our country have varying levels of air pollution. Any solution to this problem should be flexible enough to take these variances into consideration.

The goal of the United States is to adopt an environmental program that will not force us to abandon growth but to redirect it. We must balance economic development with conservation of land, water, air, and other resources in such a way as to maintain a life of dignity and social justice. I will continue to vote for and support measures that provide for the quality of human environment. This must be maintained at a level that will allow generations yet unborn to have the resources which they rightly deserve.

We should provide means to establish more realistic Government policies and set environmental standards that can be economically attained while still permitting the acquisition of the fuels we must have. Therefore, we should move with dispatch on these matters, but with due caution to avoid needless shutdowns of industry and resulting joblessness.

SOCIAL SECURITY AND RAILROAD RETIREMENT

The 92d Congress took several important steps to insure a better life for the elderly.

A record 20-percent increase in social security benefits passed the Congress on June 30, 1972, and was signed into public law by the President on July 1, 1972. I was a cosponsor and active supporter of this proposal which was successfully offered on the Senate floor as an amendment to the debt ceiling legislation. The amendment also contains a section which calls for automatic adjustments in social security payments when the cost-of-living index advances 3 percent or more in a year.

On October 30, 1972, the President signed an omnibus social security and welfare bill. This $5.3 billion package makes more than 100 changes in the social security, medicare, medicaid, and aid to the aged, blind, and disabled programs.

The new law provides a minimum benefit for long-term, low-wage workers. It boosts benefits for deceased widows and widowers from 82.5 percent of the deceased spouse's entitlement to 100 percent. It permits social security retirees to earn up to $2,100 a year without any reduction in benefits—the outside earnings limitation was previously $1,680 a year. For earnings over $2,100, benefits will be reduced $1 for each $2 earned. It increases benefits by 1 percent for each year from age 65 to 72 that a person delays retirement—after age 72, a person can receive full benefits regardless of earnings. And, finally it improves benefits for men who retire at age 62 by applying to men the same rules which previously applied only to women.

Possibly the most significant provision of the legislation is federalization of the existing Federal-State welfare system for the aged, blind, and disabled poor. At present, each State has its own system and eligibility rules, with the Federal Government paying a share of the costs. Starting in 1974, a new supplemental security program will provide a minimum Federal income—$130 a month for an individual and $195 a month for a couple—to every aged, blind, and disabled person in America without other income or property. The first $20 of social security or other income will be disregarded in determining eligibility for the supplemental payments. Thus, since most aged people receive social security benefits, the program will assure that, in a great majority of cases, incomes will be at least $150 a month for individuals and $215 for couples. Moreover, the bill allows $65 a month in earnings to be disregarded in determining eligibility for, or amount of, the supplemental security payments. Additionally, when considering earned income above $65 a month, assistance payments will only be reduced by $1 for each $2 earned. These provisions will give adequate recognition to the efforts of working people to provide for themselves.

In order to pay for the 20-percent social security increase and the liberalized benefits, social security taxes have been raised to 5.85 percent on the first $10,800 a year yielding a maximum tax of $631.80 for both the employer and employee. In 1974, the tax will be 5.85 percent on the first $12,000 yielding a maximum tax of $702.

I realize the burden that increased social security taxes place on the small businessman and the young worker. However, the taxpayer should remember that social security is not simply a retirement annuity program, but actually it is a whole series of different types of insurance including medicare, disability and death benefits. Moreover, the Social Security Administration has indicated that, unless major new benefit systems are added, the basic tax schedule put into effect by the Congress last year should rise only slightly until the year 2011. Additionally, the Aging Committee, on which I serve, has started a study of the possibility of greater use of general treasury revenues to fund new benefits in the future.

In another move to improve the lot of our elderly the Congress voted for a 20-percent increase in the pensions for 900,000 retired railroad workers. But, the bill made the increase temporary through next June 30 with the understanding that Congress by then would increase worker-employer contributions or find some other way to make the fund actuarily sound. The trouble with the retirement fund is that the number of workers paying into it is steadily declining as railroad service shrinks or becomes automated. There are about 600,000 workers paying into a fund that supports more than 900,000 retirees. In the beginning of the 93d Congress, I look forward to seeking a solution to this inbalance insuring that the fund will remain solvent in the years to come.

REVENUE SHARING

A major economic action of the 92d Congress was the passage of a 5-year, $30 billion revenue-sharing bill, providing Federal funds to State and local governments with minimal restrictions on its use. Originally, I favored the revenue-sharing concept and even cosponsored the administration's revenue-sharing proposal, recognizing the serious financial distress of some States and localities in this Nation.

However, after what the committee did to the revenue-sharing formula, I could no longer support the bill. They devised a distribution formula which seriously shortchanged Ohio and, at the same time, made the distribution to localities grossly inequitable. Under the present revenue sharing law. Ohio gets the lowest per-capita share of any State in the country. That means our State is last—50th in line at the revenue-sharing trough.

To me, it was time for someone to stand up against this unjust dissipation of Federal funds, and consequently, I voted against the entire bill and against the final conference report. I believe that a big State like Ohio—fifth largest in the Nation—deserves to get back its fair share or what it contributes to the Federal Government and I will continue to fight for that right.

CONSUMER LEGISLATION

Congress passed and the President signed into law a landmark consumer bill creating an independent Consumer Product Safety Agency to protect consumers against hazardous products. The five-member Consumer Product Safety Agency has the power to set safety standards for all common household and recreational products and to seize and bar hazardous products from the marketplace. I voted in favor of this legislation which is by far the most important consumer measure passed this year by Congress.

A week before adjournment the Senate failed to invoke cloture on a bill, S. 3970, that would have created an independent agency to represent consumer interests before other Federal agencies and the courts. I voted in favor of this bill in the Government Operations Committee, and I also voted to invoke cloture even though I had misgivings concerning certain aspects of the bill.

This measure was reported out of the Government Operations Committee on which I serve. The bill as reported would have created an independent, three-member agency, to act as an advocate for consumers in proceedings before Federal regulatory agencies and courts. The Consumer Protection Agency would have the authority to question witnesses, challenge testimony, present evidence, and engage in legal fact finding. I supported an unsuccessful attempt in committee to amend the legislation to allow the Consumer Protection Agency only to present "friend of the court" briefs. On October 5, a third attempt to invoke cloture on the Senate floor failed. This killed any likelihood of passage of the legislation during the 92d Congress, and the proposal will have to be reintroduced in the 93d Congress.

VETERANS AFFAIRS

For the Veterans' Affairs Committee 1972 proved to be a good year with several worthwhile and effective pieces of legislation being produced. By cutting the fat from ill-fated bills and shoring up more important ones, we were able to provide better benefits for our veterans.

I cosponsored and supported the Veterans Readjustment Assistance Act which was passed and signed on October 24, 1972. This measure increases monthly GI educational payments for single veterans from $175 to $220; from $205 to $261 for a married veteran, from $230 to $298 for a married veteran with one child, with an extra $18 for each additional child. Although these figures do not match the amounts originally asked for, they do represent a substantial improvement over previously existing benefits.

Realizing that medical services are in dire need all over the country I voted in favor of a bill for the creation and updating of eight new medical schools. The bill also authorized $25 million in Veterans' Administration grants. Although there is no ivory tower solution to this problem, it has long been a known fact that there is a shortage of trained medical personnel and facilities. Therefore, I am hopeful that our effort in this area will improve the situation.

I am greatly encouraged by these and other pertinent bills passed in 1972. I certainly believe that we are taking a significant step forward to provide much needed assistance for veterans.

RECOGNITION OF BANGLADESH

In last year's annual report, I detailed the events which led up to the war between India and Pakistan and the birth of a new nation called Bangladesh, formerly East Pakistan. Senator FRANK CHURCH of Idaho and I had introduced an amendment in a bipartisan effort to cut off both military and economic aid to Pakistan. The Saxbe-Church amendment was accepted as part of the 1972 foreign aid bill.

However, events in Pakistan were proceeding too rapidly—war was near. I traveled to India and Pakistan at the end of last year where I was able to talk to Prime Minister Ghandi and President Yahya Kahn and visited the refugee camps where 10 million refugees lived in abject poverty. When war broke out between these two countries, I was en route from Pakistan to India.

This year, I continued my interest in South Asian affairs. Senator HOLLINGS of South Carolina and I introduced a "sense of the Congress" resolution that the President should recognize the newly formed government of Bangladesh. The President extended diplomatic relations to Bangladesh on April 4, 1972, 13 days after the Hollings-Saxbe resolution unanimously passed the Senate.

THE MAILBAG

Each working week during 1972, I received in excess of 1,500 letters dealing with legislation before Congress or with constituents' individual problems with the Federal Government.

All in all, some 78,600 pieces of correspondence were received and answered during the year 1972. Already in 1973, I have received over 35,000 letters.

This great volume of mail has been gratifying to me, because it is the most direct means constituents have of expressing their feelings on matters of mutual interest.

I want to urge Ohioans to continue to share their views with me, whether or not they agree with me on any given issue. I am dedicated to good representation for Ohio, and letters from constituents give me a good reading of feelings back home.

A large part of my job is to be as helpful as I can to Ohioans who have problems that possibly can be alleviated with my help. I receive thousands of letters each year from persons seeking help in one way or another, and I shall continue to do my best to provide any assistance possible.

I urge all my constituents to keep the mail coming in 1973.

SECTION 235 PROGRAM IN PERSPECTIVE—HOMEOWNERSHIP FOR LOWER INCOME FAMILIES A PROVEN SUCCESS

Mr. PERCY. Mr. President, I must reiterate my concern about the suspension of several major Federal housing programs, most particularly the homeownership program for lower income families. This unilateral move by the Bureau of Management and Budget and the Department of Housing and Urban Development seems unjustifiable.

I want to take this opportunity to put before my colleagues the record of the section 235 homeownership program since the implementation of the 1968 Housing and Urban Development Act. This program gives lower income families the opportunity to own their homes through Federal subsidy payments which lower the interest rate on home mortgages to as little as 1 percent if financial circumstances warrant.

Item: Between 1968 and 1972, the section 235 program accounted for the production of over 400,000 new and rehabilitated units: 640 in 1968; 28,180 in 1969; 117,560 in 1970; 142,840 in 1971; and 153,000 in 1972. In addition, the 235 program made possible the use of over 75,000 existing units for low- and moderate-income families: 3,020 in fiscal 1969; 24,530 in 1970; 11,720 in 1971; 18,000 in 1972; and 20,600 in fiscal 1973.

Item: As of June 30, 1972, the FHA had written mortgage insurance totaling $5,825,938,000 on 330,070 loans made under the homeownership program.

Item: During fiscal year 1974, it is estimated that payemnts to lower the monthly payments of lower income families purchasing their own homes will be made on 425,000 new and rehabilitated 235 units and 78,000 existing 235 units at a cost of $412,000,000.

Item: According to HUD, during 1971 the average acquisition cost for a new 235 property was $18,334. This compares with an average cost of $24,367 under the standard FHA home mortgage insurance program. The median sales price for a new home in the United States in 1971 was $25,200.

Item: According to HUD, during 1971 the average annual income for families assisted under section 235 was $6,341. This compares with an average family income of $14,217 under the standard FHA home mortgage insurance program. These families never could have had "a place of their own" with all that the concept of ownership means within this program.

Item: According to HUD, the average monthly income of a 235 family in 1971 was $432; the family's share of the monthly mortgage payment was $95, while the average monthly subsidy was $79. The average monthly income of a 236 family—low-income rental assistance—was $390; the family paid an average gross rental per month of $108.27.

Item: Initial experience indicates that a significant percentage of households who start receiving these subsidies earn their way out of them through higher incomes. In a recent recertification of incomes for section 235 housing, 8 percent stopped getting any subsidy, 65.8 percent received a reduced subsidy, 13.4 percent had no change, and 20.8 percent received a larger subsidy.

Item: As of December 1971, serious defaults were concentrated in a few areas: 15 jurisdictions had 60 percent of the defaults. Of 67,005 homeownership defaults in these 15 cities, only 10.2 percent were 235, mostly in existing houses, not new ones. In the Metropolitan Chicago area, 6,647 families have purchased homes under 235 since 1968; of these, only 63 are in default, less than 1 percent—a remarkable record.

Item: Most of the highly publicized defaults in cities like Detroit and Philadelphia come from regular market rate FHA insurance guarantees in high risk areas. Likewise, the housing scandals involving excessively high appraisals and purchase costs or high repossession rates of existing older housing in deteriorated central-city neighborhoods are mainly tied to nonsubsidized programs being used under section 233 or 237 terms.

Item: As of June 30, 1972, under the 235 program, a total of 17,128 properties and notes had been acquired by FHA with a total dollar value of $297,377,000. The GAO estimates that at an average loss of $3,835 per acquired property and if procedures are not tightened—as they should be and I have long urged—a 10-percent default rate applied to 1.4 million properties estimated to be insured under 235 5 years hence—by 1978—

could result in a potential loss of $532,000,000.

Item: The GAO estimates that under the 235 program nationwide, as of 1971, about 24 percent of the new houses and about 39 percent of the existing homes had significant defects at closing, solid evidence of exceedingly faulty administration.

Several analyses have been made of the housing subsidy programs, including section 235, by public and private authorities. A careful evaluation leads to the conclusion that the section 235 program has been an effective and efficient tool for meeting our national housing needs and a stabilizing element for our Nation's lower-income families, giving them hope, incentive, and pride.

Charge: The program is too costly; it has not produced results commensurate with the costs to the taxpayer.

We must face the simple truth that there is no way to meet fully either the Nation's physical or financial housing needs without spending approximately at the same rate for direct housing subsidies at which we are now spending. It should be borne in mind, moreover, that the largest single housing subsidy in cost and reach has not been affected by the administration's housing moratorium: the cost to the Treasury—between $5 and $7 billion in fiscal year 1971—of lost revenue for middle- and upper-income homeowners who may deduct mortgage interest and property taxes from their income taxes.

Charge: The program has helped only some families while failing to aid others in the same income range.

According to an acknowledged expert in the field, Dr. Anthony Downs of the Real Estate Research Corp., this inequitable distribution among legally eligible households is the result of meeting physical rather than financial housing needs. Our programs are attempting to provide high quality, newly constructed units which otherwise would be beyond the reach of families with incomes between $4,000 and $8,000. If we opted for the other strategy—providing a cash housing allowance—the expected side effects would include excessive increases in housing prices, failure to deconcentrate poverty in the inner city, and direct most housing subsidies to raising income rather than improving housing quality. Abandoning a Federal role in favor of the operation of the free market would tend to concentrate the poor in older, declining neighborhoods abandoned by the families in higher income brackets moving to the suburbs. It would reverse the progress recently reported by President Nixon.

Charge: The program has resulted in inflated housing costs as well as the unwarranted enrichment of housing intermediaries.

These are probably the costs of trying to engage the private sector in helping to meet society's housing needs. Sufficient incentives must be provided by the public sector to builders and other investors to make housing available to people who cannot afford to pay for it.

Charge: The program has placed some families in homes they could not afford to maintain.

The relatively low default rate seems to counter this criticism. However, in those cases where this has happened, it might have been prevented by the presence of a vigorous homeownership counselling program. Such a program was authorized by the 1968 legislation, but was never implemented by HUD or adequately funded by Congress.

It is appropriate to note the conclusion reached by Dr. Downs about both the 235 and 236 programs:

> On balance, we believe that both the Section 235 and Section 236 programs are effective instruments for meeting the key objectives of housing subsidies. . . . . We believe their basic designs are sound, although some modifications can improve them. The major inadequacies so far encountered in the execution of these programs have stemmed mainly from either poor administration by HUD or the inherently higher risks of investing capital in housing for relatively low-income households in relatively deteriorated areas.

We cannot ignore the problems in these programs. We must work to eliminate them. But we must not overlook the fact that as Mr. Downs says:

> A preponderant majority of the more than one-half million housing units made available under these programs have been of good quality and have been well received by both their occupants and the surrounding communities.

VOTER REGISTRATION

Mr. McGEE. Mr. President, the maze of different voter registration laws in this Nation, including laws which impose awkward, inconvenient, and sometimes blatantly restrictive requirements for would-be voters, constitutes an unnecessary and indefensible barrier to full participation in our democratic processes.

Last September, in the wake of the Senate's action in shelving the proposed National Voter Registration Act, the Washington Post carried an illuminating article written by Alice Lynn Booth detailing how registration procedures can be and are used to strip the vote from some segments of our society. With legislation again pending to remove these barriers to voting participation, the points raised in the article, which appeared in the Post of September 10, 1972, deserve timely and conscientious consideration by all Members of the Senate. I ask unanimous consent, Mr. President, that Alice Lynn Booth's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO RIG VOTES WITHOUT BUYING

(By Alice Lynn Booth)

It is generally believed that manipulating votes went out with the payoffs of old-time political machines. It did not. It is widely thought that making the voting booth inaccessible to the poor is an exclusive weapon of Southern segregationists against blacks. It is not. It is broadly assumed that the 26th Amendment to the Constitution means all those 18 to 21 years old will now be eligible. to vote on Nov. 7. They will not.

The fact is that instead of machine payoffs, our more modern politicians have substituted sophisticated use—or non-use—of the voter registration process, which this year will effectively strip the vote from millions of the less advantaged in the North as well as the South—including nearly half of our newly enfranchised working youth. All this will become clearer not on Nov. 7 but about a month earlier, when registration books are closed in most states.

The chief reasons why these millions will lose their right to vote are not very complex. In the absence of a national registration system, city and county election officials are given virtual hegemony over voter sign-ups by the states. Whether appointed or elected, these officials are generally indebted to the party that put them in their jobs. They are not likely to go-out of their way to register voters who might upset party leaders.

In fact, they sometimes go to some lengths to erect barriers to these voters. This was the case in many college towns across the country after the 26th Amendment was ratified. Seeing the new student voters as a threat to the established powers, election officials subjected the youths to excessive interrogations, demanded unusual proof of residency, and initially turned many away. At the University of Illinois at Champaign-Urbana, for example, many students were actually asked where they planned to be buried before they could register to vote. At the University of Maryland at College Park, some officials falsely implied that students who signed up to vote there might have their auto insurance rates raised.

THE REGISTRATION MAZE

The students fought these tactics and usually won, either in court or in rulings by state attorneys general. While only six states permitted students to register at campus addresses in 1971, more than 40 states now treat them like any other residents. (New York, with over 800,000 college students, still does not permit campus registration; a court case on this issue is now pending.) As a result, about 80 per cent of the nation's 6 million college students are likely to be registered this year.

But non-student youth, who outnumber the students by more than 3 to 1, have not been as fortunate. By March 1, according to the Gallup Poll, only 40 per cent were on the rolls. By June 1, only 1 percent more were added. August polls indicate the tally now is about 44 per cent. The registration rate over the past six months suggests that, at most, 53 per cent of potentially eligible working youth will be allowed to vote. That means nearly 9 million of these 19 million youths will lose the ballot, in all likelihood significantly distorting November's election returns.

Registering college students has been a relatively easy task because of their concentration in large groups and their high political awareness. But non-student youths, dispersed among the general population, were thrown into the same pot that traditionally disenfranchised voters have been left to stew in since registration became widespread in the early 1900s to curb ballot box stuffing and other frauds. Less knowledgeable politically and feeling an urban-fed alienation and mistrust of institutions, they confront a registration system which, as the League of Women Voters has put it, is "an administrative maze through which the average citizen must painstakingly grope in order to exercise his fundamental right to the franchise."

Chief among the elements of the maze is the inaccessibility of registration. In the South, there is the continuing problem in rural areas of the county courthouse often being the only place to register. "If you are poor and live 60 miles, round-trip, how do you get there?" remarks John Lewis, whose Voter Education Project conducts registration drives in the South. "Election officials continually refuse to make mobile registration and deputy registrars available, so registration is left to VEP and other organizations who can provide transportation."

In Stewart County, Ga., Lewis says, the election administrator closed the courthouse on the day of a VEP registration drive, forcing its cancellation. "We have called the Justice Department and sent telegrams, but received no answers to our requests" for federal registrars to go out in mobile vans to sign up voters. Under the Voting Rights Act of 1965, such federal aid can be given when less than 50 per cent of voting age residents in a political subdivision are registered.

But inaccessibility is by no means limited to the South. "Normal" registration in Northern areas usually takes place in a central location during working hours. "Expanded" registration often means police stations or libraries—places not generally frequented on a voluntary basis by the less educated, and often consciously avoided. "Branch" registration usually is done at ward polling places and other city buildings or schools. And all of this is often accompanied by little publicity or canvassing of unregistered voters.

The consequences are clear. About the time of this spring's primary elections, for example, the overall registration rate in the cities was about 65 per cent. But in the South End of Boston, only 56 per cent of black and Spanish residents were signed up; in a youth ward near Boston's Beacon Hill, the rate for such potential voters was 51 per cent. In the District of Columbia at the time, registration was 44 per cent lower in one black Northwest ward than in a typical upper-middle-class white area. In Newark, registration figures for largely black wards were about 15 per cent lower than in surrounding white suburbs.

In New York City only last month, 68 per cent of all eligible voters had been signed up—but among 18-to-21-year-olds the rate was only 33 per cent, with the heaviest concentrations of those left out living in lower income areas.

In fact, the case can be made that registration progress in the North is now lagging behind that of some areas in the South. In Dallas County, Ala.—where Selma is the county seat—about 68 per cent of blacks are now registered. This compares with only 2.1 percent in 1964, when black registration in Selma was embroiled in the agonies of intimidation, beatings and literacy tests that even college professors could not pass. The Dallas County black registration rate now exceeds the 58 per cent of all voters in New York City.

"Black people in the South fought for their right to vote and won—they are determined to use it," explains John Lewis.

THE SINCERELY MISGUIDED

The inaccessibility of registration is no chance happening. It stems from several causes. One is the sincerely misguided attitude many election officials still cling to that voting is a privilege, rather than the right it has clearly been established to be. In Milwaukee, for example, election board member Rose Borjanac says: "Voting is a great privilege—you can't just give things to children if you expect them to value anything." The Milwaukee board this year cut back on registration sites, eliminating both a welfare center and a department store. And despite a city attorney's opinion supporting door-to-door registration, plus an offer of volunteers by a coalition of voter registration organizations. Milwaukee will not allow door-to-door registration.

The board chairman there, Lawrence Carlson, reasons: "I don't think we should grab people to register them. Some effort must be made by the people themselves. Those people have wheels. They can go an additional six or seven blocks to a police station or library if they really want to register."

But "those people" the understandably not eager to visit police stations or libraries. And there is no good reason why they should have to. If voting is not a privilege, *eligibility* to vote is certainly not one either. It is an absolute right for almost all citizens 18 or older. It is the government's job to ensure that this right is not taken away or made difficult to exercise.

Many local governments, however, do not see it that way—and not only because some view voting as a gift they are bestowing. Rather, they take pains to register voters when its suits them politically and ignore them when it does not.

"POLITICAL REGISTRATION"

Consider, for example, the case of Boston. In last September's mayoral primary, Thomas Atkins, a black and a former Democratic city councilman, was among incumbent Kevin White's opponents. (Atkins is now State Secretary for Communities under Republican Gov. Francis Sargent.) The other opposition to the moderately liberal White consisted of two other liberals plus conservative Rep. Louise Day Hicks.

Says Atkins: "The mayor made a political judgment concerning registration. If he expanded registration, the net addition to the rolls would be black, Spanish and students—people who would vote disproportionately for me. Therefore, the election office was slow in instituting registration procedures. After the primary, when White faced Hicks alone, the election department instituted extraordinary procedures to register voters. It represents a fairly cynical and manipulative view of the democratic process. I don't want to give the impression that what the mayor did was unique. But that doesn't make it any less immoral."

Then, before both this spring's presidential primary and this month's state primary, the Boston board refused requests for mobile registration and deputy registrars. "We can't afford mobiles," said mayoral aide Ann Lewis. "But with little city halls and other ward sites, we're registering people."

However, Leon Rock, head of Boston's Black Student Union, has a different view, He says that only 500 young people were registered before the books closed for this month's state primary, and that "the real reason they wouldn't expand registration was their fear of alienating Louise Day Hicks. Since she was running against a black for her seat in Congress, they didn't want to increase registration of young people, particularly blacks."

Now, with state primary registration over, the city is again adding money to the election office budget, mysteriously finding that it can expand to mobile registration after all for November's election. "We're going to get a lot of people registered," says Miss Lewis. "I've met with the election office and the ward committeemen who will phone every unregistered voter in the city. We'll make registration as easy as possible."

The Boston election board, consisting of two Democrats and two Republicans, is appointed by the mayor. As Miss Lewis succinctly puts it: "He tell them what he wants them to do and they do it."

Curiously, Miss Lewis, who has also been named state registration chairman for the McGovern presidential campaign, says: "We're not going to concentrate on the campuses. We're encouraging students to register in their home states wherever the vote would be crucial for McGovern." Mobile vans, she says, are to be sent to Boston campuses only on request. Evidently, some McGovern people as well are handy at manipulating registration to suit their candidate's purposes.

NOTHING UNIQUE

The Boston and Milwaukee tales are certainly not unique. In Philadelphia, the distribution of registration sites is determined by ward leaders. Requests by community and student groups for campus and community registration sites have been consistently turned down by election supervisor Jack Welsh, who claims to be "a civil servant who doesn't know a damn thing about politics."

But according to Hardy Williams, a black state assemblyman who was defeated by Frank Rizzo in the 1971 mayoral primary, the political party determines not only where sites are placed but for how many days. "If they want a strong black vote, they'll add sites in the black community, but generally whites are favored."

Mark Bernstein, co-chairman of the Voter Rights Committee at the University of Pennsylvania Law School and a leader of student-controlled Ward 27 in Philadelphia, adds: "An unfavored ward leader suffers when it comes to registration. Our ward generally gets the minimum—three days and three sites."

In Plainfield, N.J., the only place to register is at city hall, which is in an upper-income white community. It is a considerable distance from predominantly black wards, where registration rates range as low as 35 per cent. The Plainfield city council recently vetoed a plan to send mobile vans into these wards. "The present arrangement should satisfy anyone interested in voting," remarks Republican city council member David Rothberg.

He certainly had never spoken to a young black mother who recently talked to a lawyer seeking information for a possible suit against the council action. She receives $210 a month from the welfare department, has a small child to care for, has no car and no history of voting in her family. "I would like to register but I can't get downtown and I don't want to go to that place," she said.

THE CONFUSING LAWS

Similar stories can be found all across the nation. "It's no accident that it's so damn hard to register in this country," says Mike McClister, vice president of Matt Reese Associates, a Washington-based political consulting firm. "A political machine, survives by reproducing its own turnout year after year. It's no wonder they don't want to expand registration."

It is not just the administration of the laws, McClister notes, but confusion among voters about the vague laws themselves. Citing a survey of eligible voters in a Minneapolis suburb, he says a check with registration lists showed that 75 percent of those who had said they were registered actually were not.

Similarly, Ohio state assemblyman Richard Celeste, a Democrat who represents a largely Republican district in the Cleveland area, blames both political parties for maintaining a state registration law that is complex and vague and not used aggressively at the local level. "If the Republican Party has the least interest in expanding voter registration," he remarks, "then the second least interest is held by the Democrats, who fear a broad electorate would shake their power."

What all this adds up to is that voter registration, introduced mainly to curb those who used to cast more than one vote, has reduced the percentage of those eligible to vote at all on Election Day. In most cases this means no vote for the less affluent, the disaffected—those whom the country has been trying to convince since the riots and protests of the past decade to work through the democratic process. If that argument is to be at all persuasive, something must be done to make sure they have an electoral voice. Otherwise, there is no reason for them to listen.

THE ROAD TO REFORM

Registration reformers generally divide along the lines of those who want stronger state action and those urging a uniform federal registration system. Prof. Richard Smolka, director of American University's Institute of Election Administration, for example, advocates uniform registration laws for each individual state, with strong state control over administration. He believes that election administration must remain at the local level because of the possibility of fraud.

"There are 90,000 local units of government conducting elections, more than 500,000 officials elected to office each year, and an election held every week in this country," he says. "If the purpose of registration is to prevent fraud, then to justify it we must administer voter registration where people know each other. A nationally administered program could cause delay and would simply be impractical."

But Prof. Smolka's prescription would still leave room for less scrupulous state politicians to set the number, place and timing of registration to further their political interests. An issue as fundamental as voting requires federal standards for national elections and federal pressure for state and local races.

A bill introduced in the Senate last year by Sen. Gale McGee of Wyoming comes close to proposing a national system that would significantly reduce our registration ills. For federal elections, the bill would place the Census Bureau in charge of national registration administration. Registration postcards would be mailed to every home, to be sent by voters to local election offices, which would process the forms. To influence state reforms, Washington would offer financial incentives to those states adopting programs similar to its own.

But the McGee bill, which was shelved by the Senate for this year, does not go far enough. It does not sufficiently consider the millions of less advantaged citizens who may have difficulty receiving mail or be less than eager to fill out a government form that arrives in the mail. To ensure the registration of as many citizens as possible, the federal standards would have to include door-to-door registration in precincts where sign-ups fall below, say, 85 per cent. And those states eager for federal financial aid would have to follow this standard for state and local registration.

Only with such a system can we have a chance of fulfilling the promises this country has made.

NATIONAL NUTRITION WEEK: INVEST IN YOURSELF—BUY NUTRITION

Mr. PERCY. Mr. President, this is the third day of National Nutrition Week as proclaimed by the American Dietetic Association. Although the resolution calling for the Presidential proclamation of National Nutrition Week has not yet been approved by the Senate, the American Dietetic Association has gone ahead with its plans for a nationwide observance this week, March 4 through March 10.

There is no doubt that this is an appropriate time to focus national attention on the subject of nutrition. Americans are becoming increasingly conscious of their eating habits, and for a number of reasons. Food prices are soaring; advertisers are proclaiming benefits of fortification of food products with additional vitamins and minerals; the interest of the young in natural and "organic" foods is becoming a fad for Americans of all ages; the subject of "empty calories" in many popular food items is receiving increased publicity; the rage of the 1950's and 1960's for food additives and preservatives to improve the appearance, taste, and shelf life of our food products is meeting with growing skepticism from the public. Never before has there been such a hubbub about what we should and should not eat, and why.

Out of the current clamor over so many aspects of the American diet, a calm voice of reason and fact needs to be heard. The American Dietetic Association and numerous other interested groups across the country provide that voice through their continuing efforts to bring the philosophy and facts of nutrition education to all Americans. The observance of National Nutrition Week, proclaimed by the ADA but celebrated by many other dedicated organizations as well, is an excellent opportunity to bring public interest to bear on factual information about good nutrition. I wish to commend the ADA for its many efforts to promote nationwide observance of National Nutrition Week, and I ask unanimous consent that a statement released by the ADA be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement

Chicago, Illinois: The American Dietetic Association, with national headquarters at 620 N. Michigan Avenue, is proclaming National Nutrition Week, March 4–10, '73. The 24,000 professional men and women of this 56-year-old group direct their talents, efforts and time to the betterment of the nation's health by striving to improve the nutritional well-being of human beings.

Invest in yourself. Buy nutrition . . . is the theme for '73. The message is short but important. With today's average income at an all time high and more of everyone's income spent on food . . . many remain "poorly" fed at all income levels. Overweight seems to be a problem; and heart disease threatens the lives of middle-age America all too often. Undernourished mothers appear to have more problems at childbirth and their offspring seem more susceptible to disease than the children of well-nourished mothers. Better nutrition won't cure all these health problems but it is a basic step toward prevention.

It is not only the quantity but the quality of food the individual consumes each day that plays a vital role in health and well-being. Foods rich in proteins, vitamins and minerals are available in this country at reasonable cost as compared with similar foodstuffs in other lands. And they are often less expensive than high-calorie foods when comparing cost per ounce. They are the protective foods. Fats and sugars are important too for human nutrition but are needed in much smaller quantities than most Americans consume. Eating a wide variety of foods and balancing the energy from food with the energy used each day will usually provide the calories and nutrients needed by a healthy individual.

PROFESSIONAL STANDARDS REVIEW EXPLAINED

Mr. HANSEN. Mr. President, our distinguished colleague, the senior Senator from Utah (Mr. Bennett) spoke recently before the National Conference on Professional Standards Review Organizations.

As most of his fellow Senators know, Senator Bennett has been one of the effective leaders in the drive to enact professional standards review, and his speech in Albuquerque, N. Mex., on February 12, 1973, paid particular attention to what must be done now to properly implement PSRO, especially in light of the fact that the Federal Government is likely—in the next few years—to expand its participation in the health-care field.

It is because of that probable development that I am pleased to call attention to Senator Bennett's speech.

His statement provides a clear indication of what has gone before and what needs to be done in the future in this important field and I commend it to my colleagues for their review. With that thought in mind, I ask unanimous consent that his statement be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Wallace F. Bennett

It is a real pleasure for me to visit with you this morning here in friendly Albuquerque—and I do mean friendly in more ways than one. For some four years my son-in-law was Vice President for Research and Development of the Sandia Corporation and during the time he and his family lived in Albuquerque I spent many pleasant days here, days which still bring delightful memories. But, of course, there is another reason why New Mexico is a friendly place to visit because, as you know, New Mexico is the State which has provided national leadership in developing, operating and supporting the PSRO approach. New Mexico has shown how a concept can become a reality, benefitting everyone.

I must say that it is somewhat strange to be here today explaining Professional Standards Review, rather than advocating its passage as legislation. For the last few years, I have been involved in making many speeches in support of PSRO, apart from the time-consuming work involved in its preparation and refinement. Now, we have passed the time of debate and have come to the time of doing.

All too often, we in the Congress, confronted with a major problem, work hard to develop a legislative solution and, once that solution becomes law, assume that the problem has been resolved. Those of you in the audience who administer programs know that that is usually just not the case.

At the outset I want to stress that I have no qualms at all about recommending and supporting legislative changes in PSRO where experience dictates the advisability of change. The attitude is one of pragmatic problem solving and the model we have developed, which was based upon the best information available to us, nonetheless may require subsequent modification. I want to reassure you that there is no inclination on my part to regard PSRO as frozen for all time in its present form on the statute books.

I don't think that this is the place to recite the extensive and sometimes stormy history of the PSRO Amendment. This is the place to consider how PSRO should be properly implemented. It is imperative that PSRO's succeed in view of the anticipated expansion of the Federal role in the financing of health care. Unmet health care needs exist to a substantial extent in this country. No one will deny that. The question the Congress must answer relates to accurately defining those needs and devising appropriate solutions consistent with available Federal resources. The magnitude of the solutions proposed thus far, just in dollars alone, mandates that we prevent a polarization between Government and medicine if we are to have any reasonable chance of having an efficient health care system.

While we may have administrative alternatives with respect to Medicare and Medicaid—for example, Government can delegate administrative responsibility or assume it itself—there is just no alternative to the use of the practicing physician in the delivery and supervision of medical care. PSRO is structured so as to provide practicing physicians with an opportunity to assume responsibility in publicly accountable fashion for assuring that Medicare and Medicaid services are provided only when medically necessary and in accordance with professional standards, as well as to encourage use of the most economic medically appropriate modes and sites of treatment.

The basic PSRO objective is to assure the quality and appropriateness of care and treatment. All experiences with prototype organizations demonstrate that cost savings inevitably follow as a consequence of effective attainment of that objective.

Now, we are not naive. While it is our hope that all PSROs will succeed, some will undoubtedly fail. But PSRO failures should result only from a lack of will on the part of the physicians to do the job, not because the necessary resources and responsibility were denied to them. We expect progressive and straightforward efforts toward implementation of PSROs. Some organizations already exist, and some of these are already more fully developed than others. Many more need to be started from scratch. The real test of the embryo PSRO will be its willingness to do the job and its capacity to assume progressively greater review responsibility. The test is not whether all review responsibilities can be undertaken within the shortest period of time. Token effort will not be acceptable, but total review will not be immediately required of an applicant.

Obviously, no PSRO can just spring into being full-blown. Each review function—institutional, and out of institution—should be undertaken only when the PSRO is reasonably ready to do so in orderly fashion. The pressure on the PSRO is to do a satisfactory job of assuring quality and appropriateness of care and treatment in each review area undertaking, and not pressure to assume responsibility unrelated to its capacity at a given point in time.

The Federal Government has the general obligation to oversee overall PSRO operations; there is no abdication of ultimate responsibility here. But the Government, while firm in requiring proper performance, should also be sensitive rather than arbitrary.

With respect to PSRO's, the Government itself has taken out an insurance policy. All existing review will continue side-by-side with PSRO review until the Secretary of Health, Education and Welfare is satisfied that a given PSRO has demonstrated its ability to do a better job. In fact, as some of you know, there are additional review requirements in H.R. 1 distinct from PSRO—such as the establishment of Statewide program review teams.

As the PSRO demonstrates its capacity to do an effective job of review in each area of review, the Secretary will be expected to waive all other non-PSRO review otherwise required. During the trial period for a PSRO, its decisions concerning medical necessity would govern despite the fact that a State agency or a Medicare carrier or intermediary arrives at a contrary decision. The purpose of this is two-fold: The establishment of a basis to compare PSRO performance with our other review mechanisms dealing with similar fact situations; and the existence of a definite need to have the buck stop and prompt decisions made with respect to coverage of a patient's care.

The legislation provides that all PSRO costs—including that segment attributable to Medicaid—will be borne by the Federal Government. The President's budget contains substantial funds for implementation of the Professional Standards Review provisions.

There is a variety of administrative structures and flexibility in organization possible with respect to PSROs. However, certain essentials are required with respect to all PSROs. First, they must, during the course of review operation, develop and maintain profiles for each patient, practitioner and provider. Secondly, they have the responsibility of evaluating and determining whether various aspects of existing in-house institutional review procedures are at levels of performance acceptable to the PSRO.

For example, the PSRO might decide that a given hospital's medical admissions are properly reviewed within the hospital, but that there is a problem with elective surgical admissions, and that the PSRO itself will assume responsibility for prior approval of such admissions for Medicare and Medicaid payment purposes. Hopefully, in this illustration, the hospital would be encouraged and assisted by the PSRO in upgrading its internal review to an acceptable level.

Third, there must be broad and rotating physicians participation in the review process on a continuing basis, rather than simple delegation of the responsibility for review to a few doctors. The purpose of this requirement is to avoid what I have termed "incestuous review" but, more importantly, it should give physicians in the community the opportunity to feel that this is their organization and that they are important parts of the process. There is also, of course, the real educational value to be gained by individual physicians who participate in the review process because they will thus get an overview of the way care is practiced in the community as a whole, as well as have an exposure to norms and parameters of care of such practices.

Fourth, PSROs must be organized on local bases of proper size. While there is a requirement that there must be a minimum of 300 physicians in a PSRO, it is expected that the average PSRO will be drawn from 1,000 or more doctors in an area. Again, it is the intent of the law that PSRO's be established at local levels. Thus, a large State, such as Illinois or Ohio, might have as many as ten or more PSRO's, while a State such as New Mexico or Utah might have only a single PSRO covering the entire State.

Fifth, the review organization must employ in its review of care acceptable parameters and norms as checkpoints.

Sixth, data must be maintained in orderly and adequate fashion to facilitate evaluation and comparison of PSRO performance. All of these data, I might add, are to be made public regularly, with the exception of individual patient records. For example, hospital and surgical utilization rates would be regularly available.

With respect to Medicaid, it is expected that the PSRO will be responsible for evaluating and approving the medical necessity and appropriateness of care and services provided to recipients. However, following that determination, the question of eligibility and reimbursement would be handled by the State, except where other arrangements are made by the State with the approval of the Secretary. Similarly, Medicare carriers and intermediaries would, as agents of the Government, handle eligibility of individuals and reimbursement. But, again, the decision concerning medical necessity would be made by the PSRO.

State Medicaid agencies are expected to be consulted by the Secretary during the course of his drafting of overall PSRO regulations. Certainly, the need to assure compatible and timely data processing and professional review of Medicaid services on a cooperative and coordinated basis would dictate such commonsense procedure.

Each State with three or more PSRO's would have a Statewide Council responsible for coordinating and reviewing the activities of local PSRO's. In addition to one physician member from each PSRO and two physician members each from the State Hospital and Medical Associations, the Secretary would appoint four public members knowledgeable in health care. Two of those four members appointed by the Secretary would be selected from nominees of the Governor of the State. Certainly at least one of a Governor's nominees could be anticipated to reflect the State's Medicaid interests.

To some of us, the need for a coordinated Medicare and Medicaid approach in the area of data processing and professional review is an obvious one. First, there is the overlap between the two million old-age assistance recipients who are eligible under both Medicare and Medicaid. Second, and perhaps more important, is the probability that sometime within the next several years Medicaid will be absorbed or supplanted by either some form of national health insurance or an expanded Medicare program. At the very least, I foresee a greater Federal role in Medicaid financing and administration.

A State, of course, would be at liberty to comment upon and offer suggestions to the local PSRO's for improvement in PSRO operations and the Statewide Professional Standards Review Council; the national Professional Standards Review Council and the Secretary. Hopefully, States will offer constructive rather than carping criticism. That last remark was not gratuitous. Conceivably there may be some officials unwilling to yield their review fiefdoms graciously—even though the PSRO does a superior and more acceptable job. On the other hand, I suspect most State officials concerned with review—confronted with effective PSRO's—would heave grateful sighs of relief

A key element in the success of the Professional Standards Review legislation will be the composition, professionalism and energy of the National Professional Standards Review Council. It is vital that those eleven physician-members be of the highest caliber so that practicing physicians throughout the country can have confidence in the professional integrity and judgment of the Council. That group, consisting of practicing physicians of recognized standing and distinction in the review of medical practice, will have important operative, evaluative, and advisory responsibilities.

For example, the National Council has authority to contract with medical specialty organizations for the development and preparation of norms or parameters of care for given diagnoses which would then be made available to local PSRO's for adaptation and usage in area review. This authority is in recognition of the fact that, while we now have much in the way of information concerning norms which can be used as checkpoints of reasonableness, there is still much to be done. In fact, as medical knowledge progresses and changes, norms should be subject to continuing review and modification.

This might be a good point to stress again, that norms of care related to specific diagnoses and ages are nothing more than professionally-established checkpoints beyond or below which it is reasonable to ask an attending physician to explain to his peers the medical necessity and appropriateness of his variation so that Medicare and Medicaid reimbursement may be made. A physician may hospitalize his patient beyond the point which the PSRO believes medically necessary. In that situation where all parties have been notified in advance of the PSRO decision, payment would not be made for the excessive segment of the hospital stay. These PSRO parameters and norms of care are not intended to stifle innovative medicine. The objectives are enhanced quality of care and reasonableness in determining what is allowable for payment under Medicare and Medicaid.

Now, who can be designated as a PSRO?

Priority must be given in every case to physician-sponsored organizational applicants. But their simply saying "we want to do it" is not enough. The law states that the Secretary must be satisfied that the organization is "willing to perform and capable of performing in an effective, timely and objective manner and at reasonable cost the duties, functions and activities of a Professional Standards Review Organization . . ." The Secretary is required to make that determination on the basis of both formal and informal information and evaluation. The "informal" aspect was included so that the Secretary would be able to look behind the paper of a proposal at the realities and bona fides of a given applicant. The law does not rely upon an organization's skill in drafting a proposal as the basis for acceptance or non-acceptance. It looks considerably beyond that.

Until January 1, 1976, only qualified physician-sponsored organizations may be designated as PSRO's. However, after that date, in an area where the Secretary is unable to secure the establishment of a physician-sponsored PSRO, he is authorized to contract with other qualified organizations with professional medical competence to function as the PSRO in that area. These could include State or local health departments, an aggregation of hospitals or similar governmental or non-profit organizational structures with professional competence.

In the absence of any qualified physician-sponsored organization and in the absence of any qualified "stepback" organization, such as State or local health departments, failing all else, the Secretry might as a last resort, designate a health insurer to undertake the responsibility to the extent feasible and acceptable.

Inasmuch as this is a working conference on PSRO's, it might be appropriate to offer some suggestions relating to PSRO implementation which, while not in the nature of formal legislative history, might prove helpful.

PSRO's are to be designated on the basis of geographic or medical service areas within a State. In most States, that task should not prove insurmountable. The question has arisen, however, of how to cope with a PSRO medical service area which overlaps State boundaries. My response to that would be to establish the PSRO for the medical service area with appeals and review of that PSRO handled by the Statewide Council in the State in which the preponderance of the area's physicians practice.

A related question concerns PSRO operations in a large metropolitan area involving two or more States each with sizable numbers of physicians. For illustrative purposes, let's take the Washington, D.C. metropolitan area. There I visualize PSRO's in Northern Virginia, suburban Maryland and the District itself. However, all three PSRO's could share a central data bank in which patient, practitioner and provider profiles would be maintained. The separate PSRO's would have computer terminals feeding into and extracting from the data bank. This approach solves the problem of physicians who have both urban and suburban offices and of patients who cross PSRO boundaries in getting necessary medical care. Each PSRO, however, would retain its responsibility for approving the medical necessity and appropriateness of care provided under Medicare and Medicaid within its geographical boundaries.

I will offer a suggested approach to one other requirement of the law—the statutory requirement that all patient profiles be regularly reviewed to assure that overall care is consistent with good medical practice. A large urban PSRO may have many thousands of patient profiles to review. Even though many physicians would be available as reviewers (and we expect to pay for their review time) the task would be formidable if ever profile were looked at on an undifferentiated basis. Therefore, I would expect that the profiles of patients receiving nominal or infrequent service might be reviewed possibly not more than annually while greater users of services—by diagnosis or frequency—would be evaluated more often.

The Finance Committee has always taken its legislative oversight responsibilities seriously. I like to think that with PSRO we exhibited foresight to the extent of minimizing future oversight activities with respect to PSRO. That, of course, may just be wishful thinking. In any event, we stand ready to applaud and support effective and forthright implementation of the legislation and, at the same time, equally ready to move in the event of faltering and token efforts at administration and operation.

Ladies and gentlemen, as far as Professional Standards Review is concerned, the Congress means business. Your help will go a long way toward achieving our common goals of assuring that we provide medically necessary care of proper quality under the Medicare and Medicaid programs.

FREEDOM

Mr. MUSKIE. Mr. President, as our prisoners of war return from Vietnam, we are all especially conscious of the meaning of freedom. I recently had the pleasure of being visited in my office by a group from the State of Maine attending the annual dinner of the Veterans of Foreign Wars in Washington. One of the group, Ruth Ellen Comber of Jackson, Maine, gave me a short essay entitled "Responsibility to Freedom."

Mr. President, I wish to share with my colleagues her thoughts about freedom and ask unanimous consent that her letter be printed in the Record at this time.

There being no objection, the letter was ordered to be printed in the Record, as follows:

My Responsibility to Freedom

(By Ruth Ellen Comber)

Freedom is a great privilege and we must work unitedly to be responsible for it. Benjamin Franklin, John Adams, and Thomas Jefferson were the key men in the signing of the "Declaration of Independence," on July 4th, 1776. On that day, these men and many like them, were being responsible for freedom by insuring its existence in our newly formed country. But this document and the ideals it stands for were not conceived by one man. It was created by an assembly of men working together as a unit. When you think of how hard these men worked to *bring* freedom to our nation, you would think that we could work just as hard to *keep* it here. One of the most important lines of the "Declaration of Independence" is the one which states that all men are created equal. This means that a man should hold no prejudice against his fellow men. There is no set class system in America where a man, because of his heritage, is in any better position to rule or be ruled, than anyone else.

Because we all *are* equal, we should all share equally in the benefits obtained from freedom and the responsibilities that accompany it. One person alone could not begin to spread the knowledge and results of liberty throughout the entire country. One person could not even hope to reach every man, woman, and child living in this country. It takes a joint effort by every one of us, each in his own way.

We need politicians to serve the people as representatives to Congress and the Senate. We need them to work *for* and *with* us in making the laws and preserving freedom for all.

We need lawyers to fight for justice and truth in the Courtrooms of our land. We need these professionals to insure freedom of the individual and to intepret the laws.

We need policemen to enforce the laws that were made to protect us.

But, most important of all, we need those people whom the laws were made *for*. We need these concerned citizens to keep our country at its high level; never letting it falter for a moment.

My individual responsibility is to be proud of my heritage and of my country. I should not take any one of these duties for granted. When I become of age, I should be an informed voter and a concerned voter. The political *offices* should be my concern, and they should be upheld to the highest degree.

To explain further my responsibility to freedom, I would like to refer to the song, "You've got a Friend." The first stanza of this song is: "When you're down and troubled and you need some love and care, and nothing . . . nothing is going right; Close your eyes and think of me and soon I will be there, to brighten up ever your darkest night." This applies to freedom and its need for my assistance. I try to project myself into the song and think of freedom calling to me for help in finding stability in our society.

The beginning lines of the chorus are: "You just call out my name, and you know wherever I am, I'll come running to see you again." Of course freedom is not capable of caling out my name. But through some political, social or religious strife within this democracy, I should be aware that freedom is calling silently, for my help in solving the problems that could hinder its safety. The last few words of the chorus are: "Winter, Spring, Summer, or Fall, all you have to do is call, and I'll be there. You've got a friend." These lines reveal that no matter what the season is, I should always be ready to aid freedom in any way possible. Whether it is to examine closely a new amendment to make sure it benefits *all* the people and not just a minor few. Or if it is to learn about America's foreign policy to certify that it is fostering brotherhood with other nations. I should be willing to work for freedom at all times.

The last lyrics of the song are: "Now isn't it good to know that you've got a friend when people can be so cold? They'll hurt you, yes, and desert you, and take your soul if you let them. Oh, but don't you let them."

This means, to me, that there is a struggle involved in protecting and preserving something as necessary to the happiness of an individual, as freedom. It isn't easy. But, then, nothing worthwhile ever is.

SPEECH OF SENATOR CURTIS AT LINCOLN DAY GATHERING IN COEUR D'ALENE, IDAHO

Mr. McCLURE. Mr. President, our colleague from Nebraska (Mr. Curtis) recently addressed a Lincoln Day gathering in Coeur d'Alene, Idaho, and delivered a speech that received nationwide attention.

It is the Senator's contention that the recent political campaign failed to address itself to the real concerns of middle America in any substantive way. His criticisms are directed at both political parties and are quite thought provoking. They merit the attention of every Member of this body who is concerned about the directions this Congress should be taking, and I ask that Senator Curtis' speech in Coeur d'Alene be included in the Record at this point.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech of Senator Carl T. Curtis

Mr. Chairman and my fellow Americans, we are here to celebrate the birthday of the immortal Abraham Lincoln, our first Republican President. As long as there are free men on earth, the name of Lincoln will be honored. He led this country through a great war and saved this Union of sovereign states. We could spend the entire evening enumerating his virtues, his defense of individual liberty, thrift, and hard work. This we should do. I believe, however, that the greatest honor that we can bestow upon Abraham Lincoln and all of our revered forefathers is to make a success of free government in our time.

First let me say that I am so happy that Richard Nixon is President of the United States. Our country is fortunate that a man of his caliber was elected to the Presidency in 1968 and reelected in 1972. He will go down in history as a President of great accomplishment, the unquestioned leader of the free world, and a peacemaker.

When Richard Nixon talks to the American people about a full generation of peace, those who know him best know that that is the overriding passion of his Quaker heart. When President Nixon was sworn in as President in 1969, the Vietnam war had dragged on and on for seven years or more. There was no end in sight and our casualties were enormous. The foremost hope of the American people was for peace.

President Nixon put first things first. Peace with honor has come. Americans are no longer being killed. Our prisoners of war are being returned and those men listed as missing in action who are still alive are being brought back. A grateful people will not and must not forget their great debt to President Richard Milhous Nixon—the peacemaker.

In my opinion, the greatest crisis we face at the present time involves the financial integrity of the United States. It involves the question of spending, the enlargement of government, and mounting deficits. I believe that the vast majority of the American people laud President Nixon for his courageous and forthright stand to curb excessive spending. There is much more to be done and there is a responsibility on the Congress and everyone involved, but I am indeed grateful for the stand the President has taken.

I am most happy to be in the State of Idaho. I am delighted that Mrs. Curtis and I could make the trip, and that we can have the opportunity of visiting your lovely City of Coeur D'Alene. Senator Len Jordan, who chose to retire, and his wife, Grace, were dear friends. Len and I had the opportunity of serving together on the Senate Committee on Finance. He was one of the Senate's stalwarts. There are many Idahoans who come to mind as I think back over my years of service. I was sworn in as a young Congressman at the same time as Henry Dworshak was sworn into the House of Representatives. We remained friends through the years.

Idaho is keeping up its fine tradition for sending stalwarts to Washington. Senator McClure, a young man of brilliance and integrity, obtained valuable experience as a House member and he has already established himself in a position of respect as a good Senator who can be counted upon. I am honored to serve with him and I wish we had more like him.

The whole country took note of the election of your aggressive and outstanding new Congressman Steve Symms. I think that his slogan, "Take a bit out of government," could well be emulated by every Member of Congress. His rugged individualism and his sterling Americanism are to be commended. I particularly have taken note of him because I, too, went to the House of Representatives at age 33, a little over 34 years ago. I predict great things for him in Washington.

If we are to make a success of self-government, we as a matter of necessity must make a success of the Republican Party. The Republican Party must in truth and in fact become the majority party in America. We must bring together a coalition of individuals who share some basic fundamental beliefs and who will constitute a majority for the purpose of electing both a Congress and a President. It has been done in the past.

President Franklin Delano Roosevelt put together a coalition of a majorty of U.S. voters. That same coalition held together through the crisis of World War II and right on up to the election of President Eisenhower.

President Eisenhower was a great military leader and one of our most popular Presidents, but he was not particularly party-oriented. Since he and his aides lacked insight into the formation of a Republican majority, the party missed a historic opportunity to form a solid coalition among American voters during the Eisenhower years.

Then came the Kennedy era, followed by the landslide election of President Johnson in 1964. By 1966, however, the American voter began to react to the excesses of the Great Society and the Republicans made a comeback.

In 1968, the Party nominated Richard Nixon and, because of chaos among the Democrats, Nixon seemed to enjoy a wide lead over Vice President Humphrey. But that lead evaporated in the wake of a rather weak and inarticulate campaign by the Republicans and a spirited campaign by Vice President Humphrey. As a result, Mr. Nixon was only narrowly elected. More important, there were only marginal gains in the Congress, where Party workers had been hopeful of substantial ones.

Then came 1970. Again, even though it was an off-year election, it looked like the Republicans were going to gain significantly, at least in the Senate. A Washington-directed campaign, which was not sensitive to local situations, soon turned potentially large gains into small gains in the Senate and losses in the House.

Consequently, 1972 was looked to as the golden year for the Republicans. The Democrats nominated a candidate who was rejected by large segments of their own party. The Republicans had the Presidency and all the power which goes with it. The early signs pointed to a Republican victory of proportions not seen since the election of Herbert Hoover in 1928. When the votes were counted, the President had won a landslide victory alright. But the Republican Party lost strength in the Senate and barely gained in the House.

As a matter of fact, President Nixon made two kinds of political history in the 1972 election. First, he won in an unprecedented 49 States. Second, he became the first President to win by a landslide without the Presidential election having a positive impact for the President's party in Congress. It became apparent early that the voters just wouldn't buy McGovern.

Now, it is hard to argue with the kind of landslide Mr. Nixon achieved. However, I serve in the United States Senate where conditions favoring sound thinking and conservative government have actually deteriorated since the election.

Consequently, I believe some observations about this election are in order. As we build toward 1974 and 1976, we must attempt to forge a new Republican majority.

It is my contention that, despite the landslide victory of President Nixon, the Republican Party as a whole failed in the last general election. Why? Because we failed to pay significant attention to the middle class voter; we failed to identify with the largest single segment of the voting population.

The modern tradition of the Democrat party has been founded on certain nineteenth century Socialist notions, the most notable of which has been the concept that the Democrat Party is the "party of the people." Well, if the Democrats are the "party of the people," then the Republicans are left with the identity as the "party of big business" and the "party of special interests."

While there is no reality in this concept of the "party of the people," it has served the Democrats well by creating a polarity between business and "the people."

Meanwhile, the Republicans have compounded the problem because they have failed to articulate in a positive way the case for Republican identification with the middle class.

President Nixon made a few statements which worked toward middle-class identification in 1972, but only because Senator McGovern advocated so many programs which were openly anti-middle class.

Beyond this perfunctory nod in their direction, the real concerns of the middle class were never properly addressed in the Presidential campaign. Since the Presidential campaign was directed separately from the campaigns of all other Republican candidates for public office, there was no single Republican theme. The results, overall, was certainly a deep lack of comprehension as to the real concerns of the American people.

Now, lest anyone draw the wrong conclusions from these remarks, I do not blame President Nixon personally for this situation. Any President who has carried the weight of Vietnam and the Middle East and the thousand and one other problems that Mr. Nixon carries on his shoulders cannot be expected to formulate strategy for Congressional campaigns.

The President, however, is supposed to have some very bright and highly paid advisors. While I realize that some of these advisors have yet to extend diplomatic relations to the Congress, I understand that a few of them were responsible for formulating the Congressional campaign strategy. I suppose it is asking a bit too much for some former highly paid advertising executives to understand the concerns of middle-class Americans.

Still, despite the doubts raised by the fragmented 1972 campaign, I do believe that a majority of Congressmen and Senators, especially those who themselves campaigned during 1972, understand very well what the people are thinking.

The team of Scammon and Wattenberg identified some of the "social issues" which disturb the average middle-class voter. These include crime, permissiveness, drugs, etc. These *are* real concerns and, therefore, real issues. But Scammon and Wattenberg, in my opinion, barely scratched the surface.

There are a number of broader concerns which have come to bother the average voter. Perhaps most significant is the ever-increasing tax load which politicians have inflicted on the voter at all levels of government.

The specific concerns of these taxpayers are innumerable. The American middle class is tired of working to help pay for the "voluntary poor." By that I mean they resent their tax dollars going for food stamps for hippies and strikers. The American middle class is fed up with schemes for welfare reform which would add millions to the relief rolls by giving them a guaranteed annual income. And, by the way, President Nixon is to be commended for dropping the guaranteed annual income plan from his budget this year.

I am proud to have been one of those Republicans on the Finance Committee who for two successive Congresses stood up and said "NO" to this kind of nonsense.

The American middle class wants tax reform if it is true tax reform. If our tax laws are to require that every individual and every corporation must pay his or its just share and no more, our efforts at tax reform must be constant and not sporadic. The American middle class is not served by demagogic proposals in the name of tax reform which dissipate the revenue, discourage giving and philanthropy, remove incentives which provide jobs, and shift the burdens of taxes for political purposes. The Tax Reform Act of 1969 contained all of these evils. Had it not been passed we would not have the current deficit. Had the 1969 so-called tax reform not been passed, we would be collecting this year nearly 26 billion dollars more in revenue. This gigantic loss in revenue is creating the deficit, yet this bill did very, very little, if anything, for the great middle class in America. It was a politically inspired, vote getting approach.

Another concern of the average voter is the failure of government to perform. People are disillusioned because government has tried to do so many things that it cannot do. Look at the problems, for example, that we have in connection with the mail service. The false notion that big sprawling bureaucratic government can solve all problems is not only bankrupting our country, but it is a disillusionment and a sham.

One of the first responsibilities of government is the establishment of justice. Equal treatment and justice should be applied to all of our people. The middle class voter in our land with good cause raises questions as to why one citizen has the payments on his house subsidized with tax money by $30, $40, or $50 monthly, while his neighbor across the street in a similar circumstance with the same income pays the full cost of acquiring a home.

The great middle class wants all voters to have a voice in their government. That is what self-government is all about, yet the Congress has passed so many Federal programs which run in perpetuity that only 30 percent of the Federal budget constitutes what can be called controllable items. Many of these controllable items involve needed and necessary functions of government. Consequently, the voters of America can no longer exercise their God-given right to elect a Congress and a President committed to a drastic reduction in the size of our government, because the country is already saddled with programs which must be carried out or commitments which have been made to individuals, states, and subdivisions.

America is suffering from the tyranny of big government. This is a type of tyranny, the chains of which are harder to break than the tyranny imposed by a foreign monarch. Yet this trend must be reversed.

The Republican Party should proclaim, and adhere to, the doctrine that those citizens who are neither ill, nor aged, nor are the victims of great disaster do not need a "big brother government" to make all their decisions and supply all their wants. It is my opinion that a majority of the American voters would rally around such a cause.

The history of the last few years and the last few months has proven that the government does not know best. Let us look at the problem of pollution and our environment. Of course, we must clean up America. Our countryside and our streams and our air cannot be receptacles of all the trash that can be accumulated without injury to our people. Yet it is time that common sense prevailed. It is time that knowledge displaced emotionalism. To stop all activity is not the answer, whether it be the building of a pipeline, a nuclear power plant, or the continued use of something to destroy coyotes. We can improve our environment through an advance in technology based upon an expanding and growing economy and not a stagnant, stand-still economy. It is frightening to learn that the government of the United States is banning the use of DDT, and has approved as a substitute the use of methyl parathion, which is much more dangerous.

The great middle class in America wants to see the United States continue to be a first rate nation. The American voters are alarmed over the fact that in too many situations the United States is no longer competitive in the world markets. And this is a challenge for government, for business, and for our union leaders.

Governmental policies must be followed that give to American business an equal chance with foreign business. Businessmen must be venturesome and creative and courageous, but they can't go it alone. They must move within a framework of government which is conducive to such a course. In addition to this, our country needs a new statesmanship in its labor leadership. We need a type of union statesmanship which is willing to have labor join hands with government and management in a program of production that does make American products competitive around the world. This is the long range view. It will bring about a greater number of American jobs and more money in real wages in the long run. The maintenance of our country as a first rate nation places a responsibility on all, and I believe that a majority of the voters of America will follow that political party which will chart such a course.

If the Republican Party is to be the party of the majority, it must proclaim the virtues of patriotism at all times and in all places. I am convinced that the vast majority of the American voters love their country. They not only want it to be preserved but if they are given all the facts, they are willing to make any sacrifice in the public good. The Republican Party should exalt the virtues of hard work, self-reliance, and lack of dependence upon the government in Washington. Such a program calls for both courage and bravery, but I believe that it will appeal to a voting majority of our country. America is a great land because she has had brave people.

In our national anthem we sing about the land of the free and the home of the brave. I would like to leave this one thought with you—when we are no longer the home of the brave, we will not be the land of the free.

PRESERVATION OF THE BIG CYPRESS NATIONAL WATER RESERVE

Mr. GURNEY. Mr. President, the preservation of the Big Cypress National Water Reserve has been a long sought after goal, not only by some of us here in Congress but also by conservation groups and the majority of the citizens of Florida. This concern has been demonstrated in many ways, but none so effective than by the direct donation of land owned within the watershed area. Mr. President, I have received a copy of a resolution adopted by the State of Florida Board of Trustees of the Internal Improvement Trust Fund, which has the responsibility of administering all State-owned lands. This resolution, adopted on February 6, 1973, honors and commends Mrs. Sandra Kay Hamilton of Battle Creek, Mich., for her generosity and deep concern in donating to the State of Florida 30 acres of land within the Big Cypress acquisition area.

I would like to take this opportunity to personally commend Mrs. Hamilton for her actions and I ask that this resolution be printed in the RECORD so all Senators might be aware of the strong sentiment in favor of Federal acquisition of Big Cypress Swamp. Not only is Big Cypress an area of intrinsic natural beauty but its preservation is essential to the maintenance of an adequate fresh water supply for the people of south Florida. We cannot afford to let it go unprotected.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

STATE OF FLORIDA BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND,
Tallahassee, Fla., February 15, 1973.

Hon. EDWARD J. GURNEY,
U.S. Senator, New Senate Office Building, Washington, D.C.

DEAR SENATOR GURNEY: Enclosed is a copy of a resolution executed by the members of the Board of Trustees of the Internal Improvement Trust Fund on the occasion of their formal acceptance of thirty acres of land in the Big Cypress watershed donated to the State by Mrs. Sandra Kay Hamilton.

The Board directed that a copy of the resolution be brought to the attention of each member of the Congress of the United States from Florida as an indication of the public interest and concern for the future of the Big Cypress watershed.

Sincerely.

JOEL KUPERBERG,
Executive Director.

RESOLUTION

Whereas the Big Cypress Watershed is a unique and ecologically priceless natural resource of the State of Florida; and

Whereas the State of Florida is profoundly concerned and vitally interested in the protection and preservation of this natural resource; and

Whereas this priceless heritage was not recognized as such and was permitted to fall into private ownership over the course of many years; and

Whereas members of the United States Congress have expressed concern for the future of this natural resource and an intent on the part of the Congress to acquire the heartlands of the Big Cypress Watershed; and

Whereas, in matters of concern, often a dedicated and conscientious citizen will furnish the spark which lights the torch for others to carry in the accomplishment of deeds redounding to the benefit of generations to follow; and

Whereas Mrs. Sandra Kay Hamilton of Battle Creek, Michigan, has demonstrated her willingness to be such a person by donating to the State of Florida thirty acres of land owned by her within the Big Cypress acquisition area; and

Whereas the Trustees of the Internal Improvement Trust Fund wish to publicly acknowledge Mrs. Hamilton's philanthropy and her unselfish action, as well as to express to her the appreciation of the State of Florida for having set an example for others to follow: Therefore be it

Resolved by the Board of Trustees of the Internal Improvement Trust Fund, that the thanks of the Board on behalf of the State of Florida, is hereby expressed to Mrs. Sandra Kay Hamilton for her generous donation to this state; and be it

Resolved further, That this resolution shall be spread upon the minutes of this meeting and a copy hereof be suitably enrolled, signed and sealed and presented to Mrs. Hamilton, and a copy be directed to the attention of each member of the Congress of the United States from Florida as an indication of the public interest and concern for the future of the Big Cypress Watershed as part of the public domain in perpetuity.

NO FUNDS FOR THE WEST FRONT UNTIL THE CAPITOL COMPLEX IS FREE OF ARCHITECTURAL BARRIERS

Mr. RANDOLPH. Mr. President, I read with interest that the Commission for the Extension of the U.S. Capitol has directed George M. White, Architect of the Capitol, to request $58 million to extend the west front of the Capitol. The proposed addition would include office space and facilities to serve the public.

On February 21, Senator STAFFORD, myself, and staff representing members of the Subcommittee on the Handicapped and the Special Committee on the Aging met with Mr. White to express our concern about architectural barriers in the Capitol and the Senate and House office buildings. This conference was very productive: It was agreed that Mr. White would correct urgent problems which could be solved immediately and then secure architectural consulting assistance for long-range planning and work.

It is my opinion that not a penny should be spent on the west front project until architectural barriers have been eliminated wherever possible within the Capitol complex. Furthermore, any proposed addition should be so carefully and throughtfully planned that problems will not arise for handicapped persons as they enter or move about in that area.

Recently, there has been a good deal of discussion about priorities. It seems to me that remodeling the Capitol to accommodate blind, motor impaired, other handicapped citizens and the elderly should have a higher priority than more office space and cafeterias, as much as they may be needed. Our national buildings should be accessible to all the people, Mr. President, not just nonhandicapped persons. This deserves to be our most urgent task in considering developmental or reconstruction programs for the Capitol complex.

Mr. STAFFORD. Mr. President, I would like to associate myself with the remarks of the Senator from West Virginia, the chairman of the Subcommittee on the Handicapped, about the need for a speedy removal of architectural barriers in our Nation's Capitol and surrounding office buildings.

The Architectural Barriers Act of 1968 provided a strong expression of the Congress intent to eliminate architectural barriers for handicapped and older individuals. This bill obligated the Federal Government to vigorously seek ways in which all buildings can be made accessible to handicapped individuals.

Mr. President, our historic Capitol and the surrounding buildings should serve as a model of accessibility. Indeed, openness of our Capitol should have the highest of all priorities.

If we in Congress believe in the laws that we pass, then we should be the first to see that they are implemented in our own environment. I would like to remind my colleagues that many of their handicapped or aged constituents cannot visit their Nation's Capitol or the offices of their representatives because they cannot get around this complex alone.

I think it is time the Congress responded vigorously to the right of the handicapped individuals to enter their Capitol.

TRIBUTE TO E. K. GAYLORD

Mr. BARTLETT. Mr. President, the entire State of Oklahoma today pays tribute to one of its most respected citizens, Mr. E. K. Gaylord, as he celebrates his 100th birthday. A pioneer in the truest sense, both in Oklahoma Territory and in the world of journalism, Mr. Gaylord has carved out a legacy in the minds and hearts of every Oklahoma citizen and that legacy is to look to the future, to be prepared and concerned for the days ahead.

E. K. Gaylord is a man among men—a man of religious conviction, moral persuasion, determination, energy and integrity. He is a gentle man—a man of compassion, understanding, patriotism, and love of his fellow man and Oklahoma. Mr. Gaylord is a man's man—a gentle man—a gentleman.

If some future Izaak Walton of journalism writes a book on "The Complete Editor," he would be wise to consider E. K. Gaylord, who is celebrating his 100th birthday today by putting in a full workday and sandwiching in a speech to the Oklahoma Legislature.

There are writing editors, editing editors, city-building editors, and empire-building editors—and "E. K." at 100 years young still answers all these descriptions.

There is a strange thing about that "E. K." He is popularly known by those initials around his adopted city which he has helped to develop from a mud-streeted frontier town to a booming metropolis of the Southwest.

But around his newspaper plant he is know—always—as Mr. Gaylord. Even his son who is an executive vice president of the Oklahoma Publishing Co., frequently refers to his father as Mr. Gaylord.

No recital of past accomplishments really can tell the story of Mr. Gaylord. The reason is that he is so vitally a man of the present and the future. For Mr. Gaylord, anticipating and preparing for the future is what life today is all about.

Everything he does and everything he says bears out his preoccupation with plans and possibilities for the future. He continually reminds others:

> Now, we don't want to build just for five or ten years ahead. Make it big enough for twenty or thirty, at least.

By the time he was 11, Mr. Gaylord had a job on a truck farm, picking strawberries. At 12, he left for a job in a secondhand store. By the time he was 15, he had demonstrated so much ability that a businessman offered to furnish him the money to buy out the owner and go into business for himself. But the future publisher declined, saying he intended to get a college education, whether it benefited him financially or not.

After 2 or 3 years working on fruit farms, for a railroad and coal company, he set off for Colorado College with $17 in his pocket. According to Mr. Gaylord, the fare back to Grand Junction was over $19, so "I know I was there to stay." His job as houseman and gardener at his boardinghouse helped and he managed meanwhile, to be president of the college YMCA, a member of the college debating club and both editor and business manager of the college paper.

While he was a college junior, he and his brother, Lewis, had a chance to buy controlling interest in the Colorado Springs Telegram for $12,000. A Missouri banker, attracted by young Gaylord's ambition and character, loaned him the necessary $6,000 and he was in the newspaper business for the first time.

The partnership later sold the Telegraph and his brother urged him to join a new venture in a paper in St. Joseph, Mo. Mr. Gaylord worked there for a time as business manager, but was not totally satisfied with the opportunity. He then moved to Oklahoma City.

When he arrived in Oklahoma Territory in 1903 he bought into what he has described as a "terribly inadequate" daily paper. It was published in a 25-foot-wide storefront office, with two linotypes and a flatbed press. He was to run the business side and one of his partners was to be the editor.

Very quickly, Mr. Gaylord's innate respect for newspaper work exerted itself and the dynamic spirit of the Daily Oklahoman was born.

He had been on the job only about a week when a soldier was killed in a brawl on "Battle Row." He knew the news staff was aware of the shooting so he was startled the next morning when he went through the paper, page by page and found no story.

"I got madder and madder," he recalls. The showdown came quickly. He marched into the office and learned the story had been suppressed at the request of the town's business leaders because "it would look bad for the city." Pointing out that papers in Dallas and Wichita had carried the story, he emphasized the ridiculousness of an Oklahoma City paper holding such a story. That afternoon, there was another killing and the next morning that story, needless to say, and the one about the previous day's shooting were duly reported.

The little staff soon learned the new man meant business. He contracted for Associated Press Service and, on an educated hunch, hired a telegrapher to work on Sundays and alerted his staff to be on the job. Most papers did not print on Mondays then and, the very next Sunday, he scooped the territory. The Russo-Japanese War started and the Daily Oklahoman's "Extra" was the only paper carrying the story between Dallas and Kansas City. He sent hundreds of papers and his own newsboys into cities as far away as Wichita, to the chagrin of many publishers caught napping. The feat put the Daily Oklahoman on the newspaper map.

To this day, the first tip on a good story is as likely to come from Mr. Gaylord as from anywhere. When his staff falls down on the job, it is his quiet but unmistakable disapproval that comes through. He knows news and what should be done with it. The sight of him walking into the newsroom, paper in hand, to point out some error that only he has caught—or to ask the key question reporters and editors have overlooked—is an unforgettable experience for beginners and veterans alike.

As one oldtimer says, "I think he does it with radar."

Recalling that "inadequate" paper he started with, Mr. Gaylord says:

> I was ambitious to make it the biggest and best newspaper in the state.

He was not long in setting himself on a course that would do the job.

The Oklahoman played a key role in Oklahoma achieving statehood in 1907, when it successfully pushed for Indian Territory to be admitted as one State and not split into two as some proposed. Before long, he led another battle. Guthrie had been named the State capital, but Oklahoma City was growing faster and other cities also had intentions of becoming the State capital. Oklahoma City won the balloting contest, hands down.

In 1916 the firm bought an evening paper at a sheriff's auction, the Oklahoma City Times.

By 1918 the young Gaylord already had been president of his city's chamber of commerce and had been placed in complete charge of both papers.

In 1928 it was Mr. Gaylord's decision that put the company into radio, with station WKY, the State's first.

When the railroads started withdrawing trains, making newspaper deliveries difficult, he started his own truck fleet; Mistletoe Express Service, which now services five States.

In 1949 the company brought television to Oklahoma with WKY-TV, which in 1954 became the Nation's first independent station with live color programs. TV Stations in Tampa-St. Petersburg and Dallas-Fort Worth were added later, followed by purchase of UHF channels in Houston and Milwaukee.

Ideas for further expansion and improvement always have an eager listener in E. K. Gaylord, editor, publisher, and president—that is if anyone can beat him to having an idea. His ambition to make 1903's Oklahoman into the "biggest and best in the State" has produced the Southwest's largest newspaper enterprise, but he is still looking for new worlds to conquer.

Ten years ago, Mr. Gaylord's staff celebrated appropriately by presenting him with the first newspaper ever printed from computer-justified tape. With interruptions only for reprograming and improvements, the papers have been printing this way ever since. Mr. Gaylord's reaction:

> We've only scratched the surface of these new methods; we're in the primitive stage.

In the newspaper world, he has done it all—from being a director of the Associated Press to being the key figure in establishing the South's first newsprint plant, Southland Paper Mills, Inc. at Lufkin, Tex. Fighting for pulp concessions, stock sales and contracts for the paper to be produced, he led the effort that gave a new look to newspaper economy in the region.

At home, every civic enterprise, in helping his city grow through unprecedented steps to attract industry, in private philanthropy, in support of education, in encouraging the arts and cultural activities, his role has been one of leadership—and this investment has been going on for more than 60 years.

While still Governor of Oklahoma, I asked Mr. Gaylord for his support for an Okie program, designed to make a good word out of a bad one. Because he had lived in Oklahoma throughout the Dust Bowl era, I thought he might not support the idea. Without hesitation, he said he would support such an effort and has been a tremendous help to Oklahoma Key to Intelligence and Enterprise ever since.

He and Mrs. Gaylord—a partnership that goes back to 1914—have special interest in the YMCA and YWCA. His interest stems from college days and hers from a premarriage career as a YW executive.

His publicly stated editorial philosophy is simple:

> The Oklahoma Publishing Company always takes a stand as a leader. It never has opposed a bond issue nor any other worthwhile project for the growth and development of the city or state.

A longtime newspaper associate once wrote:

> In my opinion, he has never used the tremendous power within his grasp selfishly; he has never attempted to reward a friend or punish an enemy through his newspaper's editorial policies.

When he speaks out sharply, the motivation stems from his conviction of what is right and best for his city, State, and country. While his readers often disagree, there are few who doubt his sincerity and many who respect his independence and forthrightness—even while disagreeing.

Mr. Gaylord answers the description I once read of a good citizen:

> He has put more into his community than he has taken from it.

He often cites a line that represents another of his personal convictions:

> No man has the right to be less of a man than he can be.

Few men have come closer to realizing that ideal than E. K. Gaylord.

Mr. Gaylord's inner spirit as well as his every day activity is motivated by an undying faith in the hope and aspiration for the future. I am proud to be able to call him my friend. I am proud to be able to call him a fellow Okie. I am proud to be able to call him a fellow American.

NATIONAL FORESTS

Mr. McCLURE. Mr. President, the 55th Congress on June 4, 1897, passed the law establishing the national forests. A portion of the act provides:

> No public forest reservation shall be established, except to improve and protect the forest within the reservation, or for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessities of citizens of the United States;

At present, our national forests are being asked to provide ever increasing amounts of goods and services under severe budget restrictions. Even such basic functions as planting and tree cultural work are now severely curtailed. Current Forest Service studies on undeveloped areas leave uncertain the productive forest land base that can be counted upon for harvest. Restrictive designations proposed for forest lands have not been fully assessed for the impact on sustained yield levels.

I am receiving numerous expressions of concern over the present lumber supply situation with regard to price and availability. My distinguished colleague from Oregon, Senator PACKWOOD, last week introduced legislation to curtail log exports. In short, the present wood situation is far from clear, both from where we are now, and where we are going.

I call to your attention the following excerpts from Forest Service Research Paper PSW—70/1971 which represents a program to plan resources allocation method—RAM. This method is designed to provide an analytical framework for drawing long-range forest management plans and for evaluating wildland multiple-use management policies.

The Forest Service is to be commended for its farsightedness in designing this tool and I shall be communicating with them in assessing the usefulness of this in reporting volumes of timber available for our uses, both from Government and other classes of ownership, and by various intensities of management.

Mr. President, I ask unanimous consent the excerpts be included in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

PACIFIC SOUTHWEST FOREST AND RANGE EXPERIMENT STATION—USDA FOREST SERVICE RESEARCH PAPER PSW–70/1971

FOREWORD

A major aim of the Multiple-Use Economics research unit of the Pacific Southwest Forest and Range Experiment Station is the development of a Resources Allocation Method (RAM). This method is designed to provide an analytical framework for drawing long-range forest management plans and for evaluating wildland multiple-use management policies.

Timber RAM is a subsystem of RAM, designed to generate cutting and reforestation schedules for commercial forest lands under multiple-use management. These Timber RAM plans can be used to evaluate current management policies and goals and to evolve new ones. Timber RAM was developed by the following members of the research unit staff:

Daniel I. Navon, Economist.

Michael J. Irving, Mathematician and Programer (part-time).

LeRoy C. Hennes, Forester (part-time).

Narendra S. Bakshi, Systems Analyst (part-time).

Steven Chen, Computer Scientist (part-time).

Special credit is due Michael Irving and Steven Chen for writing the Timbram-Matrix program and Michael Irving for writing the Timbram-Report program.

Valuable assistance in the testing of Timber RAM was provided by the Branch of Management Plans and Timber Inventories, California Region of the Forest Service, U.S. Department of Agriculture, San Francisco, California.

GLOSSARY

Many terms familiar to foresters—and mathematical programers—are given particular meaning in Timber RAM

Activity: a scheduled sequence of silvicultural treatments defined for a particular timber class by periodic inputs and outputs per acre treated.

Arbitrary Control Constraint: one of the three types of control constraints which can be imposed on periodic harvests.

Constraint: restriction on the quantity of an input used or output produced during a particular period.

Control Constraint: restriction on the volume (or area) harvested during each period of a sequence of periods—beginning with the first period. The periods for which control constraints are specified are referred to collectively as the conversion period.

Conventional Control Constraint: one of the three types of control constraints which can be imposed on periodic harvests.

Conversion Period: the sequence of periods—starting with the first period—for which harvest control constraints have been specified by the user. Since a harvest control constraint must be specified for the period the conversion period consists of at least the first period. When no harvest regulation constraints are specified. the conversion period can be extended to the planning horizon.

Economic Report: a table produced by the computer program Timbram-Report displaying total periodic costs and revenues for each period from the present up to the planning horizon.

Harvest Graph: a graph produced by the computer program Timbram-Report displaying the total periodic harvest for each decade from the present to the planning horizon.

Harvest Report: a table produced by Timbram-Report displaying the total periodic harvest from the present up to the planning horizon.

Harvest Schedule: a cutting and reforestation schedule produced by Timbram-Report displaying by decade, the acres and volume harvested with each activity, selected from the present up to the planning horizon.

Linear Programing: a mathematical technique for solving resources allocation problems.

Management Alternative: a scheduled sequence of silvicultural treaments for a specific timber class.

Objective: any one of the inputs or outputs summed over a sequence of decades extending from the present up to the planning horizon. Costs and revenue objectives can be discounted to the present.

Planning Alternative: the objective, constraints and activities from which a Timber RAM plan will be calculated.

Period: a decade or the first and second half of the first decade when the "five-year" option is selected.

Planning Horizon: the last period for which inputs and outputs are to be estimated or constrained.

Post-Conversion Period: the sequence of decades from the end of the conversion period to the planning horizon.

Problem Schedule: a schedule produced by Timbram-Report displaying by decade all the inputs and outputs and the contribution to the objective of each activity selected for the Timber RAM plan.

RAM: Resources Allocation Method, a system for long-range multiple-use planning of wildlands being developed at the Pacific Southwest Forest and Range Experiment Station.

Regulated Cycle: a sequence of post conversion periodic harvest spanning a rotation.

Regulation Constraint: restriction on the volume (or area) harvested during any decade of the post-conversion period.

Sequential Control Constraint: one of the three types of control constraints which can be imposed on periodic harvests.

Timber Class: a collection of stands of sufficiently similar character to be treated as if they were identical.

Timber RAM Plan: a cutting and reforestation schedule—and the corresponding revenues and costs—developed with Timber RAM for a particular planning alternative.

Timber RAM Problem: a forest management linear program generated with the computer program Timbram-Hatrex. Several planning alternatives—and therefore several Timber RAM plans can be generated from a single Timber RAM problem.

Timbram-Matrix: a computer program used to set up forest management problems as Timber RAM problems.

Timbram-Report: a computer program used to translate a combination of activities into a Timber RAM plan.

TIMBER RAM

The Timber Resources Allocation Method (Timber RAM) is a computerized method for developing long-range forest management plans. Each Timber RAM plan consists of a cutting and reforestation schedule and of reports tabulating the corresponding stumpage volumes, revenues, and costs. Schedules and reports can span a sequence of decades extending from the present to a "planning horizon" up to 35 decades in the future. With Timber RAM plans, the stumpage and economic potential of large forested areas can be estimated for alternative management policies. Timber RAM plans can also provide aggregate input and output goals and management guidelines for sequences of annual plans. The schedule and corresponding stumpage volumes, revenues, and costs of Timber RAM plans are calculated for 10-year periods. They can also be calculated separately for the first half and for the second half of the first decade to provide schedules and reports for 5-year plans.

Given an inventory of forest resources and alternative ways of managing each type of stand, Timber RAM can be used to calculate a schedule which meets a specified objective, such as: maximize revenues, maximize stumpage volume harvested, or minimize expenditures. Besides meeting the objective, the Timber RAM schedule can be required to meet constraints on the periodic level of revenues, and expenditures, and on the periodic volume of stumpage harvested. The levels at which revenues, expenditures and stumpage are constrained can be varied from period to period. Finally, the Timber RAM schedule can be required to meet constraints specifying what percentage of each type of stand will become accessible for cutting in successive periods.

Timber RAM can be used to develop long-range plans for both privately and publicly owned forests. Private owners, for example, may choose for the objective: maximize the present value of net revenue. They may also choose to constrain cash flows and stumpage harvested above minimum levels for two or three decades. Private owners with an interest in conservation may want to assure a minimum supply of stumpage for additional decades. Private owners with heirs, and public agencies, may well feel obliged to asure a perpetual and stable supply of stumpage. With Timber RAM, they can develop such plans by constraining harvest levels for as long as 35 decades—ample time to stabilize the periodic yield of any forest. Some public agencies may prefer to specify the objective: minimize expenditures; and constrain timber harvest above minimum levels for one or two rotations to insure a sustained yield of stumpage. Public agencies may also want to constrain revenues above a minimum level for several decades to meet the needs of local government.

The opportunity costs of imposing such constraints can be estimated by calculating a second plan in which the constraints have been deleted or modified. An opportunity cost is defined as the difference in the value of the objective in the two plans. The opportunity costs of a policy requiring a stable and perpetual supply of stumpage can be estimated by calculating two Timber RAM plans; the first in which periodic stumpage harvests are constrained for, say two rotations, and the second in which periodic stumpage harvests are not constrained, or constrained for only two or three decades. The opportunity cost of other multiple-use management policies can be estimated in the same way; for example, the opportunity cost of establishing stream bank protection zone of various widths, or of extending endangered species habitats.

Maximizing revenues or minimizing expenditures—is only one of the goals of forest management. By specifying constraints it is possible to introduce explicitly into the planning process many of the other goals pursued by private owners and public agencies.

This paper describes the Timber RAM approach to long-range forest management planning. It outlines the procedures for using Timber RAM on computers, and explains the options of the computer programs.

Timber RAM plans are calculated by the linear programing method. This method has been completely automated and linear programing codes are available commercially for every large and medium size computer. The current version of Timber RAM requires the use of the linear programing code ILONA on the UNIVAC 1108 computer. The Timber RAM programs can be easily adapted to other combinations of linear programing code and computer. The California Region, U.S. Forest Service, for example, is adapting the Timber RAM programs to the code REX and the CDC 3100 computer.

The Timber RAM computer programs and a four-part Users' Manual are available on request to the Director, Pacific Southwest Forest and Range Experiment Station, P.O. Box 245, Berkeley, California 94701. Each program listing and each part of the Users' Manual must be requested by title. To obtain a copy of the programs on magnetic tape, send a 7-track, 800 BPI, one-half-inch tape at least 1,200 feet long to the Director, Attention: Computer Sciences Library. This tape will be written in UNIVAC 1108 EXEC II Symbolic CUR format unless card image format is requested.

Part I of the Users' Manual is the *Smokey Forest Case Study*. It illustrates the use of Timber RAM to draw long-range plans for the Smokey Forest, a hypothetical publicly owned forest. The data forms and listings of the control decks necessary to make the computer runs discussed in the case study are available on specific request to the Director.

Part II of the Users' Manual is the *Forester's Guide*. With this Guide, professional foresters without training in linear programing can use all the standard Timber RAM options. But if they are completely unfamiliar with the care and feeding of computers, they will require some help to process Timber RAM computer runs.

Part III is the *Mathematical Programer's Guide*. It describes the mathematical relations used in Timber RAM. If Timber RAM is used extensively, some savings in data processing can be realized with procedures discussed in this guide. Familiarity with the theory of linear programing and experience in using computers are prerequisites to using these procedures.

Part IV is the *Computer Programer's Guide*. It includes a description and a flow chart of every subroutine used in the Timber RAM programs. The Computer Programer's Guide is primarily designed to facilitate the adaptation of the Timber RAM programs to any large or medium size computer, and to their linear programing codes.

A wide spectrum of silvicultural treatments and management policies can be analyzed with the standard options of Timber RAM. This spectrum can be further broadened by minor modifications in the Timber RAM programs. The necessary information for modifying these programs is presented in the Computer Programer's and the Mathematical Programer's Guides.

TIMBER RAM APPROACH

Timber RAM activities

The Timber RAM approach involves the selection of a combination of "activities" maximizing—or minimizing—an objective and satisfying constraints. Each activity is a complete sequence of silvicultural treatments extending from the present to the planning horizon. To minimize data processing, all timber stands with similar silvicultural and economic characteristics are grouped into a "timber class." Several activities are then defined for each timber class. A typical activity for a timber class consisting of overaged stands on highly productive land might consist of the following sequence: (1) clearcut the standing timber and plant in the first decade; (2) partial cut the regenerated timber on a 10-year cycle from the sixth decade until the harvest cut in the ninth decade; (3) repeat the treatments on the regenerated timber up to the planning horizon. The Timber RAM activities are expressed by the total inputs per acre required and the total outputs per acre produced in each decade. The concept of an activity can be easily grasped from illustrations for a simplified problem with a 10-decade planning horizon in which stumpage and net revenue are the outputs and land the only input (*fig. 1*). Activity 1 is the Timber RAM activity for the sequence of treatments described above. Stumpage is expressed here in thousands of board feet (MBF) and net revenue in dollars. Outputs and inputs are listed for each decade—with one exception: land. Since this input is the same for every decade (1 acre) it is listed only once. Activity 2 and activity 3 represent the same sequence of treatments as activity 1 but with the standing timber harvest scheduled in decade 2 and 3. Additional activities must be specified if this overaged stand is to be carried beyond the third decade. Activities 1, 2, and 3 assume an 8-decade rotation age for the regenerated timber. To evaluate alternative rotation ages, additional activities must be specified. Activities 4, 5, and 6 represent the same sequence of treatments as the first three activities but with a 7-decade rotation age for the regenerated timber (*fig. 1*). Any sequence of treatments can be described by a Timber RAM activity. Precommercial thinning of regenerated timber in the fifth decade is illustrated with activity 7; overstory removal in the first decade with activity 8; partial cutting the standing timber in the second decade after an overstory removal in the first decade is illustrated with activity 9. Note that activities specified for a given timber class can represent different sequences of treatments and also different schedulings of the same sequence of treatments.

FIGURE 1.—TIMBER RAM ACTIVITIES CORRESPONDING TO SEQUENCES OF FOREST TREATMENTS DEFINED BY PERIODIC OUTPUTS (VOLUME HARVESTED AND DISCOUNTED NET REVENUES) AND 1 INPUT (LAND). THE BOTTOM ROW SHOWS THE CONTRIBUTION OF EACH ACTIVITY TO THE OBJECTIVE "MAXIMIZE DISCOUNTED NET REVENUE OVER THE 1ST 8 DECADES."

Decade, inputs and outputs	Activities (80-year rotation)			Activities (70-year rotation)			Activities (70-year rotation)		
	1	2	3	4	5	6	7	8	9
1st:									
Volume	35			35				12	12
Net revenue	700			700				240	240
(Discounted)	(523)			(523)				(179)	(179)
2nd:									
Volume		36			36				5
Net revenue		720			720				100
(Discounted)		(300)			(300)				(42)
3rd:									
Volume			34			34	34	28	26
Net revenue			680			680	680	560	520
(Discounted)			(158)			(158)	(158)	(130)	(121)
4th:									
Volume									
Net revenue									
(Discounted)									
5th:									
Volume							0		
Net revenue							−55		
(Discounted)							(−4)		
6th:									
Volume	5			5					
Net revenue	75			75					
(Discounted)	(3)			(3)					
7th:									
Volume	8	5		6	5				
Net revenue	120	75		90	75				
(Discounted)	(3)	(2)		(2)	(2)				
8th:									
Volume	6	8	5	30	6	5	7	5	5
Net revenue	90	120	75	750	90	75	105	75	75
(Discounted)	(1)	(2)	(1)	(10)	(1)	(1)	(1.4)	(1)	(1)
9th:									
Volume	30	6	8		30	6	8	6	6
Net revenue	750	90	120		750	90	120	90	90
(Discounted)	(5)	(1)	(1)		(5)	(1)	(1.3)	(1)	(1)
10th:									
Volume		30	6			30	33	30	30
Net revenue		750	90			750	825	750	750
(Discounted)		(3)	(0.4)			(3)	(3.3)	(3)	(3)
Land	1	1	1	1	1	1	1	1	1
Objective	530	304	159	538	303	159	155	310	301

Note.—Volume in MBE, net revenue in dollars (discounted at 6 percent); land in acres.

With the Timber RAM computer program Timbram-Matrix a large number of activities can be specified easily and cheaply, for each timber class, once timber yield, cost and revenue tables have been prepared.

Linear programing

The combination of activities making up a Timber RAM plan, is found by the linear programing method. If no constraints were specified the combination of activities maximizing revenues, maximizing stumpage harvested, or minimizing expenditures could be found by inspection.

To illustrate this point, consider a forest consisting of a single 1,000-acre timber class of over-mature even-aged timber. Let the objective be: to maximize total net revenue from stumpage harvested in the first 8 decades; and let us consider only the sequences of treatment represented by the first six activities defined above (*fig. 1*). For each activity, let us calculate the total discounted net revenue over the first 8 decades and enter it in the row labeled: objective (*fig. 1*). Since activity 4 will yield the highest discounted net revenue per acre over the first 8 decades, all 1,000 acres must be managed with activity 4 to maximize the objective.

If because of contractual commitments, a minimum stumpage volume of 10 MMBF must be harvested in each of the first 3 decades, the entire forest cannot be managed with activity 4 since there would be no timber left to harvest in the second and third decade. Now, the combination of activities maximizing the objective and meeting the constraints on stumpage harvested connot be found by inspection. Although in this example the combination of activities is quickly found with simple arithmetic, more realistic problems involving several timber classes and additional constraints require the use of the linear programing method.

The solution to our simplified problem is: Objective = $361,522 = (428) ($538) + (278) ($304) + (294) ($159).

Activity number	Acres managed	Stumpage harvested in decade,		
		1st	2d	3d
4	428	15	0	0
2	278	0	10	0
6	294	0	0	10
Total	1,000	15	10	10

The solution to this problem shows two characteristics typical of Timber RAM plans:

First, the total inputs and outputs contributed by each activity is directly proportional to the number of acres managed with this activity. Mathematicians call this type of proportionality "linearity;" hence, linear programing. For example, the total contribution of activity 4 to the volume harvested in the first decade (15 MMBF), is the yield per acre (35 MBF) multiplied by 428, the number of acres to be managed with this activity. The objective is calculated by the same method.

Second, a given timber class is managed with several activities. In this example 42.8 percent of the timber class area must be managed with activity 4; 27.8 percent with activity 2 and 29.4 percent with activity 6. In real situations there will be many timber classes, nevertheless several activities will typically be required to manage each timber class. These activities may represent different sequences of treatments as well as different schedulings of the same sequence of treatments. Note that, the regenerated timber on the timber class in our problem is managed partly on one rotation (8 decades for activity 2) and partly on another (7 decades for activities 4 and 6).

PLANNING WITH TIMBER RAM

Defining planning alternatives

With Timber RAM a combination of activities maximizing—or minimizing—an objective is found given a set of activities for each timber class, and constraints on the inputs and outputs. Changing the objective, constraints, or activities defines a new planning alternative for which a different combination of activities will normally be found. For example, given a set of activities and constraints, a combination of activities will be obtained by selecting as objective: the total discounted net revenue collected over 8 decades; a different combination of activities will be obtained in most situations if instead, total discounted net revenue collected over 4 decades is selected as the objective. Each new combination of activities is also a new Timber RAM plan.

Several Timber RAM plans will normally be required to plan each management unit. The first Timber RAM plan can reflect current or tentative policies and goals. For example: maximize discounted not revenues for the first 8 decades; clearcut the standing timber and manage the regenerated timber on a 7- or 8-decade rotation; and harvest at least 10 million board feet in each of the first three decades. This first Timber RAM plan will establish whether the harvest goals for the first 3 decades is feasible, and if it is, what the maximum total discounted net revenue for the first 8 decades can be. A great deal more information is provided by the Timber RAM plan. This information is presented in cutting and reforestation schedules and reports and a Harvest Graph. The schedules display for each activity selected the inputs per acre and outputs per acre; the number of acres to be managed; and the total periodic inputs and outputs. The reports summarize this information for each period over all the activities selected. The Harvest Graph displays the total periodic stumpage harvested for each decade from the present to the planning horizon.

Additional planning alternatives can be defined and the corresponding Timber RAM plans obtained by making one or a combination of changes in the specification of: the objective, the constraints, and the activities. For example: Changes in the objective can be specified:

By varying the number of decades over which the objective is defined (maximize discounted net revenues over 4 decades instead of over 8 decades)

By changing the index of performance (maximize stumpage volume harvested, instead of maximize discounted net revenues)

By varying the discount rate of the index of performance (discount net revenues at 10 instead of 6 percent).

Changes in constraints can be specified by varying the level of constraints in the first Timber RAM plan or by adding or deleting constraints. With such changes it becomes possible:

To explore changes in current or tentative goals

To evaluate alternative multiple-use management policies on: even flow, sustained yield, and the size of stream side zones, and of scenic areas and protected wildlife habitats

To evaluate accelerated road construction or tree improvement programs.

Changes in activities can be specified by adding or deleting activities to evaluate:

Special treatment for sensitive areas

Different rotation ages

New types of logging

Various levels of management intensity including fertilization and the introduction of genetically improved stock.

Professional training, experience, and intuition must be exercised in selecting the specifications of each additional planning alternative.

Selecting a timber RAM plan

If all the inputs and outputs defining the activities can be expressed in some common unit, a single value for each Timber RAM plan can be calculated. Then Timber RAM plans can be ranked rationally. If no common unit can be defined, the alternative solutions must be ranked intuitively. Even if a purely rational ranking of plans is possible, the final selection of a plan must be made intuitively to give proper consideration to social needs and political realities.

In the process of selecting a plan, management policies represented by alternative Timber RAM plans are implicitly evaluated. An explicit evaluation can be made once a plan has been selected, by changing the specifications of the constraints or of the activities to simulate the change in policy to be evaluated. The coordination of resource management planning with road construction planning can also be carried out by changing the specification of constraints. For example, the management of stands in unroaded areas might be planned as follows:

A Timber RAM plan is generated on the assumptions all stands are currently accessible. This plan is submitted to the transportation planners who determine whether an economical roading plan can be developed to meet the requirements of this initial Timber RAM plan. Transportation planners may find it economical to defer road access to certain stands. Accessibility constraints would be specified and a new Timber RAM plan generated. This plan would again be submitted to the transportation planners for review. This procedure can be extended to include review of Timber RAM plans or revisions of Timber RAM problems by fire, recreation, range and wildlife management planners.

When linear programing is used to find a combination of activities, the assumption is made that for each activity, average timber yield, costs, and revenues per acre are constant regardless of the number of acres managed with this activity. When timber classes are reasonably homogeneous, the average stumpage harvested with any activity is indeed constant—regardless of the number of acres cut; average revenues and costs, however, usually are not. If large areas are cut, the average revenue per acre may fall as the price is driven down; so will the average cost per acre as economies of scale are realized.

This proportionality — or linearity — assumption introduces a possible bias in the estimation of total periodic inputs and outputs and in the selection of the combination of activities. The economic data used in long range planning are necessarily crude: expected prices and costs 10, 20, 30 years hence, often for treatments never yet attempted. The additional error induced by the "linearity" assumption will be relatively small if for each activity, average costs and revenues per acre are estimated for an "expected number of acres managed," equal to, say, one-half the acreage of the timber class. The activity level for each Timber RAM plan must then be inspected to establish by how much they differ from the "expected number of acres managed," and to determine whether the inputs and outputs per acre defining the activities are still acceptable estimates.

To obtain a more rigorous measure of the possible bias introduced by the "linearity" assumption, the objective and total periodic inputs and outputs of the Timber RAM plan can be recalculated with adjusted inputs and outputs for the activities selected by the linear program. This step requires making only two computer runs: one with Timbram-Matrix and one with Timbram-Report. (Detailed procedures are explained in the *Forester's Guide*—Part II of the Users' Manual.) The schedules and reports obtained without making a linear programing computer run are only a pseudo Timber RAM plan because by definition a Timber RAM plan is a solution to a linear programing run.

If the differences between the Timber RAM plan and the pseudo Timber RAM plan are unacceptably large, a new Timber RAM plan can be generated with the adjusted coefficients, and the activity levels once more inspected. By comparing the schedule of the initial Timber RAM plan with that of the Timber RAM plan generated with adjusted costs and revenues the bias induced by the linearity assumptions in the selection of the combination of activities can be assessed.

The stability of the combination of activities, objectives, and total periodic inputs and outputs with respect to adjustments in the data, must in any case be explored before making operational decisions based on Timber RAM plans. If a 10 percent change in costs, revenues, or stumpage data results in a combination of activities requiring completely different treatments or schedulings of treatments, then the Timber RAM plans cannot provide stable management guidelines. However, they may still provide stable estimates of the economic and silviculture potential of a forest. For example, the Timber RAM plan based on adjusted inputs and outputs may require that a completely different group of timber classes be managed intensively but show only small changes in the objective and total periodic inputs and outputs. Fortunately, the stability of Timber RAM plans can, in many cases, be improved by redefining some of the timber classes and activities.[1] Of course, only the individuals responsible for making management decisions can judge what level of instability in the Timber RAM plans is acceptable. If acceptably stable plans cannot be generated with Timber RAM, more sophisticated methods, such as, quadratic, dynamic or mixed integer linear programing must be used to develop long-range plans.

The realism with which land management and policy alternatives can be evaluated with Timber RAM plans depends on the characteristics of the Timber Resources Allocation Method and upon the imagination with which it is used. The characteristics of the method are defined by the aspects of linear programing discussed above and the imagination with which it can be used is restricted by the options of the two Timber RAM programs: Timbram-Matrix and Timbram-Report.

TIMBRAM-MATRIX OPTIONS

Activities

Timber RAM activities can be defined by two inputs: Land and Cost; and four outputs: Volume Harvested, Gross Revenue 1, Gross Revenue 2, and Net Revenue. Every activity in a Timber RAM problem must be defined by the same inputs and outputs. Any combination of inputs and outputs is admissible as long as it includes land.

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[1] The clues necessary to carry out this delicate task are obtained by making a "sensitivity analysis." See Dantzig, George B., *Linear programming and extensions*. Princeton: Princeton University Press, pp. 265–275. 1963.

The precise definitions of Cost, Gross Revenue 1 and Gross Revenue 2 are left to the discretion of the user. Net Revenue is calculated automatically by Timbram-Matrix as the difference between Gross Revenue 2 and Cost.

Definitions may reflect business or social accounting categories. For example, a public agency might define Cost as operating expenses, Gross Revenue 1 as gross national product, and Gross Revenue 2 as gross stumpage fees collected. Net Revenue which is automatically calculated by Timbram-Matrix as the difference between Gross Revenue 2 (stumpage collected) and Cost (operating expenses) would then represent net revenues.

The units for land, stumpage volume and revenues and costs are respectively acres, thousand board feet and dollars. These can be changed to any unit desired with trivially simple changes in a few subroutines of Timbram-Matrix and Timbram-Report.

The unit of time or period in Timber RAM is a decade. Hence, the inputs and outputs, defining the activities are totals over each decade. To provide targets and management guidelines for 5-year plans, inputs and outputs can also be totalled for the first and second half of the first decade. Changing the unit of time requires major modification of several subroutines.

Each input and output can be defined for up to 35 decades. All inputs and outputs need not be defined for the same number of decades, but any one input or output must be defined for the same number of decades in all the activities. To illustrate, for every activity, Volume Harvested can be defined for 30 decades while Revenues and Costs are defined only for 5 decades.

The number of activities which can be defined for each timber class is unlimited. Several hundred activities are likely to be defined for a Timber RAM problem. The data preparation and processing task is greatly reduced with the management alternative options. For each timber class, sequences of treatments are specified and Timbram-Matrix generates the activities corresponding to specific alternative schedulings. For example, activities 1, 2, and 3 discussed above (*fig. 1*) can be generated by defining the management alternative:

Clearcut the standing timber
Reforest the same decade
Partial cut the regenerated timber on a 10-year cycle from age 50 until harvest cut at age 80
Schedule the standing timber cut for the first 3 decades

and by providing Timbram-Matrix with tables of yields, costs, and revenues. To define a management alternative both a sequence of treatments and its scheduling must be specified. This is done by completing a single line on one of the specially designed Timbram-Matrix data forms. Many different types and sequences of treatments can be specified with the standard management alternative options. If some activities cannot be specified with these options the user has two alternatives: generate each of these activities himself and enter the data on another of the Timbram-Matrix data forms, or modify the program Timbram-Matrix. The management alternative options and the technique used by Timbram-Matrix to generate activities are discussed in detail in the *Appendix*.

Objectives

In Timber RAM, each of these inputs and outputs can be used as an index of performance, or objective: Volume Harvested, Gross Revenue 1, Gross Revenue 2, Cost, and Net Revenue. The precise definition of the first four is entirely at the discretion of the user; the last, Net Revenue, is calculated by Timber RAM as the difference between "Gross Revenue 2" and "Cost."

These objectives can be defined for any sequence of decades desired up to the planning horizon of the Timber RAM problem. For example, decisions to "maximize total Net Revenues for the first 3, 5, or 12 decades" represent three possible objectives for a Timber RAM problem with a planning horizon of at least 12 decades. The economic objectives—Gross Revenue 1 and 2, Net Revenue, and Cost—can be discounted at any interest rate desired. In addition, Gross Revenue 1 or 2 and Cost can be discounted at different interest rates—a practice strongly recommended by some economists.[2] But when this is done, no discount rate can be attributed to Net Revenue. All discounting is calculated on the assumption that costs and revenues occur in the middle of each period.

For a given Timber RAM problem six alternative horizons can be specified for each objective. In addition, the cost and revenue objectives can be discounted at seven different interest rates. Up to 174 alternative objectives can be specified in a single Timber RAM problem.

Constraints

A forest manager's freedom of action is limited by many considerations. Some of these limitations can be expressed in Timber RAM by specifying "Constraints." Thus, the manager can allow for limitations on the area and accessibility of the timber classes; on the availability of genetically improved planting stock; on the periodic level of harvests, costs, and revenues. Constraints can also be specified to regulate the forest and to insure a controlled flow of timber during the conversion period. All these constraints are imposed by specifying upper or lower bounds on the periodic level of the inputs and outputs defining the activities.

Area and Accessibility Contraints

These constraints are specified individually for each timber class. They can be modified only by making a computer run with Timbram-Matrix to define a new Timber RAM problem.

Area constraints can be specified as the *maximum* number of acres to be managed with the Timber RAM activities; this specification allows the possibility that none, or only a few of the acres of a timber class will be managed. Area constraints can alternatively be specified as the *total* number of acres to be managed with the activities; thus insuring that every acre of this timber class will be managed.

Timber-class area constraints can provide a partial basis for evaluating land classification policies. For example, the impact of establishing scenic corridors or vistas on costs, revenues, and volume harvested can be estimated by reducing the area of the timber classes affected and preparing a new Timber RAM plan. Or the acreage of each timber class falling in the scenic zone can be defined as one or several separate timber classes and special silvicultural treatments specified to preserve the esthetic qualities of this area. The policy to establish scenic zones can then be evaluated by analyzing the schedules and reports for the "scenic" and "nonscenic" Timber RAM plans. This procedure can be extended to evaluate policies on streamside zones, or high-erosion zones.

Accessibility constraints specify the percent of the acreage of each timber class which is expected to be accessible in each of the first five planning periods. These constraints are omitted when every timber class is fully accessible at the beginning of the first period. Note that if the first decade is split into two planning periods, the first five planning periods will span only 4 decades. By manipulating these accessibility constraints, an accelerated road construction plan can be evaluated in terms of the input or output selected as the objective. To do this a second Timber RAM problem is defined—identical to the first except for the percentage of the acres of each timber class accessible in the first five periods, which now must reflect the accelerated roading plan. A first approximation to the value of the accelerated roading plan can be obtained by weighing the change in the objective against the difference in cost of the two roading programs.

Periodic Constraints

In Timber RAM every constraint is in fact a periodic constraint, but it is convenient to reserve this term for constraints which can be modified without rerunning Timbram-Matrix.

Periodic constraints can be specified on the area planted with genetically improved stock and on the level of each of the five inputs and outputs which can be used as indices of performance (Volume, Gross Revenue 1, Gross Revenue 2, Net Revenue, and Costs). These constraints are specified either by an "upper" or by a "lower" bound on the periodic level. Gross Revenues, Net Revenues, and Volume Harvested can only be constrained above minimum periodic levels by "lower bounds." Costs and the area planted with genetically improved stock, can only be constrained below maximum periodic levels by "upper" bounds. Periodic constraints can be specified for every decade up to the planning horizon. These constraints must be specified with great care since it is quite easy to specify a maximum cost level inconsistent with a minimum harvest or revenue level. In such a case, the linear program computer run will abort and the computer printout will state that there is no feasible solution. Fortunately, these levels can be changed without rerunning the Timbram-Matrix program.

In the first decades of a tree improvement program, the number of acres which can be reforested with the improved stock may be limited by the availability of planting stock. In such a situation, the maximum number of acres on which improved stock can be planted can be specified for every decade up to the planning horizon. In each decade, the improved stock will be allocated to the area offering the highest return—in terms of the objectives specified—and normal stock will be planted on the remainder of the acres reforested in that decade. Hence no matter how little genetically improved stock is available, the linear program computer run will never abort because of the constraints.

Harvest Control and Regulation Constraints

Harvest control constraints are used to shape the stream of harvests, regulation constraints to stabilize it.[3] Control and regulation constraints are specified by an upper and a lower bound on the periodic harvest levels and can be changed only by rerunning Timbram-Matrix. These bounds can be set at different levels for every period. Any degree of control and regulation can be specified by varying the bounds. Harvest control constraints are mandatory. They are imposed on the first and succeeding decades which are then referred to as the "conversion period." Therefore the length of the "conversion period" in Timber RAM is determined by the number of decades for which the user specifies harvest control constraints. The compulsory specification of a "conversion period" greatly simplified the structure of the computer program. Users not interested in harvest control can specify very wide bounds for a single decade. This one decade "conversion period" will have no impact on the selection of combination of activities. Regulation constraints are optional. When they are specified they must be imposed on the remaining decades of the Timber RAM plan which are then referred to as the post-conversion period. Hence in Timber RAM, the post-conversion period always spans the decades from the end of the conversion period to the planning horizon.

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[2] Mobasheri, F. *Optimization techniques in the planning, design, and operation of water resources systems.* (Unpubl. rep. on file, Eng. & Physical Sci. Ext., Univ. Calif., Los Angeles, Calif. 1968.)

[3] For a detailed discussion of the Timber RAM approach to forest regulation see Hennes, LeRoy C., Daniel I. Navon, and Michael J. Irving, ***Harvest control and regulation in Timber RAM.*** USDA Forest Serv. Res. Note PSW-231, 10 p., illus., Pacific SW. Forest & Range Exp. Sta., Berkeley, Calif. 1971.

Harvest control and regulation constraints can be imposed either on the total stumpage volume or on the total number of acres harvested in each period. In a given Timber RAM problem all the harvests constraints—including the Periodic Harvest constraints—must be expressed in the same units. The constraints being very similar for the "volume" and "area" options, the discussion will assume that periodic harvests are expressed in thousand board feet, and only differences will be pointed out.

Three types of control can be imposed on the conversion-period harvests: arbitrary, sequential and conventional.

In *arbitrary control*, the harvest level of each period is restricted to a range of values specified by a fixed upper and lower bound; for example: 125 and 90 million board feet—or 3,000 and 2,500 acres. When the arbitrary control and the volume options are selected, Periodic Harvest constraints are redundant and should not be specified. Arbitrary control can be used to generate Timber RAM plans with any sequence of periodic harvests consistent with the resources available and treatments specified.

In *sequential control*, each periodic harvest level is restricted to a range of values around the preceding periodic harvest level. The upper and lower bounds of this range are expressed as a percentage of the preceding periodic harvest level; for example: given a harvest level of 100 million board feet, 0.25 and 0.10 specify the range 125 to 90 million board feet for the next periodic harvest. The first periodic harvest level is restricted to a range around a specified "current level," to provide a means of insuring a smooth transition into the Timber RAM plan. With sequential control constraints, large jumps or drops in stumpage harvested can be bridged by gradual changes in periodic harvest levels.

In *conventional control*, each periodic harvest level is restricted to a range of values around their average. The upper and lower bounds of the range are specified as percentages of the average. The first periodic harvest can in addition be restricted to a range around a specified "current level" to insure a smooth transition into the Timber RAM plan. The upper and lower bounds of this range are also specified as percentages—but of the "current level." (If the two ranges constraining the first periodic harvest are inconsistent, the linear program computer run will abort with the comment "infeasible.")

Regulation constraints are specified to stabilize the periodic stumpage harvest level by redistributing acres among age classes. This is accomplished indirectly by controlling the periodic harvest level after all overaged or poorly stocked timber classes have been liquidated during the decades of the conversion period. This control is exercized by restricting each of the post conversion periodic harvest levels to a range around their average. The width of this range will reflect the degree of regulation desired.

To illustrate, consider a forest consisting of a dozen timber classes varying with respect to age stocking and area, but of uniform potential productivity or "site class." Let us further assume that all the standing timber is cut during an 8-decade conversion period. If all the regenerated timber is to be managed on the same rotation age, say 80 years, the periodic harvests after the eighth decade will re-occur on an 8-decade "regulated cycle." Therefore by restricting the post-conversion periodic harvest levels to a range around their average for only 8 decades the forest will be regulated for an indefinitely long period—in theory. The conversion period need not be as long as the post-conversion period. To illustrate, in the above example, if sufficient acreages of 10-, 20- and 30-year-old saplings and poles are already standing, the conversion period can be cut to 5 decades. But to stabilize periodic harvests, it is essential that by the end of the conversion period all overaged and poorly stocked acres be liquidated, since otherwise the second "regulated cycle" of periodic harvests will be different from the first.

If several rotation ages are contemplated, the "regulated cycle" has a much longer period. For example, for 7- and 8-decade rotations the cycle is 56 decades (the smallest common multiple of seven and eight). In these cases the post-conversion period can be limited to the longest rotation age—here 8 decades—and the forest will be for practical planning purposes adequately regulated. If total periodic stumpage is stabilized but partial cuts account for too large a percentage of the stumpage harvested in some of the post-conversion decades, the regulation constraints can be specified on the stumpage clearcut only. When the standing timber consists of largely overaged stands, a large drop in volume harvested may occur between the last decade of the conversion period and the first decade of the post-conversion period. This drop can be controlled with the "conversion link" constraint. With this constraint, the last periodic harvest level of the conversion period is restricted to a range of values around the average harvest level of the post conversion period.

When harvests are defined in terms of the number of acres harvested, and the potential productivity of the timber classes does not vary widely, stumpage harvested can be stabilized by imposing control constraints only. A conversion period extending over a number of decades equal to the longest rotation on which the regenerated timber will be managed will usually provide an adequately regulated forest. But unless the forest is already approximately regulated, wide fluctuations in periodic stumpage are likely to occur during the conversion period. Defining the harvest constraints in terms of the number of acres harvested is likely to prove useful only in peculiar situations. This option is provided in Timber RAM as a tribute to traditional forest management methods; and because its marginal cost was low.

TIMBRAM-REPORT OPTIONS

The Timbram-Report program can translate the linear program solution into any combination of the following five documents:

Timber Harvest Schedule
Problem Schedule or Objective Report
Harvest Report
Economic Report
Harvest Graph

These documents are illustrated with computer printout of the Smokey Forest Case Study.

The Timber Harvest Schedule gives—for each activity selected by Timber RAM—the number of acres to be managed, the cut per acre, and the total cut for each period. The Schedule also gives the total volume harvested in each period and a breakdown by overstory removals, clearcuts, and all other cuts.

The problem schedule is similar to the harvest schedule but gives economic data as well as harvest volume. In addition, it shows the contribution of each activity (per acre and total) to the objective. The total objective value appears at the top of the report. Periodic totals for every input and output are given at the bottom. All revenues and costs are discounted at rates set by the user. The discount rate(s) of the objective or a zero discount rate should be included among the rates set by the user. Because this section of the program supplies large quantities of information the user should not request more periods of output than is absolutely necessary. When the Problem Schedule is not requested, an Objective Report is output automatically. This report gives only the activity name, acres managed, and the total contribution of each activity selected by Timber RAM to the objective.

The Harvest Report is an abstract of the Timber Harvest Schedule giving the total periodic and cumulative volumes harvested in each period. Subtotals for periodic overstory removal and partial cuts are also given. The true post-conversion average harvest level is also given at the top of the report. This average will differ from the average of the post-conversion harvests calculated by Timber RAM if the Regenerated Timber is managed on two or more rotations.

The Economic Report is an abstract of the Problem Schedule giving the periodic and cumulative values for Cost, Gross Revenue 1, Gross Revenue 2, and Net Revenue. Each can be discounted with up to five different discount rates.

The Harvest Graph displays the harvest level for every period up to the planning horizon.

Multiple copies of the Timbram-Report output can be requested and an additional copy can be placed on magnetic tape as a permanent record if desired.

CONCLUSIONS

The solution to a Timber RAM problem is not necessarily the best combination of activities. It is only a combination which is consistent with specified constraints and which maximizes—or minimizes—a particular index of performance. Managers and planners must then evaluate alternative combinations of activities by determining the extent to which each combination meets social, economic, and ecological needs and political realities. This evaluation is too complex and too subtle to be programed for computers; in our society, it lies largely outside the domain of economic analysis.

Timber RAM simplifies the planning task by shifting to computers the burden of calculating alternative plans with which planners and managers can determine whether policies governing the multiple-use management of forest land are mutually consistent. And when policies are consistent. Timber RAM makes it possible to estimate the inputs required and the outputs produced should these policies be carried out efficiently. The complexity of natural, social, and economic phenomena dictates that these estimates will be at best crude. Hence, Timber RAM estimates must be considered only first approximations to the actual inputs and outputs. Nevertheless a tool such as Timber RAM places a high premium on the improvement of data gathering and processing, for this in turn will lead to improvement of the estimates.

Timber RAM not only permits evaluation of current policies, it also can be used to develop new policies. It will indicate whether with current and expected technology a policy can be carried out and at what cost; whether it can be carried out only by modifying related policies; and how much these policies must be changed.

The inputs and outputs estimated by Timber RAM are limited to timber, land area, and related costs and revenues. The interaction of range, watershed, recreation, wildlife, and timber management policies can be partially evaluated in terms of the Timber RAM inputs and outputs. The impact of extending recreation use, or stream and wildlife protection, can be introduced in the Timber RAM analysis by defining appropriate activities and manipulating timber class acreages. Extension—or contraction—of range areas can be handled in a similar manner. And the analysis of these policies can be integrated with policies defining the desired timber production profile.

Timber RAM is thus the first step toward a quantitative evaluation of multiple-use interactions. Work on the Resources Allocation Method seeks to extend the list of estimates to include as many inputs and outputs of multiple-use forest management as the current state of the arts reasonably permits. In the measure in which this attempt succeeds, RAM schedules and reports will permit a still more rational evaluation of the interaction of multiple-use management policies.

THE EXPORT OF MILITARY TECHNOLOGY—UNANSWERED QUESTIONS

Mr. RIBICOFF. Mr. President, at this morning's hearings in the Finance Committee's Subcommittee on International Trade, we heard some rather startling testimony. Mr. Andrew Biemiller, director of the Department of Legislation of the AFL–CIO, revealed that the plans and technology for a number of modern weapons systems, including a complete ICBM system, were being exported to a number of foreign countries.

The AFL–CIO witness sought to show what this meant in terms of the loss of American jobs and our lead in producing high technology goods. But in addition, there are obviously serious national security implications. The sale of our military technology to foreign nations also raises the issue of why this technology, created at great expense to the American taxpayer, is being sold to foreign companies for production abroad.

Our subcommittee intends to dig deeper into this whole subject on the basis of the details provided us by the AFL–CIO, and what else we can develop. We expect full answers from the responsible government agencies and are considering calling witnesses.

In order that greater attention be focused on this issue, and that my colleagues have the opportunity to see this important testimony, I ask unanimous consent that the text of Mr. Biemiller's testimony be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

STATEMENT BY ANDREW J. BIEMILLER

The AFL–CIO welcomes the opportunity to appear before this subcommittee to explore problems related to the operations of multinational corporations. We believe that the unregulated activities of U.S.-based multinational firms are a major factor in the worsening position of the United States economy in an ever-changing world.

We are convinced that American-based multinational firms export American jobs, export American technology and export American capital. We do not claim that all of America's trade woes are the fault of the multinational firms, but within the confines of this committee's study, we wish to call attention to the need for legislation to curb the devastating impact these activities have on the American society and the American economy.

This devastation includes:

The shutdown of American production and its re-establishment abroad where foreign markets are served and exports to the U.S. are manufactured.

The location abroad of facilities for corporate expansion and the production of new products and improved products.

The export of technology by direct transplant, by licensing, by patent agreement and by other methods, thereby eroding the base on which America's industrial society is built, much of it paid for by American taxpayers.

The export of capital to build an industrial base abroad at the expense of U.S. industry, the profits of which are often used to speculate in the world's monetary markets against the U.S. dollar.

These massive operations by American multinational corporations in Taiwan, Mexico, Haiti, Hong Kong, Singapore, Brazil, Europe, Japan and virtually the entire globe are taking a heavy toll among American families and American communities from coast to coast.

The shutdown of manufacturing operations here depresses the American economy by the loss of domestic jobs, the loss of payrolls, the loss of domestic corporation revenues, the loss of local purchasing power, the loss of local taxes and the "ripple out" effect on the local service economy. Hard hit communities face empty factories, slackened business on Main street, unemployed workers and heavy revenue losses. Meanwhile, the multinational corporation, freed of its American responsibility, issues rosy reports of expanding sales and rising profits and "creation of American jobs."

It is important that Americans understand this major phenomenon of the multinational firm and its impact on America's standard of living, on America's trade balance, its balance of payments and its industrial future.

Today, thousands of giant firms are supranational entities, each making decisions in its own interest with major consequences in shaping the America of the Seventies and the America of the future. These corporations make private decisions for private purposes, but they are as far-reaching as major decisions of a political state.

Multinational firms come in all shapes and sizes. They produce, sell, license and finance operations of magnitudes greater than entire budgets of sovereign nations. They jump national boundaries. They overwhelm international systems of trade and finance. They stagger currencies, they shake governments and they wipe out whole major industries.

In the U.S., multinational firms include America's largest employers, largest defense contractors, largest government contractors, largest manufacturers, largest financial institutions. Multinationals are America's major exporters and importers of products, technology, money and jobs. (Appendix 3G shows examples of some firms' holdings.)

Abroad, multinational exports from their foreign operations are larger than all of U.S. exports. The recent Tariff Commission report disclosed that some of the multinational firms' "majority owned affiliates" abroad exported in 1970 to countries other than the United States an estimated $33 billion, compared with exports to the United States of $10 billion and local sales within the foreign country of $118 billion. This total of $43 billion in exports is virtually identical to the 1970 total of all exports from the United States.

But that isn't all. The multinational firms' $43 billion worth of exports from their foreign operations in 1970 does not include output from plants partially owned or output from licenses in countries like Japan. Therefore, it is clear that U.S.-based multinationals are so massive in operations abroad that they create more exports outside the U.S. than the United States as a whole is able to export.

These foreign exports—to the U.S. and to other markets—clearly illustrate why efforts to expand exports from the U.S. met increasing compettiion, not only from foreign firms but also from the U.S. multinationals abroad.

The exports of foreign manufacturing subsidiaries of American companies is more than twice as great as the total volume of manufactured exports from the U.S.

Let us examine this phenomenon in more detail. Let's look at U.S. jobs, U.S. technology and U.S. industry in the Seventies, as they relate to the multinational firms. Virtually every U.S. industry is affected but we will confine our examination to one single industry—aerospace. Americans have been told that this particular industry is securely ours because it is strong in exports, high in technology and vital to America's national security.

But events in the aerospace industry explain how job and technology exports affect all skill levels—and why reports on trade statistics or foreign direct investment alone fail to cover the whole story of the new interchange in the world of the 1970s.

The aerospace industry, where U.S. has held technological supremacy, is steadily being exported abroad. At this moment, for example, an entire missile launching complex—rocket and all—which has the potential for intercontinental missile capability, is being exported to Japan.

The AFL–CIO has learned that the *Thor-Delta launch rocket and its entire missile launch system* is now in the process of being sold to the Japanese by the McDonnell-Douglas Corporation, a multinational firm. Japanese engineers are currently at Vandenberg Air Force Base in California being trained in the development and use of the system. A prototype rocket is being built in nearby Santa Monica. It is expected that upon completion, the system will be set up on an island west of Japan. The Thor-Delta rocket and launch system is considered by space experts to be America's most effective and reliable launching unit. The system is presently used to launch satellites, the most recent being the Earth Resources Technology System.

The Thor-Delta system is capable of carrying several hundred pound objects into space orbit or, with little modification, can carry a nuclear warhead in the 1,500-to-5,000 mile range, clearly a potentially offensive weapon.

The export of the Thor-Delta system to the Japanese means that the capability of satellite and intercontinental missile launching system will no longer be the exclusive property of the U.S. and the Russians.

For several years the Japanese attempted to develop a system of their own and after its failure made a contract with the multinational McDonnell-Douglas Corporation to buy plans and production capability for a modified Thor-Delta rocket system. The basic system was developed at taxpayer expense and cost millions of dollars in research and development funds before it became operational. It has been used to launch satellites for Canada, France and a multi-nation weather watcher for seven North European nations. Such launching work has provided the U.S. with millions of dollars in funds, helping to offset the U.S. balance of payments deficit.

This one-time sale, which, of course, benefits the U.S. balance of payments this one time, will adversely affect U.S. balance of payments for years to come.

Workers involved at the Vandenberg base are understandably upset over the transfer because of its many implications for U.S. defense and aerospace capability. They fear that the system is being sold for the exclusive profit of McDonnell-Douglas while the nation loses a basic resource. They point out that the education of highly trained

Americans, millions of dollars in U.S. funds and expensive trial and error testing brought about a basic technological system which is now being sold out at a fraction of its worth.

In addition, they fear that putting another nation into direct competition in the satellite launching business will mean an end to development of further U.S. technology in this area. The sale of America's most sophisticated technology, they feel, will cause highly trained jobless personnel to disperse and be difficult to assemble again, even if further development is considered. In addition to those who work at the launch facility, additional hundreds of workers have been employed in the manufacture of the Delta rocket in California aerospace factories. Involved in the project at the present time are an estimated 1,200 to 2,000 skilled aerospace workers.

Initiative for the Japan-McDonnell Douglas deal was developed at a 1971 meeting in Tokyo between U.S. cabinet officers and their Japanese counterparts. That meeting in effect ratified the negotiations that had been under way for the missile system sale.

Estimates at that time were that the bilateral understanding could mean up to $100 million in profits to U.S. concerns over four to five years. Of added incentive to the U.S. companies was the agreement by Japan at that time to move ahead on permitting foreign investment by U.S. multinational firms in its automotive industry. Both moves would profit stockholders of the corporations involved at the expense of U.S. aerospace and automobile workers.

The 1973 Tariff Commission report on multinational firms disclosed that such firms (which would include McDonnell-Douglas, even though the Commission did not include aerospace) "dominate the development of new domestic technology. They are also the principal institutions through which technology in its various forms is exported and imported."

Throughout the aerospace industry there are many other illustrations of the export of technology, in what has been this nation's industry with the largest the export of manufactured goods. The long range implications for U.S. jobs, U.S. technology leadership, U.S. defense, and balance of payments should be ominously clear. There are many other illustrations. For example:

Since 1971, hardware for the *Safeguard antimissile system* has been assembled in Hong Kong. Under a subcontract for Western Electric, Lockheed Electronics Corporation of Commerce, California, is assembling components of the missile system's memory core racks in a Hong Kong factory. The Lockheed plant—only a few miles from Red China—employs 700 workers at $2 per day. The export of work cut several hundred workers from the company's Commerce facility at a time when there was heavy unemployment in the California aerospace industry.

In military aircraft, too, American industrial leadership is being rapidly sold off and exported abroad. McDonnell-Douglas has licensed Mitsubishi of Japan to build 91 *F–4 fighter* planes, the famous Phanton fighter. After building two prototypes in St. Louis, the company made a contract with the Japanese to furnish the blueprints, the technology and, where necessary, technicians to build the other 91 F–4 in Japan. The result is a heavy loss of employment among highly trained U.S. aircraft technicians, the loss of paychecks to St. Louis, the loss of an export industry and the transfer of a total military production facility to another nation. The potential for balance of trade was considerable.

Also in military aircraft, the Northrop Corporation is reported in the press as about to license the production of the American *F–5E fighter* plane in Taiwan. Currently all nationalist Chinese military aircraft are bought in the United States. One U. S. official, commenting on the deal, regarded it solely in military terms: "Whether we manufacture the planes here and sell them to Taiwan, or let it manufacture them shouldn't make all that much difference." In economic terms, the impact is far greater. Not only will Taiwan manufacture the planes for its own use and thus cost Americans their jobs, but Taiwan is expected to export its manufacture of F–5E aircraft to other nations, thus cutting further into U. S. exports and balance of payment receipts among other nations buying U. S.-made aircraft.

Ironically, Taiwan is doing very well in terms of its trade with the United States. In 1972, the United States exported $630 million in goods to that nation. During the same period, the U. S. imported a torrent of TV sets, electronic equipment and other products for a total of $1.3 billion, mostly produced by U. S. multinational firms. Thus with the F–5E export and job loss here, America's very heavy trade deficit with Taiwan will become worse.

Earlier, the F–104 Starfighter followed the same export route. When Japan wanted the F–104 Starfighter, then built by Lockheed in California, it arranged to have it built in Japan. Lockheed not only shipped over the designs, tools and equipment, but supplied the supervision needed to train the Japanese workers. Now, of course, Japan has the technology as well as the plane. The same is true in Italy where the Italian Air Force, which currently has 165 F–104 aircraft now plans to manufacture the plane in Turin.

Technology in the *engine* for the *B–1* bomber also nearly became an export but was halted only because it contained military secrets. General Electric and SNECMA, France's state-owned aircraft engine maker, arranged to build a "quiet engine" for airliners. Under the deal, the French would lend half of the $500 million needed and GE would supply much of the technology.

The deal was vetoed by the State and Defense Departments on the ground that GE's technology sale involved disclosing a U. S. military secret: the core of the F–101 engine it has developed for the new B–1 bomber. At last reports, the companies were trying to get around the problem. The production, of course, and all the technology, would move to France. U. S. workers would be squeezed out of the project.

In commercial aircraft, the export of U. S. superiority is also accelerating.

Recently, the Boeing Company entered into an agreement with the Japanese government to develop a new wide-bodied *air bus*. Technology for the short haul airliner will come from Seattle; the work will be done in Japan by employees of three manufacturers—Mitsubishi, Kawasaki and Fuji.

Boeing has also entered into a joint arrangement with Aeritalia of Italy to build the 7X7 airbus, with part of the production to take place in Italy. When the agreement was made, Boeing President Malcolm Stamper declared: "They've got the money and we've got the smarts."

At the same time, United Aircraft is helping Mitsubishi produce *gas turbine aircraft engines*. The technology comes from East Hartford, Conn., an area with very heavy unemployment.

It is no secret in Seattle that 200 Italians are being trained there by Boeing. Eventually they will go home to tool up an Italian aircraft plant to produce short take-off and landing aircraft (*STOL*) for the European market. Until now, Boeing planes sold to European airlines have always come from Seattle.

America's largest manufacturer of private aircraft, Cessna of Wichita, Kansas, is working with Rheims Aviation of France. Of the 500 Cessnas expected to be sold in Europe this year, three-fourths will be built in France under a license agreement. This arrangement benefits Cessna stockholders but not Cessna's American workers.

Cessna's transfer of production abroad is not limited to France. It is producing planes in Argentina, as is Piper, which is building 150 executive and crop-dusting planes per year in that country.

Other commercial and military exports—with resultant job losses—are the production in Japan of the *Sikorsky S–61 helicopter* and the Pratt & Whitney *JT8D turbofan* engine for the C–1 U.S. military transport.

The implications of this ever-accelerating sell-off of American technology and the export of aerospace jobs is not only obvious to the workers involved, it has also aroused the concern of specialists in the field.

Dr. Harvey Taufen of the Hercules Corporation recently reported that Japan has paid about $90 million per year or $1 per capita "to get all the results of all the successful, proven technology in the world." As a result, Taufen says, "Japan's shopping has brought it one of the most incredible bargains in the world."

Supporting the Taufen claim, Nathaniel Brenner, marketing director for Coates and Welter Instrument Corporation, stated in Chemical and Engineering News last year:

"Technology is not an aesthetic pursuit like music or poetry, but rather a commodity of commercial value, with an investment cost that can be measured, a dollar value that can be computed and a clear market advantage for those who have it versus those who don't. . . .

"The product of this investment, like the product of the oil well or the factory, cannot be given away to foreign countries, by multinational corporations or any other channel without a clear, measured quid pro quo or the United States will suffer exactly what a corporation suffers that sells below cost for an extended period—bankruptcy . . .

"Anyone who is naive enough to believe that the Japanese or British governments permit foreigners to license their processes as freely as the U.S. does ours has simply never tried to negotiate these transactions."

This is the sad story of the export of the U.S. areospace industry. We have dwelt on this area in detail because it is a shocking account of the massive destruction being dealt to one of America's most advanced industries in terms of technology, highly skilled personnel and national security. Translate the losses being suffered in aerospace into all the other industries in America in terms of thousands of jobs and loss of technology and you can begin to comprehend the massive change that is overwhelming this country. No government or business studies include these facts.

There is also a further devastating effect. The recent devaluation—as the one in 1971—resulted from an international monetary crisis, with a run on the U.S. dollar. There is a direct relationship to the growth of the U.S. multinational firms abroad and the monetary crisis. American corporations and multinational banks have huge and increasing investments in foreign countries and they keep their American dollars there to expand their foreign holdings and often to avoid paying U.S. taxes on their foreign earned profits. There are now about $60 billion American dollars in Europe and about $20 billion American dollars in Japan. Only a fraction of these billions, moved with ease beyond the reach of central banks of governments, can cause serious monetary problems. By these currency actions, U.S. corporations and banks put profits ahead of patriotism, selling their country's currency in order to make swift profits for themselves.

It is against this background of multinational corporations acting in their own interests, for their own profits, that American working people and American businessmen and the American industrial system is being asked to perform a mission impossible:

Americans are told to seek jobs and help themselves. But their jobs are exported to other nations where multinational firms compete by producing within those nations and exporting from those nations to any part of the world their management chooses.

Americans are asked to improve productivity at home and keep labor costs down and expand exports from the United States. But the multinational firms expand their operations in other nations, often without regard to productivity or labor costs at home. The effect erodes U.S. exports and creates competition against U.S. exports to foreign countries. The firms also send imports into the United States from those countries.

Americans are asked to reduce trade barriers for expanded U.S. trade, but multinational firms use foreign trade barriers as a sword and a shield against U.S. trade expansion.

Americans are asked to understand that other nations have the right to curb U.S. investment in their country, to regulate the output of that investment in their country and to require U.S. firms to export from the foreign country. But if Americans suggest curbs for trade and investment they are told they would provoke a trade war. Meanwhile, other countries issue new regulations and erect new barriers at an increasing rate.

Americans are asked to pay taxes to help develop new technology for America's economic strength. But multinational firms are the largest exporters of that technology to other lands, where foreign nations regulate inflows of technology and its outflow.

Americans are asked to give tax breaks to U.S. firms to encourage them to stay at home and export. But the multinationals can and do take advantage of the tax breaks at home and abroad and still go abroad without expanding U.S. exports.

Americans are told to help improve the trade balance to strengthen the dollar and not adopt effective capital controls, but the nations of the world have regulated capital in increasing numbers. The multinationals meanwhile have more liquid assets available to speculate against the dollar than the world reserves available to governments.

The total effect of these conflicting objectives adds up to one well-known American labor term—"unfair."

EXPORT OF JOBS

The export of jobs is a fact for millions of Americans. Garment workers and aerospace workers, steelworkers and machinists, shoe workers and glass workers, chemical workers and electronics technicians, seafarers and stagehands, service workers and engineers, salesmen and teachers—all types of American workers have been affected. From the Mexican border to Singapore, from Haiti to Hong Kong, from Brazil to Yugoslavia, U.S.-based multinationals enjoy the advantage of U.S. tariff provisions, trade and tax laws which aid and abet these transfers. The companies also use foreign laws to expand abroad, and then claim U.S. jobs grow from the trickle-down effect.

The Tariff Commission reported to this Committee, "the multinational firms are neither minor employers nor a special case which can be analyzed independently of the national economy. They are the backbone of the demand side of the labor market, the firms which . . . have the biggest quantitative punch in terms of the numbers of people they hire . . ."

The Tariff Commission did not try to analyze job exports, but made some assumptions and provided some estimates. The report shows that two out of three possible assumptions would lead to the conclusion that between 400,000 and 1.3 million job opportunities were lost to America because of investment and trade changes in which the firms' activities were a factor.

No government survey of the overall impact of multinational firms has ever been attempted. Only foreign direct investments of some firms have been surveyed in part. These studies do not include all imports of the firms, licensing arrangements or other factors that affect the interchange. But they credit U.S. job expansion—from whatever cause—as the "proof" that benefits accrue to the U.S. economy.

But American job losses are not a theoretical problem. They are a fact.

Government reports show that U.S. firms spent in direct investment in manufacturing alone more every year between 1960 and 1972—starting with $1.4 billion in 1960 and rising to $6.9 billion in 1972. (See Table I). It was during this period that the United States lost its gains in trade—with imports, particularly of manufactured goods, rising much more than exports of manufactured goods.

During this period, direct investment expanded rapidly in other countries of the world in the manufacturing industries in which the U.S. trade position worsened. (See Table II) The multinational firms contributed to the economic strength of other nations and their exports to the U.S. This has resulted in massive losses of U.S. jobs and job opportunities in many kinds of manufacturing, as well as service and other jobs related to manufacturing.

Even a Commerce Department study showed a part of this picture.

Findings from the Commerce Department's "Special Survey of U.S. Multinational Companies, 1970," published in November 1972, reported on 298 U.S. firms with foreign affiliates. In manufacturing industries from 1966 to 1970, the report showed:

60.7% rise in manufacturing sales of the foreign subsidiaries.

52.9% rise in manufacturing sales within country of location.

77.5% rise in manufacturing sales to other countries, excluding the U.S.

129.4% rise in manufacturing sales back to U.S.

In 1970, about one-third (33%) of their foreign sales came back to the U.S.—up from 27.6% in 1966.

Employment figures in the report showed manufacturing jobs in these 298 firms' U.S. facilities rose 7.6%, while they increased 26.5% in their foreign subsidiaries—a rise of 450,000 jobs at home and 452,000 abroad. This development took place when U.S. employment needs were greater than before—from defense cutbacks, returning GI's adjustment to soaring imports and a growing labor force.

Government studies of direct investment do not point out that the industries in which direct investment has expanded rapidly are often the industries in which U.S. jobs have declined in actual and absolute numbers. The Commerce Department surveys merely highlight jobs within some reporting U.S. multinationals. They do not record actual overall job losses in the U.S.—often affected by the multinationals' competition with smaller firms at home and abroad or acquisitions of smaller firms at home and abroad.

In major industries at home, in which the multinationals are the key factors, U.S. Labor Department figures show substantial job losses between 1966 and 1972. These industries include transportation equipment, electrical equipment, non-electrical machinery. In transport equipment, the loss was 170,900; non-electric machinery 45,800, and electrical equipment, 75,700. That is a net loss of job opportunities in three of the key industries in which foreign direct investment is reported. Only in chemical and allied products did jobs in the U.S. increase by 40,000. (See Tables III and IV)

No matter how small the breakdown, or how large the overall figures, American jobs have been lost.

As the largest employers and producers in this nation, the claim of the multinationals that it would have been worse if they had not gone abroad makes one wonder how much worse it could have been. These firms have taken credit for and are still receiving benefits from all the growth and market size of the U.S. economy, from government spending and contracting, from the efforts of the government to spur the U.S. economy.

Since 1963, the AFL–CIO has emphasized its concern for the multinational problem. We seek regulation, not destruction. We seek fair trade, not less trade. We seek recognition of new reality, not old slogans for new problems.

We seek understanding of the 1970s, not cliches from 1929. We seek U.S. government policy in the interests of the people of the United States, not the private foreign policy of the multinationals.

THE HARTKE-BURKE BILL

The Foreign Trade and Investment Act of 1973 is a positive policy that puts the United States interest first. The Hartke-Burke bill revamps U.S. foreign trade, tax and investment laws to overcome growing problems of the export of American jobs, trade imbalances and an increasingly distorted U.S. economy. It is a bill to assure a healthy, growing industrialized America—providing jobs for its millions of citizens in modern industry in a changing world. It assures American taxpayers, consumers, workers and businessmen a fair set of laws for their country so that America can cooperate with other nations for the mutual benefit of all.

The world is still a world of nation-states. International action, in the future, will require policies of national governments. And, at present, there is the need for U.S. government policies to deal with the realities of the world economy, which are drastically different from the 1930s or even the 1950s. The Foreign Trade and Investment Act of 1973 is an effort to provide a framework for dealing, specifically, with the causes of America's deteriorating position in international economic relationships.

The Hartke-Burke bill would provide government regulation and restraint of the export of American technology and capital—regulation not elimination. It would remove the tax subsidies and other incentives that encourage U.S. companies to establish foreign subsidiary operations.

It would also set up a "sliding-door" limitation on most imports, except on those goods that are not produced here or that are in short supply—a "sliding-door" limitation, not a high wall to block out imports. Quotas would be related to the level of American production. In fact, imports would be guaranteed a share of the American market and would be permitted to increase as American production increases. But imports would not be permitted to flood American markets and quickly wipe out American industries.

President George Meany has summarized the AFL–CIO position in these words:

"We of the AFL–CIO seek a strong and growing American economy that is an integral part of the world economy. We are not isolationists and have no intention of becoming isolationists. We are convinced that the practical alternative to senseless isolationism is the adoption of realistic government policies to meet America's needs in the world economy of the 1970s.

"We know that a depressed American economy would not merely depress the condition of American workers and American business. It would also depress the economies of the rest of the world.

"A prosperous America is essential for the prosperity of the nations with whom we have continuing economic relationships. One of the things that is needed for a prosperous America is updated, modernized policies to deal with the realities of international trade and investment."

AFL–CIO STATEMENT ON MULTINATIONALS: APPENDIX A

American labor has cooperated and will cooperate to improve U.S. productivity. But labor costs and productivity alone do not explain the changes in America's position in international trade and payments. No amount of effort to improve productivity can be meaningful if U.S. firms merely transfer gains at home to foreign countries.

Frequently there are attempts to explain all of the deterioration in the U.S. trade balance simply in terms of differences in hourly wage rates or overall labor costs between the U.S. and other countries. But buyers do not purchase hourly wage rates—they buy products at a price. The price is importantly affected by profit margins, taxes, and such costs as raw materials and energy (electricity or coal, etc.) per unit, as well as the cost of labor per unit.

Foreign trade economic competition does not center on prices alone. Product design, for example, is of great importance in the export and import of many items. Other non-price factors in world trade include patent and licensing arrangements and the servicing of foreign purchased equipment and government policies of every nation.

The labor cost per unit, therefore, is one of several different economic factors. Moreover, the unit labor cost is the result of productivity (output per manhour) and the hourly compensation of employees, so that the combination of high wages and high productivity can result in low unit labor costs. Indeed, America's traditional prowess in world trade was largely based on high wages, combined with high productivity—on technology, efficiency of operations, manpower skills, large volume of output and a highly educated population—as well as on the availability of raw materials and sources of energy. However, much of America's technology and know-how has been exported.

As Professor Peggy Musgrave of Northeastern University explained in a paper prepared for the Joint Economic Committee last year, "It should be recognized that the economic and political effects of maintaining a share of foreign markets via foreign production are very different from doing so via domestic production and export. The principal difference lies in the effect on labor productivity and shares of national income. Foreign investment may enhance the private profitability of U.S. capital, but it is likely to reduce the real wage to U.S. labor as well as the Government's tax share in profits."

New factors, like the internationalization of technology, the multinational corporations, managed national economies with subsidies for exports and barriers to imports, have changed the trade relationships of labor rates and unit costs in recent years.

Illustrative of this is the fact that the pace of productivity advance in the American economy in 1947–1971 shot up rapidly to a yearly rate of 3.2% per year in 1947–1971 as against 2.2% per year in the previous 28 years. But at the same time, the transfer of American technology and know-how contributed substantially to the sharp advance of productivity in other countries, particularly since the rise in those countries started from a much lower level.

There has been a sharp change in the 1960s and 1970s, as the transfers accelerated. In many industries and products, the American lead in productivity—which enabled high-wage U.S. industries to successfully compete from the U.S. and within the U.S. with foreign imports and with exports to foreign countries—has been reduced or eliminated.

Where U.S. firms have transferred American technology and know-how and capital—and therefore productivity—to their foreign subsidiary plants, efficiency has been improved abroad, not in the United States. The investors in the firms benefit, but the U.S. economy and the U.S. society does not benefit in full measure.

Multinational corporations have substantial portions of their assets in facilities spread through numerous countries. They can manipulate their production and sales, internationally, with U.S. technology. They can manipulate the location of their operations, depending on labor costs, taxes and foreign exchange rates. They can juggle exports, imports, prices, dividends and currencies—from one country to another, within the corporate structure.

With plants and other facilities spread through numerous countries, multinational firms can and do juggle the production of components and assembly operations to achieve maximum use of low-wage labor, using modern U.S. technology and operating at or close to U.S. productivity levels. This makes the details of costs and productivity difficult to trace.

Fortune magazine reported in September 1968: "When it (the multinational company) operates in many different markets with varying labor conditions, market demands, money market rates, tax laws, etc., the corporation finds multiplying opportunities to buy cheap and sell dear if it can closely coordinate all parts of its operation. Carrying multinationalism to its logical extreme, a corporation will concentrate its production in the area where costs are lowest and build up its sales where the market is most lucrative. Thus, some U.S. electronics manufacturers are using plants in the Far East to make components for equipment sold in the U.S. market and the apparel industry is, for the first time, hinting at farming out some of its production." By 1972, as electronics, apparel, shoes, calculators and advanced equipment poured into the U.S. from some of the lowest wage countries of the world, America's trade deficit was worsening from the swift interchange of multinationals—buying cheap abroad and selling dear at home.

Fortune in 1968 also pointed out that multinational firms transfer goods and money from one country to another for the corporation's tax or income advantages—not necessarily in a way related to labor or other costs of producing goods or to the needs of any nation: "The multinational firm can also adjust prices on these intra-company sales according to a deliberate plan. For example, if a country is in foreign exchange difficulties, it may earmark scarce exchange for imports but not allow dividends to be remitted abroad. A multinational company could simply 'take out' its dividends by raising prices on intra-corporate sales proportionately. Transfer prices are also a useful device for keeping down the overall corporate tax liability. Subsidiaries can be instructed to set high prices on intra-corporate shipments to high-tax countries, low prices on those to low-tax countries."

By 1973, the Tariff Commission verified the existence of such arrangements in long-range planning in such international systems arrangements for the more sophisticated firms. The details of labor cost and productivity factor is hidden within over-all corporate accounting systems, not revealed to the public or to government experts.

The few studies that have been made, however, tend to show that the U.S. productivity and labor cost advantage has been transferred through operations of multinational firms.

The Tariff Commission's 1973 report on direct investments of some multinational firms in seven countries in relation to overall U.S. productivity showed that the U.S. workforce generally is not laggard in productivity or unit labor costs the report says.

* * * * *

The Organization for Economic Cooperation and Development's publication, *Economic Outlook* for December 1972, shows American unit labor costs have risen less rapidly than in many competing nations in the last few years. But those nations have continued to improve their trade surplus with the U.S. and continue to attract American investments and expand existing American investments in their countries by the most advanced of all American industries.

The Tariff Commission report indicates that hard-working foreigners on assembly and production lines abroad do not explain all the differences in labor cost factors. Foreign subsidiaries of U.S. multinationals "tend to employ more nonproduction personnel than most foreign firms. U.S. companies are famous for being top-heavy with management and scientific technological manpower."

These general statements tell only a tiny part of the story. When a firm licenses production abroad, no data are reported on the productivity impact, because there have been no reports required in detail that could reveal these figures. What some companies have done is to transfer parts of production to low-wage countries where the cost advantage is both in low wages and high productivity. The result of this shows up in the Commission report on the experience of Mexico and Brazil, where U.S. firms have increasing investment—behind the closed economies of those two low-wage countries.

Nor have the transfers of production to other countries improved the well-being of the people of those countries sufficient to create enough markets for American exports—even as income rises in foreign countries. There is some indication of this in the Tariff Commission study: "In setting wage rates, the companies almost invariably approximate local standards—sometimes paying a little more, sometimes a little less—but they always show greater productivity than local firms, so that unit labor costs tend to be much lower than for all firms in the host country. Theoretically, the higher productivity of the foreign worker in the NMC-owned plant abroad should justify a higher wage than the national average for his trade or industry."

This and other statements in the report suggest some reasons that foreign income levels of ordinary working people have not advanced rapidly enough to meet the needs of world market for the growth of consumer's purchasing power to buy the products that technology and productivity can turn out.

Thus the American worker is told to improve productivity so that his wages can improve, but the American firm abroad does not—for a variety of reasons—even pay the lowest wage workers in the world as much as their gains in productivity. Thus no amount of attention to productivity and unit labor costs will solve America's problem as long as multinational firms and the world's governments operate differently with different rules. The advantage is to the firms' managers and stockholders in the short run—but to no one's advantage in the long run.

TRADE EFFECTS

Therefore, while every dollar invested abroad and every transfer of technology have not had adverse impacts on the U.S., much of this change has resulted in the deterioration of the U.S. trade balance.

In her paper for the Joint Economic Committee of the Congress, Professor Peggy B. Musgrave also explained that:

"It is possible that production by U.S. affiliates abroad, particularly in manufacturing, may serve to displace U.S. exports and even domestic sales in the United States. This displacement effect is the more likely since those corporations accounting for the bulk of manufacturing investment abroad are also major exporters. Moreover, sales of manufacturing subsidiaries abroad are now two to three times the level of U.S. exports of manufactured products."

What finally shows up as U.S. exports and imports is, to an increasing degree, the result of intra-corporate decisions, made by the private managers of U.S.-based international companies for the private advantage of the firm.

A multinational corporation can produce components in widely separated plants in Korea, Taiwan and the U.S., assemble the product in a plant on the Mexican side of the border and sell the goods in the U.S.—perhaps with a U.S.-brand name. Or the goods produced in foreign subsidiary plants are sold in foreign markets, in competition with U.S.-made products.

The effect on trade from the operations of multinationals has been only partially explored. But, even the Tariff Commission supports these views. The report states that there is "prima facie evidence of an erosion of U.S. markets by foreign sales of MNC affiliates abroad."

This very minimal report of the Tariff Commission is based on theory and estimates. We think the case is clear from other Commerce Department data on direct investment and trade. As this statement indicated earlier U.S. firms invested in foreign factories and equipment five times more in 1971 than in 1960. They expanded abroad every year, but in 1960 it was $1.4 billion and in 1971 $6.8 billion. Most of these outlays were in chemicals, machinery and transportation equipment (autos, aircraft, etc.). Their sales abroad by U.S. companies' foreign affiliates increased very rapidly—more rapidly than sales from the United States. The U.S. lost its share of export markets (not included exports to the U.S.) during this period. The decline was great in chemicals—from 29.6% to 19.9%, in electric machinery from 28.2% to 21%, in non-electric machinery from 32.7% to 25.5%, and in transport equipment from 33.2% to 29.5%. In other manufactures it went down from 17.6% to 12.2%.

U.S.-based multinationals accounted for 10% of France's exports in 1970—which have been improving—and provided $3.6 billion to the French balance of trade, according to former Ambassador Arthur K. Watson in *Commerce in France, 1972*. Studies by the Council of Americas in the 1960s say that U.S.-based multinationals account for 40% of Latin America's exports. Many of these Latin American imports into the U.S. as well as those from Japan, Korea, Canada, Taiwan, Germany, France, and other countries now bear American brand names—often produced by U.S. firms' subsidiaries or licensees abroad.

In some of the nations where U.S. direct investment and licensing have expanded rapidly, exports shot forward in the 1960s more rapidly than U.S. exports. In manufactured goods, Germany's exports rose over 200%, French exports rose 160%, Belgium and Luxembourg over 200%, the Netherlands over 200% and Italy 450%. Similar Japanese manufactured exports rose almost 500%. During this period U.S. exports rose 123%.

Elsewhere, the report seems to go much farther:

"An immense amount of world trade is generated, outside the United States by the MNCs. As an indicator of how important these flows are, available data show that majority-owned affiliates exports to countries other than the United States were an estimated $33 billion, compared with exports to the United States of $10 billion and local sales of $118 billion" (page 207).

Since that estimate—$43 billion worth of non-U.S. trade in 1970—does not include output from plants that were only partially owned or output from licensees in countries like Japan, it is clear that U.S.-based multinationals create more exports from their foreign operations—including exports back to the United States—than the United States exports. Therefore, efforts to expand exports from the U.S. meet increasing competition not only from foreign firms, but also from U.S. firms abroad.

In many industries, these world-wide shipments of multinational are almost totally within a single corporation's world-wide network. For example, the Tariff Commission report included some estimates that virtually all of the U.S. trade of farm equipment and transportation equipment was from one part of the U.S. multinationals' corporate network to another part. This is not competitive trade because in the sense that most Americans think about competition.

Appendix B: Low Trade Barriers at Home—High Barriers Abroad

The U.S. is now confronted by complex governmental economic arrangements in other countries to spur exports (direct and indirect subsidies, etc.) and to bar or hold down imports (direct or indirect barriers). Examples include Japanese quotas, licenses in European countries to import specific products, and laws in many nations which require foreign subsidiaries to produce a certain amount of goods for export, as in Mexico, Brazil and Spain.

Many U.S. firms with foreign operations emphasize the need to reduce U.S. trade barriers, but seldom tell the U.S. public about their use of these and other foreign barriers as a sword and a shield against the U.S. economy from abroad. Details and facts are labeled "foreign policy confidential" or "business confidential." Most Americans therefore cannot get the facts, while the firms cry "trade war" or "netaliation" whenever U.S. trade restrictions are proposed.

In 1970, for example, there were full page advertisements by U.S. firms which raised the threat of a trade war if the proposed trade legislation was passed. Many of the companies which signed the ad were even then operating behind complex barriers to trade erected by nations throughout the world. In Japan, for example: Caterpillar Mitsubishi was producing in 1970 behind a multiplicity of administrative controls on imports . . . and a licensing system covering all imports. It produced in Japan for the Japanese market. New Caterpillar plans to send a small tractor, made by Caterpillar Mitsubishi to the U.S.

IBM was one of the few firms with 100% ownership in its Japanese subsidiary in 1970. Computer exports from the U.S. met barriers to trade—requiring import certificates for quotas from MITI, according to *Forbes* magazine in May of 1971.

Chrysler-Mitsubishi was producing the Dodge Colt in Japan for the West Coast market of the U.S. in 1970, yet most U.S. cars still cannot easily surmount the maze of barriers into Japan. The list could go on indefinitely, but in 1973, the issue is still not solved. As company after company met barriers to trade from the U.S. to Japan, it merely found a Japanese partner, a Japanese licensee or some other Japanese source to produce in Japan—behind the barriers. Meanwhile it claimed publicly that U.S. labor costs were too high, facing the transfer. The route to Japan is often virtually closed even in 1973. Quotas still exist for many products, including integrated circuits and leather. But the route to the U.S. is still wide open.

In Europe, a business magazine *Vision* reported in April 1971 that "The major reason for manufacturing in Europe is that European governments prefer to place orders with a local U.S. subsidiary rather than going in for straight imports." Country after country has non-tariff barriers to trade within the Common Market. Yet, U.S. companies which adjusted to the European government preferences screamed "trade war" when Congress tried to act in the U.S. interest in 1970.

Recent reports show that the situation has grown worse in many areas. In the so-called non-industrial countries, like Spain, Brazil and Mexico, the law requires production in those countries for local sales and requires exports from those countries by foreign investors who produce there. In December, 1972, the *New York Times* reported that auto manufacturers were required to have "only 50% of their production with Spanish made components provided that the original investment is more than $158 million of fixed assets and two-thirds of the production is exported."

The Mexican government announced in October 1972 that foreign investors would still be required to fit their investments into the Mexican government's national policy. For example, President Echeverria on October 23, 1972 issued an announcement on automobiles making it the "obligation of automobile manufacturers to employ a minimum 60% of Mexican-made components in car production."

The Brazilian government recently decreed that foreigners who wish to invest must bring into Brazil their fully-operating plants that have been producing efficiently in a developed country before the Brazilian government will permit investment. Then the production must be exported from Brazil except for the amount the Brazilian government allows to be sold in the Brazilian market under quota.

The list could be longer, but much of the information needed is available only to companies and governments—not to labor unions. But the facts are clear: U.S. firms, producing in other countries, for reasons that seem pressing in their own interest, expand in those countries behind foreign trade barriers and follow those countries' rules requiring exports to the U.S. Thus they operate as both a sword and a shield against expansion of U.S. trade.

Appendix C: U.S. Investment Abroad Is Regulated by Foreign Countries

Trade rules and regulations are only part of the story of America's changing economic circumstances as foreign countries regulate investment in their countries. Foreign nations are sovereign states. They have the right to pass new laws. U.S.-based firms must meet those regulations abroad.

When Mexico announced a 17-point program for foreign investors, the *New York Times* headlined its story on November 24, 1972, "U.S. Investors Accept Mexico's Policy." The story began, "The Mexican Government is making it clear that it will want greater Government participation with foreigners who want to invest here. But after a month of major policy statements to that effect, key American business spokesmen say they still believe Mexico remains an attractive investment possibility." A description of the program is attached in Appendix I. There were no full-page ads in U.S. newspapers about the problem, certainly no ads suggesting "retaliation" against Mexico.

Likewise, when Canada decided to screen foreign investments last year, no outcry greeted the move.

Australia recently announced new curbs on foreign investors. *Business Week* headlined its story, "Australia: the picnic is over for foreign business. Australia, with $12 billion foreign investment, one third from the U.S., has decided to make sure it owns its own future." *Business Week* reported that "U.S. multinational companies with interests in Australia profess to be unworried—although they are watching the new government carefully. The concern over local participation is reasonable and we welcome it," says a spokesman for American Metal Clima, Inc. AMAX has a 25% share of the vast Mt. Newman iron ore fields in Western Australia, where development is expected to cost $600 million.

American Smelting told an Australian Senate select committee last year that Australian participation in its holding company had grown from 5% to 39% in the past 20 years. "And the company has no U.S. directors," a spokesman adds. (*Business Week,* January 20, 1973).

Time magazine reported on November 13, 1972, "Country after country is imposing or contemplating restrictions on American investment that it was once pleased to get."

Every country in the world, it seems, has a right to have a sovereign government, to change its regulations on investment from abroad or to abroad, but any suggestion that the U.S. change its rules is greeted by howls of dismay by the U.S. multinationals. Multinationals have not emphasized these problems for the U.S. because they oppose new U.S. legislation. But for the U.S. not to act, in the face of this sweeping change, is to make the American economy a helpless giant, pummeled by adverse changes.

Companies abroad have to conform to local rules, of course. Among the more enjoyable rules are investment incentives through taxes. Some nations have tax free holidays to attract investors, others have special programs for areas with high unemployment.

The U.S. has various investment incentives, too, just as it has regulations. But every proposed restrictive change in U.S. law is opposed by the same companies that have been able to adapt to the massive changes now occurring around the world. Each company has a different problem—and each company represents its individual view to the Congress. But the U.S. economy at home is not treated as an entity in their statements, except as an extension of their multinational corporate interest.

The American workingman believes—as with other nations—that we have the right to own our own future.

APPENDIX D: TECHNOLOGY REGULATIONS

U.S. policies have encouraged the export of American technology, investment and jobs, while foreign countries have tried to encourage the entry of technology, as well as the promotion of production and full employment within their borders. International as well as domestic economic relationships today are strongly influenced by political and government decisions.

Perhaps the best description of the mission impossible for technology change is in a statement by a West Coast businessman, Mr. Nathaniel Brenner, in *Chemical and Engineering News*: "For many years our advanced products enabled us to compete in international markets despite high prices (and high wage rates).

"What has happened in the 1960's and continues is that *American corporations,* via licensing agreements, foreign plant construction, and other multinational arrangements, have given away for a very small portion of real cost and value, this advanced technology and with it, the jobs it created. When a multinational corporation licenses a product abroad, it gives away the technology created by Americans educated at public expense, and the American jobs which produce that product, for the 5 or 10% profit represented by the license fee or return on invested capital. Result—the American worker loses a job, the U.S. loses an export product and becomes an importer of that product, but the corporation still nets 5 or 10%. Result—unemployment plus balance of payments problems. Naturally, the foreign producer can sell for less—he hasn't had to invest in the education, the R&D, or the wages which support the 'American system'."

High technology is not solely the property of sophisticated, capital-intensive industries. It is also critical to labor-intensive industries which one does not usually consider as utilizing advanced technology. For example, the American textile industry is among the leaders in applicants for new patents. The garment industry now includes laser beams to cut garments. The glass industry has new methods of drawing glass. And agricultural production is constantly improved by scientific development. U.S. rice production, for example, has mechanical and chemical technology for planting, washing and processing rice that depends on scientific advances. Chicken farming became an important issue in the 1960's when America's technological know-how made it possible to freeze and ship poultry in mass-produced quantities.

There is no measure of this change. The recent Tariff Commission report on multinational firms merely shows that returns to the U.S. are 10 times greater than the payments from the U.S. in royalties and fees. This soon shows up in exports to us. The Japanese export surplus with the United States can be accounted for in part by the fact that American firms, unable to invest in Japan, export their technology and license their American brand production to the Japanese for sale in the U.S. market, thus more and more products are made in Japan with a U.S. label.

APPENDIX E: TAX BREAKS THAT PROVIDES NO ADVANTAGE TO THE UNITED STATES

The multinational firms and many analysts have objected to the tax proposals of the Foreign Trade and Investment Act of 1973. In our view, a healthy United States economy, not the short-run advantages of multinational firms wherever they may be, is the goal of legislative proposals. The Hartke-Burke bill would not repeal the many foreign advantages available. It merely seeks to rid the U.S. law of gimmicks.

The elimination of tax subsidies for corporations investing overseas and profiting from the variety of gimmicks is a major goal of the bill. The tax deferral gimmick, which permits U.S. corporations to pay no U.S. income taxes on the profits of their foreign subsidiaries until such profits are brought home—which may be never—and the foreign tax credit scheme, which permits corporations to credit taxes paid to foreign governments, dollar for dollar, against their U.S. liability, should be ended. These loopholes cost over $3 billion in annual tax revenues. And more important these provisions are contributing to the export of American jobs, the erosion of the nation's industrial base and the blighting of American communities. This is the policy of the AFL–CIO—tax justice for America.

A third gimmick, the Domestic International Sales Corporation (DISC) permits corporations to create export subsidiaries in order to defer taxes—perhaps indefinitely—on export income. Its revenue cost to the U.S. is currently some $200 million per year and the loss is expected to rise continually. By 1980, DISC is estimated to cost $600 million in revenues foregone. Yet no evidence has ever been presented in support of the contention that this program would have any beneficial impact on the nation's disastrous position in world trade. In fact, to demonstrate how futile that change was, the report of the National Industrial Conference Board in August 1972 shows that only six executives of 105 responding indicated that they expected any change in their corporate strategy because of DISC—or devaluation or other government actions. The article is attached as Appendix J. The Commerce Department's *Survey of Current Business* asked U.S. firms with foreign affiliates to estimate the effects on their spending abroad because of economic policy measures started in August 1971. 305 out of 325 U.S. companies responded that there were "no indentifiable direct effects on their affiliates' capital expenditures." The remaining 20 companies reported a mixture of effects, in some cases lowering and in other cases raising planned expenditures. In sum, it appears that other factors, such as anticipated demand, profitability, and availability of financing have played the more identifiable role in investment decisions." (September 1972, p. 18)

While the U.S. exports and foreign investment decisions get no realistic advantage, the firms get a tax break. The attached newspaper ad says "Now American exporters can help the government by not paying all their income taxes." Most Americans would like to be so helpful.

APPENDIX F: CAPITAL CONTROLS

Most Americans are unaware that most countries of the world have far more extensive controls on capital flows than the United States. U.S. multinational firms and banks complain about United States controls, but accept and adjust to the rising number of controls in other countries. As other nations extend controls already available under their laws or put new controls into effect to try to maintain their national economic health, the United States dollar suffers from a double effect: U.S. capital controls are weak or out of date, and the Administration has relayed those that are in existence. Recently, the Administraton announced it would phase out capital controls on foreign investment on interest equalization. Meanwhile, other nations act to influence the flows of money that might flood their economies or rush from their countries.

So many changes have occurred in 1973 that no complete list is available. The attached list (see Appendix K) includes only controls adopted in 1971 and 1972 by the world's industrial countries, members of the Organization for Economic Cooperation and Development. These examples show how commonplace controls are whenever foreign nations seek to protect their economies. The February 25 *New York Times* reports that Japan has exchange controls despite her strong reserves, despte her trade surplus and her industrial strength.

The major trouble, by far, is that American corporations and banks now have huge and increasing investments in foreign countries. They keep their American dollars there to expand their foreign holdings and, frequently, can avoid paying U.S. taxes on their foregn-earned profits.

In the summer of 1971, for example, some of these U.S.-based multinationals—as well as foreign companies and speculators who hold dollars—became worried about America's growing import-export deficits and the value of their American dollars. They began dumping dollars and buying German marks and other currencies. In cold fact, U.S. corporations and banks put profits ahead of patriotism, selling their country's currency in order to make swift profits for themselves.

Similar developments occurred in early February 1973, with the dumping of billions of dollars to buy marks and Japanese yen.

The operations of these multinational corporations, international banks and big speculators have become so powerful that they can move billions, with ease, beyond the reach of the central banks of governments. Frequently, a telephone call is sufficient to transfer huge sums of money from one country to another.

The *Wall Street Journal* of February 13, 1973 (copy attached), reported on the 930-page study by the U.S. Tariff Commission. The newspaper reported:

"Multinational corporations control such vast quantities of money that they can precipitate international monetary crises by moving only small portions of their funds from country to country, a government study concludes.

"The big companes and banks can outgun even the world's central banks in international currency dealings, the massive study by the U.S. Tariff Commission contends . . .

"In assessing the aims of big companies in currency crises, the report offers two possible conclusions: either that the multinationals 'react protectively' with moves to protect the value of their assets or, alternatively, that most multinationals 'hardly react at all, while a small minority, capable of generating heavy, disruptive movements of funds, do so.' The study said the latter group includes companies that may actually 'speculate' in the sense of betting on exchange-rate changes in hopes of a swift profit."

Regardless of motive, these actions taken for the private advantage of corporations and banks have undermined the world position of the American dollar.

These actions are not regulated by the U.S. government. And the multinational firms and international banks go their own way, juggling production and prices and currencies across national frontiers.

So in 1971 and once again in 1973 the speculators—both U.S. and foreign—gambled and won. They made their big profits, forced the U.S. to bail them out, the U.S. currency suffered another blow and the rest of America will pay the price.

The recent devaluation adds somewhat to inflaton at home but will have little, if any, beneficial effect on America's deteriorating position in the world economy. The only way to cure the basic problem is for the U.S. government to adopt and vigorously pursue a new policy on international trade and investment.

Both devaluations were actions in crisis. They are not a policy. What is urgently needed is a comprehensive policy of capital controls to meet America's needs in the world of the Seventies.

CURRENCY CRISES CAN BE EASILY TRIGGERED BY MULTINATIONAL FIRMS, U.S. STUDY STATES

WASHINGTON.—Multinational corporations control such vast quantities of money that they can precipitate international monetary crises by moving only small portions of their funds from country to country, a government study concludes.

The big companies and banks can outgun even the world's central banks in international currency dealings, the massive study by the U.S. Tariff Commission contends. And though the study absolves most multinational concerns of "destructive, predatory motives," in their currency dealings, it says that much of the speculative money surge during currency crises, such as the current turmoil in exchange markets, stems from the multinationals.

THE "LION'S SHARE"

The 930-page study of the economic impact of multinational concerns on trade, investment and employment was made by the Tariff Commission at the request of the International Trade subcommittee of the Senate Finance Committee. It's certain to add fuel to the growing debate in Congress on the effects of the multinationals, which have been under attack by organized labor as "exporters" of U.S. jobs and technology.

The study estimates that some $268 billion of short-term liquid assets were held at the end of 1971 by "private institutions on the international finance scene," and that the "lion's share" of this money was controlled by U.S.- based multinational companies and banks.

The $268 billion, the study reports, "was more than twice the total of all international reserves held by all central banks and international monetary institutions in the world at the same date." It adds: "These are the reserves with which the central bank fight to defend their exchange rates. The resources of the private sector outclass them."

Due to the immensity of the multinationals' assets, "it is clear that only a small fraction . . . needs to move in order for a genuine crisis to develop," the Tariff Commission concludes. This money "can focus with telling effect on a crisis-prone situation—some weak currency which repels funds and some strong one which attracts them." That's what has happened in the past two weeks as speculators dumped dollars and bought German marks and Japanese yen in hopes of profiting on future changes in their exchange values.

Since only a "small proportion" of the multinationals' money is needed "to produce monetary explosions," the study says, "it appears appropriate to conclude that destructive, predatory motivations don't characterize the sophisticated international financial activities of most multinational corporations, even though much of the funds which flow internationally during the crisis doubtlessly is of multinational corporation origin."

TWO POSSIBILITIES

In assessing the aims of big companies in currency crises, the report offers two possible conclusions: either that the multinationals "react protectively" with moves to protect the value of their assets or, alternatively, that most multinationals "hardly react at all, while a small minority, capable of generating heavy, disruptive movements of funds do so." The study said the latter group includes companies that may actually "speculate" in the sense of betting on exchange-rate changes in hopes of a swift profit.

The study found that U.S. concerns invest abroad primarily to reach new markets, rather than to find lower-cost production. The search for low-wage labor is a "secondary" consideration except in a relatively few industries, including consumer electronics, footwear, toys and apparel, it says.

The study doesn't resolve the question of whether multinationals have caused major job losses in the U.S., as American unions contend. It presents three alternative explanations—two of which will please unions and one which companies will like.

The commission estimates that the presence of American-owned plants abroad represents a net loss of 1.3 million jobs in America if it's assumed foreigners would otherwise import the plants' entire output from the U.S. If foreigners imported only half of such output, and produced the rest themselves, the job loss would be calculated at 400,000. A third set of quite different assumptions produces an estimate that the multinationals have produced a net gain of roughly 500,000 jobs in the U S.

The study concludes that the multinational corporations "played no role" in the sharp deterioration of the U.S. balance-of-payments position during the late 1960s.

APPENDIX G: SOME EXAMPLES OF MULTINATIONAL FIRMS TEXTRON, INC.

Textron, Inc., the 72nd largest industrial corporation in the United States, had sales in 1971 of some $1,604 million. With assets of $973 million. Textron employed some 62,000 people worldwide in 1971.

Data obtained from *Moody's 1972 Industrial Manual* reveals that from 1965 to September 1971 Textron bought or acquired controlling interest in some 32 companies. Textron breaks its industrial products into four basic groups:

Group	1971 sales (thousands)	Percent of total sales
Aerospace	$556, 559	35
Consumer	499, 356	31
Industrial	311, 096	19
Metal products	236, 702	15
Total	1, 603, 713	100

Partial list of companies and products by group:

Aerospace:

Bell Aerospace—rocket engines, missile and spacecraft systems, vertical lift aircraft, aircraft landing systems, etc.

Bell Helicopter—Military and commercial helicopters.

Dalmo Victor—Electromagnetic defense systems.

Consumer:

Gorham—Sterling, china, crystal, etc.

Eaton Paper—Stationery, etc.

Homelite—Power tools, etc.

Polaris—Snowmobiles, parts, etc.

Sheaffer Pen—Writing instruments.

Maico—Hearing aids.

Shuron/Continental—Eyeglasses, optical equipment.

Speidel—Watchbands, jewelry.

Talon—Zippers, buttons, etc.

Industrial:

Burkart/Randall—Auto parts, natural and synthetic cushion material, plastics, etc.

Campbell, Wyant and Cannon—Automotive engines and die cast parts.

Fafnir—Bearings.

Fanner—Abrasives and grinding wheels.

MB Electronics—Measurement instruments, digital control systems.

Spencer Kellogg—Chemicals and oilseed products.

Sprague—Gas meters, containers and fittings.

Walker/Parkersburg—Raceway systems, pre-engineered metal buildings.

Metal Products:

Bostitch—Staplers, staples, etc.

Bridgeport Machines—Milling machines.

Pittron—Heavy duty rolling mills, castings, etc.

Jones and Lamson—Lathes, grinders, etc.

According to Moody's I.M., Textron operates plants in the following countries:

Country	*No. of plants*
Australia	4
Belgium	1
Canada	12
England	4
Germany	7
Hong Kong	1
Italy	1
Luxembourg	1
Mexico	1
Netherlands	2
N. Ireland	1
Puerto Rico	1
Spain	1
Switzerland	1
Foreign plants (1971)	38

"MADE IN THE WORLD—BY PEOPLE"

"That's the stamp we'd like to put on our products. And the one we'd like to see on everybody else's. Because at Textron we believe we should think in terms of one, worldwide economy."—Wall Street Journal, December 4, 1972.

Nice talk from a company so dependent on United States taxpayers' money that it consistently ranks in the top 15 defense contractors.

Textron, Inc.'s position in the Pentagon's list of the 50 top defense contractors:

Year	*Rank*
1967	11
1968	13
1969	16
1970	13

Contract volume (in millions)

1968	$501
1969	428
1970	431

"The Pentagon's listing of top defense contractors for fiscal 1970 reflects the declining fortunes of many aerospace companies.

"Not all aerospace companies were losers, however. Textron, Inc., whose Bell Aerospace Corp. subsidiary manufactures the widely used UH–1 helicopter . . . awards rose from $428 million to $431 million."—Business Week, November 14, 1970.

"Textron's biggest money earners continue to be consumer products like watchbands (Speidel), snowmobiles (Polaris) and chain saws (Homelite). But against all odds, Textron's aerospace division showed no decline at all, as growth chiefly in Minuteman strategic systems offset lower helicopter sales (Bell).

"Textron has turned its attention overseas. 'We're not going to Europe to try to do something big to get out from under the Justice Department. We're not out to acquire big companies or basic industries or to be the biggest employer in a major city. We're starting small with $10-million to $20-million companies . . . we need to become a multinational company, a planetary corporation in this decade.' Textron President, G. W. Miller."—Forbes, December 15, 1970.

"Miller thinks of Textron as a small company, despite the $67 million it earned in profits last year on $1.6 billion in sales and $976 million in assets.

Miller says, 'I don't think there would be an objection to Textron's strengthening itself through acquisitions to participate in the American or world economy.'

'We're a producing company,' he says, 'and we're looking at a trend where the U.S. is less and less a producing country. It's a service country. So in a sense we have some skills that are not really going to be required in the major growth pattern in the U.S.'

'We're a long way from being a broadly based transnational company,' he says, 'but our ambitions lie that way.'

So far, Textron's foreign commitment is small . . . But that commitment is growing. For instance, Textron paved the way for the entry of its Bostitch subsidiary into the Eastern-European market.

But Miller has no intention of simply extending Textron's domestic business overseas. He expects to acquire new lines, based in Europe, that will operate on a worldwide scale."—Forbes, September 15, 1971.

ITT

(From Annual Report, 1970)

". . . our policy of diversified activities carried on in various important economies around the world helped make us resistant to the cyclical pressures of any given area."

Banks and other fiduciaries as a group are the largest holders of ITT common stock and at the end of 1970 held more than 45% of . . . outstanding common stock. The 30 largest banks in the nation held 23 million shares.

392,000 employees.

". . . in every instance . . . management has brought competitive conditions and strengths to the industries we have entered."

Divisions and subsidiaries

1. Telecommunications

ITT World Communications, Inc.

"our leading Spanish company"

"one of our French companies"

"our principal Italian company"

"our Belgian company"

"ITT's European laboratories"

"our Puerto Rico telephone operating subsidiary"

2. Industrial Products and Consumer Products

Automotive, railroad, aviation, communication, electronics, lighting, building, chemical, and refining.

Radio, TV, phonographs, tape recorders, refrigerators, home freezers, and household appliances.

ITT Intermetall—Germany.

ITT Thompson Industries—Mississippi.

ITT Nesbitt—industrial heating and air conditioning—U.S.

Industrial Products Group—Europe.

Alfred Teves Gmbh—Germany—auto disc brakes.

Stenberg—Flygt AB—industrial pumps.

Naples—"components factory".

Nuremberg components factory".

"Semi conductor division"—England.

"Leading German company"—color TV picture tubes.

EUROSET TC: Austria, France and Germany.

ITT Consumer Products—Europe.

Graetz radios—Germany.

Graetz radios—England.

Manufacturer of consumer radios—Zambia.

3. Consumer and Business Services

ITT—Avis (itself and international).

ITT—Canteen Corp.

"Several new gourmet restaurants to its existing group."

ITT Grohe—Europe: plumbing fixtures.

ITT Blackburn—(U.S. ?) underground electrical power connector.

Grinnell Corp.—sprinkler systems and pipe fittings.

ITT—Continental Baking.

Morton Frozen Foods Division.

Hostess snack cakes:

"A number of European food and snack companies entered ITT System in 1970."

Gwaltney, Inc. of Virginia—Smithfield Ham.

ITT Levitt:

Levitt Multihousing Corporation:

"Building systems subsidiary"—Battle Creek.

"Mobile modular housing—West Coast.

ITT Levitt Development Corp.—recreational properties:

ITT Sheraton Hotels.

ITT Service Industries Corporation APCOA.

ITT Publishing Activities:

Howard W. Sams & Co. Inc.

Bobbs-Merrill Company Inc.

ITT Educational Services, Inc.

Pegier—French business school complex—direct education.

ITT Data Services:

Sweden, U.K., Brazil (2).

Diversified financial services companies 20 operating units.

ITT Aetna, parking facilities, taxicabs in D.C., motels.

ITT Thorp.

Industrial Credit Company.

ITT Hamilton Life.

ITT Midwestern Life.

ITT Life of New York.

Abbey Life of Canada.

Monitor Group—Canada (fire & casualty ins.).

ITT Hamilton Mgmt. Corp.—mutual funds.

"Financial services"—Great Br., Ger., Italy, Netherlands.

The Hartford:

Hartford Fire Insurance Company.

Special Accounts Insurance Department.

Group insurance to 11 labor unions.

4. Natural Resources Group

ITT Rayonier Inc.—chemical cellulose, wood pulp.

Pennsylvania Glass Sand Corp.—silica & clay products.

Southern Wood Piedmont Co.—fire & weather resistant lumber.

5. Defense—Space

Federal Electric Corporation.

ITT Arctic Services, Inc. DEW line BMENS.

White Alice communication System.

"ITT's French Laboratory Co."—ground surveillance radar.

ITT Gilfillean, Inc.

ITT subs. in Fr. & Ger."—TACAN.

ITT Electron Tabe Dn.

ITT Avionics ECM.

ITT Defense Communications Division.

ITT Space Communications—satellite comm. (stations in Greece, Colombia, Spain, Guam) "our principal Germany company.

(Taken from Annual Report 1970 (before some divesting and other changes occurred.)

Appendix H—Export of Jobs by Multinationals—Some Examples

More than 1,000 steelworkers' jobs were exported from Meriden-Wallingford, Connecticut, area to Taiwan by Insilco (International Silver) by 1971. The stainless steel flatware formerly made in Connecticut now is imported by Insilco. This is just one example of the export of jobs of steelworkers by multinational firms which have sent thousands of jobs in ball bearings, roller chain and other steel products out of the U.S.

600 machinists' jobs in Elmira, New York, were exported from the United States when the Remington Rand typewriter plant, which once employed over 6,000, closed in 1972. High costs and imports were some of the many factors blamed by local managers for the shutdown. Some production was moved to Canada. But this year the local union reported that some of the machinery was sent to Brazil, where Sperry Rand, the multinational owner of Remington Rand, also has an interest. Typewriters made under license to Remington Rand specifications in Japan have been imported. The Elmira machinists joined an estimated 30,000 other typewriter employees in Missouri, Connecticut and other states whose jobs were exported in the five years before 1972.

180 ladies garment workers' jobs in San Francisco were exported by American Home Products, a giant conglomerate, to Juarez, Mexico, in 1972 where the paper garments they made could be shipped to the U.S. market from an area just south of the U.S. border. Along that strip another 50,000 jobs in toys, electronics, apparel, replace the jobs of American workers from Indiana to Los Angeles, from Pennsylvania to Wisconsin, as the giants of American industry joined small employers to export assembly jobs from the nation's cities and towns to Mexico, where goods for the U.S. markets are produced.

2,000 machinists in the GE plant of Utica, New York, had their jobs exported to Singapore between 1966 and 1972, when GE made its last radio in the U.S.

2,000 auto workers' jobs were lost in Los Angeles when Chrysler shut down. From Japan Chrysler Mitsubishi began to send the compact Colt to the West Coast of the United States in 1971.

1,600 workers' jobs in Philadelphia Ford-Philco were affected in 1972 by the latest of a long history of jobs exports and relocations that has persisted in that city since 1963, when Ford-Philco began to make its worldwide shifts in electronics. Ford-Philco is one of the major exporters from Taiwan to the United States, now that Taiwan has become the largest supplier of black and white TV sets to this country. "The jump in imports from Taiwan is attributable partly to the Japanese, but the bulk comes from a continued transfer of output from U.S. to Taiwan by Admiral, Motorola, Philco Ford, RCA and Zenith." (Consumer Electronics, Television Digest, February 5, 1973.) Henry Ford reportedly told the Mayor of Philadelphia that he did not expect to build any U.S. plants in the foreseeable future. 700 glass workers lost their jobs in a Libby-Owens Ford sheet glass plant in Shreveport, Louisiana. Pittsburgh Plate imports sheet glass from abroad.

The service jobs of America's ships have been exported until the U.S. home fleet carries only about five percent of the foreign trade volume, and U.S. employment in shipping and shipyard work is low.

19,000 shoe workers in Massachusetts alone lost their jobs in the 1960s as American shoe manufacturers faced foreign competition and followed the policy of "If you can't lick them, join them." Large conglomerate multinationals like Interco and Genesco produce shoes in France, Canada, Belgium, England, Italy and South America. A Milwaukee shoe firm announced five years ago that it would make shoes in Ireland, exclusively for the U.S. market.

No action has been taken to protect these workers. The U.S. government has studied and restudied the problem for years on end, while each day, each week, each month tens of thousands more jobs are exported—despite the denials of the corporations involved.

To these men and women, there is no question about whether U.S. jobs have been exported. They know they have. They have lost their jobs.

And for the schoolteachers whose jobs are affected by lost bond issues, for taxpayers who have lost the tax base of their community, for firemen and policemen and other local and state government employees, the problem is growing. This is not a problem of a few Americans. This is a problem for America itself.

APPENDIX I—SOME EXAMPLES OF REGULATIONS ON FOREIGN INVESTMENT ABROAD

A Summary of Recent Regulations of the Government of Brazil Concerning Incentives to Attract Export Oriented Industries Decree Laws of October 31, 1972.

I. DEGREE LAW 1,244 AND DECREE LAW 71,277—IMPORTS OF EXPORT ORIENTED FACTORIES

1. All of the production of the import factory must be exported, except in the following cases:

a. when an annual quota of domestic sales is established at the time the application for importing the factory is approved;

b. when an Act of the President of the Republic authorizes domestic sales because of local or foreign market special conditions.

2. The factory to be imported must be in operation in the country of origin and its production in Brazil must provide an effective increase in Brazil's exports.

3. The goods produced by the imported factories and sold in the domestic market are considered imports and are therefore subject to import duties and all other local taxes. The Customs Policy Council will establish the basis for the calculation of these duties and taxes.

4. Export oriented factories imported under Decree-Law 1,236 are exempt from import duties and Industrial Products taxes.

5. The Foreign Trade Department of Banco do Brasil (CACEX) will appraise the value of the imported factory, taking into consideration the book value in the country of origin. The equipment of the imported factory must be in condition to operate at least for five years.

6. The imported factory will benefit from all Government of Brazil incentives for exports of manufactured products, except those granted by Decree-Law 1,189 of September 24, 1971.

II. DECREE 71,278—SPECIAL EXPORT PROGRAMS

1. To reecive the benefits specified in Decree-Law 1,219, the Special Export Program must result in higher export earnings to Brazil, increase industrial productivity, assure economies of scale which may lower prices in the domestic market and fit in with the export priority areas established by Brazilian economic policy.

2. The applicant must submit a list of imports which will benefit from the incentives granted by Decree-Law 1,219.

3. If the applicant wishes to obtain the import incentives prior to exports, under the Special Export Program, he will have to request advance incentives at the time the program is submitted for approval.

4. Initial investments in machinery and equipment under the Special Export Program may be imported duty free and are not included in the value limitation set forth in Article 3 of Decree Law 1.219.

[From the New York Times, Jan. 2, 1973]

SPAIN HAILS A DECISION BY FORD TO CONSTRUCT $290 MILLION PLANT

MADRID, Jan. 1.—A firm offer by the Ford Motor Company to build a $290-million plant in Spain brightened Spain's new year weekend.

The Ministry of Industry confirmed here late Friday that Ford of Europe, Inc., formally presented a petition on Dec. 23 to manufacture automobiles in this country.

According to the Spanish Government, the Ford factory will be designed to produce 240,000 cars a year. Based on the total production figure for the entire Spanish automobile industry for the current year of 630,000 units this would mean that Ford would have more than one-third of the total output of new cars, and would be a close runner-up to the Spanish giant, Sociedad Española de Automoviles de Turismo, S.A., which built 340,000 automobiles in 1972.

RULING REQUIRES EXPERTS

The decree of last Dec. 7, under the terms of which Ford submitted its petition, requires that foreign car manufacturers setting up operations in Spain must export at least two-thirds of their production. This ruling would oblige Ford to sell at least 180,000 of its Spanish-built cars outside Spain every year—80,000 more than the total number of all brands that were exported in 1972.

There was no official indication, either from Ford or from the Spanish Government, of the possible effects of such a massive export program on Ford's production elsewhere in Europe, notably Britain and Germany.

But apart from any effects abroad, the requirement is bound to make life tough for the smaller automobile manufacturing companies in Spain, such as British Leyland's subsidiary, Authi, which has been continually operating at a loss in the highly competitive domestic motor car market.

The statement released by the Ministry of Industry said that 7,640 persons would be directly employed by the plant once it reaches full production, and that during its first year it would provide jobs for 6,400 Spaniards. The factory will take five years to reach its full production capacity.

The ministry's statement confirmed earlier unofficial reports that the Ford factory would be built on Spain's eastern coast. According to the Spanish news agency, Europa Press, which is closely linked to several cabinet ministers, the site chosen by Ford is near Valencia.

The official confirmation of the Ford bid came after more than a month of speculation that began with the visit of Henry Ford 2d to Madrid in November, when he called on the Minister of Industry, Jose Maria Lopez de Letona.

The statement said Ford's annual exports from Spain would total about $216-million. That is more than one-fifth of the total of all Spanish industrial exports combined in 1971, the last year for which such a figure is available.

AUXILIARY BUSINESS SEEN

The statement also said that the Ford factory would bring about $117-million worth of business to auxiliary Spanish industries.

The news that the Ford factory would be located on the East Coast was a disappointment to the people of hundreds of towns and villages in other parts of the country—including the elegant old sherry-producing town of Sanlucar de Barrameda—which had bombarded the Government, Ford offices and the United States Embassy with letters and telegrams offering such advantages as free land for Ford to build the factory in their respective towns.

The December decree that opened the doors to Ford is expected to entice other big automobile manufacturers into Spain, where wages are low and most strikes are illegal. Last Dec. 20, the Minister of Industry said on his return from a trip to Paris that Peugeot had expressed interest in such a possibility.

[From the New York Times, Nov. 24, 1972]

U.S. INVESTORS ACCEPT MEXICO'S POLICY

(By Richard Severo)

MEXICO CITY, Nov. 23.—The Mexican Government is making it clear that it will want greater Government participation with foreigners who want to invest here. But after a month of major policy statements to that effect, key American business spokesmen say they still believe Mexico remains an attractive investment possibility.

Indeed, a review of the situation strongly suggests that Mexican businessmen are more concerned about new government policies than are foreigners. As for the Americans, some have questions about technical details, but they tend to be unsurprised—almost relieved—at recent government statements clarifying Mexican policy.

As one of them put it: "If you look at a lot of countries only a few of them can cut the mustard and Mexico's one of them. Mexico is still one of the few ball games around."

DEVELOPMENT CITED

Within the last month the Mexican economy has seen the following developments:

President Luis Echeverria Alvarez signed a decree on Oct. 23 that requires 60 per cent Mexican ownership of auto part manufacturers, sets limits on component production and sets restrictions on the number of Models that can be produced for each line.

On Nov. 3, President Echeverria sent a bill to Congress that would essentially limit the amount of foreign technology that can be purchased by companies in Mexico. Mr. Echeverria said that although foreign technology has been useful to Mexico, he felt the country had to develop as much of its own as possible "for economic independence."

The bill is certain to pass before the end of the year, and thereafter all contracts for foreign technology will have to be registered with the Government.

PHONE COMPANY INVOLVED

On Nov. 4, the Government announced it was ending foreign dominance of the tobacco industry with the creation of Tabamex, a company 52 percent owned by the Government. The Government is permitting the remaining 48 per cent to be held equally by tobacco companies and farmers.

The Mexicans call this the "Mexicanization" of the tobacco industry and predict it will provide about $24-million more in yearly earnings for 30,000 tobacco farmers and their families. Payment for the takeover will largely be to American and British interest, and negotiations are under way now.

Earlier this year, the Government acquired a majority control of the telephone company and took over Azufrera Pan-americana, a subsidiary of the Pan American Sulphur Company, a United States concern, Government control of the telephone company was achieved by increasing the Government's already substantial holdings, and Pan American Sulphur was not unhappy with the deal it made to divest itself of its Mexican holding.

However, with the three latest developments, a drift toward greater Government control was underscored. There was speculation in the press both here and abroad that it would weaken investor confidence in Mexico. As of yet, this has not happened.

In recent interviews on these developments, American businessmen were at the very least cautiously optimistic while their Mexican counterparts tended to have forebodings about what the future held for them.

"You know we are not little boys," said one Mexican. "We know what we are doing, we know how to handle foreign investors. We don't need the government to tell us what to do."

Said another, "Whenever the Government takes over something, you can be sure that, sooner or later, it will lose money."

None of the Mexicans or Americans were willing to be quoted by name.

The Americans were surprisingly sanguine about what was happening, perhaps because they have been in Mexico for such a long time and feel they understand the country's development.

"I think the Mexicans are saying they've made mistakes in the past," said one American. "They haven't really had civic responsibility. Too many of them have been saying, 'I'm out for me and you go to hell.' That's what Echeverria is out to change, and I don't blame him at all."

Another American said:

"The private sector is going into an obvious decline. But I think the Mexicans honor their commitments and welcome foreign investments, provided you first reach an agreement with the Government and know clearly where you stand.

AUTO INDUSTRY HAPPY

"Comparatively speaking, I still consider Mexico a place where you can get a reasonable return with low risk. You can make more money in Brazil, but that's a military dictatorship and surely it is a higher risk situation."

The developments in the automobile industry captured headlines in the Mexican press but they came as no surprise to Americans. In fact, in some ways, the developments were welcomed.

A large number of the more than 200 auto-component companies here are already owned by Mexican interests and the new requirements of 60 percent "Mexicanization" were reportedly not of concern to the American companies since they had already met or come close to that requirement. Auto manufacturers had received a draft of the presidential decree last spring. United States producers reportedly had no objection to restrictions on number of models, since this would tend to reduce their production costs.

Moreover, limitations on component production would not appear to be a threat to the Americans or, for that matter, the Germans. Ford, for example, produces tooling here that is exported to the United States. Volkswagen makes parts here that it exports to various places. Chrysler's new $5-million plant near Mexico City would also be unaffected, since the air-conditioning components it produces are totally for export and therefore in compliance with the new rules.

"Frankly, some of us want government participation," said one American. "We know that once we have a deal, it is easier to get money, easier to get import permits for capital goods, easier to get appointments, easier to get roads, electricity, sites in industrial parks—easier to do almost anything."

Fausto Zapata, Under Secretary of the Presidency and a close adviser to President Echeverria, discussing the situation in an interview, said:

"It is unfortunate that Mexican businessmen are accustomed to excessive profits and tax loopholes. We want to change that."

Mr. Zapata dismissed assertions by some Americans and many Mexicans that President Echeverria was leading the nation toward socialism.

"This is not the case," he said. "We are going to an economic structure characterized by our desire to be the owners of our destiny. We want Mexican entrepreneurs to do it. We don't want to be a nation of waiters."

Mr. Zapata said the Mexican economy retains "intolerable characteristics" of inequity. He said that 70 per cent of Mexico's gross national product is in the hands of 30 per cent of the population.

Mr. Zapata dismissed assertions frequently made by Mexican leftists that Americans have meddled in the affairs of Mexico.

"Nothing like Chile has happened here," he said. "Foreign investment has not hurt us but we realize now we could have a problem in the future. We want to control the pattern of investment. Americans are no different than any other investors. They want to make profits. No investor in this country is a boy scout helping us without wanting anything in return."

In any event, the furor caused by the new economic policies seems to have boiled down to a single word. Last April, the United States Department of Commerce's Economic Trends report said that "Mexico welcomes selected foreign investment." In the latest report the headline was changed to "Mexico accepts foreign investment selectively."

[From the Journal of Commerce, Feb. 6, 1973]

MEXICO TO REGULATE FOREIGN INVESTMENT

(By Bruce Cross)

MEXICO CITY.—Mexico's new foreign investment laws contain several important changes. Businessmen who expand into Mexico—including those who already have done so—now must work through two new entities created by these laws: the National Foreign Investment Commission and the National Foreign Investment Registry.

The laws themselves are relatively brief, but, regulations surely will be added to them as time goes by.

These changes are familiar and expected because they reflect Mexican thinking which has been prevalent for many years.

Ideas contained in these laws aren't really novel, but are written into the federal law books for the first time. They have grown out of Mexico's Constitution bit by bit, first from popular opinion to court decisions, then from interpretations to regulation, finally to written law.

These new laws, then, surprise no one who has taken time to think about what is happening in Mexico.

FOUR CHANGES

Four changes from Mexico's previous regulatory practice in the foreign investment field are outstanding:

1. The new laws state specifically that, with one exception, foreign investment may not represent more than 49 per cent of the capital stock in any Mexican enterprise. The one exception: if it is in the best interests of Mexico, a higher percentage of foreign ownership may be permitted.

2. Government authorization must be obtained to permit foreigners (or Mexican companies which are controlled by foreigners) to acquire more than 25 per cent of the capital stock, or more than 49 per cent of the fixed assets, of any Mexican business enterprise.

3. All shares of Mexican companies which are held by non-Mexicans (or by other Mexican companies which are controlled by foreigners) must be nominative shares, or converted to that form.

4. Control of all foreign investment in Mexico now is centralized in the National Foreign Investment Commission (Commission Nacional para la Inversion Extranjera), and that foreign investment must be registered in the National Foreign Investment Registry (Registra Nacional para la Inversion Extranjera).

Businessmen may well ask what foreign investment is in the eyes of Mexican law. The government considers investment to be foreign if it is made by foreign individuals, foreign legal "persons," and by foreign legal enterprises which do not have legal "person."

Investment also is considered foreign if it is made by Mexican companies whose capital is majority owned by foreigners, or by Mexican businesses in which foreigners have the right to control their management.

This covers a lot of ground, certainly all investment methods which non-Mexicans have used in the past.

An important point to note is the great emphasis placed on power to manage a Mexican business enterprise. If foreign investors take part in management of a Mexican company, or have the power to do so, regulation then applies also to cases involving indirect investment and use or transfer of foreign technology.

Regulation is spelled out in the three major areas of foreign investment: in the assets or capital of Mexican businesses, in real estate trusts operating along Mexico's borders or coasts, and "in other areas referred to in the law."

THREE OTHER RESTRICTIONS

Foreign investment in Mexico sometimes is planned around non-Mexicans who have obtained permanent immigration status (inmigradas).

In the eyes of these new laws, "inmigrados" may invest with the rights of Mexican nationals except when the immigrant is related to a "foreign economic decision-making entity."

Three other restrictions also apply to "inmigrados": they may not invest in activities which are reserved for Mexican nationals, they may not invest in companies which prohibit ownership of their shares by non-Mexicans, and they may not own land along Mexican borders or coasts.

RESERVED FOR MEXICANS

Seven industrial activities remain specifically reserved for Mexico's federal government: petroleum and hydrocarbons, basic petrochemicals, specified mining activities, railroads, communication by radio and telegraph, electricity, and anything involving radioactive minerals including generation of atomic energy.

Six other specific business areas are reserved for Mexican nationals and companies whose shares are reserved for Mexicans: transportation by air or sea, any kind of automotive transportation, forestry, radio and television, gas distribution, holding title to land within 62 miles of the borders or 31 miles of the coasts, plus business activities specified by the government's executive branch (including financing, banking, investment companies, insurance and bonding).

Interesting to note, the law does not prohibit minority ownership by foreigners of activities specified by the Executive Department provided those foreigners are not acting as a group.

PERCENTAGE LIMITS

Aside from those "no-no's," Mexico permits foreign investment in many other business activities—although it continues to place percentage limits on the maximum ownership which foreigners may hold in them.

These include (1) mining operations (49 per cent maximum in most areas, 34 per cent in "national reserve" areas); (2) automobile parts manufacturing (40 per cent maximum); (3) secondary petrochemical operations (40 per cent maximum); and (4) a maximum of 49 per cent in a long list of areas specified either by laws or by Executive Department regulations: advertising, agriculture, aluminum, bottled water, cellulose, cement, cosmetics, essences for flavors and perfumes, fertilizers, fishing and fish canning, glass, motion picture production, distribution and exhibition, perfume manufacturing, publishing, rubber (heavy manufacturing), soap, soft drinks, and steel.

Foreign investment to a maximum 49 per cent is permitted in all other cases for which laws or regulations do not set particular limits, provided foreign investors do not take part in company administration or help determine company management policy.

Foreign ownership may be permitted at higher rates in these other cases if the National Foreign Investment Commission decides that doing so would benefit Mexico's economy.

Even in those exceptions, however, foreign investors may not take part in company management in a proportion greater than their share of its capital.

SEVENTEEN POINTS

How will Mexico's government decide what foreign investment to admit? What are its criteria for setting the maximum percentage ownership which foreigners may hold? Mexico's powers-that-be use a checklist containing 17 points, plus its own "discretionary power."

1. Foreign investment must supplement, not displace, Mexican investment.
2. Foreign investment must not displace healthy Mexican enterprises.
3. Will the foreign investment help Mexico's balance of payments? Will it increase Mexico's exports?
4. Will it raise the level of employment? How will it affect wage and salary levels?
5. Will it train and use Mexicans in its administrative and technical groups?
6. What will be its use of nationally-produced raw materials and component parts?
7. Will the new foreign investment help bring under-developed areas of Mexico into the national economic life?
8. Will it have a monopoly position?
9. To what extent will the investment be financed by foreign capital? How diversified will be its sources of capital?
10. How will the new investment help regional and subregional integration in Latin America?
11. What is the structure of capital in the branch of this business which already exists in Mexico?
12. How will this investment affect the prices and quality of products in the market?
13. What importance will this new investment have in Mexico's national economy?
14. Will it help preserve Mexico's social and cultural values?
15. What new technology will this new investment contribute to Mexico? What research and development will it do?
16. How will the foreign investor identify with Mexico's interests? What is his relationship to foreign groups which make economic decisions?
17. To what extent will the foreign investment help Mexico reach its national objectives? How does it comply with Mexico's national development policies?

REGULATE OWNERSHIP

Mexico's new foreign investment laws also regulate the ownership of capital stock in Mexican companies. In three cases, shares of capital stock in Mexican companies must be nominative: companies controlled by foreign persons, Mexican companies which in turn are controlled by foreigners, and Mexican companies controlled by foreign economic groups which have no legal standing.

In adidtion, nominative shares must be issued in the proportion and way established by the National Foreign Investment Commission or by other laws and regulations.

Bearer shares of Mexican companies no longer can be purchased freely by non-Mexicans. In order to buy bearer shares, foreign purchasers first must obtain authorization from the National Foreign Investment Commission. Then, bearer shares must be converted into nominative shares.

Furthermore, bearer shares of Mexican companies which are held by foreign or by Mexican companies controlled by foreigners must be converted to nominative shares and registered with the National Foreign Investment Registry within six months (by July, 1972). Conversion is simple, and may be done by noting pertinent nominative information on the shares themselves or on attachments to them.

These new foreign investment laws have several big teeth to insure compliance.

Companies in Mexico with foreign ownership will lose all their legal rights if they are not registered; their acts will have no legal effect whatsoever.

Appendix J

To DISC or Not to DISC

(By Michael G. Duerr)

Although many U.S. corporations have decided to form domestic international sales corporations, not many now expect that the DISC will revolutionize their strategies for conducting international business, according to a recent poll of international executives.

As part of a recent survey, The Conference Board asked its Senior International Executives' Panel: "Do you anticipate any change in your company's long-range strategy for competing in world markets as a result of devaluation . . . [or] other government actions (e.g., trade and investment restrictions, the DISC)?"

Only 31 of the 105 responding executives say that they anticipate any significant change for any reason, and only six attribute this change to the use of a DISC

Just over one-third of the panel (37) report that their companies have formed a DISC or else are definitely planning to form one. Seven say that they have not decided, and nine say that they have decided not to form a DISC. Almost half the panel had nothing to say about the DISC at all.

Among the most enthusiastic proponents of the DISC is the president of a chemicals company. He writes: "We formed a DISC effective January 1 and have been using it either as a direct seller or as commission agent on that portion of our export sales that qualify. In the case of certain products in ample supply, we have calculated in the DISC benefits in setting our pricing so as to help achieve greater volume. We have achieved in the first three months of 1972, and expect to achieve for the year as a whole, a significant increase in our export sales vs. 1971. In part, this increase is a result of the DISC legislation. . . ."

The president of an industrial equipment firm notes that the use of a DISC has encouraged his company to speed up shipping time from U.S. plants to Europe, while cutting back on European inventory. And several other executives say that they expect to place more emphasis on exports in order to gain full advantage from a DISC.

Executives who have decided against using a DISC typically explain that their companies are already committed to overseas manufacturing. "We took a hard look at DISC and decided it would not be to our advantage because our international investments are more significant than our exports," writes one. A pharmaceuticals company executive reports that a study convinced him that DISC's effect would be "quite negligible." And a foods company president writes: "We were pleased to see the adoption of DISC, although we have not presently planned to form one."

The majority of companies which have decided to form DISC's indicate that they expect to derive some benefits, but that they do not expect to change their strategies for serving foreign markets as a result of their new export vehicle. The following comments are typical of the range of opinion among this group:

"Like most companies, we are taking advantage of the benefits of the DISC. However, we do not feel that they are of sufficient magnitude to have any real impact on the competitiveness of U.S. exports."—Assistant controller, machine tools.

"The Government's DISC proopsal has been under active consideration, and it is very possible that our company will establish a DISC in the near future. Our investigations, however, have indicated that the potential benefits from the DISC are not likely to have much of an impact on our operation."—Vice president & general manager, metal products.

"We are in the process of forming a DISC corporation, but do not presently feel that it will have a major impact on the growth rate of our U.S. exports."—President, household products.

A few companies express doubt that the DISC will endure as an export promotion measure. The vice president, international, of one of them feels that their DISC "will definitely have a favorable effect on U.S. export sales volume, with favorable effects on plant capacity utilization and profits." But he adds: "Our policy will be to try to take advantage of this on a short-term basis, as we do not expect that DISC opportunities will continue unhampered by Congressional restrictive amendment or foreign government action."

Several other panelists suggest that present legislation does not go far enough in the direction of offering export incentives. Two suggest additional steps:

"We expect to take full advantage of the DISC-type operation, but this advantage is obscured by the problem of arriving at a practical tax reserve policy. An export incentive in the form of a concrete reduction in the tax rate, similar to a Western Hemisphere Trade Corporation, would be preferable."—President, machinery and equipment.

"Although we view the DISC legislation as a step in the right direction, further tax concessions and assistance by the government—rather than hindrance—will be required for this country to balance its external accounts and maintain an internationally competitive position.—Treasurer, pharmaceuticals.

And another panelist expresses a viewpoint implicit in the comments of many:

"We probably will utilize DISC only for a small portion of our business inasmuch as we are so thoroughly established over the years in our distribution methods, our financing methods, and our tax situation all over the world. DISC does not offer us what it would to the company just contemplating entry into the foreign field."—Vice president, international, instruments.

The Conference Board's panel is composed of executives whose companies have been active in international business for some years. It is possible, therefore, as the final quotation suggests, that a survey of companies with less international experience would have drawn a more enthusiastic response.

[From the Wall Street Journal, March 7, 1972]

Now American Exporters Can Help the Government by Not Paying All Their Income Taxes

By setting up a DISC. A DISC or Domestic International Sales Corporation is a new type of U.S. company created by Congress that will make doing business overseas more profitable to American businessmen.

WHAT DISC DOES

A DISC serves as the export sales arm of a United States company and operates under greatly simplified intercompany pricing procedures. By offering significant tax benefits to U.S. companies who operate through a DISC, the Administration has put American goods and services in a more competitive posture in foreign markets.

WHAT DISC CAN DO FOR YOU

The new law provides an indefinite deferral on 50% of export earnings. In order to take advantage of the benefit, a company must file a DISC election with the IRS . . . in some cases before March 31, 1972. Your attorneys can give you the necessary legal guidance to comply with Internal Revenue Service directives in this area.

WHAT WE CAN DO FOR YOU

Chemical Bank can help by giving you the financial advice needed in setting up and operating a DISC. Our international officers have followed the development of DISC legislation for some time and are experts on the financial implications of this new law.

WHAT WE'VE ALREADY DONE FOR YOU

As a matter of fact they've even written a book on it: *DISC—A Summary of Pertinent Facts for the Financial Officer* which explains many of the details in setting up a Domestic International Sales Corporation. Chemical Bank also has in operation a computer model that can assist you in forecasting various tax impact alternatives between a DISC and the parent corporation. The computer service is available at a nominal cost. The booklet is free. Both are extremely valuable in evaluating DISC.

In addition, Chemical Bank has a wide range of international banking experience that our officers can use to help you properly invest the increased cash flow that a DISC will produce.

If you would like more information on DISC or on Chemical Bank or would like a copy of our DISC brochure contact your Chemical Bank representative or write to: DISC, Box 5161, Chemical Bank, 20 Pine Street, New York, N.Y. 10015. But do it today. March 31 is only 28 days and 16 hours away from this morning's coffee.

Chemical Bank. We do more for your money.

APPENDIX K

[From the Economic Outlook, December, 1972]

CONTROLS ON CAPITAL FLOWS—THE RECENT ESCALATION

(NOTE.—Tables referred to not printed in the RECORD.)

THE GENERAL CONTEXT

The recent escalation of measures to restrain capital flows has been superimposed on a structure of controls which, in the case of a number of countries, was already fairly extensive. In general, the already-existing controls had been introduced and maintained for motives other than that of warding off surges of mobile funds, and it is necessary to distinguish clearly the different types of motivation.

Broadly speaking, controls and other measures affecting capital flows may be imposed for two main types of reason.

(*i*) First (as recently), resort may be had to controls or other measures to protect the domestic economy and/or the external balance against sudden *abnormal surges* of funds, consisting largely, but far from exclusively, of flows of banking funds or transactions in short-dated assets. Recently it has been, predominantly, the countries at the "receiving end" that have extended such controls, i.e. against inflows from other countries and primarily from the United States. But previously-existing controls included measures to restrain outflows.

(*ii*) Second, resort may be had, on what is intended to be an *enduring basis*, to measures designed to restrain international flows of capital into or out of a country, whether for direct balance of payments or other reasons. The most usual case would appear to be restrictions on outflows, but some countries have sought to stimulate inflows, particularly on direct investment, for example by tax privileges.

The object of this note is to consider only control measures falling under the first category, i.e. those imposed to ward off sudden large flows of funds. But the same measure may be imposed for a variety of motives, and the effects will be the same whatever the type of motivation. Hence the recent escalation of controls, imposed as a result of monetary instability, has to be considered against the background of the apparatus of controls which already existed and which had been imposed primarily for other reasons.

SUMMARY OF RECENT MEASURES AGAINST MOBILE FLOWS

During the last eighteen months there have been three major waves of defensive action by OECD countries against surges of mobile capital and their undesired domestic liquidity effects:

The first started after the temporary closing of some major European exchange markets on 5th May, 1971, and was marked by the floating of the Deutsche Mark and the Dutch Guilder, and the revaluation of the Swiss Franc and the Austrian Schilling;

The second was sparked off by the U.S. measures of 15th August, 1971; and

The third followed the Sterling crisis of end-June, 1972.

Before the third wave started, there had already been some gradual rebuilding of the barriers that had been dismantled immediately after, or in some cases even before, the Washington Agreement of 18th December, 1971.

In the May to mid-August 1971 *period*, action other than through exchange rates was largely concentrated on measures to influence the *banks' external position:* restriction of interest payment on foreign deposits (Germany), tightening, or the introduction, of reserve requirements on the banks' net or gross foreign liabilities (Belgium, France, Germany), and direct regulation of the banks' net external position (France). In the Netherlands and Italy, restrictions against inflows via the banks' external accounts were already in force at that time.

Two countries took measures to affect other—including long-term—forms of capital movements:

Belgium-Luxemburg adapted the two-tier exchange system of 1955 to work as a brake on inflows rather than outflows only;

Japan stopped a major loophole in its otherwise rather tight system by prohibiting the sale to non-residents of unlisted domestic bonds (the bulk of the Japanese bond market). In addition, it took important measures to liberalise long-term capital exports.

In the mid-August to December 1971 *period*, most countries had—as an immediate reaction to the U.S. August programme—recourse to defensive measures through their exchange rates, suspending the upper intervention limit or both limits. Some countries supported this through action on the banks' external position of the kind described above (France, Italy, Spain, Switzerland, the United Kingdom, Japan). France, Italy and Japan found it necessary, in addition, to impose closer control on transfers into non-resident checking accounts denominated in their respective domestic currencies.

Capital movements were also affected by the following measures.[1]

France introduced a two-tier exchange system, with only commercial transactions being allowed access to the officially supported exchange market; this was supplemented by action to mitigate shifts in "leads and lags";

The *United Kingdom*, with its sophisticated money markets, found it necessary to supplement its action on the banks' external position through introducing barriers against inflows into other sectors of the money market (deposits with local authorities, and building societies, Treasury bills and notes of the short- and medium-term range) and later also against inflows into long-term markets;

Japan tried to limit inflows under "leads and lags" through restrictions on advance settlements for exports;

The *Netherlands*, to put a brake on inflows into its bond market, introduced a closed-circuit system for non-resident transactions in domestic guilder bonds ("0"-guilder market);

Switzerland reinforced its traditional mechanisms for re-exporting inflowing funds by obliging foreign borrowers to convert into foreign currency the proceeds of issues of SF bonds or notes and of medium and long-term bank loans; and raised the maximum amount for individual SF issues by foreigners.

During the January to mid-June 1972 *period*, four countries again acted restrictively on inflows via their banks' accounts, partly re-introducing measures they had abolished shortly before or after the Washington Agreement (Belgium-Luxembourg, the Netherlands, Germany, Japan); and Japan re-introduced its control over advance export settlements, abolished in December, 1971. The most important, and rather new measure affecting *non-monetary capital operations* other than trade credits was the introduction by Germany of cash deposit requirements on companies' foreign liabilities (including intra-concern liabilities). The initial reserve ratio was fixed at 40 per cent which, *inter alia*, meant a considerable increase in the cost of borrowing abroad. Five countries took measures to encourage *exports* of non-monetary capital (France, the Netherlands, Switzerland and Japan). The United Kingdom liberalised inward and outward direct investment vis-a-vis EEC countries in anticipation of EEC entry.

Since the floating of Sterling on 23rd June, 1972, two countries have taken fairly drastic and far-reaching measures against inflows:

Switzerland introduced a full-scale ban on foreign acquisition of practicaly all kinds of capital assets (including real estate) and imposed a penalty rate of 8 per cent per annum on any increase in foreign-owned bank deposits. It also put restrictions on borrowing abroad by non-bank enterprises. The banks were asked to balance their foreign currency position on a daily basis (a measure withdrawn recently); and reserve requirements on banks' foreign liabilities were put on a mandatory basis.

Germany tightened both the cash deposit requirements on non-bank liabilities (raising the ratio from 40 to 50 per cent, the legal maximum, and extending the coverage) and reserve requirements on banks' foreign liabilities. More important, a ban was imposed on foreign purchases of domestic DM bonds as the coupon tax barrier (introduced in 1965) proved no longer effective; this was supplemented subsequently by an agreement that the banks would not reduce their holdings of foreign DM bonds below the end-June 1972 level.

Other recent actions include the following:

The *Austrian* authorities have reached an agreement with the banks to limit the net inflow into the Austrian bond market.

The *Netherlands* has extended existing controls to trade credit transactions, and to intra-concern capital operations (which are frequently counted as direct investment transactions). Thus, participations in Dutch enterprises and the acquisition of Dutch shares are practically the only remaining outlets for foreign investment in the Netherlands, though not in guilder-denominated assets: for some time the authorities have satisfied substantial demands for guilder assets by allowing non-resident firms to use the Euro-guilder issue market (on the understanding that the paper would not be

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Footnotes at end of article.

offered to Dutch residents). To a lesser extent, the same technique has been used by *France* and more recently by *Belgium-Luxembourg*.

Japan has continued its policy of tight controls over advance export settlements and over the banks' external position, including transfers to non-resident yen accounts, and has pursued an expansionary capital export policy. More recently, the authorities have prohibited the net acquisition of all types of domestic bonds and shares by non-residents.

Table 14 attempts to categorize the different measures adopted under the following heads:

(a) Floating rate for capital transactions;[2]

(b) Measures affecting banking flows;

(c) Measures affecting short-term borrowing abroad by non-banks, including action to restrain movements of leads and lags;

(d) Measures applying to transactions in long-term assets.[3]

Although it would be premature to draw any firm conclusions from recent experience, some tentative comments can be made regarding each of these types of measures.

A floating rate for capital transactions probably leads to widespread evasion only when the spread between the "commercial" rate and the "financial" rate is excessive (for instance, 5 per cent for more than a brief period). In practice the spread on the French and Belgian markets has remained fairly narrow—and evasion therefore has presumably been on a small scale only.

Banking flows are perhaps relatively easy to regulate. But imposition of controls on such inflows has frequently led to other routes for short-term borrowing being developed; hence the imposition of controls on borrowing abroad by non-banks, and in some cases, on transactions in long-term assets. One might judge that the apparatus of controls, even when most complete and stringent, has been fairly imperfect as a barrier, but that it has, nevertheless, acted as a barrier to some considerable extent. One question for consideration is whether countries have found that the effectiveness of such controls has weakened after the initial shock of their introduction.

The worst gap may lie in the difficulty of controlling the timing of payments for current-account transactions—a gap to which a dual-market mechanism is also subject. It may be true to say that both the dual-market mechanism and the controls are likely to become relatively ineffective when a country's currency comes under heavy speculative pressure in the markets.

Restrictions on "short-term" transactions would generally be regarded as less harmful than restrictions on portfolio investment and, still more, on direct investment. But controls over "short-term" transactions are likely, under extreme pressures, to prove inadequate, and to require to be extended, to some extent at least, to cover "long-term" transactions. And, in any case, the distinction between short-term and long-term transactions is becoming less meaningful—e.g. direct investment is often financed at short-term through the Euro-markets. A determining factor here would seem to be whether extreme pressures requiring severe controls would last long enough for the inevitable distortions on genuine long-term capital movements to matter.

More generally, it would seem that controls which involve licensing of individual cases by the authorities may tend to be more arbitrary than measures which do not necessitate this. Many of the recent measures (including of course the dual-market system) appear not to involve individual licensing by the authorities—though in some cases they may involve unofficial rationing by banks, and official vetting of direct investment projects and of foreign borrowing by domestic companies.

Though the recent growth of controls over capital movements has been motivated by a desire to head off inflows, the structure of controls already existing before the escalation was, in some cases, built up partly as a protection against speculative outflows. This was of course chiefly true of countries which had, in the past, been most exposed to these dangers; the United Kingdom being a leading example. Some elements in the French system of controls were also originally put in place to guard against speculative outflows and could be used again for that purpose. The dual exchange rate system was operated by Belgium in the summer of 1969 when it was rumoured that the Belgian franc would follow the devaluation of the French franc and when speculation on a German revaluation was strong.

Recent British experience indicates the relative ineffectiveness of such protective devices for restraining outflows. There may be two special reasons for this. First, recent speculation has, for the most part, consisted rather of speculation against the dollar than of speculation in favour of any other currency in particular, so that the pressure for inward flows has tended to be diffused rather than concentrated on one particular currency. Speculation against sterling, on the other hand, was clearly concentrated on that one currency. Second, countries are in a sense more vulnerable in face of capital outflows than of inflows, because their reserves are finite, and generally small in relation to potential outflows. The standard of effectiveness required is therefore much higher. It may be added that the United Kingdom outflow was also difficult to control insofar as some overseas Sterling countries represented loopholes in the system and insofar as there was a sizeable stock of Sterling liabilities to non-residents. Use of the dual-exchange rate by Belgium was not fully successful in restraining capital outflows, because these continued for a time in the shape of changes in the terms of payment on current transactions.

FOOTNOTES

[1] The present Note makes no attempt to summarise the whole range of short-lived measures taken for the two-week period preceding the Washington Agreement.

[2] There has, of course, been temporary recourse to floating rates for *all* transactions.

[3] Practically all such measures affect capital movements falling within the scope of the liberalisation commitment to which Member countries have subscribed under the OECD Code of Liberalisation of Capital Movements and have thus been examined by the Organisation's Invisibles Committee and approved by the OECD Council.

TABLE I.—PLANT AND EQUIPMENT OUTLAYS BY U.S. CORPORATION FOREIGN AFFILIATES 1960–73

[In billions of dollars]

Year	Total	Mining and smelting	Petroleum	Manufacturing	Other
1960	$3.8	$0.4	$1.5	$1.4	$0.5
1961	4.1	.3	1.5	1.8	.5
1962	4.6	.4	1.6	2.0	.5
1963	5.1	.4	1.9	2.3	.5
1964	6.2	.5	2.1	3.0	.6
1965	7.4	.6	2.3	3.9	.7
1966	8.6	.8	2.5	4.6	.7
1967	9.3	.9	3.0	4.5	.8
1968	9.4	1.0	3.3	4.2	.8
1969	10.8	1.1	3.6	5.0	1.0
1970	13.0	1.4	3.8	6.5	1.4
1971	14.8	1.7	4.7	6.8	1.5
1972 [1]	15.4	1.7	5.2	6.9	1.6
1973 [1]	16.3	1.7	5.9	6.9	1.8

[1] Commerce Department estimates.

Source: Survey of Current Business, September 1966, May 1967, September 1969 and September 1972, U.S. Department of Commerce and releases from Office of Business Economics.

TABLE III.—CHANGE IN EMPLOYMENT (ALL EMPLOYEES) IN MANUFACTURING INDUSTRIES WITH HIGH DIRECT INVESTMENTS [1]

	1966–72 change in number of employees	1966–72 percent change
Nonelectric machinery	−45,800	−2.4
Electrical equipment	−75,700	−4.0
Transport equipment	−170,900	−8.9
Chemical and allied products	+40,800	+4.2

[1] Commerce Department Survey of Current Business and studies emphasize direct investment between 1966 and 1970. Employment changes are for 2 digit SIC Classifications, Bureau of Labor Statistics.

TABLE II.—SELECTED LEADING NONAGRICULTURAL COMMODITIES IN U.S. FOREIGN TRADE, 1965 AND 1971, AND PERCENTAGE CHANGE

[Dollar amounts in millions]

Commodity	Imports 1965	Imports 1971	Imports Percent change	Exports 1965	Exports 1971	Exports Percent change
Ores and metal scrap	$971	$1,044	7.5	$435	$486	11.7
Coal				477	902	89.1
Petroleum and products	2,092	3,323	58.8	418	479	14.6
Chemicals	768	1,612	109.9	2,403	3,837	59.7
Nonelectrical machinery [1]	1,160	3,503	202.0	5,275	8,779	66.4
Electrical machinery and products [2]	640	2,557	299.5	1,660	3,068	84.8
Autos, trucks, buses and parts	939	8,015	753.6	1,928	4,406	128.5
Motorcycles	134	497	270.9			
Aircraft and parts	140	298	112.9	1,130	3,389	199.9
Rubber products	[3] 47	[3] 263	459.6	166	205	23.5
Paper products	870	1,157	33.0	389	686	76.3
Glass and glassware	93	197	111.8	128	185	44.5
Steel	1,140	2,615	129.4	607	760	25.2
Nonferrous base metals	$1,198	$1,432	19.5	$539	$597	10.8
Leather	66	85	28.8			
Wood manufacturers other than furniture	270	491	81.9			
Textiles	800	1,392	74.0	528	632	19.7
Clothing	541	1,521	181.1	112	178	58.9
Footwear	160	758	373.8			
Furniture	60	261	335.0	41	55	34.1
Travel goods, handbags and small leather goods	50	119	138.0			
Scientific instruments	43	78	81.4	288	469	62.8
Photographic equipment and supplies	100	245	145.0	233	508	118.0

[1] Includes engines, tractors, computers, factory, and office machinery.

[2] Includes power machinery, generators, control instruments, radios, and TV.

[3] Source: U.S. Department of Commerce, Bureau of the Census, U.S. Imports of Merchandise of Consumption, FT–125, p. 6; General Imports, FT–150–71, p. 9.

Source: U.S. Department of Commerce, Bureau of the Census, Overseas Business Report. April 1972, pp. 4–13.

TABLE IV.—EMPLOYMENT CHANGES IN SELECTED ELECTRONIC, ELECTRICAL AND OTHER "TECHNOLOGICALLY ADVANCED" INDUSTRIES, SEPTEMBER 1969 TO SEPTEMBER 1972[1]

Industry sectors	September 1969 (number)	September 1972 (number)	Change (September 1969 to September 1972)	
			Number	Percent
Electronic components and accessories:				
Production employees	281, 900	237, 200	−44, 700	−15. 9
Nonproduction employees	121, 300	108, 700	−12, 600	−10. 4
Communication equipment:				
Production employees	262, 400	218, 800	−43, 600	−16. 6
Nonproduction employees	269, 000	214, 100	−54, 900	−20. 4
Metalworking machinery:				
Production employees	254, 100	211, 900	−42, 200	−16. 6
Nonproduction employees	86, 800	78, 300	−8, 500	−9. 8
Aircraft engines and engine parts:				
Production employees	114, 700	74, 100	−40, 600	−35. 4
Nonproduction employees	90, 200	64, 600	−25, 600	−28. 4
Office and computing machines:				
Production employees	143, 800	112, 000	−31, 800	−22. 1
Nonproduction employees	134, 000	135, 100	+1, 100	+. 8
Special industry machinery:				
Production employees	137, 200	116, 700	−20, 500	−14. 9
Nonproduction employees	70, 300	61, 500	−8, 800	−12. 5
Miscellaneous machinery (not elsewhere specified):				
Production employees	178, 300	164, 300	−14, 000	−7. 9
Nonproduction employees	50, 300	46, 300	−4, 000	−8. 0
Radio and television receiving equipment:				
Production employees	121, 000	107, 200	−13, 900	−11. 5
Nonproduction employees	40, 300	36, 500	−3, 800	−9. 4
Electrical industrial apparatus:				
Production employees	161, 900	149, 300	−12, 600	−7. 8
Nonproduction employees	69, 000	64, 300	−4, 700	−6. 8
General industrial machinery:				
Production employees	193, 300	180, 800	−12, 500	−6. 5
Nonproduction employees	98, 800	87, 200	−11, 600	−11. 7
Electric test and distribution equipment:				
Production employees	145, 000	134, 600	−10, 400	−7. 2
Nonproduction employees	68, 100	61, 100	−7, 000	−10. 3
Mechanical measuring and control devices:				
Production employees	72, 600	65, 900	−6, 700	−9. 2
Nonproduction employees	42, 500	38, 600	−3, 900	−9. 2
Engineering and scientific instruments:				
Production employees	38, 200	32, 600	−5, 600	−14. 7
Nonproduction employees	39, 500	32, 500	−7, 000	−17. 7
Engines and turbines:				
Production employees	78, 000	73, 000	−5, 100	−6. 5
Nonproduction employees	36, 900	38, 500	+1, 600	+4. 3
Electric lighting and wiring equipment:				
Production employees	162, 000	158, 600	−3, 400	−2. 1
Nonproduction employees	47, 400	46, 000	−1, 400	−3. 0
Watches, clocks and watchcases:				
Production employees	29, 100	25, 800	−3, 300	−11. 3
Nonproduction employees	6, 300	5, 600	−700	−11. 1
Optical and opthalmic goods:				
Production employees	38, 300	40, 100	+1, 800	+4. 7
Nonproduction employees	15, 700	15, 900	+200	+1. 3
Miscellaneous electrical products:				
Production employees	96, 100	99, 300	+3, 200	+3. 3
Nonproduction employees	28, 500	27, 300	−1, 200	−4. 2
Household appliances:				
Production employees	154, 900	162, 000	−7, 100	+4. 6
Nonproduction employees	39, 300	40, 100	+800	+2. 0

[1] Ranked in order of total number of production jobs lost.

Source: Employment and Earnings United States 1909–71, bull. No. 1312 and Employment and Earnings, vol. 19, No. 6, December 1972, Bureau of Labor Statistics, U.S. Department of Labor.

COMPLEX ISSUE OF MULTINATIONAL CORPORATIONS

Mr. FANNIN. Mr. President, as the Senator from Connecticut has noted, the Senate Finance Committee today and last week has heard interesting testimony on the many sides of the issue of multinational corporations.

The issues are complex. We cannot afford to jump to hasty conclusions on the basis of a few assertions unsubstantiated by fact. Some of the testimony we have received has been more emotional than factual.

To help provide more factual information on the issues, I ask unanimous consent to insert in the RECORD the text of testimony presented today by F. Perry Wilson, chairman of the board of Union Carbide Corp.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

MULTINATIONAL CORPORATIONS AND THE U.S. ECONOMY

(Statement by Mr. F. Perry Wilson)

(Charts mentioned in text not printed in RECORD.)

Mr. Chairman and members of the Committee, my name is F. Perry Wilson. I am Chairman of the Board of Union Carbide Corporation. Union Carbide is a major manufacturer of chemicals, plastics, industrial gases, carbon products, metals, and consumer products. The Corporation is chartered in New York State and has production facilities in 44 states. It is a multinational corporation with affiliated manufacturing facilities in 30 foreign countries. Total consolidated sales exceeded $3.2 billion last year, about two-thirds in the domestic market and one-third in foreign markets. Our exports from the United States exceeded $260 million last year. I have had considerable personal exposure to our international operations, having served as the executive vice president of Union Carbide Canada, Ltd., and as president of Union Carbide International Company, a former division which for many years represented the Corporation's overseas interests. We are glad to have this opportunity to participate in the Subcommittee's hearings on the economic impact of the multinational corporation.

In view of the testimony of other witnesses, there is no need for me to again go into the detail of the problems which the United States faces in international trade. The existence of almost a $7.0 billion trade deficit is, by itself, dramatic evidence that our nation has entered a new era in international economic relations.

Recently, much of the attention given to the adverse changes in U.S. trade patterns has focused on the multinational corporation as a major factor and influence with respect to world production and trade. As you know, legislation to restrict multinational corporations' activities is presently pending before the Congress.

The impact of multinational corporations has been the subject of extensive studies by government agencies, by industry and trade associations, by industrial companies, and by economists and scholars both here and abroad. In this connection we believe it may be helpful to provide the members of the Subcommitte with a picture of how at least one multinational corporation operates, and of the benefits which its overseas activities bring to the U.S. economy, and to offer some suggestions for U.S. international trade policy in the years ahead. Our experience as a multinational corporation in the chemical industry is admittedly not characteristic of every firm in every industry, but we are sure it is shared by most of the chemical industry and by many other major American international companies.

Let me emphasize by stating at the outset that Union Carbide would prefer to confine its manufacturing efforts to the United States. We would rather build plants and manufacture our products in the United States instead of in a foreign country. We would prefer to serve foreign markets with exports from the United States whenever and wherever that is possible. There are several reasons for this. In addition to all the commercial risks involved in any major investment decision, a foreign investment in manufacturing facilities brings a broad range of new and unfamiliar problems and risks: such as, currency fluctuation and convertibility; exchange controls; government regulatory policies; the potential for expropriation or nationalization; a lack of trained personnel together with new concepts of employee and labor relations; different legal, tax, and accounting systems and practices; to say nothing of language and communication difficulties.

WHY OVERSEAS INVESTMENTS ARE MADE

Why, then, do we make investments abroad? The reasons can be outlined by briefly tracing how our business in foreign countries begins and expands. Foreign demand for most of our products normally manifests itself in the beginning by unsolicited orders for export from here. As such demand grows the first step has usually been to appoint independent sales agents in the countries involved. With further expansion of demand, we then send our own marketing representatives to better promote exports from our U.S. production facilities.

The crucial decision point comes when the market in that foreign country (or areas) becomes large enough, often through our own marketing efforts, to support local production. If local competitive facilities should be installed, it would become increasingly difficult and eventually uneconomic to continue selling abroad because of transportation costs, import duties and other costs not borne by the local competitor, and often because of restrictions or barriers imposed by many foreign governments. At this point, we, as any American exporter, would have two basic alternatives: to give up the foreign market in which we have invested a good deal of time and money to develop, or to install a manufacturing operation within the market. And one of the things that our experience makes clear: if we do not respond at this point to the local market conditions by building a plant, some other international competitor certainly will—hence, we would lose the export position whether or not we make the foreign manufacturing investment.

Because of this kind of economic competitive pressure which results from the normal industrial growth and development in foreign countries, companies like Union Carbide have found it necessary to invest in foreign manufacturing facilities. Nothing in our experience leads us to believe that if an American-owned foreign production facility installed under these conditions were to be terminated, its local sales volume would automatically be replaced by an equivalent volume of exports from the U.S.

UNION CARBIDE'S STUDY OF FOREIGN INVESTMENT

As public interest in the multinational corporation increased, we decided to undertake a thorough and detailed study of Union Carbide's international investments with the aim of determining their impact on our domestic business, our exports, our employment, and on the U.S. balance of trade and balance of payments. The results of this study were published in October of 1972 in a 93 page report. Copies of this report have been supplied to the Committee.

The Carbide study covered the period from 1951 through 1970 and involved a detailed examination and analysis of our exports, product-by-product and country-by-country, and their relationship to our investment in manufacturing facilities in those countries.

This detailed study clearly demonstrates that:

1. Union Carbide's exports from the United States have increased, not decreased, as our investment in foreign facilities has increased. In fact there has been a direct positive correlation between the trends of affiliated overseas production and our export volume from the United States (Chart No. 1, attached, depicts this relationship).

Our exports from the United States in 1970 at $253 million were seven times greater than they were in 1951, compared to a five-fold increase in production of affiliated foreign companies. In 1951, Union Carbide exported only 5% of its domestic production. By 1970 this increased to 11%.

2. Rather than "export" jobs, we have found that our foreign investments result in the creation of domestic jobs and an increase in product exports from our U.S. plants because of what we call the "pull" effect. The establishment of a new plant within a foreign market obviously reduces U.S. exports of the products manufactured by the new plant, but in time, our study shows, this loss of exports is far more than offset by increase in export of intermediate, allied, or more technologically sophisticated products. The presence on the scene in the foreign market of an expanded local organization, required because of the local manufacturing facility, provides a broad, more effective and more aggressive overall marketing effort than can be achieved just with an export market organization, or a sales agent.

This "pull" effect is tangible and measurable. Let me offer two specific examples of what it means to Union Carbide:

(a) Our international marketing managers were asked to make a detailed analysis product-by-product, country-by-country, year-by-year, of what their probable export experience would have been if the Corporation had not made any additional foreign investment after 1951, taking into consideration all changing external factors as they took place, such as tariffs, quotas, currency effects, as well as competitive plant installations. These detailed estimates produced a total "theoretical" export figures of $163 million for 1970, assuming foreign investment level the same as 1951. This is $90 million less than the actual exports of $253 million in 1970. Over the 20-year period from 1951 through 1970, we estimate our total exports would have been $500 million less if we had not made these foreign investments.

(b) We then estimated what this additional $90 million worth of exports would have meant to our 1970 employment levels. With export volume at about 11% of domestic sales, there is no doubt that at least one out of ten, or 5,300, of our employees rely on exports for their jobs. The $90 million figure we have mentioned represented 36% of our 1970 exports. A 36% reduction of our export-related employees would have meant roughly a reduction of 1,950 employees. Therefore, we are satisfied that our foreign investments, rather than "exporting jobs" have created at least 1,950 additional jobs in the United States.

As specific examples of the presence or absence of "pull" effect, we have included two additional charts.

Chart No. 2 (attached) presents the export history of a major Union Carbide product group to Australia from 1951 through 1970. From 1951 through 1956, export sales of these products to Australia were handled by a local independent agent—and the sales remained stable, at a level of less than half a million dollars a year. In 1957, we brought on-stream an Australian manufacturing facility for these products, and the initial result was a slight drop in our exports to Australia. However, the effect of a strong local organizational presence, and the marketing "pull" of a local production facility began to show up dramatically in 1960. Our export of this product group to Australia today is five times as large as it would be if we had not invested in a plant there.

Chart No. 3 (attached) demonstrates what can happen when the decision is made not to protect an export developed market by building a local manufacturing facility. For a variety of reasons, Union Carbide decided not to build a plant for the production of this particular product group in Europe. A foreign competitor did build such a plant in 1966 and our export sales plummeted from a high of $9.5 million in 1965 to zero in 1969.

These charts do not represent unique situations or special circumstances. All over the world, exports of Union Carbide to foreign markets in which we have affiliated manufacturing facilities tend to be at a higher level and to show equivalent or greater rates of growth than exports to areas where Union Carbide has no manufacturing investment.

FOREIGN INVESTMENTS PRODUCE OTHER BENEFITS

These multinational aspects of Union Carbide's operations also produce other benefits for the U.S. economy. Our net positive contribution to the U.S. balance of payments was $236 million in 1970 and exceeded $1 billion during the period 1963–1970 (as shown on Chart No. 4 attached). The dividends and other income received from foreign affiliated corporations exceeded dollar investment sent from the U.S. by $20 million in 1970 and by $246 million over the last 20 years.

It should not be overlooked that the net inflow of income from the overseas affiliates of all U.S. corporations will again make the largest single positive contribution to the U.S. balance of payments—an estimated $5 billion in 1972.

We are firmly convinced that the record achieved by Union Carbide's foreign investments and multinational activities clearly establishes that they have benefited the United States. It demonstrates that our interests in foreign production facilities produce significant gains for our employees, our stockholders, for the United States Government, and for the national economy and well-being.

From this record it would seem evident that attempting to solve U.S. international trade problems by taking it "out of the hides" of multinational corporations would almost surely be self-defeating and counter-productive.

THE ASPECTS OF FOREIGN INVESTMENT

Among the proposals before Congress at this time are some which would either repeal the foreign tax credit or require payment of U.S. income tax on earnings retained abroad by controlled foreign corporations or both. The combined impact of these proposals would boost the overall tax burden on Union Carbide's share of the earnings of its overseas affiliates to as much as 79% of pre-tax income. Certainly this would represent a confiscatory tax rate. It would put most of our foreign manufacturing affiliates in a non-competitive position, and the effect would be the more severe because of the capital-intensive nature of most of our business. It would deny our foreign affiliates the funds they need to remain modern and competitive. It would certainly tend to force the liquidation of our foreign operations—but it would not benefit the U.S. economy, and it would not create any jobs in the United States.

The problem facing Union Carbide and our foreign affiliates in remaining competitive internationally even with no adverse change in tax treatment is reflected in the listing below of the world's ten largest chemical companies.

1971 sales

[In millions of dollars]

duPont, U.S.A	3,848
Imperial Chemical Industry, United Kingdom	3,717
Hoechst, West Germany	3,487
Montedison, Italy	3,270
BASF, West Germany	3,210
Union Carbide, U.S.A	3,038
Bayer, West Germany	2,649
AKZO, Netherlands	2,307
Rhone-Poulenc, France	2,181
Monsanto, U.S.A	2,087

All of these companies are strongly competitive and have foreign operations that make them multinational. They are our competitors. They are well entrenched in the markets of their own countries, and they are becoming increasingly competitive in third country markets. Only three of the ten are U.S. companies. Some of the countries involved—France, Italy, and the Netherlands—exempt from home country taxes all foreign source income realized by their nationals. The others follow the U.S. practice of allowing a credit for foreign income taxes paid on income remitted from abroad to the extent of the home country tax on such foreign income. Today there is no country which taxes the undistributed earnings of a foreign operating subsidiary. Higher taxes on the foreign source income of the three U.S. multinational chemical companies listed above would only tend to benefit the seven foreign chemical competitors. The stockholders and employees of these foreign competitors and their national economies would be the gainers, our's the losers.

We should not leave this question of foreign tax credit without first discussing an aspect of it which seems to be widely misunderstood. As you know, the tax regulations of the United States, through a specific formula, make it completely impossible for foreign tax credits to reduce, in any way, the U.S. tax liability which exists on income generated within the United States. Stated another way, the effective tax rate U.S. corporations pay on their income earned domestically would be exactly the same if they had no foreign operations.

Our experiences with taxes abroad also clearly demonstrates that U.S. corporations do not go overseas to escape or evade taxes. During the five year period from 1966 to 1970, Union Carbide's share of tax payments made by its foreign affiliates to foreign governments averaged 52.5% of its share of total pre-tax income. Obviously, we are not investing overseas to evade tax payments.

TECHNOLOGY TRANSFER

The chemical industry is a high technology industry. At Union Carbide, our technology, patents, and know-how are among our most important assets. We are concerned, therefore, with proposals that would impose new restrictions on the international exchange of technology. In 1970, we received fees in excess of $10 million, mainly from affiliated foreign companies, as payments for the continuing use of our technology, services, and know-how. These fees are an important source of revenue for our present research and development programs and represent a significant contribution to the U.S. balance of payments. A reduction in this revenue would reduce our capability to invest in new research and development—and I should note that research is very costly today. Because of the great importance of our technology to us, we do not make it available to foreign competitors as long as it is proprietary and not available from other sources.

THE INTERNATIONAL COMPETITIVE SCENE

Before offering some specific suggestions with respect to U.S. policy and the general framework for trade and investment, let me make a few observations about the climate of change and competition which we face today and foresee for the future.

Competitively we foresee a great deal of what we have experienced in the past—namely, continuous change. The chemical industry within the U.S. has been operating under extreme competitive pressures. For example, my company's overall selling price index stands at 79% of the 1957–59 base period, and our profits in absolute terms are still below those realized in 1966 in spite of the fact that since 1966 we have invested $1.6 billion in the U.S. economy to expand and modernize our facilities.

In addition to a continuation of strong domestic competition, we anticipate increasing competition from abroad. Although the U.S. chemical industry has consistently made a favorable contribution to this country's balance of trade and balance of payments, there has been some erosion in this contribution in recent years. While exports have been increasing at about 7% a year, chemical imports into the U.S. have been increasing at the rapid rate of 15%. The American share of world chemical exports has declined from 29% ten years ago, to approximately 20% last year.

While the United States is still a high cost area, in terms of wage rates and salaries, our evaluation indicates some closing of the differential in labor costs between ourselves and our foreign competitors. However, if wage increases continue to exceed gains in productivity, and there is no end in sight to inflation we will lose competitive capability in international markets. This in turn would mean less exports and fewer domestic jobs.

The domestic energy crisis, which is of special concern to those of us who use petroleum as a raw material for the manufacture of chemicals and plastics as well as a source of energy, and the growing role of the Organization of Petroleum Exporting Countries add new dimensions to the problems of international trade. Similarly, environmental control requirements which may be imposed on U.S. manufacturers, but not on our foreign competitors will have an impact on international trade.

Our foreign competitors are vigorous, active, and capable. And they are strongly backed by their governments; in some cases they are owned, at least in part, by those governments.

There is, of course, the "managed economy" of Japan, and well-managed it is. The close interrelationship of industry, finance, labor, and the government in Japan has beeen well documented. Japan's complete reliance on trade is also well known. The upgrading of imported raw materials into more sophisticated export products has become the lifeblood of that island's economy. Their exports have been highly subsidized in order to attain and maintain the needed high volume of production to keep their industrial economy operating in high gear.

As we turn to the European scene we see an increasing role being played by the governments in the industrial sector. Mergers and acquisitions which lead to a stronger, more internationally competitive company are being encouraged by European governments. Further, probably the most disquieting development is the tendency towards state ownership in, or control of, industry in Europe. An official of the EEC estimated last year that 40% of the Gross National Product (GNP) of the EEC was manufactured in state-owned or controlled enterprises, and this figure would soon be approximating 50%.

Historically, the countries of Europe have relied a great deal on exports to increase their GNP. In certain instances exports account for one-fourth to one-third of the GNP of some European countries. Consequently, the exports of these countries have been highly favored—either in the form of subsidization or by way of special tax treatment accorded to income earned on exports. For example, France, West Germany, Belgium, the Netherlands, Italy, and the United Kingdom provide favorable tax treatment to export sales income. Our foreign competitors have become revitalized, full-grown contenders.

THE U.S. ATTITUDE AND APPROACH

In the face of a vigorous spirit of growth and competition abroad, we believe that the attitudes and policies of the U.S. Government will have a significant impact on the ability and capability of American manufacturers to meet the challenge of the 1970's and the 1980's.

Since we have rapidly moved to a point in time where our foreign competitors are now equals, it accordingly seems fitting that the trade policy and the overall foreign economic policy of the United States are being subjected to thorough review. We believe it is time for American foreign economic policy to occupy its proper place in international affairs. We obviously can no longer afford to have foreign economic policy relegated to a position of secondary importance behind the dominant foreign political policy of this country.

There is no doubt that there are some serious problems in this country—particularly in certain sectors where workers have become dislocated from their jobs because of imports. In such instances, we believe specific solutions should be devised to solve these specific problems—not broad-brush legislation which would damn all large international corporations, including those which are making positive contributions to the U.S. economy.

All of these problems come finally to focus in the Congress and in its responsibility for the enactment of legislation setting foreign economic policy. We believe these problems cannot be allowed to drift. We need a new policy and hope the Congress will act this year on new trade legislation. I would like to offer suggestions for such a trade bill:

1. We believe it should include what has come to be called a safeguard mechanism. Such a mechanism should provide for a period of temporary, additional protection for those import-sensitive industries that are threatened with a sudden, disruptive influx of imports. It should be flexible enough to deal with a wide variety of problems and yet capable of providing prompt enough action to be meaningful. A commitment to expanded world trade must be pragmatic enough to provide the adjustments needed until our trading partners adopt similar trading principles.

2. Existing adjustment assistance legislation should be modified so that the criteria for eligibility is less stringent and is more responsive to the need. The programs under adjustment assistance should be extended and improved upon, particularly in the retraining and relocation areas. The emphasis should be on getting those that are dislocated back to work.

In our mind, a time-limited safeguard mechanism in conjunction with a viable adjustment assistance program is essential to the nation in developing and negotiating fair international trade policies and practices with its trading partners. In this connection we believe it would be useful if the major trading nations of the world would develop common principles for both a safeguard mechanism and an adjustment assistance program. Accordingly, we feel the Congress should provide the authority to negotiate such an international agreement.

3. The Congress should also provide the authority to begin multilateral negotiations aimed at eliminating non-tariff barriers.

We believe that, on balance, the elimination of non-tariff barriers contributes to a reduction in the tensions presently found in international trading practices. In many instances it appears that elimination of non-tariff barriers would be helpful in increasing exports of certain U.S. industries. However, in the case of Union Carbide we would not expect a major boost to our exports to result from such negotiations.

4. The United States Government should organize and staff itself to deal with these new realities of international trade. Certainly, the creation of the Council for International Economic Policy in the White House is a step in the right direction, and so is the creation of the Subcommittee on International Trade by the Senate Finance Committee. However, there is more that should be done to assure that foreign economic policy does not take a back seat to our foreign political policy. The economic policy apparatus of the Executive branch should be centralized so that business and the public will know where to go for guidance, assistance, and answers. The structure should also provide for close consultation with Congress and with industry and labor in future trade negotiations.

On the international scene we see the following important needs:

1. The General Agreement on Tariffs and Trade (GATT) was concluded more than 25 years ago. We believe it is appropriate, at a minimum, to call for a reexamination of the basic structure and principles of the GATT to see if it fully meets our needs and those of the world in the 1970's. The United States cannot afford to have its international trading ability hampered by adherence to a set of principles and agreements which may have become shop-worn and out-dated, and which other nations tend to ignore anyway. GATT is becoming very European. Over half of its voting members are either members of, or have some allegiance to, the European Economic Community. Thus, its current voting structure may not provide an equitable voice for the long-term interests of the United States. One suggestion for a restructuring of GATT is the Steering Committee approach proposed by the Rey Report to the Office of Economic Cooperation and Development (OECD).

2. To prevent "pollution havens," the United Nations International Code of Standards governing environmental controls should be supported by this country.

Although we have touched primarily on

those areas affecting international policy, we recognize full well that the domestic policies of the government are equally as important in maintaining the international competitive posture of the United States. In this regard we welcome features which stimulate and encourage productivity in the United States. The investment tax credit and the ADR system of depreciation are, to us, vital elements in a program to make American production more competitive. The DISC provisions for stimulating exports are already beginning to have a favorable effect on Union Carbide's exports from the U.S. We believe that the DISC concept should not only be continued but should be expanded.

There are, of course, many other valuable recommendations and suggestions dealing with an expansion of U.S. exports that we believe should, and will, be considered by the Committee when it deals with this area. We would like to call particular attention, in this respect, to the Report of the National Export Expansion Council's Industry Advisory Committee on Chemicals. That report, published by the Department of Commerce in September, 1972, contains a number of specific and useful recommendations dealing with the problems of international trade in chemicals and allied products—all aimed at expanding U.S. exports.

Obviously, the attitude, policies, and programs of the United States Government will have a pronounced effect on the ability of American manufacturers—whether they are multinational or not—to remain competitive and to maintain a reasonable share of the world's markets.

We hope your review and the legislative considerations of the Congress will not be undertaken in a spirit of retreat or despair. They should be undertaken with the aim of creating and executing an integrated innovative policy designed to make U.S. industry fully competitive with those of the other nations of the industrialized world.

If we were to build a wall around America, we would in essence be saying there is nothing new in the future, that the nation is pleased with the status quo. Yet the future holds so many unknown possibilities—the proof of this is the accomplishments realized in the past. The birth of completely new industries and new job opportunities since the turn of the century in America is more than ample testimony to this fact. We have no reason to believe the decades ahead of us will be any different. We in industry seek your help, understanding, and cooperation in creating an atmosphere in which such opportunities can flourish.

Thank you.

PROD AND TRUCK SAFETY

Mr. HUGHES. Mr. President, highway safety is a concern we have every day as we travel to and from our homes. As a result of my own prior experience, I have been particularly interested in the issue of truck safety and the working conditions of truck drivers.

In October 1971, the Special Subcommittee on Alcoholism and Narcotics, which I chair, held a hearing on the matter of amphetamine use by truck drivers. Several drivers testified that they were made to work such long, irregular hours that they sometimes found it necessary to resort to amphetamines—not for kicks, but rather to reach their destination without collapsing and causing a serious accident due to fatigue.

So far as I know, this problem remains with us. It is coupled with the question of the adequacy of the current regulations regarding motor carrier safety. Fortunately, there is an organization which is conducting research into these issues and which has worked to represent the interests of professional drivers before the Department of Transportation. The organization is PROD—the Professional Drivers Council for Safety and Health.

I am sending a report prepared by PROD to the Secretary of Transportation for the consideration of the Department. I intend to bring the DOT reply to the attention of the Senate.

Mr. President, I ask unanimous consent that a recent report on these problems prepared by PROD be inserted in the RECORD for the information of Members of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SAFETY HAZARDS FOR PROFESSIONAL DRIVERS

Recently published Bureau of Motor Carrier Safety statistics for the year 1970 disclose that an astoundingly high percent, namely 76%, of the accidents involving interstate carriers where the driver's physical condition was involved, were caused by fatigue.

The problem is in large part due to the Bureau of Motor Carrier Safety's regulations which permit carriers to dispatch drivers on routes which require up to 10 hours of driving time and which may involve the driver's labors up to 15 hours. Because most carriers "relieve" their drivers for periods of time in the middle of their tours of duty for example, for meals, breakdown repairs, loading, etc., the driver's actual work day may be extended up to an unmerciful 20 hours or so. The regulations then guarantee drivers a meager 8 hours off duty before the carriers can send them back out on the highways. During this time a driver is expected to drive home to his family, eat, rest and drive back to the terminal. Or, the driver may get a good night's rest and spend the next day by the telephone only to receive a call from his dispatcher as he is going to bed after a full day. Part of the reason why carriers do in fact push their drivers to the maximum 60 hours work week permitted by the regulations is due to the fact they were exempted from the Fair Labor Standards Act back in 1938, and do not accordingly have to pay their drivers time and one-half for hours worked in excess of 40 each week. The economic incentives are therefore to work the fewest number of employees the longest hours permissible.

Driving a large truck, involves strenuous physical effort. Tractors do not have nice soft suspension systems which cushion the driver from bumps and road vibration. Everyone who has passed a truck on the road has been exposed momentarily to the noise level truckers must live with hour after hour, day after day. Noise, together with heavy traffic, or hazardous driving conditions can also cause considerable emotional stress which contribute to wear down the driver. It is no wonder why so many accidents result from the driver's fatigue.

The drivers' working conditions not only have an adverse effect upon his immediate ability to drive safely, they may have an adverse effect upon his health, and thus his long-range ability to work at all, much less safely. Emotional stresses can lead to high blood pressure and the pounding a driver's body receives due to the virtual lack of suspension in tractors can lead to spinal injuries, kidney, and even respiratory and pulmonary disorders. Noise can be deafening and a recent study by Dr. Wilbert Aronow, of Long Beach Veterans' Administration Hospital, discloses that inhalation of exhaust fumes on heavily traveled highways aggravates cardiac conditions. Yet, the Occupational Safety and Health Administration has deferred to the Bureau of Motor Carrier Safety its jurisdiction over the driver who is thus deprived of the protections of the Occupational Safety and Health Act of 1970.

A most distressing situation exists regarding the enforcement of the existing safety regulations since the Bureau of Motor Carrier Safety has only 103 investigators charged with responsibility for an estimated 3.5 million power units, and carriers may under current law discharge with impunity any driver who initiates or cooperates in an investigation of his employer's allegedly illegal practices. The injustice of such employer recrimination was recognized by Congress which made similar acts illegal under the Occupational Safety and Health Act. Unfortunately, that protection is not extended to the enforcement of safety standards by other departments and agencies to which the Secretary of Labor is deferring under section 4(b)(1) of that act.

Another situation many drivers confront is the company practice of setting up runs which can be completed in 10 hours only under good driving conditions with a powerful tractor and a light load. When they are assigned an ordinary piece of equipment and a heavy load, there is no way they can comply with the 10-hour rule unless they push their vehicles to breakneck speeds whenever they can. When a heavily loaded tractor trailer crawling up a hill on a two-lane highway reaches the top of the hill, the driver must gain all the speed he can in order to maintain an average speed which will allow him to reach his destination within the 10-hour period he is permitted to drive. The drivers themselves, incidentally, are subject to criminal prosecution for violating the 10-hour rule. When these men are assigned routes by their employers which cannot be completed in 10 hours they are caught in a dilemma: If they refuse the run they may be fired, if they take it they will have to violate Federal regulations and run the risk of a criminal prosecution, and if they attempt to comply with these regulations by speeding, they run the risk of being arrested for violating State speed laws and losing their licenses and therefore their jobs. Unfortunately, threat of being fired is often the most immediate, and thus the controlling factor.

Another problem with which some professional drivers must struggle is poorly maintained, and defective equipment. Maintenance can be costly to a company both because a good mechanic is not cheap and because a garaged tractor is not pulling freight and making money. Moreover, the carriers are insured against loss in the event of an accident which might, however, take the driver's life, or the lives of some innocent motorists against whom the odds of surviving the accident are considerably smaller. Bureau of Motor Carrier Safety regulations only require that drivers report mechanical defects to their employers when they complete a run, but there are no provisions requiring the companies to take remedial action based upon those reports; indeed subsequent drivers of the vehicle are not generally permitted to see these preceding driver's report and are thus unaware of the vehicle's defects.

PROD—Professional Drivers Council for Safety and Health—has undertaken to work toward solutions to these and many more problems affecting the drivers' health and safety. Its activities are supported by member drivers and by Ralph Nader, who originally sponsored the Professional Driver's Conference in October of 1971, when the drivers' plight first came into the limelight. PROD has successfully petitioned the Bureau of Motor Carrier Safety for a new regulation which will make it unlawful to dispatch a driver on a run which cannot be completed in 10 hours due to known hazardous driving conditions. It has recently petitioned for a regulation to require maintenance logs to be maintained in every truck and bus so that drivers can readily see if any reported defects have not been corrected. PROD is also seeking an overhaul of the hours of service regulations, and implementation by the Bureau of Motor Carrier Safety of the standards promulgated by the Secretary of Labor under the Occupational Safety and Health Act. One of PROD's principal objectives is more effective enforcement of the existing safety regulations together with protection of driver job rights in the face of employer recrimination.

THE 150TH ANNIVERSARY OF THE HUNGARIAN POET, ALEXANDER PETOFI

Mr. GURNEY. Mr. President, the American Hungarian Federation and other American Hungarian groups are celebrating this year the 150th anniversary of the internationally best known Hungarian poet, Alexander Petofi—1823–49.

Petofi's lyrics, a living testimonial to the ideals of romanticism, popularism, patriotism, and democracy, have transcended the usual limitations which the Hungarian language often imposes upon its poets, by being a language rarely spoken by others than Magyars. His impact upon the intellectual world of Europe was great, indeed. To quote the world-famous German post and contemporary of Petofi, Heinrich Heine:

> Only Burns and Beranger can be compared to Petofi . . . he is a poet so astonishingly healthy and primitive in a society full of morbid and reflective thoughts that I cannot find anyone to compare him with in Germany: Even I, myself, have but a few of these natural sounds—but it seems to me that his mind is not very deep and he lacks the sort of Hamlet aspect—which is fortunate for himself and his Nation.

Petofi is a poet of the homeland, of the rural areas, of the Hungarian Plains. His love of home, parents, and simple people is heartwarming even in the romantic age of poetry. Combined with his love of his home and nation is his love of freedom. Perhaps no one in world literature had such an ardent and uncompromising love of freedom, political, and personal. His quest for freedom and hatred of tyranny is tempered only by his compassion for the people and nation—for the people whom he would like to see living in a democratic society, and for the nation which he wants to see living in freedom. It is not in vain that his best known and most recited poem in Hungarian is "the national song" which has the refrain:

> By the God of every Magyar
> Do we swear,
> Do we swear,
> Never to be prisoners
> Any more.

Petofi was, however, more than a poet of tradition and patriotism and social conscience of the nation. He was a freedomfighter who took his principles seriously, he was in the forefront of young Hungary trying to change the political status quo. He recites his "national song" on March 15, 1948, in Budapest and his recital is the alarm bell which commences the yet unbloody revolution.

When Austrian troops invade the country, he becomes a soldier, and when the Russian czar sends troops to Hungary after the defeat of the Austrian Army in 1849, Petofi joins the battle under his beloved Polish general now in Hungarian service, Gen. Jozef Bem. And he falls from Russian bayonets at the battlefield of Segesvar, Transylvania, on July 31, 1849. His death is a gloomy premonition in Hungarian history. 1849 was the first time that Hungarian and Russian forces met as enemies in battle, and it was destined not to be the last.

Petofi's message was never lost on Hungarian youth. The young demonstrators of October 23, 1956, began their quest for freedom and national independence again under his statute in Budapest. No tricks of the present regime could make Petofi into a socialist poet, he remained for all Hungarians the poet of patriotism, tradition, and democracy, and his ideals shone for the short-time the Hungarian revolution of 1956 broke through despite Russian military superiority.

Petofi has a message not only for Hungarians, but to all men who love and cherish freedom. He believed like Abraham Lincoln did that a world half free and half slave cannot last. He wanted to die in the battle for "world freedom" and he believed in the international brotherhood of men devoted to freedom and democracy. Let us hope that we hear his message now over a hundred years later, for cooperation and understanding in the ageless fight against tyranny and oppression which still engulfs his beloved native country.

INDIANA SENATOR SPEAKS TO LEGION

Mr. HANSEN. Mr. President, on Tuesday, February 27, members of the Senate Veterans' Affairs Committee were privileged to hear testimony from Mr. Joseph L. Matthews, commander, the American Legion.

The testimony Mr. Matthews presented was an important contribution to the work of our committee and we were pleased to have his suggestions and views.

At a subsequent meeting, the distinguished Senator from Indiana (Mr. HARTKE), who serves as chairman of the Veterans' Affairs Committee in the Senate, addressed the meeting as to the 1973 legislative program and because of the significance of his remarks, I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR HARTKE

Thank you very much for giving me this opportunity to share my thoughts with you. Your very able national commander from Texas, Joe L. Matthews, this past Tuesday presented the Legion's 1973 legislative program to the Committee on Veterans' Affairs which I am privileged to chair. I see many familiar faces before me, and I want to thank you again for attending that important hearing. Commander Matthews' comprehensive testimony covered all of the immediate concerns of America's veterans. I think you know that my committee shares those concerns, and that we have already taken important action in a number of the areas discussed on Tuesday. In the two years that the Senate Committee on Veterans' Affairs has been in existence, many substantial improvements have been made in veterans' benefits. There have been increases in disability compensation rates, increases in dependency and indemnity payments, increases in pensions and special housing grants and education benefits, to mention a few. The 93d Congress is only weeks old, and my committee has already acted on legislation concerning the expansion of veterans' health care, national cemeteries, and the establishment of a drug and alcohol rehabilitation program. As I announced Tuesday, we are planning to limit the Veterans' Administration's authority to act unilaterally on matters such as hospital closings, all land transfers, and changes in the disability rating schedule.

As you also know, the Senate acted last fall favorably on legislation to assist the recipients of VA pensions who have been penalized by the recent social security increase. We expect to reconsider this legislation shortly following Senate action on the three bills I just mentioned.

I would like to use our meeting today to explore with you some of the subjects which were not fully discussed on Tuesday, because of time limitations.

First of all, let us talk dollars and cents. I do not think there is a single Member of Congress who disputes the need to enforce economy in the Federal Government. That is an admirable principle. But you know what happens the minute we get down to the business of deciding which programs will take the brunt of the budget-cutting.

When it comes to funding, my committee's stand is very simple: There is no national debt higher than that owed the brave men who have fought for this country, and their families. America's 29 million veterans made enormous sacrifices when they were called to serve their country. And I want to emphasize that veteran's budget outlays are a smaller percentage of the total budget this year than they were in 1963 despite the fact that since then 6 million Vietnam-era veterans have joined our ranks. Now the time has come for this great country to make some sacrifices for the good of its veterans. We will not let them down. In the days ahead, America's veterans, and all of us, will stand firmly together. We are going to look those anonymous budget-cutting bureaucrats in the eye, and when they try to reduce the benefits won by brave Americans on battlefields far from home, this is what we will tell them: Not one American penny goes to North Vietnam so long as there is one American veteran in need.

During the last decade, we drafted young men, particularly the less educated, less affluent young men, and sent them off to fight in a hostile environment. That was the first strike. Then, when these men returned home, as Commander Matthews noted Tuesday, we did not give them parades or victory celebrations. At best, they were ignored. That was the second strike. Now many of these same young men, discouraged and angry enough to begin with, cannot even find a job to support themselves or their families. This is wrong. It is unfair, it is unproductive, it is downright unAmerican. In an effort to avoid striking out, we passed the Vietnam-era Veterans' Readjustment Assistance Act of 1972. And we hope to enact shortly a comprehensive drug rehabilitation program. But what bothers me is our demonstrated lack of ability to reach the Vietnam veterans who need help the most. And by "Reach" I mean emotionally, as well as physically. I know the American Legion shares my concern, and I would welcome your specific suggestions on how you feel Vietnam Veterans can take advantage of existing programs, how they can play a part in designing new programs to meet their special needs. I submit that the very first thing we should and can do is give every Vietnam Veteran an adequate education or training opportunity followed by a decent job.

These are just a few of the thoughts that cross my mind when I wrestle with the problems confronting Vietnam Veterans. How much better it would be if all the decision-making bodies in the field of Veterans' affairs could have direct input from the men whose problems we are all trying to solve. The American Legion has close to half a million Vietnam-era members, and that is very encouraging. But I wonder how many leaders of the American Legion are Vietnam Veterans. I wonder how many professional level employees of the VA are Vietnam Veterans. I wonder if there is not more we can all be doing to insure that these six million brave young Americans have a say in their own future.

In a pluralistic society as large as ours, it is accepted that individual needs are more likely to be met when they are expressed by the united voice of many citizens who share that given need. Put more succinctly, "United We Stand, Divided We Fall." I hope none of us fall prey to the easy rationalization that veterans of the Vietnam war are just not joiners.

It is not only the five million Vietnam era veterans who will suffer if we, the men and women who have fought for this country, fail to remain united. It is all the veterans of all the wars who will suffer. It is the 29 million veterans and the 66 million members of their families and the four million survivors of deceased veterans who will suffer, and that is just a little short of half this country's population.

There will come a time when Congress, the executive branch, and organizations such as the American Legion will be in the hands of the Vietnam war generation. If the members of this new generation feel that they have not been helped by those of us in the veterans field, they may feel little compunction about reducing the benefits which you and I have fought so hard to establish—the benefits you and I are counting on as we grow older. So I say to you that it is in the interest of every person in this room, in the interest of every member of Congress and every member of the American Legion, to help solve the problems facing the veterans of our most recent war.

We have done a great deal, but we must do more.

In addition to tinkering with programs that were established in response to the needs of the veterans of earlier, different wars, we must also seek new directions. We must try to solve problems that did not exist after World War I or World War II or Korea. We must encourage the participation of the men who can tell us what these new problems are.

We cannot replace the time these men lost in Vietnam. But we can do much to replace their health, their jobs and their hopes. I am confident that the American Legion will be a leader in this noble effort.

NEW ENGLAND'S AGRICULTURAL NEEDS

Mr. McINTYRE. Mr. President, so often when New England is discussed by people around the country they talk about the region as if it was solely an industrial region, but I wish to call the attention of my colleagues, and the Nation, to the fact that though agriculture is not the major employer that it once was; it is still an important source of income, and has a great economic impact on the lives of the people of the Northeast. It is an industry that deserves our help and support.

I recently received a letter from a friend and constituent, Mr. Robert J. Whitney of Concord, N.H., in which he said:

> Somehow we collectively must show the Secretary of Agriculture that the people in New England do make a living from farming and that agriculture is of major economic importance to the Northeast.

Mr. President, today the farmers of my State and New England face the major problems of finding feed grains, sufficient cars for moving grains and prices which are discriminatory.

Mr. Whitney enclosed, with his letter, a report by the New England Grain and Feed Council that I think points out the needs of the farmers of my region, and demonstrates the need for positive action in their behalf.

Mr. President, I ask unanimous consent that this report be printed here in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FEBRUARY 6, 1973.

THE NEW ENGLAND FEED GRAIN AND FEEDSTUFFS CRISIS

Since last October, New England poultry, dairy, and livestock producers have been confronted with a mounting crisis in the price and supply of essential feed grains and feedstuffs. Directly concerned with the problem, and closer to the situation than most, are the feed manufactures and ingredient suppliers who make up the membership of the New England Grain and Feed Council. The statement, analysis, and recommendations which follow are based on information supplied by this group. Specific documentation of supply problems, and letters from feed manufacturers are included as an appendix to this report.

AGRICULTURE AN IMPORTANT SECTION OF NEW ENGLAND ECONOMY

While New England's economy is admittedly primarily an industrial one, and the farming sector has shown some decline in relative position, agricultural production in absolute volume and cash receipts from farm marketings, particularly in livestock and poultry, is greater than ten years ago, and remains a very important segment of New England's economy.

CASH RECEIPTS FARM MARKETING 1971

[In thousands of dollars]

	Livestock and livestock products	Crops	Total
Maine	154, 665	88, 987	243, 652
New Hampshire	41, 211	14, 179	55, 390
Vermont	155, 416	14, 919	170, 335
Massachusetts	82, 535	82, 190	164, 725
Rhode Island	9, 280	10, 652	19, 932
Connecticut	98, 637	66, 999	165, 636
Total Northeast	541, 744	277, 926	819, 670

Source: Farm Income Situation, FIS 220, Economic Research Service, U.S. Department of Agriculture, July 1972.

NEW ENGLAND IN VULNERABLE POSITION

The area is in a particularly vulnerable position because of virtual total dependence on outside sources for feed grains and nearly all feedstuffs, because of distance from such sources, and dependence upon a single mode of transportation—namely, rail. Adjustments to shortages and rail transportation problems through the drawing upon home-produced or local supplies or alternative modes of transportation which are possible in most other areas, are impossible in New England since there are no local suppliers nor alternative transportation modes.

The feed deficit position of New England is illustrated by the following statistics as assembled by U.S.D.A. in the E.R.S. publication, Stat. Bul. 446 Supplies 1972 "National Livestock—Feed Relationships".

FEED GRAIN PRODUCTION, CONSUMPTION 1970

[Thousand tons]

	Production	Consumption	Deficit
Maine	24	963	939
New Hampshire		159	159
Vermont	4	309	305
Massachusetts		390	290
Rhode Island		42	42
Connecticut		408	408
Total, Northeast	28	2, 171	2, 143

THE PROBLEM OF RUN-AWAY GRAIN AND FEEDSTUFF PRICES

U.S.D.A.'s Feed Grain Index, as of January 31, 1973, stands at 127.6 vs. 104.6 on October 3, 1972, and 96.9 in January a year ago—a rise of 21% since October and 31% from a year ago. The Feedstuffs Index (protein and grain by-product feeds) as of January 10, 1973, is 227.6, compared to 129.9 on October 3, 1972, and 102.8 a year ago—a rise since October of 75% and 121% over a year ago.

Specifically, for New England, the following table shows the price advances experienced in major poultry and dairy feed ingredients (carlot, delivered in Boston, per ton).

	Jan. 29, 1973	Jan. 9, 1973	Dec. 11, 1972	Oct. 2, 1972	July 3, 1972	Jan. 9, 1972
Corn, No. 2, yellow	$68.13	$72.60	$75.00	$65.00	$59.40	$60.61
Soymeal (49 percent)	234.00	221.00	175.40	139.80	128.80	108.40
Brewers' grains	112.00	110.25	98.40	83.40	58.40	72.00
Gluten feed	96.00	100.73	86.90	70.80	60.80	72.43
Distillers' grains	113.00	107.75	103.40	91.40	86.40	76.00
Molasses (cane)	48.74	43.61	32.49	30.78	29.93	28.22
Meat and bonemeal	235.00	210.00	165.00	144.00	126.50	114.00
Alfalfa (17-percent dehydrated)	126.00	115.00	99.50	87.50	74.00	77.00

While corn has shown some signs of stabilizing in price, the fantastic price advances in protein and grain by-products feed, particularly soymeal, continues.

These price advances in basic feed ingredients have substantially increased production costs of New England producers of eggs, broilers and milk. The cost of poultry and dairy rations has increased about 30 dollars a ton since last July. Using standard conversion figures, the increased cost for feed alone is as follows:

Standard conversion

Eggs (brown) 5.0 feed/doz.[1]
Broilers (evisc.) 3.0 feed/lb.
Milk 0.8 lb/qt.

Increased cost

Eggs (brown), 7.5 cents per dozen.
Broilers (evisc.), 4.5 cents per pound.
Milk, 1.2 cents per quart.

While there has been some advance in the farm price of these products, the full effect of these cost increases has not yet reached the consumer, as it must eventually if adequate supplies of these essential foods are to be maintained.

THE PROBLEM OF SHORTAGES

Of more immediate concern, is the great difficulty of securing supplies of feed grains and feedstuffs, particularly soymeal, certain corn by-products, and molasses. Our survey, covering all the feed manufacturer members of the New England and Grain and Feed Council, reveals, without exception, that all have experienced difficulty, all have had to make undesirable substitutions in formulas, and in some cases, have had to shut down for lack of supplies and to ration customers.

There are two facets to this supply problem. One is the acute shortage of rail cars and the inability of suppliers to ship because no cars are available. The other is the preference being given to foreign sales in the case of processed by-product feeds, soymeal and corn by-products particularly. Such sales have been exempt from price control regulations, and we believe this to be a major factor in the difficulties being experienced by domestic users in securing supplies of processed feed ingredients.

RECOMMENDATIONS

Of the many influences involved in the present feed grain and feedstuffs crisis, we deem the impact of export demand to be the most important. In the interest of holding down inflation and assuring adequate supplies of essential foods, measures to protect domestic supplies of feed grains and feedstuffs demand immediate attention.

1. *On the Rail-Car Shortage.*

The steps taken to date by I.C.C., namely Service Order 1112, the car service rules, plus surveillance at loading points and ports, plus the A.A.B. embargoes at certain ports, while steps in the right direction, have obviously not been adequate, as the situation has worsened as far as New England receivers are concerned.

We recommend the immediate inauguration of some sort of a priority system for domestic rail shipments of grains and feedstuffs.

Documentation of specific examples of the rail car shortage is presented in Sec. 1 of the Appendix to this report.

2. *On the Protein and By-Product Feedstuffs Shortage.*

Production levels and supplies of most feedstuffs is running at a level over that of a year ago, yet our feed mixers report great difficulty in obtaining supplies. The price increases in grain by-product feeds has exceeded by a considerable margin the price advances in the grains from which they are derived.

Price control regulations on processed grains and feedstuffs have not applied to export sales and this has been the major reason for the inability of purchasers for domestic use to obtain supplies. We are not entirely clear as to the application of Phase 3 price controls, although we understand that animal feeds are exempt. We strongly urge that any remaining regulations be such as not to put domestic users at a disadvantage.

Reference material on the ingredient shortage situation is included in Sec. 2 of the Appendix to this report.

3. On Exports.

There is little question that export demand is a major factor in both the price and supply problem.

While we recognize that agricultural exports, including grain and feedstuffs, are of great importance in international relations and the balance of payments problem, the fact remains that the great increase of exports this fall and winter, in combination with poor harvest conditions and increased domestic demand, has resulted in a chaotic condition in the grain and feedstuffs markets and in transportation.

Positive steps need to be taken to assure adequate domestic supplies and the current transportation mess demands immediate remedial action by both the legislative and executive branches of the government.

The specific nature of this action, whether a temporary limitation on exports, governmental assistance to the railroads to provide additional equipment, moves to improve the efficiency of railroad services, or other measures, demands the most thoughtful consideration of our elected representatives.

EVANS AND NOVAK COLUMN IN WASHINGTON POST WITH REFERENCE TO SPEECH ON SENATE FLOOR BY SENATOR BENNETT

Mr. BENNETT. Mr. President, on March 1 I made a speech on the Senate floor describing the apparent involvement of the Salt Lake City community action program in distribution of an anti-Nixon leaflet.

Mr. Rowland Evans and Mr. Robert Novak, distinguished syndicated columnists, made reference to this matter in their column of March 4, 1973, in the Washington Post. I ask unanimous consent that this item from the column be printed at this point in the Record.

There being no objection, the item was ordered to be printed in the Record, as follows:

In fighting President Nixon's evisceration of the anti-poverty program, the Community Action Program (CAP) in Salt Lake City is doing again what has caused so much trouble for anti-poverty activists all over the country: a federally-financed agency moving into political action against elected public officials.

An anti-Nixon flyer distributed in Salt Lake City does not disclose its sponsors, but in fact was prepared at and mailed from the county CAP office, issuing this broadside:

"Dick Nixon has a budget for big business. Nixon proposes the elimination or severe cutbacks of all programs providing services to those most in need, the poor, lower income and elderly persons, with no funds for local government to pick up these programs. In contrast, the budget items of defense, space, etc., are increased and tax loopholes for the affluent are continued."

Those wanting more information are given two unidentified Salt Lake City telephone numbers—one the CAP office, the other the Model Cities Office across the street. Callers are asked to volunteer to fight the Nixon program.

When we called the CAP office, we were told to contact the office's full-time central city coordinator, James Reed. But Reed, whose salary is partially paid by the federal government, told us he was not in charge of handling the flyer. Who is? "The people are in charge," he declared.

Reed admitted the flyer had been prepared at the CAP office and mailed on their subsidized postage meter to the CAP mailing list. But he claimed that none of the $606,000 in annual federal funds for the Salt Lake County CAP was used (which would be illegal), contending the flyer was financed with funds from the county government. Actually, federal and local funds in such anti-poverty offices are often hopelessly intermingled.

AGRICULTURE, A METROPOLITAN CINDERELLA?

Mr. YOUNG. Mr. President, many of us from farm States have been concerned at the lack of interest and understanding of agricultural problems displayed by mass media. Too often, the major magazines and newspapers, radio and television broadcasters publicize erroneous and misleading information about so-called farm subsidies and alleged scandals. It is no wonder that the consuming public gets the wrong impression, and farm producers end up as some sort of villians.

An exception to this practice of criticism of farm programs appears in the February 24 issue of Editor and Publisher, the principal publication for the newspaper industry. It was written by Mr. Terence L. Day, a farm writer and researcher from the State of Washington. The article was sent to me by Mrs. Blanche Denison, copublisher of the Towner County Record Herald, Cando, N. Dak., who is an excellent farm writer herself. Mr. President, I ask unanimous consent that this article be printed in the Record as part of my remarks.

Mr. President, the article, titled "Agriculture, A Metropolitan Cinderella?", shows an unusual understanding and sympathy for the problems of agriculture. The writer champions the great achievements of our food producers. He also warns that all the social reform and anti-poverty programs in the world will be of no benefit if America's unparalleled agricultural miracle is permitted to wither.

This article calls attention to the continuous decline of farm population—something I am very concerned about. Now, fewer than 5 percent of the Nation's population are farmers. It is unfortunate that this Nation, once largely rural in nature, has shifted so drastically and to the point where here is only a handful of responsible people in the Nation's press who speak up in defense of agriculture—the industry I still consider the most important of all.

There being no objection, the article was ordered to be printed in the Record, as follows:

Agriculture, A Metropolitan Cinderella?

(By Terence L. Day)

There is a void in modern reportage, a gulf which could lead to a major crisis in America.

Never in the world's history have so many been so dependent upon so few, or so ignorant of their situation, as Americans today.

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[1] Includes feed required to grow replacement pullet.

More than 95 percent of the nation's people are dependent upon the less than 5 percent who man the nation's farms.

Agriculture is a metropolitan Cinderella who labors hard for urban America, but who works without appreciation because there is a knowledge chasm left unbridged by modern journalism, or inadequately bridged at best. That vital informational link, the farm beat, has been plowed under or sent out to graze on the south 40 on most urban newspapers today.

WRONG NEWS POLICY

A news executive recently explained his paper's abandoned farm beat: "We don't have very many farmers in our circulation area any more."

Unfortunately that philosophy is all too apparent in today's newsrooms. What J. Henri Fabre, the French entomologist and author, said of history is equally apropos of journalism: "History . . . celebrates the battle fields whereon we meet our death, but scorns to speak of plowed fields whereby we thrive; it knows the name of the king's bastards, but cannot tell us the origin of wheat. That is the way of human folly."

Journalism celebrates city streets whereon we riot, but scorns agriculture whereby we prosper; it reports which movie star is living out of wedlock with whom, but does not tell us about our source of food.

Today's newspapers may not have very many farmer subscribers, but their readers all have one thing in common: they eat. And as long as they do, newspapers should take a vital, intelligent interest in agriculture.

WRITE FOR CITY READERS

Editors don't expect an aerospace editor to write for aerospace employes. They don't ask science writers to write for scientists, nor education writers to slant articles to educators. Political writers aren't asked to write for politicians, and transportation writers don't write for truck drivers.

So why should farm writers write for farmers? They shouldn't. They should write about agriculture, for city folk. But all too much of the little farm writing today is of small value or interest to urbanites because it does not put agriculture in terms they can understand.

The reasons for strong farm beats are manifold, but paramount are reader interest and public interest. Readers are interested in farm news that is written for them, and nowhere is the need for farm editors to serve the public interest more apparent than in the hubbub over food prices.

The most prevalent and most inaccurate myth in America today is the "high" food prices legend believed by almost every consumer and promulgated by nearly every newspaper and television station in America.

Why does almost everyone think food is expensive? Because today's news media fails miserably to understand agriculture and to report it accurately. It is a digression, but you won't believe that food is cheap unless we document it, so let's digress.

Agriculture has given America the lowest-cost food bill in the history of mankind—16 percent of disposable income in 1971, compared with 23 percent in 1950, according to U.S. Department of Agriculture statistics.

It's an unpopular story, but our great agricultural progress has reduced food costs by 30 percent during the past 21 years. As a bonus, Americans also get a greater variety of food, a higher standard of eating (including twice as much beef), less kitchen drudgery, and more meals "out-on-the-town."

America's food bill in 1971 was $118 billion—a whopping $51.7 billion less than it would be if Americans still paid 23 percent of their income for food as they did in 1950.

That is $51.7 billion which Americans spent for second cars, trail bikes, boats, stereophonic sound systems, fancy furniture, summer cottages, dishwashers, color television, and a host of other consumer goods. But how much is $51.7 billion? It is $15.1 billion more than the total value of all automobiles manufactured in the United States and of the distribution costs of all foreign-made automobiles sold in the United States in 1969! (Based on U.S. Statistical Abstract figures.)

In other words, the unparalleled efficiency of the American farm is one of the basic reasons for the high and still rising American standard of living, a principal difference between our standard of living and that of other countries. (Englishmen spend 29 percent of their income for food, Italians 45 percent, and Indians 80 percent.)

SHOULD GIVE THANKS

Instead of complaining about "high" food prices, we Americans should be on our knees giving thanks for our share of the $51.7 billion a year the nation saves on groceries. It is the very substance of our high standard of living.

But, you say, look at what's happening to food prices. Meat has gone up, eggs have gone up. Yes, and they'll come down, too. But not with the same fanfare with which they went up.

Recently when the price of eggs threatened to reach $1 a dozen the news was headlined for days on end. But when they dropped to 59 cents a dozen, our local newspaper didn't have a single line of copy with that news.

The result is a public misimpression that prices are always going up. That's true of cars, clothes and a lot of other things; but not of food. Food prices fluctuate because farmers cannot control production, and prices rise and fall with supply.

Further, reporters have wholly failed to put food prices into perspective with wages. Big, black headlines shout the news that food prices are expected to increase at an annual rate of about 4.5 percent during the first half of 1973. But what reporters have compared that with anticipated wage increases?

The Nixon Administration says 5.5 percent increases are acceptable, and few authorities feel that wage increases will be held that low in 1973.

It doesn't take an Einstein, or even a high school math teacher, to calculate that if food prices increase 4.5 percent and income rises 5.5 percent, the precentage of our income spent for food will decrease. The increase we see in food prices is inflation—and food is an anchor trying to hold inflation down. Food prices are not contributing to inflation.

With urban America and the press which serves it both ignorant of the realities of agriculture, there is a real threat to the agricultural abundance which is the foundation upon which America has become the world's wealthiest nation—a nation with the highest standard of poverty that the world has ever known.

How is America threatened?

With 95 percent of her population in the cities, and the one-man, one-vote rule, the farm bloc has withered to a tiny voice in a distant pasture.

Unless the farm-city information gap is bridged by the press, it is entirely conceivable that an urban-dominated, urban-orientted Congress could pass legislation which would wreak havoc with agricultural production, or fail to pass legislation essential to a healthy agriculture.

It would be tragic for America to learn the hard way that all of the social reform and anti-poverty programs in the world will be of no benefit if America's unparalleled agricultural miracle is permitted to wither. For modern agriculture is not a permanent miracle which can be ignored once achieved. It is a miracle which must be repeated every year.

But the moment America goes on a binge of anti-farm legislation, capriciously banning vital agricultural chemicals, wildly slashing farm programs, and arbitrarily siding against farmers on national issues; the nation will be sowing the seeds of wretchedness for the cities as well as for the farms.

Food prices will really become high, and with less to spend for other things there will be massive layoffs in city factories which will lose much of their market for consumer goods.

Re-creation of farm beats to report agriculture for city audiences, to give America more balanced reporting on issues touching the farm, would be a small price to pay for prosperity insurance.

DR. WILLEM KOLFF AND MR. PAUL WINCHELL

Mr. BENNETT. Mr. President, for years Dr. Willem Kolff of the University of Utah has been recognized as a pioneer in research on artificial organs. He invented the first artificial kidney that patients could use, and has successfully kept research animals alive for extended periods with an artificial heart.

Now Mr. Kolff has been joined in his research effort by the well-known ventriloquist, Mr. Paul Winchell. Mr. Winchell, in addition to being a fine entertainer, is also a very talented inventor. One of his inventions is a mechanical heart, which he designed and patented. Mr. Winchell is participating with Dr. Kolff in the University of Utah's artificial heart-research program, and has turned his patent over to the university.

This week's issue of Time magazine carried a most interesting account of this unusual collaboration between a talented doctor and a talented entertainer. I ask that the magazine story be reprinted at this point in the Record.

There being no objection, the story was ordered to be printed in the Record, as follows:

Winchell's Heart

Anyone who has watched him manipulate the wisecracking dummy he calls Jerry Mahoney knows that Paul Winchell, 50, is a talented ventriloquist. But few realize that he may be even more gifted off-camera than on. A gadgeteer with a flair for mechanical problem solving, Winchell has contributed to his own profession by developing new techniques for making dummies move and for animating films. Even more remarkable, he has also contributed to medical science. He has designed and patented a mechanical heart and is now participating in the artificial-heart research program at the University of Utah's medical school.

Inventing comes almost naturally to Winchell, a graduate of a New York school of industrial arts. At age 13, he realized that his sinus trouble seemed to ease when he held his nostrils open, so he contrived a V-shaped gadget to do the job. Later he patented a transparent lens cap for cameras (to help the amateur who shoots with a lens cap on) and invented a device made out of plastic ice cube trays, used for transplanting seedlings.

At the age of 35, after returning to school at Columbia University, Winchell began discussing medicine with several doctor friends; he soon was borrowing their medical books and looking over their shoulders in operating rooms. After watching doctors lower a patient's body temperature prior to an operation by placing him in a tub of ice, Winchell invented a refrigerated, rubberized suit to do the job more easily.

But Winchell's most impressive invention is the artificial heart, which was inspired in part by his mother's death of heart complications following a major infection. "I couldn't see any reason against an artificial heart; it doesn't do anything except pump," said Winchell. "If properly conceived and tied into the circulation system I saw no reason why it couldn't be successful."

After patenting his plastic heart pump in 1963, Winchell offered it to the American Medical Association and American Heart Association. Neither was interested at the time because Winchell had not produced a working model. But the University of Utah's Dr. Willem Kolff was. Kolff, who had already invented the first artificial kidney that patients could use, looked over Winchell's design and found it similar to one he had been working on. He invited the entertainer to work and experiment at the medical center (where Winchell also assisted in transplants).

Winchell has been so impressed by Kolff's work that he has turned his patent over to the University of Utah, where Kolff has already kept calves alive for as long as 14 days with artificial hearts of his own design. Winchell's work may help improve upon that record.

PRESIDENT'S PROPOSALS UNDERSTOOD CLEARLY AND INTERPRETED ACCURATELY AT THE GRASSROOTS LEVEL

Mr. HRUSKA. Mr. President, I sometimes fear that the flood of congressional rhetoric rising in opposition to the President's proposals will so overwhelm the average citizen that he will never have an opportunity to understand clearly the real choices before us.

Fortunately, I have at hand some reassuring evidence that the President's proposals are being understood clearly and interpreted accurately at the grassroots level.

The Blair, Nebraska, Enterprise has a widely respected editorialist, J. Hilton Rhoades. Two of his recent editorials, "A Time for Self-Reliance" and "The Budget-Cut Game—Washington's Favorite Pastime," go directly and succinctly to points which seem to elude many editorialists and columnists who ply their craft here in our National Capital.

I commend Mr. Rhoades' editorials to all Members of the Senate and ask unanimous consent that they be included in the Extensions of Remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

A TIME FOR SELF-RELIANCE

(By J. Hilton Rhoades)

In an effort to fulfill his inaugural wish for a society geared to individual self-reliance, President Nixon is making moves to eliminate many federal subsidy programs. It has been forecast that the administration will take aim at public housing, rural assistance, education, and public employment.

Some weeks ago, the President took a commendable first step when he eliminated the federally subsidized 2 per cent loans for electric cooperatives, a leftover from the New Deal era. The co-ops have howled in protest, but other citizens, who have to pay considerably more in interest when they borrow money, are likely to be pleased that the co-ops at long last will be required to come somewhat closer to paying their way like everyone else.

Other howls are coming from those involved in the subsidized housing business. The public should know that there is a new class of subsidy housing builders who aren't truly a part of the free enterprise system. They live off federal subsidy programs devised by politicians. They have a vested interest in Big Government and in giveaways of the taxpayers' money.

The public undoubtedly will be treated to a variety of sob stories in connection with the housing moratorium. In South Carolina, Dr. John A. Chase, the administrator of the Columbia Housing Authority, said in protest against the subsidy moratorium: "What is to be the answer for the 1,800 families on the Columbia waiting list for apartments? What is to be the answer to the 100 additional applicants every 30 days? What is to be the answer for hundreds of hundreds of families who are going to be displaced in South Carolina by highway construction, urban renewal and the like?"

The answer to those questions is that the people who have had great expectations of subsidized housing will have to fend for themselves like millions of others who don't expect Uncle Sam to solve their personal housing problems.

President Richard Nixon put it very well in his inaugural address when he said: "Let each of us ask, not just what will government do for me, but what can I do for myself?"

In Arkansas, Jim Bradley, a state Office of Economic Opportunity Housing specialist, complained that the federal freeze on subsidized housing could cost the state more than $60 million in the next 18 months. He failed to mention, however, how much the taxpayers in Arkansas and other states will save as a result of the freeze.

Incidentally, the OEO types have other reasons to feel blue. President Nixon has announced plans to dismantle the Office of Economic Opportunity. The OEO was the principal "Great Society" instrument in its fault-ridden "war on poverty."

The Johnson administration poverty programs cost billions of dollars and produced almost zero results. They created huge cadres of community action workers who managed to spend enormous sums without actually helping communities solve their problems.

Thus it is time to close down the Great Society programs, to shut off the food stamp distribution which have been a scandal and an insult to productive citizens who have to buy their own groceries.

It is yet to be seen how vigorously the Nixon administration will move to eliminate the entire range of Great Society federal social programs. The faster the administration moves, the happier the taxpayers will be.

The liberal bloc in Congress will resist the elimination or curtailment of vintage giveaway programs. But the administration, with firm leadership, should be able to get tremendous grassroots support for long overdue fiscal reforms. The American people are likely to subscribe strongly to a new emphasis on self-reliance.

THE BUDGET-CUT GAME—WASHINGTON'S FAVORITE PASTIME

(By J. Hilton Rhoades)

How would you react to the President's new budget, if you were a Member of Congress?

The President has proposed cutting off a number of programs that were of benefit to various groups (often groups other than those that were supposed to benefit). The people who suffer from these cuts will be angry. Some of them might be your constituents.

If you were of a party or an ideological persuasion different from that of the President's, there would be a great temptation to make some political points by accusing him of cruelty to the poor, etc.

On the other hand, the fact is that even with the much-publicized cuts, the new budget is up $18.7 billion over last year's. That's a 7.5% increase.

And as a congressman you would know—or should know—that there is no "extra" money to be found in the budget. Restoring one cut would require cutting something else. Either that or increasing the deficit or raising taxes.

Increasing the deficit would risk accelerating inflation. You know that your constituents dislike both inflation and tax increases . . . but would they understand what caused them?

EASY WAY OUT

Some congressman have already decided to follow the dictates of political expediency (or their perception of it). They damn the President for withholding funds, seek restoration of every program of any conceivable benefit to their constituents, and, no doubt, prepare to blame the White House for any subsequent inflation or tax increases.

That game will work as long as Congress abdicates its primary financial responsibility in favor of using the Executive Branch as a scapegoat.

If the Congress seriously tried to match its allocations to the Nation's financial resources, then the congressmen would have to suffer the displeasure of those who felt slighted. How much more easy it is to pass unrealistically high funding bills for everything, then blame the President for "withholding" money that exists only on paper. That way, a congressman can take credit for his generosity, while escaping blame for the serious consequences of it.

A SOLUTION

Is there a solution? Yes. The game will stop when voters understand how it is being played. But that requires a more realistic attitude on our part, as citizens. The congressmen react the way they do only because they are under pressure from their constituents. We must learn that cuts have to hurt us, too. The cuts can't all take place in "somebody else's" favorite program. And that applies to programs that benefit business, also.

We have got to face the fact that we do not have an unlimited supply of money. People understand that on the personal level, but for some reason, very few carry the lesson over to the federal government.

Once we have grown immune to demagogic appeals to our selfish instincts, then Congress will be able to take a more sincere look at the procedural reforms that could help to get a grip on runaway budgets. And there are such reforms—things like establishing one committee to consider both appropriations and revenues, instead of splitting the responsibility anywhere from a dozen to 535 ways.

Some congressional leaders have become alarmed enough to begin exploring the necessary reforms. Others still prefer the easy way out. The reaction they get from us will decide which attitude prevails.

PEARL BUCK, FAMOUS DAUGHTER OF WEST VIRGINIA, WILL BE REMEMBERED AS A GIFTED WRITER AND COMPASSIONATE HUMANITARIAN

Mr. RANDOLPH. Mr. President, Pearl S. Buck, one of the most famous daughters of West Virginia, died today at the age of 80. She was a native of Hillsboro, Pocahontas County.

She was a great lady, a compassionate humanitarian, and a gifted writer.

Pearl Buck became an expert on China and her exceptional literary skills provided her readers with a unique insight into the Asian Continent.

Her parents were Presbyterian missionaries who served in China, shortly after their marriage in 1880. After 12 extremely difficult years during which period all of their children died of tropical diseases, the couple returned to the United States—to Hillsboro, W. Va.—where Pearl Buck was born on June 26, 1892.

During her early infant years, the couple returned to China taking the baby girl with them. Her childhood was spent in the historic city of Chinkiang, where the grand canal crosses the great Yangtse River. The young girl learned to speak Chinese before English. She often recalled her vivid memories of the Boxer Rebellion, after which she returned to the United States.

At the age of 15, Pearl Buck returned to China to attend a boarding school in Shanghai.

It was, perhaps, because of these unusual experiences that she became an American authority on China. These experiences, together with her education in China, her subsequent marriage to John Lossing Buck, an agriculture teacher, and their lives together in China, that formed the basis for her best known novel, "The Good Earth."

Pearl Buck is the only American woman to have received the Nobel Prize for literature. She also achieved the Pulitzer Prize and hundreds of other distinguished awards for literature and her humanistic accomplishments.

It is this latter work which brought new fame and approbation to Miss Buck in recent years. Her writings served as a bridge of understanding between nations while her selfless service to humanity served to bridge the understanding between peoples of the world.

Miss Buck founded in 1949, the Welcome House, Inc., an adoption agency, which secures permanent homes and parents for children of mixed Asian-American blood.

The Pearl S. Buck Foundation was established in 1964 as an agency devoted to the health, education, and welfare of children born in Asia of American fathers and Asian mothers who remain in the lands of their birth. For this important work, Pearl Buck received from the Government of the Republic of South Korea its highest award of honor.

In 1966, the West Virginia Society of the District of Columbia honored her as its distinguished Daughter of the Year.

The Pearl S. Buck Birthplace Foundation, through the sponsorship of the West Virginia Federation of Women's Clubs purchased the home site at Hillsboro, W. Va., where she was born, and it is being restored. It will serve as a memorial to this native of our hill country and will contribute to a fuller understanding of her productive career just as Miss Buck ennobled the human spirit.

People in many parts of the world will recall her devotion to worthwhile causes and the abundance of her good life.

MR. NIXON TELLS IT NOT QUITE LIKE IT WAS

Mr. KENNEDY. Mr. President, the radio address made by President Nixon last weekend described the Federal social legislation of the 1960's as "paternalism, social exploitation, and waste."

Mr. Nixon's remarks have been soundly and roundly criticized in an editorial and in an article by reporter Tom Wicker, both appearing in the February 27 issue of the New York Times.

The editorial stipulates—as any reasonable observer must—that some programs enacted in the 1960's are not working well; some need more time to reach fruition; and some have been, and still are, underfunded. Some are working extremely well. In other words, the editorial asks programs to be judged by reasonable standards, improved where possible or replaced if necessary, but not abolished by fiat.

Mr. Wicker's column questions Mr. Nixon's assertion that the Democrats are content merely to "throw dollars" at problems, and he wonders whether the President's revenue-sharing schemes would produce a dollar-throwing splurge far beyond anything that resulted from the legislation of the 1960's.

Mr. President, I ask that the two items be reprinted in the Congressional Record. I believe that they are informative and timely; and I believe that they should be heeded.

There being no objection, the articles were ordered to be printed in the Record, as follows:

The Short Rope

Let us suppose that a man is drowning thirty feet from shore. A rescuer throws him ten feet of rope. He drowns. It would scarcely be logical to conclude: "Rope is of no use in the prevention of drowning."

Yet that is the kind of logic enshrined in President Nixon's budget and set forth over the weekend in his radio talk on "Human Resources." Once again, the President blandly asserts that the Federal programs enacted in the last decade were "based on the assumption that any human problem could be solved simply by throwing enough Federal dollars at it." Money flowed from Washington, according to Mr. Nixon, "in a seemingly inexhaustible flood."

There was no such assumption and no such flood. It is absurd to suggest that sophisticated public servants such as John Gardner and Wilbur Cohen, who served successively as Secretary of Health, Education and Welfare in the Johnson Administration, had the illusion that any human problem could be solved by simply spending money. More to the point, the money was not there to be spent. Every Great Society social problem was seriously underfunded—at levels below Congressional authorizations—because of spending on the Vietnam war between 1966 and 1969.

The nation has difficult and complex problems in educating children from slum families, in providing decent housing for the poor in big cities, in training the unemployed and the seeming unemployable, in delivering adequate health care to the elderly and the impoverished, in aiding rural poor on marginal and substandard farms, in rescuing idle youth and strengthening broken families.

In talking about these problems, President Johnson was sometimes guilty of excessive optimism, because some lives are so blighted that they cannot be turned around and some social circumstances are so adverse that progress can only be slow. But President Johnson was right to try to solve them. It does his successor no credit to distort the record.

Some of the social programs enacted in the 1960's need more money. Others need more time. Still others are not working well and can be improved or halted. When experiments are begun, it is in their nature that some will succeed, some fail, and some show mixed results.

These programs need patient, determined leadership, and they need careful evaluation, sympathetic as to goals and objective as to results. That leadership and that evaluation are what the programs of the 1960's have not received from today's indifferent caretakers.

Instead, all these social initiatives—Medicare, Medicaid, rent supplements, Title One help for children from low-income families, Head Start, Job Corps, community health centers, legal aid for the indigent, and many others—are lumped together and disparaged as ideas that were tried and shown to be a "dismal failure."

It is easy to abandon the difficult effort to help the approximately thirty million who live in poverty, to stigmatize them as drones and welfare cheats, to revert to the old sink-or-swim philosophy. It may even be temporarily popular. The nation has taken that easy way before and lived for a time with its uneasy conscience. But ultimately the struggle for social justice has to be renewed. It will be again.

Telling It Not Quite Like It Is

(By Tom Wicker)

.President Nixon is on reasonably firm ground in contending that many of the anti-poverty and other social programs created by Democratic administrations in the 1960's failed in practice. But the way Mr. Nixon made the case was so partisan and self-serving that he probably was not too persuasive to those considerable number of people who still need convincing.

It was almost incredible to hear him refer in the same radio speech to "one of the most unselfish missions ever undertaken by one nation in defense of another"—the President's view of the war in Vietnam—and then to "paternalism, social exploitation and waste"—his view of Democratic social legislation of the same period. Those who saw the war absorbing funds vitally needed in many areas of American life, and who know that its deceptive financing was the main engine of the inflation with which Mr. Nixon still must wrestle, can only wonder at his sense of priorities.

Mr. Nixon repeated, moreover, his familiar formulation that the Johnson Administration believed it could solve a social problem "by throwing dollars at it." Thus, he took disapproving note of what he said was the "seemingly inexhaustible flood" of money leaving Washington in those years, only to be reducd to "a mere trickle" by the time it reached the supposed recipients.

It may well be that had there been any such "inexhaustible flood" the Johnson programs still would have failed. The fact is, however, that for all the Great Society rhetoric few if any of these programs ever were properly or fully funded—not least because of the cost of the unselfish mission of the American people to save our Vietnamese from the other Vietnamese.

If there is a general indictment of the Johnson programs to be made—any such judgment has to be hedged—it probably is that they were designed around the basic idea of providing services, rather than money, to the poor. Community action programs also generated bothersome political divisions when the "maximum feasible participation" of the poor became more than local political and social structures could tolerate.

But while it is true that not much success can be claimed—obviously—in eliminating poverty and racial disadvantage, these programs may well have had more cumulative importance than Mr. Nixon allows. His former urban affairs counselor, Daniel P. Moynihan, makes the case against the Great Society strategy in his new book, "The Politics of a Guaranteed Income," but adds that in the troubled years of the sixties the publicity, excitement and limited impact of these programs may well have been vital in maintaining such stability as there was. At least, they created a brief impression of concern and may even have generated some hope among the intended beneficiaries, at a time when hope was vital.

Mr. Nixon's prime substitute, revenue sharing, is at least as much a gamble—as far as net results are concerned—as anything the Johnson Administration did. Much revenue-sharing money, as was the case with Great Society grants, will go not to the poor but to middle-class workers—to firemen's and policemen's salaries, for instance. Capital projects and local tax reduction will absorb more of it.

And while Mr. Nixon is extolling local responsibility, he might consider expanding local resources. At a time when the Federal budget is under maximum strain, Representative John Anderson of Illinois, one of the most thoughtful Republican legislators, has pointed out that by the last quarter of 1971, state and local governments had a $6-billion surplus of revenues over expenditures, and that this excess was running at a $15-billion annual rate in mid-1972. By 1975, the American Enterprise Institute has estimated, this state and local surplus could be more than $23 billion.

So it may be that Mr. Nixon's revenue-sharing program will turn out to be "throwing dollars" at a surplus. Government action on a large scale—such as revenue sharing—can take so long in the American system that it is not unusual for a program to be delayed until the conditions that called for it have been considerably changed.

Finally, Mr. Nixon made much of a big increase in Social Security benefits as a major way in which his Administration was "helping to provide a better life for the American people." Aside from his Administration's opposition to the benefit increase, which was fiscally defensible, the fact is that Social Security does not derive from general revenues but from an employe tax, which must be matched by employers. This is one of the most regressive taxes that Americans have to pay, and it had to be steeply increased to finance the latest round of benefits. The wage base on which the tax is levied also was expanded.

Whether most Americans are better or worse off, as a result, is considerably less certain than Mr. Nixon would have us believe.

Mr. KENNEDY. I would also like to observe that, as chairman of the Senate Subcommittee on Health, I am well aware of the interdependence of health services and social services. I am deeply concerned, therefore, by the wholesale destruction—without adequate information or concern about those affected—of social programs which could prevent dependency and worsening of health problems.

As chairman of a Subcommittee on Services for the Senate Special Committee on Aging, I have already heard of the costly consequences of shutdowns of programs intended to prevent institutionalization. As is so often the case, an action taken in the name of economy can result in the eventual expenditure of many more public dollars than would have been the case if reasonable evaluation of the threatened program had taken place.

For these reasons, Mr. President, I commend the New York Times and other newspapers which are reporting on the direct and indirect costs of eliminating services without due consideration of the consequences.

I also pledge—through the two subcommittees I have mentioned and through other channels—to do all in my power to make certain that the value of programs will be determined in ways far more objective than the President seems capable of using.

UNITED STATES MUST RATIFY THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the crime of genocide is one that has plagued mankind since the earliest historical times. Mankind has consistently turned upon his fellow man and attempted to destroy his institutions, his customs, and often even to end his life. History is filled with examples of such actions, among them being the butchery by the Assyrian armies, the utter destruction of Carthaginian people by the Romans, the pillaging of the hordes of Attila and of Ghenghis Khan, and so on up to what can be termed the modern period.

During the last two centuries it appeared that mankind had at last become "civilized" and such horrible butcheries occurred with less frequency. Even the waging of war was governed by a certain set of codes and international laws.

Then, in this century, when a man felt he could at last turn to his neighbor and assure him that never again could such brutal savagery exist, genocide reared its head on a scale of brutality never before equalled in the annals of history. The inhuman, efficient attempt of Hitler's Germany to completely eradicate the Jews occurred just in the last 30 years. The existence of the concentration camps is terrifying proof that genocide can again be practiced by a people who think themselves to be civilized. It became clear that the world must act to prevent any future action comparable to the unthinkable crime of the Nazi regime against the Jewish race.

It is to the credit of humanity that action was swiftly taken by the United Nations soon after the horror of 6 million Jews having been murdered was revealed. The Human Rights Convention on Genocide was ratified by the United Nations before the decade of the forties was out, and since that time many nations have manifested their beliefs by ratifying the convention.

The United States was among those nations that bewailed the actions of the Nazis and was one of the powers that conducted the postwar trials at Nuremburg. Yet the U.S. Senate has not ratified this Convention which seeks to outlaw any such future occurrence. There is no excuse for any further delay on the part of the United States on such a crucial matter. Now is the time for the Senate to ratify the United Nations Convention on the Prevention and Punishment of the Crime of Genocide.

BASQUE STATEMENT

Mr. McCLURE. Mr. President, I would like to request that at the end of my remarks the following two articles be included in the RECORD. The first is a short excerpt from a National Geographic article of June 1966 and the second an article by Jonathan Randal of the Washington Post.

Both items deal with part of our population which has gone unnoticed for too long in this country. Although the number of Basques in the United States is small compared with those from other parts of the world, the Basques are a unique and individual people whose strength and courage have won the admiration of all who know and work with them.

For years the great western herds of sheep were cared for by Basque who endured hardships which would have turned back less determined people. The Basque population of our Western States has since spread into many professions and businesses, but their essential strength and color continue to make them among our most respected citizens.

After a people has dared so much and worked so hard it is little wonder that they have a strong sense of solidarity. It is little wonder that when they look at their brothers in Europe and see them being used as political pawns between two nations they are angry. And they are afraid for their people. Governments which practice repression against small groups without political power invite violence. The Basque population of my State has asked me to express its concern, which I personally share, and its hope that European powers will allow their foreign brothers to live in peace. Unless they do there may not be an end to the violence which can only end up hurting the oppressed minority.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

BASQUES

My father is a Basque, his homeland the Pyrenees mountainland shared by France and Spain. He came to America sixty years ago, at the age of 16, to herd sheep in the lonely mountains and deserts of the Far West. The chronicle of his life is that of thousands of other Basque sheepherders who, for more than a century, have been coming to America to make their lives in that same harsh setting.

Their role in our history has gone nearly unrecorded. Yet, without their incredible capacity to endure hardship and solitude, the great era of western sheep raising would not have been what it was.

Descendants of an ancient race whose origins and language still remain a mystery, the Basque sheepherders of America were urged here by the same restless spirit that lured their forebears around the world as sailors with Magellan and to South America as soldiers with the conquistadors.

Basque sheepherders still come to the West, though the total number of herders in the United States is declining. The old method of raising sheep on the open range is giving way to the trend toward small farm flocks.

This trend and the diminishing of the western range in the face of population needs have spelled the decline of the range-sheep industry. In Nevada for example, there are some thirty range-sheep outfits operating today. There were twice that number in the years immediately preceding World War II. In another generation, the lone sheepherder and his wandering band may well become a thing of the past.

Though no accurate count has been made, an estimated 60,000 Basques live in the western United States today. This number includes both the Basques who emigrated to America and their descendants.

As they became successful, the Basque pioneers sent for their sweethearts, who had stayed behind in the Basque country. Many also sent for brothers and sisters, nephews and nieces. The men worked with the livestock and the women with the myraid chores of housekeeping and cooking, gardening, and conserving that a ranch demands. And so started the Basque colonies of the West, and the generation of American-born Basques that was to follow.

As for Basques who did not become sheep owners or foremen, but remained herders all their lives, very few married. It was one thing to be an owner who could make a ranch his home base, another to be a herder whose only home was a lonely sheep camp.

Many of the older Basques are still in the sheep business—either as owners or as herders—but their children have gone mostly into city occupations or professions.

FORTUNES FALL WITH SHEEP PRICES

"The big movement of the Basques came after the century had turned," my father said. "Thousands like myself came between then and the 1930's. We all came the same way, without much more than the clothes on our backs. But we were young and strong, and willing to work and suffer for a chance in life we couldn't have had in the old country.

"Though we talked about going home—and some did go—underneath, most of us realized the opportunity was here. It was a raw new land, and we were helping to build it. There wasn't anything a man couldn't do in this western country with work and luck.

"We all started the same way, taking our wages in sheep instead of cash. We would run our sheep with the owner's, until we were big enough to break away on our own."

This had been the big time of sheep in the West—when the Basques who had come as sheepherders twenty years before suddenly found themselves rich men. They kept town houses, dressed in the best suits money could buy, and drove expensive cars. I could remember the legend that if it weren't for the Basques, the Caddilac agency in Reno would have gone broke.

Then, without warning, came the livestock crash of the 1920's. The market dropped out from under the stockmen, and sheep were worth next to nothing. In an instant, most of the Basques lost everything for which they had endured so many hardships—their sheep, ranches, land, and all the elaborate dressings of town houses, cars, and jewels. It happened to my father, too.

But it was not in their nature to give up in despair. They had begun with nothing, and the memory of it was not that far away. Without shame, they went back to the mountains and deserts, roaming from one outfit to another, taking whatever work there was.

Many of the hardy Basque women followed their husbands through this wandering time, working as ranch cooks. Others stayed behind in the towns, finding jobs in the Basque hotels and restaurants until they could be together again with their husbands. And though many of the Basque men never regained their former heights, they saw the day when they had their own outfits again.

[From the Washington Post, Nov. 16, 1972]

FRENCH POLICY ON BASQUES STIRS DEBATE

(By Jonathan C. Randal)

PARIS.—Either by design or error the French government is deeply involved in actions against Basque political refugees who have fled north across the Pyrenees to escape reprisals from Fanco's Spain.

In what even normally pro-government French newspapers have denounced as ham-handed tactics, political refugees have been forced to move away from the French Basque country for unexplained reasons.

The French government also has been accused of allowing Spanish police to operate on French territory. In one case reported by the French press, armed Spanish police shot a fleeing Spanish Basque, then entered French territory. French customs officers testified that later the same day a Spanish policeman stopped a car carrying Basque refugees inside France.

French and Spanish Basques have staged protest hunger strikes in churches in the French Basque country and in Notre Dame in Paris and the police have used tear gas and strongarm methods to dislodge them.

In the process observers both in the Basque country and Paris fear that the government has re-awakened the long slumbering Basque autonomist movement in France where only 150,000 Basques live.

In the Basque country itself there is considable disagreement with the government's actions which have never been explained in public. It is supposed that the administrative decision in October to send seven Spanish Basques elsewhere in France was motivated by an explosion which destroyed part of the wall of the local government offices in Bayonne.

Until this year the French Basques were largely unconcerned by the terrorist activities of the militant Spanish Basque organization ETA (standing for "Basque country and freedom"). ETA has become the most effective opposition to the Franco government and demands independence for Spain's 2.2 million Basques.

Leftwing French political parties have charged that Interior Minister Raymond Marcellin's recent crackdown on Basque refugees was part of a plot between the Franco regime and France.

They argue that for years the Gaullists have sought to protect their growing economic interests in Spain by cracking down on Spanish political refugees in France, many of whom came here when the Republicans lost the Spanish civil war in 1939.

They point to large French automobile interest in Spain, the manufacturer of French AMX–30 tanks there, the sale of Mirage jet fighters and cooperation on civil aircraft production and joint maneuvers by the French and Spanish armed forces. They also note that France constantly has backed Common Market membership for Spain and that there is a purported high level of cooperation between the French and Spanish police.

Faced with these charges, which to varying degrees have been echoed by more middle-of-the-road French politicians, Marcellin again yesterday went out of his way to deny any such collusion with Spain.

"The minister recalled," an official statement said, "that there is no understanding whatsoever with the Spanish government concerning refugees and that '1,300' Spanish Basques here can always count on the liberalism of the French government."

It added that the French government "scrupulously applies the Geneva convention" protecting political refugees. But it said that "Spanish refugees must not participate in any demonstrations troubling public order and French territory must not serve as a jumping off place for actions on the other side of the border."

However, Marcellin's critics noted that under his directions an increasing number of political refugees—not all of them Basques—have been expelled or assigned to forced residence in out-of-the-way parts of the country.

AN ASBESTOS TOWN STRUGGLES WITH A KILLER

Mr. TAFT. Mr. President, the March 1973 issue of Saturday Review of the Society contains a story by Bruce Porter entitled "An Asbestos Town Struggles With A Killer." It highlights the tragedy which workers and communities face with regard to occupational respiratory diseases and describes the plight of the people of Manville, N.J., who have a high incidence of asbestos and mesothelioma.

On February 27, I introduced S. 1029, the "Respiratory Disease Benefits Act." This measure is designed to extend to thousands of working men and women the same benefits which we now provide for coal miners under the Black Lung Benefits Act of 1972.

Because Mr. Porter's article illustrates the serious consequences of such respiratory diseases, I ask unanimous consent that it be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN ASBESTOS TOWN STRUGGLES WITH A KILLER

(By Bruce Porter)

As company towns go, Manville, New Jersey (population: 15,000), has much to be thankful for. Besides deriving its livelihood from the 2,225 jobs provided by the Johns-Manville Company—the nation's largest manufacturer of asbestos products—the town enjoys a number of fringe benefits. In the late 1950s Johns-Manville donated $100,000 for a high school building. Over the past three years it has given another $100,000 to Somerset Hospital in nearby Somerville. The company has also picked up the bill for a large part of Manville's $125,000 worth of ambulance and rescue vehicles, and it has donated some $250,000 worth of pipe for the town's new sewage system. Town garbage is dumped at the company's refuse site, a service worth another $100,000 a year. On a smaller scale the company is an easy touch for everything from building materials for the new Veterans of Foreign Wars hall to the $10,000 needed for beer and hot dogs at the annual volunteer firemen's picnic.

But now, it turns out, Manville citizens have been paying a high price for such largess. The incidence of lung cancer among Johns-Manville employees is four times the national norm. Mesothelioma—a form of chest or abdominal cancer that accounts for only one out of every 10,000 deaths in the general population—has in the last eight years claimed the lives of at least fifty-eight Manville residents, most of them workers in the Johns-Manville plant. Asbestosis, or "white lung"—a severe scarring of the lungs caused by inhaling asbestos fibers over the course of many years—is another disease that plagues the company town. Beginning as a mere shortness of breath, asbestosis develops into a near paralysis that makes breathing and bodily movement increasingly difficult. In the end the victim's lungs function so marginally that, if the individual does not suffer death from respiratory illnesses such as pneumonia, he will eventually suffocate.

One Manville resident who is only too well acquainted with asbestosis is George Smith—"Smitty" to his friends—who moved to New Jersey twenty years ago from a Pennsylvania steel town. He was thirty-nine years old at the time, and he was active and healthy. "I was always off hunting or fishing," Smitty told me. "I couldn't stand not to be doing something, you know." A year ago last fall, after seventeen years of making asbestos-lined sewer pipe in the Johns-Manville factory, Smitty came down with asbestosis. "I didn't know what the hell it was," he recalled. "It was just a little shortness of breath, you know, and I'd always been as healthy as a horse all my life. The last doctor I'd seen was when I was born. At first I thought it was just something that would pass, but then it started getting worse and worse, until one day I came to work and I could barely move. I didn't think I'd make it through the day."

Smitty is now virtually immobile. Unable to work, he sits all day in the kitchen of the J & J Delicatessen across the street from the plant.

At night Smitty hobbles back to his room above Mary's Tavern—a one-block journey that takes him nearly twenty minutes because he must stop to catch his breath every three steps. His body is thin and frail, and when he talks the words rattle out of his mouth in a series of hoarse belches. "Even if my friends would take me, I don't think I could fish anymore, because if I got a bite I couldn't do anything about it," Smitty said. "I'm finished. I can't work. I can't do anything. God help the man who ties up with anything like this."

While the effects of asbestos-related diseases are, in themselves, fearful, the prospect of the toll they may take in Manville in the near future is even more so. In the next few years, physicians who have studied the problem predict, the number of deaths resulting from asbestos-related diseases can be expected to reach near-epidemic proportions. This is so because the gestation period for asbestosis and mesothelioma ranges between twenty and forty years. Hence, workers who joined the plant in the late 1930s and 1940s are just now beginning to suffer the consequences. A study of 689 Johns-Manville employees that was released last May showed that out of seventy men and women who had worked at least twenty years in the plant's formerly very dusty textile division, some twenty-four of them, or 34 per cent, had died. This death rate is nearly triple that of a similar group in the general population.

"The next five or ten years are going to be rough in Manville," I was told by Dr. Irving J. Selikoff, director of the Environmental Sciences Laboratory at Mount Sinai Hospital in New York and the scientist who conducted the study, "because a lot of people are going to be dying, and so far no one knows what to do about it." Dr. Selikoff adds: "What is tragic is that this is a man-made disease. It is not a visitation from heaven. It was preventable. The serious situation that now exists is a record of failure on the part of us all—scientists, industry, and governmental authority. And industry is correct, in my opinion, in pointing out that what we're seeing now is a result of our mistakes in the past. Having said this, I would urge the most intense efforts to ensure that we do not continue to make these mistakes. Too many men and women have died of our blunders already."

Perhaps no other mineral is so woven into the fabric of American life as is asbestos. Impervious to heat and fibrous—it is the only mineral that can be woven into cloth—asbestos is spun into fireproof clothing and theater curtains, as well as into such household items as noncombustible drapes, rugs, pot holders, and ironing-board covers. Mixed into slurry, asbestos is sprayed onto girders and walls to provide new buildings with fireproof insulation. It is used in floor tiles, roofing felts, and in most plasterboards and wallboards. Asbestos is also an ingredient of plaster and stucco and of many paints and putties. This "mineral of a thousand uses"—an obsolete nickname: the present count stands at around 3,000 uses—is probably present in some form or other in every home, school, office building, and factory in the country. Used in brake linings and clutch facings, in mufflers and gaskets, in sealants and caulking, and extensively used in ships, asbestos is also a component of every modern vehicle, including space ships.

An estimated five million people—men and women employed in asbestos plants, insulation workers, construction workers, steamfitters, carpenters, tile setters, and the like—daily breathe in significant amounts of asbestos fibers. During World War II some 4.5 million Americans worked in the shipbuilding industry and were thus occupationally exposed to asbestos fibers. An estimated 3.25 million of these people are still alive. Medical scientists fear that the Seventies will bring the first big wave of asbestos-induced cancers among this segment of the population.

In a study published last March in the *Journal of the National Cancer Institute*, Dr. Merle F. Stanton, a scientist at the National Institutes of Health, ranked asbestos second only to cigarette smoke among the known causes of cancer. Dr. Stanton's study points up the fact that asbestos fibers pose a threat to the health of the general public. It is a threat that most cities and towns and federal agencies, like most asbestos-products manufacturers, have been slow to recognize and slow to respond to. For years the sight of flurries of asbestos fibers floating down from construction sites was commonplace in American cities and towns. It was not until February of last year that New York City banned, outright, the use of asbestos in sprays used to fireproof buildings. And New York was a leader in this field. (Last December the Environmental Protection Agency—following the example set by New York, Boston, Philadlephia, and the state of Illinois—took the first legal steps toward banning construction site spraying and "the visible emission of asbestos particulate matter" during repair and demolition of buildings throughout the nation.) How many New Yorkers were breathing the stuff in? Two years ago Dr. Selikoff and his associates at Mount Sinai studied lung tissues from 3,000 consecutive autopsies performed at three different New York hospitals; they found traces of asbestos in 48.3 per cent of them. The air in New York may not be typical of that in other cities, but the statistics stand as a warning.

The fibers to which the general public may be exposed do not come only in visible blizzards or invisible swirls in big cities. Each time a car mechanic airhoses out a brake housing, he spreads asbestos fibers through his garage. Each time a do-it-yourself or professional carpenter saws up wallboard or plaster-board containing asbestos, he releases fibers into the air. So ubiquitous is asbestos that one tends to forget it is there at all. Last fall the New York City Department of Air Resources tested several brands of powdery papier-mâché mix widely used in elementary school, and found that some samples contained 50 per cent or more asbestos.

The United States is the world's foremost consumer of asbestos. In the span of years from 1965 to 1969 American manufacturers purchased almost one-third of the world's output of asbestos—an average of 800,000 tons per year. Johns-Manville is the giant of America's booming, $1-billion asbestos manufacturing business. According to Matt Swetonic, secretary of the Asbestos Information Association, an industry-funded data distribution center with headquarters in New York City, Johns-Manville manufactures between 35 and 40 per cent of the nation's asbestos fiber. In 1971 the $700-million corporation netted $42.7 million; last year it netted $55 million. Of the country's 400 asbestos-products plants, which employ a total of 31,000 men and women, Johns-Manville owns fifty-five, the largest of its plants being the one in Manville, New Jersey. (In 1912 Henry W. Johns, Jr. and Thomas F. Manville established their first asbestos-products plant in what was then called the township of Hillsborough. Soon the plant was receiving so much freight addressed to Johns-Manville that railroad men nicknamed the place Manville. In 1929 this name was formally adopted by the company town.)

Located some forty miles southwest of New York, Manville is a plain, predominantly Polish-American town built out on either side of a long main street punctuated by a single traffic light. Most of the houses that line the side streets are post-World War II bungalows and Cape Codders, each with its small front lawn and backyard. The tall factory stack and the sprawling complex of dingy old and spanking new buildings of the Johns-Manville plant dominate the scene.

I went to Manville, not because the asbestos plant there was Johns-Manville's biggest and longest established, but because the town's working population had been studied more closely than that of any other asbestos company town. I went also because I had read about the conditions that had long prevailed at the Manville plant, and which had been shown to be the cause of the local plague, and because I had heard of new policies that promised great, if late, improvement in those conditions. I saw Manville, New Jersey as a laboratory in which to study the phenomenon of a group of businessmen and industrial workers trying to cope with the painful discovery that their long-cherished means of livelihood has a lethal side to it. It is a phenomenon that, I suspect, has occurred, and will repeatedly occur, in the course of this century in which industrial progress always seems to outstrip man's knowledge of the full human consequences of such progress. For, once on the make, industry is usually too preoccupied to pause, look back, and help out.

Evidence that asbestos fibers cause lung damage was on hand even before Johns and Manville started up operations in New Jersey. But, as Paul Brodeur observed in "The Magic Mineral," an article published in *The New Yorker* in 1968, "coyness on the part of industry, timidity on the part of labor, and obtuseness on the part of the medical profession often combined to make early investigations into the health of asbestos workers meaningless."

Then, in 1928 and 1929, the chief medical inspector of the British Home Office's factory department examined 363 asbestos-textile workers and found that more than 25 per cent of them showed evidence of suffering from asbestosis. In 1931, on the basis of the inspector's findings, Parliament made the disease compensable and, among other measures, instituted periodical checkups for workers engaged in particularly hazardous processes in the industry. Next, in 1955, Dr. Richard S. Doll, director of the Statistical Research Unit of the British Medical Research Council, completed a study of 113 consecutive autopsies of men who had been occupationally exposed to asbestos for more than twenty years. Doll's study showed that the extent to which they had risked lung cancer over the whole period was eleven times as great as that of men in the general population of England and Wales. Brodeur observes in his pioneering article on this subject: "From then on, many doctors were convinced that a causal relationship between asbestos exposure and lung cancer had been demonstrated, although almost no part of the vast asbestos industry either acknowledged the relationship or found it advisable to aid the independent researchers who were investigating it."

The health hazard posed by asbestos came home to Manville in 1963, when Dr. Maxwell Borow, a local physician, found that seventeen townsmen had died of mesothelioma within the span of three years. Four years later Borow asked Johns-Manville for

$3,000 to finance a display to educate both workers and the medical profession at large on asbestos-related diseases; his request was turned down. Borow subsequently approached the worker's union. Local 800 of the United Papermakers and Paperworkers; the union organized the collection of the needed money.

Why had Johns-Manville declined to help out? "It was our opinion," Jack Solon, the corporation's vice-president in charge of environmental affairs, explained to me, "that in 1967 there was a need to learn more about mesothelioma before a relationship with asbestos could be affirmed or denied." Besides, Solon added, since 1950 the company had already spent some $2 to $3 million on new dust-control equipment and, as a result, considered the Manville plant a safe place to work in. Men and women who worked at the plant in the Fifties and Sixties, however, failed to notice that the new equipment made any appreciable difference. "There were times when the air was so thick with asbestos dust in some places that you couldn't even see," I was told by a textile division worker who has been with the company for thirty-two years. "Sometimes it was even impossible to breathe with a respirator because the filters would get so clogged with asbestos." (Respirators are generally unpopular among asbestos workers. The wearer sweats and his eyes smart. For workers, who have cardiac or pulmonary problems, breathing through an ordinary respirator adds to the strain on their lungs and heart. Air-cooled respirators that supply air to the wearer are bulky and costly.)

Even outside the factory the air was frequently full of the potentially deadly fibers. In the Lost Valley section of town—an area downwind from the factory—the fiber fallout would get so thick that homeowners had to hose the stuff off their houses. Directly in front of the plant conditions were even worse. "When I'd direct traffic there," Sgt. George Kalman of the Manville police recalled, "there were days when it was like we were having snow flurries in July. I'd take off my hat, and it would be covered with this white dust."

Meanwhile, examinations by company doctors were carried out only once every two years—a schedule that was increased to once a year in 1972. Such infrequent checkups may have been sufficient to monitor a slowly developing case of asbestosis, but they were less useful as a means of catching a victim of a swiftly developing cancer, particularly mesothelioma, a disease that normally proves fatal six months to a year after the cancer shows up in X-ray pictures. (To jump from past decades to an illustration from the recent past: in December 1971 Danny Maciborski, a forty-nine-year old ex-marine who had worked for Johns-Manville for thirty years, checked in at the company dispensary for his biennial physical and was given a clean bill of health. A few weeks later, however, he felt a strange sensation in his abdomen—as if his stomach were "getting bigger," as he put it—and went to see a private physician, who in turn sent him to Dr. Borow. Borow's tests showed that Maciborski had a malignant tumor of the membrane that lines the abdominal cavity—in other words, mesothelioma. "I knew what it was because everybody at the plant knows about asbestosis and mesothelioma now." Maciborski told a reporter for the *New York Post*. " I wasn't surprised or shocked about it . . . I just asked [Dr. Borow], 'How long have I got?' " Maciborski died last September. He lasted as long as he did because he was willing to go to the doctor every two weeks to have up to eight quarts of fluid pumped out of his abdomen. Johns-Manville paid Maciborski's medical expenses, and, as provided by New Jersey state compensation laws, it is paying his widow $76 a week—a sum that will drop to $72 this June, when her eldest son will turn eighteen.)

Why, throughout the Fifties and Sixties, did men and women continue to work in the plant if conditions were so hazardous? The answer would seem to have as much to do with psychology as with economics. "It's funny," says Chester Raczkowski, a forty-one-year-old machinist and union shop steward at the plant, "but the only people who seem scared of this stuff come from outside the community." To Raczkowski, who has worked at the plant since he was eighteen, his job is a way of life that he is not about to give up just because of a few "scare stories" in the press. "You and I can work in a place for thirty-five years, and maybe you get cancer or something and I don't—who's to say? Dr. Borow says he's an expert on this mesothelioma or whatever its' called. How do I know? Maybe I'm fatalistic, but I'm a Catholic, and I figure you die when it's time to die." One thing Raczkowski does know is that he would find it difficult to leave his job at the Johns-Manville plant, As a first-class machinist, he earns $4.25 an hour, has a five-week vacation, and is entitled to a generous hospitalization program. "Where else could I get all these benefits?" Raczkowski asks.

Raczkowski's attitude—fatalism mixed with a sense of being pretty well off where he is—is one shared by the town's officials, most of whom work at the plant, too. Manville's mayor is a factory supervisor. A majority of the members of the local board of health, whose duties including seeing to it that the town's air is fit to breathe, are also employed by Johns-Manville. Last spring, when the town belatedly decided to ascertain whether asbestos fibers were still sifting down on Manville, it seemed only natural that the board should ask the company to do the monitoring. The air was found clean.

Indeed, by 1972 Johns-Manville *had* taken a series of steps to clean up its factory, thereby improving the quality of the town's air. Much of the impetus for improvement came in the form of a 158-day strike in the winter of 1969-70. The main issues involved in the strike included such conventional items as overtime pay and job security, but it wasn't until the union brought the issue of health into the talks that it found real clout. "It was then," I was told by William Ruff, former plant manager at Manville and now the factory's director of community and employee relations, "that they started getting a lot of sympathy in the press." Finally, the company agreed to admit union representatives to the plant's environmental committee, thus allowing them to examine fiber counts made in the factory, and to let workers see their own company-kept health records.

Two powerful nudges, felt by the entire industry, came later in 1970 and in 1971. In December 1970 Congress passed the Occupational Safety and Health Act, which established the National Institute for Occupational Safety and Health (NIOSH), a body charged with conducting environmental and medical research necessary to develop safe industrial standards, and empowered the Labor Department's Occupational Safety and Health Administration (OSHA) to promulgate and enforce these standards. Shortly after the act became effective, in April 1971, Local 800 in Manville filed a complaint which brought inspectors in. Violations were found and citations issued.

Then, in November 1971, under the provisions of the newly effective act, the industrial union department of the AFL-CIO requested then-Secretary of Labor James Hodgson to promulgate emergency standards for asbestos dust and lower the acceptable fiber count from five so-called long fiber per cubic centimeter of air to two. (A long fiber is one greater than five microns in length.) The AFL-CIO request claimed that five million American workers were being exposed to increasingly dense concentrations of airborne asbestos fibers and that the situation called for prompt action. Hodgson took his time. Early in 1972 he appointed an Advisory Committee on Asbestos Dust and hired Arthur D. Little, Inc., a consulting firm with a liberal reputation, to provide advice on the economic feasibility of lowering the fiber count. (Arthur D. Little, Inc., assembled a braintrust consisting of thirteen executives from the shipbuilding industry, twelve executives from the asbestos industry, and eleven doctors, most of whom had previously served as consultants to the asbestos industry.)

Meanwhile NIOSH put together a special advisory group of medical researchers to look into the fiber-count problem. Both the Hodgson-appointed Advisory Committee on Asbestos Dust and the NIOSH panel recommended lowering the count to two fibers. The Arthur D. Little panel, on the other hand, concluded that the five-fiber count was safe and that bringing the count down would be prohibitively expensive for all industrialists concerned. Then, in June, four days were set aside for public hearings at the Labor Department's offices in Washington, D.C.

Predictably, Dr. Selikoff argued for the lowest possible count. (So, too, in the last few months of his life, did Danny Maciborski, whose appearance at the hearings one Johns-Manville official I talked to referred to as having been "in bad taste.") Dr. Selikoff pointed out that, while researchers know that a worker must be exposed to large doses of asbestos dust before he contracts asbestosis, they also know that considerably less exposure can cause mesothelioma. (As far back as the early 1960s medical researchers in such far-flung parts of the world as Johannesburg, London, and Pittsburgh were coming up with reports on large numbers of mesothelioma victims who had had no direct occupational exposure to asbestos: wives of asbestos workers who had inhaled fibers when shaking out their husband's work clothes, people who had simply lived within half a mile of an asbestos factory, fourteen-year-old boy whose only contact with the fibers occurred when he helped his father saw and install plasterboard.) Lowering the fiber count would reduce the incidence of asbestosis then, but it would not necessarily solve the problem of asbestos-related cancers. On this point, Selikoff was able to cite evidence from his just completed study of the 689 Manville workers. It demonstrated that, under usual factory conditions, as the incidence of asbestosis declines the incidence of cancer rises. In his survey of workers in the formerly high-fiber-count textile division, for instance, Selikoff found that 39 per cent of the workers' deaths resulted from asbestosis, 24 per cent from various types of cancer, whereas in areas where the fibercount was comparatively low (though not as low as counts recently achieved at the Manville plant), such as the company's research laboratory or its maintenance shop, cancer accounted for 40 per cent of the workers' deaths, asbestosis for approximately 5 per cent. ("What was happening," I was told by Dr. William J. Nicholson, an associate of Selikoff's at Mount Sinai, "was that, without asbestosis, these people lived longer, which gave them time to die from cancer, also caused by asbestos.")

A second point made by Selikoff was that the monitoring technques used to ascertain the fiber count set by the Department of Labor record only long fibers, although shorter fibers are equally capable of causing cancer. Moreover, in a cubic-centimeter sample of air containing the admissible count of five long fibers there may be ten to 100 times as many short fibers. And it is these uncounted ones that remain in the air the longest. (In a recent conversation I asked Dr. Selikoff what these figures meant in terms of the numbers of fibers an asbestos worker can be asked to breathe in the course of an eight-hour work day. Each of us respires approximately one million cubic centimeters of air in an hour, he explained. Thus, in eight hours men and women assigned to sections of an asbestos plant where the five-fiber count obtains respire some forty million fibers. If these so-called short fibers are taken into account, the number of fibers respired daily rises to around four billion.)

While Dr. Selikoff and other medical researchers stressed health factors at the Labor Department hearing, asbestos industry spokesmen emphasized economic considerations. Henry B. Moreno, Johns-Manville's senior operating vice-president, asserted that to achieve a two-fiber-count level in all of its asbestos factories would cost about $12 million in capital expenditures, plus some $5 million in additional operating expenses each year. This would mean, he said, that the company would simply have to close down the dustier operations in the Manville plant and fire 800 employees—all but killing off the economic life of the town. Nor, he argued, would the effects of a two-fiber standard stop there. Other asbestos companies would be forced to lay off workers; they would have to begin buying asbestos materials from abroad. "It is obvious," said Moreno, "that the overall effect of lowering the present [standard] to two fibers per cc. would have a very substantial effect on our nation's economy."

In July Hodgson—rebuffing both his Advisory Committee on Asbestos Dust and the NIOSH panel—agreed to allow the exposure standard to remain at five fibers for four more years; only in 1976 would the standard be lowered to the safer-sounding count of two fibers. Johns-Manville welcomed Hodgson's decision. "The new occupational health standard for asbestos issued today," declared a company notice to stockholders, which came out the same day as the Labor Secretary's decision, "will have no tangible effect on sales and earnings of Johns-Manville Corporation." The release went on to say that between now and the department's 1976 deadline company officials would have to study the "economics and overall profitability" of the Manville operation before deciding whether it would meet the reduced exposure standards or close down much of the plant. (Apropos of Johns-Manville's priorities, it might be noted that, while the company expressed qualms about spending more money to make its factories safer places to work in, it recently spent $25.9 million to transfer its corporate headquarters from New York City to a pristine setting twelve miles outside Denver.)

Dr. Selikoff took a different view of Hodgson's four-more-years decision. Estimating that some 100,000 men and women will enter asbestos-related industries before the fiber count is lowered in 1976, he predicted that 20,000 of them might be expected to die of lung cancer, 7,000 of mesothelioma, and another 7,000 of other cancers and asbestosis—a high rate of death from these diseases that could, and should, have been lowered.

1972 proved to be a paradoxical year in Johns-Manville history. In Washington, as we have seen, one company spokesman after the other had predicted dire financial results not just for the industry but for the entire economy if the fiber count were lowered. Back in Manville, however, company engineers were bringing the count way down without causing a dip in the dividends. At the hearings, Sheldon Samuels, director of health and environmental affairs for the AFL–CIO's industrial union departments, had told spokesmen for the industry this could be done; the spokesmen had insisted it couldn't. Fiber-count statistics provided by Samuels are revealing in a number of ways. Not only do they make dramatically clear how vastly the situation at Manville improved in 1972; they aso indicate that controls were slack well into the supposedly safe Sixties.

With 91 per cent of the plant now operating within the standard set for 1976, things are looking up at Manville. Even such critical observers as Dr. Borow and Dr. Selikoff say that they are impressed by the changes made. Still, these tardy improvements are small comfort to people like Smitty, who "can't do anything." Nor shall they benefit those Manville citizens who in the next few years will suffer from having worked at or lived near the plant when conditions were far more hazardous than they are today.

THE DISAPPEARING CRISIS

Mr. MUSKIE. Mr. President, this morning's lead editorial in the New York Times commented that:

> President Nixon's series of messages on the State of the Union is turning into a prolonged flight of fantasy.

I can add little to that judgment, and I ask unanimous consent that this editorial, "The Disappearing Crisis" appear in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DISAPPEARING CRISIS

President Nixon's series of messages on the State of the Union is turning into a prolonged flight of fantasy. Having proclaimed in a previous installment that environmental problems are well in hand, Mr. Nixon announced on Sunday that his Administration has caused the urban crisis to disappear.

"The hour of crisis has passed. The Ship of State is back on an even keel, and we can put behind us the fear of capsizing," the President asserted.

There are two unfounded assumptions underlying this cheery remark. The first is that because riots are not burning up the centers of cities, those cities are in good shape. The second is that this Administration never recognized, understood, or responded to the urban crisis.

This Administration has primarily focused on two aspects of the urban problem. One is crime and the other is transportation. With regard to crime, the Administration has made little headway. Violent crimes increased 30 per cent in the last four years. The most that the White House can claim is that crime is not increasing as rapidly now as in the late sixties.

On transportation, the Administration under prodding of former Secretary of Transportation Volpe gradually came to support the opening of the Highway Trust Fund for mass transit expenditures and to take a sympathetic posture toward urban transportation problems. In his address, the President reaffirmed his support for opening up the highway fund, for which we commend him.

But when one acknowledges that crime is worsening at a somewhat slower rate and that mass transit needs have been recognized if still far from being met, one has exhausted Mr. Nixon's meager list of urban accomplishments. The other staggering problems remain: the physical decline of many older business areas; the abandonment of housing in decaying residential neighborhoods; the persistence of huge slums where unemployment, broken families, crime, drug addition, and other miseries prevail and interact with one another.

A series in this newspaper recently described such a slum in the South Bronx. Mr. Nixon could visit another by traveling a few blocks up 14th Street from the White House where the ugly scars of the 1968 riots are still plainly visible. The mayors of Newark and Gary and Chicago and half a hundred other cities could show him comparable neighborhoods.

When these conditions of social pathology are so widespread, it strains credulity for Americans to be told that the urban crisis is now happily in the past. What is needed is a message which analyzes how difficult these urban problems are and honestly assesses the successes and failures of the various efforts over the last 35 years to cope with them.

No one can deny, for example, that sections of downtown Boston and New Haven or the southwestern area of Washington, D.C., are much handsomer than they were twenty years ago before renewal programs rebuilt them. But cities have had to face up to how hard it is to relocate residents and small businesses in slum districts and to provide low-cost housing where land prices and labor costs are high.

Instead of concentrating on the problems and the hard-earned wisdom which mayors, city planners, businessmen, and Federal officials have accumulated concerning those problems, the President, over and over again, blames the scarecrow of Federal interference: "No human being, accountable only to an office in Washington, can successfully plan and manage the development of communities which are often hundreds or thousands of miles away. . . . The time has come to reject the patronizing notion that Federal planners peering over the point of a pencil in Washington, can guide your lives better than you can."

It has repeatedly been pointed out that urban renewal, public housing and every other program in this field are locally initiated and, in most essentials, locally controlled. But the scarecrow continues to bob up and down in every Presidential speech. Its purpose is to distract attention from the embarrassing fact that the Administration has no urban programs or ideas of its own. Its only idea is to shove the whole responsibility back to the states and the cities—now to be known as "grassroots government"—and let them wrestle with the same old dilemmas with less Federal money.

The crisis will not have been solved. On the contrary, it will be getting worse but at least it will be out of sight in Mr. Nixon's Washington.

ROBERT S. BRAY

Mr. CANNON. Mr. President, I join with the blind and handicapped persons of this country in expressing regret that Robert S. Bray will retire after 37 years of public service. Until his retirement on December 11, Bob Bray directed the Library of Congress program providing free reading material in braille and recorded forms to more than a quarter of a million of our blind and physically impaired citizens. His has been a career characterized by recognized achievement.

When he became Chief of the Division for the Blind on May 3, 1957, there were 28 regional libraries in the United States cooperating with the Library of Congress to distribute braille and recorded books and magazines to an estimated 58,000 blind readers in the Nation. As he leaves the Library, the number of blind and handicapped readers has increased more than fivefold, to well over 300,000, and the number of cooperating libraries has increased to 51 regional libraries, with 60 local or community public libraries designated subregional libraries.

In 1957, the program operated with an annual congressional appropriation of $1,125,000. Today there is an annual budget of over $8 million. These statistics, while interesting, do not tell the whole story about Mr. Bray. His active concern and concerted effort have helped to stimulate unparalleled growth in the program at all levels—national, State, and local—and the adoption of numerous technological innovations designed to improve the quality and quantity of the specialized library materials offered.

Mr. Bray is given much of the credit for stimulating the production of more timely reading materials for blind and handicapped readers. And he has been in the forefront of those urging utilization of reading aids by the visually handicapped.

He is the recipient of the highest awards of the American Foundation for the Blind—the Migel Medal for Outstanding Service to the Blind in 1963, and that of the American Optometric Association—the Apollo Award in 1968. Also in 1968, he received the Francis Joseph Campbell Citation and Medal from the American Library Association. In 1969, he received the Library of Congress' Distinguished Service Award from the Librarian of Congress for:

> His far-reaching vision and his brilliant and creative leadership of a continually evolving national program resulting in greatly improved services to the blind and physically handicapped of the nation.

In 1972, Pacific University, Forest Grove, Oreg., conferred upon him the honorary degree of doctor of humane letters in recognition of his work for the blind and physically handicapped.

He helped to form the Library Committee of the President's Committee on Employment of the Handicapped in 1960, becoming its vice chairman in 1961 and its chairman in 1964, a position he has continued to hold for the past 8 years.

Other of his awards are the Outstanding Achievement Award of the Commission on Standards and Accreditation of Services for the Blind—in 1966; a citation in 1964 from the Argosy Recording Club of the National Braille Press, Boston, Mass., for "outstanding contribution in providing recordings for the blind;" and a certificate of esteem and appreciation from the Hadley School for the Blind, Winnetka, Ill., in recognition of unswerving devotion and multiple contributions to the advancement of library service to the handicapped."

Among numerous professional appointments and positions he has held are membership on the board of trustees of the American Foundation for the Blind; member of the board of directors and of the Commission on Accreditation of the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped, and two 1-year terms as chairman of the American Library Association Round Table on Library Service to the Blind.

He will indeed be missed by those whose access to the printed word has been curtailed by their visual or physical impairments.

RECONSTRUCTION ASSISTANCE FOR NORTH VIETNAM

Mr. BAKER. Mr. President, seldom, if ever in this Nation's history have the American people been as adamantly against a major foreign policy proposal as they are to reconstruction assistance for North Vietnam; and with good reason, for this Nation toiled for 10 long years in search of an elusive goal which cost us billions of dollars and thousands of lives. But the days of U.S. involvement and heavy fighting have ended and the last American troops will soon be home.

Nevertheless, the wounds of Vietnam remain and it is no wonder that many find the thought of aiding our former enemy totally incomprehensible. After years of protracted fighting, we perhaps hoped to end our involvement in Vietnam once and for all with the stroke of a pen; but as we have so often found in the past, nothing in Indochina is that simple.

The settlement reached in Paris assures, if not a totally secure peace, at least a foundation upon which a lasting peace can be built. But the question remains, can this fragile agreement be transformed into a permanent settlement or will the Paris accords meet the same fate as those negotiated in Geneva just 20 years ago.

The international system has changed beyond recognition since then, but the need for an American peace-keeping role remains; and if we are to achieve our objective of a generation of peace, much work still remains to be done.

That work is not to provide Hanoi a unilateral hand-out nor pay what some have called reparations, for we have achieved a peace with honor which, if not vindicating our entry into Southeast Asia, certainly justifies our plan for withdrawal. But what is actually required is a degree of magnanimity that only this country is capable of. That is not to say that I advocate a unilateral effort on our part to rebuild North Vietnam, but rather a concerted approach which is multilateral and multipurposed; a program involving all the war-torn nations of Indochina, including, of course, South Vietnam. The responsibility for peace should no longer be borne by the United States alone, but by all responsible world powers.

This is, however, a matter to be considered in due course for Americans remain either in prison or unaccounted for in Indochina. Moreover, in this time of severe budgetary constraints, it would be extremely premature to consider appropriations for such a program at this time. However, unless we undertake a major effort to change the wartime atmosphere which has existed in Indochina for decades, we shall find a lasting peace as elusive as a military victory.

No one can buy peace in Vietnam, nor even sincere friendship, but we can make a long-term investment in the peaceful development of Indochina with the knowledge that problems can be discussed. if not always among the respective Vietnamese parties, then at least among their superpower allies. It is for this reason that I am inclined to support an administration proposal for reconstruction assistance to Indochina.

The precise share of that program which North Vietnam should receive should be determined at some future date. But, let the leaders in Hanoi take note, least they have forgotten our constitutional processes, that unless they adhere, not only to the spirit, but to the letter of the various ceasefire accords and continue with the release of American prisoners as provided for in the agreements, then they can look elsewhere for reconstruction assistance, for we offer this gesture in the interest of a lasting peace and not out of any sense of obligation or penance. Moreover, efforts by the communists to provide a full accounting of Americans thought to be missing in action or held captive through-out Indochina should be expedited.

It is too politically expedient for those of us in the Congress to oppose assistance to Hanoi without a second thought, especially if it appears that the North Vietnamese are intent upon making a mockery of peaceful intentions; and I can assure you that many of my constituents would prefer me to oppose anything resembling reconstruction assistance. But I share the view of the President with regard to the permanence of peace in Indochina, and I sincerely hope that the North Vietnamese will exercise the good will which they have proven themselves capable of in the negotiation of these ceasefire accords.

CIGARETTE TAR CONTENT DROPS

Mr. MOSS. Mr. President, recent figures supplied to me by Phillip Morris, Inc. and the Federal Trade Commission indicate a significant reduction in the tar and nicotine content of cigarettes over the past years. While we must continue to work for the elimination of the hazards of cigarette smoking, news of the reductions in tar and nicotine and of the increase in the number of low tar and nicotine cigarettes is significant. According to the latest Federal Trade Commission figures, 104 of the 134 varieties of cigarettes are now lower than 20 milligrams of tar. Comparing this to 20 years ago, we see that the drop in the average tar of a cigarette is almost 5 percent.

The Commission has also reported that 33 brands of cigarettes now contain less than 15 milligrams of tar. Twenty years ago this was unheard of and as recently as August 1972, there were only 29 brands of cigarettes with fewer than 15 milligrams of tar.

The information programs of the voluntary health associations and the Public Health Service as well as continued congressional pressure, have been an important stimulus in this development. The public is willing to buy less hazardous cigarettes, and the manufacturers have shown that they can produce them.

I ask unanimous consent that an article appearing in the February 11, 1973, New York Times and a recent statement I issued on this subject be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article and statement were orderd to be printed in the Record, as follows:

Tar in Cigarettes Is Reported Down by 46 Percent Since 1956

(By John D. Morris)

Washington, February 10.—Smokers concerned over the health hazards may find some comfort in statistics, recently compiled for a Senate subcommittee, on the tar contend of cigarettes.

The tar yield of the average cigarette sold in the United States declined 46 per cent—from 36 milligrams in 1956 to 19.4 milligrams last year, according to data given by Philip Morris, Inc., to the Senate Commerce Subcommittee on Consumer Affairs.

The same company, which manufactures Marlboro cigarettes, also reported a "dramatic" shift to filter-tipped cigarettes from the nonfilter variety. The filter-tipped cigarettes' share of the market rose from 3.2 per cent in 1953 to an estimated 83.4 per cent last year.

Since the two studies were not correlated, it was uncertain to what extent the shift to filter tips may have affected the decline in tar content.

Other studies have indicated that nonfilter cigarettes yield about 5 milligrams more tar, on the average, than filter tips. Cigarette tar has been identified by researchers as a source of carcinogens, or cancer-inducing substances.

Results of the Philip Morris studies were sent to the subcommittee, headed by Senator Frank F. Moss, Democrat of Utah, in connection with the panel's continuing interest in smoking and health.

Senator Moss attributed the trends shown by the studies to growing public awareness of the health hazards of smoking and a resultant "challenge to the competitive energies of the tobacco industry to develop lower tar and nicotine products."

"The trend is heartening," he said in a statement. "However, until smoking is drastically reduced it will be necessary to continue to focus attention on this devastating health hazard."

Moss Touts Tobacco Tar Tally

Washington, D.C.—The Federal Trade Commission's annual Tar and Nicotine Content Report on Cigarettes shows decreases in most brands and Utah's Senator Frank E. (Ted) Moss says he's "delighted" about it.

Moss has often battled the tobacco industry over advertising practices and the tar and nicotine contents of cigarettes.

The report that 104 of the 134 varieties are now at or below the 20 milligrams count in tar was described by Moss as "heartening."

Even more encouraging, he said, is the increasing number of "truly low tar brands."

Currently, 33 of 134 varieties are under 15 milligrams tar and one milligram nicotine. For the last comparable testing period, the figures were 29 of 142 varieties under in the tar category and 28 of 142 in nicotine.

Said Moss, "Continuing efforts to educate the public will eventually lead to reduced rates of death and disease. And as tobacco companies realize the public concern for health, more and more will develop and market low tar and nicotine brands."

FREIGHT CAR SHORTAGES

Mr. HUDDLESTON. Mr. President, on February 19, 1973, the Senate adopted, by a 60 to 15 rollcall vote, Senate Resolution 59, relating to the freight car shortage as it affects the transportation of agricultural products, especially grain.

That resolution expressed the sense of the Senate that reseal loans on farm-stored wheat and feed grains should be extended for the 1971 and 1972 crop years and that the President should appoint a committee, composed of specified parties, to study and make recommendations to insure the delivery of grains to feed deficit areas and to facilitate the loading and unloading of grains at the ports.

As chairman of the subcommittee which held hearings on the freight car shortage as it affects agriculture and which originated Senate Resolution 59, I have written to the President inquiring as to the administration's intentions with respect to Senate Resolution 59, and I would respectfully urge that the administration move toward implementing the resolution's recommendations.

In addition, the subcommittee has continued to monitor the situation, keeping in contact with the Department of Agriculture, the Interstate Commerce Commission, and the Association of American Railroads. All have taken some actions designed to help alleviate the situation. While the Department has continued to dispose of a number of commodities owned by the Commodity Credit Corporation, these are generally being sold to the storing warehousemen or released on a to-arrive basis. In a letter of February 27, Kenneth Frick, Administrator of the Agricultural Stabilization and Conservation Service, reported the status of dispositions and loading orders as follows:

1. Dispositions through February 16, 1973, are as follows: wheat—258.6 million bushels; corn—97.7 million bushels; oats—33.0 million bushels; barley—5.8 million bushels; rye—21.6 million bushels; flaxseed—12.2 million bushels; and grain sorghum 12.5 million cwt. (22.2 million bushels.)

2. Loading orders have been issued as follows:

(a) For all corn in country elevators, or about 66 million bushels of which about ½ or 33 million bushels were sold in store to the storing warehousemen. In addition more than 14 million bushels were sold on a to-arrive basis with delivery at CCC's convenience subject to the availability of cars. The balance has been offered for sale on a to-arrive basis.

(b) For all grain sorghum in country elevators or about 9 million hundredweights, of which about 2.5 million cwts. were sold in store. Of the balance, about four million cwts. have been offered for sale on a to-arrive basis and the remainder is grain sorghum which has been trucked to terminal port positions and will be used primarily for donation programs.

(c) For an aggregate of about 80 million bushels of wheat stored in country elevators. Of this amount, about 22 million bushels were sold in store, about 23 million bushels will be applied against prior commitments and about four million bushels were sold on a to-arrive basis. Of the approximate 30 million bushels outstanding, about 23 million bushels will be offered for sale on a to-arrive basis, about three million bushels will be used for donation programs and about four million bushels will be applied against prior commitments.

The Interstate Commerce Commission has issued several new service orders and others continue in effect, as described by ICC Chairman George M. Stafford in a February 23 letter:

The Commission has issued quite a few directives for the purpose of expediting movement of grain and other commodities. At the very start of our freight car troubles and when the announcement of the Russian wheat sale commenced to stimulate demands for boxcars and covered hoppers, the Commission issued Service Order No. 1112, the provisions of which require carriers to place, pull, and forward cars within twenty-four hours. This order also places a penalty on any holding of cars assigned to a specific shipper. This order had an immediate effect on the carriers' attitude in the handling of traffic and has undoubtedly contributed greatly to the promotion of better utilization of all freight equipment.

Service Order No. 1117 was issued to permit the substitution of open hopper cars, the supply of which is still quite ample, for covered hopper cars in the transportation of grain without penalizing rate-wise the user of such cars. This had an immediate effect of placing into the service of grain transportation thousands of open hopper cars that otherwise would be immobilized.

Service Order No. 1119 was issued to discourage by penalty the use of freight cars in intra-plant switching service or for storage purposes within the confines of a plant. It is felt that this order will be the means of releasing cars for transportation purposes rather than for storage use.

You are quite cognizant of our Service Orders Nos. 1120 and 1121—the former restricting the number of jumbo covered hopper cars that may be used in unit-grain-train service and the latter reducing the free-time period on boxcars and covered hopper cars held at ports. It also establishes a minimum rate to be applied per car per day after the expiration of the free time. While it is a little early to determine the impact on the car supply, I am quite certain that Service Order No. 1120 will free some jumbo hopper cars for general services and will prevent dedication of additional cars to the services of large shippers.

In addition, the Association of American Railroads has issued a number of new car relocation directives and continues to review the various port situations and issue embargoes in those cases where backups are occurring. Following is a list of the car relocation directives which have been issued since the committee hearing on this matter on January 29, as reported by W. H. Van Slyke, executive director and chairman of the car service division of the Association of American Railroads:

Car Relocation Directive (CRD) 34 issued January 30 to be effective February 5 requiring the return of mechanical refrigerators to the UP and SP empty unless loaded with commodities requiring protection from heat or cold.

CRD 35 issued January 30 to be effective February 6 requiring return of 40 foot wide door and 50 foot box cars to the BN, MILW, SP, SOU, and UP either empty or loaded to or via owner's rails or to a junction with the owner. This directive replaces one that was more permissive and was issued to meet the increase in the volume of paper, plywood, lumber and other commodities requiring wide door cars. This type car is not used for grain loading.

CRD 36 issued February 6, 1973 to be effective February 13 requires that CN and CP plain box cars be returned loaded or empty to Canada or to a junction with the owner. This directive was originated because of the great imbalance of Canadian cars in the United States compared to U.S. cars in Canada. Very few of these cars could be utilized for grain loading anyhow due to restrictions by the Bureau of Customs.

CRD 37 issued February 15 to become effective February 22 requires the return of MILW mechanical refrigerators to protect an increase in freight requiring protection from heat and cold.

CRD 38 issued February 16 to be effective February 23 to withdraw from distribution BN, MILW, SP and UP flat cars except they may be loaded to, via, or to a junction with the owner's rails. This directive was placed as a result of heavy demands for flat cars to move farm implements and lumber.

These are all steps in the right direction and I applaud them. The situation continues, however, to demand attention and actions. During hearings before the Senate Agriculture and Forestry Committee on the general farm legislation, we continue to hear complaints about the agricultural transportation situation. In the letter from ICC Chairman Stafford noted above, he expressed "pessimism" over the existing situation:

> I am quite pessimistic in my updated evaluation of the transportation situation. Shortages of plain boxcars and covered hopper cars are progressively worsening. Shippers countrywide have had to tighten their belts and wait at times to secure just a portion of their freight car needs.

The bare truth is that there are just not sufficient cars to meet current demands. Many smaller grain shippers are being pressured by their buyers to ship the grain, a request which they are finding quite difficult to comply with. I am quoting below the average daily shortages of plain boxcars and covered hoppers for the past 6 weeks, which clearly indicates the basis for my reasoning:

Week ended:	*Plain box*	*Covered hoppers*
Jan. 6	8, 543	10, 122
Jan. 13	10, 163	12, 163
Jan. 20	11, 889	9, 731
Jan. 27	13, 654	14, 350
Feb. 3	15, 751	14, 886
Feb. 10	16, 608	15, 749

Furthermore, an article in last Sunday's New York Times indicated that the port situation remains congested:

WHEAT FOR RUSSIA TIED UP ON U.S. DOCKS

HOUSTON, March 3.—The billion-dollar Russian grain deal is causing dissension on the Houston docks.

American longshoremen are avoiding when possible the dirty and hot job of loading wheat onto oil tankers pressed into service to haul American grain to Russia. Grain companies and railroads are blaming each other for a growing shortage of wheat available for the ships.

And out in the Gulf of Mexico 50 miles from Houston, 2,500 seamen sit on about 50 anchored, empty ships contemplating the early spring weather—a contemplation that is costing shipowners about $300,000 a day.

The oil tankers, bulk carriers and cargo ships wait impatiently like big water beetles for a position at one of Houston's four grain elevators to pick up their share of the 400 million bushels of hard winter wheat destined for Russian tables.

Some of the ships may have to wait 45 days before they can steam up the 50-mile long Houston ship channel to dock. The loading is that far behind.

OTHER PORTS JAMMED

About 300 million of the 400 million bushels of wheat sold by the United States to the Soviet Union is scheduled to be shipped through Houston, with the remainder going through New Orleans, Pascagoula, Miss., and Mobile, Ala. All four ports are experiencing traffic jams of ships.

Representative Harley O. Staggers, the West Virginia Democrat who is chairman of the House Interstate and Foreign Commerce Committee, wants an investigation.

There is a freight car shortage, he said, that "is the most critical in our nation's history. The average daily shortage of freight cars to move grain is three times greater than the peak in any previous year."

The railroads have said they could bring in more grain to Houston and the other ports if the grain elevator companies would unload trains faster. It takes almost five days to unload 900 box cars—enough to fill one of the big ships sitting at anchor in the Gulf. Hopper cars can be unloaded much faster.

The box cars are unloaded by huge machines that pick them up and shake them back and forth so that the wheat pours out onto a conveyor belt that carries it into the grain elevators. It takes eight minutes to unload one box car.

MANAGER HARASSED

One of the most harassed men on the Houston docks is Kenneth Roden, manager of the public grain elevator on the edge of the Port of Houston turning basin.

"I have been working seven days a week trying to straighten this out," Mr. Roden said yesterday. "I was here until 11 o'clock last night and back here this morning at seven. We have had two shifts working 13 hours each."

Mr. Roden blames diplomats for the crush.

"We should have been loading this wheat last August," he said. But they were arguing about which countries' ships were going to transport this wheat."

The wheat deal was agreed to in June and Russians made buying trips to the United States in June and July. But it was not until October that the two nations could agree that one-third of the wheat would be carried in American ships, one-third in Russian and one-third in ships of other nations.

The Russians have sent many oil tankers to transport their share, a circumstance that has irritated the American longshoremen.

Loading grain in tankers is considered to be difficult. Workers have to stand down in the hold "trimming" the grain constantly so that the ship doesn't get overloaded on one side and keel over.

"It sure is hot and dirty in there," said one of the dock's public relations men as he led a tour through a Norwegian vessel taking wheat on through long steel spouts.

"The longshoremen won't work these ships if they have a choice," said Mr. Roden. "We sent out a call for five gangs of longshoremen for today and only two gangs showed up."

Mr. Roden said that longshoremen preferred to work bulk carriers, big bargelike ships on which grain is distributed evenly by gravity. "On a bulk carrier, all they do is turn on the spouts and stand back and watch," he said.

For these reasons, I believe it would be wise for the administration to follow the Senate recommendations contained in Senate Resolution 59 and for the subcommittee of which I am chairman to monitor the situation in order to try to facilitate the movement of agricultural products to markets and to ports.

NATIONAL SOLUTIONS FOR NATIONAL PROBLEMS

Mr. MOSS. Mr. President, it has remained for Henry Steele Commanger, the noted historian, to fully assess the impact on our country of what President Nixon calls his "new federalism," and what Dr. Commanger describes as an effort to balance the budget by dismantling Federal social and humanitarian programs and turning their management over to the States and to "volunteerism" while at the same time giving more money to the military.

As he has so often done in the past at turning points in our national life, Dr. Commanger has used his skill as a historian to indicate how current proposals, if fully implemented, will appear in the future.

He stresses, in succinct and simple prose, that it is the National Government which has taken the innovative steps in the past to ameliorate or solve our nationwide problems because no State or "volunteerism" effort could do it. He points to freeing the slaves, wiping out child labor, giving women suffrage, regulating minimum wages and hours, providing social security and medicare as examples of Federal acts which have brought greater social and economic justice to this country.

The Nixon-Richardson program is, according to Dr. Commanger, "not a philosophy, it is an escape from philosophy; it is not a program, it is the fragmentation of a program."

Mr. President, I ask unanimous consent that the Commanger article, which appeared in the New York Times on March 4, and was entitled, "The Old, the Poor, and the Unemployed" be carried in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE OLD, THE POOR, THE UNEMPLOYED

(By Henry Steele Commager)

AMHERST, MASS.—The object of President Nixon's "new federalism" (which is neither new nor federalism) is to balance the budget, dismantle ineffective social services, and to provide more money for the military. It is submitted to the people not in this bald fashion, however, but as a reduction in Big Government, and a return to localism and voluntarism, that is to "grass roots" democracy. The notion that voluntarism and local authorities can deal effectively with the national and global problems which crowd about us is without support in logic or history and is dangerous to the well being of the Republic.

The fact is that for a century and a half almost every major reform in our political and social system has come about through the agency of the national government and over the opposition of powerful vested interests, states and local communities.

It is the national government that freed the slaves, not the states or the people of the South, and there is no reason to suppose that these would ever have done so voluntarily. It is the national government that gave blacks the vote, guaranteed them political and civil rights, and finally—in the face of adamantine hostility from Southern states and bitter resentment from local communities, provided some measure of social equality, legal justice and political rights for those who had been fobbed off with second-class citizenship for a century. Ask the blacks if they could have "overcome" through voluntarism.

It is the national government which finally gave the suffrage to women and which, in the past decade, has so greatly expanded the area of woman's rights. It is the national government, too, which extended the suffrage to those over eighteen. And it is the federal courts that imposed a one-man, one-vote rule on reluctant states.

It is the national government which, in the face of the savage hostility of great corporations and of many states, finally provided labor with a Bill of Rights, wiped out child labor, regulated hours and set minimum wages, and spread over workers the mantle of social justice. Ask the workingmen of America if they prefer to rely on the voluntarism of private enterprise rather than on government.

It is the national government that first launched the campaign to conserve the natural resources of the nation and that is now embarked upon a vast program to curb pollution and waste, and to save the waters and the soil for future generations—a program which Mr. Nixon's new federalism is prepared to frustrate. Ask conservationists whether they can rely on the states, or on voluntary action, to resist giant oil, timber, coal and mineral interests for the fulfillment of their fiduciary obligations to future generations.

It is the national government, not the voluntarism of the American Medical Association that finally brought about social security and medicare—just as in Britain, France, Scandinavia and Germany it was government, not private interests, that established socialized medicine. It is the national government, not states or private enterprise (which did their best to kill it) that finally provided social security for the victims of our economic system. Ask the old, the poor, the unemployed, the "perishing classes of society" whether they wish to go back to the voluntarism of private charity or the haphazard of local welfare.

It is the national government, through national courts, which has imposed "due process of law" on local police authorities, and on the almost arbitrary standards of many states. We have only to compare the administration of justice and of prisoners in local and federal jurisdictions to realize that many of the value of voluntarism and localism are sentimental rather than real.

It is the national government, not the local, which through its almost limitless resources has finally acted to ameliorate the awful inequalities on public education at all levels. And it is the national government which has, in recent years, given vigorous support to the arts, music, libraries, higher education and research in every part of the country.

Now these and many other achievements of nationalism in the arena of health, welfare, conservation, economic equality, and justice are not to be explained on some theory that those who work for the nation are more compassionate than those who work on the local level. The explanation is at once more simple and more practical; namely that as the problems we face are inescapably national, they cannot be solved by local or voluntary action. Pollution is a national problem, no one state can clean up the Mississippi River or the Great Lakes, regulate strip mining, or cleanse the air. Civil rights, medical and hospital care, drugs and mental health and crime, the urban blight, education, unemployment—these are not local but national in impact, and they will yield only to national programs of welfare and social justice. All of them are as national as defense, and all as essential to the well being of the nation, and not even Mr. Nixon or Secretary of Defense Richardson has proposed a return to the militia system, though that would be logical enough in the light of their *philosophy*.

Only the national government has the constitutional authority, the financial resources, the administrative talent and the statesmanship to deal with these problems on a national scale.

The Nixon-Richardson program is not a philosophy, it is an escape from philosophy; it is not a program, it is the fragmentation of a program.

THE INTERNATIONAL SOCIETY OF RANGE MANAGEMENT CONVENTION

Mr. CHURCH. Mr. President, on February 5, 1973, it was my pleasure to deliver the keynote address at the convention of the International Society of Range Management, held this year in Boise, Idaho.

I spoke, not from a text, but from notes. However, a tape recording of my remarks was taken and later transcribed. A copy of the transcription has been furnished me.

Inasmuch as the speech focuses on several issues of importance to the livestock industry in the Western States, as well as to the Federal agencies charged with the management of the public lands. I ask unanimous consent that the transcription of my remarks appear here in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR FRANK CHURCH

I'm very pleased to be here with Mayor Amyx to welcome you to Idaho. Mayor Amyx and Phil are old friends of mine. They were talking about Texans and you will remember that Phil said he was an independent Republican sheepman. I want to tell you that there is only one thing I know rarer than a modest Texan, and that's a sheepman who's a Democrat! [Laughter and applause.]

Welcome to Idaho! It's a lovely state and it is especially appropriate that you meet here, for rangeland is of vital importance to this State. 57 per cent of Idaho's land is grazed by domestic livestock. The livestock industry is the single most important income-producing segment of Idaho's agricultural economy. We also produce, as you know, the finest potatoes in the world, to go with that delicious beef and succulent lamb at dinner time. And we're proud to be a farm state.

No one in politics representing Idaho in Congress can be unmindful of the importance of the livestock industry, or its interrelationship with the government management of our public lands. For nearly three-quarters of our State consists of public domain; about one-tenth of our total area belonging to the State government; about two-thirds of our total area belonging to the Federal government. These Federal lands, to be sure, are held in trust for all the American people. But in equity, it must be said that the people of Idaho, like the people of the other public land states throughout the American West, have a special claim upon these lands.

After all, we are most dependent upon them. We must draw much of our sustenance, much of our livelihood, from them. To these public lands we must look for the grazing of our cattle and our sheep, in large degree; for the minerals we mine—phosphate, lead, zinc, silver and gold; for the trees that feed a thriving lumber and wood product and paper industry, which in itself employs some 30,000 of our citizens; for the water we drink, the water we utilize for the irrigation of our farms and food processing plants; for the damsites at which we generate so much of our electricity. In this State, most of our electricity still comes from hydroelectric sources. And for the largest part, by far, of the hunting and the fishing and the outdoor recreation that makes for such a wholesome life in this state, and which accounts for the fastest growing new dimension of our economy—tourism.

With so many legitimate demands upon these public lands, is it any wonder that we have sought some magic formula to paper over conflicting uses? To harmonize discordant interests? To reconcile the irreconcilable? A theory was needed that seemed to serve all interests at once. A principle was required to which we could all pay homage. We found it in the concept of multiple use. Everybody gives lip service to multiple use. But like the blind men who felt different parts of the elephant, each user group tends to define multiple use in the manner most favorable to its own interests.

You know that is so. I know that is so. Human nature makes it so. That's why we so seldom allude to it, and even more rarely confess to it. Ask the private utility executive, or the executive of a public utility district—it doesn't matter—ask him what multiple use means and he will tell you that it means the right to utilize those sites on public rivers that are found suitable for the generation of electricity. Ask a farmer—he will tell you that multiple use means the right to divert water from the public rivers for purposes of irrigation. Ask a lumberjack—he will tell you that multiple use means the right to fell trees on the public land. Ask a miner—he will tell you that multiple use means the right to extract minerals wherever they are discovered on the public domain. Ask the sportsman—he will tell you that it's his right to demand unpolluted, free-flowing streams and the preservation of the habitat for wildlife in all of its various species. Ask the rancher—he will tell you that multiple use means his right to graze his animals on the grasses that grow on the public land.

Yet no one in this room capable of objectivity would contend that these uses are completely compatible; that nature offers up her resources in so perfectly balanced a manner that each of these uses can be fully enjoyed without infringement, one upon another. We all know better than that. If you don't believe it, try grazing sheep in an open pit mine, or cattle on grasslands inundated by a vast reservoir, or try raising a trout from a stream poisoned by industrial wastes.

No, these are conflicting uses, as often as not, and since the land is public land, it falls ultimately to the politicians, the elected representatives of all the people, to decide which uses shall be preferred. Now this is a thankless task, and a difficult one to handle properly. As you know, we have engaged professionals to help us with the task—the Forest Service, the Bureau of Land Management at the Federal level, and other State agencies besides.

But, in the final analysis, we cannot delegate away the responsibility—that is to say—the ultimate responsibility for policy decisions, to any agency. This belongs to the men you elect to represent you in the Congress.

Given this situation, I can readily understand the temptation on the part of men who would win and keep public office to be all things to all people, and you have seen much evidence of that. It is the temptation to endorse clearcuts when speaking to lumbermen but call for selective cuts when addressing environmentalists; the temptation to urge more grazing when talking to ranchers but more and bigger game refuges when speaking to the Wildlife Federation.

Understand, I am not adopting a holier-than-thou attitude. I am not standing here today to tell you that I have always resisted this temptation. Frankly, I don't know any man in politics who can honestly say that he has never succumbed to it. But, by the same token, those who condemn politicians most harshly for this weakness often turn out to be the very same people who insist that the men they vote for must always stand with them in their corner. They don't seem to appreciate that a man who can be hitched will stay hitched, usually, only until a bigger wagon comes along. Even if he does stay hitched, he will lack the objectivity to really serve their best long-term interests.

When it comes to the management of the public lands, there is only one standard for any politician worth his salt. Try to reconcile conflicting interests as fairly as possible. When you must choose between them, try to choose on the side that will promote the largest good.

During my years in the Senate, I have tried to adhere to that standard. Sometimes it has put me at issue with the cattlemen and the sheepmen, as when I floor-managed the passage of the Federal Wilderness Act, though 14 years later I have yet to see what injury that Act has done to grazing in the West. Or as when I authored the Wild and Scenic Rivers Bill. Sometimes it has put me on the side of the ranchers, as when in 1969 I conducted, in my Subcommittee on Public Lands, the hearings which deferred the implementation of the Udall formula for drastically increasing grazing fees.

But you have not invited me here today to recount the past. Let me tell you instead about the issues of the present—those likely to come before the current session of Congress—issues of current importance to you, and say something about how I feel concerning them.

First of all, I think it is evident now that the Udall formula for grazing fee hikes is in the process of being fully reinstated by the Executive Branch of the Government. Whatever doubts you may have had on that score should have been allayed by this year's increase, which is in the nature of putting the whole rate schedule back within that formula. The agencies insisting upon the implementation of the formula do so in the name of charging fair market value; that is to say, in the name of achieving comparability with grazing fees on private lands.

Now I have no quarrel with the public's right to receive fair market value, but I do quarrel with the agency's refusal to recognize the value of the grazing permit itself in determining fair market value. After years of study, the Public Land Law Review Commission, in its report "One Third of the Nation's Land," concluded: "We believe that an equitable allowance should be afforded to current permittees for permit values in establishing grazing fees." After weighing the testimony, both pro and con, in several days of hearings before my Subcommittee on this question in 1969, I came to agree with this position. If it were accepted by the Forest Service and the Bureau of Land Management, there would be little disparity between the cost to a livestock producer of grazing on the public domain as compared with private land. But, thus far, and clearly the indications of the direction now taken by the Administration makes this plain, the agencies are showing no disposition to accept such a method of calculation. And so I intend to introduce legislation to require that permit value be considered when setting grazing fees. And I hope that the Congress will enact such legislation in this session.

Another issue we must examine is that of predator control. It's hotter right now than a hen laying a goose egg. And I want to commend, incidentally, you sheepmen in the audience for showing your sense of humor. I have one of those bumper stickers on my car in Washington that says "Eat more lamb—10 million coyotes can't be wrong!" That's got to be a classic.

In Washington there are conflicting reports about the effect of the Executive order which banned the use of poisons on public lands. I'm told by spokesmen of the Department of the Interior and the Department of Agriculture, that in some western states the effect has been good and there are few complaints. In others, the opposite is the case. I don't know. I can't speak for all the western states. I'm not familiar with the experience in each of them, but I can tell you that here in Idaho the Woolgrowers have complained very loudly about the effects of this Executive order. They have said that the lamb kill has jumped so high that operators are being forced out of business, and that's a very serious charge, indeed.

I don't believe that the problems of predator control are insurmountable. Workable solutions *can* be found. But first of all, we must get the facts on the table. The Executive order just came out of the blue. It wasn't the result of considered debate, the arduous path through which legislation is finally written into law. It wasn't the result of extended public hearings, where experienced people could testify. It just came from on high, and it seems to me that the people whose livelihood is affected by such an order, as well as all other interested citizen groups, have a right to be heard on such a question.

And so I have asked for Congessional hearings, for public hearings by the appropriate Committees of the Congress, and I am hopeful that these hearings will soon be held. They should be open to all, to people of every persuasion. The sportsman, the environmentalist, the rancher, the rangeland managers, as well as the government agencies involved, should put their case on the public record. Government decisions which are correct can withstand free discussion; those which are proved incorrect must be changed. Let the opponents and supporters of the poison ban speak their piece and prove their point. After all, that's what free government is all about.

Will Rogers once advised: "Buy land; they ain't making any more." And I think that advice could also be extended to the managers of land, public and private. "Manage it well. They ain't making any more."

But good management takes money. You know that. It takes money for intensive replanting and reseeding, for improvements and erosion control. I must tell you today that I am appalled at the drastic cuts that are now evident in the new budget submitted by the President this week, particularly as those cuts relate to land management.

The Forest Service budget will be slashed 20 per cent. The big axe is going to fall also on the Bureau of Land Management. I wish I could tell you that I thought this was good economy. I don't. There are places where we can cut the budget. I can think of a lot of them. The war is over now. I don't see any reason why the military budget has to go up another 5 billion dollars, to a level much higher than at the peak of our involvement in Vietnam. We've put the last man on the moon. I don't see any reason why we have to increase the budget for the space program when we have so much need for applied technology right here on the ground. And I haven't the slightest idea why it is necessary, at this time, when the Federal Government has gone over 100 billion dollars into debt during the last four years, and even under the new budget will sustain a deficit of between 12 and 15 billion dollars during the coming year, we should have to increase the foreign aid program. Yes, I can think of a lot of places where we should be cutting back public spending, but the last place we should cut is the management of our natural resources upon which the future wealth of this country so deeply depends. (applause)

I wish I could say to you today that it's going to be easy to restore resource management money.

Yet the truth is I cannot tell you that. Because even if Congress restores the budget of the Forest Service and the Bureau of Land Management of last year's level, the President says he won't spend the added money. The practice of Executive impoundment has so tilted the checks and balances in our system in the President's favor that we confront a serious Constitutional crisis in Washington today. Until we find a way to cope with arbitrary executive impoundment of appropriated funds, and thus redress the Constitutional balance between the Presidency and the Congress, as intended by our Founding Fathers, it looks as if adequate management of the public domain is in for hard days. I hope, in waging this Constitutional battle, that I will have your understanding and your support, just as you will have mine when it comes to adequate funding for good management of the public lands.

"Rangeland Resources and Politics"—that was the topic you asked me to discuss this afternoon, and budgeting is the heart of it. And, therefore, this is a good place to stop. If we look after the heart of it, all other problems can be worked out. So that's the challenge I leave with you, essentially a political task which we must tackle together.

Thank you for inviting me. I hope that you have a most successful convention. [Sustained applause].

UNITED STATES-ISRAEL BI-NATIONAL FOUNDATION

Mr. MUSKIE. Mr. President, last September an agreement was signed by the United States and Israel to establish a new United States-Israel Bi-National Science Foundation. The purpose of the foundation is to give Israeli scientists approximately $4.2 million annually to support basic research, much of it of interest to the United States.

By the terms of last September's accord, the United States and Israel agreed to finance jointly the cost of establishing the foundation. The United States is to pay $30 million and Israel another $30 million, each in Israeli pounds. Israel's share is a cash donation out of budget funds, and the U.S. Government's share will consist of prepayments by Israel of Public Law 480 loans which were due in the period 1988 to 2001.

Because there has been some misunderstanding concerning the Israeli contribution to this joint enterprise, I ask unanimous consent that the following article from Near East report be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Near East Report, Feb. 21, 1973]

Facts on Science Foundation

Two weeks ago the Near East Report published an article by Mary Ann Riegelman on the new U.S.-Israel Binational Science Foundation, pointing out that the United States and Israel were each contributing $30 million in Israel pounds.

By coincidence, another publication, Science & Government Report, which described itself as "The Independent Bulletin of Science Policy," carried erroneous information which implied that the United States was the sole contributor. Senators J. W. Fulbright, Chairman of the Senate Foreign Relations Committee, and George Aiken, the

Committee's ranking Republican member, then joined in a letter of complaint to Secretary of State William P. Rogers.

The Department of State's Sept. 27, 1972 release made it clear that both countries were making equal contributions. It stated:

"The United States and Israel will each provide the equivalent of $30 million in Israeli pounds for the Foundation's endowment. The U.S. contribution will consist of prepayments by Israel of Public Law 480 loans which were due in the period 1988–2001."

And on Feb. the Near East Report reported:

"Israel's $30 million is a cash donation out of budget funds. The entire $30 million—deposited on Oct. 2, 1972—will sit in the Bank of Israel; a 3.5 percent interest rate guaranteed by the Israel government will provide the Foundation's basic operating income of approximately $2.1 million per annum. The Foundation is also empowered to receive funds, property and services."

U.S.-EEC ECONOMIC RELATIONS

Mr. JAVITS. Mr. President, in reviewing United States-Western European relations over the past 2 years, I have become concerned that our broader common interest in strengthened relations may become lost as ongoing monetary and trade differences grow in intensity.

Therefore, it is with a feeling of some relief that I draw to my colleagues' attention the very fruitful recent visit of Sir Christopher Soames, the new vice president of the European Communities Commission to the United States. The comments made by Ambassador Soames during his 2-day visit which now have been published in the March 2, 1973, European Community News, in my view, puts U.S.–EEC relations in proper perspective.

Ambassador Soames' judgment is most important in that too much was being made of the differences and not enough of the "very real common interest which should hold us together." It is my hope that the warmth of the reception of Ambassador Soames, the timing of the submittal of the trade bill which the administration now has under preparation and which submittal is responsive to Western European wishes, and the administration's recent initiative in devaluing the dollar will clearly indicate to our Western European friends that the United States is approaching the year of Europe positively and with good will. It is my hope that Western Europe will respond in an equally positive fashion.

I ask unanimous consent that the report of Sir Christopher Soames' visit to the United States be inserted in the CONGRESSIONAL RECORD at this point:

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From European Community News, March 2, 1973]

SOAMES REPORT TO EUROPE

After a two-day visit to Washington, EC Commission Vice President Christopher Soames now begins a tour of European capitals to put together a common trading position. His trip to the United States, Soames emphasized during a Washington news conference on February 16, was a first step toward the necessary liberalization of global trade.

In his first visit to the United States as EC Commission member responsible for external trade, Soames met with President Richard M. Nixon, who, Soames said, "very kindly took me into a Cabinet meeting, and I was able to say a few more things there." The EC Commission Vice President also held individual meetings with Peter M. Flanigan, Special Assistant to President Nixon; Walter J. Stoessel, Assistant Secretary of State for European Affairs; William J. Casey, Under Secretary of State for Economc Affairs; Willis C. Armstrong, Assistant Secretary of State for Economic Affairs; Kenneth Rush, Deputy Secretary of State; William P. Rogers, Secretary of State; George P. Schultz, Secretary of Treasury; Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System; William D. Eberle, Special Representative for Trade Negotiations; Frederick B. Dent, Secretary of Commerce, and Herbert Stein, Chairman of the Council of Economic Advisors. Soames also met informally with Congressmen and EC member states' ambassadors.

At the press conference attended by approximately 90 journalists, Soames laid principal stress on the need for the United States to pass a liberal trade bill before the scheduled multilateral talks in the General Agreement on Tarffs and Trade (GATT) open in the autumn. Asked if this meant that there could be no negotiations without a prior liberal U.S. negotiating mandate, Soames replied: "There would be considerable reluctance in Europe to starting negotiations unless there was a reasonable chance of their succeeding." The U.S. trade bill, Soames hoped, should clearly be a trade liberalization bill and not just a trade bill with some liberal elements. It should, he added, deal explicitly with tariffs, nontariff barriers, safeguards, and agriculture.

Soames said that the single most important factor facing the enlarged Community was relations with the United States. At present, he said EC-US relations "leave a great deal to be desired." He added, however, that too much was being made of the differences and not enough of the "very real common interest which should hold us together." He said he looked forward to the time when US-EC relations would be "normal."

His Washington visit, Soames said, had been given increased timeliness by "coinciding with a solution to what might have been a very serious monetary crisis—which with considerable statesmanship had been resolved." Soames said that no one knew how long the solution would stand up but he hoped it would last longer than the Smithsonian Agreement of 1971. America shared Europe's awareness of the urgent need to reform the international monetary system, and the events of recent weeks should be a "spur" to achieving this reform, Soames said.

Asked whether there would be institutional machinery for US-EC relations, Soames referred to the need for prior political growth in the Community and said of the EC: "This economic colossus cannot continue to be a political pygmy." Asked if Europe and the United States might adopt a common approach on trading vis-a-vis Japan, the EC Commission Vice President said that there would be "no ganging up" but that Europe and America have common problems with Japan which would loom large in multilateral negotiations.

Soames was accompanied on his Washington visit by Edmund Wellenstein, EC Director General for external relations, Pierre Malvé, a member of the Commission President's cabinet, and Adrian Fortescue, a member of Soames' cabinet.

THE BUDGET DEBATE: HOUSING

Mr. MUSKIE. Mr. President, the future of the Nation's housing and urban development programs is one of the most hotly debated and most critical issues in the administration's proposed budget. The confusion and uncertainty surrounding projected funding levels in the next 15 months, as well as the fate of several major programs like Model Cities, was highlighted in two divergent arguments presented by Floyd H. Hyde, HUD's Assistant Secretary for Community Development, and Mayor Roman S. Gribbs of Detroit, president of the National League of Cities, in the Washington Post of March 3.

Secretary Hyde argues that—

> The President's budget proposals provide an innovative financial plan for our nation's cities and that for most programs, considerably more money is actually available for this interim period than the present annual funding levels.

Mayor Gribbs is an eloquent spokesman for the cities. While supporting the concept of community development block grants, he takes sharp issue with Secretary Hyde's argument that the proposed fiscal year 1974 budget cuts, terminations, and impoundments do not create a crisis situation for the cities.

Mr. President, I ask unanimous consent that these two articles appear in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

HUD OFFERS CITIES NEW URBAN PLAN

(By Floyd H. Hyde)

A newspaper headline—"HUD's Budget Cut—No Funds for Cities"—sums up the misconceptions of some person concerning President Nixon's new budget proposals.

This is unfortunate as it indicates a basic lack of understanding of how federal grant programs work and their relationship to the budget process. Let me place the current budget funding proposals in their proper perspective.

The President's fiscal 1974 budget is an innovative financial plan for our nation's cities. For the first time, local officials have a three-year, long-range plan of federal commitment to community development efforts. Of special interest to mayors and other local community officials is the $2.3 billion appropriation for Urban Community Development Revenue Sharing (UCDRS) proposed to begin July 1, 1974.

Under this new program, a wide range of physical, economic, and social community development activities will be eligible for assistance including activities now carried out under current programs. In fact, the $2.3 billion exceeds the amounts actually appropriated this fiscal year for the programs to be replaced by UCDRS.

Since we know our current funding levels, and what is proposed for fiscal year 1975, which begins on July 1, 1974, the interim period of 18 months between now and the advent of UCDRS is, of course, of valid concern. To understand this issue, one needs to examine both the funding cycles and the nature of existing funding commitments for the programs which UCDRS would replace. For most programs, considerably more money is actually available for this interim period than the present annual funding levels.

The historical pattern for Community Development programs is for the major portion of new federal grant commitments to be made in the last three months of each fiscal year. The current fiscal year funding cycle ending this June is no different. As of December 31, 1972, we had approved only 12 per cent of our urban renewal funds, and 21 per cent of the monies available for Model Cities. Thus for the six-month period of January through June 1973, we have funds yet to approve totalling $1,274,000,000 for urban renewal, and $506.6 million for Model Cities. Based on past performance, the bulk of our remaining funds will be approved during the upcoming three-month period, April through June. Therefore most cities will enter fiscal year 1974, starting July 1, 1973, with recently approved grant programs which should provide them with funding adequate to permit activities to be carried out until UCDRS goes into effect.

In addition, the full magnitude of the amount of funds available to communities during the interim period is made even more clear when we realize that on June 30, 1973, the total *unspent* money in Community Development programs already obligated will be $7.4 billion! This means that although the federal treasury has incurred this financial obligation, such funds have not been shown as spent by the localities.

Included in the $7.4 billion as of June 30, 1973, is $807 million for the Model Cities program. This is considerably more than the annual funding level of $620 million. An even larger portion of the $7.4 billion unexpended balance is $5.7 billion in Urban Renewal. This is substantially above this year's program level of $1.4 billion.

All other Community Development programs also have substantial unspent federal obligations: Neighborhood Facilities ($123,- million), Open Space Land ($288 million), Water and Sewer Facility Grants ($391 million), Public Facility Loans ($94 million), and Rehabilitation Loans ($18 million). These amounts taken together exceed annual appropriations usually available. In the case of Neighborhood Facilities and Open Space, for example, the balances actually represent about three years of appropriated funds. These obligations are commitments which will be kept.

Thus, it is clear that we and the communities we serve will have considerable funds and plenty to do during the 16-month interim period. This is not to gloss over the problems of transition to UCDRS. In any change as far-reaching as the replacement of these categorical grant programs with UCDRS, there are bound to be squeaks and groans. In the Model Cities program for example, even though total dollars available will remain high through fiscal year 1974, the amount of new money available to the individual city for that period, as distinct from the carry-over funds, will average about 55 per cent of the former program level. This may necessitate reprogramming of activities in some communities.

On the other hand, there is a very significant offsetting feature in the President's Urban Community Development Revenue Sharing proposal. That is, that unlike the old categorical grant system wherein the applicant city often waited two or three or even as long as 10 years for federal review and approval of its application. The UCDRS grant would be an annual entitlement, and the simple application form would be processed within 90 days.

Therefore, in my opinion the potential long-term benefit of the UCDRS approach far outweighs the temporary problems of transition. This potential will be fully met only if the cities utilize the period before July 1, 1974 to get on top of the management of the existing programs and to plan and set priorities for the use of UCDRS funds. For our part, HUD is providing planning assistance funds and stands ready to work with communities to minimize local transition problems.

There is a tendency to view local problems in isolated terms. However, a concept of New Federalism calls for the inclusion of all resources—federal, state, local, and private—at the community level to meet priorities established by local officials to meet priority needs. Community Development programs funded by HUD are significant, but constitute only a small part of the entire picture.

Having served as a mayor, I can say with certainty that local officials have a full-time task in the next 16 months to develop organization structures and processes to do an adequate planning and administrative job in preparing for UCDRS. It is a big job and time is short. I am confident that progressive local officials welcome the challenge and opportunity now presented to them by this administration.

But Budget Cuts Stall City Housing

(By Roman S. Gibbs)

President Nixon has proposed that the Urban Community Development Revenue Sharing program begin in July, 1974. I believe that most U.S. mayors applaud this move toward greater local initiative and control.

However, at the same time, the President has also anounced severe cuts in federal expenditures for on-going community development programs. These cuts, if they are allowed to occur, will exact a terrible price in terms of the urgent need for decent housing and environment in our cities.

First, let me present my views regarding special revenue sharing.

Both city and federal officials have long been aware of the need to streamline the federal grant-in-aid system by creating efficient and manageable funding packages.

The first such "package" under consideration includes the various physical development programs administered by the Department of Housing and Urban Development. Those programs cover a wide range of federally funded activities, including urban renewal, neighborhood facilities, open space land, and housing rehabilitation loans.

Early in 1971, the National League of Cities and the United States Conference of Mayors helped to draft and gave their strong support to congressional legislation which would have consolidated the HUD programs into a single community development block grant. Additional impetus was given to the passage of such legislation when President Nixon recommended a similar approach called Community Development Special Revenue Sharing.

By September of last year, the Senate had passed (by a vote of 80–1) a bill establishing a block grant for community development. The House Banking and Currency Committee had reported similar legislation to the House Rules Committee. Unfortunately, that committee chose not to send the bill to the House floor for reasons that had nothing to do with the merits of the block grant proposal.

The cities remain committed to the concept of a community development block grant which is distinct from the "special revenue sharing" approach. Central to this block grant concept are several key elements which were common to both of last year's Congressional bills: (1) the provision of stable, annual funding directly to units of general purpose local government; (2) the requirement of a simplified application for funding; (3) the requirement of a minimum funding guarantee to cities with on-going programs under the categoricals to be consolidated; (4) the requirement that cities address certain broadly-stated national objectives in their locally designed community development programs.

The cities also are prepared to support the the consolidation of the Model Cities program into the block grant.

I am pleased to note that President Nixon has announced his intention again to support creation of a consolidated community development program. We welcome the President's help in getting Congress to move quickly on this important measure so that the block grant may begin on July 1, 1974.

Now let me turn to the subject of the proposed cuts in the on-going federally funded community development programs.

Regrettably, the President has created a fiscal crisis in the current programs in an attempt to force the Congress to pass the community development package quickly. This has been done by terminating or short-funding each one of the existing categorical programs which is proposed for consolidation during the fiscal year 1974 transition period.

For example, he has already frozen all new commitments for the HUD open space land and for the HUD water and sewer programs as of January 5, and he has impounded the unused money.

And on February 1, each of the 147 communities which are participating in the Model Cities program was told to absorb immediate cuts, averaging about 45 per cent of the current annual program level.

No new funds have been requested by the administration for any categorical programs, except for a token amount for urban renewal where substantial short-fundings have also been projected.

Worse still, HUD has already announced a new set of restrictions on how urban renewal funds may be used during the next 16 months—restrictions which will grind the program to a virtual halt in most cities.

The President is seeking only $138 million in new funding for these community development programs as compared to the more than $2 billion he proposed at this time last year.

In defense of its actions, the administration has attempted to argue that no new funds are needed for the six programs involved.

According to administration figures, on July 1, 1973, there will still be some $7.4 billion in congressionally appropriated and HUD obigated funds which have never been "used" by the cities. Some $5.7 billion of this impressive figure is reported to be in the urban renewal program alone.

The President advises us not to worry . . . that there are sufficient funds in the community development "pipeline" to carry us through the next months.

I submit that this is a phantom pipeline.

The weakness of the administration position on these drastic program cuts is that the major portion of the $5.7 billion which is said to be in the urban renewal program is committed to the cities for programs that are already well underway.

The only reason these funds have not yet been drawn down from the Treasury is that, as permitted by law and as administered by HUD, most urban renewal projects have been temporarily financed using local bonding authority with notes guaranteed by the federal government.

The cities would be more than willing to call in the federal funds which are obligated for those projects since the present temporary local financing procedure is more expensive to them. However, if the cities were to immediately retrieve these funds from the Treasury, it would add billions of dollars to the budget deficit for the current fiscal year. I am quite certain that the President does not desire that result.

Behind the smokescreen of these rationalizations, therefore, is the fact that the cities are faced with immediate program cuts. As every city official knows, such cuts will have a drastic effect on our citizens not only in terms of the availability of decent housing but also in the whole spectrum of urban environment.

In our most recent meetings with Congressional leaders, we mayors sought to explain how wrong it would be to allow this to happen, particularly in a program area such as community development where we are all agreed upon the major components of a new departure whose beginning may be only 16 months away.

We continue to insist that the cuts should not occur.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. Biden) laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce:

To the Congress of the United States:

In accordance with Section 396(i) of the Public Broadcasting Act of 1967, as amended, I hereby transmit the annual report of the Corporation for Public Broadcasting covering fiscal year 1972.

Richard Nixon.

The White House, *March 6, 1973.*

AMENDMENT OF RULE XXV

The PRESIDING OFFICER (Mr. Biden). Under the previous unanimous-consent agreement, the Senate will now proceed to the consideration of Senate Resolution 69, which will be stated by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 69) to amend rule XXV relative to open and closed sessions of committees.

The PRESIDING OFFICER. The time is under control. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time on the resolution be charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Biden). Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that Mr. William M. Cochrane and Mr. Hugh Q. Alexander, staff director and chief counsel, respectively, of the Committee on Rules and Administration, be granted the privilege of the floor during the consideration of the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. Mr. President, may I inquire as to the time situation under the unanimous-consent agreement?

The PRESIDING OFFICER. The clerk will read the provisions of the unanimous-consent agreement.

The assistant legislative clerk read as follows:

> *Ordered,* That on Tuesday, March 6, 1973, at the conclusion of the morning business, the Senate proceed to the consideration of S. Res. 69, a resolution to amend rule XXV relative to open and closed sessions of committees, and that time on any amendment, debatable motion or appeal be limited to 30 minutes, to be equally divided and controlled by the mover thereof and the Senator from West Virginia (Mr. Robert C. Byrd): *Provided further,* That no amendment that is not germane to the provisions of the said resolution shall be received.
>
> *Ordered,* That a vote on the resolution shall occur not later than 4 p.m.: *Provided further,* That if an amendment, motion or appeal is pending at 4 p.m., the time for the vote on adoption of the resolution will be delayed until the debate allowed under the agreement on that amendment, motion or appeal has expired: *Provided further,* That after such pending amendment, motion or appeal has been disposed of, the vote will occur on the resolution without any other intervening amendment or motion.
>
> *Ordered further,* That on the question of agreeing to the resolution, debate shall be limited to 4 hours, to be equally divided and controlled by the Senator from Nevada (Mr. Cannon) and the Minority Leader or his designee: *Provided,* That the said Senators, or either of them, may, from the time under their control on the adoption of the said resolution, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

Mr. CANNON. Mr. President, what time remains on this side?

The PRESIDING OFFICER. Sixteen minutes to the side for general debate have been consumed.

Mr. CANNON. Mr. President, I thank the Chair.

Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. CANNON. Mr. President, the Committee on Rules and Administration has reported the proposed rule change to make it possible for standing committees to hold open sessions when marking up and voting on legislation, which they are forbidden to do at present under the Reorganization Act.

Mr. President, at the time the Reorganization Act was passed, it was hailed as a great step forward insofar as the holding of open meetings of the respective committees of Congress. Many of the committees did proceed to open up their meetings insofar as possible, except as to the executive sessions for the marking up of bills or as to the provisions of the Reorganization Act related to matters involving the security of the country or where personal matters were involved before the committee.

Senate Resolution 69 would amend rule XXV of the Standing Rules of the Senate relative to open and closed sessions of standing committees of the Senate. Specifically, the resolution would amend section 7 of that rule by inserting "(a)" after the number "7," and adding at the end of the paragraph a new section (b), as follows:

> (b) Meetings for the transaction of business of each standing committee of the Senate, other than for the conduct of hearings (which are provided for in section 112(a) of the Legislative Reorganization Act of 1970), shall be open to the public except during closed sessions for marking up bills or for voting or when the committee by majority vote orders a closed session: *Provided,* That any such closed session may be open to the public if the committee by rule or by majority vote so determines.

Section 133(b) of the Legislative Reorganization Act of 1946, as amended reads in pertinent part as follows:

> (b) Meetings for the transaction of business of each standing committee of the Senate * * * shall be open to the public except during executive sessions for marking up bills or for voting or when the committee by majority vote orders an executive session.

The problem here arose because of the interpretation of this section in the Legislative Reorganization Act, which has been interpreted by the lawyers as preventing a standing committee from deciding by majority vote or rule to conduct markup or voting sessions on an open basis.

This year two of the committees took such action to attempt to open up the markup of bills and they decided that they would have no closed sessions. However, as a result of this action, it was pointed out to the Congress and to the Members that there were grave difficulties from a legal standpoint as to whether this provision would hold up.

Senate Resolution 69 would permit any standing committee to decide by either majority vote or by adoption of a rule that it will hold open, public sessions when it marks up or votes on proposed legislation.

A letter in the nature of a report on Senate Resolution 69 from the Subcommittee on Standing Rules to the Committee on Rules and Administration, addressed to me as chairman of the committee, and a letter in support of Senate Resolution 58 addressed to me from Senator Metcalf read as follows:

> Hon. Howard W. Cannon,
> *Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.*
>
> Dear Mr. Chairman: On February 9, 1973, the Subcommittee on Standing Rules of the Committee on Rules and Administration met to consider Senate Resolution 58, a resolution to amend rule XXV relative to open and closed sessions of Senate committees. Present were Senator Robert P. Griffin and myself, a quorum. Senator Lee Metcalf testified in support of Senate Resolution 58, and a statement was submitted on behalf of Senator Adlai E. Stevenson III, by a member of his staff.
>
> When Senator Metcalf spoke in the Senate in support of Senate Resolution 58 on January 31 he said: "* * * the provisions of the Legislative Reorganization Act of 1970 are at least ambiguous as to the right of Senate standing committees to hold open hearings for the markup and voting upon Senate bills."
>
> I conferred with Senator Metcalf respecting Senate Resolution 58 and suggested a modification that seems to me to meet the purposes both of clarity in the Senate rule and latitude to the committees to open or close meetings as called for by differing circumstances. Senator Griffin, a member of the subcommittee, concurred with me and our proposed resolution meets with Senator Metcalf's approval.
>
> The amendment to rule XXV our subcommittee proposes would permit each standing committee by either majority vote or by rule to open markup or voting sessions.
>
> The subcommittee has acted quickly and has ordered my resolution reported to the full committee so as to avoid delay in con-

sideration of bills reported by committees under procedures which may be at variance with the existing rules of the Senate. At present the possibility exists that a point of order might be made that a committee in reporting a bill had failed to follow the procedure required by the rules.

ROBERT C. BYRD,
Chairman, Subcommittee on Standing Rules of the Senate.

The letter from the Senator from Montana (Mr. METCALF) reads as follows:

Chairman, Senate Committee on Rules and Administration, Washington, D.C.

DEAR MR. CHAIRMAN: Yesterday all the Senate members of the Joint Committee on Legislative Reorganization joined in cosponsoring Senate Resolution 58, introduced by Senate Chiles. The introductory remarks of Senator Chiles and of mine, state the problem.

Consideration of this resolution is a matter of some urgency. Already two committees of the Senate have indicated that they want open sessions for voting and for markup of bills. At least two other committees are considering the adoption of a rule permitting such open meetings. Perhaps there are more that have not come to my attention.

Under the Legislative Reorganization Act, committee rules must be published in the Congressional Record before March 1. In addition, a parliamentary question as to the authority of each committee to hold open and public markup sessions on a bill may be raised by a point of order on the submission of the first legislation emanating from a committee which has adopted an open rule.

The question can be readily and easily resolved by the reporting and adoption of Senate Resolution 58, or similar language. I hope the Senate Rules Committee can have speedy hearings on this resolution.

All good wishes and kindest regards,
Respectfully,
LEE METCALF.

Mr. President, it is in that context that the Committee on Rules and Administration has reported Senate Resolution 69 to the Senate for consideration. I point out that this would give the committees the authority, pursuant to those requests, to open the committee sessions to the public if the committee by rule or by a majority vote so determined.

This leaves it up to the vote of the majority of the committee to make that determination, either by that rule or by a specific motion, and we feel that is the way it should be. I submit that the resolution should be passed.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and request that the time for the quorum call be charged against both sides of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President——

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. ROTH. I yield myself 5 minutes.

Mr. President, Senate Resolution 69 is a step forward in removing the cloak of secrecy from executive sessions of Senate committees. It would certainly remove whatever amount of ambiguity exists as to whether specific committees can by their own rules determine to open markup and voting sessions to the public.

But though Senate Resolution 69 is a step forward, it is not in my judgment an adequate step. I believe that there are two serious defects with the resolution as presently worded. The first of these, and the most glaring, is that Senate Resolution 69 continues the presumption in favor of closed committee meetings rather than shifting to open committee meetings. This seems to me to be contrary to the logic and essence of American participatory democracy. The second defect is that it would not establish a uniform open-door policy for all committees and subcommittees. Let me discuss each of these defects separately.

When we meet in executive session we are certainly dealing with the public's business. Important decisions are taken that affect the form of the legislation under discussion; compromises are hammered out that make important changes in the scope and significance of legislation; voting is taken which may determine whether a piece of legislation is reported favorably—or even reported at all. This is a crucial part of the legislation process, and yet according to Congressional Quarterly, 98 percent of markup and voting meetings last year were closed to the public. I feel that this reflects more the force of habit rather than any deliberate intention to hide our business from public view.

It is my belief that in a democracy the emphasis should be on disclosure. This is true of the legislative process just as it is of the executive administration. The people have the right to know how we vote, how we shape legislation, and where we stand. This cannot be an unqualified right. There are times, of course, when there are compelling reasons for secrecy, as when vital national security issues are being discussed or when the business may tend to defame the character of an individual. But these should be the exceptions, and not, I emphasize, the general rule. Unfortunately, I am afraid that the passage of Senate Resolution 69, as reported by the Rules Committee, would continue to make secrecy the general rule.

The second defect I referred to was the lack of a uniform standard for openness. Under this resolution. each committee will be allowed to make its own rules concerning open and closed sessions, thus encouraging the development of a haphazard system of rules for each committee. These will reflect the prevailing prejudice of the committee majority in any one session of Congress rather than the nature and sensitivity of the business under consideration at any one time.

It seems to me only equitable that the private citizen should have the same basic right of access to all committees. This concern was part of the reason that Senator HUMPHREY and myself offered a resolution, Senate Resolution 22, that would have given the citizen such a right except in the case of national security issues or when an individual's reputation might be involved. I believe that this consideration also lay partly behind two other proposed pieces of legislation, Senate Resolution 65, which Senators STEVENSON and MATHIAS introduced, and S. 260, Senator CHILES' "Government in the Sunshine Act." Like Senate Resolution 22, this other legislation would have created a uniform code of openness, although the list of qualified areas were somewhat expanded.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. ROTH. I yield myself 2 more minutes.

Senate Resolution 69 is not an adequate response to two closely related and very serious developments—the erosion of public confidence in Congress and increasing public doubt that Congress is acting in a responsive and responsible manner. It is a matter of great concern to me as I am sure it is to all Senators, that recent surveys have shown a marked decline in public confidence in Congress as an institution. While this erosion has many facets, one major contributing factor has been the nagging doubt about what Senators may be doing and saying behind closed committee doors. The Senator from Tennessee (Mr. BROCK) put the problem very well last week, when he said:

> We can be as pure as the driven snow in our motives and actions. But if we act in secret, we will be suspect.

There are those who argue that open committee sessions will hamper the smooth flow of business and cause inefficiency in Congress. I would not discount these arguments for 1 minute, but I believe that, on the contrary, open committees will strengthen the Senate as an institution in many important ways. In the first place, openness should give new life to the links between the citizen and his Government. It will permit him to see his Senators as people in a more informal setting where much of the rhetoric that usually enshrouds legislation is stripped away and the real issues are more starkly revealed. This should give the citizen a greater understanding of the legislative process and the reasons behind the votes of his elected Representatives.

Second, openness will permit the individual private citizen the same right of access to committees as any organized lobby group has. I think this is extremely important, because of the widely recognized practice of appointing Senators and Congressmen to committees in which they have a considerable interest already because of local constituent interests. By increasing public access, these Senators and Representatives will become responsible to a larger public community.

Third, openness should permit a better flow of information within the Senate itself. Openness should also limit the extremely dangerous practice of selective and biased leaks of what goes on within executive sessions. A number of us have been subject to misrepresentation of our positions though sometimes to the good as well as to the bad. As the Washington Post said in an editorial last November:

> Given the power which committees wield, voters should certainly be able to find out

which legislators do what in committee without having the news filtered through self-serving leaks and selective announcements.

Finally, let me reemphasize what is now a familiar theme. Government behind closed doors has contributed to creating a wedge between the citizen and his Government. I feel that more and more the man or woman in Laurel, Del., or in Coos Bay, Oreg., or in any of the many thousands of other localities—both large and small—feels that the Government is a separate world. This Government appears to be responding more to the machinations of an impersonal and byzantine bureaucracy—whether it be a congressional bureaucracy or an executive branch bureaucracy—more than to the needs of the common citizens. It seems to have its own laws, its own modes of operation divorced from the people. The man or woman begins to feel that he or she is more a subject of this Government than its citizen.

This man, or woman sends his representative to Congress, but he has a difficult time keeping track of what that representative is doing. He may see him in a press conference, read his newsletter, follow his floor votes, but he cannot see or have access through the media to the give-and-take that is the stuff of American politics. This give-and-take occurs more in committee than anywhere else.

The PRESIDING OFFICER The time of the Senator from Delaware has expired.

Mr. ROTH. I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. ROTH. Mr. President, if we are going to expect this man's or woman's loyalty to the institutions of democracy, I think we are going to have to make a more concerted effort to give him access to the Government processes, wherever possible. Openness can help heal the gap between citizens and Government. It may entail some discomfort for us; it can put a little more pressure on us. But in the interests of good government, public accountability, and an informed electorate, I hope we will accept the small sacrifices it may entail.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally against both sides on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 2 o'clock p.m. today, with the time to be charged equally against both sides on the resolution.

The motion was agreed to; and, at 1:05 p.m., the Senate took a recess until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Scott of Virginia).

AMENDMENT OF RULE XXV

The Senate continued with the consideration of the resolution (S. Res. 69) to amend rule XXV relative to open and closed sessions of committees.

AMENDMENT NO. 23

Mr. ROTH. Mr. President, I send to the desk my amendment No. 23 and ask that it be stated.

The PRESIDING OFFICER (Mr. Scott of Virginia). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ROTH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the Record at this point along with a list of the cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of amendment No. 23 is as follows:

Beginning on page 1, line 5, strike out all through the end of the resolution and insert in lieu thereof the following:

(b) All meetings for the transaction of business, including sessions for marking up bills or resolutions, of each standing committee of the Senate or subcommittee thereof, other than for the conduct of hearings (which are provided for in section 112(a) of the Legislative Reorganization Act of 1970), shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, by majority vote conducted by rollcall, determines that all or part of the remainder of the meeting on that day shall be closed to the public.

The list of cosponsors of amendment No. 23 is as follows:

Birch Bayh
Joseph R. Biden
Bill Brock
Lawton Chiles
Dick Clark
Marlow W. Cook
Alan Cranston
Mike Gravel
Philip Hart
Floyd K. Haskell
Mark O. Hatfield
William D. Hathaway
Harold E. Hughes
Hubert H. Humphrey
Charles McC. Mathias
George S. McGovern
Gaylord Nelson
Bob Packwood
Charles H. Percy
William Proxmire
William V. Roth, Jr.
Robert T. Stafford
Adlai E. Stevenson III
John V. Tunney

Mr. ROTH. Mr. President, this amendment is a product of many minds. In particular, Senators Brock, Chiles, Cook, Humphrey, Mathias, and Stevenson have played an important part in its shaping. As I said earlier in the day, we feel very strongly that the public has a right to know about the public's business and that one of the most important parts of the public's business is the decisionmaking of Congress. I should like to emphasize that one of the most critical links of the legislative process is the so-called markup time or period when legislation is actually drafted in committee. I believe that a private citizen or a member of the press who now has the right to go into the Hall of the House of Representatives and the Senate Chamber to listen to debate, to hear the compromises, how Representatives and Senators vote, should also have the right to participate or at least to sit in on all aspects of a committee's business. That is what we are attempting to do by our amendment. We are attempting to shift the presumption of Senate Resolution 69 from secrecy to openness.

We recognize that there are exceptions to the general rule that committee business should be open to the public, and therefore we provide that if a majority agree that the business under consideration should be confidential, they can vote to hold the meeting in executive session.

But, as I say, we want to shift the presumption from closed meetings to open meetings and put the burden of proof on those who would close the meetings rather than on those who would leave them open.

Accordingly, our amendment would require that committee meetings, including the markup meetings, would be open except when the majority, by a rollcall vote, decides to close them. I think that openness will put the people in closer touch with the work of Congress, make Senators more accountable to their constituents, and will result in a freer flow of information not only between citizens and the Senate but also within the Senate itself. It will strengthen the Senate as an institution. It will give the private citizen as much information about the course of legislation as any organized groups now have.

But we have provided very clear safeguards in this amendment so that the privilege of executive session is not abused. The committee members must first meet in open session to vote on whether to close all or part of a meeting. A quorum must be present; a rollcall vote must be taken; and no such vote can be in effect for any longer than 1 day. I think these safeguards will ensure that the vast majority of committee meetings are open in the public and only a necessary minority are closed. The amendment is designed to provide openness without limiting flexibility.

Mr. President, you can tell from the cosponsors that this is a nonpartisan effort, except in the sense that we are all partisans of open participatory democracy.

Mr. President, I urge adoption of the amendment.

At this time, I should like to call upon the distinguished Senator from Kentucky (Mr. Cook), who is a member of the Committee on Rules and Administration, and yield him 5 minutes.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 5 minutes.

Mr. COOK. Mr. President, I thank my distinguished colleague from Delaware and say that we have debated this issue on many occasions in the committee, of which I am a member, and we also debated it in the conference committee at some length but came to no real conclusion as such.

I have found, in my period of time on that committee, that we would have been far better off had we had open meetings.

The reason we would have been better off is that we had, somehow or other, individuals who wanted to come to closed meetings for no other reason than the fact that they were closed meetings. We found that the room was full of staff personnel who had nothing to do with the bill that was being marked up but they happened to be there. I must confess there is some attraction to wanting to be in a place where one is not supposed to be, or at least appear to be in the position of being somewhere where one is not supposed to be.

Another fact that becomes obvious is that when we have a closed markup meeting, we do not have the markups available to the public, yet somehow or other the public reads about them in a distorted way. We might, for instance, read about a discussion that occurred yesterday or the day before in Jack Anderson's column. When he gets through with his brush and pen, we would not recognize what we had said the day before, or what our colleagues had to say. So I might suggest that this would take care of these secret little people we have around the Capitol and around the buildings—it would take care of these little people who leak information in all sorts of ways, because they would not have to give it to Jack Anderson or someone else to make it public. We would make it public by making it public legislation. After all, we are the ones who are about the public's business.

So, Mr. President, as a cosponsor of amendment No. 23, I rise to support the efforts by Senator Roth and others to amend Senate Resolution 69. In so doing I find myself in opposition to report No. 93-43 from the Committee on Rules and Administration of which I am the ranking minority member. However, I hasten to add, that my action is entirely consistent with the position I have always taken in regard to open sessions of committees and subcommittees of the Senate.

Senate Resolution 69, would amend rule XXV by requiring that all meetings of the standing committees of the Senate, other than the conduct of hearings, shall be open to the public except during closed sessions for marking-up bills or for voting or when the committee orders a closed session. The resolution provides that any such closed session may be open to the public if the committee by rule or majority vote so determines. While it purports to encourage open sessions, I submit to my colleagues that the thrust of this resolution is to encourage closed sessions as it requires a positive action to open specific sessions to the public.

The purpose of the amendment to Senate Resolution 69, is to reverse the emphasis of the existing rule from closed sessions to open sessions. It provides that meetings, including mark-up of legislation, of each standing committee of the Senate or subcommittee thereof, other than for the conduct of hearings, shall be open to the public except when the committee or subcommittee in open session and with a quorum present determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public.

Mr. President, I do not quarrel with the legality of the action taken by the Committee on Rules and Administration and I submit that the action in reporting Senate Resolution 69 was entirely within the rules of the Senate. However, I think it a bit strange that a proposal as important as Senate Resolution 69 reached the floor of the Senate without this Senator's notice. I must accept part of the blame for this failure.

On February 20, 1973, the Rules Committee met in morning and afternoon sessions for the primary purpose of considering the budgets for the various committees of the Senate. As such, these meetings were tedious and demanding as they dealt with the lifeblood of the committee system. I was present for the entire morning meeting. However, because of other committee hearings I could not attend the afternoon session. On page 2 of the agenda for February 20, was an item which I quote as follows:

> Original resolution to amend rule XXV of the Standing Rules of the Senate relative to open and closed sessions of the committee.

From this rather innocuous item, we have before us what we now know as the very important Senate Resolution 69.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROTH. Mr. President, I yield 2 additional minutes to the Senator.

Mr. COOK. A review of the record of the late afternoon meeting of the Rules Committee indicates that the subject was introduced with the statement that it could be disposed within 2 or 3 minutes and the sum total of three short pages of discussion were devoted to this far-reaching resolution before it was approved and sent to the floor. The low key in which the action was played is highlighted by the question by one member, included in these three pages of discussion, to the effect "was this on the agenda for today?"

Unfortunately, I was not present when this very brief discussion took place in the afternoon executive session of the committee. I make no apology as I had other demanding commitments. Had I been present, I would most assuredly have spoken and voted against it. I emphasize "executive session" because such sessions cut to the heart of the problem we are facing.

I have checked the available records and to my knowledge there have been no open sessions in the Subcommittee on Standing Rules which would have permitted open dissent with Senate Resolution 69. This is difficult to ascertain as the subcommitee meeting was not recorded. Again I admit that this action did not violate any rule of the Senate.

Mr. President, it is the very fact that no rule was violated that is of concern to me. If open meetings are not held by standing committees wherein the public participates by its presence, then I do not see how this body can be responsive to the American people.

The function of the congressional committee hearings is to represent the views of the public concerning various pieces of legislation. Unfortunately, the committee's accountability to the public is clouded by the extent to which these hearings are held behind closed doors. I believe that open hearings will promote public confidence in our elected officials and help to bridge the gap between these elected officials and their constituency.

To promote this policy change, I was pleased to cosponsor S. 260, the Government in Sunshine Act when it was introduced by Senator Chiles early in this Congress. This act provided that meetings of Government agencies and of congressional committees shall be open to the public except when the subject matter of the meeting involves the national security.

I also cosponsored Senate Resolution 22 introduced by Senators Humphrey and Roth which provided that all meetings of Senate committees and subcommitees be open to the public.

Mr. President, I did think it necessary that this Senator, as the ranking minority member of the Committee on Rules and Administration, clarify the record as to the role he has played in the action which brought Senate Resolution 69 to the floor.

Mr. President, the House has wrestled with this problem, and the House has solved it. I do not think we ought to do it in a negative manner. I think we ought to do it in a positive manner. We ought to show the American people that when we say meetings should be open to the public, that is exactly what we mean.

Mr. ROTH. Mr. President, I ask unanimous consent that Charles Morrisson, of my staff, have the privilege of the floor during the remainder of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, will the Senator yield some time to me on this proposal?

Mr. ROTH. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota, who not only is a cosponsor of this amendment but also played a vital role in connection with the pending measure.

Mr. HUMPHREY. Mr. President, I am very honored to have the opportunity to support and to cosponsor the amendment that is before the Senate, which has been offered by Senators Brock, Chiles, Cook, Mathias, Roth, Stevenson, myself and a number of others.

On January 18, 1973, I introduced, with Senator Roth and 17 additional cosponsors, Senate Resolution 22. Those cosponsors are Senators Abourezk, Biden, Brock, Clark, Cook, Cranston, Gurney, Hart, Haskell, Hathaway, Hughes, Mondale, Packwood, Percy, Stafford, Tunney, and Bayh.

Senate Resolution 22 is similar to the pending amendment to Senate Resolution 69. It provides:

> *Resolved,* That the Standing Rules of the Senate are amended by adding at the end thereof the following new rule:
>
> "RULE—
>
> "OPEN MEETINGS OF COMMITTEES AND SUBCOMMITTEES
>
> "All meetings of all Standing, Joint, Special, and Select Committees and their subcommittee shall be open to the public, except when the subject matter of the meeting in-

volves the national security, and then only when a motion to meet in executive session shall be adopted by majority vote of the members of such committee who are present at the meeting; and except meetings of any committee or subcommittee in which testimony or evidence presented or considered may tend to defame, degrade, or incriminate any person, in which case such testimony or evidence shall be recieved and considered in executive session, and then only when a motion to meet in executive session shall be adopted by majority vote of the members of such committee who are present at the meeting."

Mr. President, Senate Resolution 22 was referred to the Committee on Rules and Administration. The Record should indicate, also, that early in this session, Senator Chiles reintroduced his Government in the Sunshine Act which provides for open sessions of congressional committees. Many Senators, of which I am one, cosponsor this measure.

In addition, Senators Stevenson and Chiles have introduced important legislation to require open sessions of committee meetings.

I regret to say none of these proposals were accorded hearings prior to the reporting by the Rules Committee of Senate Resolution 69 on February 21. This certainly gives rise to the question, which need not be answered today but which certainly deserves an answer: Does the Senate wish to consider all changes to the Rules immediately on the Senate floor without reference of such proposals to committee for appropriate study? For my own part, I believed the proposal for open committee sessions embodied in Senate Resolution 22 was important enough to give all Senators and the public notice of it and then to encourage full consideration in public hearings.

Mr. President, this procedural question, important as it is, does not begin to compare in importance with the substance of the issue before us. Senate Resolution 69 as reported by the Rules Committee is only a timid step toward open Government. It merely provides, in substance, that each individual standing committee may by rule or majority vote open its markup or voting session to the public. But this rule provides that the markup and voting sessions are otherwise closed, and that a vote to open a session be taken in closed session.

In other words, Senate Resolution 69, as reported by the Committee on Rules, is directly in contradiction of the general open sessions policy proposed in the Humphrey-Roth resolution, the Chiles bill, and the Stevenson-Mathias proposals.

The amendment to Senate Resolution 69 would set this rule on its feet, Mr. President, not stand it ineffectively on its head as Senate Resolution 69 proposes.

The rule should be that all markup and voting sessions are open to the public unless otherwise ordered with good reason and by public record vote by a majority of the committee quorum present. That is what the public interest in an accountable Congress requires. That is what our amendment provides:

(b) All meetings for the transaction of business, including sessions for marking up bills or resolutions, of each standing committee of the Senate or subcommittee thereof, other than for the conduct of hearings (which are provided for in section 112(a) of the Legislative Reorganization Act of 1970), shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, by majority vote conducted by rollcall, determines that all or part of the remainder of the meeting on that day shall be closed to the public.

In other words, what we have here is a situation in which the resolution before the Senate, reported by the committee, requires that if you want an open session, you shall have a special vote in a closed session of the committee to order it.

The amendment on which we will vote shortly, proposed by Senator Roth, myself, and others, states as the general rule of the Senate that all committee sessions are open, since we are doing public business, accountable to the public, unless the Senate committee adopts by rollcall vote in open session a resolution to close the session, for example, because of national security reasons or because there might be information that could be of some particular damage to a witness.

Mr. President, we are talking about the critical stages at which the Congress conducts the public business—the markup and voting sessions. That is where, in surely 98 percent of the decisions made by committees, the public is excluded.

Please note that the amendment we support does not insist that every hearing be automatically open. In some committees there are regularly held hearings for which a closed session is justified. We would not require a general Senate procedure in this respect. But we do believe a general procedure governing all standing committees which requires open markup and voting sessions is an essential attribute of a responsive and accountable legislature.

Allow me to summarize the benefits of an open-sessions policy, as I see them.

Senators, as committee members, will be fully accountable to their constituents at the crucial stage of the legislative process, both as to their leadership within committee and their votes.

An open-sessions procedure will increase public respect for the legislative process and for the Congress as a whole.

The elimination of secrecy will strengthen legislation by making expert points of view available in the crucial moments when a bill is written in final committee form.

Open sessions will increase the influence of the informed public and of public interest groups in open competition with the executive branch and the special interests who now have special access to markup sessions in many cases.

Open committee and subcommittee sessions will provide insurance against hidden provisions or poorly drafted ones in legislation reported to the Senate.

Full access to committee sessions will improve the reporting and understanding of legislation by the news media.

Now, Mr. President, we have heard several arguments, at least implied, against our open sessions amendment.

But we have heard very little assertion, of course, that the public has no right to know what goes on in markup and voting sessions. To agree with such an assertion would be the same as saying "the public has no right to know any position or vote of a Senator until he chooses to let the public know." It asserts that the Congress is an institution designed to keep legislators protected from accountability to the voters. That is not the right to information about Government, not the accountable Congress, which the public expects.

Instead, it is protested that an open markup sessions rule would merely result in earlier, secret meetings to make decisions now made in closed markup sessions.

First of all, Mr. President, I would not malign my colleagues by arguing that the spirit of the open sessions rule would be willfully and massively obstructed. I think Senators would find that the rule would not be so onerous. I would give Senators the benefit of any doubt that they now do so many things in markup sessions which could not stand the light of day—the "sunshine" our colleague from Florida speaks of. Certainly, some private discussions occur between Senators now and would occur under our open-sessions rule. But the official actions of the formal subsidiary bodies of Congress—the committees and subcommittees—would be accountable.

Mr. President, the Democratic caucus in the House of Representatives has adopted a rule similar to the one we propose. It will be considered by the House Committee on Rules soon.

But regardless of the action in the House, this body should lead the way to open, accountable Government. I urge the adoption of our amendment to require the same rule of accountability for all arms of the Senate, for all Senators.

If we agree to Senate Resolution 69 as reported, we agree to make some committees and some Senators "more equal than others." If the decision whether to be accountable is left to a majority of each committee, as Senate Resolution 69 proposes, rather than taken up and decided by a majority of the Senate as a whole, as my colleagues and I propose, then some committees will not be accountable. They simply will not open their work to public scrutiny. We know that.

Moreover, an intolerable burden will be placed on those individual committee members who believe in open Government and who will be forced to urge open sessions within their committees without the support of the Senate.

Mr. President, several committees have made progress on their own and they should be commended. But this is no substitute for the Senate declaring and enforcing the right of the people to democratic decisions in Congress, openly arrived at.

A vote for our amendment is a statement of belief in democracy, of belief in the right of people to know the facts and to make their own decisions through representative government. This is good legislation, in the public interest. We have nothing to hide, and I think it can promote a much better procedure in Congress.

Mr. ROBERT C. BYRD. Mr. President, I yield 5 minutes to the distinguished Senator from Montana, but before I yield I ask for the yeas and nays on the amendment by the Senator from Delaware (Mr. Roth).

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. METCALF. Mr. President, let us get this amendment in perspective. When the Legislative Reorganization Act in the 90th Congress was before the Senate under the leadership of Senator Monroney, he accepted an amendment on the floor that was supposed to open up and make more public the various sessions of committees. Senator Yarborough, who submitted that amendment, was very much concerned about open hearings. In the 91st Congress the bill subsequently came to the Senate from the House of Representatives and the old Senate bill never went to committee. We proceeded on the basis that the Senate bill from the previous session should be considered as the committee report and worked on that bill.

This section of the law that is before us (sec. 133(b)) was not debated or discussed. All of us, as the chairman of the Committee on Rules and Administration has already suggested, thought that the Legislative Reorganization Act was opening up committee meetings and providing for open hearings for all committees and opportunities for open markup and voting.

Then, this year when two committees, at least, of the Senate voted to bring about open executive meetings, open markups, and open voting it was suggested that a point of order might be raised against any such bill as reported as violating the rules of the Senate. The language is at least ambiguous. The easiest way to resolve that uncertainty was to amend the rules of the Senate so it would be possible to have open markup or voting without violation of the rules of the Senate.

I must commend and applaud the Committee on Rules and Administration for acting very promptly in view of the urgency of the situation. Under the Reorganization Act Senate rules are supposed to be filed by March 1. Some committees of the Senate had already adopted rules that provided for open markups and open voting and, of course, that raised the question of a point of order being referred to the floor of the Senate and a question of whether or not in perhaps some litigation concerning the bill, whether the bill was passed in accordance with the rules of the Senate. Therefore, the Committee on Rules and Administration very promptly acceded to the urgency of the situation and tried to pass an amendment to rule XXV that would take care of the rules presented by the ambuiguity of the Legislative Reorganization Act.

Now, Mr. President, make no mistake about it. This is a rule for open hearings; this is a rule for open voting; this is a rule for open markup of bills. All other discussion one way or another is irrelevant. This is an attempt on the part of many of us to bring to the Senate the proposition that we should have open markups, public voting and open hearings; complete openness before the people of the United States. But this is also a recognition of the sovereignty and the autonomy and independence of the various committees of the Senate.

So the rule that was reported provided that the Senate can have open hearings can have open markup and open voting.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I yield 3 additional minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator is recognized for an additional 3 minutes.

Mr. METCALF. The rule that was reported provided that the Senate can have open hearings if the committee by vote or rule provides for such hearings. The Senate can have open markup and open voting if by rule and open vote they can do that. But it does preserve the independence of the various standing committees. This is a resolution for an open rule; this is a rule for independent public markup and public voting.

I know that the Committee on Interior and Insular Affairs has already unanimously voted for public markups and public voting, and, on another committee on which I serve, I hope we will be able to muster the votes to adopt the rule for openers. I do not know whether on all committees it will be possible to obtain such a majority vote. I am not familiar enough with the activities of some of the committees to know whether that will be possible, or even advisable.

The committees on which I serve should be open to the public. I am going to try to muster the majority vote that is necessary to get that vote when Senate Resolution 69 is adopted. But some committees may not want to adopt such a rule and that should be within the power of a majority of such committee.

But the amendment does only one thing. It merely provides that each standing committee of the Senate shall have an opportunity to vote on whether its votes or its markups shall be open.

Again, make no mistake about it, this amendment to the rules of the Senate provides for open public markups and open public voting in the committees of the Senate, if any Senate committee can muster a majority vote for that purpose.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Montana for his statement in opposition to the amendment offered by the distinguished Senator from Delaware (Mr. Roth).

Does the distinguished Senator from New Hampshire (Mr. Cotton) wish me to yield time to him in opposition to the amendment?

Mr. COTTON. Yes.

Mr. ROBERT C. BYRD. I yield 5 minutes to the distinguished Senator from New Hampshire in opposition to the amendment.

Mr. COTTON. I merely want the time to ask a couple of questions, in order to clarify my own thinking.

Is the amendment offered by the distinguished Senator from Delaware in such language that markups or voting will be open unless the committee votes to close the meeting?

Mr. ROTH. That is correct.

Mr. COTTON. As a practical matter, provided a quorum of the committee is obtained in advance of such a session, there might be a committee room partially filled with members of the public when the committee meeting is called to order.

Can the Senator from Delaware imagine, in one of those circumstances, any Senator, no matter what logic or reason he may have for doing so, getting up to make a motion to drive the public out?

Mr. ROTH. I would answer the distinguished Senator from New Hampshire by saying that I would hope that any Senator who feels that there is a compelling reason to move to close a session would do so. I must say that I fully expect, if we are successful in having the amendment agreed to, to vote for a closed session in such circumstances. Certainly I would have no hesitancy in doing so if we are considering a question of national security or a question of the privacy of individuals. I can think of many circumstances when each one of us should have the courage to vote to close the session.

Mr. COTTON. I thank the Senator for his answer.

Mr. MATHIAS. Mr. President, will the Senator yield for a further comment?

Mr. COTTON. Yes, I yield.

Mr. MATHIAS. I just wish to point out that this is, of course, exactly what happens in the Chamber. It is the procedure we have followed on several occasions within the past several years. A motion is made on the floor to have the Senate go into a closed session. If the motion is seconded, the occupants of the galleries are requested to leave and the members of the press leave the press gallery when some highly sensitive item is to be considered or adopted on the floor. So it is not a new procedure in the Senate.

Mr. COTTON. Sometimes there are other perfectly logical reasons for closing a meeting so that Senators can fully and frankly exchange their views, other than for the consideration of classified material or something affecting the safety and security of the country.

My second question, however, is this. The Reorganization Act, if I am correctly informed, excepts the Committee on Appropriations, but the amendment offered to this measure by the Senator from Delaware does not except the Committee on Appropriations. Is that correct?

Mr. ROTH. That is correct.

Mr. COTTON. There are very practical, real reasons why the Committee on Appropriations, in marking up sums of money for various programs, might find it disastrous to have those meetings open. I think there is a real reason why they were excepted in the Reorganization Act. For instance, many times when we are having meetings in the Appropriations Committee when we are marking up appropriations, we say, very frankly, to each other, "We think this program should be financed to the extent of x number of dollars and we think any lesser amount would not be fair to the program."

We know that when we go to the committee of conference, the House is going to cut us and we are going to have to compromise. Therefore, we say, "Let us put in so many dollars extra, beyond what we think is the correct number of dollars, so that when we get to the conference we have something to trade on and can come back with a figure that we honestly believe should be provided for this program."

While that kind of exchange is absolutely legitimate and is the way to work toward a proper goal, can Senators imagine how it would impress the public, unacquainted with the difficulties of the appropriation process? Can my colleagues imagine what the newspapers would do with it? Can they imagine how it would be distorted and how they would say, "Senator So-and-So got up and said they should appropriate x dollars more for this program because he is sure the House will cut it, so he voted for $12.5 million rather than $10 million, in order to give away $2.5 million when they get to conference"?

That is one of the many practical matters to consider. They are not dishonest methods; they are necessary in the appropriating process.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I yield 1 minute to the Senator.

Mr. COTTON. What does the Senator say about including the Appropriation Committees in his amendment now? Has he taken that into consideration? Some of us have spent years on those committees and we know how hard it would be for the public to understand some of the things we have to do in dealing with particular appropriation problems.

Mr. ROTH. I would answer my distinguished colleague and good friend, first of all, by pointing out that one of the cosponsors of my amendment is a member of the Committee on Appropriations, the Senator from Wisconsin (Mr. PROXMIRE).

Second, I would like to point out that this is one of the very areas where there should be, to use the expression of my colleague from Florida, sunlight brought on what Congress is doing. There is a great deal of expression to the effect that Congress is not exercising its responsibility in the budgetary areas. It seems to me that if we are going to meet that responsibility—which I hope we will do—then it is incumbent upon us to have the courage to vote our convictions and to be perfectly willing to vote for what we think is best for a particular program.

I may say it is my practice, even though I dislike doing it, to vote against appropriations——

Mr. COTTON. The Senator is using up my last minute. I simply want to say it is not a question of courage; it is a matter of being able to perform committee functions that would be completely impossible for the public to understand.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CANNON. Mr. President, I yield 1 minute to the Senator.

Mr. COTTON. I thank the Senator.

Members of our committee likely listen to more testimony than any other committee; in fact, that Labor-HEW subcommittee, on which I serve with the senior Senator from Washington, probably compiled more testimony than any other subcommittee in the last Congress. The hearings are always published for the use of the Senate and public.

Their vote is now reported. But if this amendment is adopted, in my opinion it would simply mean that the discussions that lead up to this vote—and perhaps it would be true in some other committees than this one—would just be driven underground. What would happen is that they would have to provide a meeting first to discuss the practical considerations of going to conference with the House and what is going to happen to this program or that program.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. CANNON. Mr. President, I yield 1 minute.

Mr. COTTON. Then it would go into a public performance, where the public would be allowed to hear exactly what one wishes to advance.

I support the bill as reported by the Committee on Rules and Administration. As a matter of fact I will vote nine-tenths of the time to open up the proceedings of my committees. But I must oppose the amendment of the Senator from Delaware because his amendment would keep the sessions open unless the committee voted to close the meeting. I would hate to find a room full of interested persons and have to move to put them out. That is the practical difference between his amendment and the bill as presented by the committee.

The Rules and Administration Committee has given careful consideration to this and has met this issue in a responsible and constructive way that will open many of our proceedings to the public. However, when it is necessary to have a frank and healthy exchange of views among the members, the committee could also go into executive session.

Every Member of this Senate was sent here by a majority of the voters of his State who selected him because they trusted him. How can we expect people to trust us if we do not trust in each other?

Mr. CANNON. Mr. President, I yield 5 minutes to the Senator from Missouri.

Mr. SYMINGTON. I thank the able Senator from Nevada.

Mr. President, I would ask the Senator from Delaware several questions after making a few comments. I have served on committees where I believe the amendment, as offered, would not be out of order; but the amendment worries me from the standpoint of how it would operate in other committees on which I now serve.

How would this amendment affect the Joint Committee on Atomic Energy?

Mr. ROTH. The resolution which we are amending involves only standing committees, and not the joint committees.

Mr. SYMINGTON. If something is to be done in this field, I think it unfortunate the joint committee is not included. There is a committee where secrecy, in my opinion, has possibly cost the American taxpayers more unnecessary money than any other committee in the Congress, because the American people still do not realize the degree of the lethal capacity of these new weapons.

My second question would be——

Mr. ROTH. Mr. President, if the Senator will yield, I would be happy to join him in an effort to get an open rule with respect to those committees.

Mr. SYMINGTON. I believe it would also have to be discussed with the House.

Would the Senator consider exempting markups from the amendment, so the amendment would simply read against hearings and meetings which were not markups. I agree with the able Senator from New Hampshire that it would be difficult to mark up in open session, an appropriation bill on, say, foreign aid, especially military aid. I also believe it would be difficult to mark up certain parts of a military bill in open session.

On the Armed Services Committee, of which I am a member, it would be difficult to discuss in open session certain aspects of national defense. The idea the full Senate would leave this up to the committee in question worries me from the standpoint of the position of the entire Senate on matters of that character.

I say to the able Senator from Delaware, if he would eliminate markups, I would support his amendment. But I cannot support it if he includes markups of bills.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROTH. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 3 additional minutes.

Mr. ROTH. Mr. President, I would point out that it is one of the principal thrusts of the amendment, in all candor, that it should include the markup. It seems to me that this is one of the most critical links of the legislative process. Basically that is where the legislation that is reported to this body comes from. If we eliminate the markups, we would be gutting the whole thrust of the proposal.

We are trying to show that we think the public, the private citizen, and the members of the press should have the right to sit in on that process. So, I respectfully decline.

Mr. SYMINGTON. I thank the Senator from Delaware.

Mr. ROTH. Mr. President, at this time, by prior request, I yield 3 minutes to the senior Senator from Maryland.

The PRESIDING OFFICER. The senior Senator from Maryland is recognized for 3 minutes.

Mr. MATHIAS. Mr. President, I would like to applaud the members of the Committee on Rules and Administration for the action that they have taken in bringing this resolution to the floor. The Committee on Rules and Administration has taken a progressive step toward congressional reform because it recognizes the fact that it is a matter for thoughtful consideration as to whether or not committee meetings should be open or closed. And they have provided at least the opportunity for members of the committee and of the Senate to make that judgment.

What we are really talking about here is simply the presumption which precedes that vote. Are we going to presume that the conduct of the people's business, which they certainly should be able to witness, should be closed unless a decision is made to open the meeting?

I personally feel that I would like to go an extra step from that which the committee has taken. However, the committee has moved and it should be applauded for that.

As I listen to the debate here, there is a little bit of an echo to those of us who have read the debates which took place nearly 200 years ago as to whether or not there should be a public gallery in the Senate or whether the Members of the Senate should be exposed to the public view as they discuss a question. The arguments made here are the same as the arguments made then as to whether the Senate should have a gallery. The public may not find the debate interesting or edifying, but at least they will see what happens. That is the important thing, that they know what goes on. The important thing is not what goes on behind closed doors, because what goes on behind closed doors may be different. Instead of the wheeling and dealing and hijinks, the fact is that it is sober and serious stuff. We have to dispel the idea of the public that something wrong or reprehensible is going on behind closed doors. We should let the public look at it.

There is nothing occurring there that we should be ashamed of. I think that, by and large, with the exception that the amendment is too general, we should open the doors so that people do not have to imagine what is going on, but can see it. It is their business, and they have a right to see it. Why not open the doors? It is as simple as that.

I believe that the amendment is right. I believe that it will go a long way toward restoring confidence in Congress, which is a matter in which not only we as Members of the Congress have an interest, but also every citizen has an interest, because this is an integral part of our Constitution.

Mr. ROTH. Mr. President, I yield 1 minute to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 minute.

Mr. COTTON. Mr. President, I want to say to the Senator from Delaware, for whom I have great respect, that he is only scratching the edges. There is one place in which there is wheeling and dealing, in the words of my friend, the Senator from Maryland, or in which the back scratching takes place, and it is not in the Senate committees. We can be very pious and hold up our committee hearings to open view, but it would take a joint resolution to open up the committees of conference that meet to compromise the different versions of a bill as passed by the two bodies of Congress. If we pass such a resolution, the public will really get a look into the internal workings of the Congress. If we want to really go into length and really open up the secret places, there is a place where we have dickering, and that is a place in which we trade back and forth. That is a place in which one Congressman gets something for his State and swaps something else for somebody else's State.

Therefore, if we open up the Senate committee sessions before they come to any conclusion, we should not fail to follow up with a joint resolution to open up the real inside workings where 10 times more dickering and wheeling and dealing takes place, and that is not in the Senate committees, even in the Appropriations Committees, but in the conference committees.

I would love to have the public see some of the sessions that we have had. I am afraid that if they are ever open to the public it would take 6 months to ever come to an agreement. I believe if visitors witnessed these proceedings they would leave here the most bewildered and confused people on the face of the earth.

Mr. ROTH. Mr. President, I will answer the question raised by the Senator from New Hampshire and will then yield to the Senator from Florida.

I agree that this is only one step in opening up the governmental procedure. As one who feels very strongly that the executive branch should also open up its doors, I think we are not in a very good position to be critical of others unless we are willing to do the same thing with regard to our own proceedings.

I say to the Senator from New Hampshire that I hope we will move forward. I understand that the House side is moving forward on the House hearings.

Mr. President, I yield 1 minute to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 1 minute.

Mr. CHILES. Mr. President, I have introduced a bill in which there are some 24 cosponsors. That bill would reach the problem of the conference committees that the Senator has mentioned, as well as the committees of the House and the Senate, and would deal with the executive branch and let a little sunshine into all of this. And I think that the public should be free to look and see what is going on in Congress. I think that if they were, they would do something about it in the future.

Mr. CANNON. Mr. President, I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. TOWER. Mr. President, this measure has been referred to as progressive reform. Reform it is. However, progressive it is not, because I foresee that this type of proceeding, opening up markups, will actually prolong the work of the Congress.

I can foresee that before every vote that is taken during the markup session, each individual Senator will have to make a speech to justify his particular position on that vote. And I foresee, also, that every individual Senator is going to have to be zealous in his advocacy and defense of some narrow, parochial interest that, in a private session, he might be subordinate to the greater good of the work of the committee, but which, for the sake of his own political viability, he cannot do if these meetings are to be made public.

Now, if these proceedings are to be made public, we can count on our authorization and appropriation bills getting bigger, and bigger, and bigger, because when any Senator or a committee has the opportunity to advocate some sort of authorization or appropriation for some narrow constituent matter in his State, make sure that he will feel impelled to do so or subject himself to criticism by that special or narrow constituency or locality in his State, where you meet is of some local importance.

So I do not perceive that this is a progressive step at all. It is a regressive step from the standpoint of the orderly conduct of Senate business.

If we are going about this totally and effectively, so that the proceedings will not be driven underground, as suggested by the Senator from New Hampshire, I think we should make it a rule that no more than two Senators in this Congress can assemble without that assembly being open to the public.

If we really want some smoke-filled room politics involved in committee business, let us adopt the proposal of the Senator from Delaware, because I can foresee that there will be caucuses of members of the various committees in their private offices about some legislative determination that, because of the sensitive nature or the politically charged nature of the matter, cannot be made in a public markup.

So I wonder if the Senator from Delaware would not carry his proposal a step further, and make it contrary to the rules for more than two members of a committee to gather without serving adequate notices and providing for a public audience. I think that, then, would carry the idea of sunshine into all of our proceedings even further. Or we might even go a step beyond that, and provide that all telephone conversations of Senators must become a matter of public record and be published, or all private conversations between Senators.

I think we are carrying this thing to a ridiculous extent, if we adopt the proposal that has been offered here. Furthermore, men are going to speak with greater candor, I think, when they can speak in the privacy of a committee room than if they have to speak for an audience. And I can foresee that some Senators—none who are here now, but some who might be elected in the future—would be tempted to some kind of demagoguery during a markup and indulge in some kind of public grandstanding, trying to make a record for themselves with the press.

So, as I say, I think this is not a progressive step at all, but indeed a regressive step, and one the necessity for which is obviated by the fact that on the floor of the U.S. Senate we have no closed rules. Any Senator can offer amendments to any bills. There is free and open debate on those amendments, and the way Senators vote and the stands they take are matters of public record. Indeed, the votes they make in committee are now a matter of public record.

So I would urge the Senate not to inhibit its business by adopting the proposal of the Senator from Delaware.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I yield 5 minutes to the Senator from Rhode Island.

Mr. PELL. Mr. President, having listened to the debate for a while, and having heard the proposal of the Senator from Delaware, I would say there would be an analogy if we were to ask the executive branch to open up Cabinet meetings, where the decisions are made, to the press or the meetings of the department heads with departmental officials where the decisions they will put forward are made.

I submit that what would happen here, if we were to do this, with all the markup sessions that occur, is that we would not find the general press in attendance at those meetings, but we would find representatives of the special interests at the meetings, each looking out for the interests of their groups.

I know sometimes when we have had open meetings of executive sessions, but not markups, in the Rules Committee or in the Committee on Foreign Relations, the press attendance, unless it is a spectacular subject, has been very modest. We had some meetings the other day that were open to the public and no press at all bothered to come. If we were to open all these meetings, those who would come would have a special ax to grind, and each would make sure he exacted his pound of flesh from the legislator with whom he had an ax to grind.

We would also find that the meetings that would really bring views together would take place, not in the committee rooms, but in the halls outside the Chamber. I believe if that occurs, the interests of the people would be harmed. It would, as the Senator from Texas said, very much prolong the legislative process. It would insure that the lobbyists would really make sure that they got their pound of flesh out of their Senators and Representatives, and I do not think it would have any beneficial effect.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I yield 5 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, it has been my experience in government that the scarcest commodity among legislators is intellectual courage. It is sometimes very difficult to get Senators, Representatives, and other legislators, to do what their conscience tells them is right, for fear that they might be misunderstood.

I can recall, some years ago, when President Truman dismissed General MacArthur from the conduct of the war in Korea. I do not recall any greater hysteria that ever seized the Nation more than that. It was suggested that when General MacArthur came back to testify on the conduct of the war, that there should be an open meeting in front of television, so everyone could see it.

There is no doubt in my mind that if that meeting had been held in public and on television, General MacArthur would have been the next President of the United States. If General MacArthur had asked for it, my guess is that it would have been held in public. But that great American did not ask for it, for a very simple reason: I think he knew, just as everyone who was troubled in his conscience about this matter knew, that there was grave danger that the open testimony of witnesses about the conduct of that war in Korea could cost us the lives of Americans on the battlefield.

I recall we were walking back to vote or answer a quorum call about that matter, and I asked the Senator from Mississippi (Mr. STENNIS)—who is unfortunately not able to be with us at this time—how Senators, knowing that this could cost us lives, could yield to the pressure and the political desires of that moment to vote that that hearing on the conduct of the war, as controversial as it was, be conducted where any slip of the tongue of a witness honestly discussing differences of opinion might cost us the lives of a great number of Americans.

I recall Senator JOHN STENNIS, on that occasion—and I have repeated it to Senators from time to time since that time, because it amused me in some respects—shook his head and said:

> Russell, sometimes you have to vote to save this country even if it is not popular.

I believe that is the sort of situation we have here. There are some times when that Armed Services Committee is going to have to close its doors to discharge its duty to the country. There are some times when the Committee on Foreign Relations is going to have to close its doors, if it is seriously trying to protect the interests of the Nation. There are times when the Committee on Finance is going to have to close its doors, to protect the interests of the country and discharge its obligations. We in the Finance Committee have had only one closed meeting this year, since people started talking about more openness. But in that meeting, here was a man from the executive department on his way to negotiate trade agreements in behalf of the United States, prepared to tell us what his objective was, and what he hoped to accomplish.

Mr. President, if you have a negotiator tell a committee in public what his first position is, what his second position is, what his third position is, and what his final fallback position is, before the negotiation starts, then on the day he opens negotiations, he will be at his final fallback position, and his opposite number will not have backed away from their first one.

We have heard complaints that the Executive will not take the legislative into its confidence. Mr. President, if you are talking about negotiating a trade agreement or a treaty with another nation, obviously the Executive cannot take us into his confidence about that sort of matter, if he feels that we would violate that confidence or disclose that information prematurely.

As to this argument of openness, yes, I say it is fine, provided it is used in a way that we are not victimizing the Nation's interest. But, Mr. President, it can be overdone. I know, Mr. President, that I have called on people to help get together a crowd of people to support one side or the other side at public meetings. There have been meetings when such tactics have been very successful. If the other fellow is going to use it against me, then I will use it against him if I can. I think everyone in the conduct of government, in city councils, in commissions meetings, and other things of that sort in their hometown have seen that kind of thing occur.

I could only notice, when I was trying some lawsuits, that lawyers made the point sometimes, in order to help their client, to make sure that his wife, children, and all the relatives were in the courtroom so that the jury will see all these poor people, knowing that they will see them day in and day out thereafter, hoping that it will make for a larger judgment.

We have seen it the other way, using whatever tactics are available to them, to help these people as much as they could one way or the other.

From time to time it is appropriate that delegations be brought here, and that the most influential citizens be accumulated for one particular side or the other. If a 15-member committee is confronted with 15 delegations with the most influential citizens of a particular group from each State to be there and to sit there and make it clear how important it is to them, in instances this will sway the decision and that is fine so long as no harm will come to the national interest. But our duty is to be responsible. We should have to have courage to do that no matter what any group wants. It is our duty to vote to hold a meeting behind closed doors when that becomes necessary either to protect national secrets or to reduce the power of an organized group to try to stampede the committee. This Senate should not make it any more embarrassing and difficult than it needs to be to arrive at that result. It is difficult enough to vote for a closed meeting as it is, when one feels that the Nation's interest requires it and someone is demanding an open meeting.

Of course, the rule says the majority can open it up any time they want to, but as embarrassing as it is, to vote to close a meeting when someone demands to throw the doors open and let anyone in, why make it more difficult?

Let us look at the practical side. If we know, as I do, that there comes a time, because it will come, there are times in the Finance Committee, there are times in the Appropriations Committee, there are times in the Armed Services Committee, and there are times in the Foreign Relations Committee when we will have to vote to meet behind closed doors and work out our differences, and perfect a bill; so why would we want to vote to say, "You have to vote to close the doors"?

The alternative is to vote to open them. I would rather vote to open the doors 50 times rather than vote to close them once. As a practical matter we have to have this burden, so why make it more difficult, onerous, or embarrassing to Senators than it needs to be, to do what our conscience tells us is in the national interest: to protect what we believe are the best interests of our States, and the Nation.

It seems to me that the position being taken by the Committee on Rules and Administration is statesmanship at its best. I do not believe that this proposal to try to make it embarrassing for the other fellow to do his duty serves the national interest.

For myself, I shall vote for open meetings every time I feel that the national interest is being advanced by them. The Senate should respect those Senators who feel from time to time that a closed meeting is necessary and not make it any more difficult than it needs to be to act as our consciences require.

Mr. ROTH. Mr. President, I yield 5 minutes to the Senator from Illinois (Mr. Stevenson).

The PRESIDING OFFICER (Mr. Scott of Virginia). The Senator from Illinois is recognized for 5 minutes.

Mr. STEVENSON. Mr. President, first, I associate myself with the Senator from Delaware (Mr. Roth) as one of the coauthors and cosponsors of this amendment and commend him for his handling of this debate.

The issue raised by this amendment is simple and fundamental: Should Senate committees be free, for any reason or for no reason, to conduct their most important business in secret or should they be required to conduct the public's business in full public view, except when the committee decides to close a meeting by rollcall vote conducted in public?

Eighty-eight years ago, Woodrow Wilson wrote:

> If there be one principle clearer than any other, it is this: That in any business, whether of government or of mere merchandising, somebody must be trusted, in order that when things go wrong it may be quite plain who should be punished.

I submit these words are as true now as they were on the day they were written—somebody must be trusted, and if we are interested in restoring the legislative branch to its proper place in the federal system, the Congress must be trusted.

Trust and accountability are two sides of the same coin: If we persist in conducting our most important business—the marking up of legislation—in secret, we will not be fully accountable to the people, and we will not be fully trusted by the people. The plain and simple fact is that the public will not trust what it cannot see. At a time when barely one-quarter of the American people have confidence in the Congress, we can ill afford to create the impression that we have something to hide.

The vote we are about to cast will place us on record either for the presumption of openness or for the presumption of secrecy. Our amendment enables the committees to close markups by casting a publicly recorded rollcall vote to do so at the start of the markup. We recognize that there are special circumstances under which closed committee meetings are necessary and proper. Those most frequently mentioned include national security and foreign policy considerations, possible invasion of personal privacy, interference with law enforcement efforts, internal committee business such as budget and personnel, and deliberations on nominations submitted to the Senate for confirmation. Under this amendment, there is no danger that a markup will be open when it ought to be closed. If a markup ought to be closed, the amendment provides a clear and simple procedure for closing it. All the committee has to do is cast a vote to do so.

I should like to ask the Senator, is there anything in the amendment that would prevent a majority of any committee or subcommittee of the Senate from closing its doors for any reason?

Mr. ROTH. The answer is absolutely not. There is flexibility. The general rule is to be open, but it does provide for closed sessions where there are compelling reasons.

Mr. STEVENSON. Would it be fair to say that the resolution of the Committee on Rules and Administration provides that markup sessions shall be closed except when a committee votes to open them, which I believe is a restatement of the provisions of the Legislative Reorganization Act that create a presumption in favor of secrecy.

Would that be a fair statement in the Senator's opinion?

Mr. ROTH. I believe that is correct.

Mr. CANNON. Mr. President, if the Senator will yield at that point, I think I am somewhat of an authority on that, inasmuch as this came out of the committee. That is not correct, The resolution gives a committee the authority to adopt a rule by majority vote and to say that markup meetings will be held open. It is misleading to the Members of this Senate, and to the public, to try to give a contrary impression, that this resolution as reported out requires presumption that the meetings will be closed. That is simply not the case. Any committee or any standing committee of the Senate that desires to have an open rule governing open meetings can vote to have such a rule by majority vote and say that every one of the meetings will be open.

Mr. STEVENSON. I thank the distinguished Senator from Nevada, although I think he is making my point. The resolution of the Committee on Rules and Administration says in effect that markup sessions will continue to be closed, except when a committee takes action to open them. I do not know what the difference is between that and the earlier statement. The real question is whether the Senate will accept the position of the Committee on Rules and Administration which establishes and continues a procedure which contemplates closed markup sessions. But the amendment of the Senator from Delaware would reverse the presumption and say that markups will be open, but that they may be closed by majority vote by any committee or subcommittee of the Senate.

The issue is whether we will go on record in favor of a procedure which continues secrecy or a procedure which favors openness. If a markup should be closed, the amendment provides a clear and simple procedure for closing it. All the committee has to do is cast its vote to do so.

Mr. JOHNSTON. Mr. President, will the Senator from Illinois yield?

Mr. STEVENSON. I am happy to yield to the Senator from Louisiana.

Mr. JOHNSTON. I should like to know whether there is anything in the amendment of the Senator from Delaware that would prevent the committee from restricting the number of people to be present or to restrict the kinds of media which could be present. For example, could we restrict the number of people to, say, 25, or could we keep the television or other electronic media out and let the print media in? Can we, in other words, regulate the amount of public and the kind of public which can attend a meeting under the amendment that the Senator from Delaware is proposing?

Mr. STEVENSON. The amendment provides that the committee may, by majority vote, close its doors. I would defer to the Senator from Delaware to answer that more completely, but I think the language is broad enough to permit a committee to close its doors to part of the way. However, I should think it would be unlikely that a committee would choose to close its doors only part of the way.

Mr. ROTH. The chairman of the committee has authority to keep order, as he does in any hearing, so that I do not believe there would be anything that would prevent him, in order to conduct business, from limiting the number to the room's capacity.

In any event, the committee could take whatever action was appropriate. If they could rule everybody out, they certainly would have a right to permit only a limited number in.

Mr. STEVENSON. This amendment establishes the presumption in favor of openness while also giving the committees the power to close markups in all appropriate cases. We have struck a fair balance, and there is nothing to gain and much to lose if we opt for a presumption of secrecy.

Why should we vote for secrecy when we can vote for openness and still give the committees all the protection they need?

It is argued that open markups will encourage posturing and grandstanding. It might be more likely to encourage better preparation and higher attendance at markups. The fear that some Senators may be more interested in showmanship than statesmanship is wrong—and, in any event, it is not a good reason to deny the public their right to know. It would be unthinkable to close the doors of the Senate Chamber to the public. Yet, the same argument applies here that applies to the committees.

It is argued that open markups will encourage secret caucuses and informal discussions at which the real decisions will be made. What this argument really says is that the members of this body are so hostile to conducting public business in public that they will conspire to get around any open meetings requirement. I do not believe that. The Members of this body will respond in good faith to whatever is decided here today. Unfounded fears of bad faith should not defeat the public's right to know. Many of us have served in State legislatures and operated with open doors for years, without experiencing any of the difficulties which have been pointed to on the Senate floor today.

What we are engaged in in the Senate is not simply an exercise in openness. It is a monumental effort to regain power that has been lost to the executive. We are pursuing measures to eliminate excessive executive branch secrecy so as to make that branch fully accountable to Congress. If we are serious in our efforts to revitalize Representative Government, we must apply to ourselves the same standards to which we hold the executive branch. Excessive secrecy breeds distrust. It prevents accountability. It does violence to the principle of government based on the informed consent of the governed. Excessive secrecy does all of these things wherever it is practiced, including in our own midst. It is therefore incumbent upon us to eliminate it everywhere, including in the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. GRIFFIN. Mr. President, without going at this point into the merits of the substitute amendment offered by the Senator from Delaware, I want to join the chairman of the committee in keeping the record straight in terms of what the committee resolution would do.

I take this moment because the Senator from Illinois made a mistake that I think many are making, in assuming that the committee resolution is merely a restatement of the present situation under the Legislative Reorganization Act. It is not. As the Senator from Maryland (Mr. MATHIAS) and the Senator from Montana (Mr. METCALF) have indicated in their statements, whatever one's opinion is of the extent of reform—and one may not believe it goes far enough—the fact is that the committee resolution is certainly a step toward liberalization.

Subsection (b) of section 133 of the present Legislative Reorganization Act reads:

> Meetings for the transaction of business of each standing committee shall be open to the public except during executive sessions for marking up bills.

That has been interpreted as meaning that when standing committees meet for purposes of marking up a bill, the session cannot be open to the public.

The resolution of the Rules Committee does provide, by a simple majority or the adoption of a rule, for opening up markup sessions.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. STEVENSON. Is it not true that certain committees of the Senate are now holding their markup sessions in public?

Mr. GRIFFIN. I understand that the Committee on Interior and Insular Affairs has adopted such a rule. Frankly, until we adopt the change in rules now before the Senate, I do not think the Committee on Interior and Insular Affairs has the power to do that because a committee cannot adopt rules that are inconsistent with the Standing Rules of the Senate or with the Legislative Reorganization Act.

Mr. STEVENSON. Certain committees are holding markup sessions in public now. They have been doing so for some years in the other body, I believe.

I believe the Senator is saying that the effect of this resolution is simply to eliminate any doubt about the legality of proceedings which now take place in markup behind open doors. Is that not a fair statement?

Mr. GRIFFIN. It certainly would give each standing committee the authority, by adopting its committee rule or by a majority vote, to open the markup session. At the present time, as I understand the Legislative Reorganization Act and the way it is interpreted, they do not have that authority.

What I am trying to do is to keep the record straight as we go along—that we are not just restating the Legislative Reorganization Act. This is a significant reform in present procedures. The Senator from Illinois is free to come to the conclusion that we do not go far enough, but I would like to see some recognition that we are taking a significant step.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. GRIFFIN. I yield to the Senator from Rhode Island.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CANNON. I yield 2 additional minutes to the Senator.

Mr. PASTORE. Does the Senator from Michigan interpret the amendment to the resolution to mean that even the markup of the defense bill would be an open hearing?

Mr. GRIFFIN. Is the Senator talking about the resolution as reported by the Rules Committee?

Mr. PASTORE. No. I am talking about the amendment to the resolution.

Mr. GRIFFIN. Offered by the Senator from Delaware? Yes, that would require that it be an open session, unless action were taken to close it.

Mr. PASTORE. The only trouble with that is that every time action is taken to close the session, it raises an atmosphere of suspicion that the committee has something to hide. That is the thing that disturbs me.

I note that the amendment reads "a standing committee." I am referring, let us say, to the Joint Committee on Atomic Energy. That is the only joint committee of Congress which has the right, by law, to refer bills and to pass upon bills, just as any standing committee.

Would that apply to the Joint Committee on Atomic Energy—that every time we markup, let us say, the weapons request, we have to discuss that in public? I do not see what purpose that would serve.

Mr. CANNON. Unless the committee votes to close the session.

Mr. PASTORE. Unless the committee votes to close the session. And every time they vote to close it, somebody will say, "There they go. They have something to hide."

This matter ought to be given serious consideration. Now what does the committee resolution do? As I understand, under a present rule it is compulsory that every markup be secret. The committee resolution is saying that the committee has the authority, by majority vote, to open the meeting when the committee feels it would serve a public purpose.

I do not think we are too much at variance. What the amendment is trying to do is to say that the session is closed by vote, and the committee is saying that it is open by vote.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. METCALF. The amendment by the Rules Committee says there can be a rule for open hearings, but the amendment suggested by the Senator from Delaware says that every time the committee wants to close a committee hearing, a majority vote is required. So we could never have a rule that provided for it.

Mr. PASTORE. Is the Senator from Montana with me or against me?

Mr. METCALF. I am with the Senator. [Laughter.]

Mr. GRIFFIN. We might add another point under the substitute, a quorum of the committee must be present in order to take that action. That is not even true in order to have a closed, or executive, session of the Senate as a whole. One Senator, without stating a reason, can move that the Senate, as a whole, go into executive session. If it has one second, there does not have to be a quorum, and the session is closed

Mr. LONG. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. LONG. It is not correct that under the resolution recommended by the Committee on Rules and Administration any committee that feels nothing is likely to transpire that need be in executive session can make a rule for open meetings at all times for themselves?

Mr. GRIFFIN. The Senator is correct.

Mr. LONG. At all times, and with no exception, their meetings will be open and there will be no closed sessions. I think we have some committees that very well could do that.

I do not think the executive would have any business discussing in public secret information about a weapon, such as a new atomic weapon, or the Nation's most vital defense secrets. They would have no business confiding in us about some secret military operation, or perhaps about receiving intelligence information on what somebody would do to us, or information with respect to conspiracies to the kidnaping of an American diplomat which they were seeking to frustrate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. LONG. Nor would any administration have any business telling us what they might be forced to concede in negotiations they might be conducting, nor any business telling us what they might have to yield on to get something else in a session on trade, for example, when appearing before the Committee on Finance.

I would think that there are committees that could very well say that all meetings will be open, but I think it would be a disservice to the public interest to require that in each case the committee had to risk being misunderstood in order to do its duty as it saw that duty.

Mr. CANNON. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PASTORE. Mr. President, first, I wish to preface my remarks by saying I believe in opening to the public all business of Congress insofar as it does not put the security of this country in jeopardy. I think this resolution opens the door in that respect.

The public is entitled to know and it should know almost everything. I am not opposed to that principle. That has been the story of my life. As a matter of fact, I have found that in some of our executive hearings almost everything that transpires appears in some news column not long after we are out the door, and sometimes you are quoted more accurately than the way in which you said it. [Laughter.]

I am not against opening up all the information possible, but I do have some reservations, I think, and I will be corrected if I am mistaken, that I am the only man in this Chamber at the moment who is a member of the Subcommittee on Appropriations for Defense. I think the Senator from Virginia (Mr. HARRY F. BYRD, JR.) is the only Member in the Chamber at the moment who is a member of the Committee on Armed Services. At the present time I happen to be connected with the Joint Committee on Atomic Energy. Mr. President, in these important committees, you would be surprised at the classified information that has to be discussed when you mark up a bill.

Now, when you tell me you are mandating to open up these hearings to the public, I am afraid we are playing footsies with the security of this country, and that is dangerous.

What happens with the committee resolutions? We meet to mark up a bill. If it is felt it should be opened up, it is opened up. This gives you the opportunity to do it. The committee exercises its judgment.

I say frankly that I think we are indulging a little in semantics. The amendment opens up every hearing unless you vote to close it; the committee resolution would close every hearing and by vote would open them in the public interest.

We have to consider the facts of life—our Nation's life—in view of the fact that we have Red China, in view of the fact that we have Russia, in view of the fact we have 7,000 atomic weapons spread all over Europe, and in view of the fact that we are spending almost $80 billion a year for the defense of this country, let us protect our security by exercising practical commonsense.

Mr. ROTH. Mr. President, I yield 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BROCK. Mr. President, I hope we do not get into a semantical debate over national defense. I do not think any Member of this body wants to take any action to jeopardize the security of this Nation. This amendment takes that into account. It says that the majority of the committee, in matters of national security and other programs for valid reasons can close the doors, but it says the presumption should be for openness. That is all. The presumption is for openness.

I can say one thing in defense of what the Senator from Michigan is saying. The delightful thing about this debate is not that we are debating whether or not to have any reform, but what kind of reform; how far open do we go? Well, we are saying, in effect, the presumption should be for openness, that the effort should be to take every step to be sure the people of this Nation know what the Senate is doing.

Of course, it takes a quorum to close the meeting, and why should it not take a quorum? By what logic could we do it any other way?

It also takes a quorum to have an executive session in which to take action. That is not a deviation from the standard.

The effect of this amendment is to do nothing more than place before the American people the record of the Senate in its entirety, to provide a device by which we can conduct our meetings in the interest of national security in executive session, when necessary, but when it is not, to provide the American people total knowledge of what we are doing so they can voice their own opinions. I do not think that is asking too much.

Mr. ROTH. Mr. President, I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. CHILES. Mr. President, I am delighted to join the distinguished Senators who have sponsored the amendment, the Senator from Delaware (Mr. ROTH) and others, that would reverse the process and provide that the meetings shall be open unless the majority votes to close them.

The Committee on Rules and Administration adopted a rule that will allow committees to adopt a rule by a majority vote that will allow them to open their meetings in their entirety, if they wish to do so. That is progress. But it is also important how we come out with the precise language on this rule because that is what the public looks at, and they will determine from how we stand on this whether this body stands for closing committees or opening committees. That is really what we come down to when we adopt this rule.

It is important in this day and age when we are trying to restore public confidence in our Government that we come down on the side of opening up meetings when we can. I have listened to the debate and I have heard the argument with respect to national security. As I heard the distinguished Senator from Texas say, every Senator will have to make a speech at every markup to please his constituency. We are saying here we do not trust ourselves to make a decision. I believe that we will have the courage to make a decision when it stands for the security of this country. I hate to think that a man in this body would not vote to close a session when the security of this country is at stake. I would rather say that I trust every Member to make that decision.

I heard the distinguished Senator from New Hampshire talk about what we have to do in appropriation meetings. He said it would be embarrassing to go in there and say, "We have got to add $25 million to the bill because we know we are going to have to have something to trade with the House in conference."

It seems to me that if our markup sessions were open and if the House markup sessions were open, we would not have to worry about trading so we could get our figure in conference. That is one situation we would get rid of. I think the public knows what we do, anyway.

One of the great arguments—and it was a persuasive argument—the distinguished Senator from Louisiana made is that many times it is easier to carry out one's duty as a Senator if he can meet in secret, if he can meet behind closed doors. I think that is probably true. It probably is easier at times.

But what is the trade-off? What are we paying for that? I will tell the Senate what we are paying. We are paying the confidence of the people, what they believe is going on behind closed doors—in many instances not what is going on, but what the public believes is going on.

When we read the polls and find that Congress ranks behind used car dealers with regard to the respect that the public holds for them, then I do not think we can believe that the public believes that what we are doing is correct. They do not trust us, and one reason why they do not trust is the number of closed doors we have here. I think that is a trust we can gain by operating in the open rather than by operating behind closed doors. It is worth paying the price to have that public confidence restored.

Our governmental system depends upon the voluntary consent of the people. But we are having to put a policeman on every street and in every schoolhouse and we are having to put a light in every alley because people are not voluntarily going along. So anything we can do to restore that public confidence must be balanced against the price of what we are paying by not doing it.

What we are talking about here is whether we go one way or the other.

What is the House going to do? I learn that the House is going to vote exactly what is proposed by the amendment. The caucus voted the reverse of what the committee proposed. All meetings would be open unless voted to be closed. Today I understand they are going to adopt the rule which provides that each meeting shall be open unless the majority votes to close it. So the Senate is going to do the exact reverse of what the House did, and the Senate is going to take the brunt of public criticism because the

Senate wants to go the way of secrecy rather than open meetings.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CHILES. Mr. President, will the Senator yield me 2 minutes?

Mr. ROTH. I yield the Senator 2 minutes.

Mr. CHILES. House Resolution 259, which has just been handed to me, has been adopted by the House, and it provides that:

> "(f) Each meeting for the transaction of business, including the markup of legislation, of each standing committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public:

That is the action of the House Rules Committee. That is the action of the Democratic caucus. We are going to reverse it. We are going to say, "No, these meetings are going to be closed unless we decide to open them."

The argument about national security has been made here. I have introduced legislation, which affects both the executive as well as the legislative branch, which provides that when matters go into the reputation of people or national security, those meetings will be closed.

I think we have to realize that this body is not for our personal convenience. It is not a place to conduct our business as we would like to conduct it. We have to worry about our country and our constituencies.

I have heard all these same arguments before, it is like a record. I heard it when I was in the Florida legislature. I heard the argument against open meetings there. It was argued that Senators can sit together and work things out better if meetings are not open. But the legislation to open up the system was adopted and it has not worked the way the arguments against it said it would. Once we adopted our sunshine legislation, government went on as usual.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROTH. I yield 2 minutes more to the Senator from Florida.

Mr. CHILES. Mr. President, the Florida Legislature went from, perhaps, 48th in the Nation to where it was rated fourth in the study conducted by the Citizens Committee or Conference on State Legislatures. I believe one of the finest things the Florida Legislature did was to open up its doors in order to restore some public confidence to the work that it was doing.

Yes, committees can adopt that procedure, and the Rules Committee will be applauded. But whether we are going to be open or closed is what the people are looking to. Are we trying to hold secrets? Are we willing to trust ourselves? Are we willing to open our hearings? Do we have something that we want to hold in?

I sat for 2 years in committees in the Senate, the doors were closed every time. But for the life of me, I could never find a reason why they were closed.

I have attended closed meetings of the Senate, and even before we left, everything had been reported by the media. There were no secrets around here. The question is, How is it going to be leaked? I would rather not have a slanted leak; I would rather have some authoritative way to determine what happened than to have some slanted leak. I think we ought to have it understood that we want it known what happens in a committee room or in the Chamber; that we do not operate at our own convenience; that we operate as representatives of the people. If we do that, we have got the confidence of the people. We do not have that now. This is one step. This amendment is a step forward, not a backward step.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. PASTORE. I do not see anything in what the Senator says that I could disagree with, except the fact that he claims Congress is now in disrepute. I am not ready, after 38 years of public service, to say "mea culpa, mea culpa," on this sixth day of March 1973. I think people respect the individual Members of the Senate. But that is not the question. We are all for open sessions. The Senator from Florida wants them to be open, and then require a vote to close them. The resolution does provide them to be open to the public by vote.

All I am saying is that there is one sensitive area that the amendment does not protect. The minute we begin to vote to close a session, especially one on the defense budget or on nuclear submarines, the suspicion is raised: What are you trying to do?

I am for open hearings, just as much as the Senator from Florida is. All I say is, Vote to open them; the Senator is saying, Vote to close them. What is the big difference? little if any.

Mr. CHILES. I am saying I think it is important how the public thinks we come down on this piece of legislation. When we see the House voting one way, and we come up with another rule that says we are for closed meetings then we will see how the public feels.

I would certainly agree with the Senator from Rhode Island: I think the people have the right to know. But I do not agree with him that the people have great respect for Congress. I do not think they do.

Mr. LONG. Mr. President, something has been said in the debate about the way the public feels about us. I regret that the Senate has declined in the estimate of the public. In my opinion, the number 1 reason is that some persons have been campaigning for votes for their reelection at the expense of the Senate.

I could give the example of former Senator Joe Clark, who wrote a book called "Congress, The Sapless Branch." He could not find anything good to say about Congress.

I can recall when I came to the Senate that everyone here spoke well of the Senate and of their colleagues. But if one reads Joe Clark's book, it leads one to believe that we are a sorry lot. When Senators go around defaming the Senate or some Senator and making remarks as though they think they are worthy and everyone else is unworthy, it obviously hurts this body.

I heard a statement made to the effect that there are no secrets. If any Senator thinks that there are no secrets, it means only that he has not yet had secrets entrusted to him. I have served on committees where a great number of national secrets needed to be kept, and a lot of information has to be entrusted to certain people.

Mr. President, we named the Old Senate Office Building after the late Senator Richard Russell. That man took to his grave with him more secrets than the most of us will ever know. He was a nationally respected man to the very end.

There does come a time certain people come to be entrusted with secrets and those men are chosen for vital missions because of that fact. We should respect the memory of those men who have their portraits in the Reception Room because they had such character.

A Senator should have the courage to do what is required of him, even though it costs him some votes. In the long run, if a Senator does not do this, the people will find him out for what he is. If a Senator chooses not to do this because it will help him temporarily by not doing so, the people will detect that. If one puts his election ahead of what he thinks is to the essential interest of the country, in the long run, it tends to work out to his disadvantage. The people will detect that also.

When I came here, we had a rule which provided that if a Senator spoke of another Senator as being unworthy, he could be put in his seat immediately and would not be permitted to resume unless he was permitted to do so.

We also had a rule that provided that a Senator could not say a word impugning the conduct or motives of any Senator without being subject to being put in his seat by any single Senator. He would not be permitted to continue if he spoke out of order unless the entire Senate voted to permit him to proceed.

I have put Senators in their place and I have been put in my place. This was done whenever someone impugned the motives of some other Senator, or the conduct of the Senate.

We would be far better off if we were to try to do what we believe to be better for this Nation and carefully see to it that when it is necessary for someone to incur the criticism and the scorn of the press and everyone else to protect this Nation's interest by an executive closed meeting, he should not be subjected to any more pressures to do contrary to that which he believes to be necessary under those particular circumstances.

Mr. President, we have a rule that proposes that any time the committee wants to have a open meeting, they will have it. They can make a rule that says they always have open meetings. However, if they, in their consciences, think that it should not be open and that they should vote as they think necessary. It is far better to vote to open the door 50 times than have to vote to close it once.

Mr. CANNON. Mr. President, I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President,

as chairman of the Subcommittee on Rules of the Committee on Rules and Administration, I urge the adoption of Senate Resolution 69. I urge that the amendment offered by the distinguished Senator from Delaware be rejected.

On February 1, 1973, the able Senator from Montana (Mr. Metcalf), wrote to the chairman of the Committee on Rules and Administration, Mr. Cannon, stating that two standing committees of the Senate had indicated a desire for open sessions for voting and markup of bills and that two other committees were considering the matter.

The able Senator from Montana (Mr. (Metcalf) urged that the Committee on Rules and Administration, and particularly the Subcommittee on Rules, of which I am chairman, take immediate action because the matter was urgent to avoid possible parliamentary and legal questions being raised in the future, in view of the fact that the Legislative Reorganization Act in effect provides that no standing committee of the Senate can hold open markup or voting sessions.

The matter was referred to the Subcommittee on Rules, of which I am chairman, and a meeting of the subcommittee was subsequently called, to which Mr. Metcalf was invited. As a result of the discussion which took place at that meeting, Senate Resolution 69—an original resolution—was reported by my subcommittee to the full committee, which later reported the resolution without amendment to the Senate. The resolution proposes to amend rule XXV of the standing rules.

The reason for proposing this amendment to the rules is to overcome the existing situation required by section 133 (b) of the Legislative Reorganization Act of 1946, as amended. The section, now a part of the rules of the Senate, provides that meetings for the transaction of business of each standing committee of the Senate shall be open to the public, except: First, during executive sessions for marking up bills, second, or for voting, third, or when the committee by majority vote orders an executive session.

To "except" certain specified sessions from the mandate of "open" meetings can only imply that the excepted sessions are to be closed.

There is no provision made for a vote to open up such closed sessions; therefore, it would appear that under the existing law, a standing committee would be prohibited by Senate mandate from voting to open up sessions for marking up, or voting on, bills.

The purpose of Senate Resolution 69, therefore, is to amend rule XXV of the Senate to add a new proviso that any standing committee, on its own, by majority vote or by committee rule, may order that all or any portion of its meetings, including mark-up and voting sessions, be open to the public.

The change in rule XXV, which would follow from the adoption of Senate Resolution 69, would grant complete autonomy to each standing committee with respect to open and closed executive sessions for voting and for marking up bills and resolutions.

Standing committees are separate legislative entities, and the necessity for holding closed sessions varies among the 17 committees affected. In some committees, more than in others, legislation of a sensitive nature is considered. Foreign relations and armed services matters, for example, often must be discussed in a closed session atmosphere. Appropriations mark-ups—involving hundreds of millions and even billions of dollars—should not be conducted in open sessions, attended by politically powerful pressure groups.

One can imagine the political considerations involved, for example, in marking-up an HEW appropriations bill if, present at the mark-up, are representatives from the many interested special interest groups, lobbyists, and so on.

In the first place, there would be problems of space to accommodate such attendance; moreover, the national interest would all too often be subordinated to the parochial interest of members; furthermore, such mark-up sessions could become forums for grandstanding and political speeches, thus delaying the committee work; and, finally, the power of presence of special interest pressure groups would unduly influence the actions and votes, all too often, of committee members, all to the detriment of the public and the taxpayers at large.

Hence, Mr. President, the resolution reported by the committee does not seek to impose a mandatory open rule on all standing committees, but, rather, leaves the final judgment to each committee. Any committee, whose members wish to proceed with open mark-ups and open voting sessions, can do so, either by a standing rule within such committee or by majority vote on a meeting-to-meeting basis. Otherwise, mark-up and voting sessions would be closed, except when opened by majority vote.

It seems to me that the committee resolution provides for a change in the rules that is fair and reasonable and workable. Personally, I believe that, as a general rule, the public interest is best served when mark-up sessions are closed.

Anyone who is familiar with the necessity of trying to reach agreements and compromises recognizes the difficult situation that would be created if all committee mark-up sessions were required to be open. Time and experience have attested to this. The Legislative Reorganization Act of 1946 made it mandatory that executive sessions for mark-ups and voting be closed. I know of no indication of any requirement for open session mark-ups within committees going all the way back to the convening of the first Senate in 1789. All the indications are quite to the contrary—that the marking-up of bills has been closed, from the earliest days.

Under the Legislative Reorganization Act of 1946, as amended, each standing committee is required to keep a complete record of all committee action which transpires during executive sessions for marking-up bills or for voting, and such record shall include a record of votes on any question on which a record vote is demanded. Moreover, the results of rollcalls taken in any meeting of any standing committee upon any measure are required, under present law, to be announced in the committee report on that measure unless previously announced by the committee, and such announcement must include a tabulation of votes for and against.

The Senate, Mr. President, may I say to my good friend from Florida (Mr. Chiles), that the Senate, unlike the House of Representatives, has no closed rule during floor debate. Ergo, any one of the 100 Senators may offer an amendment to any bill or resolution on the floor of the Senate and he can get a rollcall vote thereon.

Mr. CHILES. Mr. President, will the distinguished Senator yield to me on that point?

Mr. ROBERT C. BYRD. If the Senator will allow me to complete my statement, then I shall be glad to yield.

But the Senate floor is an arena different from that of the committee room. Special interest groups and lobbyists may be in the galleries, but the power of presence is not so greatly felt as it would be in committee rooms, and the interest of the general public has a greater chance of permeating the atmosphere of the Senate Chamber than in the case of open mark-up sessions of committees.

Moreover, Senate floor debate can be better controlled, for example, by unanimous consent agreements. Conversely, open committee mark-ups could lead to endless debate, filibustering within committees, and delay in moving committee work forward.

I am now in my 15th year of service in the Senate, Mr. President. Before coming to the Senate, I had the advantage of serving in the other body for 6 years, and served in both houses of the West Virginia Legislature. Also, may I say to my distinguished friend from Florida, many was the time, when I served in the House of Representatives, that I used to say, "Thank God for the U.S. Senate." However, during my 15 years in the Senate, I have often been obliged to say, "Thank God for the conference committee"—which is commonly referred to as the "Third House."

I recognize the need, Mr. President, for change in our legislative procedures when experience shows that the procedures are in need of change. But not all change is good, nor is all change progressive. The Senate has been in existence 184 years, and its birth long preceded the lives of any of us who are now Members. The Senate started with 19 standing rules, many of which, with but little modification, are still to be found among the 44 standing rules of the Senate today. These rules have withstood the tests of time, experience, and circumstance, and they ought never to be lightly regarded. Nor should they be subject to change except when a clear and unquestionable case can be made for the necessity of such change.

The Senate, as a legislative body, is unique in the history of the world. Its uniqueness and, yes, more importantly, its special place in our system of checks and balances, are founded largely upon its rules and its precedents. To tamper with the rules of the Senate is to tamper with the Senate itself. Actually, it is somewhat like tampering with that unique document which we call the Constitution. Hence, I devoutly hope that in our mad rush for so-called reform, we do not disserve the public interest by making extreme assaults on Senate procedures which, over the long past, have contributed to stability and efficiency in the operation of the Senate.

The resolution which the Rules Committee has reported to the Senate proposes a change in committee procedures which, as I have already stated, is a reasonable change, and it is one which, in the light of indicated wishes on the part of some of the committees, would appear to be justified. But let us not go too far in our efforts to remake the Senate to conform with what many of us, as individuals, would like to see it become. The Senate is much larger, much greater, and much more important than all of the 100 of us combined. It was meant to be something different and apart, and it ought to continue to be something different and apart, from the House of Representatives or from any State legislative body—in its operations, its procedures, its functions, and its purpose.

Mr. President, the resolution which has been brought to the floor of the Senate today by the Rules Committee does not affect the hearings of any committee. Open hearings are provided for under subsection (b), section 133(A) of the Legislative Reorganization Act. They will continue to be open under the provisions of the Legislative Reorganization Act. Senate Resolution 69 deals only with meetings of standing committees, and permits them to be open for markups and voting.

I therefore submit, Mr. President, that the committee resolution is a reform, if we want to use that term, but I do not think that we should go to the extent that the amendment by the able Senator from Delaware (Mr. ROTH) would have us go, to wit, to require that all committee meetings for markups and voting be open meetings unless a majority of any committee, when a quorum is present, by rollcall vote in open session votes to close the committee meeting for that day only.

I, therefore, urge my colleagues to support Senate Resolution 69 and to reject the amendment proposed by the able Senator from Delaware and others.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I have promised to yield first to the Senator from Florida (Mr. CHILES). Then I shall be happy to yield to the Senator from Georgia.

Mr. CHILES. Mr. President, I compliment the Senator from West Virginia on his fine statement, and I compliment the Rules Committee, again, for the adoption of rules which would allow the committees to open up their meetings.

I have listened with interest to the Senator's remarks that we are not a State legislature and we are not the House of Representatives, and I agree that that is true. I have listened also with interest to the Senator's remarks about the Senate and what it should stand for as a body. I think the Senator has expressed a feeling shared by many of us. Perhaps the junior Senator from Florida has only been here 2 years, and perhaps he cannot have the intensity of love for the Senate that a Senator has who has been here 15 years or much longer; but I can assure the Senator that I think my feelings in this regard are second to none in this body: I yield to no one in my ideal of what the Senate should be and must be to deserve the respect of the people, and what it must be under the Constitution.

There is an adage which I think we must remember here, which is just as true today as when it was first said, that it is not enough that Caesar's wife be pure, but she must have the appearance of being pure. What we are saying here is that it is not enough that we are pure when we have meetings in general, but it is the appearance of purity that is necessary, and it is on that that the people's feeling is going to depend.

My concern today is that the people do not have the respect for the Senate that they should have under our Constitution, for the Senate to be the kind of body it must be and play the kind of role it must play. Therefore, I think it is important that we not adopt a rule whereby the Senate may seek to avoid the light of publicity.

Mr. ROBERT C. BYRD. I thank the Senator for his contribution, and I yield to the Senator from Georgia.

Mr. TALMADGE. Mr. President, I compliment the Senator from West Virginia on the eloquence of his statement, and I agree entirely with what he says. The public is entitled to know what goes on in the United States Senate. But I ask the Senator, the Legislative Reorganization Act requires that all votes be made public; is that not a fact?

Mr. ROBERT C. BYRD. The Legislative Reorganization Act now requires that a complete record be kept of all committee action, including a record of any votes on which a record vote is demanded, and such rollcall votes are required to be announced in the committee report on any measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes for and against. So the public is protected.

Mr. TALMADGE. Does that not broaden the public's right to know?

Mr. ROBERT C. BYRD. It does.

Mr. TALMADGE. Does the Senator think we could function as effectively were we to adopt the proposal contained in the pending amendment?

Mr. ROBERT C. BYRD. To attempt always to operate under those conditions would encourage demagoguery and delay and would impede the legislative process.

Mr. TALMADGE. Has the Senator not seen many State legislatures demagogued behind closed doors.

Mr. ROBERT C. BYRD. As a former member of both houses of a State legislature, I have indeed.

Mr. TALMADGE. I thank the Senator.

Mr. GRIFFIN. Mr. President, if the Senator from West Virginia will yield, I compliment the Senator for putting this whole subject in historical perspective. He has reminded, the Senate that even the change proposed by the Rules Committee is departing from a rule that goes back to the beginning of the Senate. Those who assume that the public interest cannot be served if meetings are not held in public overlook the fact that when the Founding Fathers met at the Constitutional Convention, the first thing they did was to close the doors. They felt they could do a better job, and in the public interest, by drafting the Constitution of the United States in closed sessions.

The PRESIDING OFFICER (Mr. SCOTT of Virginia). The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Delaware (Mr. ROTH) may have 3 additional minutes in which to close debate, and that I may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I want to commend the distinguished Senator from West Virginia for the resolution reported by the Committee on Rules and Administration. I believe that it protects the right of the Senate over committees and leaves with the committees themselves the authority and responsibility as to whether, under certain circumstances, they wish to have open meetings.

Thus, I would hope that the proposal of the Committee on Rules and Administration would be agreed to, because I think it upholds and preserves the best tenets of the Senate, and I would hope that the amendment would be rejected.

I commend the distinguished Senator for a good, logical, sound statement as to the responsibilities of the Senate in matters of this kind. Difficulties may arise in connection with outside sources during the period when a markup is held. The resolution takes that into consideration by leaving the ultimate decision up to each committee.

It is about time the Senate stood on its own feet regardless of what any other body does, in the Congress or in the States.

Once again, I commend the Senator.

Mr. ROBERT C. BYRD. I thank the distinguished majority leader.

Mr. CLARK. Mr. President, I support this amendment. In a single, simple statement, it sets a tone, it provides a direction, it establishes a principle: As a vital part of this democracy, the U.S. Senate is committed to open government. At times, closed committee meetings will be necessary in the interest of national security and personal reputation, but they are to be the exception, not the rule. The importance of this amendment cannot be overestimated, nor can its impact.

Watergate, ITT, secret campaign funds, political bribery—over the last few years, the litany has taken up too many headlines in this country. They represent a growing sense of distrust and suspicion in Government—not only in what it can do, but in what it is willing to do for the people.

No political party has cornered the market in suspicion or secrecy. There is enough to go around for all. One thing is certain though: People cannot have confidence or trust in a government that operates in private. With its own special vocabulary and arcane procedure, government is complex enough and difficult enough to understand in the open. But no one can understand a closed door.

In the last Congress, nearly four out of every 10 committee meetings were held in executive session. The most important decisions in the legislative process are made in committee. That is where Congress decides how to spend the taxpayer's money—in committee and in secret. It does little to inspire public confidence.

By passing this amendment, the Senate will not erase suspicion and doubt and synicism. But it is a beginning, a very good beginning. Open committee meetings will mean better legislation and better representation. The amendment does not prevent closed meetings, because closed meetings are sometimes necessary. People will understand that. The secrecy will have a compelling reason, but it will not be secrecy for secrecy's sake.

The debate today is especially timely. In the last 2 months, a great deal has been said about the concentration of power in the hands of the Executive—about impoundment, executive privilege, and unbalanced national priorities. At the very core of this "constitutional crisis" is the issue of access to information. Without information, without the ability to question and learn and understand, Congress never will be able to regain its place as an equal branch of Government.

Yet how can we ask for the people's support in this conflict over information, how can we claim to represent them, if we are not willing to let the sunshine in on our own deliberations? How can we expect the people to look to the Senate for leadership if by closed committee sessions we are telling them that not only cannot they take part in the legislative process, they cannot even watch it? This amendment can cure the inconsistency. It can help restore people's confidence in Government.

Nothing we can do in this session of Congress will be more important than that. So much more is at stake than just open committee meetings. A way of government ultimately hangs in the balance. The agenda of unfinished business in this country is awesome, and we will never be able to properly educate our children, or help the poor and the elderly, or clean up the environment, or fight drug abuse unless people have trust and confidence in the men and women they elect to represent them.

Woodrow Wilson once summarized the guiding principle of Government in just four words: "Somebody must be trusted." Before the people can have that trust in Congress, they have to be able to see it work.

Mr. PELL. Mr. President, the amendment before us has the admirable goal of making our legislative processes in the Senate more open and, so its supporters argue, more responsive to the people we represent.

The theory behind this argument is excellent. But I believe the realities of life in the Senate make the situation quite different from the theory.

Mr. President, I know from the experience of the committees on which I serve that the opening of markup sessions to the public would not result in the regular attendance of either the general public or the press. I am afraid that the public would find these long sessions terribly boring and the press would find them inherently lacking in news value.

However, I am not saying that these sessions would be unattended. We would find our meeting rooms crowded with representatives of special interests, including representatives of the executive branch, whose goal throughout the legislative process is to influence our decisions to their advantage. Those who will come will have their special ax to grind and each will make sure he exacts his pound of flesh from the legislator with whom he has an ax to grind.

I believe that we already have ample procedures for listening to their arguments. I do not believe, Mr. President, that these same lobbyists should be given access to the markup sessions in which we try to weigh their arguments with the interests of our constituents and of the genral public and to report out legislation that best serves everyone involved.

Mr. President, I believe our present procedures give the press and the public knowledge of any votes taken during a closed committee meeting. All of our votes during these sessions are recorded and are subsequently available as public records.

So the press has ample opportunity to discover how any Senator voted on any specific portion of a bill and to pass that information along to the public. The fact of the matter from my experience is that the press is too little interested in what happens in these sessions. Seldom do I see press accounts of the votes taken in committee.

I do support the resolution reported out by the Committee on Rules and Administration, on which I serve. This would clear up any ambiguity which exists in the present Senate rule and would clearly allow any committee, either by rule or by majority vote, to open its markup or voting sessions. I can see circumstances in which this action would be desirable and I believe each committee should have the clear option to do so.

SENATOR RANDOLPH SUPPORTS RESOLUTION FOR COMMITTEE RULE CHANGE

Mr. RANDOLPH. Mr. President, I have followed with intense interest the arguments of those who move to amend Senate Resolution 69. On reflection, I find the premise of their argument is not valid. The issue is not secrecy as opposed to openness but, rather, whether committees as agents of this body can properly carry out their functions in marking up legislation. Every Member of this body, even to the newest Members, has already participated in this process.

It is difficult under the best of circumstances, for it involves the accommodation of differing but valid points of view on issues of pending legislation. The freedom to discuss without attribution, to suggest alternative courses of action, to move with the ebb and flow of the discussion and deliberation, is the hallmark of the process. It is in the intensive analysis of issues before a committee that the legislation presented to the Senate as a body is developed.

By no reasonable definition can these meetings be called secret. The results of votes taken are, under the rules of the Senate, made public. The committees, under the rules of the Senate, are required to file detailed reports explaining the provisions of the bills presented. These meetings follow public hearings at which the views of all interested parties are made a part of the RECORD and, most important, all committee members are able to participate.

The success of markup sessions rests on the ability of Members to adjust their views, to accommodate one another so that we may move forward with the business of the public, namely, to establish public policy through legislation. The informality of markup sessions would, I fear under the proposed amendment, give way to formal position taking and create the need for parliamentary rules and procedures which would constrict the freedom of discussion and severely reduce the ability of Members to interact with one another. It would, if adopted, seriously impair the ability of committee staffs to assist Members and result in complications, confusion, and serious misunderstandings.

I now move, Mr. President, to the question of who are the public's representatives. They certainly are not the special-interest groups, however they may style themselves as guardians of the public. The public representatives in markup sessions are the Members of the Senate. They are the only ones who must answer to the public for the action taken. They are the only ones who have an identifiable constituency whose membership is unrestricted, save by the election laws themselves. It is they who are best able to gage what is the public interest in any public issue.

I oppose the amendment because there are no well-reasoned points offered in support of it. While there are problems with the legislative process and while there is need for "reform," let us address ourselves to those areas where the system does not work as well as it should.

I do not agree with the implication that secret deals and improper compromises are the results of our markup sessions. The Senate itself is the final judge of the product of such sessions. I have too much respect for my colleagues and for the hard work which they do to believe that we cannot function without self-appointed watchdogs standing over our shoulders while we engage in the business which the people of our respective States elected us to transact.

It will not be the people of West Virginia, Illinois, Texas, California, or Hawaii who will sit in the committee rooms with us, but a coterie of Washington representatives, including the administration, all of whom are paid to reflect a point of view at issue. We are being asked by those who propose the amendment to invite into our workroom the special interests who one way or another will directly benefit from, or be directly affected by, the legislation under consideration.

Mr. President, I join in opposition to the amendment and commend my able colleague (Mr. Robert C. Byrd), who has presented to the Senate from the Rules Committee a sound resolution and has discussed its merits with insight.

Mr. ROTH. Mr. President, I shall be brief, because I think this question has been well explored. But it is worth while to point out once more that a basic principle of good government is involved and that is the right of the citizen to know what goes on in his Government. I think that is what is at stake here today: Does the citizen and the press have a right to know what is going on as a general rule in every stage of the legislative process?

Basically, what we are talking about is the markup and the voting. I think that the general rule with respect to markup should be to have an open meeting and not a closed one, in contrast to the proposal of the Committee on Rules and Administration, which would have it the general rule that markups be held in executive session. There is a significant difference between the two proposals. In deciding whether to have a closed meeting, my amendment would require that that decision be made in public—open. This is a very important difference from the proposal of the Committee on Rules and Administration which permits the committee to decide in closed session whether they should have open meetings.

There has been a great deal said today about whether my amendment, cosponsored by many Members on both sides of the aisle, is practical and whether it would jeopardize security.

There are two answers to that. First, we do provide for flexibility. We do permit a closed meeting when there is a compelling reason, but we would put the burden on those who would close that meeting rather than on those who would leave it open.

Accordingly our amendment would require all meetings, including markup meetings, to be open except when a majority by a rollcall vote decides to close it.

I should like to point out that while there are great and significant differences between the Senate and the House of Representatives—and I have had the great privilege to serve in both Houses—nevertheless, it is interesting to note that the Rules Committee of the House of Representatives has adopted exactly the same approach that I am talking about.

The bill reported by the House Rules Committee says that each meeting for the transaction of business, including markup of legislation, shall be open to the public except when the committee or subcommittee—and I emphasize this—in open session and with a quorum present, determines by a rollcall vote what part of the remainder of the meeting on that day shall be closed to the public.

I think we could do no less. It would be a sad day, indeed, if we failed to adopt an amendment that, as in my amendment, would provide for full information to the public at large.

I therefore hope, Mr. President, that my amendment will be agreed to.

Mr. ROBERT C. BYRD. Mr. President, how much time remains?

The PRESIDING OFFICER. Thirty seconds.

Mr. ROBERT C. BYRD. Mr. President, Senators, in voting down the Roth amendment and in voting for the resolution brought out by the Committee on Rules and Administration, will be voting to permit standing committees to hold open meetings for markup and voting sessions, whereas at the present moment it is against the law for any standing committee to hold an open meeting for markup or voting.

Moreover, the resolution reported by the committee would leave it to each standing committee—it provides autonomy—to make the decision on its own—by majority vote or by rule—as to whether markups and voting will be in open session.

Mr. President, I ask unanimous consent, with the concurrence of the able majority leader, the able Republican leader, and all Senators present, that on all rollcall votes today subsequent to the one which is about to occur, there be a time limitation of 10 minutes, with the warning bell to be sounded midway.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question now is on agreeing to the amendment of the Senator from Delaware (Mr. Roth) No. 23.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The asistant legislative clerk called the roll.

Mr. McCLURE (when his name was called). On this vote I have a pair with the Senator from South Carolina (Mr. Thurmond). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. METCALF (after having voted in the negative). On this vote I have a pair with the Senator from Oregon (Mr. Packwood). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. INOUYE (after having voted in negative). On this vote I have a pair with the Senator from Indiana (Mr. Bayh). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. GRAVEL (when his name was called). On this vote I have a pair with the Senator from Mississippi (Mr. Stennis). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. EAGLETON (after having voted in the affirmative). On this vote I have a pair with the Senator from North Carolina (Mr. Ervin). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withdraw my vote.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the Senator from South Dakota (Mr. Abourezk). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Carolina (Mr. Ervin), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from California (Mr. Tunney) and the Senator from New Jersey (Mr. Williams) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Fannin), the Senator from Oregon (Mr. Packwood), and the Senator from South Carolina (Mr. Thurmond) are absent on official business.

The respective pairs of the Senator from Oregon (Mr. Packwood) and that of the Senator from South Carolina (Mr. Thurmond) have been previously announced.

The result was announced—yeas 38, nays 47, as follows:

[No. 30 Leg.]

YEAS—38

Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Case
Chiles
Clark
Cook
Cranston
Dole
Gurney
Hart
Haskell
Hatfield
Hathaway
Hollings
Hughes
Humphrey
Johnston
Kennedy
Mathias
McGovern
Mondale
Moss
Muskie
Nelson
Percy
Proxmire
Ribicoff
Roth
Schweiker
Stafford
Stevenson
Taft
Weicker

NAYS—47

Aiken
Allen
Baker
Bennett
Bible
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Cotton
Curtis
Domenici
Dominick
Eastland
Fong
Fulbright
Goldwater
Griffin
Hansen
Hartke
Helms
Hruska
Huddleston
Jackson
Javits
Long
Magnuson
McClellan
McGee
McIntyre
Montoya
Nunn
Pastore
Pearson
Pell
Randolph
Saxbe
Scott, Pa.
Scott, Va.
Sparkman
Stevens
Symington
Talmadge
Tower
Young

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—6

McClure, for.
Metcalf, against.
Inouye, against.
Gravel, for.
Eagleton, for.
Mansfield, against.

NOT VOTING—9

Abourezk
Bayh
Ervin
Fannin
Packwood
Stennis
Thurmond
Tunney
Williams

So Mr. Roth's amendment was rejected.

Mr. CANNON. Mr. President, I ask unanimous consent to have printed in the RECORD an article written by Vermont Royster which bears on the subject under discussion. It was published in the Wall Street Journal on February 14, 1973.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"SECRECY" AND ALL OF THAT

(By Vermont Royster)

One of the first chores of the new 93rd Congress, which began in January, was to organize itself—choose a Speaker, President pro-tem of the Senate, majority and minority leaders, and assign members to the various committees where the real work gets done.

That last chore is especially important, and very touchy. It makes a bit of difference in the legislative process who gets assigned to what committee, and it has a lot to do with a new member's prestige and influence. A situation ready-made for acrimonious infighting.

This year, as usual, it was all done in secrecy. In the House, where the problem of divvying up committees is more acute because of the numbers, each party has a Committee on Committees. It, in turn, has a smaller subcommittee which does the actual work of assignment. And both the Committees on Committees and the subcommittees of the committees work behind closed doors.

Since this is the way it's always been done, and on the whole has worked pretty well, it might not be worth remarking upon except for the loud clamor in Congress against secrecy in government, especially the clamor from Democrats right now against a Republican administration. The issue of "the people's right to know" is one which the news media, too, usually make much of, except when they're talking about "shield" laws to give reporters the right to decide what the people have no right to know.

But since Congress here makes an exception to its grand principle, and press criticism of it has been oddly muted, perhaps the example may serve for a closer look at this whole question of secret versus open processes in government as they affect good government, and so the public interest.

First off, it might be noted that open covenants secretly arrived at are nothing new in our Republic, a process not always decried either. When the Constitutional Convention met in Philadelphia to draw our charter for liberty, the first thing the Founding Fathers did was to close their sessions to press and public. We have only a few diary notes, especially those of Madison, as to who said what on what issue while the issue was in doubt.

The final covenant, the Constitution itself, was of course made public for the people to judge. But Benjamin Franklin, surely no foe of liberty or a free press, even urged the delegates to keep their debating differences secret after the event.

"If every one of us," he said at the last session, "were to report the objections he has had to it, and endeavor to gain partisans in support of them, we might prevent it being generally received and thereby lose all the salutary effects & great advantages. . . ."

A little browsing through the record shows that Congress has often seen virtues in "secret" discussions. In the past ten years the Senate has held closed sessions at least six times; in 1963 to discuss missile defenses, in 1966 to talk about the CIA, in 1969 to discuss the matter of Laos and Cambodia, to mention a few.

In the House any committee is *required* to close its sessions when dealing with some matters, as for example information which "may tend to defame, degrade or incriminate any person."

So we begin then with a recognition that some "secrecy" in the governmental process has not been universally condemned. Or, perhaps a better way of putting it, some privacy in the discussion that leads to decisions is useful to the public interest where what is sought are candid opinions uninfluenced by fears of how those opinions might be received in the glare of publicity.

The principle is often applicable whether the meeting be of a congressional committee, a President's Cabinet or of a local board of aldermen. What useful purpose would have been served by forcing Kissinger and Tho, in the name of the people's right to know, to hold their talks before scribbling reporters and the TV camera? Could they then have gotten an agreement?

Nor is this the whole of the matter. There are other instances when it is dubious whether total publicity serves the public interest. "Open records" are not necessarily a universal public good either. In many defense matters, obviously. There are many reports in governmental files, including income tax and personnel records, the casual broadcast of which could do private injury and, so doing, ill serve the public interest.

Yet for all of that it remains true that in a free society the public business must ultimately be open to the public scrutiny and public judgment. The issue of "secrecy in government" does not vanish simply because reasonable men have recognized, at diverse times for diverse causes, that some reserve contributes to the public business.

The problem is to decide which is which. And if that is sometimes difficult, whoever promised that ordering a free society would be easy?

One possible distinction, of course, is among the hearing, deliberation and decision processes. The hearing process, whether formal or informal, is that by which the public makes known its opinion, whether on war or peace or where to build a new highway or whether an accused is guilty. It can never be circumscribed or held in camera without grave injury.

Nor can the decision process. The public must know not only what was decided (no secret agreements, foreign or domestic) but who decided it. The roll must be called in Congress, the jury polled, the President stand up publicly to be counted.

It's in the process leading to decision, the deliberative process, that matters aren't so simple. It's all very well to say Congress should publicly debate questions before it, but the practical effect is to drive the deliberative process from the floor to the committee rooms, cloak rooms and corridors. There, in privacy, the members can discuss with candor, change their views without embarrassment, speak without the burden of defending partisan views, untempted to play to the gallery. No one expects a jury to deliberate in a packed town hall.

So there are, take it all in all, some occasions where privacy—secrecy, if you will—serves the governmental process better than the full glare of publicity. It's not a very remarkable thought, and would hardly be worth remarking except for the present clamor that those who serve us always serve us ill, no matter what the circumstances, if they close the door of the council chamber.

Anyway, those Founding Fathers, so revered in other matters, thought to conduct some affairs in "secrecy" and still gave us a pretty good government.

Mr. TAFT. Mr. President, today I had considered proposing an amendment to Senate Resolution 69 to provide that all meetings of Senate committees and subcommittees be opened to the public unless a committee or subcommittee, by rule or majority vote, determines otherwise.

The amendment already offered by the senior Senator from Delaware would place the burden of closing any meeting on those who desire it to be closed. I agree with this approach wholeheartedly. If the Senate really believes, as I do, that its business should be conducted in public rather than behind closed doors, then we should take affirmative action to achieve this rather than simply allowing it to happen if a committee or subcommittee so desires.

Nevertheless, I realize that some procedural difficulties could be caused by the Roth amendment. For example, when the Committee on Banking, Housing and Urban Affairs, of which I am a member, discussed this issue, we agreed that markup sessions at which materials which could have a major effect on the international money markets or the stock market will be discussed, could properly be closed. If the only way to close such a meeting would be by a rollcall vote on the same day, however, there might be no way to discuss such materials without the adverse effects. The mere act of closing, or attempting to close, a meeting, could set off the speculative activity that we would be seeking to avoid.

The committee also decided that there are certain types of situations, including discussions of the personal qualifications of nominees seeking to be confirmed and of matters involving proprietary business information, which always demand closed sessions. I doubt whether it is desirable to forbid committee rules closing such types of markups, and thereby subjecting each case to the determination of a majority of the committee with the public present. The political circumstances may make it very difficult to obtain a majority vote, even when the markup session should really be closed.

The amendment which I would have preferred would take care of these problems, while retaining the proposition basic to the Roth amendment that the burden must be on those who seek to close, rather than open, committee sessions.

The Roth amendment, however, might be jeopardized by another amendment at this time. I believe that the approach it takes is far preferable to the approach taken in Senate Resolution 69, and I, therefore, urge the adoption of the Roth amendment. Even if it fails, the committee resolution will be a step forward.

The PRESIDING OFFICER. The question now occurs on the adoption of the resolution.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

I further announce that the Senator

from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. Bayh), the Senator from North Carolina (Mr. Ervin), the Senator from California (Mr. Tunney), the Senator from New Jersey (Mr. Williams), and the Senator from Mississippi (Mr. Stennis) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Fannin), the Senator from Oregon (Mr. Packwood), and the Senator from South Carolina (Mr. Thurmond) are absent on official business.

If present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "yea."

The result was announced—yeas 91, nays 0, as follows:

[No. 31 Leg.]

YEAS—91

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fong
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Weicker
Young

NAYS—0

NOT VOTING—9

Abourezk
Bayh
Ervin
Fannin
Packwood
Stennis
Thurmond
Tunney
Williams

So the resolution (S. Res. 69) was agreed to, as follows:

S. Res. 69

Resolution to amend rule XXV relative to open and closed sessions of commttees

Resolved, To amend rule XXV, section 7, as follows:

After the number "7.", insert (a).

At the end of the paragraph, insert a new section (b) as follows:

"(b) Meetings for the transaction of business of each standing committee of the Senate, other than for the conduct of hearings (which are provided for in section 112(a) of the Legislative Reorganizaton Act of 1970), shall be open to the public except during closed sessions for marking up bills or for voting or when the committee by majority vote orders a closed session: *Provided,* That any such closed session may be open to the public if the committee by rule or by majority vote so determines."

FEDERAL NO FAULT INSURANCE

Mr. MAGNUSON. Mr. President, during the next several months, many State legislatures will be considering various proposals to reform their automobile compensation systems. Jockeying in the Utah Legislature is taking its place at this moment. It has prompted the editors of the Salt Lake Tribune to offer some sage advice to the Utah Legislature which other State legislatures might well heed. The editors of the Tribune said, in part, that—

> Since it appears that some type of no-fault insurance will come out of this session of the legislature, it is imperative that it be modeled on proposals for a Federal No-Fault law. By anticipating the federal legislation, Utah will be guaranteed a genuine no-fault plan even if Congress again fumbles the ball, and if Congress acts, as many expect it to, then Utahans, with a law already up to federal standards, will be spared considerable confusion and uncertainty.

Mr. President, I ask unanimous consent that the text of the editorial appearing in the February 16, 1973, Salt Lake Tribune be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Legislature Should Anticipate Federal No-Fault Insurance

At the very least Congress should set no-fault automobile insurance standards that all states must meet.

As jockeying over three no-fault proposals before the Utah Legislature shows, the states are being subjected to intense local pressures from competing special interest groups. The trial lawyers, parts of the insurance industry and consumer interests are lobbying strongly for their particular version of no-fault. The public interest is bound to suffer.

Congress is not immune to similar pressures. But being further removed from the threats that pressure groups employ, Congress is better able to conceive and implement a fair no-fault law which the states can then enlarge upon if they desire.

No-fault insurance limits—and, in its "purest" form, eliminates—lawsuits to recover damages in auto accidents since it is not necessary to determine who was at fault. Instead, each victim's insurance company pays its client's losses and medical bills.

Of the several bills before the Utah Legislature, the consumers' bill is the most nearly "pure."

An adequate plan must make auto insurance compulsory for all drivers and vehicles. It must guarantee a reasonable reduction in bodily injury insurance premiums; it should require full payment for all necessary medical expenses incurred in an auto accident no matter who is at fault. Further, the ideal plan must provide adequate compensation for lost income or, in the case of non-earners, lost services.

So-called "pain and suffering" lawsuits should be prohibited except in cases of broken bones or when medical bills (exclusive of hospital and diagnostic costs) exceed a reasonable figure, a figure that takes into account the high cost of modern medical care.

Since it appears that some type of no-fault insurance will come out of this session of the Legislature, it is imperative that it be modeled on proposals for a federal no-fault law. By anticipating the federal legislation Utah will be guaranteed a genuine no-fault plan even if Congress again fumbles the ball. And if Congress acts, as many expect it to, then Utahans, with a law already up to federal standards, will be spared considerable confusion and uncertainty.

The fact that the three bills now before the Legislature have picked up labels—lawyers' bill, insurance companies' bill, consumers' bill—should be sufficient warning that each is essentially a special interest bill. What is needed is a no-fault plan that is directed at the overall public interest.

ADDRESS BY SENATOR JACKSON ON ACCEPTANCE OF "THE MINUTEMAN OF THE YEAR" AWARD OF THE RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES, FEBRUARY 16, 1973

Mr. MAGNUSON. Mr. President, on the evening of February 16, the Reserve Officers of the United States honored my colleague (Mr. Jackson) with its annual Minuteman Award for the great record he has made as a champion of national security programs.

This was a most outstanding affair attended by some 2,000 officers and their ladies from the military services, Reserve and Regular, from throughout the United States.

The various tributes to Senator Jackson, together with his address in response, are submitted for the Record in order that his colleagues may be aware of the great honor which has been conferred upon him, and which, we will all agree, he so richly merits. I ask unanimous consent to have them printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Introduction of Senator Henry Jackson by Congressman Bob Sikes, Reserve Officers' Association Banquet, February 16, 1973

Colonel Harry S Truman, reservist and 33d President of the United States, was a charter member of ROA. He was a strong and courageous yet a humble President who did not duck the issues, and they were heavy. Here was a man—A great man. We took pride in him. We understood him. We valued his leadership. He was one of the heroes of ROA. But he was President for all the nation.

The man we honor tonight is cast in the Truman mold. In 32 years in the House and in the Senate, he has exemplified sound and outstanding leadership in a nation which is committed to peace through preparedness. He has worked diligently for international understanding, but he has insisted that the United States always be in position to negotiate from strength.

He knows the Reserves are a key part of national security and he supports programs to insure strong Reserve components.

It was he who had the courage to question the wisdom of giving Russia a clear advantage in modern weapons as the price of an agreement on the SALT talks, and that is what the SALT agreement does. It was he who successfully fought for an amendment to the SALT agreement requiring that in SALT II, the follow-on talks, our objective is to achieve equality or parity in modern weapons. That fight took six long weeks, but he refused to abandon this very important goal and he won.

His calm and courageous voice has been needed in a land where discord and demonstrations have so often claimed the headlines and displaced reason. This man has not been afraid to warn of the danger which awaits America if our preparedness is weakened to the point that we dare not risk a confrontation with the Communist powers of the world.

Henry Jackson is a devoted family man. Like Harry S Truman, he is cast in the mold of leadership and America needs leaders—leaders who are strong and fearless.

The recognition which ROA accords Scoop Jackson tonight may be prophetic of the recognition which the nation will accord him in a future year. He has achieved greatness in the nation's highest councils. He is respected on both sides of the political aisle. Here is a man who could have been Secretary of Defense, one of the most prestigious positions in the nation, but he felt that he could best serve by staying in the Senate which he has done with constantly increasing vote getting. He led the nation in the last election. With that record and that kind of leadership, he may well be destined for the highest post in the land.

I think I know the qualities which make a man great. I have introduced great men in this audience. I know that I am introducing a great man tonight. As a reservist and member of ROA for many years, it gives me pride—and I am confident it gives ROA pride—that tonight a new leader among great Americans joins the heroes of ROA.

Now let me read the citation which tells the story of tonight's ceremony:

(Read the citation).

I am very happy to be privileged to introduce ROA's newest hero, the Honorable Henry M. Jackson.

The following telegram expressing congratulations to Senator Jackson was received from President Richard Nixon:

It is a pleasure to join with the members of the Reserve Officers Association in tribute to Scoop Jackson.

Fellow citizens everywhere share your appreciation and recognize in his service an exemplary devotion to the public trust he holds.

My warmest congratulations go out to Scoop and all who attend your dinner.

Richard Nixon.

Remarks by Senator Henry M. Jackson on Acceptance of "The Minute Man of the Year" Award

I am honored to have been chosen as this year's recipient of your "Minute Man of the Year" award. The list of previous recipients is a distinguished one. Many of the designees were Senators and Congressmen—great leaders like Richard Russell, Carl Vinson, and Speakers McCormack and Albert—and I am proud to have served with them and to have had them for friends.

When I first came to the Congress more than thirty years ago, our country was on the verge of the greatest foreign crisis in its history. It was a time when outstanding leadership was required. It was the time when a tradition of bipartisan support for the nation's foreign policy began.

We need some of that spirit today.

The tradition of country over party, of nation over personal political interest, has never had a greater exemplar than Senator John Stennis. I know you join me in praying for his speedy recovery. The United States needs his courage and his wise counsel. We need him back in the Senate.

Tonight, I want to discuss with you the continuing need for resolution in the management of our nation's foreign and defense policies.

The war in Vietnam may be coming to an end, but the end of that war will by no means solve our security problems. Indeed, if the end of that war becomes a cause for complacency, the fragile peace we now enjoy will certainly be shattered.

It is an unhappy fact of history that our nation's record for postwar eras is not very impressive. After World War I, we allowed our foreign and defense policies to lapse into a sterile and uninformed isolationism. After World War II, we did not merely demobilize our armed forces, we nearly dismantled them. We were dangerously unprepared for the challenge of Soviet expansionism. After Korea, we passed through several years when we were more interested in an economical defense than a broadly-based one.

Indeed, because our fundamental strategic and foreign policies were based on the assumption that overwhelming U.S. nuclear superiority would be maintained indefinitely, we thought we could pay less attention to other aspects of military preparedness.

Now, in another postwar era, when we clearly do not have nuclear superiority, we must reformulate national strategy and develop military forces to implement it.

We must not allow this post-Vietnam era to become a time of complacency and sloth.

(1) In the past decade, there have been deep differences and bitter disagreements about foreign and defense policy, and the legacy of this period cannot help but make it harder to deal with our problems objectively. The strain on our military institutions has been particularly severe.

In many Americans' minds, the difficulties we had in Vietnam came to be associated wtih some presumed flaws in the American military system. The military was criticized for discipline that was either too strict or too lax—depending on the cases; for failure to solve problems of race relations—though the military's record in this area is far better than other segments of our society; for failure to win the war in Vietnam—though it was not the business of our professional military to define our war aims in Vietnam.

I sometimes think that it is the very dedication of our military services which makes them this sort of scapegoat—for even the harshest critics of our armed services seem to know that the man in uniform will endure it all, yet still remain willing to serve his country.

(2) We have yet to firm up a guiding strategic doctrine which takes account of the vast increase in Soviet strategic power and its implications for Western security.

On the one hand, the SALT agreements—and especially the ABM treaty—seemed based on a doctrine which holds that U.S. strategic forces have no role other than destroying the Russian population in the event of an all-out nuclear attack on the United States. On the other hand, the "Nixon Doctrine", the four criteria of "strategic sufficiency" as spelled out by the Defense Department, and other Administration statements suggest that we are still interested in extending strategic deterrence to our allies and in preventing the nuclear blackmail of our allies by third parties.

Now, I do not wish to suggest that it will be easy to resolve these doctrinal inconsistencies. But I am sure you see why we better come to grips with this problem.

(3) Important as strategic forces are to the safety of the nation, they represent but 10% of the total defense budget. The nature and size of our general purpose forces should also be of concern to us.

Here, too, there are disturbing indications that, within the government, there is not yet a clear picture of where the nation should go, what kinds of forces the nation should have, and what foreign policy objectives these forces should support.

As a result of the transition to an all volunteer force, we find that soaring manpower costs have placed a serious squeeze on the defense budget. An urgent problem facing our military, therefore, is the design of forces that will utilize manpower more efficiently.

Indeed, as the cost of weapons and military construction continues to rise, the armed services will be under severe pressure to cut their manpower requirements to the bone.

Here the reserves will play a crucial role. For I expect that the higher cost of manpower will cause us to rely more upon our mobilization potential and less on our forces-in-being. If this turns out to be so, we will need a corps of highly professional reserve officers, officers who have kept up to date not only with the latest military concerns, but with what is happening in our society as a whole.

In the meantime, you can be sure that political pressures directed against the stationing of troops in Europe will continue to mount.

Under this set of circumstances, it may be very tempting to solve our pressing budgetary problems at the expense of our larger political and foreign policy interests.

Frankly, I am very concerned by the prospect. In my view, the first round of the SALT talks established a bad precedent. For, when faced with a seriously deteriorating strategic balance, we looked to negotiations with the Soviets to solve the problem for us. The result was a series of damaging negotiating concessions in the hope that Moscow would somehow help alleviate our difficulties. In fact, the Soviets have continued the rapid buildup of their strategic forces.

It seems to me that similar hopes—or, more appropriately, similar wishful thinking—may come to govern our approach to the Soviet-American negotiations on conventional force reductions in Europe. As budgetary and other pressures mount, corrosive diplomatic concessions may appear to some to be the only way out—but this could well undercut both American influence in Western Europe and Western European security itself.

(4) Relations among the great powers of the world are far different from what they were just ten years ago. Indeed, we have reached a point where there is a genuine triangular relationship between Moscow, Peking, and Washington, where any two sides of the triangle can vitally affect the third.

I have suggested that we cannot give the Soviets an unfair advantage in this diplomatic contest by failing to put our relations with Peking on the customary Ambassadorial level. I think we can do this without prejudice to the future of the people on Taiwan.

However, in no sense should we approach negotiations with China or the Soviets with a sense of weakness. We still have great resources that can be brought to bear in the realm of international politics. Not the least of these are our scientific, technological, industrial, and managerial capabilities which are the envy of the world—and to which the Communist nations need access if they are to modernize their stagnating societies.

In short, we must prepare for a period of tough bargaining over trade, over freedom to emigrate, over cultural and personal exchange, over arms control and security questions—remembering all the time that a credible defense posture will be vital to the success of any of these diplomatic undertakings.

Our military establishment has come a long way since the days of the Minuteman, today the symbol of preparedness and vigilance. As much as the world has changed since the American revolution, and as complicated as diplomatic and military affairs have become, we need something of the spirit of the dedicated citizen—the man of peace prepared to come to the country's defense. Millions of Americans belong to that tradition, and with the understanding that I am but one of them, I am grateful for the honor you have given me tonight.

APPOINTMENT OF ADVISER TO MEETING OF THE UNITED NATIONS COMMITTEE ON PEACEFUL USES OF SEABED

The PRESIDING OFFICER (Mr. Scott of Virginia). The Chair, on behalf of the President of the Senate, appoints Mr. Stevens as adviser to the meeting of the United Nations Committee on Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction to be held in New York March 10 to April 6, 1973, and at Geneva, Swtizerland, July 2 to August 24, 1973.

THE VETERANS HEALTH CARE EXPANSION ACT OF 1973

The **PRESIDING OFFICER**. Under the previous unanimous-consent agreement, the Senate will now proceed to the consideration of Senate bill 59, which the clerk will state by title.

The assistant legislative clerk read the bill by title, as follows:

A bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery.

The Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs with amendments on page 8, line 6, after the word "amended", strike out "by—"; at the beginning of line 7, strike out:

"(1) adding at the end thereof the following new subsection (d):"

And insert: "by adding at the end thereof the following new subsection (d):".

After line 23, insert a new section, as follows:

SEC. 105. (a) Section 624 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Administrator may furnish nursing home care, on the same terms and conditions set forth in section 620(a) of this title and at the same rate as specified in section 632(a)(4) of this title, to any veteran who has been furnished hospital care in the Philippines pursuant to this section, but who requires a protracted period of nursing home care."

(b) The catchline at the beginning of Section 624 of such title is amended to read as follows:

On page 9, after line 10, insert:

"§ 624. Hospital care, medical services and nursing home care abroad."

At the beginning of line 13, change the section number from "105" to "106"; at the beginning of line 18, change "629" to "626"; in the same line, after the word "of", strike out "personnel" and insert "personal"; at the beginning of line 20, change the section number from "106" to "107"; on page 11, line 14, after the word "amended", insert "(1)"; at the beginning of line 18, change the section number from "107" to "108"; on page 12, line 8, after the word "hospital", strike out "and medical care" and insert "care, medical services and nursing home care"; in line 16, after "July 1,", strike out "1972" and insert "1973"; in line 17, after the word "the", strike out "United States" and insert "United States—"; in line 21, after the word "in", strike out "Veterans' Administration facilities" and insert "the Veterans Memorial Hospital"; on page 13, line 1, after the word "veterans", insert "and new Philippine Scouts"; in line 6, after the word "Army", strike out "veterans" and insert "veterans, and for new Philippine Scouts if they enlisted before July 4, 1946,"; after line 11, strike out:

"(3) will pay for hospital care, determined by the Administrator to be necessary, at *the Veterans Memorial Hospital for new* Philippine Scouts for service-connected disabilities and for non-service-connected disabilities, if they enlisted before July 4, 1946, and if they are unable to defray the expenses of necessary hospital care;

"(4) will pay for medical services for new Philippine Scouts determined by the Administrator to be in need thereof for service-connected disabilities as authorized for Commonwealth Army veterans in clause (1) of this subsection;

At the beginning of line 23, strike out "(5)" and insert "(3)"; in line 25, after the word "veterans", insert "and new "(5)" and insert "(3)"; in line 25, after line 2, insert:

"(4) may provide for payments for nursing home care, on the same terms and conditions as set forth in section 620(a) of this title, for any Commonwealth Army veteran or new Philippine Scout determined to need such care at a per diem rate not to exceed 50 per centum of the hospital per diem rate established pursuant to clause (6) of this subsection;

At the beginning of line 10, strike out "(6)" and insert "(5)"; in line 12, after the word "veterans", insert "and new Philippine Scouts"; at the beginning of line 17, strike out "Administrator. The Administrator" and insert "Administrator; and"; at the beginning of line 23, strike out "(7)" and insert "(6)"; and, in the same line, after the amendment just stated, strike out "may" and insert "will"; on page 15, at the beginning of line 3, strike out "(8)" and insert "(7)"; in line 11, after the word "one", insert "such"; in the same line, after "July 1.", strike out "1978." and insert "1978, which shall include an amount not to exceed $250,000 for any one such fiscal year for the purposes of clause (4) of such subsection."; in line 19, after the word "vetreans", insert "or new Philippine Scouts"; on line 24, after the word "veterans", insert "or new Philippine Scouts"; on page 16, line 11, after the word "personnel", strike out "at the" and insert "who are assigned to such"; in line 22, after the word "grants.", insert "Any appropriation made for carrying out the purposes of clause (2) of this subsection shall remain available until expended."; on page 17, in the material following line 5, in the line starting "632.", after the word "hospital", strike out "and medical care." and insert "care, medical services and nursing home care."; at the beginning of line 18, change the section number from "108" to "109"; on page 20, line 23, after the word "the", strike out "Administrator" and insert "Comptroller General of the United States"; on page 21, line 11, after the word "Administrator", insert "shall cooperate fully with the Comptroller General and"; in line 14, after the word "The", strike out "Administrator" and insert "Comptroller General"; on page 24, line 7, after the word "to", strike out "$34,171" and insert "$34,971"; on page 26, line 13, after the word "of", strike out "intermediate" and insert "Intermediate"; on page 27, at the beginning of line 23, strike out "Se3." and insert "Sec."; on page 32, line 5, after the word "subsection", strike out "a new paragraph as follows" and insert "the following new paragraphs"; after line 6, insert:

"(2) For the purposes of this title, the term 'intern' shall include an internship or the equivalency thereof, as determined in accordance with regulations which the Administrator shall prescribe.

At the beginning of line 11, strike out "(2)" and insert "(3)"; on page 37, line 21, after the word "Administration", strike out "hospitals, nor maintain" and insert "hospitals or"; in line 23, after the word "fiscal", strike out "year." and insert "year, nor maintain such a census of less than 82,000 in any such fiscal year."; on page 43, line 1, strike out "TITE" and insert "TITLE"; in line 4, after the word "sections", strike out "105" and insert "106"; and, in the same line, after the word "and", strike out "106" and insert "107"; so as to make the bill read:

S. 59

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Health Care Expansion Act of 1973".

TITLE I—HOSPITAL, DOMICILIARY, AND MEDICAL CARE BENEFITS

SEC. 101. (a) Subparagraph (C) of section 601(4) of title 38, United States Code, is amended to read as follows:

"(C) private facilities for which the Administrator contracts in order to provide (i) hospital care or medical services for persons suffering from service-connected disabilities or from disabilities for which such persons were discharged or released from the active military, naval, or air service; (ii) hospital care for women veterans; (iii) hospital care for veterans in a State, territory, Commonwealth, or possession of the United States not contiguous to the forty-eight contiguous States, except that the annually determined average hospital patient load per thousand veteran population hospitalized at Veterans' Administration expense in Government and private facilities in each such noncontiguous State may not exceed the average patient load per thousand veteran population hospitalized by the Veterans' Administration within the forty-eight contiguous States; but authority under this clause (iii) shall expire on December 31, 1978; or (iv) hospital care, where appropriate facilities defined in clauses (A) and (B) are not available, for the wife or child of a veteran who has a total disability, permanent in nature, resulting from a service-connected disability, and the widow or child of a veteran who died as a result of a service-connected disability."

(b) Section 601(5) of such title is amended to read as follows:

"(5) The term 'hospital care' includes—

"(A)(i) medical services rendered in the course of the hospitalization of any veteran, and (ii) transportation and incidental expenses for any veteran who is in need of treatment for a service-connected disability or is unable to defray the expense of transportation;

"(B) such mental health services, consultation, professional counseling, and training (including (i) necessary expenses for transportation if unable to defray such expenses; or (ii) necessary expenses of transportation and subsistence in the case of a veteran who is receiving care for a service-connected disability or in the case of a dependent or survivor of a veteran under the terms and conditions set forth in section 111 of this title) of the members of the immediate family (including legal guardians) of a veteran or a dependent or survivor of a veteran, or, in the case of a veteran or dependent or survivor of a veteran who has no immediate family members (or legal guardian), the person in whose household such veteran, or a dependent or survivor certifies his intention to live, as may be necessary or appropriate to the effective treatment and rehabilitation of a veteran or a dependent or a survivor of a veteran; and

"(C) (i) medical services rendered in the course of the hospitalization of a dependent or survivor of a veteran, and (ii) transportation and incidental expenses for a dependent or survivor of a veteran who is in need of treatment for any injury, disease, or disability and is unable to defray the expense of transportation."

(c) Section 601(6) of such title is amended by inserting immediately after "treatment," the following: "such home health services as the Administrator determines to be necessary or appropriate for the effective and economical treatment of a disability of a veteran or a dependent or survivor of a veteran,".

Sec. 102. Section 610 of title 38, United States Code, is amended by—

(1) inserting in subsection (a) "or nursing home care" immediately after "hospital care" where it first appears;

(2) striking out clause (1) (B) of subsection (a) and inserting in lieu thereof the following:

"(B) any veteran for a non-service-connected disability if he is unable to defray the expenses of necessary hospital care;".

(3) amending subsection (c) to read as follows:

"(c) While any veteran is receiving hospital care or nursing home care in any Veterans' Administration facility, the Administrator may, within the limits of Veterans' Administration facilities, furnish medical services to correct or treat any non-service-connected disability of such veteran, in addition to treatment incident to the disability for which he is hospitalized, if the veteran is willing, and the Administrator finds such services to be reasonably necessary to protect the health of such veteran."; and

(4) adding at the end thereof the following new subsections:

"(d) The Administrator, within the limits of Veterans' Administration facilities, may furnish hospital care or nursing home care to the following individuals, in accordance with such regulations as he shall prescribe, to the extent that the provision of such care does not interfere with the furnishing of hospital and domiciliary care under subsections (a) and (b) of this section:

"(1) the wife or child of a veteran who has a total disability, permanent in nature, resulting from a service-connected disability; and

"(2) the widow or child of a veteran who died as the result of a service-connected disability.

"(e) In no case may nursing home care be furnished in a hospital not under the direct and exclusive jurisdiction of the Administrator except as provided in section 620 of this title."

Sec. 103. Subsection (f) of section 612 of title 38, United States Code, is amended to read as follows:

"(f) The Administrator may also furnish medical services for any disability on an outpatient or ambulatory basis—

"(1) to any person eligible for hospital care under section 610 of this title (A) where such services are reasonably necessary in perparation for, or to obviate the need of, hospital admission, or (B) where such a person has been granted hospital care and such medical services are reasonably necessary to complete treatment incident to such hospital care; and

"(2) to any veteran who has a service-connected disability rated at 80 per centum or more."

Sec. 104. (a) The first sentence of subsection (a) of section 620 of title 38, United States Code, is amended by redesignating clauses (1) and (2) as clauses (i) and (ii), respectively; by striking out "veteran" in redesignated clause (i) and inserting "person"; and by amending that portion preceding such clauses to read as follows:

"(a) Subject to subsection (b) of this section, the Administrator may transfer—

"(1) any person who has been furnished care by the Administrator in a hospital under the direct and exclusive jurisdiction of the Administrator, and

"(2) any person (A) who has been furnished care in any hospital of any of the Armed Forces, (B) who the appropriate Secretary concerned has determined has received maximum hospital benefits but requires a protracted period of nursing home care, and (C) who upon discharge therefrom will become a veteran

to any public or private institution not under the jurisdiction of the Administrator which furnishes nursing home care, for care at the expense of the United States, only if the Administrator determines that—".

(b) The second sentence of section 620(a) of such title is amended by striking out the designations (A) and (B) and inserting in lieu thereof (I) and (II), respectively; and by striking out "veteran" wherever it appears in such sentence and inserting in lieu thereof "person".

(c) Section 620(b) of such title is amended by (1) striking out "veteran" and inserting in lieu thereof "person"; (2) by adding "or admitted" after "transferred" and (3) by adding at the end thereof the following: "The standards prescribed and any report of inspection of institutions furnishing care to veterans under this section made by or for the Administrator shall, to the extent possible, be made available to all Federal, State, and local agencies charged with the responsibility of licensing or otherwise regulating or inspecting such institutions.".

(d) Section 620 of such title is further amended by adding at the end thereof the following new subsection (d):

"(d) Subject to subsection (b) of this section, the Administrator may authorize for any veteran requiring nursing home care for a service-connected disability direct admission for such care at the expense of the United States to any public or private institution not under the jurisdiction of the Administrator which furnishes nursing home care. Such admission may be authorized upon determination of need therefor by a physician employed by the Veterans' Administration or, in areas where no such physician is available, carrying out such function under contract or fee arrangement based on an examination by such physician. The amount which may be paid for such care and the length of care available under this subsection shall be the same as authorized under subsection (a) of this section."

Sec. 105. (a) Section 624 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Administrator may furnish nursing home care, on the same terms and conditions set forth in section 620(a) of this title and at the same rate as specified in section 632(a) (4) of this title, to any veteran who has been furnished hospital care in the Philippines pursuant to this section, but who requires a protracted period of nursing home care."

(b) The catchline at the beginning of Section 624 of such title is amended to read as follows:

"§ 624. Hospital care, medical services and nursing home care abroad."

Sec. 106. (a) Section 626 of title 38, United States Code, is amended by striking out "fire" and inserting in lieu thereof "fire, earthquake, or other natural disaster".

(b) The catchline at the beginning of section 626 of such title is amended to read as follows:

"§ 626. Reimbursement for loss of personal effects by natural disaster"

Sec. 107. (a) Subchapter III of chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 628. Reimbursement of certain medical expenses

"(a) The Administrator may, under such regulations as he shall prescribe, reimburse veterans entitled to hospital care or medical services under this chapter for the reasonable value of such care or services (including necessary travel), for which such veterans have made payment, from sources other than the Veterans' Administration, where—

"(1) such care or services were rendered in a medical emergency of such nature that delay would have been hazardous to life or health;

"(2) such care or services were rendered to a veteran in need thereof (A) or an adjudicated service-connected disability, (B) for a non-service-connected disability associated with and held to be aggravating a service-connected disability, (C) for any disability of a veteran who has a total disability permanent in nature from a service-connected disability, or (D) for any illness, injury, or dental condition in the case of a veteran who is found to be (i) in need of vocational rehabilitation under chapter 31 of this title and for whom an objective had been selected or (ii) pursuing a course of vocational rehabilitation training and is medically determined to have been in need of care or treatment to make possible his entrance into a course of training, or prevent interruption of a course of training, or hasten the return to a course of training which was interrupted because of such illness, injury, or dental condition; and

"(3) Veterans' Administration or other Federal facilities were not feasibly available, and an attempt to use them beforehand would not have been reasonable, sound, wise, or practical.

"(b) In any case where reimbursement would be in order under subsection (a) of this section, the Administrator may, in lieu of reimbursing such veteran, make payment of the reasonable value of care or services directly—

"(1) to the hospital or other health facility furnishing the care or service; or

"(2) to the person or organization making such expenditure on behalf of such veteran."

(b) The table of sections at the beginning of such chapter is amended (1) by deleting

"624. Hospital care and medical services abroad."

and inserting in lieu thereof

"624. Hospital care, medical services and nursing home care abroad."

and (2) by deleting

"626. Reimbursement for loss of personal effects by fire.

"627. Persons eligible under prior law."

and inserting in lieu thereof

"626. Reimbursement for loss of personal effects by natural disaster.

"627. Persons eligible under prior law.

"628. Reimbursement of certain medical expenses."

Sec. 108. (a) Chapter 17 of title 38, United States Code, is amended by striking out sections 631 and 632 in their entirety and inserting in lieu thereof the following:

§ 631. Assistance to the Republic of the Philippines

"The President is authorized to assist the Republic of the Philippines in providing medical care and treatment for Commonwealth Army veterans and new Philippine Scouts in need of such care and treatment for service-connected disabilities and non-service-connected disabilities under certain conditions.

"§ 632. Contracts and grants to provide hospital care, medical services and nursing home care

"(a) The President, with the concurrence of the Republic of the Philippines, may authorize the Administrator to enter into a conract with the Veterans Memorial Hospital with the approval of the appropriate department of the Government of the Republic of the Philippines, covering the period beginning on July 1, 1973, and ending on June 30, 1978, under which the United States—

"(1) will pay for hospital care in the Republic of the Philippines, or for medical services which shall be provided either in the Veterans Memorial Hospital, or by contract, or otherwise by the Administrator in accordance with the conditions and limitations applicable generally to beneficiaries under section 612 of this title, for Commonwealth Army veterans and new Philippine Scouts determined by the Administrator to be in need of such hospital care or medical services for service connected disabilities;

"(2) will pay for hospital care at the Veterans Memorial Hospital for Commonwealth Army veterans, and for new Philippine Scouts if they enlisted before July 4, 1946, determined by the Administrator to need such care for non-service-connected disabilities if they are unable to defray the expenses of necessary hospital care;

(3) may provide for the payment of travel expenses pursuant to section 111 of this title for Commonwealth Army veterans and new Philippine Scouts in connection with hospital care or medical services furnished them;

"(4) may provide for payments for nursing home care, on the same terms and conditions as set forth in section 620(a) of this title, for any Commonwealth Army veteran or new Philippine Scout determined to need such care at a per diem rate not to exceed 50 per centum of the hospital per diem rate established pursuant to clause (6) of this subsection;

"(5) may provide that payments for hospital care and for medical services provided to Commonwealth Army veterans and new Philippine Scouts or to United States veterans may consist in whole or in part of available medicines, medical supplies, and equipment furnished by the Administrator to the Veterans Memorial Hospital at valuations therefor as determined by the Administrator; and is authorized to furnish through the revolving supply fund, pursuant to section 5011 of this title, such medicines, medical supplies, and equipment as necessary for this purpose and to use therefor, as applicable, appropriations available for such payments;

(6) will provide for payments for such hospital care at a per diem rate to be jointly determined for each fiscal year by the two Governments to be fair and reasonable; and

"(7) may stop payments under any such contract upon reasonable notice as stipulated by the contract if the Republic of the Philippines and the Veterans Memorial Hospital fail to maintain such hospital in a well-equipped and effective operating condition, as determined by the Administrator.

"(b) The total of the payments authorized by subsection (a) of this section shall not exceed $2,000,000 for any one such fiscal year ending before July 1, 1978, which shall include an amount not to exceed $250,000 for any one such fiscal year for the purposes of clause (4) of such subsection.

"(c) The contract authorized by subsection (a) of this section may provide for the use by the Republic of the Philippines of beds, equipment, and other facilities of the Veterans Memorial Hospital at Manila, not required for hospital care of Commonwealth Army veterans or new Philippine Scouts for service-connected disabilities, for hospital care of other persons in the discretion of the Republic of the Philippines, except that (1) priority of admission and retention in such hospital shall be accorded Commonwealth Army veterans and new Philippine Scouts needing hospital care for service-connected disabilities, and (2) such use shall not preclude the use of available facilities in such hospital on a contract basis for hospital care or medical services for persons eligible therefor from the Veterans' Administration.

"(d) To further assure the effective care and treatment of patients in the Veterans Memorial Hospital, there is authorized to be appropriated for each fiscal year during the six years beginning July 1, 1972, and ending June 30, 1978—

"(1) the sum of $50,000 to be used by the Administrator for making grants to the Veterans Memorial Hospital for the purpose of education and training of health service personnel who are assigned to such hospital; and

"(2) the sum of $50,000 to be used by the Administrator for making grants to the Veterans Memorial Hospital for the purpose of assisting the Republic of the Philippines in the replacement and upgrading of equipment and in rehabilitating the physical plant and facilities of such hospital.

Such grants shall be made on such terms and conditions as prescribed by the Administrator, including approval by him of all education and training programs conducted by the hospital under such grants. Any appropriation made for carrying out the purposes of clause (2) of this subsection shall remain available until expended."

(b) The table of sections at the beginning of such chapter 17 is amended by striking out

"631. Grants to the Republic of the Philippines.

"632. Modification of agreement with the Republic of the Philippines effectuating the Act of July 1, 1948."

and inserting in lieu thereof

"631. Assistance to the Republic of the Philippines.

"632. Contracts and grants to provide hospital care, medical services and nursing home care."

(c) Nothing in subsection (a) of this section shall be deemed to affect in any manner any right, cause, obligation, contract (specifically including that contract executed April 25, 1967, between the Government of the Republic of the Philippines and the Government of the United States resulting from Public Law 89–612, which shall remain in force and effect until modified or superseded by an agreement executed under authority of this Act), authorization of appropriation, grant, function, power, or duty vested by law or otherwise under the provisions of section 632 of title 38, United States Code, in effect on the day before the date of enactment of this section.

SEC. 109. (a) Chapter 17 of title 38, United States Code, is further amended by adding at the end thereof the following new subchapter:

"Subchapter VI—Sickle Cell Anemia

"§ 651. Screening, counseling, and medical treatment

"The Administrator is authorized to carry out a comprehensive program of providing sickle cell anemia screening, counseling, treatment, and information under the provisions of this chapter.

"§ 652. Research

'The Administrator is authorized to carry out research and research training in the diagnosis, treatment, and control of sickle cell anemia based upon the screening examinations and treatment provided under this subchapter.

"§ 653. Voluntary participation; confidentiality

"(a) The participation by any person in any program or portion thereof under this subchapter shall be wholly voluntary and shall not be a prerequsite to eligibilty for or receipt of any other service or assistance from or to participation in, any other program under this title.

"(b) The Administrator shall promulgate rules and regulations to insure that all information and patient records prepared or obtained under this subchapter shall be held confidential except for (1) such information as the patient (or his guardian) requests in writing to be released or (2) statistical data compiled without reference to patient names or other identifying characteristics.

"§ 654. Reports

"The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration of this subchapter, including such recommendations for additional legislation as the Administrator deems necessary."

(b) The analysis at the beginning of such chapter is amended by adding at the end thereof:

"SUBCHAPTER VI—SICKLE CELL ANEMIA

"651. Screening, counseling, and medical treatment.

"652. Research.

"653. Voluntary participation; confidentiality.

"654. Reports.".

TITLE II—AMENDMENTS TO CHAPTER 73 OF TITLE 38, UNITED STATES CODE, RELATING TO THE DEPARTMENT OF MEDICINE AND SURGERY

SEC. 201. Section 4101 of title 38, United States Code, is amended by amending subsection (b) to read as follows:

"(b) In order to carry out more effectively the primary function of the Department of Medicine and Surgery to provide a complete medical and hospital service for the medical care and treatment of veterans and to assist in providing an adequate supply of health manpower to the Nation, the Administrator shall, to the extent feasible without interfering with the medical care and treatment of veterans, develop and carry out a program of education and training of such health manpower (including the developing and evaluating of new health careers, interdisciplinary approaches and career advancement opportunities), and shall carry out a major program for the recruitment, training, and employment of veterans with medical military occupation specialties as physicians' assistants, dentists' assistants, and other medical technicians (including advising all such qualified veterans and servicemen about to be discharged or released from active duty of such employment opportunities), acting in cooperation with such schools of medicine, osteopathy, dentistry, nursing, pharmacy, optometry, podiatry, public health, or allied health professions; other institutions of higher learning; medical centers; academic health centers; hospitals; and such other public or nonprofit agencies, institutions, or organizations as the Administrator deems appropriate.".

"(c) In order to attain comparability in the staff-to-patient ratio in the several services of Veterans' Administration hospitals with like services of other public and private hospitals, the Comptroller General of the United States shall, on a geographical or regional area basis, select as an index for such purpose any hospital or hospitals (or other medical installation or installations having hospital facilities) having an optimum staff-to-patient ratio in such services. Within three years after the date of the enactment of this subsection, the staff-to-patient ratio in each such service at each Veterans' Administration hospital, domiciliary, and clinic within the same geographic or regional area shall be comparable to that in the index service of the index facility in such area at such time, taking into consideration the composition of patient population. To secure the information and statistical data necessary for the selection of such index hospital, the Administrator shall cooperate fully with the Comptroller General and may make arrangements, by contract or other form of agreement, for such medical information services. The Comptroller General shall submit to the Congress, not more than sixty days after the end of each fiscal year, a report describing the actions taken to implement the provisions of this subsection and the extent to which such provisions have been implemented. Such report shall also include a service-by-service description of the index ratios and established staff-to-patient ratios in each Veterans' Administration facility."

SEC. 202. Section 4103(a) of title 38, United States Code, is amended—

(1) by amending paragraph (4) to read as follows:

"(4) Not to exceed eight Assistant Chief Medical Directors, who shall be appointed by the Administrator upon the recommendations of the Chief Medical Director. Not more than two Assistant Chief Medical Directors may be individuals qualified in the administration of health services who are not doctors of medicine, dental surgery, or dental medicine. One Assistant Chief Medical Director shall be a qualified doctor of dental surgery or dental medicine who shall be directly responsible to the Chief Medical Director for the operation of the Dental Service."; and

(2) by amending paragraph (7) to read as follows:

"(7) A Director of Pharmacy Service, a Director of Dietetic Service, and a Director of Optometry, appointed by the Administrator."

SEC. 203. Section 4107 of title 38, United States Code, is amended by—

(1) amending subsections (a) and (b) to read as follows:

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director and Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule

"Associate Deputy Chief Medical Director, at the annual rate provided in section 5316 of title 5 for positions in level V of the Executive Schedule.

"Assistant Chief Medical Director, $41,734.

"Medical Director, $36,103 minimum to $40,915 maximum.

"Director of Nursing Service, $36,103 minimum to $40,915 maximum.

"Director of Chaplain Service, $31,203 minimum to $39,523 maximum.

"Director of Pharmacy Service, $31,203 minimum to $39,523 maximum.

"Director of Dietetic Service, $31,203 minimum to $39,523 maximum.

"Director of Optometry, $31,203 minimum to $39,523 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided for in paragraph (1) of section 4104 of this title shall be as follows:

"Physician and Dentist Schedule

"Director grade, $31,203 minimum to $39,523 maximum.

"Executive grade, $28,996 minimum to $37,699, maximum.

"Chief grade, $26,898 minimum to $34,971 maximum.

"Senior grade, $23,088 minimum to $30,018 maximum.

"Intermediate grade, $19,700 minimum to $25,613 maximum.

"Full grade, $16,682 minimum to $21,686 maximum.

"Associate grade, $13,996 minimum to $18,190 maximum.

"Nurse Schedule

"Director grade, $26,898 minimum to $34,971 maximum.

"Assistant Director grade, $23,088 minimum to $30,018 maximum.

"Chief grade, $19,700 minimum to $25,613 maximum.

"Senior grade, $16,682 minimum to $21,686 maximum.

"Intermediate grade, $13,996 minimum to $18,190 maximum.

"Full grade, $11,614 minimum to $15,097 maximum.

"Associate grade, $10,012 minimum to $13,018 maximum.

"Junior grade, $8,572 minimum to $11,146 maximum.

"(2) No person may hold the director grade in the 'Physician and Dentist Schedule' unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position."; and

(2) adding at the end thereof the following new subsections:

"(d) The limitations in section 5308 of title 5 shall apply to pay under this section.

"(e) (1) In addition to the basic compensation provided for nurses in subsection (b) (1) of this section, a nurse shall receive additional compensation as provided by paragraphs (2) through (8) of this subsection.

"(2) A nurse performing service on a tour of duty, any part of which is within the period commencing at 6 postmeridian and ending at 6 antemeridian, shall receive additional compensation for each hour of service on such tour at a rate equal to 10 per centum of the employee's basic hourly rate, if at least four hours of such tour fall between 6 postmeridian and 6 antemeridian. When less than four hours of such tour fall between 6 postmeridian and 6 antemeridian, the nurse shall be paid the differential for each hour of work performed between those hours.

"(3) A nurse performing service on a tour of duty, any part of which is within the period commencing at midnight Saturday and ending at midnight Sunday, shall receive additional compensation for each hour of service on such tour at a rate equal to 25 per centum of such nurse's basic hourly rate.

"(4) A nurse performing service on a holiday designated by Federal statute or Executive order shall receive such nurse's regular rate of basic pay, plus additional pay at a rate equal to such regular rate of basic pay, for that holiday work, including overtime work. Any service required to be performed by a nurse on such a designated holiday shall be deemed to be a minimum of two hours in duration.

"(5) A nurse performing officially ordered or approved hours of service in excess of forty hours in an administrative workweek, or in excess of eight hours in a day, shall receive overtime pay for each hour of such additional service; the overtime rates shall be one and one-half times such nurse's basic hourly rate, not to exceed one and one-half times the basic hourly rate for the minimum rate of Intermediate grade of the Nurse Schedule. For the purposes of this paragraph, overtime must be of at least fifteen minutes duration in a day to be creditable for overtime pay. Compensatory time off in lieu of pay for service performed under the provisions of this paragraph shall not be permitted. Any excess service performed under this paragraph on a day when service was not scheduled for such nurse, or for which such nurse is required to return to her place of employment, shall be deemed to be a minimum of two hours in duration.

"(6) For the purpose of computing the additional compensation provided by paragraph (2), (3), (4), or (5) of this subsection, a nurse's basic hourly rate shall be derived by dividing such nurse's annual rate of basic compensation by two thousand and eighty.

"(7) When a nurse is entitled to two or more forms of additional pay under paragraph (2), (3), (4), or (5) for the same period of duty, the amounts of such additional pay shall be computed separately on the basis of such nurse's basic hourly rate of pay, except that no overtime pay as provided in paragraph (5) shall be payable for overtime service performed on a holiday designated by Federal statute or Executive order in addition to pay received under paragraph (4) for such service.

"(8) A nurse who is officially scheduled to be on call outside such nurse's regular hours shall be compensated for each hour of such on-call duty, except for such time as such nurse may be called back to work, at a rate equal to 10 per centum of the hourly rate for excess service as provided in paragraph (5) of this subsection.

"(9) Any additional compensation paid pursuant to this subsection shall not be considered as basic compensation for the purposes of subchapter VI and section 5595 of subchapter IX of chapter 55, chapter 81, 83, or 87 of title 5, or other benefits based on basic compensation."

SEC. 204. (a) Section 4108 of title 38, United States Code, is amended to read as follows:

"§ 4108. Personnel administration

"(a) Notwithstanding any law, Executive order, or regulation, the Administrator shall prescribe by regulation the hours and conditions of employment and leaves of absence of physicians, dentists, and nurses appointed to the Department of Medicine and Surgery, except that the hours of employment in carrying out responsibilities under this title of any physician, dentist (other than an intern or resident appointed pursuant to section 4114 of this title), or nurse appointed on a full-time basis who accepts responsibilities for carrying out professional services for remuneration other than those assigned under this title, shall consist of not less than eighty hours in a biweekly pay period (as that term is used in section 5504 of title 5), and no such person may—

"(1) assume responsibility for the medical care of any patient other than a patient admitted for treatment at a Veterans' Administration facility, except in those cases where the individual, upon request and with the approval of the Chief Medical Director, assumes such responsibilities to assist communities or medical practice groups to meet medical needs which would not otherwise be available for a period not to exceed one hundred and eighty calendar days, which may be extended by the Chief Medical Director for additional periods not to exceed one hundred and eighty calendar days each;

"(2) teach or provide consultative services at any affiliated institution if such teaching or consultation will, because of its nature or duration, conflict with his responsibilities under this title;

"(3) accept payment under any insurance or assistance program established under subchapter XVIII, or XIX of chapter 7 of title 42, or under chapter 55 of title 10 for professional services rendered by him while carrying out his responsibilities under this title;

"(4) accept from any source, with respect to any travel performed by him in the course of carrying out his responsibilities under this title, any payment or per diem for such travel, other than as provided for in section 4111 of title 5;

"(5) request or permit any individual or organization to pay, on his behalf, for insurance insuring him against malpractice claims arising in the course of carrying out his responsibilities under this title or for his dues or similar fees for membership in medical or dental societies or related professional associations, except where such payments constitute a part of his remuneration for the performance of professional responsibilities permitted under this section, other than those carried out under this title; and

"(6) perform, in the course of carrying out his responsibilities under this title, professional services for the purpose of generating money for any fund or account which is maintained by an affiliated institution for the benefit of such institution, or for his personal benefit, or both, and in the case of any such fund or account established before the effective date of this subsection—

"(A) the affiliated institution shall submit semiannually an accounting to the Administrator and to the Comptroller General of the United States with respect to such fund or account, and thereafter shall maintain such fund or account subject to full public disclosure and audit by the Administrator and the Comptroller General for a period of three years or for such longer period as the Administrator shall prescribe, and

"(B) no physician, dentist, or nurse may receive, after the effective date of this subsection, any cash from amounts deposited in such fund or account derived from services performed prior to the effective date of this subsection.

"(b) As used in this section, the term 'affiliated institution' means any medical school or other institution of higher learning with which the Administrator has a contract or agreement pursuant to section 4112 (b) of this title for the training or education of health manpower.

"(c) As used in this section, the term 'remuneration' means the receipt of any amount of monetary benefit from any non-Veterans' Administration source in payment for carrying out any professional responsibilities."

(b) The table of sections at the beginning of chapter 73 of such title is amended by striking out

"4108. Administration."

and inserting in lieu thereof

"4108. Personnel administration.".

SEC. 205. (a) Section 4109 of title 38, United States Code, is amended by striking out "the Civil Service Retirement Act" and inserting in lieu thereof "chapter 83 of title 5".

(b) Subsection (b) of section 4112 of such title 38, is amended by striking out "service personnel" in the first sentence immediately after "health" and by inserting in lieu thereof "manpower".

SEC. 206. Section 4114 of title 38, United States Code is amended as follows:

(1) by striking out the words "ninety days" in the last sentence of paragraph (3) (A) of subsection (a) and inserting in lieu thereof "one year";

(2) by inserting "(1)" immediately after "(b)" at the beginning of subsection (b) of such section and by adding at the end of such subsection the following new paragraphs:

"(2) For the purposes of this title, the term 'intern' shall include an internship or the equivalency thereof, as determined in accordance with regulations which the Administrator shall prescribe.

"(3) In order to carry out more efficiently the provisions of paragraph (1) of this subsection, the Administrator may contract with one or more hospitals, medical schools, or medical installations having hospital facilities and participating with the Veterans' Administration in the training of interns or residents to provide for the central administration of stipend payments, provision of fringe benefits, and maintenance of records for such interns and residents by the designation of one such institution to serve as a central administrative agency for this purpose. The Administrator may pay to such designated agency, without regard to any other law or regulation governing the expenditure of Government moneys either in advance or in arrears, an amount to cover the cost for the period such intern or resident serves in a Veterans' Administration hospital of (A) stipends fixed by the Administrator pursuant to paragraph (1) of this subsection, (B) hospitalization, medical care, and life insurance, and any other employee benefits as are agreed upon by the participating institutions for the period that such intern or resident serves in a Veterans' Administration hospital, (C) tax on employers pursuant to chapter 21 of the Internal Revenue Code of 1954, where applicable, and in addition, (D) an amount to cover a pro rata share of the cost of expense of such central administrative agency. Any amounts paid by the Administrator to such central administrative agency to cover the cost of hospitalization, medical care, or life insurance or other employee benefits shall be in lieu of any benefits of like nature to which such intern or resident may be entitled under the provisions of title 5, and the acceptance of stipends and employee benefits from the designated central administrative agency shall constitute a waiver by the recipient of any claim he might have to any payment of stipends or employee benefits to which he may be entitled under this title or title 5. Notwithstanding the foregoing, any period of service of any such intern or resident in a Veterans' Administration hospital shall be deemed creditable service for the purposes of section 8332 of title 5. The agreement may further provide that the designated central administrative agency shall make all appropriate deductions from the stipend of each intern and resident for local, State, and Federal taxes, maintain all records pertinent thereto and make proper deposits thereof, and shall maintain all records pertinent to the leave accrued by such intern and resident for the period during which he serves in a participating hospital, including a Veterans' Administration hospital. Such leave may be pooled, and the intern or resident may be afforded leave by the hospital in which he is serving at the time the leave is to be used to the extent of his total accumulated leave, whether or not earned at the hospital in which he is serving at the time the leave is to be afforded."; and

(3) by adding at the end thereof the following new subsection:

"(e) The program of training prescribed by the Administrator in order to qualify a person for the position of full-time physicians' assistant or dentists' assistant shall be considered a full-time institutional program for purposes of chapter 34 of this title. The Administrator may consider training for such a position to be on a less than full-time basis for purposes of such chapter when the combined classroom (and other formal instruction) portion of the program and the on-the-job training portion of the program total less than 30 hours per week."

SEC. 207. Section 4116 of title 38, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) The remedy—

"(1) against the United States provided by sections 1346(b) and 2672 of title 28, or

"(2) through proceedings for compensation or other benefits from the United States as provided by any other law, where the availability of such benefits precludes a remedy under section 1346(b) or 2672 of title 28,

for damages for personal injury, including death, allegedly arising from malpractice or negligence of a physician, dentist, nurse, physicians' assistant, dentists' assistant, pharmacist, or paramedical (for example, medical and dental technicians, nursing assistants, and therapists) or other supporting personnel in furnishing medical care or treatment while in the exercise of his duties in or for the Department of Medicine and Surgery shall hereafter be exclusive of any other civil action or proceeding by reason of the same subject matter against such physician, dentist, nurse, physicians' assistant, dentists' assistant, pharmacist, or paramedical or other supporting personnel (or his estate) whose act or omission gave rise to such claim.";

(2) by striking out the last sentence in subsection (c) and inserting in lieu thereof the following: "After removal the United States shall have available all defenses to which it would have been entitled if the action had originally been commenced against the United States. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merits that the employee whose act or omission gave rise to the suit was not acting within the scope of his office or employment, the case shall be remanded to the State court."; and

(3) by adding at the end thereof the following new subsection:

"(e) The Administrator may, to the extent he deems appropriate, hold harmless or provide liability insurance for any person to whom the immunity provisions of this section apply (as described in subsection (a) of this section), for damage for personal injury or death, or for property damage, negligently caused by such person while furnishing medical care or treatment (including the conduct of clinical studies or investigations) in the exercise of his duties in or for the Department of Medicine and Surgery, if such person is assigned to a foreign country, detailed to a State or political division thereof, or is acting under any other circumstances which would preclude the remedies of an injured third person against the United States, provided by sections 1346(b) and 2672 of title 28, for such damage or injury."

SEC. 208. Section 4117 of title 38, United States Code, is amended to read as follows:

"The Administrator may enter into contracts with medical schools, clinics, and any other group or individual capable of furnishing such services to provide scarce medical specialist services at Veterans' Administration facilities (including, but not limited to, services of physicians, dentists, nurses, physicians' assistants, dentists' assistants, technicians, and other medical support personnel)."

TITLE III—AMENDMENTS TO CHAPTER 81 OF TITLE 38, UNITED STATES CODE—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY

SEC. 301. (a) Subsection (a) of section 5001 of title 38, United States Code, is amended by—

(1) striking out the period at the end of paragraph (2) and inserting in lieu thereof a comma and the following: "but in no event shall the Administrator provide for less than an average of 98,500 operating beds in Veterans' Administration *hospitals or* an average daily patient census in such beds of less than 85,500 in any fiscal *year, nor maintain such a census of less than 82,000 in any such fiscal year.";* and

(2) striking out in the first sentence of paragraph (3) "is authorized to" and inserting in lieu thereof "shall", and by striking out "four thousand beds" and inserting in lieu thereof "eight thousand beds in the fiscal year ending June 30, 1974, and in each fiscal year thereforeafter".

(b) Subsection (b) of section 5001 of such title is amended to read as follows:

"(b) Hospitals, domiciliaries, and other medical facilities provided by the Administrator (including nursing home facilities for which the Administrator contracts under section 620 of this title) shall be of fire, earthquake, and other natural disaster resistant construction in accordance with standards which the Administrator shall prescribe on a State or regional basis after surveying appropriate State and local laws, ordinances, and building codes and climatic and seismic conditions pertinent to each such facility. When an existing plant is purchased, it shall be remodeled to comply with the requirements stated in the first sentence of this subsection. In order to carry out this subsection, the Administrator shall appoint an Advisory Committee on Structural Safety of Veterans' Administration Facilities, on which shall serve at least one architect and one structural engineer expert in fire, earthquake, and other natural disaster resistance who shall not be employees of the Federal Government, to advise him on all matters of srtuctural safety in the construction and remodeling of Veterans' Administration facilities in accordance with the requirement of this subsection, and which shall approve regulations prescribed thereunder. The Associate Deputy Administrator, the Chief Medical Director, or his designee, and the Veterans' Administration official charged with the responsibility for construction shall be ex officio members of such committee."

(c) Section 5001 of such title is further amended by adding the following new subsection:

"(g) The Administrator may make contributions to local authorities toward, or for, the construction of traffic controls, road improvements, or other devices adjacent to Veterans' Administration medical facilities when deemed necessary for safe ingress or egress."

SEC. 302. Chapter 81 of title 38, United States Code, is amended—

(1) by adding at the end of subchapter I the following new section:

"§ 5007. Partial relinquishment of legislative jurisdiction

"The Administrator, on behalf of the United States, may relinquish to the State in which any lands or interests therein under his supervision or control are situated, such measure of legislative jurisdiction over such lands or interests as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of legislative jurisdiction shall be initiated by filing a notice thereof with the Governor of the State concerned, or in such other manner as may be prescribed by the laws of such State, and shall take effect upon acceptance by such State.";

(2) by inserting immediately after the first sentence in subsection (a) of section 5012 thereof the following: "Any lease made pursuant to this subsection to any public or nonprofit organization may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5). Notwithstanding section 321 of the Act entitled 'An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes', approved June 30, 1932 (40 U.S.C. 303b), or any other provision of law, a lease made pursuant to this subsection to any public or nonprofit organization may provide for the maintenance, protection, or restoration, by the lessee, of the property leased, as a part or all of the consideration for the lease. Prior to the execution of any such lease, the Administrator shall give appropriate public notice of his intention to do so in the newspaper of the community in which the lands or buildings to be leased are located."; and

(3) by inserting in the table of sections at the beginning of such chapter

"5007. Partial relinquishment of legislative jurisdiction."

immediately after

"5006. Property formerly owned by the National Home for Disabled Volunteer Soldiers.".

SEC. 303. (a) Section 5053(a) of title 38, United States Code, is amended by striking out "or medical schools" at the beginning of the material contained in parentheses, and by inserting immediately after the close parenthesis the words "or medical schools or clinics".

TITLE IV—MISCELLANEOUS AMENDMENTS TO TITLE 38, UNITED STATES CODE

SEC. 401. Section 230(b) of title 38, United States Code, is amended by striking out "July 3, 1974" and inserting in lieu thereof "June 30, 1978".

SEC. 402. (a) Section 234 of title 38, United States Code, is amended by inserting immediately after the words "telephones for" the following: "nonmedical directors of centers, hospitals, independent clinics, domiciliaries, and".

(b) The table of sections at the beginning of chapter 3 of such title is amended by striking out

"234. Telephone service for medical officers."

and inserting in lieu thereof

"234. Telephone service for medical officers and facility directors.".

(c) The catchline at the beginning of section 234 of such title is amended by inserting immediately after the word "officers" the words "and facility directors".

SEC. 403. (a) Section 641 of title 38, United States Code, is amended by—

(1) striking out in clause (1) "$3.50" and inserting in lieu thereof "$4.50";

(2) striking out in clause (2) "$5" and inserting in lieu thereof "$6";

(3) striking out in clause (3) "$7.50" and inserting in lieu thereof "$10"; and

(4) inserting immediately after the words "veteran of any war" the following: "or of service after January 31, 1955".

(b) Section 644(b) of such title is amended by striking out "50 per centum" and inserting in lieu thereof "65 per centum".

(c) Subsections (a)(1), (b)(2), and (d) of section 5035 of such title are amended by striking out "50 per centum" wherever it appears therein and inserting in lieu thereof "65 per centum."

(d) Section 5036 of such title is amended by striking out "50 per centum" and inserting in lieu thereof "65 per centum".

TITLE V—EFFECTIVE DATES

SEC. 501. The provisions of this Act shall become effective the first day of the first calendar month following the date of enactment, except that sections 106 and 107 shall be effective on January 1, 1971, and section 203 shall become effective beginning the first pay period following thirty days after the date of enactment of this Act.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the able majority leader—and after concurrence therein by the Republican leader, and the Senator from Wyoming (Mr. HANSEN), the Senator from Ohio (Mr. SAXBE), the Senator from Indiana (Mr. HARTKE), and the Senator from California (Mr. CRANSTON)—to ask unanimous consent that, on the pending measure, S. 59, the time be reduced from one hour to 30 minutes on the bill, with the understanding that 10 minutes of that time be allotted to the distinguished Senator from Ohio (Mr. SAXBE).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. And that time on each of the remaining bills, S. 49 and S. 284, be reduced from 1 hour on each bill to 10 minutes on S. 49 and 10 minutes on S. 284, to be equally divided as under the previous order.

Mr. SCOTT of Pennsylvania. Mr. President, no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the rollcalls be ordered on all three bills. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there objection to its being in order to order the yeas and nays on all three bills? Without objection, it is so ordered.

The yeas and nays were ordered.

PRIVILEGE OF THE FLOOR

Mr. CRANSTON. Mr. President, I ask unanimous consent that from this point of time until we have concluded consideration of the three veterans bills scheduled for today, and during votes, the following committee staff members be afforded the privilege of the floor: Guy McMichael, Jonathan Steinberg, Louise Ringwalt, and Tyler Craig.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I wish to express my appreciation and that of the whole committee for the fine efforts of these individuals on the bills we are about to consider.

Mr. President, I ask unanimous consent that the committee amendments and the title amendment be considered and agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, this bill should be extremely familiar to the Senate, since this is the third time that we will be acting on virtually the same provisions within the last 9 months. The provisions of this bill have been subjected to extraordinarily careful scrutiny over the last 2 years by the Subcommittee on Health and Hospitals, which I am privileged to chair, by the full Veterans' Affairs Committee, under the distinguished leadership of the Senator from Indiana (Mr. HARTKE), by the full Senate, and by the Committee on Veterans' Affairs in the other body, and that body itself.

Throughout our efforts we have proceded in a unanimous and bipartisan way in subcommittee, full commitee, and on the Senate floor. Providing quality health care to our disabled veterans is not a partisan political matter.

I want to pay special tribute this afternoon to the great cooperation and assistance which has characterized the work of the minority members of the Veterans' Affairs Committee in working with those of us on the majority side to arrive at a consensus position on all matters.

And that is what we have before us today on the floor in this bill as with the other two we shall shortly consider—a totally bipartisan, nonpartisan consensus that these measures are urgently needed and deserve the overwhelming support of the Congress.

I refer specifically to the spirit of conciliation and accommodation and great concern for the welfare of our Nation's veterans displayed by my colleague from Wyoming (Mr. HANSEN) who this Congress has already displayed outstanding leadership in taking over as ranking minority member of the full committee; the Senator from South Carolina (Mr. THURMOND), who served so ably as ranking minority member last Congress and who continues to serve as ranking minority member of the subcommittee; my good friend from Vermont (Mr. STAFFORD) with whom I also serve on the Labor and Public Welfare Committee, himself a great friend of the veteran; and our newest member, the Senator from Idaho (Mr. MCCLURE) who has already distinguished himself with an informed and bipartisan approach to veterans matters.

Nor do I wish to overlook, Mr. President, the extraordinary efforts on the part of the committee members on the majority side: Chairman HARTKE, who has rendered the best possible leadership on these measures; my distinguished colleague from West Virginia (Mr. RANDOLPH) and my friend from Iowa (Mr. HUGHES), who have provided me with such wise counsel and great support on the subcommittee and full committee, and have been so instrumental in bringing this bill and the other two we shall consider shortly to the floor for action once again; and the able senator from Georgia (Mr. TALMADGE), for years an ardent leader in Congress for just and equitable veterans programs.

Mr. President, all of these committee members have joined as cosponsors of S. 59, as well as the two other measures to be considered. They are joined in cosponsorship of S. 59 by 11 other senators: Mr. BURDICK, Mr. CANNON, Mr. HOLLINGS, Mr. HUMPHREY, Mr. KENNEDY, Mr. MCGOVERN, Mr. MONDALE, Mr. PASTORE, Mr. PELL, and Mr. WILLIAMS.

Mr. President, we all know that the provisions of this bill are basically those contained in H.R. 10880 as pocket-vetoed by the President last October 27. This bill is intended to launch the Veterans' Administration on the most comprehensive medical reforms in its 43-year history, with a 5-year cost of $587 million.

I have a prepared statement elaborating at length on the provisions of this bill, which is also fully explained in the committee report. My statement, and the committee report, contain a careful analysis of the reasons stated by the President in his memorandum of disapproval of H.R. 10880, and what I believe is a telling—indeed an overwhelming—rebuttal of those reasons.

INTRODUCTION

S. 59 as introduced was virtually identical to H.R. 10880 as passed by the Congress and pocket vetoed by the President in the 92d Congress. The Subcommittee on Health and Hospitals received written statements on S. 59 from the Veterans' Administration, veterans organizations, representatives of health professions organizations and unions, and other concerned parties. All the witnesses, other than from the administration were in support of prompt passage of S. 59.

In executive session on February 20, 1973, the subcommittee considered and unanimously ordered S. 59, with five substantive amendments and a title amendment, favorably reported to the full Veterans' Affairs Committee. The Committee on Veterans' Affairs met in executive session on February 20, 1973, and unanimously approved and ordered favorably reported S. 59, as reported from the subcommittee.

SUMMARY OF BILL AS REPORTED

BASIC PURPOSE

The basic purpose of S. 59 as reported is to improve the ability of the Veterans' Administration to deliver quality medical care to its beneficiaries by removing certain legislative restrictions on the scope of treatment—particularly for ambulatory and nursing care; by expanding coverage to certain dependents of beneficiaries or former beneficiaries; by providing for a voluntary, comprehensive sickle cell anemia screening and counseling program for requesting veterans and their spouses; by expanding the primary function of the VA Department of Medicine and Surgery to include assisting in providing an adequate supply of health care manpower in order to meet national needs in addition to meeting the hospital needs of veterans, to the extent feasible without interfering with the medical care and treatment of veterans; by improving the personnel system of the Department of Medicine and Surgery (D.M. & S.) to provide for major emphasis on the recruitment, training, and employment by the VA of recent veterans with medical military occupation specialties and to make (D.M. & S.) more attractive to skilled health care personnel and thus more able to compete for scarce health care manpower; by improving the staff-to-patient ratio in VA medical facilities; by insuring that VA facilities are structurally safe; and by other means.

This comprehensive overhaul of VA medical care authorities, including significant aspects of the personnel system, is intended to eliminate certain statutory impediments which have often lead D.M. & S. to adopt restrict regulations and artificial distinctions not consistent with providing the up-to-date health care medicine is capable of providing today. Many of the provisions are virtually identical to provisions of the administration bill (S. 1924) proposed in the 92d Congress. Also, substantial positions of proposals transmitted to Congress in administration submissions on February 6 and 12, 1973, have been included. However, the reported bill also adds new authorities and expands current ones to enable D.M. & S. to attract and retain high quality health care staff; provide total health care to the veteran patient; increase medical care staffs provide sickle cell anemia screening and counseling; and derive the benefits of functioning in closer relationship to the surrounding medical community.

SUMMARY OF PROVISIONS

S. 59, as reported includes the following provisions. It first makes VA and contract hospital care and certain VA and contract ambulatory care available to wives and children of totally and permanently disabled service-connected veterans, as well as the widows and children of veterans who die from service-connected disabilities; and treats the veteran patient as part of a family unit by providing appropriate mental health care, counseling, and supportive services to members of his family when necessary to provide effective treatment to the veteran.

Second, expands coverage of eligible veterans—and new beneficiaries—to include home health services, in-hospital treatment when needed for any illnesses or disabilities—whether or not service-connected—arising while in a VA hospital, and screening and counseling for sickle cell anemia—including for the veteran's spouse—and authorizes ambulatory care for any disabilities—whether or not service-connected—where necessary to obviate the need for hospital admission; in non-VA facilities on a reimbursement basis in emergencies without prior authorization for a veteran having a service-connected disability rated at 100 percent; and in VA facilities for non-service-connected disabilities for a veteran having a service-connected disability rated at 80 percent or more.

Third, authorizes direct admission—rather than only from a VA hospital—to VA directly run nursing homes and to community nursing homes at VA expense both from military hospitals and, in the case of veterans requiring nursing home care for service-connected disabilities, after examination and determination of need for such care by a VA-employed or contract physician; and raises the statutory minimum of 4,000 VA nursing home beds to 8,000 by fiscal year 1974.

Fourth, in order generally to improve the quality of medical care in VA facilities, provides for programs to implement new and improved methods of providing health care services through innovative and more effective use of health care personnel, including development and employment of new types of health care professionals—stressing the recruitment, training and employment as physicians' assistants and dentists' assistants of recent veterans with military MOS's; requires that the staff-to-patient ratio in VA medical services be comparable to that of equivalent services in community facilities within 3 years; authorizes and requires the VA to provide for an average no less than 98,500 operating beds and of no less than an average daily patient census—ADPC—in such beds of 85,500 in any fiscal year. Such a census may not be maintained at less than 82,000 in any fiscal year as compared to the budgeting and projection mandates at a level of 85,500—maintenance of an ADPC of 85,500 was mandated for both fiscal years 1972 and 1973 in each years respective appropriation Act.

Fifth, improves the D.M. & S. personnel system by providing new authorities to provide overtime and premium pay for title 38 nursing personnel comparable to that offered in the community.

Sixth, requires VA facilities to be structurally sound and able to withstand fire, earthquake or other natural disasters and authorizes VA reimbursement for the loss of personal effects in VA hospitals or domiciliaries as a result of such disasters—made retroactive to January 1, 1971.

Seventh, includes certain substantial portions of certain provisions requested by the administration in the 92d Congress and in the 93d: Expansion of malpractice coverage for VA health workers; authorization of central administration for residents and interns; clarification of authority to reimburse for emergency care provided for service-connected disabilities and to engage in sharing of specialized medical resources with clinics and medical schools; authorization to cede concurrent jurisdiction over VA lands to a State; increasing from 50 to 65 percent of the VA share of grants to States for State veterans homes; adjustments of minor medical personnel and other administrative authorities; extension through fiscal year 1978 and expansion—to include nursing home care and contract care for certain new Philippine Scouts, of authorities which expired on June 30, 1973, and June 30, 1972, for VA grants for operation of and health personnel education and training in Philippines Veterans' hospitals and to continue operation of the VA Regional Office in the Philippines, respectively.

ACTION IN THE 92D CONGRESS

Mr. President, the background for the broad series of reforms in the bill as reported includes extensive VA medical care oversight hearings I held in the 91st Congress between November 1969 and April 1970 and the continuation of these oversight hearings on April 28, 29, and 30, 1971, before the Health and Hospitals Subcommittee of the Committee on Veterans' Affairs, established in the 92d Congress.

These hearings focused principally on VA medical and hospital budget requests for fiscal years 1971 and 1972, and culminated in detailed and comprehensive budgetary findings and recommendations for increased appropriations and a resulting total appropriation increase of $450 million over a 3-year period above the amounts requested in the original budget submissions.

These same oversight hearings over an 18-month period produced extensive information regarding not only funding inadequacies in the operation of D.M. & S. but also programmatic shortcomings derived largely from restrictive statutory provisions in title 38 of the United States Code. The prescription to overcome these difficulties was I believe, set forth in S. 2354 which I introduced on July 27, 1971. Hearings on S. 2354 were held August 4, 1971. This bill was in part a companion measure to H.R. 37 and its successor bill H.R. 10880 passed by the House in the 92 Congress. It also incorporated with some relatively minor revisions almost all the administration's proposals included in S. 1924 in the 92d Congress and several other minor VA proposals submitted subsequently.

As a result of the hearings and the previous ones in the 91st Congress, the committee found that the potential increase in the need for care for veterans of the Vietnam era, particularly those in need of treatment for drug addiction, combined with the aging of the World War II veteran population with a concomitant onset of medical complications to those veterans, promises increasing demands on the Veterans' Administration hospital and medical system in terms of staff and facilities. Moreover, the rapid technological advances occurring continually in the medical community create an added obligation on the Veterans' Administration which though a leader in many of these areas, must keep its staff informed, and its equipment up to date, in terms of new techniques and treatment processes, as they are developed.

Mr. President, S. 2354 was intended to provide D.M. & S. with the full legislative authority needed to meet the increasing demand for care with application of up-to-date medical care and technology, to attract and retain high quality staff able and motivated to provide total health care to the veteran and, in certain instances, members of his family, and to function in closer relationship to health care institutions and personnel in the surrounding community.

S. 2354 was ordered reported on March 28, 1972, and was adopted by unanimous vote by the Senate on May 4, 1972. After extensive negotiations between the Committees on Veterans' Affairs of the two bodies, an appropriate and effective accommodation of the different versions of the proposed legislation was reached. This compromise version was unanimously accepted in both Houses and forwarded to the President for signature as H.R. 10880.

PRESIDENTIAL VETO

On October 27, 1972, President Nixon announced his pocket veto of H.R. 10880, issuing the following Memorandum of Disapproval:

> Veterans Health Care Expansion Act of 1972 (H.R. 10880)—
>
> The liberalizing features of this bill would unnecessarily add hundreds of millions of dollars to the Federal budget. It would open the VA hospital system to nonveterans and would expand the type of direct medical services available from VA. By providing direct medical services to veterans' dependents, the bill runs counter to this Administration's national health strategy which would provide national financing mechanisms for health care and sharply reduce the Federal Government's role in the direct provision of services.
>
> The bill also purports to set mandatory minimums on the number of patients treated in VA hospitals. In testimony on this bill, the Veterans Administration strongly objected to this provision on the grounds that it was totally unnecessary and could result in inefficient medical treatment and wasteful administrative practices. The tragic result would be a lower quality of medical care to all patients.
>
> While I strongly support the VA health care system and will continue to encourage its improvement in the future, I cannot approve a bad bill.
>
> RICHARD NIXON.
>
> THE WHITE HOUSE, October 27, 1972.

VETO REBUTTAL: DISCUSSION

Mr. President, the committee carefully considered the Memorandum of Disapproval on H.R. 10880 as well as the VA's testimony in the 93d Congress. We reviewed three volumes of hearings from the 91st and the 92d Congress, and asked witnesses who appeared in previous hearings in the 92d Congress for their views concerning the reasoning in the President's memorandum.

In statements submitted to the committee from veterans organizations, health professions organizations, and other interested groups, the response has been of one mind on three points: First, support and endorsement of the bill as passed in the 92d Congress, second, the need for early action in the 92d Congress, and third, rejection of the grounds for the veto as stated in the Memorandum of Disapproval.

In view of this response and the bipartisan support for the bill as passed in the 92d Congress, the committee reported S. 59, which, with the exception of the five amendments and a title amendment set forth earlier in the report, is virtually identical to the bill as pocket vetoed by the President. We disagree with the objections set forth in the Memorandum of Disapproval for the following reasons:

First. The liberalizing features of this bill would unnecessarily add hundreds of millions of dollars to the Federal budget. It would open the VA hospital system to non-veterans and would expand the type of direct medical services available from VA.

Mr. President, there are two factors in this objection.

First, the memorandum suggests that the expansion of benefits to veterans are unnecessary, and, from that premise, that the additional funds required to do so are an unnecessary burden on the Federal budget.

The committee believed that several principles should guide the VA medical program in producing first quality care for the Nation's veterans. Among these are treating the veteran as a whole patient, treating the veteran as part of a family unit, and treating the veteran as a member of his community.

These are principles which all health care personnel adhere to, but which restrictive authorities in the current statute—title 38, United States Code—governing the Veterans' Administration prevent staff of VA facilities from following. The bill expands these authorities to provide benefits to veterans in line with today's accepted medical practice standards.

In line with the principle of treating the veteran as a "whole" patient, Mr. President, the bill would amend present restrictions on care for non-service-connected conditions unrelated to the condition for which a veteran is hospitalized.

Clearly, a physician cannot ethically assume responsibility for only a portion of his patient's health, and the bill would make clear that a veteran hospitalized for one condition may also be treated for another condition if the veteran is willing and the physician finds such services to be reasonably necessary to protect the veteran's health.

Along these same lines, the bill also expands authorities for outpatient care when needed to obviate a future need for hospital care. Such ambulatory care will permit the veteran to receive necessary treatment while still remaining with his family and many times without causing an interruption of his employment responsibilities.

Another provision of the bill, Mr. President, would permit veterans to apply for direct admission to a VA nursing home without prior VA hospitalization, as well as authorize direct transfer of a veteran from a military medical facility to either a VA or a community nursing home, and direct admission to such an institution for a veteran if certified essential for a service-connected disability by a VA physician.

In line with the principle of treating the veteran as part of a family unit, the bill authorizes bringing key family members to VA hospitals for orientation on the philosophy, goals, and achievements of a veteran's rehabilitation program. This is vital in the recovery of a physically disabled veteran, and in providing psychiatric treatment to a veteran, it is essential that he be treated as part of a family unit and that his family be counseled in connection with his care.

Mr. President, the bill also expands eligibility for VA medical care to a limited group of individuals. These are peace-time veterans who are unable to afford private care, some 150,000 persons; veterans suffering from 80 percent or more service connected-disabilities whose benefits are expanded to cover all medical care rather than just care limited to that disability, some 47,785 persons; and the wives and children of veterans with total and permanent service-connected disabilities and widows and orphans of veterans who died as a result of a service-connected injury, some 282,000 wives, widows, and children.

These are the "liberalizing features" which the memorandum states will "unnecessarily add hundreds of millions of dollars to the Federal budget."

These veterans and their families have contributed a good part of their lives to their country and done so at a substantial personal sacrifice. The committee did not feel that the expenditure of funds for these purposes was in any way nonessential. In some instances, the broadened benefits will result in providing medical care in a more effective manner which will result in cost savings in the treatment of the individual patient. In all cases, the quality of care will be improved in accordance with modern medical practice.

The numerous precedents for affording substantial VA benefits to the dependents and survivors of seriously service-connected veterans, and the inequities in terms of government-supported care for such dependents and survivors of enlisted men, are discussed at length in the Committee report under the heading "Hospital Care and Medical Services for Dependents and Survivors of Totally Disabled Veterans" at pages 23 and 24.

Even the VA's own cost estimates for S. 59 place the 1-year cost at about $100 million, rather than the "hundreds of millions" the memorandum suggests.

Second. By providing direct medical services to veterans' dependents, the bill runs counter to this administration's national health strategy which would provide national financing mechanisms for health care and sharply reduce the Federal Government's role in the direct provision of services.

Mr. President, the committee is firmly committed to the principle that the veterans of the Nation deserve a medical system which will be responsive to their needs and will be capable of providing them immediately with quality care for treatment of the disabilities they have incurred in the service of their country.

In many instances, the nature of a veteran's injury requires the services of several medical specialists and a concentrated and lengthy program of physical rehabilitation as well as a lengthy period of recuperation. It is to meet these complex and special needs the VA system was established. There are no indications at present that the community in general has been able to provide these services promptly at so reasonable a cost as the VA to any individual, nor that it will be able to do so in the foreseeable future. Given the lack of services in the community, this committee categorically rejects any suggestion that the VA medical system will not be sustained as long as there are service-connected disabled veterans who need its services.

The objection in the memorandum is an indication of the direction this administration's policies are following which threatens to result in the eventual dismantling of the VA medical system. The committee totally rejects any such eventuality. And I believe the Senate rejects it too.

Rather we seek in S. 59 to strengthen the independence of the VA medical system and prevent its piecemeal destruction by enabling it to provide better, more modern, care in a more efficient manner to eligible veterans.

Third. The bill also purports to set mandatory minimums on the number of patients treated in VA hospitals. In testimony on this bill, the Veterans' Administration strongly objected to this provision on the grounds that it was totally unnecessary and could result in inefficient medical treatment and wasteful administrative practices. The tragic result would be a lower quality of medical care to all patients.

Mr. President, the committee has amended the bill to meet the objection raised by the memorandum that a mandatory minimum might result in inefficient medical treatment and wasteful administrative practices. H.R. 10880, the bill pocket vetoed by the President, provided that an average daily patient census of no less than 85,500 be maintained. This same requirement has been imposed by the VA appropriation Acts for both fiscal years 1972 and 1973.

An analysis of the VA average daily patient census for the current fiscal year shows that it will be approximately 82,000, although for the month of January it is 84,156—1,000 higher than in January of 1972. At the same time, in December of 1972, there were 32,237 veterans on VA waiting lists or scheduled for hospital admission—determined to need care no sooner than 30 days. The committee is aware of the somewhat elevated nature of this total due to certain ambulatory care projects being carried out. Thus, in the event that ambulatory care authorities in the bill do free some VA hospital beds, there would seem to be ample veteran patients needing hospitalization to fill them.

Nevertheless, the VA fiscal year 1973 budget is predicated upon an average daily patient census of 80,000, and there is every indication that OMB will force the VA to provide station allowances to hospitals based upon such an arbitrarily reduced census. The effect of this would probably be to reduce the actual census realized in fiscal year 1974 to 78,000, since this has been the history since 1962—the actual census figure achieved, being about 2,000 lower than the projected census in that year's budget request.

These trends, coupled with the memorandum's statement regarding administration strategy to "sharply reduce the Government's direct role in the provision of health services" indicate the need for Congress to express its intent clearly.

That is why we must pass S. 59 today in order to counteract such strategy by mandating a particular census minimum.

However, it is recognized that such a minimum could be counterproductive if it set a minimum figure at too high a level. Thus, we altered the language so that the 85,500 figure will be used for budgeting purposes and the determination of individual hospital station allocations, rather than being mandated as the minimum average census figure that must be maintained in the fiscal year. At the same time, in order to permit the census figure to be able to "float freely" at approximately the level anticipated for fiscal year 1973, the bill includes a provision that such census not be maintained at less than the 82,000 figure projected for this fiscal year.

Mr. President, the committee report on S. 59—Report No. 93–54—contains an extensive discussion of the provisions in the bill as well as a section-by-section analysis. Mr. President, I ask unanimous consent that appropriate excerpts from the report be included in the RECORD at this point in order to provide a full explanation and analysis of the provisions of the bill as reported from committee.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

S. 59

DISCUSSION

TREATING THE VETERAN AS PART OF A FAMILY UNIT

Broadening the treatment of the veteran to include a veteran's family when necessary to the care and treatment of the veteran, as is proposed in the reported bill, will fulfill the basic need—particularly in psychiatry—of treating the patient as part of a family unit, not as an isolated individual removed from any family or social setting. Similarly, total care of a physically disabled veteran may require that his family be fully oriented on the philosophy, goals, and achievements of his rehabilitation program. The VA should be able to bring key family members to the hospital for such an orientation, as is done now on a limited basis with nonappropriated funds at some VA blind centers. The VA estimates first year costs of counseling and orientation for family members of a service-connected disabled veteran at $10 million.

These family provisions also would provide specific authority for the VA to stress home health care programs for any hospitalized veteran, or dependent made eligible under the reported bill. Although a start has been made by the VA in home kidney dialysis and care of spinal cord injured veterans at home, much more needs to be done, especially in the psychiatric field. Most medical experts agree that institutional care is the least desirable. All feasible alternatives should be fully explored under the provisions in the reported bill.

Home health care—employing mobile interdisciplinary teams to train families and conduct posthospital followup—can in many cases provide more compassionate, more effective, and far more economical care.

Comparability of Treatment for Peace-Time Veterans

The reported bill expands eligibility for hospital (including full nursing home) and certain outpatient care to include so-called peacetime veterans. Providing comparability in the eligibility of peace-time and war-time veterans for hospital, nursing home, and domiciliary care is the logical extension of the amendment enacted in 1970 in Public Law 91–500, section 4, authorizing such care to both peace-time and war-time veterans 65 years of age or older for non-service-connected disabilities regardless of ability to defray necessary expenses of hospital care. Under the reported bill, new eligibility is provided for approximately 150,000 peacetime veterans—generally those whose service ended prior to April 6, 1917, those who served between November 12, 1918 and December 6, 1941, and those who served between January 1, 1947, and June 27, 1950—at a first year cost estimated by the VA as $7.9 million.

Hospital Care and Medical Services for Dependents and Survivors of Totally Disabled Veterans

The reported bill authorizes, for the first time, provision of hospital care and certain medical (outpatient) services in VA medical facilities for the wife and children of a veteran with a total and permanent service-connected disability and the widow and children of a veteran who died from a service-connected disability, as long as the provision of such care does not interfere with the furnishing of hospital and domiciliary care to eligible veterans. Eligibility for hospital care under the reported bill includes eligibility for nursing home care in both VA directly-run and community nursing homes. Authority to contract for hospital care for such eligible dependents and survivors is also provided.

The Committee has expanded eligibility for hospital and medical care to these dependents and survivors because it has found that these persons very often cannot obtain or are not eligible for present health insurance programs, either because they are excluded as a result of the living veteran's 100 percent disability (for whose medical needs the VA now provides totally) or because they cannot afford premiums for such insurance.

The VA estimates that only about twenty percent of these wives, widows, and children would have other Federal eligibility under such programs as Medicare, Medicaid, and the Military Medical Benefits Act (CHAMPUS); and that 68 percent of those who would be made eligible are without any additional sources of Federal medical care entitlement.

Under the terms of the Military Medical Benefits Act, hospital and medical care is made available (either directly in military medical facilities or in a community facility with very modest copayment and deductible provisions) to dependents of retired military personnel and to the widows and children of servicemen who die while on active duty. The Committee feels that such benefits should be made available to the dependents of totally disabled service-connected veterans not afforded the benefits of medical retirement, and the survivors of veterans who die, whether or not on active duty, from service-connected injuries. The fact is that the present statutory scheme discriminates most unfairly against many World War I and II and Korean conflict veterans who were enlisted men and thus were not eligible for medical retirement.

The Nation has long recognized that the widow and children of a veteran who dies of service-connected disease or injury are in a special category and deserving of substantial compensation and assistance in return for the sacrifice the family has made. This recognition has been shown in title 38 programs which provide for death compensation benefits, home loans, and educational assistance benefits for wives, widows, and war orphans. Failure to provide for the medical care of such individuals is an oversight which should be corrected.

This new eligibility would extend hospital, domiciliary and nursing home care benefits to approximately 282,000 persons not presently entitled to other Federal health benefits, such as under Medicare, Medicaid and Military Medical Benefits programs: 56,100 wives and 78,000 children of veterans with total and permanent service-connected disabilities (total—134,100) and 57,600 widows and 91,000 surviving children of veterans who died of service-connected disabilities (total—148,600). The first year cost of this new eligibility is estimated by the VA to be $12.7 million for VA hospital and medical care and $21.3 million for contract care.

Expansion of Outpatient Medical Services

Under present law, outpatient and ambulatory care for non-service-connected disabilities of veterans may be provided only on a pre-hospital or post-hospital care basis or to any war veteran with a total and permanent service-connected disability. The reported bill adds eligibility for outpatient care to be provided to any veteran (as well as the wife and children of any veteran with a total and permanent service-connected disability and the wife and children of any veteran who died from a service-connected disability) "when reasonably necessary . . . to obviate the need of . . . hospital admission". It also authorizes such outpatient care for any veteran with a service-connected disability rated as 80% or more disabling. The Committee believes strongly that any expansion of ambulatory care provided by the VA must focus substantially on the veteran seriously disabled by service-connected conditions.

Under the new "necessary to obviate" hospital care standard, a veteran with a non-service-connected disability would still be required, pursuant to present section 622 of title 38, to complete an oath of inability to defray the necessary expenses of the hospital care which would be obviated.

The reported bill would increase those eligible for VA outpatient care by approximately 636,000 persons by including 150,000 peacetime veterans, 282,000 wives, widows and children, and 204,808 additional veterans with 80% or more service-connected disabilities.

The cost for the expansion of outpatient eligibility "to obviate" hospitalization is estimated to be nothing; and the first-year cost for hospital or nursing home care for peacetime veterans is $7.9 million; for wives, widows and children is $12.9 million; and for the 80% and 90% service-connected disabled is $1.6 million. The cost of outpatient care for eligible dependents is included in the estimated $21.3 million first year cost for contract care for these individuals.

Finally, the reported bill somewhat expands the scope of VA outpatient care provided to a veteran with a total and permanent service-connected disability. Presently, the VA interprets title 38 to authorize it to contract for such outpatient services for such a veteran. However, its authority is unclear to approve reimbursement for such 100 percent service-connected disabled veteran's care provided to meet an emergency through non-VA resources.

The reported bill places in statutory form the basic provisions of the current VA regulation (VAR 6080) setting forth the criteria under which the expenses of medical care and treatment furnished in a medical emergency in non-VA facilities (and not authorized by the VA prior to the date the care and treatment was furnished) may be paid on behalf of a veteran who receives such care and treatment for a service-connected condition, or in order to be able to pursue a program of vocational rehabilitation under chapter 31 of title 38. As indicated above, it would also broaden the scope of current practice under the regulation to include reimbursement to veterans with 100 percent service-connected disabilities who are furnished emergency care and treatment for non-service-connected disabilities.

VAR 6050.4 now provides that admission of any eligible veteran to a non-VA medical facility at VA expense must be authorized in advance. It also provides, however, that when the admission is based upon an emergency the advance approval requirement will be determined to have been met if an application therefor is presented to the VA within 72 hours after the date of admission and is approved. If this does not occur, the veteran-patient cannot receive reimbursement for his private hospital care unless he received such care in a medical emergency for a service-connected disability, within the criteria set forth in VAR 6080, discussed above.

The new provision in the reported bill (new section 628) will make clear that reimbursement of private medical expenses may be authorized, without the necessity for an application therefor to be furnished to the VA within 72 hours of admission, for veterans treated (1) for a service-connected condition of any veteran, or for any disability (including a non-service-connected condition) of a veteran with a 100 percent service-connected disability, and (2) when such treatment is rendered in a medical emergency under situations where VA or other Federal facilities were not feasibly available, or an attempt to use them would have not been reasonable, sound, wise, or practical. The effect of this is that with respect to the service-connected disability (or for the non-service-connected disability of a 100 percent service-connected disabled veterans) of any eligible veteran there will be only one rule (rather than two as presently in VARs 6080 and 6050.4) and the 72-hour requirement will be eliminated. The Committee expects that DM&S will revise and simplify its regulations accordingly if this provision is enacted.

EXPANSION OF NURSING HOME CARE

The reported bill permits veterans (and eligible dependents and survivors) to apply for direct admission to a VA nursing home without prior VA hospitalization and authorizes the direct transfer of a veteran from a military medical facility to either a Veterans Administration or a community nursing home. Direct admission to community nursing homes would also be authorized for veterans found by a VA physician after examination to require nursing care. The VA estimates the first-year cost of direct admission to a community nursing home for service-connected veterans to be $11.2 million.

In addition, the reported bill raises the present statutory minimum of 4,000 VA nursing home beds to 8,000 by fiscal year 1974. There is presently an unmet demand for VA nursing home beds by World War I veterans which will expand as our World War II veterans grow older. The Committee believes that hospital beds not being fully utilized should be converted to VA nursing home beds, since quality community nursing homes are already greatly in demand among the aging population of nonveterans.

IMPROVED AND EXPANDED DM&S PERSONNEL SYSTEM

HEALTH CARE PERSONNEL TRAINING

The reported bill revises Department of Medicine and Surgery personnel authorities to enable the VA to compete more effectively for scarce health professionals. The VA also must be able to enlarge its training program if it is going to make up its personnel shortages. The reported bill expands the primary functions of the VA Department of Medicine and Surgery to include assisting in providing an adequate supply of health care manpower not only to meet the hospital needs of veterans, but also to meet national needs, where such training will not interfere with the medical care and treatment of veterans.

TRAINING OF PARAMEDICAL PERSONNEL

The Committee urges that DM&S greatly expand its programs for the training of physicians' and dentists' assistants, presently in operation at about 20 VA hospitals. The Committee believes that the DM&S has the capacity to train, graduate and employ approximately 300 such paramedics annually within a year after a major program is undertaken. To provide extra assistance with the support of former medics and corpsmen undertaking such training in VA hospitals (largely OJT) the reported bill provides that generally such training programs are to be considered full-time institutional programs for GI bill purposes, such as a physician's internship or residency is now. The Committee expects that the formal trainee period for such a position, pursuant to section 414 of title 38, would not be prolonged.

Advancement opportunities

The reported bill also directs DM&S to provide for maximum opportunities for lateral mobility and career advancement for all its health care personnel, with particular emphasis upon continuing education and arrangements for obtaining academic credit for such on-job or in-job training. There is a particularly great need to open up career advancement and upgrade education opportunities for nursing assistants to be trained and advance to L.V.N.s, for L.V.N.s to move on to the increased responsibilities of the Registered Nurse, and for R.N.'s to be given special training to assume independent patient care responsibilities as nurse practitioners and physicians' and dentists' assistants. The VA, which employs the great majority of all Federal nursing personnel, should set an example, for emulation in the community at large, of an integrated and open nursing personnel service.

The Committee is aware of some valuable pilot programs underway in DM&S, particularly in conjunction with community colleges (the VA cited its program at the Little Rock, Arkansas, VA hosptial at the hearings in the 92d Congress) for upgrading of the various levels of nursing personnel. It believes that such continuing education programs should be a regular part of the education and training of nurses, as well as health professionals and technicians and all health care personnel, at every VA hospital. In this way, it is hoped, the relatively high turnover rate, particularly at the lower paying grades, can be reduced.

The Committee is aware, as cited earlier with approval, of a long overdue increase in the average grade level to which L.V.N.'s and nursing assistants have been assigned in the past four years in DM&S. In the Committee's view, this achievement is the result of a belated recognition of the skills and responsibilities of these valuable members of the health care team and not of an alteration of qualifying requirements. The following table shows that between December, 1967 and December, 1972 the numbers of NAs and LPNs (and LVNs) at GS 5 and 6 increased from 2,240 to 11,177.

However, the Committee also wishes to express its concern for the trend which developed in FY 1972, as shown on the following table, for greater concentration of nursing personnel at the lower grades, even though the upper grade participation is increasing. The Committee views with considerable alarm this trend as an indication of the employment of less experienced, and hence less highly paid, nursing personnel which appears to be a result of the grade deescalation policies imposed on the VA by the Office of Management and Budget.

TABLE I.—4-YEAR GRADE LEVEL COMPARISON—NURSING ASSISTANTS AND LICENSED PRACTICAL NURSES

	Dec. 31, 1967			Dec. 31, 1970			June 30, 1971			Dec. 31, 1971			Dec. 31, 1972			Net 5-year change
	NA	LPN	Total	NA	LPN	Total	NA	LPN	Total	NA	LPN	Total	NA	LPN	Total	
GS-7								7	7		7	7				
GS-6	18		18	414	616	1,030	718	873	1,591	769	944	1,713	847	933	1,780	+1,762
GS-5	1,240	1,000	2,240	4,123	2,018	6,141	6,783	2,387	9,170	7,066	2,378	9,444	6,864	2,533	9,397	+7,157
GS-4	8,822	2,021	10,843	11,303	1,397	12,700	12,277	1,200	13,477	11,996	1,213	13,209	11,484	1,549	13,033	+2,190
GS-3	13,404	634	14,038	7,791	297	8,088	4,865	454	5,319	4,512	585	5,097	4,413	858	5,271	−8,133
GS-2	2,496		2,496	1,043		1,043	1,074		1,074	1,214		1,214	2,547	1	2,548	+52
GS-1				3		3	71		71	33		33	130		130	+130
Total	25,980	3,655	29,635	24,677	4,328	29,005	25,788	4,921	30,709	25,590	5,127	30,717	26,285	5,874	32,159	+2,524

STAFF-TO-PATIENT RATIO

The reported bill would also require that every VA facility, within 3 years of enactment, reach an optimum staff-to-patient ratio in its services which is comparable to the ratio for index services (or a general average) provided in the surrounding community. Gross disparities have been pointed out between VA staff-to-patient ratios and those computed for community or university hospitals: 1.5 for the VA general hospital as compared with 2.7 for the average community hospital and 3.5 to 4.0 for the university hospital. These figures, however, are misleading and do not take into account variations between VA medical facilities and community facilities in terms of patient composition, age, nature of disability and mission. Nevertheless, the figures are grossly disparate and the Committee believes that if after al necessary adjustments are made, comparability of staffing is not shown, then staffing levels should be raised steadily to achieve such adjusted comparability.

The reported bill directs the Comptroller General of the United States to designate for every service in each VA medical facility a comparable service in a hospital or hospitals in its geographic area, having an optimum staff-to-patient ratio in such service, to serve as an index for establishing adequate staff-to-patient ratios in the VA service.

This provision in the reported bill has been amended by the Committee to remove from the Veterans Administration the burden and expense it has stated would be entailed in carrying out the statistical survey needed to select comparable service indices in the community against which staff-to-patient ratios in VA medical services can be measured. The Committee amendment shifts this responsibility to the Comptroller General, and directs the Administrator to cooperate with him fully in this matter, particularly in so far as collecting pertinent data for the VA and the communities involved.

Available information fully documents the wide disparity between staff-to-patient ratios in VA facilities and those at comparable community facilities, using gross figures.

VA staff-to-patient ratio survey

A survey conducted in 1971 by the VA (set forth in the Appendix) shows some of the wide variations that exist in staffing intensity between VA hospitals and community hospitals. The VA hospitals used in the survey ranged in size from 188 beds to 1,565 and contained 5,339 operating beds. The gross staffing ratios in VA hospitals ranged from 1.19 to 2.49 employees per operating bed. The overall ratio for the nine VA GM&S hospitals surveyed was 1.70 employees per operating bed. Since outpatient staffing could not accurately be separated from inpatient staffing in several of the hospitals, all statistics were included in the total.

The community hospitals ranged in size from 130 beds to 1,063. The eight community hospitals surveyed contained 3,678 operating beds. The gross staffing ratios in community hospitals ranged from 2.08 to 4.33 employees per operating bed. The overall ratio for the eight community hospitals was 3.23 employees per operating bed. The overall ratio for the eight community hospitals was 3.23 employees per operating bed.

Overall, the community hospitals were staffed almost 2 to 1 over VA hospitals. The overall occupancy rate of the VA hospitals surveyed was 89 percent compared to 85 percent for the community hospitals. Percentagewise the VA utilizes almost three times as many volunteer and other nonpaid productive workers as the commmunty hospitals. This amounted to 6½ percent of the paid VA hospital combined staffs as compared to

2½ percent of the paid community hospital combined staffs. When the unpaid personnel are added to the paid staff, the overall VA ratio rises from 1.70 to 1.81.

The community hospital ratio rises from 3.23 to 3.31.

Especially significant, the Committee believes, is a survey of nursing service statistics made in this study. It illustrates that community hospitals are staffed for nursing personnel on the average about twice as well numerically as VA hospitals. The cumulative averages showed VA hospitals have one nursing employee to every 1.8 beds while community hospitals in the survey have one nursing employee to every 1.0 bed. It is important to note that staffing of nursery, labor and delivery rooms in community hospitals was not included in these figures because VA hospitals do not have these services.

Moreover, the study showed that community hospitals have approximately twice as many registered nurses per bed as VA hospitals. It should be noted that special duty nurses in the community hospitals are hired *in addition* to basic nursing personnel, while in the VA hospitals the basic staff provides special duty nursing. Since the community hospitals covered by the survey did not keep statistics indicating the utilization of special duty nurses—which would cause an *increase* in their staff-to-patient ratios—the survey does not provide a totally accurate picture of staffing ratios.

The following tables from the survey show the three basic tours that all hospitals use. The statistics gathered show the average VA hospital nursing unit was 33 beds and the average community hospital nursing unit was 30 beds. For the total Nursing Service, personnel were assigned as follows:

TABLE II.—*All nursing personnel*

[In percent]

VA:	
Day tour	64
Evening tour	20
Night tour	16
Community:	
Day tour	57
Evening tour	26
Night tour	17

This table and the survey data show that the day tour was staffed almost 50 percent better per nursing unit in community hospitals than VA hospitals. The evening tour in community hospitals was staffed twice as well as the VA hospitals, and the night tour was staffed a little less than twice as well in the community hospitals.

In terms of numbers of nursing personnel, for the night shift the VA hospitals surveyed had an average 2.9 nursing personnel per unit in the hospitals surveyed for 7-day coverage. The community hospitals averaged 5.2 nursing personnel per unit.

Regarding the evening shift, the community hospitals used more of their staffs than did the VA hospitals—26 percent versus 20 percent. By contrast, the VA staffed its day shift with a higher proportion of available staff than community hospitals—64 percent versus 57 percent. The night shift is about the same—VA 16 percent versus community 17 percent.

The following table shows registered nurses by shift; the percentages assigned to the three shifts are in the same approximate proportion as for all nursing personnel.

TABLE III.—*Registered nurses*

[In percent]

VA:	
Day tour	67
Evening tour	19
Night tour	14
Community:	
Day tour	58
Evening tour	24
Night tour	18

The survey also showed that community hospitals are staffed nearly three times as well in X-ray units as VA hospitals. This is in part attributable to the fact that community hospitals tend to use scheduled staff at night and on weekends rather than to use callback.

This study and the figures cited quite clearly demonstrate the types of startling staffing disparities which exist today between VA and community hospitals and which the staff-to-patient provision in the reported bill is designed to deal with.

As discussed above, the Committee recognizes fully that there are variations in the patient population composition between VA facilities and community hospitals and that there are different demands for services provided from the two populations. These variations account for some of the disparities in the staff-to-patient ratios cited above. However, the Committee believes that there are ample instances of clinical services and units which are fully comparable and that the disparities in the above statistics cannot be properly accounted for merely by reciting the differences between VA and community hospitals.

In summary, because gross comparisons are not meaningful unless they take fully into account the composition of the patient population—age, sex, nature of illness, the somewhat varying missions of VA and community facilities, and the differing methods of computing staff numbers—the study directed by this provision in the bill is designed to provide for a meaningful comparison by taking all of these factors into account in the most comprehensive manner.

The Committee would also expect the index or composite index unit to be chosen on the basis of the most applicable comparable services. In some instances, there may not be a comparable community unit, as in the case of highly specialized and advanced programs such as spinal cord injury units. In these instances, the Committee expects that a comparable unit of high quality will be selected on a nationwide basis.

NURSING PERSONNEL DIFFERENTIAL AND PREMIUM PAY

The reported bill authorizes the payment of overtime pay, shift differentials, and premium pay for holidays and Sundays for VA title 38 nursing personnel (including intermittent and part-time nurses) at rates generally comparable to those now available to employees under the General Schedule and Wage Board Systems. For a detailed discussion of the provisions and the extent to which they differ from other Federal pay provisions, reference should be made to the *"section-by-section analysis"* toward the end of this report. This authority is designed to enable the Veterans' Administration to provide benefits to nursing staff comparable to benefits offered in community hospitals and in other Federal hospitals under the Civil Service General Schedule.

The provisions with respect to overtime pay in the reported bill include a definition that overtime pay does not begin until at least 15 extra minutes are worked. The Committee wishes to make clear that this provision must not be construed as authorizing a standard extension of tours by 15 minutes. For example, where allowance is not made in the scheduling of regular eight-hour work tours for overlapping in order to brief incoming nursing personnel, overtime should be paid if an overlap is required on a regular basis. In addition, the first 14 minutes worked shall count toward the computation of overtime pay when the total overtime for that tour is of fifteen or more minutes duration.

Included among these pay provisions is reimbursement to the nurse for time scheduled "on call." Such time will be reimbursed at the rate of ten percent of the basic overtime rate for each hour officially scheduled "on call." The Committee understands that the abuse of "on call" duty has occurred with some frequency in VA facilities located in smaller communities and in the case of staff assigned to operating rooms and intensive care units. Personnel in these situations may be subjected to extraordinary impositions on their private time by repeated assignment to be "on call." Permanent records of "on call" assignments are not presently maintained inasmuch as under present law this is not compensable duty.

The requirement that the VA pay registered nurses "officially scheduled to be on call outside . . . regular duty hours" at ten percent of the basic overtime rate will result both in the maintenance of written records and in a review of the "on call" assignment by administrators responsible for the control of funds. Thus, at a relatively low cost, the Committee would expect that abuses will be abolished or, at least minimized.

The VA estimates the first-year cost, of these differential and premium pay provisions for title 38 nurses to be $26.7 million.

DM&S PERSONNEL GRADES, PAY SCHEDULES AND BENEFITS

The reported bill revises the schedules of grades and pay scales for VA Department of Medicine and Surgery officers, physicians, dentists, and nurses generally along lines recommended by the administration. Basically, the amendment reflects current practice under the three recent Federal pay increases. In addition, the Director of Nursing is upgraded to a level comparable to Medical Director grade (in the Section 4103 Schedule)—the grade assigned Directors of DM&S Services, such as Psychiatry, for example. The Committee feels the wide scope of the responsibilities of the Director of Nursing fully warrant the change in grade level for this position. The Directors of the Chaplain, Pharmacy and Dietetic Services are also upgraded from GS 15 to GS 16 equivalencies, a new Nurse Schedule grade is established—Director grade—comparable to the Chief Grade in the Physician and Dentist schedule, and the present statutory prohibition on persons eligible to hold Director grade positions is restricted to the Physician and Dentist Schedule so as to permit assignment of a nurse to the new Director grade in large hospitals, all of which changes were recommended by the Veterans Administration.

The reported bill also establishes a new position, Director of Optometry, at the same level as the new Directors of Chaplain, Pharmacy and Dietetic Services positions, in order to provide nationwide coordination of optometric services and improve overall vision care services in DM&S.

SCREENING AND TREATMENT FOR SICKLE CELL ANEMIA

The reported bill authorizes the Veterans' Administration to provide screening examinations for sickle cell trait or anemia to any veteran who is receiving care or medical services under VA auspices or an examination to determine eligibility for VA benefits. The Committee expects that all such veterans in the process of receiving such care, services, or eligibility examinations shall be furnished full information regarding the nature and inheritance of sickle cell trait and anemia and the availability to them on request of screening examinations. Approximately 16.6 percent (123,357) of veterans hospitalized in fiscal year 1971 (approximately 1,000,000) in VA hospitals were black.

Under the new provision, the Veterans' Administration, if it finds that the veteran has the sickle cell trait or anemia, would provide for counseling, if the veteran so requests, as well as any necessary hospital care and outpatient services for a disability arising from such trait or anemia. Such screening examination and counseling would also be provided, if requested, to the veteran's spouse, and the veteran would be given a complete explanation of his eligibility for VA hospital care and outpatient services.

The Committee believes that this new program in the Veterans' Administration will enable a great many veterans and their spouses who would not otherwise do so to receive, on a voluntary basis, sickle cell screening examinations, counseling and treatment.

It is the committee's understanding that the Veterans' Administration has interpreted provisions in chapter 17 of title 38 *authorizing* the provision of care and services as creating an eligibility entitlement on the part of specified veterans and not as a discretionary authority.

The Committee also expects the Veterans' Administration to provide each veteran receiving VA benefits, as soon as possible, full information regarding the nature and inheritance of sickle cell trait and anemia and where he may receive screening examinations and treatment for the trait or the disease. The Committee contemplates that such information would be disseminated along with regular VA mailings of benefit payments and other communications—such as GI bill checks, pension and compensation checks, home loan applications. NSLI and SGLI insurance premium notices—as well as be included in the basic VA benefits brochure and the material presented to such serviceman upon his discharge.

The reported bill also provides for the Veterans' Administration to take full advantage of the research and research training opportunities available based on the screening examinations and treatments provided.

The Committee notes that the Veterans' Administration is already engaged in a cooperative study in about twelve VA hospitals, each with about 1500 admissions of black patients. This study will evaluate the increased risks of complicating diseases associated with sickle cell trait. Conditions being studied include pulmonary embolism, myocardial infarction, vascular complications of diabetes, pyelonephritis, and post-operative complications. In addition, the VA has approximately 35 individual research projects underway to study the genetic defects and pathologic mechanisms involved in sickling.

With the specific research authority in the reported bill, it is hoped that funds would be forthcoming for the VA to establish a single laboratory devoted to work in genetic modification, a highly technical and expensive, but most promising, area of basic research needed to follow up on the recent scientific breakthrough suggesting that there may be a way to correct the abnormality in the hemoglobin molecule in persons with sickle cell anemia or trait.

The reported bill requires that participation by any person in any sickle cell program (including research) will be wholly voluntary and not prerequisite to eligibility for any VA service, assistance, or benefit, and directs that all information in patient records collected in connection with the program be held confidential except when the patient requests release in writing or when statistical data is compiled in a non-identifying manner.

The reported bill also directs the Administrator to submit to the President in his annual report to the Congress a comprehensive report (including suggestions for any additional proposed legislation) on the administration and funding of these programs. The VA estimates the annual cost of this program to be $2.3 million.

MINIMUM AVERAGE DAILY PATIENT CENSUS

In view of experience in fiscal year 1972, when the Office of Management and Budget imposed an arbitrary ceiling of 79,000 on the average daily patient census (ADPC) in VA hospitals to which the Congress responded by mandating in the FY 1972 and FY 1973 Appropriation Act the maintenance of a minimum of 85,500 ADPC and 97,500 operating beds, and in view of the 80,000 census maximum limitation projected in the fiscal year 1974 budget request, the bill as reported includes a provision requiring the Administrator to provide for (that is, to plan for and assign hospital allowances on the basis of) no less than an average of 98,500 operating beds and an average daily patient census in such beds of no less than 85,500 in any fiscal year; that to *maintain* such a census at no less than 82,000 in any such fiscal year.

An analysis of the VA average daily patient census for the current fiscal year shows that it will be approximately 82,000, although for the month of January it was 84,156 (1,000 higher than in January of 1972). At the same time, in December of 1972, there were 32,237 veterans on VA waiting lists or scheduled for hospital admission (determined to need care no sooner than 30 days).[1] Thus, in the event that the new ambulatory care authorities in the bill do free some VA hospital beds, there would seem to be ample veteran patients needing hospitalization to fill them.

Nevertheless, the VA FY 1974 budget is predicated upon an average daily patient census of 80,000, and there is every indication that OMB—as it attempted to do for FY 1972—will force the VA to provide station allowances to hospitals based upon such an arbitrarily reduced census. The effort of this would probably be to reduce the actual census realized in FY 1974 to 78,000, since this has been the history since 1962—the *actual* census achieved for a fiscal year being about 2,000 lower than the *projected* census in that year's budget request.

In addition, in his October 27, 1972, Memorandum of Disapproval of H.R. 10880, the predecessor of S. 59, the President declared his strategy to "sharply reduce the Government's direct role in the provision of [health care] services." In order to counteract such strategy. It is necessary for Congress to mandate a particular census minimum. However, it is recognized that such a minimum would be counterproductive if it set a minimum figure at too high a level. Thus, the bill as amended in Committee alters the language so that the 85,000 figure will be used for budgetary purposes planning, and projections and the determinations of individual hospital station allocations, rather than being the minimum average census figure that must be *maintained* in the fiscal year.

At the same time, in order to permit the census figure to "float freely" at approximately the level anticipated for FY 1973, the reported bill requires that such average daily census be *maintained at no less than the 82,000 figure projected for fiscal year 1973.*

The Committee was reluctant to take this step and did so only because it feared the imposition for FY 1974 of another arbitrary ADPC maximum by the Office of Management and Budget.

The following table shows the average daily patient census and number of operating beds cumulatively by month for fiscal year 1971, fiscal year 1972 and the first seven months of fiscal year 1973.

TABLE IV.—VA HOSPITAL CARE OPERATING BEDS AND AVERAGE DAILY PATIENT CENSUS

	Operating beds		Average daily census	
	Month	Cumulative fiscal year	Month	Cumulative fiscal year
Fiscal year 1971:				
1970:				
June	102,354	----------	83,308	85,547
July	100,692	101,523	83,019	83,019
August	100,638	101,228	83,471	83,265
September	100,699	101,096	83,985	83,491
October	100,689	101,014	84,624	83,788
November	100,623	100,949	84,710	83,962
December	100,402	100,871	82,473	83,746
1971:				
January	96,899	100,375	86,928	84,179
February	96,649	99,961	87,667	84,583
March	96,649	99,629	86,226	84,776
April	96,692	99,362	83,467	84,651
May	96,645	99,386	81,584	84,367
June	96,685	99,178	79,865	84,002
Fiscal year 1972:				
1971:				
July	95,857	96,271	78,760	78,760
August	95,707	96,083	79,477	79,118
September	95,596	95,961	79,567	79,266
October	96,728	96,115	79,992	79,454
November	96,950	96,254	80,932	79,748
December	97,136	96,380	79,111	79,638
1972:				
January	96,990	96,456	83,162	80,146
February	95,982	96,403	83,662	80,564
March	96,073	96,370	82,890	80,826
April	96,189	96,354	82,090	80,950
May	96,091	96,332	81,305	80,983
June	96,593	96,352	80,837	80,971
Fiscal year 1973:				
1972:				
July	98,152	97,373	81,213	81,213
August	98,216	97,654	82,211	81,724
September	98,187	97,787	82,027	81,835
October	98,297	97,889	81,982	81,879
November	98,323	97,961	81,944	81,893
December	98,297	98,009	79,720	81,526
1973:				
January			84,156	----------

STRUCTURAL SAFETY OF VA MEDICAL FACILITIES

The tragic consequences of a number of natural disasters within recent years has pointed to the need for stricter safety standards in the construction and maintenance of Veterans Administration facilities. There were the tragic losses of lives due to earthquake damage at San Fernando, Calif., closely followed by a severe tornado at Fayetteville, N.C., in early 1971. In addition, considerable numbers of veterans lost personal effects at VA facilities at Gulfport and Biloxi, Miss., as a result of damage caused by Hurricane Camille. The Committee substitute provides that the Administrator shall prescribe construction standards on a State or regional basis for each VA facility, such standards to be based on a survey of pertinent State and local ordinances, building codes, climatic and seismic conditions, and other factors, with the purpose of assuring that all hospitals, domiciliaries, and other medical facilities of the Veterans Administration will be made resistant to fire, earthquake and other natural disasters. Through such measures, the Committee hopes that future such tragedies can be prevented.

MISCELLANEOUS

The bill as reported includes two provisions requested by the administration in the 92nd Congress and still generally supported in this Congress: To authorize the Administrator to make contributions to local authorities for the construction of traffic controls, road improvements or other devices adjacent to VA medical facilities when deemed necessary for safe access—a provision included in the fiscal year 1973 VA appropriation item; and to increase the rates for VA payments to State veterans hospitals and nursing homes and to make such payments in the case of veterans of the post-Korean conflict.

COST ESTIMATES PURSUANT TO SECTION 252 OF THE LEGISLATIVE REORGANIZATION ACT OF 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510, 91st Congress), the Committee has included the VA estimate of the following costs for carrying out the provisions of the Proposed Act in fiscal years 1974 through 1978:

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[1] The Committee is aware of the somewhat elevated nature of this total due to certain ambulatory care pilot projects being carried out.

TABLE V.—SECTION-BY-SECTION COST CHART FOR S. 59, 93d CONG.

Section and provision	Fiscal year cost (in millions)				
	1974	1975	1976	1977	1978
TITLE I					
101. (a) Definition of "VA facility" changed to reflect long-standing interpretation	(1)	(1)	(1)	(1)	(1
Contract care expanded to include wives, widows and child	21.3	21.4	21.5	22.9	24.4
(b) Mental health services and training to certain dependents	10.0	10.5	11.0	11.5	12.0
(c) Home health services to veteran or dependent	(2)	(2)	(2)	(2)	(2)
102. Hospital or nursing home care for:					
Peacetime vets	7.9	8.5	9.0	9.7	10.4
Wives, widows and children	12.9	13.8	14.8	15.8	16.9
103. Outpatient care to obviate need for hospitalization	(1 3)	(1)	(1)	(1)	(1)
80 percent s/c/disabled	1.6	1.7	1.8	1.9	2.0
104. (a) Direct admission of military to community nursing home	(2)	(2)	(2)	(2)	(2)
(b) Nursing home care for dependents	(2)	(2)	(2)	(2)	(2)
(c) Nursing home standards	(2)	(2)	(2)	(2)	(2)
(d) Direct admission to community nursing home for s/c condition	[4] 11.2	12.7	13.5	13.9	14.2
105. U.S. vets nursing home care in Philippines	(1)	(1)	(1)	(1)	(1)
106. Earthquake—Reimbursement for loss of personal effects	(2)	(2)	(2)	(2)	(2)
107. Reimbursement for emergency medical care	(1)	(1)	(1)	(1)	(1)
108. Grants to Philippines	2.1	2.1	2.1	2.1	2.1
109. Sickle cell anemia	2.3	2.3	2.3	2.3	2.3
TITLE II					
201. Expansion of D.M. & S. Mission	(1)	(1)	(1)	(1)	(1)
Staff-patient ratio	(2)	(2)	(2)	(2)	(2)
202. 2 additional assistant CMD's	.089	.094	.099	.104	.110
Change titles of service heads	(1)	(1)	(1)	(1)	(1)
203. Salary rate D.M. & S. increase salary range for service heads	.063	.606	.0074	.07	.780
Nurse, premium pay	26.7	29.2	31.7	34.4	37.3
204. Personnel Administration	(1)	(1)	(1)	(1)	(1)
205. Technical changes	(1)	(1)	(1)	(1)	(1)
206. Temporary full-time D.M. & S. appointments	(1)	(1)	(1)	(1)	(1)
Central administration of interns and residents	(1)	(1)	(1)	(1)	(1)
207. Malpractice protection for VA medical personnel	(1)	(1)	(1)	(1)	(1)
208. Clarification of authority to contract for scarce medical specialists	(1)	(1)	(1)	(1)	(1)
301. (a) Provide for 98,500 beds and 85,500 ADPC; maintain 82,000 ADPC and 8,000 nursing beds	(2)	(2)	(2)	(2)	(2)
(b) Construction standards for fire and earthquake	(2)	(2)	(2)	(2)	(2)
(c) Contribute to local governments for traffic controls and roads	(2)	(2)	(2)	(2)	(2)
302. Relinquishment of legislative jurisdiction	(1)	(1)	(1)	(1)	(1)
303. Expand sharing authority	(1)	(1)	(1)	(1)	(1)
401. VA office in Manila		.975	.975	.975	.975
402. Telephones for nonmedical directors	.003	.003	.003	.003	.003
403. (a) Increase per diem rates to State homes	5.0	5.3	5.5	5.6	5.6
(b) Increase grants to State homes	2.7	2.7	2.7	2.7	2.7
Total (in millions)	$103.85	$111.3	$117.04	$123.95	$131.06

[1] No cost.

[2] No estimate.

[3] This estimate is based upon a plan of implementation whereby any costs could be absorbed mostly through a utilization of funds which would otherwise be needed for the obviated hospitalization.

[4] This estimate represents refined data indicating a substantial increase in new admissions over those anticipated from in-VA-facility admissions.

Note.—Estimated 5-year total: $587.20.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes by presence or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report favorably to the Senate S. 59 as reported from Subcommittee.

Yeas—9

Vance Hartke, Herman E. Talmadge, Jennings Randolph, Harold E. Hughes, Alan Cranston, Clifford P. Hansen, Strom Thurmond, Robert T. Stafford, and James A. McClure.

Nays—0

SECTION-BY-SECTION ANALYSIS OF S. 59 AS REPORTED

Section 1 establishes the title of the proposed Act as "The Veterans Health Care Expansion Act of 1973."

TITLE I—HOSPITAL, DOMICILIARY, AND MEDICAL CARE BENEFITS

Section 101: Subsection (a) amends clause (C) of present section 601(4) of title 38, regarding the Administrator's contract authority for providing hospital care, along the lines recommended in the administration bill proposed in the 92d Congress (section 101 of S. 1924) to delete the qualification that contract care for persons suffering from service-connected disabilities or disabilities for which they were discharged or released from the service be provided "only in emergency cases." Deletion of this language confirms existing practice. The clause also adds a new subclause (iv) to clause (C) authorizing contract hospital care, where appropriate VA and other Federal facilities are not available, for the wife and child of a veteran with a total and permanent service-connected disability and the widow and child of a veteran who died as a result of a service-connected disability. This contract authority is concurrent with the authority provided the VA to provide hospital care in its own facilities to such persons, in new subsection (d), added to present section 610 of title 38 by section 102(3) of the bill as reported.

The VA estimates the first-year cost of contract care for dependents will be $21.3 million.

Subsection (b) of section 101 amends paragraph (5) of present section 601 of title 38, which defines "hospital care", to reflect the expanded eligibility for hospital care provided for in subsection (a) and section 102(3) of the bill as reported. In addition, a new clause (B) is added in paragraph (5) in order to include within the definition of "hospital care" the provision of mental health services, counseling, training, and (on the terms set forth in present section 111 of title 38) necessary transportation and subsistence expenses for the members of the immediate family of VA patients when such services and expenses are necessary or appropriate to treat and rehabilitate the VA patient effectively.

The VA estimates the first-year cost of this provision to be $10 million.

Subsection (c) of section 101 amends paragraph (6) of present section 601 of title 38, which defines "medical services" (ambulatory and out-patient care), to provide specific authority for the provision of home health care services.

The VA has not been able to estimate the cost of this provision.

Section 102 makes a series of amendments to present section 610 of title 38, which specifies eligibility for hospital and domiciliary care.

Clause (1) amends present subsection (a) to make nursing home care an inherent part of VA hospital care, thereby authorizing direct admission to VA directly-run nursing homes for all section 610 (as amended by section 102(4) of the bill as reported) beneficiaries. The effect of this new clause and the new section 610(e), added by clause (4) of section 102 of the bill as reported, is to authorize direct admission to VA directly-run nursing homes, eliminating the requirement that admission to such nursing homes must be made only for patients hospitalized in VA facilities. This new language would not authorize such direct admission to community nursing homes. (See section 104 of the proposed bill for amendments to community nursing home authority.)

Clause (2) amends present clause (1)(B) of subsection (a) to make any veteran, peace-time or war-time, eligible for hospital care for a non-service-connected disability if he is unable to defray the necessary hospital expenses, rather than only war veterans at present. This provision would provide new eligibility for approximately 150,000 peace-time veterans (generally those whose service ended prior to April 6, 1917, and those who served between November 12, 1918 and December 6, 1941, and those who served between January 1, 1947 and June 27, 1950). The VA estimates the first-year cost of this provision as $7.9 million.

Clause (3) replaces the present subsection (c), regarding the provision of medical services to hospitalized veterans for non-service connected disabilities for which they were *not* hospitalized. The revised subsection eliminates the requirements that the Administrator make a determination in each such instance that the treatment of the non-service-connected disability would be in the veteran's interest, would not prolong his hospitalization, and would not interfere with the furnishing of hospital services to other veterans. These conditions are needlessly restrictive on professional medical judgment or redundant of such judgment. The revised subsection, in accordance with what the VA advises is actual practice in most instances, premises the provision of such medical services only upon the willingness of the veteran and a finding that such services are reasonably necessary to preserve his or her health. No additional costs will result from this provision.

Clause (4) adds new subsections (d) and (e) to present section 610 of title 38, as follows:

New Subsection (d) provides for the furnishing of hospital care, in accordance with regulations prescribed by the Administrator, to the wife and child of a veteran with a total and permanent service-connected disability and the widow and child of a veteran who died from a service-connected disability, as long as the provision of such care does not interfere with the furnishing of hospital and domiciliary care to eligible veterans. This eligibility for hospital care under this new subsection would, by virtue of the new subsection (e) also added to the present section 610, include eligibility for nursing home care in both VA directly-run nursing homes and (under present section 620 of title 38) community nursing homes. (A companion authority to contract for hospital care for such persons is added to present section 601(4) (C) by section 101(a) of the bill as reported.)

This new eligibility would extend hospital and nursing home care benefits to approximately 282,000 persons not presently entitled to other Federal health benefits, such as under Medicare, Medicaid and Military Medical Benefits programs (56,100 wives and 78,000 children of veterans with total and permanent service-connected disabilities (total: 134,100) and 57,600 widows and 91,000 surviving children of veterans who died of service-connected disabilities (total: 148,000). The first year cost of this new eligibility is estimated by the VA to be $12.9 million.

New Subsection (e) provides that in no event may nursing home care under chapter 17 of title 38 (as added to basic hopital care eligibility in present section 610 by clause (1) of section 102 of the bill as reported) be provided in other than VA directly-run nursing homes except insofar as community nursing home care under contract is expressly authorized under present section 620, as amended by section 105 of the bill as reported.

Section 103 amends present section 612 of title 38 by replacing present subsection (f), regarding the provision of medical services for the non-service-connected disabilities of certain veterans. Presently, such out-patient and ambulatory care for non-service-connected disabilities may be provided only on a pre-hospital or post-hospital care basis or to any war veteran with a total and permanent service-connected disability. The revised subsection (f) includes for the first time the language "on an outpatient or ambulatory basis" and makes the provision applicable to service-connected as well as non-service-connected disabilities (thus, a veteran unable to defray the necessary expenses of hospitalization who contended his condition was service-connected and did not then require hospitalization could be provided outpatient care if his condition met the "obviate" criterion described in item (1) below, without waiting for adjudication of his service-connected claim). The revised subsection also makes the following changes with respect to this authority: (1) authorizes (along lines proposed in the administration bill proposed in the 92d Congress—section 102 of S. 1924) outpatient care to such veterans when necessary to obviate the need of . . . hospital admission"; (2) authorizes such outpatient care for any veteran, peace-time or war-time, with an 80% or more rated service-connected disability; and (3) authorizes such outpatient care for any person eligible for hospital care, which, under the hospital care eligibility provisions in the revised subsection 610, newly authorizes outpatient care under the terms of revised subsection (f) for peace-time veterans, the wives and children of veterans with total and permanent service-connected disabilities and the widows and children of veterans who died from service-connected disabilities.

Under the new "necessary to obviate" hospital care standard, a veteran with a non-service-connected disability would still be required to complete an oath of inability to defray the necessary expenses of hospital care, pursuant to present section 622 of title 38. According to the VA report on S. 59, this provision would entail no additional expenditures.

It should be noted that the VA has contended that the absence of the limitation in present section 612 which appears in section 610(a) ("within the limits of Veterans' Administration facilities") provides authority to carry out the "furnishing" of care under section 612 by fee or by contract. Unlike S. 2354, the bill as reported has not provided explicit authority for such contract care. The Committee clearly intends that the Administrator have authority to furnish by contract out-patient care for wives, widows, and children now eligible by virtue of revised section 610(a).

This revised subsection (f) would increase those eligible for pre-hospital, post-hospital, and "obviate" hospitalization VA outpatient care by approximately 846,000 persons by including 150,000 peace-time veterans, 282,000 wives, widows, and children, and 204,808 additional veterans with 80% or more service-connected disabilities.

The VA has been unable to estimate the costs of this new outpatient care eligibility when applied to those individuals newly eligible for care such as the peace-time veterans, the wives and children of those veterans with total and permanent service-connected disabilities or the widows and children of veterans who died from service-connected disabilities. The VA estimates the first-year costs of providing outpatient care for those veterans with a service-connected disability of 80% or more to be $1.6 million.

Section 104.—Subsection (a) amends subsection (a) of present section 620 of title 38, regarding transfer of VA hospital patients to community nursing homes, so as to authorize direct admission (without immediately prior VA hospitalization as is now required) to community nursing homes at VA expense of servicemen from military hospitals if the Service Secretary concerned determines and the Administrator agrees that the serviceman has received maximum hospital benefits and requires nursing home care. The VA estimates no material cost increase as a result of this provision.

Subsection (b) of section 104 is purely technical in order to achieve consistency of drafting style.

Subsection (c) of section 104 amends subsection (b) of present section 620 of title 38, requiring VA standards to be established for community nursing homes to which eligible veterans are transferred, by adding a new sentence to require the Administrator to make copies of VA prescribed standards and inspection reports available to all Federal, state, and local agencies charged with licensing or otherwise regulating or inspecting such institutions (this is done only sporadically now).

Subsection (d) of section 104 adds a new subsection (d) to present section 620 of title 38 to authorize direct admission of a veteran to community nursing homes at VA expense of veterans requiring nursing home care for service-connected disabilities after the need for such care is determined by a physician (employed by the VA or performing under contract or fee arrangement) based upon an examination of the veteran by such physician. A comparable provision was supported by the VA in its March 28, 1972, report on the Committee substitute for S. 2354 in the 92d Congress, except that the VA provision would have excluded (apparently inadvertently) application of this new procedure in Hawaii and Alaska where the VA does not maintain medical facilities or employ physicians. The revised provision also makes clear that in such states as well as in geographical areas where no VA physician employee is stationed, the examination and determination may be conducted on behalf of the VA by a physician under a contract or fee arrangement. The VA estimates that this provision would entail a first-year cost of $11.2 million.

Section 105:—Subsection (a) amends present section 624 of title 38, regarding hospital care and medical services abroad, by adding a new subsection (d) making U.S. veterans residing in the Philippines eligible for the same per diem payment for nursing home care as would be made available to Filipino veterans in the Philippines by the amendment to present section 632 in section 107 of the bill as reported. This new eligibility should entail no appreciable cost.

Subsection (b) of section 105 amends the catchline for present section 624 to reflect the revision contained in subsection (a).

Section 106:—Section (a) amends present section 626 of title 38, regarding VA reimbursement to VA patients due to fire loss, so as to cover certain personal property loss by earthquake or other natural disaster (flood, windstorm). The VA has produced no cost estimate for this provision, which section 501 of the bill as reported makes retroactive to January 1, 1971, in order to cover the San Fernando, California, earthquake and the Fayetteville, North Carolina, windstorm, both of which occurred in February, 1971, and occasioned considerable patient property loss. The VA has been unable to estimate the costs of this provision.

Subsection (b) of section 106 amends the catchline for present section 626 to reflect the revision contained in subsection (*a*).

Subsection 107:—Subsection (a) amends present subchapter III (Miscellaneous Provisions) of chapter 17 of title 38 by adding a new section 628 to codify a VA regulation providing for reimbursement of the reasonable value of hospital care and medical services provided to veterans entitled to VA medical care for service-connected disabilities in an emergency when VA facilities are not readily available. No additional cost should be occasioned by this provision.

The bill as reported also includes in the reimbursement provisions of the new section authority for reimbursement (without prior authorization) for emergency care provided for any disability (whether or not it could be demonstrated to be service-connected) of a veteran with a 100 percent permanent and total service-connected disability. Under present law, such veterans are entitled to full VA medical care, in- and out-patient, for any disability, either directly in a VA facility or by fee or contract. However, it is not clear that the VA would interpret its contract authority (which itself is not crystal clear in present law—the bill as reported makes it explicit) to permit reimbursement after expenditures had been made in an emergency situation where no VA hospital or clinic is accessible. And the enactment of section 628, without inclusion of authority to make such reimbursement, might be interpreted to rule out such an expansive interpretation.

The amendment would close this small gap in coverage for the 100% service-connected disabled (it is retroactive to January 1, 1971, to cover any meritorious claims arising since the start of the 92nd Congress). It is not contemplated that appreciable additional expense would be entailed since such so severely disabled veterans tend to remain accessible to VA hospitals for treatment.

Subsection (b) of the new section makes clear the Administrator's authority to make payment directly to the provider of the services rather than to the veteran treated.

Subsection (b) of section 107 amends the table of sections at the beginning of chapter 17 of title 38 to reflect the revisions and additions in sections 106 and 107 of the bill as reported.

Section 108:—Subsection (a) amends sections 631 and 632 of title 38, regarding grants to and agreement with the Philippines, by striking out these sections and inserting in lieu thereof new sections 631 and 632. The VA estimates the first year cost as $2.1 million and the same for each of the next five fiscal years.

New section 631 authorizes the President to assist the Republic of the Philippines in providing medical care and treatment for Commonwealth Army veterans and certain new Philippine Scouts for service-connected disabilities and for non-service-connected disabilities under certain conditions.

Subsection (a) of the new section provides that the President, with the concurrence of the Republic of the Philippines, may authorize the Administrator to enter into a contract with the Veterans Memorial Hospital, with approval of the appropriate department of the Government of the Republic of the Philippines, covering the period beginning on July 1, 1973, and ending on June 30, 1978, under which the United States—

(1) will pay for hospital care in the Republic of the Philippines, or for medical services which shall be provided in the Veterans' Memorial Hospital (or by contract or otherwise) in accordance with the conditions and limitations applicable generally to beneficiaries under present section 612 of title 38, for Commonwealth Army veterans and new Philippine Scouts the Administrator determines to need such hospital care or medical services for service-connected disabilities (presently there is no contract care authority for new Philippine Scouts);

(2) will pay for hospital care at the Veterans Memorial Hospital for Commonwealth Army veterans and new Philippine Scouts who enlisted before July 4, 1946, the Administrator determines need such care for non-service-connected disabilities if they are unable to defray the expenses of necessary hospital care;

(3) may provide for the payment of travel expenses pursuant to present section 11 of title 38 for Commonwealth Army veterans and new Philippine Scouts in connection with hospital care or medical services furnished them;

(4) may provide for payments for nursing home care, on the same terms and conditions as set forth in section 620(a) of title 38, for any Commonwealth Army veteran or new Philippine Scout determined to need such care at a per diem rate not to exceed 50 percent of the hospital per diem rate established pursuant to the new clause (6) of section 632 (this is a new authority):

(5) may provide that payments for hospital care and medical services provided to Commonwealth Army veterans and new Philippine Scouts or to U.S. veterans may consist in whole or in part of available medicines, medical supplies, and equipment furnished by the Administrator to the Veterans Memorial Hospital at valuations therefor as determined by the Administrator; and also is authorized to furnish, through the revolving supply fund, pursuant to present section 5011 of title 38, such medicines, medical supplies, and equipment as necessary for this purpose and to use therefor, as applicable, appropriations available for such payments;

(6) will provide for payments for such hospital care at a per diem rate to be jointly determined for each fiscal year by the two Governments to be fair and reasonable; and

(7) may stop payments under any such contract upon reasonable notice as stipulated by the contract if the Republic of the Philippines and the Veterans Memorial Hospital fail to maintain such hospital in a well-equipped and effective operating condition, as determined by the Administrator.

Subsection (b) of the new section provides that the total payments under this modified agreement shall not exceed $2 million for any one fiscal year during such period, of which sum not to exceed $250,000 shall be for the purposes of payments under new clause (4).

Subsection (c) of the new section provides that available beds, equipment, and other facilities at the Veterans Memorial Hospital can be made available at the discretion of the Republic of the Philippines for other persons subject to (1) priority of admission and retention in the hospital of Commonwealth Army veterans or new Philippine Scouts needing hospital care for service-connected disabilities, and (2) the use of available facilities on a contract basis for hospital care or medical services for persons eligible therefor from the VA.

Subsection (d) of the new section provides for an authorization of appropriations each fiscal year during the six years beginning July 1, 1972, and ending June 30, 1978, of (1) $50,000 for VA grants to the Veterans Memorial Hospital for the purpose of education and training of health service personnel assigned to (as compared to present section 632(e)) the hospital and (2) $50,000 for VA assistance to the Republic of the Philippines in replacing and upgrading equipment and rehabilitating the hospital physical plant under terms and conditions prescribed by the Administrator. Appropriations for purposes of clause (2) are to remain available until expended. This provision would enable the VA to obtain equipment whose value may exceed $50,000 by allocating 2 or more years funding for such purchase.

Subsection (b) of section 108 amends the table of sections at the beginning of chapter 17 of title 38 to reflect changes made in present sections 631 and 632 of title 38 by subsection (a).

Subsection (c) of section 108 provides that nothing in this section shall be deemed to affect in any manner any right, cause, obligation, contract (specifically including that contract executed April 25, 1967, between the Government of the Philippines and the Government of the United States resulting from Public Law 89-612, which shall remain in force and effect until modified or superseded by an agreement executed under authority of this Act), authorization of appropriation, grant, function, power, or duty vested by law or otherwise under the provisions of section 612 of title 38, in effect on the day before the date of enactment of this section.

Section 109:—Section (a) adds to chapter 17 of title 38 a new subchapter VI, "Sickle Cell Anemia". This provision is similar to provisions in section 5 of S. 2676, the proposed "National Sickle Cell Anemia Act", which passed the Senate on December 8, 1972. This section was deleted from the version as it passed the House (incorporating the text of H.R. 13592) on March 22, 1972, and this deletion was agreed to by the Senate on April 17, 1972, in returning the bill to the House with an amendment. The Act is now P.L. 92-294.

Section 651 in the new Subchapter authorizes the Administrator to carry out a comprehensive program of providing sickle cell anemia screening, counseling and treatment, and dissemination of information under the provisions of chapter 17. Under these provisions, the VA would offer to all veterans receiving hospital or domiciliary care or medical services, and those receiving benefit eligibility examinations, screening examinations to detect those persons with the sickle cell trait or with sickle cell anemia; ensure that all veterans' benefits recipients receive full information as soon as possible regarding sickle cell trait or anemia and where they may receive screening and treatment for such trait or disease; provide appropriate counseling on a voluntary basis to a spouse of an eligible veteran, who was found to have the sickle cell trait; and advise every black veteran receiving outpatient or inpatient VA care or undergoing a VA physical examination about the availability of voluntary sickle cell anemia screening under the new Subchapter. The VA estimates the cost of these programs over a five-year period to be $10 million.

Section 652 in the new Subchapter, authorizes the Administrator to carry out research and research training in the diagnosis, treatment, and control of sickle cell anemia based upon the screening examinations and treatment provided under the new subchapter.

Section 653 in the new Subchapter:—Subsection (a) specifies that any person who participates in any of the sickle cell anemia programs under the new subchapter (including the research program by cross reference in new section 652) shall do so only on a voluntary basis, and that such participation shall not be a condition for receiving service or assistance from programs to which the participant may otherwise be entitled under title 38.

Subsection (b) of the new section directs the Administrator to ensure the confidentiality of all information and patient records obtained from sickle cell anemia programs conducted under the new subchapter.

Section 654 in the new Subchapter directs the Administrator to include in the annual report to the Congress required by title 38, a comprehensive report on the administration of the new Subchapter, including recommendations for additional legislation as the Administrator deems necessary.

TITLE II—AMENDMENTS TO CHAPTER 73 OF TITLE 38, UNITED STATES CODE, RELATING TO THE DEPARTMENT OF MEDICINE AND SURGERY

Section 201 amends present section 4101 of title 38, regarding functions of the Department of Medicine and Surgery (DM&S), by revising present subsection (b) to expand the primary function of the VA Department of Medicine and Surgery to include assisting in providing an adequate supply of health care manpower in order to meet national needs in addition to meeting the hospital needs of veterans, to the extent feasible without interfering with the medical care and treatment of veterans. In carrying out this expanded function, the Administrator is directed to develop and carry out a program of health manpower education and training, including the development and evaluation of new health careers, interdisciplinary approaches and career advancement opportunities, and to carry out a major program for the recruitment, training *and employment* of veterans with medical military occupation specialities (MOS) as physicians' assistants, dentists' assistants, and other medical technicians. The VA is directed to advise all veterans and servicemen about to be discharged with such MOS's of the opportunities for training and employment in the VA. In implementing these new programs, the VA is directed to act in cooperation with such health training institutions as the Administrator deems appropriate. The VA estimates no additional cost resulting from this provision.

Section 201 also adds a new subsection (c) to present section 4101 which directs the Comptroller General of the United States to select for every VA hospital an optimum index hospital(s) in the area for staff-to-patient ratios for each VA hospital service (such as surgery) and directs the VA to achieve the index ratio for each such service within three years of enactment of the proposed Act. The Administrator is directed to cooperate fully with the GAO. An annual report is required from the Comptroller General not more than 60 days after the close of each fiscal year showing the established index ratios for each VA hospital service and the extent of progress toward achieving these ratios.

Section 202 amends present section 4103(a) of title 38, which specifies the personnel in the Office of the Chief Medical Director, to make changes included in the administration bill proposed in the 92nd Congress (section 202 of S. 1924); providing in paragraph (4) of the present subsection authority for appointment of two additional (six authorized now) Assistant Chief Medical Directors (ACMD's) (VA estimated cost $89,000 per year) not more than two of whom may be lay administrators (the administration proposal in the 92nd Congress, due to a technical error, used the words "at least"), and in paragraph (7) of the present subsection, upgrading the Chief Pharmacist and Chief Dietician to Directors of Services and adding a new position "Director of Optometry" under the Chief Medical Director. (Under the new Section 4103 Schedule in section 206 of the reported bill, all three positions would be compensated at the same level—$31,203 minimum to $39,523 maximum.)

Section 203.—Clause 1 revises subsections (a) and (b) of present section 4107 of title 38, establishing title 38 DM&S grades and pay scales (for DM&S officers; physicians, dentists, and nurses), along the lines in the administration bill proposed in the 92nd Congress (section 203 of S. 1924). Basically, the amendment reflects current practice under the three recent Federal pay increases. In addition, the Director of Nursing is upgraded to the level of Medical Director grade (G.S. 17)—the same as Directors of DM&S Services (such as Psychiatry); the Directors of the Chaplain, Pharmacy and Dietetic Services are upgraded from the equivalent of G.S. 15 to 16; and a new Nurse Schedule grade is established—Director grade comparable to the Chief Grade in the Physician and Dentist schedule, all recommended by the VA (at an annual cost estimate of $63,000). Establishment of the Director grade is intended to recognize the difficult managerial and professional responsibilities inherent in the position of Chief Nurse in the very largest and most complex VA hospitals, and in the position of the top program officials in the headquarters Nursing Service in the Department of Medicine and Surgery. Such responsibilities inherent in other chief nurse and managerial nurse positions can be similarly recognized by a pay increase as appropriate, by use of existing grades in the Nurse Schedule.

The newly created position of Director of Optometry is paid on the same level as the Directors of the Pharmacy and Dietetic Services; and the prohibition in subsection (b) (2) of the present section 4107 on persons who are eligible to hold the director grade (directors of VA hospitals, domiciliaries, centers, or independent outpatient clinics) is made applicable only to the Physician and Dentist Schedule so as to carry out the purpose of the new Director grade in the Nurse Schedule—for the Chief Nurse in large hospitals—as recommended by the Administration.

Clause 2 of section 206 adds at the end of present section 4107 of title 38, regarding grades and pay scales, new subsections as follows:

New subsection (*d*) specifically applies to title 38 salaries the limitations—salaries in excess of $36,000 limited to $36,000 until pay for level V of the Executive Schedule is raised—of 5 U.S.C. 5308. A comparable provision was included in the administration bill (section 203(b) of S. 1924) proposed in the 92d Congress.

New subsection (*e*) establishes overtime and premium pay benefits for VA nurses (including intermittent and part-time nurses) generally comparable to those now available to General Schedule and Wage Board employees. Similar provisions were included in the administration bill proposed in the 92d Congress (section 204 of S. 1924). Variations are noted in the description that follows:

Paragraph (*1*) *of the new subsection* establishes the basic eligibility for specified pay in addition to basic compensation.

Paragraph (2) *of the new subsection* (*Night Duty*):—10% of the employee's basic rate added for each hour between 6 p.m. and 6 a.m. except that if at least four hours of a tour (generally 8 hours of work per full tour) fall within those hours of the night tour (for example a 3:30 p.m. to 12 midnight tour), all hours of that tour would be paid at the extra 10% rate. This four-hour rule is now applicable to wage board, but not G.S. employees. (It should be noted that the administration proposal in the 92d Congress seemed to exclude the night nurse working overtime from the additional 10%—i.e., 150% instead of 160% by use of the language "for each hour of service not exceeding eight hours," whereas the provision in the reported bill would clearly provide for 160%, as do present G.S. authorities.)

Paragraph (3) *of the new subsection* (*Sunday Duty*):—25% of the employee's basic rate added for each hour worked on a tour any part of which falls between midnight Saturday and midnight Sunday. The administration proposal in the 92d Congress, apparently this time following G.S. precedent, would clearly preclude 175% for Sunday overtime, whereas the reported bill provision would allow it by deleting "which is not overtime work" and the same eight-hour tour limitation discussed in new paragraph (2) above.

Paragraph (4) *of the new section* (*Holiday Duty*):—100% of the employee's basic rate added for each hour worked on a Federally-declared holiday. For overtime work on a holiday, in conjunction with paragraph (7), the full 100% additional would be paid, rather than only 50% additional for holiday overtime, which is the incongruous and inequitable effect—reducing pay when the nurse goes on overtime on a holiday—proposed by the administration and paid under the G.S. A provision has been added to specify that a nurse required to perform any work on a holiday shall receive at least two hours double pay (now provided in 5 U.S.C. 5546(c) for G.S. employees).

Paragraph (5) *of the new section* (*Overtime Duty*):—150% of the employee's basic rate used for computation for each hour in excess of eight hours per day or forty hours per administrative workweek, but the basic rate cannot be above the minimum rate of Intermediate grade in the Nurse Schedule (equivalent of G.S. 11—although G.S. 10, Step 1, is the limiting salary base under the General Schedule; overtime does not begin until at least 15 minutes is worked; compensatory time off is not permitted as it is under the G.S. system; and any new work on a non-work day or call-back shall be a minimum of time-and-a-half for two hours. This whole provision is identical to the original administration proposal in the 92nd Congress.

Paragraph (*6*) *of the new subsection* specifies the basis for computing the basis hourly rate (dividing annual salary by 2080). This is identical to the administration bill proposed in the 92nd Congress.

Paragraph (7) *of the new subsection* makes clear that the additional pay provisions of new paragraphs (2) through (5) are to be applied independently and consecutively, except that holiday overtime and holiday non-overtime work are both paid the same (200%). There was no comparable administration provision proposed last Congress.

Paragraph (*8*) *of the new subsection* (*On Call*):—10% of the employee's basic overtime rate (150% of the employee's basic rate not to exceed Intermediate grade, Step 1) added for each hour officially scheduled on call. There is no comparable provision in the administration bill or G.S. now, although serious consideration has been given to it. A survey of available data on large city hospital pay practices for on call time indicates the proposed provision in the Committee substitute is in step with private and community practice in this area.

Paragraph (*9*) *of the new subsection* provides that additional pay under this new section will not count as basic compensation for lump-sum leave payments, severance pay, and other benefits relating to basic compensation. There was an identical provision in the administration bill as a paragraph (7) in a new subsection (d) to be added to present section 4107.

The VA estimate of the first-year cost for premium and differential pay is $26.7 million.

Section 204 amends present section 4108 of title 38 to clarify the hours and conditions of employment and leaves of absence for physicians, dentists, and nurses appointed on a full-time basis.

New subsection (*a*) directs the Administrator to prescribe, by regulation, such hours and conditions of employment and leaves of absence, and lists provisions regarding permissible outside employment by physicians, dentists and nurses appointed in the Department of Medicine and Surgery—

Clause (*1*) *of the new subsection* would prohibit such personnel from assuming responsibility for the medical care of any patient other than a patient admitted for treatment at a VA facility, except where, with the approval of the Chief Medical Director, such responsibilities are assumed to assist communities or medical practice groups to meet medical needs which would otherwise not be available (for a period limited to 6 months, with extension for an additional six months approved specifically by the Chief Medical Director). The Chief Medical Director would delegate to the station director the responsibility for granting an exception so that consulting services for up to six months would be permissible when necessary to provide scarce expertise to help the non-VA community to provide otherwise unavailable services.

Clause (2) *of the new subsection* would prohibit such personnel from teaching or providing consultative services at affiliated institutes where such activities would, because of their nature or duration, conflict with responsibilities under title 38.

Clause (3) *of the new subsection* would prohibit such personnel from accepting payment under reimbursement programs established under subchapter XVIII (Medicare) or XIX (Medicaid) of chapter 7 of title 42, or under chapter 55 of title 10, for professional services rendered while actually carrying out responsibilities under title 38.

Clause (4) *of the new subsection* would prohibit such personnel from accepting any payment or per diem for travel performed in the course of carrying out responsibilities under title 38, other than as provided for in section 4111 of title 5.

Clause (5) *of the new subsection* would prohibit such personnel from requesting or permitting any payment on his behalf for insurance insuring him against malpractice claims arising in the course of carrying out responsibilities under title 38 or for dues or fees for membership in medical or dental societies or related professional associations, except where such payments constitute a part of his remuneration for professional responsibilities permitted under section 4108, other than those carried out under title 38.

Clause (6) of the new subsection would prohibit such personnel from performing any professional services, in the course of carrying out responsibilities under title 38, for the purpose of generating money for any fund or account maintained by an affiliated institution for the benefit of such institution, or for his personal benefit, or both. Where such funds or account may have been established prior to the effective date of the new subsection (a), certain requirements and limitations are specified.

Subsection (b) of section 204 amends the table of sections at the beginning of chapter 73 of title 38 to reflect the revisions contained in subsection (a).

Section 205. Subsection (a) amends present section 4109 of title 38, regarding retirement rights, to update the statutory reference in view of the codification of title 5, United States Code.

Section 205. Subsection (b) is a technical clarifying amendment.

Section 206: Clause (1) amends present section 4114(a) of title 38, regarding temporary, full-time appointments of health personnel, to raise the time limit of such appointments from 90 days to one year for health personnel generally (except trainees), just as it is for physicians, dentists, and nurses. This provision was included in the administration bill (section 205 of S. 1924 proposed in the 92nd Congress).

Clause (2) of section 206 amends present section 4114(b) of title 38, regarding residency and internship appointments, by adding a new paragraph (2) defining the term "intern" and a new paragraph (3) providing for central administration of internships and residences, in a form virtually identical to that which was first introduced by Senator Cranston (S. 2623) and passed by the Senate as a part of S. 9634, both 91st Congress. This provision was proposed by the administration and passed the House in H.R. 10879 in the 92nd Congress with a VA estimate of no additional cost.

Clause (3) of section 206 adds a new subsection (c) to present section 4114 of title 38 to require that full-time training programs for veterans to be physicians and dentists' assistants be treated as a full-time institutional program ($220 per month for a single veteran), the same as are internship and residency training programs (by virtue of an administrative ruling) under chapter 31, 34 or 35 for purposes of GI bill benefits. Measurement of such training program as less than full-time under the GI bill would be permissible only when the combined classroom (and other formal instruction) and OJT portions of the training program totaled less than 30 hours per week (a figure drawn from present section 1788(a)(5) in chapter 36 of title 38 regarding measurement of OJT full-time programs under the GI bill). This provision is designed to make physicians' assistant training more attractive to veterans with medical MOS's. No cost estimate has been provided by the VA, but it is unlikely to be appreciable.

Section 207 amends present section 4116 of title 38, regarding defense of certain malpractice and negligence suits against the U.S. arising out of actions of certain VA health care personnel. They were included in the administration bill (section 206 of S. 1924) proposed in the 92nd Congress at no additional estimated cost, to clarify and extend this protection to cases where Federal Tort claims actions would not lie, but actions could still be brought against the VA employee personally for actions arising in the exercise of his duties; to authorize the Administrator to provide insurance for these purposes; and to add specification of physicians' and dentists' assistants. Virtually identical provisions were added to the Public Health Service Act by PL 91-623 in 1970 and were included.

Section 208 amends present section 4117 of title 38, authorizing contracts for scarce medical specialist services, to clarify that the authority extends to "any group or individual capable of furnishing" the necessary services. This provision is included in the administration bill (section 207 of S. 1924 proposed in the 92d Congress), with a VA estimate of no additional cost. Reference to physicians' and dentists' assistants is added.

TITLE III—AMENDMENTS TO CHAPTER 81 OF TITLE 38, UNITED STATES CODE—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY

Section 301: Subsection (a) amends present section 5001 of title 38, regarding hospital and domiciliary functions, in three respects:

Clause (1) in the subsection amends paragraph (2) to require the Administrator to provide for an annual average of 98,500 operating beds and an average daily patient census (ADPC) of 85,500 in any fiscal year, and to maintain no less than an average daily patient census of 82,000 in any such fiscal year. A similar provision (for an ADPC of 85,500) is included in the VA appropriation acts for FY 1972 and FY 1973.

Clause (2) in the subsection amends paragraph (3) to raise the nursing home care beds authorization from the present minimum (4,000) to a maximum of 8,000 by FY 1974 (6,568 presently in operation) to be maintained thereafter.

Subsection (b) of section 301 revises subsection (b) of the present section 5001 of title 38, requiring fireproof construction of VA hospitals and domiciliaries, to require the Administrator to make fire, earthquake, and other disaster resistance studies, to ensure that all new construction and new acquisitions must meet new safety standards he is directed to prescribe; and to provide for the appointment of an intra-agency Advisory Committee on Structural Safety in VA facilities.

Subsection (c) of section 301 adds a new subsection (g) to section 5001 of title 38 to authorize the Administrator to make contributions to local authorities for the construction of traffic controls, road improvements or other devices adjacent to VA medical facilities when deemed necessary for safe access. This provision was included in the fiscal year 1973 VA appropriation item (P.L. 92-383).

The VA is unable to estimate the costs involved in implementing the provisions of section 301.

Section 302 amends present chapter 81 (Acquisition and Operation of Hospital and Domiciliary Facilities) of title 38, as follows:

Clause (1) of section 302 adds to chapter 81 of title 38 a new section 5007 (Partial Relinquishment of legislative jurisdiction), which authorizes the Administrator to cede concurrent jurisdiction over VA lands and interests to the State where located. This provision is based on the administration bill (H.R. 481) in the 92d Congress which passed the House, but would not permit, as that bill would, total relinquishment of jurisdiction to a State. Rather, the bill as reported permits only the ceding of concurrent jurisdiction, as did P.L. 91-45 ceding concurrent jurisdiction over the Fort Harrison, Montana, VA Center real property, thereby maintaining a clear and continuing Federal control over VA land and buildings situated thereon. The VA estimates that this provision would entail no additional cost and concurs in its approach.

Clause (2) of section 302 amends present chapter 81 by amending subsection (a) of present section 5012 of title 38, regarding leasing for up to three years of lands or buildings under VA control, a new sentence exempting such leases from 5 U.S.C. 41, which requires advertising for leases above $500, and from the provisions of 40 U.S.C. 303b, which bar lease provisions calling for property maintenance as part of the consideration for the rental. These provisions were included in the administration bill (section 301 of S. 1924) proposed in the 92d Congress. An additional sentence is added in the bill as reported to require the Administrator, prior to execution of such a lease, to give appropriate public notice in local newspapers of his intention to execute such a lease.

Clause (3) of section 302 amends the table of sections at the beginning of present chapter 81 by inserting reference to the new section 5007 added by clause (1) of section 302 of the bill as reported.

Section 303:—Subsection (a): Clause (1) amends present section 5053(a) of title 38, authorizing arrangements for the sharing of specialized medical resources between VA and community hospital facilities, by making clear that these arrangements may also be made with "medical schools or clinics". This provision is included in the administration bill (section 302(a)(1) of S. 1924) proposed in the 92d Congress, and would, along with the other two clauses added, entail no additional cost, according to the VA estimate.

TITLE IV—MISCELLANEOUS AMENDMENTS TO TITLE 38, UNITED STATES CODE

Section 401 amends subsection (b) of section 230 of title 38, regarding VA central and regional offices, to extend the termination date of the Administrator's authority to maintain a regional office in the Republic of the Philippines from July 3, 1974, to June 30, 1978. The VA estimates the first-year cost as $975,000 and the same for each of the next four fiscal years.

Section 402:—Subsection (a) amends present section 234 of title 38, regarding telephone services for medical officers, to permit installation in private residences for official use of a telephone for nonmedical director of VA centers, hospitals, independent clinics and domiciliaries; presently, such installation may be made only for physician directors. This provision was included in the administration bill (section 401 of S. 1924) proposed in the 92d Congress, and the VA estimate of the annual cost is $3,000.

Subsections (b) and (c) of section 402 amend the table of section at the beginning of present chapter 3 and the catchline at the beginning of present section 234 of title 38 to change the catchline of section 234 to reflect the amendment made in subsection (a)(1) of section 401 of the bill as reported.

Section 403 amends a number of sections of title 38—section 641, increasing the rates for VA payments to State veterans hospitals and nursing homes and making such payments in the case of veterans of the post-Korean conflict, with an estimated first-year cost of $5 million; and section 644(b), authorizing appropriations for VA grants to states for remodeling and altering state veterans homes, section 5035(a)(1), (b)(1), and (d), all regarding VA grants to states for construction of state home facilities providing nursing care to war veterans, and section 5036, regarding recapture of the VA assisted portion of such homes which cease to be operated principally for the care of veterans—to raise from 50 percent to 65 percent the permissible VA share of the cost of the proposed state home project. This provision is identical to that requested by the administration in the 92d Congress.

TITLE V—EFFECTIVE DATES

Section 501 makes all provisions of the proposed Act effective on the first of the month following enactment except for sections 106 (reimbursement for loss of personal effects in natural disaster) and 107 (reimbursement for certain emergency medical expenses), which are made retroactive to January 1, 1971, and section 203 (pay and grade schedules and new premium and overtime pay), the provisions of which become effective beginning with the first pay period following 30 days after enactment.

Mr. CRANSTON. Mr. President, I was shocked when I read that memorandum of disapproval last fall to learn that the President—or at least those who wrote his statement—considered this a "bad bill." I ask my colleagues how can a piece of legislation be a bad bill which does the following:

Makes 47,785 veterans with 80 percent rated service-connected disabilities eligible for full VA medical care. Is that a bad bill?

Makes full VA medical care available to some 282,000 wives and children of veterans with total and permanent service-connected disabilities, and the widows and orphans of veterans who died from service-connected disabilities. Is that a bad bill?

Makes eligible for VA health care some 150,000 peacetime veterans who are unable to afford private care for non-service-connected disabilities. Is that a bad bill?

Raises the VA hospital staff-to-patient ratios to the level in community facilities. Is that a bad bill?

Establishes a new major mission for the VA Department of Medicine and Surgery to help train the health manpower needed to meet the Nation's medical needs, placing special emphasis on VA hiring and training of former military medics. Is that a bad bill?

Raises by 50 percent the number of VA nursing home beds to 8,000 and requires the VA to provide for a minimum number of 98,500 VA hospital beds and an average daily patient census of 85,500, mandating that the minimum number of patients average at least 82,000. Is that a bad bill?

Authorizes ambulatory care for all veterans in order to prevent the need for future hospitalization, rather than only right before or after hospitalization; authorizes service to members of veterans' families—particularly those needing mental health counseling—when needed to make the veteran's care effective; and calls for an expansion of VA home health care programs. Is that a bad bill?

Makes VA hospitals and domiciliaries safe from earthquakes to avoid tragedies such as happened in the 1971 San Fernando earthquake. Is that a bad bill?

Offers counseling and help to an undetermined number of black veterans and their spouses suffering from sickle cell anemia or with the sickle cell trait. Is that a bad bill? and

Provides overtime and premium pay for 20,000 VA registered nurses who are now deprived of these benefits that are paid to all other Federal nurses. Is that a bad bill?

Mr. President, in his memorandum of disapproval, the President announced his policy "to reduce sharply the Federal Government's role in the direct provision of health services." This should provide a clear signal that he has been won over by those in the Office of Management and Budget who oppose a strong and independent VA medical system and seek to dismantle it piece by piece.

The main goal of the Veterans Health Care Expansion Act of 1973, Mr. President, is to strengthen the independence of the system and to prevent just such a piecemeal destruction.

Mr. President, action on S. 59, S. 49, and S. 284 comes today as a most fitting culmination to the annual meeting of the Veterans of Foreign Wars of the United States. This organization has been at the forefront of the fight which we have been waging in the Congress and in the Nation for the last 4 years to provide quality medical care, equitable training and education assistance, an effective national cemetery and burial policy, and fair and compassionate treatment in other veterans' benefits and programs for the veterans of all wars. Through their leadership and through their efforts the VFW has rendered a singular service to 29 million veterans and their loved ones and has honored the Nation of which they and we are so proud.

Mr. President, on February 16, the national legislative service director of the VFW, Mr. Francis Stover, wrote me an excellent letter in which he presented a foreceful brief for two of the most essential provisions of S. 59—indeed probably the two most essential provisions—in combating the stated administration effort to curtail VA health care programs: The minimum average daily patient and staff-to-patient ratio provisions. I ask unanimous consent, Mr. President, that the full text and enclosure of this February 16 letter be set forth in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Veterans of Foreign Wars
of the United States,
Washington, D.C., February 16, 1973.

The Honorable Alan Cranston,
Chairman, Subcommittee on Health and Hospitals, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

My Dear Mr. Chairman: This is in further reference to S. 59 introduced by yourself and cosponsored by several others, which is identical to H.R. 10880, the Veterans Health Care Expansion Act of 1972, which was pocket vetoed by the President on October 27, 1972.

The Veterans of Foreign Wars is deeply disturbed at the inadequate staffing in many Veterans Administration hospitals. There is no question that the number of personnel in Veterans Administration hospitals is the root cause for so many of the problems which Veterans Administration Hospital Managers are faced with on a day to day basis. In that regard, the Veterans of Foreign Wars has been extremely pleased that your Subcommittee after marshalling the facts regarding inadequate staffing and services in Veterans Administration hospitals presented this information to your Appropriations Committee in both the 91st and 92nd Congresses, which responded favorably by adding millions of dollars for veterans hospitals and medical care. In addition, as a result of your Committee's comprehensive hearings regarding veterans medical care and hospitals, the Senate and the Congress approved for the last two years a mandate that there must be a minimum average daily patient census in the 168 Veterans Administration hospitals of not less than 85,500 patients.

H.R. 10880, in addition to the minimum care which Veterans Administration hospitals must provide, directed the Veterans Administration to have every Veterans Administration facility within a period of three years reach a comparable staff to patient ratio with a community hospital. As the record shows, the present staff patient ratio in Veterans Administration hospitals is about 1.5 as compared to about 2.7 for the average community hospital and over 3.5 for university medical center hospitals.

There has come to the attention of the Veterans of Foreign Wars a paper being circulated in the Senate which goes to great lengths to discredit the staff patient ratio measuring stick for determining quality patient care in Veterans Administration hospitals. After reading this document, which apparently originated in the Veterans Administration at the insistence of the Office of Management and Budget, the best that can be said about it is that it makes the best possible defense for a guilty client.

The observations in the Veterans Administration memorandum regarding staff patient ratios apparently stem from an in-depth study which was made by the Department of Medicine and Surgery of the Veterans Administration regarding this very question of staff patient ratios in Veterans Administration hospitals. Our friends tell us that this study which was made by the Department of Medicine and Surgery came to a different conclusion than the memorandum which is being circulated in the Senate. It is strongly recommended that your Subcommittee and Committee obtain a copy of this staff patient study by the Veterans Administration Department of Medicine and Surgery, so that you can have the benefit of the entire report—not just an interpretive analysis calculated to discredit the findings and recommendations contained in the report.

It is our understanding that this report makes it clear that there is great disparity between the Veterans Administration and community hospitals regarding staff patient ratios which are caused by the lack of funds being allocated to the individual Veterans Administration hospitals by the Veterans Administration Central Office in Washington, D.C. The report further indicated that the number of nurses in community hospitals far exceeds the number employed by the Veterans Administration, which is a further indication of the higher quality service which community hospitals provide, especially at night and on weekends.

The staff patient ratio, as required in Senate Report 92–776 will be a tremendously helpful tool for Veterans Administration Hospital Directors throughout the nation to improve the quality of medical care, especially for the many Vietnam veterans with their very crippling injuries and disabilities. It is our understanding that the staff patient ratio requirement is discretionary and would vary from hospital to hospital, depending upon the community in which the Veterans Administration is located. The staff patient ratio is a most reliable indicator to determine the quality of care veterans are being provided in Veterans Administration hospitals. The Veterans of Foreign Wars knows the Congress wants veterans to have medical care second to none. Increasing the staff patient ratio, as provided in S. 59, is one way the Congress can assure that the Office of Management and Budget will approve quality medical care comparable to community hospitals in the same area.

Recently this office prepared a statement on why the staff patient ratio is so important in this regard, and a copy is enclosed. Unfortunately, the Office of Management and Budget continues unalterably on its course to drastically cut veterans medical care and hospitals. For fiscal year 1974 it contemplates maintaining an average daily patient load of only 80,000. The Office of Management and Budget continues to contemptuously ignore the Congressional mandate that there should be at least an average daily patient census of 85,500 in Veterans Administration hospitals.

So long as the Veterans Administration is permitted to ignore the Congressional mandate of maintaining a minimum number of patients being treated on an average daily basis in Veterans Administration hospitals, the Veterans Administration staff patient ratio will continue to be maintained or even slightly improve. By approving S. 59, Congress can halt this contemptuous disregard of the Congress by the Office of Management and Budget.

The Veterans of Foreign Wars strongly urges your Subcommittee to favorably consider S. 59, with the hope that it is unanimously approved by the Subcommittee and promptly approved by the Senate.

With kind personal regards, I am

Sincerely,

FRANCIS W. STOVER,
Director, National Legislative Service.

Enclosure.

WHY VFW BELIEVES STAFF PATIENT RATIO IN VA HOSPITALS IS SO CRUCIAL

The present staff ratio in VA hospitals is 1.5 to 1; in community hospitals it is twice as much. In practically all community hospitals it is more than 2 to 1.

The staff patient ratio is directly related to the service a veteran receives when he goes into a VA hospital. When a veteran enters a VA hospital he expects certain things to happen; for example, he expects someone to see him when he arrives at the admission desk and arrange for his admission in a reasonable time. He doesn't expect to wait all day or worse have to come back the next day. He expects a doctor to see him fairly soon once he is in a hospital bed. When he rings the buzzer for a glass of water, he expects someone to respond. He doesn't have to expect to ring and ring and ring. He expects the hospital to be clean; the beds to be made promptly, and a lot of other things which make a stay in a hospital as pleasant as possible. Most important, he expects quality medical care from the best available medical personnel.

The staff patient ratio in new VA hospitals is so limited that it is just impossible for the dedicated people working there to give the kind of service a veteran expects. The irony is that veterans who use a VA hospital become disgruntled and they are the ones who will turn on the VA system and eventually say "to hell with it." Beneficiaries of the system, in other words, veterans themselves, become so disgusted they will be the ones clamoring for some other way to take care of veterans.

A major reason for this is the staff patient ratio. How can we expect the VA to provide the same kind of service to veterans with 1.5 to 1 as a community hospital, which has 3 to 1.

The Office of Management and Budget knows this better than anyone. They have been successful in providing starvation budgets for the Public Health hospitals, which are now described as obsolete and unable to render medical care of any consequence. Unless the veterans of this nation wake up and do something about this staff patient ratio in VA hospitals, the OMB is going to have a lot more support for its long-range goal to close "obsolete and understaffed" VA hospitals, which cannot provide quality medical care for the simple reason they just don't have enough money to hire the people they need. A provision in S. 59 will require the staff patient ratio to be increased in VA hospitals. This reason alone warrants all-out total support by organized veterans for quick Congressional approval of S. 59.

Mr. CRANSTON. Mr. President, in closing, let me say that I believe, indeed I know, that the Members of this body and the veterans in this country understand that S. 59 is a good bill and that they stand four-square behind it and four-square against any attempt to reduce the independence, strength, and integrity of the VA hospital system. Our action today will make that perfectly clear.

Mr. President, I am prepared to answer any question that any Member of the Senate may have.

Mr. HANSEN. Mr. President, this bill is an omnibus hospital bill (S. 59) and provides much needed legislation to continue the outstanding veteran health care for this Nation's veterans.

The Veterans' Administration through its vast hospital system, is second to none in providing quality care. However, we must not be remiss in continuing to update these services. We feel this bill would have lasting effects on our great hospital system.

It will provide night differential for nurses, aides, and other personnel required to maintain the hospital system. This is a necessary item called for many times and nothing has been done regarding the issue. Now, by this one action, we can alleviate the situation.

This bill also will provide for the Comptroller General to do an extensive study to ascertain if the Administrator of Veterans' Affairs is providing through the VA hospital system, quality care comparable to that provided by community hospitals. It is my belief the Administrator is providing quality care for our Nation's veterans at the least expense to the taxpayer, but we must examine the program periodically in order to be assured these services are maintained in the best possible manner with the most up-to-date developments for those who served this Nation in uniform.

We provide in this bill an expanded benefit that dependents of veterans rated 100 percent disabled from a service-connected disability, or the dependents of those killed in acton be provided medical care on a space available basis. However, in no instance will the veteran who needs care be denied this benefit because of dependents occupying space.

The other factors of this bill also are important. To discuss each one in its entirety, could consume many hours. The committee feels this is an excellent bill.

Mr. SAXBE. Mr. President, I believe I have time reserved on this bill?

The PRESIDING OFFICER. The Senator from Ohio has 10 minutes.

Mr. SAXBE. Mr. President, as a former member of this committee, I am interested in the bill. And I certainly agree with most of the purposes set out. I do want to raise one issue contained in this bill that I question.

This bill extends to 282,000 dependents of totally disabled military personnel and the families of those who have died from service-connected disability the privileges of receiving medical care at the VA hospitals.

I am one of the Senators who have sponsored a comprehensive health plan in this country. And I think that sooner or later we will have to acknowledge that all people in this country are entitled to competent and comprehensive medical care. And we had better get at the problem of financing it as soon as possible.

The reason why I question this particular instance is that we would be further spending the really undistinguished medical service we are affording those patients in our VA hospitals.

Mr. President, I speak with some knowledge of this matter. The staffs of our Veterans' hospitals are made up primarily of interns, residents, and foreign doctors whom they have recruited from all parts of the globe, and a few dedicated physicians from the local areas in which these hospitals are located. However, for the most part, they are certainly not distinguished and the service they give is not distinguished.

None of these hospitals are equipped for OB, GYN, or pediatric care. Even though there is a provision in the bill for farming out nursing care, for farming out those people who cannot be accommodated at a VA hospital, I think any one of us, through experience, will recognize the fact that sooner or later the facilities will be expanded, and we will be out on the hunt again for more doctors from an already depleted supply in this country, and will be faced again with inadequate service.

I do not question the fact that the families and dependents of totally disabled service-connected veterans should have medical care. I planned to offer an amendment that such care can be extended to them, if we feel we have the money to do it—and it is a humanitarian thing to do. But I find in the bill a provision which says that the administrator, if he determines that facilities are not available, or that it is going to deprive veterans of adequate care, can make arrangements with contract hospitals—they would be the general hospitals in the area—to take care of the excess.

This is what I would like to say: Rather than to set up OB and GYN clinics, trying to handle such persons, rather than to set up pediatric departments in veterans hospitals, I would like to see them sent to contract hospitals. But I shall not offer the amendment, simply because of this escape hatch in the bill.

Why do I say that even with the escape hatch we are going to see them incorporated in veterans' hospitals? Simply because of the age-old tradition that it can be done, it will be done. Sooner or later, the ambitious local administrators and the ambitious local doctors will say, "We have the authority; let us get the money now; let us get new hospitals to get the outpatient care for dependents." This will leave the further extension of this care to the undistinguished. That is the way it looks to me. I would like to hear what the Senator from California has to say.

Mr. CRANSTON. Mr. President, I should like to reply to my good friend from Ohio on this point.

First, the committee shares the concern expressed by my good friend from Ohio about the possible overloading of VA facilities by the expansion of eligibility for VA hospital care and medical services to include the wives and dependents of veterans with 100 percent service-connected disabilities and the widows and dependents of those who died from service-connected disabilities. It is because of this concern that the bill provides specifically, in section 101(a), on page 2, line 22, through page 3, line 3, authority for the Administrator to contract for hospital care in community facilities for such dependents; and in section 102, clause (4), conditions the furnishing of hospital or nursing home care to such dependents specifically only "to the extent that the provision of such care does not interfere with the furnishing of care to eligible veterans".

These provisions are discussed in the committee report on pages 23, 39 and 40—Report No. 93-54.

These two provisions mean that when a VA hospital does not have the existing resources or other capacity to provide hospital or nursing home care for dependents, the Administrator shall contract for that care.

Second, with respect to outpatient care for such dependents, the Administrator also has full contract or fee authority in section 612(f) as it is revised by section 103 of the bill. This is discussed expressly in the Section-by-Section Analysis of the bill on pages 41 and 42 of the Committee report.

The situation with respect to patient utilization of VA hospitals and other medical facilities varies markedly around the country in the 168 hospitals and 201 outpatient clinics. Where there is existing capacity unused, the Committee intends that it be used to provide care for these very deserving dependents. Where the capacity does not exist in-house, both hospital and nursing home care and medical services should be provided by fee or contract.

I think this fully covers the concerns of the Senator from Ohio.

Mr. SAXBE. Mr. President, I yield back the remainder of my time.

Mr. AIKEN. Will the Senator yield for a question?

Mr. CRANSTON. Certainly.

Mr. AIKEN. May I ask if this provision would cover the families of POW's who died in prison? Was that service-connected disability, or what was it?

Mr. CRANSTON. Yes, it would cover it.

Mr. AIKEN. It would cover them, too? There are quite a lot of them.

Mr. CRANSTON. Yes, it would.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. HARTKE. Mr. President, I would like to compliment the Senator from California on this measure. He has been a real help to the veterans.

Mr. President, I rise in support of S. 59, the Veterans' Health Care Expansion Act of 1973. This is a bill of vital importance to the veterans of our Nation. It is quite similar to the Veterans' Health Care Expansion Act of 1972 which unanimously passed the Senate and the House last year but which was unfortunately pocket vetoed by the President last year on October 27.

Briefly, the bill as reported would expand the quality and quantity of Veterans' Administration medical care by removing certain legislative restrictions on the scope of treatment. In particular, VA home health care programs would be expanded and ambulatory health care would be authorized for thousands of veterans when needed to forestall hospitalization. Under the Veterans' Health Care Expansion Act, approximately 48,000 veterans with 80 percent rated service-connected disabilities would become eligible for full VA medical care.

In addition, for the first time, full VA medical care would be available to some 282,000 widows and orphans of veterans who died of service-connected disabilities, and wives and children of veterans with total and permanent service-connected disabilities. The bill would also provide for voluntary comprehensive sickle-cell anemia screening and counseling programs for requesting veterans and their spouses. The bill would also establish a new major mission for the VA Department of Medicine and Surgery to help train manpower needed to help the Nation's medical needs, especially the training and employment by the Veterans' Administration of former military medics. The bill would also improve the personnel system in the Department of Medicine and Surgery to make the VA hospital system more attractive to skilled health care personnel and thus be able to compete for scarce health care manpower. It would improve the staff-to-patient ratios in VA medical care facilities to put them on a par with staff-patient ratios at comparable community hospitals.

I believe that the President received bad advice from those who urged him to pocket-veto this measure. Each and every member of the Committee on Veterans' Affairs believes that this bill should be passed and I hope that each Member of the Senate will agree.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a detailed committee rebuttal to the objections listed in the memorandum of disapproval by the President dated October 27.

There being no objection the material was ordered printed as follows:

Veto Rebuttal: Discussion

The Committee has carefully considered the Memorandum of Disapproval on H.R. 10880 as well as the VA's testimony in the 93d Congress. It has reviewed three volumes of hearings from the 91st and the 92nd Congress. It has asked witnesses who appeared in previous hearings in the 92nd Congress for their views concerning the reasoning in the President's Memorandum. In statements submitted to the Committee from veterans organizations, health professions organizations, and other interested groups, the response has been of one mind on three points: (1) support and endorsement of the bill as passed in the 92nd Congress, (2) the need for early action in the 92nd Congress, and (3) rejection of the grounds for the veto as stated in the Memorandum of Disapproval.

In view of this response and the bipartisan support for the bill as passed in the 92nd Congress, the Committee is reporting S. 59, which, with the exception of the five amendments and title amendment set forth earlier in the report, is virtually identical to the bill pocket vetoed by the President. The Committee has studied the objections set forth in the Memorandum of Disapproval and disagrees for the following reasons:

(1) *The liberalizing features of this bill would unnecessarily add hundreds of millions of dollars to the Federal budget. It would open the VA hospital system to non-veterans and would expand the type of direct medical services available from VA.*

There are two factors in this objection. First, the Memorandum suggests the expansion of benefits to veterans are unnecessary, and, from that premise, that the additional funds required to do so are an unnecessary burden on the Federal budget.

The Committee believes several principles should guide the VA medical program in producing first quality care for the nation's veterans. Among these are treating the veteran as a whole patient, treating the veteran as part of a family unit, and treating the veteran as a member of his community.

These are principles which all health care personnel adhere to, but which restrictive authorities of the current statute (title 38, U.S.C.) governing the Veterans Administration prevent staff of VA facilities from following. The bill expands these authorities to provide benefits to veterans in line with today's accepted medical practice standards.

In line with the principle of treating the veteran as a "whole" patient, the bill would amend present restrictions on care for a non-service-connected condition unrelated to the condition for which a veteran is hospitalized. Clearly, a physician cannot ethically assume responsibility for only a portion of his patient's health, and the bill would make clear that a veteran hospitalized for one condition may also be treated for another condition if the veteran is willing and the physician finds such services to be reasonably necessary to protect the veteran's health.

Along these same lines, the bill expands authorities for outpatient care when needed to obviate hospital care. Such ambulatory care will permit the veteran to receive necessary treatment while still remaining with his family and many times without causing an interruption of his employment responsibilities.

Another provision of the bill would permit veterans to apply for direct admission to a VA nursing home without prior VA hospitalization, as well as authorize direct transfer of a veteran from a military medical facility to either a VA or a community nursing home, and direct admission to such an institution for a veteran if certified essential for a service-connected disability by a VA physician.

In line with the principle of treating the veteran as part of a family unit, the bill authorizes bringing key family members to VA hospitals for orientation on the philosophy, goals, and achievements of a veteran's rehabilitation program. This is vital in the recovery of a physically disabled veteran, and in providing psychiatric treatment to a veteran, it is essential that he be treated as part of a family unit and that his family be counselled in connection with his care.

The bill also expands eligibility for VA medical care to a limited group of individuals. These are peace-time veterans who are unable to afford private care, some 150,000 men; veterans suffering from 80% or more service connected-disabilities whose benefits are expanded to cover all medical care rather than just care limited to that disability, some 47,785 men; and the wives and children of veterans with total and permanent service-connected disabilities and widows and orphans of veterans who died as a result of a service-connected injury, some 282,000 wives, widows and children.

These are the "liberalizing features" which the memorandum states will "unnecessarily add hundreds of millions of dollars to the Federal budget."

These men and their families have contributed a good part of their lives to their country and done so at a substantial personal sacrifice. The Committee does not feel that the expenditure of funds for these purposes is in any way non-essential. In some instances, the broadened benefits will result in providing medical care in a more effective manner which will result in cost savings in the treatment of the individual patient. In all cases, the quality of care will be improved in accordance with modern medical practice.

The numerous precedents for affording substantial VA benefits to the dependents and survivors of seriously service-connected veterans, and the inequities in terms of Government-supported care for such dependents and survivors of enlisted men, are discussed at length in the report under the heading "Hospital Care and Medical Services for Dependents and Survivors of Totally Disabled Veterans".

Even the VA's own cost estimates for S. 59 place the one-year cost at about $100 million, rather than the "hundreds of millions" the memorandum suggests.

(2) *By providing direct medical services to veterans' dependents, the bill runs counter to this Administration's national health strategy which would provide national financing mechanisms for health care and sharply reduce the Federal Government's role in the direct provision of services.*

The Committee is firmly committed to the principle that the veterans of the nation deserve a medical system which will be responsive to their needs and will be capable of providing them immediately with quality care for treatment of the disabilities they have incurred in the service of their country.

In many instances, the nature of the veteran's injury requires the services of several medical specialists and a concentrated and lengthy program of physical rehabilitation as well as a lengthy recuperation. To meet these complex and special needs the VA system was established. There are no indications at present that the community in general has been able to provide these services promptly at so reasonable a cost as the VA to *any* individual, nor that it will be able to do so in the foreseeable future. Given the lack of services in the community, this Committee categorically rejects any suggestion that the VA medical system will not be sustained as long as there are service-connected disabled veterans who need its services.

The objection in the memorandum is an indication of the direction this administration's policies are following which threatens to result in the eventual dismantling of the VA medical system. The Committee believes this would be disastrous.

The Committee seeks in S. 59 to strengthen the independence of the VA medical system and prevent its piecemeal destruction by enabling it to provide better, more modern care in a more efficient manner to eligible veterans.

(3) *The bill also purports to set mandatory minimums on the number of patients treated in VA hospitals. In testimony on this bill, the Veterans Administration strongly objected to this provision on the grounds that it was totally unnecessary and could result in inefficient medical treatment and wasteful administrative practices. The tragic result would be a lower quality of medical care to all patients.*

The Committee has amended the bill to meet the objection raised by the memorandum that a mandatory minimum might result in inefficient medical treatment and wasteful administrative practices. H.R. 10880, the bill pocket vetoed by the President, provided that an average daily patient census of no less than 85,500 be maintained. This same mandate requirement has been imposed by the VA Appropriation Acts for both fiscal years 1972 and 1973.

An analysis of the VA average daily patient census for the current fiscal year shows that it will be approximately 82,000, although for the month of January it is 84,156 (1,000 higher than in January of 1972). At the same time, in December of 1972, there were 32,237 veterans on VA waiting lists or scheduled for hospital admission (determined to need care no sooner than 30 days). Thus, in the event that ambulatory care authorities in the bill do free some VA hospitals beds, there would seem to be ample veteran patients needing hospitalization to fill them.

Nevertheless, the VA FY 1973 budget is predicated upon an average daily patient census of 80,000, and there is every indication that OMB will force the VA to provide station allowances to hospitals based upon such an arbitrarily reduced census. The effect of this would probably be to reduce the *actual* census realized in FY 1974 to 78,000, since this has been the history since 1962—the *actual* census figure achieved, being about 2,000 lower than the *projected* census in that year's budget request.

These trends, coupled with the memorandum's statement regarding strategy to "sharply reduce the Government's direct role in the provision of services" indicate the need for Congress to express its intent clearly.

It is, therefore, believed that in order to counteract such stretagy, it is necessary for Congress to mandate a particular census minimum. However, it is recognized that such a minimum would be counter-productive if it set a minimum figure at too high a level. Thus, the Committee altered the language so that the 85,500 figure will be used for budgeting purposes and the determination of individual hospital station allocations, rather being mandated as than the minimum average census figure that must be maintained in the fiscal year. At the same time, in order to permit the census figure to be able to "float freely" at approximately the level anticipated for FY 1973, the amendment includes a provision that such census not be maintained at less than the 82,000 figure projected for this fiscal year.

Mr. HARTKE. Mr. President, perhaps a more poignant if less detailed rebuttal to the veto of the Veterans' Health Care Expansion Act was sounded by Robert Muller, a former Marine who was paralyzed in Vietnam. Appearing on NBC's "Today Show" on December 14, 1972, Lieutenant Muller expressed his feelings eloquently as to his disappointment with the veto of the bill. I ask unanimous consent that excerpts from this interview be printed in the Record at this point.

There being no objection, the material was ordered printed as follows:

Disabled GI: "Civil Rights for Us All"

(*Excerpts from an interview by Joe Garagiola and Frank McGee on NBC's "Today Show" of Dec. 14:*)

Garagiola. Three years ago near the South Vietnamese city of Quang Tri, Robert Muller was healthy and he was functioning as a first lieutenant in the United States Marines. Suddenly an enemy soldier popped up some 20 feet away, put a rifle bullet through Muller's chest, severing his spinal cord. And he remained conscious for about 10 seconds, which was long enough for him to accept the fact that he was going to die; that he was sure of. But several days later he woke up alive on an American hospital ship. You see, an Australian soldier had taken pains to pick him up and put him aboard an evacuation helicopter. And now Robert Muller is home, and he's going to law school at Hofstra College in New York State. He's doing this although he can't walk and he's confined to his wheelchair.

Now, he's not bitter, not at all . . . but there are some things that make him, well, angry, a little bit upset. He told us about them, and we invited him here to tell you how he feels . . . And my first question is that the first thing you mentioned to me was your complete disappointment that President Nixon vetoed two bills to help disabled people.

Muller. Right. That was the Veterans Medical Care Act and Rehabilitation Act of 1972. And what bothered me so much was, this was vetoed after Congress had adjourned, so there was no chance or opportunity for Congress to override the veto; and all the work and effort put in, into developing these acts, will have to be done again and they'll have to be reintroduced. And I don't want to see them vetoed again. And if it is vetoed, I want to see that veto overridden, the reason being this: It was vetoed on the grounds of fiscal irresponsibility, and what we're talking about are bills that would have increased the quality and the quantity of care in the VA hospitals throughout the country. We're talking about rehabilitation programs on a national basis.

We're talking about funding in medical universities and schools, research funding for catastrophic illness and disability. This takes money. Money is needed. But what bothers me is to call it fiscally irresponsible to spend that money after I come from Vietnam, where in Vietnam as a platoon commander with the Marines, as an adviser with the ARVN, where it was primarily my function to call in supporting arms, to call in the air strikes, where on occasions I would call literally hundreds of thousands of dollars worth of supporting arms fire daily, to kill people, and getting shot doing it—to come back stateside and being told that: "I'm sorry, but it costs too much to give you adequate medical care in a VA hospital." That to me speaks loudly and clearly to the priorities in this country . . .

They talk about civil rights in this country. A lot of people think it just relates to one specific minority group. That's what we're talking about. We're talking about civil rights for all of us.

Frank McGee. Is your complaint that you yourself have not been given adequate care or treatment, or is it others, civilians, soldiers? What precisely?

Muller. It's a whole gamut. What affects me affects others, and what affects others affects me. When you have, for example, a school system which does not allow physically handicapped or disabled people to get into that system, that affects me. If you have mass transportation systems which are exclusive of people who have handicaps, that affects me. When you're talking about VA hospitals which are short on staff, doctors, nursing aides, that affects me. It affects me and it affects others. You have it as a class of people, the class of the handicapped, the class of the disabled; and seeking medical care for whatever illness or disability you have.

Garagiola. . . . you mentioned VA hospitals in passing there. Are you saying that they've gone down since World War II?

Muller. Right. Very, very much since World War II. In the early '50s the VA hospitals were the best hospitals we had in this country; there was no set of hospitals to match them. We were the leaders in research, the best care you could receive, the whole gamut. And you can reason why perhaps over the euphoria of victory of World War II, the status that veterans had in that day where guys would come home and you'd have a much different reaction to that; regardless of, you know, what people thought of the war, the veterans stood tall. Today you don't have that identity with veterans any more. It seems that the question of Vietnam, the ugliness of the whole thing, has cast its shadow on the veterans, regardless of whether they were forced there or they went there, they did their job. They come back: there's not that sensitivity, there's not that caring. How else could a President veto legislation such as that appropriating funds for the VA hospitals the week before the election? This is what I'm talking about.

The hospitals have gone down. The staff is at the lowest level it's ever been. The patient load is at the highest level it's ever been. You've got Vietnam era veterans coming in. You've got your geriatrics cases and your old-age cases from World War II coming in. You have guys left from World War I. You've got guys in the hospital who never left from World War II, from the Korean War. The load is growing and growing. But the sensitivities—it's not there anymore; that's changed.

McGee. . . . what did the VA do for you personally?

Muller. . . . I got to thank the VA, because they let me know, like that! when I came back that if I wanted anything in life, anything, it was up to me because they weren't going to help me. I say that because when I came back I asked to have braces, because I wanted to try and ambulate, to walk, and the doctor said, "No, forget it. You have too high a level of injury."

I said . . . don't cast me in a generalization, don't throw me in a group with other people. I am an individual. Because I have a disability which is shared with others does not mean I lose my individuality. I want to walk."

And it was another doctor, who was a paraplegic himself, that came into the hospital as a consultant—I met him, he found out the problem, and he said, "Get that man braces." I got my braces. And I spent a year and I ambulated. And what it did for me, psychic, what-have-you, was fantastic. I could do it; in a desperate situation, I could do it.

The other thing they did to me was—aside from the physical aspect, was with a psychologist, and I had a running battle for a year; and it's indicative of the overall thinking, you might say, which people have quite often with disabled. She spent a year trying to tell me what I should do is go in a corner and cry because—seriously—because I had suffered a tangible loss in having three quarters of my body paralyzed. And . . .

Garagiola. Upstairs—we talked before—you told me about the 10 seconds when you were shot, and you thought you were going to die, that was it; and then why you wouldn't cry at the end when you found out—you tell the story.

Muller. Right. That's it. She said, "You had lost," you know, and that I had to cry. But the thing was, I couldn't convince her that when I got hit—okay? and I was conscious—I realized that I was dying. And I came to within a minute of dying; the doctor said a minute later I never would have made it. And when my eyes shut, I said, "I'm dead." To wake up on that hospital ship—I had several tubes in me. I was a paraplegic—to wake up was so beautiful and overwhelming that all that was secondary .And it's not what I lost that mattered to me; it's what I had. I had life. I had my head. You know? I had it together. That—that's it, man, you know? And that's why I learned from the VA right away, if I want something I've got to prove it. You know? It's the thing that I've got to prove myself. You know. They think that because you are disabled, you fit the image of the Easter Seals kid: some pathetic object of pity that's used for fund-raising of charity. I don't want charity; I don't want pity. I want to learn what you might call the right to fail. I want the opportunity to be like everybody else reintegrated into society in every way, shape, and form, one who can work, one who can find housing, one who can find education, the whole gamut. And when I say "me" that means me and all other disabled people.

McGee. Can you tell me in a word how many there are?

Muller. In a word, no—because I wouldn't know how to define "disabled."

McGee. They are in the millions though?

Muller. Oh, definitely.

Mr. HARTKE. Mr. President, we must act now to prevent reductions in the quality and quantity of medical care that have been proposed by the Administration. The groups which represent this country's veterans have made this need clear. The VFW testified yesterday that—

> By holding down the average daily patient census, the Veterans' Administration has been able to maintain and even improve very slightly the staff-patient ratio. Even so, it is a shockingly low 1.5 to 1, far below the staff/patient ratio in comparable community hospitals, which is about 3 to 1. It is no wonder that more and more veterans are complaining to the VFW of long waits before being admitted to VA hospitals, housekeeping problems once they have been admitted, practically no service of any kind in some VA hospitals on weekends, and similar complaints, all of which are rooted in the low staff/patient ratio or inadequate personnel in Veterans' Administration hospitals.

The Disabled American Veterans, noting that the Administration has opposed provisions of this bill which expand health care to the dependents and survivors of certain disabled veterans, testified that—

> This group of dependents and survivors very often cannot obtain, or are not eligible for, present health insurance programs. They are either excluded as the result of the living veterans 100 percent total disability, or because they cannot afford the premiums to purchase commercial health insurance.

The Paralyzed Veterans of America have testified that—

> At present, due to the high cost of medical care and hospitalization, the disabled veteran must allocate a part of his limited and fixed income to insure against financial disaster in the form of a major illness or accident to a family member. The proposed expansion of health care to his family would ensure against just such a disaster and at the same time release this portion of his income to improve his standard of living.

The PVA also pointed out that S. 59 "would bring about a new dimension in the lifestyle of the severely disabled veteran, making it possible for him to leave the hospital and return home while continuing to receive vital medical care."

A telegram which I received this morning from the American Legion describes S. 59 as "sorely needed legislation." It lists several provisions which are of immediate concern to the members of the Legion. These include: out-patient care for non-service-connected conditions if this would obviate the need for a hospital bed; improved staff-patient ratios; mandatory minimum ceilings in the average daily patient census and number of beds in use; differential and overtime pay for nursing personnel.

Mr. President, I ask unanimous consent that this telegram be printed in the Record at this point.

There being no objection, the text of the telegram was ordered printed in the Record, as follows:

The American Legion,
March 5, 1973.

Hon. Vance Hartke,
Chairman, Senate Committee on Veterans' Affairs, Washington, D.C.:

The American Legion strongly supports S. 59, the Veterans Health Care Expansion Act of 1973, which restates the purposes of H.R. 10880, passed by the Congress last year and vetoed.

Several of the provisions of S. 59 are of immediate concern. Among these are: Authority for out-patient care for non-service-connected conditions if such would obviate need for hospital bed; improved staff-patient ratios in VA hospitals; mandatory minimum ceilings in average daily patient census and operating beds, and provision for nursing personnel differential and overtime pay.

We commend you and the Committee on Veterans' Affairs for moving so quickly on this sorely needed legislation in the 93rd Congress.

Herald E. Stringer,
Director,
National Legislative Commission.

Mr. HARTKE. Mr. President, I also ask unanimous consent to have printed in the Record at this point a telegram received from the National Association of College Veterans, which represents some 300,000 Vietnam-era veterans.

There being no objection, the telegram was ordered printed as follows:

National Association of
College Veterans,
March 6, 1973.

Hon. Vance Hartke,
Chairman, Senate Committee on Veterans' Affairs, Washington, D.C.

Dear Senator: On behalf of the National Association of Collegiate Veterans, I express Vietnam veterans support for S. 59, the Veterans Health Care Expansion Act of 1973. S. 59 is a comprehensive step to first-class health care for veterans.

This health bill also begins to ensure the appropriate increased health care for the widows of Vietnam War servicemen, and the wives and children of totally disabled veterans.

The measure deserves the nation's full support. We simply cannot ignore the needs of the families of our war casualties.

We hope that early enactment and wholehearted support by Congress is forthcoming.

Sincerely,

Jim Mayer,
President.

Mr. HARTKE. Mr. President, I urge the Senate approve the Veterans Health Care Expansion Act of 1973.

Mr. CRANSTON. I thank the Senator from Indiana for his great leadership and those kind words.

Mr. President, the distinguished chairman of the Committee on Labor and Public Welfare (Mr. Williams) is unavoidably absent today. He is a cosponsor of S. 59, S. 49, and S. 284, the three bills we are considering this afternoon. I ask unanimous consent, Mr. President, that the statement he would have made be set forth in the Record at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered:

STATEMENT BY SENATOR WILLIAMS

After Congress adjourned last October, Mr. Nixon vetoed two pieces of legislation which were vital to the welfare of certain veterans and their families. With these vetoes, he gave an unfeeling no to those veterans who have anticipated a burial in a national cemetery or who have been severely disabled in military service to America.

The men whose hopes and welfare were dashed by this disregard to their sacrifice are the same men who followed their orders and fought on behalf of our country in perilous and heart-rending times. Now their service is over, their commitment has been met and in the course of fulfilling that service they have died or been disabled. But the benefits approved in Congress by a substantial margin will not be received.

I am most gratified that identical legislation has been reported to the Senate and that we are considering that legislation today. I have joined in sponsoring both the National Cemeteries Act of 1973, S. 49, and the Veterans Health Care Extension Act of 1973, S. 59, because I am convinced that we must provide those young men who endured the ordeal of Vietnam with an adequate level of services upon their return home.

Regrettably, this sense of obligation and compassion for our young soldiers is not shared by the Administration. But this should not surprise us. For we have come to expect from this President inaction after rhetoric, even when the rhetoric borders on the eloquent and seems sincere. The list of those who have been lifted by his promises, only to wait in vain for follow-through is a long and tragic one. And our veterans make up one of the more tragic examples, sharing that unhappy distinction with our elderly, handicapped, and poor. I am indeed pleased that our prisoners of war are returning home and that within the next few weeks, our military involvement will hopefully be terminated in Vietnam. However, in the waning days of this war, I am compelled to think of the literally hundreds of thousands of Americans who suffered physically or emotionally during their service in the military. Are they to be forgotten as we joyously welcome several hundred prisoners? Apparently, the Administration would hope so.

I recently read an excellent article by Tom Wicker in the New York Times which discusses the Administration's shameful de-emphasis of the problems of Vietnam-era veterans. I ask unanimous consent that it be included in the RECORD after my remarks.

Mr. President, by considering this legislation today—and I trust that we shall again approve this legislation—the Senate will state unequivocally that the American people, through their representatives in Congress, will not turn their backs on those Americans who accepted a role in America's armed services. Furthermore, by this action, I trust that the Administration will understand that our feelings and memories are not so shallow or short that we can forget the massive sacrifices made by so many in this time of confusion and misdirection.

The bills we are considering today are in part addressed to these men who executed a policy whose wisdom will be debated for years.

The National Cemetery Act of 1973 establishes within the Veterans Administration a national cemetery system and realistically increases the existing burial allowance. Congress has been studying and developing legislation to achieve these basic goals since 1966. And while this sort of revision has been pending in Congress, the national cemetery system has not been expanded. As a result, most of these cemeteries are full and veterans are either unable to be buried in a national cemetery or must be buried in such a cemetery several hundred miles from their homes.

For example, in New Jersey there are over 1,100,000 veterans, yet except for a very few Vietnam casualties the Beverly National Cemetery has been closed to new burials since the end of 1965.

Last year I emphasized the critical shortage of burial space in New Jersey by introducing legislation to expand the Beverly National Cemetery. Unfortunately, action was not taken on that bill and now New Jersey veterans must seek burial space as far away as Long Island or North Carolina.

Under S. 49, the Administrator of the Veterans Administration would be in a position to resolve this situation by conducting a survey to determine the need for national cemeteries throughout the country and then requesting authorization from Congress for the acquisition and development of the most sorely needed cemeteries.

Mr. President, I have also joined as a sponsor of Senator Cranston's bill, the Veterans Health Care Expansion Act. This legislation would open up our veterans' hospital system to the wives and children of veterans who were totally disabled in combat and to the wives and children of men who died in service to their country. It extends to those men who have 80 percent service-connected disabilities the full benefits of the VA medical system.

With regard to the facilities and services available, the bill requires that the separate medical departments of each VA hospital bring their staff to patient ratio up to the same level of hospitals in the community and provides for improved structural safety of all VA facilities. Finally, this bill establishes a sickle cell anemia program in the veterans' health care system.

This bill would have a substantial impact on New Jersey's large veteran population. For example, the families of nearly 8,000 New Jerseyites who died in service, the 2,000 veterans who are 80 or 90 percent disabled, and the families of veterans who are totally disabled would be brought into the VA hospital system for the first time.

Apparently, Mr. Nixon in vetoing this bill did not feel that these men and their wives and children who gave their all to America should be able to have the assurance that their health needs will be met or at least shared by their Government.

Senator Cranston has introduced another important veterans bill which we are acting on today—The Veterans Drug and Alcoholic Treatment Rehabilitation Act of 1973, S. 284. I have cosponsored this bill because of the dire need for the effective and comprehensive treatment and rehabilitative services it provides for veterans who suffer from alcoholism or drug abuse.

Vietnam, probably more than any other war, has presented our society with new problems associated with returning veterans. In addition to a sense of alienation and confusion which I understand many Vietnam veterans feel, we have many more veterans who are returning home totally disabled. These men were snatched from the battlefield by helicopter and delivered to hospitals where their lives were mercifully preserved. Enactment of S. 49 is essential if we are to provide necessary benefits for these men and their families.

Also in unprecedented numbers we have veterans returning to the States who are addicted to drugs of all kinds. These men must be assisted in their rehabilitation and readjustment to society. S. 284 provides these basic services.

I am pleased to support these three pieces of legislation. Despite anticipated opposition and dilatory response from the Administrative, we in Congress shall strive to ensure that veterans receive the benefits and care they rightfully expect and deserve from their Government.

I commend Senators Hartke and Cranston for their vital, sustained leadership in veterans matters. I trust that the Senate will approve all three of these bills and that the House will in turn support this vital Congressional program to benefit veterans.

[From the New York Times, Feb. 15, 1973]

RED CARPETS AND OTHER HYPOCRISIES

(By Tom Wicker)

The American prisoners of war are coming home from captivity, some of them after as long as seven years, all 592 of them to heroes' welcome. President Nixon has remarked upon the good character required to withstand imprisonment, and has sought to insure the privacy of their family reunions. At Honolulu, a red carpet was spread for them. Each will be able to use a new Ford automobile for a year without cost. Official mourning for Presidents Truman and Johnson has been replaced by flags at full staff, representing official pleasure in the prisoners' return. The Pentagon reports that it has persuaded the Nation's biggest employers to find jobs for former P.O.W.'s who choose to leave military service. Television and the newspapers breathlessly cover every stage of the return.

All this may be well-deserved, but like so many other developments of the war in Vietnam, it discloses a warped sense of priorities on the home front. In what way are these relatively few P.O.W.'s greater heroes than the 50,000 dead boys who came home in body bags, some of them with smuggled heroin obscenely concealed in their mangled flesh, most of them to obscure graves and public indifference?

And if it is argued that not much, after all, can be done to make amends to the dead, then in what way are the returning P.O.W.'s more to be honored and preferred than the 254,000 Vietnam era veterans aged 20 to 29 who are unemployed in the richest nation on earth? By what standards do the released prisoners deserve so much honor of the Republic when at the end of 1972 only a few more than 20,000 of the estimated 60 to 100,000 drug-addicted Vietnam-era veterans were receiving or had received treatment for this "service-connected" disability?

As to drug addiction, in fact, the Veterans Administration programs available are limited basically to detoxification, with no provision for the kind of rehabilitation or retraining that might help a reformed addict stay off the habit. And in its fiscal 1974 budget, the Administration that is making so much of the P.O.W.'s return has proposed no increase in funds for treating drug-addicted veterans and is opposing a Senate bill that would provide rehabilitation and job placement services for these most tragic of the Vietnam veterans.

In fiscal 1971, an arbitrary cut from 84,000 to 79,000 in the average daily patient census—the equivalent of closing seventeen hospitals—was imposed on V.A. hospitals. Congressional action forced the average daily census back to about 82,000 but the fiscal 1974 budget proposes to reduce it again to 80,000.

Mr. Nixon did rescind a recent VA order that would have reduced disability payments to Vietnam-era veterans, and nothing could have been more appropriate in the week when the P.O.W.'s began coming home to popular acclaim; but staff members of the Senate Veterans Affairs Committee can cite numerous other examples of official and public reluctance to pay sufficient attention to the ordinary and unsung veterans who have been coming home all along.

So let us honor the P.O.W.'s and be glad their ordeal is ended; but let us remember also those who shall have borne the battle, those who need a new Ford less than a decent job, those for whom the only bracelet is a band of needle marks.

The unemployment picture—although it has recently improved somewhat—provides an equally strange example of relative values? Among Vietnam-era veterans 20 to 24 years of age, surely a crucial group, unemployment in January of this year was running at 8.6 per cent, about twice the general rate, and well above the 7.4 per cent rate for nonveterans aged 20 to 24. The society that is so joyfully welcoming the P.O.W.'s, moreover, permitted unemployment among black Vietnam-era veterans aged 20 to 24, another crucial group, to run at 9.5 per cent in the last quarter of 1972.

So far from rolling out red carpets for these unemployed veterans, the Administration proposes in the new budget to eliminate $1 billion for public employment—of whose enrollees, nearly 40 per cent or about 61,000 are Vietnam-era veterans. A severe cut also has been proposed in vocational training under the Manpower Development and

Training Act, for which another 40,000 Vietnam-era veterans are enrolled.

The Administration has never put into effect an educational program ordered by Congress that would provide $300 additional per veteran enrolled to institutions that would carry out special programs for veterans, and another $150 for each enrolled veteran who had not completed high school. Mr. Nixon vetoed last October a veterans' health care bill that would have provided funds to bring V.A. hospitals' staff-patient ratios up from less than 2 to 1 to the 2.7-to-1 average of other hospitals.

Mr. STAFFORD. Mr. President, the need for the Veterans Health Care Expansion Act grows greater every day. This bill is designed to maintain the so often quoted phrase of the veterans hospital system: "Care second to none."

We in the Senate have an obligation to provide the best medical care possible when we are responsible for the system. This bill will provide the necessary legislation for the veterans hospitals to progress beyond the present state of criticism which seems to surround them. The staff-patient ratio provision will assure that those patients within the system will receive the finest care that can be provided. The increasing of the rate of per diem and other costs for our veterans homes will correspondingly increase the quality of care and services to those veterans who reside in the homes.

Mr. President, I hope the quick action of the Senate on this bill will help it get signed into law very soon. As in the past, this legislation has my complete support.

Mr. ALLEN. Mr. President, today the Senate is considering legislation which vitally affects the welfare of our veterans, their widows, children, and other dependents. I know that the distinguished chairman of the Senate Committee on Veterans' Affairs (Mr. HARTKE) and other members of the committee are well prepared to discuss these bills in detail and are anxious to answer any specific question concerning any provision of the bills.

All of us are familiar with the intent and scope of these bills dealing with expanded health care, national cemeteries, and drug and alcohol rehabilitation. Some of them were passed by the Senate in the last session of Congress but were either vetoed or else died in conference in the waning days of the 92d Congress. Under the circumstances, I will not take the time of the Senate to discuss the bills in detail. Instead, it may be more useful to undertake to attempt to put the veterans legislation package in proper perspective.

For example, I am convinced that proposed legislation serves not only the interest and welfare of veterans, but also the national interest. It is my purpose to demonstrate this conclusion.

It is unquestioned that the public policy reflected in veterans legislation is sound and wise. Such a policy arises from a moral responsibility and from human compassion. It is in the national interest to maintain the long tradition of rewarding those who serve our Nation in times of war and to adequately and justly compensate those who sacrificed their lives or suffered disabilities resulting from their service to their country. It would be a tragedy beyond compare were we to permit the slightest shadow of a doubt be cast upon our continuing commitment to this policy.

Mr. President, we are all aware that the Veterans of Foreign Wars are assembled in Washington for their legislative conference, and I am delighted that delegates from Alabama found the time to drop by my office and leave with me a copy of their legislative program. I am sure all Senators enjoyed similar visitations. But I am disturbed to have read in the preamble of the program the following excerpt:

> Despite the number of veterans being at an all-time high . . . There are many signs on the horizon indicating that veterans programs are in mortal danger . . . veterans programs would soon disappear from the American scene if anti-veterans have their way.

Mr. President, we had better sit up and pay attention to this solemn judgment of the leadership of a distinguished national veterans organization. The preamble refers to recommendations, legislative proposals, and irrefutable evidence to sustain that grave judgment.

Nevertheless, I think it will serve a useful purpose to point out some of the trends and some of the attitudes which might well lead all veterans to conclude that their interests and the national interest are in jeopardy.

For one thing, it disturbs me, and I feel sure it must disturb most veterans, to witness the intensity of the demand from some quarters for amnesty for deserters and draft dodgers. The President to his great credit has taken a strong stand against amnesty but what do these demands say to the veteran? They ask, as I have asked, how, in the name of justice, can we answer to the memory of the dead and missing and to their surviving loved ones and dependents and to justify to them the sacrifices which they were called upon to make if the President were to grant amnesty for those who refused to serve their country in time of war? Shall we mock our veterans' sacrifices? Shall we tell them that they were foolish to have obeyed the laws and to have fulfilled the highest duty of citizenship? Shall we tell the prisoners of war that their sacrifices were in vain? What shall we tell the widows and children of deceased veterans who waited at the hearth in agonizing silence waiting for the sound of footsteps of the dead?

Mr. President, it would be a shame and a disgrace for this Nation to succumb to the near hysterical clamor for amnesty. Our laws have been violated. Amnesty would erase the slate as though no crime had been committed. But we know that crimes have been committed. Our civil laws have been violated by draft dodgers and our military laws have been violated by deserters.

Mr. President, I have no sympathy for those thousands of individuals who shirked their responsibilities to their country and sneaked off in a cowardly fashion seeking to escape both their duty and the penalties for failure to fulfill the responsibilities of citizenship. Yes, veterans are concerned by the attitude reflected in the clamor for amnesty.

Mr. President, let me turn now to another indication which might well give veterans cause for concern. From every direction, we hear it said that the cost of defending our Nation must be cut to the bone. It has been said that we have too many admirals, too many generals, too many men in uniform, too many antiballistic missiles, too many submarines and other naval vessels, too many tanks, too many aircraft, too many civilian employees in the Department of Defense, too much defense technology, and, of course, the necessary implication that we have too many veterans and that their benefits cost too much.

Mr. President, it is not difficult to understand that our veterans might well see in this line of reasoning a pattern of thinking that threatens their own security and that of our Nation. For, is it not true that after World War I agitation immediately began to demobilize and disarm our Nation? Is it not true that immediately following World War II we heard the same hue and cry to demobilize and disarm? Is it not true that following the Korean conflict the same voices cried out for unilateral disarmament, demobilization, and a reduction in defense expenditures?

Mr. President, these courses of action led us into war after war. Even before our prisoners of war have been fully accounted for and returned to their native land and before those who are listed as missing in action are adequately accounted for, we hear the self-same cry: "Disarm, disarm." We hear the same cry: "Demobilize, demobilize." Reduce the Armed Forces—dismantle the military establishment. Withdraw into our shell. We hear the same cries against the defense establishment. Against the military.

Yes, Mr. President, there is cause for concern when it is suggested that the agencies and instrumentalities of the Veterans' Administration should be merged, consolidated, and submerged into a socialistic conglomerate in which the veteran would be buried under the redtape of an indifferent, if not hostile, bureaucracy.

How can veterans be oblivious to the incessant drive to reduce our Nation to impotence—the drive to demean the military services—to subject the military establishment to nitpicking criticisms—and its members to scorn and ridicule? Who can remain indifferent to the mounting influence of internationalists who scoff at the unashamed patriotism of veterans—who sneer at their love of God, country, and flag it represents—who belittle their sacrifices—and who ignore their great contributions in services to their comrades, their communities, and their Nation?

Why should not our veterans wonder what might happen to them and their Nation in the light of the fact that we have already negotiated a treaty which vests nuclear superiority in the Soviet Union and which questions the integrity of our deterrent forces—when our Navy is running into rough seas with Congress while the Soviet Union is producing its first aircraft carriers in its history—when foreign aid is lavishly bestowed upon foreign nations and strongly advocated for

North Vietnam, accompanied by proposals to reduce combat disability ratings for veterans and, thus, the compensation payable to veterans, their widows, and dependents?

Mr. President, let me elaborate a moment on the proposal that suggests that the burden of rebuilding North Vietnam be placed upon the shoulders of our taxpayers. I can readily understand why veterans organizations should feel concern. In the first place, it adds a new dimension to the significance of the drastic shift of foreign policy from one of containment—call it confrontation if you will—to one of negotiation. The trouble with negotiation is that we are asked to do all the giving and the other side does all the taking.

That is bad enough, but when we abandon our determination to protect free nations from aggression, and when we cast aside our commitment to the principle of self-determination, we have turned our backs on the very causes for which our veterans were called upon to make their heroic sacrifices.

It seems to me that reasonable men would expect the Soviet Union and Communist China to help rebuild North Vietnam. After all, it was these nations whose contributions made it possible to continue the war of destruction and the killing in South Vietnam. It was these nations which supplied the North Vietnamese Communist forces with guns and ammunitions and bombs and tanks to slaughter the South Vietnamese. No, it is not unreasonable to expect the Soviet Union and Communist China to bear the major burden of building North Vietnam. In equity and good conscience, they should contribute to rebuilding South Vietnam.

Yes, I can understand why veterans are looking with jaundiced eye on trends in this Nation which foretell a retreat from greatness and a nobility of national spirit upon which our moral commitment to our veterans is grounded.

Mr. President, the veterans of our Nation are an absolutely necessary element in the national defense of our Nation. It is they who are the fighters for peace. It is they who have borne the brunt of battle. It is their proud legions who, motivated by a love of country and devotion to duty, have offered up their very bodies as human shields to preserve and protect our Nation and its institutions for this generation and for posterity.

Mr. President, without strong and vigorous support of our veterans, this Nation will have lost the greatest battle of all—the battle for survival of the national spirit. It is for this reason that I have been so often moved by the immortal verse of Rudyard Kipling expressed in the memorable line from his poem "Tommy," two excerpts of which are sufficient to convey the message:

> It's Tommy this, an' Tommy that, an'
> "Chuck 'im out, the brute!"
> But it's "Savior of 'is country,"
> When the guns begin to shoot;
>
> An' it's Tommy this, an' Tommy that,
> An' anything you please;
> An' Tommy ain't a bloomin' fool—
> You bet that Tommy sees!

Mr. President, in conclusion, I want to advert once again to Abraham Lincoln and read the last paragraph from his Second Inaugural Address:

> With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

So, Mr. President, I hope the Senate will make it known to the commander in chief of Veterans of Foreign Wars—Commander in Chief Carr—and to all veterans and veterans organizations that we have not departed from and we will not depart from our solemn obligation to care for those who shall have borne the battle and for their widows and orphans.

There being no objection, the poem "Tommy" follows:

TOMMY

I went into a public-'ouse to get a pint o' beer,
The publican 'e up an' sez, "We serve no red-coats here."
The girls be'ind the bar they laughed an' giggled fit to die,
I outs into the street again, an' to myself sez I:
O it's Tommy this, an' Tommy that, an' "Tommy go away";
But it's "Thank you, Mister Atkins," when the band begins to play,
The band begins to play, my boys, the band begins to play,
O it's "Thank you, Mister Atkins," when the band begins to play.

I went into a theater as sober as could be,
They give a drunk civilian room, but 'adn't none for me;
They sent me to the gallery or round the music-'alls,
But when it comes to fightin', Lord! they'll shove me in the stalls.
For it's Tommy this, an' Tommy that, an' "Tommy wait outside";
But it's "Special train for Atkins," when the trooper's on the tide,
The troopship's on the tide, my boys, etc.

O makin' mock o' uniforms that guard you while you sleep
Is cheaper than them uniforms, an' they're starvation cheap;
An' hustlin' drunken sodgers when they're goin' large a bit
Is five times better business than paradin' in full kit.
Then it's Tommy this, an' Tommy that, an' "Tommy 'ow's yer soul?"
But it's "Thin red line of 'eroes" when the drums begin to roll,
The drums begin to roll, my boys, etc.

We aren't no thin red 'eroes, nor we aren't no blackguards too,
But single men in barricks, most remarkable like you;
An' if sometimes our conduck isn't all your fancy paints,
Why, single men in barricks don't grow into plaster saints.
While it's Tommy this, an' Tommy that, an' "Tommy fall be'ind";
But it's "Please to walk in front, sir," when there's trouble in the wind,
There's trouble in the wind, my boys, etc.

You talk o' better food for us, an' schools, an' fires, an' all:
We'll wait for extry rations if you treat us rational.
Don't mess about the cook-room slops, but prove it to our face
The Widow's uniform is not the soldier-man's disgrace.
But it's Tommy this, an' Tommy that, an' "Chuck him out, the brute!"
But it's "Savior of 'is country" when the guns begin to shoot;
An' it's Tommy this, an' Tommy that, an' anything you please;
An' Tommy ain't a bloomin' fool—you bet that Tommy sees!

—*Rudyard Kipling.*

Mr. HANSEN. Mr. President, the distinguished Senator from South Carolina, a member of the Committee on Veterans' Affairs, and himself a veteran and general officer in the Reserve of the United States, has submitted a statement in support of the three bills we consider today—S. 49, S. 59, and S. 284.

The Senator formerly was ranking member of the Committee on Veterans' Affairs, and presently is ranking on the Committee on Armed Services. He has considerable expertise in the area of veterans bnefits. I ask unanimous consent that the Senator's statement be printed in conjunction with discussion of the merits of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR THURMOND

Our Nation owes a great debt to those who have served honorably in the Armed Forces. As the Vietnam Conflict comes to a close, a grateful Nation focuses its attention on the problems of our returning servicemen.

We must seek to provide veterans benefits commensurate with the great service that our returning servicemen have given our people in defending our freedom.

At the same time, we must never fail to remember the service which the veterans of past years gave to our Nation.

Mr. President, I rise today to support three bills of great importance to the welfare of all our veterans.

First, S. 49, the proposed "National Cemeteries Act of 1973," will establish a National Cemetery System within the Veterans Administration.

This bill directs the VA to conduct a comprehensive study of our National Cemetery System and national burial policy. Burial benefits will be increased $150 for veterans who are not buried in a federal cemetery. Further, S. 49 authorizes the burial of an unknown soldier from the Vietnam Conflict in the Arlington National Cemetery.

Cemeteries administered by the Department of the Army will be transferred to the VA, with the exception of Arlington and the service academy cemeteries. The work of the American Battle Monuments Commission will not be transferred to the VA.

Mr. President, we no longer have unlimited space in our national cemeteries. It is time to reevaluate the national burial policy for veterans, and this bill represents a good approach.

Second, S. 59, the proposed "Veterans Health Care Expansion Act of 1973", is an omnibus hospital and health care bill. Provisions are made for increased salaries for professionals and training facilities for paramedics. Further, veterans may receive outpatient treatment if it alleviates the need for hospitalization. Orphans and widows of veterans who died of service-connected disabilities and wives and children of totally disabled service-connected veterans will be eligible for VA medical care as long as such care does not interfere with the furnishing of hospital and domicilary care to eligible veterans.

Mr. President, we must insure that our VA Medical System remains the best in the world. Our veterans deserve the best medical care our Nation can provide, and the Health Care Expansion Act represents a progressive effort in that direction.

Third. S. 284, the proposed "Veterans Drug and Alcohol Treatment and Rehabilitative Act of 1973," makes available a comprehensive treatment and rehabilitative program for our veterans who are dependent on drugs.

Mr. President, I believe that a full-scale assault on drug dependency is one of the first priorities we must face. S. 284 will provide this opportunity.

The importance of all these bills is shown by the fact that each passed the Veterans Affairs Committee without dissent.

Mr. President, I am pleased to co-sponsor each bill, and urge my colleagues to give each bill their most careful consideration.

TO HALT THE NEGLECT OF AMERICA'S VETERANS

Mr. HUMPHREY. Mr. President, I rise in strong support of the three bills before the Senate today that mark the first step by Congress to reverse incredible decisions by the Nixon administration, reflected in the proposed Federal budget for fiscal 1974, that represent an outright neglect of the serious needs of America's veterans.

The Veterans Health Care Expansion Act of 1973, S. 59, of which I am an original sponsor, would help meet the serious need for improved medical care for veterans and would expand VA health care programs to also serve certain dependents and survivors of veterans. This bill has rightly been described as designed to launch the Veterans' Administration on the most comprehensive series of medical reforms in its 42-year history.

It places new emphasis upon treating the patient as part of a family unit, and it stresses the establishment of home health care programs. It authorizes the provision of VA outpatient care and medicines to a broader category of veterans with service-connected disabilities. And it extends the provision of health care to older peacetime veterans with nonservice-connected disabilities.

Overall, there is an emphasis in this bill upon providing outpatient care, by fee or by contract where necessary, in place of extended hospitalization. Moreover, I am particularly gratified that this legislation provides for the establishment of a critically needed sickle cell anemia screening, counseling, and medical treatment program.

Of particular relevance to a serious problem on which I have publicly expressed my deep concern on numerous occasions over the past 2 years, this legislation provides for an intensive program to recruit and retain career personnel in the Department of Medicine and Surgery—meaning that there should be a substantial improvement in the staff-to-patient ratio in every VA service facility—and it requires the maintenance of an average daily patient census in VA hospital beds of not less than 85,500 in any fiscal year.

However, the proposed Veterans' Administration budget for fiscal 1974 provides a sharp contrast to these provisions. It calls for the reduction of the daily patient census in VA hospitals to 80,000. This is equivalent to closing down 11 VA hospitals with 500 beds. And *it would cut back the number of* VA medical personnel by 1,674.

But the Nixon administration does not stop here in ignoring the mandates of Congress and the critical needs of America's veterans. It intends to decrease medical research by $6 million and hospital construction by $81 million—over half of which will be taken away from planned major VA hospital construction.

No one questions the commitment of VA hospital personnel to making every possible effort to provide our veterans with quality health care. But they continue to confront obsolete facilities and serious staff shortages. In Minnesota, there is a serious need for the renovation and expansion of the medical and surgical facilities at the VA hospital at Saint Cloud, for example, and for new construction and modern outpatient clinic facilities at the VA hospital in Minneapolis. Yet the Nixon administration continues to call for economies to be made in this vital area of human need.

It is clear that decisive action must be taken by Congress to halt not only serious cutbacks in Veterans' Administration program funds, but also unilateral actions by Federal bureaucrats that will have the same effect of demonstrating a blatant disregard for the needs of America's former fighting men. It required a strong protest from Congress and the public to cause the administration to pull back for further study a plan that would have been quickly implemented to take away $160 million in benefits to physically disabled Vietnam-era veterans—a shocking, cynical decision to save money at the expense of the future of thosuands of persons who have made such a direct sacrifice in the service of their country.

Having been frustrated in this course, the Nixon administration nevertheless proposes to strike a double blow against all veterans pension benefits, under the fiscal 1974 VA budget. First, this budget calls for including the wife's entire income in computing the veteran's income for his pension entitlement—meaning that over $223 million would be taken from the pockets of older veterans in the next fiscal year. But under another VA proposal, these veterans would have difficulty in getting their applications for benefits approved in any case, since it is intended that personnel in the Department of Veterans Benefits would be reduced by 1,500 persons.

Meanwhile, the National Association of Collegiate Veterans has had to go to court and enter a suit to force the U.S. Office of Education to unfreeze $25 million in congressionally approved subsidies to colleges that recruit and help ex-GI's as students. But on top of impounding these funds for start-up costs for this program by not issuing administrative guidelines, the administration has failed to request any of the $180 million authorized for this vital program in fiscal 1974. Nor has it requested $50 million authorized for a work-study program that is of crucial importance in enabling Vietnam-era veterans to meet living costs while pursuing a college education.

To compound hypocrisy, however, the *administration* puts out press releases about the success of voluntary efforts to provide job opportunities for Vietnam-era veterans, while at the same time cutting back manpower training programs, including the outright termination of the public service jobs program under the Emergency Employment Act, which will hit these veterans hard. Yet in the midst of an overall improvement in the national employment picture, the jobless rate for former GI's aged 20 to 24 remains at a crisis level of 8.6 percent.

Many would rightly regard as the last straw the renewal effort of Office of Management and Budget bureaucrats to strike the $250 burial allowance to which a veteran is entitled. I strongly support the National Cemeteries Act of 1973, S. 49, the second bill on which the Senate will hopefully take favorable action, to establish a national cemetery system within the Veterans' Administration, to stipulate the rights of veterans to burial in these cemeteries, and to sustain the authorization of the present burial allowance. In addition, the Administrator of the VA is given discretionary authority to pay up to $150 as a special allowance when a veteran is buried in a private cemetery. This allowance is clearly in order and carries through a basic recommendation made 5 years ago by the U.S. Veterans' Advisory Commission.

Finally, as a joint sponsor of the Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1973, S. 284, the third bill presently before the Senate, I strongly urge the enactment of this vitally needed legislation to require the availability of comprehensive treatment and rehabilitation services and programs for certain disabled veterans suffering from alcoholism, drug dependence, or alcohol or drug abuse penalties. A recent report by the Center for the Study of Responsive Law, on veterans medical care programs, concluded that a veteran seeking treatment for drug use confronts a "Catch-22" situation in VA care: To get treatment, he should not have a bad discharge; but to get an honorable discharge, he must not have used drugs.

As the present legislation states emphatically, alcoholism and alcohol abuse are the most pervasive untreated disease and disability afflicting the Nation, including the veteran population, and the onset of such conditions has often occurred during military service. Moreover, serious problems of alcohol and drug abuse require not only medical treatment but also extensive and effective rehabilitative services. Therefore, S. 284 calls for the immediate implementation of these services to enable the patient to know a full restoration to society as a productive, self-sufficient citizen.

In addition to further authorizing the VA Administrator to contract for treatment and rehabilitative services in non-VA facilities offering community-based, multiple-modality programs, this legislation requires the VA Administrator to provide for the review of a veteran's other than honorable or general discharge related to the abuse of drugs, for the purpose of correcting this discharge and thus removing any ineligibility for benefits under this act. And in addition to requiring the implementation of an outreach and counseling program to help these veterans, this bill calls upon the VA Administrator to provide for treatment and rehabilitative services for eligible veterans, under specified circumstances, where these veterans have been charged with or convicted of a criminal offense.

The legislation further provides for VA drug treatment programs for servicemen due to be discharged within 3 months. And it requires that all medical records maintained under provisions of this act shall remain strictly confidential, subject to a waiver of confidentiality under specified conditions, to protect the civil rights of the patient.

Mr. President, I urge the Congress to complete action on these bills without delay. The administration must understand that the elected U.S. representatives of the people are determined to halt the neglect of America's veterans under current administration policies.

Mr. KENNEDY. Mr. President, I am pleased to offer my support for the three measures pending before the Senate that are designed to improve benefits for our Nation's veterans. This is an appropriate time to consider aid for veterans of our Armed Services as news of the second group of prisoners of war signals a halt to the battles in Vietnam. Now the total number of repatriated prisoners stands at 300. As we rejoice and give thanks that these men finally have their freedom, we must also pray that all the fighting men will soon be home and that all the fighting in Southeast Asia will soon be halted.

I have been particularly concerned that we meet the demanding requirements to assist these returning prisoners in their adjustment to the vastly changed society that they left.

Less than 6 weeks ago, I introduced legislation in the Senate to permit repatriated prisoners of war from Vietnam, to retire early from service to their country.

My bill also grants per diem payments to the prisoners at the same level received by their counterparts in Saigon. These measures appear to be fitting steps for the Congress to make in assisting those returning prisoners. At the same time, I recommended administrative procedures that the Department of Defense should be obliged to adopt without additional legislation, to meet the special psychological and physical needs of the returning prisoners. I urged the Defense Department to establish continuing health programs for repatriated prisoners and their families.

And so today, we are acting on legislation, skillfully prepared by the chairman of the Veterans' Affairs Committee, that can not only help the 600 men returning from POW camps, but our actions will also provide well needed assistance for all of the 5.6 million Vietnam-era veterans. Their service clearly deserves the full thanks of a grateful Nation. And I am convinced that the Congress must respond to their appeal for adequate benefits. The measures before the Senate today deserve the approval of this Senate and I am pleased to express why I support each of them.

S. 49—National Cemeteries Act of 1973. Congressional interest in veterans' cemeteries has eixsted for over 10 years, since the Congress requested the Army to make a comprehensive review of the national cemetery program in 1961. Since that time, testimony before congressional hearings resulted in recommendations for substantial changes in our Government's policy toward funeral services provided for our deceased veterans.

In January 1968, President Johnson requested the Administrator of Veterans' Affairs to develop a national program that would assure improved burial service guarantees for our veterans. Included in the proposals offered by the Administrator was the insistence that every veteran has the right to burial in a national cemetery situated as close as possible to the veterans' home. Each veteran has obviously earned the right to an adequate supplement for burial expenses. For that reason, the bill passed by the Congress last year, and S. 49, the bill before the Senate today, is fashioned to address that deserving need. This bill increases special burial plot allowances from $250 to $400 for veterans not buried in a national or Federal cemetery. And veterans who die of service-connected disabilities are authorized up to $800 for such expenses under this bill.

Among the other provisions of S. 49 that I believe deserve concerted attention of the Senate is the section authorizing the burial of an unknown soldier from the Vietnam conflict at Arlington National Cemetery.

No memorial could be more fitting than the interment in those hallowed grounds of an unknown soldier from those tortuous battles. I wholeheartedly support that feature and all other provisions of this important legislation.

S. 59—Veterans Health Care Expansion Act of 1973. I am particularly concerned that we continue to insure adequate medical care for every veteran. Last Thursday, I had the opportunity to address a combined session of the National Legislative Commission and the Veterans' Affairs and Rehabilitation Commission of the American Legion. Before that audience, I confirmed my commitment to continue supporting the VA hospital and medical care system. In working to achieve a national health insurance program, I intend also to lend my support, wherever possible, to the deserving demand for continuing the high quality health care of the VA system. This is a time that can be singularly critical to the VA hospital system as we know it. For, the administration's design to put a lid on spending potentially threatens the very heart of VA medical and hospital care.

Two years ago, the administration arbitrarily ordered cuts in the average daily patient census in VA hospitals. That was like shutting down 17 of the operating VA hospitals. And, even though the Congress forced the census up again, the new budget will reduce it once again for fiscal 1974.

Last October, a Presidential veto killed a veteran's health bill like the one we are considering today. That bill would have improved the patient-staff ratio in VA hospitals. The purpose of the legislation was to bring the patient-staff ratio in VA hospitals more in line with that in civilian hospitals. But, the President's action forces VA doctors to continue laboring under a heavier patient load than veterans' families might receive in a civilian hospital.

During the time I have served as Health, the wide-ranging factors affecting the Nation's health delivery system have been all too clearly expressed to the committee. Yet, the VA health care system substantially justifies the effectiveness that might be realized if we put in place a high-quality health delivery system for our civilian population. With S. 59, Senator CRANSTON has expertly brought together those facets of chairman of the Subcommittee on decent medical care that properly deserve to be included in an adequate legislative package for continuing high-quality health care in the VA system. Thus, the bill strives to shore up areas in the existing VA hospital system that can reasonably expect to be immediately effective.

Since a hospital's staff-patient ratio directly affects the quality of available care, this bill authorizes $104 million to bring that ratio in VA hospitals up from less than 2 to 1 to 2.7 to 1, so that the VA hospital ratio will be comparable to the average in civilian hospitals. By increasing the number of personnel in VA hospitals, S. 59 would provide VA patients with the optimum in medical care and attention.

Unfortunately, current administration policies lean heavily toward control in spending rather than in the direction of human needs or in the area of adequate health and social care. Thus, this bill requires congressional approval for proposals to close or otherwise restrict the availability of VA hospital rooms.

Other admirable features of this legislation that deserve attention are:

First. Expanded services to screen and counsel veterans and their spouses for sickle cell anemia;

Second. Increased home health services, in-hospital treatment, and ambulatory care for disabilities whether or not service connected; and

Third. Added care facilities for wives and children of totally and permanently disabled veterans, and for widows and children of veterans who die of service-connected disabilities.

Although this measure does not respond directly to the proposed cuts in veterans disability pay, announced recently by the administration, I feel it is important for the Congress to do whatever possible to prevent those payments from being reduced. Officials in the administration seem to feel that mental problems resulting from service in Vietnam are more damaging than physical injuries. Yet, it is inconceivable that the administration feels the veteran without arms or legs deserves to lose benefits for that reason. If their assessment about the effect of mental damage is correct, then I believe we should seek ways to adequately compensate those victims who suffer mental impairment due to military service. But diverting payments from other disabled veterans is clearly the wrong way to do that.

S. 284—Veterans Drug and Alcohol Treatment and Rehabilitative Act of 1973.

This measure deals with one of the most critical and sensitive areas concerning our Nation's veterans. Up to 100,000 veterans from Vietnam are believed to have become victims of narcotics addiction. While serving their country in the turmoil of that troublesome conflict, perhaps no toll is more onerous than the debilitating effects caused by drug addiction. Though the staggering effects of narcotics abuse among the civilian population have not yet been brought under control, we must not spare any reasonable effort to aid addicted veterans. So far, I am disturbed that VA facilities have provided assistance for approximately 20,000 veterans who are dependent on drugs, though we know that 60,000 to 100,000 demand such attention. Inexplicably, the administration has also opposed this measure to insure rehabilitation and job placement services for these tragic victims who have been enslaved by narcotics. But, S. 284 includes the fundamental concepts of an adequate drug program. With supportive services, counseling and proper medical attention, this bill offers desperately needed hope to the narcotics addict, as well as substantial assistance for veterans addicted to alcohol.

I am convinced that our Government owes a substantial debt to every veteran who becomes addicted to alcohol or narcotics while serving in the Armed Forces. Nothing that we do to ease that burden for the veteran is unjustified. Therefore, I am pleased to see that S. 284 can successfully launch a full scale attack on these twin forces of destruction.

All three of the measures before the Senate today fully deserve approval. No matter what is done to control spiraling Government costs, I am convinced that we must place adequate benefits and assistance for our veterans as the Nation's No. 1 priority. All of the men and women who served during this tragic conflict were loyal and conscientious. They fought for the interests of the Nation as those interests were defined. They were the 2 million patriotic Americans—predominately the children of the poor and the working class, who went off to fight the war when they were called. Our veterans, were not able to use loopholes in military conscription laws as a shield against the explosive dangers of Vietnam. Neither were they able to find a haven in Canada or Sweden. But rather, our veterans fought this most embittered of battles and we owe them a substantial grant of aid and benefits for their courage, their loyalty, and for their devotion. These three measures, fittingly describe our thanks for their exceptional service and I believe that every Senator should vote for passage of these measures.

Mr. President, I request unanimous consent to enter at this point in the RECORD my remarks delivered before the American Legion Convention last week.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS TO THE MIDWINTER CONFERENCE OF THE AMERICAN LEGION BY SENATOR EDWARD M. KENNEDY

I am pleased to be here this morning and to take part in the American Legion's Mid-Winter Conference.

All across America, the Legion upholds the respect and honor that a grateful Nation reserves for those who have defended our shores.

For over 50 years, thousands of Legion Posts have aided the millions of veterans who deserved the expert assistance that your service officers so skillfully provide.

As one of four brothers who served in the Armed Forces of this country, I can speak personally of the credit which your organization has earned for its constant support of the veteran. I have been privileged to serve as Chairman of the Senate Subcommittee on Veterans Affairs. President Kennedy served on that Subcommittee as well, and he was proud to have cast the decisive vote to assure the passage of the Cold War G.I. Bill. So the work of your group has been well known to me and the members of my family.

You have met in Washington in days of war and today we meet to celebrate the peace. While we continue to pray for the release of all the prisoners of that war, and to work for a full and complete account of those missing in action, we join in commending the President for bringing an end to these hostilities.

As our fighting men return, we must keep in mind that our service to them is just beginning. They fought unflinchingly for us, and in return we can do no less for them. For, they have served their country with honor, with dignity and with bravery. They served faithfully during a war that was more widely disputed and more seriously questioned, than any war in our country's history. Such exemplary service deserves a special tribute. That is why I expect quick action by the Congress on my bill to grant special retirement and pay benefits for returning POW's.

And I have urged the Department of Defense to speedily adopt programs to meet the special psychological and physical needs of the returning prisoners and to establish continuing health programs for repatriated prisoners and their families. My insistence that our Government pay special attention to the medical needs of these men derives from my fundamental commitment to continue guaranteeing the best possible medical care to those who have served their country. As I visit with you this morning, I shall discuss how I will support your deserving demands for separate medical facilities for our Nation's veterans. With the successful history of the specialized services offered in our VA hospitals the best way to retain those benefits would be to retain the system as you know it.

Thus, we seek to ensure the maximum benefits for our returning prisoners, we must not allow the euphoria of their homecoming to blind us from the obligations owed to all the other men and women who served with them. That debt is an important part of our historical national values, and we must not lose sight of it.

We pay tribute to these gallant men who survived, yet they would be the first to ask what of their 50,000 dead comrades who ended up in remote burial grounds, with little praise and less public attention? The returning prisoners would also ask what did the other veterans find when they came back home. They have found such a tight lid on spending that there is not enough "peace dividend" to demonstrate our gratitude for those who sacrificed so much to attain that peace. Instead, at almost every turn—in employment, in treatment for narcotics addiction, in aid to education and in disability payments—the bureaucratic machinery is grinding away the Federal assistance for those who served their country.

Is it an adequate expression of thanks to a quarter million Vietnam veterans to provide them little chance for employment because the budget eliminates Federal job training programs?

What kind of gratitude are we showing to 100,000 boys who were victimized by drugs, if we only provide funds to help 20% of them?

Is the cancellation of the Veterans Education program a proper repayment for those whose young careers were interrupted to fight for their country?

How can we justify telling 200,000 veterans maimed by this war that their disability pay must be cut to save the Veterans Administration $160 million? Such questions defy answers from men like you who have responded to your country's call at other times in our history.

You will be the first to agree that the veteran who saw action in Bien-Hoa or Hue risked the same dangers that many of you faced at Pork Chop Hill in Korea or in Anzio and Tarawa during World War II. Upon your return, a grateful Nation readily displayed its satisfaction by guaranteeing for you numerous aids and offers for assistance. Without such help many of you may not have been able to go back to school, or to find a job. VA loans enabled you to buy a house and the VA hospital and medical care system tended to your health needs.

Your National Commander, Mr. Joe L. Matthews, told the Senate Veterans Affairs Committee two days ago, that the VA budget for fiscal 1974 is insufficient in several respects. Mr. Matthews also testified that national health insurance proposals pending in the Congress are a threat to the VA medical care program. I submit that the real threat to the VA hospital system is not from Congressional proposals, but from the insensitive cuts thoughtlessly ordered at a time when the needs of our veterans are the greatest.

During the last congress, we passed a veteran's health bill to improve the patient-staff ratio in VA hospitals. But a presidential veto forced the VA doctors to continue laboring under a heavier patient load than Veterans' families might receive in a civilian hospital.

Two years ago, the Administration arbitrarily ordered cuts in the average daily patient census in VA hospitals. That was like shutting down 17 of the operating VA hospitals. And, even though the Congress forced the census up again, the new budget will reduce it once again for fiscal 1974.

Clearly, the VA hospital system has demonstrated its ability to skillfully respond to the needs of those who have completed their military service. I believe that system can and will administer the best available professional medical care to these deserving people, for the remainder of their lives.

Each of you here this morning is aware that I am working for a comprehensive national health program that can reform the methods and the services provided in our existing health delivery system for our civilian population.

Your National Commander has already expressed the Legion's fear that plans to enact a full reform of our national medical delivery system would greatly alter, if not absorb, the existing medical system operated by the VA. Let me say at this point that such a notion in no way coincides with my intent.

At present, health care is one of our most fragmented national programs. But because decent heatlh care is so important to us all it should be one of our Nation's most efficiently organized services. Health care systems that deliver efficient and expert assistance do exist. In fact, the VA hospital system represents the kind of program that demonstrates what ought to be done for our civilian population. Patients in VA hospitals are not coldly diagnosed according to their ability to pay the doctor's fee, or as exotic research specimens. The VA medical system operates solely to serve the health needs of its patients. And that is precisely the goal that I seek for the system that must serve your families and your neighbors. So much of the success in proper medical care depends upon the confidence the patient has in those who provide their treatment. Thus, the hallmark of the VA system is the high degree of confidence the veterans have in their system. I am working to assure for all other Americans the delivery of high quality care like that you receive in the VA system.

In no way can national health insurance be interpreted as a threat to the special treatment the Nation is obligated to guarantee for our veterans. Quite the opposite. It will assure that in the future their families will receive adequate treatment for any injury or sickness. A veteran now is assured treatment for injury or sickness resulting from a war injury. But if his family is involved in a car accident none of them is entitled to the extensive care that he can obtain in a VA hospital. As a result, they may face severe financial disaster, with national health insurance, the veteran's family will be guaranteed the same high quality treatment, at affordable cost, for all of his famiy, whenever they need it.

No legislation that I am urging will in any way seek to erode the unique status of the VA medical system. Indeed, I am currently co-sponsoring with Senator Cranston, the Veterans Health Care Expansion Act of 1973. That bill is specifically designed to extend and to enhance the VA medical system to ensure that our Nation's veterans will receive the highest quality health care that modern medical technology can provide.

Far from being a threat to the VA medical system, I think that the existing VA system has a lot to teach us, and that we should try to emulate the total care concepts which you practice so well. To destroy a system which provides such superlative health care would be a social irresponsibility. On the other hand, I see national health insurance, quite simply, as something which America can offer all of its people, who are presently denied access to decent health assistance. By placing adequate medical care and preventive medical attention within the reach of all of our people, I believe we can use national health insurance to vastly improve the quality of life for every citizen in our great country. It is not something which veterans should fear, it is designed only to make this country a better place in which to live.

Legionnaires are proud of their dedication to the fight for freedom. The fight for national health insurance is also a fight for freedom. It will free all Americans from the terror of financial hardship or disaster as a result of prolonged illness. It is a fight to ensure a fuller and freer life to you and to your children. It is a fight for a better future. It is a fight in which you and I are on the same side and I ask all of you here today to join me.

If my visit this morning with you can hold any meaning at all, then it should be to reconfirm our commitment to provide maximum benefits and services for those who went and served in this war, just as we have done for those who served in other wars.

And we well remember your devoted service. You have my pledge to obtain quick action by the Congress to restore pension benefits for those veterans affected by rises in social security payments. I pledge as well to fight for rapid approval of the measure to increase cemetery expenses for deceased veterans.

Every American has shared in the pride and relief as the returning POW's and their families have been reunited on our TV screens these last two weeks. And we all joined in the lavish national praise offered up to these men whose release was the brightest signal that the Vietnam fighting had ended. But I am convinced we owe an equally substantial grant of aid and benefits to the hundreds of thousands who came back wtihout being forced to suffer the searing experience of captivity.

I gratefully accepted your invitation this morning to explain my intent to work with you for the continued operation of the VA medical system. But I also want to solicit your support and your ceaseless devotion to the needs of your comrades from our Nation's most troublesome war. We must remember that the men and women who served in Vietnam were conscientious and loyal. They did what was asked of them when they went off to fight that war. Now, it is up to us to do all in our power to show our thanks for their exceptional service.

Mr. JAVITS. Mr. President, I would like to comment on and lend my every support to the three bills reported by the Veterans' Affairs Committee which are now before the Senate, S. 59, S. 49, and S. 284.

In the many years I have served in both the House and the Senate, I have seen the Congress seek the initiative in providing the recognition of our Nation's veterans and their problems. With America's military role in Vietnam and the honorable service of the 2½ million veterans who served their completed, we need to continue merited services to the veteran and his family. To the disabled veteran, a nation owes a great debt. For the 2.2 million veterans with service connected disabilities, and in particular the 206,000 disabled Vietnam veterans, there is much to be done.

The Senate's consideration of this important legislation affecting veterans' drug treatment and rehabilitation, medical care and cemeterial expenses comes at a time when there has been recent public discussion on veterans health care and disability rating.

Since the Veterans' Administration's proposal to change the disability rates for Vietnam-era veterans, I have received close to 1,000 letters of public outcry against any disability payment reduction. This strong spirit voiced by New York citizens, as well as similar communications received by my fellow colleagues, was heard and I feel certain resulted in the withdrawal by the VA of such a disability rate change.

Within the past few days the news media reported in a study by the Center for the Study of Responsive Law, criticism of the current veterans medical rehabilitative services and the administrative procedure for service discharge due to drug use. There appears to be a "catch 22" in a veterans' eligibility for drug rehabilitation, whereby, "To get treatment for drug use, one must have a 'good discharge,' not a 'bad' one. But to get a good discharge, one must not use drugs." I believe we must provide the veteran with realistic and timely assistance when the need is present.

The three bills we discuss today, S. 49, the National Cemeteries Act of 1973, S. 59, Veterans' Health Care Expansion Act of 1973, and S. 284, Veterans' Drug and Alcohol Treatment and Rehabilitative Act of 1973, are directed toward the goal.

NATIONAL CEMETERIES ACT OF 1973, S. 49

The proposal of a national cemetery system has been discussed by the Congress for over 10 years and has had varied executive department opinion, including the Presidential pocket veto of last year's National Cemeteries Act. In 1968 a Presidential appointed U.S. Veterans' Advisory Commission recommended in part that the VA conduct the operation of Federal cemeteries and that burial allowances be payable to those veterans not buried in national cemeteries.

These recommendations are noteworthy in view of the present veteran burial system with varied burial eligibility requirements and the limited space available in our national cemeteries scattered throughout this country.

The critical situation of our national burial policy is made clear when we contrast the 28 million veterans, eligible under present law—50 million with dependents included—to the approximately 1 million actual and potential grave sites available in all national cemeteries. In New York State, where there are three national cemeteries and one VA cemetery, burial space for veterans is negative. As of last year these cemeteries had a total of 282,000 developed graves with over 1 million interments and zero additional acreage for burial development.

Centralization of Federal cemetery policy and operation under the Veterans' Administration is the first step toward the orderly development of a national cemetery system. This is the basis of S. 49, the National Cemeteries Act of 1973. The jurisdiction by the VA of our national cemeteries is logical in view of the fact that more than 95 percent of the internments in national cemeteries are of veterans.

In addition to the transfer of most cemeteries under the jurisdiction of the Department of Army to the VA, S. 49 provides the following:

Directs the VA to conduct a comprehensive study and submit recommendations as to what our national cemetery system and national burial policy should be.

Authorizes a special burial plot allowance of $150 in a case where a veteran is not buried in a national or other Federal cemetery.

Additional benefits of up to $800 are authorized for veterans who die of service-connected disabilities.

Authorizes the burial of any unidentified soldier who fell in Vietnam at Arlington National Cemetery who served in South East Asia and lost his life during the Vietnam era.

VETERANS DRUG AND ALCOHOL TREATMENT AND REHABILITATION ACT OF 1973, S. 284

Mr. President, I strongly support the "Veterans' Drug and Alcohol Treatment and Rehabilitation Act of 1973" (S. 284) and have long been deeply concerned about the Veterans' Administration's drug treatment programs. The plight of the addicted and drug-abusing serviceman has only added measurably to making drug addiction a national issue.

I was not convinced that the present VA drug treatment program was doing enough for the addicted veterans in New York. I expressed my concern about the adequacy and capability of the VA to deal effectively with addicted veterans in New York to the VA Administrator and last year arranged a meeting between senior VA officials and the Deputy Director of the President's Special Action Office for Drug Abuse Prevention with New York City and State officials to see what more could be done to aid addicted veterans.

One thing became clear as the result of that meeting: The need for additional legislation—as set forth in this bill—which would provide the VA authority to contract with approved community programs for treatment and rehabilitation of addicted veterans.

The city and State of New York continue to do all within their powers, but the Federal Government must pledge itself, through the VA, to a substantial commitment. If we are to adequately care for our addicted veterans, the VA should contract or purchase services from State, city, and community institutions with expertise in drug rehabilitation. These institutions constitute a reservoir of valuable experience in dealing with narcotics abuse and could prove to be of great benefit to the VA's own efforts to deal with the narcotics problem. This bill would accomplish that result. It seeks a solution to the critical addicted veteran problem and would provide more effective treatment to the thousands of New York addicted Vietnam era veterans.

In New York City, there is no question that thousands of drug-abusing veterans are already back home and out of uniform, adding tragic reinforcement to the addict ranks of a city that acknowledges the deep seriousness of its drug control problem. There is no question that action is required to generate meaningful services for those in desperate need. This bill will enable us to meet our obligations to individuals who have served their Nation, only to become ensnared in a sickness far more debilitating even than the battleground wounds usually associated with war.

The signing of the "Comprehensive Alcoholism Prevention, Treatment and Rehabilitation Act of 1970" into law marked a most historic day in the national struggle against alcoholism and the end of a legislative struggle which began in 1966, when I introduced the first alcoholism bill with Senator Moss of Utah and which culminated in passage of the bill which I introduced in this Congress with Senator HUGHES of Iowa, Senator Moss, and more than 50 cosponsors.

I am, therefore, pleased that the pending bill will authorize the VA to utilize more effectively its enormous resources in the stepped-up national fight against alcoholism and reduce the enormous toll taken by alcoholism and alcohol abuse on our society.

VETERANS' HEALTH CARE EXPANSION ACT OF 1973, S. 59

Mr. President, S. 59, the Veterans' Health Care Expansion Act of 1973, provides a major undertaking to improve the ability of the VA to deliver quality medical care to its beneficiaries.

The contents of S. 59 are the result of extensive VA medical care oversight hearings conducted in the 91st and 92d Congress by the Senate Veterans' Affairs Committee. It was found that the potential increase in health care to the 6 million Vietnam era veterans combined with the aging of World War II veteran population, promised increased demands on the VA hospitals and medical programs in terms of staff and facilities. Moreover, the committee learned that there will be greater need by VA hospitals to update medical equipment and personnel training to meet the rapid technological advances occurring continually in the medical community. The Veterans' Health Care Expansion Act of 1973, S. 59, provides this needed medical services to those citizens who served their country in the Armed Forces.

The major provisions of S. 59 are the following:

First. Treating the veteran as part of a family unit. The inclusion of a veteran's family, especially in psychiatric treatment, is essential to many rehabilitation programs. Under S. 59 provision would be made for family members of a veteran to function in closer relationship to health care institutions and personnel in the surrounding community. Home health care by visiting medical teams would be broadened to provide more compassionate and more economical care.

Second. Provides veterans with 80 percent or more service-connected disabilities, eligibility for outpatient care and medicines for all their non-service-connected disabilities regardless of their financial status or future need for hospitalization.

Third, to the peacetime veterans whose service ended prior to April 6, 1917 and those who served between January 1, 1947 and June 27, 1950, and who suffer from non-service-connected disabilities and unable to afford private care, they will be eligible to receive VA hospital, nursing home and certain outpatient care.

Fourth. For the first time wives and children of veterans with total service-connected disabilities and widows and orphans of veterans who died from service-connected disabilities will be eligible for VA medical care if they are not covered by medicare, medicaid, or a military medical benefit program.

Fifth. Outpatient care will be expanded to all eligible VA health care beneficiaries if such outpatient care treatment would obviate the need for hospitalization.

Sixth. A comprehensive sickle cell anemia screening, counseling, and medical treatment program is established for requesting veterans and their spouses. Also authority would be given to the VA to carry out a special research and training program in the prevention, diagnosis, and treatment of sickle cell anemia based upon screening examinations and treatment.

Seventh. Provides for the expansion of nursing home care by permitting veterans and eligible dependents direct admission to a VA nursing home without prior VA hospitalization. S. 59 also doubles the present statutory minimum of VA nursing home beds from 4,000 to 8,000 by fiscal year 1974.

Eighth. Requires the VA to raise the staff-to-patient ratio in every VA service facility to the point where such facilities will be comparable on a service-by-service basis with other comparable medical services and facilities in the community.

Ninth. Improves and expands the Department of Medicine and Surgery personnel system with added incentive for the VA to compete more effectively for scarce health professionals. Emphasis will be placed upon the recruitment, training and employment by the VA of recent veterans with medical specialties.

Mr. President, these three veteran bills should be adopted if the Congress is to continue their responsibility to the veteran and his family. We are all aware, I am sure, that these bills received the overwhelming support of both Houses in the 92d Congress, and I urge the Senate once again to reaffirm proper support for the American veteran as encompassed in S. 49, S. 59, and S. 284.

Mr. EAGLETON. Mr. President, I am pleased to support the passage of S. 59, the Veterans Health Care Expansion Act; S. 49, the National Cemeteries Act; and S. 284, the Veterans' Drug and Alcohol Treatment and Rehabilitation Act.

The first two bills were among those pocket-vetoed by the President following the adjournment of the 92d Congress. S. 284, the drug treatment bill, is similar to a bill passed by the Senate last fall which died when there was insufficient time to reach a compromise with the House of Representatives.

I believe it is essential that these measures be enacted into law this year—if necessary by overriding Presidential vetoes.

S. 59 is designed to expand and improve the quality of the medical care available to veterans and certain of their dependents.

It would upgrade the quality of hospital care and expand nursing home care, outpatient care, and home health services for veterans.

It would make medical care available to wives and children of totally disabled service-connected veterans, to widows, and children of veterans who die from service-connected disabilities, and to certain peacetime veterans.

It would establish a voluntary, comprehensive sickle cell anemia screening and counseling program for veterans and their spouses.

The basic purpose of S. 49 is to establish, within the Veterans' Administration, a national cemetery system for the interment of deceased servicemen and veterans.

In addition, it authorizes a special burial plot allowance of $150, in addition to the present allowance of $250, where a veteran is buried in other than a Federal cemetery. Additional burial benefits of up to $800 are authorized for those who die of service-connected disabilities.

Finally, S. 284 would establish a vitally needed comprehensive drug and alcohol treatment and rehabilitation program for veterans regardless of the nature of their discharge or of whether their addiction is service connected.

At present the VA does not have the authority to provide drug treatment for some 18,000 Vietnam veterans who have received less than an honorable or general discharge.

This bill places emphasis not just on detoxification but on the rehabilitation services and job placement assistance necessary to return these men to normal, productive lives.

Mr. President, this Nation owes much to all of its veterans, but to none more than the veterans of Vietnam. They are the men who have borne the real burden of this unpopular and unfortunate war. All too many of them now bear its physical and emotional scars.

For them there have been no victory parades. Instead they have come home to the vetoing of bills to provide the medical care and rehabilitation services they need, to proposals for reducing their disability compensation, to impoundment of funds appropriated for their education, and to cutbacks in programs for their training and employment.

Unless Congress acts decisively, these men are in danger of becoming the real MIA's of the Vietnam war.

With these bills which the Senate has now passed for the second time, the Veterans' Administration is given the authority to provide Vietnam veterans—and veterans of previous wars—medical care of the kind and quality they need and deserve to have.

Mr. BUCKLEY. Mr. President, this morning one of my legislative assistants advised me that in a few hours time I would be expected to vote on S. 59. He further advised me that—

First, the bill was expected to be similar to a bill that had been vetoed last year because of fiscal considerations;

Second, the amount to be appropriated by S. 59 is identical to the amount appropriated in the vetoed bill;

Third, it was understood that whereas some significant changes had been made in the provisions of S. 59;

Fourth, my assistant was not in a position to advise me as to the nature of the changes because the committee report explaining the bill was not yet available.

I understand, Mr. President, that the report in question has now been circulated, but it is totally unreasonable to assume that I and my other colleagues not members of the Committee on Veterans' Affairs will have had the opportunity to digest the more than 100 pages of the committee report by the time the bells ring to summon us to the floor to vote on it. This extraordinary haste is grounds enough to refuse to vote favorably on the legislation. I will base my adverse vote, however, on other grounds.

As I have already done twice this session in connection with other legislation, I will vote against this measure not on the basis of intrinsic merit but on the basis of an overriding need to reestablish a sense of fiscal responsibility in this body. Once again we are witnessing an absolute refusal on the part of the Senate to try to reconcile aggregate appropriations for the current year with the $250 billion which the Senate last October agreed was the upper limit of what the Federal Government could prudently spend. I know I am voting against a "misunderstood" bit of legislation. I suggest, however, that the workers—and the veterans—of America would rather have us scrutinize each new appropriation and fit it into a comprehensive, responsible Federal budget, than invite a renewal of inflation or an increase in taxes through helter-skelter spending.

SENATOR RANDOLPH ACTIVELY SUPPORTS HEALTH CARE PROGRAMS FOR VETERANS

Mr. RANDOLPH. Mr. President, I support the Veterans' Health Care Expansion Act of 1973. It is my privilege to cosponsor this vital measure. As a member of the Senate Committee on Veterans, I have worked closely with the membership of our committee in the development of S. 59 and in bringing it to the Senate floor. As Senators know, this bill is one of the vetoed measures on which the Congress did not have an opportunity last year to consider the veto. It was my belief then and continues to be my belief that the President made a critical mistake in rejecting a measure so vital to the health care of our veterans and to the VA system which must provide that health care. I hope that this year the President will sign the Veterans' Health Care Expansion Act into law. But, at this moment, what the President may or may not do is not the critical issue. The important element today is that the Senate work its will on S. 59—and I am confident that the will of the Senate will be overwhelming approval of S. 59.

Mr. President, the Veterans' Health Care Act of 1973 will increase significantly the quality of VA health care; extend this health care to additional veterans and survivors who deserve and need this assistance; and strengthen the VA hospital system.

Mr. President, the Senator from California (Mr. CRANSTON) has discussed the provisions of S. 59. I comment briefly on the major provisions of the bill.

The measure would expand VA health care programs and authorize ambulatory outpatient care for veterans where needed to forestall hospitalization. This provision is in keeping with the trend in health care programs and is certainly needed as a part of the VA system. Disabled veterans with a rated disability of 80 percent or more will become eligible for additional VA medical care under S. 59. Further, peacetime veterans who are suffering from non-service-connected disabilities and unable to afford private care will be provided health care. Full VA medical care would be made available to widows and orphans of veterans who have died of service-connected disabilities and to wives and children of totally disabled veterans. To strengthen our VA hospital system, S. 59 would require the VA to provide for an average of no less than 98,500 operating hospital beds and an average daily patient census of 85,500, and to maintain the census at no less than 82,000. The Office of Management and Budget has constantly endeavored to limit the number of available hospital beds and to arbitrarily reduce the daily patient census in order to reduce the VA budget. It is essential that the Congress act affirmatively to prevent such arbitrary reductions and to insure that hospital beds are available when needed by our veterans population. This provision will help achieve that objective. S. 59 also would require increases in VA hospital staff-to-patient ratios where warranted. Finally, S. 59 would provide overtime and premium pay to VA nurses similar to benefits now paid to other Federal nurses.

Mr. President, this is an important measure for the veterans of our Nation. We have a commitment to these men and women who have served in our Armed Forces to insure strong national defense and the freedoms of this Republic. But that commitment must be backed with affirmative action and programs and the funds to carry out these programs. It is not enough to say how thankful our Nation is and how deserving are our veterans. Our gratitude is best manifested by viable and comprehensive health care and pension programs, adequately funded and properly administered. S. 59, the Veterans Health Care Expansion Act is a vital part of the commitment to the veterans of our Nation.

I commend the Senator from California (Mr. CRANSTON) for his diligence and effectiveness in bringing this measure to the Senate. He is a true advocate and friend of our veterans. Additionally, I stress the cooperation and efforts of the Senator from Indiana (Mr. HARTKE), chairman of our committee and the Senator from Wyoming (Mr. HANSEN), ranking minority member; and all members in developing this bill.

I strongly endorse S. 59 and urge the Senate to approve it.

The PRESIDING OFFICER. Do Senators yield back their remaining time?

Mr. CRANSTON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Ohio yield back the remainder of his time?

Mr. SAXBE. Yes.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and was read the third time.

The PRESIDING OFFICER (Mr. SCOTT of Virginia). The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), the Senator from Michigan (Mr. HART), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from New Jersey (Mr. Williams), the Senator from California (Mr. Tunney), the Senator from Indiana (Mr. Bayh), and the Senator from South Dakota (Mr. Abourezk) would each vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Arizona (Mr. Fannin), the Senator from Oregon (Mr. Packwood), and the Senator from South Carolina (Mr. Thurmond) are absent on official business.

The Senator from Arizona (Mr. Goldwater) and the Senator from Michigan (Mr. Griffin) are detained on official business.

If present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "yea."

The result was announced—yeas 86 nays 2, as follows:

[No. 32 Leg.]

YEAS—86

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fong
Fulbright
Gravel
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Weicker
Young

NAYS—2

Bennett
Buckley

NOT VOTING—12

Abourezk
Bayh
Ervin
Fannin
Goldwater
Griffin
Hart
Packwood
Stennis
Thurmond
Tunney
Williams

So the bill (S. 59) was passed.

(Note.—The text of the bill as passed is identical to the text printed in the Record at the point where the Senate proceeded to consider it.)

The title was amended, so as to read: "A bill to amend title 38 of the United States Code to provide improved and expanded medical and nursing home care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to provide for improved structural safety of Veterans' Administration facilities; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery; and for other purposes."

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Secretary of the Senate may be permitted to make technical changes in the engrossment of the bill (S. 59) just passed.

The PRESIDING OFFICER (Mr. Haskell). Without objection, it is so ordered.

NATIONAL CEMETERIES ACT OF 1973

The PRESIDING OFFICER (Mr. Haskell). Under the previous unanimous-consent agreement, the Senate will now proceed to the consideration of Calendar No. 61, S. 49, which the clerk will state.

The legislative clerk read as follows:

S. 49, to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs with amendments, on page 17, line 7, after the word "Soldiers' ", insert "and Airmen's"; on page 37, after line 21, strike out:

Sec. 10. (a) Notwithstanding any other provision of law, no real property under the jurisdiction or control of the Veterans' Adminstration may be transferred (by sale, lease, or otherwise) to any other department or agency of the Federal Government, to any State or subdivision thereof, to any territory or possession of the United States, or to any public or private person or other entity.

(1) in any case in which the fair market value of such property (including all improvements to such property) exceeds $100,000 or the area thereof exceeds one hundred acres, unless the transfer of such property is specifically authorized by a law enacted after October 1, 1972, or unless such property is transferred pursuant to authority contained in title 38, United States Code; or

(2) in any case in which the fair market value of such property (including all improvements to such property) is $100,000 or less and the area thereof is one hundred acres or less, unless written notice of the proposed transfer of such property is given to the Committees on Veterans' Affairs of the Senate and the House of Representatives at least thirty days prior to the transfer of such property.

On page 38, at the beginning of line 20, change the section number from "11" to "10"; and, at the beginning of line 21, strike out "8, and 10" and insert "and 8"; so as to make the bill read:

S. 49

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Cemeteries Act of 1973".

Sec. 2. (a) Part II of title 38, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 24—NATIONAL CEMETERIES AND MEMORIALS

"Sec.
"1000. Establishment of National Cemetery System; composition of such system; appointment of director.
"1001. Advisory committee on cemeteries and memorials.
"1002. Persons eligible for interment in national cemeteries.
"1003. Memorial areas.
"1004. Administration.
"1005. Disposition of inactive cemeteries.
"1006. Acquisition of lands.
"1007. Authority to accept and maintain suitable memorials.

"§ 1000. Establishment of National Cemetery System; composition of such system; appointment of director

"(a) There shall be within the Veterans' Administration a National Cemetery System for the interment of deceased servicemen and veterans. To assist him in carrying out his responsibilities in administering the cemeteries within the System, the Administrator may appoint a Director, National Cemetery System, who shall perform such functions as may be assigned by the Administrator.

"(b) The National Cemetery System shall consist of—

"(1) national cemeteries transferred from the Department of the Army to the Veterans' Administration by the National Cemeteries Act of 1973;

"(2) cemeteries under the jurisdiction of the Veterans' Administration on the date of enactment of this chapter; and

"(3) any other cemetery, memorial, or monument transferred to the Veterans' Administration by the National Cemeteries Act of 1973, or later acquired or developed by the Administrator.

"§ 1001. Advisory Committee on Cemeteries and Memorials

"There shall be appointed by the Administrator an Advisory Committee on Cemeteries and Memorials. The Administrator shall advise and consult with the Committee from time to time with respect to the administration of the cemeteries for which he is responsible, and with respect to the selection of cemetery sites, the erection of appropriate memorials, and the adequacy of Federal burial benefits. The Committee shall make periodic reports and recommendations to the Administrator and to Congress.

"§ 1002. Persons eligible for internment in national cemeteries

"Under such regulations as the Administrator may prescribe and subject to the provisions of section 3505 of this title, the remains of the following persons may be buried in any open national cemetery in the National Cemetery System:

"(1) Any veteran (which for the purposes of this chapter includes a person who died in the active military, naval, or air service).

"(2) Any member of a Reserve component of the Armed Forces, and any member of the Army National Guard or the Air National Guard, whose death occurs under honorable conditions while he is hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred under honorable conditions while he is performing active duty for training, inactive duty training, or undergoing that hospitalization or treatment at the expense of the United States.

"(3) Any member of the Reserve Officers' Training Corps of the Army, Navy, or Air Force whose death occurs under honorable conditions while he is—

"(A) attending an authorized training camp or on an authorized practice cruise;

"(B) performing authorized travel to or from that camp or cruise; or

"(C) hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred under honorable conditions while he is—

"(i) attending that camp or on that cruise;

"(ii) performing that travel; or

"(iii) undergoing that hospitalization or treatment at the expense of the United States.

"(4) Any citizen of the United States who, during any war in which the United States is or has been engaged, served in the armed forces of any government allied with the United States during that war, and whose last such service terminated honorably.

"(5) The wife, husband, surviving spouse, minor child, and, in the discretion of the Administrator, unmarried adult child of any of the persons listed in paragraphs (1) through (4).

"(6) Such other persons or classes of persons as may be designated by the Administrator.

"§ 1003. Memorial areas

"(a) The Administrator shall set aside, when available, suitable areas in national cemeteries to honor the memory of members of the Armed Forces missing in action, or who died or were killed while serving in such forces and whose remains have not been identified, have been buried at sea or have been determined to be nonrecoverable.

"(b) Under regulations prescribed by the Administrator, appropriate memorials or markers shall be erected to honor the memory of those individuals, or group of individuals, referred to in subsection (a) of this section.

"§ 1004. Administration

"(a) The Administrator is authorized to make all rules and regulations which are necessary or appropriate to carry out the provisions of this chapter, and may designate those cemeteries which are considered to be national cemeteries.

"(b) In conjunction with the development and administration of cemeteries for which he is responsible, the Administrator shall provide all necessary facilities including, as necessary, superintendents' lodges, chapels, crypts, mausoleums, and columbaria.

"(c) Each grave in a national cemetery shall be marked with an appropriate marker. Such marker shall bear the name of the person buried, the number of the grave, and such other information as the Administrator shall by regulation prescribe.

"(d) There shall be kept in each national cemetery, and at the main office of the Veterans' Administration, a register of burials in each cemetery setting forth the name of each person buried in the cemetery, the number of the grave in which he is buried, and such other information as the Administrator by regulation may prescribe.

"(e) In carrying out his responsibilities under this chapter, the Administrator may contract with responsible persons, firms, or corporations for the care and maintenance of such cemeteries under his jurisdiction as he shall choose, under such terms and conditions as he may prescribe.

"(f) The Administrator is authorized to convey to any State, or political subdivision thereof, in which any national cemetery is located, all right, title, and interest of the United States in and to any Government owned or controlled approach road to such cemetery if, prior to the delivery of any instrument of conveyance, the State or political subdivision to which such conveyance is to be made notifies the Administrator in writing of its willingness to accept and maintain the road included in such conveyance. Upon the execution and delivery of such a conveyance, the jurisdiction of the United States over the road conveyed shall cease and thereafter vest in the State or political subdivision concerned.

"(g) Notwithstanding any other provision of law, the Administrator may at such time as he deems desirable, relinquish to the State in which any cemetery, monument, or memorial under his jurisdiction is located, such portion of legislative jurisdiction over the lands involved as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of jurisdiction under the authority of this subsection may be made by filing with the Governor of the State involved a notice of such relinquishment and shall take effect upon acceptance thereof by the State in such manner as its laws may prescribe.

"§ 1005. Disposition of inactive cemeteries

"(a) The Administrator may transfer, with the consent of the agency concerned, any inactive cemetery, burial plot, memorial, or monument within his control to the Department of the Interior for maintenance as a national monument or park, or to any other agency of the Government. Any cemetery transferred to the Department of the Interior shall be administered by the Secretary of the Interior as a part of the National Park System, and funds appropriated to the Secretary for such system shall be available for the management and operation of such cemetery.

"(b) The Administrator may also transfer and convey all right, title, and interest of the United States in or to any inactive cemetery or burial plot, or portion thereof, to any State, county, municipality, or proper agency thereof, in which or in the vicinity of which such cemetery or burial plot is located, but in the event the grantee shall cease or fail to care for and maintain the cemetery or burial plot or the graves and monuments contained therein in a manner satisfactory to the Administrator, all such right, title, and interest transferred or conveyed by the United States, shall revert to the United States.

"(c) If a cemetery not within the National Cemetery System has been or is to be discontinued, the Administrator may provide for the removal of remains from that cemetery to any cemetery within such System. He may also provide for the removal of the remains of any veteran from a place of temporary interment, or from an abandoned grave or cemetery, to a national cemetery.

"§ 1003. Acquisition of lands

"As additional lands are needed for national cemeteries, they may be acquired by the Administrator by purchase, gift (including donations from States or political subdivisions thereof), condemnation, transfer from other Federal agencies, or otherwise, as he determines to be in the best interest of the United States.

"§ 1007. Authority to accept and maintain suitable memorials

"Subject to such restrictions as he may prescribe, the Administrator may accept gifts, devises, or bequests from legitimate societies and organizations or reputable individuals, made in any manner, which are made for the purpose of beautifying national cemeteries, or are determined to be beneficial to such cemetery. He may make land available for this purpose, and may furnish such care and maintenance as he deems necessary."

(b) The table of chapters of part II and the table of parts and chapters of title 38, United States Code, are each amended by inserting immediately below

"23. Burial benefits.............. 901".

the following:

"24. National cemeteries and memorials .... 1000".

(c) Section 5316 of title 5, United States Code, is amended by striking out:

"(131) General Counsel of the Equal Employment Opportunity Commission."

and inserting in lieu thereof the following:

"(132) General Counsel of the Equal Employment Opportunity Commission.

"(133) Director, National Cemetery System, Veterans' Administration."

SEC. 3. (a) The Administrator shall conduct a comprehensive study and submit his recommendations to Congress within six months after the convening of the first session of the Ninety-third Congress concerning:

(1) criteria which govern the development and operation of the National Cemetery System, including the concept of regional cemeteries;

(2) the relationship of the National Cemetery System to other burial benefits provided by Federal and State governments to servicemen and veterans;

(3) steps to be taken to conform the existing System to the recommended criteria;

(4) the private burial and funeral costs in the United States;

(5) current headstone and marker programs; and

(6) the marketing and sales practices of non-Federal cemeteries and interment facilities, or any person either acting on their behalf or selling or attempting to sell any rights, interest, or service therein, which is directed specifically toward veterans and their dependents.

(b) The Administrator shall also, in conjunction with the Secretary of Defense, conduct a comprehensive study of and submit their joint recommendations to Congress within six months after the convening of the first session of the Ninety-third Congress concerning:

(1) whether it would be advisable in carrying out the purposes of this Act to include the Arlington National Cemetery within the National Cemetery System established by this Act;

(2) the appropriateness of maintaining the present eligibility requirements for burial at Arlington National Cemetery; and

(3) the advisability of establishing another national cemetery in or near the District of Columbia.

SEC. 4. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations

"(a) For the purpose of maintaining law and order and of protecting persons and property on lands (including cemeteries) and in buildings under the jurisdiction of the Veterans' Administration (and not under the control of the Administrator of General Services), the Administrator or any officer or employee of the Veterans' Administration duly authorized by him may—

"(1) make all needful rules and regulations for the governing of the property under his charge and control, and annex to such rules and regulations such reasonable penalties within the limits prescribed in subsection (b) of this section as will insure their enforcement. Such rules and regulations shall be posted in a conspicuous place on such property;

"(2) designate officers and employees of the Veterans' Administration to act as special policemen on such property and, if the Administrator deems it economical and in the public interest, with the concurrence of the head of the agency concerned, utilize the facilities and services of existing Federal law-enforcement agencies, and, with the consent of any State or local agency, utilize the facilities and services of such State or local law-enforcement agencies; and

"(3) empower officers or employees of the Veterans' Administration who have been duly authorized to perform investigative functions to act as special investigators and to carry firearms, whether on Federal property or in travel status. Such special investigators shall have, while on real property under the charge and control of the Veterans' Administration, the power to enforce Federal laws for the protection of persons and property and the power to enforce rules and regulations issued under subsection (a)(1) of this section. Any such special investigator may make an arrest without a warrant for any offense committed upon such property if he has reasonable ground to believe (A) the offense constitutes a felony under the laws of the United States, and (B) that the person to be arrested is guilty of that offense.

"(b) Whoever shall violate any rule or regulation issued pursuant to subsection (a) (1) of this section shall be fined not more than $50 or imprisoned not more than thirty days, or both."

(b) Section 625 of title 38, United States Code, is hereby repealed.

(c) (1) The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by inserting immediately after—

"217. Studies of rehabilitation of disabled persons."

the following:

"218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.".

(2) The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by striking out—

"625. Arrests for crimes in hospital and domiciliary reservations.".

SEC. 5. (a) Chapter 23 of title 38, United States Code, is amended by—

(1) amending section 903 to read as follows:

"§ 903. Death in Veterans' Administration facility; plot allowance

"(a) Where death occurs in a Veterans' Administration facility to which the deceased was properly admitted for hospital or domiciliary care under section 610 or 611 of this title, the Administrator—

"(1) shall pay the actual cost (not to exceed $250) of the burial and funeral or, within such limits, may make contracts for such services without regard to the laws requiring advertisement for proposals for supplies and services for the Veterans' Administration; and

"(2) shall, when such a death occurs in a State, transport the body to the place of burial in the same or any other State.

"(b) In addition to the foregoing, if such a veteran, or a veteran eligible for a burial allowance under section 902 of this title, is not buried in a national cemetery or other cemetery under the jurisdiction of the United States, the Administrator, in his discretion, having due regard for the circumstances in each case, may pay a sum not exceeding $150, as a plot or interment allowance to such person as he prescribes. In any case where any part of the plot or interment expenses have been paid or assumed by a State, any agency or political subdivision of a State, or the employer of the deceased veteran, no claim for such allowance shall be allowed for more than the difference between the entire amount of the expenses incurred and the amount paid or assumed by any or all of the foregoing entities."; and

(2) adding at the end of such chapter the following new sections:

"§ 906. Headstones and markers

"(a) The Administrator shall furnish, when requested, appropriate Government headstones or markers at the expense of the United States for the unmarked graves of the following:

"(1) Any individual buried in a national cemetery or in a post cemetery.

"(2) Any individual eligible for burial in a national cemetery (but not buried there), except for those persons or classes of persons enumerated in section 1002(a) (4), (5), and (6) of this title.

"(3) Soldiers of the Union and Confederate Armies of the Civil War.

"(b) The Administrator shall furnish, when requested an appropriate memorial headstone or marker to commemorate any veteran dying in the service, and whose remains have not been recovered or identified or were buried at sea, for placement by the applicant in a national cemetery area reserved for such purposes under the provisions of section 1003 of this title, or in any private or local cemetery.

"§ 907. Death from service-connected disability

"In any case in which a veteran dies as a result of a service-connected disability or disabilities, the Administrator, upon the request of the survivors of such veteran, shall pay the burial and funeral expenses incurred in connection with the death of the veteran in an amount not exceeding the amount authorized to be paid under section 8134(a) of title 5 in the case of a Federal employee whose death occurs as the result of an injury sustained in the performance of duty. Funeral and burial benefits provided under this section shall be in lieu of any benefits authorized under sections 902 and 903(a) (1) and (b) of this title."

(b) The table of sections at the beginning of chapter 23 of title 38, United States Code, is amended—

(1) by striking out

"903. Death in Veterans' Administration facility."

and inserting in lieu thereof

"903. Death in Veterans' Administration facility; plot allowance.";

and

(2) by adding at the end thereof the following items:

"906. Headstones and markers.

"907. Death from service-connected disability.".

SEC. 6. (a) (1) There are hereby transferred from the Secretary of the Army to the Administrator of Veterans' Affairs all jurisdiction over, and responsibility for, (A) all national cemeteries (except the cemetery at the United States Soldiers' *and Airmen*'s Home and Arlington National Cemetery), and (B) any other cemetery (including burial plots), memorial, or monument under the jurisdiction of the Secretary of the Army immediately preceding the effective date of this section (except the cemetery located at the United States Military Academy at West Point) which the President determines would be appropriate in carrying out the purposes of this Act.

(2) There are hereby transferred from the Secretary of the Navy and the Secretary of the Air Force to the Administrator of Veterans' Affairs all jurisdiction over, and responsibility for, any cemetery (including burial plots), memorial, or monument under the jurisdiction of either Secretary immediately preceding the effective date of this section (except those cemeteries located at the United States Naval Academy at Annapolis, the United States Naval Home Cemetery at Philadelphia, and the United States Air Force Academy at Colorado Springs) which the President determines would be appropriate in carrying out the purposes of this Act.

(b) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds available to, or under the jurisdiction of, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, in connection with functions transferred by this Act, as determined by the Director of the Office of Management and Budget, are transferred to the Administrator of Veterans' Affairs.

(c) All offenses committed and all penalties and forfeitures incurred under any of the provisions of law amended or repealed by this Act may be prosecuted and punished in the same manner and with the same effect as if such amendments or repeals had not been made.

(d) All rules, regulations, orders, permits, and other privileges issued or granted by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force will respect to the cemeteries, memorials, and monuments transferred to the Veterans' Administration by this Act, unless contrary to the provisions of such Act, shall remain in full force and effect until modified, suspended, overruled, or otherwise changed by the Administrator of Veterans' Affairs, by any court of competent jurisdiction, or by operation of law.

"(e) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an official of the Department of the Army, the Department of the Navy, or the Department of the Air Force with respect to functions transferred under subsection (a) or (c) of this section shall abate by reason of the enactment of this section. No cause of action by or against any such department with respect to functions transferred under such subsection (a) or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this section. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such officer of the Veterans' Administration as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, upon its own motion or that of any party, enter an order which will give effect to the provisions of this subsection. If before the date this section takes effect, any such department, or officer thereof in his official capacity, is a party to a suit with respect to any function so transferred, such suit shall be continued by the Administrator of Veterans' Affairs.

SEC. 7. (a) The following provisions of law are repealed, except with respect to rights and duties that matured, penalties, liabilities, and forfeitures that were incurred, and proceedings that were begun, before the effective date of this section:

(1) Sections 4870, 4871, 4872, 4873, 4875, 4877, 4881, and 4882 of the Revised Statutes (24 U.S.C. 271, 272, 273, 274, 276, 279, 286, and 287).

(2) The Act entitled "An Act to provide for a national cemetery in every State", approved June 29, 1938 (24 U.S.C. 271a).

(3) The Act entitled "An Act to provide for selection of superintendents of national cemeteries from meritorious and trustworthy members of the Armed Forces who have been disabled in line of duty for active field service", approved March 24, 1948, as amended (24 U.S.C. 275).

(4) The proviso to the second paragraph preceding the center heading "MEDICAL DEPARTMENT" in the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June thirtieth, eighteen hundred and seventy-seven, and for other purposes", approved July 24, 1876, as amended (24 U.S.C. 278).

(5) The Act entitled "An Act to provide for the procurement and supply of Government headstones or markers for unmarked graves of members of the Armed Forces dying in the service on or after honorable discharge therefrom, and other persons, and for other purposes", approved July 1, 1948, as amended (24 U.S.C. 279a–279c).

(6) The Act entitled "An Act to establish eligibility for burial in national cemeteries, and for other purposes", approved May 14, 1948, as amended (24 U.S.C. 281).

(7) The Act entitled "An Act to provide for the erection of appropriate markers in national cemeteries to honor the memory of members of the Armed Forces missing in action", approved August 27, 1954, as amended (24 U.S.C. 279d).

(8) The Act entitled "An Act to provide for the utilization of surplus War Department owned military real property as national cemeteries, when feasible", approved August 4, 1947 (24 U.S.C. 281a–281c).

(9) The Act entitled "An Act to preserve historic graveyards in abandoned military posts", approved July 1, 1947 (24 U.S.C. 296).

(10) The Act entitled "An Act to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colorado", approved March 10, 1950 (24 U.S.C. 281d–f).

(11) The Act entitled "An Act to provide for the expansion and disposition of certain national cemeteries", approved August 10, 1950 (24 U.S.C. 281g).

(12) The ninth paragraph following the side heading "National Cemeteries" in the Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and thirteen, and for other purposes", approved August 24, 1912 (24 U.S.C. 282).

(13) The fourth paragraph after the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1926, and for other purposes", approved February 12, 1925 (24 U.S.C. 288).

(14) The second paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1942, for civil functions administered by the War Department, and for other purposes," approved May 23, 1941 (24 U.S.C. 289).

(15) The first proviso to the second paragraph and all of the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926 (44 Stat. 287).

(16) The first proviso to the second paragraph and all of the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes", approved February 23, 1927, (44 Stat. 1138).

(17) The first proviso of the fourth paragraph and all of the fifth paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activties of the War Department for the fiscal year ending June 30, 1929, and for other purposes", approved March 23, 1928 (45 Stat. 354).

(18) The first proviso to the second paragraph and all of the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1930, and for other purposes", approved February 28, 1929 (45 Stat. 1375).

(19) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title " of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, and for other purposes", approved May 28, 1930 (46 Stat. 458).

(20) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes", approved February 23, 1931 (46 Stat. 1302).

(21) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1933, and for other purposes", approved July 14, 1932 (47 Stat. 689).

(22) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes", approved March 4, 1933 (47 Stat. 1595).

(23) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes", approved April 26, 1934 (48 Stat. 639).

(24) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes", approved April 9, 1935 (49 Stat. 145).

(25) The first proviso to the paragrph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1937, and for other purposes", approved May 15, 1936 (49 Stat. 1305).

(26) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes", approved July 19, 1937 (50 Stat. 515).

(27) The first proviso to the first paragraph and all of the second paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department and for other purposes", approved June 11, 1938 (52 Stat. 668).

(28) The first proviso to the first paragraph and all of the second paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes", approved June 28, 1939 (53 Stat. 857).

(29) The first proviso to the first paragraph and all of the second paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes", approved June 24, 1940 (54 Stat. 505).

(30) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1942, for civil functions administered by the War Department, and for other purposes", approved May 23, 1941 (55 Stat. 191).

(31) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1943, for civil functions administered by the War Department and for other purposes", approved April 28, 1942 (56 Stat. 220).

(32) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes", approved June 2, 1943 (57 Stat. 94).

(33) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1945, for civil functions administered by the War Department, and for other purposes", approved June 26, 1944 (58 Stat. 327–328).

(34) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1946, for civil functions administered by the War Department, and for other purposes", approved March 31, 1945 (59 Stat. 39).

(35) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes", approved May 2, 1946 (60 Stat. 161).

(36) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the War Department for the fiscal year ending June 30, 1948, and for other purposes", approved July 31, 1947 (61 Stat. 687).

(37) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1949, and for other purposes", approved June 25, 1948 (62 Stat. 1019).

(38) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes", approved October 13, 1949 (63 Stat. 846).

(39) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in chapter IX of the Act entitled "An Act making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes", aproved September 6, 1950 (64 Stat. 725).

(40) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes", approved October 24, 1951 (65 Stat. 617).

(41) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1953, and for other purposes", approved July 11, 1952 (66 Stat. 579).

(42) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes", approved July 27, 1953 (24 U.S.C. 290).

(43) The first proviso to the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1926, and for other purposes", approved February 12, 1925 (43 Stat. 926).

(44) The first and second provisos to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act

entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes", approved June 30, 1954 (68 Stat. 331).

(45) The first and second provisos to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes", approved July 15, 1955 (69 Stat. 360).

(46) The first and second provisos to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1957, and for other purposes", approved July 2, 1956 (70 Stat. 474).

(47) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes", approved August 26, 1957 (71 Stat. 416).

(48) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1959, and for other purposes", approved September 2, 1958 (72 Stat. 1572).

(49) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1960, and for other purposes", approved September 10, 1959 (73 Stat. 492).

(50) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and certain river basin commissions for the fiscal year ending June 30, 1963, and for other purposes", approved October 24, 1962 (76 Stat. 1216).

(51) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and certain river basin commissions for the fiscal year ending June 30, 1964, and for other purposes", approved December 31, 1963 (77 Stat. 844).

(52) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes", approved August 30, 1964 (78 Stat. 682).

(53) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, and the Interoceanic Canal Commission, for the fiscal year ending June 30, 1966, and for other purposes", approved October 28, 1965 (79 Stat. 1096).

(54) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1967, and for other purposes", approved October 15, 1966 (80 Stat. 1002).

(55) The third proviso to the pargaraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commistion, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes", approved November 20, 1967 (81 Stat. 471).

(56) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes", approved August 12, 1968 (82 Stat. 705).

(57) the third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Pollution Control Administration, the Bureau of Reclamation power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1970, and for other purposes", approved December 11, 1969 (88 Stat. 327).

(58) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for public works for water pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Quality Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1971, and for other purposes", approved October 7, 1970 (84 Stat. 893).

(59) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian Regional Commission, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1972, and for other purposes", approved October 5, 1971 (85 Stat. 368).

(60) The Act entitled "An Act to revise eligibility requirements for burial in national cemeteries, and for other purposes", approved September 14, 1959 (73 Stat. 547).

(61) The Act entitled "An Act to amend the Act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries", approved August 30, 1961 (75 Stat. 411).

(b) Nothing in this section shall be deemed to affect in any manner the functions, powers, and duties of—

(1) the Secretary of the Interior with respect to those cemeteries, memorials, or monuments under his jurisdiction on the effective date of this section, or

(2) the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force with respect to those cemeteries, memorials, or monuments under his jurisdiction to which the transfer provisions of section 6(a) of this Act do not apply.

SEC. 8. The first sentence of section 3505 (a) of title 38, United States Code, is amended by inserting immediately after the words "gratuitous benefits" where first appearing therein, the following: "(including the right to burial in a national cemetery)".

SEC. 9. (a) The Secretary of Defense is authorized and directed to cause to be brought to the United States the remains of an American, who was a member of the Armed Forces of the United States, who served in Southeast Asia, who lost his life during the Vietnam era, and whose identity has not been established, for burial in the Memorial Amphitheater of the National Cemetery at Arlington, Virginia.

(b) The implementation of this section shall take place after the United States has concluded its participation in hostilities in Southeast Asia, as determined by the President or the Congress of the United States.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 10. (a) The first section and sections 2, 3, 4, and 8 of this Act shall take effect on the date of enactment of this Act.

(b) Clause (1) of section 5(a) shall take effect on the first day of the second calendar month following the date of enactment of this Act.

(c) Clause (2) of section 5(a) and sections 6 and 7 of this Act shall take effect July 1, 1973, or on such earlier date as the President may prescribe and publish in the Federal Register.

Mr. HARTKE. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc, and that the bill be regarded as original text for purpose of further amendment.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

Mr. MANSFIELD. Mr. President, for

the information of the Senate, there is a 10-minute limitation on this and the following bill, with rollcall votes to take 10 minutes each. I therefore suggest that Senators stay close by.

Mr. HARTKE. Mr. President, I rise in support of S. 49, the National Cemeteries Act of 1973. This measure is virtually identical to one which unanimously passed both Houses last year, only to be pocket vetoed by the President.

The legislation which I now urge you to support is the result of lengthy deliberation regarding a national cemetery system and veterans' burial benefits. Since 1966 there have been at least 15 days of hearings on these matters. In the meantime, the supply of regular gravesites has been completely exhausted in national cemeteries on the Middle Atlantic seaboard. The last available space at Culpeper National Cemetery was filled this past November. There is now no available space in any national military cemetery from Long Island to North Carolina.

Mr. President, I ask unanimous consent that an article which appeared in the Washington Post of November 18, 1972, reporting on the final burial at Culpeper, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Veteran's Burial, Last in Culpeper Cemetery, a Lonely Rite

(By Hank Burchard)

Culpeper, Va., Nov. 17.—Nobody claimed Henry Stuart Trumbower's body when he died a week ago in a veterans hospital, but he made history of a small sort when he was buried here today.

Trumbower, who was 66, was buried in the last space available in Culpeper National Cemetery. It was also the last regular gravesite available in any national military cemetery (except for highly restricted Arlington) from Long Island to North Carolina, according to Culpeper Supt. Edward H. Maxwell.

"We used to say the service was hell but at least we'd always have that final foxhole, courtesy of Uncle Sam," said undertaker Charles Spring, like Trumbower a World War II veteran. "I suppose it's still true that there's a free grave for every veteran, but if you die on the East Coast, it may be a long haul."

Spring had brought Trumbower's cloth-covered wood casket from the Veterans Adminstration Center in Martinsburg, W. Va. He had also made some effort to find out what Trumbower's widow who lives in the New York area, wanted done.

"She called the funeral home after the VA notified her, and said she wasn't going to take part in the services and would just let the VA bury him. That happens a lot with these VA cases. It's a sad thing." The funeral was paid for by the automatic $250 GI burial benefit.

That no friends or relatves were present did not surprise Maxwell or The Rev. James D. Riley Jr., a Culpeper Lutheran minister who had volunteered to conduct the service for Trumbower. "I came to Culpeper two years ago," Mr. Riley said. "Since then I've had about 75 similar situations. It always makes me wonder what sadness lies behind a man who must be buried without a single friend or relative in attendance."

Mr. Riley came early to the cemetery office to find out what he could about the deceased. All that was available was on an Army burial authorization form:

Born, 30 Apr 06, Philadelphia, Pa.; highest rank attained, staff sergeant; date of enlistment, 12 Feb 43, date of discharge, 27 Nov 45; unit, 937th Engineer Aviation Combat Battalion; service number, 33–584–339; religious preference, Protestant; discharge, honorable; died, 11 Nov 72. That was Armistice Day.

The VA Center at Martinsburg said it was not authorized to release the cause of Sgt. Trumbower's death, the length of his stay in the hospital, nor any other information about him.

But if the VA was terse, the Army, as always, gave the veteran full military honors. In fact Trumbower got a little something extra. In the past few years when "Taps" was played at a Culpeper funeral, it came from a tape recorder the Army had issued Supt. Maxwell. This time they sent a real bugler.

The burial detail came from the 902d Engineer Company (Float Bridge), Ft. Belvoir, commanded by Lt. James E. Miller. That Trumbower has served with the Engineers was a coincidence.

Trumbower also received, by chance, one of the choice spots in the cemetery. It was beneath a towering hemlock on the northeast edge of the central officers' circle, which had held no enlisted man since the cemetery was opened in 1867 to receive the dead from the battles of Cedar Mountain, Brandy Station and a dozen skirmishes around Culpeper.

"Forasmuch as it hath pleased Almighty God of his great mercy, to take unto himself the soul of our brother: we therefore commit his body to the ground," read Mr. Riley from his red leatherette book of the Lutheran occasional services and additional orders.

It was bitterly cold, and the bugler's notes wavered: one of the seven-man firing party's M–14 rifles jammed, so that Trumbower got only a 19-gun salute; and when the flag was lifted from the casket it trembled in the hands of the shivering soldiers, who wore no overcoats.

They folded the flag and placed it on one of the six empty chairs set out for family and friends, if any. Standard operating procedure is to hand it to the next of kin. Later undertaker Spring put the flag back into the hearse; he had supplied it himself.

There were two floral displays. One, of red carnations, was supplied by standing orders of the Martinsburg post of the Veterans of Foreign Wars. The other, of yellow chrysanthemums and daisies, was sent "by the staff or his friends at the hospital, I guess," Spring said.

Then four cemetery workers, their clothes stained with red clay from preparing Grave B455, lifted the casket from the ceremonial stand and carried it 30 yards to the edge of the circle and lowered it in. A dump truck backed up and filled the hole, and one of the workmen went and got the flowers and put them at the head.

Undertaker Spring searched the ground where the firing party had stood to find some of the discharged blanks to take home to his grandson. He found some, which surprised him: "We used to police up our brass better than this," he said.

The low brick wall surrounding the 6.5-acre cemetery is bordered on three sides by cornfields and pasture, and Floyd Alfred, who has dug most of the graves there, said it was a shame Congress wouldn't buy more land for more veterans.

Alfred knows many of the 3,700 graves at Culpeper by memory. In 10 years of work he has dug and filled many, filled in others that have sunk, and straightened the headstones so that they line up straight in all directions.

Supt. Maxwell said he thinks he may be able to fit a few more graves into the cemetery, but only if the relatives agree to cremation. The canisters of ashes which are about the size of a one-pound tobacco container, can be fitted in shallow holes around the roots of the trees.

Mr. HARTKE. Mr. President, in response to this increasing crisis, the Committee on Veterans' Affairs met in executive session on February 20, 1973, and carefully considered the President's memorandum of disapproval as well as new reports from the Veterans' Administration, the Department of Army, the General Services Administration, and the Office of Management and Budget. The committee also carefully reviewed prior hearings and recommendations made to Congress. The committee adopted one substantive amendment by deleting section 10 which relates to the transfer of land held by the Veterans' Administration. This matter is now to be dealt with separately in the Veterans' Administration Accountability Act of 1973 now pending before the committee. The committee then unanimously ordered S. 49, as amended, favorably reported to the Senate for action. Briefly, the basic provisions of the reported bill are as follows:

First. Establishes within the Veterans' Administration a national cemetery system which would consist of national cemeteries transferred to the VA from the Department of Army and cemeteries presently under the jurisdiction of the VA. Certain Army post cemeteries could be transferred if the President deems it appropriate. Exempted would be Arlington National Cemetery and those cemeteries located at the service academies. The American Battle Monuments Commission would not be transferred by this bill nor would cemeteries under the jurisdiction of the Department of the Interior. In addition to the transfer of the cemeteries, the VA would also assume responsibility for the Government marker and headstone program currently administered by the Department of the Army. The transfer would take place on or before July 1, 1973. Authority to maintain and run the national cemetery system is contained in new chapter 24 to title 38, United States Code.

Second. Directs the VA to conduct a comprehensive study and submit recommendations, on or before July 1, 1973, as to what our national cemetery system and national burial policy should be.

Third. Authorizes a special burial plot allowance of $150—in addition to the present VA allowance for burial and funeral expenses of $250—in any case where a veteran is not buried in a national or other Federal cemetery. Additional benefits of up to $800 are authorized for veterans who die of service-connected disabilities.

Fourth. Provides broader authority to the Administrator of Veterans' Affairs—virtually identical to the current authority of the General Services Administration—to establish standards of conduct and arrests for crimes on VA property.

Fifth. Authorizes the burial of an unknown soldier from the Vietnam conflict at Arlington National Cemetery.

Mr. President, congressional action on this matter is imperative. As the National Director of Legislation for the Disabled American Veterans wrote me earlier this year.

> The need for enactment of these legislative measures has been amply demonstrated. The Federal Cemetery System as presently constituted is on a collision course with extinction.

The national commander of the American Legion appeared last week before the Committee on Veterans' Affairs which I am privileged to chair, and testified that:

> National cemetery burial is an honor the nation can afford. It is one that is desired by many of today's veterans.

He pointed out that "enactment of this legislation is long past due." This morning I received a telegram from the American Legion which I ask unanimous consent to have printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MARCH 5, 1973.

Hon. VANCE HARTKE,
Chairman, Senate Committee on Veterans Affairs, Washington, D.C.:

For many years the American Legion has sought the establishment of an adequate national cemetery system—one that would extend to each veteran the honor and privilege of burial in a national cemetery if that is his desire. We believe that this can be effected by transferring to the Administrator of Veterans Affairs jurisdiction of existing national cemeteries with authority for their expansion and orderly development of others. As you know, the American Legion was dismayed at the presidential veto of the National Cemeteries Act of 1972.

S. 49, the National Cemeteries Act of 1973, would provide an increase of $150 in the burial benefits for those veterans not buried in Federal ground and would increase the allowance for those who die from service-connected causes to a maximum of $800. The American Legion believes evidence developed last year in hearings by your committee, and similar hearings by the House Committee on Veterans Affairs, have documented the fact that these increases are justified and urgently needed regardless of any future policy on national cemeteries that may be determined by the Congress.

For this reason we urge early Senate approval of S. 49.

HERALD E. STRINGER,
Director, National Legislative Commission, the American Legion.

Mr. HARTKE. Mr. President, I also ask unanimous consent to have printed in the RECORD a telegram received from the National Association of College Veterans which represents some 300,000 Vietnam-era veterans.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MARCH 6, 1973.

Hon. VANCE HARTKE,
Chairman, Senate Committee on Veterans' Affairs, Washington, D.C.

DEAR SENATOR: On behalf of the National Association of Collegiate Veterans, I wish to express our Vietnam Veteran constituency's strong endorsement of S. 49, the National Cemeteries Act of 1973. This bill provides Vietnam Veterans with the same burial benefits for service-connected disabled causes, as federal employees. The bill is, therefore, long overdue.

We Vietnam veterans strongly believe that those who die at home from injuries received while in military service should get at least the same "rights" as do those who are federal employees.

We are,

Respectfully yours,

JIM MAYER,
President, National Association of Collegiate Veterans.

Mr. HARTKE. Mr. President, the committee believes that the veto of the National Cemeteries Act of 1973 was ill advised. I think it appropriate that I discuss the objections expressed in the Memorandum of Disapproval and the committee's response to the arguments.

The primary objection voiced in the memorandum was directed at section 10 of the bill which would have restricted the authority of the executive branch to dispose of Veterans' Administration lands. That objection has been rendered moot in this bill by the committee's action in deleting the provision. The committee wishes to emphasize that the deletion of this provision does not reflect a lessening of its concern over the increased activity by the executive branch in recent years with little or no consultation with the legislative branch to effect the disposition of thousands of acres of Federal land despite objections by the Veterans' Administration itself that such land is essential for continued operation or growth of the Veterans' Administration.

Undoubtedly, there are many instances in which the disposition of land is justified, but the committee remains convinced that Congress has a proper and necessary role in legislative oversight of land disposition which is not now being adequately fulfilled. Because of its belief that immediate action on national cemetery legislation is required and its increased concern over other areas of unchecked administrative action—for example, revisions in the disability rating schedule—the committee unanimously agreed to delete section 10 from this bill and to consider the question of land transfer in the context of more comprehensive legislation dealing with congressional control over VA activities.

The second objection raised in the memoradnum of disapproval was that the provision for a $150 burial plot allowance for veterans not buried in a national cemetery was inconsistent with the study required by the bill and "preempts the results of such a study." The committee has carefully considered this objection and does not find the two provisions inconsistent. First, as the history of previous congressional hearings reveals, Congress is not without a vast body of information upon which to render judgment. The U.S. Veterans' Advisory Commission, for example, formerly recommended a burial plot allowance almost 5 years ago to the day. It is further clear to the committee that the principal recommendation of the study provided for in this bill must be directed to the question of how many, if any, new national cemeteries should be established in the United States. Even the most ambitious proposals before Congress do not envision a national cemetery readily accessible to each and every veteran in the United States. As such, a burial plot allowance for veterans not buried in national cemeteries is clearly in order and not inconsistent with the study required under the bill.

The committee also notes that the administration itself feels no similar restraint to wait for a study to be completed and its fiscal 1974 budget reflects savings of $54 million to be achieved from proposed legislation which would reduce Federal burial allowances to most veterans by one-half.

Mr. President, the evidence is overwhelming. Equitable revision of veterans' burial benefits has been delayed too long. We must act now. As the Commander in Chief of the Veterans of Foreign Wars of the United States testified before the committee yesterday that passage of the bill before us this afternoon will represent—

> A giant step in carrying out the VFW goal of at least one National Cemetery in each state so that every veteran who so desires may be buried in a national cemetery reasonably close to his home.

Mr. President, I ask unanimous consent that excerpts from the report accompanying S. 49 be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

BACKGROUND OF LEGISLATION

Action Prior to the 92nd Congress

Congressional concern with national cemeteries and Federal burial policy for our Nation's veterans is a longstanding one. In 1961 during the 87th Congress, a comprehensive review of the National Cemetery program was made by the Army at the request of the House Committee on Interior and Insular Affairs which then had jurisdiction over the matter. Executive policy was announced in a letter dated 12 February 1962 expressing the Administration's belief that cash burial benefits like the ones now payable by the Veterans' Administration and under the Social Security program are preferable to the furnishing of interment facilities by the Government. Hearings on the future of the National Cemetery System were subsequently held by the House Committee on Interior and Insular Affairs on the 5th and 6th of March, 1962. In 1966 legislative oversight for national cemeteries was transferred to the Committee on Veterans' Affairs and in that year five days of hearings were devoted to the subject of a National Cemetery System by a special Subcommittee on Cemeteries of the House Veterans' Affairs Committee. In January, 1967, President Johnson announced that the Administrator of Veterans' Affairs had been asked to appoint an advisory commission to make a complete survey of all veterans programs including national cemeteries. The following year on January 30, 1968, the President in a special message to Congress on veterans included the following statement on national cemeteries:

"Last year, I asked the Administrator of Veterans' Affairs—in consultation with veterans' groups—to conduct a comprehensive study of the pension, compensation, and benefits system for veterans, their families, and their survivors.

"I asked him to form an advisory commission which would evaluate these programs to assure that our tax dollars are being used most wisely, and that the Government is fully meeting its responsibilities.

"That Commission, composed of 11 distinguished Americans, has now held hearings in cities all across the country.

"We are looking forward to the recommendations of the Commission.

"Every veteran who wants it—those who risked their lives at Belleau Wood, Iwo Jima, and the DMZ—should have the right to burial in a national cemetery situated reasonably close to his home. I have asked the Administrator of Veterans' Affairs to make certain that the recommendations of the Commission include proposals to assure this right in a meaningful sense."

Subsequently, on March 18, 1968, the U.S. Veterans Advisory Commission made the following comment and recommendations:

"RECOMMENDATION NO. 26 OF U.S. VETERANS' ADVISORY COMMISSION

"The Commission recommends several improvements in cemetery administration and burial allowance.

"Background to Recommendation

"Four cemetery systems are managed by Federal agencies. The national cemetery system operated by the Army is the largest. Overseas cemeteries are operated by the American Battle Monuments Commission. The Veterans' Administration controls a number of cemeteries adjacent to its installations. The Department of the Interior manages, as part of the National Park Service, cemeteries transferred from Army jurisdiction in 1933.

"Because the national system began as Civil War burial grounds, most of the cemeteries are in the East. Their expansion has been sporadic, and since 1950, no new cemeteries have been added. The 85 cemeteries which constitute the national system occupy more than 3,700 acres of land and have potential for 1,200,000 gravesites, 58 percent of which have already been developed. Eighty percent of the developed gravesites are occupied or reserved, with the remaining 20 percent available for burials. Approximately 1 million gravesites can be made available for future use within the current acreage.

"The Battle Monuments Commission controls 23 overseas cemeteries, which are closed to burial except for bodies found on battlefields. The Veterans' Administration has 24 cemeteries, six of which are closed; 131,000 of the total VA gravesites available are filled and 315,000 are open for future burials. The National Park Service controls, as national monuments, 13 cemeteries, which encompass 175 acres. Six of these cemeteries are still open, but availability for future burials is limited.

"Eligibility for burials in federally operated cemeteries varies with the operating agencies. Eligibility for burial in the national cemeteries and the Park Service cemeteries embraces active duty personnel, as well as honorably discharged veterans of U.S. service or citizens who served honorably in allied armed forces, including their spouses and minor children. Eligibility for burial in the battle monuments cemeteries is closed except for cases previously mentioned. The Veterans' Administration usually restricts eligibility to veterans who die in VA facilities or in the vicinity thereof and whose bodies are unclaimed. Veterans' widows and children may be included under certain circumstances.

"Although eligibility for burial in federally operated cemeteries legally extends to approximately 26 million living exservicemen, in practice, eligibility is limited by the restricted availability of space and by the geographical distribution of the cemeteries. In fiscal years 1963–65, approximately 15 percent of all veterans who died were buried in Federal cemeteries. However, of those who died within 100 miles of a national cemetery in 1963, approximately 50 percent were buried in a Federal cemetery. Thus, opportunity to exercise the benefit is unequal and will become more so as cemeteries are filled. If the rate of burial in national cemeteries should continue as in fiscal years 1963–65, all developed gravesites will be filled by 1974 and the now undeveloped acreage would be exhausted before the year 2000. But the 1963–65, rate cannot be maintained because of the imminent closing of some cemeteries, while others will continue in operation many years beyond the year 2000.

"The present jurisdictional arrangements involve four agencies of the Government only one of which, the Battle Monuments Commission, has a primary mission dealing with cemetery management. Proposals have been and continue to be made that the four systems be merged under a single management. To the Commission, the Veterans' Administration, which is organized to administer the affairs of veterans, is the most logical choice for administering cemeterial activities related to the interment of veterans.

"The Commission is pleased to note that on October 20, 1967, the House of Representatives transferred oversight of all Federal cemeteries where veterans are, or may be, buried, in this country and abroad, from the Committee on Interior and Insular Affairs to the Veterans' Affairs Committee, with the exception of those few national cemeteries administered by the Secretary of the Interior as part of the national park system. The Commission believes that the oversight of veterans' cemeteries by the same congressional body which deals with all other veterans' legislative matters is distinctly a forward step.

"The Commission fully endorses the President's message of January 30, 1968, and believes that the recommendations contained herein fulfill the President's request for positive proposals to assure that veterans have an opportunity to be buried in a national cemetery near their home. The Commission also realizes that the question of entitlement for a cemetery plot cannot be isolated completely from the question of the current burial allowance. The Commission firmly believes that the existence of veterans' burial allowances should not be compromised by the existence of any other burial or death benefit, public or private.

"While recognizing the progress that has been made, the Commission makes the following recommendations:

"(1) That the entire Federal cemetery function, with exception of the Department of Interior cemeteries, be reassigned to the Veterans' Administration;

"(2) That, without delay, the Administrator of Veterans' Affairs conduct a study on methods of providing burial grounds for all veterans convenient to their homes;

"(3) That the Administrator establish uniform criteria for eligibility for burial in the Federal cemetery system;

"(4) That Arlington National Cemetery be reopened to all eligible veterans until it is completely filled;

"(5) That the burial allowance for veterans be increased to $400, $100 of which shall be reserved for payment toward a gravesite for those not buried in national cemeteries; and

"(6) That the burial allowance not be denied to any veteran because of the existence of any other burial or death benefit, public or private."

Following submission of the Recommendations of the U.S. Veterans Advisory Commission, the House Committee on Veterans' Affairs conducted three days of hearings on March 26, 27, and April 1, 1968. Testimony was received from Members of Congress on 85 pending bills on the subject, the Department of Army, the Veterans' Administration, the American Battle Monuments Commission, representatives of operators of private cemeteries and officials of veterans' organizations. During the 91st Congress two days of additional hearings concerning national cemeteries were held by the House Committee on Veterans' Affairs on November 17 and 18, 1970.

Action During the 92d Congress

The Senate Committee on Veterans' Affairs conducted two days of hearings on the national cemetery legislation on February 22 and 23, 1972. These hearings covered S. 2052 which would establish a National Cemetery System and thirteen other bills referrd to it and pending before the Committee on Veterans' Affairs which would establish new national cemeteries in various States. Testimony was presented by Administration spokesmen for the Department of Defense and the Veterans' Administration. Additional testimony was received by the Committee from all major veterans' organizations and spokesmen for consumer groups and the private cemetery industry.

On March 28 and 29, 1972, the House Committee on Veterans' Affairs conducted hearings on national cemetery legislation and on May 17, 1972 reported H.R. 12674 (H. Rept. 92–1069). On June 5th, H.R. 12674 unanimously passed the House and was referred to the Senate Commitee on Veterans' Affairs. The Senate Committee met in Executive Session on September 26, 1972 to consider a Committee substitute to H.R. 12674 which combined certain portions of the House-passed bill and S. 2052 as originally introduced together with additional amendments. The Committee unanimously approved and ordered favorably reported H.R. 12674 with an amendment in the nature of a substitute. On October 2, 1972, the bill was reported to the Senate (S. Rept. 92–1256) and on October 9, 1972 the bill passed the Senate unanimously. On October 11, 1972 the House of Representatives concurred with the Senate amendments and the bill was presented to the President for signature.

PRESIDENTIAL VETO

On October 27, 1972, President Nixon announced his pocket veto of H.R. 12674 issuing the following Memorandum of Disapproval:

"NATIONAL CEMETERIES ACT OF 1972 (H.R. 12674)

"This bill would block the orderly system of surplus land disposal established by general law and Executive order, by requiring an unusual congressional approval precdure before any VA land holdings larger than 100 acres could be sold.

"These property transfer restrictions would undermine the executive branch's Governmentwide system of property management and surplus property disposal which is designed to assure the best and fullest use of Federal property. It would impede the Legacy of Parks program and the procedures for disposing of surplus Federal property under the Federal Property and Administrative Services Act and Executive Order 11508.

"Also, the bill deals inconsistently with the serious problem of burial benefits for the Nation's veterans and war dead. It commissions a study of this problem at the same time it preempts the results of such a study by authorizing new burial benefits which would annually add 55 million to the Federal budget beginning next year. The Administrator of Veterans' Affairs already is at work on such a study, which will identify the alternatives for improving burial and cemetery benefits. In the interim, it would be unwise to commit additional Federal resources as proposed by this bill."

COMMITTEE RESPONSE TO THE PRESIDENTIAL VETO

There were essentially two substantive objections expressed in the President's Memorandum of Disapproval to the National Cemeteries Act of 1972. The primary objection voiced in the memorandum was directed at section 10 of the bill which would have restricted the authority of the Executive Branch to dispose of Veterans' Administration lands. That objection has been rendered moot in this bill by the Committee's action in deleting the provision. The Committee wishes to emphasize that the deletion of this provision does not reflect a lessening of its concern over the increased activity by the Executive Branch in recent years with little or no Consultation with the Legislative Branch to effect the disposition of thousands of acres of Federal land despite objections by the Veterans' Administration itself that such land is essential for continued operation or growth of the Veterans' Administration.

Undoubtedly, there are many instances in which the disposition of land is justified, but the Committee remains convinced that Congress has a proper and necessary role in legislative oversight of land disposition which is not now being adequately fulfilled. Because of its belief that immediate action on national cemetery legislation is required and its increased concern over other areas of unchecked administrative action (e.g., revisions in the disability rating schedule) the Committee unanimously agreed to delete section 10 from this bill and to consider the question of land transfer in the context of more comprehensive legislation dealing with Congressional control over VA activities.

The second objection raised in the Memorandum of Disapproval was that the provision for a $150 burial plot allowance for veterans not buried in a national cemetery was inconsistent with the study required by the bill and "preempts the results of such a study." The Committee has carefully considered this objection and does not find the two provisions inconsistent. First, as the history of previous Congressional hearings reveals. Congress is not without a vast body of information upon which to render judgment. The U.S. Veterans' Advisory Commission, for example, formerly recommended a burial plot allowance almost five years ago to the day. It is further clear to the Committee that the principal recommendation of the study provided for in this bill must be directed to the question of how many, if any, new national cemeteries should be established in the United States. Even the most ambitious proposals before Congress do not envision a national cemetery readily accessible to each and every veteran in the United States. As such, a burial plot allowance for veterans *not* buried in national cemeteries is clearly in order and not inconsistent with the study required under the bill.

The Committee also notes that the Administration itself feels no similar restraint to wait for a study to be completed and its Fiscal 1974 Budget reflects savings of $54 million to be achieved from proposed legislation which would reduce Federal burial allowances to most veterans by one-half.

DISCUSSION

Historical Background and the Need for Legislation

Development of national cemeteries in the United States have not followed any master plan. They experienced their greatest growth immediately following the Civil War when the Army completed the task of concentrating the remains of the war dead. By 1870, there were 62 national cemeteries, many located at the site of Civil War battles. Several cemeteries were added in the 1870's and 1880's and during the 1930's. Only 5 cemeteries have been added to the system since World War II and since 1950 no new national cemeteries have been authorized. The historical development of national cemeteries has resulted in a haphazard distribution which often does not correlate to large population centers in the United States.

Eligibility requirements for burial in national cemeteries developed slowly over the years and became the subject of comprehensive legislation in 1948. As amended in 1959, the law designates the following three categories of persons as the principal groups now eligible for interment:

(1) any member or former member of the Armed Forces of the United States whose last active service terminated honorably by death or otherwise;

(2) any citizen of the United States who served in the Armed Forces of any government allied with the United States during the way and whose last active service terminated honorably by death or otherwise; and

(3) the wife, husband, widow, widower, minor child and in the discretion of the Secretary of the Army, the unmarried adult child of any of the persons mentioned in the first two categories. Eligibility of these persons for interment is contingent upon the eventual burial in the cemetery of the person who holds the basic eligibility.

Under current law, there are over 28 million veterans eligible for interment in national cemeteries. If dependents are included, it is estimated that more than 50 million persons are eligible for burial therein. With approximately 1 million actual and potential grave sites available in all national cemeteries the need for prompt consideration of our national burial policy is evident. The Nation Cemetery Act of 1973 would provide for the transfer of most cemeteries under the jurisdiction of the Department of the Army to the Veterans' Administration. The Committee believes this to be a logical transfer in view of the fact that more than 95 percent of the interments in national cemeteries are of veterans and dependents with active duty servicemen comprising the remainder. The following table indicates the classification of interments in national cemeteries in Fiscal Year 1972:

TABLE 1.—CLASSIFICATION OF INTERMENTS IN NATIONAL CEMETERIES—FISCAL YEAR 1972

	Number interred	Percent of total interred
World War I veterans	6,519	17.9
World War II veterans	12,116	33.2
Korea veterans	1,503	4.1
Peacetime veterans	898	2.5
Spanish American War veterans	51	.1
Vietnam veterans	590	1.6
Retired servicemen	2,844	7.8
Total, veterans	24,521	67.2
Active-duty servicemen	753	2.1
Total, veterans and servicemen	25,274	69.3
Dependents	11,175	30.7
Grand total	36,449	100.0

The transfer of cemeteries which would occur on or before July 1, 1973, would also provide for the Veterans' Administration to assume the Headstone and Marker Program presently being run by the Department of Army. Over 210,000 markers (representing two-thirds of all veterans' deaths) were provided in fiscal year 1972.

Authority for the Veterans' Administration to manage and run this new system is contained in new chapter 24 added to title 38 which is patterned closely after the existing authority given to the Department of Army in chapter 7 of title 24, United States Code.

The national cemeteries presently under the jurisdiction of the Department of Army and available space remaining are shown in the following table:

TABLE 2.—NATIONAL CEMETERIES OPERATED BY THE DEPARTMENT OF THE ARMY AS OF DEC. 31, 1972

Cemetery and location (city and State)	Date established	Acreage		Gravesites			Fiscal year	
		Developed	Undeveloped	Developed	Undeveloped	Total interments	Date closed	Expected closeout
1. Alexandria: Pineville, La	1867	8.230	0	6,444	0	7,095		1981
2. Alexandria: Alexandria, Va	1862	5.500	0	4,060	0	4,062	1967	
3. Alton: Alton, Ill	1948	.480	0	533	0	481	1961	
4. Annapolis: Annapolis, Md	1862	4.125	0	2,912	0	2,887	1961	
5. Arlington: Arlington, Va	1864	517.830	[1] 0	183,555	[1] 0	159,459		1983
6. Balls Bluff: Leesburg, Va	1865	4.630	0	25	0	54	1865	
7. Baltimore: Baltimore Md	1936	72.227	0	36,404	0	33,315	1971	
8. Barrancas: Pensacola, Fla	1868	20.690	9.220	12,375	4,800	8,548		1987
9. Baton Rouge: Baton Rouge, La	1867	7.698	0	5,068	0	5,159	1960	
10. Beaufort: Beaufort, S.C	1863	28.920	0	17,029	0	10,756		2000+
11. Beverly: Beverly, N.J	1864	64.550	0	39,976	0	36,274	1966	
12. Black Hills: Sturgis, S. Dak	1948	12.000	93.900	5,878	56,340	4,262		2000+
13. Camp Butler: Springfield, Ill	1862	16.450	22.800	8,194	14,093	6,762		2000+
14. Camp Nelson: Nicholasville, Ky	1866	9.750	0	5,371	0	5,293	1967	
15. Cave Hill: Louisville, Ky	1863	4.108	0	5,625	0	5,680	1939	
16. Chattanooga: Chattanooga, Tenn	1867	77.000	43.800	24,344	26,000	21,770		2000+
17. City Point: Hopewell, Va	1866	6.660	0	5,516	0	6,509	1972	
18. Cold Harbor: Mechanicsville, Va	1866	1.430	0	948	0	2,055	1970	
19. Corinth: Corinth, Miss	1866	20.000	0	13,473	0	6,121		2000+
20. Crown Hill: Indianapolis, Ind	1866	1.370	0	795	0	975	1867	
21. Culpeper, Culpeper, Va	1867	6.470	0	3,664	0	3,705	1973	
22. Cypress Hills: Brooklyn, N.Y	1862	18.197	0	18,687	0	20,372	1954	
23. Danville: Danville, Ky	1862	.310	0	396		393	1955	
24. Danville: Danville, Va	1866	3.500	0	2,177	0	2,179	1971	
25. Fayetteville: Fayetteville, Ark	1867	6.110	0	3,660	0	2,966		1978
26. Finn's Point: Salem, N.J	1875	4.590	0	2,705	0	2,704	1947	
27. Florence: Florence, S.C	1865	5.870	0	4,625	0	4,005		1981
28. Fort Bliss: Fort Bliss, Tex	1939	42.850	18.000	25.263	10,200	10,657		2000+

Footnotes at end of table.

Cemetery and location (city and State)	Date established	Acreage		Gravesites		Total interments	Fiscal year	
		Developed	Undeveloped	Developed	Undeveloped		Date closed	Expected closeout
29. Fort Gibson: Fort Gibson, Okla	1868	13.510	18.700	8,578	11,220	6,226		2000+
30. Fort Harrison: Richmond, Va	1866	1.550	0	1,048	0	1,334	1967	
31. Fort Leavenworth: Fort Leavenworth, Kans	1862	36.100	0	19,520	0	14,381		1981
32. Fort Logan: Denver, Colo	1950	40.800	96.366	25,205	49,840	14,842		2000+
33. Fort McPherson: Maxwell, Nebr	1873	14.000	6.000	5,648	3,956	3,307		2000+
34. Fort Rosecrans: San Diego, Calif	1934	71,340	0	44,340	0	45,672	1967	
35. Fort Sam Houston: San Antonio, Tex	1937	60.110	0	37,047	0	28,064		1977
36. Fort Scott: Fort Scott, Kans	1862	10.510	0	5,959	0	2,673		2000+
37. Fort Smith: Fort Smith, Ark	1867	14.590	0	8,832	0	4,991		1996
38. Fort Snelling: St. Paul, Minn	1939	136.570	340.000	80,104	194,571	50,957		2000+
39. Glendale: Richmond, Va	1866	2.080	0	1,290	0	1,877	1970	
40. Golden Gate: San Bruno, Calif	1939	161.500	0	101,368	0	98,877	1967	
41. Grafton: Grafton, W. Va	1867	3,201	0	2.130	0	2,094	1961	
42. Hampton: Hampton, Va	1866	26.530	0	21,450	0	21,232	1970	
43. Jefferson Barracks: St. Louis, Mo	1863	105.330	201.650	67,506	118,976	54,036		2000+
44. Jefferson City: Jefferson City, Mo	1867	2.010	0	1,638	0	1,562	1969	
45. Keokuk: Keokuk, Iowa	1862	5.100	16.000	2,523	9,600	2,373		2000+
46. Knoxville: Knoxville, Tenn	1863	9.830	0	7,500	0	7,357		1973
47. Lebanon: Lebanon, Ky	1867	2.380	0	1,996	0	1,681		1976
48. Lexington, Lexington, Ky	1863	.750	0	1,384	0	1,384	1939	
49. Little Rock, Little Rock, Ark	1868	24.950	0	17,895	0	13,542		1985
50. Long Island: Farmingdale, N.Y	1936	364.000	0	249,384	0	998,647		1978
51. Loudon Park: Baltimore, Md	1862	5.600	0	6,486	0	6,994	1971	
52. Marietta: Marietta, Ga	1866	23.256	0	16,526	0	16,249	1971	
53. Memphis: Memphis, Tenn	1867	44.150	0	29,931	0	25,187		1980
54. Mill Springs: Nancy, Ky	1862	3.500	0	2,176	0	1,494		1983
55. Mobile: Mobile, Ala	1865	5.240	0	3,873	0	4,841	1963	
56. Mound City: Mound City, Ill	1864	10.500	0	7,983	0	6,584		1991
57. Nashville: Madison, Tenn	1866	65.000	0	31,112	0	22,619		1993
58. Natchez: Natchez, Miss	1866	10.720	0	4,970	0	4,723		1982
59. National Memorial Cemetery of Pacific: Honolulu, Hawaii	1948	111.540	0	27,037	0	23,097		1980
60. New Albany: New Albany, Ind	1862	6,310	0	5,086	0	5,043	1960	
61. New Bern: New Bern, N.C	1867	7.680	0	5,607	0	4,689		1993
62. Perryville: Perryville, Ky	1931	4.390	0	0	0	0	(2)	
63. Philadelphia: Philadelphia, Pa	1862	13.320	0	10,334	0	11,731	1947	
64. Port Hudson: Zachary, La	1866	8.040	0	6,082	0	5,442		1977
65. Puerto Rico: Bayamon, Puerto Rico	1948	29.300	78.940	11,676	30,179	8,475		2000+
66. Quincy: Quincy, Ill	1899	.450	0	582	0	450		1995
67. Raleigh: Raleigh, N.C	1865	6.950	0	4.999	0	2,763		1998
68. Richmond: Richmond, Va	1866	9.740	0	7,457	0	8,841	1963	
69. Rock Island: Rock Island, Ill	1863	24.700	6.800	15,970	5,316	8,682		1986
70. St. Augustine: St. Augustine, Fla	1881	1.360	0	1,152	0	2,636	1949	
71. Salisbury: Salisbury, N.C	1865	5.970	0	14,302	0	13,675		1983
72. San Antonio: San Antonio, Tex	1867	3.660	0	3,042	0	3,137	1961	
73. San Francisco: Presidio of San Francisco, Calif	1884	28.340	0	22,825	0	24,912	1962	
74. Santa Fe: Santa Fe, N. Mex	1875	14.460	20,130	9,580	12,000	8,201		1996
75. Seven Pines: Sandston, Va	1886	1.900	0	1,126	0	1,684	1965	
76. Sitka: Sitka, Alaska	1924	1.390	0	669	0	498		1993
77. Soldiers' Home: Washington, D.C	1862	15.800	0	13,678	0	13,093		1979
78. Springfield: Springfield, Mo	1867	13.820	0	8,135	0	6,959		1979
79. Staunton: Staunton, Va	1866	1.150	0	844	0	943	1970	
80. Willamette: Portland, Oreg	1950	76.450	125,000	47,623	75,000	33,853		2000+
81. Wilmington: Wilmington, N.C	1867	5.065	0	4,393	0	3,918		1976
82. Winchester: Winchester, Va	1886	4.890	0	5,051	0	5,225	1970	
83. Woodlawn: Elmira, N.Y	1874	7.644	0	6,441	0	6,295	1969	
84. Zachary Taylor: Louisville, Ky	1928	16.430	0	9,418	0	8,939	1959	
Total		2,667.432	1,096.306	1,498,123	622,091	1,253,299		

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[1] The remaining portion of Fort Myer South Post is scheduled for reassignment to the cemetery when required for burial purposes.

[2] No burials. Land not suitable.

Veterans' Administration Cemeteries

Existing cemeteries under the jurisdiction of the Veterans' Administration would also be transferred to the new National Cemetery System. Many of these cemeteries were also first established after the Civil War and served the National Homes for Disabled Volunteer Soldiers that cared for veterans disabled by that war. Current burial policy provides the following categories of persons which may be interred in Veterans' Administration cemeteries:

(1) Any veteran who dies:

(a) while receiving hospital, domiciliary, or nursing home care in a VA field station;

(b) in the immediate vicinity of a field station having a cemetery, whose body is unclaimed, whose relatives cannot be located and for whom burial expenses are payable by VA; or

(c) while receiving hospital or nursing home care at VA expenses at a non-VA institution.

(2) Any interred veteran's remarried widow or widower, minor child, or unmarried adult child capable of self-support.

(3) Any person who dies in active military service who was eligible for burial in a national cemetery.

(4) Any veteran or dependent eligible for burial in a national cemetery for whom burial in a VA cemetery at Houston or interment in the columbarium at the VA Center, Los Angeles is requested.

(5) Such other persons or classes of persons as may be designated by the Administrator.

Veterans' Administration cemeteries to be transferred to the National Cemetery System are shown in the following table:

TABLE 3.—VETERANS' ADMINISTRATION CEMETERIES AS OF JUNE 30, 1971

Station	Original cemetery date	Date of operation	Acreage		Graves		Developed graves		Graves used—fiscal year			Burials—fiscal year			Estimated closing date
			Developed	Undeveloped	Developed	Undeveloped	Used	Available	1971	1970	1969	1971	1970	1969	
VAC, Bath, N.Y	1879	1929	19.00	0	8,109	0	7,599	510	107	103	119	107	103	121	1976
VAC, Biloxi, Miss	1934	1934	25.00	0	11,336	0	1,296	10,040	50	47	45	50	50	45	2000
VAH, Danvile, Ill	1898	1930	30.00	0	6,552	0	5,615	937	58	57	42	58	57	42	2000
VAC, Dayton, Ohio	1867	1930	55.00	0	22,507	0	22,016	671	185	210	226	186	211	226	1973
VAH, Ft. Lyon, Colo	1914	1922	8.00	0	956	0	730	226	11	6	18	11	6	18	1985
VAH, Houston, Tex	1965	1965	45.00	374.0	20,250	187,000	3,198	17,052	704	710	592	725	722	601	2000
VAECH, Los Angeles, Calif	1889	1930	111.00	3.5	60,960	3,200	54,040	6,920	1,398	1,338	1,432	1,670	1,406	1,519	1973
VAH, Marion, Ind	1890	1930	14.00	0	4,613	0	4,084	529	31	30	28	31	30	28	1980
VAC, Mountain Home, Tenn	1903	1930	30.00	0	10,000	0	4,856	5,144	94	112	113	95	112	113	2000
VAC, Prescott, Ariz	1888	1921	6.00	0	2,556	0	2,401	155	127	121	115	135	125	116	1972
VAH, Roseburg, Oreg	1894	1932	3.00	0	2,130	0	1,422	708	44	49	43	46	49	43	1983
VAC, Leavenworth, Kans	1886	1930	30.00	0	14,550	0	12,435	2,115	57	90	92	61	95	95	1980
VAD, White City, Oreg	1951	1951	8.00	0	1,200	0	505	695	33	33	21	33	33	21	2000
VAC, Wood, Wis	1871	1930	27.00	0	22,800	0	15,663	7,137	260	281	294	265	286	297	1995

Station	Original cemetery data	Date of operation	Acreage		Graves		Developed graves		Graves used—fiscal year			Burials—fiscal year			Estimated closing date
			Developed	Undeveloped	Developed	Undeveloped	Used	Available	1971	1970	1969	1971	1970	1969	
VAC, Bay Pines, Fla	1933	1933	9.00	0	4,199	0	4,199	0	0	0	0	1	4	5	1964
Fort Bavard, N. Mex	1866	1922	16.00	0	2,600	0	1,560	1,040	10	1	6	11	2	7	1965
VAH, Fort Meade, S. Dak	1878	1944	2.00	0	133	0	188	0	0	0	0	0	0	0	1948
VAC, Hampton, Va	1898	1930	.03	0	22	0	22	0	0	0	0	0	0	0	1912
VAC, Hot Springs, S. Dak	1903	1930	12.00	0	1,482	0	1,481	1	0	0	0	0	0	0	1964
VAH, Kerrville, Tex	1923	1943	2.00	0	460	0	460	0	0	0	0	0	0	0	1957
VAC, Togus, Maine	1867	1930	29.00	0	5,371	0	5,371	0	0	0	0	0	0	0	1961
Total			481.03	377.5	202,841	190,200	149,161	53,680	3,169	3,188	3,186	3,485	3,291	3,297	....

Arlington National Cemetery

The reported bill would not include Arlington National Cemetery in the overall transfer. Instead, the Administrator in conjunction with the Secretary of Defense will conduct a comprehensive study of Arlington and submit joint recommendations to Congress on or before July 1, 1973. The study will address itself first to whether it would be advisable to transfer Arlington to the National Cemetery system. Second, the appropriateness of maintaining present eligibility requirements for burial at Arlington, a source of continuing dissatisfaction among many veterans' organizations will be examined. Finally, the joint study will examine the advisability of establishing another national cemetery in or near the District of Columbia. Arlington, established in 1864 and consisting of approximately 518 acres (of which 430 are developed) contains approximately 169,000 developed and 15,000 undeveloped grave sites. Currently there are over 156,000 men buried there. The Department of Army in its report to measures before the Committee in the 92nd Congress objected to the transfer of Arlington stating that it is "clearly distinguishable from all other national cemeteries." They noted that it is in the nature of an historical shrine with the presence of the Tomb of the Unknown Soldier, the graves of General Pershing and other distinguished soldiers as well as the graves of two Presidents. Because it is a military shrine, specially trained active duty military personnel act as honor guards for interment services and numerous ceremonial activities that take place on a continuing basis.

The Army further noted that ceremonial functions, many of which involve the heads of foreign countries and other high level dignitaries are the responsibility of the Commanding General of the United States Army Military District of Washington who has available to him the expertise and resources of the Army. They argued that to transfer the cemetery to the Veterans' Administration and then by agreement continue operations under the Commanding General of the United States Army Military District of Washington, would divide responsibility. It also has been noted that Arlington National Cemetery handles about 3 to 4 million visitors annually. Finally, it should be observed that the Army has continuing responsibility for the implementation of the Arlington National Cemetery Master Plan which contemplates an expansion of the cemetery and is patterned upon successful inter-service coordination and completion of the phasing out of the military facilities now at the Fort Meyer south post. Total cost of the Master Cemetery Plan is projected at $48 million with approximately $7.4 million being budgeted for Fiscal Year 1973. Given the foregoing factors, the Committee continues to believe that additional study is needed prior to any proposed transfer.

Current eligibility for burial at Arlington has also caused considerable controversy. Because of the pressure for interments and the limited space available, entitlement to interment in Arlington National Cemetery has been limited to the following classes:

(1) persons dying on active duty in the Armed Forces;

(2) retired members of the Army, Navy, Air Force, Marine Corps or Coast Guard who have performed active federal services, are carried on the official service retired list, and are eligible to receive compensation stemming from services in the Armed Forces;

(3) recipients of the Medal of Honor;

(4) persons otherwise eligible by reason of honorable military service who have also held elective office in the U.S. Government or served on the Supreme Court or in the Cabinet or in any office compensated at Level II under the Executive Salary Act (C5 U.S.C. 5313 and 22 U.S.C. 866); or

(5) the spouses minor children and dependent adult children of the persons listed in (1) through (4) above and of persons already buried in Arlington.

The following table shows classification of interments in Arlington National Cemetery for Fiscal Year 1972:

TABLE 4.—CLASSIFICATION OF INTERMENTS IN ARLINGTON NATIONAL CEMETERY, FISCAL YEAR 1972

	Number interred	Percent of total interred
World War I veterans	81	2.9
World War II veterans	62	2.3
Korea veterans	22	.8
Peacetime veterans	6	.2
Spanish American War veterans	3	.1
Vietnam veterans	0	0
Retired servicemen	1,082	39.2
Total, veterans	1,256	45.5
Active-duty servicemen	249	9.0
Total, veterans and servicemen	1,505	54.5
Dependents	1,259	45.5
Grand total	2,764	100.0

The Department of Army has estimated the current eligibility policy will allow burials up to the year 2000. A non-restricted burial policy would result in a large influx of World War I veterans and the rapid exhaustion of all available plot spaces. Accordingly, the Committee believes that additional study is warranted prior to taking any final Congressional action.

Post Cemeteries

The reported bill would not call for the automatic transfer of some 27 post cemeteries to the new National Cemetery System as shown in the following table:

TABLE 5.—POST CEMETERY SYSTEM AS OF DEC. 31, 1972

Name of cemetery and nearest city	Total acreage	Total acreage developed	Total internments	Total gravesites (potential)	Total gravesites used	Total number of interments fiscal year 1972	Estimated closeout date
Aberdeen Proving Ground, Aberdeen, Md	0.636	0.636	289	278	277	0	Inactive.
Benicia Arsenal, Benicia, Calif	1.000	1.000	221	404	221	0	Do.
Carlisle Barracks, Carlisle, Pa	.400	.400	227	228	227	0	Do.
Edgewood Arsenal, Edgewood, Md	.150	.150	131	134	128	0	Do.
Fort Benning, Columbus, Ga	8.260	8.260	3,374	6,774	3,268	96	1984.
Fort Bragg, Fayetteville, N.C	3.000	3.000	838	830	819	31	Inactive.
Fort Custer, Battle Creek, Mich	12.240	8.200	155	6,850	152	9	Beyond 2000.
Fort Devens, Ayer, Mass	2.000	2.000	953	1,083	952	19	Inactive.
Fort Douglas, Salt Lake City, Utah	3.420	3.420	912	1,160	910	20	1989.
Fort Huachuca, Garden Cannon, Ariz	7.438	7.438	716	2,140	712	36	Beyond 2000.
Fort Knox, Tip Top, Ky	1.500	1.500	703	770	699	47	1974.
Fort Lawton, Seattle, Wash	2.900	2.900	802	874	770	7	Inactive.
Fort Leavenworth USDB, Leavenworth, Kans	.524	.524	240	301	240	0	Beyond 2000.
Fort Lewis, Nisqually, Wash	3.000	3.000	878	918	859	3	Inactive.
Fort McClellan, Calhoun, Ala	1.000	1.000	129	255	127	9	Beyond 2000.
Fort George G. Meade, Patuxent, Md	.860	.860	307	291	291	1	Inactive.
Fort Missoula, Missoula, Mont	.880	.880	183	479	183	0	Beyond 2000.
Fort Reno, El Reno, Okla	1.000	1.000	256	256	256	0	Inactive.
Fort Richardson, Anchorage, Alaska	19.430	8.030	1,148	8,340	1,082	42	Beyond 2000.
Fort Riley, Manhattan, Kans	7.500	7.500	2,352	3,435	2,347	51	1990.
Fort Sheridan, Highland Park, Ill	15.400	13,650	1,093	4,277	1,074	39	Beyond 2000.
Fort Sill, Comanche, Okla	4.700	4.700	2,510	3,521	2,492	87	1989.
Fort Stevens, Hammond, Oreg	.840	.840	116	447	116	0	Beyond 2000.
Fort Leonard Wood, Fort Wood, Mo	2.000	2.000	374	459	365	24	1976.

Name of cemetery and nearest city	Total acreage	Total acreage developed	Total internments	Total gravesites (potential)	Total gravesites used	Total number of interments fiscal year 1972	Estimated closeout date
Fort Worden, Port Townsend, Wash	3.000	3.000	332	371	326	2	1985.
Presidio of Monterey, Monterey, Calif	.750	.750	395	388	385	1	Inactive.
Schofield Barracks, Honolulu, Hawaii	6.300	6.300	1,546	2,687	1,543	5	1992.
Vancouver Barracks, Vancouver, Wash	5.930	5.930	1,164	2,008	1,146	2	Beyond 2000.
Total	116.058	98.868	22,347	49,958	21,967	531	

Included in this list are 11 active cemeteries located on active posts. There are also 9 inactive cemeteries located on active posts with contiguous land available. Finally, there are 7 inactive cemeteries located on inactive posts, all of which have contiguous land available. While acknowledging that some of these post cemeteries could be incorporated into an expanded national cemetery system, the Department of Army has indicated there might be a number of problems with respect to post cemeteries located on active military reservations. Accordingly, the Committee does not believe that blanket transfer of post cemeteries is presently warranted, and has agreed instead to make this a matter of Presidential discretion if and when he deems it appropriate to transfer post cemeteries.

American Battle Monuments Commission

The National Cemetery Act of 1973 would not provide for the transfer of the American Battle Monuments Commission (ABMC) and the Cemeteries and Monuments it now administers to the Veterans' Administration. The ABMC was created in 1923 and is responsible for the construction and permanent maintenance of military cemeteries and memorials on foreign soil, controls as to design and provides regulations for the erection of monuments, markers, and memorials in foreign countries by other U.S. citizens and organizations, public and private. The Commission is administered by a Secretary under the guidance of commissioners who are appointed by the President and who serve without pay. The ABMC presently administers 23 memorial cemeteries and 14 separate monuments and memorials in ten countries. These cemeteries are generally closed for future burial and, similar to those cemeteries which remain under the jurisdiction of the Department of Interior, are in the nature of historical shrines. The Veterans' Administration in its report to the Committee last year noted the "operational expertise" of the ABMC (whose current annual budget is only $3.3 million) and the absence of any "compelling reason" to transfer its jurisdiction to the VA. In addition there was a lack of any testimony before the 92nd Congress favoring such a transfer. The continuing function and role of the ABMC and its relationship to the National Cemeteries System is, of course an appropriate subject for further consideration in the comprehensive study to be made pursuant to section 3 of this bill. The following table lists the cemeteries and memorials presently administered by the Commission;

TABLE 6.—ABMC CEMETERIES, MONUMENTS, AND MEMORIALS

	Country	Burials	Memorializations
World War I cemeteries:			
Aisne-Marne	France	2,288	1,060
Brookwood	England	468	563
Flanders Field	Belgium	368	43
Meuse-Argonne	France	14,246	954
Oise-Aisne	do	6,012	241
St. Mihiel	do	4,152	284
Somme	do	1,837	333
Suresnes	do	1,541	974
Total		30,912	4,452
World War II cemeteries:			
Ardennes	Belgium	5,306	462
Brittany	France	4,410	498
Cambridge	England	3,811	5,125
Epinal	France	5,255	424
Florence	Italy	4,402	1,409
Henri-Chapelle	Belgium	7,989	450
Lorraine	France	10,489	444
Luxembourg	Luxembourg	5,076	370
Manila	Republic of the Philippines.	17,206	36,279
Netherlands	Holland	8,301	1,722
Normandy	France	9,386	1,557
North Africa	Tunisia	2,840	3,724
Rhone	France	861	293
Silicy-Rome	Italy	7,862	3,094
Suresnes	France	24	None
Total		93,218	55,851
Mexican War	Mexico	750	None
Memorials, World War II:			
East coast			4,596
West coast			412
Honolulu (includes Korea)			26,280
Total			31,288
Monuments, World War I:			
Audenarde	Belgium		
Bellicourt	France		
Brest	do		
Chantigny	do		
Chateau-Thierry	do		
Chaumont (tablet)	do		
Gibraltar			
Kemmel	Belgium		
Montfaucon	France		
Montsec	do		
Somme-py	do		
Souilly (tablet)	do		
Tours	do		
Grand total		124,880	91,591

Private Cemeteries

The relationship of non-Federal cemeteries and interment facilities to the National Cemetery System and Federal burial benefits presents important questions with respect to future Congressional action. Thus, consumer practices concerning direct appeals to veterans as a group by certain proprietary cemeteries were the subject of a day's hearings before the full Committee in 1972. The Committee heard testimony of a group of law students from George Washington University concerning the growing practice by certain profit-making cemeteries or sales organizations to offer "free graves" to honorably discharged veterans. The law students who were known collectively as "Dead Giveaway" testified that these apparently patriotic appeals made by postcard, newspaper advertisement and telephone solicitation to our nation's veterans were highly misleading. Purporting to offer veterans graves that were "free" or available for a "one time only perpetual care charge," these appeals were invariably used as an opening wedge for a hard sales pitch to a veteran and his wife to purchase on a "pre-need basis" with "easy monthly payments" burial plots ranging up to $1400 in costs. (The Veterans' Administration has informed the Committee that in 1970 the national average cost of a burial plot was $122.) Dead Giveaway testified that an affirmative response to an advertisement or telephone solicitation usually brought a salesman to the veteran's living room where an intense and skillful sales presentation stressed the increasing shortage of space in national cemeteries, the prestige and desirability of the veteran being buried in the local cemetery's veterans' "garden of honor" (which in many instances was only in "planning stages") and the absolute necessity to "act now" or risk having no "final resting place" in the future.

Veterans were led to believe there would be no available space in any national cemetery in the near future.

Dead Giveaway testified that a veteran could frequently obtain a free "certificate" for burial if he persisted. But often this "entitlement" was subject to onerous conditions of regular reaffirmation in order to retain it. And they emphasized that the real purpose of the "free graves" offer was to sell a pre-need package deal to a veteran and his spouse. Testimony cited repeated cases where the veteran was often confused as to whether the offer was being made by or with the endorsement of the U.S. Government. Since many veterans are only vaguely aware of the nature and extent of federal burial benefits available to them, the use of official looking forms from the "veterans' department" of the cemetery often confused them.

The students also testified that while the contract signed by a veteran and his wife usually showed that the veteran was receiving his plot for little or no cost, the ultimate price paid by the couple was generally no less than for a non-veteran and his wife, sometimes greater, and for the most part more expensive than the plots for sale in cemeteries without veterans' programs.

While the vast majority of cemeteries do not have veterans' programs of the type described during the hearing, Dead Giveaway testified that these programs were becoming increasingly popular as a vehicle by proprietary cemeteries for enlarging pre-need sales. Industry associations stressed the high profitability of such program. Also contributing to the growing use of veterans' programs according to the testimony has been the entry of larger corporations which acquire various cemeteries throughout the country and run uniform veterans programs. Evidence also indicated that there were certain sales organizations which contract on a commission basis with local cemeteries to run veterans' programs.

The Committee also received testimony from private cemetery owners and representatives of the National Association of Cemeteries (NAC) and the Pre-arrangement Interment Association of America, Inc. (PIAA) who said that the Dead Giveaway testimony which preceded them presented a misleading picture. While acknowledging that there had been abuses by a "small but highly visible and audible portion of the cemetery industry", they minimized the extent of the problem and argued that adequate legal remedies for such abuses presently existed. The National Association of Cemeteries with over 1400 individual cemeteries as members testified that only 113 or less than 8 percent of its total membership had veterans' sales programs involving "active solicitation" by private cemeteries. The president of PIAA also minimized the extent of the problem and in response to Committee inquiries the association commissioned a survey and study of proprietary cemeteries which reported that 31 percent had "veterans' sections" and 21 percent had "veterans programs". Additionally, the association study challenged the particulars of a portion of the cases cited by the testimony of Dead Giveaway and as to the remainder claimed that existing private contractual remedies (recission for fraud, unconscionability, etc.) or state consumer laws provide adequate protection for the abuses cited.

The Executive Director of the Better Business Bureau of Northeast Indiana testified as to efforts by the Fort Wayne Bureau to publicize and thus help lead to a cessation of misrepresentation by local cemetery promoters which included intimations that the cemetery was connected with the Veterans' Administration, misuse of the word "free", and sales tactics which "harassed local residents through a continuous boilerroom solicitation". The director expressed his personal conviction that the abuses cited were not extensive and that the business community could regulate itself effectively.

Undoubtedly the hearings helped immeasurably in disseminating information concerning deceptive "free" grave offers to the nation's veteran population. Following Committee hearings the National Council of Better Business Bureaus also issued a report to all its members stating that: "the 'entitlement' and 'free space' offered by cemetery promoters can be a way of selling pre-need cemetery lots and services rather than a patriotic gesture." They urged caution by veterans noting that "since a veteran is entitled to a certain limited burial cost where he may be eventually buried there is no clear advantage to being assigned a "free" space in any civilian cemetery and further that "the 'free' benefits may be minor in comparison to total costs. * * *". Investigations by state law enforcement agencies have commenced and in a number of cases criminal indictments have resulted.

Also subsequent to the hearings last year, the National Association of Cemeteries adopted a new "Consumer code for veterans programs", violations of which will, according to the Association result in "disciplinary action or expulsion and the forwarding of the transcript and report of code violations to state and federal authorities for appropriate action." This code prohibits misleading advertisements or printed forms which suggests possible connection with the Federal Government and further require a bold type positive disclaimer of any connection with a government agency or veterans' organization. Members are also prohibited from representing that space is not available in Government cemeteries in the area without full disclosure as to the availability of space in the nearest Government cemeteries. In addition, the code directs that no burial space shall be offered which does not provide for deed or assignment of such space at the time of acceptance of the offer unless this fact is clearly disclosed at the onset in any advertisement or offer. Finally, the NAC code provides that:

"Members shall not misuse the word "free" in advertising sales promotions or presentations in connection with veterans' programs. If allowance or discount to veterans is offered, it must be bona fide and the comparative price for the veteran and non-veteran must be shown. Any such allowance or discount must not be made by adjusting upward the price of other items, or the price of the grave space for wives to cover the lower price to veterans. Further, it shall be a violation of this code to fail to disclose any material factor, condition of the offer or to use any other misrepresentation or dishonest or unethical sales practice."

If there were in fact strict adherence to this consumer code by all cemeteries with veterans' programs the problems testified to before the Committee would probably be eliminated.

The Committee also notes that at the annual convention of the PIAA held on August 3, 1972, the following resolution was adopted.

"*Resolved,* The Pre-arrangement Interment Association of America recommends to its members that if Congress provides a dollar sum for veterans to purchase cemetery property from private cemeteries, that said members accept this sum provided by Congress as payment *in full* for said burial space and the cost of opening and closing said burial space." (Italic supplied.)

In view of the $150 burial plot allowance provided for in section 5 of this Act, adherence to the foregoing resolution should significantly reduce the prices presently being charged to veterans. The Committee will watch with interest the subsequent pricing policies adopted by proprietary cemeteries with veterans' programs.

Given the conflicting testimony as to the nature and extent of the problem, the adequacy of existing laws and subsequent action taken by the cemetery industry itself, the Committee believes that additional study by the Veterans' Administration is warranted to determine if federal action is necessary and if so in what form. Section 3 of the committee substitute directs the Administrator to study the marketing and sales practices of non-Federal cemeteries and interment facilities which direct specific appeals towards veterans and their dependents. As part of the comprehensive study to be undertaken by the Administrator of the National Cemetery System and federal burial benefits his specific findings and recommendations for legislative action are to be submitted to Congress no later than July 1, 1973. The study should examine the nature and the scope of the existing veterans' programs to determine the extent of the misrepresentations alleged by testimony before the Committee. The study should also examine prices charged veterans and their wives as compared with non-veterans and ascertain to what extent, if any, allowances or discounts are actually being made to veterans, as veterans.

The Administrator should, to the maximum extent practicable, coordinate his investigation with other government agencies concerned with this problem. Both the Federal Trade Commission and the U.S. Postal Service have expressed varying degrees of concern with deceptive cemetery practices. The Administrator should also examine existing state laws and private contractual remedies to determine how adequate they are (in both theory and practice) in protecting veterans from misrepresentation and abuses testified to before the Committee. Finally, the Committee believes it appropriate for the study to examine the actions taken by the cemetery industry following committee hearings to determine what changes if any have taken place and how effective such self-policing sanctions are.

Veterans' Administration Comprehensive Study

While the National Cemetery Act of 1973 is an important measure in developing a cohesive national burial policy, much obviously remains to be done. Section 3 of this bill directs the Administrator to conduct a comprehensive study of and submit his recommendations to Congress within six months following the convening of the first session of the 93rd Congress. The Committee is aware that a considerable inhouse study has been conducted by the VA in which a great deal of meaningful data has already been compiled. In its report to S. 49, the Veterans' Administration has noted that its study has continued and that a completion is scheduled within a "relatively short time". Thus, there should be no difficulty in meeting the July 1, 1973 reporting date to Congress.

The study will cover among other things the criteria which should govern the development and operation of the National Cemetery System including the concept of regional cemeteries and the relationship of the National Cemetery System to other burial benefits provided by federal and state governments to servicemen and veterans.

As part of the study, the Committee also desires that the Administrator give close consideration to acquiring as part of the National Cemetery System the Congressional Cemetery consisting of approximately 30 acres at 1801 E Street, S.E. in the District of Columbia. The recent burial there last year of J. Edgar Hoover, former Director of the Federal Bureau of Investigation, brought public attention to the degree of neglect and vandalism that has befallen the Congressional Cemetery. The Congressional Cemetery is now owned by Christ's Church, Washington Parish. As a historical property it is listed on the National Register of Historic Places and although it is eligible for assistance under the Grants In Aid Program authorized by the National Historical Preservation Act of 1966 (80 Stat. 915) the funding level of the Grants In Aid Program has been shockingly low. Further information received by the Committee indicates that because of numerous high priority projects and limited grant funds, it appears unlikely that funds can be provided for the rehabilitation of the Congressional Cemetery within the foreseeable future. Accordingly, the Committee believes that acquisition of this cemetery within the National Cemetery System would appear to be quite appropriate.

Other Cemetery Proposals

During the 92nd Congress there were 13 bills referred to the Committee which would have established new national cemeteries in various States. There were also over 34 such bills introduced in the House of Representatives including one which would have established a new national cemetery in each State. Already in this session, six bills have been introduced in the Senate and 31 in the House of Representatives Comparing population patterns in the United States with geographic distribution of national cemeteries, certain of these bills would appear to have a considerable degree of merit. The Committee is convinced, however, that it would be a mistake to act on a piecemeal basis. The creation of new national cemeteries must be done in the context of what our national burial policy will be and how each national cemetery will relate to cohesive national plan. With recommendations forthcoming from the Veterans' Administration on or before July 1, 1973, Congress will be able to act in a timely fashion.

Burial Plot Allowance

This bill would also authorize a new burial plot allowance. Burial allowances which were originally authorized to avoid burial of war veterans in a potters field date back to the War Risk Insurance Act of 1917 which provided for the payment of burial expenses not to exceed $100 for certain individuals whose death occurred before discharge or resignation for service. This provision was amended in 1923 to extend payment of a $100 allowance for veterans who died without sufficient assets to meet the expense of burial or where such expenses were not otherwise provided for. The amount was reduced to $75 under the Economy Act by Executive Order in 1933 and restored by Executive Order in 1934. In 1936 the assets limitations previously contained in the law was removed. Ten years later in 1946 the allowance was increased from a maximum $100 to $150 (Public Law 79–529), and in 1958 it was again increased to the present maximum of $250 (Public Law 85-674).

The National Cemetery Act of 1973 would authorize the Administrator to pay an additional burial plot allowance not to exceed $150. As the House report to the cemetery bill last year noted this "relatively modest" allowance is not intended as the total answer to the question of national policy concerning cemeteries or federal burial benefits. But, it is a necessary first step to answering it. The Committee will watch with interest what effect the additional allowance has on the demand for burial in national cemeteries.

The new burial plot allowance is subject to a set-off where any part of the plot or interment expenses has been paid or assumed by a state or the employer of a deceased veteran. The Veterans' Administration estimates that in the first full year, 284,800 burial awards will be affected at an additional first year annual cost of $42.7 million. The bill would also authorize additional benefits in those cases in which a veteran dies as a result of a service-connected disability. In such a case, survivors would be entitled to VA benefits in an amount not to exceed that currently paid to a Federal employee under the Federal Employees Compensation Act. Under section 8134(a) of title 5, United States Code, a Federal employee who dies as a result of an injury sustained in the performance of duty receives up to $800 for funeral or burial expenses. The benefits of new section 907 would be in lieu of those authorized in sections 902 and 903 except that transportation expenses to a place of burial authorized in 903(a)(2) where a death occurs in a Veterans' Administration facility would continue to be available. The Committee believes it appropriate and equitable to provide the same treatment for a veteran who dies from a service-connected condition acquired in the service of his country as that provided for Federal employees who die as a result of performance of duty. The Veterans' Administration estimates that for the first full year 33,200 awards will be affected at an additional cost of $15.8 million.

New Rulemaking Authority

Section 4 of the bill would authorize a new section 218 which would establish broader authority to the Administrator of the Veterans' Administration to establish standards of conduct and arrest for crimes at hospitals, domiciliaries, cemeteries, and other VA property. Closely patterned after existing authority granted to the Administrator of General Services in sections 318–318(d) of title 4 United States Code this authority would supersede the more limited authority now vested in the Administrator under section 625 of title 38 and accordingly the latter provision would be repealed. Under that section, the Administrator may designate persons to make arrests for "any crime or offense against the United States committed on a reservation. * * *" The new provision would expand the Administrator's authority to allow him to promulgate rules and regulations. Those whom he authorizes could therefore make arrests for violation of these rules and regulations as well as for violations of federal law. In addition, the Administrator could empower the officers or employees of the Veterans' Administration who have been duly authorized to perform investigative functions to act as special investigators and carry firearms. In order to enforce these rules, the Administrator is given the power to set "reasonable penalties" which may not exceed a $50 fine and/or imprisonment for not more than 30 days.

Section 625 which would be repealed by the broader section 218 does not presently cover cemeteries or VA property other than hospitals and domiciliaries, nor does it authorize arrest for violations of rules and regulations. The arrest power presently extends only to federal crimes committed on hospital or domiciliary reservations. There is, however, ample precedent for authorizing Federal officers to make arrests for violations for both Federal laws and agency regulations committed on Federal property within their jurisdiction. Employees of the National Park Service are authorized to make arrests for violations of laws and regulations relating to national forests and parks. Such misdemeanor arrests may not be made without an arrest warrant unless the violation occurs in the presence of the officer making the arrest. Under the reported bill, arrests may be made without a warrant if the special investigator has reasonable grounds to believe that the offense is a felony under federal law and reasonable grounds to believe that the person to be arrested is guilty of that offense.

Burial of Vietnam Unknown Soldier

Section 9 of the reported bill provides for the burial of the remains of an unidentified American who was a member of the Armed Forces of the United States who served in Southeast Asia and lost his life during the Vietnam era for burial in Arlington National Cemetery Memorial Amphitheatre. This provision follows the text of a separate bill (H.J. Res. 609) introduced by the Honorable Hamilton Fish, Jr. of New York last year. The Committee is pleased to note that in 1920 a similar resolution which resulted in the creation of the Tomb of the Unknown Soldier of World War I was sponsored by the father of Congressman Fish, the late Honorable Hamilton Fish, Sr. Implementation of this section shall take place at such time as hostilities have been concluded in Southeast Asia.

SECTION-BY-SECTION ANALYSIS AND EXPLANATION OF S. 49, AS AMENDED

Section 1

This section provides the Act may be cited as the National Cemeteries Act of 1973.

Section 2

Subsection (*a*) adds a new chapter 24 to part II of title 38, United States Code. This chapter creates a National Cemetery System within the jurisdiction of the Veterans' Administration and is in large part patterned after chapter 7 of title 24, United States Code which contains current authority for the Secretary of Army to operate and maintain such a System. A detailed analysis of the new chapter, the provisions of which have been modernized and simplified somewhat, follows:

§ 1000. Establishment of a National Cemetery System: composition of such system; appointment of director

A National Cemetery System would be established within the Veterans' Administration for interment of deceased servicemen and veterans. The new System would be headed by a director who would be responsible to the Administrator for the operation of the National Cemetery System. This System would consist of national cemeteries transferred from the Department of the Army to the Veterans' Administration; cemeteries under the jurisdiction of the Veterans' Administration at the time the bill is enacted; and any other cemetery, memorial, or monument transferred to the Veterans' Administration by this bill or later acquired or developed.

§ 1001. Advisory Committee on Cemeteries and Memorials

This section directs the establishment of an Advisory Committee on Cemeteries and Memorials, whose members would be appointed by the Administrator. The Administrator shall advise and consult with the Committee from time to time with respect to the administration of the cemeteries for which he is responsible and with respect to selection of cemetery sites, the erection of appropriate memorials and adequacy of Federal burial benefits. The Advisory Committee shall make periodic reports and recommendations to the Administrator and the Congress.

§ 1002. Persons eligible for interment in national cemeteries

This section designates those persons who, subject to regulations the Administrator shall prescribe and further subject to the forfeiture provisions of section 3505 of title 38, shall be eligible for interment in any open national cemetery in the National Cemetery System. Eligibility provisions of this section are identical to those currently in force in section 281 of title 24, United States Code. These include servicemen who die on active duty, veterans, reservists, National Guardsmen, Reserve Officers, Training Corps members United States citizens who served honorably with the armed forces allied with the United States in wars engaged in by this country and certain dependents eligible persons in the foregoing categories.

Subsection (a)(6) of this section also provides the Administrator with the authority to include "such other persons or classes of persons" as he may designate. This additional category is consistent with authority currently based on VA Regulation 6200(C) as revised June 2, 1966. Similar authority apparently resides in the Secretary of Army pursuant to 32 C.F.R. 553.18(b)(1) which authorizes "burial in national cemeteries under such regulations as the Secretary may, with the approval of the Secretary of Defense, prescribe."

§ 1003. Memorial areas

This section authorizes the Administrator to set aside, where available, suitable memorial areas in national cemeteries to have those men missing in action or whose remains have not been identified or received. He is authorized to erect appropriate memorials or markers to honor their memory.

§ 1004. Administration

This section authorizes the Administrator to make all necessary and appropriate rules and regulations to carry out the provisions of chapter 24 including the power to designate cemeteries under his jurisdiction as national cemeteries. In discharging his responsibilities under this chapter the Administrator shall provide all necessary facilities for cemeteries including superintendents' lodges, chapels, crypts, mausoleums and columbaria. Graves in national cemeteries would be required to be marked by appropriate markers with specified information placed thereon. Registers of burials will be kept in each cemetery and also at the main office of the Veterans' Administration. These provisions are similar to authority presently vested in the Secretary of Army under sections 278 and 279 of title 24, United States Code. In fulfilling his responsibilities under this chapter the Administrator is also authorized to contract with responsible persons, firms, and corporations for the care and maintenance of such cemeteries under his jurisdiction.

The Administrator would be authorized to convey to any State, or political subdivision thereof, in which any national cemetery is located, all right title, and interest of the United States to any Government owned or controlled approach road providing the State or political subdivision states in writing prior to such conveyance, its willingness to accept and maintain such road. Upon conveyance the jurisdiction of the United States over such road would cease and would vest in the State or political subdivision. This is similar to authority presently contained in section 289 of title 24. When the Administrator deems it to be desirable he is authorized to cede concurrent jurisdiction to a State in which any cemetery monument or memorial under his jurisdiction is located. This partial relinquishment of legislative jurisdiction shall be initiated by filing a notice with the Governor of the State concerned and shall take effect upon acceptance by the State in such manner as its laws prescribe.

§ 1005. Disposition of inactive cemeteries

The Administrator would be authorized to transfer with the consent of the agency concerned, any inactive cemetery, burial plot, memorial or monument in his control to the Department of Interior or to any other agency of the Government for maintenance as a national monument or park. Funds appropriated to the Secretary for the National Park System shall be available for the management and operation of any cemetery transferred to the Department of Interior. The Administrator is also permitted to transfer any inactive cemetery or burial plot to a State or political subdivision thereof provided the State or subdivision agrees to maintain such cemetery in an appropriate manner. Any transfer would be subject to reversion to the Veterans' Administration should the grantee fail to care for and maintain such property in a manner satisfactory to the Administrator.

Where a cemetery not within the National Cemetery System has been or is to be discontinued, the Administrator could provide for the removal of remains from that cemetery to any cemetery within the National Cemetery System. The Administrator is also authorized to remove any veteran's remains from a place of temporary interment, or from an abandoned grave or cemetery to a national cemetery.

§ 1006. Acquisition of lands

The Administrator would be authorized to acquire additional lands for national cemeteries as needed. This could be accomplished by purchase, gift (including donations from State or political subdivisions), condemnation, transfer from other Federal agencies, or otherwise as is deemed in the best interest of the United States. Such authority is similar to that presently vested in the Secretary of Army pursuant to sections 271 and 271a of title 24, United States Code.

§ 1007. Authority to accept and maintain suitable memorials

The Administrator, subject to such restrictions as he may prescribe, would be authorized to accept gifts, devises, or bequests from legitimate societies and organizations or from reputable individuals for the purpose of beautifying or benefiting national cemeteries. He would also be authorized to make land available for this purpose and to furnish such care and maintenance as he deems necessary.

Subsection (*b*) of section 2 of the bill amends the table of chapters at the beginning of part II of title 38, United States Code to reflect the addition of a new chapter 24 establishing national cemeteries and memorials.

Subsection (*c*) of section 2 of the bill amends section 5316 of title 5, United States Code by making certain technical corrections and including the Director, National Cemetery System, Veterans' Administration as paragraph 133 of level V of the Executive Schedule Pay Rate.

Section 3

Subsection (*a*) directs the Administrator to conduct a comprehensive study of and submit his recommendations to Congress on or before July 1, 1973 concerning (1) the criteria which governs the development and operation of the National Cemetery System including the concept of regional cemeteries; (2) the relationship of the National Cemetery System to other burial benefits provided by Federal and State governments to servicemen and veterans; (3) steps to be taken to conform the existing system to the recommended criteria; (4) private burial and funeral costs in the United States; (5) current headstone and marker programs; and (6) the marketing and sales practices of non-Federal cemeteries and interment facilities for any persons either acting on their behalf or selling or attempting to sell any rights, interest, or service therein which is directed specifically towards the veterans and their dependents.

Subsection (*b*) provides that the Administrator shall in conjunction with the Secretary of Defense conduct a similar study and submit recommendations on or before July 1, 1973, concerning whether Arlington National Cemetery should be included within the National Cemetery System, the appropriateness of maintaining the present eligibility requirements for burial at that cemetery; and finally, the advisability of establishing another national cemetery in the District of Columbia or vicinity.

Section 4

Subsection (*a*) amends subchapter II of chapter 3 of title 38 by adding new section 218 more fully described as follows:

§ 218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations

This section is closely patterned after existing authority granted to the Administrator of General Services in sections 318–318(d) of title 4, United States Code. It would authorize the Administrator with respect to all lands and buildings under his jurisdiction to make all needful rules and regulations to maintain law and order to protect persons and properties on VA lands. Violation of such rules and regulations may result in a fine not to exceed $50 or thirty days imprisonment. The Administrator would be empowered to designate officers and employees of the Veterans' Administration to act as special policemen on VA property. He would also be authorized to utilize the facilities and services of existing Federal law enforcement agencies and State or local law enforcement agencies. The Administrator is authorized to empower officers or employees of the Veterans' Administration to act as special investigators with the power to enforce the rules and regulations made under this section and to make arrests without warrant for any offenses committed upon such property if the investigator has reasonable ground to believe: (1) the offense commits a felony under the laws of the United States; and (2) that the person to be arrested is guilty of that offense.

Subsection (*b*) of section 625 of title 38 dealing with arrests for crimes in hospitals and domiciliary reservations is repealed in light of the new and broader section 218 which applies to all lands and buildings under the jurisdiction of the Veterans' Administration.

Section 5

Subsection (*a*) amends present section 903 and adds new sections 906 and 907 more fully described as follows:

§ 903. Death in Veterans' Administration facility; plot allowance

Subsection (a) of 903 restates existing law authorizing a $250 burial allowance for those veterans whose death occurs within a Veterans' Administration facility. New subsection (b) provides that in addition to the amounts payable for the burial or funeral expenses of an eligible veteran under section 902 or 903, if the veteran is not buried in a national cemetery or other cemetery under the jurisdiction of the United States, the Administrator, at his discretion, having due regard to the circumstances in each case, may pay a sum not exceeding $150 plot or interment allowance to such person as he prescribes. If any part of the plot or interment expense has been paid or assumed by a State or subdivision, or the employer of the deceased veteran, a claim for only the difference between the entire amount of the expenses and the amount paid could be allowed.

§ 906. Headstones and markers

This new section would transfer the authority for the present headstone and marker program to the Administrator. This authority is identical to existing authority presently residing with the Secretary of the Army under section 279a, title 24, United States Code. The language has been modernized and simplified to make it conform with the present language of title 38. The new section directs the Administrator to furnish appropriate headstones or markers at Government expense where requested, for the unmarked grave of (1) any individual buried in the national cemetery or post cemetery; (2) an individual eligible for burial in a national cemetery, but not buried there (except for graves of the United States citizens who served honorably with the armed forces of foreign countries allied with the United States, dependents of certain servicemen and veterans and those other persons or classes of persons designated by the Administrator as eligible for burial in such cemeteries); and (3) soldiers of the Union and Confederate Armies of the Civil War.

Subsection (*b*) of new section 906 would authorize the Administration to furnish when requested an appropriate memorial headstone or marker to commemorate any veteran dying in the service and whose remains have not been recovered or identified or were buried at sea, for placement in a national cemetery area reserved for such purposes or in a private or local cemetery.

§ 907. Death from service-connected disability

This new section provides that in any case in which a veteran dies as the result of a service-connected disability the survivors are entitled to receive payment for burial and funeral expenses incurred in connection with the veterans death in an amount not exceeding that currently authorized under section 8134(a) of title 5 to Federal employees where death occurs as a result of injury sustained in the performance of duty. These benefits would be in lieu of benefits authorized under sections 902 and 903(a)(1) and (b) of title 38. Should death occur in a VA facility, transportation benefits provided in section 903(a)(2) as amended by this Act would continue to be available.

Subsection (*b*) of section 5 of the bill amends the table of sections at the beginning of chapter 23 of title 38 to include a reference to new sections 906 and 907.

Section 6

Subsection (*a*) provides for the transfer from the Secretary of Army to the Administrator of Veterans' Affairs jurisdiction over and responsibility for all national cemeteries with the exception of the cemetery at the United States Soldiers' Home and Arlington National Cemetery. This subsection also provides for the transfer from the Secretaries of Army, Navy, and Air Force to the Administrator of Veterans' Affairs, jurisdiction over and responsibility for any cemetery, memorial, or monument coming within their respective jurisdiction which the President determines would be appropriate. Excepted from this transfer are the cemeteries located at the U.S. Military Academy at West Point, the U.S. Naval Academy at Annapolis, and the U.S. Air Force Academy at Colorado Springs.

Subsection (*b*) directs the transfer of so much of the personnel, property and unexpended balances of appropriations, allocations, and other funds available to the Secretaries of Army, Navy, and Air Force in connection with the functions transferred by this bill, as determined by the Director of the Office of Management and Budget, to the Administrator of Veterans' Affairs.

Subsection (*c*) is a savings provision whereby all offenses committed and all penalties and forfeitures incurred under any law amended or repealed by this measure may be prosecuted and punished in the same manner as if these amendments or repeals have not been made.

Subsection (*d*) provides that all rules, regulations, orders, permits, and other privileges issued or granted by the Secretaries of the Army, Navy, and Air Force will remain in full force and effect until modified, suspended, overruled, or otherwise changed by the Administrator, by any court of competent jurisdiction, or by operation of law.

Subsection (*e*) is a further savings provision under which (1) no suit, action or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Army, Navy, or Air Force, with the respect of functions transferred by this bill, shall abate because of the enactment of this bill; (2) no cause of action by or against any Department or Commission concerning the functions transferred or by or against any officer thereof in his official capacity shall abate because of the enactment of this bill; (3) causes of actions, suits, or other proceedings may be asserted by or against the United States or appropriate officer of the Veterans' Administration in any litigation pending at the time this Act takes effect with the court, on its own motion or the motion of any party, being authorized to enter an order giving such effect; and (4) suits commenced prior to the date of enactment of this bill with respect to any function transferred shall be continued by the Administrator.

Section 7

Subsection (*a*) of this section provides for the repeal of statutes giving the Secretary of Army jurisdiction over and responsibility for national cemeteries. Accordingly, most codified provisions contained in chapter 7 of title 24 are repealed. It should also be noted that beginning with a provision of the Appropriations Act of 1925 for the military and nonmilitary activities of the War Department and codified in 1953 in 24 U.S.C. 290 railroads have not been permitted "upon the right of way which may have been acquired by the United States to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States." Subsection (a) also provides for the repeal of each of these provisions consistent with the intent of the bill to simplify and recodify the cemetery legislation in title 38. The Committee wishes to note, however, the power to prohibit railroads from encroaching on the rights of way to national cemeteries must be maintained and it intends that the Administrator accomplish this through exercising the power granted in this Act to promulgate regulations to that effect. Although subsection (a) repeals existing authority all rights and duties matured, penalties, liabilities, and forfeitures that were incurred, and proceedings that were begun before the effective date of the transfer of these cemeteries to the new National Cemetery System are preserved under the language of this subsection.

Subsection (*b*) provides that nothing in the repealed section shall be deemed to affect in any manner the function, powers, and duties of the Secretary of Interior with respect to those cemeteries and memorials or monuments coming within his jurisdiction on the date the new National Cemetery System is created or those of the Secretary of the Army, Navy, or Air Force with respect to those cemeteries or memorials or monuments under their respective jurisdiction to which the transfer provisions of this bill do not apply.

Section 8

Section 3505 of title 38 provides for the forfeiture of gratuitous benefits under laws administered by the Veterans' Administration by any individual convicted of certain crimes. This would amend subsection (a) of section 3505 to make explicit that forfeiture benefits also include the right to burial in a national cemetery.

Section 9

This section would authorize and direct the Secretary of Defense to cause to be brought to the United States the remains of an unidentified American who was a member of the Armed Forces of the United States who served in Southeast Asia and lost his life during the Vietnam era for burial in Arlington National Cemetery Memorial Amphitheater. Implementation of this section shall take place after the United States has concluded its participation in hostilities in Southeast Asia. Such sums as may be necessary to carry out the provisions of this section are authorized to be appropriated.

Section 10

The new burial plot allowance becomes effective on the first day after the second month following enactment. The transfer of cemeteries and the Government marker program to the Veterans' Administration and the repeal of resulting inconsistent statutes shall take place no later than July 1, 1973 or such earlier date as the President may prescribe. All remaining provisions of the bill become effective upon enactment.

COST ESTIMATES PURSUANT TO SECTION 252 OF THE LEGISLATIVE REORGANIZATION ACT OF 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510, 91st Congress), the Committee based on information supplied by the Veterans' Administration understands that the only costs attributable to this bill will result from section 4 establishing a new $150 burial allowance for all veterans and additional allowance for those who die of service-connected causes. According to a recent Veterans' Administration study, approximately 15 percent of veterans dying were buried in national cemeteries. Assuming this proportion is maintained and that the remaining 85 percent are buried in private cemeteries (and only a minimal number are excluded by virtue of State or employer assumption of burial costs) the first year cost is estimated at $56 million increasing gradually to $66.8 million at the end of five years. The following table shows the burial affected by the new $150 allowance and the additional costs for each of the next five fiscal years:

TABLE 7.—ESTIMATE OF COST

BURIAL PLOT ALLOWANCE

	Burial awards affected	Additional annual cost
Fiscal year:		
1974	284, 800	$42, 720, 000
1975	297, 500	44, 625, 000
1976	306, 000	45, 900, 000
1977	323, 000	48, 450, 000
1978	340, 000	51, 000, 000

BURIAL ALLOWANCES FOR SERVICE-CONNECTED DEATHS

Fiscal year:		
1974	33, 200	$13, 280, 000
1975	34, 700	13, 880, 000
1976	36, 200	14, 480, 000
1977	37, 800	15, 120, 000
1978	39, 700	15, 880, 000

While the transfer of the cemetery system will not result in additional cost to the Federal Government, the Committee notes that the Veterans' Administration will assume and the Department of Army will be relieved of certain obligations in connection with the operation of the cemetery system. For example, in Fiscal 1973, the Department of Army has fiscal outlays approximating $21.9 million of which $11.7 million is attributable to the operation and maintenance of national cemeteries: $1.4 million to construction; $7.1 million for headstone procurement; and $1.7 million for administration.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes cast in person or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report S. 49 with amendments favorably to the Senate:

YEAS—9

Vance Hartke, Herman E. Talmadge, Jennings Randolph, Harold E. Hughes, Alan Cranston, Clifford P. Hansen, Strom Thurmond, Robert T. Stafford, James A. McClure.

NAYS—0

Mr. HARTKE. Mr. President, this eliminates the most controversial section of the bill. The entire committee has supported the bill and I recommend its passage.

Mr. HANSEN. Mr. President, this is an important bill to all veterans and their dependents. Since the Civil War period, the Government has provided burial space for its veteran population in national cemeteries throughout the United States. We should do no less than continue this practice.

This bill (S. 49) provides that the Veterans' Administration may continue studies regarding this issue and report findings back to Congress. The report will ascertain the feasibility of establishing a national cemetery within the boundaries of each State, or, in some instances, near highly populated areas.

At present, our veteran population is more than 28 million. The current burial space available across this Nation would provide for less than 1 million. Adding the dependents who are entitled by statute to be buried in a national cemetery, the figures for spaces available and potential candidates for national cemetery burial are even more disparate.

This bill also will provide $150 plot allowance to the next of kin of veterans who are not interred in a national cemetery. The studies down through the years have considered this is a necessary item, for not all veterans, of course, or their next of kin, take advantage of the national cemetery system.

Studies have shown that in many instances, the next of kin prefers burial of his or her spouse in the local cemetery rather that be faced with traveling considerable distances to visit the grave. By this bill, we hope to satisfy both categories.

Currently, an individual employed by the Federal Government who expires from an accident which occurred while he was on duty may obtain up to $800 towards burial. This bill would provide the same amount to any individual who expires from a service-connected disability that had its inception while he or she was in service of the Nation.

It is my belief that this is a very substantial and productive piece of legislation. I am hopeful that my colleagues wil join me in full support of this measure.

Mr. CRANSTON. Mr. President, I am privileged to join with Senator HARTKE as a principal cosponsor of S. 49, the National Cemeteries Act of 1973. It is a fine measure which has been described at length already, and I wish only to elaborate briefly on one provision which I authored.

Specifically, I refer to the provision in section 5(a) of the bill which provides for equity in the payment of burial and funeral expenses payments to the survivors of veterans who die from service-connected conditions.

Under the Federal Employees' Compensation Act (5 U.S.C. 8134(a)), if a Federal employee dies as a result of injuries or illness sustained in the performance of duty, his survivors are entitled to a funeral and burial expenses payment of up to $800. And if he dies while away from his home, they are entitled to transportation and preparation of the remains to the place of burial.

By contrast, a veteran who dies—not in a VA hospital—from a service-connected condition is entitled only to a $250 burial benefit, plus, under an amendment in S. 49, a $150 plot allowance.

I can see no basis for this discrimination against the veteran's survivors with respect to a death resulting from the performance of duty. They should get the same $800 payment, and under my amendment in S. 49, they would.

Mr. STAFFORD. Mr. President, S. 49, the bill to establish a national cemetery system within the Veterans' Administration, is again before the Senate for consideration.

To restate my support simply, this piece of legislation is a necessary step to bring the national cemetery system in line with the realities of 1973. The present existing system cannot fulfill the needs of our veterans.

The committee has worked hard on this bill to make it a good one and I think the majority of the Senate will agree by their votes.

Mr. President, I have long supported the need for this legislation and I shall vote for S. 49.

Mr. HANSEN. Mr. President, I yield back the remainder of my time.

Mr. HARTKE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Haskell). All time on this bill has now been yielded back. If there are no further amendments to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill (S. 49) pass?

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Carolina (Mr. Ervin), the Senator from Michigan (Mr. Hart), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce, that if present and voting, the Senator from Indiana (Mr. Bayh), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) would each vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Arizona (Mr. Fannin), the Senator from Oregon (Mr. Packwood), and the Senator from South Carolina (Mr. Thurmond) are absent on official business.

The Senator from Michigan (Mr. Griffin) is detained on official business.

If present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "yea."

The result was announced—yeas 85, nays 4, as follows:

[No. 33 Leg.]

YEAS—85

Aiken
Allen
Baker
Bartlett
Beall
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fong
Fulbright
Gravel
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Weicker
Young

NAYS—4

Bellmon
Bennett
Goldwater
Saxbe

NOT VOTING—11

Abourezk
Bayh
Ervin
Fannin
Griffin
Hart
Packwood
Stennis
Thurmond
Tunney
Williams

So the bill (S. 49) was passed.

(Note.—The text of the bill as passed is identical to the text as printed earlier in the Record at the point where the Senate proceeded to consider S. 49.)

ORDER FOR ADJOURNMENT TO 12 NOON ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' DRUG AND ALCOHOL TREATMENT AND REHABILITATION ACT OF 1973

The PRESIDING OFFICER (Mr. Haskell). Under the previous unanimous-consent agreement, the Senate will proceed to the consideration of S. 284, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 284) to amend ch. 17 of title 38, United States Code, to require the availability of comprehensive treatment and rehabilitative services and programs for certain disabled veterans suffering from alcoholism, drug dependence, or alcohol or drug abuse disabilities, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs with amendments: On page 1, line 4, after the word "and", strike out "Rehabilitative" and insert "Rehabilitation"; on page 5, line 1, change the section number from "4" to "5"; on page 6, line 7, after the word "section", strike out "660" and insert "659"; on page 14, line 2, after the word "subchapter", insert "who has successfully undergone such treatment and"; in line 9, after the word "such", strike out "program," and insert "program and as a condition of admission to a treatment program under this subchapter,"; at the beginning of line 11, insert "an eligible"; and, after the amendment just above stated, strike out "a"; on page 15, line 4, after the word "than", where it appears the first time, strike out "75" and insert "60"; on page 16, line 21, after the word "eligible", strike out "veterans, broken down so as to reflect expenditures from medical care appropriations and from the Fund" and insert "veterans"; on page 21, line 16, after the word "subchapter", insert "and section 629 of this title"; in line 20, after the word "provided", strike out "hereunder," and insert "hereunder and under such section 629,"; on page 22, line 4, after the word "title", insert a comma and "pursuant to section 654 of this title,"; and, in the material following line 14, in the line beginning "652.", after the word "and", strike out "rehabilitation" and insert "rehabilitative"; so as to make the bill read:

S. 284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1973".

Sec. 2. (a) Section 601(1) of title 38, United States Code, is amended by inserting "(including alcoholism and drug dependence)" immediately after "disease".

(b) Section 601 of such title is further amended by redesignating paragraphs (2) through (7) as paragraphs (3) through (8), respectively, and by inserting after paragraph (1) of such section a new paragraph (2) as follows:

"(2) The term 'veteran', with respect to furnishing hospital care and medical services under this chapter for a service-connected disability, includes (except as otherwise provided in subchapter VI of this chapter and section 3103 of this title) a person who served in the active military, naval, or air service and who was discharged or released therefrom with an other than dishonorable discharge."

(c) Section 601(6) of such title (as redesignated by subsection (b) of this section) is amended by inserting "and rehabilitative services" immediately after "medical services".

(d) Section 601(7) of such title (as redesignated by subsection (b) of this section) is amended by striking out "and treatment" and inserting in lieu thereof a comma and "treatment, and rehabilitative services".

(e) Paragraph (8) of section 601 of such title (as redesignated by subsection (b) of this section) is amended to read as follows:

"(8) The term 'domiciliary care' includes necessary medical services and rehabilitative services, and, in the case of veterans who are unable to defray the expense of transportation, transportation and incidental expenses."

(f) Section 601 of such title is further amended by adding at the end thereof a new paragraph as follows:

"(9) The term 'rehabilitative services' includes but is not limited to, such professional counseling, educational and vocational guidance, education, training, and job referral and placement services (including therapeutic work for remuneration through arrangements with private industry, and essential transportation associated therewith), and such other intensive skilled services applied, on an inpatient or outpatient basis, over such a protracted period as may be necessary to assist the patient to return, as soon (and as completely rehabilitated) as practicable, to his or her family and community as a productive, self-respecting, and self-sustaining member of society."

SEC. 3. Section 602 of title 38, United States Code, is amended by—

(1) striking out "an active" and inserting in lieu thereof "a"; and

(2) striking out "two years" both times it appears therein and inserting in lieu thereof "three years".

SEC. 4. (a) Subchapter II of chapter 17 of title 38, United States Code, is amended by adding after section 612 a new section as follows:

"§ 612A. Eligibility for readjustment medical counseling

"The Administrator, subject to the provisions of section 3103 of this title and within the limits of Veterans' Administration facilities, shall furnish readjustment medical counseling and appropriate followup care and treatment under this subchapter to any person who served in the active military, naval, or air service during the Vietnam era and was discharged or released therefrom with other than a dishonorable discharge and who requests such counseling in order to assist such person in readjusting to civilian life following his discharge or release from the Armed Forces. The Administrator, in cooperation with the Secretary of Defense, shall take appropriate action, as provided in section 241 of this title, to insure that all veterans eligible for assistance under this section are advised of their eligibility for such assistance and are encouraged to take full advantage thereof."

(b) The table of sections at the beginning of chapter 17 of such title is amended by inserting immediately below

"612 Eligibility for medical treatment."

the following:

"612A. Eligibility for readjustment medical counsel."

SEC. 5. (a) Subchapter III of chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 629. Treatment and rehabilitation for alcoholism

"(a) The Congress hereby finds and declares that alcoholism and alcohol abuse are the most pervasive untreated disease and disability afflicting the Nation, including the veteran population, and that the onset of such conditions often has occurred during military service.

"(b) In order to meet the situation described in subsection (a) of this section, the Administrator, in carrying out his responsibilities to furnish hospital and domiciliary care (including nursing home care) and medical and rehabilitative services under this chapter, shall carry out specialized medical programs providing inpatient treatment (including treatment of the symptoms of detoxification) and outpatient treatment and rehabilitative services on a nationwide basis to the eligible veterans and persons suffering from the disability of alcoholism or alcohol abuse. In carrying out such specialized medical programs, the Administrator shall utilize the most efficacious available models, stressing the utilization in such programs of recovered alcoholic counselors and halfway houses, encounter-style therapeutic communities and other treatment and rehabilitation modalities, extending beyond the detoxification period and designed to provide for the full recovery of the addict patient and his restoration to society as a productive, self-sufficient citizen. The Administrator shall submit a full report annually on the programs carried out under this section as a part of his annual report submitted under and providing the same type of information specified in section 659 of this title."

(b) The table of sections at the beginning of chapter 17 of such title is amended by inserting at the end thereof the following:

"629. Treatment and rehabilitation of alcoholism.".

SEC. 6. Section 618 of title 38, United States Code, is amended by inserting "(a)" before "The Administrator" where it first appears and adding the following new subsection:

"(b) In providing rehabilitative services under this chapter, the Administrator shall take appropriate action to make it possible for the patient to take maximum advantage of any benefits to which he is entitled under chapter 31, 34, or 35 of this title."

SEC. 7. (a) Chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER VI—SPECIAL MEDICAL TREATMENT AND REHABILITATIVE SERVICES FOR DRUG DEPENDENCE OR DRUG ABUSE DISABILITIES

"§ 651. Definition

"As used in this subchapter and notwithstanding any other provision of this title, the term 'veterans', except as provided in section 654 of this title, means a person who has been discharged or released from a period of active military, naval, or air service, regardless of the nature of such discharge or release, and regardless of section 3103 of this title, and who has a drug dependence or drug abuse disability.

"§ 652. Treatment and rehabilitative services for veterans suffering from drug dependence or drug abuse disabilities

"(a) The Administrator shall furnish to any veteran for a drug dependence or drug abuse disability such special medical treatment and rehabilitative services and such hospital and domiciliary care (hereinafter in this subchapter collectively referred to as treatment and rehabilitative services) as he finds to be reasonably necessary to bring about the veteran's recovery and rehabilitation from such disability.

"(b) Such treatment and rehabilitative services shall (1) include, but not be limited to, medical examination, diagnosis, and classification of disability, all appropriate short-term services for the acute effects of the disability, drug withdrawal treatment, group therapy, individual counseling (including appropriate referrals for legal assistance), educational and vocational guidance, and crises intervention, and (2) be provided in hospital, domiciliary, outpatient, and halfway house and other community-based facilities (including store-front facilities located in areas where large numbers of veterans eligible for treatment and rehabilitative services under this subchapter reside) over which the Administrator has direct and exclusive jurisdiction or in other Government or public or private facilities for which the Administrator contracts in accordance with such regulations as he shall prescribe.

"(c) In providing for treatment and rehabilitative services under this subchapter to any veteran, the Administrator shall offer alternative modalities of treatment to such veteran based upon the individual needs of such veteran.

"(d) In contracting for treatment and rehabilitative services in non-Veterans' Administration facilities pursuant to this subchapter, the Administrator shall, wherever feasible, give priority to community-based, multiple-modality, treatment and rehabilitation programs which employ peer group veterans and stress outreach efforts to identify and counsel veterans eligible for treatment and rehabilitative services under this subchapter.

"(e) The Administrator shall, upon receipt of application for treatment and rehabilitative services under this subchapter by any veteran who has been discharged or released from a period of active military, naval, or air service, with other than an honorable or general discharge—

"(1) advice such veteran of his right to apply to the appropriate military, naval, or air service for a review of the nature of his discharge or release for the purpose of correcting the nature of his discharge and thus removing any ineligibility to the receipt of benefits under this title or any other law.

"(2) advise such veteran of the policy of the Armed Forces with respect to review of the nature of any discharge received in connection with drug use or possession; and

"(3) advise such veteran of all programs under this title and any other law to which he is entitled or would be entitled with a general or honorable discharge.

The administrator shall offer and, if requested, provide to any veteran within the purview of this subsection such assistance as may be necessary to facilitate the process of preparing and filing an application for a review of the nature of such veteran's discharge or release from a period of active military, naval, or air service.

"(f) (1 Any veteran eligible for treatment and rehabilitative services under this subchapter as a result of service in the active military, naval, or air service during the Vietnam era shall be entitled to such treatment and rehabilitative services.

"(2) If such veteran—

"(A) requests, but is not provided promptly, treatment and rehabilitative services in a facility or program over which the Administrator has direct and exclusive jurisdiction, or

"(B) requests treatment and rehabilitative services in a non-Veterans' Administration facility or program which the Administrator, as hereafter provided in this paragraph, has determined provides treatment and rehabilitative services consistent with the provisions of this subchapter, and there is no facility or program described in clause (A) readily accessible to such veteran,

then such veteran shall be entitled to payment on his behalf by the Administrator of the reasonable value of such treatment and rehabilitative services consistent with the provisions of this subchapter (including services in accordance with and under the provisions of section 654 of this title) provided to such veteran in a non-Veterans' Administration facility or program which the Administrator, in accordance with standards established in such regulations as he shall prescribe with the concurrence of the Director of the Special Action Office for Drug Abuse Prevention in the Executive Office of the President, has determined provides such treatment and rehabilitative services consistent with the provisions of this subchapter.

"(3) The Administrator shall make payment to a non-Veterans' Administration facility which has provided treatment or rehabilitative services under paragraph (2) of this subsection (A) for treatment and rehabilitative services provided, out of any funds appropriated for the medical care of veterans for any fiscal year, and (B) for rehabilitative services provided under and in accordance with the provisions of section 654 of this title, out of any funds over which the Administrator has acquired direction pursuant to section 654(a) of this title.

"(g) (1) The Administrator shall also provide for treatment and rehabilitative services in the case of any veteran eligible therefor under this subchapter who has been charged with, or convicted of, a criminal offense by any court of competent jurisdiction in the United States, who is not confined and who is not required to participate in the treatment and rehabilitation program by any such court. In addition, the Administrator shall, to the maximum extent feasible, furnish drugs and medicines to any veteran who is incarcerated by a unit of general local government if such veteran was receiving treatment and rehabilitative services under this subchapter immediately prior to his incarceration and if such drugs and medicines are ordered by the attending physician under conditions he determines provide adequate safeguards against abuse; and the Administrator shall continue to furnish such drugs and medicines to such veteran until such time as the Administrator determines that responsibility for appropriate treatment will be assumed by a non-Veterans' Administration facility or program.

"(2) The Administrator may also provide for treatment and rehabilitative services to any veteran eligible therefor under this subchapter who is under the jurisdiction of a court of competent jurisdiction as the result of having been charged with, or having been convicted of, a criminal offense and who is required to participate in a treatment and rehabilitation program by such court, but such services may be provided only under such conditions as the Administrator determines will insure that the participation of such veteran in the program in question will not impair the voluntary nature of the treatment and rehabilitative services being provided to other patients in such program.

"§ 653. Outreach and counseling

"(c) The Administrator shall utilize all available resources of the Veterans' Administration including the use of peer group veterans in seeking out and counseling toward treatment and rehabilitation of all veterans, especially Vietnam era veterans, eligible for treatment and rehabilitative services under this subchapter.

"(b) The Administrator shall carry out an affirmative action program, in consultation with the Secretary of Labor and the Chairman of the Civil Service Commission, (1) to urge all Federal agencies, private and public firms, organizations, agencies, and persons to provide appropriate employment opportunities for veterans provided treatment and rehabilitation under this subchapter who have been determined by competent medical authority to be sufficiently rehabilitated to be employable, and (2) in coordination with the Secretary of Labor, to place such veterans in such opportunities.

"§ 654. Special Rehabilitation Program of education and training for certain veterans

"(a) Pursuant to regulations prescribed by the Administrator and without regard to a veteran's eligibility for any other benefits under this title, the Administrator shall, in accordance with the provisions of and limitations in this subchapter and subject to the provisions of section 3103 of this title, provide a special program of rehabilitative services patterned after education and training programs under chapter 31 of this title, to any veteran eligible for treatment and rehabilitative services under this subchapter who has successfully undergone such treatment and who was discharged or released after January 31, 1955, from active military, naval, or air service with a discharge under other than dishonorable conditions, to the extent of such veteran's entitlement to benefits under chapter 31, 34, or 35 of this title, as specified in the second sentence of this subsection. In order to qualify for participation in such program and as a condition of admission to a treatment program under this subchapter, such an eligible veteran shall enter into an agreement with the Administrator which will include the following requirements—

"(1) with respect to such veteran's participation in such program, the Administrator shall be entitled to direct the disposition of such veteran's benefit entitlement under chapter 31, 34, or 35 of this title based upon the total number of months (or partial equivalents thereof) of such veteran's participation in such program;

"(2) such veteran's benefit entitlement under such chapters shall be reduced by the total number of months (or partial equivalents thereof) of his participation in such program;

"(3) from the amount of such veteran's benefit entitlement over which the Administrator has been given direction, the Administrator shall provide for the necessary rehabilitative services for such veteran and shall pay a monthly subsistence allowance in an amount not less than 60 per centum, nor more than the full amount, of the full subsistence allowance provided under chapter 31 of this title for each month of such veteran's participation in such program.

"(b)(1) The total period of participation by any veteran in the special rehabilitation program established by this section shall not exceed the total number of months of such veteran's entitlement for benefits under chapter 31, 34, or 35 of this title or a total of twenty-four months, whichever is the lesser, except that in extraordinary cases and in accordance with such regulations as the Administrator may approve an additional period of participation and payment of such subsistence allowance as he determines necessary when he finds that the veteran is making reasonable progress in his rehabilitation program and the additional assistance is necessary to accomplish the purpose of the program.

"(2) No veteran shall enter the program established under this section later than eight years after the date of enactment of this section or of such veteran's discharge or release, whichever is later.

"§ 655. Audits by Comptroller General

"The Comptroller General of the United States, or any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, accounts, records, reports, files, and all other things or property of non-Veterans' Administration facilities that are pertinent to payments received pursuant to contracts entered into under this subchapter.

"(b) The Comptroller General shall carry out his responsibilities under this section in such a way as to comply with the provisions, respecting medical confidentiality, set forth in section 658 of this title.

"§ 656. Budget requests

"For the fiscal year ending June 30, 1973, and for each fiscal year thereafter, there shall be included in the budget required to be submitted to Congress pursuant to section 201 of the Budget and Accounting Act, 1921 (31 U..C. 11), a separate line item showing the estimated expenditures by the Veterans' Administration under this subchapter and under section 629 of this title during such fiscal year for the treatment and rehabilitation of eligible veterans.

"§ 657. Treatment of members of the Armed Forces by the Veterans' Administration

"(a) Any members of the active military, naval, or air service who is determined by the Secretary of the military department concerned to have a drug dependence or drug abuse disability, may, pursuant to such terms as may be mutually agreeable to the Secretary concerned and the Administrator, and subject to the provisions of the Act of March 4, 1915, as amended (31 U.S. C. 686), be transferred to any Veterans' Administration facility within the last ninety days of his tour of duty and be provided treatment and rehabilitative services under this subchapter as if he were a veteran.

"(b) The Administrator shall from time to time make a report to the Secretary concerned as to the progress of the treatment of any member transferred to him pursuant to the provisions of this section, and the Administrator shall release such member to the secretary concerned when the Administrator finds that the drug abuse disability of such member is stabilized, or certifies that (1) such member refuses to comply with the terms and conditions of the treatment prescribed, or (2) the treatment which could otherwise be provided will be of no further benefit to such member.

"(c) No member of the active military, naval, or air service shall be transferred to any Veterans' Administration facility pursuant to subsection (a) of this section unless such member requests such transfer in writing for a specified period of time within his tour of duty. No such member thereafter transferred shall be retained for treatment by the Administrator beyond such specified period of time within his tour of duty unless the member in writing requests treatment for a further specified period of time and such request is approved by the Secretary concerned and the Administrator.

"§ 658. Medical confidentiality

"(a) Notwithstanding any other provision of law, all records made or information divulged by a person in connection with the provision of treatment and rehabilitative services under the provisions of this subchapter shall be kept confidential by the Administrator, and such record, information, or the fact of such treatment may be disclosed only for the purposes and under the circumstances expressly authorized in this section.

"(b) If the patient who is the subject of the record, information, or fact of treatment obtained or provided under the provisions of this subchapter—

"(1) has voluntarily requested in writing a waiver of confidentiality (A) to medical personnel for the purpose of diagnosis or treatment, (B) to his attorney, or (C) to government personnel or a named person or organization (i) in connection with the patient (or his family, successors, heirs, or assigns) obtaining benefits to which he may (or they might) be entitled, or (ii) where the director of the facility responsible for treatment, rehabilitation, or placement of the patient determines that such disclosure would be clearly beneficial for the patient;

"(2) is determined, by competent medical authority, to be a clear and present danger to himself or others and the disclosure of such record, information, or fact is determined to be necessary to alleviate such danger; or

"(3) is deceased and the Administrator determines that the disclosure of such record, information, or fact is necessary for any of the survivors of such patient to obtain benefits to which they may be entitled, including the pursuit of legal action,

then such record, information, or fact may be disclosed for the purposes and under the circumstances specified herein. In any case where a veteran-patient has a court-appointed fiduciary based upon a finding of mental incompetence, the request for waiver of confidentiality referred to in paragraph (1) may be made on behalf of the veteran-patient by such fiduciary.

"(c) Any record, information, or fact of treatment obtained or provided under the provisions of this subchapter may also be disclosed if authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment and rehabilitative services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record, information, or fact, is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(d) The Administrator shall insure that any record, information, or fact of treatment obtained or provided under the provisions of this subchapter shall not be released or divulged in any manner, for any purpose, or with any effect adverse to the interests of the veteran by the Veterans' Administration or any person, program, or organization carrying out functions under this title in connection with any judicial proceeding (criminal or civil), administrative proceeding, or criminal or other investigation to which such patient is a party unless authorized under subsection (b) or (c) of this section.

"(e) Nothing in this section shall prohibit the Administrator from releasing statistical data compiled without reference to individual names or other identifying characteristics.

"(f) The prohibitions of this section shall continue to apply to any record, information, or fact of treatment obtained or provided under the provisions of this subchapter concerning any person who has been a patient, irrespective of whether or when he ceases to be a patient.

"(g) Except as authorized under this section, any person who discloses any record, information, or fact of treatment obtained or provided under the provisions of this subchapter shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense.

"§ 659. Reports

"The Administrator shall submit to the Congress six months after the enactment of this section and thereafter on each February 1 a full report on the implementation of this subchapter and section 629 of this title separately with respect to alcoholism and alcohol abuse, on the one hand, and to drug dependency and abuse on the other, and an evaluation of the effectiveness of alternate treatment and rehabilitation programs provided hereunder and under such section 629, including (1) the number of veterans and servicemen provided treatment and/or rehabilitative services, (2) the average duration of such treatment and/or services, (3) the estimated percentage of successful rehabilitation and enduring recovery cases, (4) an analysis of successful and unsuccessful rehabilitation experience, (5) a full accounting of receipts and disbursements based upon disposition of entitlements under chapter 31, 34, or 35 of this title, pursuant to section 654 of this title, (6) a description of outreach, information dissemination, and job development and placement efforts, (7) a full accounting of payments to, and an evaluation of services and programs provided in, non-Veterans' Administration facilities, (8) experience under the medical confidentiality provisions, (9) plans for new program directions, and (10) such recommendations for legislation as the Administrator deems appropriate."

(b) The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VI—SPECIAL MEDICAL TREATMENT AND REHABILITATIVE SERVICES FOR DRUG DEPENDENCE OF DRUG ABUSE DISABILITIES

"Sec.
"651. Definition.
"652. Treatment and rehabilitative services for veterans suffering from drug dependence or drug abuse disabilities.
"653. Outreach and counseling.
"654. Special rehabilitation program of education and training for certain veterans.
"655. Audits by Comptroller General.
"656. Budget requests.
"657. Treatment of members of the Armed Forces by the Veterans' Administration.
"658. Medical confidentiality.
"659. Reports.".

The PRESIDING OFFICER. The time for debate on this bill will be limited to 10 minutes, to be divided between and controlled by the Senator from Indiana (Mr. HARTKE) and the Senator from Wyoming (Mr. HANSEN). The time on any amendment, motion, or appeal will be limited to 10 minutes.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that they be regarded as original text for purposes of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, the provisions of this bill are basically those in S. 2108 which we passed last September 7 as H.R. 9265. Unfortunately, despite our best efforts, we were unable to reach an agreement with the other body during the closing days of the 92d Congress in order to send a Veteran Drug and Alcohol Treatment and Rehabilitation Act to the President. I feel confident that we will be able to resolve our differences early in this Congress and send a bipartisan bill to the President for his signature.

Much has been said and written about the enormous need for an effective and extensive treatment and rehabilitation program for veteran drug addicts and drug abusers. Passage of this measure today will signal that the Senate is determined to break through the redtape that is preventing addicted veterans from getting help and to insure that they will receive comprehensive care and rehabilitation.

Mr. President, all that I said about the efforts of the committee membership—majority and minority—in working on S. 59, which we have just passed by such an overwhelming vote, is equally true as to S. 284, and I wish again to express my great appreciation for all of their efforts and all of their nonpartisan cooperation again.

Treatment and comprehensive rehabilitation for addicted veterans cannot be a partisan political matter.

In addition to the cosponsorship by all eight other members of our committee, we are joined in cosponsorship of this measure by eight other Senators of both parties: Mr. BAYH, Mr. HUMPHREY, Mr. KENNEDY, Mr. MCGOVERN, Mr. PASTORE, Mr. SAXBE, Mr. SCHWEIKER, and Mr. WILLIAMS.

SUMMARY OF REPORTED BILL

Mr. President, the basic purpose of S. 284 is to provide for a fully funded, comprehensive drug and alcohol treatment and rehabilitation program for addicted veterans regardless of the nature of discharge or finding of service-connection in the usual sense required for eligibility for certain VA medical treatment. In recognition that the return of the veteran addict to a productive and personally fulfilling social role requires far more than merely identification and detoxification, the reported bill places particular stress on providing highly individualized, community-based, multimodality, in-house and contract services including a wide range of vocational and educational counseling and rehabilitative services and job placement assistance for all addict veterans. In addition, the reported bill requires the Administrator to carry out a rehabilitation program of a type similar to the chapter 31 program of vocational rehabilitation for most Vietnam era veterans with addiction disabilities.

A collateral purpose of the reported bill is the provision of readjustment medical counseling at VA facilities for other than dishonorably discharged, recently returned veterans, as well as a broadening of the eligibility for basic VA hospital care and medical services for service-connected disabilities to veterans with undesirable discharges.

The committee bill's basic provisions and differences from H.R. 9265, as passed by the House last year, are summarized as follows:

SUMMARY OF PROVISIONS

First, provides that alcoholism and drug dependence are disabilities for the purpose of treatment under chapter 17 of title 38, United States Code; expands hospital and medical care eligibility for service-connected disabilities to veterans with, undesirable discharges; adds to chapter 17 a comprehensive definition of rehabilitative services—including VA assistance to aid the veteran in the maximum utilization of GI bill benefits during rehabilitation—and makes rehabilitative services a part of the definitions of hospital care, medical services, and domiciliary care—which is also redefined in chapter 17—makes outpatient psychiatric care available to veterans for psychosis developing within 3 years—presently 2 years—of discharge; and establishes eligibility for Vietnam era veterans with other than dishonorable discharges to readjustment medical counseling and appropriate followup care and treatment when requested by the veteran.

Second, establishes a special medical treatment and rehabilitative services program for any veteran with a drug dependence or drug abuse disability. Inhospital and outpatient care and contracts with approved community programs for treatment and rehabilitation, as well as outreach efforts, are included. The reported bill stresses the need to offer veteran addicts alternative treatment modalities based on individual readjustment needs.

Third, establishes a Special Rehabilitation program of counseling, education, and training for post-Korean conflict veterans with discharges rendering them eligible for VA benefits, for which the VA may contract with non-VA programs or provide directly. This program would utilize an eligible veteran's GI bill entitlement to provide for the payment to participating veterans of a subsistence allowance, of at least 75 percent of but no greater than the full amount of the vocational rehabilitation subsistence allowance under chapter 31 of this title—currently $170. Participation in the program of such veterans would be limited to 24 months as would their receipt of a subsistence allowance except in extraordinary circumstances.

Fourth, establishes a basic entitlement to treatment and rehabilitative services for drug disabilities on the part of any Vietnam era veteran—includes participation in the special rehabilitation program if eligible therefor—so that such a veteran who requests VA treatment but is not provided it promptly is entitled to reimbursement—or direct payment to the program—for the reasonable cost of treatment and rehabilitative services provided in approved community programs in accordance with the provisions of the overall program. Payments for treatment and rehabilitation would be payable from current and future VA medical care appropriations; for rehabilitation from GI bill funds over which the Administrator has acquired direction from those veterans eligible to participate in the special rehabilitation program.

Fifth, requires the VA to provide for drug treatment and rehabilitative services on request to eligible veterans who have been charged with or convicted of a criminal offense by Federal, State or local authority and are not incarcerated and are not participating in the program by order of the courts; and to continue medical treatment, whenever feasible and where it will not lead to further drug abuse, for any veteran incarcerated in local jails pending trial or following conviction if such veteran was receiving treatment and rehabilitative services at the time of his confinement—this treatment to continue until the Administrator determines that the responsibility for appropriate treatment will be assumed by a non-Veterans' Administration facility or program. The reported bill also authorizes the Administrator to provide for treatment and rehabilitative services for nonincarcerated veterans eligible under the subchapter who are participating in the VA program under court order, but only when the Administrator makes an individual case-by-case finding that the particular veteran's participation in such VA program will not impair the voluntary nature of the services provided to other patients in the program.

Sixth, requires the Administrator to seek out, and counsel toward treatment and rehabilitation, all addict veterans, especially Vietnam era veterans; and authorizes the Administrator to employ or contract for the services of veteran peers, to carry out an affirmative action program to promote the employment of recovered veteran addicts by the Federal Government and private and public employers and to assist in placing these veterans in such jobs.

Seventh, requires annual GAO audits of all contracts with and payments to non-VA drug treatment facilities and programs.

Eighth, requires a line item in the annual budget for all alcohol and drug abuse treatment and rehabilitation programs.

Ninth, provides for the voluntary transfer to and treatment in VA facilities of any addict serviceman who requests such transfer, within the last ninety days of his tour of duty—under the same circumstances as for veterans—for a specified period of treatment.

Tenth, establishes a strict medical confidentiality requirement based on early VA experience under the recently enacted omnibus drug bill (Public Law 92–255) with respect to release of information and records obtained during treatment and rehabilitation of an addict veteran or serviceman under this new program. Basically, release of any such record or information would be made only to certain named persons and organizations for treatment or obtaining benefits or other purpose clearly beneficial to the veteran, and only when voluntarily requested in writing by the subject veteran; where competent medical authority determines the patient is a clear and present danger to himself or society and disclosure is necessary to alleviate the danger; or after the veteran's death for certain legal proceedings. Otherwise, disclosure is permitted only by court order. The Administrator is charged with insuring that under no circumstances are VA records or information—or that controlled by contractors—made available in any judicial or administrative proceeding or for any investigation to which the patient or former patient is a party, unless for purposes not adverse to the veteran or where authorized under this provision. Computation and release of statistical data not identifying directly or indirectly particular patients are permitted for research and public health purposes. Penalties identical to those in Public Law 92–255 are specified for unauthorized disclosures. Under this confidentiality provision, access would be authorized for veterans organizations' service officers who have been granted specific and separate powers of attorney for access to drug abuse records by addict veterans. This need not mean a separate form; a separate release provision and signature specifically for these purposes could be added to the standard VA power of attorney form.

Eleventh, directs the Administrator to carry out specialized medical programs to provide inpatient and outpatient care on a nationwide basis to treat and rehabilitate alcoholic addicts and alcohol abusers, stressing half-way houses, encounter-style therapeutic communities, and full recovery modalities.

ACTION IN THE 92D CONGRESS

Mr. President, S. 284 is the counterpart in the 93d Congress for S. 2108 in the 92d. In the 92d Congress, the Subcommittee on Health and Hospitals of the Committee on Veterans' Affairs and the Subcommittee on Alcoholism and Narcotics of the Committee on Labor and Public Welfare conducted joint oversight hearings on drug addiction and abuse and on alcoholism and alcohol abuse among military veterans on June 15 and June 23, 1971. The Health and Hospitals Subcommittee conducted additional hearings on S. 2108, H.R. 9265, and related veterans' addiction treatment and rehabilitation bills on July 20 and September 14, 1971. At these hearings, testimony was presented by the Administrator and Deputy Administrator of Veterans' Affairs as well as other VA representatives, veterans' organizations, U.S. Senators, physicians, Vietnam veteran ex-addicts, representatives of non-VA community-based drug treatment and rehabilitation programs, and by other concerned persons.

The Subcommittee on Health and Hospitals by poll unanimously referred S. 2108 with a proposed committee substitute amendment to the full Veterans' Affairs Committee for action. The Committee on Veterans' Affairs, met in executive session on June 23 and unanimously approved and ordered reported S. 2108, with a committee substitute amendment and a title amendment.

Mr. President, the Senate unanimously adopted the provisions of S. 2108, as reported, as H.R. 9265 on September 7, 1972. Negotiations were begun immediately to try to resolve the substantial differences between the two versions. Unfortunately, there was not sufficient time to reach agreement in view of the extensive negotiations to resolve in that same period of time four pending major pieces of veterans' legislation: H.R. 12828, the Vietnam Era Veterans' Readjustment Assistance Act of 1972—now Public Law 92–540; House Joint Resolution 748, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972—now Public Law 92–541; H.R. 10880, the Veterans Health Care Expansion Act of 1972 (see S. Rept. No. 93–54, filed Mar. 2, 1973); and H.R. 12674, the National Cemetery Act of 1972 (see S. Rept. No. 93–55, filed Mar. 2, 1973), which along with H.R. 10880, was pocket vetoed on October 27, 1972.

PRINCIPAL PURPOSES OF SENATE-PASSED BILL

The Senate amendment to H.R. 9265 had eight principal purposes related to addiction treatment as follows, to:

First, direct the VA to carry out a broad-range program for treating and rehabilitating addicted veterans.

Second, require contracting for care in community facilities for Vietnam era addict veterans when VA services are not available.

Third, set up VA machinery to seek out and counsel addicted veterans and help them obtain review and correction of less than honorable discharges by the military.

Fourth, give the VA authority to treat and rehabilitate some 18,000 addicted veterans who received less than honorable discharges because of drug abuse and other veteran addicts with disqualifying discharges.

Fifth, establish VA programs, in cooperation with other Federal agencies and public and private employers, to assist recovered addicts in finding productive employment.

Sixth, guarantee that medical records of addicted veterans remain confidential.

Seventh, allow treatment of veterans even though it may not be possible to establish that their addiction was acquired while in the service, thus eliminating the difficulty of establishing when an honorably discharged veteran, who escaped detection for his drug usage during service, actually acquired or aggravated his addiction disability.

Eighth, restore medical benefits for service-connected conditions to certain disabled veterans who were given undesirable discharges because of drug use or other reasons.

HOUSE BILL APPROACH

By contrast, the House-passed bill, H.R. 9265, was considerably more circumscribed in its approach, and did not deal with alcoholism at all. The House bill's approach was to authorize the VA to provide treatment for veterans' drug addiction without regard to the nature of the veteran's discharge or a finding of service connection for his addiction disability, but not to specify the nature of treatment or rehabilitation or to provide for an extensive rehabilitation program. It also provided for VA treatment of active duty servicemen under military orders regardless of whether they elected treatment in a VA facility, and specifically authorized VA treatment, custody, and discipline of veterans civilly or criminally committed to the VA by a U.S. district court.

Thus, Mr. President, there were last Congress some very real and major differences in philosophy and legislative approach between the versions of H.R. 9265 as passed by the House and Senate. After considerable negotiation, a tentative accommodation that seemed reasonably agreeable to Members in the Senate was reached, but the House Members were not able in the short time remaining in the 92d Congress to study and investigate all the implications of all the provisions of that version.

It was still open to the Senate at that point to accept the provisions as passed by the House. But certain principles in the Senate approach to the question of addiction treatment and rehabilitation were considered so fundamental and crucial to meaningful legislation that the committee could not, in good conscience, go along with the House approach.

CRUCIAL PROVISIONS OF SENATE APPROACH

Mr. President, those matters deemed so crucial were:

First, a comprehensive rehabilitation program, to follow the period of detoxification, needs to be mandated in the law, and during this period of rehabilitation for veterans with GI bill benefit entitlements the VA should be placed almost in the role of a guardian in order to be in the position to define and exercise control over the education and training to be pursued by the veteran addict during his rehabilitation period and also to be able to exercise control over the disposition of cash to such veteran based on his GI bill entitlement.

Second, just as important as providing for comprehensive rehabilitation—which all experts agree is an indispensable part of any successful drug abuse program—is the notion that addicts undergoing such rehabilitation should not be given an advantage over nonaddict veterans and, therefore, the GI bill entitlements of such veterans in a VA rehabilitation program should be reduced proportionately based upon the duration of their participation in such a VA rehabilitation program.

Third, the law must mandate the VA to provide alternative treatment modalities to each veteran, a matter of the most urgent concern in the case of providing treatment for very young addicts who may have acquired their addiction in an alien environment and whose addiction may have been of short duration. The VA trend is disturbingly toward reliance on methadone maintenance in such cases—approximately 70 percent of those being treated for opiate addiction.

Fourth, treatment and rehabilitation provided for veterans should not depend on the availability of a VA medical facility, and, therefore, the provision of such treatment and rehabilitation on a contractual basis in approved community facilities should be mandated in the law when the VA is unable to provide prompt treatment and rehabilitation—with the alternative modalities—for a veteran addict.

Fifth, the treatment program in VA facilities should be kept on a voluntary basis in order to provide for a successful atmosphere based on the motivations of the parties being treated.

Sixth, to deal in the law with the question of drug addiction and to ignore the pervasive problem of alcoholism addiction is not appropriate, and, therefore, at a minimum it is necessary to provide a firm statutory direction for certain VA initiatives in the treatment and rehabilitation of veteran alcoholics.

Seventh, if legislation is to be enacted granting eligibility for VA treatment and rehabilitation to veteran drug addicts regardless of whether or not they acquired their addiction in service and even if they were court-martialed for the highest of crimes for which they receive a dishonorable discharge—both the House bill and the Senate amendment and the administration proposals in the 92d Congress would have covered such cases—at the same time it is necessary to rectify the present title 38 medical eligibility provisions—under which a veteran who may have received an undesirable discharge for a relatively minor infraction, such as repeated AWOL's, and who never was the subject of a court-martial is not now eligible for VA care for a battle wound received prior to such discharge—so that such a veteran could receive medical treatment for such a service-incurred disability even if he has an undesirable discharge.

RELIANCE ON ENACTMENT OF H.R. 10880

Mr. President, on the Senate floor on October 14, 1972, I summed up the situation confronting us in terms of the alternatives then available as the 92d Congress drew to a close, as follows:

> I do not wish to suggest that the Senate would necessarily have insisted that each and every one of these seven points be covered in compromise legislation. But we felt we could not recede on all of them together.
>
> The result is, Mr. President, that the 92d Congress will not legislate specifically on the question of providing treatment and rehabilitation for veteran addicts. As all Senators are aware, the Congress has dealt extensively with the addiction problem—both alcoholism and drug addiction—in three separate pieces of legislation enacted in the last 3 years. Most recently, in the Drug Abuse and Treatment Act of 1972, Public Law 92–255, we provided for the establishment of a Special Action Office on Drug Abuse Prevention in the Executive Office of the President to give general direction to a most extensive and comprehensive treatment program for drug addicts in the Nation. Many veterans are and will be dealt with under this legislation.
>
> Insofar as the VA's treatment of drug addiction is concerned, the present situation is as follows:
>
> First, H.R. 10880, which the Senate sent to the President for signature yesterday, of which I was the author in the Senate, authorized the VA to provide outpatient and ambulatory care, by fee or contract, for the nonservice connected conditions of any veteran, wartime or peacetime, when necessary to obviate the need for the hospitalization of such veteran. Prior to this legislation, it was necessary for the VA, under the existing eligibility provisions of section 612(f) of title 38, to hospitalize a veteran addict prior to being able to provide him with followup outpatient care under the so-called "post-hospital" provision in paragraph (2) of that subsection. With the enactment of H.R. 10880, this period of hospitalization will no longer be necessary and the VA will be able, in my judgment, to make a determination that outpatient care is necessary to obviate the need for hospitalization in the case of any veteran addict and therefore to provide all appropriate outpatient and ambulatory care for the treatment and rehabilitation of such addicts. This will remove a major statutory impediment which has restricted the effectiveness of the VA drug treatment program as it has been functioning over the last 18 months to meet the crisis of drug addiction among returning servicemen.
>
> And as I indicated, this outpatient care can be provided by the VA on a fee or contract basis under the provisions of 612(f) as amended in H.R. 10880.
>
> Second, the immediate need for being able to provide treatment to veteran addicts who received less than honorable or general discharges is not present in any way near the same degree as it was 2 years ago when the compelling need for this legislation first presented itself.
>
> This is true for several reasons: First, since the initiation of the Department of Defense "amnesty" policy for drug abuse cases over a year ago very few addict servicemen have been receiving disqualifying discharges; second, the Defense Department has been undertaking—albeit far too slowly, and not in a comprehensive way—to alter the discharges of veterans given disqualifying discharges based on their drug addiction prior to institution of the amnesty policy, and third, under Public Law 92–255 substan-

tial resources are being devoted throughout the country to drug treatment and rehabilitation, under the general direction of the Special Action Office, and these programs are now available to serve veteran addicts who would not be eligible—under present statutory requirements governing VA medical care—for treatment in VA drug programs because of the disqualifying nature of their discharges.

Third, the strong concerns which have been expressed by the veterans' organizations about the inability of their veterans' service officers to represent veterans who have received drug treatment should, I am advised, be resolved by the issuance of regulations next week by the Special Action Office pursuant to Public Law 92-255, which will lift the present interpretation that under the medical confidentiality provisions of that law veterans could not authorize the release of their drug treatment files to veterans' service officers to represent them in securing veterans' benefits. I do not mean to suggest that the provisions in section 659 of the Senate amendment to H.R. 9265 governing medical confidentiality, which would have specifically authorized such written releases to veterans' service officers, would not be a preferable approach, but merely to suggest for the interim, at least, that these new SAODAP regulations should provide an amelioration of the problem.

In conclusion, I wish to point out that the House, by not being able to concur in the approach of the Senate bill under the very limited time available to study this bill, is not rejecting the Senate approach. Indeed, I have been advised that the House committee will engage with us at the start of the 93d Congress in a very careful investigation of the full veterans' addiction treatment question and particularly the approaches taken in the Senate amendment, which I intend to introduce as a new bill as soon as the 93d Congress convenes.

SITUATION REMAINS SERIOUS TODAY

Mr. President, the situation today with respect to treatment of veteran drug addicts remains very serious since H.R. 10880 was pocket vetoed by the President on October 27, 1972, and did not become law. We have just passed S. 59, the counterpart for H.R. 10880/S. 2354 in the 93d Congress, as reported to the Senate—Senate Report No. 93-54.

S. 284 as introduced embodied the previously negotiated tentative compromise. In order to move ahead expeditiously in the 93d Congress as had been promised, the Subcommittee on Health and Hospitals requested prior witnesses in the 92d Congress to update their views on the need for action on S. 284. The general consensus of the testimony was to proceed immediately to report S. 284 to the Senate.

We have done that, and I believe the Senate should be prepared to act favorably on the bill as reported.

Mr. President, the Committee report on S. 284—report No. 93-56—contains an extensive discussion of the provisions in the bill as well as a section-by-section analysis. Mr. President, I ask unanimous consent that appropriate excerpts from the report be included in the Record at this point in order to provide a full explanation and analysis of the provisions of the bill as reported from committee.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 284

BACKGROUND

Neither drug addiction nor alcoholism are new problems to the Veterans Administration. For years the VA has treated the medical consequences of both drug abuse and alcohol abuse in its hospitals. Furthermore, the VA has long recognized alcoholism as a treatable condition and has established alcoholism treatment units at 53 VA medical facilities which have met with considerable success.

VA DRUG ABUSE TREATMENT AND REHABILITATION PROGRAMS

By 1968 the growing nature of the current drug abuse problem among servicemen and veterans had become apparent. During that year, data on the incidence of veterans discharged from VA hospitals with principal or associated diagnoses of dependence upon a number of addictive drugs began to show a substantial increase. The 1971 data showing the skyrocketing incidence of drug abuse in one calendar year is telling evidence of the magnitude of the problem:

TABLE I.—VETERANS' ADMINISTRATION—ADMISSIONS MANIFESTING DRUG ABUSE OR DEPENDENCE

	January-June 1971		July-December 1971	
	Hospital care	Outpatient care	Hospital care	Outpatient care
Opiates and derivatives	1,481	504	5,621	2,856
Other drugs	1,717	525	2,468	842
	January-June 1972		July-December 1971	
Opiates and derivatives	9,413	5,892	5,631	5,010
Other drugs	2,435	917	1,085	620

To meet this growing trend, the VA established five drug dependence treatment centers in Fiscal Year 1971. While original plans were to establish an additional 13 treatment centers in fiscal year 1972, and 14 more in fiscal year 1973, because of the urgency of the situation the VA requested a supplement to its budget request for FY 1972, which was granted by Congress, enabling the VA to open a total of 27 more units in FY 1972. An additional 12 centers were activated in FY 1973, for a total of 44 centers. In some cases, several VA hospitals or clinics jointly comprise one center, as shown in table II below. Thus, altogether, 51 VA hospitals and 2 outpatient clinics are now involved in drug dependence treatment centers.

DRUG DEPENDENCE TREATMENT CENTERS

Each Drug Dependence Treatment Center (DDTC) has an inpatient section and an outpatient section. The suggested inpatient staffing pattern includes a physician, nursing personnel, ex-addict counselors, a psychologist or chaplain (part-time), a social worker, a secretary, lab technician, and a physician medicine therapist. The average inpatient section consists of 15-30 beds and is expected to treat about 200 patients during a 12-month period.

The larger centers (with an outpatient caseload of about 200) have an outpatient staff usually consisting of a physician (part-time), a nurse, a nursing assistant, ex-addict counselors, a part-time chaplain or a psychologist, a social worker, a secretary, lab technicians, a pharmacist, and a statistical clerk. Centers which have a caseload of approximately 125 outpatients use the back-up services of the inpatient staff plus some of the above personnel.

The following table lists centers presently in operation, or planned for future activation.

Table II.—Present and Projected Veterans' Administration Drug Dependence Treatment Centers

FISCAL YEAR 1973

Region 1

Albany (Syracuse), Baltimore,[1] Bedford, Providence, Boston [1] (Hosp. & OPC), Bronx/Montrose, Brooklyn, Buffalo, Coatesville (Phila.), E. Orange,[1] New York,[1] Northport, Phila., Pittsburgh (UD),[1] Syracuse, Washington.

Region 2

Atlanta,[1] Dallas, Houston, Memphis (Little Rock), Miami,[1] New Orleans, Richmond (Salem), Salem, Little Rock.

Region 3

Allen Park, Battle Creek, Brecksville, Chicago (WS), Cincinnati, Downey, Hines, Iowa City, Indianapolis, Minneapolis,[1] Oklahoma City, Omaha, St. Louis, Topeka, Wood.

Region 4

Brentwood, Denver,[1] Los Angeles OPC (Sepulveda), Martinez, Palo Alto, Salt Lake City, San Diego, Sepulveda, Vancouver [1]/ American Lake/Seattle.[1]

PLANNED FISCAL YEAR 1974

Harrisburg, Jersey City, Philadelphia, Trenton, Atlanta, Lexington, New Orleans, Norfolk, San Juan, Akron.

Chicago (WS), Cleveland, Gary, Peoria, Tulsa, Berkeley, Long Beach, Sacramento, Tacoma.

PLANNED FISCAL YEAR 1977

Loma Linda.

SATELLITE CLINICS

Houston, San Francisco.

PLANNED FISCAL YEAR 1975

Pittsburgh (LFR), West Haven, Wilmington, Charleston, Louisville, San Antonio, Tampa, Marion, Ind/Ft. Wayne, Long Beach, Albuquerque, Prescott/Phoenix/Tucson.

The VA is currently relying primarily upon methadone maintenance in its centers, but is beginning to focus also on the more promising forms of psycho-social therapy. These forms include psychiatric counseling, group therapy, confrontation, practical job counseling, and social rehabilitation. Many of the DDTC's are now engaged in some experimentation with a drug-free approach and a few are relying entirely on psycho-social forms of therapy.

In order to provide services which are easily accessible to many veterans who do not live in close proximity to DDTC's, the VA has established satellite clinics in two major population centers, Houston and San Francisco. The committee strongly approves of this approach especially the use of storefront facilities coordinated with community-based outreach efforts, and has placed stress on this approach in the reported bill. Such satellite clinics can be most useful to veterans being treated with methadone maintenance. They are staffed by an ex-addict counselor, a part-time doctor, pharmacist or nurse authorized to dispense drugs, and by personnel from the DDTC who provide, on an itinerant basis, treatment and testing as needed. Department of Veterans' Benefits personnel are also involved in these clinics, as well as in the central unit, furnishing veterans assistance counselors, community services specialists, and vocational counselors as needed. Two such clinics are not nearly enough, however, and the committee is not aware of any future activations of such clinics.

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[1] Drug Outpatient activity located other than at hospital.

In FY 73 with the additional 12 DDTC's, the VA has advised that it will be able to provide treatment to over 20,000 veterans suffering from drug dependence. This caseload is expected to generate over 800,000 outpatient visits during this year. The system of DDTC's will be staffed with approximately 1,260 specially trained drug treatment personnel in addition to the regular hospital supportive staff. In addition, every other VA hospital is staffed with a special alcohol or drug rehabilitation technician.

The committee notes that this 20,000 estimate is reduced from the 30,000 estimate provided when the report on S. 2108 was filed on September 1, 1972, and is now back in line with the estimate of 19,200 included in the March 27, 1972, VA report to Subcommittee Chairman Cranston.

The figures showing drug abuse treatment by the VA through November 30, 1972, 30 at each VA facility are set forth in the Appendix to this report.

CONTRACTS WITH COMMUNITY PROGRAMS

In addition to the utilization of VA resources, the VA has also contracted with community agencies to treat veterans. Contracts with the New York Narcotic Addiction Control Commission have been signed which will provide a limited range of basic drug treatment services to an additional 1,100 veterans. Another contract has been entered into with the West Philadelphia Mental Health Corporation for the treatment of 80 veterans, and several other such arrangements are under consideration. Under the reported bill, such contract arrangements would be greatly facilitated.

TRAINING

The VA has attempted to provide a training experience for all personnel assigned to work in drug treatment and rehabilitation programs. To date, approximately 1,200 staff members have been trained, ranging from physicians, nurses, psychologists, and social workers, to rehabilitation technicians, vocational counselors, pharmacists and dietitians. Educational and training opportunities have included national and regional conferences, workshops, symposia, institutes, intra- and extra-VA details (e.g. NIMH training centers), consultants and on-site training using ongoing Drug Dependence Treatment Centers.

Approximately $200,000 was set aside in FY 1972 for the training of VA staff in the treatment of drug dependent veterans, and this amount will be expanded in FY 1973. In order to provide further technical assistance and evaluation, a series of site visits covering all DDTC's was conducted in the period March-June 1972. Visitation teams included VA, DOD, and the Special Action Office for Drug Abuse Prevention personnel and consultants. The Committee believes that the results of these site visits should lead to significant improvements in the effectiveness of the DDTC's.

RESEARCH

The VA has sought to make its intramural research resources available and relevant to stated needs for information on the etiology, progress and recovery of drug dependent patients. Fortunately, when the numbers began to mount rapidly in 1971, there was already research projects underway (funded from non-VA as well as VA sources) investigating both basic and applied aspects of the problem. However, to accelerate VA's contribution to the effort, VA Central Office issued a special call for grant applications in the area of drug abuse. The response was immediate and to date over 50 applications have been submitted for review and 34 projects are currently funded (FY 1973—$836,624) ranging from studies on the metabolism of heroin, automated analysis of blood and urine for psychoactive drugs, behavioral effects of narcotic analgesics, to preventing GI drug users from entering stateside heroin subcultures.

A LAAM Cooperative Study (L-alpha-Acetyl Methadol)—a long acting form of methadone) will be initiated soon in three pilot hospitals with 13 more hospitals to follow within 3 months. Planning has been completed for another Cooperative Study on cyclazocine, a narcotic antagonist. Present planning also includes the development of testing laboratories for early human studies on new types of narcotic antagonists as they are made available for investigation. The VA is also continuing its ongoing Cooperative Studies on improving the clinical use of analgesics and on the problem of hepatitis as related to narcotic addiction. Such studies are demonstrations that the VA's existing substantial investment in facilities and personnel to improve the delivery of patient care for veterans enables it to contribute significantly to a national research effort.

A Performance Measurement System (PMS) has been adopted recently by the VA Central Office. Information incorporated in the system relates to activation of centers, treatment modalities, operating levels of each program, services supplied by the Department of Veterans Benefits, types of problems handled for drug patients, productivity and cost factors on both inpatient and outpatient care, research projects funded by VA ex-addicts employed in VA hospitals and clinics and training for drug dependence treatment personnel. The Performance Measurement System is the first part of an overall evaluation system that will reveal, in its second part now being developed, the success of their treatment of drug abuse patients. Evaluation will be based on the following defined goals for VA drug treatment:

1. To eliminate the non-prescribed use of drugs in drug dependent veterans.
2. To develop the work skills and attitudes necessary for patients to become or remain self-supporting in the community.
3. To eliminate antisocial (criminal) activity.
4. To enable patients to establish and maintain stable living arrangements, i.e., arrangements which assure adequate food, clothing, and shelter.
5. To improve and maintain patients' physical condition with respect to drug-related medical problems.
6. To improve patients' abilities to relate to people in their immediate living situations (family, job, etc.).
7. To enable patients to establish and maintain post-treatment community contacts that will support their efforts to remain drug free.
8. To enable patients to experience a sense of psychological well-being independent of the drug culture.

VA ALCOHOL ABUSE TREATMENT AND REHABILITATION PROGRAMS

The Veterans' Administration operates and staffs the Nation's largest single system for alcoholism rehabilitation. Alcohol abuse and related disorders (liver cirrhosis, delirium tremens, neuropathy, alcohol related brain damage, and other complications) represented 13 percent of the total VA hospital discharges for 1969. The VA has over the years concentrated on efforts to identify the early stages of alcohol abuse and to initiate rehabilitative steps for the veteran, Comparable programs have recently been initiated by the Department of Defense. The effect will be a reduction in the likelihood of a veteran becoming a hospital revolving-door emergency case when the later stages of alcohol abuse have been reached.

From 1965 to 1972, hospitalized cases with alcohol-related diagnoses in the VA hospital system increased by almost 150 percent, from 55,000 to 125,000 cases. The majority of these cases represented serious medical complications resulting from late stage alcohol abuse.

Expenditures for the alcoholism rehabilitation program in fiscal year 1970 was only $800,000. In fiscal year 1971, it jumped to $8.1 million, in fiscal year 1972 to $12.5 million, and in fiscal year 1973 a budget of $14.5 million. Treatment facilities for fiscal year 1973 will be increased from the current 41 to 56.

The following table lists VA alcohol treatment units in operation together with those being activated in fiscal year 1973 and projected beyond 1973:

TABLE III.—*Veterans' Administration alcohol treatment units*

ACTUAL IN FISCAL YEAR 1973

Region 1

Albany, Bedford, Brockton, Brooklyn, Canandaigua,[1] Coatesville, E. Orange, Lyons, Northampton.

Region 2

Augusta, Biloxi,[1] Hampton, Houston, Lexington, Little Rock, Mountain Home, Nashville, Salem, Temple, Waco.

Region 3

Battle Creek, Brecksville, Danville, Downey, Ft. Meade, Hines, Hot Springs,[1] Indianapolis, Leavenworth, Lincoln, Marion, Ind., Minneapolis, Okla. City, Omaha,[1] St. Cloud,[1] Tomah,[1] Topeka.

Region 4

Albuquerque, American Lake, Brentwood (LA),[3] Palto Alto (GM), Phoenix, Roseburg, Salt Lake City, Seattle, Sheridan, White City.

PLANNED FISCAL YEAR 1973

Region 1

Albany,[2] Boston OPC, Brooklyn, Buffalo, Philadelphia, Pittsburgh (LFR), Togus, Washington.

Region 2

Salisbury, Bay Pines, Biloxi,[1] Mountain Home,[2] Shreveport, Tuscaloosa, Waco.[2]

Region 3

Downey,[2] Knoxville, Leavenworth,[2] Wood.

Region 4

Ft. Lyon, Roseburg,[2] Seattle,[2] Tucson, White City.[2]

PLANNED FISCAL YEAR 1975

Region 1

Buffalo,[2] Perry Point, Pittsburgh (FLR),[2] West Haven, White Rv. Jct.

Region 2

Biloxi,[2] Hampton,[2] Memphis, Richmond.

Region 3

Hines,[2] St. Cloud.[1]

Region 4

American Lake,[2] Brentwood,[2] Ft. Lyon,[2] Martinez, Prescott, San Diego, Tucson,[2] White City.[2]

Region 1

Bath, Canandaigua,[1] Ft. Howard, Lebanon, Manchester, Montrose, Northport, Togus.[2]

Region 2

Augusta,[2] San Juan.

Region 3

Dayton, Chicago (WS), Omaha,[1] Sioux Falls, Tomah,[1] Wood,[2] Hot Springs.[1]

Region 4

Ft. Harrison, Roseburg,[2] Seattle.[2]

PLANNED FISCAL YEAR 1977

Region 4

Loma Linda.

These specialized treatment units are varied in terms of size and treatment approaches. Units range from 15 beds to nearly 100, totaling about 1,500 and provide from 3 to 12 weeks of inpatient care. Patient self-government is used with success in many units. In general, treatment includes re-education, group therapy, vocational guidance and milieu therapy with emphasis on aftercare and followup. The VA reports that the rehabiltative efforts are successful for about one third of the patients and another third show some improvement. The treatment rendered in VA facilities utilizes the interdisciplinary approach to treatment, involving psychiatrists, psychologists, social workers and other para-professionals.

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[1] Station funded—CO funding programmed as indicated.

[3] Transferred from Extended Care Hospital.

[2] Upgrading.

The growing acceptance of alcoholism as a physical disability rather than a result of intentional misconduct or willful neglect should bring about greater emphasis on treatment of alcohol abusers in VA hospitals. A new and very long overdue DOD directive provides that an alcohol abuser in the military has the same rights as any other sick person and will not lose his pension, retirement, medical or other rights because of alcohol abuse.

It is estimated that alcohol abuse affects about 3 million veterans. The peak incidence is in the 45 to 55 age bracket, mainly World War II veterans. The Committee recognizes the magnitude of the problem and believes that more adequate VA resources must be made available for the treatment and rehabilitation of the alcohol abuser. It plans a major investigation of the VA alcohol program in the 93d Congress.

TRAINING

The maintenance of professional treatment for alcohol abusers in VA treatment programs is of paramount importance. Each Alcohol Treatment Center encourages staff participation in nearby university courses, university summer schools, and provides in-service training to staff members. Innovative treatment approaches and evaluation of existing programs lead to the development of new treatment concepts and necessitate the continuation and expansion of education and training programs.

RESEARCH

The Veterans' Administration conducts one of the nation's largest programs of intramural alcoholism research through individual and cooperative studies. The primary concerns of this research are to develop a wealth of exchangeable information which can not only increase the amount of knowledge in the field but also maximize the effect of varying therapeutic techniques in order to eliminate the problem behavior of the alcohol abuser and help him develop effective coping mechanisms.

In spite of the high incidence of alcohol abuse in the nation, very few large-scale studies have been conducted to evaluate the effectiveness of different drugs used in the treatment of the alcoholic during the withdrawal period. About 25% of all patients undergoing treatment develop withdrawal symptoms (including delirium tremens and convulsions) that are severe and can cause death.

The VA contribution to solving these problems has been through two cooperative studies. The first, "Treatment of Acute Alcohol Withdrawal," was completed in 1969. The second, completed in 1971, was entitled "Treatment of Delirium Tremens." Both studies represent large-scale projects accomplished for the first time in this field.

The former study, involving 537 patients in 23 VA hospitals, established Librium (chlordiazepoxide) as the treatment of choice in the prevention of delirium tremens and convulsions. Seventeen VA hospitals participated in the latter study of 202 patients in the treatment of delirium tremens. The study compared the relative safety and efficacy of chlordiazepoxide, paraldehyde, perphenazine and pentobarbital. Although there were no statistically significant differences in the outcome among the four groups, the use of paraldehyde and chloradiazepoxide resulted in fewer terminations because of worsening signs or symptoms.

In an attempt to resolve the question of what are the criteria for alcoholism, a study is being designed to examine the major and minor factors which could be useful to the practicing physicians in discerning the early developing potential alcoholic. This latter study is being performed in collaboration with the National Council on Alcoholism, Inc., and the Cooperative Studies Program for Mental Health and Behavioral Sciences Service of the V.A.

Interest in Research on alcoholism has also grown with approximately 150 projects underway in VA facilities during the past year. The studies range from basic investigation into the metabolism of Ethanol to evaluations of the outcome of different treatment modalities.

DISCUSSION

Need for the Bill

At present, the Veterans Administration does not have the authority to treat drug dependent veterans (or any veteran for that matter) with less than an honorable or general discharge, except under extraordinary circumstances. As a result, many thousands of veterans who have become addicted while in the service, primarily in Southeast Asia, have been denied the treatment and rehabilitative services which they need to cope with this tragic disability. The President, the Congress, the Veterans' Administration, and the major veterans organizations are all in agreement that new legislative authority permitting the VA to care for all former members of the Armed Forces with drug-related disabilities is necessary. In addition, there is similar agreement that the VA needs legislative authority to provide both inpatient and outpatient treatment to drug dependent veterans regardless of a finding of service-connection, as well as significantly broadened authority to provide appropriate rehabilitative services, and to contract, where appropriate, for the provision of such treatment and services.

Defense Department programs and less than general or honorable discharges

In the summer of 1971, the Department of Defense established a drug abuse amnesty program. The major thrust of the DOD program is the identification and detoxification of drug dependent servicemen. The Committee believes that the extensive program of rehabilitation which must follow identification and initial treatment and which is essential to the successful readjustment to civilian life of a drug dependent serviceman is properly the responsibility of the Veterans Administration. The reported bill includes a provision for the voluntary transfer of servicemen upon request to VA facilities for appropriate treatment and rehabilitative services during the last ninety days of the individual's tour of duty. The bill also provides for an additional treatment period of specified duration beyond the required tour of duty at a VA treatment facility, if requested by the serviceman.

In addition to the amnesty program, the Department of Defense has instituted a new procedure to review and recharacterize to "under honorable conditions" discharges involving drug abuse given before the amnesty program was instituted. This recharacterization policy however, applies only to those administrative discharges issued "solely on the basis of personal use of drugs or possession of drugs for the purpose of such use." Information made available to the Committee indicates that the case-by-case review procedure has proven to be quite slow and burdensome.

Between August of 1971, when the review program was established, and March 1, 1973, 3,398 veterans with drug abuse discharges applied for recharacterization of their discharges; of these 1,367 were upgraded to "under honorable conditions," 924 were reviewed and not recharacterized, and, 1,107 cases are still pending.

This procedure has obviously not provided an effective form of relief for the estimated 18,000 drug abusing addicted veterans who were discharged under other than honorable conditions prior to the institution of the amnesty program and therefore are ineligible for VA treatment. The reported bill would have the immediate effect of removing the bar to VA treatment for these men, as well as very substantially broadening the scope and location of the treatment and services provided for by the VA.

During hearings last Congress and this Congress of many veterans organizations testified in strong support of the treatment of all drug addicted veterans regardless of the nature of discharge or finding of service-connected, and also favored a significant expansion of the treatment and rehabilitative services which the VA is authorized to provide to these men. In his statement to joint hearings of the Subcommittee on Health and Hospitals and the Subcommittee on Alcoholism and Narcotics last Congress, Mr. Francis W. Stover, the director of the national legislative service of the Veterans of Foreign Wars stated:

"What I am saying, Mr. Chairman, is that drug addiction among servicemen and veterans is a veterans' problem. It is the responsibility of the VA. The root cause of drug addiction and use among the majority of veterans is service in the Armed Forces. The Congress should make it clear that this veterans' problem be the responsibility of the VA, the agency of Government created specifically to care for those who have fought our Nation's battles, and his widow and orphan."

In response to a question as to whether he favored the full treatment of drug-addicted military veterans, even though dishonorably discharged, Mr. Stover stated:

"Yes, if they are veterans. The VA should take care of them—rehabilitate them. These veterans are not heroes. But nevertheless veterans who desperately need help. The VA takes care of the aftermath of war and these drug addicted veterans are a part of the war's consequences. . . . We believe the full resources of the VA should be given to solve this problem, whether medical or otherwise. It seems ridiculous to limit the Veterans Administration capability to these drug centers. We think they should use every available resource and service to solve this problem."

If it is determined that the VA is not able to handle it within its own system and also to provide treatment in or near the veteran's community, I think there should be provision for utilization of community and other facilities.

Comprehensiveness of treatment and rehabilitation

The Committee strongly believes that legislation to expand the VA's authority to care for drug and alcohol abusing veterans must include a specific, comprehensive and long-term program of rehabilitation. For the first time under title 38, the reported bill would define "rehabilitative services" generally, as well as for addicted veterans, to include group therapy, individual counseling (including appropriate referrals for legal assistance), education and training, educational and vocational guidance, and job placement in addition to any other services necessary to assist the veteran in his successful recovery and readjustment.

The Committee also believes that such VA drug treatment legislation must emphasize a multimodality, community-based approach. Unless the present VA drug treatment program is improved and expanded in these directions, it is probable that the large numbers of veteran addicts who have thus far not sought out VA treatment will be unlikely to do so in the future.

Need to expand number of veterans served

The Committee recognizes that the Veterans Administration has very substantially upgraded its drug treatment programs and facilities in the last year. VA figures indicate that approximately 20,000 drug abusing veterans have been treated by the VA to date. Present VA plans contemplate the treatment of approximately 20,000 veterans in fiscal year 1973.

However, the bulk of this treatment is confined to detoxification and methadone maintenance, without any effective rehabilitation efforts. And significant progress remains to be made in the numbers treated as well. The estimated total of veteran addicts in the country ranges from a low of 60,000 to 100,000 or more. The Committee notes that according to Defense Department figures, between July 1, 1966, and December 31, 1971, over 21,000 servicemen received discharges termed for "drug abuse." Unquestionably, a great many more servicemen discharged during this period were, in fact then, or at some point during their service, drug abusers, but escaped detection while in service. The breakdown by type of discharge is set forth in the following table:

TABLE IV. DRUG ABUSE DISCHARGES FROM THE ARMED SERVICES

Fiscal year	Totals	Honorable	General	Undesirable	Dishonorable
1967	147	8	20	119	--------
1968	1,036	114	336	586	--------
1969	2,998	257	1,085	1,501	155
1970	4,769	331	2,143	2,116	179
1971 [1]	7,658	1,052	4,725	1,881	--------
1st 6 [1] months of fiscal year 1972	4,478	865	2,865	748	--------
Grand total	21,086	2,627	11,174	6,951	334

[1] Estimates based upon applying ½ of the totals for calendar year 1971 to fiscal year 1971 (added to the actual figure for the 1st half of fiscal year 1971) and ½ of such totals to the 1st half of fiscal year 1972. The totals available after fiscal year 1970 were on the basis of calendar years, not fiscal years.

The overwhelming difficulties faced by New York City alone indicate the continuing severity of the problem. There are between 85,000 and 200,000 heroin addicts in New York City alone. The Special Action Office for Drug Abuse Prevention considers 125,000 to be the best estimate of this addict population. The Addiction Services Agency of New York City estimates that a minimum of ten thousand of these addicts are veterans, who have not received any form of treatment.

As recently as June 30, 1972, the VA was treating only 585 veterans at its drug treatment centers in New York City. At the same time, local drug treatment programs were treating an estimated 3,500 veteran addicts; there were an additional 2,000 addict veterans on non-VA methadone maintenance program waiting lists, and an unknown number of such veterans on waiting lists for drug-free programs. To meet part of this need, the Veterans Administration has recently contracted with the New York State Narcotic Addiction Control Commission to provide drug treatment services to an additional 1,100 veterans.

Alternative treatment modalities

The adequacy of a drug abuse treatment program cannot be measured simply in terms of bedspace or the number of doses of methadone dispensed. The testimony at the joint hearings and indeed the entire weight of expert opinion on the problem of drug abuse indicates that effective drug treatment must stress a multimodality approach. The provision of only one modality of treatment—methadone maintenance—at VA stations such as New York City and Los Angeles has had the effect of denying VA care to veteran addicts for whom this modality is inappropriate.

The Committee is impressed by the medical and expert opinions it has received indicating that large numbers of veteran addicts are short-term addicts who have become drug dependent in a foreign land and that such individuals have a far better chance of recovery without methadone maintenance or other substitute drug dependency than the unfortunate longer term "street junkie" of our inner cities. Thus, the reported bill directs the Administrator to offer alternative treatment modalities to each veteran based on his individual needs.

Much is still unknown about the efficacy and the consequences of the maintenance modality of treatment. While maintenance appears to be appropriate and perhaps the only possible treatment for many addicts, there is the serious danger that maintenance will be excessively and unnecessarily relied upon as a drug treatment modality, simply because of the ease of its administration. The urgent social need to reduce street crime which results from widespread addiction—a need which the Committee feels is most pressing—should not obscure the grave responsibility of the Nation to strive for the maximum possible recovery and rehabilitation of veteran drug abusers, many of whom are young men with the potential for self-fulfilling, socially productive lives. To condemn such men to an existence of addiction for many years, given the circumstances surrounding their addiction and their ages, seems to the Committee to be acceptable only as a last resort. Yet just the opposite seems to be the case for most veterans receiving outpatient care in VA drug treatment centers. The following table shows the data for the month of January, 1973 and illustrates that of patients on outpatient care past the detoxification stage (5832), only 2033 are receiving drug-free treatment; in contrast, 60 percent are in methadone maintenance programs (3376) or other chemotherapy (193). Even these figures are not fully revealing because other data indicate that at least 1,000 of those in outpatient care are *non*-opiate users who would not in any event be suitable for methadone maintenance programs. This means that of approximately 4800 opiate addicts on outpatient care, 70 percent (3376) are in methadone maintenance programs. The Committee finds these data very disturbing.

TABLE IV.—DRUG DEPENDENCE TREATMENT CENTERS—JANUARY 1973

	January 1973	July 1972 through January 1973
INPATIENT CARE		
Total admissions	1,317	8,448
Vietnam era	924	5,573
Other periods	342	2,210
ASMRO	44	601
Other military	7	47
Nonveterans	0	17
Dependence on opium drugs	1,057	7,031
Heroin	1,019	6,618
Number remaining end of period	974	--------------
Detoxification	172	--------------
Methadone maintenance	226	--------------
Other chemotherapy	82	--------------
Drug free	443	--------------
Other modalities	51	--------------
Number hospital inpatient days	28,917	200,626
Average daily census	933	933
Number of operating beds	941	941
OUTPATIENT CARE		
Total admissions	998	7,092
From inpatient care	765	5,112
Prebed care	233	1,980
Dependence on opiates	869	6,305
Heroin	844	6,088
Number remaining end of period	6,361	--------------
Detoxification	529	--------------
Methadone maintenance	3,376	--------------
Other chemotherapy	193	--------------
Drug free	2,033	--------------
Other modalities	230	--------------
Number end of period prebed care	598	--------------
Number of persons visiting	4,713	30,839
Outpatient visits	72,264	451,029

TREATMENT IN COMMUNITY FACILITIES

In addition, at the present time, the great distances which a veteran addict must frequently travel between his home and a VA treatment center is a significant deterrent to an individual who is otherwise motivated to seek VA treatment and rehabilitative services. Even the most motivated veteran addict, who lives 30 miles from a VA treatment center, is understandably discouraged by the prospect of a 60-mile round trip each time he visits the treatment unit.

Asked whether the VA should contract with non-VA programs and facilities to cope with this problem, the National Commander of AMVETS, Mr. Robert Showalter, testified last year:

"By all means, yes. Because of the geographical locations of some of the hospitals, it would mean that a veteran would have to travel 200 or 300 miles for outpatient care. So I do wholeheartedly agree that they should be contracted out to the agencies approved by the Government or the VA."

And Mr. Edward H. Golembieski, the director of national veterans' affairs and rehabilitation commission of the American Legion, testified in the 92d Congress as follows in support of contracting with community-based programs to care for and followup on addict veterans.

While the recent advances by the VA in the treatment of addicted veterans are certainly significant, the Committee is convinced that the Federal Government, through the VA, has a profound and continuing obligation to provide complete and comprehensive treatment and rehabilitative services to each drug dependent veteran who desires such care, particularly in view of the conditions in the Indochina theater which have proved so conducive to the addiction of Vietnam era servicemen. The VA does not have that capability, and will not be able to develop it within its own facilities in the foreseeable future in all areas of the United States where such treatment is needed. Yet the need is there and must be met now. The Committee is convinced that the severity of the present veteran addiction problem requires that resources of non-VA drug treatment program of approved quality be utilized by VA as soon as possible to the extent necessary to meet the full treatment need.

It is important to note that the reported bill requires that the Administrator contract only with those non-VA programs and facilities which he determines provide treatment and rehabilitative services consistent with those which the bill directs the Administrator to provide in VA facilities; and that the Administrator is required to contract with non-VA facilities *only* if the VA cannot promptly provide appropriate modalities of treatment as well as the required rehabilitative services. If the VA should develop the in-house capability to provide appropriate care to all veterans who request it, then there would be no need for the Administrator to contract with non-VA programs and facilities, and the reported bill does not require him to do so under such circumstances.

The Committee notes that the VA stated last Congress: "We favor the basic contract authority to permit us to provide care and services in non-VA facilities, when appropriate," the Committee believes that it is not only appropriate but essential that such facilities be available to any drug dependent veteran to whom the VA cannot provide appropriate treatment and rehabilitative services within its own facilities.

The effect of the reported bill's provisions is that only if a veteran requests but is not promptly provided with appropriate treatment and rehabilitative services in a VA facility, or if he requests a particular modality of care which is not readily accessible in a VA program or facility, is the Administrator required to contract with a non-VA program or facility for such treatment and rehabilitative services. In this way, no addict veteran will be denied VA care because an appropriate treatment modality is not accessible in a VA facility. Nor will addict veterans be forced to leave their communities and families to seek care in an unfamiliar environment.

The evidence presented to the Committee strongly indicates that the best place to try to bring about a veteran's rehabilitation is in his home community where the support of family and friends is available as well as the maximum assistance in terms of living arrangements, and so forth.

COMMUNITY-BASED OUTREACH EFFORTS

In order to provide the greatest relevance, credibility, and accessibility to existing VA treatment facilities, the reported bill requires that the VA provide care in half-way house and other community-based facilities within its jurisdiction, such as store fronts located in areas with large numbers of addict veterans, in addition to the already existing traditional hospital and outpatient clinic settings. As noted above, the VA has already made a beginning in this direction.

To provide the extensive new treatment and rehabilitative services mandated by the reported bill to as many veterans as possible, the Administrator is provided the affirmative responsibility to seek out and counsel toward treatment and rehabilitation as many addict veterans as possible. The Administrator is authorized and urged to hire or contract for the services of ex-addict veterans to carry out this responsibility as effectively as possible. Likewise, in contracting for the services of non-VA programs and facilities, the Administrator is directed to give priority to community-based, multimodality treatment and rehabilitation programs which include former addict veterans as staff counselors.

TREATMENT OF VETERANS INVOLVED IN CRIMINAL CASES

The reported bill would also provide for the provision of treatment and rehabilitative services to veterans charged with or convicted of criminal offenses, but who are not incarcerated or participating in the program under court order, and, to the maximum extent feasible, for the on-going treatment of incarcerated veterans who were receiving treatment and rehabilitative services at the time of their confinement in a local jail. The responsibility of the Administrator to provide appropriate care to such an incarcerated veteran would continue until that responsibility is assumed by a non-Veterans Administration facility or program.

In addition, in order to provide the VA with maximum administrative flexibility, the reported bill also gives the Administrator discretionary authority to provide in VA facilities treatment and rehabilitative services for addicted veterans who would participate in the VA program as a condition imposed by the court, but to do so only where an individual case-by-case decision is made that the veteran's participation under such quasi-mandatory circumstances and conditions will not operate to impair the voluntary character of the particular VA treatment program. In adding this provision, the Committee intended to strike a balance between the needs of the particular veteran under court jurisdiction and those of the veterans in the VA treatment program.

Substantial testimony last Congress urged that everything be done to ensure that VA programs not assume responsibility for any mandatory type of treatment. In this regard, the Chief Medical Director of the VA testified:

"Our facts thus far indicate the critical factor in rehabilitation of a drug user is motivation, his desire to be rehabilitated. If, indeed, he is committed [by the court] and the desire is not present, and if, indeed, the commitment acts as a restraint to motivation, then we would have very little assurance that whatever our efforts might be that they will be successful."

At the same time, the Committee was concerned about the situation in which the VA program might in some places be the only available or appropriate program and thus be the only alternative to continued incarceration of the veteran addict in question. Thus, treatment under certain conditions was authorized in the reported bill.

SPECIAL PROGRAM OF REHABILITATION

The reported bill establishes a Special Rehabilitation Program of education and training under chapter 17 for an addicted veteran discharged after January 31, 1955, with a discharge under other than dishonorable conditions who has GI Bill eligibility, to the extent of that entitlement. Under the Special Program, any veteran addict applying for drug addiction treatment who has GI Bill eligibility must, as a precondition to entering such a treatment program under VA auspices, sign an agreement giving the Administrator the right to dispose of such veteran's GI Bill entitlement to the extent of and to pay for his participation in a comprehensive rehabilitation program. The veteran could continue participation in this Special Program, his GI Bill entitlement permitting, regardless of discharge, for up to one year after discharge from the program of treatment and rehabilitative services.

The Committee believes that the nature of a drug disability requires the specific, personalized type of assistance which has characterized the VA chapter 31 vocational rehabilitation program if the addict veteran is to have a realistic chance of achieving employability and making a productive and personally rewarding readjustment to civilian life. The payment of costs of education and training which the reported bill would provide using the veteran's GI Bill entitlement is particularly important to the successful rehabilitation of the many tens of thousands of addict veterans in the country today.

The Administrator would also be authorized—as he is under the chapter 31 vocational rehabilitation program—to assist in the rehabilitation of addict veterans by the maximum utilization of VA facilities, the employment of additional personnel and vocational rehabilitation experts, the cooperation with other Federal and state agencies for job referral, and contracts with approved public or private institutions and programs for additional suitable vocational training facilities.

In addition, medical evidence as well as the experience of successful drug treatment and rehabilitation programs to date indicate that a modest subsistence allowance is necessary for a veteran who is undergoing what frequently must be a full-time program of treatment and rehabilitation and who cannot usually find or hold a job in the meantime. The process of recovery from drug addiction is one of the most difficult readjustment processes. Therefore, the reported bill provides for the payment of a monthly subsistence allowance of not less than 75% of, nor more than, the full amount of the subsistence allowance provided under chapter 31 (Vocational Rehabilitation) of title 38.

The Committee wishes to emphasize that eligibility for participation in this special education program does not in any way reward the veteran addict. Rather, the reported bill recognizes that the addict veteran is suffering from a disability of a particularly severe nature, and seeks to provide the addict who is motivated to recover from his disability with the comprehensive vocational rehabilitation assistance needed to give him a realistic chance of substantial or complete recovery. It is indisputable that even the most complete treatment program is of little value to an addict who is not qualified for and cannot find a job.

The participating veteran would "pay" a month's GI Bill benefit entitlement (under chapter 34 of title 38) for each month he stays in the Special program. Thus, all funds expended by the VA on the veterans' rehabilitation would be money to which he would be entitled under the GI bill.

Furthermore, eligibility for the Special Rehabilitation Program is conditioned on the continued participation of the eligible veterans addict in either a Veterans Administration program or a non-VA program which the Administrator has approved, and, following discharge from such a program as recovered, upon the veteran's continued recovery from his addiction. Thus, a veteran addict participating in the Special Rehabilitation Program would have to stay basically "clean" of illicit drugs.

The Committee carefully considered and found unpersuasive the contention of the Veterans Administration that the rehabilitation for veteran addicts after treatment should be carried out within the present structure of the GI Bill program. Rather, the Committee determined that an addict treatment program can have lasting effect only if fully integrated with a comprehensive rehabilitation program and that the relatively *laissez faire* approach of the GI Bill was not generally well suited for the education and training of a recovered addict fresh from a treatment program. The testimony strongly suggested that the rehabilitation program for such an addict must be developed on an individualized basis in terms of the degree of recovery the addicted veteran is making or has made and his particular abilities and needs, and this requires extensive counseling, guidance, planning and direction which is not a standard part of the GI Bill program.

The Committee was keenly aware of the pitfalls involved in expecting a former addict to have the control and internal discipline so soon after his detoxification to be able to marshal the ($220 or more) monthly GI Bill check to meet his basic needs and to select and progress in an appropriate course of education or training at an appropriate institution or establishment given the wide variations among each veteran's qualifications, potential and the extent of his recovery. In the same way, the Committee believed that the veteran addict would need some funds available for his subsistence after the VA had assisted him in selecting and pursuing an appropriate course of education or training and thus provided for the subsistence allowance, described above.

In sum, the thrust of the Special Rehabilitation Program is not to create a new monetary or service benefit for veteran addicts, but rather to utilize creativity and fully the veteran's existing benefit entitlements in order to extend to veteran addicts the type of comprehensive program of vocational rehabilitation they require.

BUDGET LINE ITEM FOR DRUG AND ALCOHOL ABUSE TREATMENT AND REHABILITATION AND ANNUAL AUDIT

The reported bill requires that the VA annual budget include a separate line item for the treatment and rehabilitation of alcohol and drug dependent veterans under the provisions in the bill. In this way, the Committee seeks to insure that the funds which this bill would call for provide for the urgently needed expansion of VA addict treatment programs are not diverted to meet the unexpected needs of other aspects of the VA hospital medical program. The budget item would include estimated expenditures both from medical care appropriations and GI Bill moneys disposed of at the direction of the Administrator.

In addition, the reported bill gives the Comptroller General access to all books and records of non-VA property in order to facilitate audit, and directs that compliance with the medical confidentiality provisions in the reported bill be complied with fully in any such audit. The Committee believes that such an audit will be of significant assistance to the Congress in assessing the effectiveness of the treatment and rehabilitation program carried out under the provisions in the reported bill through the use of GI bill entitlements.

TRANSFER OF ACTIVE DUTY SERVICEMEN TO VA FACILITIES

At hearings on September 9, 1971, the Committee was distressed to learn of a change in Department of Defense policy with respect to the transfer of active duty addicts during their service to VA facilities for treatment. Prior policy had permitted such transfers only when requested by the serviceman in question as one of three options: treatment in a military facility; treatment in a VA facility; "early out" separation. The revised policy offered him only two options: treatment in a military facility or treatment in a VA facility. The concern of the Committee is expressed in the following April 17, 1972, letter to Dr. Jerome Jaffe, Director, Special Action Office for Drug Abuse Prevention, Executive Office of the President, from Senator Alan Cranston, Chairman of the Subcommittee on Health and Hospitals:

APRIL 17, 1972.

Dr. JEROME JAFFE,
Director, Special Action Office for Drug Abuse Prevention, 726 Jackson Place, Washington, D.C.

DEAR DR. JAFFE: During your appearance before the Subcommittee on Health and Hospitals of the Veterans' Affairs Committee on September 14, 1971, you discussed the procedures followed by the Department of Defense in providing medical treatment to drug dependent separatees. Following the hearings you provided the Subcommittee with DOD directives on these procedures.

These directives indicate that the separatee is given the opportunity to choose between treatment in an Armed Forces facility or in a Veterans Administration facility. No other choice is open to him since the directive no longer permits an addicted serviceman to be processed under the "early out" procedure. The effect of this is that if he refuses treatment in an Armed Forces facility, the September 10, 1971, directives prohibit him from declining transfer to a VA facility; "Drug dependent personnel are not to be given the option of declining transfer by Armed Services Medical Regulation Office to Veterans Administration, although strong preference for another civilian treatment facility may be accommodated in appropriate cases." The Directive closes with the following sentence: "This message supersedes any previous instructions stating or implying that the drug dependent separatee may decline transfer to a Veterans Administration facility prior to discharge."

I do not see how any interpretation can be placed on this directive other than that some servicemen are being transferred through ASMRO to VA drug programs who do not want drug treatment at the VA facility. The effect of this directive will very likely be an overcrowding of the limited VA facilities by separatees in the last weeks of their service who have no inclination to seek treatment for their illness. At the same time, the 32 drug treatment centers of the Veterans Administration have waiting lists of veterans who are self-motivated to seek treatment. Using the limited resources of the Veterans Administration to care for these veterans would be far wiser, I believe, than using these resources for the temporary housing of members of the services who are assigned to them without electing, or even with a strong indisposition for, treatment.

A better solution to the disposition of the drug dependent serviceman about to be separated from the Armed Forces would be intensive counseling by an appropriate person followed by assignment to a DOD medical facility unless he voluntarily chooses assignment for the remainder of his duty to a VA or community facility and understands that such assignment involves a commitment on his part for a protracted treatment period that could last up to a year or more.

I think medical opinion is in general agreement that a treatment and rehabilitation program for drug abusers cannot be effective unless the patient himself is motivated to seek treatment. The Chief Medical Director of the Veterans Administration, Dr. Marc J. Musser, testifying on July 20, stated in connection with the related question of civil or criminal commitment: "Our facts thus far indicate the critical factor in rehabilitation of a drug user is his motivation, his desire to be rehabilitated. If, indeed, he is committed and the desire is not present, and if, indeed, the commitment acts as a restraint to motivation, then we would have very little assurance that whatever our efforts might be that they will be successful."

And in your September 14 testimony, you stated in connection with the same question: "Involuntary civil commitment, as we know it today, might require additional specialized treatment facilities since those coerced into treatment often impair the effectiveness of programs designed for volunteers. Those addicts who require coercion should not be integrated into a regular treatment milieu for they destroy the therapeutic atmosphere for others."

I would assume that since the DOD directive of September 10 you have had some experience with the assignment of separatees to VA treatment centers for drug addition treatment and rehabilitation. It would be of great interest to the members of the Subcommittee if you could provide a report on the effectiveness of such a procedure in enrolling separatees in continuing programs of treatment after their discharge. (I understand that significant numbers of such servicemen upon receiving discharge papers just leave the hospital.) Please indicate in your report the number of those assigned to VA facilities who left at the end of their tours of duty without completing a treatment program and the number of those who voluntarily continued their treatment programs at the end of their tours of duty. The report should also indicate the capacity of the facility to provide treatment, the number of veterans seeking treatment at the facility, and, if possible, an estimate of the veteran population in the geographic area who are drug dependent and who if adequate outreach services were provided could be expected to seek treatment at the facility.

Thank you for your consideration of the points I have made and for your continuing cooperation with the Subcommittee.

Sincerely,

ALAN CRANSTON,
Chairman, Subcommittee on Health and Hospitals.

Although no reply has been made to the above letter, it is the Committee's understanding that the success rate of treatment for servicemen transferred to the VA for treatment because they do not wish to remain in a military facility (rather than that they *elect* VA treatment) has been extremely low. Because of this and the concerns expressed and the testimony quoted in the letter, the reported bill includes provisions authorizing transfer of active duty servicemen to VA facilities for treatment within the last ninety days of their service only if the serviceman specifically requests such transfer for a specified period of time (and any specified extension of that period) in writing.

MEDICAL CONFIDENTIALITY

The Committee was extremely concerned about the possibility that in the past a number of addict veterans who might otherwise have sought VA treatment have not done so for fear that the fact of their disability and information revealed during treatment would not be kept confidential.

There was ample reason to believe that until the summer of 1972 the fear of many veterans about such VA disclosure of information relating to treatment for drug dependence was, in fact, well-founded. Prior to the enactment of P.L. 92–255, the "Drug Abuse Office and Treatment Act of 1972" (March 21, 1972), the Veterans' Administration regulations permitted the release of medical information pertaining to such patients to all other Federal agencies and to state unemployment and state health agencies at the request of such agencies. This release was often made without the veteran's consent. In cases where information was released without the veteran's consent, the veteran was not advised of this disclosure.

On the other hand, the application of section 408 of P.L. 92–255, rendering confidential the records of the identity, diagnosis, prognosis, or treatment of any patient or ex-patient, maintained in connection with any drug abuse function and authorizing their release for only certain very limited purposes and under prescribed conditions, has created several problems which, the Committee believes, can best be dealt with by amendatory legislation. While we fully concur in the purpose of this confidentiality provision, its restrictive language, as initially interpreted, in some cases actually worked to the detriment to the patients concerned.

The following were some of the situations the VA encountered initially after P.L. 92–255 was enacted and before revised regulations were issued under that Act on November 17, 1972, and which can best be dealt with by the enactment of a somewhat broader authority to disclose records of drug treatment. Most of the following arose as an actual case or cases.

1. Several cases have arisen in which a veteran being provided drug treatment and rehabilitation by the Veterans Administration has faced criminal prosecution for a drug-related offense and his attorney has requested a statement from the VA to the effect that he has enrolled in its drug rehabilitation program, is continuing to receive treatment, and is progressing well. The attorneys desired the statements for use in the veterans' defense in attempting to obtain probation or a lesser sentence. Under section 408, the VA has been unable to provide such statements. Some of the more critical cases, such as where the person is in jail and the record of his participation in a VA drug treatment program is essential to obtaining his release, have been handled sympathetically by the VA's interpreting certain court officials as "government personnel" and his release from jail as a "benefit" within the terms of release exceptions under section 408.

2. For many years, representatives (recognized and accredited by the Veterans Administration) of veterans service organizations either named by the Congress or approved by the Veterans Administration and of the American Red Cross have, pursuant to law (now 38 U.S.C. Chap. 59), been recognized in the preparation, presentation, and prosecution of claims of veterans and their dependents and survivors under laws administered by the Veterans Administration. These accredited representatives have performed and continue to perform an invaluable service to veterans and their survivors, without charge to claimants. In the case of drug patients, section 408 precludes the VA from furnishing any information to or allowing the veterans' accredited representatives to review their clients' VA records. The net result of this provision is to deny these veterans the right to representation in connection with their claims before that agency.

3. Section 3404 of title 38 has also authorized, for many years, the recognition by the Veterans Administration of attorneys of claimants and certain others in connection with the preparation, presentation, and prosecution of their claims under VA legislation. Section 408 similarly precludes the release of information from the records of drug patients to these attorneys. Although the VA has not reported any actual case in which the confidentiality provision of existing law has created a problem as regards attorneys in this setting, a similar broadening of the authority to make disclosure to these individuals is desirable to deal with the issue.

4. One of the most critical and difficult problems has arisen from the VA's inability to disclose drug-related information to prospective employers of these patients. It is well recognized that the rehabilitation of drug dependent individuals is not completed until the patient has been employed and is actively involved in a job and participating

in society in general. In light of this, the VA has undertaken to contact potential employers, acquaint them with its program, and persuade them to employ partially rehabilitated drug patients. This activity has, according to the VA, worked very well and employers have been very willing to accept these drug patients as employees. Unfortunately, the confidentiality provisions of section 408 have, for all intents and purposes, completely stopped this effort since they preclude the VA from identifying drug patients as such in contacting employers and attempting to place the patients in jobs. It is readily apparent that this result is actually harmful to, rather than protective of, these veterans.

(5) Throughout the country, registers are being kept of patients receiving methadone maintenance. In some cases, these are operated by State or municipal governments; in other instances, the records are kept by eleemosynary organizations or institutions; and in a few locations, private individuals maintain the registers. The purposes of the registers are to insure that a patient does not receive duplicate methadone dosages from more than one treatment center and thus injure or kill himself from an overdose, or to prevent the patient from selling the duplicate methadone dosage to others. Under section 408, with the patient's written consent, the VA now cooperates in most of these methadone registers under the authority to disclose information to "medical personnel for the purpose of diagnosis or treatment of the patient." The problem arises in connection with registers not maintained by medical personnel. Broadening of the law is necessary to provide clear authority for the VA to cooperate with all of the registers, whether or not maintained by medical personnel.

(6) Where the patient is deceased, and the disclosure of such a drug abuse record, information, or fact is necessary for any of the survivors of such patients to obtain other benefits to which they may be entitled, section 408 precludes the VA from disclosing such information, which works as a hardship for the survivors. This information—where the drug patient may not have voluntarily requested in writing a waiver of confidentiality—may be required in order to develop claims for benefits to which the survivors are potentially entitled, under programs administered by the Federal Government, by other governments, by private industry, and by other entities. Again, although the situation has not arisen, specific language would be necessary to permit release of information looking toward the development of a potential claim where there has been an alleged malpractice action or other tort. There are, of course, other types of litigation with respect to which the now confidential information might also be essential.

To try to meet many of these concerns, the VA issued on July 12, 1972, VA Circular 00–72–19 "Release of Information under Drug Abuse Office and Treatment Act of 1972," (which was set forth in full in the Committee report (S. Rept. No. 92–1084) on S. 2108 which amplifies an earlier very restrictive issuance of April 20, 1972. Again, on December 11, 1972, the VA issued a new instruction, Circular 00–72–27, superseding the previous one and based upon a November 17, 1972, regulation issued by the Special Action Office on Drug Abuse Prevention (SAODAP) (37 Fed. Reg. No. 223). The VA has advised that the situations outlined in items (1), (2), (3) and (5) have been largely resolved by the new regulations based on SAODAP's recent interpretations—which the Committee has been informed are considered to be extending the provisions of P.L. 92–255 to the very limit. However, the situation of release of information in connection with employment described in item (4) has not been resolved at all, and the situation regarding deceased patients described in item (6) has not been resolved unless the administrator or executor wishes the release. The Committee feels strongly that remedial legislation is thus needed to resolve all of these situations clearly and forthrightly.

The new Circular is as follows:

CIRCULAR 00–72–27

VETERANS ADMINISTRATION,
Washington, D.C., December 11, 1972.

RELEASE OF INFORMATION UNDER DRUG ABUSE OFFICE AND TREATMENT ACT OF 1972, PUBLIC LAW 92–255

1. On November 17, 1972, the Director of the SAODAP (Special Action Office for Drug Abuse Prevention) published, in volume 37, number 223 of the Federal Register, regulations interpreting section 408 of Public Law 92–255, covering both procedural and substantive isues arising from section 408 of that law, dealing with the confidentiality of patient records maintained in connection with drug abuse prevention functions. An explanatory statement was also published in the same issue. The regulations became effective November 17, 1972. A copy of the regulations and statement is forwarded herewith.

2. The SAODAP regulations apply to, and are controlling on, all departments and agencies in the executive branch of the Federal Government involved with drug abuse prevention functions. To the extent that they are in conflict with VA issues interpreting section 408 of Public Law 92–255 (including VA Circulars 00–72–10 and 00–72–19), the SAODAP regulations will govern. The VA issues are being rescinded but since there are some aspects of section 408 of Public Law 92–255 dealt with by them that are not covered by the SAODAP regulations, the still controlling section of those circulars are restated herein.

3. Your attention is particularly invited to the following provisions of the SAODAP regulations:

Section 401.04 authorizes a court appointed guardian, conservator, or other designee to furnish consent in the case of an incompetent patient and an executor, administrator, or other personal representative to give consent in the case of a deceased patient.

Section 401.23(b) authorizes disclosure to VA personnel for the purpose of determining a patient's eligibility for veterans' benefits and defines VA personnel as including "any personnel (whether or not employed or compensated by the VA) authorized by the VA to assist patients in the preparation and submission of their claims."

Section 401.26(a) authorizes disclosure, under specified conditions, of certain drug related information to an employer, whenever a patient or former patient "has been employed or been accepted for employment conditioned upon his progress or status in a treatment program."

Section 401.26(b) authorizes disclosure of certain drug related information to members of the patient's family, under cicumstances noted.

4. With respect to the release of drug related information to accredited representatives of organizations recognized under 38 U.S.C. 3402, in accordance with section 401.23 of the SAODAP regulations, the patient's power of attorney in favor of the organization will be deemed to constitute the required written consent.

5. The new regulations should be given wide dissemination at the station level to all personnel involved with drug patients or the records of such patients. They should be cautioned that the authority contained therein must be exercised only in accordance with the explicit conditions and criteria specified.

6. Those provisions of Circulars 00–72–10 and 00–72–19 which are adopted in this circular are restated as follows:

a. While Public Law 92–255 became effective on March 21, 1972, the Administrator has determined that VA records disclosing drug use or drug abuse treatment provided patients at any time prior to March 21, 1972 (whether the record pertains to VA, one of the military departments, or others) will be handled in accordance with the spirit expressed in Public Law 92–255. Consistent with 21 CFR 401.23 and 401.25, such information may be disclosed to accredited representatives with a proper power of attorney, to attorneys representing the claimant, and to Members of Congress.

b. The term "government personnel" in section 408(b)(1)(B) of Public Law 92–255, includes personnel of the Federal, State, county, and municipal Governments. Release of information to these officials, with the written consent of the patient, is authorized only for the purpose of obtaining benefits. "Government personnel" also includes members of Congress who indicate that they are attempting to aid the patient in securing benefits to which he is entitled. If VA is informed by another Government agency that the patient or former patient has given written consent, the agency will be requested to furnish a copy of the consent for VA files. With respect to Members of Congress, it will be assumed that they have the consent of the patient.

c. For the purposes of the release of information in the custody of the VA, under section 408(b)(2)(C) of Public Law 92–255, a "court of competent jurisdiction" is any Federal court. If the records are sought to be used in a hospital collection case in which the plaintiff's attorney has agreed to include the Government's claim, an order issued by a proper court must be obtained even though the veteran has consented to release. The foregoing limitation of a "court of competent jurisdiction" to a Federal court does not preclude disclosure of information in the custody of the VA to State or municipal courts in those situations where the veteran has provided his written consent and the release is sought for the purpose of obtaining benefits since officials of such courts are considered to be "governmental personnel.

7. Recissions: VA Circulars 00–72–10 and 00–72–19

DONALD E. JOHNSON,
Administrator.

To alleviate the apprehension of veterans and to provide full protection for veteran addicts who seek and receive treatment and rehabilitative services from the VA, the Committee has included in the reported bill a strict medical confidentiality provision which provides criminal sanctions for unauthorized disclosure of information but which at the same time meets the legitimate needs for disclosure identified above. The Committee substitute requires that all records made or information divulged in connection with treatment and rehabilitative services, as well as the fact of such treatment, provided under the new subchapter, be kept confidential by the Administrator except under the following circumstances: (1) if a veteran voluntarily requested disclosure (A) to medical personnel for additional diagnosis or treatment, or (B) to his attorney, or (C) to government agencies or a named person or organizations (i) to obtain benefits to which he is entitled or (ii) where a VA treatment facility director determines disclosure would clearly benefit the veteran; (2) if competent medical authority determines that the veteran is a clear and present danger to himself or others and that disclosure is necessary to alleviate this danger; (3) if the veteran is deceased and the Administrator determines disclosure is needed for his survivor to obtain a benefit or bring a lawsuit; or (4) if such disclosure is authorized by a court order.

The Committee was particularly concerned that these medical confidentiality requirements not interfere with the appropriate access of veterans' organization service personnel to VA treatment records. This was the single greatest problem arising as a result of the original interpretation of the medical confidentiality provisions included in P.L.

92-255, and the Committee expressly intends that section 658(b) (1) in the new subchapter be construed to permit disclosure of necessary treatment records to veterans' organization service officers in connection with their representation of veterans in VA claims pursuant to powers of attorney when the veteran addict signs a separate release statement expressly by waiving the confidentiality provisions regarding addition treatment. (Such a release statement and signature could be included as an additional specific item in the present standard VA power of attorney form.)

IMPORTANCE OF PROVIDING TREATMENT AND REHABILITATION TO ALCOHOLIC AND ALCOHOL DEPENDENT VETERANS UNDER THIS BILL

Although the VA is giving primary emphasis to the treatment of drug addicted veterans and public attention is now focused on that aspect of addiction, the Committee is greatly concerned by the fact that alcohol abuse affects an estimated 3 million veterans. Indeed, the Veterans' Administration estimates that one third of the total alcohol abusing population are veterans. For far too long alcoholism has been the most prevalent and yet untreated disease in this country.

The Veterans' Administration operates the nation's largest unified system of alcoholism treatment and rehabilitation. In 1972, for example, alcohol abuse and related disorders accounted for 11.2% of total VA hospital discharges. This was 124,948 patients.

The Committee believes that the VA should and must play a larger role in the stepped up national fight against alcoholism. The new section 629 in the reported bill is designed to enable the VA to utilize its enormous resources in this urgent effort to a far greater extent than it is now doing.

The Committee has reluctantly deferred to the strong feeling in the other body against including alcoholism in the same treatment category as drug addiction, as was done in S. 2108. An integrated approach and program is particularly desirable with respect to the treatment and rehabilitation of returning veterans since there are indications of substantial mixing and crossovers between abuse of drugs (barbiturates and opiates) and alcohol. The Committee is extremely concerned about the alcoholism treatment of veterans by the VA, and the Subcommittee on Health and Hospitals in planning a major investigation in this field during this Congress.

PSYCHIATRIC CARE AND READJUSTMENT MEDICAL COUNSELING

The Committee was convinced by extensive testimony developed at hearings on veterans readjustment conducted by the Subcommittee on Veterans Affairs at the end of the 91st Congress and hearings on this legislation in the 92d Congress and by medical evidence that significant numbers of Vietnam era veterans who are not addicts have nevertheless suffered severe psychiatric problems. These problems are frequently of a subtle nature and do not always manifest themselves soon after discharge. Therefore, the reported bill provides that a psychosis which arises within three years after discharge, rather than an active psychosis which arises within two such years (as the present), will be presumed to be service-connected. The effect of this is to authorize the provision of unlimited outpatient care for veterans meeting these criteria of disability.

In 1951, section 602, containing the original active psychosis presumption, was added to title 38 by Public Law 82-239. The House passed bill—H.R. 320—had included a three-year period for active psychosis and the Senate reduced it to two years—(S. Rept. No. 749, 82d Cong., 1st Sess. 1951.)

The Committee is of the view that the same justification underlying the original provision for active psychoses arising from World War II and the Korean conflict should be applied to the types of psychatric conditions which seem to characterize the Indochina War. The purpose and rationale of section 602 were described in the 1951 House and Senate committee reports as follows:

"The Committee is of the opinion that the bill is fully justified in view of the difficulty medical science has in tracing the exact causes of psychoses. The additional presumptive period would authorize service connection in many meritorious cases which are barred under existing law. The presumption is of course rebuttable when there is affirmative evidence to the country. . . . (H.R. Rept. No. 239, 82d Cong., 1st Sess. 2 (1951)).

"It is generally recognized that the disease of psychoses is not only an individual problem but involves broad social aspects as well. It is urgent that those who suffer from this unfortunate malady should receive prompt and complete institutional care and treatment. Although war veterans are now entitled to hospitalization by the Veterans' Administration for non-service-connected psychosis, their admission is subject to availability of beds and their inability to defray the expenses. . . ." (S. Rept. No. 749, 82d Cong., 1st Sess. 2 (1951)).

Of greater significance, the reported bill directs the Administrator to provide readjustment medical counseling and appropriate follow-up care to Vietnam era veterans with other than a dishonorable discharge (or a discharge barred under section 3103 of title 38) upon the veterans' request. The purpose of this provision is to make fully available—and to encourage and facilitate the use of—the full resources of the VA's medical services to those returning veterans who feel the need for professional counseling to help them in their readjustment to civilian life.

In the sensitive field of psychological or psychiatric counseling, the Committee believes that availability and ease of access to such services must be emphasized and all unnecessary barriers removed. A recently returned veteran should know that help is available, and that if he asks for it his request will be speedily honored.

Under present VA law and regulation, a veteran is not eligible for outpatient care unless it is established that he is suffering from a service-connected condition or is in need of hospitalization. Under this new provision, all VA facilities which can assist in readjustment will be made more visible and accessible.

The Committee believes that the provision in the reported bill to provide readjustment counselling in all VA facilities under the general direction of the Department of Medicine and Surgery—taking full advantage of its 961 psychologists, 304 psychologists' attendants and technicians, 707 psychology trainees, 2198 social workers, 335 social workers associates, and 479 social work trainees—can be of significant assistance to the successful readjustment of large numbers of recently discharged veterans, both addict and nonaddict.

CONCLUSION

The need for the type of approach embodied in the reported bill is summed up concisely and effectively in a June 26, 1972, letter to Senator Cranston from Dr. Jerome H. Jaffe, Director, Special Action Office for Drug Abuse Prevention, Executive Office of the President. The administration's chief drug treatment spokesman wrote as follows:

"* * * The message I hoped to convey at the press conference was that veterans should have access to all community-based treatment programs and not be restricted to what the local Veterans' Administration Hospital can offer at any one moment in time.

"More importantly, your query concerning the general strategy which the government should employ to care for veterans addicts is timely. Title III of PL 92-255 requires the development of a general strategy for all federal drug abuse prevention functions by December 1972. We are now working with the Veterans' Administration structure that part of the total strategy which will address the veteran drug abuse situation:

"Some of the major issues which this strategy will address are:

"(*a*) establishing and sustaining links and administrative vehicles for utilizing local community-based resources, both as an adjunct to the Veterans' Administration care delivery system for drug dependent veterans, and offering these veterans, through referral, a wider variety of treatment/rehabilitation modalities;

"(*b*) establishing a broader variety of rehabilitation modalities at Veterans' Administration treatment centers;

"(*c*) establishing residential, therapeutic community facilities within the Veterans' Administration care delivery system;

"(*d*) broadening the treatment base to include all veteran addicts, regardless of type of discharge;

"(*e*) initiating cooperative Veterans' Administration-other hospital and medical institution research clinical studies;

"(*f*) targeting Veterans' Administration capacities for skills training, supplemental education and job placement assistance for ex-addict veterans to lay a firm base for the rehabilitated veterans to resume a normal life style; and

"(*g*) developing innovative outreach capability to induce drug dependent veterans into appropriate treatment/rehabilitation programs, regardless of who administers the program."

Cost Estimates Pursuant to Section 252 of the Legislative Reorganization Act of 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510, 91st Congress), the Committee, with the help of some technical assistance by the VA, estimates the following costs for carrying out the provisions of the reported bill in fiscal years 1974 through 1978, stressing that the VA was unable to provide any cost estimates whatsoever:

ESTIMATE OF ANNUAL COSTS, S. 284

Item	Fiscal years 1974	1975	1976	1977	1978
Drug Addiction:					
Hospital care	$67,750	$67,750	$67,750	$67,750	$67,750
Domiciliary care	61,200	61,200	61,200	61,200	61,200
Outpatient care	[12] 3,888,000	3,888,000	3,888,000	3,888,000	3,888,000
Rehabilitation	107,700,000	5,026,000			
Outreach and counseling	2,027,000	2,027,000	1,000,000	1,000,000	1,000,000
Psychoses and readjustment medical counseling	[13] 15,392,000	15,392,000	15,392,000	15,392,000	15,392,000
Alcoholism treatment and rehabilitation	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total	144,135,950	41,467,950	35,408,950	35,408,950	35,408,950

Assumptions and estimates—S. 284

Veterans population Dec. 31, 1971:	
Vietnam era	$5,597,000
Post-Korean	3,116,000
Vietnam Era veterans:	
Military discharges[1] for:	
Drug addiction	21,000
Alcoholism	
Total	22,000
Veterans developing condition:	
Drug addiction[2]	60,000
Alcoholism[3]	150,000
Total	210,000
Total eligible (drug)	81,000
Total eligible (alcohol)	151,000
Post-Korean Conflict veterans:	
Drug addiction[4]	10,000
Alcoholism[5]	84,000
Estimated dishonorably discharged Vietnam era veterans having a drug or alcohol problem (from DOD)	800
Costs for drug addiction treatment:	
Hospital care: Additional cost would be for estimated 70 patients at an average of 25 days at $37	67,750
Domiciliary care: Same as for hospital care except an estimated 17 members at $3,600 per year	61,200
Outpatient care:	
Fee cost per outpatient visit	$11.00
Administrative costs	$9.00
Total cost per visit	[6] $20.00
40 percent[7] of total eligible (81,000) will use outpatient facilities and will average 6 visits a year—number of veterans. 32,400	
Formula—32,400 x $20 x 6 visits	3,888,000
Special Rehabilitation: S. 284 provides to all Vietnam and post-Korean drug addict veterans with general or honorable discharges and GI Bill entitlements the following:	
Professional counseling	
Education and vocational guidance	
Education and training	
Job referral and placement	
Work for pay through arrangement with private industry	
Intensive skilled services	
Transportation associated with rehabilitation:	
Estimated cost per veteran for all these services (does not include cost of initial and follow-up medical treatment)	[8] 3,000
Number who will use service:	
Vietnam era veterans	[9] 32,400
Post-Korean veterans	[10] 3,500
Total	35,900
Formula:	
35,900 at $3,000	[12] 107,700,000
7180[11] at $700	5,026,000
Total cost	$112,726,000
An estimate for the first year cost for a counseling program to reach and help the drug addict veterans identified above, is as follows:	
Department of Medicine and Surgery requirements:	
92 ex-addict counselors (GS) at each VAH not now employing them	825,240
37 ex-addict counselors at DOD drug rehabilitation	331,890
Department of Veterans Benefits requirements 100 ex-addict counselors at U.S. Veterans Assistance Centers	897,000
Total cost: (229 FTE)	2,027,130
Grand total cost for drug addiction program	
Service-connected psychoses:	
Presumes that a psychosis developing within three years of discharge from service is to be service connected. This is an extension of 1 year, i.e., present law presumes 2 years from discharge from service.	
Specific data are not available which show the number of veterans having a service connected psychosis found to exist within 2 years of discharge from military service. The best estimate of the number of such eligible persons since World War II is 4,000 cases. The extension to three years should produce an additional one-third more or 1,300 cases.	
1,300 at $27 per day for 320 days a year	[13] 15,392,000

[1] Data obtained from Department of Defense.

[2] Estimated by VA drug and alcohol service.

[3] Estimated 6 percent of 2,500,000 alcoholic veterans.

[4] Estimated 16.7 percent of number of age 44 or less veterans discharged from VA hospitals for treatment for opium addiction during 6 months ending December 1971. This percentage applied to 60,000 Vietnam era veterans with drug addiction.

[5] The proportion (2.7 percent) of the Vietnam era veterans who are alcoholics to total Vietnam era veterans was applied to total Post-Korean veteran population.

[6] Based on present fee basis cost for service-connected outpatient treatment and administrative costs estimated to be 45 percent of total cost of outpatient care.

[7] Based on experience of veterans on compensation and pension rolls utilizing VA outpatient facilities from House Print No. 86, 92nd Congress.

[8] Estimate based upon information supplied by VA Mental and Behavioral Sciences Services and the National Institute of Mental Health, H.E.W., one year, one time.

[9] Same as number who will get outpatient care.

[10] Same proportion of eligible Vietnam era veterans who would use service.

[11] Estimated 20 percent would require additional rehabilitation beyond one year at $700 per person.

[12] Virtually the full rehabilitation cost for veterans in the Special Rehabilitation Program would be financed from GI bill of entitlements. Using an average GI bill entitlement of $220 per month, the 12-month yield would be $2640.

[13] The VA was unable to provide an estimate of the cost for the readjustment medical counseling provision. The committee believes that this $15.4 million for service-connected psychosis is probably considerably on the high side and would be sufficient to cover added costs under readjustment medical counseling (for example, $6,000,000 would provide for basic counseling, at $50/veteran, for 100,000 veterans plus more intensive additional counseling, at $100/veteran, for 10,000 of those veterans needing more intensive help). The committee believes that much can be accomplished in this area by the more effective utilization of the VA's psycho/social staff within DM & S, entailing only minimal additional expenditure.

SECTION-BY-SECTION ANALYSIS OF S. 284 AS REPORTED

Section 1. Establishes the short title of the act as the "Veterans Drug and Alcoholic Treatment and Rehabilitation Act of 1973."

Section 2. Subsection (*a*).—Amends section 601(1), which defines the term "disability" for purposes of chapter 17 (Hospital, Domiciliary and Medical Care) of title 38, to include alcoholism and drug dependence within the meaning of "disease".

Subsection (*b*).—Amends section 601, which sets forth definitions for purposes of chapter 17, by adding a new paragraph (2) to define the term "veteran" specifically for the purposes of the furnishing of hospital care and medical services under that chapter for a service-connected disability. For that specified purpose under the new definition, veterans with undesirable discharges (as long as the nature of such a discharge would not involve any of the conditions specified under the bars-to-benefits provision of present section 3103) would be made eligible for such care and services. Under the new definition it is possible that a very few veterans with bad conduct discharges not imposed by a court-martial proceeding would also be made eligible for such specified care and services. The new definition would not in any way alter the *in*eligibility of a veteran with a dishonorable discharge for such services under chapter 17. A veteran with such a discharge is presently ineligible for VA care even for a service-incurred disability.

Subsection (*c*).—Amends section 601(6) (as redesignated by subsection (b)), which defines "hospital care" for purposes of chapter 17, to include "rehabilitative services" (which is defined in a new paragraph (9) added to present section 601 by subsection (f)) within such definition.

Subsection (*d*).—Amends section 601(7) (as redesignated by subsection (b)), which defines "medical services for purposes of chapter 17, to include "rehabilitative services" within such definition.

Subsection (*e*).—Amends section 601(8) (as redesignated by subsection (b)), which defines "domiciliary care" for purposes of chapter 17, by rewriting such definition to include rehabilitative services within such definition and to make clear that such term includes "necessary medical services".

Subsection (*f*).—Amends section 601 by adding a new paragraph (9) defining "rehabilitative services", which is defined to include "such professional counseling, educational and vocational guidance, education, training, and job referral and placement services (including therapeutic work for remuneration through arrangements with private industry, and essential transportation associated therewith), and such other intensive skilled services applied, on an inpatient or outpatient basis, over such a protracted period as may be necessary to assist the patient to return, as soon (and as completely rehabilitated) as practicable, to his or her family and community as a productive, self-respecting, and self-sustaining member of society."

The reference to therapeutic work for remuneration through arrangements is intended to make clear the authority to engage in such activities as are and have been carried out at VA facilities at Los Angeles, Palo Alto, and Menlo Park, Calif., and other stations, as to which programs the VA is currently conducting an extensive review to determine the need for more comprehensive statutory authority. In the interim, the VA has assured the Committee that no such therapeutic work arrangements will be discontinued or significantly reduced. The Committee looks forward to receiving a full report on the VA study as soon as it is completed.

Section 3.—Amends section 602, which establishes a presumption of service-connection for active psychoses developed within 2 years after discharge from the service, to establish such presumption in the case of *any* psychoses developed within 3 years of such discharge.

Section 4. Subsection (a).—Amends subchapter II of chapter 17 by adding a new section 612A (Eligibility for readjustment medical counseling).

New section 612A. Subsection (a).—Directs the Administrator (except in the case of veterans with discharges falling within the bars-to-benefits provision of present section 3103) to furnish, under chapter 17, readjustment medical counseling and appropriate follow-up care and treatment, to any such Vietnam era veteran (a veteran with service after August 5, 1964) who requests such counseling in order to assist in his readjustment to civilian life; and also directs the Administrator, in cooperation with the Secretary of Defense, to take all appropriate actions under the outreach services program, provided for in present section 241, to insure that all veterans eligible for such counseling are advised of such eligibility and encouraged to take full advantage of it.

Subsection (b) of section (4).—Amends the table of sections at the beginning of chapter 17 to reflect the addition of the new section 612A made by subsection (a) of section 4 of the bill as reported.

Section 5.—Amends subchapter III of chapter 17 by adding a new section 629 providing for a special program for the treatment and rehabiliation of veterans suffering from alcoholism.

New Section 629. Subsection (a).—States a Congressional finding and declaration of the seriousness of alcoholism and alcohol abuse in the Nation, including among the veteran population.

Subsection (b).—Directs the Administrator to carry out specialized medical programs providing inpatient and outpatient treatment and rehabilitative services (as defined in new paragraph (9) added to present section 601 by section 2(f) of the bill as reported) on a nationwide basis to veterans eligible for chapter 17 medical care who are suffering from alcoholism or alcohol abuse. The Administrator is further directed to stress the use in such program of recovered alcoholic counselors and half-way houses, encounter-style therapeutic communities and other treatment modalities—in a comprehensive program ranging from detoxification to recovery. Specific mention is made of treatment of the symptoms of detoxification because the Committee has received disturbing reports that some VA hospitals have refused to treat individuals in extreme withdrawal situations. Finally, the new subsection requires an annual report regarding the specialized programs carried out, in the same detail as required (in new section 659) for implementation of the new subchapter VI on drug dependence or abuse, added by section 7 of the reported bill.

Section 6.—Amends section 618, which authorizes certain therapeutic and rehabilitation activities, to direct the Administrator to take appropriate action to make it possible for patients receiving rehabilitative services in VA medical and domiciliary facilities (as defined in the amendments made to present Section 601 by Section (2)(c), (d), (e), and (f) of the bill as reported) to take maximum advantage of their GI bill entitlements under chapters 31, 34, and 35.

Section 7. Subsection (a).—Amends chapter 17 by adding a new subchapter VI (Special Medical Treatment and Rehabilitative Services for Drug Dependence or Drug Abuse Disabilities).

New Section 651.—Establishes a definition of the term "veteran" for purposes of this new special subchapter and thereby establishes eligibility for treatment and services under such subchapter for any person discharged from active military service, regardless of the nature of discharge (and regardless of the bars-to-benefits provisions of present section 3103) who has drug dependence or drug abuse disability (hereinafter referred to as the drug disabilities) without any need for a finding of service-connection in connection with such disability.

New section 652.—Sets forth the basic provisions governing the provison of treatment and rehabilitative services for veterans suffering from one of the drug disabilities.

Subsection (a).—Directs the Administrator to furnish any veteran suffering from one of the drug disabilities with such special medical treatment and rehabilitative services or hospital and domiciliary care as he finds reasonably necessary to effect the veteran's recovery and rehabilitation.

Subsection (b).—Specifies that treatment and rehabilitative services under the new subchapter shall include "medical examination, diagnosis, and classification of disability, all appropriate short-term services for the acute effects of the disability, drug withdrawal treatment, group therapy, individual counseling (including appropriate referrals for legal assistance), educational and vocational guidance, and crises intervention. . . ." It also specifies that such treatment and services shall be made available in VA directly administered hospitals, domiciliary facilities, and outpatient clinics as well as halfway houses and other community-based facilities, and in non-VA public or private facilities under contract with the Administrator.

Subsection (c).—Directs the Administrator to offer alternative modalities of treatment to each such veteran receiving treatment and rehabilitative services under the new subchapter (whether in VA or contract facilities) and specifies that the alternatives offered shall be based upon the individual needs of each such veteran.

Subsection (d).—Directs the Administrator to contract for treatment and services under the new subchapter to give the greatest feasible priority to community-based, multiple-modality programs employing peer group counselors and specifically Vietnam-era veterans (as defined in present section 101(1) and to include in such contractual arrangements the carrying out of maximum outreach efforts to identify and counsel veterans eligible under the new subchapter.

Subsection (e).—Directs the Administrator upon receiving an application for treatment and services under the new subchapter from a veteran with an other than honorable or general discharge to (1) advise him of his right to apply to the appropriate military service to obtain a review of the nature of his discharge with a view toward removing any bar to eligibility for the receipt of veterans benefits under title 38; (2) advise him of the current military policy regarding a review of discharges received in connection with drug abuse offenses; and (3) advise him of all programs under title 38 and any other law to which he is or would be entitled if he had a general or honorable discharge. The subsection also directs the Administrator to offer, and, if requested, to provide any veteran within the provisions of the new subsection all appropriate assistance needed to facilitate the process of preparing and filing with the military an application for a review of the nature of his discharge.

Subsection (f). Paragraph (1).—Sets forth a special entitlement to treatment and services for any Vietnam era veteran (eligible for treatment and rehabilitative services under the new subchapter) under conditions specified in paragraph (2) of the subsection.

Paragraph (2).—Provides that in the case of a Vietnam era veteran with a drug disability (1) if he requests but is not promptly provided treatment and services in a VA-directly administered program, or (2) if there is no such VA facility or program readily accessible to the veteran and he requests treatment in a non-VA facility or program approved by the Administrator (as providing treatment and services consistent with all the provisions of the new subchapter), then in either case such a veteran is entitled to the Administrator paying to such non-VA program or facility the reasonable value of the treatment and services provided consistent with all the provisions of this subchapter (including such rehabilitation as may be provided under the Special Rehabilitation Program established by new section 654), when the non-VA facility is approved by the Administrator as providing treatment and services consistent with all the provisions of this subchapter in accordance with standards established in regulations which he prescribes, with the concurrence of the Director of the Special Action Office for Drug Abuse Prevention.

Paragraph (3).—Provides that payments for treatment and services provided in non-VA facilities under paragraph (2) shall be made from funds appropriated for medical care of veterans and, where the veteran is eligible for the Special Rehabilitation Program established by new section 654, from GI Bill monies over which the Director has acquired control through an agreement under new section 654.

Subsection (g). Paragraph (1).—Directs the Administrator to provide (either in VA-directly administered facilities or programs or those under contract with him) for treatment and services in the case of certain veterans eligible under the new subchapter who are involved in criminal proceedings as follows: (1) for a veteran under criminal charge or conviction who is not confined and who is not required to participate in a treatment and rehabilitation program by any court of competent jurisdiction; (2) to the maximum feasible extent, furnish necessary drugs and medicines for any veteran incarcerated in a local jail who was receiving treatment and services under the new subchapter immediately prior to incarceration when prescribed by the attending physician with adequate safeguards against abuses; and (3) continue furnishing such drugs and medicines to a veteran under the conditions set forth in (2) above until the Administrator determines that responsibility for appropriate treatment will be assumed by a non-VA facility or program.

Paragraph (2).—Authorizes the Administrator to provide (either in VA-directly administered facilities or programs or those under contract with him) for treatment and services to any veteran under the new subchapter who has been criminally charged or convicted and who is required to participate in a treatment and rehabilitation program by a court of competent jurisdiction, but only under such conditions as the Administrator determines, in a case-by-case basis, will insure that the veteran's participation on the particular program will not impair the voluntary nature of the services provided other patients in such program.

New Section 653. Subsection (a).—Directs the Administrator to utilize all VA resources to seek out and counsel toward treatment and rehabilitation all veterans eligible under the new subchapter, especially those of the Vietnam era.

Subsection (b).—Directs the Administrator, to the maximum extent feasible, to contract for the services of or employ peer group veterans and authorize such employment or contracts without regard to United States Code title 5 provisions regarding appointments in the competitive service at pay rates without regard to the title 5 clarification procedures and General Schedule pay rate, and to provide such veterans with all necessary job training.

Subsection (c).—Directs the Administrator to carry out, in consultation with the Secretary of Labor and the chairman of the Civil Service Commission, an affirmative action program under which all Federal agencies, private and public firms and persons would be urged to provide maximum employment opportunities for veterans provided treatment and rehabilitative services under the new subchapter who are determined to be sufficiently rehabilitated to hold gainful employment and, in coordination with the Secretary of Labor, to attempt to place such veterans in such employment opportunities.

New section 654.—Establishes a Special Rehabilitation Program of education and training for veterans eligible under the new subchapter who are also eligible for educational assistance under chapter 31, 34, or 35 of title 38, to the extent of such veterans' such entitlements.

Subsection (a).—Directs the Administrator, pursuant to regulations he shall prescribe and in accordance with all the provisions and limitations in the new subchapter, to provide for all post-Korean conflict (those with service after January 31, 1955) veterans eligible under the new subchapter and whose discharges are under other than dishonorable conditions who have successfully undergone treatment and who have GI bill entitlement, a special program of rehabilitative services patterned after education and training programs for vocational rehabilitation under present chapter 31. The subsection provides that such a veteran must enter into an agreement with the Administrator containing specified conditions as a precondition to receiving treatment under the new subchapter, providing the following:

(1) entitles the Administrator to direct disposition of the veteran's GI Bill entitlement based on the veteran's total period of participation in the Special Program;

(2) provides that for each month of the veteran's participation in the Special Program, his GI Bill benefit entitlement will be reduced proportionately; and

(3) directs the Administrator to pay to such veteran an allowance not less than 60 percent, nor more than 100 percent, of the current subsistence allowance provided under chapter 31 of title 38 (presently $170) from the GI Bill monies of such veteran over which the Administrator has acquired direction.

Subsection (b). Paragraph (1).—Limits a veteran's total period of participation (both before and after recovery) under the Special Rehabilitation Program established by the new section 654 to a total of 24 months except in extraordinary cases where the Administrator, in accordance with regulations he shall prescribe, approves an additional period and payment of such additional subsistence allowance as he determines necessary for a veteran to continue reasonable progress toward his rehabilitation goal.

Paragraph (2).—Provides a cut-off of eligibility under the Special Rehabilitation Program established by the new section 654 of eight years after a veteran's discharge or the date of enactment, whichever is later.

New Section 655. Subsection (a).—Establishes the right of the Comptroller General of the United States, for the purposes of audit, to assess all books, records, documents, things or property of non-VA facilities carrying out treatment or rehabilitation programs under the new subchapter.

Subsection (b).—Directs the Comptroller General to carry out his audit responsibilities so as to comply with the provisions respecting medical confidentiality set forth in new section 658.

New section 656.—Requires a line item in the President's annual budget submission showing the estimated VA expenditures under the new subchapter.

New section 657.—Establishes procedures and requirements regarding the transfer, and treatment therein, of active-duty servicemen to VA medical facilities in connection with a drug disability.

Subsection (a).—Provides for the transfer of an active-duty serviceman with a drug disability to a VA medical facility for treatment pursuant to mutually agreed upon terms between the Secretary of the military Department concerned and the Administrator and subject to reimbursement by such Service. Such transfers are authorized only within the last 90 days of a tour of duty. After such a transfer, a serviceman would receive treatment and rehabilitative services on the same terms and conditions as prescribed for a veteran in the new subchapter.

Subsection (b).—Requires the Administrator to report periodically to the Secretary concerned regarding the progress of the treatment of each serviceman transferred and to release such serviceman back to the Secretary concerned when the Administrator finds that the disability is stabilized or certifies that the member is refusing to comply with reasonable terms and conditions of treatment or that treatment would otherwise no longer be beneficial to such serviceman.

Subsection (c).—Prohibits transfers under new section 657 unless the serviceman in question specifically requests transfer for a specified period of time within his remaining tour of duty and does so in writing and further prohibits the extension of such treatment beyond such specified period of time unless the serviceman specifically requests a specified extension and such request is approved by the Secretary and the Administrator.

New section 658.—Establishes very specific and generally protective requirements with respect to the maintenance of confidentiality regarding treatment and rehabilitation under the new subchapter.

Subsection (a).—Establishes the principle that, notwithstanding any other law, all records made or information divulged in connection with treatment and rehabilitation under the new subchapter shall be kept confidential by the Administrator and that the record, information, or fact of treatment may be disclosed only for the limited purposes and under the circumstances expressly authorized in new section 658.

Subsection (b).—Permits disclosure under the following circumstances: (1) if the veteran voluntarily requests in writing a waiver (*a*) to medical personnel for diagnosis and treatment, (*b*) to his attorney, or (*c*) to Government personnel or a named person or organization (for example, a veterans' organization) (i) in connection with the veteran patient or his successors obtaining benefits or (ii) when the Director of a facility responsible for treatment and rehabilitation determines that disclosure would be clearly beneficial to the veteran; (2) when the veteran is determined, by competent medical authority, to be a clear and present danger to himself or others and disclosures is necessary to alleviate such danger; or (3) when the Administrator determines that disclosure is necessary for the survivor of a deceased veteran to obtain benefits through legal action. The extent of disclosure is specifically limited by the exact factual context and will be only as complete as absolutely necessary to carry out the specified purpose for which the information is disclosed.

Subsection (c).—Permits disclosure for other purposes if authorized by an appropriate court order under a good cause procedure and establishes the criteria for weighing the factors for and against such disclosure. When granting disclosure under this subsection, a court is directed to impose appropriate safeguards against the unauthorized use or disclosure of material covered by the court order.

Subsection (d).—Imposes upon the Administrator the responsibility to insure that any record, information, or fact of treatment under the new subchapter shall not be disclosed in any manner or for any purpose or with any effect adverse to the interests of the veterans by either the VA or any person, program, or organization carrying out VA responsibilities, unless such disclosure is specifically authorized under subsection (b) or (c) of the new section 658.

Subsection (e).—Authorizes the release of purely statistical data compiled without reference to name or other identifying (either directly or indirectly) characteristics.

Subsection (f).—Continues in effect the procedures of new section 658 with respect to any former patient under the new subchapter regardless of his present patient status.

Subsection (g).—Establishes civil fines for unauthorized disclosures identical to those provided for in P.L. 92–255.

New section 659.—Requires the Administrator to submit to the Congress six months after enactment and thereafter on each September 1 a report on the implementation of the new subchapter and new section 629 (regarding alcoholism treatment and rehabilitation) added by section 5 of the bill as reported, broken down separately with respect to alcoholism and drug abuse disabilities, and an evaluation of the effective alternate treatment and rehabilitation modalities provided under the new subchapter and under new section 629. The report will also include (1) numbers of patients treated, (2) average duration of treatment, (3) estimates of successful rehabilitation and recovery, (4) an analysis of rehabilitation experience, (5) a full accounting of receipts and disbursements based upon dispositions of GI Bill entitlements under new section 654 in the new subchapter, (6) a description of outreach and employment efforts, (7) a full accounting of payments to non-VA facilities and an evaluation of services provided therein, (8) experience under the medical confidentiality provisions, (9) new program plans, and (10) any legislative recommendations.

Subsection (b) of section 7.—Amends the table of sections at the beginning of chapter 17 of title 38 to reflect the addition of the new subchapter added by subsection (a) of section 7.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes by presence or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report favorably to the Senate S. 284 as reported from subcommittee:

Yeas—9

Vance Hartke
Herman E. Talmadge
Jennings Randolph
Harold E. Hughes
Alan Cranston
Clifford F. Hansen
Strom Thurmond
Robert T. Stafford
James A. McClure

Nays—0

Mr. CRANSTON. Mr. President, there is an error in the printing of the committee report to which I wish to draw attention regarding the cost estimate on page 43. That table is set forth correctly in the version I have just inserted into the RECORD so that the reference to "thousands of dollars" is removed and the amounts for the last two items appear in millions.

Mr. President, this highly innovative measure would entail the expenditure of $144 million in its first year, decreasing to $35 million in its fifth year of implementation. The 5-year cost would be approximately $290 million. Estimates from the administration, veterans organizations, and others active in the drug treatment field place the number of veterans suffering from drug addiction at anywhere from 60,000 to 400,000. To deal with this very real and extensive problem, S. 284 would:

First, mandate a broad-range program for treating and providing the most comprehensive rehabilitation to addicted veterans, including the following aspects:

Give the VA authority to treat some 18,000 addicted veterans, who received less than honorable or general discharges, because of drug use, and treat other addicted veterans with disqualifying discharges;

Allow treatment of veterans even though their habits may not have been acquired while in the service;

Require contracting for care in community facilities for the treatment and rehabilitation of Vietnam-era addict veterans when VA services are not readily available;

Provide for extensive rehabilitation of those treated, using their GI bill entitlements to pay for education, training, and counseling and a small subsistence allowance for them;

Set up VA machinery to seek out and counsel addicted veterans with disqualifying discharges and help them obtain review and upgrading of their discharges by the military;

Establish VA programs to assist recovered addicts in finding productive employment; and,

Guarantee that their medical records remain confidential.

Second, S. 284 would restore medical benefits for service-connected conditions to certain disabled veterans who were given undesirable discharges, because of drug use or other reasons. However, veterans with dishonorable or bad conduct discharges would still not be eligible for such general VA medical care.

Third, the bill would require that individual medical readjustment counseling be readily available at all VA facilities to all eligible Vietnam-era veterans who want it to assist them with their readjustment to civilian life.

I believe that all Senators will agree that this is the kind of program that both addicted veterans and the Nation need very badly to deal with this major problem in a truly effective, comprehensive, and enlightened manner.

Veterans need this bill. The Nation needs this bill. I will rest my case on that.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CRANSTON. I yield.

Mr. JAVITS. I ran across this problem in New York, where we had more than 20,000 veterans needing treatment. I took it up with the VA, had extended conferences about it, and the only thing they asked for was this legislation. I congratulate the Senator and his colleagues on bringing it forth.

Mr. CRANSTON. I thank the Senator. I trust that we will give them this legislation very soon.

Mr. HARTKE. Mr. President, today, I rise to urge passage of S. 284 which would require the availability of comprehensive treatment and rehabilitative services and programs for veterans who suffer from drug dependence or abuse. This measure is similar to S. 2108 which was reported from the Veterans' Affairs Committee last fall and which unanimously passed the Senate on September 7, 1972, as an amendment to H.R. 9265. The version before you today represents tentative agreements reached in House-Senate staff negotiations last fall. Congress adjourned before the revised version could be considered by the members of the House Committee on Veterans' Affairs.

Members of the Senate will recall that this legislation was prompted by the skyrocketing incidence of drug abuse among veterans of the Vietnam war. The rate of drug abuse discharges from the armed services grew, for example, from approximately 12 per month in fiscal 1967 to more than 700 per month during the first 6 months of fiscal 1972. There are undoubtedly many other drug abusers who escaped detection while in service. It is estimated, for example, that there is a minimum of 60,000, and more likely 100,000 veteran addicts in the United States. Or, put another way, authorities estimate that 1 out of every 4 addicts in the United States is a veteran. It would be well to emphasize here, of course, that the vast majority of the men who served in the Armed Forces in recent years did not suffer from problems of drug abuse. For those who do suffer from addiction to heroin, however, the price that is paid by the individual veteran as well as the country as a whole is enormous. As such we have a strong obligation, not only to the veteran, but to society to help the veteran addict become a self-sustaining productive member of this country.

In response to the growing problem of drug abuse, the Veterans' Administration at the prodding of Congress has substantially upgraded its drug treatment programs and facilities. Figures supplied by the VA indicate that more than 20,000 drug abusing veterans have already been treated. Much of this effort, however, is confined to detoxification and methadone maintenance without any effective rehabilitation. It is clear that not only must the capability for treatment of veterans be increased, but that there also be effective treatment and rehabilitation alternatives available to the veteran other than just methadone with its attendant life of addiction to another drug.

The President, Congress, the Veterans' Administration, and the major veterans' organizations all agree that new legislation is called for permitting the Veterans' Administration to more adequately meet the drug crisis. I believe the Veterans' Drug and Alcohol Treatment and Rehabilitation Act of 1973 meets this need. This bill which is authored by the distinguished chairman of the Subcommittee on Health and Hospitals, Mr. CRANSTON, and which was unanimously ordered reported from the full Committee on Veterans' Affairs which I am privileged to chair, provides a comprehensive treatment and rehabilitation program for veterans suffering from drug addiction.

The bill as reported would establish a special medical treatment and rehabilitative service program for veterans with a drug dependence or drug abuse disability. Inhospital and outpatient care contracts with approved community programs for treatment and rehabilitation as well as outreach efforts are included. The reported bill stresses the need to offer veteran addicts alternative treatment modalities based on individual readjustment needs. The committee believes quite strongly that veterans who have not been addicted to heroin for a long period of time should not be automatically placed in a methadone maintenance program which is more suited for the long-term "street junkie." The committee is quite disturbed that 70 percent of veteran addicts in VA outpatient care are on methadone maintenance programs. Under this bill veteran addicts will have a choice of the treatment modality and much stress is placed upon providing highly individualized community based multimodality inhouse contract services including a wide range of vocational and educational counseling and rehabilitative services in job placement systems for veterans. In addition to medical treatment a special rehabilitation program is established which makes use of GI bill educational benefits to which the veteran would otherwise be entitled.

In addition, the committee continues to believe that the Veterans' Administration should and must play a much larger role in the national fight against alcoholism. New section 629 in the reported bill is designed to enable the Veterans' Administration to utilize its enormous resources in combating alcoholism. The committee believes that at a minimum $75 million should be committed to this fight over the next 5 years.

In total the bill commits an initial $144 million to combat drug and alcohol abuse for the first year. Thereafter funding for the following 4 years will be at a level of approximately $35 million.

Mr. President, the organizations which represent this country's 29 million veterans have been unanimous in their support of S. 284. The national director of Legislation for the Disabled American Veterans testified that—

> Returning veterans who have had the great misfortune to become addicted to drugs should be treated as patients and as sick people, and as individuals who are in need of medical care, rather than being punished.

He went on to say that coming to grips with the drug problem will require that—

> Several million dollars in addition to that already requested must be appropriated; and in the expenditure of these funds, we should contemplate the use of new and unusual techniques for a government agency.

The VFW testified almost 2 year ago that—

> Action is needed now before it is too late; too late that is, not only for the narcotics addict, but perhaps thousands of innocent people whose health, liberty, and safety will be violated by a great many of this group as they seek to satisfy their insatiable appetites for narcotics.

Yesterday the commander in chief of the VFW, in his appearance before the Committee on Veterans' Affairs, reaffirmed his support and stated that—

> We are hopeful S. 284 will receive quick approval by the 93rd Congress.

This morning, I received a telegram from the American Legion urging passage of S. 284 which I ask unanimous consent be printed in the Record at this point.

There being no objection, the telegram was ordered to be printed in the Record as follows:

March 5, 1973.

Hon. Vance Hartke,
Chairman, Senate Committee on Veterans' Affairs, Old Senate Office Building, Washington, D.C.

S. 284, the Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1973, favorably reported by your committee, is overdue legislation.

The Legion recognizes that drug abuse in the Armed Forces is one part of this national problem. S. 284 would provide a comprehensive VA program of treatment and rehabilitation services for certain active service personnel and to former members of the Armed Forces who because of the nature of their discharge would not otherwise be eligible. It is the Legion's understanding that any special program of rehabilitation or readjustment extending beyond the individual's medical treatment for such drug addiction would be predicated on his eligibility to benefits under Chapters 31, 34 or 35 of Title 38, U.S.C. In view of this we support the provisions of S. 284.

Herald E. Stringer,
Director, National Legislative Commission, The American Legion.

Mr. HARTKE. Mr. President, I also ask unanimous consent to have printed in the Record at this point a telegram received from the National Association of College Veterans which represents some 300,000 Vietnam-era veterans.

There being no objection, the telegram was ordered to be printed in the Record as follows:

March 6, 1973.

Hon. Vance Hartke,
Chairman, Senate Committee on Veterans' Affairs, Washington, D.C.

Dear Senator: We are deeply distressed over the lack of comprehensive legislation dealing with the needs of our veterans who are afflicted with problems related to drug abuse. A considerable amount of time and energy has gone into the development of S. 284, the Veterans' Drug and Alcohol Treatment and Rehabilitation Act of 1973. Lengthy hearings were held in the previous Congress. We now think it is time to act, and to begin to deal with the readjustment of those fellow veterans who suffer so much on account of the lack of proper treatment and rehabilitation in these areas.

Your prompt action is deeply appreciated.

Jim Mayer,
President, National Association of Collegiate Veterans.

Mr. HARTKE. Mr. President, in quite simple terms this is the problem with which we are faced: Young men thrown into a hostile environment thousands of miles from home where heroin and other dangerous drugs were readily available and cheap tragically have become addicted and brought this addiction home with them. We owe an obligation to these men to help free them from their addiction so that they may become productive members of society. The bill which we will vote on today is an important step in fulfillment of that national debt. More than that, we as a nation cannot afford to lose the talent, the energy, and the hope of 100,000 drug-addicted veterans. As such, it is a crucial investment in the future of our great country. Mr. President, I urge that the Senate pass the Veterans' Drug and Alcohol Treatment and Rehabilitation Act of 1973.

Mr. HANSEN. Mr. President, S. 284 is a drug addiction and dependency bill that has received many hours of consideration by the committee. This bill, we feel, falls in line with the President's program of providing treatment to all persons who request treatment for their drug problems.

S. 284 will permit the Veterans' Administration to provide treatment to those veterans who received less than an honorable discharge. In many instances the veteran who received less than an honorable discharge received it, because of a drug problem attained while serving in Southeast Asia. Therefore, in many instances, we should do our level best to provide care that he may return to society as near equal as possible to his status prior to entrance into the Armed Forces.

Here, again, it is hoped that my colleagues will support this measure.

Mr. HUGHES. Mr. President, I rise to voice my support for the passage of S. 284, the Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1973, and to commend my fellow members of the Committee on Veterans' Affairs, particularly Senator Cranston, for bringing this bill to the floor of the Senate.

Senator Cranston was among the first to perceive the problem, now full-blown, that this legislation is designed to alleviate. Long before the Nation or the administration woke up to the fact that tens of thousands of young men were coming back from Vietnam addicted to heroin and being released into civilian life for the most part unrehabilitated, Senator Cranston was alerting the country to the impending epidemic and mobilizing support within the Congress for measures to deal with it. He did so first from his position as chairman of the Veterans Subcommittee of the Committee on Labor and Public Welfare and then as chairman of the Health and Hospitals Subcommittee of the Committee on Veterans' Affairs after this committee was created 2 years ago.

As chairman of two Senate subcommittees concerned with drug abuse, including alcoholism, in the civilian and military sectors of our society, and as a member of Senator Cranston's Health and Hospitals Subcommittee, I know of the long hours and hard work he has given unselfishly to the job of finding a solution to this problem among veterans. I am equally aware of the magnitude of the problem and of the obstacles that prevent the drug-addict or drug-abusing veteran from getting the kind of treatment he needs.

Recently, the Christian Science Monitor estimated that out of the some 600,000 heroin users in the United States about 100,000 may be veterans. It also found after a survey that from 70 to 80 percent of those the Monitor described as heroin-addicted veterans are not being reached by the Veterans' Administration's programs. A part of the problem seems to be, according to the paper, that while the VA expects to be able to handle 20,000 heroin-using veterans and 10,000 more with other drug problems by mid-1973, many veterans with drug problems are underutilizing the VA facilities that already exist. The reason apparently is that many Vietnam-era veterans regard the VA drug treatment program as an extension of the military, as an environment that may be comfortable for the older veteran with more acceptable disabilities than narcotics addiction, but not for the younger man with a drug problem. As a result, many veterans with drug problems have sought help from non-VA programs, and to a great extent they account for the long waiting lists that some of these programs have been beset with.

This reluctance on the part of veterans to enter VA drug treatment programs came to light at hearings of the Health and Hospitals Subcommittee which Senator Cranston and I cochaired in June of 1971. One obstacle we found that was keeping veterans from treatment involved location: Veterans living long distances from the VA's drug treatment centers would have been hard pressed to avail themselves of outpatient treatment and to try to hold down a job back home at the same time. And getting and holding a job is important to an individual's rehabilitation from drug or alcohol abuse—almost as important, perhaps, as the direct treatment he receives.

Several provisions of the bill before us today are designed not only to enlarge the VA's treatment resources but to make those resources more attractive to the veteran. For example, the bill gives the VA contracting authority which can bring treatment right into the veteran's neighborhood in the form even of storefront centers more suited to his surroundings and his life style. Other provisions would make available a wide array of resources necessary to his rehabilitation, including training, vocational rehabilitation, and educational opportunities. As I have said, getting and keeping a job is sometimes as important to the recovery of a drug or alcohol addict as the treatment he may receive in a clinic or a halfway house, and S. 284 is significant in that it recognizes this.

The bill also broadens the eligibility base for veterans with nonalcoholic drug problems by making treatment available regardless of the type of discharge they received. It does not remove the stigma of an undesirable, bad conduct or dishonorable discharge, but it does open VA's doors to this group of veterans.

Unfortunately, the bill does not extend the same eligibility for treatment to that group of veterans with less-than-honorable discharges who happened to fall victim to alcoholism. In my opinion, they carry the heaviest burdens of all. Much of the time of my staff is spent threading through the bureaucratic maze on behalf of veterans, many of them older men, who became alcoholics in service and in most cases were released into civilian society with the kinds of discharges that bar them from treatment by the VA.

Surveys in our possession show the tremendous cost that society has borne and continues to bear by allowing these people to drift from one civilian detoxification ward to another, from one ill-paying job to another, from one jail to another, until through some quirk of fate or mercy they get the help they need or they simply wear out and die. I want to emphasize on the other hand, that the armed forces are beginning to recognize the high incidence of alcoholism among their members, and I commend them for the efforts they are making to head off the problem of alcoholism within the ranks by providing treatment instead of taking the traditional easy way out of simply exporting the victims of this disease back to civilian society.

Thus, I was very reluctant to agree to S. 284 so long as it denied eligibility for treatment to alcoholic veterans who received less-than-honorable discharges while making it available to those in this category who suffer from nonalcohol drug problems. But I am mindful of the resistance on the part of the House to closing this gap in the bill, and I recognize that S. 284 even with this omission will go a long way toward relieving the problem of drug abuse among our veterans. As noted in the report accompanying S. 284, the Committee on Veterans' Affairs plans a major investigation of the VA alcohol program during this Congress. I hope that this study will encompass the omission I have cited, and if so I am confident that a finding will be made that this prohibition should be lifted.

With this reservation, Mr. President, I urge passage of S. 284. The buck has been passed long enough. It has to stop somewhere, and I suggest that we stop it here.

Mr. SCHWEIKER. Mr. President, a recent study released by Ralph Nader's Center for the Study of Responsive Law points up a critical problem facing many veterans: Only those veterans with honorable discharges may obtain medical treatment from VA facilities. This provision effectively excludes treatment for the people needing it most—veterans with drug dependency problems whose type of discharge precludes their treatment.

Senator CRANSTON's bill, S. 284, is a means of remedying this problem. It incorporates a provision of my bill (S. 519) that does this by providing medical treatment for veterans with a service-connected disability with other than a dishonorable discharge. Thus, those veterans discharged because of their drug dependency may, if this bill is enacted into law, seek rehabilitative treatment from the VA.

As I stated when I introduced S. 519, the Veterans Drug and Alcohol Abuse Rehabilitation Act, this is a voluntary program for veterans. We are opening the resources of the veterans program to those individuals who seek help in eliminating drugs and the need for them from their lives. I feel that the serious problems of drug abuse must be handled at all levels of society. There must be cooperation between Federal, State, and local governments; there must be coordination between public and private groups; and there must be continuity between military and civilian education and rehabilitation efforts. The vast resources of the Veterans' Administration are available and should be made accessible to the veterans needing them most.

Mr. STAFFORD. Mr. President, S. 284, the Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1973, is a bill that truly recognizes a need of our most recent veterans.

This bill creates the comprehensive treatment and rehabilitation services and programs for those disabled veterans suffering from alcoholism and drug dependence or their related problems. It is a giant step forward and has my support. This bill is similar to the bill that passed the Senate last year which I cosponsored.

The need for this bill is still paramount and I strongly support this bill and urge my fellow Senators to join me.

Mr. RANDOLPH. Mr. President, I express my earnest support for the Veterans Drug and Alcohol Treatment and Rehabilitative Act of 1973, which I cosponsor.

For years, the Congress and the Nation have been sympathetic to our service-disabled veterans—those who are disabled by loss of limb, loss of sight or hearing, or paralysis. We have provided medical care and treatment and monetary compensation for them and their dependents. It is time that we recognize that alcohol or drug dependence or abuse are in many cases equally if not more disabling. The Vietnam era veteran suffering from alcoholism is no less disabled than the World War II veteran who contracted malaria in the Pacific; he has a medical disease—a medical disability—and as a veteran he is entitled to treatment and rehabilitation. S. 284 would provide the care he needs.

This legislation recognizes that treatment is the first of two steps which must be provided for the victims of drug and alcohol dependency and abuse; the second phase is rehabilitation. These veterans in so many instances have faced social castigation and have found the door to job opportunity closed—roadblocks not often encountered by the veteran in a wheelchair or on crutches or with an artificial limb. These obstacles must be overcome and this bill can help accomplish this goal.

Another important provision in S. 284 is the treatment of these diseases, determined to be service connected, without the unfair and unjust stigma of a dishonorable discharge. We have been painfully slow in admitting that alcohol and drug dependency and abuse are diseases. Their victims are entitled to treatment—not punishment—for their afflictions.

Mr. President, I urge the Senate to adopt this vital measure.

Mr. HANSEN. Mr. President, these three bills which we have discussed and voted on today have done much toward improvement of the treatment and benefits we owe our Nation's veterans. I want to thank all members of the committee for their wonderful cooperation in behalf of these bills. The staffs of Senators and the staff of the committee have worked long and hard to prepare these bills which we feel would be satisfactory, and we expect such concerted efforts to continue in the future with all bills which come before the Veterans' Affairs Committee.

Mr. CRANSTON. Mr. President, I yield back the remainder of my time.

Mr. HANSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), the Senator from Michigan (Mr. HART), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Indiana (Mr. BAYH), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from Arizona (Mr. FANNIN), the Senator from Oregon (Mr. PACKWOOD), and the Senator from South Carolina (Mr. THURMOND) are absent on official business.

The Senator from Michigan (Mr. GRIFFIN) is detained on official business.

If present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "yea."

The result was announced—yeas 87, nays 2, as follows:

[No. 34 Leg.]

YEAS—87

Aiken
Allen
Baker
Bartlett
Beall
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fong
Fulbright
Goldwater
Gravel
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Weicker
Young

NAYS—2

Bellmon
Bennett

NOT VOTING—11

Abourezk
Bayh
Ervin
Fannin
Griffin
Hart
Packwood
Stennis
Thurmond
Tunney
Williams

So the bill (S. 284) was passed.

(NOTE.—The text of S. 284 is identical to the text as printed earlier in the RECORD at the point where the Senate proceeded to consider S. 284.)

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Secretary of the Senate be permitted to make technical changes in the engrossment of S. 284.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIAN CLAIMS COMMISSION APPROPRIATIONS, 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 59, S. 721; that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read the bill, as follows:

A bill (S. 721) to authorize appropriations for the Indian Claims Commission for fiscal year 1974, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment in line 5, after the word "fiscal", strike out "years 1974, 1975, 1976, and 1977 such sums as may be necessary to complete the program of the Indian Claims Commission" and insert "year 1974, a sum not to exceed $1,200,000 for the necessary expenses of the Commission"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated to carry out the provisions of the Indian Claims Commission Act (25 U.S.C. section 70), during fiscal year 1974, a sum not to exceed $1,200,000 for the necessary expenses of the Commission.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TREASURY MARKET FINANCING

Mr. HARRY F. BYRD, JR. Mr. President, for the past few years I have obtained figures on Treasury market financing from mid-October to mid-February. I began this in 1968 and 1969, and I felt that I noted, as a result of the Treasury borrowing, a trend toward higher interest rates during that earlier period. That proved to be the case.

I received today new figures for mid-October of 1972 through mid-February of 1973. We find again very heavy borrowing by the Federal Government. The total during this period was $21 billion.

The significant figure is that $17 billion of this was for cash, while the exchange was only $4 billion. That is a reversal from previous years, and not a desirable one as I see it.

The amount of Treasury financing for cash of $17 billion compares with $13.7 billion for the year before, $9 billion the year before that, approximately $9 billion the year before that, and $7 billion the year before that.

Mr. President, I ask unanimous consent that these figures be published at this point in the RECORD.

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

TREASURY MARKET FINANCING MID-OCTOBER 1972 TO MID-FEBRUARY 1973

[Excludes the rollover of regular weekly and monthly bills]

Issue date	Description	Length		Amount issued (millions)		
		Years	Months	For cash	In exchange	Total
1972						
Oct. 19	6-percent note	1	11½	$2,060		$2,060
Oct. 31	Annual bill	1		600		600
Nov. 2	13-week bill		3	100		100
Do	26-week bill		6	100		100
Nov. 9	13-week bill		3	100		100
Do	26-week bill		6	100		100
Nov. 15	6¼-percent note	4		3,036		3,036
Nov. 16	13-week bill		3	100		100
Do	26-week bill		6	100		100
Nov. 24	13-week bill		3	100		100
Do	26-week bill		6	100		100
Do	Tax anticipation bill		5	2,012		2,012
Nov. 30	13-week bill		3	100		100
Do	26-week bill		6	100		100
Do	Annual bill	1		100		100
Dec. 5	Tax anticipation bill		6½	2,510		2,510
Dec. 7	26-week bill		6	100		100
Dec. 14	13-week bill		3	100		100
Do	26-week bill		6	100		100
Dec. 21	13-week bill		3	100		100
Do	26-week bill		6	100		100
Dec. 28	13-week bill		3	$100		$100
Do	26-week bill		6	100		100
Do	5⅞-percent note	2		2,102		2,102
Dec. 31	Annual bill	1		100		100
1973						
Jan. 4	13-week bill		3	100		100
Do	26-week bill		6	100		100
Jan. 10	6¾-percent bond	20		627		627
Jan. 11	13-week bill		3	100		100
Do	26-week bill		6	100		100
Jan. 18	13-week bill		3	100		100
Do	26-week bill		6	100		100
Jan. 25	13-week bill		3	100		100
Do	26-week bill		6	100		100
Jan. 31	Annual bill	1		100		100
Feb. 15	6⅝-percent note	6	9	1,600		1,600
Do	6½-percent note	3	6		$3,890	3,890
	Total			17,347	3,890	21,237
	Recap:					
	Short-term bills			3,400		3,400
	Notes and bonds			13,947	3,890	17,837

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TREASURY MARKET FINANCING MID-OCTOBER 1971 TO MID-FEBRUARY 1972

[Excludes the rollover of regular weekly and monthly bills]

Issue date	Description	Length		Amount issued (millions)		
		Years	Months	For cash	In exchange	Total
1971						
Oct. 21	26-week bill		6	$200		$200
Oct. 22	5⅞-percent note	3	4	2,045		2,045
Oct. 28	26-week bill		6	200		200
Nov. 4	do		6	200		200
Nov. 11	do		6	200		200
Nov. 15	4⅞-percent note	1	3	2,768	$1,500	4,268
Do	6-percent note	7			8,207	8,207
Do	6⅛-percent bone	15		24	1,192	1,216
Nov. 18	26-week bill		6	200		200
Nov. 26	do		6	200		200
Dec. 1	Tax anticipation bill		4⅔	2,506		2,506
Dec. 2	26-week bill		6	200		200
Dec. 9	do		6	200		200
Dec. 13	Tax anticipation bill		6⅛	2,010		2,010
Dec. 16	26-week bill		6	200		200
Dec. 29	Tax anticipation bill		3⅔	1,526		1,526
Do	do		5⅔	1,016		1,016
1972						
Feb. 15	5¾-percent note	4	3		2,802	2,802
Do	6⅜-percent bond	10		66	2,131	2,197
	Total			13,761	15,832	29,59
	Recap:					
	Short-term bills			8,858		8,858
	Notes and bonds			4,903	15,832	20,735

Source: Office of the Secretary of the Treasury, Office of Debt Analysis, Jan. 26, 1973.

TREASURY MARKET FINANCING MID-OCTOBER 1970 TO MID-FEBRUARY 1971

[Excludes the rollover of regular weekly and monthly bills]

Issue date	Description	Length: Years	Length: Months	Amount issued (millions): For cash	Amount issued (millions): In exchange	Amount issued (millions): Total
1970						
Oct. 15	26-week bill		6	$100		$100
Do	Tax anticipation bill		8	2,500		2,500
Oct. 22	26-week bill		6	100		100
Oct. 29	do		6	100		100
Oct. 31	Annual bill	1	0	200		200
Nov. 5	26-week bill		6	100		100
Nov. 12	do		6	100		100
Nov. 15	7¼-percent note	3	6		$4,508	4,508
Do	7½-percent note	5	9		2,511	2,511
Nov. 16	6¾-percent note	1	6	2,038		2,038
Nov. 19	26-week bill		6	100		100
Nov. 27	13-week bill		3	100		100
Do	26-week bill		6	100		100
Nov. 30	Annual bill	1	0	200		200
Dec. 2	Bill strip		2	2,105		2,105
Dec. 3	13-week bill		3	100		100
Do	26-week bill		6	100		100
Dec. 10	13-week bill		3	100		100
Do	26-week bill		6	100		100
Dec. 17	13-week bill		3	100		100
Do	26-week bill		6	100		100
Dec. 24	13-week bill		3	100		100
Do	26-week bill		6	100		100
Dec. 31	13-week bill		3	100		100
Do	26-week bill		6	100		100
Do	Annual bill	1	0	200		200
1971						
Jan. 31	do	1	0	200		200
Feb. 15	5⅞-percent note	4	6		7,600	7,600
Do	6¼-percent note	7	0		8,300	8,300
	Total			9,243	22,919	32,162
	Recap:					
	Short-term bills			7,205		7,205
	Longer notes			2,038	22,919	24,957

Source: Office of the Secretary of the Treasury, Office of Debt Analysis, Feb. 3, 1971.

TREASURY MARKET FINANCING MID-OCTOBER 1969 TO MID-FEBRUARY 1970

[Excludes the rollover of regular weekly and monthly bills] [1]

Issue date	Description	Length: Years	Length: Months	Amount issued (millions): For cash	Amount issued (millions): In exchange	Amount issued (millions): Total
1969						
Oct. 14	Tax anticipation bill		6⅓	$2,007		$2,007
Oct. 29	do		8	3,004		3,004
Nov. 6	13-week bill		3	101		101
Nov. 13	do		3	114		114
Nov. 20	do		3	99		99
Nov. 26	Tax anticipation bill		5	1,007		1,007
Do	do		7	1,504		1,504
Nov. 27	13-week bill		3	102		102
Dec. 4	do		3	96		96
Dec. 11	do		3	99		99
Dec. 18	26-week bill		6	101		101
Dec. 26	do		6	118		118
1970						
Jan. 2	do		6	93		93
Jan. 9	do		6	109		109
Jan. 16	do		6	102		102
Jan. 23	do		6	106		106
Jan. 29	do		6	100		100
Feb. 15	8¼-percent note	1	6		$2,257	2,257
Do	8⅛-percent note	3	6		1,839	1,839
Do	8-percent note	7	0		1,856	1,856
	Total			8,862	5,952	14,814
	Recap:					
	Short term:					
	Bills			8,862		8,862
	Notes				2,257	2,257
	Longer notes				3,695	3,695

[1] The bill figures in the body of the table represent cash additions to regular bill series. Gross refunding amounts for the Oct. 14, 1969, to Feb. 12, 1970 are: 13-week series $32,400,000,000, 26-week series $21,600,000,000, 9-month series $2,000,000,000, and 1-year series $4,000,000,000.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis, Feb. 4, 1971.

TREASURY MARKET FINANCING MID-OCTOBER 1968 TO MID-FEBRUARY 1969

[Excludes the rollover of regular weekly and monthly bills] [1]

Issue date	Description	Length: Years	Length: Months	Amount issued (millions): For cash	Amount issued (millions): In exchange	Amount issued (millions): Total
1968						
Oct. 24	Tax anticipation bill		8	$3,010		$3,010
Nov. 15	5⅝-percent note	1	6		$7,793	7,793
Do	5¾-percent note	6	0		2,329	2,329
Dec. 2	Tax anticipation bill		6¾	2,001		2,001
1969						
Jan. 20	do		5	1,759		1,759
Feb. 15	6⅜-percent note	1	3		8,764	8,764
Do	6¼-percent note	7	0		3,739	3,739
	Total			6,770	22,625	29,395
	Recap:					
	Short term:					
	Bills			6,770		6,770
	Notes				16,557	16,557
	Longer notes				6,068	6,068

[1] The bill figures in the body of the table represent cash addition to regular bill series. Gross refunding amounts for the Oct. 15, 1968, to Feb. 13, 1969 are: 13-week series $28,800,000,000, 26-week series $19,800,000,000, 9-month series $2,000,000,000, and 1-year series $4,000,000,000.

Source: Office of the Secretary of Treasury, Office of Debt Analysis, Feb. 4, 1971.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR RECOGNITION OF SENATOR STEVENS AND SENATOR HARRY F. BYRD, JR., AND PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON THURSDAY, MARCH 8

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the distinguished Senator from New York (Mr. Buckley) has been recognized under the order previously entered, the distinguished Senator from Alaska (Mr. Stevens) be recognized for not to exceed 15 minutes, and that he be followed by the distinguished senior Senator from Virginia (Mr. Harry F. Byrd, Jr.) for not to exceed 15 minutes, at the conclusion of which there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CONTINUED RISE IN THE PRICE OF FOODSTUFFS IN AMERICA

Mr. DOMENICI. Mr. President, as a Member of Congress, I have listened with care to the explanations of our President and of Secretary Butz about the continued rise in the price of foodstuffs in America.

I find their observations have considerable merit.

As a private individual, however, and the father of a family somewhat larger than the average for America, I observe—especially when my wife calls it so sharply to my attention—that the price of our weekly supermarket carts is spiralling ever upward.

Part of my frustration in the matter may be that I do not even know whom to blame. Certainly I do not blame the farmer or the cattle grower, whose share of the profits seems not yet to have reached those of other sections of our economy. I cannot specifically blame manufacturers of food and fiber, wholesalers, or retailers.

But I am very sure of one thing: whoever may or may not be to blame, if we are to have a solution, the sacrifice necessary to bring it into being must be shared by everyone.

I predict to the Senate today that if these costs continue to rise, there is no way in the world we can keep the demands of labor for wage raises within the guidelines the President has established. The market basket and its price simply make up too big a share of the spending of a laboring man's family for this to be remotely possible.

What I am saying, Mr. President, is that I do not believe controls on some parts of our economy will be really effective unless we reasonably control all parts of our economy.

By what logic do we expect controls on wages to work when there are no controls on the price of the things those wages will buy? How is it fair—or even effective—to control a man's pay envelope when we do not effectively control profits of huge portions of our economy?

To solve our economic problems, some squeeze in one area alone is not enough; every segment of the economy must bear some squeeze. Otherwise, while the economy cools in one area, it heats up in another.

Mr. President, I address these observations to the Senate, not merely on behalf of my constituents, but also on behalf of my own family and out of sympathy with all families who bear the burden of the checkout counter—and who cannot go on seeing prices increase indefinitely.

QUORUM CALL

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENTS ON COMMON CAUSE MEMORANDUM RELATING TO SENATE RESOLUTION 69

Mr. ROBERT C. BYRD. Mr. President, prior to the debate and the vote earlier today on Senate Resolution 69, a memorandum, or news letter, entitled "News from Common Cause" was circulated. That memorandum, with respect to Senate Resolution 69, was dated for release Tuesday, February 27, 1973.

The common cause news letter was misleading, erroneous, and unfair in several respects. I shall address my comments to it at this time, for the RECORD.

To begin with, the Common Cause memorandum, which I shall shortly place in the RECORD in its entirety, states as follows:

> The Senate Rules Committee is attempting to derail a major Senate effort to end secret committee meetings, including mark-up and voting sessions. An effort is being made to rush through the Senate a resolution that would enable the most powerful Senate committees to continue to hold their legislative deliberations in secret.

To the contrary, the facts with respect to this misleading statement, Mr. President, are as follows: The Senate Committee on Rules and Administration reported Senate Resolution 69, providing for a change in rule XXV to make it possible—I repeat, to make it possible—for standing committees to hold open sessions when marking up and voting on proposed legislation. This they were forbidden to do—prior to the vote today—under the Legislative Reorganization Act of 1946, as amended.

Thus, far from attempting to "derail" an effort to end secrecy, the Rules Committee proposed a big step away from secrecy. The proponents of the resolution, Senate Resolution 69, considered that measure to embody a reasonable and forward move which had an excellent chance of adoption, one which was justified in the face of actions by some standing committees taken prematurely to open their markups, which actions under the existing legislative reorganization acts were illegal. Heretofore, over a period of 27 years, under the Legislative Reorganization Act of 1946, no standing committee could legally open its markup and voting sessions. There was no provision whatsoever for opening up such sessions. Senate Resolution 69, in reality, provided—for the first time ever—a rule whereby markup and voting sessions of standing committees can be opened to the public. As I indicated earlier today, going back to the founding of the Senate in 1789, there is no indication that markup sessions and voting sessions of standing committees of the Senate were ever required to be open. To the contrary, indications are that they were universally closed. In fact, during the first 5 years of the Senate's history, the Senate itself met in closed sessions. Thus, it was the purpose of the Rules Committee—confronted with the urgency created by the actions of certain committees in voting prematurely to open their markup sessions—to act with dispatch to report a resolution that would free such standing committees of the Senate from the chains by which they had been bound by the Legislative Reorganization Act, and which prevented them from holding open markup and voting sessions, their own wishes to the contrary notwithstanding.

The Common Cause memorandum stated as follows:

> The Senate Rules Committee Chairman, Mr. Cannon, and the subcommittee chairman dealing with Senate Rules, Senator Robert C. Byrd, failed to set any dates for hearings on this subject.

Mr. President, the author of the Common Cause news release indicated by this verbiage his thorough lack of knowledge, apparently, not only of what the Senate rules actualy require but also of what the Constitution of the United States provides.

Common Cause thus implied in its newsletter that hearings were required regarding a rules change and that failure to set dates for hearings constituted some kind of breach of parliamentary procedure.

The fact is that the Subcommittee on Rules was under no obligation to set any dates for hearings on the subject of a rules change. The subcommittee was under no obligation to conduct any hearings on this subject. Likewise, the Committee on Rules and Administration was under no obligation to conduct any hearings on this subject.

Under the Constitution of the United States, article I section 5, "Each House may determine the rules of its own proceedings." The Senate, therefore, may determine the rules of its own proceedings. It is not required by the Constitution or by any rule of the Senate to conduct public hearings on rules governing its own proceedings.

So, to say that the Senate Rules Committee chairman, Mr. CANNON, and the Senate subcommittee chairman, Mr. ROBERT C. BYRD, "failed to set any dates for hearings on this subject," was unfair and misleading, as I say, and it indicated that the composer or composers of the Common Cause news memorandum either did not know what they were talking about or they deliberately sought to distort the facts in an effort to persuade Senators to oppose Senate Resolution 69.

Mr. President, Senate Resolution 22 by Senator HUMPHREY and others was referred by the Rules Committee to the Subcommittee on the Standing Rules of the Senate, of which I am chairman, at the Rules Committee meeting on January 31.

Senate Resolution 58 by Senator CHILES and others was referred to the subcommittee at the Rules Committee meeting on February 7.

Senate Resolution 65 by Senator STEVENSON and others was referred to the subcommittee by the Rules Committee at its meeting on February 21.

The Subcommittee on the Standing Rules of the Senate met at the call of its chairman, Mr. ROBERT C. BYRD of West Virginia, in the Rules Committee hearing room on February 8 to consider these measures. Present were Senator GRIFFIN, a member of the subcommittee, and I. The third member of the subcommittee, Mr. CANNON, was not present but had knowledge of the meeting and had expressed his viewpoint as to remedial action necessary to deal with the situation. Senator METCALF, a sponsor of Senate Resolution 58, was also present. A staff representative of Senator STEVENSON was present and submitted a statement of Senator STEVENSON.

Senator METCALF expressed interest on behalf of Senate Resolution 58, but particularly he stated the urgency of the situation and the need for prompt, effective action by the subcommittee and the need for prompt, effective action by the subcommittee and the full committee in reporting a resolution to the Senate, pointing out as he had done on previous occasions that without such action by the Senate, certain committees would be taking the risk of having acted illegally in opening their markup and voting sessions in contravention of the requirements of the Legislative Reorganization Act of 1946 as amended.

This was not a subcommittee committee hearing, Mr. President. As I have already indicated, no hearing was required.

This was a meeting of the Senate Subcommittee on Rules, of which I am chairman. I had invited Senator METCALF to be present, in view of the fact that he is a principal author, on the Senate side at least, and certainly the most knowledgeable Member of this body regarding the Legislative Reorganization Act of 1970. I invited him to attend the meeting, moreover, because he had impressed on me repeatedly the necessity of taking prompt action in view of the developing situation I have already described.

I also invited the Parliamentarian of the Senate, Dr. Floyd Riddick, so that we would have his expertise in guiding us with respect to the drawing up of an adequate resolution to deal with the emergent situation. Also present were staff members of the committee and the subcommittee.

Following the discussions with the distinguished Senator from Montana (Mr. METCALF), the subcommittee then proceeded to mark up an original resolution which eventually was numbered Senate Resolution 69. It was reported to the full committee on February 20, ordered reported by the full committee on that date and was reported to the Senate on February 21, 1973, 2 weeks ago tomorrow.

Mr. President, the Common Cause memorandum went on to state as follows:

> Meanwhile, the anti-secrecy move caught fire. Committees have the right to adopt their own rules, including anti-secrecy rules. The Senate Interior Committee, under Senator Metcalf's sponsorship, opened their committee meetings.

Mr. President, the facts do not exactly square with Common Cause's statement. Committees had no "right to adopt their own rules" with respect to opening the sessions for markups and voting. Actually, it is amazing that Common Cause did not know better.

Section 133(b) of the Legislative Reorganization Act of 1946, as amended, provided in effect that a standing committee cannot decide, whether by majority vote or otherwise, to adopt a rule to conduct markup or voting sessions in public, or to proceed in open session for markup and voting on an ad hoc basis from day to day. One wonders whether the author of Common Cause news release dated February 27 had ever read section 133(b) of the act.

So, again, may I say that Senate Resolution 69 was designed to give standing committees—for the first time—the right to adopt their own rules "pertaining to open markup and voting sessions"—a "right" which, I repeat, they did not have prior to the adoption of Senate Resolution 69 today by the Senate, notwithstanding the statements contained in the Common Cause memorandum.

The Common Cause memorandum then proceeded to state as follows:

> The anti-secrecy proposal went to the Rules Committee in mid-January. Nothing more was heard about the subject until late February when an obscure notice was printed in the back of the Congressional Record. That notice announced that the Rules Committee in secret session had approved "an original resolution to amend rule XXV of the Standing Rules of the Senate relative to open and closed sessions of committees." The action, it was later learned, was by voice vote at the meeting which had not been publicly announced. Thus, no one but the Senators present know how the committee members voted or for that matter, whether a quorum was present. No public hearings were held on the resolution.

Mr. President, I have already addressed myself to the fact that public hearings were not required on the resolution. I need not repeat what I have said.

Otherwise, the facts are that the February 20 meeting of the Rules Committee—at which the original resolution, Senate Resolution 69, was ordered reported—was in fact announced in the CONGRESSIONAL RECORD for February 19, in the Digest, page 111, as an executive session but without detailing items on the agenda, which was not necessary, not required, and ordinarily not done in the case of Rules Committee agenda.

The full agenda sent to each member of the committee, I believe, was delivered on February 16 and did list Senate Resolution 69.

Also, for the record, Senators CANNON, PELL, ROBERT C. BYRD, ALLEN, WILLIAMS, GRIFFIN, and HATFIELD—seven Senators—were present when Senate Resolution 69 was ordered reported by the Rules Committee.

Again referring to the Common Cause memorandum:

> There was no explanation of the content of the resolution. Two days later, the text was slipped into the Congressional Record amidst numerous routine announcements.

The facts are, Mr. President, that the report was filed and printed on February 21 as Senate Report 93–43, as is customary, and the fact of its being reported was announced in the CONGRESSIONAL RECORD for that day. It was thus available rather quickly to anyone interested.

Quoting again from the Common Cause memorandum:

> This deft move by the anti-secrecy forces (sic) was accomplished without consultation with the ranking minority member of the committee.

The so-called "deft move" was not by the "antisecrecy forces," Mr. President, as I have indicated by the word "sic." The agenda listing Senate Resolution 69, as item 1, under "Committee Business," was hand delivered to the office of each member of the Committee on Rules and Administration on February 16.

Mr. President, the able senior Senator from Kentucky (Mr. COOK), who is a member of the Committee on Rules and Administration, today addressed himself to the subject of the resolution; and, as I recall, he indicated that in his judgment the actions of the subcommittee and the full committee were completely within the rules.

The Common Cause newsletter also stated:

> Common Cause and the staffers in the sponsors' offices met immediately and decided that a strongly co-sponsored anti-secrecy measure must be offered on the floor and an active campaign started for support. The result was a "Dear Colleague" letter signed by Senators Brock, Cook, Chiles, Humphrey, Mathias, Roth and Stevenson urging support for a substitute for S. Res. 69.

Mr. President, I am advised that the distinguished Senator from Kentucky, Mr. COOK, did not sign the "Dear Colleague" letter mentioned by Common Cause. I ask unanimous consent that the Common Cause news release be printed in the RECORD in its entirety.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

EDITORIAL MEMORANDUM ON THE SENATE ANTI-SECRECY BATTLE (S RES 69)

The following memorandum traces the history of the anti-secrecy battle now going on in the U.S. Senate over S. Res. 69.

You are free to use this in any way you wish.

If you have any further questions, do not hesitate to contact our office.

The Senate Rules Committee is attempting to derail a major Senate effort to end secret Committee meetings including markup and voting sessions. An effort is being made to rush through the Senate a resolution that would enable the most powerful Senate committees to continue to hold their legislative deliberations in secret.

I. EARLY SENATE INTEREST

At Common Cause's urging, Senator Humphrey (D-Minn.) and Senator Roth (R-Del.) introduced a proposed anti-secrecy rules change this year. The proposal has the support of 16 other senators. Senator Chiles (D-Fla.) reintroduced his open meetings legislation which applies to the legislative, executive and independent agencies. The bill has 25 sponsors and Common Cause helped solicit sponsorship. Senator Stevenson (D-Ill.) and Senator Mathias (R-Md.) also introduced an anti-secrecy rules change.

Senate Rules Committee Chairman Cannon (D-Nev.) and the subcommittee chairman dealing with Senate rules, Senator Robert Byrd (D-W. Va.), failed to set any dates for hearings on this subject.

II. ANTI-SECRECY SPREADS

Meanwhile the anti-secrecy move caught fire. Committees have the right to adopt their own rules, including anti-secrecy rules. The Senate Interior Committee, under Senator Metcalf's sponsorship, opened their committee meetings. This is the first committee to do so. Senator Jackson (D-Wash.), the committee chairman, supported the move.

Senator Proxmire (D-Wisc.) and Senator Packwood (R-Ore.) moved to open the meetings of the Senate Banking, Housing and Urban Affairs Committee. Senator Tower (R-Tex.) moved to table and thereby kill the open meetings proposal. It failed by a vote of 9–6. The Banking Committee has the votes for open meetings. By agreement, the Banking Committee postponed their vote until early March.

III. SENATE RULES COMMITTEE ACTS

The anti-secrecy proposal went to the Rules Committee in mid-January. Nothing more was heard about the subject until late February when an obscure notice was printed in the back of the CONGRESSIONAL RECORD. That notice announced that the Rules Committee in secret session had approved "an original resolution to amend rule XXV of the Standing Rules of the Senate relative to open and closed sessions of committees." The action, it was later learned, was by voice vote at the meeting which had not been publicly announced. Thus, no one but the Senators present know how the committee members voted or, for that matter, whether a quorum was present. No public hearings were held on the resolution.

There was no explanation of the content of the resolution. Two days later, the text was slipped into the Congressional Record amidst numerous routine announcements. The resolution (S. Res. 69) provides that committee business meetings will be closed for marking up (drafting) bills, for voting "or when the committee by majority vote orders a closed session." Although the resolution allows a committee to vote to open any session that it designates as normally closed, experience suggests that whenever Congressmen are allowed to act in secret they normally opt to do so.

This deft move by the anti-secrecy forces was accomplished without consultation with the ranking minority member of the committee (Senator Cook) nor notification to the principal sponsors of anti-secrecy resolutions—Senators Chiles, Humphrey, Mathias, Roth and Stevenson. Their offices were surprised to read the notice in the Congressional Record. Senator Cook was at the meeting but left and was not told that an issue of which he was a co-sponsor was going to be discussed.

Common Cause and the staffers in the sponsors' offices met immediately and decided that a strongly cosponsored anti-secrecy measure must be offered on the floor and an active campaign started for support. The result was a "Dear Colleague" letter signed by Senators Brock, Cook, Chiles, Humphrey, Mathias, Roth and Stevenson urging support for a substitute for S. Res. 69. This substitute assures open meetings and hearings unless there is a public, recorded vote to close a session. It is patterned after a resolution already adopted by the House Democratic Caucus.

IV. CONCLUSION

The disgrace of secrecy is that it is really only secrecy-from-the-public. The Public Works Committee holds no mysteries for the highway lobby, nor the Agriculture Committee for agri-business, and the deliberations of the Ways and Means Committee or Finance Committee—so hidden from the public—are accessible to a whole swarm of loophole lizards.

Public business should be conducted publicly. The reasons for an exception to this rule should be few: adverse effect on national security, defamation, invasion of privacy. Every time a committee closes its sessions, it should do so only for that session, and its reasons should be specified.

Passage of the Common Cause supported substitute for S. Res. 69 will accomplish this.

Mr. ROBERT C. BYRD. Mr. President, I wish to express my appreciation to the distinguished Senator (Mr. HASKELL) who is presiding over the Senate at this late hour for his indulgence, and to other Senators, and to the officers of the Senate. I appreciate their indulgence, and I apologize for taking the time of the Senate. But I felt that it was only fair to the Committee on Rules and to the Subcommittee on Rules that these comments be made, setting the record straight, pointing to the errors and misleading paragraphs in the memorandum by Common Cause.

I feel that the Senate acted wisely today. I can understand the enthusiasm with which Common Cause approaches these matters. But enthusiasm is no excuse for error or misrepresentation. In all likelihood, the person or persons who prepared this memorandum—erroneous in many respects—probably never sat in a legislative body. I have no way of knowing, of course. In any event, they appear to be long on advice but short on experience, as is so often the case with such organizations.

I do not question the good intentions of the founders, representatives, or employees of Common Cause. I am sure they are acting in what they think are the best interests of the country.

But Common Cause is a special interest group. It does not represent the public, although it may claim to do so. We Senators are the duly elected representatives of the public, and we are responsible to the public in our several States—not to such special-interest organizations and pressure groups as Common Cause. I resent, and every Member of the Senate ought to resent the kind of deceitful newsletter released by Common Cause on February 27 in its effort to influence Senators to vote against Senate Resolution 69. This kind of misleading propaganda is intended to delude the public and undermine faith and confidence in the Senate. It ought to be rejected out of hand.

As I stated today, Mr. President, those of us who are elected by the people, and who have to stand for reelection by the people at regular intervals, we who have served in various legislative bodies from State legislatures to the House of Representatives, to the Senate, I think recognize that there are times when sensitive subjects must be discussed within the committees and that it is often in the best interests of the public—perhaps not in the best interest of special interest or pressure groups, but in the best interest of the public—that such committee meetings be closed.

Senate Resolution 69 made no change in section 133(A) subsection (b) of the Legislative Reorganization Act, which has to do with hearings. Hearings should be open, and they are open, and will remain open. Hearings of standing committees, select committees and special committees are open under the Legislative Reorganization Act, except when matters affecting national security are involved, or when testimony which would be adduced therein would be adverse to the reputation or character of a witness or some other individual, or would divulge matters deemed confidential under other provisions of law.

Section 133A(b) is not affected by the action that was taken today. Open hearings are in the public interest as provided by that section of the act, which, as I say, is left untouched.

As I previously indicated, under the Legislative Reorganization Act a record must be kept during markup sessions and voting sessions of the business that is transacted in each of the standing committees. That record can always be made public. Moreover, a tabulation of rollcall votes is required under the Legislative Reorganization Act, and that tabulation will indicate those who voted for and those who voted against any measure on which a rollcall vote is demanded.

Additionally, information concerning rollcall votes is required to be included in the committee report on any measure unless such information is previously announced.

So, under the rules and the Legislative Reorganization Act there is ample protection for the public. There have been times and there will be again when it is in the public interest that markup sessions be closed. It may not meet with the approval of special interest groups or pressure groups because they would like to be there and the power of their presence might then be overriding—or even intimidating—but the public interest would suffer because the public would not be present.

Again, as I attempted earlier to point out, Mr. President, the Senate is unlike the House of Representatives. For one thing, in the Senate, there is no rule of germaneness, except in appropriation bills or when unanimous-consent agreements include such. Additionally, unlike the House, there is no moving of the previous question here in the Senate which cuts off debate.

Furthermore, the Senate, unlike the House, has no closed rule. In the other body, the Committee on Ways and Means brings a bill to the floor under a closed rule and no Member of the House, other than a member of the Committee on Ways and Means, may offer an amendment to that bill. That is not the case in the Senate. Any Senator can, at any time on any bill or resolution, offer an amendment and demand a roll call vote on that amendment in the Senate in full public view.

So, Mr. President, for these reasons again I want to say I think the Senate took the right action today. I do not find any fault with those Senators who voted for the Roth amendment. I am sure they voted for what they thought to be in the best interests of the Senate and the public, but I think the majority of the Senate today—as so often the majority in the Senate in the past has done—saw the matter clearly, and voted wisely and in the longrun best interests of the people and of the Senate itself.

Mr. ROBERT C. BYRD. Mr. President, I also ask unanimous consent to have printed in the RECORD a column published in the Wall Street Journal of February 14, 1973, by Vermont Royster, titled "Thinking Things Over—Secrecy and All of That."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THINKING THINGS OVER

(By Vermont Royster)

SECRECY AND ALL OF THAT

One of the first chores of the new 93rd Congress, which began in January, was to organize itself—choose a Speaker, President pro tem of the Senate, majority and minority leaders, and assign members to the various committees where the real work gets done.

That last chore is especially important, and very touchy. It makes a bit of difference in the legislative process who gets assigned to what committee, and it has a lot to do with a new member's prestige and influence. A situation ready-made for acrimonious infighting.

This year, as usual, it was all done in secrecy. In the House, where the problem of divvying up committees is more acute because of the numbers, each party has a Committee on Committees. It, in turn, has a smaller subcommittee which does the actual work of assignment. And both the Committees on Committees and the subcommittees of the committees work behind closed doors.

Since this is the way it's always been done, and on the whole has worked pretty well, it might not be worth remarking upon except for the loud clamor in Congress against secrecy in government, especially the clamor from Democrats right now against a Republican administration. The issue of "the people's right to know" is one which the news media, too, usually make much of, except when they're talking about, "shield" laws to give reporters the right to decide what the people have no right to know.

But since Congress here makes an exception to its grand principle, and press criticism of it has been oddly muted, perhaps the example may serve for a closer look at this whole question of secret versus open processes in government as they affect good government, and so the public interest.

First off, it might be noted that open covenants secretly arrived at are nothing new in our Republic, a process not always decried either. When the Constitutional Convention met in Philadelphia to draw our charter for liberty, the first thing the Founding Fathers did was to close their sessions to press and public. We have only a few diary notes, especially those of Madison, as to who said what on what issue while the issue was in doubt.

The final covenant, the Constitution itself, was of course made public for the people to judge. But Benjamin Franklin, surely no foe of liberty or a free press, even urged the delegates to keep their debating difference secret after the event.

"If every one of us," he said at the last session, "were to report the objections he has had to it, and endeavor to gain partisans in support of them, we might prevent it being generally received and thereby lose all the salutary effects and great advantages . . . ."

A little browsing through the record shows that Congress has often seen virtues in "secret" discussions. In the past ten years the Senate has held closed sessions at least six times; in 1963 to discuss missile defenses, in 1966 to talk about the CIA, in 1969 to discuss the matter of Laos and Cambodia, to mention a few.

In the House any committee is required to close its sessions when dealing with some matters, as for example information which "may tend to defame, degrade or incriminate any person."

So we begin then with a recognition that some "secrecy" in the governmental process has not been universally condemned. Or, perhaps a better way of putting it, some privacy in the discussion that leads to decisions is useful to the public interest where what is sought are candid opinions uninfluenced by fears of how those opinions might be received in the glare of publicity.

The principle is often applicable whether the meeting be of a congressional committee, a President's Cabinet or of a local board of aldermen. What useful purpose would have been served by forcing Kissinger and Tho, in the name of the people's right to know, to hold their talks before scribbling reporters and the TV camera? Could they then have gotten an agreement?

Nor is this the whole of the matter. There are other instances when it is dubious whether total publicity serves the public interest. "Open records" are not necessarily a universal public good either. In many defense matters, obviously. There are many reports in governmental files, including income tax and personnel records, the casual broadcast of which could do private injury and, so doing, ill serve the public interest.

Yet for all of that it remains true that in a free society the public business must ultimately be open to the public scrutiny and public judgment. The issue of "secrecy in government" does not vanish simply because reasonable men have recognized, at diverse times for diverse causes, that some reserve contributes to the public business.

The problem is to decide which is which. And if that is sometimes difficult, whoever promised that ordering a free society would be easy?

One possible distinction, of course, is among the hearing, deliberation and decision processes. The hearing process, whether formal or informal, is that by which the public makes known its opinion, whether on war or peace or where to build a new highway or whether an accused is guilty. It can never be circumscribed or held in camera without grave injury.

Nor can the decision process. The public must know not only what was decided (no secret agreements, foreign or domestic) but who decided it. The roll must be called in Congress, the jury polled, the President stand up publicly to be counted.

It's in the process leading to decision, the deliberative process, that matters aren't so simple. It's all very well to say Congress should publicly debate questions before it, but the practical effect is to drive the deliberative process from the floor to the committee rooms, cloak rooms and corridors. There, in privacy, the members can discuss with candor, change their views without embarrassment, speak without the burden of defending partisan views, untempted to play to the gallery. No one expects a jury to deliberate in a packed town hall.

So there are, take it all in all, some occasions where privacy—secrecy, if you will—serves the governmental process better than the full glare of publicity. It's not a very remarkable thought, and would hardly be worth remarking except for the present clamor that those who serve us always serve us ill, no matter what the circumstances, if they close the door of the council chamber.

Anyway, those Founding Fathers, so revered in other matters, thought to conduct some affairs in "secrecy" and still gave us a pretty good government.

AUTHORIZATION FOR COMMITTEES TO REPORT BILLS AND JOINT RESOLUTIONS DURING ADJOURNMENT OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may be authorized during the adjournment of the Senate over until Thursday at noon to report bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE PRESIDENT AND THE HOUSE OF REPRESENTATIVES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until Thursday next, the Secretary of the Senate may be authorized to receive messages from the President of the United States and the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, AND THE ACTING PRESIDENT PRO TEMPORE TO SIGN DULY ENROLLED BILLS AND RESOLUTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until Thursday next the Vice President, the President pro tempore, and the Acting President pro tempore may be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD ON THURSDAY, MARCH 8, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the remarks of the Senator from Virginia (Mr. Harry F. Byrd, Jr.), on Thursday, the junior Senator from West Virginia (Mr. Robert C. Byrd) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Thursday next is as follows:

The Senate will convene at 12 o'clock noon. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Senators Hughes, Bellmon, Buckley, Stevens, Harry F. Byrd, Jr., and Robert C. Byrd.

Mr. President, following the aforementioned orders for the recognition of Senators there will be a period for the transaction of routine morning business of not to exceed 30 minutes with statements limited therein to 3 minutes each.

At the present time, only two measures are on the legislative calendar, they being S. 22, a bill to establish a system of wild areas within the lands of the National Forest System, and S. 800, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide for the compensation of innocent victims of violent crime in financial stress. Action may occur on either of these bills on Thursday. I would not rule out such action at this time.

Other bills and resolutions may be reported by committees during the adjournment and placed on the calendar and cleared for action by Thursday. Yea-and-nay votes could, therefore, occur on Thursday. The leadership urges all committees to take full advantage of the adjournment and conduct meetings or hearings in the interest of reporting measures to the Senate as expeditiously as is possible so that floor action thereon can follow. Time is wasting. The calendar is bare and the leadership has confidence that all committees will respond accordingly.

ADJOURNMENT TO THURSDAY, MARCH 8, 1973

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 noon on Thursday, March 8, 1973.

The motion was agreed to; and at 6:30 p.m. the Senate adjourned until Thursday, March 8, 1973, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 6, 1973:

U.S. District Courts

Daniel J. Snyder, Jr., of Pennsylvania, to be a U.S. district judge for the western district of Pennsylvania, vice Joseph F. Weis, Jr.

Department of Justice

Louis O. Aleksich, of Montana, to be U.S. marshal for the district of Montana for the term of 4 years (reappointment.)

Department of the Interior

Stephen Alan Wakefield, of Texas, to be an Assistant Secretary of the Interior, vice Hollis M. Dole.

Department of Commerce

C. Langhorne Washburn, of Virginia, to be Assistant Secretary of Commerce for Tourism.

Commodity Credit Corporation

The following-named persons to be members of the Board of Directors of the Commodity Credit Corporation:

Robert W. Long, of California, vice Thomas K. Cowden, resigned.

Clayton Yeutter, of Nebraska, vice Richard E. Lyng, resigned.

ACTION

Michael P. Balzano, Jr., of Virginia, to be Director of ACTION, vice Joseph H. Blatchford, resigned.

INTERSTATE COMMERCE COMMISSION

A. Daniel O'Neal, Jr., of Washington, to be an Interstate Commerce Commissioner for a term of 7 years expiring December 31, 1970, vice Rodolfo Montejano.

NATIONAL CREDIT UNION BOARD

Lorena Causey Matthews, of Tennessee, to be a member of the National Credit Union Board for a term expiring December 31, 1978, (reappointment.)

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be lieutenant

Dennis Pepe.

To be lieutenant (junior grade)

Kent P. Dolan.

DEPARTMENT OF TRANSPORTATION

Robert Timothy Monagan, Jr., of California, to be an Assistant Secretary of Transportation, vice John E. Hirten, resigned.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

John R. Ottina, of California, to be Commissioner of Education, vice Sidney P. Marland, Jr.

EXTENSIONS OF REMARKS

IMPACT AID PROGRAM FOR EDUCATION

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 6, 1973

Mr. HARRY F. BYRD, JR. Mr. President, the February 21 edition of the Norfolk Ledger-Star included an excellent editorial on the subject of the impact aid program for education.

As is pointed out in the editorial, it is essential that the level of Federal spending be reduced. But the editorial also states that impact funds are not the place to look for reductions.

Under the impact aid program, funds are paid by the Federal Government to localities to compensate for loss of taxes caused by the fact that Federal installations are situated within their boundaries. An interesting example is York County, Va., in which more than half the land area of the county is occupied by Government-owned installations, which are not on the tax rolls. Of the Government-owned land, 73 percent is Federal property.

The loss to local school districts which would be occasioned by a drastic reduction in impact aid funds would be severe.

I ask unanimous consent that the editorial, "The Assault on Impact Funds," be included in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ASSAULT ON IMPACT FUNDS

The struggle to preserve federal impact funds for education is an annual exercise with a fairly predictable scenario. The administration—any administration—proposes deep cutbacks in the program; the localities receiving the funds register their protests; the Congress usually responds by restoring them. And there was some encouragement yesterday, with respect to the current fight, when the House Appropriations Committee reported out a bill maintaining impact funds at their current level.

What could make the situation a little different this year is the emphasis that has been placed by President Nixon on keeping federal spending under control. Not only is there his impoundment of funds already appropriated by the Congress in this fiscal year's budget; he is trying to restrain the spending pressures in the budget proposed for fiscal '74.

The federal economizing effort is to be applauded; indeed this is absolutely essential if the nation ever hopes to win the battle against inflation and get the economy on an even keel.

But the impact funds simply are not, in our view, the place to look for reductions. In the first place, the philosophy behind them is very clear and logical. They go into the public education of military and other federally-connected children. The basic premise is that because local education funds come primarily from real estate taxes and the federal installations pay no taxes, the impact funds can help to offset in part—and only in part—this loss of local revenues.

Granted, Tidewater localities receive large amounts of money from Washington through this program. But, then, such installations as the Naval Base, the Naval Shipyard, the Naval Amphibious Base and many others remove from the local tax rolls vast amounts of valuable property that, in commercial hands, would yield far more in property tax dollars.

One thing that may have contributed somewhat to the perennial White House assault on the program is the fact that over the years it has been subject to much tampering. Formulas are altered, expanded, contracted and such, so that the basic purpose may too easily be forgotten in the congressional maneuvering.

But the fact that this practice has sometimes obscured the main purposes does not mean that those purposes are not fully valid. If the federal government sees fit to drastically curtail these revenues, because of the complex formulas or whatever reason, then in fairness it should offer an acceptable alternative: Like paying real estate taxes maybe?

RESOLUTIONS ADOPTED AT THE INTERPARLIAMENTARY CONFERENCE ON EUROPEAN COOPERATION AND SECURITY: REGULAR MEETING OF THE U.S. GROUP OF THE INTERPARLIAMENTARY UNION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 6, 1973

Mr. DERWINSKI. Mr. Speaker, as chairman of the U.S. Delegation to the Interparliamentary Union, it was my privilege and responsibility to participate along with Members of both the House and Senate in the Interparliamentary Conference on European Cooperation and Security held recently in Helsinki, Finland.

A detailed report of the meeting and the other functions in which the delegation participated will be presented for the RECORD. I am taking this time to insert into the RECORD the resolutions passed by the conference.

The resolutions follow:

WAYS AND MEANS OF DEVELOPING COOPERATION ON AN EQUAL FOOTING AND OF BUILDING UP LASTING PEACE AND SECURITY IN EUROPE, TAKING INTO ACCOUNT THE CONTRIBUTION OF THIS CONTINENT TO PEACE AND PROSPERITY IN THE WORLD

(a) Proposals in the area of security

(b) Proposals in the area of economic relations

(c) Proposals for co-operation in the areas of science, technology, education and culture, as well as exchanges of persons and information

The Inter-Parliamentary Conference on European Co-operation and Security,

Deeply conscious of the fact that Europe has, in this century, been the source of two world wars and is still that part of the world which has the largest concentration of armaments and armed forces,

Considering that the establishment of peace in the world will be assisted by the progress which will be made in organizing co-operation and security in Europe,[*]

Noting that important progress has been made in co-operation in Europe among States as a result of efforts by the States concerned and as reflected, in particular, in the conclusion of treaties between the Soviet Union, Poland and the Federal Republic of Germany, the Four-Power Agreement of June 1972, the treaty between the Federal Republic of Germany and the German Democratic Republic, and the agreement between the Soviet Union and the United States of America on the limitation of strategic weapons, as well as other treaties furthering peace in Europe,

Recalling the provisions of the Charter of the United Nations and of the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States, and reaffirming, in particular.

The principles of sovereignty, inviolability of frontiers, territorial integrity and independence as well as of the right to participate on an equal footing in international relations;

The right of all peoples to choose freely, without any kind of interference, the form of their respective social and political systems;

The duty of all States to refrain from the use of force or threats thereof, as well as to solve their conflicts by peaceful means and to implement in good faith their obligations under international law;

Considering that broad economic co-operation in Europe, as well as between the countries of that continent and those of North America, rendered particularly necessary by their economic development and based especially on the intensification of all possible forms of economic relations as well as on non-discrimination by the gradual reduction of discriminatory practices, could promote interdependence, mutual confidence and the security of European States,

Aware of the responsibilities of European countries to contribute to international economic development, particularly that of the developing countries,

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[*] The word "Europe" as used in this text implies, where appropriate, the inclusion of the United States of America and Canada as participating countries.

Considering that the protection of the human environment, which has become a priority concern in the world, is a particularly acute problem in Europe and must be faced on the international and if possible global levels, but that the desirable global solutions can be fostered by regional activities among countries having similar and common problems.

Noting that national minorities can contribute to the strengthening of good-neighbourly relations among European States,

Convinced that broader and more diversified co-operation in the areas of science education, culture and information and the extension of human contacts to the all-European level would contribute substantially to the elimination of the causes of misunderstanding, to the consolidation of peace and the establishment of lasting understanding on the European continent, as well as to the strengthening of ties between Europe and the other parts of the world.

Affirming, in particular,

The principle of respect for and preservation of the dignity and value of each culture;

The right and duty of each people to develop its culture;

The principle that all cultures, in their rich variety, form part of the common heritage belonging to all mankind;

The principle that international co-operation must cover all aspects of intellectual and creative activities relating to education, science and culture;

The need to promote economic and social conditions that would ensure for the general population free and democratic access to education, culture and information;

The importance of promoting, through the cultural co-operation of groups and individuals, the ideas of peace and friendship among people and of ensuring the authenticity of information disseminated and presented;

Recalling that, in conformity with the Universal Declaration of Human Rights, all States have an obligation to promote and encourage respect for human rights and for fundamental freedoms for all, without distinction as to race, sex, language or religion,

Recognizing the value of the above-mentioned general principles, the Conference therefore

(a) *supports* the convening of a Conference on Security and Co-operation in Europe (CSCE) on a governmental level as soon as possible after the positive conclusion of the multilateral preparatory consultations in Helsinki with a view to improving peaceful relations among all European States, the United States of America and Canada, and to developing their co-operation in all fields;

(b) *believes* that that Conference should be entrusted with defining, on the basis of the principles mentioned above, the specific positions that the participating States will adopt towards each other in their mutual relations, regardless of their ideologies, their political, social and economic systems;

(c) *feels convinced* that the establishment of lasting security and peace in Europe implies the disappearance of all causes of tension in all parts of the continent, having in view also the Mediterranean region.

I. PROPOSALS IN THE AREA OF SECURITY

The Conference,

1. *Wishes* to see national Parliaments contribute to the organization of détent and the strengthening of security in Europe;

2. *Notes* that the security of the European continent is dependent, to a large extent, on each State respecting and applying the generally recognized principles of international law which govern inter-State relations;

3. *Is aware* of the need to give concrete significance to the above-mentioned principles;

4. *Appeals* to Governments to examine, at the Conference on Security and Co-operation in Europe (CSCE), the question of the system for the peaceful settlement of disputes and, in case of need, that of its improvement;

5. *Calls upon* the Parliaments and Governments of each State to consider:

(a) Implementing steps to create greater mutual confidence among the Governments concerned leading to a genuine reduction of tensions, such as by giving advance notice of manoeuvres and exchanging observers;

(b) Stimulating a mutual and balanced reduction of armed forces and armaments in Europe, through negotiations which would be accessible to all States concerned, with a view to gradually reducing all armed forces and armaments to a less dangerous level and to ensuring the equal security of States, taking into account that the disarmament problem constitutes an essential component of security;

(c) Taking concerted action to combat terrorism in Europe and support the ratification of international conventions in this field.

II. PROPOSALS IN THE AREA OF ECONOMIC RELATIONS

The Conference,

1. *Calls upon* Governments of European States to support the activity of the United Nations Economic Commission for Europe and to avail themselves of the experiences of that body;

2. *Draws the attention* of European Parliaments and Governments to the fact that the development of trade in Europe requires the intensification of all possible forms of exchanges and economic cooperation, and the elimination of existing obstacles and discrimination;

3. *Recognizing* therefore the need to establish a common policy and programme of action for the exchange of data on scientific and technological achievements in order to promote economic research and development;

4. *Recommends* to all Parliaments and Governments of Europe:

(a) To consider measures to be taken to accelerate the building up of a European economic infrastructure, particularly in the fields of energy and all forms of transportation;

(b) To promote the idea of establishing an information centre for European industrial co-operation;

(c) To take measures which would promote tourism, e.g. mutual technical and financial assistance, liberalization and facilitation of border crossings, a system of insurance and the creation of standards of responsibility for tourist organizations;

(d) To establish mutual forms of long-term planning for the sending and receiving of labour forces, securing equal conditions of work and rights for migrant and indigenous workers, accelerating the elaboration of joint programmes for the development of co-operation and investment in order to open new possibilities for employment in the countries of emigration;

5. *Recommends* that Inter-Parliamentary Groups exercise, through the Parliaments of their countries, appropriate influence on their respective Governments in order that an agreement be reached at the CSCE, now under preparation, on the elaboration of a European programme for economic and cultural cooperation, the implementation of which would contribute to better understanding among peoples and the consolidation of peace and security in Europe and throughout the world;

6. *Recommends* that Parliaments encourage their Governments:

(a) To co-ordinate and promote collaboration with the developing countries so as to increase national and international programmes for development aid, and to devote to the development of these countries the financial advantages and savings that would be achieved as a result of European co-operation and security;

(b) To work for the reconstruction of existing tariff systems, insofar as their effects on the developing countries are contrary to the professed aims of aid and co-operation; and, in particular, to take measures to stabilize the prices of primary products at a remunerative level;

7. *Invites* all countries to realize as soon as possible the following goals:

(a) To develop further international environmental law;

(b) To take steps to initiate regional co-operation between national Governments in order to prevent a further deterioration of the environment in specific regions;

(c) To take action on the international level, through the appropriate agencies;

(d) To establish a general system of monitoring and surveillance that would provide data on the pollution of air and water, especially concerning rivers that cross frontiers, closed sea basins and seas around Europe;

8. *Recommends* Parliaments to give active support to the principle that regional co-operation for the protection and improvement of the human environment, especially in the field of the man-made environment and in relation to the pressing problems of pollution which have arisen in this respect, should be dealt with in a way which makes every European State directly concerned eligible to participate actively in such efforts;

9. *Calls upon* the Governments of all countries concerned with the pollution of the Baltic Sea to convene a Baltic Conference on Environmental Problems by the end of 1973 and establish a Baltic Commission for the Prevention and Control of Pollution;

10. *Requests* the Inter-Parliamentary Union to sponsor an Inter-Parliamentary Conference of States bordering on the Mediterranean, to be convened as soon as possible on the initiative of the Italian Chamber of Deputies and Inter-Parliamentary Group, in order to study problems relating to the pollution of this sea and its protection.

III. PROPOSALS FOR COOPERATION IN THE AREAS OF SCIENCE, TECHNOLOGY, EDUCATION AND CULTURE, AS WELL AS EXCHANGE OF PERSONS AND INFORMATION

The Conference,

1. *Invites* Parliaments to make every effort to promote and develop, taking into account the existing cultural and scientific agreements, bilateral and multilateral co-operation in the areas of education, science, culture, information and, in a more general way, to further contacts and exchanges between peoples;

2. *Also invites* Parliaments to pay special attention to the achievement of progress in the following areas:

A. *Contacts among people*

(a) Improvement of regulations and practices concerning the movement of European nationals across frontiers;

(b) Carrying out, in a humanitarian spirit, negotiations at the governmental level with a view to eliminating the problems posed by the separation of members of families seeking to be reunited;

(c) Development of tourist and professional exchanges, especially among young people, for better understanding and mutual benefit;

B. *Education*

(a) Improvement and modernization of educational methods and policies and the adoption of measures, especially as regards:

Forecasting of needs;

Study of new techniques;

Life-long education;

Equivalence of diplomas and degrees, particularly university degrees;

(b) Contribution of education to better international understanding, especially by the following means:

Revision of school textbooks, particularly those on history and geography, in order to present objectively the contribution of the various European national cultures to universal culture and not to impair the dignity of other peoples;

Conclusion of agreements for the recognition of degrees and diplomas;

Twinning among educational institutions;

Development of exchange programmes for professors, lecturers and students;

C. *Science*

(a) Development in all areas of co-operation in basic and applied research;

(b) Striving for long-term co-operation and the co-ordination of long-range plans;

(c) Participation in the large international programmes of scientific co-operation, particularly by developing a network of scientific co-operation among participating countries;

(d) Stimulation of joint research projects particularly in the fields of medicine and public health, including documentation and dissemination of information and the training of personnel;

(e) Development of cooperation between scientific and technical institutions, organizations and universities;

D. *Culture*

(a) Development of exchanges, particularly in order to promote mutual knowledge and the development of the various European cultures;

(b) Cooperation in the field of cultural development of foreign minorities resulting from migratory movements and support for the principle of cultural equality for these minorities by appropriate national legislation;

(c) Equality of rights and of possibilities of access to the cultural development of national and ethnic minorities;

(d) Broadening of cooperation between European countries and those of the other parts of the world;

(e) Development of tourism for cultural purposes;

(f) Organization of a "European Cultural Year";

(g) Promotion of universal accessibility to the hitherto little-known masterpieces of European literature and publication of an all-European anthology of literature;

E. *Information*

(a) Free flow of information by eliminating obstacles to the exchange of ideas, books, newspapers, films, and radio and television programmes, while recognizing the right of each country to protect its cultural and political values;

(b) Measures designed to facilitate foreign journalists in the exercise of their profession and to provide assurance of the security of Press correspondents in all countries;

(c) Utilization of the mass media for the purpose of broad mutual understanding;

(d) Development of the production, including joint production, of books, especially of low-cost editions;

3. *Further invites* Parliaments to define and seek the adoption of all the necessary means to implement the above objectives, especially by using the existing regional and international institutions and mechanisms and by the possible establishment of new procedures;

F. *Human Rights*

4. *Invites* participants to stress the need in their respective countries;

(a) to reinforce the application of the principles contained in the Universal Declaration of Human Rights;

(b) to hasten ratification of the International Covenants on Human Rights.

IV. FURTHER INTERPARLIAMENTARY ACTIVITIES IN THE FIELD OF COOPERATION AND SECURITY IN EUROPE

The Conference,

Calls upon the Inter-Parliamentary Council to authorize the organization, within the framework of the Inter-Parliamentary Union's activities, of meetings at suitable intervals which would enable the European Inter-Parliamentary Groups and those of the United States of America and Canada to consider and develop ideas and suggestions on specific aspects of European cooperation and security, it being understood that any necessary expenditure would be financed by contributions from the Groups concerned.

REGULAR MEETING OF THE U.S. GROUP OF THE INTERPARLIAMENTARY UNION

Mr. Speaker, as retiring chairman, I hereby announce the regular meeting of the U.S. group of the Interparliamentary Union which will be held at 4 p.m. Wednesday afternoon, March 7, in the Old Supreme Court Chamber, room S-228 in the Capitol, pursuant to the agenda approved by the executive committee of the U.S. Interparliamentary Union group.

Those members who are interested are urged to attend.

HOUSING FOR THE ELDERLY

HON. DICK CLARK

OF IOWA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 6, 1973

Mr. CLARK. Mr. President, the Omaha Regional Director for HUD, Guy Birch, has offered the ultimate solution to the scarcity of housing for the elderly: he told senior citizens in Iowa last week that the only alternative left is "to pray." One of his listeners, 67-year-old Ray Wilcox, replied that he reads the Bible every night and,

> It says in there that faith without works is dead.

His comment reflects my belief that we can and must do something about the situation ourselves.

The administration has been given the authority and granted the money to lessen the housing scarcity. As Father John Smith, chairman of the history department at St. Ambrose College, wrote in a letter to the Davenport Times-Democrat,

> Isn't it bad enough that the elderly are the victims of the new insensitivity of such governmental "economy," not to add to their discomfort with such misguided sermonizing!

Mr. President, I ask unanimous consent that both the February 22 article on Mr. Birch's speech from the Times-Democrat of Davenport, Iowa, and Father Smith's letter to the editor be printed in the Extensions of Remarks.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

HUD AIDE TELLS AGING TO PRAY

(By Bruce Johnson)

About 100 gray-haired residents of Davenport had a chance Wednesday to ask a federal official where they can turn in the face of government cutback on housing programs.

Guy Birch, area director of the Housing and Urban Development office in Omaha, Neb., told them they could always pray.

"You've got your beads," Birch said. "It sometimes helps to turn to a power greater than our own for support."

Birch and his staff assistants were in Davenport Wednesday for the ceremonial signing of a formal agreement between HUD and the city regarding ongoing services. But what he had to tell the elderly audience in the city council chamber left them with little to celebrate.

"Many of our programs have been suspended or terminated by the secretary's directive, to give us a chance to look at them and see if the money is really being spent as it was intended to be used," Birch said. "We in government are frustrated because we know that your problems don't change even if the programs do."

Among the Davenport projects that were indefinitely delayed by a freeze announced in January by former HUD Secretary George Romney were 100 units of low-cost conventional housing for the elderly and another 175 units of housing for poor families and the elderly.

Steve Goebel, a young staff worker for Senior Iowans Inc., was the first to respond to Birch's suggestion to "turn to a power greater than our own."

"Just when some of these programs are far enough along to be funded, the government comes along and wipes them all out," Goebel said. "Frankly, I'm embarrassed that the best answer you can give these people is to pray."

Ray Wilcox, the 67-year-old vice president of the Scott County chapter of the American Association of Retired Persons, rose slowly from his seat to say that he reads his Bible every night.

"It says in there that faith without works is dead," Wilcox noted. "You can do all the praying you want to, but if you don't start doing something you won't get any housing."

A succession of speakers made their way to a microphone to plead for adequate housing for the city's elderly, especially those living in the decaying apartments above the stores and businesses in the downtown core.

"Since Mr. Romney visited Davenport last year, our plight has worsened," Charlie Williams, 78, president of Senior Iowans, read from a statement.

"Some of the homes of our aged have no kitchen, no running water; there is faulty wiring, poor heating, too many steps to climb and toilets that you have to share with three or four other families—and when you get to the toilet it is not uncommon to find a vagabond sleeping in there," Williams said.

"Several of our elderly have already passed away since signing up for the waiting list for new housing. How many more will die before something is done?" he asked. The crowd applauded loudly.

Birch more than once pressed the theme that President Nixon is trying to divert the decision-making away from Washington and back to the local level.

"I throw it back to you," Birch told John Hand, another Senior Iowans case worker whose voice had trembled as he described the hazards in some of the places where old people are forced to live.

"The officials in Washington can't know all of your problems," Birch said, "How many fires will it take before the people locally become concerned enough to do something for their own elderly?"

Thelma Kass, a former member of the Iowa Commission on Aging, took issue with the HUD director on his statement that federal officials aren't fully informed of the needs at the local level.

"I was a delegate to the White House Conference on Aging a year-and-a-half-ago, and it seems we made a lot of noise at that time," Mrs. Kass said. "Is that all the farther it goes? What good does it do to write your congressmen when the letter just goes in the wastebasket?"

Paul Ryan, a member of the Davenport Levee Improvement Commission, described himself as "probably a senior citizen too" and told of his efforts with other businessmen to get an elderly housing program started several years ago.

"We were told to wait, and we're still waiting," Ryan said. "We owe these people," he added, waving an arm toward the audience. "They gave us the society we have today, and they shouldn't have to wait any longer for a decent home."

"Where do you suggest we go from here," asked Agnes Neumann, director of the volunteer Meals on Wheels program, "The need is now, but you say the money isnt' available now. Where do we turn?"

Elsie Nelson, a Senior Iowans member and familiar face at governmental sessions where problems of the aged are being discussed, vowed to "be around a long time and to keep fighting for the cause."

"We're starting to think we are the forgotten people," Mrs. Nelson said.

DEPARTMENT OF HISTORY,
Davenport, Iowa, February 22, 1973.

The EDITORS,
Readers' Forum, The Times-Democrat,
Davenport, Iowa

DEAR EDITORS: The recommendation of President Nixon's man—Guy Birch of the Housing and Urban Development office, Omaha, Nebraska (Times-Democrat, February 21)—that Davenport's elderly turn to their "beads" and "prayer" in the face of massive cuts in federal funding for the aging must be a new kind of obscenity, more gross in it implications than more commonly recognized indecencies.

Isn't it bad enough that the elderly are the victims of the new insensitivity of such governmental "economy," not to add to their discomfort with such misguided sermonizing!

The misuse of prayer and the love of God as cover-ups for some very real injustices is doubly offensive. It leaves the elderly, in fact, unsupported and lonely; and it resurrects the outmoded notion that religion is nothing more than the "opiate of the people"—a drug to be taken in the presence of misery unrelieved, and unrelievable.

In the midst of our present affluence and mid-way through the very genuine renewal in the churches, we have a right to expect better of our federal officials.

Sincerely,
Father JOHN S. SMITH,
Chairman.

55TH ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF THE REPUBLIC OF ESTONIA

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, March 6, 1973

Mr. SCHWEIKER. Mr. President, February 24, 1973, marks the 55th anniversary of the Declaration of Independence of the Republic of Estonia.

As are other Baltic States, Estonia is engaged in a struggle for freedom and self-determination. It is fitting that we pause today to commemorate that struggle, and to reaffirm our support for Estonia.

Mr. President, a 1959 New York Times editorial in the plight of the Baltic States, is applicable to the Estonian people's courageous struggle, and I ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

We do not propose to go to war for the liberation of the Baltic States. Nor do the citizens of those states, still resident there or in exile in other lands, argue for the sort of nationalism that existed between the first and second World War. What they do ask for is political, religious and cultural freedom. They are as aware as the rest of us that such freedom can exist only in a world of freedom.

In the Baltic countries the path to a better future is still dark, but it is not lost and will not be. The day of the overloads will not last forever. The time will come when the three lost little nations will be able to come out and join us.

DEPLORABLE POSTAL SERVICE INTERFERES WITH DAILY BUSINESS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 6, 1973

Mr. ALEXANDER. Mr. Speaker, from time to time I have shared with my colleagues the problems my constituents have had with the U.S. mail service. Invitations and announcements have arrived late. Some things never arrive at all. Today I would like to share with you the comments of Mr. Harold Henry who is president of the Cache River Production Credit Association. He clearly points out the way in which postal service affects our daily businesses. We cannot count on our money getting to the bank, on orders getting to customers, on bills being paid, on getting applications processed or on receiving any type of information which may be vital to our day's work. Mr. Henry's letter is reprinted below:

DEAR MR. ALEXANDER: In our visits from time to time you have so graciously insisted that should things come up where you might be of assistance, not hesitate to advise you.

I am wondering if I might make some observations for your consideration pertaining to our deplorable mail situation—first, second, third and all classes.

For instance, our oldest son at times has a rather acute sinus condition. He has a prescription here in Brinkley for tablets to help cope with this situation. Tuesday morning he called the drug store here in Brinkley and asked them to mail him some tablets under this prescription. It's Friday and he has not received the package just 60 miles away in Little Rock. The druggist has shown us more than sufficient evidence that they were mailed Tuesday afternoon, the day of the call.

As you might surmise, a great deal of the Association's service is dependent upon mail delivery. Having branch offices in Hickory Ridge, in Cross County, Arakansas, less than 40 miles to the north, McCrory, in Woodruff County, less than 30 miles in the same direction, and Holly Grove, in Monroe County, approximately 20 miles to the south. As you might imagine, farmers' applications, notes, mortgages and all instruments necessary in making loans are taken in these offices and sent via mail to the Brinkley, or Central, office, for further processing. At the time we established these offices, some eight to ten years ago, overnight mail service going in either direction was a certainty. Today with all our modern equipment, and now even trips to the moon, two to three days is required between all these points.

For the benefit of our farm people, which is our sole reason for existence, our Association does business with nine banks, to be exact, every bank in the three county area that we serve. We do this for a number of reasons, primarily for the convenience of the farmers, and among other reasons to create a good relationship with our banker friends. Just today, Robert Carvell, of the Rice Growers Bank, in Wheatley, just five miles to our east, called us pertaining to an overdraft of the Association, and upon examination of the full facts, we find that we had mailed Mr. Carvell a deposit for $40,000 several days back. I believe that you can appreciate the embarrassment that this created, aside from the fact that our farmers indirectly paid interest on this deposit with no benefit.

I truly believe that I speak the feelings of almost every business person in this area when I say our mail service has never been so unreliable. The conversation of mail and its condition has almost topped that of the weather and our farmers trying to harvest their crops last fall.

I don't believe that Mr. Clifton, who publishes the Brinkley Argus here in Brinkley would mind my relating to you that, upon completion of his publication of his weekly newspaper on Thursday afternoons, he takes them around to the neighboring post offices in order that they might delivered prior to the weekend, rather than get routed all over the country and delivered to the subscriber the following week.

Please allow me to recite one more little incident that I saw recently. The story went something like this: If the price of eggs had gone up in the last twenty years equal to that of first class postage, eggs would be something near $2.60 a dozen, except that today's eggs are much fresher.

I'm wondering if it is possible for our postal department to get a little less modern, let it's people go back to work, and give the American people a postal service they so richly deserve.

Knowing that you will accept these remarks in the true sincerity in which they are intended.

Yours very truly,
HAROLD HENRY,
President.

TRIBUTE TO MAYOR JACK C. HUNTER

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 6, 1973

Mr. REGULA. Mr. Speaker, it is an honor for me to take this time to honor a man who has done much for the good of his community. I would like to call the attention of the House to Mayor Jack C. Hunter, of Youngstown, Ohio. Mayor Hunter was recently awarded the Frank Purnell Award by the Youngstown Jaycees for having greatly contributed in civic affairs, education, industry in his community. In recognition of the mayor's efforts in behalf of Youngstown, I insert the following story which appeared in the Youngstown Vindicator:

MAYOR RECEIVES FRANK PURNELL AWARD

Mayor Jack C. Hunter was the surprised recipient of the Frank Purnell Award at the Youngstown Area Jaycees 38th annual awards dinner Thursday evening at the Elks Club.

The award is presented each year by the Jaycees to a person they consider to have contributed greatly in civil affairs, education, industry, or his community. The award was begun some years ago to honor the memory of Frank Purnell, late president of Youngstown Sheet & Tube Co.

Also honored last night were Ed Shebert, who was given a special President's Award from President Robert A. Booth, and John Zedaker of Poland, who was awarded a life membership in the Jaycees. Zedaker is only the ninth person in the organization's 37-year history so honored.

The 70 persons present heard football player Jim Houston, veteran linebacker for the Cleveland Browns, tell how the Browns have changed during the 13 years he has played for them, evaluate the coaches, and discuss the merits of artificial turf and genuine grass. He believes it does not make much difference which is used.